CONFIDENTIAL

WITH YOU EVERY MILE

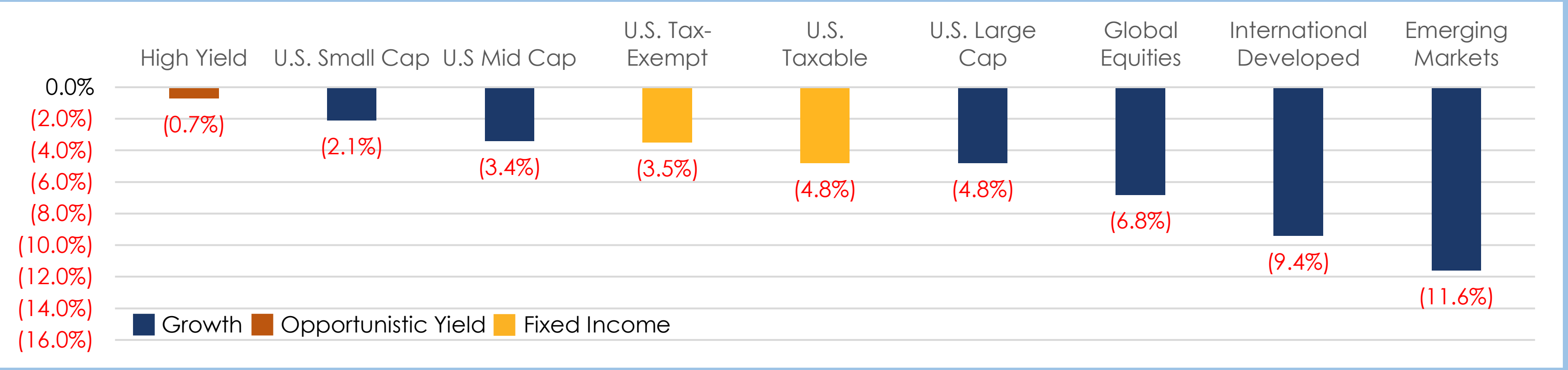
MARKET LANDSCAPE | Q3 2022

MIRACLE MILE INVESTMENT STRATEGY GROUP

MIRACLE MILE ADVISORS

Q3 PERFORMANCE SUMMARY

Q3 Asset Class Performance



Quarterly Recap

Global equity and fixed income markets suffered their third consecutive quarter of negative returns for 2022 as an early summer rally fizzled out in August due to rising expectations for further Fed tightening and continued high inflation. International markets fared worse amid a growing energy crisis in Europe and continued COVID-related lockdowns in China. The US economy is flashing mixed signals in terms of growth buoyed by the US consumer despite rising prices at grocery stores and gas pumps along with higher borrowing costs for credit and mortgages. We expect high levels of volatility into year-end as ongoing tightening monetary policy by central banks globally are offset by attractive valuations and positive fundamentals. We continue to be advantageous of market dislocations and tactical opportunities for high quality investments that have positive long-term outlooks.

Q3 2022 Economic & Market Highlights

- Global equity markets posted negative returns with the MSCI ACWI index declining -6.8% for the quarter, bringing the year-to-date performance to -25.6% and on track for the worst annual performance since 2008.
- The 10-Year US Treasury yield spiked higher by 81 bps to end the quarter at 3.83% as higher rates and inflation caused the entire Treasury curve to shift upward and invert further to levels not seen since 2000.
- US GDP contracted -0.6% in Q2 but is on pace to bounce back into positive territory in Q3. The labor market remains strong as over 1.1 million jobs were created in Q3.

Investment Outlook: Economic growth and the outlook for risk assets are becoming increasingly challenged as the Fed continues to aggressively hike interest rates to fight against high inflation.

Economy

- **GDP Growth:** We expect GDP growth to be around 1% for 2022 given the sharp slowdown in the first half of the year. GDP growth for 2023 will be below trend with the odds of a potential recession increasing with each successive Fed rate hike.
- **Inflation:** Remains elevated at multi-decade highs and will stay above targeted levels through year-end with core CPI above 4.0%.
- **Corporate Earnings:** For 2022, our forecast for corporate earnings growth remains in the high single digits, however, future earnings growth is expected to decline as profits and margins are eroded by high input costs, a stronger USD, and slowing revenue growth.
- **Federal Reserve:** We expect further rate hikes from the Fed with the hiking cycle ending in the coming quarters. We think the Fed could start cutting rates as early as the second half of 2023.

Markets

- **Equity Market:** Our forecast calls for continued elevated levels of market volatility with strong rallies and sharp drawdowns creating tactical opportunities. Equity market valuations are at fair levels, with the most attractive areas in the US and value segments of the market.
- **Interest Rates and Fixed Income**: We expect interest rates to be capped on the long end of the curve, with the short end having potential to rise further. Yields on both bonds and cash investments are at levels not seen in over 10 years and provide high levels of income for investors.

KEY RISKS

NEAR TERM

To Pivot or Not

- Markets are grappling with whether the Fed will continue to hike rates into next year or pivot towards a cut in 2023 as the economy slows down. Mixed data that shows weakness in certain areas (housing, manufacturing) but continued resilience in others (employment, services) means investors are struggling for direction.
- Until there is more clarity on monetary policy, bond markets will remain volatile. This, in turn, will cause volatility across equities and other asset classes to remain elevated.

Systemic Shock

- History shows that, when markets are under stress, weaknesses in the overall financial system can emerge, which can cause shocks that spillover into adjacent asset classes. Recent examples include fears of a collapse in UK pension plans following a spike in gilt yields as well as concerns regarding the financial health of Credit Suisse.
- While regulators have strengthened the banking system following the Global Financial Crisis, there remain areas of financial markets that are not as closely supervised (such as digital assets) that will bear monitoring.

LONGER TERM

Rising Recessionary Risk

- Multiple times this year, the Fed has reiterated its resolve to bring inflation down by raising rates, which increases the risk of a recession. How far the central bank will go in its tightening cycle is a major focal point for all investors.
- Given the rising probability of a Fed-induced recession, we believe increasing defensive positioning and managing downside risk will be appropriate as we head into the new year.

Geopolitical Uncertainty

- Russia's invasion of Ukraine and China's increasing aggression towards Taiwan demonstrate increasing tensions between autocratic governments vs. the US and its allies.
- While another Cold War does not seem imminent, investors will need to prepare for an environment where geopolitical developments can have just as much (if not more) impact on markets as economic ones.

KEY OPPORTUNITIES

NEAR TERM

Fourth Quarter Seasonality

- Historically, the fourth quarter has been a good one for stock market investors with the S&P 500 posting an average fourth quarter return of +5.1% over the past decade.
- Mid-term elections, which are scheduled for November 8 this year, have also been positive catalysts for stocks in the past as politicians try to stimulate the economy (and their own popularity) ahead of the upcoming races. However, given the current tightening environment, it remains to be seen if this historical pattern will hold this year.

Higher Income

- Yields across the curve have repriced significantly higher this year, driven by rising expectations for inflation and more tightening by central banks globally. This has allowed investors to earn higher income on their investments, ranging from 3-4% interest on their cash holdings to high single-digit rates on high yield bonds.
- With price volatility remaining elevated across asset classes, we expect income to be a larger contributor to overall portfolio returns, not just within fixed income but across equities and alternatives as well.

LONGER TERM

Inverted Yield Curve

- An inverted yield curve is usually accompanied by a recession within a couple of years and implies a more challenging backdrop for risk assets.
- In such an environment, we believe cash and investment grade bonds provide sufficient yields without taking on undue risk, while dividend paying value stocks offer defensive characteristics with better upside potential vs. the overall market.

Less Beta, More Alpha

- Unlike the past several decades when falling rates supported the prices of all investments, we expect the distribution of returns across assets to be more variable given an uncertain rate environment.
- Given this backdrop, we believe there will be better opportunities to outperform through active management, whether it be through taking tactical positions in certain sectors, styles or other factors, or utilizing alternative investments to diversify portfolio returns.

