

Chicago Partners

Q3 2024 Quarterly Conference Call

July 11th, 2024

Important Disclosure Information

The following presentation by Chicago Partners Investment Group LLC (“CP”) is intended for general information purposes only. No portion of the presentation serves as the receipt of, or as a substitute for, personalized investment advice from CP or any other investment professional of your choosing. Please see additional important disclosure at the end of this representation . A copy of CP’s current written disclosure Brochure discussing our advisory services and fees is available upon request or at www.chicagopartnersllc.com.

Today's Speakers



Jim Hagedorn, CFA
Founder & Managing Partner



Anthony Halpin
Founder & Chief Operations Officer



Matthew Fischer, CFA
Partner



Nicole Polanco, CFP®
Senior Wealth Advisor

Today's Agenda

- Quote
- U.S. Economic Data
- Economic Indicators
- Evolving Portfolio DNA
- Investor Psychology
- Client Access
- Q&A



Nicole Polanco, CFP®
Senior Wealth Advisor



Quote

Creditism - The theory that the quantity of credit is a more important financial indicator for central banks to use to govern the economy than the money supply or interest rates.

“You can think of the global economy now as like a big rubber raft. Instead of being inflated with air, this raft has been inflated with credit. On top of the raft, you’ve got all the asset classes, stocks, bonds, property, commodities and gold. You’ve got seven billion people of the world’s population.”

– *Economist Richard Duncan, March 2014*



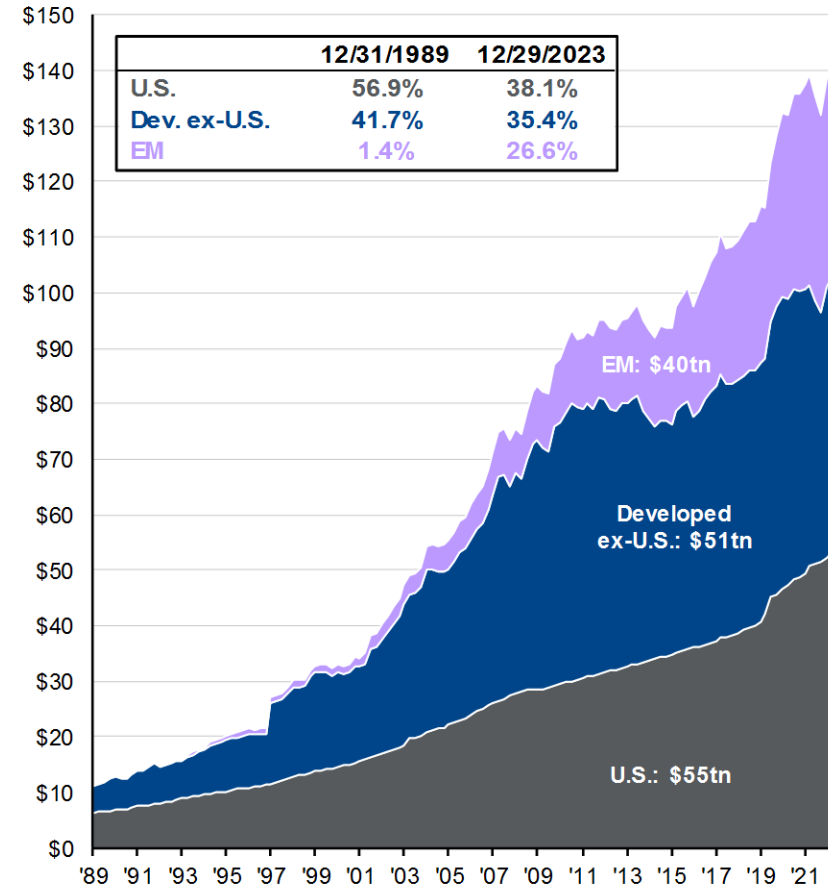
Nicole Polanco, CFP®
Senior Wealth Advisor



Global Fixed Income

Global bond market

USD trillions



Source: JP Morgan "Guide to the Markets"

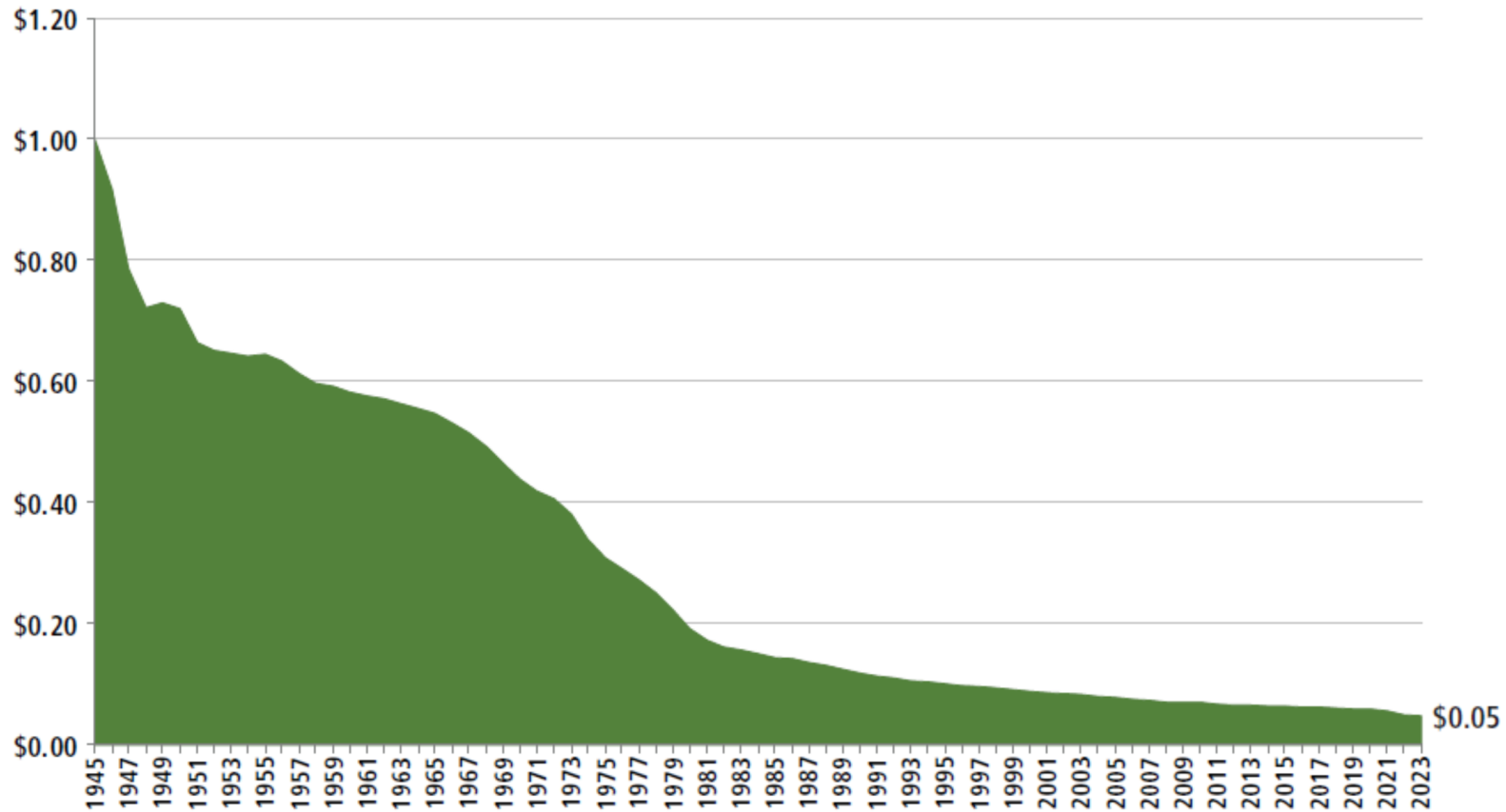


Jim Hagedorn, CFA
Founder & Managing Partner



Inflation-Adjusted Value of a U.S. Dollar

Inflation = Deep Risk



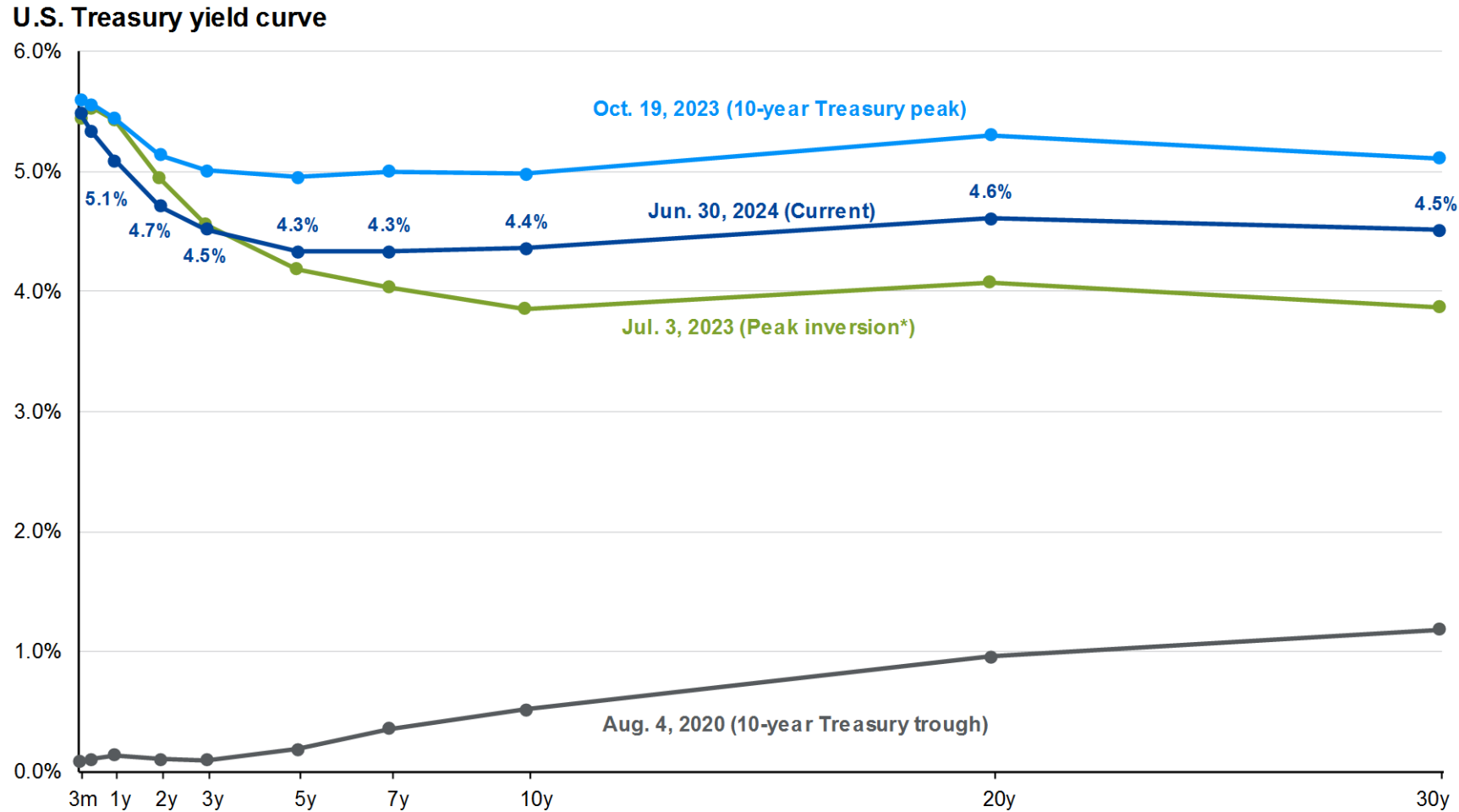
Source: U.S. Bureau of Labor Statistics, 1945 through 2023



Jim Hagedorn, CFA
Founder & Managing Partner



The U.S. Treasury Yield Curve



Source: JP Morgan "Guide to the Markets"



Jim Hagedorn, CFA
 Founder & Managing Partner



The U.S. Treasury Yield Curve

US Treasury Actives Curve		Custom Curve	Actions ▾	98) Chart	Export ▾	Settings ▾	Graph Curves
X-Axis	Tenor	Y-Axis	Ask YTM	Currency	None	PCS	BGN
Specific	01/01/24	07/10/24	Relative	Last	1D	1W	Modify
<input checked="" type="radio"/> Values and Members <input type="radio"/> Values <input type="radio"/> Members <input type="radio"/> Constituents							Curves & Relative Value
I25 Ask YTM		I25 Ask YTM		I25 Ask YTM		I25 Ask YTM	
US Treasury Actives Curve		US Treasury Actives Curve		US Treasury Actives Curve		(Change)	
07/10/24		01/01/24		07/10/24-01/01/24			
Tenor	Description	Yield	Description	Yield	Yield		
11)	1M GBM Govt	5.325	Same	5.398	-7.3		
12)	2M GB2 Govt	5.350	Same	5.402	-5.2		
13)	3M GB3 Govt	5.368	Same	5.332	3.6		
14)	6M GB6 Govt	5.284	Same	5.246	3.7		
15)	1Y GB1 Govt	4.999	Same	4.762	23.7		
16)	2Y GT2 Govt	4.620	Same	4.250	37.0		
17)	3Y GT3 Govt	4.386	Same	4.009	37.7		
18)	5Y GT5 Govt	4.237	Same	3.847	39.0		
19)	7Y GT7 Govt	4.242	Same	3.881	36.1		
20)	10Y GT10 Govt	4.284	Same	3.879	40.5		
21)	20Y GT20 Govt	4.581	Same	4.191	39.0		
22)	30Y GT30 Govt	4.477	Same	4.028	44.9		

