



The Next Chapter

3Q 2024 Macro and
Markets Review

This presentation is provided by Bernstein. This presentation booklet has been provided to you for use in a private and confidential meeting to discuss a potential or existing investment-advisory relationship. This presentation is not an advertisement and is not intended for public use or distribution beyond our private meeting. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

Questions We Heard from Our Clients During 3Q 2024



Is the Fed playing catch up?



Is a soft landing likely?



What will 2025 bring?



How will the election affect markets and the economy?



How much more will the Fed cut in 2024?



What risk does the deficit impose?



Is now the right time to get invested/stay invested?



Should we make any changes?

As of September 30, 2024
Source: AB

3Q 2024: Turning the Page, Starting a New Chapter

The Fed's Cutting Cycle Begins

After 300 days on pause above 5%, the Fed finally cut signaling the start of a new cycle of lower rates. Easier financial conditions should be supportive of the economy, providing a conducive backdrop for investors.

Starting to Bring 2025 into View

With uncertainty around Fed cuts largely reduced, focus will turn to 2025. Consensus earnings expectations are for 10% growth next year, which seems a tad optimistic. We're assuming no more multiple expansion, given elevated valuations and earnings growth closer to mid-single digits.

The Election

The race is too close to call and likely remains so until November. Who wins the Oval Office as well as the makeup of Congress will determine D.C.'s influence on markets for the foreseeable future. Keep in mind that the influence is often less than most believe.

As of September 30, 2024. Current analysis and forecasts do not guarantee future results.
Source: Bernstein analysis

Where We've Been and Where We're Going

AB's View

- **Global Growth:** Growth is likely to slow modestly. A disruptive hard landing continues to be unlikely, in our view.
- **Monetary Policy:** Easing has begun, as central banks no longer feel the need to be overly restrictive in the face of falling inflation. Policymakers are likely to proceed gradually and will determine their pace based on the magnitude of economic deceleration and rate of disinflation.
- **Bond Yields:** Market yields have priced in the expected central bank cuts. Barring a collapse in growth, or reacceleration in inflation, we think rates will find stasis.
- **Inflation:** There is increasing confidence that the inflationary part of the pandemic recovery is in the past. Inflation should approach target in the coming quarters, but timing will vary by region.

	Pre-Pandemic	Post-Pandemic	
	Five Years Ago (2019)	Forecast 2024	Forecast 2025
US GDP*	2.3%	1.8%	1.2%
Global GDP*	2.8%	2.6%	2.2%
Policy Rate	1.50%– 1.75%	4.25%– 4.50%	2.75%– 3.00%
10Y Treasury Rate	1.92%	3.75%	3.50%
US Inflation	1.5%	2.8%	2.3%
S&P 500	3,231	5,600– 5,800	6,100
S&P 500 Earnings	\$164	\$241	\$258
S&P 500 P/E**	18x	22x	22x

As of September 30, 2024. **Historical analysis is not necessarily indicative of future results. There is no guarantee that any estimates or forecasts will be realized.**

*US GDP forecasts presented as 4Q/4Q; global is YoY. **Forward P/E for the next 12 months as of year-end.

Source: Bloomberg, Bureau of Economic Analysis, Congressional Budget Office, Federal Reserve, FRED, S&P, and Bernstein analysis

What We Said at Year-End 2023

Our Expectations

It's Only
October, but...

“The (Fed’s) dovish tone provides an improved backdrop in 2024.”



“The economic slowdown should arrive in 2024. That said, the slowdown should be modest.”



“We expect cash to underperform...again.”



“With rate cuts on the horizon, yields will decline, though not as rapidly as seen in 4Q.”



“Gradual disinflation is likely to define 2024, but convergence to target is not anticipated until late 2024 or even 2025.”



“Much of 2024 equity returns were pulled forward into 2023”

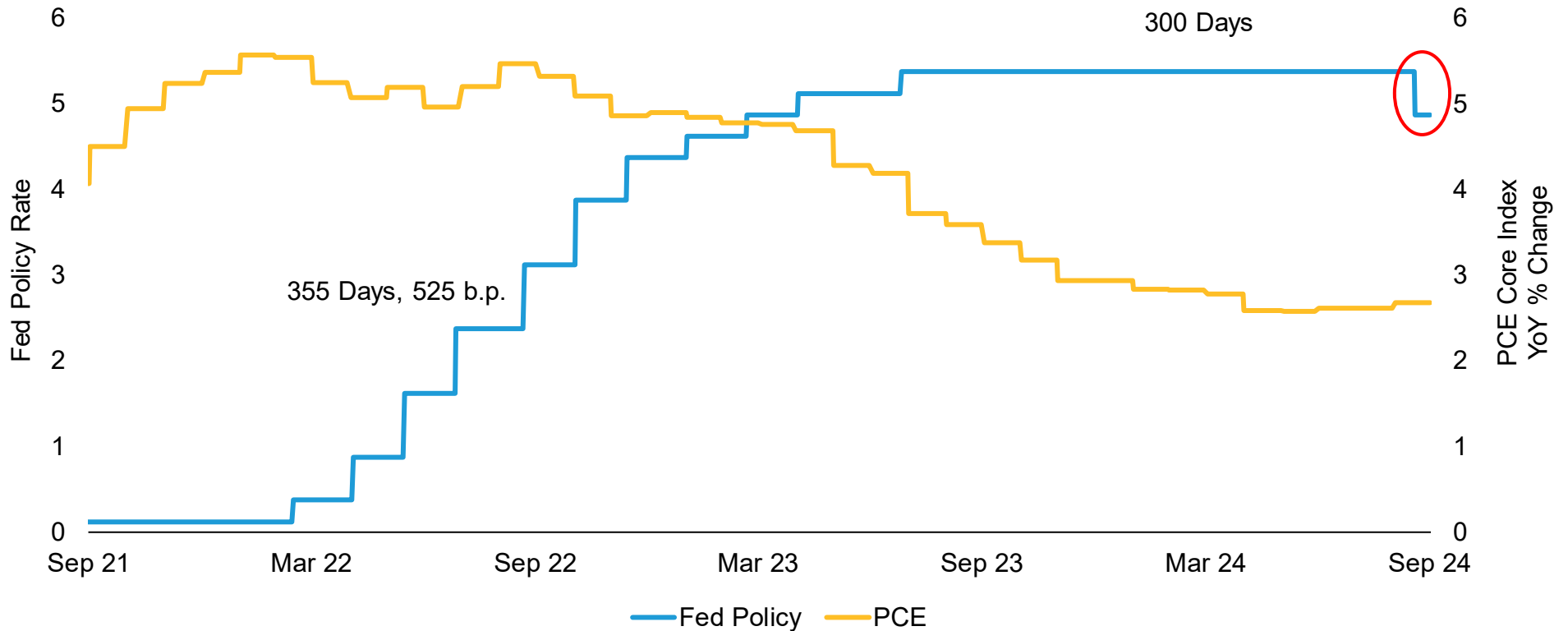


As of September 30, 2024
Source: AB

Rates and Bonds

Rate Cutting Starts As Pace of Inflation Slows Notably

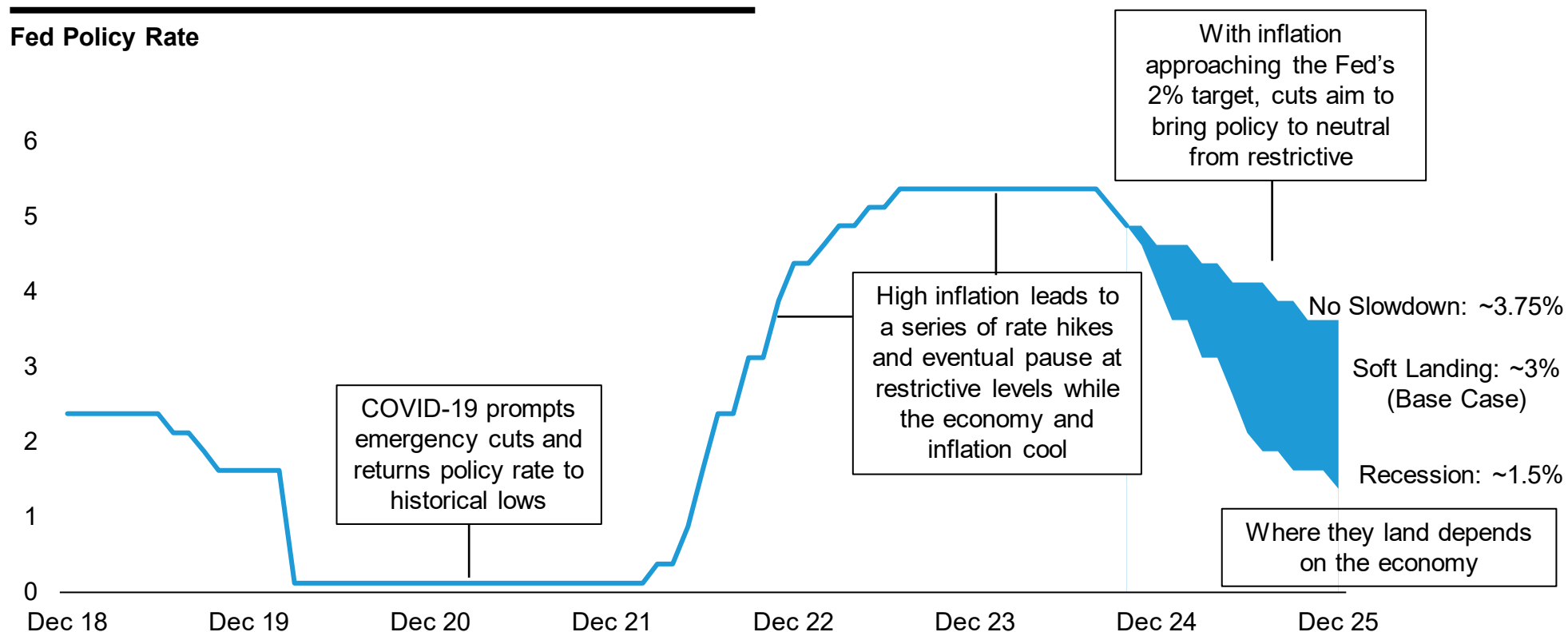
Fed Policy Rate and PCE Core Index



As of September 30, 2024. **Historical analysis is not necessarily indicative of future results. There is no guarantee that any estimates or forecasts will be realized.**
 Source: Bloomberg, US Federal Reserve, and Bernstein analysis

The Fed: Where to from Here?

Our base case assumes fed funds approaches 3% by year-end 2025



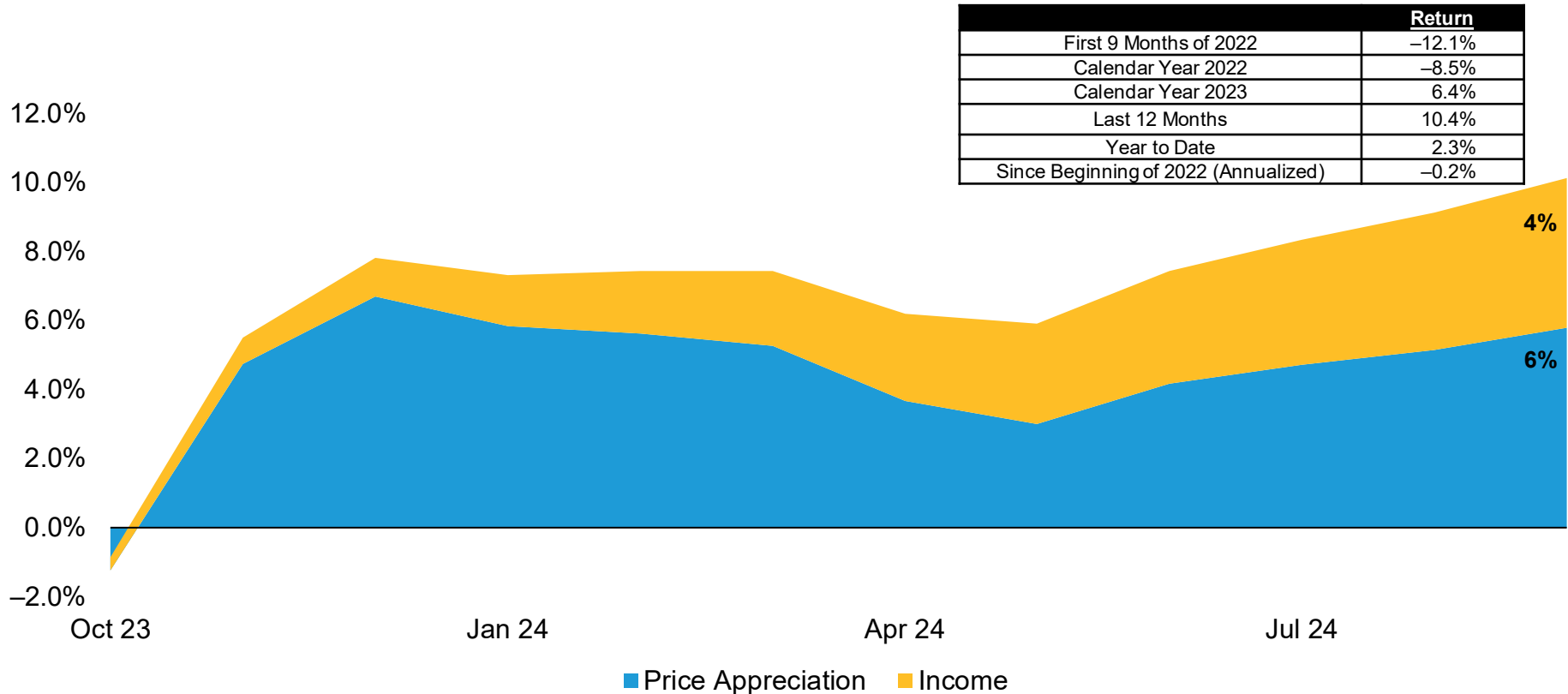
As of September 30, 2024. Current analysis and forecasts do not guarantee future results.
Source: Bloomberg, US Federal Reserve, and Bernstein analysis

Income and Price Appreciation Have Both Been Helpful to Bond Returns

Despite tough first nine months of 2022, municipal bond returns have been flat since beginning of 2022, strong over previous year

Bloomberg Municipal Bond Index

Cumulative total return decomposed since September 2023



As of September 30, 2024. **Past performance is not necessarily indicative of future results.**
Source: Barclays Live, Bloomberg, and Bernstein analysis

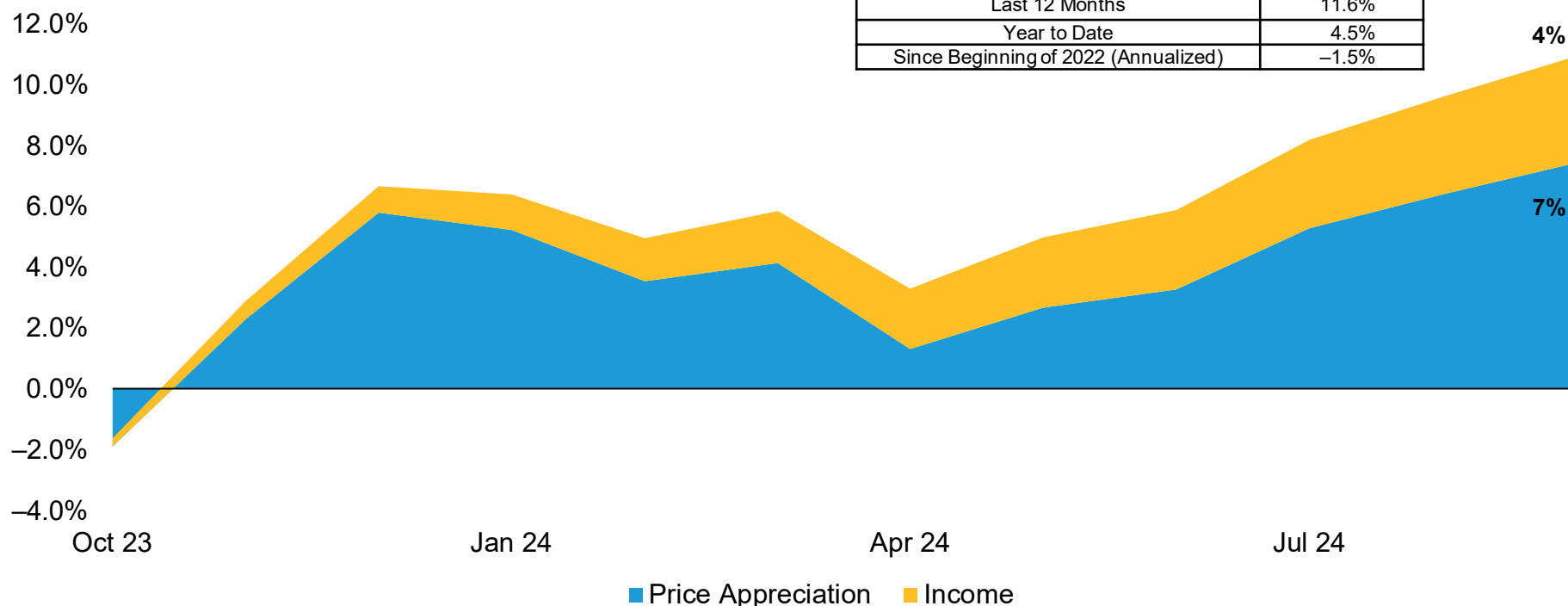
Income and Price Appreciation Have Both Been Helpful to Bond Returns

Despite tough first nine months of 2022, taxable bond returns have been down slightly since, strong over previous year

