INVESTMENT OUTLOOK

JULY 2020

THE GLOBAL ECONOMY IS TRANSITIONING FROM THE DOWNTURN PHASE OF THE CREDIT CYCLE INTO CREDIT REPAIR.

Growth is weak but stabilizing and policy accommodation is prevalent on both the monetary and fiscal sides. The breadth and severity of the virus will remain critical factors throughout 2020 and into next year. However, we believe the worst is behind us.

MACRO DRIVERS

At the end of June, the economic reopening was broadly underway. Indicators, whether hard data points or surveys, have been signaling that activity has started to resume, albeit from very depressed levels.

- Monetary and fiscal policy coordination has been the most prominent driver of risk-asset performance and we expect this highly supportive backstop to continue.
- We believe developed market policy rates and government bond yields will remain historically low until labor markets recover and normal levels of consumer price inflation return.
- Hypothetical discount rates, which can be used to determine risk-asset relative valuations, will likely remain low and foster somewhat elevated levels in credit and equity relative to historical averages.
- While we anticipate bumps along the road to reopening, we expect economies to make progress toward returning to business albeit at a slow rate. Prior peak levels in GDP may not be reached until 2022.
- A spike in COVID-19 infections, or a true second wave of infections during the fall, would be highly disruptive. However, we believe proper regulations and effective medical treatment will keep any outbreaks under control.
- While far from full throttle, the global economic engine is up and running. We expect further progress in the quarters ahead but acknowledge that risk assets are largely priced for the better days that we see ahead.
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CREDIT CYCLE PHASES

The transition to credit repair is well underway but not yet complete.

	DOWNTURN	CREDIT REPAIR	RECOVERY	EXPANSION TO LATE CYCLE
ECONOMIC GROWTH	Weak - Deteriorating	Weak - Stabilizing	Strong - Improving	Solid - Peaking
CREDIT GROWTH	Declining	Low	Accelerating	High
CENTRAL BANK POLICY	Easing	Easy	Starting to Tighten	Tightening - Policy Errors
INFLATION PRESSURE	High-Breaking Lower	Low - Stabilizing	Moderate - Rising	High - Rising
VOLATILITY	Above Average, Rising	Above Average, Falling	Below Average, Stable	Below Average, Rising
RISK APPETITE	Low	Low, Improving	High	High - Irrational
LIQUIDITY	Low	Improving, High	High	Declining
YIELD CURVE	Steepening	Steep	Flattening	Flat - Inverted
FUNDAMENTALS	Profit Contraction	Debt Contraction	Profit Growth > Debt Growth	Debt Growth > Profit Growth
ASSET VALUATIONS	Falling to Below Average	Below Average, Rising	Near Average, Rising	Above Average, Rising
CREDIT VS EQUITY	Credit & Equity Both Down	Credit Preferred	Credit & Equity Both Up	Equity Preferred

Source: Loomis Sayles, as of June 17, 2020. Highlighted cells represent attributes we're currently observing. Navy blue represents attributes typical of downturn, light blue represents attributes typical of credit repair and bright blue respresents attributes stypical of recovery. The table above is shown for illustrative purposes only. Some or all of the information on this chart may be dated, and, therefore, should not be the basis to purchase or sell any securities.

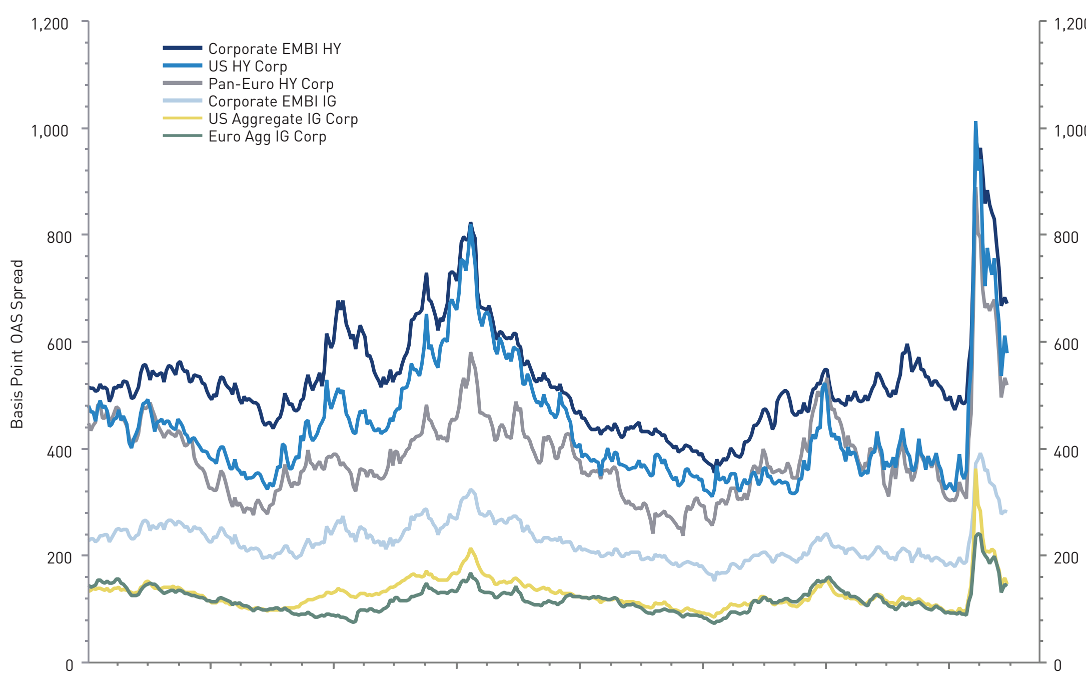
CREDIT MARKETS

As measured in US dollars, BBB-rated debt at risk of downgrade has more than doubled in 2020 to an estimated $665 billion.

