Nottingham Monthly Market Wrap

February 29, 2020

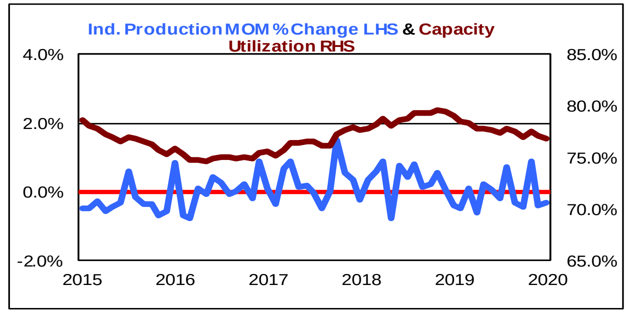
Economic Overview

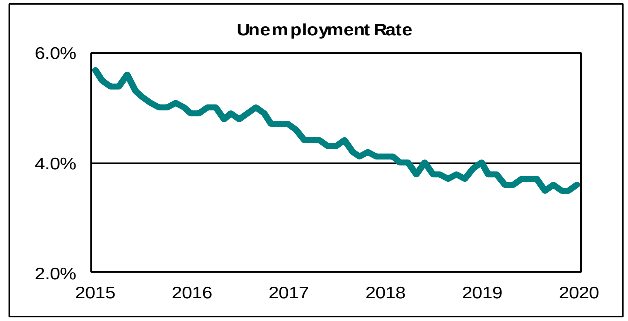
As we reflect back on January and February economic data, we should acknowledge the impact the coronavirus is likely to have on numbers *going forward*. The data from the prior two months was likely not impacted too measurably by the growing contagion, which has effectively shut down China and severely impacted the global travel and leisure industry. Early guesses suggest global GDP may be impacted by 1.0% or so, with US growth in 2020 likely reduced to 1.0-1.5%. Interest rates and commodity prices are collapsing as we go to press, creating a potentially powerful tailwind as we approach 2021.

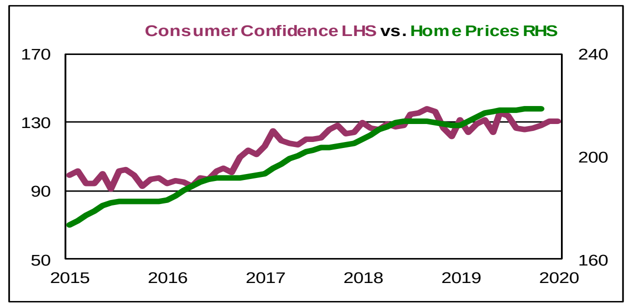
Markets are pricing in at least a 50 bp cut in the Fed Funds rate at the March FOMC meeting, and an additional 1-2 25 bp cuts over the coming 6 months. Lower interest rates are likely to spur a pickup in mortgage refinancing and should help with the seasonally strong spring home selling season. With the virus only now hitting the US, it remains to be seen what sort of domestic impact its spread could have.

Unemployment remains a key variable in our opinion. January's rate came in at 3.6%, slightly higher than December's 3.5%, but still at historically low levels. Importantly, average hourly earnings rose 0.2% MoM, and are up 3.1% YoY. The Labor Force Participation rate came in at 63.4% while the Underemployment Rate was 6.9%. Weekly initial Jobless Claim numbers have yet to tick higher, averaging 209k per week in February.

All eyes will be on forthcoming PMI data, as China reported over the weekend its Manufacturing Purchasing Managers Index fell to a record low of 35.7, reflecting a manufacturing base that has all but shut down in response to the coronavirus outbreak. Back in the US, January saw the Markit US Manufacturing PMI come in at 51.9 while the ISM Manufacturing number came in at 50.9. To reiterate, we would anticipate these number trending measurably lower in the months ahead, reflecting a contraction in the US manufacturing base; however we remain of the position that the virus outbreak will only have a transitory impact on the US economy, and that growth will continue in the second half of the year.

