



THE CONCORD ADVISORY GROUP, LTD.

Institutional Investment Consulting Services

SEPTEMBER 2022 MARKET HIGHLIGHTS

“YIELDS RESETTING HIGHER”

THE CONCORD ADVISORY GROUP, LTD: SEPTEMBER 2022 MARKET HIGHLIGHTS

COMMENTARY: “YIELDS RESETTING HIGHER”

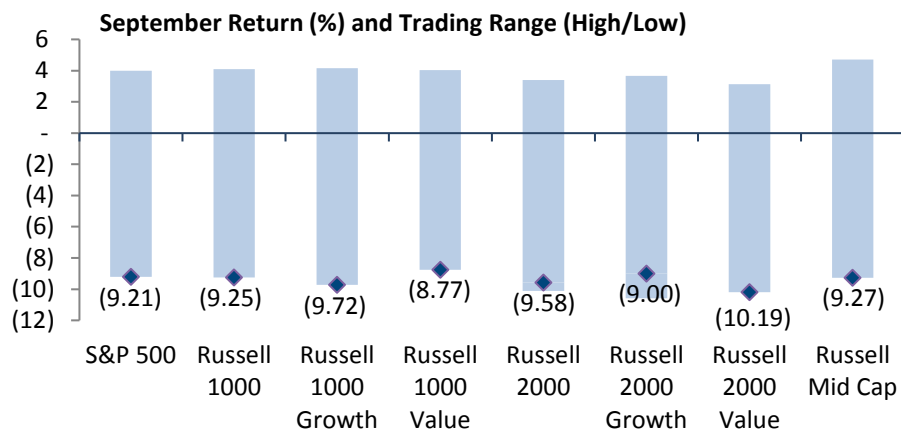
- After a year-to-date increase of 3 percent in the Fed Funds Rate, bond yields have reset higher.
- The increase in bond market risk, characterized by lower liquidity, elevated volatility, and tighter policy, has led to much improved compensation for bond investors.
- In a change from the last two-years, today’s bond yields exceed the market’s expectation for future inflation.

	Nominal Yields				Real Yield (Nominal - 5 Yr. BE)			
	Sep-22	Y-E 2021	Y-E 2020	Y-E 2019	Sep-22	Y-E 2021	Y-E 2020	Y-E 2019
Bloomberg Agg.	4.75	1.75	1.12	2.31	2.59	-1.15	-0.85	0.61
Bloomberg 1-3 Gov/Cred	4.54	0.81	0.23	1.71	2.38	-2.09	-1.74	0.01
Bloomberg HY	9.68	4.21	4.18	5.19	7.52	1.31	2.22	3.49
2 Yr. TSY	4.28	0.73	0.12	1.57	2.12	-2.17	-1.85	-0.13
5 Yr. TSY	4.09	1.26	0.36	1.69	1.93	-1.64	-1.61	-0.01
10 Yr. TSY	3.83	1.51	0.91	1.92	1.67	-1.40	-1.05	0.22
20 Yr. TSY	4.09	1.93	1.44		1.93	-0.97	-0.53	
30 Yr. TSY	3.78	1.90	1.64	2.39	1.62	-1.00	-0.32	0.69
AAA 10-YR Muni	3.26	1.05	0.69	1.48	1.10	-1.86	-1.28	-0.21
Short -Term IG Corp	4.79	0.74	0.50	2.02	2.63	-2.17	-1.47	0.32
Intermediate IG Corp	5.57	1.82	1.08	2.42	3.41	-1.09	-0.89	0.72
Long IG Corporate	5.91	3.10	2.78	3.60	3.75	0.19	0.81	1.91
Agency MBS	4.83	1.98	1.25	2.54	2.67	-0.92	-0.72	0.84
US ABS	4.84	1.13	0.45	2.05	2.68	-1.78	-1.51	0.35
"BB" High Yield	7.77	3.30	3.21	3.63	5.61	0.40	1.24	1.93
"B" High Yield	10.23	4.57	4.43	5.12	8.07	1.67	2.46	3.42
"CCC" High Yield	15.22	6.82	7.12	10.43	13.06	3.92	5.15	8.73
5 Yr. Breakeven Inflation	2.16	2.91	1.97	1.70				

