

MARKET COMMENTARY

AUGUST 2025

- The best performing sector for July was Information Technology while the worst was Health Care
- Trade uncertainty moderated with some supportive economic indicators
- Jobs report revisions raise concerns about employment
- Strong data center demand aided Technology sector expansion

DAVENPORT EQUITY RESEARCH

Ann H. Gurkin
(804) 780-2166
agurkin@investdavenport.com

F. Drake Johnstone
(804) 780-2091
djohnstone@investdavenport.com

Jeff Omohundro, CFA
(804) 780-2170
jomohundro@investdavenport.com

Joel M. Ray, CFA
(804) 780-2067
jray@investdavenport.com

Evan J. Gilbert, CFA
(804) 915-2749
egilbert@investdavenport.com

Justin E. Corlett
(804) 780-2099
jcorlett@investdavenport.com

One James Center
901 East Cary Street, Suite 1100
Richmond, VA 23219
(804) 780-2000

Davenport & Company LLC
Member: NYSE | FINRA | SIPC

A combination of factors aligned in July to support an overall strong month for equity returns. Signs of progress on the international trade front helped to reduce investor fears as the administration reached new agreements with several key trading partners although much work remains left to be completed. A tempering of trade uncertainty was further buoyed by a string of economic reports that suggest tariffs have not yet significantly hampered economic growth while optimism has grown about the possibility of Fed easing later in the year. Lastly, continuing enthusiasm tied to the potential from artificial intelligence supported relatively strong performance in the technology sector. This confluence of bullish factors presented a generally positive market backdrop as companies reported second quarter earnings results. The encouraging July market performance, however, did face a setback going into August as the July jobs report fell short of expectations with substantial downward prior month revisions.

We continue to think that a lot of prospective good news appears to be baked into equity market valuations today. However, the soft July jobs report could shift investor sentiment leading to a potential new headwind for the market. Although the recent jobs data appears to increase the likelihood of interest rate cuts by the Federal Reserve, we remain intently focused on individual stock valuation and fundamentals.

Equity markets advanced in July with the Dow Jones Industrial Average up by 0.1%, the S&P 500® index up 2.2%, and the smaller cap weighted Russell 2000® gaining 1.7%. The VIX index, or fear gauge started the month just under 17 and stayed in a narrow range through the month reflecting generally benign sentiment. We note that on August 1, the VIX spiked to over 20 reflecting the surprisingly weak jobs report and some increased trade uncertainty.

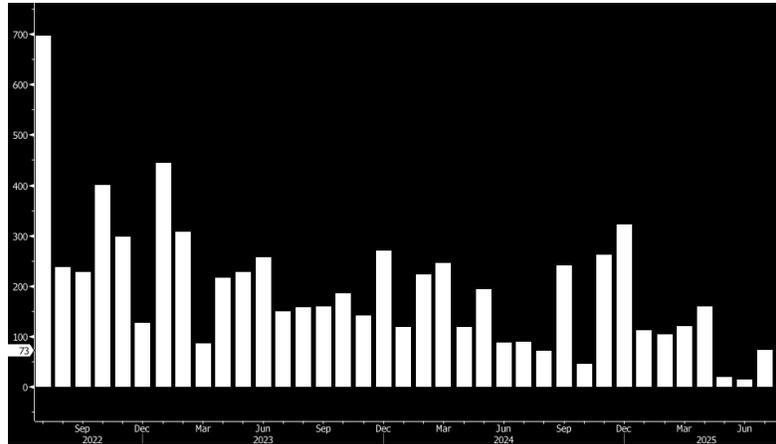
Six of the eleven industry sectors of the S&P 500 advanced during July. The best performing sector was Information Technology which increased by 5.2% followed by the Utilities sector which was up 4.9%. The weakest performance in the month was posted by the Health Care sector which decreased by 3.4% followed by the Consumer Staples sector which was down 2.5%. For the prior twelve months period, the Communications Services sector was the best performer with a 30.1% increase followed by the Information Technology sector which was up by 22.9%, while the Health Care sector was the worst performer for the past twelve months with a 12.9% decrease followed by the Energy sector which was down by 6.4%.

Although the macro backdrop has been clouded by trade and tariff uncertainty, some progress on the trade front has been seen since earlier in the year which may be contributing to improved consumer confidence. The Conference Board reported that consumer confidence grew in July reaching 97.2 which represented a sharp improvement off cycle lows seen in April of 85.7. The better than expected confidence reading appears to reflect improvements in inflation expectations against a generally constructive market backdrop. Stephanie Guichard, Senior Economist at the Conference Board, indicated that: "In July, pessimism about the future receded somewhat, leading to a slight improvement in overall confidence. All three components of the Expectation Index improved, with consumers feeling less pessimistic about future business conditions and employment, and more optimistic about future income."

The Bureau of Labor Statistics (BLS) Jobs report for July came in below expectations raising concerns the Federal Reserve may have fallen behind the rate cutting curve. As illustrated in the adjacent Bloomberg graphic with data developed by the BLS, the Jobs report showed 73,000 new non-farm payroll additions in July – well short of economist targets that stood at roughly 105,000. The unemployment rate also ticked up to 4.2% from 4.1% reported back in June that was expected. More importantly, payroll figures for June and May were slashed by 258,000 with the June revision to just 14,000 from earlier reported 147,000 and the May data trimmed to 19,000 job gains from the initial report of 144,000. Health care and social assistance sectors saw 73,300 jobs added last month, while adding in private education the figure rises to 79,000 for the month. That is, without these non-industrial positions the employment picture would have shown a decline in July. We note that following the release of the disappointing July Jobs report, President Trump ordered the dismissal of the head of the Bureau of Labor Statistics an action which raised questions and concerns across financial markets.

Please see important disclosures in the Disclosure Section at the end of this document.

Chart 1: BLS Job Growth (thousands)



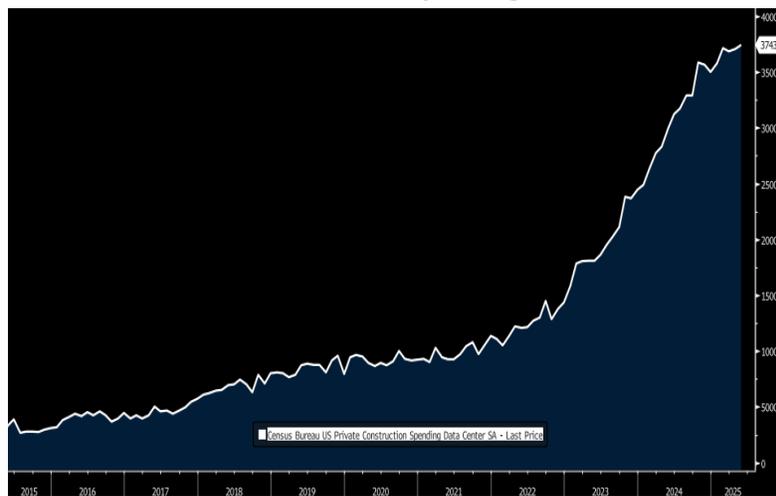
Source: Bloomberg

BLS reported that more than half of the employer groups surveyed posted employment declines in July pointing to an underlying weakening trend. Seven out of the 13 identified employer sectors saw these declines with professional and business services leading the way (jobs falling by 14,000); the government sector shed 10,000 jobs after having risen back in June; while manufacturing and wholesale trade experienced payroll losses in July of 11,000 and 7,800 respectively. We do, however, note that the Jobs report is always subject to subsequent adjustments, positioning us to remain focused instead on the Unemployment dataset that tends to be much more consistent with few if any restatements arising. Here, we see that unemployment although ticking up to 4.2% in July remains toward the lower end of historical levels – being influenced this year by tightening federal immigration policies. Still, it is evident that while employers continue to hang onto staff for the most part, they also are on ‘hold’ for now awaiting developments to their businesses as the reciprocal tariff moratorium recently ended. And, with new jobs having come largely from quasi-public sector health care and social assistance sectors, employment gains have been far from broad based indicative of a slowdown for both the manufacturing and services sectors of the U.S. economy today.

As mentioned earlier, the technology sector led equities higher last month fueled in part by ongoing artificial intelligence enthusiasm. The ability of artificial intelligence based technology solutions to shift normal work and efficiency paradigms has gained traction this year with companies across industry sectors allocating significant resources to capitalize on the opportunity. The expectation that AI inference growth will sharply increase future compute load is supporting a new capital expenditures cycle for data centers. This surge in investment is driven by the need to support AI workloads, real-time analytics, and autonomous vehicles, making data centers the emerging backbone of the digital economy.

The rapid growth of AI and cloud computing is fueling unprecedented demand for digital infrastructure, leading to very significant new capital investments in data centers. The following chart from Bloomberg underscores the significant ramping in the pace of data center spending:

Chart 2: Data Center Construction Spending (millions of US dollars)



Source: Bloomberg

A host of companies are increasing capital spending in data centers to support growth in artificial intelligence due to the significant potential of AI-based technology solutions to transform work and efficiency paradigms. Several of the country’s largest technology companies have recently raised capital spending targets to unprecedented levels in support of artificial

intelligence growth. The scale of the spending is intended to transform AI capabilities with Mark Zuckerberg, CEO of Meta Platforms, indicating: “Over the last few months we have begun to see glimpses of our AI systems improving themselves. The improvement is slow for now, but undeniable. Developing superintelligence is now in sight.”

Technology sector leadership has proved an important driver supporting equities this year but we note the narrowness of this leadership continues to be a concern with the equally weighted S&P 500 tracking well behind the S&P 500 which is market capitalization weighted. We were pleased that equity markets in July were able to sustain gains from May and June as some trade uncertainties receded. However, we continue to think that a considerable amount of favorable sentiment appears to be present in equity market valuations today. We remain attentive to potential shifts in trade policy and upcoming court cases that could impact the course of U.S. tariff and trade policies and the economic outlook. Although the recent jobs data appears to increase the likelihood of interest rate cuts, we remain keenly focused on individual stock valuation – identifying quality, well-managed, companies poised to generate consistent strong free cash flow available to return to investors as dividends and or share buybacks.

