VIEW CAPITAL
ADVISORS, LLC

Quarterly Review and Strategy Update

March 31, 2023

- **The failures of Silicon Valley Bank, Signature Bank and Credit Suisse stir fear of a global banking crisis**
- **The Federal Reserve continues to raise interest rates as it remains unconvinced that inflation has peaked**
- **Financial markets shake off volatility to generate positive returns across liquid asset classes while concerns increase about leveraged private assets**

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

THE ECONOMIC ENVIRONMENT

On March 10, the California Department of Financial Protection and Innovation appointed the Federal Deposit Insurance Corporation as receiver for Silicon Valley Bank, marking the second largest bank failure in the U.S. since Washington Mutual in 2008. Two days later, Signature Bank, a smaller New York based lender, was closed by the New York State Department of Financial Services. Fears of a global banking crisis contagion seemed to be averted when the Swiss authorities forced the marriage of Credit Suisse, one of the world's systemically important banks that had been plagued by a series of scandals, investment losses and a liquidity crunch, with its Swiss archrival UBS. As if these events had not been traumatic enough, the quarter ended with the indictment of former President Donald Trump, introducing even more drama into the political and market environment. Trump's indictment matters to the financial markets since it will surely exacerbate the partisan acrimony already gripping Washington, further reducing the possibility of a settlement of the Treasury debt ceiling negotiations between Democrats and Republicans that may come to dominate the market discourse in the months to come.

Before the unexpected emergence of Silicon Valley Bank's troubles, the financial market had firmly focused on the continuing battle between the Federal Reserve and inflation. Inflation has shown signs of slowing, with the annual inflation rate slowing to 6% in February, the lowest since September of 2021, compared to 6.4% in January. Food prices grew at a slower rate compared to the previous month, while both used cars and trucks and energy prices continued to fall. Core inflation, which strips out the cost of food and energy, edged lower to 5.5% from 5.6%. On the other hand, shelter costs have continued to rise, and services inflation has remained stubbornly high. Moreover, employment continues to be very robust, suggesting to the Federal Reserve that insufficient pain has been inflicted to slow economic activity. The economy added an impressive 504,000 jobs in January, 326,000 in February and 236,000 in March. Nor has there been a spurt in initial or continuing jobless claims as overall unemployment remains at 3.5%, and job vacancies remain close to 11 million positions.

It was, therefore, not surprising that Jay Powell felt it necessary to prioritize the fight against inflation despite concerns about banking stability triggered by the failure of Silicon Valley Bank. "We're going to be cautious about declaring victory [over inflation] and sending signals that we think the game is won because we've got a long way to go," said the Fed chair. The central bank hiked interest rates by a quarter percentage point in both February and March, bringing its target up to 4.75%–5.0%. The Federal Reserve has now raised interest rates nine (9!) times since March of last year, and their latest projections suggest rates will continue to tick higher in 2023, with the Fed Funds peaking at 5.1% toward the end of the year. The decision by the European Central Bank to push the region's interest rates by 50 basis points higher also reinforced the message that central banks could separate their roles as defenders of both price and financial system stability, even in the face of the collapse of one of the largest banks in the world.

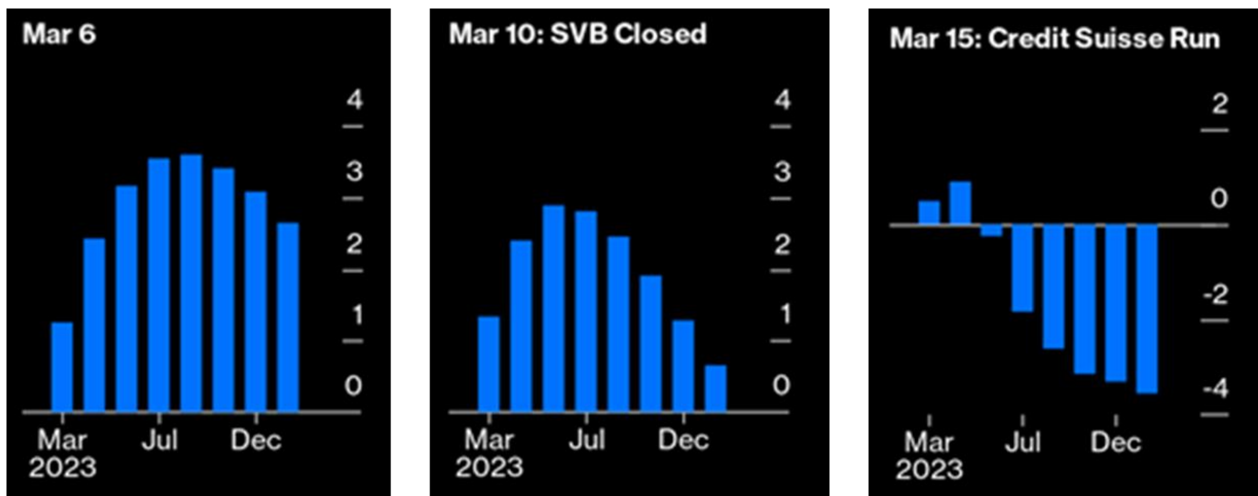
The bond markets continue to believe, however, that the central banks are misguided. Bonds rallied swiftly in response to the banking crisis and the prospect of an expedited recession. The only times interest rates have fallen this much and this fast was during the 2008 Global Financial Crisis and the start of the Covid pandemic. Economists arguing that a recession is imminent point to a myriad of data.

