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CHIEF INVESTMENT OFFICE

Capital Market Outlook

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Macro Strategy—*Consensus Keeps Underestimating Growth and Inflation:* Strong business confidence is overwhelming tariff and trade worries as the global economy shows signs of picking up steam rather than slowing down as the consensus keeps forecasting. This is causing the bull run in Equities to spread out from the U.S. into other countries which have begun to outperform the U.S. A synchronized global pickup is positive for the earnings outlook and risk assets more generally.

Market View—*As the World and Markets Turn, Stay Focused on the Trends, not the Headlines:* 2025 has been far from quiet. Between U.S. tariffs and trade wars, geopolitical developments, government downsizing and more, investors are facing a constant onslaught of attention-grabbing headlines. We encourage investors to stay focused on several key trends emerging beneath the surface: Global economic activity is rebounding featuring signs of a manufacturing recovery. The U.S. remains upheld by a strong consumer and healthy labor market with double-digit U.S. earnings growth and a market rotation unfolding. Overseas, China has stepped up efforts to revive business confidence and consumption. Meanwhile, parts of Europe are in expansion mode, and potential relief of geopolitical pressure points of this decade could catalyze reconstruction projects and global cyclical strength.

The bottom line: Fundamentals drive markets, not headlines. While it's still early in the year, we see a number of positive forces unfolding at home and overseas, auguring for more balanced portfolio construction across both U.S. and international markets.

Thought of the Week—*The Duck Market: Calm on the Surface, Unsettled Below:* As the S&P 500 continued to notch all-time highs last week, the market appears calm on the surface (subdued Volatility Index (VIX)-level). Beneath the surface, there's plenty of paddling among individual stocks (high return dispersion). Concerns over competition from Chinese artificial intelligence (AI) group DeepSeek, or tariff headlines for industries stuck in the crosshairs, has disrupted this calm and have dampened the mood for investors. The vibe points to more bearish sentiment: Individuals who expect stock prices to fall over the next six months have outweighed bullish sentiment for all of February, according to the American Association of Individual Investors.

Yes, policy uncertainty is influencing single stock moves, and yet the incremental headwinds over the first month since Inauguration Day have not drastically changed Equities' overall return trajectory. Amid these macro uncertainties, favorable fundamentals should continue to support Equities' next leg higher.

MACRO STRATEGY ▶

Chief Investment Office
Macro Strategy Team

MARKET VIEW ▶

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Joseph P. Quinlan
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THOUGHT OF THE WEEK ▶

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Director and Senior Investment Strategist

MARKETS IN REVIEW ▶

Data as of 2/24/2025, and subject to change

Portfolio Considerations

We continue to expect Equities to outperform Fixed Income throughout 2025. We maintain an overweight to Equities, with a preference for U.S. Equities, both Large- and Small-caps, relative to the rest of the world, and still favor a significant allocation to bonds in a well-diversified portfolio.

We focus on potential opportunities in Equities for total return, Fixed Income for stable cash flow, and for qualified investors, private markets for long-term growth and attractive yield.

We would use weakness in the equity markets as buying opportunities and major volatility (up or down) as rebalancing events over the course of the year.

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Consensus Keeps Underestimating Growth and Inflation

Chief Investment Office, Macro Strategy Team

The latest Blue Chip Indicators survey (February 10, 2025) shows the consensus of about 50 forecasters at major institutions continues to revise upward its outlook for U.S. growth and inflation. The basic problem seems to be a firmly entrenched belief that inflation and gross domestic product (GDP) growth will both revert to their prepandemic means of about 2%, which implies nominal GDP growth of about 4%. Instead, we think there has been a structural shift to higher growth and inflation.

For the couple of decades before the pandemic struck, nominal GDP growth averaged a bit less than 4% as inflation persistently fell short of the Federal Reserve's (Fed) 2% target and real GDP growth was an unusually weak 2%, or so.