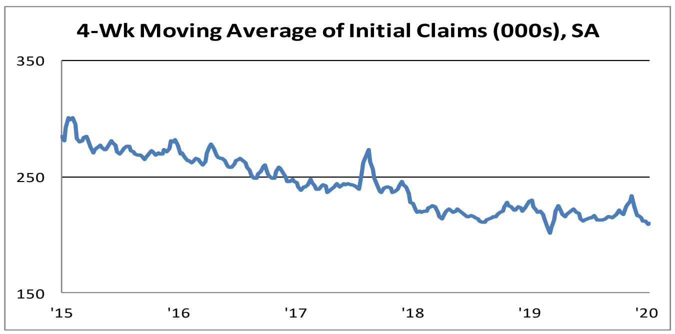


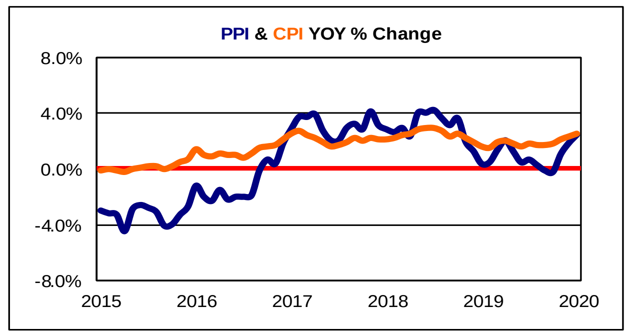




Key Data Points

Name	Current	For	Previous	For
Retail Sales ex. Autos MOM %	0.30%	January	0.60%	December
Housing Starts	1567K	January	1626K	December
Factory Orders MOM %	1.80%	December	-1.20%	November
Leading Indicators MOM %	0.80%	January	-0.30%	December
Unit Labor Costs	1.40%	Q4 2019	2.50%	Q3 2019
GDP QOQ (Annualized)	2.10%	Q4 2019	2.10%	Q3 2019
Wholesale Inventories	-0.20%	January	-0.30%	December
MBA Mortgage Applications	1.50%	February	5.00%	January





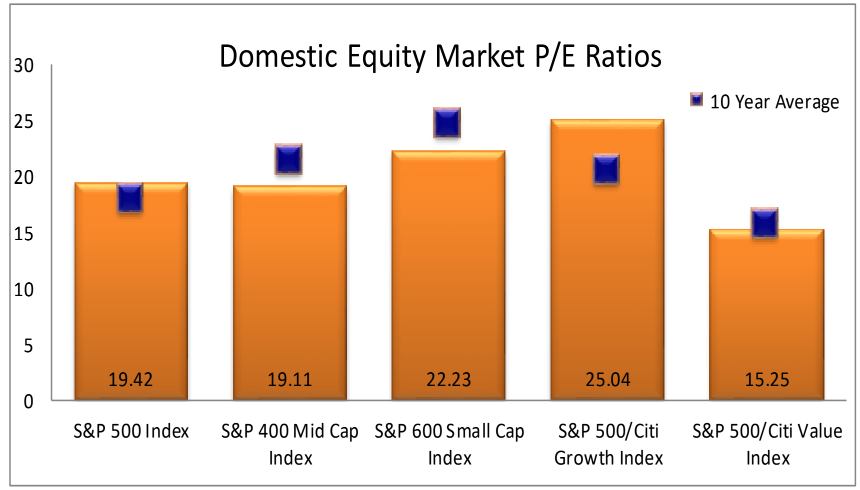
Domestic Equity

U.S. equities sold off sharply to end the month, with the benchmark S&P 500 losing nearly -12% in the last week of trade to end the month down -8.23%. Equities quickly gave back gains after fears of the coronavirus impact spread globally, as new cases popped up in Italy and the United States. Small- and Mid-Caps were also hard hit, with the S&P 600 and S&P 400 Indices down -9.61% and -9.49%, respectively.

