



A Freedom Advisors Company

Pay Now, Grow Later

2023 2nd Quarter Market Commentary



Key Benchmarks: Performance and Characteristics as of 6/30/2023

Equities	MTD	QTD	YTD	1-Yr Fwd P/E: Current vs 10-Yr Range			
S&P 500	6.6%	8.7%	16.9%	19.4x	13.9x	22.9x	
MSCI EAFE	4.6%	3.0%	11.7%	13.1x	11.2x	18.2x	
MSCI Emerging	3.8%	0.9%	4.9%	12.0x	9.4x	15.2x	
Fixed Income	MTD	QTD	YTD	Real Assets	MTD	QTD	YTD
Bloomberg Barc U.S. Aggregate	-0.4%	-0.8%	2.1%	US REITs	5.3%	1.2%	3.0%
Bloomberg Barc U.S. High Yield	1.7%	1.7%	5.4%	GSCI Commodities	4.4%	-2.7%	-7.5%
Bloomberg Barc Global Agg ex U.S.	0.3%	-2.2%	0.8%	GSCI Prec Metals	-2.3%	-2.8%	4.4%

Data Source: Bloomberg

June and 2nd Quarter 2023 Highlights:

- Global equity markets continued their strong recovery from the 2022 sell-off as investors moved on from the U.S. debt ceiling drama and China post-COVID slowdowns. Excitement over the growth prospects presented by generative artificial intelligence and strong performance from high-beta consumer sectors (housing, travel) are also driving equity valuations toward 10-year-high levels. The MSCI All-Country World Index (ACWI) rose 5.8% for the month of June (recovering from a down May) and 6.2% for the 2nd quarter of 2023.
- Across major regions, U.S. markets handily outperformed the rest of the world in June, while China and broader Asia lagged, weighed down by slower export growth and domestic spending. In June, the S&P 500 returned +6.6%, followed by MSCI Europe (+4.8%), MSCI Japan (+4.1%), MSCI Emerging Markets (+3.8%), and MSCI Pacific ex-Japan (+3.1%). In 2Q 2023, the S&P 500 and MSCI Japan returned +8.7% and +6.4%, respectively, followed by MSCI Europe (+2.7%), MSCI Emerging Markets (+0.9%), and MSCI Pacific ex-Japan (-1.0%). The U.S. dollar remains in a narrow range versus major trading currencies, although this masks European currency strength and Asian currency weakness.
- Within the U.S., U.S. small caps outperformed large caps even as the latter benefited from mega-cap growth technology companies that comprise an increasing concentration of market value across the main U.S.

large cap indices, while S&P Pure Value outperformed Growth with the former benefiting from a sharp advance in industrial and consumer cyclicals. For the month of June, the S&P 600 Index returned +8.2% versus +6.6% for the S&P 500. S&P Pure Value outperformed Pure Growth, returning +9.3% versus +6.8%, respectively, both styles outperforming the S&P 500 Index. For 2Q 2023, the S&P 600 Index returned +3.4% versus +8.7% for the S&P 500. S&P Pure Value outperformed Pure Growth, returning +2.8% versus 1.4%, respectively, both styles underperforming the S&P 500.

- Across sectors, large cap growth stocks that comprise the majority of sector weighting in Consumer Discretionary along with late cyclical sectors such as Industrials and Materials outperformed in June while defensive and rate-sensitive sectors (Utilities, Staples, traditional telecom) lagged for the month. In 2Q 2023, growth-focused sectors (Technology, Communication Services, and Consumer Discretionary) outperformed traditional cyclicals and defensives by a sizeable margin.
- Among major risk factors, in June, factor dispersion was not as large as the prior months, although Momentum was the only factor to outperform the broader market, helped by an overweight to technology growth. Minimum Volatility underperformed as June experienced a renewed risk-on appetite. In 2Q 2023, High Quality outperformed all other major risk factors by a considerable margin.
- In June, fixed Income market returns were hurt by a moderate rise in interest rates (particularly short-term rates) offset by spreads narrowing across corporate credit and securitized sectors. The Bloomberg U.S. Aggregate Bond Index returned -0.4% for the month while the Global ex-U.S. Aggregate Index returned 0.3%, helped by a weakening dollar against European currencies. Bloomberg Emerging Market Local Currency also outperformed U.S. fixed income, returning 2.6% for the month while Bloomberg US High Yield returned 1.7%, as lower quality bonds benefited from risk-on appetite. For the quarter, the Bloomberg U.S. Aggregate Bond Index returned -0.8%, outperforming the Global ex-U.S. Aggregate Index which returned -2.2%, as rates increased at a sharper pace in Europe vs the U.S. Riskier fixed income sectors such as Bloomberg Emerging Market Local Currency and Bloomberg US High Yield outperformed global investment grade, returning +2.2% and +1.7%, respectively.
- The 10-Year U.S. Treasury yield ended the month at 3.8%, up from 3.6% at the beginning of the month and from the YTD low of around 3.4% at the beginning of the quarter. The 2-10 Year Term structure inverted sharply in June as the short end of the curve rose in response to elevated core inflation readings as well as hawkish rhetoric from Federal Reserve officials. Inflation expectations implied by breakeven rates between TIPS vs Nominal Treasury yields remain steady despite the deep inversion of the U.S. Treasury yield curve.
- Within equity alternatives, Commodities and Real Estate outperformed Precious Metals in June as the former benefited from a rally in agriculture and industrials metals. Real estate saw a relief rally following reports of high-profile building transactions that exceeded the worst expectations. The S&P GSCI Commodities Index returned +4.4% for the month while the Dow Jones REIT Index returned +5.3%. The S&P GSCI Precious Metals Index was hurt by a drop in gold, platinum and palladium prices as gold prices briefly dropped below \$1,900/ounce for the first time in quite a while. For 2Q 2023, the S&P GSCI Commodities Index dropped 2.7%, nearly in line with Precious Metals which dropped 2.8%, while the Dow Jones REIT Index rose 1.2%.

Pay Now, Grow Later



Source: istockphoto.com

“A profound change in market structure has exaggerated the narrow leadership in 2023. Unlike 50 years ago, when active investing populated the investment landscape, passive investing and the dominance of price momentum-based products and strategies...have contributed mightily to the narrowness of this year's market advance and an unprecedented top-heavy market.”

– Doug Kass, “Why Today's 'Nifty Five' Is More Dangerous than the '70s 'Nifty Fifty,” Real Money

“The stock market will do whatever it has to do to embarrass the greatest number of people to the great extent possible.”

– Walter Deemer

The second quarter saw another burst of speculative activity that drove up a handful of stocks, leaving much of the remaining market behind. This group of stocks was already riding high on post-pandemic optimism but then experienced a sharp rally late in the quarter catalyzed by analyst upgrades and rising estimates – a euphoria that seems to capture the zeitgeist of 2023 animal spirits, ignoring Fed Funds at 5.25% (versus near 0% 18 months ago) and signs of slowing economic activity.

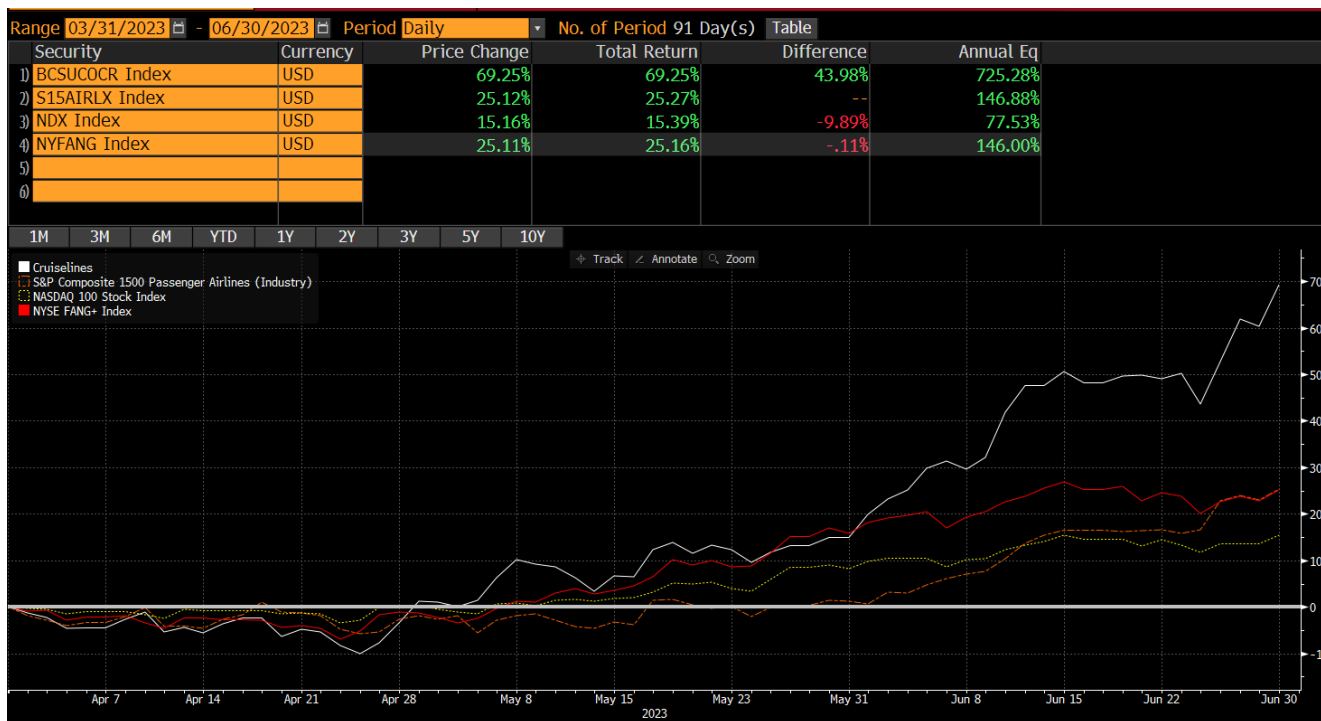
We're of course referring to travel and leisure stocks such as cruise liners and airlines (**Figure 1**), which handily outperformed the broader cap-weighted indices and tech-heavy Nasdaq during the 2nd quarter. What did you think we were referring to?

In many ways, the 2nd quarter was a continuation of trends from the 1st quarter as market breadth becomes ever narrower, driven by a handful of investor darlings, whether generative AI (**Figure 2**), the Magnificent 7¹ (**Figure 3**), or high beta consumer spending plays (housing, travel/leisure). Generative AI (algorithms that can be used to create new content from text to videos) continues to generate a strong buzz among retail investors and the venture capital community that have flooded the sector with “\$35 billion in AI deals this year through May, [and] a record \$12.8 billion [invested] in companies working on generative AI.”² The rest of the market is being treated like it's outdated analog.

¹ Bloomberg, “[‘Big Seven’ Powering \\$5 Trillion Nasdaq Rally,](#)” 6/30/2023

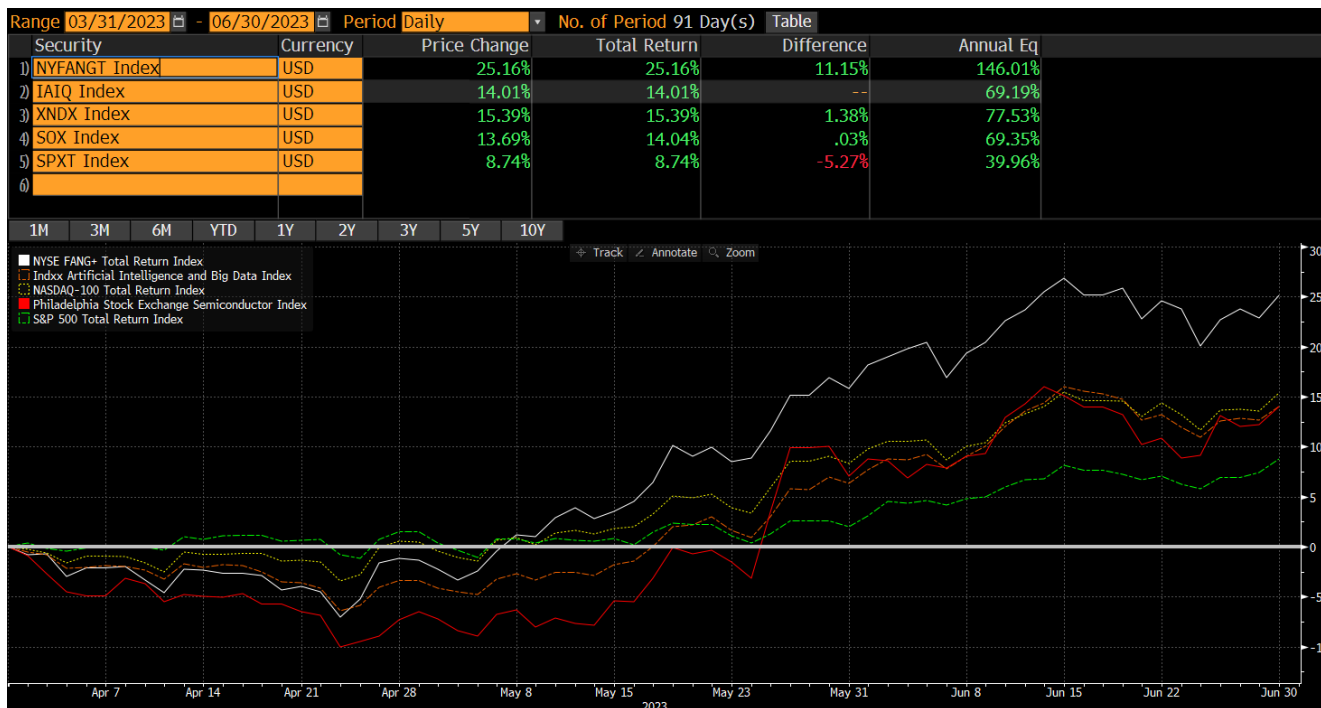
² Bloomberg, “[AI Unicorns Are Everywhere and Their Founders Are Getting Rich,](#)” 6/23/2023

Figure 1 – Edgy Technology May Dominate the Headlines but High Beta Travel Steals the Show