- Leverage has increased substantially given record-setting new issuance. Rightly or wrongly, investors expect companies will reduce debt once the economy improves and cash flows pick up.
- Europe and UK spreads did not compress as sharply as those of the US since the risk-on phase began in late March.
- We believe high yield spreads are likely to compress by around 40 basis points. Consensus expectations imply a default rate of 10%-13% in 2020, but we believe that estimate may be too high.
- There will likely be demand for high yield products, potentially including bank loans, in an environment where government bond yields remain low and volatility eventually subsides.
- US securitized spreads lagged the corporate rally because Federal Reserve (Fed) support has been relatively less beneficial for the sector. Therefore, securitized spreads currently look attractive relative to corporates.
- In our view, securitized excess return potential looks decent and the sector can offer carry with potentially low volatility.
- Emerging market (EM) corporates entered the COVID crisis with strong fundamentals which should help mitigate defaults and allow for a quicker recovery. The spread between EM and US corporates has remained somewhat elevated, leaving further room for compression.

GLOBAL CREDIT SPREADS

Global credit spreads responded significantly to policies enacted to support market liquidity and economic activity amid lockdown orders and rising unemployment.



Source: Bloomberg Barclays, J.P. Morgan, data as of 6/29/2020.

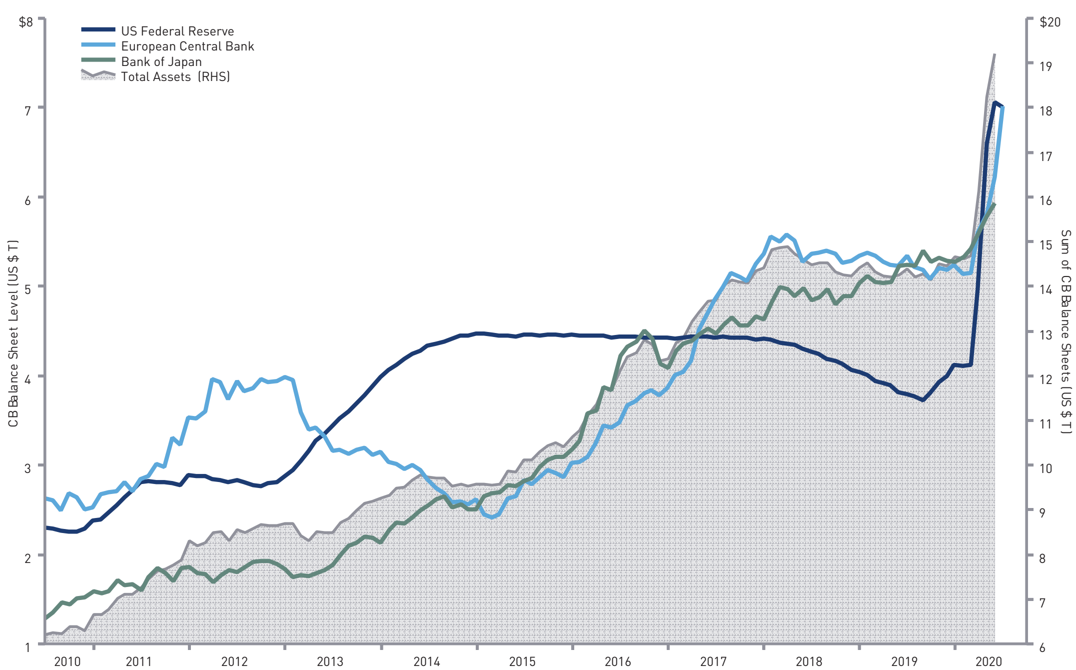
GOVERNMENT DEBT & POLICY

In many cases, fiscal transfer payments are successfully bridging cash flow gaps for individuals and small businesses as the economy reopens in phases.

- Coordination with the Fed was a welcome development and signaled that policy makers were willing to do what was necessary to mitigate economic damage from COVID-19.
- While it may be slower to develop, we believe additional fiscal policy support is on the way. The Fed will also continue purchasing a wide range of securities and expand its balance sheet further, albeit at a slower rate than earlier in the crisis.
- We believe negative policy rates in the US are highly unlikely because they disrupt the financial sector and have not proven to be effective in Europe or Japan.
- Long-term developed market yields are all facing the same set of primary drivers—limited inflation, ultra-low monetary policy rates, demand for relative safe-haven assets and periodic risk aversion.
- We expect the short end of developed market yield curves to remain anchored along with near-zero policy rates. We may see very modest upward movement at the long end of the curve.
- Unless economic conditions decline substantially from here, we expect capital to shift toward riskier assets, such as credit and equities. Investors will likely seek excess returns over global Treasurys.
- While not without risk, emerging market government bonds, which offer relatively higher yields, represent another attractive opportunity for investors.

G3 CENTRAL BANK BALANCE SHEETS

Total assets on central bank balance sheets have escalated after moderating for a brief period.



Source: US Federal Reserve, European Central Bank, Bank of Japan, data as of 6/29/2020.