THE BUSINESS CYCLE – FOUR POTENTIAL SCENARIOS

The Fed's "soft landing" will face its toughest test in the coming quarters as elevated inflation and an economic slowdown start to cross paths.

Investment Outlook: We expect the Fed to continue hiking in 2022 in hopes of taming inflation; however, we acknowledge that the economy is starting to slow. The big question remains whether inflation can be tamed before a recession forces a Fed Fund's rate reversal. It is prudent to stay diversified and not over allocate to one potential outcome at this stage.

Economy

	Stagflation	Contraction	Soft-Landing	Reflation
Description	The Fed remains behind the curve in its quest to tame inflation, needing to raise interest rates even as the economy slows materially, driving the U.S. into a potential deep recession.	The damage done to the economy already will trigger cuts in corporate earnings. However, inflation will be under enough control to allow the Fed to consider interest rate cuts without reigniting inflation.	Inflation is under enough control that investors do not demand higher yields for U.S. treasury bonds, while corporate earnings can remain resilient enough to withstand tightening finacial conditions.	The global economy rapidly resolves inflation and supply chain disruptions, led by a resolution to the Ukraine-Russia war and a full reopening of China.
Proj. Returns				
Equities	*-20%*	*-10%*	*+10%*	*+20%*
Fixed Income	*-10%*	*+8%*	*+5%*	*+3%*
Top Performers	Real assets Hedge funds Structured notes	Long duration fixed income Dividend stocks	Value sectors Quality fixed income	Growth stocks High yield bonds
Miracle Mile Probability	***10%***	***45%***	***40%***	***5%***

Stagflation and reflation probabilities are still low at this point, but prudent portfolio management requires an allocation to hedge these scenarios. We continue to explore diverse assets to allocate appropriately as our probabilities adjust to new data.

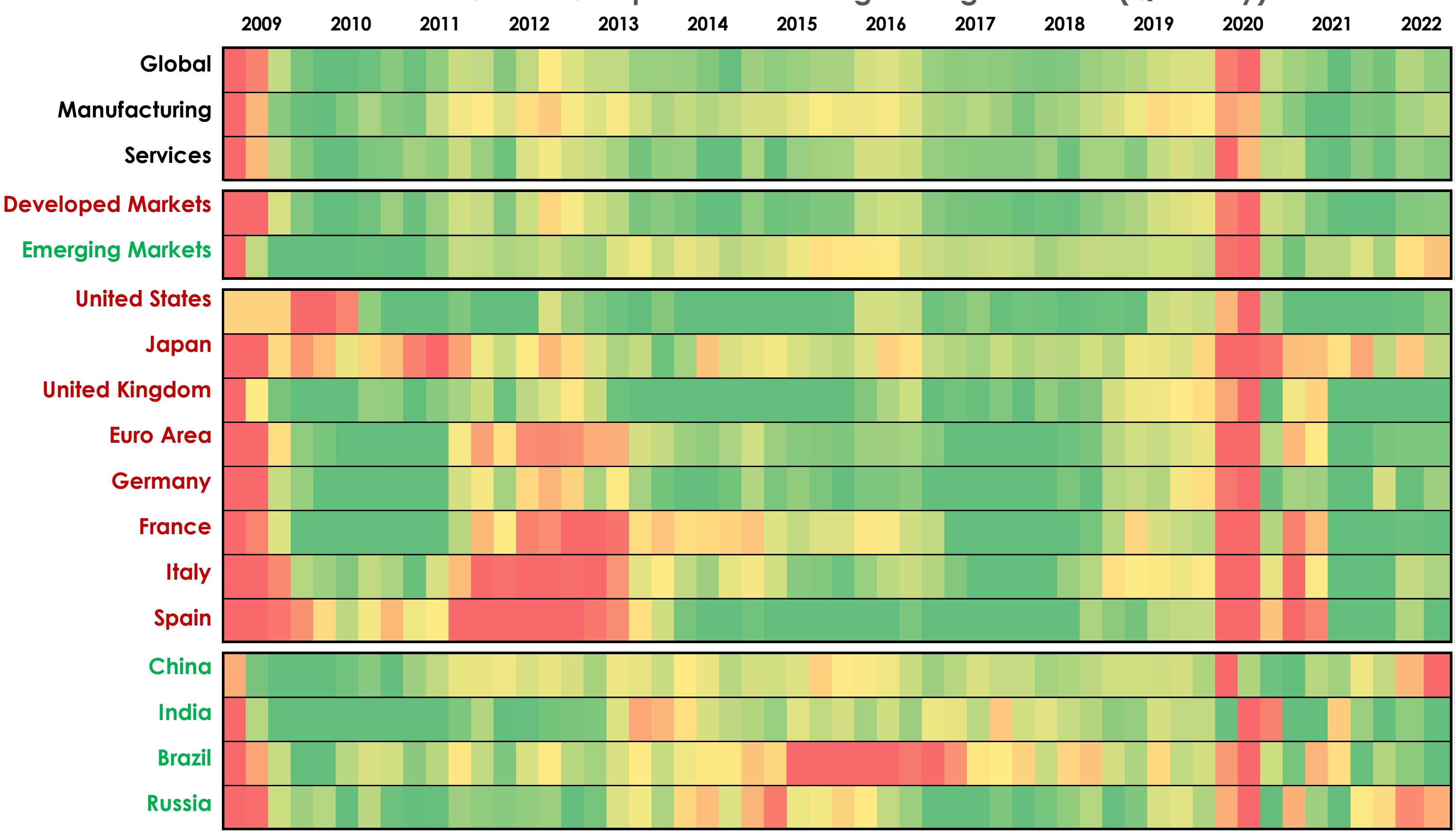
GLOBAL GROWTH SLOWING

Most major economies are showing signs of slowing down, but few are in outright recessionary territory.

Investment Outlook: Monetary tightening by central banks, fallout from Russia's invasion of Ukraine, and COVID-related lockdowns in China are all contributing to a global slowdown. However, most major economies outside of Europe remain resilient, driven by strength in the services sector.

Economy

Global Composite Purchasing Managers' Index (Quarterly)



	2022 Aug	2022 Sep
Global	49.3	49.7
Manufacturing	50.3	49.8
Services	49.3	50.0
Developed Markets	46.9	49.3
Emerging Markets	53.3	50.1
United States	44.6	49.5
Japan	49.4	51.0
United Kingdom	49.6	49.1
Euro Area	48.9	48.1
Germany	46.9	45.7
France	50.4	51.2
Italy	49.6	47.6
Spain	50.5	48.4
China	53.0	48.5
India	58.2	55.1
Brazil	53.2	51.9
Russia	50.4	51.5

