

Quarterly Research Summary

April 2023



D | A | DAVIDSON
WEALTH MANAGEMENT

Please refer to pages 12 - 13 of this report for detailed disclosure and certification information

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list

⁽¹⁾ A glossary of terms & definitions and information on indices is available on pages 14 - 19

Table of Contents

2023 Market & Economic Outlook – April Update	1
James D. Ragan, CFA, Director of WM Research	
WM Research – Primary Coverage Summary	8
U.S. Equities Performance Report	9
International Equities Performance Report	10
U.S. Economic Report	11
Required Disclosures	12
Appendix	14

2023 Market & Economic Outlook – April Update

James D. Ragan, CFA, Director of Research, Wealth Management

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Outlook Summary:

Positive returns for U.S. equities in the first quarter of 2023 (1Q23) extended a market rally that began in mid-October last year. While we acknowledge improved investor sentiment (attributed to positive economic data and lower interest rates), we continue to see numerous challenges ahead for equity markets. Our S&P 500 fair value estimate of 3,900 remains unchanged from our December 2022 outlook, a level that is 5.1% below the index closing price as of 3/31/23. While 1Q23 economic data has trended above the consensus expectations in place three months ago, our equity market outlook remains cautious as the S&P 500 valuation is elevated (the index has moved higher even as consensus earnings estimates have moved lower), and we believe the rapid rise in interest rates over the past year will slow consumer spending and business investment. Federal Reserve Bank (Fed) interest rate increases first created housing market weakness as mortgage rates surged, and more recently contributed to the March 2023 bank liquidity crisis that negatively impacted many regional banks. In our view, this creates additional economic uncertainty as reduced bank liquidity can restrict bank lending across the economy. We see the S&P 500 trading in a range between 3,600 and 4,300.

As a balance to our cautious stance, several positive economic and market factors remain in place. This includes solid jobs gains and wage growth, the reopening of China's economy following the end of its zero-COVID lockdown policy, and a weaker U.S. dollar year-over-year (Y/Y), which can help boost overseas earnings. Additionally, elevated inflation levels are easing and the Fed appears very close to holding overnight interest rates in place, ending 12 months of steady rate increases. Investors now debate a range of 2023 economic outcomes, which includes a possible "soft landing" where economic growth (as measured by real gross domestic product, or GDP) is modestly positive (less than 1%). Another economic view is a mild recession (in our view, the most likely outcome), which reflects a 2023 GDP decline of roughly 0% to -1.0% and would likely lead to reduced earnings estimates below what current consensus reflects. A "hard landing," considered a GDP decline approaching -2.0% or more, is an outcome not currently priced into earnings estimates, in our view, and could drive equity prices down from current levels. Given the economic uncertainty that remains, we believe that investors could add defensive exposure (this includes sectors such as Utilities, Consumer Staples, and Health Care), as companies in these sectors generally sell products and services that are more essential during periods of economic weakness. In this environment we continue to recommend high-quality companies and broad sector diversification.

First quarter review. The widely followed, large-company S&P 500 index closed at a price level of 4,109 on 3/31/23, reflecting a 1Q23 price increase (not including dividends) of 7.0% (and 7.5% total return with dividends). This was the second consecutive quarter of gains (4Q22 price return was 7.1%) after declines over the first three quarters of 2022. In 2023, equities rallied in January (the S&P 500 gained 6.2%), dropped -2.6% in February due to worries about inflation, rising interest rates, and economic growth, and then the index rebounded 3.5% in March. We attribute the March gains to solid trends in 1Q23 economic data and an expectation that the Federal Reserve Bank will soon put the brakes on its year-long, aggressive interest rate hiking policy intended to slow inflation. The March rally was surprising given a sudden bank liquidity crisis early in the month. The S&P 500 dropped -4.5% for the week ended 3/10/23 as the bank scare emerged but gained 6.2% over the balance of the month as investors appeared satisfied that quick actions by the Fed and U.S. Treasury to backstop deposits helped to avert a deeper crisis. The first quarter also reflected a wide range of returns between other popular U.S. equity indices. The large-company, technology- and growth-centric Nasdaq Composite posted a 1Q23 total return of 17.0%, while the Dow Jones Industrial Average (also large-company, but less exposure to growth) produced a total return of just 0.9%. Small companies lagged the return of the S&P 500 and Nasdaq Composite as the widely followed, small-company Russell 2000 gained 2.7%.

S&P 500 Index (SP50)



Data Source: FactSet as of 3/31/23. S&P 500 Daily Closing Prices 12/31/19 to 3/31/23

Leadership has narrowed. The S&P 500's price return of 7.0% in 1Q23 was not as good as it appeared as market leadership (stocks and sectors driving the gains) narrowed and not all stocks fully participated in gains. Of the eleven macro industry groups comprising the S&P 500 sectors (using MSCI's Global Industry Classification Standards, or GICS), four were lower in the quarter, and four other sectors posted only modest gains. Just three sectors (Information Technology, +21.5%, Communications Services, +20.2%, and Consumer Discretionary, +15.8%) drove the vast majority of index gains. Those three sectors include the five stocks with the largest market capitalization (often called the "mega-caps"), which collectively comprised 21.5% of the S&P 500's total market capitalization as of 3/23/23 (per FactSet). Perhaps a better way to look at the leadership from a narrow group of stocks is to compare the performance of the S&P 500 index (which is weighted by market

capitalization) to the equal-weighted S&P 500 (where all 503 companies are weighted equally in the index calculation). The equal-weighted S&P 500 index gained 2.4% in 1Q23 compared to the 7.0% price gain of the market cap-weighted S&P 500. In March alone, the equal-weighted S&P 500 declined -1.1% compared to a 3.5% gain for the S&P 500. In addition, the comparatively weak performance of the Russell 2000 index is additional evidence that 1Q23 equity market gains lacked broad participation. While future gains could expand to more sectors and individual stocks if economic activity continues to surprise to the upside, the narrow market leadership as the overall index moved higher bears watching and indicates some level of caution from investors.

S&P 500 vs. S&P 500 Equal-Weighted Price Returns (1Q23, %)



Data Source: FactSet and closing index prices from 12/31/22 to 3/31/23. Price return excludes dividends.

Market valuation. Our S&P 500 fair value estimate of 3,900 represents a price-to-earnings (P/E) of 17.3x the next twelve months (2Q23 to 1Q24) S&P 500 FactSet consensus EPS estimate of \$225. In addition, our fair value estimate is 17.8x the FactSet consensus calendar 2023 EPS estimate of \$219 (as of 3/31/23). That estimate is 4.8% lower than when we published our 2023 Market Outlook on 12/27/22, reflecting an overall decline in earnings expectations in the quarters ahead. Our fair value is 5.1% below the index closing price on 3/31/23, and 1.6% above the closing price of 3,839 at the end of 2022. Along with a current S&P 500 dividend yield of 1.7%, this suggests a 2023 total return of less than 4%. Over the past 23 years, the S&P 500 has traded at an average P/E ratio (using the consensus estimate of the next four quarters) of 16.3x. While our fair value estimate assumes a P/E modestly above that long-term average, the current P/E valuation is 11.3% higher. Given that U.S. interest rates remain elevated (the yield on the 10-year U.S. Treasury bond, a proxy for U.S. long-term interest rates, at 3.40% as of 4/7/23, was significantly above both the 2.2% average over the past ten years and the yield of 1.51% at the end of 2021), we do not believe that P/E multiples will expand much from current levels. A decline in the 10-year Treasury yield in recent weeks (from a high of 4.08% in early March) likely contributed to equity market gains late in 1Q23, but given the drop in earnings estimates as well, the conditions for continued multiple expansion are not ideal, in our opinion. With economic uncertainty still at high levels and perhaps additional downward revisions to earnings estimates to come, we see the potential for significant market volatility and S&P 500 levels that could trade in a wide range.

S&P 500 Forward P/E Ratio (next twelve months)



US 10-Year Treasury Yields

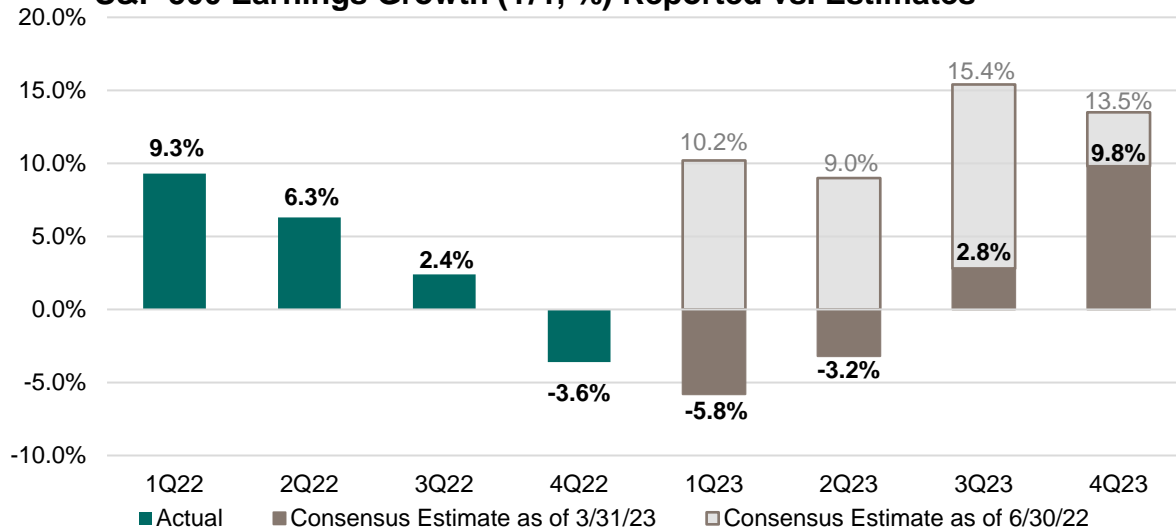


Data source: FactSet, using exchange data, as of 4/7/23 (see Other Disclosures on page 8 for further discussion of P/Es and Treasury yields)

Quarterly earnings are now falling Y/Y and estimate revisions are lower. Collective earnings for the S&P 500 index showed Y/Y growth for the first three quarters of 2022 (the green bars below reflect S&P 500 earnings growth for quarters already reported), although at a lower percentage growth rate each quarter. In 4Q22, quarterly Y/Y earnings growth turned negative for the first time since the pandemic lockdowns. When looking at estimated earnings growth (the dark gray bars show FactSet consensus earnings estimates for each quarter of 2023, and the light gray portion shows the earnings estimates for the same quarter nine months ago, as of 6/30/22) in 2023, S&P 500 earnings are estimated to decline Y/Y for both 1Q23 and 2Q23, but then return to growth in the final two quarters of the year. Estimate revisions have continued lower

in recent months, and in the middle of last year, strong double-digit percentage growth was expected for each quarter of 2023. Given relatively solid economic data in January and February that has led to upward revisions in economic growth estimates, earnings results could surprise to the upside in 1Q23. The March 2023 bank liquidity crisis was unlikely to change the 1Q23 earnings trajectory, in our view, as it began relatively late in the quarter, but is likely to weigh on earnings (especially for the Financials sector) over the balance of the year. While improved earnings growth in 3Q23 and 4Q23 remains possible as Y/Y comparisons become easier, estimates have trended lower due to economic uncertainty. We look for estimates over the balance of 2023 to drift lower, with the potential for sustainable (improved visibility) earnings growth to resume in 2024.

