Stocks earn their way to a rally.

Monthly snapshot

- Major global equity market indexes moved higher in February 2024. Investors' optimism regarding generally positive corporate earnings offset concerns that stickier-than-expected inflation data may prompt the Federal Reserve (Fed) and other central banks to delay a pivot to interest-rate cuts.
- Global fixed-income assets recorded negative returns in February. U.S. Treasury yields rose across the curve—with the exception of one-month Treasury bill—for the month (bond prices move inversely to yields).
- It appears that fewer stocks included in the "Magnificent Seven" are having a significant impact on the U.S. equity market—shares of three of the mega-cap tech companies declined during the first two months of 2024—and the January inflation data have dampened investors' hopes for Fed rate cuts in the near term.

Major global equity market indexes moved higher in February 2024. Emerging markets modestly outperformed their developed-market counterparts. Investors' optimism regarding generally positive corporate earnings offset concerns that stickier-than-expected inflation data may prompt the Fed and other central banks to delay a pivot to interest-rate cuts. North America led the major developed markets in February due to strength in the U.S. The Dow Jones Industrial Average and the broad-market S&P 500 Index closed at historically high levels on several trading days in February, while the tech-heavy Nasdaq Composite Index reached a record-high close on the last day of the month. The Pacific region was the primary developed-market laggard in February, as Australia recorded a negative return for the month. The Far East was the top-performing region within emerging markets for the month, led by strength in China. Conversely, Latin America was the most notable underperformer due to relative weakness in Brazil.[1]

Global fixed-income assets, as represented by the Bloomberg Global Aggregate Bond Index, declined 1.3% in February. High-yield bonds registered modest gains for the month and led the U.S. fixed-income market, while corporate bonds and U.S. Treasury securities recorded losses.[2] Treasury yields rose across the curve—with the exception of the one-month Treasury bill—in February. Yields on 2-, 3-, 5- and 10-year Treasury notes increased 0.37%, 0.35%, 0.38% and 0.26%, respectively, over the month. The spread between 10- and 2-year notes widened from -0.28% to –0.39% in February, and the yield curve remained inverted.[3]

Global commodity prices, as measured by the Bloomberg Commodity Total Return Index, fell 1.5% in February. The West Texas Intermediate (WTI) and Brent crude prices rallied during the month as ongoing geopolitical tensions in the Middle East spurred investors' worries about a disruption in oil exports. The WTI and Brent crude oil prices ended February with gains of 3.2% and 1.7%, respectively. The New York Mercantile Exchange (NYMEX) natural gas price plunged 11.4% over the month amid slowing demand due to above-average winter temperatures in the U.S. The 0.6% decline in the gold spot price was attributable to stronger-than-expected U.S. economic data and the rise in U.S. Treasury yields during the month. (The gold price typically moves inversely to bond yields.) Wheat prices were down 3.2% in February due to relatively weaker demand for exports from the U.S.[4]

[1] All equity market performance statements are based on the MSCI ACWI Index.

[2] According to the Bloomberg US High Yield Index, the Bloomberg US Corporate Investment Grade Index, and the Bloomberg US Treasury Index.

[3] According to the U.S. Department of the Treasury. 1 March 2024.

[4] According to market data from The Wall Street Journal.

Key measures: February 2024

Equity		
Dow Jones Industrial Average	2.50%	↑
S&P 500 Index	5.34%	↑
NASDAQ Composite Index	6.22%	↑
MSCI ACWI Index (Net)	4.29%	↑
Bond		
Bloomberg Global Aggregate Index	-1.26%	↓
Volatility		
Chicago Board Options Exchange Volatility Index **PRIOR MONTHLY: 14.35**	13.4	↓
Oil		
WTI Cushing crude oil prices **PRIOR MONTHLY: $75.85**	$78.26	↑
Currencies		
Sterling vs. U.S. dollar	$1.26	↓
Euro vs. U.S. dollar	$1.08	↓
U.S. dollar vs. yen	149.67	↑

Sources: Bloomberg, FactSet, Lipper

Minutes from the Fed's 30-31 January meeting, released on 21 February, revealed that most Federal Open Market Committee (FOMC) members expressed concerns about reducing rates too soon at the risk of reigniting inflation. "Most participants noted the risks of moving too quickly to ease the stance of policy and emphasised the importance of carefully assessing incoming data in judging whether inflation is moving down sustainably to 2 percent." On a more dovish note, a couple of meeting participants "pointed to downside risks to the economy associated with maintaining an overly restrictive stance for too long...In discussing risk-management considerations that could bear on the policy outlook, [meeting] participants remarked that while the risks to achieving the Committee's employment and inflation goals were moving into better balance, they remained highly attentive to inflation risks."

