Fourth Quarter 2024

Quarterly Commentary

Market Overview

2024: Uncertainty and Opportunity

In 2024, markets across the globe advanced, with the U.S. continuing its leadership position, outpacing international markets. The S&P 500 gained 25% in 2024, particularly notable following the strength of performance in 2023, and the Nasdaq advanced 29.6% for the year. The MSCI All Country World Index ex-U.S. gained 5.5%, a reflection of more challenging markets abroad.

The Federal Reserve lowered interest rates by 25 basis points at both the November and December meetings, bringing the Federal Funds rate to 4.25% (lower bound). This move was generally expected, but the stable labor market and persistent inflation contributed to hawkish messaging at the December Press Conference that future rate cuts may move at a slower pace; ultimately leaving rates "higher-for-longer" in a pathway of recalibration to neutrality.

The 2024 election and further adjustments to monetary policy were some of the note-worthy events of the last quarter of the year. Both events impacted markets and created new opportunities for investors.

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Equity Markets

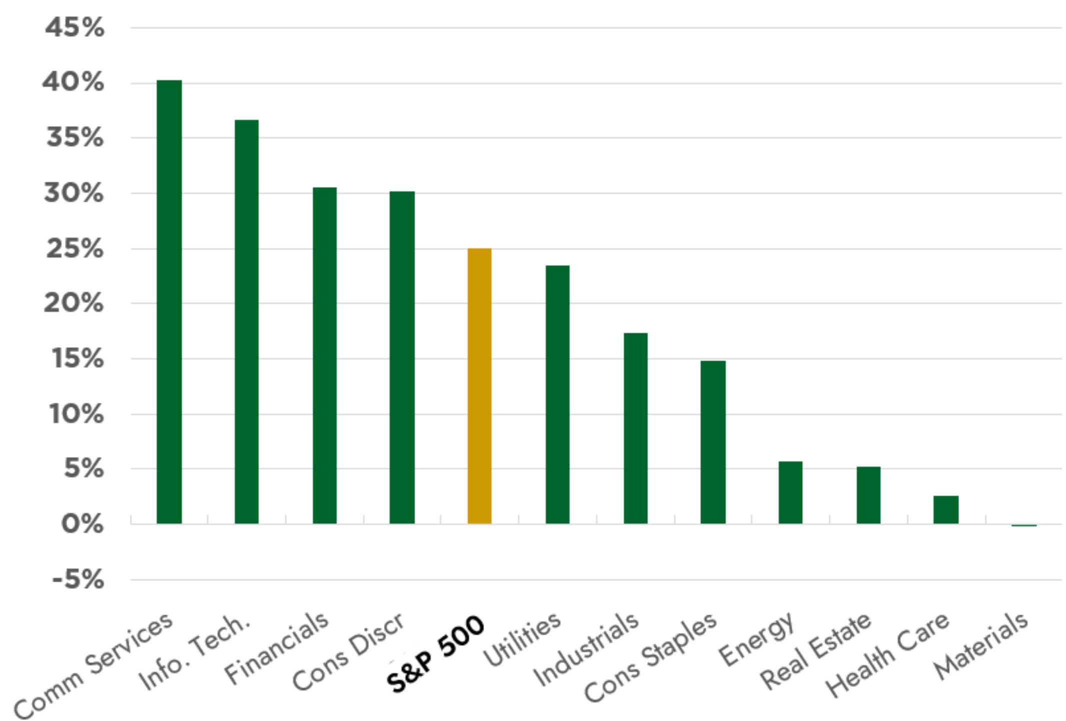
During the fourth quarter of 2024, the market placed the cherry on top of what proved to be an ice cream sundae of a year. To have performance years in the S&P 500 of +20% or above is rare, but what proved even rarer was the Magnificent Seven's continued dominance in 2024.

AI investment proved to be a pronounced tailwind for markets and the Magnificent 7 drove the bulk of the market's advancement. Much like in 2023, the technology and communication services sectors were the top performing industries. Key drivers of markets did broaden modestly to include some AI beneficiaries; utilities rallied over 20% in 2024, as demand for electricity, particularly from data centers, surged to new highs.