Bloomberg US Aggregate Index

Cumulative total return decomposed since September 2023

	Return
First 9 Months of 2022	-14.6%
Calendar Year 2022	-13.0%
Calendar Year 2023	5.5%
Last 12 Months	11.6%
Year to Date	4.5%
Since Beginning of 2022 (Annualized)	-1.5%

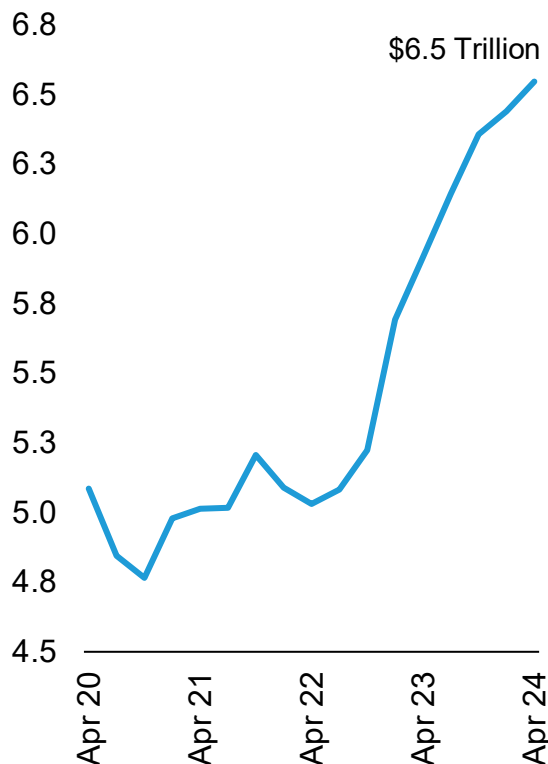


As of September 30, 2024. Past performance is not necessarily indicative of future results.
Source: Barclays Live, Bloomberg, and Bernstein analysis

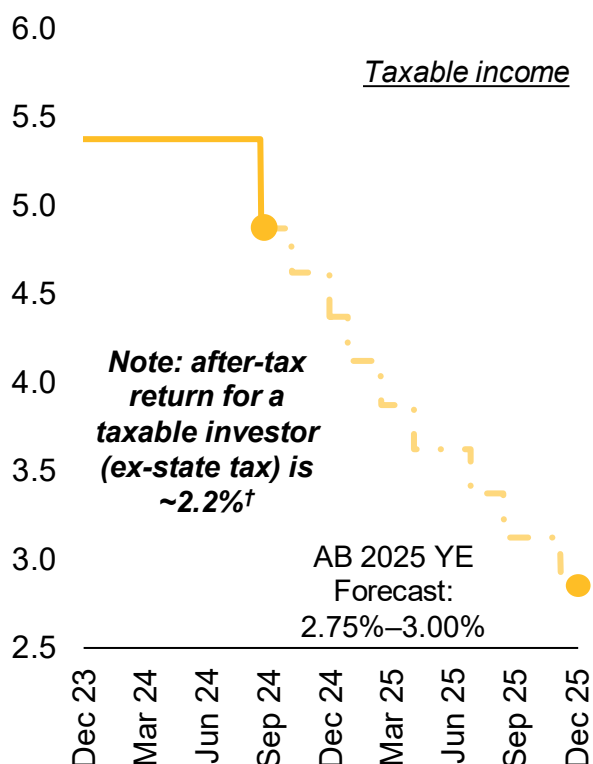
Bond Opportunity, Hiding In Plain Sight

Money Market returns will diminish as Fed cuts, bond returns are attractive alternative

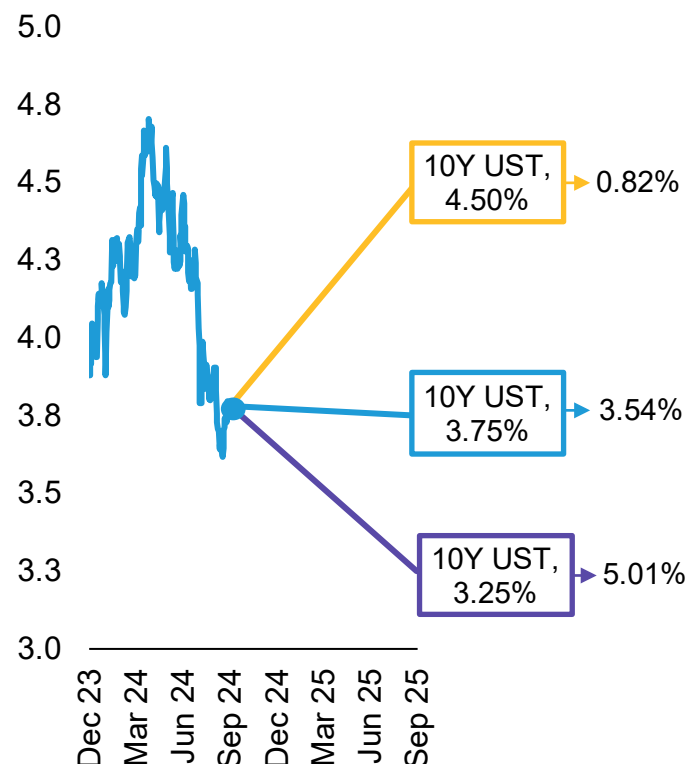
Money Market Funds, Total Asset Level
USD, Trillions



Fed Funds Rate and Forecast



Expected 12-Month Municipal Return*
10-Year US Treasury Yield, Percent



As of September 30, 2024. **Past performance does not guarantee future results. There is no guarantee that any estimates or forecasts will be realized.**

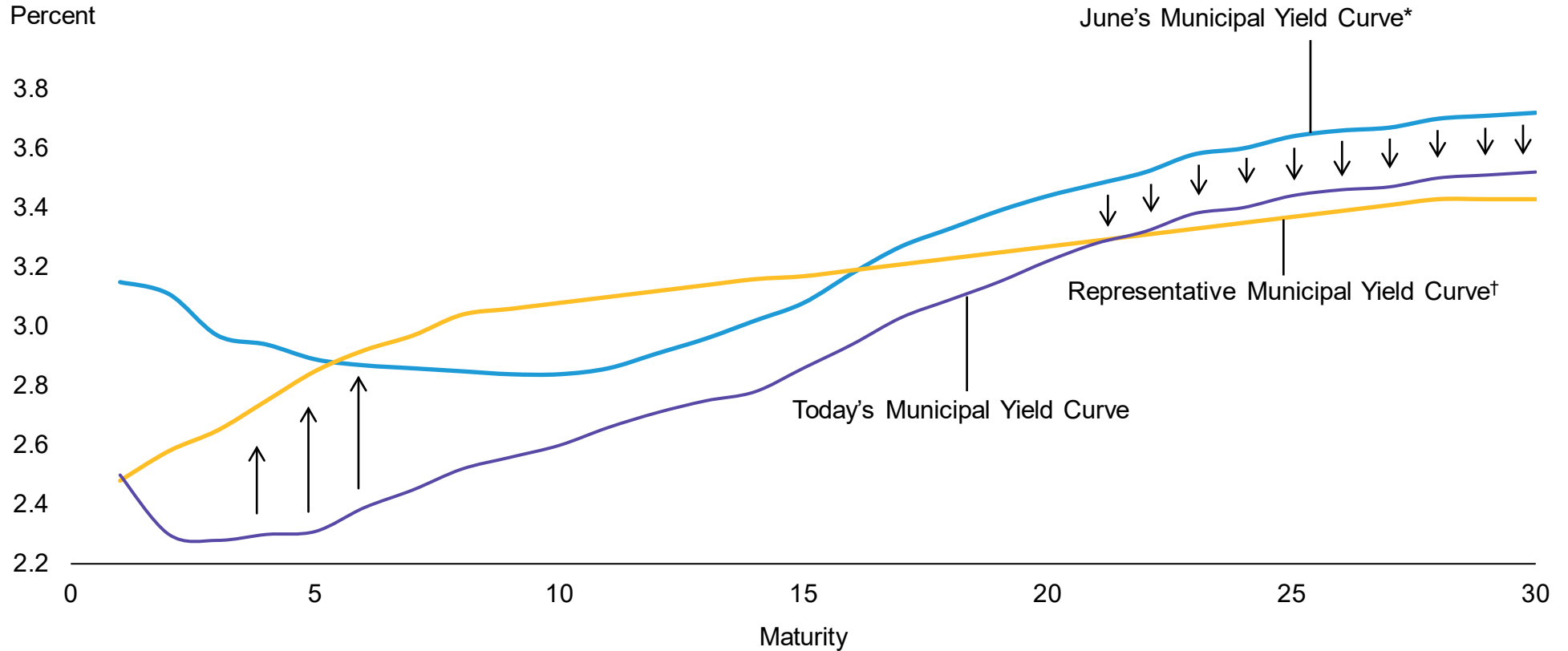
*Income from municipal bonds are generally exempt from federal, state, and local tax for in-state residents vs. treasuries which are generally subject to federal tax. †Average between current 3-month treasury yield and forecast for year-end 2025. Federal tax rate assumed is 37% plus the 3.8% Affordable Care Act. Right Display: Reflects expected returns of the Bloomberg Municipal Bond Index under three scenarios: 10-year US Treasury yields rise to 4.50%, remain at 3.75%, or decline to 3.25% over the next 12-months as of September 27, 2024.

Source: Bloomberg, Federal Reserve, FRED, MSCI, and Bernstein analysis

Active Bond Management Is Critical While the Curve Normalizes

Maintaining a modified barbell maturity structure

AAA Municipal Yield Curves Over Time



As of September 30, 2024. **Current analysis does not guarantee future results.**

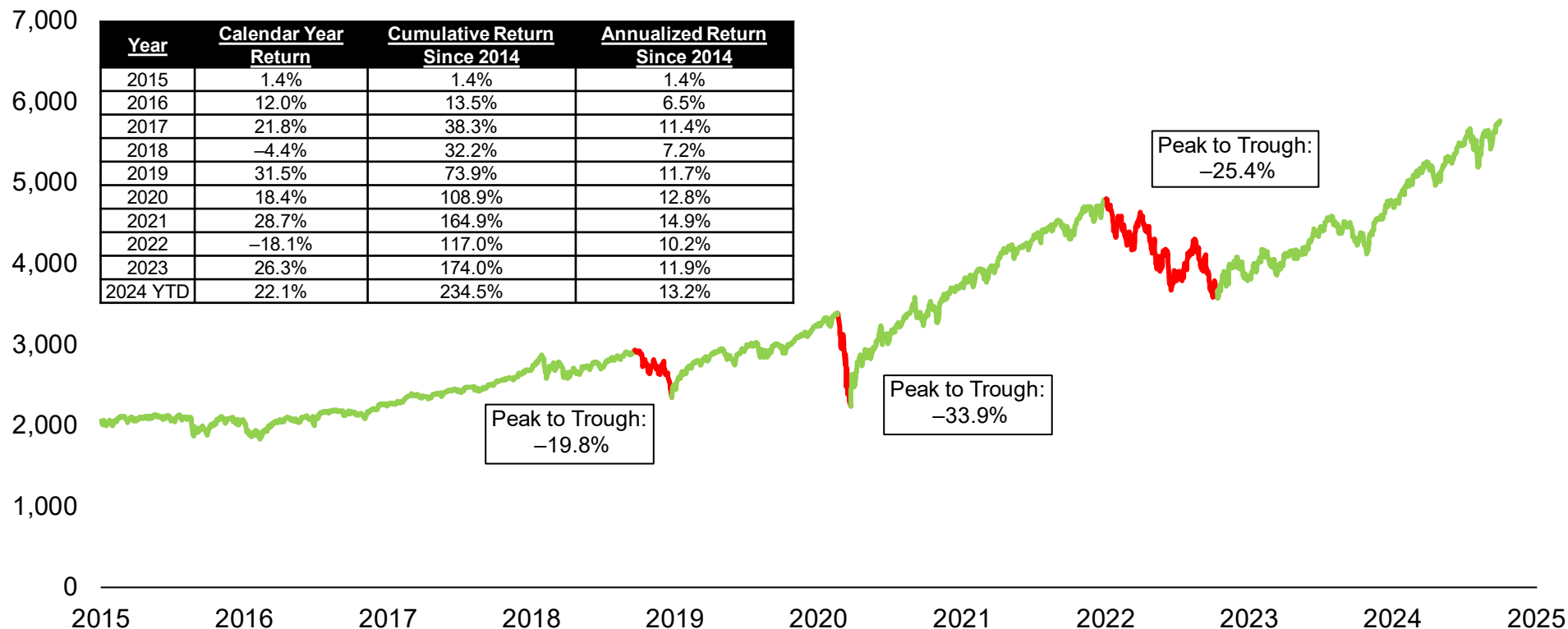
*As of June 30, 2024. †Representative municipal curve is as of December 31, 2016.

Source: Municipal Market Data and Bernstein analysis

Equities

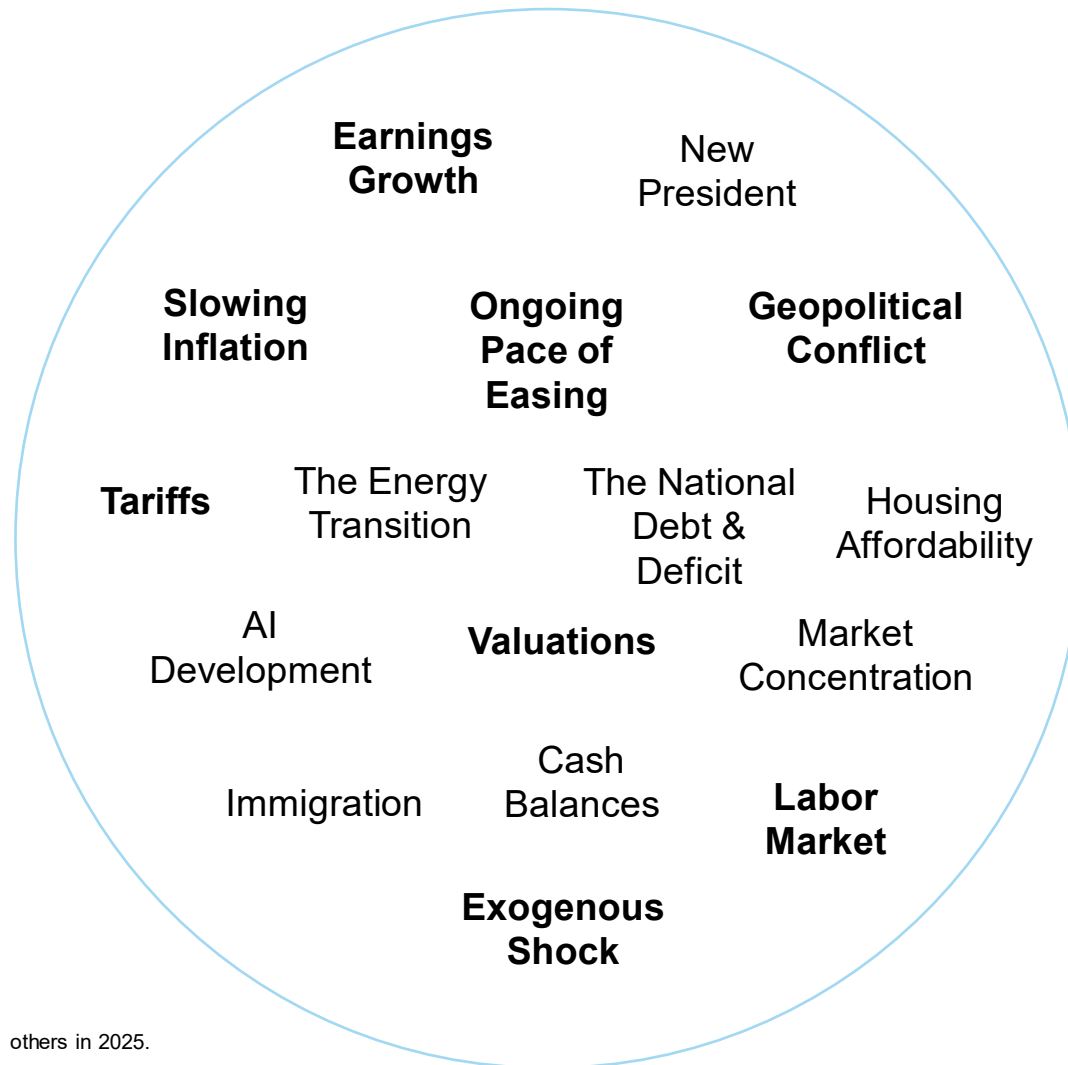
Last Decade Equity Returns Superb Despite 2018, 2020, and 2022 Declines

S&P 500 Index



As of September 30, 2024 **Past performance does not guarantee future results.**
 Source: Bloomberg, S&P, and AB

2025 Issues Scattershot—The Known Unknowns Giving Investors Pause



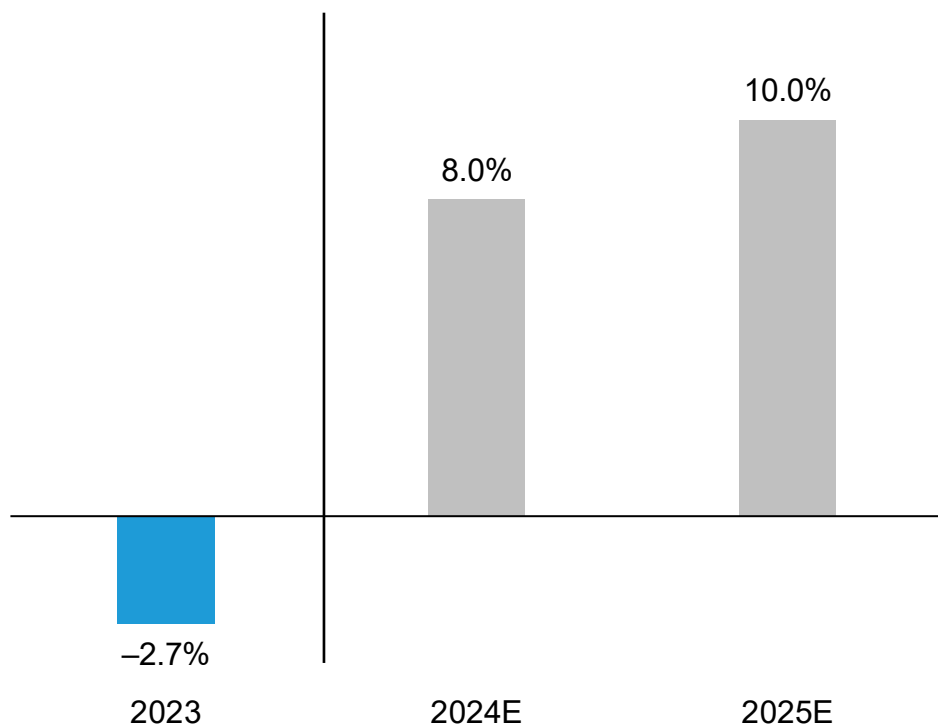
As of September 30, 2024

Bold denotes risks that are more likely than others in 2025.

