RIVERFRONT INVESTMENT GROUP

Weekly View

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July 2025 Chart Pack Summary

Markets Showing Resilience… Led by Technology

by CHRIS KONSTANTINOS, CFA

THE WRITING TEAM

ADAM GROSSMAN, CFA
Global Equity CIO | Partner

CHRIS KONSTANTINOS, CFA
Managing Partner |
Chief Investment Strategist

KEVIN NICHOLSON, CFA
Global Fixed Income CIO | Partner

ROD SMYTH
Chairman of the Board of Directors

DAN ZOLET, CFA
Associate Portfolio Manager

SUMMARY

- US earnings growth is being driven by technology stocks.
- Tech has much higher profit margins and lower valuations today than at the 'bubble' peak in the late 1990s.
- Tech's valuation relative to the S&P 500 is not stretched, in our view.

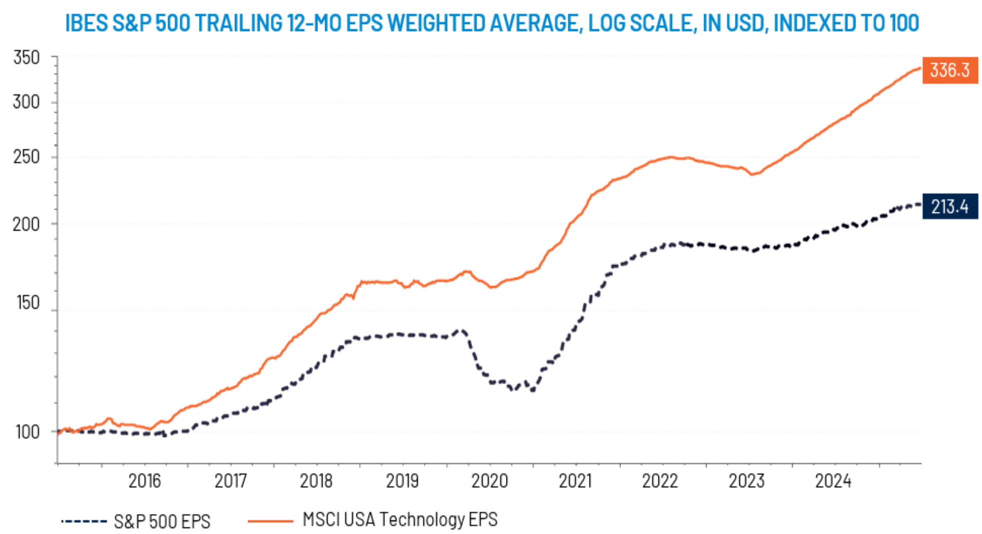
We are excited to release our July 2025 Chart Pack, our visual quarterly that is designed to walk investors through what is happening in markets and why, what may come next, and how we are positioning RiverFront portfolios. In today's *Weekly View*, we picked three Chart Pack visuals to highlight, all concerning fundamentals in the influential US technology sector.

The second quarter felt like a continuation of Q1's "Headline Hell', with controversy surrounding US budget bills, trade negotiations, and even war in the Middle East making its' presence felt. Despite these headlines, however, the US economy - and stock markets - demonstrated remarkable resilience. We believe this scenario should be sufficient to create more upside in stocks this year, despite ongoing volatility.

The second quarter in particular saw vindication for US tech investors, with the tech-heavy Nasdaq Composite overcoming its Q1 weakness to lead major indexes and post fresh all-time highs this past quarter. This strength was due, in our view, to continued strong fundamentals, as demonstrated by tech's impressive earnings performance both in absolute terms and relative to the broader S&P 500 (see Chart 1, below). For investors worried that tech stocks are now in a late 1990s-style 'bubble', we believe that today's tech companies are both dramatically more profitable than in the peak in 1999 and 'cheaper' (both relative to history and relative to the broad market - Charts 2 and 3, page 2).

