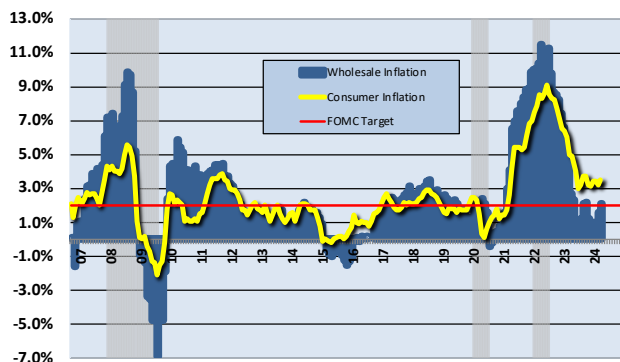




INFLATION ENVIRONMENT

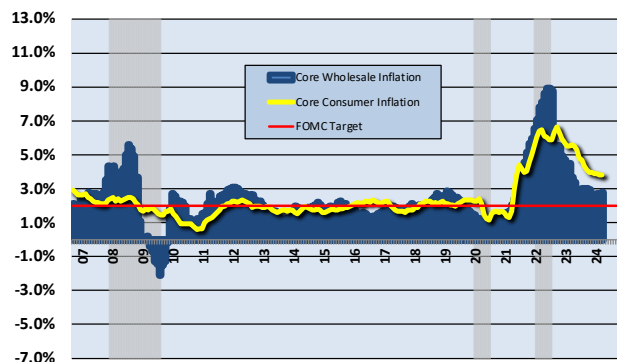
INFLATION PROFILE

WHOLESALE versus CONSUMER INFLATION, Monthly Year-over-Year



CORE INFLATION PROFILE

EXCLUDING FOOD & ENERGY COMMODITIES, Monthly Year-over-Year



	Annual Rates					Monthly Year-over-Year							
	2018	2019	2020	2021	2022	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Wholesale Inflation													
Overall Wholesale Inflation	2.2%	2.2%	0.8%	9.8%	6.6%	2.1%	2.2%	1.2%	0.9%	1.1%	1.0%	1.6%	2.1%
Core Wholesale Inflation	2.2%	2.2%	1.1%	7.0%	4.7%	3.0%	3.0%	2.8%	2.5%	2.7%	2.7%	2.7%	2.8%
Consumer Inflation													
Overall Consumer Inflation	1.9%	1.9%	1.4%	7.0%	6.5%	3.7%	3.7%	3.2%	3.1%	3.4%	3.1%	3.2%	3.5%
Food	1.6%	1.6%	3.9%	6.3%	10.4%	4.3%	3.7%	3.3%	2.9%	2.7%	2.6%	2.2%	2.2%
- Food at Home	0.6%	0.6%	3.9%	6.5%	11.8%	3.0%	2.4%	2.1%	1.7%	1.3%	1.2%	1.0%	1.2%
- Food Away from Home	2.8%	2.8%	3.9%	6.0%	8.3%	6.5%	6.0%	5.4%	5.3%	5.2%	5.1%	4.5%	4.2%
Energy	-0.3%	-0.3%	-7.0%	29.3%	7.3%	-3.6%	-0.5%	-4.5%	-5.4%	-2.0%	-4.6%	-1.9%	2.1%
- Gasoline	-2.1%	-2.1%	-15.2%	49.6%	-1.5%	-3.3%	3.0%	-5.3%	-8.9%	-1.9%	-6.4%	-3.9%	1.3%
Core Consumer Inflation	2.2%	2.2%	1.6%	5.5%	5.7%	4.3%	4.1%	4.0%	4.0%	3.9%	3.9%	3.8%	3.8%
- New Vehicles	-0.3%	-0.3%	2.0%	11.8%	5.9%	2.9%	2.5%	1.9%	1.3%	1.0%	0.7%	0.4%	-0.1%
- Used Vehicles	1.4%	1.4%	10.0%	37.3%	-8.8%	-6.6%	-8.0%	-7.1%	-3.8%	-1.3%	-3.5%	-1.8%	-2.2%
- Apparel	-0.1%	-0.1%	-3.9%	5.8%	2.9%	3.1%	2.3%	2.6%	1.1%	1.0%	0.1%	0.0%	0.4%
- Medical care	-0.5%	-0.5%	-2.5%	0.4%	3.2%	4.5%	4.2%	4.7%	5.0%	4.7%	3.0%	2.9%	2.5%

(April 2024) ... U.S. consumer prices are increasing at a 3.5% annualized pace in March - while core consumer inflation, which excludes commodity-driven food and energy prices, increased 3.8%. Overall inflation has been impacted by a 2.2% increase in food costs, fueled by a 4.2% increase in prices for food eaten away from home and 1.2% increase in grocery prices. Also impacting consumer inflation is a 2.1% increase in energy prices, which included a 1.3% increase in gasoline prices.