Source: Bernstein analysis

Earnings Key To Further Market Appreciation As Valuations Are Full

Consensus S&P 500 EPS Growth Percent



S&P 500 Detail

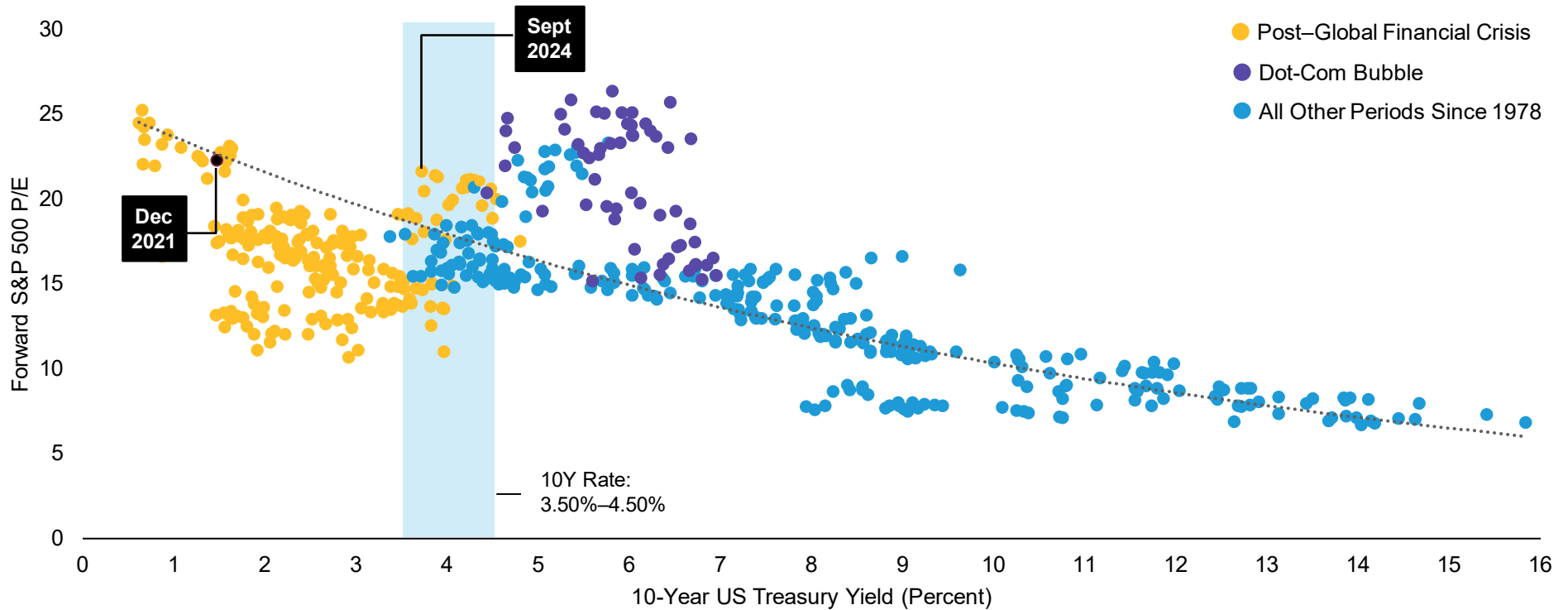
	Forward P/E Ratio (x)	2024 YTD Price Return
S&P 500	21x	20.8%
S&P 500 Excluding Mag 7	19x	15.8%
Technology	29x	29.6%
Communication Services	19x	27.9%
Utilities	19x	27.5%
Financials	16x	20.4%
Industrials	23x	18.9%
Consumer Staples	22x	16.5%
Consumer Discretionary	26x	13.2%
Healthcare	19x	13.0%
Materials	21x	12.6%
Real Estate	20x	11.5%
Energy	13x	5.7%

Despite elevated valuations, returns across sectors have been strong in 2024

As of September 30, 2024. Current analysis and forecasts do not guarantee future results. Source: Bloomberg, FactSet, S&P, and Bernstein analysis

Stock Valuations at Upper End of Range

Forward P/E Multiples* and Interest Rates Since 1978



As of September 30, 2024. **Past performance does not guarantee future results.**

*Forward P/E multiples represent earnings estimates for the next 12 months.

Dot-com bubble 12/31/96–9/30/2000. Post-global financial crisis 12/31/2007–present.

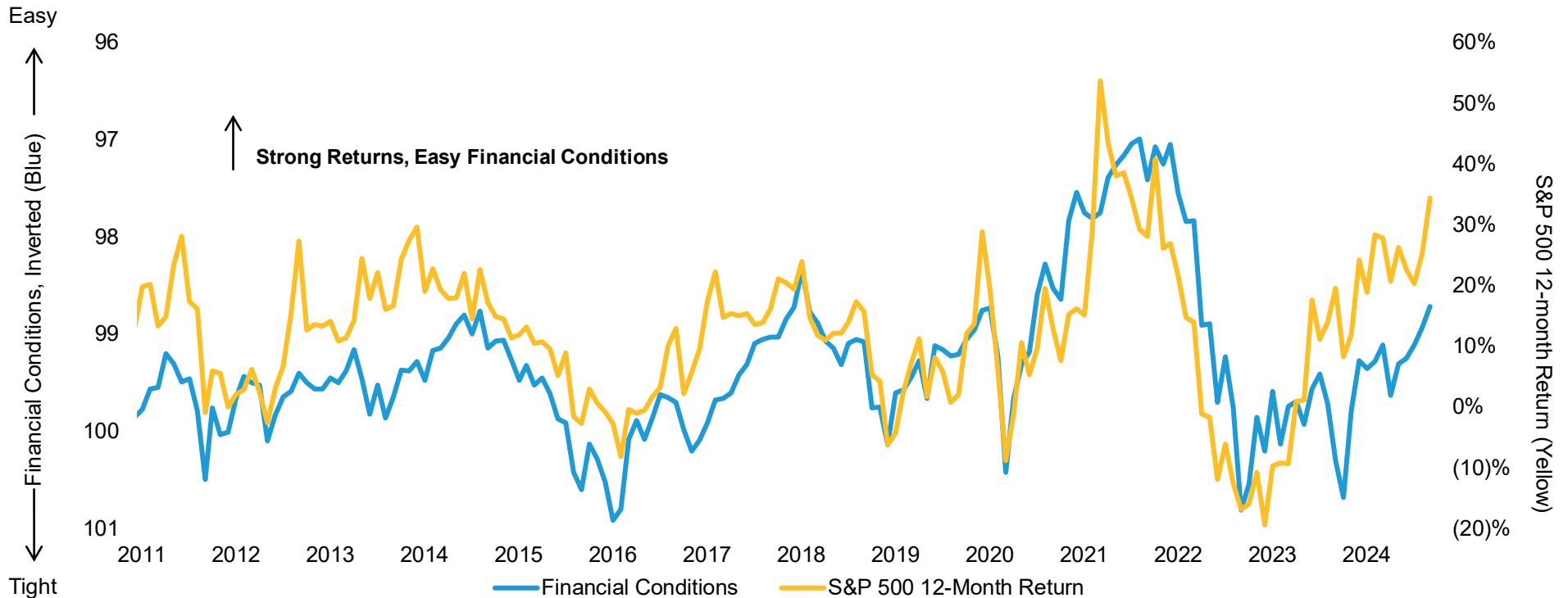
Chart trend line is for 1978–2007.

Source: FactSet, Federal Reserve Bank of St. Louis, S&P, and AB

Easy Financial Conditions Remain One of the Key Drivers of Return

Low rates, low volatility tend to be supportive for return-seeking assets

Financial Conditions and SPX Returns



Financial conditions such as interest-rate levels, currency movements, and volatility gauge the ease with which business gets done. By extension, the “easier” conditions are, the better market returns tend to be.

As of September 30, 2024. **Past performance does not guarantee future results.**

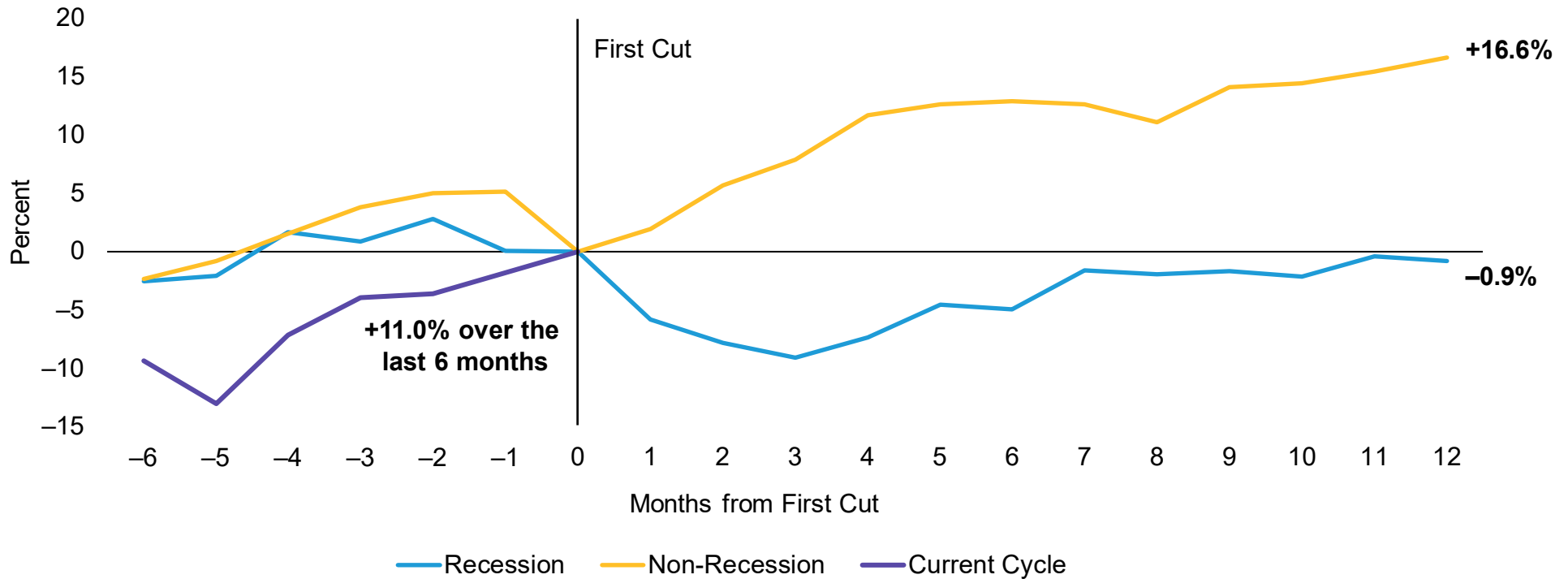
Source: Bloomberg, Goldman Sachs Financial Conditions Index (measuring weighted average of fed funds, 10Y Treasury yield, BBB spreads, USD and stock valuations), S&P, and AB

Fed Cuts: The *Why* Matters

Markets tend to welcome cuts absent an economic contraction

Average S&P 500 Price Return

Indexed to first cut*



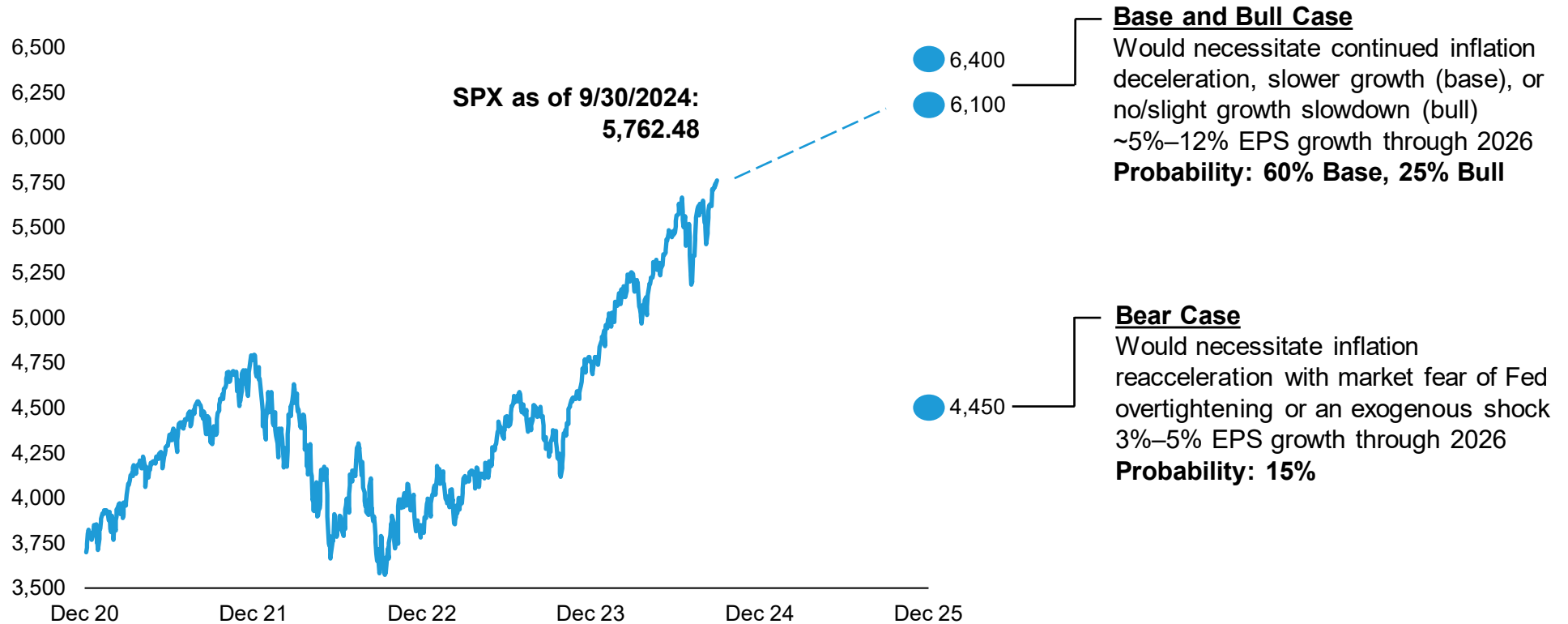
As of September 30, 2024. **Past performance does not guarantee future results.**

*Recessionary first cuts include July 1990, January 2001, September 2007, and March 2020. Non-recessionary first cuts include September 1984, October 1987, June 1989, July 1995, September 1998, and July 2019. Current cycle first cut is September 2024. "Non-Recession" cuts may be linked to economic growth scares that did not ultimately result in a recession, but that the Federal Reserve felt warranted a policy easing.

Source: Bloomberg, FRED, US Federal Reserve, and Bernstein analysis

Our First Cut at 2025 Target Ranges

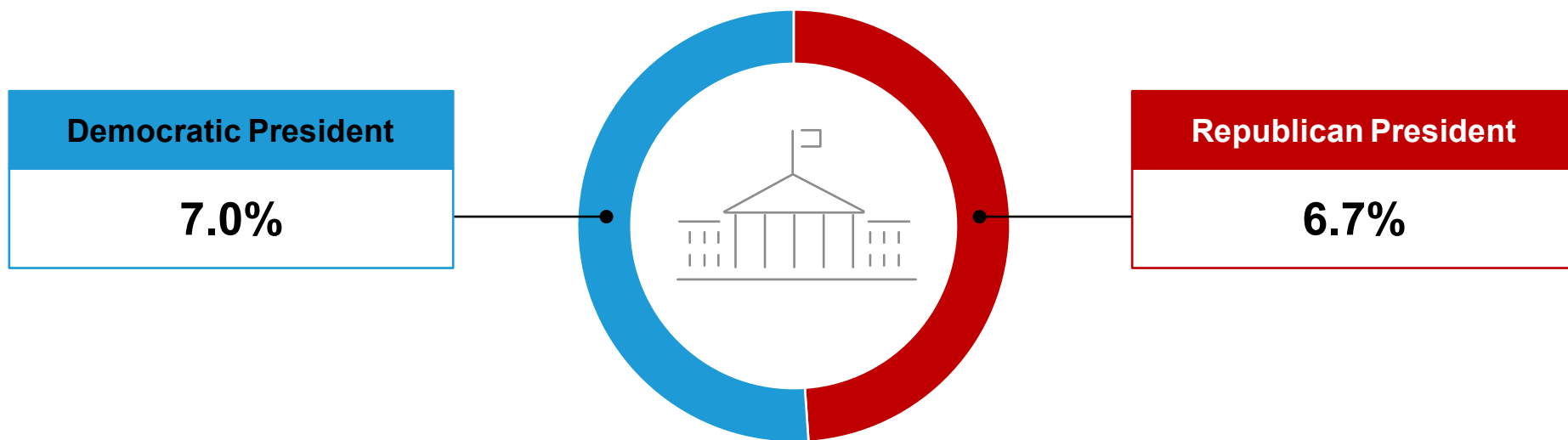
Scenario Analysis: S&P 500, YE 2025—not incl. dividends



As of September 30, 2024. Past performance and historical analysis do not guarantee future results. There is no guarantee that any estimates or forecasts will be realized. Source: Bloomberg, S&P, and Bernstein analysis

Countdown to Election Day

Historically, Neither Political Party Has a Material Edge...



