2021 Outlook: Poised for Growth

January 2021

Economic recovery, vaccine and portfolio considerations

Key Observations

- Financial assets produced remarkable returns over the final nine months of 2020, characterized by rising equity valuations and narrowing credit spreads amid a global pandemic and a disjointed global economy.
- The global economy is poised to achieve strong year-over-year growth and modest inflationary pressures in the first half of 2021, which should benefit risk assets and spread sectors. Wide-scale vaccination efforts may be the link to more sustained economic growth as the year progresses.
- While it is uncertain if the market rotation that began in November will continue, we advise maintaining broad diversification within and across asset classes to ensure a portfolio does not unnecessarily hinge on any one economic outcome.

Financial Market Conditions

Economic Growth

Although global economic activity picked up in the second half of 2020 as economies emerged from strict containment measures, the pace of recovery may be poised to moderate sequentially (quarter-over-quarter). Policymakers remain vigilant against COVID-19, reinstating mitigation measures in some areas (e.g., Illinois, New York and Massachusetts) until vaccination efforts are able to play a more active role on the public safety front. Although the pace of economic growth is likely to slow quarter-over-quarter, year-over-year economic and earnings growth should rebound sharply in the first half of 2021, particularly in the second quarter. However, our base case expectation for 2021 is best described as a tale of two halves, distinguished by uncertainty about the ultimate pace of economic normalization.

Monetary Policy

Global central banks remain committed to using all tools necessary to reinforce the ongoing economic recovery and achieve policy objectives. Apart from temporary programs designed to alleviate financial hardships caused by the pandemic, the Federal Reserve, European Central Bank and Bank of Japan all reiterated plans to maintain asset purchase programs until individual economies meet their respective policy objective(s). That may change in 2021, should the bifurcation between monetary and fiscal policies diminish.

Fiscal Policy

The exogenous shock caused by the global pandemic exposed the limits of conventional monetary policy measures, which take time to work through economic channels and largely remain stuck in the financial sector, and pressured policymakers to respond decisively with unprecedented deficit spending. In the U.S. alone, the fiscal deficit grew $2.8 trillion from March to November as Congress attempted to ease private sector financial conditions hit hardest by lost income. Janet Yellen, President Biden's nominee for U.S. Treasury Secretary and former Fed Chair, is familiar with the limits of monetary policy absent coordinated fiscal policy. Her nomination signals a potential merger between the Treasury and Fed to deliver targeted accommodation to the private sector if the economic recovery should slow.

Inflation

Through November, the Fed's preferred year-over-year inflation measure, the Core Personal Consumption Expenditure Price Index ("PCE"), remained stubbornly low at just 1.4 percent, and long-term broad inflation expectations remain well-anchored. However, the impact of pandemic-induced stimulus and ongoing measures to alleviate the economic burdens on households (evidenced by a deceleration in the labor market recovery) may cause inflation to rise in 2021.

Currency

Following its dramatic run-up in March as investor appetite for risk plummeted, the trade-weighted U.S. dollar fell nearly 11 percent by late December (the year-over-year decline was a more subdued 3 percent). In 2021, the U.S. dollar may continue to encounter downward pressures given the current configuration of domestic monetary and fiscal policy, which could ignite opportunities (and higher valuations) in tangible assets and international equities for U.S. investors.

Cordasco Financial Network 10-Year Capital Market Assumptions

The resiliency demonstrated by capital markets during the last nine months of 2020 was remarkable and certainly welcomed by investors in an otherwise challenging year. Gains achieved across many asset classes influence and inform our most recent efforts to recast our capital market expectations, and elevated valuations inhibit our forward-looking return assumptions. The table below summarizes our 10-year return estimates and demonstrates the higher hurdle (and lower expected returns) that are by-products, largely, of the last three quarters' worth of strong risk asset returns.

The Federal Open Market Committee (FOMC) took its policy interest rate to zero in the first quarter of 2020, which drove bond prices higher and subsequently reduced our return expectations across fixed income. Our bond return expectations are further constrained by credit spread levels, which narrowed from April through December on reopening optimism and demonstrable progress toward a vaccine. Strong global equity returns in 2020 resulted in elevated equity valuations to start 2021 and lowered our equity return expectations 0.3 to 1.6 percent.

