CHIEF INVESTMENT OFFICE

Capital Market Outlook

September 28, 2020

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

IN THIS ISSUE:

- **Macro Strategy**—Commodities rebounded quickly from their April 2020 pandemic trough. While a lack of real-time demand-and-supply data and uncertainty about the direction of the dollar tend to make commodity prices difficult to forecast, we continue to believe that the aggressive monetary/fiscal stimulus in response to the pandemic is consistent with a synchronized global expansion, softening dollar and continued uptrend in non-energy commodity prices.
- **Global Market View**—While consumption in the developed world looks to be ramping back up supported by massive fiscal and monetary measures, the pandemic has dealt a serious blow to the emerging market consumption story. Once a longtime tailwind to global growth, this could represent a drag on global growth and corporate earnings well into this decade.
- **Thought of the Week**—Second quarter U.S. household net worth reached the highest level ever according to the Federal Reserve (Fed), taking only one quarter to recover. It took almost five years for the aggregate U.S. household balance sheet to recover to pre-crisis levels following the 2008/2009 Great Financial Crisis. The difference may suggest that on the other side of the global health crisis, the economic expansion could be stronger than the recovery out of the last recession.
- **Portfolio Considerations**—For now, we do expect minor consolidation after earnings season as some enthusiasm wanes, cyclicals attempt to balance out the high-growth sectors, and investors remain grounded with the presidential election approaching. This is an opportune time, in our view, to re-examine portfolio strategy and have plans ready for the next “breaking away” period in the economy and equity markets.

MACRO STRATEGY

Chief Investment Office Macro Strategy Team

GLOBAL MARKET VIEW

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

Lauren Sanfilippo
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THOUGHT OF THE WEEK

Kirsten Cabacungan
Investment Analyst

Data as of 9/28/2020, and subject to change.

MACRO STRATEGY

Commodities Benefiting From Reflationary Policy

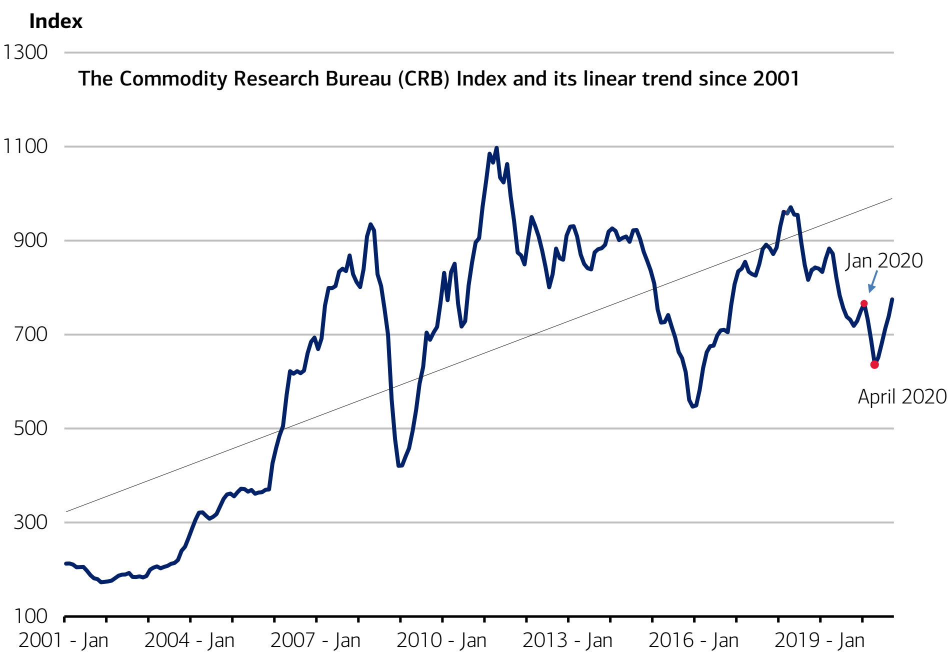
Chief Investment Office Macro Strategy Team

The swift recovery in commodity prices since April has been one of the early signs of policy success in fighting the effects of the pandemic shutdown, and of a reflation cycle taking hold in the U.S. and global economies, in our view. Commodities tend to do well as expansions mature and inflation pressures start to grow with declining spare capacity in the economy, but they also tend to rally early in economic expansions. Thus, their upturn was an early indication of a very brief pandemic-related recession.

With monetary and fiscal policy decisively pursuing above-trend economic growth for the foreseeable future because of large slack in the economy and subdued inflation pressures, the commodity upcycle likely has more room to run. In his post-September Federal Open Market Committee (FOMC) meeting press conference, Fed Chair Powell spelled out an ultra-dovish Fed policy of rock-bottom interest rates at least until the end of 2023, or when the job market is fully healed and inflation rises above 2% for a period of time. If need be, the central bank is ready to use other tools to maximize its effort, including expanding asset purchases and lending programs. At the same time, fiscal policy is poised to inject more direct stimulus in the economy. This is consistent with a sustainable expansion and dollar downtrend, both favorable for commodities and other reflation beneficiaries.

