

Holding-Based Statistics

	Short Term Fixed Income	Bloomberg 1-3yr Gov/Cred
Yield to Maturity	5.51%	5.19%
Effective Duration	1.88 years	1.81 years
Average Credit Quality	A	AA

Strategy Statistics

Trailing 12 Month Turnover	26%
Firm Assets	234.53
Product Assets	17.10

Investment Philosophy

The Short Term Fixed Income strategy is managed to provide a high degree of current income with limited interest rate risk by investing in high quality investment grade corporate bonds and U.S. Government securities. The separate account strategy is actively managed with regards to security selection and yield curve exposure with an objective to generate a total return in excess of the index over a full market cycle.

Portfolio Management Team

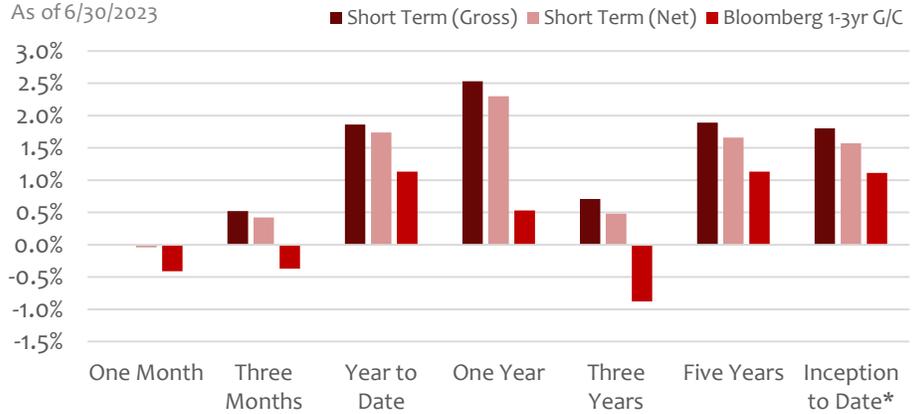
David Killian
John DeLaney, CFA
Joseph Shacklock

Inception Date

1/31/2018

Annualized Performance

As of 6/30/2023

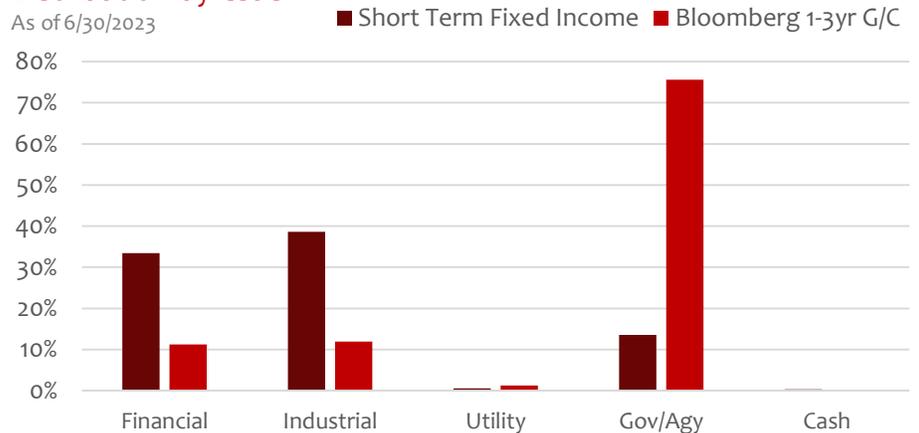


	One Month	Three Months	Year to Date	One Year	Three Years	Five Years	Inception to Date*
Short Term (Gross)	-0.01%	0.52%	1.86%	2.53%	0.71%	1.89%	1.80%
Short Term (Net)	-0.04%	0.42%	1.74%	2.30%	0.48%	1.66%	1.57%
Bloomberg 1-3yr G/C	-0.41%	-0.37%	1.13%	0.53%	-0.88%	1.13%	1.11%