We have also reduced our return expectations for real assets and alternatives, although these asset classes continue to offer important diversification benefits within a thoughtful portfolio construction exercise. Changes to hedge fund and private equity forecasts are tangential to changes in public fixed income and equity return assumptions.

Our latest capital market forecast generally calls for lower returns relative to prior years for stated volatility targets. As such, investors should review portfolio compositions with a particular and elevated focus regarding their capacity to assume risk and be guarded in their efforts to source returns in what, we suspect, may be another eventful year in the capital markets.

Asset Class	12/1/20 E(R)	4/1/20 E(R)	Since 4/1
Cash[1]	0.08%	0.05%	0.0%
TIPS	0.7%	0.9%	-0.2%
Muni Bond[2]	1.0%	2.7%	-1.7%
Muni High Yield[2]	6.7%	8.3%	-1.6%
US Bond	1.2%	1.6%	-0.4%
Dynamic Bonds[3]	1.7%		
Global Bonds	0.8%		
For. Dev. Bond	0.4%	0.4%	0.1%
HY Bond	3.4%	5.2%	-1.8%
EM Bond	1.7%	2.8%	-1.0%
Global Equity	6.8%	7.3%	-0.6%
US Equity (AC)	5.5%	5.8%	-0.3%
US Equity (LC)	5.4%	5.6%	-0.3%
US Equity (MC)	5.7%	6.0%	-0.3%
US Equity (SC)	5.8%	6.1%	-0.3%
Int'l Dev. Equity	7.0%	7.7%	-0.7%
EM Equity	8.5%	10.1%	-1.6%
Real Estate	5.3%	5.1%	0.2%
Broad Real Assets[4]	3.9%		
Midstream Energy	8.1%	13.5%	-5.4%
Commod. Fut.	2.3%	3.3%	-1.0%
HFoF Multi-Strat	5.4%	5.9%	-0.5%
Private Equity	8.5%	8.8%	-0.3%

1. 3-month forecast
2. Tax equivalent yield based on highest marginal tax rate (37%)
3. 33% Cash, 33% Corp HY, and 34% Global Bonds
4. 25% TIPS, 15% Bank Loans, 30% Infrastructure, 15% REITs and 15% Commodities

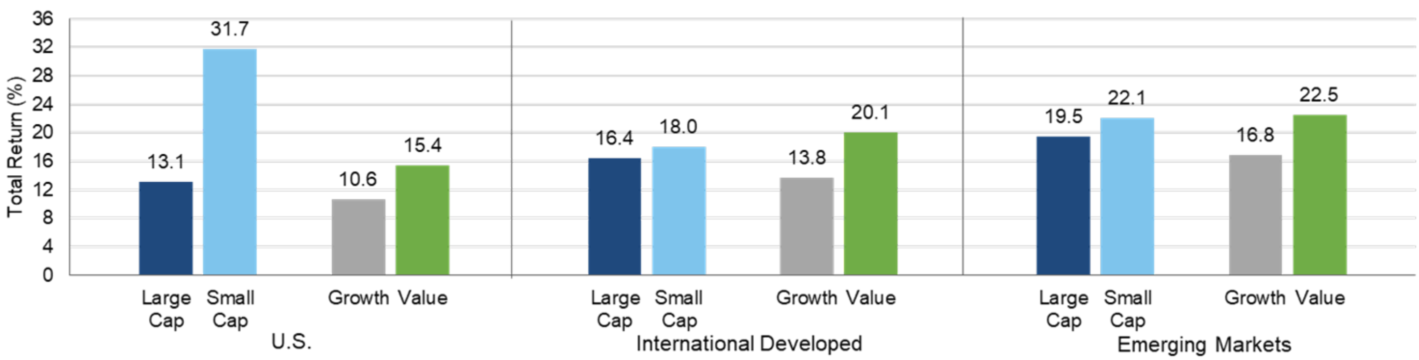
Investment Themes for 2021

Financial market conditions as 2021 begins are book-ended by a wholly unique set of circumstances inescapably linked to global efforts to remediate the pandemic. Unprecedented levels of stimulus had the immediate effect of stabilizing markets and elevating investors' risk appetite, yet vaccination dissemination programs remain nascent and somewhat fragmented. While we expect these factors will continue to govern and sway investment markets near-term, we are cautiously inclined to favor thoughtful exposure to risk assets as the New Year starts. As we highlight below, we are encouraged by the increasing breadth of asset class returns witnessed in the fourth quarter of 2020 – a precursor, perhaps, to the advent of a new economic regime exemplified by more sustained and synchronized levels of global economic activity. Wide-scale and effective vaccination distribution necessarily coincides with this expectation.

