



INVESTMENT COMMENTARY

Stock market momentum continued into 3Q24, while bond investors were finally invited to the party. More than a year after the last of eleven rate hikes, the Federal Reserve (Fed) delivered a long-awaited rate cut. Despite the Fed continuing their quantitative tightening (QT) program, the 50bps rate cut, coupled with the anticipation of additional cuts before and after year-end, helped drive interest rates lower. The Federal Open Market Committee (FOMC) met twice during the quarter. The September FOMC statement highlighted, "Recent indicators suggest that economic activity has continued to expand at a solid pace. Job gains have slowed, and the unemployment rate has moved up but remains low. Inflation has made further progress toward the Committee's 2% objective but remains somewhat elevated. Considering the progress on inflation and the balance of risks, the Committee decided to lower the target range for the federal funds rate by 1/2 percentage point to 4-3/4 to 5%. In considering additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks." U.S. Real Gross Domestic Product (GDP) increased at an annual rate of 3.0% during the second quarter, more than doubling the 1.4% first quarter growth rate. Inflation, as measured by the U.S. Consumer Price Index (CPI), rose by 2.5% for the twelve-month period ending August 2024. The Bureau of Labor Statistics (BLS) reported the unemployment rate remained stable in September at 4.1%, while the U6 measure of total unemployed increased slightly to 7.7%. The Conference Board Consumer Confidence Index continued its decline in September to 98.7, down from its recent high of 114.8 set back in January. The Conference Board Index of Leading Economic Indicators (LEI) for the U.S. declined 2.3% over the six-months ending in August 2024, albeit a smaller rate of decline than the 2.7% in the prior six-months ending in February 2024. Generally, persistently negative LEI indicates economic headwinds.

The S&P 500 continued to generate strong returns in the third quarter, returning +5.89%, while the tech-heavy NASDAQ 100 returned +2.12%. The Bloomberg U.S. Aggregate Bond Index generated a strong positive return of +5.20% for the quarter, propelled by the decline in interest rates across the yield curve. The longest and

deepest inverted yield curve in history, which began in July 2022, reverted to normal in August, as the 2-year Treasury yield plunged by 112 bps to 3.64%, while the 10-year Treasury yield declined by 62 bps to finish the quarter at 3.78%. The yields of 1-year and 5-year Treasuries declined by 111 and 82 bps, respectively.

The U.S. stock and bond markets finally received a long-awaited rate cut. Despite roughly 100bps of projected rate cuts by year-end and another 100bps of projected cuts in 2025, investors appeared to get spooked by an initial "be careful what you ask for" 50bps rate cut. Was the initial 50bps cut simply a well-timed Fed policy shift from inflation control to business-cycle management primarily focused on achieving a soft-landing? Or, with inflation hopefully under control, is the Fed quietly tackling growing concerns regarding the health of the U.S. labor market, a key driver of consumer spending and the overall economy? These questions are yet to be determined, but several recent economic data points appear to support stock and bond market optimism. U.S. corporate profits have remained healthy with only modest declines in interest coverage and liquidity ratios despite a prolonged period of higher interest rates. Consumers, albeit a bifurcated cohort, continue to uphold the U.S. economy at/above trend levels. New job creation remains well above the replacement rate for a U.S. economy at full employment.

The PIA Investment Strategy Group's (ISG) current investment outlook has shifted subtly from our previously held belief that the predominant threat to U.S.-driven global economic growth is post-pandemic related inflation. We still believe the Fed's 2% inflation target may be difficult to achieve without an economic contraction; however, supply-constrained causes of inflation continue to decline and as previously stated, the U.S. economy had multiple periods of sustainable growth at/above trend with fed fund rates at/above 5% pre-Great Financial Crisis.

