



OCTOBER 2024 – MARKET REVIEW

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AssetGrade Market Summary – October 2024

Corporate fundamentals are in good shape, equity markets continue to outperform and bonds should help diversify portfolios

- **When investing over a long period of time, remember to stay diversified, be patient, and focus on what's within your control.** Following these steps will reward you over time.
- **All asset classes, including cash have performed positively year to date in 2024**
- **CD rates peaked 6 months ago and have since come down.** There is an opportunity cost to having too much cash on the sidelines and missing robust equity and fixed income returns.
- **The S&P 500 is up 22.1% year to date.** 45% of that return is fueled by the "Magnificent 7" stocks: Microsoft, Amazon, Meta, Apple, Alphabet, Nvidia, and Tesla.
- **Inflation is on a steady road back to 2.0%.** Most components of inflation have fallen, with shelter and auto insurance slowly falling too.

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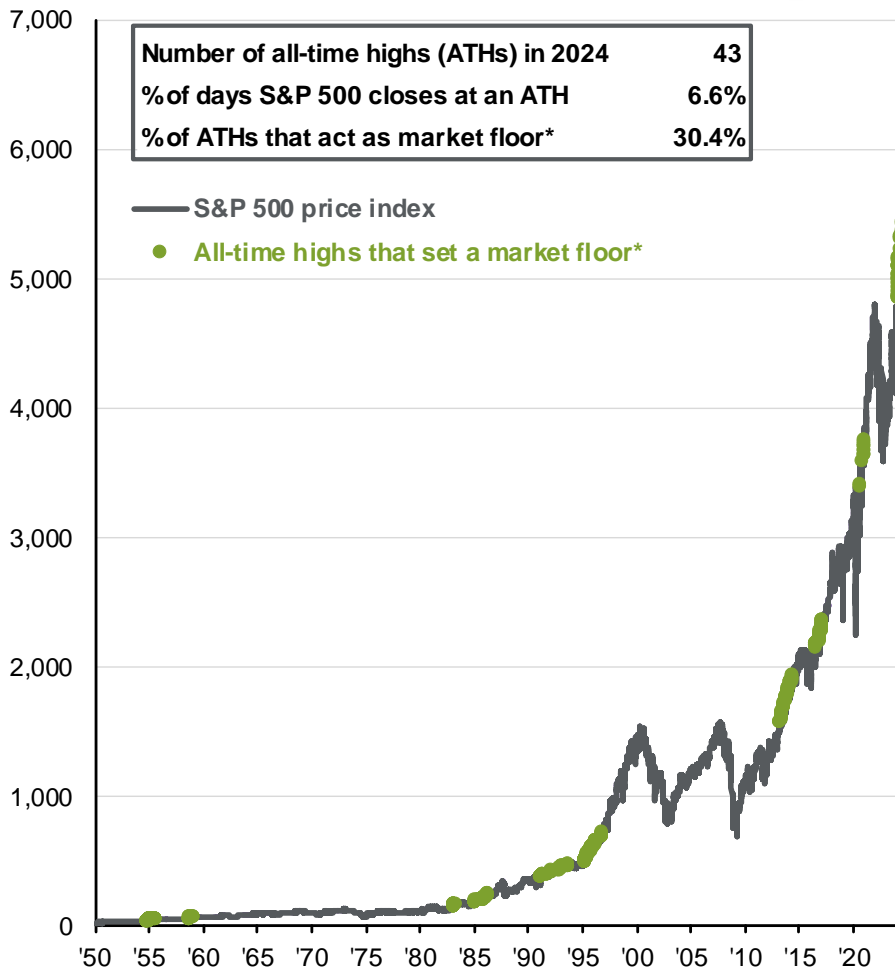
AssetGrade Market Summary

Investing at all-time highs

Don't let market highs dissuade you from investing. Average returns over every time period greater than 3 months are higher investing at market highs because they often signal a market floor.

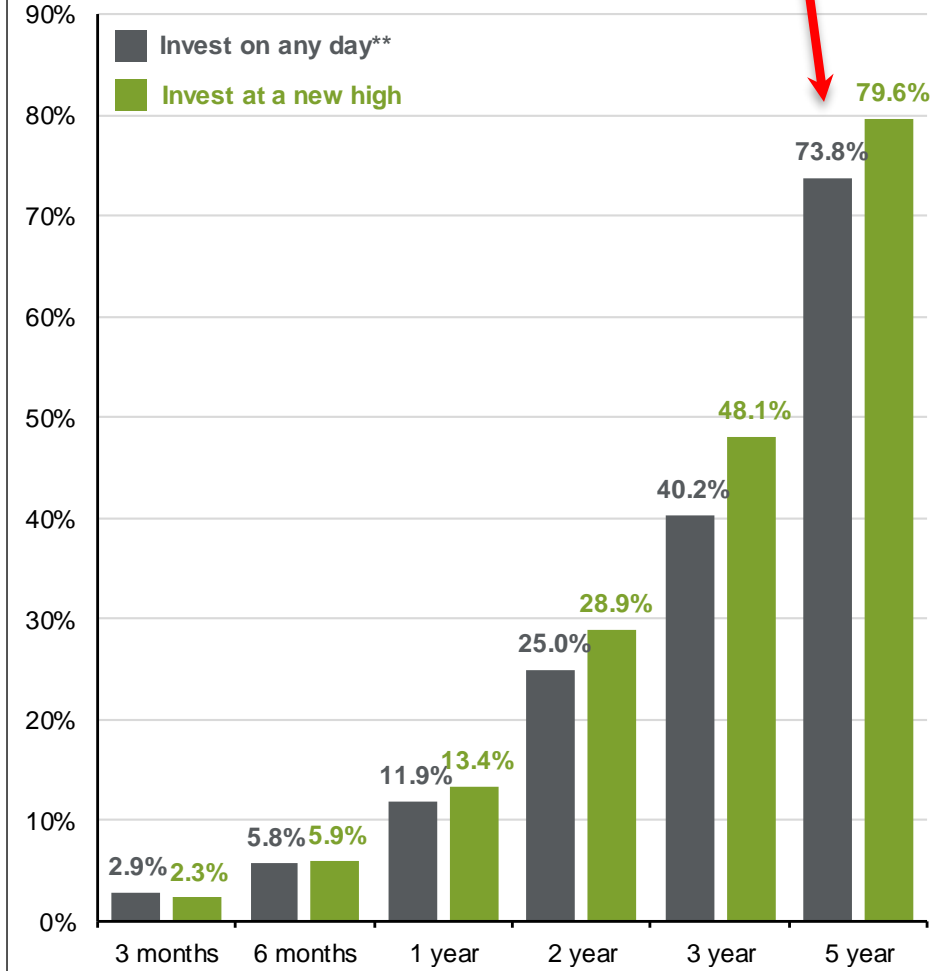
All-time highs and market floors

S&P 500 price index, daily, 1950 - today



Average cumulative S&P 500 total returns

Jan. 1, 1988 - Dec. 31, 2023



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.