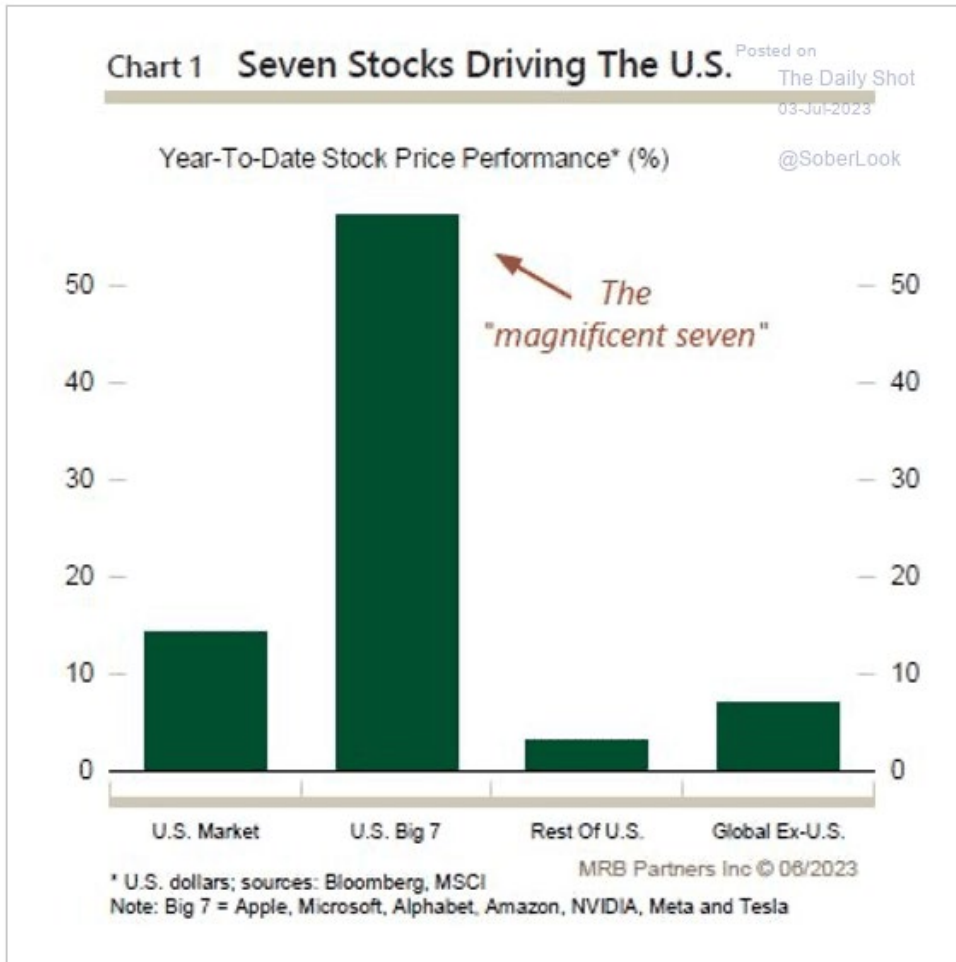
Source: Bloomberg

Figure 2 – Another Strong Quarter for Technology Stocks, Especially Tied to AI



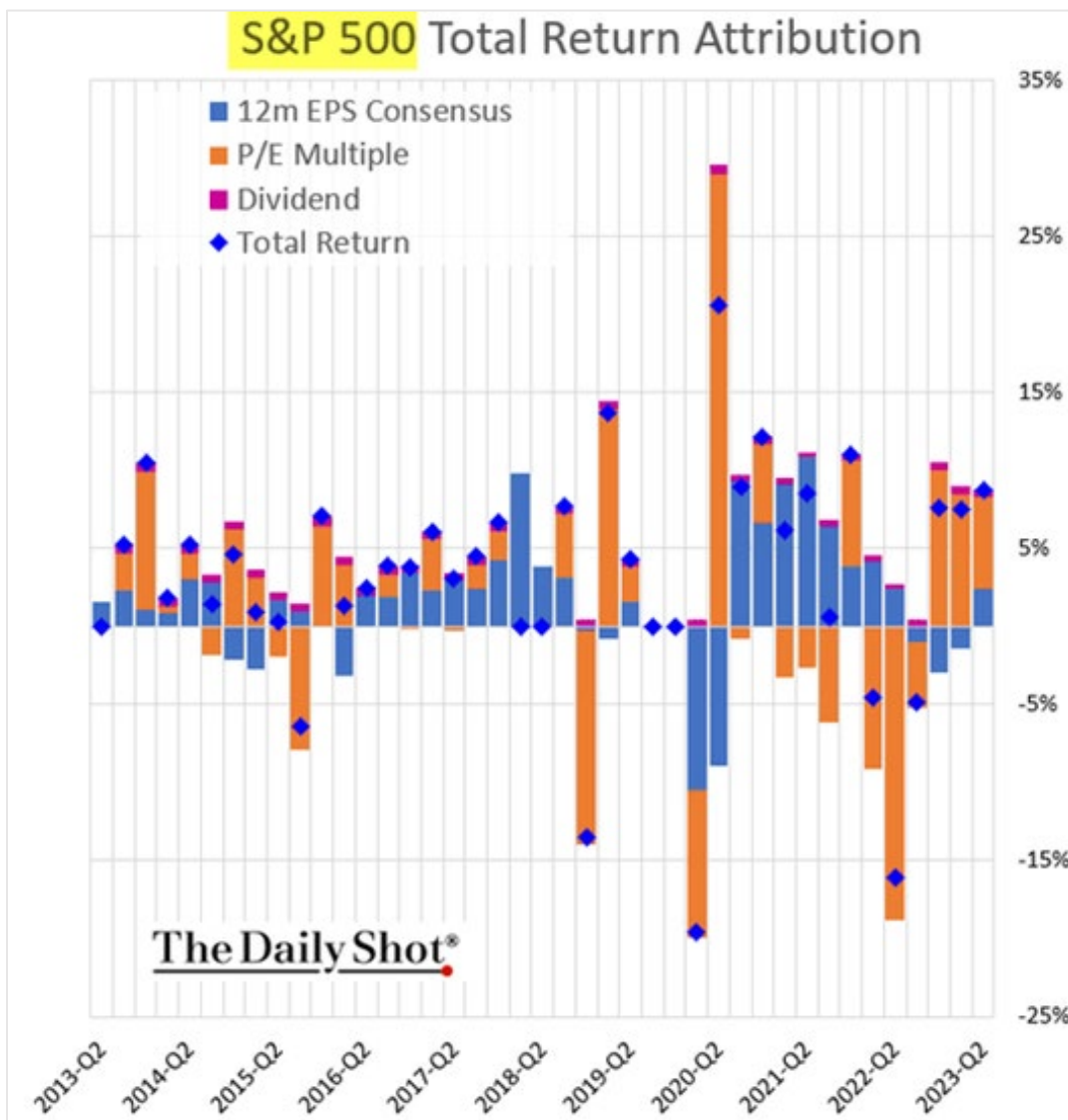
Source: Bloomberg

Figure 3 – The Magnificent 7 Narrows Market Breadth Even Further



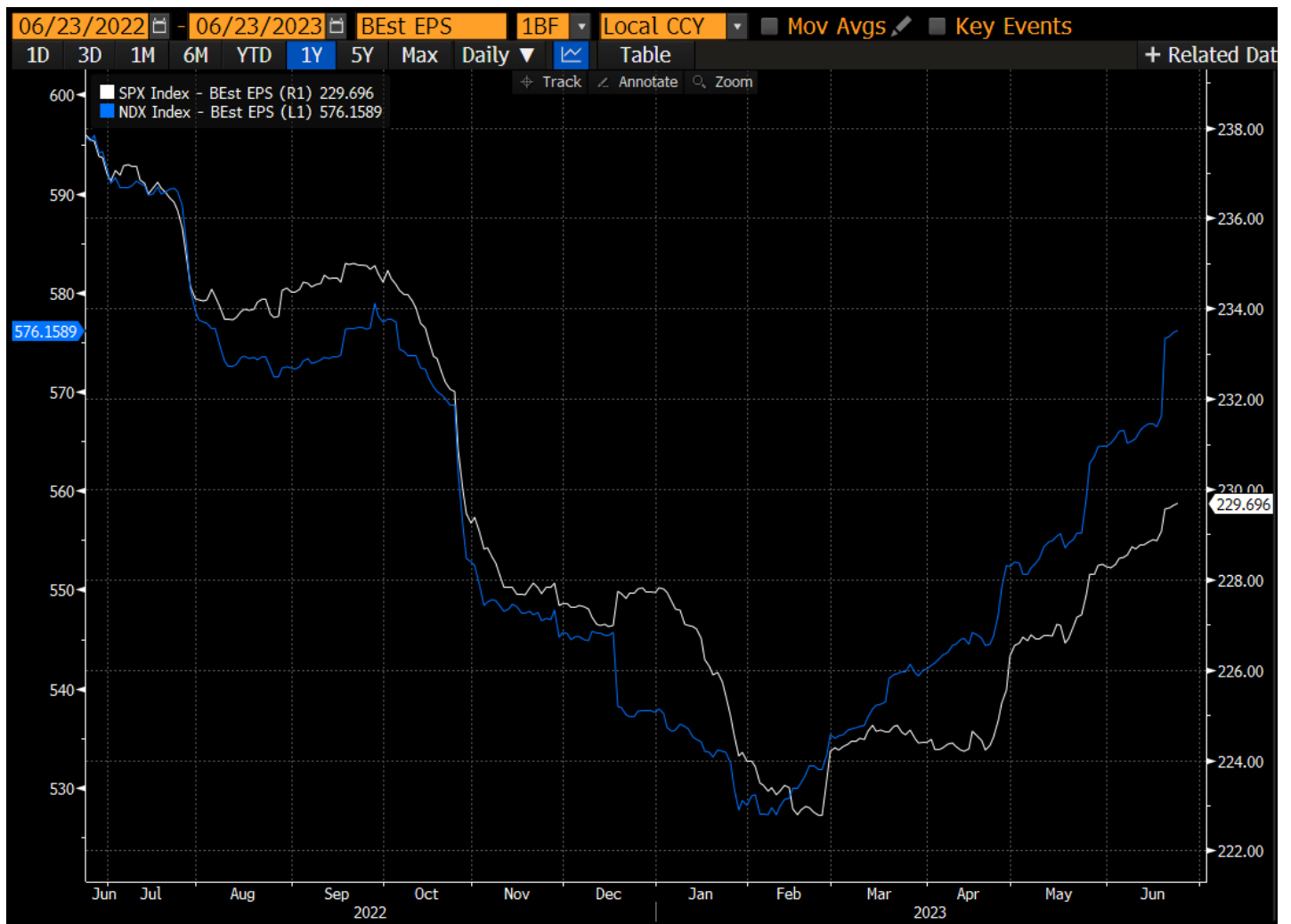
This is a Pay Now/Grow Later market. Market valuations are approaching the upper end of the 10-year trailing average on a forward price/earnings basis as much of this year's market advance has been driven by multiple expansions with a minor contribution from actual earnings growth (**Figure 4**). Although analyst estimates for the S&P 500 companies have been rising since the February low levels (much of that upward revision coming from optimism over tech-driven growth spending – **Figure 5**), sell-side analysts are only projecting 0.9% growth in earnings-per-share for CY2023, but a much better year for 2024 (11.4% growth).³ So, a strong recovery in earnings growth is being pushed out later with 2023 treated as a wash year. This remains a show-me market as equity investors are shrugging aside the potential financial tightening that can come from a sharp rise in short-term interest rates.

Figure 4 – Pay Now/Grow Later: Multiple Expansion Is the Main Contributor to This Year's S&P 500 Advance



³ Factset Earnings Insight 6/30/2023

Figure 5 – But Analysts Have Been Raising Estimates, Especially for the Nasdaq



Source: Bloomberg

Consensus economic forecasts are pushing out the timetable for a recession from the 2nd half of 2023 to sometime in 2024 (**Figure 6**), and a mild one at that. Economic consensus and econometric modeling had expected a major slowdown with industrial activity at contraction levels (based on ISM surveys) and tightening financial conditions from rising interest rates that would weigh on housing and consumption. Second-quarter real GDP is now tracking 2% (**Figure 7**), with broad contributions from consumer spending, business investment and government stimulus. The U.S. economy may very well muddle through the rest of 2023 in a no-landing scenario where the U.S. economy does not contract for quite some time. Bloomberg Economic consensus now sees 2023 real GDP growth of 1.3%, up from 0.3% expected at the beginning of the year.

Figure 6 – Recession Timetable Now Pushed Out to 2024 from 2nd Half of 2023

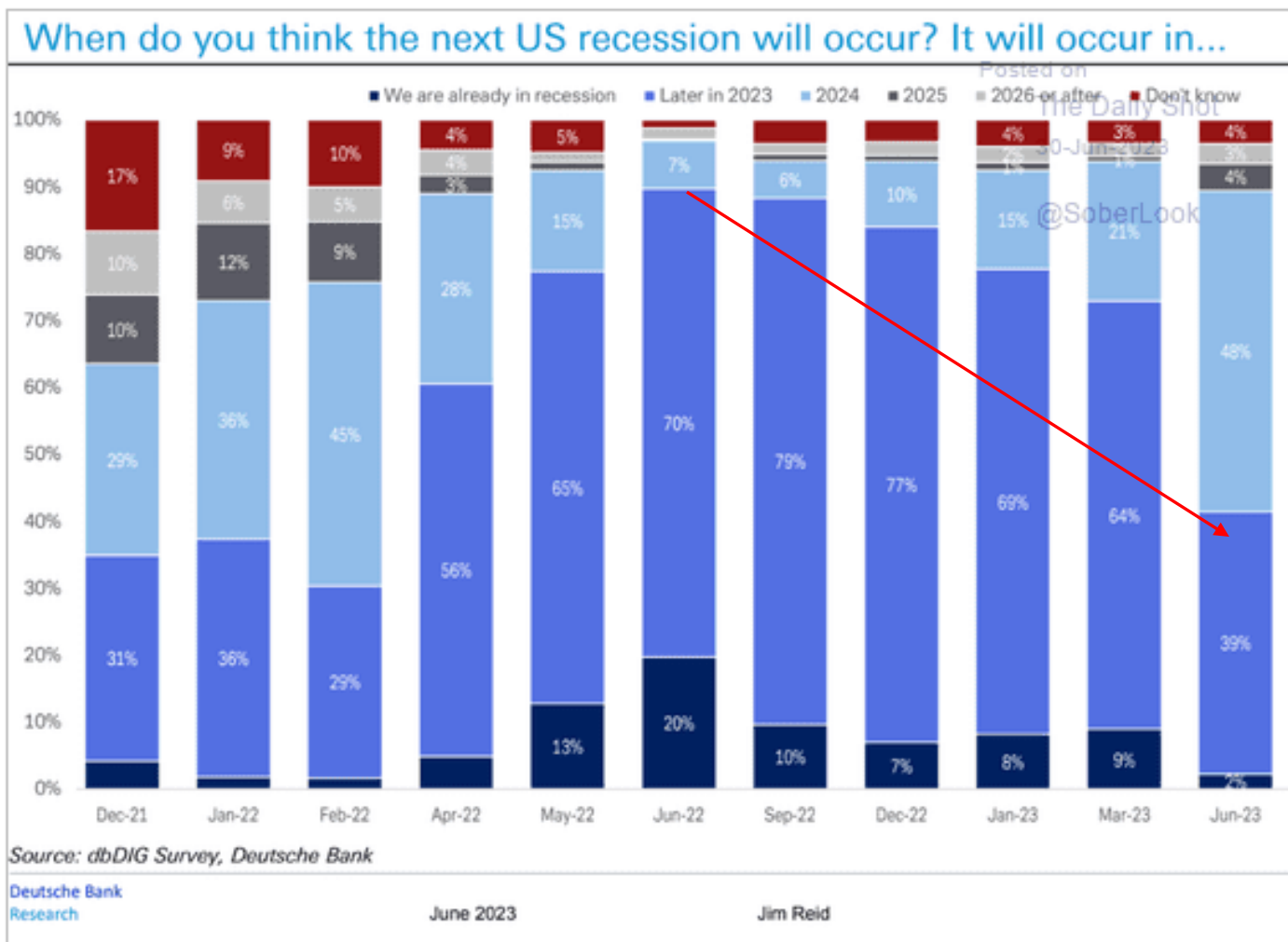
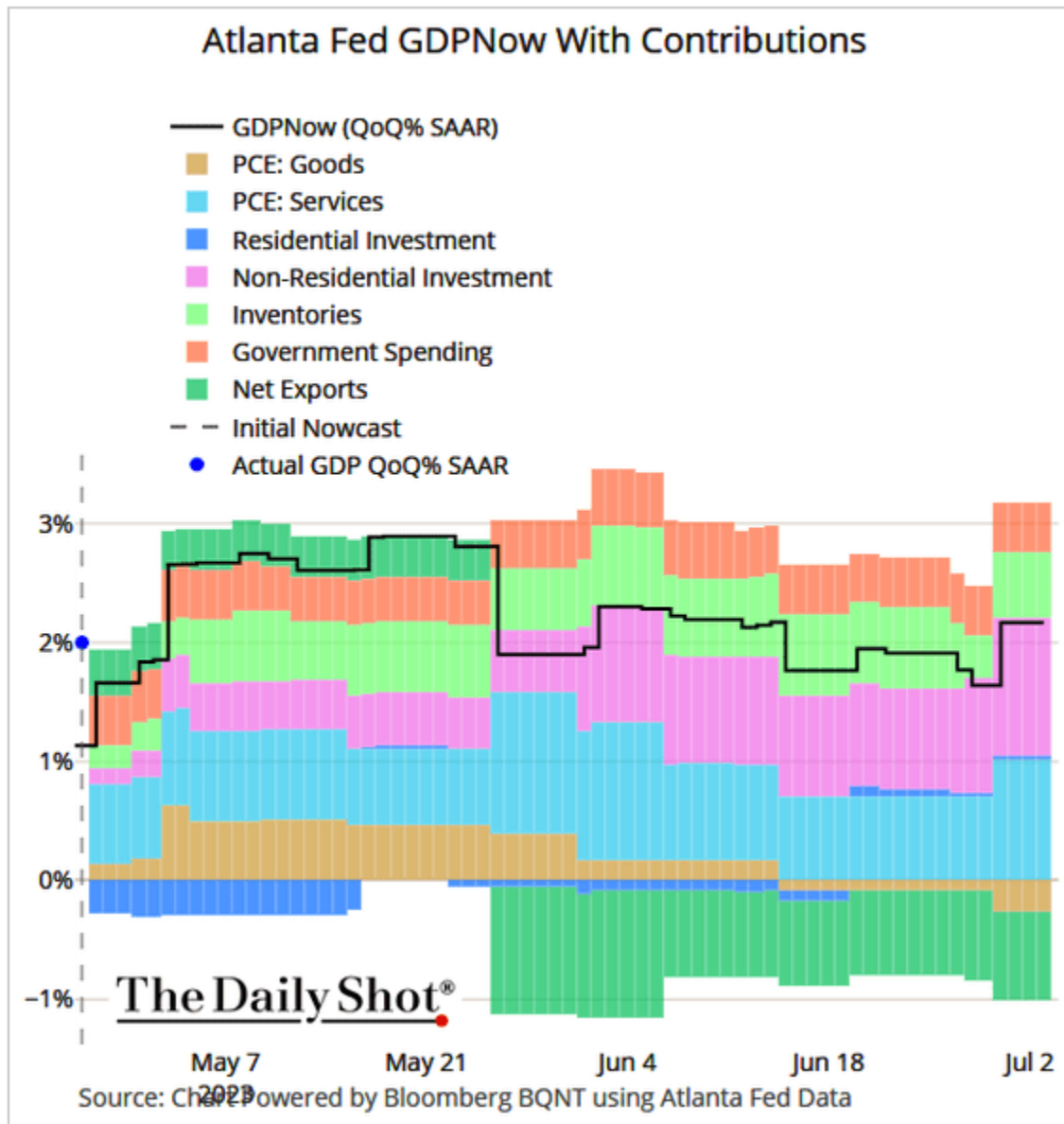


