







## AI-Powered Global 60/40 Tilt Portfolio Monthly Update

Asset Class	AI Tilting vs Benchmark*	Macro & Market Environment
Equity	+ Overweight	As the U.S. Q4 corporate earnings season gets underway, strong showings from top tech firms led to a positive month for the U.S. equities market. The S&P 500 rose 1.59% to end the month of January (SPX, Morningstar).
Fixed Income	- Underweight	Favorable labor market data gave investors cause for optimism, and general market expectation points to inflation falling to around 2% this year. Target rate remains at 5.25% to 5.5%.

\* Global 60/40 Multi-Asset Allocation

Sub-asset Classes	AI Signal Change (MoM)	Macro & Market Environment
Short Term Treasury	 Decreased	Long-term treasury yields edged slightly upwards as market opinions differed on the timing and scale of the Federal Reserve's rate cuts. Year-on-year headline inflation increased slightly to 3.4% in December, and treasury bonds saw a mixed showing in response (SHV +0.40%, IEF +0.07%, TLT -2.25%).
Intermediate Treasury	 Decreased	
Long Term Treasury	 Increased	Qraft's proprietary AI engine maintains an underweight position towards fixed income, and increased its allocation to Long term treasury bonds while reducing allocation to Short and Intermediate term treasury.
U.S. Equity	 Increased	The S&P 500 began the year by rising 1.59% in January as major tech stocks led the market. Other U.S. indexes followed suit, with the Dow rising +1.22% and the NASDAQ returning 1.85% (SPX, DJI, NDX, Morningstar). Performances were not as rosy in other markets around the world - Developed and Emerging markets both saw losses of -1.09 and -3.35 respectively (VEA, VWO, Morningstar).
Developed Market Equity	 Decreased	
Emerging Market Equity	 Increased	In February, Qraft's AI model maintains an overweight position on equities and predicts increased allocation to U.S. and Emerging Markets while decreasing holdings in Developed Market equity.

Source: Qraft Technologies, Morningstar