

# Investment Performance Report

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ALABAMA 529

ALABAMA ABLE SAVINGS PLAN

MARCH 31, 2025

Performance is presented net of underlying management fees.

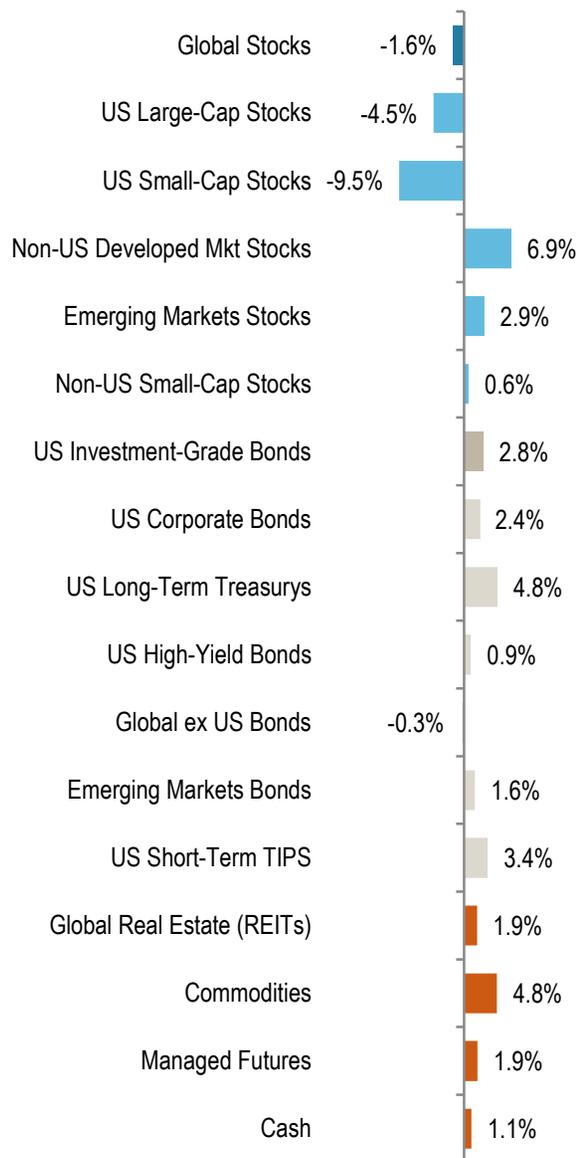
**SELLWOOD**  
INVESTMENT PARTNERS

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As of March 31, 2025

**First Quarter 2025**



**First Quarter 2025: When It Rains, It Rains on Everyone**

The first quarter of 2025 marked a reversal for U.S. equities, as optimism gave way to uncertainty. A combination of shifting trade policies, a weakening dollar, and a cooling technology sector weighed on markets, sending the S&P 500 to its worst quarter since 2022. The S&P 500 fell 4%, while the tech-heavy Russell 1000 Growth tumbled 10%, largely erasing gains from the post-election rally.

The large technology stocks that propelled the U.S. market to its highest back-to-back annual returns since the nineties were hit hard this quarter as their lofty valuations deflated. The so-called Magnificent Seven had their worst quarter on record, underscoring the importance of diversification. Even with Nvidia, Apple, and Microsoft each posting double-digit declines, seven of the eleven S&P sectors posted positive returns, with defensive sectors like healthcare and consumer staples emerging as leaders.

The US dollar has also taken a hit while gold prices reached a zenith as investors sought a safe haven from inflation and geopolitical concerns. A depreciating dollar and European talk of fiscal stimulus gave non-US stocks a chance to shine this quarter.

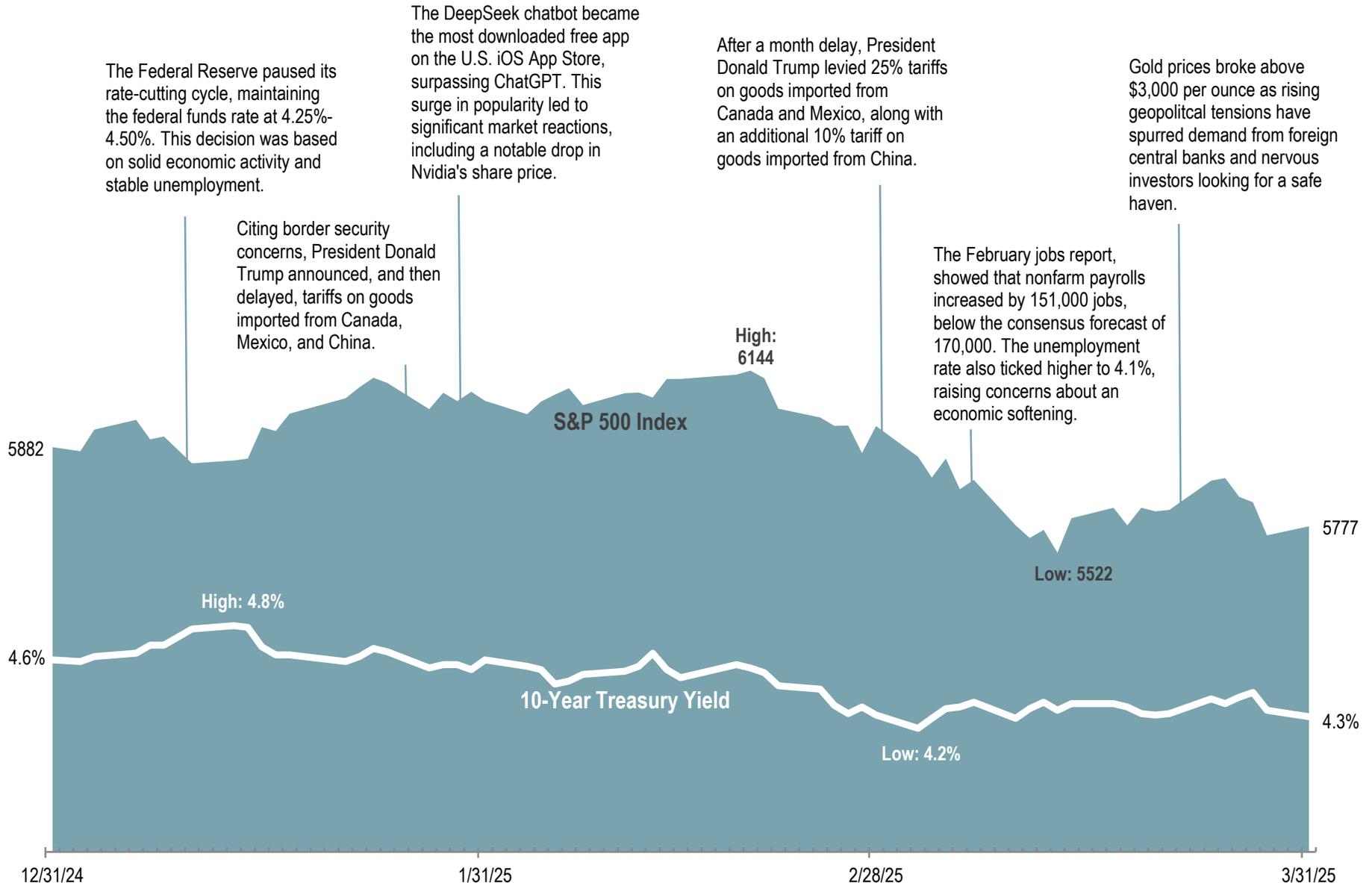
Uncertainty surrounding trade policy was a major driver of volatility. The new administration's unpredictable tariff maneuvers rattled businesses and investors, prompting analysts to revise economic growth expectations downward while elevating inflation forecasts. As firms hesitated to commit to capital spending and hiring, consumer confidence deteriorated, falling to its lowest level since late 2022, according to a University of Michigan survey.

