



# Quarterly Investment Summary

September 2025

**UBT**  
Union Bank & Trust,  
WEALTH MANAGEMENT

Investment Type	Target Allocation	3 Month	YTD	1-Year	3-Year	5-Year
United Methodist Foundation Equity	Aggressive Growth (100/0 Stock/Bond)	6.13%	14.10%	12.50%	20.00%	12.79%
United Methodist Fdn Long Term Growth	Growth (75/25) Stock/Bond	5.04%	13.47%	12.17%	17.05%	10.32%
United Methodist Fdn Balanced	Balanced (50/50 Stock/Bond)	4.04%	11.33%	9.98%	13.25%	7.42%
United Methodist Fdn Conservative	Income (25/75 Stock/Bond)	2.85%	8.43%	6.70%	9.15%	4.12%
United Methodist Foundation Fixed	Capital Preservation (0/100 Stock/Bond)	1.60%	5.09%	3.42%	5.44%	1.10%

## Equities

- Equities extended their gains in the third quarter, overcoming typical seasonal weakness to notch a fifth consecutive monthly advance.
- Technology and Communication Services have continued to lead the market in recent months.
- Unlike in recent years, Emerging Markets and Developed International equities have outperformed U.S. stocks year-to-date and are on pace for their strongest performance in years.

## Economy

- The U.S. economy continues to navigate a complex environment, showing resilience in key areas like consumer spending and technology-driven capital investment.
- Hiring remains subdued, with termination rates holding steady. Employment conditions are currently stable, but potential government layoffs may lead to a temporary uptick in the unemployment rate.

## Fixed Income

- With interest rates trending lower, 30-year fixed mortgage rates have fallen to their lowest level since January 2023.
- Bond yields have dropped, most notably on longer maturities, as markets have both anticipated and reacted to Fed easing.
- Companies have taken advantage of strong earnings, solid demand, and tight credit spreads to issue nearly \$70 billion in new debt.

## Strategic Outlook

- Above average volatility is likely to persist given central bank involvement and geopolitical events.
- Near average expected returns projected for fixed income.
- Some caution warranted on equities in the near-term. Currently favoring small-cap and mid-cap domestic stocks longer-term.

## Selected Economic & Market Data

Statistic	Current	Previous	Statistic	Current	Previous
US GDP	3.8%	-0.5%	ISM Manufacturing Index	49.1	48.8
Consumer Confidence	94.2	93.0	Unemployment Rate	4.3%	4.2%
Consumer Price Index	2.9%	2.4%	2 Year Treasury Yield	3.61%	3.72%
Core PCE (x Food & Energy)	2.9%	2.7%	10 Year Treasury Yield	4.15%	4.23%

Total Portfolio Return is net of fees. Past returns are not indicative of future results. No Bank Guarantee. May lose value.