

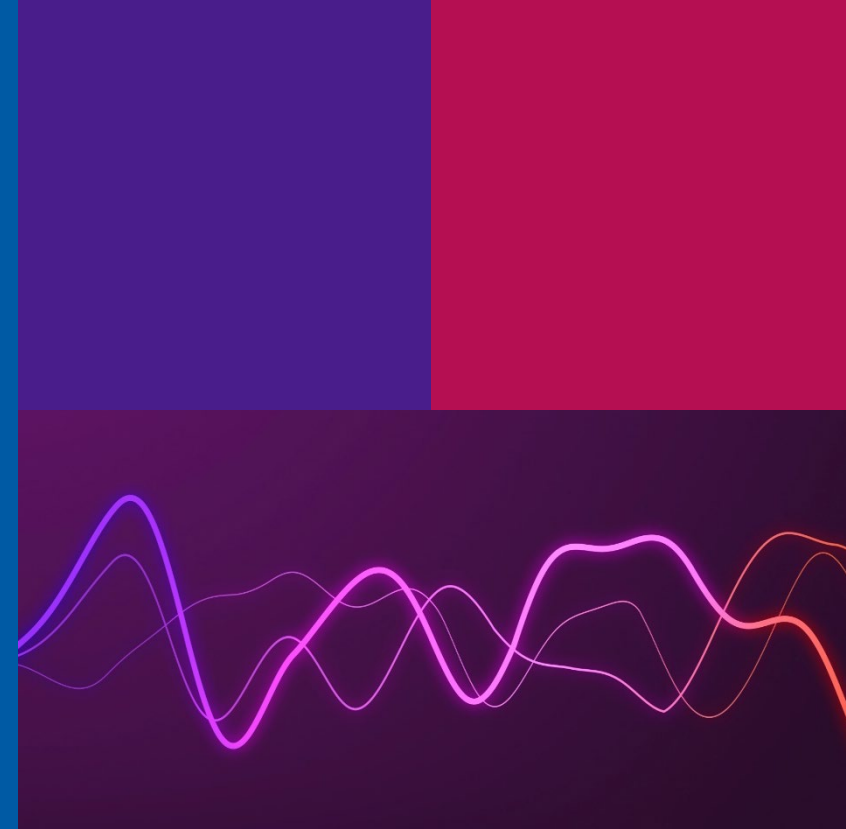
Morgan Stanley

INVESTMENT MANAGEMENT

THE BEAT

BONDS | EQUITIES | ALTERNATIVES | TRANSITION

March 2024



Previously known as the Monthly Market Monitor.

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The **BEAT**, previously known as the Monthly Market Monitor, provides connectivity between changing market events and implications for investor portfolios.

Spanning **Bonds, Equities, Alternatives and Transition***, this monthly review provides timely information across a broad array of markets and investment topics.

Each edition explores investment ideas, identifies areas of focus and provides a comprehensive outlook on asset allocation — all supported by a concise review of economic and asset class data through clear and impactful charts.

We believe The **BEAT** is a critical desk reference that enables more informed discussion and understanding of financial markets.



If you are viewing this book on your computer or tablet, **click or tap on the section box to jump to the beginning of each section.**

Data provided is for informational use only. See end of report for important additional information.

*Transition is an asset allocation view, which refers to cash, cash equivalents or liquid short-duration assets, such as short-dated Treasuries, that can be used to “transition” to other asset classes.

TOP IDEAS

The Capital Markets Group — Our Top 5 Ideas

Reduce Investment Grade (IG) Credit to a High Conviction Underweight

The risk-adjusted return prospects for IG credit have fallen due to low yields and tight spreads. The yield in IG credit is too low relative to the duration risk it carries at the index level, for what we believe may be a softer landing scenario that could push yields higher. Additionally, spreads are at the tighter end of ranges and offer less of a hedge to adverse market conditions. Instead of IG we prefer a barbell of high-quality government bonds balanced by lower-quality credit.

Moving Munis Back to Neutral from Overweight

Current yields for high-quality Munis equate to minimal or zero pickup versus U.S. Treasuries on an after-tax basis. There is a bit more value in lower rated parts of the market.

Adding Exposure to Global Developed Markets Equities

Rising equity prices have increased the gross weighting of equities in balanced portfolios. We prefer holding the higher gross in equities instead of netting down exposures, thus giving portfolios an overall overweight to equities. Manufacturing PMIs are indicating that we are at the start of a sequential, albeit shallower relative to history, cyclical recovery. Such an environment tends to be supportive of equities. Despite elevated headline multiples, on a growth-adjusted basis we don't view U.S. equities as expensive. Finally, we are comfortable with this exposure given the recent developments in earnings releases.

Tailwinds for the U.S. Dollar (USD) to Persist

We expect the Fed to only cut rates gradually given a resilient U.S. consumer outlook and a bumpier disinflation process. Given a more subdued global recovery, particularly ex-U.S., the USD looks well supported in our view. Outside of the U.S., the eurozone is suffering from structural issues that may mean a shallower growth recovery. In Japan expectations for an accelerated exit from negative rates have waned recently, in part due to weak growth and inflation data. The uncertain outlook for a China recovery adds to the overall favorable USD mix.

Emerging Markets Hard Currency Debt — We Are Maintaining our Overweight

We expect spreads and rates to support total EM Hard Currency returns. Following the YTD backup in bond yields, the entry point for EM Hard Currency Debt has become more attractive. Moreover, the backdrop of improving economic growth, as evidenced by the sequential recovery in PMIs and lower funding costs, should see spreads continuing to tighten. These factors, combined with a yield of 8.6%, may provide attractive returns in a 12-month investment horizon.

TOP THEMES

Key Themes for March

**Fiscal Policy Will Be More Important than Monetary Policy**

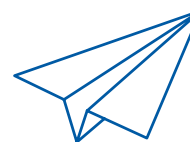
GDP growth in 2024 may surprise consensus to the upside, spurred by greater fiscal stimulus than expected. After all, it's an election year in the U.S. and the incumbent party running for re-election tends to spend in order to support the economy. This seems to be coming from tax-related plans and a pulling forward of spending from the CHIPS Act. We may learn more from President Biden's State of the Union Address on March 7, which we expect to have a greater impact on markets than usual.

**Inflation Is Not Cooperating, Putting Bonds at Risk**

The recent run of inflation data is not allaying the Fed, such that rate cuts may be further delayed. This combined with fiscal spending plans is making the Fed's job even harder. Bond market valuations are dependent on Fed cuts, making the management of duration risk in portfolios hyper-critical. In the end though, credit may benefit.

**Equities Supported by Labor Markets**

Stickier inflation keeps nominal growth rates higher than expected and should support robust earnings growth. As long as the labor markets remain tight, consumers can still spend and help margins stay afloat. Equity markets are being supported, but the key to the story is that labor markets remain strong. We are watching this carefully.

**Capital Seeking Higher Real Rates**

The Fed was expected to cut rates before the Bank of England and the ECB. The Fed may now cut later than both. This means that U.S. real rates may stay elevated, supporting the USD and other U.S. assets broadly. Real rate differentials in cash flows will play a larger role in relative valuations for global portfolios.

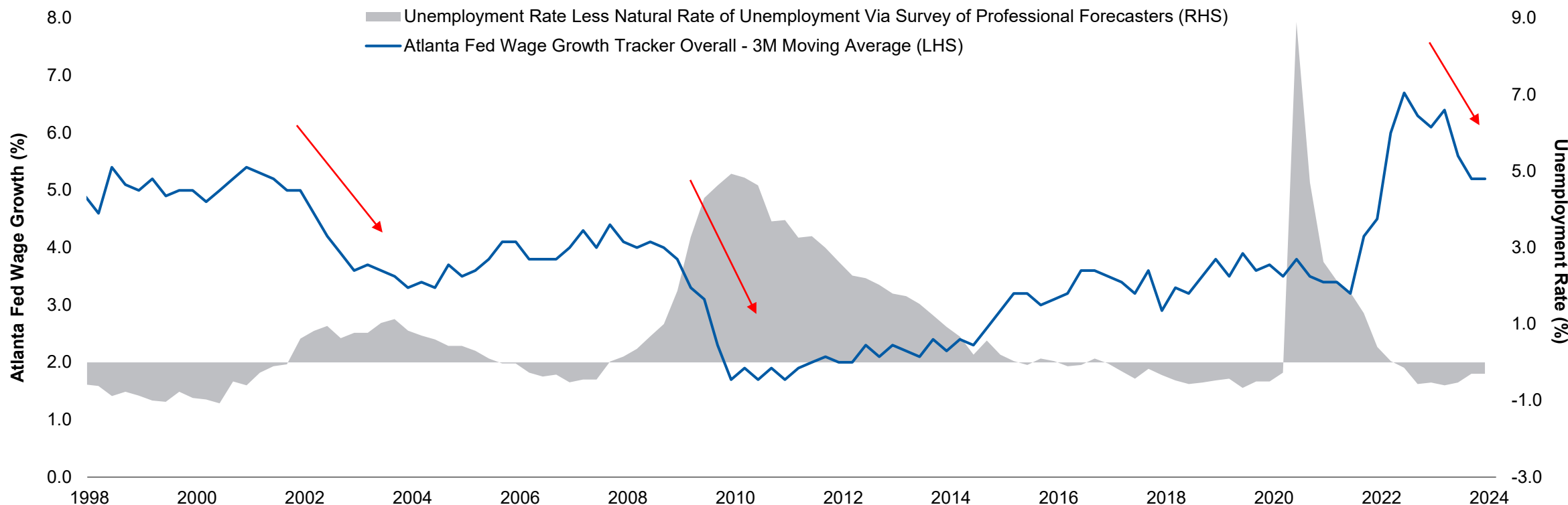
TOP THEMES

“Goldilocks” Soft Landing = Disinflation Without Higher Unemployment

Wage pressures have eased without higher unemployment, adding support to a “Goldilocks” soft landing. The bull/bear debate has often pivoted around whether labor market slack, in the form of higher unemployment, was necessary to address inflation. More progress is needed, but current data supports a view of inflation normalization without recession.

Wage Growth Is Coming Down, Without a Significant Rise in Unemployment

The “unemployment gap” compared to the Atlanta Fed wage growth tracker



Source: Bloomberg, MSIM. Data as of 16 February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

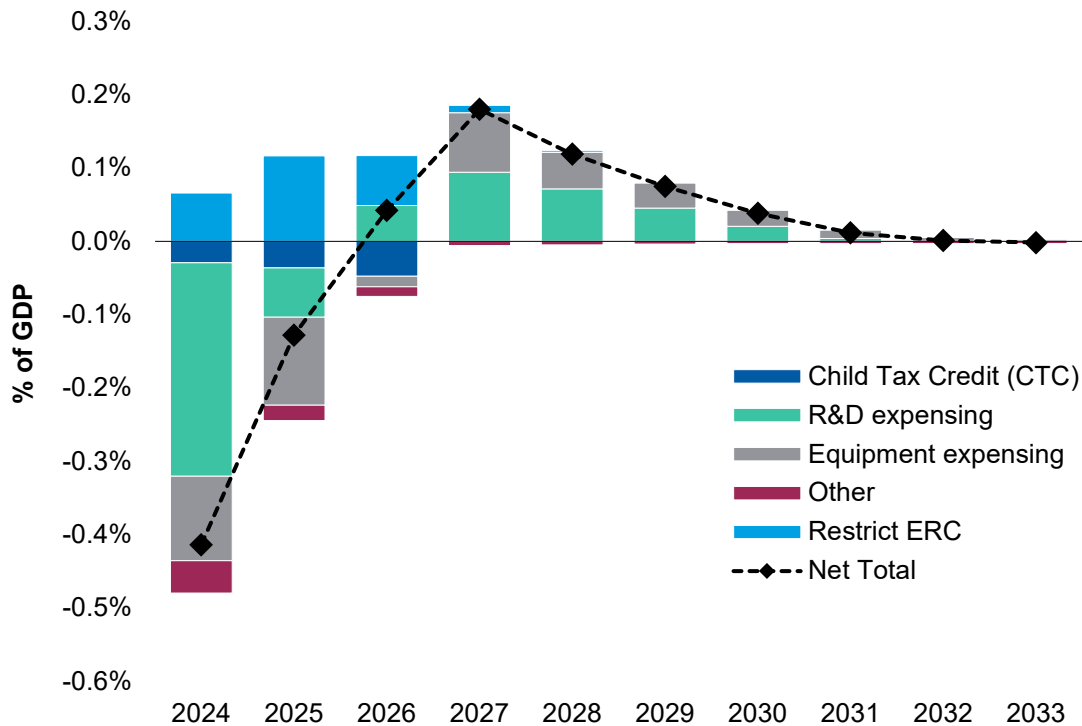
TOP THEMES

Fiscal Policy > Monetary Policy = A Boost to Economic Growth

Government spending added 0.7% to U.S. GDP in 2023, 0.6% in 4Q23 alone. Election years in the U.S. create an incentive for government spending, skewing risk to the upside in 2024. Potential areas of upside surprise include the backlog from the pandemic’s Employee Retention Credit, the Wyden-Smith Tax cut (if approved) or CHIPS Act investment.

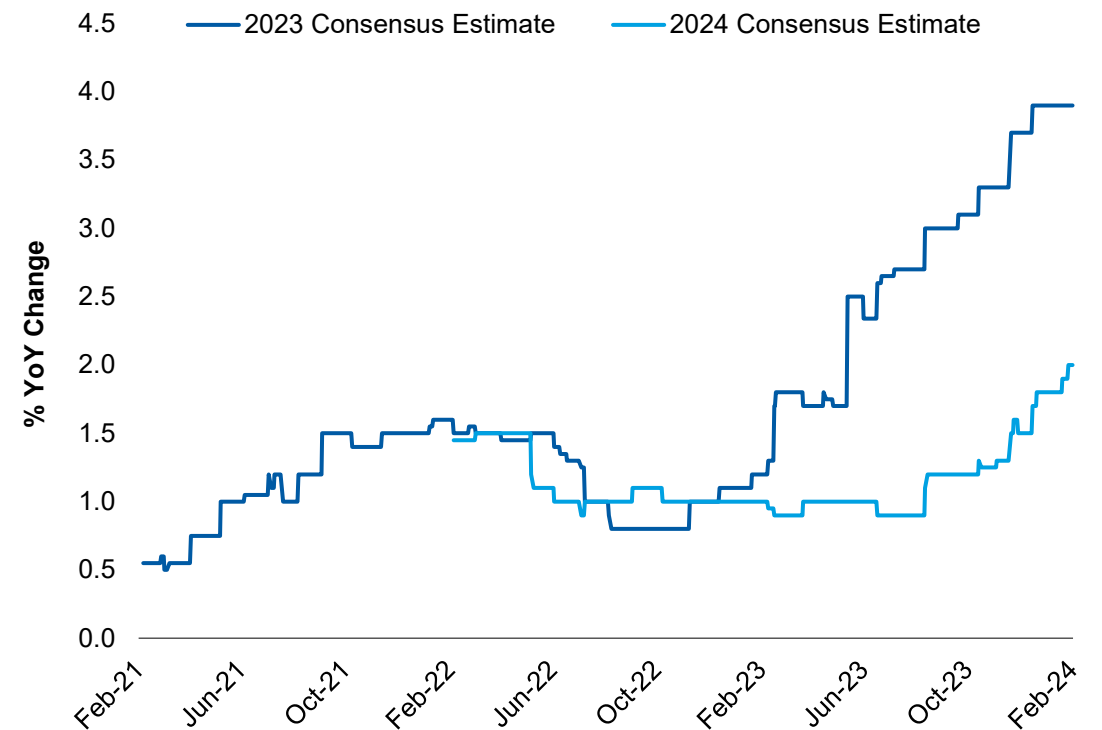
A Bipartisan Tax Bill Would Raise the Deficit in 2024 and 2025

Impact on the federal deficit as a percentage of GDP



2024 Government Spending Forecasts Are Already Rising

Consensus forecast YoY change in U.S. government spending



Source: Joint Committee on Taxation (JCT), Congressional Budget Office (CBO), Bloomberg, US Treasury, MSIM. Data as of 19 February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

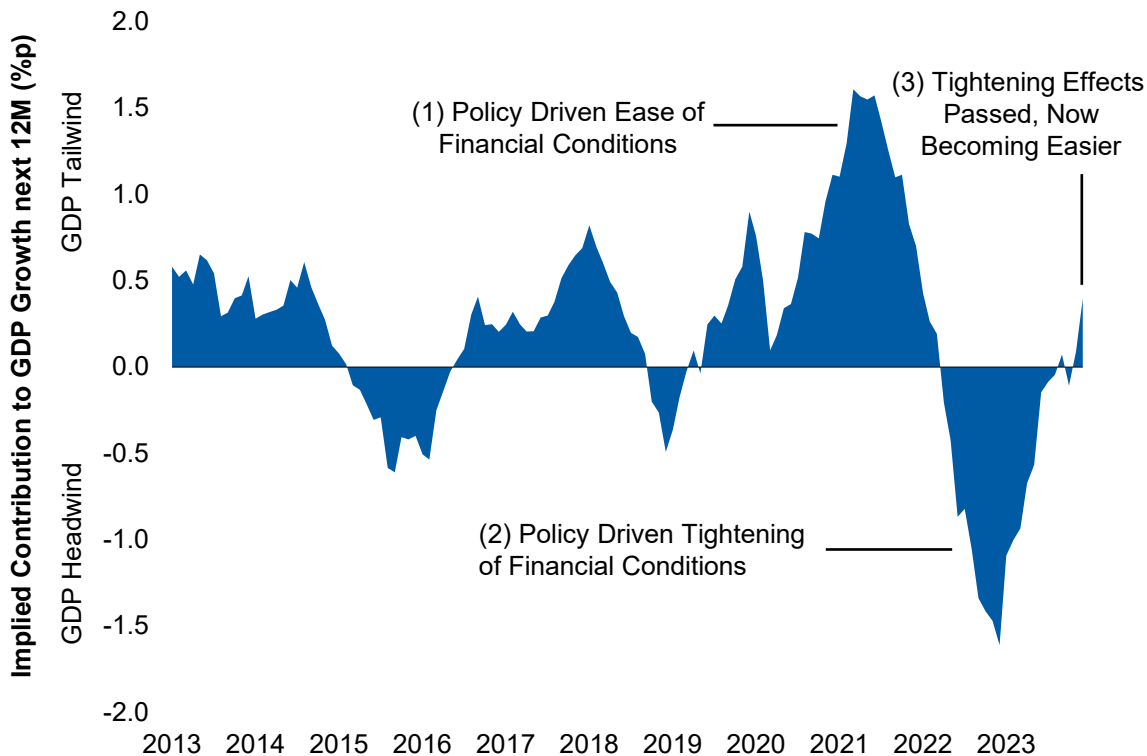
TOP THEMES

Financial Conditions Are Now a Tailwind to Growth in 2024

U.S. financial conditions began to tighten in mid-2021 and continued through 4Q22. The peak headwind to growth was felt in 2H22/1Q23. As that headwind faded, economic data started to surprise, and U.S. GDP forecasts were revised higher through most of 2023. Entering 2024, financial conditions now are a tailwind to growth.

Financial Conditions Are Now a Tailwind For Growth

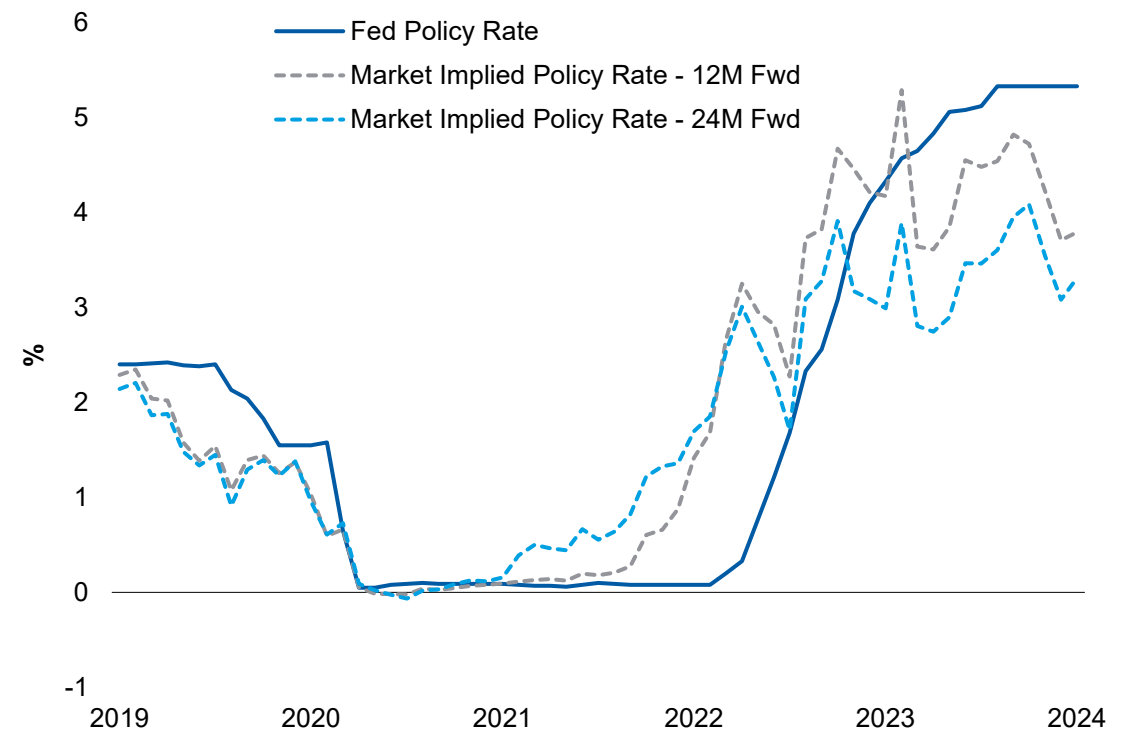
Contributions to GDP growth over next year (in percentage points)



Note: Sign of this financial conditions index is reversed to better visualize headwind/tailwind.