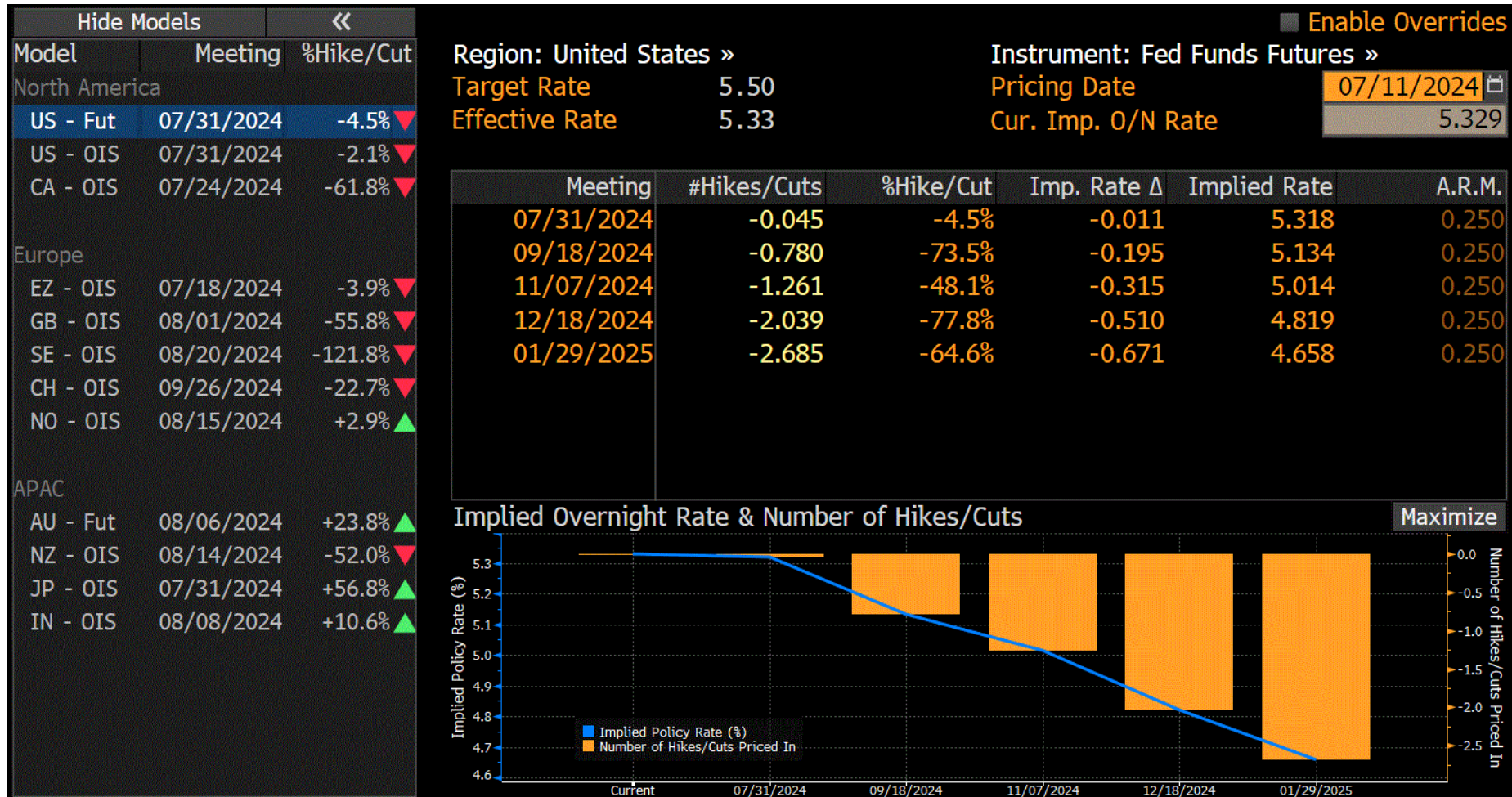
Source: Bloomberg



Jim Hagedorn, CFA
 Founder & Managing Partner



World Interest Rate Probability



Source: Bloomberg



Jim Hagedorn, CFA
 Founder & Managing Partner





US Debt Clock.org

State Debt Clocks

World Debt Clocks

Time Machine

US NATIONAL DEBT

\$34,893,187,295,134

DEBT PER CITIZEN
\$103,534

DEBT PER TAXPAYER
\$266,953

US FEDERAL SPENDING (OFFICIAL)
\$6,785,620,120,388

US FEDERAL BUDGET DEFICIT (OFFICIAL)
\$1,854,787,258,530

US FEDERAL SPENDING (ACTUAL)
\$6,934,003,032,879

US FEDERAL BUDGET DEFICIT (ACTUAL)
\$2,003,170,190,979

US FEDERAL DEBT TO GDP RATIO

1960 • **52.67%** 1980 • **34.62%** 2000 • **57.13%** NOW • **122.32%**

US FEDERAL TAX REVENUE
\$4,930,832,861,858

REVENUE PER CITIZEN
\$14,680

INCOME TAX REVENUE
\$2,317,065,300,063

PAYROLL TAX REVENUE
\$1,617,340,933,888

EXCISE TAX
\$81,456,148,726

CHARITABLE DONATIONS
\$577,150,591,981

TOTAL STATE REVENUE
\$2,363,459,964,660

TOTAL LOCAL REVENUE
\$1,268,348,935,394

CORPORATE TAX REVENUE
\$478,117,813,147

TARIFF TAX REVENUE
\$71,414,530,847

ESTATE & GIFT TAX
\$31,661,782,846

PER ADULT
\$2,220



STATE DEBT
\$1,309,596,050,674

DEBT PER CITIZEN
\$3,899

LOCAL DEBT
\$2,459,359,514,254

DEBT PER CITIZEN
\$7,322

MUNICIPAL EMPLOYEES
19,448,274

AVERAGE SALARY
\$75,084

US GROSS DOMESTIC PRODUCT
\$28,526,628,840,017

TOTAL WORKER COMPENSATION
\$14,746,028,397,463

TOTAL FEDERAL/STATE/LOCAL SPENDING
\$10,802,485,312,408

TOTAL DEBT TO GDP RATIO
135.53%

REVENUE TO GDP RATIO
29.98%

SPENDING TO GDP RATIO
37.89%

Largest Budget Items

MEDICARE/MEDICAID
\$1,786,769,521,761

SOCIAL SECURITY
\$1,451,431,161,900

DEFENSE/WAR
\$905,960,025,734

INTEREST ON DEBT (NET)
\$889,717,148,883

Unfunded Debt/Interest

US TOTAL INTEREST PAID
\$4,621,077,260,590

INTEREST PER ADULT
\$17,775

US TOTAL DEBT
\$101,009,423,886,771

SAVINGS PER FAMILY
\$7,324

BANK INTEREST RECEIVED
\$995,694,138,966

BANK INTEREST PAID
\$153,107,317,822

TOTAL PERSONAL DEBT
\$25,624,008,613,816

PERSONAL DEBT PER CIT.
\$76,028

STUDENT LOAN DEBT
\$1,718,103,477,631

PER STUDENT
\$38,982

CREDIT CARD DEBT
\$1,338,472,133,006

PER HOLDER
\$8,312

Money Creation

USA TREASURY DOLLARS 2025
\$1,583,227,900,970

US M2 MONEY SUPPLY NOW
\$20,867,292,781,343

CURRENCY AND CREDIT DERIVATIVES NOW
\$628,265,881,043,862

USA TREASURY DOLLARS 2000
\$3,543,612,939

US M2 MONEY SUPPLY 2000
\$4,810,571,281,793

CURRENCY AND CREDIT DERIVATIVES 2000
\$91,278,877,410,138

Trade Balance

US DEBT HELD BY FOREIGN COUNTRIES
\$8,457,950,877,046

US TRADE DEFICIT
\$1,076,574,878,434

US TRADE DEFICIT - CHINA
\$279,423,949,312

US IMPORTED OIL
\$250,770,656,018

US POPULATION
336,646,098

US WORKFORCE NOW
161,621,650

OFFICIAL UNEMPLOYED
6,644,213

HEALTHCARE COST NOW
\$15,027

OIL TO SOLAR RATIO NOW
\$ = 268.23 WATTS

DOLLAR SUPPLY ADDED NOW
\$132,298,212,563

US INCOME TAXPAYERS
129,409,535

US WORKFORCE 2000
161,494,084

ACTUAL UNEMPLOYED
11,706,179

HEALTHCARE COST 2000
\$5,446

OIL TO SOLAR RATIO 2000
\$ = 4.70 WATTS

DOLLAR SUPPLY ADDED 1913
\$653,251,438

PRIVATE SECTOR JOBS
128,247,572

NOT IN LABOR FORCE NOW
100,145,096

FULL-TIME WORKERS
133,779,896

COLLEGE TUITION NOW
\$26,620

DOLLAR TO SILVER RATIO NOW
\$244 PER OUNCE

DOLLAR TO SILVER RATIO 5 YR
\$1,557 PER OUNCE

US SELF-EMPLOYED
9,337,892

NOT IN LABOR FORCE 2000
82,463,692

PART-TIME WORKERS
27,371,886

COLLEGE TUITION 2000
\$10,753

DOLLAR TO SILVER RATIO 1913
\$2.69 PER OUNCE

DOLLAR TO SILVER RATIO 10 YR
\$1,121 PER OUNCE

US UNION WORKERS
15,724,178

MEDIAN INCOME NOW
\$39,603

MEDIAN NEW HOME NOW
\$409,580

AVERAGE NEW CAR NOW
\$51,887

DOLLAR TO GOLD RATIO NOW
\$1,781 PER OUNCE

DOLLAR TO GOLD RATIO 5 YR
\$12,595 PER OUNCE

GOVERNMENT EMPLOYEES
23,817,840

MEDIAN INCOME 2000
\$31,890

MEDIAN NEW HOME 2000
\$165,219

AVERAGE NEW CAR 2000
\$22,364

DOLLAR TO GOLD RATIO 1913
\$27.09 PER OUNCE

DOLLAR TO GOLD RATIO 10 YR
\$9,326 PER OUNCE

MANUFACTURING JOBS NOW
12,964,918

US BANKRUPTCIES
365,368

LIVING IN POVERTY
43,900,001

US HOMELESS
615,518

PAPER TO SILVER RATIO NOW
401.62 TO 1

G7 GDP TO GOLD RATIO
\$72,317 PER OZ.

US RETIREES
59,191,191

MEDICARE ENROLLEES
65,034,292

US MILLIONAIRES
23,615,368

TOP 1% WEALTH
\$18,880,097

PAPER TO GOLD RATIO NOW
126.58 TO 1

BRICS GDP TO GOLD RATIO
\$136,348 PER OZ.

US DISABLED
8,382,666

MEDICAID RECIPIENTS
88,334,919

FOOD STAMP RECIPIENTS
43,097,058

BOTTOM 50% WEALTH
\$37,760

DOLLAR TO CRYPTO RATIO NOW
\$8.44 TO \$1

M2 \$ TO USA \$ RATIO NOW
\$1,776 TO \$1

SMALL BUSINESS ASSETS
\$18,090,686,678,137

CORPORATE ASSETS
\$24,548,647,705,458

HOUSEHOLD ASSETS
\$166,450,302,917,750

US TOTAL NATIONAL ASSETS
\$209,089,637,351,241

ASSETS PER CITIZEN
\$618,823

SOCIAL SECURITY LIABILITY
\$27,016,597,723,224

MEDICARE LIABILITY
\$41,443,149,819,834

US UNFUNDED LIABILITIES
\$217,140,291,311,476

LIABILITY PER CITIZEN
\$643,657



Jim Hagedorn, CFA

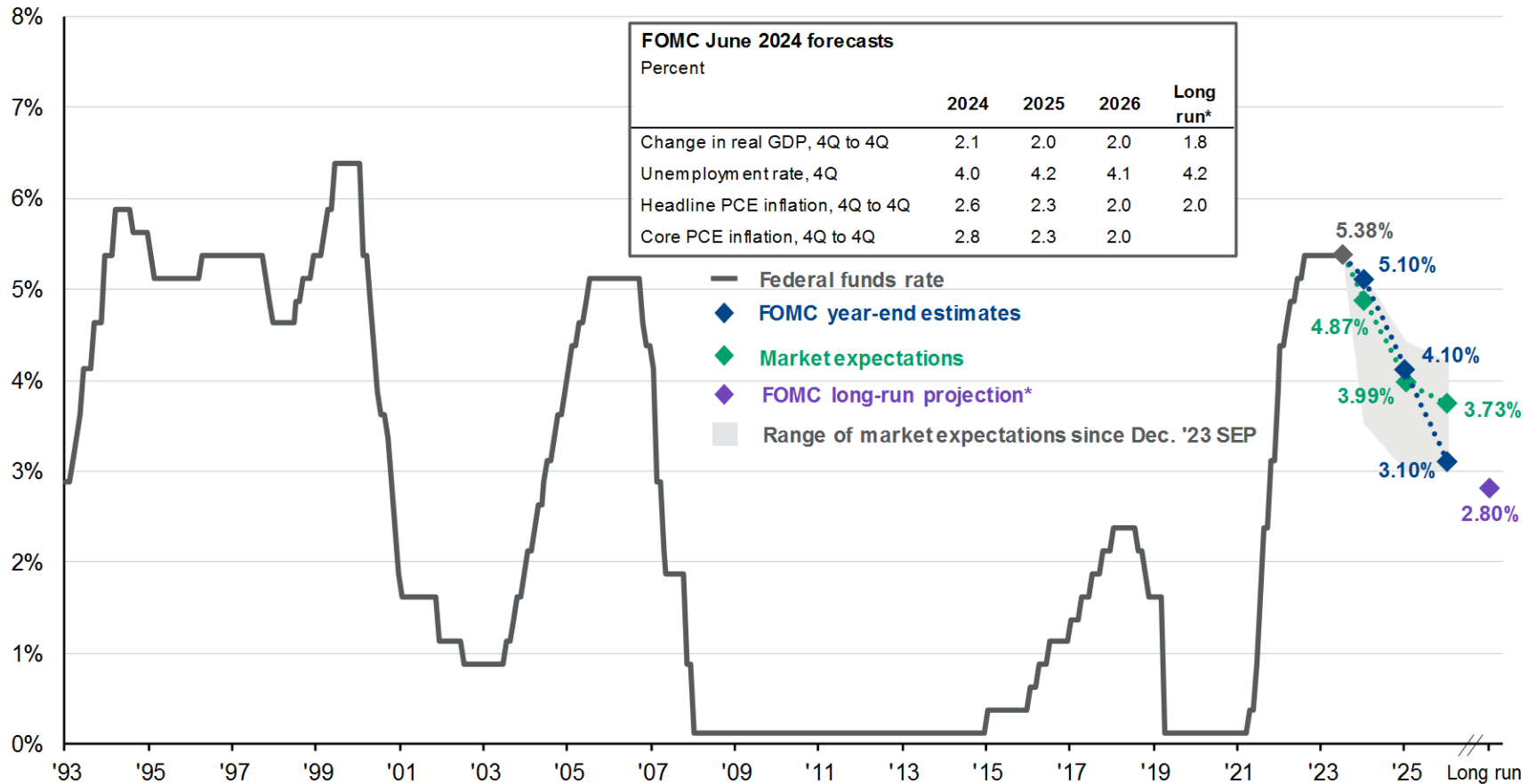
Founder & Managing Partner



The Fed & Interest Rates

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



Source: JP Morgan "Guide to the Markets"



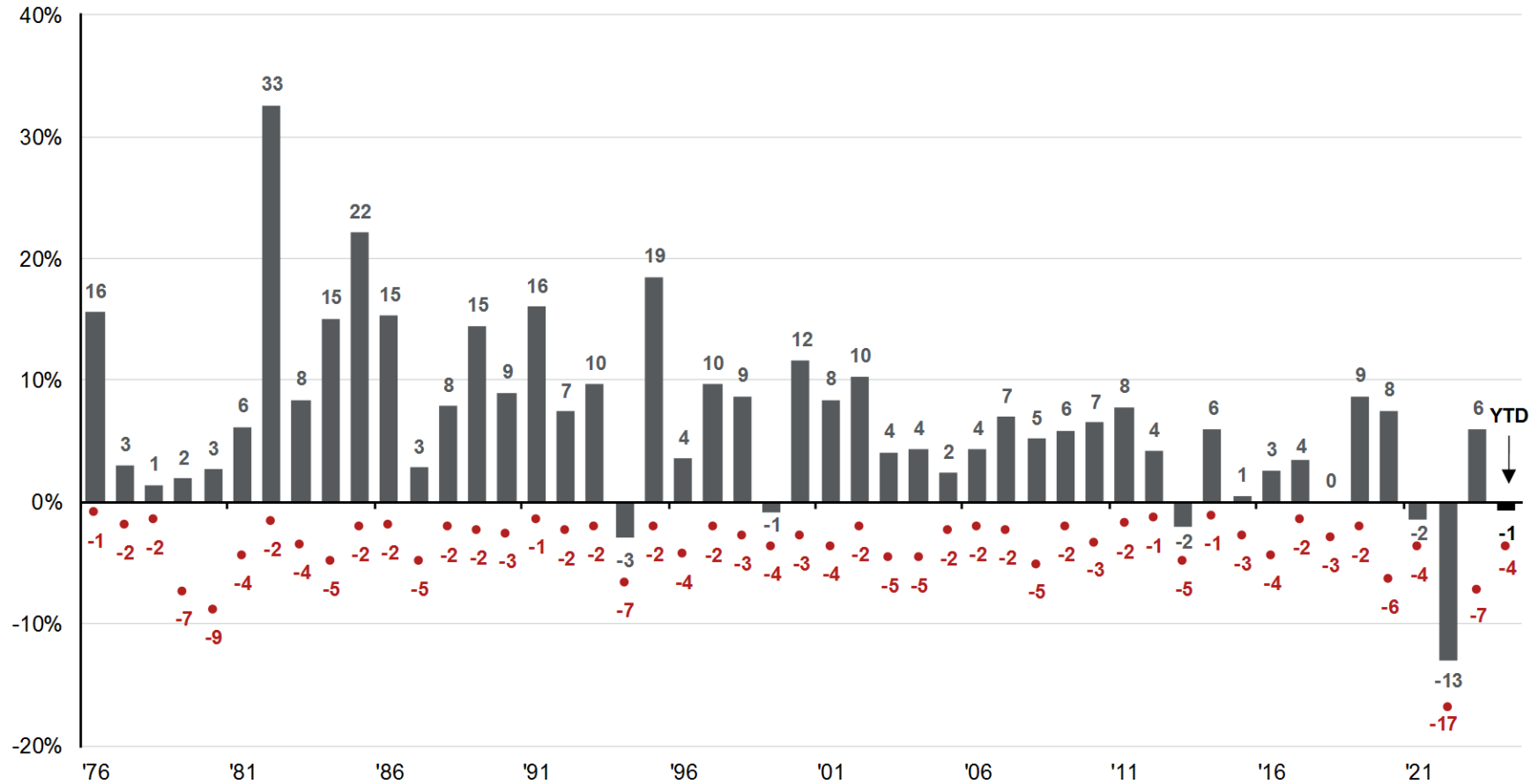
Jim Hagedorn, CFA
 Founder & Managing Partner



Bloomberg U.S. Aggregate Annual Returns & Intra-Year Declines

Bloomberg U.S. Aggregate intra-year declines vs. calendar year returns

Despite average intra-year drops of 3.5%, annual returns were positive in 43 of 48 years



Source: JP Morgan "Guide to the Markets"

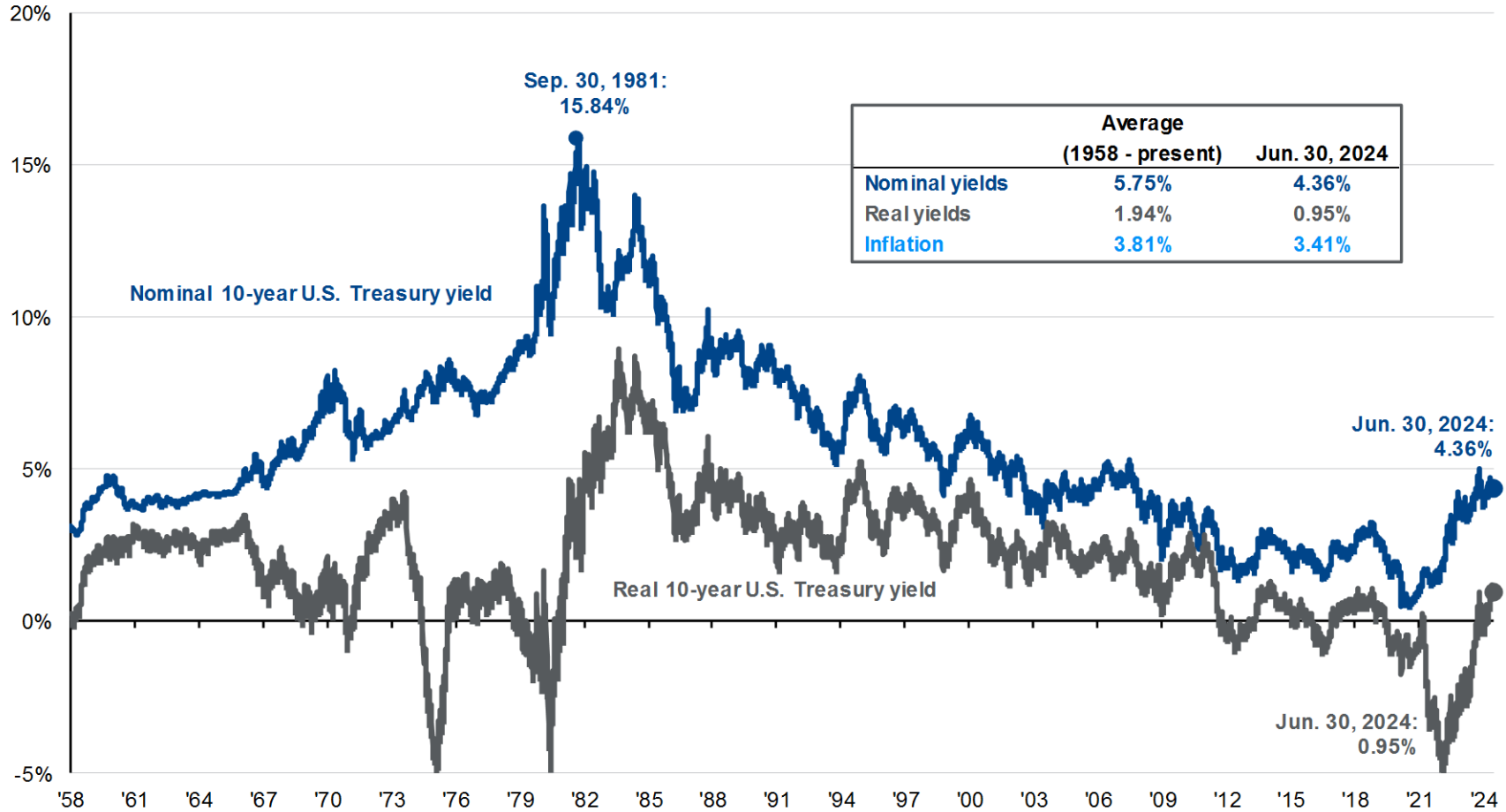


Jim Hagedorn, CFA
 Founder & Managing Partner



Interest Rates & Inflation

Nominal and real U.S. 10-year Treasury yields



Source: JP Morgan "Guide to the Markets"



