

Quarterly Market Review

Rejoicing In The Vaccine-Induced Risk-Asset Rally

December 2020

Vaccines Garner Emergency Use Authorization, With Hopes For A Happier, Healthier Year In 2021

Monthly Highlights

- US New Daily Cases Set New Peak as Nation Faces Deadliest Month for the Virus Yet.
- Pfizer & Moderna Receive Emergency Use Authorization; 4+ Million US Citizens Vaccinated.
- Biden Officially Declared President-Elect; Senate Outcome to Be Determined by Two Georgia Senatorial Runoff Elections on January 5.
- Congress Passed Phase 4 Stimulus Bill before Additional CARES Act Benefits Expired.
- The Fed Balance Sheet Reaches a Record Level In Efforts to Maintain the Recovery's Pace.
- Consumer Confidence Falls to a Four-Month Low as COVID Restrictions Are Reinstated.
- 10-Year Treasury Yield Reaches Post-Pandemic High Intra-Quarter Despite COVID Surge.
- Investment-Grade & High-Yield Spreads Fall to Lowest Levels Since the Start of the Pandemic.
- S&P 500 Posts Best 4Q Since 2003 & Best December Since 2010 on Positive Vaccine News.
- Dow Jones Industrial Average Passes 30K Milestone; S&P Sets 11 New Highs Intra-Quarter.
- Small-Cap Equities Post Best Quarter on Record as Vaccine News Supports the 'Reopening' Trade.
- US Dollar Falls to the Lowest Level Since 2018.
- Copper Prices Reach the Highest Level Since 2013.

Economy | Global Optimism That A Vaccine Will Have Us 'Celebrating' A Healthier New Year.

- The final reading of **3Q20 GDP** was revised higher (+33.4% quarter-over-quarter (QoQ)), marking the best quarter of economic growth since 1950 led by personal consumption (+41.0%). However, the US economy remains ~3.5% below pre-pandemic levels.
- The US surpassed 19.7 million **COVID-19** cases, with a new daily peak of ~280k cases. Hospitalizations also reached a new peak of 125k, and with 77k deaths, December was the deadliest month for the virus yet.
- Pfizer and Moderna were both granted **emergency use authorization**, with healthcare workers and first responders amongst the first to be vaccinated.
- The **Fed's balance sheet** grew to a record \$7.4 trillion, as it remains committed to its bond purchasing. Chair Powell stated that purchases may be adjusted in light of the pace of the recovery, but that interest rates will be on hold until at least 2023.
- **Congress** passed a \$900 billion Phase 4 stimulus deal, which included a round of reduced stimulus checks (\$600). Policymakers are negotiating the possibility of \$2,000 stimulus checks, and the outcome of the two Georgia Senate runoff elections January 5 may dictate whether a supplemental bill is passed.
- **The US added 245k jobs** in November. The unemployment rate (+6.7%) declined further from the post-World War II peak (+14.7%) reached in April.
- **Jobless claims** trended higher, rising above the 800k threshold for three consecutive weeks as the ongoing COVID surge forced states to reinstate restrictions.
- The pace of **headline inflation** (+1.2% YoY) was unchanged, remaining at the slowest rate of growth since July. The pace of **Core CPI** (+1.7% YoY) rose slightly, but is still below the February pace (+2.4% YoY).
- **Consumer confidence** (88.6) fell to the lowest level since August as the "present" subsector posted its worst monthly decline since April. Concerns about the timing and scope of fiscal stimulus, reinstated restrictions, and the pace of vaccinations weakened optimism.
- **Core retail sales** (ex. food, autos, and gas, -0.5% month-over-month (MoM)) posted their worst month since April; however, the year-over-year pace (+9.5%) is still more than double the 10-year average of (+4.0%).
- **Housing data** was mixed as building permits (+5.9%) and housing starts (+1.2%) increased, while existing home sales (-2.5%) and new homes sales (-11.0%) declined. The pace of home price gains (S&P Case Shiller Home Price Index +7.9% YoY) rose for the fourth month in a row, reaching the fastest pace since June 2014.
- **China's Manufacturing PMI** (51.9) declined from its post-COVID-19 high reached last month, but remained in expansion territory for the tenth consecutive month.
- **Euro Zone Manufacturing PMI** (55.2) rose to the highest level since May 2018 despite the ongoing surge and reinstated restrictions. Euro zone economic sentiment (87.6) declined to its lowest level since August.