As a result, economists, including those at the Fed, came to believe the potential growth rate for real GDP was only 2%, or a bit less, despite the fact that before this era of "secular stagnation" it had averaged 3% or more. In addition, inflation historically, aside from this sluggish growth period, had also averaged a bit over 3%. As a result, nominal GDP growth historically was closer to 6% on average than the slightly less than 4% pace that prevailed in the two decades before the pandemic. In fact, the slightly less than 4% nominal GDP growth average in the first two decades of this century was the lowest since the Great Depression decade of the 1930s. In short, nominal growth was abnormally low before the pandemic.[1]

Yet, economists continue to expect that subpar performance to reappear despite the fact that nominal growth has been much faster since the pandemic. In response to a special question in the February Blue Chip survey, the consensus said its estimate of the potential growth rate for U.S. GDP is still 2.0% despite the fact that growth has been well above that level for several years since the pandemic.

This flawed expectation that the economy will revert to its prepandemic doldrums helps explain why the consensus (and the Fed) is constantly revising its outlook for growth, both nominal and real, higher. For example, the February consensus for 2025 real GDP growth is 2.2% compared to the estimate of 1.7% a year ago, when economists believed monetary policy was restrictive and a slowdown inevitable. Still, the belief in a slowdown remains widespread with the consensus still looking for real GDP growth to ease to the magical 2.0% natural rate in 2026 despite the strong pickup in earnings and consumer spending growth over the course of the past 12 months.

This unwavering belief in a reversion to the 2% potential growth rate is coupled with a firm conviction that inflation is trending back to the 2% pace that prevailed before the pandemic despite accumulating evidence to the contrary. After declining from the highest pace in 40 years, inflation stopped falling last summer and has been stuck around 3% rather than the Fed's 2% target. Over the past five years inflation has averaged 4.2%. Market-based inflation expectations have consistently underestimated actual inflation because they still adhere to the 2% target the Fed continues to promote.

Rather than bringing inflation to target, the Fed announced in late 2023 that it was through tightening and would need to ease because of worries it was too restrictive. This naturally caused financial conditions to ease and set off a renewed pickup in earnings that has driven asset prices and consumer spending to stronger levels. Nevertheless, the Fed eased last year despite the strong economy and above-target inflation. The Fed continues to maintain the fiction that it's restrictive even though early-stage inflation indicators like producer prices and money supply growth are accelerating. A corollary of the low 2% potential growth rate is the belief that the U.S. long-term neutral fed funds rate is 3%.

Investment Implications

A spreading of global growth to the rest of the world is positive for Equity markets outside the U.S. as well as for those inside the U.S.

[1] Blue Chip Economic Indicators, Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead, Vol. 50, No. 2, February 10, 2025.

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This consensus belief was reaffirmed in the February Blue Chip survey. If the long-term neutral rate for fed funds is only 3% then the Fed can maintain with a straight face that its 4%-plus funds rate is restrictive. Perhaps, however, the actual neutral rate is 4%, or more, consistent with 5%-plus nominal growth. That would explain why policy results remain expansionary.

There is little evidence to suggest monetary policy is slowing growth. If anything, growth seems to be picking up, which is the natural result when earnings are picking up. The constant underestimation of growth and inflation over the past four years seems to be rooted in a failure to accept that the economy has moved back onto a stronger nominal growth path than what prevailed during the secular stagnation era: a growth path that is more in line with the long-term historical performance of the U.S.

Stronger productivity growth is a major reason for the return to a better more historically normal growth path. The economy has been averaging closer to 3% growth instead of the 2% pace the Fed and consensus expect to prevail. The new administration has made a 3% growth target part of its plan to reduce reliance on government spending and increase reliance on private-sector investment and job growth. With a friendlier regulatory environment this should help the nascent pickup in productivity already underway. The extraordinary potential for productivity improvements from AI adds to the case that growth is unlikely to fall back to prepandemic lethargy. The February Blue Chip survey asked the economists: "Do you think that artificial intelligence will eventually boost productivity?" 100% of respondents said yes. Asked "how long before this boost will be observed in the macroeconomic data?" most said it would take three to five years. In our view, it is already happening. In any event, it makes a lower 2% potential growth rate seem even less probable.