Value stocks were hardest hit as the yield on the 10-year U.S. Treasury fell to all-time lows. The S&P 500 Citi/Value Index fell -9.51% compared to the S&P 500 Citi/Growth Index which lost -7.15%. Value stocks were dragged lower by the Financial sector, which lost -11.19% on the month, as it will likely be increasingly harder for Banks to make money in a lower-for-even-longer scenario. Despite the selloff in Banks, many are trading at relative low valuations compared to history, making the sector not only a value play, but also a potential source of income generation due to rising dividends.

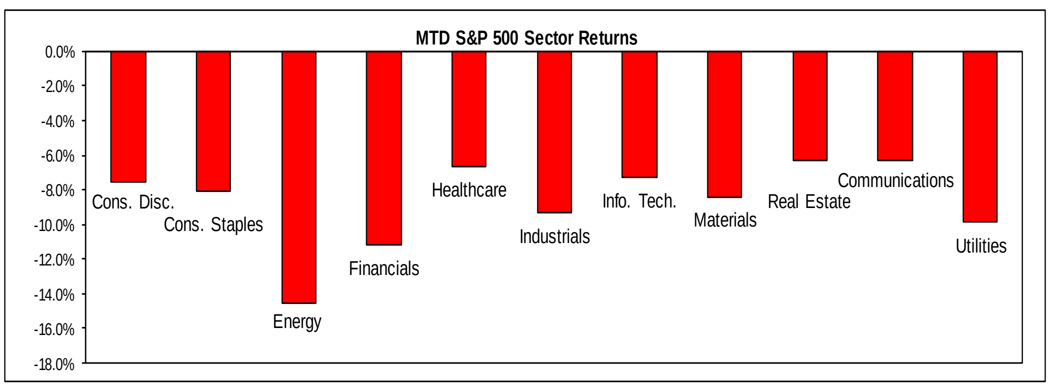
Environmental, Social, and Governance screened indices such as the MSCI USA Extended ESG Focus Index slightly outperformed, losing -8.13% on the month, and are now down -7.61% for the year. While the outperformance doesn't sound like much, it's been becoming more persistent as investors have flocked to "quality" stocks which tend to score highly on ESG scores. This is a continuation of a trend we saw last year (the ESG factor outperforming) and one we expect will continue in the future.

From a sector standpoint, all 11 GICS sectors finished the month of February deep in negative territory. Energy was the worst performing sector, losing -14.56% as West Texas Intermediate (WTI) oil prices sank below $50/barrel. The aforementioned Financial sector shed -11.19%, while Utilities (typically a haven) were down -9.88% despite falling interest rates. Interestingly, another rate sensitive sector, Real Estate, was the top performing sector down only -6.34% on the month. Healthcare was also a relative bright spot, down -6.66% as investors grapple with attractive valuations and political risk with the upcoming election. It should be interesting to see how Healthcare responds to the Super Tuesday results as a potential barometer for market sentiment towards the space, in particular Managed Care and Insurance companies.



Domestic Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
S&P 500 Index	-8.23%	-8.27%	-8.27%	8.18%	9.86%	9.21%
MSCI USA Extended ESG Focus Index	-8.13%	-7.61%	-7.61%	9.60%	10.52%	N/A
S&P 400 Mid Cap Index	-9.49%	-11.86%	-11.86%	-3.42%	3.27%	5.47%
S&P 600 Small Cap Index	-9.61%	-13.21%	-13.21%	-7.71%	2.91%	5.95%
S&P 500/Citi Growth Index	-7.15%	-5.05%	-5.05%	11.26%	13.96%	11.40%
S&P 500/Citi Value Index	-9.51%	-11.90%	-11.90%	4.69%	5.29%	6.59%



