

U.S. Equity

- Domestic equity markets, as represented by the S&P 500 Index (S&P) and the Russell 3000 Index, both returned -5.0% in March as markets pulled back sharply amid the ongoing conflict involving Iran and heightened uncertainty around global energy supply.¹
- Only one of the 11 S&P 500 sectors posted positive returns for the month. The Energy sector was the best-performing sector, returning 10.4% for the month, while the second-best performing sector was Utilities at -3.2%. Industrials was the worst-performing sector, returning -8.4% in March.
- Returns were negative across all market capitalizations. Large-cap stocks (Russell 1000 Index) and small-cap stocks (Russell 2000 Index) both returned -5.0%, slightly outperforming mid-cap stocks (Russell Mid Cap Index), which returned -5.3%. Value stocks outperformed growth stocks across all capitalizations in March.
- According to FactSet Earnings Insight as of April 2, 2026, analysts project earnings growth of 13.2% in Q1 2026. If earnings growth reaches 13.2% for the quarter, it will mark the sixth consecutive quarter of double-digit year-over-year (YoY) earnings growth for the index. Revenue growth is also expected, with YoY growth currently estimated at 9.7%, the highest growth rate since 2022.

Non-U.S. Equity

- Non-U.S. equity markets, represented by the MSCI ACWI ex-U.S. Index, returned -10.8% in March. Developed markets, represented by the MSCI EAFE Index, returned -10.3% as Europe (MSCI Europe) returned -9.9% and Japan (MSCI Japan) returned -12.4%. Emerging markets (EM), as represented by the MSCI Emerging Markets Index, returned -13.1%. Within the index, China (MSCI China) posted a return of -7.7%, while Korea (MSCI Korea) and Taiwan (MSCI Taiwan), seeing a reversal from last month's gains, returned -25.5% and -13.0%, respectively. India (MSCI India) also posted negative returns of -14.9% as markets reacted to the closure of the Strait of Hormuz, a particularly impactful development given the region's higher dependence on energy imports from Gulf countries.
- Within the MSCI ACWI ex-U.S. Index, only one of the 11 sectors posted positive returns. As in the U.S., Energy was the best-performing sector for the month, returning 10.4%, while the Utilities sector, the second-best performer, returned -5.0%. Real Estate was the worst performing sector, posting a return of -16.0%.

Fixed Income

- In March, yields rose along the Treasury yield curve as markets reassessed expectations for the federal funds rate and the possibility of higher near-term inflation. The 2-year yield rose 42 basis points (bps) and the 5-year rose 44 bps. The yields on the 10- and 30-year Treasury rose 38 bps and 30 bps, respectively. The ICE BofA MOVE Index jumped to a nine-month high during

the month amid uncertainty around the duration of the conflict involving Iran.

- The Bloomberg U.S. Aggregate Index returned -1.8% in March. Investment-grade (IG) credit returned -2.0%. AAA-rated bonds returned -1.3%, AA-rated bonds returned -1.9%, A-rated bonds returned -2.0%, and BBB-rated bonds returned -2.1%. High-yield corporates, as represented by the ICE BofA U.S. High Yield Index, returned -1.2% during the month. The Broad Treasury Index returned -1.8% as yields rose. Credit spreads widened modestly across the corporate credit spectrum.

Listed Real Assets

- During March, real estate investment trusts (REITs), as represented by the MSCI U.S. REIT Index and the FTSE NAREIT Index, returned -5.9% and -5.8%, respectively. The Data Center and Self-Storage sectors posted the strongest performance for the month, while the Office sector was the most challenged. Listed Infrastructure, represented by the MSCI World Core Infrastructure Index and the FTSE Global Core Infrastructure 50/50 Index, returned -4.4% and -4.2%, respectively, for the month.