Personal consumption expenditures, private domestic investment and government spending growth have all decreased. The Institute of Supply Management's Purchasing Mangers' Index contracted in February for the fourth consecutive month following a 28-month period of growth. The University of Michigan's index of consumer sentiment fell sharply in March. They point to the tightening of financial conditions worsened by the flight of deposits following the failure of Silicon Valley Bank. J.P. Morgan estimates that more than $550 billion in deposits were transferred out of small and regional banks to the large money-center banks and money market funds. In all, banks have had to tap the Federal Reserve for a new, post-2008 record of $358 billion of funding in the last week of the month.

The implications of this shift are potentially profound. Lenders with less than $250 billion in assets account for roughly 50% of all U.S. commercial and industrial lending, 60% of residential real estate lending, 80% of commercial real estate lending and 45% of consumer lending, according to a report by Goldman Sachs. If these banks constrict new lending, the damage to the economy could be long lasting. In the short-term, Goldman expects this tightening of financial conditions to erase half a percentage point from U.S. GDP growth – already expected to be anemic at 1.5 % for 2023 year-over-year.

The bond market's conviction that the Federal Reserve will be forced to reverse its interest rate strategy is reflected in traders' expectations of future rates. The chart below shows that in less than two weeks expectations have evolved dramatically, from further rate increases moderating to sharp cuts beginning in the summer, with strong consensus that interest rates will fall by year end.