Similarly, economic uncertainty drove savings rates up during the quarter, as Americans started to save for a rainy day. Caution around spending has been a significant theme on corporate earnings calls, with many companies lowering their forecasts and expressing uncertainty around how policy will affect them. With the particulars around tariffs remaining in flux, Costco's Ron Vachris summarized the situation faced by retailers and customers alike: "When it rains, it rains on everyone." For now, though, the forecast remains cloudy going into the second quarter.

	QTD	YTD	1 Year	3 Years	5 Years	20 Years
Global Stocks	(1.6%)	(1.6%)	6.3%	6.3%	15.0%	7.6%
US Large-Cap Stocks	(4.5%)	(4.5%)	7.8%	8.7%	18.5%	10.2%
US Large-Cap Value	2.1%	2.1%	7.2%	6.6%	16.1%	8.0%
US Large-Cap Growth	(10.0%)	(10.0%)	7.8%	10.1%	20.1%	12.2%
US Small-Cap Stocks	(9.5%)	(9.5%)	(4.0%)	0.5%	13.3%	7.5%
US Small-Cap Value	(7.7%)	(7.7%)	(3.1%)	0.0%	15.3%	6.8%
US Small-Cap Growth	(11.1%)	(11.1%)	(4.9%)	0.8%	10.8%	8.1%
Non-US Developed Markets (USD)	6.9%	6.9%	4.9%	6.1%	11.8%	5.2%
Non-US Developed Markets (Local)	2.9%	2.9%	4.1%	8.7%	13.3%	6.2%
Emerging Markets (USD)	2.9%	2.9%	8.1%	1.4%	7.9%	6.1%
Emerging Markets (Local)	2.7%	2.7%	11.1%	4.7%	9.6%	8.0%
US Investment-Grade Bonds	2.8%	2.8%	5.0%	0.5%	(0.4%)	3.2%
US Long-Term Treasuries	4.8%	4.8%	1.7%	(6.7%)	(7.6%)	3.6%
US Short-Term TIPS	3.4%	3.4%	7.4%	2.8%	4.0%	3.0%
Global Real Estate (REITs)	1.9%	1.9%	5.0%	(3.3%)	7.2%	5.4%
Cash	1.1%	1.1%	4.9%	4.2%	2.6%	1.7%

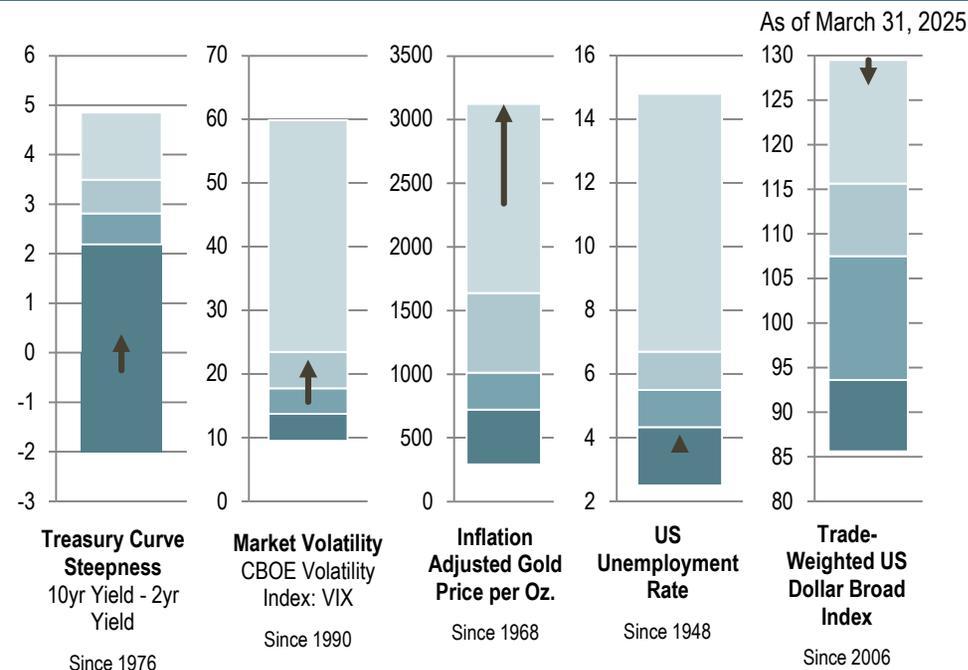
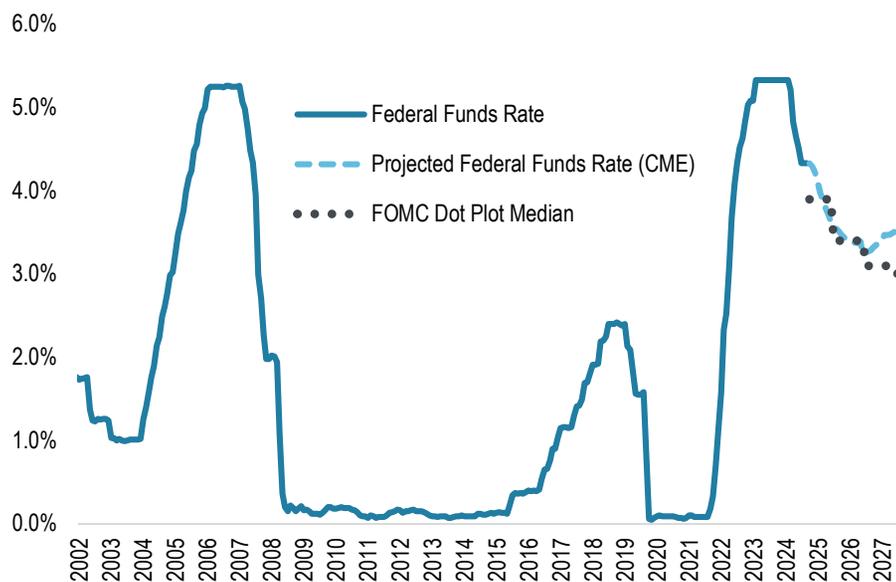
Returns for periods longer than 1 year are annualized.

Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, MSCI, FTSE Russell, ICE BofA, Credit Suisse



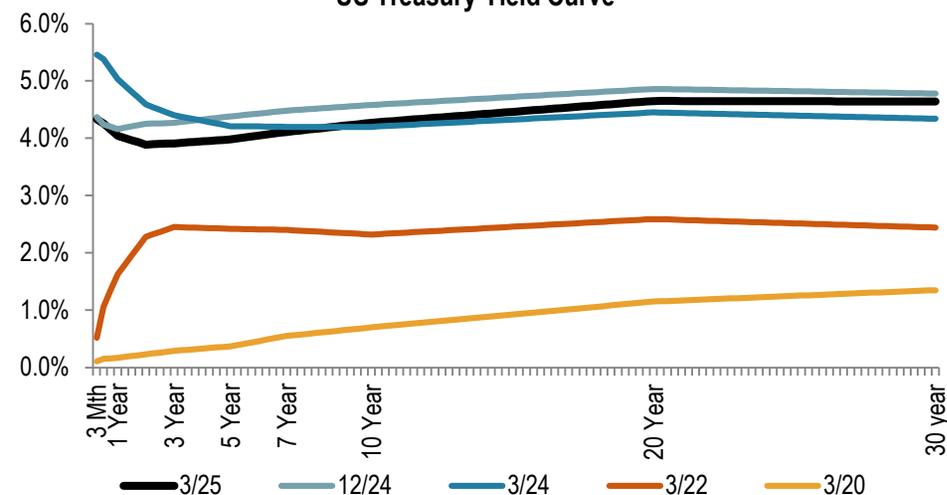
Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, Wall Street Journal, CNBC

