

CITY OF NOVI RETIREE HEALTCARE

7/7/2025

	<b>Novi Allocation 5/8/2025</b>	<b>Novi Allocation Updated IP 5/19/2025 New Target</b>	<b>Novi Allocation Executed 5/23/2025 New Allocation</b>	<b>Novi Allocation Current 6/30/2025</b>
<b>Domestic Equity</b>	<b>46%</b>	<b>20%</b>	<b>20%</b>	<b>22%</b>
<b>International Equity</b>	<b>12%</b>	<b>10%</b>	<b>10%</b>	<b>9%</b>
<b>Fixed Income</b>	<b>37%</b>	<b>55%</b>	<b>60%</b>	<b>59%</b>
<b>Cash/Equivalents</b>	<b>5%</b>	<b>5%</b>	<b>0%</b>	<b>0%</b>
<b>Alternatives</b>		<b>10%</b>	<b>10%</b>	<b>10%</b>
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

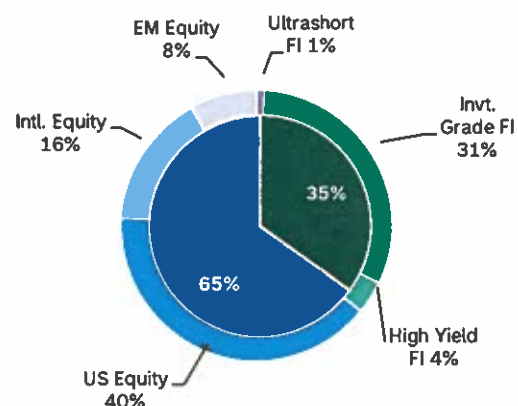
# GIC Asset Allocation Models

Traditional Assets Only (Level 0)

For Educational Use Only

Market Growth **Model 4**

## STRATEGIC ASSET ALLOCATION



## BENCHMARK ALLOCATION\*

Asset Class	Benchmark Index	Wt (%)
Ultrashort FI	FTSE US 3M T-Bill	0%
Fixed Income	Bloomberg US Agg.	35%
Equity	MSCI All Country World	65%
Alternatives	Alternatives Blend	0%
<b>Benchmark Total</b>		<b>100%</b>

The table and pie chart located in the center of the image above represent the benchmark portfolio allocation. The GIC strategic portfolio allocation is represented by the table to the right and the donut chart located on the outside of the pie chart.

## MODEL 4 FORECASTED STATISTICS

Forecasted Estimates**	Model 4
Bull Case	17.1%
Strategic Return (Base Case)	7.4%
Bear Case	-2.3%
Volatility	9.7%
Sharpe Ratio	0.37

Hypothetical blended index performance results do not reflect fees or commissions. Had the results reflected these costs, the hypothetical performance would have been lower. This material has been prepared for informational purposes only and is not an offer to buy or sell or a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. This is not a research report and was not prepared by the Research Departments of Morgan Stanley & Co. LLC or its affiliates. Past performance of any index or hypothetical blended index performance does not guarantee future results. Indices are unmanaged. An investor cannot invest directly in an index. Any indices or weights displayed herein are shown for illustrative purposes only and do not represent the performance of any specific investment. The GIC Asset Allocation Models are not offered or available to be directly implemented as part of an investment advisory and should not be regarded as a recommendation of any kind. The performance herein does not reflect the investment or performance of actual portfolios. This material does not represent a client-specific analysis or recommendation. Do not use this material as the sole basis for your investment decisions. Please refer to important information, disclosures and qualifications at the end of this material and the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information about the asset-based Advisory fee charged to investment advisory accounts. Source: Bloomberg, Factset, Morgan Stanley Wealth Management Global Investment Office

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

## MODEL 4 PORTFOLIO ALLOCATION

Asset Class	Benchmark Index	Strategic	Tactical	Difference
<b>Ultrashort Fixed Income</b>	<b>FTSE US Three-Month T-Bill Index</b>	<b>1%</b>	<b>0%</b>	<b>-1%</b>
US Large-Cap Growth	Russell 1000 Growth Index	15%	22%	7%
US Large-Cap Value	Russell 1000 Value Index	18%	17%	-1%
US Mid-Cap Growth	Russell Midcap Growth Index	2%	4%	2%
US Mid-Cap Value	Russell Midcap Value Index	3%	2%	-1%
US Small-Cap Growth	Russell 2000 Growth Index	1%	0%	-1%
US Small-Cap Value	Russell 2000 Value Index	1%	0%	-1%
International Equities	MSCI World ex-US Index (USD, Unhedged)	16%	13%	-3%
Japan	MSCI Japan Index (USD, Unhedged)	0%	0%	0%
Asia-Pacific ex-Japan	MSCI Pacific ex-Japan Index (USD, Unhedged)	0%	0%	0%
Emerging Markets	MSCI Emerging Markets Index (USD, Unhedged)	8%	8%	0%
<b>Total Equities</b>		<b>64%</b>	<b>66%</b>	<b>2%</b>
Short-Term	Bloomberg US One- to Five-Year Govt./Credit Index	8%	9%	1%
US Core	Bloomberg US Aggregate Index	22%	25%	3%
US Long-Term Treasuries	Bloomberg US 20+-Year Treasury Index	0%	0%	0%
International	Bloomberg Global Aggregate Non-USD Index	0%	0%	0%
Inflation-Linked	Bloomberg US TIPS Index	1%	0%	-1%
High Yield	Bloomberg US High Yield Corporate Index	2%	0%	-2%
Emerging Markets	J.P. Morgan EMBI Global Index	2%	0%	-2%
<b>Total Fixed Income</b>		<b>35%</b>	<b>34%</b>	<b>-1%</b>
<b>Total Portfolio</b>		<b>100%</b>	<b>100%</b>	<b>0%</b>

The weights herein are inspired by the Morgan Stanley Wealth Management Global Investment Committee (GIC)'s Asset Allocation Models (Level 0) but do not represent a GIC recommendation. The Strategic Allocation represents the blend of asset classes identified by the GIC, subject to various allocation constraints that the Committee believes is appropriate over the long run, for achieving maximum return potential for the level of risk tolerance associated with the Market Growth model (Model 4). The Tactical Allocation seeks to maximize potential returns, for the same risk tolerance, over a shorter period (generally approximately 12 months). The Tactical Allocation is adjusted more frequently than the Strategic Allocation, although both are subject to change at any time. The analyses in this profile are based on the Strategic Allocations.