Items to Watch

- The impact of the geopolitical conflict involving Iran continues to ripple across the global economy as disruptions to oil and gas supply pushed energy prices up. In the U.S., West Texas Intermediate (WTI) crude averaged approximately \$90 per barrel in March, a sharp increase from the February average of \$65. This increase is expected to contribute to higher headline inflation in the near term, while increased fuel costs could reduce household discretionary spending as budgets tighten.
- Outside of the U.S., Brent crude oil averaged \$100 per barrel, and some governments have begun to intervene in an effort to stabilize prices, with India reducing excise duties while China announced a cap on refined fuel prices. Over the long term, a sustained increase in energy and commodity prices could be a drag on global growth; however, the impacts will depend on the duration of closure of Strait of Hormuz access.
- The U.S. labor market added 178k jobs in March after a sharp decline in February. The overall unemployment rate remained relatively flat, ticking down to 4.3%, though part of this decline reflects labor force exits rather than stronger job growth as 396k left the workforce. Initial jobless claims ended the quarter at 202k (for the week ending March 28), near a two-year low, with continuing jobless claims also falling to approximately 1.8 million.

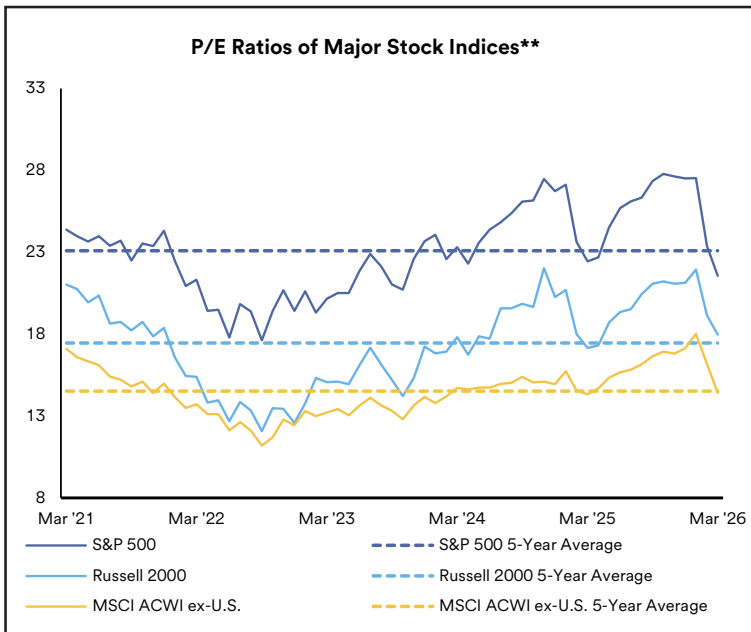
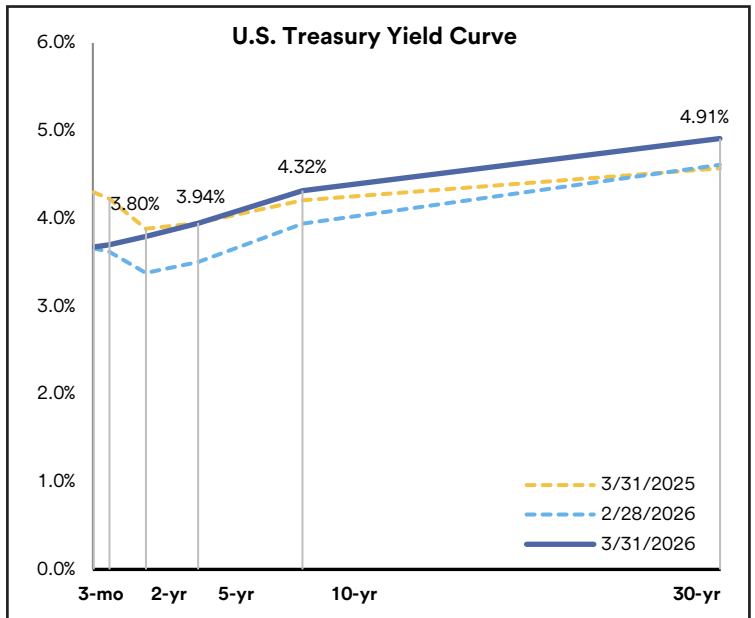
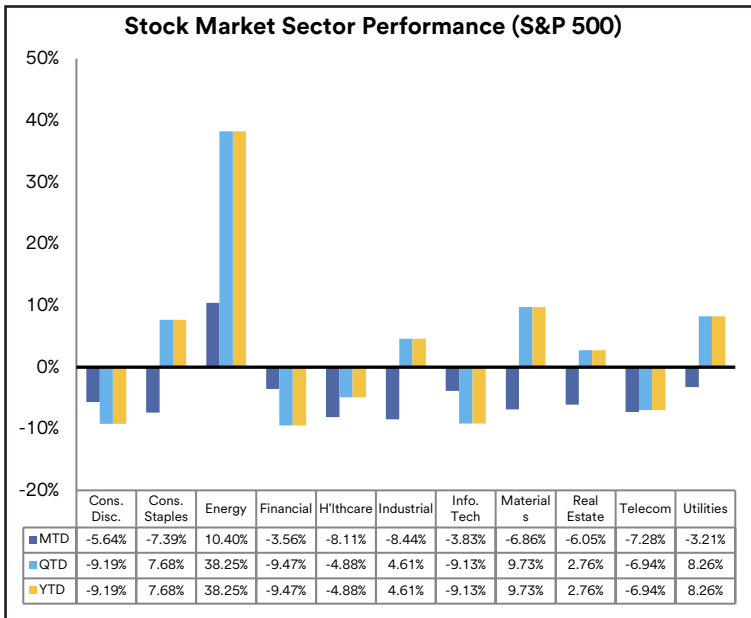
Sources