Jim Hagedorn, CFA
 Founder & Managing Partner



The Market Return Equation

$$\text{Market Return } (RM) = E + Y + \Delta P/E$$



Jim Hagedorn, CFA
Founder & Managing Partner



Market Return (RM) = E + Y + Δ P/E

$$\text{Market Return (RM)} = 10.72 + 1.38 + \Delta \text{ P/E}$$

S&P 500 INDEX
 Periodicity **A** Flavor **F12** View **Growth** Currency **USD**

Measure	Actual	F12 Est	Growth	Y+1 Est	Growth	Y+2 Est	Growth
1) Earnings Per Share	228.36	252.85	10.72%	284.90	12.67%	307.88	8.07%
2) EPS before X0, Positive	207.06	234.40	13.21%	266.03	13.49%	287.75	8.17%
3) Cash Flow Per Share	286.34	355.13	24.02%	412.82	16.24%	10620.04	2472.54%
4) Dividends Per Share	72.73	77.49	6.54%	81.95	5.75%	108.27	32.12%
5) Book Value Per Share	1104.38	1223.72	10.81%	1354.98	10.73%	41599.53	2970.11%
6) Sales Per Share	1824.41	1904.02	4.36%	2016.26	5.90%	2107.82	4.54%
7) EBITDA Per Share	372.69	415.10	11.38%	458.85	10.54%	493.57	7.57%
8) Long Term Growth	0.00	24.40	0.00%	0.00	0.00%	0.00	0.00%
9) Net Debt Per Share	540.13	522.28	-3.30%	478.44	-8.39%	386.24	-19.27%
10) Enterprise Value Per Share	6173.51	6156.19	-0.28%	6112.35	-0.71%	6020.15	-1.51%

Valuation Measure	Actual	F12 Est	Y+1 Est	Y+2 Est
1) Price/EPS	24.67	22.28	19.78	18.30
12) Price/EPS before X0, Positive	27.21	24.04	21.18	19.58
13) Price/Cash Flow	19.68	15.86	13.65	0.53
14) Dividend Yield	1.29	1.38	1.45	1.92

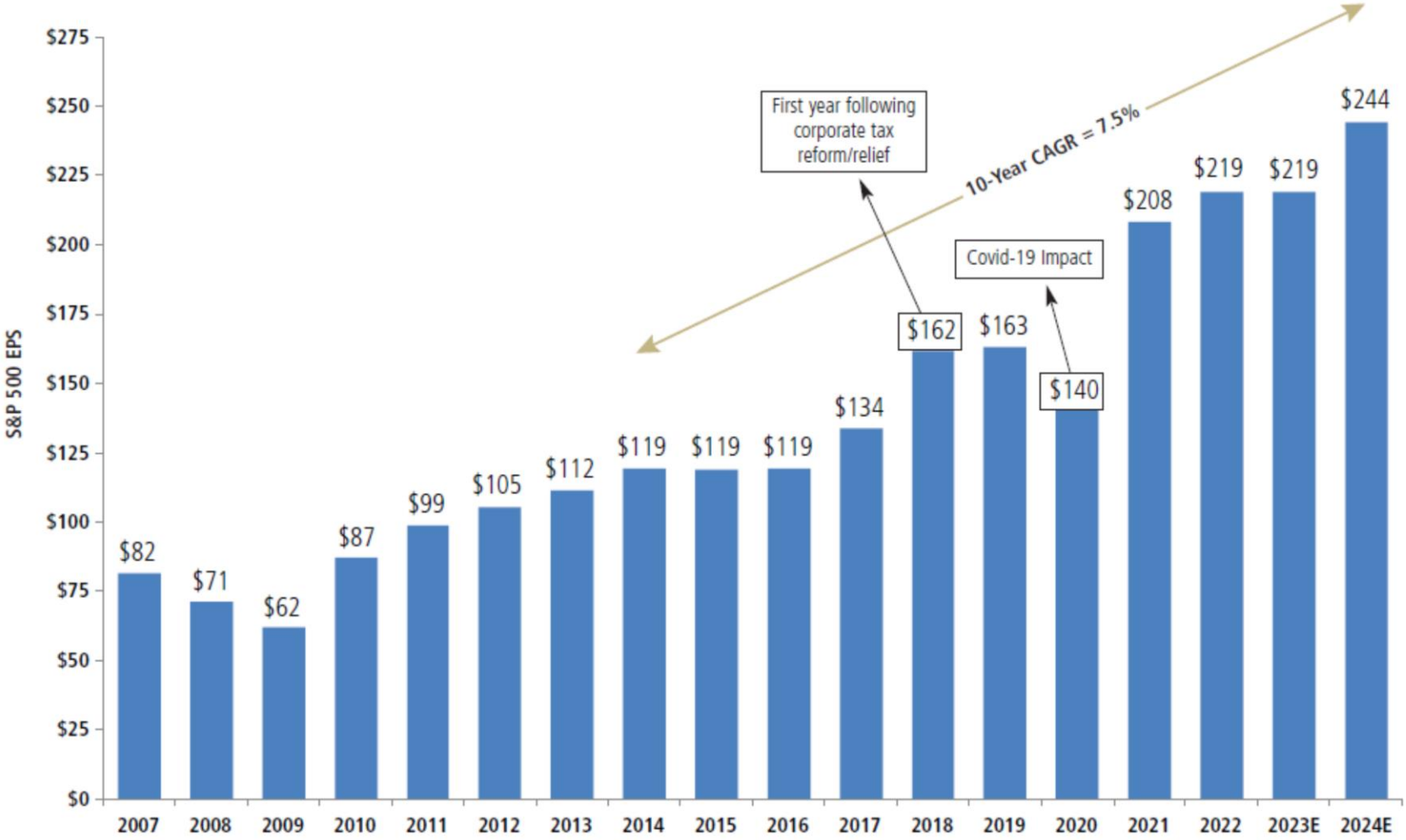
Source: Bloomberg



Jim Hagedorn, CFA
 Founder & Managing Partner



S&P 500 Operating EPS



Source: FactSet Earnings Insight, January 5, 2024



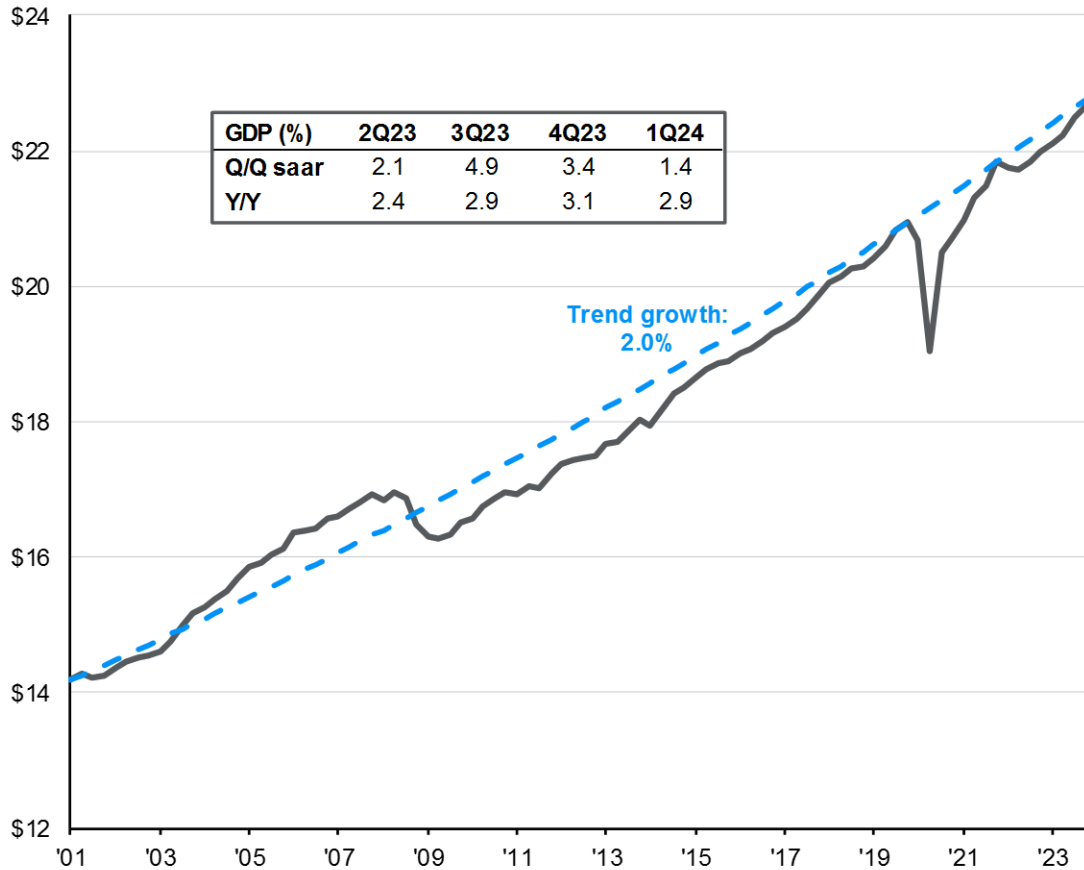
Jim Hagedorn, CFA
 Founder & Managing Partner



Economic Growth and the Composition of GDP

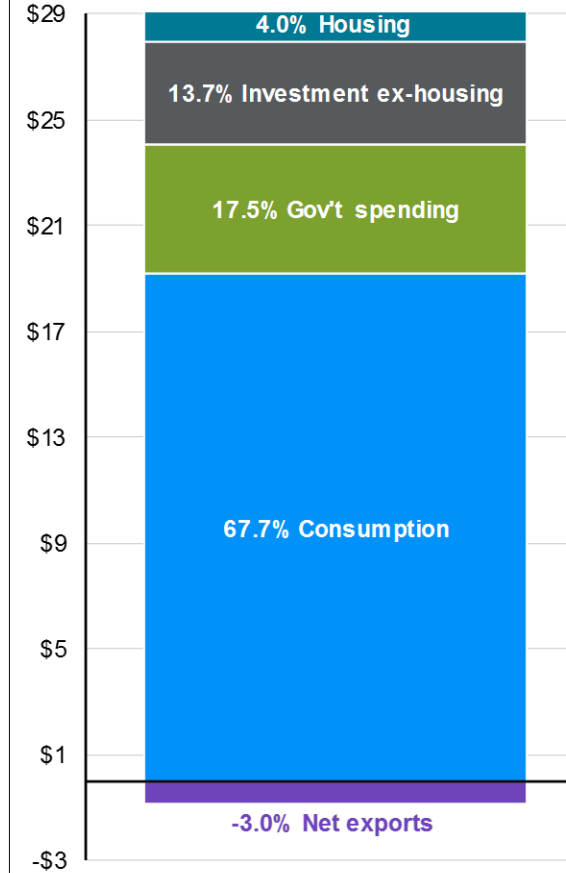
Real GDP

Trillions of chained (2017) dollars, seasonally adjusted at annual rates



Components of GDP

1Q24 nominal GDP, USD trillions



Source: JP Morgan "Guide to the Markets"

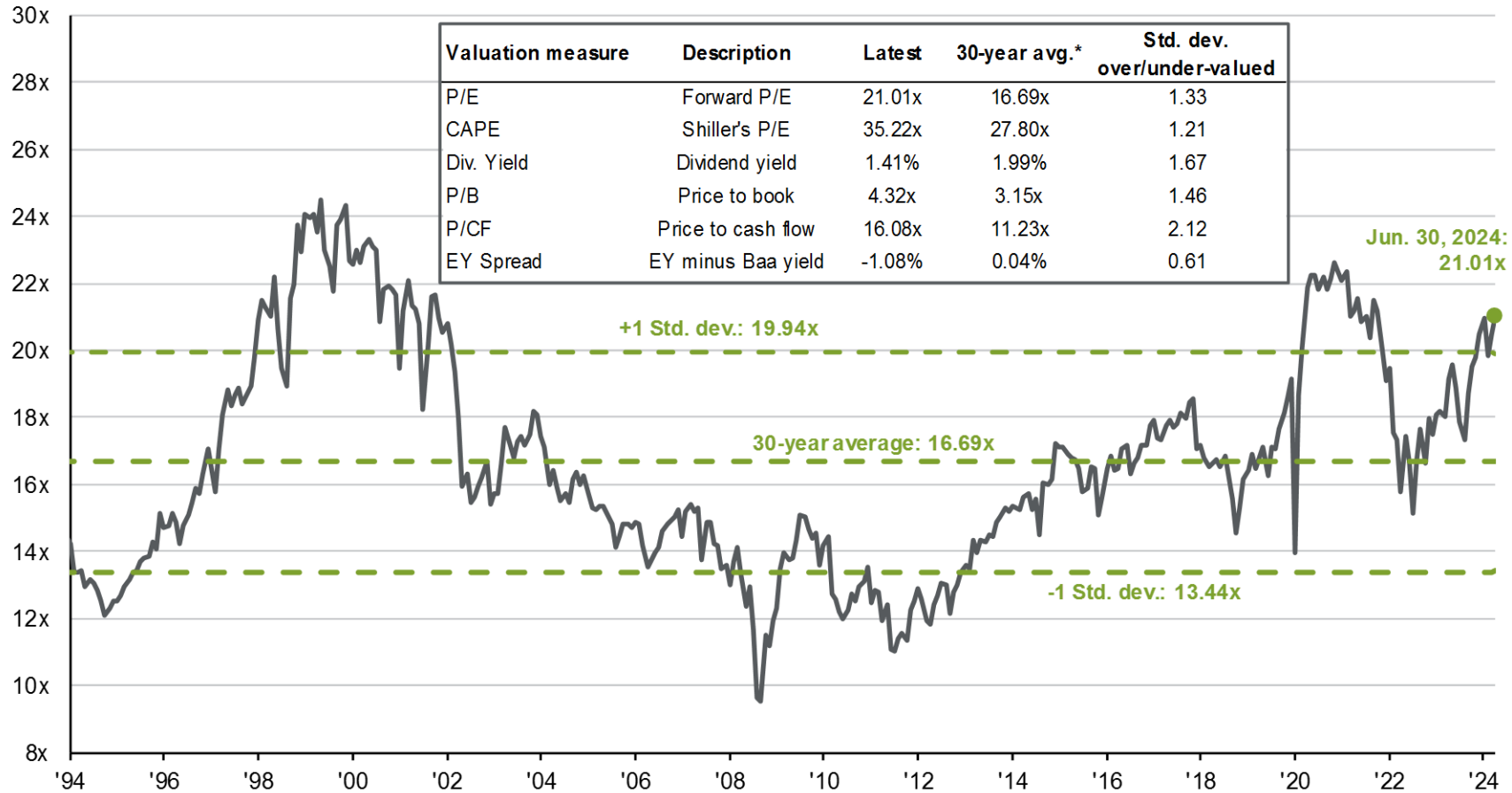


Jim Hagedorn, CFA
Founder & Managing Partner



S&P 500 Valuation Measures

S&P 500 Index: Forward P/E ratio



Source: JP Morgan "Guide to the Markets"

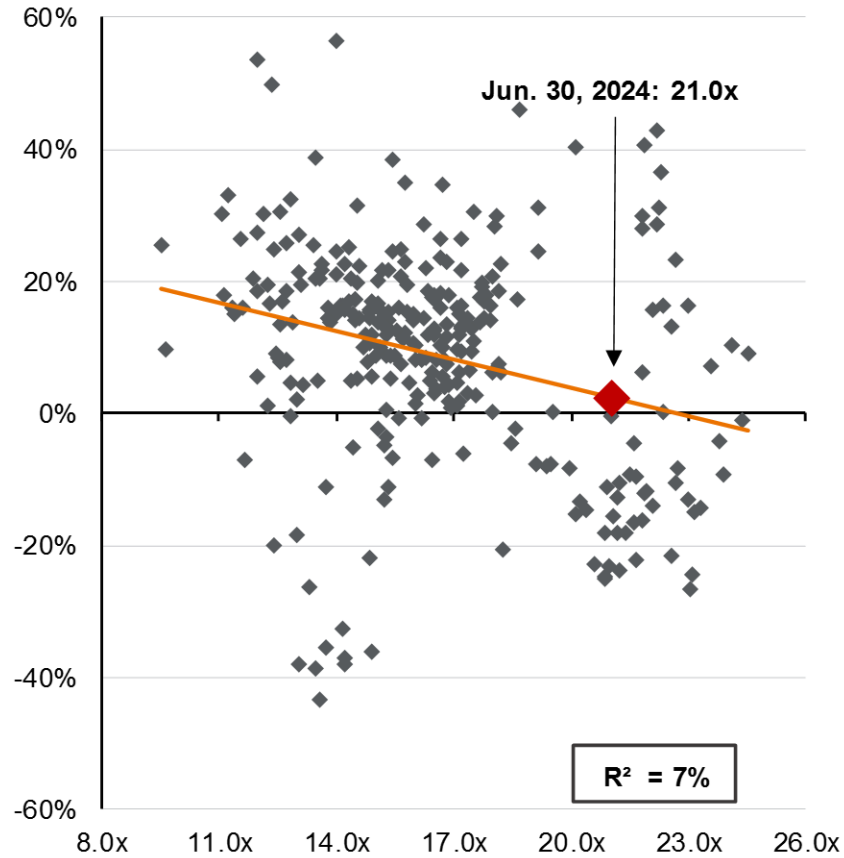


Jim Hagedorn, CFA
 Founder & Managing Partner

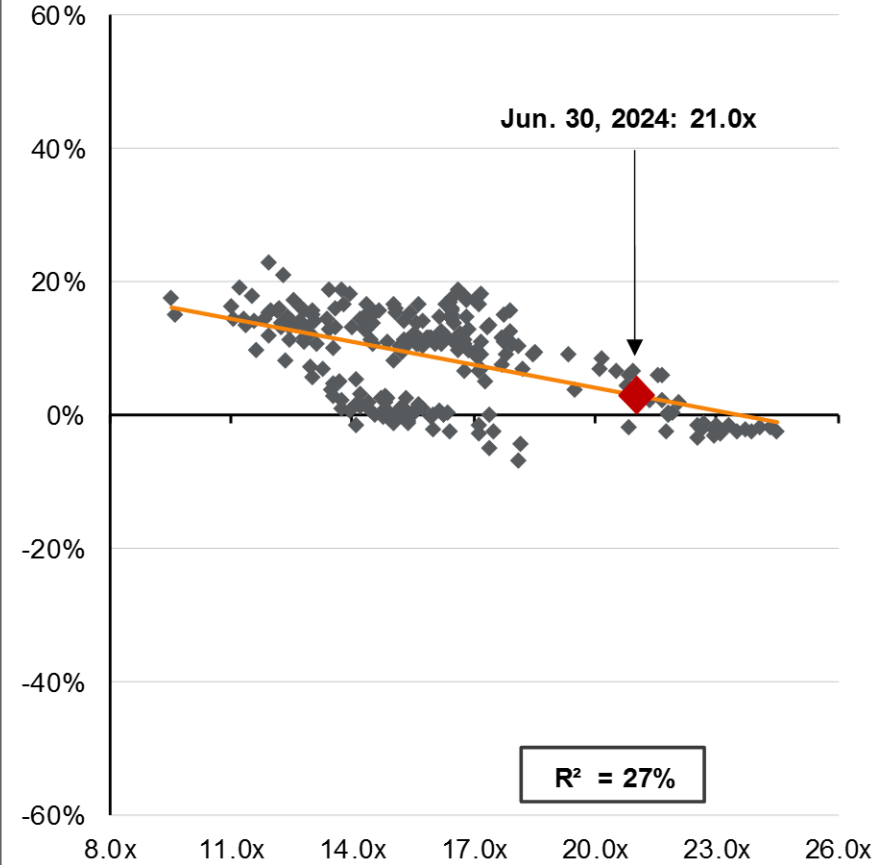


P/E Ratios and Equity Returns

Forward P/E and subsequent 1-yr. returns
S&P 500 Total Return Index



Forward P/E and subsequent 5-yr. annualized returns
S&P 500 Total Return Index



Source: JP Morgan "Guide to the Markets"



