

Monthly Market Review

A Surge In COVID-19 Cases Across The Globe ‘Spooks’ Investors

October 2020

Worsening COVID-19 Trends & Election Uncertainty In The US ‘Scares-Off’ Optimism

Monthly Highlights

- US New Daily Cases Sets New Peak as Nation Combats Third Surge of COVID-19.
- Later Stage Clinical Trials for Vaccines Appear Positive but Results Still Pending.
- Election Uncertainty Rattles the Markets as Presidential & Battleground State Polls Narrow.
- US GDP Posts Best Quarter of Growth Since 1950 & Nearly Doubles the Previous Record.
- The Fed Balance Sheet Reaches a Record Level; Chair Powell Lowers the Minimum PPP Loan Size
- ISM Manufacturing (59.3) Continues to Rebound as New Orders Reach Highest Level Since 2004.
- Consumer Confidence Weakens Due to COVID Fears & the Postponement of Fiscal Stimulus.
- 10-Year Treasury Yield Rises to the Highest Level Since Early June Despite Heightened Volatility.
- Despite Increase in Equity Volatility, Investment-Grade Spreads Narrow to Seven-Month Low.
- Better Than Expected 3Q20 Earnings Season; Strong Upward Revisions & Record Beats.
- S&P 500 Posts its Worst Week Since March to End the Month, Falling 8%+ from the Recent High.
- VIX Rises to Highest Level Since June.
- Oil Prices Decline More Than 11% as Case Surges in Europe & the US Cause Demand Concerns.

Economy | Congress Fails To Provide A Fiscal Stimulus ‘Treat’ Before The Election.

- As expected, the preliminary reading of **3Q20 GDP** (+33.1% Quarter-over-Quarter (QoQ)) was the best quarter of economic growth since 1950 and was nearly double the previous record due to personal consumption (+40.7%) and business fixed investment (+20.3%) sharply rebounding. However, the US economy remains ~3.5% below pre-pandemic levels.
- The US surpassed 9 million **COVID-19** cases, with a new daily peak of nearly 100k cases. Hospitalizations also rose to the highest level since August.
- **The Fed’s** balance sheet is at a record ~\$7.2 trillion as quantitative easing continues. Chair Powell has stated the Fed will be as accommodative as necessary to help the recovery, evidenced by the recent lowering of the Payroll Protection Program loan minimum.
- **Congress** was unable to pass a Phase 4 stimulus deal prior to Election Day, as partisan divides on issues such as state and local government aid and limited liability for corporations prevented a compromise.
- **October ISM Manufacturing** (59.3) rose further into expansion territory (a level above 50) and reached the highest level since September 2018. New orders (67.9) rebounded to the highest level since January 2004.
- **The US added 661k jobs** in September. The unemployment rate (+7.9%) declined further from the post-World War II peak (14.7%) reached in April.
- **Jobless claims** have improved, remaining below 900k for nine consecutive weeks and nearing the lowest levels since the start of the outbreak in March.
- The pace of **headline inflation** (+1.4% YoY) rose at the fastest rate since March. The pace of **Core CPI** (+1.6% YoY) was unchanged, but remains at the fastest pace since the start of the pandemic.
- **Consumer confidence** (100.9) fell less than one point as strength in the “present situation” subsector partially offset weakness in the “expectations” subsector. Delayed fiscal stimulus and fears regarding the third surge in COVID-19 cases weakened optimism.
- **Core retail sales** (ex. food, autos, and gas, +1.4% month-over-month (MoM)) rose at the fastest pace since June. The year-over-year pace (+9.1%) is now more than double the 10-year average of (+3.9%).
- **Housing data** was predominantly positive as existing home sales (+9.1%), building permits (+4.7%), and housing starts (+1.9%) increased while only new home sales (-3.5%) declined. The pace of home price gains (S&P Case Shiller Home Price Index +5.2% YoY) rose at the fastest pace since August 2018.
- **China’s Manufacturing PMI** (51.4) remained in expansion territory for the eighth consecutive month after falling to a virus-induced record low in February.
- **Euro Zone Manufacturing PMI** (54.4) remained in expansion territory for the fourth consecutive month and rose to the highest level since August 2018. Euro zone economic sentiment (90.9) was unchanged.

