

August 5, 2022

The OneAscent Asset Allocation Committee utilizes an objective framework for assessing the health of global markets and evaluates asset classes through four distinct lenses: Valuation, Sentiment, Economy, and Technicals.

Asset Allocation Updates

We have made a couple of changes to the Navigator tactical sleeve. We have sold the iShares 0-5 Year TIPS Bond ETF (STIP) and added the Inspire Corporate Bond ESG ETF (IBD). These changes will both increase our corporate exposure, as yields have become more attractive, and lengthen the average maturity of bond holdings. We have also added the Eventide Gilead Fund (ETILX) as the portfolio has begun to stabilize after its drawdown, by trimming the Timothy Plan High Dividend Stock ETF and Vanguard Short-Term Treasury Index Fund.



Below is the current Navigator Allocation:

- 10% - Timothy Plan High Dividend Stock ETF (TPHD)
- 25% - OneAscent Large Cap Core ETF (OALC)
- 25% - Eventide Gilead Fund (ETILX)
- 20% - Vanguard Short-Term Treasury Index Fund (VGSH)
- 20% - Inspire Corporate Bond ESG ETF (IBD)

Market Commentary

The Federal Reserve raised rates by 75 basis points again at its meeting at the end of July. This increase brings the federal funds rate benchmark to between 2.25% and 2.50%, matching the most recent high in the summer of 2019. This is the fourth interest rate hike of the year, reflecting the Fed's continued commitment to fighting inflation. Unemployment remains low and the labor market remains tight. Food and housing prices remain high with GDP decreasing.

Stocks continue to be cheaper than bonds, although bonds have become more attractive as yields have risen. Growth stocks are still more expensive than value stocks, but the gap has narrowed. Large stocks are still more expensive than small stocks, and US stocks continue to be more expensive than international equities. Investment grade and high yield bond valuations have become more attractive as spreads have climbed towards levels experienced during the stress of the pandemic.

Short term technical indicators are reflecting positive trends, indicating we are moving through a bottoming process. Measures such as market breadth and number of new highs and new lows are trending in a positive direction. These and other indicators are telling us the markets may be developing a new positive trend, although near-term volatility is likely. Long-term indicators are favorable to risk assets such as US stocks.

The AAll Sentiment Survey on August 3, 2022, reflects 38.9% bearish, 30.6% bullish, and 30.6% neutral results. The University of Michigan and Conference Board surveys of Consumer Sentiment and Expectations remain low. Historically low consumer sentiment offset by bearish (yet trending down) investor sentiment, a contrarian indicator, renders overall sentiment as slightly positive.

We greatly appreciate the confidence and trust you have placed in us. As always, if you have questions or would like to speak to an analyst on our team please call (205) 847-1343, or you may reach us by email at investmentsupport@oneascent.com!

The OneAscent Investment Committee



Asset Allocation

The table below includes the complete asset allocation of the OneAscent Peak Solutions as of 8/3/2022.

Asset Class	EQUITY			GROWTH			MODERATE			CONSERVATIVE			PRESERVATION		
	TOTAL	Strategic	Tactical	TOTAL	Strategic	Tactical	TOTAL	Strategic	Tactical	TOTAL	Strategic	Tactical	TOTAL	Strategic	Tactical
Equity	96.0%	90.0%	6.0%	82.0%	70.0%	12.0%	62.0%	50.0%	12.0%	41.5%	32.5%	9.0%	21.0%	15.0%	6.0%
Fixed Income	4.0%	-	4.0%	18.0%	10.0%	8.0%	38.0%	30.0%	8.0%	58.5%	52.5%	6.0%	79.0%	75.0%	4.0%
Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US Equity	60.0%	54.0%	6.0%	54.0%	42.0%	12.0%	42.0%	30.0%	12.0%	28.5%	19.5%	9.0%	15.0%	9.0%	6.0%
Large Cap	29.5%	27.0%	2.5%	26.0%	21.0%	5.0%	20.0%	15.0%	5.0%	13.5%	9.8%	3.8%	7.0%	4.5%	2.5%
SMID Growth	16.0%	13.5%	2.5%	15.5%	10.5%	5.0%	12.5%	7.5%	5.0%	8.6%	4.9%	3.8%	4.8%	2.3%	2.5%
SMID Value	14.5%	13.5%	1.0%	12.5%	10.5%	2.0%	9.5%	7.5%	2.0%	6.4%	4.9%	1.5%	3.3%	2.3%	1.0%
Intl Equity	36.0%	36.0%	-	28.0%	28.0%	-	20.0%	20.0%	-	13.0%	13.0%	-	6.0%	6.0%	-
Dev Large Cap	18.0%	18.0%	-	14.0%	14.0%	-	10.0%	10.0%	-	6.5%	6.5%	-	6.0%	6.0%	-
Dev SMID Cap	9.0%	9.0%	-	7.0%	7.0%	-	5.0%	5.0%	-	3.3%	3.3%	-	-	-	-
Emerging Mkts	9.0%	9.0%	-	7.0%	7.0%	-	5.0%	5.0%	-	3.3%	3.3%	-	-	-	-
Fixed Income	4.0%	-	4.0%	18.0%	10.0%	8.0%	38.0%	30.0%	8.0%	58.5%	52.5%	6.0%	79.0%	75.0%	4.0%
Government	2.0%	-	2.0%	6.5%	2.5%	4.0%	11.6%	7.6%	4.0%	16.2%	13.2%	3.0%	20.9%	18.9%	2.0%
Corporate	2.0%	-	2.0%	6.6%	2.6%	4.0%	11.7%	7.7%	4.0%	16.5%	13.5%	3.0%	21.3%	19.3%	2.0%
High Yield	-	-	-	1.5%	1.5%	-	4.4%	4.4%	-	7.7%	7.7%	-	11.0%	11.0%	-
Municipals	-	-	-	0.4%	0.4%	-	1.2%	1.2%	-	2.1%	2.1%	-	3.0%	3.0%	-
Securitized	-	-	-	3.0%	3.0%	-	9.1%	9.1%	-	16.0%	16.0%	-	22.8%	22.8%	-
Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	100.0%	90.0%	10.0%	100.0%	80.0%	20.0%	100.0%	80.0%	20.0%	100.0%	85.0%	15.0%	100.0%	90.0%	10.0%

Represents target allocations as of 8/3/2022 and may not sum to 100% due to rounding.

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