(Left) *Market floor is defined as an all-time high from which the market never fell more than 5%. (Right) **"Invest on any day" represents average of forward returns for the entire time period whereas "Invest at a new high" represents average of rolling forward returns calculated from each new S&P 500 high for the subsequent 3-months, 6-months, 1-year, 2-year and 3-year intervals, with data starting 1/1/1988 through 12/31/2023.

Guide to the Markets – U.S. Data are as of September 30, 2024.

AssetGrade Market Summary

Asset class returns

All asset classes, including cash, have posted positive returns year to date.



| 2009-2023 | | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | YTD |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Ann. | Vol. | | | | | | | | | | | | | | | | |
| Large Cap | Small Cap | EM Equity | REITs | REITs | REITs | Small Cap | REITs | REITs | Small Cap | EM Equity | Cash | Large Cap | Small Cap | REITs | Comdty. | Large Cap | Large Cap |
| 14.0% | 21.9% | 79.0% | 27.9% | 8.3% | 19.7% | 38.8% | 28.0% | 2.8% | 21.3% | 37.8% | 1.8% | 31.5% | 20.0% | 41.3% | 16.1% | 26.3% | 22.1% |
| Small Cap | REITs | High Yield | Small Cap | Fixed Income | High Yield | Large Cap | Large Cap | Large Cap | High Yield | DM Equity | Fixed Income | REITs | EM Equity | Large Cap | Cash | DM Equity | EM Equity |
| 11.3% | 21.2% | 59.4% | 26.9% | 7.8% | 19.6% | 32.4% | 13.7% | 1.4% | 14.3% | 25.6% | 0.0% | 28.7% | 18.7% | 28.7% | 1.5% | 18.9% | 17.2% |
| REITs | EM Equity | DM Equity | EM Equity | High Yield | EM Equity | DM Equity | Fixed Income | Fixed Income | Large Cap | Large Cap | REITs | Small Cap | Large Cap | Comdty. | High Yield | Small Cap | REITs |
| 10.9% | 20.3% | 32.5% | 19.2% | 3.1% | 18.6% | 23.3% | 6.0% | 0.5% | 12.0% | 21.8% | -4.0% | 25.5% | 18.4% | 27.1% | -12.7% | 16.9% | 14.2% |
| High Yield | DM Equity | REITs | Comdty. | Large Cap | DM Equity | Asset Alloc. | Asset Alloc. | Cash | Comdty. | Small Cap | High Yield | DM Equity | Asset Alloc. | Small Cap | Fixed Income | Asset Alloc. | DM Equity |
| 8.6% | 18.4% | 28.0% | 16.8% | 2.1% | 17.9% | 14.9% | 5.2% | 0.0% | 11.8% | 14.6% | -4.1% | 22.7% | 10.6% | 14.8% | -13.0% | 14.1% | 13.5% |
| Asset Alloc. | Comdty. | Small Cap | Large Cap | Cash | Small Cap | High Yield | Small Cap | DM Equity | EM Equity | Asset Alloc. | Large Cap | Asset Alloc. | DM Equity | Asset Alloc. | Asset Alloc. | High Yield | Asset Alloc. |
| 8.1% | 16.6% | 27.2% | 15.1% | 0.1% | 16.3% | 7.3% | 4.9% | -0.4% | 11.6% | 14.6% | -4.4% | 19.5% | 8.3% | 13.5% | -13.9% | 14.0% | 12.3% |
| DM Equity | Large Cap | Large Cap | High Yield | Asset Alloc. | Large Cap | REITs | Cash | Asset Alloc. | REITs | High Yield | Asset Alloc. | EM Equity | Fixed Income | DM Equity | DM Equity | REITs | Small Cap |
| 7.4% | 16.1% | 26.5% | 14.8% | -0.7% | 16.0% | 2.9% | 0.0% | -2.0% | 8.6% | 10.4% | -5.8% | 18.9% | 7.5% | 11.8% | -14.0% | 11.4% | 11.2% |
| EM Equity | High Yield | Asset Alloc. | Asset Alloc. | Small Cap | Asset Alloc. | Cash | High Yield | High Yield | Asset Alloc. | REITs | Small Cap | High Yield | High Yield | High Yield | Large Cap | EM Equity | High Yield |
| 6.9% | 11.5% | 25.0% | 13.3% | -4.2% | 12.2% | 0.0% | 0.0% | -2.7% | 8.3% | 8.7% | -11.0% | 12.6% | 7.0% | 1.0% | -18.1% | 10.3% | 9.6% |
| Fixed Income | Asset Alloc. | Comdty. | DM Equity | DM Equity | Fixed Income | Fixed Income | EM Equity | Small Cap | Fixed Income | Fixed Income | Comdty. | Fixed Income | Cash | Cash | EM Equity | Fixed Income | Comdty. |
| 2.7% | 11.5% | 18.9% | 8.2% | -11.7% | 4.2% | -2.0% | -1.8% | -4.4% | 2.6% | 3.5% | -11.2% | 8.7% | 0.5% | 0.0% | -19.7% | 5.5% | 5.9% |
| Cash | Fixed Income | Fixed Income | Fixed Income | Comdty. | Cash | EM Equity | DM Equity | EM Equity | DM Equity | Comdty. | DM Equity | Comdty. | Comdty. | Fixed Income | Small Cap | Cash | Fixed Income |
| 0.8% | 4.5% | 5.9% | 6.5% | -13.3% | 0.1% | -2.3% | -4.5% | -14.6% | 1.5% | 1.7% | -13.4% | 7.7% | -3.1% | -1.5% | -20.4% | 5.1% | 4.4% |
| Comdty. | Cash | Cash | Cash | EM Equity | Comdty. | Comdty. | Comdty. | Comdty. | Cash | Cash | EM Equity | Cash | REITs | EM Equity | REITs | Comdty. | Cash |
| -0.2% | 0.7% | 0.1% | 0.1% | -18.2% | -1.1% | -9.5% | -17.0% | -24.7% | 0.3% | 0.8% | -14.2% | 2.2% | -5.1% | -2.2% | -24.9% | -7.9% | 4.1% |

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.

Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg US Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg US Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period from 12/31/2008 to 12/31/2023. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns.

Guide to the Markets – U.S. Data are as of September 30, 2024.

AssetGrade Market Summary

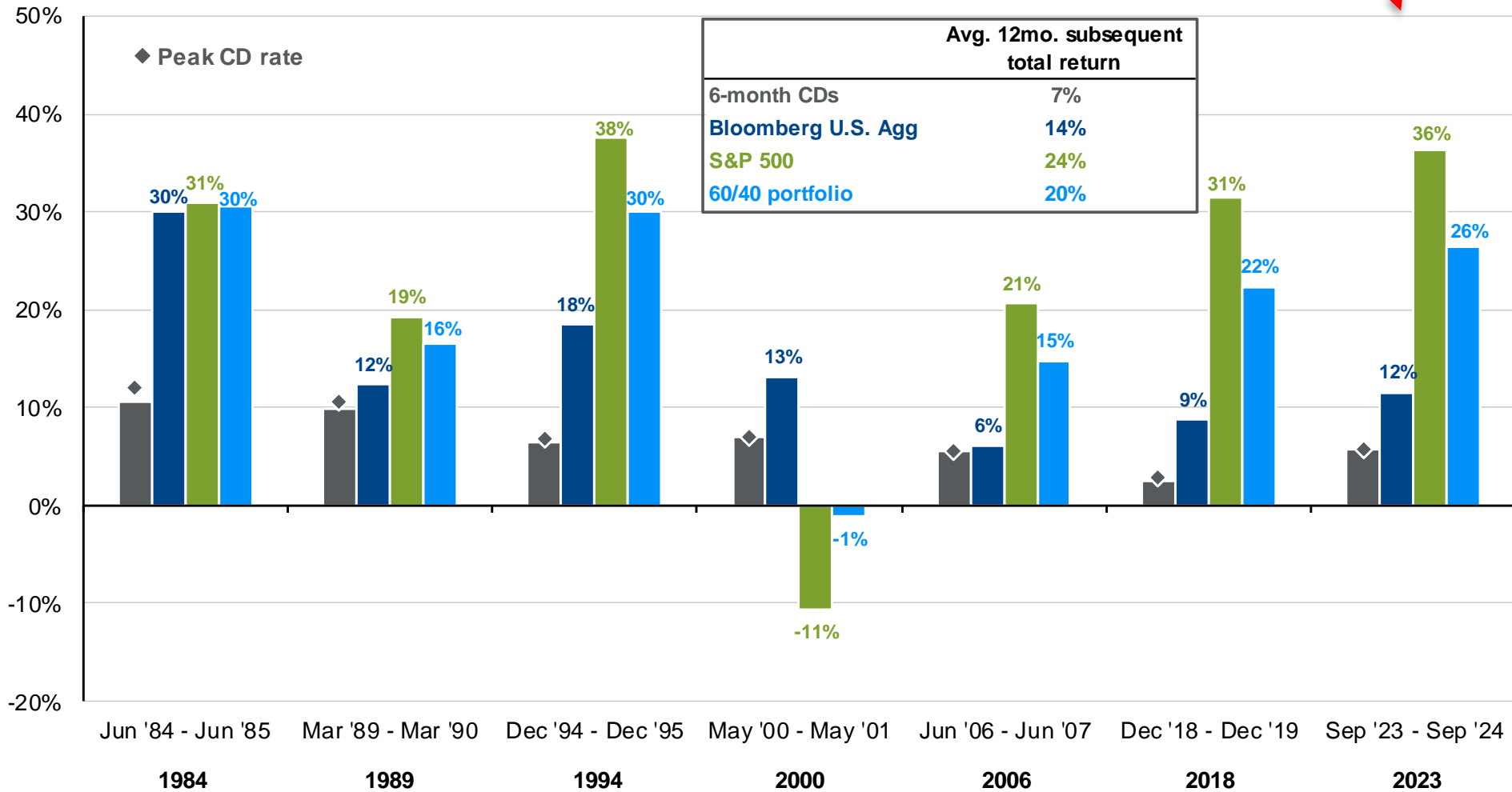
CD rates and other investment opportunities

CD rates peaked 6-months ago.
There is an opportunity cost for having too much cash on the sidelines.



Investment opportunities outside of CDs

Peak 6-month certificate of deposit (CD) rate during previous rate hiking cycles and subsequent 12-month total returns



Source: Bloomberg, FactSet, Federal Reserve, Standard & Poor's, J.P. Morgan Asset Management.

The 60/40 portfolio is 60% invested in S&P 500 Total Return Index and 40% invested in Bloomberg U.S. Aggregate Total Return Index. The analysis references the month in which the month-end 6-month CD rate peaked during previous rate hiking cycles. CD rate data prior to 2013 are sourced from the Federal Reserve, whereas data from 2013 to 2023 are sourced from Bloomberg. CD subsequent 12-month return calculation assumes reinvestment at the prevailing 6-month rate when the initial CD matures.

Guide to the Markets – U.S. Data are as of September 30, 2024.