As of April 30, 2024. **Past performance does not guarantee future results.**

Returns are an annualized weighted average for each presidential term dating back to 1937, based on the Dow Jones Industrial Average PR.

Source: Bloomberg and AB

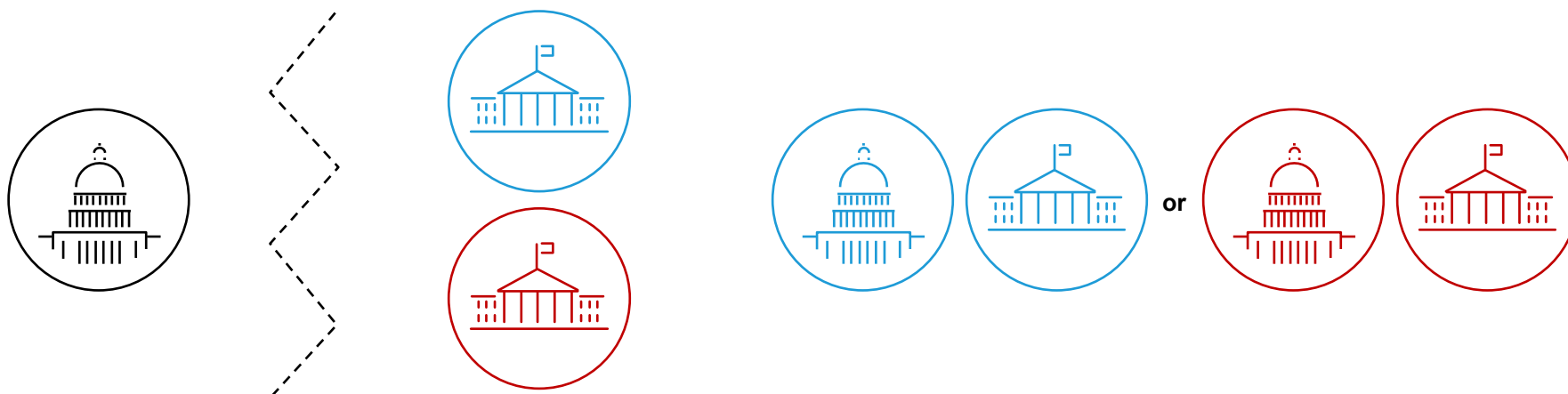
...While Congressional Makeup Seems to Matter More

Divided Government

Unified Government

8.1%

5.1%



As of April 30, 2024. **Past performance does not guarantee future results.**

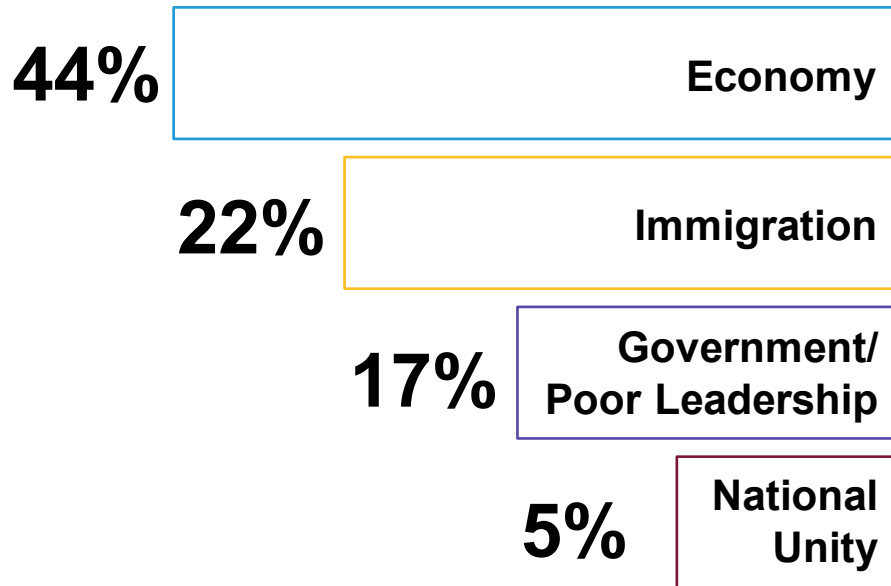
Returns are an annualized weighted average for each congressional T-term dating back to 1937, based on the Dow Jones Industrial Average PR.

Source: Bloomberg and AB

The Economy Is on Voters' Minds

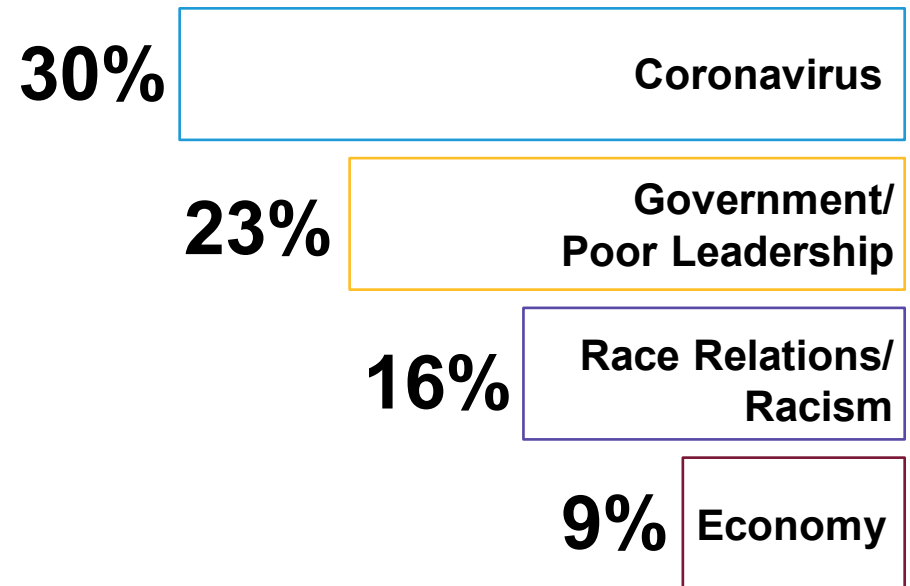
Voter Priorities: September 2024

Q: What do you think is the most important problem facing the country today?



Voter Priorities: July 2020

Q: What do you think is the most important problem facing the country today?



As of September 30, 2024. Past performance does not guarantee future results.
Source: Gallup and AB

Candidate Policy Differences, as Per Their Platforms

Issue/Sector	Harris	Trump
Corporate Taxes	<ul style="list-style-type: none"> Raise corporate tax rate from 21% to 28% Increasing minimum tax for large corporations from 15% to 21% 	<ul style="list-style-type: none"> Maintain corporate tax rate at 21% (per 2017 TCJA)
Individual Taxes	<ul style="list-style-type: none"> Top tax rate reverts to 39.6% Estate tax exemption reverts to pre-2017 levels (~1/2 of \$13.6M) Allow SALT deduction limit to expire at the end of 2025 Capital-gains tax at ordinary income rate on those making over \$1M Potential for carried interest to be taxed as ordinary income Potential wealth tax of 25% on wealth exceeding \$100M Increase IRS funding for improved enforcement 	<ul style="list-style-type: none"> Top tax rate remains at 37% Make the increase in the estate tax exemption from TCJA permanent Raise SALT deduction limit to ~\$20K from \$10K rather than letting it expire
Trade	<ul style="list-style-type: none"> Maintain or reduce existing tariffs Possibly more national security restrictions on China, especially in tech Potential tariffs on Chinese cars Possibly resurrect Trans-Pacific Partnership or other coalition 	<ul style="list-style-type: none"> Increase tariffs generally on imports, especially for China Aggressive measures to counter Chinese auto industry and any North American footprint they may establish
China/Taiwan	<ul style="list-style-type: none"> Significant support for Taiwan, only question being the degree 	<ul style="list-style-type: none"> Questionable support for Taiwan if China invades
Onshoring	<ul style="list-style-type: none"> Onshoring or reshoring of key national security, tech, and climate priorities 	<ul style="list-style-type: none"> Isolationist onshoring/reshoring of a wide range of supply chains
Infrastructure	<ul style="list-style-type: none"> Expansion of government industrial policy akin to the CHIPS Act and Inflation Reduction Act to spur investment in factories and other facilities 	<ul style="list-style-type: none"> Incentivize private investment with limited government spending Emphasis on highways and communications
Defense	<ul style="list-style-type: none"> Support Ukraine to prolong defense and deter Russia Encourage Western Europe to contribute their share to NATO Reduce incentives for allies and foes to adjusting military spending due to lack of confidence in US support 	<ul style="list-style-type: none"> Limit or end support for Ukraine and force a deal with Russia Ensure Western Europe and other countries ramp up military spending Increased incentives for allies and foes to increase military budgets General pullback of US defense commitments
Immigration	<ul style="list-style-type: none"> Boost Border Patrol and ICE budgets while hiring more immigration judges Increase legal pathways to immigration Potential DREAM Act policy with citizenship path for those born in the US 	<ul style="list-style-type: none"> Pledged biggest deportation program in history by rounding up undocumented immigrants and tightening asylum rules
Healthcare	<ul style="list-style-type: none"> Negotiate with drug companies to cap prices paid by Medicare 	<ul style="list-style-type: none"> Potentially reverse Affordable Care Act, as attempted in first term Recent focus on fentanyl/cartels
Energy	<ul style="list-style-type: none"> Further incentives for clean energy and more regulation of fossil fuels 	<ul style="list-style-type: none"> Reduce fossil fuel regulations Reverse EV incentives and slow Inflation Reduction Act deployment
Big Tech	<ul style="list-style-type: none"> Continued crackdown on investment/acquisition via antitrust enforcement 	<ul style="list-style-type: none"> Likely DOJ investigations and congressional hearings

As of September 30, 2024. Note that in no way are we attempting to be political or biased toward one candidate or another. Rather, we're attempting to state the policies as communicated by each candidate or our assessment of what may be his/her priorities.

Source: AB

Fiscal Policy Postelection

Republican White House/Republican Congress

- TCJA fully extended
- Possibility of additional tax cuts
- Increased discretionary spending
- Tariffs could offset tax cuts from a fiscal perspective

Net Expansion Likely

Democratic White House/Divided Government

- TCJA partially expires
- Likelihood of higher effective corporate tax rate
- Slow growth in discretionary spending
- Tariffs unlikely

Net Neutral/Slight Contraction

Republican White House/Divided Government

- TCJA partially expires
- Additional tax cuts unlikely
- Slow growth in discretionary spending
- Tariff policy the wild card

Depends on Tariffs

Democratic White House/Democratic Congress

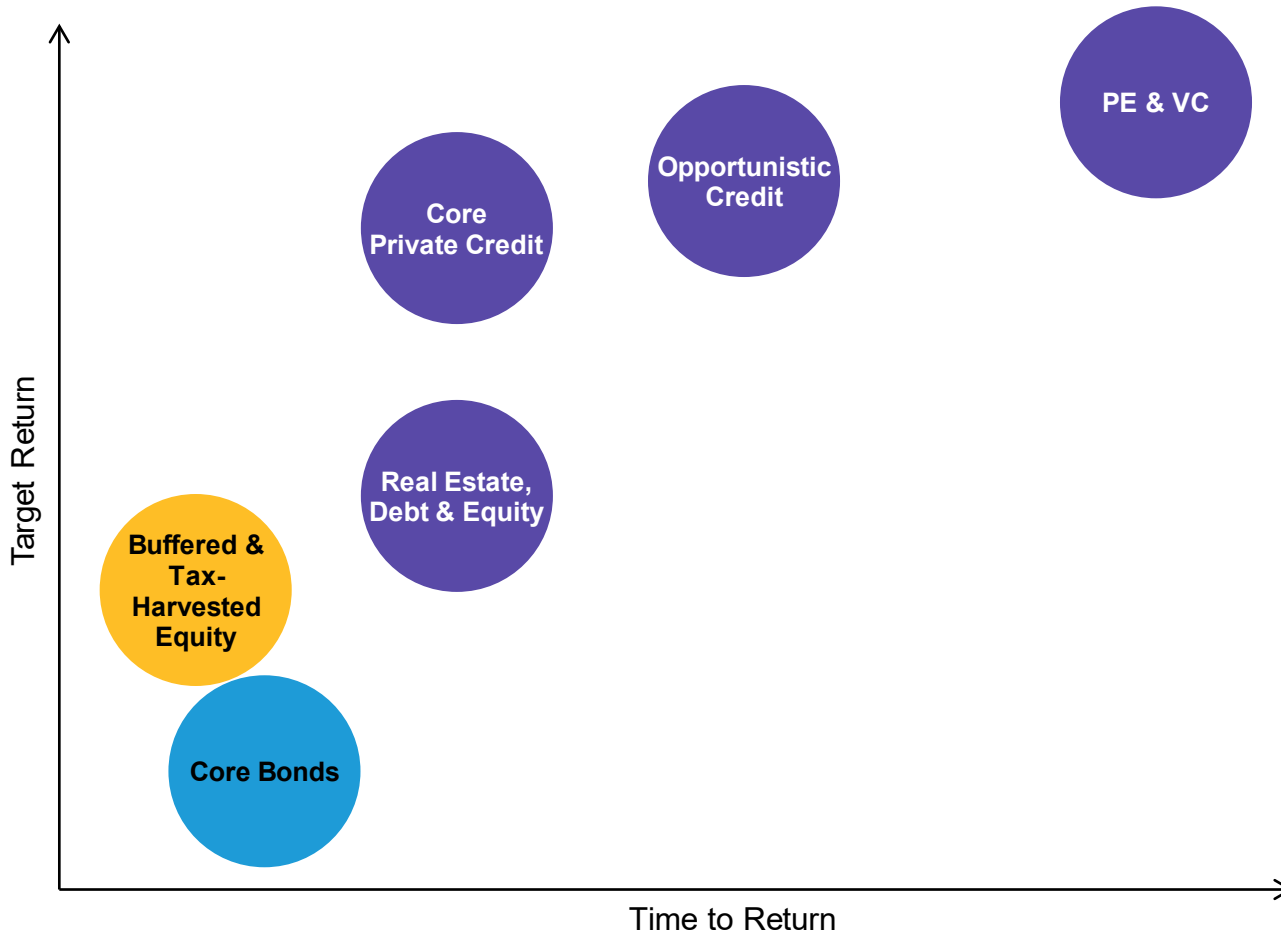
- TCJA partially expires in 2025
- Possibility of other corporate or high income taxes
- Additional spending likely, partially offset by higher taxes

Net Expansion Likely

As of September 30, 2024.
Source: AB

What's Particularly Interesting Right Now

Best Ideas



Opportunities Catalyzed by the Current Environment:

Near-Term Volatility
Upside participation with downside protection or the benefit of active tax loss harvesting

Peak Rates
The hiking cycle has ended, and the economy is expected to slow into 2025. Current yields plus potential for price appreciation look appealing.

Liquidity Dislocation
Still constrained supply of capital in private markets, creating opportunity for those who can provide liquidity

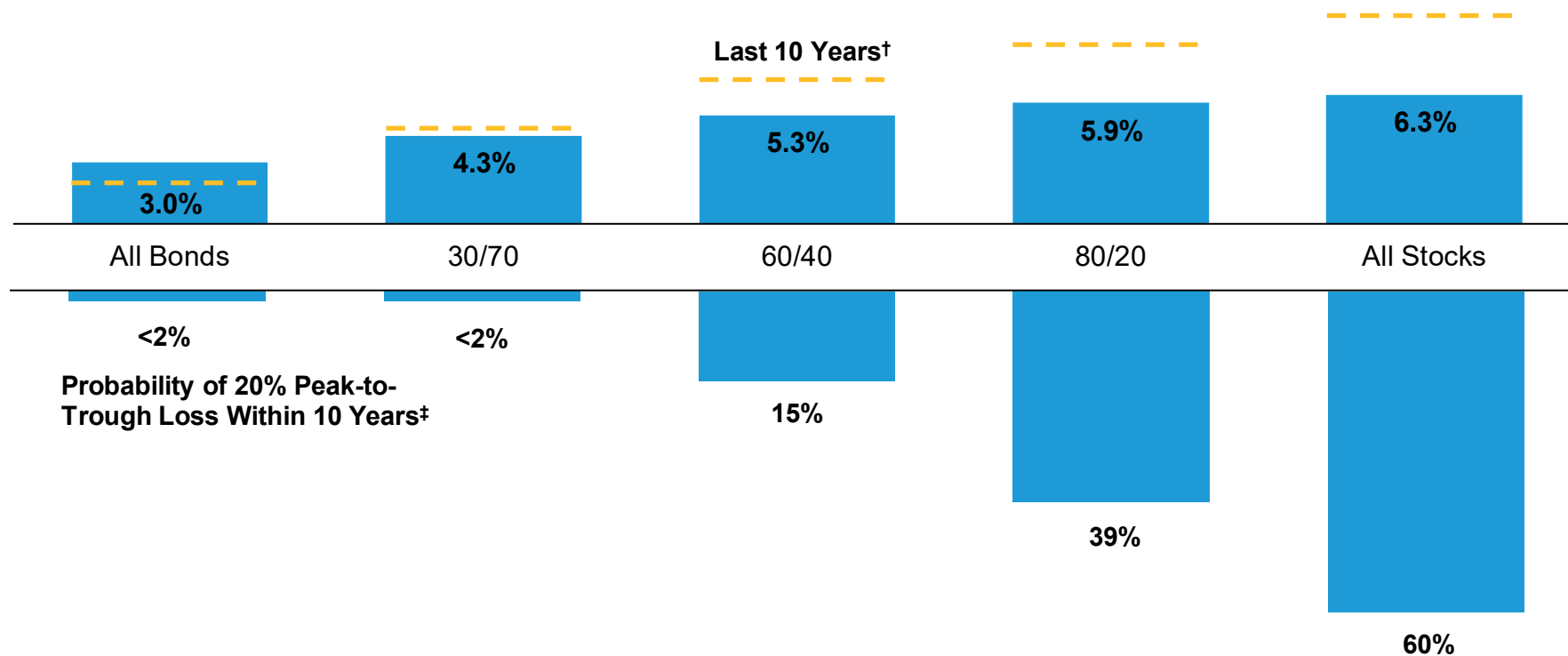
As of September 30, 2024. For illustrative purposes only. Past performance is no guarantee of future returns. Target returns are hypothetical performance and not projections, predictions, or guarantees of future performance, and there can be no assurance that the target return will be achieved.

