



The only certainty is uncertainty.

Quarterly snapshot

- Global equity markets, as measured by the MSCI ACWI Index, posted modest losses for the first quarter of 2025. Positive returns in most global markets were offset by a downturn in the U.S. attributable to concerns about the impact of tariffs on imported goods imposed by the administration of President Donald Trump. Notably, there was significant divergence in market performance between the U.S. and Europe. Emerging markets outperformed developed markets over the period.
- Global fixed-income assets finished in positive territory for the quarter. Yields moved lower across the U.S. Treasury curve. (Prices move inversely to yields.)
- Uncertainty is one of the clear certainties of capital markets. In fact, any endeavor that involves discounting the future (such as investing) exists in the realm of uncertainty.

Global equity markets, as measured by the MSCI ACWI Index, posted modest losses for the first quarter of 2025. Positive performance in most global markets was offset by a downturn in the U.S. attributable to concerns about the impact of tariffs on imported goods imposed by the administration of President Donald Trump. During the quarter, U.S. stocks, as measured by the MSCI USA Index, underperformed their European counterparts, as represented by the MSCI Europe Index, by the largest margin in more than 30 years (in U.S. dollar terms).¹ Furthermore, the U.S. broad-market S&P 500 Index and the tech-heavy Nasdaq Composite Index recorded their largest quarterly losses since the third and second quarters of 2022, respectively.²

Emerging markets garnered positive returns and outperformed their developed-market counterparts during the first quarter.

Eastern Europe led the emerging markets for the quarter attributable largely to strength in Poland and the Czech Republic. The Jordan + Egypt + Morocco market also performed well. The Association of Southeast Asian Nations (ASEAN) region recorded a negative return due mainly to weakness in Thailand and Indonesia. Europe was the top performer among the developed markets due mainly to strength in Spain, Italy, and Ireland. European stocks rose on the prospect of higher defense spending from the European Union after a controversial Oval Office meeting over military aid between U.S. President Donald Trump, U.S. Vice President J.D. Vance, and Ukrainian President Volodymyr Zelenskyy at the end of February. European shares retreated later in March after the Trump administration announced tariffs of passenger vehicles, light trucks, and parts built outside of the U.S. Additionally, the Nordic countries benefited from significant market rallies in Norway, Sweden, and Finland.³

On February 3, a day before 25% across-the-board tariffs on Mexico and Canada (with an exception for Canadian energy, which faces a 10% duty) were scheduled to be implemented, the Trump administration reached agreements with Canada and Mexico to delay the levies for 30 days. This was only after Mexico agreed to send 10,000 troops to the border to combat the flow of fentanyl into the U.S., and Canada pledged to appoint a fentanyl czar, list cartels as terrorists, and launch a joint strike force with the U.S. to combat organized crime, fentanyl trafficking, and money laundering.

¹ Source: Forbes, "European Stocks Surge Ahead Of S&P 500 In Q1 2025." 31 March 2025.

² According to The Wall Street Journal. 31 March 2025.

³ All equity market performance statements are based on the MSCI ACWI Index.

Key measures: Q1 2025

Equity

Dow Jones Industrial Average	-0.87%	↓
S&P 500 Index	-4.27%	↓
NASDAQ Composite Index	-10.26%	↓
MSCI ACWI Index (Net)	-1.32%	↓

Bond

Bloomberg Global Aggregate Index	2.64%	↑
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Volatility

Chicago Board Options Exchange Volatility Index	22.28	↑
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PRIOR QUARTERLY: 17.35

Oil

WTI Cushing crude oil prices	\$71.48	↓
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PRIOR QUARTERLY: \$71.72

Currencies

Sterling vs. U.S. dollar	\$1.29	↑
Euro vs. U.S. dollar	\$1.08	↑
U.S. dollar vs. yen	¥149.54	↓

Sources: Bloomberg, FactSet, Lipper

After the 25% tariffs on Canadian and Mexican imports took effect on March 4, the leaders of the respective countries announced plans to levy retaliatory tariffs on U.S. imports. In late March, the Trump administration announced 25% tariffs on passenger vehicles, light trucks, and parts built outside of the U.S. The administration also revealed its plan to impose reciprocal tariffs (which seek to match the levies that other countries impose on U.S. goods) on imports from countries that are the largest contributors to the U.S. trade deficit. Additionally, on April 2, Trump announced that the U.S. will impose 10% tariffs on imported goods from all U.S. trading partners, and significantly higher levies on countries that the administration believes have unfriendly trade policies. The tariffs were scheduled to be implemented on April 5. The ongoing tariff dispute remains highly volatile and in constant flux.

