Market Observations – Fourth Quarter 2022 Recap

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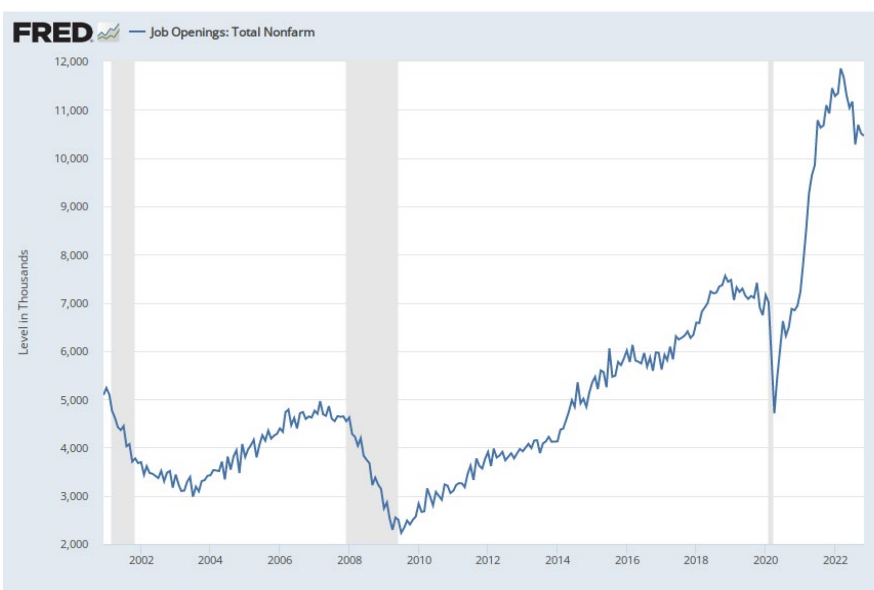
Global financial markets finished on a high note to close out a challenging 2022. U.S., developed international and emerging market equities rallied as the S&P 500, MSCI EAFE and MSCI EM indices appreciated 7.6%, 17.3% and 9.7%, respectively, in Q4. Fixed income markets, with the exception of long-dated U.S. Treasuries, appreciated during the quarter, benefiting from higher yield tailwinds and tightening credit spreads.

In 2022, the Fed faced the challenge of keeping a lid on inflation, which appears to have peaked in June 2022 at 9.1% as measured by the Consumer Price Index (CPI). For 2023, the Fed faces the challenge of getting inflation down to its target level of 2%. Currently, the market appears to be extrapolating the trend from June's peak inflation to December's 6.5% annual rate with a continued smooth trajectory to the target rate. The Fed has taken notice of the market's optimism. During a public interview with a think tank on December 16, San Francisco Fed President Mary Daly stated, "I don't quite know why markets are so optimistic about inflation. But I think of them as priced for perfection."

While the headline-grabbing CPI is on a downward trajectory, the Fed's preferred inflation measure, Core Personal Consumption Expenditures (Core PCE), has not exhibited the same level of reversion. The most recent November Core PCE of 4.7% is in line with the annual rate in July and only slightly below last November's 4.8%. Core PCE is composed of three segments, goods, services-housing and services-excluding housing. The Fed prefers to focus on the core index which excludes energy and food due to the high volatility of and lack of predictive signal from those categories. The prices of the goods segment of PCE is trending in the right direction as supply chains, by and large, have been operating efficiently and post-pandemic goods consumption has normalized. (Children's medicine is a notable supply chain exception, much to the continued dismay of parents of young children.) Housing related inflation is still registering significant year-over-year levels, but price data is reported on a lag. Shelter expenses are expected to improve as homebuilder output increases supply and interest rate hikes work through the system. The third category, services-excluding housing, represents over 50% of Core PCE and is the source of the Fed's consternation. This category includes home healthcare, haircuts and other general services. Labor represents the largest input costs of this segment. The job market remains imbalanced and very tight, which continues to drive wages, i.e. services input costs, higher.



Companies continue to struggle to fill open positions and retain employees.

During the same December interview, San Francisco Fed President Daly outlined the Fed's current labor market focus:

> "Core services ex-housing is largely a reflection of the labor market strength. And right now the labor market is strong, and I don't see a dramatic slowing in the labor market starting to take place. So that means that wage growth will be above its long-run sustainable average of 3.5% to 4%, and we're going to find that that passes through to price inflation…We are resolute in bringing inflation down, not just getting to that level where you said – it's easy to get to 4% for instance and harder to get – We're going to go until the job is well and truly done, which is 2% on average inflation."