MARKET AND ECONOMIC STATISTICS

Market Indices:	7/31/2025	12/31/2024	% Change YTD	6/30/2025	% Change (Monthly)
S&P Composite	6,339.39	5,881.63	7.78%	6,204.95	2.17%
Dow Jones Industrials	44,130.98	42,544.22	3.73%	44,094.77	0.08%
NASDAQ Composite	21,122.45	19,310.79	9.38%	20,369.73	3.70%
Russell 2000	2,211.65	2,230.16	-0.83%	2,175.04	1.68%
FTSE 100	9,132.81	8,173.02	11.74%	8,760.96	4.24%
Shanghai Composite	3,573.21	3,351.76	6.61%	3,444.43	3.74%
Nikkei Stock Average	41,069.82	39,894.54	2.95%	40,487.39	1.44%
Stoxx Europe 600	546.11	507.62	7.58%	541.37	0.88%
MSCI Emerging Markets	1,243.23	1,075.48	15.60%	1,222.78	1.67%
MSCI Emerging Markets Small Cap	1,544.15	1,406.15	9.81%	1,539.33	0.31%
Performance of S&P 500 by Industry:	% of Index as of 7/31/2025	1 Month	3 Month	Year to Date	12 Months
Consumer Discretionary	10.40%	2.62%	14.63%	-1.72%	18.67%
Consumer Staples	5.24%	-2.51%	-3.08%	2.45%	4.82%
Energy	3.00%	2.81%	8.01%	1.84%	-6.39%
Financials	13.77%	-0.16%	7.33%	8.22%	19.67%
Health Care	8.79%	-3.44%	-7.25%	-5.38%	-12.87%
Industrials	8.63%	2.95%	15.70%	15.26%	18.86%
Information Technology	34.03%	5.16%	27.85%	13.26%	22.87%
Materials	1.83%	-0.51%	4.42%	4.44%	-4.69%
Communication Services	9.86%	2.30%	20.20%	13.17%	30.06%
Utilities	2.45%	4.89%	8.50%	13.02%	17.70%
Real Estate	1.99%	-0.16%	0.20%	1.55%	0.60%
S&P 500 (Absolute performance)	100.00%	2.17%	13.83%	7.78%	14.80%
Interest Rates:	7/31/2025	12/31/2024	YTD Change (Basis Points)	6/30/2025	Month Change (BPS)
Fed Funds Effective Rate	4.33%	4.33%	0	4.33%	0
Prime Rate	7.50%	7.50%	0	7.50%	0
Three Month Treasury Bill	4.28%	4.28%	1	4.28%	0
Ten Year Treasury	4.37%	4.57%	-20	4.23%	15
Spread - 10 Year vs 3 Month	0.09%	0.29%	-20	-0.05%	15
Foreign Currencies:	7/31/2025	12/31/2024	% Change YTD	6/30/2025	% Change (Monthly)
Brazil Real (in US dollars)	0.18	0.16	10.2%	0.18	-3.0%
British Pound (in US dollars)	1.32	1.25	5.5%	1.37	-3.8%
Canadian Dollar (in US dollars)	0.72	0.70	3.8%	0.73	-1.8%
Chinese Yuan (per US dollar)	7.20	7.30	-1.4%	7.16	0.5%
Euro (in US dollars)	1.14	1.04	10.2%	1.18	-3.2%
Japanese Yen (per US dollar)	150.75	157.20	-4.1%	144.03	4.7%
Commodity Prices:	7/31/2025	12/31/2024	% Change YTD	6/30/2025	% Change (Monthly)
CRB (Commodity) Index	562.11	536.50	4.8%	568.50	-1.1%
Gold (Comex spot per troy oz.)	3289.93	2624.50	25.4%	3303.14	-0.4%
Oil (West Texas int. crude)	69.26	71.72	-3.4%	65.11	6.4%
Aluminum (LME spot per metric ton)	2562.36	2526.78	1.4%	2596.57	-1.3%
Natural Gas (Futures 10,000 MMBtu)	3.11	3.63	-14.5%	3.46	-10.1%
Economic Indicators:	6/30/2025	12/31/2024	% Change YTD	5/31/2025	% Change (Monthly)
Consumer Price Index	320.6	317.6	-0.9%	320.6	0.0%
Producer Price Index	261.4	261.4	0.0%	260.4	0.4%
GDP Growth Rate (Quarterly)	2Q25 3.00%	1Q25 -0.50%	4Q24 2.40%	3Q24 3.10%	2Q24 3.00%
Unemployment Rate (End of Month)	July 4.2%	June 4.1%	May 4.2%	April 4.2%	March 4.2%

*GDP growth rate is calculated as the percent change from the previous period seasonally adjusted at annual rates. **S&P Sectors were re-named at the end of 2001. The sector Industrials is a combination of the former sectors Capital Goods & Transportation. Sources: Wall Street Journal, Bloomberg, The Department of Labor, The Bureau of Economic Analysis, US Treasury website.

TABLE OF CONTENTS

Market Commentary 1

Market and Economic Statistics 4

Sector Updates

Communication Services 6

Consumer Discretionary 7

Consumer Staples 8

Energy 9

Financials 10

Health Care 11

Industrials 12

Information Technology 13

Materials 14

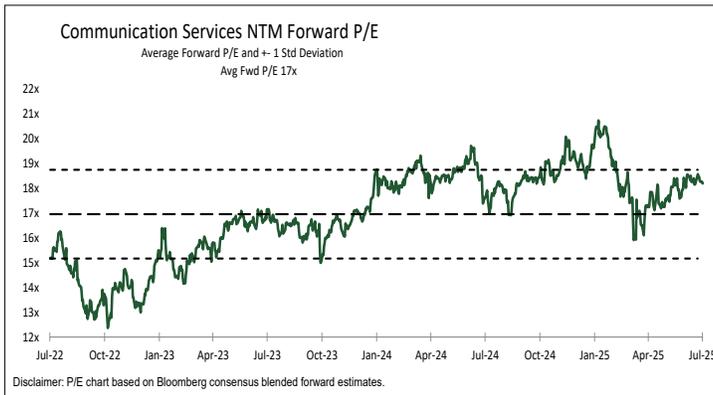
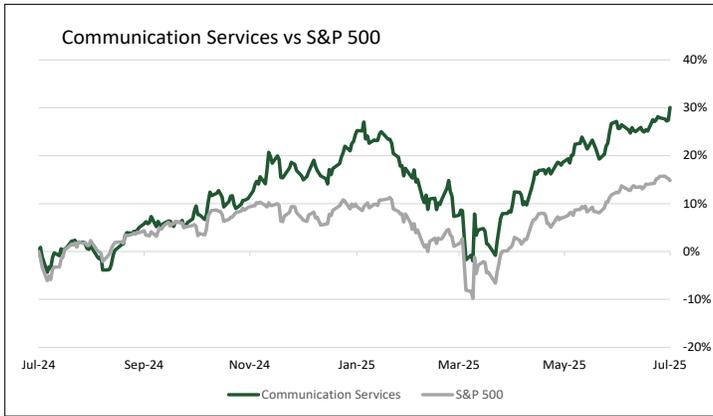
Real Estate 15

Utilities 16

Economic Calendar 17

Disclosures 19

COMMUNICATIONS SERVICES



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
2.30%	20.20%	13.17%	30.06%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Trade Desk Inc/The	20.8%
	Warner Bros Discovery	14.9%
	Match Group Inc	10.9%
	Alphabet Inc	8.9%
	Alphabet Inc	8.7%
Laggards	Charter Comm.	-34.1%
	Netflix Inc	-13.4%
	Take-Two Interactive	-8.3%
	TKO Group Holdings Inc	-7.7%
	Comcast Corp	-6.9%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$18.32	\$18.39	\$19.91
21.1x	21.0x	19.4x

Sector Update

Communications Services slightly outperformed the market in July as the rise in the Interactive Media & Services subsector more than offset the decline in the other subsectors.

Interactive Media & Services performance was driven by Alphabet, which reported better than expected results. Leading U.S. hyperscale cloud companies, including Alphabet, reported an acceleration in their cloud revenue as robust consumer and enterprise demand for AI applications and AI agents drove significant growth in AI inferencing demand. Alphabet reported that the number of tokens (represents a small unit of text) processed by its customers and strategic partners soared from 480 trillion in May to 980 trillion in July.

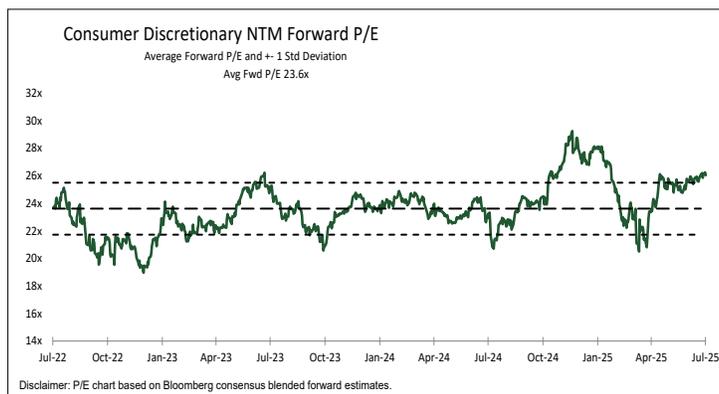
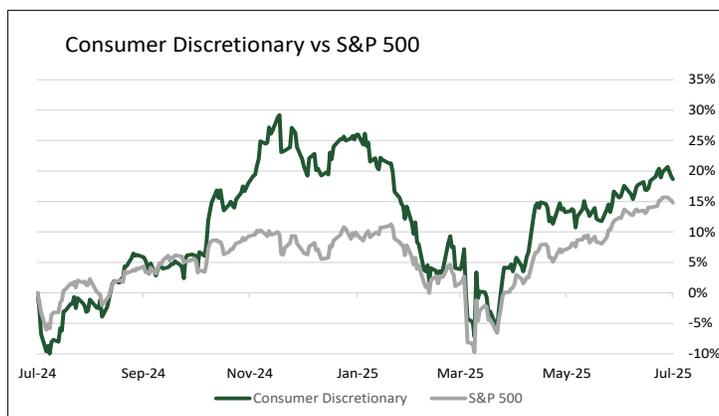
Investors are awaiting the potential outcome of U.S. District Court Judge Mehta's decision this month on potential remedies to address Google Search's monopoly.