Fixed Income | Narrowing Credit Spreads Provide ‘Good Cheer’ For Most Sectors.

- The **Bloomberg Barclays US Aggregate Index** (+0.7% QoQ) rallied for the tenth consecutive quarter, the longest streak since June 2003. The fixed income rally was led by the credit sectors, as both IG credit and high-yield spreads declined to post-pandemic lows intra-quarter despite fears the COVID-19 surge may prolong the economic recovery process.
- **High-yield bonds** (+6.5% QoQ) rallied for the seventh time in eight quarters. Decreased risk asset volatility and continued economic momentum led spreads to narrow 157 bps points during the quarter. Falling interest rates across the globe have overshadowed the potential for elevated default risk for the sector.
- **Emerging market bonds** (+4.5% USD QoQ) rallied for the seventh time in the last eight quarters due to a weaker dollar and strong recovery prospects.
- **International sovereign bonds** (G7 ex. US, +4.0% QoQ) posted their best quarter since 1Q18 as a weaker dollar and a still accommodative stance from global central banks supported the sector.
- **US investment-grade bonds** (+3.0% QoQ) rallied for the third consecutive quarter as spreads narrowed an additional 40 basis points. The rally was led by the Industrials (+3.3%) and Utilities (+2.7%) sectors.
- **Municipals** (+1.8% QoQ) rallied for the eighth time in nine quarters in part due to better than expected state revenues. All muni sectors (high yield +4.5%, revenue +2.1%, and GO +1.5%) were positive.
- **TIPS** (+1.6% QoQ) rallied for the eighth consecutive quarter, the longest streak since March 2013, and outperformed nominal **Treasuries** (-0.8% QoQ) for the third consecutive quarter. The latter posted its first quarterly decline since 4Q19, as the 10-year Treasury yield rose 24 basis points on economic optimism.

Equities | US & Global Equities ‘Give A Toast’ To The Quickest Vaccine Development In History.

- **Global equities** (MSCI AC World, +14.8% USD QoQ) rallied for the seventh time over the last eight quarters, and posted their second best quarter over the last decade due to the ongoing global economic recovery, vaccine dissemination, and further fiscal and monetary policy easing.
- **US Small-Cap** equities (Russell 2000, +31.4% QoQ) posted their best quarter on record and outperformed large-cap equities by the widest margin on record as the vaccine news benefitted the ‘reopening’ trade.
- **EM equities** (MSCI EM, +19.8% USD QoQ) outperformed developed markets (MSCI EAFE USD +16.1% QoQ) for the fourth time over the last five quarters and posted their best quarter since 3Q09.
- Within EM, **Asia** (MSCI Asia ex JP, +18.7% USD QoQ) underperformed **Latin America** (MSCI LATAM, +34.9% USD QoQ) by the widest margin since 1Q16.
- **European equities** (MSCI Europe ex UK, +15.3% USD QoQ) rallied for the fourth time over the last five quarters, posted their second best quarter over the last decade, and outperformed global equities for the first quarter since 2Q19.
- **Japanese equities** (MSCI Japan, +15.3% USD QoQ) rallied for the seventh time in the last eight quarters and posted their best quarter since 2Q09 due to improving economic data and vaccine optimism.
- **US Large-Cap** equities (S&P 500, +12.1% QoQ) posted their best fourth quarter since 2003. The rally was driven by positive vaccine trial data, better than expected earnings, decreased political uncertainty, and an accommodative Fed, all of which helped the index to notch 11 new record highs intra-quarter.
- All 11 **S&P 500 sectors** were positive in 4Q20 led by the Energy (+27.8%) and Financials (+23.2%) sectors.

Commodities | A Dollar Decline ‘Rings In’ Positive Returns For Broader Commodities.

