# Worries on multiple fronts weigh on the markets.

## Monthly snapshot

- Global equity markets lost ground in October. Investors were concerned about rising long-term U.S. Treasury yields, stronger-than-expected economic data—which reignited worries that the U.S. Federal Reserve would resume its rate-hiking cycle—as well as growing geopolitical tensions in the Middle East.
- Most global fixed-income assets recorded negative returns for the month. U.S. Treasury yields moved higher for all maturities greater than one year, particularly in the intermediate and long segments of the curve (bond prices move inversely to yields).
- We expect bond yields to remain at the higher end of the recent range as inflation proves perhaps a bit more stubborn than markets anticipate and the supply of new debt remains extremely high.

Global equity markets lost ground in October. Investors were concerned about rising long-term U.S. Treasury yields, stronger-than-expected economic data—which reignited worries that the U.S. Federal Reserve (Fed) would resume its rate-hiking cycle—as well as growing geopolitical tensions in the Middle East. Developed markets outperformed their emerging-market counterparts for the month.

North America experienced comparatively smaller losses and was the strongest performer among developed markets in October, led by the U.S. The Pacific region was the most notable market laggard due mainly to weakness in New Zealand and Japan. Eastern Europe posted a double-digit gain and was the top-performing region within the emerging markets during the month due primarily to strength in Poland. In contrast, the Gulf Cooperation Council (GCC) countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates—and Latin America recorded the largest losses among the emerging markets during the month.

Most global fixed-income asset classes lost ground in October. U.S. Treasury securities saw relatively smaller losses and were the top performers within the U.S. market for the month.  U.S. mortgage-backed securities (MBS) and corporate bonds were the most notable market laggards.  Treasury yields moved higher for all maturities greater than one year, particularly in the intermediate and long segments of the curve. Yields on 2-, 3-, 5- and 10-year Treasury notes rose 0.04%, 0.10%, and 0.29%, respectively, over the month. The spread between 10- and 2-year notes moved from –0.44% to –0.19% during the month, and the yield curve remained inverted.

As widely expected, the Fed maintained the federal-funds rate in a range of 5.25% to 5.50% following its meeting on 31 October-1 November. However, the central bank did not rule out future interest-rate increases if needed in its ongoing effort to combat inflation. In a statement announcing the continuation of the pause in its rate-hiking cycle, for a second consecutive policy meeting, the Federal Open Market Committee (FOMC) stated that it "would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments." Since the Fed's last rate increase in late July through the end of October, the yield on the 10-year U.S. Treasury note rose more than 100 basis points (1.00%). This has prompted speculation that higher long-term yields could slow U.S. economic growth, thereby reducing the need for then Fed to raise the federal-funds rate further.

## Key measures: October 2023

| Equity | |
|---|---|
| Dow Jones Industrial Average | -1.26% |
| S&P 500 Index | -2.10% |
| NASDAQ Composite Index | -2.76% |
| MSCI ACWI Index (Net) | -3.01% |
| **Bond** | |
| Bloomberg Global Aggregate Index | -1.20% |
| **Volatility** | |
| Chicago Board Options Exchange Volatility Index<br>**PRIOR MONTHLY: 17.52** | 18.14 |
| **Oil** | |
| WTI Cushing crude oil prices<br>**PRIOR MONTHLY: $90.79** | $81.02 |
| **Currencies** | |
| Sterling vs. U.S. dollar | $1.21 |
| Euro vs. U.S. dollar | $1.06 |
| U.S. dollar vs. yen | ¥151.45 |

Sources: Bloomberg, FactSet, Lipper

Long-simmering tensions in the Middle East escalated to war following a surprise attack on Israel by Hamas in early October. In addition to the casualties resulting from Hamas' initial incursion into Israel, the militant group and some of its allies abducted more than 200 soldiers and civilians, including several Americans; the Israeli government subsequently entered into negotiations to secure their release. President Joe Biden traveled to Israel on 18 October to meet with Prime Minister Benjamin Netanyahu to discuss the conflict. The meeting occurred amid increasing tensions following the bombing of a hospital in Gaza, a Palestinian territory controlled by Hamas. The Israeli government and Gazan militants each blamed the other for the attack. Biden stated that, based on information provided by the U.S. Department of Defense, the explosion was caused by an errant rocket launched by Palestinian Islamic Jihad, a Sunni Islamic militant group. In protest of the U.S. government's conclusion about the attack, the leaders of several Arab nations canceled a previously scheduled meeting with Biden in Jordan. Soon thereafter, Biden announced that the U.S. had reached an agreement with Israel and Egypt to send humanitarian aid into Gaza by truck. Later in the month, Israeli troops entered Gaza to begin a ground offensive in an effort to defeat Hamas.