Despite a very low 3.5% unemployment rate and strong nominal wage gains, the labor force participation rate remains below pre-pandemic levels. From a policy standpoint, the primary labor market issue is the uncertainty related to which drivers are structural and persistent and which are cyclical and fleeting. A few of the impactful trends in question include the acceleration of millions of retirements over the past few years, the decision for one parent to leave the workforce to provide childcare amidst fewer, more expensive childcare options and the negative effect of the continuing opioid epidemic on prime age, predominantly male workers. These trends have proven to be more persistent than initially expected and appear to represent structural changes to the labor market. Additionally, immigration reform resulting in an increase of legal workers would loosen the labor market, but legislative progress on this issue in the near-term appears less likely than a reversal of all of the previously outlined labor trends. If none of these factors reverse to contribute more workers to the labor pool, the Fed may feel motivated to further tighten monetary policy to catalyze a cyclical slowdown to soften the labor market and alleviate upward wage pressure.

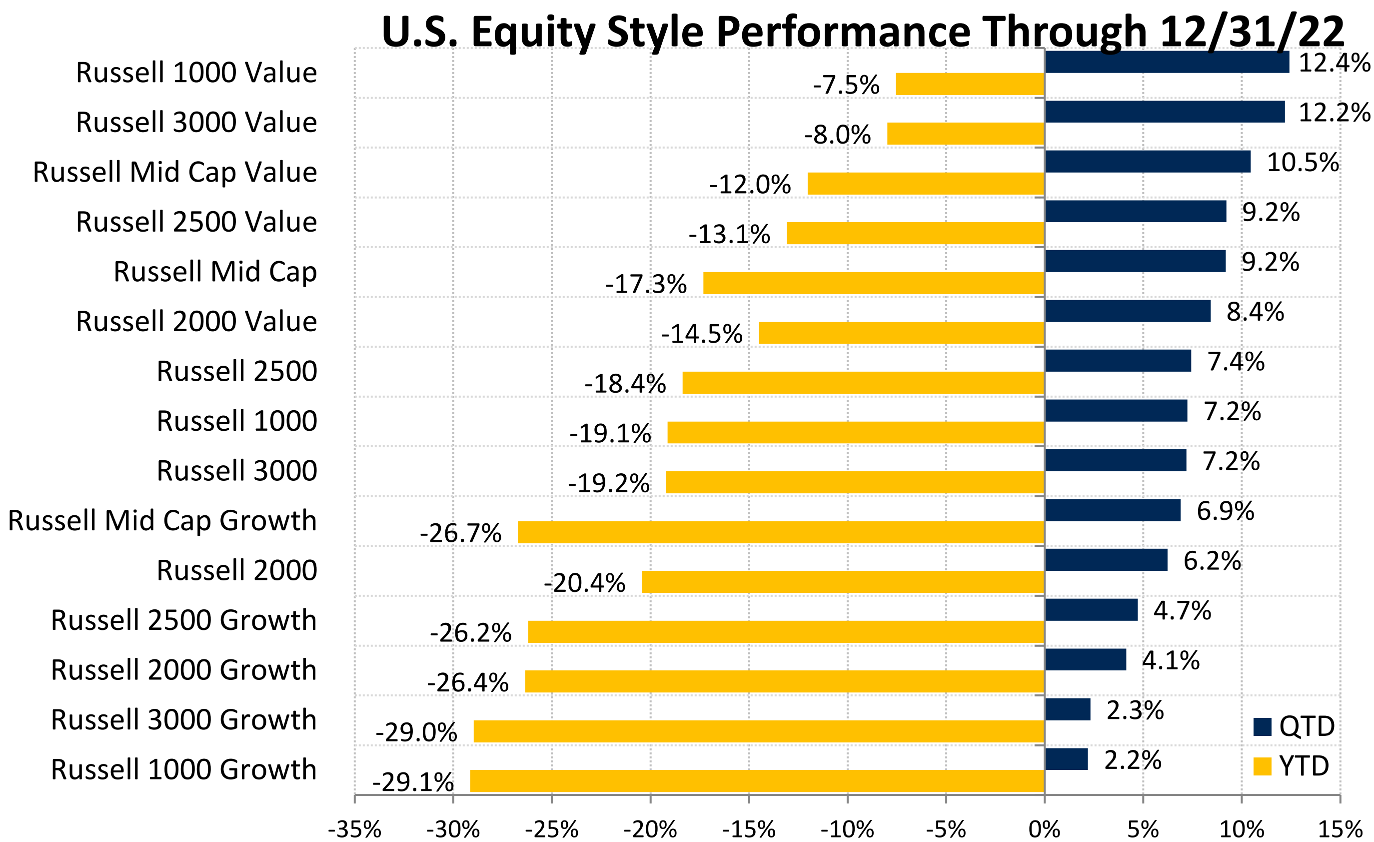
The Fed is likely to continue to step down the magnitude of its rate hikes and raise rates by 0.25% in February as it continues with the calibration phase of the monetary policy cycle. Going forward, the Fed risks doing too little, which could embed a harmful psychology in the economy in a replay of the 1970's wage-price spiral, or doing too much and causing excess damage to the job market and economy. A third path exists, which reflects current market expectations, in the form of a soft landing. This outcome would combine a growing economy with a robust labor market and price stability represented by inflation approaching the Fed's target of 2%.

