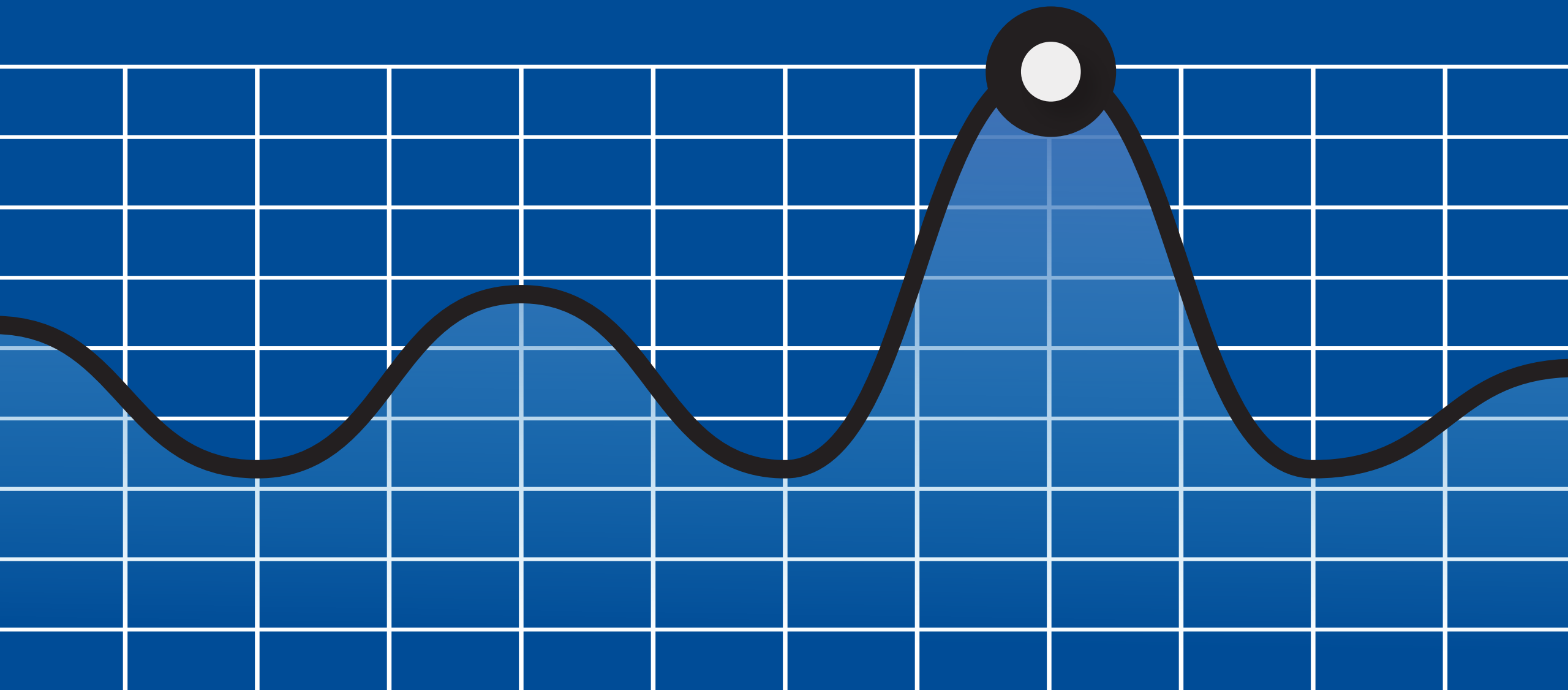


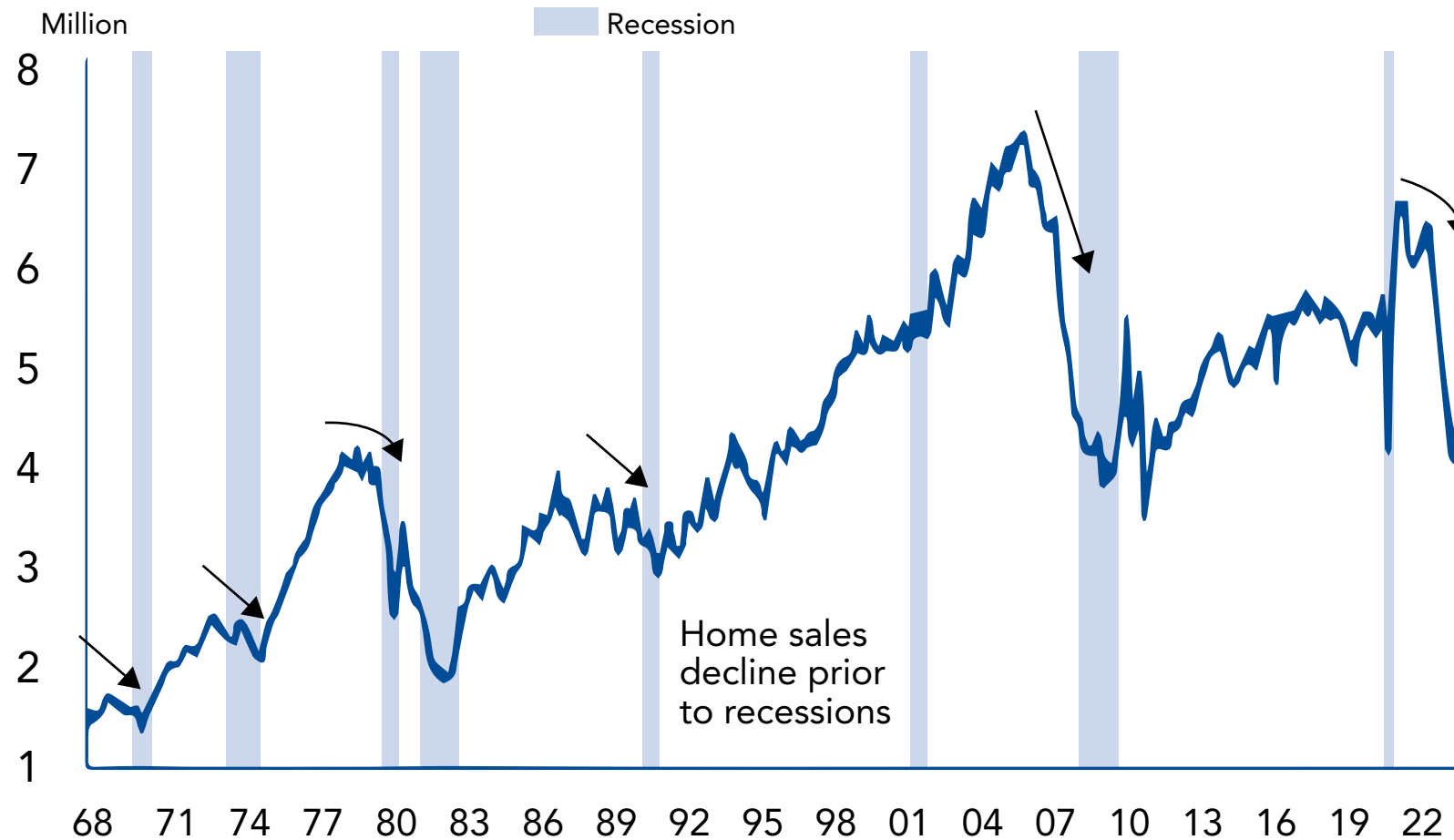
CHARTS OF THE MONTH

SEPT 2023