Base metals. With support from the massive government liquidity injections around the world, the unusually brief recession, and dollar roll-over, base metals have not dropped as much this year as during the 2008-2009 recession or the 2014-2016 global-manufacturing slowdown (Exhibit 1). They have also been less affected by the recent financial-market instability. Notwithstanding inherent volatility, we expect metals to move up closer to their long-term uptrend over the next year.

Exhibit 1: Reflationary Environment Suggests More Gains for Metal Prices Ahead.



Source: Commodity Research Bureau/Haver Analytics. Data as of 9/23/2020. **Past performance is no guarantee of future results.**

As is usually the case, positive signals for the direction of the manufacturing cycle have been useful for discerning the trend in the economy, inflation expectations and metals prices. Gains in the manufacturing Institute for Supply Management (ISM) index tend to be positively correlated with gains in base-metals prices, explaining much of their rally over the past few months. Metals prices also closely track changes in durable-goods orders, which have substantially surprised to the upside in recent months. Importantly, leading indicators continue to suggest a sustained manufacturing expansion and thus more upside for metals prices. Second, the dollar tends to depreciate when global growth strengthens and capital flows to riskier destinations in search of higher returns, so further dollar softening would likely add an extra boost to base-metals prices given their inverse correlation. Overall, further gains of around 15% to 20% in the CRB base-metals index over the next year (following a 25% gain from April 21 to September 23) wouldn't be surprising, in our view.

Gold. As the 55% gold-price increase since late 2018 makes clear, in a reflationary and increasingly geopolitically troubled world, some exposure to gold remains appropriate. The bull market in gold started about two years prior to the pandemic with the rapid deterioration of official relations between the U.S. and China and sudden downtrend in real interest rates (as it became clear that renewed reflation efforts were crucial following excessive Fed tightening in 2017 and 2018). The pandemic exacerbated these concerns, taking real interest rates deep into negative territory, where they are likely to remain for the foreseeable future given the outlook for Fed policy discussed above. Ultra-low real interest rates, worries over rapid money-supply growth and currency debasement in the U.S./Europe, and further likely dollar depreciation should continue to support gold prices for the foreseeable future, as they usually do.

On the other hand, a gradual normalization of economic activity and receding fears of Eurozone disintegration (in light of new pan-European policies in support of the currency bloc) are likely to reduce uncertainty once pandemic worries fade, denting demand for gold to hedge related risks. Also important, the pandemic shock is not conducive to consumer splurging on gold jewelry, typically a major source of gold demand. According to the World Gold Council (WGC), world jewelry demand plunged 46% year over year in the first half of 2020. Despite massive accumulations by European and North American investors, bar-and-coin sales dropped 17%. As expected, it was record-high gold-backed exchange-traded funds (ETFs) investment that boosted demand and pushed prices to a record $2,067/oz. in early August. Since then, however, inflows into ETFs have declined to their weakest pace of the year, according to the WGC, causing the gold-price rally to lose steam given still-impaired jewelry and other demand.

Given the inverse correlation between uncertainty and gold prices, lower post-election uncertainty levels might cause gold prices to consolidate around $1,800 to $2,000/oz. for a while, especially if a vaccine helps to quell the pandemic. This would imply a likely gold underperformance relative to base metal and silver prices, which would make sense, since gold tends to underperform industrial metals when global growth accelerates and risk aversion/uncertainty decline.

Crude oil. Massive supply cuts both in the U.S. and especially in the Organization of the Petroleum Exporting Countries and its allies (OPEC+), combined with a faster-than-expected rebound in economic activity, have helped Brent oil quickly recuperate about a third of its plunge from $68/barrel in December 2019 to $18/barrel in April 2020. In recent weeks, however, demand has been revised substantially lower (mainly because of the prolonged slump in air-travel-related fuel demand), while supply has been revised up both for 2020 and 2021. This has caused oil prices to stall around $40/barrel, where we expect them to remain for the foreseeable future.

In our view, the truncated price rebound has more to do with specific oil-market conditions than macroeconomic dynamics. Basically, the world remains awash in crude oil just as policymakers around the world are actively pushing the global economy away from fossil fuels. Indeed, while a large chunk of demand dissipated because of the pandemic, supply accumulated in the form of massive idle production capacity and large global inventories that will take a long time to absorb. While this has forced OPEC and its allies to remain vigilant against members trying to cheat on their supply quotas to maintain price stability, it is not solving the persistent excess-supply problem capping oil prices. Indeed, even if compliance increases, the massive idle capacity that can be brought back on line at the slightest sign of upside price pressure is likely to keep prices in check. For example, economic normalization is expected to likely boost global oil demand by about 5% to 6% in 2021, but supply is expected to increase just as quickly, as producers are eager to increase capacity utilization rates to gain market share/boost their oil revenues and are under great pressure to monetize their assets while they can.