Markets Priced a Peak Forward Policy Rate by the end of 2022

U.S. policy rate in relation to market implied forward policy rates



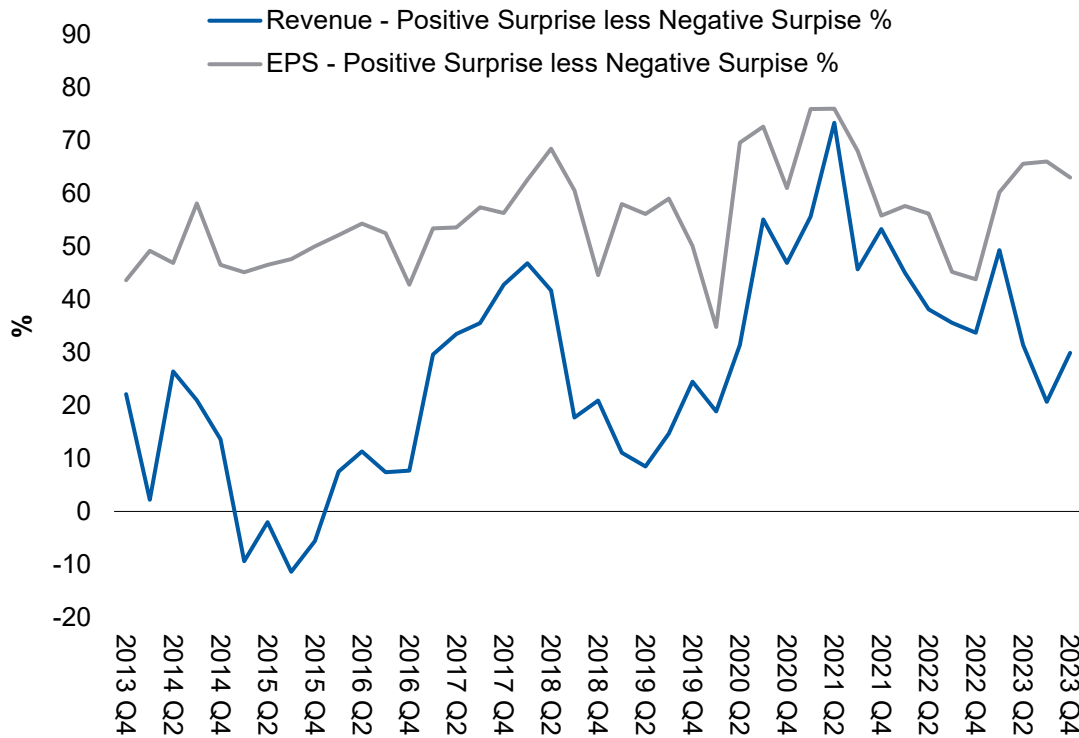
Source: Bloomberg, New York Federal Reserve, Morgan Stanley Research, MSIM. Data as of February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

TOP THEMES

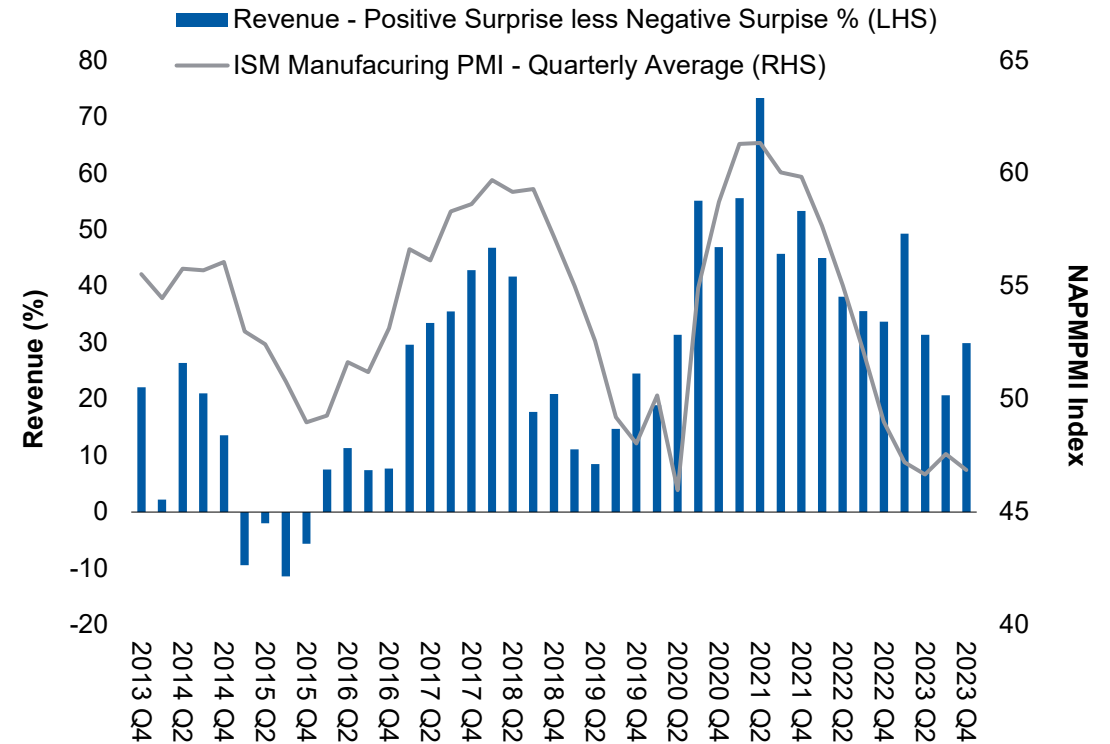
A Positive Inflection in PMIs Would Suggest Revenue-Driven EPS Upside

We expect a positive inflection in manufacturing, driven by easier financial conditions, upside surprise from government spending and normalizing demand for goods. S&P 500 revenue surprise data is positively correlated with ISM Manufacturing PMI data, suggesting this inflection in manufacturing will lead to better, and higher quality, earnings results.

S&P 500 Earnings Have Been Solid, but Bottom-line Surprise Data Has Been a Bit Stronger Than Top-line Data



S&P 500 Revenue Surprise Correlates To PMI Data, Suggesting a Revenue-driven EPS Upside Alongside Higher PMIs



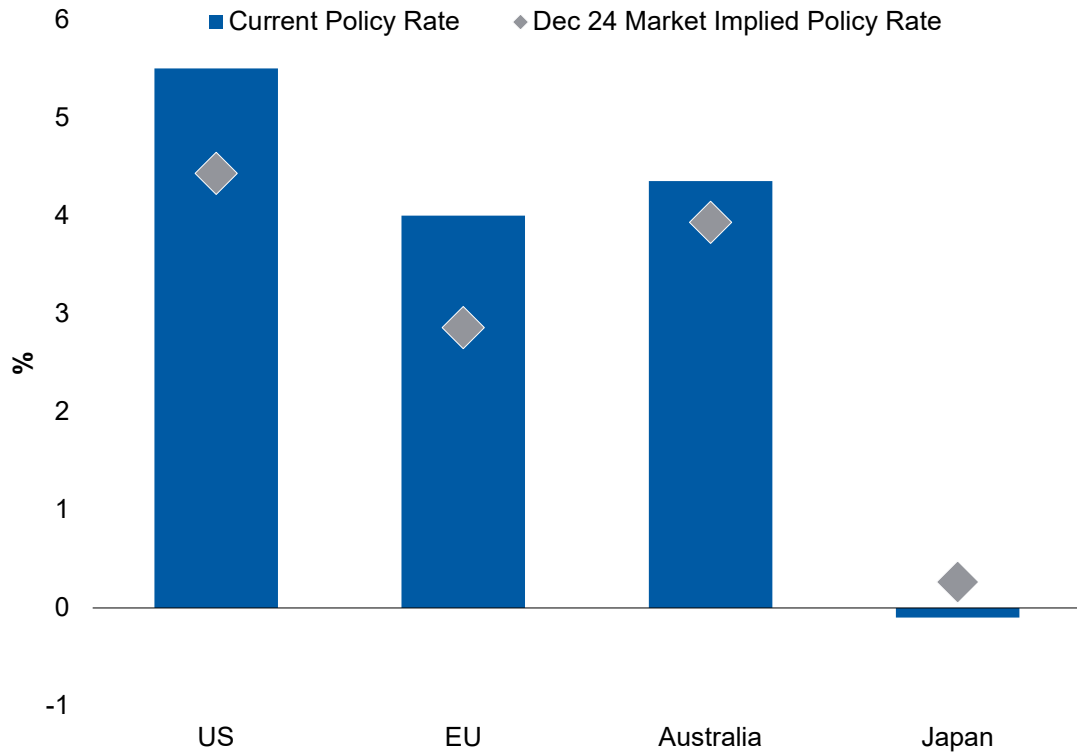
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TOP THEMES

Economic Data Challenges the Fed’s Desire to Cut Rates

Considering resilient economic growth, anticipated Fed cuts still look vulnerable to hawkish repricing. Conversely, the eurozone economy is facing a multitude of growth headwinds raising the risk of deeper rate cuts from the ECB.

The Market Still Expects a Similar Magnitude of Fed & ECB Cuts
Current policy rates and market pricing for December 2024



Growth Divergence Should Drive Greater Policy Divergence
Implied change in U.S. vs EU December 2024 policy rate



Source: Bloomberg, MSIM. Data as of 19 February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

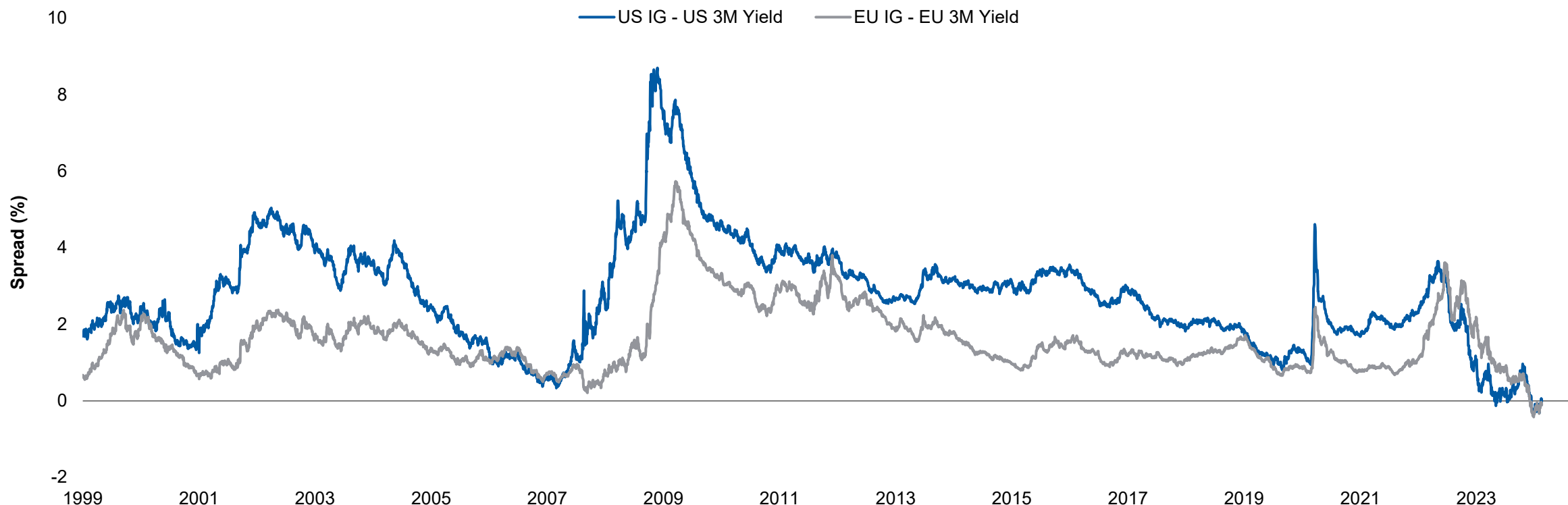
TOP IDEAS

IG: High Conviction Underweight on Return Asymmetry and Better Alternatives

USD IG Credit spreads are close to all-time tight levels, leaving IG to trade more like U.S. Treasuries (USTs), but with a highly asymmetric forward return profile should spreads widen. All-in IG yields are now lower than cash rates. As a result, we much prefer front-end USTs, or a barbell mix of high-quality government bonds alongside lower-quality credit.

IG Credit Yields Are Now Below Cash Rates in the U.S. and Europe

Bloomberg USD & EUR IG Index less respective 3M Government Yield



Source: Bloomberg, MSIM. Data as of 20 February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

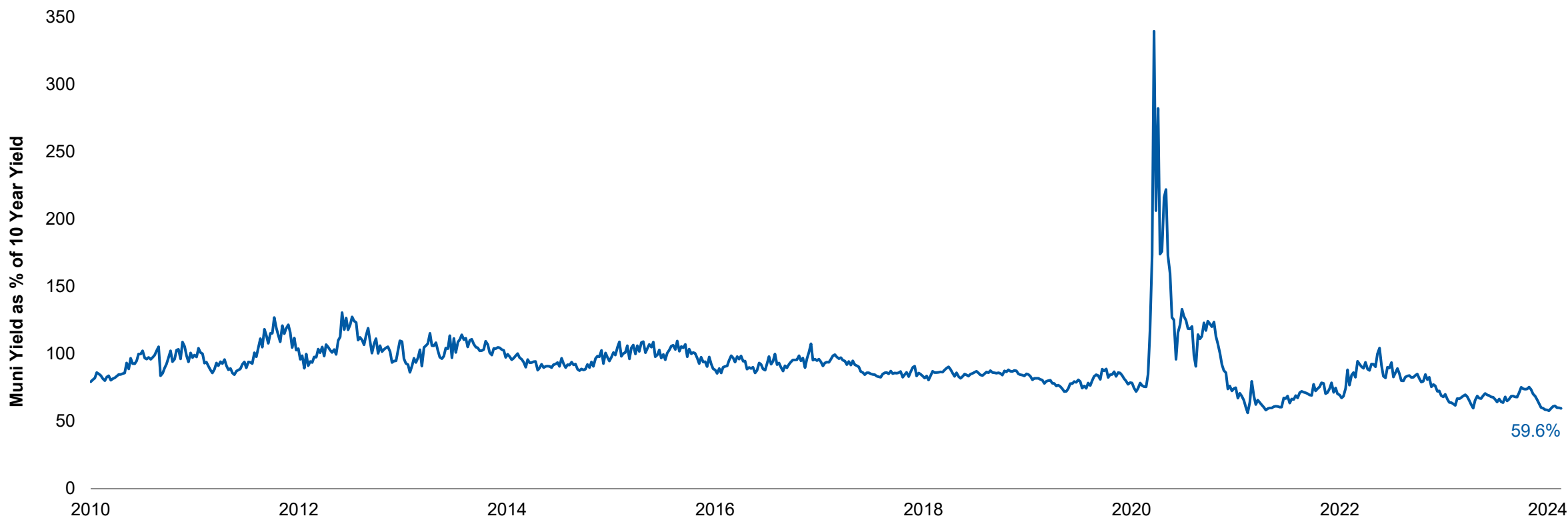
TOP IDEAS

Munis Are Back to Neutral

The carry pickup for high-quality Munis is near zero compared to U.S. Treasuries (USTs) on an after-tax basis, as yield as a % of the 10-year yield is below 60%. Given that 40.8% is the highest marginal tax rate, we see little valuation appeal to hold high quality Munis over USTs. Lower-quality Munis may offer some value and leave us neutral on the asset class.

High Quality Muni Carry Pickup Is Near Zero Compared to USTs on an After-tax Basis

AAA Muni yield % of UST 10-year yield



Source: Bloomberg, MSIM. Data as of 20 February 2024. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

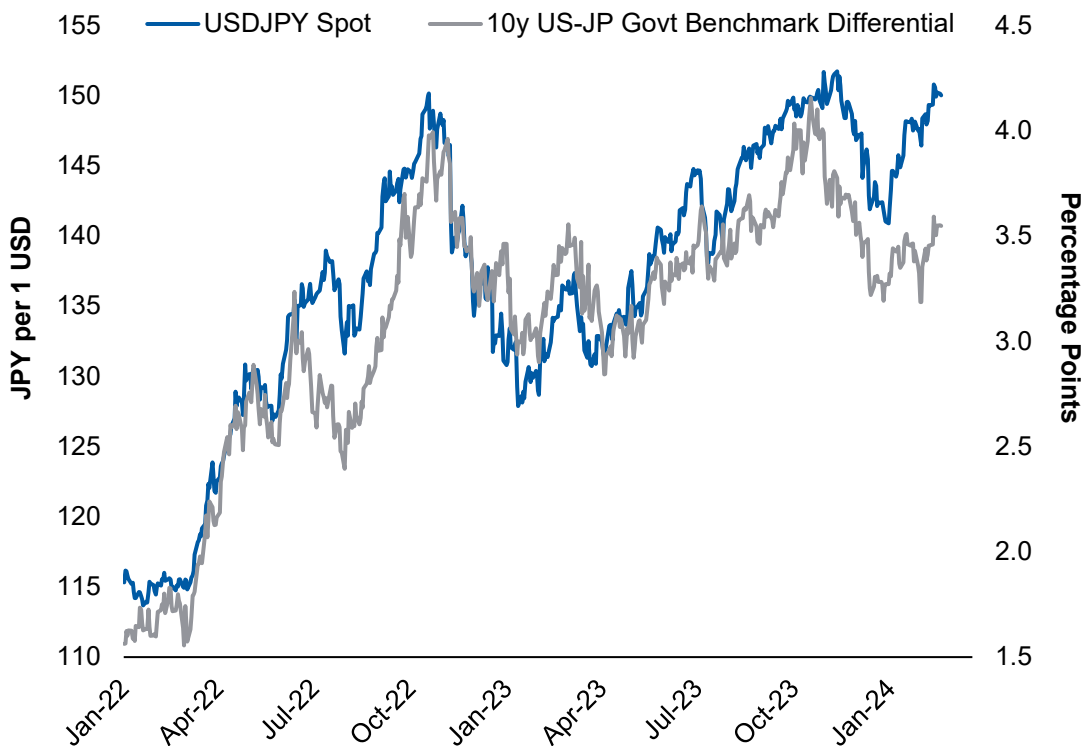
TOP THEMES

USD Tailwinds To Persist

In Japan, expectations for a quick exit from negative rates have been pared back recently due to weak growth and inflation data. The rate differential stopped narrowing and lessened the appeal of the JPY (yen). The eurozone is suffering from structural issues that may mean a shallower growth recovery, keeping the growth differential to the U.S. elevated.

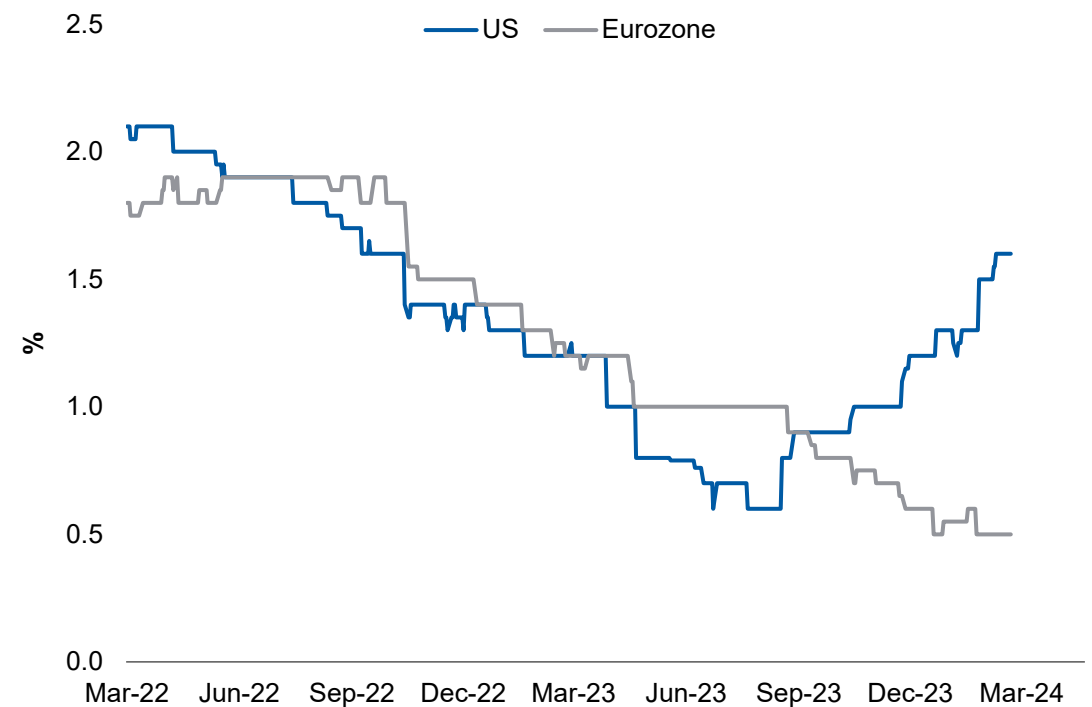
JPY Weakened as the Yield Differential Has Stopped Narrowing

USD/JPY versus 10-year yield differential



U.S. and Eurozone Growth Expectations Keep Diverging

Consensus 2024 GDP YoY% Forecasts



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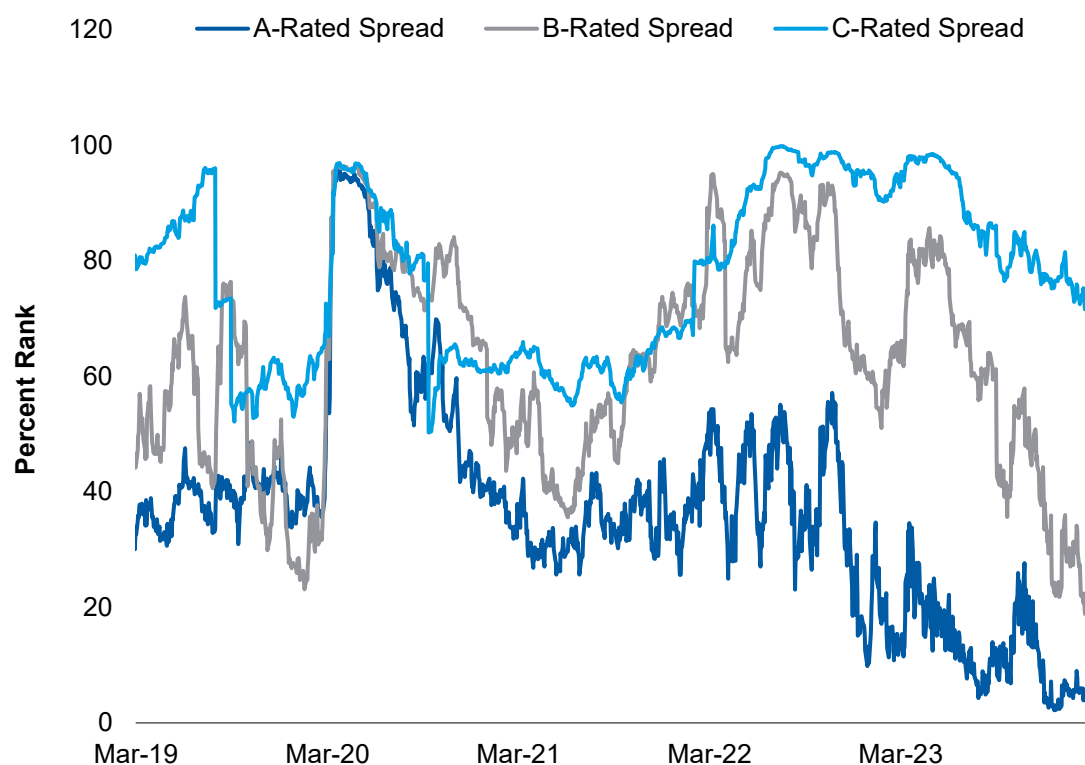
TOP IDEAS

EM Hard Currency Debt: Overweight Given Positive Rates, Spread Set-Up

Lower funding costs, falling rates volatility and stronger global growth should support bifurcated EM Bond Index spreads. Distressed credits stand to benefit the most from lower external funding costs.