On the geopolitical front, the Russia-Ukraine and Israel-Hamas military conflicts continued in February. Russia's invasion of Ukraine marked its second anniversary on 24 February, with little hope for a resolution in the near term. Republican Party leaders in the U.S. House of Representatives rejected a bipartisan bill approved in the Senate that would provide military aid for Ukraine, Israel, and Taiwan, as well as immigration reforms. At the end of the month, negotiations on a ceasefire in the Israel-Hamas war appeared to be in jeopardy following a clash between Israeli soldiers and Palestinian civilians in Gaza as many residents were caught in a chaotic rush to obtain supplies from 30 trucks delivering aid to the territory.

The U.S.- and U.K.-led coalition (with support from Australia, Bahrain, Canada, Denmark, and the Netherlands) continued to engage in a military conflict with the Houthi movement, an Iran-backed militant group that seized Sanaa, Yemen's capital, in 2014. In late February, the coalition struck 18 Houthi targets in Yemen, including underground weapons storage facilities, missile storage facilities, air defense systems, radars, and a helicopter. In a news release, the U.S. Central Command noted that the military strikes sought to "degrade Houthi capability and disrupt their continued reckless and unlawful attacks on international commercial and U.S. and U.K. vessels in the Red Sea, Bab Al-Mandeb Strait, and the Gulf of Aden." The Houthis have attacked U.S. military bases in Iraq and Syria, as well as numerous commercial ships in the Red Sea. This has forced international shipping companies to reroute their vessels around the Cape of Good Hope in South Africa, putting upward pressure on freight costs.

Economic data

U.S.

- The Department of Labor reported that the U.S. consumer-price index (CPI) rose 0.3% in January following a 0.4% upturn in December. The CPI advanced 3.1% year-over-year—matching the annual increase in December and exceeding market expectations. Costs for energy services (electricity and utility gas services) and housing were the largest contributors to the month-over-month rise in the CPI, increasing 0.5% and 0.4%, respectively. Food prices were up 0.4% in January and rose 2.6% over the previous 12-month period. The 3.9% rolling 12-month rise in core inflation, as measured by the CPI for all items less food and energy, was unchanged from the year-over-year upturn in December—the smallest annual increase since August 2021. Core inflation was up 0.4% in January, marginally higher than the 0.3% month-over-month rise in December.