Markets in 2024, building on the strong momentum established in 2023, delivered very strong results, despite a number of challenges. The year began with many market prognosticators convinced the U.S. economy was sliding into a recession, and traders priced in as many as seven interest rate cuts over the course of the year. The economy proved resilient, however, sidelining the Fed until the third quarter. Further, markets were able to advance meaningfully despite a series of headwinds, namely geopolitical tensions, notable global elections, and concentrated markets marked by stretched valuations. Strength prevailed, though, supported by solid earnings, resilient economic growth and an important pivot by the Fed with an easing of interest rates, all propelling markets higher for the year.

S&P 500 Performance by Sector

Q4 2024



Source: Bloomberg

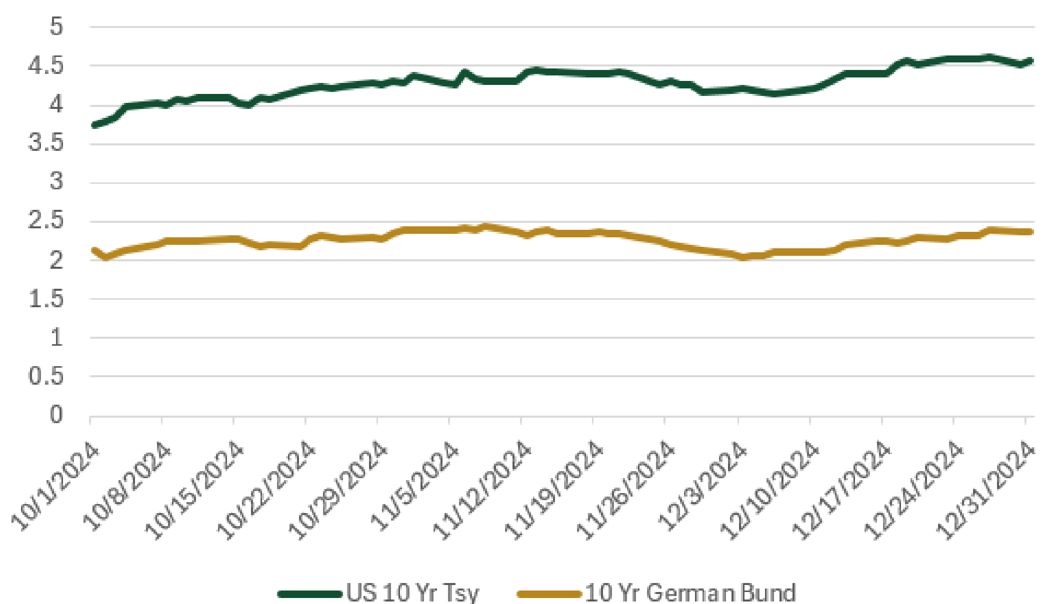
Fixed Income Markets

The Fourth Quarter was primarily focused on the US Presidential Election and its impact on the direction of the economy. Having engineered a larger than expected rate cut of 50 basis points at the September meeting, Chair Powell attempted to launch a shift in Monetary Policy that would recalibrate interest rates from restrictive towards neutral. He proceeded to assemble the coalition of voting Fed members and followed September with another 25-basis point cut at the November FOMC meeting, which immediately followed the election and set the table for a "data dependent" Fed. From September onward, rates across the yield curve continued to back-up by tightening financial conditions in a so called" bond market vigilante" attempt to question the validity of the direction both of monetary and of fiscal policy— i.e. the debt and the deficit.

By December, given the stronger than expected data points and the lack of meaningful progress on inflation, another rate cut did not seem to be justified yet – although it remained "priced-in" by the market. Accordingly, Powell and the Fed delivered another 25-basis point cut, along with publishing the Summary of Economic Projects for 2025 or "Dot Plot." The overall tone at the December meeting was hawkish and further supported the likely possibility of the Fed holding rate cuts, at least for the first quarter of 2025, due to the number of policy uncertainties within the Trump administration paired with a Republican House and Senate.