Global fixed-income assets, as measured by the Bloomberg Global Aggregate Bond Index, gained 2.6% for the quarter. Mortgage-backed securities (MBS) and U.S. Treasury securities were the strongest performers within the U.S. fixed-income market, while investment-grade corporate bonds and high-yield bonds recorded negative returns. Yields moved lower across the curve during the quarter. Yields on 2-, 3-, 5-, and 10-year Treasury notes fell by corresponding margins of 0.36%, 0.38%, 0.42%, and 0.35% to 3.89%, 3.89%, 3.96%, and 4.23%, respectively.⁴ The decline in the yield on the 10-year Treasury resulted in a slightly inverted yield curve (three-month yields exceeded 10-year yields), which historically has predicted economic recessions.

Global commodity prices, as represented by the Bloomberg Commodity Index, increased 8.9% in the first quarter. A sharp rise in late March due to concerns regarding supply amid geopolitical tensions in the Middle East lifted the Brent crude oil price to a 0.2% uptick for the quarter to \$74.77. The West Texas Intermediate (WTI) oil price also rallied, but ended the quarter with a small decline of 0.3% to \$71.48. Oil prices had moved lower earlier in the quarter in response to an impending ramp-up in oil production by the Organization of the Petroleum Exporting Countries (OPEC) in April. The gold price reached multiple record highs over the quarter, climbing 19.3% as investors sought safe-haven assets amid concerns about the Trump administration's proposed tariffs, as well as a decline in the U.S. dollar. (The gold price typically moves inversely to the greenback.) The New York Mercantile Exchange (NYMEX) natural gas price surged 33.0% during the quarter as cold winter weather in the U.S. spurred an increase in demand. Wheat prices fell 2.6% during the quarter in response to a proposed ceasefire in the Russia-Ukraine war, which raised concerns about increased supply. The wheat price also was hampered by strong production from Australia and Argentina, as well as reduced imports from China.

On the geopolitical front, the Trump administration sought to enter into negotiations to end the Russia-Ukraine conflict after the president spoke with Russian President Vladimir Putin. Trump subsequently extended an invitation to Ukrainian President Volodymyr Zelenskyy to participate in negotiations with Putin for a ceasefire in the war. In late March, the Trump administration announced that Russia had agreed to a limited 30-day ceasefire in the conflict. Soon thereafter, however, Russian President Vladimir Putin demanded several conditions for the truce, including Ukraine's withdrawal from four regions in the country that Russia had annexed illegally in October 2022—but has not occupied—as well as the reduction of a North Atlantic Treaty Organization (NATO) military presence near Russia's borders.

⁴ According to the U.S. Department of the Treasury. As of 31 March 2025.

Elsewhere, in mid-March, the U.S. launched a military strike against the Houthis, an Iran-backed militant group that seized Sanaa, Yemen's capital, in 2014. The Houthis have continually attacked numerous commercial ships sailing through the Bab el-Mandeb, the strait connecting the Gulf of Aden to the Red Sea and the Suez Canal. According to a spokesperson for the U.S. Department of Defense, the airstrikes hit more than 30 Houthi targets, including "terrorist training sites, unmanned aerial vehicle infrastructure, weapons manufacturing capabilities, and weapons storage facilities."