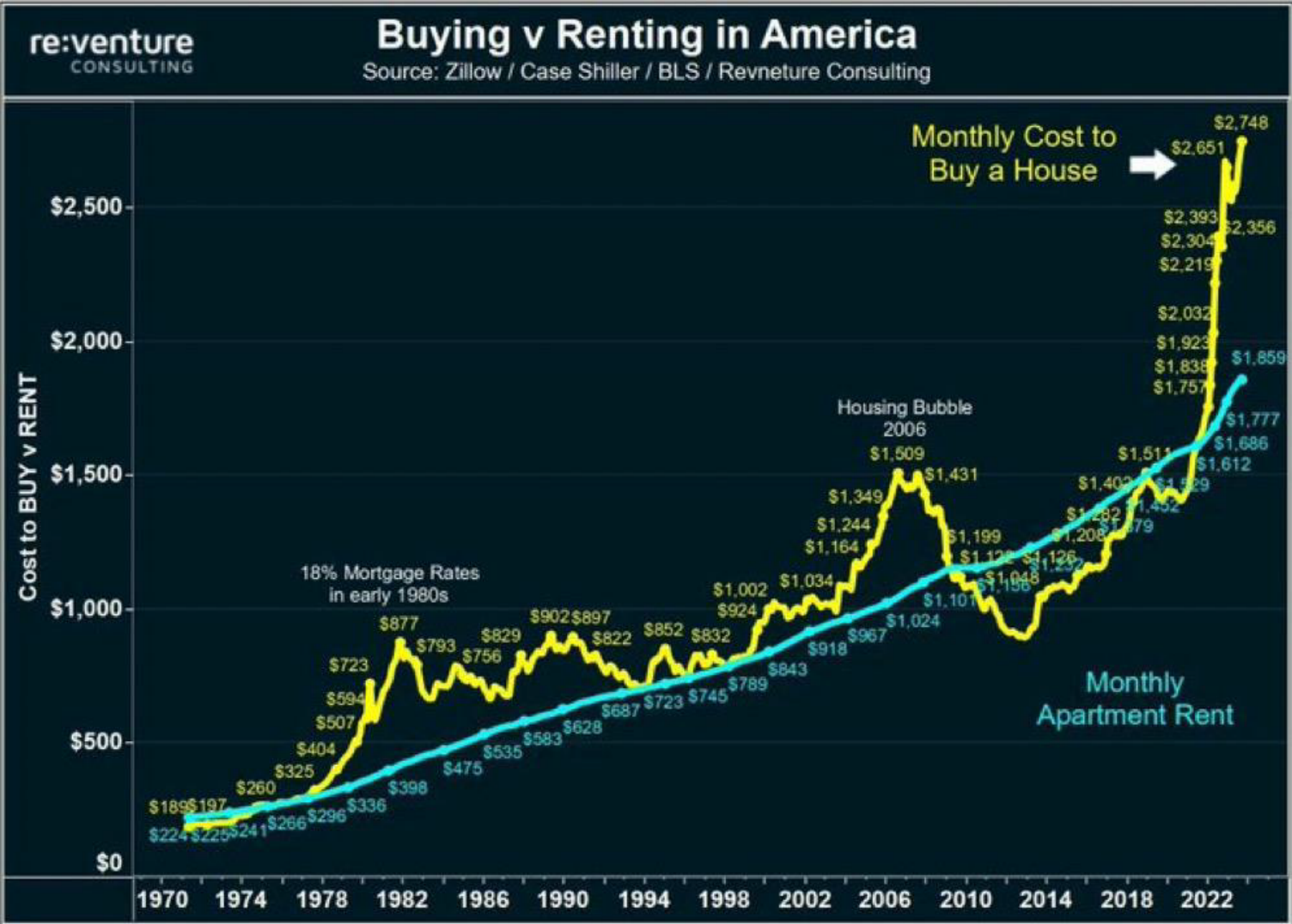
Home Sale Declines Lead to Recessions

US Existing Home Sales



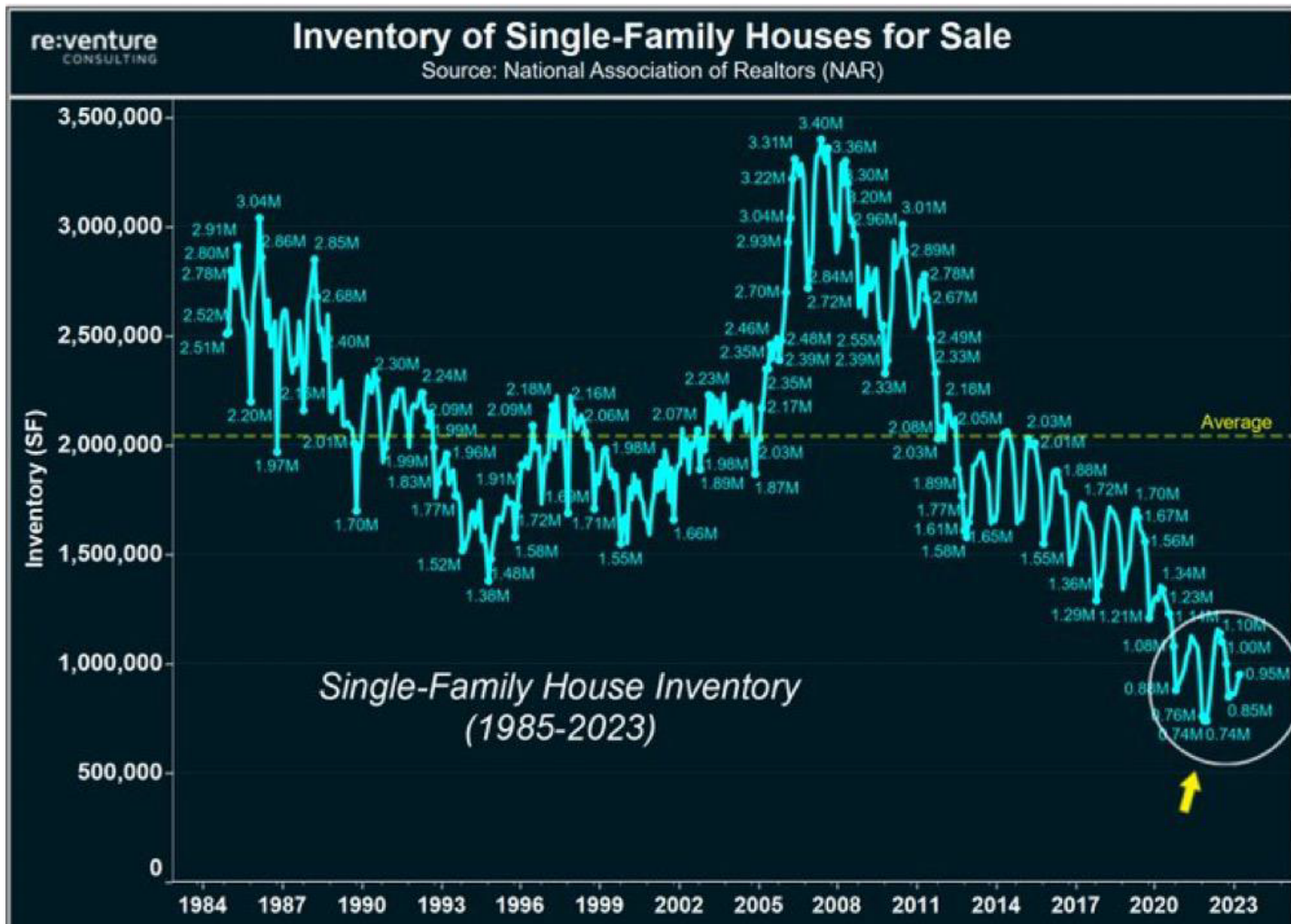
After historic monetary tightening, it is no surprise that existing home sales have plummeted. Historically, existing home sales have been a leading economic indicator. Home sales declines have preempted recessions in the past. Will history rhyme?