- The **Bloomberg Barclays Commodity Index** (+10.2% QoQ) posted its best quarter since 2Q16 as the global economic recovery from the COVID-driven lows led to increased demand. A continued weakening of the dollar also supported the asset class.
- The **US Dollar Index** (-4.2% QoQ) declined for the fourth time in five quarters and posted its worst quarter since 2Q17. Vaccine news overshadowed fears regarding the ongoing surge, causing the dollar to decline to the lowest level since April 2018.
- The **Bloomberg Grains Index** (+22.1% QoQ) posted its best quarter since 3Q10 due to strength in soybean (+28.1% QoQ) and wheat (+10.8% QoQ) prices.
- The **Bloomberg Softs Index** (+14.2% QoQ) rallied for the fourth time over the last five quarters and posted its best quarter since 2Q16 due to strength in coffee (+15.6% QoQ) and sugar (+14.7%) prices.
- The **Bloomberg Industrial Metals Index** (+14.2% USD QoQ) rallied for the third consecutive quarter and posted its best quarter since 3Q10 due to strength in copper prices (+16.0%), which rose to the highest level since February 2013 intra-quarter.
- The **Bloomberg Precious Metals Index** (+2.4% QoQ) rallied for the sixth time over the last seven quarters. Gold (-0.02% QoQ) was relatively stable after reaching a record high last quarter, but silver prices (+12.4% QoQ) contributed to the index moving higher.
- The **Bloomberg Energy Index** (+2.2% QoQ) rallied for the fourth time in five quarters due to strength in crude oil prices (+20.6% QoQ). Oil prices rebounded to the highest levels since late February despite the ongoing COVID-19 surge, as vaccine news brought hopes for an eventual return to normality and a restoration of global oil demand.

Figure 1: Job Gains Slow Amid The Ongoing COVID-19 Surge

Nonfarm payrolls posted their weakest month since April, as the ongoing COVID-19 surge slowed the economic recovery process.

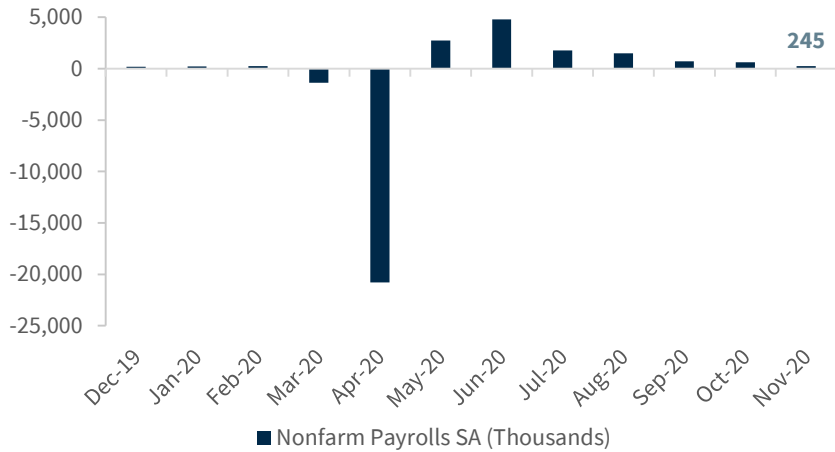


Figure 2: Vaccine News Favors The 'Reopening' Trade

All 11 S&P 500 sectors were positive for the quarter, with the 'reopening' trade sectors such as Energy (+27.8%) leading the rally. However, the 'stay-at-home' sectors such as Info Tech significantly outperformed on a full year basis.

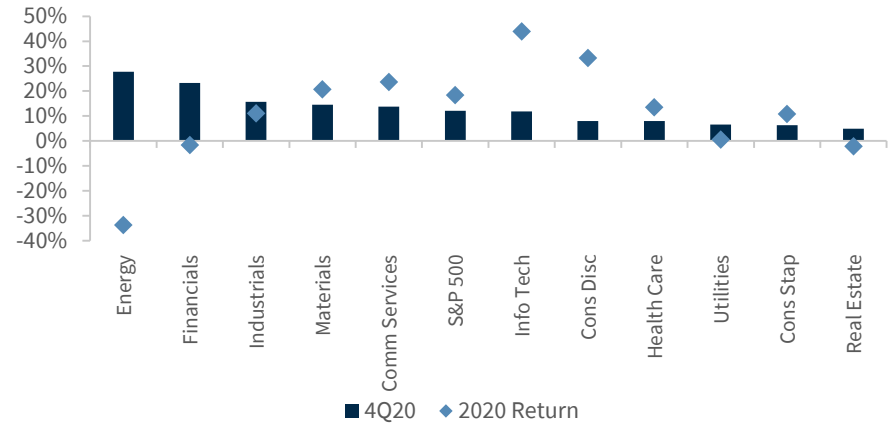


Figure 3: Spreads Narrow To Post-Pandemic Lows

Both high yield and investment-grade spreads declined to their lowest levels since March during the quarter, leading to a rally for most fixed income sectors.