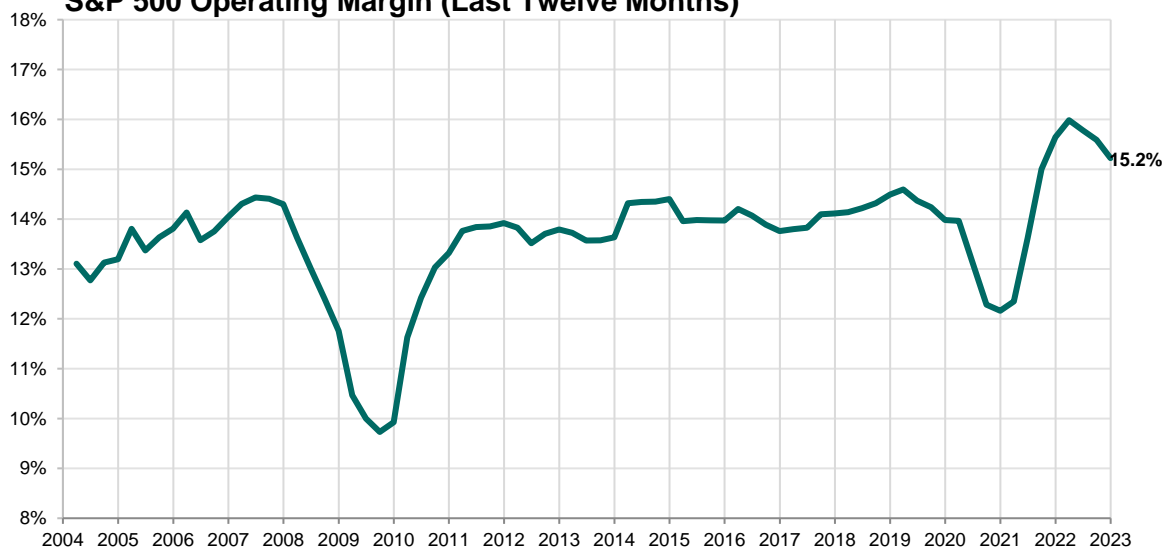
S&P 500 Earnings Growth (Y/Y, %) Reported vs. Estimates



Data source: FactSet consensus estimates (from Wall Street analysts) as of 4/7/23. S&P 500 earnings are weighted by market capitalization for all constituents.

One reason that earnings growth could remain constrained in the current environment is that company profit margins appear to have peaked. Over the past 19 years, the S&P 500 weighted-average operating margin ranged from just below 10% to 16%, with an average over the past four quarters near the top of that range at 15.2%. The operating margin is the earnings before interest expense and taxes, giving a view of profitability from the business operations. Over the nine years mid-2011 through 2019 (pre-pandemic), the S&P 500 operating margin ranged between 13.5% to 14.5%. The margin plunged during the global pandemic, then surged in 2021/2022 following the economy's reopening and passage of fiscal stimulus. In our view, the pandemic response and recovery has created a 3+ year period of volatility in data, and we expect the S&P 500 operating margin to trend back closer to that 14% level in time. This tells us that the earnings growth in the quarters ahead is highly dependent upon revenue growth, and margin compression back to historic ranges would result in earnings growth at a lower rate than revenue growth.

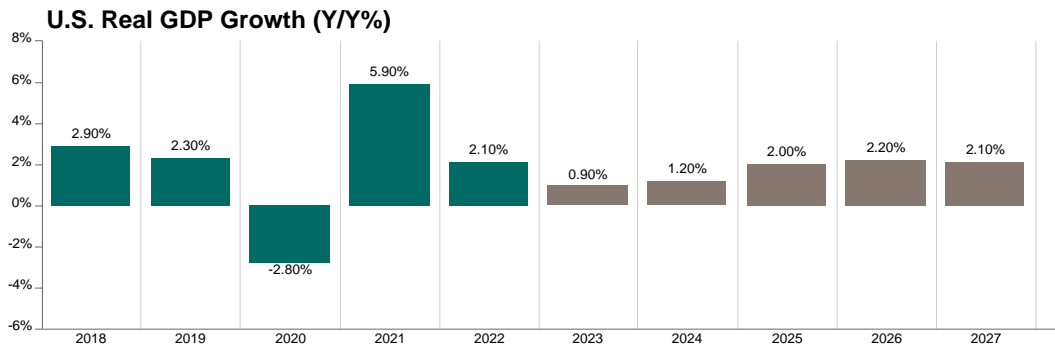
S&P 500 Operating Margin (Last Twelve Months)



Data Source: FactSet, from company reports. Chart shows the weighted average S&P 500 operating margin reported over the prior 12 months as of 3/31/23.

The U.S. economy has slowed, but stronger data in 4Q22 and 1Q23 reduced recession fears. When measuring U.S. economic activity, we look at real gross domestic product (GDP), which is the inflation-adjusted value of goods and services produced, reported by the Bureau of Economic Analysis (BEA). 4Q22 GDP increased 2.6% (quarterly growth annualized), contributing to 2.1% GDP growth for all of 2022. In the years 2015 to 2019, U.S. GDP growth averaged 2.4% annually, then was disrupted by the 2020 COVID-19 recession and strong 2021 stimulus-

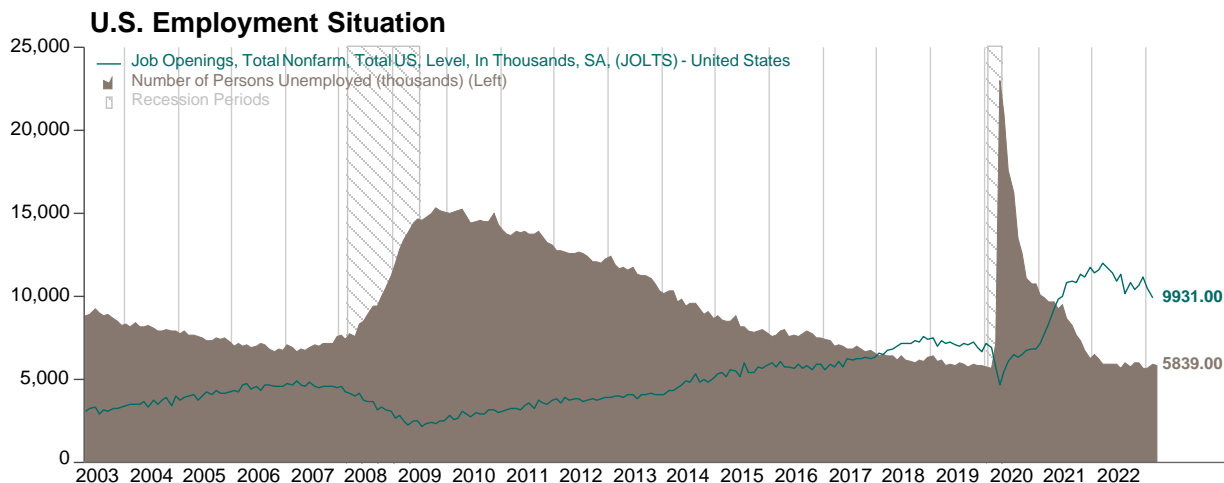
and reopening-led recovery. As GDP growth normalizes from pandemic distortions, estimated annual growth over the next five years (2023 to 2027) is well below that pre-pandemic average. The U.S. economy must navigate elevated inflation, a rapid rise in interest rates since early 2022, uncertain global growth (especially in Europe), and ongoing disruption caused by the Russia/Ukraine war. This has caused many investors, us included, to forecast economic weakness, including a mild recession, that could develop in 2023. Consumer spending contributed positively to 4Q22 GDP, but at the weakest level in ten quarters (since 2Q20), which suggested to us that the post-pandemic consumer was running out of steam. However, 1Q23 consumer data reported through early April (includes employment, wages, and retail sales) has trended above estimates and the FactSet consensus GDP estimate for the first quarter increased to 1.6% (as of 4/6/23) from -0.2% (as of 12/31/22). While the first 1Q23 GDP report from the BEA is not due until late April, the rise in expectations is notable. In our view, while near-term recession fears have receded, the risk remains, possibly in the second half of 2023 or in 2024. From the table below, the FactSet consensus quarterly GDP estimates over the balance of 2023 remain uninspiring.



U.S. Quarterly Real GDP Actual (A)/Estimates (E)	
3Q22A	3.2%
4Q22A	2.6%
1Q23E	1.6%
2Q23E	0.0%
3Q23E	-0.5%
4Q23E	0.2%

Data Source: FactSet consensus estimates and Bureau of Economic Analysis, as of 4/6/23. Chart shows annual real GDP reported by the BEA 2018-2022 (green bars), and FactSet consensus estimates 2023-2027 (gray bars). Table shows the real quarterly GDP (reported as sequential change annualized) reported data for 3Q22 and 4Q22, and FactSet consensus estimates for 1Q23, 2Q23, 3Q23, and 4Q23.

Strong jobs market helped by a record number of job openings, but growth may have peaked. We believe consumer spending strength in 1Q23 was helped by a pickup in post-holiday sales following a weak December (pent-up demand), as well as relatively mild winter weather across much of the U.S.; however, we attribute a larger component to an economy that has contributed to sustained job opportunities. Two monthly employment reports from the BLS include: Employment Situation (labor force, new jobs, unemployment) and Job Openings and Labor Turnover Survey (JOLTS, open jobs, separations and hires). The chart shows the total number of unemployed workers (gray bars) and total job openings (green line). In 2022, the U.S. created an average 399 thousand (K) net new nonfarm jobs, and 1Q23 saw a monthly average of 345K, including 236K in March. Looked at another way, the total number of unemployed was 5.936 million (M) at the end of February 2023. This compared to peak unemployment of 23.1M in April 2020, during the initial pandemic shutdown. The number of unemployed remains 44K higher than January 2020's (pre-pandemic) number of 5.892M. The number of employed (160.9M) in March 2023 was 2.2M higher than January 2020 (due to growth in the labor force). Driving consistent jobs gains and people entering or returning to the labor force has been a record number of job openings, which peaked at 12.0M in March 2022, and was still 9.9M in February 2023. Throughout 2020, there was a monthly average of 1.87 open jobs for every unemployed person, but in February 2023, the ratio dropped to 1.67, the lowest since November 2021. After five consecutive months of job openings averaging 10.8M, openings dropped 1.3M from December 2022 to February 2023, an indication to us that jobs growth will continue to slow in 2023.

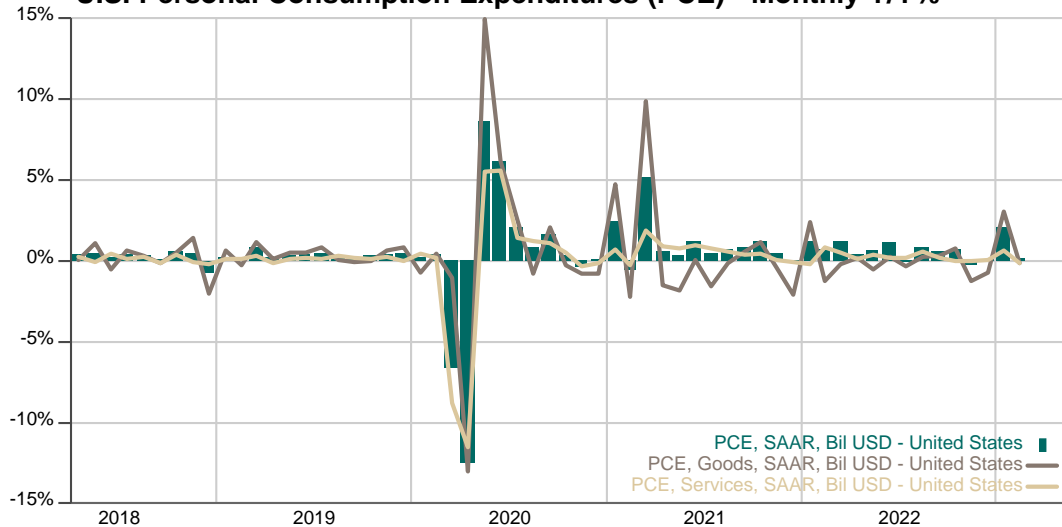


Data source: FactSet and Bureau of Labor Statistics, as of 2/28/23.

