



ECONOMIC AND MARKET REVIEW

THIRD QUARTER 2022



EMBRACE THE POSS/BLE™

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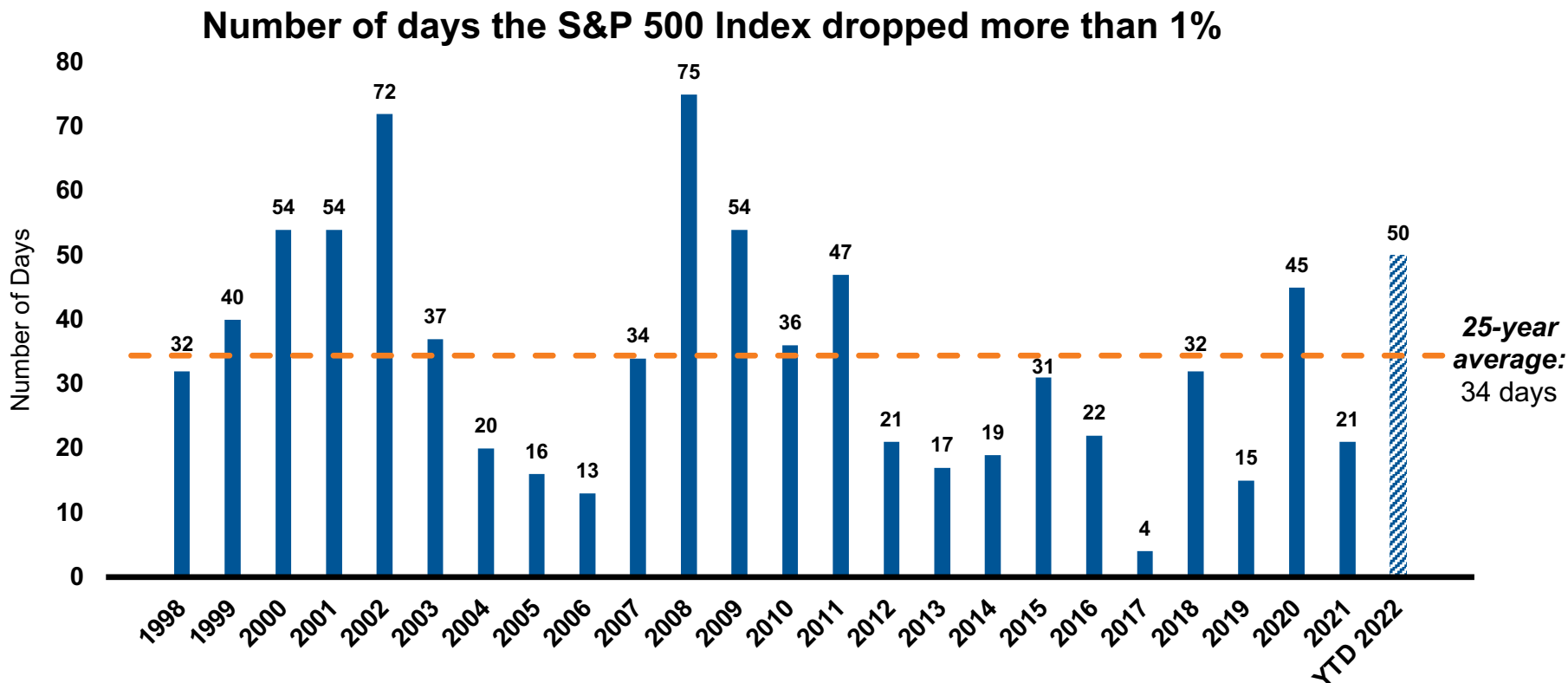
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AGENDA

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Return of volatility

Highest number of 1% daily declines in more than a decade



- The number of days with market declines of more than 1% is largest since the Global Financial Crisis
- Large market drops have been more frequent in 2022
- Equity investing typically goes hand in hand with volatility

Source: Morningstar. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Economic indicators dashboard



Treasury Yield

Continued to rise as markets anticipated additional rate hikes

%

Inflation

Down slightly from 8.5% in 2Q to 8.3% in 3Q



Economic Expansion

Contracted for second quarter in a row



CONSUMER SENTIMENT

Remained low, but up from 50.2 in 2Q

MOST RECENT

3-MO. TREND

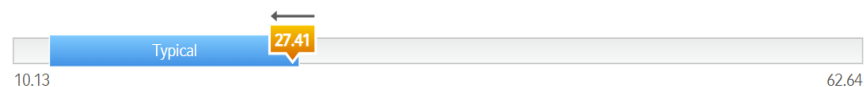
TYPICAL RANGE

ACTUAL RANGE

FAQ

▼ MARKET INDICATORS

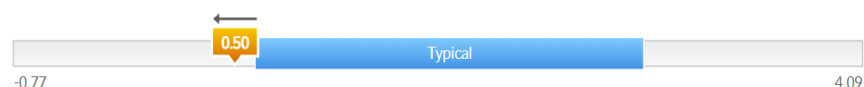
Market Volatility (CBOE VIX)
[HISTORICAL DETAILS](#)



10 Yr. U.S. Treasury Yield
[HISTORICAL DETAILS](#)



Yield Spread
[HISTORICAL DETAILS](#)



Home Prices (HPI)
[HISTORICAL DETAILS](#)

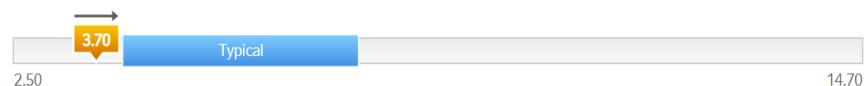


▼ ECONOMIC INDICATORS

Inflation (CPI)
[HISTORICAL DETAILS](#)



Unemployment
[HISTORICAL DETAILS](#)



Economic Expansion (GDP)
[HISTORICAL DETAILS](#)



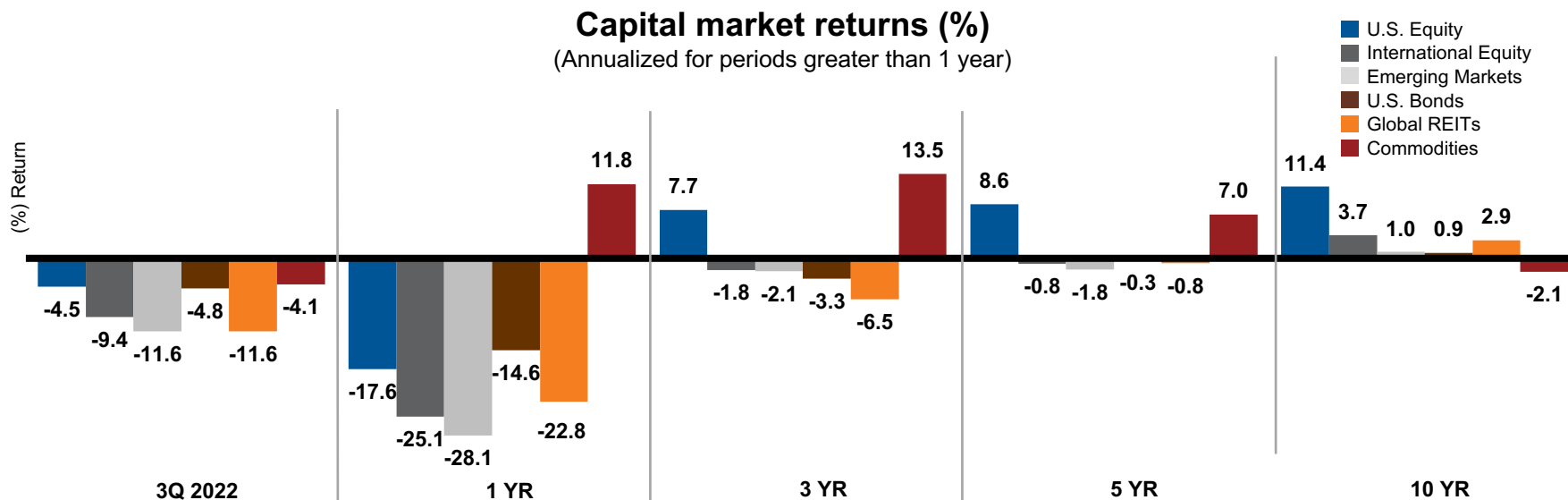
Consumer Sentiment (CSI)
[HISTORICAL DETAILS](#)



Source: <http://www.russellinvestments.com>, current state as of 10/4/2022. See appendix for category definitions. Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Capital markets

Periods ending September 30, 2022



U.S. equity: (Russell 3000® Index) U.S. stock index which includes the 3,000 largest U.S. stocks as measured by market capitalization

Non-U.S. developed equity: (MSCI EAFE Index) International market index that includes Western Europe, Japan, Australia

Emerging markets: (MSCI Emerging Markets Index) Emerging markets index that includes S. Korea, Brazil, Russia, India and China

U.S. bonds: (Bloomberg U.S. Aggregate Bond Index) Broad index for U.S. Fixed Income market

Global REITs: (FTSE EPRA/NAREIT Developed Index) Index for global publicly traded real estate securities

Commodities: (Bloomberg Commodity Index Total Return) Broad index of common commodities