The International Energy Agency (IEA) *Oil Market Report 2020* projects that in an environment of $60/barrel Brent oil, global oil-production capacity is likely to expand by about 8 million barrels per day (mbd) between 2019 and 2025, from 103.4 mbd to 111 mbd. U.S. liquid-fuels production would increase from 17.2 mbd to 19.7 mbd, led by an estimated 30% increase in light tight oil (LTO) from 7.7 mbd to 9.9 mbd. OPEC is seen adding about 3 mbd (38% of the global increase) as a result of a substantial expansion effort in the Middle East, according to the IEA. Other notable additions are expected in Brazil and Canada (14% and 7%, respectively).

Although most other countries around the world would be unable to maintain or increase supply at $60/barrel average Brent prices through 2025, according to the IEA report, a global capacity expansion to 111 mbd would still exceed by far expected global demand over the next five years. For instance, despite a big increase expected next year, oil demand is still projected at about 2 mbd below its 2019 level and likely to grow at a slowing pace thereafter. This suggests that oil prices must remain below $60/barrel to discourage excess production-capacity additions in coming years. How much new supply must be discouraged is hard to tell because of uncertainty about global demand growth and supply conditions in oil-rich hot spots such as war-torn Libya, Iran and Iraq, but in our view, $60/barrel oil would create anywhere from 3 mbd to 5 mbd excess oil production capacity through 2025.

Because U.S. LTO is characterized by short development cycles and supply is very sensitive to oil-price conditions, we believe that's where a big part of the restraint is likely to occur (the U.S. rig count lags oil-price changes by about four months, while production generally follows two months or so later). According to the IEA, at $40 average Brent prices, U.S. LTO production would be about 3.5 mbd lower in 2025 than at $60/barrel. With few major projects elsewhere as vulnerable to medium-term oil-price conditions, oil prices will likely gravitate around current levels for a prolonged period, in our view, to allow the market to prevent excessive future supply

GLOBAL MARKET VIEW:

Will Coronavirus Upend the Emerging Market Consumption Story?

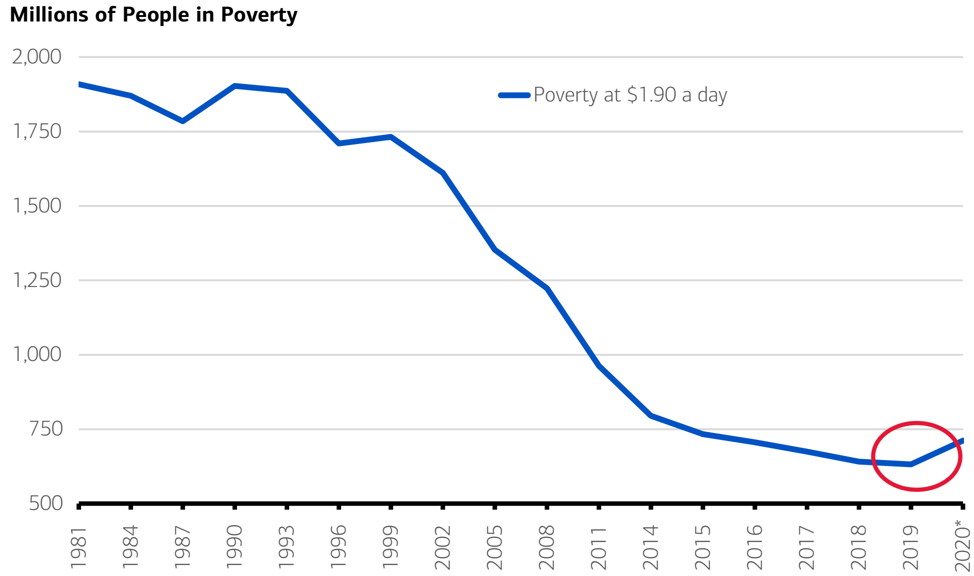
Joseph P. Quinlan, Managing Director and Head of CIO Market Strategy
Lauren J. Sanfilippo, Vice President and Investment Strategist

One of the most powerful forces in the world has been knocked into reverse. Ending a 20-year streak, the number of people living in extreme poverty (or living on $1.90 a day) will most likely increase this year, with the pandemic-cum-global-recession already pushing some 37 million people back into poverty in just the past few months.[1] In all likelihood, the number of globally impoverished people is set to climb in the months ahead.