Red = contraction MoM

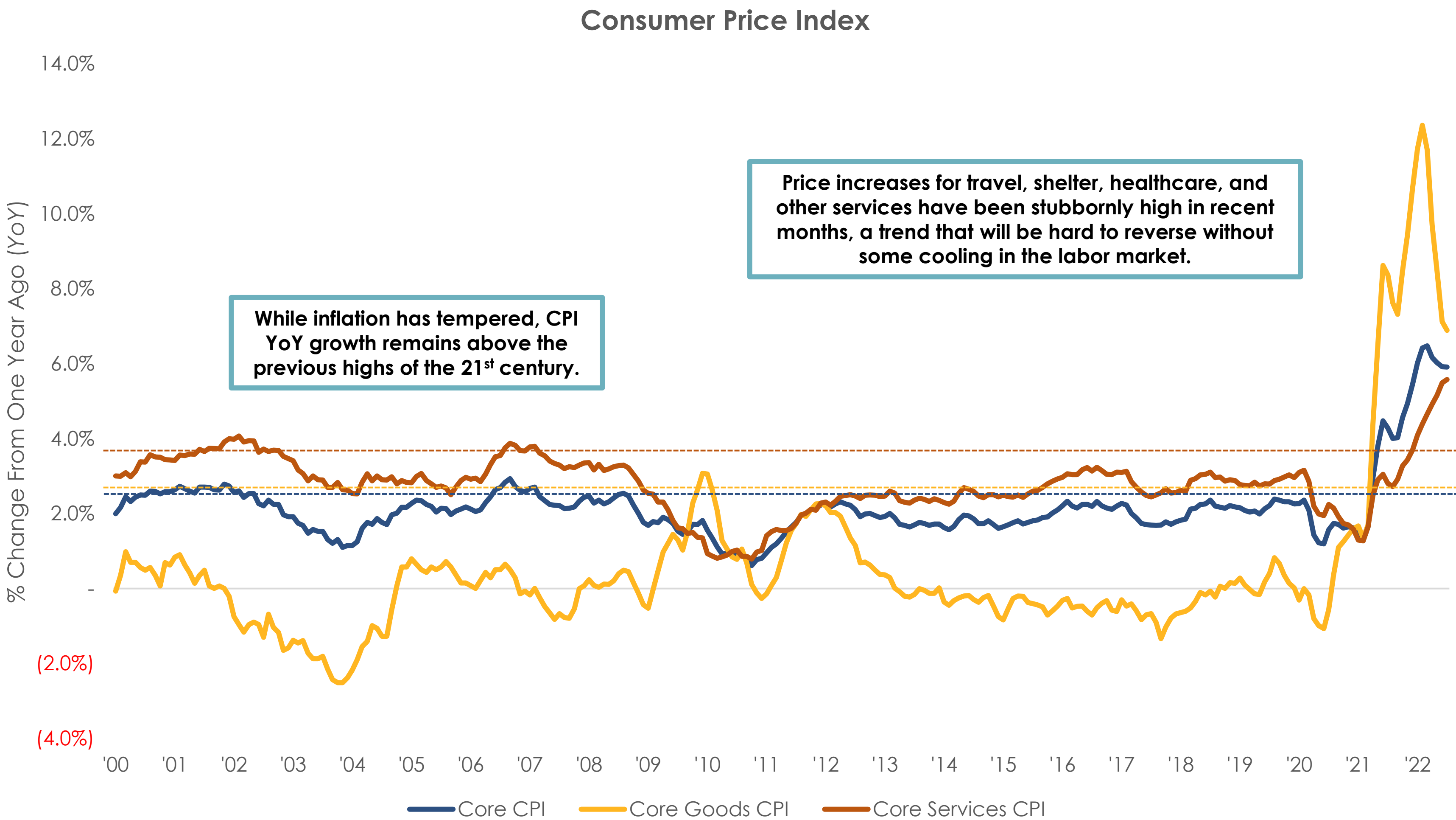
Refer to appendix for disclosures and data sources

Green = expansion MoM

CORE INFLATION: GOODS VS. SERVICES

Core services inflation needs to decline for overall inflation to fall towards the Fed's 2% target.

Investment Outlook: Based on the core Consumer Price Index, inflation for core goods has fallen sharply, as consumers shift their spending away from goods bought during the pandemic, but prices remain elevated for core services, which tends to be a more persistent source of inflation.



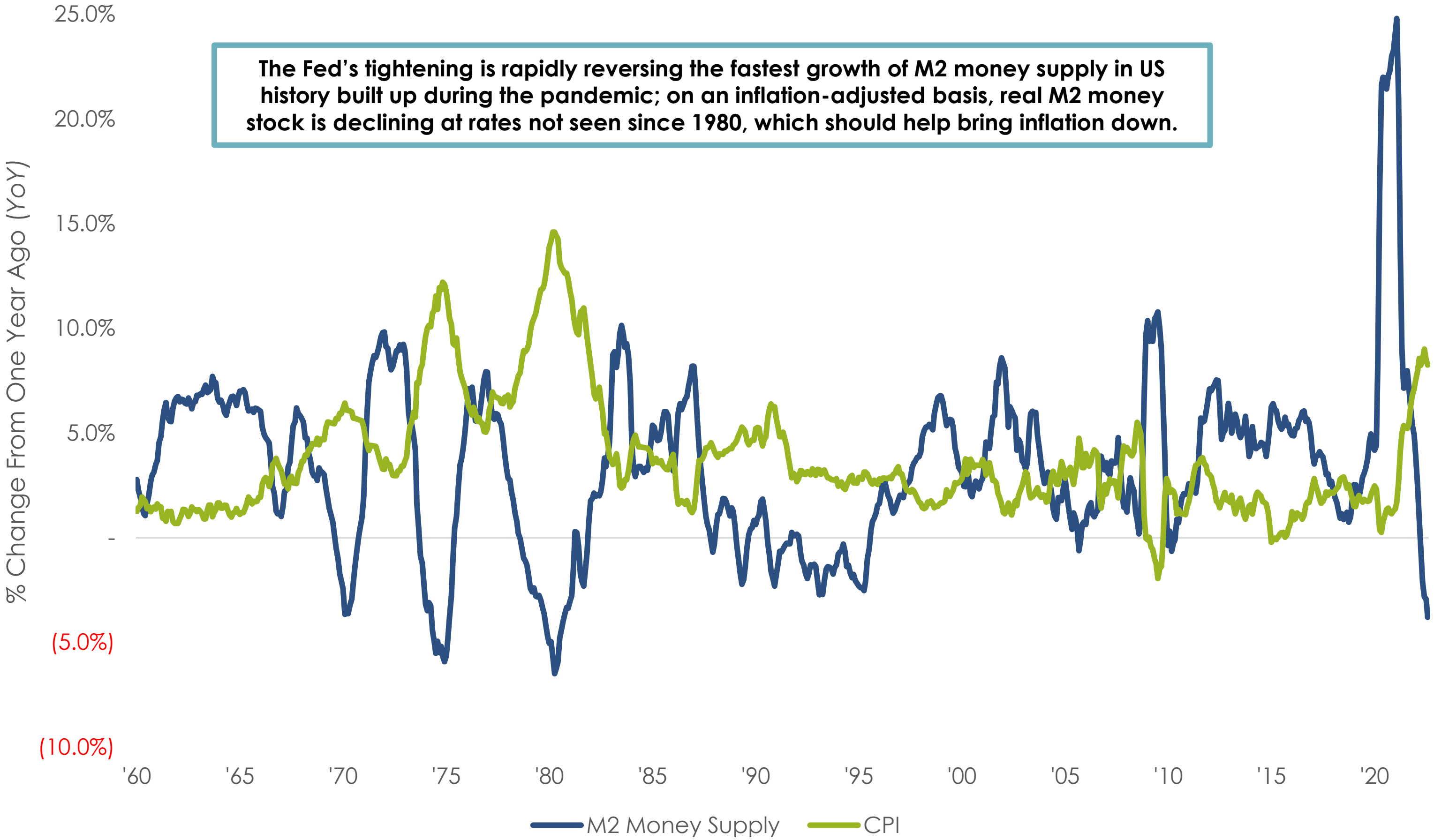
Refer to appendix for disclosures and data sources

MONEY SUPPLY TENDS TO LEAD INFLATION

M2 money supply (cash, checking deposits, and easily convertible money) needs to decelerate for inflation to decline.

Investment Outlook: M2 money supply accelerated dramatically during the pandemic, but the Fed's continued monetary tightening this year has caused a marked slowdown, which should manifest itself through decelerating inflation in future periods.