Figure 7 – Atlanta Fed GDP Now Tracking 2% Annualized Growth for 2Q 2023



From a government stimulus standpoint, there is still fuel left in the tank (excess savings – **Figure 8**) with additional nonresidential infrastructure spending scheduled over the next several years thanks to the Inflation Reduction Act and CHIPS Act. With signs of inflation-adjusted (real) consumer spending starting to slow down (**Figure 9**) but not contract, investors are flocking to areas where demand seems impervious to higher prices and higher interest rates to finance nominally more expensive consumption.

Figure 8 – Still Fuel (Excess Savings) Left in the Tank to Support Private Spending

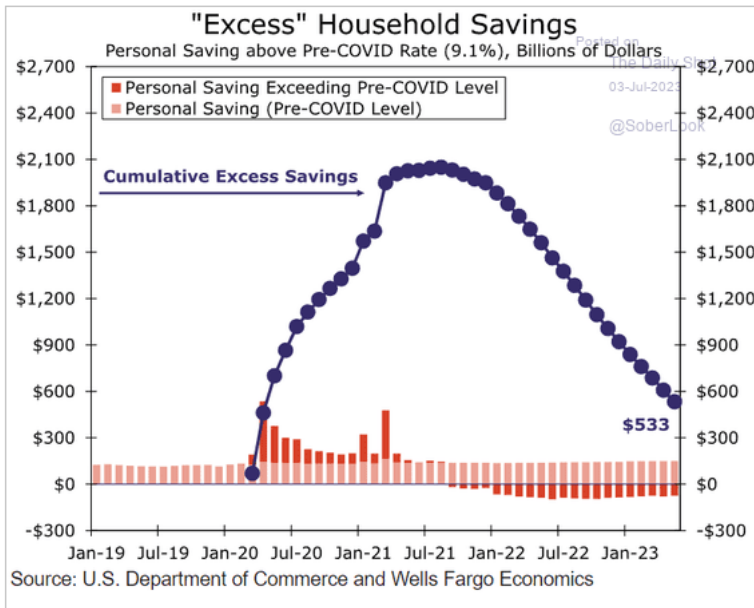
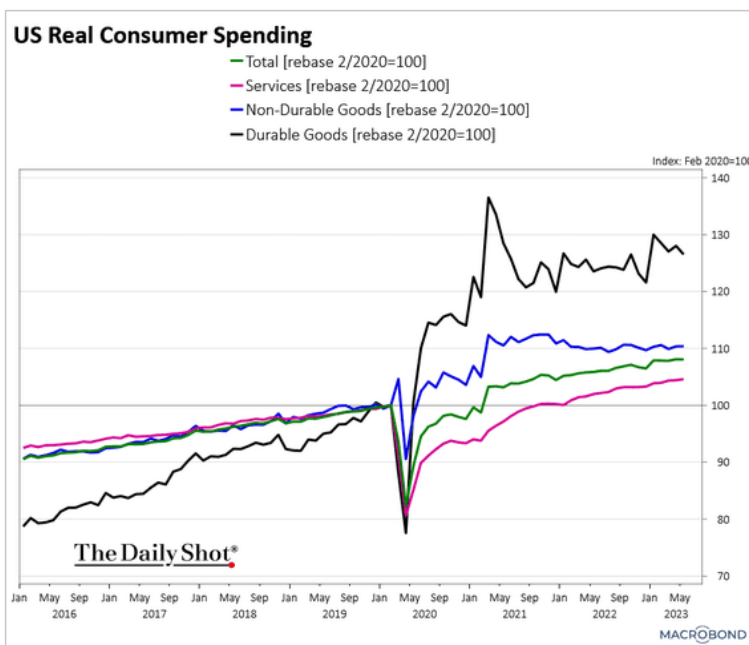
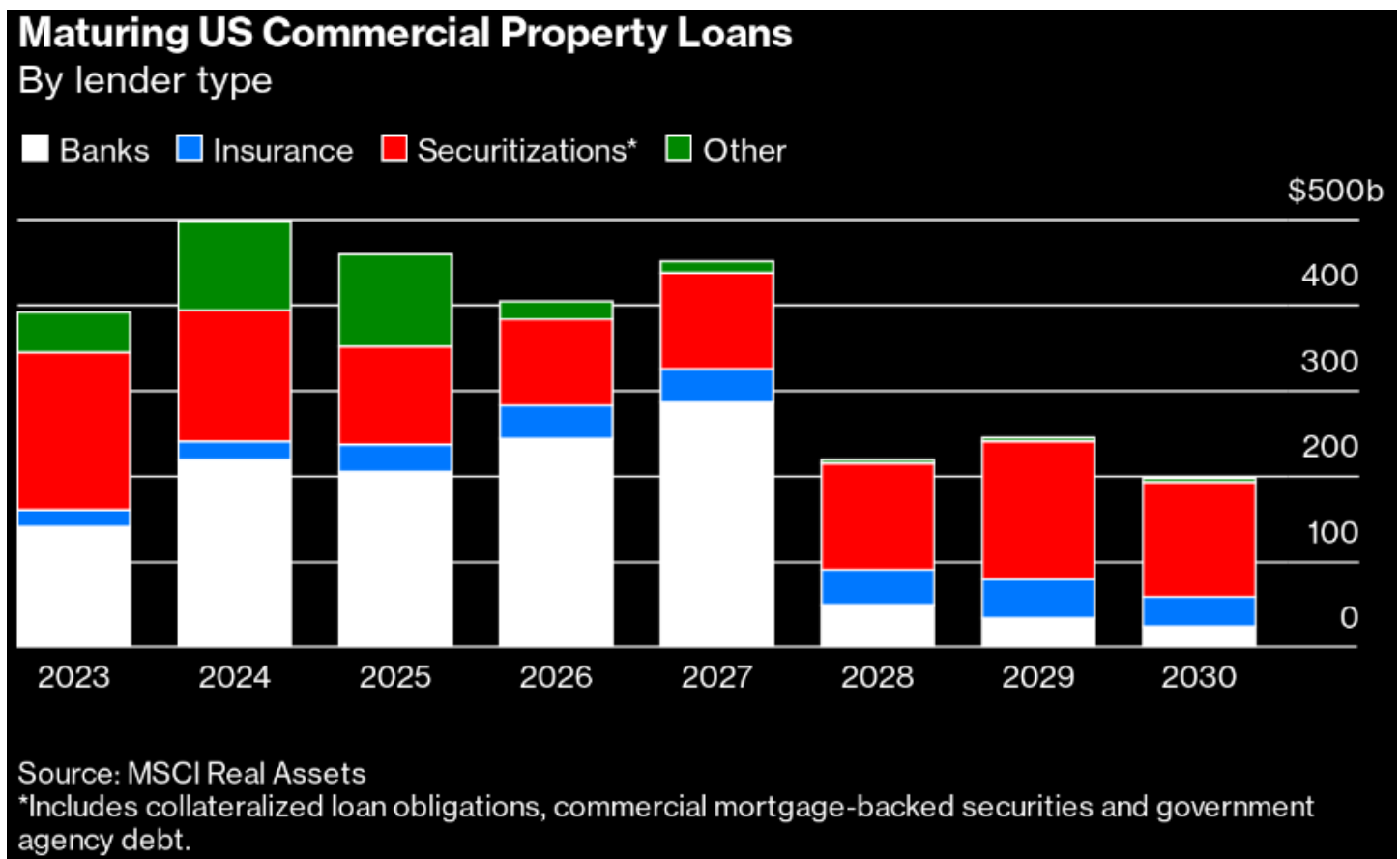


Figure 9 – Real Consumer Spending Slowing Down But Not Contracting



Credit conditions are tightening, but so far such tightening appears to be affecting the marginal borrower more so than the prime borrower or the borrower with Class A collateral, even though financing existing debt is somewhat painful given higher interest rates. Commercial loans face an upcoming maturity wall (**Figure 10**), where refinancing should separate the wheat from the chaff even if regulators are pushing for limited forbearance that enables borrowers to work out terms with their lenders. An estimated \$1.3 trillion of commercial real estate loans are coming due by 2025, according to MSCI Real Assets.

Figure 10 – The Upcoming Refinancing Wave Across Commercial Property Loans Should Separate the Wheat from the Chaff



Extend and pretend can only go so far as “lower-quality office buildings are headed the way of the lower-quality shopping mall: They’re virtually unfinanceable and will likely remain that way until foreclosed properties are brought back to market at drastically lower prices. Other property types are in better shape, though owners who bought during the frothiest days of 2021 are in for a reckoning.”⁴ More pain appears to be ahead for the commercial loan space but has not presented a systemic threat to the regulated banking and insurance industries. Weakness in commercial office is also offset by strength in other industrial sectors, such as data centers and cold storage.⁵

⁴ “[‘Extend and Pretend’ Real Estate Strategy Is Running Out of Time,](#)” Bloomberg, 6/23/2023

⁵ “[How Scared Should You Be About Commercial Real Estate?](#)” Wall Street Journal 6/30/2023

Federal Reserve officials have reiterated higher-for-longer on rate hikes, talking down market expectations of rate cuts starting in late 2023 (**Figure 11**). The June FOMC meeting resulted in a hawkish pause that left the benchmark rate unchanged at 5.25% but with expectations that the Fed would likely raise rates again at least two more times this year, which Fed Chair Powell reiterated during Congressional testimony.⁶ In his testimony, Powell reiterated the lagged effects from monetary policy's transmission to the broader economy, particularly tight labor market conditions, in order to slow down inflation that remains elevated (**Figure 12**), as labor continues to enjoy nominal wage gains that are embedding themselves into the overall cost of goods and services.

Figure 11 – The Fed Is Expected to Raise Rates Again in July and Not Start Cutting Until 2nd Half of 2024

Region: United States »			Instrument: Fed Funds Futures »			
Target Rate	5.25		Pricing Date	06/30/2023		
Effective Rate	5.07		Cur. Imp. O/N Rate	5.075		
Meeting	#Hikes/Cuts	%Hike/Cut	Imp. Rate Δ	Implied Rate	A.R.M. ▲	
07/26/2023	+0.811	+81.1%	+0.203	5.277	0.250	
09/20/2023	+1.051	+24.0%	+0.263	5.338	0.250	
11/01/2023	+1.340	+29.0%	+0.335	5.410	0.250	
12/13/2023	+1.207	-13.3%	+0.302	5.377	0.250	
01/31/2024	+0.861	-34.6%	+0.215	5.290	0.250	
03/20/2024	+0.381	-48.0%	+0.095	5.170	0.250	
05/01/2024	-0.177	-55.8%	-0.044	5.030	0.250	
06/12/2024	-0.885	-70.8%	-0.221	4.854	0.250	
07/31/2024	-1.649	-76.4%	-0.412	4.662	0.250	
09/18/2024	-2.482	-83.3%	-0.620	4.454	0.250	
11/07/2024	-3.246	-76.4%	-0.811	4.263	0.250	
12/18/2024	-3.861	-61.6%	-0.965	4.109	0.250	
01/29/2025	-4.359	-49.8%	-1.090	3.985	0.250	

Source: Bloomberg

⁶ "Powell Says Likely Need Two or More Hikes to Cool Inflation," Bloomberg 6/29/2023

Figure 12 – PCE Core Inflation Slowing Down But Remains Well Above Fed Target of 2% Long-Term Average Levels



Inflation also remains elevated across the United Kingdom and Continental Europe (**Figure 13**) which has helped their respective currencies strengthen against the U.S. dollar as currency traders expect the Bank of England and European Central Bank to maintain a tightening pace alongside the Fed. As with the U.S., much of persistent inflation can be tied to wage gains (**Figure 14**) resulting from a tight labor market.