Spending on Services has outpaced Goods to drive consumer spending. In 2022, personal consumption expenditures, or PCE (consumer spending), which is reported by the Bureau of Economic Analysis (BEA), comprised 70.5% of real gross domestic product (GDP). Within that large consumer component, spending on Services comprised 61% and spending on Goods represented 39%. The chart below shows the monthly Y/Y percentage growth of consumer spending (green bars) with lines representing the two components of Services (gold) and Goods (gray). Goods spending growth surged above Services growth in mid-2020, early 2021, and early 2022, roughly corresponding to major Federal

stimulus programs, including unemployment insurance that drove spending during the pandemic and multiple COVID-19 variant outbreaks as citizens stayed home. But as the economy reopened and people began travelling, driving, and attending concerts and sporting events, spending shifted away from Goods (spending on Goods declined in all four 2022 quarters) and toward Services (spending on Services grew in all four 2022 quarters). PCE spending surged in January 2023 (right side of chart) with a spike in both Goods and Services. As mentioned earlier, we attribute some of the January spending surge to pent-up holiday demand and mild weather, and sure enough, February spending slowed from January, including a big drop in the Goods component. While Services spending growth was positive throughout 2022, growth decelerated late in the year, from 4.6% in 2Q22, to 3.7% in 3Q22, to 1.6% in 4Q22. Strength in 1Q23 (not fully reported yet) will be helped by the January surge, but we expect consumer spending on Services and Goods to moderate in 2023, creating economic uncertainty.

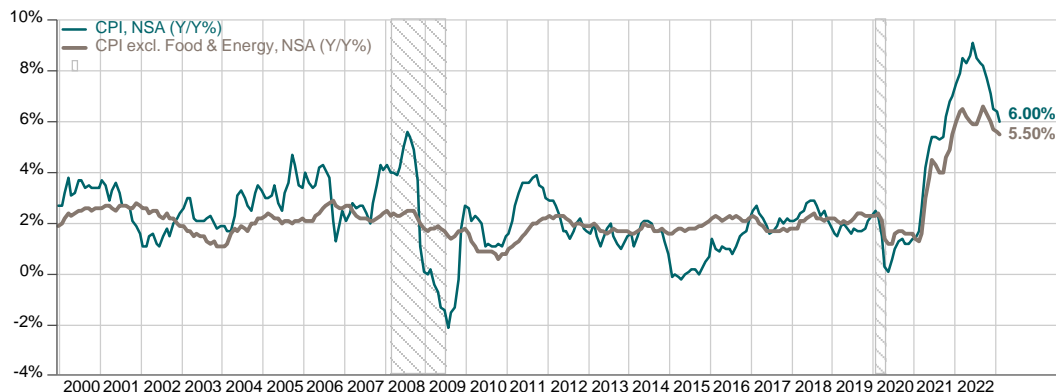
U.S. Personal Consumption Expenditures (PCE) - Monthly Y/Y%



Data source: FactSet and the U.S. Bureau of Economic Analysis (BEA), as of 2/28/23.

Inflation continues to move in the right direction, but core inflation remains sticky. The consumer price index (CPI), reported monthly by the BLS, increased 6.0% Y/Y in February 2023 and 6.4% Y/Y in January. Since peaking at 9.1% in June 2022, monthly Y/Y inflation has receded for eight consecutive months. In recent months, energy inflation has moderated, and this should continue on a Y/Y basis as it has now been one year since Russia invaded Ukraine, driving oil prices higher from already elevated levels (U.S. oil prices, as measured by West Texas Intermediate, traded at \$80 per barrel on 4/10/23, unchanged from 12/31/22, but had spiked above \$120 per barrel in March 2022 following the invasion). Food prices have continued rising at a double-digit percentage growth rate in 2023, creating ongoing inflation pressure. Core CPI, which excludes food and energy, was 5.5% Y/Y in February and 5.6% Y/Y in January, and was lower for five consecutive months since peaking at 6.6% in September 2022. Core inflation improvement has been driven by Goods inflation, which dropped below 2.0% in February, while Services inflation increased to 7.2% in February 2023 from 6.9% in December 2022. In January, Services comprised nearly 80% of the core inflation calculation, with shelter (rent and owners' equivalent rent) being the largest component. Changes in rents filter through the data with a lag (as leases roll over) and are expected to lead to falling shelter inflation contributions in future periods. We continue to expect ongoing improvement in inflation, but expect CPI to remain well above the Fed's stated 2.0% goal throughout 2023. As of 4/10/23, the FactSet consensus estimate (from Wall Street economists) for U.S. CPI inflation in 2023 was 4.1% (vs. 3.8% in December).

Consumer Price Index (Monthly)

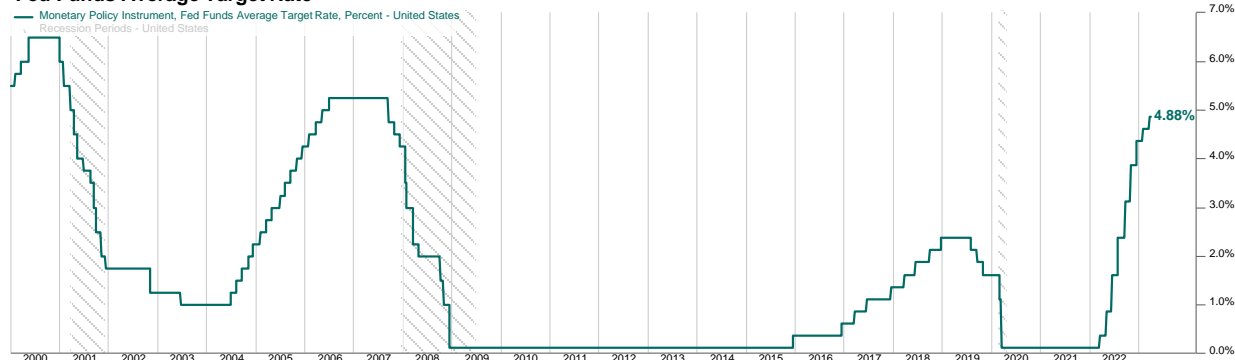


Data Source: FactSet, Bureau of Labor Statistics as of 2/28/23. The consumer price index (CPI) is a measure of average change over time in the prices paid by urban consumers for a market basket of goods and services (shaded areas are recession periods).

The U.S. Federal Reserve Bank (Fed) raised interest rates at both Open Market Committee (FOMC) meetings in the first quarter, but the hiking cycle is likely near its end. The Fed raised its overnight bank lending fed funds interest rate target by 0.25% at both the February and March FOMC meetings, bringing its target range to 4.75% to 5.00%. At a press conference following the March meeting, the Fed

acknowledged that the bank liquidity crisis will likely cause tighter credit conditions that could “weigh on economic activity, hiring, and inflation.” But the Fed decided to raise rates yet again, explaining that job gains are “robust,” and that inflation “remains elevated.” In addition, the Fed allowed for possible additional rate hikes at future FOMC meetings, writing that “some additional policy firming may be appropriate” in an effort to fight inflation pressures. After raising its fed funds target from 0% in March 2022, the Fed has raised the target range at nine consecutive FOMC meetings, representing the largest sustained period of interest rate hikes since 1979-1980. As of early April, both the Fed and the fed funds futures market expect one additional 0.25% hike (to a peak range of 5.00% to 5.25%), and Fed projections (from the March FOMC meeting) see a year-end 2023 fed funds rate of 5.1%, suggesting no rate cuts in 2023. In recent weeks, however, U.S. Treasury yields have moved sharply lower. The U.S. 2-year Treasury bond yield (a proxy for short-term interest rates) was 4.04% on 4/11/23, down from a yield of 5.08% on 3/8/23, just one month prior. After remaining below 0.25% for much of 2021, the 2-year Treasury yield began moving higher in October 2021, which we believe was predicting the Fed’s shift to raising the fed funds target that began in March 2022. Throughout 2022, the 2-year yield rose, and remained above the fed funds rate. With the current 2-year yield significantly below the mid-point fed funds target of 4.88%, 2-year Treasury bond investors appear to be preparing for Fed interest rate cuts later this year. This dichotomy between the Fed’s outlook for interest rates to remain elevated in 2023, and a bond market view expecting cuts, will be resolved, in our opinion, by economic data. Interest rate cuts are likely needed in a recession, while higher interest rates would prevail in an economic soft landing.

Fed Funds Average Target Rate

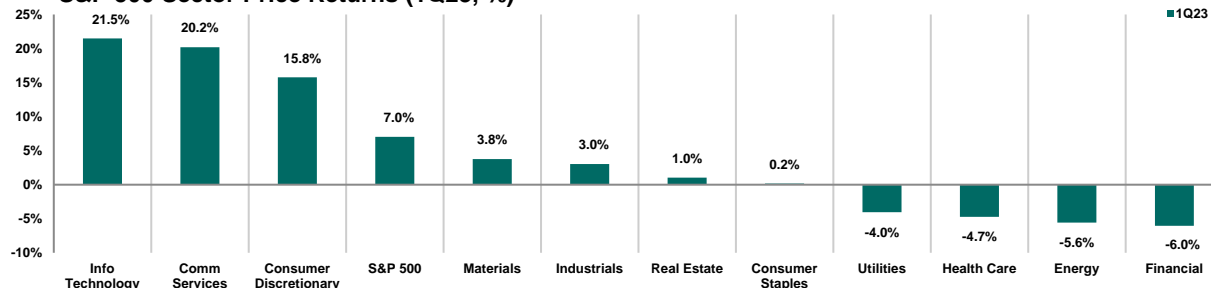


Data source: FactSet and Board of Governors of the Federal Reserve System, as of 4/6/23. Prior to December 2008, the Fed provided a single point fed funds target (shown on the chart). Since December 2008, the fed funds target is given in a 25bp range (chart shows the average).

Sector leadership narrowed in the first quarter. Another look at narrow equity market gains in 1Q23 can be seen from S&P 500 sector performance. The chart below shows the price performance (not including dividends) of the S&P 500 index separated into its 11 Global Industry Classifications Standard (GICS) sectors. Just three sectors (Information Technology, Communication Services, and Consumer Discretionary) beat the 7.0% increase of the overall index, while four other sectors were positive but posted returns below the index, and four more sectors delivered negative returns in 1Q23. Those three leading sectors to begin the year were the three bottom-performing sectors for all of 2022, indicating to us that some of this year’s gains can be attributed to investor perception that some high-quality stocks and sectors were oversold at the end of 2022. Technology, Communication Services, and Consumer Discretionary include many of the “mega-cap” stocks that we discussed earlier, and also include many “growth” stocks, which we define as companies that have a long-term earnings growth trajectory greater than the overall market. The two worst-performing sectors in 1Q23 were Energy and Financials. The Energy sector led S&P 500 sector gains in both 2022 and 2021, and last year was the only sector that posted full-year gains. Global oil prices have pulled back from 2022 highs as supply constraints have eased, and lower prices create challenges to sector earnings growth in 2023.