Jim Hagedorn, CFA
Founder & Managing Partner



Economic Indicators

Optimal Recessionary Conditions and Leading Economic Indicators

Checklist: Optimal Recessionary Conditions

- **Accelerating Inflation** – No
- **Inverted Yield Curve** – Yes, but the Fed is likely to start cutting short-term interest rates
- **Employment Declining** – No, U.S. unemployment is 4.1%
- **29 Months After First Rate Hike** – No, 28 months since initial rate hikes
- **P/E Above 17** – Yes, it is 22
- **10-Year Treasury Above 6.6%** – No, it is 4.28%
- **Bonds More Attractive Than Stocks** – No, not when looking out over a 5- or 10- year period
- **Dividend Yield Decreasing** – No, dividends are still increasing

Legend

- Cautionary Reading
- Moderate Reading
- Positive Reading



Nicole Polanco, CFP®
Senior Wealth Advisor



Leading Economic Indicators



New Economic Indicator

Empire State Manufacturing 6M Ahead Technology Spending – 5.1 (Decreased from March 5.9)



Economic Survey Results

CFO optimism about the overall U.S. economy on a scale from 0 to 100, was 60.6 and is unchanged from the first quarter.

CFO optimism remains moderate, almost identical to last quarter, though small companies are less optimistic than large companies. Expectations for real GDP dipped slightly to 1.8 percent growth over the next 12 months, down from 2.2 percent last quarter.



Conference Board Leading Economic Index

101.2 – Down from 102.8 in Q2 2024.



CEO Confidence Index: CEO Confidence in the Economy 1 Year From Now – 6.73 – Down from 7.01 Q2 2024.

Legend



Cautionary Reading



Moderate Reading



Positive Reading

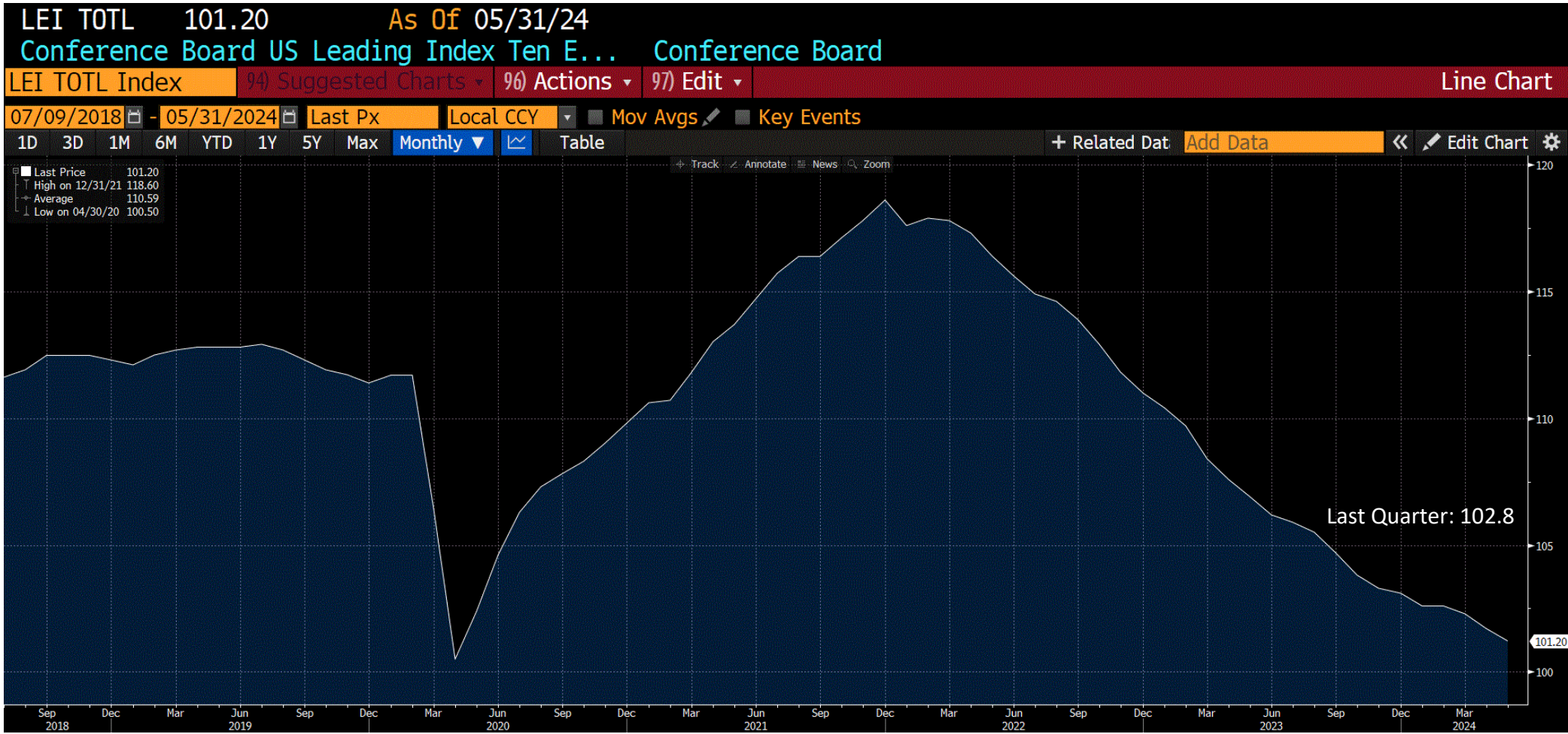


Matthew Fischer, CFA
Partner





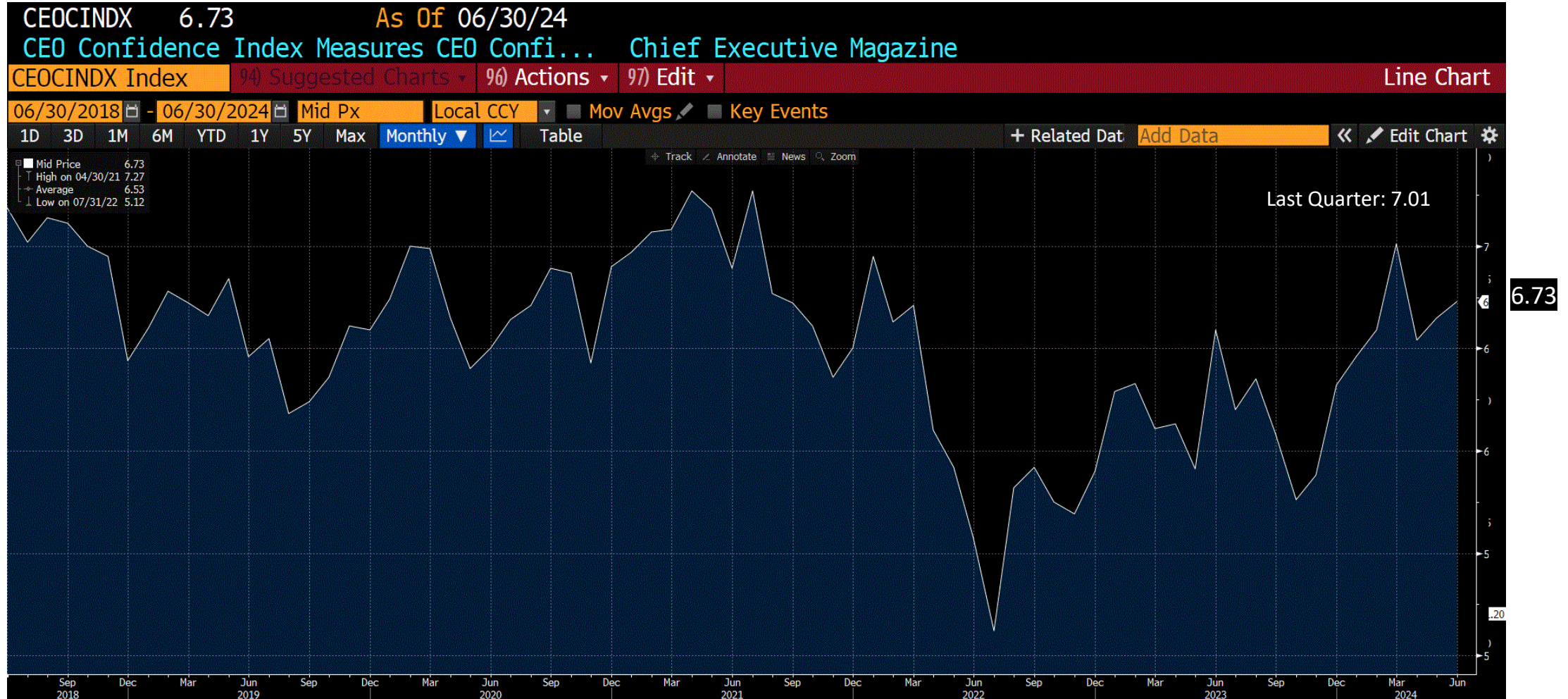
U.S. Conference Board Leading Index



Matthew Fischer, CFA
Partner



CEO Confidence Index (Economy 1 Year from Now)



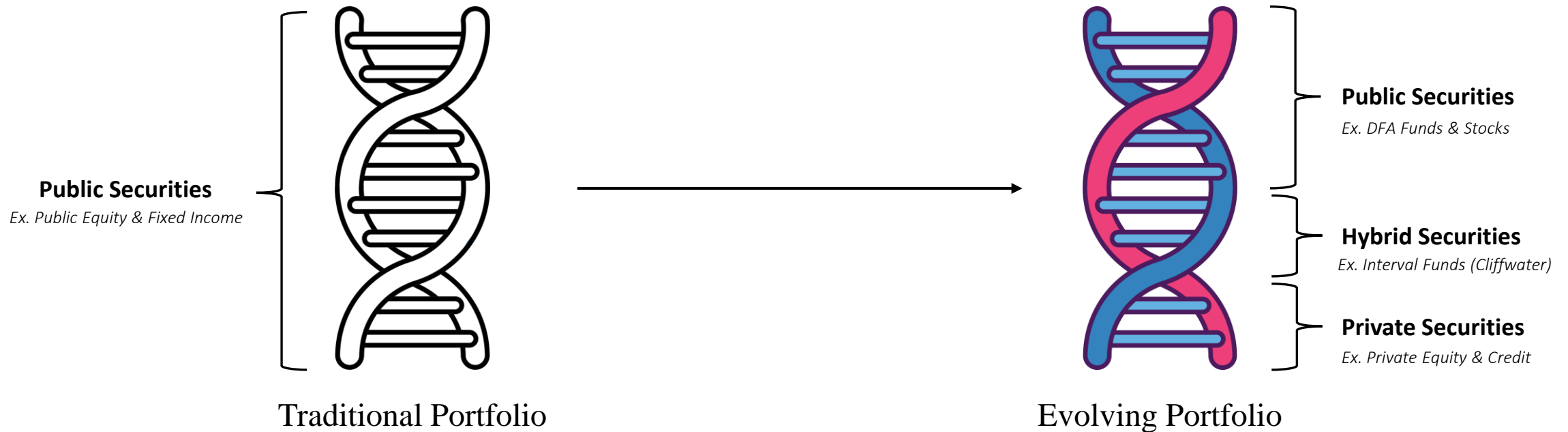
Matthew Fischer, CFA
 Partner



Evolving Portfolio DNA

Updates on the Chicago Partners Investment Strategy

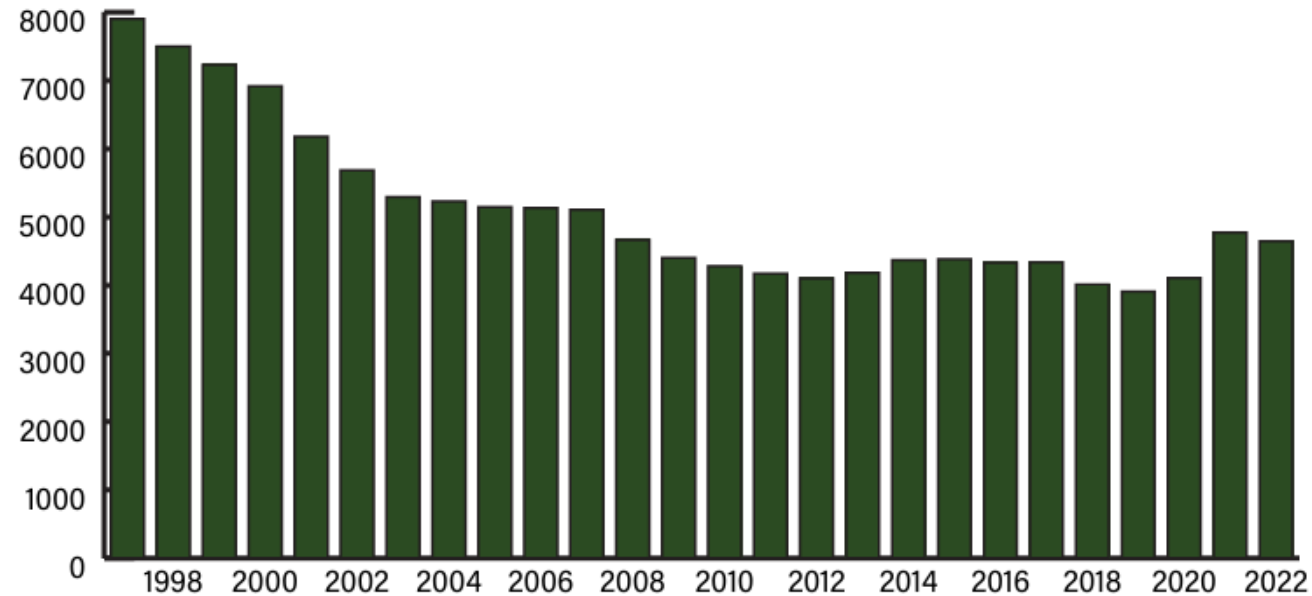
Evolving Portfolio DNA



Jim Hagedorn, CFA
Founder & Managing Partner



Total Publicly-Listed Domestic Companies



Private Equity increases the opportunity set and diversification potential of a portfolio. Over the last 25 years, the number of public companies declined from **7,905** to **4,602**.