US Treasury yields continue to attract foreign buyers given the interest rate premium—as evidenced in the chart below, which marks the US Treasury 10-Year at a current yield that is 200 basis points above the comparable European Benchmark (German 10-Year yield). An appreciating US dollar currency, particularly against the Euro, will likely continue to support our US Treasury market as the Trump Administration – and his newly confirmed US Treasury Secretary Scott Bessent – begin to address the bigger issues of entitlement reform, re-profiling our debt, and tackling our debt to GDP ratio.

US 10 Year Treasury vs. German Bund



Source: Bloomberg

Our Federal Reserve Outlook: 2025

Chair Powell and the Federal Reserve's decision to hold the Fed Funds rate at its current level in January did not surprise us. We expect the Fed to remain on hold for the near term, especially as it begins to see the revelation and implementation of the Trump agenda. Given the strength of the labor market – the unemployment rate currently stands at 4.1% – the Fed can continue to remain patient without fear that it is falling behind the curve to support full employment. Further rate cuts can take a back seat to understanding the initial impact of Trump's trade and tariff, immigration and deportation, and tax and budget policies.

There will be much to digest in the first 100 days of the new administration and the Fed can remain confident to recommence its policy neutrality objective, once there is greater certainty about the "unknown unknowns." We do expect the Fed to have a greater understanding of Trump's priorities by the June Fed meeting, however all meetings between now and June remain in play. We believe the Fed will likely continue a "data dependent" approach which would keep us in a "higher-for-longer" rate environment.

Our Portfolios

Equities: The Continued Dominance of the Magnificent Seven

In 2024, the S&P 500 dramatically outperformed the S&P 500 equal weight index for the third consecutive year. As we enter 2025, we are starting to see a broadening out of the equity markets vs. the very overly owned Magnificent Seven and technology sector. While the Magnificent Seven are terrific businesses with robust earnings, we feel that their valuations ultimately get stretched and corrections do occur. Whether it is a big decline or a sideways flattening-out, even the best companies are not immune to a correction. In our opinion, a sideways correction is in process for most of these stocks which will allow the market to continue a healthy broadening out.

While technology continued to outpace the broader markets, there were many industries that continued to languish and perform poorly. In effect, the conditions created a real stock picker market. This type of environment is desired by our investment team, and we are quite happy with how the fundamentals of our portfolio companies performed – as well as the subsequent performance of many of their stock prices. Given that our portfolios are not overweight with technology, we were pleased with the results. While not especially happy with our fourth quarter performance, we attribute this largely to the poor market dynamics at play in the month of December, which saw the S&P 500 equal weight index down -6.3% for the month.

When our investment team sits back and reflects on 2024, we are pleased with several new purchases that were made to strengthen the long-term return profile of our strategies. We made a sizable new investment in **Netflix** and **ServiceNow** and we increased our investments in **Arthur J. Gallagher, Brown & Brown, Eaton** and **Progressive**. Above all else, we are proud of our ability to take advantage of price volatility to attain these names at terrific prices. At the same time, we exited some of our investments in 2024; **CSX, Canadian Pacific Kansas City, Mettler-Toledo** and **Thermo Fisher Scientific**. We feel that the names within our strategies are investments that are each poised to continue their fundamental outperformance, which will only drive their stock prices higher over the years.

Portfolio Spotlight:

Netflix is a recent investment that was purchased during the summer of 2024. We have long been students of the streaming media space, as such we've paid close attention to how it has developed over the last two decades. Initially, we questioned the sustainability of streaming because of the enormous cash burn that many of these companies experienced. The young industry quickly became highly competitive as deep pocketed competitors like Amazon, Disney, Apple and Comcast committed to large production budgets and chased subscribers with low monthly prices without long term contracts; subscriber churn often ensued.

In 2021, we took note again when Netflix pared the growth of their production budget and increased focus on free cash generation while still delivering subscriber additions, demonstrating the strength of their data-driven approach to content creation. In 2023, Netflix moved to crack down on password sharing without subsequent churn, thus showcasing the loyalty of their subscribers. Even when debt leverage and mounting losses caused some competitors to pare back the growth of their production budgets, we realized that with Netflix's scale, technology, data, and production formula, they had undoubtedly prevailed as the leader of streaming. With the pace of cord-cutting continuing to pressure linear TV companies, it became clear that streaming itself had pulled ahead of cable as consumers preferred its content delivery model.