Weakness in Financials began in March when regional banks faced a liquidity crisis. In the near-term, liquidity risk in the U.S. banking system appears to have stabilized as the Federal Deposit Insurance Corporation (FDIC) protected depositors, and the Federal Reserve created a Bank Term Funding Program (BTFP) to provide additional liquidity. Over the medium-term, the banking sector faces multiple challenges created by higher rates and liquidity concerns. This includes pressure on margins and profitability if banks pay higher interest rates on deposits, or if lending growth slows (due to less liquidity). In addition, a macroeconomic slowdown could lead to rising delinquencies or defaults within loan portfolios. The weakness in Financials was notable, but that sector also includes insurance companies, asset managers, and other financial institutions. Another index of bank stocks, the S&P Banks Select, declined -17.9% in 1Q23 as bank stocks sold off in March. As banks begin to report 1Q23 financial results in mid-April, expectations are very low (as evidenced by the sector price weakness), but we are concerned that cautious outlooks over the balance of the year could spill over to other sectors as well.

S&P 500 Sector Price Returns (1Q23, %)



Data source: FactSet as of 3/31/23, S&P 500 GICS sector indices maintained by S&P Global & MSCI

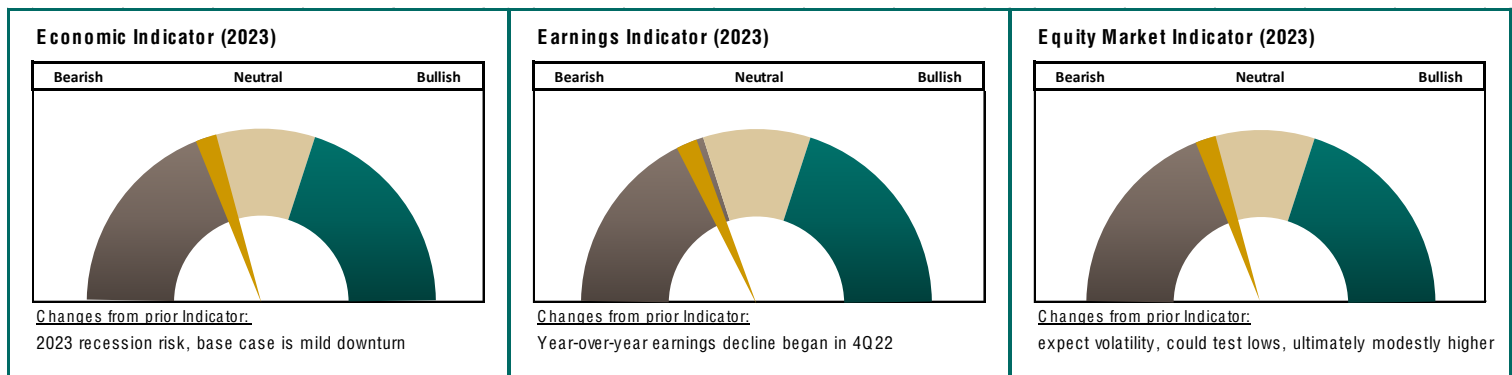
Sector weightings. While “growth” sectors, including Technology, Communications Services, and Consumer Discretionary, led sector gains in 1Q23, three “defensive” sectors, namely Health Care, Consumer Staples, and Utilities, posted gains in March (companies in defensive sectors can generally perform relatively better during economic downturns as their products and services are more essential to daily life). To us, this indicates increasing economic worry, despite the S&P 500's YTD gains. Given ongoing economic uncertainty as investors debate the prospect for a “soft” vs. “hard” landing, and with earnings growth already negative, we advocate for broad sector diversification for most equity portfolios. We believe that companies with market-leading products that can gain market share and hold or expand margins can do well in the current environment. Diversification is important to help minimize risk.

S&P 500 Sector Recommendations - April 2023

GICS Sector	S&P 500 Weight by Market Cap	WM Research 2023 Outlook	Notes (reflect current expectations and are subject to change)	Change
Technology	25.7%	underweight	remain selective, stick with high quality and positive cash flow	
Health Care	14.6%	overweight	still our favorite defensive sector	
Financials	12.9%	marketweight	we are cautious due to bank scare, diversify within the sector	
Consumer Discretionary	9.9%	marketweight	be wary of high valuations, but good value can be found for long-term investors	
Industrials	8.4%	marketweight	remain diversified within sector, weak dollar can help foreign earnings	
Communications Services	8.2%	marketweight	underperforming sector, with consumer spending concerns, be selective	
Consumer Staples	7.3%	marketweight	can be a safe haven in a recession, valuations elevated	underweight
Energy	4.8%	marketweight	Despite huge year, earnings growth expected, attractive on pullbacks	
Utilities	2.9%	marketweight	beneficiary of infrastructure & energy transition, valuations elevated	
Real Estate (REITs)	2.6%	marketweight	sector has lagged due to higher rates and recession concerns	overweight
Materials	2.6%	marketweight	some winners in this group for companies that have pricing power	

Data source: D.A. Davidson Wealth Management Research as of 4/10/23.

Wealth Management Research Investment Cycle Gauge



Source data: D.A. Davidson & Co. as of 4/10/23

WM Research – Primary Coverage Summary

		Price (4/13/23)	Market Cap (MM)	Rating	Price Target	Upside	Downside	Sector	Style	Yield
James D. Ragan, CFA • jragan@dadco.com • (206) 389-4070										
Alaska Air Group, Inc.	ALK	\$42.38	\$5,405	Buy/Add	\$67.00	\$78.00	\$45.00	Industrials	Mid-Cap Value	0.0%
Caterpillar Inc.	CAT	\$221.67	\$114,458	Neutral	\$137.00	--	--	Industrials	Large-Cap Growth	2.2%
Walt Disney Company	DIS ^(A)	\$100.84	\$184,215	Buy/Add	\$138.00	\$158.00	\$94.00	Communication Services	Large-Cap Value	0.0%
General Electric Company	GE	\$94.30	\$102,720	Buy/Add	\$88.00	\$93.00	\$71.00	Industrials	Large-Cap Value	0.3%
Nordstrom, Inc.	JWN	\$16.34	\$2,617	Neutral	\$23.00	\$29.00	\$18.00	Consumer Discretionary	Large-Cap Value	4.8%
QUALCOMM Incorporated	QCOM ^(A)	\$121.13	\$135,060	Buy/Add	\$150.00	\$174.00	\$105.00	Information Technology	Large-Cap Growth	2.7%
S&P Global, Inc.	SPGI	\$347.87	\$112,014	Buy/Add	\$375.00	\$403.00	\$308.00	Financials	Large-Cap Growth	1.1%

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Accenture Plc Class A	ACN	\$285.27	\$189,019	Buy/Add	\$300.00	\$347.00	\$207.00	Information Technology	Large-Cap Blend	1.6%
American Tower Corporation	AMT	\$210.81	\$98,163	Buy/Add	\$220.00	\$243.00	\$170.00	Real Estate	Large-Cap Growth	2.8%
AT&T Inc.	T ^(A)	\$19.96	\$142,312	Buy/Add	\$22.00	\$25.00	\$16.00	Communication Services	Large-Cap Value	5.6%
Automatic Data Processing, Inc.	ADP	\$217.25	\$90,018	Buy/Add	\$241.00	\$264.00	\$185.00	Industrials	Large-Cap Blend	2.3%
Broadcom Inc.	AVGO	\$624.24	\$260,260	Buy/Add	\$698.00	\$776.00	\$563.00	Information Technology	Large-Cap Value	3.0%
Chubb Limited	CB	\$200.12	\$82,751	Buy/Add	\$218.00	\$249.00	\$162.00	Financials	Large-Cap Blend	1.7%
Cummins Inc.	CMI	\$231.08	\$32,669	Buy/Add	\$270.00	\$290.00	\$190.00	Industrials	Mid-Cap Blend	2.7%
Ecolab Inc.	ECL	\$166.75	\$47,434	Buy/Add	\$182.00	\$198.00	\$139.00	Materials	Large-Cap Blend	1.3%
Intel Corporation	INTC ^(A)	\$32.13	\$132,922	Neutral	\$30.00	\$33.00	\$21.00	Information Technology	Large-Cap Value	1.6%
Linde plc	LIN	\$361.96	\$177,638	Buy/Add	\$370.00	\$400.00	\$285.00	Materials	Large-Cap Growth	1.4%
PPG Industries, Inc.	PPG	\$139.29	\$32,758	Buy/Add	\$140.00	\$166.00	\$107.00	Materials	Large-Cap Value	1.8%
Prologis, Inc.	PLD	\$121.92	\$112,584	Buy/Add	\$133.00	\$150.00	\$107.00	Real Estate	Large-Cap Blend	2.8%
Prudential Financial, Inc.	PRU	\$84.87	\$31,062	Sell/Red.	\$95.00	--	\$70.00	Financials	Mid-Cap Blend	5.9%
ServiceNow, Inc.	NOW	\$483.50	\$98,151	Buy/Add	\$525.00	\$600.00	\$350.00	Information Technology	Large-Cap Growth	0.0%
Starbucks Corporation	SBUX	\$106.99	\$122,964	Buy/Add	\$108.00	\$120.00	\$80.00	Consumer Discretionary	Large-Cap Blend	2.0%
VMware, Inc. Class A	VMW	\$126.43	\$54,173	Neutral	\$138.00	--	\$95.00	Information Technology	Large-Cap Growth	0.0%

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3M Company	MMM	\$106.15	\$58,436	Neutral	\$114.00	\$132.00	\$91.00	Industrials	Large-Cap Value	5.7%
Autodesk, Inc.	ADSK	\$196.31	\$42,164	Buy/Add	\$267.00	\$288.00	\$178.00	Information Technology	Large-Cap Growth	0.0%
Berkshire Hathaway Inc. Class B	BRK.B	\$318.05	\$412,889	Buy/Add	\$349.00	\$376.00	\$284.00	Financials	Large-Cap Value	0.0%
Constellation Brands, Inc. Class A	STZ	\$226.20	\$41,726	Buy/Add	\$264.00	\$291.00	\$203.00	Consumer Staples	Large-Cap Value	1.6%
Crown Holdings, Inc.	CKK	\$78.15	\$9,385	Buy/Add	\$106.00	\$114.00	\$81.00	Materials	Mid-Cap Blend	1.2%
Fidelity National Information Services, Inc.	FIS	\$56.70	\$33,563	Neutral	\$73.00	\$78.00	\$53.00	Financials	Large-Cap Blend	3.8%
General Dynamics Corporation	GD	\$228.77	\$62,781	Buy/Add	\$271.00	\$298.00	\$240.00	Industrials	Large-Cap Value	2.3%
Kimberly-Clark Corporation	KMB	\$137.46	\$46,394	Buy/Add	\$136.00	\$150.00	\$114.00	Consumer Staples	Large-Cap Value	3.5%
NIKE, Inc. Class B	NKE	\$126.43	\$155,773	Buy/Add	\$127.00	\$136.00	\$108.00	Consumer Discretionary	Large-Cap Blend	1.1%
PNC Financial Services Group, Inc.	PNC	\$121.41	\$48,525	Buy/Add	\$198.00	\$211.00	\$138.00	Financials	Large-Cap Value	5.0%
Raytheon Technologies Corporation	RTX	\$101.68	\$148,957	Buy/Add	\$108.00	\$118.00	\$91.00	Industrials	Large-Cap Value	2.2%
State Street Corporation	STT	\$78.81	\$27,148	Buy/Add	\$97.00	\$107.00	\$75.00	Financials	Large-Cap Value	3.2%
Synchrony Financial	SYF	\$29.77	\$13,011	Buy/Add	\$42.00	\$47.00	\$31.00	Financials	Large-Cap Value	3.1%
Sysco Corporation	SYU	\$74.66	\$37,898	Buy/Add	\$90.00	\$97.00	\$70.00	Consumer Staples	Mid-Cap Value	2.6%
United Parcel Service, Inc. Class B	UPS	\$191.00	\$138,438	Buy/Add	\$218.00	\$239.00	\$168.00	Industrials	Large-Cap Value	3.4%
V.F. Corporation	VFC	\$21.82	\$8,480	Buy/Add	\$34.00	\$36.00	\$25.00	Consumer Discretionary	Large-Cap Value	5.6%
Vornado Realty Trust	VNO	\$14.79	\$2,838	Neutral	\$26.00	\$28.00	\$19.00	Real Estate	Mid-Cap Value	10.1%