In response to news of the attack in Israel, both the West Texas Intermediate (WTI) and Brent crude oil prices rose sharply amid concerns that any expansion of the conflict into the major oil-producing nations in the Middle East could reduce supply. However, prices subsequently pulled back as fears regarding the Middle East conflict eased and inventories rose. The WTI crude oil price ended the month down 10.8%, while Brent crude fell 7.8% in U.S. dollar terms. Other global commodity prices were mixed in October. The New York Mercantile Exchange (NYMEX) natural gas price climbed 22% over the month amid higher demand. The gold spot price increased 6.9% over the month as investors sought "safe-haven" assets amid geopolitical tensions in the Middle East. Wheat prices were up 2.7% in October, benefiting from hopes of increased demand from China, as well as speculation that the Israel-Hamas and Russia-Ukraine conflicts could hamper supply.

# Economic data

## U.S.

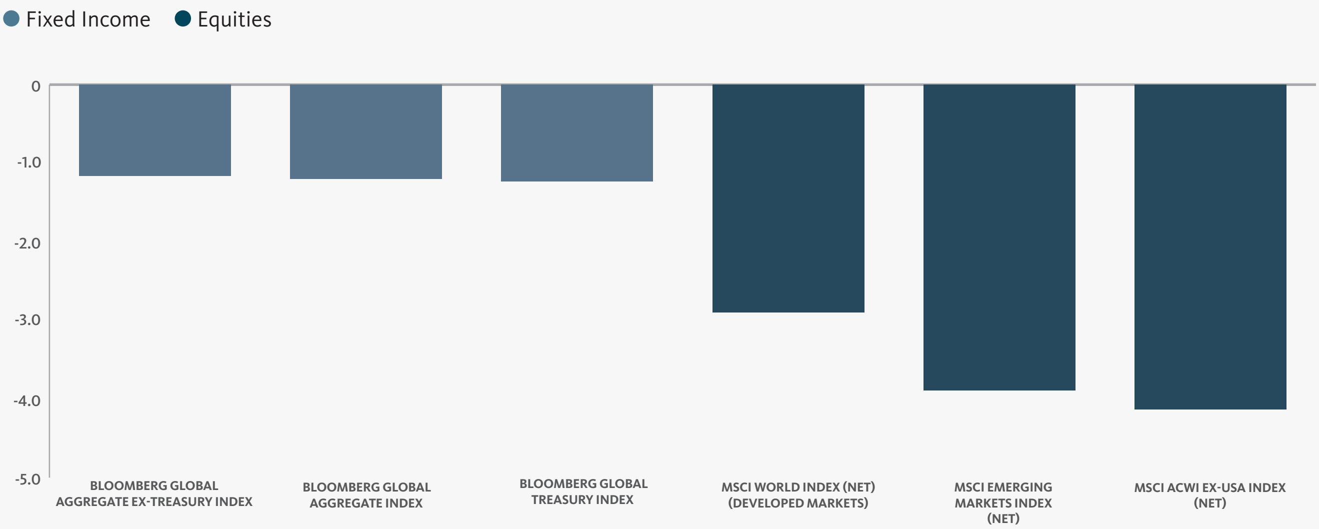
- The Department of Labor reported that the U.S. consumer-price index (CPI) rose 0.4% in September, following a monthly increase of 0.6% in August. The CPI advanced 3.7% year-over-year—unchanged from the 12-month rise in August. Core inflation, as measured by the CPI for all items less food and energy, posted an annual increase of 4.1%–in line with market's expectations and down slightly from the 4.3% year-over-year upturn in August. Core inflation rose 0.3% in September, matching the month-over-month increase in August. Housing costs comprised the bulk of the rise in the CPI in September, while higher gasoline prices also contributed to the upturn. Food prices rose 0.2% for the third consecutive month, and recorded a 3.7% gain versus the same period in 2022.