As Exhibit 2 highlights, the world was winning the war against poverty until coronavirus struck. Over 1 billion people have been lifted out of deprivation since 1980, a remarkable achievement supported by a number of variables including expanding trade and investment ties between the developed nations and emerging markets; the proliferation of low-cost telecommunications and expanding internet access; greater freedom and rights for women; lower childhood mortality rates; and better-educated girls, to name just a few factors. A large number of those escaping poverty over the past decades have come from China, but across the emerging-market universe—from Angola to Oman to Vietnam—the trend has been toward a better, safer and healthier life for millions of people.

[1] "Covid-19: A Global Perspective, 2020 Goalkeepers Report," Gates Foundation, September 2020.

Exhibit 2: Coronavirus Caused Poverty to Rise Globally.



*World Bank Estimate.
Note: 2020 estimate assumes 712 million people living in poverty for 2020, or 52 million additional people from 2019.
Source: World Bank. Data as of June 2020.

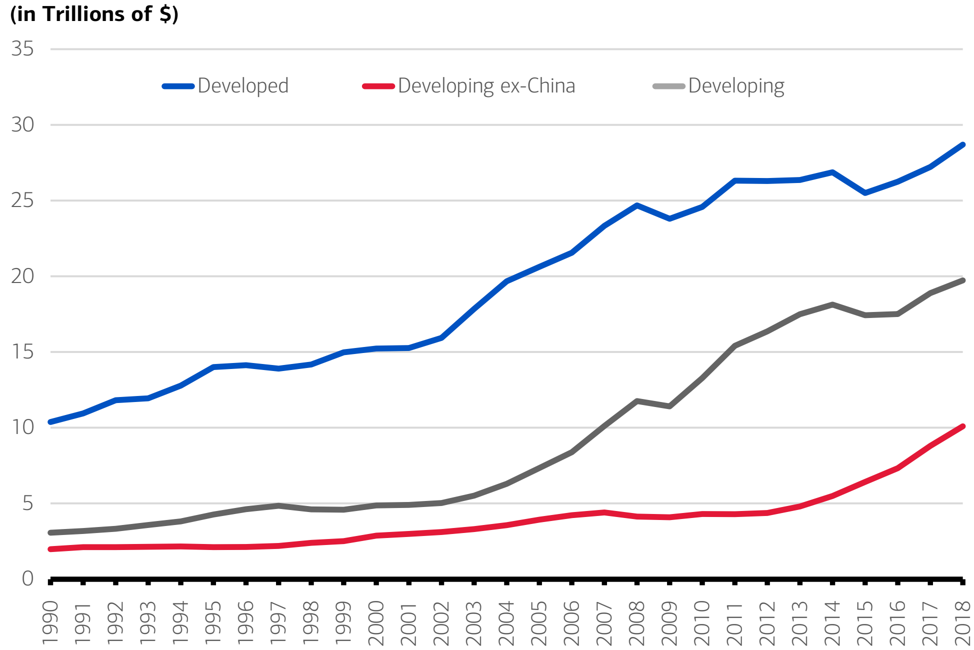
That said, what happens when people live better? When they gain access to a flushing toilet, electricity at home, a mobile phone, a refrigerator? They gradually morph into middle class consumers.

And what happens when billions of people reach middle class status? They tend to push up the consumption curve. They are inclined to spend more, save less. They look to become consumers of smartphones and imported beer and upgrade their mode of transportation—think bike, to scooter, to car. They lean towards spending more money and time online; they travel more, not just at home but abroad.

And finally, what happens at the micro or company level when a new consuming cohort emerges out of sub-Saharan Africa, the Middle East and other parts of the developing world? New markets open up. New sales and revenue streams materialize. Earnings have the potential to increase for many multinationals. Various developing nations become even more important sources of corporate earnings than their home markets.

Exhibit 3 highlights all of the above. Simply put, the contribution of the developing markets to global personal consumption has been nothing short of stunning over the past few decades. Indeed, between 1990 and 2018, personal consumption spending in the developing nations rose nearly seven-fold, from $3 trillion to $20 trillion in 2018, the latest data available. In the process, the developing nations' share of global consumption roughly doubled from 22% in 1990 to 41% in 2018.

Exhibit 3: Personal Consumption Expenditures: Developed, Developing, Developing ex-China.



Sources: United Nations. As data for 2019 and 2020 are lagged, this chart illustrates a decade's long trend of growing PCE globally however future years of PCE globally may be impaired due to the pandemic. Data as of 2018, latest data available.