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Activision Blizzard, Inc.	ATVI ^(A)	\$85.58	\$67,118	Buy/Add	\$95.00	--	\$50.00	Communication Services	Large-Cap Blend	0.6%
Alcon AG	ALC	\$72.02	\$35,988	Buy/Add	\$80.00	\$100.00	\$60.00	Health Care	Large-Cap Growth	0.3%
American Water Works Company, Inc.	AWK	\$152.00	\$29,582	Neutral	\$160.00	\$183.00	\$128.00	Utilities	Large-Cap Blend	1.7%
Amgen Inc.	AMGN	\$251.44	\$134,263	Buy/Add	\$310.00	\$340.00	\$225.00	Health Care	Large-Cap Blend	3.4%
CVS Health Corporation	CVS	\$75.42	\$96,848	Buy/Add	\$106.00	\$134.00	\$75.00	Health Care	Large-Cap Value	3.2%
Duke Energy Corporation	DUK	\$99.14	\$76,346	Buy/Add	\$110.00	\$128.00	\$86.00	Utilities	Large-Cap Value	4.0%
Johnson & Johnson	JNJ	\$166.11	\$432,598	Buy/Add	\$190.00	\$205.00	\$140.00	Health Care	Large-Cap Blend	2.8%
Match Group, Inc.	MTCH ^(A)	\$35.73	\$9,980	Buy/Add	\$75.00	\$140.00	\$45.00	Communication Services	Mid-Cap Growth	0.0%
NextEra Energy, Inc.	NEE	\$78.85	\$159,346	Buy/Add	\$87.00	\$93.00	\$69.00	Utilities	Large-Cap Blend	2.4%
Novartis AG Sponsored ADR	NVS	\$98.22	\$223,694	Buy/Add	\$95.00	\$107.00	\$71.00	Health Care	Large-Cap Blend	2.4%
Spotify Technology SA	SPOT	\$134.96	\$26,087	Buy/Add	\$140.00	\$204.00	\$75.00	Communication Services	Large-Cap Growth	0.0%
Stryker Corporation	SYK	\$291.61	\$110,471	Buy/Add	\$290.00	\$320.00	\$230.00	Health Care	Large-Cap Growth	1.0%

^(A) D. A. Davidson & Co. makes a market in this security.

Rating and pricing information as of April 13, 2023.

For a copy of the full referenced report for companies mentioned, please contact your D.A. Davidson & Co. representative or call 206-389-8000.

U.S. Equities Performance Report

U.S. Equity Markets	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
S&P 500	4,109.31	3.7%	7.5%	7.5%	-7.7%	11.2%	12.2%	10.3%	14.9%
DJ Industrial Average	33,274.15	2.1%	0.9%	0.9%	-2.0%	9.0%	11.1%	5.4%	15.8%
NASDAQ Composite Index	12,221.91	6.8%	17.0%	17.0%	-13.3%	12.6%	15.3%	15.9%	19.7%
Russell 2000	1,802.48	-4.8%	2.7%	2.7%	-11.6%	4.7%	8.0%	14.0%	9.3%
Russell 2500	772.12	-3.7%	3.4%	3.4%	-10.4%	6.6%	9.1%	12.7%	10.5%

S&P 500 Sectors	Sector Weight %	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
Communications Services	8.1%	10.4%	20.5%	20.5%	-17.8%	6.4%	5.3%	21.0%	27.9%
Consumer Discretionary	10.1%	3.1%	16.1%	16.1%	-19.6%	8.7%	12.1%	22.4%	18.4%
Consumer Staples	7.2%	4.2%	0.8%	0.8%	1.2%	10.6%	9.6%	7.3%	12.6%
Energy	4.6%	-0.2%	-4.7%	-4.7%	13.6%	9.5%	4.4%	11.8%	23.4%
Financials	12.9%	-9.6%	-5.6%	-5.6%	-14.2%	5.4%	10.3%	15.9%	6.4%
Health Care	14.2%	2.2%	-4.3%	-4.3%	-3.7%	11.8%	12.9%	9.2%	8.5%
Industrials	8.7%	0.7%	3.5%	3.5%	0.2%	8.4%	11.2%	2.1%	22.3%
Information Technology	26.1%	10.9%	21.8%	21.8%	-4.6%	19.6%	20.1%	7.2%	29.2%
Materials	2.6%	-1.0%	4.3%	4.3%	-6.3%	9.6%	9.7%	10.7%	19.8%
Real Estate	2.6%	-1.4%	1.9%	1.9%	-19.7%	7.4%	7.4%	25.8%	11.0%
Utilities	2.9%	4.9%	-3.2%	-3.2%	-6.2%	9.6%	9.4%	12.9%	10.1%

Growth & Value	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
Russell 1000 Growth	2,461.71	6.8%	14.4%	14.4%	-10.9%	13.7%	14.6%	13.6%	18.2%
S&P Mid Cap 400 Growth	1,161.98	-1.1%	5.0%	5.0%	-6.4%	6.8%	9.7%	8.3%	15.8%
Russell 2000 Growth	1,154.03	-2.5%	6.1%	6.1%	-10.6%	4.3%	8.5%	13.0%	17.1%
Russell 1000 Value	1,503.29	-0.5%	1.0%	1.0%	-5.9%	7.5%	9.1%	9.4%	12.2%
S&P Mid Cap 400 Value	826.43	-5.3%	2.5%	2.5%	-4.0%	8.2%	9.6%	11.4%	14.4%
Russell 2000 Value	2,059.29	-7.2%	-0.7%	-0.7%	-13.0%	4.5%	7.2%	15.6%	6.5%

Commodity Markets	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
S&P GSCI Spot Index	574.02	-1.1%	-4.9%	-4.9%	-10.0%	4.9%	-3.8%	29.9%	6.2%
Crude Oil (\$/bbl)	75.67	-2.1%	-6.7%	-6.7%	-17.4%	-0.9%	-9.0%	38.0%	13.4%
Natural Gas (\$/btu)	2.22	-22.6%	-51.0%	-51.0%	-67.1%	-21.8%	-21.2%	77.1%	6.9%
Gasoline RBOB (\$/gal)	2.68	3.0%	1.0%	1.0%	9.5%	11.7%	-0.4%	37.3%	30.8%
Gold (\$/ozt)	1,986.20	7.2%	6.9%	6.9%	-2.3%	5.3%	0.3%	0.6%	21.8%
Silver (\$/ozt)	24.16	14.6%	-0.1%	-0.1%	-6.5%	5.5%	-3.6%	7.6%	36.7%
High Grade Copper (\$/lbs)	4.09	0.1%	7.4%	7.4%	-14.4%	4.5%	0.5%	14.7%	27.5%
Corn (CBT \$/bu)	6.61	4.8%	-2.7%	-2.7%	-4.2%	9.3%	-3.3%	18.8%	17.1%
Wheat (\$/bu)	6.92	-1.9%	-13.8%	-13.8%	-36.4%	2.3%	-7.4%	45.8%	4.6%

Currency Markets	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
EU Euro (€/\$)	1.086	2.4%	1.8%	1.8%	-2.4%	-2.4%	-1.7%	1.6%	12.9%
Japanese Yen (\$/¥)	133.090	-2.3%	0.9%	0.9%	9.7%	4.6%	3.5%	11.3%	8.4%
UK Sterling (£/\$)	1.236	2.1%	2.8%	2.8%	-6.1%	-2.5%	-2.0%	5.8%	15.1%
Australian Dollar (AUD/\$)	0.670	-0.7%	-1.2%	-1.2%	-10.8%	-2.7%	-4.3%	12.2%	7.7%
Canadian Dollar (\$/CAD)	1.353	-0.6%	-0.1%	-0.1%	8.4%	1.0%	2.9%	2.5%	8.8%
Swiss Franc (\$/CHF)	0.914	-2.5%	-1.3%	-1.3%	-0.7%	-0.9%	-0.4%	9.8%	0.4%

Notes: Data as reported through March 31, 2023. Returns include dividends re-invested. 5-year and 10-year returns annualized.
Sources: FactSet Prices, Standard & Poor's, Russell Investments

International Equities Performance Report

Regions	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
MSCI BRIC	263.20	3.2%	0.9%	0.9%	-8.0%	-2.7%	1.9%	14.1%	19.2%
MSCI EAFE	2,092.60	2.6%	8.6%	8.6%	-0.9%	4.1%	5.5%	4.1%	27.0%
MSCI EMEA	187.76	1.1%	-1.0%	-1.0%	-17.5%	-4.8%	-2.1%	21.5%	5.0%
MSCI Emerging Markets	990.28	3.1%	4.0%	4.0%	-10.3%	-0.5%	2.4%	14.8%	17.5%
MSCI Euro	1,311.69	4.1%	15.7%	15.7%	8.6%	4.7%	6.8%	0.0%	43.7%
MSCI Europe	1,902.85	2.5%	10.7%	10.7%	2.0%	5.0%	6.0%	1.5%	33.0%
MSCI Far East	3,438.33	3.9%	5.4%	5.4%	-4.8%	1.4%	5.0%	7.4%	20.0%
MSCI Frontier Markets	483.76	1.2%	3.2%	3.2%	-17.2%	-2.5%	3.1%	21.4%	7.7%
MSCI G7 Index	2,592.02	3.2%	7.9%	7.9%	-7.0%	9.0%	10.0%	9.7%	17.0%
MSCI North America	4,082.80	3.4%	7.6%	7.6%	-8.7%	10.9%	11.7%	11.4%	14.6%
MSCI Pacific	2,718.18	2.8%	4.8%	4.8%	-5.7%	2.4%	4.7%	8.8%	18.9%
MSCI Pan-Euro	1,325.07	3.0%	10.9%	10.9%	3.7%	5.4%	5.9%	0.0%	32.7%
MSCI The World Index	2,791.44	3.2%	7.9%	7.9%	-6.5%	8.6%	9.4%	9.4%	17.9%

