OneAscent INVESTMENTS

OneAscent Market Update: Q4 2025

October 21st, 2025

Today's Speakers

Cole Pearson

- President, Investment Solutions
- CFA Level III Candidate
- Previously a Senior Investment Associate for Eventide Asset Management
- B.A., International Finance, University of Alabama

Nathan Willis

CFA®, CAIA

- Director of Portfolio Strategy, Senior Portfolio Manager
- Previously CIO of Greenhawk Corporation, a family investment office
- 30 + years of investing experience
- B.S., Taylor University

Peter Klingelhofer

CFA®, CKA®

- Director of Research, Senior Portfolio Manager
- Previously CIO of Wealthstone Investments and managing director at Hamilton Capital
- 27+ years of investing experience
- BA, Washington and Lee University

Please submit your questions to:

info@oneascent.com

Upcoming Events

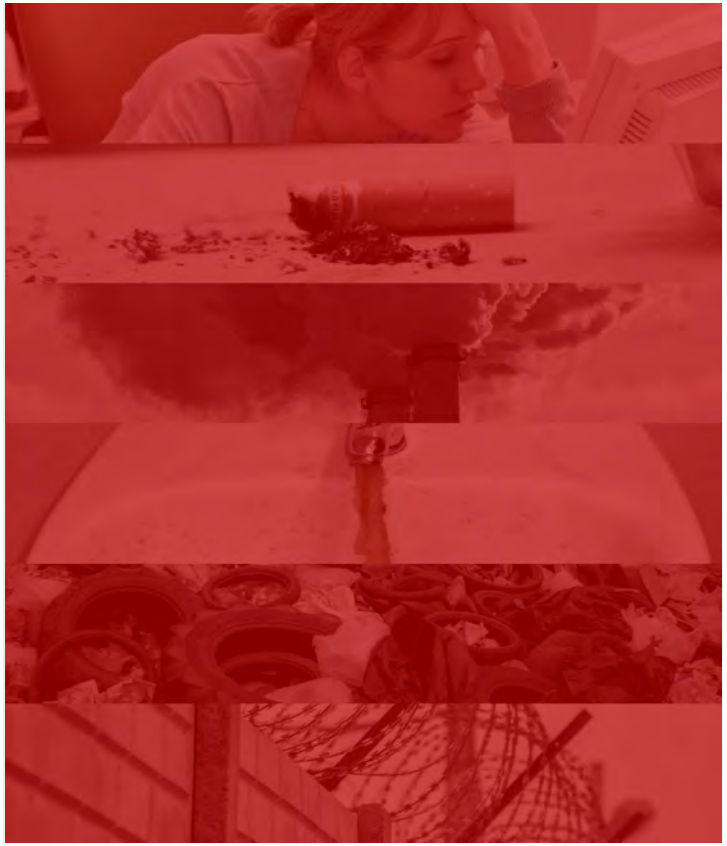
Q1 – January 20th, 2026

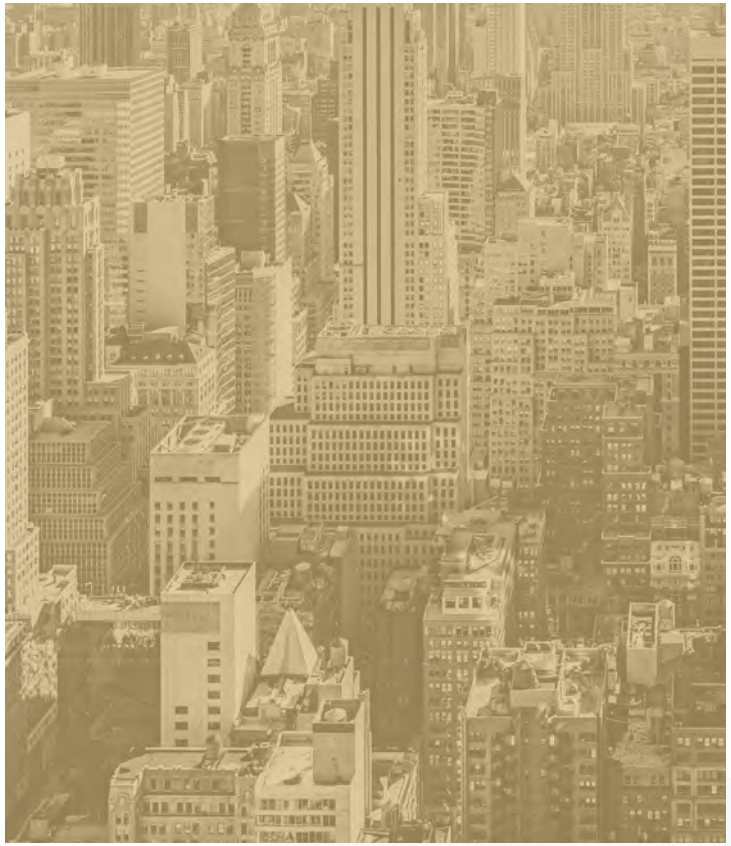
Values-Based Investing noun

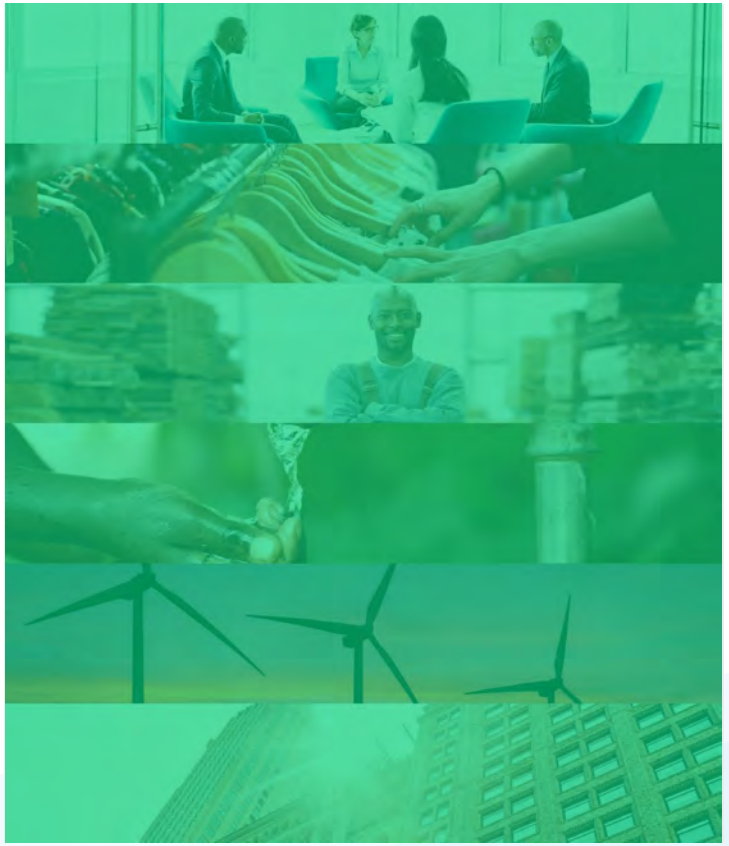
val·ues-based in·vest·ing (ˈvalyo͞os bāst inˈvesting)

deploying financial resources, in a manner that aligns with a set of values or convictions, to accomplish a financial return

Our Approach to Values-Based Investing

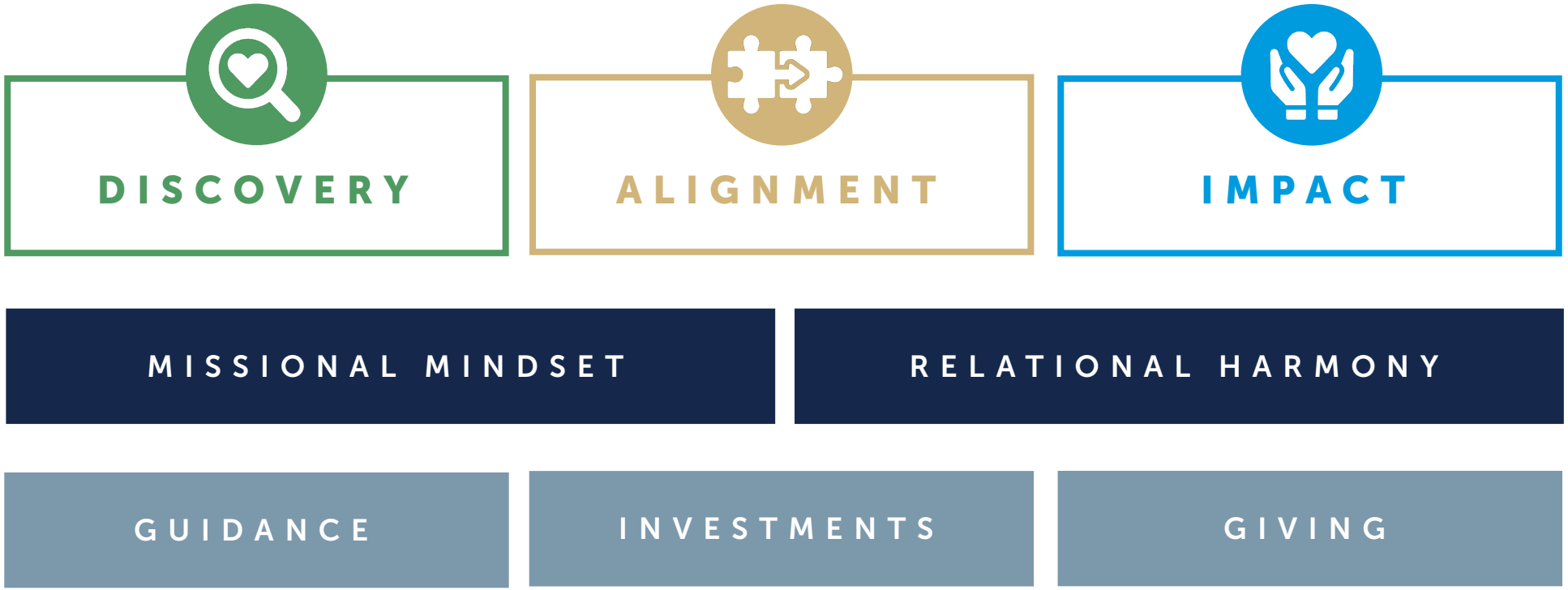






The Values-Aligned Journey™

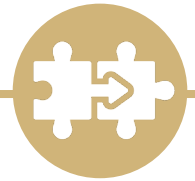
The Values-Aligned Journey™ meets you at the crossroads of life and money. Allowing you to learn about your deepest-held convictions, align them with your planning and investing, and then choose giving strategies that maximize joy and impact.



