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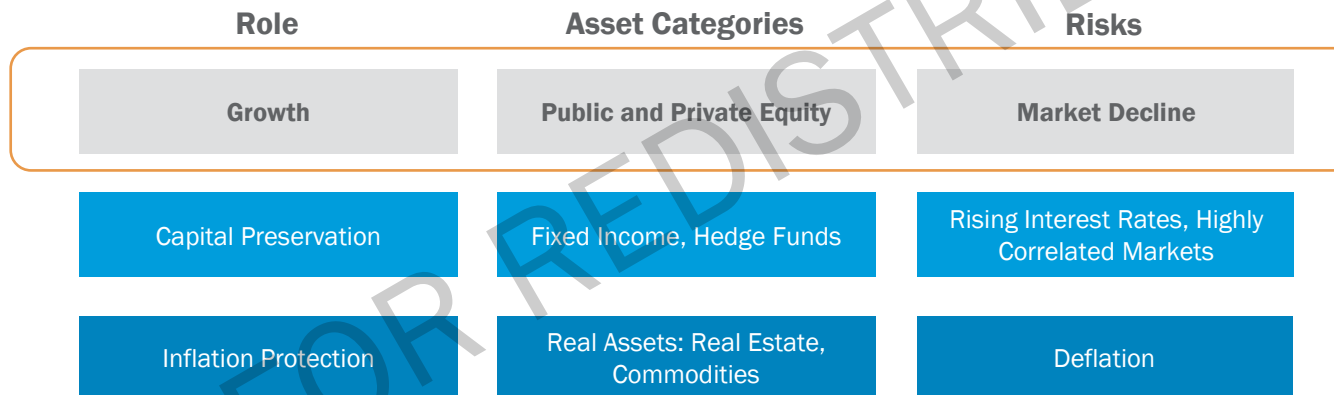
Quarterly Asset Class Report Global Equity

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September 30, 2024

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

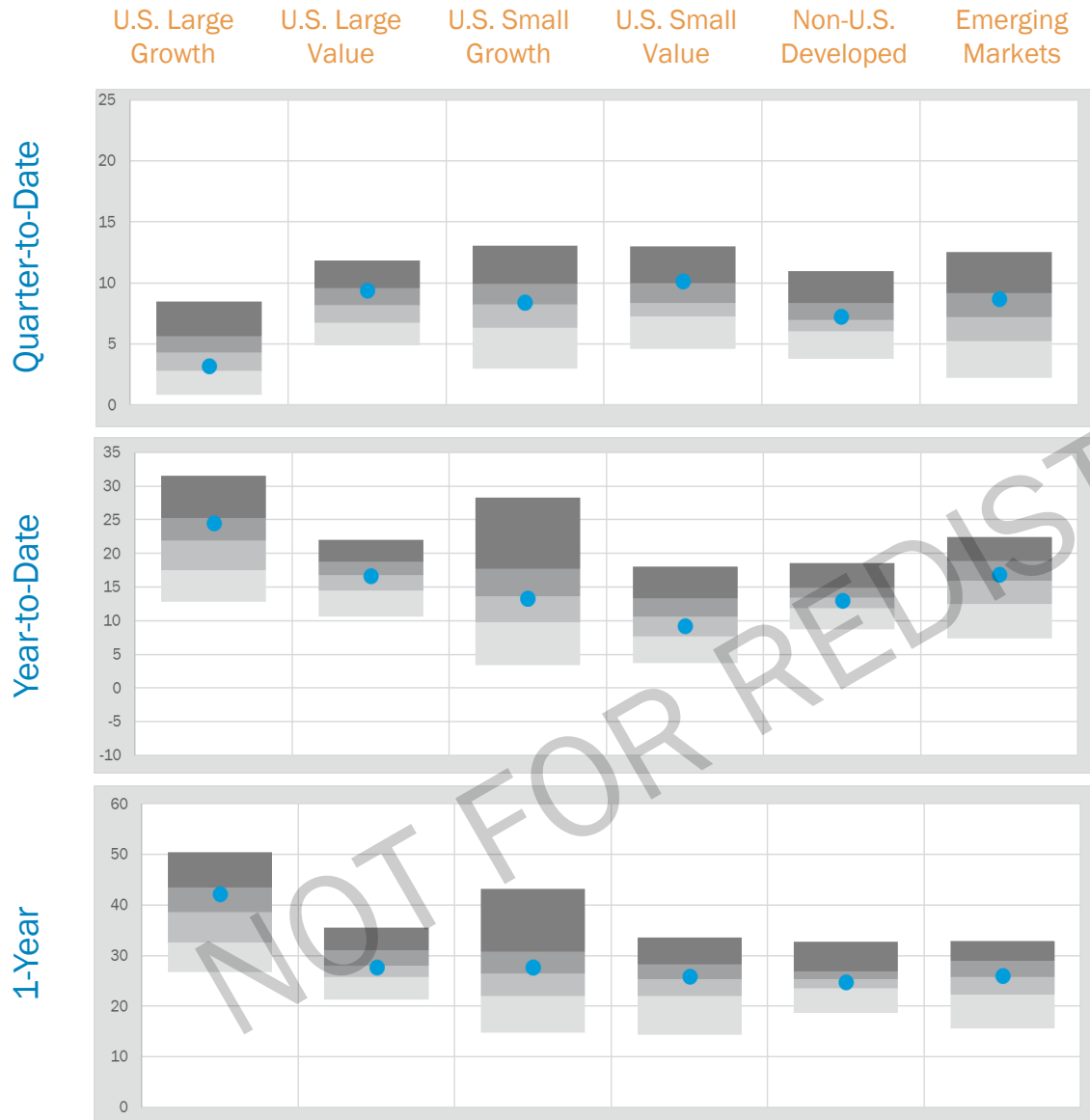
- Provide growth of portfolio assets in excess of inflation and spending rates
- Maintain comparable exposure to the global equity market
- Exhibit returns uncorrelated to fixed income markets