Economic data

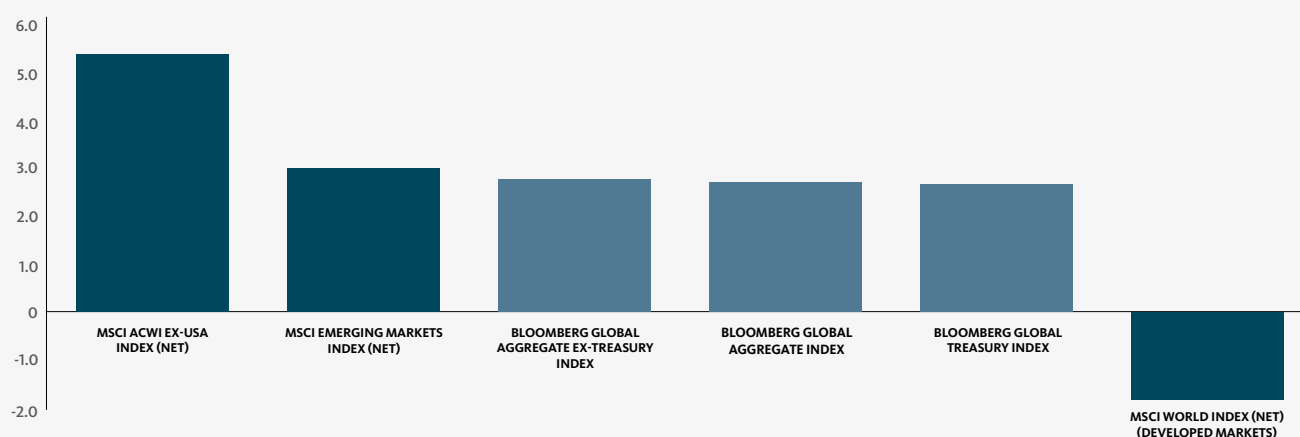
U.S.

The Department of Labor announced that the consumer-price index (CPI) rose 0.2% in February, down from the 0.5% increase in January. Housing costs comprised nearly half of the increase, rising 0.3% for the month. Conversely, airfare and gasoline prices fell 4.0% and 1.0%, respectively, in February. The CPI advanced at a lower-than-expected rate of 2.8% year-over-year—the smallest annual increase since March 2021—and was down from the 3.0% annual upturn in January. Costs for transportation services and housing climbed 6.0% and 4.2%, respectively, over the previous 12-month period, while fuel oil and energy commodities prices declined by corresponding margins of 5.1% and 3.2%. Core inflation, as measured by the CPI for all items less food and energy, rose 3.1% year-over-year in February, slightly below market expectations and down from the 3.3% annual increase in January.

According to the third estimate from the Department of Commerce, U.S. gross domestic product (GDP) grew at an annualized rate of 2.4% in the fourth quarter of 2024—up 0.1% from the initial estimate and down from the 3.1% increase in the third quarter. The U.S. economy expanded by 2.8% for the 2024 calendar year, lagging the 3.2% annual gain in 2023. The largest positive contributors to GDP growth for the fourth quarter included consumer spending and federal government spending, as well as a decrease in imports (which are subtracted from the calculation of GDP). This was partially offset by a decline in nonresidential fixed investment (purchases of both nonresidential structures and equipment and software).

Major Index Performance in Q1 2025 (Percent Return)

● Fixed Income ● Equities



Sources: FactSet, Lipper

U.K.

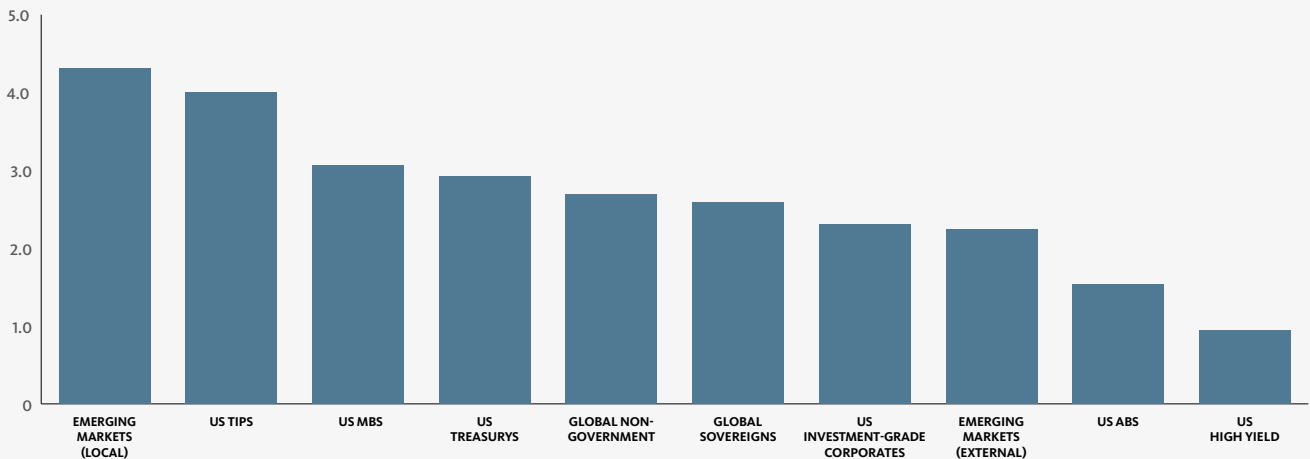
The Office for National Statistics (ONS) reported that inflation in the U.K., as measured by the CPI, increased 0.4% in February, a sharp upturn from the 0.1% dip in January. The CPI advanced at an annual rate of 2.8% in February, down from the 3.0% year-over-year increase for the previous month. Costs for furniture and household goods, restaurants and hotels, and alcohol and tobacco posted the largest gains in February, while clothing and footwear prices declined. Education and Communication costs climbed 7.5% and 7.3%, respectively, over the previous 12-month period. Core inflation, which excludes volatile food, energy, prices, rose at an annual rate of 3.5% in February, moderating from the 3.7% year-over-year increase in January.⁵