**Federal Funds Rate**



	<u>3/2025</u>	<u>12/2024</u>	<u>3/2024</u>	<u>3/2022</u>	<u>3/2020</u>
Market Inflation Expectations					
5 Year	2.6	2.4	2.4	3.3	0.5
10 Year	2.4	2.3	2.3	2.8	0.9
20 Year	2.5	2.5	2.5	2.8	1.2
CPI Year-over-Year	2.4	2.9	3.5	8.5	1.5
West Texas Crude Oil	71.9	72.4	84.0	100.5	20.5
Consumer Sentiment Index	57.0	74.0	79.4	59.4	89.1
S&P 500 Operating EPS	59.4*	61.2	54.6	49.4	19.5
Real GDP Growth YoY	---	2.5	1.6	-1.0	-5.5
Federal Funds Rate	4.33	4.48	5.33	0.20	0.65

**US Treasury Yield Curve**

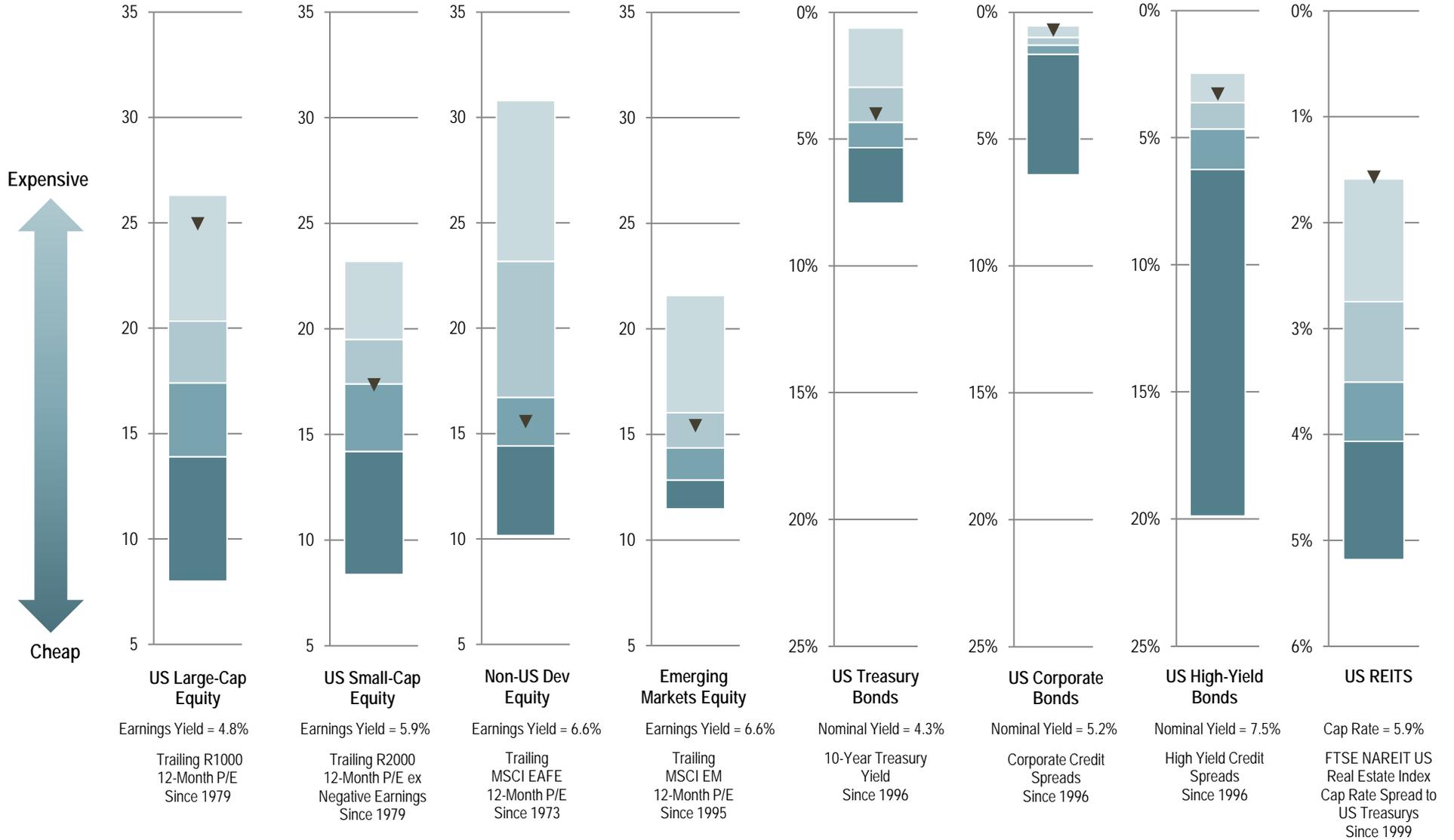


Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, CME Group, S&P Dow Jones Indices

Arrows in the top-right charts represent year on year change.

\*Estimate, provided by S&P Dow Jones Indices.

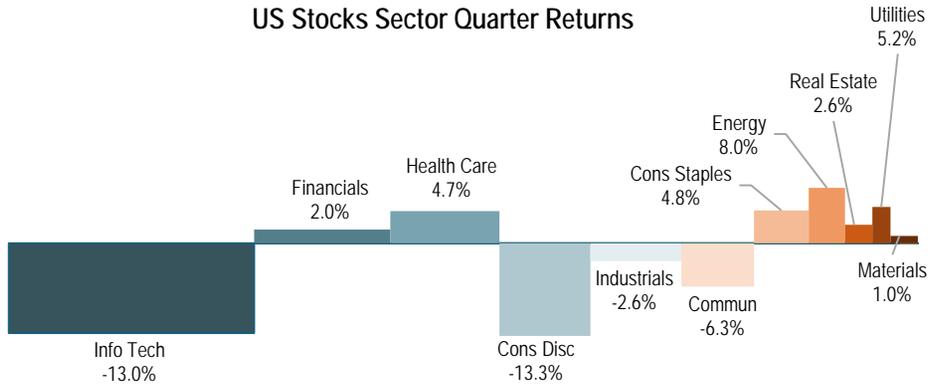
As of March 31, 2025



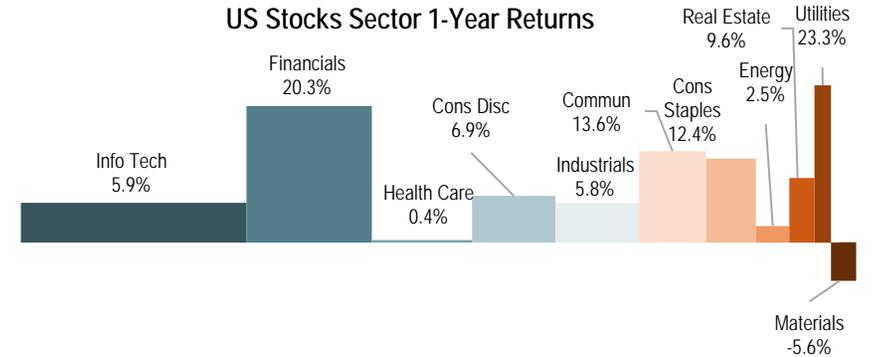
Arrows represent year on year change. Trailing 12 month P/E and cap rate metrics exclude the top and bottom 5%. P/E metrics calculated by Investment Metrics and Morningstar may use different methodology. Sources: Sellwood Investment Partners LLC, Robert Shiller Data, S&P Dow Jones Indices, FTSE Russell, MCSI, Federal Reserve Economic Data, NAREIT

