WEEKLY HEADINGS

THOUGHTS OF THE WEEK

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Key Takeaways

- Stimulus Could Help The Economic Recovery 'Trot On'
- Turkey Pricing Pressure Means More to Gobble Up
- Info Tech Leading The S&P 500 Sector 'Parade'

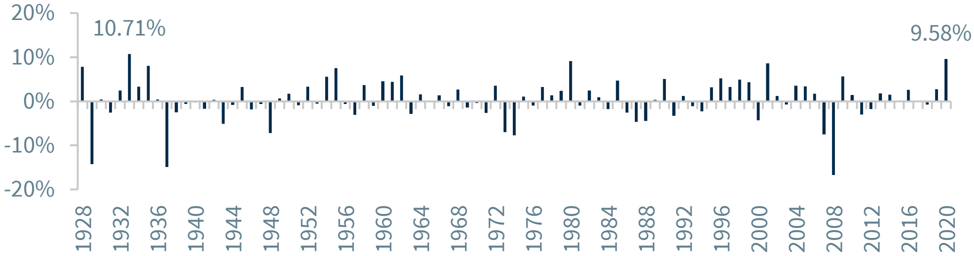
Whether you're celebrating in-person or virtually, we're wishing you and your family a Happy Thanksgiving! Giving thanks may seem difficult to do in a year that's resulted in the loss of so many lives, jobs, and businesses, but we believe this holiday is the perfect time to reflect on all we are grateful for. From an investor's perspective, the COVID-induced bear market and the historic levels of volatility at the start of the year will certainly not make the list. But between the ongoing economic recovery and the S&P 500 up over 12% year-to-date, we think investors still have a 'cornucopia' of blessings to count!

- **#1: US Economic Recovery Continues to Trot |** COVID-19 caused the US economy's shortest, yet steepest recession in the post-World War II era. While the K-shaped recovery path has led to not all industries recovering at the same magnitude, the rebound in real-time activity metrics combined with pent-up consumer demand led to the best quarter of economic growth on record (3Q20: +33.1%) – nearly double the previous record! Improving labor market conditions, vaccine developments, and possible further stimulus lead us to believe the recovery will continue to gain momentum into 2021.
- **#2: Feast of Monetary & Fiscal Stimulus |** Between interest rate cuts, several facilities to ensure market functionality, and a record setting balance sheet in light of ongoing quantitative easing actions, the Federal Reserve mitigated the downside risk to the US economy in the midst of the outbreak. Congress acted swiftly too, providing more than $3.6 trillion in fiscal relief to individuals and businesses through a series of stimulus deals. While we would be even more grateful if a Phase 4 bill compromise was reached, Congress has already set stimulus records on an absolute, inflation-adjusted, and per capita basis.
- **#3: Scientists Bring Effective Vaccines To The Table |** COVID-19 has infected more than 11 million Americans, and we are indebted to our frontline workers, who have tirelessly combatted the virus since at least early March, and to our scientists, who have developed effective vaccines at warp speed (less than one year versus the previous record of four years). Ultimately, a safe, widely available vaccine will not only save lives but will also allow us to return to normality.
- **#4: Equity Market Harvesting New Post-COVID Highs |** The equity market had a strong start to 2020 due to trade resolutions, but even since the ~34% virus-induced decline, the S&P 500 has notched 11 new record highs and the strongest start to a bull market due to an improving macroeconomic backdrop, stronger than expected earnings, and positive vaccine developments. With supportive factors still in place, we maintain a positive outlook for equities over the next 12 months.
- **#5: Low Rates the Right Stuff(ing) |** Global central bank easing led to a sharp decline in sovereign yields which has resulted in 'bountiful' returns for bond investors. The Fed's intervention has been particularly supportive for investment-grade bonds, which have rallied 8.8% year-to-date!* Housing data indicates that lower rates have aided the housing market too, with housing starts and existing home sales up 14.2% and 26.6% year-over-year, respectively.
- **#6: Pricing Pressure Means More to Gobble Up |** The American Farm Bureau Federation released their annual report for the cost ($46.90) of a Thanksgiving Day dinner for ten people (plus leftovers of course!), which is down $2.01 from the price of last year's feast. The price for the centerpiece of the dinner, the turkey, has declined to $1.21 per pound, the lowest since 2010.
- **#7: Gold Prices the Gravy on Top |** Gold prices soared to new record highs this year, reaching a peak level of $2,069/oz in early August. The commodity is up over 22% on a year-to-date basis, and is on pace for its best year since 2010.*
- **#8: Seasonality Sweet as Apple Pie |** The S&P 500 has rallied nearly 9.7% so far this month, more than 5x the index's average November return over the last 30 years. In fact, at this juncture, the S&P 500 is having its best November since 1933! Seasonal trends should continue to support the equity market, since the November to April timeframe is historically the best 6-month period, with the S&P 500 posting an average return of 7.7% and being positive 83% of the time.
- **#9: Tech Sector Leading The Parade |** We're thankful for the technology that has helped us stay virtually connected with our loved ones. Reliance on tech during this time has led the sector to be one of only three S&P 500 sectors to have both positive earnings and sales growth for the year, and has driven the sector's more than 70% rally from the COVID-induced lows.*
- **#10: Friends & Family |** Last, but certainly not least, we are thankful for our family and friends! We wish you and your loved ones a very Happy Thanksgiving, and as you sit down to enjoy your turkey, tofurkey, or our personal favorite a turporkin (we always advocate for diversification), we hope you have many reasons to be thankful this year and all the years to come!

