

Raising the Sails



As of February 26th, 2026, we sold our bond holdings in the Equity Model Portfolio and redeployed the proceeds into stocks.

Bonds, which had a very minor 2% position in our Equity model, have served their purpose in portfolios over the past couple of years. They've provided stability, income, and ballast when markets were choppy. When we initiated the position, there were a lot of negative economic signals that were advocating for slightly more risk aversion. We thought bonds had an attractive outlook and having a bit of dry powder would be helpful.

But markets evolve, and so do opportunity sets.

Today, we believe the expected return profile of stocks relative to bonds is much more compelling.

This change does not reflect a prediction about what will happen next week or next month. It reflects a medium-to long-term assessment of where we believe money is best positioned to compound over time. Stocks are

inherently more volatile than bonds, and short-term swings are part of the journey. However, for investors in our Equity Model Portfolio, the mandate is growth. In that context, we believe that leaning fully into equities is the appropriate allocation.

As always, these decisions are grounded in discipline rather than emotion. We will continue to monitor valuations, economic conditions, and portfolio risk carefully. If conditions warrant adjustment in the future, we will make those changes with the same process-driven approach. A snapshot of our Equity Model Portfolio is below.

Asset Class	Weight
Stocks	100% (+2%)
Bonds	0% (-2%)

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