

Chart Book

The Outlook in Pictures: Executive Summary

Q2 2020

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2nd Quarter Macro and Markets Recap

2nd quarter of 2020 in review.

MACRO

- **The global economic recovery has begun but the damage has been devastating.** BofA Global Research¹ projects 2nd quarter growth of -36% SAAR* but expects 3rd quarter growth of 20% as activity substantially increases. The Federal Reserve (Fed) has committed to low or zero rates for the foreseeable future and has established numerous liquidity facilities along with balance sheet expansion in an effort to stabilize markets, promote solvency, and blunt job losses. Major fiscal stimulus, representing approximately 15% of GDP, has been enacted in the U.S.
- In Europe, green shoots for recovery are emerging after growth slowed significantly in the wake of COVID-19. The European Central Bank (ECB) has engaged massive measures of stimulus and liquidity provisions, with additional thrusts of fiscal accommodation from Germany and other nations assisting.
- Emerging markets continue to be ravaged by the effects of COVID-19 with Latin America highlighting recent struggles to contain the virus. BofA Global Research expects Emerging Market growth to contract by 2.3% in 2020.

FIXED INCOME

- **Fixed Income continued its broad advance in the quarter with credit winning out.** The ICE BofA Global Broad Market Index (3%) gained in Q2, while U.S. bonds, as measured by the ICE BofA U.S. Broad Market Index (3%), performed similarly well.
- 10-year U.S. Treasury yields crept up in Q1, settling at 0.66%, after beginning the quarter at 0.67%, a 1 BP increase. The ICE BofA U.S. Treasury Index (0.2%) were slightly positive for the quarter, and the ICE BofA U.S. Corporates Index (9%) spiked. The ICE BofA U.S. High Yield Index (10%) surged after a tough 1st quarter, settling at -5% for the year. Lower credit issues were particularly strong led by CCC & Lower (10%).
- International Sovereign debt (1%) gained in Q2, led by UK Gilts (3%). The ICE BofA Emerging Markets Sovereign Bond Index (10%) spiked bringing returns about even for the year.

EQUITIES

- **Global equities bounced back in a big way as stimulus and recovery efforts encouraged investors.** Developed Markets (DMs), as illustrated by the MSCI World Index, returned 19.4% in Q2 while the MSCI Emerging Markets index returned 18.2%. Many of the regions hit hardest in the market fallout during the 1st quarter prospered the most more recently, with MSCI Australia (29%) and MSCI Brazil (23%) surging in the second quarter.
- In the U.S., the S&P 500 surged 20.5% during the 2nd quarter. Consumer Discretionary (33%) and Tech (31%) led the way with Utilities (3%) and Staples (8%) lagging. Large Cap (22%) and Small Cap (25%) performed similarly for the quarter. Across market caps, Growth (28%) substantially outperformed Value (15%) in the Russell 3000.
- MSCI Latin America enjoyed a strong quarter (19%) while MSCI EMEA (19%) and MSCI Emerging Asia (18%) also surged. MSCI Thailand (24%) and MSCI South Africa (27%) stood out for the quarter.

ALTERNATIVE INVESTMENTS**

- **Commodities steadied in the 2nd quarter after massive demand concerns began to abate.** WTI Crude (92%) rallied in the quarter while Natural Gas (-14%) continued its tumble. Agriculture (-5%) also weakened. Industrial metals surged (12%) and precious metals led (15%) with silver (30%) jumping.
- The U.S. dollar index (DXY) slumped (-1.7%) while the Euro (1.8%) and Aussie Dollar (12.6%) gained. The Chinese Yuan was flat while the Ruble (10%) and Indonesian Rupiah (12.6%) gained alongside most Emerging Market currencies.
- The HFRX Global Hedge Fund index (6%) performed well in Q2 with Equity Long/Short (8%) and Event Driven (7%) strategies standing out. U.S. Mortgage REITs (38%) spiked for the quarter, as did Global MLPs (50%) and Preferred stocks (11%).

¹ BofA Global Research is research produced by BofA Securities, Inc. ("BofAS") and/or one or more of its affiliates. BofAS is a registered broker-dealer, Member SIPC, and wholly owned subsidiary of Bank of America Corporation. *Seasonally Adjusted Annual Rate. **Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to pre-qualified clients. WTI crude oil reflects the Bloomberg West Texas Intermediate Cushing Crude Oil Spot Price. Other commodity returns sourced from Bloomberg subindexes. Source: Chief Investment Office. Data as of June 30, 2020. **Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.**

Portfolio Strategy and Asset Allocation

TACTICAL SHIFTS

April 2020

- Lowered Emerging Markets allocation to underweight (UW) from neutral, and U.S. Mortgages to slightly UW from neutral. Increased corporate investment-grade to a slight overweight (OW) from neutral.

January 2020:

- We raised our allocation to EM equities to neutral, from a slight underweight position; and reduced our large underweight to International Developed equities in half, but remain slightly underweight relative to our long-term, strategic allocations.

FIXED INCOME

- We recommend short duration relative to a stated benchmark, as rates are extremely low but the Fed is not expected to move rates into negative territory, therefore limiting how much further rates can reasonably drop.
- We believe longer-dated Treasuries can still provide a meaningful, short-term hedge against market value declines in risky assets; investors may also wish to consider replacing some nominal Treasury exposure with Treasury Inflation-Indexed Securities (TIPS) exposure.
- We believe investors should favor general obligation bonds issued by high-quality state and local governments with structurally balanced budgets and strong balance sheets, as well as essential service revenue bonds (e.g., water/sewer and public power) that have adequate coverage and reserves.
- We are still more constructive on investment-grade corporates. For high yield allocations, we prefer an equal weighting between high yield unsecured bonds and secured leveraged loans.

MARKET VIEWS

- ✓ Equities remain more attractive relative to Fixed Income and Cash.
- ✓ Continue with high-quality in Fixed Income; short-end provides the best risk-reward profile.
- ✓ Investor positioning is still bearish. Reflation, steeper curve and weaker U.S. dollar help support risk assets for longer.

EQUITIES

- Historic levels of global monetary and fiscal policy support should help to shore up those portions of the economy and markets most acutely affected by the pandemic. We believe investors should continue to emphasize Quality, Yield and Growth in their equity allocations.
- The U.S. remains our preferred equity region relative to the rest of the world with U.S. large caps offering an appropriate balance of aforementioned Quality, Yield and Growth factors.
- Technology, Communication Services and Healthcare are our favored sectors in the long-term due to the secular rise in spending on innovation, productivity and health infrastructure, while Consumer Discretionary should benefit from a pickup in global consumption.
- In the near term, EM equities will likely face headwinds from a firm dollar and depressed global economic growth.
- This increased level of fiscal policy coordination may help cushion the relative economic weakness within international developed markets.

ALTERNATIVE INVESTMENTS*

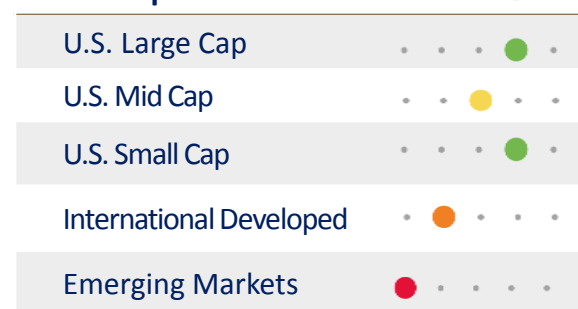
- We advocate for a diversified approach when investing in Hedge Funds. We continue to recommend incremental allocations to equity long/short and equity market-neutral strategies available to qualified investors.
- We believe Private Equity strategies are long-term potential portfolio return enhancers with unique access to specialized deals unavailable to traditional investors. We expect that savvy managers will deploy dry powder opportunistically to buyout and distressed areas of the market, via direct and through secondary investments.
- We would place emphasis on direct Real Estate investments in well-located properties in strong regions of the country that will exhibit attractive rent-roll and cash-flow characteristics, and have the potential to bridge into the next cycle, providing a long-term hedge against inflation.

*Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to pre-qualified clients. Asset Allocation and diversification do not ensure a profit or protect against loss in a declining market. **Bank of America, Merrill, their affiliates, and advisors do not provide legal, tax or accounting advice. You should consult your legal and/or tax advisors before making any financial decisions.** Source: GWIM Investment Strategy Committee (GWIM ISC) as of July 7, 2020. **Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.** CIO views are subject to change.

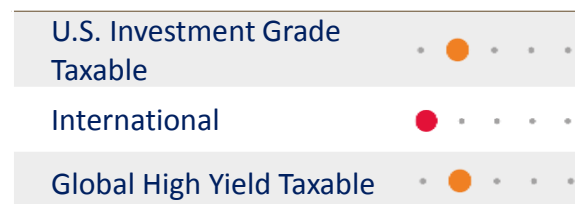
CIO Asset Class Strategy Views



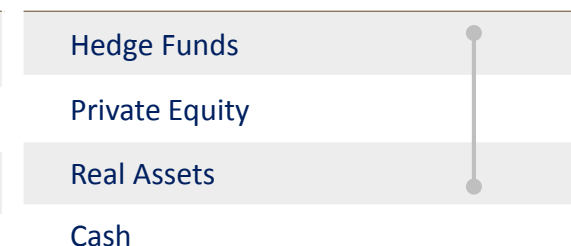
Global Equities



Fixed Income



Alternative Investments*



ALTERNATIVE INVESTMENTS NOTE: Given the differences in liquidity characteristics between AI and traditional investments, the AI portfolio positioning and CIO asset class views have been neutral rated versus our strategic allocations. These types of investments, in our opinion, should not be viewed at the asset class level on a tactical basis, rather the tactical positioning should be expressed at the sub asset level. We will continue to provide strategy level guidance for qualified AI investors and believe allocations to AI can introduce differentiated returns which can complement existing traditional holdings by enhancing returns, reducing risk, and capitalizing on opportunities not available in traditional investments.

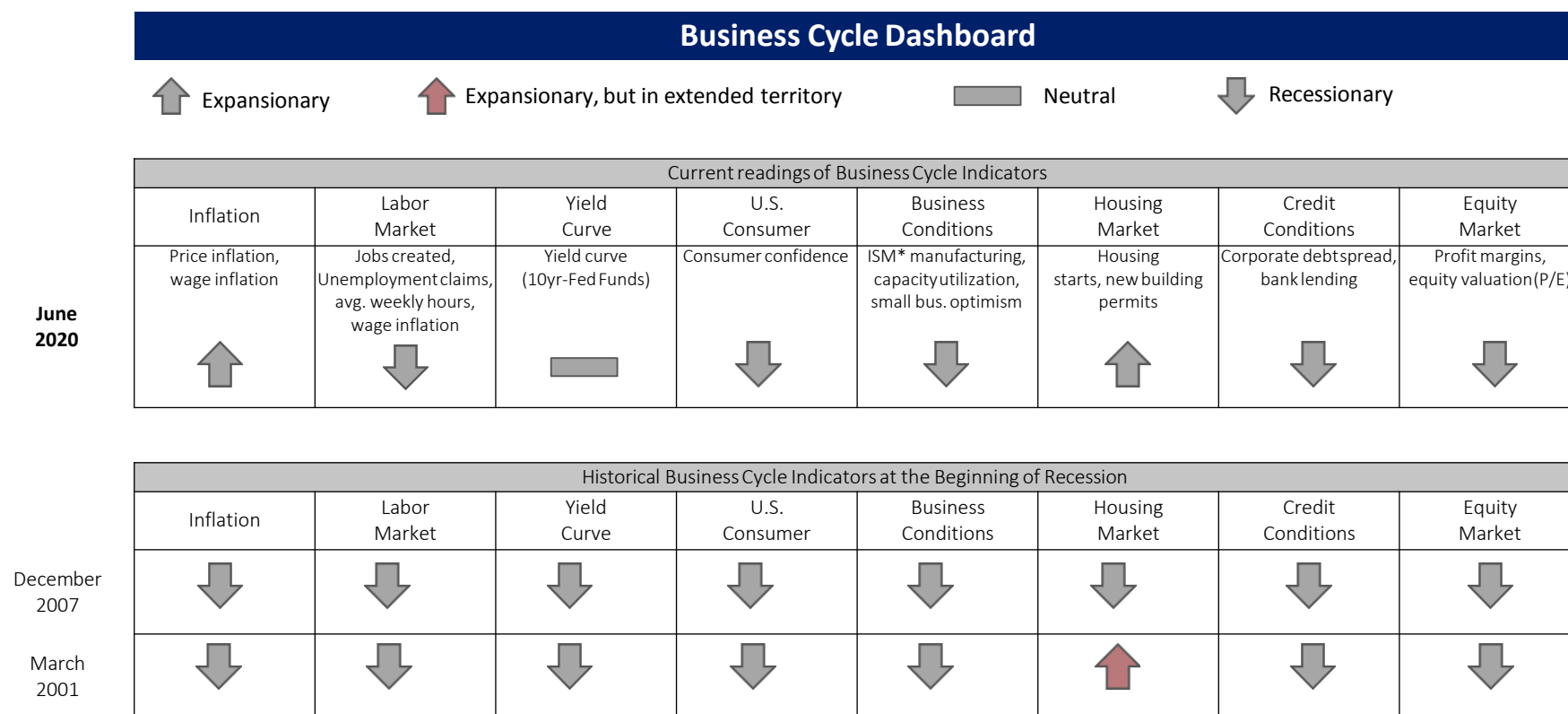
CORE PORTFOLIO FUNDAMENTALS

- Generate attractive cash flows across asset classes
- Active rebalancing during periods of outsized weakness and strength
- Focus on risk-adjusted returns and goal alignment

When assessing your portfolio in light of our current guidance, consider the tactical positioning around asset allocation in reference to your own individual risk tolerance, time horizon, objectives and liquidity needs. Certain investments may not be appropriate, given your specific circumstances and investment plan. Certain security types, like hedged strategies and private equity investments, are subject to eligibility and suitability criteria. Your financial advisor can help you customize your portfolio in light of your specific circumstances. *Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to pre-qualified clients. Source: GWIM Investment Strategy Committee (GWIM ISC) as of July 7, 2020. **Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.** CIO views are subject to change.

U.S. Business Cycle Indicator Dashboard

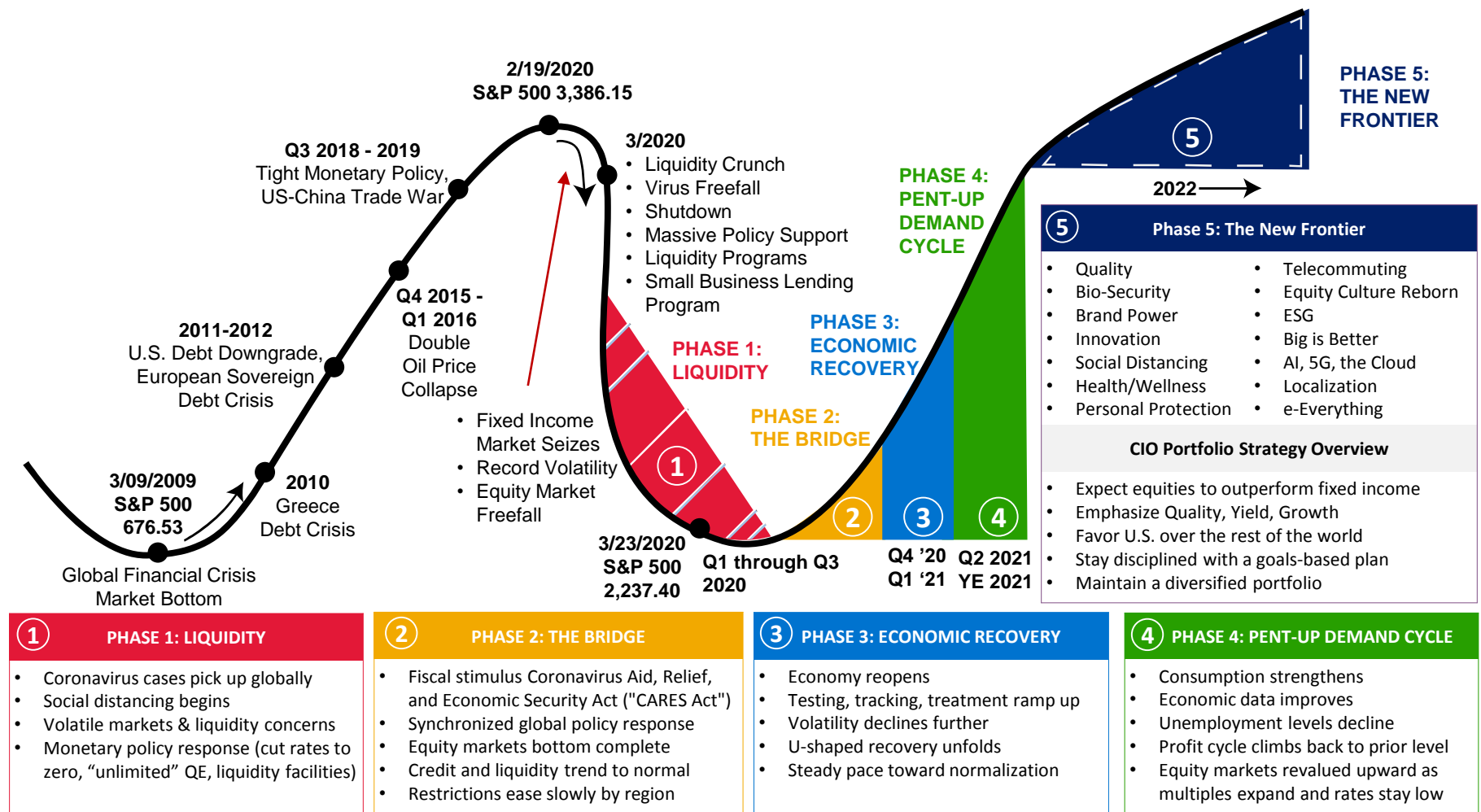
The CIO tracks various metrics (below), which currently indicate that the U.S. economic outlook could be starting to weaken. Over the coming weeks, the impacts of the coronavirus outbreak and oil price declines will remain in focus.