YoY Growth in Real M2 Money Supply vs. Consumer Price Index



Refer to appendix for disclosures and data sources

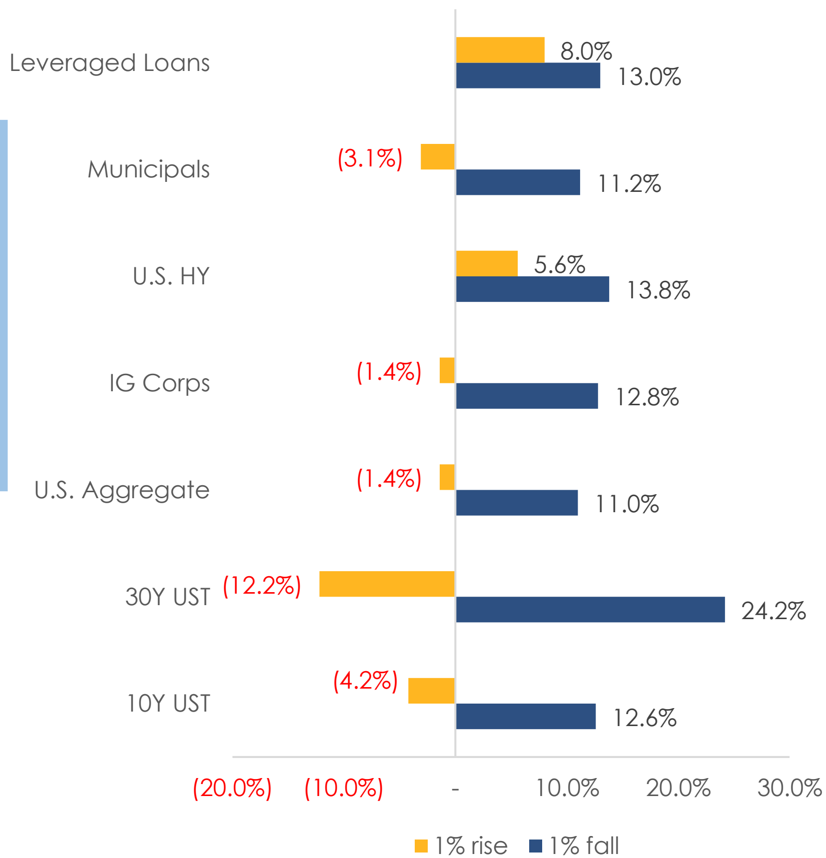
HIGH RATES MAKE FIXED INCOME ATTRACTIVE

The rise in interest rates has led to the highest yields across the entire bond universe in over 10 years and is nearly double the average seen during that time.

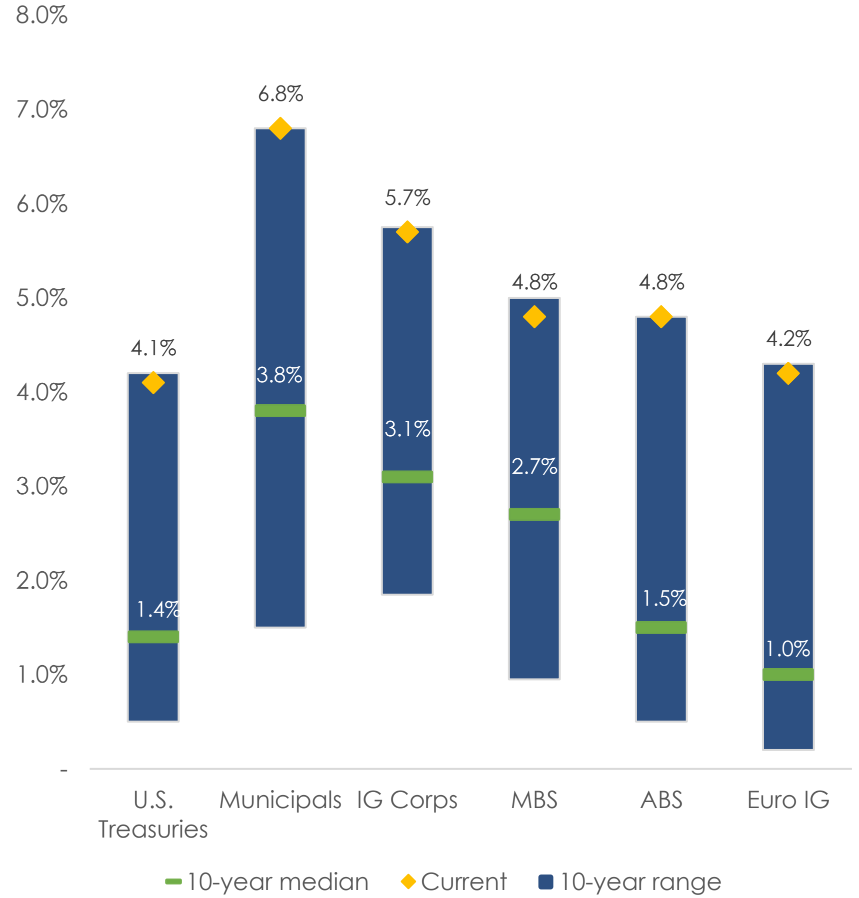
Investment Outlook: Considering the attractive yields for fixed income, investors have a very compelling risk reward setup in bonds for any given move in interest rates.

Markets

Price Impact of a 1% Rise or Fall in Interest Rates



Yields Across Fixed Income Types



Refer to appendix for disclosures and data sources

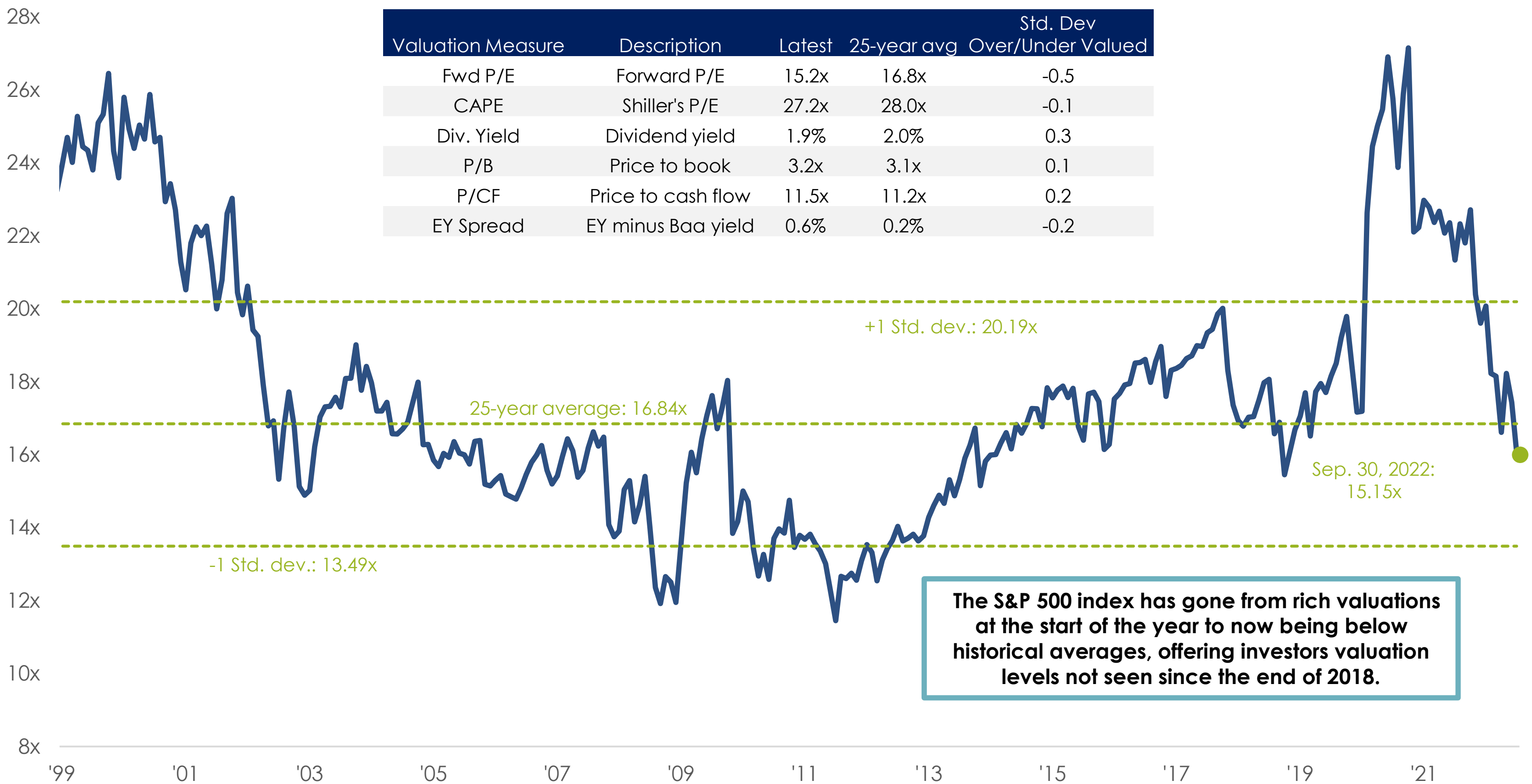
EQUITIES PROVIDE VALUE FOR LONG TERM INVESTORS

The selloff in stocks this year can be attributable solely to a drop in valuations, not any change in fundamentals, with earnings growth on track to be in the high single digits.