Source: Bernstein analysis

Appendix

Expected Returns Across Allocations

Projected median 10-year annualized return*



As of September 30, 2024. **Neither past nor forecasted performance is necessarily indicative of future results. There is no guarantee that any estimates or forecasts will be realized.**

***Median five-year forecast represents pretax compound annual growth rates and reflects Bernstein's estimates and the capital-market conditions as of June 30, 2024.** Stocks are represented by the MSCI World Index, and bonds are represented by intermediate-term diversified municipals.

†Stocks are represented by the MSCI World Index, and bonds are represented by the Lipper Intermediate Muni Bond Fund Avg.

‡Projections indicate the probability of a peak-to-trough decline in pretax, pre-cash-flow cumulative returns of 20% over the period analyzed. Because the Wealth Forecasting System uses annual capital-market returns, the probability of peak-to-trough losses measured on a more frequent basis (such as daily or monthly) may be understated. The probabilities depicted above include an upward adjustment intended to account for the incidence of peak-to-trough losses that do not last an exact number of years. Stocks are represented by the MSCI World Index, and bonds are represented by intermediate-term diversified municipals.

See Notes on Wealth Forecasting System at the end of this presentation for further details.

Source: Bloomberg Barclays, FactSet, Lipper, MSCI, Russell, S&P, and AB

Estimated Spending Rate and Core Capital Amounts: Based on Age

Sustainable Spending Rate*

Allocation	0/100	20/80	40/60	60/40	80/20	100/0
Age 55	1.5%	2.0%	2.3%	2.4%	2.4%	2.3%
Age 65	2.3	2.6	2.9	3.0	3.0	2.9
Age 75	3.2	3.7	3.8	4.0	4.0	3.8

Estimated Core Capital—Spending \$100,000

USD Millions

Allocation	0/100	20/80	40/60	60/40	80/20	100/0
Age 55	\$6.5	\$5.0	\$4.3	\$4.2	\$4.2	\$4.4
Age 65	4.4	3.8	3.5	3.3	3.3	3.5
Age 75	3.1	2.7	2.6	2.5	2.5	2.6

*These spending rates are for couples and assume an allocation of globally diversified stocks. Asset allocations assume globally diversified stocks. Globally diversified stocks are represented by the following allocation for a 100% return-seeking allocation: 17.8% U.S. value, 17.8% U.S. growth, 13.2% U.S. diversified, 6.6% U.S. small-/mid-cap, 19.0% developed foreign markets, 10.5% emerging markets, 10.6% US Low Vol Equity, 4.5% high-risk international. Equity geography weights may shift in proportion to total return-seeking allocation. Bonds are represented by diversified intermediate-term municipal bonds in the proportions noted. Additional detail regarding allocation available upon request.

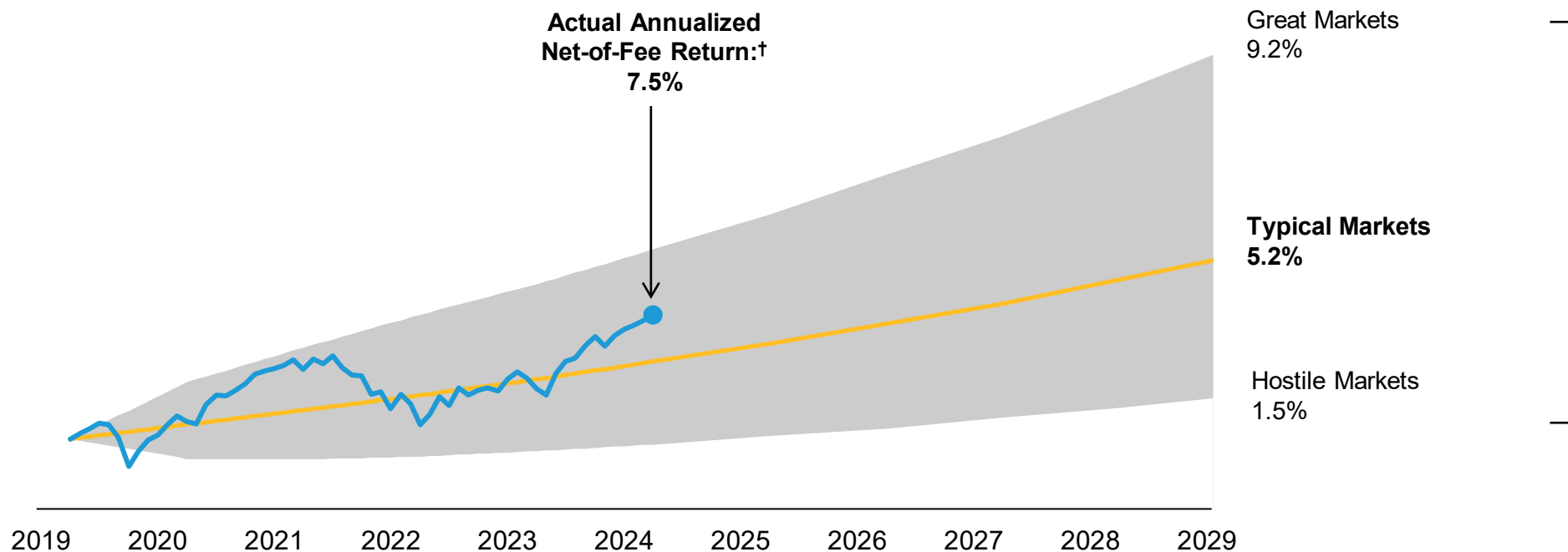
Spending is a percentage of initial value of portfolio and is grown with inflation; spending rates assume maintaining spending with a 90% level of confidence. Based on Bernstein estimates of the range of returns for the applicable capital markets over the periods analyzed as of June 30, 2024. Data do not represent past performance and are not a promise of actual future results. See Notes on Wealth Forecasting System at the end of this presentation for further details. All information on longevity and mortality-adjusted investment analyses in this study are based on mortality tables compiled in 2000. To reflect that high-net-worth individuals live longer than average, we subtract three years from each individual's age (e.g., a 55-year-old would be modeled as a 52-year-old). In our mortality-adjusted analyses, the life span of an individual varies in each of our 10,000 trials in accordance with mortality tables.

Source: Society of Actuaries RP-2000 mortality tables and AB

Despite Sell-Offs, Long-Term Investors Remain Above Plan

Projected* and Actual Returns (Annualized)

10-Year Forecasted Returns (as of June 2019)



As of September 30, 2024. **Past performance does not guarantee future results. There is no guarantee that any estimates or forecasts will be realized.**

*Great markets represents 10th percentile, typical markets represents 50th percentile, and hostile markets represents 90th percentile. Based on Bernstein's estimates of the range of returns for the applicable capital markets as of June 30, 2019, for a 60/40 stock/bond allocation. Stocks modeled as 21% US diversified, 21% US value, 21% US growth, 7% US small-/mid-cap, 22.5% developed international, and 7.5% emerging markets. Bonds modeled as intermediate-term diversified municipals. Data do not represent past performance and are not a promise of actual future results or a range of future results. See Notes on Wealth Forecasting System at the end of the presentation for further details.

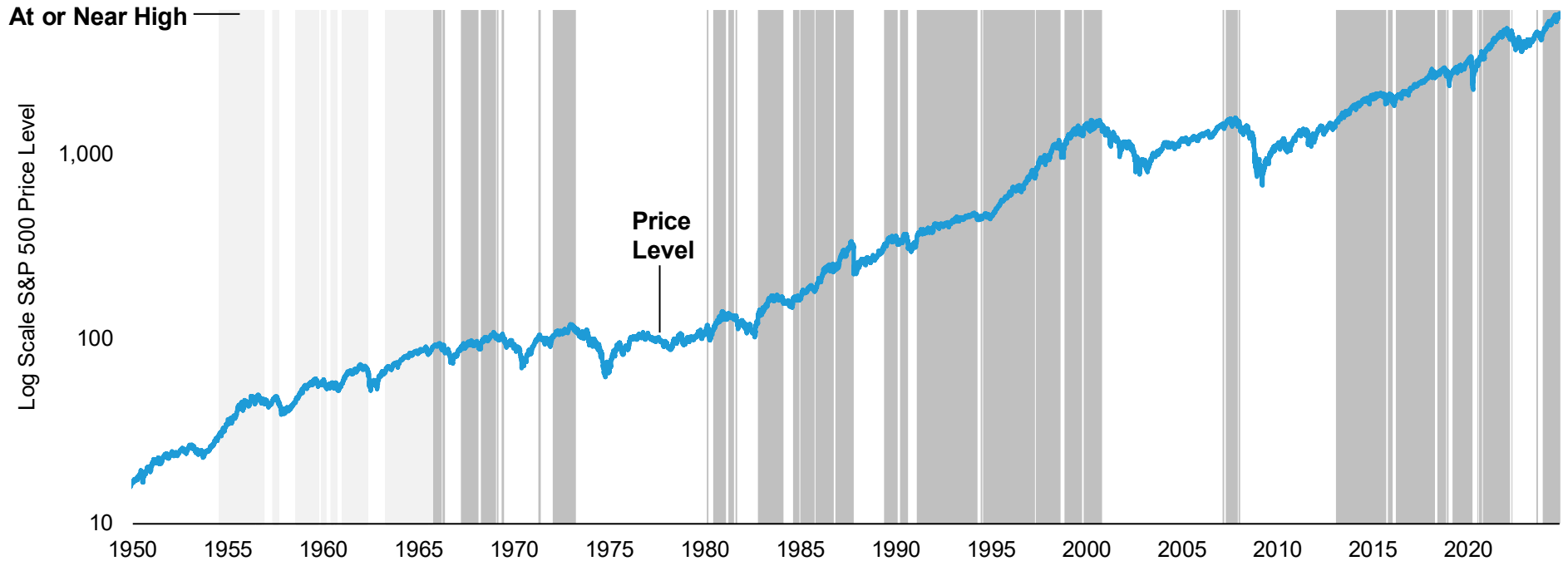
†Actual annualized net-of-fee return for the period beginning September 30, 2019 through September 30, 2024. The hypothetical performance of the Moderate Portfolio Simulation (MPS) is a simulated portfolio intended to illustrate the investment experience of a Bernstein taxable client who was invested in a moderate growth allocation of Bernstein investment services. Represents monthly returns. Assumes no portfolio additions or withdrawals over the period. Results based on pretax returns and do not reflect the impact of taxes. It is presented for illustrative purposes only, and no representation is made that an investor will, or is likely to, achieve profits or experience losses similar to those shown. See disclosures at the end of this presentation for additional information regarding the simulation's composition and calculation methodology.

Source: AB

Markets Are Often Reaching New Heights

S&P 500 at or Near All-Time Highs*

January 1950–September 2024



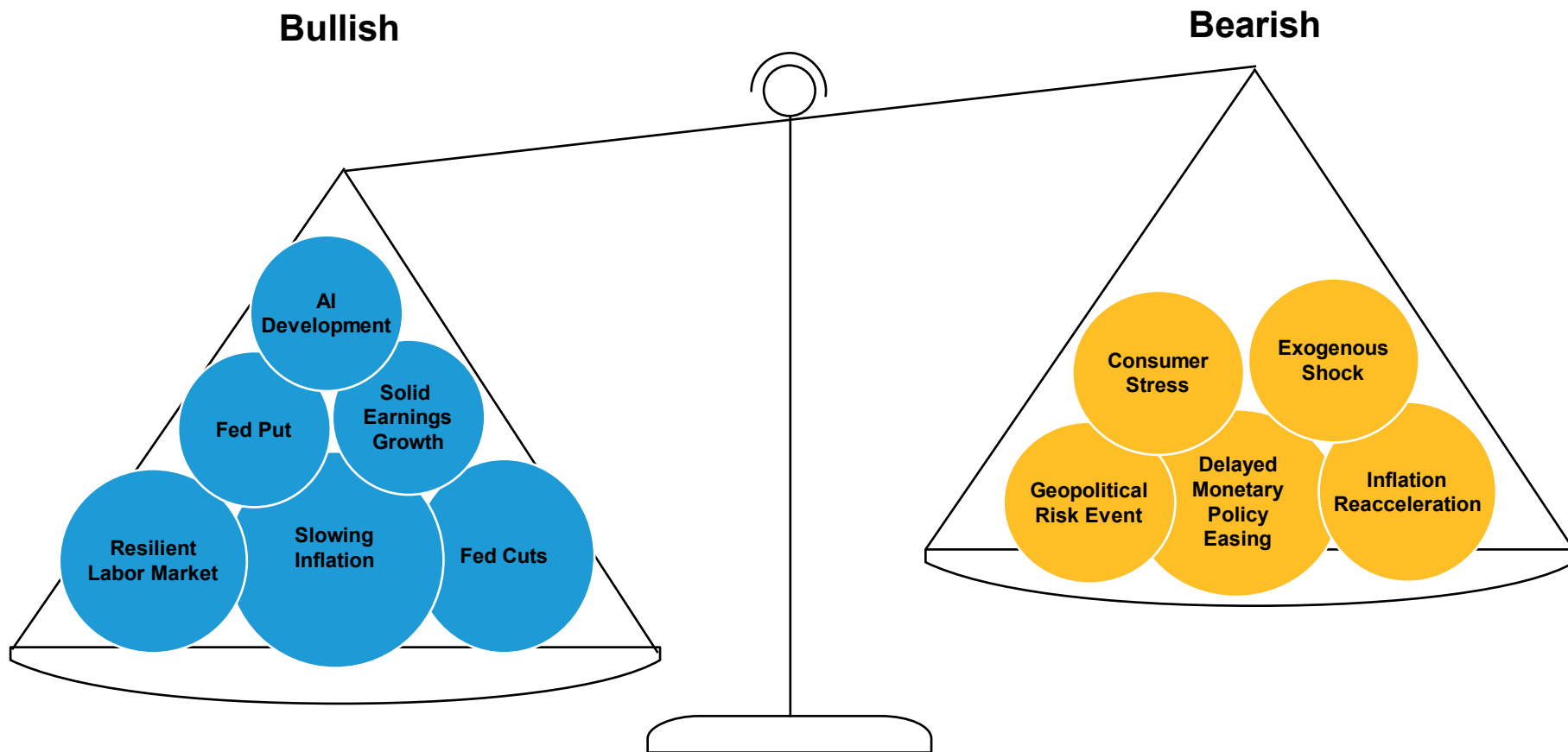
Since 1949, the S&P 500 has been at or near all-time highs 43% of the time.

As of September 30, 2024. **Past performance does not guarantee future results.**

*At or near all-time high represents all price levels that are within 5% of the last all-time high or are a new all-time high.

