



Canterbury Consulting

canterburyconsulting.com

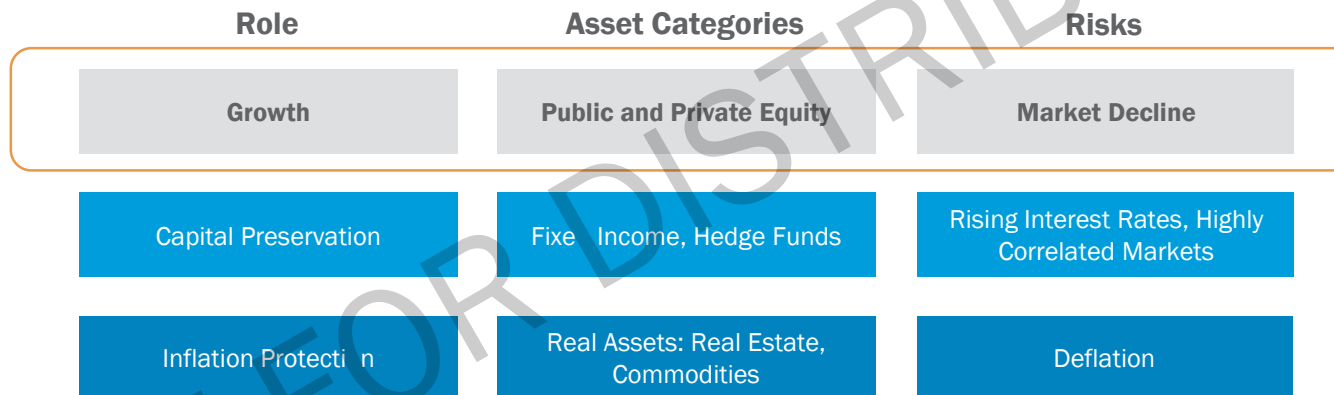
Quarterly Asset Class Report Global Equity

Canterbury Consulting ("CCI") is an SEC registered Investment Adviser. Information pertaining to CCI's advisory operations, services, and fees is set forth in CCI's current Form ADV Part 2 (Brochure), a copy of which is available upon request and at www.adviserinfo.sec.gov. Information provided through CCI's Quarterly Outlook related to market or asset class performance figures is believed to be derived from reliable sources. However, CCI assumes no responsibility for their content or the manner in which the viewer utilizes such information. The performance information presented in certain charts or tables is for informational purpose only and represents historical performance based on available market data results for the quarterly period shown above and does not reflect any performance related to trading in actual accounts. Any recommendations or statement made in the Quarterly Outlook is not to be construed as specific investment advice. The viewer should be aware of the inherent limitations of data derived from the retroactive application of historical data developed with the benefit of hindsight and that actual results may differ. Actual performance with client accounts would be materially less than the stated performance results for the same period when including the deduction of advisory fees, brokerage or other commissions, and any other expenses that a client would have paid.

June 30, 2022

Canterbury Consulting recommends and communicates asset class strategy with the objective of constructing a diversified portfolio of long-only equity strategies designed to (in aggregate):