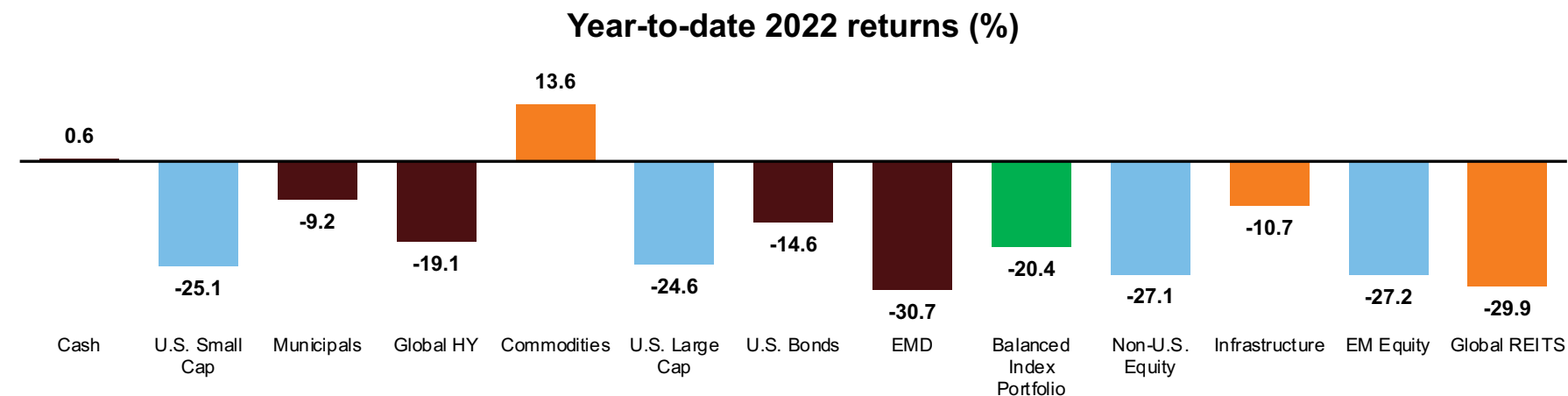
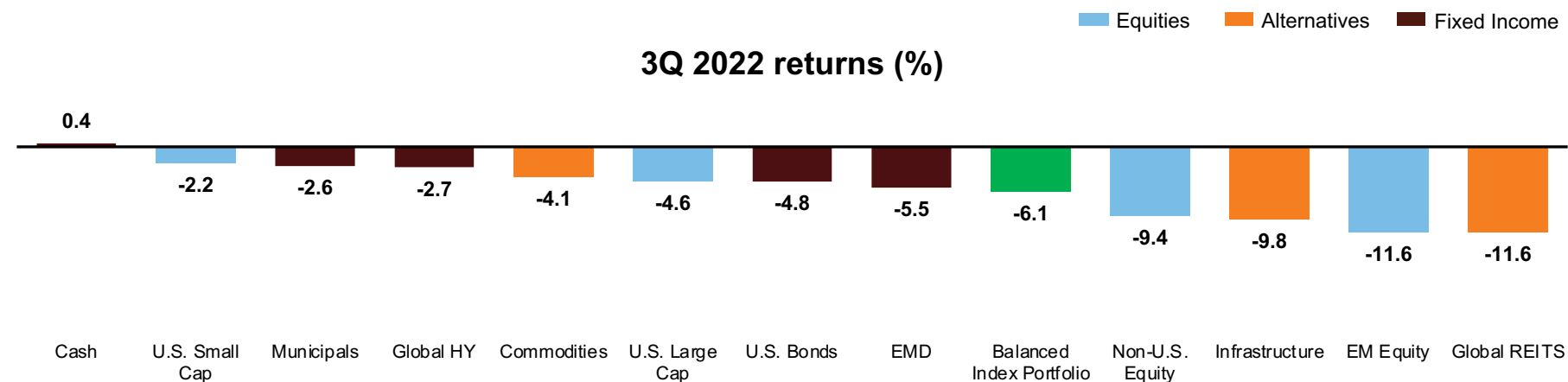
CAPITAL MARKETS 3Q 2022:

- **U.S. equity** had an optimistic start to the quarter, but sentiment was eroded by persistent inflation, volatility and a hawkish Federal Reserve
- **Non-U.S. developed equity** continued to fall on inflationary concerns and the ongoing energy crisis as Russia halted gas flows in September
- **Emerging markets** down on a strong U.S. dollar & slowing global growth
- **U.S. bonds** dropped further as Fed rate hikes continued. Short-term Treasury Bills outperformed longer-duration Treasury Notes and bonds.
- **Global REITs** negative on hawkish Fed rate hikes and 30-year fixed mortgage rates approached 7%
- **Commodities** fell in 3Q on a strong U.S. dollar and recessionary fears. Natural gas was the top-performing commodity for the quarter

Source: FTSE/Russell, Bloomberg, MSCI and FTSE NAREIT. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

What worked and what didn't

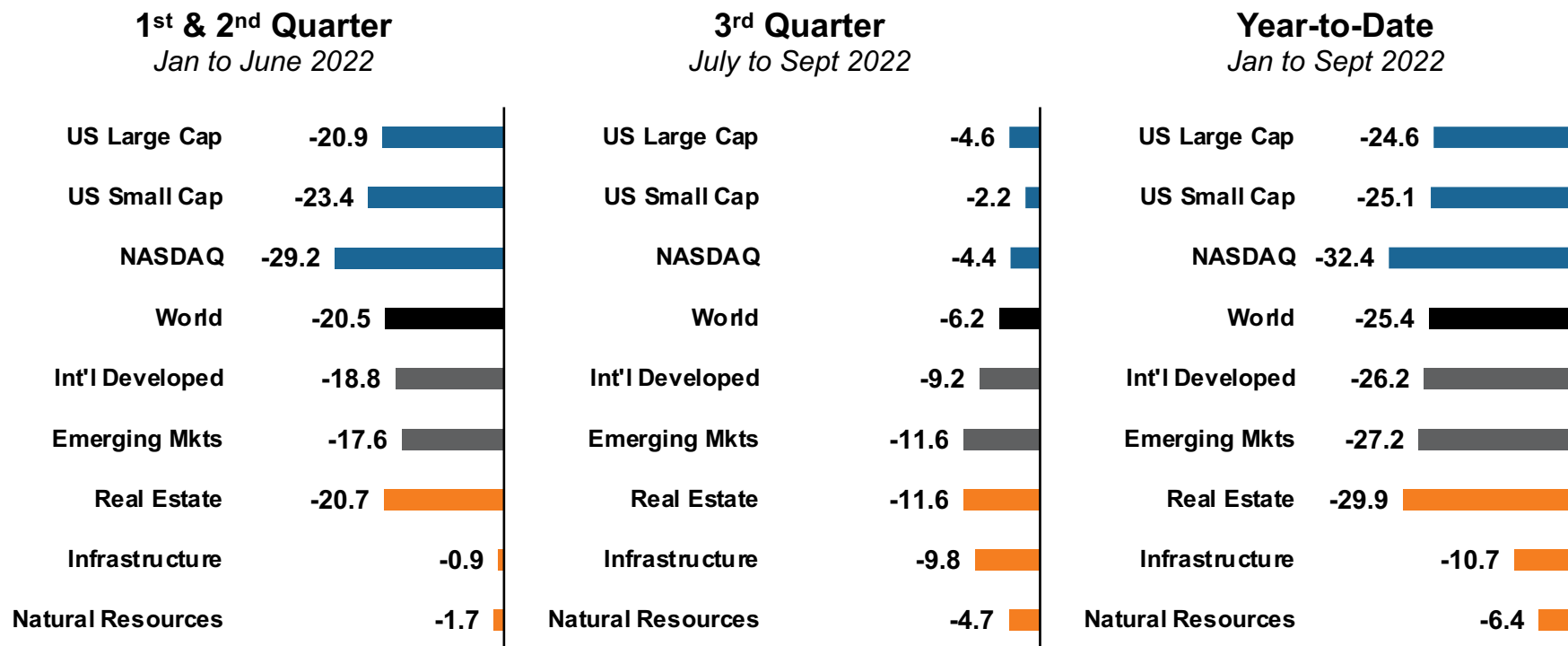
3Q 2022 vs. YTD 2022



Source: U.S. Small Cap: Russell 2000® Index; U.S. Large Cap: Russell 1000® Index; Global: MSCI World Net Index; Non-U.S.: MSCI EAFE Net index; Infrastructure: S&P Global Infrastructure Index; Global High Yield: Bloomberg Global High Yield Index; Global REITS: FTSE EPRA/NAREIT Developed Index; Municipals: Bloomberg Municipal Index; Cash: FTSE Treasury Bill 3 Month Index; EM Equity: MSCI Emerging Markets Index; U.S. Bonds: Bloomberg U.S. Aggregate Bond Index; EMD: JPM EMBI Plus Bond Index; Commodities: Bloomberg Commodity Index Total Return; Balanced Index: 5% U.S. Small Cap, 15% U.S. Large Cap, 10% Global, 12% Non-U.S., 4% Infrastructure, 5% Global High Yield, 4% Global REITS, 0% Cash, 6% EM Equity, 30% U.S. Bonds, 5% EMD and 4% Commodities. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Equity markets struggle to find footing

3Q experienced some reversal in leadership, but year-to-date results look similar

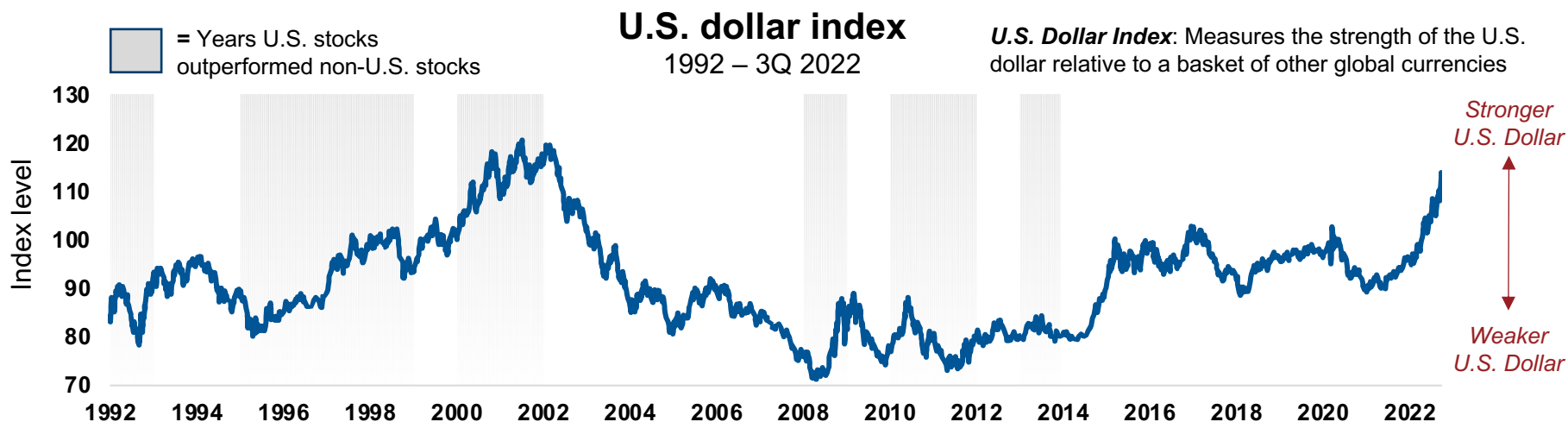


- After a strong start to 3Q, equity markets finished down as risk-off sentiment returned
- International outperformed U.S. markets in 1H 2022, but fell behind for the year after a difficult 3Q
- Year-to-date results look similar across regions, while infrastructure & natural resources provided some diversification