Source: Game of Trades, National Association of Realtors, Freddie Mac, National Bureau of Economic Research



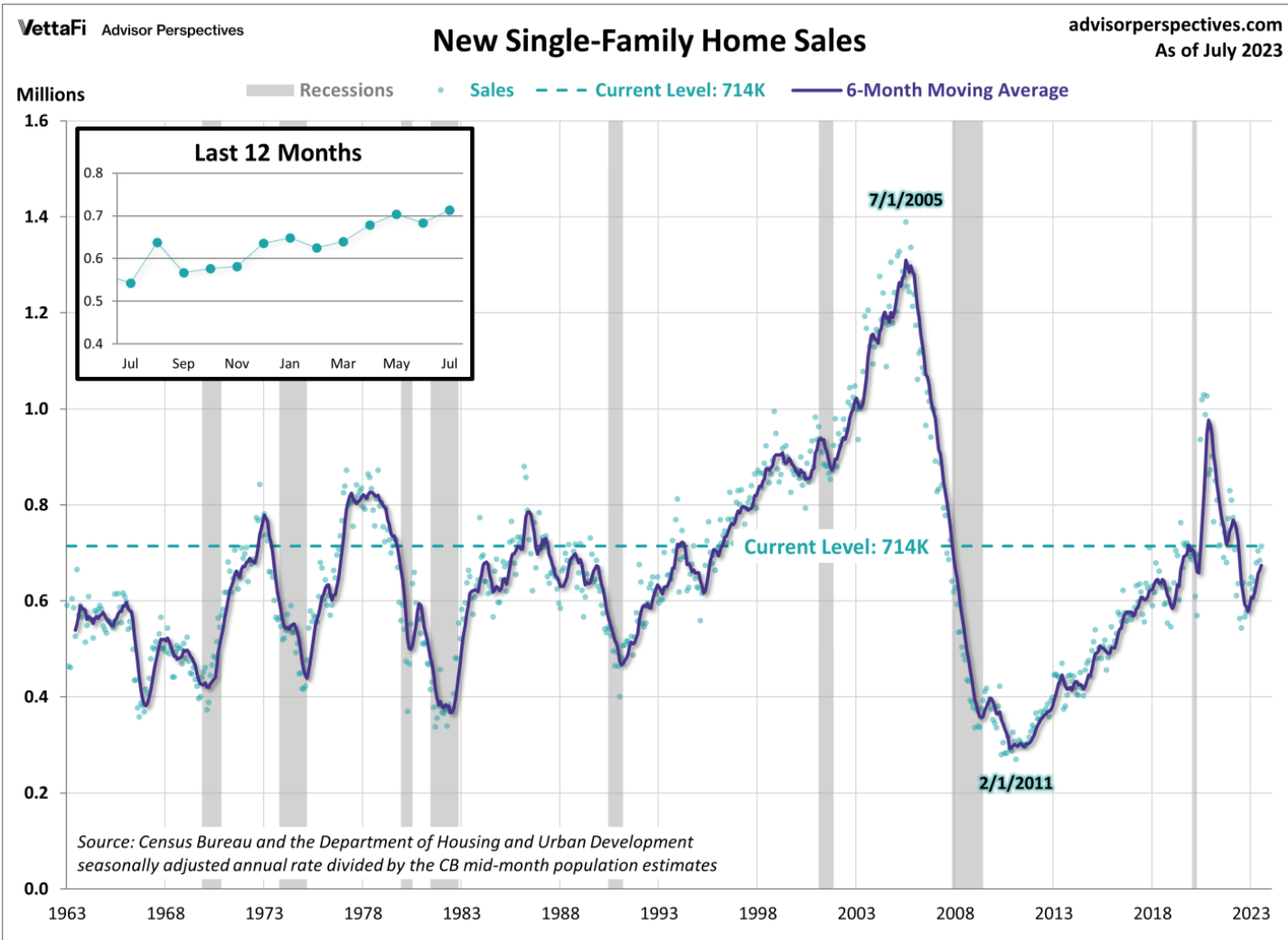
The monthly cost to buy a house is at an all-time high. Housing affordability is a critical issue facing America at the moment as the cost to buy a home is significantly above the cost to rent. It is no wonder that sales volumes among existing homes have dropped significantly since 2021.