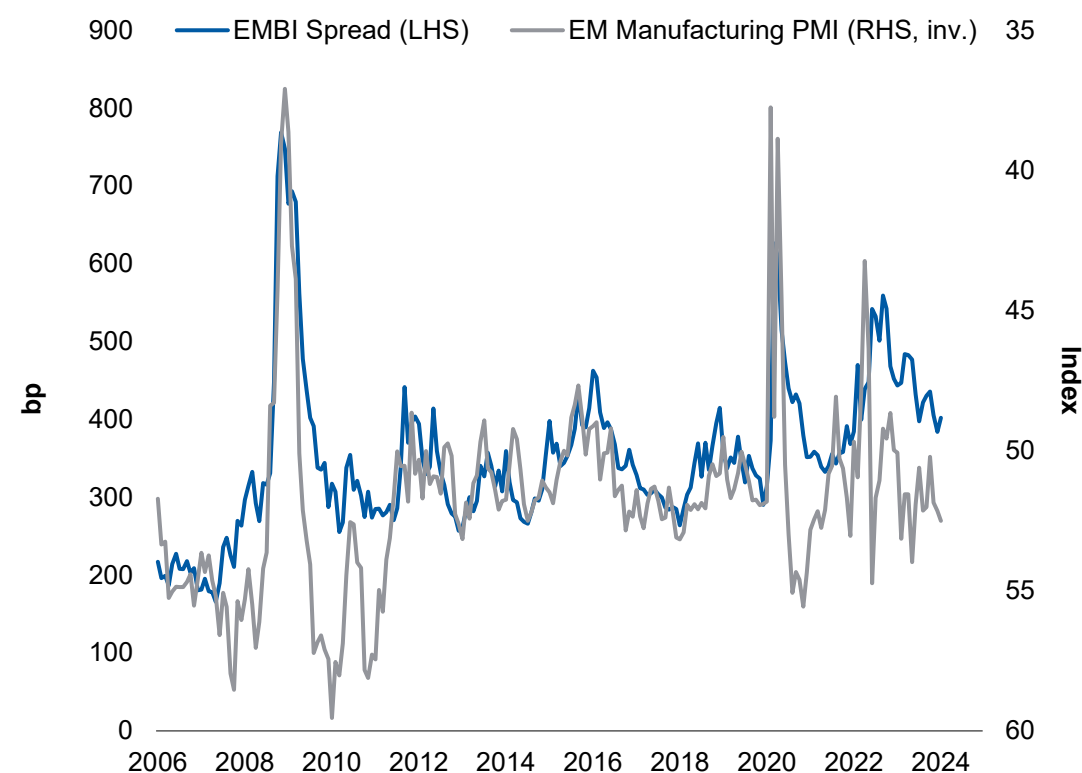
Distressed Credit Spreads Have Room for Compression

15-year rolling EM bond index spread percent ranks*



EM Manufacturing Supported By Lower Rates

EMBI spread versus EM manufacturing PMI



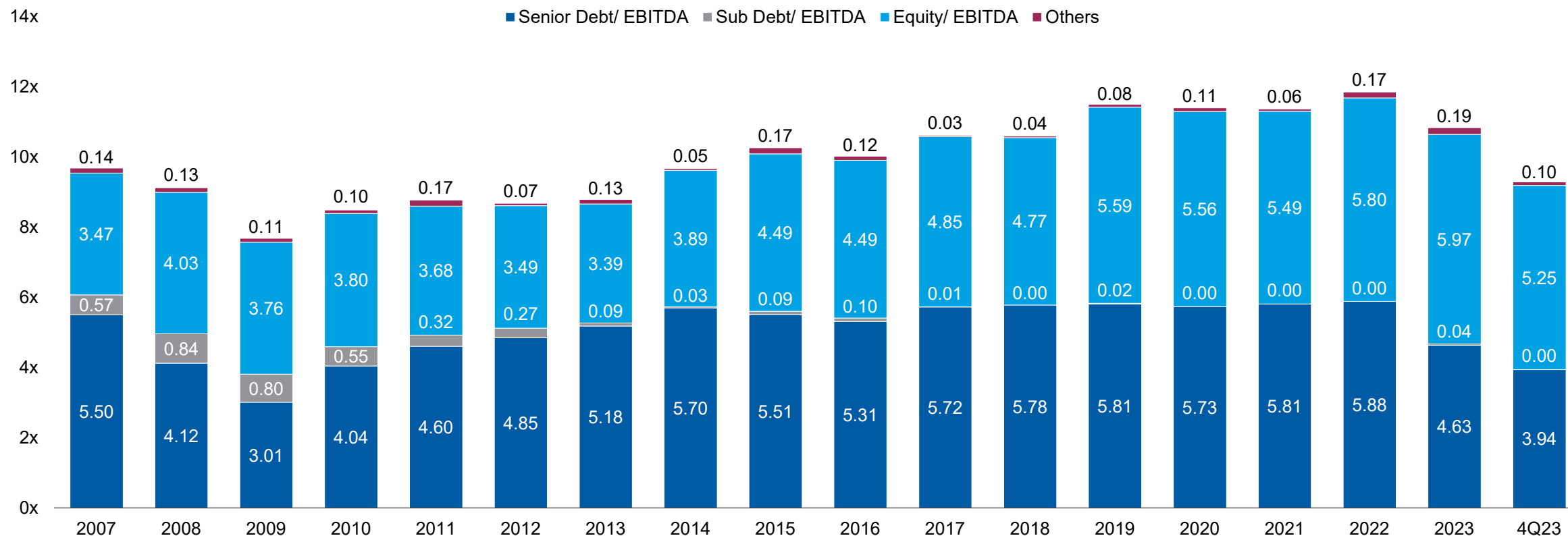
Source: Bloomberg, MSIM. Data as of 20 February 2024. *Percentile at which various credits within the EM HC debt universe are trading i.e. 75th percentile means C-rated credit has traded at a lower spread 75% of the time. The views and opinions expressed are those of the Capital Markets Group at the time of writing/of this presentation and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

TOP IDEAS

Private Equity Shows Signs of Improved Entry Valuations

Private markets transaction activity is thin, but we are now observing declining valuations in response to higher interest rates. When transaction volumes recover more broadly, we expect to see a clear pattern of lower valuations.

Purchase Price Multiples — All Leveraged Buyouts



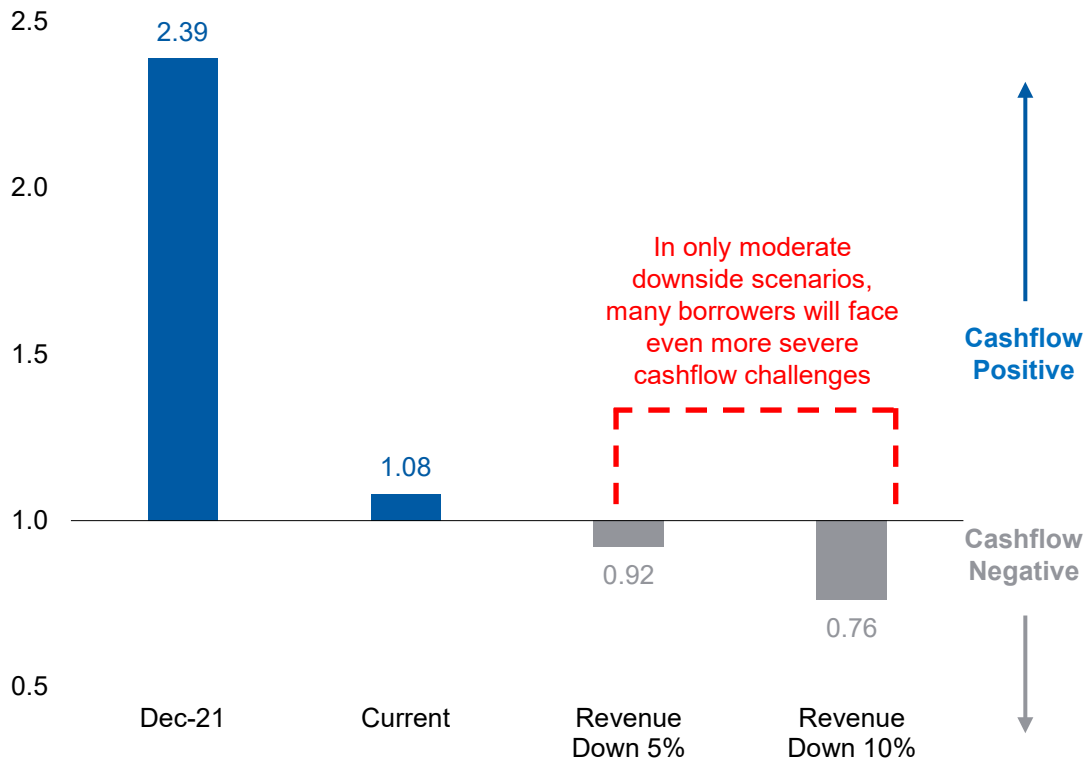
Sources: Pitchbook, Preqin. This information reflects the views of the Capital Markets Group as of the date hereof and not of any future date and are subject to change without notice in response to changing circumstances and market conditions. Senior Debt are loans secured by collateral that must be paid off before other debts when a company goes into default. Subordinated Debt are loans which rank after other debts (e.g. Senior Debt) if a company falls into default, and therefore carries more risk for the lender. EBITDA stands for Earnings Before Interest, Taxes, Depreciation and Amortization, a reflection a firm's short-term operational efficiency. A lower debt/EBITDA ratio generally reflects a healthier company from a financial standpoint, representing a higher level of cash from earnings to cover debt payments, viewed as less risky for an investor.

TOP IDEAS

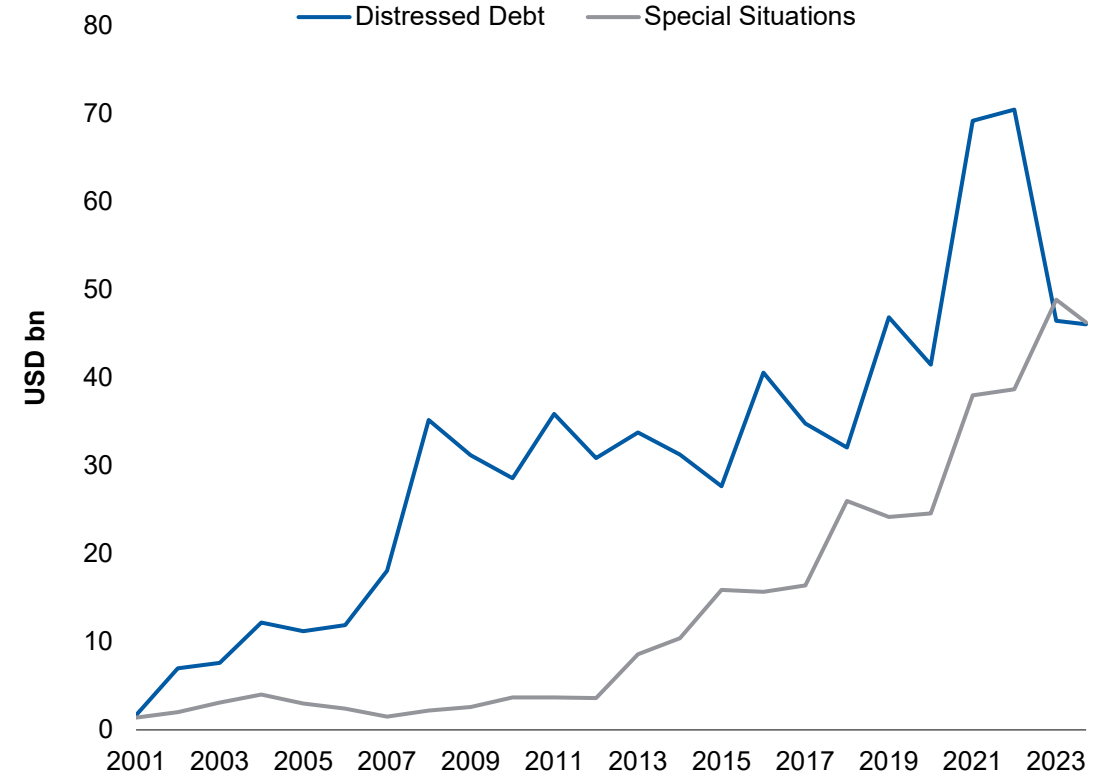
The Opportunity Set For Special Situations Private Credit Looks Attractive

The number of borrowers struggling to service their debt is increasing, while the amount of capital available to provide flexible solutions has remained relatively stable.

Average Private Credit Cashflow/Interest Expense



Distressed Debt and Special Situations “Dry Powder”



Sources: Pitchbook, LCD, Bloomberg, Preqin. This information reflects the views of the Capital Markets Group as of the date hereof and not of any future date and are subject to change without notice in response to changing circumstances and market conditions. Not to be construed as an investment or research recommendation. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. **Past performance is no guarantee of future results.**

TOP IDEAS

Capital Markets Investment Framework

Representative Allocations from the Portfolio Solutions Group

- Current allocation
- ➡ Change from previous
- High conviction underweight
- Underweight
- = Neutral
- + Overweight
- ++ High conviction overweight

Asset Allocation	Our View					Commentary
	--	-	=	+	++	
Bonds						
Duration			■			Duration may present a risk to fixed income exposures, instead of a hedge. The reason is that we expect a softer-landing scenario and believe that inflation may be sticky and fall slowly. This means that bond duration risks face the challenge of fewer policy rate cuts than what is priced. IG credit has the same challenge, as longer-duration exposures are not offset with materially higher yields than cash, and tight spreads create vulnerability in a risk-off event.
Credit			■			
Equities						
Risk Level			➡	■		We expect continued positive GDP estimate revisions and a positive inflection in the manufacturing cycle, both of which support an expectation that positive EPS revisions will support positive equity market returns. Equity market multiples can hold as long as fundamentals remain supportive.
Alternatives						
Private Markets			■			Equity valuations in private markets continue to soften reflecting higher financing costs. This is a gradual process as a large amount of debt refinancing at low costs has led to the deferral of capital markets activity and the associated price discovery. We maintain private markets at neutral as this adjustment continues, having recently moved up from negative.
Hedge Funds				■		Hedge funds are the beneficiaries of higher interest rates and improved security selection opportunities.
Commodities			■			We are neutral on key commodity markets, as undersupply tailwinds are balanced by headwinds related to a slowdown in economic activity.
Transition						
Cash/Short Duration			■			Keeping cash at neutral levels. Cash has the benefit of higher front-end yields, as policy rates remain sticky, but also has the benefit of a high quality used to reduce risk.

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TOP IDEAS

Global Fixed Income

Representative Allocations from the Portfolio Solutions Group

- Current allocation
- ← Change from previous
- High conviction underweight
- Underweight
- = Neutral
- + Overweight
- ++ High conviction overweight

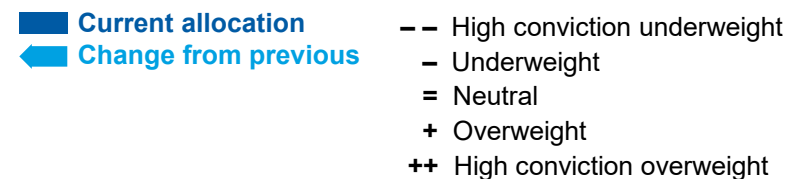
Fixed Income	Our View					Commentary
	--	-	=	+	++	
Bonds						
U.S. Treasuries			■			We remain neutral duration. The excessive 2024 rate cuts have been priced out, which leads to a more balanced outlook for duration. Bumpy disinflation and recession tail risk balance each other.
Inflation Linked Bonds			■			Real yields remain elevated and may fall further as inflation drops and a rate cutting cycle begins.
Eurozone Govt. Bonds			■			Lingering wage growth makes the risk/reward on eurozone duration balanced, although on a relative basis we see more risk of deeper-than-expected cuts by the ECB due to structural concerns on growth.
EM Hard Currency Govt. Bonds				■		An environment of lower inflation, lower funding costs and stronger growth — all supported by the Fed pivot — should provide a constructive backdrop for spreads and rates.
EM Local Currency Govt. Bonds			■			Depressed EM local yields compared to U.S. credit will limit inflows. However, EM FX could start to stabilize as markets adjust to a lower Fed Funds rate.
Public Credit						
Municipal Bonds			■	←		We are moving Munis to neutral as current yields for high quality Munis equate to minimal or zero pickup versus USTs on an after-tax basis. We see more value in lower rated parts of the market.
Investment Grade	■	←				Now a high conviction underweight. Spreads are historically tight. Excess return over USTs should be minimal and IG remains sensitive to left-tail outcomes leading to a highly asymmetrical return profile.
MBS/ABS					■	We have a high conviction in asset backed securities as yield per unit of credit quality remains attractive. Consumer cash flows are strong due to tight labor markets.
High Yield				■		HY all-in yields remain attractive in a softer-landing scenario, where default risks may remain contained.
Bank Loans				■		Holding overweight exposure as soft landing scenario lessens default risk and starting yields remain higher as the Fed is slow to cut.

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TOP IDEAS

Global Equity

Representative Allocations from the Portfolio Solutions Group



Equity	Our View					Commentary
	--	-	=	+	++	
Regional						
<i>Developed Markets</i>				→		<p>The theme of U.S. growth resilience should continue into 2024, supported by financial conditions, government spending and a healthy consumer. Structural narratives support Big Tech valuations.</p> <p>Loss of competitiveness and manufacturing destocking weigh on earnings, with ECB rate cuts likely to reverse margin expansion for the eurozone's largest sector (Financials).</p> <p>Japan's slow exit from deflation should boost corporate revenue while business reforms should help profit margins. In turn, individual investors and corporate pension reform can support equity inflows. Valuations are no longer cheap, but not stretched either. Current JPY weakness is supportive.</p> <p>The EM outlook is improving, as growth forecasts for EM (ex China) are being revised higher. Structural concerns persist for China, but government efforts to support equities offset fundamental concerns. Valuations look attractive and easing external conditions could support EM earnings.</p>
U.S.				→		
Eurozone		█				
Japan					█	
<i>Emerging Markets</i>			█			
Style						
Growth vs. Value					█	Earnings revision momentum and structural growth themes (e.g., AI) continue to support Growth style outperformance.
Quality					█	Quality factors (profitability, ROE, etc.) tend to work both mid- and late-cycle. Note that the Quality style does not denote defensive sector exposure.
Large Cap vs. Small Cap					█	The cost of capital remains high, and we see Large Cap stocks as better insulated from leverage-related pressures than the more fragile Small Caps.
Dividend			█			We see balanced risk for the Dividend style exposures. Note high Dividend yield as an independent style factor does not imply quality, though many dividend-focused funds also seek quality factors.

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TOP IDEAS

Alternatives

Representative Allocations from the Portfolio Solutions Group

■ Current allocation
◀ Change from previous

-- Highly selective new investments
 - Selective new investments
 = Neutral
 + Priority new investments
 ++ High priority new investments

Alternative Assets	New Investments View					Commentary
	--	-	=	+	++	
Private Markets						<p>Commercial Real Estate is repricing meaningfully as cap rates that derive real estate values continue to demonstrate their long-term correlation to interest rates. Refinancing into higher debt costs will gradually trigger valuation adjustments, but opportunities in defensive sectors such as triple-net-lease, and segments with constrained supply, have already been emerging.</p> <p>As a result of valuation adjustments across private markets more broadly, we recently upgraded Infrastructure and Private Equity to overweight and neutral respectively, reflecting an increased opportunity set that we believe offers defensible entry valuations. Attractive Private Equity opportunities are focused on the middle market segment that is less sensitive to leverage. Infrastructure investments related to the energy transition and digitization are experiencing demand that we believe will support current valuations.</p> <p>Select markets within Natural Resources are benefiting from strong long-term fundamentals, such as increasing food demand and decreasing arable land in the case of agriculture investments.</p> <p>Dislocations in Public Credit continue to create opportunities in both corporate and niche private lending. Completed deal volume is relatively low, but risk-adjusted pricing remains attractive. Special situations lenders are commanding a premium as the supply of opportunities has expanded, though demand from investors has not responded.</p>
Real Estate		■				
Infrastructure				■		
Natural Resources				■		
Private Equity			■			
Private Credit				■		
Liquid Alternatives						
Hedge Funds				■		
Commodities			■			

In long/short **Hedge Funds**, bottom-up fundamental security selection is benefiting from higher return dispersion and lower cross correlations in asset performance, as well as benefitting from higher cash returns.

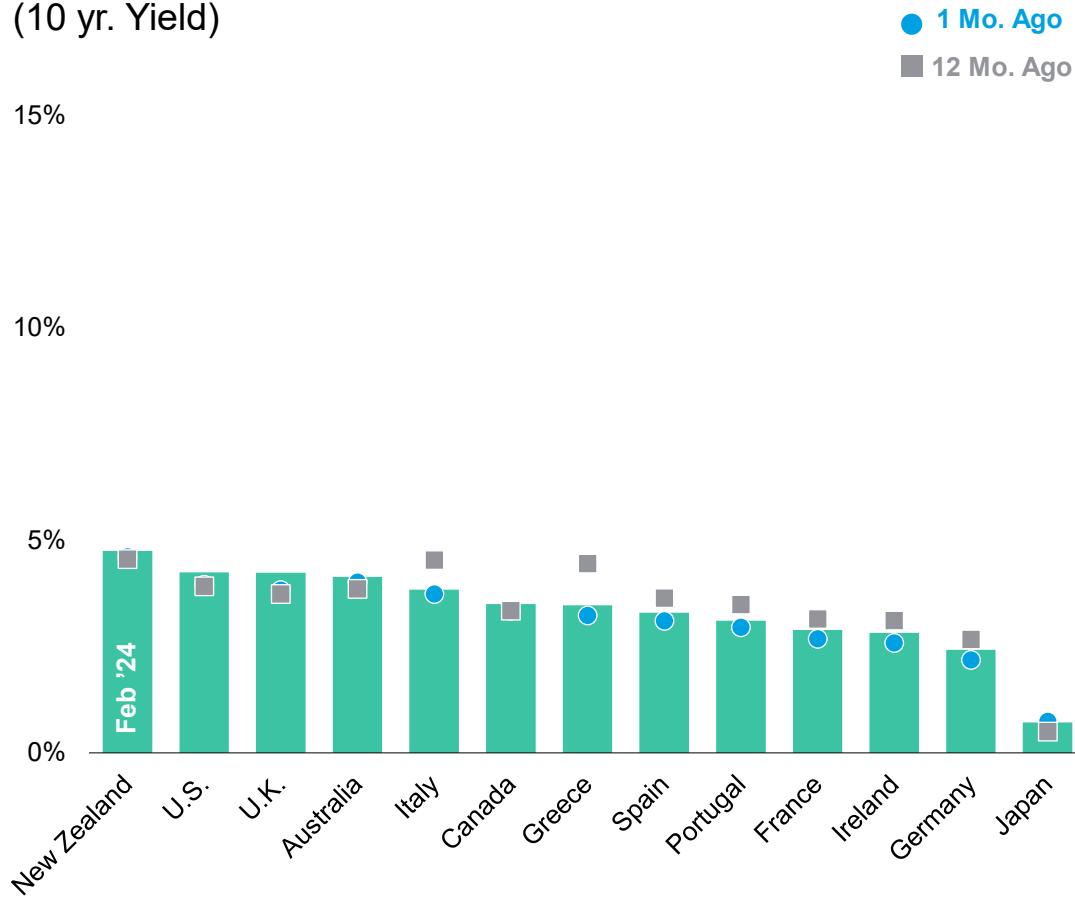
We are neutral on key **Commodity Markets**, as undersupply tailwinds are balanced by headwinds related to a slowdown in economic activity.

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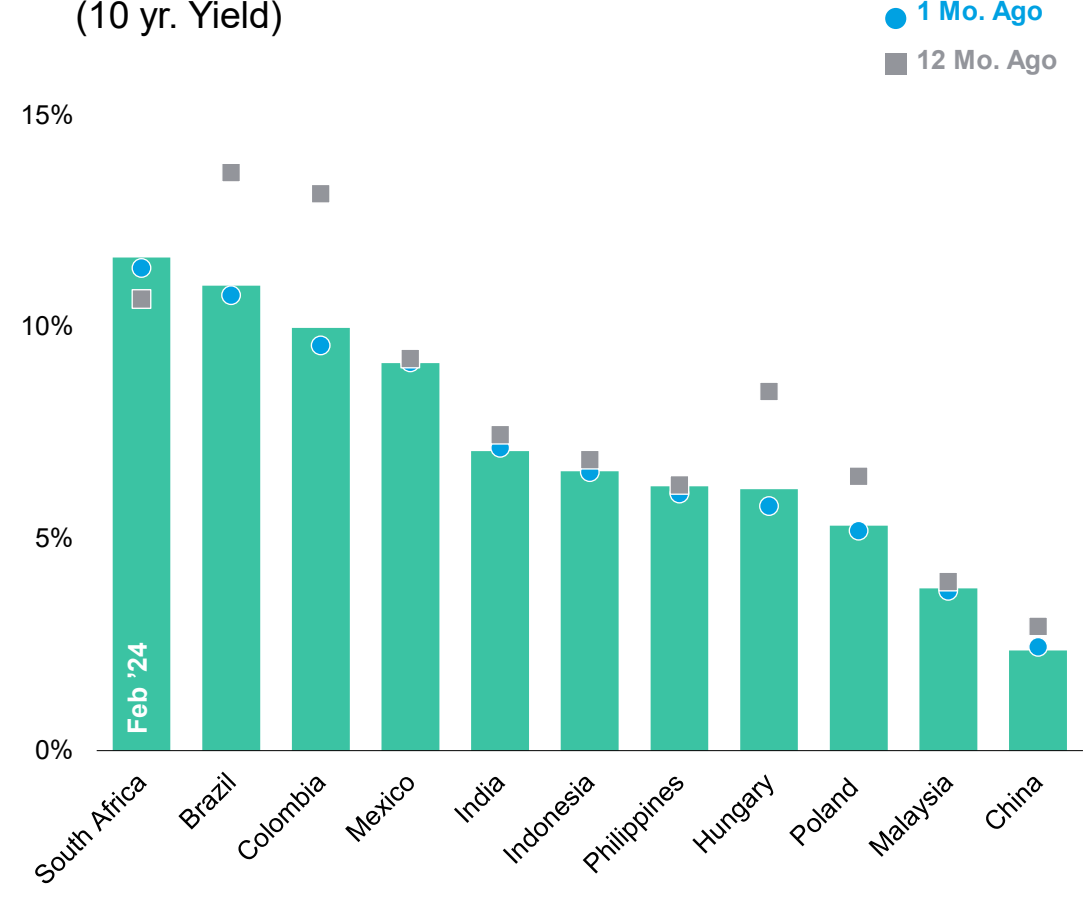
BONDS

Sovereign Bond Yields

Developed Markets
(10 yr. Yield)



Emerging Markets
(10 yr. Yield)



Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Factset as of 2/29/24. Data provided is for informational use only. See end of report for important additional information.