Source: Morningstar. Data illustrated represents the total return for the specified period. US Large Cap: Russell 1000 Index; US Small Cap: Russell 2000 Index; NASDAQ: NASDAQ 100 Index; World: MSCI World Index; Int'l Developed: MSCI World ex-USA (Net) Index; Emerging Markets: MSCI Emerging Markets (Net) Index; Natural Resources: S&P Global Natural Resources (Net) Index; Real Estate: FTSE EPRA Nareit Developed (Net) Index; Infrastructure: S&P Global Infrastructure (Net) Index. Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Currency moves influencing stocks returns

Recent strength of U.S. dollar impacting returns from non-U.S. markets



YTD region returns (as of 9/30/2022)

Region	U.S. dollar return (%)
United Kingdom	-18.7
Canada	-18.9
S&P 500	-23.9
Int'l Developed	-26.2
Japan	-26.4
Europe ex-U.K.	-31.7

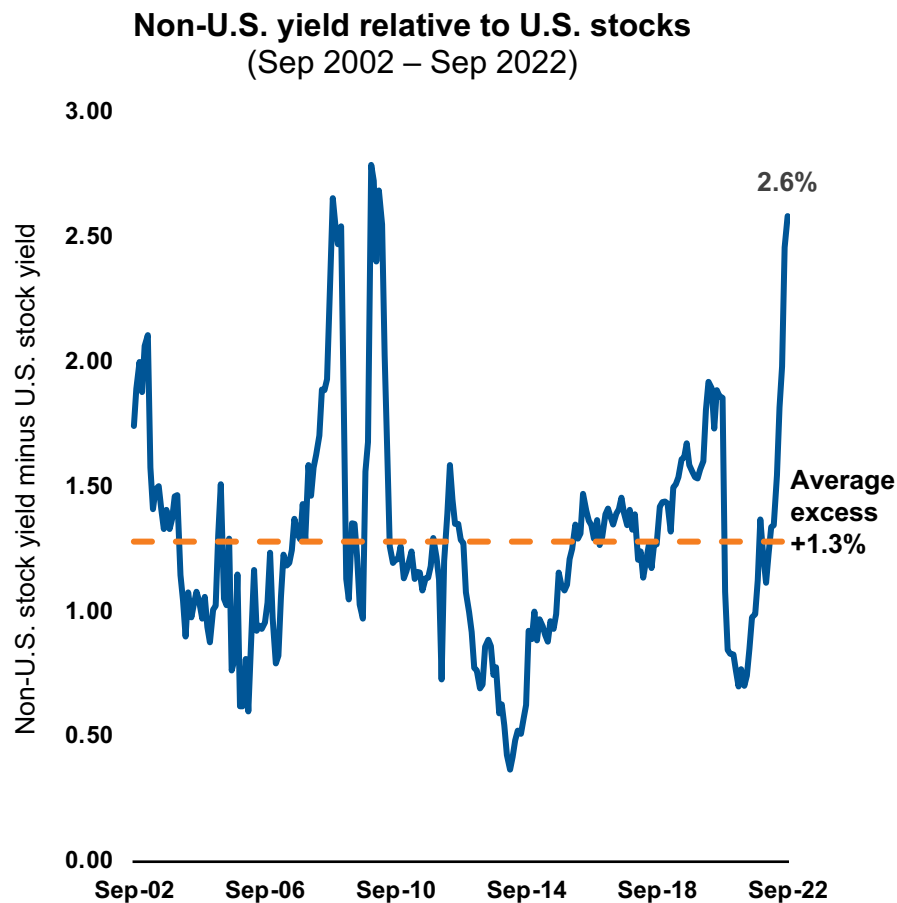
Region	YTD local currency return (%)	U.S. dollar return (%)	Currency impact (%)
United Kingdom	-1.3	-18.7	-17.3
Japan	-7.5	-26.4	-18.9
Canada	-11.8	-18.9	-7.1
Int'l Developed	-14.2	-26.2	-12.0
Europe ex-U.K.	-21.6	-31.7	-10.1
S&P 500	-23.9	-	-

- Many non-U.S. equity markets have declined less than the U.S., but have been negatively impacted by a strong dollar
- Despite a headwind to recent returns, these impacts tend to even out over time

Source: Morningstar and Ycharts. Regional returns represent MSCI Indexes. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

International stock fundamentals look solid

Valuations and yields relatively attractive compared to historical relationships

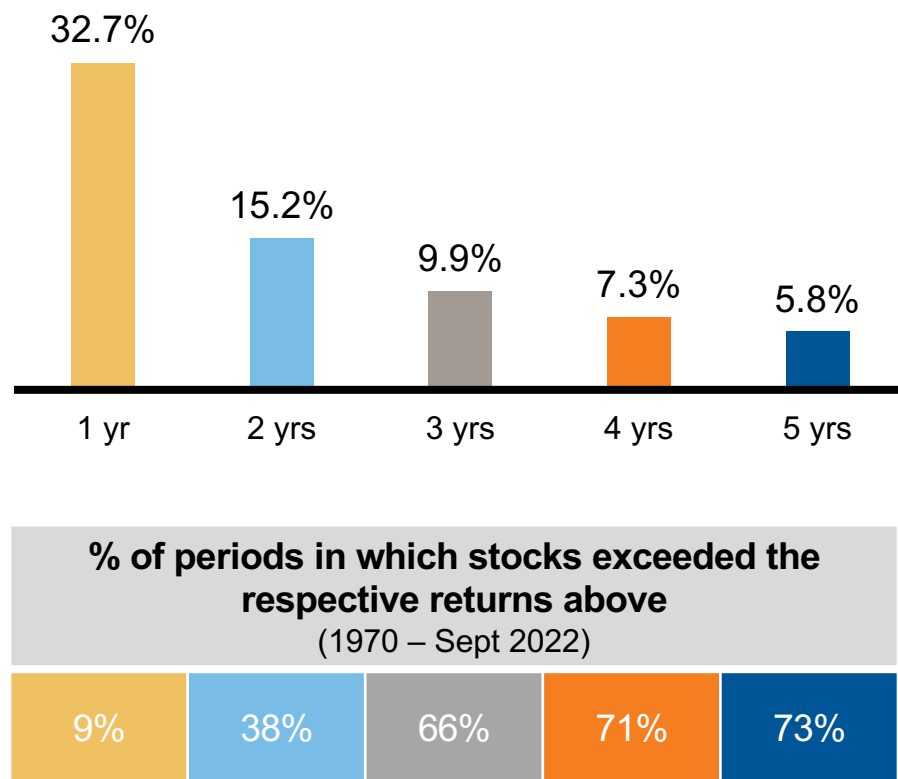


Sources: Morningstar, S&P 500 Index, MSCI EAFE Index

Recovering from stock market losses

U.S. stocks posted a YTD return of -24.6% through September 30th

Annualized returns and horizon needed for U.S. stocks to recover 2022 YTD losses



What's the likely rebound horizon?

- To fully recover will require a 32.7% return
- Stocks historically have produced that level or better within three years 66% of the time
- Stocks have averaged 10.3% per year since 1970, this average would require **~2.8 years** to recover from this year's drawdown

What about “safer” options?

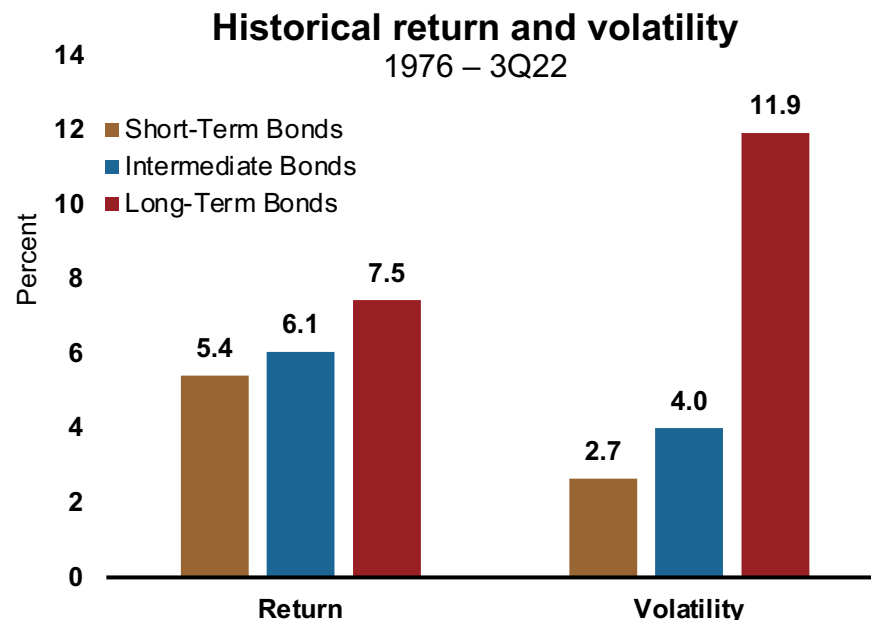
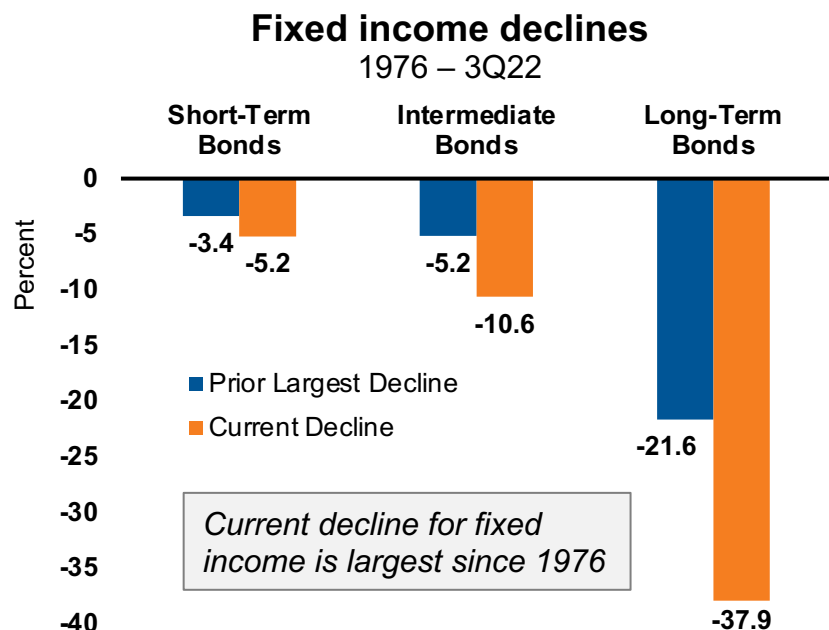
Based on current bond yields:

- Cash: 2.8% yield: **~9.7 years**
- 2-year: 4.2% yield: **~6.7 years**
- 10-year: 3.8% yield: **~7.4 years**
- 30-year: 3.8% yield: **~7.4 years**

Sources: Russell 1000 Index (1979 – Present), and S&P 500 Index (1970-1978), and U.S. Treasury Yields as of October 6, 2022

Difficult period for fixed income

Biggest decline in a half century



% of time intermediate and long-term bonds have outperformed short-term: 1976 – 3Q22

	3 Month	1 Year	3 Year
Intermediate Term Bonds	52%	58%	75%
Long-Term Bonds	51%	60%	76%

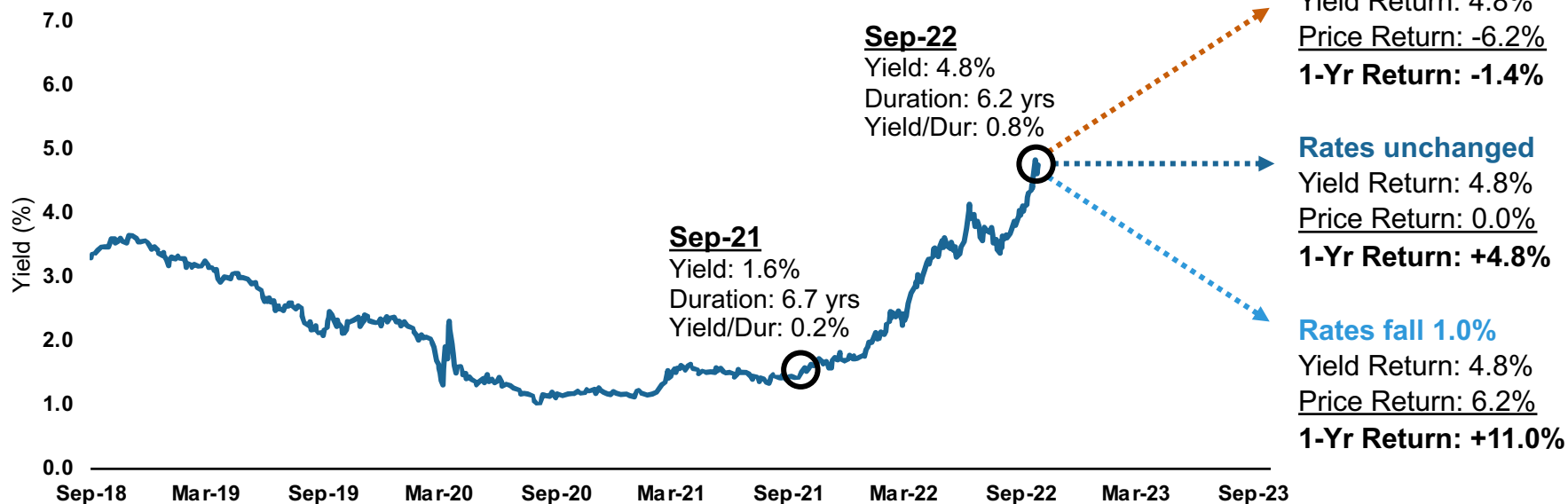
Short-term bonds typically have shown lower volatility and drawdowns, however, trailed intermediate and long-term bonds over longer time periods

Source: Morningstar. Short Term Bonds: Bloomberg Treasury 1-3 Yr.; Intermediate Term Bonds: Bloomberg Intermediate Treasury; Long-Term Bonds: Bloomberg US Treasury 20+ Yr. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Understanding the impact of higher rates

Improved value in U.S. bonds

U.S. aggregate bond yield (Sept 2018 to Sept 2022)

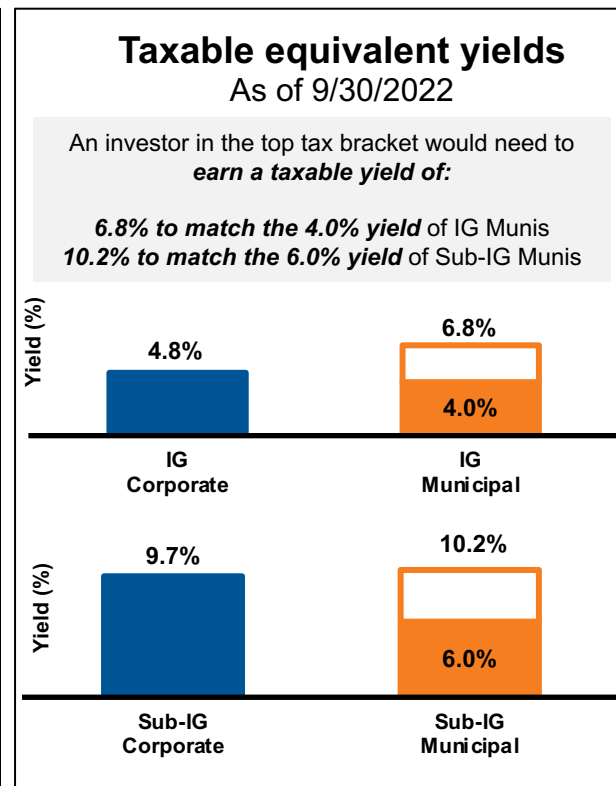
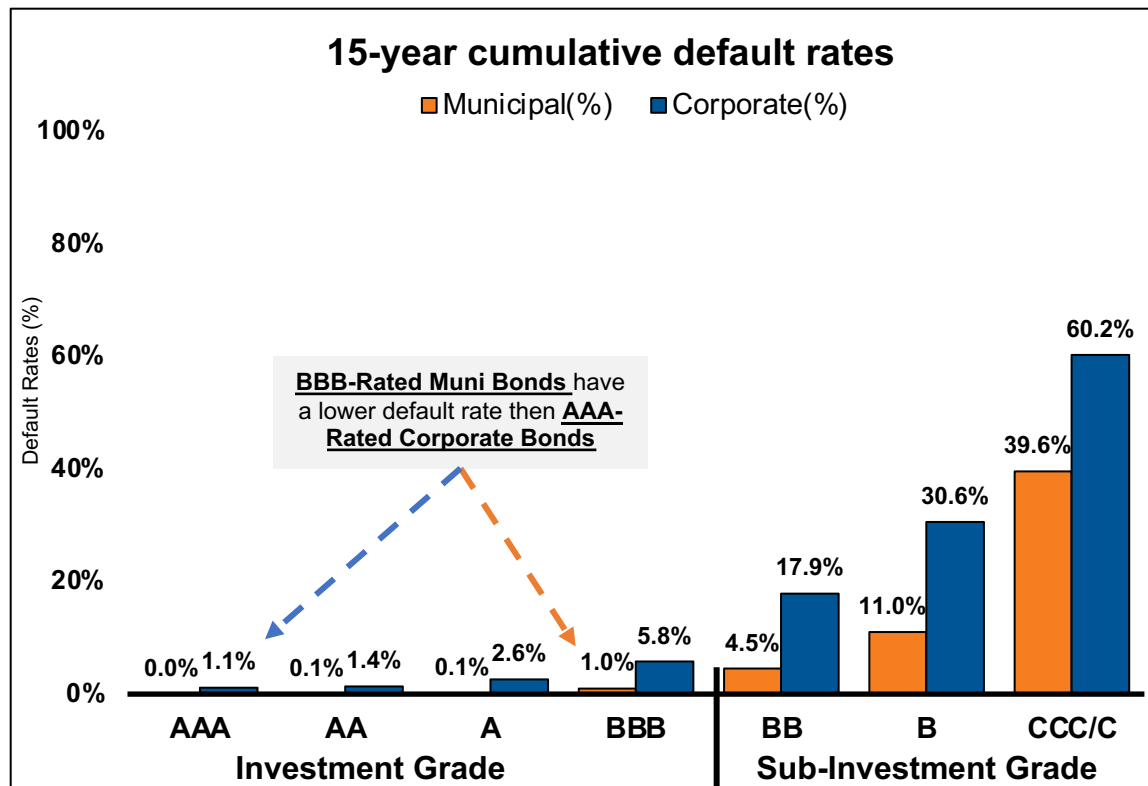


- U.S. aggregate bond yields increased +3.2% over the past 12 months
- Higher yields help to offset the price impact of further rate increases
- If rates fall, price appreciation can help compensate
- Bonds are offering more yield today per unit of interest rate risk

Source: Barclays Live. Data as of 9/30/2022. U.S. Aggregate Bond: Bloomberg U.S. Aggregate Bond Index.
Yield: Yield-to-Worst of the Bloomberg U.S. Aggregate Bond Index. Duration: Modified Adjusted Duration of the Bloomberg U.S. Aggregate Bond Index.