China, for sure, has accounted for a significant jump in emerging market consumption over the decades; however, strip out China, and emerging market consumer spending still soared from $2.9 trillion in 1990 to $14.5 trillion by 2018. Over this period, aggregate consumer spending rose $1.4 trillion in the Middle East/North Africa; $941 billion in Sub-Saharan Africa; $4.5 trillion in Asia ex-China; and $2.9 trillion in Latin America. Add it all up and the emerging market boom in consumption goes well beyond China. It has been far and wide, and one of the most powerful forces of global growth and global earnings since 1980. It's also been a linchpin of many of our key investment themes of the past decade—water scarcity, waste management, the boom in global travel and leisure, the advancement of women's equality, the premium on arable land, energy demand, technology proliferation, and the surge in sports, entertainment and a host of other activities. Behind many of these themes are consumers in the emerging markets.

And then coronavirus struck.

Hitting the brakes

As we write, the number of cases of coronavirus in the developing nations stands at 22.3 million, or 67% of the global total.[2] The disease does not discriminate, striking both developing and developed economies. But the similarities end there.

Notably, the majority of emerging markets lacked the fiscal space to offset the devastation of the pandemic and ensued a recession. Most developing countries have neither the capacity to print money nor the ability to borrow capital—a luxury not afforded to nations in Africa, the Middle East, Latin America and Asia. To this point, among G20—an international forum for the governments and central bank governors from 19 countries and the European Union—nations, stimulus funding since the pandemic struck has averaged about 22% of gross domestic product (GDP). Contrast that with sub-Saharan African countries, where the average is just 3%.[3]

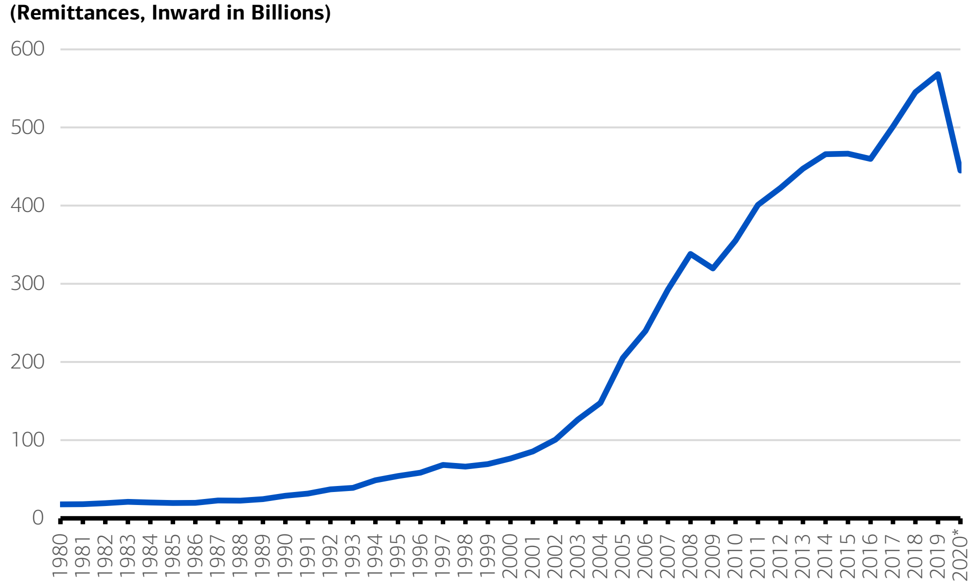
[2] Center for Systems Science and Engineering (CSSE) at Johns Hopkins University. Data as of September 28, 2020.

[3] "Covid-19: A Global Perspective, 2020 Goalkeepers Report," Gates Foundation, September 2020.

In addition, many emerging nations have been stricken by the nature of the global recession, with the downturn led by a decline in service activities like travel and tourism, and social distancing requirements that have separated workers from the work force.

The latter has been particularly devastating for migrant workers from developing nations, sent back home without jobs and with little income, resulting in a steep decline in global remittances (Exhibit 4).

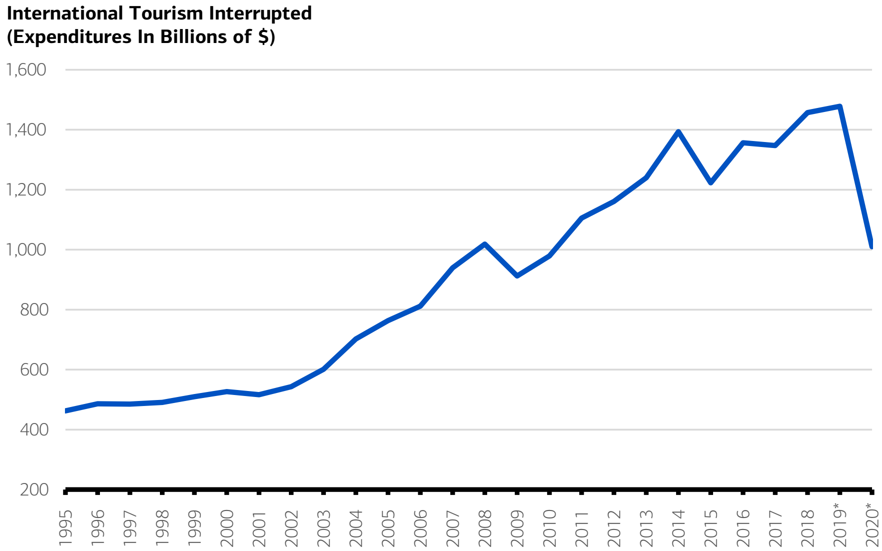
Exhibit 4: World Bank Estimated Sharpest Decline of Remittances in Recent History.