Source: Bloomberg, S&P, and AB

The Balance of Factors Still Tilts Bullish, in Our Opinion

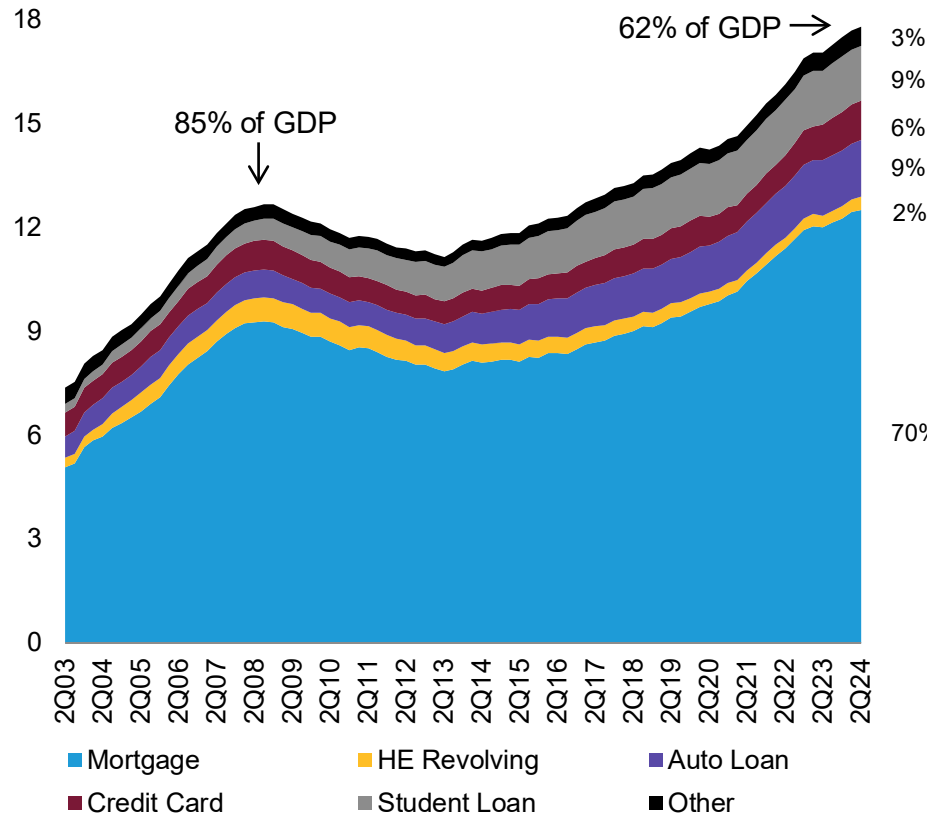


As of September 30, 2024. Past performance is not necessarily indicative of future results.
Source: AB

Consumer Debt Causing Some Strain, Though Shouldn't Be Overstated

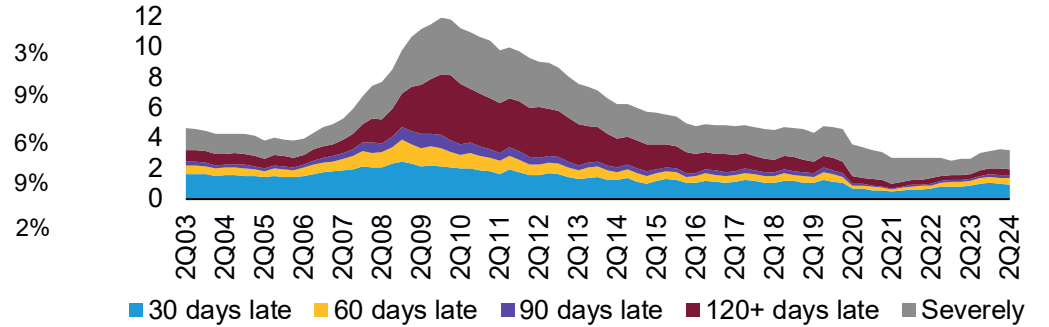
Total Debt Balance and Its Composition

Trillions of Dollars



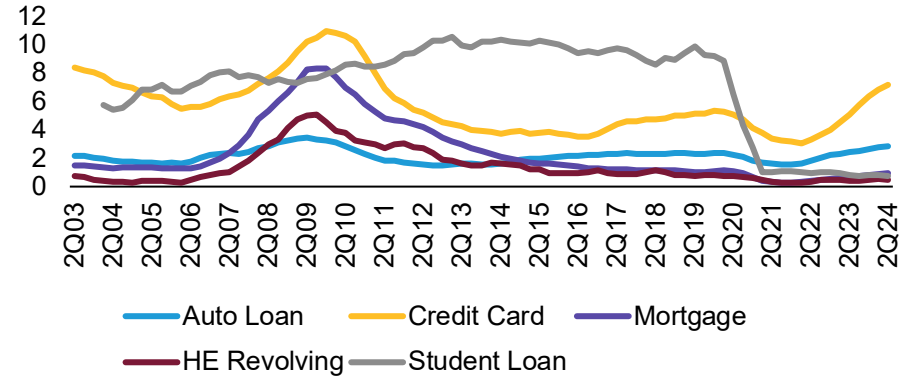
Total Balance by Delinquency Status

Percent



Transition into Serious Delinquency (90+) by Loan Type

Percent of Balance*



As of September 30, 2024. **Historical analysis is not necessarily indicative of future results.** *4-quarter moving sum. Student loans are not included prior to 2004 due to uneven reporting. Source: New York Fed Consumer Credit Panel/Equifax and Bernstein analysis

What Happens Next on the US Budget

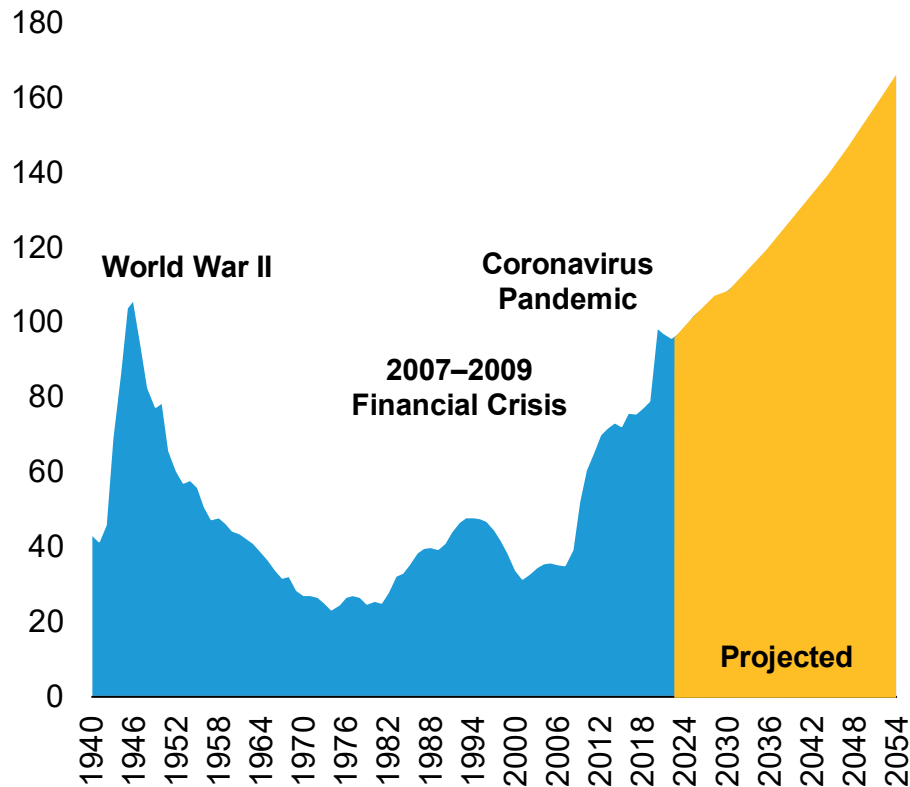
- The total deficit is unlikely to change, irrespective of the electoral outcome.
- There will likely be different ways of getting to the deficit—different balances between taxing and spending; but, absent true fiscal reform, the deficit itself is likely to persist.
- True fiscal reform very likely has to be bipartisan because it would be so unpopular with the electorate.
- That means that government debt is likely to continue to grow both in outright terms and as a percentage of GDP.
- Higher debt service costs are an additional headwind to growth, not only for the private sector but also for the public sector.
- Click [here](#) for our latest white paper with more detail on the deficit.

As of September 30, 2024

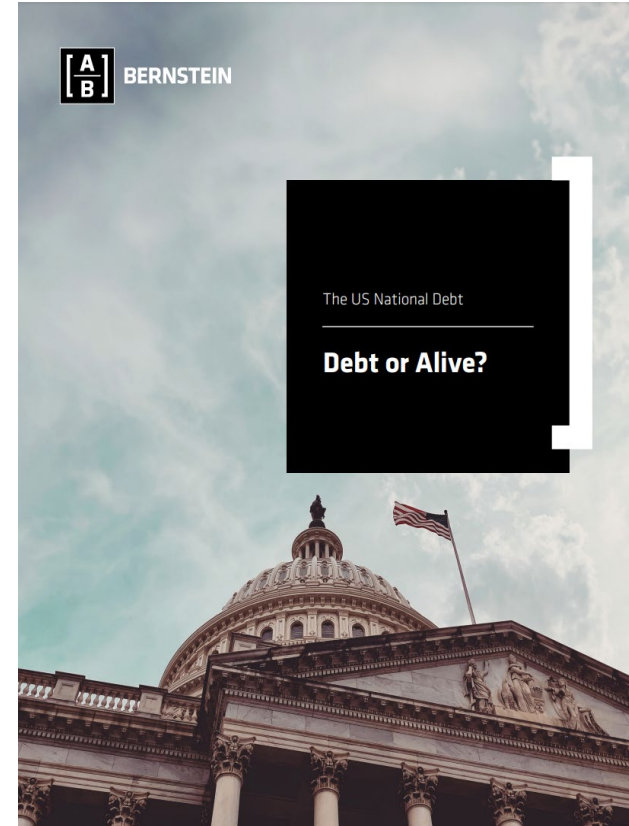
Source: Congressional Budget Office and Bernstein analysis

Warning Lights Are Flashing, but Alarms Are Not Blaring

Federal Debt Held by the Public Percentage of GDP



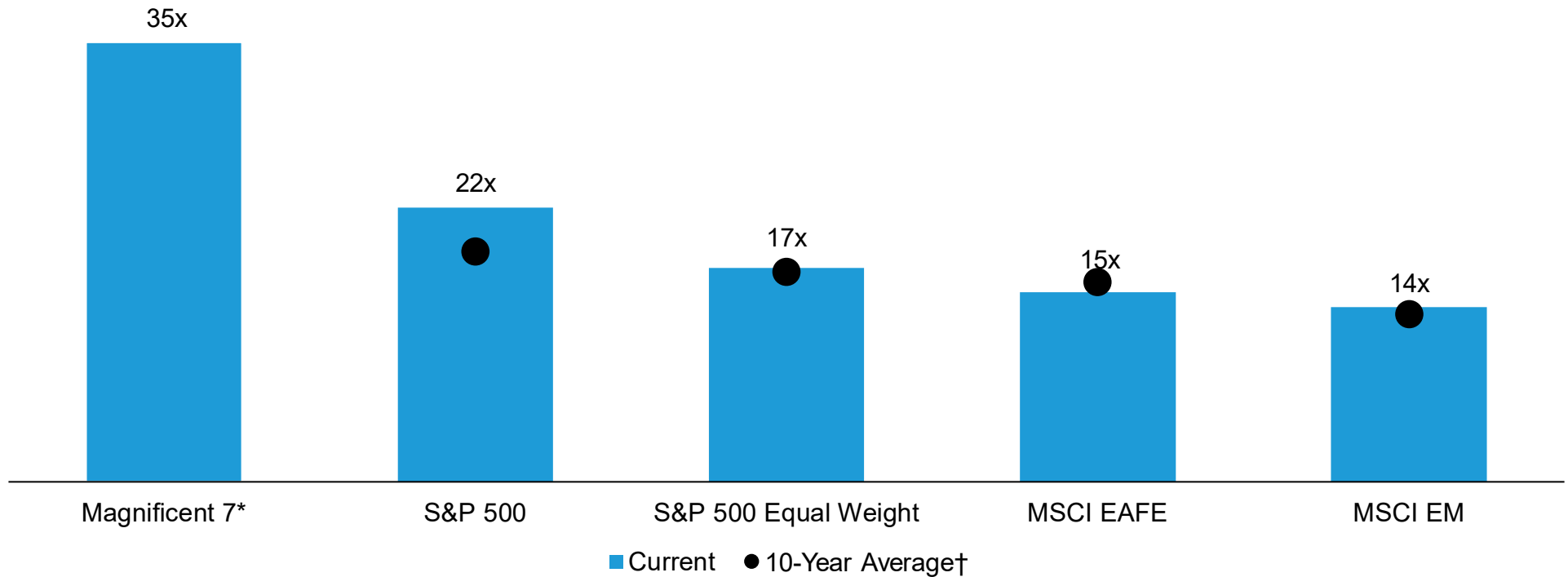
Click below for our latest white paper for more insights



As of September 30, 2024. **Historical analysis is not necessarily indicative of future results.**
Source: Congressional Budget Office and Bernstein analysis

Beyond Leaders, Valuations More Reasonable

12-Month Forward Price/Earnings Ratio



As of September 30, 2024. **Past performance does not guarantee future results.** Simulated or hypothetical performance results have certain inherent limitations. No representation is being made that any account will, or is likely to, achieve returns or a volatility profile similar to those being shown.

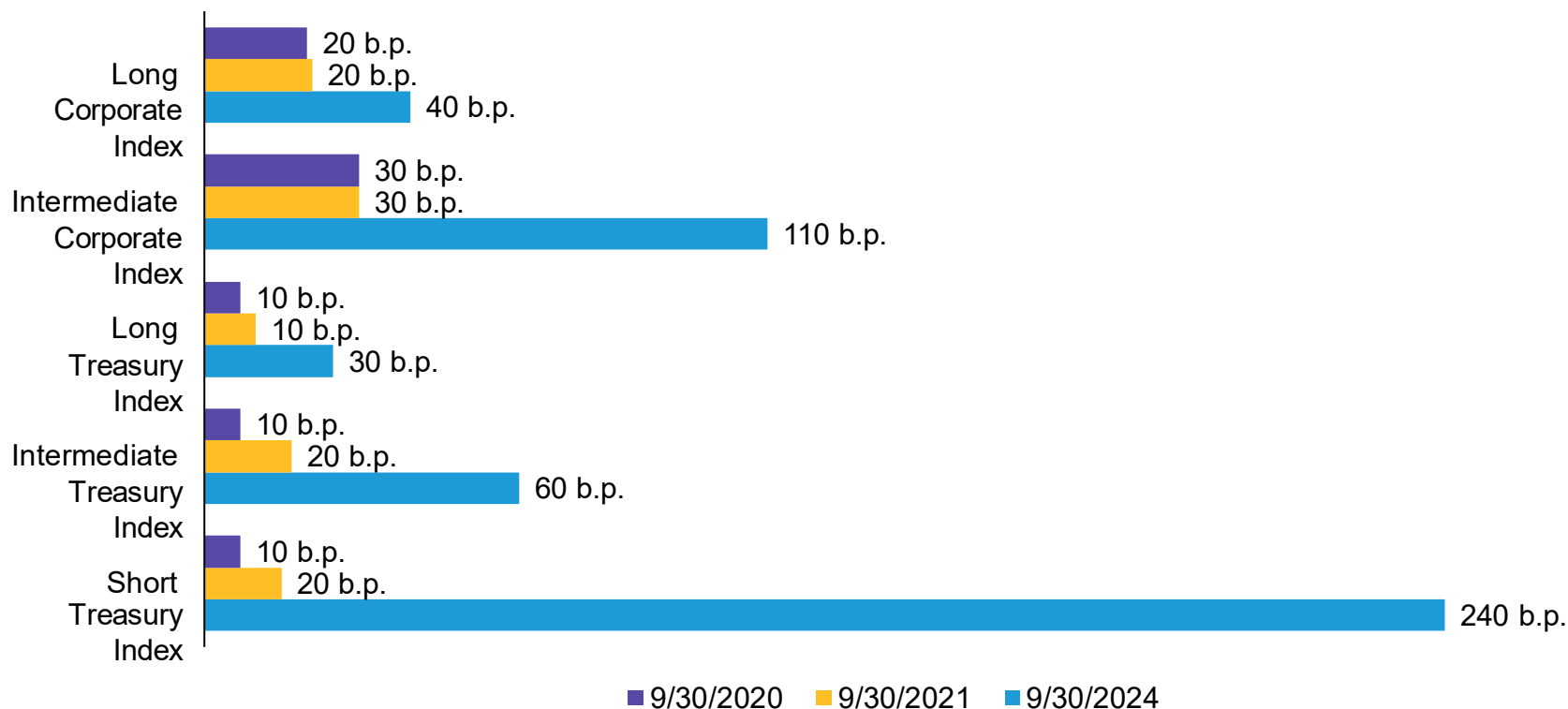
*Magnificent 7 is the average price/NTM earnings of the following: NVIDIA, Tesla, Apple, Meta, Alphabet, Microsoft, and Amazon.

†Average of month-end 12-month forward price/earnings ratios

Source: BlackRock, Bloomberg, FactSet, MSCI, S&P, and Bernstein analysis

With Higher Bond Yields, Losses Are Harder to Come By

Rise in 10-Year UST Yield Needed to Wipe Out Interest Income Taxable Indexes:



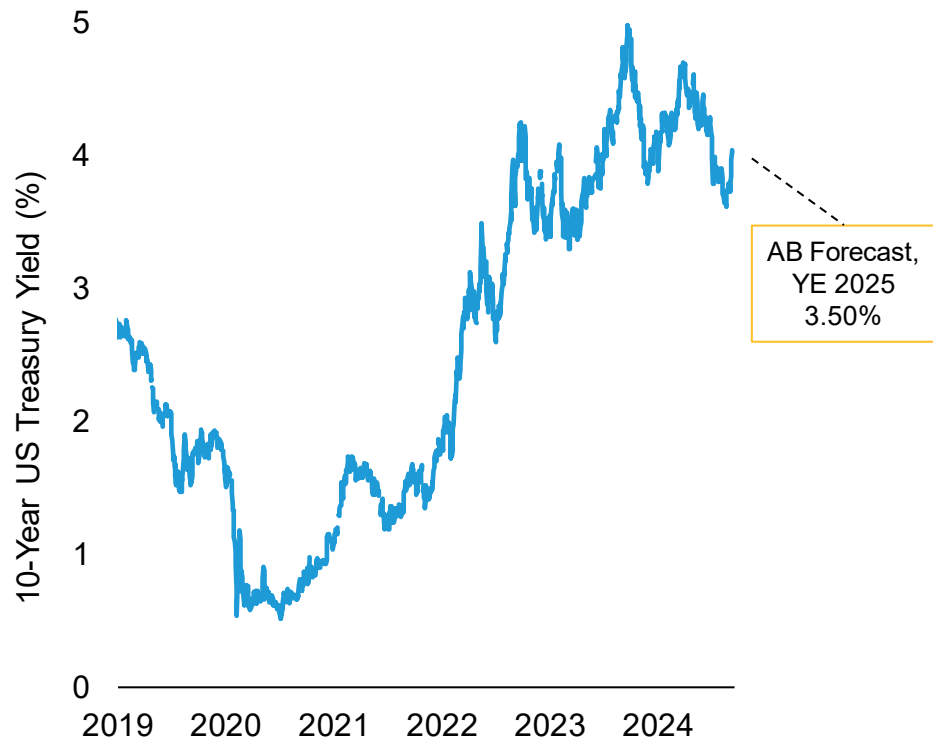
As of September 30, 2024. **Past performance is not necessarily indicative of future results. There is no guarantee that any estimates or forecasts will be realized.**

Long Corporate Index is represented by US Corporate Aggregate 10+ Index, Intermediate Corporate Index by US Corporate Aggregate Index, Long Treasury Index by US Treasury (20+ Year) Index, Intermediate Treasury Index by US Treasury (7–10-Year) Index, and Short Treasury Index by US Treasury (1–3-Year) Index.