Countries	Current Level	March % Return	Q1 2023 % Return	2023 % Return	1 Year % Return	5 Year % Return	10 Year % Return	% Off 52 Week	
								High	Low
MSCI Argentina	2,982.71	-7.1%	4.7%	4.7%	20.1%	-4.3%	10.3%	12.4%	81.6%
MSCI Australia	853.54	-0.6%	2.8%	2.8%	-9.1%	6.1%	3.5%	14.9%	17.2%
MSCI Austria	1,146.65	-9.6%	2.6%	2.6%	-4.6%	-2.8%	3.3%	9.8%	36.6%
MSCI Belgium	1,275.44	2.4%	6.3%	6.3%	-1.2%	-4.4%	2.3%	4.5%	32.1%
MSCI Brazil	1,397.06	-0.2%	-3.1%	-3.1%	-18.3%	-3.4%	-1.7%	30.3%	7.8%
MSCI Canada	2,016.14	0.2%	4.5%	4.5%	-12.3%	7.4%	4.8%	16.2%	12.8%
MSCI China	66.95	4.5%	4.7%	4.7%	-4.6%	-3.9%	3.6%	11.0%	42.7%
MSCI Finland	544.32	0.5%	0.1%	0.1%	-3.0%	2.8%	8.4%	6.7%	17.9%
MSCI France	2,379.75	3.2%	14.7%	14.7%	9.6%	7.1%	8.5%	0.0%	42.4%
MSCI Germany	2,077.55	4.0%	14.8%	14.8%	3.2%	1.1%	4.8%	1.8%	44.8%
MSCI Greece	21.00	-5.4%	15.8%	15.8%	15.0%	-2.1%	-11.4%	7.6%	51.4%
MSCI Hong Kong	10,172.07	1.2%	-2.4%	-2.4%	-5.3%	-0.5%	4.2%	9.4%	30.3%
MSCI India	720.35	1.2%	-6.3%	-6.3%	-11.7%	6.4%	7.1%	15.7%	3.1%
MSCI Indonesia	814.35	4.0%	6.5%	6.5%	1.0%	2.6%	0.8%	6.4%	12.4%
MSCI Ireland	226.77	5.5%	21.6%	21.6%	12.6%	4.5%	6.9%	0.3%	50.2%
MSCI Israel	184.93	1.2%	1.0%	1.0%	-20.1%	1.8%	1.4%	23.4%	1.9%
MSCI Italy	297.12	0.8%	14.9%	14.9%	10.4%	3.7%	6.4%	1.9%	45.8%
MSCI Japan	3,299.16	4.1%	6.4%	6.4%	-4.8%	1.8%	5.4%	7.4%	19.8%
MSCI Korea	459.20	4.9%	9.7%	9.7%	-13.9%	-1.2%	3.2%	16.1%	27.9%
MSCI Mexico	6,216.39	3.0%	20.4%	20.4%	9.0%	6.1%	0.5%	1.3%	33.9%
MSCI Netherlands	4,474.83	5.0%	16.7%	16.7%	2.4%	9.1%	10.7%	2.5%	45.9%
MSCI New Zealand	157.55	3.4%	8.2%	8.2%	2.6%	5.8%	5.8%	4.3%	37.9%
MSCI Norway	2,262.54	-4.7%	-6.9%	-6.9%	-20.4%	1.6%	2.0%	27.1%	7.0%
MSCI Portugal	78.74	6.7%	3.4%	3.4%	2.2%	5.9%	2.6%	2.4%	29.7%
MSCI Russia	-	-	-	-	-	-	-	-	-
MSCI Singapore	3,296.25	5.0%	7.1%	7.1%	-3.0%	-1.1%	1.2%	8.0%	24.6%
MSCI South Africa	415.90	3.5%	-0.4%	-0.4%	-19.9%	-3.2%	0.8%	23.6%	18.7%
MSCI Spain	427.03	1.3%	15.7%	15.7%	12.5%	0.2%	3.6%	0.6%	44.3%
MSCI Sweden	8,626.98	0.2%	10.0%	10.0%	-6.2%	6.0%	5.3%	10.2%	32.1%
MSCI Switzerland	6,876.16	4.6%	7.2%	7.2%	-6.0%	8.9%	7.3%	9.9%	19.9%
MSCI United Kingdom	1,127.16	-0.6%	6.1%	6.1%	-0.8%	3.0%	3.5%	5.7%	24.8%
MSCI USA	3,904.80	3.6%	7.7%	7.7%	-8.5%	11.1%	12.2%	11.1%	14.7%

Notes: Data as reported through March 31, 2023. Returns include dividends re-invested. 5-year and 10-year returns annualized. Returns are in U.S. dollars.
Sources: FactSet Prices, MSCI Barra

U.S. Economic Report

Interest Rates	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Fed Funds Target Rate (%)	5.000	5.000	4.500	3.250	1.750	0.500
10-Year Treasury Yield (%)	3.49	3.49	3.88	3.80	2.98	2.32
10-Year – 2-Year U.S. Treasury Spread (bps)	-56.96	-56.96	-54.20	-40.39	4.40	3.73
3-Month USD LIBOR (%)	5.19	5.19	4.77	3.75	2.29	0.96
TED Spread (bps)	55.52	55.52	46.48	52.47	64.51	44.66
S&P 500 Consensus Next 12 Months EPS	226.32	226.32	228.88	234.95	237.95	231.00
Government Finance	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Current Account Balance (bil. \$)	-206.81	-	-206.81	-219.00	-237.21	-280.78
Current Account Balance as % of GDP	-3.16	-	-3.16	-3.41	-3.76	-4.54
Federal Government Debt (bil. \$, AR)	26,851.38	-	26,851.38	26,587.12	26,311.83	25,951.05
Federal Government Debt (Y/Y %)	6.11	-	6.11	8.24	7.14	8.63
Employment	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Average Hourly Earnings (Y/Y %)	4.24	4.24	4.77	5.07	5.40	5.92
Average Hourly Earnings – inflation adjusted (Y/Y %)	0.10	0.10	-1.03	-2.28	-2.27	-1.53
Change in Nonfarm Employment (M/M, thousands of persons)	0.00	0.00	239.00	350.00	370.00	0.00
Civilian Unemployment Rate (%)	3.50	3.50	3.50	3.50	3.60	3.60
Initial Unemployment Claims (thousands of claims)	228.00	228.00	206.00	198.00	212.00	214.00
Housing & Construction	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Building Permits (millions of units, SAAR)	1.550	-	1.337	1.564	1.696	1.879
Housing Starts (millions of units, SAAR)	1.450	-	1.348	1.465	1.575	1.716
New Home Sales (millions of units, SAAR)	0.640	-	0.622	0.550	0.571	0.707
Private Residential Construction Put in Place (Y/Y %)	-5.68	-	1.88	8.03	17.32	21.40
S&P/Case-Shiller Home Price Index (20 City, Y/Y %)	2.55	-	4.62	10.40	18.63	21.24
Inflation	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Consumer Price Index (Y/Y %, NSA)	4.99	4.99	6.44	8.21	8.93	8.52
Core CPI (Y/Y %, NSA)	5.60	5.60	5.70	6.64	5.88	6.45
Producer Price Index (Y/Y %, NSA)	2.75	2.75	6.61	8.48	11.23	11.66
Core PPI (Y/Y %, NSA)	3.64	3.64	4.69	5.63	6.45	7.12
Personal Consumption Expenditures (Y/Y %, NSA)	5.00	-	5.30	6.29	6.98	6.77
Core PCE (Y/Y %, NSA)	4.60	-	4.62	5.20	5.04	5.36
Personal Income & Spending	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Household Net Worth (bil. \$)	147,707	-	147,707	144,780	146,074	151,917
Household Net Worth (Y/Y %)	-2.71	-	-2.71	-1.33	2.00	11.14
Personal Income (Y/Y %, SAAR)	6.21	-	5.69	5.60	4.27	-12.05
Personal Savings Rate (%)	4.60	-	4.40	3.00	2.70	3.80
Production	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Capacity Utilization (%)	79.11	-	79.02	80.84	80.47	80.52
Industrial Production (Y/Y %, SA)	0.32	-	0.72	4.51	3.19	4.43
Real GDP Growth (Q/Q %, SAAR)	2.60	-	2.60	3.20	-0.60	-1.60
Retail Sales	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Consumer Credit (bil. \$, Q/Q change)	86.93	-	86.93	77.37	97.53	93.15
Retail Sales (Y/Y %, SA)	4.03	-	5.03	7.78	8.16	5.23
Retail Sales ex. Motor Vehicles (Y/Y %, SA)	5.26	-	6.17	8.49	10.58	7.44
Total Unit Vehicle Sales (millions of units)	14.82	14.82	13.37	13.64	13.00	13.56
Survey Data	Last Reported	Q1 2023 Level	Q4 2022 Level	Q3 2022 Level	Q2 2022 Level	Q1 2022 Level
Consumer Confidence (Conference Board, 1985=100)	104.20	104.20	109.00	107.80	98.40	107.60
ISM Manufacturing Report (%)	46.30	46.30	48.40	51.00	53.10	57.00
ISM Non-Manufacturing Report (%)	51.20	51.20	49.20	55.90	56.00	58.40
Leading Economic Indicators Index (M/M %)	-0.27	-	-0.81	-0.53	-0.69	0.00

Notes: Data as reported through March 31, 2023. BPS is basis points. AR is annual rate. SA is seasonally adjusted rate. SAAR is seasonally adjusted annual rate.
Sources: FactSet

Required Disclosures

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Ratings Information:

Buy/Add - Security appears undervalued based on our current view of valuation measures, expectations, and its risk profile.

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Rating Distribution (as of 3/31/2023)	Coverage Universe Distribution			Investment Banking Distribution		
	IR	WMR	Combined	IR	WMR	Combined
BUY/ADD (Buy)	61%	83%	64%	12%	0%	11%
NEUTRAL (Hold)	38%	15%	35%	7%	0%	6%
SELL/REDUCE (Sell)	0%	2%	1%	0%	0%	0%

WMR denotes Wealth Management Research; IR denotes Institutional Research whose rating scale is Buy, Neutral, Underperform.

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Required Disclosures

The forward S&P 500 price-to-earnings ratio (P/E) is a valuation measure, calculated by dividing the price of the S&P 500 index over the weighted average earnings per share (EPS) estimate of each company in the index. Earnings are based on “forward” consensus estimates expected over the next 12 months (NTM), using quarterly analyst estimates as provided by FactSet.

Fair value refers to a valuation method based on our view of the intrinsic value of an asset or index, determined by macroeconomic factors and earnings expectations rather than current market prices. This is our view of intrinsic value as of the date of this report.

Gross domestic product (GDP) refers to the monetary measure of the market value of all final goods and services produced within a country's borders within a specific time period.

FactSet is a data aggregation software utilized by D.A. Davidson's Wealth Management Research. The FactSet Consensus refers to the aggregate of all analyst estimates from firms that submit estimates to FactSet for a given financial metric.

The annual price returns of the S&P 500 index are calculated using index closing value on 12/31 of one year to 12/31 of the next year. Intra-year peak-to-trough percentage declines are calculated using the index closing prices from an intra-year high date to a subsequent low date. Closing prices are provided by S&P Global through FactSet. Averages across years are calculated using the arithmetic mean.

The yield of the 10-year U.S. Treasury bond is a widely followed barometer of the current U.S. interest rate environment.

S&P 500 earnings growth reflect the year over year change in operating earnings on a per share basis. Earnings data are aggregated for all S&P 500 constituents and are measured according to the relative market capitalization weights for each company. Estimated earnings are the combined FactSet estimates of analysts covering each company included in the index.

The Federal Reserve Bank's Open Market Committee (FOMC) consists of twelve members--the seven members of the Board of Governors of the Federal Reserve System; the president of the Federal Reserve Bank of New York; and four of the remaining eleven Reserve Bank presidents, who serve one-year terms on a rotating basis. The FOMC holds eight regularly scheduled meetings per year. At these meetings, the Committee reviews economic and financial conditions, determines the appropriate stance of monetary policy, and assesses the risks to its long-run goals of price stability and sustainable economic growth.