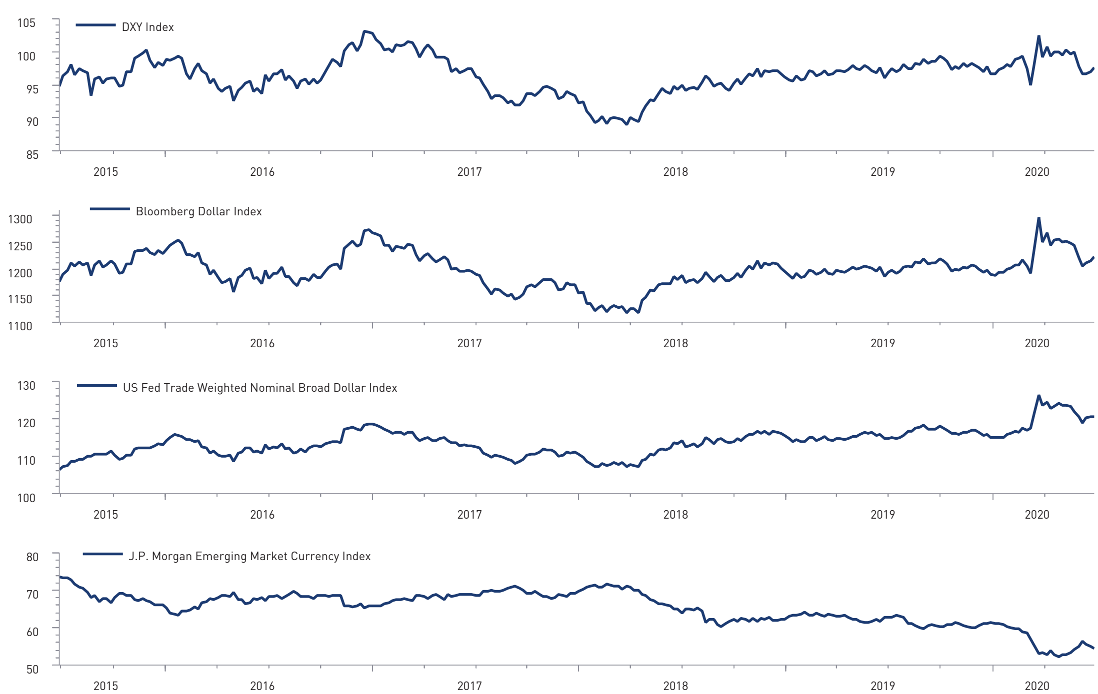
CURRENCIES

Investors are starting to look through weak economic data and are warming up to higher-beta assets, such as emerging market currencies.

- We see the dollar as a pro-cyclical currency that tends to weaken as the global economy accelerates. The transition to credit repair, which is taking place now, is consistent with a modestly weaker dollar.
- Fluctuations in short-term interest rate differentials can impact currencies, but we do not expect much volatility in short rates. Therefore, that driver looks potentially less impactful moving forward.
- Nominal US Treasury yields still have an advantage relative to developed market peers, but that positive spread has been compressing since late 2018 and more rapidly since the onset of the COVID pandemic.
- Global growth differentials likely favor the dollar and should prevent the currency from weakening materially. We believe the US is well positioned for a return to solid rates of economic growth relatively faster than other countries.
- Valuation is not the most reliable timing tool. However our fair-value models suggest the dollar is roughly 10% overvalued relative to the euro. Latin American currencies screen the cheapest, followed by emerging Europe and lastly Asia.

US DOLLAR INDEX LEVELS

The broad dollar may begin to weaken as the global economy transitions through the credit repair phase of the cycle.



Source: Bloomberg, Federal Reserve, J.P. Morgan, data as of 6/29/2020.

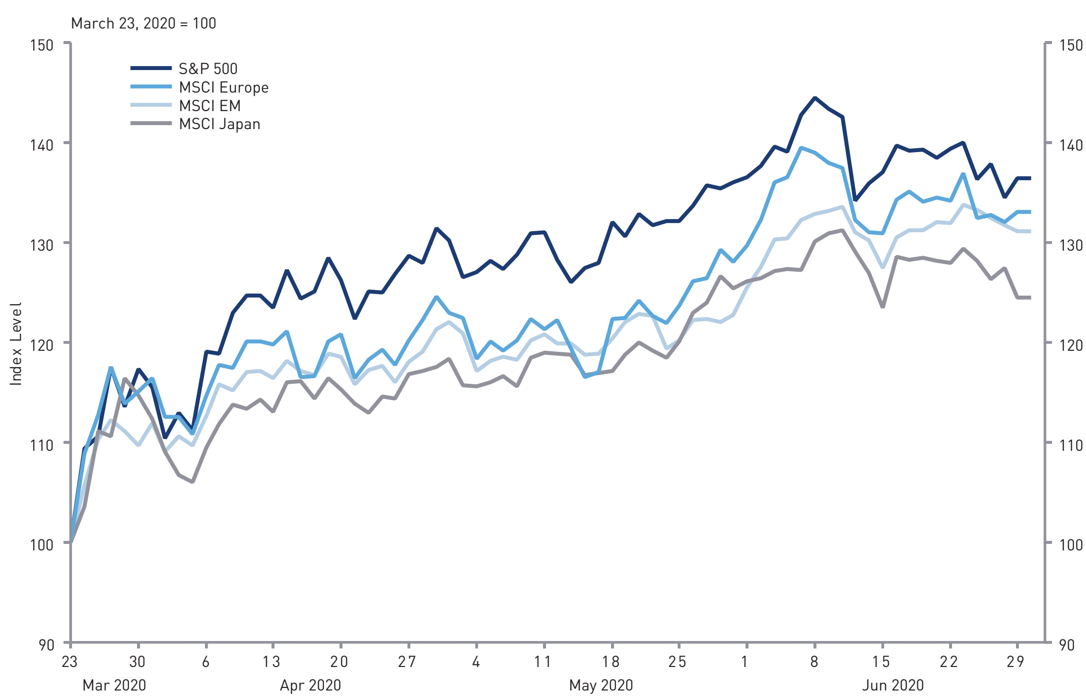
GLOBAL EQUITIES

Investors are keenly focused on the economic recovery and the potential for corporate profit revitalization next year and beyond, rather than clinging to the poor results being reported lately.

