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CHIEF INVESTMENT OFFICE

Capital Market Outlook

September 18, 2023

All data, projections and opinions are as of the date of this report and subject to change.

IN THIS ISSUE

Macro Strategy—*Shifting Gears: Taking Stock of China's Rise in the Global Automobile Market:* While economic growth in China has downshifted so far this year, one key sector has gone into overdrive: automobiles. China assembled over 26 million autos last year, more than double the number produced by the next top producer, the U.S. China is projected to collect the next milestone by the end of this year: as the world's largest auto exporter. China may be in a cyclical slowdown, but the nation's auto sector continues to roar ahead. Overall exports of Chinese goods fell by over 5% in the first eight months of this year from the same period a year ago, while car exports surged by more than 80% over the same period. Most at risk are large-cap European auto manufacturers.

Market View—*Africa Matters: What Investors Need To Know:* In a resource-constrained world combatting climate change via metal-intensive green investments, overlaid with deep fissures between the U.S. and China and a raging war in Ukraine—the breadbasket of Europe—the strategic importance of well-endowed Africa has never been greater. Africa matters since this is a part of the world that could emerge as a key source of the minerals needed to propel the global green transition; it's a part of the world where 60% of the population is under the age of 25; and it's a part of the world at the intersection of geopolitics, or the great power rivalry between the U.S. and China. The best way, in our opinion, to play Africa: Think commodities and defense/cybersecurity leaders.

Thought of the Week—*Transformation Meets Innovation: Investing In Our Planet:* As efforts grow to tackle some of the world's largest problems, so do potential investment opportunities in themes related to our planet, beyond the well-documented Energy Transition—namely Water, Sustainable Agriculture and Biodiversity. In this section, we address these three important themes.

Countdown—A potential government shutdown by the end of September is on our radar and a risk factor we are monitoring closely. The table below provides some brief and concise historical data on shutdowns/market effect.

		S&P 500 Returns			
Start of shutdown	Duration (days)	-3 months	+3 months	+6 months	+12 months
30-Sept-76	10	0.9%	1.6%	-6.4%	-8.3%
30-Sep-77	12	-3.6%	-1.6%	-7.6%	6.2%
31-Oct-77	8	-6.8%	-3.2%	5.8%	2.9%
30-Nov-77	8	-1.6%	-8.1%	2.6%	-1.1%
30-Sep-78	17	7.3%	-6.1%	-0.5%	6.6%
30-Sep-79	11	6.3%	-1.2%	-10.2%	15.6%
20-Nov-81	2	-5.8%	-8.3%	-5.6%	12.6%
30-Sep-82	1	9.9%	17.3%	25.9%	39.5%
17-Dec-82	3	12.2%	8.8%	23.0%	17.6%
10-Nov-83	3	1.8%	-5.5%	-2.7%	2.6%
30-Sep-84	2	8.7%	-0.2%	8.1%	9.2%
3-Oct-84	1	5.7%	1.8%	11.1%	13.3%
16-Oct-86	1	1.5%	10.8%	18.7%	24.4%
18-Dec-87	1	-20.9%	8.8%	8.6%	10.9%
5-Oct-90	3	-13.1%	3.0%	20.5%	22.4%
13-Nov-95	5	5.8%	11.7%	11.7%	23.6%
15-Dec-95	21	5.7%	4.1%	8.0%	18.2%
30-Sep-13	16	4.7%	9.5%	11.3%	17.3%
19-Jan-18	2	9.8%	-4.2%	-0.2%	-6.3%
21-Dec-18	34	-17.5%	15.8%	21.9%	33.4%

Sources: U.S. House of Representatives; Chief Investment Office. Data as of July 2023. Returns in price terms. **Past performance is no guarantee of future results. Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.**

MACRO STRATEGY ▶

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MARKETS IN REVIEW ▶

Data as of 9/18/2023, and subject to change

Portfolio Considerations

We expect a slight updraft in September, primarily due to investment flows coming back into the market as inflation gauges continue to move lower and bond yields back off a bit. In addition, we expect corporate earnings for Q3 to come in with a small beat again. Longer-term investors should consider using excess cash on a dollar cost averaging approach into Equities over the last quarter of the year. Given both tailwinds and headwinds, we continue to maintain a balanced tactical portfolio strategy view and a high-quality bias in the near term.