Source: The World Bank



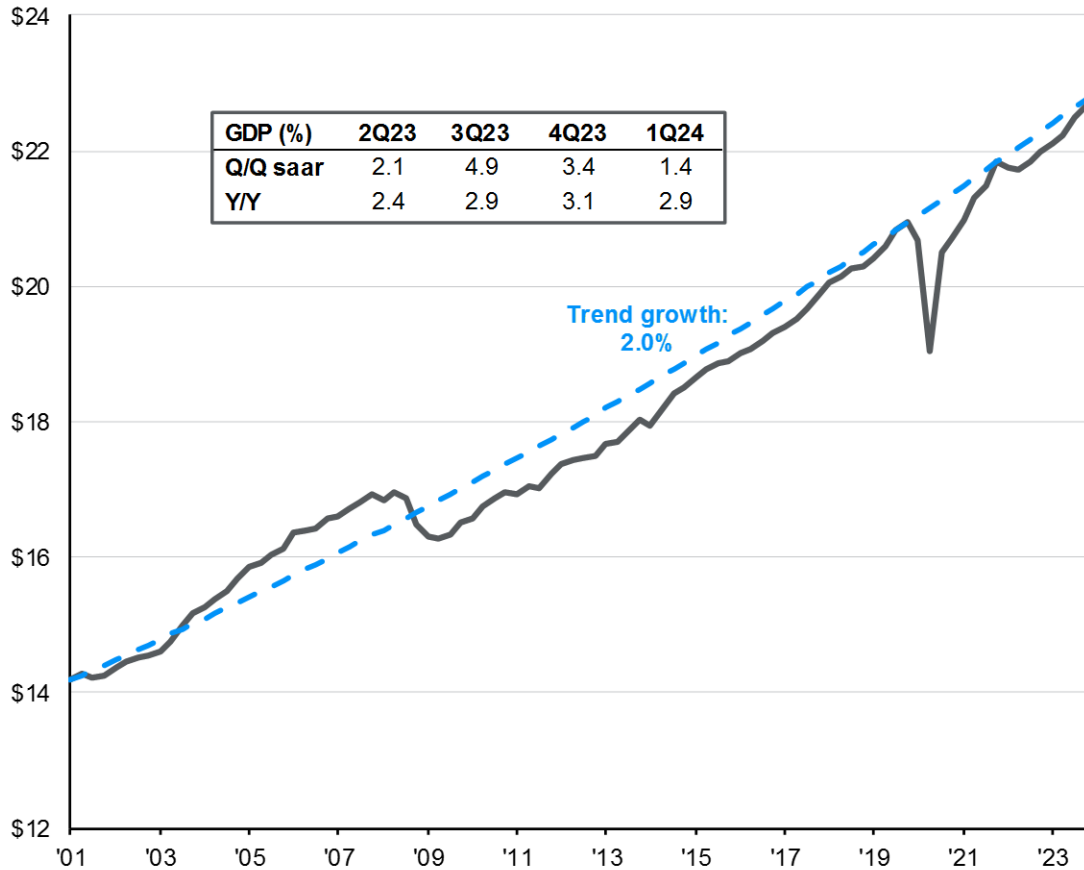
Jim Hagedorn, CFA
Founder & Managing Partner



Economic Growth and the Composition of GDP

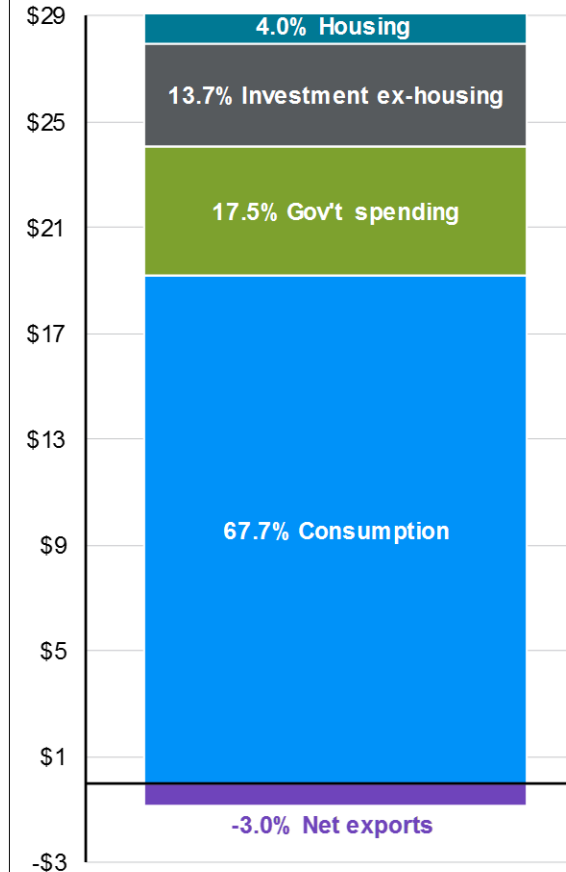
Real GDP

Trillions of chained (2017) dollars, seasonally adjusted at annual rates



Components of GDP

1Q24 nominal GDP, USD trillions



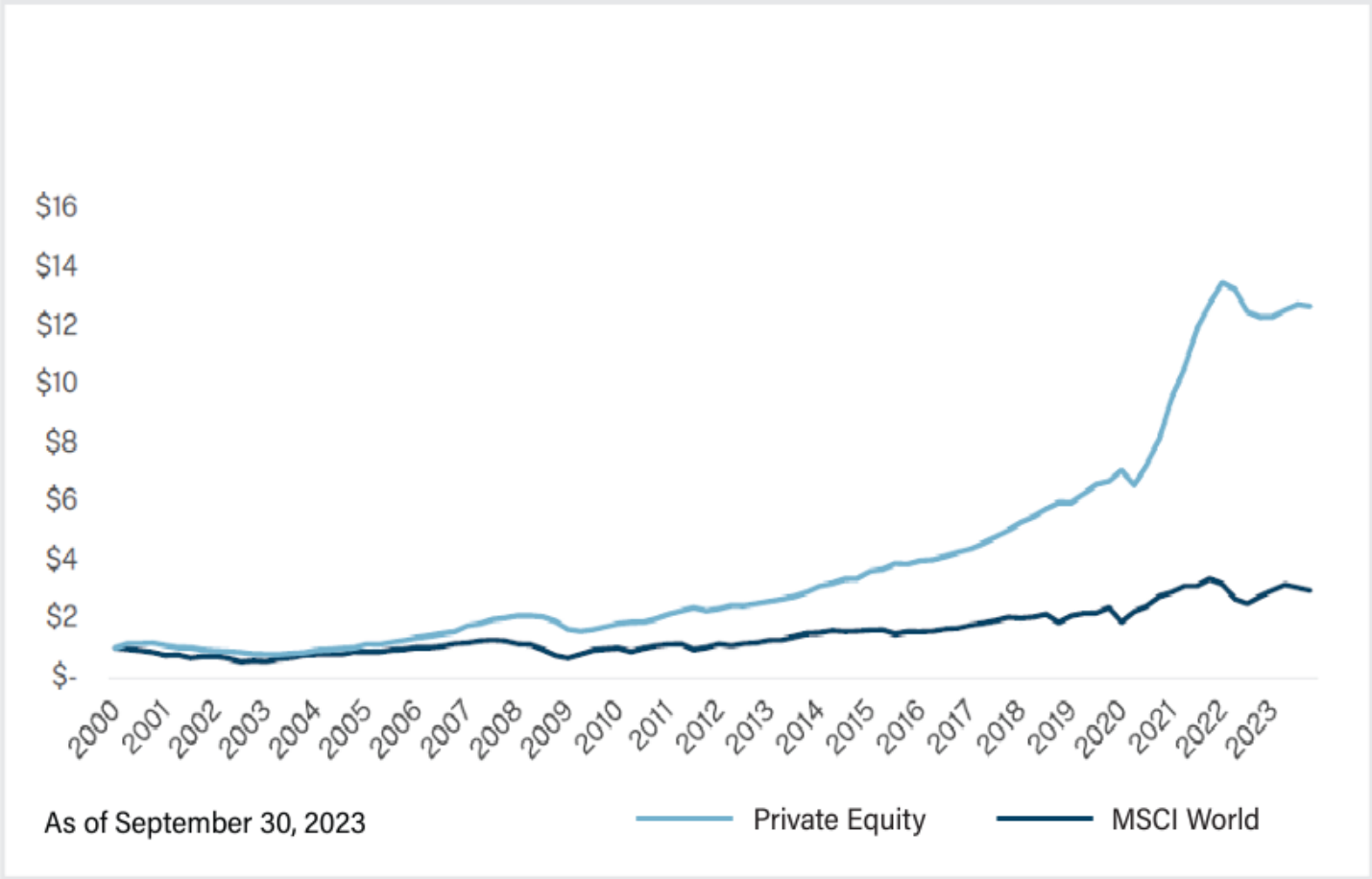
Source: JP Morgan "Guide to the Markets"



Jim Hagedorn, CFA
Founder & Managing Partner



Private Equity vs. MSCI World Total Returns, Growth of \$1



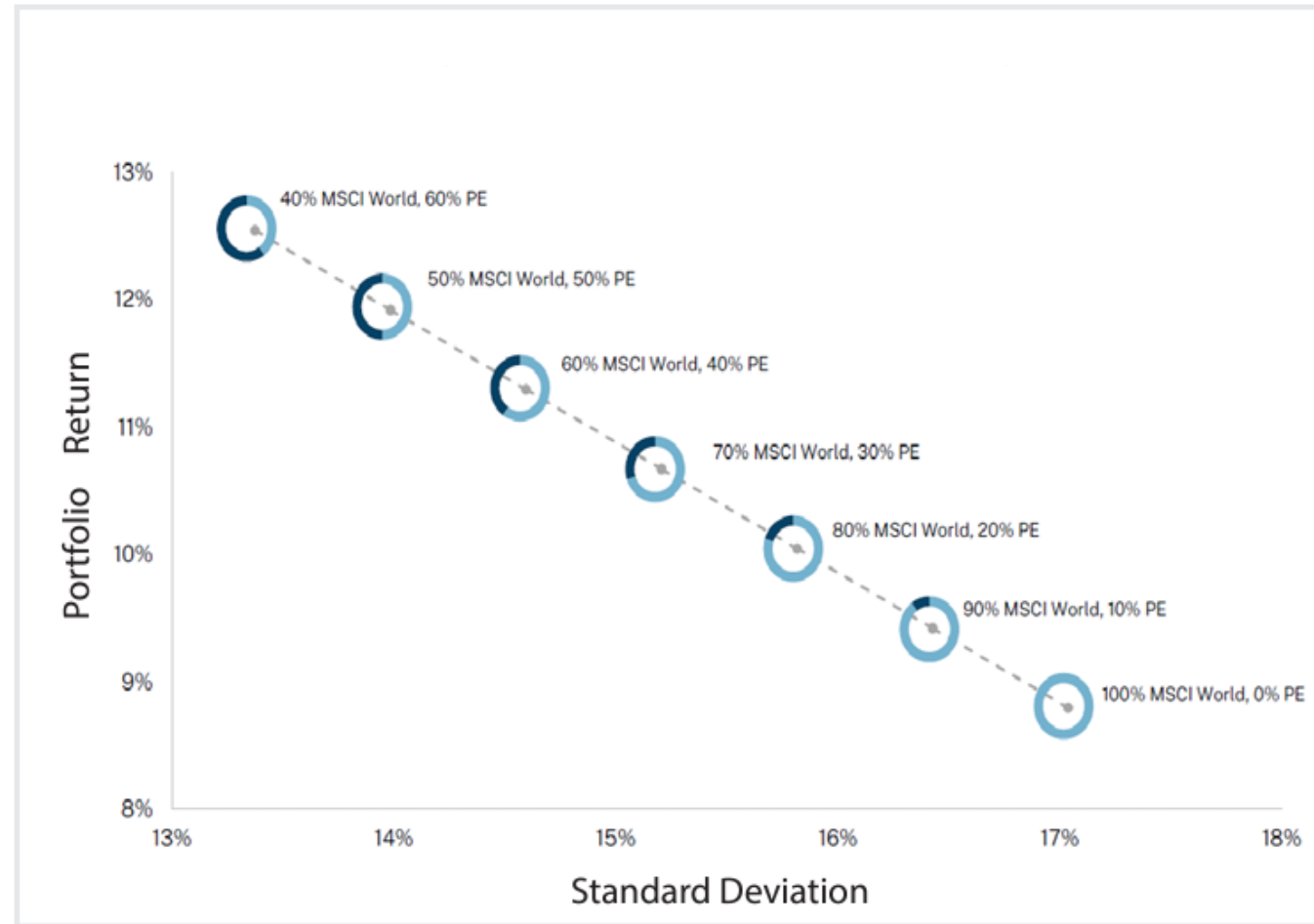
Source: Hamilton Lane



Jim Hagedorn, CFA
Founder & Managing Partner



Risk vs. Return for Various Equity/PE Portfolio Mixes



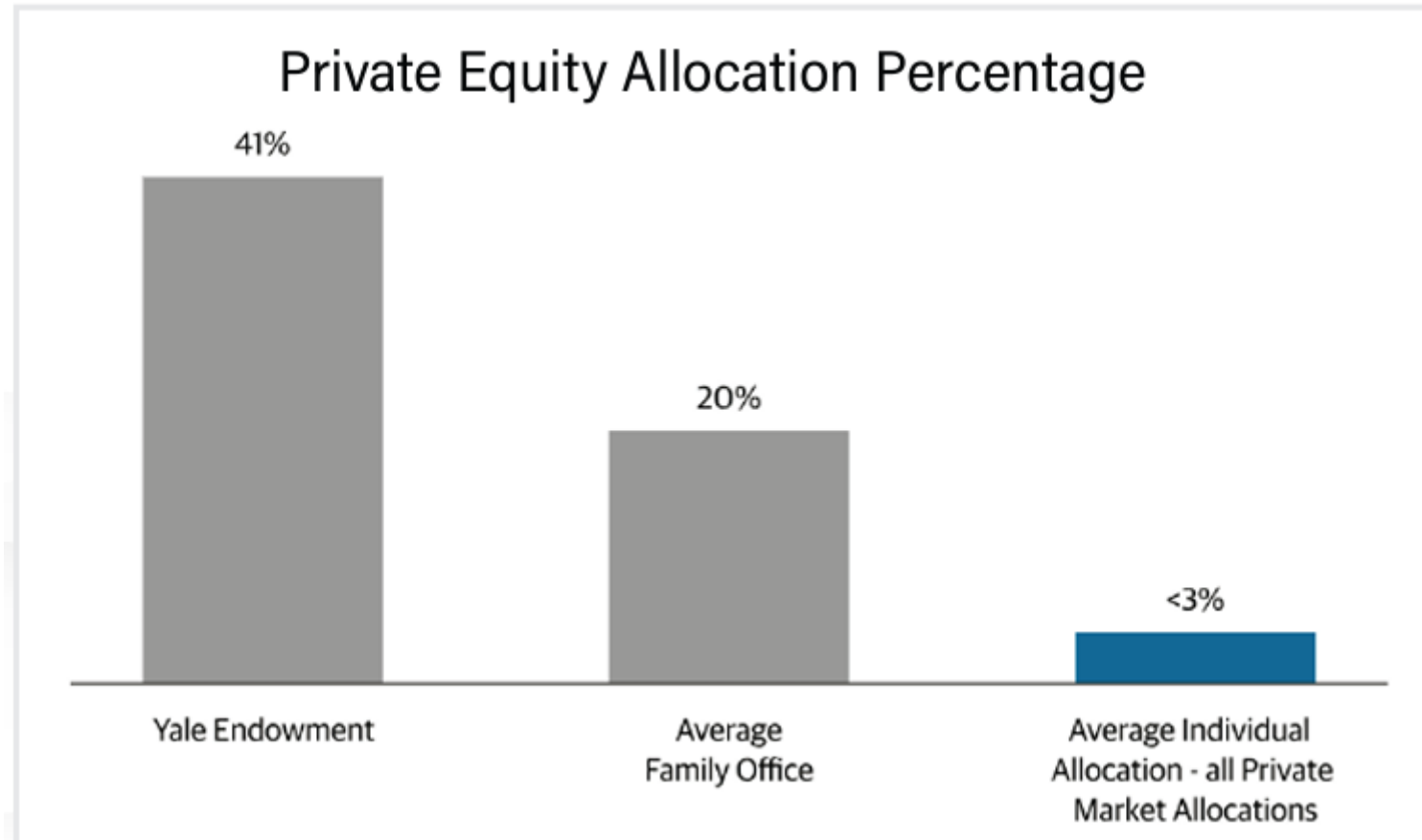
Source: Hamilton Lane



Jim Hagedorn, CFA
Founder & Managing Partner



Institutional Investors Have Long Made PE a Core Part of Their Portfolios



Source: Blackstone



Jim Hagedorn, CFA
Founder & Managing Partner



Private Markets – Total Returns

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2005 - 2023 return (ann.)	2005 - 2023 return std dev (ann.)	
Highest return	32.0%	33.8%	19.3%	5.2%	58.1%	23.0%	10.7%	16.8%	32.4%	13.8%	10.3%	17.5%	27.2%	12.3%	31.5%	29.1%	41.8%	8.4%	26.3%	14.8%	9.6%	Private Equity
	26.4%	32.2%	18.3%	-6.5%	41.4%	15.8%	9.7%	16.0%	23.5%	13.7%	10.3%	12.3%	21.8%	8.5%	21.5%	18.4%	28.7%	6.3%	15.6%	9.6%	16.2%	US Large-Cap Equities
	16.6%	27.7%	17.1%	-13.0%	26.5%	15.1%	9.2%	15.5%	15.3%	13.4%	6.9%	12.0%	20.5%	8.1%	19.3%	15.4%	25.4%	2.9%	15.3%	9.5%	3.5%	US Private Debt
	11.5%	26.7%	16.7%	-19.0%	23.3%	15.1%	7.8%	14.6%	14.8%	9.6%	5.5%	11.2%	19.1%	7.3%	18.5%	14.3%	15.7%	-4.1%	13.5%	9.2%	8.1%	Global Private Infrastructure
	10.1%	17.2%	11.7%	-23.1%	20.0%	15.1%	4.4%	14.0%	13.8%	7.1%	2.0%	9.1%	15.5%	0.0%	17.5%	11.8%	14.4%	-4.2%	12.9%	7.8%	8.9%	Hypothetical Diversified Portfolio
↕	9.3%	15.8%	10.2%	-24.6%	18.0%	13.3%	4.3%	11.9%	12.7%	6.0%	1.4%	7.3%	15.4%	-0.7%	14.4%	11.4%	12.8%	-11.2%	12.1%	7.5%	10.0%	Global Private Real Estate
	7.7%	14.2%	10.0%	-25.3%	14.5%	11.2%	2.6%	11.5%	12.4%	5.8%	0.6%	6.9%	14.6%	-2.3%	10.4%	10.7%	10.2%	-11.2%	9.3%	6.2%	10.6%	US High Yield Bonds
Lowest return	7.5%	13.7%	9.9%	-26.1%	13.2%	10.8%	2.1%	10.1%	9.7%	4.9%	-1.0%	5.8%	8.6%	-4.4%	9.3%	7.5%	10.2%	-13.0%	8.5%	5.9%	10.7%	Hypothetical Traditional Portfolio
	4.9%	12.9%	7.0%	-32.7%	5.9%	10.2%	-0.9%	9.9%	9.1%	3.0%	-1.1%	5.4%	8.6%	-4.7%	9.1%	6.1%	7.8%	-16.0%	8.1%	4.9%	7.7%	Hedge Funds
	2.8%	10.8%	5.5%	-37.0%	1.1%	10.2%	-5.3%	6.4%	7.4%	2.5%	-4.6%	4.5%	7.5%	-5.5%	9.0%	5.5%	5.3%	-16.1%	5.5%	4.9%	18.8%	International Equities
	2.4%	4.3%	2.5%	-45.5%	-22.9%	6.5%	-13.7%	4.2%	-2.0%	-3.9%	-5.7%	2.6%	3.5%	-14.2%	8.7%	1.8%	-1.5%	-18.1%	-4.0%	3.1%	4.4%	US Bonds