The Values-Aligned Journey™

DISCOVERY

Understanding the Whole Picture



ALIGNMENT

Creating the Roadmap

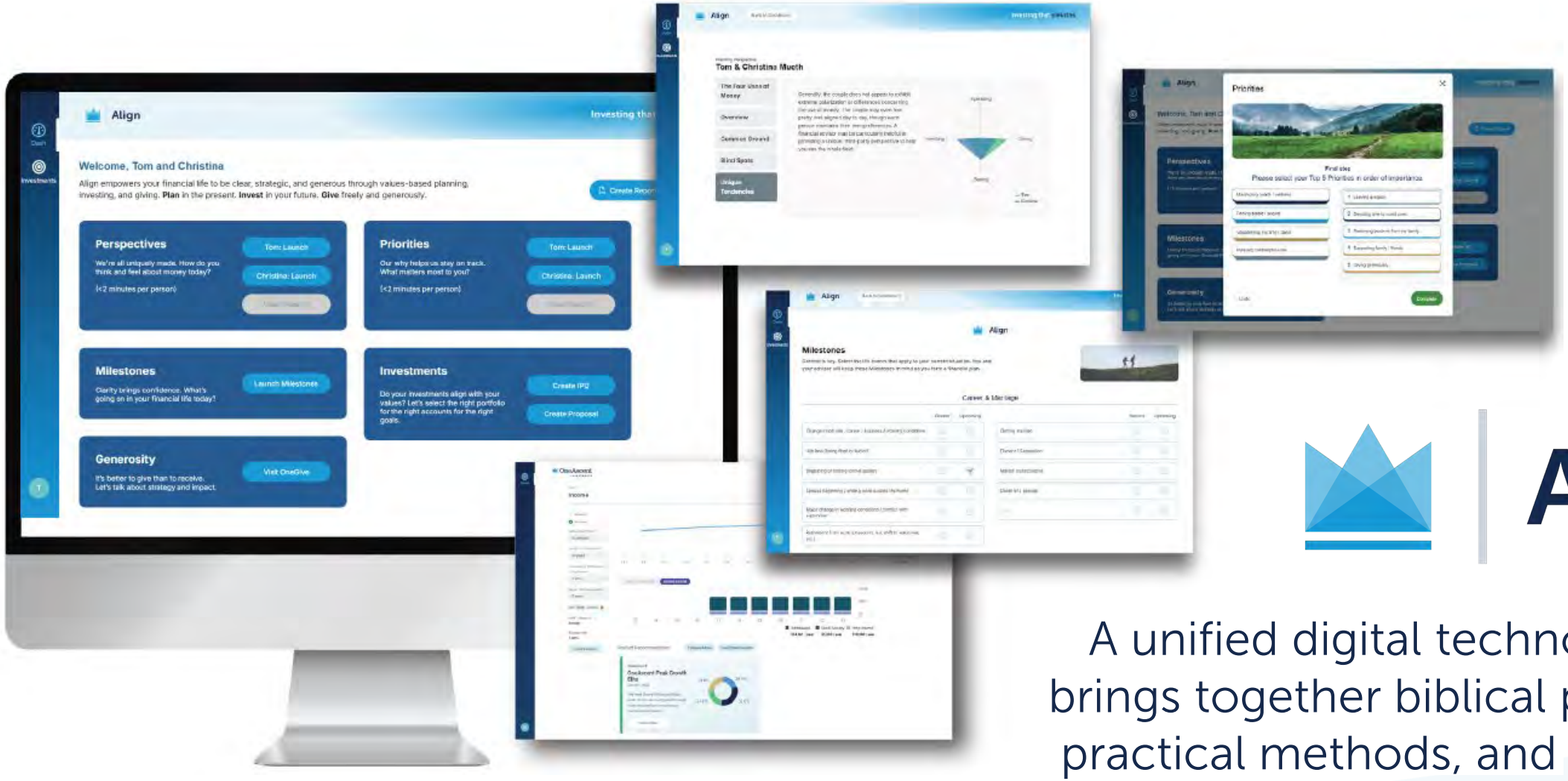
IMPACT

Measuring What Matters

	DISCOVERY	ALIGNMENT	IMPACT
GUIDANCE	Perspectives, Priorities, Milestones	Financial Planning	Discovery Update, Alignment Update
INVESTMENTS	Risk Tolerance, VBI Audit	Account Opening, Portfolio Selection	Client Reporting, Elevate Stories
GIVING	Perspectives, Priorities	OneGive DAF Setup	OneGive Reporting

MISSIONAL MINDSET

RELATIONAL HARMONY

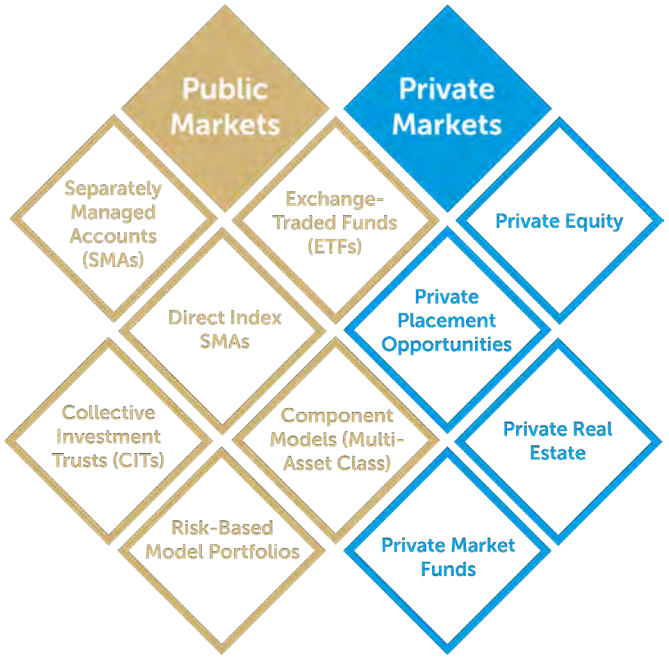


Align

A unified digital technology that brings together biblical principles, practical methods, and advanced tools that empower advisors and stewards to deploy faith-aligned guidance, investing, and giving.

Your Partner in Values-Alignment

SOLUTIONS



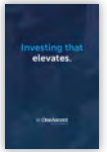
We offer a comprehensive suite of solutions to help you **align your investments with your values** – whether that be in public markets, private markets, or through strategic giving.

TOOLS

Align Platform

INSIGHTS

Screening Summaries



Booklets

Navigator Outlooks

Fact Sheets

Elevate Stories

Strategy Overviews

Market Commentary

Whitepapers

Webinars

Allocation Committee Update & Outlook

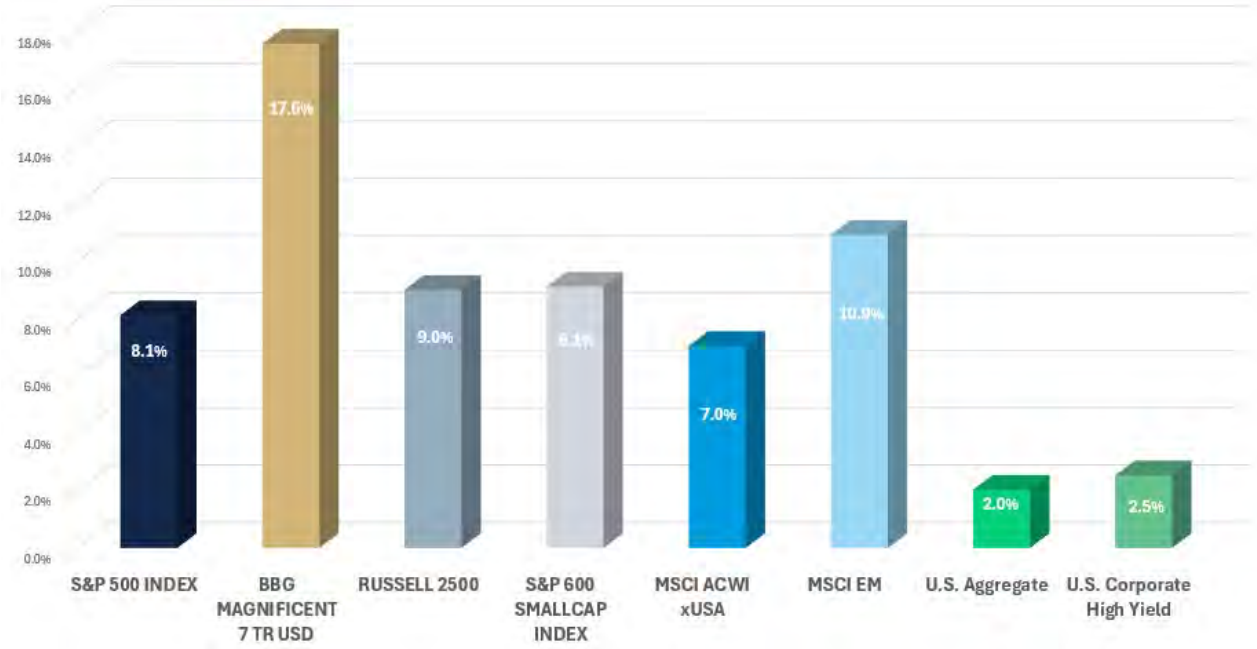
Peter Klingelhofer, CFA®, CKA®
Director of Research, Senior Portfolio Manager
OneAscent Investments

Nathan Willis, CFA®, CAIA
Director of Portfolio Strategy, Senior Portfolio Manager
OneAscent Investments

Third Quarter 2025 Portfolio Discussion

- **Review** of markets in Q3
- Navigator **process** and investment **outlook**
- “What **actions** should I take in my portfolio?”