*ISM= Institute for Supply Management. Indicator is in extended territory if majority of data tracked in that category is outside the bounds of what we consider to be moderate levels.
Sources: Bloomberg; Haver Analytics; Federal Reserve Bank of St. Louis; Chief Investment Office. Data as of June 30, 2020. **Past performance is no guarantee of future results.** The economic and market forecasts presented are for informational purposes as of the date of this report. There can be no assurance that the forecasts will be achieved. There is no guarantee that this trend will continue.
Please refer to appendix for asset class proxies and index definitions.

The Journey Along the Great Separation

As the journey out of the valley and over the bridge continues, the potential phases of recovery remain largely in focus. Now past the initial phases, Phase 3 (our current status) depicts the economy working toward reopening, progressing along the path toward the new normal.



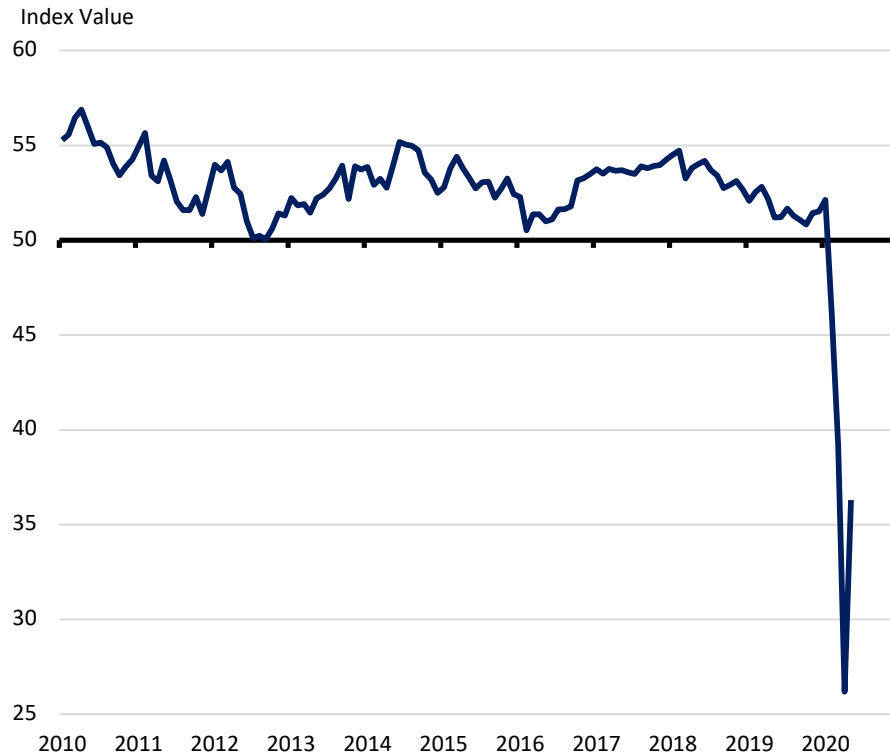
Source: Chief Investment Office. Data as of June 2020. CIO views are subject to change. The economic and market forecasts presented are for informational purposes as of June 2020. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance

The Global Economy Grinded to a Halt...

Global economic activity fell to a standstill as the Coronavirus outbreak led to broad-based shutdowns across many economies including China, Italy and the United States

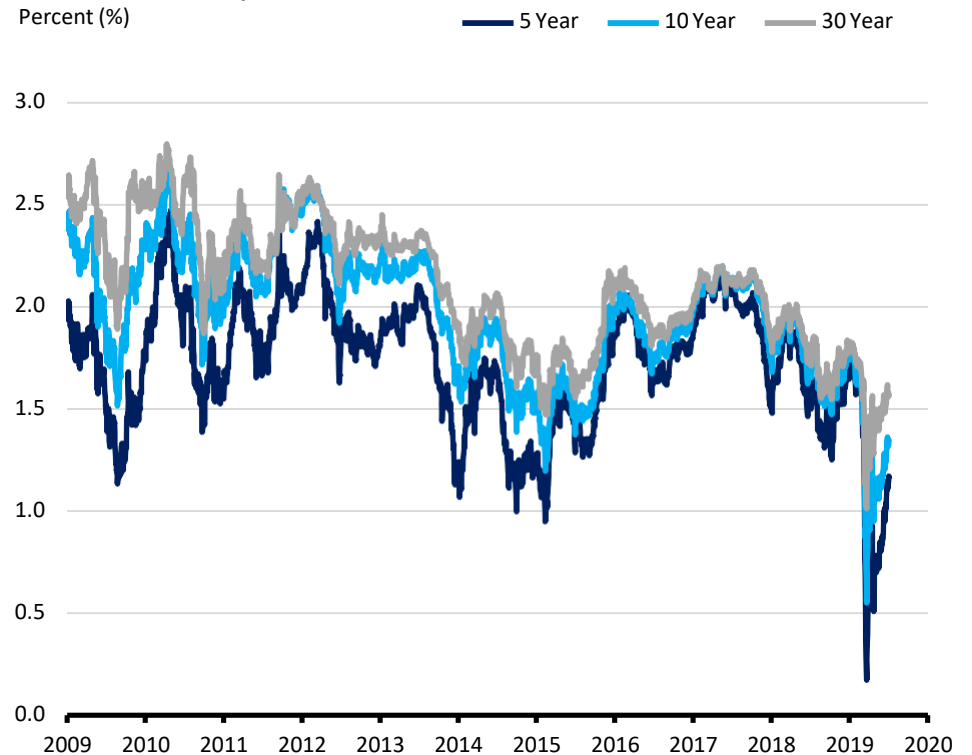
Manufacturing and services activity across the world grinded to a halt as factory shutdowns and social distancing took hold.

Global Composite Purchasing Managers Index



The coronavirus outbreak and oil price collapse induced a deflationary shock on the economy as inflation expectations fell sharply lower.

Breakeven Inflation Expectations



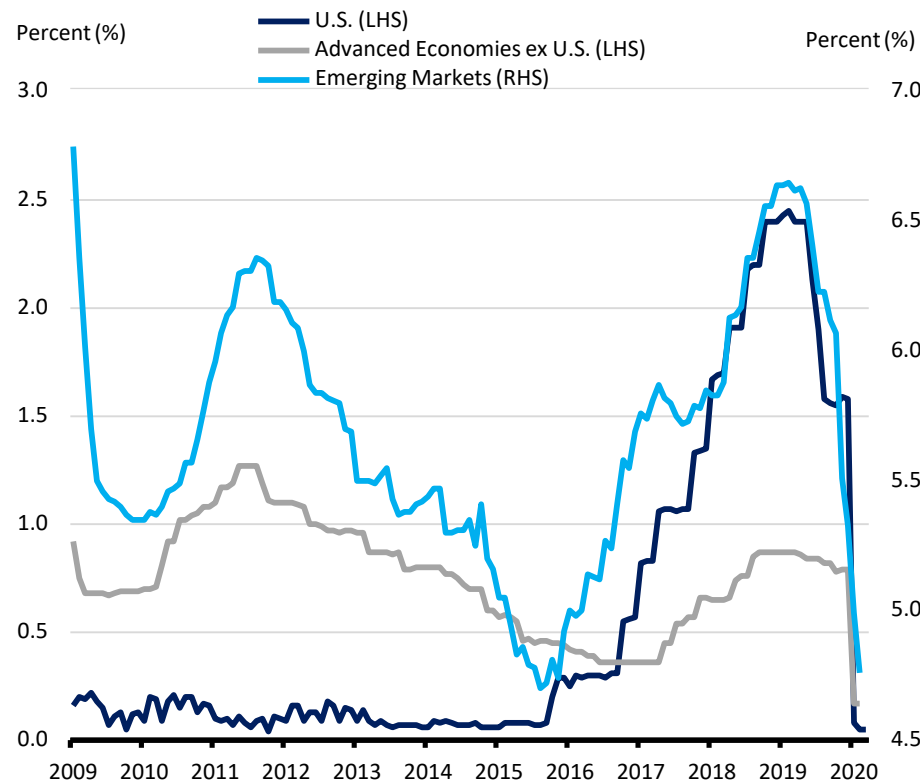
Sources: Haver Analytics; Bloomberg. Data as of June 30, 2020. Past performance is no guarantee of future results. Please refer to appendix for asset class disclosures and index definitions. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index.

Central Bank Easing Shifted into High Gear

From rate cuts, to quantitative easing (QE) to new lending facilities, central banks around the world are working to help improve liquidity in financial markets and cushion the economic impact of the coronavirus outbreak.

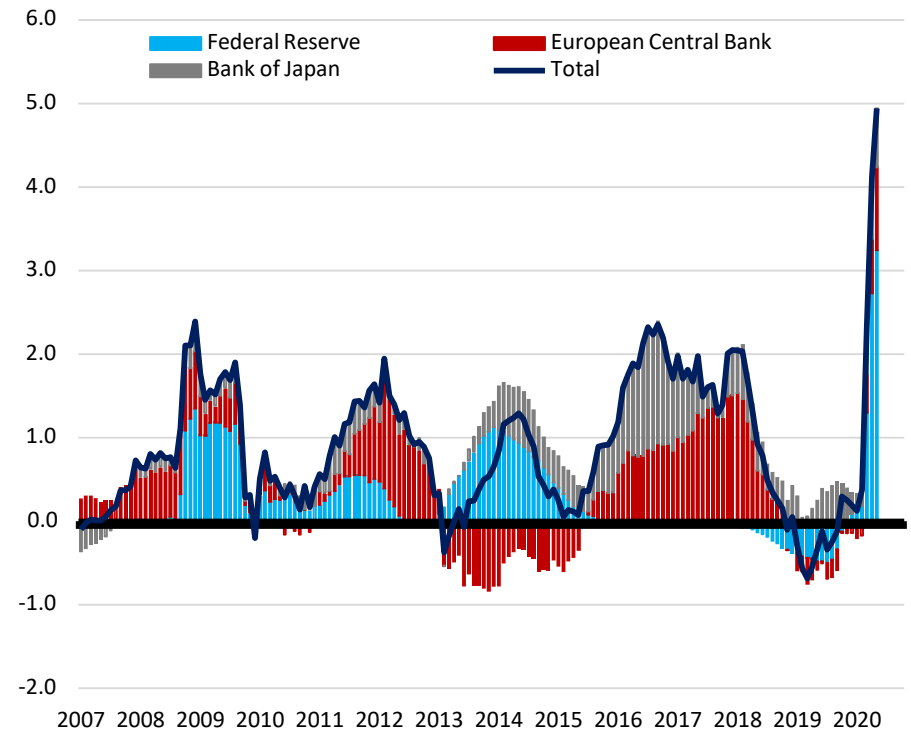
Global central banks – both developed and emerging – have cut rates over 800 times over the past 11 years, accelerating recently due to the impact from the coronavirus.

Global Policy Rates



The Fed has announced unlimited QE in order to improve liquidity in financial markets, to go along with a new asset purchase program from the European Central Bank and continued easing from the Bank of Japan.

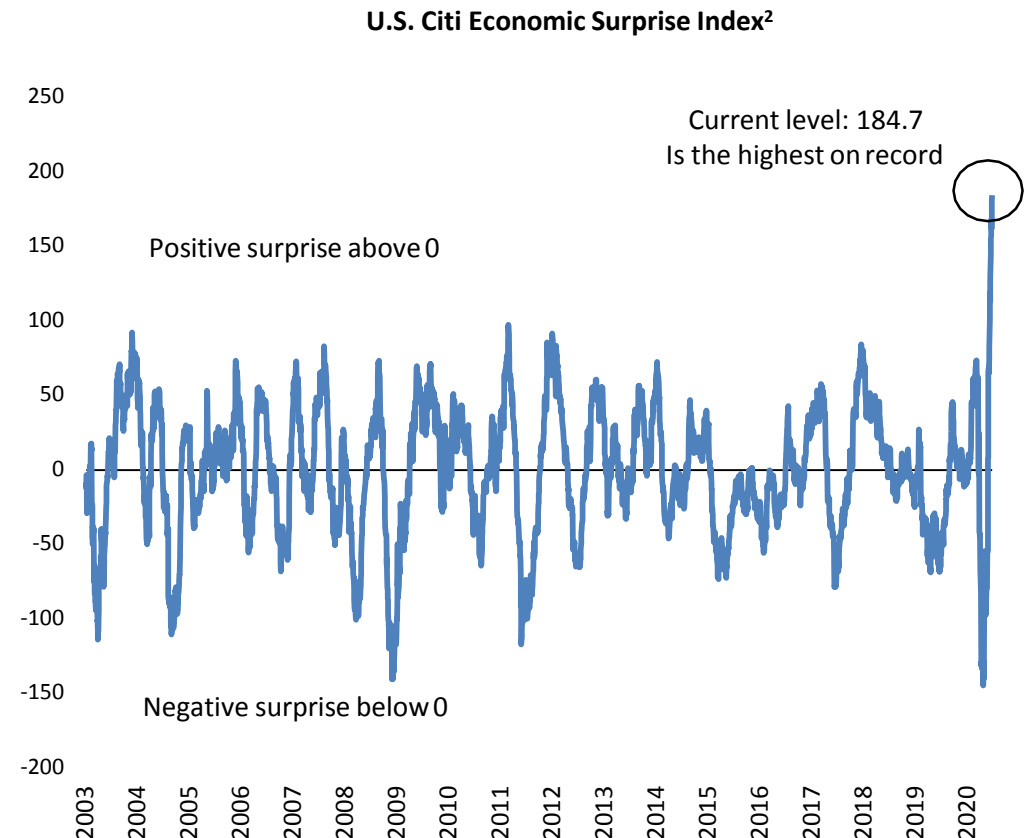
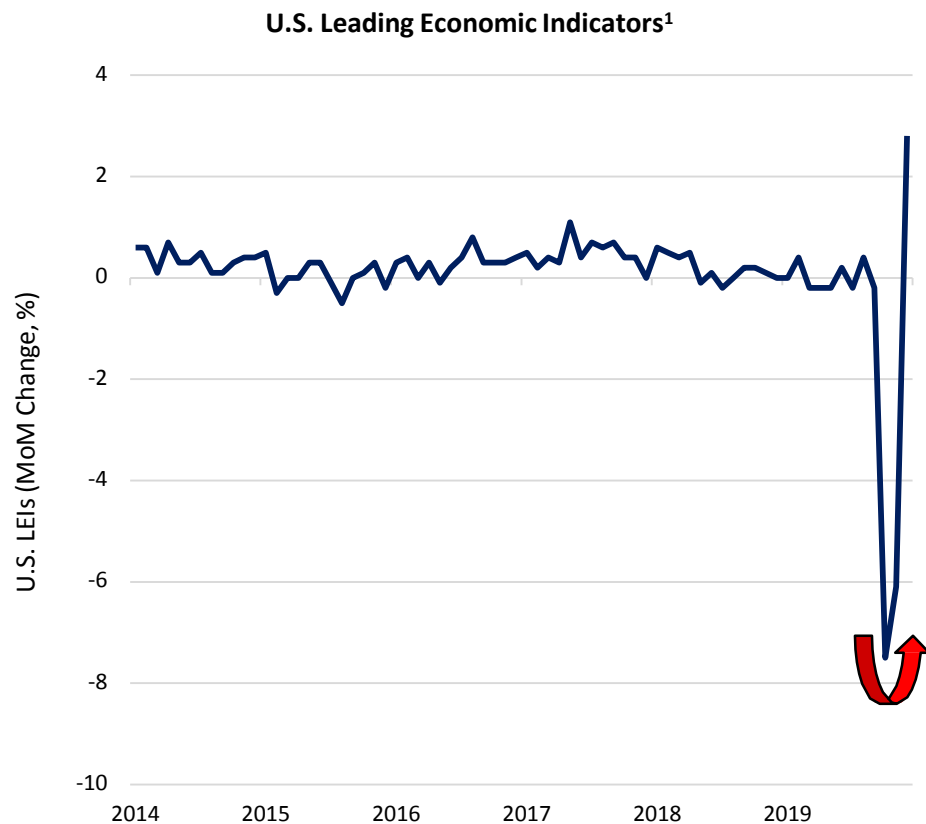
Year-over-Year Change in Assets (Trillions of U.S.\$)



Sources: Bloomberg; Haver Analytics; Chief Investment Office. Data as of June 30, 2020.

Economic Data in the U.S. Indicate the Journey from the Economic Abyss to Recovery has Begun

The re-acceleration in global growth that we expected for 2020 will be delayed until at least the second half of the year as a result of the coronavirus outbreak.

