



Financial Market Pocket Guide

Comparison of valuation metrics as of December 31, 2023, and December 31, 2024

Market Performance:	Ticker:	12/31/2023	12/31/2024	Y-o-Y Change
S&P 500	^SPX	4,769.8	5,881.6	23.3%
S&P 600	^SML	1,318.3	1,408.2	6.8%
iShares Trust - iShares Core U.S. Aggregate Bond ETF	AGG	99.3	96.9	-2.4%

Interest Rates (%):	12/31/2023	12/31/2024	Valuation Impact
Fed Funds Target Rate	5.50	4.50	Positive
SOFR Overnight	5.38	4.49	Positive
United States Prime Rate	8.50	7.50	Positive
United States Treasury Constant Maturity - 1-Month	5.60	4.40	Positive
United States Treasury Constant Maturity - 3-Month	5.40	4.37	Positive
United States Treasury Constant Maturity - 6-Month	5.26	4.24	Positive
United States Treasury Constant Maturity - 1-Year	4.79	4.16	Positive
United States Treasury Constant Maturity - 2-Year	4.23	4.25	Negative
United States Treasury Constant Maturity - 3-Year	4.01	4.27	Negative
United States Treasury Constant Maturity - 5-Year	3.84	4.38	Negative
United States Treasury Constant Maturity - 7-Year	3.88	4.48	Negative
United States Treasury Constant Maturity - 10-Year	3.88	4.58	Negative
United States Treasury Constant Maturity - 20-Year	4.20	4.86	Negative
Moody's Bond Yield Avg - BAA Rated Corporate	5.49	6.00	Negative

Expected Inflation (%):	12/31/2023	12/31/2024
U of M Survey (November): Expectations for Next 12 Months	3.10	2.60
Implied Inflation (Treasury) - 5-Year	2.12	2.38
Implied Inflation (Treasury) - 7-Year	2.16	2.35
Implied Inflation (Treasury) - 10-Year	2.16	2.34
Implied Inflation (Treasury) - 20-Year	2.38	2.45

Observed Inflation (%):	12/31/2023	12/31/2024
November Unadjusted CPI	3.14	2.73

Equity Valuation Data:	12/31/2023	12/31/2024	Valuation Impact
20-Year Treasury Bond Rate	4.20%	4.86%	Negative
Kroll Recommended Equity Risk Premium	<u>5.50%</u>	<u>5.00%</u>	Positive
Required Return on Equity	9.70%	9.86%	Negative
S&P 600 Trailing 12 Month EBITDA Multiple	11.6x	12.0x	Positive
Forward EBITDA Multiple	9.9x	9.7x	Negative

Sources: S&P Capital IQ, St. Louis Fed FRED, Kroll Cost of Capital Navigator, and Damodaran Online.