Third Quarter Investment Returns

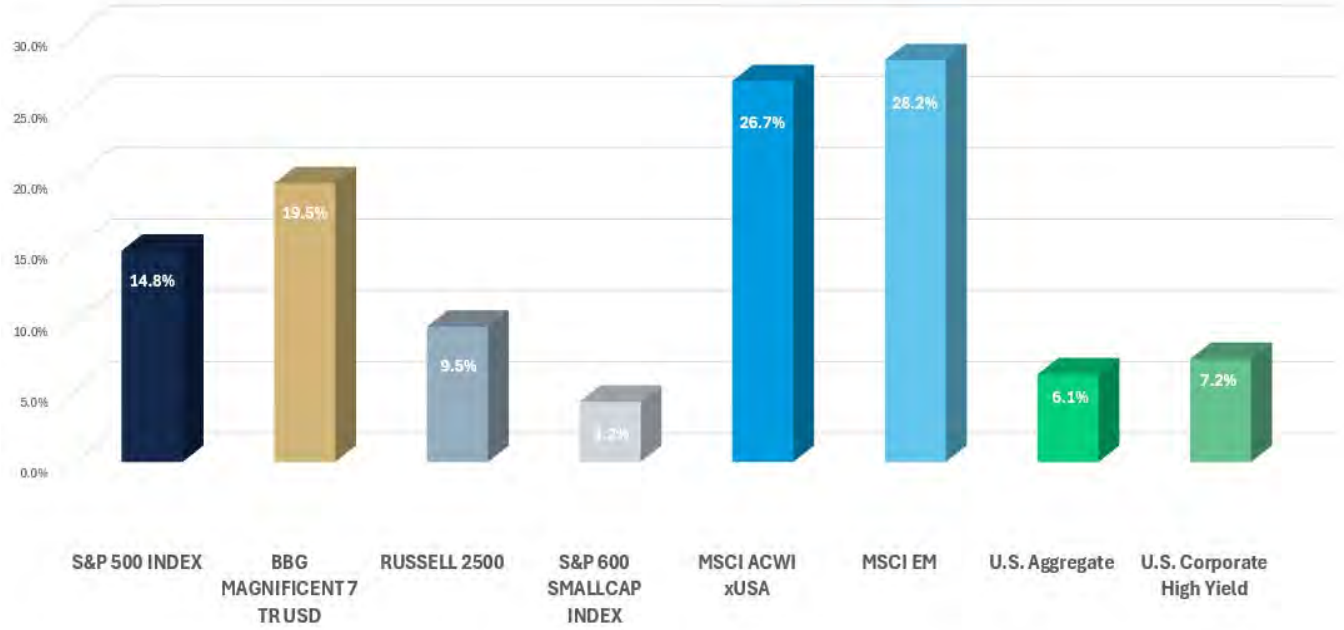


Third quarter returns continued the risk-on trend since April:

- All market segments delivered positive returns
- Growth and technology continued their dominance
- Emerging markets showed strength
- Bonds posted positive returns due to lower rates

Source: Bloomberg,

Year-to-Date Investment Returns



- International and emerging equities still exhibiting strong relative performance
- Mid and small cap stocks continue to lag
- Mag-7 catching up with international markets on a YTD basis
- Bonds have delivered healthy returns

Source: Bloomberg

Profitless Tech index more than doubled in the 3rd Quarter

TECHNICAL

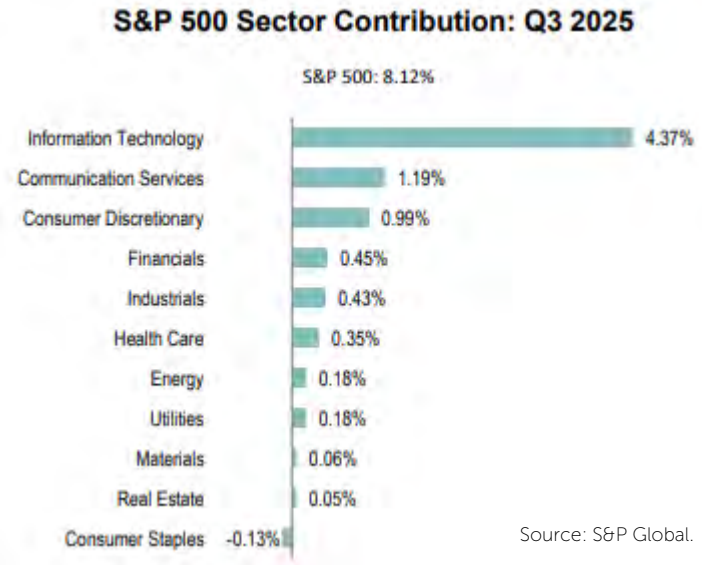
AI mania is driving speculation in profitless tech companies.

Source: Bloomberg.

Third Quarter review: Factors and Sectors

INDEX	1M	QTD	YTD
Factor-Based Equity			
S&P 500 High Beta	4.96%	12.95%	24.83%
S&P 500 Growth	5.30%	9.80%	19.53%
Dow Jones U.S. Select Dividend	1.10%	8.09%	11.50%
S&P 500 Momentum	4.22%	7.87%	28.35%
S&P 500 Value	1.76%	6.20%	9.68%
S&P 500 Enhanced Value	0.94%	6.14%	13.70%
S&P 500 Low Volatility High Dividend	0.41%	5.22%	5.55%
S&P 500 Equal Weight	1.11%	4.84%	9.90%
S&P High Yield Dividend Aristocrats	-0.18%	3.93%	8.49%
S&P 500 Quality	1.63%	3.05%	10.39%
S&P 500 Dividend Aristocrats	-1.07%	2.97%	5.46%
S&P 500 Low Volatility	0.21%	1.47%	6.69%

Source: S&P Global.



Source: S&P Global.

S&P 500 Factor Commentary

- U.S. equities continued their winning streak in September, with the S&P 500® up for the fifth month in a row. 14 of 17 of our reported factor indices underperformed the U.S. bellwether for the month.
- The S&P 500 High Beta Index completed its sixth consecutive month of outperformance, continuing as the only S&P 500 factor on our list with a multi-month period of outperformance.

Source: S&P Global.

- Factor returns: High Beta and Growth were clear standouts; Quality and Dividends Aristocrats lagged
- Tech, Comm. Services and Discretionary led in a repeat from Q2
- Energy, Utilities, Materials, Real Estate and Staples – safety at the bottom