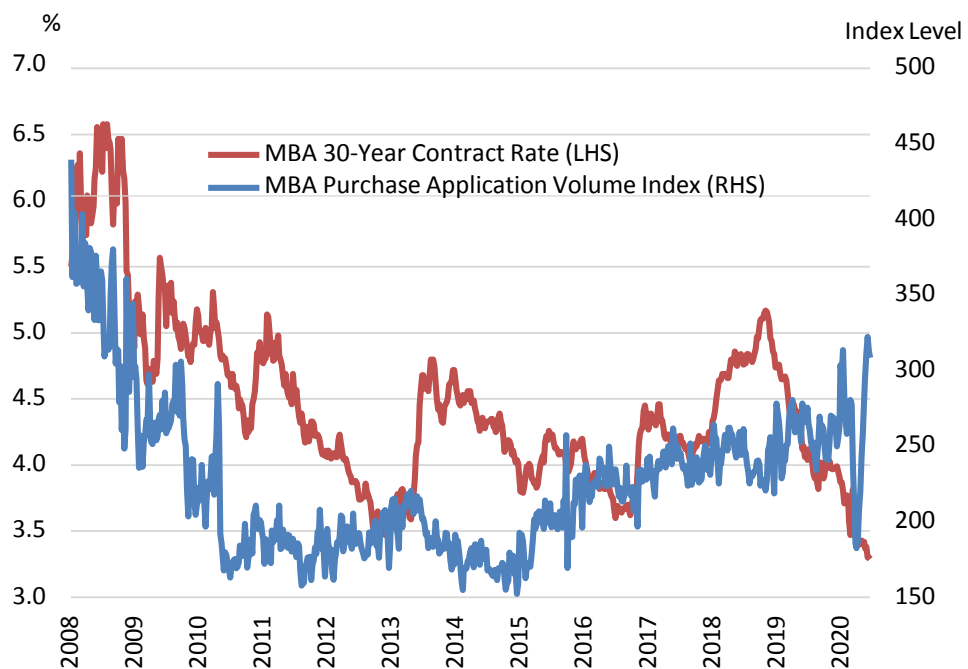


Sources: Bloomberg; Chief Investment Office. Data as of June 30, 2020. 1. Leading indicators include economic variables that tend to move before changes in the overall economy. 2. The Citi Economic Surprise Indices measure data surprises relative to market expectations.

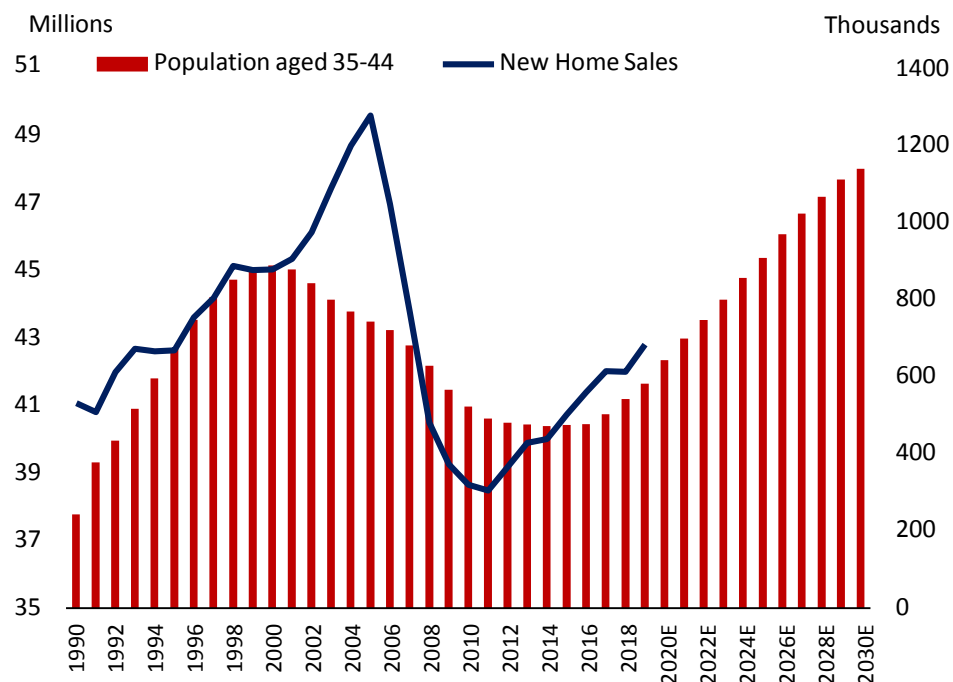
Despite the Covid-19 Disruption, the Housing Market is Rebounding

Signs of a increasing housing activity are starting to show. Clearly, the driver of this strength has been the record low levels of interest rates, specifically mortgage rates. All this bodes well for the economic rebound we are undergoing. According to the National Association of Home Builders total housing activity accounts for 15%-18% of GDP.

The Mortgage Bankers Association (MBA) 30-year contract rate index hit an all-time low of 3.3%. The low rate is already stimulating the market with mortgage purchase application volumes at an 11-year high.



The population aged 35-44 is set to increase in the decade ahead. These demographic forces should continue to support the housing trend forward.

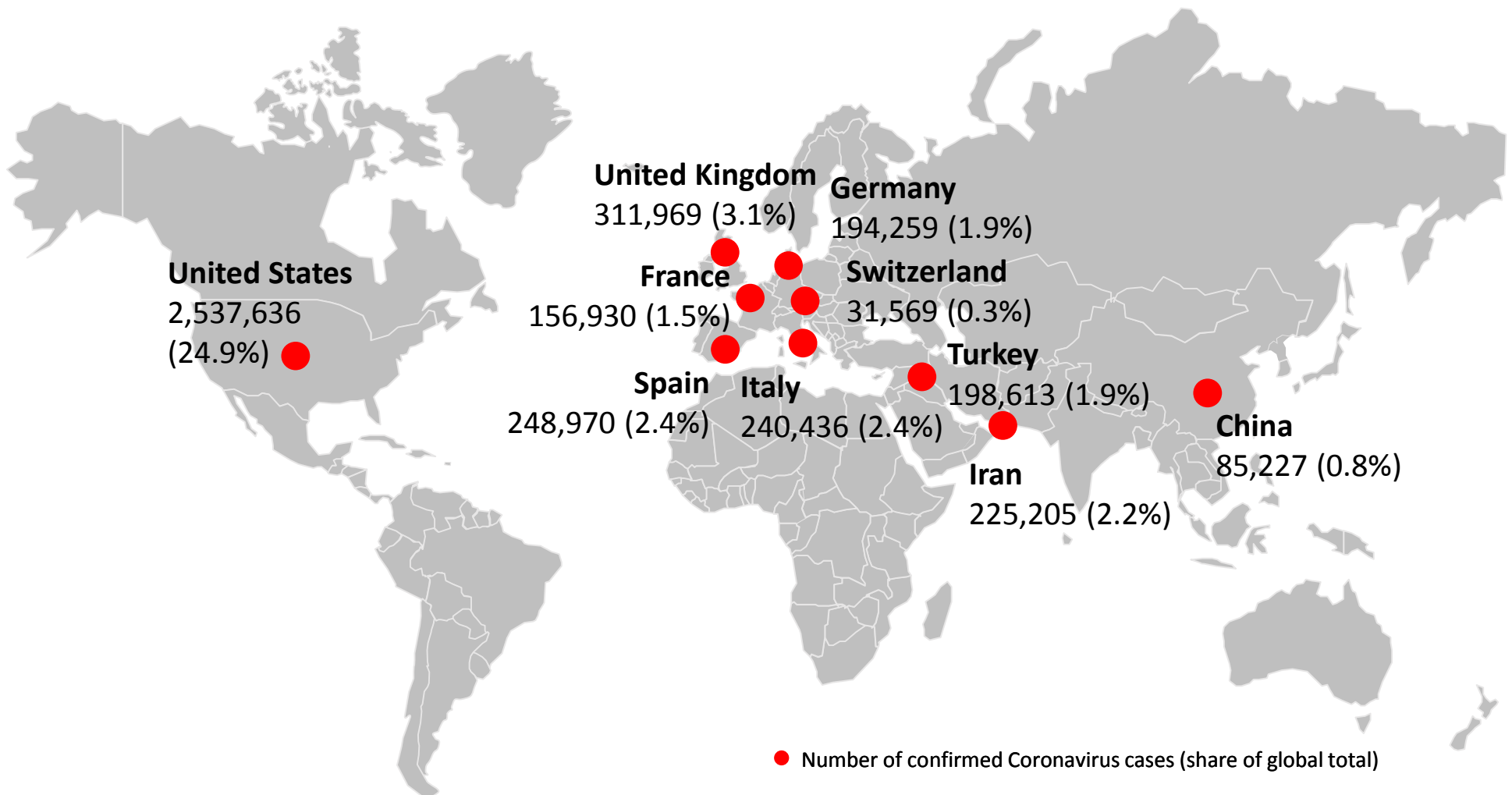


E = Estimate

Sources: (Left): Mortgage Bankers Association. Data as of June 30, 2020. (Right) BofA Global Research; Census Bureau; Haver Analytics. Data as of June 2020. The economic and market forecasts presented are for informational purposes as of June 2020. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance.

Global View of the Coronavirus Outbreak

The coronavirus pandemic has spread to over 180 countries around the world, but nearly 25% of the 10 million cases counted globally so far remain concentrated in the United States.



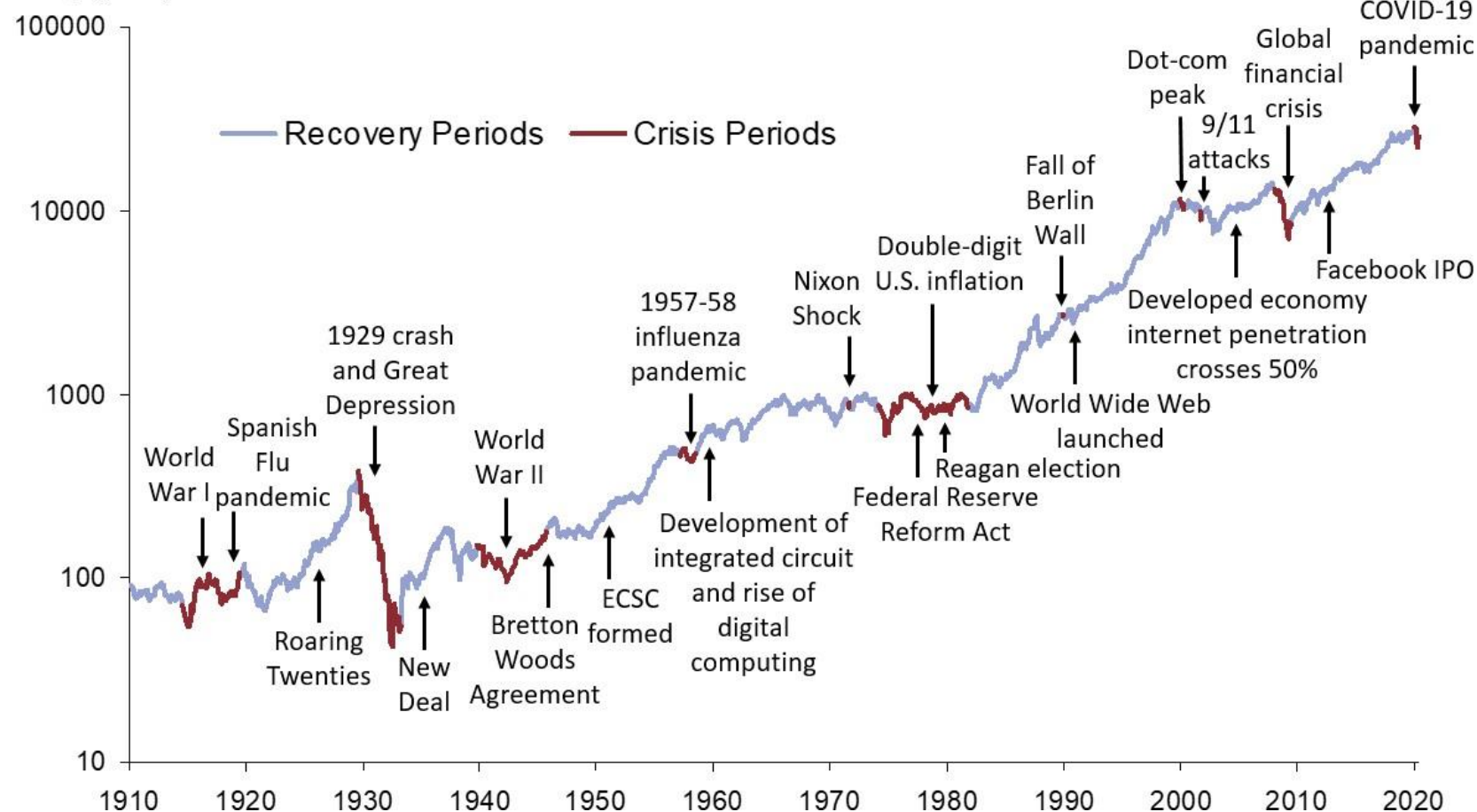
Source: World Health Organization, Chief Investment Office. Data as of June 30, 2020.

Equity Markets and Historical Periods of Crisis and Recovery

A look at the past 100 years shows several periods of societal, economic, geopolitical and financial crisis that would eventually give way to new patterns of activity, innovation, policy support and cooperation that were more constructive for households, companies and investors.

Dow Jones Industrial Index

Level (log scale)

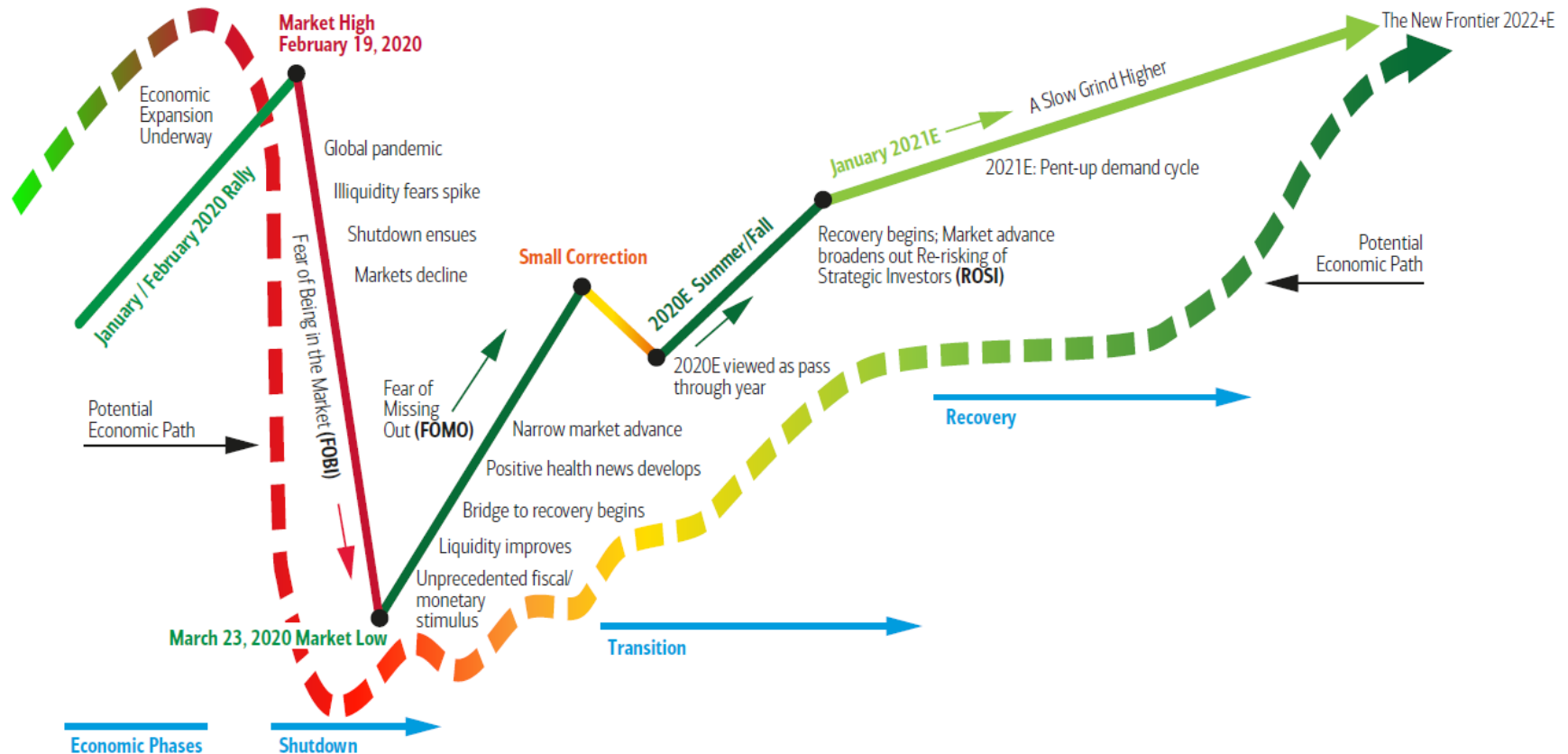


Sources: Chief Investment Office; Bloomberg. Data as of June 2020.

Past performance is no guarantee of future results. Please refer to Appendix for Asset Class Proxies, Index Definitions and Important Disclosures.

Shaping up: A “Square Root” Type Recovery Shape.

We expect the market recovery to experience a “square root” shape as it continues to develop in the coming months and through 2021 prior to the New Frontier unfolding.