The Entertainment subsector underperformed the market due to the decline in Netflix shares. While Netflix reported better than expected Q-2 25 results and raised its FY25 revenue guidance, the company attributed most of its revenue upside to the depreciation of the U.S. dollar. During its second quarter conference call, Netflix management fielded equity analysts' questions about the decline in its share of total U.S. TV viewing over the past year.

According to Nielsen, streaming media's share of total U.S. TV viewing increased from 40% in June 2024 to 46% in June 2025, ahead of broadcast TV and cable networks' combined share of 42%. Over this period, YouTube increased its share of total U.S. TV viewing from 9.9% to 12.8% and Netflix's share declined slightly to 8.3%. The timing of new content releases and professional sports programming can influence a company or media segment's share of total U.S. TV viewing.

The Communications Services sector appears close to fairly valued, with a P/E of 21x and 19.4x the consensus analyst FY25/ FY26 EPS estimates, compared to 8% earnings growth, and its average forward P/E multiple of 17x.

CONSUMER DISCRETIONARY



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
2.62%	14.63%	-1.72%	18.67%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Norwegian Cruise Line	26.0%
	eBay Inc	23.2%
	Tapestry Inc	23.0%
	Las Vegas Sands Corp	20.4%
	Wynn Resorts Ltd	16.4%
Laggards	Chipotle Mexican Grill	-23.6%
LKQ Corp	-20.4%	
CarMax Inc	-15.8%	
Lululemon Athletica Inc	-15.6%	
Darden Restaurants Inc	-7.5%	

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$60.90	\$58.67	\$67.39
29.6x	30.7x	26.7x

Sector Update

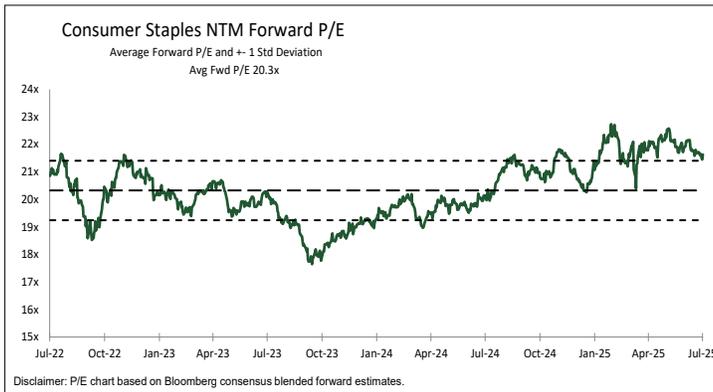
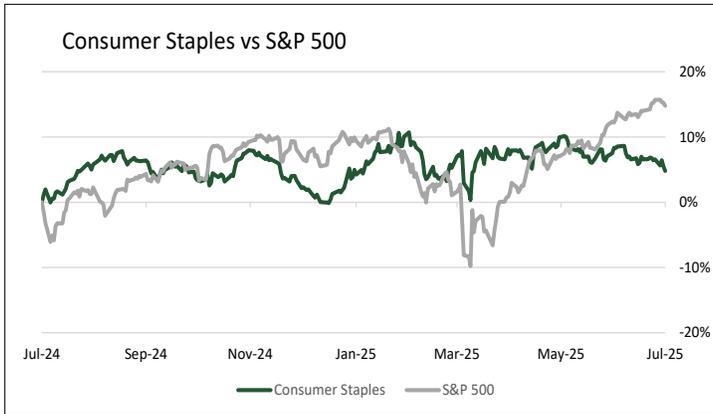
The Summer rally in Consumer Discretionary stocks sustained momentum in July outperforming the broader market for the month. Gains in the sector were led by Multiline Retail and Household Durables companies whereas Automobiles and Hotels, Restaurants & Leisure stocks notably weakened during the month. On a 1-month, 3-months, and trailing twelve months basis, the Consumer Discretionary sector has outperformed the S&P 500 while lagging on a year-to-date basis, as reflected in the accompanying table.

The Conference Board reported that consumer confidence improved in July reaching 97.2 which represented a sharp improvement off cycle lows seen in April of 85.7. The better than expected confidence reading appears to reflect improvements in inflation expectations against a generally constructive market backdrop. Stephanie Guichard, Senior Economist at the Conference Board, indicated that: "In July, pessimism about the future receded somewhat, leading to a slight improvement in overall confidence. All three components of the Expectation Index improved, with consumers feeling less pessimistic about future business conditions and employment, and more optimistic about future income."

Retail sales beat expectations in June advancing 0.6% with core retail sales excluding autos and gasoline also up 0.6%. The advances reflect a renewed consumer appetite to spend as tariff concerns appear to have receded in the month. Following a sharp decline in May, auto sales advanced 1.2% in June while gasoline sales were flat in the month. Likewise, building materials sales that were soft in May reversed in June with a 0.9% increase. Areas that were particularly weak in June included department store sales as well as sales at furniture and electronics stores. An encouraging sign in the sales report was seen in control group sales which reflects a narrower subset of core demand that increased by 0.5% which was above the Bloomberg consensus estimates of a 0.4% gain.

The malaise in the housing market continued in June with existing home sales dropping to a 9-month low for the month. June home sales dropped by 2.7% from May to a seasonally adjusted rate of 3.93 million according to the National Association of Realtors (NAR). This level of sales missed consensus targets per Bloomberg as homebuyers appear to be responding to the high mortgage rate environment and steep home prices. Affordability challenges increased as the average home price reached an all-time June high of \$435,300. With homes that sold receiving an average of 2.4 offers, 21% were sold above the list price while the inventory of homes for sale dropped 0.6% equating to a 4.7 month supply. Lawrence Yun, Chief Economist at the NAR, indicated that: "High mortgage rates are causing home sales to remain stuck at cyclical lows. If the average mortgage rates were to decline to 6%, our scenario analysis suggests an additional 160,000 renters becoming first-time homeowners and elevated sales activity from existing homeowners."

CONSUMER STAPLES



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-2.51%	-3.08%	2.45%	4.82%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Estee Lauder Cos Inc	15.5%
	Dollar Tree Inc	14.7%
	Hershey Co/The	12.2%
	Lamb Weston Holdings	10.1%
	J M Smucker Co/The	9.3%
Laggards	Conagra Brands Inc	-10.8%
	Philip Morris	-9.9%
	Dollar General Corp	-8.3%
	Colgate-Palmolive Co	-7.8%
	Hormel Foods Corp	-7.1%

Consensus FY EPS / P/E

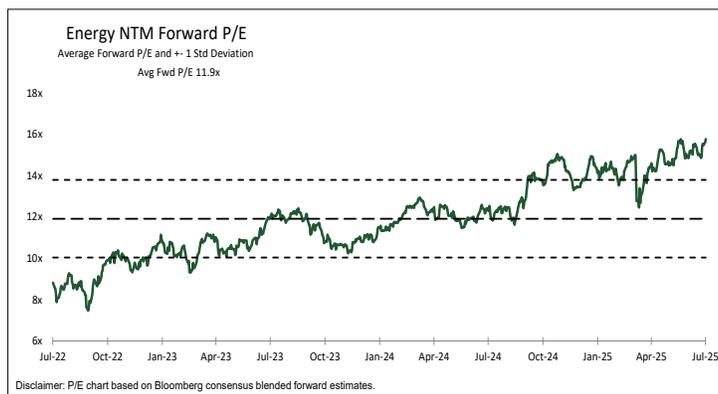
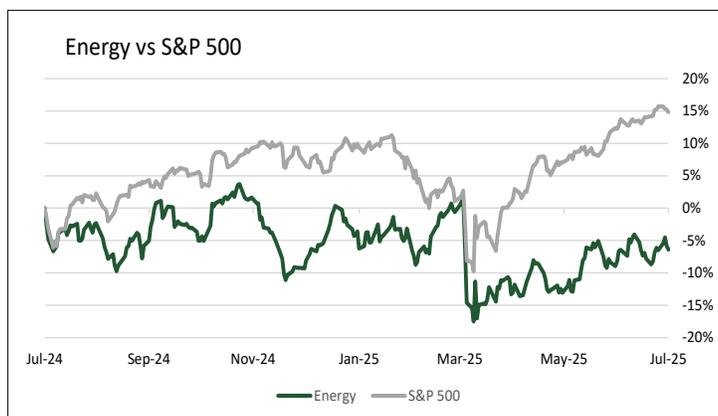
Last Year	Current Year	Next Year
\$39.40	\$39.63	\$42.09
22.2x	22.1x	20.8x

Sector Update

The Consumer Staples sector decreased 2.51% on average in July and well underperformed the S&P 500 Index that increased 2.17%. YTD, the Consumer Staples sector increased 2.45% underperforming the S&P 500 Index that increased 7.78%. All segments except Personal Products reported declines in July as investors rotated away from more defensive investments. The bifurcation of consumer trends witnessed during late Q2 continued into July and August with strengthening demand for beauty products and continued soft demand for household and food and beverage products. Overall, domestic food sales trends have decelerated slightly in recent weeks due to a continued cautious consumer, slowing category growth, and a rise in private label sales. Focus remains on elasticity across categories as companies seek to raise prices in 2H to offset higher commodity input and tariff related costs for both 2H and 2026. Center of the store food brands are lagging the most in sales reflecting consumer shift in shopping channels (ie club stores, e-commerce), the trade down to private label offerings, the shift to shopping the perimeter of the store, continued cautious consumer behavior, competition, and company specific execution issues. Volume inflection across most of Consumer Staples remains elusive and supports the continued expectation for heightened consolidation or portfolio reshaping activity as companies seek to drive top-line, realize cost savings, and positively contribute to margins. Tariff news remains an overhang and companies remain focused on opportunities to mitigate costs while monitoring elasticity trends in response to price and promotion.