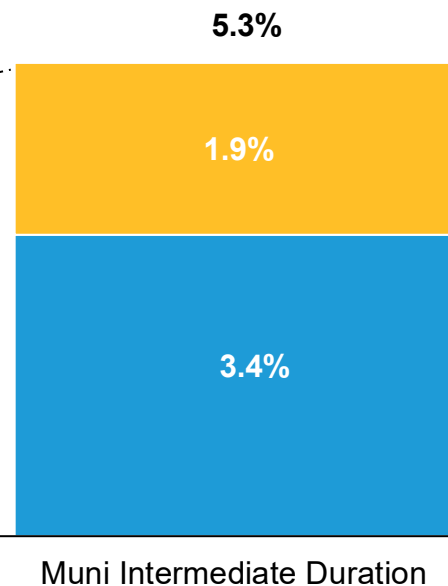
Source: Bloomberg and Bernstein analysis

If Yields Fall, Bond Total Return Should Outpace Yield Alone

10-Year US Treasury Yield (%)



Total Return, 12 months forward* (Percent)



■ Income ■ Price Appreciation

As of October 8, 2024. **Past performance and historical analysis do not guarantee future results.** Simulated or hypothetical performance results have certain inherent limitations. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown.

*Assumes: 10-year UST drops from 4.02% by 0.52% by September 30, 2025 to 3.50% with a 0.6% beta between 10-year UST and ID municipal yields. Based on the 3.37 YTW and 6.15 Years of duration of the Bloomberg Municipal Bond Index as of October 7, 2024

Source: Bernstein Analysis

Geopolitics: Events Rarely Have a Lasting Market Impact

Select geopolitical events since 1970 and S&P 500 returns (percent)

Event	First Trading Day	1 Week	1 Month	1 Quarter	1 Year
Watergate	6/19/1972	-0.1	-1.4	0.4	-3.0
Yom Kippur War*	10/8/1973	1.4	-3.9	-10.0	-43.2
Three Mile Island Accident	3/28/1979	-0.1	-0.7	-0.2	-4.2
Iran Hostage Crisis*	11/5/1979	-1.0	3.6	12.3	24.3
Reagan Assassination Attempt*	3/30/1981	0.6	0.6	-1.6	-16.9
Challenger Space Shuttle	1/28/1986	3.2	9.3	16.8	32.0
Iran-Contra Affair	11/3/1986	0.7	2.1	12.3	3.2
Iraq Invades Kuwait*	8/2/1990	-4.7	-8.9	-12.8	12.8
Desert Storm/First Gulf War*	1/17/1991	4.5	17.2	23.6	36.6
LA Riots	4/29/1992	2.0	2.3	2.8	10.2
WTC Bombing (1993)	2/26/1993	1.2	2.1	2.2	8.3
Oklahoma City Bombing	4/19/1995	1.4	3.1	11.3	30.5
Centennial Park Olympic Bombing	7/29/1996	4.3	4.6	10.8	50.6
Kenya/Tanzania Embassy Bombings	8/7/1998	-1.3	-10.5	5.1	21.0
USS Cole Bombing*	10/12/2000	-1.6	0.2	-2.5	-18.5
Bush-Gore Hanging Chad*	11/7/2000	-5.6	-5.5	-5.3	-20.9
9/11*	9/17/2001	-4.9	-0.9	4.7	-15.5
War in Afghanistan*	10/8/2001	1.9	3.0	9.8	-24.2

Key Takeaway: Stocks have generally shrugged off geopolitical events, since they rarely have a lasting impact on the business cycle.

Event	First Trading Day	1 Week	1 Month	1 Quarter	1 Year
SARS†	2/11/2003	-0.1	-3.2	12.2	39.5
Second Gulf War	3/20/2003	-0.5	2.4	14.3	29.2
Madrid Train Bombings	3/11/2004	0.0	1.5	1.5	9.5
Orange Revolution-Ukraine	11/22/2004	1.1	2.2	3.1	8.6
Asian Tsunami	12/27/2004	0.3	-3.4	-2.7	6.8
London Bombings	7/7/2005	2.4	2.7	0.2	8.6
Hurricane Katrina	8/29/2005	1.1	1.0	5.7	9.5
Arab Spring	12/17/2010	1.2	4.2	1.6	0.2
Hurricane Sandy	10/29/2012	1.1	-0.0	7.0	27.3
Boston Marathon Bombing	4/15/2013	-2.1	3.0	6.3	16.7
Russia/Ukraine/Crimea	2/27/2014	1.6	0.5	3.5	16.8
Greek Referendum	11/5/2015	-1.2	-0.3	-8.4	1.4
Brexit	6/24/2016	-0.7	3.1	3.0	17.8
Trump Surprise Election Win	11/8/2016	1.6	5.4	8.1	24.0
Hurricane Harvey/Irma/Maria	8/25/2017	1.4	2.8	7.2	20.2
US-China Trade War‡	1/22/2018	2.2	-2.6	-3.7	-3.1
Coronavirus Outbreak†	3/11/2020	-12.5	2.0	10.1	46.2
Russia Invades Ukraine	2/24/2022	1.8	5.5	-7.8	-7.4
Israel-Hamas War	10/9/2023	0.9	0.4	10.1	N/A
Summary		1 Week	1 Month	1 Quarter	1 Year
Average		0.4	1.2	4.1	9.9
% of Events Negative		36	33	28	28
Conflict/War Avg.		0.9	2.0	3.8	2.9
Terrorism Avg.		-0.1	0.7	4.4	12.4
Political Avg.		-0.2	1.1	2.4	5.3
Environmental Avg.		0.8	-0.1	3.4	11.9
Social/ Public Health Avg.		1.4	2.2	8.1	22.2

As of September 30, 2024. **Past performance does not guarantee future results.**

*Denotes the geopolitical event occurred during a recession or six months prior to the start of a recession

†Date that China officially notified the WHO of the outbreak

‡Tariffs on imports of solar panels and washing machines imposed

Source: FactSet, Bloomberg, National Bureau of Economic Research, S&P 500, World Health Organization, and AB

Asymmetry of Returns Is Astounding

Bond math favors municipal investors

Yield Provides Cushion to Offset Future Price Volatility

Bloomberg Municipal Index hypothetical outcomes based on 10-year UST movement

	Starting Point: 10-Year UST Yield of 3.78%			
10-Year UST Change	75 bps decline	50 bps decline	50 bps increase	75 bps increase
Bloomberg Muni Index Duration	6.12	6.12	6.12	6.12
Price Return*	+2.75%	+1.84%	-1.84%	-2.75%
Bloomberg Muni Index YTW	3.32%	3.32%	3.32%	3.32%
Hypothetical Total Return	6.07%	5.16%	1.48%	0.57%

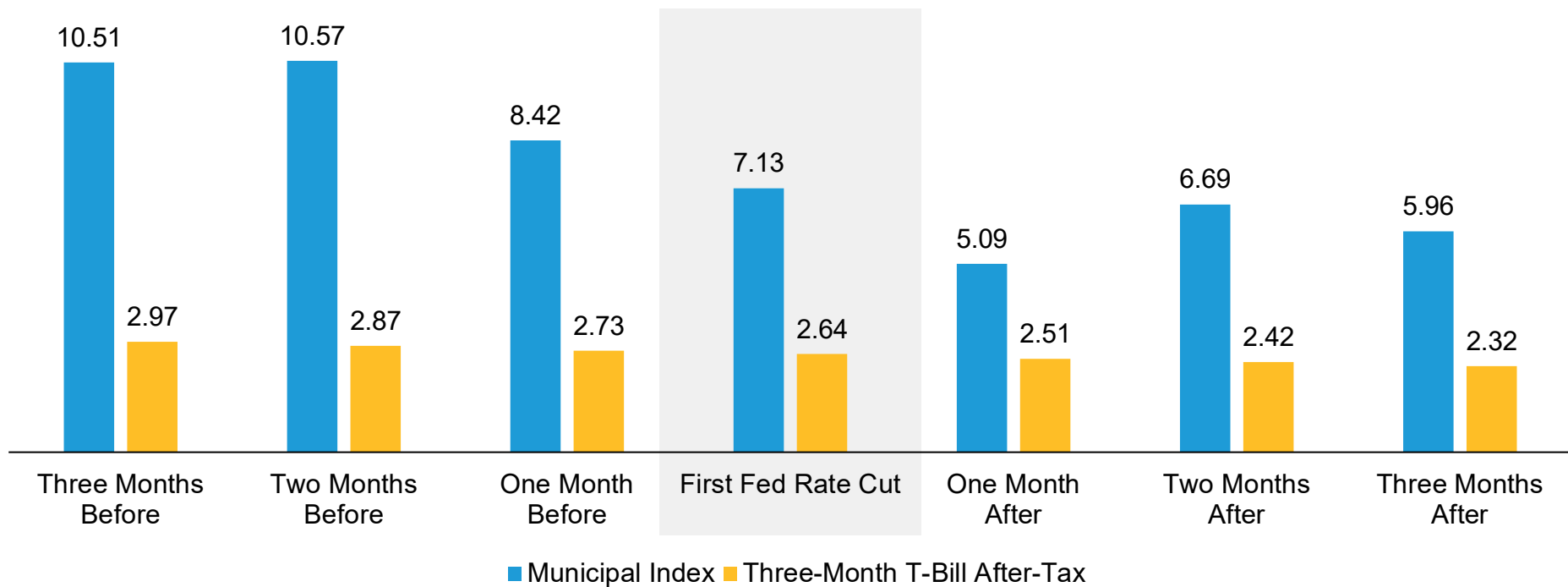
As of September 30, 2024. **Current analysis does not guarantee future results.**

Analysis provided for illustrative purposes only and is subject to revision. Hypothetical analysis based on total return components. Return estimate of the Bloomberg Municipal Bond Index, which has a duration of 6.12 years. *This analysis implies a 60% beta of municipal yields to US Treasury yields. Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown. There is no guarantee any investment objective will be achieved. Characteristics are subject to change. Numbers may not sum due to rounding. Source: Bloomberg, AB

Historically, Early Birds Enjoyed the Strongest Muni Market Returns

Higher Yields and the Potential Start of a Fed Easing Cycle Should Lead to a Strong Year for Municipal Fixed Income

Average 12-month forward return (percent)

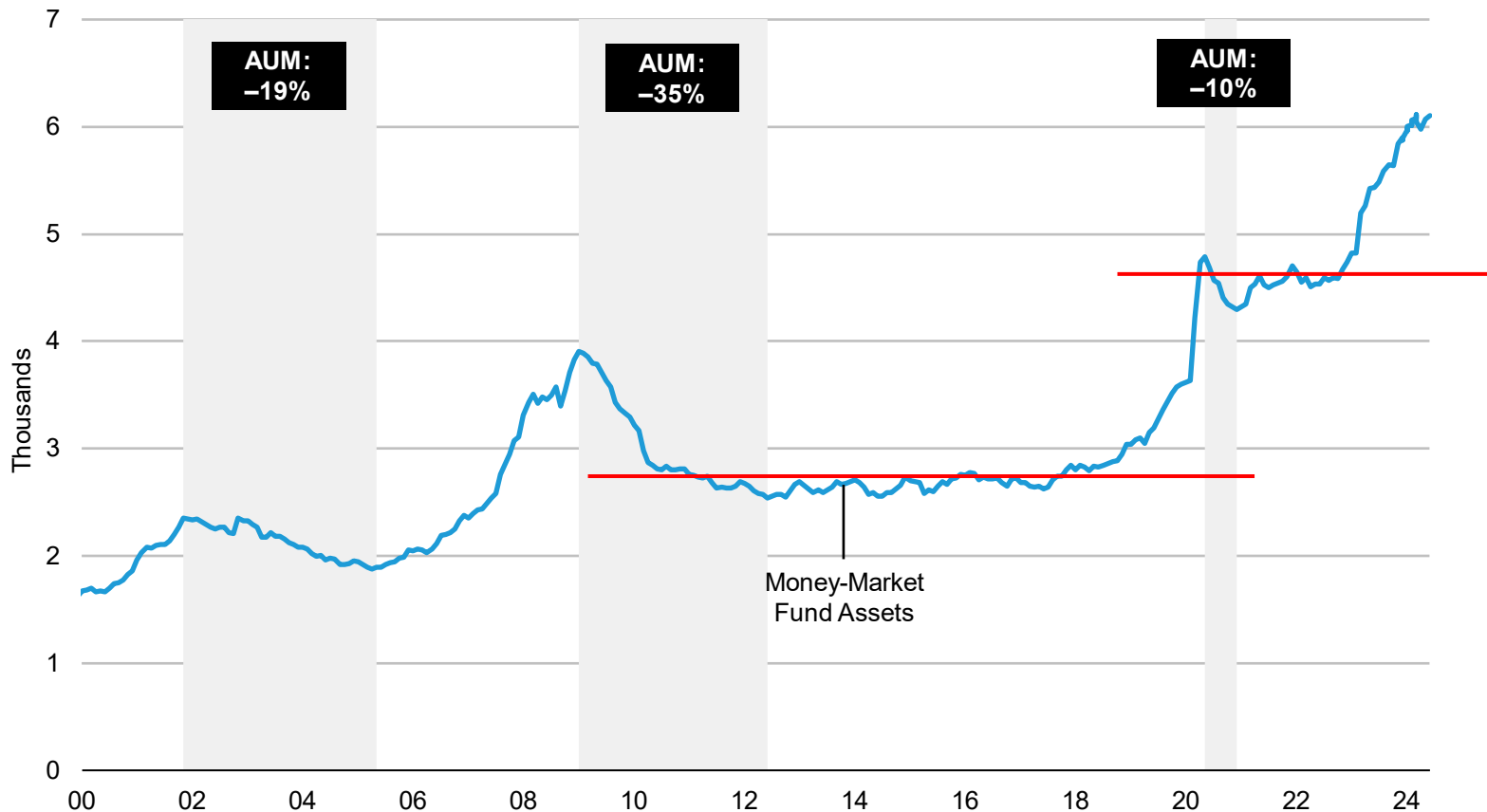


As of December 31, 2023. **Current analysis and forecasts do not guarantee future results.**

Chart based on following dates of first rate cuts: September 20, 1984, June 7, 1989, July 6, 1995, January 3, 2001, September 18, 2007, August 1, 2019. Tax rate used is 40.8%. Municipal returns are represented by the Bloomberg Municipal Bond Index. 3-month T-bill returns are represented by the Bloomberg Short Treasury 1–3-month total-return index.

Source: Bloomberg, US Federal Reserve, and AB

And Cash Tends to Move Off the Sideline During Easing Cycles



As of June 30, 2024. **Past performance and current analysis do not guarantee future results.**

AUM: assets under management

Right display includes first cut dates: May 28, 1980; November 17, 1981; October 2, 1984; June 6, 1989; July 6, 1995; January 3, 2001; September 18, 2007; August 1, 2019

Yield changes represented by the YTW of the Bloomberg Municipal Bond Index.

Source: Bloomberg, Morningstar, US Federal Reserve and AB

10-Year Capital-Market Projections: Asset Classes

	Median 10-Year Growth Rate	Mean Annual Return	Mean Annual Income	One-Year Volatility	10-Year Annual Equivalent Volatility
Cash Equivalents	3.6%	3.8%	3.8%	0.5%	5.0%
Short-Term Treasuries	4.3%	4.4%	4.1%	1.2%	4.3%
Short-Term Taxables	4.5%	4.7%	4.5%	1.5%	4.4%
Short-Term Diversified Municipals	2.9%	3.0%	2.9%	0.9%	3.1%
Int.-Term Treasuries	4.5%	4.7%	4.3%	5.5%	3.1%
Int.-Term Taxables	4.8%	4.9%	4.8%	5.9%	3.4%
Int.-Term Corporates	4.9%	5.1%	5.2%	6.7%	4.0%
Int.-Term Diversified Municipals	3.0%	3.1%	3.1%	4.7%	3.0%
Global Int.-Term Taxables (Hedged)	4.4%	4.6%	4.4%	4.9%	3.7%
Int.-Term TIPS	4.8%	5.3%	4.8%	3.9%	7.3%
High Yield	5.4%	6.1%	8.0%	12.5%	7.8%
Global Large-Cap (Unhedged)	6.3%	7.6%	2.1%	15.7%	14.8%
US Diversified	5.4%	6.9%	1.7%	16.5%	15.5%
US Value	5.8%	7.2%	2.0%	16.2%	15.2%
US Growth	5.0%	6.9%	1.5%	18.3%	16.9%
US Mid-Cap	5.4%	7.2%	1.6%	17.9%	17.0%
US Small-/Mid-Cap	5.4%	7.3%	1.5%	18.7%	17.8%
US Small-Cap	5.2%	7.5%	1.3%	20.5%	19.7%
Developed International	7.9%	9.8%	3.2%	18.1%	17.0%
Emerging Markets	6.5%	9.4%	2.9%	22.0%	19.9%
Global REITs	5.7%	7.3%	4.5%	17.7%	16.1%
Real Assets	5.6%	6.6%	3.6%	13.5%	14.2%
Diversified Hedge Fund	5.9%	6.2%	3.2%	10.6%	14.9%
Inflation	2.5%	2.9%	n/a	1.5%	6.3%

Based on 10,000 simulated trials each consisting of 10-year periods. Reflects AB's estimates and the capital-market conditions of June 30, 2024. For hedge-fund asset classes, Mean Annual Income represents income and short-term capital gains.