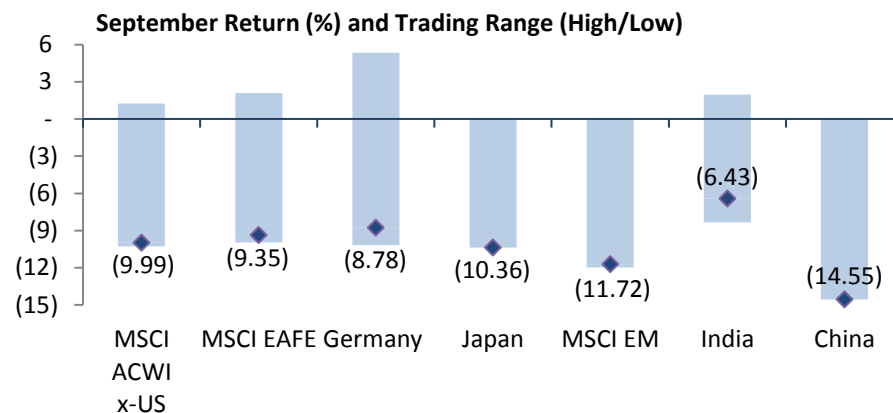
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MONTHLY CHARTS

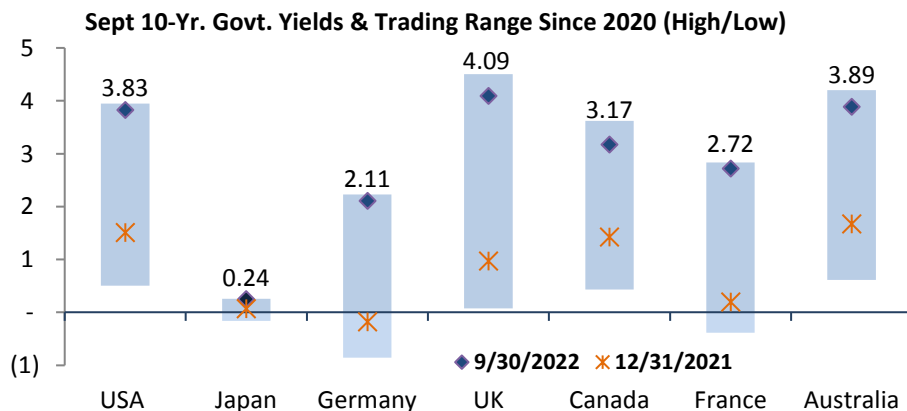
U.S. Equities: U.S. equity markets were lower. September declines were largely driven by the Federal Reserve's focus to tame inflation via raising interest rates, despite the potential for slower economic growth.



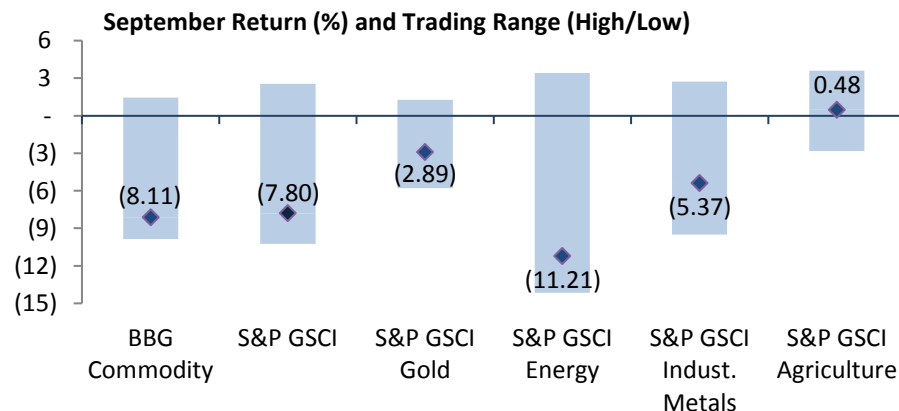
International Equities: Non-U.S. equities also posted broadly negative results, also in part due to interest rate moves across global central banks. A strong U.S. dollar added to the losses for U.S.-based investors.