We continue to advise a selective investment among the Consumer Staples stocks, and a market weighting remains preferred. The Consumer Staples segment trades with a forward P/E of about 22.1x as compared with its average forward P/E of 20.3x. As consumers seek to eat more meals at home, ingredient and flavoring companies should capitalize on the trend. Functional beverages (ie protein, energy, prebiotic beverages) remain attractive growth opportunities in the beverage segment, and ingredient solution and clean label options remain in focus. Companies continue to focus on cocoa prices with an update on current pod and grind outlook expected in August/September. Early indications still support a more favorable cocoa harvest in West Africa and expected lower input cost pressures in 2026. US consumer demand remains strong for protein consumption driving up prices and margins across proteins. The exception is the beef segment that continues to face a shortfall in the domestic cattle supply. The outlook remains favorable for the domestic corn and soybean production in 2025.

ENERGY



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
2.81%	8.01%	1.84%	-6.39%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Baker Hughes Co	17.5%
	Halliburton Co	9.9%
	Diamondback Energy	8.2%
	ConocoPhillips	6.2%
	Chevron Corp	5.9%
Laggards	Expand Energy Corp	-10.4%
	Texas Pacific Land Corp	-8.4%
	EQT Corp	-7.8%
	Kinder Morgan Inc	-4.6%
	Williams Cos Inc/The	-4.6%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$43.19	\$39.02	\$46.11
15.4x	17.1x	14.5x

Sector Update

The Energy sector slightly outperformed the S&P 500 in July, advancing 2.8% vs the S&P 500's 2.2% return. With hostilities in Europe and the Middle East ongoing, the macroenvironment continues to be challenging, contributing to two years of significant relative underperformance for the sector. Against this backdrop, the Oil, Gas, & Consumable Fuels subsector underperformed the Energy Equipment & Services subsector during the month. The sector has also underperformed the broader market for the past 12-months, YTD, and 3-month period.

During the month, in a major legislative move, the Trump administration was able to pass the One Big Beautiful Bill Act (OBBBA). The act makes significant changes to clean energy tax incentives, scaling them back by tightening domestic content requirements, foreign entity restrictions, and new qualification deadlines. Some of the most notable takeaways include funding for critical mineral extraction (to combat Chinese dominance), roll backs for EV and battery tax credits, and the phasing out of subsidies for solar and wind energy.

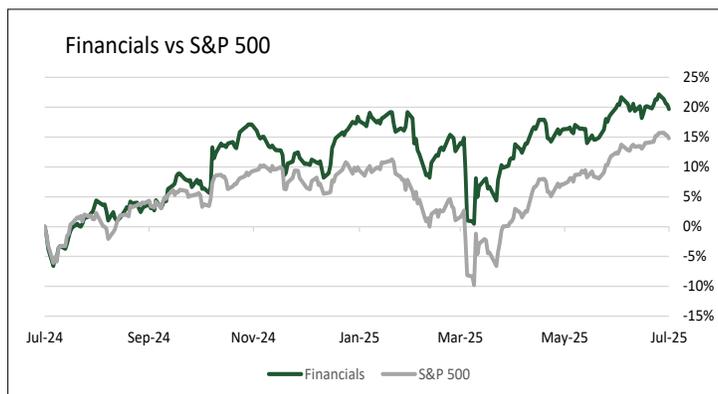
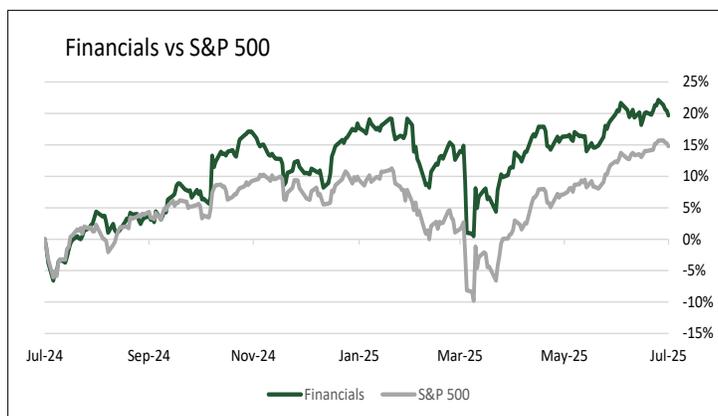
In mid-July, OPEC+ maintained the cartel's oil demand growth forecast at 105 million bpd for 2025, saying the economic outlook was robust. Towards the end of the month OPEC+ agreed to raise oil production by an accelerated 547,000 barrels per day (bpd) for September. The cartel cited a healthy economy and low inventories as reasons behind the decision. As OPEC continues to seek share gains lost to shale in recent years, concerns are rising over potential supply disruptions following President Trump's secondary sanctions on Russian oil, primarily affecting countries such as India that have continued to purchase Russian oil.

The International Energy Agency raised global oil supply estimates by 300,000 to 2.1 million bpd for the year and expects world oil demand to rise by 700,000 bpd, implying a surplus. The agency expects the summer to have tighter demand as summer travel and power generation demand are expected to rise. OPEC and IEA continue to be at odds with demand expectations as the IEA continues to expect a faster global energy transition.

West Texas Intermediate (WTI) crude oil prices increased to \$69.26 per barrel at the end of the month from the \$65.11 level seen last month. Natural gas prices decreased to \$3.11 from \$3.46 mmbtu last month. Retail gasoline prices remained essentially flat versus last month at -\$3.15 per gallon.

The Baker Hughes oil rig count decreased to 540 in the month from the 547-level last month. For the week ending June 27, U.S. crude oil inventories came in at 426.7 million barrels, which is ~6% below the five-year average for this time of year and compares to last month's 419 million barrels. Following the downturn seen during the height of the pandemic in 2020, U.S. crude oil production has been in an uptrend, which continued during 2024 and into 2025. The trough daily production seen in 2020 was in the 9.7 million barrels per day range and has now rebounded to a range of ~13.4 million barrels per day.

FINANCIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-0.16%	7.33%	8.22%	19.67%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Invesco Ltd	33.2%
	Blackstone Inc	15.6%
	Block Inc	13.7%
	Globe Life Inc	13.0%
	Bank of NY Mellon	11.3%
Laggards		
	Fiserv Inc	-19.4%
	Brown & Brown Inc	-17.6%
	Arthur J Gallagher & Co	-10.3%
	FactSet Research	-9.9%
	Progressive Corp/The	-9.3%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$48.40	\$49.16	\$53.85
18.0x	17.7x	16.2x

Sector Update

The Financials sector finished July essentially flat from the prior month, down just 0.2% and lagging the 2.2% gain in the S&P 500® index. Despite relative underperformance against the broader market index in the past three months, the sector's 8.2% year-to-date and 19.7% trailing twelve-month gains remain better than the S&P 500 returns in the respective periods.

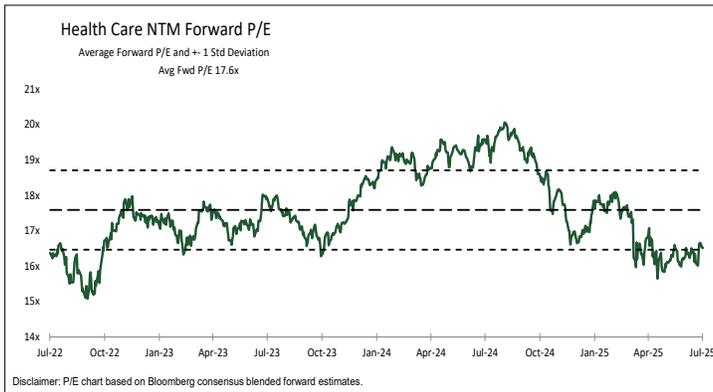
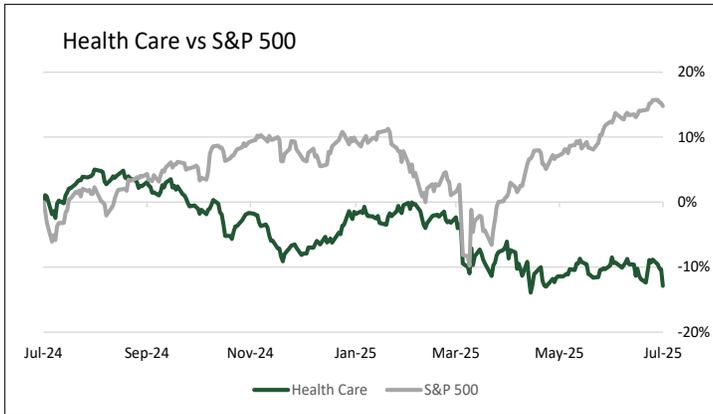
Subsector performance was led by the Capital Markets group, up 4.7% in July, followed by Banks up 2.1% in the period. Consumer Finance, Diversified Financials, and Insurance subsectors declined in the period—led by the Insurance subsector down 5.8% in the month. Capital Markets and Bank performance was largely driven by solid earnings reports and commentary regarding improved dealmaking activity and a recent thawing in investment banking pipelines. On the other hand, Insurers underperformed as competitive pressures and targeted pullbacks in underwriting across catastrophe prone geographies create a headwind to pricing and premium growth. Following several years of hard market pricing driven by general inflationary trends, recent results and industry commentary suggest underwriting profit margins could trend lower near-term. That, combined with a recent pullback in interest rates driving weaker interest income growth outlooks appear largely responsible for the subsector's weak relative performance including three of the five worst performing Financials stocks in July.