\*\* Forecasted estimates are for illustrative purposes only, are based on proprietary models and are not indicative of the future performance of any specific investment, index or asset class. Actual performance may be more or less than the estimates shown in this table. Estimates of future performance are based on assumptions that may not be realized. Strategic return and volatility estimates are long-term estimates with a seven-year time horizon. Volatility estimates are based on data with longest available history to the end of the last full calendar year. Please refer to the GIC Annual Update of Capital Markets Assumptions paper.

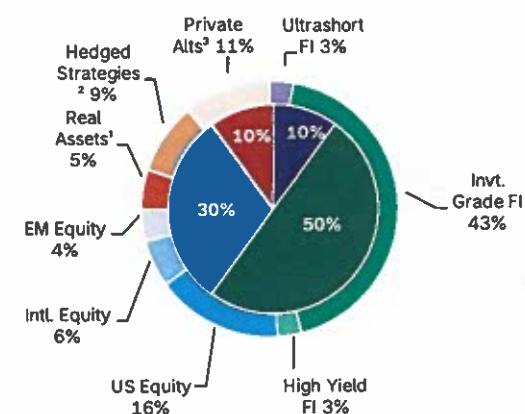
# GIC Asset Allocation Models

For Investors with \$10 Million or More in Assets (Level 2)

For Educational Use Only

Income **Model 2**

## STRATEGIC ASSET ALLOCATION



Asset Class	Benchmark Index	Wt (%)
US Equity	FTSE US 3M T-Bill	10%
Fixed Income	Bloomberg US Agg.	50%
Equity	MSCI All Country World	30%
Alternatives	Alternatives Blend	10%
<b>Benchmark Total</b>		<b>100%</b>

The table and pie chart located in the center of the image above represent the benchmark portfolio allocation. The GIC strategic portfolio allocation is represented by the table to the right and the donut chart located on the outside of the pie chart.

## GIC MODEL 2 FORECASTED STATISTICS

Forecasted Estimates**	Model 2
Bull Case	13.1%
Strategic Return (Base Case)	6.7%
Bear Case	0.2%
Volatility	6.5%
Sharpe Ratio	0.45

\*\* Forecasted estimates are for illustrative purposes only, are based on proprietary models and are not indicative of the future performance of any specific investment, index or asset class. Actual performance may be more or less than the estimates shown in this table. Estimates of future performance are based on assumptions that may not be realized. Strategic return and volatility estimates are long-term estimates with a seven-year time horizon. Volatility estimates are based on data with longest available history to the end of the last full calendar year. Please refer to the GIC Annual Update of Capital Markets Assumptions paper.

Hypothetical blended index performance results do not reflect fees or commissions. Had there been these costs, the hypothetical performance would have been lower. This material has been prepared for informational purposes only and is not an offer to buy or sell or a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. This is not a research report and was not prepared by the Research Departments of Morgan Stanley & Co. LLC or its affiliates. Past performance of any index or hypothetical blended index performance does not guarantee future results. Indices are unmanaged. An investor cannot invest directly in an index. Any indices or weights displayed herein are shown for illustrative purposes only and do not represent the performance of any specific investment. The GIC Asset Allocation Models are not offered or available to be directly implemented as part of an investment advisory and should not be regarded as a recommendation of any kind. The performance herein does not reflect the investment or performance of actual portfolios. This material does not represent a client-specific analysis or recommendation. Do not use this material as the sole basis for your investment decisions. Please refer to important information, disclosures and qualifications at the end of this material and the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information about the asset-based Advisory fee charged to investment advisory accounts. Source: Bloomberg, Factset, Morgan Stanley Wealth Management Global Investment Office