CHART OF THE WEEK

Equity Market To Harvest Best November Return Since 1933!

At this juncture, the S&P 500 is on pace for its best November return since 1933. Much of the rally has been driven by positive vaccine developments.



S&P 500 November Price Return Through November 19 By Year

*See Charts of the week on page 3.

ECONOMY

- Retail sales rose 0.3% in October (0.2% ex-autos), the smallest increase since the retail sales recovery began in May.* August and September figures were revised higher. Sales were 5.7% higher than in February (before the pandemic), mixed across categories.
- Industrial production rose 1.1% in October (-5.3% y/y).* Manufacturing output rose 1.0% (-3.6% y/y). While retail motor vehicle sales have now risen 9.2% from February, production of vehicles is still down 4.8%. Production in all major manufacturing sectors was lower than before the pandemic. Single-family building permits edged up 0.6% in October, up 20.6% from a year ago.
- **Focus of the Week**: The first revision to 3Q20 GDP growth (33.1% in last month's advance estimate) is expected to be higher. The Conference Board's Consumer Confidence Index is likely to slip, reflecting election results (in general, Republicans are more concerned about growth prospects for next year, while Democrats tend to be more concerned about rising COVID-19 cases).

November 23 – November 27

MON		WED	Real GDP (3Q20 2nd est.) Durable Goods Orders (Oct) FOMC Minutes	FRI	NYSE Early Close
TUE	Consumer Confidence (Nov)	THU	Thanksgiving (Markets Closed)	FUTURE EVENTS	12/4 Employment Report (Nov) 12/16 Retail Sales (Nov)

US EQUITY

- Since the end of October, there have been numerous data points bolstering our bullish bias to equities over the next 6-12 months, starting with success on the vaccine front. However in the short term, the virus spread is surging and there remains no progress on additional fiscal stimulus and questions remain over its potential timing and size. Sentiment polls and positioning have become more bullish, and many stocks are at overbought levels for the short term. At the sector level, vaccine optimism has spurred large gains in the most economically sensitive areas such as Energy, Industrials, and Financials.
- **Focus of the Week:** While we are positive over the next 6-12 months, we would not be surprised if the road was bumpy in the coming weeks and months.* We would use pullbacks as buying opportunities and would be pragmatic in repositioning portfolios toward the areas with more leverage to the economic recovery- i.e., small caps, Industrials, Materials, Financials, and select consumer areas. We recommend accumulating these groups, for investors that have been underweight, as they go through consolidation periods.

FIXED INCOME

- This week's price action has mostly worked its way back down in yield as the number of COVID-19 cases, along with the continued efforts of the Trump administration to challenge the election has pushed investors back into a more 'risk-off' stance. Since last Wednesday, the 10-year note yield has dropped over 10 bps, putting it back into the mid-point of the last four week's average.
- **Focus of the Week:** We continue to subscribe to the idea that in the near term, fixed income portfolios need to remain high quality, and shorten their durations more than they have in the last few months. Even though there have been some 'bumps' in the road recently, the general feeling is that over time, a vaccine will be available, and economic growth will follow. This likely means that interest rates will move higher over the course of 2021. Last week we suggested that fixed income portfolios could shorten their durations, and take on slightly more credit risk (move from AA rated to A rated) to more than offset the loss in yield.