Invesco Ltd (IVZ) was the best performing Financials component in July, up 33.2% after filing a proxy mid-month asking owners of the popular NASDAQ 100 'QQQ' ETF to convert from a unit investment trust (UIT) to an open-ended fund structure. Invesco, as the ~\$355B fund's sponsor, has not seen any material financial benefit from the ETF because the current UIT structure splits the bulk of its 20bps management fees between the fund's trustee—the Bank of New York Mellon (BK)—and NASDAQ, the underlying index provider. So shares rallied on investor enthusiasm of IVZ potentially retaining fees on the product, assuming its proposal is approved later this year.

Bank subsector performance reflected better than expected earnings reported in the month, with mega-cap firms seeing increased investment banking activity, trading and markets revenue growth, interest related income growth, and subdued credit costs. Management commentaries suggested the industry is 'firing on all cylinders' apart from home lending, which remains depressed from historical norms against a weak housing affordability backdrop. Results added to de-regulation and pro-growth optimism driving some subsector components to all-time highs in the month.

Valuations in the sector appear more full at this juncture on a forward P/E of ~17.7x compared to a three-year average of 14.6x. Given risk and volatility measures have returned toward multi-decade lows, there seems to be little room for disappointment inclusive of any macroeconomic or geopolitical curveball.

HEALTH CARE



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-3.44%	-7.25%	-5.38%	-12.87%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	IQVIA Holdings Inc	17.9%
	Thermo Fisher	15.3%
	Charles River	11.8%
	Incyte Corp	10.0%
	West Pharmaceutical	9.4%
Laggards	Centene Corp	-52.0%
	Molina Healthcare Inc	-47.0%
	Align Technology Inc	-31.9%
	Baxter International Inc	-28.1%
	Elevance Health Inc	-27.2%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$88.70	\$89.85	\$98.23
17.1x	16.9x	15.5x

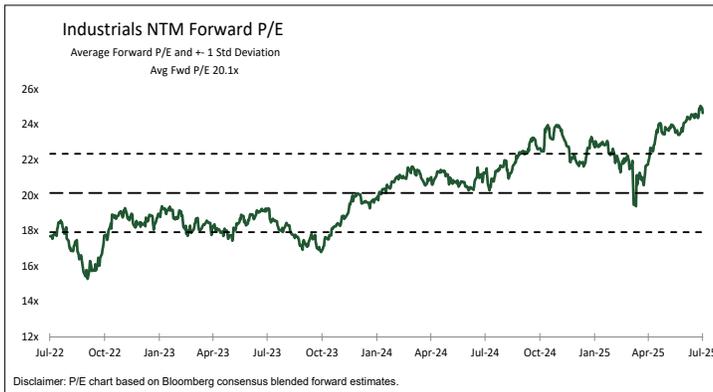
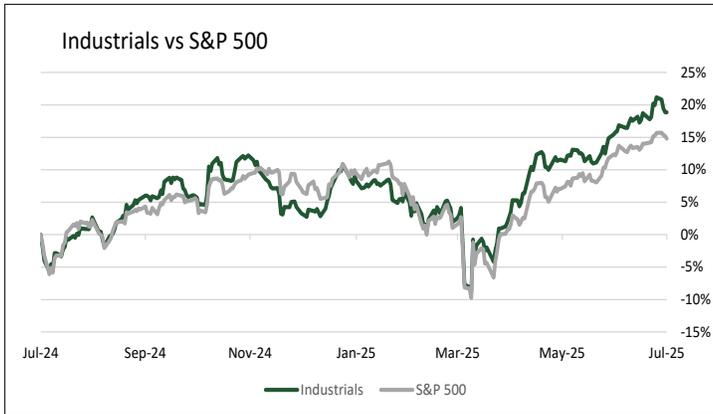
Sector Update

The Health Care sector declined by 3.44% in July, significantly underperforming the S&P 500's 2.2% gain. By the end of July, the Health Care sector had emerged as the worst performing sector in the S&P 500 on a 1 month, 3-month, year to date, and trailing 12-month basis. While Health Care benefited from the market's defensive tilt following the first three months of the year, the sector struggled as the broader market rebounded. Policy uncertainty continues to weigh on investor sentiment following the Senate's passage of the 'One Big Beautiful Bill,' announcements related to pharmaceutical tariffs, and developments related to the Trump administration's "Most Favored Nation" drug pricing plan. Defensive sectors like Health Care and Consumer Staples lagged behind more cyclical parts of the market during the month, while Industrials, Consumer Discretionary, and Information Technology outperformed.

On July 27th, the U.S. announced a 15% tariff on branded pharmaceutical imports from the EU, breaking decades of tariff exemptions for medicines. A few days later, the Trump administration sent formal letters to a variety of pharmaceutical companies demanding lower U.S. drug prices. According to the letters, the Trump administration has called for drug prices to reflect prices outlined in the Trump administration's "Most Favored Nation" executive order issued earlier this year. According to this executive order, drugmakers would be required to offer U.S. patients the lowest price available in any developed country. While the MFN pricing policy still faces significant legal challenges, and many experts believe its future will depend on forthcoming rulemaking, court decisions, and potential congressional actions – press reports have indicated that pharmaceutical companies have been negotiating with the administration during July. Separate from the 15% tariff on branded pharmaceutical imports from the EU, the Trump administration also stated that the U.S. plans to initially put a small tariff on pharmaceuticals before gradually raising the tariff rate over time.

The Biotechnology and Life Science Tools & Services subsectors reported gains in July, while the Pharmaceuticals, Health Care Equipment & Supplies, and Health Care Providers & Services subsectors reported declines. Currently, the Health Care sector trades at a forward P/E of 16.9x projected 2025 earnings, below its historical average of 17.6x.

INDUSTRIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
2.95%	15.70%	15.26%	18.86%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders		1 Month
	Generac Holdings Inc	35.9%
	GE Vernova Inc	24.8%
	CH Robinson	20.2%
	United Rentals Inc	17.2%
	Huntington Ingalls	15.5%
Laggards		
	United Parcel Service	-14.6%
	Otis Worldwide Corp	-13.5%
	Verisk Analytics Inc	-10.5%
	Lockheed Martin Corp	-9.1%
	Axon Enterprise Inc	-8.8%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$46.67	\$48.03	\$55.42
27.6x	26.8x	23.2x

Sector Update

The Industrials sector outperformed the S&P 500 in July, recording a gain of 2.95% versus the increase of 2.17% displayed by the index. Returns from the Industrials sector have also exceeded the S&P 500 on a three-month, year-to-date, and trailing 12-month basis. Seven of the 12 Industrials subsectors reported gains in July, led by Electrical Equipment with a 13.1% increase during the month, while Air Freight & Logistics led laggards with a 6.0% loss.

Ongoing variability related to shifts in trade policy may be contributing to uncertainty among industrial company management teams. The Institute for Supply Management's (ISM) Purchasing Managers Index (PMI) for Manufacturing fell for a fifth consecutive month, with July's 48% result one percentage point below June's 49% figure. We note that the Manufacturing PMI fell for 26 consecutive months before briefly showing expansion in January and February of this year.

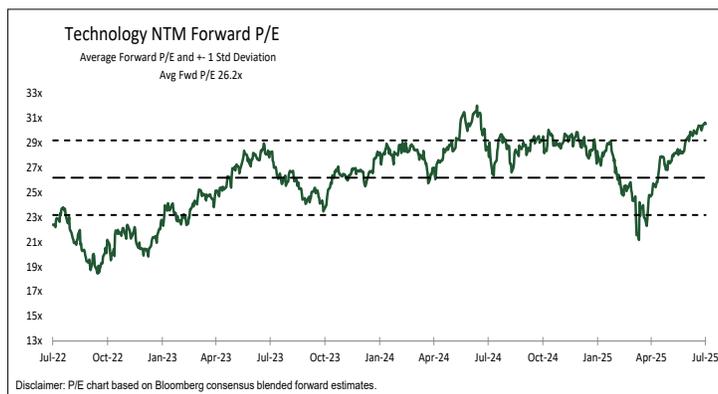
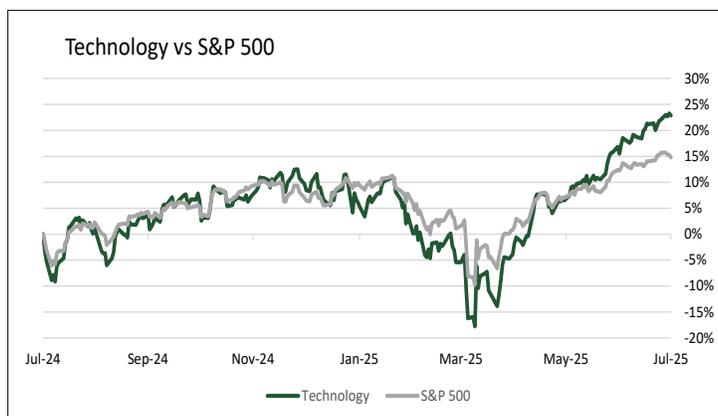
Some companies have suspended guidance as management teams deal with limited visibility in the macroeconomic landscape. Despite a slight incremental improvement, demand appeared to further decline during the month, with the New Orders and Backlog of Orders Indexes remaining in contraction territory. Susan Spence, the Chair of the ISM, noted that "new orders continue to slow amid tariff uncertainty", with debates between buyers and sellers as to who will ultimately pay tariff costs remaining the "prime issue in negotiations."

The overall contraction of U.S. manufacturing activity was driven by the Supplier Deliveries Index flipping from positive to negative after seven months of expansion and by continued weakness in the Employment Index. We note the Supplier Deliveries Index is reversed, meaning that a lower figure represents faster deliveries, which potentially could indicate a softening in demand or the economy overall. Although the Production Index increased at a faster rate than June, the Employment Index contracted at a quicker pace than June, as panelists echoed previous commentary that managing headcount took precedence over hiring.