MACRO STRATEGY

Shifting Gears: Taking Stock of China's Rise in the Global Automobile Market

Lauren J. Sanfilippo, Director and Senior Investment Strategist

While economic growth in China has downshifted this year, one key sector has gone into overdrive: automobiles, notably Chinese auto exports. As *The New York Times* recently noted, "overseas demand for inexpensive vehicles made in China...is so great that the biggest obstacle to selling more aboard is a lack of specialized ships to carry them."[1] As noted by *the Times*, while overall exports of Chinese goods fell by over 5% in the first eight months of this year from the same period a year ago, car exports surged by more than 80% over the same period. Most at risk from the surge in Chinese auto exports are large-cap European auto manufacturers.

By multiple measures, China has become a major force within the automobile landscape. China reached a milestone in 2009 when it became the world's largest auto producer. Production slumped during the pandemic, but China went on to assemble over 26 million autos last year, more than double the number produced by the next top producer, the U.S. China is projected to collect the next milestone by the end of this year: as the world's largest auto exporter. Getting to this point has meant moving up the value chain in manufacturing and expanding their indigenous brands, many of which have become formidable rivals to the Western auto giants.

By the numbers. The end of last year's tally shows overseas shipments of cars made in China (including foreign brands) have tripled since 2020 to 2.5 million passenger vehicles, up a whopping 58% from 2021, according to data from the China Passenger Car Association, (Exhibit 1A). Having passed South Korean car exports by volume in 2021, a more recent crowning achievement has been catching up to German car exports by year-end 2022. Shifting into even higher gear, China is expected to surpass Japan as the world's number one exporter of cars sometime this year based on annualized figures for the first half of the year. The bulk of exports are heading to developing countries—with Russia as the top destination, followed by Mexico, and Europe.

The challenge to Europe's industrial base. At risk is the German automotive industry, its biggest industry in terms of sales and exports. Both high energy prices from Germany's reliance on Russia and meager demand from China have contributed to Germany's ongoing weakness (and technical recession status) since late last year. Rather than additive, motor vehicle production has been a drag on overall production, exacerbating problems for the industrial base. Industrial production in Germany has yet to even recover from the pandemic and is still 6% off its pre-pandemic level. That's not only problematic for the prospects of Europe's largest economy but for the continent as a whole.

China is in pole position for new energy vehicles. Estimates from UBS analysts suggest that by 2030, Western automakers are set to lose a fifth of their global market share (falling to 58% from 81%) due to cheaper-to-produce and competitively priced Chinese models.[2] But it's not just price competition alone. Emblematic of China's strong footing with EV, at the IAA mobility show in Munich earlier this month, Renault CEO Luca de Meo conceded, "I think they are a generation ahead of us."

Chinese automakers have ramped up overseas markets so that even with domestic consumption disappointing, exports have surged 31% in August compared to a year ago. Sales in the "new energy vehicles" category were up 35% in August and now account for 37% of total car sales, according to the China Passenger Car Association (CPCA).

China's control of the battery supply chain is another integral layer to the country's success story. The supply chain spans from raw materials to chemical refining and anode and cathode production to constructing factories and training engineers. China controls 41% of the world's cobalt (vis-à-vis owning most of the cobalt mines in the Congo). By 2030,

Investment Implications

While China coming online as a key electric vehicles (EV) supplier should help the commitments set for banning internal combustion engines, the risk is that the surge leads to more global protectionism, which in turns means higher costs for consumers and stifled trade volumes for the global economy. That's a dynamic we are watching closely given its attendant effect on corporate earnings.