Having missed the boat on the "perpetual slowdown with lower inflation call," the consensus and the Fed have cast their lot with all the pitfalls inherent in the new administration's policy changes.

There is always risk in change. That's why people resist it. A good example is the tariff debate. The usual caution about tariffs is based on a presumption that the negative consequences will prevail. For example, raising tariffs in a reciprocal fashion on other countries means the U.S. will raise its tariff rate, which reduces growth. An alternative possibility (since most countries already levy higher tariffs on the U.S. than it levies on them) would be they cut their tariffs to ward off the threatened U.S. tariff hikes. In that case, all the negative consequences go into reverse, causing stronger growth, lower inflation, more trade.

It's interesting how all the caution and negativity among the pundits around the risks of change contrast with recent business surveys and market performance. Around the world there has been a surge in business spirits despite the jump in uncertainty that always comes with change. This surge in confidence is reflected in strengthening stock prices. It's especially interesting that despite the view that tariff policies will hurt other countries more than the U.S., the equity markets in places like Germany and China have started to outperform those in the U.S. Perhaps the markets, unlike the pundits, are betting on positive change.

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MARKET VIEW

As the World and Markets Turn, Stay focused on the Trends, not the Headlines

Christopher M. Hyzy, Chief Investment Officer

Joseph P. Quinlan Managing Director and Head of CIO Market Strategy

Rarely have investors had to digest so many moving parts at one time. The attention of investors is under constant assault owing to attention-grabbing, 24/7 headlines speaking to U.S. tariffs and trade wars, government downsizing, geopolitics, China, soaring gold prices and, for good measure, the price of eggs.

All of the above, to be sure, are important. But more important, in our view, are the positive trends emerging beneath the surface. We continue to believe and emphasize that investors look beyond the blare of the headlines and focus on the following:

Despite headlines screaming of a world on fire, global economic activity is actually rebounding, with the U.S. manufacturing purchasing managers' index breaking above 50 in January (signaling expansion) for the first time since October 2022.[2]

In the U.S., the one-two combination of solid U.S. consumer spending and robust capital investment (notably in AI-related activities) points to an economy that is being increasingly driven by both rising service and manufacturing activity. A 4% unemployment rate, combined with the positive wealth effect from a soaring stock market and home appreciation, will underpin a healthy pace of U.S. consumer spending once again this year.

In China, the bull market in Equities looks more durable as government fiscal support shifts increasingly toward China's consumer and private sector. After running a stunning near-$1 trillion trade surplus last year, the government has stepped up efforts to bolster consumer spending, including goods trade-in schemes and subsidies for the purchase of digital products. China has also thrown its support behind its private sector in a bid to revive business confidence, notably among China's technology giants. As Exhibit 1A highlights, when it comes to consumption and production, the U.S. and China are the world's odd couple, with the U.S. accounting for just over 30% of global consumption, while China accounts for nearly 30% of world production. We foresee a rebalancing ahead, with the U.S. increasingly focused on production, and China on consumption.

In Europe, while Germany and France confront some near-term cyclical weakness, the Mediterranean states, as well as central Europe and Nordic nations, are in expansion mode. Meanwhile, Europe's largest exporters stand to benefit from China's growth winds, strong U.S. demand, stable energy prices, easier financial conditions, and potentially improved relative earnings going forward with discounted valuations. Peace in Ukraine could be a huge positive catalyst this year for European Equities.

At the micro level, **double-digit U.S. earnings growth is unfolding, with more upside momentum.** Q4 earnings came in stronger than expected, boosting year-over-year earnings growth by roughly 10% in 2024. Consensus is looking for another 14% rise in 2025, significantly above the trailing 10-year average of 8%. All 11 sectors of the S&P 500 are expected to post positive earnings growth for full-year 2025.

On the inflation front, while the U.S. inflation print for January was headline-grabbing by coming in hotter than expected, **it's important for investors to remember that 1) higher inflation can be revenue-enhancing** when companies pass on higher costs to end-users, boosting revenues and profit margins, and **2) higher inflation reduces the real returns of bonds and cash,** making Equities relatively more attractive than Fixed Income assets.