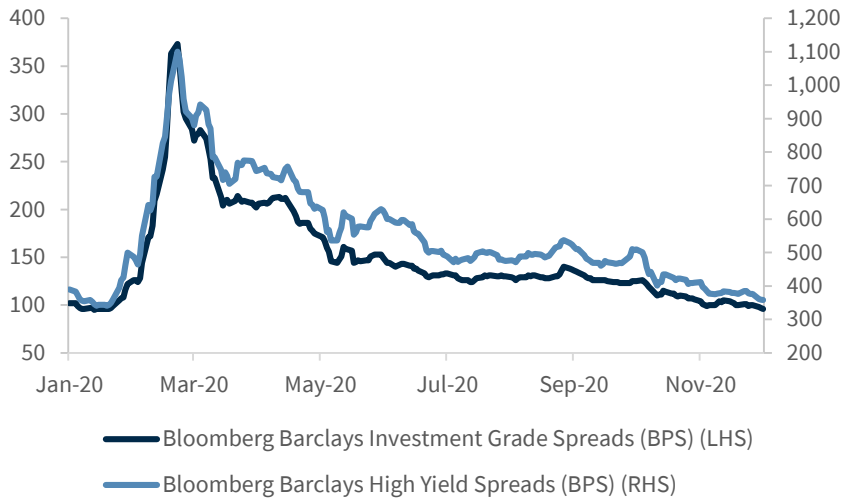


Figure 4: Copper Prices Rise To The Highest Level Since 2013

Industrial metals posted their best quarter since 3Q10 due to strength in copper prices (+16.0%), which rose to the highest level since February 2013 intra-quarter.



Fixed Income | Credit Spreads Narrow To Post-Pandemic Lows

	December	4Q20	1 Year	3 Year	5 Year	10 Year
High Yield	1.9%	6.5%	7.1%	6.2%	8.6%	6.8%
EM Bonds	1.5%	4.5%	6.5%	5.5%	6.9%	6.0%
International Bonds	1.9%	4.0%	8.9%	4.3%	4.6%	1.3%
US Investment Grade	0.4%	3.0%	9.9%	7.1%	6.7%	5.6%
Municipals	0.6%	1.8%	5.2%	4.6%	3.9%	4.6%
TIPS	1.2%	1.6%	8.4%	4.9%	4.1%	2.9%
US Aggregate	0.1%	0.7%	7.5%	5.3%	4.4%	3.8%
Treasuries	-0.2%	-0.8%	8.0%	5.2%	3.8%	3.3%

Commodities & FX | Oil Prices Soar On Reopening Optimism

	December	4Q20	1 Year	3 Year	5 Year	10 Year
Crude Oil (WTI)	7.0%	20.6%	-20.5%	-7.1%	5.5%	-6.1%
Copper	2.4%	16.0%	25.8%	2.2%	10.5%	-2.3%
BBG Industrial Metals	0.3%	14.2%	15.9%	-1.4%	8.0%	-4.1%
BBG Commodity Index	5.0%	10.2%	-3.5%	-4.0%	-0.1%	-7.1%
BBG Precious Metals	8.8%	2.4%	25.1%	10.3%	10.0%	0.2%
BBG Energy Index	-0.7%	2.2%	-42.9%	-18.8%	-10.1%	-16.0%
Gold	6.4%	0.0%	24.4%	13.1%	12.3%	2.9%
US Dollar Index	-2.1%	-4.2%	-6.7%	-0.8%	-1.8%	1.3%

S&P 500 Sectors | Broad-Based Rally Due To Vaccine News

	December	4Q20	1 Year	3 Year	5 Year	10 Year
Energy	4.4%	27.8%	-33.7%	-15.3%	-5.2%	-2.7%
Financials	6.3%	23.2%	-1.7%	4.1%	11.1%	10.8%
Industrials	1.2%	15.7%	11.1%	7.6%	12.4%	12.0%
Materials	2.5%	14.5%	20.7%	8.7%	13.1%	9.0%
Communication Services	3.1%	13.8%	23.6%	12.8%	11.8%	10.1%
Information Technology	5.7%	11.8%	43.9%	29.2%	27.8%	20.7%
Consumer Discretionary	2.5%	8.0%	33.3%	19.8%	17.5%	17.7%
Health Care	3.9%	8.0%	13.4%	13.4%	11.6%	15.9%
Utilities	0.7%	6.5%	0.5%	9.7%	11.5%	11.3%
Consumer Staples	1.8%	6.4%	10.7%	9.0%	9.1%	11.8%
Real Estate	1.5%	4.9%	-2.2%	7.3%	7.2%	10.1%

