



2022 OUTLOOK:

Riding *the Recovery*



Table of Contents

The 2022 Outlook is published for Financial Advisors to use with their clients in discussing RiverFront portfolios. Due to the sophisticated nature of some of the content, this material is not intended for direct distribution to clients, without the presence and guidance of a Financial Advisor.

2022 Outlook Summary	1-4
-----------------------------------	-----

“The I’s Have It” ...Our Views On:

- Intrinsic Value
 - Innovation
 - Inflation.....
 - Interest Rate Policy.....
- | | |
|-------|-------|
| | 5-10 |
| | 11-14 |
| | 15-20 |
| | 21-26 |

Risks to Our Forecast	27-28
------------------------------------	-------

Portfolio Positioning	29-36
------------------------------------	-------

About RiverFront	37-40
-------------------------------	-------

Definitions & Disclosures	41-45
--	-------

Please follow your firm's compliance policies and procedures in using this document with clients or prospects. Predictions and probabilities discussed throughout this material are based on the RiverFront investment team's views and opinions as of the date of publication shown. These views are subject to change and are not intended as investment recommendations. There is no representation that an investor will or is likely to achieve positive returns, avoid losses or experience returns as discussed for various market classes.

2022 Outlook *Summary*

We liken stock investing in the coming year to the experience of riding a mechanical bull; more controlled than it seems, and ultimately rewarding... but not without its share of white-knuckle moments.

In our base case scenario, we foresee 2022 as another bull market for stocks, but caution investors that overall returns for stocks are likely to be lower than in the last 12 months, and volatility likely to be higher.

See page 3 for scenarios. Opinions are as of the date of this presentation and subject to change. The comments above apply to RiverFront Advantage portfolios. For current allocation information for specific portfolios, please visit our website: riverfrontig.com.

2022 Outlook: *Riding the Recovery*

OUR VIEW OF THE RISK AND REWARDS OF MARKETS IN 2022

~6-8% Upside to Stocks in Base Case Scenario*

- Stocks offer better reward-to-risk versus bonds; however, prepare for lower returns and higher volatility in 2022
- Positive catalysts: Solid earnings growth; rates lower for longer; central bank policy; cash migrating from bonds to stocks
- Biggest risk: Earnings growth could be more than offset by valuation contraction if rates rise more than expected

Key Market Drivers for 2022: “The I’s Have It”

- **Intrinsic Value**: Stocks are pricey relative to history, but reasonable relative to rates
- **Innovation**: Technological productivity continues to power US economy and corporate earnings over other nations
- **Inflation**: Likely to peak in 2022, but remains #1 controversy; implied inflation not yet in the danger zone
- **Interest Rate Policy**: Given debt levels and economic sensitivity to higher rates, the Fed likely to remain accommodative

Portfolio Positioning: US Equity *Overweight*; Fixed Income *Underweight*; Developed International *Neutral*; Emerging Markets *Underweight*

- Message of markets still bullish for US stocks; international more mixed; emerging markets poor
- US: We favor combo of secular growth and economically-sensitive value; active management likely to beat passive
- International: Europe poised for cyclical rebound, but longer-term still murky; China biggest global issue
- Fixed Income: Total return prospects unattractive; we prefer credit as source of yield

*See page 3 for scenarios. Opinions are as of the date of this presentation and subject to change. The comments above apply to RiverFront Advantage portfolios. For current allocation information for specific portfolios, please visit our website: riverfrontig.com.

We are Mildly Bullish on Stocks for 2022... (as of 12.6.2021)

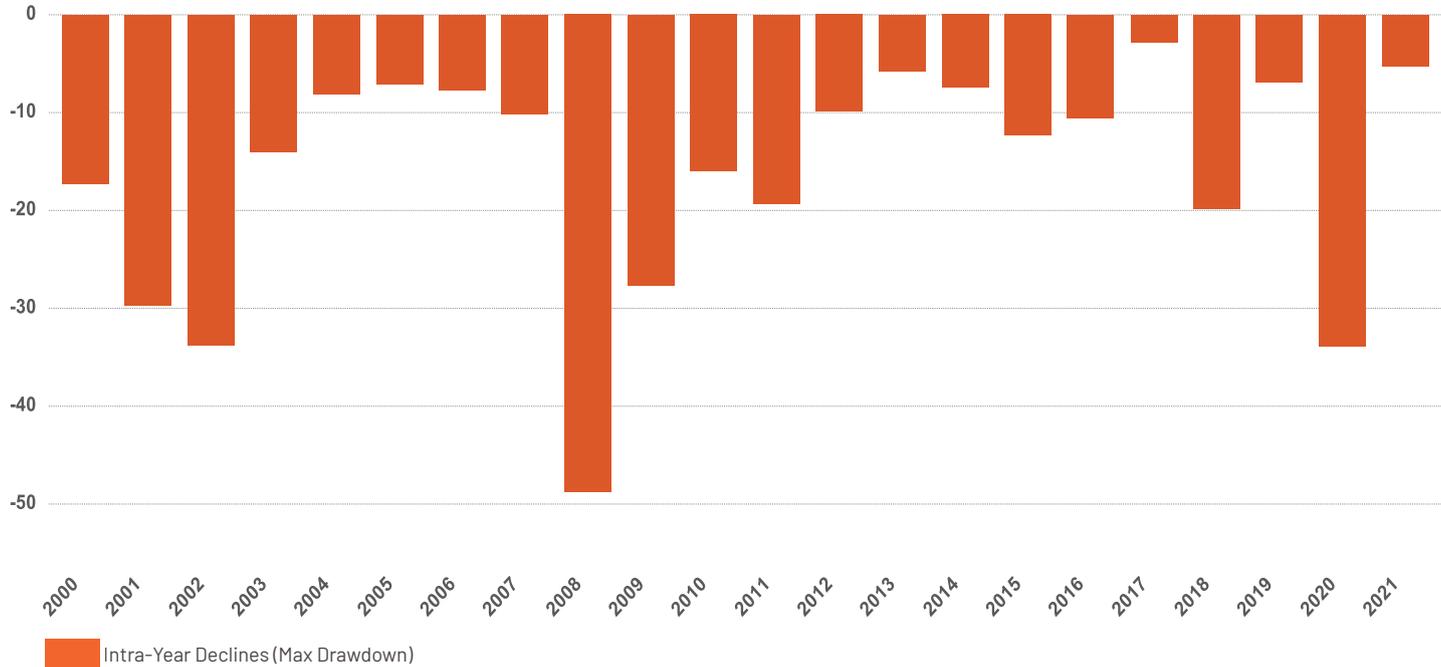
	PESSIMISTIC (BEAR CASE) 'Echoes of Stagflation'	BASE CASE	OPTIMISTIC (BULL CASE) 'Goldilocks'
RiverFront Investment Group Probability	25%	55%	20%
Outcome (US)	Persistent high core inflation forces the Fed's hand into at least 3 rate hikes in 2022; Concerning signs of 'stagflation' sets in, as US GDP growth sags even as inflation rises; Both bonds and stocks suffer	US GDP continues to expand commensurate with a typical mid-cycle economic rebound; Inflation moderates as employment and supply chain normalizes; COVID-19 lingers, but no complete shutdowns; Fed remains dovish; Corporate tax raised to 25%	US economy roars back from COVID-19 recession as pent-up consumer demand strong and anti-viral drugs show efficacy; Inflation moderates; Political gridlock offers 'goldilocks' (no tax hikes, bipartisan infrastructure stimulus, easier trade)
US GDP	3%, With Negative Surprise in H2	4.2%	4.7%
Inflation (CPI)	5.0%	3.5%	2.5%
S&P 500 % Range	-15% or Worse	6-8%	16-20%
International Index Range (USD)	-17% or Worse	4-6%; Developing Markets Outperforms Emerging Markets	25%+
US 10-Year Bond Yields	2.0-2.5%	2.0%	1.50-2.0%
Oil Prices	\$90	\$72	\$68
US Dollar % Change	-4.0%	1.0%	3.0%

The table above depicts RiverFront's predictions for 2022 using three scenarios (Pessimistic (Bear), Base, and Optimistic (Bull)). Our assessment of each scenario's probability ("RiverFront Investment Group Probability") is also shown. The assessment is based on RiverFront's Investment team's views and opinions as of 12.06.2021. Each case is hypothetical and is not based on actual investor experience. These views are subject to change and are not intended as investment recommendations. There is no representation that an investor will or is likely to achieve positive returns, avoid losses or experience returns as discussed for various market classes. Gross Domestic Product (GDP) is the monetary value of all finished goods and services made within a country during a specific period. GDP provides an economic snapshot of a country, used to estimate the size of an economy and growth rate. The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them. Changes in the CPI are used to assess price changes associated with the cost of living. The CPI is one of the most frequently used statistics for identifying periods of inflation or deflation. H2 = Second half of calendar year. Stagflation is the persistent high inflation combined with high unemployment and stagnant demand in a country's economy. See Definitions & Disclosures section for index definitions.

...But Buckle Up: *Expect Higher Volatility in 2022*

2021 YTD MAXIMUM DRAWDOWN WAS ONE OF THE LEAST VOLATILE YEARS IN THE LAST 30 YEARS (AS OF 12.06.2021)

S&P 500 INTRA-YEAR DECLINES



Source: Refinitiv Datastream, RiverFront; data daily as of 12.07.2021. Chart shown for illustrative purposes only. See Definitions & Disclosures section for index definitions.

Intrinsic

Value

*Stocks Pricy Relative to History...
but Cheap Relative to Rates*

Good News: *Recovery Continues to Power Earnings...*

US CORPORATE EARNINGS LIKELY TO STAY POSITIVE IN THE FIRST HALF OF 2022, IN OUR VIEW

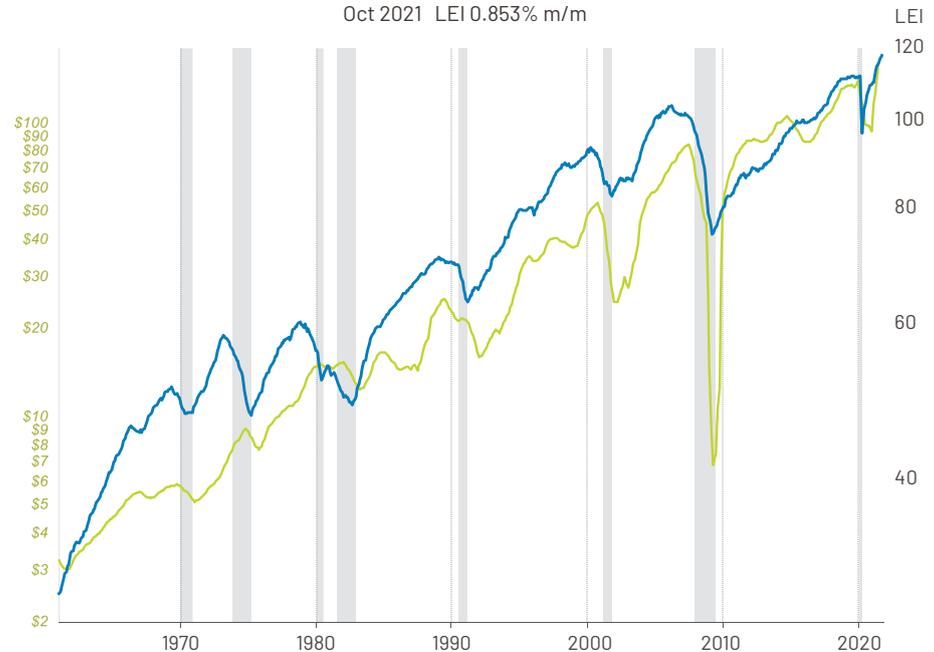
We are expecting US corporate earnings to remain solid next year. In our base case, the S&P 500 generates mid-to-high-single digit earnings growth for 2022.