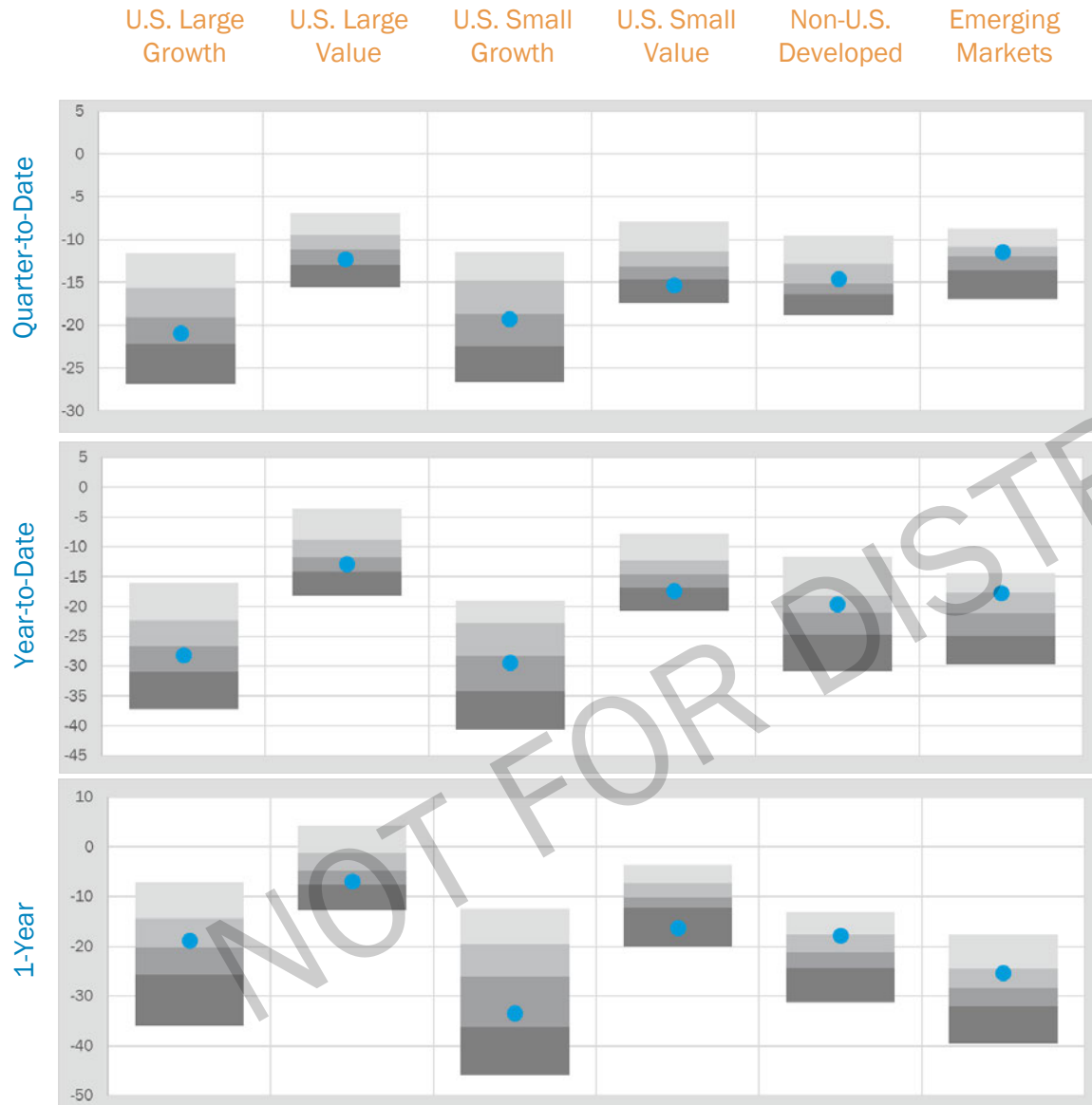
- Provide growth of portfolio assets in excess of inflation and spending rates
- Maintain comparable exposure to the global equity market
- Exhibit returns uncorrelated to fixed income markets



- Canterbury global equity portfolios are set up with a goal to deliver consistent net-of-fees excess returns and moderate tracking error versus the MSCI All Country World Index over longer periods of time.

Performance (%) as of June 30, 2022

Equity Review



Blue dots represent the returns of the respective Russell & MSCI benchmarks; gray floating bar charts represent the peer groups by quartile.

- The major U.S. indices fell in the quarter and marked the worst start to the year in over 50 years.
 - Small value and large value companies continued to outperform their growth counterparts in the quarter. Large value and small value companies are now outperforming over the one-year period.
- Non-U.S. developed equities and emerging markets (EM) equities were negative in the quarter. EM equities held up relatively well following a strong quarter from China stocks.