S&P 500 Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of S&P 500
Consumer Discretionary	-7.56%	-6.97%	-6.97%	7.07%	11.56%	10.34%	10.39%
Consumer Staples	-8.11%	-7.77%	-7.77%	9.37%	4.68%	5.91%	7.91%
Energy	-14.56%	-24.01%	-24.01%	-25.48%	-9.93%	-6.91%	3.47%
Financials	-11.19%	-13.51%	-13.51%	2.48%	4.79%	8.26%	11.69%
Healthcare	-6.66%	-9.20%	-9.20%	3.42%	9.43%	7.02%	13.74%
Industrials	-9.32%	-9.73%	-9.73%	-1.53%	5.16%	6.85%	8.95%
Information Technology	-7.28%	-3.61%	-3.61%	26.70%	22.25%	18.36%	24.16%
Materials	-8.39%	-14.05%	-14.05%	-1.72%	2.40%	2.67%	2.46%
Real Estate	-6.34%	-5.01%	-5.01%	9.39%	8.28%	5.80%	3.01%
Communication Services*	-6.34%	-5.48%	-5.48%	12.72%	3.70%	5.58%	10.86%
Utilities	-9.88%	-3.89%	-3.89%	12.73%	9.96%	10.34%	3.36%

*The S&P 500 Communciation Services Sector was reclassifed from the Telecommunications Sector on September 21st, 2018

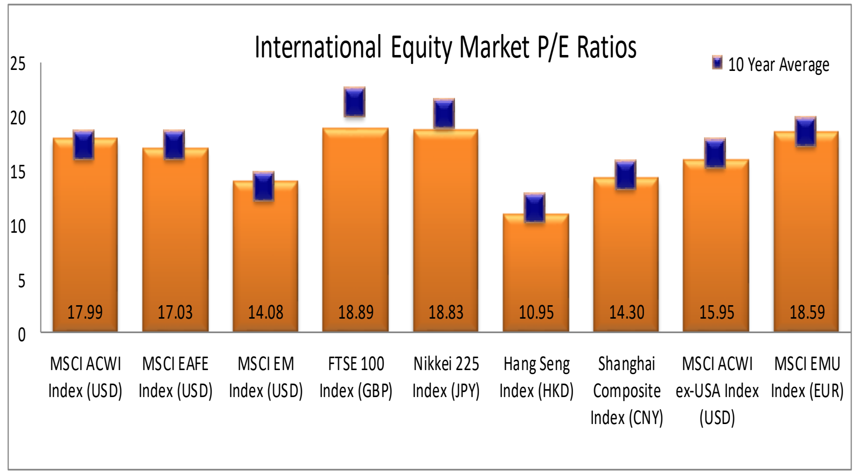
International Equity

International equities were also hard hit during February thanks to fears of the coronavirus spreading to Eastern Europe. Developed International equities, as measured by the MSCI EAFE Index lost -9.01% on the month and are now down -10.90% for the year. Emerging Markets equities, as measured by the MSCI EM Index, lost -5.26% during the period, outperforming U.S. equities thanks to a weaker U.S. Dollar and a perceived slowing in the number of reported coronavirus cases. Emerging Markets, however, are still down -9.68% on the year, and have lost -1.54% over the trailing 12-months.

Environmental, Social, and Governance screened indices such as the MSCI EAFE Ext. ESG Focus Index outperformed the MSCI EAFE Index by +21bps in February, while the MSCI EM Ext. ESG Focus Index outperformed the MSCI EM Index by +17bps. While not overly significant, the persistence of outperformance of ESG screened index shouldn't be overlooked. For example, over the past 12-months, the EAFE ESG and EM ESG indices above outperformed by +84bps and +74bps, respectively.