- As the economy reopens, we believe company management teams will begin to offer some guidance on future earnings after most offered little insight on first-quarter conference calls.
- Accommodative fiscal and monetary policy support have contributed to above-average valuations. These levels may remain elevated as investors anticipate a return to more normalized economic activity.
- Second-quarter earnings should mark the trough globally and we are anticipating some sequential improvement quarter after quarter heading into 2021.
- With outstanding second-quarter performance behind us, we expect modest total returns across global equity markets in the quarters ahead.
- Some patience may be required as levels of implied volatility are still above average. However investors with a time horizon of one year or longer should consider allocating to equities.
- Low interest rates and inflation, along with a return to moderate levels of economic growth, are likely to spark a continuation in the performance patterns we had seen pre-crisis.
- Indices skewed toward secular growth remain most likely to lead the charge.

GLOBAL EQUITY PERFORMANCE SINCE THE MARCH LOW

Global equity markets rocketed higher throughout the second quarter, focused on powerful policy responses and economies reopening.



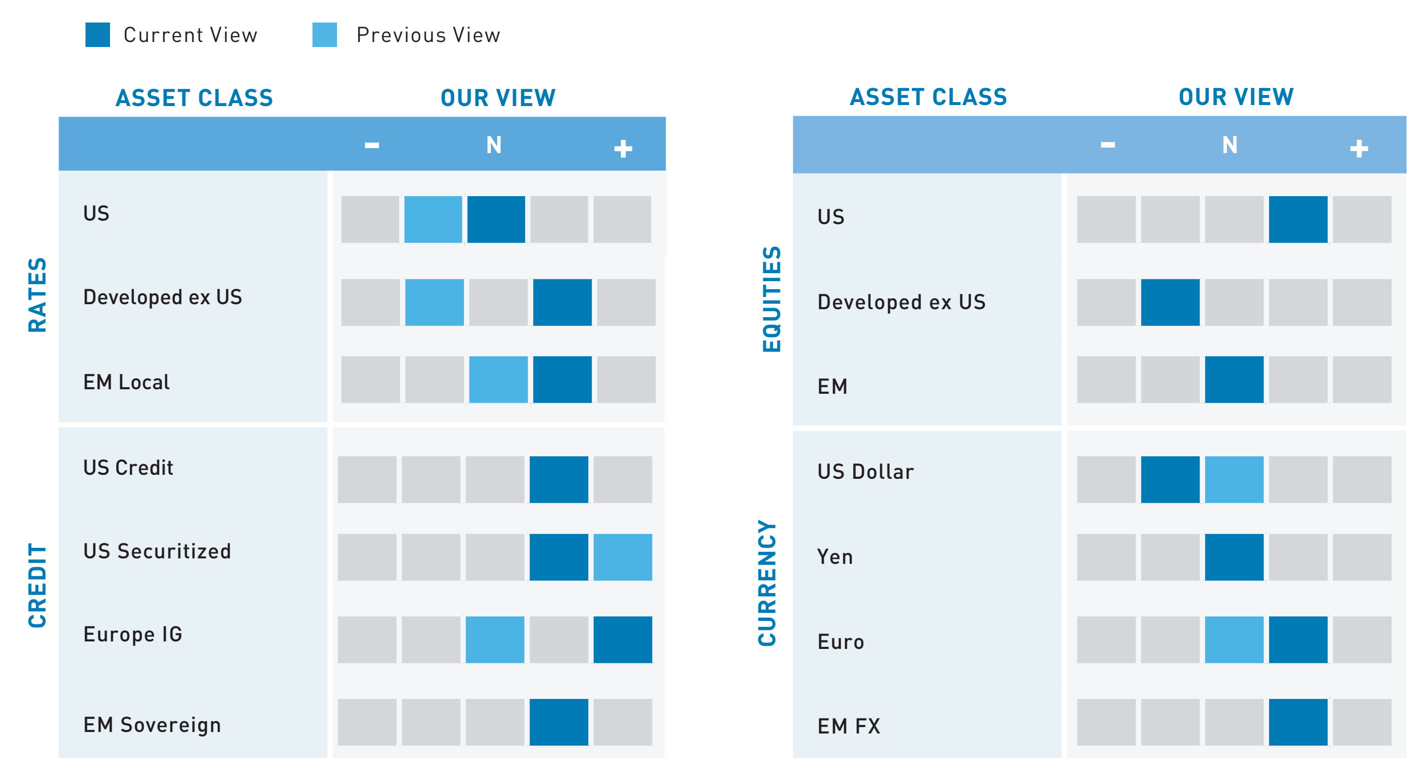
Source: Datastream, data as of 6/29/2020.

POTENTIAL RISKS

One of the largest risks we currently face is a severe and prolonged downturn.

- The most glaring risk the global economy faces is a second wave of COVID-19 cases that leads to a surge in hospitalizations and fatalities.
- A resurgence would lead to a consumption drawdown once again as consumers recoil and voluntarily shelter in place regardless of their government's recommended course of action.
- As schools begin to open, we will be monitoring case growth very closely for signs of spread, which we presently believe is under control in most regions of the world.
- Risk assets are priced for steady economic progress and reopenings. Therefore, any disturbance to these expectations could lead to increased volatility and lower valuations.
- In addition to COVID risk, investors are also shifting their attention to the 2020 US presidential election, where odds of a Democratic sweep have been on the rise.
- Many associate a Democratic sweep with the passing of legislation that would surely lead to higher corporate tax rates. Rising corporate taxes would pressure profit margins and, as a result, many risk assets would take a hit.
- A key silver lining is the fiscal and monetary policy response that has already been put in place. We expect accommodation to continue for some time as the global economy works through the COVID crisis.

