



WISCO

Investment Management

Third Quarter 2024

DEAR CLIENTS & FRIENDS;

The third quarter was a good one for investors. After mixed results in the second quarter, all the asset classes Wisco invested in experienced positive results. Investors experienced gains in international stocks, domestic stocks, fixed income and precious metals. Lower rates combined with a “Goldilocks” economy (not too hot, but not too cold) helped contribute to these strong results.

The U.S. and International stock markets both increased in the third quarter, up 6% and 8%, respectively. For the first time since COVID (March 2020), the Federal Reserve cut its interest rate range by 0.5% on Sept. 18th. Furthermore, the Fed is projecting that they will cut rates another 0.5% by year end and most of the Fed’s voting members feel the fed funds rate will be around 3.4% at the end of 2025. Domestically, lower rates combined with low unemployment and solid GDP growth helped companies grow earnings at a faster rate than investors expected, driving stock prices higher. Overseas, investors also welcomed lower rates and moderate GDP growth. International markets were also boosted by relatively low valuations when compared to domestic stocks.

The U.S. Aggregate Bond Index increased 5% in the third quarter. Corporate bonds did better than government bonds and long duration bonds generally outperformed short duration bonds in the quarter. The 10-year treasury yield decreased from 4.4% at the beginning of the quarter to 3.8% at quarter-end as inflation moderated throughout the quarter (bond prices generally increase as rates decrease). Safe short-term investments like CDs, Treasury Bills, and money markets continue to look attractive, however, their yields have started to decline in line with lower Fed funds rates.

The Dow Jones-UBS commodity index increased 1% in the quarter. Gold, silver, corn and wheat experienced higher prices during the quarter, while soybeans and crude oil prices declined. Currently, gold is the only commodity in Wisco client portfolios. **Gold increased 13% in the quarter and is up 27% year-to-date.**

As we move into the last few months of the year, it is a good time to make sure your personal information with us is up to date (address, phone number, beneficiaries, etc.). Additionally, we are available to meet about the positioning of your portfolio, your targeted risk level, or any other life changes that may be relevant to how your portfolio is invested. Also, given the growth in the markets this year, we will be sensitive to realizing capital gains for the remainder of the year. We will be in touch about any significant tax implications for your portfolios later this year.

At Wisco, we believe our approach of designing well-diversified, low-cost investment portfolios is the best way to produce favorable results over time. We would like to thank you for providing us with the opportunity to work with you as your investment advisor. We appreciate your business!

Sincerely,

The Wisco Team



Third Quarter 2024

Wisco Investment Management

Wisco-managed portfolios are constructed using five asset classes; Domestic Equity, International Equity, Domestic Fixed Income, Alternative Investments and Prime Money Funds. Our current asset class allocations are as follows:

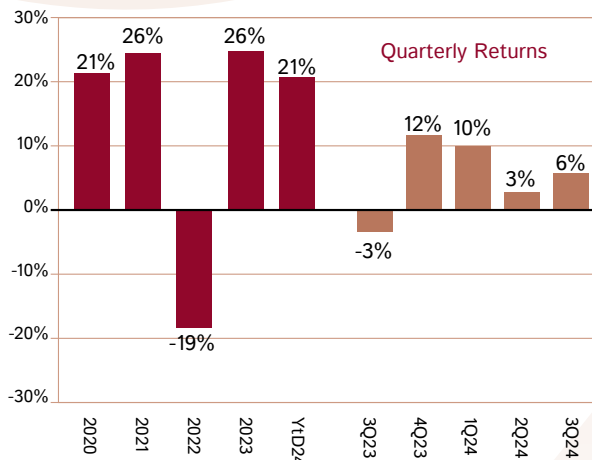
WISCO MANAGED PORTFOLIOS

as of July 2024 rebalancing	Conservative	Balanced	Balanced Growth	Growth	Aggressive
Domestic Equity	27%	36%	45%	54%	63%
International Equity	8%	12%	15%	20%	25%
Domestic Fixed Income	49%	38%	28%	16%	5%
Alternative Investments	5%	5%	5%	5%	5%
Prime Money Fund	11%	9%	7%	5%	2%
Total	100%	100%	100%	100%	100%
Target Volatility*	6%	8%	10%	12%	15%

*Target Volatility is our estimate for the annual standard deviation of portfolio returns.
Source: Wisco Investment Management LLC