Source: Reventure consulting/ Zillow/ Case Shiller/ BLS



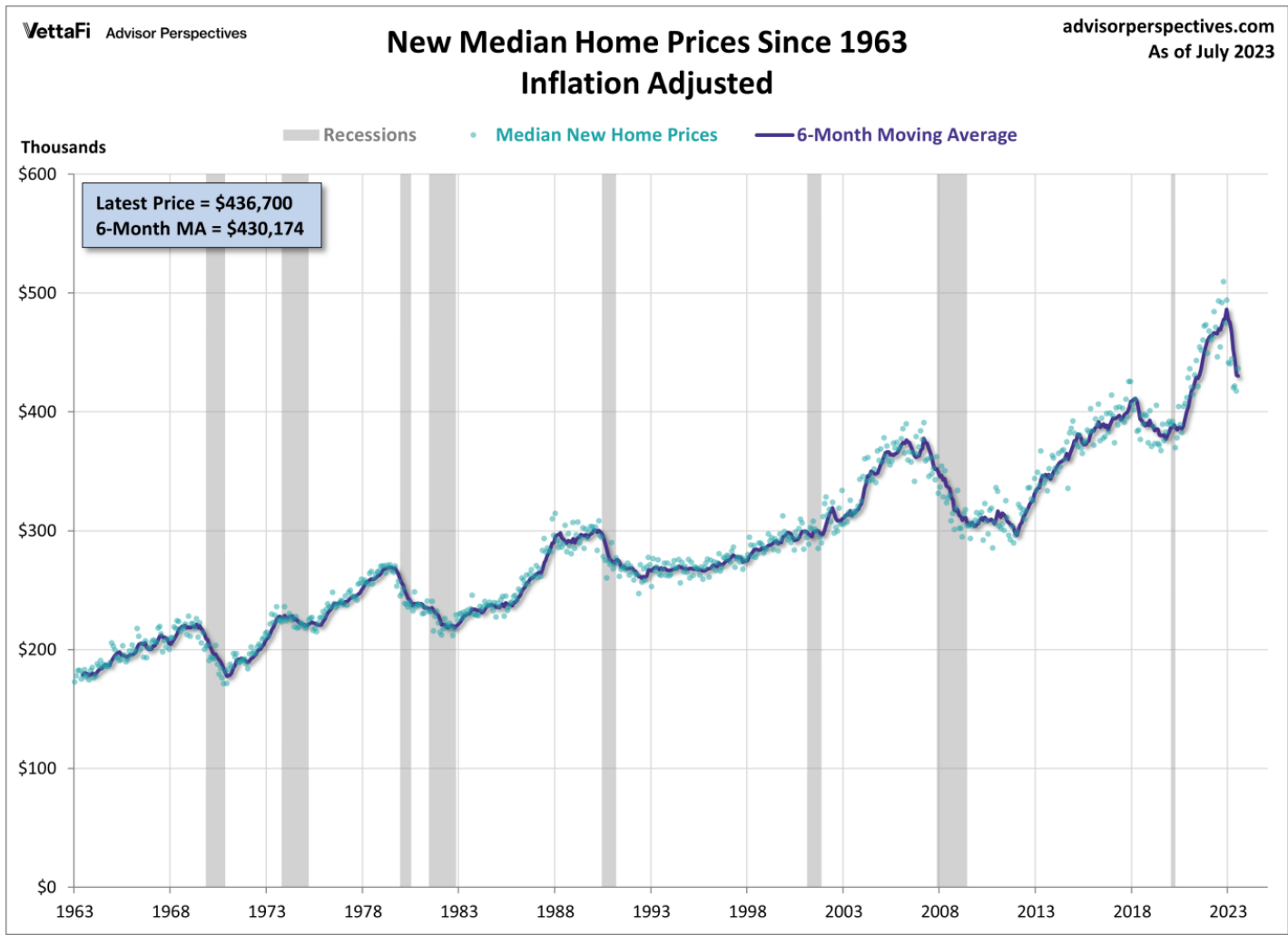
Inventories for single-family houses for sale at all lows when going back to 1985, according to the National Association of REALtors (NAR). According to Apollo Group, 61% of all outstanding mortgages have an interest rate below 4%. Today, the average rate for a 30 year fixed mortgage is 8.096%. Low levels of supply suggest that housing prices may be somewhat resilient, therefore potentially requiring exponentially more demand destruction to move the needle against inflationary forces.