Wholesale inflation increased at a 2.1% annualized pace. This demonstrates producers', unlike in the past, have been able to pass on more of their higher costs to the consumer - something they have been unable to do for decades. Still, it continues to adversely impact producers' earnings and future hiring and advances in manufacturing. This endangers future growth potential.

Strategically... A certain level of inflation is needed in a growing economy to increase the value of goods and services produced - contributing to the nation's GDP growth profile. However, the nation's GDP is being significantly diluted by the prevailing inflation rate thus resulting in a net growth rate that is insufficient to create a sustained pace of recovery needed to put the country on a strong path.

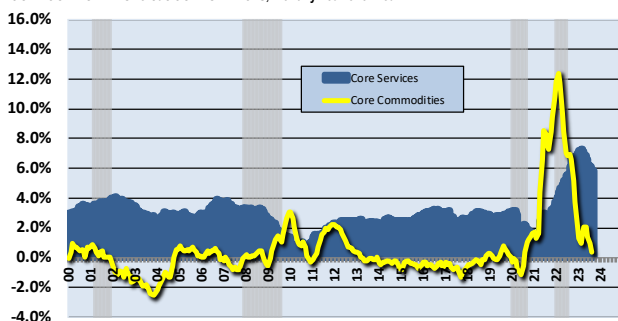
We continue to note that the FOMC will be closely monitoring the pace of consumer inflation and retain a strong stance regarding how to position their overnight benchmark rate. This would keep upward trend on cash and short-term yields but most likely will not impact consumer



CONSUMER PRICE INFLATION

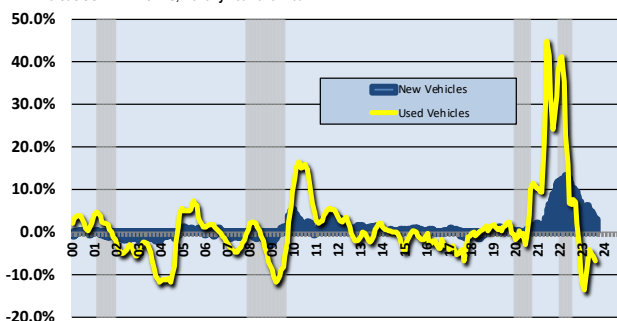
US INFLATION PROFILE - CORE CONSUMER PRICES