AssetGrade Market Summary

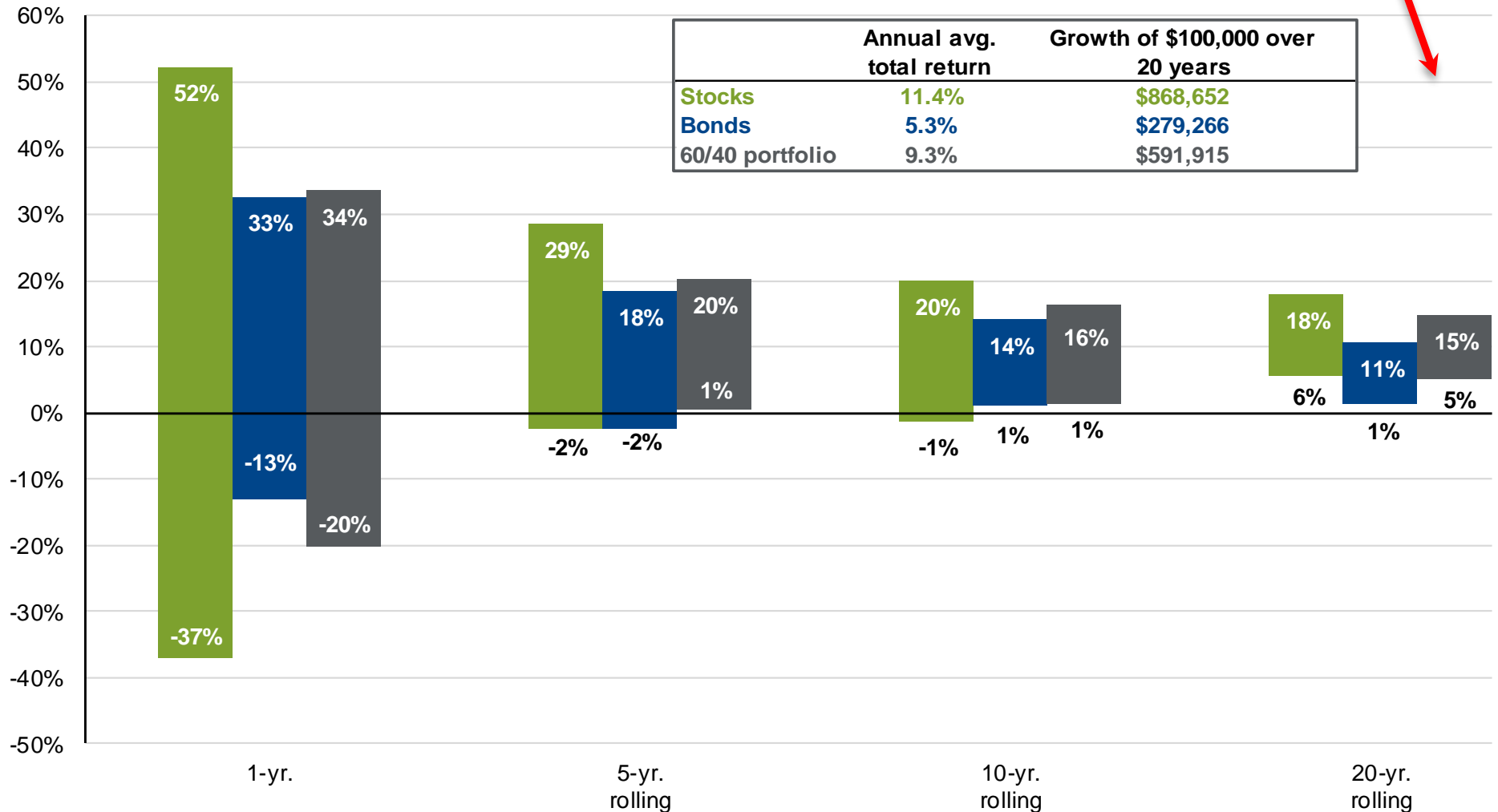
Time, diversification and the volatility of returns

Patient and diversified investors are rewarded over long periods of time.



Range of stock, bond and blended total returns

Annual total returns, 1950-2023



Source: Bloomberg, FactSet, Federal Reserve, Robert Shiller, Standard & Poor's, Strategas/Ibbotson, J.P. Morgan Asset Management.

Returns shown are based on calendar year returns from 1950 to 2023. Stocks represent the S&P 500 Shiller Composite for periods prior to 1936 and the S&P 500 thereafter. Bonds represent Strategas/Ibbotson for periods prior to 1976 and the Bloomberg Aggregate thereafter. Growth of \$100,000 is based on annual average total returns from 1950 to 2023.

Guide to the Markets – U.S. Data are as of September 30, 2024.

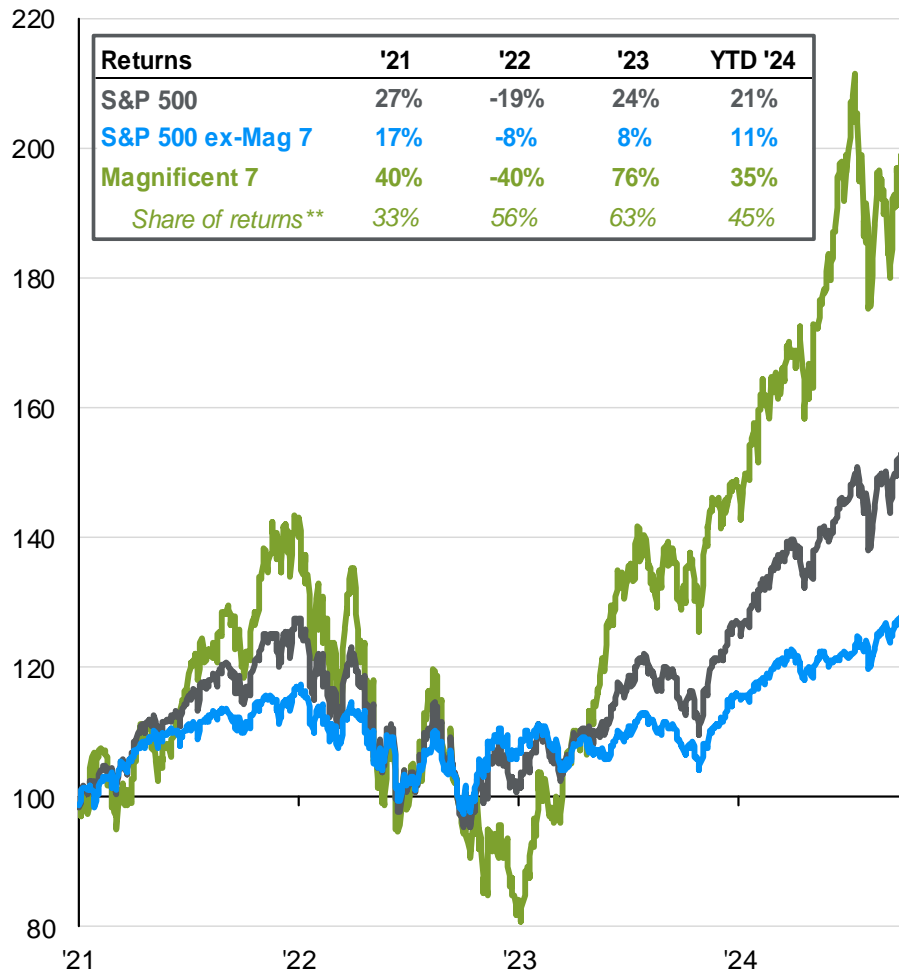
AssetGrade Market Summary

Magnificent 7 performance and earnings dynamics

Relative to 2023, the "Magnificent 7's" share of the S&P 500 Index return is decreasing, albeit still high.