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

## MODEL 2 PORTFOLIO ALLOCATION

Asset Class	Benchmark Index	Strategic	Tactical	Difference
<b>Ultrashort Fixed Income</b>	<b>FTSE US Three-Month T-Bill Index</b>	<b>3%</b>	<b>4%</b>	<b>1%</b>
US Large-Cap Growth	Russell 1000 Growth Index	7%	9%	2%
US Large-Cap Value	Russell 1000 Value Index	8%	7%	-1%
US Mid-Cap Growth	Russell Midcap Growth Index	0%	3%	3%
US Mid-Cap Value	Russell Midcap Value Index	1%	1%	0%
US Small-Cap Growth	Russell 2000 Growth Index	0%	0%	0%
US Small-Cap Value	Russell 2000 Value Index	0%	0%	0%
Europe	MSCI Europe Index (USD, Unhedged)	3%	3%	0%
Japan	MSCI Japan Index (USD, Unhedged)	2%	2%	0%
Asia-Pacific ex-Japan	MSCI Pacific ex-Japan Index (USD, Unhedged)	1%	1%	0%
Emerging Markets	MSCI Emerging Markets Index (USD, Unhedged)	4%	4%	0%
<b>Total Equities</b>		<b>26%</b>	<b>30%</b>	<b>4%</b>
Short-Term	Bloomberg US One- to Five-Year Govt./Credit Index	14%	12%	-2%
US Core	Bloomberg US Aggregate Index	28%	34%	6%
US Long-Term Treasuries	Bloomberg US 20+-Year Treasury Index	0%	0%	0%
Inflation-Linked	Bloomberg US TIPS Index	1%	0%	-1%
High Yield	Bloomberg US High Yield Corporate Index	2%	0%	-2%
Emerging Markets	J.P. Morgan EMBI Global Index	1%	0%	-1%
<b>Total Fixed Income</b>		<b>46%</b>	<b>46%</b>	<b>0%</b>
Real Estate/REITs	FTSE EPRA-NAREIT Global Index	1%	2%	1%
Commodities	Bloomberg Commodity Index	2%	2%	0%
Energy Infrastructure/MLPs	Alerian Midstream Energy Select Index	2%	2%	0%
Absolute Return Assets	Absolute Return (GIC) Index	2%	3%	1%
Equity Hedge Assets	Equity Hedge (GIC) Index	6%	3%	-3%
Equity Return Assets	Equity Return (GIC) Index	1%	0%	-1%
Private Real Assets	Private Real Assets (GIC) Index	4%	3%	-1%
Private Equity	Cambridge Private Equity Index	4%	3%	-1%
Private Credit	Cambridge Private Credit Index	3%	2%	-1%
<b>Total Alternatives</b>		<b>25%</b>	<b>20%</b>	<b>-5%</b>
<b>Total Portfolio</b>		<b>100%</b>	<b>100%</b>	<b>0%</b>

The Strategic Allocation represents the blend of asset classes identified by the Morgan Stanley Wealth Management Global Investment Committee, subject to various allocation constraints that the Committee believes is appropriate over the long run, for achieving maximum return potential for the level of risk tolerance associated with the Income model (Model 2). The Tactical Allocation seeks to maximize potential returns, for the same risk tolerance, over a shorter period (generally approximately 12 months). The Tactical Allocation is adjusted more frequently than the Strategic Allocation, although both are subject to change at any time. The analyses in this profile are based on the Strategic Allocations. \* Performance reporting delayed due to private equity allocation

# Investment Summary Dollar Weighted Returns

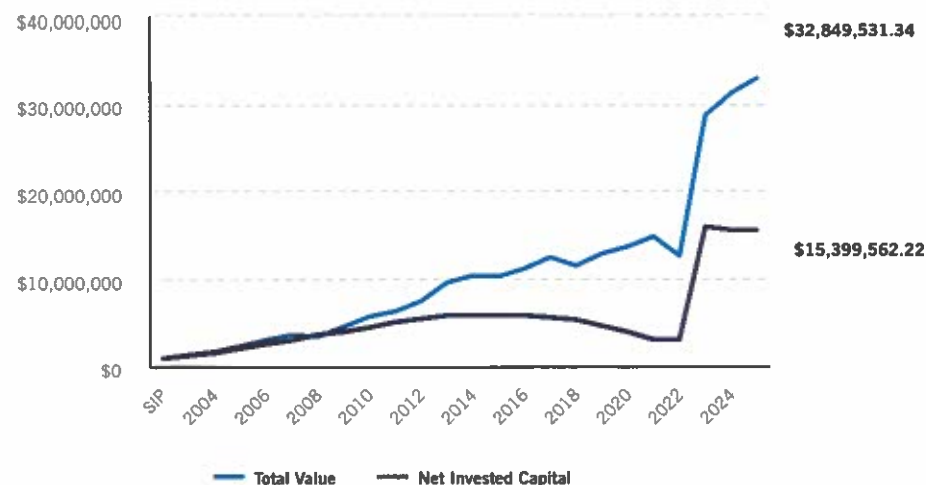
Novi Performance

Data as of June 30, 2025

## DOLLAR-WEIGHTED RETURN % (NET OF FEES)

	Year to Date (\$) 12/31/24-06/30/25	Previous Year (\$) 12/31/23-12/31/24	Performance Inception (\$) 04/25/03-06/30/25
<b>Beginning Total Value</b>	<b>31,161,494</b>	<b>28,615,094</b>	<b>750,000</b>
Beginning Accrued Income	83,793	74,437	0
Net Contributions/Withdrawals	0	-401,642	14,649,562
Investment Earnings	1,688,038	2,948,042	17,449,969
<b>Ending Total Value</b>	<b>32,849,531</b>	<b>31,161,494</b>	<b>32,849,531</b>
Ending Accrued Income	136,061	83,793	136,061
<b>DOLLAR WEIGHTED RATE OF RETURN (%)</b> (Annualized for periods over 12 months)			
Return % (Net of Fees)	5.42	10.35	8.00

## TOTAL VALUE VS. NET INVESTED CAPITAL



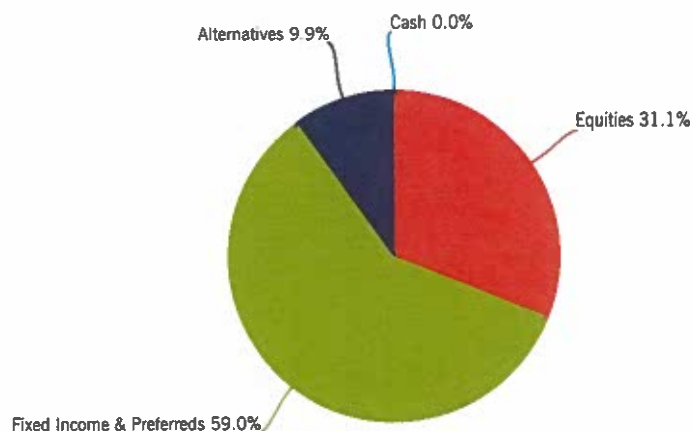
Does not include Performance Ineligible Assets.