ASSET CLASS OUTLOOK



Second Quarter Review

INDEX RETURNS BY SECTOR
as of June 30, 2020

INDEX				
US BROAD MARKET	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC US AGGREGATE BOND	0.63	2.90	6.14	8.74
BBG BARC US GOVERNMENT/CREDIT	0.87	3.71	7.21	10.02

The US aggregate and US government/credit indices finished the quarter with strong total returns. The aggregate index's composition of investment grade corporates, Treasurys and securitized debt has provided stable returns through some unusual market moves year to date. The aggregate index produced +2.45% excess return over like-duration US Treasurys in the quarter as risk sentiment markedly improved and investors bought into riskier assets.

US GOVERNMENTS	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC US TREASURYS	0.09	0.48	8.71	10.45
3-MONTH T-BILLS	0.02	0.02	0.61	1.65
2-YEAR TREASURY	0.00	0.14	2.96	3.92
5-YEAR TREASURY	0.12	0.50	7.31	8.44
10-YEAR TREASURY	-0.03	0.68	12.70	14.24
30-YEAR TREASURY	-0.06	-0.71	24.91	29.76
BBG BARC US TIPS	1.12	4.24	6.01	8.28
BBG BARC US AGENCY	0.19	0.88	5.06	6.79

US Treasurys ended the quarter with modest positive returns, though the asset class was the worst-performing major fixed income category in a decidedly risk-on market environment. This follows strong performance in the first quarter, when investors sought Treasurys as relative "safe-haven" assets during the market turmoil in late March. As risk appetite improved, the demand for Treasurys waned. With the exception of the 30-year maturity, longer-duration Treasurys provided slightly higher returns than shorter-dated Treasurys.

US MUNICIPALS	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC US MUNICIPALS	0.82	2.72	2.08	4.45

Municipal bonds rallied in the second quarter. While munis are generally considered a relatively safe asset class for capital preservation, they provided significant excess returns over Treasurys. Munis were also buoyed after the Fed announced in April that it would buy $500 billion of investment grade municipal debt with a maturity of 3 years or less.

US SECURITIZED	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC MBS	-0.09	0.67	3.50	5.67
BBG BARC ABS	1.07	3.54	3.32	4.68
BBG BARC CMBS	1.62	3.95	5.19	6.83

Securitized assets finished ahead of Treasurys, but they didn't keep pace with the general risk rally in investment grade and high yield corporates. Both ABS and CMBS delivered healthy gains in the risk-on environment. The Fed began quantitative easing in March by purchasing MBS, which helped the MBS index recover most of its losses late in the first quarter. As a result, the MBS index had more muted second-quarter returns than other securitized sectors. The Fed is expected to start purchasing ABS through the Term Asset-Backed Securities Loan Facility (TALF) in July, which should help support the ABS sector.

Data Sources: Bloomberg Barclays indices from Barclays Live; currency returns, JPMorgan and Citigroup indices from Bloomberg; bank loans from S&P Global Market Intelligence.

All returns in US dollars, unless noted. ***Past performance is no guarantee of future results.***

INDEX RETURNS BY SECTOR
as of June 30, 2020

INDEX				
CORPORATES	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC US INVESTMENT GRADE	1.96	8.98	5.02	9.50
AAA	0.30	4.53	9.48	13.89
AA	0.78	4.83	6.28	9.53
A	1.58	7.18	6.46	10.47
BBB	2.53	11.51	3.59	8.63
BBG BARC EUROPEAN INVESTMENT GRADE *-LOCAL CURRENCY RETURNS*	1.32	5.28	-1.19	-0.42
AAA	0.94	4.97	1.29	1.44
AA	0.76	4.40	0.30	0.22
A	1.25	5.45	-0.70	-0.29
BBB	1.48	5.34	-1.80	-0.62
BBG BARC STERLING INVESTMENT GRADE *-LOCAL CURRENCY RETURNS*	1.61	9.02	3.27	7.13
AAA	0.61	16.34	13.55	22.21
AA	1.31	8.70	4.96	7.63
A	1.55	9.31	4.05	7.76
BBB	1.74	8.62	2.09	6.15

The Fed's pledge to support markets amid the March selloff initiated a series of Fed actions that lifted the investment grade market, including purchasing investment grade corporate debt for the first time in the Fed's history. Unusually aggressive monetary and fiscal policy improved risk appetite and corporate credit experienced a rebound in the second quarter. The US and Sterling investment grade aggregate indices had nearly identical returns for the quarter. However, a risk rally in the lower-rated A and BBB space boosted US investment grade returns, while AAA-rated bonds led the Sterling index. Euro-aggregate bonds significantly lagged and year-to-date returns remain in negative territory.

CORPORATES	1 MONTH	3 MONTH	6 MONTH	1 YEAR
BBG BARC US HIGH YIELD	0.98	10.18	-3.80	0.03
BB	1.03	11.54	0.21	4.75
B	0.25	8.64	-5.45	-1.39
CCC	2.35	9.10	-13.32	-11.67
BBG BARC PAN-EURO HIGH YIELD *-LOCAL CURRENCY RETURNS*	2.01	10.87	-5.82	-1.90
BB	1.18	9.00	-5.00	-1.60
B	2.19	12.18	-8.63	-4.74
CCC	7.54	21.78	-4.80	5.33

High yield corporates registered strong returns and finished among the best performers of the major fixed income market categories. Like the investment grade market, the high yield segment was supported by expectations for a relatively swift economic recovery, increased risk appetite and the Fed's remarkably accommodative monetary policy. However, US high yield debt still has negative returns year to date, in contrast to the investment grade sector. Pan-European debt narrowly outperformed the US in the aggregate. While higher-rated high yield debt outperformed lower-quality debt in the US during the quarter, lower-quality debt significantly outperformed in the Pan-European market.