Relative stability

Lower default rates & higher after-tax income generation



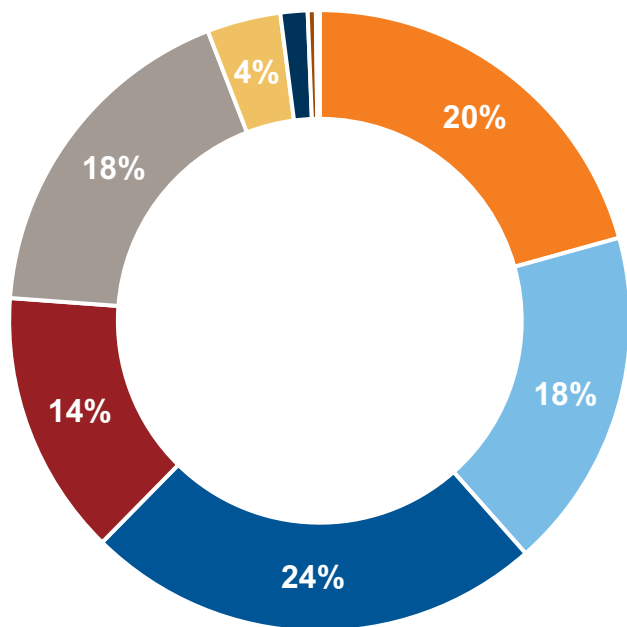
Bond Rating	Municipal Bond	Corporate Bond	Corporate Bond Default rate:
Investment Grade	0.3%	3.5%	14x more than Municipals
Sub-Investment Grade	8.6%	27.5%	3x more than Municipals

Source: Standard and Poor's & Bloomberg. S&P's default rate study represents a 15-year cumulative default rate from January 1, 1986 – December 31, 2021 (municipal bonds), and January 1, 1981-December 31, 2021 (corporate bonds). Yield quoted represents the Yield-to-Worst as of 9/30/2022. Bloomberg Barclays indices: IG Bond = U.S. Aggregate Bond Index; IG Municipal Bond = Municipal Bond Index; Sub-IG Corporate = U.S. Corporate High Yield Index; Sub-IG Municipal = High Yield Municipal Bond Index. Marginal Tax Rate used is 40.8% (37.0% + 3.8%). Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

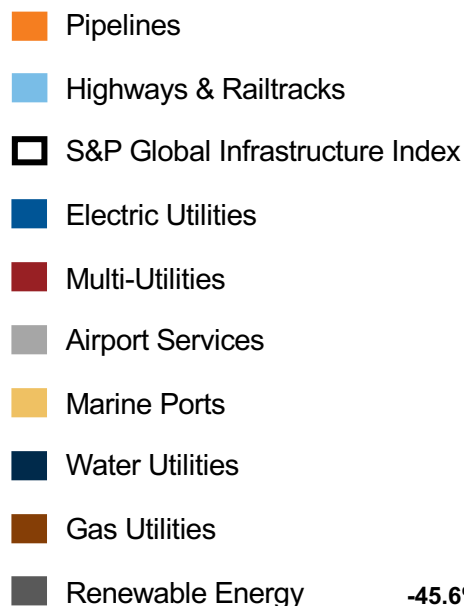
Infrastructure demonstrates diversification benefits

Unique sector composition contributed to recent outperformance vs. stocks

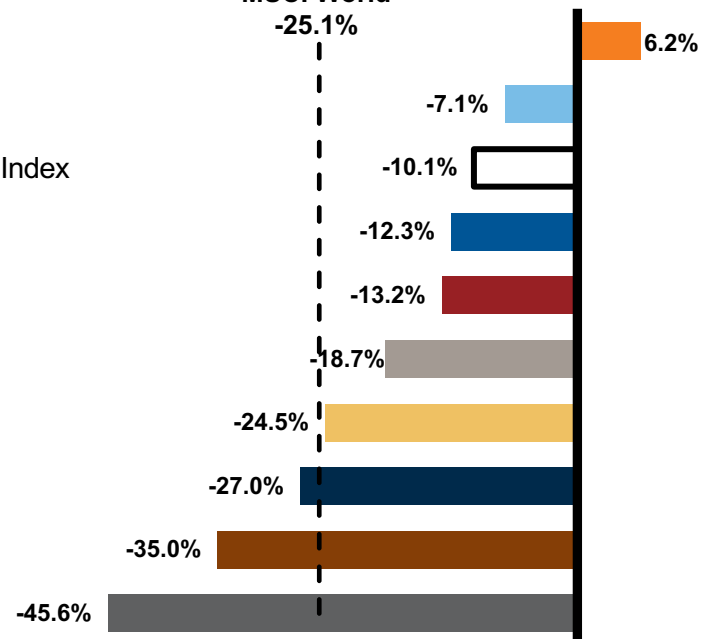
S&P global infrastructure index weights



S&P global infrastructure index (YTD 2022)



MSCI World



- S&P Global Infrastructure Index -10.1% YTD vs. MSCI World -25.1%
- Energy Infrastructure drove strong results during 1Q & 2Q
- Utilities acted defensively in the market sell off
- Toll Roads were supported by post-pandemic travel surge

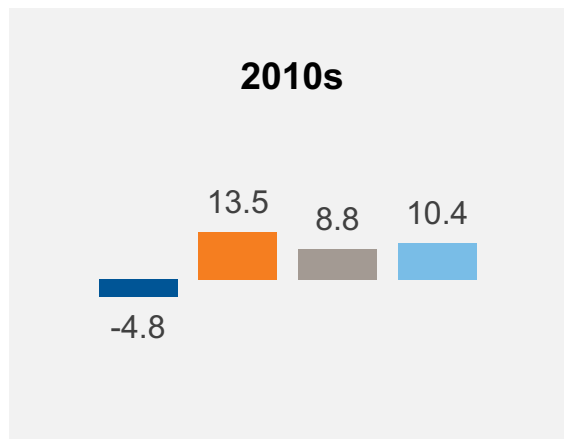
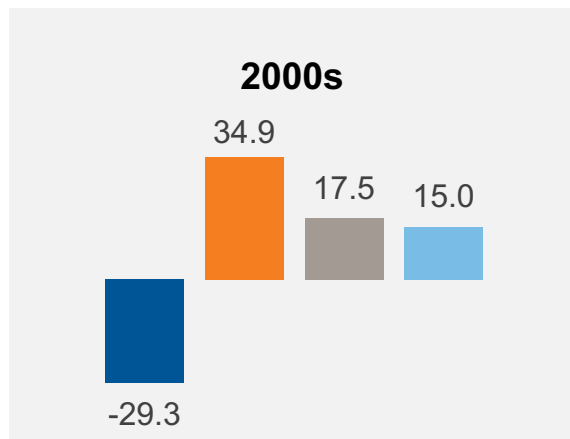
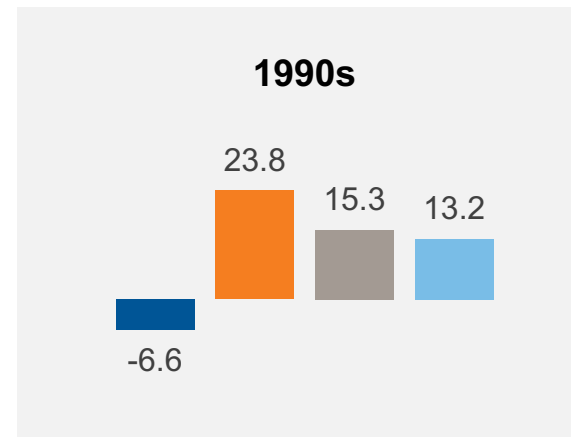
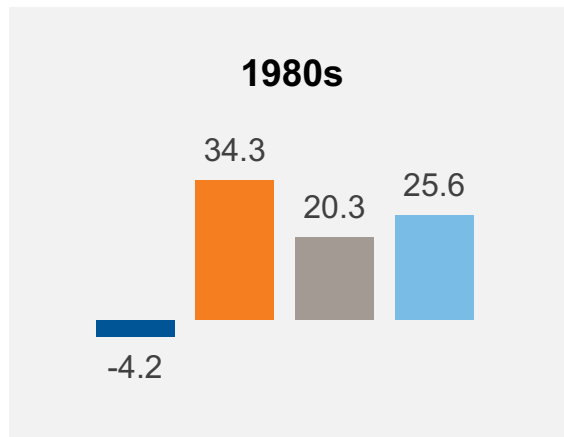
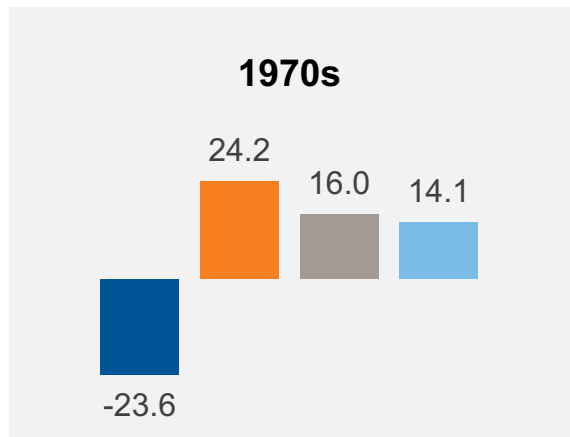
Source: S&P, Morningstar. As of 9/30/2022

Is the 60/40 portfolio dead?

Portfolios tend to rebound, even from the most difficult stretches

WORST 1-YEAR RETURN (%) OF THE...

■ Worst 12 Month Stretch of Decade
■ Next 12 Months
■ Next 3 Yrs Annualized%
■ Next 5 Yrs Annualized%



- A 60/40 portfolio was down -16.8% over the past 12 months ending 9/30
- Difficult periods of performance may lead investors to question their investment plan
- Portfolios tend to rebound, even after the toughest stretches

Sources: 60/40 Portfolio comprised of 40% S&P 500 Index, 20% MSCI EAFE Index, 40% Bloomberg Aggregate Bond Index

Russell Investments' global market outlook

ECONOMIC VIEWS



U.S. ECONOMY

- Fed Reserve trying to stick an elusive “soft landing”
- Household and corporate finances are healthy
- Recession risk sitting at 55% thru mid-2023



EUROPEAN ECONOMY

- Natural gas flows from Russia have been curtailed
- High gas prices make a European recession likely
- Fiscal policy is trying to limit the damage



CENTRAL BANKS RATE HIKES

- Fed Reserve maintains inflation as top priority
- ECB likely to move policy rate to around 3.0%
- Bank of Japan remains accommodative



INFLATION

- US headline inflation coming down with gasoline prices but to remain volatile around geopolitics
- Core inflation may have peaked in the U.S.