[1] "China is Flooding the World With Cars," *The New York Times*, September 6, 2023.

[2] Bloomberg, "Rise of China's EV Makers Threatens Western Firms, UBS Says," September 5, 2023.

China will make more than twice as many batteries as every other country combined, according to Benchmark Minerals, a consulting group. And when it comes to setting prices, China can offer a much cheaper EV sticker price considering standard lithium-ion batteries account for some 40% of the cost of an EV.

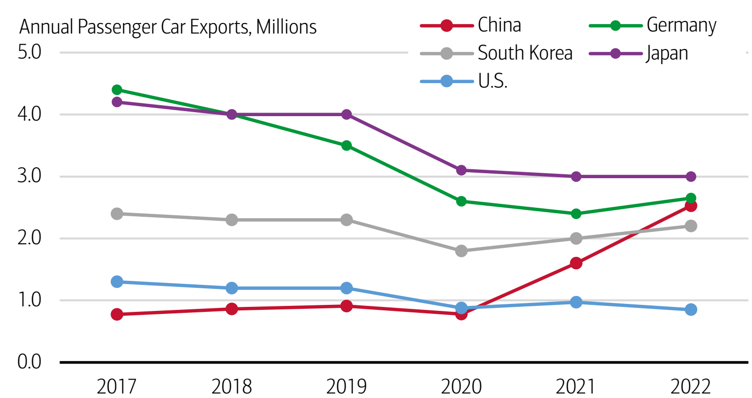
Subsidy-fueled boom—does it end in bust? A large risk to ramping up auto production at this clip is the already evident excess supply. Across China, hundreds of EVs have been abandoned in fields as longer-range and faster charging improvements have rendered older models obsolete.[3]

The bottom line is this: China may be in a cyclical slowdown, but the nation's auto sector continues to roar ahead, driven by robust foreign demand. Reflecting the latter, China's automotive trade balance went from a $31 billion deficit in 2020 to a $7 billion surplus in 2022.[4] An even larger surplus is expected this year.

Lofty commitments such as banning internal combustion engines in the United Kingdom by 2030 and Europe by 2035 will be hard to come by without China as a key supplier. For that reason, Europe is becoming the main target for most Chinese automakers to the dismay of the European Commission, which recently launched an investigation into whether Chinese car imports were being priced lower owing to "huge state subsidies." As reported by Bloomberg, the probe will take up to nine months and could lead to higher tariffs on Chinese EVs entering the European market. As Exhibit 1B highlights, China's clean-car sales to Europe have soared over the past few years, rising from just 72,000 units in 2020 to over 451,000 in the first seven months of this year. However, Europe is pushing back, which could potentially spark a tit-for-tat trade war between two of the world's largest economies.

Exhibit 1: Auto Exports by Country and China's Clean-Car Sales to Europe.

1A) "Made In..." Auto Exports by Country.



1B) Number of New Energy Vehicles Exported to Europe.

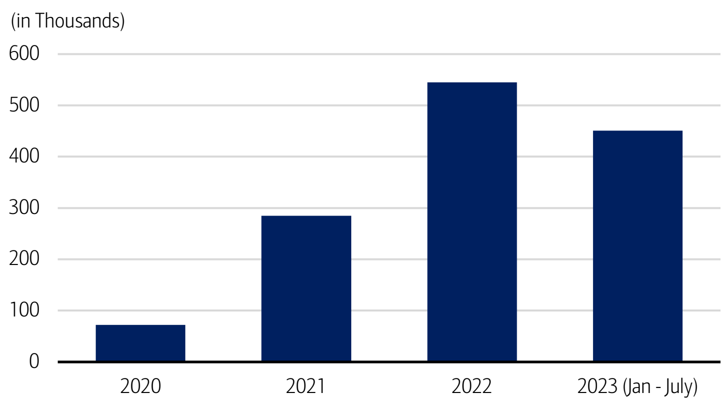


Exhibit 1A) Sources: China Passenger Car Association; Japan Automobile Manufacturers Association; Korea Automobile Manufacturers Association; Association of German Automakers; U.S. Bureau of Economic Analysis. Data as of 2023. Exhibit 1B) Note: Europe includes non-EU members such as U.K. and Norway. Sources: China Passenger Car Association and Bloomberg. Data as of August 2023.