The ONS also announced that U.K. GDP dipped 0.1% in January and rose 0.2% over the previous three months (the most recent reporting periods). The slight decline in GDP for January was a deterioration from the 0.4% rise in December 2024. The U.K. economy grew by 0.2% for the three-month period ending January 31. Output in both the services and construction sectors increased 0.4% over the previous three-months, while production output fell 0.9%.⁶

⁵ According to the ONS. 26 March 2025.

⁶ According to the ONS. 14 March 2025.

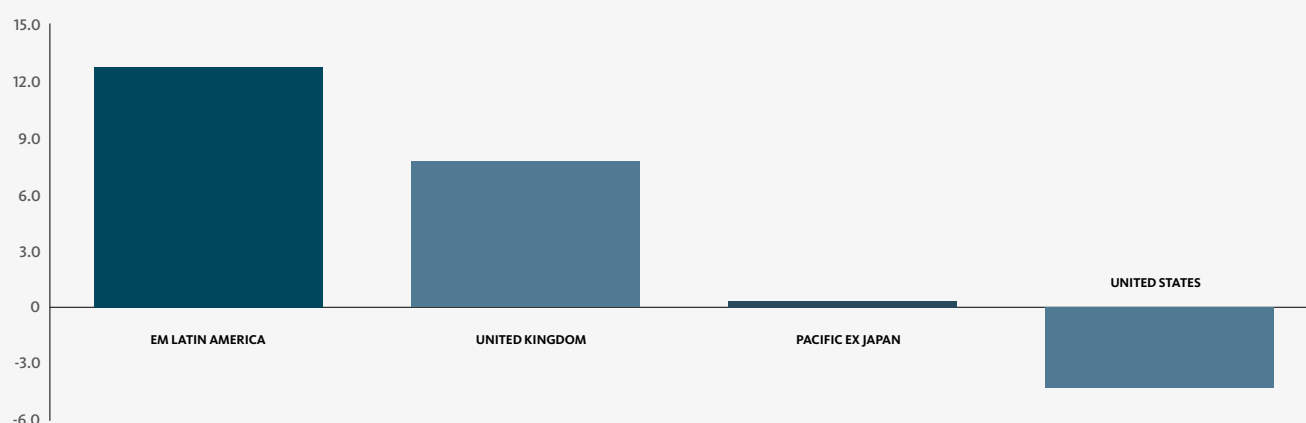
Fixed-Income Performance in Q1 2025 (Percent Return)



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

Regional Equity Performance in Q1 2025 (Percent Return)

● Countries ● Regions



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

Eurozone

Eurostat pegged the inflation rate for the eurozone at 2.3% for the 12-month period ending in February, down from the 2.5% annual upturn in January.

Costs in the services sector rose at an annual rate of 3.7%, a decline from the 3.9 % increase in February. Prices for food, alcohol and tobacco increased 2.7% year-over-year in January, sharply higher than the 2.3% annual rate for the previous month. Core inflation, which excludes volatile energy and food prices, rose at an annual rate of 2.6% after recording five consecutive monthly increases of 2.7%.⁷

Eurostat also reported that eurozone GDP edged up 0.2% the fourth quarter of 2024, modestly lower than the 0.4% increase in the third quarter. Eurozone GDP rose 0.9% for the 2024 calendar year—up from the 0.4% annual growth rate in 2023. The economies of Ireland, Denmark, Portugal, and Iceland were the strongest performers for the fourth quarter, increasing 3.6%, 1.6%, 1.5% and 1.5%, respectively. In contrast, GDP in Norway and Austria saw corresponding declines of 0.6% and 0.4% during the quarter.⁸

⁷ According to Eurostat. 19 March 2025.

