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**First Quarter 2026 Weather(ly) Report
April 2026**

As we head into spring and reflect on the first quarter, we saw incredible amounts of geopolitical news, technological advancements and realignment of supply chains impacting global growth, interest rates and inflation. Development of the war in Iran continued, with airstrikes and regional attacks alongside diplomatic efforts to deescalate. As of this writing, The US and Iran agreed to a two-week ceasefire and that during that time oil, gas and other vessels are able to move through the Strait of Hormuz. The conflict has disrupted global oil markets and supply chains, creating wide economic impact.

During the first quarter, the S&P 500 fell 4.33%; energy, materials and utilities performed well while financials, consumer discretionary and information technology sectors suffered. Private credit markets have experienced high levels of redemptions, leading many firms to impose withdrawal restrictions to avoid facing liquidity issues. The redemption surge was driven primarily by concerns around credit quality and artificial intelligence lending.

Throughout the quarter, investors saw volatility in fixed income alongside equity markets at the inception of the war with Iran. Municipal bonds and longer-term mortgage rates settled down near quarter end. The Federal Reserve meeting on March 18 left interest rates unchanged, citing sticky inflation. Unemployment rates evolving under artificial intelligence ended the quarter at 4.3%. The Federal Reserve’s dual mandate of price stability and maximum employment is being tested as the war on Iran enters week 6 and the impact of artificial intelligence reaches across industries. Global growth expectations are being adjusted downward depending on the duration of the conflict in the Middle East.

Weatherly continued to target neutral asset allocation and diversification across positions and industries, coupled with high quality fixed income. While energy-related stocks spiked, software company prices plummeted. Raw materials such as gold, silver and copper held at high levels near quarter end.

“Top Ten” Holdings*

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|--------------------|-------------------------------|
| 1. Apple Inc. | 6. Costco Corp. |
| 2. Amazon.com Inc. | 7. Invesco Global Water ETF |
| 3. Netflix Inc. | 8. Vanguard Intl Dividend ETF |
| 4. Microsoft Corp. | 9. Waste Management Inc. |
| 5. Alphabet Inc. | 10. NVIDIA Corp. |

With the tax deadline a week away, clients are seeing the impact of the Big Beautiful Bill passed July 4th, 2025. Specifically, planning associated with estate tax exemptions at \$15 million per person, enhanced senior deductions and new caps (some temporary) on SALT deductions and charitable donations. Details regarding current tax rates, exclusions and credits can be found in [Weatherly’s 2026 Key Financial Data Chart](#). As 2025 tax returns are finalized, our team is requesting completed copies from clients to further incorporate into planning initiatives this year.

History tells us that the presidential party almost always loses ground in midterm house elections. The 2026 US midterm elections are underway as both parties compete for control of Congress amid tight races and ongoing policy debates.

As of this writing, the Artemis II moon mission has now traveled further than Apollo 13’s record in 1972. The astronauts have now begun their journey home. We look forward to connecting throughout the coming quarter and welcome your questions and calls.

*Please see reverse side

*** TOP TEN DISCLOSURE**

“Top Ten” holdings consist of Weatherly’s largest stock positions as of quarter end. A full list of holdings is available upon request. It should not be assumed that any of the securities, transactions, or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account’s portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed do not represent an account’s entire portfolio and, in the aggregate, may represent only a small percentage of an account’s portfolio holdings.