CORE COMMODITIES versus CORE SERVICES, Monthly Year-over-Year



US INFLATION PROFILE - VEHICLE PRICES

NEW versus USED VEHICLES, Monthly Year-over-Year



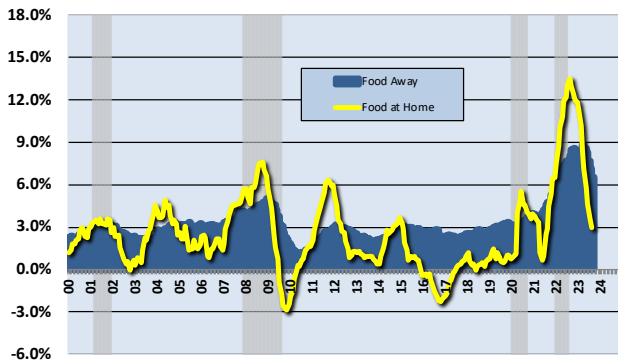
	Annual Rates					Monthly Year-over-Year							
	2018	2019	2020	2021	2022	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
OVERALL CONSUMER INFLATION	1.9%	1.9%	1.4%	7.0%	6.5%	3.7%	3.7%	3.2%	3.1%	3.4%	3.1%	3.2%	3.5%
Food Prices	10.4%	1.6%	1.8%	3.9%	10.4%	4.3%	3.7%	3.3%	2.9%	2.7%	2.6%	2.2%	2.2%
Energy Prices	7.3%	-0.3%	3.4%	-7.0%	7.3%	-3.6%	-0.5%	-4.5%	-5.4%	-2.0%	-4.6%	-1.9%	2.1%
Core Consumer Prices	2.2%	2.2%	1.6%	5.5%	5.7%	4.3%	4.1%	4.0%	4.0%	3.9%	3.9%	3.8%	3.8%
CORE COMMODITIES	0.1%	0.1%	1.7%	10.7%	2.1%	0.2%	-0.4%	0.1%	0.0%	0.2%	-0.3%	-0.3%	-0.7%
Household furnishing	0.9%	0.3%	2.9%	40.0%	7.3%	1.7%	0.9%	0.7%	-0.3%	-0.9%	-1.3%	-2.3%	-2.7%
Furniture and bedding	1.7%	1.2%	2.2%	13.8%	4.7%	-4.4%	-5.4%	-2.9%	-3.1%	-4.3%	-2.9%	-3.7%	-3.8%
Appliances	4.7%	0.2%	6.2%	6.0%	1.1%	0.1%	-1.1%	-2.0%	-3.5%	-4.0%	-3.9%	-5.2%	-6.3%
Tools	1.1%	0.9%	3.7%	7.2%	10.6%	7.4%	6.3%	4.2%	2.8%	0.9%	-0.8%	-3.0%	-3.7%
Housekeeping supplies	10.0%	0.4%	4.9%	2.1%	11.6%	5.0%	4.7%	4.3%	3.1%	2.8%	1.8%	1.3%	0.1%
Apparel	-0.1%	-1.2%	-3.9%	5.8%	2.9%	3.1%	2.3%	2.6%	1.1%	1.0%	0.1%	0.0%	0.4%
Men's and boy's	1.7%	-1.9%	-3.2%	7.8%	2.2%	3.6%	4.9%	5.3%	2.8%	1.3%	1.7%	2.7%	1.0%
Women's and girl's	-1.3%	-2.2%	-5.9%	4.4%	4.1%	3.9%	1.8%	1.3%	0.1%	0.6%	-1.0%	-1.5%	-0.1%
Jewelry	-2.1%	0.1%	1.1%	7.2%	5.0%	5.5%	0.8%	3.1%	1.7%	2.2%	0.6%	-3.8%	-3.3%
Transportation	0.5%	-0.1%	5.0%	21.8%	-0.9%	-1.9%	-2.3%	-2.1%	-0.9%	0.0%	-0.8%	-0.3%	-0.8%
New vehicles	-0.3%	0.1%	2.0%	11.8%	5.9%	2.9%	2.5%	1.9%	30.0%	1.0%	0.7%	0.4%	-0.1%
Used vehicles	1.4%	-0.7%	10.0%	37.3%	-8.8%	-6.6%	-8.0%	-7.1%	-3.8%	-1.3%	-3.5%	-1.8%	-2.2%