## INCOME AND DISTRIBUTION SUMMARY

	Rolling 12 Months (\$) 07/01/24-06/30/25	Year To Date (\$) 01/01/25-06/30/25
<b>ASSET CLASS</b>		
Cash	92,301.93	45,246.39
Equities	272,326.55	75,135.84
Fixed Income & Preferreds	493,025.79	290,238.15
Alternatives	15,743.83	7,806.90
<b>Total Asset Class</b>	<b>873,398.10</b>	<b>418,427.28</b>
<b>TAX CATEGORY</b>		
Taxable Account(s)		
Taxable	873,398.10	418,427.28
Tax-Exempt	-	-
Total	873,398.10	418,427.28
Tax Qualified Account(s)	-	-
<b>Total Tax Category</b>	<b>873,398.10</b>	<b>418,427.28</b>

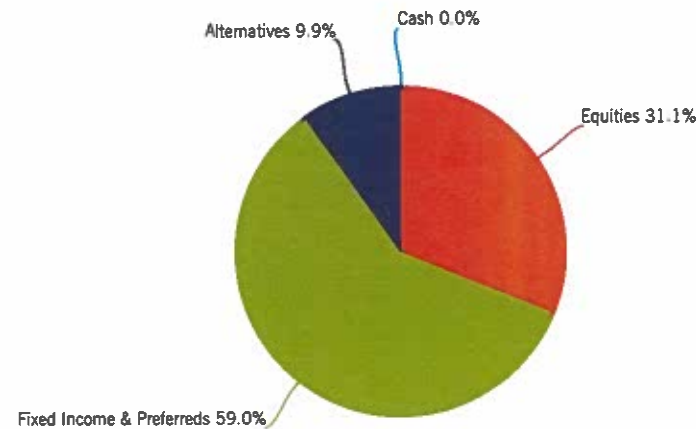
Taxable and tax-exempt income classifications reference the underlying securities, not account type.

## ASSET ALLOCATION



# Asset Allocation with Unrealized Gain/Loss

## ASSET ALLOCATION - ASSET CLASS



## ASSET ALLOCATION

	Total Cost (\$)*	Total Value (\$) 06/30/2025	Unrealized Gain / Loss (\$)	% Unrealized Gain / Loss	% of Portfolio 06/30/2025
<b>Cash</b>	-	265.40	-	-	0.0
Global Cash	-	265.40	-	-	0.0
Global Cash	-	265.40	-	-	0.0
<b>Equities</b>	6,069,908.91	10,202,435.88	3,920,194.67	64.6	31.1
US Equities	3,674,885.58	7,263,203.51	3,376,169.72	91.9	22.1
US Large Cap Growth	942,140.30	3,286,279.60	2,256,902.96	239.6	10.0
US Large Cap Value	1,611,825.69	2,534,647.21	866,774.53	53.8	7.7
US Mid Cap Value	1,120,919.59	1,442,276.71	252,492.23	22.5	4.4
International Equities	2,395,023.33	2,939,232.37	544,024.95	22.7	8.9
International Equities	2,395,023.33	2,939,232.37	544,024.95	22.7	8.9
<b>Fixed Income &amp; Preferreds</b>	18,825,884.46	19,395,309.70	218,043.86	1.2	59.0

Wash sale rules apply. The acquired date and cost basis are adjusted on the repurchased position to account for the disallowed loss of a related wash sale transaction. Unrealized Gain/Loss value does not reflect interest and dividend accruals. Gain/Loss totals only reflect positions that have both Cost Basis and Market Value/Total Value available.

# Asset Allocation with Unrealized Gain/Loss

Novi Performance

Data as of June 30, 2025

ASSET ALLOCATION (Continued)					
	Total Cost (\$)*	Total Value (\$) 06/30/2025	Unrealized Gain / Loss (\$)	% Unrealized Gain / Loss	% of Portfolio 06/30/2025
US Fixed Income Taxable	18,825,884.46	19,395,309.70	218,043.86	1.2	59.0
US Taxable Core	18,825,884.46	19,395,309.70	218,043.86	1.2	59.0
<b>Alternatives</b>	<b>2,250,000.00</b>	<b>3,251,429.93</b>	<b>1,429.93</b>	<b>0.1</b>	<b>9.9</b>
Real Assets	1,000,000.00	1,001,429.92	1,429.92	0.1	3.0
Real Estate/REITs	1,000,000.00	1,001,429.92	1,429.92	0.1	3.0
Private Investments	1,250,000.00	2,250,000.01	0.01	-	6.8
Private Equity	-	1,000,000.00	-	-	3.0
Private Credit	1,250,000.00	1,250,000.01	0.01	-	3.8
<b>TOTAL PORTFOLIO</b>	<b>27,145,793.37</b>	<b>32,849,440.91</b>	<b>4,139,668.46</b>	<b>15.3</b>	<b>100.0</b>

Wash sale rules apply. The acquired date and cost basis are adjusted on the repurchased position to account for the disallowed loss of a related wash sale transaction. Unrealized Gain/Loss value does not reflect interest and dividend accruals. Gain/Loss totals only reflect positions that have both Cost Basis and Market Value/Total Value available.