- Bloomberg
- FactSet

1 - All returns are expressed as total returns (price returns net of dividends).

Total Return of Major Indices				
Domestic Equity	MTD	QTD	YTD	1 YR
S&P 500	-4.98%	-4.35%	-4.35%	17.77%
Russell 3000	-4.98%	-3.97%	-3.97%	18.06%
Russell 2000	-5.01%	0.92%	0.92%	25.76%
Russell 1000	-4.98%	-4.20%	-4.20%	17.71%
International Equity	MTD	QTD	YTD	1 YR
MSCI ACWI ex-U.S.	-10.79%	-0.71%	-0.71%	24.92%
MSCI EAFE	-10.29%	-1.24%	-1.24%	21.27%
MSCI Emerging Markets	-13.06%	-0.17%	-0.17%	29.55%
Fixed Income	MTD	QTD	YTD	1 YR
Bloomberg U.S. Agg	-1.76%	-0.05%	-0.05%	4.35%
Bloomberg Global Agg	-3.07%	-1.07%	-1.07%	4.26%
ICE BofA U.S. HY	-1.19%	-0.55%	-0.55%	6.90%
Alternatives & Diversifying	MTD	QTD	YTD	1 YR
MSCI US REIT	-5.93%	4.52%	4.52%	5.48%
FTSE NAREIT All Equity REITs	-6.11%	3.76%	3.76%	3.28%
MSCI World Core Infrastructure	-4.40%	7.82%	7.82%	16.11%
FTSE Global Core Infrastructure 50/50 Index	-4.18%	8.14%	8.14%	17.98%

Economic Indicators			
Domestic	Current	Previous Month	
Unemployment Rate (%)	4.4%	4.3%	
Initial Jobless Claims (4 week average)	210.5 K	210.8 K	
CB Leading Economic Indicators	-0.1	-0.2	
Capacity Utilization	76.3%	76.3%	
GDP (annual growth rate)	0.7%	4.4%	
University of Michigan Consumer Confidence	53.3	56.6	
New Home Starts	587 K	712 K	
Existing Home Sales	4.1 MM	4 MM	
Retail Sales (YoY)	3.7%	3.2%	
U.S. Durable Goods (MoM)	0.0%	-0.9%	
Consumer Price Index (YoY)	2.4%	2.4%	
Producer Price Index (MoM)	1.0%	-0.6%	
Developed International*		9/30/2025	6/30/2025
Market GDP (annual rate)	1.3%	1.6%	
Market Unemployment	5.0%	4.8%	



Source: Bloomberg. Data as of March 31, 2026, unless otherwise noted.

*Developed market data is calculated with respect to the weightings in the MSCI World ex-U.S. Index. Most current data is as of December 31, 2025 due to release dates of numerous countries.

**P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earning results for consistency.

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