Equities | Small Cap Outperforms Large Cap

	December	4Q20	1 Year	3 Year	5 Year	10 Year
Russell 2000 Value	7.9%	33.4%	4.6%	3.7%	9.7%	8.7%
Russell 2000	8.7%	31.4%	20.0%	10.2%	13.3%	11.2%
Russell 2000 Growth	9.3%	29.6%	34.6%	16.2%	16.4%	13.5%
Russell 1000 Value	3.8%	16.3%	2.8%	6.1%	9.7%	10.5%
Russell 1000	4.2%	13.7%	21.0%	14.8%	15.6%	14.0%
S&P 500	3.8%	12.1%	18.4%	14.2%	15.2%	13.9%
Russell 1000 Growth	4.6%	11.4%	38.5%	23.0%	21.0%	17.2%
DJ Industrial Average	3.3%	10.2%	7.2%	7.4%	11.9%	10.2%

International Equities (in USD) | EM Equities Outperform Developed Markets

	December	4Q20	1 Year	3 Year	5 Year	10 Year
MSCI LATAM	11.9%	34.9%	-13.5%	-1.5%	9.3%	-3.2%
MSCI EM	7.4%	19.8%	18.7%	6.6%	13.2%	4.0%
MSCI Asia ex JP	6.8%	18.7%	25.4%	8.5%	13.9%	6.8%
MSCI UK	5.5%	17.0%	-10.4%	-2.3%	2.7%	3.1%
MSCI EAFE	4.7%	16.1%	8.3%	4.8%	8.0%	6.0%
MSCI Europe ex UK	4.5%	15.3%	11.6%	6.4%	9.1%	7.0%
MSCI Japan	4.1%	15.3%	14.9%	6.4%	9.0%	6.8%
MSCI AC World	4.7%	14.8%	16.8%	10.6%	12.9%	9.7%

Key Asset Class Levels

	December	4Q20	1 Year	3 Year	5 Year	10 Year
S&P 500	3,756	3,756	3,231	2,674	2,044	1,258
DJIA	30,606	30,606	28,538	24,719	17,425	11,578
MSCI AC World	646	646	565	513	399	331
S&P 500 Dividend Yield	1.55	1.55	1.91	1.95	2.32	2.00
1-3M T-Bills (Cash, in %)	0.06	0.06	1.51	1.29	0.12	0.11
2YR Treasury Yield (in %)	0.12	0.12	1.56	1.89	1.06	0.60
10YR Treasury Yield (in %)	0.91	0.91	1.91	2.41	2.28	3.30
30Yr Treasury Yield (in %)	1.64	1.64	2.38	2.74	3.01	4.35
EURUSD	1.22	1.22	1.12	1.20	1.09	1.34
Crude Oil - WTI (\$/bbl)	49	49	61	60	37	91
Gold (\$/oz)	1895	1895	1523	1309	1060	1421

DISCLOSURES

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

HIGH YIELD SECURITIES | High yield securities involve additional risks and are not appropriate for all investors.

SMALL-CAP STOCKS | Small-cap stocks involve greater risks and are not suitable for all investors.

DOMESTIC EQUITY DEFINITION

LARGE GROWTH | Russell 1000 Growth Total Return Index: This index represents a segment of the Russell 1000 Index with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values. This index includes the effects of reinvested dividends.

SMALL GROWTH | Russell 2000 Growth Total Return Index: This index represents a segment of the Russell 2000 Index with a greater-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000.

LARGE BLEND | Russell 1000 Total Return Index: This index represents the 1000 largest companies in the Russell 3000 Index. This index is highly correlated with the S&P 500 Index. This index includes the effects of reinvested dividends.

SMALL BLEND | Russell 2000 Total Return Index: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

LARGE VALUE | Russell 1000 Value Total Return Index: This index represents a segment of the Russell 1000 Index with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values. This index includes the effects of reinvested dividends.

SMALL VALUE | Russell 2000 Value Total Return Index: This index represents a segment of the Russell 2000 Index with a less-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

FIXED INCOME DEFINITION

AGGREGATE BOND | Bloomberg Barclays US Agg Bond Total Return Index: The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

MUNICIPAL | Bloomberg Barclays Municipal Total Return Index: The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

US INDEXES AND EQUITY SECTORS DEFINITION

DOW JONES INDUSTRIAL AVERAGE (DJIA) | The **Dow Jones Industrial Average (DJIA)** is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.