## A Review of Asset Class Performance Over the Last 29 Years



Fixed Income 40% Equity 50% Alternatives/REITs 10%

Diversified Portfolio

Investment Grade Bonds (IG Bonds) 30%

U.S. Large Cap Equity (US LC) 20%

Foreign Developed Equity (For Dev) 10%

U.S. Small Cap Equity (US SC) 10%

Alternatives (Alts) 5%

Emerging Markets (EM) 5%

International Small Cap (Int'l SC) 5%

Municipals (Munis) 5%

U.S. High Yield Bonds (US HYB) 5%

U.S. Real Estate (REITs) 5%

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Diversified Portfolio	37.6%	37.1%	33.4%	28.6%	66.4%	31.0%	12.3%	10.3%	57.6%	33.2%	34.0%	36.0%	39.4%
Investment Grade Bonds (IG Bonds)	US SC	US LC	US SC	For Dev	Int'l SC	Munis	IG Bond	Munis	EM	Int'l SC	Int'l SC	EM	For Dev
U.S. Large Cap Equity (US LC)	28.5%	23.0%	22.4%	18.8%	32.7%	11.7%	8.4%	9.6%	55.8%	29.3%	22.0%	27.1%	12.4%
Foreign Developed Equity (For Dev)	Alts	Alts	REITs	IG Bond	Alts	IG Bond	US HYB	REITs	US SC	EM	For Dev	Int'l SC	Int'l SC
U.S. Small Cap Equity (US SC)	21.5%	21.1%	19.7%	8.7%	31.3%	11.6%	6.3%	3.6%	47.3%	25.6%	14.5%	26.9%	10.8%
Alternatives (Alts)	Div Port	US SC	Alts	Div Port	For Dev	Alts	Munis	US HYB	For Dev	For Dev	REITs	For Dev	Alts
Emerging Markets (EM)	20.3%	16.5%	16.8%	8.6%	27.9%	5.0%	5.1%	-1.4%	39.4%	20.4%	13.8%	25.7%	10.0%
International Small Cap (Int'l SC)	US HYB	Div Port	Div Port	Munis	US SC	Div Port	Alts	Alts	REITs	US SC	Alts	US SC	IG Bond
Municipals (Munis)	19.2%	12.1%	13.4%	6.5%	21.3%	-0.3%	4.6%	-1.5%	36.2%	18.3%	9.3%	18.4%	7.0%
U.S. High Yield Bonds (US HYB)	18.5%	11.4%	12.8%	5.0%	21.0%	-3.0%	2.5%	-5.0%	29.0%	13.0%	7.9%	15.8%	6.7%
U.S. Real Estate (REITs)	17.5%	For Dev	IG Bond	Alts	Div Port	US HYB	Div Port	Int'l SC	US LC	US HYB	US LC	Div Port	US LC
	12.2%	6.0%	9.8%	1.9%	2.4%	-9.1%	-2.6%	-6.2%	25.8%	10.9%	4.6%	12.9%	3.4%
	For Dev	Munis	For Dev	US SC	IG Bond	For Dev	US LC	For Dev	Alts	Alts	Munis	US HYB	US HYB
	11.4%	4.4%	2.3%	-2.5%	-0.8%	-13.4%	-11.9%	-15.8%	19.5%	9.0%	3.5%	11.8%	1.9%
	Int'l SC	IG Bond	EM	REITs	Munis	Int'l SC	Int'l SC	US SC	Munis	Munis	US HYB	Munis	US SC
	0.2%	3.6%	-11.6%	-17.0%	-2.1%	-18.1%	-14.6%	-20.5%	5.3%	4.5%	2.7%	4.8%	-1.6%
	EM	Int'l SC	Int'l SC	EM	REITs	EM	For Dev	US LC	IG Bond	IG Bond	IG Bond	IG Bond	REITs
	-5.2%	2.3%	-18.7%	-25.3%	-2.6%	-30.6%	-21.4%	-22.1%	4.1%	4.3%	2.4%	4.3%	-17.6%

