VIEW CAPITAL
ADVISORS, LLC

Quarterly Review and Strategy Update

September 30, 2020

The original J.C. Penney mother store, Kemmerer, Wyoming

Source: Cowboy State Daily

- **The U.S. economy will see a sharp rebound in the 3rd quarter, but is unlikely to recover to pre-COVID levels quickly without additional government stimulus**
- **Federal Reserve policies have been successful in restoring market confidence and reducing financial stress**
- **Increasing bifurcation between winners and losers highlight importance of diversification and active investment selection**

View Capital Advisors, LLC

2727 N. Harwood, Suite 225
Dallas, TX 75201
Tel: 214.855.2550
www.view-cap.com

Ken Shoji, CFA
kshoji@view-cap.com

Austin Tatum, CFA
atatum@view-cap.com

Pallavi Srivastava
psrivastava@view-cap.com

Diego Guerra
dguerra@view-cap.com

THE ECONOMIC ENVIRONMENT

The Impact of Potential Stimulus Policies on U.S. GDP

Source: Brookings Institute

The coronavirus epidemic, which has now infected over 7.6 million people in the United States and killed over 210,000, continues to spread at an alarming rate. New cases that had been declining since peaking at 74,000 a day in mid-July have resumed an upward trend as students have returned to schools and colleges and workers have returned to offices and factories. While many countries in Asia and Europe have already experienced a second wave of infections and lockdowns, the U.S. is just now coming down the first wave. As we enter the fall flu season with greater indoor congregation, we may face a second wave of infections that could stall the economic recovery.

While there is no simple trade-off between suppressing the epidemic and reopening businesses, the economy has surged back to life in the third quarter. U.S. GDP is expected to grow by over 30% relative to the second quarter, which if confirmed, would close out the shortest recession in U.S. history. Both the Institute for Supply Management and IHS Markit report the strongest expansion in factory activity since late 2018. Orders for durable goods surged 11% in July largely because of strong consumer demand for new cars and trucks. In housing, one of the brightest spots in the economy, sales of both existing and new homes, boosted by cheap mortgages, have risen to the highest levels since 2006. The National Association of Realtors' Pending Home Sales Index surged 9% in August to an all-time high. The median price for a single-family home reached $315,000 in August, up 12% from a year ago.

Nevertheless, other economic data point to a slower recovery. The jobs report showed that employers had added 661,000 new jobs in September, a significant decline from the 1.5 million jobs created in August and 1.8 million in July. Roughly half of the 22 million jobs lost as a result of the COVID crisis have now been restored, and overall unemployment stands at 7.9%. Consumers increased retail spending in August for the fourth straight month, but at a slower pace than earlier in the summer. Household incomes have started to decline as some 25 million Americans lost the $600 a week in supplemental federal unemployment benefits at the end of July. Disney announced that it was laying off 28,000 workers, and

United and American Airlines have indicated that they would lay off 32,000 workers if federal support were not forthcoming.

Even if Congress and the White House can compromise on a supplemental rescue package the economy may not get back to pre-COVID output levels until 2022. The chart above illustrates an analysis by the Brookings Institution of the potential impact of a $2 trillion stimulus package, divided equally between five programs: a second round of checks to households, a resumption of enhanced unemployment insurance benefits, aid to state and local governments, support for small businesses, and other spending (such as COVID testing and contact tracing, higher education, and airlines). Not surprisingly rebates to households have the most immediate impact, whereas aid to state and local governments, though having a greater multiplier effect, may take longer to trickle down into the economy.

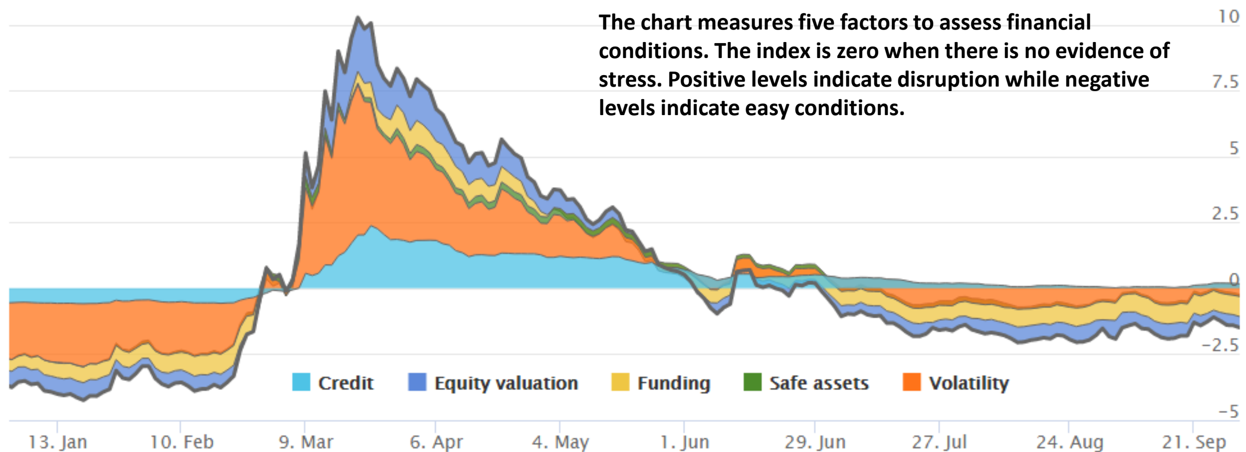
While Congress fiddles as the country smolders, the Federal Reserve has been unambiguously decisive. Jerome Powell announced that the central bank will keep interest rates low for years to come in order to stimulate job growth, even at the risk of stirring potential inflation. The new policy, the conclusion of a year-and-a-half long review of the central bank's monetary policy strategy, was announced at the Kansas City Fed's annual Jackson Hole symposium. While the markets shrugged off the speech as old news, it reflects a subtle but significant change in the Fed's position. Since the end of the Global Financial Crisis, the Federal Reserve has been obsessed with the specter of inflation as the economy embarked on the longest expansion the U.S. has seen. The Fed raised interest rates nine times between 2015 and 2018, with four of those increases under Powell's tenure as chair, as it tried to preemptively try to stamp out any emergence of higher prices. It appears that the COVID recession has finally convinced the economists at the central bank that the danger of inflation has been illusory. With 8% of the labor force out of work and industrial capacity utilization standing at 71% (compared to the 77% over the past decade), it is hard to see inflation rearing its head in the near future. In August inflation ticked up to 1.3% from 1% in July, still far from the Fed's 2% target.