Changes in Market Expectations of Future Fed Hikes

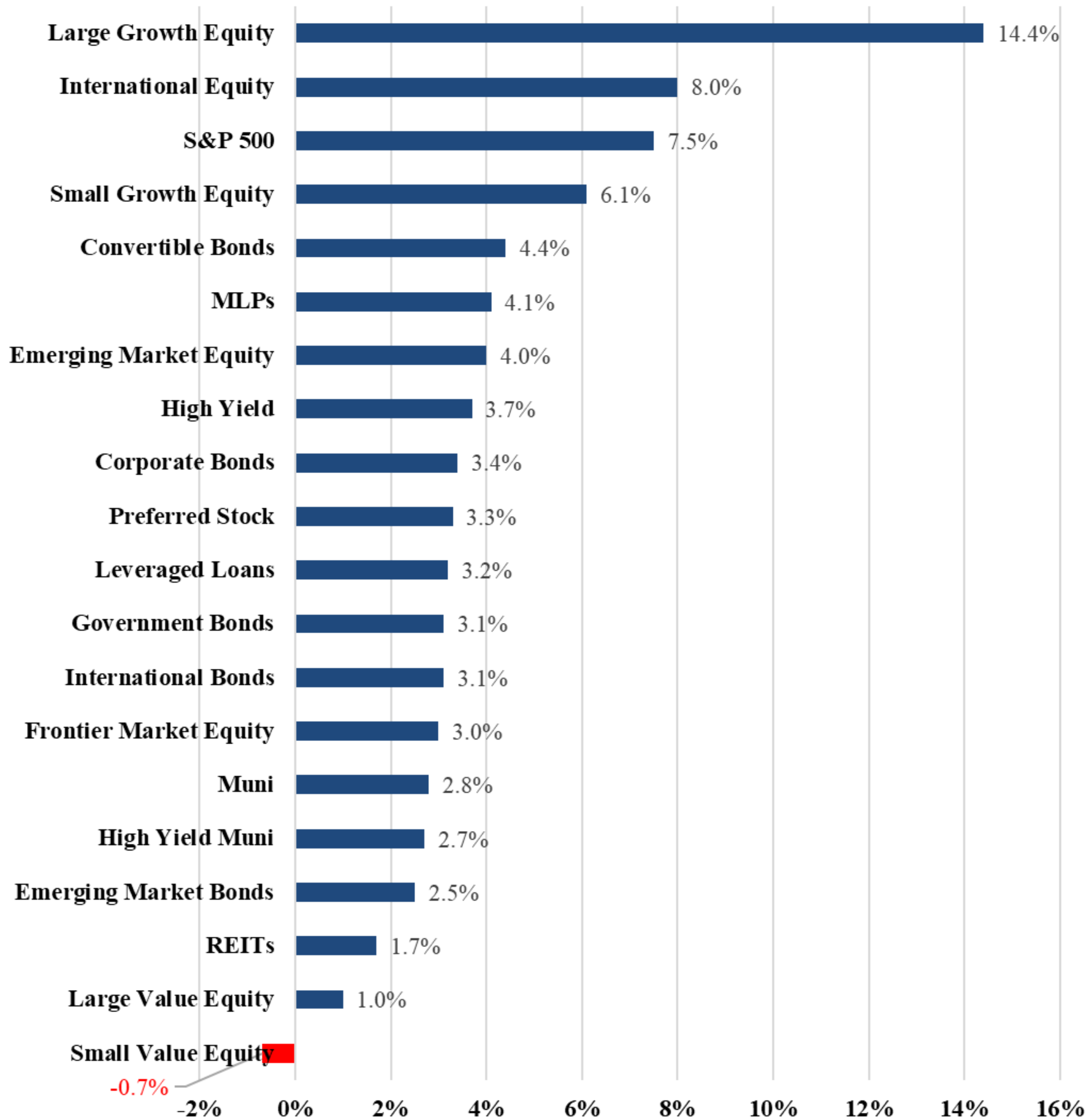


Source: Bloomberg

Although the banking crisis appears to have been contained, it has overshadowed another potential crisis lurking in plain sight. In January, Treasury Secretary Yellen announced that the government had reached its current debt limit of $31.4 trillion, so the Treasury would take "extraordinary measures" to ensure it could keep making payments to its creditors. Since 1960, Congress has raised the debt ceiling 78 times, often without much debate. Since even some members of Congress seem ignorant of this fact, it should

be stressed that raising the debt ceiling does not authorize new government spending. Only Congress can do that through its annual budget process. Increasing the debt limit only affects the ability to pay debts the government has already incurred – including promises bound by law to fund Social Security and Medicare, and of course to repay its existing Treasury bills, notes and bonds. While the debt ceiling will inevitably be raised at the end of the day, the contentious and protracted negotiations we will witness over the next few months will not help calm a Wall Street already nervous about a recession. Investors should remember, though, that the financial markets have been remarkably resilient, and that well-built, defensive and diversified portfolios should be able to weather any storm.

1st QUARTER PERFORMANCE OF MAJOR ASSET CLASSES

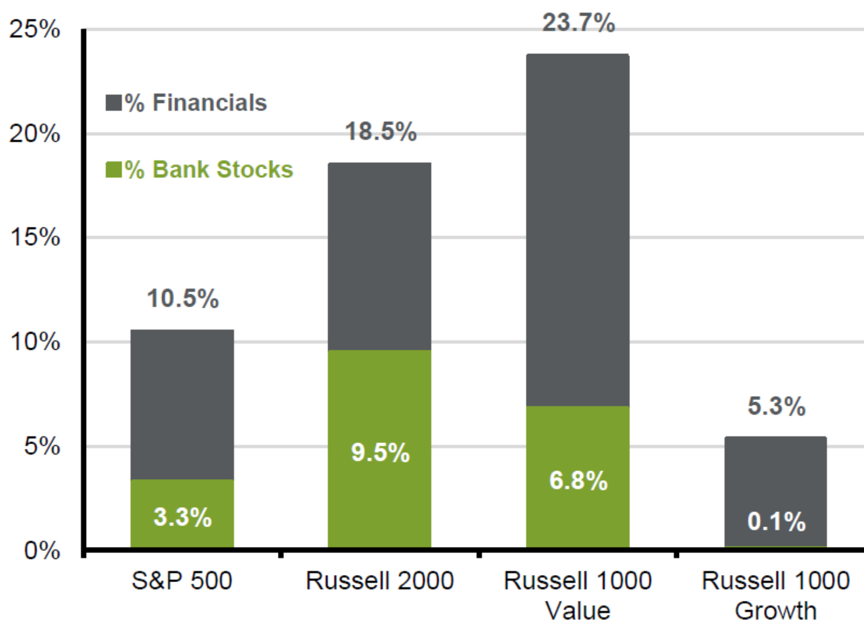


Source: Morningstar

EQUITIES

While the volatility of 2022 continued in the first quarter of 2023, it was not all negative. There has been a revival of growth and technology stock performance, especially compared to their value counterparts, as interest rates have risen more slowly, and many market participants are now expecting rates to plateau in the coming months or even fall later this year or in 2024.

Globally, developed markets outside the US have outperformed with an 8.5% gain as the U.S. Dollar has dipped, relative valuations were (and remain) cheaper, and earnings were surprisingly robust. The S&P 500 bounced back, returning +7.5%. Large cap growth reversed part of its dismal 2022 with a +14.4% return. Large cap value eked out a 1.0% gain while small caps returned +2.7%, dragged down by regional banks in March.



Source: FactSet, J.P. Morgan Asset Management

Bank stocks have greatly underperformed the broader market after the failures of Silicon Valley Bank and Signature Bank, and shares of other regional banks have plummeted. However, the bonds of these still viable regional banks have outperformed their own equity, reflecting how well capitalized they are, and the narrative is now more of an earnings story (i.e., interest rate margin compression, reduced activity) than one characterized by financial contagion and cascading bank collapses reminiscent of the Global Financial Crisis. Just for perspective, while banks are vitally important to the economy, they are a fairly small percentage of the overall market cap of equity indexes, making up just 3.3% of the S&P 500 and 9.5% of the Russell 2000.

