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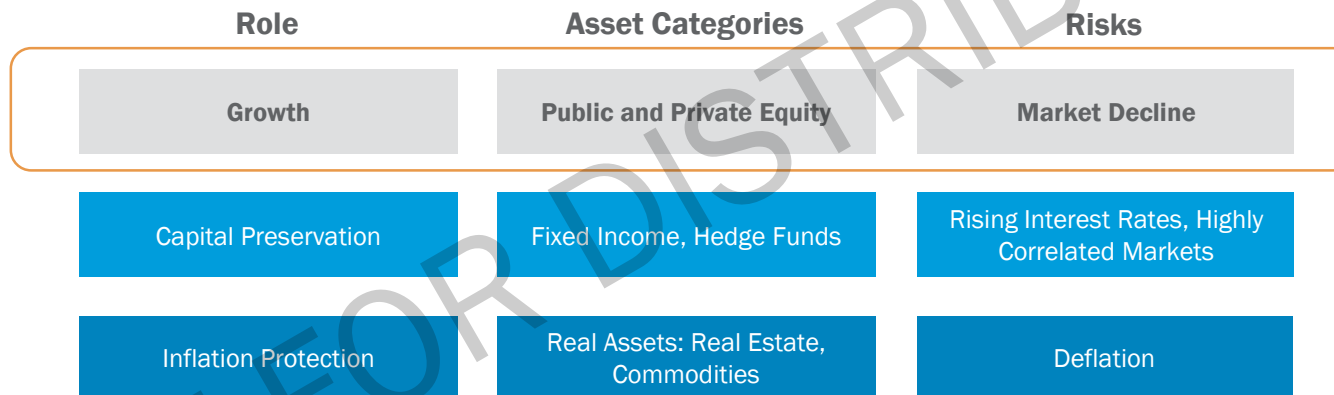
Quarterly Asset Class Report Global Equity

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March 31, 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):

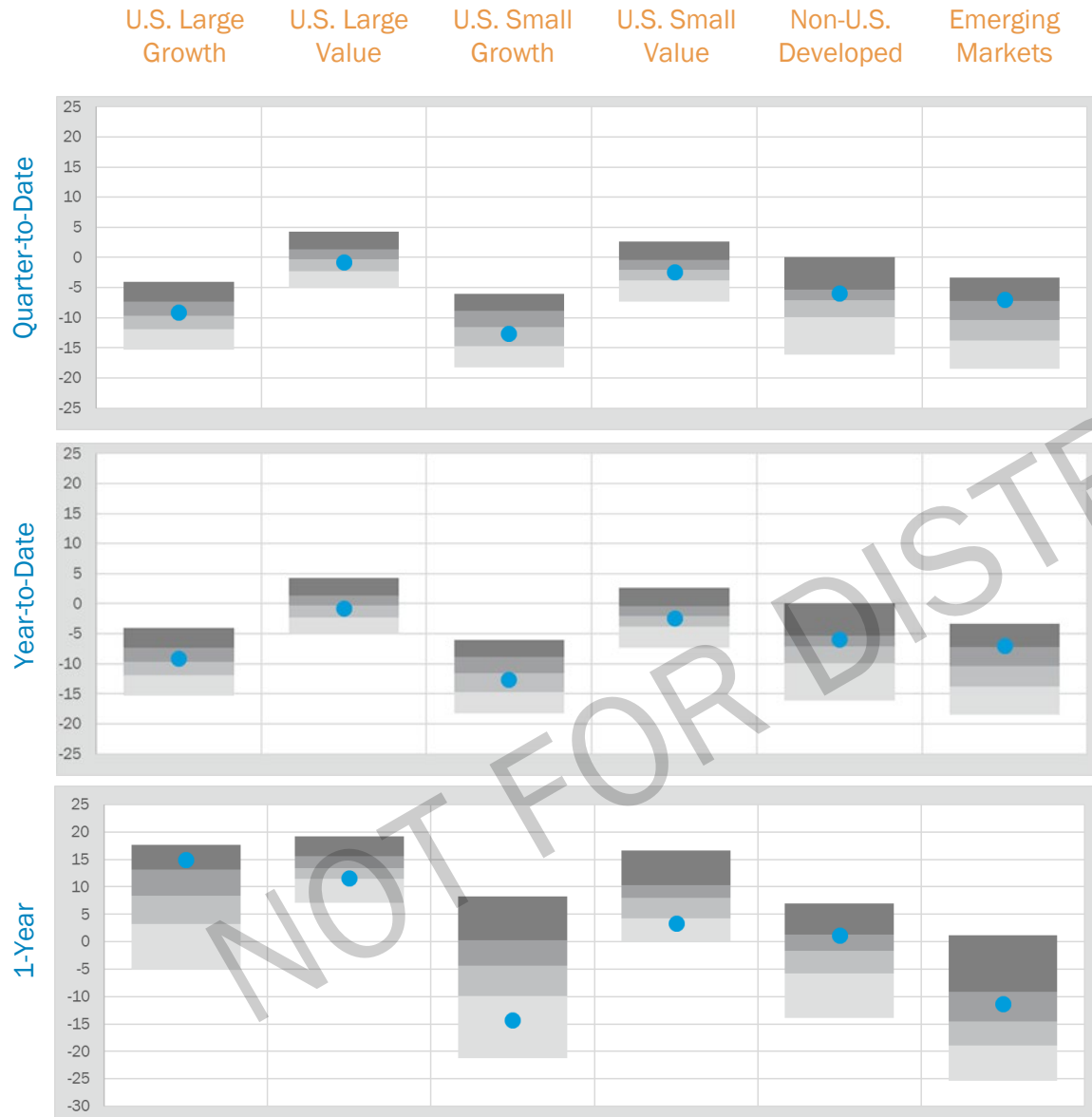
- Provide growth of portfolio assets in excess of inflation and spending rates
- Maintain comparable exposure to the global equity market
- Exhibit returns uncorrelated to fixed income markets



