

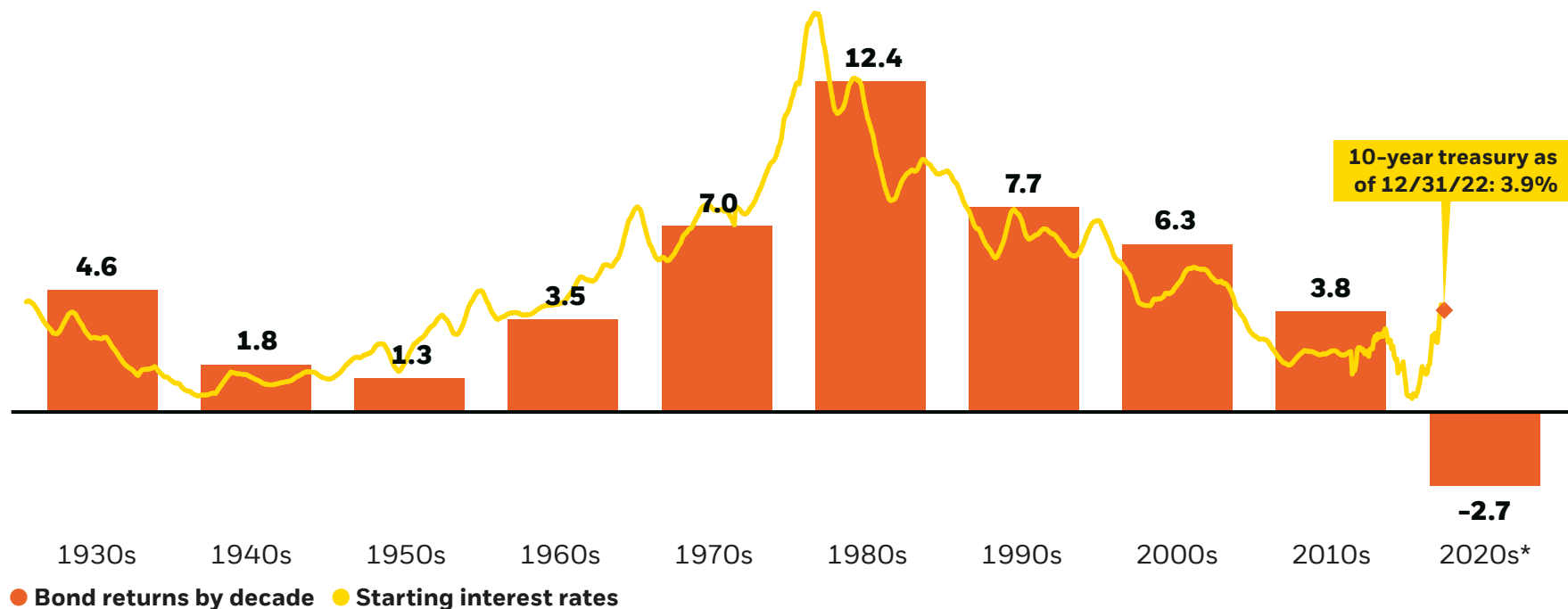
Interest rates drive bond returns



Over long enough time frames, bond returns tend to mirror the direction of interest rates.

U.S. bond returns follow interest rates

Average annual 10-year returns (%) since 1930

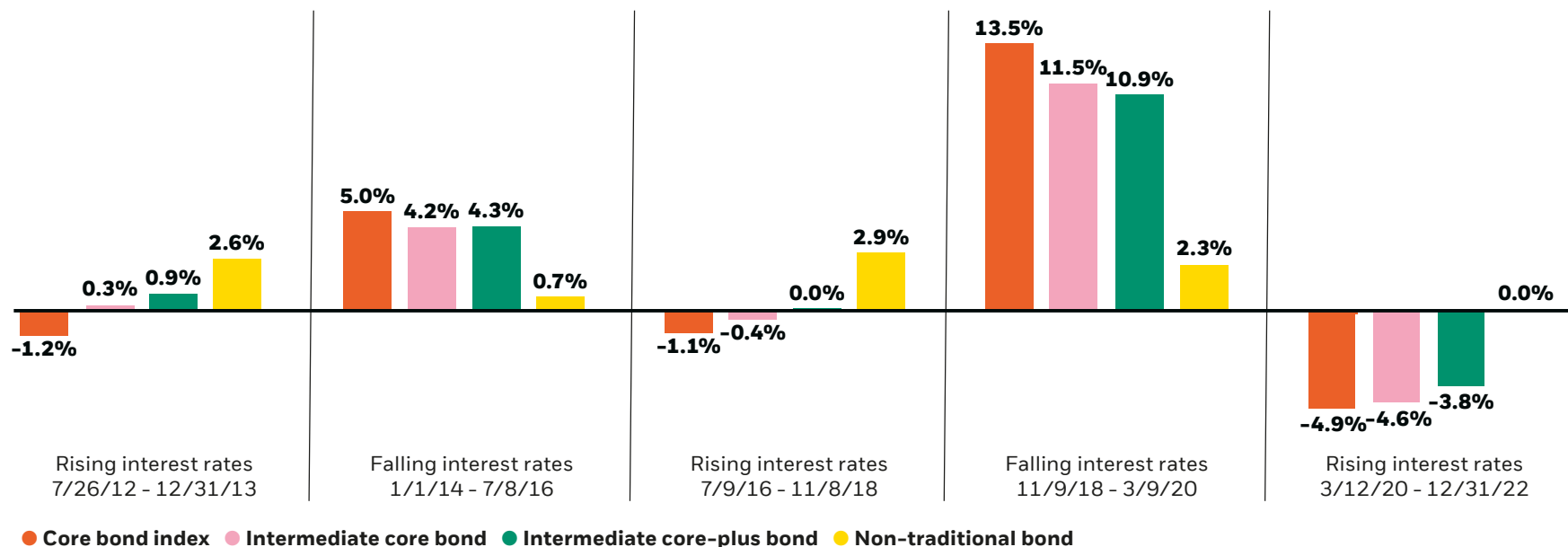


Source: Morningstar and U.S. Treasury as of 12/31/22. U.S. Bonds represented by the IA U.S. Intermediate-Term Government Bond Index before 1979 and by the Bloomberg U.S. Aggregate Bond Index after 1979. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in the index. * Reflects the average return from 2020-2022.

While returns may follow rates over the long-term, bond prices and interest rates are often negatively correlated in the short-term. As rates fall, bond prices increase, and vice versa. This dynamic may create short-term opportunities within your longer-term horizon.

Bond category returns during periods of rising or falling interest rates

Average annual returns for each time period



Source: Morningstar, St. Louis Federal Reserve as of 12/31/22. Core bond index represented by the Bloomberg U.S. Aggregate Bond Index. Intermediate core bonds represented by the Morningstar U.S. Intermediate Core Bond category Average. Intermediate core-plus bonds represented by the Morningstar U.S. Intermediate Core-Plus Bond Category Average. Non-traditional bonds represented by the Morningstar U.S. Nontraditional Bond Category Average. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in the index.

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