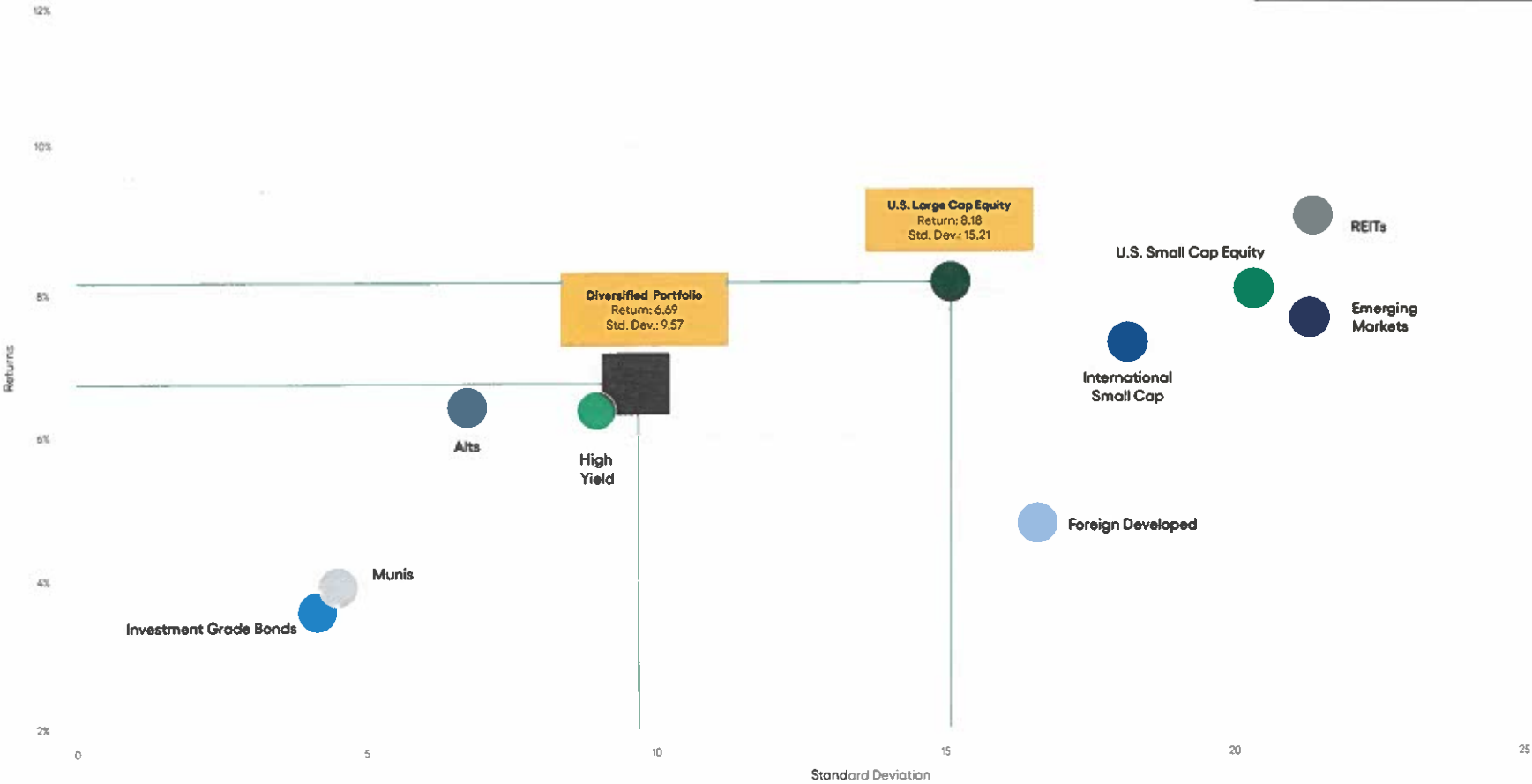
**QUICK TAKE:**  
It's important to focus on the big picture instead of the best and worst performing asset classes.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Diversified Portfolio	5.2%	78.5%	28.1%	10.7%	18.5%	38.8%	32.0%	4.5%	21.3%	37.3%	1.3%	31.5%	20.0%	45.9%	-4.2%	26.3%	25.0%
Investment Grade Bonds (IG Bonds)	IG Bond	EM	REITs	Munis	Int'l SC	US SC	REITs	REITs	US SC	EM	Munis	US LC	US SC	REITs	Alts	US LC	US LC
U.S. Large Cap Equity (US LC)	-2.5%	62.9%	26.9%	9.4%	18.2%	32.4%	13.7%	3.3%	17.1%	31.6%	0.0%	25.5%	18.4%	28.7%	-8.5%	17.9%	11.5%
Foreign Developed Equity (For Dev)	Alts	US HYB	Int'l SC	IG Bond	REITs	For Dev	Munis	Int'l SC	US LC	For Dev	US HYB	REITs	EM	US SC	US HYB	US SC	Alts
U.S. Small Cap Equity (US SC)	-19.0%	58.2%	25.2%	7.8%	17.1%	21.0%	9.1%	2.6%	12.0%	24.2%	-2.1%	23.1%	10.5%	14.8%	-11.2%	16.9%	10.0%
Alternatives (Alts)	Div Port	For Dev	EM	US HYB	For Dev	Int'l SC	Div Port	US LC	EM	US LC	REITs	For Dev	Int'l SC	Int'l SC	IG Bond	Int'l SC	Div Port
Emerging Markets (EM)	-23.1%	33.7%	18.9%	5.0%	16.4%	19.7%	6.6%	1.4%	11.7%	21.8%	-4.2%	22.5%	14.2%	12.9%	-13.0%	15.7%	8.5%
International Small Cap (Int'l SC)	US HYB	REITs	US HYB	US LC	US SC	Div Port	IG Bond	IG Bond	Div Port	US SC	US LC	Int'l SC	Alts	For Dev	For Dev	REITs	US HYB
Municipals (Munis)	-26.2%	28.5%	16.1%	2.1%	16.4%	13.5%	6.0%	0.5%	7.8%	14.6%	-4.4%	22.4%	11.6%	12.6%	-14.3%	14.0%	8.2%
U.S. High Yield Bonds (US HYB)	US SC	US SC	US LC	Div Port	US LC	Alts	US SC	Div Port	REITs	Div Port	Alts	Div Port	Div Port	Div Port	Div Port	Div Port	REITs
U.S. Real Estate (REITs)	-33.8%	27.2%	15.1%	0.3%	16.0%	9.1%	4.9%	-0.8%	6.7%	14.0%	-4.7%	18.6%	11.0%	11.7%	-16.5%	13.7%	8.1%
	US LC	US LC	Div Port	US SC	US HYB	US HYB	Alts	Alts	Alts	Alts	Div Port	EM	For Dev	Alts	US LC	US HYB	EM
	-37.0%	26.5%	13.6%	-4.2%	15.8%	7.4%	3.0%	-1.7%	5.4%	8.6%	-6.5%	18.4%	7.6%	10.3%	-18.1%	13.4%	7.5%
	REITs	Div Port	Alts	Alts	Div Port	REITs	US HYB	For Dev	Int'l SC	US HYB	US SC	US HYB	IG Bond	US HYB	Int'l SC	EM	For Dev
	-39.2%	26.2%	10.2%	-5.3%	11.9%	1.2%	2.5%	-3.0%	3.9%	7.5%	-11.0%	14.3%	7.5%	5.3%	-20.0%	9.8%	4.7%
	For Dev	Alts	For Dev	For Dev	Munis	IG Bond	EM	US SC	For Dev	Munis	For Dev	Alts	US HYB	Munis	EM	Alts	Int'l SC
	-43.6%	20.0%	8.9%	-12.2%	6.6%	-2.0%	2.2%	-4.4%	2.8%	5.4%	-14.1%	10.4%	7.1%	1.8%	-20.1%	7.5%	3.4%
	Int'l SC	Munis	IG Bond	EM	Alts	Munis	Int'l SC	US HYB	IG Bond	REITs	EM	IG Bond	Munis	IG Bond	US SC	Munis	IG Bond
	-50.2%	12.9%	6.5%	-18.4%	6.4%	-2.6%	-4.0%	-4.5%	2.6%	3.8%	-14.6%	8.7%	6.2%	-1.5%	-20.4%	6.4%	1.3%
	EM	IG Bond	Munis	Int'l SC	IG Bond	EM	For Dev	EM	Munis	IG Bond	Int'l SC	Munis	REITs	EM	REITs	IG Bond	Munis
	53.3%	5.9%	2.4%	-18.5%	4.2%	-2.6%	-4.3%	-14.9%	0.2%	3.5%	-18.2%	7.5%	-11.2%	-2.5%	-26.0%	5.5%	1.1%

