



Index Description

The RAFI™ Bonds US Investment Grade 1-10 Index (Bloomberg: RAFIIG) is an investment grade corporate bond index comprised of non-zero fixed coupon debt with maturities ranging from 1 to 10 years issued by publicly traded companies. The issuers held in the index are weighted by a combination of four measures of their fundamental size — sales, cash flow, dividends and book value of assets.

Performance Summary

| | 1-Yr | 3-Yr | 5-Yr | 10-Yr |
|----------------------|--------------|--------------|--------------|--------------|
| Returns | 2.39% | 6.27% | 3.79% | 4.10% |
| ML US IG 1-10 | 2.99% | 6.26% | 4.01% | 4.18% |
| Std Deviation | 2.87% | 4.77% | 4.05% | 3.56% |
| ML US IG 1-10 | 2.59% | 4.96% | 4.13% | 3.59% |
| Sharpe Ratio | 0.84% | 1.06% | 0.66% | 0.99% |
| ML US IG 1-10 | 1.17% | 1.01% | 0.70% | 1.00% |

Sector Breakdown

| | | | | | |
|------------|-------|------------------------|-------|-----------------|------|
| Financials | 20.1% | Consumer, Non-Cyclical | 10.3% | Real Estate | 5.6% |
| Technology | 12.1% | Consumer, Cyclical | 7.7% | Communications | 5.4% |
| Healthcare | 11.2% | Utilities | 6.4% | Basic Materials | 4.6% |
| Industrial | 11.0% | Energy | 5.7% | | |

Top 10 Holdings

| Company | # Issues | Weight | AVERAGES | | | |
|-----------------------------|----------|--------|------------|----------------|-------------------|-------|
| | | | Maturity | Yield to Worst | Modified Duration | Moody |
| JPMorgan Chase | 2 | 1.0% | 9/20/2025 | 1.2 | 3.8 | A3 |
| Berkshire Hathaway, Class B | 2 | 1.0% | 5/14/2028 | 1.6 | 5.9 | A2 |
| AT&T | 2 | 1.0% | 9/30/2027 | 1.6 | 5.3 | Baa2 |
| Wells Fargo | 2 | 1.0% | 9/8/2027 | 1.6 | 5.4 | A2 |
| Apple | 2 | 0.9% | 3/22/2027 | 1.1 | 5.3 | Aa1 |
| Walmart | 2 | 0.9% | 12/25/2025 | 0.9 | 4.0 | Aa2 |
| Bank of America | 2 | 0.9% | 6/1/2025 | 1.0 | 3.2 | A2 |
| Exxon Mobil | 2 | 0.9% | 6/22/2028 | 1.5 | 6.2 | Aa2 |
| Citigroup | 2 | 0.8% | 11/21/2024 | 1.2 | 3.1 | Baa2 |
| Verizon Communications | 2 | 0.8% | 6/21/2027 | 1.6 | 5.5 | Baa1 |

Summary Statistics

| | |
|-------------------|------|
| Constituents | 671 |
| W. Avg. Coupon | 3.29 |
| W. Avg. Maturity | 5.48 |
| Yield to Worst | 1.40 |
| Yield to Maturity | 1.48 |
| Mod Duration | 4.80 |
| W. Avg. Credit | Baa1 |

Maturity Breakdown

| | |
|----------|-------|
| 0 - 3Y | 19.9% |
| 3Y - 5Y | 26.2% |
| 5Y - 7Y | 22.9% |
| 7Y - 10Y | 31.0% |
| 10Y+ | — |

Moody Credit Rating

| | |
|-----|-------|
| Aaa | 1.5% |
| Aa | 7.0% |
| A | 34.1% |
| Baa | 57.5% |
| Ba | 0.0% |
| B | 0.0% |

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