We envision three potential market scenarios as we look forward in the bond market through 2025. The first is the preferred "soft-landing", where the economy continues at/above trend, inflation continues to drift toward a sustainable 2%, and unemployment hovers around 4%, hence full employment. In a soft-landing scenario,



credit spreads should remain rangebound around current levels with reduced default concerns, the yield curve should steepen with 10-year yields rangebound between 4% and 4.5%, and the fed funds rate should settle in the 3 to 4% range. The second potential scenario is the U.S. economy enters into a growth-recession, where GDP remains above contraction but below trend. Unemployment risks would be modest, possibly rising to 4.5% +/- . In this economic scenario, we have good reason to believe the Fed will respond promptly and decisively; therefore, we believe a growth-recession scenario would ultimately be short-lived. However, credit spreads should widen out modestly, as continued demand would limit spread widening. We would anticipate a somewhat parallel shift lower in rates across the yield curve, with the 10-year yield rangebound between 3.50% and 4.25%, with fed funds not needing to go below 3%. The last scenario is a mild recession that could disrupt markets and may result from a few factors. Geopolitical concerns could certainly be an impetus, and there are several sources including Ukraine/Russia, China/Taiwan, and the Middle East. The global economy could be impacted depending upon developments in these regions via energy prices, food prices, health-related concerns, or broader supply-chain disruptions. Additionally, the Fed's 50bps cut indicates that there may be increasing concerns in the domestic employment picture and any post-election U.S. hangover could result

in declining consumer confidence. Regardless of the result, new policy actions could reignite pre-existing inflationary concerns including ballooning debts and deficits, excessive monetary and post-election fiscal spending patterns, protectionist spending, and various onshoring and alternative program costs. Lastly, we know inflation remains above the Fed's stated 2% target at a time where financial conditions are easing. While we know that economic scenarios like stagflation or a soft-landing are historically relatively rare, each is still in the conversation with a soft-landing a more likely outcome. However, PIA remains relatively defensive in its positioning, given the scenarios provided and the historical challenges of achieving a soft landing.

The fund is positioned with a longer duration relative to the benchmark and an overweight in corporate credit. The industrial and financial credits in the fund provide incremental risk-adjusted yield and offer attractive compensation for their sector volatility and the utility credits provide additional portfolio diversification with low sector volatility. We also maintain an overweight in securitized debt, which we believe offers value on a risk-adjusted basis.

PIA Investment Strategy Group



INDEX RETURNS	QTD	YTD	1-Year
Bloomberg			
Universal	5.20%	4.91	12.08%
Aggregate	5.20	4.45	11.57
Gov-Credit	5.10	4.39	11.31
Int. Gov-Credit	4.17	4.68	9.45
IG - Corporate	5.84	5.32	14.28
Treasury only	4.74	3.84	9.72
1-3 year Gov	2.89	4.13	6.78
High Yield Corporate	5.28	8.00	15.74

INDEX RETURNS	QTD	YTD	1-Year
Bloomberg			
Global Aggregate	6.98%	3.60%	11.99%
Emerging Markets Debt	5.82	8.17	16.93
ICE BofA - 1-year T-Note	2.03	4.01	5.46
S&P 500	5.89	22.08	36.33
DJIA	8.72	13.93	28.85
NASDAQ 100	2.12	19.97	37.48
MSCI EAFE	7.35	13.55	25.45

SECTOR RETURNS	QTD	QTD (Excess)	YTD	YTD (Excess)
Treasury (actual returns)	4.74%	—	3.84%	—
U.S. Agency	3.63	0.07	4.45	0.40
Mortgage Backed Security	5.53	0.78	4.50	0.52
Commercial Mtg Backed Security	4.65	0.36	6.25	2.15
Corporate	5.84	0.77	5.32	1.65
Financials	5.38	0.84	6.27	2.29
Industrials	5.90	0.60	4.73	1.19
Utilities	7.08	1.50	5.62	2.29
AAA-rated	6.93	0.95	3.76	1.02
AA-rated	6.06	0.75	4.34	0.90
A-rated	5.86	0.79	5.11	1.44
BBB-rated	5.76	0.74	5.70	1.98
High Yield Corporate	5.28	1.72	8.00	3.80

Source: Bloomberg
Excess returns are the return achieved by a security (or portfolio of securities) above the return of a benchmark.