*World Bank Estimate.
Source: World Bank. Data as of April 2020.

The World Bank estimates that global remittances—a critical source of income for many households in the developing countries—are set to fall by 20% this year, the sharpest decline in history. Meanwhile, global tourist revenues are expected to drop 32% this year, adding even more financial and economic hardship on nations across Africa, the Middle East, Latin America and Asia (Exhibit 5). Some of the hardest hit by these dynamics: women and children—women because they work mainly in the informal sector of economies that have all but shut down during the crisis, and children because during pandemics, malnutrition rises and immunizations typically fall. For this cohort, life has shifted to reverse.

Exhibit 5: International Tourism Interrupted.



*Estimates.
Source: World Tourism Organization. Data as of June 2020.

A longtime tailwind to global growth—emerging market consumption—has shifted gears and could represent a drag on global growth and corporate earnings well into this decade. A silver lining is that consumption in the developed world is ramping back up, supported by massive fiscal and monetary measures. This will provide some badly needed ballast (aka sales and revenues) for many of the world's top multinationals. The bad news is that the pandemic has dealt a serious blow to the emerging market consumption story. Notably at risk: U.S. and European large-cap consumer products groups with extensive exposure in the emerging markets. Also at risk: the emerging markets in general as an asset class. We remain underweight on the asset class due to all of the variables mentioned above.

In the end, the scars of the pandemic will cut deepest in the emerging markets where poverty rates, for the first time in years, are rising. The ripple effects—or the economic, social and political consequences—will be felt far and wide. Stay tuned.

THOUGHT OF THE WEEK:

A Resilient U.S. Household

Kirsten Cabacungan, Investment Analyst

Second quarter U.S. household net worth spiked $7.6 trillion, or 6.8%, to $119 trillion, the biggest gain in roughly 70 years, according to the Fed. It is also the highest level ever, surpassing the fourth quarter of 2019 by $380 billion. The sharp improvement comes after the largest quarterly decline in net worth on record and paints an encouraging picture of a recovering U.S. consumer. But what could it mean for the recovery ahead?

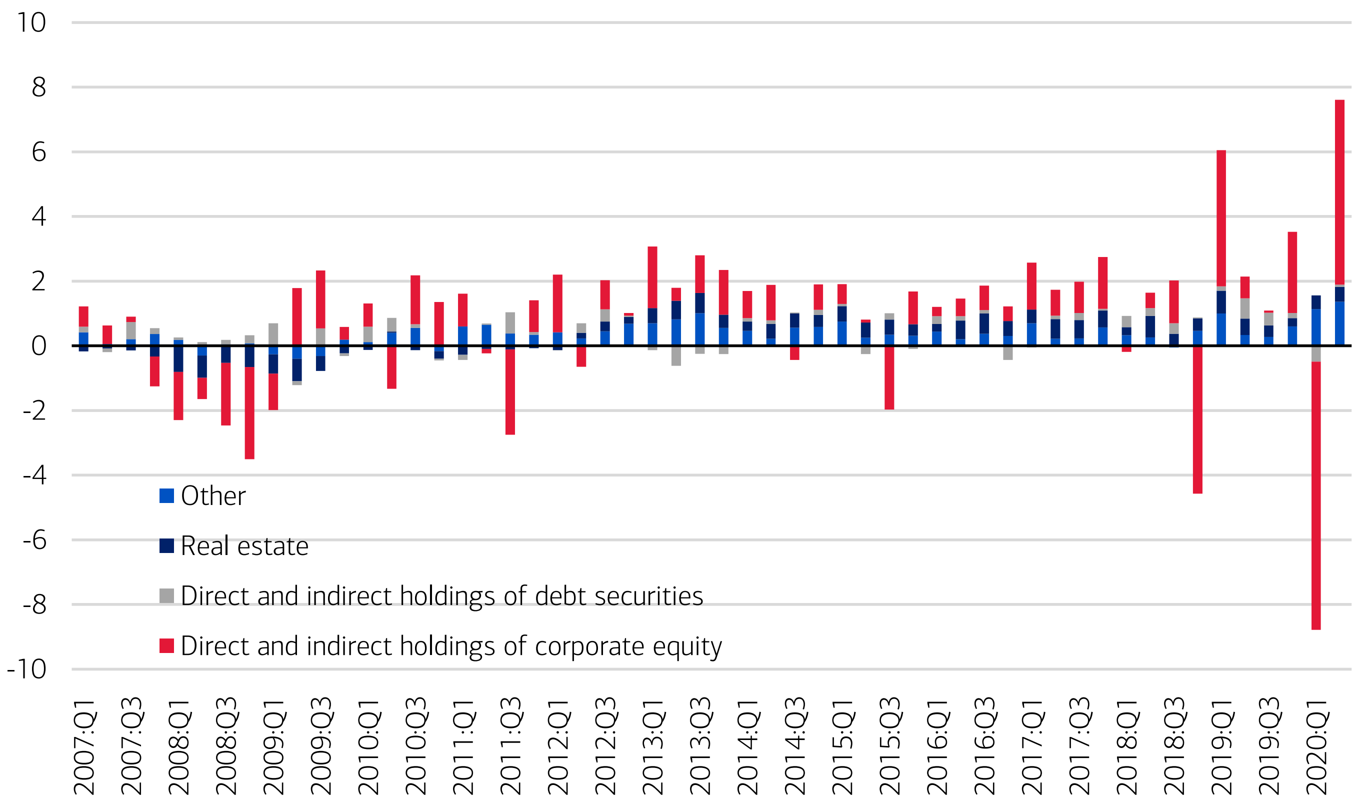
Household net worth measures the difference between household assets, which include owner-occupied real estate and corporate stocks, and household liabilities, which include home mortgages and consumer credit. Much of the variation in net worth comes as a result of fluctuation in the stock market and home prices. The S&P 500 Index is now up over 47% since the March 23 low, passing pre-coronavirus highs in August. The rally in stocks has helped to boost second quarter household financial asset holdings by $5.7 trillion (Exhibit 6). Real estate prices also rose during the quarter, albeit to a lesser extent, advancing roughly $458 billion, supported in part by record-low mortgage rates. The overall surge in net worth is a support for consumption.

