



For Immediate Release | February 8, 2023

The 2022 Roller Coaster Ends with Positive Gains

AS WE CLOSED OUT 2022, THE STOCK MARKET'S ROLLER COASTER OF A YEAR ENDED WITH POSITIVE GAINS IN Q4. THE U.S. STOCK MARKET MADE SUBSTANTIAL GAINS IN THIS LAST QUARTER, WITH MUCH OF THE PROGRESS BEING ACHIEVED DURING THE MONTH OF NOVEMBER.

The Dow Jones Industrial Average and S&P 500 rose sharply during the fourth quarter — up over 16% and 7.5% respectively. This was in contrast to the previous three quarters of the year when all three major indices declined. The Nasdaq fell slightly in Q4, down less than 1%, as it had throughout most of the year in 2022.

The primary factors behind these latest gains were the positive outlook on inflation, the hope that interest rates wouldn't need to rise as high as previously expected, and the belief that the Chinese government would ease its "Zero COVID" policies.

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Comparison with Major Indices	Q4 22	Q3 22	Q2 22	Q1 22	2022 YTD Return	2021 Return
Dow Jones Industrial Average	16.01%	-6.2%	-11.3%	-4.1%	-6.86%	18.7%
S&P 500	7.5%	-4.9%	-16.5%	-4.6%	-18.13%	26.9%
AmericanTCS 401(k) Benchmark	7.03%	-5.10%	-12.96%	-5.78%	-16.7%	14.9%
Nasdaq Composite	-0.78%	-3.9%	-22.4%	-8.95%	-32.51%	21.4%

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AmericanTCS 401(k) Composite Benchmark

AS OF DECEMBER 31, 2022

The AmericanTCS 401(k) Composite Benchmark posted a 7.03% gain for Q4, which was particularly noteworthy when compared to the performance of the major stock market indices. Although it trailed the Dow Jones, it was only slightly outperformed by the S&P 500. This strong performance is a testament to the effectiveness of a well-diversified retirement savings plan and highlights the potential for 401(k) plans to provide solid returns for investors. The benchmark's gain in Q4 suggests both stocks and bonds in the U.S. economy were performing well, and investors in the benchmark were able to capitalize on this positive momentum. This is good news for 401(k) participants as they work toward their long-term financial goals. Despite the late-year rally, the hypothetical 401(k) investor still suffered a 16% decline for 2022, after a 5% decline in Q3 and an almost 13% decline in Q2. However, when we zoom out and look at a hypothetical 401(k) participant over a period of five years, the numbers look much better. During three of the last five years,



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the AmericanTCS 401(k) Benchmark has generated annual returns greater than 14%, with 2018 posting a -6% return, and 2022 with a -16.70% return. As a final note of success for the hypothetical 401(k) investor, only the Dow Jones outperformed the AmericanTCS 401(k) Benchmark when comparing the major indices 2022 returns. From a return and volatility perspective, 2022 was the most challenging year for investors since the Global Financial Crisis. The highest inflation levels in decades have been combined with historically aggressive Fed rate hikes and growing concerns over a recession. This year marked the worst performance for the S&P 500 since 2008 and the worst year on record for bond investors. Both stocks and bonds declined simultaneously for the first time since the 1960s. Despite the challenges this year, the stock market remained optimistic and saw significant growth during the fourth quarter of 2022.

Let's talk.

Ready to learn more about AmericanTCS? Get in touch today!

Nathan Friday

AmericanTCS

Phone: 800-693-7800

Email: nfriday@americantcs.com

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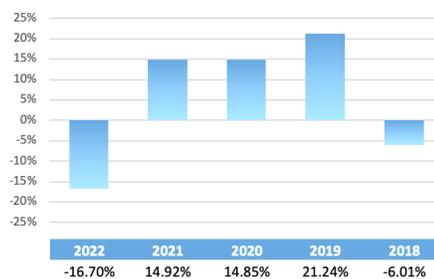
AmericanTCS 401(k) Composite Benchmark