Third Quarter 2024 Market Review

DOMESTIC EQUITY



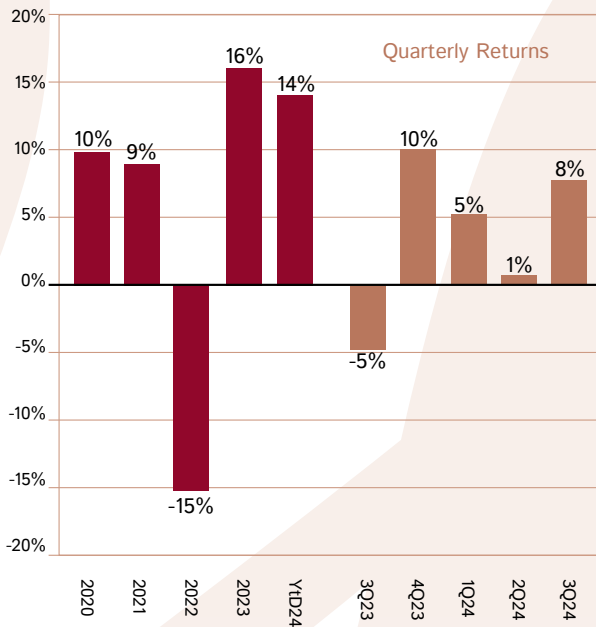
Source: Dow Jones U.S. Broad Stock Market Index and Wisco.

The stock market increased 6% in the second quarter, with the S&P 500 closing 3Q24, near an all-time high. In a reversal, small cap stocks (up 9%) outperformed large-cap stocks (up 6%). Year-to-date, large-cap stocks are up 21% versus up 10% for small caps. The United States 2Q24 GDP increased 3.0%, which was helped by strong consumer spending, but partially offset by weaker business investment. The S&P 500's earnings increased 11% in 2Q24, with strength in Technology (+20%) and

Utilities (+19%) partially offset by weakness in Materials (-9%) and Industrials (-1%). After surprisingly strong 2Q results, analysts are forecasting S&P 500 earnings growth of 9% in 2024, with growth expected to accelerate to 15% in 2025. This optimism is driven by three factors. First, low unemployment and favorable tax policies could bode well for consumer spending and boost corporate earnings. Second, more government spending through both the Inflation Reduction Act and the CHIPS Act could result in billions more being spent on clean energy and semiconductor infrastructure. Finally, interest rate sensitive companies should see better results as the Federal Reserve continues to lower interest rates.

Strong earnings and lower interest rates resulted in a broad-based rally in the quarter. The S&P 500 is trading at 24x forward earnings, which is on the expensive side. However, stocks generally do well in the months following a Presidential election. That, along with a more accommodative Fed, and accelerating earnings growth could drive stock prices higher. We hold domestic stocks in all client portfolios, and we increased our exposure to domestic small cap stocks in July.