Source: Reventure consulting, National Association of Realtors



New home sales have picked up some slack, turning up since the beginning of the year. The six month moving average of new home sales is increasing after falling significantly in 2022. New home sales are still well below the most recent peak in 2021, but we have some improvement throughout 2023.

Source: Advisor Perspectives, 2023



House prices have retreated significantly from the peak and the trend is down. Interestingly, the price declines are happening in the face of up trending new home sales. Will the historically low level of housing inventory provide support for negatively trending prices? We will have to wait and see.

Source: Advisor Perspectives

DISCLOSURE

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DISCLOSURE

Asset Class	Proxy	Asset Class	Proxy
Large Cap Value	Russell 1000 Value TR USD	Large Cap Value Equity	S&P 500 Dividend Aristocrats TR USD
Large Cap Value Equity	Russell 1000 Dividend Select EW TR USD	Large Cap Growth	Pacer US Cash Cows Growth Index TR
Large Cap Growth Equity	Russell 1000 Growth TR USD	Momentum Equity	MSCI USA Momentum NR USD
Small Cap Equity	Russell 2000 TR USD	Managed Futures	SG Trend Index
International Developed Equity	MSCI EAFE NR USD	Dividend Growth Strategies	S&P 500 Dividend Aristocrats TR USD
Small Cap Dividend Growth	Russell 2000 Dividend Growth Select USD	Large Cap Dividend Growth	Russell 1000 Dividend Select EW TR USD
International Emerging Equity	MSCI EM NR USD	Quality	MSCI USA Sector Neutral Quality NR USD
Intermediate/Aggregate Bond	BBgBarcUS Agg Bond TR USD	Commodities	Bloomberg Commodity TR USD
Municipal Bonds	S&P Municipal Bond TR USD	Private Equity	Cambridge Associates US Private Equity USD
International Bond	BBgBarc Gbl Agg Ex USD TR Hdg USD	Short Term Bond/Cash	BBgBarcUS Aggregate 13 Yr TR USD
High Yield Bond	BbgBarc US Corporate High Yield TR USD	Long Term Treasuries	ICE U.S. Treasury 20+ Year Bond TR USD
Intermediate Treasuries	ICE U.S. Treasury 710 Year Bond TR USD	Short Term Treasuries	ICE U.S Treasury 13 Year Bond TR USD
Mid Cap Equity	Russell Mid Cap TR USD	Real Estate	NCREIF Indexes
International Equity	MSCI ACWI Ex US NR USD	US Equity	Russell 3000 TR USD
Global Equity	MSCI ACWI NR USD	Low Volatility Equity	S&P 500 Low Volatility TR USD
Global Alternatives	Hedge Fund Research HFRX Global Hedge Fund Index	Long Short Alternatives	Bloomberg Long/Short Hedge Fund Index
Merger Arbitrage	Hedge Fund Research Merger Arbitrage Index	Private Credit/Direct Lending	CliffwaterDirect Lending Index