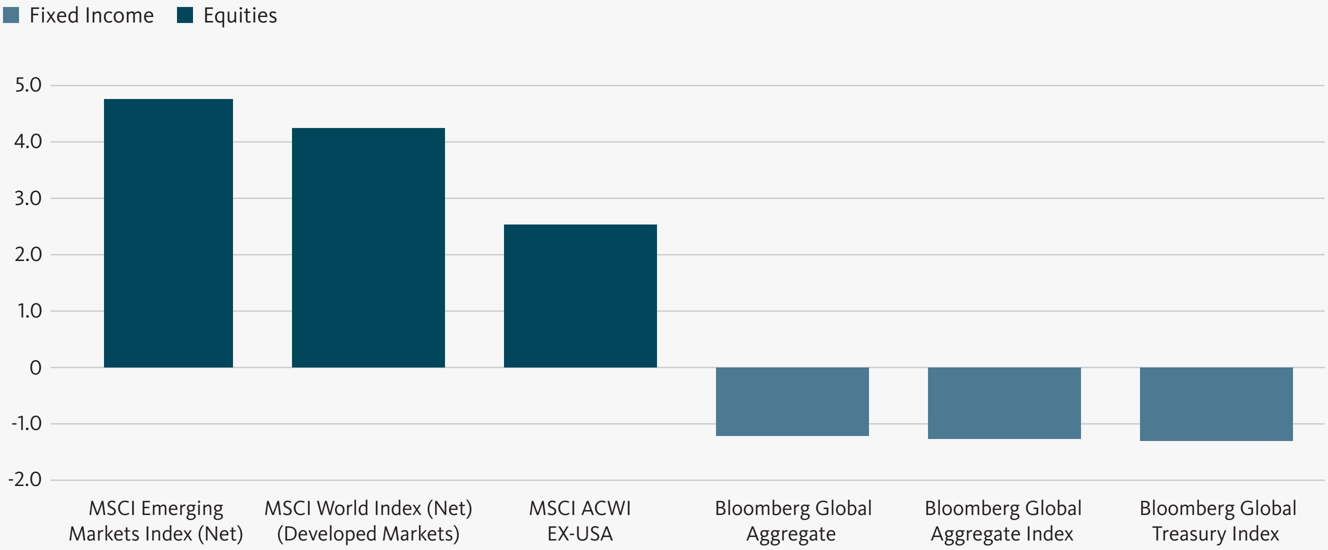
- According to the second estimate from the Department of Commerce, U.S. gross domestic product (GDP) grew at an annualised rate of 3.2% in the fourth quarter of 2023, slightly lower than the initial estimate of 3.3% and down from the 4.9% rise in the third quarter. The U.S. economy expanded by 2.5% for the 2023 calendar year, topping 2022's 1.9% annual rise, bolstered mainly by increases in consumer spending—which comprises more than two-thirds of U.S. GDP—and nonresidential fixed investment (purchases of both nonresidential structures and equipment and software). The largest contributors to GDP growth for the fourth quarter included consumer spending, exports, state and local government spending, and nonresidential fixed investment. The government attributed the lower economic growth rate in the fourth quarter relative to the previous three-month period primarily to slowdowns in private inventory investment (a measure of the changes in values of inventories from one time period to the next) and federal government spending.

U.K.

- The Office for National Statistics (ONS) reported that inflation in the U.K., as measured by the Consumer Prices Index (CPI), fell 0.6% in January, following a 0.4% upturn in December. The CPI advanced 4.0% year-over-year, matching the annual increase for the previous month. The largest contributors to the 12-month rise in inflation included alcohol and tobacco, as well as communication. These more than offset a decline in housing and housing services costs. Core inflation, which excludes volatile food prices, rose at an annual rate of 5.1% in December, unchanged from the year-over-year increase in December.[5]

[5] According to the ONS. 14 February 2024.

Major Index Performance in February 2024 (Percent Return)



Sources: FactSet, Lipper

- It appears that the U.K. economy slipped into recession—defined as two consecutive quarters of negative GDP growth—at the end of last year. According to the initial estimate of the ONS, U.K. GDP fell 0.2% over the fourth quarter of 2023, following a 0.1% dip during the third quarter. However, GDP was up 0.1% year-over-year versus the fourth quarter of 2022. Production output decreased 1.0% over the last three months of 2023, hampered mainly by a notable slump in manufacturing. The services sector dipped 0.2% in the fourth quarter, as weakness in the wholesale and retail trade, motor vehicles and motorcycles repair, and education subsectors counterbalanced growth in administrative and support service activities. Output in the construction sector fell 1.3% during the fourth quarter, attributable primarily to significant downturns in new work, particularly private new housing.[6]