⁸ According to Eurostat. 7 March 2025.

Uncertainty is one of the clear *certainties* of capital markets.

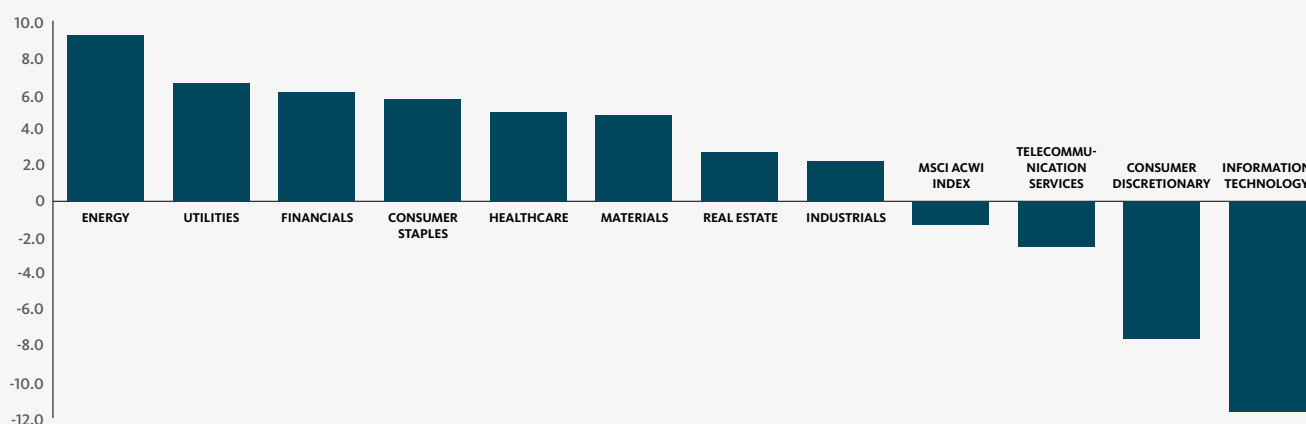
SEI's view

"In like a lion" certainly held true for the first quarter of 2025 as tariff escalations, new entrants in the artificial intelligence (AI) race, stubborn inflation, and softening economic data all contributed to reversals of fortune from 2024. Recently dominant market themes, including U.S. exceptionalism, European economic stagnation, and a global soft landing, seem to have shifted considerably during the first 90 days of the year as international equity markets outperformed the U.S., Germany launched substantial stimulus measures, and U.S. interest rates fell on rising recession probabilities. Investors' hopes for an "out like a lamb" remainder of the year appear unlikely given the continued overhang of tariff announcements and retaliations, the on again/off again peace negotiations in Europe, and mixed messages from corporate earnings and consumer behaviour that reflect a "wait-and-see" approach to these uncertain times.

Uncertainty is one of the clear certainties of capital markets. In fact, any endeavor that involves discounting the future (such as investing) exists in the realm of uncertainty. There are times, however, when uncertainty feels more... present. We think that most would agree that our current moment clearly falls into that category, and for good reason. Thus far, 2025 has delivered more than just a momentum reversal, the potential for steeper and wider applications of tariffs, and a higher probability of a U.S. recession.

More tactically, our expectations for a broadening of equity market performance have certainly played out from a geographic perspective. While there are no more true bargains to be had, we continue to favour broad global exposures. Corporate earnings guidance has been understandably mixed given the political overhangs, but we expect the outlook to improve with some additional clarity and as more market-favourable developments (such as deregulation in the U.S.) begin to progress. Our tactical leaning into value remains in place, as we expect value stocks to continue to benefit from market dynamics, including stubborn inflation, higher interest rates, and a reassessment of the AI landscape. From a sector perspective, we generally favor sectors such as financials, industrials, and consumer staples.

Global Equity Sector Performance in Q1 2025 (Percent Return)



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

Within fixed-income markets, we remain negative on long-term interest rates both in the U.S. and in Europe. German stimulus measures are potentially just the beginning of a reset across the continent related to spending priorities. However, while Germany has room to increase spending on defense and infrastructure given its modest debt-to-gross-domestic-product ratio, the remainder of Europe is in a much more precarious situation. This prospect for additional stimulus broadly across the continent in addition to the already stubborn inflationary readings, continues to give us confidence that the path of least resistance for longer-term global interest rates is higher.