Investment Outlook: The Forward Price-to-Earnings ratio has declined from being in overvalued territory to now in undervalued territory, which has historically been a good long-term buying opportunity.

S&P 500 Index: Forward P/E Ratio

Valuation Measure	Description	Latest	25-year avg	Std. Dev Over/Under Valued
Fwd P/E	Forward P/E	15.2x	16.8x	-0.5
CAPE	Shiller's P/E	27.2x	28.0x	-0.1
Div. Yield	Dividend yield	1.9%	2.0%	0.3
P/B	Price to book	3.2x	3.1x	0.1
P/CF	Price to cash flow	11.5x	11.2x	0.2
EY Spread	EY minus Baa yield	0.6%	0.2%	-0.2



The S&P 500 index has gone from rich valuations at the start of the year to now being below historical averages, offering investors valuation levels not seen since the end of 2018.

Refer to appendix for disclosures and data sources

STRONG DOLLAR IS HURTING INTERNATIONAL RETURNS

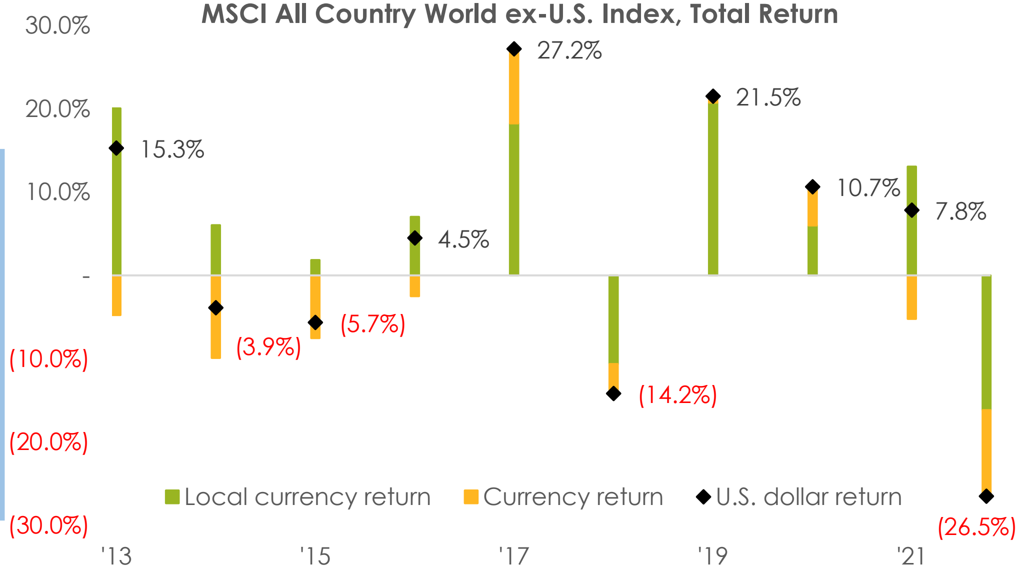
Global investors take on foreign market risk and foreign currency risk. The currency return can be a big driver of performance year after year and should not be ignored.

Investment Outlook: This year has been especially difficult for investors as the strong USD has doubled the negative performance of international markets.

Markets

Currency Impact on International Returns

MSCI All Country World ex-U.S. Index, Total Return



YTD Spot Returns

Returns (%)	Currency	
(5.8%)	CHF	Swiss Franc
(6.3%)	CAD	Canadian Dollar
(9.3%)	AUD	Australian Dollar
(13.8%)	DKK	Danish Krone
(13.8%)	EUR	Euro
(15.6%)	NZD	New Zealand Dollar
(16.8%)	NOK	Norwegian Krone
(18.9%)	SEK	Swedish Krona
(19.2%)	GBP	British Pound
(20.0%)	JPY	Japanese Yen

Pros of Strong U.S. Dollar

- Americans benefit from cheaper imports and less expensive foreign travel.
- While some countries have questioned the status of the U.S. dollar as the de facto world reserve currency, a strong dollar helps keep its demand as a reserve high.

Cons of Strong U.S. Dollar

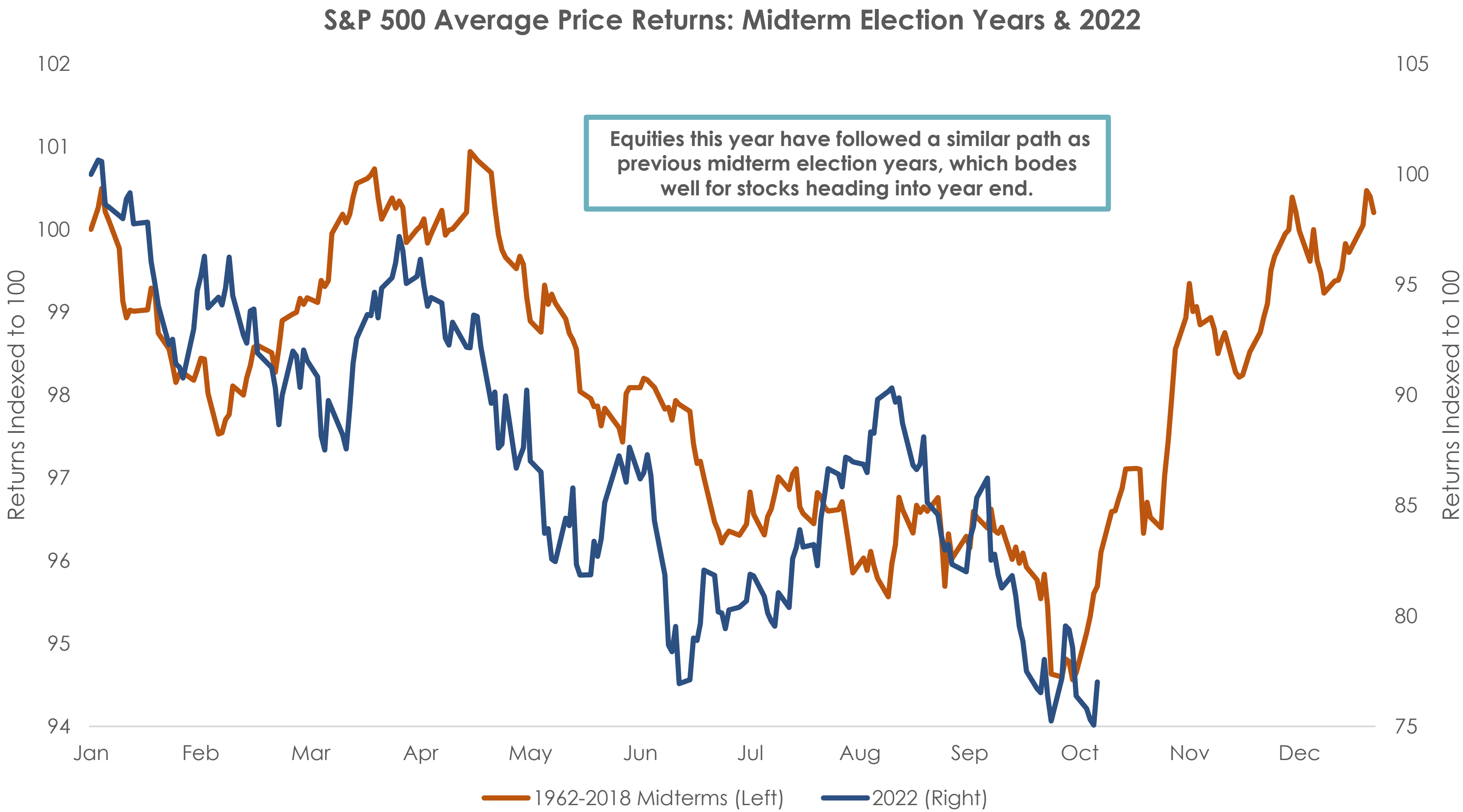
- Companies that do a large part of their business around the globe will have their earnings hit.
- Emerging market economies that require U.S. dollar reserves will end up paying more to obtain those dollars.