Sources: Morningstar Direct, Russell, MSCI

Market Capitalization Mix

Equity Review

Equity: U.S. Market Cap

	Current	10 Year Avg	Deviation from Mean*	Large	Neutral	Small
Valuation	Russell Top 200 Current P/E (Large Cap)	19.31	19.87	-0.15	-	
	R2000 Current P/E (Small Cap)	66.30	77.72	-0.94	-	
	Avg P/E Ratio (Large/Small)	0.29	0.34	-0.29	-	
	Russell Top 200 EV/EBITDA^ (Large Cap)	12.89	12.47	0.17	-	
	R2000 EV/EBITDA (Small Cap)	12.90	18.34	-1.04		+
	Avg EV/EBITDA Ratio (Large/Small)	1.00	0.69	2.30		++
	Russell Top 200 P/S (Large Cap)	2.61	2.26	0.60	-	
	R2000 P/S (Small Cap)	1.09	1.19	-0.67	-	
	Avg P/S Ratio (Large/Small)	2.40	1.88	1.30		+
Solvency	Russell Top 200 Debt/EBITDA (Large Cap)	3.51	4.21	-2.40	++	
	Russell 2000 Debt/EBITDA (Small Cap)	5.12	6.93	-0.81	-	
	Avg Debt/EBITDA Ratio (Large/Small)	0.69	0.64	0.36	-	
Growth	Russell Top 200 LT EPS Gr (Fwd) (Large Cap)	9.94	9.58	0.06	-	
	R2000 LT EPS Gr (Fwd) (Small Cap)	11.30	9.56	0.61	-	
	Avg Growth Ratio (Large/Small)	0.88	0.98	-0.11	-	
Economy	Case Shiller Home Price (YoY)	21.23	7.66	2.55		++
	Total Leading Economic Indicators	118.30	104.05	1.59		+
	Currency (USD v Broad Basket)	104.69	92.36	1.80		+
	Curve Steepness 2 to 10's	0.06	1.03	-1.46	+	

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the "Z-Score." '+' denotes one standard deviation, and '++' denotes two standard deviations in favor of the asset class.

^ EV/EBITDA, also known as the "enterprise multiple," is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- There are various metrics used to value the equity universe. Canterbury prefers Price/Earnings, EV/EBITDA, and Price/Sales.
- The P/E metric for large caps fell below its 10-year average. Small caps remain below historical averages. The growth estimates for both small caps and large caps are above long-term averages.

The interest rate spread between the 10-year and two-year U.S. Treasury remained close to zero in the quarter and is below its long-term average.

Source: Russell

Region Mix — U.S. vs. R.O.W.

Equity: Region (U.S./Global)		Current	10 Year Avg	Deviation from Mean*	U.S.	Neutral	R.O.W.
Valuation	S&P 500 Current P/E	18.96	19.95	-0.27		-	
	MSCI ACWI Current P/E	15.55	19.00	-0.98		-	
	Avg P/E Ratio (US /ACWI)	1.22	1.05	2.19			++
	S&P 500 EV/EBITDA [^]	12.69	12.69	0.00		-	
	MSCI ACWI EV/EBITDA	10.53	11.26	-0.41		-	
	Avg EV/EBITDA Ratio (US/ACWI)	1.21	1.12	1.45			+
	S&P 500 P/S	2.35	2.06	0.62		-	
	MSCI ACWI P/S	1.71	1.56	0.48		-	
Avg P/S Ratio (US/ACWI)	1.38	1.32	1.33			+	
Solvency	S&P 500 Debt/EBITDA	3.53	4.16	-1.62	+		
	MSCI ACWI Debt/EBITDA	5.11	5.93	-1.57			+
	Avg Debt/EBITDA Ratio (US/ACWI)	0.69	0.7	-0.40		-	
Growth	S&P 500 LT EPS Gr (Fwd)	9.96	8.98	0.11		-	
	MSCI ACWI LT EPS Gr (Fwd)	28.39	9.64	0.73			+
	Avg Growth Ratio (US/ACWI)	0.35	0.96	-1.02			+
Economy	Currency (USD - Broad Basket)	104.69	92.36	1.80			+

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the "Z-Score." '+' denotes one standard deviation, and '++' denotes two standard deviations in favor of the asset class.

[^] EV/EBITDA, also known as the "enterprise multiple," is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

Equity Review

- Earnings multiples and EV multiples continued to fall for U.S. equities and non-U.S. equities. Earnings multiples are now below long-term averages.
- Debt levels continue to be below long-term averages for both U.S. and global (R.O.W.) stocks, suggesting less concerning leverage conditions. Domestic equities long-term growth estimates and R.O.W. equities growth estimates are above long-term averages.
- The U.S. dollar strengthened in the quarter and was a relative headwind to international returns.

Sources: MSCI, Standard & Poor's

Region Mix – Non-U.S. Developed vs. R.O.W.