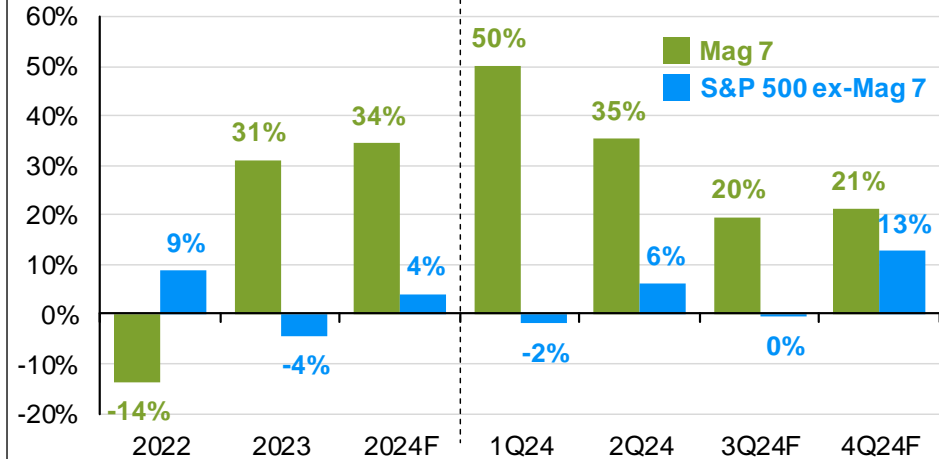
Performance of "Magnificent 7" stocks in S&P 500*

Indexed to 100 on 1/1/2021, price return



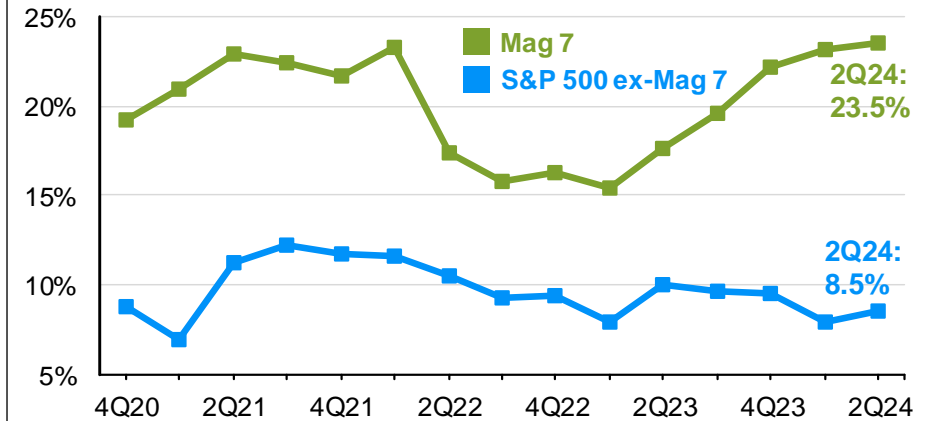
Earnings growth

Pro-forma EPS, y/y



Profit margins

Quarterly earnings/sales



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

*Magnificent 7 includes AAPL, AMZN, GOOG, GOOGL, META, MSFT, NVDA and TSLA. Earnings estimates for 2024 are forecasts based on consensus analyst expectations. **Share of returns represent how much each group contributed to the overall return. Numbers are always positive despite negative performance in 2022.

Guide to the Markets – U.S. Data are as of September 30, 2024.

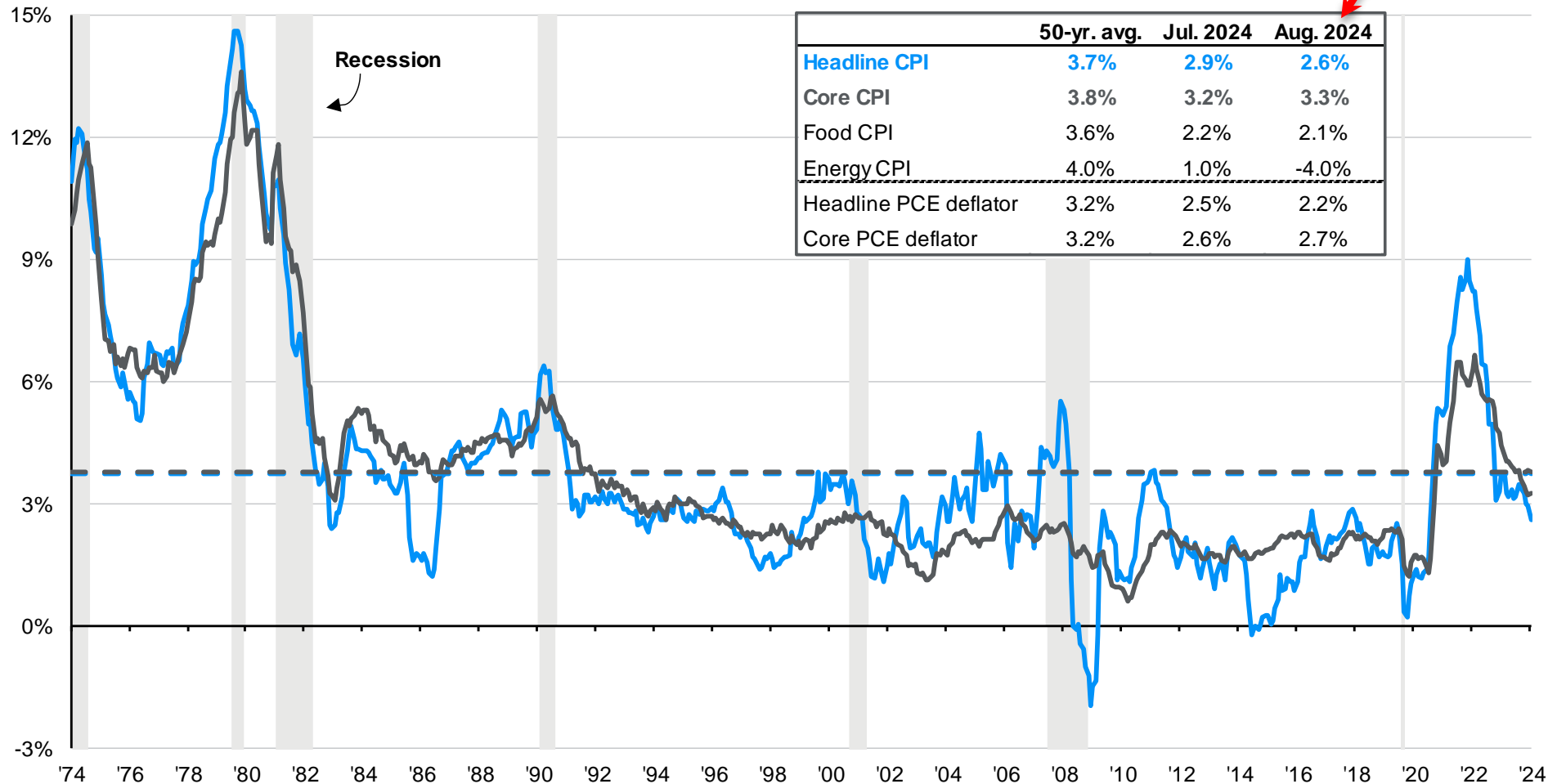
AssetGrade Market Summary

Inflation

Inflation is on a steady path back to 2%. A major drop in energy prices has translated into lower prices at the pump.

