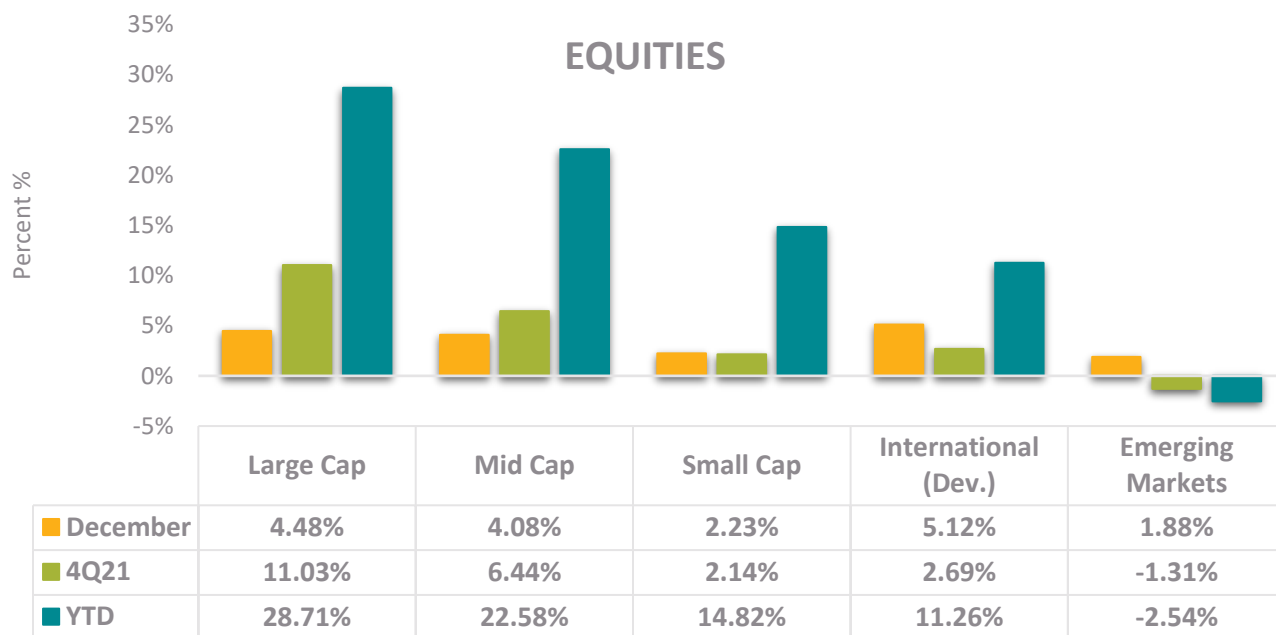


Monthly Market Summary

Market Update and Economic Developments

- The S&P 500 index, made up of large capitalization stocks, posted a 4.48% return in the month of December, ending the calendar year up 28.71%. Catalysts for these returns include the emergence of encouraging news about the severity of the Omicron variant, positive job growth, and the continued earnings growth for some of the largest names in the index.
- US Senator Joe Manchin (D, WV) did not vote to uphold the Build Back Better package of social and climate programs put together by the Biden administration, stopping the bill's progress. The package, which was estimated to be between \$3 and \$4.5 trillion dollars, is being slimmed down with likely pushback from progressive Democrats.
- Initial US jobless claims, which is a leading economic indicator, fell to a nearly five-decade low as of the week ending Dec. 25. The seasonally adjusted 198,000 claims are slightly below the average for the full pre-pandemic year 2019.



Benchmark Indexes: Large Cap = S&P 500; Mid Cap = Russell Mid Cap; Small Cap = Russell 2000; International Developed = MSCI EAFE; Emerging Markets = MSCI EM.

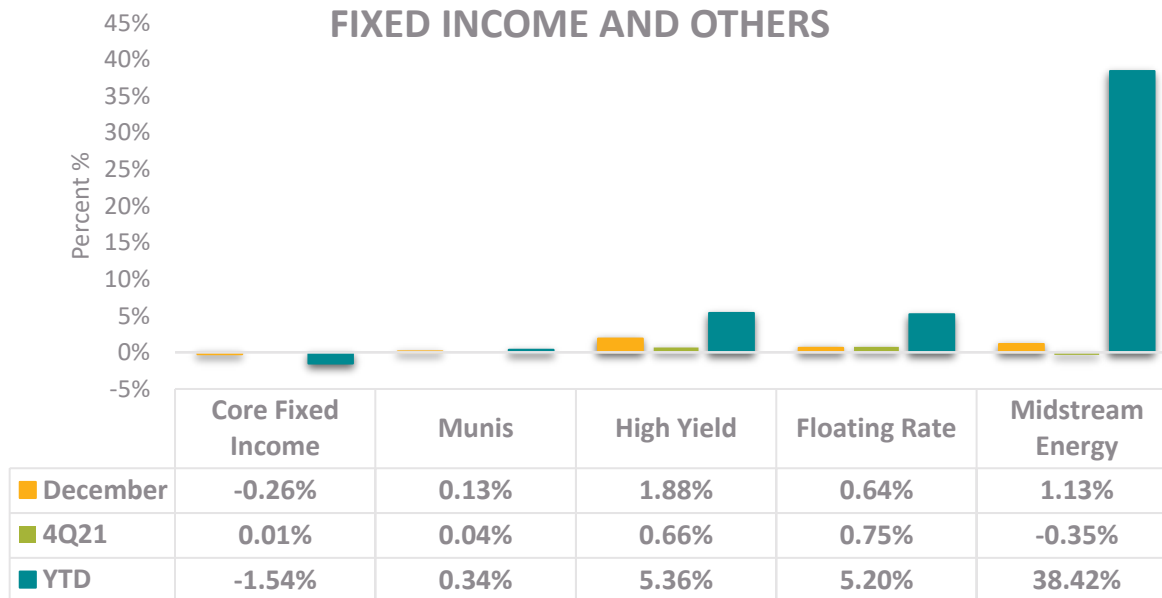


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Monthly Market Summary

Fixed Income Market Update and Other Assets

- In the December 15th news conference, Federal Reserve president Jerome Powell stated, “The economy is so much stronger now, so much closer to full employment,” potentially hinting at raising rates and more aggressive tapering of bond buybacks. Following a nearly two-year stint of expansionary monetary policy, these actions would indicate the FOMC’s focus of combatting the raising prices seen in 2021.
- The November Consumer Price Index (CPI) measured a 0.8% increase over the previous month, pegging a 6.8% increase over the past 12 months. Gasoline, groceries, and new and used vehicles are the primary drivers of this surge in price levels. The CPI is a measure of the average change over time that consumers pay for a basket of goods and services.
- U.S. fixed income returned -0.26%, measured by the Bloomberg US Aggregate Index, as long-term interest rates ended the year higher than they started. Municipal Bonds saw a slight gain of 0.13% over the month, ending the year up 0.34%.



Benchmark Indexes: Core Fixed Income = Bloomberg US Agg Bond; Municipal Bonds = Bloomberg Municipal 5Yr 4-6; High Yield = ICE BofA US High Yield; Floating Rate = S&P/LSTA Leverage Loan; Midstream Energy = Alerian Midstream



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