The latest update highlights an important difference between the 2020 coronavirus crisis and the 2008/2009 Great Financial Crisis. While net worth in 2020 recovered in the matter of one quarter, even exceeding the previous peak, it took about five years for the aggregate U.S. household balance sheet to recover to pre-crisis levels following the Great Financial Crisis. The difference may suggest that on the other side of the global health crisis, the economic expansion could be stronger and more robust than the recovery out of the last recession, especially since net worth typically falls during economic declines.

At this point, all eyes are on how the consumer looks coming out of this pandemic. While job growth is currently picking up, unemployment claims remain at historic high levels, a sign of aftershocks like corporate restructurings and bankruptcies. More improvement on the coronavirus suppression front should help aid economic activity and bring more people back on payrolls, but it could take some time to get back to pre-coronavirus employment levels. Ultimately job growth in this cycle will be in the new economic drivers like technology, manufacturing, capital expenditure and housing. But, the aggregate household balance sheet supports the case that the U.S. consumer is generally in better financial shape relative to previous crises. With unprecedented levels of stimulus filtering through the economy, record low interest rates and demographic dynamics that should help boost broader asset ownership from stock market participation to home ownership, the U.S. household is likely to continue to see gradual improvement in the years to come.

Exhibit 6: The Strong Equity Market Rally Helped U.S. Household Net Worth Recover.

Net change in U.S. household net worth by components ($U.S. Trillions)



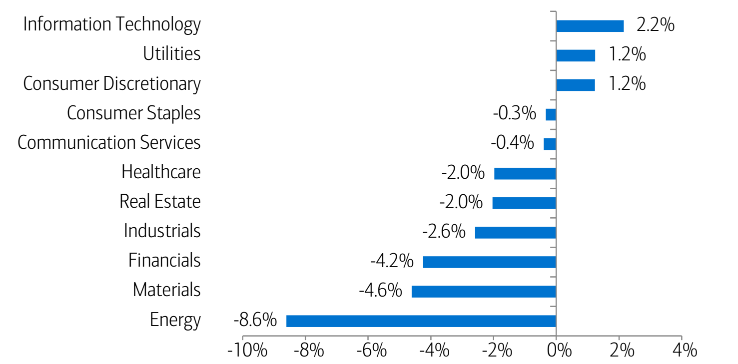
Other includes equity in noncorporate businesses, consumer durable goods, fixed assets of nonprofit organizations, and all other financial assets apart from corporate equities and debt securities, net of liabilities.
Source: Federal Reserve. Data as of September 21, 2020.