We have found a high correlation between the Conference Board's monthly 'Leading Economic Index' (LEI*) and S&P 500 reported earnings-per-share (EPS).

Going all the way back to the early 1960s, inflections in LEI (blue line) have tended to foreshadow major trend changes in earnings direction (green line), including exiting the 1991, 2000, 2008, and 2020 recessions (shaded regions).

The continued strength of the LEI suggests to us these strong earnings trends will remain in place for the foreseeable future. This is important because stock markets tend to be forward looking.

LEADING ECONOMIC INDEX & S&P 500 REPORTED EPS



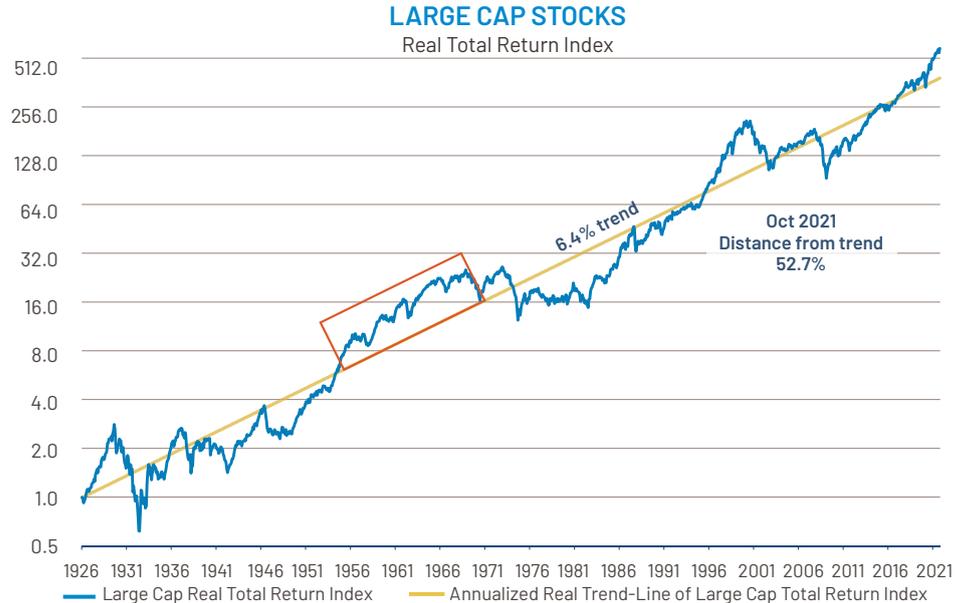
**The LEI is comprised of 10 economic components whose changes are believed to lead changes in the broader economy, including manufacturing new orders and interest rate spreads, as well as data related to consumer expectations, credit, homebuilding, and employment. Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability. Source: Refinitiv Datastream, RiverFront; data monthly, last release as of October 2021. Green line: S&P 500 actual reported earnings from the Robert Shiller database as of June 2021. Blue line: LEI indicator as of October 2021. Past performance is no guarantee of future results. Chart shown for illustrative purposes only. Not indicative of RiverFront portfolio performance. See Definitions & Disclosures section for index definitions.*

...But Valuations *Reflect a Lot of Optimism, In Our View...*

US LARGE CAPS ARE ABOVE TREND BUT MAY REMAIN SO, GIVEN LACK OF GROWTH ALTERNATIVES

According to RiverFront's Price Matters[®] framework, US Large Cap stocks are roughly 53% above their trend-line, which is extended relative to history. **With valuations far above trend, US equities are not ready to absorb disappointment, in our view.**

However, we believe Price Matters[®] framework is a blunt valuation gauge, not a timing tool. Stocks can remain above trend for an extended period of time, depending on the earnings and interest rate backdrop. **Low interest rates and solid earnings growth could allow stocks to remain above trend for the foreseeable future, as happened in the 1950s-60s (see red box).**



ASSET CLASS	INDEX	DISTANCE FROM TREND – 10.31.2021	DISTANCE FROM TREND – 10.31.2020	12-MONTH TOTAL RETURN
US Large Cap	CRSP (1-2) Cap-Based Portfolio	52.7%	20.8%	34.5%

Source: RiverFront Investment Group, calculated based on data from CRSP 1925 US Indices Database ©2021 Center for Research in Security Prices (CRSP[®]), Booth School of Business, The University of Chicago. Data from January 1926 through October 2021. Trend, according to Price Matters[®] is the slope of an exponential growth function that closely tracks a real (inflation-adjusted) long term index for that Asset Class. Distance from Trend is the distance of the trend-line relative to the current index level expressed as a percentage. Real Return is the annual percentage return realized on an investment adjusted for inflation. The chart above uses a logarithmic scale. Line movements will be dampened/subdued based on the exponential y-axis. See Definitions & Disclosures section for index definitions. Past performance is no guarantee of future results. It is not possible to invest directly in an index. Shown for illustrative purposes only and not indicative of RiverFront portfolio performance.

...High Valuation Means *Less Room for Error*...

ELEVATED P/E RATIO SUGGESTS TO US THAT THE MARKET WILL BE SENSITIVE TO CHANGES IN INTEREST RATES OR GROWTH

The Fed is likely to begin to hike policy interest rates in mid-2022. In a world of low interest rates, we believe stocks remain reasonably valued (see page 9).

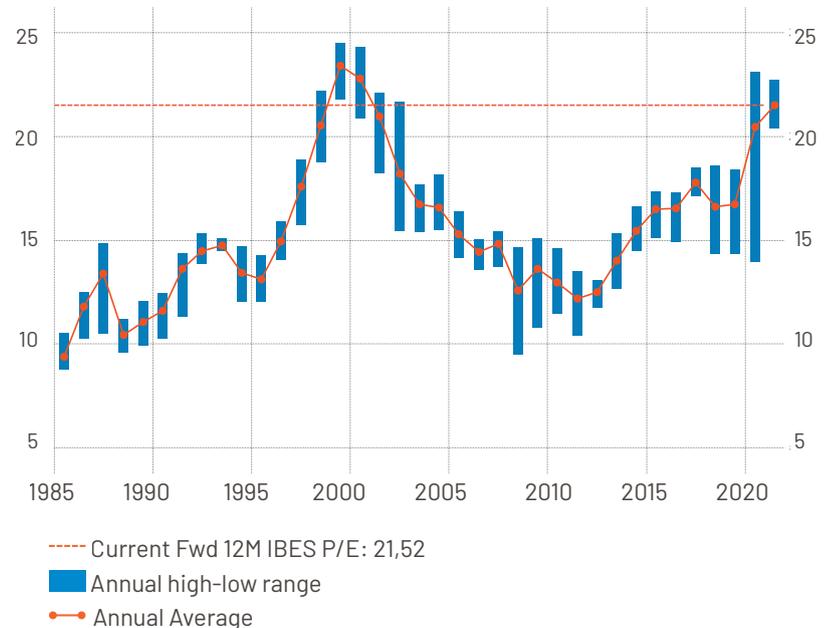
However, the elevated price-to-earnings multiples on US stocks relative to their own history (see chart), presents two challenges for 2022:

1. **It's hard to see valuations rising much from here;**
2. **If interest rates rise too fast, valuation contraction may offset the solid corporate earnings growth we are predicting.**

We are not bearish on stocks, but we believe that interest rates rising faster and higher than we foresee is perhaps the biggest risk facing the market.

In our Interest Rate Policy section (see pages 21-26), we explain why we believe the Fed will err on the side of not raising rates too fast, and what we are monitoring from a risk perspective.

S&P 500 FORWARD P/E RANGE



Price-Earnings Ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings. The Institutional Brokers' Estimate System (IBES) is a database used by brokers and active investors to access the estimates made by stock analysts regarding the future earnings of publicly traded American companies. Source: Refinitiv Datastream; data weekly, as of 12.06.2021. Chart shown for illustrative purposes only. See Definitions & Disclosures section for index definitions.

...Though Stocks Still Cheap *Relative to 'Risk-Free' Rate*

STOCKS STILL OFFER GOOD GROWTH & INCOME VALUE RELATIVE TO FIXED INCOME, IN OUR VIEW

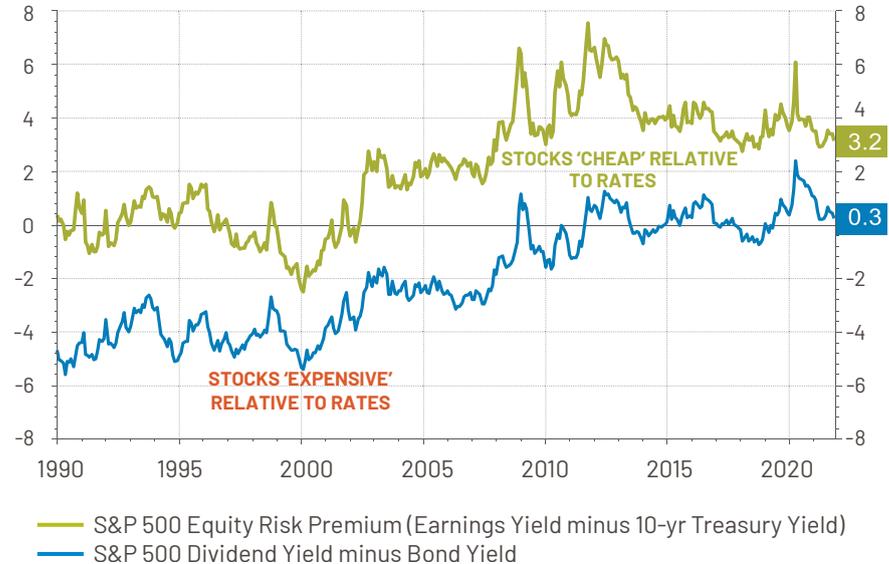
The difference between the expected earnings yield on the S&P 500 on 12 month-forward earnings and the 10-year Treasury – the equity risk premium – is +3.2 percentage points as of quarter-end (green line).

Dividend yields are also slightly greater than treasury yields (blue line), suggesting equities provide attractive income potential over 'risk-free' alternatives.

These lines are high relative to history, suggesting to us that stocks are still reasonably valued – particularly compared to the peak-market times of the late 1990s or mid-2000s.