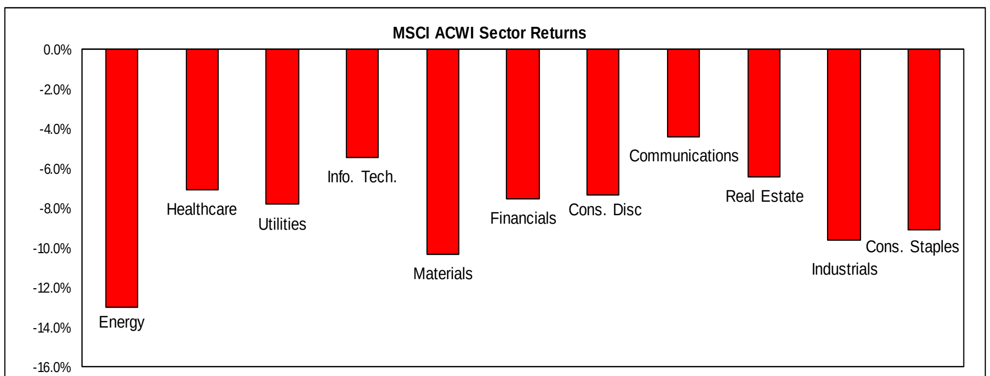
From a regional standpoint, Asian equities held up relatively well during the period, with the Hang Seng Index (Hong Kong) and Shanghai Composite Index (China) outperforming their broader benchmarks in local currency. As the number of new cases of the coronavirus has slowed in Asia, it's possible that Asian equities may start to outperform as much of the fear trade appears to be behind us. That's not to say that things can't get worse before they get better, but as part of the "bottoming" process in the short term, market expectations appear to already be pricing in quite a slowdown. It should be noted that even with the equity market sell-off, there hasn't been weakness in the HKD or CNY.

All 11 GICS sectors finished February in the red, with the Energy again the worst performing sector down -13.02% on the month. Materials and Industrials didn't fare much better, down -10.32% and -9.64%, respectively. Interest rate sensitive sectors slightly outperformed, but weren't the traditional haven they typically are. The Communication Services and Technology sectors fared the best, giving back -5.45% and -4.38%, respectively, as investors flock to last year's best performers.



International Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
MSCI ACWI Index (USD)	-8.03%	-9.02%	-9.02%	4.47%	7.56%	6.14%
MSCI EAFE Index (USD)	-9.01%	-10.90%	-10.90%	0.03%	4.51%	2.53%
MSCI EAFE Ext. ESG Focus Index (USD)	-8.80%	-10.65%	-10.65%	0.87%	4.63%	N/A
MSCI EM Index (USD)	-5.26%	-9.68%	-9.68%	-1.54%	5.25%	3.12%
MSCI EM Ext. ESG Focus Index (USD)	-5.09%	-9.28%	-9.28%	-0.80%	5.53%	N/A
FTSE 100 Index (GBP)	-8.97%	-12.02%	-12.02%	-2.72%	0.90%	3.09%
Nikkei 225 Index (JPY)	-8.82%	-10.56%	-10.56%	0.98%	5.50%	4.38%
Hang Seng Index (HKD)	-0.39%	-7.02%	-7.02%	-5.39%	7.03%	4.80%
Shanghai Composite Index (CNY)	-3.23%	-5.57%	-5.57%	0.33%	-1.63%	-0.68%
MSCI ACWI ex-USA Index (USD)	-7.88%	-10.34%	-10.34%	-0.15%	4.70%	2.72%
MSCI EMU Index (EUR)	-7.90%	-9.44%	-9.44%	3.72%	4.02%	3.02%