CPI and core CPI

% change vs. prior year, seasonally adjusted



Source: BLS, FactSet, J.P. Morgan Asset Management.

CPI used is CPI-U and values shown are % change vs. one year ago. Core CPI is defined as CPI excluding food and energy prices. The Personal Consumption Expenditure (PCE) deflator employs an evolving chain-weighted basket of consumer expenditures instead of the fixed-weight basket used in CPI calculations.

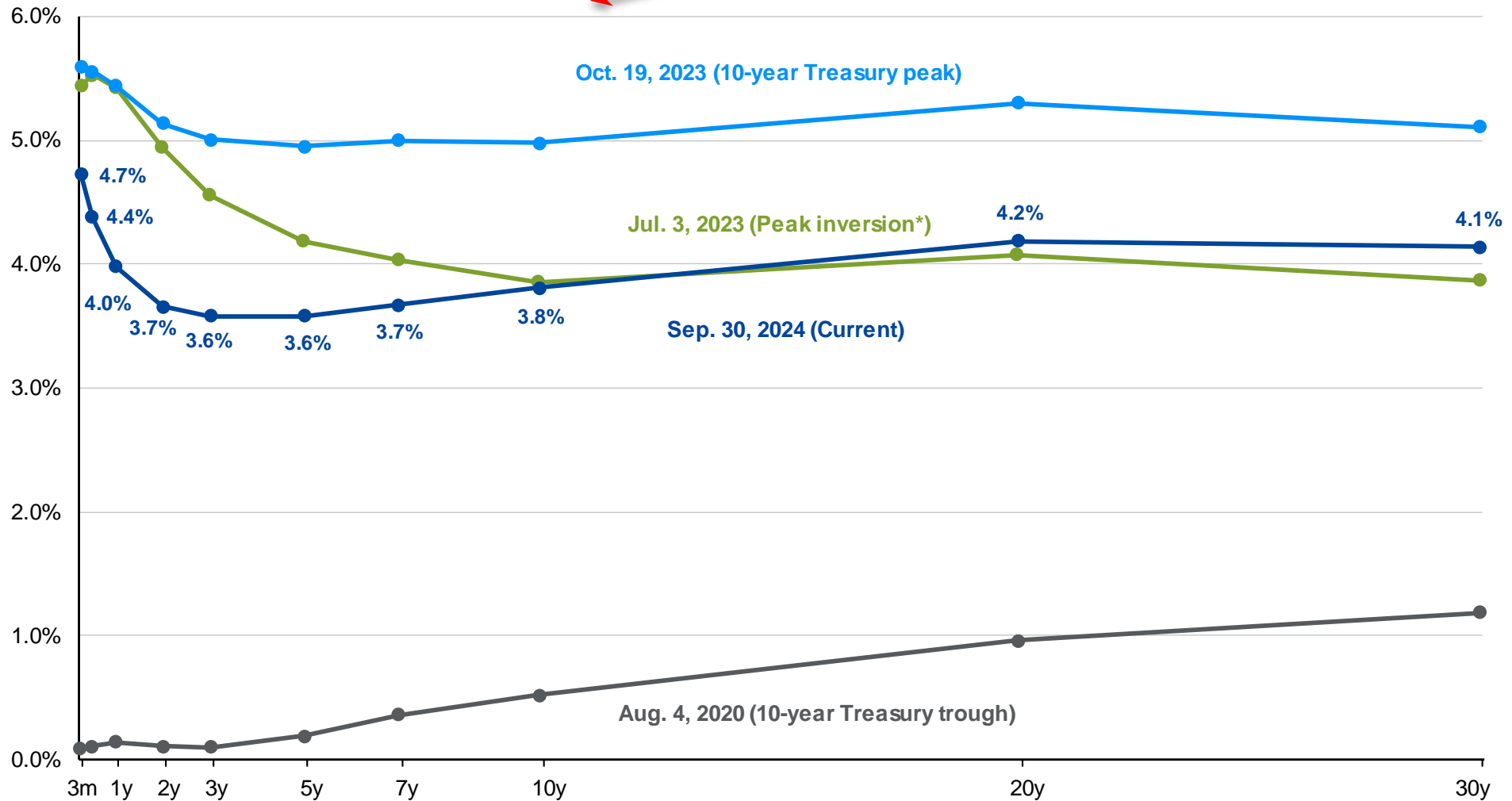
Guide to the Markets – U.S. Data are as of September 30, 2024.

AssetGrade Market Summary

Yield curve

Yield curves allow fixed-income investors to compare similar Treasury investments with different maturities, as a means to balance risk-reward. The yield curve remains inverted at the short-end, and is flattening out and turning positive between the 3yr to 10yr.

U.S. Treasury yield curve



Source: FactSet, Federal Reserve, J.P. Morgan Asset Management. Analysis references data back to 2020. *Peak inversion is measured by the spread between the yield on a 10-year Treasury and 2-year Treasury.
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AssetGrade Market Summary