	<u>WAM Equity**</u> <u>(gross fee)</u>	<u>WAM Equity</u> <u>(net fee)</u>	<u>S&P 500t</u>	<u>MSCI ACWI</u> <u>(gross USD)</u>	<u>WAM Fixed**</u> <u>(gross fee)</u>	<u>WAM Fixed</u> <u>(net fee)</u>	<u>Merrill Lynch</u> <u>1-3 year</u>	<u>WAM Balanced**</u> <u>(gross fee)</u>	<u>WAM Balanced</u> <u>(net fee)</u>	<u>Blended</u> <u>Benchmark</u>
2008	-34.04%	-35.04%	-36.99%	-41.84%	-0.95%	-1.45%	6.61%			
2009	32.36%	31.36%	26.47%	35.41%	10.63%	10.13%	0.78%			
2010	11.93%	10.93%	15.06%	13.21%	6.77%	6.27%	2.35%			
2011	-5.58%	-6.85%	2.12%	-6.86%	4.37%	3.87%	1.55%			
2012	16.36%	15.36%	16.00%	16.80%	5.99%	5.49%	0.43%	11.84%	11.09%	8.18%
2013	28.20%	27.20%	32.41%	23.44%	-1.62%	-2.12%	0.36%	15.41%	14.66%	15.61%
2014	8.53%	7.53%	13.69%	4.71%	5.55%	5.05%	0.62%	7.43%	6.68%	7.01%
2015	4.86%	3.86%	1.38%	-1.84%	1.31%	0.81%	0.54%	3.55%	2.80%	1.09%
2016	8.70%	7.70%	11.95%	8.48%	2.79%	2.29%	0.88%	6.41%	5.66%	6.33%
2017	24.52%	23.52%	21.82%	24.62%	4.49%	3.99%	0.42%	17.01%	16.26%	10.75%
2018	-1.92%	-2.92%	-4.39%	-8.93%	0.61%	0.11%	1.59%	-0.80%	-1.55%	-1.06%
2019	32.54%	31.54%	31.48%	27.30%	7.05%	6.55%	3.55%	22.85%	22.10%	17.01%
2020	30.97%	29.97%	18.39%	16.82%	4.35%	3.85%	3.10%	21.36%	20.61%	12.08%
2021	20.55%	19.55%	28.68%	19.04%	0.69%	0.19%	-0.55%	14.34%	13.59%	13.45%
2022	-22.33%	-23.33%	-18.13%	-17.96%	-5.71%	-6.21%	-3.65%	-17.45%	-18.20%	-10.80%
2023	26.32%	25.32%	26.26%	22.81%	5.39%	4.89%	4.26%	19.10%	18.35%	15.03%
2024	21.42%	20.42%	25.02%	18.02%	3.76%	3.26%	4.10%	15.68%	14.93%	14.26%
2025	14.19%	13.19%	17.86%	22.87%	5.86%	5.36%	5.09%	11.45%	10.70%	11.54%
1st Quarter 2026	-1.60%	-1.85%	-4.33%	-3.11%	0.23%	0.10%	0.29%	-1.02%	-1.21%	-2.02%
5-Year Trailing (Ann.)	9.62%	8.62%	12.04%	9.98%	2.06%	1.56%	1.86%	7.22%	6.47%	7.12%
10-Year Trailing (Ann.)	13.99%	12.99%	14.13%	11.88%	2.67%	2.17%	1.78%	10.10%	9.35%	8.19%
Since Inception (Ann.)	10.72%	9.72%	10.88%	8.46%	4.30%	3.80%	3.24%	9.81%	9.06%	8.03%

Please see footnotes

**** PERFORMANCE DISCLOSURE**

Please note, the Weatherly Asset Management (WAM) Equity performance is a mid- to large-cap value equity approach and the WAM Fixed Income performance is a high-quality intermediate-maturity investment approach. Performance numbers up to 12/31/05 are prepared in compliance with Association of Investment Management Research Performance Presentation Standards (AIMR PPS). Periods from 12/31/05 to 12/31/10 meet the requirements of the revised version of Global Investment Performance Standards (GIPS). Periods from 12/31/10 are calculated in a similar manner but GIPS standards no longer permit carve outs, therefore we no longer claim GIPS compliance. The gross fee returns shown above are presented after deduction of all transaction costs, but prior to the deduction of advisory fees and such other possible expenses as custodial fees. The net of fee return is calculated by subtracting the advisory fees. Investment advisory fees are described in Part II of Weatherly’s Form ADV. For the 1st Quarter 2026, the maximum quarterly management fee is 0.25% for Weatherly’s Equity Composite and 0.125% for the Fixed Income Composite.