Meanwhile, the programs that the Federal Reserve launched this spring to support the credit markets have reported a mixed uptake. The Main Street Lending Program, designed to provide loans to small and medium-sized businesses with less than 15,000 employees or 2019 revenues of less than $5 billion, has advanced only $1 billion out of $600 billion authorized since its operational launch in July, despite nearly 600 banks representing more than half of U.S. banking assets having registered to participate. Why has the take-up been so low? While the program offers loans, and not forgivable grants, the terms are generous – interest at LIBOR plus 3% (3.23% today) with deferred interest for the first year and deferred principal payments during the 5-year term of the loan. Since it is implausible that small businesses are in such good shape that they do not need the money, are banks dragging their feet processing applications to avoid retaining the mandatory 5% of risk? Or are businesses so pessimistic about their prospects that they see no point in borrowing to keep afloat?

Other Federal Reserve programs have also shown minimal utilization. The Primary Market Corporate Credit Facility and the Secondary Market Corporate Credit Facility were launched with $70 billion to support the flow of credit to large investment-grade U.S. companies. As of the end of September, there have not been any primary market transactions, and the secondary market backstop has bought only $12.8

billion of bonds and bond ETFs. Similarly, the $100 billion Term Asset-Backed Securities Loan Facility, designed to support the asset-backed securities markets (such as car, credit card and student loan securitizations) have only extended $3.2 billion in loans since its inception, and the Municipal Liquidity Facility for state and local governments have purchased just two issues for $1.7 billion out of the $35 billion authorized. The market consensus seems to be that the announcement and establishment of these programs were sufficient to inspire confidence and improve liquidity. Unlike the last financial crisis, when market stress was elevated for several years after its peak, financial conditions have normalized very quickly.

Financial Stress Index



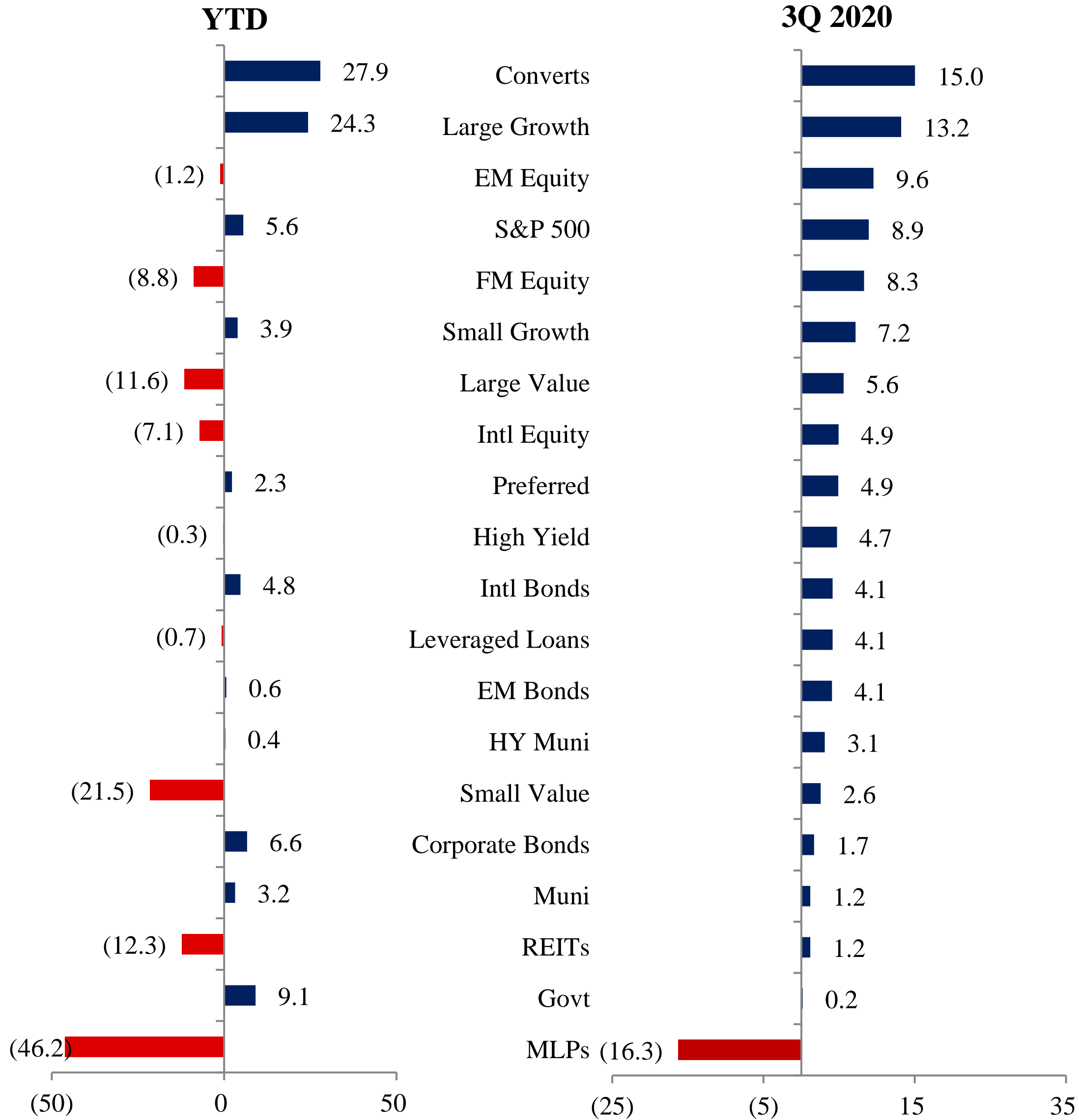
Source: Office of Financial Research

One challenge that the Fed acknowledged but will be unable to solve in the near term is widening income inequality. Americans' household wealth rebounded last quarter to a record high $119 trillion as the stock market quickly recovered from its March plunge. Yet the gains flowed mainly to the most affluent households even as tens of millions of people endured job losses and shrunken incomes. Data compiled by Opportunity Insights, a research group, show that the highest-paying one-third of jobs have almost fully recovered from the recession, while the lowest-paying one-third of jobs remain 16% below pre-pandemic levels. “The data highlights the inequalities in the recovery in that high-income workers not only have jobs that for the most part have come back; they also have savings that have continued to grow,” said John Friedman, an economist at Brown University. The lack of a financial cushion for most households could force many consumers to cut back on spending in the coming months, which in turn would delay the economic recovery.

As we move into the final quarter of the year, the outcome of elections and news on vaccine development will drive the financial markets. If Biden wins the presidency and the Democrats take the Senate there are likely to be major changes in tax, regulatory and spending polices. However, history has shown that reflexive assumptions about a probable market response often do not pan out. If this year has taught anything, it is the importance of creating portfolios that are structurally resilient and to remain disciplined in the face of chaos.