Investors will be keenly focused on upcoming labor market data to evaluate the dynamics driving inflation and to anticipate the Fed's subsequent monetary policy action.

**Commentary on the various market segments for the quarter is on the pages that follow.**

**US Equity Style**: U.S. equities across all styles and market caps appreciated in Q4, but all finished in negative territory for 2022. All value segments outperformed growth segments for the quarter and year. Below are highlights on style performance.

- Large cap styles represented the best and worst performers for the quarter and year. Large cap value led all segments for the quarter and year while the large cap growth segment trailed over both time periods.
- Small and mid-cap stocks generated mixed relative results compared to large cap stocks during the quarter and year.
- The value style outperformed the growth style during the quarter across all market cap segments. Growth stocks continued to face interest rate headwinds during the quarter as was the case for the majority of the year.
- Quality High Dividend, Enhanced Value and Value were the top performing factors in the quarter. Growth, Pure Growth and High Beta lagged during the quarter.
- The dispersion between the best performing style (Large Cap Value) and the worst performing style (Large Cap Growth) in the first quarter was 10.2%, indicating that style had a meaningful impact on active manager performance.

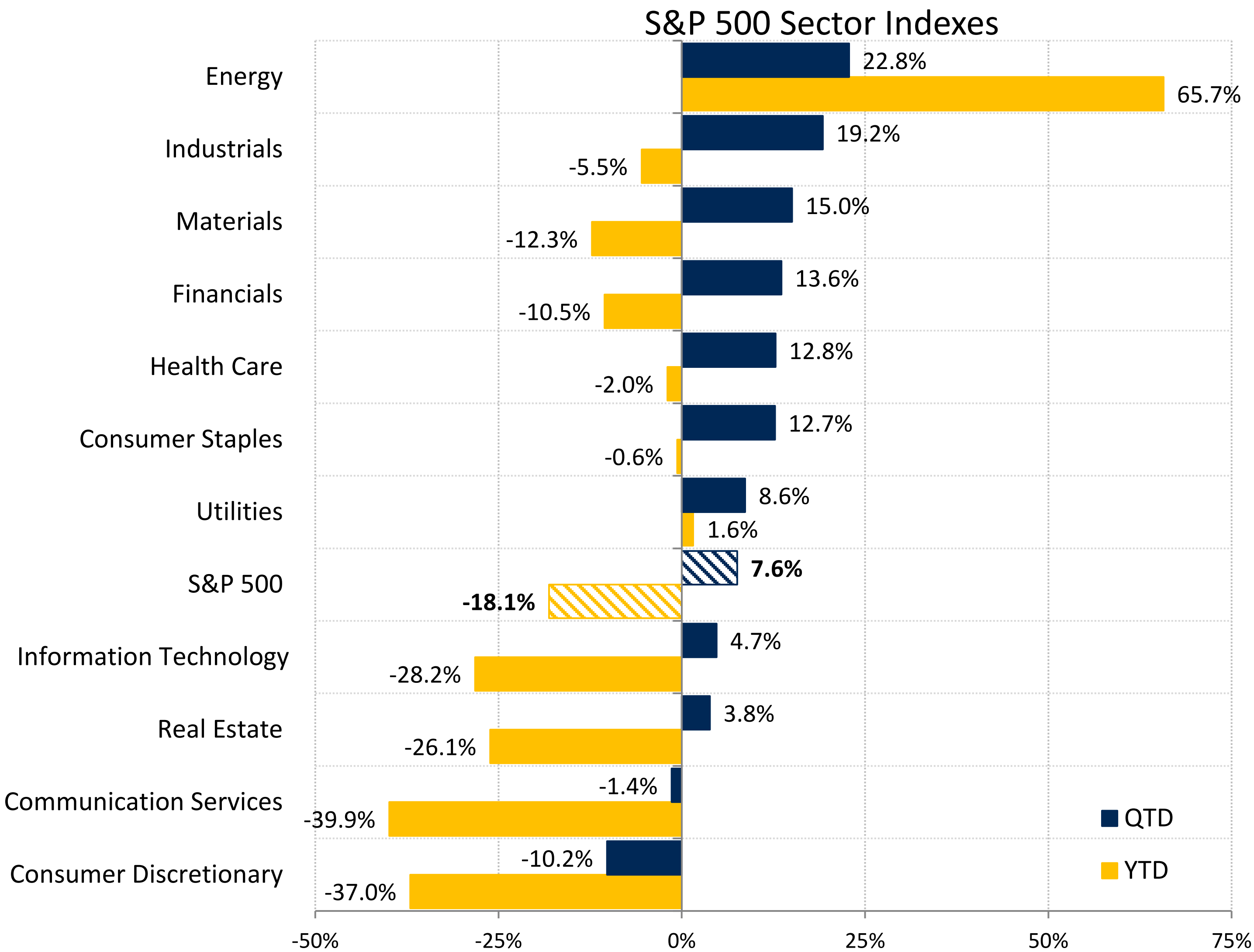



*Source: Morningstar Direct*

US Sectors: Cyclical sectors were the top performing sectors during the quarter. Energy and Utilities were the only sectors to generate positive returns for the year. Communication Services and Consumer Discretionary, both winners during the pandemic, were the laggards for the year. Below are highlights on sector performance in the second quarter.

- Energy, Industrials and Materials were the top performing sectors, generating at least 15% during the quarter.
- Consumer Discretionary, Communication Services and Real Estate were the weakest performing sectors.
- There was a wide degree of dispersion between the best and worst performing sectors for the quarter. The level of dispersion was 33.0% with the Energy and Consumer Discretionary sectors representing the top and bottom, respectively, indicating that sector positioning had a meaningful impact on active management.

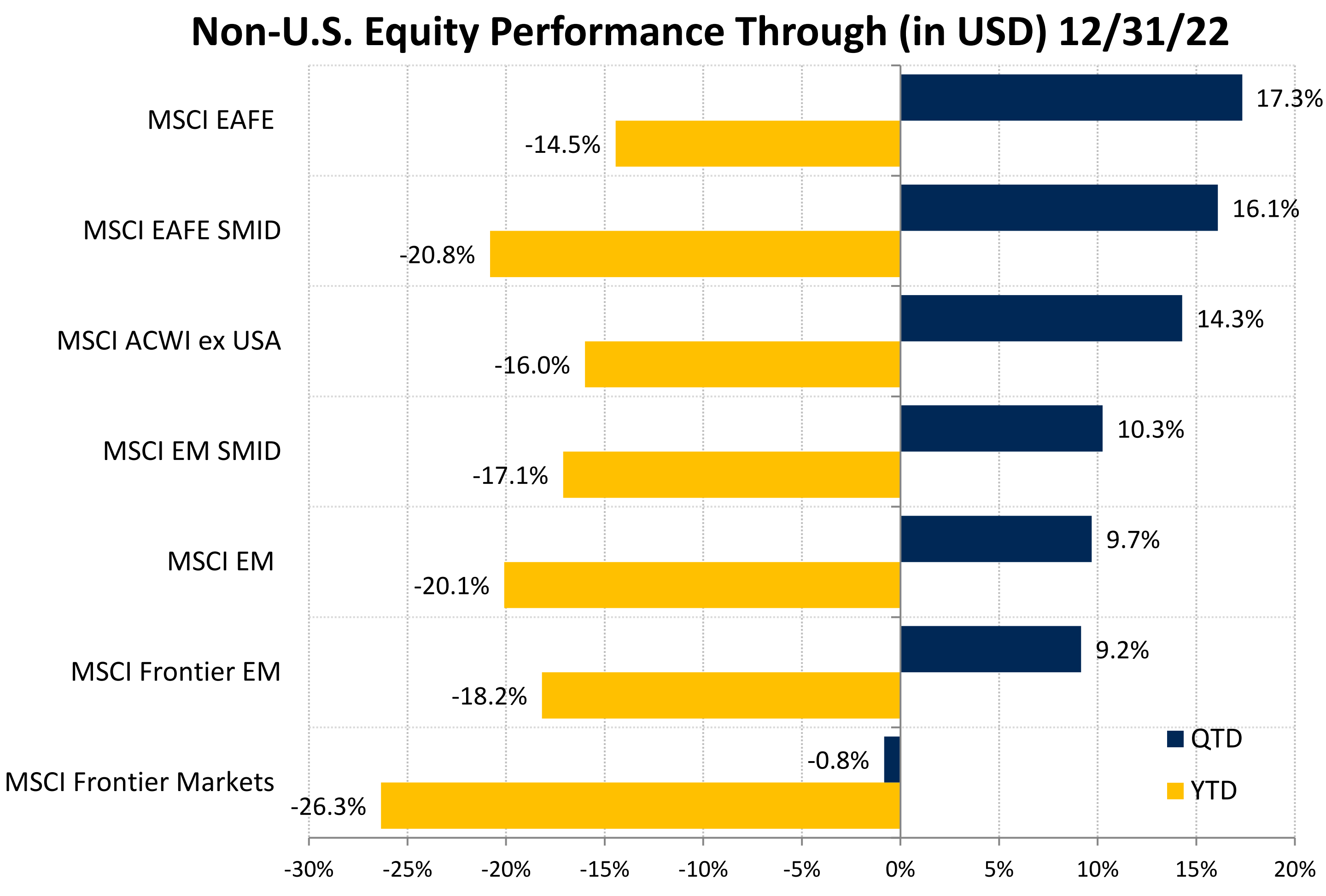
## U.S. Equity Sector Performance Through 12/31/22




*Source: Morningstar Direct*

**Non-U.S. Markets:** All international and emerging markets segments, except Frontier Markets, generated positive returns during the quarter. Below are highlights on performance of international and emerging markets in the quarter.