As of March 31, 2025

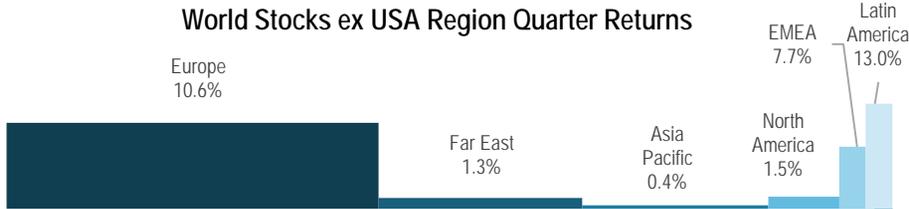
US Stocks Sector Quarter Returns



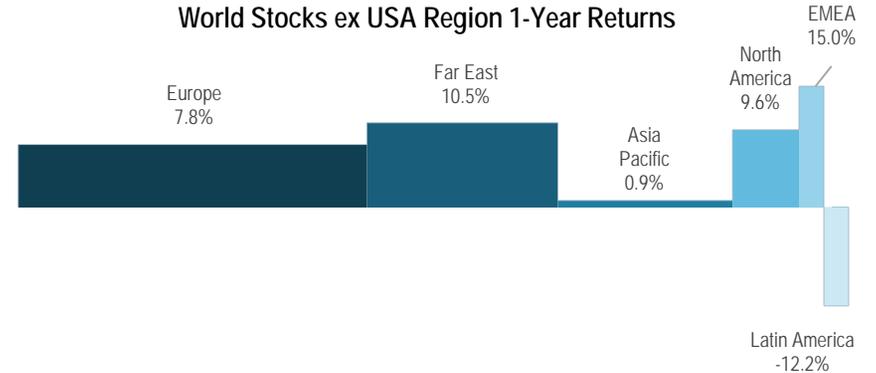
US Stocks Sector 1-Year Returns



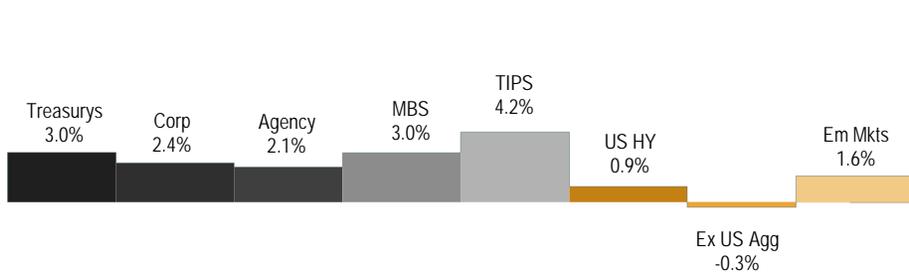
World Stocks ex USA Region Quarter Returns



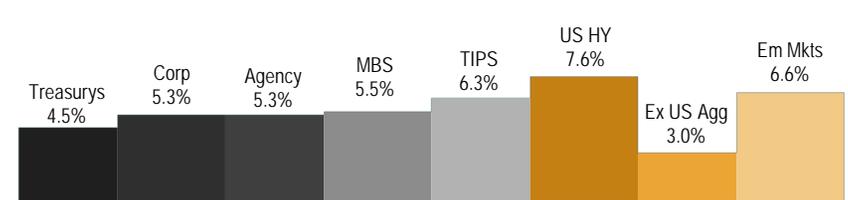
World Stocks ex USA Region 1-Year Returns



Fixed Income Sectors Quarter Returns

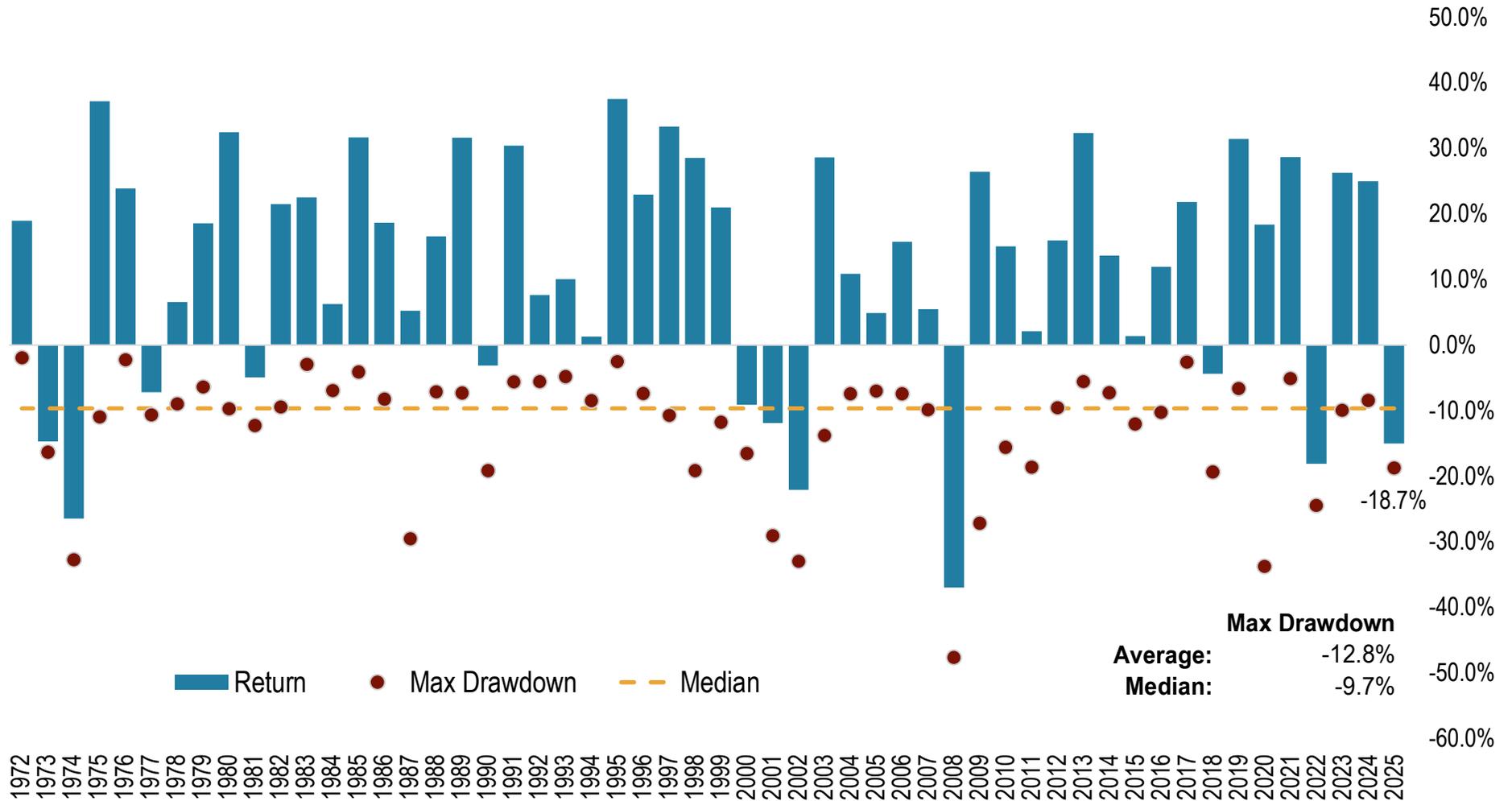


Fixed Income Sectors 1-Year Returns



The equity bar widths depict end of the quarter region and sector weights. Fixed income bar widths do not depict specific sector weights. The Far East includes Hong Kong, Japan and Singapore. Sources: Sellwood Investment Partners LLC, Morningstar, S&P Dow Jones Indices, MSCI, ICE BofA