Key	US large-cap equities	International equities	US bonds	US high yield bonds	Hedge funds	60% global equities / 40% US bonds	Hypothetical Traditional Portfolio
	Global private infrastructure	US private equity	US private debt	Global private real estate	40% global equities / 30% US bonds / 30% privates	Hypothetical Diversified Portfolio	

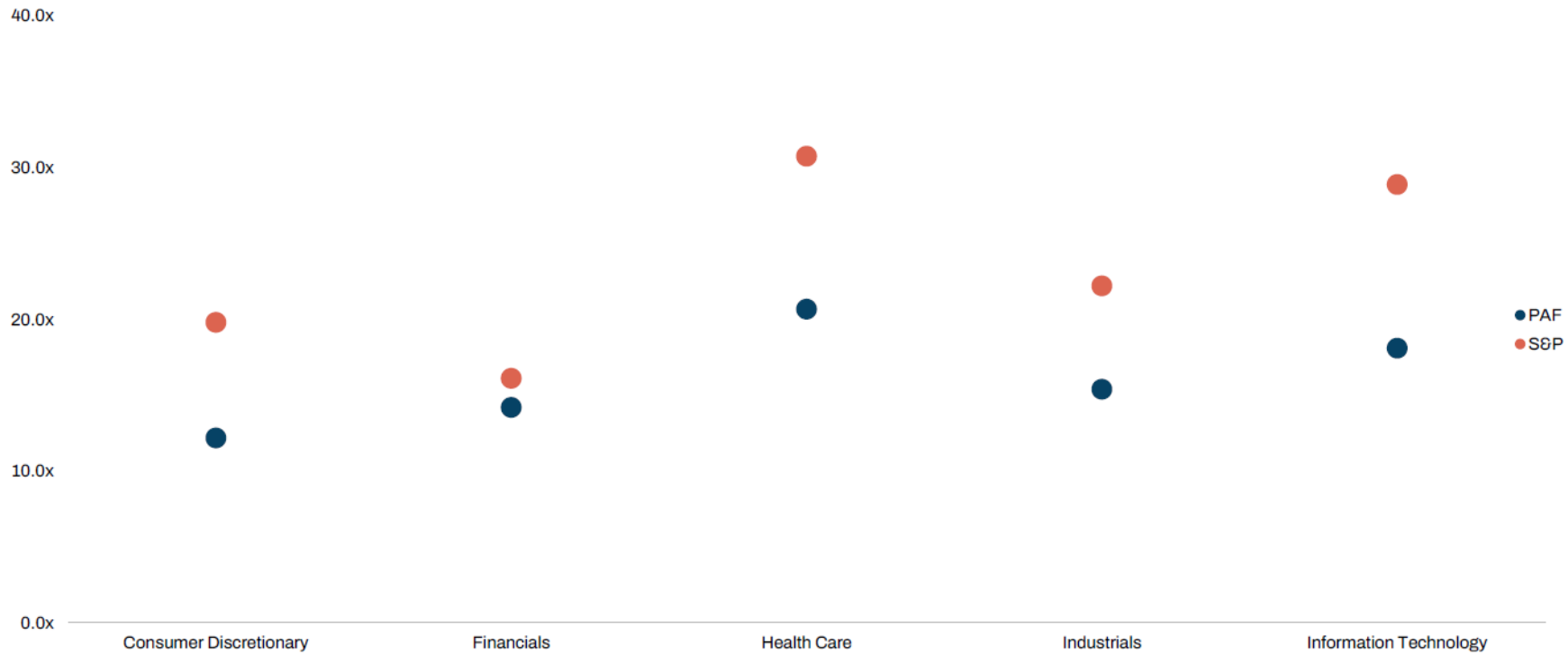
Source: Bloomberg, Cambridge Associates, UBS, as of 31 December 2023



Jim Hagedorn, CFA
 Founder & Managing Partner

Private Equity Valuation vs. S&P 500

Private Equity P/E Ratio ~ 15 vs. S&P 500 ~ 21



As of March 31, 2024



Jim Hagedorn, CFA
Founder & Managing Partner





Major Leagues
CP's Strong Performers

Cascade Private Capital Fund

Performance through June 30, 2024

	Annualized Return Since Inception*	Standard Deviation	Max Drawdown
Cascade Private Capital Fund	19.63%	10.35%	-4.46%
S&P 500	8.00%	18.47%	-23.87%
Russell 3000	6.77%	18.75%	-24.62%
Treasury Bills	3.77%	0.59%	0.00%

Monthly CPEFX returns since inception through June 30, 2024

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022	-0.30%	-0.20%	8.24%	-4.46%	5.25%	0.18%	-0.37%	2.50%	-0.18%	-0.09%	1.27%	0.18%	12.10%
2023	0.00%	-0.45%	8.15%	-0.99%	1.26%	0.08%	0.00%	0.66%	0.00%	0.16%	5.49%	0.39%	15.34%
2024	0.15%	5.25%	0.81%	8.08%	2.09%	2.77%							20.49% ³

Source: Cliffwater

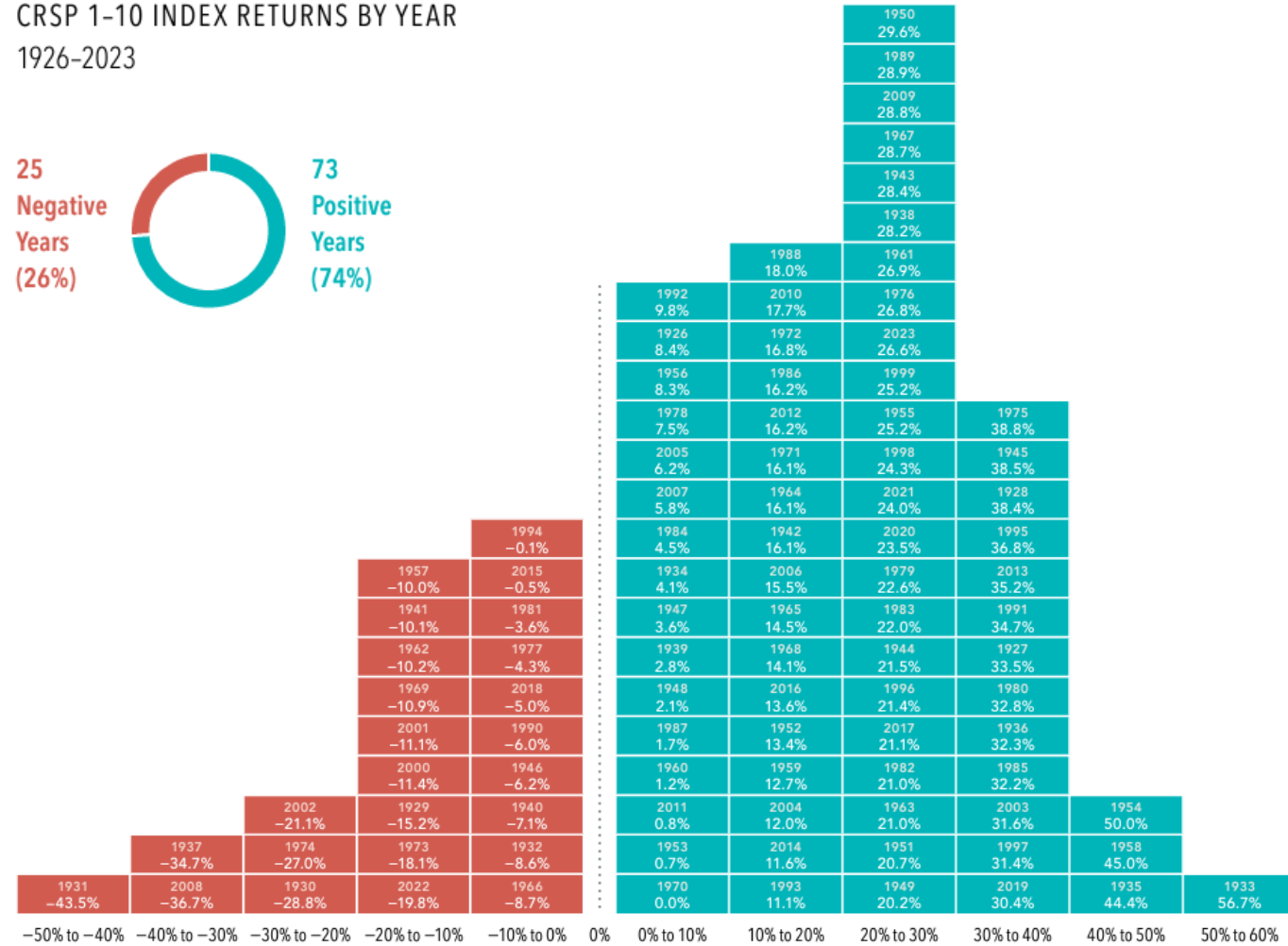


Jim Hagedorn, CFA
Founder & Managing Partner



The Rewarding Distribution of US Stock Market Returns

CRSP 1-10 INDEX RETURNS BY YEAR
1926-2023

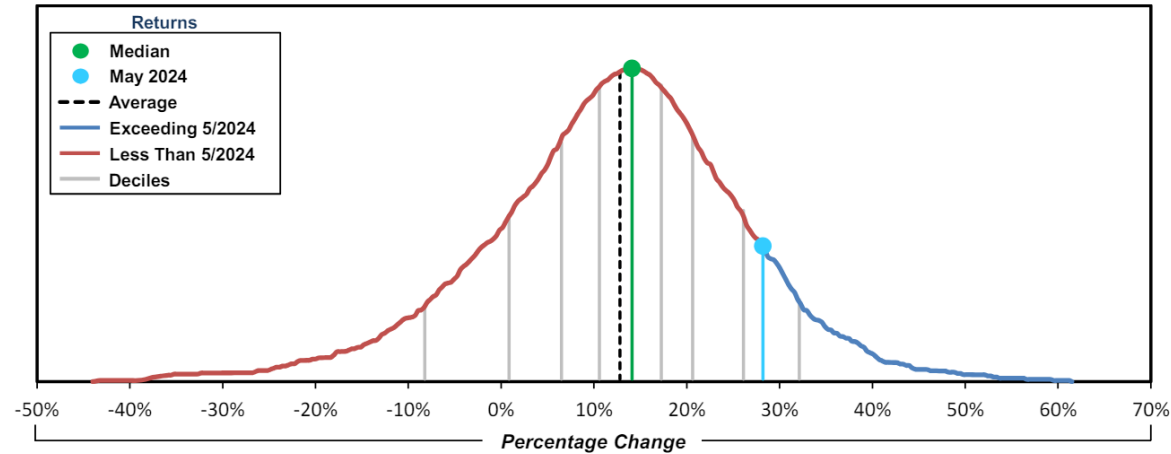


Source: Dimensional Fund Advisors



Jim Hagedorn, CFA
Founder & Managing Partner

Risk & Reward - Performance Distribution One Year Returns 48 Years (Periods Ending June 1976 - May 2024) Standard & Poor's 500 Index



Observations	Period Ending May, 2024 Return	Percentile	Worst Return	Average Loss	Average Return	Average Gain	Best Return	Percent Negative	Percent Positive	Greater Than Inflation
576	28.2%	84th	-43.3%	-12.1%	12.8%	18.5%	61.2%	19%	81%	76%

Performance Deciles										
Minimum	10th	20th	30th	40th	Median	60th	70th	80th	90th	Maximum
-43.3%	-8.2%	0.9%	6.5%	10.6%	14.1%	17.3%	20.6%	26.1%	32.1%	61.2%

Data: Rolling 1 year returns using monthly data. • Inflation: Consumer Price Index

Sources: S&P Dow Jones Indices LLC; Bureau of Labor Statistics

The information presented herein was compiled from sources believed to be reliable. It is intended for illustrative purposes only, and is furnished without responsibility for completeness or accuracy. Past performance does not guarantee future results.
This illustration is subject to the terms & conditions at www.crandallpiercer.com/usage.pdf. Under no circumstances may this illustration be copied, reproduced or redistributed in whole or in part including the data contained herein, without prior written permission.

501S-LC Copyright © 2024 Crandall, Pierce & Company • All rights reserved • 14047 West Petronella Drive • Libertyville, Illinois 60048 • 1-847-549-6015 • Internet: www.crandallpiercer.com -CDLIX-

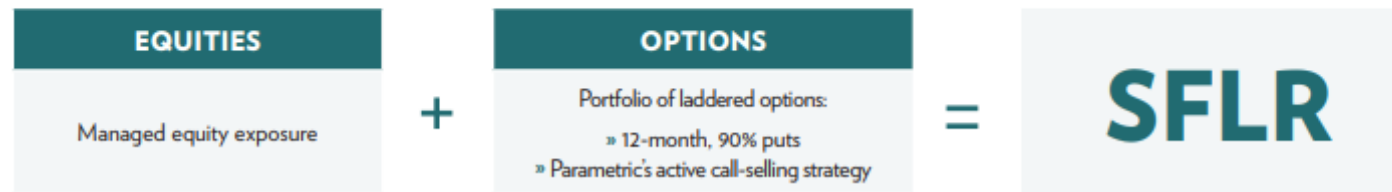


Jim Hagedorn, CFA
Founder & Managing Partner

Innovator Equity Managed Floor ETF

HOW THE ETF WORKS

SFLR seeks to provide capital appreciation through participation in large-cap U.S. equities while seeking to manage risk through a portfolio of 12-month puts, laddered so that one resets each quarter.



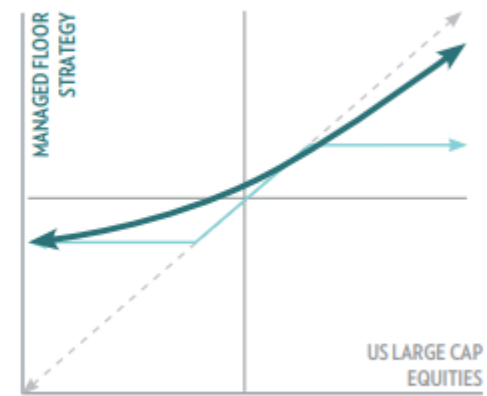
DETAILS

Ticker	SFLR
Listing Date	November 9, 2022
Exposure	U.S. Large-Cap Equities
Expense ratio	0.89%
Number of Holdings	234
Net assets	\$170.26M
Exchange	NYSE Arca

KEY POINTS

- » Exposure to U.S. large-cap equities
- » Options strategy overlay, managed by Parametric
- » Long-term, strategic core equity solution
- » Low-cost, flexible, liquid, and transparent
- » Tax-efficient*

MANAGED-OUTCOME FOCUS



For illustrative purposes only. Does not represent or predict fund performance.



Jim Hagedorn, CFA
Founder & Managing Partner





MINOR LEAGUE

AAA Farm Team

**CP Investment Committee's Research and
Development**

Future Fund Launches: Private Credit

W.

Investment managers developing funds captured by With Intelligence in June

Manager	Fund series	New firm	Strategy	Sub-strategy	Manager HQ	Fund focus region	Launch date	Raised	Target	Pedigree of principal(s)
Pemberton Asset Management	1		Specialty finance	NAV lending	London	Europe	Q2-24	\$1bn		
Third Point	1	✓	Direct lending		New York	North America	Q3-24			
Goldman Sachs Asset Management	5		Direct lending		New York	North America	Q3-24			
503 Capital Partners	1	✓	Direct lending		Leawood	North America	H2-24			TortoiseEcofin
1798 Alternatives	1	✓	Specialty finance	Asset-based lending	London	Europe	H2-24		\$500m	Antler Capital Management
D2 Asset Management	1	✓	Special situations		New York	North America	H2-24			TowerBrook, LibreMax
Tanarra Capital	3		Direct lending		Sydney	Asia-Pacific	H2-24		A\$1bn	
StepStone	1		Direct lending		New York	North America	Q2-24			
RBC BlueBay Asset Management	2		Direct lending		London	Emerging markets	H2-24			
NorthWall	1		Opportunistic		London	Europe	Q2-24			Warwick Capital Partners
Farallon Capital Management	3		Special situations		New York	North America	Q2-24		\$1.75bn	
Pemberton Asset Management	1		Direct lending		London	Europe	Q2-24			
SKY Leasing	6		Specialty finance	Aviation finance	San Francisco	North America	Q2-24		\$1.5bn	
Pemberton Asset Management	4		Direct lending		London	Europe	Q2-24		€1.5bn	
NLC Capital	1	✓	Specialty finance	NAV lending	London	Europe	H2-24			Investec
Blackstone	5		Opportunistic		New York	North America	Q2-24		\$8-10bn	
Mereo Capital	2		Opportunistic		Conshohocken	North America	Q2-24	\$23m	\$100m	
Macquarie Asset Management	1	✓	Direct lending		London	Europe	Q4-24			
Arcmont Asset Management	1		Direct lending		London	Europe	H2-24			
Vivriti Asset Management	3		Direct lending		Chennai	Asia-Pacific	H2-24		\$240m	
AB CarVal	1		Specialty finance	Asset-based lending	Minneapolis	North America	Q2-24	\$200m		
TPG Angelo Gordon	3		Special situations		New York	North America	Q2-24		\$4.5bn	
GCM Grosvenor	1		Fund of funds		Chicago	North America	H2-24			
GCM Grosvenor	1		Secondaries		Chicago	North America	H2-24			
Fasanara Capital	1		Specialty finance		London	Europe	H1-24	\$100m	\$250m	
DE Shaw	2		Specialty finance	Reg cap relief	New York	North America	H2-24			
King Street Capital	1		Specialty finance	Asset-based lending	New York	Europe	H2-24			
Cheyne Capital Management	3		Special situations		London	Europe	H2-24		€1bn	
Benefit Street Partners	1		Direct lending		New York	North America	Q2-24			