A few catalysts compelled us to act and take a position: Netflix's move into live sports/events as well as their focus on adding advertising as a revenue source to complement the lowest subscription pricing. The success of the Mike Tyson-Jake Paul live boxing event with 38M concurrent streams, followed by their livestreamed Christmas Day NFL game — which garnered nearly 65M viewers worldwide — gives us confidence in this growth strategy. Additionally, the coming monetization of their advertising strategy supports near-term growth goals and their current valuation.

We see all the quality attributes of a long-term compounder in Netflix's business model including high returns, low financial leverage, strong free cash generation, a deep moat, pricing power, and organic revenue growth. This highly moated business with enormous scale stands alone in its ability to deliver unique content worldwide. We look forward to owning this company for many years to come.

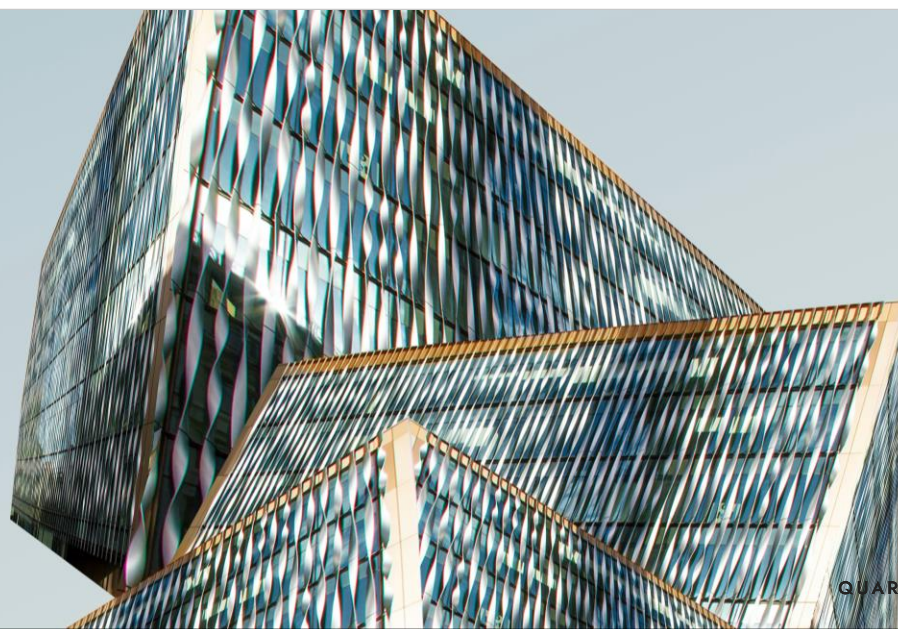
Our Portfolios

Fixed Income: All Eyes on the Treasuries

The U.S. bond market in the fourth quarter of 2024 saw an increase in volatility as monetary policy, economic data, presidential elections and macro events all combined to drive market dynamics. The Federal Reserve Board implemented two 25-basis-point rate cuts, signaling a continued commitment to easing financial conditions. This decision had the most pronounced impact on shorter-term Treasury yields, which fell sharply. Meanwhile, longer-term yields increased, leading to a less inverted and closer-to-normalized yield curve. The curve now exhibits a positive shape and the 3-month US Treasury vs. the 10-year US Treasury ended the year with a positive slope of 25 basis points. These tenors had been inverted for over 2 years until reaching a positive slope on December 12th, 2024. This shift in the yield curve provided the backdrop for quarterly returns as shorter-term fixed income assets outperformed longer duration assets.

Treasury rates remained the focal point for investors as they reacted to every Fed speaker and economic data point. So far, the Federal Reserve has managed to adhere to its dual mandate of regulating inflation while maintaining full employment. US employment figures remained robust, but inflation continued to be stubbornly elevated.

With the latest back-up in rates, we will continue to see especially solid buying opportunities for quality municipals and investment grade corporate bonds and will look to take advantage tactically of these opportunities for our clients. Five per cent coupons for the next five years continue to look very attractive both in the tax advantaged and in the taxable worlds.