Within U.S. borders, the market remains relatively closed to Chinese EV imports owing to a 27.5% tariff on Chinese auto imports during the Trump administration. In addition, the local content rules of the Inflation Reduction Act effectively ban Chinese imports. The danger is that the surge leads to even more global protectionism, which in turns means stifled trade volumes for the global economy and higher costs for consumers. It contributes, in general, to the narrative of deglobalization, which is an overall negative for the global capital markets. Hence, why we are closely watching China's move into overdrive in the global auto market.

[3] Bloomberg, "China's Abandoned, Obsolete Electric Cars are Piling Up in Cities," August 2023.

[4] "Europe's Electric Vehicle Challenge," Gavekal, August 17, 2023.

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MARKET VIEW

Africa Matters: What Investors Need to Know

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

Africa barely registers on the radar screens of investors, but at a time of great power politics, falling global fertility rates, and rampant resource nationalism juxtaposed against soaring demand for critical minerals, the continent of 54 nations deserves more scrutiny from Wall Street.

Africa deserves extra attention because this is a part of the world that could emerge as a key source of minerals needed to propel the global green transition. It's a part of the world where 60% of the population is under the age of 25, representing a potential new source of supply (labor) and demand (consumers) at a time when the global work force is aging and peaking. And it is a part of the world at the intersection of geopolitics, with the U.S. and Europe jockeying for regional influence not only against China and Russia, but also non-state actors like ISIS and Al Qaeda.

Africa matters, in other words.

The Promise... We're talking about a continent so large—accounting for one-fifth of the world's land mass—that the U.S., China, India, Japan and most of Europe—combined—could all fit in it.

It's also vast and rich in natural resources. According to the International Energy Agency (IEA), Africa accounts for 80% of the world's platinum reserves, 50% of cobalt reserves and 40% of manganese reserves—all strategic minerals required of the green revolution. The continent is also well endowed with graphite, bauxite, lithium and other critical minerals, and rich in solar, hydro, and wind and geothermal capabilities.[5] Finally, 60% of the world's arable land is located in Africa.[6]

Given its resource abundance, Africa could serve as a strategic energy partner to the U.S. considering that the U.S., according to the U.S. Geological Survey, is 100% reliant on graphite and manganese imports, 70% per cobalt, and 50% net import reliant on lithium and nickel. The U.S. is also significantly dependent on other metals/minerals like uranium, rare earth minerals, rubidium, cesium and hafnium. The list goes on—with many of these resources currently sourced from none other than China. So think of Africa as a strategic alternative to China when it comes to powering America's energy transition.

Most of the region's resources remain untapped, with the continent currently accounting for only 3% of global energy investment and just 2% of the world's clean energy investment, according to the IEA. Africa's share of global investment in critical minerals was just 8% of the global total in 2022, down from a high of 15% in 2014. Against this backdrop, Africa's underdeveloped energy sector is ripe for more U.S. private and public sector investment.

Meanwhile, if demography is destiny, then pay close attention to Africa, home to the youngest population on the planet. In 1980, one in 10 people lived in Africa; since then, the continent's population has nearly tripled, to 1.3 billion, on par with the population giants of India and China. One in six people are now in Africa, but based on projections from the United Nations, the region will have 2.5 billion inhabitants by 2050, or one-quarter of the global total (Exhibit 2).