Equity Review

Equity: Region (Non-U.S. Dev/Global)		Current	10 Year Avg	Deviation from Mean*	Non-U.S. Dev	Neutral	R.O.W.
Valuation	MSCI EAFE Current P/E	12.27	19.20	-1.20	+		
	MSCI ACWI Current P/E	15.55	19.00	-0.98		-	
	Avg P/E Ratio (EAFE/ACWI)	0.79	1.01	-1.80	+		
	MSCI EAFE EV/EBITDA [^]	7.75	9.78	-1.77	+		
	MSCI ACWI EV/EBITDA	10.53	11.26	-0.41		-	
	Avg EV/EBITDA Ratio (EAFE/ACWI)	0.74	0.88	-1.98	+		
	MSCI EAFE P/S	1.15	1.15	0.05		-	
	MSCI ACWI P/S	1.71	1.56	0.48		-	
Avg P/S Ratio (EAFE/ACWI)	0.68	0.74	-1.39	+			
Solvency	MSCI EAFE Debt/EBITDA	7.15	8.27	-1.10	+		
	MSCI ACWI Debt/EBITDA	5.11	5.93	-1.57			+
	Avg Debt/EBITDA Ratio (EAFE/ACWI)	1.40	1.39	0.11		-	
Growth	MSCI EAFE LT EPS Gr (Fwd)	10.67	30	0.15		-	
	MSCI ACWI LT EPS Gr (Fwd)	28.39	9.64	0.73		-	
	Avg Growth Ratio (EAFE/ACWI)	0.38	0.66	-0.12		-	
Economy	USD/EUR	1.05	1.18	-1.43	+		

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the "Z-Score." '+' denotes one standard deviation, and '++' denotes two standard deviations in favor of the asset class.

[^] EV/EBITDA, also known as the "enterprise multiple," is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

- The non-U.S. developed and the R.O.W. P/E ratios fell in the quarter. Most of the valuation metrics for both non-U.S. developed and R.O.W. equity valuations are below their long-term averages.
- Debt levels for both non-U.S. developed and R.O.W. stock remained below their long-term averages in the quarter.
- Earnings growth forecasts rose for both non-U.S. developed equities and R.O.W. equities.
- The euro continued to weaken versus the dollar and remains below its 10-year average.

Source: MSCI

Region Mix – Emerging Markets vs. R.O.W.

Equity Review

Equity: Region (EM/Global)		Current	10 Year Avg	Deviation from Mean*	EM	Neutral	R.O.W.
Valuation	MSCI EM Current P/E	10.89	14.20	-1.25	+		
	MSCI ACWI Current P/E	15.55	19.00	-0.98		-	
	Avg P/E Ratio (EM/ACWI)	0.70	0.75	-0.96		-	
	MSCI EM EV/EBITDA^	8.26	8.64	-0.25		-	
	MSCI ACWI EV/EBITDA	10.53	11.26	-0.41		-	
	Avg EV/EBITDA Ratio (EM/ACWI)	0.78	0.77	0.37		-	
	MSCI EM P/S	1.18	1.21	-0.13		-	
	MSCI ACWI P/S	1.71	1.56	0.48		-	
	Avg P/S Ratio (EM/ACWI)	0.69	0.78	-1.37	+		
Solvency	MSCI EM Debt/EBITDA	4.44	4.48	-0.07		-	
	MSCI ACWI Debt/EBITDA	5.11	5.93	-1.57			+
	Avg Debt/EBITDA Ratio (EM/ACWI)	0.87	0.76	1.56			+
Growth	MSCI EM LT EPS Gr (Fwd)	10.16	9.36	0.03		-	
	MSCI ACWI LT EPS Gr (Fwd)	28.39	9.64	0.73		-	
	Avg Growth Ratio (EM/ACWI)	0.36	0.91	-1.16			+

- The EM equities and R.O.W equities valuation multiples fell in the quarter, with most of the valuations at or below historical averages. EM equities appear to be attractively valued from a relative valuation standpoint
 - Debt levels for EM countries remain around long-term averages and remain below historical averages for R.O.W. equities.
- Growth expectations fell for EM and rose for R.O.W. equities. R.O.W. equities growth expectations are above historical averages.

*Deviation from mean represents how many standard deviations the current value is above or below the 10-year average, also known as the "Z-Score." '+' denotes one standard deviation, and '++' denotes two standard deviations in favor of the asset class.

^ EV/EBITDA, also known as the "enterprise multiple," is a ratio used to determine the value of a company. Unlike P/E, the enterprise multiple takes debt into account. This is often the ratio used by companies looking to acquire another business.

Source: MSCI