MSCI ACWI Ex U.S. Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of ACWI
Energy	-13.02%	-19.39%	-19.39%	-16.78%	1.37%	0.78%	10.67%
Healthcare	-7.07%	-6.18%	-6.18%	10.35%	8.36%	2.98%	6.06%
Utility	-7.82%	-3.31%	-3.31%	9.78%	9.80%	7.12%	6.10%
Information Technology	-5.45%	-6.64%	-6.64%	17.41%	14.64%	11.36%	8.73%
Materials	-10.32%	-15.17%	-15.17%	-8.37%	1.81%	1.69%	6.36%
Financials	-7.53%	-11.15%	-11.15%	-4.83%	1.82%	1.23%	20.17%
Consumer Discretionary	-7.36%	-11.13%	-11.13%	1.98%	4.28%	1.60%	11.25%
Communication Services*	-4.38%	-6.07%	-6.07%	0.59%	1.37%	-1.05%	7.17%
Real Estate**	-6.42%	-9.47%	-9.47%	-2.29%	4.22%	N/A	3.45%
Industrials	-9.64%	-11.47%	-11.47%	0.11%	4.64%	3.45%	10.55%
Consumer Staples	-9.12%	-9.92%	-9.92%	-0.54%	3.71%	2.72%	9.49%

*The MSCI ACWI Ex U.S. Communciation Services Sector was reclassifed on November 30th, 2018 **The MSCI ACWI Ex. USA Real Estate Sector was developed on August 31st, 2016

Fixed Income

The 3 month Treasury is once again yielding more than the 10 year Treasury, inverting the yield curve. This is the market telling the Federal Reserve that they are falling behind in their duties. On Friday, Fed Reserve Chairman Jerome Powell issued a statement saying that the Fed would “act as appropriate to support the economy.” This echoes his statement in June 2019 when he said that the Fed would, “act as appropriate to sustain the expansion,” foreshadowing the rate cut coming on July 31st. Powell also tellingly said, “Perhaps it is time to retire the term ‘unconventional’ when referring to tools that were used in the crisis. We know that tools like these are likely to be needed in some form in future.” The markets are expecting multiple rate cuts, with the first coming no later than the Fed meeting that ends on March 18th.

Volatility may feel more significant in the equity markets, but fixed income has certainly seen its share. Treasury yields have fallen significantly on the coronavirus fears that have recently plagued equities. Yields reached their recent highs in November 2018. Since then, we have seen the belly of the curve decline in yield by 200+ basis points, with almost half of the move coming in the first two month of 2020. Clearly, a risk off environment for Treasury bonds and stocks.

Investment Grade credit and High Yield bonds had been relatively resilient, although that strength faded as we approached February month-end. Investment Grade corporate spreads have widened noticeably from their early 2020 lows, rising to 145 basis points from 125 basis points. While significant, it has not yet approached the levels of widening that we have seen in recent times of market turmoil, such as late 2018 when we approached 200 basis points.

High Yield’s spread widening is more pronounced. We have broken through the 500 basis point level that we experienced in late 2018. The weakest credits within HY have widened the most. Part of this is driven by the concentration of Energy names in that portion of the index, which have been hit not only by the general market volatility, but doubly impacted with the declining price of oil. Fears of a global slowdown put highly levered Energy concerns in a difficult position.

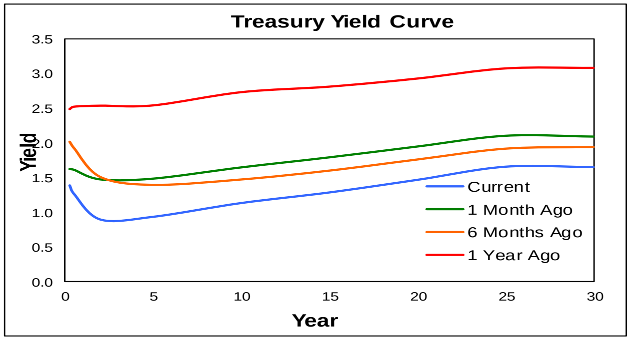
The clear winner for the month of February/YTD is Government Bonds. Investment grade credit has better 12 month performance, but will fade if spread widening continues.