Fixed Income: Fixed income markets broadly declined as yields rose. During September, the 10-year Treasury yield exceeded 4%, but moved slightly lower before month-end.



Commodities: Broad commodities prices moved lower in the period, across nearly all sectors. Agriculture was a positive exception.

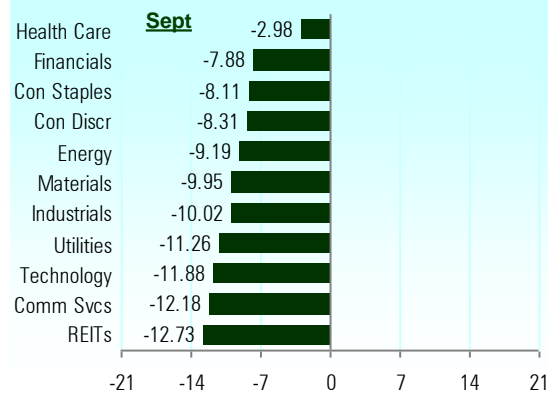


Concord Advisory Group: September 2022 Market Performance

Equity Markets	Past Month	Past 3 Months	YTD	1 Yr	3 Yrs	5 Yrs
S&P 500	-9.21%	-4.88%	-23.87%	-15.47%	8.16%	9.24%
Russell 1000	-9.25%	-4.61%	-24.59%	-17.22%	7.94%	9.00%
Russell 1000 Growth	-9.72%	-3.60%	-30.66%	-22.59%	10.67%	12.17%
Russell 1000 Value	-8.77%	-5.62%	-17.76%	-11.37%	4.36%	5.29%
Russell MidCap	-9.27%	-3.44%	-24.27%	-19.39%	5.19%	6.48%
Russell 2000	-9.58%	-2.19%	-25.11%	-23.50%	4.28%	3.55%
Russell 2000 Growth	-9.00%	0.24%	-29.28%	-29.27%	2.94%	3.60%
Russell 2000 Value	-10.19%	-4.61%	-21.12%	-17.68%	4.73%	2.87%
MSCI ACWI	-9.57%	-6.82%	-25.62%	-20.66%	3.75%	4.45%
MSCI World	-9.30%	-6.19%	-25.43%	-19.64%	4.55%	5.30%
MSCI ACWI Ex-US	-9.99%	-9.91%	-26.50%	-25.17%	-1.52%	-0.81%
MSCI EAFE	-9.35%	-9.36%	-27.10%	-25.13%	-1.84%	-0.84%
MSCI EM	-11.72%	-11.57%	-27.16%	-28.12%	-2.07%	-1.81%
Bloomberg Commodity	-8.11%	-4.11%	13.58%	11.80%	13.45%	6.96%