CIO's Phases of the Workout Process



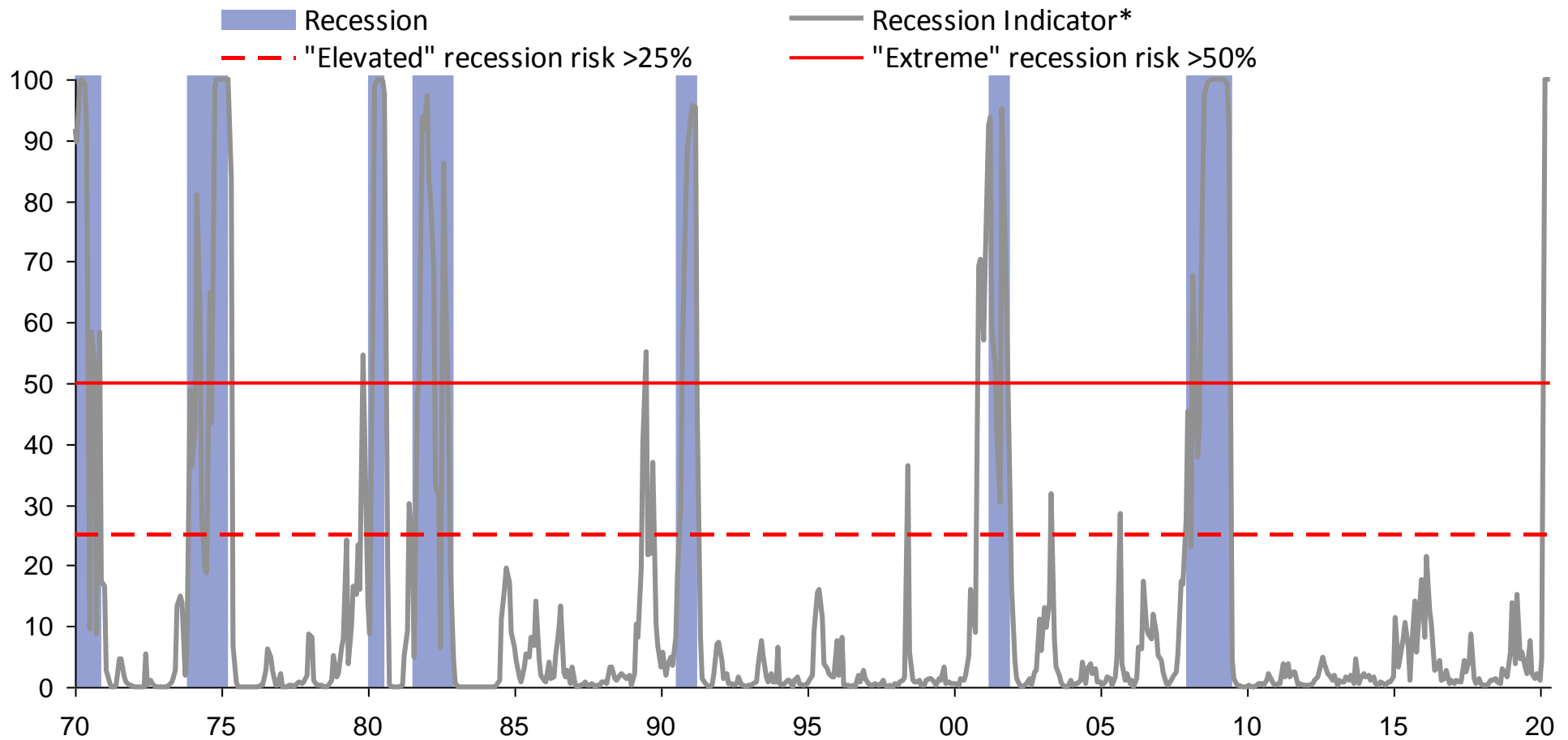
E=Estimate. Source: Chief Investment Office as of May 21, 2020. **Past performance is no guarantee of future results.** The economic and market forecasts presented are for informational purposes as of May 21, 2020. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance.

Composite Recession Indicator: Recession Officially Confirmed in June

Our composite recession indicator crossed the 50% threshold for extreme recession risk in March, three months before the National Bureau of Economic Research confirmed that a recession began that month. The subsequent economic contraction has been the deepest in generations, but a recent improvement in activity suggests that the downturn could be the shortest in post-war history. This should cause the composite indicator to fall back over the months ahead.

Composite recession indicator*

Probability (%)

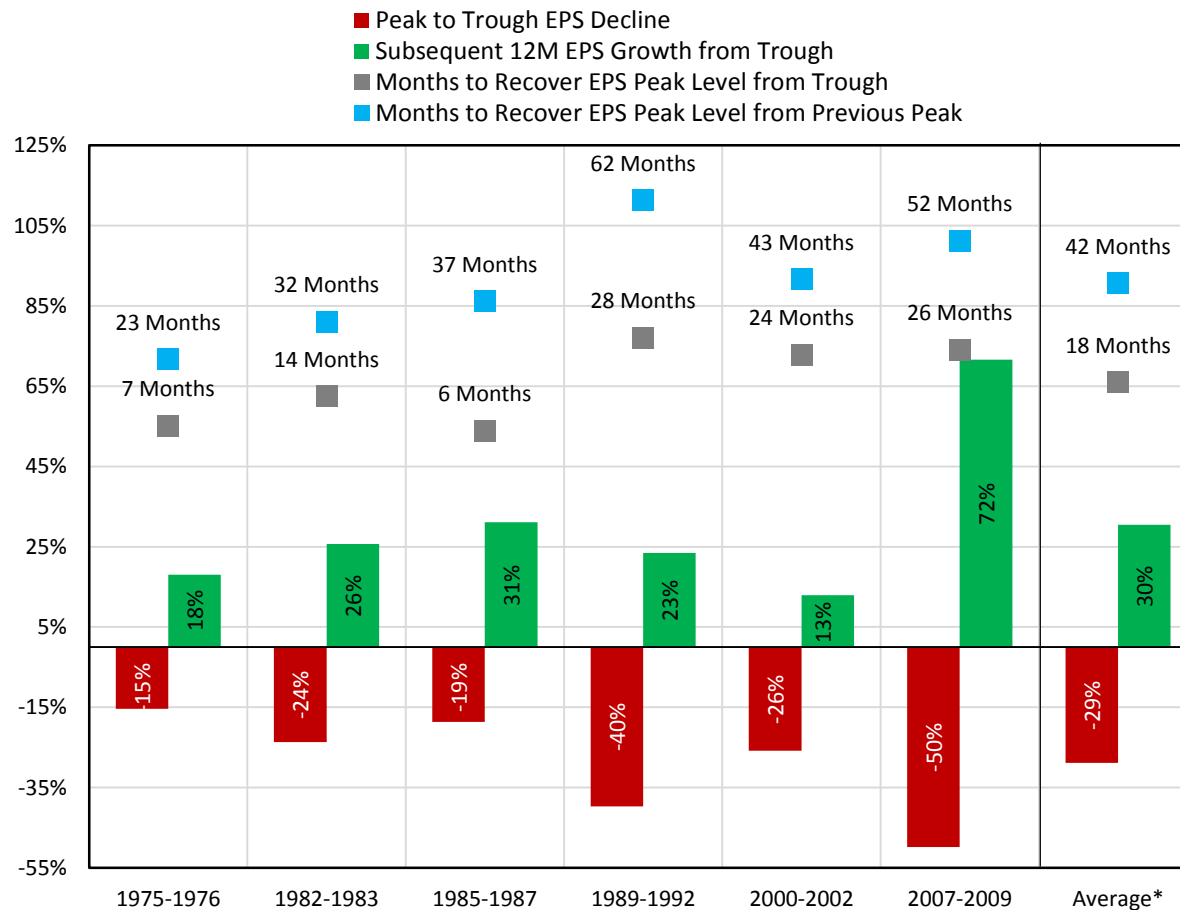


Source: Chief Investment Office, Bloomberg, National Bureau of Economic Research. *Logistic regression of four macroeconomic variables (initial claims, housing starts, industrial production, vehicle sales) against recessionary and non-recessionary periods since January 1970. Data as of June 2020.

Earnings Recovery: A Matter of When, Not If...

Historically after periods of deep earnings declines, a V-shaped recovery is seen in the subsequent 12 months, which recoups a significant portion of the losses.

Periods of Earnings-Per-Share (EPS) Declines Exceeding 15% Since 1950*

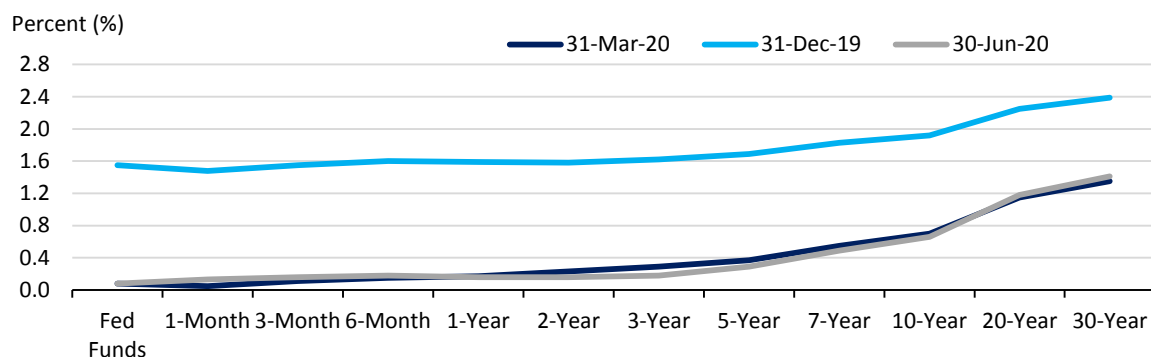


Note: Time periods on the x-axis refer to a respective peak-to-trough EPS decline, shaded in red, and the subsequent 12-month EPS growth, shaded in dark green.
Sources: Chief Investment Office; Bloomberg. Data as of June 30, 2020. **Past performance is no guarantee of future results.**

Decomposing the Yield Curve

Examining different segments of the Treasury Yield Curve can help investors to understand the market's expectations for Federal Reserve (Fed) policy, inflation and growth, as well as the longer-term health of the economy.

The yield curve has shifted lower since the end of 2019.



Overall, the yield curve reflects expectations for slower real economic growth and inflation, with long term bond yields near all-time lows. The steepness of the curve suggests monetary policy is accommodative.

Short End (3 Month – 2 Year):

Upward sloping, suggesting that the Fed is unlikely to cut interest rates over the near term.

Intermediate (2 Year – 10 Year):

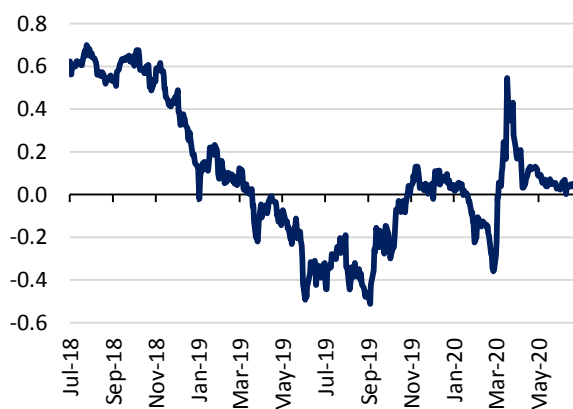
Upward sloping, indicating that Fed policy is now more accommodative to help cushion the impact from the coronavirus on the economy.

Long End (10 Year – 30 Year):

Still steep, indicating that over the long term, the market has confidence that economic growth will continue, a recession would be manageable and the Fed should get back on track with its inflation target.

2 Year Minus 3 Month Yield

Percent (%)



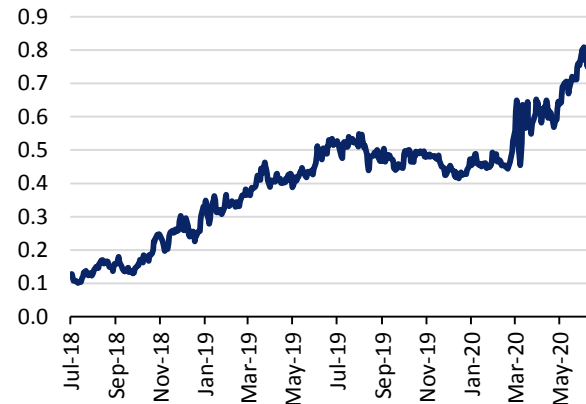
10 Year Minus 2 Year Yield

Percent (%)



30 Year Minus 10 Year Yield

Percent (%)

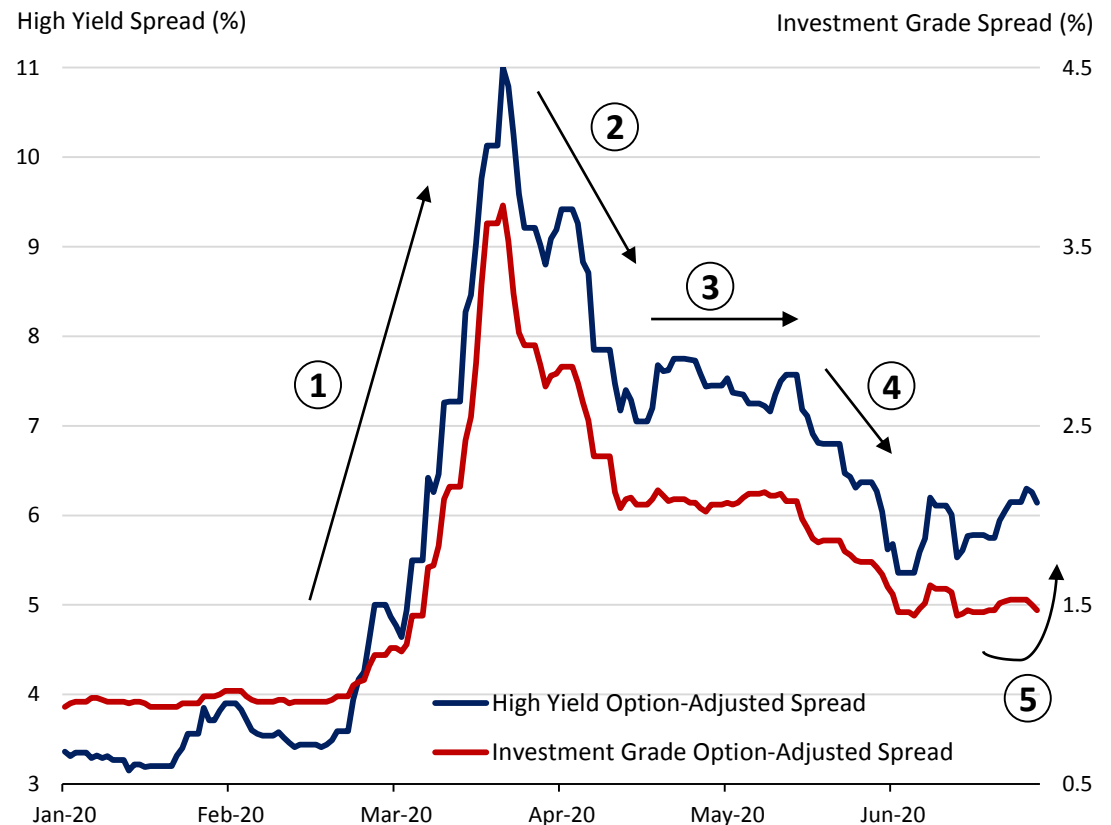


Sources: Chief Investment Office; Bloomberg. Data as of June 30, 2020.

A Phased Crisis for Corporate Credit

Both investment grade and high yield corporate spreads have followed a similar pattern as other risk assets - moving through well-defined stages: the crisis from a panic, a recovery, holding pattern, rally, and now a reversal.

- ① Irrational Widening:**
A panic-driven move to fire-sale prices, with spreads peaking at beyond recessionary levels
- ② Quick Recovery:**
A return to more normal recessionary levels led by a strong policy response
- ③ Valuation Holding Pattern:**
Consolidation amid a rise in issuance and as tourists depart
- ④ Sustained Rally:**
Spreads and yields reach new post-crisis lows
- ⑤ Fade in Sentiment:**
Pause and reversal of the recent rally amid covid-19 fears also highlights a potentially more discerning investor, one focused on fundamentals over risk-taking



Sources: Chief Investment Office; Bloomberg. Data as of June 30, 2020.

Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.

Economic and Market Forecasts

	Q3 2019A	Q4 2019A	2019A	Q1 2020A	Q2 2020A	2020E
Real global GDP (% y/y annualized)	-	-	2.9	-	-	-4.1
Real U.S. GDP (% q/q annualized)	2.1	2.1	2.3	-4.8	-35*	-5.7
CPI inflation (% y/y)	1.8	2.0.0	1.8	2.1	0.5*	1.0
Core CPI inflation (% y/y)	2.3	2.3	2.2	2.2	1.3*	1.4
Unemployment rate(%)	3.6	3.5	3.7	3.8	13.0	9.0
Fed funds rate, end period (%)	1.9	1.55	1.55	0.08	0.08	0.13
10-year Treasury, end period (%)	1.66	1.92	1.92	0.67	0.68	1.00
S&P 500 end period	2977	3231	3231	2585	3100	2900
S&P earnings (\$/share)	42	42	163	34*	25*	115
Euro/U.S. dollar, end period	1.09	1.12	1.12	1.1	1.12	1.05
U.S. dollar/Japanese yen, end period	108	109	109	108	108	103
Oil (\$/barrel, avg. of period, WTI**)	56	57	57	46	29	40

The forecasts in the table above are the base line view from BofA Global Research team. The Global Wealth & Investment Management (GWIM) Investment Strategy Committee (ISC) may make adjustments to this view over the course of the year and can express upside/downside to these forecasts.

