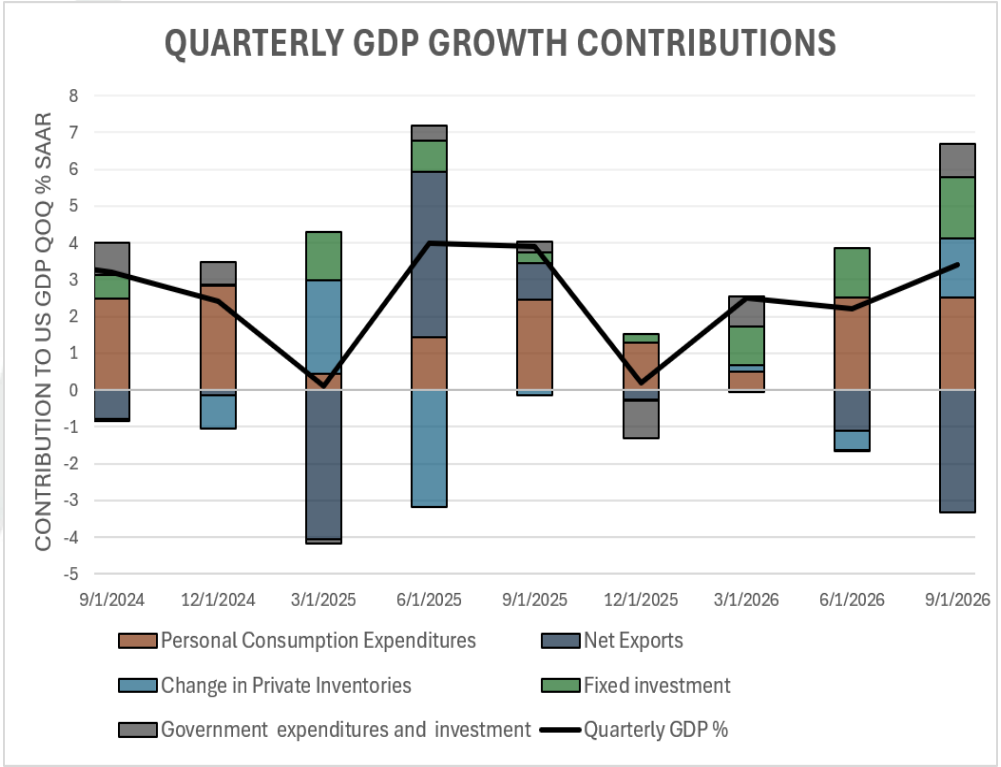
Five in Five

November 2026

BTC CAPITAL MANAGEMENT ™

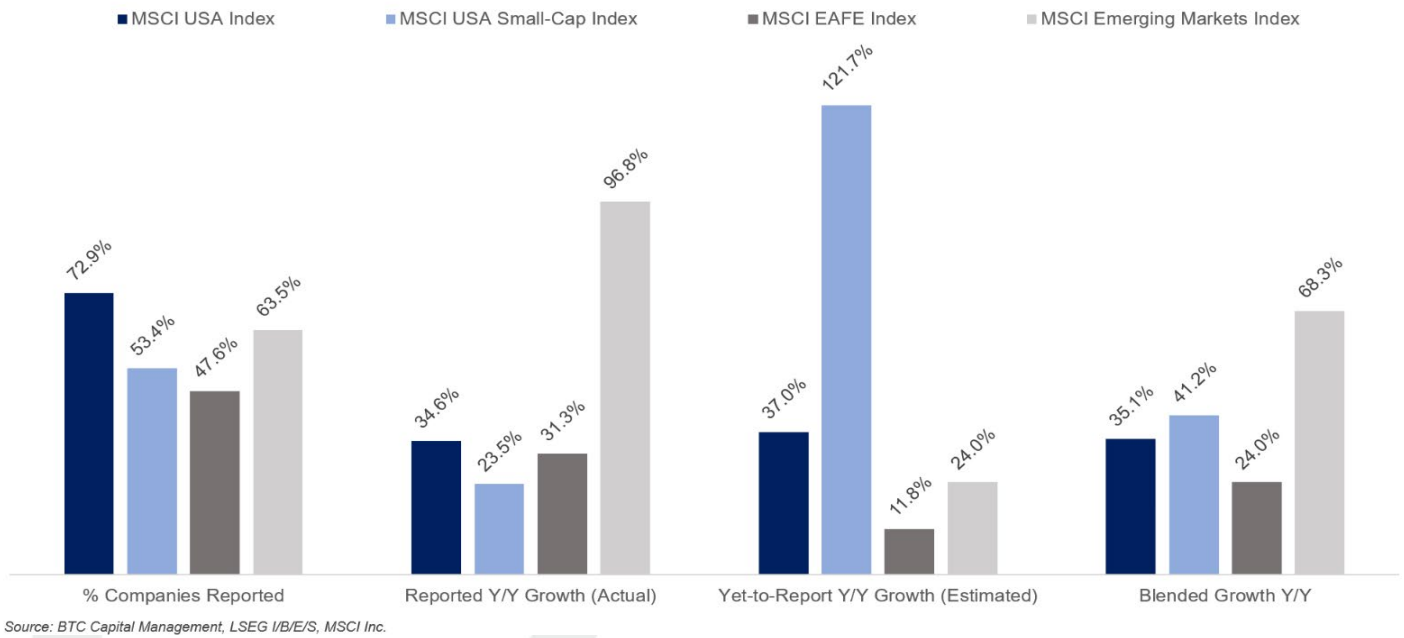
Q3 GDP Report Shows Economy Moving Solidly Forward

- **Headline growth beat expectations, +3.4%:** Q3 Real GDP expanded at a 3.4% annualized rate Q2 prior 2.2%
- **Consumer spending remains solid, +2.5%:** Personal consumption which represents 67.5% of GDP grew 3.2% quarter-over-quarter with a subcomponent services spending rising to 4.1% (3.6% prior).
- **Fixed Investment +1.7%:** Contributing 18.2% of GDP, Nonresidential (business) fixed investment jumped with technology and AI buildout spending cited as a major driver. Residential investment subcomponent contracted 3.3% annualized.
- **Inventories moderate growth, +1.6%:** Inventory restocking added to growth as firms adjust to supply chain changes created by shifting tariff picture.
- **Net Exports (trade) a drag, -3.3%:** Widening trade deficit subtracted from real GDP growth as firms build seasonal inventories.
- **Government, +0.9%:** Representing 17.2% of the economy government spending grew with much of that growth at the state and local level.