- The MSCI EAFE index returned 17.3% in the quarter, outperforming the S&P 500's 7.6% return.
- The value style outperformed the growth style within international markets.
- Within international developed markets, Energy, Financials and Materials were the strongest performers in the quarter. Information Technology, Consumer Discretionary and Real Estate were the weakest performing sectors.
- Small Cap stocks underperformed large cap stocks within international and emerging market equities for the quarter.
- Relative results across Asia and Europe were mixed during the quarter as both regions finished in negative territory for the year.
- Emerging markets underperformed developed markets for the quarter as the MSCI EM Index gained 9.7%.
- Within emerging markets, the Communication Services, Health Care and Industrials sectors were the top performers for the quarter. Energy, Utilities and Consumer Staples were the weakest performing sectors.
- Most major currencies appreciated relative to the U.S. Dollar during the quarter, serving as a tailwind on foreign investments for U.S. investors.
- Frontier markets underperformed the broad emerging markets for the quarter. The MSCI Frontier Emerging Markets Index was up 9.2% while the MSCI Frontier Market Index returned -0.8%.

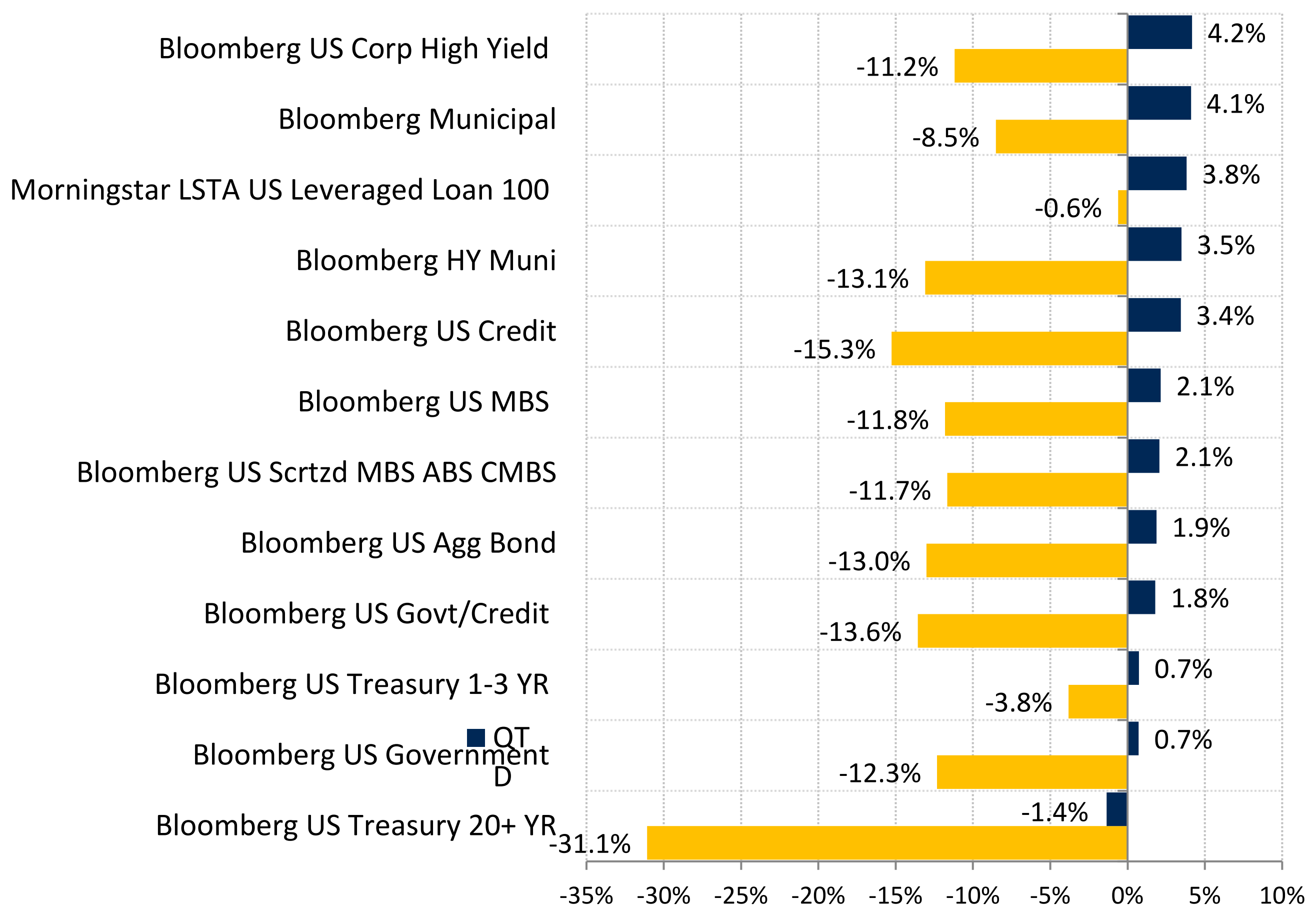



*Source: Morningstar Direct*

**Fixed Income:** The U.S. interest rate curve flattened during the quarter as yields on Treasuries 1-year and shorter rose substantially while yields on maturities from 2-years to 30-years were mixed. Most segments of the fixed income market generated positive returns during the quarter. Below are highlights on fixed income performance in the quarter.

- The 10-Year Treasury yield started the quarter at 3.83% and ended the quarter at 3.88%. Treasury prices fell as yields rose. The 2-year/10-year spread further inverted to finish the year at -0.53%.
- Investment grade and high yield credit experienced gains during the quarter. The Bloomberg Barclays U.S. Credit index returned 3.4% while the U.S. Corporate High Yield Credit index returned 4.2%. High yield was the best performing domestic fixed income segment as spreads tightened from by 0.62% to 4.81% at the end of the quarter.
- The best performing segments of the U.S. fixed income market were high yield corporate credit, municipals and leveraged loans.
- Leveraged loans appreciated due to credit spread tightening as the Morningstar LSTA U.S. Leveraged Loan 100 index returned 3.8%.
- Municipal bonds, both investment grade and high yield, generated positive returns. The Bloomberg Barclays Municipal Bond index generated a 4.1% return while high yield municipal bonds appreciated by 3.5%.
- Non-U.S. local currency global bonds benefited from a declining U.S. Dollar and appreciated during the quarter. The majority of currencies appreciated relative to the U.S. Dollar.