However, what's not a small part of the Russell 3000 Index (which includes the 3,000 largest publicly traded companies in the US) are the number of companies (~24%) that now can't finance their debt solely from operations. That number goes up to nearly 40% when looking at the most widely followed small cap index. These companies – known as zombies – have been barely alive, surviving on growth fueled by debt when interest rates were at or near all-time lows. With higher rates, these companies cannot service their debt burdens through operations alone. They must find ways to increase sales and/or margins organically. Naturally, this will lead to many of them defaulting and declaring bankruptcy. Active equity managers, especially in the small cap space, should be able to outperform the market simply by avoiding these zombie companies' stocks.

Source: iii Capital Management

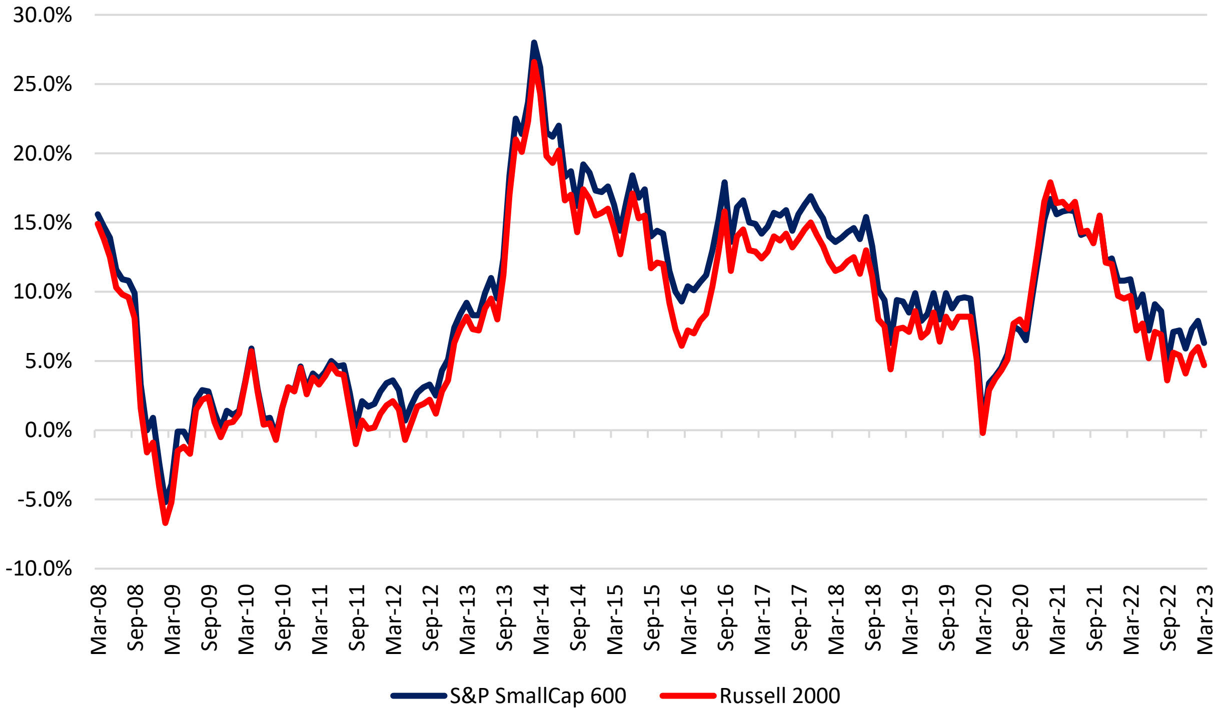
Even the efficient market purists out there (those who do not see value in active management) can see the potential benefit of investing in an index that has a distinct profitability factor. While the Russell 2000 is the most widely followed small cap index, it does not have any financial viability restrictions on its constituents.

Russell 2000 Companies with Negative Earnings

Source: Bloomberg, Apollo

On the other hand, the S&P's SmallCap 600 index requires a company to have positive earnings for the past year including the most recent quarter for inclusion. Although this may prevent some of the highest growth companies from being included, the S&P 600 has outperformed the Russell 2000 over longer periods and with less volatility. This performance differential has been primarily attributed to the profitability constraint of the index construction.