MARKETS IN REVIEW

Equities

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
DJIA	27,173.96	-1.7	-4.3	-3.1
NASDAQ	10,913.56	1.1	-7.3	22.5
S&P 500	3,298.46	-0.6	-5.7	3.5
S&P 400 Mid Cap	1,817.27	-2.6	-5.6	-10.8
Russell 2000	1,474.91	-4.0	-5.5	-10.7
MSCI World	2,326.85	Thasnk	-5.2	-0.1
MSCI EAFE	1,830.99	-4.2	-4.1	-8.5
MSCI Emerging Markets	1,059.10	-4.4	-3.7	-3.3

S&P 500 Sector Returns



Fixed Income

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Corporate & Government	1.13	-0.1	0.0	8.1
Agencies	0.49	0.1	0.2	5.5
Municipals	1.31	0.0	0.1	3.4
U.S. Investment Grade Credit	1.18	-0.1	0.0	6.8
International	2.03	-0.7	-0.3	6.6
High Yield	6.02	-1.5	-1.7	-0.1

	Current	Prior Week End	Prior Month End	2019 Year End
90 Day Yield	0.09	0.08	0.09	1.54
2 Year Yield	0.13	0.14	0.13	1.57
10 Year Yield	0.65	0.69	0.70	1.92
30 Year Yield	1.40	1.45	1.47	2.39

Commodities & Currencies

	Total Return in USD (%)			
Commodities	**Current**	**WTD**	**MTD**	**YTD**
Bloomberg Commodity	150.87	-3.1	-3.6	-12.3
WTI Crude $/Barrel[4]	40.25	-2.1	-5.5	-34.1
Gold Spot $/Ounce[5]	1,861.58	-4.6	-5.4	22.7
Currencies	**1.41**	**1.47**	**1.47**	**2.39**
EUR/USD	1.16	1.18	1.19	1.12
USD/JPY	105.58	104.57	105.91	108.61
USD/CNH	6.83	6.78	6.85	6.96

Sources: Bloomberg, Factset. Total Returns from the period of 09/21/2020 to 09/25/2020. Bloomberg Barclays Indices.[4] Spot price returns.[5] All data as of the 09/25/2020 close.
Past performance is no guarantee of future results.

Asset Class Weightings (as of 9/1/2020)

	Under-weight		Neutral	Over-weight	
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				●	
High Yield		●			
U.S. Investment Grade Tax Exempt			●		
U.S. High Yield Tax Exempt		●			
International Fixed Income	●				
Alternative Investments*	see CIO Asset Class Views				
Hedge Funds					
Private Equity					
Real Assets					
Cash					

* Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to pre-qualified clients.

CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio.

Economic and Market Forecasts (as of 09/25/2020)

	Q4 2019A	2019A	Q1 2020A	Q2 2020A	Q3 2020E	2020E
Real global GDP (% y/y annualized)	-	2.9	-	-	-	-4.0
Real U.S. GDP (% q/q annualized)	2.4	2.2	-5.0	-31.7	27.0	-4.3
CPI inflation (% y/y)	2.3	2.3	1.5	0.6	1.2	1.3
Core CPI inflation (% y/y)	2.3	2.3	2.1	1.2	1.7	1.8
Unemployment rate (%)	3.5	3.5	3.8	13.0	8.9	8.4
Fed funds rate, end period (%)	1.55	1.55	0.08	0.08	0.13	0.13
10-year Treasury, end period (%)	1.92	1.92	0.67	0.66	0.60	1.00
S&P 500 end period	3231	3231	2585	3100	3250*	3250*
S&P earnings ($/share)	42	163	33	28	31	125
Euro/U.S. dollar, end period	1.12	1.12	1.10	1.12	1.16	1.14
U.S. dollar/Japanese yen, end period	109	109	108	108	104	103
Oil ($/barrel, avg. of period, WTI**)	57	57	39	31	40	40

The forecasts in the table above are the base line view from BofAML Global Research team. The Global Wealth & Investment Management (GWIM) Investment Strategy Committee (ISC) may make adjustments to this view over the course of the year and can express upside/downside to these forecasts. 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. S&P 500 represents the year-end target for 2020. **West Texas Intermediate.
Sources: BofA Merrill Lynch Global Research; GWIM ISC as of September 25, 2020.

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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 dollars.

S&P 500 is a stock market index that tracks the stocks of 500 large-cap U.S. companies. It represents the stock market's performance by reporting the risks and returns of the biggest companies.

Commodity Research Bureau (CRB) Index comprises a basket of 19 commodities, with 39% allocated to energy contracts, 41% to agriculture, 7% to precious metals, and 13% to industrial metals.

Institute for Supply Management (ISM) is a monthly composite index that is based on surveys of 300 purchasing managers throughout the United States in 20 industries in the manufacturing area.

Personal Consumption Expenditure (PCE) index measure is the component statistic for consumption in gross domestic product collected by the United States Bureau of Economic Analysis. It consists of the actual and imputed expenditures of households and includes data pertaining to durable and non-durable goods and services.

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