29

Launches recorded in June

6

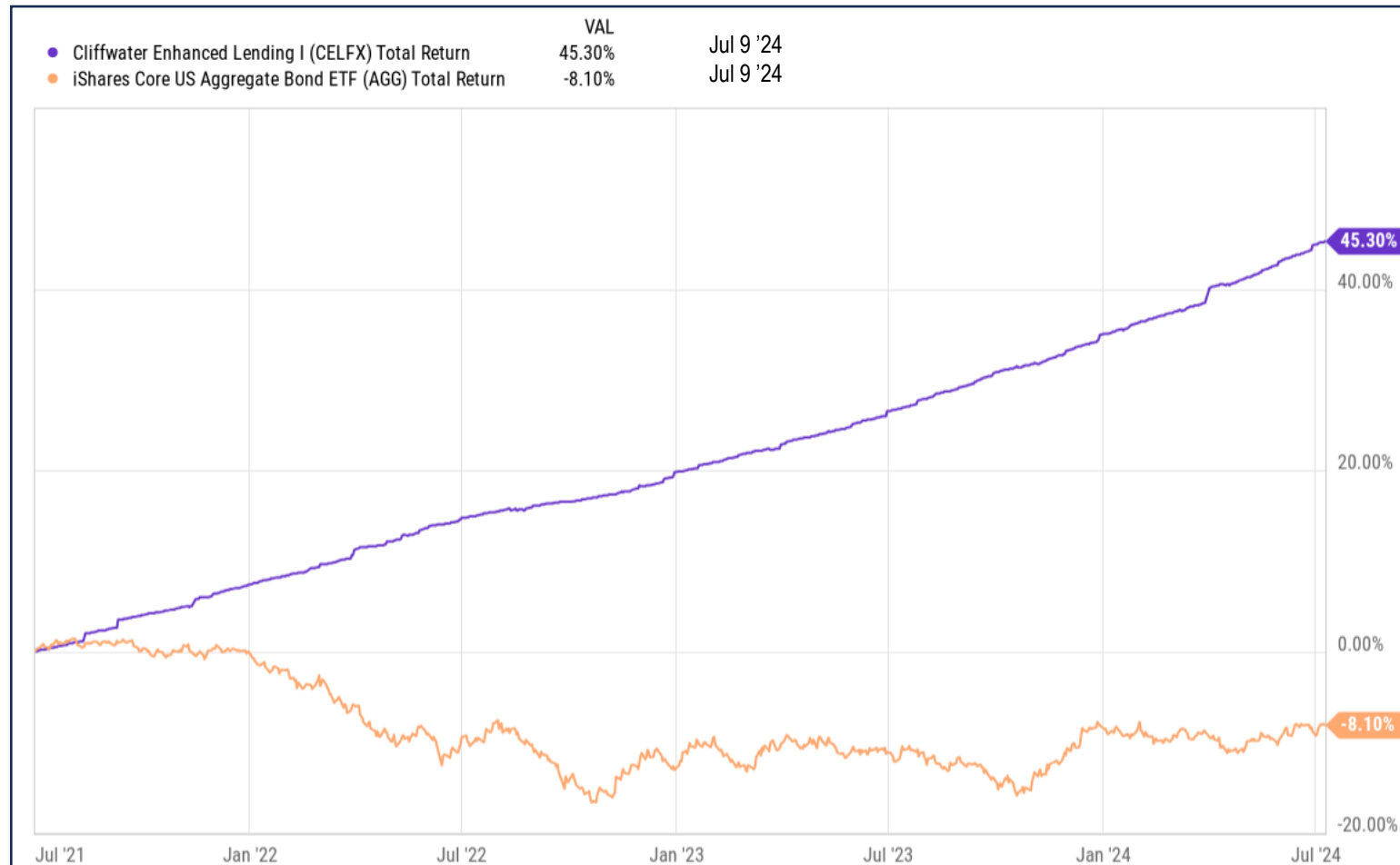
Launches from new firms



Jim Hagedorn, CFA
Founder & Managing Partner



Cliffwater Enhanced Lending



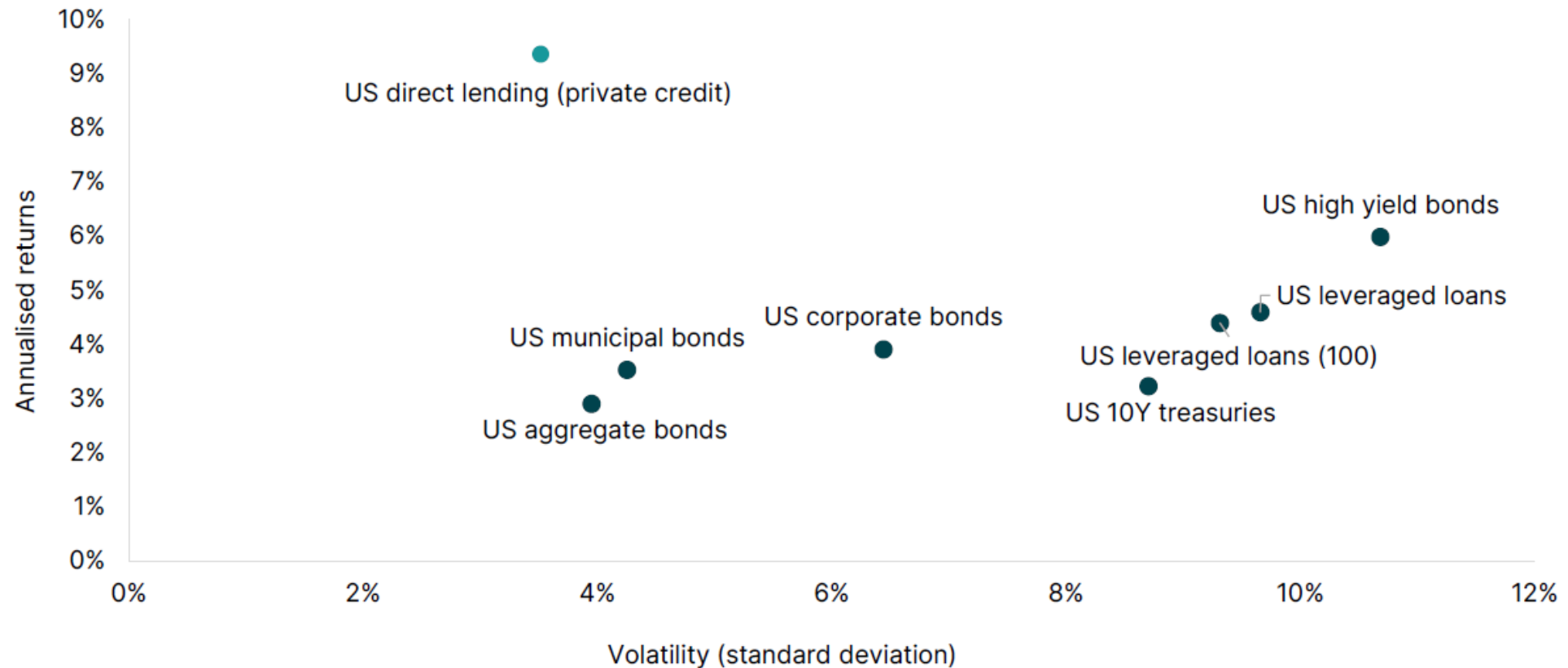
Source: YCharts; **Cliffwater Enhanced** Lending (CELFX) versus the Bloomberg Barclays Bond Index (AGG) since Cliffwater Enhanced's inception Jul 9, 2021



Jim Hagedorn, CFA
Founder & Managing Partner



Fixed Income & Private Credit: Returns/Volatility Matrix



Source: AMG Pantheon



Jim Hagedorn, CFA
Founder & Managing Partner



Private Credit Update

FIGURE 2: Private Credit Performance in Context—Annual Returns of Select Fixed Income Indices, Ranked in Order of Performance

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*
10.2% Private Credit	11.4% Treasuries	58.2% High Yield Bonds	15.8% Private Credit	9.8% Private Credit	15.8% High Yield Bonds	12.7% Private Credit	9.6% Private Credit	5.5% Private Credit	17.1% High Yield Bonds	8.6% Private Credit	8.1% Private Credit	14.3% High Yield Bonds	7.5% Inv. Grade Bonds	12.8% Private Credit	6.5% Private Credit	13.44% High Yield	6.72% Private Credit
8.8% Treasuries	5.2% Inv. Grade Bonds	51.6% Senior Loans	15.1% High Yield Bonds	7.8% Inv. Grade Bonds	14.0% Private Credit	7.4% High Yield Bonds	6.0% Inv. Grade Bonds	1.2% Treasuries	11.2% Private Credit	7.5% High Yield Bonds	1.8% Cash	9.0% Private Credit	7.1% High Yield Bonds	5.3% High Yield Bonds	1.5% Cash	13.29% Senior Loans	2.69% Cash
7.0% Inv. Grade Bonds	1.8% Cash	13.2% Private Credit	10.1% Senior Loans	6.6% Treasuries	9.7% Senior Loans	5.3% Senior Loans	2.6% Treasuries	0.5% Inv. Grade Bonds	10.2% Senior Loans	4.1% Senior Loans	1.4% Treasuries	8.7% Inv. Grade Bonds	5.8% Treasuries	5.2% Senior Loans	-6.3% Senior Loans	12.66% Private Credit	2.44% High Yield
4.8% Cash	-6.5% Private Credit	5.9% Inv. Grade Bonds	6.5% Inv. Grade Bonds	5.0% High Yield Bonds	4.2% Inv. Grade Bonds	0.1% Cash	2.5% High Yield Bonds	0.3% Cash	2.6% Inv. Grade Bonds	3.5% Inv. Grade Bonds	0.4% Senior Loans	8.6% Senior Loans	5.5% Private Credit	0.4% Cash	-7.8% Treasuries	5.53% Inv. Grade Bonds	0.38% Senior Loans
2.1% Senior Loans	-26.2% High Yield Bonds	0.1% Cash	5.3% Treasuries	1.5% Senior Loans	1.7% Treasuries	-1.3% Treasuries	1.6% Senior Loans	-0.7% Senior Loans	1.1% Treasuries	1.1% Treasuries	0.0% Inv. Grade Bonds	5.2% Treasuries	3.1% Senior Loans	-1.5% Inv. Grade Bonds	-11.2% High Yield	5.14% Cash	-0.09% Treasuries
1.9% High Yield Bonds	-29.1% Senior Loans	-1.4% Treasuries	0.1% Cash	0.1% Cash	0.1% Cash	-2.0% Inv. Grade Bonds	0.0% Cash	-4.5% High Yield Bonds	0.3% Cash	0.8% Cash	-2.1% High Yield Bonds	2.2% Cash	0.5% Cash	-1.7% Treasuries	-13.0% Inv. Grade Bonds	4.28% Treasuries	-1.24% Inv. Grade Bonds

Source: Blackstone and Chicago Partners

*data through July 1, 2024



Jim Hagedorn, CFA
Founder & Managing Partner



Volatility Tax Mitigation

Over a 20-year period, **the difference** between the Consistent Investment and the Volatile Investment is **1.7%** per year.

Chicago Partners engineers a smoother investment return through prudent diversification. This smoother (less volatile) return is intended to target a higher ending portfolio value over the long term.

Consistent Investment		
Year	Rate of Return	Ending Value
1	9.8%	\$1,098,000
2	9.8%	\$1,205,604
3	9.8%	\$1,323,753
4	9.8%	\$1,453,481
5	9.8%	\$1,595,922
6	9.8%	\$1,752,323
7	9.8%	\$1,924,050
8	9.8%	\$2,112,607
9	9.8%	\$2,319,643
10	9.8%	\$2,546,967
11	9.8%	\$2,796,570
12	9.8%	\$3,070,634
13	9.8%	\$3,371,556
14	9.8%	\$3,701,969
15	9.8%	\$4,064,762
16	9.8%	\$4,463,108
17	9.8%	\$4,900,493
18	9.8%	\$5,380,741
19	9.8%	\$5,908,054
20	9.8%	\$6,487,043
Arithmetic Return	9.8%	
Compound Return	9.8%	

MSCI All Country World Index		
Year	Rate of Return	Ending Value
2004	15.8%	\$1,158,000
2005	11.4%	\$1,290,012
2006	21.5%	\$1,567,365
2007	12.2%	\$1,758,583
2008	-41.8%	\$1,023,495
2009	35.4%	\$1,385,813
2010	13.2%	\$1,568,740
2011	-6.9%	\$1,460,497
2012	16.8%	\$1,705,860
2013	23.4%	\$2,105,032
2014	4.7%	\$2,203,968
2015	-1.8%	\$2,164,297
2016	8.5%	\$2,348,262
2017	24.6%	\$2,925,934
2018	-8.9%	\$2,665,526
2019	27.3%	\$3,393,215
2020	16.8%	\$3,963,275
2021	19.0%	\$4,716,297
2022	-18.0%	\$3,867,364
2023	22.8%	\$4,749,123
Arithmetic Return	9.8%	
Compound Return	8.1%	

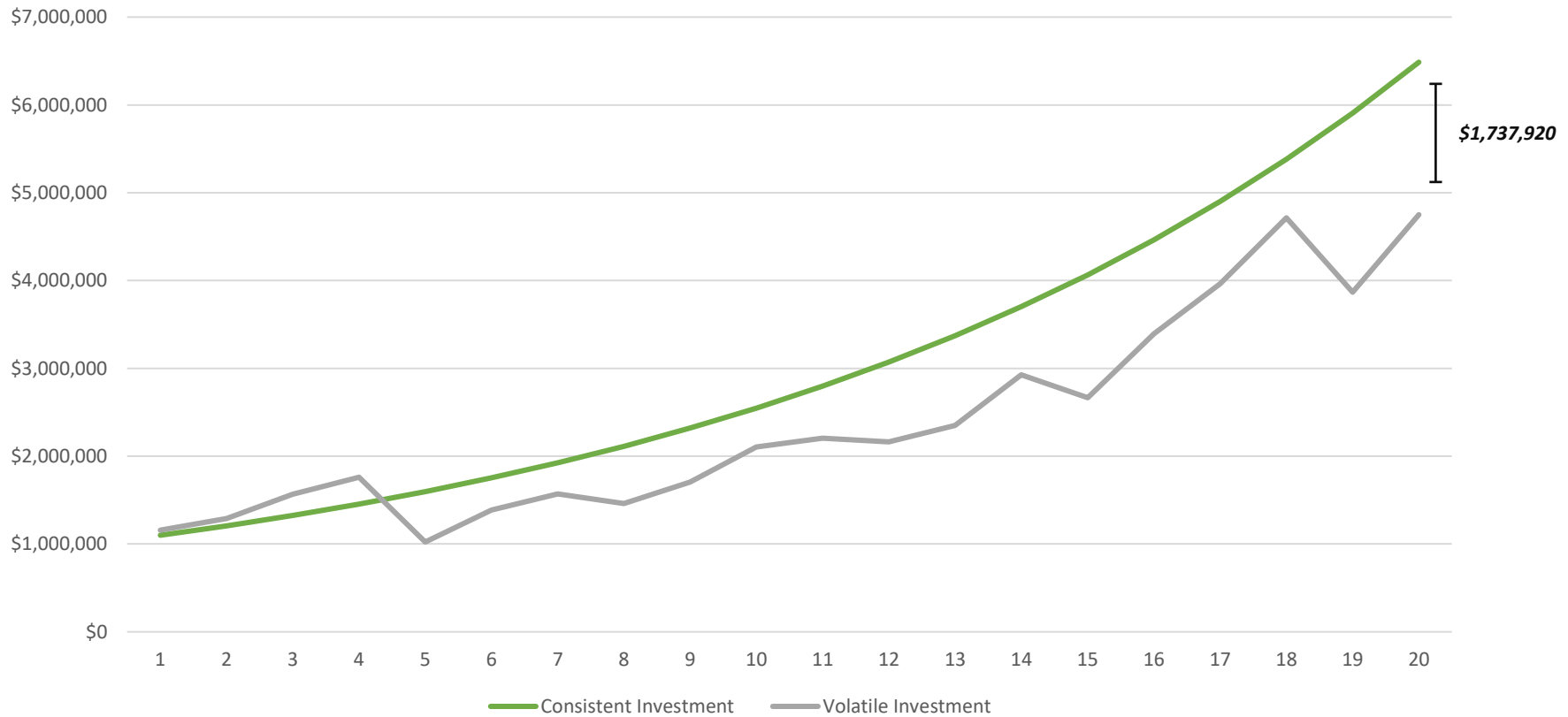


Jim Hagedorn, CFA
Founder & Managing Partner



Volatility Tax Mitigation

Consistent vs. Volatile Returns of \$1,000,000 Investment



Over a 20-year period, **the difference** between the Consistent Investment and the Volatile Investment is **1.7%** per year