Motor vehicle parts	2.2%	1.8%	0.4%	11.3%	9.9%	2.0%	-0.3%	-1.0%	-1.5%	-1.2%	-0.8%	-0.5%	-0.8%
Medical care	-0.5%	2.5%	-2.5%	0.4%	3.2%	4.5%	4.2%	4.7%	5.0%	4.7%	3.0%	2.9%	2.5%
Medicinal drugs	-0.6%	2.5%	-2.1%	0.2%	2.8%	2.8%	4.0%	4.6%	5.0%	4.1%	3.4%	2.9%	2.5%
Recreational	-1.3%	-0.9%	-0.2%	3.3%	4.1%	-0.1%	0.2%	-0.4%	-0.6%	-1.2%	-0.6%	-1.3%	-1.9%
Video and audio	-11.0%	-9.7%	-0.8%	-0.1%	-7.5%	-4.5%	-4.4%	-4.6%	-5.5%	-6.5%	-5.8%	-3.6%	-3.9%
Pets and pet products	2.2%	3.1%	-1.8%	2.7%	12.6%	5.1%	4.8%	3.5%	2.7%	3.1%	2.9%	1.7%	1.3%
Sporting goods	2.5%	0.1%	2.5%	6.3%	3.5%	-1.2%	-0.1%	-1.2%	-1.8%	-2.5%	-1.1%	-1.8%	-2.2%
Educational and communications	-3.3%	-6.0%	-2.5%	0.2%	-10.1%	-8.1%	-7.3%	-7.1%	-7.9%	-7.2%	-6.6%	-5.6%	-6.2%
Books and supplies	1.0%	-2.0%	0.7%	-0.4%	5.4%	-3.4%	-2.0%	-3.2%	-4.8%	-3.6%	-4.0%	-3.5%	-3.0%
Information technology	-4.6%	-7.3%	-3.3%	0.3%	-11.8%	-8.7%	-7.9%	-7.6%	-8.3%	-7.6%	-6.9%	-5.9%	-6.6%
CORE SERVICES	2.9%	3.0%	1.6%	3.7%	7.0%	5.9%	5.7%	5.5%	5.5%	5.3%	5.4%	5.0%	5.4%
Shelter	3.2%	3.2%	1.8%	4.1%	7.5%	7.3%	7.2%	6.7%	6.5%	6.2%	6.0%	5.7%	5.7%
Rent and lodging	3.2%	3.3%	1.9%	4.2%	7.6%	7.3%	7.2%	6.8%	6.5%	6.2%	6.1%	5.8%	5.7%
Water, sewer, trash	4.5%	2.2%	3.6%	3.5%	4.9%	5.8%	5.2%	5.3%	5.4%	5.2%	5.5%	5.3%	5.3%
Household operations	6.8%	3.5%	4.1%	9.4%	3.7%	4.8%	4.8%	6.7%	5.6%	5.2%	-4.9%	9.9%	10.9%
Other services													
Medical care services	4.5%	5.1%	2.8%	2.5%	4.1%	-2.1%	-2.6%	-2.0%	-0.9%	-0.5%	0.6%	1.1%	2.1%
Transportation services	2.8%	0.6%	-3.5%	4.2%	14.6%	10.3%	9.1%	9.2%	10.1%	9.7%	9.5%	9.9%	10.7%
Education and communications	0.5%	2.0%	2.3%	1.7%	2.4%	2.6%	2.5%	2.3%	1.4%	1.3%	1.3%	1.5%	1.4%
Other personal services	4.3%	1.8%	2.9%	4.3%	5.5%	6.4%	6.8%	6.7%	6.1%	6.4%	6.8%	5.1%	5.4%