Short-Term

As previously noted, the last quarter of the year marked a continued upward shift in the US Treasury yield curve, which had a significant impact on our short-term portfolios. The market's response to this environment has been aligned with expectations. As the Fed Funds rate goes down, the front-end yields decline accordingly. While we have seen short-dated yields decline, we continue to look at historically attractive and elevated rates.

Within the short-term strategies, we remain strategic on layering in duration as interest rates look attractive, but we are equally mindful of the tight credit spreads that are historically tight. The portfolios continue to have a strong emphasis on high-grade corporate and municipal bonds as we saw value in quality throughout the quarter. The spread differential between A rated bonds and BBB rated was minimal, further incentivizing us to increase quality. The year ended with record-breaking issuance, giving investors an opportunity to earn higher coupons as the rates reflected the current environment. We continue to focus on adding securities with higher coupons to increase income.

Our current positioning has allowed us to lock in attractive yields, while also having ample near maturity positions to reinvest in evolving opportunities. We continue to find the US Government market to be attractive and have used both Treasuries and agencies as attractive solutions. We have also focused on high grade municipalities for our tax-sensitive clients. Throughout the quarter, we continued to see value in having an anchor in tax-advantaged securities with high grade ratings.

Corporates/ Preferreds

Chair Powell indicating that Fed policy has entered a "new phase" caused a re-pricing of the Dot Plot and subsequent repricing of the US Treasury curve, which in turn notably weighed on the bond and preferred market during the quarter.

Corporate bonds that had intermediate and longer durations gave back some gains that were accumulated in 2024. The Bloomberg/Barclays US Intermediate Corporate Bond Index declined 1.40% during the quarter, bringing the total return for the year to a gain of 4.22%. The main culprit for the negative returns was the increase in Treasury rates as the yield on the 10-Year US Treasury note increased to 4.57% from 3.78% in the fourth quarter. Credit spreads, which is the additional yield that investors receive for buying corporate bonds, remained stable and near historical lows. Investment Grade corporate spreads, as measured by the Bloomberg/Barclays Corporate Bond Index, tightened slightly from +89bps to +80bps by year-end.

Despite challenges, including geopolitical tensions and inflationary pressures, corporate credit quality remained strong, and default rates stayed low. Preferred securities also declined during the quarter, giving back some of the gains they enjoyed in the third quarter of 2024 in the run up to the US election. The ICE BofA Fixed Rate Preferred Index still produced a gain of 7.06% for 2024, despite giving back 3.00% during the fourth quarter.

We believe that current bond yields, and thus potential returns, are attractive. The recent increase in rates and yields provides levels that have not seen by U.S. fixed income investors in a while. In Investment Grade, broad compression this year has reduced sector dispersion to its lowest level since 2006, which increases the importance of credit selection.

With spreads tight, near historical levels, credit selection remains essential for preferred and corporate securities and will be essential to outperformance in 2025. Investors should be capitalizing on these elevated yields by purchasing fixed income assets and locking in higher rates with longer durations. In an ever-changing market, proactive and disciplined management is crucial for capitalizing on opportunities while managing risks effectively.

Municipal

The municipal market continued to see volatility throughout the quarter as investors remained focused on the Federal Reserve, increasing US Treasury rates and a surge in long-term new issue municipal supply. The municipal market closed the fourth quarter with negative total returns and an increase in yields. Yields on AAA-rated securities inside of 4 years rose 43 to 46 basis points while intermediate and long-dated securities closed the quarter at higher yields than month-end September,_with yields rising 33 to 53 basis points. As a result, the municipal yield curve flattened with spreads between 1 and 30-year securities tightening 13 basis points from 100 in September to 87 basis points, month-end December. Ultimately, we expected a year-end rally that simply did not materialize.

Typically, at year-end and into early January, investors are more focused on technicals in the anticipation of supply and demand imbalances. On the supply side, the secondary market was very active with both above average bid-wanted lists and heavy inventory as dealers closed their books for the fiscal year. This coupled with an increase in new issue supply limited a year-end rally.