The Treasury yield curve displays the market interest rate across different contract lengths for U.S. Treasury bonds, indicating the relationship between the interest rate and the time (“term”) to maturity.

U.S. Personal Consumption Expenditures (PCE) is an indicator of the growth in consumer spending and measures the value of goods and services purchased by persons who reside in the U.S. It is reported monthly by the Bureau of Economic Analysis.

The Advance Monthly Sales for Retail is a survey of 5,500 employer firms by the U.S. Census Bureau. Its statistical analysis from the respondents is weighted and benchmarked to represent the complete universe of over three million retail and food service firms.

The Bureau of Economic Analysis reports monthly sales of cars and light trucks in the U.S. Most outlets follow the monthly seasonally adjusted at annual rates data.

The U.S. Census reports annualized monthly data on housing starts, permits and completions. It is a widely followed measure to track construction activity in the residential housing market. New Home sales measures sales of new single family homes and is a measure of the demand for housing.

The Transportation Security Administration (TSA) reports the daily number of travelers that pass through its U.S. security checkpoints. It is used a measure to track daily airline passenger traffic across the U.S.

The Drewry World Container Index is compiled by London-based Drewry Maritime Research, and it reflects a composite of 40-foot ocean container rates on 8 major global trade routes. It is used to measure global freight costs for shipping containers.

STR, a division of CoStar Group provides data analytics for the global hospitality industry. STR provides a weekly composite of hotel data across 25 top markets to measure, occupancy, average daily rates, and revenue per available room.

The Atlanta Fed GDPNow is not an official Fed forecast of GDP growth, but is a running estimate of real GDP growth based upon available economic data for the current measured quarter.

For a copy of the most recent reports containing all required disclosure information for covered companies referenced in this report, please contact your D.A. Davidson & Co. representative or call 206-389-8000.

Appendix

⁽¹⁾Glossary

Active Share: measure of the percentage of stock holdings in a portfolio that differs from the benchmark index

Book Value: company assets minus liabilities

Dividend Payout Ratio: the percentage of net earnings paid to shareholders in dividends. It provides an indication of how much money a company is returning to shareholders versus how much it is keeping on hand to reinvest in growth, pay off debt, or add to cash reserves.

Dividend Yield: a ratio that shows how much a company pays out in dividends each year relative to its share price. It is calculated by dividing the annual dividend per share by the price per share. Future dividend payments are not guaranteed.

Downside Capture: percentage of negative benchmark returns captured by portfolio returns (excluding income)

Earnings per Share (EPS): a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

EBITDA: earnings before interest, taxes, depreciation and amortization

Enterprise Value: market cap plus total outstanding debt obligations less cash and cash equivalents

Free Cash Flow (FCF): cash a company generates after cash outflows to support operations and maintain its capital assets

Gross Margin: percentage of revenue retained after direct costs

Largest Drawdown: peak to trough decline during a specific record period of an investment, usually quoted as the percentage between the peak to the trough

Market Capitalization: common shares outstanding multiplied by current price

Operating Margin: percentage of revenue retained after costs of production, excluding interest or tax

Net Debt / EBITDA: ratio of a company's net debt (outstanding debt less cash and cash equivalents) to EBITDA

Price-to-Book (P/B): ratio of a company's market cap to its book value (total assets less intangible assets)

Price-to-Earnings (P/E): ratio of a company's market cap to its net income

Price-to-Sales (P/S): ratio of a company's market cap to its sales

ROE (Return on Equity): net income as a percentage of average total shareholders' equity

ROIC (Return on Invested Capital): net operating profit after taxes (NOPAT) as a percentage of average invested capital

Standard Deviation: statistical measure of the historical volatility of a portfolio

Total Debt / Capital: ratio of a company's total outstanding debt obligations to capital (debt + equity)

Total Return: a performance measure that reflects the actual rate of return of an investment or a pool of investments over a given evaluation period, and accounts for interest, capital gains, dividends, and distributions in addition to price returns.

Tracking Error: divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark

Upside Capture: percentage of positive benchmark returns captured by portfolio returns (excluding income)

10-Year Compound Annual Growth Rate (CAGR): the annualized average rate of dividend growth for each company over the last 10 years, assuming the dividends were reinvested at the end of each year of the investment's life span.

'22 Add Price: applies to stocks that have been added to the portfolio since the end of FY 2021 on 12/31/2021, and reflects the stock's closing price on the date of execution.

Indices

Bloomberg Commodity Index: The DJ UBS Commodity Index is a broadly diversified index composed of commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc, which trade on the London Metal Exchange (LME). The index was introduced in 1998 and allows investors to track commodity futures through a single, simple measure.

CBOE Market Volatility Index: The CBOE Volatility index a real-time index that represents the market's expectations for the relative strength of near-term price changes of the S&P 500 index. Because it is derived from the prices of S&P 500 index options with near-term expiration dates, it generates a 30-day forward projection of volatility.

DJ Industrial Average: The Dow Jones Industrial Average is a price-weighted index comprised of 30 of the largest and most widely held public companies in the United States. The daily high and low prices for DJIAK are Actual.

MSCI Australia: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Australia Index, which contains 64 constituents, measures the performance of the large and mid-cap segments of the Australia market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. Sources: FactSet, MSCI Global

MSCI Brazil: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Brazil Index, which contains 54 constituents, captures the performance of the large and mid-cap segments of the Brazilian market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Canada: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Canada Index, which contains 91 constituents, captures the performance of the large and mid-cap segments of the Canada market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI China: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI China Index captures large and mid-cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 736 constituents, the index includes Large Cap A and Mid Cap A shares. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI EAFE: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI EAFE is an equity index which captures large and mid-cap representation of 845 constituents across 21 Developed Markets countries around the world, excluding the US and Canada. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI EM (Emerging Markets): The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Emerging Markets Index, which contains 1,412 constituents, captures large and mid-cap representation across 27 Emerging Markets (EM) countries. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Europe: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Europe Index, which contains 434 constituents, captures large and mid-cap representation across 15 Developed Markets (DM) countries in Europe. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI FM Frontier Markets: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The Frontier Markets Index, which contains 81 constituents across 27 frontier markets, applies a consistent index construction and maintenance methodology. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI France: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI France Index, which contains 72 constituents, measures the performance of the large and mid-cap segments of the French market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Germany: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Germany Index, which contains 62 constituents, measures the performance of the large and mid-cap segments of the German market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI India: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI India Index, which contains 101 constituents, measures the performance of the large and mid-cap segments of the Indian market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Italy: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Italy Index, which contains 26 constituents, captures the performance of the large and mid-cap segments of the Italian market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Japan: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Japan Index, which contains 272 constituents, captures the performance of the large and mid-cap segments of the Japanese market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Pacific: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Pacific Index captures large and mid-cap representation of 399 constituents across 5 Developed Markets in the Pacific region. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI Russia: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI Russia Index, which contains 25 constituents, measures the performance of the large and mid-cap segments of the Russian market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI United Kingdom: The MSCI Global Equity Indices are widely tracked global equity benchmarks and serve as the basis for over 500 exchanged traded funds throughout the world. The MSCI United Kingdom Index, which contains 86 constituents, captures the performance of the large and mid-cap segments of the UK market. This methodology allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. *Sources: FactSet, MSCI Global*

MSCI World Index: A free float capitalization weighted index designed to measure global developed market equity performance. As of June 2006 it consisted of 23 country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the USA.

NASDAQ Composite Index: The NASDAQ Composite Index measures all NASDAQ domestic and international based common type stocks listed on The NASDAQ Stock Market. Today the NASDAQ Composite includes over 3,000 companies.

Russell 1000 Growth: Russell 1000 Index refers to a stock market index that is used as a benchmark by investors. It is a subset of the larger Russell 3000 Index and represents the 1000 top companies by market capitalization in the United States. The Russell 1000 Growth Index is a broadly diversified index predominantly made up of growth stocks of large U.S. companies from the Russell 1000 Index.

Russell 1000 Value: Russell 1000 Index refers to a stock market index that is used as a benchmark by investors. It is a subset of the larger Russell 3000 Index and represents the 1000 top companies by market capitalization in the United States. The Russell 1000 Value Index is a broadly diversified index predominantly made up of value stocks of large U.S. companies from the Russell 1000 Index.

Russell 2000 Growth: The Russell 2000 offers investors access to the small-cap segment of the U.S. equity universe. It is constructed to provide a comprehensive and unbiased small-cap barometer and is reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. The Russell 2000 Growth Index is a broadly diversified index predominantly made up of growth stocks of large U.S. companies from the Russell 2000 Index.

Russell 2000 Value: The Russell 2000 offers investors access to the small-cap segment of the U.S. equity universe. It is constructed to provide a comprehensive and unbiased small-cap barometer and is reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. The Russell 2000 Value Index is a broadly diversified index predominantly made up of value stocks of large U.S. companies from the Russell 2000 Index.

Russell 2000: The Russell 2000 offers investors access to the small-cap segment of the U.S. equity universe. It is constructed to provide a comprehensive and unbiased small-cap barometer and is reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. The index includes the smallest 2000 securities in the Russell 3000.

Russell 2500: The Russell 2500 offers investors access to the small- and mid-cap segment of the U.S. equity universe. It is constructed to provide a comprehensive and unbiased small- and mid-cap barometer and is reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small- to mid-cap opportunity set. The index includes the smallest 2500 securities in the Russell 3000.

S&P 500 / Communication Services -SEC: The S&P Communication Services sector index is designed to reflect the aggregate performance of the 26 companies in the S&P 500 that fall under the sector classification of Communication Services. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Consumer Discretionary -SEC: The S&P U.S. Consumer Discretionary sector index is designed to reflect the aggregate performance of the 63 companies in the S&P 500 that fall under the sector classification of Consumer Discretionary. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Consumer Staples -SEC: The S&P Consumer Staples sector index is designed to reflect the aggregate performance of the 32 companies in the S&P 500 that fall under the Consumer Staples sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Energy -SEC: The S&P Energy sector index is designed to reflect the aggregate performance of the 22 companies in the S&P 500 that fall under the Energy sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Financials -SEC: The S&P Financials sector index is designed to reflect the aggregate performance of the 65 companies in the S&P 500 that fall under the Financials sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities

market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Health Care -SEC: The S&P U.S. Health Care sector index is designed to reflect the aggregate performance of the 64 companies in the S&P 500 that fall under the sector classification of Health Care. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Industrials -SEC: The S&P Industrials sector index is designed to reflect the aggregate performance of the 74 companies in the S&P 500 that fall under the industrials sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Information Technology -SEC: The S&P U.S. Information Technology sector index is designed to reflect the aggregate performance of the 74 companies in the S&P 500 that fall under the sector classification of Information Technology. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Materials -SEC: The S&P Materials sector index is designed to reflect the aggregate performance of the 28 companies in the S&P 500 that fall under the Materials sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Real Estate - SEC: The S&P Real Estate sector index is designed to reflect the aggregate performance of the 29 companies in the S&P 500 that fall under the Real Estate sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500 / Utilities -SEC: The S&P Utilities sector index is designed to reflect the aggregate performance of the 28 companies in the S&P 500 that fall under the Utilities sector classification. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200. *Sources: FactSet, S&P U.S.*

S&P 500: The S&P 500 includes 500 leading companies in leading industries of the U.S. economy. It is a core component of the U.S. indices that could be used as building blocks for portfolio construction. It is also the U.S. component of S&P Global 1200.