**S&P 500 Calendar Year Total Return and Max Drawdowns**  
As of Market Close on April 8, 2025



Sources: Sellwood Investment Partners LLC, Morningstar, S&P Dow Jones Indices

Plan Composition

As of March 31, 2025

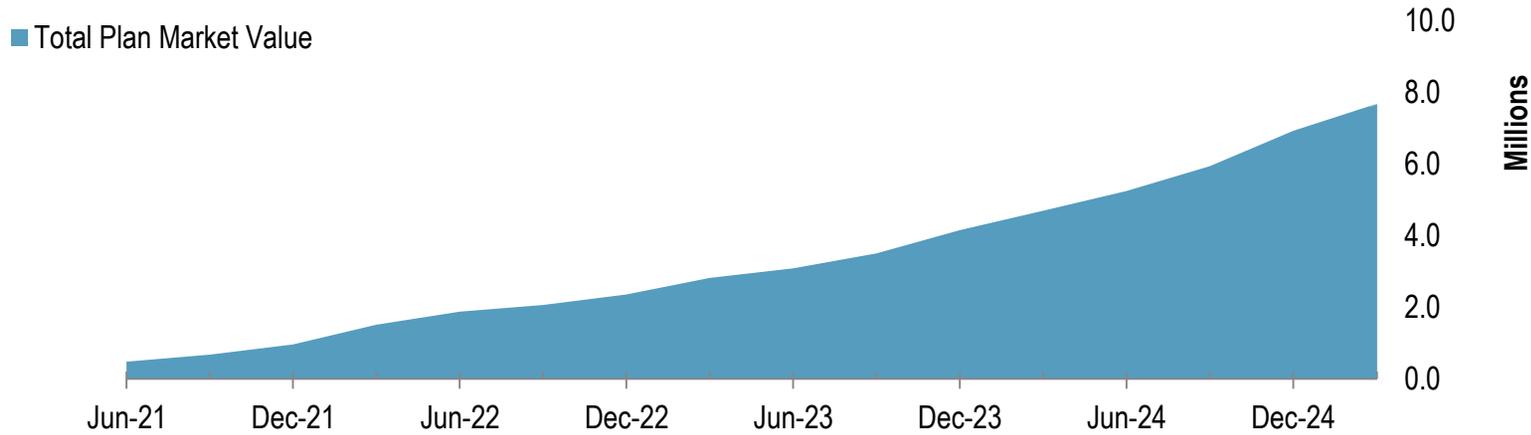
Mkt Val % by  
Option Type



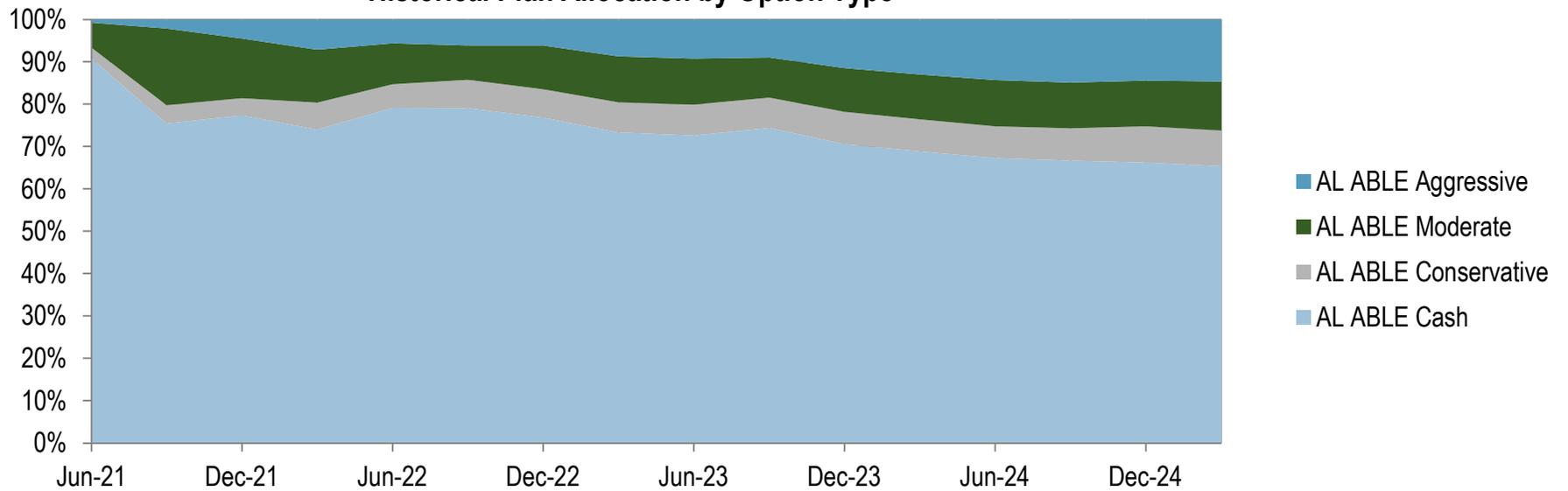
	Current Market Value (\$)	% of Total
<b>Fund Options</b>		
Target-Risk Portfolios	2,660,290	34.6%
AL ABLE Aggressive	1,124,680	14.6%
AL ABLE Moderate	885,910	11.5%
AL ABLE Conservative	649,701	8.5%
Cash Option	5,017,366	65.4%
AL ABLE Cash	5,017,366	65.4%
<i>Total Assets</i>	<i>7,677,656</i>	<i>100.0%</i>