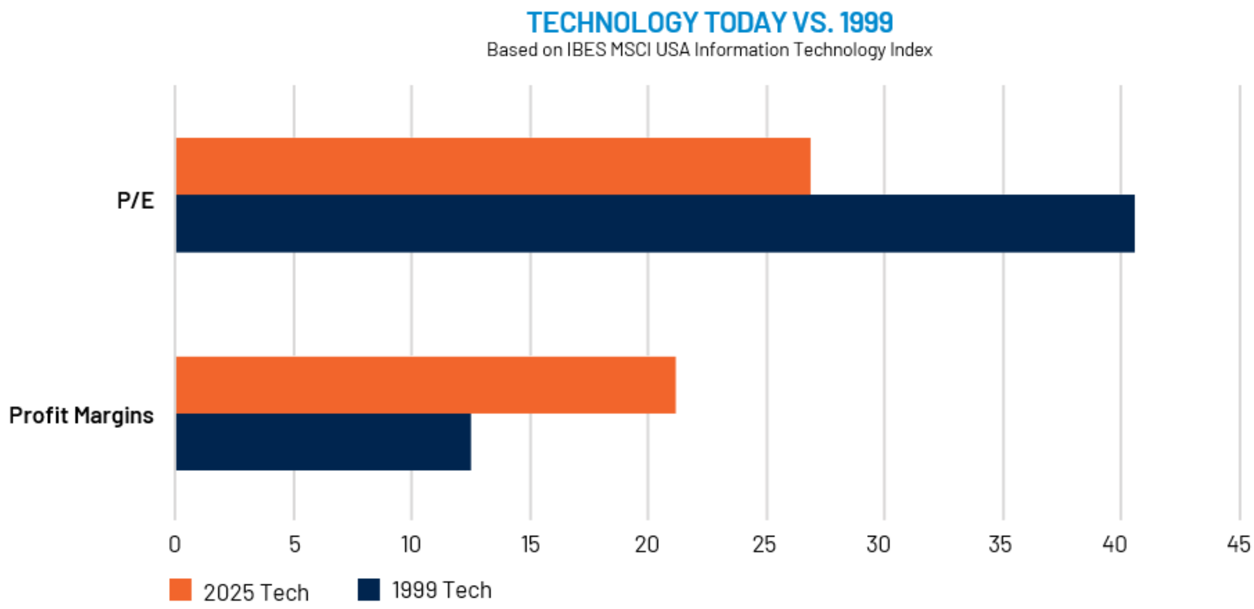
Riverfront's balanced portfolios remain overweight in US stocks, and we still favor shares of high cash flow-generating tech companies in the face of continued robust investment in cloud computing and AI.

Chart 1: US Earnings Resiliency is Led by Technology-Related Stocks



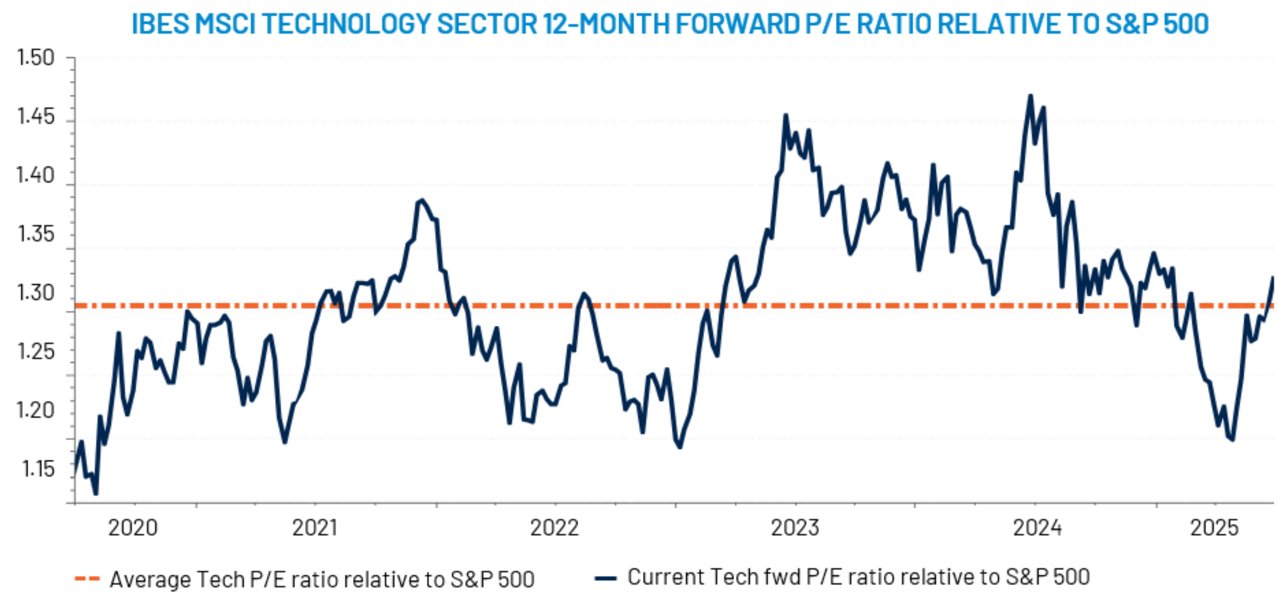
Source: LSEG Datastream; data weekly, as of 06.30.2025. Chart right shown for illustrative purposes only. Past performance is no indication of future results.

Chart 2: Tech Profitability Much Higher, Valuations Much Lower Today Than in Late 1990s 'Tech Bubble'



Source: LSEG, IBES, MSCI, Riverfront; data weekly, as of 6/30/25. Chart shown for illustrative purposes only. Past performance is no indication of future results.