U.S. LABOR MARKETS

- Overheating but some cooling likely as economy slows and higher wages lure workers back to the labor force
- Currently 1.5 job openings for every worker looking

ASSET CLASSES



GLOBAL EQUITIES

- More attractive valuations favor non-US stocks
- Cyclical and geopolitical risks moderate this view
- Factor preferences are modest. Slight nod for Low Vol over Quality as preferred defensive lever



FIXED INCOME

- U.S. government bonds offer good value
- Japanese, German, and UK bonds are more expensive
- Bonds may serve as a useful diversifier if central banks are forced to pause or cut rates



REAL ASSETS

- Infrastructure and REITs could prove attractive if Ukraine conflict subsides and inflation concerns continue
- Commodity demand likely weakened by slower growth



CURRENCIES

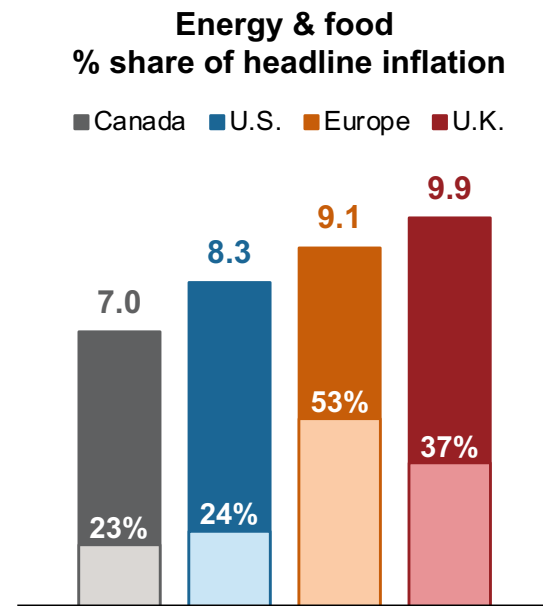
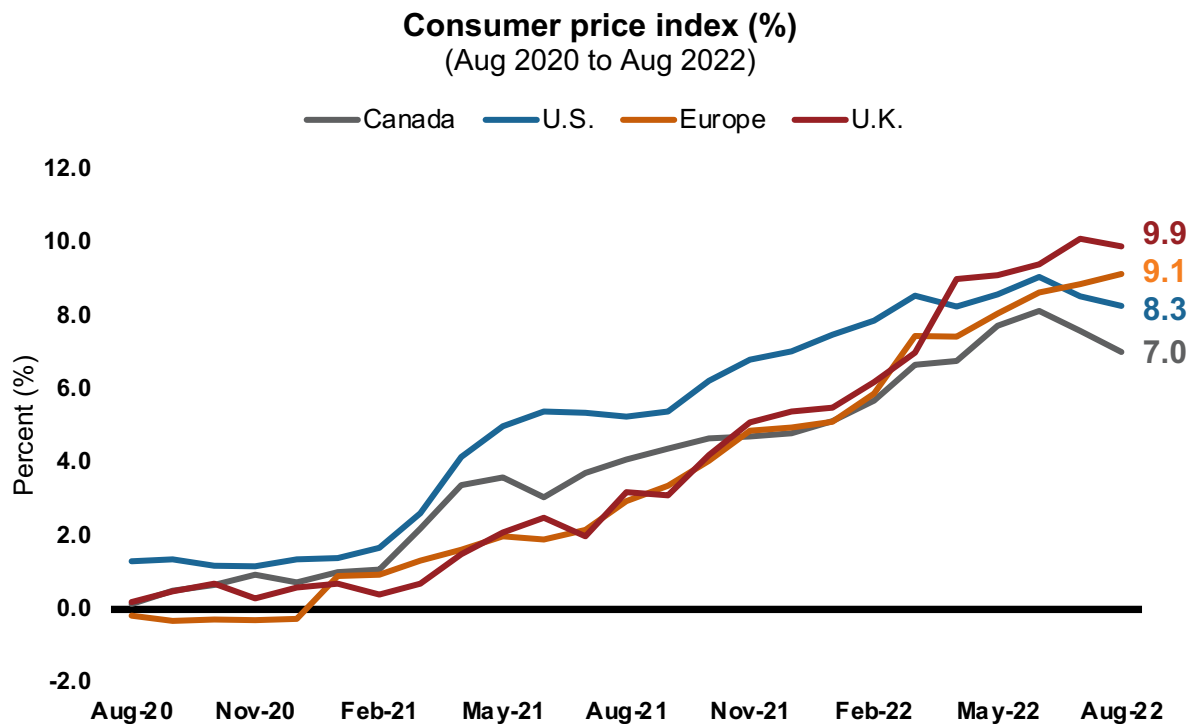
- If global economic activity cools, USD could strengthen as investors seek quality assets
- If hostilities were to end in Europe, that could cause EUR to strengthen relative to USD

There is no guarantee the stated expectations will be met.

As of 10/7/2022. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.

Global inflation remains elevated

Europe & U.K. feeling impact of volatile energy & food prices

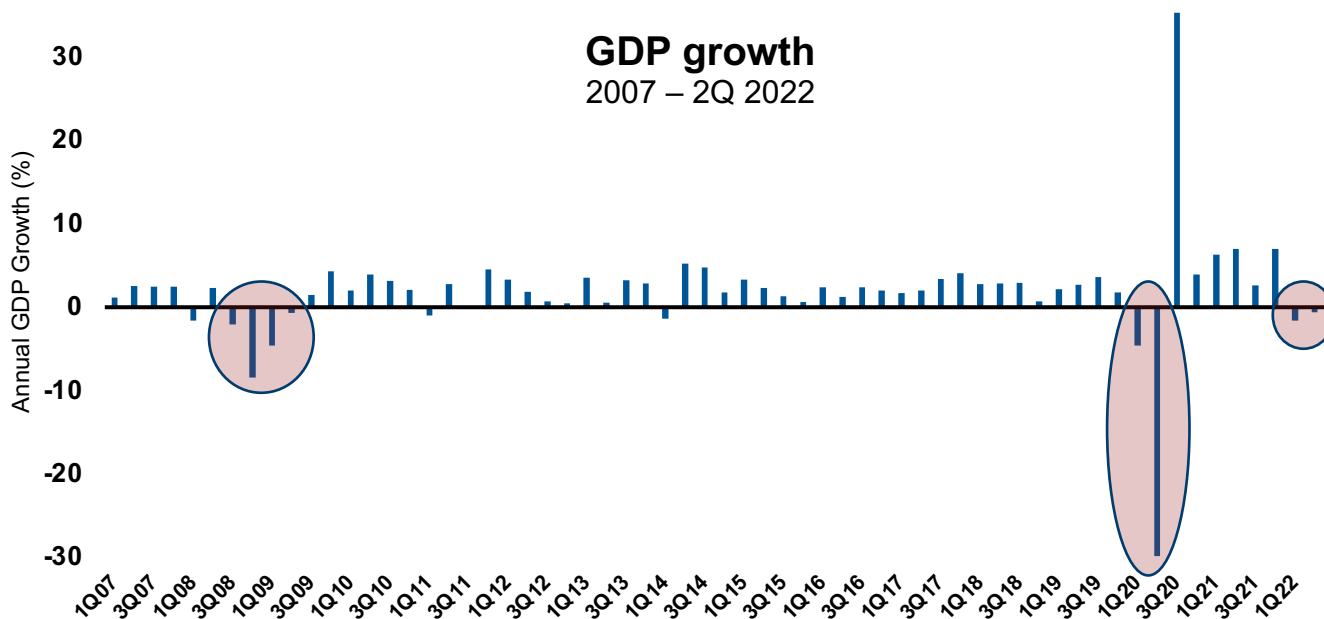


- Developed economies across the globe continue to face elevated inflation
- Rising energy prices are having a large impact on headline inflation in Europe & the U.K.
- Inflation remains stubbornly high, but could be close to peaking as central banks implement hawkish policies

Source: Ycharts & The Organization for Economic Co-operation & Development. OECD (2022), Inflation (CPI) (indicator). Data as of 9/30/2022.

U.S. economy enters technical recession

Official recession yet to be declared, though



- “Technical Recession” defined as two consecutive periods of negative GDP growth
- Official recessions declared by the National Bureau of Economic Research (NBER)
- NBER evaluates additional indicators such as employment, income, industrial production and expenditures

Positive signals

- Strong corporate & household finances
- Retail gasoline prices have fallen from peaks
- Supply chains are healing

Watch points

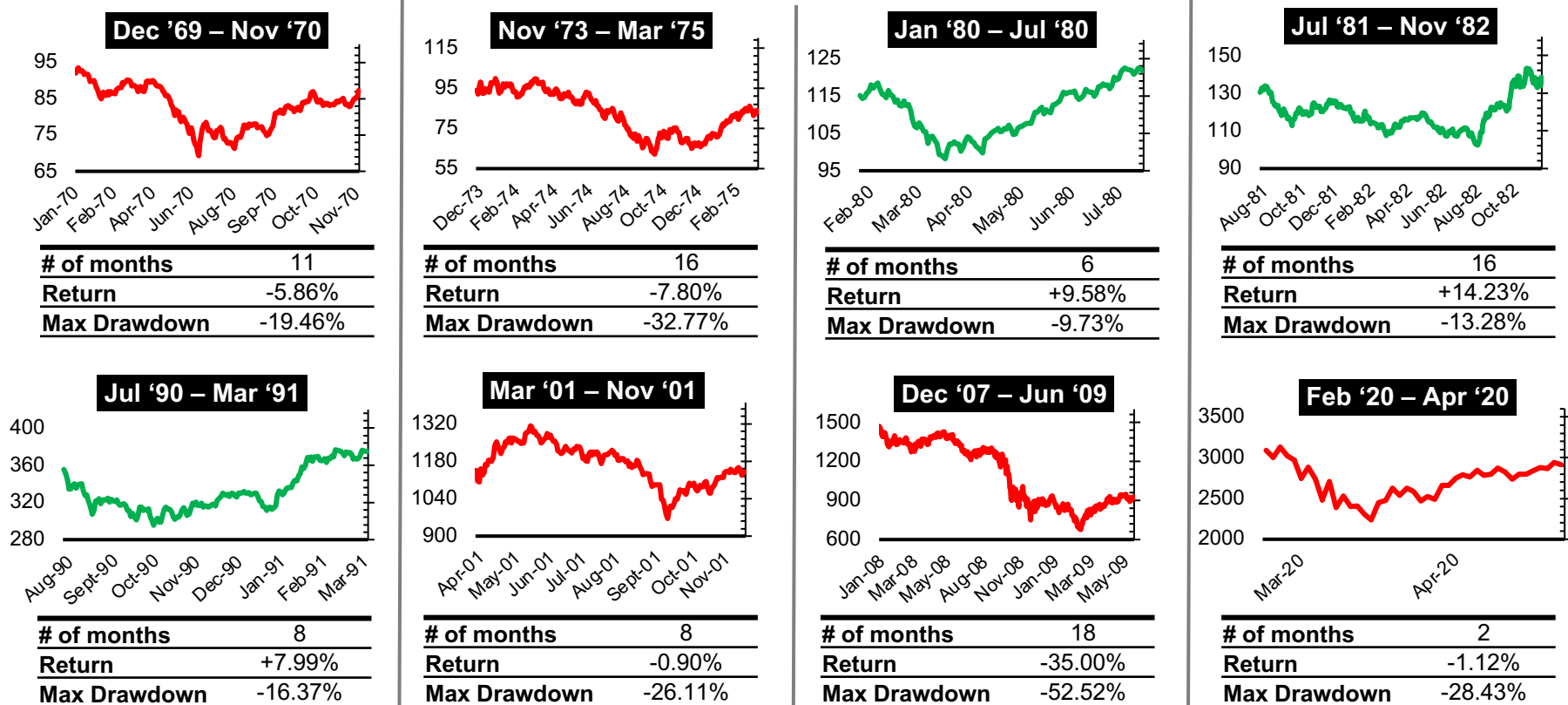
- Labor market may be overheating
- Some inflation categories remain elevated
- Yield curve inverted