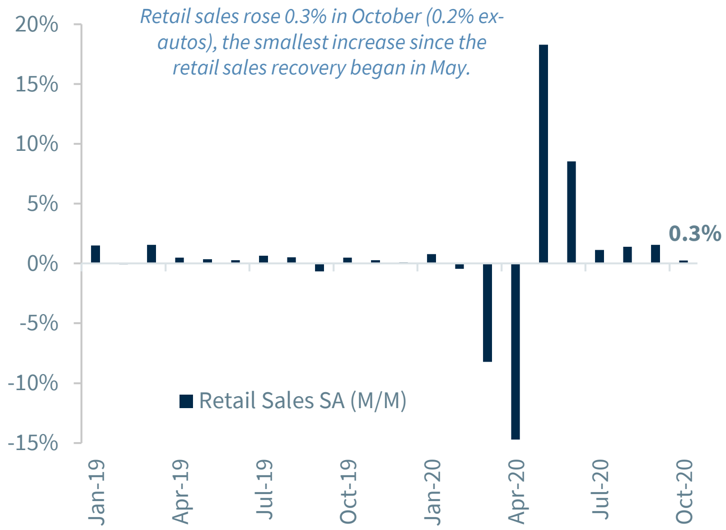
POLITICS & COVID-19

- With fiscal relief negotiations stalled, attention will shift to what, if any, other avenues the Fed and Treasury have to deploy additional funding in support of the economy. On Thursday, Treasury Secretary Mnuchin announced that the majority of Fed lending programs will wind down at the end of the year, including the Main Street Lending Program and Municipal Liquidity Facility. Mnuchin further requests the funding backstop (currently at $455 billion) be returned to Treasury. These funds may be re-appropriated for other programs, but their return could also mean that certain lending programs cannot be restarted without further authorization from Congress in 2021. The cutoff of the lending facilities will raise urgency and add another clear deadline for Congress on comprehensive fiscal relief. The incoming Chair of the Senate Banking Committee, Pat Toomey (R-PA), advocates winding down the lending programs at the end of the year, while Democratic leaders continue to push for an extension. These dynamics add another significant barrier to comprehensive fiscal relief efforts, potentially with significant market implications.
- The seven-day average daily case of COVID-19 increased by 25.6%, the seven-day average daily identified fatality count increased by 14.7%, the seven-day average COVID hospitalizations increased by 23.8%, and the seven-day average positivity rate increased from 8.9% to 10.1%. As we approach the Thanksgiving holiday, proper mitigation measures are crucial. Governors in several states, such as New Jersey, California, and Pennsylvania have already placed restrictions on Thanksgiving gatherings.
- **Focus of the Week:** There is now a clear line of sight to a scenario in which the COVID pandemic ends in 2021 based on developments in the past two weeks. In fact, this scenario looks most likely in our view. This week, Moderna announced ~95% effectiveness of its COVID vaccine determined by an interim analysis of an ongoing Phase 3 trial, and Pfizer followed up on last week's interim analysis in its study with a final analysis pointing to 95% effectiveness of its vaccine. Moreover, Pfizer reported 94% effectiveness in the elderly (>65 year olds) plus both vaccines dramatically reduced severe COVID cases as well (only one severe case between both vaccinated groups). Pfizer has also reached the required safety hurdle to facilitate request for emergency use authorization and we expect Moderna will soon as well. The FDA will hold an advisory committee meeting from December 8-10 and both vaccines should be authorized shortly thereafter. In aggregate, Pfizer and Moderna expect to distribute ~200M vaccine doses in the US by the end of 1Q21 which should enable wide access (beyond just healthcare workers/first responders/high risk individuals) around mid-2021 in our view. Given 95% efficacy and the timelines cited above, we see the pandemic ending in 2021 (i.e., COVID risk reduced to well below seasonal flu). This doesn't change our view that skyrocketing cases, hospitalizations, and deaths are pointing to a catastrophic winter before vaccinations reach full impact.