EARNINGS AND DIVIDEND YIELDS VERSUS BOND YIELD

'Earnings Yield' is the Inverse of the Price-to-Earnings-Ratio



Source: Refinitiv Datastream, RiverFront, data weekly, as of 12.06.2021. Chart shown for illustrative purposes only. Past performance is no guarantee of future results. 'Risk-Free' rate is the theoretical rate of return of an investment with zero risk, which we define by using the 10-yr US Treasury Yield. Price-Earnings Ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings. See Definitions & Disclosures section for index definitions.

International Markets ‘Cheaper’ than US...*For a Reason*

VALUATION GAP DUE TO LOWER GROWTH AND PRODUCTIVITY, HIGHER CYCLICALITY

In sharp contrast to the US, developed international stocks are not close to historic valuation highs. In fact, the valuation gap between the S&P 500 and MSCI EAFE (an index dominated by Europe, Japan and Australia) is among the widest it's been in the last 3 decades (see chart).

However, part of that gap relates to international's lower profit margins and higher percentage of 'cyclical' sectors verses the US. Cyclically-oriented companies tend to require strong GDP growth to grow earnings — something that the last decade has not really produced overseas.

While we think there will be opportunities to allocate to international in 2022 as monetary policy diverges between the US and Europe, the question is whether these are just shorter-term 'trades' or something more sustainable.

This will depend on whether areas like Europe can finally sustain earnings growth similar to the US going forward.

PRICE TO EARNINGS MULTIPLES: US VS EAFE



Gross Domestic Product (GDP) is the monetary value of all finished goods and services made within a country during a specific period. GDP provides an economic snapshot of a country, used to estimate the size of an economy and growth rate. The Institutional Brokers' Estimate System (IBES) is a database used by brokers and active investors to access the estimates made by stock analysts regarding the future earnings of publicly traded American companies. Source: Refinitiv Datastream, RiverFront; data in USD, weekly, as of 12.06.2021. Chart shown for illustrative purposes only. Past performance is no guarantee of future results. See Definitions & Disclosures section for index definitions.

Innovation

The US Economy: Dynamic Under Duress

US Eclipses *Pre-Pandemic High in GDP and Profit*

US CORPORATE SECTOR SHOWS ITS DYNAMISM, FLEXIBILITY UNDER DURESS

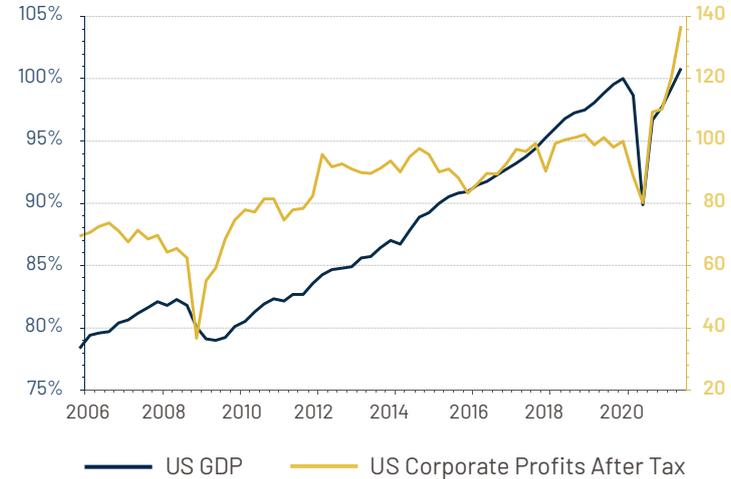
As measured by Gross Domestic Product (GDP), the US economy has eclipsed its pre-pandemic high output. Even more impressively, US corporate net cash flow is now 37% above its pre-pandemic high. In contrast, other similar developed world economies such as the Eurozone and Japan have yet to reach their pre-pandemic heights in economic output.

When taken together, this suggests a number of important takeaways in our view:

- **Judging by PMI readings, the US economy was the strongest of its peers going into the pandemic, and remains the strongest coming out.***
- **The US corporate sector is one of the most dynamic and flexible in the world.**
- **US policymakers are the most responsive in the world: Their quick actions helped stave off a prolonged economic downturn, à la 2008 or 2000.**

US GDP AND CORPORATE PROFITS

Indexed to 100 at Q4 2019



*Gross Domestic Product (GDP) is the monetary value of all finished goods and services made within a country during a specific period. GDP provides an economic snapshot of a country, used to estimate the size of an economy and growth rate. Corporate Profits represents the US National Income Account, Without Inventory Valuation Adjustment and Capital Consumption Adjustment, Profits After Tax Total, Current Prices. Compiled by the Bureau of Economic Analysis, US Department of Commerce. Source: Refinitiv Datastream, Fathom Consulting; data quarterly, last data release Q2 2021. Chart shown for illustrative purposes only. Opinions are as of the date of this presentation and subject to change. *Markit Composite PMI™ (Purchasing Managers' Index™) is produced by Markit and tracks business trends across both the manufacturing and service sectors of a particular economy, based on original survey data collected from a representative panel of companies. We consider US 'peer' regions to be the Eurozone, China and Japan and consider the highest PMI reading relative to peers to represent the 'strongest' economy.*

US Earnings Driven by *Technological Innovation*

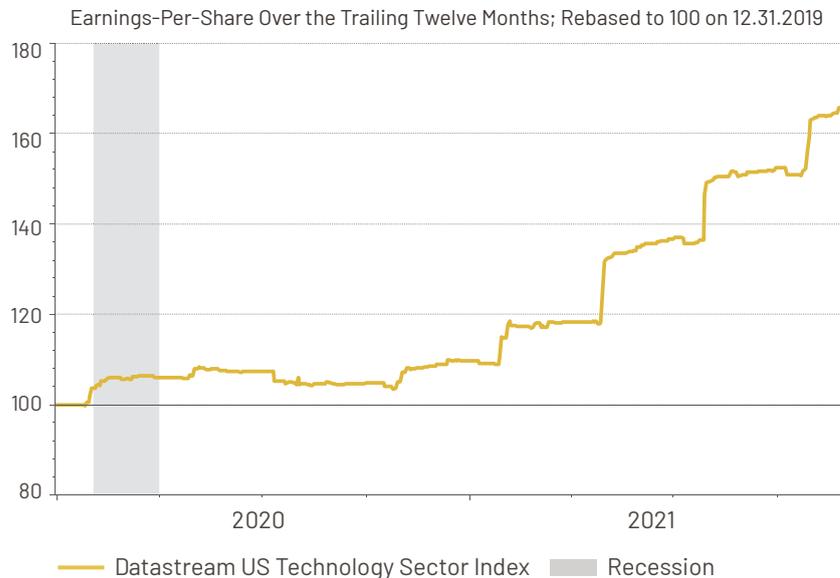
TECH ADOPTION DRIVING CORPORATE EARNINGS

We believe the US corporate sector remains the most dynamic and flexible in the world, and tech is an important reason why in our opinion. Technology companies were arguably net beneficiaries of the pandemic. Businesses levered to cloud computing and networking saw demand for their products get pulled forward dramatically as the working world shifted abruptly to remote work. Many of the skills gained during the pandemic have now taken root permanently in both the corporate world as well as our personal communication habits.

This is easily seen by studying corporate earnings trends for US public tech companies. Notably, not only did tech earnings not drop during the recession, but since 2021 they have accelerated over 60% above pre-pandemic levels (see chart).

In the US stock market, tech companies make up the single largest sector. Not so for Europe and Japan, where financials dominate. International financials have suffered in a 'perma-low' interest rate environment.

US TECHNOLOGY SECTOR EARNINGS



Source: Refinitiv Datastream, RiverFront; DS Indices, data weekly, as of 12.06.2021. Chart shown for illustrative purposes only. The technology sector is the category of stocks relating to the research, development, or distribution of technologically based goods and services. This sector contains businesses revolving around the manufacturing of electronics, creation of software, computers, or products and services relating to information technology. The Datastream US Technology sector index is one of the Thomson Reuters Global Equity Indices. See Definitions & Disclosures section for index definitions.

Immunization Helping to *Repair Global Economy*

MOST LARGE POPULATION NATIONS CLOSE TO 70%+ VACCINATED

No one knows what the future holds as it relates to COVID-19. As we go to press, yet another variant of the virus has health officials on edge.

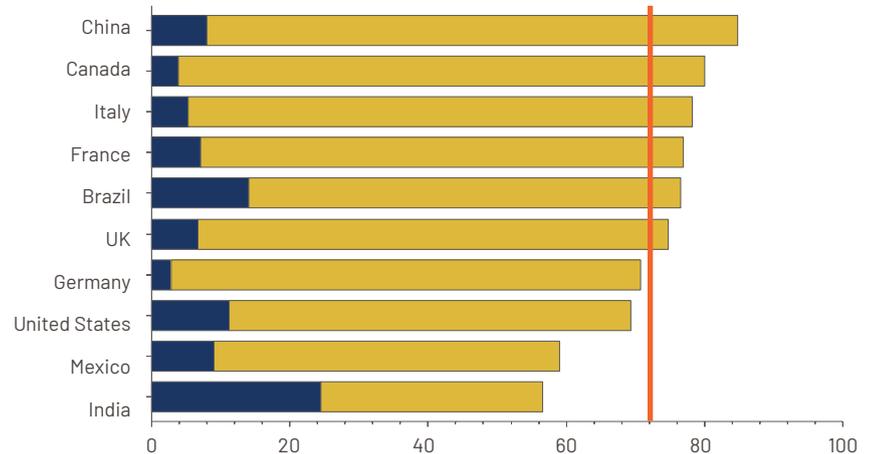
However, mankind knows a lot more about how to prevent and treat COVID-19 than in 2020. Vaccine efficacy has been effective in limiting transmission and decreasing mortality rates for earlier strains. The inherent flexibility in mRNA technology means scientists should be able to quickly pivot to new strains of COVID-19 as they are discovered, and mRNA vaccines are quicker to mass-produce than traditional ones. Recent breakthroughs in therapeutic anti-virals that lessen the severity of symptoms also suggest that **human innovation is alive and well in this fight against COVID-19.**

The percentage of people vaccinated in large population centers such as the US, China, the Eurozone, and the UK are now all close to 70% or higher (see red line). These numbers are approaching the levels of immunization some scientists suggest is necessary to reach normalcy.

mRNA is the set of instructions by which cells make all proteins and send them to various parts of the body. mRNA medicines take advantage of normal biological processes to express proteins and create a desired therapeutic effect. This enables the potential treatment of a broad spectrum of diseases, many of which cannot be addressed with current technologies. Source: Refinitiv Datastream, Fathom Consulting; data weekly, as of 12.07.2021. Chart shown for illustrative purposes only.

VACCINE ROLLOUT

Percent of Population Vaccinated, 12.01.2021



Major Economies, Updated On a Weekly Basis;
 Blue = 1st Dose
 Yellow = 2 Doses

Inflation

Likely to Moderate in 2022

Trend Change in Inflation *Caused by Pandemic*

INFLATION SHOULD FALL IN 2022 AS SUPPLY CHAIN ISSUES IMPROVE, IN OUR VIEW

US headline CPI inflation reached 6.2% in October, its highest since 1990. In our opinion, this was caused by a cyclical imbalance in supply and demand for consumer goods, triggered by the dramatic pandemic shutdown and subsequent just-as-dramatic recovery.