Eurozone

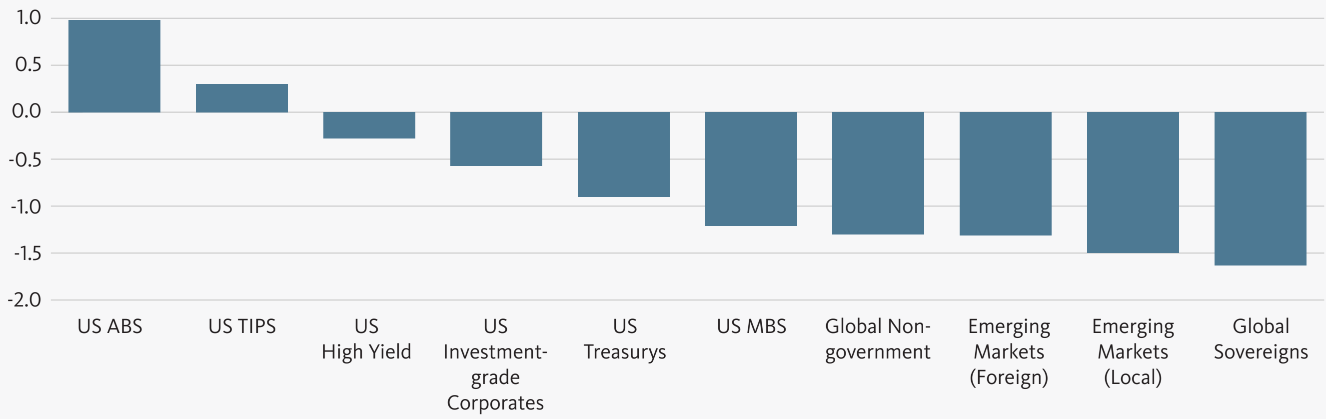
- Eurostat pegged the inflation rate for the eurozone at 2.8% for the 12-month period ending in January, marginally lower than the 2.9% annual increase in December. Prices for food, alcohol and tobacco rose 5.6% year-over-year in December, but the pace of acceleration slowed from the 6.1% annual rate for the previous month. Costs for services and non-energy industrial goods were up 4.0% and 2.0%, respectively, year-over-year. Conversely, energy prices plunged 6.1% over the previous 12 months following a 6.7% annual decline in December. Core inflation, which excludes volatile energy and food prices, rose at an annual rate of 3.3% in January, down 0.1 percentage point from the 3.4% year-over-year increase in December.[7]
- According to Eurostat's second estimate, eurozone GDP was flat in the fourth quarter of 2023, a slight uptick from the 0.1% decline in the third quarter, but increased 0.5% for the 2023 calendar year. The economies of Slovenia, Portugal, and Cyprus were the strongest performers for the fourth quarter, expanding 1.1%, 0.8% and 0.8%, respectively. Conversely, Ireland's GDP fell 0.7%, while the economies of Estonia, Romania, and Finland each contracted by 0.4% during the quarter.[8]

6 According to the ONS. 15 February 2024.

7 According to Eurostat. 22 February 2024.

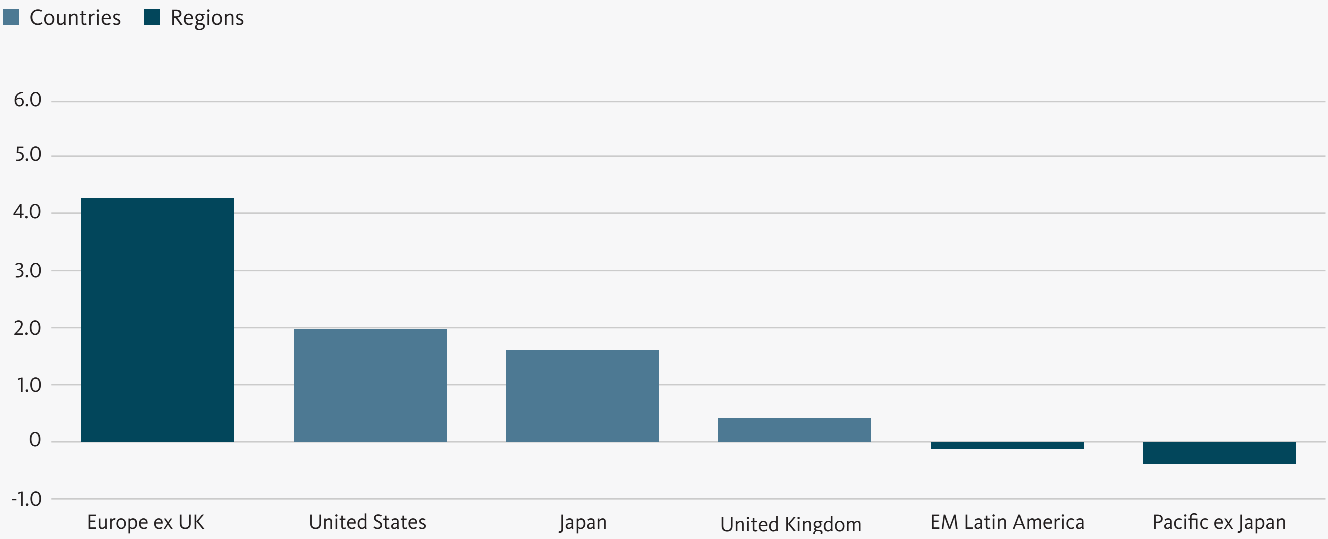
8 According to Eurostat. 14 February 2024.