Source: Bloomberg, Dow Jones, FactSet, MSCI, Russell, Standard & Poor's as of December 31, 2024. The Diversified Portfolio is rebalanced to the original allocation annually. Please note that the Diversified Portfolio is not an investable product and the performance information of the Diversified Portfolio is not those any AMG funds, strategies, or other investment products. See back cover for representative indices. The indices are unmanaged, are not available for investment, and do not incur expenses. **Past performance is no guarantee of future results.**

A Diversified Portfolio Offers a Smoother Ride

Returns and Standard Deviation  
(1999-2024)



**QUICK TAKE:**  
Investors are more likely to make investing mistakes farther to the "right" on the chart while a diversified portfolio has a much lower standard deviation along with a smoother ride over the long term.

Source: FactSet, S&P Dow Jones Indices. As of December 31, 2024. Data date range is January 1999-December 31, 2024. Annualized standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance. The annualized standard deviation is a statistical measure of the range of a portfolio's performance. See back cover for representative indices. **Past performance is no guarantee of future results.**  
The diversified portfolio includes HFR1 in this chart and these returns are monthly, rather than daily.



## At a Glance: Consulting Group Leads the Pack

One of the country's top financial research firms has affirmed Morgan Stanley's leadership in investment consulting. According to Cerulli Associates, a Boston-based research firm, Consulting Group, the investment advisory arm of Morgan Stanley Wealth Management, holds the largest single share of total managed account assets in the U.S. marketplace, accounting for nearly 17.2% of total assets through the end of the first quarter 2024.

### Industry-Leading Market Share

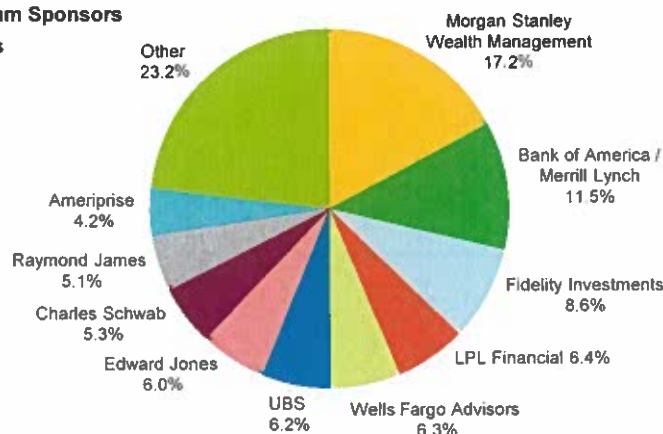
Through the end of the first quarter 2024, Consulting Group reported \$2.1 trillion in assets under management within its advisory programs—the leader in the managed accounts industry.

Assets held in fee-based managed accounts, industry-wide, totaled \$12.3 trillion as of the end of the quarter. This amount reflects all managed account segments including unified managed accounts, separate account consultant programs, mutual fund and ETF advisory programs, rep-as-portfolio-manager programs and rep-as-advisor programs.

Consulting Group has a long history of delivering customized investment advice to clients. In 1973, Consulting Group was the first division of a brokerage firm to launch a managed account program, delivering thoroughly vetted, professionally managed investment strategies to institutional investors and private clients.

Consulting Group's long-term success can be attributed to a disciplined investment process: one that begins and ends with clients. A hallmark of its consulting services is the careful evaluation of investment management firms by our manager analysis department.

**Top Managed Account Program Sponsors  
Across All Industry Segments  
1st Quarter 2024**



Source: Consulting Group, based on Cerulli Associates 1Q 2024 Summary, Managed Account Research, September 2023.

Clients have come to rely on Morgan Stanley's disciplined process, the integrity of its manager analysis and its Financial Advisors' dedication to the delivery of tailored investment advice.

## The Consulting Group Advantage

Consulting Group specializes in customized investment advice personalized to the long-term financial needs and risk management objectives of clients. Consulting Group Financial Advisors help clients to determine their financial objectives and risk tolerance, develop an appropriate asset allocation strategy, identify suitable managers and funds, and monitor their clients' results over time.

They also remain in contact with their clients to help keep their investments in-line with changing needs, objectives and market conditions.

Backed by the strength of Morgan Stanley, one of the nation's leading wealth management firms, Consulting Group is committed to helping clients reach their financial objectives through a disciplined managed money process and a focus on clients' personalized needs.

For more information on Consulting Group, please speak with your Morgan Stanley Financial Advisor or Private Wealth Advisor.

### Disclosures

Although the statements of fact and data in this report have been obtained from, and are based upon, sources that the Morgan Stanley believes to be reliable, Morgan Stanley does not guarantee the accuracy of information from outside the firm, and any such information may be incomplete or condensed. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Past performance is not a guarantee of future results.