CREDIT SPREADS	9/30/24	6/30/24	12/31/23
All Index Treasuries (yield)	3.8	-0.2	-0.8
U.S. Agency	24.1	26.9	24.2
Mortgage Backed Security	84.7	84.0	81.3
Commercial Mortgage Backed Security	95.3	98.8	128.3
IG - Corporate	90.5	95.6	100.6
Financials	91.8	98.9	113.6
Industrials	89.2	92.1	92.2
Utilities	94.0	105.8	107.6
AAA-rated	33.4	40.2	38.5
AA-rated	47.6	52.0	48.1
A-rated	74.6	81.9	85.9
BBB-rated	112.7	116.4	123.7
High Yield Corporate	332.7	333.3	346.4

Source: Bloomberg

KEY INDICATORS	9/30/24	12/31/23
U.S. \$ Index (DXY)	100.78	101.33
Oil (CL1)	68.2	71.7
Commodity Research Bureau (CRB)	284.9	263.8
Gross domestic Product (GDP)	3.0	3.2
Consumer Price Index (CPI)	2.5	3.4
Core CPI (Ex - Food & Energy)	3.2	3.9
Consumer Confidence	98.7	108.0
Unemployment Rate	4.1	3.7
S&P/Case Shiller - Comp - 20	5.9	6.3

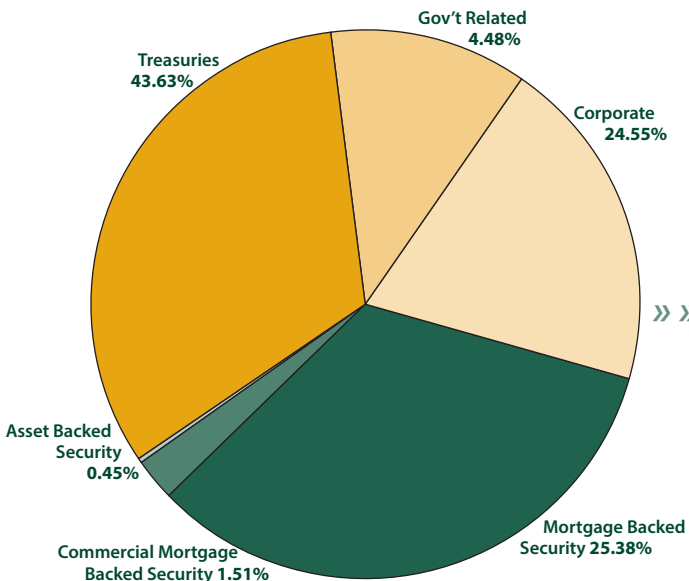
Source: Bloomberg

KEY RATES	3Q24	2Q23	4Q23	QTD Return	YTD Return
Fed Funds	5.0-5.25%	5.25-5.5%	5.25-5.5%	n/a	n/a
3-Month LIBOR	4.85	5.59	5.59	n/a	n/a
On-the-Run's					
3 Months	4.63	5.36	5.34	1.37	4.03
6 Months	4.41	5.33	5.26	1.58	4.17
2 Years	3.64	4.76	4.25	2.85	3.95
5 Years	3.56	4.38	3.85	4.41	4.06
10 Years	3.78	4.40	3.88	5.73	3.72
30 Years	4.12	4.56	4.03	8.04	1.67