	Current MV
<b>Total Plan</b>	<b>7,677,656</b>

**Plan Market Value History**



**Historical Plan Allocation by Option Type**

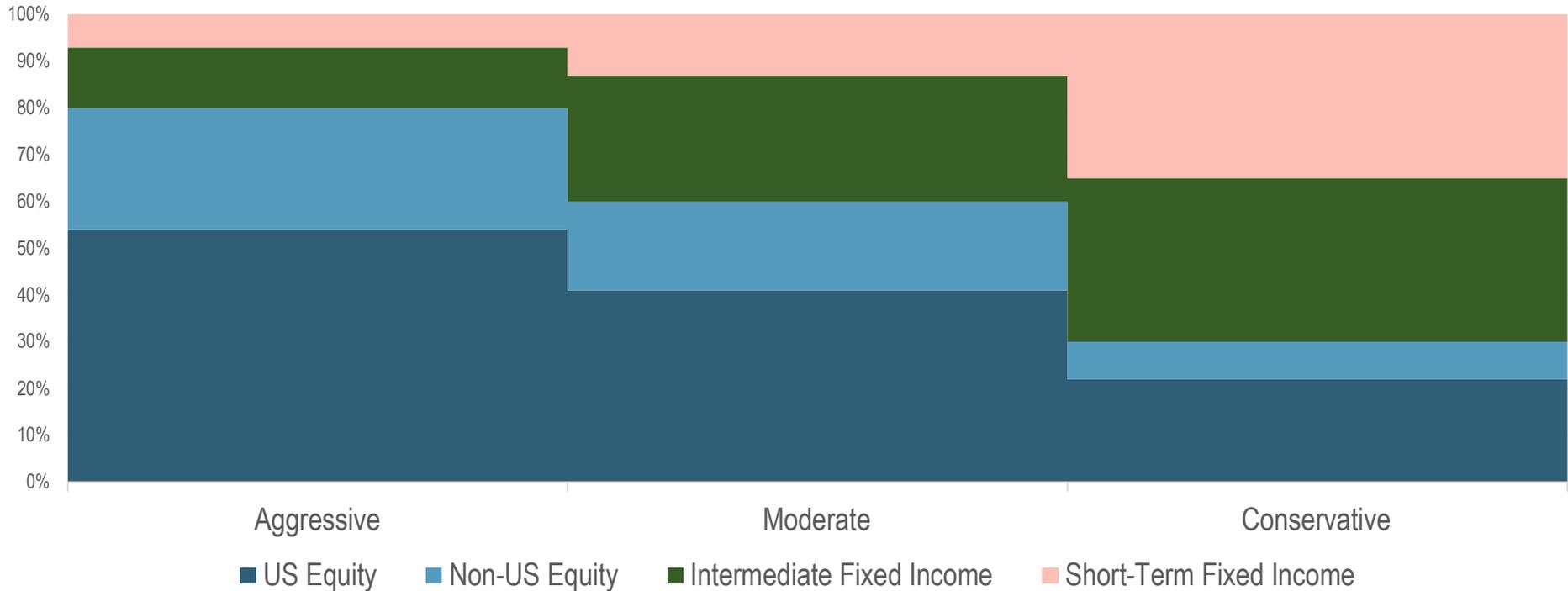


Comparative Performance

	Ending March 31, 2025							Calendar Years				Sharpe
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Incep. (%)	Since	2024 (%)	2023 (%)	2022 (%)	2021 (%)	5 Yrs
<b>Plan Portfolios</b>												
AL ABLE Aggressive	-0.4	-0.4	6.6	5.5	--	4.4	Jun-21	12.9	18.8	-17.0	--	--
<i>AL ABLE Aggressive Index</i>	<u>-0.5</u>	<u>-0.5</u>	<u>6.7</u>	<u>5.5</u>	<u>12.7</u>	<u>4.5</u>		<u>13.6</u>	<u>18.4</u>	<u>-16.9</u>	<u>16.3</u>	<u>0.7</u>
Over/Under	0.1	0.1	-0.1	0.0		-0.1		-0.7	0.4	-0.1		
<i>529 Static Moderately Aggressive Rank</i>	62	62	20	38	--	26		39	22	60	--	--
AL ABLE Moderate	0.4	0.4	6.4	4.1	--	3.0	Jun-21	10.0	14.5	-15.7	--	--
<i>AL ABLE Moderate Index</i>	<u>0.3</u>	<u>0.3</u>	<u>6.4</u>	<u>4.4</u>	<u>11.8</u>	<u>3.4</u>		<u>10.5</u>	<u>15.0</u>	<u>-15.3</u>	<u>14.9</u>	<u>0.7</u>
Over/Under	0.1	0.1	0.0	-0.3		-0.4		-0.5	-0.5	-0.4		
<i>529 Static Moderately Conservative Rank</i>	80	80	10	18	--	17		8	9	93	--	--
AL ABLE Conservative	1.4	1.4	6.0	2.8	--	1.7	Jun-21	6.5	9.4	-12.1	--	--
<i>AL ABLE Conservative Index</i>	<u>1.3</u>	<u>1.3</u>	<u>6.1</u>	<u>3.3</u>	<u>10.8</u>	<u>2.1</u>		<u>6.9</u>	<u>10.1</u>	<u>-11.8</u>	<u>12.7</u>	<u>0.8</u>
Over/Under	0.1	0.1	-0.1	-0.5		-0.4		-0.4	-0.7	-0.3		
<i>529 Static Conservative Allocation MStar Rank</i>	50	50	9	32	--	31		14	34	56	--	--
AL ABLE Cash	1.0	1.0	4.7	4.1	--	3.2	Jun-21	5.0	4.8	1.5	--	--
<i>ICE BofA 3M US Trsy Note TR USD Index</i>	<u>1.1</u>	<u>1.1</u>	<u>4.9</u>	<u>4.2</u>	<u>2.6</u>	<u>3.3</u>		<u>5.2</u>	<u>5.0</u>	<u>1.5</u>	<u>0.1</u>	
Over/Under	-0.1	-0.1	-0.2	-0.1		-0.1		-0.2	-0.2	0.0		
<i>529 Static Money Market MStar Rank</i>	18	18	30	26	--	24		29	28	36	--	--

Returns for the Aggressive, Moderate, and Conservative options starting June 2021 are actual results and provided by Vestwell. Index returns are based on target allocations. Performance is net of mutual fund expenses and program administration fees. Percentile ranks are 1 = best and 100 = worst.

As of March 31, 2025



Underlying Funds	Ticker	Asset Class	Aggressive	Moderate	Conservative
Vanguard Total Stk Mkt Idx InstlPlus	VSMPX	US Equity	49.0%	36.0%	19.0%
Vanguard Real Estate Index Institutional	VGSNX	US Equity	5.0%	5.0%	3.0%
Vanguard Total Intl Stock Idx InstlPlus	VTPSX	Non-US Equity	26.0%	19.0%	8.0%
Vanguard Total Bond Index InstlPlus	VBMPX	Intermediate Fixed Income	13.0%	27.0%	35.0%
Vanguard Short-Term Bond Idx I	VBITX	Short-Term Fixed Income	4.0%	9.0%	22.0%
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	VTSPX	Short-Term Fixed Income	3.0%	4.0%	13.0%

Fee Information

As of March 31, 2025

	<u>Current Market Value (\$)</u>	<u>Underlying Expense Ratio</u>	<u>Board Administration Fee</u>	<u>Total Fee</u>	<u>529 Direct Sold Median Fee</u>	<u>Difference</u>
<b>Target-Risk Portfolios</b>						
AL ABLE Aggressive	1,124,680	0.03%	0.30%	<b>0.33%</b>	0.35%	-0.01%
AL ABLE Moderate	885,910	0.03%	0.30%	<b>0.33%</b>	0.29%	0.04%
AL ABLE Conservative	649,701	0.03%	0.30%	<b>0.33%</b>	0.34%	-0.01%
<b>Cash Option</b>						
AL ABLE Cash	5,017,366	0.00%	0.30%	<b>0.30%</b>	0.25%	0.05%
<b>Total Plan</b>	<b>7,677,656</b>	<b>0.01%</b>	<b>0.30%</b>	<b>0.31%</b>	<b>0.28%</b>	<b>0.04%</b>

The Alabama ABLE Plan has an Annual Account Maintenance Fee of \$35.

To the extent the interest rate on the Bank Account in which assets of the Cash Option are deposited is less during a particular period than the Administrative Fee, the Trustee, Program Manager, and Partner State will waive the portion of the Administrative Fee that exceeds such interest rate for the applicable period, and the Total Annual Asset-Based Fees for the Cash Option will be reduced accordingly for the applicable period.