- According to the initial estimate from the Department of Commerce, U.S. gross domestic product (GDP) grew at an annualised rate of 4.9% in the third quarter of 2023, sharply higher than the 2.1% rise in the second quarter of the year. U.S. GDP has increased for five consecutive quarters following declines in the first two quarters of 2022. The largest increases for the third quarter were in consumer spending, private inventory investment (a measure of the changes in values of inventories from one time period to the next), and exports. These gains offset a reduction in nonresidential fixed investment (purchases of both nonresidential structures and equipment and software), and an increase in imports, which are a subtraction in the calculation of GDP. The government attributed the significantly higher GDP growth rate relative to the previous quarter primarily to accelerations in consumer spending and private inventory investment, as well as upturns in exports and residential fixed investment (purchases of private residential structures and residential equipment that property owners use for rentals). Conversely there were quarter-over-quarter decreases in nonresidential fixed investment, a slowdown in state and local government spending, as well as an increase in imports.

## U.K.

- According to the Office for National Statistics (ONS), consumer prices in the U.K. rose 0.5% month-over-month in September—up slightly from the 0.4% increase in August. Inflation advanced 6.3% year-over-year, matching the 12-month upturn in August. The largest contributors to the annual rise in inflation included food and non-alcoholic beverages, as well as alcoholic beverages and tobacco. These more than offset a decline in prices for household appliances, fitting and repairs. Core inflation, which excludes volatile food prices, rose at an annual rate of 5.9% in September, unchanged from the year-over-year increase in August.
- The ONS also reported that U.K. GDP grew 0.5% in August (the most recent reporting period), after falling 0.6% in July, and increased 0.3% over the previous three-month period. Production output decreased 0.7% month-over-month in August, compared to the 1.1% decline in July. The services sector saw an upturn of 0.4% in August, versus a 0.5% decrease during the previous month. The construction sector contracted 0.5% in August, compared to the 0.4% downturn in July.