Portfolio Considerations

Amid the headlines, we urge investors to favor trendlines over headlines. U.S. Equities remain supported by a solid economic backdrop and double-digit earnings growth with strength broadening across sectors. Meanwhile, we continue to watch fiscal support in China, expansion in parts of Europe, and key geopolitical pressure points. Diversification and portfolio rebalancing should remain a focus for investors this year.

[2] Source: Institute for Supply Management. Data released for January as of February 2025.

Small-caps could be in an extended period of limbo given tariff concerns and higher-for-longer interest rates. Per the latter, Small-cap Equities have higher proportions of floating-rate debt; and as significant importers of goods, small businesses are notably exposed to the higher costs associated with U.S. tariffs.

Reflationary activity, in our opinion, suggests a potential peak in the value of the U.S. dollar. After a 7% increase in 2024, the advance in the U.S Dollar Index (DXY) is expected to stall and moderate in 2025 owing to a number of factors including the widening U.S. federal budget deficit, which could curtail foreign demand dollar-denominated securities; political uncertainty around the threat of U.S. tariffs and attendant attractiveness to own gold and hard assets; and the stated desire of the administration to weaken the dollar.

Meanwhile, the geopolitical pressure points of this decade, notably conflicts in Europe and the Middle East, could potentially subside this year, with **peace in Ukraine, Gaza and Syria all catalysts for massive reconstruction projects** that could extend the market rally in global cyclicals and industrials well into this decade.

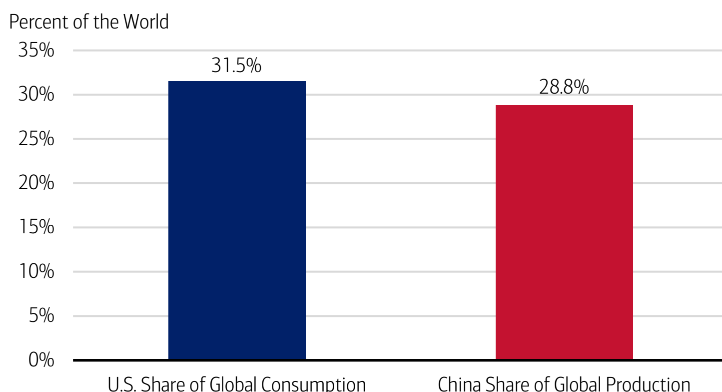
Another key trend to watch: **The much heralded and anticipated U.S. market rotation is happening.** To wit, the equal-weighed S&P 500 Index is performing in line with the market cap-weighted S&P 500 Index. The S&P 500 is up 2% to start the year, led by the Consumer Staples and Healthcare sectors, while the Technology sector and the Magnificent 7[3] are in negative territory. Meanwhile, returns of the Russell 1000 Value Index have outperformed Russell 1000 Growth Index year-to-date by more than 3%.

Beyond the U.S., **foreign exposure has become interesting again and not just for a short-term trade.** Two of the biggest surprises in equity markets this year have been the strength of Europe and China, both of which have already produced gains well ahead of the U.S. for the year so far. This comes on the back of chronic underperformance in both markets for years. As Exhibit 1B highlights, we are in rarified air when it comes to peak-U.S. exceptionalism as the U.S. outperforms the rest of the world.

The bottom line: **Fundamentals/key trends drive markets, not headlines.** It's still early in the year, but we see a number of positive forces unfolding both at home and overseas. For portfolio construction, this augurs for a more balanced concentration across Value and Growth, with investors seeking growth in the U.S. and value overseas as non-U.S. growth accelerates and the U.S. dollar fades. We continue to favor dividend plays and stable income in high-quality bonds. Diversification does matter. Portfolio rebalancing has a long way to go, in our view. Stay active.

Exhibit 1: The Odd Couple and Peak U.S. Exceptionalism.

1A) America the Consumer vs. China the Producer.



1B) Share of Global Market Cap.

