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CHIEF INVESTMENT OFFICE

Capital Market Outlook

May 16, 2022

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

IN THIS ISSUE

Macro Strategy—*Intensifying Global Headwinds:* The world energy market is facing serious supply challenges in the wake of insufficient oil and gas investment since the start of the pandemic and European plans to abruptly reduce the region's dependence on Russian energy imports, with broad ramifications across the global economy.

The crisis has prompted a redirection of Russian supplies to other importers, a ramp-up of liquefied natural gas (LNG) import/export capacity, and efforts to accelerate the transition to green energy. In the short to near term, however, much of the adjustment to limited supply will likely continue to take place on the demand side, creating headwinds to global economic growth.

Market View—*The Markets Are Captive to a Toxic Trifecta:* Constructing a market bottom requires that the Federal Reserve (Fed) gain the upper hand on inflation; China becomes more tolerant of the coronavirus and reflates; and Europe counters the spike in energy costs with fiscal and monetary levers, and the Ukraine crisis abates.

Until these policy shifts start to materialize or take shape, investors will continue to swirl in a stew of uncertainty and remain captive to a most toxic trifecta.

Thought of the Week—*Midterm Elections And Stock Market Returns: Past is Prologue?:* History seems to be repeating itself: Midterm election years are tough on stocks, with market weakness common/not unusual ahead of midterm elections. Just as common: post-election market rebounds.

In addition, stock returns are weakest in the second year of presidential term but strongest in the third year.

MACRO STRATEGY ▶

Chief Investment Office
Macro Strategy Team

MARKET VIEW ▶

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

Lauren J. Sanfilippo
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THOUGHT OF THE WEEK ▶

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

MARKETS IN REVIEW ▶

Data as of 5/16/2022, and subject to change

Portfolio Considerations

Given our view that competing forces—inflation and slower growth—are likely to cast large shadows through the balance of the year, we reduced our Equity overweight relative to Fixed Income, by lowering International Developed Market Equities to a slight underweight and trimming our overweight to Small-cap Value. We will add the balance of allocations from the downgraded areas to Fixed Income and cash evenly. This month we also adjusted our sector allocations to balance cyclical and defensive positioning. We continue to emphasize a diversified, balanced and measured approach to asset allocation. For investors able to assume a lower level of liquidity, we believe Alternative Investments (AI) for qualified investors, including Real Assets, can also help diversify and balance out risks in a multi-asset portfolio.

MACRO STRATEGY

Intensifying Global Headwinds

Chief Investment Office, Macro Strategy Team

Although recent U.S. economic data have remained broadly consistent with robust growth by historical standards, they have also offered increasingly clear signs of strain from surging inflation, global energy supply shortages, the escalation of the Ukraine crisis, and Chinese pandemic-related disruptions to economic activity, both domestically and globally. For example, the Bureau of Labor Statistics reported that April nonfarm employment rose by a strong 428,000, with widespread gains keeping the unemployment rate at 3.6%. However, at just above 51 compared to 54.5 at the beginning of the year, the three-month weighted average of the Institute for Supply Management (ISM) manufacturing and nonmanufacturing employment components suggests a meaningful softening in U.S. employment growth momentum.

With the ISM manufacturing and nonmanufacturing surveys likely to deteriorate in coming quarters, as discussed in previous reports, softening employment growth as 2022 progresses would not be surprising. For example, though still in expansion territory, the ISM manufacturing new orders index has weakened substantially over the past three months. As discussed in our May 9 Capital Market Outlook (CMO), we also expect the overall index to drop closer to 50, the level which tends to mark the line between recession and expansion this year, with risks to the downside. Also as discussed in prior reports, the ISM service-sector outlook has darkened due to an increasingly limited supply of new and existing homes for sale, which constrains consumer spending on housing-related durable goods. With home construction significantly lagging housing demand for more than a decade, the inventory of vacant homes has markedly declined, currently standing at almost a 40-year low. While housing starts and building permits edged higher in March, single-home starts and permits inched down, and overall construction remains too low to alleviate inventory tightness. As a result, housing affordability is poised to drop further even before accounting for the effect of rapidly rising mortgage rates. In our view, despite normalizing high-contact service sector activity, leading indicators related to home selling suggest a sharp decline in the ISM index for services by the end of 2022 that would amplify the negative effect on the economy coming from the souring manufacturing outlook discussed last week.