A=Actual. E/=Estimate. ** WTI: West Texas Intermediate. S&P 500 represents the year-end target for 2020.

Sources: BofA Global Research; GWIM ISC as of July 3, 2020.

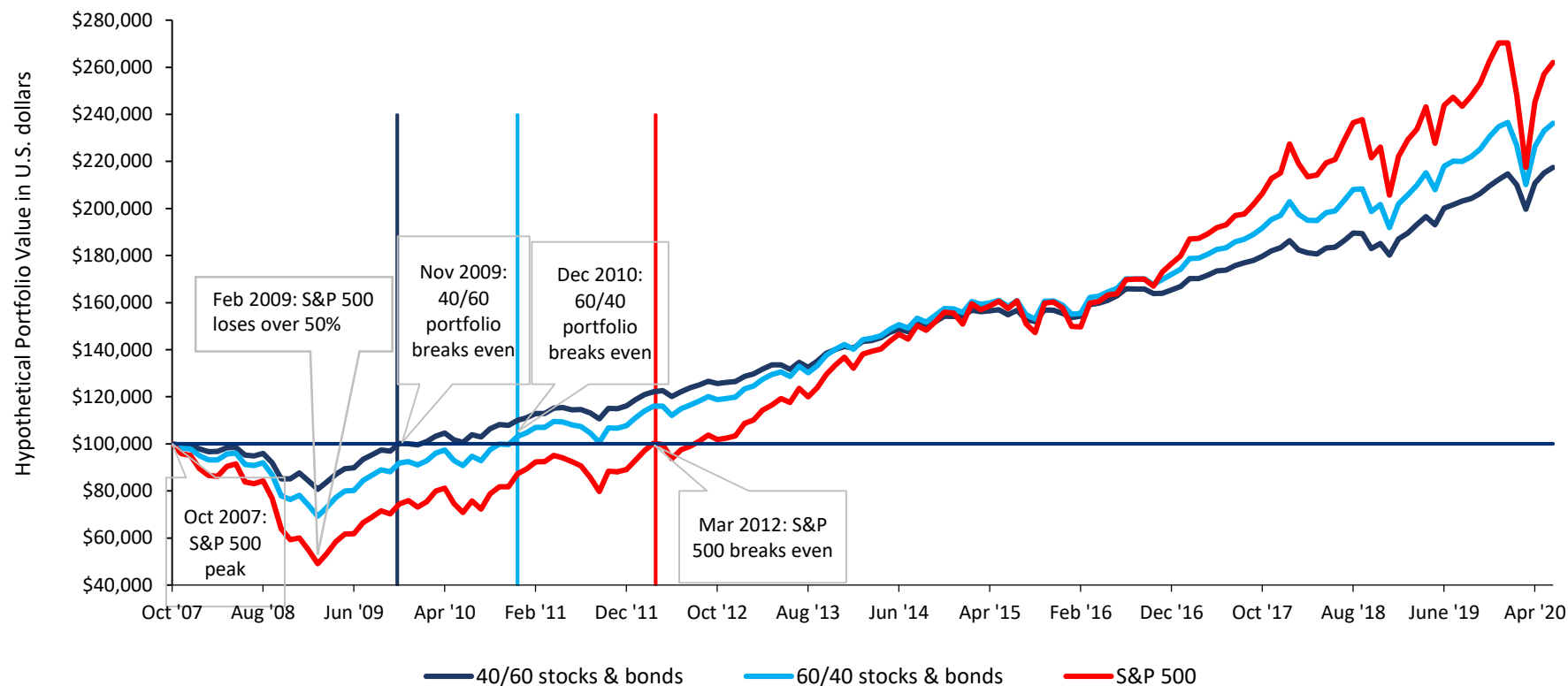
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The Value of Diversification

Less volatility per unit of growth.

Hypothetical portfolio returns: equity versus equity and fixed income blends



Source: Chief Investment Office, Morningstar Direct. Equity Index: S&P 500 Total Return; Fixed Income index: BarCap Aggregate. Data as of June 30, 2020. **Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. Diversification does not ensure a profit or protect against loss in declining markets. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.**

U.S. Oriented Investor

Historical Asset Class Performance

Key Market Index Returns, 2011 – 2020*, Highest to Lowest

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020*
Govt FI 9.19%	EM Equity 18.23%	US SCG 43.30%	US LCV 13.45%	US LCG 5.67%	US SCV 31.74%	EM Equity 37.28%	Intl FI 3.17%	US LCG 36.39%	US LCG 9.81%
Corp FI 7.51%	US SCV 18.05%	US SCV 34.52%	US LCG 13.05%	Mtge FI 1.46%	High Yield FI 17.34%	US LCG 30.21%	Cash 1.87%	US SCG 28.48%	Govt FI 8.92%
Mtge FI 6.14%	US LCV 17.50%	US LCG 33.48%	Intl FI 9.07%	Intl FI 1.35%	US LCV 17.34%	Intl Eq 24.21%	Inflation 1.68%	US LCV 26.54%	Corp FI 4.84%
High Yield FI 4.50%	Intl Eq 16.41%	US LCV 32.53%	CIO Mod. Alloc. 7.95%	Govt FI 0.84%	US SCG 11.32%	US SCG 22.17%	Mtge FI 1.00%	Intl Eq 22.49%	Mtge FI 3.62%
Intl FI 4.04%	High Yield FI 15.44%	Intl Eq 21.02%	Corp FI 7.51%	Inflation 0.73%	EM Equity 11.19%	US LCV 13.66%	Govt FI 0.83%	US SCV 22.39%	Intl FI 2.20%
Inflation 2.96%	US LCG 15.27%	CIO Mod. Alloc. 17.05%	Mtge FI 6.07%	CIO Mod. Alloc. 0.18%	CIO Mod. Alloc. 8.05%	CIO Mod. Alloc. 13.30%	US LCG -1.51%	CIO Mod. Alloc. 19.00%	Cash 0.60%
US LCG 2.64%	US SCG 14.58%	High Yield FI 7.38%	Govt FI 5.88%	Cash 0.05%	US LCG 7.08%	US SCV 7.84%	Corp FI -2.25%	EM Equity 18.42%	Inflation -0.23%
CIO Mod. Alloc. 2.08%	CIO Mod. Alloc. 11.79%	Inflation 1.51%	US SCG 5.60%	Corp FI -0.63%	Corp FI 5.96%	High Yield FI 7.48%	High Yield FI -2.26%	High Yield FI 14.40%	CIO Mod. Alloc. -1.94%
US LCV 0.39%	Corp FI 10.37%	Intl FI 1.33%	US SCV 4.22%	US SCG -1.38%	Intl FI 5.19%	Corp FI 6.48%	CIO Mod. Alloc. -4.78%	Corp FI 14.23%	US SCG -3.06%
Cash 0.10%	Intl FI 6.59%	Cash 0.07%	High Yield FI 2.45%	Intl Eq -3.04%	Intl Eq 2.75%	Intl FI 2.51%	US LCV -8.27%	Intl FI 7.57%	High Yield FI -4.73%
US SCG -2.92%	Mtge FI 2.59%	Mtge FI -1.39%	Inflation 0.76%	US LCV -3.83%	Inflation 2.07%	Mtge FI 2.45%	US SCG -9.31%	Govt FI 6.95%	EM Equity -9.78%
US SCV -5.50%	Govt FI 2.19%	Corp FI -1.46%	Cash 0.03%	High Yield FI -4.55%	Mtge FI 1.67%	Govt FI 2.42%	US SCV -12.86%	Mtge FI 6.51%	Intl Eq -11.49%
Intl Eq -12.21%	Inflation 1.74%	EM Equity -2.60%	EM Equity -2.19%	US SCV -7.47%	Govt FI 1.15%	Inflation 2.24%	Intl Eq -14.09%	Inflation 2.29%	US LCV -16.26%
EM Equity -18.42%	Cash 0.11%	Govt FI -3.21%	Intl Eq -4.32%	EM Equity -14.92%	Cash 0.33%	Cash 0.86%	EM Equity -14.58%	Cash 2.28%	US SCV -23.50%

Source: Morningstar Direct & CIA System. Income and dividends are included in all returns figures. Excludes alternative investments. CIO Moderate Allocation represents GWIM Strategic Asset Allocation for Tier 0 (Highest Liquidity) Moderate U.S. Investor. *Data as of June 30, 2020. Results shown are based on an index and are illustrative. Indexes are unmanaged. Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.

U.S. Oriented Investor

Historical Asset Class Volatility

Annualized Standard Deviations of Key Asset Classes 2011 – 2020 , Highest to Lowest

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020*
EM Equity 23.46%	EM Equity 18.83%	EM Equity 11.31%	US SCG 15.45%	EM Equity 16.91%	US SCG 18.40%	US SCV 9.27%	US SCG 20.17%	US SCG 17.57%	US SCV 40.56%
US SCG 23.31%	Intl Eq 15.68%	Intl Eq 11.25%	US SCV 14.81%	US SCG 15.81%	US SCV 17.05%	EM Equity 6.26%	US SCV 17.23%	US SCV 17.49%	US SCG 38.57%
US SCV 21.38%	US SCG 13.30%	US SCG 10.78%	EM Equity 13.01%	Intl Eq 14.47%	EM Equity 17.02%	US SCG 5.71%	US LCG 16.69%	EM Equity 15.75%	US LCV 31.37%
Intl Eq 18.56%	US SCV 11.67%	US SCV 10.44%	Intl Eq 9.33%	US LCG 13.45%	Intl Eq 12.57%	US LCV 5.20%	EM Equity 14.79%	US LCV 12.94%	EM Equity 28.79%
US LCV 16.54%	US LCG 11.11%	US LCV 9.12%	US LCG 8.90%	US SCV 12.40%	US LCV 10.65%	US LCG 4.38%	US LCV 13.50%	US LCG 12.84%	US LCG 28.61%
US LCG 15.30%	US LCV 9.80%	US LCG 7.71%	US LCV 7.94%	US LCV 12.38%	US LCG 10.55%	Intl Eq 3.72%	Intl Eq 11.84%	Intl Eq 11.14%	Intl Eq 26.18%
CIO Mod. Alloc. 9.91%	CIO Mod. Alloc. 6.46%	CIO Mod. Alloc. 5.58%	CIO Mod. Alloc. 5.29%	CIO Mod. Alloc. 7.58%	CIO Mod. Alloc. 6.41%	High Yield FI 2.11%	CIO Mod. Alloc. 7.01%	CIO Mod. Alloc. 6.72%	CIO Mod. Alloc. 18.66%
High Yield FI 9.08%	High Yield FI 3.58%	High Yield FI 4.57%	High Yield FI 4.32%	High Yield FI 6.16%	High Yield FI 5.76%	Intl FI 2.07%	Govt FI 3.52%	High Yield FI 4.90%	High Yield FI 18.61%
Corp FI 4.15%	Corp FI 3.18%	Corp FI 4.54%	Corp FI 2.92%	Govt FI 3.78%	Corp FI 4.72%	Govt FI 1.71%	High Yield FI 3.49%	Govt FI 4.55%	Corp FI 13.68%
Govt FI 3.24%	Govt FI 2.81%	Govt FI 2.99%	Govt FI 2.27%	Corp FI 3.69%	Govt FI 4.42%	Corp FI 1.67%	Corp FI 3.00%	Corp FI 3.72%	Govt FI 4.85%
Intl FI 2.59%	Intl FI 1.60%	Intl FI 2.74%	Mtge FI 2.19%	Intl FI 2.96%	Intl FI 3.19%	CIO Mod. Alloc. 1.52%	Mtge FI 2.87%	Intl FI 3.17%	Intl FI 4.52%
Mtge FI 1.63%	Inflation 1.29%	Mtge FI 2.66%	Intl FI 1.54%	Mtge FI 1.43%	Mtge FI 2.33%	Mtge FI 1.28%	Intl FI 1.56%	Mtge FI 1.82%	Mtge FI 1.49%
Inflation 1.25%	Mtge FI 1.01%	Inflation 0.94%	Inflation 1.27%	Inflation 1.16%	Inflation 0.70%	Inflation 0.72%	Inflation 0.96%	Inflation 0.73%	Inflation 1.19%
Cash 0.03%	Cash 0.02%	Cash 0.02%	Cash 0.01%	Cash 0.03%	Cash 0.05%	Cash 0.09%	Cash 0.10%	Cash 0.10%	Cash 0.36%

Source: Morningstar Direct & CIA System. CIO Moderate Allocation represents GWIM Strategic Asset Allocation for Tier 0 (Highest Liquidity) Moderate U.S. Investor. Standard deviation is a statistical measurement of the range of an asset class's total returns over the respective calendar years. In general, a higher standard deviation means greater volatility. All volatility figures are based on monthly returns. *Data as of June 30, 2020. Results shown are based on an index and are illustrative. Indexes are unmanaged. Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.

U.S. Equities

Historical Sector Performance

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020*
Materials 3.48%	Cons Staples -4.26%	Technology 47.23%	Energy 31.54%	Energy 31.37%	Real Estate 41.48%	Energy 34.40%	Cons Staples -15.43%	Technology 61.72%	Real Estate 32.32%	Utilities 19.91%	Financials 28.81%	Cons Disc 43.08%	Real Estate 30.19%	Cons Disc 10.11%	Energy 27.36%	Technology 38.83%	Health Care 6.47%	Technology 50.29%	Technology 14.95%
Cons Disc 2.78%	Materials -5.45%	Materials 38.19%	Real Estate 28.79%	Utilities 16.84%	Comm Svcs 36.80%	Materials 22.53%	Health Care -22.81%	Materials 48.59%	Cons Disc 27.66%	Cons Staples 13.99%	Cons Disc 23.92%	Health Care 41.46%	Utilities 28.98%	Health Care 6.89%	Comm Svcs 23.48%	Materials 23.84%	Utilities 4.11%	Comm Svcs 32.69%	Cons Disc 7.23%
Industrials -5.74%	Real Estate -9.50%	Cons Disc 37.41%	Utilities 24.28%	Real Estate 12.56%	Energy 24.21%	Utilities 19.38%	Utilities -28.98%	Cons Disc 41.31%	Industrials 26.73%	Health Care 12.73%	Real Estate 19.74%	Industrials 40.68%	Health Care 25.34%	Cons Staples 6.60%	Financials 22.80%	Cons Disc 22.98%	Cons Disc 0.83%	Financials 32.13%	Comm Svcs -0.31%
Cons Staples -6.40%	Energy -11.13%	Industrials 32.19%	Comm Svcs 19.86%	Financials 6.48%	Utilities 20.99%	Technology 16.31%	Comm Svcs -30.49%	Real Estate 27.10%	Materials 22.20%	Real Estate 11.39%	Comm Svcs 18.31%	Financials 35.63%	Technology 20.12%	Technology 5.92%	Industrials 18.86%	Financials 22.18%	Technology -0.29%	Industrials 29.37%	Health Care -0.81%
Financials -8.95%	Financials -14.64%	Financials 31.03%	Industrials 18.03%	Health Care 6.46%	Financials 19.19%	Cons Staples 14.18%	Cons Disc -33.49%	Industrials 20.93%	Energy 20.46%	Comm Svcs 6.26%	Health Care 17.89%	Technology 28.43%	Cons Staples 15.98%	Real Estate 4.68%	Materials 16.69%	Health Care 22.08%	Real Estate -2.22%	Real Estate 29.01%	Cons Staples -5.66%
Energy -10.39%	Health Care -18.82%	Real Estate 28.82%	Cons Disc 13.24%	Materials 4.42%	Cons Disc 18.64%	Industrials 12.03%	Energy -34.87%	Health Care 19.70%	Comm Svcs 18.97%	Cons Disc 6.13%	Industrials 15.35%	Cons Staples 26.14%	Financials 15.20%	Comm Svcs 3.40%	Utilities 16.28%	Industrials 21.03%	Cons Staples -8.38%	Cons Disc 27.94%	Materials -6.92%
Health Care -11.95%	Cons Disc -23.82%	Utilities 26.26%	Materials 13.20%	Cons Staples 3.58%	Materials 18.63%	Comm Svcs 11.95%	Industrials -39.92%	Financials 17.22%	Cons Staples 14.11%	Energy 4.72%	Materials 14.97%	Materials 25.60%	Industrials 9.83%	Financials -1.53%	Technology 13.85%	Cons Staples 13.49%	Comm Svcs -12.53%	Cons Staples 27.61%	Real Estate -8.53%
Comm Svcs -12.25%	Industrials -26.34%	Energy 25.63%	Financials 10.89%	Industrials 2.32%	Cons Staples 14.36%	Health Care 7.15%	Real Estate -42.31%	Cons Staples 14.89%	Financials 12.13%	Technology 2.41%	Technology 14.82%	Energy 25.07%	Cons Disc 9.68%	Industrials -2.53%	Cons Disc 6.03%	Utilities 12.11%	Financials -13.03%	Utilities 26.35%	Utilities -11.14%
Technology -25.87%	Utilities -29.99%	Health Care 15.06%	Cons Staples 8.16%	Technology 0.99%	Industrials 13.29%	Cons Disc -13.21%	Technology -43.14%	Energy 13.82%	Technology 10.19%	Industrials -0.59%	Cons Staples 10.76%	Utilities 13.21%	Materials 6.91%	Utilities -4.84%	Cons Staples 5.38%	Real Estate 10.85%	Industrials -13.29%	Materials 24.58%	Industrials -14.64%
Utilities -30.44%	Comm Svcs -34.11%	Cons Staples 11.57%	Technology 2.56%	Comm Svcs -5.63%	Technology 8.42%	Real Estate -17.85%	Materials -45.66%	Utilities 11.91%	Utilities 5.46%	Materials -9.75%	Energy 4.61%	Comm Svcs 11.47%	Comm Svcs 2.99%	Materials -8.38%	Real Estate 3.39%	Energy -1.01%	Materials -14.70%	Health Care 20.82%	Financials -23.62%
Real Estate NA	Technology -37.41%	Comm Svcs 7.08%	Health Care 1.68%	Cons Disc -6.36%	Health Care 7.53%	Financials -18.63%	Financials -55.32%	Comm Svcs 8.93%	Health Care 2.90%	Financials -17.06%	Utilities 1.29%	Real Estate 1.60%	Energy -7.78%	Energy -21.12%	Health Care -2.69%	Comm Svcs -1.25%	Energy -18.10%	Energy 11.81%	Energy -35.34%

Real Estate data not available until 2002. Source: Morningstar Direct. U.S. equities represented by the S&P 500 Global industry Classification Standards (GICS). Returns calculated are total returns. Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. *Data as of June 30, 2020. Past performance is no guarantee of future results. Please refer to appendix for asset class appendix and index definitions.