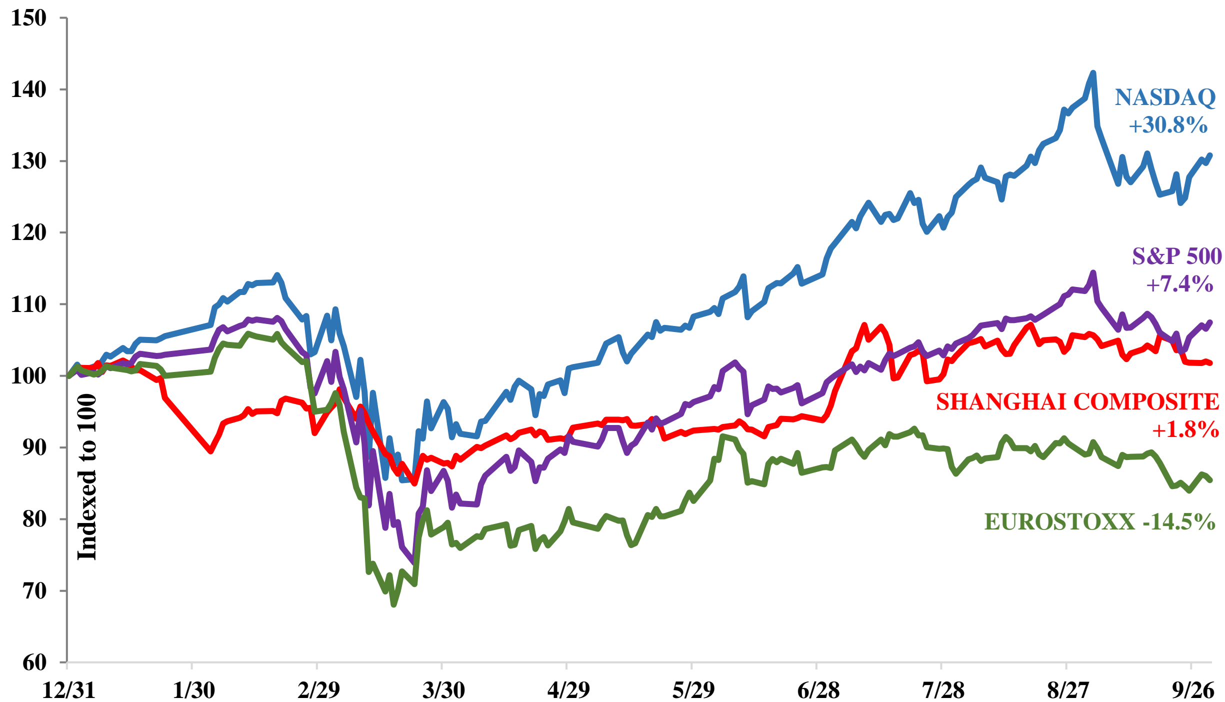
3rd QUARTER AND YEAR-TO-DATE PERFORMANCE OF MAJOR ASSET CLASSES

Numbers represent percentage change



EQUITIES

Equity Market Performance Year-to-Date

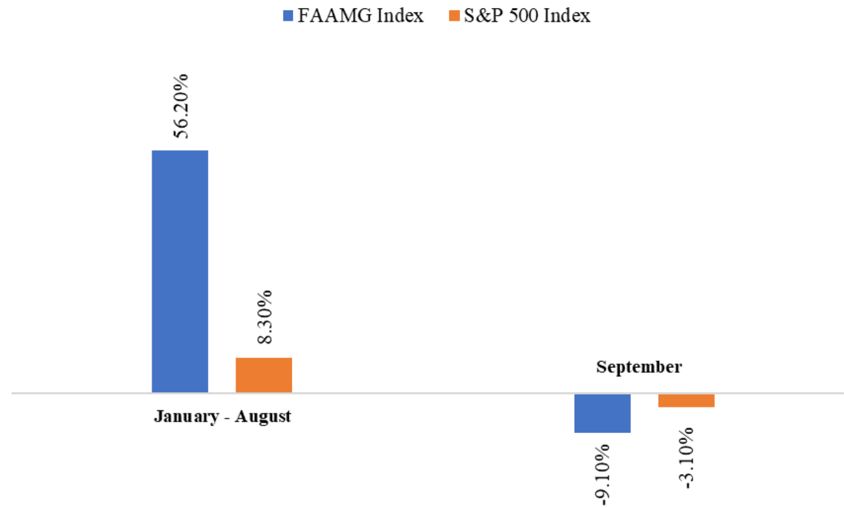


Source: Bloomberg

U.S. equities continued to rise in the third quarter albeit with renewed volatility towards the latter half of September. The quarter began with equity markets extending the summer rebound rally and carving out all-time highs in early September. However, new COVID-19 outbreaks, uncertainties around the presidential election and the lack of progress on a second stimulus package slowed down market momentum. The quarter ended strong with the S&P 500 Index returning 8.9%, the NASDAQ Index etching a gain of 11.2%, and the Dow Jones Industrial Average Index recording 8.2%. On a year-to-date basis, the three indexes posted returns of 5.6%, 25.3%, and -0.9% respectively.

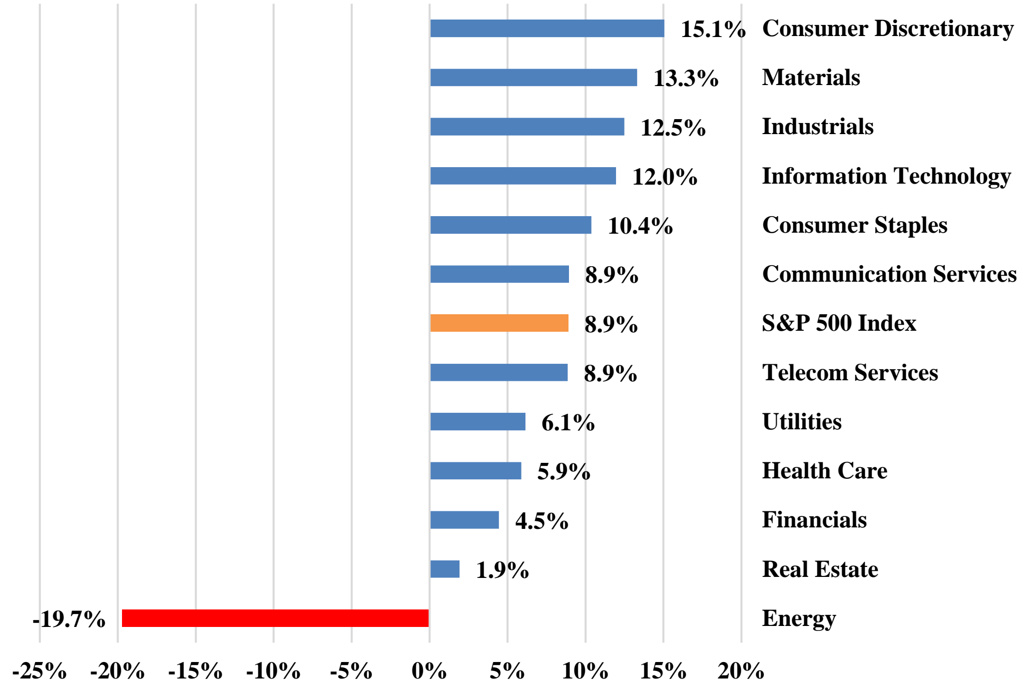
The third quarter highlighted the importance for investors to diversify across industry sectors, styles, and regions and the opportunities created by embracing short-term volatility. The equity rally which followed the March selloff was primarily driven by a few stocks in the technology sector that were the biggest beneficiaries of COVID-related lockdowns. Even though these stocks exhibited strong earnings growth, their recent price multiples and technical measures were suggesting overstretched valuations and overbought positions. As an example, as seen on the chart below, the FAAMG Index (composed of Facebook, Apple, Amazon, Microsoft, and Google) recorded a whopping 56% advance for the year until August while the S&P 500 recorded a modest 8% gain. Therefore, it is not surprising that during the pullback in September, these technology stocks sold off more sharply, indicating some profit taking by investors. As a result, the FAAMG index was down 9.1% while the S&P 500 retreated by 3.9% from 2020 highs.