1. The Pandemic's Wake

Key Observation Beginning 2021 – Before the development of a COVID-19 vaccine, the period of social, emotional and economic adversity seemingly had no end in sight. Though early bipartisan legislation offered financial relief to households and businesses, incremental fiscal stimulus was mired in political gridlock until late December. In many ways, the advent of a vaccine from global pharmaceutical companies (e.g., Pfizer, Moderna and others expected in 2021) offered a glimpse of a path forward. Vaccine development and distribution efforts, once they fully take hold, boost the likelihood of harmonized economic growth normalization in 2021. Importantly, there is ample historical precedence evidencing a broadening pattern of asset class returns as the global economy finds its footing, generates momentum and begins to navigate a path to more sustained growth. As highlighted below, activity in the markets in the fourth quarter of 2020 may offer a first hint for this potential moving forward.

Small cap and value-orientated equities produced substantial returns in the fourth quarter, improving market breadth heading into 2021.



Source: Bloomberg. See disclosures for list of indices representing each asset class. Indices cannot be invested in directly. Performance is reported gross of fees and expenses and assumes the reinvest dividends and capital gains. Past performance does not indicate future performance and there is a possibility of a loss.

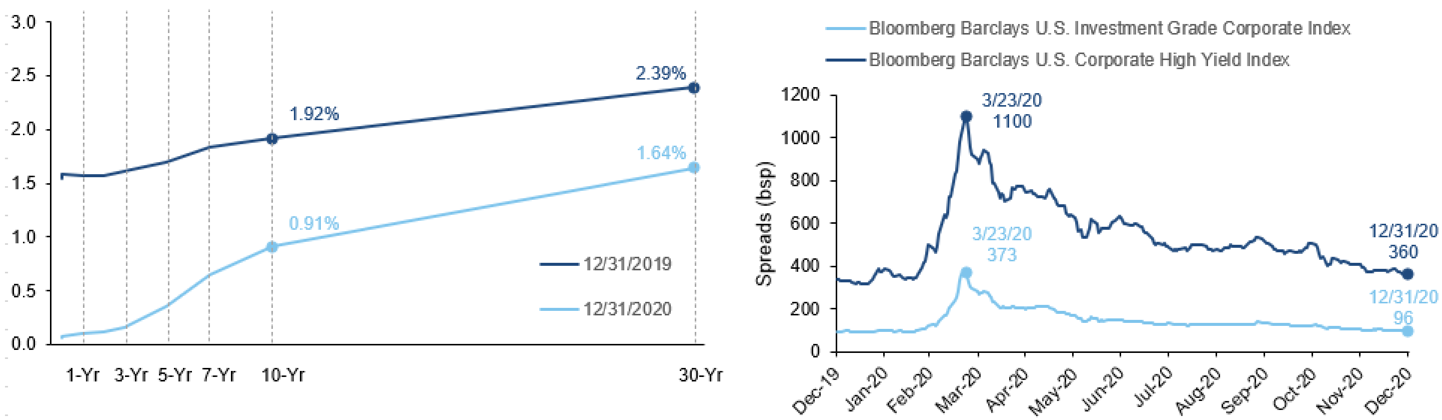
Portfolio impact – The strong rebound in equity valuations following the first quarter sell-off in 2020, while certainly welcome and encouraging, did not entirely eradicate the relative dislocations across certain segments of the domestic equity markets. We expect relative performance between the growth and value styles will likely mean-revert over time and that recent tailwinds favoring growth equities may serve as headwinds in 2021.

Though not impossible, it is difficult to imagine how this year's much championed "stay-at-home" stocks could replicate growth rates on a year-over-year basis in the face of (1) tough 2020 comparables (2) improving coordination on the vaccine distribution front and (3) a footprint of broadening economic growth. Outcomes across the capitalization spectrum take their cues from where within the cycle the economy resides and, consistent with our baseline forecast that we are early in the next cycle, suggest that small cap stocks may be poised to sustain the return advantages they generated in the fourth quarter of 2020. As always, we advocate that maintaining broad diversification within and across asset classes most effectively ensures that a portfolio is not overly exposed to any single economic outcome.