- According to the Bond Buyer, in Q4 new issue volume was up **17.9%** with **$122.3 billion** of new debt, compared with **$103.7 billion** from the same period last year.
- Demand side fund flows were positive in 4Q '24, but due to rate volatility investors pulled over **$1 billion** from long-term and short-intermediate in December.

Source: Investment Company Institute.

Throughout the fourth quarter, the municipal market did not trade in lockstep with US Treasuries. Tax-exempt securities outperformed US Treasuries with ratios tightening by approximately 3- 5 percentage points and the 30-year sector tightened the most relative to its taxable counterpart. With the recent increase in yields, the municipal market is reaching more appropriate valuations versus US Treasuries. This will enable us to consider adding opportunistically as supply may be slower than expected and the 30-day visible supply is rather muted as for 2025.

Our Portfolios

Outside Advisory: A Strong Complement

A review of both the fourth quarter and the 2024 year in full was broadly a successful one for our Outside Advisors in public markets, with most delivering very solid relative and absolute performance.

Our partners that focused on the technology sector had a very strong year, performing well in excess of their relative benchmark, the Nasdaq, due to very strong stock selection and astute sizing of investments. Power and utility names had a strong year due to the increased amount of capital and investments being made due to the power demands of AI and the infrastructure upgrades needed; several of our Outside Advisors had exposure to this sector which helped them deliver outsized returns in 2024.

Electron Capital, a long-term partner of ours, specializes in the global power and infrastructure space. Electron had a terrific year in 2024, capturing the advancement made in many of the power infrastructure names driven by AI and data center power demand. Our Outside Advisors focused on international markets delivered strong results relative to their benchmark, as a keen focus on quality enabled them to put capital behind solid compounders and outperform. Finally, our Outside Advisors in credit markets, an area in which we look for key diversification and lower volatility, delivered a year of very strong returns. Our partners astutely took advantage of this higher rate environment and opportunistically moved across the capital structure to outperform on an absolute and relative basis.

Private equity markets remained relatively subdued for most of 2024, with deal activity generally limited to the highest quality assets. That said, private markets are primed for a meaningful rebound in activity over the coming couple of years. Valuations have stabilized, and interest rate cuts and more favorable macroeconomic conditions and a more favorable regulatory backdrop set the stage for more robust deal activity. Global exit deal volume is rising, a shift that should support the flywheel of deal activity, distributions and future investments. As always, we set the bar high for new allocations of capital, partnering very selectively with those managers with the experience, discipline and performance history that enables consistent outperformance and true alpha generation.

Our Outlook

Choppy Wakes While Underway

Despite a weak December, US equity markets were strong again in 2024, which followed a strong 2023. As we enter the new year with a shifting policy backdrop, the question of whether strong equity performance can continue is top of mind. From a macro perspective, we are of the mindset that the US economy is somewhat fragile, after nearly 30 months of tight monetary conditions, but has been buffeted by the enormous spending on technology data center capacity to support the launch of AI applications by the "hyperscalers" – Amazon, Microsoft, Google and Meta primarily. The potential for new tariffs, continued fiscal deficits, and fears around boomerang inflation have made Fixed Income investors and even Federal Reserve officials themselves nervous, as demonstrated by the strong upward move in the 10-Year Treasury yield over the last 6 weeks, which was spawned by a hawkish tone at the December Fed meeting.

This Treasury rate move was surprising given the Fed's recent shift to cutting the Fed Funds rate, but it demonstrates the lack of conviction that bond investors have in the forward path of inflation. Equity market valuations are rich coming into the new year, propelled mostly by tech valuations, but other sectors look pricey as well. The longer tight financial conditions and high rates remain, the more risk there is for economic fundamentals to disappoint, which is not a great setup for equity outperformance in the short-term. But any near-term caution we have is offset by the understanding that a change in policy backdrop to a pro-growth, pro-business stance is quite positive longer-term for risk assets. President Trump and Treasury Secretary Scott Bessent have both discussed their ambition to create more of a free-market economy with less regulation, more fiscal restraint, and lower interest rates.