### Major Index Performance in October 2023 (Percent Return)




Sources: FactSet, Lipper

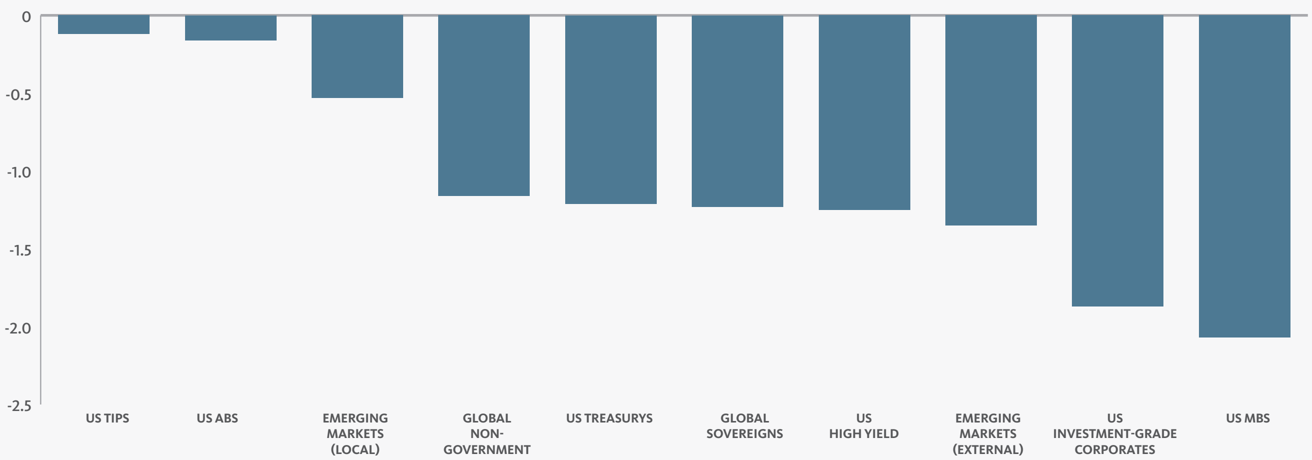
## Eurozone

- Eurostat pegged the inflation rate for the eurozone at 2.9% for the 12-month period ending in October, down sharply from the 4.3% annual increase in September. Prices for food, alcohol and tobacco rose 7.5% in October, but the pace of acceleration slowed from the 8.8% annual rate for the previous month. Additionally, costs for services and non-energy industrial goods rose 4.6% and 3.5%, respectively, over the previous 12 months. Conversely, energy prices fell 11.1% year-over-year, following a 4.7% decline in September. Core inflation, which excludes volatile energy and food prices, rose at an annual rate of 4.2% in October, down 0.3 percentage point from September.
- According to Eurostat's final estimate, eurozone GDP grew 0.2% in the second quarter of 2023, slight improvement from the flat growth rate in the first quarter, and increased 0.5% year-over-year. The economies of Lithuania and Iceland were the strongest performers for the second quarter, expanding 2.4% and 2.2%, respectively, while Poland's economy contracted 2.2% during the period.

## Central banks

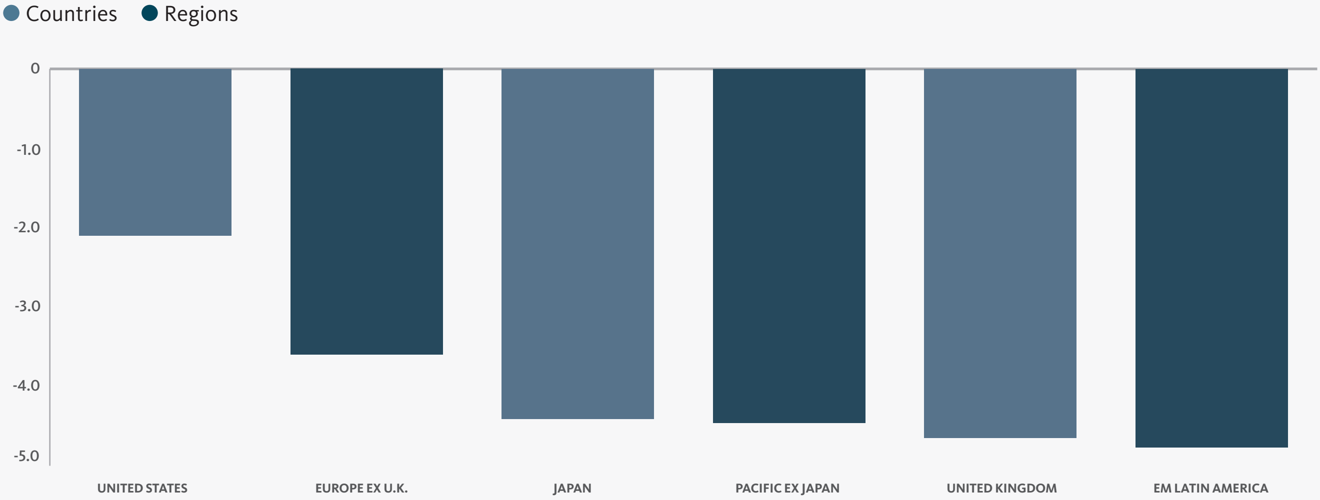
- During a speech at the Economic Club of New York nearly two weeks before the FOMC's most recent policy meeting, Fed Chair Jerome Powell noted that he is encouraged by the decline in inflation and that the Fed could keep its interest rate-hiking cycle on hold if no signs emerge that strong economic activity might reignite inflation. Powell stated, "Given the uncertainties and risks, and how far we have come, the Committee is proceeding carefully. We will make decisions about the extent of additional [monetary] policy firming and how long policy will remain restrictive based on the totality of the incoming data, the evolving outlook, and the balance of risks." However, Powell sounded a cautious note: "Given the fast pace of the [policy] tightening, there may still be meaningful tightening in the pipeline." As previously noted, the Fed left its benchmark interest rate unchanged at its meeting on October 31-November 1.

### Fixed-Income Performance in October 2023 (Percent Return)




Sources: FactSet, Lipper. See "Corresponding Indexes for Fixed-Income Performance Exhibit" in the Index descriptions section for more information.