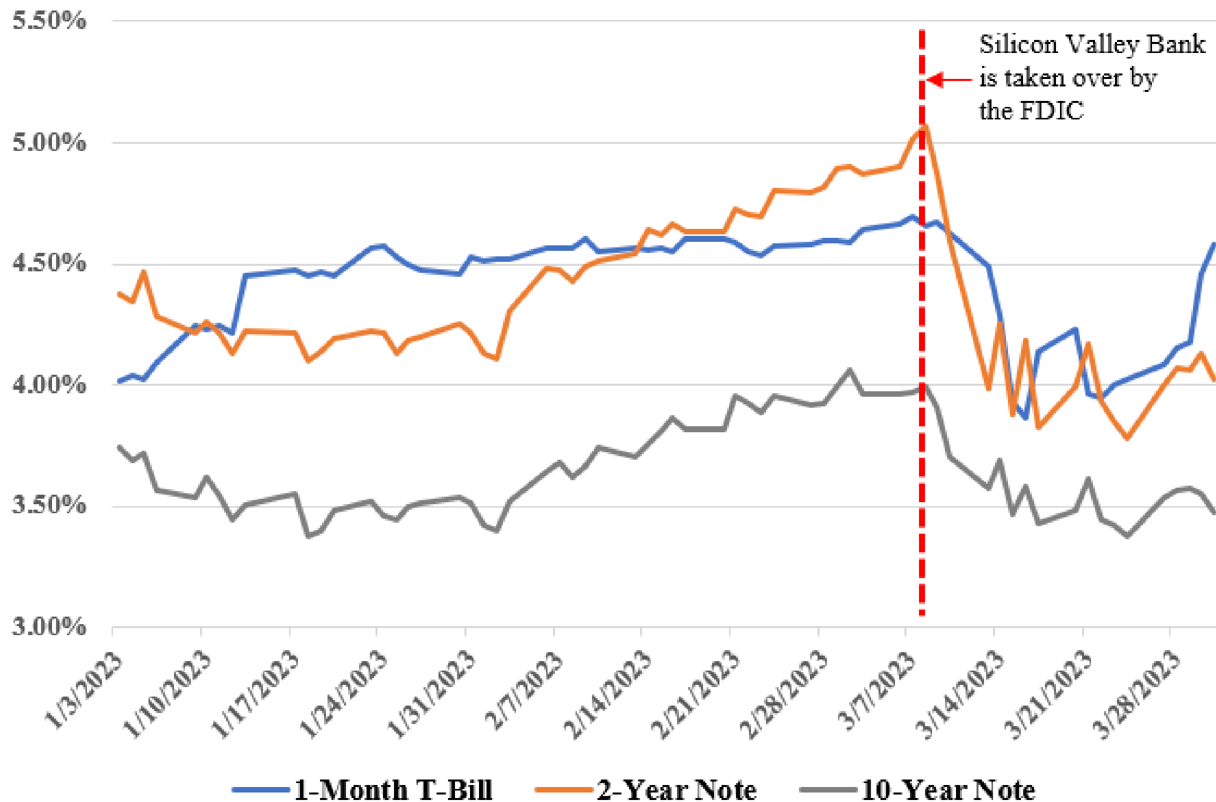
Rolling 5-Year Returns: S&P SmallCap 600 vs. Russell 2000



Source: Morningstar

BONDS

Interest Rate Moves during First Quarter



Source: WSJ

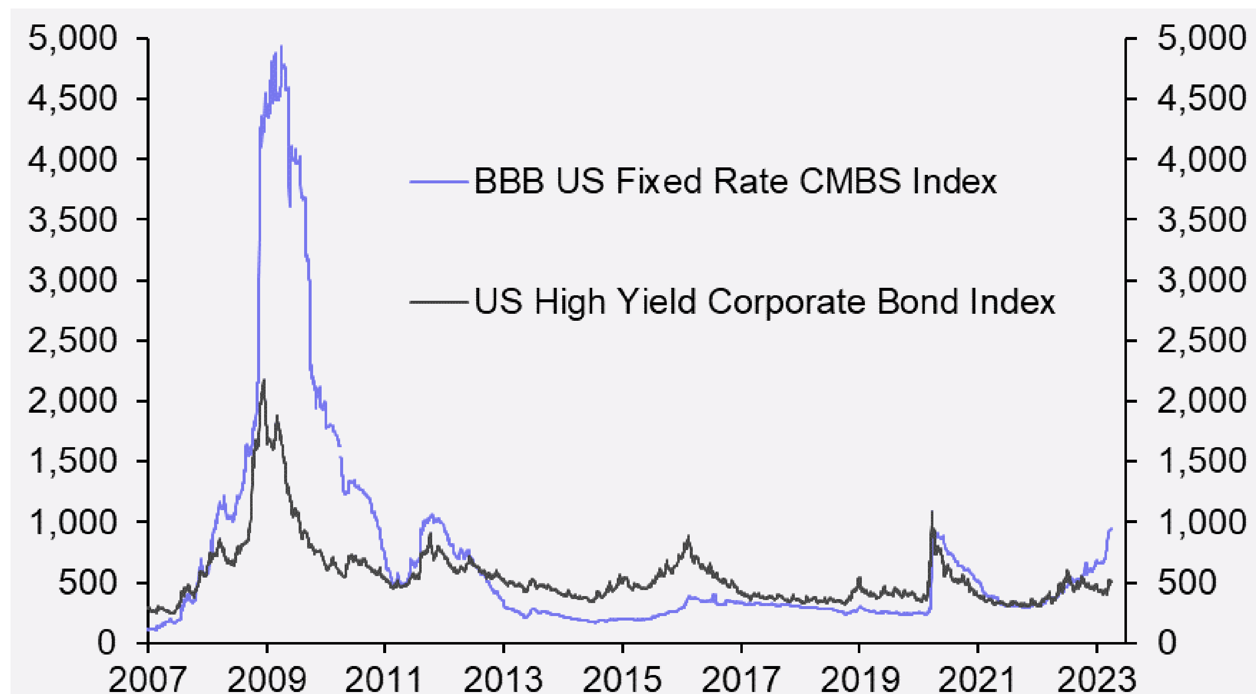
The prospect of a global banking crisis that erupted in March led to the 1-month Treasury Bills collapsing in yield from 4.7% to 3.8%, the 2-Year Note from 5.1% to 3.8% and the benchmark 10-year bond collapsing from 4.0% to 3.4%, as investors around the world dashed to the safety of U.S. government obligations. A few days before, the gap between 2- and 10-year Treasury yields had widened to 104 basis points, marking the deepest inversion since 1981 – a recession indicator, and historically a harbinger of problems for banks. Interest rate volatility, a measurement of daily swings in Treasuries, rose to its highest level since the 2008 Global Financial Crisis. These wild swings in interest rates, which represented a 15 standard deviation move (as compared to the 6 standard deviations move that typically defines an equity "Black Swan" event), were exacerbated by the trading activity of many market participants, particularly hedge funds, who had been betting that rates would continue to rise higher. Those traders were caught in a short squeeze, forcing them to buy back Treasuries to cover their short positions to limit their losses. Many ordinary investors, however, welcomed the resumption of Treasuries as a safe haven during times of market turbulence.