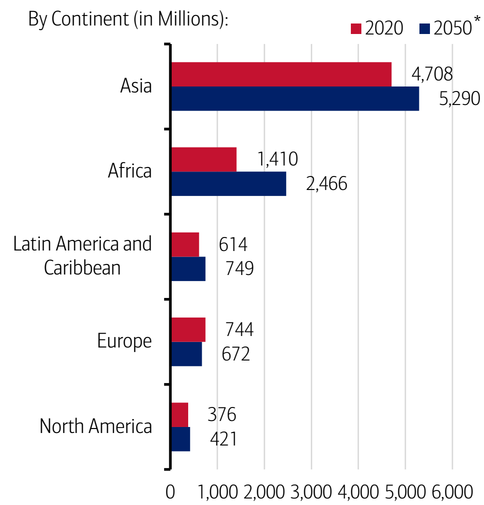
In a world rapidly aging, and in a world where the populations of some nations are in outright decline (ala Japan, South Korea, Italy), Africa is an outlier. In 2020, less than 6% of the continent's population was over the age of 60 versus comparable figures of 23.4% and 25.5%, respectively, in North America and Europe.[7] At the other end of the age spectrum, Africa was home to over 538 million children under the age of 15 in 2020, according to the United Nations.

Whether or not Africa can cash in on its demographic dividend is not only critical to the region but also the world. Success—i.e., absorbing millions of new entrants into the labor

Investment Implications

Investment options in Africa are still limited—the continent's capital markets remain underdeveloped. Only three stock markets—South Africa, Egypt and Nigeria—have more than 100 companies listed. Africa is a play on hard assets (energy/commodities) and hard power (defense/cybersecurity).

Exhibit 2: Africa On The Rise: World Population Forecast.



*Estimated. Source: United Nations, World Population Prospects, the 2022 Revision. Data as of September 11, 2023. Estimates are as of the date of the indicated and are subject to change without notice. Economic or financial forecasts are inherently limited and should not be relied on as an indicator of future investment performance.

5 "Financing Clean Energy in Africa," International Energy Agency, September 2023.

6 "Africa's Population Boom May Boost Economy, Global Relevance." Monir Ghaedi, November 2022.

7 Data is from the United Nations Population database.

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force each year—would boost real growth, reduce grinding poverty levels in many nations, and attract the foreign capital needed to underwrite long-term growth. Success also means more labor and consumers for the goods and services of the world's leading multinationals.

....and peril of Africa The consequences of failure, on the other hand, are manifold: continued economic underdevelopment, social and political instability, and an even greater wave of mass migration to Europe that could stoke nativist, protectionist sentiment across the European Union and beyond.

Political stability isn't a given in Africa, with the continent experiencing eight coups in the last three years. Adding to this volatile political mix is that fact that Africa is now squarely in the crosshairs of the great power rivalry between the U.S.-led West on the one hand and the China-Russian axis on the other. Both camps are interested in tapping Africa's natural resource abundance and continue to vie for influence via loans, foreign investment, trade concessions, and related activities. Europe remains Africa's largest trading partner, although China has made significant inroads through low-cost lending and investment in energy and infrastructure. America's presence (trade and investment) is minimal but expected to rise over the next decade.

In a resource-constrained world combatting climate change via metal-intensive green investments, overlaid with deep fissures between the U.S. and China and a raging war in Ukraine, the breadbasket of Europe, the strategic importance of well-endowed Africa has never been greater. To this point, the G-20 (the group of 20 nations considered the most powerful in the world) is now the G-21, with the African Union admitted as a permanent member of the group earlier this month. Nothing speaks louder to the importance of Africa and the future of the world economy.

Investment summary For Wall Street, there are both promise and peril in Africa. The promise lies with copious deposits of strategic metals and minerals, and a young and large workforce-cum-consumer market. The peril lies with geopolitics—Africa is a place where geopolitical tensions between the U.S. and China/Russia could unfold to the determent of the global capital markets.