## Regional Equity Performance in October 2023 (Percent Return)



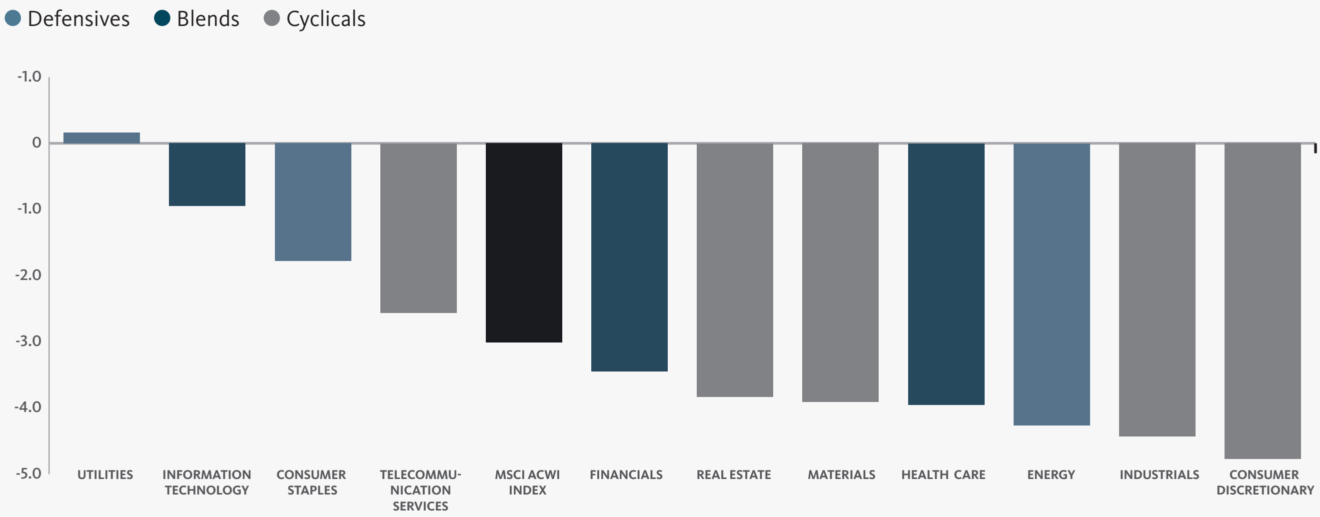

Sources: FactSet, Lipper. See "Corresponding Indexes for Regional Equity Performance Exhibit" in the Index descriptions section for more information.

- In a split 6-3 vote at its meeting in early November, the Bank of England (BOE) left the Bank Rate unchanged at a 15-year high of 5.25%. Three BOE Monetary Policy Committee members supported a 25-basis point increase. In its announcement of the rate decision, the BOE commented, "The Committee continues to judge that the risks to its modal inflation projection are skewed to the upside. Second-round effects in domestic prices and wages are expected to take longer to unwind than they did to emerge. There are also upside risks to inflation from energy prices given events in the Middle East." The central bank also stated, that, based on its projections, "inflation returns to target [an annual rate of 2%] in two years' time and falls to 1.6% at the three-year horizon."
- The European Central Bank (ECB) left its benchmark interest rate unchanged at 4.50% following its meeting in on October 26. In a statement announcing the rate decision, the ECB's Governing Council noted that "inflation dropped markedly in September...and most measures of underlying inflation have continued to ease. The Governing Council's past interest rate increases continue to be transmitted forcefully into financing conditions." The central bank also expressed its optimism that "the key ECB interest rates are at levels that, maintained for a sufficiently long duration, will make a substantial contribution to this goal. The Governing Council's future decisions will ensure that its policy rates will be set at sufficiently restrictive levels for as long as necessary."
- The Bank of Japan (BOJ) left its benchmark interest rate unchanged at -0.1% following its meeting on October 30-31, but announced an adjustment to its yield curve control policy. The central bank redefined the upper yield limit of 1.0% for the 10-year Japanese Government Bond (JGB) that it had established in July of this year as an "upper bound" rather than a stringent cap. The BOJ's decision sent the Japanese yen tumbling to a 15-year low against the euro, and falling to a one-year trough versus the U.S. dollar. In a statement announcing the monetary policy actions, the central bank commented that it will "control the yields mainly through large-scale JGB purchases and nimble market operations. In this manner, the Bank will patiently continue with monetary [policy] easing." The 10-year JGB yield rose 18 basis points to 0.95% over the month.