BONDS

Key Rates (%)

Security	Current	12-Mo. Ago	Average	Minimum	Maximum
1-Week SIFMA	3.30	2.80	3.40	1.90	4.55
Secured Overnight Financing Rate	5.32	4.55	5.15	4.55	5.40
1-Mo LIBOR	5.44	4.67	5.29	4.67	5.48
3-Mo LIBOR	5.60	4.97	5.51	4.87	5.69
2-Yr Treasury	4.63	4.80	4.61	3.74	5.21
5-Yr Treasury	4.24	4.17	4.11	3.28	4.96
10-Yr Treasury	4.24	3.92	4.04	3.29	4.99
30-Yr Treasury	4.36	3.93	4.19	3.54	5.11
2-Yr Japan	0.17	-0.03	0.01	-0.09	0.17
10-Yr Japan	0.71	0.50	0.59	0.20	0.96
2-Yr German Bund	2.91	3.16	2.88	2.34	3.31
10-Yr German Bund	2.42	2.67	2.45	1.91	2.98
2-Yr UK Gilt	4.59	4.08	4.43	3.17	5.52
10-Yr UK Gilt	4.23	3.73	4.09	3.21	4.74
Bloomberg US Agg	4.92	4.81	4.86	4.20	5.74
Bloomberg Global Agg	3.80	3.84	3.83	3.41	4.42
Bloomberg US Corporate	5.41	5.51	5.53	4.99	6.43
Bloomberg US Long Corporate	5.57	5.59	5.64	5.16	6.60
Bloomberg US Municipal	3.40	3.62	3.62	3.06	4.50
Bloomberg US Long Municipal	4.15	4.42	4.38	4.00	5.18
US High Yield	7.90	8.65	8.52	7.62	9.53
US Loans	9.93	9.97	10.35	9.93	10.80

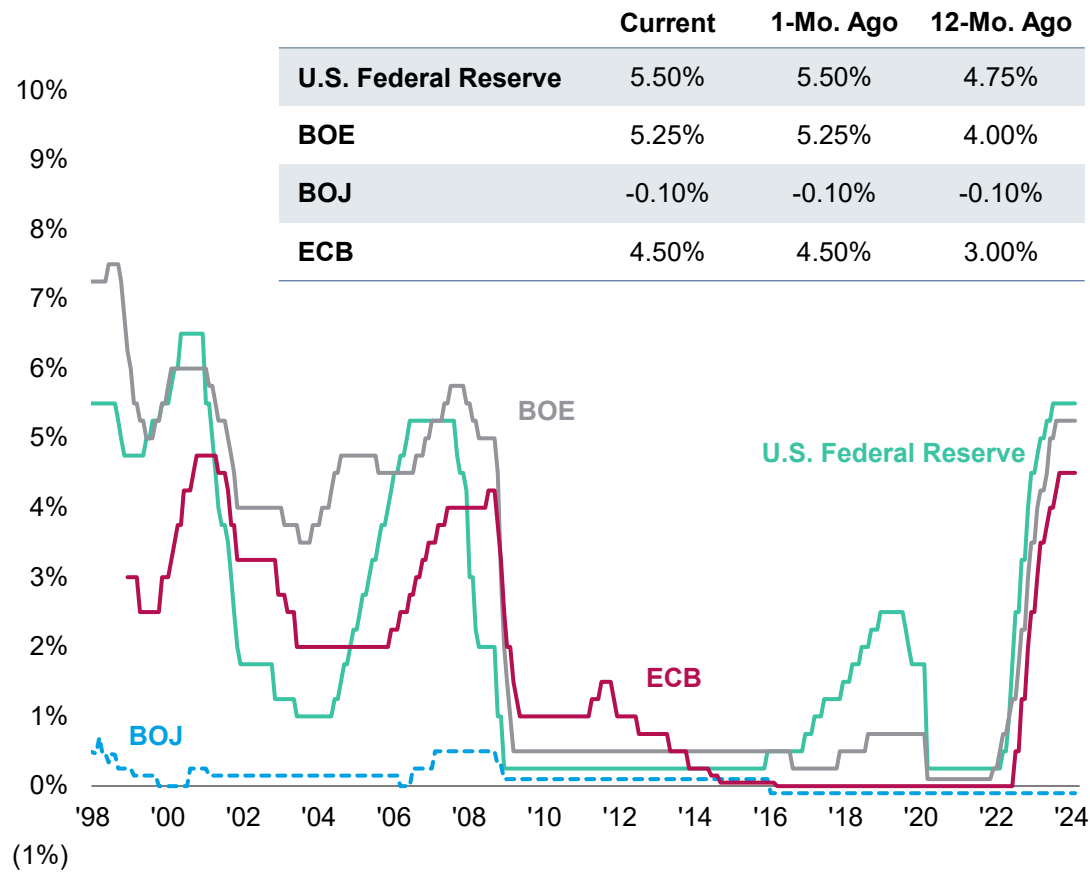
Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Bloomberg, Leveraged Commentary & Data (LCD), and Factset as of 2/29/24. Current represents most recent month. Average, minimum, and maximum measure a 12-month period ending most recent month. Data provided is for informational use only. US High Yield is represented by ICE BofA US High Yield Index. US Loans is represented by Morningstar LSTA U.S. Leveraged Loan Index. Bloomberg indices and ICE BofA US HY index using yield to worst. Morningstar LSTA U.S. Leveraged Loan Index using yield to maturity. See end of report for important additional information.

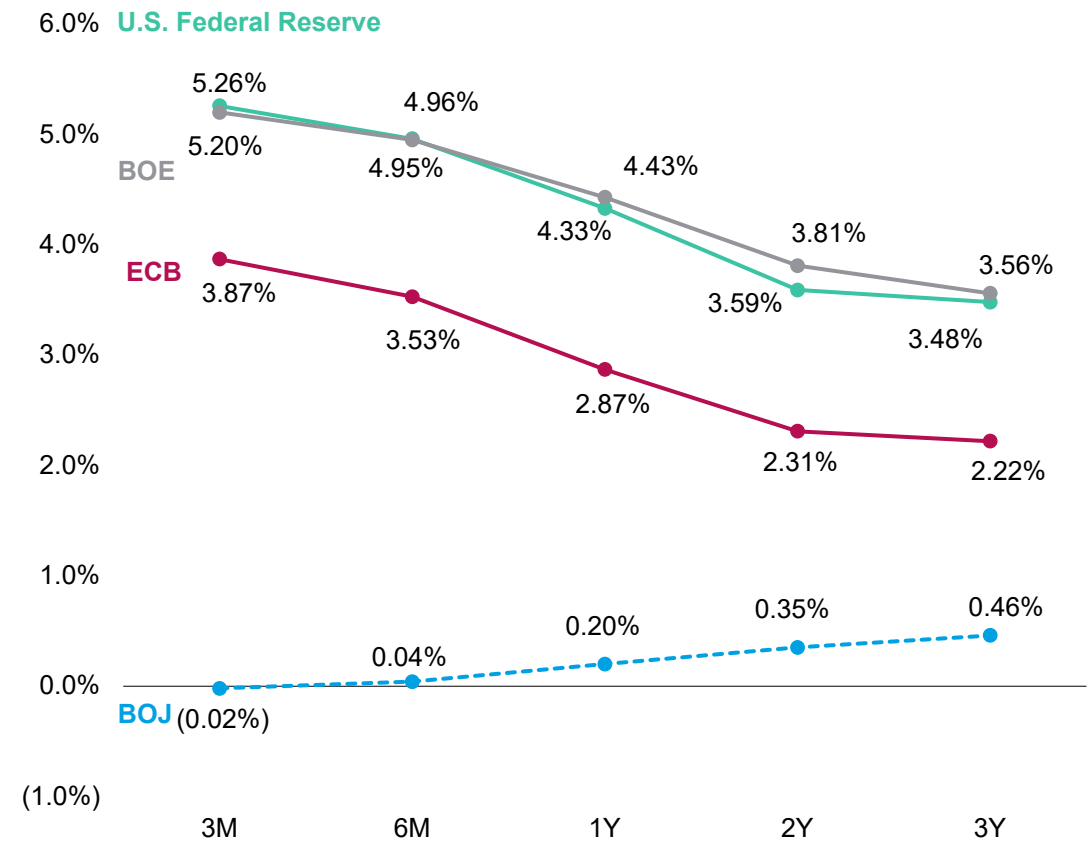
BONDS

Monetary Policy

Central Bank Policy Rates



Market Expectations for Future Central Bank Rates

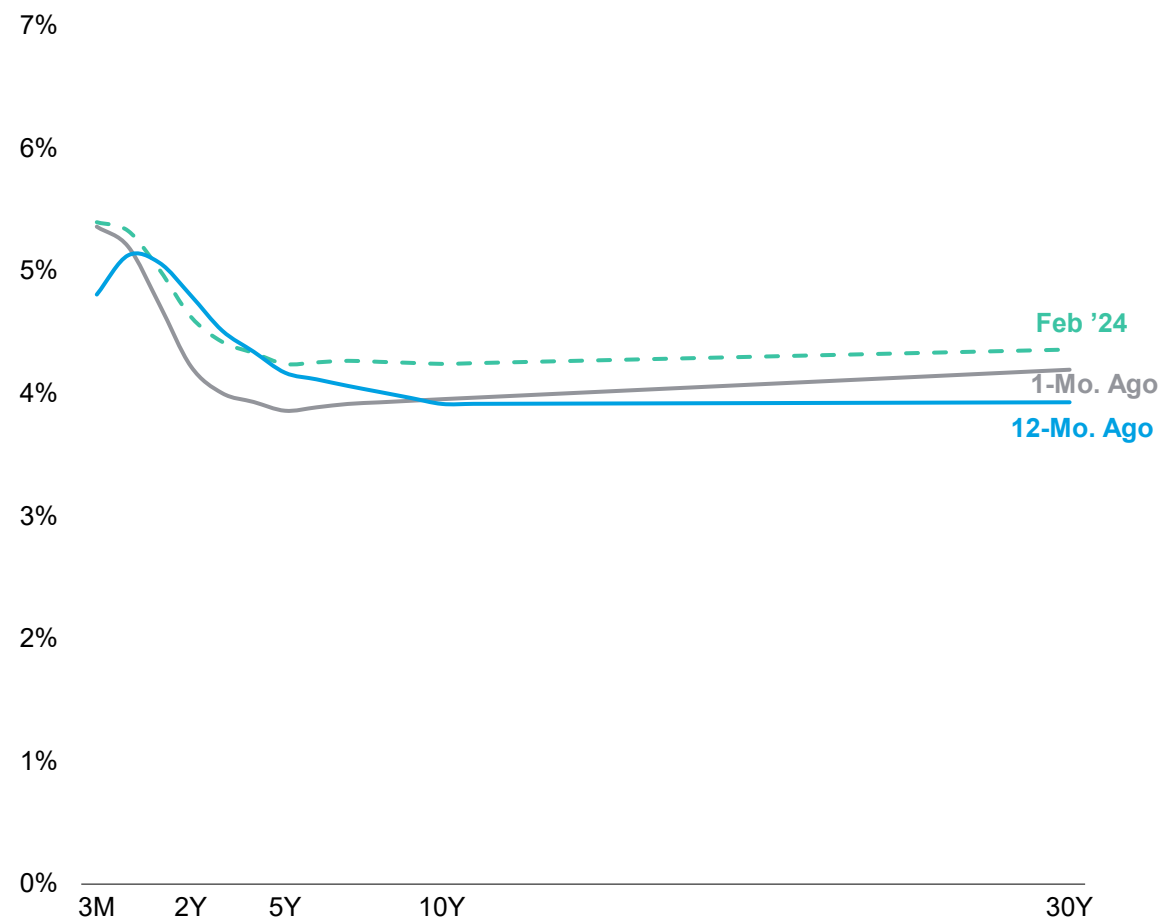


Source: Bloomberg, Factset as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

BONDS

U.S. Treasury Yields

U.S. Treasury Yield Curves



Security	Yields & Performance				
	Yield (%)			Total Return (%)	
	Current	1-Mo. Ago	12-Mo. Ago	1-Mo.	12-Mo.
3-mo. Treasury	5.40	5.36	4.81	0.41	5.22
6-mo. Treasury	5.33	5.20	5.13	0.35	5.31
2-yr. Treasury	4.63	4.22	4.80	-0.47	3.66
3-yr. Treasury	4.42	4.00	4.51	-0.84	3.68
5-yr. Treasury	4.24	3.86	4.17	-1.45	3.02
10-yr. Treasury	4.24	3.95	3.92	-2.06	0.69
30-yr. Treasury	4.36	4.19	3.93	-2.19	-4.55

Source: Factset, Morningstar as of 2/29/24. Data provided is for informational use only. Past Performance is not a reliable indicator of future results. See end of report for important additional information.

BONDS

Characteristics and Performance Analysis

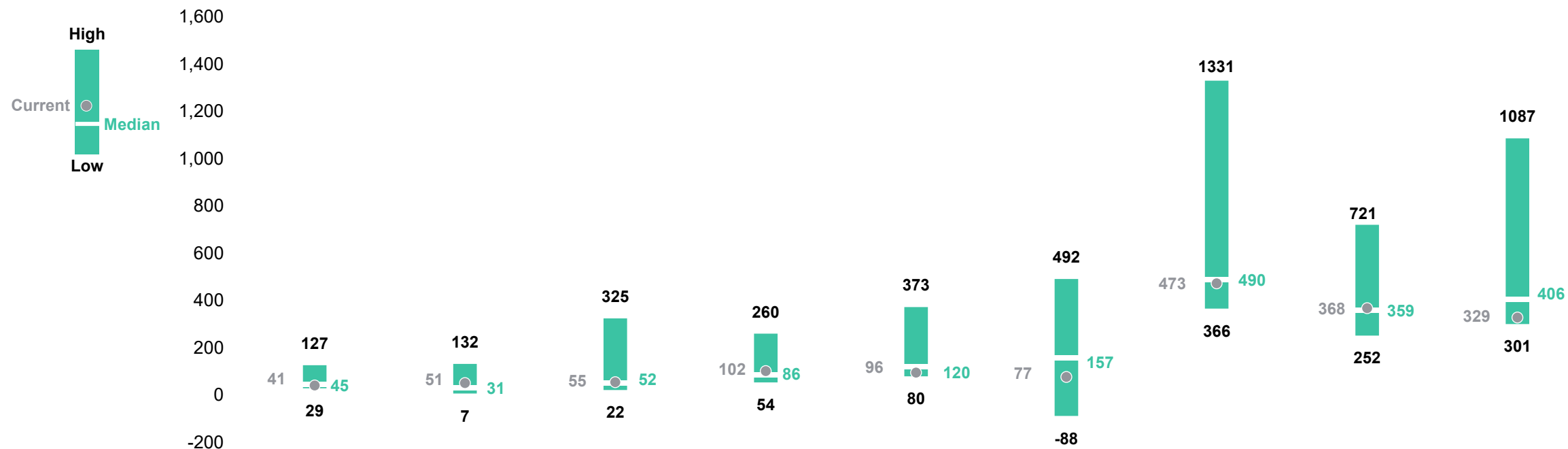
Index	Averages						Total Returns (%)						
	Coupon (%)	Price (\$)	Yield to Worst (%)	Spread (bps)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
U.S. High Grade													
Bloomberg U.S. Aggregate Index	3.17	89.9	4.92	41	8.5	6.2	-1.41	2.08	-1.68	3.33	-3.16	0.56	1.43
U.S. Treasury	2.62	89.8	4.46	-	7.8	6.0	-1.31	1.72	-1.59	2.29	-3.44	0.17	0.94
U.S. Mortgage Backed Securities	3.11	87.5	5.12	51	7.8	6.2	-1.63	2.14	-2.08	2.28	-3.34	-0.31	0.98
U.S. Asset Backed Securities	4.36	98.3	5.21	55	3.6	2.6	-0.28	2.10	0.18	5.15	0.28	1.80	1.76
U.S. Commercial Mortgage Backed Securities	3.17	90.8	5.44	102	4.9	4.3	-0.77	2.97	-0.06	4.61	-2.07	1.37	1.91
U.S. Corp. Investment Grade	4.11	91.6	5.41	96	10.7	6.9	-1.50	2.59	-1.67	5.97	-2.85	1.77	2.49
Bloomberg Municipal Bond Index	4.54	102.6	3.40	-	13.4	6.1	0.13	1.93	-0.38	5.42	-0.21	1.91	2.68
Bloomberg Taxable Municipal Bond Index	4.32	92.3	5.11	-	14.4	7.9	-1.12	3.72	-1.18	4.77	-3.21	1.63	3.28
ICE BofA US Inflation-Linked Treasury Index	0.88	92.4	1.98	-	7.7	5.7	-1.06	1.80	-0.69	2.35	-0.88	2.67	2.13
ICE BofA Preferred Index (Fixed Rate)	5.20	92.4	6.03	77	-	4.8	0.80	6.48	3.61	6.83	0.79	3.15	4.76
U.S. High Yield													
ICE BofA US High Yield Index	6.13	92.4	7.90	329	4.9	3.3	0.30	4.01	0.31	10.97	1.86	3.99	4.26
Morningstar LSTA U.S. Leveraged Loan Index	S+3.64	96.5	9.93	473	4.3	-	0.91	3.26	1.59	11.49	5.69	5.26	4.49
Emerging Markets													
J.P. Morgan EM Bond Index (EMBI) Global Diversified	5.37	85.0	8.06	368	-	6.6	0.98	4.68	-0.05	10.05	-2.39	0.58	2.98
J.P. Morgan Corp. EM Bond Index (CEMBI) Broad Diversified	4.93	92.4	6.84	245	-	4.3	0.71	4.41	1.30	8.99	-0.67	2.69	3.69
J.P. Morgan Govt. Bond Index-EM (GBI-EM) Global Diversified	5.34	-	6.19	-	-	5.0	-0.57	1.05	-2.09	9.26	-2.61	-0.13	-0.04
Global Developed Markets													
Bloomberg Global Aggregate Ex-U.S. Index	2.18	95.3	2.85	35	8.6	7.0	-1.18	0.86	-3.45	2.74	-7.37	-2.40	-1.41
FTSE World Government Bond Index	2.27	-	3.25	-	-	7.3	-1.30	1.24	-2.83	2.46	-6.91	-2.04	-0.87
ICE BofA U.K. Gilts Index	2.49	83.8	4.31	-	13.0	9.2	-1.88	1.90	-4.34	5.21	-11.49	-4.70	-2.23
ICE BofA European Union Government Bond Index	2.01	93.0	3.05	47	8.9	7.3	-1.54	1.08	-3.71	7.38	-8.85	-2.52	-1.49
ICE BofA Developed Mkts HY Ex-Sub Fincl Index (USD Hedged)	5.82	92.5	7.58	353	3.7	3.2	0.36	4.12	0.60	11.29	2.15	4.13	4.43

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It is not possible to invest directly in an index. Source: Bloomberg, J.P. Morgan, ICE BofA Data Indices, LLC, Factset, and Leveraged Commentary & Data (LCD), as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Yield to maturity is shown for the Morningstar LSTA U.S. Leveraged Loan Index and the FTSE World Government Bond Index. S+ refers to SOFR (Secured Overnight Financing Rate) as the base rate. Loan Index spread represents the three-year discounted spread over SOFR. Returns of the ICE BofA Developed Mkts HY Ex-Sub Financial Index are USD Hedged. The averages for the index are unhedged.

BONDS

Spread Analysis (bps)



	Aggregate	MBS	ABS	CMBS	Corporate	Preferred	Floating-Rate Loans	Emerging Markets (USD)	High Yield
Max Spread Date	3/20/2020	3/19/2020	3/26/2020	3/25/2020	3/23/2020	3/23/2020	3/20/2020	3/23/2020	3/23/2020
Min Spread Date	4/14/2021	4/14/2021	6/21/2021	6/21/2021	6/30/2021	12/6/2017	4/20/2018	6/9/2014	12/28/2021
Spread on 12/31/23	42	47	68	126	99	148	490	384	339
Spread on 12/31/22	51	51	76	120	130	227	645	452	479
Spread on 12/31/21	36	31	38	68	92	113	428	369	310

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BONDS

Corporate Bond Market Update

	Averages						Total Returns (%)						
	Coupon (%)	Price (\$)	Yield to Worst (%)	Spread (bps)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
U.S. High Grade													
Bloomberg U.S. Corp. Investment Grade Index	4.11	91.6	5.41	96	10.7	6.9	-1.50	2.59	-1.67	5.97	-2.85	1.77	2.49
AAA Index	3.16	82.9	4.83	38	18.3	10.6	-2.03	1.74	-3.10	3.00	-5.29	0.46	1.95
AA Index	3.45	88.3	4.97	48	12.6	7.9	-1.57	1.95	-2.18	4.22	-3.94	0.22	1.53
A Index	3.97	91.9	5.27	82	10.6	6.9	-1.53	2.41	-1.74	5.21	-3.10	1.41	2.23
BBB Index	4.37	91.9	5.63	118	10.4	6.7	-1.46	2.88	-1.49	7.01	-2.40	2.35	2.87
U.S. High Yield													
ICE BofA U.S. High Yield Index	6.13	92.4	7.90	329	4.9	3.3	0.30	4.01	0.31	10.97	1.86	3.99	4.26
BB Index	5.50	94.6	6.66	203	5.2	3.7	-0.24	3.08	-0.17	9.67	1.29	4.28	4.59
B Index	6.55	94.1	7.94	326	4.6	3.0	0.37	4.06	0.43	11.23	2.17	3.65	3.91
CCC Index	7.33	79.8	13.09	880	4.3	2.9	2.33	7.87	1.93	15.22	2.91	3.34	4.03
Morningstar LSTA U.S. Leveraged Loan Index	S+3.64	96.5	9.93	473	4.3	-	0.91	3.26	1.59	11.49	5.69	5.26	4.49
BBB Index	S+2.12	99.8	7.50	218	4.7	-	0.61	1.80	1.01	8.00	4.78	4.26	3.78
BB Index	S+2.91	99.4	8.42	312	4.5	-	0.67	2.43	1.19	9.18	5.37	4.47	4.05
B Index	S+3.91	98.2	9.84	459	4.3	-	0.89	3.40	1.57	12.48	6.04	5.64	4.77
CCC Index	S+4.79	81.4	19.01	1352	3.5	-	2.35	6.94	4.13	15.47	4.61	4.85	6.12
D Index	-	39.2	-	-	-	-	-3.03	-2.15	-3.76	-11.11	-23.98	-24.93	-17.75

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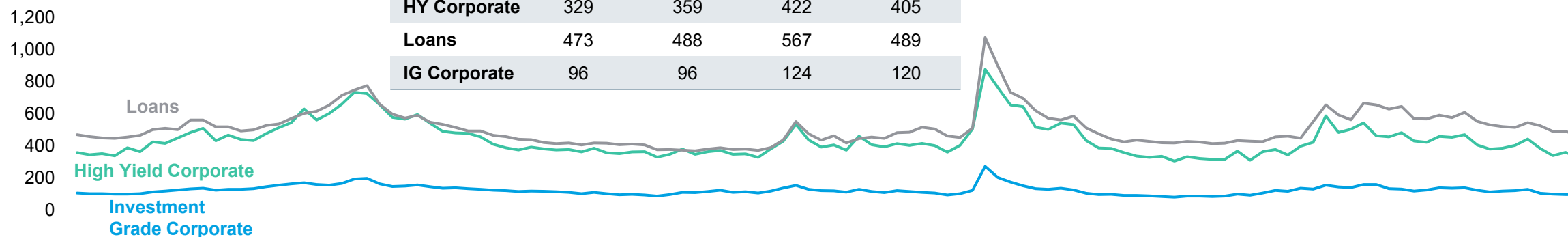
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BONDS

Corporate Bond Market Update

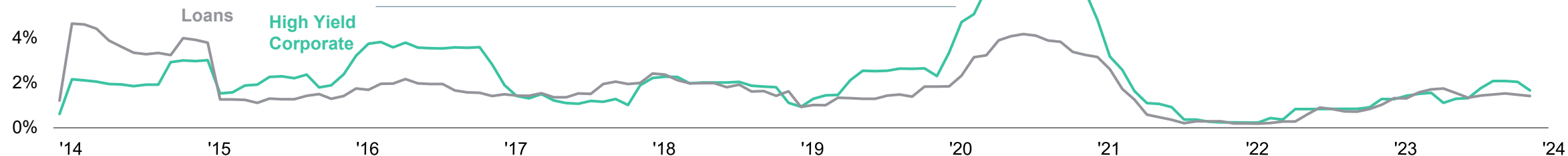
Average Spread (bps)