Against this backdrop, investing directly in Africa remains rather limiting. The continent's capital markets remain underdeveloped, stifling the role of public equity investing. There are 29 stock markets in Africa, but only three—South Africa, Egypt and Nigeria—have more than 100 companies listed; in addition to this trio, nine other African states are a part of major emerging and frontier indexes: Morocco, Kenya, Mauritius, Cote d Ivoire, Tunisia, Botswana, Ghana, Namibia and Zambia.[8]

One way for U.S. investors to play or hedge Africa is through the Chief Investment Office's Hard Assets and Hard Power themes. Per the former, going green and clean on energy, coupled with the massive upgrading of America's physical infrastructure, means more underlying secular demand for traditional energy resources, as well as strategic metals/minerals like lithium, cobalt, copper and many other resources. We remain long-term energy/commodity bulls.

We are also long-term bulls on leading defense/cyber companies. Why? Because Russia's invasion of Ukraine and China's growing military have upended the global geopolitical landscape. And with Africa now in play, the Cold War of the 2020s is only amping up, which likely means more growth/upside to global military outlays. Against this backdrop, we remain constructive on large-cap U.S. defense contractors and continue to favor cybersecurity leaders.

For now, we think Africa is more of an indirect play for investors, as opposed to direct. That said, Africa, whether investors know it or not, is looking to become one of the most important regions of the world. The continent should be on everyone's radar screen.

[8] "Financing Clean Energy in Africa," International Energy Agency, September 2023.

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THOUGHT OF THE WEEK

Transformation Meets Innovation: Investing In Our Planet

Sarah Norman, Director and Head of CIO ESG Thought Leadership
Anna Potts, CFA, CSRIC®, Assistant Vice President and Investment Analyst

Climate Week reminds us that the world is changing faster than ever before—as global temperatures break new records, the United Nations Secretary-General calls the crisis a "climate breakdown."[9] As efforts grow to tackle some of the world's largest problems, so do potential investment opportunities in themes related to our planet, beyond the well-documented Energy Transition—namely Water, Sustainable Agriculture and Biodiversity.

Water: The most important resource on earth is easily quantifiable, boasts inflation- and recession-proof characteristics, and is a key input for many industries. Yet, according to the United Nations, five out of 11 regions face high or extreme conditions of water scarcity.[10] Water can offer clear impact results within investments, spanning storage, transportation, infrastructure (utilities, equipment, and materials), purification, and conservation. Investors can find exposure via thematic water funds as well as environmentally focused investments, which may include themes like clean energy, clean transport, climate adaptation, resource efficiency, and more.

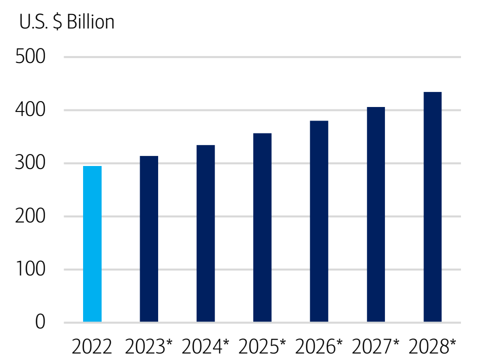
Sustainable Agriculture: Sustainable agriculture, or farming in such a way as to help protect the environment, aid and expand natural resources, and to make the best use of nonrenewable resources,[11] has seen investment opportunities grow. As we grapple with using less water, preserving remaining plant pollinators, decarbonizing agriculture, and improving crop yields and nutritional density (both impacted by climate change), there is an increasingly innovative landscape that investors may participate in. The Inflation Reduction Act (IRA) includes tens of millions of dollars in provisions for the advancement of regenerative agricultural practices, and, by 2030, over $195 billion in business opportunities and 4.3 million jobs can come from precision-agriculture technologies.[12] Investors can gain exposure via broader environmental funds as well as within targeted thematic funds.