Data Sources: Bloomberg Barclays indices from Barclays Live; currency returns, JPMorgan and Citigroup indices from Bloomberg; bank loans from S&P Global Market Intelligence.

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INDEX RETURNS BY SECTOR

as of June 30, 2020

INDEX				
BANK LOANS	1 MONTH	3 MONTH	6 MONTH	1 YEAR
S&P/LSTA LEVERAGED LOAN	1.14	9.70	-4.61	-1.99
BB	0.24	7.16	-4.50	-1.72
B	1.19	11.12	-4.12	-1.14
CCC	4.26	14.13	-11.94	-13.07

The performance of the high yield bank loan market is often highly correlated with that of the US high yield bond market, and this quarter was no exception. Bank loans benefited immensely from the risk-on rally. However, lower-quality bank loans outperformed the higher-rated segment of the bank loan market, as opposed to the high yield bond market.

DEVELOPED COUNTRIES	1 MONTH	3 MONTH	6 MONTH	1 YEAR
CITIGROUP WGBI *-LOCAL CURRENCY RETURNS*	0.26	0.95	4.69	5.63
CITIGROUP NON-USD WGBI	0.36	1.19	2.08	2.54
UNITED STATES	0.10	0.56	8.69	10.39
CANADA	0.62	2.30	7.95	7.56
JAPAN	-0.56	-0.74	-1.23	-1.90
AUSTRALIA	0.09	-0.21	4.10	4.38
UNITED KINGDOM	-0.72	2.86	10.55	12.66
EUROPEAN GBI	1.07	1.80	2.08	2.81
FRANCE	1.07	1.90	2.65	2.02
GERMANY	0.33	0.22	2.26	1.11
IRELAND	1.66	2.03	2.41	2.85
ITALY	2.08	2.54	1.67	6.78
SPAIN	0.74	2.50	0.97	0.95

Global government bonds delivered modestly positive returns in the quarter and narrowly outperformed US Treasurys. This performance reflects continued concerns about the path and duration of the economic recovery, despite the risk-on rally throughout the quarter.

EMERGING MARKET BONDS	1 MONTH	3 MONTH	6 MONTH	1 YEAR
JP MORGAN EMBIG *-SOVEREIGN/QUASI-SOVEREIGN, USD*	2.91	11.21	-1.87	1.52
JP MORGAN CEMBI BROAD DIVERSIFIED *-CORPORATES, USD*	2.75	11.15	-0.16	3.74
JP MORGAN GBI-EM GLOBAL DIVERSIFIED *-GOVERNMENTS, LOCAL CURRENCY*	0.36	5.67	4.55	9.89

Consistent with the general market narrative of the quarter, relatively risky emerging market (EM) debt produced healthy returns in all major categories. EM dollar-pay government and corporate bonds rebounded by just over 11% in the quarter, nearly recovering their losses from the March selloff. The US dollar weakened, particularly in May, which helped boost EM returns. Local-currency EM government debt did not keep up with hard-currency bonds during the quarter, though it is the only EM sector with positive returns year to date.

Data Sources: Bloomberg Barclays indices from Barclays Live; currency returns, JPMorgan and Citigroup indices from Bloomberg; bank loans from S&P Global Market Intelligence.

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INDEX RETURNS BY SECTOR
as of June 30, 2020

INDEX CURRENCY MARKETS	1 MONTH	3 MONTH	6 MONTH	1 YEAR
DOLLAR BLOC				
CANADIAN DOLLAR	1.50	3.58	-4.32	-3.54
AUSTRALIAN DOLLAR	3.54	12.59	-1.68	-1.67
NEW ZEALAND DOLLAR	4.01	8.36	-4.24	-3.93
WESTERN EUROPE				
EURO	1.20	1.84	0.19	-1.22
NORWEGIAN KRONE	0.99	8.08	-8.72	-11.35
SWEDISH KRONA	1.19	6.27	0.47	-0.39
SWISS FRANC	1.51	1.46	2.04	3.06
BRITISH POUND	0.47	-0.15	-6.46	-2.32
EMERGING EUROPE & AFRICA				
CZECH KORUNA	2.29	4.48	-4.39	-5.80
HUNGARIAN FORINT	-1.05	3.63	-6.43	-9.96
POLISH ZLOTY	1.27	4.35	-4.11	-5.68
RUSSIAN RUBLE	-1.45	10.16	-12.92	-11.20
SOUTH AFRICAN RAND	1.13	2.80	-19.31	-18.81
TURKISH NEW LIRA	-0.42	-3.47	-13.16	-15.46
ASIA				
JAPANESE YEN	-0.09	-0.36	0.63	-0.07
CHINESE RENMINBI	1.04	0.26	-1.43	-2.79
INDONESIAN RUPIAH	2.42	14.34	-2.80	-0.96
MALAYSIAN RINGGIT	1.40	0.81	-4.56	-3.60
PHILIPPINE PESO	1.57	1.76	1.66	2.84
SINGAPORE DOLLAR	1.43	2.04	-3.42	-2.91
SOUTH KOREAN WON	2.95	1.30	-3.88	-4.01
LATIN AMERICA				
ARGENTINE PESO	-2.73	-8.59	-15.02	-39.71
BRAZILIAN REAL	-2.40	-4.79	-26.29	-29.59
CHILEAN PESO	-1.78	4.13	-8.46	-17.35
COLOMBIAN PESO	-0.69	7.93	-12.79	-14.53
MEXICAN PESO	-3.55	2.96	-17.68	-16.39
PERUVIAN NEW SOL	-3.19	-3.09	-6.45	-6.99

The US dollar sold off significantly in the quarter, which benefited many currencies. Major commodity exporters like Australia, Russia and Norway saw the biggest currency appreciation as the global demand outlook improved and hostilities over oil production between Russia and Saudi Arabia cooled off. The few currencies that posted negative returns had unfavorable idiosyncratic factors weighing on them, such as Argentina's continuing negotiations to restructure government debt and Brazil's alarmingly high COVID-19 case count. Despite the general rebound, most currencies still have significantly negative year-to-date returns.