Globally Oriented Investor

Historical Asset Class Performance

Key Market Index Returns, 2011– 2020* , Highest to Lowest

2011	2012	2013	2014	2015	2016	2017	2018	2019	Q1 2020*
Global Govt 5.81%	Dev APAC ex-Jap 24.57%	North America 29.57%	North America 11.90%	Japan 9.57%	Global HY / EM 14.74%	EM Equity 37.28%	Global Govt 2.56%	North America 30.70%	Global Govt 3.67%
Global Mtge 5.61%	Dev Eur ex-UK 21.28%	Dev Eur ex-UK 27.65%	Global Govt 8.15%	Global Mtge 1.34%	North America 11.57%	Dev Eur ex-UK 26.82%	Cash 1.87%	Dev Eur ex-UK 24.81%	Global Mtge 1.94%
Global Corp 4.95%	Global HY / EM 20.21%	Japan 27.16%	Global Corp 7.71%	Global Govt 1.26%	EM Equity 11.19%	Dev APAC ex-Jap 25.88%	Inflation 1.68%	United Kingdom 21.05%	Cash 0.57%
Inflation 2.96%	EM Equity 18.23%	United Kingdom 20.67%	Global Mtge 6.17%	Inflation 0.73%	Dev APAC ex-Jap 7.85%	Japan 23.99%	Global Mtge 1.35%	Japan 19.61%	Inflation 0.53%
Global HY / EM 2.77%	United Kingdom 15.26%	CIO Mod. Alloc. 12.50%	CIO Mod. Alloc. 2.74%	Cash 0.05%	Global Corp 6.08%	United Kingdom 22.30%	Global Corp -0.87%	EM Equity 18.42%	Global Corp -4.23%
Cash 0.10%	North America 14.77%	Global HY / EM 7.19%	Inflation 0.76%	Global Corp -0.24%	CIO Mod. Alloc. 5.90%	North America 20.89%	Global HY / EM -3.83%	Dev APAC ex-Jap 18.36%	CIO Mod. Alloc. -12.74%
North America -0.07%	CIO Mod. Alloc. 12.31%	Dev APAC ex-Jap 5.49%	Cash 0.03%	Dev Eur ex-UK -0.65%	Global Govt 3.70%	CIO Mod. Alloc. 14.03%	CIO Mod. Alloc. -4.22%	CIO Mod. Alloc. 18.10%	Global HY / EM -15.39%
CIO Mod. Alloc.** -1.79%	Global Corp 10.79%	Inflation 1.51%	Global HY / EM -0.44%	North America -0.90%	Japan 2.38%	Global HY / EM 10.49%	North America -5.73%	Global HY / EM 13.10%	Japan -16.79%
United Kingdom -2.57%	Japan 8.19%	Cash 0.07%	Dev APAC ex-Jap -0.47%	CIO Mod. Alloc. -2.22%	Global Mtge 2.21%	Global Corp 5.77%	Dev APAC ex-Jap -10.30%	Global Corp 12.51%	North America -20.16%
Dev APAC ex-Jap -12.79%	Global Mtge 4.74%	Global Corp 0.02%	EM Equity -2.19%	Global HY / EM -2.49%	Inflation 2.07%	Global Mtge 2.56%	Japan -12.88%	Global Govt 7.34%	Dev Eur ex-UK -22.76%
Japan -14.33%	Global Govt 4.64%	Global Mtge -0.27%	Japan -4.02%	United Kingdom -7.56%	Cash 0.33%	Global Govt 2.35%	United Kingdom -14.15%	Global Mtge 6.48%	EM Equity -23.60%
Dev Eur ex-UK -15.26%	Inflation 1.74%	Global Govt -0.43%	United Kingdom -5.39%	Dev APAC ex-Jap -8.47%	United Kingdom -0.10%	Inflation 2.24%	EM Equity -14.58%	Inflation 2.29%	Dev APAC ex-Jap -27.60%
EM Equity -18.42%	Cash 0.11%	EM Equity -2.60%	Dev Eur ex-UK -6.55%	EM Equity -14.92%	Dev Eur ex-UK -0.56%	Cash 0.86%	Dev Eur ex-UK -15.14%	Cash 2.28%	United Kingdom -28.81%

Source: Morningstar Direct and CIA System. Income and dividends are included in all returns figures. CIO Moderate Allocation represents GWIM Strategic Asset Allocation for Tier 0 (Highest Liquidity) Moderate Global Investor. **CIO Moderate Allocation returns are not available for years prior to 2011 as the Global SAAs launched in April 2010. *Data as of June 30, 2020. Results shown are based on an index and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.

Globally Oriented Investor

Historical Asset Class Volatility

Annualized Standard Deviations of Key Asset Classes 2011 – 2020*, Highest to Lowest

2011	2012	2013	2014	2015	2016	2017	2018	2019	Q1 2020*
Dev Eur ex-UK 24.28%	EM Equity 18.83%	Dev APAC ex-Jap 15.76%	Dev APAC ex-Jap 15.31%	EM Equity 16.91%	EM Equity 17.02%	Dev APAC ex-Jap 6.80%	EM Equity 14.79%	EM Equity 15.75%	Dev APAC ex-Jap 26.82%
Dev APAC ex-Jap 23.81%	Dev Eur ex-UK 18.72%	Dev Eur ex-UK 14.25%	EM Equity 13.01%	United Kingdom 16.84%	Dev APAC ex-Jap 16.77%	United Kingdom 6.78%	North America 14.49%	United Kingdom 13.23%	Global HY / EM 21.77%
EM Equity 23.46%	Dev APAC ex-Jap 18.06%	Japan 13.47%	Dev Eur ex-UK 12.21%	Dev APAC ex-Jap 16.23%	Dev Eur ex-UK 14.12%	Dev Eur ex-UK 6.72%	Dev Eur ex-UK 13.75%	North America 12.50%	North America 19.01%
United Kingdom 19.36%	United Kingdom 15.15%	EM Equity 11.31%	United Kingdom 11.82%	Japan 15.36%	Japan 13.37%	EM Equity 6.26%	Japan 12.13%	Dev Eur ex-UK 11.99%	United Kingdom 17.55%
North America 15.71%	Japan 14.36%	United Kingdom 11.08%	Japan 8.69%	Dev Eur ex-UK 14.26%	United Kingdom 11.75%	Japan 5.05%	Dev APAC ex-Jap 11.97%	Dev APAC ex-Jap 11.92%	EM Equity 17.06%
Japan 13.95%	North America 10.38%	North America 8.09%	North America 8.00%	North America 12.99%	North America 10.00%	North America 3.47%	United Kingdom 11.92%	Japan 9.29%	Dev Eur ex-UK 16.80%
CIO Mod. Alloc. 11.61%	CIO Mod. Alloc. 8.58%	CIO Mod. Alloc. 6.76%	CIO Mod. Alloc. 6.02%	CIO Mod. Alloc. 8.13%	CIO Mod. Alloc. 7.66%	Global HY / EM 2.24%	CIO Mod. Alloc. 6.38%	CIO Mod. Alloc. 6.44%	Global Corp 13.82%
Global HY / EM 10.43%	Global HY / EM 6.02%	Global HY / EM 5.40%	Global HY / EM 5.29%	Global HY / EM 6.31%	Global HY / EM 6.45%	Global Govt 1.78%	Global HY / EM 3.98%	Global HY / EM 5.49%	CIO Mod. Alloc. 12.77%
Global Corp 3.86%	Global Corp 2.53%	Global Corp 3.93%	Global Corp 2.23%	Global Corp 3.31%	Global Corp 3.97%	CIO Mod. Alloc. 1.70%	Global Mtge 2.46%	Global Govt 3.68%	Japan 11.44%
Global Govt 2.74%	Global Govt 1.81%	Global Govt 2.83%	Global Mtge 1.83%	Global Govt 3.13%	Global Govt 3.74%	Global Corp 1.64%	Global Govt 2.19%	Global Corp 3.06%	Global Govt 3.08%
Global Mtge 1.59%	Inflation 1.29%	Global Mtge 2.51%	Global Govt 1.72%	Global Mtge 1.52%	Global Mtge 2.22%	Global Mtge 1.23%	Global Corp 2.13%	Global Mtge 1.83%	Global Mtge 1.53%
Inflation 1.25%	Global Mtge 1.00%	Inflation 0.94%	Inflation 1.27%	Inflation 1.16%	Inflation 0.70%	Inflation 0.72%	Inflation 0.96%	Inflation 0.73%	Inflation 0.78%
Cash 0.03%	Cash 0.02%	Cash 0.02%	Cash 0.01%	Cash 0.03%	Cash 0.05%	Cash 0.09%	Cash 0.10%	Cash 0.10%	Cash 0.25%

Source: Morningstar Direct & CIA System. CIO Moderate Allocation represents GWIM Strategic Asset Allocation for Tier 0 (Highest Liquidity) Moderate Global Investor. Standard deviation is a statistical measurement of the range of an asset class's total returns over the respective years. In general, a higher standard deviation means greater volatility. All volatility figures are based on monthly returns. *Data as of June 30, 2020. **CIO Moderate Allocation figures are not available for years prior to 2011 as the Global SAAs launched in April 2010. **Results shown are based on an index and are illustrative. Indexes are unmanaged. Direct investment cannot be made in an index. Past performance is no guarantee of future results. Please refer to appendix for asset class proxies and index definitions.**

APPENDIX

Glossary

3 Month London Interbank Offered Rate (LIBOR) : A 3-month average of the LIBOR, which is a variable rate based on the interest rates that the leading banks charge each other for short-term loans.

3 Month Treasury Bill (T-Bill): Treasury Bond maturing within 90 days.

Alpha: A measure of risk-adjusted performance relative to a comparative benchmark, aka residual return.

After Tax Yield Ratio: Compares the after-tax corporate bond yield to the after-tax yield from municipal bonds.

Beta: A measure of the sensitivity of the returns of the Asset to the comparative benchmark.

Consumer Price Index (CPI) Level: Base Year 1982-84: 100. The CPI represents changes in prices of all good and services purchased for consumption by urban households. User fees and sales and excise taxes paid by the consumer are also included. Income taxes and investment items are not included.

CPI Core Index Level: Base year 1982-84; it excludes food and energy items from the Consumer Price Index Level.

Current Account Deficit: Occurs when a country's total import of goods, services and transfers is greater than the total export; this situation makes a country a net debtor to the rest of the world.

Developed Market: A country that is most developed in terms of its economy and capital markets. The country must be high-income, but this also includes openness to foreign ownership, ease of capital movement, and efficiency of market institutions.

Earnings Per Share (EPS) Growth: An illustration of the growth of earnings per share over time, this profitability metric is often depicted in a year-over-year fashion.

Emerging Market: A country that is progressing toward becoming advanced, as shown by some liquidity in local debt and equity markets and the existence of some form of market exchange and regulatory body.

Factor Investing: An investment strategy that tends to target specific drivers of asset class returns (such as earnings growth, for example) while also often enhancing diversification and reducing volatility.

GDP - Nominal: Gross Domestic Product (GDP) equals the total income of everyone in the economy or the total expenditure on the economy's good and services. GDP includes only the value of final goods and services. Nominal GDP measures the value of goods and services at current dollar prices.

GDP - Real: The chain-weighted GDP measure of goods and services at constant dollar prices. The base year changes continuously over time (e.g., 1995, process measures real growth from 1995 to 1996). The figures are then linked to a chain that can compare goods and services in any two years. Chain-weighted figures never let prices get too far out of date.

High Yield OAS: Option-adjusted spread (OAS) is the yield spread which has to be added to a benchmark yield curve to discount a security's payments to match its market price, using a dynamic pricing model that accounts for embedded options

HY Leverage Ratio: Net Debt divided by last 12 months earnings before interest taxes and amortization (EBITDA)

Investment Grade OAS: Option-adjusted spread (OAS) is the yield spread which has to be added to a benchmark yield curve to discount a security's payments to match its market price, using a dynamic pricing model that accounts for embedded options

Jobless Claims: Average weekly initial claims for unemployment insurance: measures the average number of new claims for unemployment compensation per week.

Price/Earnings (P/E) Ratio: Ratio of the price of a stock and the company's earnings per share, this valuation metric is often quoted on a forward twelve month or trailing twelve month basis.

Standard Deviation: Annualized Standard Deviation is a statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution.

Spread: The difference between the bid and ask price or between the high and low price. For securities, it refers to the difference in yield on different securities.

U.S. Employees Non-Farm Private Payrolls: A statistic that represents the total number of paid U.S. workers except for farm workers, general government employees, employees of nonprofit organizations that provide assistance to individuals and private household employees. The Non-Farm Private Payroll represents about 80% of the workers who produce the U.S. Gross Domestic Product.

Asset Class Proxies

Asset Class	Index	Index Description
Inflation	IA SBBI US Inflation	The Consumer Price Index for All Urban Consumers, or CPI-U, is used by IA SBBI to measure inflation, which is the rate of change of consumer goods prices. All inflation measures are constructed by the U.S. Department of Labor, Bureau of Labor Statistics, Washington.
Cash	IA SBBI US 30 Day TBill TR USD & BofA U.S. Treasury Bills 3 months	For the IA SBBI U.S. Treasury Bill Index, the CRSP U.S. Government Bond File is the source from 1926 to 1976. Each month a one-bill portfolio containing the shortest-term bill having not less than one month to maturity is constructed. (The bill's original term to maturity is not relevant). The ICE BofA Global Research US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.
US Large Cap Growth	Russell 1000 Growth Total Return	Russell 1000 Growth Total Return measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.
US Large Cap Value	Russell 1000 Value Total Return	Russell 1000 Value Total Return measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.
US Small Cap Growth	Russell 2000 Growth Total Return	Russell 2000 Growth Total Return measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.
US Small Cap Value	Russell 2000 Value Total Return	Russell 2000 Value Total Return measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower expected growth values.
International Equity	MSCI Daily TR Net World Ex USA USD	The MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries – excluding the United States. The index covers approximately 85% of the free float-adjusted market capitalization in each country.
Emerging Markets	MSCI Daily TR Net EM USD	The MSCI Emerging Markets (EM) Index captures large and mid cap representation across 23 Emerging Markets countries and targets coverage of approximately 85% of the free float adjusted market capitalization in each country.
North America	MSCI Daily TR Net North America	The MSCI North America Index is designed to measure the performance of the large and mid cap segments of the US and Canada markets. The index covers approximately 85% of the free float-adjusted market capitalization in the US and Canada.
Developed Europe ex-UK	MSCI Daily TR Net Europe Ex U.K. USD	The MSCI Europe ex UK Index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. The index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.
UK	MSCI Daily TR Net UK USD	The MSCI United Kingdom Index is designed to measure the performance of the large and mid cap segments of the UK market. The index covers approximately 85% of the free float-adjusted market capitalization in the UK.
Japan	MSCI Daily TR Net Japan USD	The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. The index covers approximately 85% of the free float-adjusted market capitalization in Japan.