- 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 March 31, 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, with large-cap stocks outperforming small-cap stocks.
- Small value and large value companies significantly outperformed their growth counterparts in the quarter. Large growth companies are still outperforming over the one-year period, whereas small value companies are outperforming small growth companies over the one-year period.
- Non-U.S. developed equities, and emerging markets (EM) equities were negative in the quarter. EM equities significantly lagged non-U.S. developed equities over the one-year time 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)	23.56	19.83	0.95	-	
	R2000 Current P/E (Small Cap)	63.73	75.91	-0.98	-	
	Avg P/E Ratio (Large/Small)	0.37	0.35	0.12	-	
	Russell Top 200 EV/EBITDA [^] (Large Cap)	15.75	12.33	1.31		+
	R2000 EV/EBITDA (Small Cap)	14.71	18.32	-0.69	-	
	Avg EV/EBITDA Ratio (Large/Small)	1.07	0.68	3.27		++
	Russell Top 200 P/S (Large Cap)	3.36	2.22	1.96		+
	R2000 P/S (Small Cap)	1.32	1.19	0.78	-	
	Avg P/S Ratio (Large/Small)	2.56	1.85	1.83		+
Solvency	Russell Top 200 Debt/EBITDA (Large Cap)	3.56	3.94	-1.19	+	
	Russell 2000 Debt/EBITDA (Small Cap)	5.08	6.93	-0.83	-	
	Avg Debt/EBITDA Ratio (Large/Small)	0.70	0.60	0.91	-	
Growth	Russell Top 200 LT EPS Gr (Fwd) (Large Cap)	9.88	9.72	0.03	-	
	R2000 LT EPS Gr (Fwd) (Small Cap)	8.76	9.45	-0.24	-	
	Avg Growth Ratio (Large/Small)	1.13	1.02	0.13	-	
Economy	Case Shiller Home Price (YoY)	19.10	7.15	2.38		++
	Total Leading Economic Indicators	119.90	103.29	1.84		+
	Currency (USD v Broad Basket)	98.31	91.82	0.94	-	
	Curve Steepness 2's to 10's	0.00	1.07	-1.62	+	

*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.
- Valuation metrics for small caps fell below their 10-year averages, and large-cap valuation metrics fell but remain above historical averages.
- The growth estimates for both large and small caps remain around their historical averages.
- The interest rate spread between the 10-year and two-year U.S. Treasury narrowed to zero in the quarter and is below its long-term average.