## U.S. Fixed Income Performance Through 12/31/22




*Source: Morningstar Direct*

# Disclosures

***Indices are unmanaged and presented for comparison purposes only. Please note that the returns displayed for indices do not take into account any of the costs associated with buying and selling individual securities. Individuals cannot invest directly in an index.***

***Bloomberg Barclays Capital U.S. Aggregate Bond Index:*** *The U.S. Aggregate Index covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The Index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass throughs), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety. The index was created in 1986 with index history backfilled to January 1, 1976. All issues in the Aggregate Index are rated Baaa3/BBB-/BBB- or higher (using the middle rating of Moody's, S&P, and Fitch, respectively) and have at least one year to maturity and have an outstanding par value of at least $250 million.*

***Bloomberg Barclays CMBS IG TR USD:*** *The index measures the performance of investment-grade commercial mortgage-backed securities, which are classes of securities that represent interests in pools of commercial mortgages. The index includes only CMBS that are Employee Retirement Income Security Act of 1974, which will deem ERISA eligible the certificates with the first priority of principal repayment, as long as certain conditions are met, including the requirement that the certificates be rated in one of the three highest rating categories by Fitch, Inc., Moody's Investors Services or Standard & Poor's.*

***Bloomberg Barclays Municipal TR USD:*** *The Bloomberg Barclays Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year.*

***Bloomberg Barclays US Corp IG TR USD:*** *The index measures the performance of investment grade corporate bonds.*

***Bloomberg Barclays US Corporate High Yield TR USD:*** *Bloomberg Barclays US Corporate High Yield TR USD*

***Bloomberg Barclays US Govt/Credit Interm TR USD:*** *A subgroup of the Bloomberg Barclays Government/Credit Bond Index that is based on maturity with greater than 1 to 10 years.*

***Bloomberg Barclays US Govt/Credit TR USD:*** *The U.S. Government/Credit Bond Index is the non-securitized component of the U.S. Aggregate Index. Specifically, the Government/Credit Index includes treasuries (i.e., public obligations of the US Treasury that have remaining maturities of more than 1 year), Government-Related issues (i.e. agency, sovereign, supranational, and local authority debt) and Corporates ( publicly issued US corporate and Yankee debentures and secured notes that meet specified maturity, liquidity, and quality requirements). All issues in the Government/Credit Index are rated Baaa3/BBB-/BBB- or higher (using the middle rating of Moody's, S&P, and Fitch, respectively) and have at least one year to maturity and have an outstanding par value of at least $250 million.*