Navigator Outlook: October 2025

VALUATION

ECONOMY

SENTIMENT

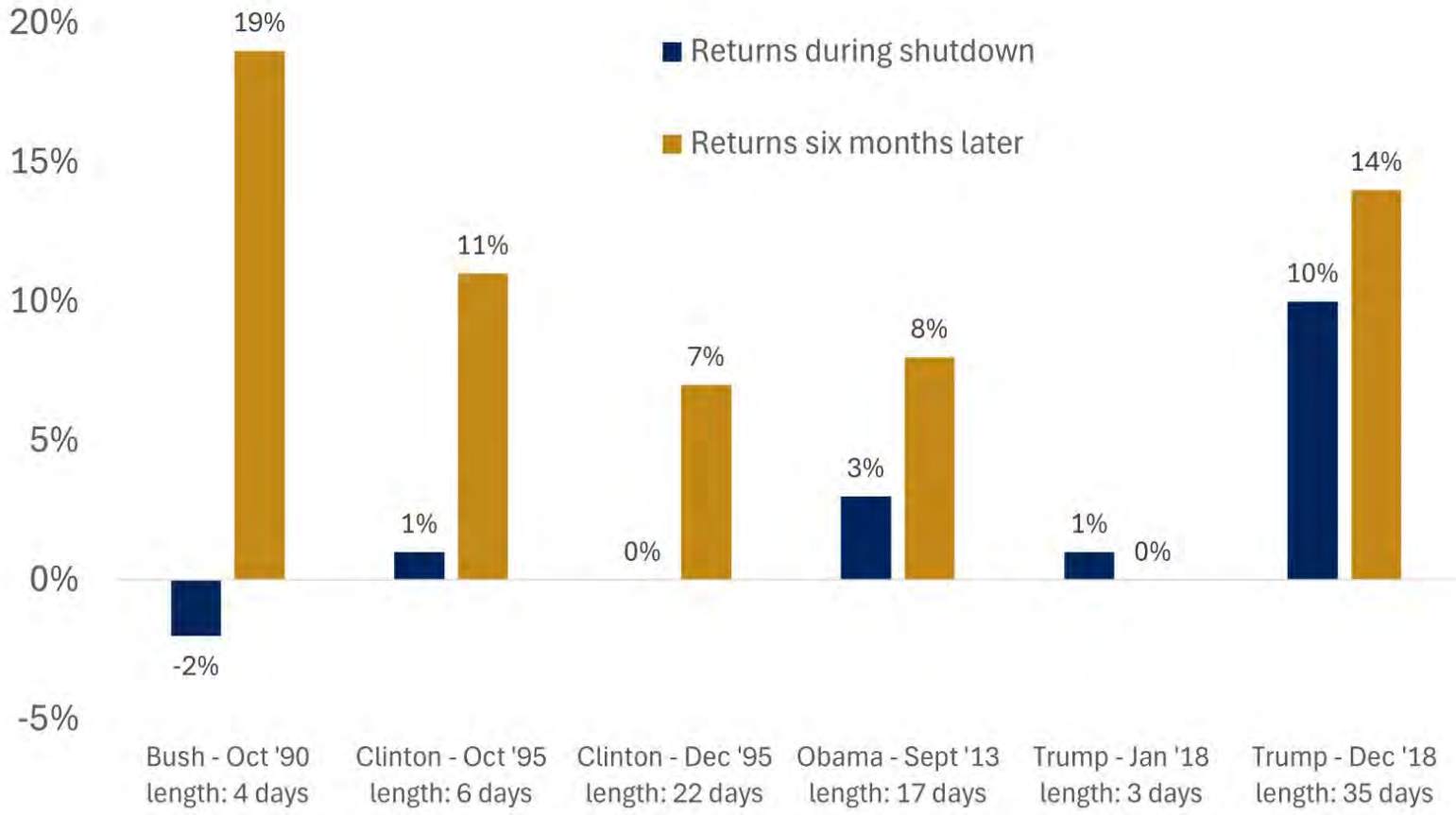
TECHNICAL

The statements contained in this presentation are the opinions of OneAscent Investment Solutions, LLC and data available at the time of publication, and is not intended to be a forecast or guarantee of future events or results. It contains information from third-party sources believed to be reliable but are not guaranteed as to accuracy and not intended to be all inclusive.

While the stakes are high, history suggests decent returns following the shutdown

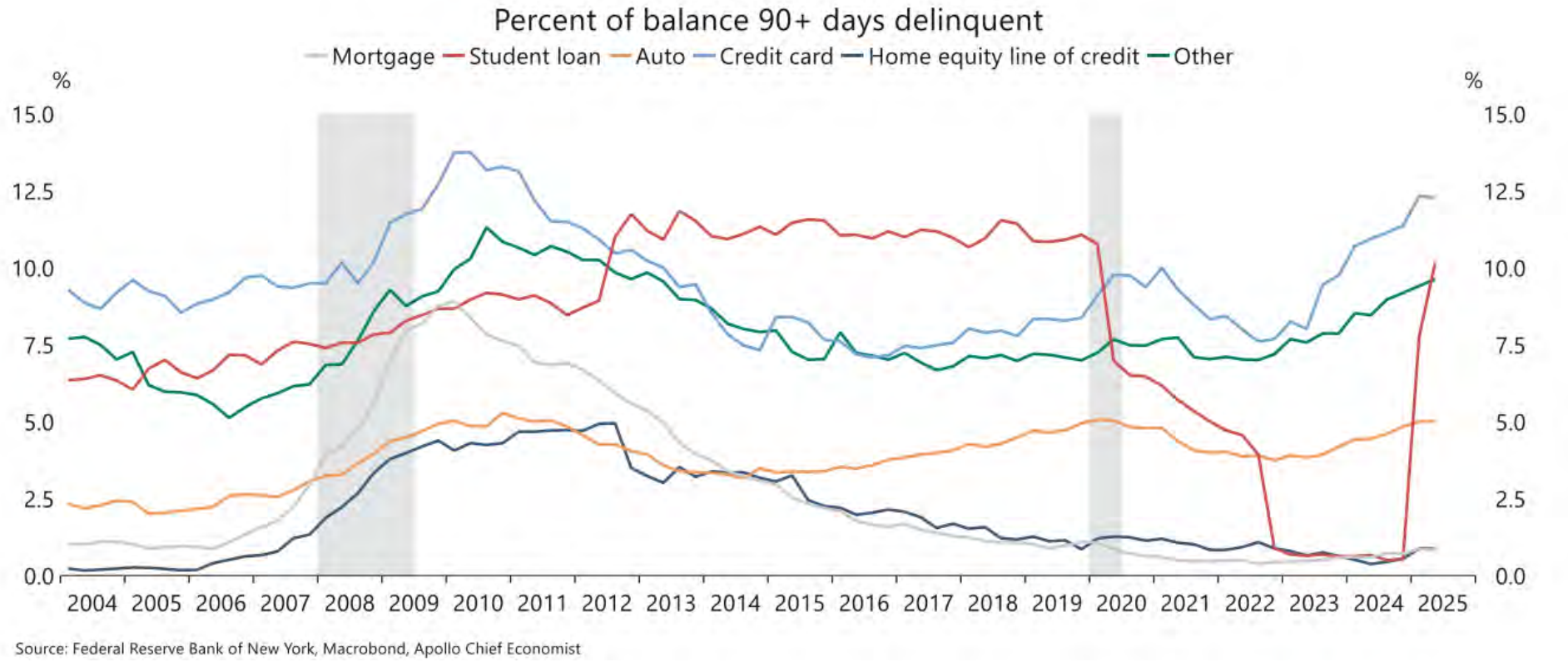
TECHNICAL

S&P 500 performance during and after recent government shutdowns



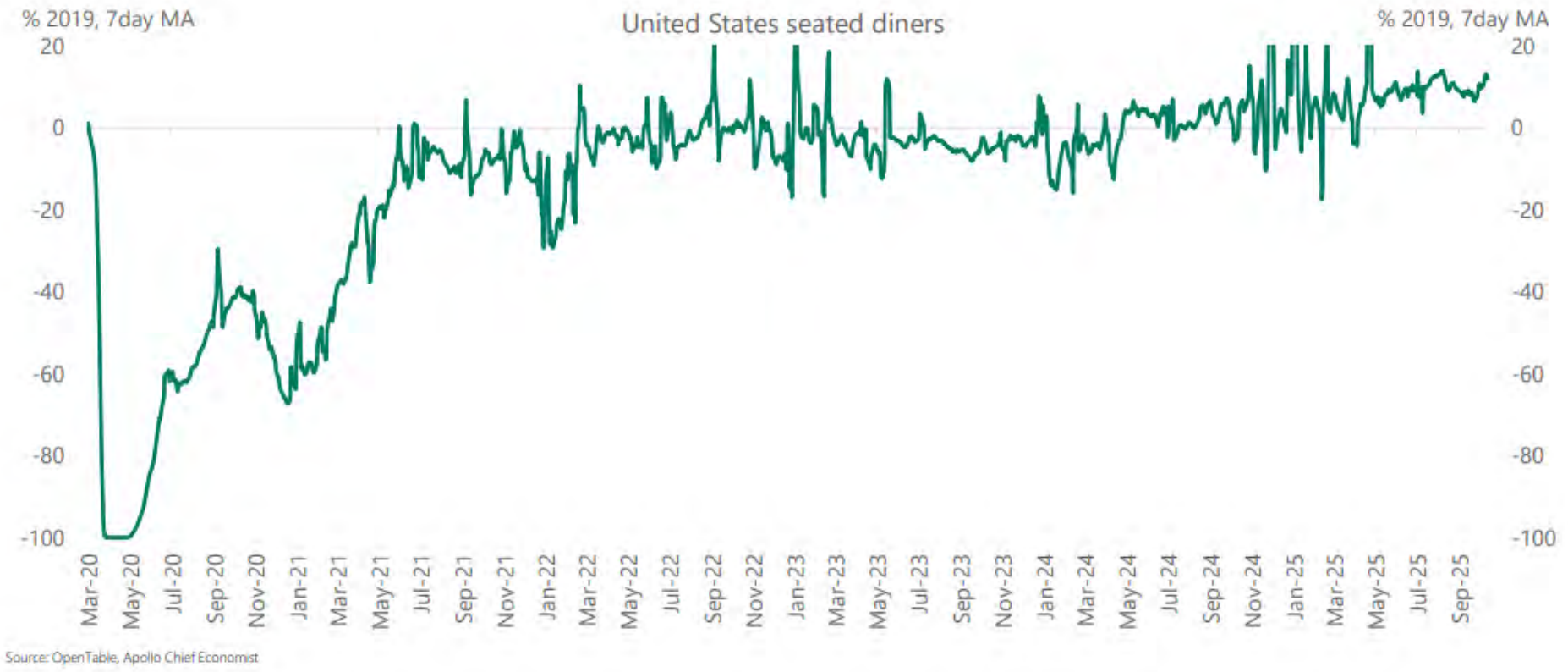
Source: Bloomberg, Edward Jones Weekly Stock Market Update | Edward Jones