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	23.21	19.88	0.87		-	
	MSCI ACWI Current P/E	19.04	18.96	0.02		-	
	Avg P/E Ratio (US /ACWI)	1.22	1.04	2.39			++
	S&P 500 EV/EBITDA^	15.31	12.58	1.07			+
	MSCI ACWI EV/EBITDA	12.56	11.19	0.74		-	
	Avg EV/EBITDA Ratio (US/ACWI)	1.22	1.12	1.76			+
	S&P 500 P/S	2.90	2.04	1.87			+
	MSCI ACWI P/S	2.09	1.54	1.74	+		
Avg P/S Ratio (US/ACWI)	1.39	1.32	1.63			+	
Solvency	S&P 500 Debt/EBITDA	3.55	4.17	-1.65	+		
	MSCI ACWI Debt/EBITDA	5.14	5.95	-1.57			+
	Avg Debt/EBITDA Ratio (US/ACWI)	0.69	0.70	-0.39		-	
Growth	S&P 500 LT EPS Gr (Fwd)	10.50	9.28	0.23		-	
	MSCI ACWI LT EPS Gr (Fwd)	9.33	9.54	-0.01		-	
	Avg Growth Ratio (US/ACWI)	1.13	0.97	0.29		-	
Economy	Currency (USD v Broad Basket)	98.31	91.82	0.94		-	

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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.

- Earnings and EV multiples fell for U.S. equities and non-U.S. equities. Valuations remain above 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 earnings growth expectations remain above their long-term averages, whereas R.O.W. equities fell below 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	14.50	19.21	-0.81	-	
	MSCI ACWI Current P/E	19.04	18.96	0.02	-	
	Avg P/E Ratio (EAFE/ACWI)	0.76	1.01	-2.17	++	
	MSCI EAFE EV/EBITDA [^]	8.97	9.76	-0.68	-	
	MSCI ACWI EV/EBITDA	12.56	11.19	0.74	-	
	Avg EV/EBITDA Ratio (EAFE/ACWI)	0.71	0.88	-2.38	++	
	MSCI EAFE P/S	1.39	1.13	1.36		+
	MSCI ACWI P/S	2.09	1.54	1.74	+	
	Avg P/S Ratio (EAFE/ACWI)	0.66	0.75	-1.73	+	
Solvency	MSCI EAFE Debt/EBITDA	7.05	8.30	-1.24	+	
	MSCI ACWI Debt/EBITDA	5.14	5.95	-1.57		+
	Avg Debt/EBITDA Ratio (EAFE/ACWI)	1.37	1.39	-0.29	-	
Growth	MSCI EAFE LT EPS Gr (Fwd)	6.11	6.73	-0.02	-	
	MSCI ACWI LT EPS Gr (Fwd)	9.33	9.54	-0.01	-	
	Avg Growth Ratio (EAFE/ACWI)	0.65	0.65	0.00	-	
Economy	USD/EUR	1.11	1.19	-0.86	-	

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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 fell in the quarter. Most of the valuation metrics for both non-U.S. developed and R.O.W. equity valuations remain above their long-term averages.
- Debt levels for both non-U.S. developed and R.O.W. stocks remained below their long-term averages in the quarter.
- Earnings growth forecasts fell for both non-U.S. developed equities and R.O.W. equities. Both growth estimates are now below historical averages.
- The euro weakened versus the dollar and remains slightly 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	13.22	14.21	-0.37	-	
	MSCI ACWI Current P/E	19.04	18.96	0.02	-	
	Avg P/E Ratio (EM/ACWI)	0.69	0.75	-1.13	+	
	MSCI EM EV/EBITDA [^]	9.34	8.61	0.47	-	
	MSCI ACWI EV/EBITDA	12.56	11.19	0.74	-	
	Avg EV/EBITDA Ratio (EM/ACWI)	0.74	0.77	-0.67	-	
	MSCI EM P/S	1.39	1.20	0.87	-	
	MSCI ACWI P/S	2.09	1.54	1.74	+	
	Avg P/S Ratio (EM/ACWI)	0.67	0.79	-1.74	+	
Solvency	MSCI EM Debt/EBITDA	4.43	4.46	-0.06	-	
	MSCI ACWI Debt/EBITDA	5.14	5.95	-1.57		+
	Avg Debt/EBITDA Ratio (EM/ACWI)	0.86	0.75	1.50		+
Growth	MSCI EM LT EPS Gr (Fwd)	16.53	9.08	0.32	-	
	MSCI ACWI LT EPS Gr (Fwd)	9.33	9.54	-0.01	-	
	Avg Growth Ratio (EM/ACWI)	1.77	0.88	1.97	+	

- The EM equities and R.O.W equities P/E ratio fell in the quarter. Both EM equities and R.O.W. equity P/S and EV valuations remain above historical valuation multiples. EM equities appear to be attractively valued from a relative valuation standpoint.
- Debt levels for EM countries remain above long-term averages and remain below historical averages for R.O.W. equities.
- Growth expectations fell for both EM and R.O.W. equities. R.O.W. equities growth expectations fell below 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