On the demand side, as developed economies reopened, consumer goods orders skyrocketed even as demand for services stagnated. Global supply chains, already constrained by a lack of workers, COVID-19-related safety measures and lockdown restrictions, have often been unable to meet demand, driving prices higher. Oil and gas, base metals, building materials, semiconductors, and automobiles are all products which have seen their prices recently rise precipitously.

We believe CPI will moderate some in 2022 as the effects of the pandemic begin to fade, inventories catch up with pent-up demand, and stronger demand for services starts to decrease demand for goods.

CPI NEAR PRIOR PEAKS (EXCLUDING 1970'S OIL SHOCK)

US Consumer Price Inflation (CPI), 12-Month % Changes



The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Source: Refinitiv Datastream, RiverFront; data monthly, last data release 10.15.2021. Chart shown for illustrative purposes only.

‘Sticky’ Inflation Components *Much Lower than Headline*

MOST VOLATILE COMPONENTS OF CPI SKEWING HEADLINE CPI RESULTS, IN OUR VIEW

Some academic research suggests the ‘stickiest’ parts of the CPI basket – consumer goods whose prices are relatively slow to fluctuate – do a better job of incorporating future inflation expectation than more volatile items such as food, energy, and auto prices.

Some examples of ‘sticky’ consumer goods and services include household furnishings, rent, medical care, food away from home, and educational expenses. As defined by the Federal Reserve of Cleveland, sticky goods and services make up roughly 70% of the CPI basket.

Currently core sticky CPI is trending at 3.1%. This is at a decade-high, but hardly a 1970s scenario, when even sticky CPI items skyrocketed double-digits.

YEAR-OVER-YEAR CHANGE IN CORE ‘STICKY’ CPI



The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. FRB Atlanta = Federal Reserve Bank of Atlanta. Source: Refinitiv Datastream, RiverFront; data monthly, last data release October 2021. Chart shown for illustrative purposes only.

Wage Inflation Happening *Mostly at the Low End*

HIGHEST 20% OF EARNERS SEEING WAGE GROWTH SLOWING

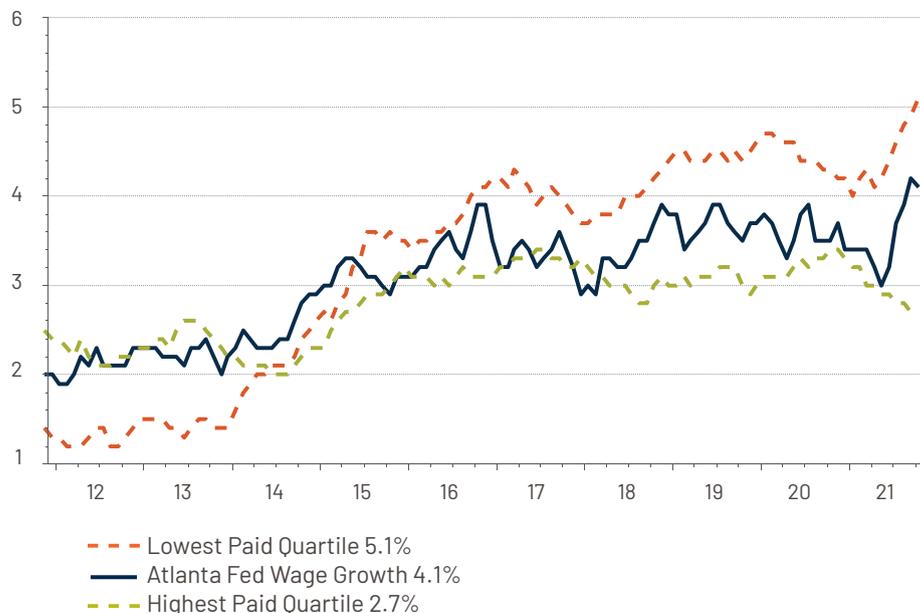
Economists watch wages carefully for signs of ‘wage push inflation’ — a phenomenon whereby, to maintain corporate profits after an increase in wages, employers must increase the prices they charge for their goods and services. This can be circular and self-reinforcing, leading to broader inflation in the economy.

Judging by the Atlanta Fed’s Wage Growth Tracker, aggregate year-over-year growth in US wages (blue line) is at the top end of recent historical ranges. The largest inflationary pressure appears to be happening at the lowest end of wage earners, generally in industries most dislocated from last year’s shutdown (red dotted line).

The highest quartile of wage earners in the US, which represent a disproportionate percentage of wages paid, is seeing wage growth start to slow (green dotted line). This suggests to us that wage pressures overall remain relatively contained.

ATLANTA FED WAGE GROWTH TRACKER

Y/Y % Change



The Atlanta Fed’s Wage Growth Tracker is a measure of the nominal wage growth of individuals. It is constructed using microdata from the Current Population Survey (CPS) and is the median percent change in the hourly wage of individuals observed 12 months apart. Source: Refinitiv Datastream, RiverFront; data monthly, as of October 2021. Chart shown for illustrative purposes only.

Leading Inflation Indicators *Starting to Fall*

SHIPPING RATES STARTING TO TREND DOWN

While the inflation prints in the second half of 2021 were enough to give investors concern, it is possible that we have actually seen inflation peak for this cycle.

One sign that inflation may be peaking is the fact that global shipping costs are starting to fall after moving sharply higher earlier in 2021. The Baltic Exchange Dry Index (BDI) represents an average price paid for the transport of raw materials such as steel and coal across more than 20 important shipping routes around the globe. It's often viewed as an important leading barometer of global supply and demand trends.

After peaking at its highest level since 2008 in mid-October, the BDI is now falling back towards average levels, which may be an early sign of easing bottlenecks in the global supply chain.

SHIPPING COSTS STARTING TO FALL

Baltic Exchange Dry Index, in USD Per Points



The Baltic Dry Index (BDI) is a shipping and trade index created by the London-based Baltic Exchange. It measures changes in the cost of transporting various raw materials, such as coal and steel. Source: Refinitiv Datastream, RiverFront; data daily, as of 12.06.2021. Chart shown for illustrative purposes only.

A Little Bit of Inflation May Be *Good for Stocks*

There is concern about inflation's potential to damage stocks by hurting corporate margins and thus earnings per share (EPS) growth.

However, there is some evidence to suggest that higher consumer inflation corresponds to stronger corporate earnings, not weaker. **Our own internal research suggests that changes in CPI actually have a strong positive correlation to changes in US large-cap stock earnings.**

Additionally, a Ned Davis Research historical study covering 1954-present suggests that year-over-year changes above 5% in industrial raw materials spot prices correspond to well above-average earnings growth for the S&P 500.

As long as inflation is a result of strong economic growth – as is the case currently – we think stocks can shake off mildly higher inflation.

EARNINGS AND INFLATION ARE POSITIVELY CORRELATED



Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability. The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Source: Refinitiv Datastream, Fathom Consulting; data weekly, as of 12.06.2021. Chart shown for illustrative purposes only. The US-DS Market is the Thomson Reuters Global Equity Indices. See Definitions & Disclosures section for index definitions.

Interest Rate

Policy

Still Lower for Longer

‘Tapering Is Not Tightening’ – *Fed Still on Investors’ Side*

Don’t Fight the Fed: The Fed shared its much-anticipated ‘taper’ announcement in November. The Fed’s \$15 billion reduction in money-printing means the Fed balance sheet will still grow more slowly than before, reassuring investors that the Fed is not asleep at the wheel.

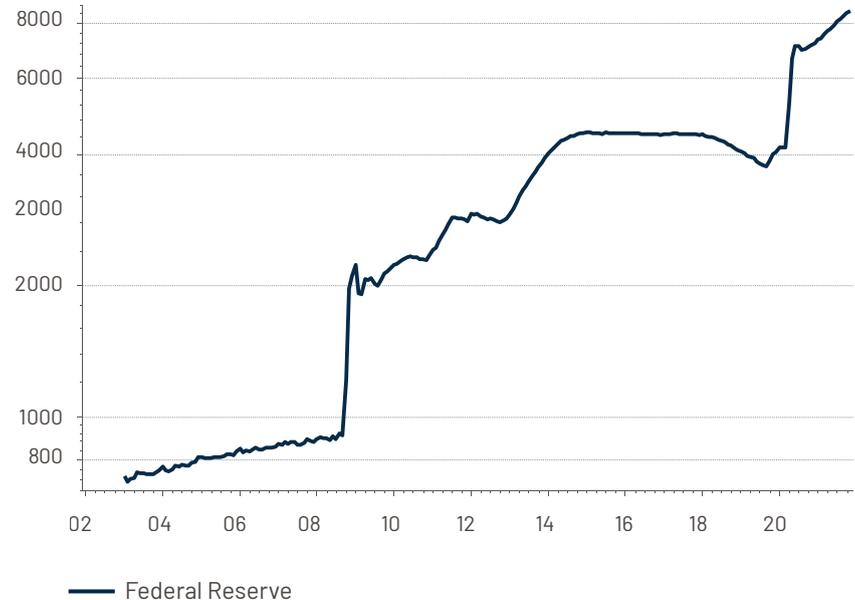
‘Tapering is Not Tightening’: However, a taper means the Fed’s balance sheet continues to climb, just at a slower pace. As of November 2021, it stood at \$8.56T, which is a record high.

Taking a step back, we think the Fed is still accommodative and on investors’ side. Its balance sheet is up 20% year over year, and it takes six to eighteen months for that monetary stimulus to flow through to the economy.

As long as inflation expectations don’t blow out on the upside (see page 26), we expect that it will be more than six months before the Fed raises interest rates.

FED BALANCE SHEET – TOTAL ASSETS

In Trillions of US Dollars, Log Scale



Source: Refinitiv Datastream, RiverFront; data monthly; last data release 11.24.2021. Chart shown for illustrative purposes only.

Stock Market Can Shake Off *Initial Rate Hikes*

IN RECENT HISTORY, STOCKS HAVE PERFORMED WELL IN FIRST YEAR AFTER FIRST RATE HIKE

The Fed is likely to begin to hike policy interest rates at some point in 2022. Across the last sixteen rate hike cycles starting in 1946, US stock gains have averaged +5.1% and +4.3% respectively in the first and second years of a hike cycle, according to a Ned Davis Research study.

More recent results have been even more promising: Over the last thirty years, the market has averaged +12.8% in the year after the first rate hike (see red dots on chart). **Stocks can produce positive returns during hike cycles, as long as rates are rising due to economic growth...and that rate increases are gradual.**

We are not bearish on stocks, but we recognize that interest rates rising faster and higher than we foresee is perhaps the biggest risk facing the market. In the rest of this section (see pages 24-26), we explain why we believe the Fed will err on the side of leaving rates low, and what we are monitoring from a risk perspective.