* Inception 1/31/2018

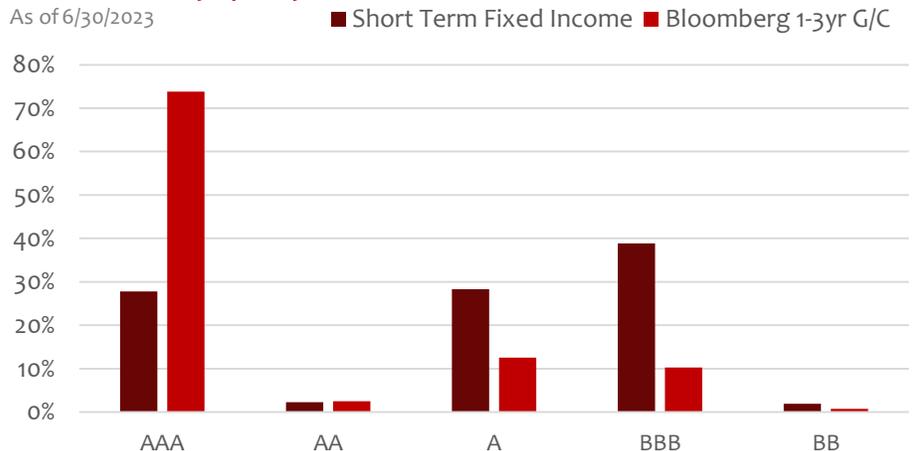
Distribution by Issuer

As of 6/30/2023



Distribution by Quality

As of 6/30/2023



Top 10 Holdings

As of 6/30/2023

PNC Financial 3.90% - 4/29/24	2.77%
Becton Dickinson & Co 3.734% - 12/15/24	2.70%
Owens Corning 4.20% - 12/1/24	2.38%
Energy Transf. Operating 2.90% - 5/15/25	2.17%
Capital One Corp 4.20% - 10/29/25	1.92%
Ebay Inc 3.45% - 8/1/24	1.83%
Royal Bank of Canada 2.25% - 11/1/24	1.79%
Oracle Corp 2.95% - 11/15/24	1.79%
Buckeye Partners LP 4.15% - 7/1/23	1.75%
Boeing 4.875% - 5/1/25	1.51%

2Q 2023 Portfolio Commentary

Contrary to the market consensus during the first quarter that the bank failures witnessed in March would prompt the Federal Reserve to pause the rate hiking cycle, the Fed once again raised the target Fed Funds rate in early May to 5.25%. The Fed elected to pause at the subsequent meeting in June, however, the committee did indicate that a resumption of rate hikes perhaps as early as the next meeting was very likely. Despite the historic pace of rate increases seen over the past fifteen months, the economy continues to display impressive resilience in large part due to the exceptionally strong labor market. While job growth in the economy has decelerated over the past year the unemployment rate is still historically low and job openings remain plentiful, which is providing meaningful support to the health of consumer balance sheets. This unexpected outcome so far into the current tightening cycle has led many economists and forecasters to increase the probability that the Federal Reserve will be successful in achieving the elusive goal of an economic soft landing. Recently revised first quarter GDP aligns with this more positive outlook. Although a deceleration from the 2.6% growth rate reported in the fourth quarter of 2022 recently revised first quarter GDP was reported to have advanced at a stronger than expected pace of 2.0%. Inflation also continues to decelerate, moving closer to the Fed's long term goal.

The dramatic decline in yields seen in the first quarter following the bank failures have now mostly reversed as economic momentum quickly eliminated any expectation that the events would prompt the Fed to shift to a more accommodative policy stance. The 2-Year U.S. Treasury yield increased to 4.90% during the quarter, closing in on the high for the current cycle which was 5.07% seen in early March. The 10-Year U.S. Treasury experienced a more modest increase during the quarter to 3.84%. Despite the recent sharp increase in yields, similar to the first quarter, the 2-Year U.S. Treasury yield continues to remain below the current Fed Funds target of 5.25% which is an indication that investors still believe the Fed is nearing the end of this tightening campaign and will soon reverse course and begin the process of lowering short term interest rate.

The positive momentum seen in the economy has supported riskier segments of the bond market, in particular investment grade and high yield corporate bonds, both of which outperformed safe haven U.S. Treasuries for the quarter. Growing evidence that a recession is far from imminent, if not avoidable, led us to modestly increase portfolio exposure to this segment of the market during the quarter. However, similar to investments made over the past year, we continue to focus on issuers of a higher average credit quality that are less sensitive to a potential economic downturn. Likewise, we also continue to maintain an above average allocation to U.S. Treasury securities which provides ample liquidity to respond opportunistically to an ever changing economic landscape.



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