Fixed Income Markets	Past Month	Past 3 Months	YTD	1 Yr	3 Yrs	5 Yrs
Bloomberg Aggregate	-4.32%	-4.75%	-14.61%	-14.60%	-3.26%	-0.27%
Bloomberg Global Aggregate	-5.14%	-6.94%	-19.90%	-20.43%	-5.73%	-2.32%
Bloomberg Intermediate Aggregate	-3.48%	-3.84%	-11.04%	-11.49%	-2.33%	-0.05%
Bloomberg Universal	-4.31%	-4.45%	-14.90%	-14.92%	-3.12%	-0.18%
Bloomberg Government	-3.41%	-4.30%	-12.95%	-12.82%	-3.05%	-0.20%
Bloomberg Credit	-5.07%	-4.95%	-18.07%	-17.89%	-3.61%	-0.05%
Bloomberg Municipal	-3.84%	-3.46%	-12.13%	-11.50%	-1.85%	0.60%
Bloomberg High Yield	-3.97%	-0.65%	-14.75%	-14.14%	-0.45%	1.57%
Bloomberg Mortgage	-5.05%	-5.35%	-13.66%	-13.98%	-3.67%	-0.93%
Bloomberg 1-3 Yr Gov/Credit	-1.22%	-1.48%	-4.54%	-5.08%	-0.42%	0.70%
FTSE 3-Month Treasury Bill	0.20%	0.45%	0.63%	0.64%	0.57%	1.13%
FTSE World Govt Bond	-5.10%	-7.61%	-21.27%	-22.14%	-7.03%	-3.07%
Bloomberg U.S. TIPS	-6.62%	-5.14%	-13.61%	-11.57%	0.80%	1.96%
BofAML Invest Grade Convertible	-6.63%	-1.24%	-10.87%	-6.35%	2.91%	6.72%

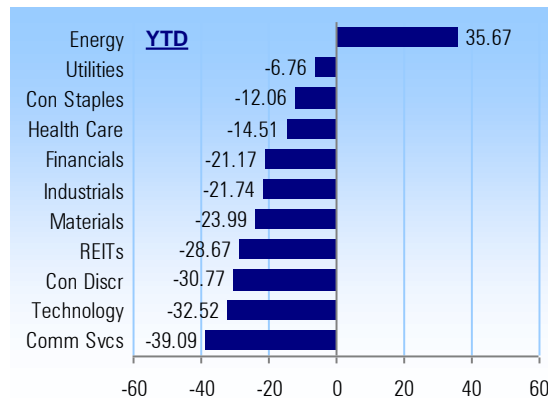
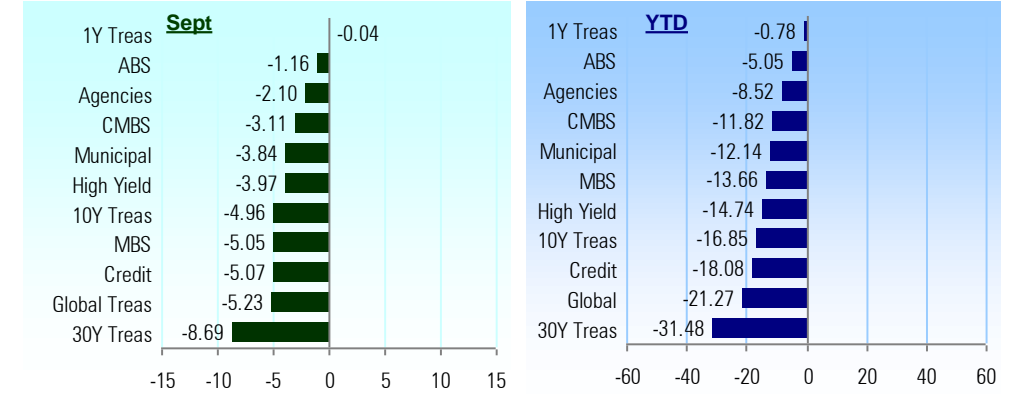
Equity Sector Returns (%)



Equity Style Returns (%)

Style	Sept	Value	Core	Growth
Large	-8.77	-9.25	-9.72	
Mid	-9.70	-9.27	-8.49	
Small	-10.19	-9.58	-9.00	

Fixed Income Sector Returns (%)



Style	YTD	Value	Core	Growth
Large	-17.76	-24.59	-30.66	
Mid	-20.36	-24.27	-31.45	
Small	-21.12	-25.11	-29.28	

Treasury Yield Curve