Figure 13 – Eurozone Inflation Also Remains Persistently Elevated

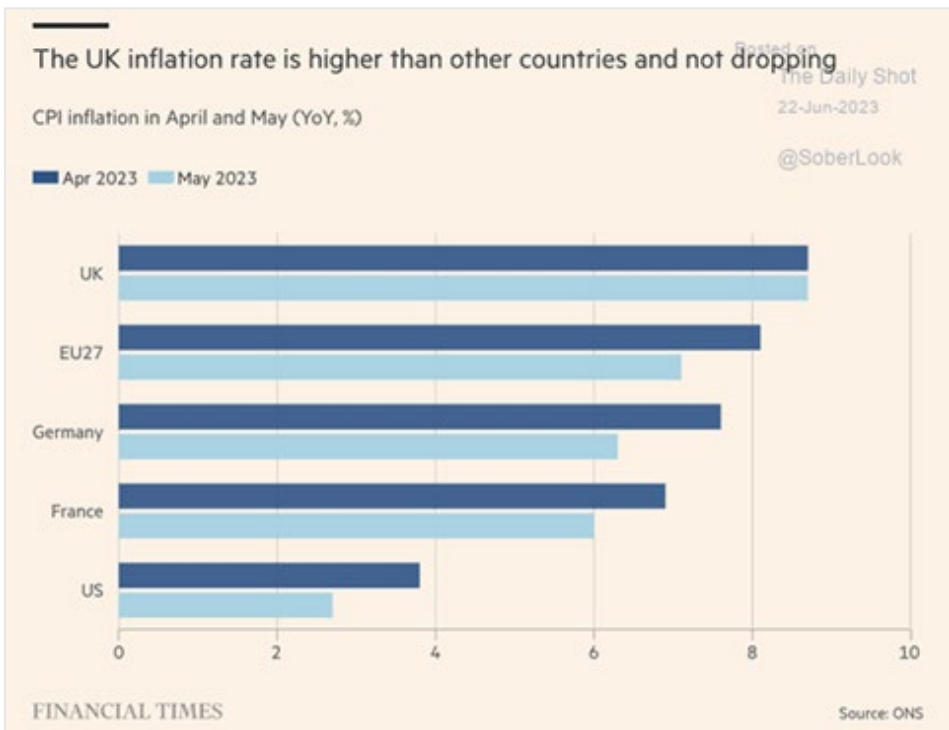


Figure 14 – Labor Costs Rising Across the U.S. and Europe Help Inflation Remain High



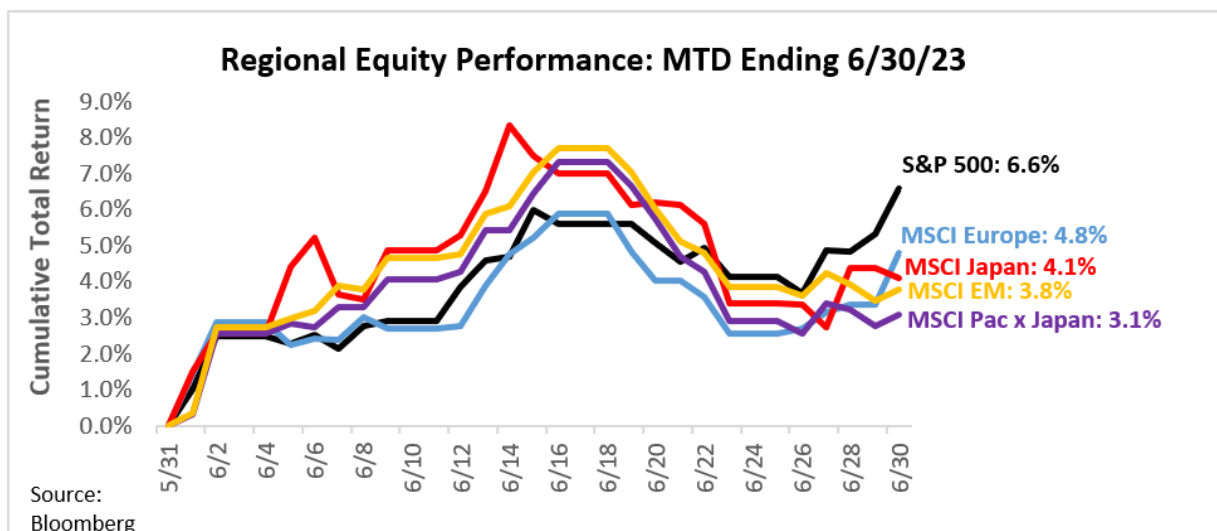
So, the market continues to pay it forward as the economy is showing signs of post-pandemic slowdown but not a recession as many economists had expected earlier in the year. Inflation is expected to drop from peak levels. Will the pace be quick enough for central banks, barring a deep labor market crunch where rising unemployment would reduce end demand? For now, the market is enjoying animal spirits and a risk-on mentality that continues to bid up high beta stocks, expecting growth to eventually materialize.

June and 2nd Quarter 2023 Market Review

Global equity markets continued their strong recovery from the 2022 sell-off as investors moved on from the U.S. debt ceiling drama and China post-COVID slowdowns⁷ (and few signs of China Stimulus to offset this weakness⁸). At the end of the 1st quarter, Investors were positioning for an economic soft landing, and now expectations are for a no-landing (recession avoided or delayed further into 2024). Excitement over the growth prospects presented by generative artificial intelligence and strong performance from high-beta consumer sectors (housing, travel/leisure) are also driving equity valuations toward 10-year high levels. The MSCI All-Country World Index (ACWI) rose 5.8% for the month of June (recovering from a down May) and 6.2% for the 2nd quarter of 2023.

Across major regions U.S. markets handily outperformed the rest of the world in June. In June (**Figure 15**), the S&P 500 returned +6.6%, followed by MSCI Europe (+4.8%), MSCI Japan (+4.1%), MSCI Emerging Markets (+3.8%), and MSCI Pacific ex-Japan (+3.1%). China and broader Asia lagged weighed down by slower export growth (**Figure 16**) and domestic spending. In 2Q 2023 (**Figure 17**), the S&P 500 and MSCI Japan returned +8.7% and +6.4%, respectively, followed by MSCI Europe (+2.7%), MSCI Emerging Markets (+0.9%), and MSCI Pacific ex-Japan (-1.0%). The U.S. dollar (**Figure 18**) remains in a narrow range versus major trading currencies, although this masks European currency strength and Asian currency weakness (**Figure 19**).

Figure 15 – The U.S. Outperforms the Rest of the World in June While Broader Asia Lags



⁷ "China Economy Gloom Worsens With Weak Consumer Spending Data," Bloomberg 6/26/2023

⁸ "China Growth Momentum Slows Further Amid Calls for Stimulus," Bloomberg 6/30/2023

Figure 16 – Weak Export Growth Weighs on Asian Markets and Currencies

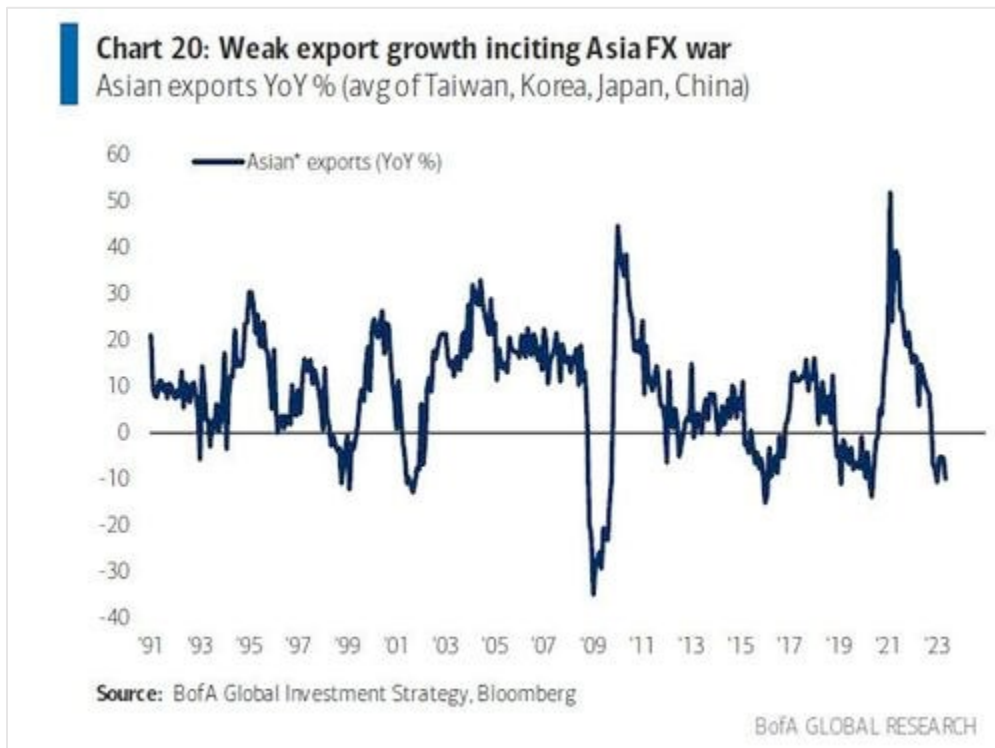


Figure 17 – The U.S. and Japan Outperform the Rest of the World in 2Q 2023

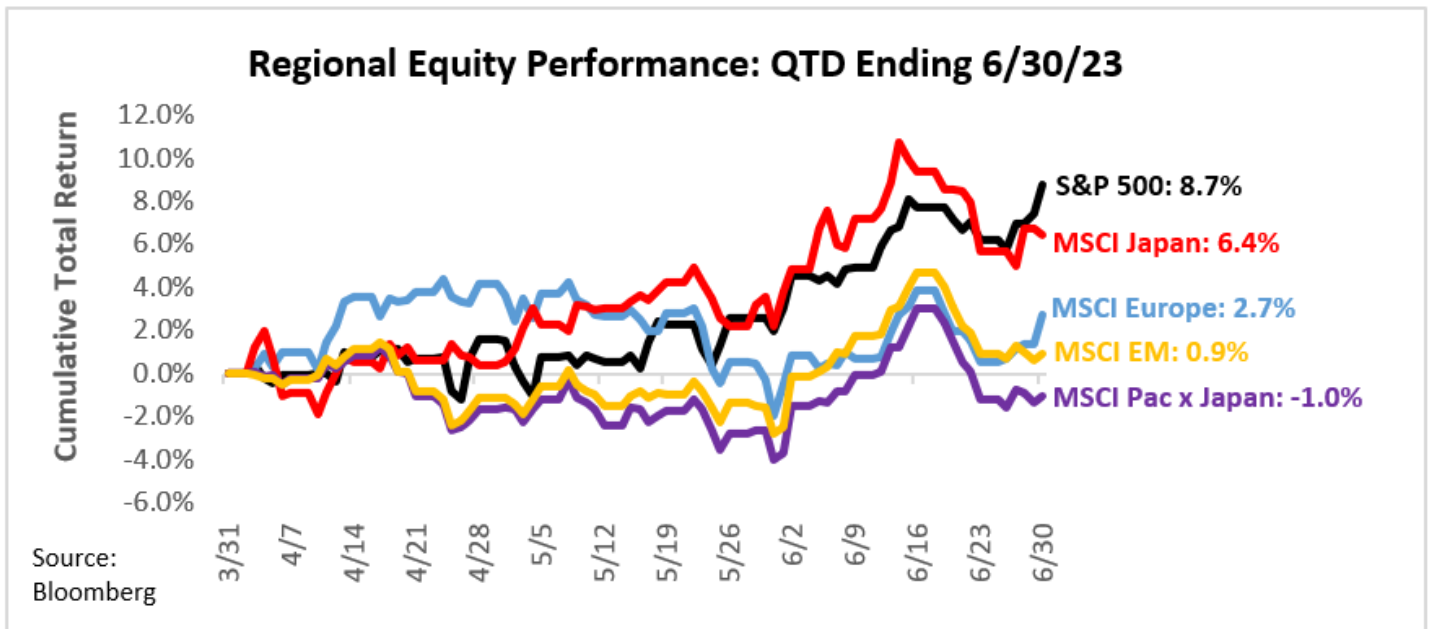


Figure 18 – The U.S. Dollar Traded in a Narrow Range Through 2Q 2023 Although This Masked European Currency Strength and Asian Currency Weakness

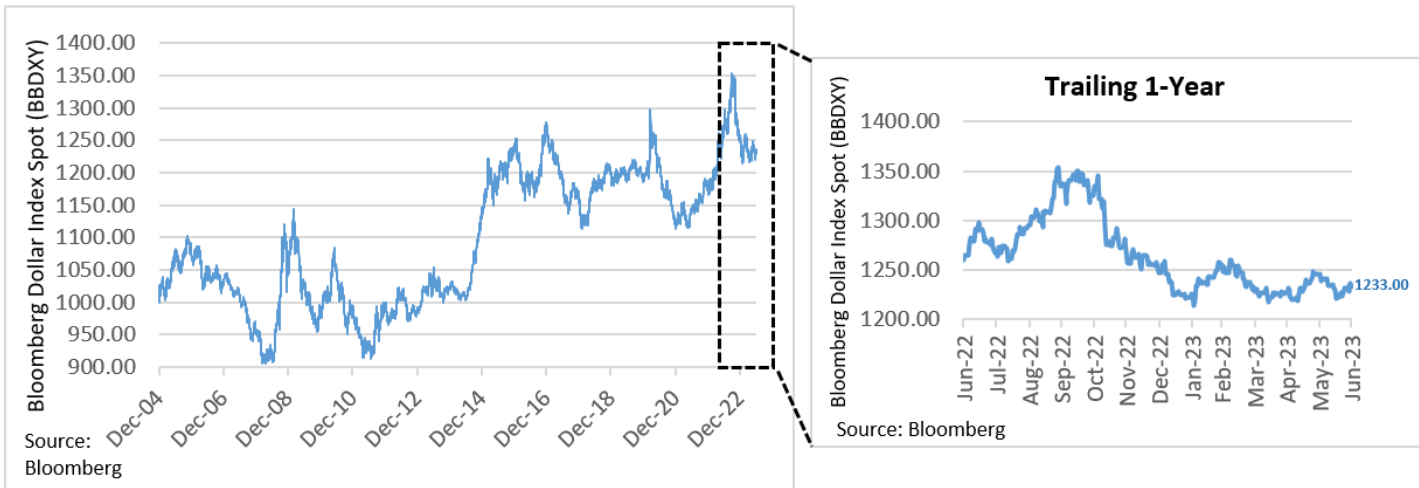
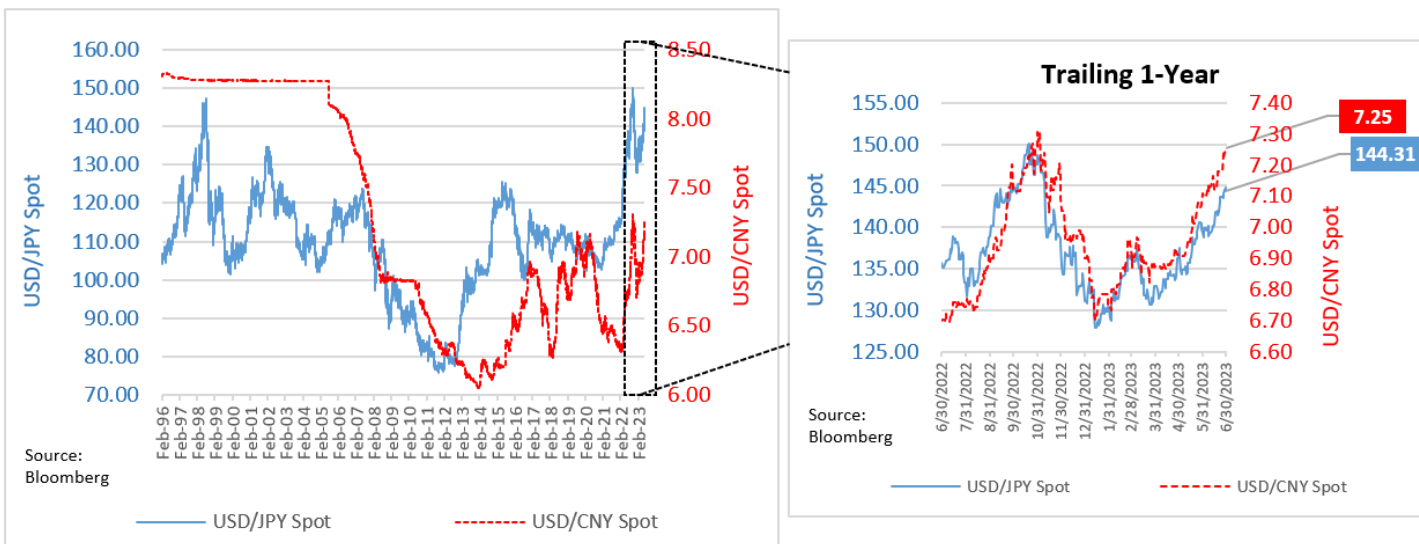


Figure 19 – The Japanese Yen and China Yuan Depreciated Against the U.S. Dollar as Both Countries Contend with Slowing Trade Activity and Domestic Consumption



Within the U.S., small caps outperformed large caps even as the latter benefited from mega-cap growth technology companies that comprise an increasing concentration of market value across the main U.S. large cap indices, while S&P Pure Value outperformed Growth with the former benefiting from a sharp advance in industrial and consumer cyclicals. For the month of June (**Figure 20**), the S&P 600 Index returned +8.2% versus +6.6% for the S&P 500. S&P Pure Value outperformed Pure Growth, returning +9.3% versus +6.8%, respectively, both styles outperforming the S&P 500 Index. For 2Q 2023 (**Figure 21**), the S&P 600 Index returned +3.4% versus +8.7% for the S&P 500. S&P Pure Value outperformed Pure Growth, returning +2.8% versus +1.4%, respectively, both styles underperforming the S&P 500.