FAAMG stocks versus the S&P 500



As these growth stocks came under pressure, we saw some sector rotation into Consumer Discretionary, Materials and Industrials, which led sector returns for the quarter, gaining 15%, 13%, and 12.5% respectively. These sectors may have climbed based on prospects for an economic recovery driven by the promise of COVID vaccines, which could be reversed if medical developments do not materialize.

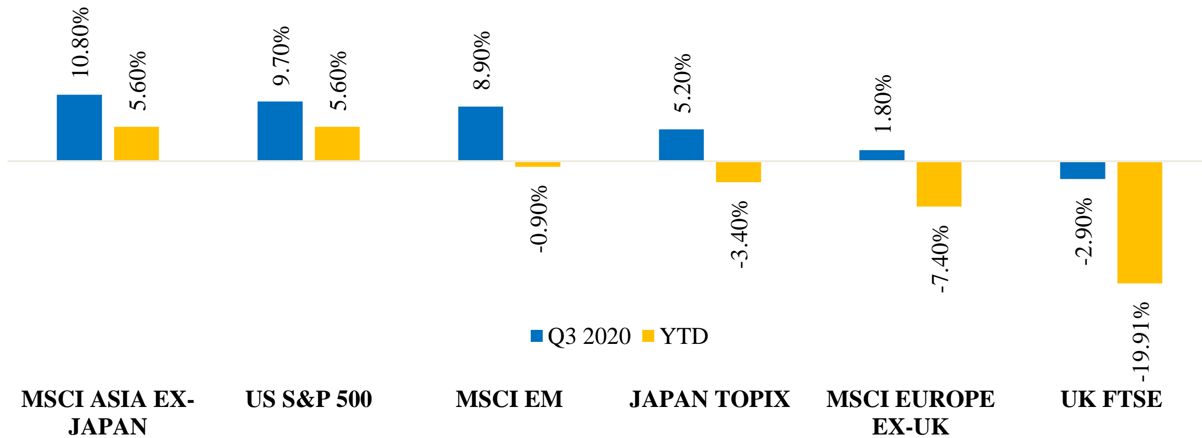
3rd Quarter Industry Sector Returns



The September selloff also saw international markets generally hold up better than U.S. equity markets, driven by optimism around a global recovery coupled with the Federal Reserve's messaging of keeping

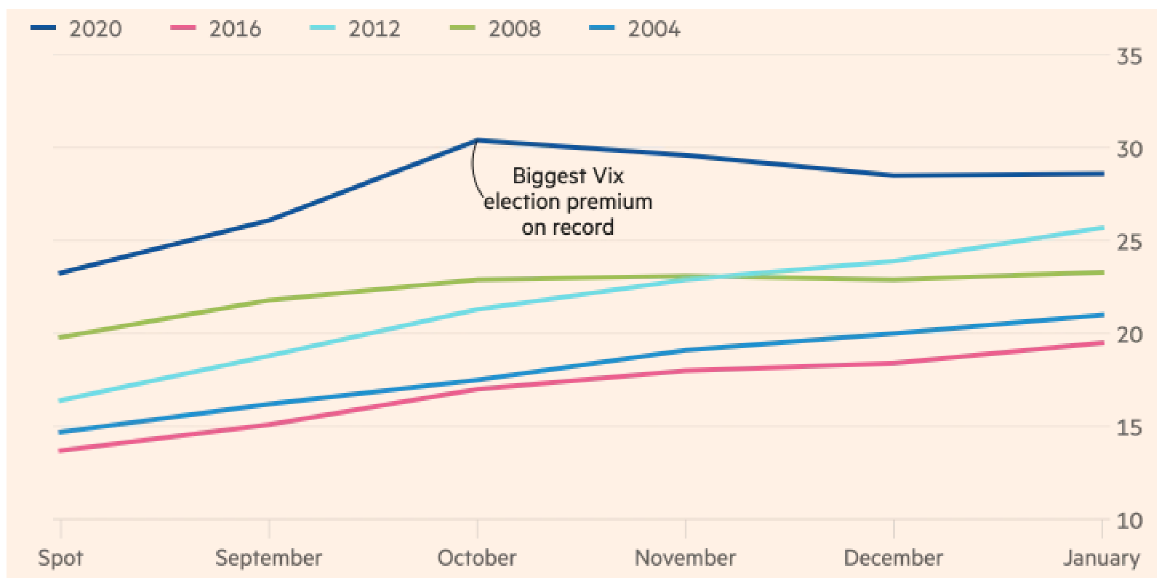
monetary policy loose for the foreseeable future. For the quarter, Asian equities returned over 10%, strongly driven by China's success in containing the virus, while Emerging Markets and European equities climbed approximately 9% and 2% respectively.

Global Equity Market Returns



Overall equity market volatility remains high, with the VIX Volatility Index averaging 26 for the quarter, compared to an average of about 15 throughout the decade following the Global Financial Crisis. The market whipsaws triggered by President Trump's flip-flops on additional fiscal stimulus and his own infection have elevated volatility, as has the trading caused by heavy put option buying by institutional investors and call option buying by online speculators. Not surprisingly, the VIX futures curve points to expectations for higher volatility for the next three months.

