Chris Hyzy: This is Chris Hyzy, chief investment officer for the Viewpoint update for May, titled "Over Time."

We are heading into the part of the year that tends to produce slightly higher volatility than normal across most of the capital markets, especially in an election year. Equity markets were under pressure for most of April, with the S&P 500 declining some 4%, which was the first down month since the fall of last year, actually, it was September. Better than expected inflation data prompted investors to begin to price in high for longer in terms of interest rates, and only one or two cuts to the federal fund rate versus three. Given the fact that corporate earnings have been slightly better than expected, markets were able to keep the downside pressure to a minimum.

We expect five main trends to dominate the investment landscape for the balance of this year, first and foremost economic data to remain somewhat mixed, but begin to show signs of slower growth versus running hotter than expected. This includes slightly slower drop growth as well. Second, corporate profitability to be better than expectations with margins remaining wide, estimate revisions to be positive, and capital expenditures creating solid productivity and efficiencies. Third, the 24/7 focus on the Federal Reserve and the timing of cuts or not should continue through the balance of this year. Moreover, with the potential for mixed economic data gathering momentum as the consumer heads into overtime, we also expect some pockets of time in which investors pull forward the rate cutting cycle once again. BofA Global Research still expects one cut to the fund's rate starting in December. Fourth, inflation trends should cool again but still remain above the Fed's target rate of 2%. If fiscal spend continues to filter through the economy at the current rate, the last mile of inflation from 3%

down to 2% will likely take longer than expected, which will shift the inflation battle also into overtime in our opinion. Lastly, the fifth main trend is a continuation of geopolitical volatility and U.S. election concerns.

The collective five trends in our view should keep the rate structure elevated. Equity is more attractive than fixed income. The U.S. dollar slightly weaker versus the year end strength that we saw in 2023. Commodities in a general uptrend but not sharp price movements overall. Individual long-term growth themes within the equity markets still the dominant force attracting asset management flows. And pockets of undervalued and cyclical areas performing well.

In summary, we maintain our view of buying into equity market weakness and maintaining exposure to fixed income for the purpose of cash flow and diversification benefits. As we head into overtime, portfolio rebalancing designed to take advantage of weakness in the markets as the five main trends march on is imperative, particularly ahead of the delayed rate cutting cycle.

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

Operator: Please see important information provided in this report.

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