Fixed-Income Performance in February 2024 (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 February 2024 (Percent Return)



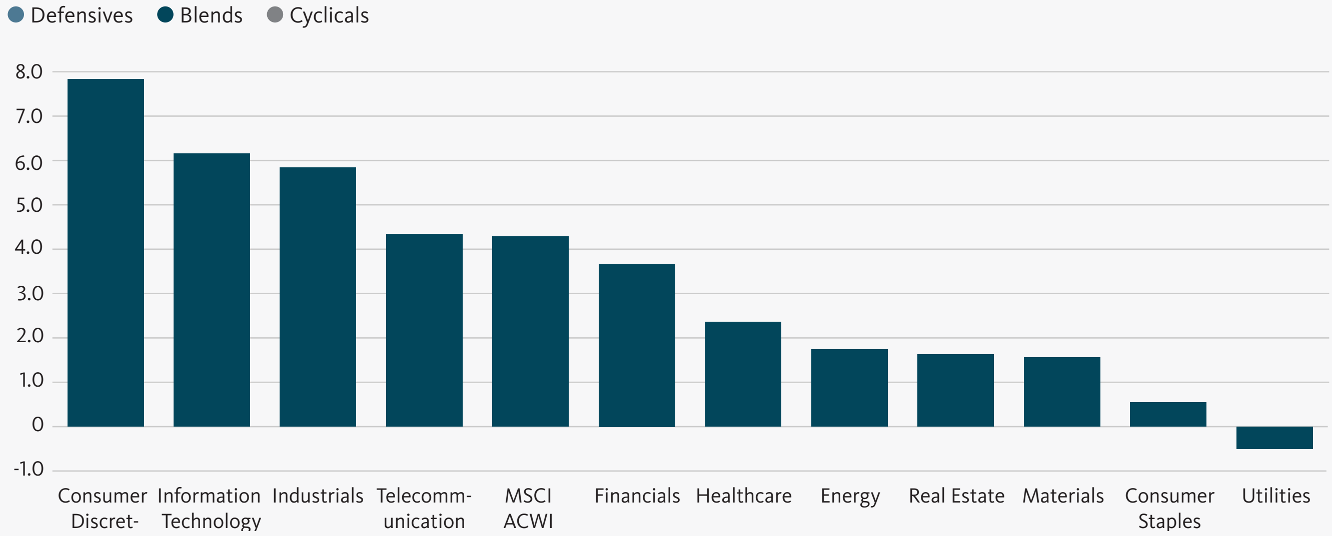
Sources: FactSet, Lipper. See “Corresponding Indexes for Regional Equity Performance Exhibit” in the Index descriptions section for more information.

Central banks

- During a prerecorded interview, which was aired on “60 Minutes,” a CBS television network news program, in early February, Fed Chair Jerome Powell said that the central bank is focusing on a timeframe for a pivot to interest-rate cuts. However, he cautioned that a shift in monetary policy is not imminent. Citing the ongoing strength in the U.S. economy, Powell commented, “We feel like we can approach the question of when to begin to reduce interest rates carefully.” Powell noted that the Fed is seeking to ensure that it does not leave interest rates too high for too long, leading to an economic slowdown, while simultaneously reducing rates in a manner that does not reignite inflation. “There is no easy, simple, obvious path. We think the economy’s in a good place. We think inflation is coming down. We just want to gain a little more confidence that it’s coming down.”
- In a speech at a speech at Cardiff University Business School in Wales on March 1, Bank of England (BOE) Chief Economist Huw Pill said that interest-rate cuts are “some way off.” He commented, ““I need to see more compelling evidence that the underlying persistent component of UK CPI inflation is being squeezed down to rates consistent with a lasting and sustainable achievement of the 2% inflation target before voting to lower Bank Rate.” Pill also announced that the central bank most likely will implement a new, system for economic forecasting that will evaluate the impact on interest rates of major events such as the total closure of the Red Sea to shipping. The BOE faced criticism after it underestimated the rise in inflation following the COVID pandemic and Russia’s invasion of Ukraine. The BOE’s next monetary policy meeting is scheduled for March 21.