Figure 20 – In June, Small Caps Outperformed Large Caps While Value Outperformed Growth, Although Some of This Leadership Was Surrendered Towards the End of the Month

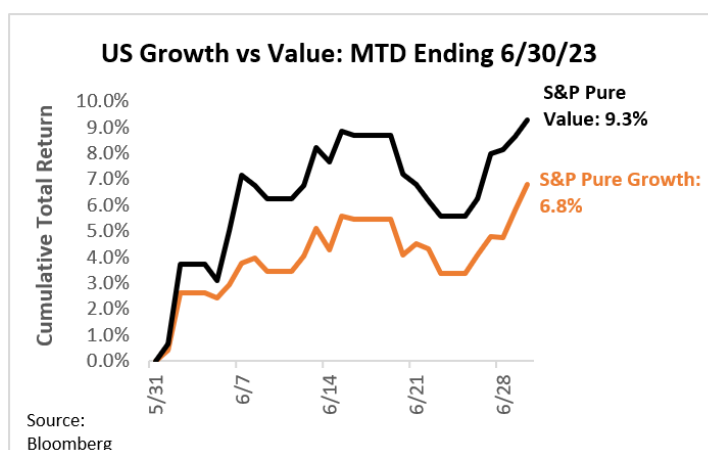
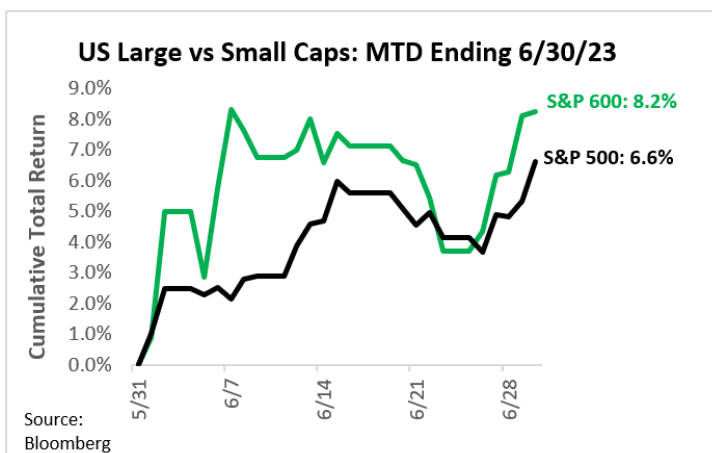
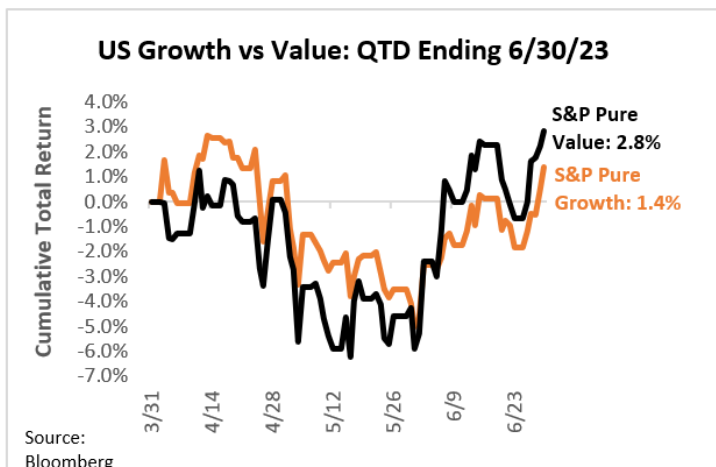
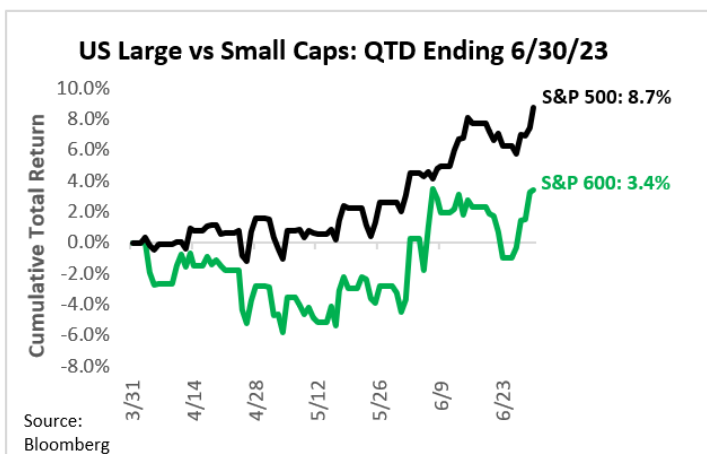


Figure 21 – In 2Q 2023, Small Caps Underperformed Large Caps While Pure Value Outperformed Growth, But Both Growth and Value Underperformed the S&P 500



Across sectors, large cap growth stocks that comprise the majority of sector weighting in Consumer Discretionary along with late cyclical sectors such as Industrials and Materials outperformed in June (**Figure 22**) while defensive and rate-sensitive sectors (Utilities, Staples, traditional telecom) lagged for the month. Similarly, in 2Q 2023 (**Figure 23**), growth-focused sectors (Technology, Communication Services, and Consumer Discretionary) outperformed traditional cyclicals and defensives by a sizeable margin.

Figure 22 – In June, Mega-cap Heavy Sectors Such as Consumer Discretionary and Late Cyclicals (Industrials, Materials) Outperformed While More Defensive Sectors Lagged

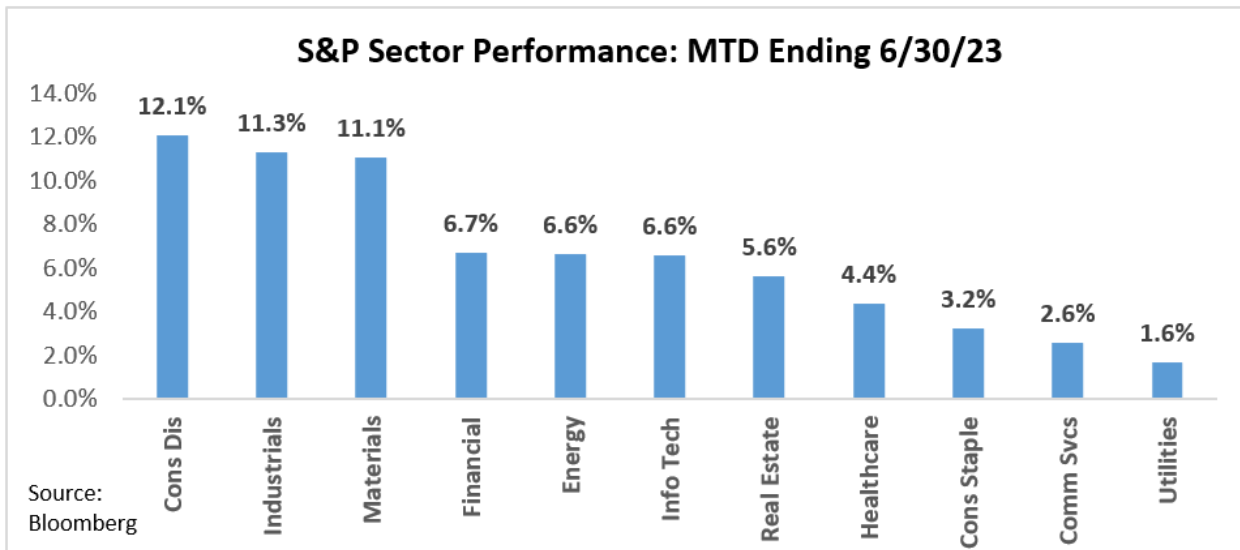
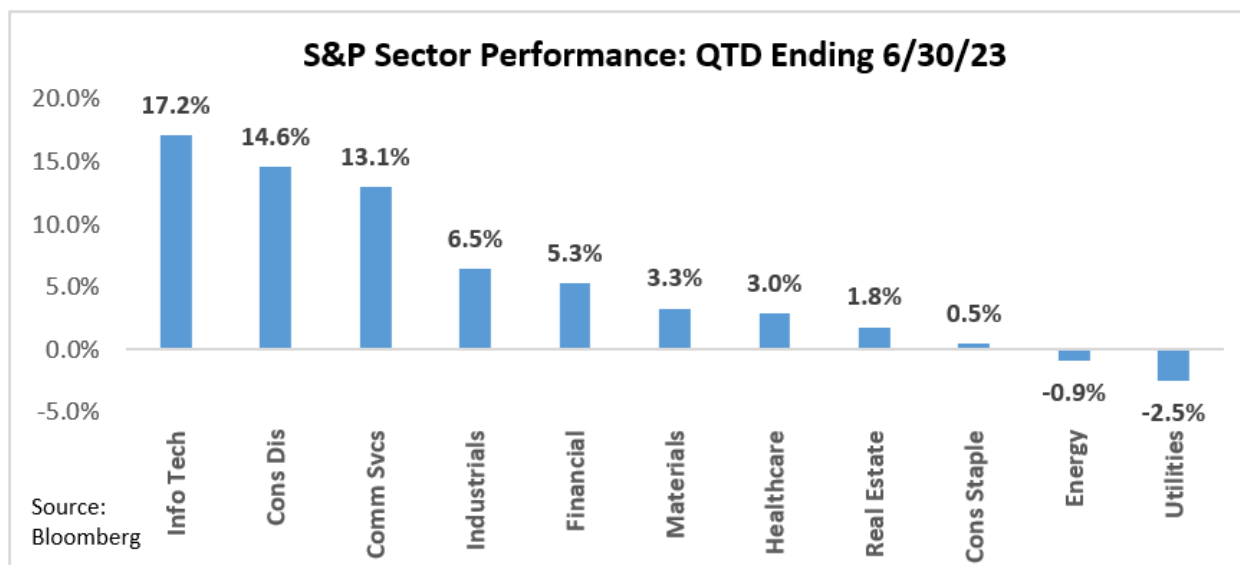


Figure 23 – In 2Q 2023, Tech-Focused Growth Sectors (Technology, Communication Services, Consumer Discretionary) Outperform Traditional Cyclicals and Defensives by a Wide Margin



Among major risk factors, in June (Figure 24), factor dispersion was not as large as the prior months, although Momentum was the only factor to outperform the broader market, helped by an overweight to technology growth. Minimum Volatility underperformed as June experienced a renewed risk-on appetite. In 2Q 2023 (Figure 25), High Quality outperformed all other major risk factors by a considerable margin.

Figure 24 – In June, Factor Dispersion Was Narrow But Momentum Was the Only Factor to Outperform the Broader Market

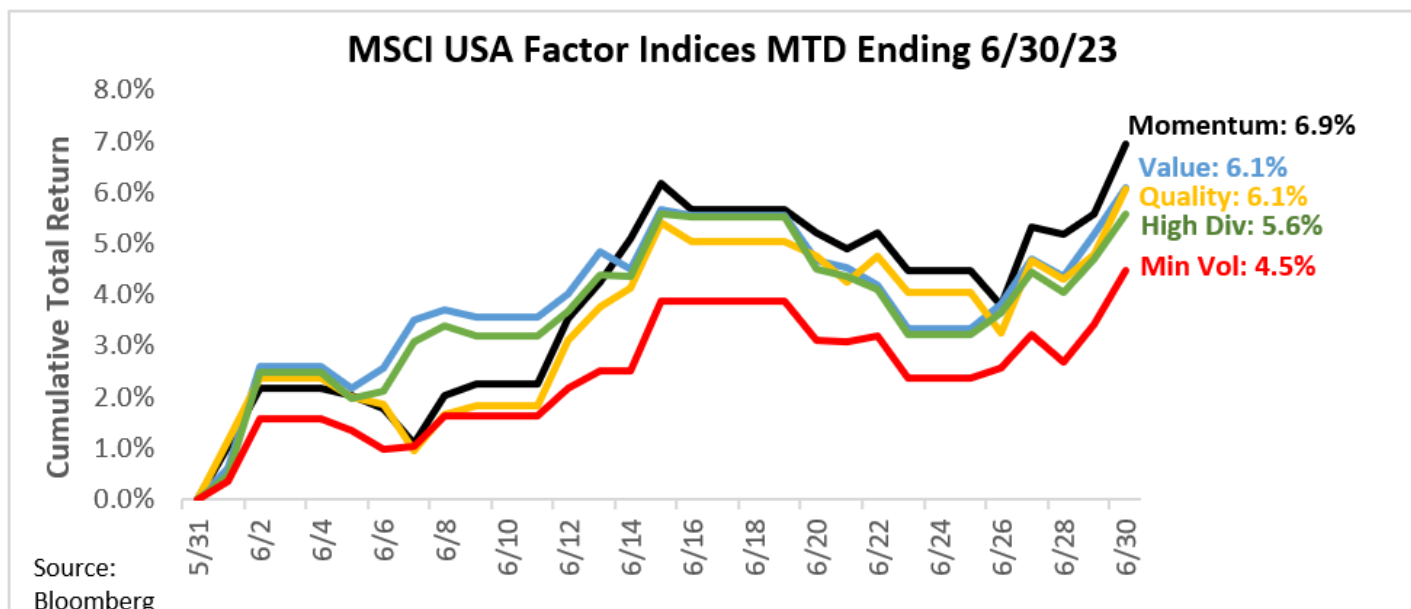
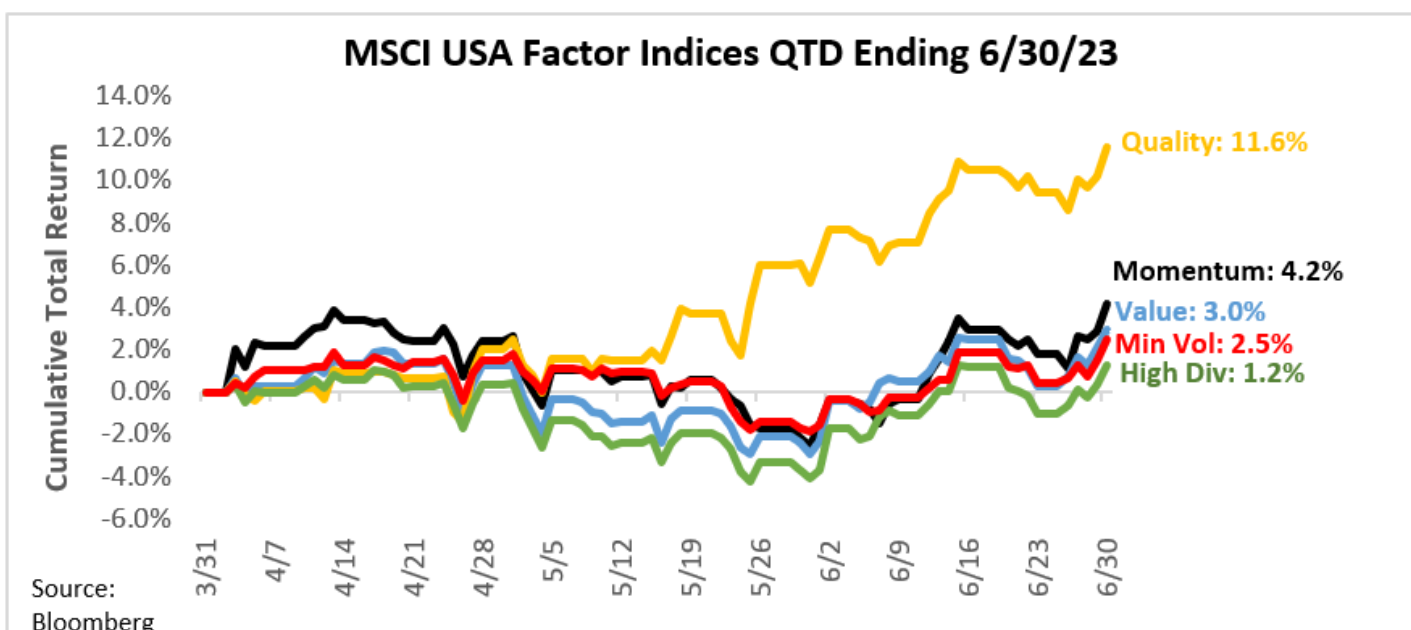


Figure 25 – In 2Q 2023, High Quality Outperformed All Other Major Risk Factors by a Wide Margin While Minimum Volatility and High Dividend Lagged



In June, fixed Income market returns were hurt by a moderate rise in interest rates (particularly short-term rates) offset by spread narrowing across corporate credit and securitized sectors. The Bloomberg U.S. Aggregate Bond Index returned -0.4% for the month (**Figure 26**) while the Global ex-U.S. Aggregate Index returned 0.3%, helped by a weakening dollar against European currencies. Bloomberg Emerging Market Local Currency also outperformed U.S. fixed income, returning 2.6% for the month while Bloomberg US High Yield returned 1.7%, as lower quality bonds benefited from risk-on appetite. For the quarter (**Figure 27**), the Bloomberg U.S. Aggregate Bond Index returned -0.8%, outperforming the Global ex-U.S. Aggregate Index which returned -2.2%, as rates increased at a sharper pace in Europe vs the U.S. Riskier fixed income sectors such as Bloomberg Emerging Market Local Currency and Bloomberg US High Yield outperformed global investment grade, returning +2.2% and +1.7%, respectively.