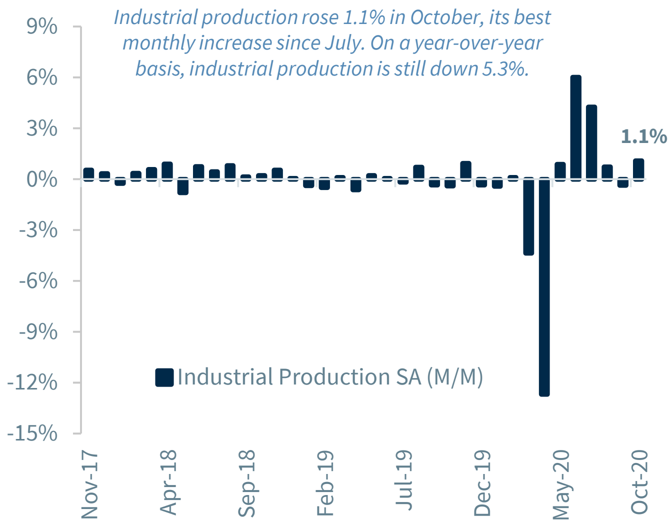
* See Charts of the week on page 3.

Charts of the Week

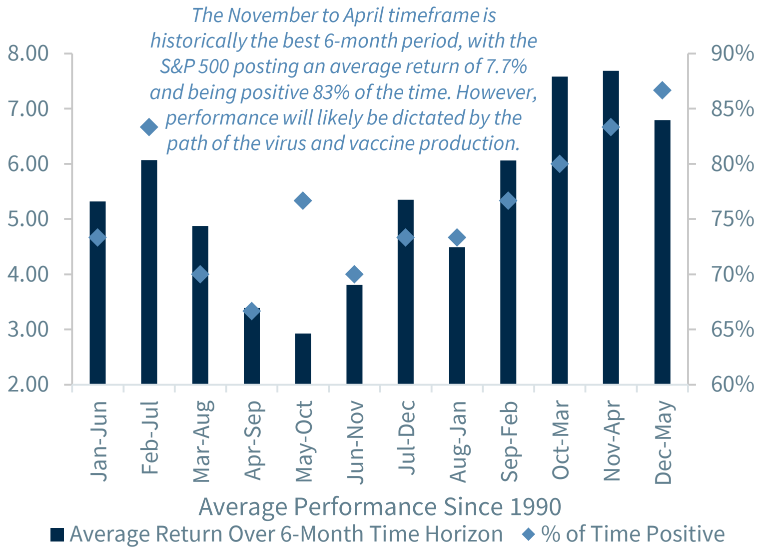
Retail Sales Recovery Continues



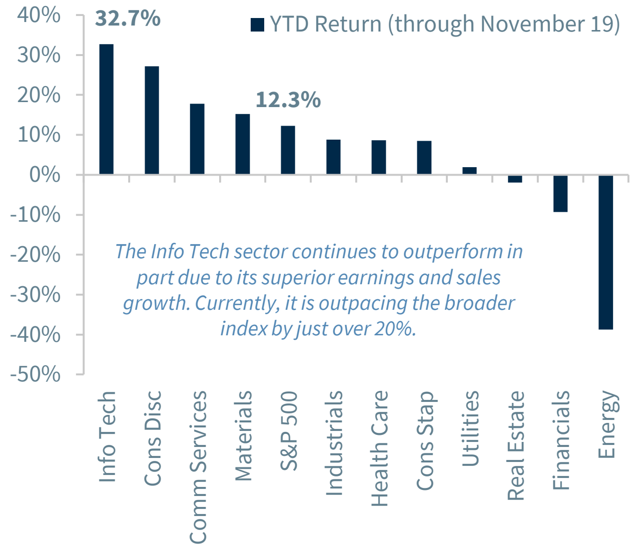
Industrial Production Improves



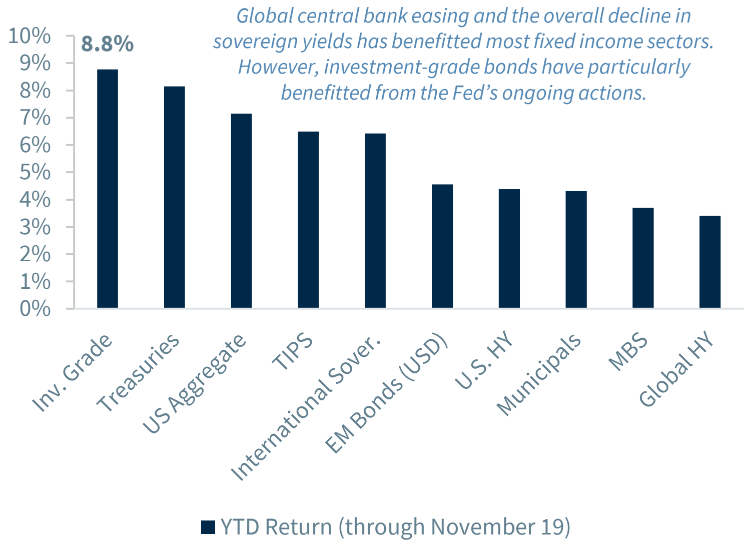
Seasonality Should Be Supportive



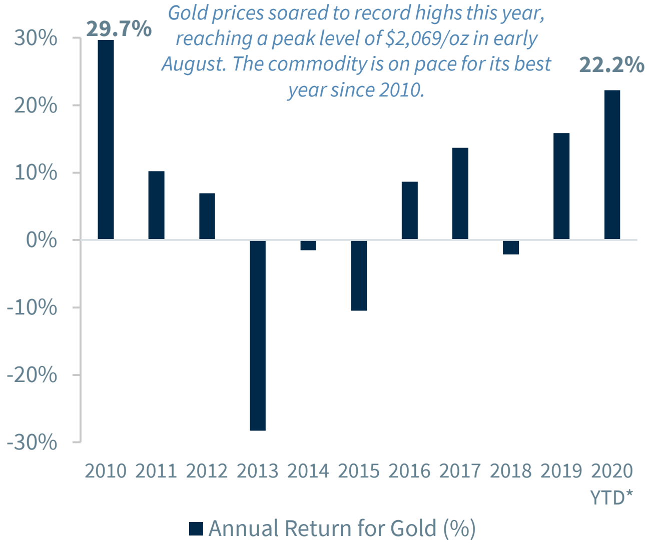
Info Tech Still The Top Performing Sector



Investment Grade Bonds Benefit From Fed Action



Gold On Pace For Its Best Year Since 2010



Asset Class Performance | Distribution by Asset Class and Style (as of November 19)**

Weekly Returns (as of November 19)

US Equities (Russell indices)	Value	Blend	Growth
Large Cap	2.6%	1.7%	0.9%
Mid Cap	3.8%	3.2%	2.0%
Small Cap	5.9%	4.5%	3.1%

International Equities (MSCI indices)	Dev. Mkt	World	Emerg. Mkt
Large Cap	0.7%	1.2%	1.3%
Mid Cap	1.0%	2.1%	1.5%
Small Cap	0.9%	2.9%	2.6%

Fixed Income (Bloomberg Barclays indices)	1-3 YR	Medium	Long
Treasury	0.0%	0.1%	0.3%
Invest. Grade	0.1%	0.4%	0.5%
High Yield	0.5%	0.6%	1.2%