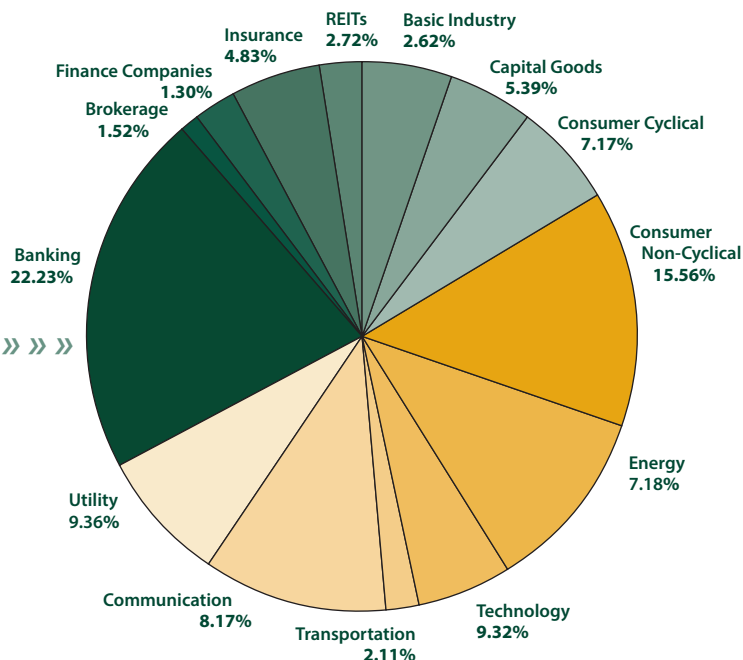
Source: Bloomberg



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The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 800-251-1970 or visiting www.PIAMutualFunds.com. Read it carefully before investing.

Mutual Fund investing involves risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset Backed and Mortgage Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may invest in derivatives, which may involve risks greater than the risks presented by more traditional investments. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities that the ETF or mutual fund holds. It will also bear additional expenses, including operating expenses, brokerage costs and the potential duplication of management fees. These risks are fully disclosed in the Prospectus.

Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of the country's economic health.

Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

Consumer Confidence Index (CCI) is a survey, administered by The Conference Board, that measures how optimistic or pessimistic consumers are regarding their expected financial situation.

The Bureau of Labor Statistics (BLS) is a federal agency that collects and disseminates various data about the U.S. economy and labor market.

The Conference Board (CB) is a not-for-profit research organization that distributes vital economic information to its peer-to-peer business members.

The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term.

The Federal Open Market Committee (FOMC) is the branch of the Federal Reserve System (FRS) that determines the direction of monetary policy specifically by directing open market operations (OMOs).

Monetary - consists of the actions of a central bank, currency board or other regulatory committee that determine the size and rate of growth of the money supply, which in turn affects interest rates.

Basis point (bp) - A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument.

Yield - The income return on an investment. This refers to the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost.

Duration - A commonly used measure of the potential volatility of the price of a debt security, or the aggregate market value of a portfolio of debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

Benchmark - The ICE BofAML 1-Year US Treasury Note Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury note that matures closest to, but not beyond, one year from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date. You cannot invest directly in an index.

Quantitative tightening (QT) (or quantitative hardening) is a contractionary monetary policy applied by a central bank to decrease the amount of liquidity within the economy.



Spread - The difference in yields between two fixed-income securities with the same maturity, but originating from different investment sectors.

Yield curve is a line that plots yields, or interest rates, of bonds that have equal credit quality but differing maturity dates. An inverted yield curve shows that long-term interest rates are less than short-term interest rates.

The U-6 (Unemployment) rate measures the percentage of the U.S. labor force that is unemployed, plus those who are underemployed, marginally attached to the workforce, and have given up looking for work.

Past performance is not a guarantee of future results.

The PIA Funds are distributed by Quasar Distributors, LLC

INDEX DESCRIPTION

Bloomberg U.S. Universal Index represents the union of the U.S. Aggregate Index, U.S. Corporate High-Yield Index, Investment-Grade 144A Index, Eurodollar Index, U.S. Emerging Markets Index, and the non-ERISA eligible portion of the CMBS Index. The index covers USD-denominated, taxable bonds that are rated either investment-grade or below investment-grade. Some U.S. Universal Index constituents may be eligible for one or more of its contributing subcomponents that are not mutually exclusive. These securities are not double-counted in the index.