Asset Class Proxies (continued)

Asset Class	Index	Index Description
Developed Asia Pacific ex-Japan	MSCI Daily TR Net Pacific Ex Japan USD	The MSCI AC Asia ex Japan Index captures large and mid cap representation across 2 Developed Markets countries (Hong Kong and Singapore) and 8 Emerging Markets countries (China, India, Indonesia, Korea, Malaysia, the Philippines, Taiwan and Thailand) in Asia. The index covers approximately 85% of the free float-adjusted market capitalization in each country.
U.S. Government & Quasi Government	ICE BofA AAA U.S. Treasury/Agency Master	The ICE BofA US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and non-subordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.
U.S. Mortgage Backed	ICE BofA Mortgage Master	The ICE BofA US Mortgage Backed Securities Index tracks the performance of US dollar denominated fixed rate and hybrid residential mortgage pass-through securities publicly issued by US agencies in the US domestic market. 30-year, 20-year, 15-year and interest-only fixed rate mortgage pools are included in the Index provided they have at least one year remaining term to final maturity and a minimum amount outstanding of at least \$5 billion per generic coupon and \$250 million per production year within each generic coupon.
U.S. Corp Master	ICE BofA U.S. Corp Master	The ICE BofA US Corporate Index tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million.
USD High Yield	ICE BofA High Yield Cash Pay	The ICE BofA US Cash Pay High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt, currently in a coupon paying period, that is publicly issued in the US domestic market.
International Fixed Income	ICE BofA Global Broad Market TR ex USD (Hedged)	The ICE BofA Global Broad Market Excluding US Dollar Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities, excluding all securities denominated in US dollars.
Global Governments	ICE BofA Global Govt Bond Index + ICE BofA Global Large Cap Quasi-Govt Index (Hedged)	(i) The ICE BofA Global Government Index tracks the performance of publicly issued investment grade sovereign debt denominated in the issuer's own domestic currency. (ii) The ICE BofA Global Large Cap Quasi-Government Index tracks the performance of large capitalization investment grade quasi-government debt publicly issued in the major domestic and euro-bond markets, including agency, foreign government, local government, supranational and government guaranteed securities. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).

Asset Class Proxies (continued)

Asset Class	Index	Index Description
Global Corporates	ICE BofA Global Broad Market Corp (Hedged)	The ICE BofA Global Corporate Index tracks the performance of investment grade corporate debt publicly issued in the major domestic and euro-bond markets. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date and a fixed coupon schedule.
Global Mortgages	ICE BofA Global Broad Market Collateralized (Hedged)	The ICE BofA Global Collateralized Index tracks the performance of investment grade securitized and collateralized debt, including mortgage backed, asset backed, commercial mortgage backed, covered bond, and US mortgage pass-through securities publicly issued in the major domestic and euro-bond markets. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).
Global HY / EM	ICE BofA Global HY Country External Corp & Govt + ICE BofA Global High Yield (Unhedged)	(i) The ICE BofA Global High Yield Country External Corporate & Government Index tracks the performance of USD and EUR denominated emerging market debt, including sovereign, quasi-government and corporate securities. (ii) The ICE BofA Global High Yield Index tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or euro-bond markets.
Private Equity	Cambridge Associates U.S. Private Equity Index	An index is based on return data compiled for private equity funds (including buyout, growth equity and mezzanine funds) that represent the majority of institutional capital raised by private equity partnerships formed since 1986.
Event Driven	HFRI Event Driven (Total) Index	Investment Managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.
Equity Hedge	HFRI Equity Hedge (Total) Index	Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities, both long and short.
Relative Value	HFRI Relative Value (Total) Index	Investment Managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.
Global Macro/CTA	HFRI Macro: Discretionary Thematic Index	Discretionary Thematic strategies are primarily reliant on the evaluation of market data, relationships and influences, as interpreted by an individual or group of individuals who make decisions on portfolio positions; strategies employ an investment process most heavily influenced by top down analysis of macroeconomic variables. Investment Managers may trade actively in developed and emerging markets, focusing on both absolute and relative levels on equity markets, interest rates/fixed income markets, currency and commodity markets; frequently employing spread trades to isolate a differential between instrument identified by the Investment Manager to be inconsistent with expected value. Portfolio positions typically are predicated on the evolution of investment themes the Manager expects to materialize over a relevant time frame, which in many cases contain contrarian or volatility focused components.

Methodology

CIO Moderate Allocation

US SAA

The hypothetical historical returns are based on the US-biased Tier 0 Strategic Asset Allocation and proxy indices as of March 2018. The calculations are performed in Morningstar using daily returns and monthly rebalancing. Results shown are based on indexes and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. It is composed as follows:

From 12/19/2017 through current quarter end: 12% Russell 1000 Growth | 19% Russell 1000 Value | 2% Russell 2000 Growth | 2% Russell 2000 Value | 14% MSCI World ex USA NR | 5% MSCI EM NR | 11% BofA US MBS | 13% BofA US Corporate | 14% BofA US Trsy&Agcy | 2% BofA Gbl Brd Mkt xUS HUSD | 4% BofA US Cash Pay HY | 2% BofA US 3M Trsy Bill. **From 01/10/2017 through 12/18/2017:** 12% Russell 1000 Growth | 19% Russell 1000 Value | 2% Russell 2000 Growth | 2% Russell 2000 Value | 13% MSCI World ex USA NR | 5% MSCI EM NR | 11% BofA US MBS | 14% BofA US Corporate | 14% BofA US Trsy&Agcy | 2% BofA Gbl Brd Mkt xUS HUSD | 4% BofA US Cash Pay HY | 2% BofA US 3M Trsy Bill. **From 04/14/2009 through 01/09/2017:** 23% Russell 1000 Growth | 23% Russell 1000 Value | 2% Russell 2000 Growth | 2% Russell 2000 Value | 8% MSCI EAFE NR | 2% MSCI EM NR | 9% BofA US MBS | 13% BBgBarc US Govt | 9% BBgBarc US Credit | 2% BofA Gbl Brd Mkt xUS Loc | 2% BofA US Cash Pay HY | 5% IA SBBI US 30 Day Tbill. **From 04/04/2007 through 04/13/2009:** 23% Russell 1000 Growth | 23% Russell 1000 Value | 2% Russell 2000 Growth | 2% Russell 2000 Value | 10% MSCI EAFE NR | 9% BofA US MBS | 13% BBgBarc US Govt | 9% BBgBarc US Credit | 2% BofA Gbl Brd Mkt xUS Loc | 2% BofA US Cash Pay HY | 5% IA SBBI US 30 Day Tbill.

CIO Moderate Allocation

Global SAA

The hypothetical historical returns are based on the Globally-biased Tier 0 Strategic Asset Allocation and proxy indices as of March 2018. The calculations are performed in Morningstar using daily returns and monthly rebalancing. Results shown are based on indexes and are illustrative; they assume reinvestment of income and no transaction costs or taxes. Indexes are unmanaged. Direct investment cannot be made in an index. It is composed as follows: **From 12/19/2017 through current quarter end:** 29% MSCI North America | 8% MSCI Europe Ex UK | 5% MSCI United Kingdom | 2% MSCI Japan | 3% MSCI Pacific Ex Japan | 5% MSCI EM NR | 23% BofA Gbl Govt TR HUSD + BofA Gbl LC Qsi-Govt TR | 9% BofA Global Corporate TR HUSD | 10% BofA Gbl Coll TR HUSD | 4% BofA Gbl HY Conty ExCp&Gv TR + BofA Gbl HY TR | 2% BofA US 3M Trsy Bill. **From 01/10/2017 through 12/18/2017:** 30% MSCI North America | 7% MSCI Europe Ex UK | 5% MSCI United Kingdom | 2% MSCI Japan | 3% MSCI Pacific Ex Japan | 5% MSCI EM NR | 23% BofA Gbl Govt TR HUSD + BofA Gbl LC Qsi-Govt TR | 9% BofA Global Corporate TR HUSD | 10% BofA Gbl Coll TR HUSD | 4% BofA Gbl HY Conty ExCp&Gv TR + BofA Gbl HY TR | 2% BofA US 3M Trsy Bill. **From 07/13/2010 through 01/09/2017:** 28% MSCI North America | 11% MSCI Europe Ex UK | 5% MSCI United Kingdom | 5% MSCI Japan | 3% MSCI Pacific Ex Japan | 8% MSCI EM NR | 24% BofA Gbl Govt TR HUSD + BofA Gbl LC Qsi-Govt TR | 7% BofA Global LC Corporate TR USD | 6% BofA Gbl LC Coll TR USD | 1% BofA Gbl HY Conty ExCp&Gv TR + BofA Gbl HY TR | 2% BofA US 3M Trsy Bill.

Index Definitions

AAll Investor Sentiment: The sentiment survey measures the percentage of individual investors who are bullish, bearish, and neutral on the stock market short term; individuals are polled from the AAll Web site on a weekly basis.

Alerian MLP Index is a composite of the 50 most prominent energy master limited partnerships and is calculated by Standard & Poor's using a float-adjusted, market capitalization-weighted methodology. The total return index is calculated on an end-of-day basis and is disseminated daily through its ticker symbol, AMZX, on the New York Stock Exchange.

BofA Financial Stress Index: See BofA Global Research Financial Stress Index definition

Bloomberg Agriculture Subindex: The index is composed of futures contracts on coffee, corn, cotton, soybeans, soybean oil, soybean meal, sugar, and wheat. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

Bloomberg Barclays US Aggregate Bond Index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented.

Bloomberg Commodity Index is made up of 22 exchange-traded futures on physical commodities, which are weighted to account for economic significance and market liquidity.

Bloomberg Copper Subindex TR: Bloomberg Copper Subindex Total Return Index

Bloomberg Energy Subindex TR: 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: The index is composed of longer-dated futures contracts on aluminum, copper, nickel, and zinc. It reflects the return on fully collateralized positions and is quoted in USD.

Bloomberg Livestock Subindex: The index is composed of futures contracts on live cattle and lean hogs. It reflects the return of underlying commodity futures price movements only. It is quoted in USD.

Bloomberg Euro Index: Measures the value of the Euro against the U.S. Dollar

Bloomberg Real Index: Measures the value of the Brazilian Real against the U.S. Dollar

Bloomberg Yuan Index: Measures the value of the Chinese Yuan against the U.S. Dollar

ICE BofA 5-7 Year US Corporate Index is a subset of The BofA US Corporate Index including all securities with a remaining term to final maturity greater than or equal to 5 years and less than 7 years.

ICE BofA 5-7 Year US Municipal Securities Index is a subset of The BofA US Municipal Securities Index including all securities with a remaining term to final maturity between 5-7 years

ICE BofA 5-7 Year US Treasury Index is a subset of The BofA US Treasury Index including all securities with a remaining term to final maturity greater than or equal to 5 years and less than 7 years.

ICE BofA All Maturity All Euro Government Index: The BofA All Maturity All Euro Government Index tracks the performance of EUR denominated sovereign debt publicly issued by Euro member countries in either the eurobond market or the issuer's own domestic market.

ICE BofA Global Broad Market Index: The BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities.

ICE BofA Global Broad Market Index: The BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities.

ICE BofA Global Emerging Markets Sovereign Index tracks the performance of U.S. dollar-denominated debt of sovereign issuers domiciled in countries with a BB or lower foreign currency long-term sovereign debt rating

ICE BofA Global Financial Stress Index is a Bank of America calculated, cross market measure of risk, hedging demand and investor flows in the global financial system. Levels greater/less than 0 indicate more/less financial market stress than normal. Apart from the headline GFSI, there are three sub-indices, RISK, FLOW and SKEW.

ICE BofA Global Sovereign Broad Market Index tracks the performance of local currency-denominated debt of Investment Grade-rated sovereign issuers.

ICE BofA High Yield Master Index tracks the performance of below Investment Grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. "Yankee" bonds (debt of foreign issuers issued in the U.S. domestic market) are included in the index provided the issuer is domiciled in a country having an Investment Grade foreign currency long-term debt rating (based on a composite of Moody's and S&P).

ICE BofA Municipal Masters Index tracks the performance of the Investment Grade U.S. tax-exempt bond market.

ICE BofA U.S. Broad Market Index tracks the performance of U.S. dollar-denominated Investment Grade government and corporate public debt issued in the U.S. domestic bond market, including collateralized products such as mortgage pass-through and asset-backed securities.

ICE BofA U.S. Corporate Master Index tracks the performance of U.S. dollar-denominated Investment Grade corporate public debt issued in the U.S. domestic bond market. Qualifying bonds must have at least one year remaining term to maturity, a fixed coupon schedule and a minimum amount outstanding of \$150 million. Bonds must be rated Investment Grade based on a composite of Moody's and S&P.

ICE BofA US Agency Index tracks the performance of U.S. dollar denominated U.S. agency senior debt issued in the U.S. domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch).

ICE BofA US Inflation-Linked Treasury Index tracks the performance of US dollar denominated inflationlinked sovereign debt publicly issued by the US government in its domestic market.

ICE BofA US Treasury Index tracks the performance of U.S. dollar denominated sovereign debt publicly issued by the U.S. government in its domestic market.

ICE BofA CCC & Lower US High Yield Index: tracking the performance of US dollar denominated below investment grade rated corporate debt publically issued in the US domestic market. This subset includes all securities with a given investment grade rating CCC or below.

Index Definitions (continued)

ICE BofA U.S. Corporate Master Index tracks the performance of U.S. dollar-denominated Investment Grade corporate public debt issued in the U.S. domestic bond market. Qualifying bonds must have at least one year remaining term to maturity, a fixed coupon schedule and a minimum amount outstanding of \$150 million. Bonds must be rated Investment Grade based on a composite of Moody's and S&P.

Brent Crude Oil is a classification of sweet light crude oil and is a major benchmark price for oil purchases worldwide.

Citigroup Economic Surprise Index: The Citi Economic Surprise Indices measure data surprises relative to market expectations. A positive reading means that data releases have been stronger than expected and a negative reading means that data releases have been worse than expected.

Cleveland Fed Financial Stress Index: The CFSI is designed to track distress in the U.S. financial system on a continuous basis.

Conference Board U.S. Leading Credit Index: This index is consisted of six financial indicators: 2-years Swap Spread (real time), LIBOR 3 month less 3 month Treasury-Bill yield spread (real time), Debit balances at margin account at broker dealer (monthly), AAI Investors Sentiment Bullish (%) less Bearish (%) (weekly), Senior Loan Officers C&I loan survey – Bank tightening Credit to Large and Medium Firms (quarterly), and Security Repurchases (quarterly) from the Total Finance-Liabilities section of Federal Reserve's flow of fund report.

DJ Credit Suisse All Hedge Equity Market Neutral Index measures the aggregate performance of equity market neutral funds. Equity market neutral funds typically take both long and short positions in stocks while seeking to reduce exposure to the systemic risk of the market (i.e., a beta of zero is desired).

DJ Credit Suisse All Hedge Fixed Income Arbitrage Index measures the aggregate performance of fixed income arbitrage funds. Fixed income arbitrage funds typically attempt to generate profits by exploiting inefficiencies and price anomalies between related fixed income securities. Fixed income arbitrage funds seek to limit volatility by hedging out exposure to the market and interest rate risk.

DJ Credit Suisse All Hedge Global Macro Index measures the aggregate performance of global macro funds. Global macro funds typically focus on identifying extreme price valuations and leverage is often applied on the anticipated price movements in equity, currency, interest rate and commodity markets.

DJ Credit Suisse All Hedge Index is an asset-weighted hedge fund index derived from the market leading Dow Jones Credit Suisse Hedge Fund Index. The Dow Jones Credit Suisse AllHedge Index provides a rules-based measure of an investable portfolio. Index performance data is published monthly and constituents are rebalanced semi-annually according to the sector weights of the Dow Jones Credit Suisse Hedge Fund Index.

DJ Credit Suisse All Hedge Long Short Equity Index measures the aggregate performance of long/short equity funds. Long/short equity funds typically invest in both long and short sides of equity markets, generally focusing on diversifying or hedging across particular sectors, regions or market capitalizations.

DJ Credit Suisse All Hedge Managed Futures Index measures the aggregate performance of managed futures funds. Managed futures funds (often referred to as CTAs or Commodity Trading Advisors) typically focus on investing in listed bond, equity, commodity futures and currency markets globally.

DXY Index indicates the general international value of the U.S. dollar. The Index does this by averaging the exchange rates between the dollar and major world currencies.

FTSE NAREIT All Equity REITS tracks the performance of all Equity REITs not designated as Timber REITs or Infrastructure REITs.

FTSE NAREIT U.S. Real Estate Index is a performance index based on publicly traded real estate investment trusts (REITs) that span commercial real estate space across the U.S. economy. The index series provides investors with exposure to all investment and property sectors. A REIT is a company that owns and, in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate. To qualify as a REIT, a company must distribute at least 90% of its taxable income to its shareholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its shareholders from its corporate taxable income. As a result, most REITs remit at least 100% of their taxable income to their shareholders and therefore owe no corporate tax.

FTSE®EPRA®/NAREIT® Global Index is a free float, market capitalization-weighted real estate index designed to represent publicly traded equity REITs and listed property companies globally.

Global Economic Policy Uncertainty Index: This concept tracks the general state of the economy as it relates to businesses. It can include broad economy-wide conditions or specific economic conditions of a particular industry. The GEPU Index is a GDP-weighted average of national EPU indices for 18 countries: Australia, Brazil, Canada, Chile, China, France, Germany, India, Ireland, Italy, Japan, the Netherlands, Russia, South Korea, Spain, Sweden, the United Kingdom, and the United States. Each national EPU index reflects the relative frequency of own-country newspaper articles that contain a trio of terms pertaining to the economy (E), policy (P) and uncertainty (U). In other words, each monthly national EPU index value is proportional to the share of own-country newspaper articles that discuss economic policy uncertainty in that month. For a detailed discussion of how we construct the country-level EPU indices, see Measuring Economic Policy Uncertainty.

Gold reflects the gold spot price and is quoted in U.S. dollars per Troy Ounce.