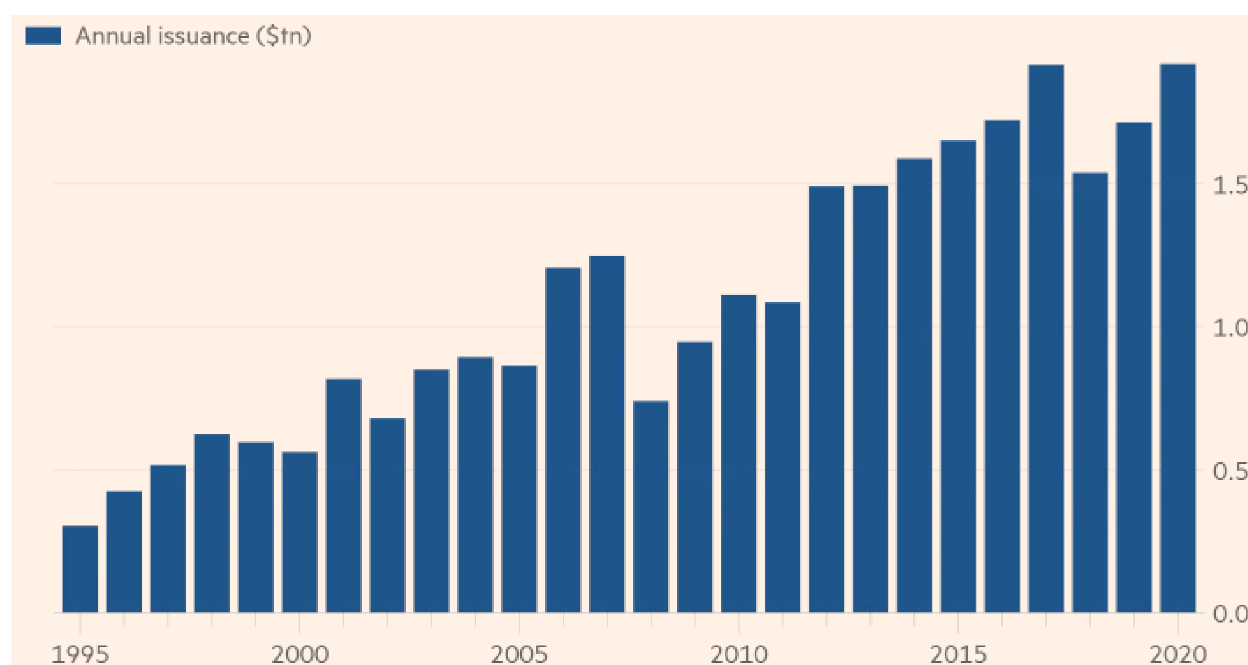
VIX Futures Contract Levels In Past Presidential Election Cycles



Source: Financial Times, Bloomberg

BONDS

U.S. Corporate Bond Issuance



Source: Refinitiv, Financial Times

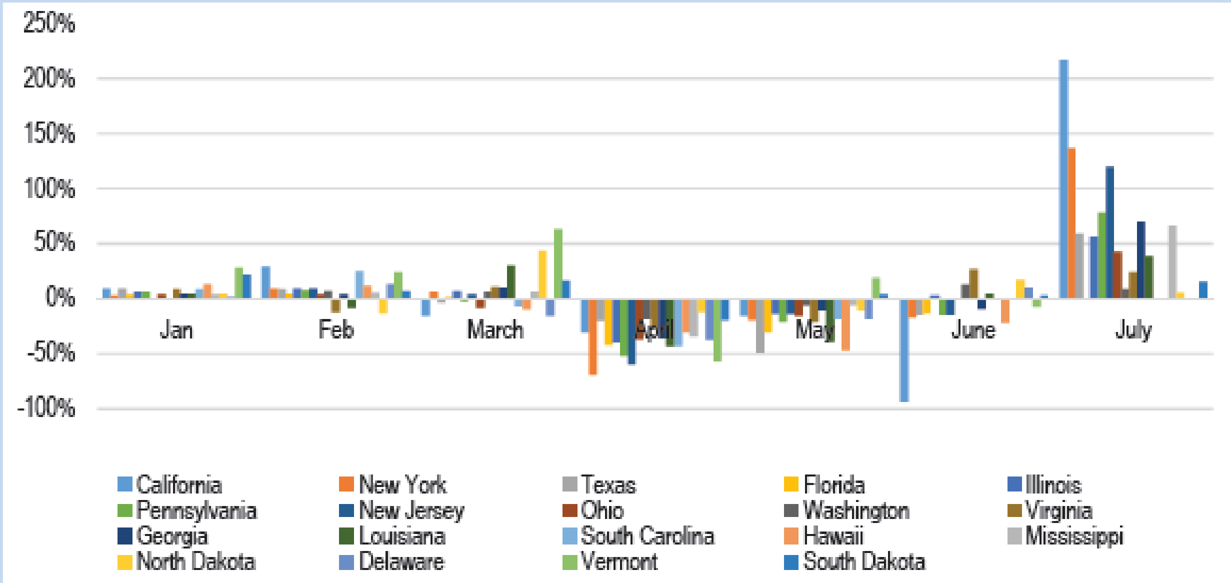
Fixed income markets continued to stabilize in the third quarter following the unprecedented fiscal and monetary policy responses to the coronavirus earlier in the year. Year-to-date corporate issuance has been strong, totaling $1.9 trillion between investment grade and high yield. Corporate debt in the U.S. has now reached 80% of GDP, compared to 50% in 1980. This supply has been met with demand as investors have largely regained their appetites for risk, causing spreads to nearly retrace their widening in March. Though demand for risk assets has increased, investors are still largely cautious, evidenced by continued strong demand for U.S. Treasuries despite near historical low yields.

With spreads approaching recent tight levels and low yields, fixed income investors are encountering the challenge of finding assets that both protect capital and provide upside potential. As we have seen in the equity markets, there is an increasing bifurcation between companies with sustainable, cash flowing businesses and vulnerable and even “zombie” businesses no longer viable in the current environment. The latter will see their credit spreads drift wider. The high yield market exemplifies this dynamic as the broad index is down about 0.30% so far this year with a spread of about 540 basis points; however, troubled sectors — such as airlines, entertainment, and energy — are down as much as 30% with spread levels reflecting distress. Simply looking at the index therefore would not reveal an elevated risk of default for certain industries and sectors. The unprecedented level of government and Federal Reserve intervention has distorted markets, creating a disconnect between risk and reward. This divergence

suggests that asset managers focused on security selection should outperform passive index investing, while the economy experiences a K-shaped recovery.

The low yields and tight spreads in the municipal bond market might also hint at a stronger sector than their fundamentals might suggest. States are universally experiencing severe revenue shortfalls, compounded by many municipalities having yet to recover from the Global Financial Crisis. In response, the Fed has offered a balance sheet liquidity backstop, providing an effective safety net. Additionally, there are promising signs that some of the revenue shortfall is delayed rather than lost, as shown in the pattern of tax receipts this year.

State Tax Receipts



Source: J.P. Morgan

Elsewhere, sentiment improved for European sovereign bonds after the EU announced a pandemic recovery fund in the amount of €750 million. The German 10-year yield fell 7 basis points, while the countries of Italy and Spain, hit harder by the pandemic, saw their yields fall by 39 and 22 basis points, respectively.