It is worth mentioning that, at least in the U.S., reigning in government spending has entered the conversation. While there are legitimate debates in terms of the approach being taken, the fact that the unsustainable current path of debt growth is being taken seriously is a huge positive. This effort will be a long and bumpy road but a worthwhile journey, nonetheless.

Credit spreads are reflecting the general downturn in risk assets and have widened out into quarter-end from historically tight levels. While we are not forecasting a recession, we remain cautious on credit and prefer securitized sectors relative to corporate credit.

Commodities remain a tactical overweight as we prefer more inflation sensitivity in 2025 given the high potential for price disruptions from tariff implementations across the commodity complex, as well as the ongoing central-bank demand for precious metals.

Glossary of Financial Terms

Yield is the income returned on an investment, such as the interest received from holding a security. The yield is usually expressed as an annual percentage rate based on the investment's cost, current market value, or face value.

Yield curve represents differences in yields across a range of maturities of bonds of the same issuer or credit rating (are (which is used to assess the risk of default of companies or countries). A steeper yield curve represents a greater difference between the yields. A flatter curve indicates that short- and long-term yields are closer together.

Monetary policy refers to decisions by central banks to influence the amount of money and credit in the economy by managing the level of benchmark interest rates and the purchase or sale of securities. Central banks typically make policy decisions based on their mandates to target specific levels or ranges for inflation and employment.

Index definitions

All indexes are quoted in gross performance unless otherwise indicated.

The **MSCI ACWI Index** is a market capitalization-weighted index that tracks the performance of over 2,000 companies, and is representative of the market structure of 48 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 U.S. dollars.

The **MSCI USA Index** tracks the performance of the large- and mid-cap segments of the U.S. equity market. The index's 624 constituents comprise approximately 85% of the free float-adjusted (i.e., including only shares that are available for public trading) market capitalization in the U.S.

The **MSCI Europe Index** tracks the performance of large- and mid-cap stocks across 15 developed-market countries in Europe.

The **Bloomberg Global Aggregate Bond Index** is a market capitalization-weighted index that tracks the performance of investment-grade (rated BBB- or higher by S&P Global Ratings/Fitch Ratings or Baa3 or higher by Moody's Investors Service) fixed-income securities denominated in 13 currencies. The index reflects reinvestment of all distributions and changes in market prices.

The **S&P US Mortgage Backed Securities Index** tracks the performance of U.S. dollar-denominated, fixed-rate and adjustable-rate/hybrid mortgage pass-through securities issued by Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC).

The **ICE BofA U.S. Treasury Index** tracks the performance of the direct sovereign debt of the U. S. government.

The **ICE BofA U.S. Corporate Index** includes publicly issued, fixed-rate, nonconvertible investment-grade (rated BBB- or higher by S&P Global Ratings and Fitch Ratings or Baa3 or higher by Moody's Investors Service) dollar-denominated, U.S. Securities and Exchange (SEC)-registered corporate debt having at least one year to maturity.

The **ICE BofA U.S. High Yield Constrained Index** is a market value-weighted index of all domestic and Yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities, with maturities of one year or more and a credit rating of BB+ or lower by S&P Global Ratings and Fitch Ratings or Ba1 or lower by Moody's Investors Service, but are not in default.

The **Bloomberg Commodity Index** tracks the performance of futures contracts on physical commodities. The index comprises 24 of the most traded commodity futures contracts across six sectors.

Consumer-price indexes measure changes in the price level of a weighted-average market basket of consumer goods and services purchased by households. A consumer price index is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