Auto and Credit Card delinquencies highlight potential economic weakness



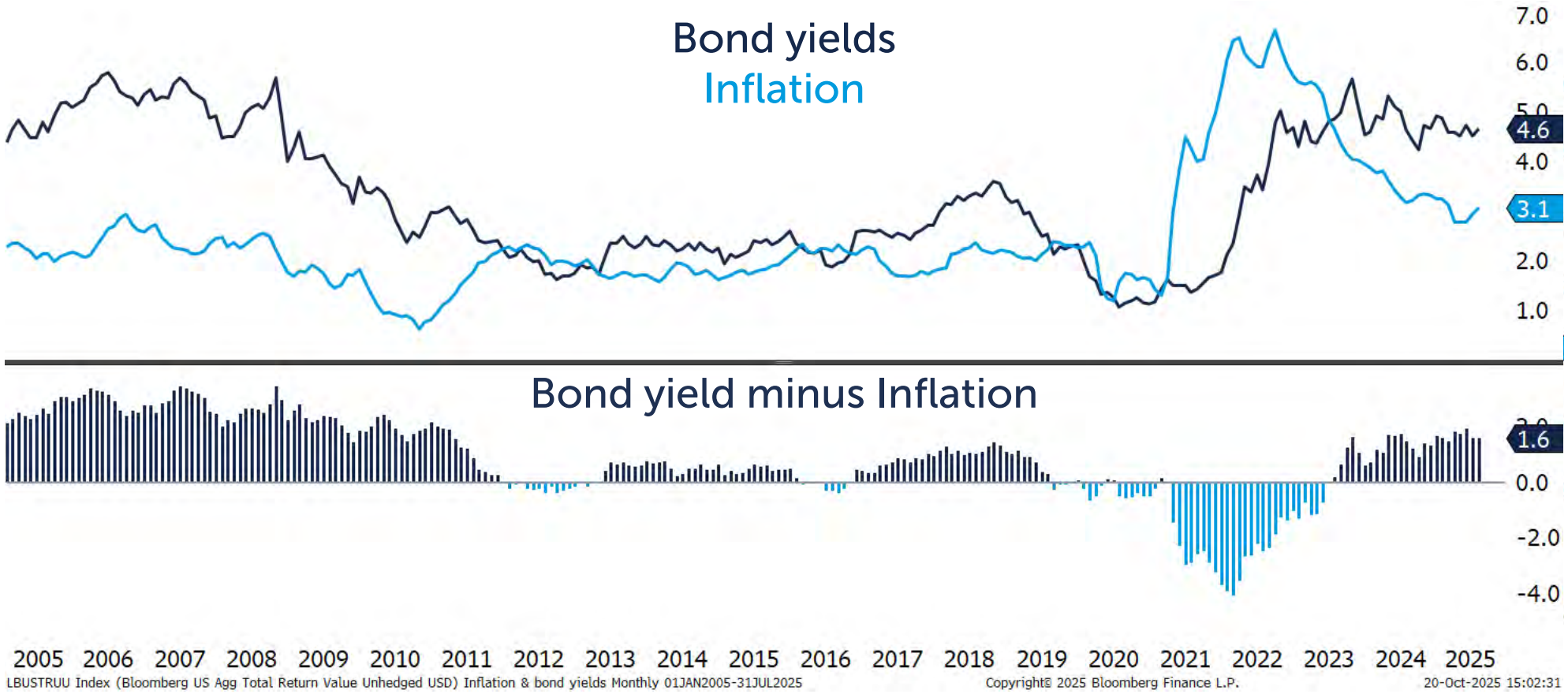
Source: Federal Reserve Bank of New York, Macrobond, Apollo Chief Economist

In a "K-shaped" economy, the high-end consumer is spending



Bond yields remain attractive relative to inflation

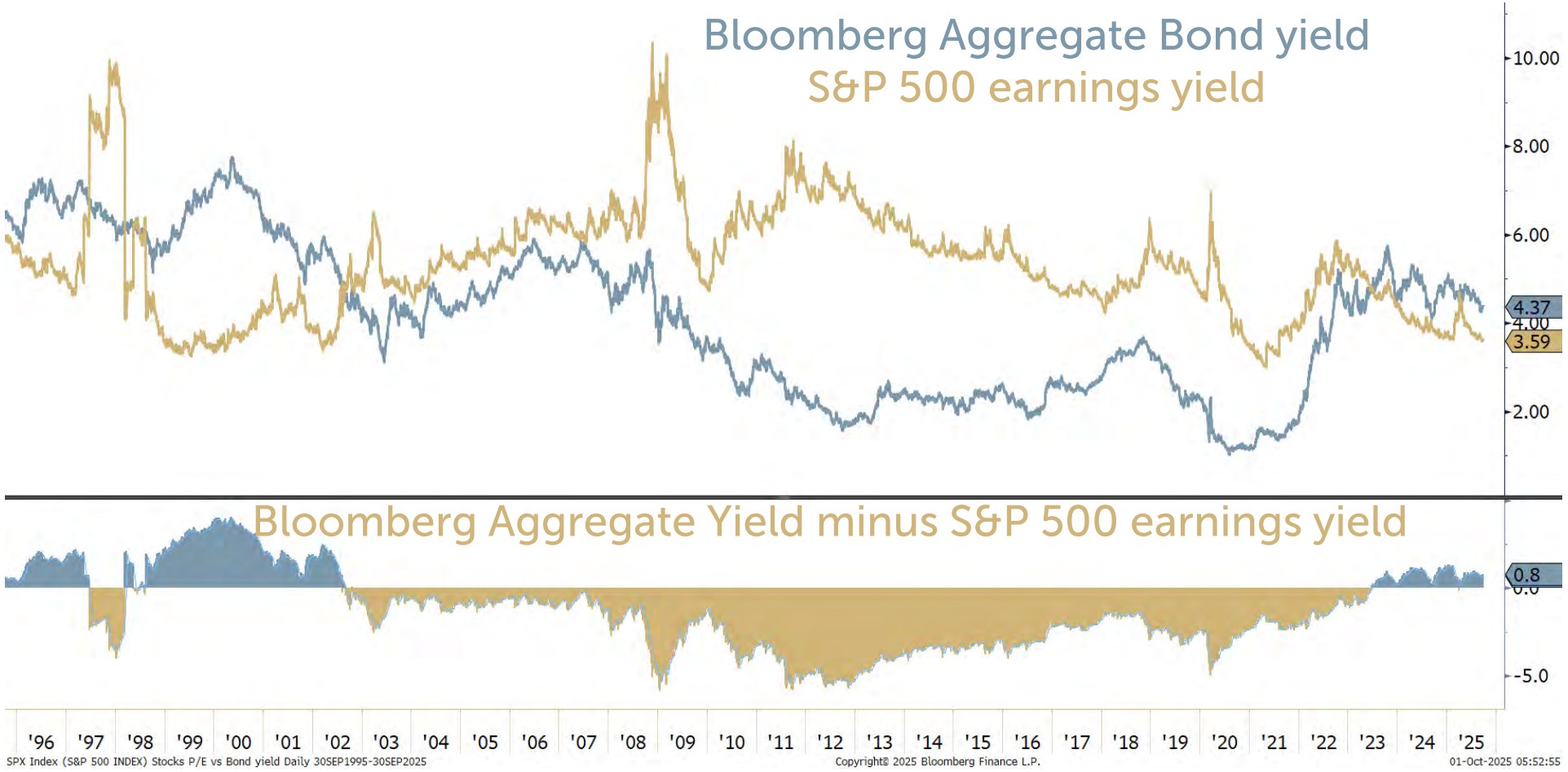
VALUATION



Source: Bloomberg (Bloomberg Aggregate Bond Yield, CPI YOY)

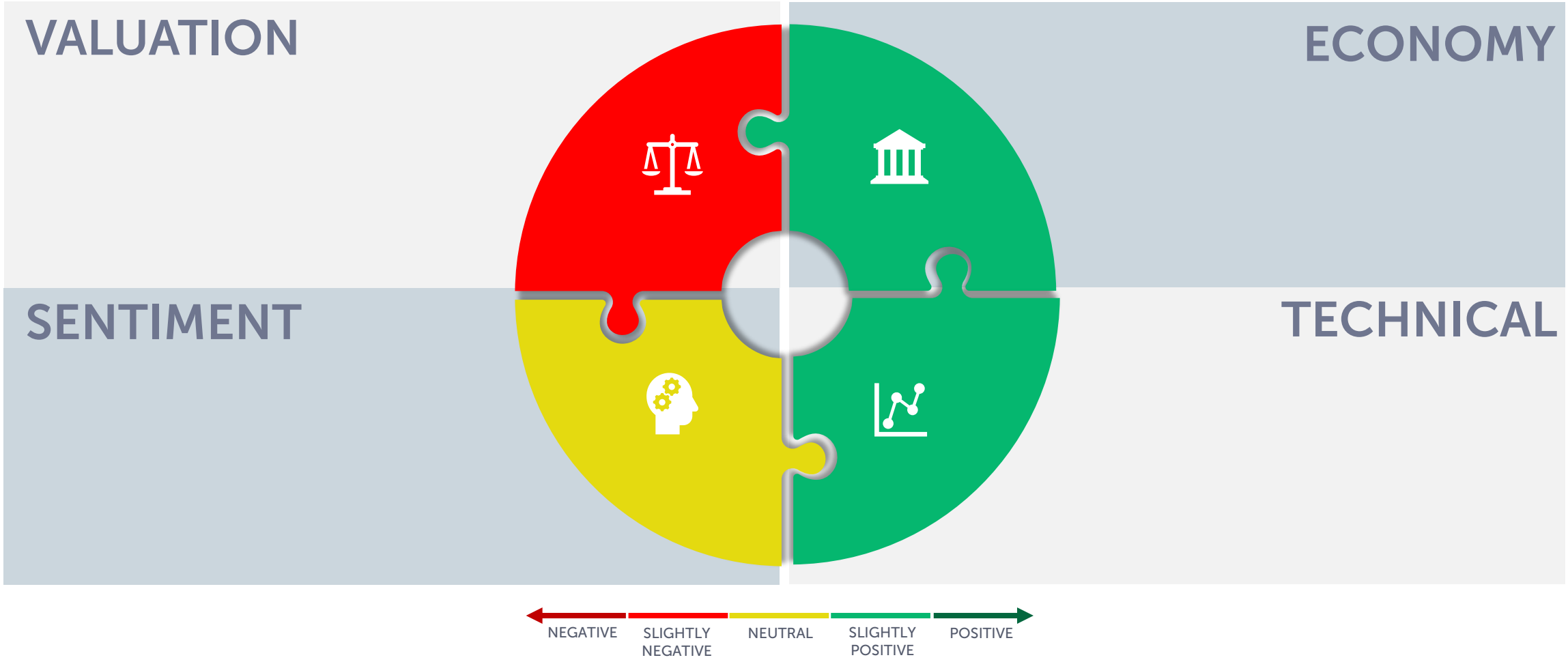
Bond yields remain attractive relative to stocks earnings yield