The excessive pandemic fiscal stimulus and ensuing inflation surge have much to do with the swift up-cycle/down-cycle moves in the economic outlook. Their confluence with housing supply woes as well as with the Ukraine crisis and related energy market turmoil is causing the current business cycle to move into its late-stage at an unusually rapid pace. The surge in natural gas prices is just another downtrend accelerator. Indeed, it didn't take long for U.S. natural gas prices to more than double from $2.9/million British Thermal Unit (mmBTU) in May 2021 to about $7/mmBTU in May 2022 due to strong LNG demand from Europe to replenish inventories ahead of winter as it abruptly shifts away from Russian supplies. While Asian and European natural gas prices remain about three to four times higher than in the U.S., the surge in gasoline and natural-gas prices here is still large enough to constrain households' discretionary spending as the year progresses, with negative effects on economic growth.

In fact, the Energy Information Administration (EIA) expects natural gas to increase further to an average of $8.60/mmBtu in the second half of 2022, as U.S. storage levels remain below their five-year average. What's more, with April inventories 17% below the five-year average and forecast to end the 2022 injection season (end of October) 9% below, risks to prices are to the upside in the case of a hotter-than-expected summer, according to the EIA. Lower-than-average U.S. storage levels are expected due to: 1) reduced opportunities to switch from natural gas to coal for power generation keeping demand for natural gas high despite elevated prices, and 2) expectations for LNG exports to remain high.

For 2023, the EIA expects prices to moderate to an average of $4.74/mmBtu based on the assumption that domestic natural gas production expands at a faster pace next year (5.2% versus 3.4% in 2022) while LNG export and domestic demand growth slow, helping boost storage levels. For example, U.S. LNG exports are on track to rise 23% this year as a result of capacity expansion, but just 5% in 2023 because of capacity limitations.

Aside from its effect on consumer discretionary spending as well as various negative industrial production effects, the spike in global natural gas prices has resulted in an eye-popping surge in

Investment Implications

Tight energy supplies and rapidly changing crisis-affected global supply patterns are likely to keep energy prices elevated and energy producers' profits rising as a share of the overall profits pie. We maintain our overweight allocation to the Energy sector.

the price of ammonia, the primary source of nitrogen fertilizer, with adverse effects on future global crop yields, food prices and food availability. Ammonia prices generally follow natural gas, its primary raw material. With approximately 14% of total U.S. ammonia consumption met by imports and the global ammonia market highly interconnected, the U.S. price of ammonia closely follows international ammonia prices, matching the European price increase from $300/ton to $1,800/ton since January 2021, according to EIA data.

The market will adapt/adjust to this challenge to some extent. For example, some countries have stockpiles of wheat and other grains and can export some to countries that disproportionately relied on imports from Russia and Ukraine (although export bans are increasingly being implemented to protect domestic food supplies). Also, some countries are trying to boost their production to fill the gaps created around the world by the crisis. Still, many are expected to have to tighten their belts and to also consume fewer other goods and services. In any case, a difficult period is likely ahead, and the longer the Ukraine crisis and related energy and agricultural production/trade disruptions last, the bigger the risks and necessary adjustments are likely to be.

Adjustments have already begun on the energy front, including surging U.S. LNG exports to Europe and extending nuclear power plant licenses in various countries. Global coal demand and prices have also surged to fill the gap. Also, according to industry reports,[1] despite lower production, Russian oil exports have reached post-pandemic highs of 5 million barrels per day (mb/d) in April, helped by quadrupling Indian purchases to 0.9 mb/d from February levels as a result of heavy price discounts (about $30/barrel less than Brent). In addition, Russia has already approved a pipeline to export natural gas from Western Siberia to Northern China and is expected to increase LNG exports to China as the first train of the Arctic LNG-2 project prepares to commence operations.