Chart 3: Tech's Relative Valuation to S&P 500 Now Back Near Average



Source: LSEG Datastream; IBES, MSCI, Riverfront; data weekly, as of 06.30.2025. Chart shown for illustrative purposes only. Past performance is no indication of future results.

Risk Discussion: All investments in securities, including the strategies discussed above, include a risk of loss of principal (invested amount) and any profits that have not been realized. Markets fluctuate substantially over time, and have experienced *increased volatility in recent years due to global and domestic economic events. Performance of any investment is not guaranteed. In a rising interest rate environment, the value of fixed-income securities generally declines. Diversification does not guarantee a profit or protect against a loss. Investments in international and emerging markets securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability. Please see the end of this publication for more disclosures.*

Important Disclosure Information

The comments above refer generally to financial markets and not RiverFront portfolios or any related performance. Opinions expressed are current as of the date shown and are subject to change. Past performance is not indicative of future results and diversification does not ensure a profit or protect against loss. All investments carry some level of risk, including loss of principal. An investment cannot be made directly in an index.

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Chartered Financial Analyst is a professional designation given by the CFA Institute (formerly AIMR) that measures the competence and integrity of financial analysts. Candidates are required to pass three levels of exams covering areas such as accounting, economics, ethics, money management and security analysis. Four years of investment/financial career experience are required before one can become a CFA charterholder. Enrollees in the program must hold a bachelor's degree.

All charts shown for illustrative purposes only. Technical analysis is based on the study of historical price movements and past trend patterns. There are no assurances that movements or trends can or will be duplicated in the future.

Stocks represent partial ownership of a corporation. If the corporation does well, its value increases, and investors share in the appreciation. However, if it goes bankrupt, or performs poorly, investors can lose their entire initial investment (i.e., the stock price can go to zero). Bonds represent a loan made by an investor to a corporation or government. As such, the investor gets a guaranteed interest rate for a specific period of time and expects to get their original investment back at the end of that time period, along with the interest earned. Investment risk is repayment of the principal (amount invested). In the event of a bankruptcy or other corporate disruption, bonds are senior to stocks. Investors should be aware of these differences prior to investing.

In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa). This effect is usually more pronounced for longer-term securities). Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. Lower-quality fixed income securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Foreign investments involve greater risks than U.S. investments, and can decline significantly in response to adverse issuer, political, regulatory, market, and economic risks. Any fixed-income security sold or redeemed prior to maturity may be subject to loss.

Investing in foreign companies poses additional risks since political and economic events unique to a country or region may affect those markets and their issuers. In addition to such general international risks, the portfolio may also be exposed to currency fluctuation risks and emerging markets risks as described below.

Changes in the value of foreign currencies compared to the U.S. dollar may affect (positively or negatively) the value of the portfolio's investments. Such currency movements may occur separately from, and/or in response to, events that do not otherwise affect the value of the security in the issuer's home country. Also, the value of the portfolio may be influenced by currency exchange control regulations. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and devaluation may occur subsequent to investments in these currencies by the portfolio.

Foreign investments, especially investments in emerging markets, can be riskier and more volatile than investments in the U.S. and are considered speculative and subject to heightened risks in addition to the general risks of investing in non-U.S. securities. Also, inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Technology and internet-related stocks, especially of smaller, less-seasoned companies, tend to be more volatile than the overall market.

Artificial intelligence (AI) refers to the simulation of human intelligence by software-coded heuristics. Nowadays this code is prevalent in everything from cloud-based, enterprise applications to consumer apps and even embedded firmware.

Index Definitions:

Standard & Poor's (S&P) 500 Index measures the performance of 500 large cap stocks, which together represent about 80% of the total US equities market.

IBES MSCI USA Information Technology Sector is The MSCI USA Information Technology Index is designed to capture the large and mid cap segments of the US equity universe. All securities in the index are classified in the Information Technology sector as per the Global Industry Classification Standard (GICS®).

Definitions:

A tech bubble is an unsustainable increase in security prices driven by speculation in technology stocks, often characterized by rapid share price growth and inflated valuations.

The Institutional Brokers' Estimate System (IBES) is a database used by brokers and active investors to access the estimates made by stock analysts regarding the future earnings of publicly traded American companies.

Forward price-to-earnings is a version of the ratio of price-to-earnings (P/E) that uses forecasted earnings for the P/E calculation. Forward price-to-earnings ratio is calculated by dividing the current price by the estimated future earnings per share to estimate a company's profitability.

Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

When referring to being "overweight" or "underweight" relative to a market or asset class, RiverFront is referring to our current portfolios' weightings compared to the composite benchmarks for each portfolio. Asset class weighting discussion refers to our Advantage portfolios.

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