Chris Hyzy: This is Chris Hyzy, chief investment officer, for the June Viewpoint titled, "A Few Pit Stops."

Just like in a race car race, a car has to refuel itself through the course of a very long race. The same thing, in our opinion, is going on with the markets where we will have, over the summer months, a few pit stops that happen, one of which will be to reset the valuation as it relates to the markets itself, another one of which will be where's the profit cycle going, and then finally, overall, as it relates to the passage of the Tax Cut and Jobs Act bill or the extension, as it relates to what's actually in there and whether or not that that is enhancing to the corporate environment. So overall, we expect a few pit stops after a historic run off of a bear market that occurred between the highs of February 13th to the lows of April 8th, and then a relief rally that was rather powerful and sharp in history, one of the quickest that we have seen.

On a go-forward basis, investors will likely look towards the profit cycle starting for next year as it relates to whether or not they're going to commit more capital to the markets. In our opinion, we remain equity overweight relative to fixed income as we do believe that in 2026 and ’27, a profit cycle gets back on track as it relates to productivity increasing, growth enhancement through potential deregulation in the new bill, and then ultimately, corporate CapEx, which has been delayed because of the lack of clarity on the tariff fund, we expect the capital investment to be pushed into the markets overall from the corporate side of the equation and not just from the standpoint of the build-out of generative artificial intelligence. We believe a whole new redevelopment of infrastructure is on the way, centered around power demand and power production in the corporate sector in the U.S. but globally.

On a go-forward basis, one of our watch items continues to be the emerging markets and non-U.S. investing overall, we expect a weaker dollar on a go-forward basis, which is usually a tailwind to non-U.S. investing or at least non-dollar assets overall.

China's trying to build a domestic type of economy through their consumer. Europe is increasing defense spending. Japan has instituted new corporate shareholder enthusiasm overall, and therefore, we expect this 16-year run that has been relatively range-bound in the emerging markets as well as in the non-U.S. markets to be over, and new bull markets are being created around the world. We're still very early days of that. Lack of clarity on the tariff front does continue, but we expect overall, as we get more and more announcements on that front, investors get more comfortable with the rules of the game in the future.

So overall, we remain equity overweight relative to fixed income. We continue to believe that diversification is in favor of the investor, and as it relates to increasing overall exposure to non-dollar assets, makes sense, and that's what a consideration should be in the years ahead.

That'll do it for today. Thanks for listening.

Operator: Please see important information provided in this report.

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