S&P 500 INDEX AROUND FIRST RATE HIKE: 1992-2016

Log Chart; Rate Hike Dates: 02.14.1994, 03.25.1997, 06.30.2004, and 12.16.2015

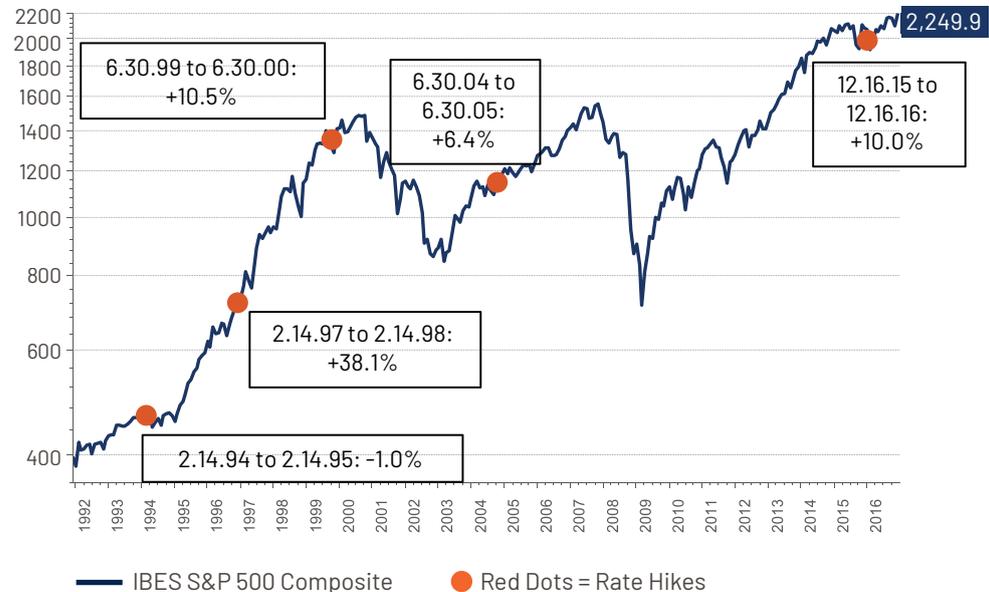
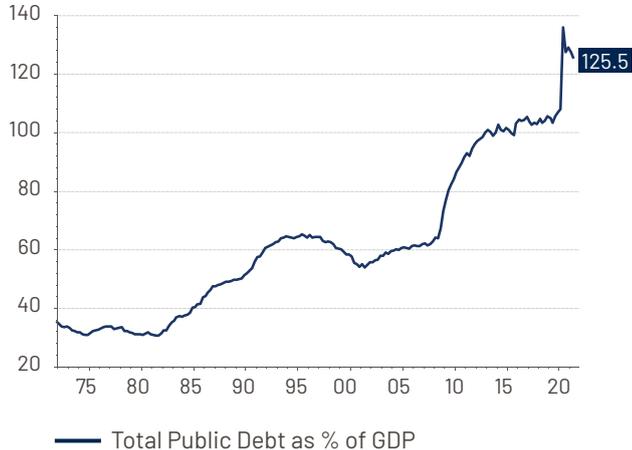


Chart Source: Refinitiv Datastream, RiverFront; data monthly, as of 12.30.2016. The Institutional Brokers' Estimate System (IBES) is a database used by brokers and active investors to access the estimates made by stock analysts regarding the future earnings of publicly traded American companies. Past performance is no guarantee of future results. Shown for illustrative purposes and not reflective of RiverFront portfolio performance. See Definitions & Disclosures section for index definitions.

Fed Has Many Options For Policy...*but Few Real Choices*

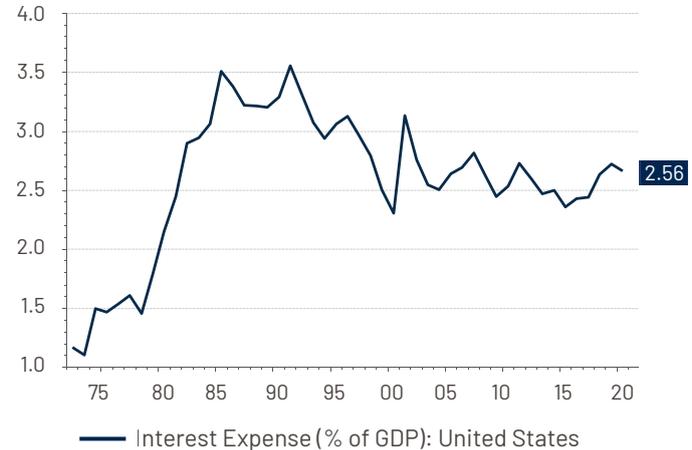
US DEFICIT LARGEST SINCE WWII; ONLY SUSTAINABLE WITH LOW INTEREST RATES

US TOTAL NATIONAL DEBT AS A % OF GDP



US GOVERNMENT INTEREST EXPENSE, AS A % OF GDP

(Includes Social Security Funds)



One reason that we continue to believe the Fed will err on the side of being accommodative is that the Federal deficit is close to the highest it has ever been in the post-WWII era.

However, the carrying cost of the debt (interest expense) is manageable due to ultra-low interest rates and the US's strong credit rating. This situation becomes untenable if rates rise too high.

Gross domestic product (GDP) is a monetary measure of the market value of all final goods and services produced in a period (quarterly or yearly) of time. Source (Chart Left): Refinitiv Datastream, RiverFront; data quarterly, 02.15.1972-05.15.2021, last data release 02 2021. Source (Chart Right): Refinitiv Datastream, IMF, RiverFront; data annual, 1972-2020, last data release as of 06.30.2020. Charts shown for illustrative purposes only.

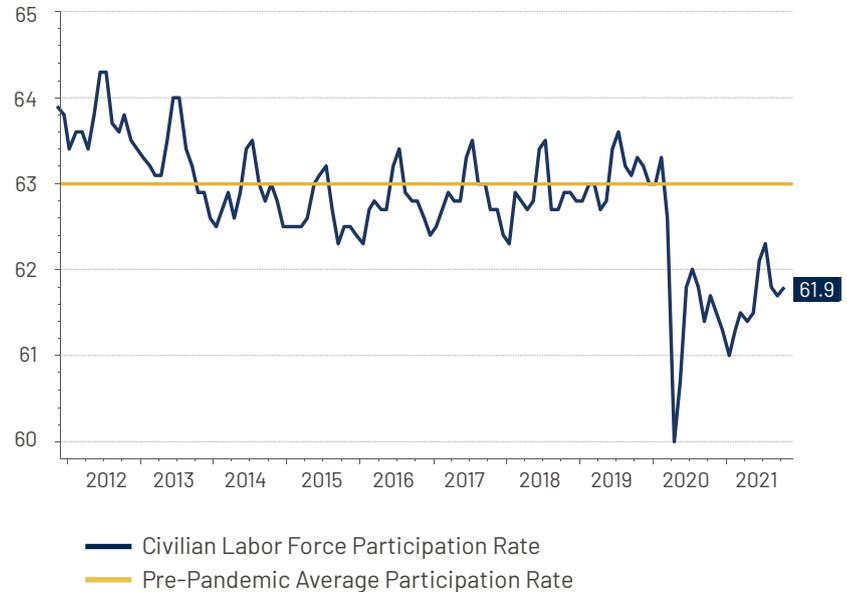
Fed Likely to Keep Rates *Lower for Longer*

We believe that Fed Chairman Powell will continue to err on the side of keeping interest rates lower for longer, in part due to the Fed's belief that the US is still a ways away from full employment and thus still needs the stimulative effect of low rates.

Earlier in 2021, Powell suggested that the true unemployment in the US may be higher than official statistics (currently 4.2%), due to an abnormally high number of people who have dropped out of the labor force during the pandemic. While some of these losses may prove permanent due to COVID-19 health concerns and changes in worker preferences and automation, this suggests the unemployment rate would be higher if it were properly accounting for these losses in the denominator of the calculation.

For perspective: the participation rate has dropped roughly 2 percentage points since its peak in 2019 (see chart). In order to get participation back near pre-pandemic levels, roughly 2.5 to 3 million people would need to come back into the labor force.

LABOR FORCE PARTICIPATION %



Full employment is an economic situation in which all available labor resources are being used in the most efficient way possible. Full employment embodies the highest amount of skilled and unskilled labor that can be employed within an economy at any given time. Source: Refinitiv Datastream, RiverFront; data monthly, last data release November 2021. Chart shown for illustrative purposes only.

What We Are Watching: *Implied Inflation Expectations*

We believe the Fed watches market-implied inflation expectations very closely for signals into whether to raise interest rates or not.

One way to gauge investors' perception of inflation is to compare the yield of US government Treasury notes to the yield of Treasury Inflation Protected Securities (TIPS) of the same maturity date; the difference in the two can be interpreted as bond investors' implied inflation forecast over that time period (see chart). Another method is to analyze yields on inflation-linked swaps (derivatives used by investors to hedge inflation risk).

We believe the Fed will not aggressively raise rates unless implied inflation from these indicators trends meaningfully above 3.25% (see shaded regions on chart). Currently we are under 3% on a variety of metrics looking out 5 to 10 years.

IMPLIED INFLATION

Treasuries Minus TIPS Yield of Same Maturity; Also Inflation-Linked Swaps



Implied inflation expectations are market-based estimates of future price inflation over a given time period. Treasury inflation-protected securities (TIPS) are a type of Treasury security issued by the US government. TIPS are indexed to inflation in order to protect investors from a decline in the purchasing power of their money. As inflation rises, TIPS adjust in price to maintain its real value. Source: Refinitiv Datastream, RiverFront; data monthly, as of November 2021; swaps daily, as of 12.01.2021. Chart shown for illustrative purposes only.

Risks *to our* *Forecast*

What Keeps Us *Up at Night*

RISKS TO OUR FORECAST, WITH COUNTERPOINTS

FEAR: New variants of COVID-19 will create another large-scale economic shutdown

- **COUNTERPOINT:** Treatments, including novel therapeutics approved to treat COVID-19 symptoms, should lessen need for full-scale lockdowns; mRNA vaccine technology adaptable to new strains; lockdowns, should they occur, will naturally lead to more prolonged stimulus and delay interest rate hikes further

FEAR: Runaway inflation causes Fed to tighten sooner than expected

- **COUNTERPOINT:** Technological gains, excess supply in certain industries, and lack of pervasive wage pressure in higher paying jobs suggests to us inflation is not as big of an issue as feared; Fed likely tolerant of some inflation (see Interest Rate Policy section pages 21-26)

FEAR: Higher US corporate taxes dent corporate earnings power

- **COUNTERPOINT:** US corporate sector is highly flexible, and able to offset higher costs through efficiency gains; increasing political gridlock makes large-scale tax overhaul less likely

FEAR: Debt implosion due to rise in interest rates

- **COUNTERPOINT:** Credit and sovereign spreads remain tight, suggesting little stress currently; indebtedness is not solely a US phenomenon, as much of the developed world and north Asia also have high debt to GDP levels and poorer demographics

mRNA is the set of instructions by which cells make all proteins and send them to various parts of the body. mRNA medicines take advantage of normal biological processes to express proteins and create a desired therapeutic effect. This enables the potential treatment of a broad spectrum of diseases, many of which cannot be addressed with current technologies. Gross domestic product (GDP) is a monetary measure of the market value of all final goods and services produced in a period (quarterly or yearly) of time. These views are subject to change and are not intended as investment recommendations. The list above is not intended as a comprehensive lists of risks related to our outlook or investing. There is no representation that an investor will or is likely to achieve positive returns, avoid losses or experience returns as discussed for various market classes.