The DOGE-effort to be led by Elon Musk has the potential to unleash real savings in inefficient government spending; even if they achieve only 25% of their stated goal of $2T in savings, this change in the trajectory of government deficits will be meaningful. The sooner tariff policy is clarified, the better for markets as uncertainty is the enemy of capital allocation. Evidence from the 2018 tariff implementations show that pockets of inflation resulted, but it was not evenly spread, and it was soon competed away. In our minds, the root cause of inflation has been excessive government stimulus spending, and the new Administration seems focused to reign this in over the medium term. How quickly they achieve this will be crucial to building confidence and the promise of extending low taxes makes delivering deficit reduction even harder in the short-term.

Shifting the policy backdrop to one that is more pro-business and cutting inefficient programs will not be straightforward. Entrenched interests will fight any attempt to slash spending or regulations that benefit some faction or cause. Mistakes will be made and the road ahead will not be straight. We see equity markets as bumpy over the next several months but will not lose sight on the eventual goal, which gives us a reason to remain hopeful. We believe there are many industries that will benefit from less government regulation, which will speed up the time and ease of bringing new products to market and new investments to bear.

M&A activity is one bright spot that appears poised to make a comeback as former Chair Lina Khan, who has been a vocal critic of business combinations, exits her seat at the FTC. One thing is for certain: low rates cannot come soon enough for the housing market. The US has a housing crisis that has been made worse by high mortgage rates which have dissuaded existing homeowners with low mortgages from selling, thus limiting supply and keeping prices high. President Trump knows this and will likely apply pressure using his "bully pulpit" to the Fed so they can continue to progress their loosening agenda.

Economic data will have to cooperate and show that this economy is not on the verge of over-heating for this to happen. This may be difficult as economic data has been a mixed bag, with PMI's languishing below 50, but jobs/claims data relatively healthy. Any lengthy stand-off between President Trump and the Federal Reserve Chair risks eroding economic confidence.

Our prediction that the Trump agenda would be swiftly implemented after Inauguration Day held true, and we expect this to continue with policies that may delight (lower taxes, de-regulation, cutting inefficient programs) or disappoint (tariffs, cutting fiscal programs that are popular) as they are rolled out. Our hope is that by the second half of the year we will have policy clarity, a reasonable line-of-sight to cutting the deficit, and lower interest rates to unleash the full power of the US economy. The 10 Year Treasury currently hovering near 5% is dangerously close to levels that may impede near term business investment. Geopolitical tensions remain a key risk factor, and we will be watching how the new administration manages the tensions with China, the Middle East and Russia/Ukraine with strong interest.

"Peace through strength" is harder to achieve with constrained fiscal spending and economic sensitivity to strong tariffs, which is another reason that the markets may be uneasy in the near-term.

We are fastening our seatbelts and sharpening our pencils as we believe the near-term outlook remains choppy, but the medium-term horizon promises many good things for the dynamic, innovative and opportunistic US economy. We will treat equity market drawdowns should they occur during these next few months as opportunities to put new money to work in companies that demonstrate excellent quality at reasonable multiples.

As always, we thank you for your trust and support, and we look forward to visiting with you soon.

Our Team

RICHARD LOCKWOOD CHILTON, Jr. is the Founder and Chairman of Chilton Trust Company. Since founding Chilton Investment Company with his Flagship Strategy in 1992, Mr. Chilton has built a broad organization and a team of investment professionals focused on long term capital growth. The Chilton Flagship Strategy has generated impressive and consistent returns with moderate volatility since inception. In addition, in 2010 Mr. Chilton founded Chilton Trust Company which is a nationally chartered broad-based wealth management trust company focusing on services to high-net-worth individuals and families. Mr. Chilton is vice chairman of the Metropolitan Museum of Art, trustee emeritus of the Robin Hood Foundation, chairman emeritus of Greenwich Academy and a trustee of Classic American Homes Preservation Trust.