VALUATION



Source: Bloomberg

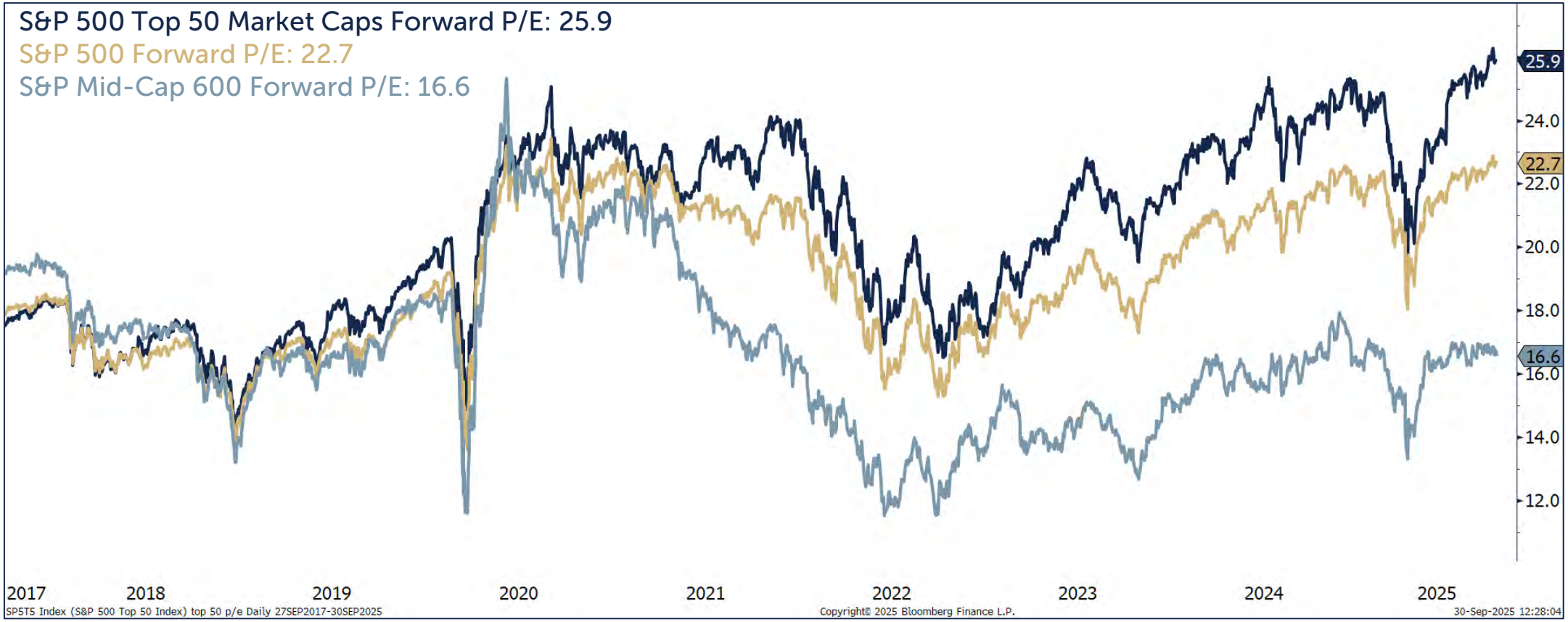
Navigator Outlook: October 2025



Significant valuation premium persists for largest companies

VALUATION

P/E multiples for Top 50 S&P 500 companies recently hit a new high for the cycle. Bloomberg didn't have the Top 50 Series in 2000, but the Bloomberg forward estimate peaked in April of 1999 at 25.4 for the S&P 500.

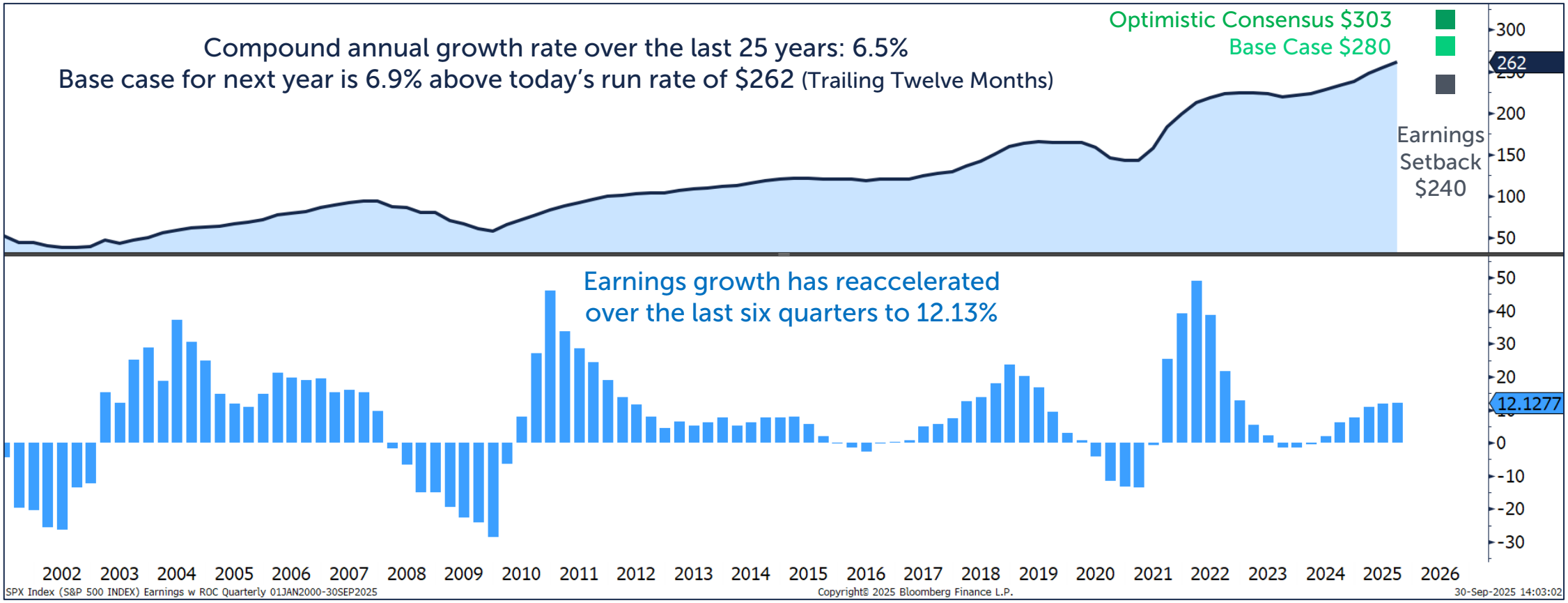


Source: Bloomberg.

Earnings outlook remains solid

ECONOMY

Consensus expectations for 12.7% earnings growth in 2026 is likely too optimistic, but base case is solid.

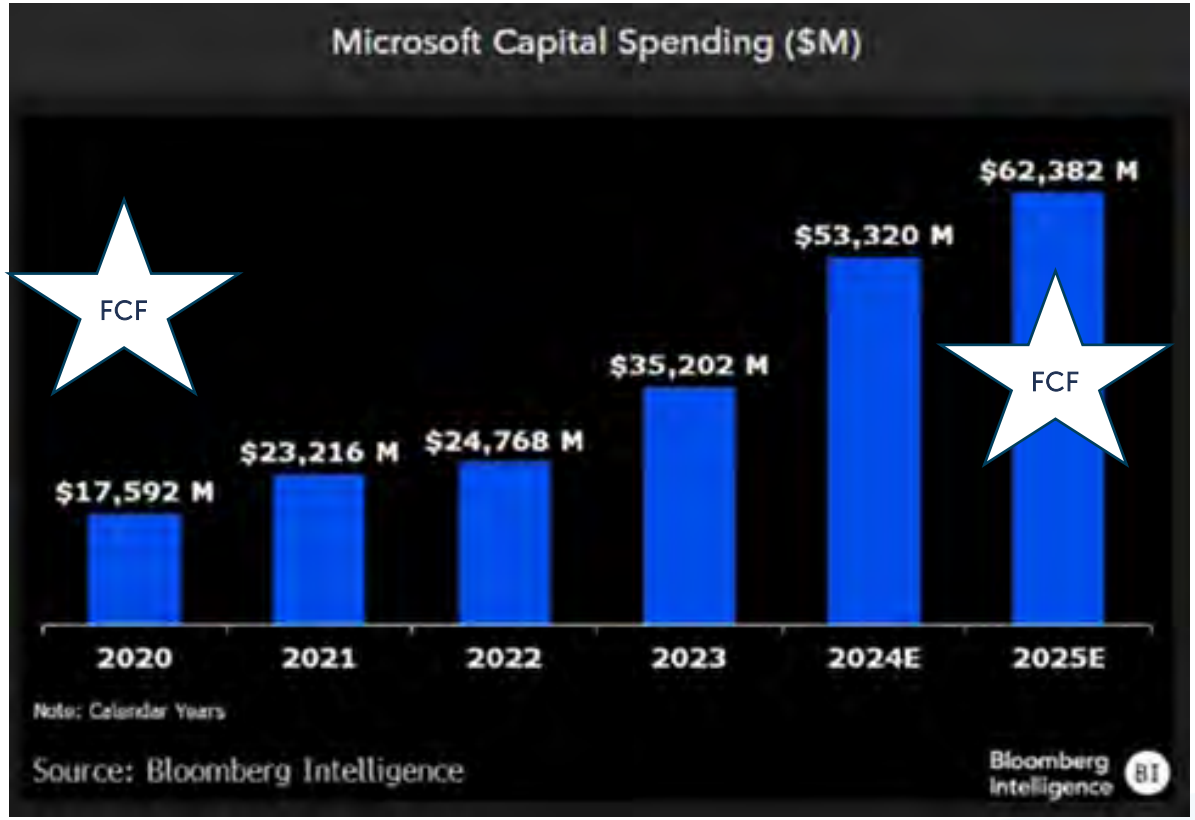


Source: Bloomberg data; Goldman Sachs.