2. Opportunities in a Low-Interest Rate Environment

Key Observation Beginning 2021 – Global central banks responded to the pandemic swiftly by slashing policy rates significantly – to zero in many cases. The quick response supported the functionality of global financial markets, staved off deflationary forces and bolstered the financial sector. The corollary is that fixed income return expectations on a go-forward basis are necessarily diminished. Entering 2021, investors must now contend with historically low return estimates from many traditional fixed income asset classes (e.g., sovereign bonds, investment-grade corporates and high yield debt).

Low-interest rates and tight credit spreads portend lower forward-looking returns in traditional fixed income



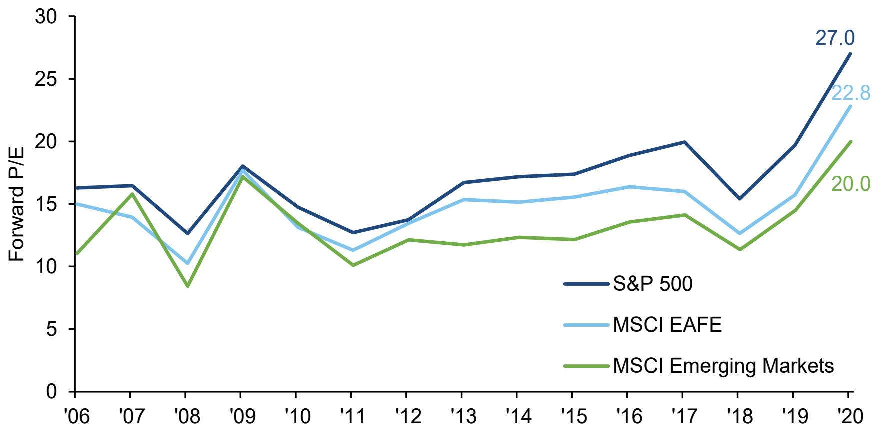
Source: Bloomberg. Past performance does not indicate future performance there is a possibility of a loss.

Portfolio impact – Historically low interest rates, uneven global economic recovery and the potential for modest inflation volatility necessitate a particularly attentive fixed income allocation as 2021 begins. Investors may want to consider how, for example, dynamic bond strategies fit within a portfolio as a means of navigating the current backdrop. These strategies customarily invest widely across fixed income markets, often seeking opportunities in more nuanced bond segments while typically possessing lower sensitivity to interest rates. Expect nimbleness and selectivity to be key attributes needed in the quest for fixed income returns this year.

3. A Case for Global Equity Exposure

Key Observation Beginning 2021 – Stay-at-home efforts to contain the spread of COVID-19 was the impetus for sharply increased demand for productivity and entertainment solutions. These service providers, many in the technology sector, were rewarded with impressive earnings growth and handsome returns in 2020. However, as vaccines lay the groundwork for more normal economic activity, companies hit hardest by the pandemic could experience dramatic earnings growth in 2021 and a continuation of the advantaged returns that were witnessed in the fourth quarter of 2020. As we outlined earlier, those equity sectors and styles that lagged during the financial market recovery, such as small cap and value equities, produced strong returns in November and December. International equity markets produced advantageous returns as well as 2020 drew to a close.

Relatively more attractive international valuations and the prospects of further U.S. dollar weakness support the prospects of international and emerging market equities.



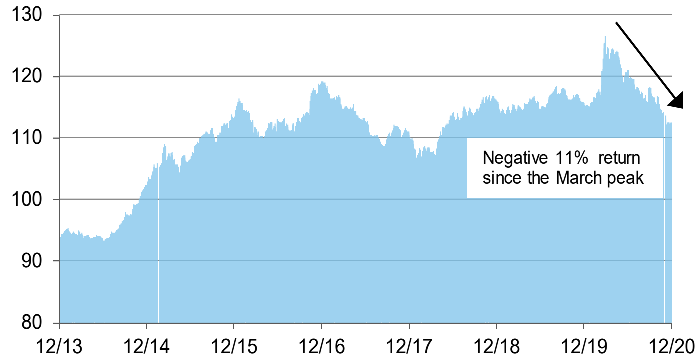
Source: Bloomberg. Past performance does not indicate future performance and there is a possibility of a loss.