The 10-Year U.S. Treasury yield ended the month at 3.8%, up from 3.6% at the beginning of the month and from the near YTD lows of 3.4% at the beginning of the quarter. The 2-10 Year Term structure (**Figure 28**) inverted sharply in June as the short end of the curve rose in response elevated core inflation readings as well as hawkish rhetoric from Federal Reserve officials. Inflation expectations implied by breakeven rates between TIPS vs Nominal Treasury yields remain steady despite the deep inversion of the U.S. Treasury yield curve. Corporate credit spreads narrowed sharply towards the end of the quarter (**Figure 29**), participating in the risk-on equity rally.

Figure 26 – In June, Rising Interest Rates Hurt Investment Grade Fixed Income But High Yield and Emerging Market Debt Benefited from the Risk-On Appetite that Carried Equities

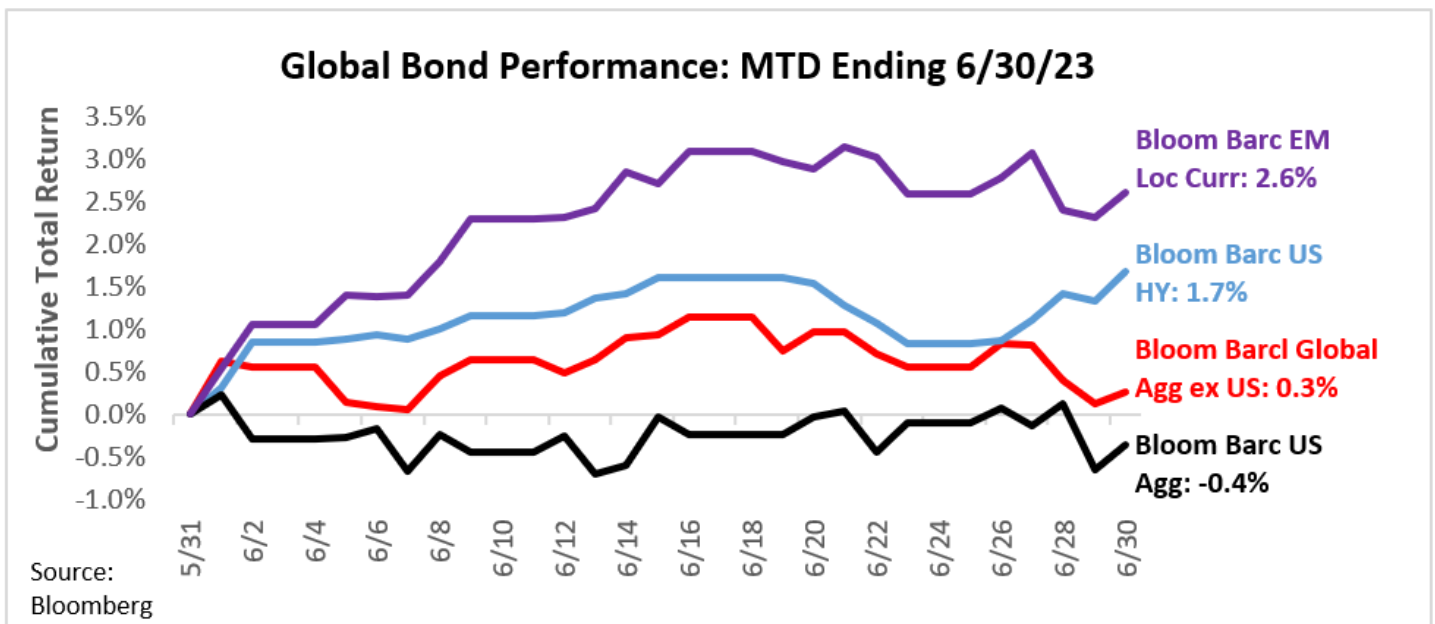


Figure 27 – In 2Q 2023, Riskier Fixed Income (EM Local Currency and High Yield) Outperformed Global Investment Grade as Spread Sectors Narrowed Despite Rising Rates

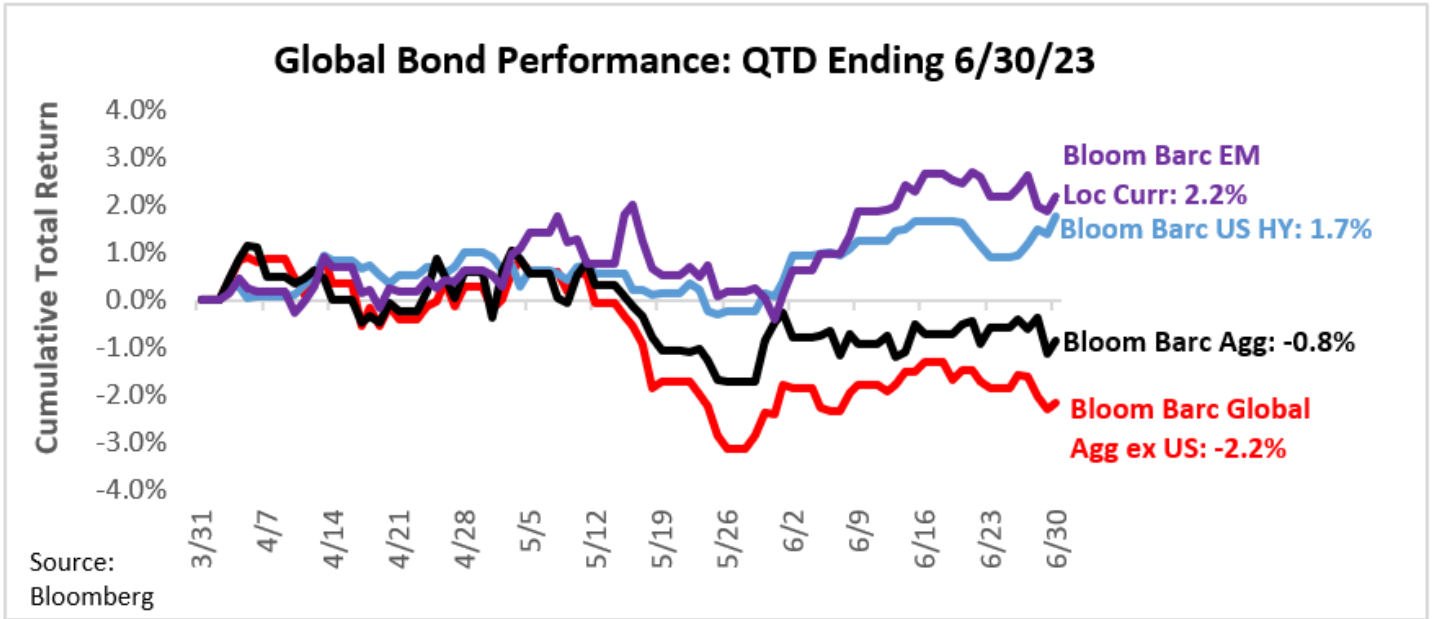


Figure 28 – 2-10 Year Term Structure Inverted Further in June to Its Deepest YTD Levels While Inflation Expectations (Breakeven Rates Between TIPS vs Nominal Treasuries) Remain Stable Despite Elevated Core Inflation Readings

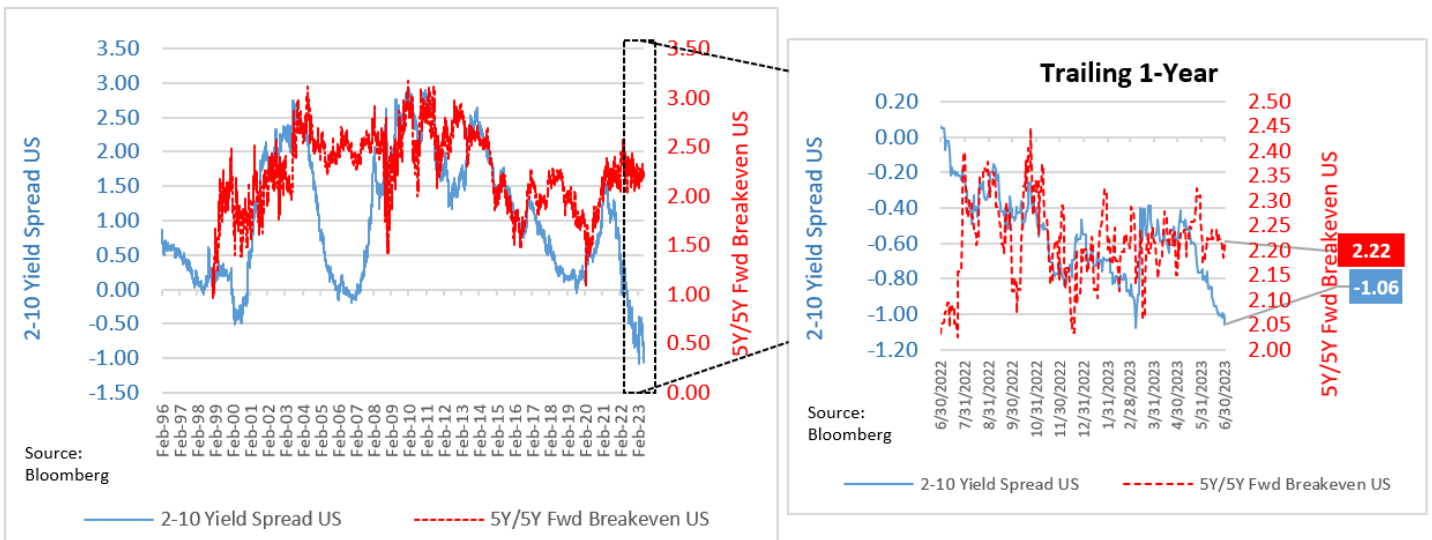
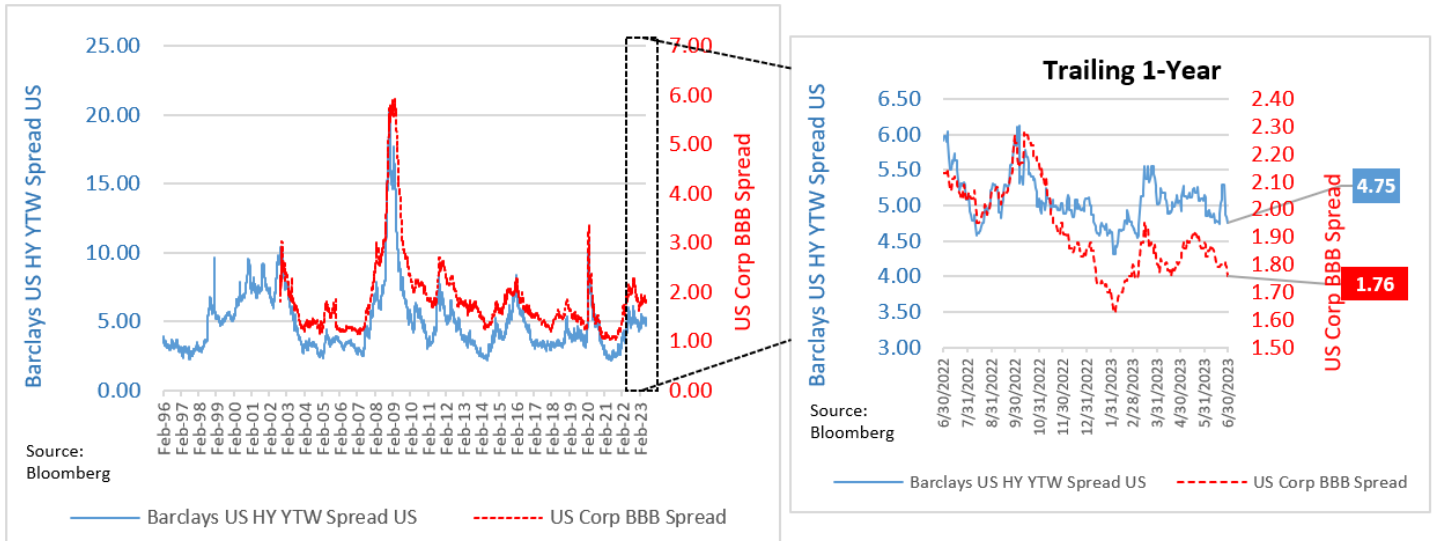


Figure 29 – Corporate Credit Spreads Narrowed Towards the End of the Quarter



Within equity alternatives, Commodities and Real Estate outperformed Precious Metals in June as the former benefited from a rally in agriculture and industrial metals. Real estate saw a relief rally following reports of high-profile building transactions that exceeded the worst expectations of depressed appraised values. The S&P GSCI Commodities Index returned +4.4% for the month (**Figure 30**) while the Dow Jones REIT Index returned +5.3%. The S&P GSCI Precious Metals Index was hurt by a drop in gold, platinum and palladium prices as gold prices briefly dropped below \$1,900/ounce for the first time in quite a while. For 2Q 2023 (**Figure 31**), S&P GSCI Commodities Index dropped 2.7% about in line with Precious Metals which dropped 2.8%, while the Dow Jones REIT Index rose 1.2%.