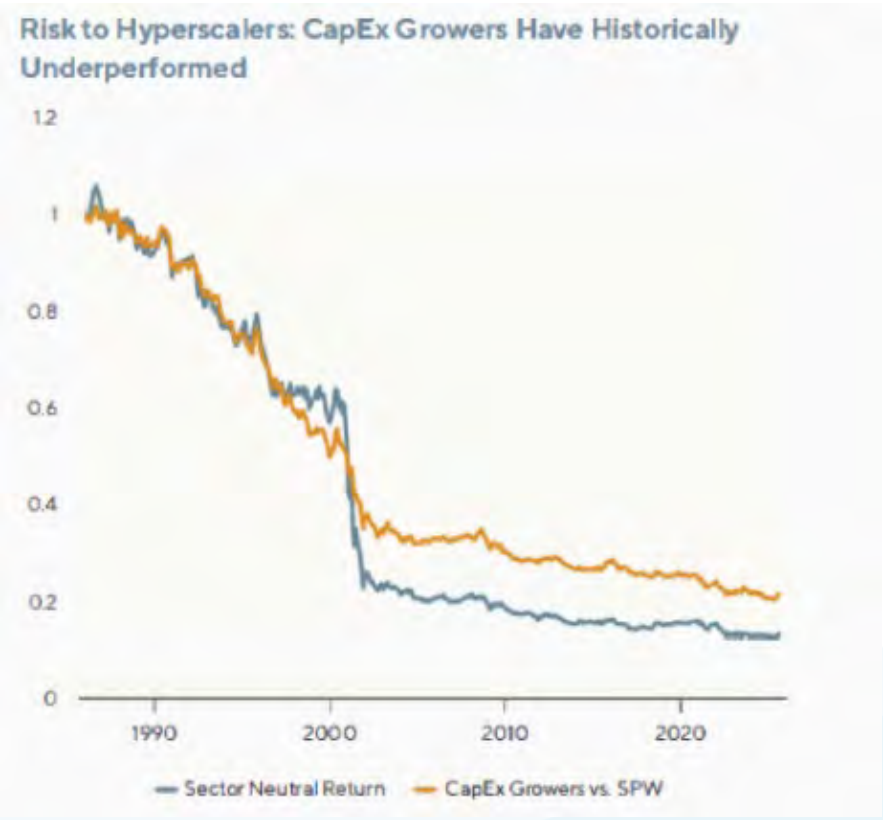
Asset Class Positioning: October 2025

	Asset Class	Positioning	Comment
STOCKS	US Large Cap	Neutral	Valuations are at record highs for the Top 50 stocks and remain near record highs for the overall market. Risks to profitability are present as growth slows and tariff issues become reality.
	US Mid and Small Cap	Positive	Significant valuation discounts remain in place and earnings revisions have stabilized for small-caps. The Russell 2500 SMID-Cap index reached a new all-time high during September.
	International	Neutral	Relative valuation still attractive; however, relative strength and relative earnings revisions have stagnated over the last few months.
	Emerging Markets	Positive	Relative valuation remains attractive, and earnings revisions continue to look solid.
BONDS	Core	Positive	Broad bond market yields are near the bottom of the last two years' range; However, yields remain compelling relative to inflation and the valuation of risky assets.
	Treasuries	Neutral	Treasury yields are near the lower levels of their recent range, reflecting a weakening employment situation and the tension between inflation and recession risks.
	Corporates	Neutral	The yield premium of risky assets remains near all-time lows, reflecting low levels of corporate distress.
	Mortgages	Positive	Mortgage yield spreads remain attractive relative to their credit risk, providing improved risk/reward relative to corporate bonds.

Hyperscaler capital spending is positive in the near-term, questionable over the long-term



MSFT Capex 3.7x 2020



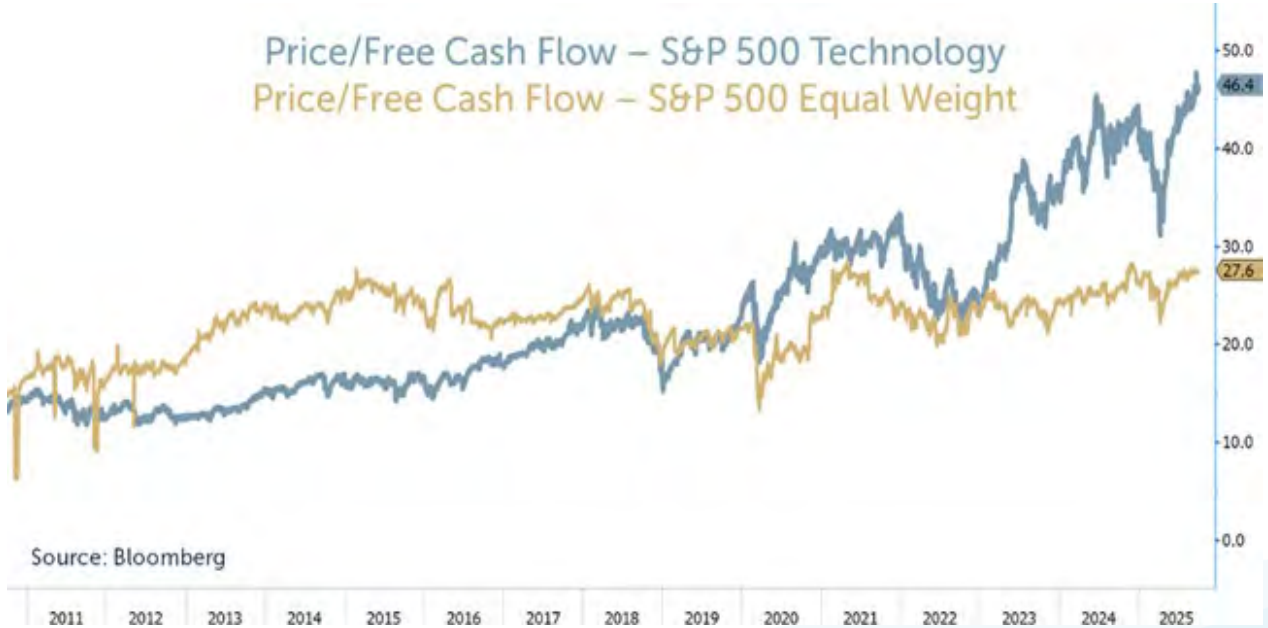
Big spenders underperform

Source: Bloomberg,
Source: GQG Partners LLC, Bank of America. Data as of 31 July 2025. Relative performance of top decile in Last Twelve-Month CapEx YOY vs. the equal weighted S&P 500 (31 January 1986 through 31 July 2025). You cannot invest directly in an index. PAST PERFORMANCE MAY NOT BE INDICATIVE OF FUTURE RESULTS

How to manage through an expensive market

There are more ***extremely expensive*** large cap companies than there have ever been

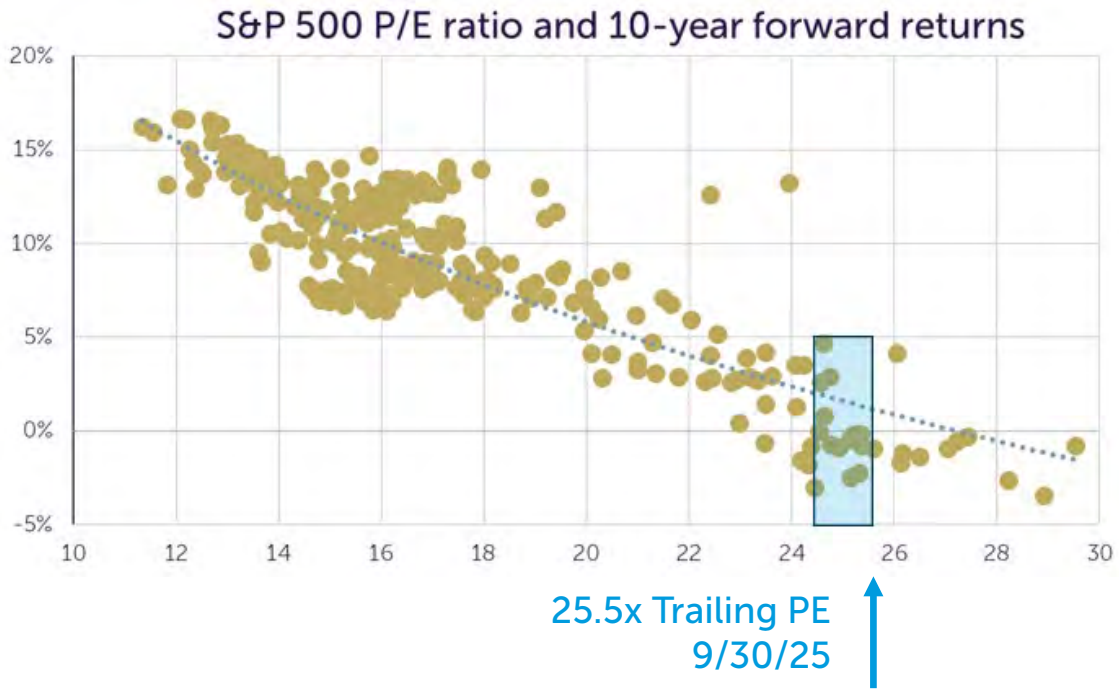
Source: GQG Partners, LLC, Bloomberg Data as of 8 September 2025.