Portfolio

Positioning

We Start the Year *Overweight* Stocks

(AS OF 12.06.2021)

The horizontal dark line shown for each strategy indicates the benchmark weighting of equities to fixed income.

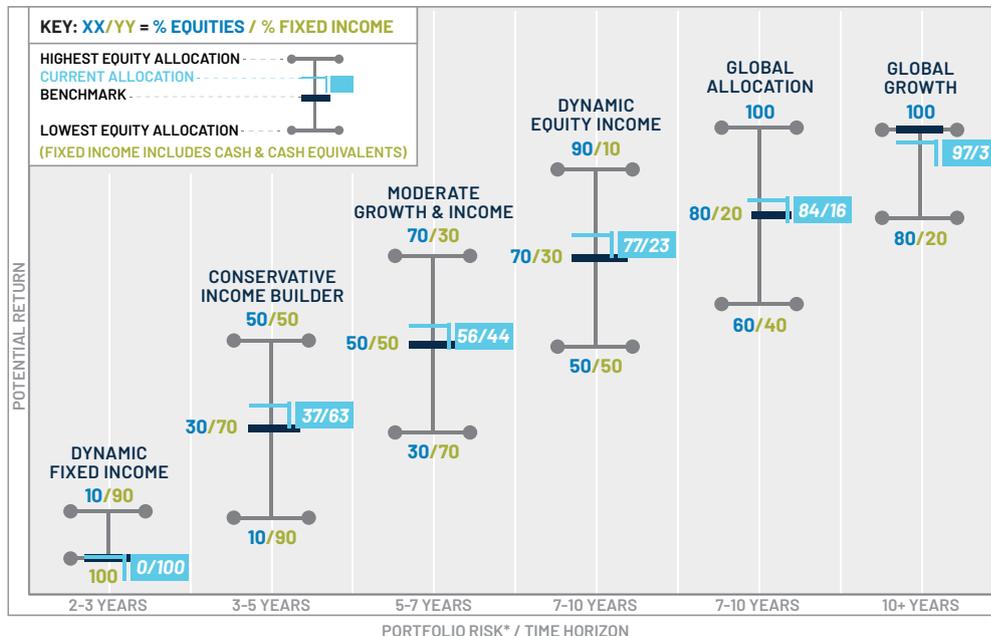
The ratios in the light blue box show the weightings of equities to fixed income in each strategy as of December 6, 2021.

The ratio at the top of each strategy indicates the most bullish weighting, and the ratio at the bottom indicates the most bearish weighting of equities to fixed income that are likely for each strategy.

Our balanced strategies start the year overweight stocks and underweight fixed income.

RIVERFRONT ASSET ALLOCATION STRATEGIES*

Current Allocations as of 12.06.21



*Strategies seeking higher returns and thereby greater allocations to equities will also carry higher risks and be subject to a greater degree of market volatility. Allocations subject to change. Source: RiverFront. Cash is included in the weighting for fixed income. The specific benchmark for each strategy is listed and defined in Definitions & Disclosures section. The portfolio weights and statistics shown above are based on RiverFront's Advantage separately managed accounts (SMA) only. They do not reflect other RiverFront portfolios or UMA/MDP models. While our SMAs and models for UMAs and MDPs will have similar investment weightings, there may be differences between the models; as such, there will be differences in the current portfolio weights/statistics in actual client accounts. Not all listed investment products or services are available at all broker/dealer firms.

Market Trends: *US Strong, International Mixed*

THE TREND IS OUR FRIEND IN THE US, BUT STAY VIGILANT

S&P 500 COMPOSITE



MSCI AC WORLD EX-US, IN USD



We define the US primary stock market trend as the 200-day moving average of the S&P 500 (red line). Currently, the trend in the US is rising at an annualized rate of 28%, an extraordinarily strong slope which we believe is unsustainable for long periods of time. However, through the lens of our proprietary trend heatmap, the strength of the trend still suggests positive future returns are possible over the next three to six months. While we continue to watch the trend cautiously, its positive momentum has helped the S&P 500 continually make new highs. The international trend represented by the 200-day moving average of the MSCI All-Country World-Ex US Index, on the other hand, is less extreme. Unlike the US, international is currently trading below its 200-day moving average and appears less healthy, in our view.

Source Chart Right & Left: Refinitiv Datastream; RiverFront, data daily, as of 12.02.2021. Past performance is no guarantee of future results. You cannot invest directly in an index. Shown for illustrative purposes only, not indicative of RiverFront performance. The 200-day moving average is a popular technical indicator which investors use to analyze price trends. It is simply a security's average closing price over the last 200 days. Please see Definitions & Disclosures section for index definitions.

Capital Flight Out of Bonds *May Bolster Stocks*

BONDS LOSING ATTRACTION FOR INCOME INVESTORS

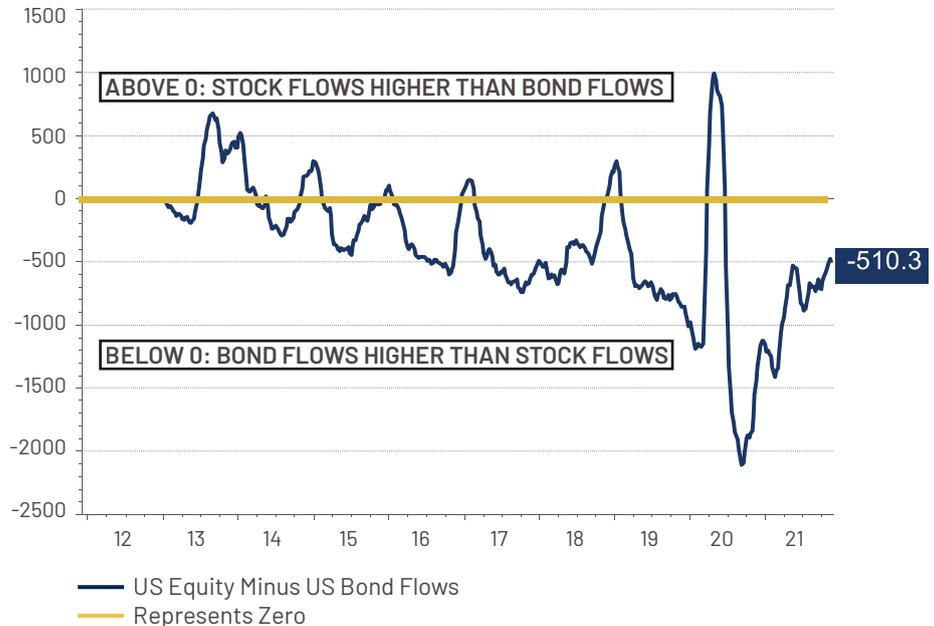
Low coupon payments and negative total returns in widely-followed bond indices this year may cause investors to consider shifting equity allocations higher. A catalyst for further stock market strength is the potential for capital to continue to shift from the US bond market back to stocks.

Despite stocks' dominant performance, an estimated \$2.3T more has found its way into bonds versus stocks in the last decade; since the pandemic started, this differential is around \$1.8T, according to a Ned Davis Research study.

We believe more flows may find their way back into the stock market if poor total return potential continues to force income investors to flee bonds. The gap between total bond flows and stock flows is likely to close further in 2022, in our view.

MONEY INTO US STOCKS DWARFED BY BOND FLOWS

Three-Month Rolling Sum, USD, Billions; Equals ETFs Plus Mutual Fund Flows



Source: Refinitiv Datastream, RiverFront; data weekly, as of 11.24.2021

Domestic Equity *Strategy*

PANDEMIC AFTER-EFFECTS MAKES ACTIVE MANAGEMENT INCREASINGLY IMPORTANT

We believe the economy is recovering rapidly, but in an uneven fashion due to pandemic repercussions. This dynamic will benefit active portfolio management, both from an allocation and security selection perspective, in our view.

We favor a barbell approach of blending both growth and value-oriented equities concentrated in the following themes, for companies and industries that:

- **Benefit from sustained low interest rates;**
- **Benefit directly or indirectly from the reemergence of mild inflation;**
- **Benefit from a 'steep yield curve' (long term interest rates being higher than shorter-term ones)**

Heading into 2022, we are also advocating covered call strategies which can help generate additional income in a potentially volatile, directionless equity market.

LONGER-TERM THEMES	RATIONALE
'Low Interest Rate Plays': Logistics Companies, Industrial Conglomerates and Machinery, Semiconductors, Energy Pipeline, and E&P	We believe the Fed will be tolerant of a certain amount of inflation and does not want to let interest rates rise too fast. These companies will benefit from low funding costs and rising prices.
'Mild Growth/Inflation Beneficiaries': Software and IT Services, Medical Devices, Property and Casualty Insurers, Payment Processors, along with some Retail, and Medical Device and Providers	These business models can generate strong earnings growth and relative stability of cash flow in a variety of economic conditions. Some of these, such as software and payment processors, may also act defensively during growth scares.
'Steepening Yield Curve' Plays: REITS, Large Financial Conglomerates	Steepening yield curve benefits bank profitability.
Avoid: <ul style="list-style-type: none"> • Materials Companies • Some Big Box Consumers like Grocers and Pharma • Utilities, Smaller Regional Banks, and Life Insurance Companies 	<ul style="list-style-type: none"> • If commodity price increases represent higher input costs, these companies will suffer • Grocers and pharma don't have enough pricing power to adequately pass higher prices on to consumers • Utilities, small regional banks and life insurance companies may be hurt by continued low interest rates

Investment themes as of 12.06.21. Individual themes may not be present in every portfolio allocation. Subject to change. Covered Call - An option is a contract sold by one party to another that gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed upon price within a certain period or on a specific date. A covered call option involves holding a long position in a particular asset, in this case US common equities, and writing a call option on that same asset with the goal of realizing additional income from the option premium. Certain ETFs use a covered call strategy. By selling covered call options, the fund limits its opportunity to profit from an increase in the price of the underlying index above the exercise price but continues to bear the risk of a decline in the index. A liquid market may not exist for options held by the fund. While the fund receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below the indices current market price. A real estate investment trust (REIT) is a company that owns, operates, or finances income-generating real estate. Modeled after mutual funds, REITs pool the capital of numerous investors. This makes it possible for individual investors to earn dividends from real estate investments – without having to buy, manage, or finance any properties themselves.

International Equity *Strategy*

OUR NEAR-TERM OUTLOOK FOR INTERNATIONAL STOCKS REMAINS MIXED

Possible Catalyst for Better Performance: Overseas stock markets have cheaper valuations because they have more cyclical sectors versus the US. Our belief is that increasing inflation and low interest rates provide a backdrop where some of these cyclical and value-oriented areas can start to shine, providing a catalyst for international markets.