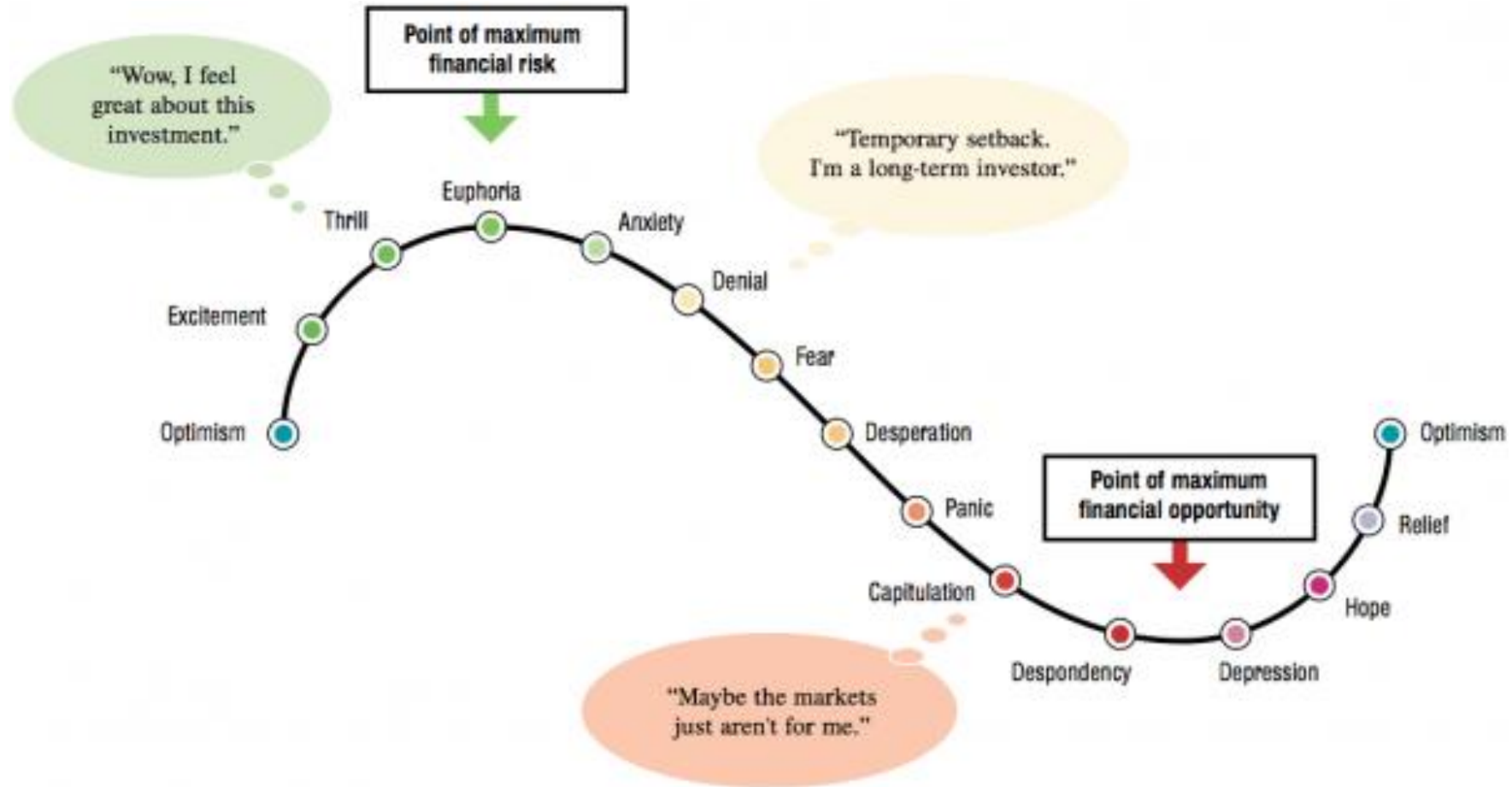
Jim Hagedorn, CFA
Founder & Managing Partner



Client Experience

Investor Psychology & Important Reminders

The 14 Stages of Trading Psychology



Anthony Halpin
Founder & COO



The 14 Stages of Trading Psychology

- 1. OPTIMISM** – It all starts with a hunch or a positive outlook leading us to buy a stock.
- 2. EXCITEMENT** – Things start moving our way and we get giddy inside. We start to anticipate and hope that a possible success story is in the making.
- 3. THRILL** – The market continues to be favorable and we just can't help but start to feel a little "smart." At this point we have complete confidence in our trading system.
- 4. EUPHORIA** – This marks the point of maximum financial risk but also maximum financial gain. Our investments turn into quick and easy profits, so we begin to ignore the basic concept of risk. We now start trading anything that we can get our hands on to make a buck.
- 5. ANXIETY** – Oh no, it's turning around! The markets start to show their first signs of taking your "hard earned" gains back. But having never seen this happen, we still remain ultra greedy and think the long-term trend is higher.
- 6. DENIAL** – The markets don't turn as quickly as we had hoped. There must be something wrong we think to ourselves. Our "long-term" view now shortens to a near-term hope of an improvement.
- 7. FEAR** – Reality sets in that we are not as smart as we once thought. Instead of being confident in our trading we become confused. At this point we should get out with a small profit and move on but we don't for some stupid reason.
- 8. DESPERATION** – All gains have been lost at this point. We had our chance to profit and missed it. Not knowing how to act, we attempt to do anything that will bring our positions back into the black.
- 9. PANIC** – The most emotional period by far. We are clueless and helpless. At this stage we feel like we are at the mercy of the market and have absolutely no control.
- 10. CAPITULATION** – We have reached our breaking point and sell our positions at any price. So long as we can get out of the market to avoid bigger losses we are content.
- 11. DESPONDENCY** – After exiting the markets we do not want to buy stocks ever again. The markets are not for us and should be avoided like the plague. However, this rare point marks the point of maximum financial opportunity.
- 12. DEPRESSION** – We drink, cry and/or pray. How could we have been so dumb we think to ourselves. Some start to correctly look back and analyze what went wrong. Real traders are born here, learning from past mistakes.
- 13. HOPE** – We can still do this! Eventually we come to the realization that the market actually does have cycles (shocking). We begin to start analyzing new opportunities.
- 14. RELIEF** – The markets are turning positive again and we see our prior investment come back around. We regain our faith (although small) in our ability to invest our money. The cycle start all over again!



Anthony Halpin
Founder & COO



Estate Planning Checklist

- ✓ Review and update **Beneficiary Designations**.
- ✓ Understand **Inherited Retirement Account** rules.
- ✓ Create and update **Estate Planning Documents** including wills, trusts, power of attorney, and health care directives.
- ✓ Communicate your plan to **Beneficiaries and Professional Advisors**.
- ✓ Review your estate plan **Annually and After Major Life Changes**.



Anthony Halpin
Founder & COO



PwC Corner

- ✓ Reach out to your advisor when you have final **year-end distribution** information so we can:
 - Update your financial plan
 - Help with any potential elections that need to be made



Anthony Halpin
Founder & COO




Client Access

Client Portals & Login Information

Client Access

← ↻ 🔒 https://chicagopartnersllc.com 🔍 ☆ 🔄 📄 🗖 🌐

 CHICAGO PARTNERS | WEALTH ADVISORS

Wealth Management Services ▾ Who We Serve ▾ Insights About ▾ **Client Login** [Schedule a Call >](#)

Relentlessly Focused on Delivering Wealth Management Excellence.

*We are **your fiduciary** - always acting in **your best interest** first.*

*We are **your advocate** - actively working to help your portfolio generate exceptional, consistent, net compounded returns.*

[Schedule a Call >](#) **Client Portal Login**



Anthony Halpin
Founder & COO



Custodian Login

Custodian Login

Chicago Partners works with **Charles Schwab and Fidelity**.

These institutions serve as custodians for your money and allow Chicago Partners to manage the funds without ever taking custody of your accounts.

charles
SCHWAB

Log into Charles Schwab >

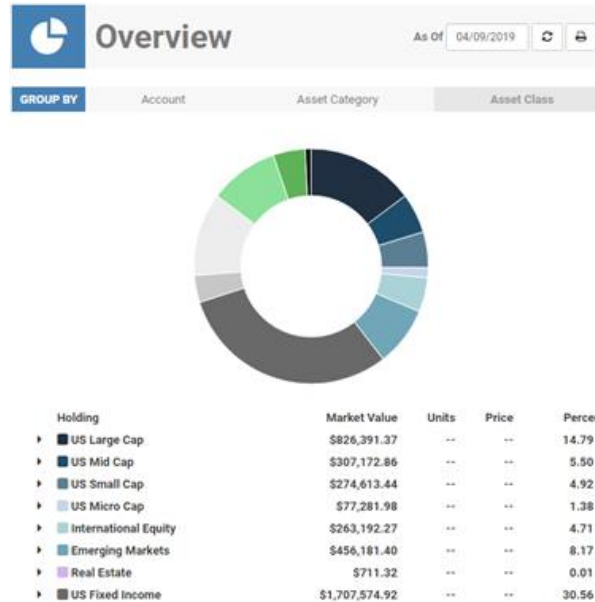


Log into Fidelity >



Anthony Halpin
Founder & COO

The Chicago Partners Client Portal & Mobile App



- **Connect to your portal from anywhere** - your desktop, laptop, or your mobile phone.
- Enhanced Performance Reporting
- **Access your reports and account statements** digitally in one location



Anthony Halpin
Founder & COO

The Chicago Partners Client Portal & Mobile App

CHICAGO PARTNERS | WEALTH ADVISORS Contact my Advisor

ACCOUNTS

- Investment \$4,707,313

Managed Accounts Custom Range 01/01/2023 - 12/31/2023

Last updated: 01/10/2024 at 4:55 PM

Summary Performance Positions

MARKET VALUE AS OF 12/31/2023
\$4,724,237.67

RETURN
17.03%

Transaction Summary

Beginning Market Value	\$4,274,624.23
Net Dividends / Interest	\$206,224.25
Distributions	-\$276,190.40
Transactions	\$20,435.49
Market Value Change	\$499,144.10
Ending Market Value	\$4,724,237.67

Portfolio Value vs Net Amount Invested

Asset Category Allocation

ASSET CATEGORY	MARKET VALUE	ALLOCATION
Equity	\$3,500,000	74%
Fixed Income	\$1,000,000	21%
Alternatives	\$100,000	2%
Cash	\$124,237.67	3%

Asset Class Allocation

ASSET CLASS	MARKET VALUE	ALLOCATION
Large Cap	\$2,500,000	53%
Mid Cap	\$1,000,000	21%
Small Cap	\$100,000	2%
International	\$100,000	2%
Real Estate	\$100,000	2%
Commodities	\$100,000	2%
Art	\$100,000	2%
Cash	\$124,237.67	3%

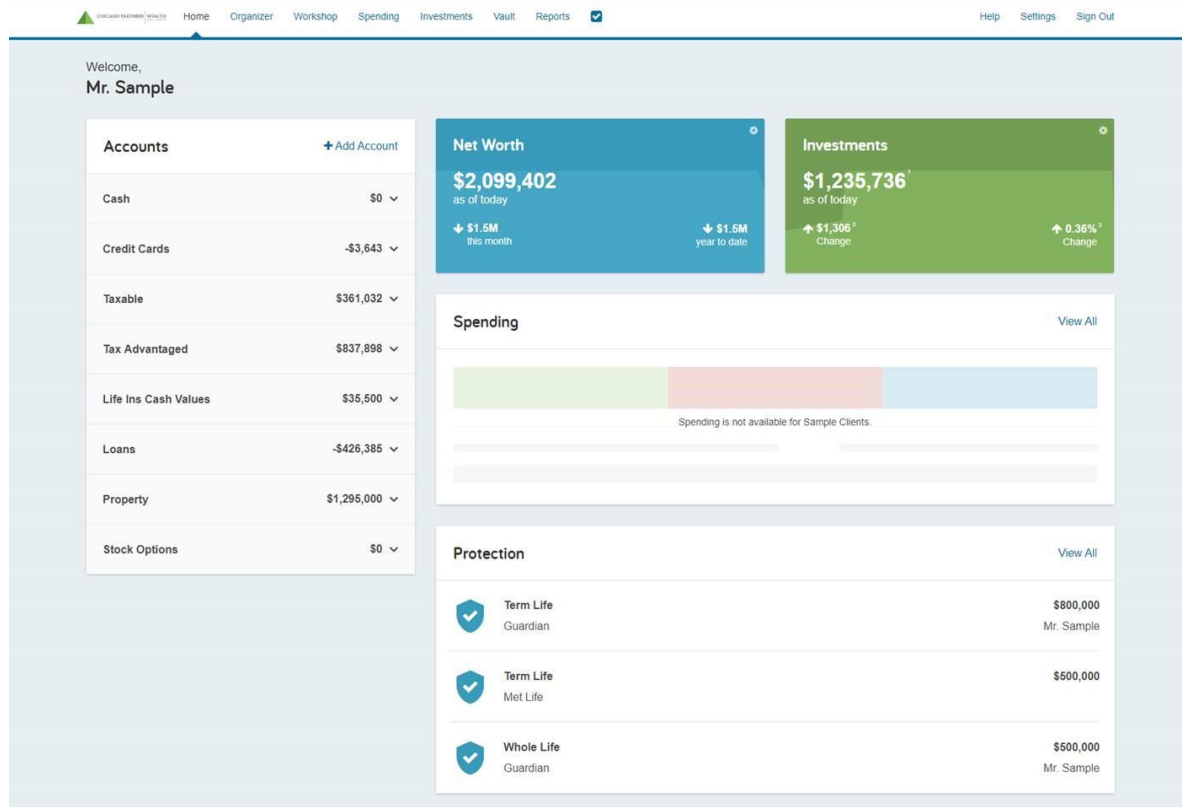
[+ Add Account](#)



Anthony Halpin
Founder & COO



Wealth Management System (WMS)



- Your WMS account provides a **global overview** of your balance sheet.
- Planning for Success
- Common **Scenario Analysis**
 - Large Purchases
 - “What if?”
 - Annual Expense Review



Anthony Halpin
Founder & COO



New Series: Webinars for Young Investors

Is there a young professional or young investor you know that could really use some help getting their finances together?

Our Wealth Advisors have started a webinar series aimed to prepare young investors for a lifetime of financial success. The details are below:

When: Thursday, August 1st

Where: Zoom

Who: Young Investors (Ages 18 – 29)



Scan here to invite someone to the *Webinars for Young Investors* series



Nicole Polanco, CFP®
Senior Wealth Advisor



Q&A

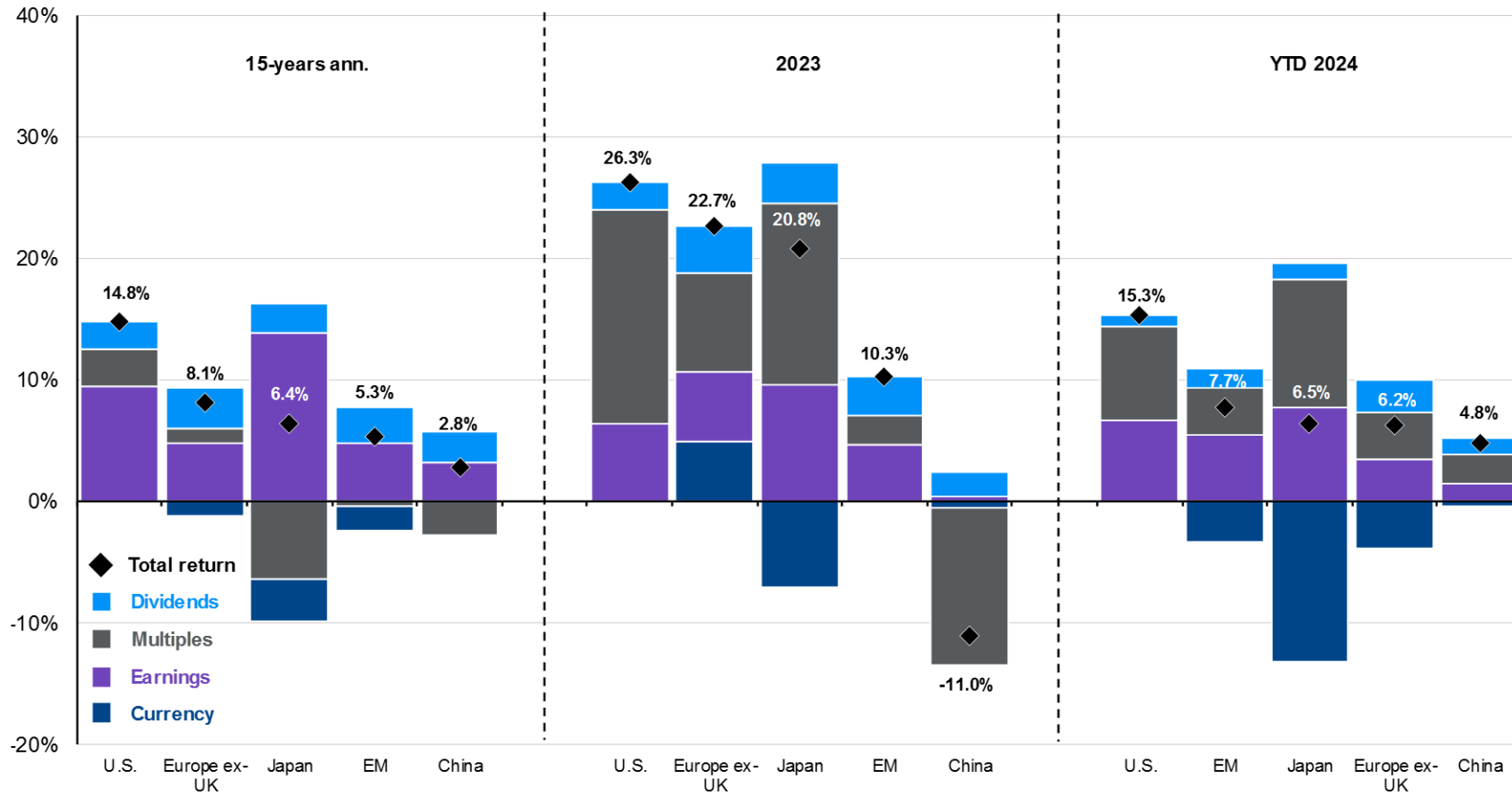
Thank you for attending!

Client Question: Is Chicago Partners still comfortable having a lower allocation to international and emerging markets?

Global Equity Return Composition

Sources of global equity returns*

Total return, USD



Source: JP Morgan "Guide to the Markets"



Jim Hagedorn, CFA
 Founder & Managing Partner

Accredited Investors

- **To achieve accredited investor status, you must meet one of the following requirements:**
 - Individual or joint net worth of at least **\$1 million**, not including the value of your primary residence
 - Individual annual income of **\$200,000** or joint annual income of **\$300,000**
 - Must meet the income requirements for two years before applying for accredited investor status, and must also prove that the income is likely to continue
 - Hold a FINRA Series 7, Series 65, or Series 82 license in good standing
- The goal is to ensure accredited investors don't qualify based on their assets alone, but instead that they also have the knowledge to manage the investment and can avoid the risk of losing their net worth.

Important Disclosure Information

The previous presentation by Chicago Partners Investment Group LLC (“CP”) was intended for general information purposes only. No portion of the presentation serves as the receipt of, or as a substitute for, personalized investment advice from CP or any other investment professional of your choosing. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy, or any non-investment related or planning services, discussion or content, will be profitable, be suitable for your portfolio or individual situation, or prove successful. Neither CP’s investment adviser registration status, nor any amount of prior experience or success, should be construed that a certain level of results or satisfaction will be achieved if CP is engaged, or continues to be engaged, to provide investment advisory services. CP is neither a law firm nor accounting firm, and no portion of its services should be construed as legal or accounting advice. No portion of the video content should be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if CP is engaged, or continues to be engaged, to provide investment advisory services. A copy of CP’s current written disclosure Brochure discussing our advisory services and fees is available upon request or at www.chicagopartnersllc.com.