AS OF DECEMBER 31, 2022

Trailing Returns



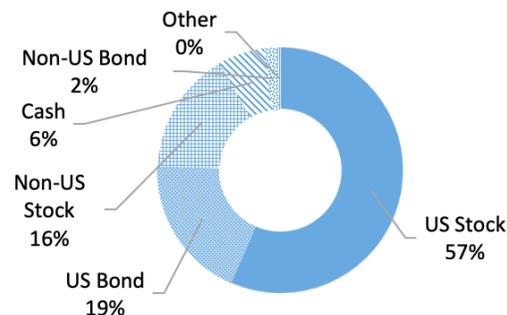
Annual Returns



Participant Balance



Asset Allocation



AmericanTCS is a leading financial services organization that provides a wide array of brokerage, advisory, and trust services to a diverse national client base of financial advisors and institutions, asset managers, and benefits administrators through its various affiliated companies. Because we provide these services, AmericanTCS has plan investment data on over 100,000 401(k) plans representing approximately \$120 billion in assets. In response to requests from our institutional clients, we have

created the AmericanTCS 401(k) Composite Benchmark. Using data from plans serviced by AmericanTCS with assets of at least \$100,000 at the beginning and ending of the month, the AmericanTCS 401(k) Composite Benchmark is designed to reflect the portfolio performance across 401(k) plans serviced, in any capacity, by AmericanTCS. See the “Methodology” section of this report for details on how the composite benchmark is calculated.

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Return Rankings

Our return rankings show rankings based on a wide range of plan sizes, industries, and participant risk tolerance levels. This information is provided as a reference point only and should not be used to draw a conclusion on the overall effectiveness of an individual plan. For instance, a company plan with a concentration of older, highly compensated, individuals may have a lower

return ranking due to the employees, collectively, taking on a lower risk tolerance profile to achieve their goals. In contrary, a firm that employs many younger workers might have a higher return ranking due to the employees taking on a higher risk tolerance profile. We are providing this benchmark to aid fiduciaries in understanding where a given plan falls within this spectrum.

Plan Rankings	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
Top 20% >	-3.00%	8.29%	-14.33%	-14.33%	4.53%	5.93%
Top 40% >	-3.48%	7.59%	-16.04%	-16.04%	3.66%	5.11%
Bottom 40% <	-3.85%	6.93%	-17.17%	-17.17%	2.97%	4.47%
Bottom 20% <	-4.31%	6.03%	-18.58%	-18.58%	2.10%	3.63%

Plan Rankings	2022	2021	2020	2019	2018	5 Year
Top 20% >	-14.33%	17.76%	18.38%	25.06%	-4.36%	5.93%
Top 40% >	-16.04%	15.52%	16.15%	23.01%	-5.50%	5.11%
Bottom 40% <	-17.17%	13.73%	14.18%	21.10%	-6.44%	4.47%
Bottom 20% <	-18.58%	11.73%	11.61%	18.55%	-7.54%	3.63%

AmericanTCS 401(k) Composite Benchmark

METHODOLOGY & DISCLOSURES

Methodology

For the benchmark trailing and annual returns, Mid Atlantic Trust Company, an AmericanTCS business, calculates a monthly rate of return (using the Modified Dietz method) for each 401(k) plan with assets of at least \$100,000 at the beginning and ending of the month. We then calculate the composite return based on a market value weighted average for all plans within three standard deviations of the mean. For periods over one month, we geometrically link the monthly returns. For periods over one year, we annualize those returns.

For the percentile rankings, Mid Atlantic Trust Company, an AmericanTCS business, calculates a monthly rate of return (using the Modified Dietz method) for each 401(k) plan with assets of at least \$100,000 at the beginning and ending of the period. We then geometrically link those monthly returns for each period and annualize them for periods over one year. We then calculate the percentiles based on all plans in the period that are within three standard deviations of the mean.

For the hypothetical participant balances, we used a starting balance based on the average 401(k) participant balance provided by the Investment Company Institute for the year of the starting balance. In our calculation, we assumed a starting annual salary of \$50,000, a combined employee/employer 9% annual contribution rate, and a 3% annual salary increase and applied the monthly rate of return of the benchmark.

The asset allocation is based on the reporting date for all fund positions where we were able to ascertain the underlying asset types.

Disclosures

This benchmark is provided for informational purposes only and should not be relied upon to make investment decisions. This benchmark reflects overall plan investment performance and is not indicative of the performance achieved by individual plan participants, a single investment advisor or investment strategy. Many factors affect overall plan investment performance, including: participant risk tolerance and investment selection, concentrations in participant investment selections, performance of the investment options made available to participants, expenses of the investment options made available to participants, etc. While this benchmark is inclusive of all investment management fees, other fees (such as advisor, recordkeeping, custody, etc.) are not consistently applied across all plans as Mid Atlantic is reliant on the intermediary to code those flows correctly and Mid Atlantic does not review that coding. However, we believe generally those additional fees are excluded from performance.

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