Refer to appendix for disclosures and data sources

MIDTERM ELECTIONS PRESENT GOOD BUYING OPPORTUNITY

Midterm elections are volatile for stocks but usually rally into November and for the subsequent 12 months.

Investment Outlook: Presidential cycles and midterm elections have historically been powerful determinants for equity markets. However, unlike previous years, the markets are facing headwinds of high inflation and a potential recession.

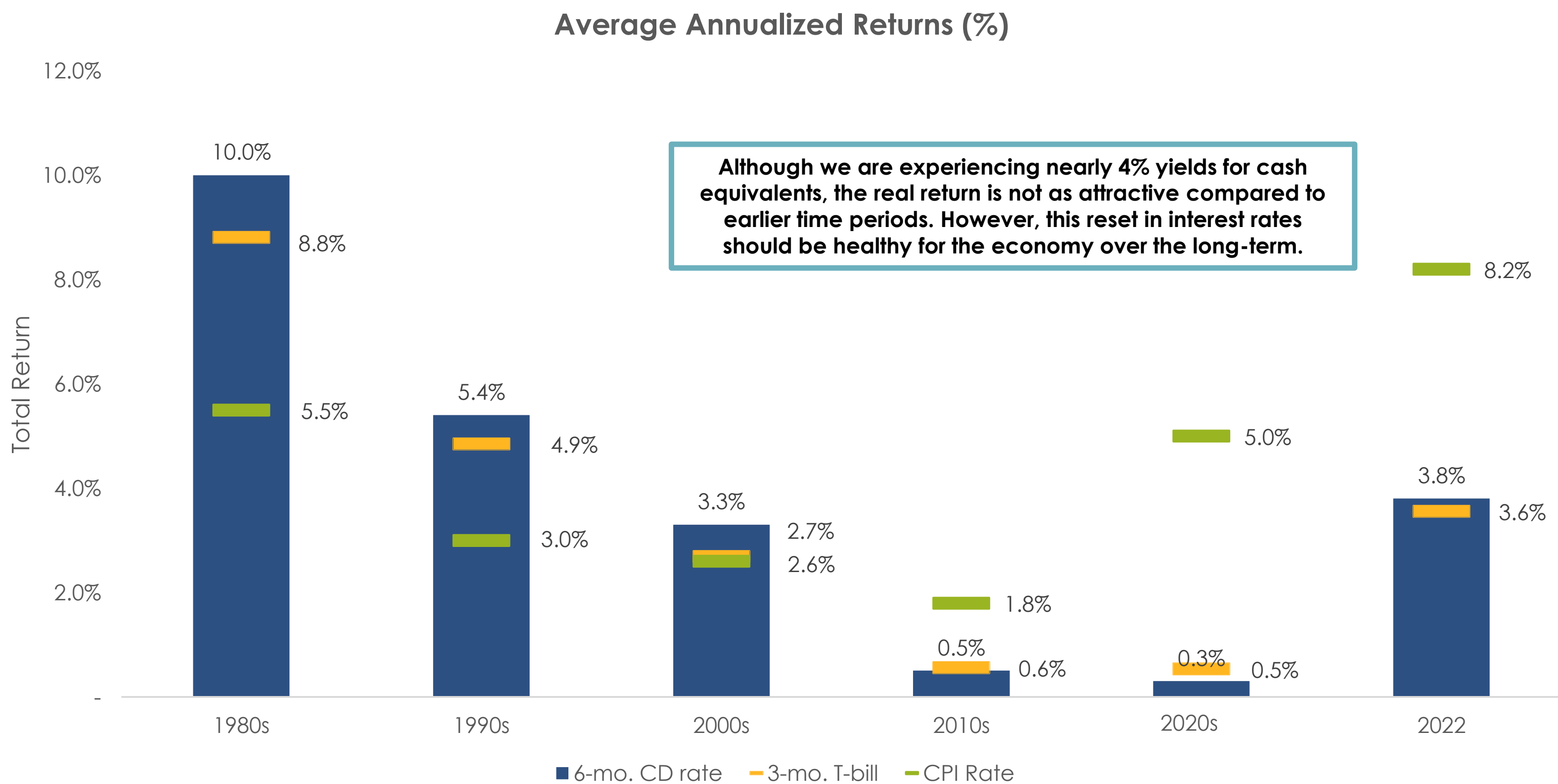


Refer to appendix for disclosures and data sources

CASH IS A VIABLE INVESTMENT

The low interest rate environment since the Great Financial Crisis has effectively made cash a non-viable asset class. But with the Fed aggressively hiking the Fed Funds rate to levels not seen since the 2000s, yields for cash investments are providing a decent return.

Investment Outlook: For the first time in over 10 years, cash has become a viable asset class that can provide income, diversification, and protection for portfolios, although inflation is hampering real returns.