Recession risks have increased within the U.S., but negative impacts may be limited

Source: Federal Reserve Bank of St. Louis

Market returns during a recession

The business cycle is not the stock market



- Recessions are defined by the National Bureau of Economic Research as a significant decline in economic activity
- Market returns are not always negative for the entire duration of recessionary periods
- The stock market tends to lead the business cycle in and out of recessions

Sources: National Bureau of Economic Research, St. Louis FRED, and Morningstar Direct. Market Return & Max Drawdown: 1969 – 1973 S&P 500 TR USD (1936) Index; 1974 – 2022 S&P 500 TR USD Index. Charts: S&P 500 Index daily close price. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Unrealized gains may be lower than expected

Assess the capital gain situation in your portfolios

Cumulative U.S. equity return

3 years ending 9/30/22



Mutual funds & ETFs with NAV decreases

Compared to 3 years ago ending 9/30/22

Asset Class	Value	Blend	Growth
U.S. Large Cap	56.1%	42.7%	63.0%
U.S. Mid Cap	46.3%	59.4%	76.7%
U.S. Small Cap	44.1%	66.5%	81.7%
Developed Int'l	97.1%	94.6%	93.7%
Diversified Emerging Markets		92.8%	

- Distributions are taxable when received and reduce NAV price per share
- This can lower the tax implications of transitioning to a tax-managed solution

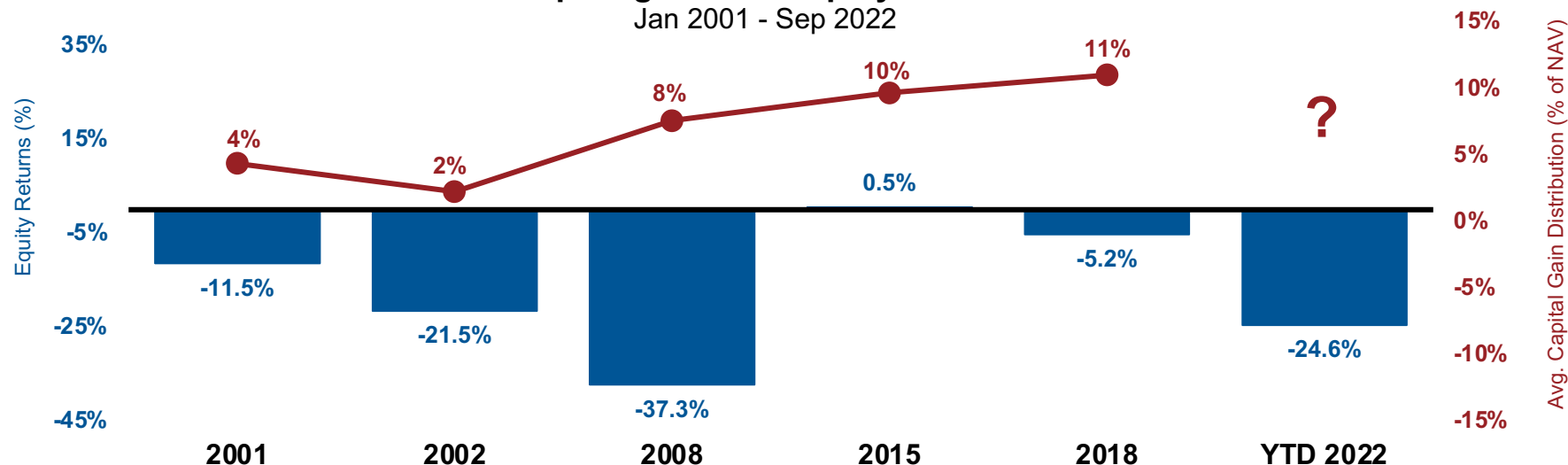
U.S. Equity: Russell 3000 Index. Source: Morningstar Direct. Style boxes defined by Morningstar as a nine-square grid – with three stock investment styles for each of three size categories: 'small', 'mid' and 'large'. Two of the three style categories are 'value' and 'growth', while the third is 'blend' (funds that own a mixture of growth and value stocks).

Double trouble

Taxable distributions can happen in flat or negative markets

Capital gains and equity returns

Jan 2001 - Sep 2022



Impact on hypothetical \$100,000 investment

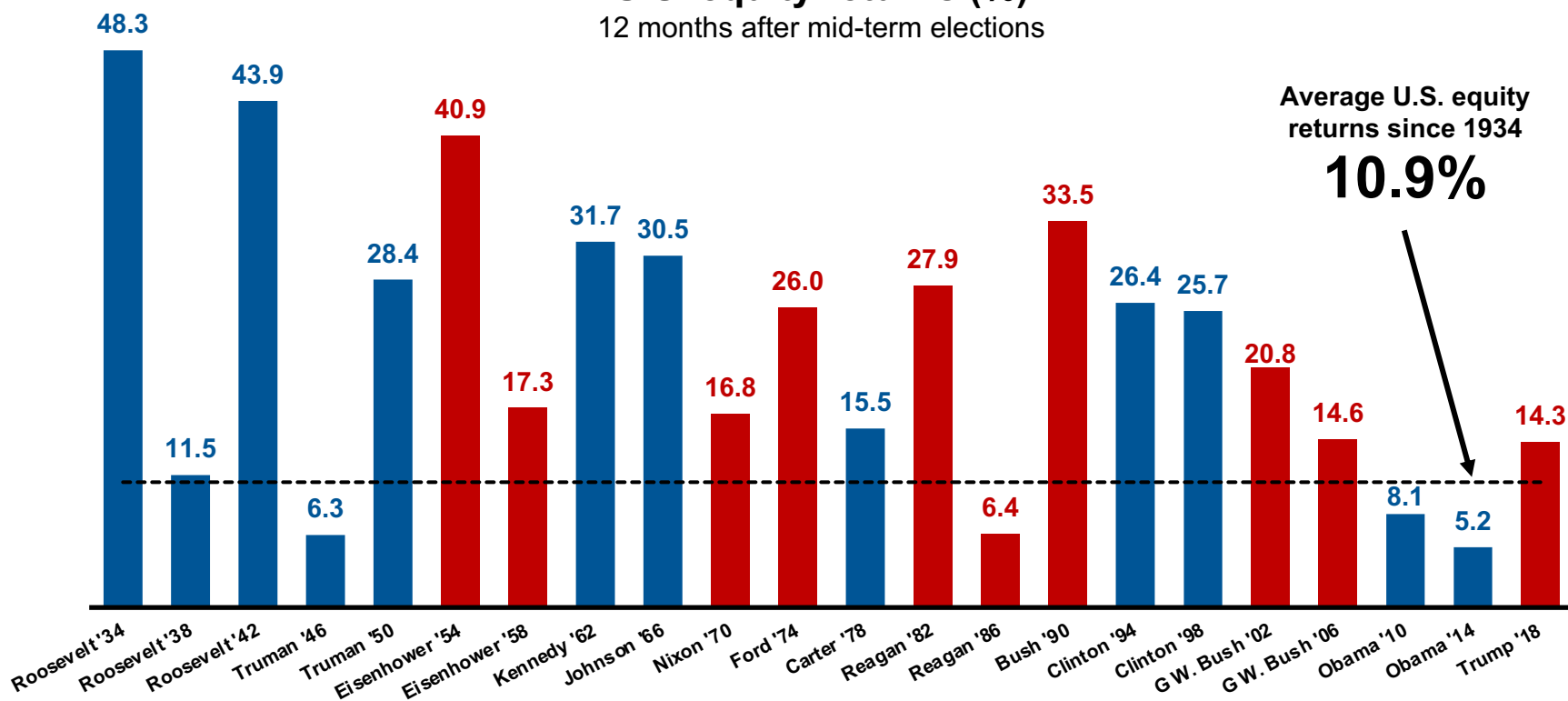
Market up year		Market down year	
2021: MARKET RETURN OF 25.7%		2018: MARKET RETURN OF -5.2%	
Average fund taxable distribution: 12%		Average fund taxable distribution: 11%	
Pre-Tax Value	\$125,700	Pre-Tax Value	\$94,800
Lost to taxes	\$(3,590)	Lost to taxes	\$(2,482)
After-Tax Value	\$122,110	After-Tax Value	\$92,318

Source: Morningstar Direct. U.S. Stocks: Russell 3000® Index. U.S. equity funds: Morningstar broad category 'US Equity', all other categories are based on Morningstar Category Group each including mutual funds and ETFs. For years 1990 through 2013, used oldest share class, 2014 forward includes all share classes. Average Capital Gain Distribution % = calendar year cap gain distribution + year-end NAV (For years 2001 through 2020). Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. All data as of 9/30/2022 except 2022 Mid-Year capital gain distribution table which is as of 9/9/2022. Calculation methodology: Assumed starting hypothetical portfolio value of \$100,000. U.S. equity market return applied to starting value to arrive at ending pre-tax value. Percent lost to taxes is the estimated taxes due divided by \$100k. This amount is then subtracted from the ending pre-tax value shown to arrive at final after-tax value. Distribution is assumed to be made at last day of year and reinvested. Tax rate is 23.8% (Max LT Cap Gain 20% + Net Investment Income 3.8%).

Mid-term election results

U.S. stocks historically post strong returns after mid-term elections

U.S. equity returns (%)
12 months after mid-term elections



- Since 1934, the incumbent's party has lost House seats 86% of the time and Senate seats 68% of the time
- Markets have delivered positive results in the 12 months following mid-term elections, averaging over 22% since 1934

Source: The American Presidency Project & Morningstar Direct. U.S. Equity: S&P 500 Index (1/1/1935-9/30/2022) and Ibbotson SBBI U.S. Large Stock Index in prior years. Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. 12 Month Forward Return: November 1 to October 31 of the following year.