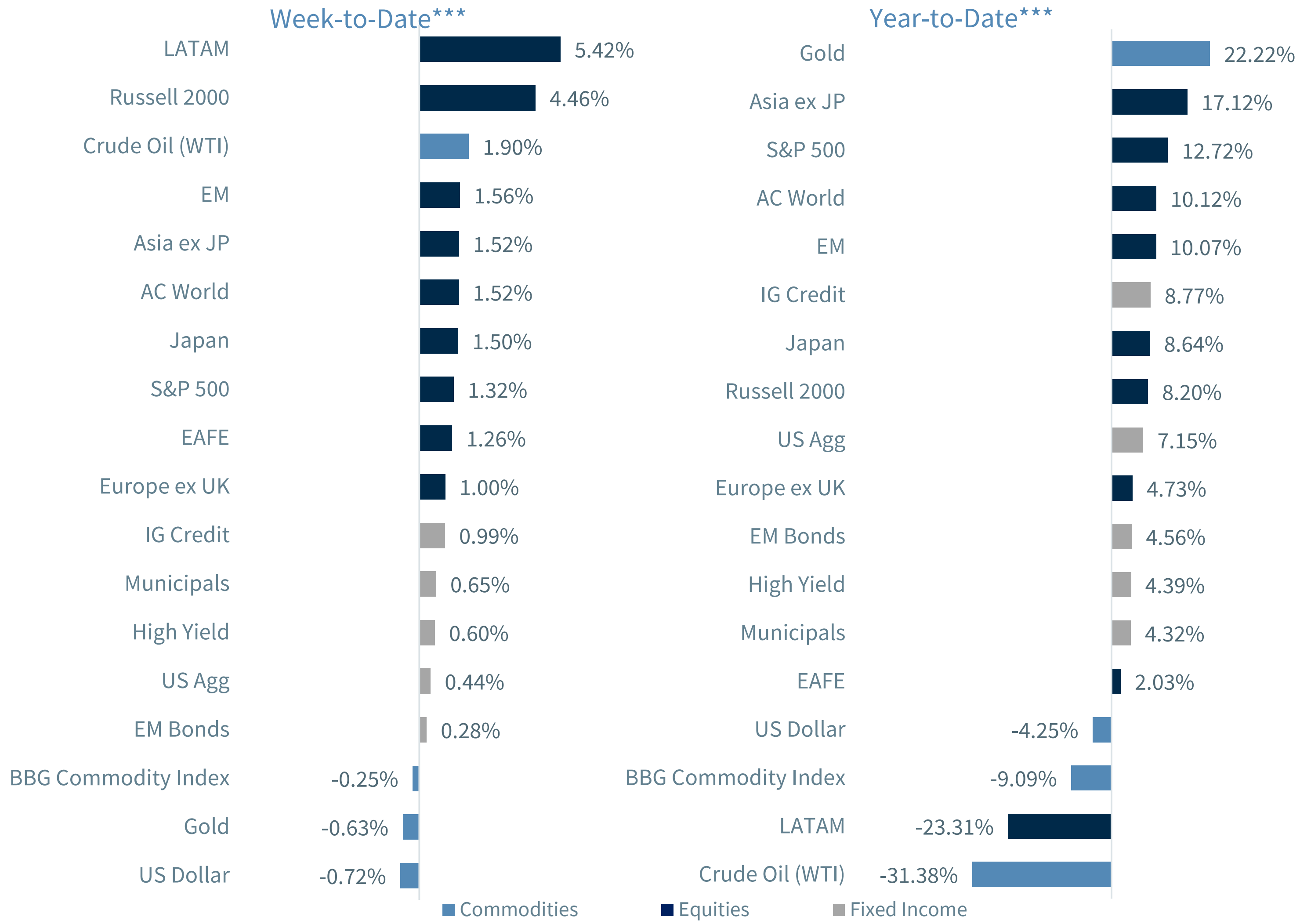
Year-to-Date Returns (November 19)

US Equities (Russell indices)	Value	Blend	Growth
Large Cap	-2.1%	14.3%	30.0%
Mid Cap	-0.5%	9.9%	24.9%
Small Cap	-4.1%	8.2%	19.6%

International Equities (MSCI indices)	Dev. Mkt	World	Emerg. Mkt
Large Cap	-2.5%	9.7%	13.5%
Mid Cap	0.3%	6.9%	5.2%
Small Cap	-0.2%	5.5%	10.2%

Fixed Income (Bloomberg Barclays indices)	1-3 YR	Medium	Long
Treasury	0.7%	7.0%	11.1%
Invest. Grade	3.4%	6.6%	8.3%
High Yield	1.7%	3.4%	18.9%

Asset Class Performance | Weekly and Year-to-Date (as of November 19)**



**Weekly performance calculated from Thursday close to Thursday close.

***Assumes all asset classes are priced in US dollars unless otherwise noted. Ranked in order of performances (best to worst).