## SEI's view

- While predictions of a downturn in business activity during 2023 have been widely held since the end of last year, the U.S. economy has mostly surprised to the upside. Recession calls are now in the minority, with the latest plane analogy going from "hard landing" to "soft landing," and even to "no landing." Other major economies outside the U.S. are showing signs of weakness, despite advances during the first half of this year. Germany is already in recession and the U.K. may not be far behind. In these developed economies, businesses and consumers alike are feeling pressure from rising interest rates and persistent core inflation.
- Hopes that China would offset slowing economic growth elsewhere have proven to be elusive. Although Chinese domestic travel and services consumption experienced a post-COVID-19 bounce, the economic data have been mostly disappointing. Consumer sentiment remains extremely depressed, with the latest quarterly reading showing a partial reversal of the early 2023 post-lockdown bounce. Chinese consumers and financial market participants appear largely unimpressed with the government's efforts, both fiscal and monetary, to turn the economy around.
- The surprise Hamas attack on Israel has increased tensions in the Middle East. Oil prices react to instability and potential threats to supplies. With Iran a long-time backer of Hamas and other designated terrorist groups, Russia's invasion of Ukraine still in progress, the potential for China or other countries to take advantage of the situation and make moves of their own. The dysfunction in the U.S. political system resulting in gridlock in Washington, there are plenty of opportunities for the situation to get worse before it gets better. The greatest concern that we see is the potential for escalation between Israel and Iran, given the potential for an Israeli military strike as retaliation for Iran's likely involvement in supporting the attack.

### Global Equity Sector Performance in October 2023 (Percent Return)




Sources: FactSet, Lipper. MSCI ACWI Index Components (as defined by SEI).

- SEI generally expects that the Fed's unprecedented interest-rate hiking cycle will not be limited to the most interest-rate-sensitive parts of the economy or the capital markets. We remain extremely skeptical that the 2% inflation targets of the past will be easily achieved in the future and, therefore, question the ability of central banks to quickly pivot towards more relaxed monetary policies. While we agree the global tightening cycle is nearing an end, we wouldn't be surprised with another rate hike from the Fed and some movement towards tighter monetary policy out of the Bank of Japan. However, bond investors did central bankers a huge favor tightening financial conditions by forcing lenders to pay higher yields on bonds, making additional interest-rate hikes from monetary policymakers essentially a coin flip at this point.
- Bond yields have risen despite lower inflation rates. We believe markets are responding to the increase in government debt issuance at a time when central banks are adding to supply pressures via quantitative tightening (i.e., selling bonds out of their portfolios). We expect bond yields to remain at the higher end of the recent range as inflation proves perhaps a bit more stubborn than markets anticipate and the supply of new debt remains extremely high.
- U.S. equity markets have entered a corrective phase. U.S. large-capitalization stocks are expected to trade in a broad range, with the S&P 500 Index currently closer to the upper end of this range. Growth companies with high price-to-earnings ratios are vulnerable to rising bond yields, and more cyclical and economically sensitive names within this cohort could face pressure from declining profit margins.