Biodiversity: Biodiversity—the variety of life in the world or in a particular habitat or ecosystem—is considered one of the top four global risks to businesses over the coming decade.[13] While biodiversity-focused strategies have yet to proliferate in the market, there are signs of momentum. Companies that have taken responsibility for their impacts on biodiversity and ecosystems have been rewarded via a higher forward price-to-earnings (P/E) ratio.[14] Bond issuances tied to biodiversity goals are on track for a record year,[15] and in the next 10 years, the market for biodiversity investments could exceed $400 billion.[15] This theme is certainly an area to watch.

Portfolio Considerations

Investors can gain exposure across asset classes in public and private market solutions via broad sustainability exposure and more targeted thematic funds that can diversify a portfolio. Many themes have low correlation to each other, which implies that adding themes to a traditionally balanced portfolio could offer additional sources of both return and risk, albeit with a higher volatility of return given concentrated exposures.

Exhibit 3: Global Water and Wastewater Treatment Market Size, 2022 to 2028.



*Forward estimate. Source: Precedence Research. Data as of September 10, 2023. Estimates are as of the date of the indicated and are subject to change without notice. Economic or financial forecasts are inherently limited and should not be relied on as an indicator of future investment performance.

[9] United Nations, "Secretary-General's message on the Hottest Summer on Record," September 6, 2023.
[10] United Nations, "UN World Water Development Report 2021: Valuing Water," 2021.
[11] U.S. Department of Agriculture.
[12] BofA Global Research, "ESG Matters—Global: Unlocking the value of biodiversity," April 11, 2023.
[13] World Economic Forum, "Global Risks Report 2023," January 11, 2023.
[14] BofA Global Research, ESG Matters—Global, "Five themes for the year (or years) ahead," January 27, 2023.
[15] Bloomberg's Caleb Mutua, "Fitch Braces for More ESG Bonds as Biodiversity Goes Mainstream," September 5, 2023.

Equities

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
DJIA	34,618.24	0.1	-0.2	6.1
NASDAQ	13,708.33	-0.4	-2.3	31.8
S&P 500	4,450.32	-0.1	-1.2	17.3
S&P 400 Mid Cap	2,567.33	-0.2	-2.9	6.9
Russell 2000	1,847.03	-0.2	-2.7	6.0
MSCI World	2,960.98	0.4	-0.8	15.2
MSCI EAFE	2,108.23	1.7	0.0	10.9
MSCI Emerging Markets	984.99	1.2	0.6	5.2

Fixed Income†

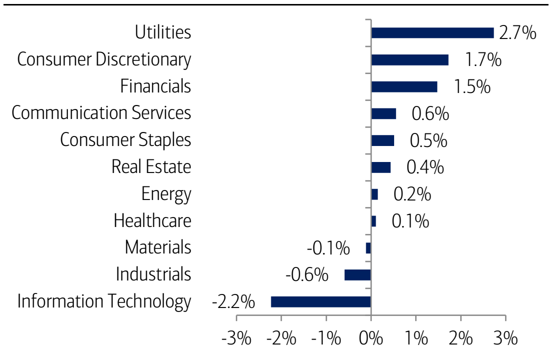
	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Corporate & Government	5.12	-0.35	-1.11	0.40
Agencies	5.11	-0.07	-0.37	1.66
Municipals	3.88	-0.10	-0.36	1.23
U.S. Investment Grade Credit	5.17	-0.33	-1.09	0.26
International	5.82	-0.35	-1.18	1.55
High Yield	8.53	0.19	-0.11	7.01
90 Day Yield	5.45	5.44	5.44	4.34
2 Year Yield	5.03	4.99	4.86	4.43
10 Year Yield	4.33	4.26	4.11	3.87
30 Year Yield	4.42	4.34	4.21	3.96