As the markets swung into risk-off mode, credit spreads widened across almost all credit asset classes; however, the combination of lower base rates with higher credit risk premia meant that total yields did not

move much during the last weeks of March, so despite the market turbulence, bond investors made money during the first quarter, with emerging market debt returning 2.5% at the lower end and high yield returning 3.7% at the upper end.

Nevertheless, there are signs of emerging risks in the credit markets, most notably in the commercial mortgage-backed securities (CMBS) market. CMBS spreads have surged to the highest levels since the Global Financial Crisis. While the absolute spread levels are nowhere near those that persisted during that 2009–2010 period, the challenges facing real estate may result in higher spreads, delinquencies, and foreclosures.

Spreads of Commercial Mortgages and High Yield Bonds



Source: Capital Economics

Although CMBS delinquencies have not seen the increases that many investors expected, that changed in February as they moved sharply higher. The Trepp CMBS Delinquency Rate moved up 18 basis points in February to 3.12%, the second largest increase since June 2020 when Covid sent delinquency rates skyrocketing. Moreover, the new issuance market has collapsed – just $4.3 billion of CMBS have been sold this year, representing an 85% nosedive compared to the same period last year, when $30 billion of CMBS were issued. Since smaller and regional banks depend on securitizations to get their real estate loans off their balance sheets, any constriction in the CMBS market will put further pressure on the banking sector.

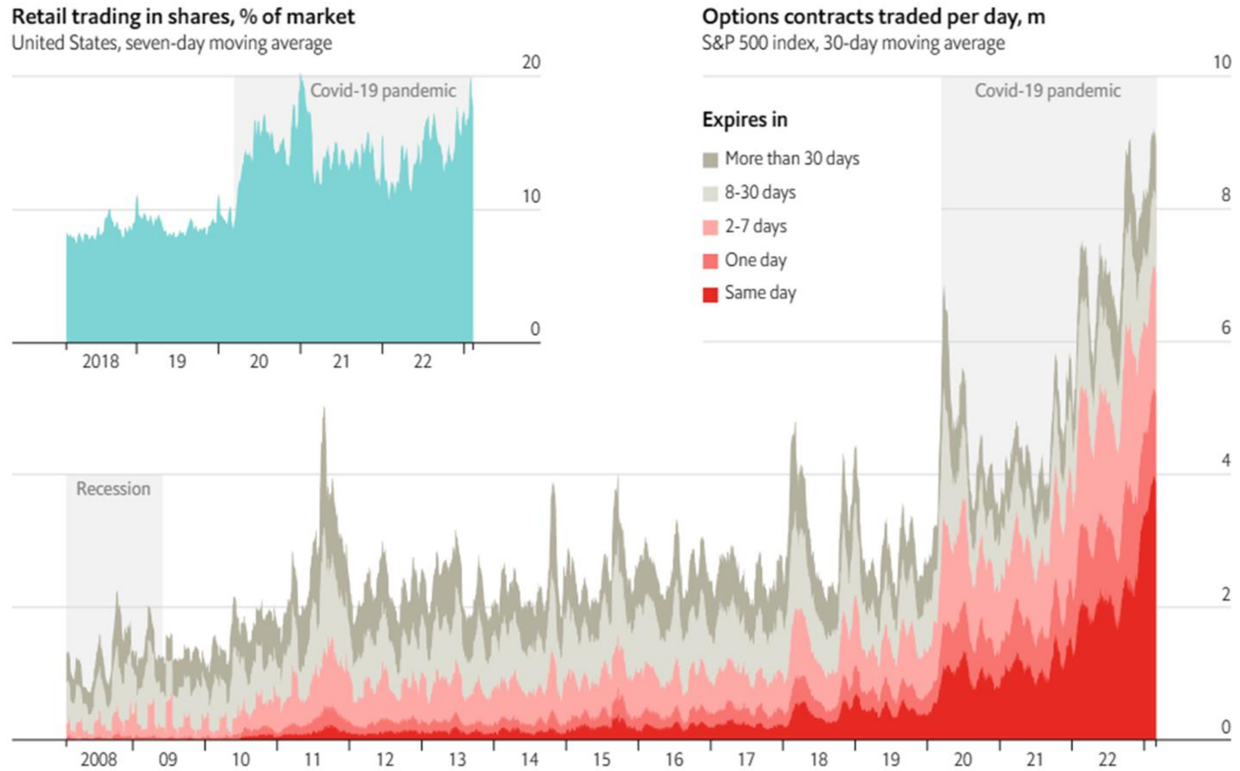
Another segment of the bond market that has come under scrutiny has been the market for subordinated capital bonds issued by banks in Europe and Asia. These "Additional Tier 1" or "AT1" bonds stand junior to deposits and other senior debt but above equity in a bank's capital structure. AT1 bonds are a type of