Data do not represent past performance and are not a promise or a range of future results.

Notes on Wealth Forecasting System

1. Purpose and Description of Wealth Forecasting Analysis

Bernstein's Wealth Forecasting Analysis is designed to assist investors in making their long-term investment decisions as to their allocation of investments among categories of financial assets. Our planning tool consists of a four-step process: (1) Client-Profile Input: the client's asset allocation, income, expenses, cash withdrawals, tax rate, risk-tolerance level, goals, and other factors; (2) Client Scenarios: in effect, questions the client would like our guidance on, which may touch on issues such as when to retire, what his/her cash-flow stream is likely to be, whether his/her portfolio can beat inflation long-term, and how different asset allocations might effect his/her long-term security; (3) The Capital-Markets Engine: our proprietary model that uses our research and historical data to create a vast range of market returns, which takes into account the linkages within and among the capital markets, as well as their unpredictability; and (4) A Probability Distribution of Outcomes: based on the assets invested pursuant to the stated asset allocation, 90% of the estimated ranges of returns and asset values the client could expect to experience are represented within the range established by the 5th and 95th percentiles on "box-and-whiskers" graphs. However, outcomes outside this range are expected to occur 10% of the time; thus, the range does not establish the boundaries for all outcomes. Expected market returns on bonds are derived taking into account yield and other criteria. An important assumption is that stocks will, over time, outperform long bonds by a reasonable amount, although this is in no way a certainty. Moreover, actual future results may not meet Bernstein's estimates of the range of market returns, as these results are subject to a variety of economic, market, and other variables. Accordingly, the analysis should not be construed as a promise of actual future results, the actual range of future results, or the actual probability that these results will be realized. The information provided here is not intended for public use or distribution beyond our private meeting.

Notes on Wealth Forecasting System

2. Modeled Asset Classes

The following assets or indexes were used in this analysis to represent the various model classes:

Asset Class	Modeled As	Annual Turnover
Cash Equivalents	3-month US Treasury bills	100%
Short-Term Treasuries	US Treasuries of 2-year maturity	50%
Short-Term Taxables	Taxable bonds of 2-year maturity	50%
Short-Term Diversified Municipals	AA-rated diversified municipal bonds of 2-year maturity	50%
Int.-Term Treasuries	US Treasuries of 7-year maturity	30%
Int.-Term Taxables	Taxable bonds of 7-year maturity	30%
Int.-Term Corporates	US investment-grade corporate debt of 7-year maturity	30%
Int.-Term Diversified Municipals	AA-rated diversified municipal bonds of 7-year maturity	30%
Global Int.-Term Taxables (Hedged)	50% sovereign and 50% investment-grade corporate debt of developed countries of 7-year maturity	30%
Int.-Term TIPS	US TIPS of 7-year maturity	30%
High Yield	Taxable bonds of 7-year maturity with credit characteristics of CSFB High Yield Index II	30%
Global Large-Cap (Unhedged)	MSCI World Index	15%
US Diversified	S&P 500 Index	15%
US Value	S&P/Barra Value Index	15%
US Growth	S&P/Barra Growth Index	15%
US Mid-Cap	Russell Mid-Cap Index	15%
US Small-/Mid-Cap	Russell 2500 Index	15%
US Small-Cap	Russell 2000 Index	15%
Developed International	MSCI EAFE Index (Unhedged)	15%
Emerging Markets	MSCI Emerging Markets Index	20%
Global REITs	NAREIT Index	30%
Real Assets	1/3 NAREIT, 1/3 MSCI ACWI Commodity Producer Index, 1/3 DJ-UBS Commodity Futures Index	30%
Diversified Hedge Fund	Diversified Hedge Fund Asset Class	33%

Notes on Wealth Forecasting System

3. Volatility

Volatility is a measure of dispersion of expected returns around the average. The greater the volatility, the more likely it is that returns in any one period will be substantially above or below the expected result. The volatility for each asset class used in this analysis is listed on the Capital-Market Projections page preceding these Notes. In general, two-thirds of the returns will be within one standard deviation. For example, assuming that stocks are expected to return 8.0% on a compounded basis and the volatility of returns on stocks is 17.0%, in any one year it is likely that two-thirds of the projected returns will be between (8.9)% and 28.8%. With intermediate government bonds, if the expected compound return is assumed to be 5.0% and the volatility is assumed to be 6.0%, two-thirds of the outcomes will typically be between (1.1)% and 11.5%. Bernstein's forecast of volatility is based on historical data and incorporates Bernstein's judgment that the volatility of fixed-income assets is different for different time periods.

4. Technical Assumptions

Bernstein's Wealth Forecasting System is based on a number of technical assumptions regarding the future behavior of financial markets. Bernstein's Capital Markets Engine is the module responsible for creating simulations of returns in the capital markets. These simulations are based on inputs that summarize the current condition of the capital markets as of June 30, 2024. Therefore, the first 12-month period of simulated returns represents the period from June 30, 2024, through June 30, 2025, and not necessarily the calendar year of 2024. A description of these technical assumptions is available on request.

5. Expenses and Spending Plans (Withdrawals)

All results are generally shown after applicable taxes and after anticipated withdrawals and/or additions, unless otherwise noted. Liquidations may result in realized gains or losses, which will have capital-gains tax implications.

6. Tax Implications

Before making any asset-allocation decisions, an investor should review with his/her tax advisor the tax liabilities incurred by the different investment alternatives presented herein, including any capital gains that would be incurred as a result of liquidating all or part of his/her portfolio, retirement-plan distributions, investments in municipal or taxable bonds, etc. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

Notes on Wealth Forecasting System

7. Tax Rates

Bernstein's Wealth Forecasting Analysis has used the following tax rates for this analysis:

Taxpayer	Scenario	Start Year	End Year	Federal Income Tax Rate	Federal Capital-Gains Tax Rate	State Income Tax Rate	State Capital-Gains Tax Rate	Tax Method Type
Client	All	2024	2025	40.8%	23.8%	0.0%	0.0%	Top Marginal
Client	All	2026	2033	43.4%	23.8%	0.0%	0.0%	Top Marginal

The federal income tax rate represents Bernstein's estimate of either the top marginal tax bracket or an "average" rate calculated based upon the marginal rate schedule. The federal capital-gains tax rate is represented by the lesser of the top marginal income tax bracket or the current cap on capital gains for an individual or corporation, as applicable. Federal tax rates are blended with applicable state tax rates by including, among other things, federal deductions for state income and capital-gains taxes. The state income tax rate represents Bernstein's estimate of the "average" rate calculated based upon the applicable state's marginal tax schedule. Where an applicable state tax code permits the exclusion of a portion of capital-gains income from gross income for purposes of calculating state income tax such exclusions have been included in the calculation.

Glossary of Risk and Return Statistics

Summary statistics are based on 10,000 simulated trials. Along each trial (or “path”), price changes and cash flows are projected at an annual interval, out to 50 years. Statistics are computed based on the ranges of outcomes across these paths.

Median Annualized Growth Rate is the annualized median across paths of the compound return over the path to the horizon indicated. This number should not be used in a portfolio optimizer—it reflects the asset class in isolation and can be compared with historical growth rates.

Mean Arithmetic Average Return is the average return across all years and paths to the horizon indicated. It reflects the return that you can expect in a typical year. This number can be entered into a portfolio optimizer.

First-Year Volatility is the standard deviation of log returns across all paths in the first simulated year. It is typically comparable to historical volatilities.

The Dispersion of Cumulative Returns is expressed on an annualized basis as **Annual Equivalent Volatility**; more technically, it is the standard deviation of log cumulative returns, divided by the square root of the horizon in years. If the annual returns are serially independent and identically distributed, then dispersion will equal first-year volatility. When returns are mean-reverting—as for equities whose fundamentals and valuations follow the business cycle—dispersion is smaller than first-year volatility. When returns are persistent—as for bonds driven by yield momentum—dispersion exceeds first-year volatility.

Correlation is measured analogously to dispersion by looking at compound returns across the paths—not by looking along a single path, as the historical estimate implicitly does. Looking historically, we would find that interest-rate levels on cash and bonds have generally moved in tandem, resulting in a positive correlation between them. In CME, if interest rates steadily rise on a particular 10-year path, cash tends to fare better than on the median interest-rate path, while bonds fare worse. So across all paths, cash and bonds are negatively correlated. This perspective is better suited to forward-looking analysis.

Index Descriptions

The **Bloomberg Global High Yield Index** represents noninvestment-grade fixed-income securities of companies in the US, developed, and emerging markets.

The **Bloomberg US Treasury Index** represents the performance of US Treasuries within the US government fixed-income market.

The **Bloomberg 1–10-Year Municipal Bond Index** represents the performance of the long-term tax-exempt bond market consisting of investment-grade bonds.

The **S&P Global Real Estate Investment Trust (REIT) Index** measures the securitized REITs from both developed and emerging markets. REITs act as operating companies that purchase, manage, invest in, maintain, and market real estate.

The **MSCI All-Country World Index (ACWI)** is a market-capitalization-weighted index designed to provide a broad measure of equity market performance throughout the world.

The **MSCI ACWI Commodity Producers Index** is a free-float-adjusted market-capitalization-weighted index that is designed to track the performance of global listed commodity producers.

The **MSCI EAFE (Europe, Australasia, Far East) Index** is a free-float-adjusted, market-capitalization-weighted index that is designed to measure developed-market equity performance, excluding the US and Canada.

The **MSCI Emerging Markets Index** is a free-float-adjusted, market-capitalization-weighted index that is designed to measure equity market performance in the global emerging markets.

The **MSCI USA Index** is a free-float-adjusted, market-capitalization-weighted index that is designed to measure large- and mid-cap US equity market performance.

The **MSCI USA Minimum Volatility Index** aims to reflect the performance characteristics of a minimum variance strategy applied to the US large- and mid-cap equity universe. The index is calculated by optimizing the MSCI USA Index, its parent index, for the lowest absolute risk (within a given set of constraints). Historically, the index has shown lower beta and volatility characteristics relative to the MSCI USA Index.

The **MSCI World Index** is a free-float-adjusted, market-capitalization-weighted index that is designed to measure global developed-market equity performance.

The **Russell 1000[®] Growth Index** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.*

The **Russell 1000[®] Value Index** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.*

The unmanaged **S&P 500 Index** comprises 500 large-capitalization US stocks and is a common measure of the performance of the US stock market.

*The Russell Index methodology results in some companies appearing in both the growth and value indexes.

Glossary

Active Management: Managing a portfolio through security selection designed to outperform the portfolio's benchmark.

Active Share: The degree of difference between a portfolio and its benchmark index, calculated using the weight of individual securities in the portfolio relative to the benchmark. Active share varies between 0% (a portfolio that mirrors its benchmark) and 100% (a portfolio totally different from its benchmark).

Central Bank Policy: The monetary stance taken by a country's central bank, which can vary from extremely accommodative (keeping short-term interest rates very low, typical when economic growth is slow or negative) to extremely tight (raising rates to high levels, typical when inflation is very high).

Correlation: The degree to which two or more securities, asset classes, and/or benchmarks perform in the same direction and magnitude; a lower correlation is generally favorable for active management, and a higher correlation for passive management.

Dispersion (of returns): The difference in return, often between the best- and worst-performing security in a given asset class or investment category. Generally, the higher the dispersion, the more favorable for active management.

Distressed-Credit Hedge Fund: A hedge fund that invests in the debt of companies in financial trouble, including companies that may file for bankruptcy in the near future. If the company emerges from its distress, its debt will sell far above the price paid by the fund.

Duration: For bonds, a measure of interest-rate risk akin to, but more sensitive than, maturity. For every year of a bond's duration, its price can be expected to fall 1% with every one-percentage-point increase in interest rates, or rise 1% with every one-percentage-point decrease in rates.

Dynamic Asset Allocation: Bernstein's research-based tactical-risk-management service (*see below*), designed to reduce the volatility of a balanced-asset portfolio without sacrificing return.

Event-Driven Hedge Fund: Event-driven strategies take advantage of transaction announcements and other one-time events; one example is merger-arbitrage funds, which buy the stock of a target company and hedge the purchase by selling short the stock of the acquiring company.

Global Macro Hedge Fund: A hedge fund that bases its holdings primarily on overall economic and political views of various countries.

Hedging (currency): Using futures and other contracts to exchange one currency for another; for US investors, hedging is generally exchanging a non-US currency for dollars.

Glossary (cont.)

Inflation-Protected Bonds: Bonds whose values are indexed to inflation, normally adjusted on a semiannual basis. The most well known are Treasury Inflation-Protected Securities, or TIPS. Inflation-protected bonds are designed to shield investors from the negative impact of inflation.

Liquidity: The ease with which assets can be traded; the degree of liquidity for any given asset class or security depends on the prevailing market conditions, dealer inventories, and other factors.

Long/Short Hedge Fund: A hedge fund that takes “long” positions—positions of securities bought in the expectation that they will appreciate in value—as well as short-selling other positions, anticipating that they will decline in value. In short selling, the investor generally sells a borrowed security in the expectation that its price will decline and hence can be bought back at a lower price.

Passive Management: Managing a portfolio to essentially duplicate its benchmark index.

Price/Book Ratio: A stock’s current price divided by its book value: its total tangible assets minus its liabilities. A lower price-to-book ratio indicates a low price for a stock relative to the value of its underlying assets.

Price/Earnings Ratio: A stock’s current price divided by the company’s historical or projected earnings per share. A lower price/earnings ratio indicates a low price for a stock relative to its earnings history or potential. The **cyclically adjusted or Shiller P/E**, usually applied to the broad S&P 500 market, generally uses the average of the past 10 years of earnings, adjusted for inflation.

Real Assets: Assets that have tangible value, or are based on assets with tangible value, such as real estate, commodities, and commodity futures.

Roll (bonds): The tendency of a bond to sell for premium returns before maturity as long as the yield curve (*see below*) is upward-sloping, since its coupon rate is normally competing with lower rates as it “rolls down the yield curve.” Roll is a component of bond returns that active managers can exploit.

Tactical Risk Management: Varying the allocation of asset classes in a portfolio in line with generally short-term forecasts of risk and return.

Yield: The income return from an investment, typically based on the interest paid by a bond or the dividends paid by a stock; usually expressed as a percentage based on the security’s cost, market value, or face value.

Yield Curve: The relationship between the yields being offered by bonds at any given time and their maturity; normally, the curve is upward-sloping, but flat or inverted yield curves are not uncommon. Different yield-curve shapes suggest different optimal maturity configurations for a portfolio.

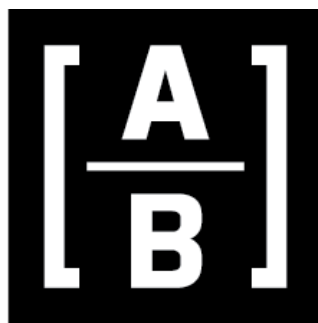
Disclosures and Important Information

Hypothetical, back-tested, or simulated performance has many inherent limitations, only some of which are described herein. The hypothetical performance shown herein has been constructed with the benefit of hindsight and does not reflect the impact that certain economic and market factors might have had on the decision-making process. No hypothetical, back-tested, or simulated performance can completely account for the impact of financial risk in actual performance. Therefore, it will invariably show better rates of return. The hypothetical performance results herein may not be realized in the actual management of accounts. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in constructing the hypothetical returns have been stated or fully considered. Assumption changes may have a material impact on the returns presented. This material is not representative of any particular client's experience. Investors should not assume that they will have an investment experience similar to the hypothetical, back-tested, or simulated performance shown. There are frequently material differences between hypothetical, back-tested, or simulated performance results and actual results subsequently achieved by any investment strategy. Prospective investors are encouraged to contact the representatives of the investment manager to discuss the methodologies (and assumptions) used to calculate the hypothetical performance shown herein.

The information contained here reflects the views of AllianceBernstein L.P. or its affiliates and sources it believes are reliable as of the date of this publication. AllianceBernstein L.P. makes no representations or warranties concerning the accuracy of any data. There is no guarantee that any projection, forecast, or opinion in this material will be realized. Past performance does not guarantee future results. The views expressed here may change at any time after the date of this publication. This document is for informational purposes only and does not constitute investment advice. AllianceBernstein L.P. does not provide tax, legal, or accounting advice. It does not take an investor's personal investment objectives or financial situation into account; investors should discuss their individual circumstances with appropriate professionals before making any decisions. This information should not be construed as sales or marketing material or an offer of solicitation for the purchase or sale of any financial instrument, product, or service sponsored by AllianceBernstein or its affiliates.

Investment Products Offered:

Are Not FDIC Insured | May Lose Value | Are Not Bank Guaranteed



BERNSTEIN

The [A/B] logo is a registered service mark of AllianceBernstein, and AllianceBernstein® is a registered service mark, used by permission of the owner, AllianceBernstein L.P.
© 2024 AllianceBernstein L.P.

BPWM-616439-2024-10-04