- During an appearance on Antena 3, a Spanish TV network, on February 28, European Central Bank (ECB) Vice President Luis de Guindos noted that, despite a slowdown in inflation in the eurozone, the central bank needs to see more inflation data before reducing interest rates. De Guindos said, “When the data we receive on inflation, and underlying inflation, make it clear that we’re approaching 2%, monetary policy will be modified.” He also expressed his view that disinflation will continue “once our projections indicate that the data we receive, on both headline and core inflation, show that we are getting closer to 2%, then the direction of monetary policy will change.” The ECB’s Governing Council will conduct its next monetary policy meeting on March 7.
- Bank of Japan (BOJ) Board Member Hajime Takata stated that the central bank may discontinue its negative interest-rate policy in the near future. Takata told local business leaders in Shiga, in western Japan, “There are uncertainties for Japan’s economy, but my view is that the [2% inflation] target is finally coming into sight.” Following Takata’s remarks on February 29, the Japanese yen rose 0.7% vs. the U.S, dollar. The BOJ’s next monetary policy meeting is scheduled for March 18-19.

Global Equity Sector Performance in February 2024 (Percent Return)



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

SEI's view

We still expect more subdued economic growth in the U.S. in 2024, perhaps deteriorating into a stagnant/mildly recessionary environment along the lines currently seen in the U.K. and much of Europe. While interest rates may no longer be rising, they remain high and are starting to bite harder. Households have smaller savings cushions to draw upon to sustain spending in excess of their incomes. Credit-card usage is up sharply and, as a result, delinquency rates are climbing. The situation is not yet critical or indicative of recession, but households will be more heavily reliant on a continued robust jobs market and strong wage growth in the months ahead. The good news is that the job market is still tight. However, there are signs of weakness cropping up.

Until January of this year, the U.S. inflation rate had decelerated more quickly than we had expected. The U.S. led the global acceleration of inflation in 2021 and 2022; in 2023, it led the way down. Both the U.S. and the eurozone have enjoyed a decline in inflation back toward the 2% level, measured on a year-over year basis, though the CPI reading in the U.S. came in higher than expected in January. The U.K. and France have been lagging in terms of inflation levels, but, nonetheless, have registered a rather sharp slowdown from their inflation-rate peaks.

While stock indexes fared notably well in 2023, it is important to note that many widely followed indexes are capitalization-weighted and, therefore, the largest stocks have a disproportionate effect on performance. This was certainly the case in 2023, as the "Magnificent Seven" mega-cap tech stocks (Apple, Microsoft, Google parent Alphabet, Amazon.com, Nvidia, Meta, and Tesla) drove the bulk of the gains.

At the beginning of 2024, investors had anticipated continued equity market dominance from the Magnificent Seven, double-digit corporate earnings growth, massive interest-rate cuts from the Fed, and inflation that drops to 2% or lower and remains subdued. It appears that fewer stocks included in the Magnificent Seven are having a significant impact on the U.S. equity market; shares of three of the mega-cap tech companies declined during the first two months of this year. Furthermore, the January inflation data—a greater-than-expected 3.1% rise in the U.S. CPI—have dampened investors' hopes for Fed rate cuts in the near term.

Unlike the stock market, the U.S. bond market's rally in 2023 was broad, driven by a pivot in central bank policy that saw an end to interest-rate hikes. Despite the upturn in the bond market last year (and falling yields, as bond prices and yields move inversely), as well as bumpy performance in the first two months of 2024, we think that yields will likely remain more attractive than they have been in decades. This is good news for income-seeking investors.