FOOD & ENERGY INFLATION

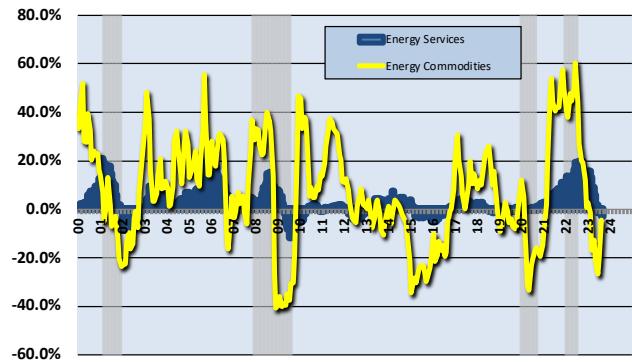
US INFLATION PROFILE - FOOD PRICES

FOOD-AT HOME versus FOOD AWAY, Monthly Year-over-Year



US INFLATION PROFILE - ENERGY PRICES

ENERGY COMMODITIES versus ENERGY SERVICES, Monthly Year-over-Year



	Annual Rates					Monthly Year-over-Year							
	2018	2019	2020	2021	2022	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FOOD PRICES	10.4%	1.6%	1.8%	3.9%	10.4%	4.3%	3.7%	3.3%	2.9%	2.7%	2.6%	2.2%	2.2%
Food at Home	11.8%	0.6%	0.7%	3.9%	11.8%	3.0%	2.4%	2.1%	1.7%	1.3%	1.0%	1.0%	1.2%
Cereal and bakery	16.1%	1.7%	0.3%	3.2%	16.1%	6.0%	4.8%	4.2%	3.4%	2.6%	1.5%	1.7%	0.2%
Cereal	15.6%	0.2%	-0.3%	3.5%	15.6%	4.3%	3.6%	2.5%	2.0%	0.4%	-0.6%	0.7%	-1.3%
Bakery	16.3%	2.4%	0.5%	3.0%	16.3%	6.8%	5.2%	4.9%	4.1%	3.6%	2.5%	2.1%	0.9%
Meats, poultry, fish and eggs	7.7%	-0.4%	2.3%	4.6%	7.7%	0.0%	0.2%	0.4%	0.1%	-0.1%	-0.9%	-0.5%	1.3%
Meats	4.5%	-0.9%	3.6%	5.2%	4.5%	1.6%	2.9%	4.0%	3.6%	3.6%	3.5%	1.1%	3.4%
Poultry	12.2%	-1.4%	1.7%	4.3%	12.2%	-0.1%	-0.4%	0.3%	1.0%	1.2%	1.7%	0.2%	2.1%
Fish	5.0%	3.2%	0.0%	5.0%	5.0%	0.1%	-1.5%	-1.8%	-1.5%	-1.4%	-2.6%	-3.9%	-2.6%
Eggs	59.9%	-2.2%	-3.0%	-1.5%	59.9%	-18.2%	-14.5%	-22.2%	-22.3%	-23.8%	-28.6%	-17.0%	-6.8%
Dairy and related products	15.3%	-0.1%	2.4%	4.4%	15.3%	0.3%	-0.2%	-0.4%	-1.4%	-1.3%	-1.1%	-1.8%	-1.9%
Milk	12.5%	-1.2%	5.1%	6.0%	12.5%	-3.5%	-2.1%	-1.6%	-2.4%	1.8%	-2.4%	-2.5%	-1.6%
Cheese	12.8%	-0.4%	3.1%	3.8%	12.8%	-1.7%	-2.8%	-1.9%	-2.6%	-3.3%	-2.1%	-2.8%	-3.1%
Ice Cream	15.0%	1.2%	0.0%	4.0%	15.0%	4.3%	4.5%	1.8%	1.0%	2.8%	0.2%	-0.4%	-1.9%
Fruits and vegetables	8.4%	1.6%	-1.3%	3.2%	8.4%	2.1%	0.8%	1.1%	0.4%	-0.5%	1.1%	0.8%	2.0%
Fresh fruits	3.4%	-0.7%	-2.4%	1.4%	3.4%	0.6%	-0.5%	1.8%	-0.4%	3.6%	1.9%	0.2%	1.5%
Fresh vegetables	9.8%	4.6%	-1.8%	4.2%	9.8%	1.0%	-1.2%	-0.1%	-3.1%	-4.8%	-0.9%	1.3%	3.0%
Beverages (non-alcoholic)	12.6%	1.4%	1.0%	4.4%	12.6%	4.8%	4.0%	3.3%	2.9%	2.6%	3.4%	2.3%	2.4%
Juices and soda	12.2%	2.5%	1.9%	5.2%	12.2%	5.8%	4.4%	3.9%	3.6%	3.6%	4.8%	3.4%	3.6%
Coffee and tea	13.8%	-1.2%	-1.2%	2.4%	13.8%	2.5%	1.6%	0.4%	1.0%	-1.6%	0.2%	-0.3%	-0.7%
Other food at home	13.9%	0.2%	0.3%	3.9%	13.9%	4.5%	4.2%	3.6%	3.3%	2.8%	2.6%	2.3%	1.4%
Food Away from Home	8.3%	2.8%	3.1%	3.9%	8.3%	6.5%	6.0%	5.4%	5.3%	5.2%	5.1%	4.5%	4.2%
Full service meals	8.2%	2.8%	3.3%	3.0%	8.2%	5.2%	10.0%	4.3%	4.3%	4.5%	4.3%	3.8%	3.2%
Limited service meals and snacks	6.6%	2.7%	3.0%	6.0%	6.6%	6.7%	6.4%	6.2%	6.0%	5.9%	5.8%	5.2%	5.0%
ENERGY PRICES	7.3%	-0.3%	3.4%	-7.0%	7.3%	-3.6%	-0.5%	-4.5%	-5.4%	-2.0%	-4.6%	-1.9%	2.1%
Energy commodities	0.4%	-1.8%	7.4%	-15.2%	0.4%	-4.2%	2.2%	-6.2%	-9.8%	-2.9%	-6.9%	-4.2%	0.9%
Fuel Oil	26.0%	1.9%	4.6%	-20.0%	26.0%	-12.4%	-5.6%	-21.4%	-24.8%	-14.7%	-10.5%	-4.3%	-3.1%
Gasoline	-1.5%	-2.1%	7.9%	-15.6%	-1.5%	3.3%	3.0%	-5.3%	-8.9%	-1.9%	-6.4%	-3.9%	1.3%
Energy services	15.6%	1.4%	-1.2%	2.6%	15.6%	-2.7%	-3.3%	-2.3%	-0.1%	-1.1%	-2.0%	0.5%	3.1%
Electricity	14.3%	1.1%	-0.4%	2.2%	14.3%	2.1%	2.6%	2.4%	3.4%	3.3%	3.8%	3.6%	5.0%
Gas utility	19.3%	2.3%	3.5%	4.1%	19.3%	-16.5%	-19.9%	-15.8%	-10.4%	-13.8%	-17.8%	-8.8%	-3.2%