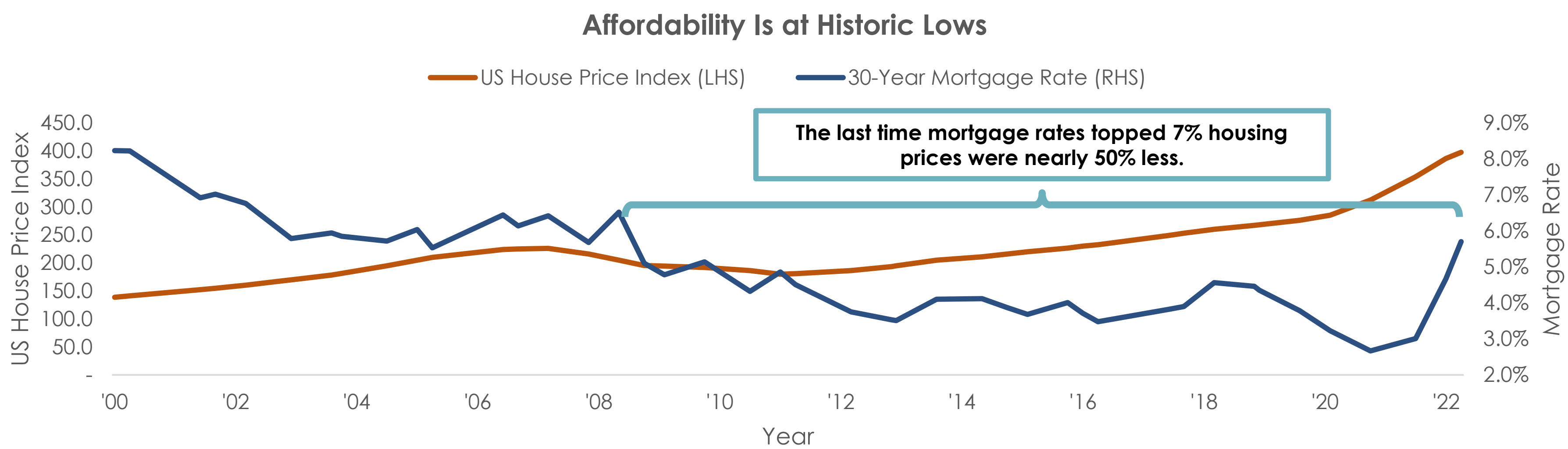
Yields

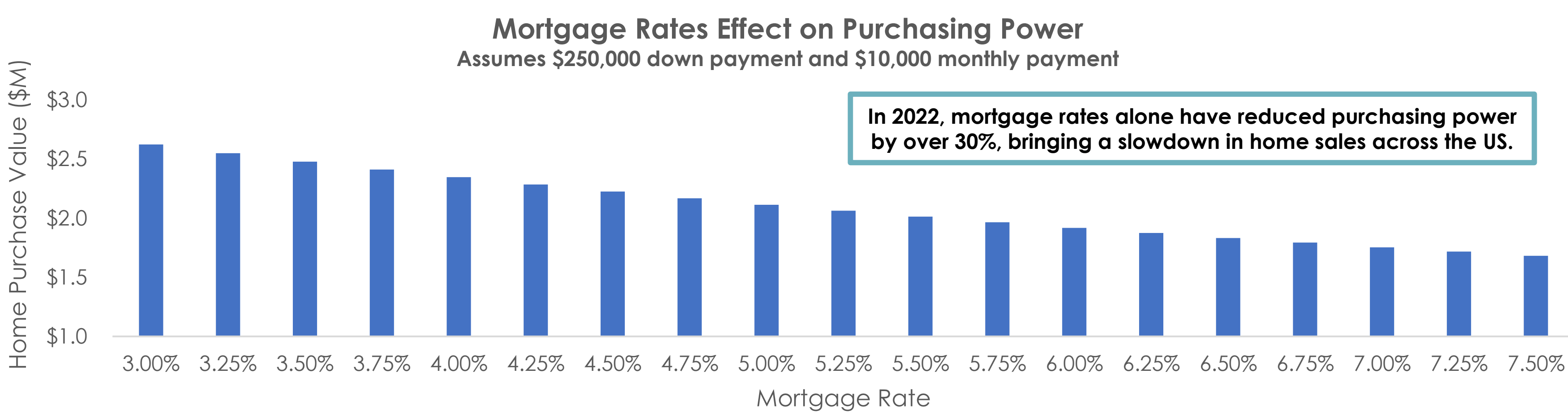
Refer to appendix for disclosures and data sources

HOW MUCH WILL RISING MORTGAGE RATES HURT HOMEBUYERS?

Mortgage rates have risen nearly 4 percentage points in 2022, hurting affordability for new buyers. However, U.S. homeowners have very little exposure to variable rate mortgages compared to European countries, which should prevent a housing crash like 2008.

Investment Outlook: While a slowdown in housing is likely, the mortgage rate "shock" will be felt abroad more than here in the U.S. Cash buyers, including institutional private real estate managers, will likely take market share from consumers in residential markets.



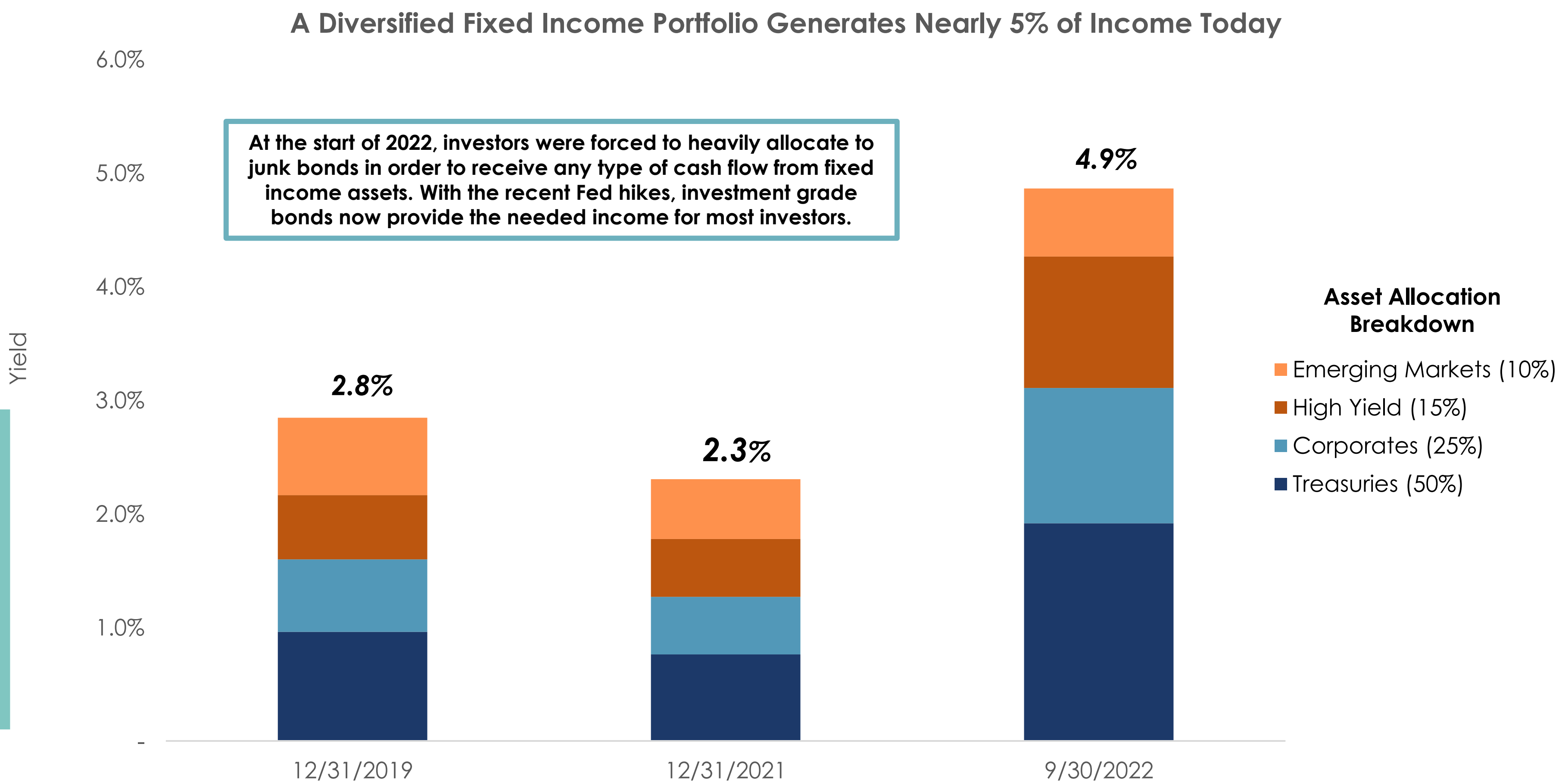


QUALITY FIXED INCOME LOOKS ATTRACTIVE

1-year Treasuries are yielding 4% in today's market, which was nearly impossible to achieve across riskier assets just a year ago.

Investment Outlook: Before 2022, we were overweight high yield assets in order to achieve 3%+ yields within fixed income. As interest rates and recessionary concerns increased this year, we reduced our risk while also increasing our income from U.S. Treasuries. As these "risk-free" investments increase in yield, we will continue to add exposure, giving investors increased cash flow.