Portfolio impact – Equities are inherently more sensitive to economic growth and rising inflation than bonds. While we are mindful of elevated valuations, an economic recovery, prospects for further weakness in the U.S. dollar and stability within the commodity complex elevate prospects for international developed and emerging market equities. As highlighted above, relative valuation advantages persist across wide swaths of equity markets overseas, and the inherent composition of many of these markets also postures more favorably to a prolonged global economic recovery.

4. Returns from Real Assets

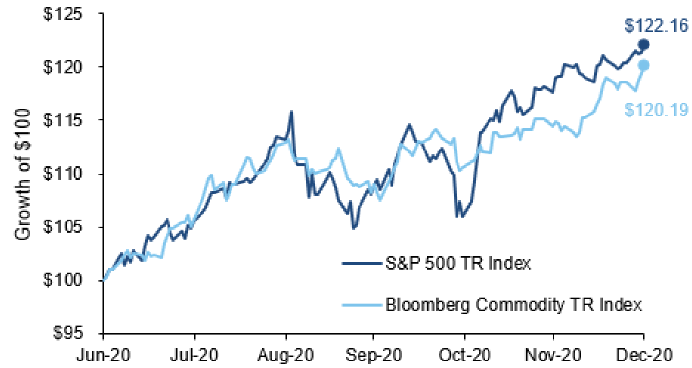
Key Observation Beginning 2021 – Despite extraordinary measures on the monetary stimulus front, official inflation measures have remained stubbornly low over the last 10 years. Core Personal Consumption Expenditures ("PCE"), the Fed's preferred inflation measure, averaged just 1.6 percent during this timeframe – well below the stated 2 percent target. We attribute much of the disconnect to two forces. First, monetary stimulus is susceptible to clogs in the financial sector and disproportionately benefits financial asset inflation over inflation in real assets. Second, continued U.S. dollar strength over the last six years has weighed on raw material prices. However, increased emphasis on fiscal policy, precisely those policies aimed at putting money directly into consumers' hands, can raise the velocity of money and buoy inflation in real assets. Increased federal deficits, paired with the Fed's $1.4 trillion annual asset purchase program, may set the stage for a secular decline in the U.S. dollar.

Fiscal policy, in coordination with existing monetary policy, put downward pressure on the U.S. dollar…



Source: Federal Reserve based on H.10 exchange rate data.

…which benefitted commodity prices in the second half of 2020.



Source: Bloomberg.

Past performance does not indicate future performance and there is a possibility of a loss.

Portfolio impact – Over the last ten years, U.S. dollar strength disproportionately benefitted financial assets while hindering tangible asset returns. Looking forward, fiscal and monetary support to households and businesses may finally spur inflation in commodities and real assets. Therefore, we continue to believe a well-diversified portfolio should include a thoughtful allocation to tangible assets.

Outlook Summary

The global economy is poised to achieve strong year-over-year growth and only modest inflationary pressures in the first half of 2021, which should benefit risk assets and support spread sectors. However, the path toward social and economic normalization will probably be jagged and uneven until vaccine distribution efforts harmonize a more balanced global recovery experience.

As 2020 came to a close, the prospects for a broader economic reopening foreshadowed the benefits of portfolio diversification. Economic sectors and equity styles that lagged earlier in the recovery, such as small cap, value and international stocks, produced substantial returns in the last two months of the calendar year.

While it is uncertain if the market rotation that began in November will continue, our baseline forecast anticipates continuing (if uneven) reparations in the global economy – a backdrop best addressed via fully diversified investment programs that otherwise align with your investment goals and objectives.

For more information and assistance, please contact any professional at Cordasco Financial Network, Inc.

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This report does not represent a specific investment recommendation. Comparisons to any indices referenced herein are for illustrative purposes only and are not meant to imply that actual returns or volatility will be similar to the indices. Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and are reported gross of any fees and expenses. Any forecasts represent future expectations and actual returns; volatilities and correlations will differ from forecasts.