Still, it remains to be seen how much more Russian oil can be redirected in the short term. More exports to Asia will take time and massive infrastructure investments. Importantly, in the face of limited storage capacity, a sudden drop in Russian exports would force massive and likely irreversible well capping, which would increase the strains on already limited global surplus production capacity. At the same time, financial sanctions and the exit of major international oil companies (limiting Russia's access to enhanced oil recovery technologies) make developing new fields there more challenging, further reducing the outlook for liquid fuel supply in a world already falling about 35% short of annual required oil-and-gas investment (short about $200 billion per year, according to Moody's Research).

In another adjustment example, while Europe is facing growing risks of a severe economic downturn and the U.S. is starting to face growth headwinds sooner than in past cycles, Saudi Arabia is expected to grow 6% to 10% this year and Iraq 10%. According to a May 5, 2022, Wall Street Journal article, oil exporters in the Middle East and North Africa are receiving about $320 billion this year more than expected due to high oil prices, with the economies of the core Arab oil producers set to expand the most of any major economic region in the world. Overall, however, the boycott of Russian energy and shock to confidence caused by the prolonged crisis between Russia and Ukraine pose significant headwinds to global growth.

All in all, Europe is moving full force away from Russian natural gas, sending powerful shock waves around the world economy. Russian oil output also started to decline in March, falling by around 7.5% by mid-April. With the effect of sanctions and boycotts on its exports expected to take full effect in May, Russia could see crude oil production fall by 17% (or 2 million b/d) in 2022, according to an April 27, 2022, Reuters report. Rerouting of Russian exports takes time, and finding new oil sources in a world operating close to full capacity to replace Russian supply in Europe and the U.S. will not be easy, as reports of serious diesel shortages developing in Europe and the U.S. East Coast make clear. While crude oil prices have softened some as a result of Chinese demand weakness in light of ongoing pandemic shutdowns, the market is seen tightening again once shutdowns ease. Adding it all up, energy prices are likely to stay elevated in a supply-constrained world, keeping, keeping downward pressures on global growth.

[1] May 10, 2022, Oilprice.com.

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MARKET VIEW

The Markets are Captive to a Toxic Trifecta

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

Lauren J. Sanfilippo, Director and Senior Investment Strategy Analyst

Rarely have the stars so malignantly aligned for investors. The global capital markets are struggling with not just one seismic challenge like elevated rates of inflation not seen in decades in the U.S. and elsewhere. Nor two: a pandemic that is sapping China of its economic vigor, creating negative ripple effects for the rest of the world. But rather three tectonic market-moving hazards when the brutal invasion in the heart of Europe is added to the mix. Stir the three together—inflation, pandemic, invasion—and you've got one toxic trifecta.

So virulent is this stew that S&P 500 total returns in the first four-and-a-half months of 2022 are the worst in over 50 years, down 15% since the start of the year (Exhibit 1A). Overseas, returns have been even worse: with with Germany's DAX Index down 19% for the year, China's Shanghai Composite Index has fallen 20%, and Russia's main Index, the MOEX, is down a depressed 30% year-to-date (YTD).

Despite the fact that the markets have priced in a number of negative variables, we still expect the markets to remain choppy and volatile over the near term. Putting a bottom beneath asset prices requires that policy makers gain the upper hand on inflation, come to grips with the virus, and find an exit ramp from the Ukraine crisis. At this juncture, we are still waiting and watching. And keep in mind seasonality—as Exhibit 1B depicts—May-October returns are typically among the weakest based on historical patterns. The hits keep coming.

Portfolio Positioning

Investors should consider maintaining a well-diversified portfolio during times of heightened volatility. We remain underweight Fixed Income and within Equities suggest focusing on U.S. over International, Value and Commodity-based cyclicals. Real Assets could add additional diversification and inflation protection to portfolios.