Emerging market bonds, both hard and local currency, returned over 2% for the quarter, suggesting investors are returning to risk assets not just in the U.S. but globally. However, there will likely be a bifurcation among EM countries' recovery, similar to though not as drastic as is expected in U.S. high yield. This should be especially evident in oil exporting countries, with demand for the commodity subdued by the pandemic.

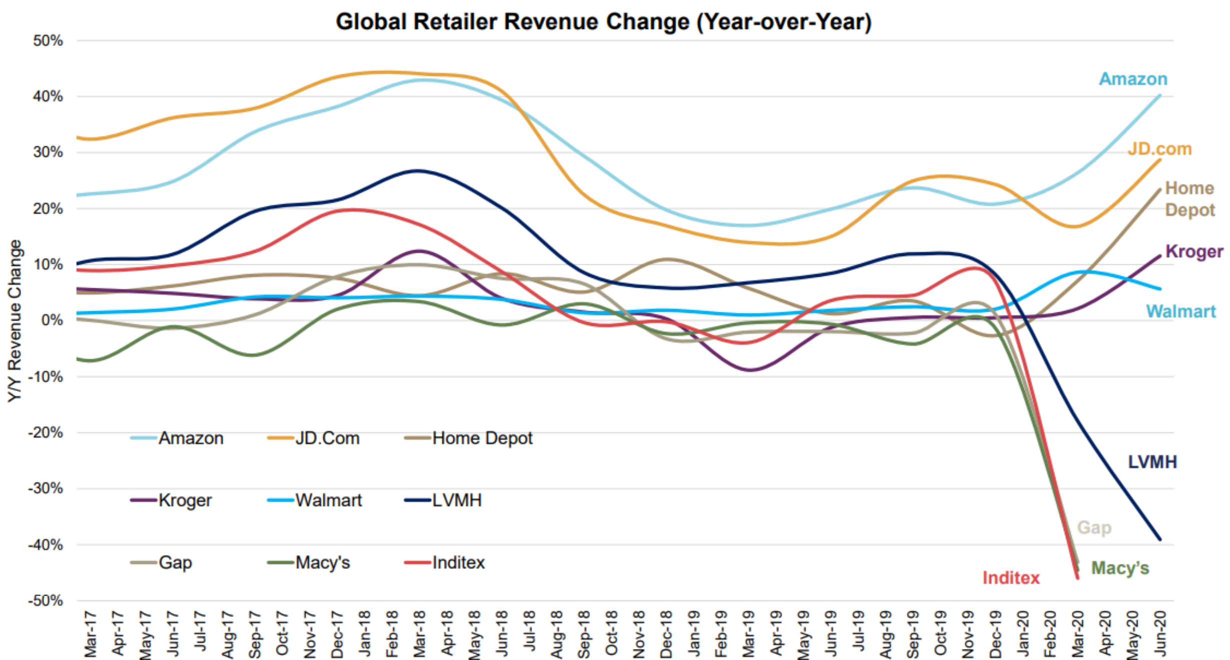
Given the low yields and tight spreads worldwide, investors will need to seek out either riskier or illiquid assets as the search for income continues. In today's market, the best opportunities remain in structured credit such as certain asset-backed securities and CLOs, which have not been a direct

beneficiary of monetary or fiscal support, and private credit, especially in the form of direct lending. Structured credit has seen a rebound since March and April, but spreads remain wide compared to high yield bonds and leveraged loans, providing sufficient room for a continued recovery and positive returns. Direct lending — (i.e. loans made to private companies by non-bank entities) — is likely a beneficiary of the pandemic. The private loans are not publicly traded, removing much of the volatility seen in many other fixed income assets, and the underlying borrowers are typically backed by private equity firms that have the ability to provide liquidity to their ailing portfolio companies if necessary. Additionally, loans made since the onset of the pandemic have higher interest rate floors, increased spreads, and tighter covenants, providing an already attractive asset class with even better economics going forward.

REAL ESTATE

This week the U.S. Bankruptcy Court for the Southern District of Texas approved a plan to sell J.C. Penney, the iconic retailer founded by James Cash Penney Jr. in 1902, to two of its largest landlords, the Simon Property Group and Brookfield Property Partners. The retailer, which had filed for creditor protection on May 15th and had already rejected 144 leases, has struggled to push through a re-organization plan that would save some of its 846 stores and nearly 85,000 employees. The failure of the creditors to prevent the liquidation of the department store group would have a catastrophic impact not just on the company's stakeholders but the future of the American retail mall.

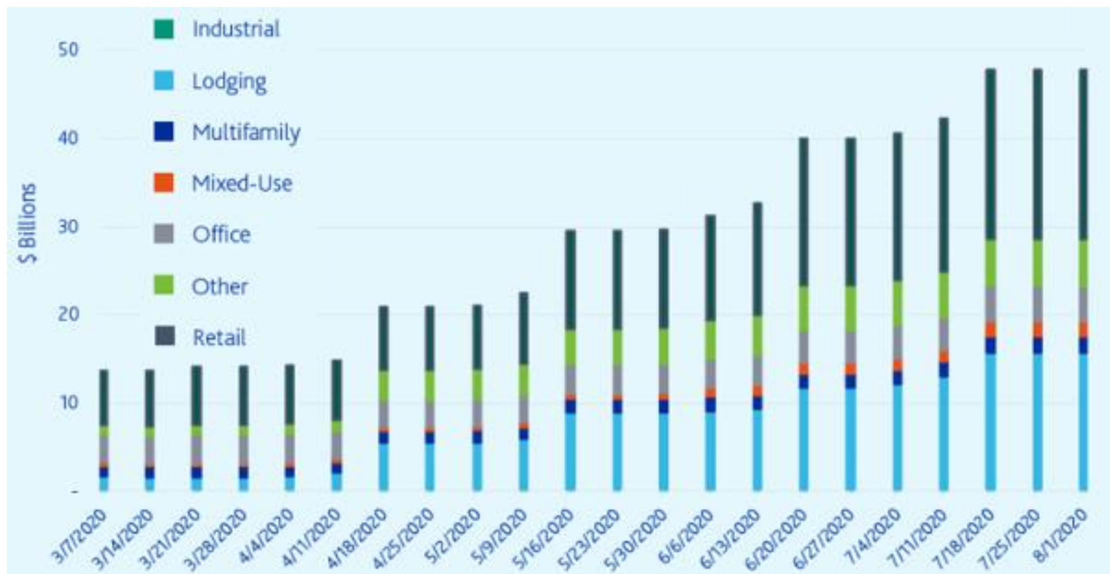
J.C. Penney's revenues had been falling steadily since 2007, when it peaked at $20 billion, to just $12 billion last year. In the 6 months ending August 1st, sales had plunged to just $2.5 billion. Like many of its department store peers it had struggled to compete with online shopping, despite being one of the first department retailers to introduce internet distribution. According to Coresight Research, a record 9,500 retail stores went out of business in 2019, and as many as 25,000 could shut down permanently this year. Many mall operators have been replacing departing tenants with more "experiential" businesses such as restaurants, gyms, hairdressers and spas which they hoped would be less vulnerable to "Amazonification", a strategy that has succumbed to the virus pandemic. The departure of anchor tenants like J.C. Penny and Neiman Marcus can trigger a downward spiral of revenues for mall landlords, as co-tenancy clauses often allow other tenants to reduce their rent if anchors leave a mall. The chart below shows the brutal disparity between the winners and losers in retail.