	Current	1-Mo. Ago	12-Mo. Ago	Median
HY Corporate	329	359	422	405
Loans	473	488	567	489
IG Corporate	96	96	124	120



Annual Default Rate

	Current	1-Mo. Ago	12-Mo. Ago	Median
HY Corporate	1.66	2.04	1.28	1.93
Loans	1.41	1.47	1.02	1.54



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BONDS

Municipal Bond Market Update

	Averages					Total Returns (%)						
	Coupon (%)	Price (\$)	Yield To Worst (%)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
Bloomberg Municipal Bond Index	4.54	102.6	3.40	13.4	6.1	0.13	1.93	-0.38	5.42	-0.21	1.91	2.68
AAA Index	4.46	103.7	3.22	12.9	6.4	-0.03	1.51	-0.68	4.81	-0.47	1.57	2.10
AA Index	4.57	103.8	3.24	12.9	5.9	0.09	1.82	-0.42	5.03	-0.28	1.75	2.45
A Index	4.53	100.4	3.71	13.9	6.0	0.27	2.37	-0.14	6.28	0.09	2.27	3.13
BBB Index	4.49	96.1	4.33	17.1	7.3	0.37	2.46	-0.14	7.48	0.13	2.69	3.92
5-Year Index	4.69	106.1	2.94	5.0	3.6	0.06	1.27	-0.25	4.00	-0.12	1.41	1.66
10-Year Index	4.55	106.8	2.94	10.0	5.3	0.05	1.86	-0.45	4.63	0.15	2.14	2.85
22+ Year Index	4.50	97.5	4.15	26.6	10.1	0.15	2.68	-0.74	7.23	-1.37	1.82	3.38
Bloomberg High Yield Municipal Bond Index	4.64	65.5	5.57	19.7	7.1	0.79	3.33	0.32	8.30	0.52	3.31	4.48
Hospital	5.29	84.4	6.52	20.6	6.9	0.75	3.15	0.06	5.11	-1.18	1.03	3.80
IDR/PCR	4.26	39.2	5.73	19.6	6.9	1.08	4.36	0.63	8.38	0.32	3.75	6.00
Tobacco	2.38	18.9	6.08	28.7	9.8	0.29	4.16	-1.29	10.25	-0.47	4.82	7.61
Puerto Rico	3.64	56.7	4.63	19.4	7.2	1.44	4.82	1.62	14.45	2.48	6.75	4.21

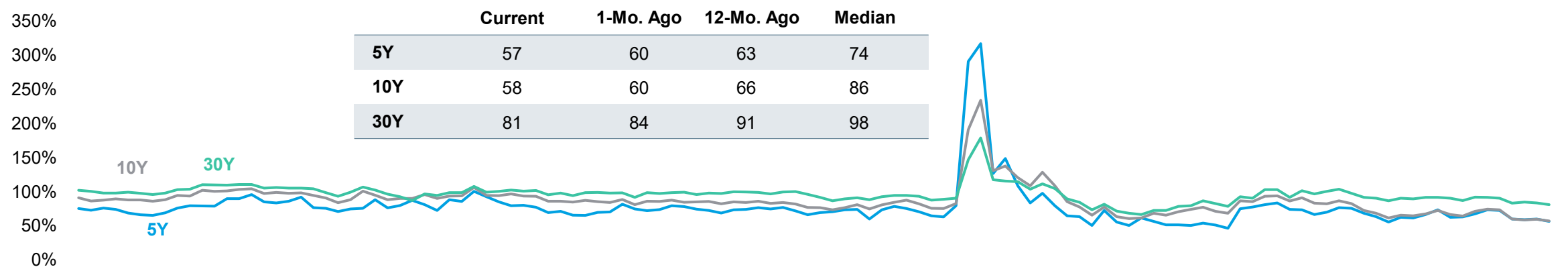
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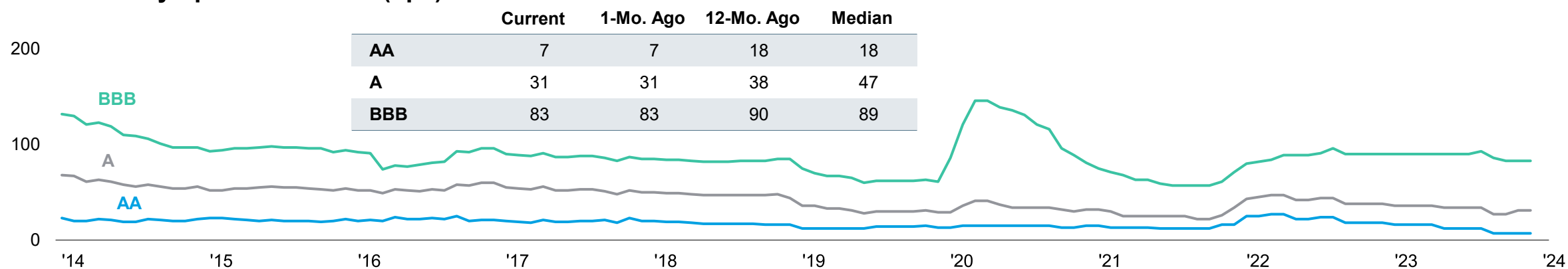
BONDS

Municipal Bond Market Update

AAA Muni-to-Treasury Yield Ratios



Credit Quality Spreads vs. AAA (bps)



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BONDS

Emerging Markets Bond Market Update

Sovereign EMD Spreads (USD)

bps



	Avg. Spread (bps)
Current	368
1-Mo. Ago	401
12-Mo. Ago	447
Median	359

Corporate EMD Spreads (USD)

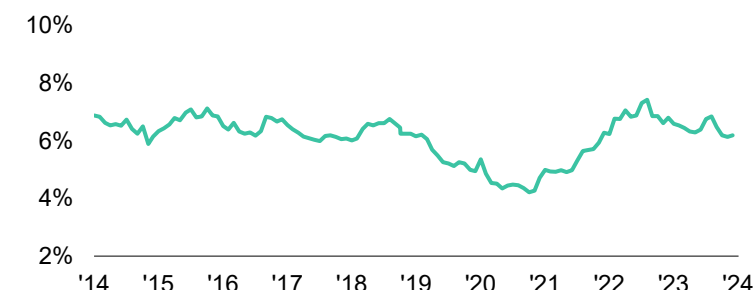
bps



	Avg. Spread (bps)
Current	245
1-Mo. Ago	275
12-Mo. Ago	296
Median	302

Local EMD Yields (%)

bps



	Avg. Yield (%)
Current	6.19
1-Mo. Ago	6.14
12-Mo. Ago	6.81
Median	6.29

Averages

	Coupon (%)	Price (\$)	Yield (%)	Duration
JPMorgan Emerging Markets Bond Index (EMBI) Global Diversified	5.37	85.0	8.06	6.6
JPMorgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified	4.93	92.4	6.84	4.3
JPMorgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified	5.34	-	6.19	5.0

Total Returns (%)

	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
JPMorgan Emerging Markets Bond Index (EMBI) Global Diversified	0.98	4.68	-0.05	10.05	-2.39	0.58	2.98
JPMorgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified	0.71	4.41	1.30	8.99	-0.67	2.69	3.69
JPMorgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified	-0.57	1.05	-2.09	9.26	-2.61	-0.13	-0.04

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BONDS

Asset Class Return Analysis (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
Higher	Municipal 9.05	Municipal 3.30	High Yield 17.49	EMD (Local Currency) 15.21	Municipal 1.28	Investment Grade 14.54	Global Agg Ex-U.S. 10.11	High Yield 5.36	Bank Loan -0.77	High Yield 13.46	Bank Loan 1.59
	Investment Grade 7.46	MBS 1.51	EMD (Hard Currency) 10.19	Global Agg Ex-U.S. 10.51	MBS 0.99	EMD (Hard Currency) 14.42	Investment Grade 9.89	Bank Loan 5.20	Municipal -8.53	Bank Loan 13.32	EMD (Corp. Bonds) 1.30
	MBS 6.08	EMD (Corp. Bonds) 1.30	Bank Loan 10.16	EMD (Hard Currency) 9.32	Treasury 0.86	High Yield 14.41	Treasury 8.00	Municipal 1.52	High Yield -11.22	EMD (Local Currency) 12.70	High Yield 0.31
	EMD (Hard Currency) 5.53	EMD (Hard Currency) 1.23	EMD (Local Currency) 9.94	EMD (Corp. Bonds) 7.96	Bank Loan 0.44	EMD (Local Currency) 13.47	EMD (Corp. Bonds) 7.13	EMD (Corp. Bonds) 0.91	EMD (Local Currency) -11.69	EMD (Hard Currency) 10.45	Municipal -0.38
	Treasury 5.05	Treasury 0.84	EMD (Corp. Bonds) 9.65	High Yield 7.48	EMD (Corp. Bonds) -1.65	EMD (Corp. Bonds) 13.09	High Yield 6.17	Investment Grade -1.04	MBS -11.81	EMD (Corp. Bonds) 9.08	EMD (Hard Currency) -0.50
	EMD (Corp. Bonds) 4.96	Investment Grade -0.68	Investment Grade 6.11	Investment Grade 6.42	Global Agg Ex-U.S. -2.15	Bank Loan 8.64	EMD (Hard Currency) 5.88	MBS -1.04	EMD (Corp. Bonds) -12.26	Investment Grade 8.52	Treasury -1.59
	High Yield 2.50	Bank Loan -0.69	MBS 1.67	Municipal 5.45	High Yield -2.26	Municipal 7.54	Municipal 5.21	EMD (Hard Currency) -1.51	Treasury -12.46	Municipal 6.40	Investment Grade -1.67
	Bank Loan 1.60	High Yield -4.64	Global Agg Ex-U.S. 1.49	Bank Loan 4.12	Investment Grade -2.51	Treasury 6.86	MBS 3.87	Treasury -2.32	Investment Grade -15.76	Global Agg Ex-U.S. 5.72	MBS -2.08
	Global Agg Ex-U.S. -3.08	Global Agg Ex-U.S. -6.02	Treasury 1.04	MBS 2.47	EMD (Hard Currency) -4.61	MBS 6.35	Bank Loan 3.12	Global Agg Ex-U.S. -7.05	EMD (Hard Currency) -16.45	MBS 5.05	EMD (Local Currency) -2.09
Lower	EMD (Local Currency) -5.72	EMD (Local Currency) -14.92	Municipal 0.25	Treasury 2.31	EMD (Local Currency) -6.21	Global Agg Ex-U.S. 5.09	EMD (Local Currency) 2.69	EMD (Local Currency) -8.75	Global Agg Ex-U.S. -18.70	Treasury 4.05	Global Agg Ex-U.S. -3.45

Past performance is no guarantee of future results. It is not possible to invest directly in an index. In general, fixed income investments are subject to credit and interest rate risks. High yield investments may have a higher degree of credit and liquidity risk. Foreign securities are subject to currency, political, economic and market risks. Investors should carefully review the risks of each asset class prior to investing. Source: Morningstar as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Investment Grade represented by Bloomberg U.S. Corporate Index. MBS represented by Bloomberg U.S. Mortgage Backed Securities (MBS) Index. Treasury represented by Bloomberg U.S. Treasury Index. High Yield represented by ICE BofA US High Yield Index. Municipal represented by Bloomberg Municipal Bond Index. Bank Loan represented by Morningstar LSTA U.S. Leveraged Loan Index. Global Agg Ex-U.S. represented by Bloomberg Global Aggregate Ex-USD Index. EMD (Local Currency) represented by J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified. EMD (Hard Currency) represented by J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified. EMD (Corp. Bonds) represented by J.P. Morgan Corporate Emerging Market Bond Index (CEMBI) Broad Diversified.

EQUITIES

Performance: Market Barometer (%)

1-Month Returns

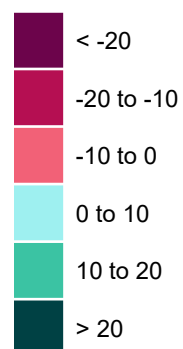
	Value	Core	Growth
Large Cap	3.69	5.40	6.82
Mid Cap	4.78	5.59	7.52
Small Cap	3.27	5.65	8.12

1-Year Returns

	Value	Core	Growth
Large Cap	14.01	29.81	45.93
Mid Cap	10.87	15.46	25.03
Small Cap	5.61	10.05	14.18

3-Year Returns

	Value	Core	Growth
Large Cap	8.41	10.66	12.49
Mid Cap	6.80	5.51	3.13
Small Cap	2.49	-0.94	-4.59



Global	U.S.
4.29	5.34
International	Emerging Markets
1.83	4.76

Global	U.S.
23.15	30.45
International	Emerging Markets
14.41	8.73

Global	U.S.
6.79	11.91
International	Emerging Markets
4.45	-6.30

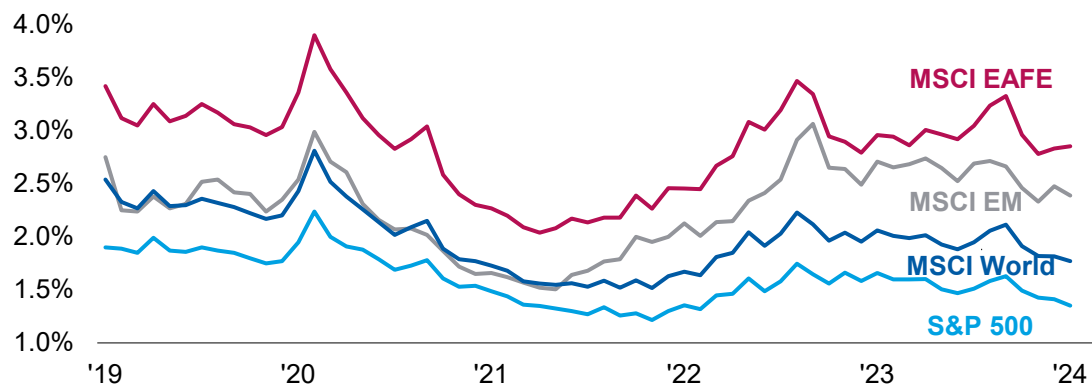
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It is not possible to invest directly in an index. Source: Morningstar as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Returns over 1 year are annualized. Large Cap Value represented by Russell 1000 Value Index. Large Cap Core represented by Russell 1000 Index. Large Cap Growth represented by Russell 1000 Growth Index. Mid Cap Value represented by Russell Mid Cap Value Index. Mid Cap Core represented by Russell Mid Cap Index. Mid Cap Growth represented by Russell Mid Cap Growth Index. Small Cap Value represented by Russell 2000 Value Index. Small Cap Core represented by Russell 2000 Index. Small Cap Growth represented by Russell 2000 Growth Index. Global represented by MSCI ACWI Index. US represented by S&P 500 Index. International represented by MSCI EAFE Index. Emerging Markets represented by MSCI Emerging Markets Index.

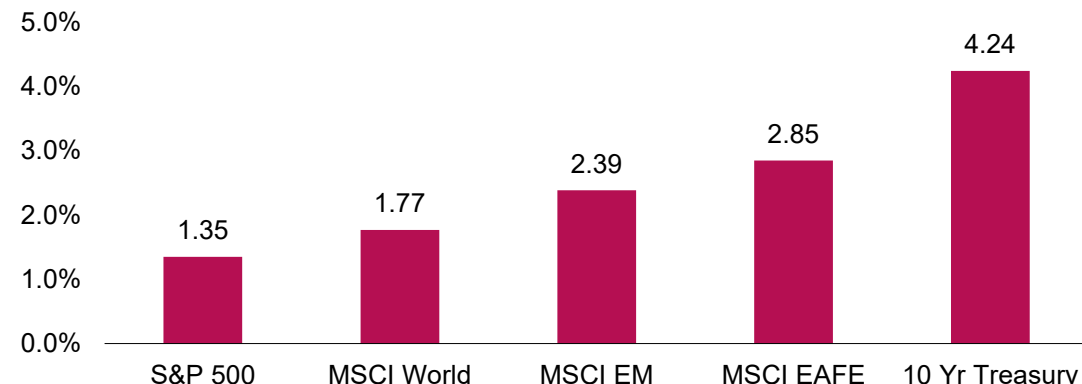
EQUITIES

Dividend Yields and Volatility Analysis

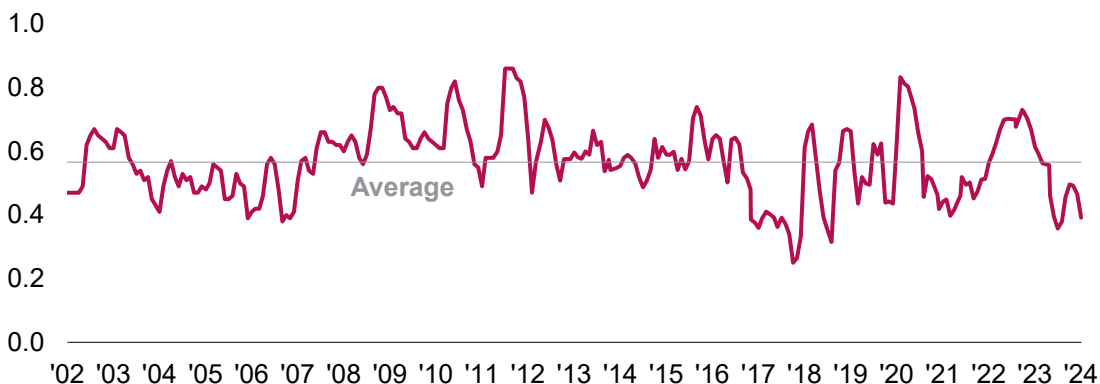
Historical Yields



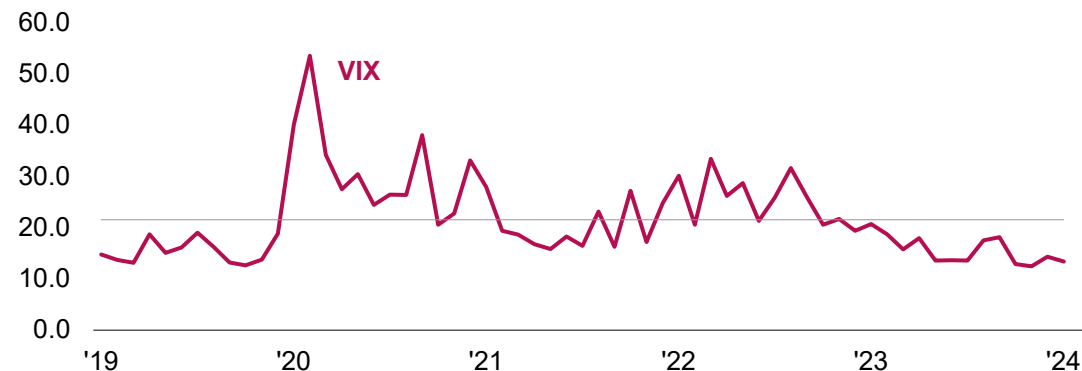
Current Yields



Correlation of S&P 500 Stocks



CBOE Market Volatility Index (VIX)



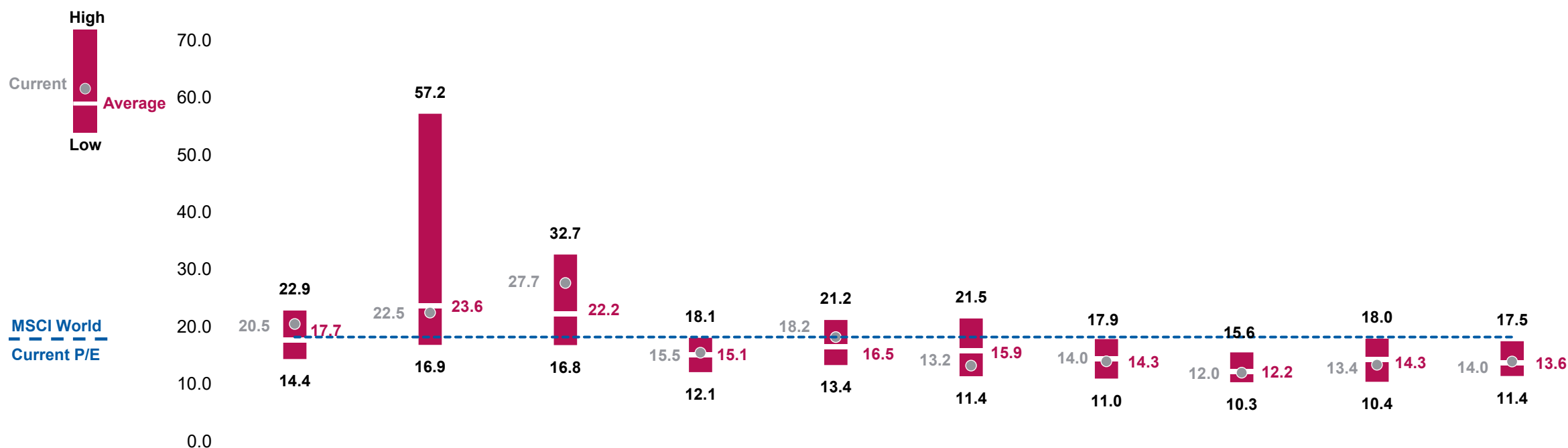
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It is not possible to invest directly in an index. Source: FactSet and Ned Davis Research as of 2/29/24. Correlation of S&P 500 Stocks is measured by the median 63-day rolling correlation of one day returns data provided is for informational use only. See end of report for important additional information.