It appears that fewer mega-cap tech companies included in the "Magnificent Seven" are having a significant impact on the U.S. equity market, and the January inflation data have dampened investors' hopes for Fed rate cuts in the near term.

Standardised Performance

		1 year to 29-Feb-24	1 year to 28-Feb-23	1 year to 28-Feb-22	1 year to 28-Feb-21	1 year to 29-Feb-20
Key Measures						
Dow Jones Industrial Average		22.03%	-1.59%	11.59%	24.41%	0.44%
S&P 500 Index		30.45%	-7.69%	16.39%	31.29%	8.19%
NASDAQ Composite Index		41.63%	-15.96%	4.92%	55.27%	14.94%
MSCI ACWI Index (Net)		23.15%	-8.26%	7.81%	30.25%	3.89%
Bloomberg Barclays Global Aggregate Index		4.90%	-11.29%	-4.48%	5.24%	8.31%
Major Index Performance						
Bloomberg Barclays Global Aggregate ex-Treasury Index		4.90%	-11.29%	-4.48%	5.24%	8.31%
Bloomberg Barclays Global Aggregate Index		3.10%	-13.60%	-5.32%	4.33%	7.92%
Bloomberg Barclays Global Treasury Index		1.51%	-15.62%	-6.06%	3.48%	7.58%
MSCI ACWI ex-USA (Net)		12.51%	-7.19%	-0.40%	26.18%	-0.69%
MSCI Emerging Markets Index (Net)		8.73%	-15.28%	-10.69%	36.05%	-1.88%
MSCI World Index (Net)		24.96%	-7.33%	10.74%	29.34%	4.63%
Fixed-Income Performance						
US Treasury Inflation-Protected Securities (TIPS)	Bloomberg Barclays 1-10 Year U.S. TIPS Index	3.67%	-6.98%	5.53%	5.97%	7.86%
Global Non-Government	Bloomberg Barclays Global Aggregate ex-Treasury Index	4.90%	-11.29%	-4.48%	5.24%	8.31%
Global Sovereigns	Bloomberg Barclays Global Treasury Index	1.51%	-15.62%	-6.06%	3.48%	7.58%
US Investment-Grade Corporates	Bloomberg Barclays U.S. Corporate Investment Grade Index	5.97%	-10.43%	-3.40%	2.79%	15.81%
US Asset-Backed Securities (ABS)	Bloomberg Barclays U.S. Asset-Backed Securities Index	5.15%	-2.60%	-1.53%	2.58%	5.71%
US Mortgage-Backed Securities (MBS)	Bloomberg Barclays U.S. Mortgage-Backed Securities Index	2.28%	-9.10%	-2.88%	1.49%	7.45%
US Treasurys	Bloomberg Barclays U.S. Treasury Index	2.29%	-10.08%	-2.11%	-0.13%	12.15%
US High Yield	ICE BofAML US High Yield Constrained Index	10.97%	-5.51%	0.80%	8.53%	5.91%
Emerging Markets (External)	JPMorgan EMBI Global Diversified Index	10.05%	-8.64%	-7.50%	0.91%	9.68%
Emerging Markets (Local)	JPMorgan GBI-EM Global Diversified Index	9.26%	-6.11%	-9.96%	3.70%	3.73%
Regional Equity Performance						
United Kingdom	FTSE All-Share Index	5.08%	-3.18%	11.35%	13.29%	-5.34%
EM Latin America	MSCI Emerging Markets Latin America Index (Net)	22.39%	-0.27%	14.32%	-6.03%	-11.89%
Europe ex UK	MSCI Europe ex UK Index (Net)	14.80%	-1.40%	4.03%	23.90%	1.87%
Pacific ex Japan	MSCI Pacific ex Japan Index (Net)	1.64%	-1.54%	-1.93%	21.59%	-3.40%
United States	S&P 500 Index	30.45%	-7.69%	16.39%	31.29%	8.19%
Japan	TOPIX, also known as the Tokyo Stock Price Index	25.27%	-8.25%	-4.39%	27.98%	-0.56%
Global Equity Sector Performance						
MSCI ACWI Index		23.15%	-8.26%	7.81%	30.25%	3.89%
MSCI ACWI Consumer Discretionary Index		23.54%	-14.43%	-5.31%	50.38%	5.08%
MSCI ACWI Consumer Staples Index		4.23%	-4.02%	14.30%	11.08%	3.43%
MSCI ACWI Energy Index		8.40%	13.42%	36.01%	4.88%	-21.56%
MSCI ACWI Financials Index		14.81%	-3.68%	14.79%	17.15%	-2.38%
MSCI ACWI Healthcare Index		13.81%	-2.75%	10.05%	22.61%	5.34%
MSCI ACWI Industrials Index		22.64%	-1.25%	5.13%	26.08%	-0.67%
MSCI ACWI Information Technology Index		50.40%	-13.55%	10.15%	54.52%	22.80%
MSCI ACWI Materials Index		4.01%	-7.23%	10.18%	46.03%	-7.08%
MSCI ACWI Telecommunication Services Index		37.39%	-22.37%	-7.03%	39.54%	7.85%
MSCI ACWI Utilities Index		2.59%	-6.51%	13.34%	0.76%	8.73%
MSCI ACWI Real Estate Index		2.27%	-14.67%	9.55%	2.34%	3.67%