Standardised Performance

		1 year to 31-Mar-25	1 year to 31-Mar-24	1 year to 31-Mar-23	1 year to 31-Mar-22	1 year to 31-Mar-21
Key Measures						
Dow Jones Industrial Average		7.40%	22.18%	-1.98%	7.11%	53.78%
S&P 500 Index		8.25%	29.88%	-7.73%	15.65%	56.35%
NASDAQ Composite Index		6.37%	35.08%	-13.28%	8.06%	73.40%
MSCI ACWI Index (Net)		7.15%	23.22%	-7.44%	7.28%	54.60%
Bloomberg Barclays Global Aggregate Index		4.40%	3.16%	-6.70%	-5.35%	7.70%
Major Index Performance						
Bloomberg Barclays Global Aggregate ex-Treasury Index		4.40%	3.16%	-6.70%	-5.35%	7.70%
Bloomberg Barclays Global Aggregate Index		3.05%	0.49%	-8.07%	-6.40%	4.67%
Bloomberg Barclays Global Treasury Index		1.86%	-1.85%	-9.29%	-7.33%	2.08%
MSCI ACWI ex-USA (Net)		6.09%	13.26%	-5.07%	-1.48%	49.41%
MSCI Emerging Markets Index (Net)		8.09%	8.15%	-10.70%	-11.37%	58.39%
MSCI World Index (Net)		7.04%	25.11%	-7.02%	10.12%	54.03%
Fixed-Income Performance						
US Treasury Inflation-Protected Securities (TIPS)	Bloomberg Barclays 1-10 Year U.S. TIPS Index	6.94%	1.65%	-2.92%	3.78%	8.12%
Global Non-Government	Bloomberg Barclays Global Aggregate ex-Treasury Index	4.40%	3.16%	-6.70%	-5.35%	7.70%
Global Sovereigns	Bloomberg Barclays Global Treasury Index	1.86%	-1.85%	-9.29%	-7.33%	2.08%
US Investment-Grade Corporates	Bloomberg Barclays U.S. Corporate Investment Grade Index	4.90%	4.43%	-5.55%	-4.20%	8.73%
US Asset-Backed Securities (ABS)	Bloomberg Barclays U.S. Asset-Backed Securities Index	5.90%	4.32%	0.37%	-3.06%	4.57%
US Mortgage-Backed Securities (MBS)	Bloomberg Barclays U.S. Mortgage-Backed Securities Index	5.39%	1.39%	-4.85%	-4.92%	-0.09%
US Treasuries	Bloomberg Barclays U.S. Treasury Index	4.51%	0.05%	-4.51%	-3.67%	-4.43%
US High Yield	ICE BofAML US High Yield Constrained Index	7.60%	11.06%	-3.58%	-0.30%	23.22%
Emerging Markets (External)	JPMorgan EMBI Global Diversified Index	6.75%	11.28%	-6.92%	-7.44%	16.00%
Emerging Markets (Local)	JPMorgan GBI-EM Global Diversified Index	4.03%	4.91%	-0.72%	-8.53%	13.03%
Regional Equity Performance						
United Kingdom	FTSE All-Share Index	12.86%	10.78%	-3.35%	7.87%	40.99%
EM Latin America	MSCI Emerging Markets Latin America Index (Net)	-13.61%	22.64%	-11.05%	23.54%	50.08%
Europe ex UK	MSCI Europe ex UK Index (Net)	#N/A	#N/A	#N/A	#N/A	#N/A
Pacific ex Japan	MSCI Pacific ex Japan Index (Net)	6.79%	2.39%	-7.40%	3.83%	53.96%
United States	S&P 500 Index	8.25%	29.88%	-7.73%	15.65%	56.35%
Japan	TOPIX, also known as the Tokyo Stock Price Index	#N/A	#N/A	#N/A	#N/A	#N/A
Global Equity Sector Performance						
MSCI ACWI Index		7.15%	23.22%	-7.44%	19.27%	15.01%
MSCI ACWI Consumer Discretionary Index		5.00%	19.76%	-12.12%	14.15%	35.30%
MSCI ACWI Consumer Staples Index		7.10%	1.78%	0.62%	6.20%	7.09%
MSCI ACWI Energy Index		1.45%	18.51%	6.45%	36.53%	-27.90%
MSCI ACWI Financials Index		20.61%	28.15%	-10.79%	25.84%	-5.24%
MSCI ACWI Healthcare Index		-0.91%	12.82%	-4.12%	13.91%	14.89%
MSCI ACWI Industrials Index		5.20%	24.56%	-1.29%	13.26%	9.75%
MSCI ACWI Information Technology Index		3.76%	40.52%	-7.49%	32.23%	42.81%
MSCI ACWI Materials Index		-5.51%	8.49%	-9.40%	15.45%	18.82%
MSCI ACWI Telecommunication Services Index		15.15%	30.97%	-15.50%	12.83%	22.73%
MSCI ACWI Utilities Index		17.39%	2.64%	-6.40%	4.18%	5.48%
MSCI ACWI Real Estate Index		6.04%	6.94%	-19.81%	9.48%	30.10%

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

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