Figure 30 – In June, Real Estate and Commodities Outperformed Precious Metals, as Part of This Month's Risk-On Rally

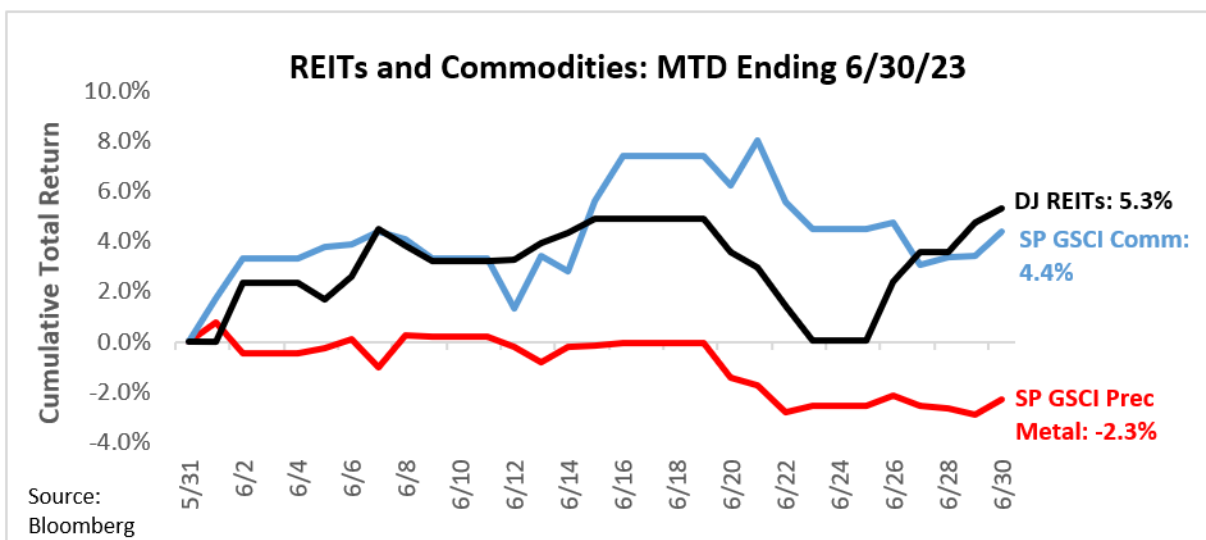
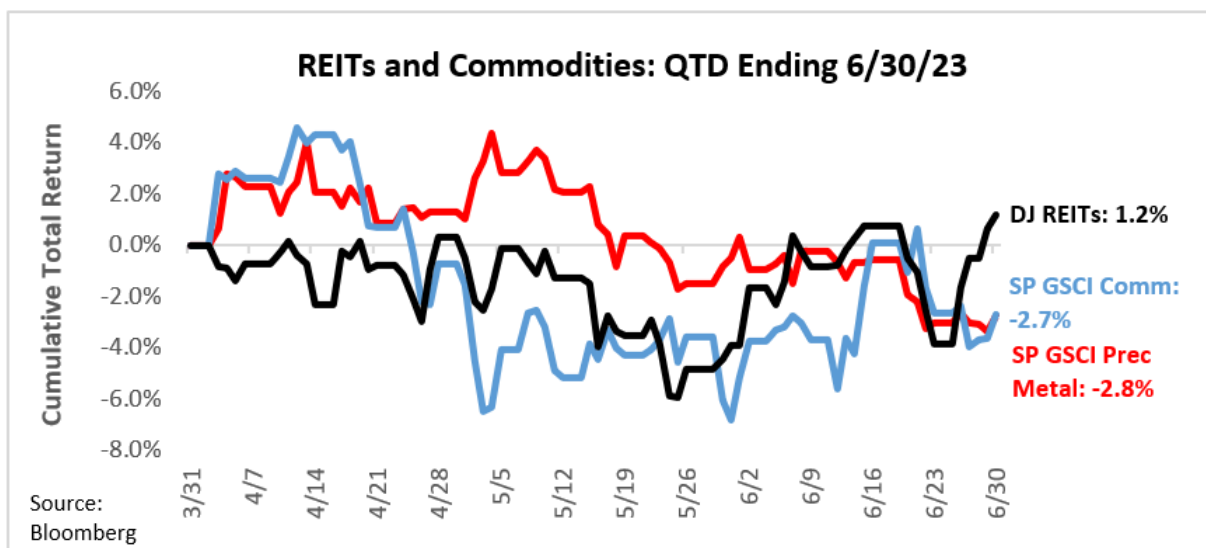
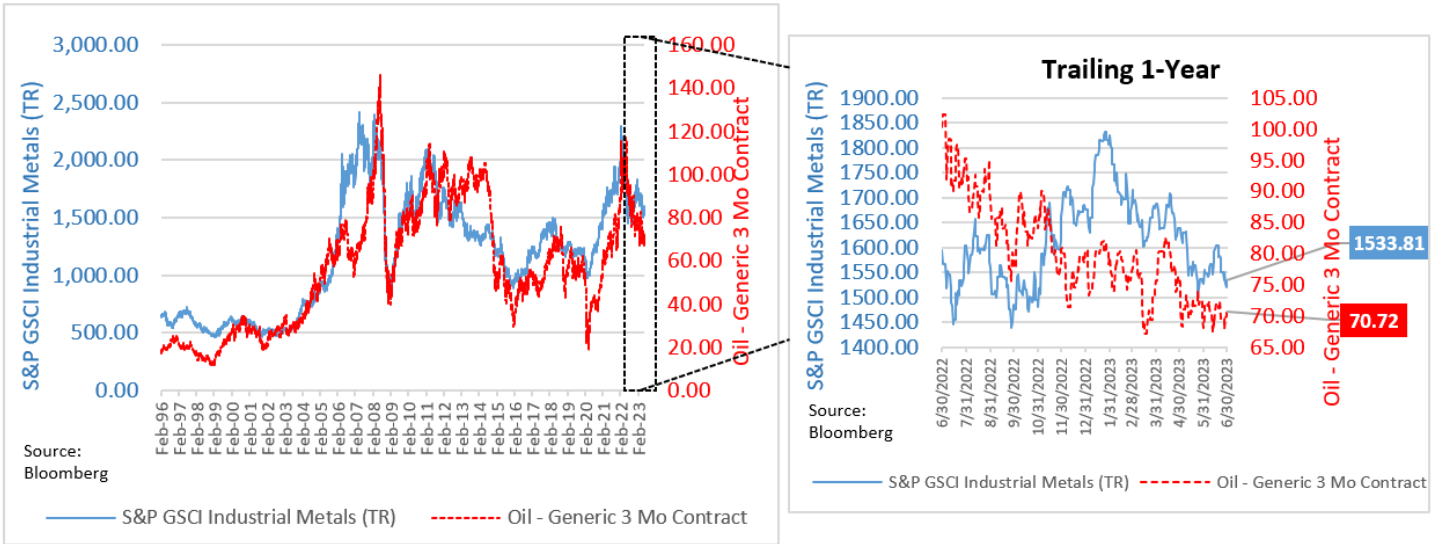


Figure 31 – In 2Q 2023, Equity Alternatives Underperformed Equities

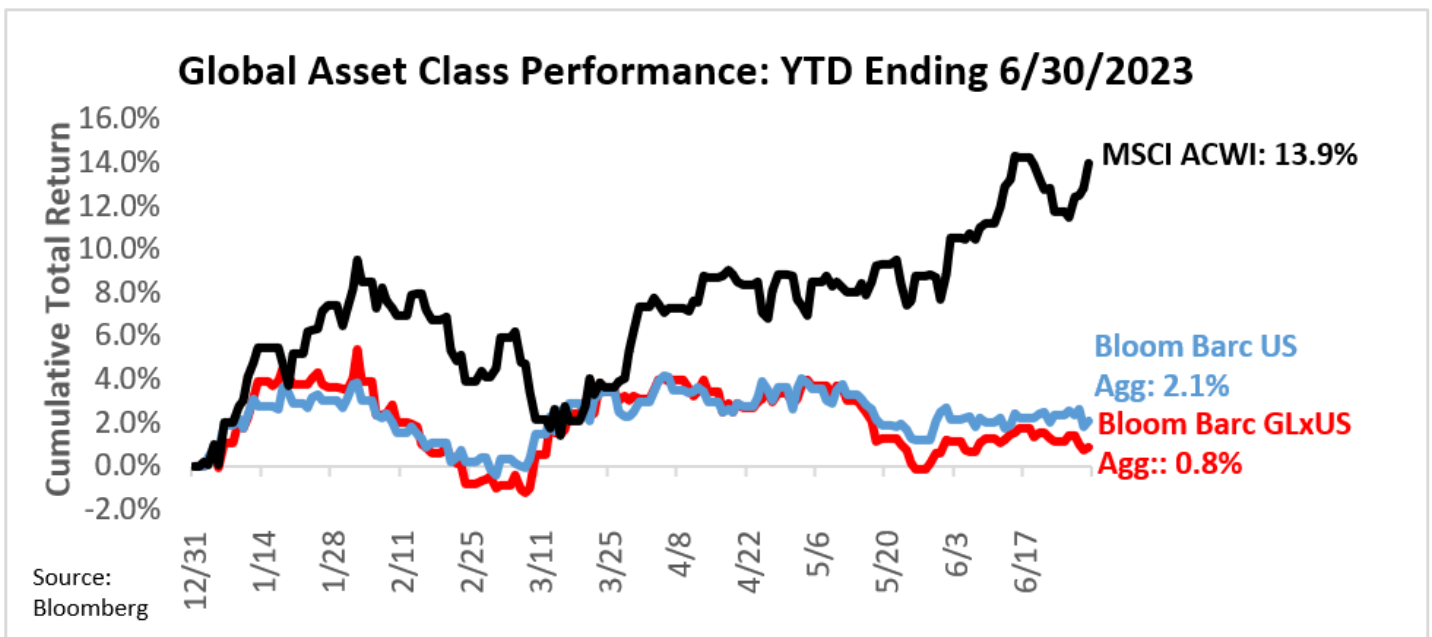


Industrial metals whipsawed in June while oil prices briefly dropped below \$70/barrel before recovering to the low-\$70 range (Figure 32). Commodities appear to be rangebound until further clarity emerges on the net supply/demand front.

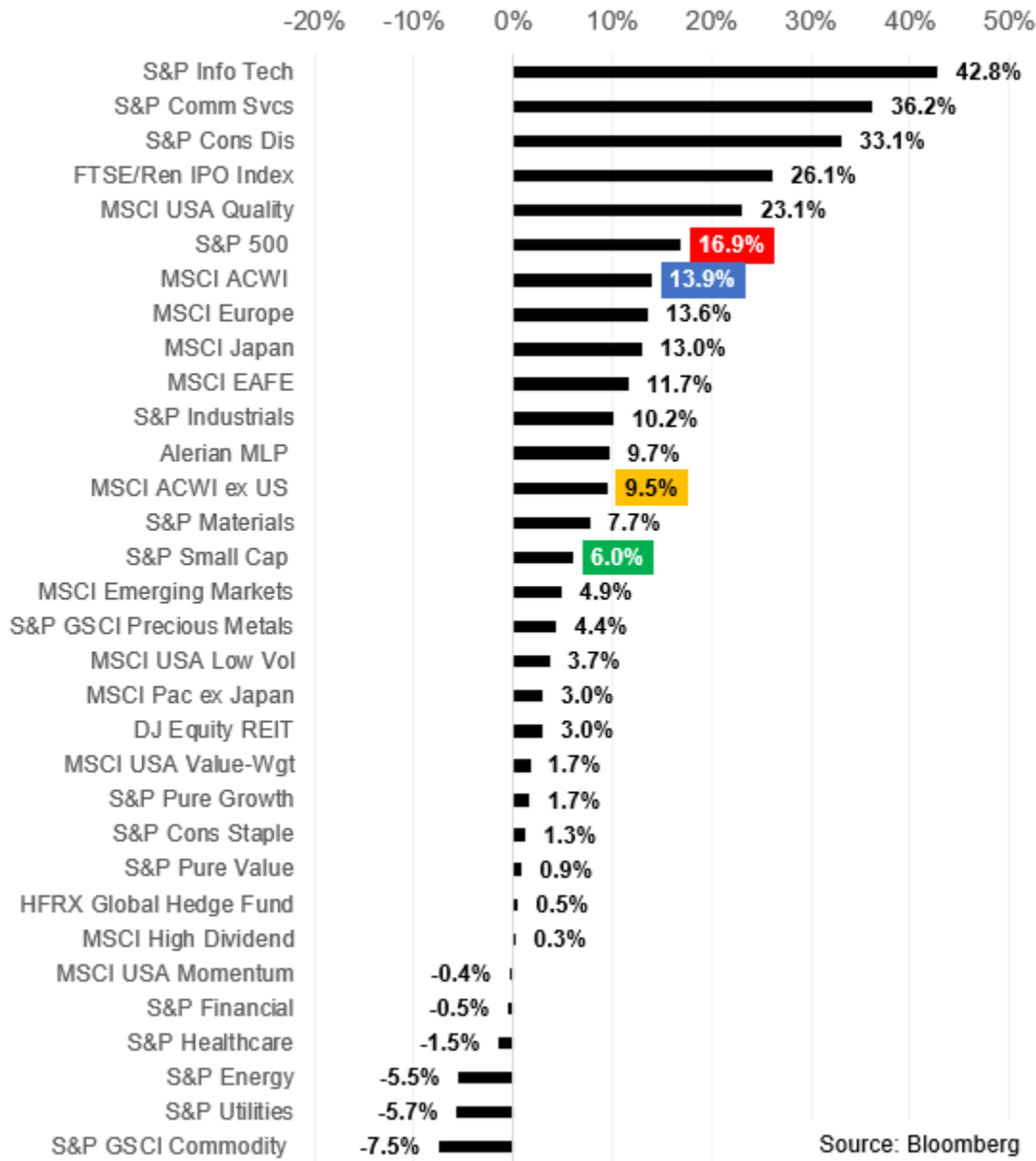
Figure 32 – Industrial Metals and Oil Prices Dropped Over the Course of the Quarter Although Partially Recovered Towards Quarter-End



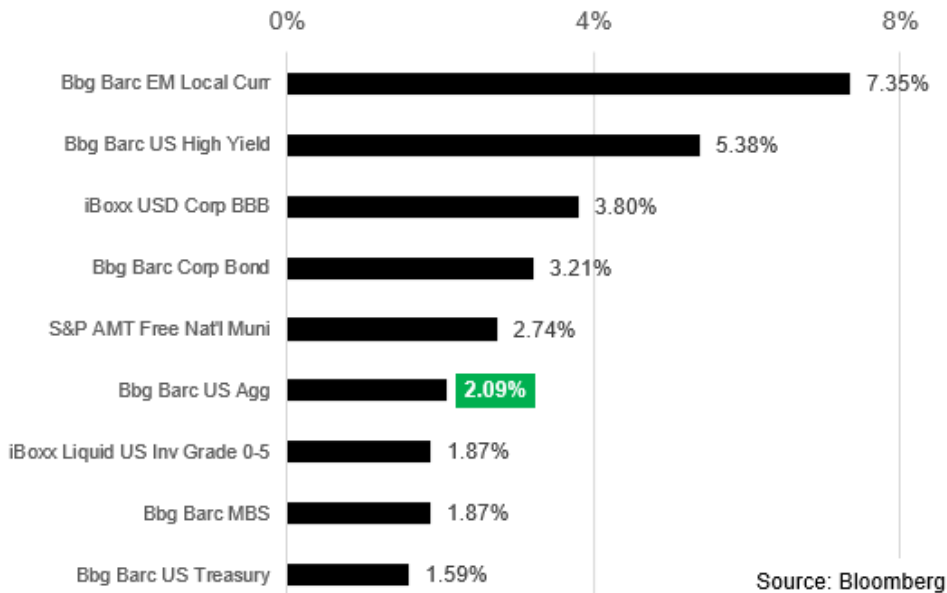
1st Half 2023 Market Performance



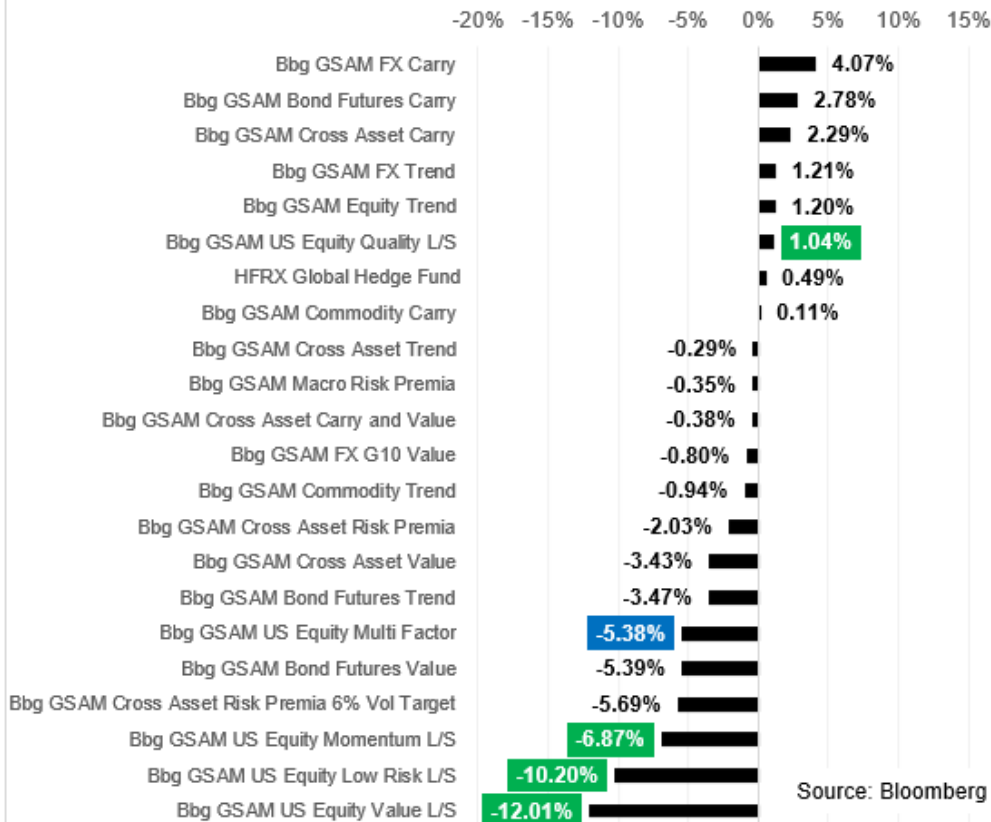
2023 YTD Performance Through 6/30/2023 - Major Risk Assets