Fixed Income | The Fed's Intervention Unable To Do The 'Trick' For Most Credit Sectors.

- The **Bloomberg Barclays US Aggregate Index** (-0.4% MoM) declined for the third consecutive month, the longest stretch of consecutive monthly declines since November 2016. While credit spreads declined to post-pandemic lows intra-month, rising Treasury yields weighed on the broader fixed income market.
- **TIPS** (-0.4% MoM) declined for the second consecutive month but outpaced nominal Treasuries (-0.9% MoM) for six of the last seven months.
- **Municipals** (-0.3% MoM) declined for the second time in three months due to postponed fiscal stimulus and concerns about if/when the aid needed by certain state and local governments would be received in light of the presidential and congressional election outcomes. The revenue (-0.3%) and general obligation (-0.3%) municipal sectors led the decline.
- **US investment-grade bonds** (-0.2% MoM) declined for the third consecutive month. While the Fed's continued purchases pushed IG spreads to a seven-month low intra-month, rising yields led the overall index to decline. The weakness was driven by the Utilities (-0.4%) and Technology (-0.4%) sectors.
- **Emerging market bonds** (-0.1% USD MoM) declined for the second consecutive month due to fears of weaker economic growth as COVID cases surge.
- **International sovereign bonds** (G7 ex. US +0.4%) rose for the first time in three months despite a rise in sovereign yields. Accommodative monetary policy continues to support the sector.
- **High-yield bonds** (+0.5% MoM) rallied for the sixth time in seven months despite increased risk asset volatility, fears that rising cases may impact the recovery, and falling energy prices. High-yield spreads narrowed an additional eight basis points this month.

Equities | Rising COVID-19 Cases Gives Some Equity Regions A 'Fright.'

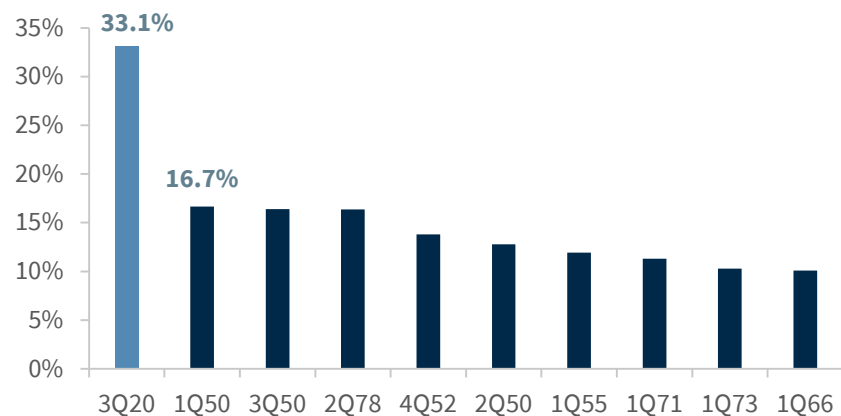
- **Global equities** (MSCI All Country World Index -2.4% USD MoM) fell for the second straight month despite positive vaccine news and an accommodative policymaker stance as a surge in COVID-19 cases in Europe and the US led to reinstated restrictions.
- **European equities** (MSCI Europe ex UK -5.8% USD MoM) posted their worst monthly decline since March, and underperformed global equities for the third time over the last four months.
- **U.S Large-Cap equities** (S&P 500 -2.7% MoM) declined for the second consecutive month with the index posting its worst week (-5.6%) since March to end the month. Election uncertainty, postponed stimulus, and a third surge in COVID-19 cases led US equities to decline more than 8% from the recent record high despite a better than expected 3Q20 earnings season.
- 9 of the 11 **S&P 500 sectors** were negative, with only the Utilities (+5.0%) and Communication Services (+0.8%) sectors in positive territory.
- **Japanese equities** (MSCI Japan -1.6% USD MoM) declined for the first time since July, but outpaced global equities for the third consecutive month.
- **EM equities** (MSCI EM +2.1% USD MoM) rallied for the sixth time in seven months and outperformed the developed markets (MSCI EAFE USD -4.0% MoM) for the fourth time in five months.
- Within EM, **Asia** (MSCI Asia ex JP +2.8% USD MoM) outperformed **LATAM** (MSCI LATAM -1.1% USD MoM) for the third consecutive month.
- **US Small-Cap equities** (Russell 2000 +2.1% MoM) rallied for the sixth time in the last seven months. Small-cap equities outperformed large-cap equities for the second consecutive month and by the widest margin since November 2016.