Exhibit 1A) Sources: United Nations; World Bank. Production refers to manufacturing value-add. Data refers to 2023, as of February 2025. Exhibit 1B) Refers to MSCI USA, MSCI Emerging Markets and MSCI China compared to MSCI All-Country World Index. Source: FactSet. Data as of February 20, 2025.

[3] Apple, Amazon, Alphabet, Nvidia, Meta, Microsoft, and Tesla.

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THOUGHT OF THE WEEK

The Duck Market: Calm on the Surface, Unsettled Below.

Lauren J. Sanfilippo, Director and Senior Investment Strategist

While the market appears calm on the surface (subdued VIX-level), beneath the surface, there's plenty of paddling among individual stocks (high return dispersion). That's evident as the S&P 500 notched all-time highs at mid-week before dropping 1.7% last Friday, the steepest decline this year. The VIX spiked last Friday but has remained below its long-term average of 20 since December, indicating a relative sense of calm for Equities. Along the way, the Chicago Board Options Exchange S&P 500 Dispersion Index has been grinding upward for months. On January 29, it hit its highest level since May 2022, signaling idiosyncratic movements at the single-stock level relative to the S&P 500's average move.

Given today's macro environment, perhaps investors and traders haven't yet determined how to price President Trump's mix of policy initiatives to come, which could explain why Bitcoin is once again charging toward $100,000 and how perceived "safe havens" continue to catch bids, like gold which found new highs last week.

But investors have seen the prelude to this movie before. President Trump's first term as measured by Equity volatility can be categorized by high-highs and low-lows. Since inception of the VIX, 83 of the 100 lowest closing levels were during President Trump's first term—a record not many would likely attribute to the Trump 1.0 era (Exhibit 2). In the other direction, as for the 100 most volatile days, 58 days were under former President George W. Bush, given the multitude of volatility spikes around the 2008/2009 Great Financial Crisis. Both Trump's first term and Obama's full term were the second and third most market-moving.

It's important to point out, so far this year much greater turbulence has been felt under the surface—like Nvidia's recent sell-off on January 27 over concerns about competition from Chinese AI group DeepSeek. It was the largest market cap loss ever recorded in a day, shaving $600 billion and 17% off the stock. Automakers, too, have come under pressure at the mercy of Trump's Canada/Mexico tariff headlines. Meanwhile, one of America's largest retailers also rocked confidence last week with downbeat guidance as it relates to consumer spending. These shocks among other reasons have been enough to dampen the mood for investors. The vibe points to more bearish sentiment; Individuals who expect stock prices to fall over the next six months have outweighed bullish sentiment for all of February and are at odds with an S&P 500 near all-time highs.[4]

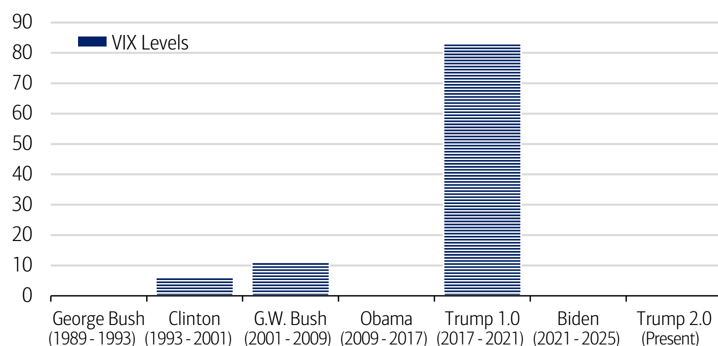
The bottom line is that, while policy uncertainty is influencing single stock moves and some asset classes, the incremental headwinds over the first month since Inauguration Day have not changed Equities' return trajectory. Notwithstanding some chop and churn, the path of least resistance is still higher for Equities (which have gained 2.5% over that time period). The favorable fundamental support of a broadening and potentially accelerating earnings backdrop keeps this duck paddling furiously while remaining buoyant.

Portfolio Considerations

There's been heightened single stock volatility relative to index level volatility this year, reflecting a high return dispersion environment. The churn inside of the equity market could afford investors rebalancing opportunities over the course of the year and keeps us convinced that a balanced and diversified allocation will best weather any uncertainty ahead.