As an example of recent moves in trade policy complicating investment decisions for industrial sector management teams, 50% copper tariffs announced on July 30th contributed to a sharp drop in copper prices, contradicting some earlier views that more widespread tariffs on raw copper could increase the price of the metal. We note that the U.S. typically imports a little less than half of the copper it uses in manufacturing each year.

The Industrials sector is trading at a forward P/E ratio of 26.8x FY25 consensus estimates, which is higher than its three-year average of 20.1x.

INFORMATION TECHNOLOGY



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
5.16%	27.85%	13.26%	22.87%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	PTC Inc	24.6%
	Advanced Micro	24.2%
	Synopsys Inc	23.6%
	Western Digital Corp	23.0%
	TE Connectivity PLC	22.0%
Laggards	Fair Isaac Corp	-21.4%
Enphase Energy Inc	-18.4%	
Gartner Inc	-16.2%	
Palo Alto Networks Inc	-15.2%	
International Business	-14.1%	

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$144.05	\$159.99	\$184.79
36.2x	32.6x	28.3x

Sector Update

The Technology sector outpaced the market in July driven by the performance of four of six subsectors.

The Semiconductors & Semiconductor Equipment subsector outperformed the market led by Advanced Micro Devices (AMD) as investors anticipated higher U.S. semiconductor company AI chip sales to China after the recent reversal of U.S. government policy. AMD announced that it plans to resume shipments of its MI308 AI data center GPUs to China after it receives a license from the U.S. Department of Commerce.

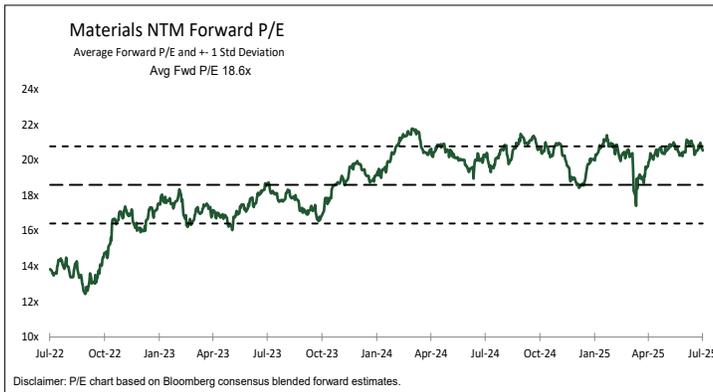
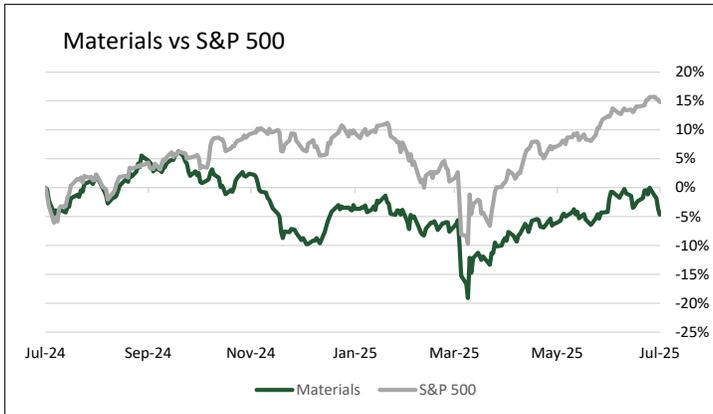
The Electrical Equipment, Instruments & Components subsector outperformed the market led by TE Connectivity (TEL). The company reported better than expected Q-3 25 results and provided guidance ahead of the consensus estimate. TEL and other companies that serve the energy and AI data center markets are benefiting from U.S. utilities' increased investment to harden the energy grid and hyperscale cloud companies' buildout of their AI data centers.

PTC's industry leading equity performance contributed to the Software subsector outperforming the market. The company reported better than expected Q-3 25 results and raised its guidance. Even though Autodesk (ADSK) abandoned its potential acquisition of PTC (Source: Reuters), this news may have led investors to consider the potential implications of industrial software company consolidation into their equity valuations.

The IT Services subsector significantly underperformed the market due to the sharp decline in IBM shares. The U.S. Department of Government Efficiency's (DOGE) mandated cost reductions impacted IT services companies Federal consulting revenue.

The Technology sector appears close to fairly valued, with a P/E of 32.6x and 28.3x the consensus analyst FY25/FY26 EPS estimates, compared to 15% earnings growth, and its average forward P/E of 26.2x.

MATERIALS



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-0.51%	4.42%	4.44%	-4.69%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	Nucor Corp	10.4%
	Albemarle Corp	8.3%
	Newmont Corp	6.6%
	Vulcan Materials Co	5.3%
	DuPont de Nemours Inc	4.8%
Laggards	Dow Inc	-12.0%
	PPG Industries Inc	-7.3%
	Freeport-McMoRan Inc	-7.2%
	Avery Dennison Corp	-4.4%
	Sherwin-Williams Co	-3.6%

Consensus FY EPS / P/E

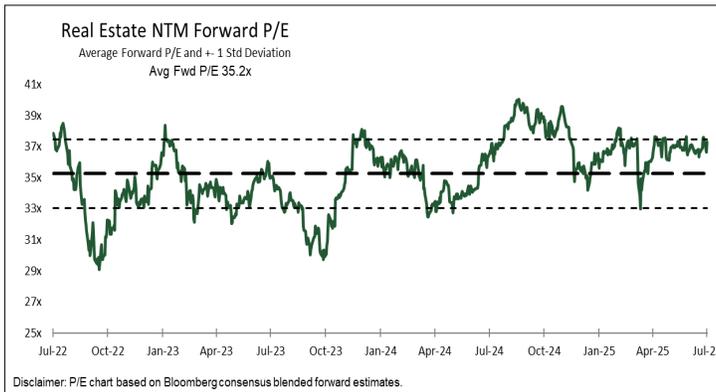
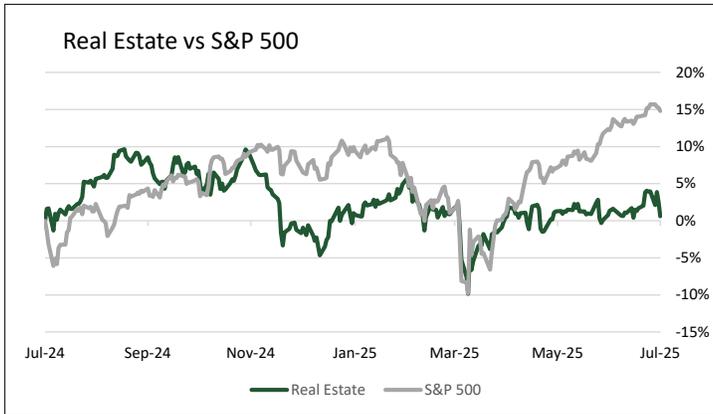
Last Year	Current Year	Next Year
\$24.15	\$25.30	\$29.49
22.9x	21.9x	18.8x

Sector Update

The Materials sector decreased 0.51% in July and underperformed the 2.17% increase for the S&P 500 Index. YTD, the Materials sector increased 4.44% and has underperformed the S&P 500 Index that rose 7.78%. All segments reported gains with the exception of chemicals. Chemical stocks face heightened global demand uncertainty given tariffs. Chemical production is a highly fixed-cost business, so more moderate volumes and higher uncertainty negatively weigh on the outlook. Companies remain focused on inventory and cash management. However, when volume does inflect positively, chemical companies should benefit.

The macro environment remains uncertain given ongoing news about tariffs, fluctuating costs and uncertain consumer behavior and volumes. The Materials segment trades with an average forward P/E of about 21.9x vs its historical valuation range of 18.6x. Near-term demand for paper and boxes is expected to remain pressured. The softer volume should be offset by favorable pricing and cost reductions, but 2H likely remains pressured on an uncertain market and softening demand. Lithium prices remain weak, but expectations remain for an improving supply and demand balance in 2H of 2025. With companies operating at continued losses, the expected announced curtailment of several expansion projects remains a key focus. It is estimated that about 40% of global lithium production is at or less than breakeven operating metrics. A more rational lithium production/supply environment should support an improved pricing scenario. Housing stocks face continued uncertainty regarding the macroenvironment and tariff impacts. The key remains whether companies can mitigate tariff impacts through price increases, cost reductions, and by shifting the sourcing footprint. As commented by the National Association of Realtors, higher mortgage rates continued to cause a low level of home sales. In June, home sales were flat with the prior year period while home prices remain elevated reflecting continued tight supply.