Fixed income market dynamics

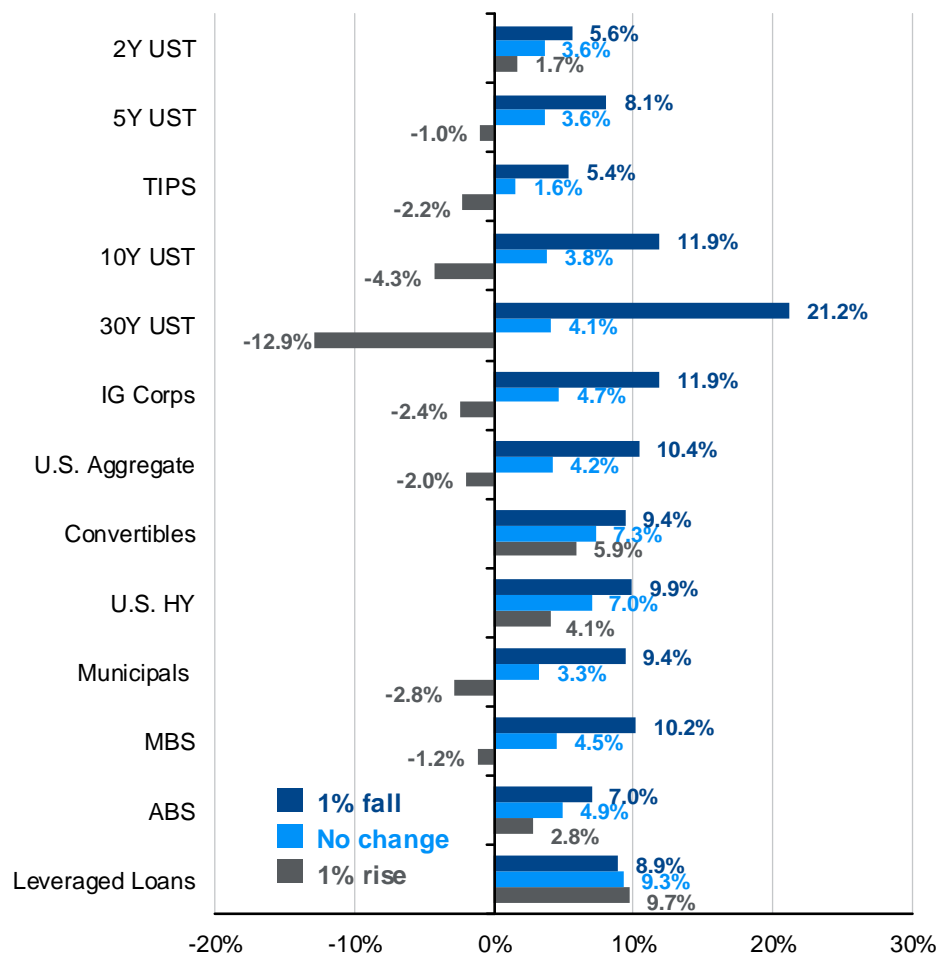
With the exception of the 30-year Treasury, we've seen a drop in yields across the board since the start of 2023. There is an inverse relationship between bond yields and prices, this drop in yields has translated into improved performance for bonds.



| U.S. Treasuries | Yield | | Return | | | |
|------------------------|-----------|------------|----------|---------------|------------------------|------------------------|
| | 9/30/2024 | 12/31/2023 | 2024 YTD | Avg. Maturity | Correlation to 10-year | Correlation to S&P 500 |
| 2-Year | 3.66% | 4.23% | 3.99% | 2 years | 0.75 | 0.00 |
| 5-Year | 3.58% | 3.84% | 3.99% | 5 | 0.94 | -0.03 |
| TIPS | 1.56% | 1.72% | 4.85% | 7.4 | 0.73 | 0.33 |
| 10-Year | 3.81% | 3.88% | 3.65% | 10 | 1.00 | -0.08 |
| 30-Year | 4.14% | 4.03% | 1.42% | 30 | 0.93 | -0.12 |
| Sector | | | | | | |
| U.S. Aggregate | 4.23% | 4.53% | 4.45% | 8.4 | 0.89 | 0.24 |
| IG Corps | 4.72% | 5.06% | 5.32% | 10.9 | 0.68 | 0.46 |
| Convertibles | 7.28% | 7.26% | 8.11% | - | -0.06 | 0.86 |
| U.S. HY | 6.99% | 7.59% | 8.00% | 4.8 | 0.06 | 0.78 |
| Municipals | 3.32% | 3.22% | 2.30% | 13.6 | 0.71 | 0.25 |
| MBS | 4.53% | 4.68% | 4.50% | 7.0 | 0.81 | 0.25 |
| ABS | 4.93% | 5.65% | 6.12% | 2.4 | 0.38 | 0.23 |
| Leveraged Loans | 9.33% | 10.59% | 6.76% | 4.6 | -0.24 | 0.61 |

Fixed income returns in different interest rate scenarios

Total return, assumes a parallel shift in the yield curve



Source: Bloomberg, FactSet, Standard & Poor's, U.S. Treasury, J.P. Morgan Asset Management. Sectors shown above are provided by Bloomberg unless otherwise noted and are represented by – U.S. Aggregate; MBS: U.S. Aggregate Securitized - MBS; ABS: J.P. Morgan ABS Index; IG Corporates: U.S. Corporates; Municipals: Muni Bond; High Yield: Corporate High Yield; Leveraged Loans: J.P. Morgan Leveraged Loan Index; TIPS: Treasury Inflation-Protected Securities; Convertibles: U.S. Convertibles Composite. Convertibles yield is as of most recent month-end and is based on U.S. portion of Bloomberg Global Convertibles Index. Yield and return information based on bellwethers for Treasury securities. Yields shown for TIPS are real yields. Sector yields reflect yield-to-worst. Leveraged loan yields reflect the yield to 3Y takeout. Correlations are based on 15-years of monthly returns for all sectors. ABS returns prior to June 2012 are sourced from Bloomberg. Past performance is not indicative of future results.

Guide to the Markets – U.S. Data are as of September 30, 2024.