***Bloomberg Barclays US MBS TR USD:*** *The Bloomberg Barclays Mortgage-backed Securities Index is a market value-weighted index which covers the mortgage-backed securities component of the Bloomberg Barclays U.S. Aggregate Bond Index. The index is composed of agency mortgage-backed pass through securities of the Government National Mortgage Association (Ginnie Mae), the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac) with a minimum $150 million par amount outstanding and a weighted-average maturity of at least 1 year. The index includes reinvestment of income*

***Bloomberg Barclays US Treasury 1-3 Yr TR USD:*** *The Bloomberg Barclays Capital US Treasury Bond 1-3yr term index measures the performance of short-term government bonds issued by the US Treasury.*

***Bloomberg Barclays US Treasury 20+ Yr TR USD:*** *The Index is market capitalization weighted and includes all of the securities that meet the Index criteria. The index includes all publicly issued, U.S. Treasury securities that have a remaining maturity greater than 20 years, are non-convertible, are denominated in U.S. dollars, are rated investment grade (Baa3 or better) by Moody's Investors Service, are fixed rate, and have more than $150 million par outstanding. Excluded from the Index are certain special issues, such as flower bonds, targeted investor notes (TINs) and state and local government series bonds (SLGs), and coupon issues that have been stripped from assets already included.*

***Bloomberg Barclays US Treasury TR USD:*** *The U.S. Treasury Index includes public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded. STRIPS are excluded from the index because their inclusion would result in double-counting. Securities in the index roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices. The U.S. Treasury Index was launched on January 1, 1973.*

***Bloomberg Barclays US Treasury US TIPS TR USD:*** *The Index includes all publicly issued, U.SS Treasury inflation-protected securities that have at least 1 year remaining to maturity, are rated investment grade and have $250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non-convertible. The Index is market capitalization weighted and the securities in the Index are updated on the last calendar day of each month.*

***Europe Stoxx 600:*** *The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.*

***Russell 1000 Growth Index (R1000 Growth****): Measures the performance of the Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.*

***Russell 1000 Index (Russell 1000):*** *Measures the performance of the 1,000 largest companies in the Russell 3000 Index. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period. The*
*Russell 1000 Index represents the vast majority of the total market capitalization of the Russell 3000 Index. It is considered to be generally representative of US Equity Large Cap performance.*

***Russell 1000 Value Index (R1000 Value):*** *Measures the performance of the Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.*

***Russell 2000 Growth Index (R2000 Growth****): Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.*

***Russell 2000 Index (Russell 2000):*** *Measures the performance of the 2,000 smallest companies in the Russell 3000 Index. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period. The*
*Russell 2000 Index represents a very small percentage of the total market capitalization of the Russell 3000 Index. It is considered to be generally representative of US Equity Small and Mid Cap performance.*

***Russell 2000 Value Index (R2000 Value):*** *Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values*

***Russell 3000 Growth:*** *The Russell 3000 Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values.*

***Russell 3000 Index (Russell 3000):*** *Measures the performance of the 3,000 largest US companies based on total market capitalization, which represents nearly the entire market capitalization of the investable US equity market. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period.*

***Russell 3000 Value:*** *The Russell 3000 Value Index measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values.*

***Russell Midcap Growth Index (Russell Midcap Growth):*** *Contains those Russell Midcap (800) securities with a greater than-average growth orientation. Companies in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.*

***Russell Midcap Index (Russell Midcap):*** *Measures the performance of the mid-cap segment of the US equity universe. The Russell Midcap Index includes the smallest 800 securities in the Russell 1000.*

***Russell Midcap Value Index (Russell Midcap Value):*** *Contains those Russell Midcap (800) securities with a less-than average growth orientation. Securities in this index generally have lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.*

***S&P 500 Index:*** *The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value. The Index is one of the most widely used benchmarks of US Equity Large Cap performance.*

***S&P 500 Sector/Consumer Discretionary Index:*** *The S&P 500 Sector/Consumer Discretionary Index consists of stocks chosen for their representation in the Consumer Discretionary industry. The companies in the index tend to be the most sensitive to economic cycles. Manufacturing companies include automotive, household durable goods, textiles and apparel, and leisure equipment. Service companies include hotels, restaurants/leisure facilities, media production and services, consumer retailing and services and education services. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Consumer Staples Index:*** *The S&P 500 Sector/Consumer Staples Index consists of stocks chosen for their representation in the Consumer Staples industry. The companies in the index tend to be the less sensitive to economic cycles. They include manufacturers and distributors of food, beverages and tobacco, and producers of non-durable household goods and personal products; also food and drug retailing companies. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Energy Index:*** *The S&P 500 Sector/Energy Index consists of stocks chosen for their representation in the Energy industry. The companies in the index are dominated by either the construction for provision of oil rigs, drilling equipment and other energy-related service and equipment or the exploration, production, marketing, refining and/or transportation of oil and gas products, coal and consumable fuels. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Financials TR Index:*** *The S&P 500 Sector/Financials Index consists of stocks chosen for their representation in the Financials industry. The companies in the index are involved in activities such as banking, consumer finance, investment banking and brokerage, asset management, insurance and investments, and real estate, including REITs. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

