

# Strategy Overview - Fourth Quarter 2024

## Tax-Exempt Fixed Income

The Tax-Exempt Fixed Income strategy is a portfolio of investment-grade fixed income securities issued by state and local governments throughout the United States. The strategy focuses on state and local general obligation (GO) and essential-service revenue (REV) bonds. Bonds are laddered by maturity, with portfolio duration maintained from short to broad market maturity ranges. The strategy offers effective risk management while providing income exempt from federal taxes.

### Investment Philosophy

Our long-term, fundamental fixed income philosophy is centered on capital preservation and generating after-tax income.

#### Bond Portfolios Provide:

- Asset diversification
- Volatility control
- Income generation
- Liquidity

#### Our Process:

- Based on a consistent, disciplined investment approach
- Effective management of portfolio risk attributes

### Portfolio Approach

- Our clients' assets are positioned in our preferred selections and effectively diversified
- Acquiring securities of well-established issuers provide consistency and liquidity

## Strategy Overview

### Performance Objective

- Stable, federal tax-free income generated from portfolios of short, intermediate, or broad market municipal bonds
- Maintain a low volatility portfolio consistent with the benchmark index

### Investment Approach

- Market driven, relative value strategy
- Bias toward state and local general obligation and essential-service revenue bonds
- Focused on strong geographic regions with economic stability and favorable demographics

### Portfolio Profile

- Maintain a liquid portfolio with municipal bonds rated Double-A or higher
- Non-callable bonds or bonds with narrow call windows
- Laddered exposures maturing up to 5, 10, or 22 years
- Diversified by issuers, geographical locations, and revenue sources

### Representative Portfolio Characteristics as of December 31, 2024

Statistics	Limited 1-5 yrs.	Intermediate 1-12 yrs.	Broad 1-22 yrs.
<b>Number of Holdings*</b>	15-25	20-30	35-45
<b>Yield to Worst**</b>	3.23%	3.29%	3.42%
<b>Duration**</b>	2.52	3.72	5.09
<b>Coupon**</b>	4.41%	4.19%	4.33%
<b>Credit Quality**</b>	Aa1	Aa1	Aa2
Maturity Distribution*			
<b>0-3 Years</b>	57.31%	26.15%	16.87%
<b>3-5 Years</b>	42.69%	19.71%	12.71%
<b>5-7 Years</b>	0.00%	17.97%	11.31%
<b>7-10 Years</b>	0.00%	23.85%	15.42%
<b>10+ Years</b>	0.00%	12.31%	43.68%
Quality Distribution*			
<b>AAA</b>	22.54%	20.83%	15.50%
<b>AA</b>	77.46%	79.17%	60.03%
<b>A</b>	0.00%	0.00%	24.46%
<b>BBB</b>	0.00%	0.00%	0.01%
<b>No Rating</b>	0.00%	0.00%	0.00%
Municipal Bond Type*			
<b>General Obligation</b>	37.75%	36.17%	27.68%
<b>Revenue Bonds</b>	54.87%	60.14%	70.31%
<b>Pre-Refunded</b>	7.38%	3.69%	2.01%

Source: Bloomberg, BondEdge®

\*Only evaluated on municipal bond holdings. Does not include mutual funds.

\*\* Weighted Average

The opinions and analyses expressed in this newsletter are based on Curi RMB Capital, LLC's ("Curi RMB Capital") research and professional experience as expressed as of the date of our mailing of this newsletter. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future results, nor is it intended to speak to any future time periods. Curi RMB Capital makes no warranty or representation, express or implied, nor does Curi RMB Capital accept any liability, with respect to the information and data set forth herein, and Curi RMB Capital specifically disclaims any duty to update any of the information and data contained in this newsletter. The information and data in this newsletter does not constitute legal, tax, accounting, investment or other professional advice. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes, or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by the strategies. The benchmarks are shown for comparison purposes and are fully invested and include the reinvestment of income. Please contact us for a detailed description of indices.

RMB Asset Management is a division of Curi RMB Capital.

# Strategy Overview - Fourth Quarter 2024

## Tax-Exempt Fixed Income

### Tax-Equivalent Bond Yields - Married Filing Jointly (2025)

Municipal Bond Yield	10% Marginal to \$23,850	12% Marginal to \$96,950	22% Marginal to \$206,700	24% Marginal to \$394,600	32% Marginal to \$501,050	35% Marginal to \$751,600	37% Marginal over \$751,600
2.00%	2.22%	2.27%	2.56%	2.63%	2.94%	3.08%	3.17%
2.50%	2.78%	2.84%	3.21%	4.44%	3.68%	3.85%	3.97%
3.00%	3.33%	3.41%	3.85%	3.95%	4.41%	4.62%	4.76%
3.50%	3.89%	3.98%	4.49%	4.61%	5.15%	5.38%	5.56%
4.00%	4.44%	4.55%	5.13%	5.26%	5.88%	6.15%	6.35%
4.50%	5.00%	5.11%	5.77%	5.92%	6.62%	6.92%	7.14%

Source: Internal Revenue Service Tax Rates

### ICE Municipal Bond Index Performance Matrix

<b>Pricing Date:</b>	12/31/2024
<b>Instantaneous Horizon:</b>	12 months
<b>Reinvestment Rate:</b>	3.29%

Note: The accompanying chart demonstrates the risk and return attributes of various fixed income benchmarks in specified instantaneous parallel interest rate shifts over a stated time horizon. Index returns will vary based on actual changes in interest rates, the yield curve, credit spreads, prepayment factors and other market related inputs. This chart is for illustration purposes only.

Yield Change	ICE BofA 1-5 Year AAA-AA	ICE BofA 1-12 Year AAA-AA	ICE BofA 1-22 Year AAA-A
-200	7.82	11.12	13.42
-175	7.23	10.12	12.24
-150	6.64	9.12	11.05
-125	6.06	8.14	9.87
-100	5.48	7.17	8.68
-75	4.91	6.21	7.47
-50	4.33	5.25	6.26
-25	3.76	4.30	4.99
0	<b>3.19</b>	<b>3.34</b>	<b>3.73</b>
25	2.62	2.39	2.38
50	2.06	1.43	1.03
75	1.49	0.46	-0.38
100	0.93	-0.52	-1.80
125	0.36	-1.51	-3.25
150	-0.20	-2.50	-4.70
175	-0.77	-3.51	-6.15
200	-1.34	-4.52	-7.60

Source: CMS BondEdge - ICE BofAML Municipal Index

The benchmark for the Composite is the ICE BofA 1-12 Year AAA-AA Municipal Index. The index represents unmanaged portfolios whose characteristics differ from the Composite portfolios; however, it tends to represent the investment environment existing during the time period shown. The ICE BofA 1-12 AAA-AA Year Municipal Index is an unmanaged index that tracks the performance of 1-12 year investment-grade municipal bonds, rated AAA through AA, inclusive. The ICE BofA 1-5 AAA-AA Year Municipal Index is an unmanaged index that tracks the performance of 1-5 year investment-grade municipal bonds, rated AAA through AA, inclusive. The ICE BofA 1-20 AAA-AA Year Municipal Index is an unmanaged index that tracks the performance of 1-22 year investment-grade municipal bonds, rated AAA through AA, inclusive.