The Problem: The problem for international as a value play is that value works best when there is earnings growth to sustain it. There is a strong case for a positive inflection point in international earnings relative to the US in 2022, but investors have been frustrated on this point for almost a decade.

China Issues Affecting Emerging Markets (EM):

In 2021, EM headlines were dominated by concerns over increased scrutiny and regulation of the corporate sector by the Chinese government. We think the Communist Party will continue to prioritize social and political aims over shareholder returns, which makes investing in China more uncertain going forward. **We prefer developed markets to emerging ones.**

LONGER-TERM THEMES	RATIONALE
Prefer Europe Over Japan	We think European economies are bottoming with improved vaccine distribution.
Prefer US to International Equities	US is still the fastest-growing major economy in the world, with an attractive blend of fiscal and monetary stimulus, in our view.
Prefer Developed Markets to Emerging Markets	China's apparent crackdown on capitalism will continue to negatively impact their stock market, in our view. China's stock market is the largest component of most emerging market indices.
Expecting continued US dollar strength, especially relative to the EUR and JPY; US-domiciled investors in international markets may want to consider hedging some currency exposure.	<ul style="list-style-type: none"> Relative economic surprises have favored the USD recently Relative business sentiment is now also stronger in US versus Germany and Japan The US has started to 'taper' asset purchases, while the ECB and BoJ have not

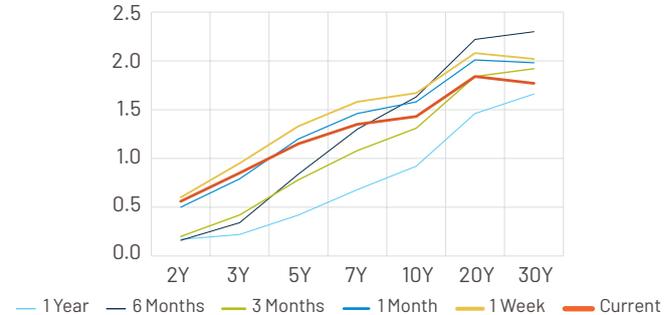
Investment themes as of 12.06.21. Individual themes may not be present in every portfolio allocation. Subject to change.

Fixed Income *Strategy*

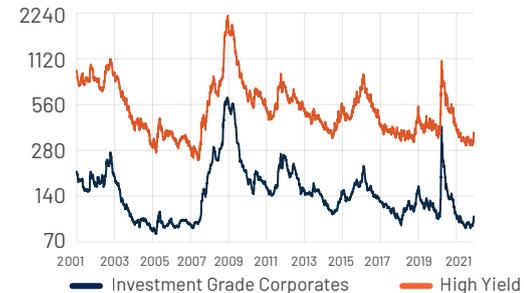
NEUTRAL DURATION, US GOVERNMENT YIELD CURVE STEEPENS & BECOMES MORE ATTRACTIVE, IN OUR VIEW

- 1. Ten-Year Yield to Move Higher:** In our base case, we anticipate the yield of the ten-year Treasury will end the year around 2%, as we expect inflation to moderate.
- 2. Neutral on Duration:** We remain underweight fixed income. We continue to hold US Treasuries as an equity shock absorber, thus maintaining neutral duration.
- 3. Curve Positioning:**
 - Continue to own short and intermediate duration corporate bonds in combination with long duration Treasuries to act as a shock absorber in case of equity market weakness.
 - High yield and bank loans are areas we would look to for total return in 2022, avoiding traditional assets like agencies and mortgages.
 - Credit spreads are holding steady to slightly higher, but are not showing signs of worry at current levels, in our view.

US TREASURY YIELD CURVE



INVESTMENT GRADE & HIGH YIELD CORPORATE SPREADS



Source (Top Chart): RiverFront, Factset; data as of 09.29.2021. Source (Bottom Chart): RiverFront, Factset; data as of 12.01.2021. Past performance is no guarantee of future results. Shown for illustrative purposes only. In a rising interest rate environment, the value of fixed income securities generally declines. Views and opinions expressed are as of the date of publication and subject to change.

Portfolio *Changes*

YEAR-OVER-YEAR CHANGE IN ADVANTAGE BALANCED PORTFOLIOS (AS OF 11.30.2021)

RED indicates percent held within the portfolio less than the previous year. **GREEN** indicates more.

ASSET CLASS	CONSERVATIVE INCOME BUILDER	MODERATE GROWTH & INCOME	DYNAMIC EQUITY INCOME	GLOBAL ALLOCATION
Total Equity	4%	2%	-1%	-1%
US Large Cap	4%	4%	0%	5%
International	0%	-2%	0%	-6%
Total Fixed Income	-3%	-2%	1%	0%
Investment Grade Bonds & TIPS	-3%	-2%	0%	0%
High Yield, Bank Loans & EM Debt	0%	0%	0%	0%
Cash	-1%	0%	0%	1%

Change is calculated based on portfolio holdings from November 30, 2021 versus November 30, 2020. Past performance is no guarantee of future results. Shown for illustrative purposes only. Holdings subject to change. See Definitions & Disclosures section for asset class definitions. See page 39 for portfolios, benchmarks, and time horizons.

Portfolios have made the following adjustments over the past 12 months:

- Equity allocations have decreased slightly in our long horizon portfolios reflecting higher valuations.
- Equity allocations, however, have increased in short horizon portfolios, reflecting positive short-term tactical signals.
- The International equity allocation decreased in some of both our shorter and longer-horizon portfolios.
- Allocations to Fixed Income decreased for our short horizon portfolios, but have stayed relatively static in the long horizon portfolios.

Steadfast **&** *Agile*

Outcome Based *Solutions*

RIVERFRONT CONSTRUCTS AND MANAGES INVESTMENT SOLUTIONS WITH THE OBJECTIVE OF SEEKING TO MEET INVESTOR GOALS AND DESIRED OUTCOMES



Accumulate

Goal – Build Wealth

Outcome – Growth

For investors in the Accumulate phase, RiverFront provides global diversified solutions designed for long-term growth of capital. These solutions are supported by clear and concise communication that we believe helps investors stick to their long-term plan through market ups and downs.



Sustain

Goal – Prepare

Outcome – Growth & Income

For investors in the Sustain phase, RiverFront offers solutions for shorter time horizons (less than 10 years) designed to satisfy a dual mandate of growth and protection.



Distribute

Goal – Spend

Outcome – Income

In the Distribute investing phase, investors want their assets to provide a consistent stream of income while protecting purchasing power from inflation.

For each outcome category (accumulate, sustain and distribute), RiverFront's portfolio management team has assigned one or more RiverFront product(s) based on their assessment of the product's investment objective as it relates to a typical client's return and risk objectives when seeking investment outcomes of accumulating wealth, sustaining wealth and distributing wealth. The team has also designated RiverFront product alternatives for those clients looking to take more or less risk within the outcome category. The "more aggressive" (or more risk) alternatives will generally have greater equity and international exposure as well as longer time horizon targets, while those designated as "more conservative" (or less risk) will have fewer equities, a lower exposure to international and shorter time horizon targets. Since the risk assessments are dependent on the outcome category selected, RiverFront products may fall into multiple categories. All investments carry a risk of loss, and there is no guarantee that an investment product or strategy will meet its stated objectives.

Asset Allocation Solutions: *Advantage*

BUILT AROUND INVESTMENT TIME HORIZON AND RISK TOLERANCE

FIXED INCOME SOLUTIONS

	GOAL / RISK TOLERANCE	EQUITY / INCOME SPLIT	TIME HORIZON
<p><i>Dynamic Fixed Income</i> / DFI</p> <p>Income primarily through investments in fixed income securities.</p>	DISTRIBUTE / More Conservative	 100% Bloomberg US Agg	2-3 Years

BALANCED SOLUTIONS

<p><i>Conservative Income Builder</i> / CIB</p> <p>Income and growth consistent with a conservative level of risk.</p>	SUSTAIN / More Conservative DISTRIBUTE / More Conservative	 30% S&P 500 70% Bloomberg US Agg	3-5 Years
<p><i>Moderate Growth & Income</i> / MGI</p> <p>Growth of capital with an equal emphasis on growth of income.</p>	SUSTAIN / More Conservative DISTRIBUTE / More Conservative	 40% S&P 500 / 10% MSCI EAFE 50% Bloomberg US Agg	5-7 Years
<p><i>Dynamic Equity Income</i> / DEI</p> <p>Income and growth primarily through investments in equity securities.</p>	SUSTAIN / More Aggressive DISTRIBUTE / More Aggressive	 70% MSCI ACWI 30% Bloomberg US Agg	7-10 Years
<p><i>Global Allocation</i> / GA</p> <p>High total return.</p>	ACCUMULATE / More Conservative	 80% MSCI ACWI 20% Bloomberg US Agg	7-10 Years

EQUITY SOLUTIONS

<p><i>Global Growth</i> / GG</p> <p>Long-term growth of capital in global equity markets.</p>	ACCUMULATE / More Aggressive	 100% MSCI ACWI	10+ Years
---	------------------------------	--	------------------

Strategies seeking higher returns and thereby greater allocations to equities will also carry higher risks and be subject to a greater degree of market volatility.

 Indicates Fixed Income  Indicates Equity

Source: RiverFront Investment Group. It is not possible to invest directly in an index. See Definitions & Disclosures section for index and benchmark definitions. Not all investment products or services are available at all broker/dealer firms.

Our Investment *Team*



Tim Anderson, CFA®
Global Fixed Income Co-CIO



Kaetlin Collins, CFA®
Associate Portfolio Manager



Rebecca Felton
Senior Market Strategist



Adam Grossman, CFA®
Global Equity CIO | Co-Head of Investment Committee



Scott Hays, CFA®
Senior Portfolio Manager



Taylor Jarret, CFA®
Associate Portfolio Manager



Chris Konstantinos, CFA®
Director of Investments | Chief Investment Strategist



Diego Marti-Vertiz, CFA®
Associate Portfolio Manager



Kevin Nicholson, CFA®
Global Fixed Income Co-CIO | Co-Head of
Investment Committee



Bill Ryder, CFA®, CMT
Director of Quantitative Market Strategy



Rod Smyth
Chairman of the Board of Directors



Dan Zolet, CFA®
Associate Portfolio Manager

Definitions



Disclosures

Standard & Poor's (S&P) 500 Index TR USD (US Large Cap) measures the performance of 500 large cap stocks, which together represent about 80% of the total US equities market.

S&P 1000 Index TR USD (US SMID Cap) is a combination of the S&P Mid Cap 400 Index TR USD & S&P Small Cap 600 Index TR USD.

MSCI EAFE Index NR USD (Developed International Equities) is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the US and Canada. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to nonresident institutional investors who do not benefit from double-taxation treaties.

MSCI Emerging Markets Index NR USD (Emerging Market Equities) is an equity index that captures large and mid cap representation across 27 emerging markets (EM) countries.