Source: LaSalle

The challenges in the retail sector of real estate are reflected in commercial mortgage delinquency data. Once a mortgage loan is in distress (defined by a borrower default, bankruptcy, monthly payments delinquent for at least sixty days or a request for a loan modification), the servicing of the loan is shifted to a special servicer. A report from Moody's Analytics shows that retail borrowers have experienced the largest problems next to lodging.

Loans in Special Servicing



Source: Moody's Analytics

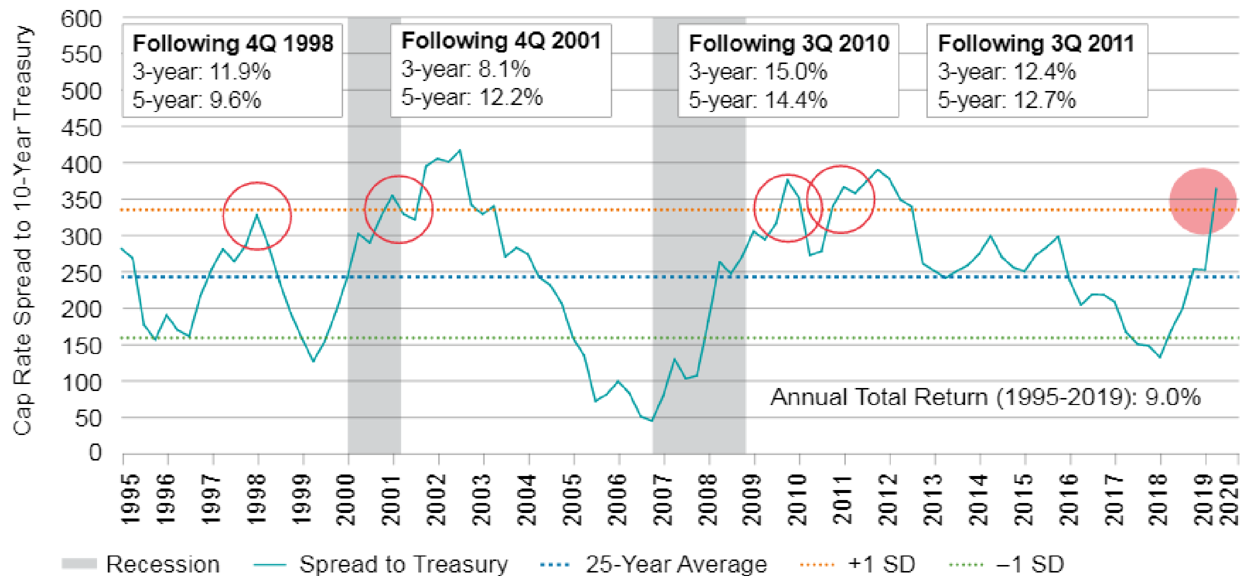
Nevertheless, other sectors of the real estate market have shown to be resilient – a view shared by the panelists of our recent investment webinar. In the multifamily sector, the National Multifamily Housing Council's survey of 11 million apartment units across the country found that 94.5% of households made either a full or partial rent payment in September — only just marginally down from the 96% in June, when government support was in force. The media has painted a narrative of urban dwellers fleeing the cities for the countryside, but is this a myth? Sabina Kalyan, the Global Chief Economist at CBRE Global Investors, pointed out that demographics, rather than COVID, has been the principal driver of the move to the suburbs, as the Millennial generation are approaching the peak age for starting families and are looking to buy homes in good suburban school districts. She is closely watching auto purchase data, which seems to show many Millennials buying cars for the first time. She conceded that for many new graduates the lure of living and working in a vibrant city would continue to be powerful, but the smaller demographic cohorts following the Millennial generation would reduce demand for urban multifamily apartments. Darryl Dewberry, CEO of the Spectrum Companies, believes that once people feel safe enough to return to the urban core they would do so, particularly in the cities seeing employment growth in the South and South East.

There was greater consensus on the future of the office. Mike Lewis, a partner at Velocis, argued that while physical occupancy was temporality depressed at 25% to 30%, he expected employers to require

staff to return to the office, since it was critical for training, collaboration and building a corporate culture. Dewberry pointed out that his office developments were already incorporating some new amenities such as touchless elevators and better ventilation systems. He noted that some tenants were actually leasing more space than originally planned, an observation seconded by Lewis. The pandemic may have reversed office "densification", where employers had crammed in more and more employees in their spaces. So, work from home practices may not translate into dramatically reduced need for office space, as some have predicted. Companies might explore arrangements that provide greater flexibility for employees to work from home, by creating suburban "spoke" locations that may complement a city center hub. This, however, may not be practical in cities where most workers rely on mass transit to get to work, like New York City or those in Europe and Asia.

So how should we invest in real estate today? The current spread between cap rates and risk-free interest rates - a signal of how much risk real estate investors are willing to take — has widened to over 3% for core properties, a level last seen after the Global Financial Crisis and higher than the 30-year historical spread of 2.5%. Spikes in cap rate spreads in the past have been followed by excellent returns in real estate.

Real Estate Cap Rate Spreads and Forward Total Returns



Source: NCREF, ETF Trends

CBRE forecasts 6.6% unlevered total returns for the industry as a whole for the next 5 years, *assuming that assets can be acquired at the lower COVID-adjusted valuations*. Net operating income for many real estate sectors could deteriorate further before they stabilize, and there has historically been a lag before macroeconomic trends filter through to asset fundamentals. So, it could take some time for valuations to bottom out. Even when they do, not all sectors will be attractive. We believe that residential housing, cold storage and digital infrastructure could be attractive. As Mike Lewis pointed out, "disruptive environments create opportunity".

VIEW CAPITAL RIA, LP

Past Performance is No Guarantee of Future Results.

This report does not provide individually tailored investment advice. It has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The securities discussed in this report may not be suitable for all investors. View Capital RIA, LP recommends that investors independently evaluate investments and strategies and encourages investors to seek the advice of a financial adviser. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ("related investments"). This publication was furnished on the condition that it will not form a primary basis for any investment decision. Each investor must make its own determination of the appropriateness of an investment in any securities referred to herein based on the legal, tax, and accounting considerations applicable to such investor and its own investment strategy

View Capital RIA, LP and its affiliate companies might do business that relates to companies covered in its market updates or reports, which may include but is not limited to specialized trading, risk arbitrage and other fund management, investment services and investment banking. View Capital RIA, LP makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in this report change. With the exception of information regarding View Capital RIA, LP, reports prepared by View Capital RIA, LP research personnel are based on public information.