Data Sources: Bloomberg Barclays indices from Barclays Live; currency returns, JPMorgan and Citigroup indices from Bloomberg; bank loans from S&P Global Market Intelligence.

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GLOBAL EQUITY MARKETS
as of June 30, 2020

INDEX TOTAL RETURNS (%)				
INDEX	3 MONTH	1 YEAR	3 YEAR	5 YEAR
S&P 500®	20.54	7.51	10.73	9.38
MSCI ALL COUNTRY WORLD	19.39	2.64	6.70	7.03
MSCI EUROPE	15.57	-6.31	0.59	2.06
MSCI JAPAN	11.64	3.51	3.35	3.81
MSCI EMERGING MARKETS	18.18	-3.05	2.27	3.24

Similar to riskier fixed income asset classes, equity markets significantly rebounded in the quarter. The US equity market had the best performance of all global equity categories, with emerging market equities following close behind. While Europe and Japan posted very strong second-quarter returns, they did not keep up with the US and EM. Current valuations indicate that investors are looking through upcoming earnings reports and appear to be pricing in a quick, durable economic recovery in 2021.

US EQUITY MARKETS
as of June 30, 2020

INDEX TOTAL RETURNS (%)				
INDEX	3 MONTH	1 YEAR	3 YEAR	5 YEAR
RUSSELL 1000®	21.82	7.48	10.64	10.47
GROWTH	27.84	23.28	18.99	15.89
VALUE	14.29	-8.84	1.82	4.64
RUSSELL MIDCAP®	24.61	-2.24	5.79	6.76
GROWTH	30.26	11.91	14.76	11.60
VALUE	19.95	-11.81	-0.54	3.32
RUSSELL 2000®	25.42	-6.63	2.01	4.29
GROWTH	30.58	3.48	7.86	6.86
VALUE	18.91	-17.48	-4.35	1.26

US equities benefited tremendously from the risk-on environment. Growth stocks significantly outperformed value stocks, continuing a long-term trend. Bucking another trend, small-cap equities outperformed large caps in the quarter.

Data Source: FactSet. All returns quoted in US dollars. Performance for one and multi-year periods is annualized. Sorted by index quarterly returns. Due to rounding, sector totals may not equal 100%. ***Past performance is no guarantee of future results.***

S&P 500 SECTORS
as of June 30, 2020

SECTOR PERFORMANCE ATTRIBUTION (%)				
INDEX	3 MONTH	1 YEAR	3 YEAR	5 YEAR
CONSUMER DISCRETIONARY	32.86	12.54	15.35	13.22
INFORMATION TECHNOLOGY	30.53	35.76	26.94	23.50
ENERGY	30.51	-35.98	-17.71	-17.21
MATERIALS	26.04	-1.08	3.88	5.33
COMMUNICATION SERVICES	20.04	11.03	7.71	6.65
INDUSTRIALS	17.07	-8.94	1.95	6.69
HEALTH CARE	13.55	10.84	10.31	8.16
REAL ESTATE	13.22	-2.00	6.33	3.82
FINANCIALS	12.20	-13.87	0.11	5.44
CONSUMER STAPLES	8.12	3.61	5.03	7.22
UTILITIES	2.73	-2.10	6.41	10.15

Higher-beta industries such as energy and information technology were among the best-performing sectors in the S&P 500 during the quarter. While energy rallied tremendously this quarter as tensions between Saudi Arabia and Russia over oil production cooled off, the sector cratered by more than 50% in the prior quarter and is still in deeply negative territory for the last 12 months. The rally reflects an improved market outlook for global oil demand but oil consumption expectations have not yet fully rebounded. As is typical during a strong risk-on rally, defensive sectors such as utilities and consumer staples posted among the lowest quarterly returns.

Data Source: FactSet. All returns quoted in US dollars. Performance for one and multi-year periods is annualized. Sorted by index quarterly returns. Due to rounding, sector totals may not equal 100%. ***Past performance is no guarantee of future results.***

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Disclosure

All data as of June 30, 2020, unless otherwise noted.

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Investing involves risk including possible loss of principal.