Exhibit 1: A Bad Start to 2022 and Poor Seasonality May through October.

A) 2022: Worst Start to a Year in Over 50 Years

Year	% TR
2022	-15.1
2020	-12.1
1973	-7.5
1977	-6.5
2002	-5.9
1974	-5.9
2001	-5.2
2005	-4.1
1994	-3.8
2008	-3.7
2000	-2.9
1984	-2.4
1981	-2.3
1982	-1.6
2009	-1.1

B) Average S&P 500 6-Month Return; (1905-present)

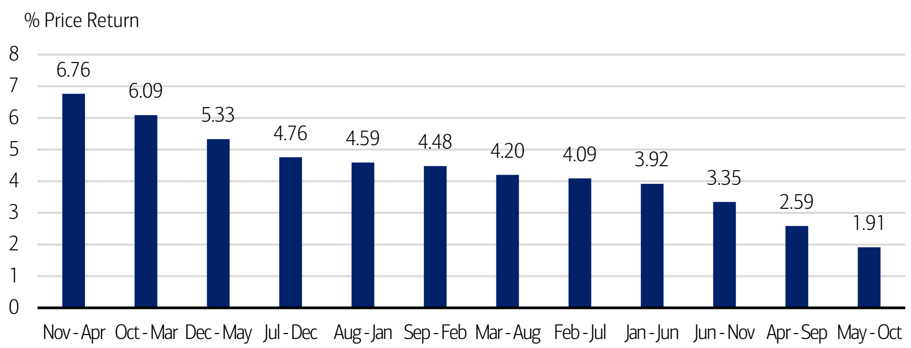


Exhibit 1A Source: Bloomberg. Data 01/01-05/13 for each year. Data as of 5/13/2022. Exhibit 1B Sources: Bloomberg; Goldman Sachs. Data through April month end 2022. **Past performance is no guarantee of future results.**

Meanwhile, the Chief Investment Office (CIO) has lowered its risk budget across most portfolios and asset classes. As spelled out in the CIO's May Viewpoint "Clash of Competing Forces," we have lowered our Equity overweight relative to Fixed Income by lowering International Developed Markets and trimming exposure to Small-cap Value. We have added to cash and Fixed Income, and adjusted our sector allocations, raising our allocation to Real Estate, Health Care and Utilities, while lowering our outlook for Technology and Industrials to neutral. We remain overweight Energy, Materials and Financials, and continue to emphasize portfolio construction that is underpinned by high-quality, diversified assets across all spectrums.

Reconciling Policy Follies

Correcting for past policy failures will dictate the near-term trajectory of asset prices. In the U.S., this pivots on the Fed and its ability to engineer a "soft landing." The latter isn't impossible, with the *Financial Times* recently noting that in seven of the last 11 occasions of Fed tightening cycles, the Fed did engine a "soft landing."[2] However, today's elevated price levels—April consumer price index (CPI) at 8.3%, Core at 6.2%—makes a "soft landing" scenario that much more difficult.

True, headline inflation edged down last month (from 8.5% in March), but the consensus remains that inflation is expected to remain persistently higher for longer, meaning a more hawkish stance from the Fed in terms of raising the fed funds rate and reducing the Fed's

[2] "Soft Landing is possible in the U.S. but unlikely," Martin Wolf, *Financial Times*, May 11, 2022.

balance sheet. How fast and far the Fed will need to go in reanchoring inflation and inflation expectations remains unclear. Less hazy: The risks of a U.S. recession are rising, with the initial read of real GDP decreasing at a 1.4% annualized rate in Q1. The "second" estimate is due at the end of the month and is expected to be better.