Commodities & Currencies

	Total Return in USD (%)			
Commodities	Current	WTD	MTD	YTD
Bloomberg Commodity	242.87	1.4	1.6	-1.2
WTI Crude $/Barrel††	90.77	3.7	8.5	13.1
Gold Spot $/Ounce††	1923.91	0.3	-0.8	5.5

	Total Return in USD (%)			
Currencies	Current	Prior Week End	Prior Month End	2022 Year End
EUR/USD	1.07	1.07	1.08	1.07
USD/JPY	147.85	147.83	145.54	131.12
USD/CNH	7.28	7.36	7.28	6.92

S&P Sector Returns



Sources: Bloomberg; Factset. Total Returns from the period of 9/11/2023 to 9/15/2023. †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 9/15/2023 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 9/15/2023)

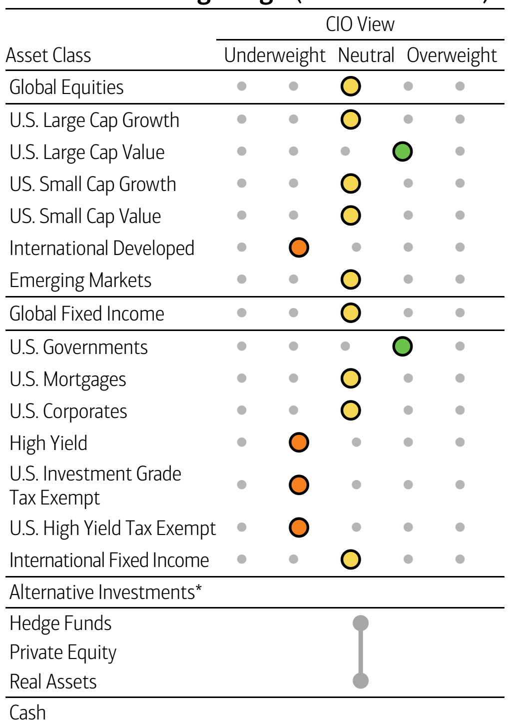
	2022A	Q1 2023A	Q2 2023A	Q3 2023E	Q4 2023E	2023E
Real global GDP (% y/y annualized)	3.6	-	-	-	-	3.0
Real U.S. GDP (% q/q annualized)	2.1	2.0	2.1	2.0	1.5	2.1
CPI inflation (% y/y)	8.0	5.8	4.0	3.5	3.3	4.1
Core CPI inflation (% y/y)	6.1	5.6	5.2	4.3	3.8	4.7
Unemployment rate (%)	3.6	3.5	3.5	3.7	3.8	3.6
Fed funds rate, end period (%)	4.33	4.83	5.08	5.38	5.63	5.63

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.**

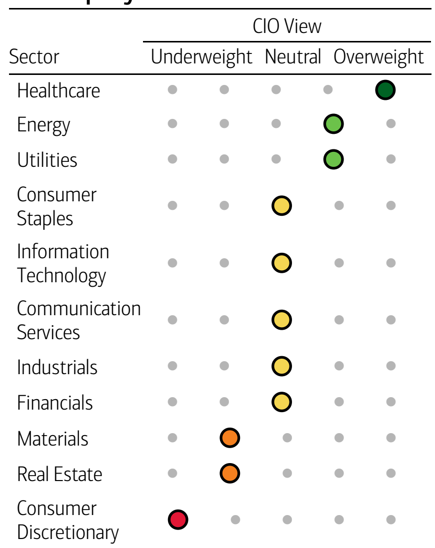
A = Actual. E/* = Estimate.

Sources: BofA Global Research; GWIM ISC as of September 15, 2023.

Asset Class Weightings (as of 9/5/2023)



CIO Equity Sector Views



*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 September 5, 2023. 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 stock market index tracking the stock performance of 500 of the largest companies listed on stock exchanges in the United States.

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There is no guarantee that investments applying ESG strategies will be successful. There are many factors to take into consideration when choosing an investment portfolio and ESG data is one component to potentially consider.

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