Annual Fee Information

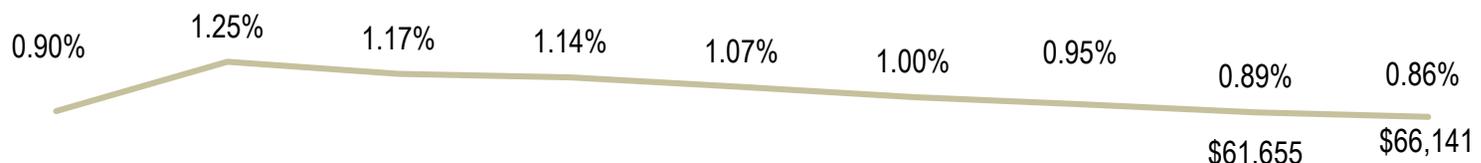
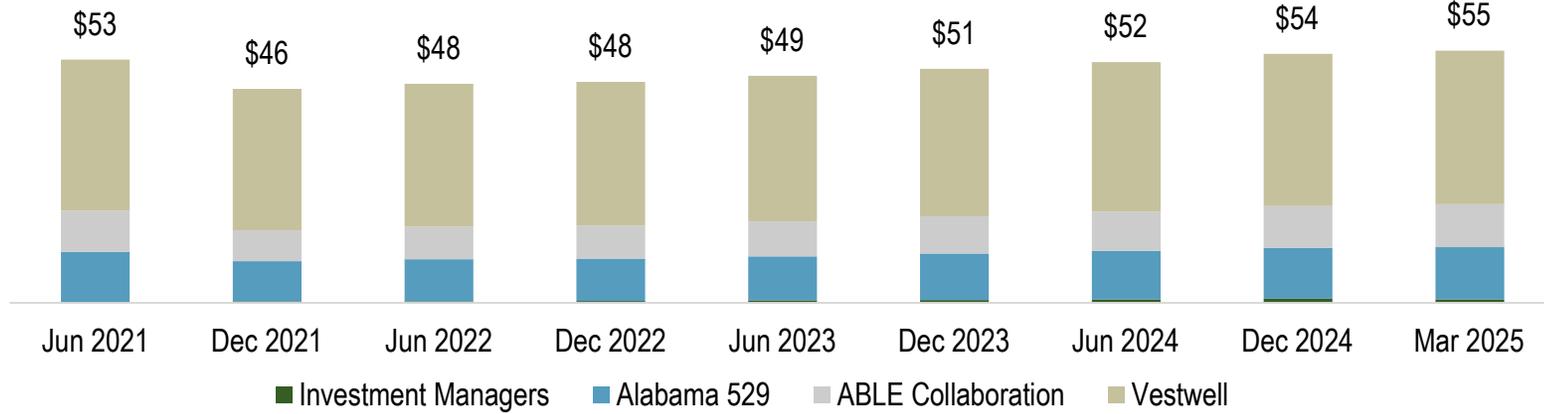
As of March 31, 2025

Beneficiaries: 1,207

Total Plan Assets: \$7,677,656

	Total Annual Fees			Annual Fee Type					
	\$	% of Assets	\$ Per Beneficiary	Assets \$	Flat \$ Fee	% of Assets	% of Total \$ Fee	\$ Per Beneficiary	Per Beneficiary Total \$ Fee
<b>Fees Paid by Beneficiary</b>									
Investment Management	863	0.01%	1	-	-	0.01%	863	-	-
Alabama Annual Account Maintenance Fee	42,245	0.55%	35	-	-	-	-	35	42,245
<i>Fee paid to the Trustee (Alabama 529)</i>	6,035	0.08%	5	-	-	-	-	5	6,035
<i>Fee paid to the ABLE Collaboration</i>	3,621	0.05%	3	-	-	-	-	3	3,621
<i>Fee paid to Vestwell</i>	32,589	0.42%	27	-	-	-	-	27	32,589
Administrative Fees	23,033	0.30%	19	-	-	0.30%	23,033	-	-
<i>Fee paid to the Trustee (Alabama 529)</i>	7,678	0.10%	6	-	-	0.10%	7,678	-	-
<i>Fee paid to the ABLE Collaboration</i>	7,678	0.10%	6	-	-	0.10%	7,678	-	-
<i>Fee paid to Vestwell</i>	7,678	0.10%	6	-	-	0.10%	7,678	-	-
<b>Total Plan Fees</b>	<b>66,141</b>	<b>0.86%</b>	<b>55</b>	<b>7,677,656</b>	<b>-</b>	<b>0.31%</b>	<b>23,896</b>	<b>35</b>	<b>42,245</b>
<b>Total Net Fees by Service Provider</b>									
Investment Managers	863	0.01%	1	-	-	0.01%	863	-	-
Alabama 529	13,713	0.18%	11	-	-	0.10%	7,678	5	6,035
ABLE Collaboration	11,299	0.15%	9	-	-	0.10%	7,678	3	3,621
Vestwell	40,267	0.52%	33	-	-	0.10%	7,678	27	32,589
<b>Total Plan Fees</b>	<b>66,141</b>	<b>0.86%</b>	<b>55</b>	<b>7,677,656</b>	<b>-</b>	<b>0.31%</b>	<b>23,896</b>	<b>35</b>	<b>42,245</b>

**Total Plan Fees Per Beneficiary**



	Jun 2021	Dec 2021	Jun 2022	Dec 2022	Jun 2023	Dec 2023	Jun 2024	Dec 2024	Mar 2025
<b>Beneficiaries</b>	81	258	458	558	670	815	951	1,140	1,207
<b>Plan Assets</b>	\$0.5 Mil	\$1.0 Mil	\$1.9 Mil	\$2.3 Mil	\$3.1 Mil	\$4.1 Mil	\$5.2 Mil	\$6.9 Mil	\$7.7 Mil

Investment Managers Alabama 529 ABLE Collaboration Vestwell Total Plan Fees Per Beneficiary (% of Assets)