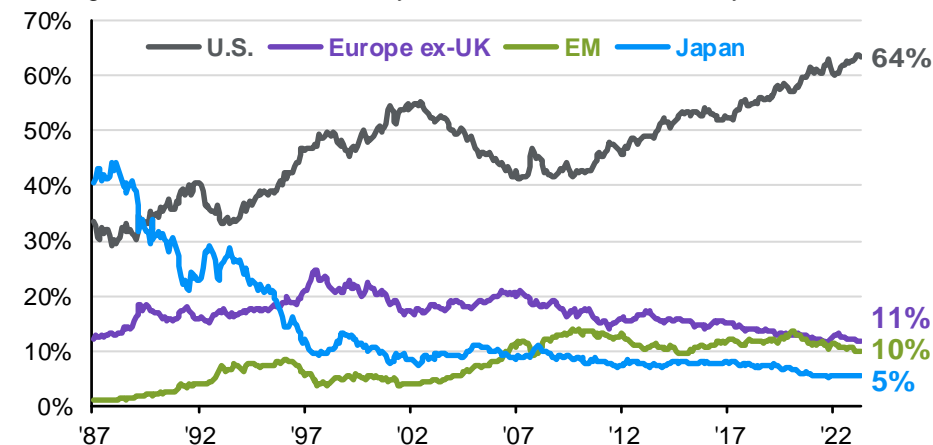
AssetGrade Market Summary

Global equity markets

| Returns | YTD 2024 | | 2023 | | 15-years | |
|---------------------------|----------|-------|-------|-------|----------|------|
| | Local | USD | Local | USD | Ann. | Beta |
| Regions | | | | | | |
| U.S. (S&P 500) | - | 22.1 | - | 26.3 | 14.1 | 1.0 |
| AC World ex-U.S. | 14.7 | 14.7 | 14.7 | 16.2 | 6.0 | 1.0 |
| EAFE | 12.5 | 13.5 | 16.8 | 18.9 | 6.5 | 1.0 |
| Europe ex-UK | 12.1 | 12.8 | 17.3 | 22.7 | 6.9 | 1.1 |
| Emerging markets | 18.7 | 17.2 | 10.3 | 10.3 | 4.5 | 1.0 |
| Selected Countries | | | | | | |
| Japan | 14.4 | 12.7 | 29.0 | 20.8 | 6.4 | 0.7 |
| United Kingdom | 9.7 | 15.4 | 7.7 | 14.1 | 5.8 | 1.0 |
| France | 5.1 | 6.2 | 18.1 | 22.3 | 6.7 | 1.2 |
| Canada | 17.4 | 14.6 | 13.3 | 16.4 | 6.4 | 1.1 |
| Germany | 16.5 | 17.7 | 19.8 | 24.0 | 6.2 | 1.3 |
| China | 28.8 | 29.6 | -10.6 | -11.0 | 3.7 | 0.9 |
| Taiwan | 34.7 | 30.6 | 31.1 | 31.3 | 12.3 | 1.0 |
| India | 26.7 | 25.8 | 22.0 | 21.3 | 8.2 | 0.9 |
| Brazil | -1.5 | -12.6 | 22.7 | 33.4 | -0.3 | 1.3 |

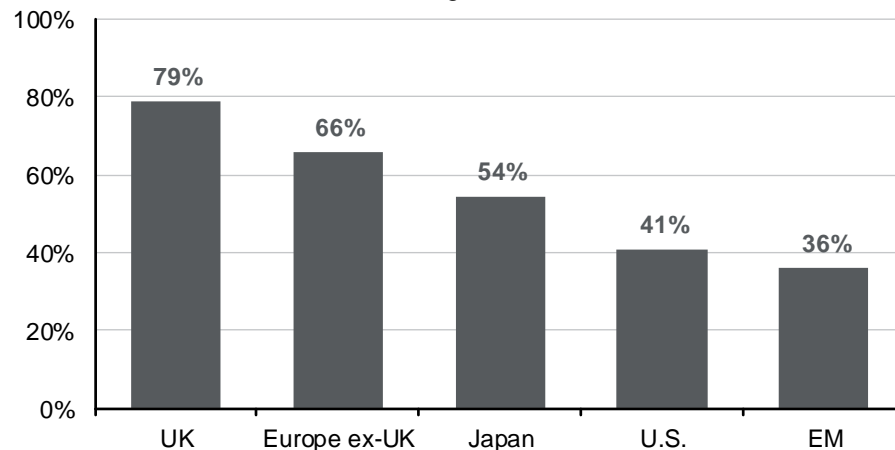
Share of global market capitalization

% weight in the MSCI All Country World Index, USD, monthly



Revenue exposure vs. country of listing

% of total revenue derived from foreign countries



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. (Left) All return values are MSCI Total Return Index (Gross) data. 15-year history based on USD returns. 15-year return and beta figures are calculated using a rolling 12-month time period ending with the previous month-end. Beta is for monthly returns relative to the MSCI All Country World Index. Annualized volatility is calculated as the standard deviation of quarterly returns multiplied by the square root of four. Chart is for illustrative purposes only. Please see disclosure page for index definitions. Past performance is not a reliable indicator of current and future results. (Bottom right) Revenue exposure data are as of the previous quarter-end. *Guide to the Markets* – U.S. Data are as of September 30, 2024.

Appendix

Disclosures

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All indexes are unmanaged, and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **Dow Jones Industrial Average** is a price-weighted average of 30 actively traded blue-chip U.S. stocks.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI EAFE Index(Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The **MSCI Pacific Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Pacific region.

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

The **Russell 1000 Growth Index®** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index®** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

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

The **Russell 2000 Growth Index®** measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index®** measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 3000 Index®** measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

The **Russell Midcap Index®** measures the performance of the 800 smallest companies in the Russell 1000 Index.

The **Russell Midcap Growth Index®** measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

The **Russell Midcap Value Index®** measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value index.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

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Disclosures

Fixed income:

The **Bloomberg Barclays 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The **Bloomberg Barclays Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Bloomberg Barclays Municipal Index**: consists of a broad selection of investment-grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

The **Bloomberg Barclays US Dollar Floating Rate Note (FRN) Index** provides a measure of the U.S. dollar denominated floating rate note market.

The **Bloomberg Barclays US Corporate Investment Grade Index** is an unmanaged index consisting of publicly issued US Corporate and specified foreign debentures and secured notes that are rated investment grade (Baa3/BBB or higher) by at least two ratings agencies, have at least one year to final maturity and have at least \$250 million par amount outstanding. To qualify, bonds must be SEC- registered.

The **Bloomberg Barclays US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The **Bloomberg Barclays US Mortgage Backed Securities Index** is an unmanaged index that measures the performance of investment grade fixed-rate mortgage backed pass-through securities of GNMA, FNMA and FHLMC.

The **Bloomberg Barclays US TIPS Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

The **J.P. Morgan Emerging Market Bond Global Index(EMBI)** includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The **J.P. Morgan Domestic High Yield Index** is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

The **J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (CEMBI Broad Diversified)** is an expansion of the **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**. The CEMBI is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

Other asset classes: The **Alerian MLP Index** is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for the asset class. The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc. The **Cambridge Associates U.S. Global Buyout and Growth Index®** is based on data compiled from 1,768 global (U.S. & ex – U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013. The **CS/Tremont Hedge Fund Index** is compiled by Credit Suisse Tremont Index, LLC. It is an asset-weighted hedge fund index and includes only funds, as opposed to separate accounts. The Index uses the Credit Suisse/Tremont database, which tracks over 4500 funds, and consists only of funds with a minimum of US\$50 million under management, a 12-month track record, and audited financial statements. It is calculated and rebalanced on a monthly basis, and shown net of all performance fees and expenses. It is the exclusive property of Credit Suisse Tremont Index, LLC. The **HFRI Monthly Indices (HFRI)** are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database. The **NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List. The **NFI-ODCE**, short for NCREIF Fund Index - Open End Diversified Core Equity, is an index of investment returns reporting on both a historical and current basis the results of 33 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted.

The **U.S. Treasury Index** is a component of the U.S. Government index.