*S**&P 500 Sector/Healthcare TR Index:*** *The S&P 500 Sector/Healthcare Index consists of stocks chosen for their representation in the Healthcare industry. The companies in the index are involved in health care equipment and supplies, health care-related services, or in the research, development, production and marketing of pharmaceuticals and biotechnology products. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Industrials TR Index:*** *The S&P 500 Sector/Industrials Index consists of stocks chosen for their representation in the Industrials industry. Companies include those that manufacture and distribute capital goods (i.e. aerospace/defense, construction, engineering and building products, electrical equipment and industrial machinery); provide commercial services and supplies (i.e. printing, employment, environmental/office services); or provide transportation services (i.e. airlines, couriers, marine, road/rail and transportation infrastructure). It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Information Technology TR Index:*** *The S&P 500 Sector/Information Technology Index consists of stocks chosen for their representation in the Info Tech industry. Companies considered are involved in technology software and* *services and technology hardware and equipment. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Materials TR Index:*** *The S&P 500 Sector/Materials Index consists of stocks chosen for their representation in the Materials industry. These include companies that manufacture chemicals, construction materials, glass, paper, forest products and related packaging products, metals, minerals and mining companies, including steel producers. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Telecommunication Services TR Index:*** *The S&P 500 Sector/Telecom Services Index consists of stocks chosen for their representation in the Telecom industry. The companies in the index are involved in health care equipment and supplies, health care-related services, or in the research, development, production and marketing of pharmaceuticals and biotechnology products. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P 500 Sector/Utilities TR Index:*** *The S&P 500 Sector/Utilities Index consists of stocks chosen for their representation in the Utilities industry. Companies considered include electric, gas or water utilities, or companies that operate as independent producers and/or distributors of power. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value.*

***S&P/LSTA Leveraged Loan TR:*** *The S&P/LSTA U.S. Leveraged Loan 100 Index is designed to reflect the performance of the largest facilities in the leveraged loan market. Yield Index but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face values of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. In the event there are fewer than 50 issuers in the Index, each is equally weighted and the face values of their respective bonds are increased or decreased on a pro rata basis.*

*The success of an investment program may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of a portfolio's investments. Unexpected volatility or illiquidity could result in losses.*

*Investing in securities is speculative and entails risk. There can be no assurance that one's investment objectives will be achieved or that an investment strategy will be successful. Significant losses could result if a strategy involves the use leverage, short sales and derivative transactions, investment in foreign or illiquid securities, and potentially limited diversification.* ***Past performance is not a guarantee of future results.***

*Some of the information in this document may contain projections or other forward looking statements regarding future geopolitical or public health events. or future financial performance of funds, countries, markets or companies. Actual events or results may differ materially.*

***Risks of fixed Income Securities***

*For fixed income securities, there is a risk that the price of these securities will go down as interest rates rise. Another risk of fixed income securities is credit risk, which is the risk that an issuer of a bond will not be able to make principal and interest payments on time. Liquidity risk is the risk that you might not be able to buy or sell investments quickly for a price that is close to the true underlying value of the asset. When a bond is said to be liquid, there's generally an active market of investors buying and selling that type of bond. High yield fixed income securities are considered to be speculative and involve a substantial risk of default. Adverse changes in economic conditions or developments regarding the issuer are more likely to cause price volatility for issuers of high yield debt than would be the case for issuers of higher grade debt securities.*

***Special Risks of Foreign Securities***

*Investments in foreign securities are affected by risk factors generally not thought to be present in the US. The factors include, but are not limited to, the following: less public information about issuers of foreign securities and less governmental regulation and supervision over the issuance and trading of securities.*

***Special Risks of Small Market Capitalization Securities***

*Investments in companies with smaller market capitalization are generally riskier than investments in larger, well-established companies. Smaller companies often are more recently formed than larger companies and may have limited product lines, distribution channels and financial and managerial resources. These companies may not be well known to the investing public, may not have significant institutional ownership and may have cyclical, static or moderate growth prospects. There is often less publicly available information about these companies than there is for larger, more established issuers, making it more difficult for the Investment Manager to analyze that value of the company. The equity securities of small and mid-capitalization companies are often traded over-the-counter or on regional exchanges and may not be traded in the volume typical for securities that are traded on a national securities exchange. Consequently, the Investment Manager may be required to sell these securities over a longer period of time (and potentially at less favorable prices) than would be the case for securities of larger companies. In addition, the prices of the securities of small and mid-capitalization companies may be more volatile that those of larger companies.*