Cerulli Associates, 1Q 2024 Summary. Cerulli Associates' data are based on data submitted by firms participating in Cerulli's survey. Morgan Stanley Wealth Management was ranked #1 in terms of assets under management out of the firms listed in the industry for the quarter with respect to Top Managed Account Program Sponsors Across All Industry Segments. This category includes separate account consultant programs, mutual fund advisory programs, ETF advisory programs, Rep as Portfolio manager programs, Rep as Advisor programs and unified managed account programs. Separate account consultant programs are programs in which asset managers manage investors' assets in discretionary separate accounts.

Mutual fund advisory programs and ETF advisory programs are discretionary and nondiscretionary programs designed to systematically allocate investors' assets across a wide range of mutual funds or ETFs. Rep as portfolio manager programs are discretionary programs in which advice is an essential element; planning is undertaken or advice is treated as a separate service from brokerage. Rep as advisor programs are nondiscretionary programs where the advisor has not been given discretion by the client and must obtain approval each time a change is made to the account or its investments. Unified managed accounts are vehicle-neutral platforms that simplify the delivery of multiple investment vehicles, such as separate accounts, mutual funds, exchange-traded funds and individual securities through their integration within a single environment. Rankings are subject to change. Some historical figures may be revised due to newly identified programs, firm restatements, etc.

© 2024 Morgan Stanley Smith Barney LLC. Member SIPC. Consulting Group is a business of Morgan Stanley Smith Barney LLC.

CRC 3863666 (09/24)

# An Industry Leader in Manager Analysis

~65

ANALYSTS DEDICATED TO  
MANAGER ANALYSIS

5,100+

STRATEGIES MONITORED / YEAR

1,025+

SEPARATELY MANAGED ACCOUNTS

~\$2.4 Trillion

INVESTMENT ADVISORY  
ASSETS UNDER MANAGEMENT <sup>(3)</sup>

300+

NEW PRODUCTS  
LAUNCHED LAST 12 MTHS <sup>(3)</sup>

2,150+

MUTUAL FUNDS

#1

MANAGED ACCOUNT  
PROGRAM BY ASSETS <sup>(1)</sup>

~400

INVESTMENT MANAGER  
RELATIONSHIPS

1,150+

ETF STRATEGIES

750+

ALTERNATIVE STRATEGIES <sup>(2)</sup>

All information as of March 2025 unless otherwise noted and subject to change.

1. Source: Morgan Stanley Wealth Management as of December 2024. This category includes separate account consultant programs, mutual fund advisory programs, ETF advisory programs, rep as portfolio manager programs, rep as advisor programs and unified managed account programs. Separate account consultant programs are programs in which asset managers manage investors' assets in discretionary separate accounts. Mutual fund advisory programs and ETF advisory programs are discretionary and nondiscretionary programs designed to systematically allocate investors' assets across a wide range of mutual funds or ETFs. Rep as portfolio manager programs are discretionary programs in which advice is an essential element; planning is undertaken or advice is treated as a separate service from brokerage. Rep as advisor programs are nondiscretionary programs where the advisor has not been given discretion by the client and must obtain approval each time a change is made to the account or its investments. Unified managed accounts are vehicle-neutral platforms that simplify the delivery of multiple investment vehicles, such as separate accounts, mutual funds, exchange-traded funds and individual securities through their integration within a single environment. Rankings are subject to change.

2. Includes Private Equity.

3. As of December 2024.

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

# What Are GIMA's Levels of Conviction?

## Approved List

Meet an acceptable due diligence standard based upon GIMA's evaluation and are approved for use in advisory programs

## Focus List

Focus List status indicates GIMA's high confidence level in the overall quality of the investment option and its ability to outperform applicable benchmarks over a full market cycle

## Tactical Opportunities List

Draws from the Approved and Focus Lists to identify managers that may benefit from expected market trends, such as outperformance by a particular style, factor, or asset class over a somewhat shorter time period – typically defined as 1-3 years



Source: Morgan Stanley Wealth Management Global Investment Manager Analysis. All information as of March 2025 unless otherwise noted and subject to change.

A majority of investments reviewed and selected by GIMA pay or cause to be paid an ongoing fee to Morgan Stanley Wealth Management in connection with Morgan Stanley Wealth Management clients that purchase such investments. Please see the disclosures at the end of this presentation for more information.

The functions of manager analysis and review are available only through advisory accounts.

1. As of December 2024.

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

**Kenneth Mittelbrun, CIMA®**  
Executive Director  
Senior Investment Management Consultant  
US Government Entities Specialist  
Financial Advisor

**Mission Statement**

My mission is to help my clients envision and fund their future. I strive to accomplish this by guiding my clients with asset accumulation, wealth growth, wealth preservation and income distribution.

My practice is focused on providing successful families, foundations, and Government Entities with personalized financial and wealth planning strategies through the use of premier private wealth management and institutional strategies. With 34 years of experience, the proper industry credentials of Senior Investment Management Consultant (SIMC), Certified Investment Analyst (CIMA) and US Government Entities Specialist (GES), I am able to identify, analyze, and complete an advisory relationship at the highest level.

**Education**

- Certified Investment Management Analyst, Wharton School, University of Pennsylvania
- Bachelor of Science Degree, Finance/Economics, Oakland University

**Business Experience**

- 1990 – Present – Morgan Stanley Wealth Management
- Senior Investment Management Consultant
- Consulting Group Coordinator - Southfield, MI 2001-2010
- Presidents Council Member – Morgan Stanley Wealth Management

**Associations**

- IMCA - Investment Management Consultants Association
- Oakland County Sheriff's Advisory Council
- Chairman – The Pioneer Committee, Oakland University Athletic Department – 1990-2004

**Honors**

- Oakland University – Men's Golf Distinguished Alumni Honoree – 2001
- Oakland University – Athletics Hall of Honor, Recipient of the Dr. Gary Russi Service Award

248-740-7107  
646-937-3834  
[kenneth.mittelbrun@ms.com](mailto:kenneth.mittelbrun@ms.com)