Different paths but similar results

Historical range of returns for a 60% stock / 40% bond portfolio

Initial investment year (starting on Jan. 1)

	'85	'86	'87	'88	'89	'90	'91	'92	'93	'94	'95	'96	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21
1 YR	33	31	12	17	16	-7	18	0	17	2	20	10	13	18	14	-4	-7	-8	21	11	7	14	8	-25	20	10	0	11	14	5	0	6	15	-5	20	13	12
3 YRS	25	20	15	8	8	3	11	6	13	10	14	14	15	9	1	-6	1	7	13	10	10	-3	-1	0	10	7	8	10	6	4	7	5	9	9	15		
5 YRS	21	13	11	8	8	5	11	9	12	12	15	10	7	2	3	2	4	8	12	2	4	4	2	2	11	8	6	7	8	4	7	9	11				
10 YRS	13	12	10	10	10	10	11	8	7	7	8	7	7	7	2	3	4	5	7	6	6	5	4	5	7	7	8	9									
20 YRS	11	9	9	9	6	6	7	6	7	7	7	6	6	6	5	5	6	7																			
30 YRS	9	8	7	7	7	7	7	7																													

All returns positive after 5 years

An investment starting in 2002 and held for 10 years delivered a return of 5% per year

- Investors may attempt to time markets perfectly
- Since 1985, positive results have been achieved regardless of entry point after five years
- Don't let short-term results detract from long-term goals

Source: Morningstar. 60/40 Portfolio represents 60% MSCI World / 40% Bloomberg US Aggregate Bond. Regional returns represent MSCI Indexes. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Important information and disclosures

RISKS OF ASSET CLASSES DISCUSSED IN THIS PRESENTATION:

Global, International and Emerging markets return may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Investments in non-U.S. markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation. Such securities may be less liquid and more volatile. Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and political systems with less stability than in more developed countries.

Real Assets: Investments in infrastructure-related companies have greater exposure to adverse economic, financial, regulatory, and political risks, including, governmental regulations. Global securities may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks. Investments in international markets can involve risks of currency fluctuation, political and economic instability, different accounting standards, and foreign taxation.

Commodities: Commodities may have greater volatility than traditional securities. The value of commodities may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity, and international economic, political and regulatory developments.

Bonds: With fixed income securities, such as bonds, interest rates and bond prices tend to move in opposite directions. When interest rates fall, bond prices typically rise and conversely when interest rates rise, bond prices typically fall. When interest rates are at low levels there is risk that a sustained rise in interest rates may cause losses to the price of bonds. Bond investors should carefully consider these risks such as interest rate, credit, repurchase and reverse repurchase transaction risks. Greater risk, such as increased volatility, limited liquidity, prepayment, non-payment and increased default risk, is inherent in portfolios that invest in high yield ("junk") bonds or mortgage-backed securities, especially mortgage-backed securities with exposure to sub-prime mortgages. Investment in non-U.S. and emerging market securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries. When interest rates are at low levels there is risk that a sustained rise in interest rates may cause losses to the price of bonds.

Small capitalization (small cap) investments involve stocks of companies with smaller levels of market capitalization (generally less than \$2 billion) than larger company stocks (large cap). Small cap investments are subject to considerable price fluctuations and are more volatile than large company stocks. Investors should consider the additional risks involved in small cap investments.

Large capitalization (large cap) investments involve stocks of companies generally having a market capitalization between \$10 billion and \$200 billion. The value of securities will rise and fall in response to the activities of the company that issued them, general market conditions and/or economic conditions.

Although stocks have historically outperformed bonds, they also have historically been more volatile. Investors should carefully consider their ability to invest during volatile periods in the market.

Growth: Growth investments focus on stocks of companies whose earnings/profitability are accelerating in the short-term or have grown consistently over the long-term. Such investments may provide minimal dividends which could otherwise cushion stock prices in a market decline. A stock's value may rise and fall significantly based, in part, on investors' perceptions of the company, rather than on fundamental analysis of the stocks. Investors should carefully consider the additional risks involved in growth investments.

Value: Value investments focus on stocks of income-producing companies whose price is low relative to one or more valuation factors, such as earnings or book value. Such investments are subject to risks that the stocks' intrinsic values may never be realized by the market, or, that the stocks may turn out not to have been undervalued. Investors should carefully consider the additional risks involved in value investments.

An **Investment Grade** is a system of gradation for measuring the relative investment qualities of bonds by the usage of rating symbols, which range from the highest investment quality (least investment risk) to the lowest investment quality (greatest investment risk).

Gross domestic product (GDP) refers to the market value of all final goods and services produced within a country in a given period. It is often considered an indicator of a country's standard of living.

Trailing price-to-earnings (P/E) is a relative valuation multiple that is based on the last 12 months of actual earnings. It is calculated by taking the current stock price and dividing it by the trailing earnings per share (EPS) for the past 12 months.

Forward price to earnings (forward P/E) is a quantification of the ratio of price-to-earnings (P/E) using forecasted earnings for the P/E ratio.

Price-to-book ratio compare a firm's market to book value by dividing price per share by book value per share.

Index definitions

Bloomberg Global High-Yield Index: An index which provides a broad-based measure of the global high-yield fixed income markets. The Global High-Yield Index represents that union of the U.S. High-Yield, Pan-European High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices.

Bloomberg High Yield Municipal Bond Index: An unmanaged index considered representative of noninvestment-grade bonds. FactSet Research Systems Inc. Intermediate U.S. Credit Index is an unmanaged index of dollar-denominated, investment-grade, publicly issued securities with maturities of one to 10 years.

Bloomberg Intermediate Treasury Index: Measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years.

Bloomberg Short Treasury Index: Is composed of all treasuries that have a remaining maturity between one and twelve months.

Bloomberg U.S. Aggregate Bond Index: An index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities, and mortgage-backed securities. (specifically: Bloomberg Government/Corporate Bond Index, the Asset-Backed Securities Index, and the Mortgage-Backed Securities Index).

Bloomberg U.S. Credit Bond Index: Measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

Bloomberg US Corporate Bond Index: Measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg U.S. Municipal Index: Covers the USD-denominated long-term tax-exempt bond market.

Bloomberg Commodity Index Family: Represents the major commodity sectors within the broad index: Energy (including petroleum and natural gas), Petroleum (including crude oil, heating oil and unleaded gasoline), Precious Metals, Industrial Metals, Grains, Livestock, Softs, Agriculture and Ex-Energy. Also available are individual commodity sub-indexes on the 19 components currently included in the DJ-UBSCISM, plus Brent crude, cocoa, feeder cattle, gas oil, lead, orange juice, platinum, soybean meal and tin.

Bloomberg Commodity Index Total Return: Composed of futures contracts on physical commodities. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for the delivery of the underlying physical commodity. In order to avoid the delivery process and maintain a long futures position, nearby contracts must be sold and contracts that have not yet reached the delivery period must be purchased. This process is known as "rolling" a futures position.

BofA Merrill Lynch Global High Yield Index: Tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets.

Citigroup 1-3 Month T-Bill Index: An unmanaged index that tracks short-term U.S. government debt instruments.

FTSE NAREIT: An Index designed to present investors with a comprehensive family of REIT performance indexes that span the commercial real estate space across the U.S. 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.

FTSE NAREIT all Equity Index: Measures the performance of the commercial real estate space across the U.S. economy offering exposure to all investment and property sectors.

FTSE EPRA/NAREIT Developed Index: A global market capitalization weighted index composed of listed real estate securities in the North American, European and Asian real estate markets.

Index definitions (cont'd)

Ibbotson Intermediate Bond Index: Measures the performance of U.S. Dollar denominated treasury and government-related bonds

JPM Emerging Market Bond Index (EMBI): Dollar-denominated sovereign bonds issued by a selection of emerging market countries.

JPM EMBI Plus Bond Index: Tracks total returns for traded external debt instruments in the emerging markets.

MSCI AC World ex-USA Index: An index that tracks global stock market performance that includes developed and emerging markets but excludes the U.S.

MSCI AC World ex-USA Equal-weighted Index: An equal weighted index that tracks global stock market performance that includes developed and emerging markets but excludes the U.S.

MSCI country indices: Indices which include securities that are classified in that country according to the MSCI Global Investable Market Index Methodology, together with companies that are headquartered or listed in that country and carry out the majority of their operations in that country.

MSCI EAFE (Europe, Australasia, Far East) Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

MSCI Emerging Markets Index: A float-adjusted market capitalization index that consists of indices in 24 emerging economies.

MSCI Europe Index: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI World Index: A broad global equity index that represents large and mid-cap equity performance across 23 developed markets countries.

Russell 3000® Index: Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

Russell 2000® Index: measures the performance of the 2,000 smallest companies in the Russell 3000 index.

Russell 1000® Growth Index: Measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index: Measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those of large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the NASDAQ.

The S&P Global Infrastructure Index: Provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation, and Energy.

S&P Global Natural Resources Index: The index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across 3 primary commodity-related sectors: agribusiness, energy, and metals & mining.

Economic Indicators Dashboard definitions

Market Indicators

HOME PRICES – The S&P/Case-Shiller Home Price Index is a measurement of U.S. residential real estate prices, tracking changes in top 20 metropolitan regions. This indicator value represents the trailing year over year % change in the home prices index as of last month-end. Residential real estate represents a large portion of the U.S. economy and the Home Price index helps us monitor the value of real estate.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30-day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. U.S. TREASURY YIELD – The yield on the 10-year U.S. Treasury note issued by the U.S. Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3-month Treasury bill yields and 10-year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The University of Michigan Survey of Consumer Sentiment Index is an economic indicator which measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Current GDP is based on the current prices of the period being measured. Nominal GDP growth refers to GDP growth in nominal prices (unadjusted for price changes). Real GDP growth refers to GDP growth adjusted for price changes. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) NSA (non-seasonally adjusted) measures changes in the price level of a market basket of consumer goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – The Bureau of Labor Statistics measures employment and unemployment of all persons over the age of 15 using two different labor force surveys conducted by the United States Census Bureau (within the United States Department of Commerce) and the Bureau of Labor Statistics (within the United States Department of Labor) that gather employment statistics monthly. The data reported here is seasonally adjusted (SA) to account for seasonal gains in employment leading up to Christmas.