- 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 September 30, 2024

Equity Review



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

- The U.S. large-cap growth index lagged behind the large-cap value index, with both small-cap value and growth posting strong comparable returns for the quarter.
- Small growth underperformed small value for the quarter, but still is ahead on a year-to-date basis and on a trailing 1-year basis. Large growth underperformed large value for the quarter but remains ahead on a year-to-date and trailing 1-year basis.
- Emerging markets equities and non-US developed equities both posted positive returns for the quarter, with EM outpacing non-US developed. EM equities held up relatively better than Non-U.S. developed equities in both the year-to-date and trailing 1-year period.

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)	27.50	21.31	1.68		+
	R2000 Current P/E (Small Cap)	42.66	37.84	0.28	-	
	Avg P/E Ratio (Large/Small)	0.64	0.59	0.35	-	
	Russell Top 200 EV/EBITDA^ (Large Cap)	17.36	13.53	1.78		+
	R2000 EV/EBITDA (Small Cap)	16.34	16.99	-0.18	-	
	Avg EV/EBITDA Ratio (Large/Small)	1.06	0.81	1.69		+
	Russell Top 200 P/S (Large Cap)	3.43	2.52	1.67		+
	R2000 P/S (Small Cap)	1.38	1.27	0.65	-	
	Avg P/S Ratio (Large/Small)	2.49	1.99	1.32		+
Solvency	Russell Top 200 Debt/EBITDA (Large Cap)	3.61	4.09	-1.29	+	
	Russell 2000 Debt/EBITDA (Small Cap)	6.28	6.64	-0.22	-	
	Avg Debt/EBITDA Ratio (Large/Small)	0.57	0.63	-0.62	-	
Growth	Russell Top 200 LT EPS Gr (Fwd) (Large Cap)	12.87	8.35	0.12	-	
	R2000 LT EPS Gr (Fwd) (Small Cap)	12.15	11.93	0.02	-	
	Avg Growth Ratio (Large/Small)	1.06	0.80	0.11	-	
Economy	Case Shiller Home Price (YoY)	5.92	6.81	-0.17	-	
	Total Leading Economic Indicators	100.20	106.94	-1.10	+	
	Currency (USD v Broad Basket)	100.78	97.51	0.65	-	
	Curve Steepness 2's to 10's	0.14	0.52	-0.54	-	

*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 valuation metrics for large and small caps increased during the quarter, with large caps remaining above long-term averages and small caps now climbing above long-term averages.
- The interest rate spread between the 10-year and two-year U.S. Treasury climbed to positive territory for the quarter however remains below its historical mean.

Source: Russell

Region Mix — U.S. vs. R.O.W.