Source: U.S. Bureau of Economic Analysis

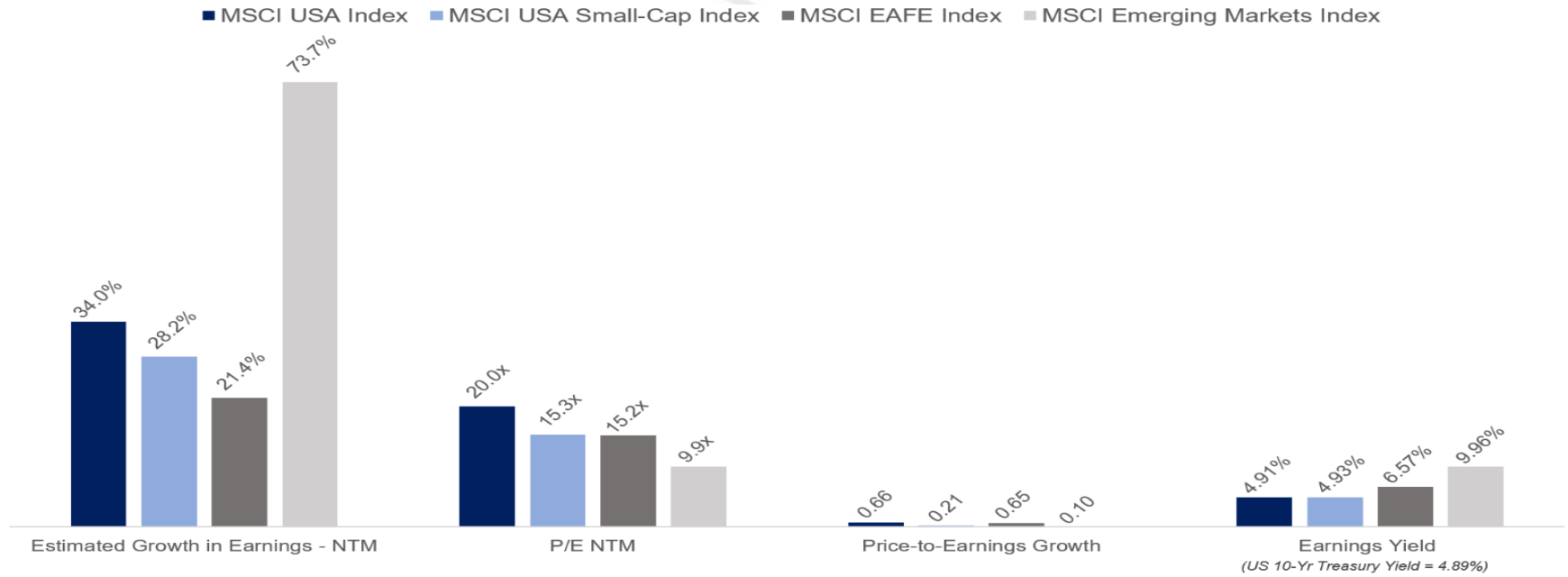
Overview of Q3Earnings



Source: BTC Capital Management, LSEG I/B/E/S, MSCI Inc.

- This chart presents a summary of the Q3 2026 earnings season, highlighting U.S. large cap (MSCI USA Index), U.S. small cap (MSCI USA Small Cap Index), foreign developed (MSCI EAFE Index) and emerging markets (MSCI Emerging Markets Index).
- So far, companies comprising these indexes have reported year-over-year (Y/Y) earnings growth exceeding 20.0%, led by emerging markets (+96.8%).
- Expectations for companies yet-to-report are robust. Within this measure, U.S. small cap earnings (+121.7%) exhibit the highest projected growth Y/Y, supported by growth projected for the Industrials sector (+554.6%) and the Consumer Discretionary sector (+322.4%), with four other economic sectors anticipated to exhibit earnings growth of greater than 75% Y/Y. U.S. large cap (+37.0) exhibits the next highest growth in companies yet-to-report, with material contributions from the Energy (+69.8% Y/Y estimated) and Information Technology (+68.2% Y/Y estimated) sectors.
- When blending these two measures, the earnings growth for Q3 2026 for all equity classes is expected to exceed 20% Y/Y.