Commodities | Reinstated Restrictions Start To 'Haunt' Global Oil Demand.

- The **Bloomberg Barclays Commodity Index** (+1.4% MoM) rallied for the fifth time in six months. The asset class rose more than 4% intra-month, but lost gains as a surge in COVID-19 cases in Europe and the US renewed fears about future demand.
- The **US Dollar Index** (+0.2% MoM) rallied for only the second time in the last seven months. After declining ~1.8% intra-month, the dollar rallied sharply in the final days of the month as fears regarding the third surge of COVID-19 in the US heightened demand for the dollar. Despite the late month rally, the dollar remains near the lowest levels since 2018.
- The **Bloomberg Energy Index** (-0.6% MoM) declined for the second consecutive month. Rising COVID-19 cases in both Europe and the US renewed concerns about global demand and the global economic recovery, leading crude oil prices to fall (-11.0%). A substantial gain in natural gas prices (+37.3% MoM) helped offset some of the weakness.
- The **Bloomberg Precious Metals Index** (-0.5% MoM) declined for the second consecutive month as gold prices (-0.8% MoM) receded further from the recent historic high of \$2,069/oz. Weakness in platinum (-6.3%) and silver (-0.4%) also led the index lower.
- The **Bloomberg Softs Index** (+1.6% MoM) rose for the fourth time in the last five months due to rising sugar prices (+6.3% MoM).
- The **Bloomberg Industrial Metals Index** (+3.0% USD MoM) rallied for the sixth time in seven months despite increasing COVID concerns due to strength in nickel (+6.1%) and aluminum (+4.8%) prices.
- The **Bloomberg Grains Index** (+4.2% MoM) rallied for the third consecutive month due to strength in wheat (+3.5%) and soybean (+3.2%) prices.

Figure 1: Strongest Quarter Of Economic Growth Since 1950

The US economy posted the strongest quarter of economic growth (33.1% QoQ annualized) since 1950. However, the US economy remains ~3.5% off of its pre-pandemic levels.

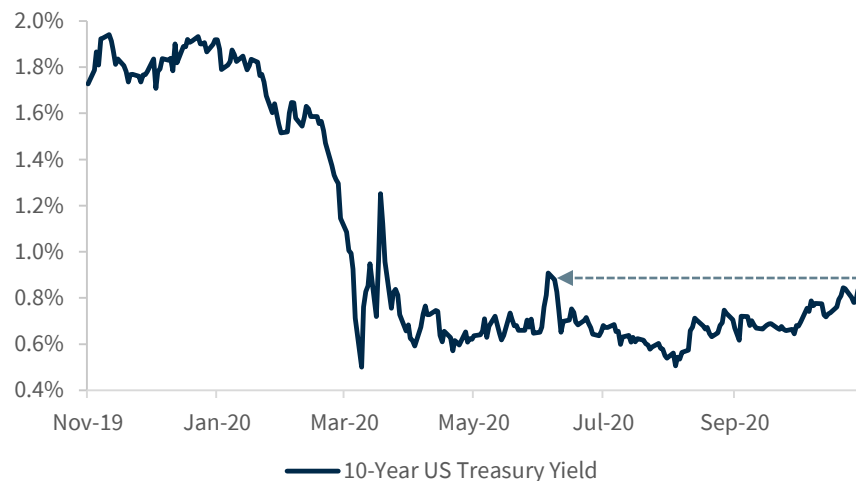


Strongest Quarters of Quarterly GDP Growth (Annualized)