Alternative investments (like the ones described within) may have greater risks than traditional investment. The above performance results have been provided by the investment manager and represent a composite of their actual investment performance for this style, actual individual account results may vary. Past performance is not indicative of future results. The above performance results have been provided by the investment manager and represent a composite of their actual investment performance for this style, actual individual account results may vary. We do not guarantee its accuracy or completeness, and such data may change without notice. Further information may be obtained directly from the investment manager. Other portfolio metrics are calculated by View Capital RIA, LP based on information we deem reliable and accurate. Results reflect realized and unrealized appreciation and the reinvestment of dividends and interest income. Taxes have not been deducted. Performance results represented are gross of fees. Fees, compounded over a period of years, will have an adverse effect on the value of the client's portfolio. The investment advisory fees are described in Part II of the Manager's effect on the value of the client's portfolio. Investment advisory solutions are provided by View Capital RIA, LP, a registered investment advisor. View Capital Advisors, LLC provides asset allocation and investment advisory services through its affiliated registered investment advisor, View Capital RIA, LP.

Disclosures for Proposed Investment Manager.

The descriptions included in this report are not meant to be a complete description of the managers' style and methodology and performance. The included descriptions do include alternative investments that may or may not be suitable for the clients' investment profile. Please read the prospectus carefully before investing.

Glossary and Index Definition

•Alerian MLP Index (MLP) - The Alerian MLP Index is a composite of the 50 most prominent energy master limited partnerships calculated by Standard & Poor's using a float-adjusted market capitalization methodology. The index is disseminated by the New York Stock Exchange real-time on a price return basis (NYSE: AMZ). The corresponding total return index is calculated and disseminated daily through ticker AMZX.

•Barclays Capital U.S. Municipal Index – The U.S. Municipal Index covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligations, revenue bonds, insured bonds, and prefunded bonds. Many of the sub-indices of the Municipal Index have historical data to January 1980. In addition, several subindices based on maturity and revenue source have been created, some with inception dates after January 1980 but no later than July 1, 1993. In January 1996, Barclays Capital also began publishing a non-investment grade municipal bond index and "enhanced" state specific indices for Arizona, Connecticut, Maryland, Massachusetts, Minnesota, and Ohio. These indices are published separately from the Barclays Capital Municipal Bond Index.

•BofA Merrill Lynch Convertible Bond Index (Convertibles) - The BofA Merrill Lynch Convertible Bond Index tracks the performance of US dollar denominated convertible bonds issued in the US domestic market. In addition, qualifying securities must have at least one-year remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of $100 million.

•BofA Merrill Lynch Perpetual Preferred Securities Index (Preferred) - The BofA Merrill Lynch Fixed Rate Preferred Securities Index tracks the performance of US dollar denominated preferred securities issued in the US domestic market. Qualifying securities must be rated investment grade (based on an average of Moody's, S&P and Fitch) and must have an investment grade rated country of risk (based on an average of Moody's, S&P and Fitch foreign currency long term sovereign debt ratings).

•BofA Merrill Lynch US High Yield Master II Index – This index tracks the performance of below investment grade US dollar-denominated corporate bonds publicly issued in the US domestic market.

•BofA Merrill Lynch EM External Debt Sovereign Index – This index tracks the performance of US dollar-denominated debt issued by sovereign issuers in countries belonging to emerging markets.

•BofA Merrill Lynch Mortgage Master Index – This index tracks the performance of US dollar-denominated mortgage securities.

•BofA Merrill Lynch Municipal Bond Index – This index tracks the performance of US dollar-denominated investment grade tax-exempt bonds.

•Credit Suisse Leveraged Loan Index – This index tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&P ratings of Baa1/BB+ or Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries.

•JP Morgan Emerging Market Bond Index (EMBI+) - The Emerging Markets Bond Index Plus tracks total returns for traded external debt instruments in the emerging markets. The instruments include external-currency-denominated Brady bonds, loans and Eurobonds, as well as U.S. dollar local markets instruments. The EMBI+ is concentrated in instruments from the three major Latin American countries (Argentina, Brazil, and Mexico), reflecting the size and liquidity of these external debt markets. The non-Latin countries are represented in the index by Bulgaria, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa.

•MSCI Emerging Market Index (Emerging Market Equities) - The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of March 2015, the MSCI Emerging Markets Index consisted of the following 23 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.

•MSCI Frontier Market Index – The MSCI Frontier Market Index is a free float-adjusted market capitalization index designed to measure equity market performance of the frontier markets. As of March 2015, the MSCI Frontier Markets Index consists of the following 24 frontier market country indices: Argentina, Bahrain, Bangladesh, Bulgaria, Croatia, Estonia, Jordan, Kenya, Kuwait, Lebanon, Lithuania, Kazakhstan, Mauritius, Morocco, Nigeria, Oman, Pakistan, Romania, Serbia, Slovenia, Sri Lanka, Tunisia, Ukraine, and Vietnam.

•Russell 2000 Index (TR) - The best-known of a series of market-value weighted indices published by the Frank Russell Company. The index measures the performance of the smallest 2,000 companies in the Russell 3000 Index of the 3,000 largest U.S. companies in terms of market capitalization.

•Russell 1000 Index (TR) –A market-value weighted indices published by the Frank Russell Company. The index measures the performance of the largest 1,000 companies in the Russell 3000 Index of the 3,000 largest U.S. companies in terms of market capitalization.

•S&P 500 Index (TR) -Widely regarded as the best single gauge of the U.S. equities market, this world-renowned index includes 500 leading companies in leading industries of the U.S. economy. S&P 500 is a core component of the U.S. indices that could be used as building blocks for portfolio construction. It is also the U.S. component of S&P Global 1200. Total return (TR) provides investors with a price-plus-gross cash dividend return. Gross cash dividends are applied on the ex-date of the dividend.

•FTSE NAREIT US Real Estate Index Series – The FTSE NAREIT US Real Estate Index Series is designed to present investors with a comprehensive family of REIT performance indexes that span the commercial real estate space across the US economy, offering exposure to all investment and property sectors. In addition, the more narrowly focused property sector and sub-sector indexes provide the facility to concentrate commercial real estate exposure in more selected markets.

Data Sources: Bloomberg, L.P., JPMorgan, BofA Merrill Lynch, Standard and Poors, Barclays Capital, Alerian, Morningstar Direct, MSCI, HFR, Goldman Sachs, Trading Economics, HIS Markit, Eurostat, Eaton Vance.