Exhibit 2: The Least and Most Volatile Presidential Terms since VIX inception.

2A) 100 Lowest VIX Levels Attributed to Presidential Terms.



2B) 100 Highest VIX Levels Attributed to Presidential Terms.

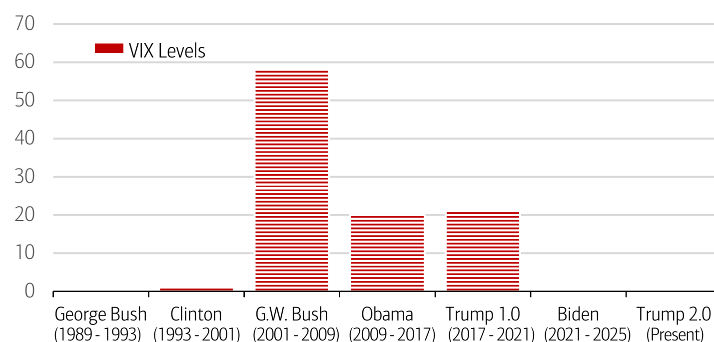


Exhibit 2A) Source: Bloomberg. Data as of February 20, 2025. Exhibit 2B) Source: Bloomberg. Data as of February 20, 2024.

[4] Source: American Association of Individual Investors, data for three weeks of February. As of February 20, 2025.

Equities

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
DJIA	43,428.02	-2.5	-2.4	2.3
NASDAQ	19,524.01	-2.5	-0.5	1.2
S&P 500	6,013.13	-1.6	-0.4	2.4
S&P 400 Mid Cap	3,101.90	-3.0	-4.2	-0.5
Russell 2000	2,195.35	-3.7	-4.0	-1.4
MSCI World	3,843.08	-1.4	0.2	3.8
MSCI EAFE	2,443.30	-0.1	2.8	8.2
MSCI Emerging Markets	1,147.30	2.0	5.0	6.9

Fixed Income†

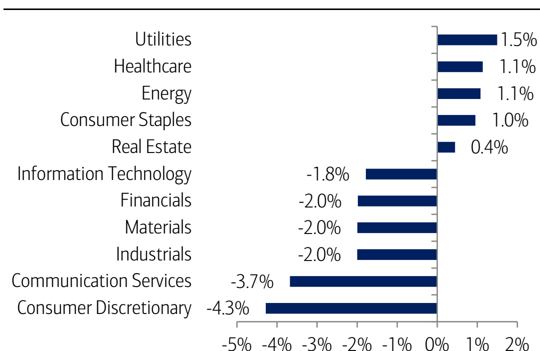
	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Corporate & Government	4.67	0.31	0.87	1.41
Agencies	4.53	0.26	0.51	1.06
Municipals	3.64	0.17	0.38	0.89
U.S. Investment Grade Credit	4.77	0.35	0.93	1.47
International	5.22	0.26	0.98	1.54
High Yield	7.23	0.02	0.27	1.64
90 Day Yield	4.30	4.31	4.28	4.31
2 Year Yield	4.20	4.26	4.20	4.24
10 Year Yield	4.43	4.48	4.54	4.57
30 Year Yield	4.68	4.70	4.79	4.78

Commodities & Currencies

	Total Return in USD (%)			
Commodities	Current	WTD	MTD	YTD
Bloomberg Commodity	259.70	1.0	4.7	8.8
WTI Crude $/Barrel††	70.40	-0.5	-2.9	-1.8
Gold Spot $/Ounce††	2936.05	1.9	4.9	11.9

	Total Return in USD (%)			
Currencies	Current	Prior Week End	Prior Month End	2022 Year End
EUR/USD	1.05	1.05	1.04	1.04
USD/JPY	149.27	152.31	155.19	157.20
USD/CNH	7.26	7.26	7.32	7.34

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 02/18/2025 to 02/21/2025. †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 02/21/2025 close. Data would differ if a different time period was displayed. Short-term performance shown to illustrate more recent trend. **Past performance is no guarantee of future results.**