Source: FactSet, as of 11/1/2020

Figure 3: 10-Year Treasury Yield Rises To The Highest Level Since June

The 10-year US Treasury yield rose to the highest level since early June despite US election uncertainty and a surge in COVID-19 cases in both the US and Europe causing uncertainty.

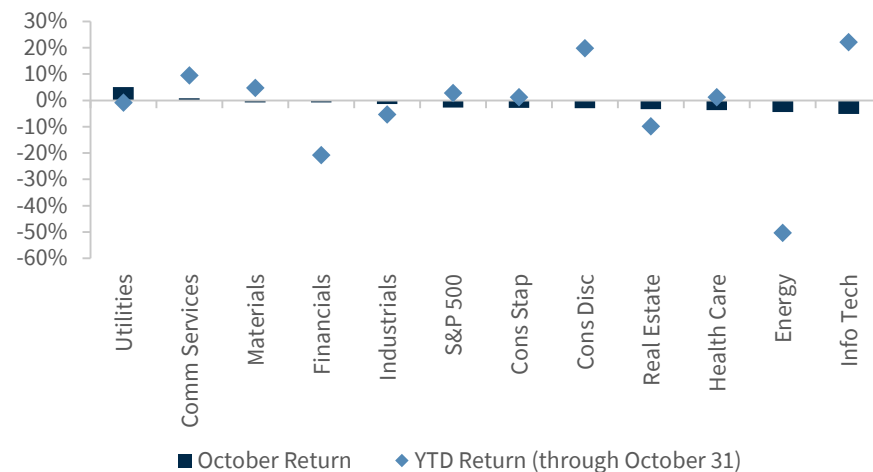


— 10-Year US Treasury Yield

Source: FactSet, as of 11/1/2020

Figure 2: Broad-Based Sell-Off Amid COVID Fears

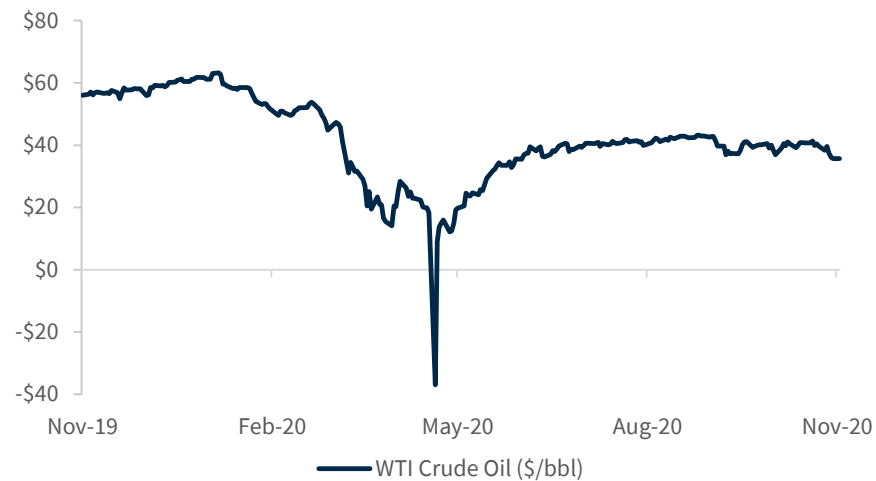
9 of the 11 S&P 500 sectors were negative for the month. Although the Info Tech sector led the decline (-5.1%) it remains the best performer on a year-to-date basis.