Composite rates of return, since inception on an annualized basis after deduction of the maximum quarterly management fee is as follows for equity accounts for 1995, 32.41%, for 1995 and 1996 combined, 28.50%, for 1995-1997 combined, 30.24%, for 1995-1998 combined, 26.15%, for 1995-1999 combined, 25.06%, for 1995-2000 combined, 18.31%, for 1995-2001 combined, 12.70%, for 1995-2002 combined, 7.44%, for 1995-2003 combined, 9.53%, for 1995-2004 combined, 9.94%, for 1995-2005 combined, 10.05%, for 1995-2006 combined, 10.48%, for 1995-2007 combined, 10.46%, for 1995-2008 combined, 6.36% for 1995-2009 combined 7.87%, for 1995-2010 combined, 8.06%, for 1995-2011 combined, 7.14%, for 1995-2012 combined, 7.58%, for 1995-2013 combined, 8.57%, for 1995-2014 combined, 8.54%, for 1995-2015 combined, 8.31%, for 1995-2016 combined, 8.29%, for 1995-2017 combined, 8.91%, for 1995-2018 combined, 8.39%, for 1995-2019 combined, 9.23%, for 1995-2020 combined, 9.96%, for 1995-2021 combined, 10.31%, for 1995-2022 combined, 8.88%, for 1995-2023 combined, 9.41%, for 1995-2024 combined, 9.76%, and for 1995-2025 combined, 9.87%. For fixed income accounts 1995, 11.49%, for 1995-1996 combined, 8.35%, for 1995-1997 combined, 7.63%, for 1995-1998 combined, 7.58%, for 1995-1999 combined, 6.18%, for 1995-2000 combined, 6.50%, for 1995-2001 combined, 6.37%, for 1995-2002 combined 6.37%, for 1995-2003 combined, 5.92%, for 1995-2004 combined, 5.68%, for 1995-2005 combined, 5.33%, for 1995-2006 combined, 5.25%, for 1995-2007 combined, 5.23%, for 1995-2008 combined, 4.74%, for 1995-2009 combined, 5.09%, for 1995-2010 combined, 5.17%, for 1995-2011 combined, 5.09%, for 1995-2012 combined, 5.11%, for 1995-2013 combined 4.72%, for 1995-2014 combined 4.73%, for 1995-2015 combined, 4.54%, for 1995-2016 combined, 4.44%, for 1995-2017 combined, 4.42%, for 1995-2018 combined, 4.23%, for 1995-2019 combined, 4.32%, 1995-2020 combined, 4.31%, for 1995-2021 combined, 4.15%, for 1995-2022 combined 3.76%, for 1995-2023 combined, 3.80%, for 1995-2024 combined, 3.78% and for 1995-2025 combined, 3.83%.

Composite returns consist of all 100% discretionary accounts under management utilizing individual stock and bond holdings selected by WAM. Balanced portfolio segments have been included in single asset composites. Effective 1/1/06 to 12/31/10, cash and cash returns have been allocated to the segment returns according to the procedures outlined by Association of Investment Management Research (AIMR). Effective 1/1/16, equity and fixed composite returns no longer include cash or a weighting to cash. Dividends and interest received is generally not reinvested in the same security but is included in total return calculations. Effective 2010, Equity Composite performance excludes two related family groups which hold a concentrated position that due to tax considerations cannot be managed in the same manner as the overall equity composite. The composite performance represents the performance of an aggregate of the firm’s managed accounts that align with a particular strategy. Individual account performance will vary, and some clients may have experienced returns significantly different from the composite. Investing entails risk and past performance is no guarantee of future performance.

These performance numbers are provided under the flash reports provision of these said standards. “As prospective and current clients have received past results that were in compliance with the required disclosures within a 12-month period, firms may present interim data and returns (i.e., “Flash numbers”) without quarterly disclosures.” A full presentation, including all required disclosures, is available upon request. The WAM Balanced Composite represents actual portfolios utilizing strategic asset allocation with both equity and fixed income components. The fixed income component for individual portfolios underlying the balanced composite have allocations tailored specifically for that account and client, and varies between 5% and 90%, whereas the Blended Benchmark is 50% S&P 500 Total Return and 50% Merrill Lynch 1-3 Year representing an average of a 50% Equity and 50% Fixed Income benchmark allocation in the Composite.