EQUITIES

Valuation Analysis

Regions/Styles: Current NTM P/E vs. 10-Year High, Low, Average



	S&P 500	Russell 2000	Russell 1000 Growth	Russell 1000 Value	MSCI World	MSCI World ex USA Small Cap	MSCI EAFE	MSCI EM	MSCI Europe	MSCI AC Asia Pac
High Date	8/20	6/20	8/20	3/21	8/20	8/20	8/20	1/21	6/20	1/21
Low Date	12/18	9/22	2/16	9/22	12/18	9/22	9/22	10/18	9/22	12/18

Source: FactSet as of 2/29/24. NTM P/E is market price per share divided by expected earnings per share over the next twelve months. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

EQUITIES

Valuation Analysis

S&P 500 Sectors: Current NTM P/E vs. 10-Year High, Low, Average

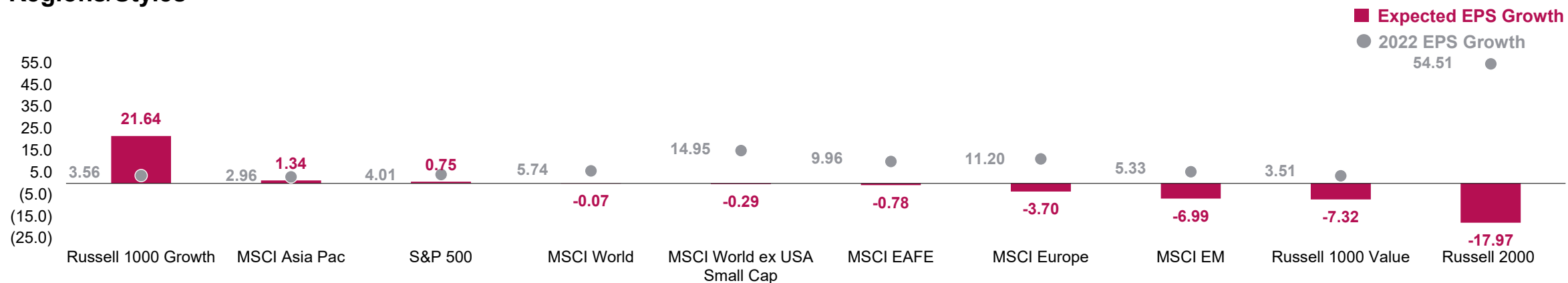


Source: FactSet as of 2/29/24. NTM P/E is market price per share divided by expected earnings per share over the next twelve months. The Real Estate sector is excluded from this 10-year chart since the sector was created on August 31, 2016. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

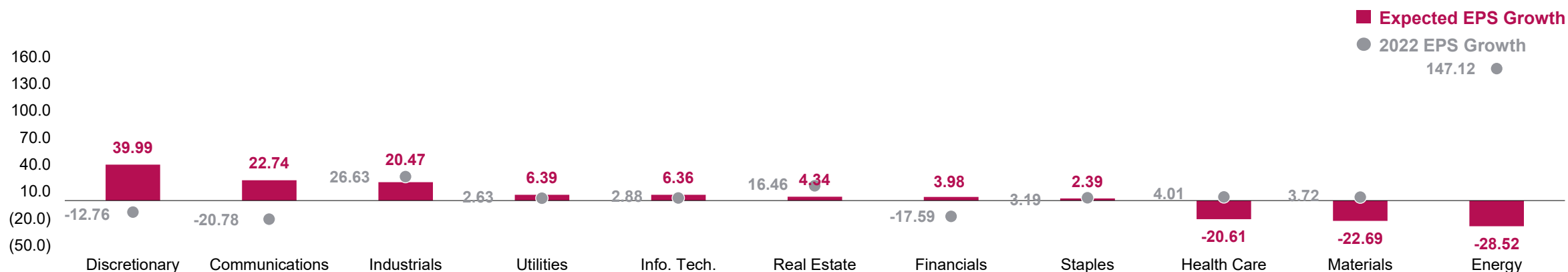
EQUITIES

Corporate Earnings Growth

Regions/Styles



S&P 500 Sectors

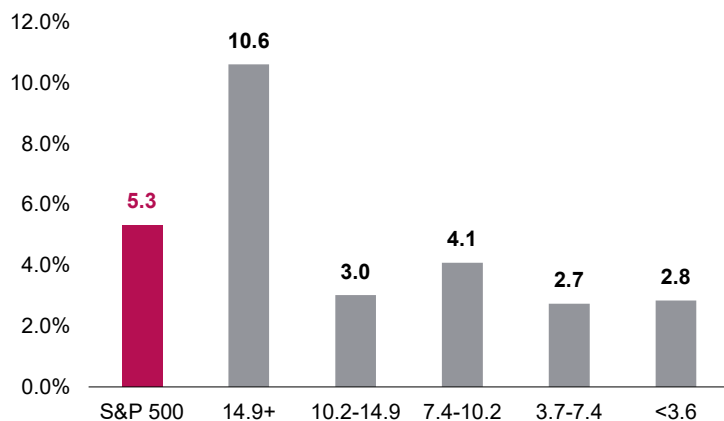


Source: FactSet as of 2/29/24. Expected EPS Growth is defined as the expected % change in the EPS growth from the beginning of the current calendar year through the end of the calendar year. 2022 EPS Growth is defined as the % change in EPS from the beginning of the year through the end of the year. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

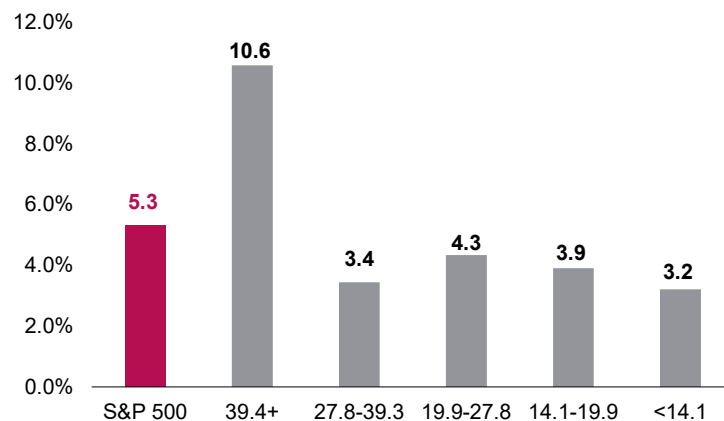
EQUITIES

S&P 500 Index: 1-Month Return Analysis

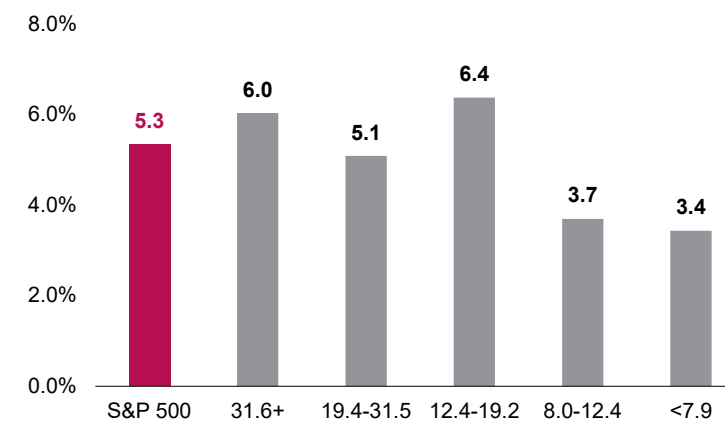
3-5 Year Earnings Growth



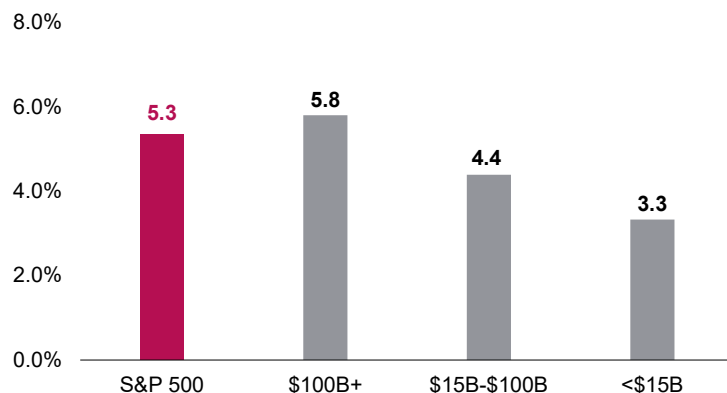
Trailing 12 Month P/E



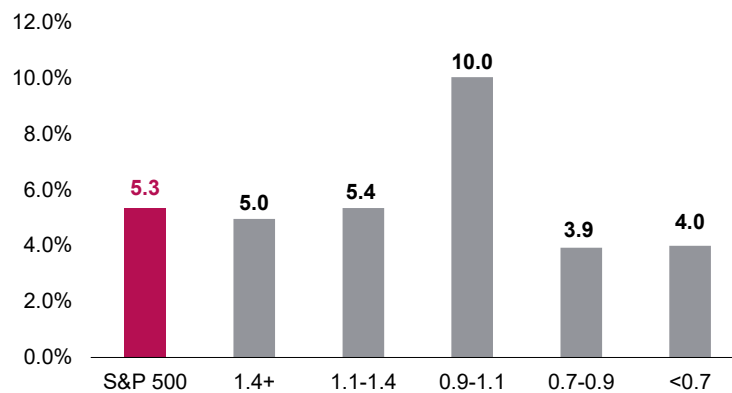
Return On Equity



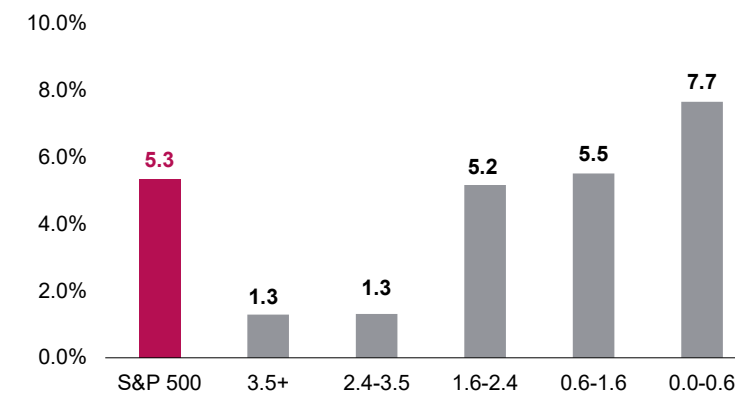
Market Cap



Beta



Dividend Yield



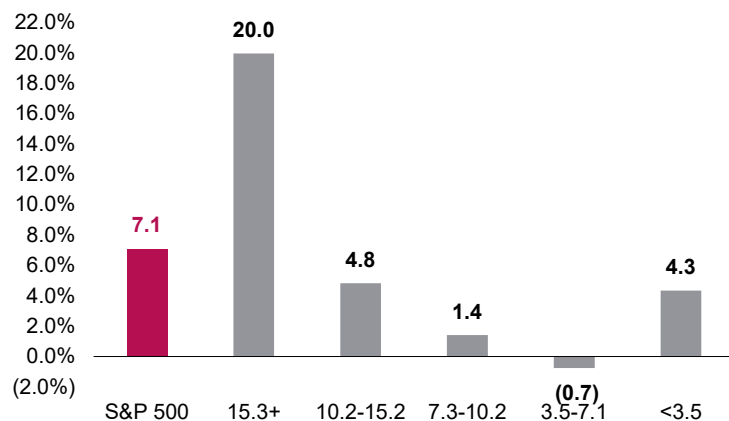
Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: FactSet as of 2/29/24. Data provided is for informational use only. See end of report for important additional information.

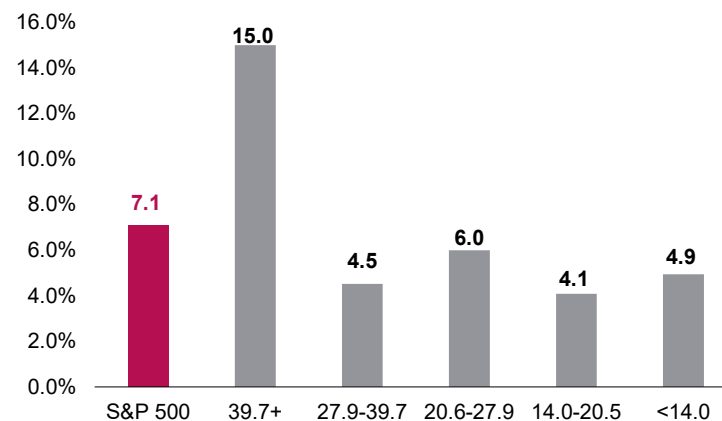
EQUITIES

S&P 500 Index: YTD Analysis

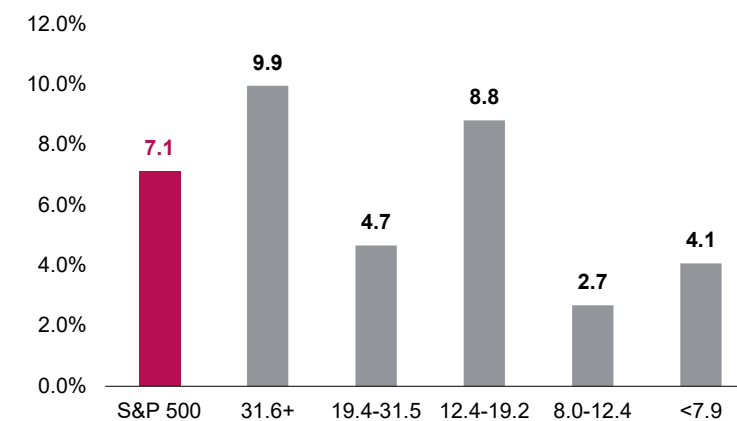
3-5 Year Earnings Growth



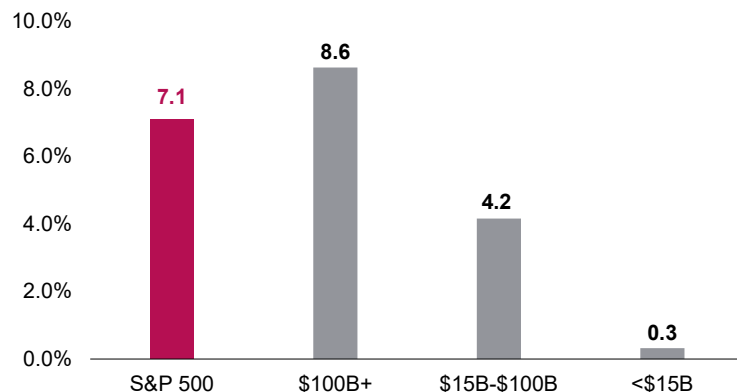
Trailing 12 Month P/E



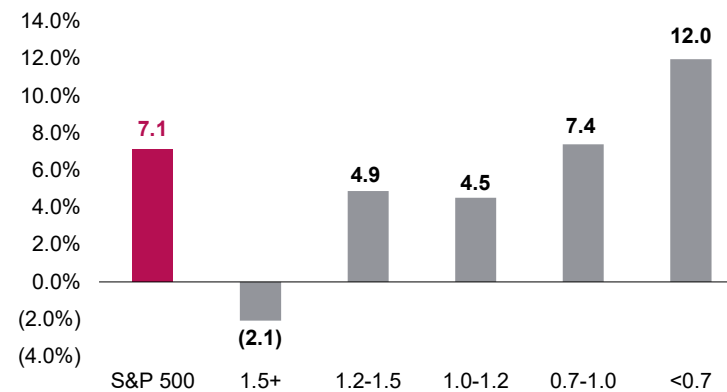
Return On Equity



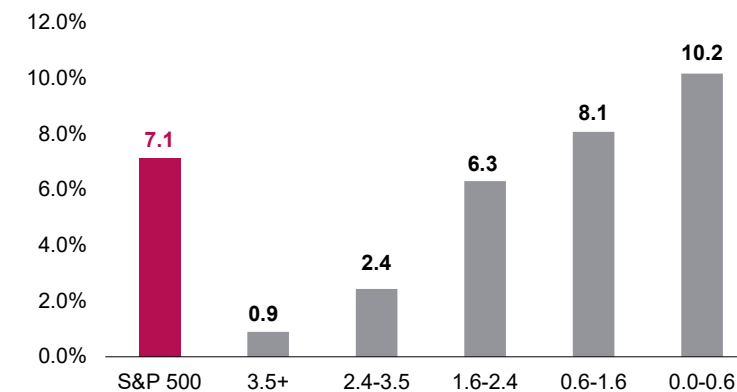
Market Cap



Beta



Dividend Yield



Past performance is no guarantee of future results.

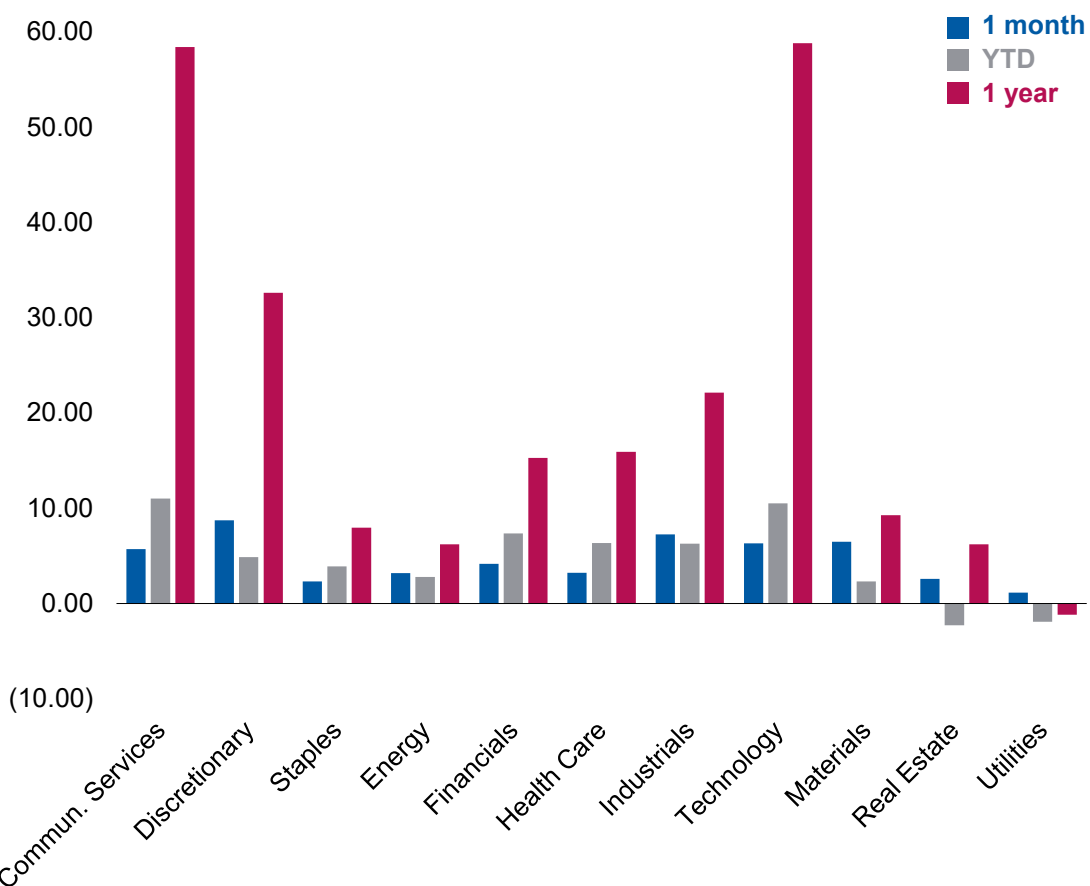
It is not possible to invest directly in an index. Source: FactSet as of 2/29/24. Data provided is for informational use only. See end of report for important additional information.

EQUITIES

Index Sectors: Return Analysis

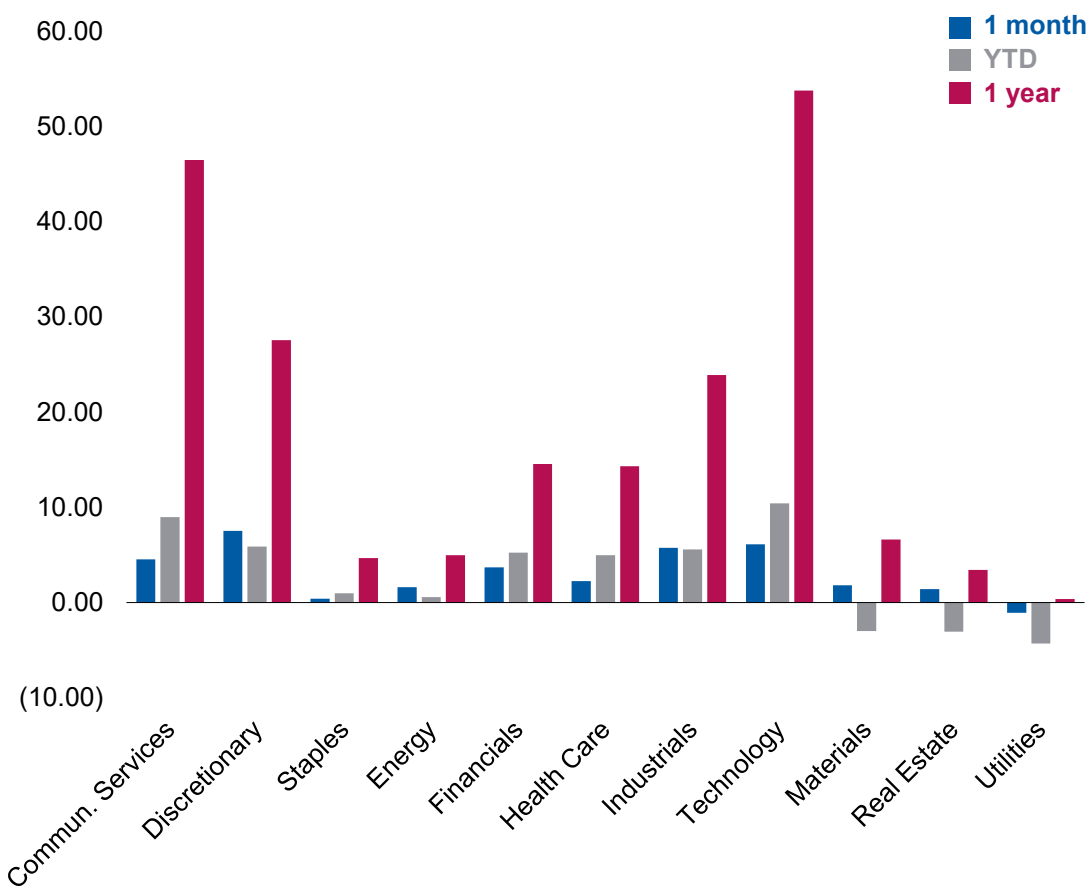
S&P 500

Return %



MSCI World

Return %



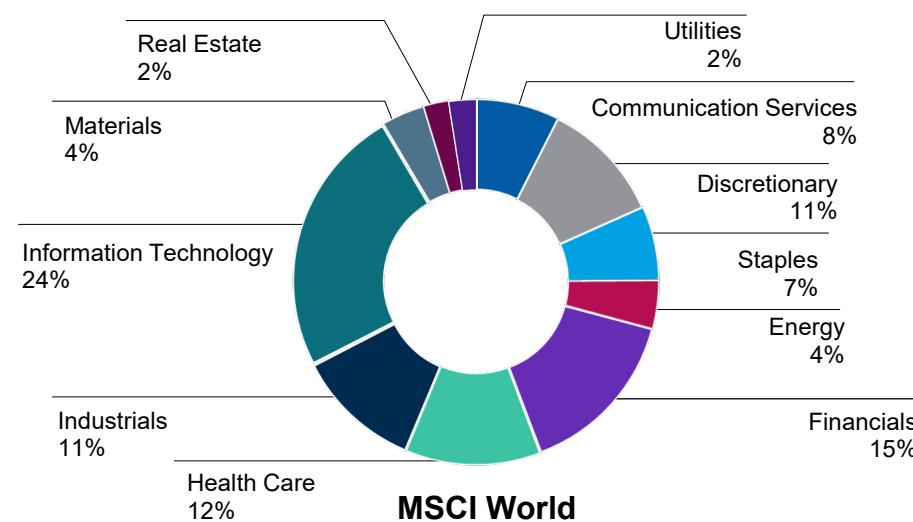
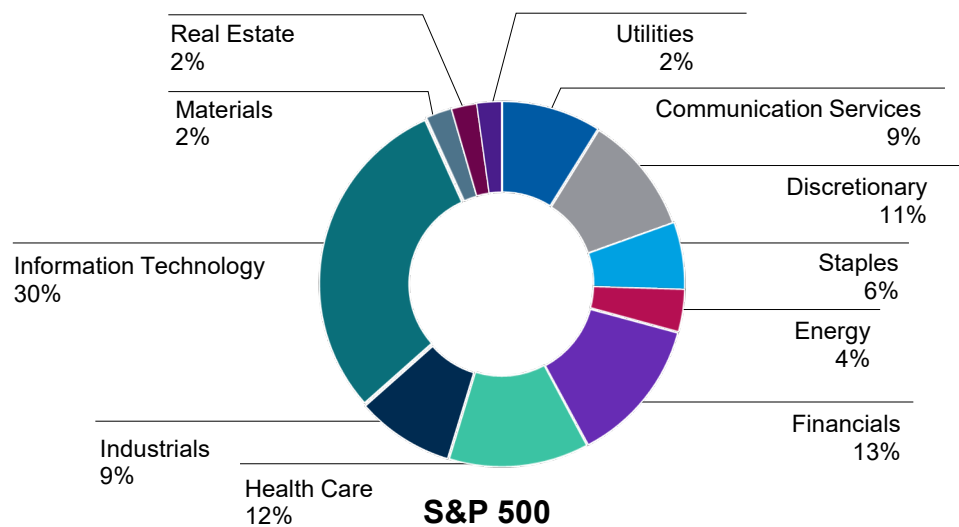
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EQUITIES

Current Characteristics and Sector Weights

	S&P 500	R2000	R1000G	R1000V	MSCI World	MSCI World ex USA Small Cap	MSCI EAFE	MSCI EM	MSCI Europe	MSCI Asia Pac
Number of Holdings	503	1947	443	846	1479	2384	782	1440	424	1537
Maximum Market Cap	\$3,073.53B	\$48.44B	\$3,073.53B	\$885.02B	\$2,919.59B	\$10.17B	\$388.34B	\$537.76B	\$388.34B	\$537.76B
Minimum Market Cap	\$5.84B	\$0.03B	\$0.60B	\$0.36B	\$1.36B	\$0.00B	\$1.36B	\$0.10B	\$1.36B	\$0.10B
Dividend Yield	1.35	1.35	0.64	2.18	1.77	2.85	2.85	2.39	2.97	2.33
NTM PE	20.49	22.50	27.67	15.48	18.23	13.23	13.99	12.00	13.40	13.96
Price to Book	4.57	2.06	12.53	2.43	3.20	1.32	1.82	1.65	2.01	1.60
Price to Cash Flow	15.44	12.20	24.53	10.49	13.51	9.17	10.34	7.39	9.30	10.03
Price to Sales	2.72	1.25	4.66	1.68	2.13	0.84	1.34	1.27	1.35	1.29
Est 3-5 Yr EPS Growth	13.86	12.89	17.37	9.06	12.83	12.16	10.28	16.75	10.78	14.02
5Yr. Div Growth Rate	4.44	6.25	5.35	1.12	2.59	4.88	0.52	2.71	-0.26	0.94



Source: FactSet as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass.