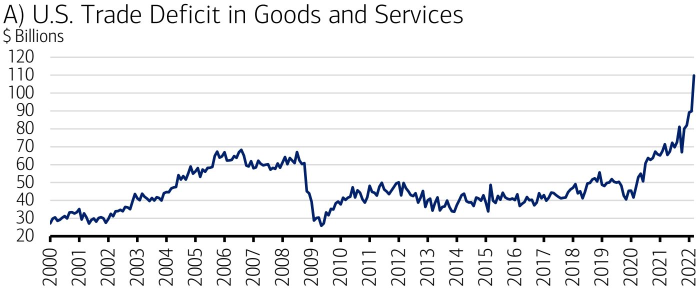
But as Exhibit 2A depicts, America's deteriorating trade picture could be the catalyst for much weaker-than-expected U.S. growth over the near term. To wit, America's monthly trade deficit in goods and services hit a staggering $110 billion in March, emblematic of strong consumer demand in the U.S. juxtaposed against softening demand overseas, notably in Europe and the emerging markets. The stronger U.S. dollar isn't helping matters either. That said, slower-than-expected real GDP growth—not a recession—is our operating base case for the U.S. over the next 12 to 18 months. In the face of a hawkish Fed are numerous growth tailwinds: the fading pandemic; a flush consumer with some $2 trillion in excess savings; the need for massive inventory rebuilding; well-capitalized Corporate America; and the lagged effects of the massive monetary stimulus of the past two years.

In China, the near-term performance of the economy rests on the country's ability to contain and live with the virus. As of late April, some 373 million people in 45 cities have been under some kind of shutdown, with these locations accounting for roughly 40% of total GDP.[3] Anti-virus shutdowns in March and April took a toll via weaker levels of trade and consumption, with April car sales in China down 36% from a year earlier; auto production figures were even weaker—down 41% from the same period a year ago. April retail sales were weaker-than-expected, down 11.1% from a year ago, as was industrial production, falling 2.9% from the prior year. Exports, meanwhile, rose by just 3.9% year-over-year in April after rising nearly 15% the month before. New home sales have declined in recent months; not surprisingly, the harsh conditions of the shutdown contributed to China's service Purchasing Managers' Index (PMI) plunging to 36.2% in April, while the manufacturing PMI dropped to 47.4. If there is a silver lining to all of the above, it's this: Shanghai has managed to sharply reduce its numbers of new virus cases, and the government, recognizing the deteriorating macro picture, has stepped up its efforts to stimulate the economy. The government is still aiming for 5.5% growth this year, which portends a near-term pickup in credit growth, more government spending, more funds for infrastructure spending and, hopefully, more relaxed virus-related restrictions.

Finally, the outlook in Europe remains challenging as the crisis in Ukraine drags on, with few prospects of a ceasefire or diplomatic solution. Not for the first time, nor the last time, Europe has emerged as the weak link of the global economy. Proximity to the conflict in Ukraine, and Europe's energy dependence on Russian oil and gas, have hobbled one of the key pillars of the world economy. Inflation in Europe is largely tied to energy costs, and, as Exhibit 2B highlights, energy costs in Europe are well above those in the U.S.

Exhibit 2: A Deteriorating Trade Picture and Elevated Natural Gas Prices in Europe and the U.S.

A) U.S. Trade Deficit in Goods and Services



B) Natural Gas Prices in the U.S. and Europe

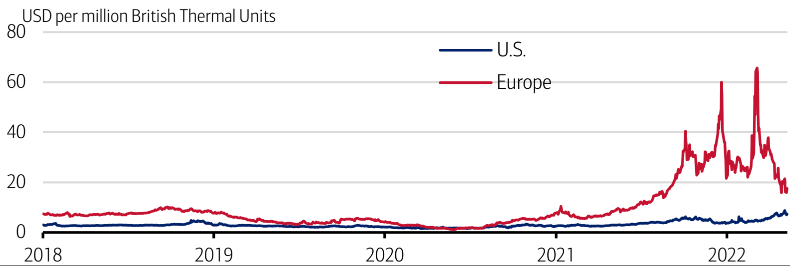


Exhibit 2A Source: Bureau of Economic Analysis. Data as of 5/12/2022. Exhibit 2B Source: Bloomberg. Data as of 5/10/2022.