security known as contingent convertibles because they can be converted from bonds into equity (or written down entirely) if certain conditions are met, such as the issuing bank's capital strength falling below a pre-determined trigger level. These bonds offer a relatively high yield to compensate investors for this risk.

When the Swiss authorities engineered the rescue of Credit Suisse, their $17 billion issue of AT1 bonds were written done to zero, even though equity shareholders received UBS shares worth 0.76 Swiss Francs, the equivalent of $3.25 billion. Had these bonds been forcibly converted into equity, investors would at least have shared in the value granted to shareholders, but instead they got nothing. The decision by the Swiss to disregard the traditional hierarchy of creditors in bankruptcy outraged many in the investment community. Even though the language in the bond documentation may have permitted the Swiss to completely wipe out the AT1 bondholders, the decision was seen as favoring domestic Swiss shareholders at the expense of international bond investors. While regulators outside of Switzerland were unanimous in reassuring investors that such treatment would never occur in their jurisdictions, the damage to this niche market had been done. One Hong Kong-based wealth manager with a large position in the global market for AT1 bonds lamented that the market was effectively dead for the short term and "any bank planning new issuance will have to offer an impossibly high premium to have a hope of attracting investors after this."

LET'S MAKE MONEY WITH PURE DEGENERATE GAMBLING!

Share of Stock Trading by Retail Invetsors & the Share of Various Option Expiration Horizons



Source: The Economist

"All investing is gambling! I think most things we do in life are gambling," declared Garrett Mastronardi, a 30-year-old day trader from Florida to Bloomberg News. "Buying 0DTE options is just pure degenerate gambling!"

Just when we thought that the end of cheap leverage had extinguished retail meme-stock speculation, an even more dangerous threat to common sense investing has burst onto the investing scene in the form of "Zero-Days-To-Expiry Options" (or "0DTE" in the jargon of market enthusiasts). 0DTE options, which structurally are fairly standard derivative instruments, have one key feature: as their name implies, they expire at the end of each trading day, in contrast to the weeks and months of standard contracts. In exchange for an upfront premium, like all equity options, they provide the buyer of calls and puts the right to buy or sell a stock at a predetermined price. Since you only have less than six and a half trading hours for the stock to move in your favor, they can be very cheap to buy — an at-the-money call on the S&P 500 Index ETF at the market's open may cost just $1, or just 0.25% of the index price of $410. If the ETF appreciates just 1% by the end of the day, the investor would have made a $3.1 or 310% profit! Just in a few hours!

Such examples of instant gratification have led to an explosion of 0DTE options trading since the Chicago Board Options Exchange introduced them last spring. J.P. Morgan estimates that the notional value of 0DTE option trading now exceeds $1 trillion a day. As the chart above illustrates, they now comprise a staggering 40% of S&P 500 index option trading in the U.S. One day contracts are now offered on other liquid ETFs and single stocks. (The stock price of CBOE Global Markets, Inc., the parent of the exchange, has incidentally soared 70% since its Covid bottom.)