EQUITIES

Asset Class Return Analysis (%)

	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y	2023	2022	2021	2020	2019	
U.S. Equities	S&P 500	5.34	11.98	7.11	30.45	11.91	14.76	12.70	26.29	-18.11	28.71	18.40	31.49
	Russell 1000 Defensive	3.06	8.15	5.14	26.04	10.57	12.50	11.84	20.23	-16.43	26.93	13.93	30.47
	Russell 1000 Dynamic	7.78	16.32	8.61	33.80	10.77	16.12	12.76	33.34	-21.94	25.57	27.69	32.35
	Russell 2500	5.44	13.69	2.68	12.25	2.15	8.84	8.36	17.42	-18.37	18.18	19.99	27.77
	Russell 1000 Growth	6.82	14.34	9.49	45.93	12.49	18.77	15.66	42.68	-29.14	27.60	38.49	36.39
	Russell 1000 Value	3.69	9.55	3.80	14.01	8.41	9.38	8.74	11.46	-7.54	25.16	2.80	26.54
	Russell Mid Cap	5.59	12.13	4.08	15.46	5.51	10.35	9.45	17.23	-17.32	22.58	17.10	30.54
	Russell 2000	5.65	13.95	1.54	10.05	-0.94	6.89	7.13	16.93	-20.44	14.82	19.96	25.52
CBOE S&P 500 Buywrite BXM	1.93	5.75	3.73	11.51	6.99	5.84	5.74	11.82	-11.37	20.47	-2.75	15.68	
Global Equities	MSCI World	4.24	10.67	5.49	24.96	8.64	11.66	9.06	23.79	-18.14	21.82	15.90	27.67
	MSCI EAFE	1.83	7.86	2.42	14.41	4.45	6.77	4.39	18.24	-14.45	11.26	7.82	22.01
	MSCI EM	4.76	3.80	-0.11	8.73	-6.30	1.89	3.01	9.83	-20.09	-2.54	18.31	18.44
	MSCI AC Asia Pac	3.97	6.89	2.23	12.19	-3.52	4.15	4.75	11.45	-17.22	-1.46	19.71	19.36
	MSCI ACWI	4.29	9.94	4.90	23.15	6.79	10.51	8.37	22.20	-18.36	18.54	16.25	26.60
	MSCI Europe	1.56	6.51	1.44	12.60	5.97	7.30	3.95	19.89	-15.06	16.30	5.38	23.77
	MSCI World Small Cap	3.34	10.14	0.48	8.66	0.69	6.94	6.49	15.76	-18.76	15.75	15.96	26.19
	MSCI World Ex USA Small Cap	0.29	5.63	-1.42	5.72	-1.53	4.54	4.08	12.62	-20.59	11.14	12.78	25.41
	FTSE 100	-0.22	2.92	-1.59	5.33	6.02	4.33	2.18	14.38	-7.01	17.36	-8.73	22.03
	FTSE All Small	-0.90	4.85	-2.72	4.65	-1.28	4.93	3.36	12.57	-23.06	22.15	10.77	22.63
	STOXX Europe 600	1.60	6.56	1.36	12.44	5.46	7.36	4.05	19.87	-16.14	16.09	6.83	24.53
Nikkei 225 Average	5.46	15.73	10.29	32.06	0.32	8.08	7.69	22.05	-19.49	-4.69	23.99	21.35	
Sectors	S&P 500 Comm. Services	5.70	16.34	11.01	58.44	6.44	13.25	9.41	55.80	-39.89	21.57	23.61	32.69
	S&P 500 Cons Disc	8.71	11.27	4.87	32.62	5.56	12.42	12.23	42.41	-37.03	24.43	33.30	27.94
	S&P 500 Cons Staples	2.32	6.66	3.89	7.96	9.61	10.09	9.14	0.52	-0.62	18.63	10.75	27.61
	S&P 500 Energy	3.18	2.77	2.79	6.21	26.86	11.07	3.93	-1.33	65.72	54.64	-33.68	11.81
	S&P 500 Financials	4.16	13.13	7.33	15.28	9.88	11.12	10.90	12.15	-10.53	35.04	-1.69	32.13
	S&P 500 Health Care	3.22	10.90	6.32	15.92	10.56	11.64	11.27	2.06	-1.95	26.13	13.45	20.82
	S&P 500 Industrials	7.23	13.74	6.29	22.15	12.01	11.74	10.76	18.13	-5.48	21.12	11.06	29.37
	S&P 500 Info Tech	6.31	14.74	10.51	58.85	18.89	26.09	21.76	57.84	-28.19	34.53	43.89	50.29
	S&P 500 Materials	6.46	6.96	2.30	9.25	8.24	12.16	8.63	12.55	-12.27	27.28	20.73	24.58
	S&P 500 Real Estate	2.58	6.22	-2.28	6.19	5.12	5.96	7.87	12.36	-26.13	46.19	-2.17	29.01
	S&P 500 Utilities	1.12	-0.05	-1.93	-1.19	5.40	5.12	8.02	-7.08	1.57	17.67	0.48	26.35

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EQUITIES

Asset Class Return Analysis (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
Higher	S&P 500 13.69	Growth 5.67	Small-Cap 21.31	Emerging Markets 37.28	Growth -1.51	Growth 36.39	Growth 38.49	S&P 500 28.71	Value -7.54	Growth 42.68	Growth 9.49
	Value 13.45	International Small-Cap 5.46	Value 17.34	International Small-Cap 31.04	S&P 500 -4.38	S&P 500 31.49	Small-Cap 19.96	Growth 27.60	International -14.45	S&P 500 26.29	S&P 500 7.11
	Mid-Cap 13.22	S&P 500 1.38	Mid-Cap 13.80	Growth 30.21	Value -8.27	Mid-Cap 30.54	S&P 500 18.40	Value 25.16	Mid-Cap -17.32	Global 22.20	Global 4.90
	Growth 13.05	International -0.81	S&P 500 11.96	International 25.03	Mid-Cap -9.06	Global 26.60	Emerging Markets 18.31	Mid-Cap 22.58	S&P 500 -18.11	International 18.24	Mid-Cap 4.08
	Small-Cap 4.89	Global -2.36	Emerging Markets 11.19	Global 23.97	Global -9.42	Value 26.54	Mid-Cap 17.10	Global 18.54	Global -18.36	Mid-Cap 17.23	Value 3.80
	Global 4.16	Mid-Cap -2.44	Global 7.86	S&P 500 21.83	Small-Cap -11.01	Small-Cap 25.52	Global 16.25	Small-Cap 14.82	Emerging Markets -20.09	Small-Cap 16.93	International 2.42
	Emerging Markets -2.19	Value -3.83	Growth 7.08	Mid-Cap 18.52	International -13.79	International Small-Cap 25.41	International Small-Cap 12.78	International 11.26	Small-Cap -20.44	International Small-Cap 12.62	Small-Cap 1.54
	International -4.90	Small-Cap -4.41	International Small-Cap 4.32	Small-Cap 14.65	Emerging Markets -14.58	International 22.01	International 7.82	International Small-Cap 11.14	International Small-Cap -20.59	Value 11.46	Emerging Markets -0.11
Lower	International Small-Cap -5.34	Emerging Markets -14.92	International 1.00	Value 13.66	International Small-Cap -18.07	Emerging Markets 18.42	Value 2.80	Emerging Markets -2.54	Growth -29.14	Emerging Markets 9.83	International Small-Cap -1.42

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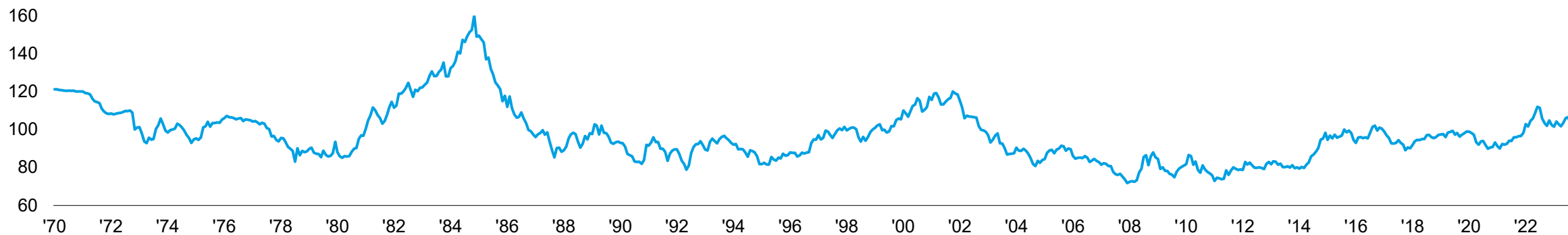
It is not possible to invest directly in an index. In general, Foreign securities are subject to currency, political, economic and market risks. The risks of investing in emerging market countries are greater than investments in foreign developed countries. Investors should carefully review the risks of each asset class prior to investing. Source: Morningstar as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Small-Cap represented by Russell 2000 Index. Emerging Markets represented by MSCI Emerging Markets Index. Value represented by Russell 1000 Value Index. Mid-Cap represented by Russell Midcap Index. Global represented by MSCI ACWI Index. Growth represented by Russell 1000 Growth Index. International represented by MSCI EAFE Index. International Small-Cap represented by MSCI World Ex USA Small Cap Index.

ALTERNATIVES

Developed Market Currency Performance and Yields

Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
U.S. Dollar (USD)	-	-	-	-	-	0.38	2.08	-2.00	3.90	1.02	4.70
Euro (EUR) *	-0.38	-2.04	2.04	-3.75	-1.01	-	-	-	-	-	3.12
British Pound (GBP)	-0.67	-0.77	4.49	-3.28	-1.00	-0.29	1.29	2.39	0.49	0.01	4.77
Japanese Yen (JPY)	-2.34	-5.81	-8.99	-10.71	-5.75	-1.97	-3.85	-10.81	-7.23	-4.78	0.17
Australian Dollar (AUD)	-1.50	-4.57	-3.44	-5.61	-1.76	-1.12	-2.59	-5.37	-1.92	-0.75	4.06
Canadian Dollar (CAD)	-1.50	-2.78	0.38	-2.27	-0.59	-1.12	-0.76	-1.63	1.54	0.43	4.64
New Zealand Dollar (NZD)	-1.02	-3.77	-1.66	-5.72	-2.22	-0.65	-1.77	-3.63	-2.05	-1.22	5.06
Norwegian Krone (NOK)	-1.35	-4.18	-2.38	-6.69	-4.21	-0.97	-2.19	-4.34	-3.05	-3.23	4.41
Swedish Krona (SEK)	-0.15	-2.61	0.78	-6.71	-2.26	0.23	-0.58	-1.23	-3.07	-1.26	3.56
Danish Krone (DKK)	-0.38	-2.03	1.88	-3.83	-1.00	-0.01	0.01	-0.16	-0.08	0.02	3.32
Swiss Franc (CHF)	-2.58	-4.42	6.44	0.93	2.50	-2.21	-2.43	4.31	4.87	3.55	1.02

U.S. Dollar Index



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ALTERNATIVES

Emerging Market Currency Performance and Yields

Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
Asia, excluding Japan											
Chinese Renminbi (CNY)	-0.19	-1.40	-3.53	-3.52	-1.45	0.19	0.65	-5.46	0.24	-0.44	1.73
Malaysian Ringgit (MYR)	-0.33	-3.17	-5.44	-5.17	-3.04	0.05	-1.16	-7.33	-1.47	-2.05	3.27
Indian Rupee (INR)	0.15	0.36	-0.30	-3.95	-3.02	0.53	2.45	-2.29	-0.20	-2.03	7.02
Indonesian Rupiah (IDR)	0.41	-2.02	-2.96	-3.23	-2.19	0.79	0.01	-4.90	0.54	-1.19	6.32
Philippine Peso (PHP)	0.14	-1.49	-1.54	-4.79	-1.65	0.52	0.55	-3.51	-1.07	-0.65	6.09
Singapore Dollar (SGD)	-0.61	-1.90	0.12	-0.37	0.10	-0.24	0.14	-1.89	3.52	1.12	3.43
South Korean Won (KRW)	0.23	-3.28	-0.63	-5.51	-3.32	0.61	-1.27	-2.62	-1.82	-2.33	3.42
Taiwanese Dollar (TWD)	-0.98	-2.91	-3.61	-4.13	-0.53	-0.61	-0.89	-5.54	-0.39	0.49	1.08
Thai Baht (THB)	-1.08	-4.83	-1.46	-5.64	-2.55	-0.71	-2.85	-3.43	-1.96	-1.56	2.12
Latin America											
Brazilian Real (BRL)	-0.55	-2.24	5.07	3.90	-5.47	-0.18	-0.20	2.97	7.95	-4.50	9.76
Chilean Peso (CLP)	-3.62	-9.69	-13.93	-9.23	-7.50	-3.25	-7.82	-15.65	-5.69	-6.55	5.41
Colombian Peso (COP)	-0.39	-1.34	23.31	-2.71	-4.75	-0.02	0.71	20.84	1.09	-3.77	8.30
Mexican Peso (MXN)	0.64	-0.77	7.37	7.01	2.46	1.02	1.29	5.23	11.18	3.51	11.13
Peruvian New Sol (PEN)	0.78	-1.89	0.85	-1.11	-2.61	1.16	0.15	-1.16	2.75	-1.62	5.25

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ALTERNATIVES

Emerging Market Currency Performance and Yields

Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
Europe											
Czech Koruna (CZK)	-1.99	-4.43	-5.17	-2.67	-0.77	-1.62	-2.44	-7.07	1.13	0.24	3.38
Hungarian Forint (HUF)	-2.78	-4.78	-1.68	-6.34	-5.26	-2.41	-2.80	-3.65	-2.69	-4.29	6.47
Polish Zloty (PLN)	-0.12	-1.40	11.26	-2.25	-1.07	0.26	0.65	9.04	1.56	-0.06	4.95
Romanian Leu (RON)	-0.26	-1.94	1.14	-4.37	-1.92	0.11	0.10	-0.88	-0.64	-0.92	5.93
Russian Ruble (RUB)	-1.48	-1.86	-17.63	-6.47	-6.27	-1.11	0.18	-19.28	-2.82	-5.31	--
Turkish New Lira (TRY)	-2.81	-5.40	-39.53	-38.06	-29.77	-2.44	-3.43	-40.74	-35.65	-29.05	40.50
Middle East and Africa											
Ghanaian Cedi (GHS)	-2.46	-5.62	1.78	-23.06	-15.64	-2.09	-3.66	-0.25	-20.06	-14.77	17.90
Israeli Shekel (ILS)	1.85	0.82	2.28	-2.48	0.29	2.24	2.92	0.23	1.33	1.31	3.95
Kenyan Shilling (KES)	9.18	6.80	-13.64	-9.27	-7.43	9.60	9.02	-15.37	-5.73	-6.48	16.68
Moroccan Dirham (MAD)	-0.82	-2.10	3.11	-3.99	-1.08	-0.45	-0.07	1.05	-0.25	-0.06	2.98
Nigerian Naira (NGN)	-30.37	-43.21	-70.85	-36.13	-25.58	-30.11	-42.03	-71.43	-33.64	-24.82	11.54
South African Rand (ZAR)	-3.05	-4.67	-4.31	-7.57	-6.03	-2.68	-2.69	-6.23	-3.97	-5.06	8.89
Ugandan Shilling (UGX)	-2.80	-3.82	-5.22	-2.33	-1.15	-2.43	-1.82	-7.11	1.48	-0.13	13.25
Zambian Kwacha (ZMK)	15.57	9.55	-15.57	-2.42	-12.50	16.01	11.82	-17.26	1.38	-11.61	15.45

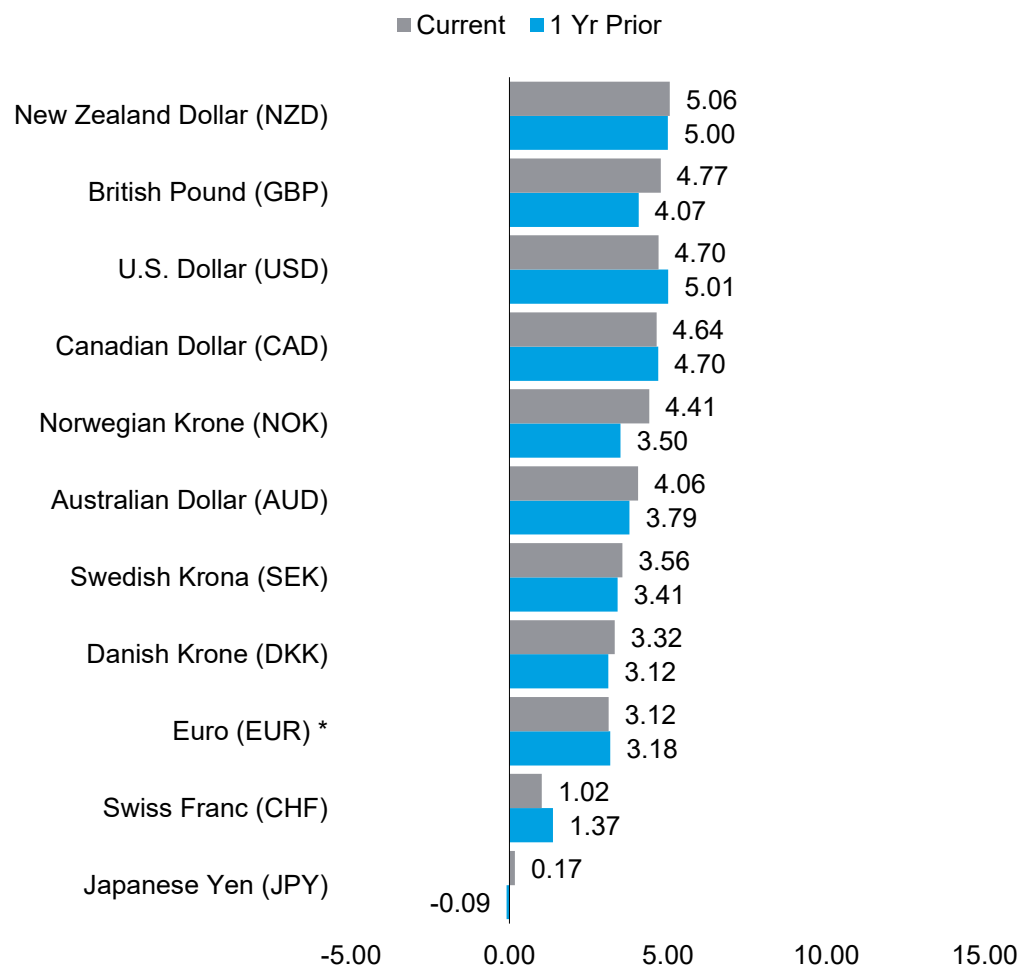
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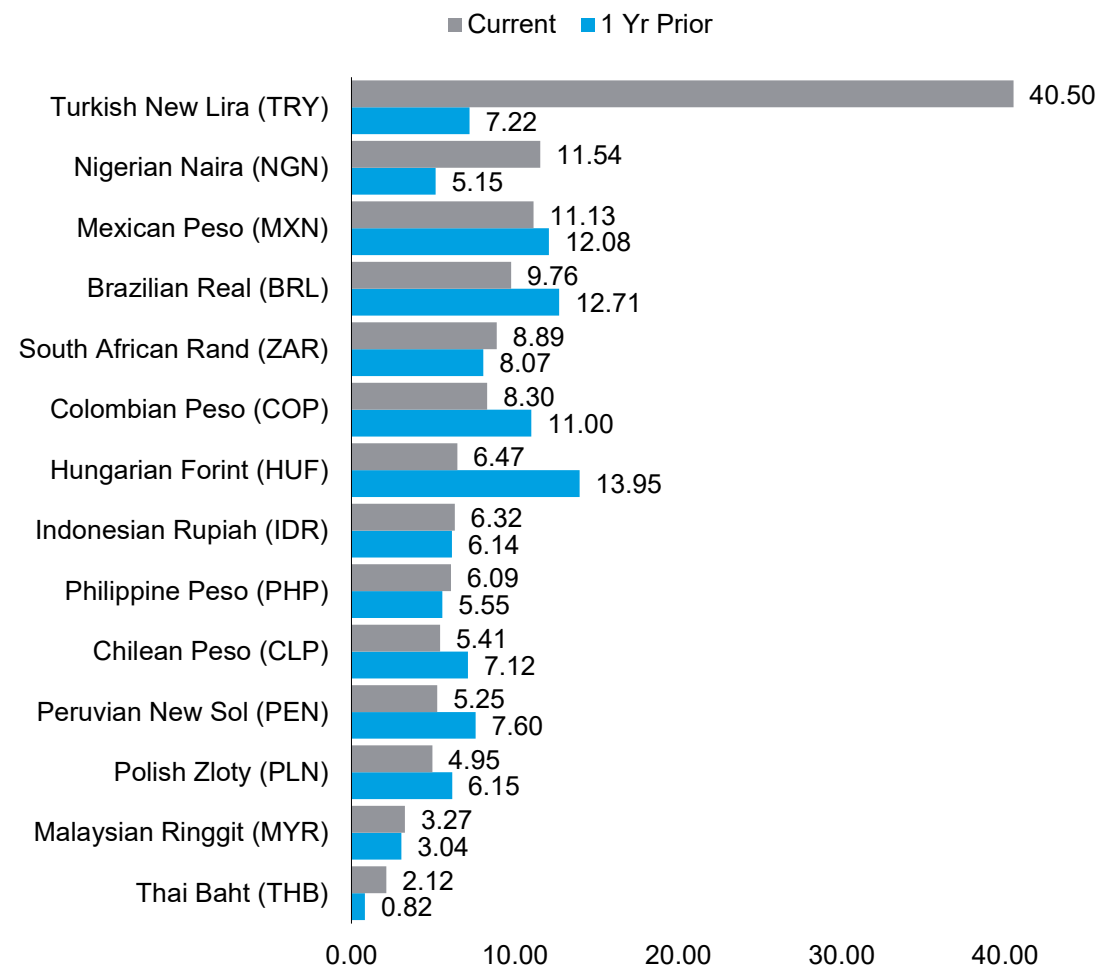
ALTERNATIVES

Local Sovereign Currency Yields

Developed Market Local Interest Rates % (1 Year)



Emerging Market Local Interest Rates % (1 Year)



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It is not possible to invest directly in an index. *German Rate. Source: Bloomberg as 2/29/24. Data provided is for informational use only. See end of report for important additional information.

ALTERNATIVES

Commodities Return Analysis (%)

Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
Bloomberg Commodity Index	-1.47	-3.74	-1.08	-3.94	7.15	5.66
Bloomberg Sub Agriculture	-4.35	-9.54	-5.34	-8.61	6.78	9.64
Coffee	-2.57	3.29	0.89	12.48	15.25	11.73
Corn	-6.42	-12.31	-10.55	-21.50	2.41	6.06
Cotton	16.58	25.16	23.18	23.72	14.02	11.40
Soybean	-6.77	-15.54	-11.78	-8.38	5.39	10.41
Soybean Oil	-2.29	-13.09	-6.22	-17.32	8.32	14.39
Sugar	-6.93	-12.97	9.65	21.17	17.46	13.53
Wheat	-3.28	-2.84	-7.87	-23.51	-9.74	-0.10
Bloomberg Sub Energy	-0.42	-3.82	2.36	-8.21	10.94	-1.57
Brent Crude	2.48	3.69	7.99	9.43	26.20	13.65
Heating Oil	-0.65	4.00	11.43	19.97	38.93	16.03
Natural Gas	-10.83	-27.26	-19.13	-56.04	-27.15	-30.65
Unleaded Gas	5.96	8.10	11.75	20.46	33.39	20.62
WTI Crude Oil	2.88	3.01	9.16	11.17	19.45	2.85

Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
Bloomberg Sub Industrial Metals	-0.55	1.49	-2.44	-9.76	0.78	4.64
Aluminum	-2.50	0.98	-6.81	-7.36	0.17	1.01
Copper	-1.67	0.66	-0.80	-3.62	-0.63	6.10
Nickel	9.99	7.27	7.59	-27.64	-0.57	6.82
Zinc	-4.26	-1.90	-9.01	-16.20	-1.08	0.17
Bloomberg Sub Precious Metals	-0.56	-2.27	-1.83	10.58	2.84	7.82
Gold	-0.19	0.24	-0.89	11.30	5.29	8.13
Platinum	-4.81	-5.03	-11.60	-4.89	-8.04	0.52
Silver	-1.74	-10.46	-5.02	8.20	-5.17	6.62
Bloomberg Sub Livestock	2.84	9.17	11.86	11.93	6.89	-1.32
Lean Hogs	2.56	12.30	17.57	4.64	3.98	-3.61
Live Cattle	3.01	7.51	9.16	16.79	8.10	0.09

Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Morningstar as of 2/29/24. Data provided is for informational use only. See end of report for important additional information. Commodity represented by Bloomberg Commodity Index. Agriculture represented by Bloomberg Agriculture Subindex. Energy represented by Bloomberg Energy Subindex. Grains represented by Bloomberg Grains Subindex. Industrial Metals represented by Bloomberg Industrial Metals Subindex. Livestock represented by Bloomberg Livestock Subindex. Precious Metals represented by Bloomberg Precious Metals Subindex.