Source: FactSet, as of 11/1/2020

Figure 4: COVID Surges Halt A Further Rebound In Oil Prices

Oil prices have rebounded from historic low levels, but have yet to recover to pre-pandemic levels due to COVID-19 surges. The most recent surge caused prices to fall more than 11% this month.



— WTI Crude Oil (\$/bbl)

Source: FactSet, as of 11/1/2020

Fixed Income | Rising Treasury Yields Weigh On Most Sectors

	October	YTD	1 Year	3 Year	5 Year	10 Year
High Yield	0.5%	1.1%	3.5%	4.2%	6.3%	6.3%
International Bonds	0.4%	5.1%	4.0%	3.7%	3.6%	0.7%
EM Bonds	-0.1%	1.8%	3.4%	4.0%	5.6%	5.2%
US Investment Grade	-0.2%	6.4%	7.1%	6.2%	5.9%	5.1%
Municipals	-0.3%	3.0%	3.6%	4.1%	3.7%	4.0%
TIPS	-0.4%	6.2%	7.0%	4.4%	3.6%	2.5%
US Aggregate	-0.4%	6.3%	6.2%	5.1%	4.1%	3.6%
Treasuries	-0.9%	7.9%	6.9%	5.2%	3.6%	3.1%

Commodities & FX | Oil Prices Fall Amidst Rising COVID-19 Cases

	October	YTD	1 Year	3 Year	5 Year	10 Year
BBG Industrial Metals	3.0%	4.5%	2.2%	-3.4%	4.5%	-4.2%
BBG Commodity Index	1.4%	-11.2%	-9.3%	-5.9%	-3.9%	-6.9%
Copper	0.5%	9.0%	15.5%	-0.6%	5.6%	-2.0%
US Dollar Index	0.2%	-2.4%	-3.4%	-0.2%	-0.6%	2.0%
BBG Precious Metals	-0.5%	21.6%	21.2%	10.2%	7.5%	0.9%
BBG Energy Index	-0.6%	-44.5%	-42.3%	-18.0%	-14.5%	-15.5%
Gold	-0.8%	23.4%	24.1%	14.0%	10.5%	3.3%
Crude Oil (WTI)	-11.0%	-41.4%	-33.9%	-13.0%	-5.1%	-7.9%

S&P 500 Sectors | Broad-Based Sell-Off Continues

	October	YTD	1 Year	3 Year	5 Year	10 Year
Utilities	5.0%	-0.9%	0.6%	7.9%	11.2%	11.1%
Communication Services	0.8%	9.5%	15.8%	12.5%	9.3%	9.4%
Materials	-0.8%	4.6%	11.3%	4.6%	9.2%	8.6%
Financials	-0.8%	-20.9%	-14.6%	-1.4%	6.4%	9.4%
Industrials	-1.4%	-5.4%	-1.2%	4.0%	8.6%	11.1%
Consumer Staples	-2.8%	1.2%	4.9%	8.5%	7.6%	11.1%
Consumer Discretionary	-2.9%	19.8%	24.7%	18.5%	14.3%	17.2%
Real Estate	-3.3%	-9.9%	-10.3%	5.2%	5.8%	9.7%
Health Care	-3.7%	1.1%	10.1%	10.0%	9.4%	14.7%
Energy	-4.4%	-50.4%	-46.4%	-21.4%	-12.4%	-4.1%
Information Technology	-5.1%	22.1%	34.5%	22.8%	23.3%	19.1%