When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged and investors can not actually invest directly into an index:

Indices used to generate historical risk and return metrics	Most Recent Index	Index Dates	Linked Index 1	Index Dates	Linked Index 2	Index Dates	Linked Index 2	Index Dates
Cash	FTSE Treasury Bill 3 Mon USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
ST Bonds	BBgBarc US Govt/Credit 1-3 Yr TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
TIPS	BBgBarc US Treasury US TIPS TR USD	11/20 - 3/97	BBgBarc US Agg Bond TR USD	2/97 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Muni Bond	BBgBarc Municipal 5 Yr 4-6 TR USD	11/20 - 1/88	BBgBarc US Agg Bond TR USD	12/87 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Muni High Yield	BBgBarc HY Muni TR USD	11/20 - 11/95	BBgBarc Municipal 5 Yr 4-6 TR USD	10/95 - 1/88	BBgBarc US Agg Bond TR USD	12/87 - 1/79	N.A.	N.A. - N.A.
US Bond	BBgBarc US Agg Bond TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
US Bonds - Dynamic	1/3 BBgBarc Gbl Agg Ex USD TR Hdg USD & FTSE Treasury Bill 3 Mon USD & BBgBarc US Corporate High Yield TR USD	11/20 - 2/90	BBgBarc US Agg Bond TR USD	1/90 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
For. Dev. Bond	50%CITIWGBINonUSD Hdg 50%CITIWGBINonUSD	11/20 - 1/85	BBgBarc US Agg Bond TR USD	12/84 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
HY Bond	BBgBarc US Corporate High Yield TR USD	11/20 - 7/83	BBgBarc US Agg Bond TR USD	6/83 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
EM Bond	JPM GBI-EM Global Diversified TR USD	11/20 - 1/03	JPM EMBI Global Diversified TR USD	12/02 - 1/94	BBgBarc US Corporate High Yield TR USD	12/93 - 7/83	BBgBarc US Agg Bond TR USD	6/83 - 1/79
Bank Loans	S&P/LSTA Leveraged Loan TR	11/20 - 12/96	BBgBarc US Corporate High Yield TR USD	11/96 - 7/83	BBgBarc US Agg Bond TR USD	6/83 - 1/79	N.A.	N.A. - N.A.
Global Bonds	BBgBarc Global Aggregate TR Hdg USD	11/20 - 2/90	BBgBarc US Agg Bond TR USD	1/90 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Global Equity	MSCI ACWI GR USD	11/20 - 1/88	S&P 500 TR USD	12/87 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
US Equity (AC)	Russell 3000 TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
US Equity (LC)	S&P 500 TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
US Equity (MC)	Russell Mid Cap TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
US Equity (SC)	Russell 2000 TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Non-US Equity (ACWI)	MSCI ACWI Ex USA GR USD	11/20 - 1/88	MSCI EAFE GR USD	12/87 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Int'l Dev. Equity	MSCI EAFE GR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
EM Equity	MSCI EM GR USD	11/20 - 1/88	MSCI EAFE GR USD	12/87 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Real Estate	Wilshire US RESI TR USD	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Broad Real Assets	*Custom Real Assets Index	11/20 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Midstream Energy	Alerian MLP TR USD	11/20 - 1/96	BCI+AGG-CASH	12/95 - 1/91	GSCI+AGG-CASH	12/90 - 1/79	N.A.	N.A. - N.A.
Commod. Fut.	BCI+TIPS-CASH	11/20 - 3/97	BCI+AGG-CASH	2/97 - 1/91	GSCI+AGG-CASH	12/90 - 1/79	N.A.	N.A. - N.A.
Global Infrastructure	DJ Brookfld Global Infra TR USD	11/20 - 2/03	Alerian MLP TR USD	1/03 - 1/96	Wilshire US RESI TR USD	12/95 - 1/79	N.A.	N.A. - N.A.
HFoF Multi-Strat	HFRI Fund of Funds Composite USD	11/20 - 1/90	HFN Hedge Fund Aggregate Average	12/89 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.
Private Equity	Cambridge PE 67% Buyout vs. 33% Venture	11/20 - 4/86	Russell 2000 TR USD	3/86 - 1/79	N.A.	N.A. - N.A.	N.A.	N.A. - N.A.