Bloomberg Capital US Treasury Index TR USD (Treasury Bonds) measures the performance of the US Treasury bond market.

Bloomberg US Aggregate Bond Index TR USD (Fixed Income Investment Grade) is an unmanaged index that covers the investment grade fixed rate bond market with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. The issues must be rated investment grade, be publicly traded and meet certain maturity and issue size requirements.

ICE BofA High Yield Index TR USD (High Yield) tracks the performance of US dollar denominated below investment grade rated corporate debt publicly issued in the US domestic market. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

Bloomberg Capital 1-3 Month US Treasury Bill Index TR USD (Cash) includes all publicly issued zero-coupon US Treasury Bills with a remaining maturity between one and three months, are rated investment grade and have an outstanding face value of \$250 million or more.

ICE BofA US 3M Trsy Bill TR USD is comprised of a single issue purchased at the beginning of the month and held for a full month. Each month the index is rebalanced and the issue selected is the outstanding Treasury Bill that matures closest to, but not beyond three months from the rebalancing date.

MSCI ACWI (All Country World Index) captures all sources of equity returns in 23 developed and 27 emerging market countries.

MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market.

MSCI Europe Index captures large and mid cap representation across 15 developed markets (DM) countries in Europe. DM countries in Europe include Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.

MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g., ADRs).

Center for Research in Security Prices (CRSP®) Market Cap index information calculated based on data from CRSP 1925 US Indices Database ©2021 Center for Research in Security Prices (CRSP®), Booth School of Business, The University of Chicago. Used as a source for cap-based portfolio research appearing in publications, and by practitioners for benchmarking, the CRSP Cap-Based Portfolio Indices product data tracks micro, small, mid- and large-cap stocks on monthly and quarterly frequencies. This product is used to track and analyze performance differentials between size-relative portfolios.

CRSP ranks all NYSE companies by market capitalization and divides them into 10 equally populated portfolios. Alternet and NASDAQ stocks are then placed into the deciles determined by the NYSE breakpoints, based on market capitalization. The series of 10 indices is identified as CRSP 1 through CRSP 10, where CRSP 10 has the largest population and smallest market capitalization. CRSP portfolios 1-2 represent large cap stocks, portfolios 3-5 represent mid-caps and portfolios 6-10 represent small caps.

Thomson Reuters Global Equity Indices cover 51 countries and 29 regions. The indices are free float adjusted; market capitalization weighted and are designed to serve as broad market benchmarks to track the performance of liquid equities worldwide.

Global Growth Composite Benchmark (Benchmark): 100% MSCI ACWI NR. The MSCI ACWI NR is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to nonresident institutional investors who do not benefit from double-taxation treaties.

Conservative Income Builder Composite Benchmark (Benchmark): The Composite Benchmark is currently a blend consisting of 30% S&P 500 Index TR and 70% Bloomberg US Aggregate Bond Index TR that is rebalanced monthly. The S&P 500 Index TR measures the performance of 500 large cap stocks, which together represent about 80% of the total US equities market. The Bloomberg US Aggregate Bond Index TR is an unmanaged index that covers the investment grade fixed rate bond market index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

Moderate Growth and Income Composite Benchmark and Conservative Growth Composite Benchmark (Benchmark): The Composite Benchmark is currently a blend consisting of 40% S&P 500 Total Return Index TR, 10% MSCI EAFE Net Total Return (NR) USD Index and 50% Bloomberg US Aggregate Bond Index TR that is rebalanced monthly. The S&P 500 Index TR measures the performance of 500 large cap stocks, which together represent about 80% of the total US equities market.

MSCI EAFE Net Total Return (NR) USD Index: The index captures large and mid-cap representation in 21 developed markets around the world, excluding the US and Canada. The index covers approximately 85% of the adjusted free-float market capitalization in each country. For net returns, the regular cash dividend is reinvested after deduction of withholding tax by applying the maximum rate of the company's country of incorporation applicable to institutional investors. The Bloomberg US Aggregate Bond Index TR is an unmanaged index that covers the investment grade fixed rate bond market index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

Dynamic Equity Income Composite Benchmark (Benchmark): The Composite Benchmark is currently a blend consisting of 70% MSCI ACWI NR and 30% Bloomberg US Aggregate Bond Index TR that is rebalanced monthly. The MSCI ACWI NR is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to nonresident institutional investors who do not benefit from double-taxation treaties. The Bloomberg US Aggregate Index TR is an unmanaged index that covers the investment grade fixed rate bond market with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

Global Allocation Composite Benchmark (Benchmark): The Composite Benchmark is currently a blend consisting of 80% MSCI ACWI NR and 20% Bloomberg US Aggregate Bond Index TR that is rebalanced monthly. The MSCI ACWI NR is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to nonresident institutional investors who do not benefit from double-taxation treaties. The Bloomberg US Aggregate Bond Index TR is an unmanaged index that covers the investment grade fixed rate bond market index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

Dynamic Fixed Income Composite Benchmark (Benchmark): The Benchmark is the Bloomberg US Aggregate Bond Index TR, which is an unmanaged index that covers the investment grade fixed rate bond market with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

The comments above do not refer to RiverFront portfolio performance. Opinions expressed are current as of the date shown and are subject to change. Past performance is not indicative of future results, and diversification does not ensure a profit or protect against loss. All investments carry some level of risk, including loss of principal. An investment cannot be made directly in an index.

This report does not provide recipients with information or advice that is sufficient on which to base an investment decision. This report does not take into account the specific investment objectives, financial situation or need of any particular client and may not be suitable for all types of investors. Recipients should consider the contents of this report as a single factor in making an investment decision. Additional fundamental and other analyses would be required to make an investment decision about any individual security identified in this report.

PRINCIPAL RISKS

All charts shown for illustrative purposes only. Information or data shown or used in this material was received from sources believed to be reliable, but accuracy is not guaranteed.

In a rising interest rate environment, the value of fixed income securities generally declines.

Investing in foreign companies poses additional risks since political and economic events unique to a country or region may affect those markets and their issuers. In addition to such general international risks, the portfolio may also be exposed to currency fluctuation risks and emerging markets risks as described further below.

Changes in the value of foreign currencies compared to the US dollar may affect (positively or negatively) the value of the portfolio's investments. Such currency movements may occur separately from, and/or in response to, events that do not otherwise affect the value of the security in the issuer's home country. Also, the value of the portfolio may be influenced by currency exchange control regulations. The currencies of emerging market countries may experience significant declines against the US dollar, and devaluation may occur subsequent to investments in these currencies by the portfolio.

Foreign investments, especially investments in emerging markets, can be riskier and more volatile than investments in the US and are considered speculative and subject to heightened risks in addition to the general risks of investing in non-US securities. Also, inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Treasury Inflation Protected Securities (TIPS) are Treasury securities that are indexed to inflation in an effort to protect investors from the negative effects of inflation. The principal value of TIPS is periodically adjusted according to the rate of inflation as measured by the Consumer Price Index (CPI), while the interest rate remains fixed. TIPS will decline in value when real interest rates rise. Portfolios that invest in TIPS are not guaranteed and will fluctuate in value.

Bank Loans are an amount of money loaned at a floating interest by a bank to a borrower, usually on collateral security, for a certain period of time.

EM Debt is Emerging Market fixed income that is issued by countries with developing economies as well as by corporations within those nations.

Small-, mid- and micro-cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies.

Stocks represent partial ownership of a corporation. If the corporation does well, its value increases, and investors share in the appreciation. However, if it goes bankrupt, or performs poorly, investors can lose their entire initial investment (i.e., the stock price can go to zero). Bonds represent a loan made by an investor to a corporation or government. As such, the investor gets a guaranteed interest rate for a specific period of time and expects to get their original investment back at the end of that time period, along with the interest earned.

Investment risk is repayment of the principal (amount invested). In the event of a bankruptcy or other corporate disruption, bonds are senior to stocks. Investors should be aware of these differences prior to investing.

Technical analysis is based on the study of historical price movements and past trend patterns. There are no assurances that movements or trends can or will be duplicated in the future.

Technology and internet-related stocks, especially of smaller, less-seasoned companies, tend to be more volatile than the overall market.

High-yield securities (including junk bonds) are subject to greater risk of loss of principal and interest, including default risk, than higher-rated securities.

RiverFront's Price Matters® discipline compares inflation-adjusted current prices relative to their long-term trend to help identify extremes in valuation.

When referring to being “overweight” or “underweight” relative to a market or asset class, RiverFront is referring to our current portfolios’ weightings compared to the composite benchmarks for each portfolio. Asset class weighting discussion refers to our Advantage portfolios. For more information on our other portfolios, please visit riverfrontig.com or contact your Financial Advisor.

Price-Earnings Ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Gross domestic product (GDP) is a monetary measure of the market value of all final goods and services produced in a period (quarterly or yearly) of time.

Mortgage-backed securities are subject to prepayment and extension risk; as such, they react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities.

RiverFront Investment Group, LLC (“RiverFront”) is a registered investment adviser with the Securities and Exchange Commission. Registration as an investment adviser does not imply any level of skill or expertise. Any discussion of specific securities is provided for informational purposes only and should not be deemed as investment advice or a recommendation to buy or sell any individual security mentioned. RiverFront is affiliated with Robert W. Baird & Co. Incorporated (“Baird”), member FINRA/SIPC, from its minority ownership interest in RiverFront. RiverFront is owned primarily by its employees through RiverFront Investment Holding Group, LLC, the holding company for RiverFront. Baird Financial Corporation (BFC) is a minority owner of RiverFront Investment Holding Group, LLC and therefore an indirect owner of RiverFront. BFC is the parent company of Robert W. Baird & Co. Incorporated, a registered broker/dealer and investment adviser.

To review other risks and more information about RiverFront, please visit the website at riverfrontig.com and the Form ADV, Part 2A. Copyright ©2021 RiverFront Investment Group. All Rights Reserved. ID # 1937567 Published December 2021



Our Mission

TO RESPECT, SERVE, AND SUPPORT:
FINANCIAL ADVISOR PARTNERS, EACH
OTHER, AND OUR COMMUNITIES

Our Values

Caring

For our Financial Advisor Partners, our associates, and our communities.

Humility

Admitting when we are wrong, learning, and moving forward.

Integrity

Doing what we say.

Accountability

Providing total transparency and taking responsibility for our actions.

Excellence

Rising to every challenge in our pursuit of continuous improvement.

Unwavering Commitment & Uncommon Transparency



WE MAINTAIN AN UNWAVERING COMMITMENT TO MEET THE NEEDS OF OUR FINANCIAL ADVISOR PARTNERS AND THEIR CLIENTS AND STRIVE TO DELIVER INVESTMENT RESULTS CONSISTENT WITH CLIENT EXPECTATIONS.

1214 East Cary Street, Richmond, Virginia 23219 / 804-549-4800 / Toll Free 866-583-0744
RiverFrontIG.com / [in linkedin.com/company/riverfrontig](https://www.linkedin.com/company/riverfrontig) / [t @RiverFrontIG](https://twitter.com/RiverFrontIG)