Equities | Small Cap Outperforms Large Cap

	October	YTD	1 Year	3 Year	5 Year	10 Year
Russell 2000 Value	3.6%	-18.7%	-13.9%	-4.1%	3.7%	7.1%
Russell 2000	2.1%	-6.8%	-0.1%	2.2%	7.3%	9.6%
Russell 2000 Growth	0.8%	4.7%	13.4%	7.9%	10.4%	12.0%
Russell 1000 Value	-1.3%	-12.7%	-7.6%	1.9%	5.8%	9.5%
Russell 1000	-2.4%	3.8%	10.9%	10.6%	11.8%	13.0%
S&P 500	-2.7%	2.8%	9.7%	10.4%	11.7%	13.0%
Russell 1000 Growth	-3.4%	20.1%	29.2%	18.8%	17.3%	16.3%
DJ Industrial Average	-4.6%	-7.1%	-2.0%	4.3%	8.5%	9.1%

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

	October	YTD	1 Year	3 Year	5 Year	10 Year
MSCI Asia ex JP	2.8%	8.6%	16.2%	4.6%	9.8%	5.7%
MSCI EM	2.1%	1.1%	8.6%	2.3%	8.3%	2.8%
MSCI LATAM	-1.1%	-36.6%	-32.9%	-10.8%	1.0%	-5.9%
MSCI Japan	-1.6%	-1.9%	0.7%	2.2%	5.5%	6.1%
MSCI AC World	-2.4%	-0.7%	5.4%	6.1%	8.7%	8.5%
MSCI EAFE	-4.0%	-10.4%	-6.5%	-0.8%	3.3%	4.3%
MSCI UK	-5.0%	-27.3%	-22.2%	-7.4%	-2.8%	1.2%
MSCI Europe ex UK	-5.8%	-8.8%	-4.2%	-0.4%	4.0%	4.8%

Key Asset Class Levels

	October	Start of Year	1 Year	3 Year	5 Year	10 Year
S&P 500	3,270	3,231	3,047	2,573	2,079	1,183
DJIA	26,502	28,538	27,187	23,349	17,664	11,118
MSCI AC World	551	565	535	496	411	316
S&P 500 Dividend Yield	1.81	1.92	2.00	2.02	2.26	2.09
1-3M T-Bills (Cash, in %)	0.09	1.51	1.58	1.03	0.05	0.13
2YR Treasury Yield (in %)	0.15	1.56	1.65	1.58	0.76	0.35
10YR Treasury Yield (in %)	0.86	1.91	1.80	2.37	2.15	2.61
30Yr Treasury Yield (in %)	1.63	2.38	2.27	2.88	2.93	4.00
EURUSD	1.16	1.12	1.11	1.16	1.10	1.39
Crude Oil - WTI (\$/bbl)	36	61	55	54	47	81
Gold (\$/oz)	1892	1523	1497	1278	1141	1358

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.

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

Investment Strategy

Lawrence V. Adam III, CFA, CIMA®, CFP®

Chief Investment Officer

T. 410.525.6217

larry.adam@raymondjames.com

Matt Barry, CFA

Investment Strategy Analyst

T. 410. 525. 6228

matt.barry@raymondjames.com

Kailey Bodine

Investment Strategy Analyst

T. 727.567.8494

kailey.bodine@raymondjames.com

Scott Brown

Senior Vice President, Chief Economist

T. 727.567.2603

scott.j.brown@raymondjames.com

Liz Colgan

Investment Strategy Analyst

T. 410.525.6232

liz.colgan@raymondjames.com

Giampiero Fuentes

Investment Strategy Analyst

T. 727.567.5776

giampiero.fuentes@raymondjames.com

J. Michael Gibbs

MD, Equity Portfolio & Technical Strategy

michael.gibbs@raymondjames.com

T. 901.579.4346

Kevin Giddis

MD, Chief Fixed Income Strategist

kevin.giddis@raymondjames.com

T. 901.578.4769

Joey Madere, CFA

Senior Portfolio Analyst

T. 901.529.5331

joey.madere@raymondjames.com

Richard Sewell, CFA

Senior Portfolio Analyst

richard.sewell@raymondjames.com

T. 901.524.4194

Anne B. Platt

VP, Investment Strategy & Product Positioning

T. 727.567.2190

anne.platt@raymondjames.com

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. 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.

© 2020 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. © 2020 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.