Economic Forecasts (as of 2/21/2025)

	Q4 2024A	2024A	Q1 2025E	Q2 2025E	Q3 2025E	Q4 2025E	2025E
Real global GDP (% y/y annualized)	-	3.1*	-	-	-	-	3.2
Real U.S. GDP (% q/q annualized)	2.3	2.8	2.5	2.3	2.2	2.2	2.5
CPI inflation (% y/y)	2.7	3.0	2.8	2.8	3.1	2.9	2.9
Core CPI inflation (% y/y)	3.3	3.4	3.1	3.1	3.3	3.3	3.2
Unemployment rate (%)	4.2	4.0	4.1	4.2	4.2	4.2	4.2
Fed funds rate, end period (%)	4.33	4.33	4.38	4.38	4.38	4.38	4.38

The forecasts in the table above are the base line view from BofA Global Research. 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. Historical data is sourced from Bloomberg, FactSet, and Haver Analytics. **There can be no assurance that the forecasts will be achieved. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance.**
A = Actual. E/* = Estimate.
Sources: BofA Global Research; GWIM ISC as of February 21, 2025.

Asset Class Weightings (as of 2/4/2025)

Asset Class	CIO View: Underweight		Neutral	Overweight	
Global Equities				●	
U.S. Large Cap Growth			●		
U.S. Large Cap Value				●	
U.S. Small Cap Growth				●	
U.S. Small Cap Value				●	
International Developed		●			
Emerging Markets			●		
Global Fixed Income		●			
U.S. Governments				●	
U.S. Mortgages				●	
U.S. Corporates		●			
International Fixed Income			●		
High Yield		●			
U.S. Investment-grade Tax Exempt			●		
U.S. High Yield Tax Exempt		●			
Alternative Investments*					
Hedge Strategies Private Equity & Credit Real Assets			●		
Cash					

CIO Equity Sector Views

Sector	CIO View: Underweight		Neutral	Overweight	
Financials				●	
Consumer Discretionary				●	
Utilities				●	
Information Technology			●		
Communication Services			●		
Healthcare			●		
Industrials			●		
Real Estate			●		
Energy		●			
Materials		●			
Consumer Staples		●			

*Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to qualified investors. CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio. Source: Chief Investment Office as of February 4, 2025. All sector and asset allocation 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.

Index Definitions

Securities indexes assume reinvestment of all distributions and interest payments. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Indexes are all based in U.S. dollars.

S&P 500 Index is a market-capitalization-weighted index that is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

Chicago Board Options Exchange Volatility Index is a calculation designed to produce a measure of constant, 30-day expected volatility of the U.S. stock market, derived from real-time, mid-quote prices of S&P 500® Index (SPX℠) call and put options.

Institute for Supply Management U.S. manufacturing purchasing managers' Index is a monthly economic indicator that gauges the health of the US manufacturing sector.

U.S Dollar Index (DXY) is an index of the value of the United States dollar relative to a basket of foreign currencies, often referred to as a basket of U.S. trade partners' currencies.

Equal-weighted S&P 500 Index is a stock market index that gives equal weight to each of the companies in the index.

Market cap-weighted S&P 500 Index is an index that weighs companies based on their total market capitalization.

Russell 1000 Value Index measures the performance of the large- cap value segment of the US equity universe.

Russell 1000 Growth Index is a gauge of the performance of large-cap US companies with growth potential.

Chicago Board Options Exchange S&P 500 Dispersion Index measures the expected dispersion in the S&P 500® over the next 30 calendar days, as calculated from the prices of S&P 500 index options and the prices of single stock options of selected S&P 500 constituents, using a modified version of the VIX® methodology.

MSCI USA Index is a stock market index that tracks the performance of large and mid-sized US companies. It's used by investors as a benchmark for the market.

MSCI Emerging Markets Index is a stock market index that measures the performance of emerging economies.

MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings. With 598 constituents, the index covers about 85% of this China equity universe.

MSCI All-Country World Index is a global index that tracks the performance of stocks in developed and emerging markets. It's a market capitalization-weighted index.

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