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# Standardised Performance

| | | 1 year to 31-Oct-23 | 1 year to 31-Oct-22 | 1 year to 31-Oct-21 | 1 year to 31-Oct-20 | 1 year to 31-Oct-19 |
|---|---|---|---|---|---|---|
| **Key Measures** | | | | | | |
| Dow Jones Industrial Average | | 3.17% | -6.74% | 37.73% | 0.34% | 10.32% |
| S&P 500 Index | | 10.14% | -14.61% | 42.91% | 9.71% | 14.33% |
| NASDAQ Composite Index | | 17.99% | -28.56% | 42.99% | 32.84% | 14.77% |
| MSCI ACWI Index (Net) | | 10.50% | -19.96% | 37.28% | 4.89% | 12.59% |
| Bloomberg Barclays Global Aggregate Index | | 3.13% | -19.15% | 1.04% | 5.77% | 9.47% |
| **Major Index Performance** | | | | | | |
| Bloomberg Barclays Global Aggregate ex-Treasury Index | | 3.13% | -19.15% | 1.04% | 5.77% | 9.47% |
| Bloomberg Barclays Global Aggregate Index | | 1.72% | -20.79% | -1.24% | 5.63% | 9.54% |
| Bloomberg Barclays Global Treasury Index | | 0.46% | -22.23% | -3.23% | 5.48% | 9.60% |
| MSCI ACWI ex-USA (Net) | | 12.07% | -24.73% | 29.66% | -2.61% | 11.27% |
| MSCI Emerging Markets Index (Net) | | 10.80% | -31.03% | 16.96% | 8.25% | 11.86% |
| MSCI World Index (Net) | | 10.48% | -18.48% | 40.42% | 4.36% | 12.69% |
| **Fixed-Income Performance** | | | | | | |
| US Treasury Inflation-Protected Securities (TIPS) | Bloomberg Barclays 1-10 Year U.S. TIPS Index | 0.88% | -7.18% | 7.05% | 7.00% | 6.87% |
| Global Non-Government | Bloomberg Barclays Global Aggregate ex-Treasury Index | 3.13% | -19.15% | 1.04% | 5.77% | 9.47% |
| Global Sovereigns | Bloomberg Barclays Global Treasury Index | 0.46% | -22.23% | -3.23% | 5.48% | 9.60% |
| US Investment-Grade Corporates | Bloomberg Barclays U.S. Corporate Investment Grade Index | 2.77% | -19.57% | 2.18% | 7.05% | 15.37% |
| US Asset-Backed Securities (ABS) | Bloomberg Barclays U.S. Asset-Backed Securities Index | 3.51% | -6.07% | 0.24% | 4.28% | 5.63% |
| US Mortgage-Backed Securities (MBS) | Bloomberg Barclays U.S. Mortgage-Backed Securities Index | -0.82% | -15.04% | -0.58% | 3.95% | 8.87% |
| US Treasurys | Bloomberg Barclays U.S. Treasury Index | -0.63% | -14.09% | -2.45% | 6.95% | 11.08% |
| US High Yield | ICE BofAML US High Yield Constrained Index | 5.81% | -11.45% | 10.75% | 2.44% | 8.32% |
| Emerging Markets (External) | JPMorgan EMBI Global Diversified Index | 8.36% | -24.19% | 4.41% | 0.98% | 14.35% |
| Emerging Markets (Local) | JPMorgan GBI-EM Global Diversified Index | 13.50% | -20.27% | 0.84% | -3.81% | 15.59% |
| **Regional Equity Performance** | | | | | | |
| United Kingdom | FTSE All-Share Index | 11.60% | -18.34% | 43.54% | -18.70% | 8.15% |
| EM Latin America | MSCI Emerging Markets Latin America Index (Net) | 3.65% | 16.12% | 21.93% | -33.14% | 7.73% |
| Europe ex UK | MSCI Europe ex UK Index (Net) | 16.63% | -25.82% | 40.13% | -4.87% | 12.33% |
| Pacific ex Japan | MSCI Pacific ex Japan Index (Net) | 5.13% | -20.95% | 30.61% | -9.39% | 16.29% |
| United States | S&P 500 Index | 10.14% | -14.61% | 42.91% | 9.71% | 14.33% |
| Japan | TOPIX, also known as the Tokyo Stock Price Index | 17.58% | -24.05% | 18.62% | 0.36% | 8.45% |
| **Global Equity Sector Performance** | | | | | | |
| MSCI ACWI Index | | 10.50% | 7.81% | 30.25% | 3.89% | -0.84% |
| MSCI ACWI Consumer Discretionary Index | | 11.65% | -5.31% | 50.38% | 5.08% | -1.62% |
| MSCI ACWI Consumer Staples Index | | 1.37% | 14.30% | 11.08% | 3.43% | 0.85% |
| MSCI ACWI Energy Index | | 3.30% | 36.01% | 4.88% | -21.56% | 2.45% |
| MSCI ACWI Financials Index | | 5.22% | 14.79% | 17.15% | -2.38% | -9.16% |
| MSCI ACWI Healthcare Index | | -1.75% | 10.05% | 22.61% | 5.34% | 7.85% |
| MSCI ACWI Industrials Index | | 10.03% | 5.13% | 26.08% | -0.67% | -3.06% |
| MSCI ACWI Information Technology Index | | 25.81% | 10.15% | 54.52% | 22.80% | 1.18% |
| MSCI ACWI Materials Index | | 7.18% | 10.18% | 46.03% | -7.08% | -7.48% |
| MSCI ACWI Telecommunication Services Index | | 26.96% | -7.03% | 39.54% | 7.85% | 1.10% |
| MSCI ACWI Utilities Index | | -2.07% | 13.34% | 0.76% | 8.73% | 14.50% |
| MSCI ACWI Real Estate Index | | -4.29% | -26.21% | 32.16% | -15.70% | 22.20% |