Rising prices and failing growth prospects leave the European Central Bank in a policy bind—namely, raising interest rates in the near term to combat inflation risks exacerbating the unfolding economic slowdown. Some fiscal supplemental spending is expected from Brussels and other individual nations, but easier fiscal policies will come too little, too late to offset Europe's energy-induced economic slowdown/recession.

The bottom line: Constructing a market bottom requires that the Fed gain the upper hand on inflation; China becomes more tolerant of virus and reflates; and Europe counters the spike in energy costs with fiscal and monetary levers, and the Ukraine crisis abates. Until these policy shifts start to materialize or take shape, investors will likely continue to swirl in a stew of uncertainty and remain captive to a most toxic trifecta.

[3] "Xi Scrambles as China's Economy Stumbles," Kevin Rudd, *The Wall Street Journal*, May 11, 2022.

THOUGHT OF THE WEEK

Midterm Elections And Stock Market Returns: Past is Prologue?

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

History may not repeat itself but it often rhymes. Case in point: The S&P 500 index has historically underperformed in the year leading up to a midterm election, and this year seems to be shaping up to be no different. Through the low on Thursday, May 12, the S&P 500 was down 18% for the year. That's a steep drawdown but not as precipitous as the market declines of 2018, 2002, 1998 and 1990 (Exhibit 3A).

What's more, market weakness leading up to the midterm election is typically followed by market strength/rebounds post elections. What's behind the swoon-cum-recovery pattern? Possible explanations for pre-election market declines include heightened uncertainty around potential changes in the composition of Congress since midterm elections are typically tough on the party in power. In addition, the first half of a presidential term is typically characterized by fiscal restraint, which, post-election, flips to more stimulus as the White House seeks to boost the economy ahead of the presidential election. According to figures from Strategas Research, the S&P 500 has not declined in the 12 months following a midterm election since 1946.

Meanwhile, as Exhibit 3B outlines, the second year of presidential term is typically the weakest for the stock market in a president's term, while the third year the strongest.

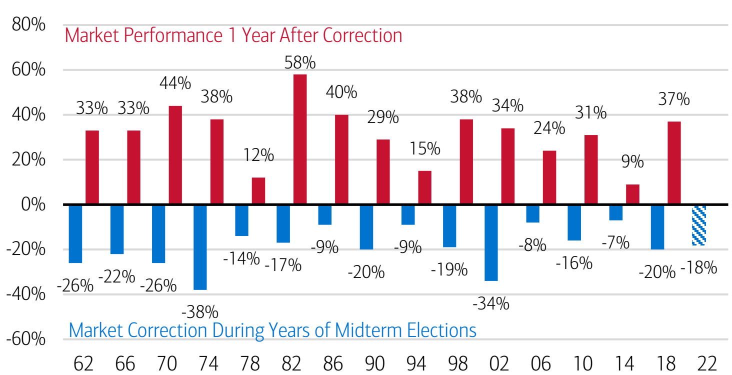
The bottom line: Yes, there is a sense that "this time is different" given where the Fed is in the tightening cycle, and risks associated with the coronavirus in China and the Ukraine crisis. But post the midterm election, and over 2023, we suspect the markets will start to price in more stimulus via Fed rate cuts and more accommodative fiscal policies ahead of the 2024 elections.

Investment Implications

Market volatility ahead of midterm elections is not uncommon and doesn't distract/change our conviction that portfolio construction should pivot around Equities over Fixed Income, U.S. over non-U.S. assets, and sector overweights in Energy, Financials, Real Estate, Materials and Healthcare.

Exhibit 3: Each Presidential Cycle is Different But Historical Patterns Bear Close Watching.

