

Rates Cut and Markets Run

Despite brief volatility in August, the MSCI All Country World IMI Index returned 6.8% for the third quarter, marking the index's fourth consecutive quarter of positive returns. Non-US stocks led for the period, with countries like China, India, and Japan each exceeding US returns.¹ Equity and fixed income markets contemplated rate cuts at central banks, and the US, European Union, and UK each lowered policy rates during the quarter.

As Q3 closes and Q4 begins, many market indices are at or close to records levels.² Performance of the Magnificent 7³ was divided this quarter as Apple, Telsa, and Meta all were top contributors to global returns while Alphabet, Microsoft, Amazon, and NVIDIA were all among the top detractors. But

the US wasn't the only country to make headlines, as China announced a stimulus package in late September which helped propel emerging markets to be the best performing market. At the sector level, financials joined REITs and utilities as the top performing sectors, while Information Technology was dragged to the bottom by names such as Microsoft, ASML, and Samsung.

Globally, small caps outperformed large caps for the period, and higher profitability stocks underperformed lower profitability. REITs and utilities were the quarter's best performing sectors, while energy and information technology were the worst. Value stocks generally outperformed growth globally, but deeper value, higher profitability stocks lagged.

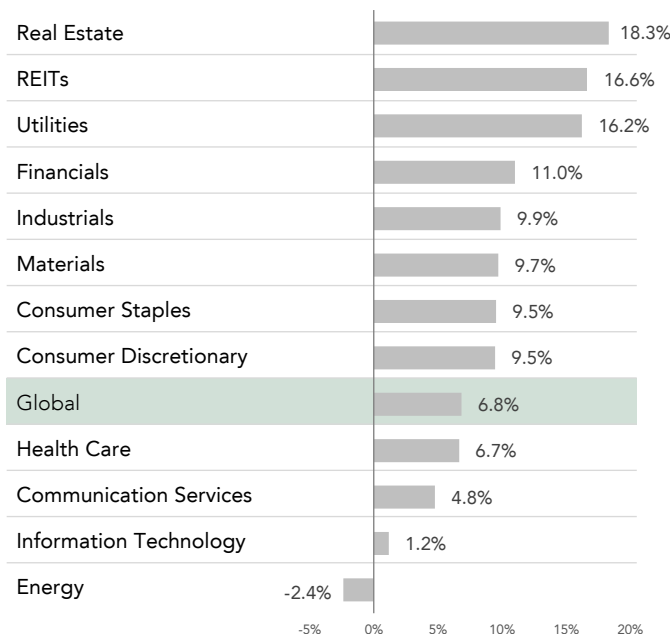
GLOBAL ASSET CLASS RETURNS Q3 2024

STOCKS	US	6.23%
	Developed ex US	8.13%
	Emerging Markets	8.24%
BONDS	US	5.20%
	Global ex US	3.48%

GLOBAL PREMIUM RETURNS Q3 2024

SIZE	Large	6.1%
	Small	9.0%
VALUE	Value	7.1%
	Growth	5.6%
PROF	High	5.1%
	Low	7.6%

GLOBAL SECTOR RETURNS Q3 2024



1. Non-US stocks refers to developed ex US and emerging markets stocks. Country returns are the country component indices of the MSCI All Country World IMI Index for all countries except the United States, where the Russell 3000 Index is used instead. MSCI index returns are net dividend.

2. Connor Smith, "S&P 500 and Dow Rally to New Highs," Barron's, September 19, 2024.

3. The Magnificent 7 stocks include Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla.

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