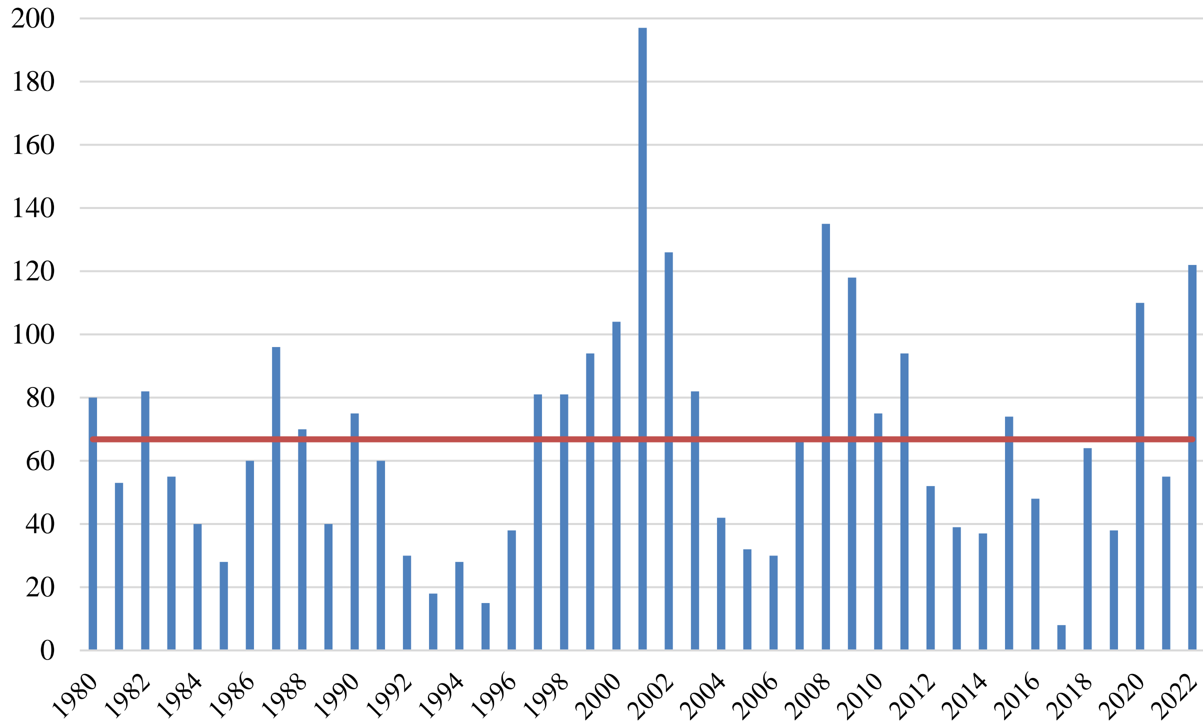
Market observers believe that a quarter of this volume could stem from retail investors. While the Chicago Board does not provide a breakdown, there are some indications to support this assessment. Compared to longer dated options, the 0DTE market executes a higher proportion of small-lot orders (although this could be misleading as trading algorithms break up larger institutional orders to minimize market impact). "Single-leg" trades, such as straightforward calls or puts, represent over 50% of 0DTE options, another sign of retail activity. Even if retail speculators represent a large portion of the market, who are the other participants? Unsurprisingly, the largest players are high-frequency market makers like Citadel, Susquehanna, and Virtu Financial, who already trade on a nano-second basis, and operate sophisticated execution and risk systems that allow them to capture the massive bid-offer spreads in these contracts without exposing themselves to significant risk. These firms are allegedly making a killing exploiting the behavioral follies of retail traders.

What is perhaps more disturbing is that some long-term investors– and even mutual funds– have started dabbling in this market. If you are a long-only investor significantly underperforming your benchmark, you may not have much to lose by buying a bunch of cheap lottery tickets that may result in a huge payoff. As long as the manager does not own the positions at quarter end, they will never show up on reports that need to be sent to investors. Moreover, many broker systems currently track exposures (and therefore demand collateral) only at the close of the trading day, when these options have expired, and gains and losses have already crystallized. So, while a seller of an option contract has unlimited exposure during the course of the trading day, current systems cannot demand real time collateral deposits even if losses are escalating to dangerous levels. Some asset managers may become tempted to exploit these operational deficiencies to trade outside their explicit mandates or take unjustified risks.

Proponents of the instrument argue that daily expiries allow investors to hedge against the increasingly sharp movements on days when key economic data is released, or central banks announce policy changes. The number of days when the S&P 500 index moved more than 1% rose to 122 days last year, or half of all trading days. However, the analysis of historical data shows that intra-day volatility is not a recent phenomenon. The number of trading days with high volatility increased significantly before and after past market peaks. It will also take some time to understand the impact of 0DTE options on market liquidity, volatility, and trading behavior. Professional options traders normally hedge their risks by trading the underlying reference instrument and need to manage a plethora of complex risks, such as delta (change in the ratio of option price to underlying instrument price), gamma (changes in delta), theta (time decay), and vega (changes in volatility). The very short-term nature of 0DTE options means that many of these risks are unhedgeable or impractical to implement. Only time will tell what this means for the markets. Will it lead to another "Volmageddon" (the 2018 volatility spike that caused the implosion of several funds) as J.P. Morgan analysts predict?

The regulators, at least, appear to be aware of the risks: the Commodities Futures Trading Commission is examining the impact of extremely short-dated options contracts on the markets. However, it may be too late to stem retail speculator enthusiasm. Now that YouTube and TikTok trading gurus have started promoting 0DTE as the latest and greatest path to riches, the growth of the market may be unstoppable – at least until then next big thing.

The Number of Trading Days When the S&P 500 Index Has Moved More Than 1%



Source: investing.com

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, and 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.