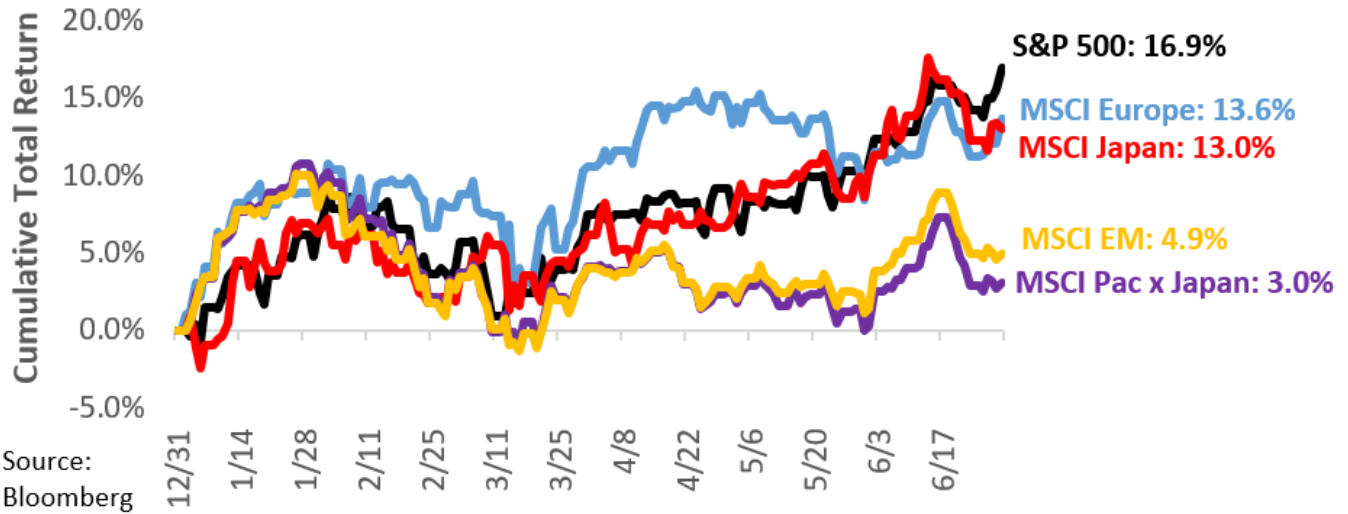
2023 YTD Performance Through 6/30/2023 - Fixed Income Markets



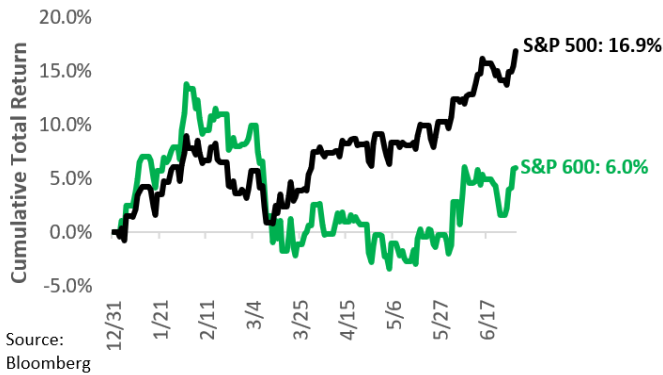
2023 YTD Performance Through 6/30/2023 - Alternative Risk Premia



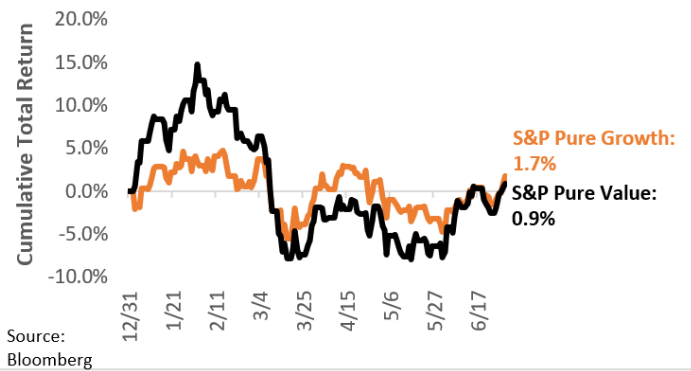
Regional Equity Performance: YTD Ending 6/30/23



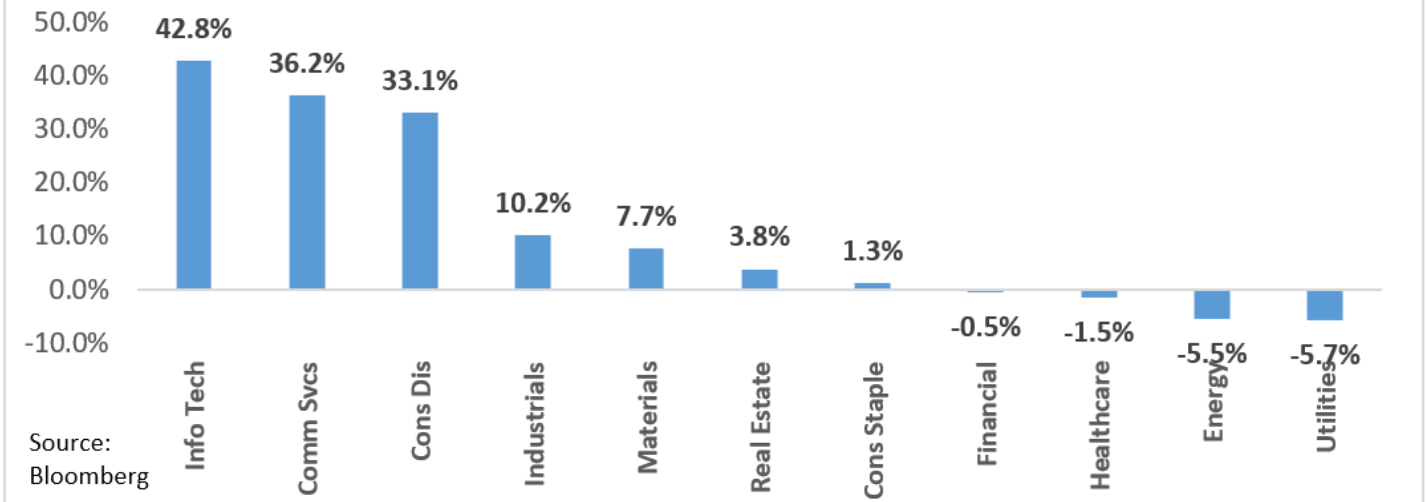
US Large vs Small Caps: YTD Ending 6/30/23



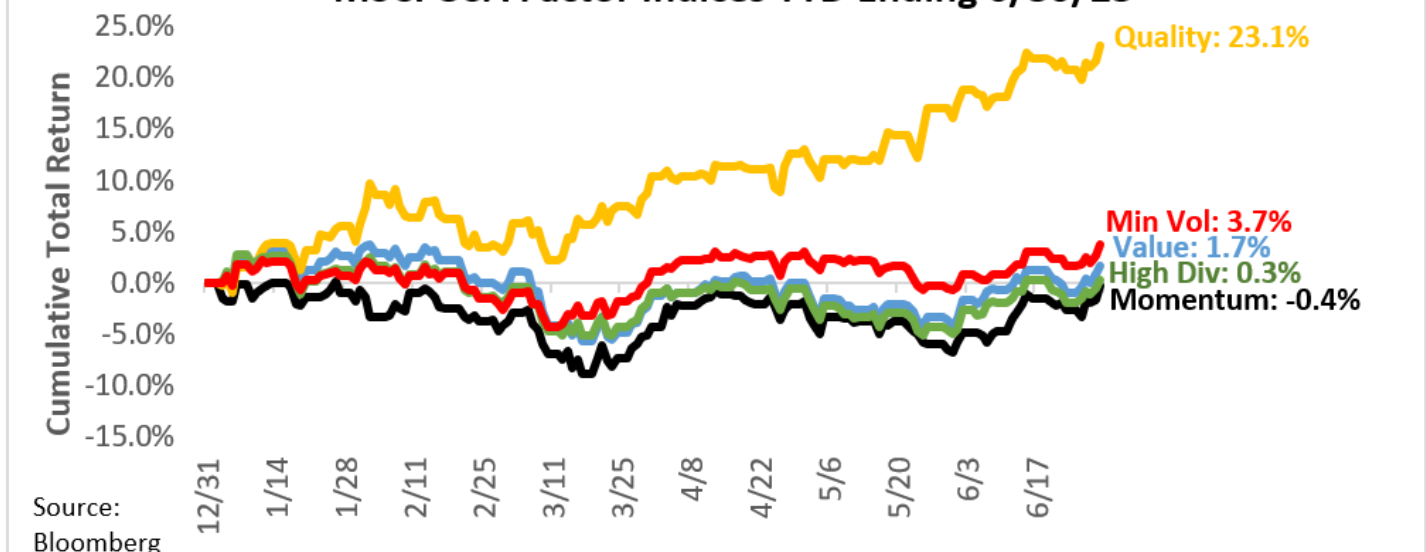
US Growth vs Value: YTD Ending 6/30/23



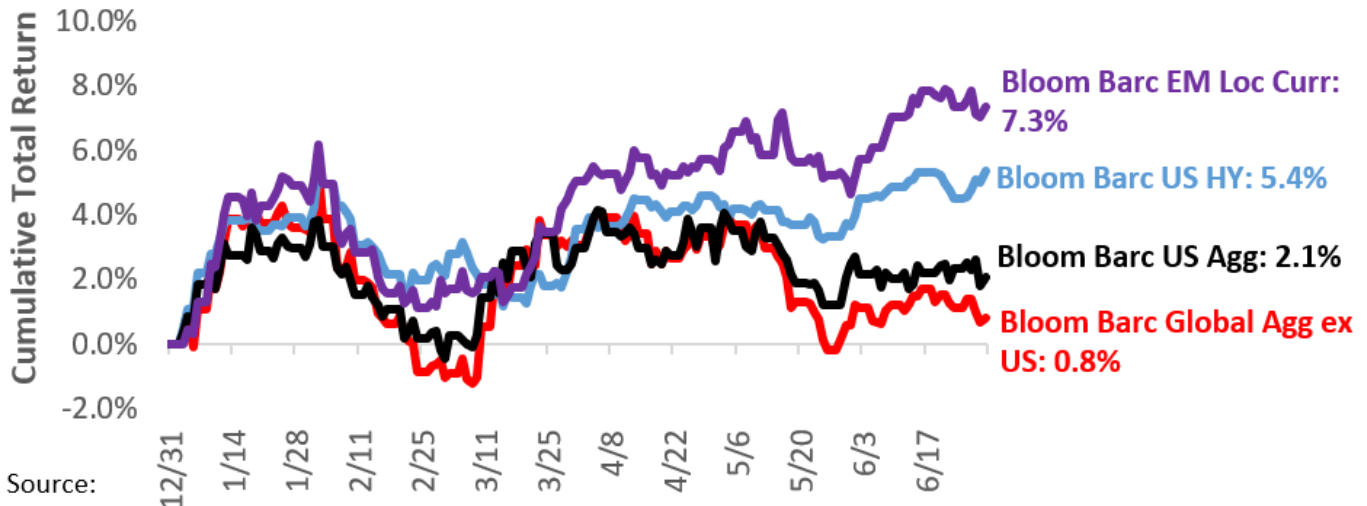
S&P Sector Performance: YTD Ending 6/30/23



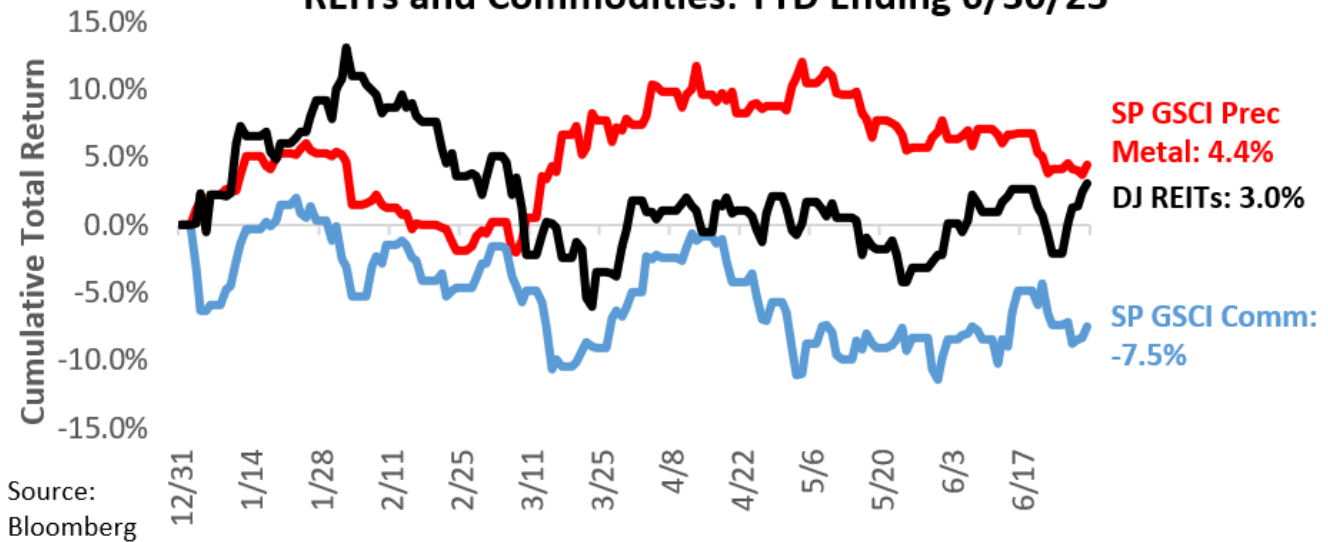
MSCI USA Factor Indices YTD Ending 6/30/23



Global Bond Performance: YTD Ending 6/30/23



REITs and Commodities: YTD Ending 6/30/23





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