S&P GSCI: The S&P GSCI provides investors with a reliable and publicly available benchmark for investment performance in the commodity markets. The S&P GSCI is also designed to be a 'tradable' index, readily accessible to market participants and cost efficient to implement. The index is calculated primarily on a world production-weighted basis and is comprised of the principal physical commodities that are the subject of active, liquid futures markets.

S&P Mid Cap 400 Growth: S&P U.S. indices are designed to reflect the U.S. equity markets and, through the markets, the U.S. economy. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200.

S&P Mid Cap 400 Value: S&P U.S. indices are designed to reflect the U.S. equity markets and, through the markets, the U.S. economy. The S&P 500 has been widely used a gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy based on market capitalization, capturing 75% coverage of U.S. equities. It is also the U.S. component of S&P Global 1200.

Commodities, Forex, and Economic Data

10-Year – 2-Year U.S. Treasury Spread (bps): Based on market prices for a 9-Year 11-Month Treasury Note at 3-1/2% issued 2/15/2023 with maturity on 2/15/2033 and a 2-Year Treasury Note at 3-7/8% issued 3/31/2023 with maturity on 3/31/2025; *Sources: U.S. Department of the Treasury, Bureau of the Fiscal Service, FactSet Interest Rates*

10-Year Treasury Yield (%): Based on market prices for a 9-Year 11-Month Treasury Note at 3-1/2% issued 2/15/2023 with maturity on 2/15/2033; *Sources: U.S. Department of the Treasury, Bureau of the Fiscal Service, FactSet Interest Rates*

3-Month USD LIBOR (%): The 3-month USD LIBOR interest rate is the interest rate at which a panel of selected banks borrow US dollar funds from one another with a maturity of three months; *Sources: Intercontinental Exchange (ICE), FactSet Interest Rates*

Australian Dollar (AUD/\$): U.S. Dollar (USD) per Australian Dollar (AUD); *Sources: FactSet Prices*

Average Hourly Earnings (Y/Y %): Establishment survey data measuring the average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls; *Sources: U.S. Department of Labor, Bureau of Labor Statistics, FactSet*

Building Permits (millions of units, SAAR): The number of new housing units authorized by building permits in the United States. They exclude hotels, motels, and group residential structures such as nursing homes and college dormitories; *Sources: U.S. Census Bureau, FactSet*

Canadian Dollar (\$/CAD): U.S. Dollar (USD) per Canadian Dollar (CAD); *Sources: FactSet Prices*

Capacity Utilization (%): Federal Reserve Statistical Release G.17 includes data covers output, capacity, and capacity utilization in the industrial sector, which the Federal Reserve defines as manufacturing, mining, and electric and gas utilities. Data are classified according to the North American Industry Classification System (NAICS); *Sources: Federal Reserve Bank, FactSet*

Change in Nonfarm Employment (M/M, thousands of persons): Establishment survey data measuring the monthly change in nonfarm payroll employment. Employees on nonfarm payrolls are those who received pay for any part of the reference pay period, including persons on paid leave; *Sources: U.S. Department of Labor, Bureau of Labor Statistics, FactSet*

Civilian Unemployment Rate (%): Measures the percentage of the civilian labor force that has been unemployed for at least 15 weeks; *Sources: U.S. Department of Labor, Bureau of Labor Statistics, FactSet*

Consumer Confidence (Conference Board, 1985=100): The Conference Board's Consumer Confidence Survey is a monthly measure of the public's confidence in the health of the U.S. economy; *Sources: The Conference Board, FactSet*

Consumer Credit (bil. \$, Q/Q change): Federal Reserve Statistical Release G. 19, Consumer Credit, reports most short- and intermediate-term credit extended to individuals, excluding loans secured by real estate; *Sources: Federal Reserve Bank, FactSet*

Consumer Price Index (Y/Y %, NSA): The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services; *Sources: U.S. Department of Labor, Bureau of Labor Statistics, FactSet*

Corn (CBT \$/bu): Contract Unit – 5,000 bushels; *Sources: Chicago Board of Trade, FactSet*

Crude Oil (\$/bbl): West Texas Intermediate (WTI); *Sources: New York Mercantile Exchange, FactSet*

Current Account Balance (bil. \$): The current account is quarterly statistical summary of transactions between U.S. and foreign residents that includes exports and imports of goods, services, income, and current transfers; *Sources: U.S. Department of Commerce, Bureau of Economic Analysis, FactSet*

EU Euro (€/€): U.S. Dollar (USD) per Euro (EUR); *Sources: FactSet Prices*

Fed Funds Target Rate (%): The FOMC holds eight regularly scheduled Monetary Policy meetings during the year and other meetings as needed, during which the Committee decides the monetary policy and the federal funds rate based on the economic condition; *Sources: Federal Reserve Bank, FactSet*

Federal Government Debt (bil. \$, AR): As stated in the Federal Government Budget Monthly Surplus/Deficit Statement; *Sources: U.S. Department of the Treasury, FactSet*

Gasoline RBOB (\$/gal): Reformulated Blendstock for Oxygenated Blending (RBOB); *Sources: New York Mercantile Exchange, FactSet*

Gold (\$/ozt): Contract Unit – 100 troy ounces; *Sources: New York Mercantile Exchange, FactSet*

High Grade Copper (\$/lbs): Contract Unit – 25,000 pounds; *Sources: New York Mercantile Exchange, FactSet*

Household Net Worth (bil. \$): Household total net is the net worth for individuals and is used as a measure in economics to compare the wealth of different groups. The net worth is the value of total assets minus the total value of outstanding liabilities; *Sources: Federal Reserve Bank, FactSet*

Housing Starts (millions of units, SAAR): The U.S. Census Bureau's New Residential Construction release provides statistics on the construction of new privately-owned residential structures in the United States. The data relate to new housing units intended for occupancy and maintained by the occupants; *Sources: U.S. Census Bureau, FactSet*

Industrial Production (Y/Y %, SA): Federal Reserve Statistical Release G.17 includes data measuring production output in the industrial sector, which the Federal Reserve defines as manufacturing, mining, and electric and gas utilities. Data are classified according to the North American Industry Classification System (NAICS); *Sources: Federal Reserve Bank, FactSet*

ISM Manufacturing Report (%): The Manufacturing ISM Report on Business is based on data compiled from monthly replies to questions asked of purchasing and supply executives in over 400 industrial companies. An index reading above 50 percent indicates that economic activity is generally expanding; below 50 percent, that it is generally declining; *Sources: Institute for Supply Management, FactSet*

ISM Non-Manufacturing Report (%): The U.S. Institute for Supply Management (ISM –formerly the U.S. National Association of Purchasing Management [NAPM]) reports diffusion indices in its Manufacturing and Non-Manufacturing Reports on Business. The industry survey results contained in these two monthly publications are widely-accepted indicators of economic and business activity. ISM's monthly surveys ask respondents to indicate whether a particular activity (i.e. production, new orders) for their companies have increased, decreased, or remain unchanged; *Sources: Institute for Supply Management, FactSet*

Japanese Yen (\$/¥): U.S. Dollar (USD) per Japanese Yen (JPY); *Sources: FactSet Prices*

Leading Economic Indicators Index (M/M %): Leading indicators are economic series that tend to change direction ahead of shifts in the business cycle. There are 10 components of the U.S. Leading Composite Indicator published by The Conference Board. The index is constructed by averaging the individual components in order to smooth out a good part of the volatility of the individual series; *Sources: The Conference Board, FactSet*

Natural Gas (\$/btu): Henry Hub; Sources: New York Mercantile Exchange, FactSet

New Home Sales (millions of units, SAAR): The U.S. Census Bureau collects new home sales based upon the following definition: "A sale of the new house occurs with the signing of a sales contract or the acceptance of a deposit."; Sources: U.S. Census Bureau, FactSet

Personal Consumption Expenditures (Y/Y %, NSA): Monthly Personal Income and Outlays data are published by the U.S. Bureau of Economic Analysis. Personal consumption expenditures include consumer spending for all goods and services. These data are published on a quarterly basis in the GDP data release; Sources: U.S. Department of Commerce, Bureau of Economic Analysis, FactSet

Personal Income (Y/Y %, SAAR): Monthly Personal Income and Outlays data are published by the U.S. Bureau of Economic Analysis. Personal income measures total pretax income earned by individuals, non-profit organizations, and private trust funds; Sources: Sources: U.S. Department of Commerce, Bureau of Economic Analysis, FactSet

Private Residential Construction Put in Place (Y/Y %): The Value of Construction Put in Place Survey (VIP) provides monthly estimates of the total dollar value of construction work done in the U.S. The survey covers construction work done each month on new structures or improvements to existing structures for private and public sectors; Sources: U.S. Census Bureau, FactSet

Producer Price Index (Y/Y %, NSA): The Producer Price Index (PPI) for Finished Goods measures average changes in prices for commodities that will not undergo further processing and are ready for sale to the final-demand user, either an individual consumer or business firm; Sources: U.S. Department of Labor, Bureau of Labor Statistics, FactSet

Retail Sales (Y/Y %, SA): Retail and food service sales data are included in the Advance Monthly Sales for Retail and Food Service report, which provides an early indication of sales of retail and food service companies. Data are classified according to the North American Industry Classification System (NAICS); Sources: U.S. Census Bureau, FactSet

S&P 500 Consensus Next 12 Months EPS: Based on the aggregation of all publicly available and disseminated EPS estimates for the S&P 500; Sources: S&P U.S., FactSet Estimates

S&P/Case-Shiller Home Price Index (20 City, Y/Y %): The S&P/Case-Shiller Home Price Indices are the leading measures of U.S. residential real estate prices, tracking changes in the value of residential real estate in 20 metropolitan areas. The indices measure changes in housing market prices given a constant level of quality; Sources: S&P U.S., FactSet

S&P GSCI Spot Index: The S&P GSCI provides investors with a reliable and publicly available benchmark for investment performance in the commodity markets. The S&P GSCI is also designed to be a 'tradable' index, readily accessible to market participants and cost efficient to implement. The index is calculated primarily on a world production-weighted basis and is comprised of the principal physical commodities that are the subject of active, liquid futures markets; Sources: S&P US, FactSet

Silver (\$/ozt): Contract Unit – 5,000 troy ounces; Sources: New York Mercantile Exchange, FactSet

TED Spread (bps): The TED spread is the difference between the three-month Treasury bill and the three-month LIBOR based in U.S. dollars; Sources: Intercontinental Exchange (ICE), U.S. Department of the Treasury, Bureau of the Fiscal Service, FactSet Interest Rates

UK Sterling (£/\$): U.S. Dollar (USD) per British Pound (GBP); Sources: FactSet Prices

Wheat (\$/bu): Contract Unit – 5,000 bushels; Sources: Chicago Board of Trade, FactSet

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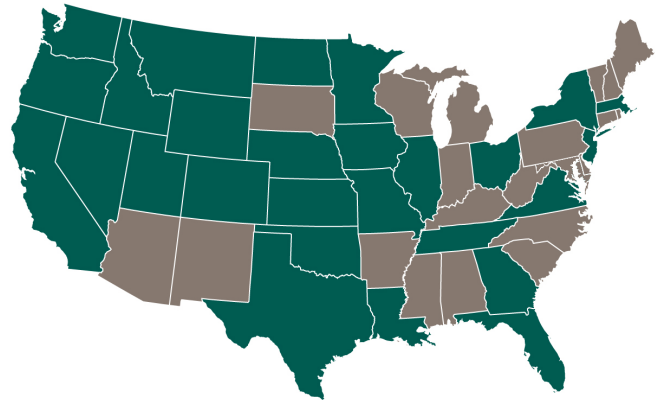
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