Comparative Performance

Ticker	Ending March 31, 2025							Calendar Years							Sharpe	
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	5 Yrs	
<b>Underlying Funds - Target-Risk Portfolios</b>																
Vanguard Total Stock Mkt Idx Instl Pls	VSPMPX	-4.8	-4.8	7.1	8.1	18.1	11.8	12.7	23.8	26.0	-19.5	25.7	21.0	30.8	-5.1	0.9
<i>Custom Index (CRSP US Total Mkt)</i>		<u>-4.8</u>	<u>-4.8</u>	<u>7.1</u>	<u>8.1</u>	<u>18.1</u>	<u>11.7</u>	<u>12.8</u>	<u>23.8</u>	<u>26.0</u>	<u>-19.5</u>	<u>25.7</u>	<u>21.0</u>	<u>30.8</u>	<u>-5.2</u>	<u>0.9</u>
Over/Under		0.0	0.0	0.0	0.0	0.0	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
Large Blend MStar MF Rank		67	67	39	53	47	40	36	46	37	76	67	23	48	52	53
Vanguard Real Estate Index Institutional	VGSNX	2.6	2.6	9.0	-1.9	9.4	4.9	8.4	4.9	11.8	-26.2	40.4	-4.7	29.0	-5.9	0.3
<i>Custom Index (MSCI US IMI-Real Estate 25-50)</i>		<u>2.7</u>	<u>2.7</u>	<u>9.1</u>	<u>-1.7</u>	<u>9.5</u>	<u>5.0</u>	<u>8.5</u>	<u>5.1</u>	<u>12.0</u>	<u>-26.1</u>	<u>40.6</u>	<u>-4.6</u>	<u>29.0</u>	<u>-5.9</u>	<u>0.3</u>
Over/Under		-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.2	-0.2	-0.1	-0.2	-0.1	0.0	0.0	0.0
Real Estate MStar MF Rank		28	28	58	58	69	65	57	74	59	57	65	55	40	59	79
Vanguard Total Intl Stock Idx InstlPls	VTPSX	5.5	5.5	6.4	4.7	11.5	5.2	5.1	5.2	15.5	-16.0	8.7	11.3	21.6	-14.4	0.5
<i>Custom Index (FTSE Glo All Cap ex US)</i>		<u>4.5</u>	<u>4.5</u>	<u>5.7</u>	<u>4.2</u>	<u>11.3</u>	<u>5.2</u>	<u>5.1</u>	<u>5.5</u>	<u>15.8</u>	<u>-16.1</u>	<u>8.8</u>	<u>11.2</u>	<u>21.8</u>	<u>-14.6</u>	<u>0.5</u>
Over/Under		1.0	1.0	0.7	0.5	0.2	0.0	0.0	-0.3	-0.3	0.1	-0.1	0.1	-0.2	0.2	0.0
Foreign Large Blend MStar MF Rank		76	76	47	70	58	57	75	40	66	52	68	44	67	47	47
Vanguard Total Bond Market Idx InstlPls	VBMPX	2.8	2.8	4.9	0.5	-0.4	1.5	2.4	1.3	5.7	-13.1	-1.6	7.7	8.7	0.0	N/A
<i>Custom Index (Barclays US Agg Flt-Adj)</i>		<u>2.8</u>	<u>2.8</u>	<u>4.9</u>	<u>0.6</u>	<u>-0.4</u>	<u>1.5</u>	<u>2.5</u>	<u>1.3</u>	<u>5.6</u>	<u>-13.1</u>	<u>-1.6</u>	<u>7.7</u>	<u>8.9</u>	<u>-0.1</u>	<u>N/A</u>
Over/Under		0.0	0.0	0.0	-0.1	0.0	0.0	-0.1	0.0	0.1	0.0	0.0	0.0	-0.2	0.1	N/A
Intermediate Core Bond MStar MF Rank		41	41	65	59	81	66	70	80	51	44	61	58	42	33	N/A
Vanguard Short-Term Bond Idx I	VBITX	2.0	2.0	5.7	2.8	1.2	1.7	1.8	3.7	4.9	-5.5	-1.1	4.7	4.9	1.4	N/A
<i>Bloomberg US Govt/Credit 1-5 Yr TR USD Index</i>		<u>2.0</u>	<u>2.0</u>	<u>5.7</u>	<u>2.8</u>	<u>1.3</u>	<u>1.8</u>	<u>1.9</u>	<u>3.8</u>	<u>4.9</u>	<u>-5.5</u>	<u>-1.0</u>	<u>4.7</u>	<u>5.0</u>	<u>1.4</u>	<u>N/A</u>
Over/Under		0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	0.0	0.0	-0.1	0.0	-0.1	0.0	N/A
Short-Term Bond MStar MF Rank		15	15	79	93	97	91	87	96	88	74	94	30	48	32	N/A
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	VTSPX	3.0	3.0	7.0	3.3	4.1	2.8	--	4.8	4.6	-2.8	5.3	5.0	4.8	0.6	0.5
<i>Bloomberg US TIPS 0-5 Year TR USD Index</i>		<u>3.0</u>	<u>3.0</u>	<u>7.0</u>	<u>3.2</u>	<u>4.1</u>	<u>2.8</u>	<u>2.4</u>	<u>4.7</u>	<u>4.6</u>	<u>-2.7</u>	<u>5.3</u>	<u>5.1</u>	<u>4.9</u>	<u>0.6</u>	<u>0.5</u>
Over/Under		0.0	0.0	0.0	0.1	0.0	0.0	--	0.1	0.0	-0.1	0.0	-0.1	-0.1	0.0	0.0
Inflation-Protected Bond MStar MF Rank		93	93	13	4	8	9	--	8	31	1	61	97	100	1	4

Percentile ranks are 1 = best and 100 = worst.

Sources: Sellwood Investment Partners LLC, Morningstar Direct, Investment Metrics, eVestment, and investment managers.

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**Active Share** - Measure of the proportion to which a portfolio's holdings composition differs from the composition found in its benchmark. The greater the difference between the asset composition of the fund and its benchmark, the greater the active share.

**Average Credit Quality** - Measure of a bond portfolio's overall credit quality, calculated as an average of each bond's credit rating, as assigned by Standard & Poor's or Moody's, adjusted for its relative weighting in the portfolio.

**Batting Average** - Measure of an investment manager's ability to meet or beat an index, calculated by dividing the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiplying that factor by 100.

**Beta** - Measure of a portfolio's sensitivity to market movements, calculated by comparing a portfolio's excess return over the risk-free rate (90 Day T-Bills) to the market's excess return over the same risk-free rate. The beta of the market is 1.00 by definition.

**Correlation** - Measure of how two securities move in relation to each other, calculated as a correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (+1) implies that as one security moves up or down the other security will always move in the same direction. Alternatively, perfect negative correlation (-1) means that the securities always move in the opposite direction. If the correlation is 0, the security movements have no correlation.

**Dividend Yield** - Dividends per share of a security or portfolio over the trailing one-year period as a percentage of the current stock price(s).

**Duration** - Measure of a bond or bond portfolio's sensitivity to changes in interest rates, calculated based on the weighted average of the time periods over which bond cash flows accrue to the bondholder. A portfolio with a 5-year duration would be expected to lose 5% of its net asset value if interest rates rose by 1 percentage point, or gain 5% if interest rates fell by 1 percentage point.

**Excess Return** - Measure of a portfolio's achieved rate of return minus the return of a benchmark over the same period.

**Information Ratio** - Portfolio excess return relative to a benchmark divided by the portfolio return's tracking error relative to the same benchmark. Information ratio measures how much excess return is generated from the amount of excess risk taken relative to a benchmark.

**Price/Earnings (P/E)** - Ratio of a stock's current price divided by the company's trailing 12-month earnings per share from continuous operations. For a portfolio, calculated as the weighted average of P/E ratios of all stocks in the portfolio.

**Price/Book (P/B)** - Ratio of a stock's current price divided by the company's book value per share (total assets of a company, less total liabilities, divided by the number of shares outstanding). For a portfolio, calculated as the weighted average of P/B ratios of all stocks in the portfolio, with any stocks with negative book values being excluded.

**R-squared (R<sup>2</sup>)** - The percentage of a portfolio's return variance explained by the benchmark's returns.

**Sharpe Ratio** - Measure of risk-adjusted performance, calculated by dividing a portfolio's annualized excess returns over the risk-free rate (90 Day T-Bills) by its annualized standard deviation. The Sharpe ratio is not meaningful for comparison purposes when annualized excess return over the risk-free rate is negative.

**Standard Deviation** - Measure of dispersion about an average, depicts how widely a portfolio's returns varied over a certain period of time.

**Tracking Error** - The standard deviation (variability) of a portfolio's excess return relative to a benchmark.

**Upside/Downside Capture** - Upside/downside capture measures the percentage of a benchmark return realized by a portfolio during positive return periods (upside) or negative return periods (downside) within a defined time period. A value over 100 indicates outperformance for upside capture and underperformance for downside capture.

**Yield to Maturity** - Rate of return an investor will receive if a long-term, interest-bearing security, such as a bond, is held to its maturity date.