



Quarterly Investment Summary

September 2022

Performance Summary (as of 09/30/2022)

	Target Allocation		Trailing Returns			
	Equity/Fixed	3 Months	YTD	1 Year	3 Year	5 Year
Fixed Income	0% / 100%	-2.50%	-9.95%	-9.99%	-1.56%	0.43%
Conservative	25% / 75%	-3.33%	-13.54%	-12.27%	0.67%	2.07%
Balanced	50% / 50%	-4.11%	-16.79%	-14.29%	2.66%	3.50%
Growth	75% / 25%	- 5.11%	-20.68%	-17.07%	3.97%	4.49%
Equity	100% / 0%	-5.54%	-23.92%	-19.61%	4.85%	5.14%

Total Account Performance is gross of fees

Commentary

Equities

- Stocks fell again in September with the S&P 500 losing over 9% for the month and moving into bear market territory for the year.
- Losses were broad-based for the month, with all major indices posting near double-digit losses.
- As of quarter-end, nearly all major stock indices have declined at least 20%.

Economic

- The revised estimate of second quarter GDP showed a modest contraction of (0.6%), marking consecutive negative GDP prints and heightening expectations that the US has or will fall into a recession.
- Headline inflation decelerated slightly in August, although core inflation increased.
- Jobs are plentiful with the Unemployment Rate ticking up to 3.7% as participation increased.
- Consumer Confidence increased again following recent string of declines, signaling a potential positive for consumer spending.

Fixed Income

- Treasury rates moved sharply higher as the Fed maintained tighter monetary policy.
- The yield curve remains inverted, which is often associated with recessionary periods.
- Aside from T-bills, bond prices fell in September and are sharply lower for 2022

Strategic Outlook

- Some caution is warranted on equities; slightly favoring small-cap and mid-cap domestic stocks for long-term returns.
- Maintaining shorter-duration fixed income structure as the rising interest rate environment is likely to persist.
- Aside from T-bills, bond prices fell in September and are sharply lower for 2022.

Selected Economic & Market Data

Statistic (monthly unless noted)	Current	Previous
US GDP (Quarterly)	-0.6%	-1.6%
Consumer Confidence	108.0	103.6
Consumer Price Index	8.3%	8.5%
Retail Sales	0.3%	0.0%
Unemployment Rate	3.7%	3.5%
2-Year Treasury Yield	4.28%	3.50%
10-Year Treasury Yield	3.83%	3.20%

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