Yields



Refer to appendix for disclosures and data sources

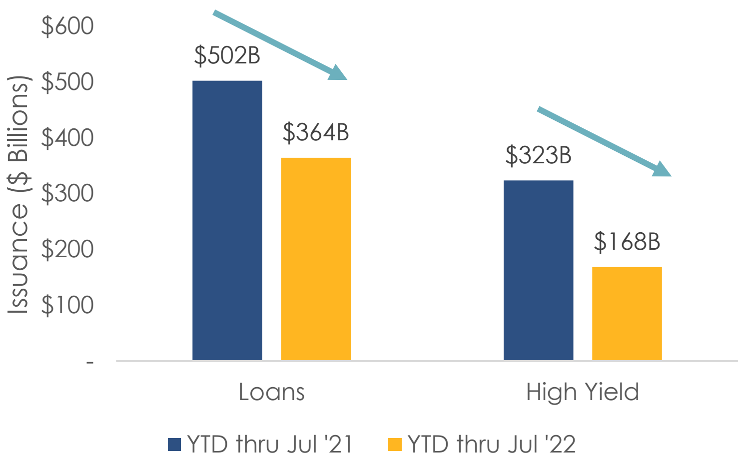
PRIVATE CREDIT OFFERS CONSISTENT INCOME DURING VOLATILE TIMES

Private credit, an illiquid alternative to traditional public market debt, has grown significantly over the last decade due to low yields and tighter restrictions on bank lending. This "new" asset class historically offered consistent income near 8-10% with less volatility than public markets.

Investment Outlook: Flexibility, customization, and the growth of private markets will continue to expand private debt investments.

Driver of Opportunities

Slowdown in US Leveraged Loan and High Yield Issuance



Benefits of Private Credit

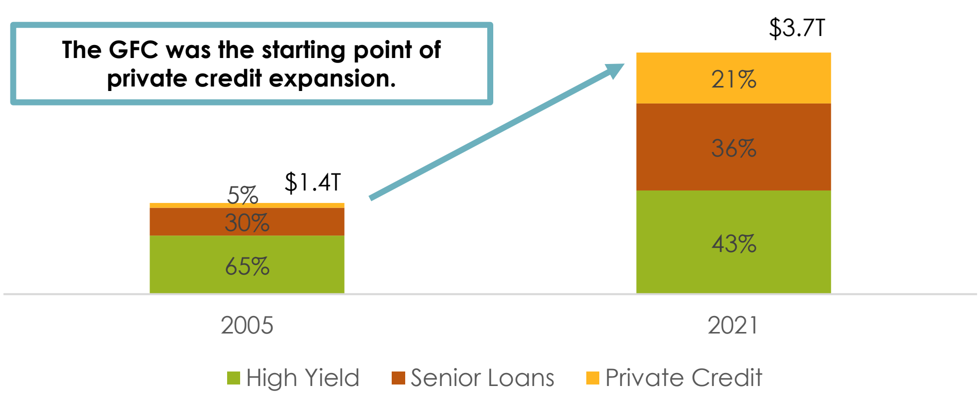
- Loans are typically floating rate, hedging interest rate risks within portfolios.
- They are typically senior secured, offering protection for investors against troubled companies.
- They are also usually shorter duration, allowing investors to capitalize on a changing market landscape.

Risks to Consider

- Investments have an illiquidity feature for investors to consider.
- Investments have different valuation techniques, which may not reflect the true underlying credit at times.

Growth of Private Credit

Total Addressable Sub-Investment Grade Credit Market



Yields

Refer to appendix for disclosures and data sources

ASSET CLASS PERFORMANCE SUMMARY

ASSET CLASS	PERFORMANCE		
Growth	**2022 Q3**	**2022 YTD**	**2021**
Global Equities	-6.8%	-25.6%	+16.3%
U.S. Large Cap Equities	-4.8%	-23.7%	+18.4%
U.S. Mid Cap Equities	-3.4%	-24.1%	+17.1%
U.S. Small Cap Equities	-2.1%	-25.0%	+19.9%
International Developed Equities	-9.4%	-27.1%	+7.8%
Emerging Markets Equities	-11.6%	-27.2%	+18.3%
Opportunistic Yield			
High Yield	-0.7%	-14.7%	+7.1%
Income & Stability			
U.S. Tax-Exempt Fixed Income	-3.5%	-12.1%	+5.2%
U.S. Taxable Fixed Income	-4.8%	-14.6%	+7.5%

Sources: Bloomberg as of 9/30/2022.

Performance values are the returns of the respective indices and are not inclusive of management fees: Global Equities = MSCI All Country World Index, U.S. Large Cap = S&P 500 Composite, U.S. Mid Cap = Russell Midcap, U.S. Small Cap = Russell 2000, International = MSCI EAFE Net, Emerging Markets = MSCI EM (Emerging Markets) Net, U.S. Tax Exempt Fixed Income = Bloomberg Barclays U.S. Municipal Index, U.S. Taxable Fixed Income = Bloomberg Barclays U.S. Aggregate Index, High Yield = Bloomberg Barclays U.S. High Yield Corporate Index. Past performance is no guarantee of future results.

IMPORTANT DISCLOSURES

Miracle Mile Advisors LLC ("MMA") is a registered investment advisor. Advisory services are only offered to clients or prospective clients where MMA and its representatives are properly licensed or exempt from licensure. The views expressed in this commentary are subject to change based on market and other conditions. These documents may contain certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected. Any projections, market outlooks, or estimates are based upon certain assumptions and should not be construed as indicative of actual events that will occur.

These materials are solely informational, based upon publicly available information believed to be reliable, and may change without notice. Our views may change depending on market conditions, the assets presented to us, and your objectives. This is based on market conditions as of the printing date. Miracle Mile Advisors, LLC shall not in any way be liable for claims relating to them and makes no express or implied representations or warranties as to their accuracy or completeness or for statements or errors contained in, or omissions from, them. All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such. Legal, accounting and tax restrictions, transaction costs and changes to any assumptions may significantly affect the economics of any transaction.

The information provided is for educational and informational purposes only and does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your attorney or tax advisor. The information and analyses contained herein are not intended as tax, legal or investment advice and may not be suitable for your specific circumstances; accordingly, you should consult your own tax, legal, investment or other advisors, at both the outset of any transaction and on an ongoing basis, to determine such suitability. Miracle Mile Advisors, LLC does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws. These materials do not constitute an offer to buy or sell any financial instrument or participate in any trading strategy. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. All investments include a risk of loss that clients should be prepared to bear. The principal risks of MMA's strategies are disclosed in the publicly available Form ADV Part 2A. Past performance shown is not indicative of future results, which could differ substantially.

Disclosures:
Slide 2: Performance numbers from YCharts as of 9/30/2022.
Slide 6: Projected returns and Miracle Mile probabilities are hypothetical and a consensus view of the Investment Strategy Group.
Slide 7: Data sourced from JP Morgan and S&P Global.
Slide 8: Data sourced from St. Louis Fed from 1/1/2000 to 7/1/2022.
Slide 9: Data sourced from St. Louis Fed from 1/1/1960 to 8/01/2022.
Slide 10: Data sourced from JP Morgan and Bloomberg as of 09/30/2022.
Slide 10: Yield (L-Graph) is the Yield to Worst.
Slide 11: Data sourced from Bloomberg from 03/01/1999 to 09/30/2022.
Slide 12: Data sourced from Bloomberg from 12/01/2013 to 09/30/2022, YTD spot returns from 01/03/2022 to 09/28/2022.
Slide 13: Data sourced from Bloomberg from 1962 – 2018 (returns every 4th year).
Slide 14: Data sourced from Strategas, Bloomberg, and Goldman Sachs Asset Management.
Slide 15: Data sourced from YCharts. Puchasing Power calculator by Bankrate.com using $250,000 down payment, and $10,000 monthly expense excluding insurance and property taxes.
Slide 16: Data sourced from YCharts yield to worst as the respective time period.
Slide 17: Data sourced from Blackstone Private Credit Fund Marketing Material – Driver of Opportunities sources include LCD as of 7/31/2022. Growth of Private Credit sources include Preqin, Credit Suisse, and Pitchbook as of 12/31/2021, which is the latest available data.