S&P 500 | The **S&P 500 Total Return Index:** The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | MSCI EM Eastern Europe Net Return Index: The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

BLOOMBERG BARCLAYS CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

EMERGING MARKETS ASIA | MSCI EM Asia Net Return Index: The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | MSCI EM Latin America Net Return Index: The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | MSCI Emerging Markets Net Return Index: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | MSCI Pacific Ex Japan Net Return Index: The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | MSCI Japan Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

FOREIGN DEVELOPED MARKETS | MSCI EAFE Net Return Index: This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

EUROPE EX UK | MSCI Europe Ex UK Net Return Index: The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

COMMODITY DEFINITIONS

US DOLLAR INDEX | The US dollar index (USDX) is a measure of the value of the US dollar relative to the value of a basket of currencies of the majority of the US's most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

BLOOMBERG BARCLAYS COMMODITY INDEX | Bloomberg Barclays Commodity Index is a commodity group sub index of the Bloomberg CTR. The index is composed of futures contracts on crude oil, heating oil, unleaded gasoline and natural gas. It reflects the return on fully collateralized futures positions and is quoted in USD.

BLOOMBERG INDUSTRIAL METALS INDEX | Bloomberg Industrial Metals Index is composed of futures contracts on aluminum, copper, nickel and zinc. It reflects the return of underlying commodity futures price movements only. It is quoted in USD.

BLOOMBERG SOFTS INDEX | Bloomberg Softs Index is a commodity group sub index of the Bloomberg CI. It is composed of futures contracts on coffee, cotton and sugar. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

BLOOMBERG PRECIOUS METALS INDEX | Bloomberg Precious Metals index is a commodity group sub index of the Bloomberg CI. It is composed of futures contracts on gold and silver. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

BLOOMBERG GRAINS INDEX | Bloomberg Grains Index is a commodity group subindex of the Bloomberg CI. It is composed of futures contracts on corn, soybeans and wheat. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

INTERNATIONAL DISCLOSURES

FOR CLIENTS IN THE UNITED KINGDOM | For clients of Raymond James Financial International Limited (RJFI): This document and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in the FCA rules or persons described in Articles 19(5) (Investment professionals) or 49(2) (high net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or any other person to whom this promotion may lawfully be directed. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is, therefore, not intended for private individuals or those who would be classified as Retail Clients. **FOR CLIENTS OF RAYMOND JAMES INVESTMENT SERVICES, LTD.:** This document is for the use of professional investment advisers and managers and is not intended for use by clients. **FOR CLIENTS IN FRANCE** | This document and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in "Code Monetaire et Financier" and Reglement General de l'Autorite des marches Financiers. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is, therefore, not intended for private individuals or those who would be classified as Retail Clients. **FOR CLIENTS OF RAYMOND JAMES EURO EQUITIES** | Raymond James Euro Equities is authorised and regulated by the Autorite de Controle Prudentiel et de Resolution and the Autorite des Marches Financiers. **FOR INSTITUTIONAL CLIENTS IN THE EUROPEAN ECONOMIC AREA (EE) OUTSIDE OF THE UNITED KINGDOM** | This document (and any attachments or exhibits hereto) is intended only for EEA institutional clients or others to whom it may lawfully be submitted. **FOR CANADIAN CLIENTS** | This document is not prepared subject to Canadian disclosure requirements, unless a Canadian has contributed to the content of the document. In the case where there is Canadian contribution, the document meets all applicable IROC disclosure requirements.

DATA SOURCES:

FactSet, as of 12/31/2020

RAYMOND JAMES

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER
880 CARILLON PARKWAY // ST. PETERSBURG, FL 33716 // 800.248.8863

The views expressed in this commentary are the current opinion of the Chief Investment Office, but not necessarily those of Raymond James & Associates, and are subject to change. Information contained in this report was received from sources believed to be reliable, but accuracy is not guaranteed. Past performance is not indicative of future results. The performance mentioned does not include fees which would reduce an investor's performance. No investment strategy can guarantee success. There is no assurance any of the trends mentioned will continue or that any of the forecasts mentioned will occur. Economic and market conditions are subject to change. Investing involves risks including the possible loss of capital. Material is provided for informational purposes only and does not constitute a recommendation.

© 2021 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. © 2021 Raymond James Financial Services, Inc., member FINRA/SIPC. Investment products are: not deposits, not FDIC/NCUA insured, not insured by any government agency, not bank guaranteed, subject to risk and may lose value. Raymond James® is a registered trademark of Raymond James Financial, Inc.