**All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.**

## Corresponding Indexes for Key Measures Exhibit

| | |
|---|---|
| Dow Jones Industrial Average | The Dow Jones Industrial Average is a widely followed market indicator based on a price-weighted average of 30 blue-chip New York Stock Exchange stocks that are selected by editors of The Wall Street Journal. |
| NASDAQ Composite Index | The NASDAQ Composite Index is a market-value-weighted index of all common stocks listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) system, representing a subset of the US equity market. |
| MSCI ACWI Index | The MSCI ACWI Index is a market-capitalisation-weighted index composed of over 2,000 companies, and is representative of the market structure of 46 developed- and emerging-market countries in North and South America, Europe, Africa and the Pacific Rim. The Index is calculated with net dividends reinvested in US dollars. |
| Bloomberg Global Aggregate Index | The Bloomberg Global Aggregate Index is an unmanaged market-capitalisation-weighted benchmark that tracks the performance of investment-grade fixed-income securities denominated in 13 currencies. The Index reflects reinvestment of all distributions and changes in market prices. |
| Chicago Board Options Exchange Volatility Index (VIX) | The Chicago Board Options Exchange Volatility Index (VIX) tracks the expected volatility in the S&P 500 Index over the next 30 days. A higher number indicates greater volatility. |

## Corresponding Indexes for Major Index Performance Exhibit

| | |
|---|---|
| MSCI ACWI ex-USA Index | The MSCI ACWI ex-USA Index includes both developed- and emerging-market countries, excluding the US. |
| MSCI Emerging Markets Index | The MSCI Emerging Markets Index is a free float-adjusted market-capitalisation-weighted index designed to measure the performance of global emerging-market equities. |
| MSCI World Index | The MSCI World Index is a free float-adjusted market-capitalisation-weighted index that is designed to measure the equity market performance of developed markets. |
| Bloomberg Global Aggregate Index | The Bloomberg Global Aggregate Index is an unmanaged market-capitalisation-weighted benchmark that tracks the performance of investment-grade fixed-income securities denominated in 13 currencies. The Index reflects reinvestment of all distributions and changes in market prices. |
| Bloomberg Global Aggregate ex-Treasury Index | The Bloomberg Global Aggregate ex-Treasury Index is an unmanaged market index representative of the total return performance of ex-Treasury major world bond markets. |
| Bloomberg Global Treasury Index | The Bloomberg Global Treasury Index is composed of those securities included in the Bloomberg Global Aggregate Index that are Treasury securities. |

| Corresponding Indexes for Fixed-Income Performance Exhibit | |
|---|---|
| US High Yield | ICE BofA U.S. High Yield Constrained Index |
| Global Sovereigns | Bloomberg Global Treasury Index |
| Global Non-Government | Bloomberg Global Aggregate ex-Treasury Index |
| Emerging Markets (Local) | JPMorgan GBI-EM Global Diversified Index |
| Emerging Markets (External) | JPMorgan EMBI Global Diversified Index |
| US Mortgage-Backed Securities (MBS) | Bloomberg U.S. Mortgage Backed Securities Index |
| US Asset-Backed Securities (ABS) | Bloomberg U.S. Asset-Backed Securities Index |
| US Treasurys | Bloomberg U.S. Treasury Index |
| US Treasury Inflation-Protected Securities (TIPS) | Bloomberg 1-10 Year U.S. TIPS Index |
| US Investment-Grade Corporates | Bloomberg U.S. Corporate Bond Index |

| Corresponding Indexes for Regional Equity Performance Exhibit | |
|---|---|
| United States | S&P 500 Index |
| United Kingdom | FTSE All-Share Index |
| Pacific ex Japan | MSCI Pacific ex Japan Index (Net) |
| Japan | TOPIX, also known as the Tokyo Stock Price Index |
| Europe ex UK | MSCI Europe ex UK Index (Net) |
| EM Latin America | MSCI Emerging Markets Latin America Index (Net) |

# Important Information

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