A) Market Corrections During Years of Midterm Elections



B) S&P 500 Return During Post-war Election Cycles

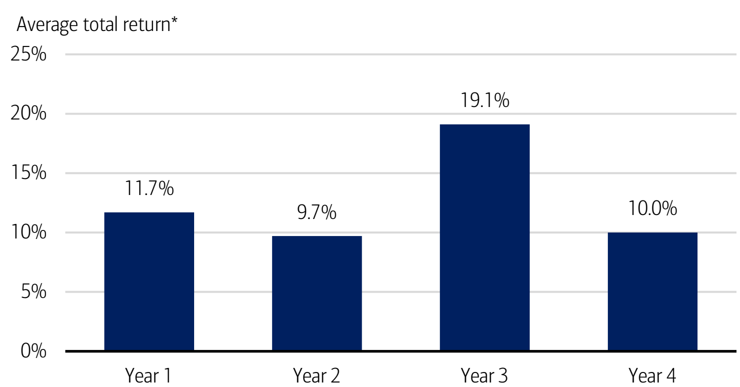


Exhibit 3A Source: Strategas Research. Blue checked bar data for 2022 as of May 13, 2022. Exhibit 3B Sources: Bloomberg, House.gov, Senate.gov, Chief Investment Office. Data as of May 12, 2022. *For election cycles from 1945 to 2020. .**Past performance is no guarantee of future results.**

Equities

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
DJIA	32,196.66	-2.1	-2.3	-10.8
NASDAQ	11,805.00	-2.8	-4.2	-24.3
S&P 500	4,023.89	-2.4	-2.5	-15.1
S&P 400 Mid Cap	2,430.83	-2.0	-2.7	-14.0
Russell 2000	1,792.67	-2.5	-3.8	-19.8
MSCI World	2,701.33	-2.1	-3.2	-15.9
MSCI EAFE	1,942.38	-1.4	-4.2	-15.7
MSCI Emerging Markets	1,004.52	-2.6	-6.6	-18.0

Fixed Income†

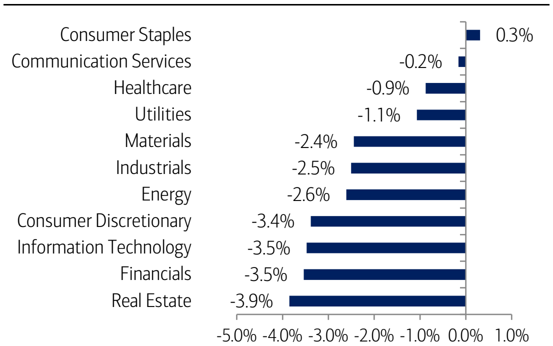
	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Corporate & Government	3.44	0.79	-0.43	-10.43
Agencies	2.90	0.58	0.16	-5.62
Municipals	3.43	-0.72	-1.46	-10.15
U.S. Investment Grade Credit	3.48	0.89	-0.23	-9.71
International	4.38	0.60	-0.73	-13.37
High Yield	7.61	-1.21	-2.38	-10.41
90 Day Yield	0.94	0.81	0.82	0.03
2 Year Yield	2.58	2.73	2.71	0.73
10 Year Yield	2.92	3.13	2.93	1.51
30 Year Yield	3.08	3.23	3.00	1.90

Commodities & Currencies

	Total Return in USD (%)			
Commodities	Current	WTD	MTD	YTD
Bloomberg Commodity	274.52	-1.5	-0.9	29.6
WTI Crude $/Barrel††	110.49	0.7	5.5	46.9
Gold Spot $/Ounce††	1811.79	-3.8	-4.5	-1.0

	Total Return in USD (%)			
Currencies	Current	Prior Week End	Prior Month End	2020 Year End
EUR/USD	1.04	1.06	1.05	1.14
USD/JPY	129.22	130.56	129.70	115.08
USD/CNH	6.80	6.72	6.64	6.36

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 5/9/2022 to 5/13/2022 †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 5/13/2022 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 5/13/2022)