But the ***average*** stock might still be a good deal

Source: Bloomberg

High equity valuations limit balanced portfolio upside and increase the risk of volatility



High trailing PE suggest below average S&P 500 returns

Higher yield suggests solid Bloomberg Aggregate Bond returns

Source: Bloomberg

Asset Allocation – October 2025

AGGRESSIVE ⟵ ⟶ CONSERVATIVE

Equity	**60%**
US Large Cap	22.8%
US SMID	16.8%
Developed	17.1%
Emerging Markets	3.3%
Fixed Income	**40%**
Core Bonds	26.0%
Government Bonds	3.2%
Securitized Bonds	8.8%
Corporate Bonds	0.0%
High Yield Bonds	2.0%

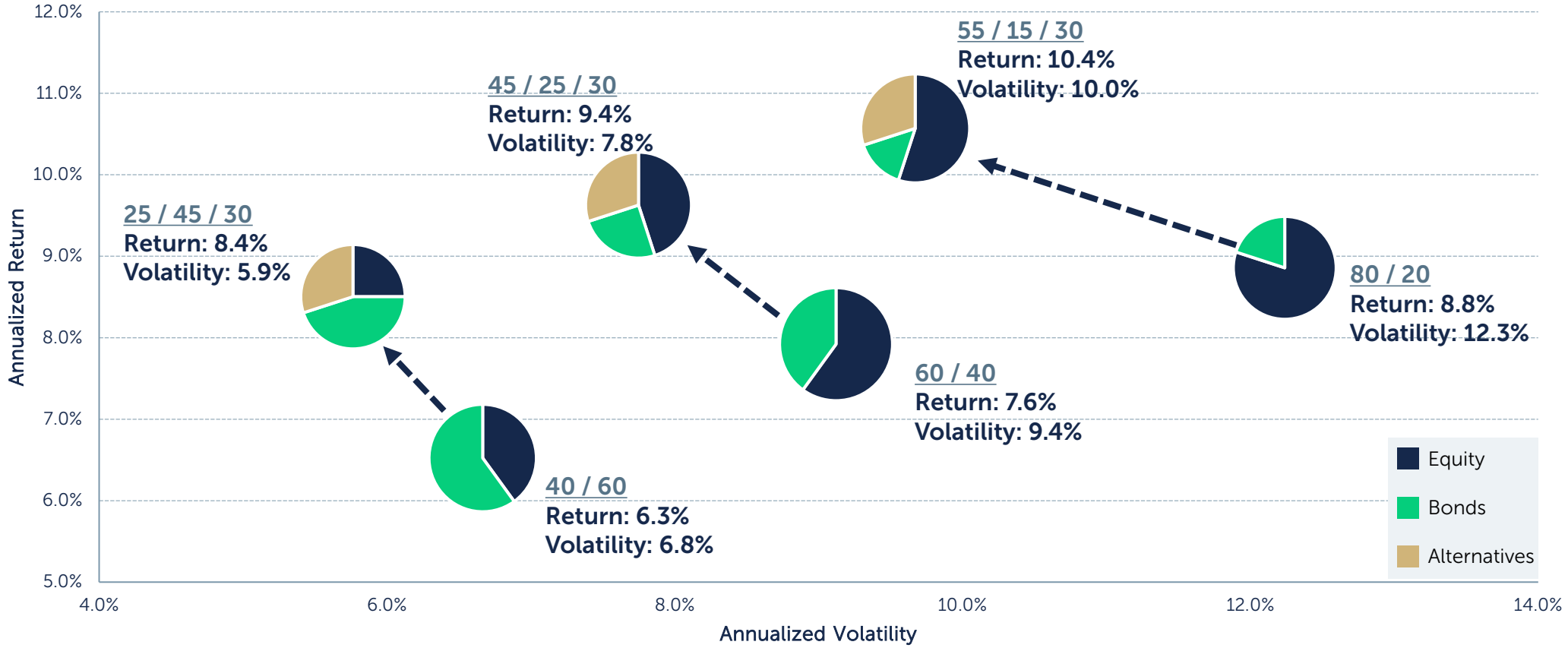
Source: OneAscent Investment Solutions. Represents target allocations as of 9/30/2025 and may not sum to 100% due to rounding.

† Strategic allocations represent a majority of the portfolio and are updated annually based on capital market assumptions. The strategic component of a portfolio is intended to provide the appropriate level of market exposure to stocks and bonds based on the intended risk-tolerance.

‡Tactical allocations represent a smaller portion of the portfolio and are updated quarterly based on an assessment of relative strength. The tactical component of a portfolio is intended to capitalize on near-term opportunities as the market environment changes.

Non-Correlated Diversification

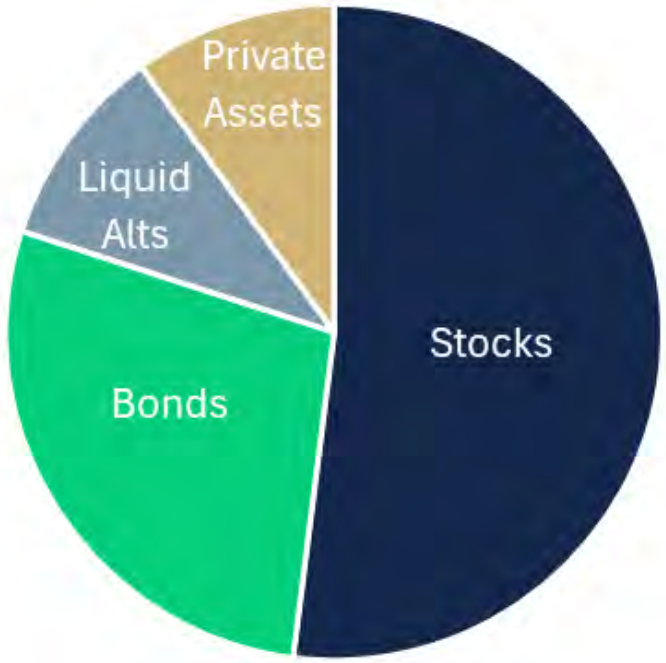
Over the last 20 years, an allocation to Alternatives and Private Markets has decreased volatility and increased return.



See Disclosures slide for Descriptions and Details on the data sources. Data as of June 30, 2024

Revisiting balanced portfolio construction

Equity	62%
US Large Cap	23.5%
US SMID	13.5%
Developed	19.3%
Emerging Markets	5.8%
Fixed Income	**37%**
Core Bonds	20.1%
Government Bonds	7.0%
Securitized Bonds	4.5%
Corporate Bonds	4.0%
High Yield Bonds	0.9%



Source: OneAscent Investment Solutions. Represents target allocations as of 7/3/2025 and may not sum to 100% due to rounding.
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If you'd like to learn more about our solutions, visit us at investments.oneascent.com or email us at info@oneascent.com

Allocation Dashboard

Fact Sheets

Investment Commentary

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Important Disclosures

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The strategy is not necessarily appropriate for any particular client or investor. Accordingly, any reader of the attached description should not interpret the attached as investment advice. All investments bear a risk of loss, including the loss of principal that the investor should be prepared to bear. The use of any chart or graph in the attached is not intended to be viewed as a singular aid in determining investment strategy. Such visual aids are instead intended as a complement to other data, and like such other data, should be considered in light of consultations with professional investment tax and legal advisors. Past performance may not be indicative of future results. No current or prospective client should assume that the future performance of any specific investment, investment strategy (including investments and/or investment strategies recommended by the adviser), will be equal to past performance levels. Indices are reported to give a point of comparison only. An investor may not invest directly in an index. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will l either be suitable or profitable for a client's investment portfolio.

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Important Disclosures

For Slide titled "Non-Correlated Diversification" - The base portfolios represent the performance of hypothetical portfolios invested in public markets equities (represented here using the performance of the S&P 500 Total Return Index) and fixed income (represented here as the Bloomberg Aggregate Bond Index.) The modified portfolios represent the performance of hypothetical portfolio invested in public markets equities, fixed income, and in "alternatives", where "alternatives" is comprised of equal weights (5% each) of private equity, venture capital, private real assets, private credit, private real estate, and hedge funds. As each of the source data sets for this analysis is an index, the fees and expenses associated with investing are excluded from the performance of each index, as one cannot invest directly in an index. The source data for the "alternatives" performance information is from Pitchbook from June 2004 until September 2023, and from Bloomberg since September 2023 to June 2024. The performance of each of these indices is subject to certain biases. For example, any index purporting to be a representation of the entire private equity universe would be subject to reporting bias, as not every private equity fund or direct investment reports their performance to Pitchbook or Bloomberg. In addition, these indices are also subject to survivor bias, because the longer a fund or fund manager is in existence, the more likely they are to report their performance (or have that performance be public) and the more likely they are to have positive performance.

The hypothetical performance results in these materials have several inherent limitations. Unlike an actual performance record, hypothetical results do not represent actual performance and numerical values presented are intended only to help illustrate how such hypothetical portfolios may have behaved over time. There are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved.

The performance information contained herein is provided for informational purposes only. OneAscent Capital makes no representation, and it should not be assumed, that past performance is an indication of future results. There can be no assurance that any investment will be able to achieve the results indicated herein, and no assumption should be made that any investment identified and discussed herein will be profitable. Indeed, wherever there is the potential for profit, there is also the possibility of loss.

Performance represented assumes portfolios were rebalanced quarterly.

OneAscent
INVESTMENTS

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