Weekly Data**

Data as of November 19

U.S Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	3581.9	1.3	9.7	12.7	17.0	13.7	13.7	13.9
DJ Industrial Average	29483.2	1.4	11.3	3.3	5.5	8.1	10.7	10.2
NASDAQ Composite Index	11904.7	1.7	9.1	32.7	38.9	20.6	18.6	16.8
Russell 1000	3859.6	1.7	10.1	14.3	10.9	10.6	11.8	13.0
Russell 2000	4434.0	4.5	16.1	8.2	(0.1)	2.2	7.3	9.6
Russell Midcap	6621.4	3.2	11.8	9.9	4.1	6.8	9.0	11.4

Equity Sectors

Sector	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
Materials	438.4	2.9	10.6	15.7	19.2	8.6	11.2	9.5
Industrials	737.7	4.2	15.3	9.1	9.1	9.6	11.4	12.5
Comm Services	212.4	0.9	8.1	18.3	21.0	16.3	11.2	10.2
Utilities	321.5	(2.9)	1.8	0.9	4.7	8.1	11.9	11.5
Consumer Discretionary	1249.7	1.7	6.7	27.7	33.5	20.3	16.0	17.6
Consumer Staples	687.2	0.6	7.5	8.8	12.1	10.0	9.3	11.9
Health Care	1268.7	(1.5)	7.2	8.5	14.3	12.5	11.1	15.6
Information Technology	2132.1	1.1	9.6	33.8	40.5	26.2	25.4	20.2
Energy	268.6	10.1	25.3	(37.8)	(33.6)	(15.0)	(8.2)	(2.6)
Financials	454.8	3.1	14.9	(9.1)	(5.8)	3.9	8.8	10.8
Real Estate	230.0	1.4	8.9	(1.8)	(1.1)	7.1	7.9	10.7

Fixed Income

Index	Yield	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
3-Months Treasury Bill (%)	0.1	0.0	0.0	0.5	0.7	1.6	1.1	0.6
2-Year Treasury (%)	0.2	0.0	(0.0)	3.0	3.2	2.5	1.7	1.2
10-Year Treasury (%)	0.9	0.3	0.2	11.1	10.1	6.5	4.3	4.1
Barclays US Corporate High Yield	5.5	0.6	3.2	4.4	6.8	5.6	7.4	6.6
Bloomberg Barclays US Aggregate	1.2	0.4	0.8	7.1	7.3	5.3	4.3	3.7
Bloomberg Barclays Municipals		0.6	1.3	4.3	5.0	4.4	3.9	4.4
Bloomberg Barclays IG Credit	1.9	1.0	2.2	8.8	9.6	7.1	6.4	5.5
Bloomberg Barclays EM Bonds	3.8	0.3	2.7	4.6	6.6	5.1	6.2	5.7

Commodities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
WTI Crude ($/bl)	41.7	4.5	17.1	(31.7)	(24.0)	(9.4)	0.6	(6.5)
Gold ($/Troy Oz)	1857.4	(0.9)	(1.3)	22.6	26.5	13.1	11.4	3.3
Dow Jones-UBS Commodity Index	73.5	(0.3)	2.4	(9.1)	(5.6)	(5.4)	(2.1)	(6.6)

Currencies

Currency	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
US Dollar Index	92.3	(0.7)	(1.9)	(4.2)	(5.7)	(0.5)	(1.4)	1.6
US Dollar per Euro	1.2	0.2	1.6	5.5	6.9	0.2	2.0	(1.4)
US Dollar per British Pounds	1.3	0.7	2.3	(0.2)	2.3	0.1	(2.9)	(1.9)
Japanese Yen per US Dollar	103.9	(1.2)	(0.6)	(4.4)	(4.2)	(2.5)	(3.3)	2.2

International Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
MSCI AC World	610.3	1.5	10.9	10.1	14.2	9.7	11.0	9.5
MSCI EAFE	2026.4	1.3	13.9	2.0	5.0	3.9	6.2	5.6
MSCI Europe ex UK	2178.2	1.0	14.8	4.7	8.2	4.9	7.2	6.3
MSCI Japan	3649.4	1.5	10.8	8.6	10.2	5.3	7.5	6.8
MSCI EM	1200.4	1.6	8.8	10.1	16.5	4.7	10.4	3.6
MSCI Asia ex JP	789.3	1.5	7.8	17.1	22.9	6.5	11.9	6.4
MSCI LATAM	2183.2	5.4	21.0	(23.3)	(15.3)	(4.6)	4.3	(4.1)
Canada S&P/TSX Composite	12921.1	2.0	8.5	(0.9)	(0.6)	1.9	4.6	2.7

**Weekly performance calculated from Thursday close to Thursday close.

DISCLOSURES

Asset allocation and diversification do not guarantee a profit nor protect against a loss. A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning Rating Agency. Ratings and Insurance do not remove market risk since they do not guarantee the market value of the bond.