INTERNATIONAL EQUITY

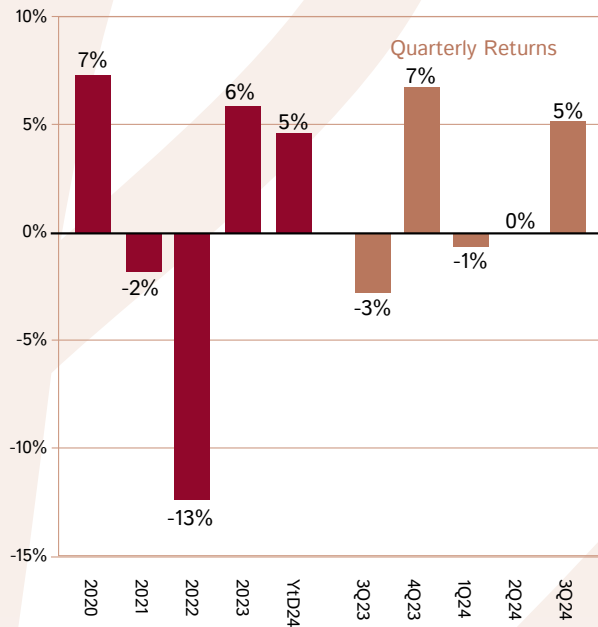


Source: MSCI ACWI ex USA and Wisco

International markets increased 8% in the quarter, with the FTSE Developed Large Cap Index up 7%, FTSE Small Cap Index up 8%, and FTSE Emerging Market Index up 10%. In Europe, the Euro Stoxx 600 was up 2% in 3Q24, with Belgium's Bel 20 among the strongest markets increasing 11%. In Asia, Hong Kong (up 19%) and the Shanghai composite (up 12%) were both very strong, while Japan (down 4%) and Taiwan (down 4%) both declined. South Korea's KOSPI was down 7% in the quarter. Second quarter GDP was generally softer than 1Q GDP with India (+4.5%), China (+2.8%), Hong Kong (+1.4), Britain (+2.3%) and the Euro zone (+0.8%) all posting softer results. Canada (+2.1%) and Japan (+2.9%) bucked the trend with stronger 2Q GDP. South Korea (-0.9%) had negative GDP.

International stocks outperformed domestic stocks this quarter, the first time since 4Q22. International stocks are currently trading at a 37% valuation discount to domestic stocks, well below their historic discount. For this reason, Wisco holds international stocks in all our client portfolios, and we prefer large-cap developed markets to small-cap emerging markets.

DOMESTIC FIXED INCOME



Source: Barclays Capital U.S. Aggregate Bond Index and Wisco.

The Barclays U.S. Aggregate Bond Index was up 5% in 3Q24. Treasuries were up 5%, Short-term Investment Grade was up 4%, Long-term Investment Grade was up 8%, and High Yield was up 6%. The 10-year treasury yield started the quarter at 4.4%, bottomed out at 3.6% on Sept. 17th, before finishing the quarter at 3.8%. Annual inflation (CPI) continued to moderate in August coming in at 2.5%, well below the June 2022 peak of 9.1%. August's unemployment rate was 4.2%. The Fed reduced its target rate range 0.5% to 4.75%-5.00%. It was the first time the Fed had cut rates since March 2020. The Fed now holds \$7.1T of assets down from its April 2022 peak of \$9.0T. The money supply (M2) now stands at \$21.2T down \$0.5T from its March 2022 peak, but up \$0.4T over the last 12 months.

Fixed income produced nice returns in the third quarter. Lower inflation, modestly higher unemployment and the start of an easing cycle by the Fed all led to lower yields and higher returns for bonds. We feel the Fed could continue to cut rates well into 2025, which should provide a nice tailwind for bonds. For this reason, we hold fixed income in all our portfolios, and we prefer short-term corporates to long-term government bonds.

ALTERNATIVE INVESTMENTS

The Dow Jones-UBS Commodity Index increased 1% in the quarter. In agriculture, grain prices were mixed. Corn prices increased 7%¹, wheat prices increased 6%¹, however, soybean prices were down 4%¹ in the quarter. Year-to-date, wheat, corn, and soybeans prices are all lower down 7%¹, 10%¹, and 18%¹, respectively. A strong harvest has held prices in check.

Precious metal prices were higher in the quarter. Gold increased 13%² and silver increased 7%³. For the year, gold has increased 27%² and silver is up 31%³. Precious metals likely benefited from high government spending, a more dovish Fed, and rising geopolitical tensions with wars in Ukraine and Israel.

The WTI spot Crude Oil price declined 17%⁴ in the quarter and is down 4%⁴ year-to-date. Global oil demand has been weaker than expected this year, especially in China, the world's second largest oil consuming nation. On the supply side, Saudi Arabia is expected to increase oil production in December.

In July, we increased our gold holdings in all our client portfolios. Gold is not as economically sensitive as other commodities, protects against geopolitical risk and helps diversify portfolios.

PRIME MONEY FUND

The prime money fund continues to produce positive; all be it, declining returns for clients. The fund current yield declined from 5.1% to 4.7% this quarter, as the Fed reduced short term interest rates. While this rate will likely decline as the Fed continues to cut rates, we feel this is an attractive return for a very low risk investment.

OUR SERVICES

Financial Advisory

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1. Return calculation based on the near future contract as quoted in the Wall Street Journal.
2. Return calculation uses Aberdeen Physical Gold Shares (SGOL) as a proxy for gold.
3. Return calculation uses Aberdeen Physical Silver Trust ETF (SIVR) as a proxy for silver.
4. Return calculation uses Cushing, OK WTI spot price FOB as a proxy for oil.

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Wall Street to Wisconsin