JENNIFER L. FOSTER is a Portfolio Manager and Co-Chief Investment Officer—Equities. Jennifer has worked at Chilton for 24 years. Jennifer joined Chilton as an equity analyst and later became Director of Research and then Portfolio Manager. During her tenure at Chilton, Jennifer has served on the Risk Committee, the Executive Committee and the Board of Directors. Before Chilton, she worked at GE Capital as part of GE's Financial Management Training program. Jennifer graduated summa cum laude with a B.A. in English from Boston College and earned an M.B.A. with distinction from Harvard Business School. She currently serves as the chair of the Board of Trustees at St. Luke's School in New Canaan, CT and as a trustee for the Mather Homestead Foundation in Darien, CT. Jennifer is married and has three children.

NICK FRELINGHUYSEN is a Portfolio Manager and Co-Chief Investment Officer – Equities. Nick is responsible for investments on clients' equity portfolios, with more than 29 years of experience in equity research and portfolio management. Most recently, he was a partner at the boutique investment firm, Eagle Ridge Investment Management, LLC where he served as a portfolio manager and Co-Head of Research for an organization with $950m in assets focused on high net worth individuals and institutions. Prior to his role at Eagle Ridge, Nick worked at Oppenheimer Capital (Allianz Global Partners) as Co-Portfolio Manager on a $2B Mid Cap value mutual fund and served as Cohead of Mid-Cap and All-Cap investments for the $25B firm. He began his career on the sell side at Donaldson, Lufkin & Jenrette. Nick attended Princeton University as an undergraduate and holds an MBA from The Wharton School at the University of Pennsylvania.

LOUISA M. IVES is a Managing Director & Head of Outside Advisory Group. Ms. Ives is responsible for external manager selection and due diligence for Chilton clients and is also a member of the Executive and Investment Committees at Chilton Trust. Prior to joining Chilton, Ms. Ives was a Managing Director at Chilton Investment Company, where she was a research analyst covering the financial services sector. She also served on the company's Board of Directors. Prior to joining Chilton, she worked at Coopers & Lybrand Consulting Group, reporting directly to the CEO, and began her career at Chemical Bank in their Middle Market Lending Group. Ms. Ives graduated cum laude from St. Lawrence University with a B.A. in English Literature and earned an M.B.A. from Harvard Business School.

Ms. Ives serves on the boards of The First National Bank of Long Island, The Project Y Theatre Company, and on the Investment Committee of Vinalhaven, ME Land Trust.

TIMOTHY W.A. HORAN is an Executive Vice President & Chief Investment Officer—Fixed Income.
With over 30 years of experience, Mr. Horan is a specialist in fixed income investing, ranging from municipal and US taxable securities to international bons and currencies. He leads a team of professionals managing client assets across a variety of strategies including liquidity, tax-advantaged, taxable, international and global.

Prior to joining Chilton Trust, Mr. Horan was a Managing Director at Morgan Stanley Smith Barney and served as MSSB's Chief Investment Officer of Fixed Income Investment Advisers, a division of MSSD, foundations, and family offices, primarily in North America, the Caribbean and Latin America. Earlier, Mr. Horan led Morgan Stanley's Private Wealth Management Fixed Income business in London serving European, Middle Eastern and Swiss private bank clients. Mr. Horan also served on the Morgan Stanley Global Asset Allocation Committee. Before joining Morgan Stanley, Mr. Horan was Director of International Fixed Income at Lord Abbett & Co. He also held senior management positions in fixed income and foreign exchange portfolio management at Credit Suisse, Aubrey G. Lanston & Company, Inc. and Bankers Trust. At Bankers Trust, he helped pioneer the portfolio management at Credit Suisse, Aubrey G. Lanston & Company, Inc. and Bankers Trust. At Bankers Trust, he helped pioneer the fixed income risk management frameworks. Mr. Horan began his career at the Federal Reserve. During the Volcker years, he was an Economist in the Sovereign Debt Unit at the New York Fed, working on the debt restructuring of Brazil, Mexico and Argentina. Following the Plaza Accord, he also served as a foreign exchange trader for the Federal Reserve Bank of New York. Mr. Horan earned an AB with honors in Economics and History from the University of Pennsylvania, Wharton-Sloan Program. He was an Andrew Mutch Scholar in Economics and Politics at the University of Edinburgh and holds a post graduate law degree from the University of Cambridge, where he was a Thouron Scholar.

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