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

This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events or a guarantee of future results. Positioning and holdings are subject to change. All information as of the date indicated.

This information should not be relied upon by the reader as research or investment advice, (unless you have otherwise separately entered into a written agreement with SEI for the provision of investment advice) nor should it be construed as a recommendation to purchase or sell a security. The reader should consult with their financial professional for more information. Statements that are not factual in nature, including opinions, projections and estimates, assume certain economic conditions and industry developments and constitute only current opinions that are subject to change without notice. Nothing herein is intended to be a forecast of future events, or a guarantee of future results.

Certain economic and market information contained herein has been obtained from published sources prepared by other parties, which in certain cases have not been updated through the date hereof. While such sources are believed to be reliable, neither SEI nor its affiliates assumes any responsibility for the accuracy or completeness of such information and such information has not been independently verified by SEI.

There are risks involved with investing, including loss of principal. The value of an investment and any income from it can go down as well as up. Investors may get back less than the original amount invested. Returns may increase or decrease as a result of currency fluctuations. Past performance is not a reliable indicator of future results. Investment may not be suitable for everyone.

This material is not directed to any persons where (by reason of that person's nationality, residence or otherwise) the publication or availability of this material is prohibited. Persons in respect of whom such prohibitions apply must not rely on this information in any respect whatsoever.

The information contained herein is for general and educational information purposes only and is not intended to constitute legal, tax, accounting, securities, research or investment advice regarding the strategies or any security in particular, nor an opinion regarding the appropriateness of any investment. This information should not be construed as a recommendation to purchase or sell a security, derivative or futures contract. You should not act or rely on the information contained herein without obtaining specific legal, tax, accounting and investment advice from an investment professional. While considerable care has been taken to ensure the information contained within this document is accurate and up-to-date, no warranty is given as to the accuracy or completeness of any information and no liability is accepted for any errors or omissions in such information or any action taken on the basis of this information.

Index returns are for illustrative purposes only, and do not represent actual account performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Not all strategies discussed may be available for your investment.

Information issued in the UK by SEI Investments (Europe) Ltd, 1st Floor, Alphabeta, 14-18 Finsbury Square, London EC2A 1BR which is authorised and regulated by the Financial Conduct Authority.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This information is made available in Latin America and the Middle East FOR PROFESSIONAL (non-retail) USE ONLY by SIEL.

Any questions you may have in relation to its contents should solely be directed to your Distributor. If you do not know who your Distributor is, then you cannot rely on any part of this document in any respect whatsoever.

Issued in South Africa by SEI Investment (South Africa) (Pty) Limited FSP No. 13186 which is a financial services provider authorised and regulated by the Financial Sector Conduct Authority (FSCA). Registered office: 3 Melrose Boulevard, 1st Floor, Melrose Arch 2196, Johannesburg, South Africa.

This material is intended for information purposes only and the information in it does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act.

For professional clients only. Not suitable for retail distribution.

For professional clients only. Not suitable for retail distribution.