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Index Definitions

Bloomberg Barclays US Aggregate Bond Index *represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.*

Bloomberg Barclays US Government/Credit Index *includes securities in the government and credit indices. The government index includes treasuries -i.e., public obligations of the US Treasury that have remaining maturities of more than one year and agencies -i.e., publicly issued debt of US Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the US Government. The credit index includes publicly issued US corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.*

Bloomberg Barclays US Treasury Index *includes public obligations of the US Treasury with at least one year until final maturity, excluding certain special issues such as state and local government series bonds -SLGs, US Treasury TIPS and STRIPS.*

Bloomberg Barclays US Treasury Inflation Protected Securities Index *consists of inflation-protection securities issued by the US Treasury that have at least one year to maturity and at least $250 million par amount outstanding.*

Bloomberg Barclays US Agency Index *includes agency securities that are publicly issued by US Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the US Government -such as USAID securities.*

Bloomberg Barclays US Municipal Index *is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. The index has four main sectors: general obligation bonds, revenue bonds, insured bonds -including all insured bonds with a Aaa/AAA rating, and prerefunded bonds.*

Bloomberg Barclays Mortgage-Backed Securities -MBS Index *is a component of the Bloomberg Barclays Aggregate Index covering mortgage-backed pass-through securities of Ginnie Mae -GNMA, Fannie Mae -FNMA and Freddie Mac -FHLMC. The MBS Index is formed by grouping the universe of over 600,000 individual fixed rate MBS pools into approximately 3,500 generic aggregates.*

Bloomberg Barclays Asset-Backed Securities -ABS Index *is a component of the Bloomberg Barclays US Aggregate Index including pass-through, bullet and controlled amortization structures. The ABS Index includes only the senior class of each ABS issue and the ERISA-eligible B and C tranche. Constituents must have an average life of at least one year and a deal size of at least 500 million.*

Bloomberg Barclays Commercial Mortgage-Backed Securities -CMBS ERISA-Eligible Index *is a component of the Bloomberg Barclays US Aggregate Index and the ERISA-eligible component of the Bloomberg Barclays CMBS Index. This index, which includes investment grade securities that are ERISA eligible under the underwriter's exemption, is the only CMBS sector that is included in the US Aggregate Index.*

Bloomberg Barclays US Corporate Index *contains publicly issued US corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity and quality requirements. To qualify, bonds must be SEC-registered. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both US and non-US corporations. The non-corporate sectors are Sovereign, Supranational, Foreign Agency, and Foreign Local Government.*

Bloomberg Barclays Euro-Aggregate Corporate Index *consists of bonds issued in the euro or the legacy currencies of the 16 sovereign countries participating in the European Monetary Union -EMU. All issues must be investment grade-rated, fixed-rate securities with at least one year remaining to maturity. The Euro-Aggregate Index excludes convertible securities, floating rate notes, perpetual notes, warrants, linked bonds, and structured products.*

Bloomberg Barclays Sterling Aggregate Corporate Index *is a broad-based benchmark that measures the investment grade, fixed-rate, taxable, corporate sterling-denominated bond market. Inclusion is based on the currency of the issue, not the domicile of the issuer. The index includes publically issued securities from industrial, utility, and financial companies that meet specified maturity, liquidity and quality requirements.*

Bloomberg Barclays US Corporate High-Yield Index *covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets -sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch are excluded, but Canadian and global bonds -SEC registered of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds -PIKs, as of October 1, 2009 are also included.*

Bloomberg Barclays Pan-European High-Yield Index *covers the universe of fixed-rate, sub-investment grade debt denominated in euros or other European currencies -except Swiss francs. Securities must be rated high-yield -Ba1/BB+ or lower by at least two of the following rating agencies: Moody's, S&P, Fitch. Excludes emerging markets.*

S&P/LSTA Leveraged Loan Index*, is a market value-weighted index designed to measure the performance of the US leveraged loan market based upon market weightings, spreads and interest payments.*

Citigroup World Government Bond Index -WGBI *measures the performance of fixed-rate, local currency, investment grade sovereign bonds. The WGBI is a widely used benchmark that currently comprises sovereign debt from over 20 countries, denominated in a variety of currencies. The WGBI provides a broad benchmark for the global sovereign fixed income market.*

JPMorgan Emerging Markets Bond Index Global -EMBIG *tracks total returns for US dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds.*

JPMorgan Corporate Emerging Markets Bond Index -CEMBI Broad Diversified *tracks total returns of US dollar-denominated debt instruments issued by corporate entities in emerging markets countries. The CEMBI Broad is the most comprehensive corporate benchmark followed by the CEMBI, which consists of an investable universe of corporate bonds.*

JPMorgan Government Bond Index—Emerging Markets -GBI-EM Global Diversified *provides a comprehensive measure of local currency denominated, fixed rate, government debt issued in emerging markets.*

Standard & Poor's 500 -S&P 500® Index *is a market capitalization-weighted Index of approximately 500 common stocks chosen for market size, liquidity, and industry group representation to measure broad US equity performance. S&P 500® is a registered service mark of McGraw-Hill Companies, Inc.*

MSCI All Country World *is a market cap weighted index of stocks from developed and emerging markets providing a broad measure of global equity-market performance.*

MSCI Europe *is a free float-adjusted market cap index measuring equity market performance of the large and mid cap segments across European developed markets.*

MSCI Japan *is a free float-adjusted market cap index measuring equity market performance of the large and mid cap segments of the Japanese market.*

MSCI Emerging Markets Index *is a free float-adjusted market cap index measuring equity market performance of emerging markets.*

Russell 1000® Index *measures the performance of the large cap segment of the US equity universe. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership.*

Russell 1000® Growth Index *measures the performance of the large cap growth segment of the US equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.*

Russell 1000® Value Index *measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth values.*

Russell Midcap® Index *measures the performance of the mid cap segment of the US equity universe. The Russell Midcap is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.*

Russell Midcap® Growth Index *measures the performance of the mid cap growth segment of the US equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values.*

Russell Midcap® Value Index *measures the performance of the mid cap value segment of the US equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values.*

Russell 2000® Index *measures the performance of the small cap segment of the US equity universe. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.*

Russell 2000® Growth Index *measures the performance of the small cap growth segment of the US equity universe. It includes those Russell 2000 Index companies with higher price-to-value ratios and higher forecasted growth values.*

Russell 2000® Value Index *measures the performance of small cap value segment of the US equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values.*

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