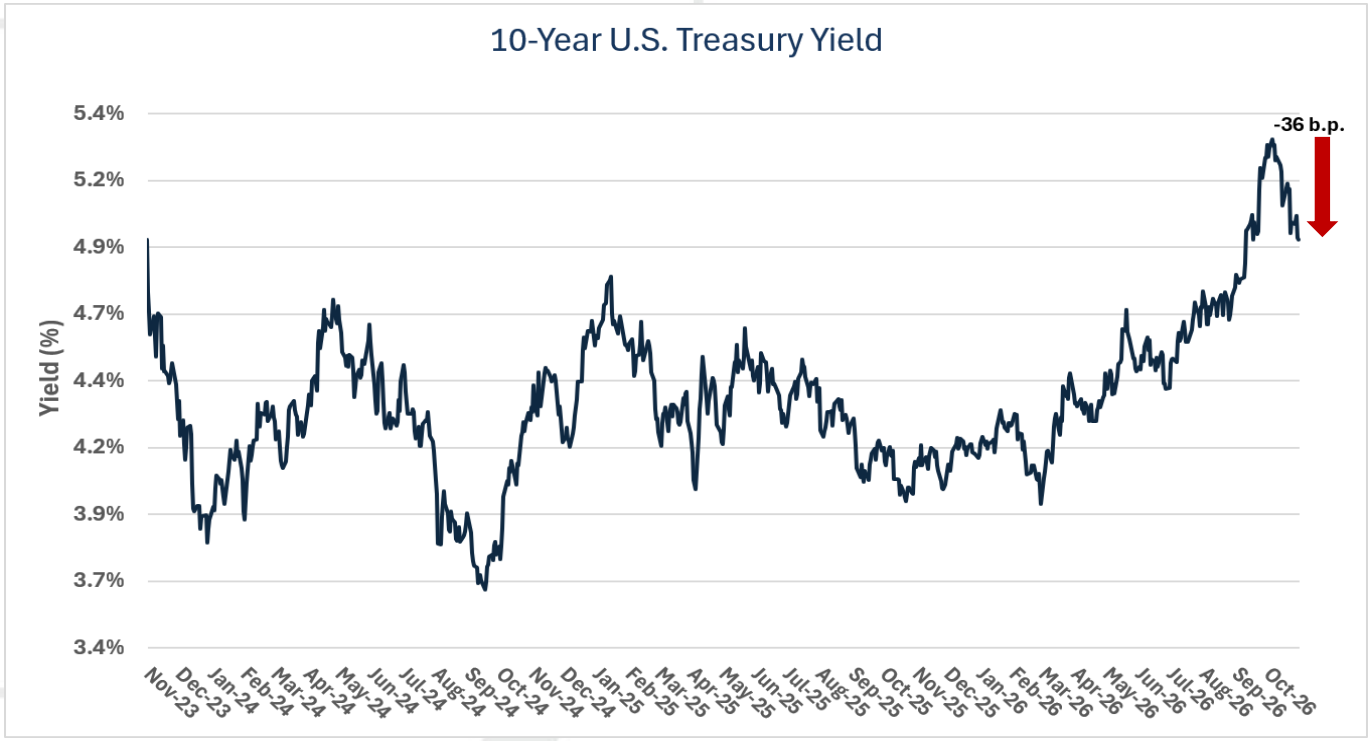
Estimated Earnings Growth and Valuation Metrics - Next Twelve Months (NTM)



Source: BTC Capital Management, LSEG I/B/E/S, MSCI Inc.

- This chart presents the estimated growth in earnings, price-to-earnings ratio (P/E NTM), price-to-earnings growth, and earnings yield (a measure of an equity-risk premium, or relative valuation, to the yield on the U.S. 10-year Treasury) for U.S. large cap (MSCI USA Index), U.S. small cap (MSCI USA Small Cap Index), foreign developed (MSCI EAFE Index) and emerging markets (MSCI Emerging Markets Index).
- Projected growth in earnings for the NTM for all equity asset classes appears robust, led by emerging markets (+73.7%) whose growth is supported by the Information Technology sector (+254.6%), Industrials (+73.6%) and Materials (+72.2%).
- The estimated growth in earnings for U.S. large cap (+34.0%) exceeds that of foreign developed (+21.4%), which may support the historical valuation premium of U.S. large cap over foreign developed.
- When considering valuation, emerging markets appear attractive by every measure. Valuation for U.S. large cap may appear stretched when considering its P/E , but its price-to-earnings growth approximates foreign developed while its earnings yield approximates U.S. small cap.
- The earnings yield for all equity classes exceeds the yield for the US 10-year Treasury, which indicates equities are relatively undervalued.