All expressions of opinion reflect the judgment of the author(s) and the Investment Strategy Committee, and are subject to change. This information should not be construed as a recommendation. The foregoing content is subject to change at any time without notice. Content provided herein is for informational purposes only. There is no guarantee that these statements, opinions or forecasts provided herein will prove to be correct. Past performance is not a guarantee of future results. Indices and peer groups are not available for direct investment. Any investor who attempts to mimic the performance of an index or peer group would incur fees and expenses that would reduce returns. No investment strategy can guarantee success. Economic and market conditions are subject to change. Investing involves risks including the possible loss of capital.

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise. A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning Rating Agency. Ratings and insurance do not remove market risk since they do not guarantee the market value of the bond.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

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DATA SOURCE

FactSet, as of 11/20/2020

DOMESTIC EQUITY DEFINITION

LARGE GROWTH | **Russell 1000 Growth Total Return Index:** This index represents a segment of the Russell 1000 Index with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values. This index includes the effects of reinvested dividends.

MID GROWTH | **Russell Mid Cap Growth Total Return Index:** This index contains stocks from the Russell Midcap Index with a greater-than-average growth orientation. The stocks are also members of the Russell 1000 Growth Index. This index includes the effects of reinvested dividends.

LARGE BLEND | **Russell 1000 Total Return Index:** This index represents the 1000 largest companies in the Russell 3000 Index. This index is highly correlated with the S&P 500 Index. This index includes the effects of reinvested dividends.

SMALL GROWTH | **Russell 2000 Growth Total Return Index:** This index represents a segment of the Russell 2000 Index with a greater-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

MID BLEND | **Russell Mid Cap Total Return Index:** This index consists of the bottom 800 securities in the Russell 1000 Index as ranked by total market capitalization. This index includes the effects of reinvested dividends.

SMALL BLEND | **Russell 2000 Total Return Index:** This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

LARGE VALUE | **Russell 1000 Value Total Return Index:** This index represents a segment of the Russell 1000 Index with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values. This index includes the effects of reinvested dividends.

MID VALUE | **Russell Mid Cap Value Total Return Index:** This index contains stocks from the Russell Midcap Index with a less-than-average growth orientation. The stocks are also members of the Russell 1000 Value Index. This index includes the effects of reinvested dividends.

SMALL VALUE | **Russell 2000 Value Total Return Index:** This index represents a segment of the Russell 2000 Index with a less-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

FIXED INCOME DEFINITION

AGGREGATE BOND | **Bloomberg Barclays US Agg Bond Total Return Index:** The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | **Bloomberg Barclays US Corporate High Yield Total Return Index:** The index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | **Bloomberg Barclays US Credit Total Return Index:** The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

MUNICIPAL | **Bloomberg Barclays Municipal Total Return Index:** The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody’s Investors Service and BBB by Standard and Poor’s). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

DOW JONES INDUSTRIAL AVERAGE (DJIA) | The **Dow Jones Industrial Average (DJIA)** is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.

NASDAQ COMPOSITE INDEX | The **Nasdaq Composite Index** is the market capitalization-weighted index of over 3,300 common equities listed on the Nasdaq stock exchange.

S&P 500 | The **S&P 500 Total Return Index:** The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

BLOOMBERG BARCLAYS CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

VIX | The CBOE Volatility Index, known by its ticker symbol VIX, is a popular measure of the stock market's expectation of volatility implied by S&P 500 index options.

MOVE | The MOVE Index is a well-recognized measure of U.S. interest rate volatility that tracks the movement in U.S. Treasury yield volatility implied by current prices of one-month over-the-counter options on 2-year, 5-year, 10-year and 30-year Treasuries.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | **MSCI EM Eastern Europe Net Return Index:** The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS ASIA | **MSCI EM Asia Net Return Index:** The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | **MSCI EM Latin America Net Return Index:** The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | **MSCI Emerging Markets Net Return Index:** This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | **MSCI Pacific Ex Japan Net Return Index:** The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | **MSCI Japan Net Return Index:** The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

FOREIGN DEVELOPED MARKETS | **MSCI EAFE Net Return Index:** This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

EUROPE EX UK | **MSCI Europe Ex UK Net Return Index:** The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

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