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

Bloomberg U.S. Government/Credit Bond Index includes securities in the Government and Credit Indices. The Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

Bloomberg U.S. Intermediate Government/Credit Bond Index is the Intermediate component of the U.S. Government/Credit index. The Government/Credit Index includes securities in the Government and Credit Indices. The Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

Bloomberg U.S. Corporate Bond Index covers USD-denominated, investment-grade, fixed-rate, taxable securities sold by industrial, utility, and financial issuers. It includes publicly issued U.S. corporate debentures and secured notes that meet specific maturity, liquidity, and quality requirements. Securities in the index roll up to the U.S. Credit and U.S. Aggregate indices. The U.S. Corporate Index was launched on January 1, 1973.

Bloomberg U.S. Treasury Index includes public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded. STRIPS are excluded from the index because their inclusion would result in double-counting. Securities in the Index roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

Bloomberg U.S. 1-3 Year Government Bond Index consist of securities in the U.S. Government Index with a maturity from 1 up to (but not including) 3 years. Securities issued by the U.S. Government (i.e., securities in the Treasury and Agency Indices). Inclusions: Public obligations of the U.S. Treasury with a remaining maturity of one year or more. Publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government.

ICE BofA 1-Year US Treasury Note Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury note that matures closest to, but not beyond, one year from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

Bloomberg Corporate U.S. High Yield Index - covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The Yankee sector has been discontinued as of 7/1/00. The bonds in the former Yankee sector have not been removed from the index, but have been reclassified into other sectors.

Bloomberg Global Aggregate Index provides a broad-based measure of the global investment-grade fixed-rate debt markets. The Global Aggregate Index contains three major components: the U.S. Aggregate Index (USD 300 million), the Pan-European Aggregate Index (EUR 300 million), and the Asian-Pacific Aggregate Index (JPY 35 billion). In addition to securities from these three benchmarks (94.4% of the overall Global Aggregate market value), the Global Aggregate Index includes Global Treasury, Eurodollar (USD 300 million), Euro-Yen (JPY 35 billion), Canadian (CAD 300 million), and Investment-Grade 144A (USD 300 million) index-eligible securities not already in the three regional aggregate indices. The Global Aggregate Index family includes a wide range of standard and customized subindices by liquidity constraint, sector, quality, and maturity. The Global Aggregate Index is a component of the Multiverse Index.

The Bloomberg EM USD Aggregate Index is a flagship hard currency Emerging Markets debt benchmark that includes USD denominated debt from sovereign, quasi-sovereign, and corporate EM issuers. The index is broad-based in its coverage by sector and by country, and reflects the evolution of EM benchmarking from traditional sovereign bond indices to Aggregate-style benchmarks that are more representative of the EM investment choice set. Country eligibility and classification as an Emerging Market is rules-based and reviewed on an annual basis using World Bank income group and International Monetary Fund (IMF) country classifications. This index was previously called the Barclays US EM Index and history is available back to 1993.

S&P 500 Index - The S&P 500 index includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

The Dow Jones Industrial Average (DJIA) is an index used to measure the performance of the U.S. financial markets. Introduced on May 26, 1896 by Charles H. Dow, it is the oldest stock price measure in continuous use. Over the past century "the Dow" has become the most widely recognized stock market indication in the U.S. and probably in the entire world. Most of the stocks included in the index are listed on the New York Stock Exchange, and are all large blue-chip companies that reflect the health of the U.S. economy. All but a handful of these have major business operations throughout the world, thus providing some insight into the economic well-being of the global economy.

The NASDAQ-100 Index is a modified capitalization-weighted index of the 100 largest and most active non-financial domestic and international issues listed on the NASDAQ. No security can have more than a 24% weighting. The index was developed with a base value of 125 as of February 1, 1985. Prior to December 21, 1998 the Nasdaq 100 was a cap-weighted index.

MSCI EAFE Index is a capitalization weighted index that monitors the performance of stocks from Europe, Australasia, and the Far East.

Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly.



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