REAL ESTATE



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-0.16%	0.20%	1.55%	0.60%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance

Leaders	Company	1 Month
	CoStar Group Inc	18.4%
	CBRE Group Inc	11.1%
	Welltower Inc	7.4%
	Ventas Inc	6.4%
	Alexandria Real Estate	5.2%
Laggards	Extra Space Storage Inc	-8.9%
	AvalonBay	-8.5%
	Essex Property Trust Inc	-8.2%
	Public Storage	-7.3%
	Invitation Homes Inc	-6.6%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$12.96	\$12.93	\$13.98
20.1x	20.1x	18.6x

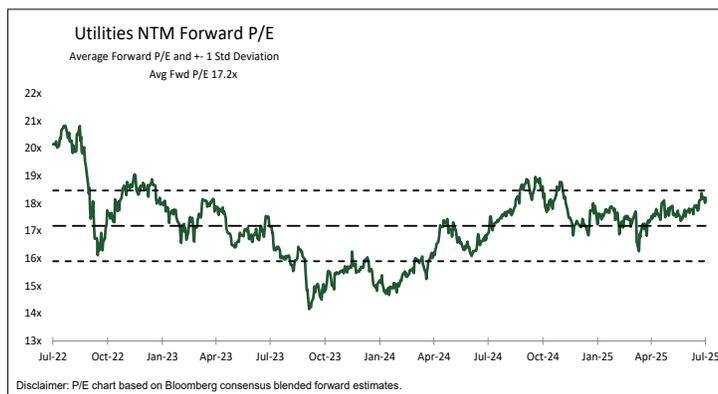
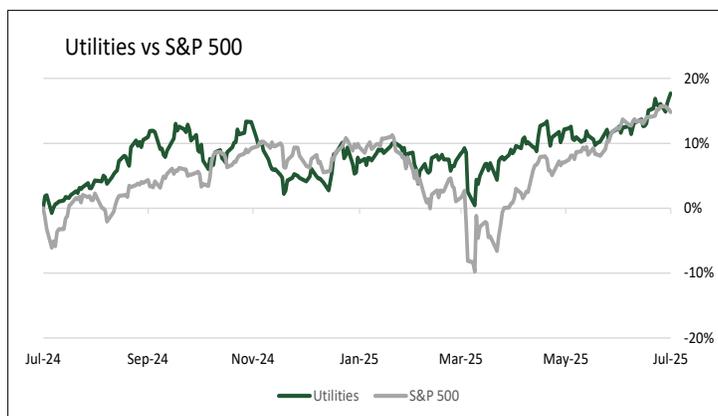
Sector Update

Equity markets continued to advance with indexes breaching new highs in July. Investors remain focused on artificial intelligence (AI) where sustained investment has supported strong sector gains among leading Technology issues. And as a second derivative, Utility sector issues were also up soundly in July given rising demand for power to support fast paced expansion of data centers around the U.S. Interest rates have been volatile, but moved up across the curve in July with the Benchmark 10 year Treasury closing July at 4.37%, up 13 BPS from June month end. Thus, as illustrated in the adjacent tables, Real Estate being an interest rate proxy (and not a beneficiary per se of AI), continued to lag the S&P 500 in July with a decline of 0.16% that contrasts with the broad market (S&P 500) gain of 2.17%. Thus, lagging trends that have been evident over much of the past year persist today. Still, with 2Q2025 earnings season we have seen a few select Real Estate issues outperform soundly with positive news, while those disappointing investors have been pressured as given the overall premium market valuation, investors are quick to react to any shortfalls.

At corporate annual meetings seminars in June, many company executives offered commentary pointing to limited exposure to tariffs; robust datacenter leasing trends as persisting; churn from the T-Mobile/Sprint merger abating; excess sunbelt apartment supply starting to be absorbed; and surplus commercial office space in major markets starting to shrink. With latest earnings reports, investors received positive vibes with select firms that delivered upside 2Q2025 CFFO and also raised guidance for the fiscal year. After announcing an agreement to acquire Australia based Domain in May, CoStar followed up with operating results rising above expectations and increased 2025 guide. Management attributed the strength to refocus of the sales force on prior business activities with new staff brought on board focused on the Homes.com venture with overall net new bookings up 65% from the prior quarter. CBRE Group had a second consecutive strong monthly gain in July as their diversified advisory, project management and mortgage origination businesses in both the U.S. and international regions drove upside 2Q2025 results with guide raised. The senior housing sector also reported solid occupancy rate increases for owned assisted living properties – driving upside 2Q2025 and raised guidance from both Welltower and Ventas.

On the other hand, we note that mixed operating results and or weaker than consensus expected outlook for 2H2025 has weighed on shares for Extra Space Storage and Public Storage in self-storage; gradual absorption of new capacity has weighed on performance for multi-family REITs Avalon Bay and Essex Property; while rent spreads have narrowed for single family residential real estate firm Invitation Home – with disappointments leaving share prices lower. We continue to view future returns for the Real Estate sector to likely remain closely tied to interest rates and growth prospects for the U.S. economy. Ultimately, the Federal Reserve is widely anticipated to move the funds rate lower, while tariffs are viewed as a one-time tax that does not recur suggesting the outlook could improve if and when the funds rate is trimmed in the 2H2025 driving improved economic prospects in 2026.

UTILITIES



Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
4.89%	8.50%	13.02%	17.70%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.17%	13.83%	7.78%	14.80%

Company Performance 1 Month

Leaders	Company	1 Month
	AES Corp/The	25.0%
	American Electric	9.0%
	Entergy Corp	8.8%
	Xcel Energy Inc	7.8%
	Sempra	7.8%
Laggards	PG&E Corp	0.6%
	American Water Works	0.8%
	Edison International	1.0%
	Atmos Energy Corp	1.2%
	Pinnacle West Capital	1.3%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
\$21.72	\$22.21	\$24.61
20.0x	19.6x	17.7x

Sector Update

The Utilities group was the second-best performing sector in July, rising 4.9% vs the S&P 500® index's 2.2% gain in the same period. The sector has outperformed the broader market index on a year-to-date and trailing twelve-month basis but lags on a three-month basis following a pro-cyclical performance tilt in May and June. This month's outperformance appears reflective of positive sentiment around electrical infrastructure build-out, a pullback in interest rates, and better-than-expected earnings from reporting companies.

The Independent and Renewable Power subsector, which includes just AES Corp (AES) and Vistra (VST), was the leading subsector for a third consecutive month in July on a 9.4% gain. Electric Utilities and Multi-Utilities both performed well, up 4.6% and 5.3% respectively, making Water Utilities (including just American Water Works (AWK)) the subsector laggard at a 0.8% gain.

AES Corp (AES) was the leading performer among Utilities in July following a Bloomberg report stating the company was considering a potential sale amid takeover interest from several large private equity firms. California based PG&E (PCG) and American Water Works (AWK) were the worst performing Utilities in June with both companies reporting earnings misses and PCG continuing to face regulatory uncertainty and ongoing concerns about wildfire risks and associated costs.

Growing power demand is expected to remain a multi-year secular tailwind for the sector, with current focus closely following AI and datacenter-related projects. A recent Deloitte survey of 120 US-based power company and datacenter executives found that power and grid capacity constraints are already believed to be the most significant challenge to datacenter infrastructure build-out. The study forecasts a fivefold increase in total datacenter electricity demand including a more than thirtyfold increase for AI datacenters compared to 2024 levels. Said otherwise, the ~143GW datacenter demand growth forecasted represents approximately 19% growth from record peak demand of 759GW in the US as reported by the US Energy Information Administration (EIA) in July.

The Utilities sector currently trades at a modest premium to its historical three-year average P/E multiple of 17.2x based on earnings forecasted in the next twelve months. Given secular growth tailwinds around data center investment, grid hardening, and manufacturing onshoring, the group appears reasonably valued and could be deserving of a premium valuation compared to historical trends. Paired with a defensive tilt against an uncertain macroeconomic backdrop and potential support from lower interest rates, we would continue to overweight the sector relative to its 2.4% composition of the broader market index.

ECONOMIC CALENDAR

Date	Release	For	Prior
1-Aug	Nonfarm Payrolls	July	14K
1-Aug	Nonfarm Private Payrolls	July	3K
1-Aug	Unemployment Rate	July	4.1%
1-Aug	Avg. Hourly Earnings	July	0.2%
1-Aug	Average Workweek	July	34.2
1-Aug	S&P Global U.S. Manufacturing PMI - Final	July	52.9
1-Aug	Construction Spending	June	-0.4%
1-Aug	ISM Manufacturing Index	July	49.0%
1-Aug	Univ. of Michigan Consumer Sentiment - Final	July	61.8
4-Aug	Factory Orders	June	8.3%
5-Aug	Trade Balance	June	-\$71.5B
5-Aug	S&P Global U.S. Services PMI - Final	July	52.9
5-Aug	ISM Services	July	50.8%
6-Aug	MBA Mortgage Applications Index	8/2	-3.8%
6-Aug	EIA Crude Oil Inventories	8/2	+7.70M
7-Aug	Productivity-Prel	Q2	-1.5%
7-Aug	Unit Labor Costs-Prel	Q2	6.6%
7-Aug	Initial Claims	8/2	218K
7-Aug	Continuing Claims	7/26	1946K
7-Aug	Wholesale Inventories	June	-0.3%
7-Aug	EIA Natural Gas Inventories	8/2	+48 bcf
7-Aug	Consumer Credit	June	\$5.1B
12-Aug	Core CPI	July	0.2%
12-Aug	CPI	July	0.3%
12-Aug	Treasury Budget	July	\$27.0B
13-Aug	MBA Mortgage Applications Index	8/9	N/A
13-Aug	EIA Crude Oil Inventories	8/9	N/A
14-Aug	Continuing Claims	8/2	N/A
14-Aug	Core PPI	July	0.0%
14-Aug	Initial Claims	8/9	N/A
14-Aug	PPI	July	0.0%
14-Aug	EIA Natural Gas Inventories	8/9	N/A
15-Aug	Empire State Manufacturing	August	5.5
15-Aug	Export Prices ex-ag.	July	0.5%
15-Aug	Import Prices ex-oil	July	0.1%
15-Aug	Retail Sales	July	0.6%
15-Aug	Retail Sales ex-auto	July	0.5%
15-Aug	Capacity Utilization	July	77.6%
15-Aug	Industrial Production	July	0.3%
15-Aug	Business Inventories	June	0.0%
15-Aug	Univ. of Michigan Consumer Sentiment - Prelim	August	N/A
15-Aug	Net Long-Term TIC Flows	June	\$259.4B