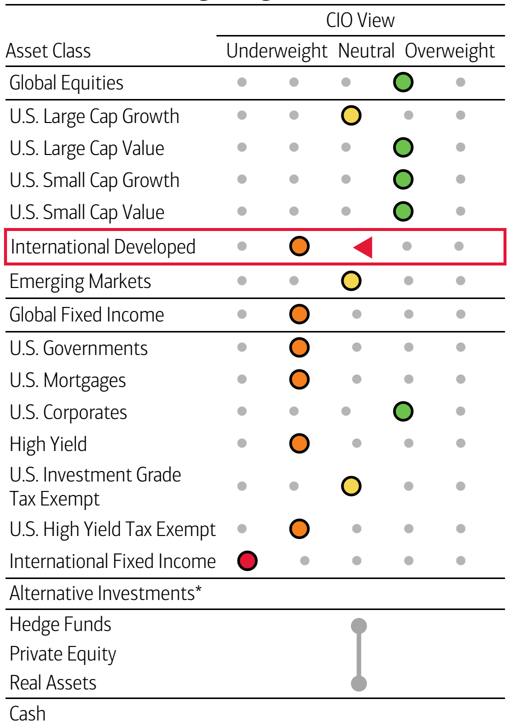
	2021A	Q1 2022A	Q2 2022E	Q3 2022E	Q4 2022E	2022E
Real global GDP (% y/y annualized)	6.1	-	-	-	-	3.3
Real U.S. GDP (% q/q annualized)	5.7	-1.4	3.5	2.5	1.8	2.7
CPI inflation (% y/y)	4.7	8.0	8.0	7.6	6.5	7.5
Core CPI inflation (% y/y)	3.6	6.3	5.7	5.6	5.3	5.7
Unemployment rate (%)	5.4	3.8	3.5	3.3	3.1	3.4
Fed funds rate, end period (%)	0.07	0.33	1.38	2.13	2.63	-

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. **Past performance is no guarantee of future results. 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.

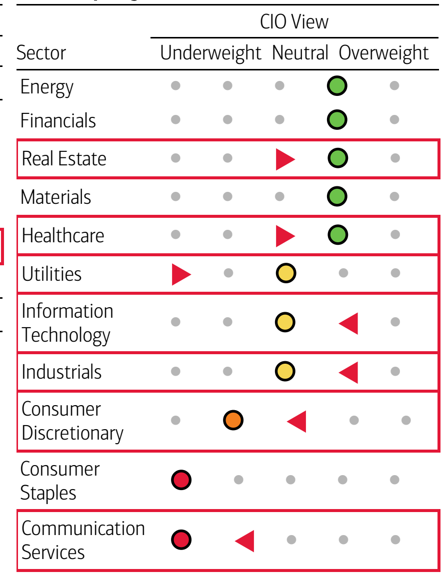
Sources: BofA Global Research; GWIM ISC as of May 13, 2022. BofA Global Research is research produced by BofA Securities, Inc. ("BofAS") and/or one or more of its affiliates. BofAS is a registered broker-dealer, Member SIPC, and wholly owned subsidiary of Bank of America Corporation.

Asset Class Weightings (as of 5/3/2022)



*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 May 3, 2022. 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.

CIO Equity Sector Views



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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 Equity Index is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. It is one of the most commonly followed equity indices.

Institute for Supply Management (ISM) Manufacturing new orders Index is a composite index that gives equal weighting to new orders, production, employment, supplier deliveries, and inventories.

China's Shanghai Composite Index is a stock market composite made up of all the A-shares and B-shares that trade on the Shanghai Stock Exchange (SSE).

Moscow Exchange (MOEX) Russia Index is a ruble-denominated composite index that tracks the performance of the 50 largest and most liquid stocks in Russia.

Consumer Price Index (CPI) measures the average change in prices over time that consumers pay for a basket of goods and services.

China's service Purchasing's Index (PMI)/Caixin China General Services is based on data compiled from monthly replies to questionnaires sent to purchasing executives in over 400 private service sector companies.

Germany's DAX Index is a stock index that represents 40 of the largest and most liquid German companies that trade on the Frankfurt Exchange.

Important Disclosures

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