ALTERNATIVES

Asset Class Return Analysis (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
Higher	Managed Futures 18.37	Multi-Strategy 3.84	MLP 18.31	Long/Short Equity 13.41	Fixed Income Arbitrage 1.10	Long/Short Equity 12.17	Convertible Arbitrage 10.25	MLP 40.17	MLP 30.92	MLP 26.56	MLP 4.43
	Multi-Strategy 6.09	Long/Short Equity 3.55	Commodity 11.77	Currency 11.54	Global Macro -0.11	Global Macro 10.38	Long/Short Equity 7.86	Commodity 27.11	Managed Futures 19.12	Long/Short Equity 10.93	Long/Short Equity 2.41
	Long/Short Equity 5.55	Equity Market Neutral 1.69	Convertible Arbitrage 6.60	Equity Market Neutral 8.45	Multi-Strategy -1.05	Managed Futures 9.01	Event Driven 6.95	Event Driven 12.92	Commodity 16.09	Event Driven 9.30	Multi-Strategy 2.31
	MLP 4.80	Convertible Arbitrage 0.81	Multi-Strategy 4.41	Multi-Strategy 6.83	Convertible Arbitrage -2.26	Event Driven 8.22	Global Macro 6.53	Global Macro 9.60	Global Macro 15.89	Currency 8.44	Global Macro 1.41
	Fixed Income Arbitrage 4.37	Fixed Income Arbitrage 0.59	Fixed Income Arbitrage 4.29	Fixed Income Arbitrage 6.52	Currency -3.33	Convertible Arbitrage 8.15	Multi-Strategy 5.60	Long/Short Equity 8.35	Equity Market Neutral 1.71	Multi-Strategy 8.04	Managed Futures 1.23
	Global Macro 3.11	Global Macro 0.18	Global Macro 3.58	Event Driven 6.30	Event Driven -3.95	Commodity 7.69	Fixed Income Arbitrage 3.64	Managed Futures 8.19	Multi-Strategy 1.27	Fixed Income Arbitrage 7.71	Fixed Income Arbitrage 0.88
	Event Driven 1.57	Managed Futures -0.93	Currency 3.54	Convertible Arbitrage 5.01	Long/Short Equity -4.62	Multi-Strategy 7.25	Managed Futures 1.86	Multi-Strategy 6.97	Fixed Income Arbitrage -0.97	Equity Market Neutral 6.73	Equity Market Neutral 0.83
	Equity Market Neutral -1.19	Event Driven -6.29	Event Driven 2.68	Managed Futures 3.29	Equity Market Neutral -5.00	MLP 6.56	Currency 1.73	Convertible Arbitrage 6.33	Convertible Arbitrage -3.32	Convertible Arbitrage 4.04	Event Driven 0.47
	Convertible Arbitrage -1.68	Currency -7.61	Long/Short Equity -3.43	Global Macro 2.14	Managed Futures -6.67	Fixed Income Arbitrage 6.10	Equity Market Neutral 1.69	Equity Market Neutral 6.16	Long/Short Equity -5.77	Managed Futures -2.78	Commodity 0.40
	Currency -7.03	Commodity -24.66	Equity Market Neutral -4.58	Commodity 1.70	Commodity -11.25	Currency 5.20	Commodity -3.12	Fixed Income Arbitrage 5.22	Event Driven -6.80	Global Macro -5.19	Convertible Arbitrage -0.78
Lower	Commodity -17.01	MLP -32.59	Managed Futures -6.84	MLP -6.52	MLP -12.42	Equity Market Neutral 1.58	MLP -28.69	Currency -3.09	Currency -7.14	Commodity -7.91	Currency -1.44

Past performance is no guarantee of future results. It is not possible to invest directly in an index. Source: Morningstar as of 1/31/24. *Data is on a 1-month lag. Data provided is for informational use only. Alternative investments often are speculative and include a high degree of risk. See end of report for important additional information. Global Macro represented by Credit Suisse Global Macro Index. MLP represented by Alerian MLP Index. Event Driven represented by Credit Suisse Event Driven Index. Multi-Strategy represented by Credit Suisse Multi-Strategy Index. Long/Short Equity represented by Credit Suisse Long/Short Equity Index. Convertible Arbitrage represented by Credit Suisse Convertible Arbitrage Index. Currency represented by J.P. Morgan EMLI+ Index. Equity Market Neutral represented by Credit Suisse Equity Market Neutral Index. Fixed Income Arbitrage represented by Credit Suisse Fixed Income Arbitrage Index. Managed Futures represented by Credit Suisse Managed Futures Index. Commodity represented by Bloomberg Commodity Index.

TRANSITION

Major Asset Classes Correlation Table

	S&P 500	International	Emerging Markets	Small Cap	U.S. Aggregate	Municipal	High Yield	Bank Loan	Commodities
S&P 500	1.00	0.87	0.70	0.86	0.35	0.37	0.80	0.61	0.41
International	0.90	1.00	0.80	0.77	0.39	0.45	0.81	0.62	0.46
Emerging Markets	0.73	0.82	1.00	0.64	0.39	0.43	0.71	0.57	0.49
Small Cap	0.88	0.86	0.76	1.00	0.25	0.29	0.77	0.65	0.41
U.S. Aggregate	0.47	0.51	0.47	0.36	1.00	0.86	0.48	0.16	-0.07
Municipal	0.52	0.60	0.56	0.46	0.87	1.00	0.54	0.28	0.03
High Yield	0.83	0.83	0.72	0.83	0.56	0.67	1.00	0.81	0.52
Bank Loan	0.61	0.62	0.61	0.69	0.20	0.37	0.81	1.00	0.50
Commodities	0.44	0.50	0.50	0.46	-0.04	0.09	0.50	0.50	1.00

5 Years ended February 29, 2024
 10 Years ended February 29, 2024

Past performance is no guarantee of future results.

It is not possible to invest directly in an index. Source: Morningstar as of 2/29/24. The table above shows the return correlation between various asset classes (represented by market indices as defined in this disclosure) over the past five and ten years. Data provided is for informational use only. See end of report for important additional information. S&P 500 is represented by the S&P 500 Index. International is represented by MSCI EAFE Index. Emerging Markets is represented by MSCI Emerging Markets Index. Small-Cap is represented by Russell 2000 Index. US Aggregate is represented by the Bloomberg Barclays Capital US Aggregate Bond Index. Municipal is represented by Bloomberg Barclays Municipal Bond Index. High Yield is represented by ICE BofA US High Yield Index. Bank Loan is represented by Morningstar LSTA U.S. Leveraged Loan Index. Commodities is represented by Bloomberg Commodity Index.

TRANSITION

Fund and ETF Flows by Category

Top 10 Open-End Mutual Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Intermediate Core Bond	9,924	19,047	79,162
Intermediate Core-Plus Bond	5,007	4,877	34,401
High Yield Bond	4,292	7,044	-1,678
Multisector Bond	4,049	6,505	18,501
Muni National Interim	2,247	3,288	3,077
Diversified Emerging Mkts	2,241	-47	-5,897
Global Bond-USD Hedged	2,166	3,947	11,031
Intermediate Government	1,890	2,086	7,451
High Yield Muni	1,816	656	-395
Foreign Large Blend	1,685	1,202	14,468

Bottom 10 Open-End Mutual Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Long Government	-1,842	-1,209	6,787
Small Growth	-1,920	-4,381	-12,022
Mid-Cap Value	-2,507	-6,231	-18,757
Foreign Large Growth	-2,546	-9,486	-21,794
Global Allocation	-2,674	-6,487	-15,471
Moderate Allocation	-2,919	-9,009	-34,224
Mid-Cap Growth	-3,367	-8,747	-21,420
Large Blend	-3,696	-20,663	-73,714
Large Value	-5,834	-20,761	-71,699
Large Growth	-10,795	-29,068	-93,299

Top 10 Exchange-Traded Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Large Blend	10,924	101,330	214,306
Large Growth	9,383	23,313	50,259
Corporate Bond	6,232	15,867	13,956
Technology	4,279	10,001	12,326
Intermediate Core-Plus Bond	3,666	6,766	17,849
Target Maturity	2,566	7,442	15,663
Foreign Large Blend	2,548	13,412	40,686
Intermediate Government	2,255	3,101	23,118
Intermediate Core Bond	2,153	14,286	46,553
Derivative Income	2,026	4,292	23,766

Bottom 10 Exchange-Traded Fund Categories by Monthly Flows (\$MM)

	1 Mo.	3 Mo.	12 Mo.
Consumer Cyclical	-534	1,271	2,634
Equity Energy	-588	-2,339	-7,215
China Region	-718	-746	-4,479
Utilities	-938	-1,083	-2,661
Mid-Cap Growth	-969	394	118
Large Value	-1,457	8,201	-5,200
Small Blend	-1,527	12,011	19,330
Trading--Leveraged Equity	-2,011	-6,450	-5,543
Commodities Focused	-2,749	-1,412	-9,075
Ultrashort Bond	-3,440	-13,880	36,800

Source: Morningstar as of 1/31/24. Flow data is on a one month lag. Data provided is for informational use only. See end of report for important additional information.

TRANSITION

Major Asset Class Return Analysis (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
Higher	S&P 500 13.69	Municipal 3.30	Small-Cap 21.31	Emerging Markets 37.28	Municipal 1.28	S&P 500 31.49	Small-Cap 19.96	S&P 500 28.71	Commodities 16.09	S&P 500 26.29	S&P 500 7.11
	Municipal 9.05	S&P 500 1.38	High Yield 17.49	International 25.03	Bank Loan 0.44	Small-Cap 25.52	S&P 500 18.40	Commodities 27.11	Bank Loan -0.77	International 18.24	International 2.42
	US Agg 5.97	US Agg 0.55	S&P 500 11.96	S&P 500 21.83	US Agg 0.01	International 22.01	Emerging Markets 18.31	Small-Cap 14.82	Municipal -8.53	Small-Cap 16.93	Asset Allocation 1.89
	Small-Cap 4.89	Bank Loan -0.69	Commodities 11.77	Small-Cap 14.65	High Yield -2.26	Asset Allocation 18.70	Asset Allocation 11.95	Asset Allocation 11.43	High Yield -11.22	Asset Allocation 14.09	Bank Loan 1.59
	Asset Allocation 4.28	International -0.81	Emerging Markets 11.19	Asset Allocation 14.02	S&P 500 -4.38	Emerging Markets 18.42	International 7.82	International 11.26	US Agg -13.01	High Yield 13.46	Small-Cap 1.54
	High Yield 2.50	Asset Allocation -2.03	Bank Loan 10.16	High Yield 7.48	Asset Allocation -5.40	High Yield 14.41	US Agg 7.51	High Yield 5.36	Asset Allocation -13.04	Bank Loan 13.32	High Yield 0.31
	Bank Loan 1.60	Small-Cap -4.41	Asset Allocation 8.61	Municipal 5.45	Small-Cap -11.01	US Agg 8.72	High Yield 6.17	Bank Loan 5.20	International -14.45	Emerging Markets 9.83	Emerging Markets -0.11
	Emerging Markets -2.19	High Yield -4.64	US Agg 2.65	Bank Loan 4.12	Commodities -11.25	Bank Loan 8.64	Municipal 5.21	Municipal 1.52	S&P 500 -18.11	Municipal 6.40	Municipal -0.38
	International -4.90	Emerging Markets -14.92	International 1.00	US Agg 3.54	International -13.79	Commodities 7.69	Bank Loan 3.12	US Agg -1.54	Emerging Markets -20.09	US Agg 5.53	Commodities -1.08
Lower	Commodities -17.01	Commodities -24.66	Municipal 0.25	Commodities 1.70	Emerging Markets -14.57	Municipal 7.54	Commodities -3.12	Emerging Markets -2.54	Small-Cap -20.44	Commodities -7.91	US Agg -1.68

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Capital Markets Group

The Capital Markets Group provides top-down, macro analysis of equity, fixed income and alternative assets, designed to help clients capitalize on evolving economic dynamics and market dislocations globally. The Capital Markets Group supports the MSIM Portfolio Solutions Group, which builds custom multi-asset investment solutions across a range of broadly-diversified to hyper-focused portfolios.



JIM CARON
*Chief Investment
Officer
Managing Director*



**EWA TUREK
SEMELROTH**
Executive Director



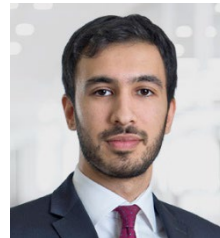
ERIC ZHANG
Executive Director



**SCHUYLER
HOOPER**
Executive Director



**GREG
WATERMAN**
Vice President



UMAR MALIK
Vice President



**FLORIAN
REGNERY**
Vice President



CHRIS CHIA
Vice President

Asset Allocation Committee

The Asset Allocation Committee is an independent group of senior investment professionals across various disciplines within MSIM and Eaton Vance. The Capital Markets Group presents multi-sector research and investment ideas to the Committee, who is responsible for vetting and challenging these ideas to insure they meet their rigorous standards and can then be included in representative asset allocation recommendations.

MARK BAVOSO

Senior Portfolio Manager, Global Multi-Asset team

JUSTIN BOURGETTE

Portfolio Manager and Head of Investment Strategy for the High Yield team

CRAIG BRANDON

Portfolio Manager and Co-Head of the Municipals team

JIM CARON

CIO, Portfolio Solutions Group

RICHARD FORD

Portfolio Manager and Co-Head of the Broad Markets Fixed Income team

JONATHAN G. ISAAC

Portfolio Specialist

JITANIA KANDHARI

Deputy CIO, Solutions & Multi Asset Group; Head of Macro & Thematic Research, Emerging Markets; Portfolio Manager

VISHAL KHANDUJA

Portfolio Manager and Co-Head of the Broad Markets Fixed Income team

CHRISTOPHER REMINGTON

Portfolio Specialist

ANDREW SLIMMON

Senior Portfolio Manager and Head of Applied Equity Advisors

STEVEN TURNER

Portfolio Solutions Group

Glossary of Terms

Index Definitions

Bloomberg Global Aggregate Ex-USD Index is a broad-based measure of global Investment Grade fixed-rate debt investments, excluding USD-denominated debt.

Bloomberg High Yield Municipal Bond Index is an unmanaged index of non-Investment Grade Municipal bonds traded in the U.S.

Bloomberg Municipal Bond Index is an unmanaged index of Municipal bonds traded in the U.S.

Bloomberg Taxable Municipal Bond Index is an unmanaged index of Taxable Municipal bonds traded in the U.S.

Bloomberg U.S. Agency Index measures agency securities issued by U.S. government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. government.

Bloomberg U.S. Aggregate Index is an unmanaged index of domestic investment-grade bonds, including corporate, government and mortgage-backed securities.

Bloomberg U.S. Asset Backed Securities (ABS) Index measures ABS with the following collateral type: credit and charge card, auto, and utility loans.

Bloomberg U.S. CMBS Index measures the market of conduit and fusion CMBS deals with a minimum current deal size of \$300mn.

Bloomberg U.S. Corporate Investment Grade Index is an unmanaged index that measures the performance of investment-grade corporate securities within the Bloomberg U.S. Aggregate Index.

Bloomberg U.S. Mortgage Backed Securities (MBS) Index measures agency mortgage-backed pass-through securities issued by GNMA, FNMA, and FHLMC.

Bloomberg U.S. Treasury Index measures public debt instruments issued by the U.S. Treasury.

Bloomberg Commodity Index is a broadly diversified index tracking futures contracts on physical commodities.

CBOE Volatility Index (VIX) tracks the implied volatilities of a wide range of S&P 500 Index options.

CBOE S&P 500 BuyWrite Index measures the performance of a hypothetical buy-write strategy on the S&P 500 Index.

ICE BofA US Inflation-Linked Treasury Index tracks the performance of USD denominated inflation linked sovereign debt publicly issued by the US government.

ICE BofA Fixed Rate Preferred Securities Index is an unmanaged index of fixed-rate, preferred securities issued in the U.S.

ICE BofA UK Gilts Index tracks the performance of GBP denominated sovereign debt publicly issued by the UK government in its domestic market.

ICE BofA European Union Government Bond Index tracks the performance of sovereign debt publicly issued by countries that are members of the European Union.

ICE BofA U.S. High Yield Index is an unmanaged index of below-investment grade U.S. corporate bonds.

ICE BofA Developed Markets High Yield Ex-Subordinated Financial Index (Hedged) is an unmanaged index of global developed market below investment grade corporate bonds, USD hedged.

FTSE 100 Index is an unmanaged market-capitalization weighted index representing the performance of the 100 largest UK listed blue chip companies, which pass screening for size and liquidity.

FTSE All Small Index consists of all the companies in the FTSE SmallCap and FTSE Fledgling indices.

FTSE World Government Bond Index (WGBI) measures the performance of fixed-rate, local currency, investment-grade sovereign bonds.

J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified is an unmanaged index of USD-denominated emerging market corporate bonds.

J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified is an unmanaged index of USD-denominated bonds with maturities of more than one year issued by emerging markets governments.

J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified is an unmanaged index of local-currency bonds with maturities of more than one year issued by emerging market governments.

Morgan Stanley Capital International (MSCI) Emerging Markets Index is an unmanaged index of emerging markets common stocks

MSCI EMU Index (European Economic and Monetary Union) captures large and mid cap representation across the 10 Developed Markets countries in the EMU. With 229 constituents, the index covers approximately 85% of the free float-adjusted market capitalization of the EMU.

Morgan Stanley Capital International All Country Asia Pacific Index (MSCI AC Asia Pac) is an unmanaged total return, capitalization-weighted index that measures the performance of stock markets in 15 Pacific region countries, including Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Pakistan, the Philippines, Singapore, Sri Lanka, Taiwan and Thailand.

Morgan Stanley Capital International (MSCI) Japan Index is an unmanaged index designed to measure the performance of the large and mid cap segments of the Japan market.

Morgan Stanley Capital International (MSCI) World Index is an unmanaged index of equity securities in the developed markets.

Morgan Stanley Capital International (MSCI) World ex USA Small Cap Index is an unmanaged index of small-cap equity securities in the developed markets, excluding the United States.

Morgan Stanley Capital International All Country World (MSCI AC World) Index is an unmanaged free float-adjusted market-capitalization-weighted index designed to measure the equity market performance of developed and emerging markets.

Morgan Stanley Capital International Europe (MSCI Europe) Index is an unmanaged free float-adjusted market-capitalization-weighted index designed to measure the equity market performance of the developed markets in Europe.

Glossary of Terms and About Risk

Index Definitions (cont.)

Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index is an unmanaged index of equities in the developed markets, excluding the U.S. and Canada.

MSCI USA Index is designed to measure the performance of the large and mid cap segments of the US market. With 625 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US.

Morningstar LSTA U.S. Leveraged Loan Index is an unmanaged index of the institutional leveraged loan market. Prior to August 29, 2022 the index name was S&P/LSTA Leveraged Loan Index.

Nikkei 225 Stock Average Index is unmanaged price-weighted index of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Russell 1000 Index is an unmanaged index of 1,000 U.S. large-cap stocks.

Russell 1000 Growth Index is an unmanaged index of 1,000 U.S. large-cap growth stocks.

Russell 1000 Value Index is an unmanaged index of 1,000 U.S. large-cap value stocks.

Russell 2000 Index is an unmanaged index of 2,000 U.S. small-cap stocks.

Russell 2500 Index is an unmanaged index of approximately 2,500 U.S. small- and mid-cap U.S. stocks.

Russell Midcap Index is an unmanaged index of U.S. mid-cap stocks.

Standard & Poor's 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance.

STOXX Europe 600 Index is a fixed component number index designed to provide a broad yet liquid representation of large, mid and small capitalization companies in Europe.

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Terms

Municipal-to-Treasury Yield Ratios are relative value indicators that measure the richness or cheapness of Municipal bond yields to comparable maturity Treasury bond yields.

Yield to Worst is a measure which reflects the lowest potential yield earned on a bond without the issuer defaulting. The yield to worst is calculated by making worst-case scenario assumptions by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

About Risk

Bank Loans – There can be no assurance that the liquidation of collateral securing an investment will satisfy the issuer's obligation in the event of non-payment or that collateral can be readily liquidated. The ability to realize the benefits of any collateral may be delayed or limited. **Commodities** – The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity including weather, embargoes, tariffs, or health, political, international and regulatory developments. **Credit** – Investments in income securities may be affected by changes in the creditworthiness of the issuer and are subject to the risk of non-payment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. **Duration** – Securities with longer durations tend to be more sensitive to interest rate changes than securities with shorter durations. **Equity** – Equity investment values are sensitive to stock market volatility. **Foreign** – Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical, or other conditions. In emerging countries, these risks may be more significant. **Gov't Agency** – While certain U.S. Government-sponsored agencies may be chartered or sponsored by acts of Congress, their securities are neither issued nor guaranteed by the U.S. Treasury. **Income Market** – An imbalance in supply and demand in the income market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. There generally is limited public information about Municipal issuers. **Inflation-Linked** – Interest payments on inflation-linked securities may vary widely and will fluctuate as principal and interest are adjusted for inflation. Investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index. **Interest Rate** – As interest rates rise, the value of certain income investments is likely to decline. The London Interbank Offered Rate or LIBOR, is used throughout global banking and financial industries to determine interest rates for a variety of financial instruments (such as debt instruments and derivatives) and borrowing arrangements. The ICE Benchmark Administration Limited, the administrator of LIBOR, is expected to cease publishing certain LIBOR settings on December 31, 2021, and the remaining LIBOR settings on June 30, 2023. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR, such as floating-rate debt obligations. **Lower-Rated** – Investments rated below Investment Grade (typically referred to as "junk") are generally subject to greater price volatility and illiquidity than higher rated investments. **Maturity** – Longer-term bonds typically are more sensitive to interest rate changes than shorter-term bonds. **Preferred Stocks** – When interest rates rise, the value of preferred stocks will generally decline. **Prepayment - MBS** – Mortgage-backed securities are subject to prepayment risk. **Prepayment - Bank Loan** – Bank Loans are subject to prepayment risk. **Real Estate** – Changes in real estate values or economic downturns can have a significant negative effect on issuers in the real estate industry, including REITs.

Risk Considerations

Diversification does not eliminate the risk of loss.

In general, equity securities' values also fluctuate in response to activities specific to a company. Investments in foreign markets entail special risks such as currency, political, economic, and market risks. The risks of investing in emerging market countries are greater than risks associated with investments in foreign developed countries. Fixed income securities are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income. Longer-term securities may be more sensitive to interest rate changes. Alternative investments are speculative, involve a high degree of risk, are highly illiquid, typically have higher fees than other investments, and may engage in the use of leverage, short sales, and derivatives, which may increase the risk of investment loss. These investments are designed for investors who understand and are willing to accept these risks. Performance may be volatile, and an investor could lose all or a substantial portion of its investment.

There is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market.

A separately managed account may not be appropriate for all investors. Separate accounts managed according to the Strategy include a number of securities and will not necessarily track the performance of any index. Please consider the investment objectives, risks and fees of the Strategy carefully before investing. A minimum asset level is required.

For important information about the investment managers, please refer to Form ADV Part 2.

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