Equity Review

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	26.29	21.13	1.48			+
	MSCI ACWI Current P/E	22.15	18.68	1.19	+		
	Avg P/E Ratio (US /ACWI)	1.19	1.13	1.00			+
	S&P 500 EV/EBITDA [^]	16.67	13.49	1.60			+
	MSCI ACWI EV/EBITDA	13.94	11.90	1.49	+		
	Avg EV/EBITDA Ratio (US/ACWI)	1.20	1.13	0.83		-	
	S&P 500 P/S	3.00	2.28	1.78			+
Solvency	MSCI ACWI P/S	2.25	1.70	1.92	+		
	Avg P/S Ratio (US/ACWI)	1.33	1.34	-0.26		-	
	S&P 500 Debt/EBITDA	3.66	4.08	-1.02	+		
Growth	MSCI ACWI Debt/EBITDA	5.16	5.80	-1.07			+
	Avg Debt/EBITDA Ratio (US/ACWI)	0.71	0.70	0.21		-	
	S&P 500 LT EPS Gr (Fwd)	13.19	8.71	0.26		-	
Economy	MSCI ACWI LT EPS Gr (Fwd)	10.52	10.98	-0.01		-	
	Avg Growth Ratio (US/ACWI)	1.25	0.98	0.31		-	
	Currency (USD v Broad Basket)	100.78	97.51	0.65		-	

*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.

- Earnings multiples and EV multiples increased slightly for U.S. equities and non-U.S. equities. Multiples remained above long-term averages for both U.S. and non-U.S. equities in the quarter.
- Debt levels continue to be below long-term averages for both U.S. and global (R.O.W.) stocks, suggesting less concerning leverage conditions.
- R.O.W. and U.S. equities long-term growth estimates declined. The growth metric tends to be quite volatile quarter over quarter.
- The U.S. dollar weakened in the quarter and was a relative tailwind 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	16.95	16.42	0.19		-	
	MSCI ACWI Current P/E	22.15	18.68	1.19	+		
	Avg P/E Ratio (EAFE/ACWI)	0.77	0.88	-1.59	+		
	MSCI EAFE EV/EBITDA [^]	10.27	10.50	-0.15		-	
	MSCI ACWI EV/EBITDA	13.94	11.90	1.49	+		
	Avg EV/EBITDA Ratio (EAFE/ACWI)	0.74	0.88	-1.25	+		
	MSCI EAFE P/S	1.54	1.24	1.97			+
	Avg P/S Ratio (EAFE/ACWI)	0.68	0.73	-1.06	+		
Solvency	MSCI EAFE Debt/EBITDA	7.09	8.11	-1.06	+		
	MSCI ACWI Debt/EBITDA	5.16	5.80	-1.07			+
	Avg Debt/EBITDA Ratio (EAFE/ACWI)	1.37	1.40	-0.41		-	
Growth	MSCI EAFE LT EPS Gr (Fwd)	5.37	4.87	0.02		-	
	MSCI ACWI LT EPS Gr (Fwd)	10.52	10.98	-0.01		-	
	Avg Growth Ratio (EAFE/ACWI)	0.51	0.39	0.05		-	
Economy	USD/EUR	1.11	1.12	-0.19		-	

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[^] 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 rose in the quarter. Valuation metrics for non-U.S. developed appear more attractive than R.O.W. equity valuations.
- Debt levels for both non-U.S. developed and R.O.W. stocks decreased in the quarter and remain below their long-term averages.
- Earnings growth forecasts rose for non-U.S. developed equities but fell for R.O.W. equities. Growth forecasts tend to fluctuate significantly quarter over quarter.
- The euro strengthened in the quarter and remains below its long-term 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	16.26	14.25	0.81		-	
	MSCI ACWI Current P/E	22.15	18.68	1.19	+		
	Avg P/E Ratio (EM/ACWI)	0.73	0.76	-0.59		-	
	MSCI EM EV/EBITDA [^]	10.59	8.75	1.39			+
	MSCI ACWI EV/EBITDA	13.94	11.90	1.49	+		
	Avg EV/EBITDA Ratio (EM/ACWI)	0.76	0.74	0.53		-	
	MSCI EM P/S	1.49	1.24	1.29			+
	MSCI ACWI P/S	2.25	1.70	1.92	+		
	Avg P/S Ratio (EM/ACWI)	0.66	0.73	-1.26	+		
Solvency	MSCI EM Debt/EBITDA	5.06	4.84	0.55		-	
	MSCI ACWI Debt/EBITDA	5.16	5.80	-1.07			+
	Avg Debt/EBITDA Ratio (EM/ACWI)	0.98	0.84	2.20			++
Growth	MSCI EM LT EPS Gr (Fwd)	10.56	11.20	-0.03		-	
	MSCI ACWI LT EPS Gr (Fwd)	10.52	10.98	-0.01		-	
	Avg Growth Ratio (EM/ACWI)	1.00	1.09	-0.15		-	

*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.

- EM equities and global equities valuation multiples generally rose in the quarter. EM equities appear to be discounted to global equities from a relative valuation standpoint.
- Debt levels for EM countries are slightly above long-term averages and remain below historical averages for R.O.W. equities.
- Growth expectations declined for both EM equities and R.O.W. equities.

Source: MSCI