ECONOMIC CALENDAR

18-Aug	NAHB Housing Market Index	August	33
19-Aug	Building Permits	July	1393K
19-Aug	Housing Starts	July	1321K
20-Aug	MBA Mortgage Applications Index	8/16	N/A
20-Aug	EIA Crude Oil Inventories	8/16	N/A
21-Aug	Continuing Claims	8/9	1956K
21-Aug	Initial Claims	8/16	221K
21-Aug	Philadelphia Fed Index	August	15.9
21-Aug	Existing Home Sales	July	3.93M
21-Aug	Leading Indicators	July	-0.3%
21-Aug	EIA Natural Gas Inventories	8/16	N/A
25-Aug	New Home Sales	July	627K
26-Aug	Durable Goods -ex transportation	July	0.2%
26-Aug	Durable Orders	July	-9.3%
26-Aug	FHFA Housing Price Index	June	N/A
26-Aug	S&P Case-Shiller Home Price Index	June	N/A
26-Aug	Consumer Confidence	August	N/A
27-Aug	MBA Mortgage Applications Index	8/23	N/A
27-Aug	EIA Crude Oil Inventories	8/23	N/A
28-Aug	Continuing Claims	8/16	N/A
28-Aug	GDP - Second Estimate	Q2	N/A
28-Aug	GDP Deflator - Second Estimate	Q2	N/A
28-Aug	Initial Claims	8/23	N/A
28-Aug	Pending Home Sales	July	N/A
28-Aug	EIA Natural Gas Inventories	8/23	N/A
29-Aug	Adv. Intl. Trade in Goods	July	N/A
29-Aug	Adv. Retail Inventories	July	N/A
29-Aug	Adv. Wholesale Inventories	July	N/A
29-Aug	PCE Prices	July	N/A
29-Aug	PCE Prices - Core	July	N/A
29-Aug	Personal Income	July	N/A
29-Aug	Personal Spending	July	N/A
29-Aug	Chicago PMI	August	N/A
29-Aug	Univ. of Michigan Consumer Sentiment - Final	August	N/A

DISCLOSURES

This information has been compiled from various sources we believe to be reliable, however, there is no guarantee of its accuracy or completeness. Any opinion expressed herein is based upon our interpretation of the information from such source. This information is not furnished in connection with a sale or offer to sell securities or in connection with the solicitation of an offer to buy securities. Our firm, or its offices or members of their families, may at times, have a long or short position in the securities mentioned herein and may make purchases or sales of these securities while this memorandum is in circulation.

Past performance is not indicative of future results.

An index is not available for direct investment; therefore, its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio.

Sectors and sector components defined by Standard & Poor's GICS Level 1 index. For the list of all holdings in GICS Level 1 index sectors, contact your Davenport Financial Advisor.

Leaders: Represent top five best stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Laggards: Represent top five worst stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Members: The GICS Level 1 Telecommunication Services sector has only three component companies. This sector will not include "Leaders and Laggards", but will show all three members and their price performance over the previous calendar month.

S&P 500®: The S&P 500 Index is comprised of 500 U. S. stocks and is an indicator of the performance of the overall U.S. stock market. Standard & Poor's Financial Services LLC, a division of S&P Global, is the source and owner of the registered trademarks related to the S&P 500 Index.

Dow Jones Industrials: The Dow Jones Industrial Average is an index of 30 "blue chip" stocks of U.S. "industrial" companies.

NASDAQ Composite: The Nasdaq-100 Index is a "modified capitalization-weighted" index designed to track the performance of a market consisting of the 100 largest and most actively traded non-financial domestic and international securities listed on The Nasdaq Stock Market, based on market capitalization.

Russell 2000®: The Russell 2000® Index is a capitalization-weighted index designed to measure the performance of a market consisting of the 2,000 smallest publicly traded U.S. companies (in terms of market capitalization) that are included in the Russell 3000® Index. Source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"). © LSE Group 2024. FTSE Russell is a trading name of certain LSE Group companies. "Russell®" is a trade mark of the relevant LSE Group companies and is used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote/sponsor/endorse the content of this communication.

FTSE 100: The FTSE 100 is an index of the leading shares on the London Stock Exchange. Shanghai Composite: The SSE Composite Index is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

Nikkei Stock Average: Nikkei is short for Japan's Nikkei 225 Stock Average, the leading and most-respected index of Japanese stocks. It is a price-weighted index comprised of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange. The Nikkei is equivalent to the Dow Jones Industrial Average Index in the United States.

Stoxx Europe 600: The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Markets: The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. (MSCI Website).

MSCI Emerging Markets Small Cap: The MSCI Emerging Markets Small Cap Index includes small cap representation across 23 Emerging Markets countries. With 1,889 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. The small cap segment tends to capture more local economic and sector characteristics relative to larger Emerging Markets capitalization segments.

US Dollar Index (USD, DXY): An index (or measure) of the value of the United States dollar relative to a basket of currencies, often referred to as a basket of US trade partners' currencies.

VIX: The ticker symbol for the Chicago Board Options Exchange (CBOE) Volatility Index, which shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 index options.

Shanghai Composite (SSE Index): The Shanghai Composite Index, also known as the SSE Index is a stock market index of all stock (A shares and B shares) that are traded at the Shanghai Stock Exchange.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material or guarantee the accuracy or completeness of any information herein, nor does Bloomberg make any warranty, express or implied, as to the results to be obtained therefrom, and, to the maximum extent allowed by law, Bloomberg shall not have any liability or responsibility for injury or damages arising in connection therewith.

The BLOOMBERG PROFESSIONAL service, BLOOMBERG Data, and BLOOMBERG Order Management Systems (the 'Services') are owned and distributed locally by Bloomberg Finance L.P. ('BFLP') and its subsidiaries in all jurisdictions other than Argentina, Bermuda, China, India, Japan, Korea (the "BLP Countries"). BFLP is a wholly-owned subsidiary of Bloomberg L.P. ("BLP"). BLP provides BFLP with global marketing and operational support and service for the Services and distributes the Services either directly or through a non-BFLP subsidiary in the BLP Countries. The Services include electronic trading and order-routing services, which are available

DISCLOSURES

only to sophisticated institutional investors and only where the necessary legal clearances have been obtained. BFLP, BLP and their affiliates do not provide investment advice or guarantee the accuracy of prices or information in the Services. Nothing on the Services shall constitute an offering of financial instruments by BFLP, BLP or their affiliates. BLOOMBERG, BLOOMBERG PROFESSIONAL, BLOOMBERG MARKET, BLOOMBERG NEWS, BLOOMBERG ANYWHERE, BLOOMBERG TRADEBOOK, BLOOMBERG BONDTRADER, BLOOMBERG TELEVISION, BLOOMBERGRADIO, BLOOMBERG PRESS AND BLOOMBERG.COM are trademarks and service marks of BFLP, a Delaware limited partnership, or its subsidiaries.

Certification: As the primary authors of this report, we hereby certify that the views and opinions expressed herein accurately reflect our personal views and opinions about the principal subject(s) of this report. Further, I hereby certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or personal views expressed herein.

Please contact your Davenport Financial Advisor for more information.

A Legacy of Excellence, a Commitment to Independence

Our mission is to serve our clients' best interests in pursuing their financial goals. We attract talented professionals who are guided by integrity and experience. Our firm fosters a collaborative environment in which time-tested principles are combined with current analytical tools to create investment strategies that serve our clients' needs. Independent and employee-owned since 1863, Davenport & Company is a trusted financial advisor to generations of families and institutions.

CORPORATE HEADQUARTERS

One James Center | 901 East Cary Street, Suite 1100 | Richmond, Virginia 23219
(804) 780-2000 (800) 846-6666
www.investdavenport.com

Abingdon

153 W. Main St., Ste. 100
Abingdon, VA 24210
(276) 274-8277

Atlanta*

515 E. Crossville Rd., Ste. 380
Roswell, GA 30075
(404) 865-4040

Charlotte*

101 North Tryon St., Ste. 1220
Charlotte, NC 28246
(704) 375-0550

Charlottesville

600 E. Water St., Ste. A
Charlottesville, VA 22902
(434) 296-9013

Danville

165 Holt Garrison Pkwy., Ste. 570B
Danville, VA 24540
(434) 836-5528

Farmville

101 North Main St.,
Farmville, VA 23901
(434) 392-9813

Franklin

114 West 2nd Ave.
Franklin, VA 23851
(757) 562-0053

Fredericksburg

904 Princess Anne St., Ste. 102
Fredericksburg, VA 22401
(540) 373-1863

Greensboro

628 Green Valley Rd., Ste. 306
Greensboro, NC 27408
(336) 297-2800

Harrisonburg

21 Carpenter Lane, Suite 101
Harrisonburg, VA 22801
(540) 383-6550

Kilmarnock

141 Technology Park Dr.
Kilmarnock, VA 22482
(804) 435-7705

Leesburg*

19301 Winmeade Dr., Ste. 218
Leesburg, VA 20176
(571) 223-5893

Lynchburg

1104 Commerce St.
Lynchburg, VA 24504
(434) 948-1100

Marion

201 East Main St., Ste. 103
Marion, VA 24354
(276) 243-0008

Newport News

11827 Canon Blvd., Ste. 404
Newport News, VA 23606
(757) 595-5740

Norfolk

101 West Main St., Ste. 4000
Norfolk, VA 23510
(757) 314-3600

Raleigh

3605 Glenwood Ave., Ste. 310
Raleigh, NC 27612
(919) 571-6550

Richmond

901 East Cary St., Ste. 1100
Richmond, VA 23219
(804) 780-2000

Roanoke

10 Franklin Road S.E., Ste. 450
Roanoke, VA 24011
(540) 345-1909

Sanford

201 Chatham Street., Ste. 1
Sanford, NC 27330
(919) 777-9823

Staunton

202 S. Lewis Street, Suite 201
Staunton, VA 24401
(540) 609-5386

Suffolk

330 West Constance Rd., Ste. 200
Suffolk, VA 23434
(757) 539-5355

Towson*

8600 LaSalle Rd., Ste. 618
Towson, MD 21286
(410) 296-9426

Virginia Beach

477 Viking Dr., Ste. 200
Virginia Beach, VA 23452
(757) 498-4000

Williamsburg

5400 Discovery Park Blvd., Ste. 301
Williamsburg, VA 23188
(757) 258-2800

*Public Finance office.