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Index	Country	Asset Class
S&P 500 Total Return Index	U.S.	Large Cap
Russell 2000 Total Return Index	U.S.	Small Cap
Russell 3000 Growth TR Index	U.S.	Growth
Russell 3000 Value TR Index	U.S.	Value
MSCI EAFE Large Cap Net Total Return USD Index	International Developed	Large Cap
MSCI EAFE Small Cap Net Total Return Total Return USD Index	International Developed	Small Cap
MSCI World ex USA Growth Net Total Return USD Index	International Developed	Growth
MSCI World ex USA Value Net Total Return USD Index	International Developed	Value
MSCI Emerging Markets Large Cap Net Total Return USD Index	EM	Large Cap
MSCI Emerging Markets Small Cap Net Total Return USD Index	EM	Small Cap
MSCI Emerging Markets Growth Net Total Return Index	EM	Growth
MSCI Emerging Markets Value Net Total Return Index	EM	Value

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes. Each index is unmanaged and investors can not actually invest directly into an index: Cash –Citigroup 90 Day T-Bill; TIPS – Bloomberg Barclays US Treasury TIPS; Aggregate Bond – Bloomberg Barclays US Aggregate Bond Index; Municipal Bond – Bloomberg Barclays Municipal 5-Year Bond; High Yield – Bloomberg Barclays US Corporate High Yield; Foreign Bond – Bloomberg Barclays Global Aggregate Ex USD; Local Currency Denominated Emerging Markets Debt – JPMorgan GBI-EM Global Diversified Unhedged Index; Large Value – Russell 1000 Value; Large Blend – S&P 500; Large Growth – Russell 1000 Growth; Small Value – Russell 2000 Value; Small Blend – Russell 2000; Small Growth – Russell 2000 Growth; International – MSCI EAFE; Emerging Markets – MSCI EM; REITs – FTSE NAREIT Equity REITs; Commodities – Bloomberg Commodity Index; MLP – Alerian MLP; Hedge Funds – HFRI Fund of Funds Composite Index; Balanced – 5% Bloomberg Barclays US Treasury TIPS, 10% Bloomberg Barclays US Aggregate Bond Index, 4.5% Bloomberg Barclays Global Aggregate Ex USD, 4.5% Bloomberg Barclays Global Aggregate Ex USD (Hedged), 9% Bloomberg Barclays US Corporate High Yield, 2% JPMorgan GBI-EM Global Diversified Unhedged Index, 16% S&P 500, 5% Russell 2000, 12% MSCI EAFE, 7% MSCI EM, 5% FTSE NAREIT Equity REITs, 5% Bloomberg Commodity Index, 5% Alerian MLP, 10% HFRI Fund of Funds Composite Index; Domestic Equity Indices – Russell 1000, Russell 1000 Growth, Russell 1000 Value, Russell Mid-Cap, Russell Mid Cap Growth, Russell Mid-Cap Value, Russell 2000, Russell 2000 Growth, Russell 2000 Value; International Developed Markets – MSCI EAFE; US Dollar – US Dollar Index; Unhedged Developed Fixed Income – Bloomberg Barclays Global Aggregate Ex USD (Hedged); Real Assets – Bloomberg Commodity Index; Materials, Financials, Energy, Oil & Gas, Healthcare, Information Technology, Consumer Related Sectors – Dow Jones Sector Indices; Small Cap Securities – Russell 2000, Russell 2000 Growth, Russell 2000 Value; Large Cap Securities – Russell 1000, Russell 1000 Growth, Russell 1000 Value; Mid Cap Securities Russell Mid Cap, Russell Mid Cap Growth, Russell Mid Cap Value; Growth; Russell 1000 Growth, Russell Mid Cap Growth, Russell Small Cap Growth; Value – Russell 1000 Value, Russell Mid Cap Value, Russell 2000 Value; Fixed Income Markets – Bloomberg Barclays US Treasury TIPS, Bloomberg Barclays Municipal 5-Year Bond, Bloomberg Barclays Aggregate; Investment Grade Corporate Securities – Bloomberg Barclays US Credit; Long Maturity Treasuries –Bloomberg Barclays US Treasury 20+ Year; Shorter Dated Issues – Bloomberg Barclays US Treasury 1-3 Year; Industrial-, Financial-and Utility- Related Credits – Bloomberg Barclays Fixed Income Sector Indices; BB-Rated, B-Rated and CCC-Rated – Bloomberg Barclays Fixed Income Credit Quality Indices; MBS – Bloomberg Barclays US MBS; ABS – Bloomberg Barclays ABS; Crude Oil – Bloomberg Composite Crude Oil; Australia, New Zealand, Japan, China, India, Taiwan, South Korea, Brazil, Mexico, Chile, South Africa, Turkey, Egypt, Hungary, Poland, Russia, Canada, United Kingdom, Spain, Germany, Italy, France – MSCI Country Index Gross Return USD; Natural Gas – Bloomberg Natural Gas.