HFRI Equity Hedge (Total) Index: Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities, both long and short.

HFRI Event Driven Index - Investment Managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

Index Definitions (continued)

HFRI Event Driven Index - Investment Managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

HFRI Fund Weighted Composite Index - A global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in U.S. Dollar and have a minimum of \$50 Million under management or a twelve month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

HFRI Macro: Systematic Diversified Index - Systematic: Diversified strategies have investment processes typically as function of mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. Strategies which employ an investment process designed to identify opportunities in markets exhibiting trending or momentum characteristics across individual instruments or asset classes. Strategies typically employ quantitative process which focus on statistically robust or technical patterns in the return series of the asset, and typically focus on highly liquid instruments and maintain shorter holding periods than either discretionary or mean reverting strategies. Although some strategies seek to employ counter trend models, strategies benefit most from an environment characterized by persistent, discernable trending behavior. Systematic: Diversified strategies typically would expect to have no greater than 35% of portfolio in either dedicated currency or commodity exposures over a given market cycle.

HFRI Relative Value Index - Investment Managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction. The constituent funds of the HFRI Relative Value (Total) Index - Asset Weighted are weighted according to the AUM reported by each fund for prior month.

HFRX Global Hedge Fund Index: The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage.

HFRX Equity Hedge (Total) Index: Equity Hedge: Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities, both long and short.

Institute for Supply Management Purchasing Managers Index: a broad index of manufacturing activity in the United States measuring new orders, production, employment, supplier deliveries and prices.

J.P. Morgan Global Manufacturing Purchasing Managers' Index: The Global Report on Manufacturing is compiled by IHS Markit based on the results of surveys covering over 12,000 purchasing executives in over 40 countries. Together these countries account for an estimated 95% of global manufacturing output.

LPX 50 TR USD Index: The LPX50 is a global index that consists of the 50 largest liquid LPE companies covered by LPX Group.

Merrill Lynch Option Volatility Estimate (MOVE) Index: This is a yield curve weighted index of the normalized implied volatility on 1-month Treasury options.

MSCI ACWI ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 23 Emerging Markets (EM) countries. With 1,854 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

MSCI ACWI Index captures large and mid cap representation across 23 Developed Markets (DM) and 23 Emerging Markets (EM) countries. With 2,484 constituents, the index covers approximately 85% of the global investable equity opportunity set.

MSCI Austria Net Total Return USD Index: The MSCI Austria Index is designed to measure the performance of the large and mid cap segments of the Austrian market. With 5 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Austria.

MSCI Brazil Net Total Return USD Index: The MSCI Brazil Index is designed to measure the performance of the large and mid cap segments of the Brazilian market. With 57 constituents, the index covers about 85% of the Brazilian equity universe.

MSCI China Index: The MSCI China Index captures large and mid cap representation across China H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 150 constituents, the index covers about 85% of this China equity universe.

MSCI EAFE (Europe, Australasia, and Far East) Index comprises 21 MSCI country indices, representing the Developed Markets outside of North America.

MSCI Emerging Asia Net Total Return USD Index: The MSCI Emerging Markets (EM) Asia Index captures large and mid cap representation across 9 Emerging Markets countries*. With 567 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI Emerging Latin America Net Total Return USD Index: The MSCI EM Latin America Index is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of emerging markets in Latin America.

Index Definitions (continued)

MSCI Emerging Markets Index captures large and mid cap representation across 23 Emerging Markets (EM) countries. With 832 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

MSCI Europe non-U.K. Index is a free float-adjusted market capitalization index designed to measure Developed Market equity performance in Europe. As of July 2009, the index consisted of 15 Developed Market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland.

MSCI Japan 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.

MSCI Brazil Index: measures the performance of the large and mid cap segments of the Brazilian market.

MSCI Hong Kong Index: measures the performance of the large and mid cap segments of the Hong Kong market.

MSCI India Index: measures the performance of the large and mid cap segments of the Indian market.

MSCI Pacific ex Japan Index captures large and mid cap representation across 4 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.

MSCI Portugal Net Total Return USD Index: The MSCI Portugal Index is designed to measure the performance of the large and mid cap segments of the Portuguese market. With 3 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Portugal.

MSCI USA Defensive Sectors Index is based on MSCI USA Index, its parent index and captures large and mid-cap segments of the US market. The index is designed to reflect the performance of the opportunity set of global defensive companies across various GICS® sectors. All constituent securities from Consumer Staples, Energy, Healthcare, Telecommunication Services and Utilities are included in the Index.

MSCI USA Defensive Sectors Index is based on MSCI USA Index, its parent index and captures large and mid-cap segments of the US market. The index is designed to reflect the performance of the opportunity set of global defensive companies across various GICS® sectors. All constituent securities from Consumer Staples, Energy, Healthcare, Telecommunication Services and Utilities are included in the Index.

MSCI USA Index is designed to measure the performance of the large and mid cap segments of the US market. With 630 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the U.S.

MSCI USA Momentum Index is based on MSCI USA Index, its parent index, which captures large and mid cap stocks of the US market. It is designed to reflect the performance of an equity momentum strategy by emphasizing stocks with high price momentum, while maintaining reasonably high trading liquidity, investment capacity and moderate index turnover.

MSCI USA Quality Index is based on the MSCI USA Index, its parent index, which includes large and mid cap stocks in the US equity market. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity, stable year-over-year earnings growth and low financial leverage.

MSCI USA Size Index: Based on MSCI USA Index, its parent index, which captures large and mid cap stocks of the US market. It aims to reflect the performance of a low size strategy with relatively high investment capacity.

MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries -- excluding the United States. With 1,022 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI World Value Index captures large and mid cap securities exhibiting overall value style characteristics across 23 Developed Markets (DM) countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

NASDAQ Composite Index: A broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market. The index was developed with a base level of 100 as of February 5, 1971.

National Financial Conditions Index (NFCI) provides a comprehensive weekly update on U.S. financial conditions in money markets, debt and equity markets and the traditional and “shadow” banking systems. Positive values of the NFCI indicate financial conditions that are tighter than on average, while negative values indicate financial conditions that are looser than on average.

NCREIF Farmland: The NCREIF Farmland Index is a quarterly time series composite return measure of investment performance of a large pool of individual farmland properties acquired in the private market for investment purposes only.

NCREIF Property Index: The objective of the NPI is to provide a historical measurement of property-level returns to increase the understanding of, and lend credibility to, real estate as an institutional investment asset class.

NCREIF Timberland: The NCREIF Timberland Index is a quarterly time series composite return measure of investment performance of a large pool of individual timber properties acquired in the private market for investment purposes only.

NCREIF U.S. Real Estate: The NCREIF US Real Estate Index is a quarterly time series composite return measure of investment performance of a large pool of US Real Estate properties.

NFIB U.S. Small-Business Optimism Index is compiled from a survey that is conducted each month by the National Federation of Independent Business (NFIB) of its members. The index is a composite of 10 seasonally adjusted components based on the following questions: plans to increase employment, plans to make capital outlays, plans to increase inventories, expect economy to improve, expect real sales higher, current inventory, current job openings, expected credit conditions, now a good time to expand, and earnings trend.

Index Definitions (continued)

Nikkei-225 Stock Average is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Philadelphia Federal Index: A regional federal-reserve-bank index measuring changes in business growth. The index is constructed from a survey of participants who voluntarily answer questions regarding the direction of change in their overall business activities. The survey is a measure of regional manufacturing growth. When the index is above 0 it indicates factory-sector growth, and when below 0 indicates contraction.

Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index.

Russell 2000 Index® measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

Russell 3000 Growth Index measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000 Index is composed of 3000 large U.S. companies, as determined by market capitalization.

Russell 3000 Value Index measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values.

S&P 400 Mid Cap Index is representative of 400 stocks in the mid-range sector of the domestic stock market, representing all major industries.

S&P 500 Buyback Index measures the performance of the top 100 stocks with the highest buyback ratio (cash paid for common shares buyback in the last four calendar quarters divided by the total market capitalization of common shares) in the S&P 500.

S&P 500 Cyclical ex-financials is designed to reflect the performance of the opportunity set of U.S. cyclical companies across various GICS® sectors. All constituent securities from Consumer Discretionary, Industrials, Information Technology and Materials are included in the index.

S&P 500 Defensives is designed to reflect the performance of the opportunity set of U.S. cyclical companies across various GICS® sectors. All constituent securities from Consumer Staples, Energy, Healthcare, Telecommunication Services and Utilities are included in the index.

S&P 500 Dividend Aristocrats index is designed to measure the performance of S&P 500 index constituents that have followed a policy of consistently increasing dividends every year for at least 25 consecutive years.

S&P 500 Financials Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® financials sector.

S&P 500 Energy Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® energy sector.

S&P 500 Materials Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® materials sector.

S&P 500 Consumer Discretionary Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector.

S&P 500 Consumer Staples Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

S&P 500 Utilities Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® utilities sector.

S&P 500 Communication Services Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® communication services sector.

S&P 500 Industrials Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® industrials sector.

S&P 500 Information Technology Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® information technology sector.

S&P 500 Real Estate Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® real estate sector.

S&P 500 Health Care Index comprises of those companies included in the S&P 500 that are classified as members of the GICS® health care sector.

S&P 500 High Dividend Index serves as a benchmark for income seeking equity investors. The index is designed to measure the performance of 80 high yield companies within the S&P 500 and is equally weighted to best represent the performance of this group, regardless of constituent size.

S&P 500 Index, widely regarded as the best single gauge of the U.S. equities market, includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the index focuses on the large-cap segment of the market, with approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market.

S&P Preferred Stock Index: tracks the performance of S&P 500 preferred equity shares.

S&P 500 Information Technology Index comprises those companies included in the S&P 500 that are classified as members of the GICS® information technology sector.

S&P 500 Low Volatility Index measures performance of the 100 least volatile stocks in the S&P 500. The index benchmarks low volatility or low variance strategies for the U.S. stock market. Constituents are weighted relative to the inverse of their corresponding volatility, with the least volatile stocks receiving the highest weights.

S&P 500 Total Return Index. Calculated intraday by S&P based on the price changes and reinvested dividends of the S&P 500 Index with a starting date of Jan 4, 1988.

Ten-Year Treasury relates the yield on a security to its time to maturity and is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market.

Tokyo Stock Exchange Tokyo Price Index (TOPIX) is a capitalization-weighted index of all companies listed on the First Section of the Tokyo Stock Exchange. The index is supplemented by the subindices of the 33 industry sectors.

TOPIX-Banks Index is a capitalization-weighted index of all the banks listed on the First Section of the Tokyo Stock Exchange and is one of the 33 industry sectors of the TOPIX Index (TPX).

U.S. 5yr Forward Breakeven: Yields are yield to maturity and pre-tax. The rates are comprised of Generic United States Breakeven forward rates: nominal forward 5 years minus US inflation-linked bonds forward 5 years.

University of Michigan Consumer Sentiment Index: Surveys of Consumers collects data on consumer attitudes and expectations summarized in the Consumer Sentiment, in order to determine the changes in consumers' willingness to buy and to predict their subsequent discretionary expenditures.

US Trade Weighted Real Broad Dollar: An effective exchange rate (also known as a trade-weighted exchange rate) is a weighted average of the individual exchange rates of a particular country with its main trading partners. **VIX Index:** The Chicago Board Options Exchange Standard and Poor's Volatility Index, reflects a market estimate of future volatility, based on the weighted average of the implied volatilities for a wide range of strikes

WTI crude oil reflects the Bloomberg West Texas Intermediate Crude Oil Spot Price. The price is derived by adding spot market spreads to the NYMEX contract. Units are in U.S. dollars per barrel and is traded intraday.

Important Disclosures

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Investing involves risk, including the possible loss of principal. Past performance is no guarantee of future results.

All recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. Not all recommendations will be in the best interest of all investors. Asset allocation, diversification and rebalancing do not ensure a profit or protect against loss in declining markets.

Investments have varying degrees of risk. Some of the risks involved with equity securities include the possibility that the value of the stocks may fluctuate in response to events specific to the companies or markets, as well as economic, political or social events in the U.S. or abroad. Small cap and mid cap companies pose special risks, including possible illiquidity and greater price volatility than funds consisting of larger, more established companies. Bonds are subject to interest rate, inflation and credit risks. Municipal securities can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes, or the rights of municipal security holders. Income from investing in municipal bonds is generally exempt from Federal and state taxes for residents of the issuing state. While the interest income is tax-exempt, any capital gains distributed are taxable to the investor. Income for some investors may be subject to the Federal Alternative Minimum Tax. Investing in lower grade debt securities ("junk" bonds) may be subject to greater market fluctuations and risk of loss of income and principal than securities in higher rated categories. Treasury bills are less volatile than longer-term fixed income securities and are guaranteed as to timely payment of principal and interest by the U.S. government. Mortgage-backed securities are subject to credit risk and the risk that the mortgages will be prepaid, so that portfolio management may be faced with replenishing the portfolio in a possibly disadvantageous interest rate environment. Investments in foreign securities (including ADRs) involve special risks, including foreign currency risk and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are magnified for investments made in emerging markets.

Investments in a certain industry or sector may pose additional risk due to lack of diversification and sector concentration. Investments in real estate securities can be subject to fluctuations in the value of the underlying properties, the effect of economic conditions on real estate values, changes in interest rates, and risk related to renting properties, such as rental defaults. There are special risks associated with an investment in commodities, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors.

Nonfinancial assets, such as closely-held businesses, real estate, oil, gas and mineral properties, and timber, farm and ranch land, are complex in nature and involve risks including total loss of value. Special risk considerations include natural events (for example, earthquakes or fires), complex tax considerations, and lack of liquidity. Nonfinancial assets are not suitable for all investors. Always consult with your independent attorney, tax advisor, investment manager, and insurance agent for final recommendations and before changing or implementing any financial, tax, or estate planning strategy.

Alternative investments such as derivatives, hedge funds, private equity funds, and funds of funds can result in higher return potential but also higher loss potential. Changes in economic conditions or other circumstances may adversely affect your investments. Before you invest in alternative investments, you should consider your overall financial situation, how much money you have to invest, your need for liquidity, and your tolerance for risk. Alternative investments are speculative and involve a high degree of risk. An investor could lose all or a substantial amount of his or her investment. There is no secondary market nor is one expected to develop and there may be restrictions on transferring fund investments. Alternative investments may be leveraged and performance may be volatile. Alternative investments have high fees and expenses that reduce returns and are generally subject to less regulation than the public markets. The information provided does not constitute an offer to purchase any security or investment or any other advice.

The hedge fund indices shown are provided for illustrative purposes only. They do not represent benchmarks or proxies for the return of any particular security holding or alternative investment. The hedge fund universe from which the components of the indices are selected is based on funds which have continued to report results for a minimum period of time. This prerequisite for fund selection interjects a significant element of "survivor bias" into the reported levels of indices, as generally only successful funds will continue to report for the required period, so that the funds from which the statistical analysis or the performance of the indices to date is derived necessarily tend to have been successful. There can however, be no assurance that such funds will continue to be successful in the future.

Important Disclosures (continued)

Alternative Investments are speculative and subject to a high degree of risk. Although risk management policies and procedures can be effective in reducing or mitigating the effects of certain risks, no risk management policy can completely eliminate the possibility of sudden and severe losses, illiquidity and the occurrence of other material adverse effects. Some or all alternative investment programs may not be suitable for certain investors. Many alternative investment products, specifically private equity and most hedge funds, require purchasers to be “qualified purchasers” within the meaning of the federal securities laws (generally, individuals who own at least \$5 million in “investments” and institutional investors who own at least \$25 million in “investments,” as such term is defined in the federal securities laws). No assurance can be given that any alternative investment’s investment objectives will be achieved. In addition to certain general risks, each product will be subject to its own specific risks, including strategy and market risk.

Investors should bear in mind that the global financial markets are subject to periods of extraordinary disruption and distress. During the financial crisis of 2008-2009, many private investment funds incurred significant or even total losses, suspended redemptions or otherwise severely restricted investor liquidity, including increasing the notice period required for redemptions, instituting gates on the percentage of fund interests that could be redeemed in any given period and creating side-pockets and special purpose vehicles to hold illiquid securities as they are liquidated. Other funds may take similar steps in the future to prevent forced liquidation of their portfolios into a distressed market. In addition, investment funds implementing alternative investment strategies are subject to the risk of ruin and may become illiquid under a variety of circumstances, irrespective of general market conditions.

Reference to indices, or other measures of relative market performance over a specified period of time (each, an “index”) are provided for illustrative purposes only, do not represent a benchmark or proxy for the return or volatility of any particular product, portfolio, or security holding. Indices are unmanaged. The figures for the index reflect the reinvestment of dividends but do not reflect the deduction of any fees or expenses which would reduce returns. We strongly recommend that these factors be taken into consideration before an investment decision is made. Neither the Chief Investment Office nor the index sponsor can verify the validity or accuracy of the self reported returns of the managers used to calculate the index returns. The Chief Investment Office does not guarantee the accuracy of the index returns and does not recommend any investment or other decision based on the results presented. The indices referred in the presentation do not reflect the performance of any account or fund managed by Bank of America, Merrill, or their affiliates, or of any other specific fund or account, and do not reflect the deduction of any management or performance fees or expenses. Indices are unmanaged and results shown are not reduced by taxes or transaction costs such as fees. It is not possible to invest directly in an Index.

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