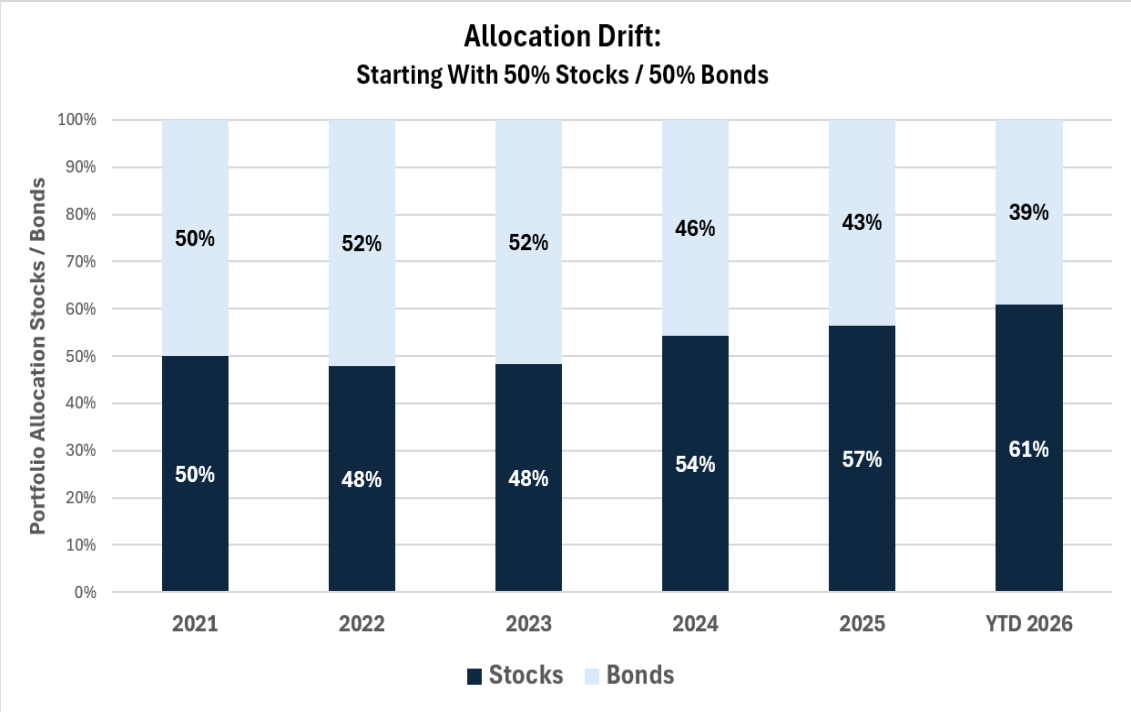
Fixed Income



Source: Bloomberg – US Treasury Yield; Bond market return is the YTD 10/31/2026 is ICE BofA US Corporate, Government & Mortgage Index.

- 10-year Treasury yields fell 36 bps over last month. When yields fall, prices rise.
- The Federal Open Market Committee (FOMC) has shown reluctance to raise rates.
- Election results have put the AI stock trade under pressure, which is filtering through to lower bond yields (higher prices) as investors look to bonds as a safe haven away from stocks.
- Corporate bonds underperformed in October as supply of new bonds surged.
- Most fixed income managers are underperforming over the last year. The U.S. bond market is down (-0.44%).

Time to Review Asset Allocation



Sources: Stocks: Russell 3000, Bond: ICE BofA US Domestic Master

- **Strong Equities, Lagging Bonds:** Stocks have posted another solid year, while fixed income has seen slightly negative returns.
- **Cumulative Growth:** This comes after two consecutive years of strong stock market gains, pushing the equity weight higher across many investor portfolios.
- **Drifting Allocations:** For example, a balanced portfolio that began in 2021 with a 50/50 stock-to-bond target may have naturally drifted to roughly 61% stocks and 39% bonds.
- **Unintentional Risk:** As your stock percentage creeps up, your overall portfolio risk profile increases—even if you never actively chose to take on that extra risk.
- **Time to Rebalance:** As the year wraps up, it is a smart move to review your holdings and rebalance back to an asset mix that matches your true comfort with risk.

Disclosures

- *Sources: BTC Capital Management, U.S. Bureau of Economic Analysis, LSEG I/B/E/S, MSCI Inc., Bloomberg, Russell 3000, ICE BofA US Domestic Master*
- *The information provided has been obtained from sources deemed reliable, but BTC Capital Management and its affiliates cannot guarantee accuracy. Past performance is not a guarantee of future returns. Performance over periods exceeding 12 months has been annualized.*
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