Central Bank Activity

Name	Current	1 Month Ago	6 Months Ago	1 Year Ago
Fed Funds Rate	1.75%	1.75%	2.25%	2.50%
Bank of Japan Target Rate	0.10%	0.10%	0.10%	0.10%
European Central Bank Rate	0.00%	0.00%	0.00%	0.00%
Bank of England Official Bank Rate	0.75%	0.75%	0.75%	0.75%

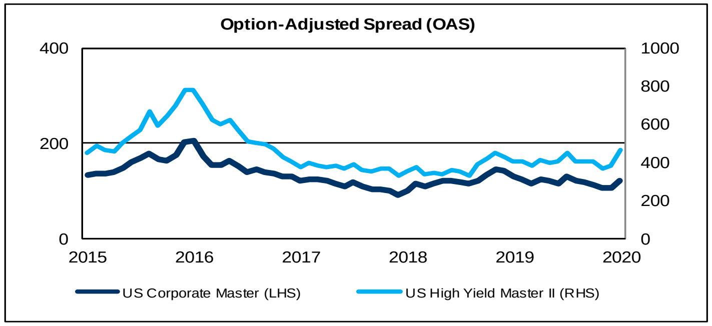
Fixed Income Returns

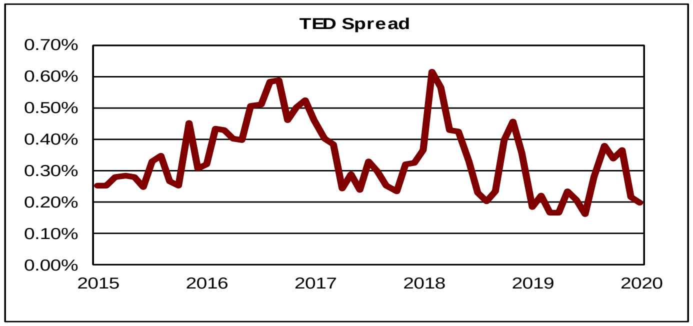
Name	MTD	QTD	YTD	1 Year
Bloomberg Barclays US Government Index	2.62%	5.10%	5.10%	12.32%
Bloomberg Barclays US Agg Index	1.80%	3.76%	3.76%	11.90%
Bloomberg Barclays US Corporate Index	1.34%	3.71%	3.71%	16.00%
Bloomberg Barclays US Corporate High Yield Index	-1.41%	-1.38%	-1.38%	6.06%
Bloomberg Barclays EM USD Agg Index	-0.20%	1.34%	1.34%	10.42%
Bloomberg Barclays Global Agg Treasuries USD Index	1.48%	3.47%	3.47%	10.20%
Bloomberg Barclays Municipal Index	1.29%	3.11%	3.11%	9.54%
S&P Green Bond Select Index Total Return	0.92%	3.10%	3.10%	9.32%

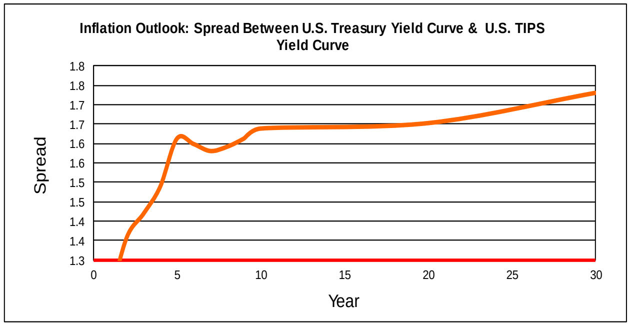


U.S. Treasury Yields

Period	3 Month	6 Month	2 Year	5 Year	10 Year	15 Year	20 Year	25 Year	30 Year
Current	1.39%	1.27%	0.90%	0.94%	1.14%	1.29%	1.47%	1.66%	1.66%
1 Month Ago	1.62%	1.61%	1.47%	1.48%	1.64%	1.79%	1.95%	2.11%	2.10%
6 Months Ago	2.01%	1.92%	1.51%	1.40%	1.47%	1.60%	1.76%	1.92%	1.94%
1 Year Ago	2.49%	2.52%	2.54%	2.54%	2.73%	2.81%	2.93%	3.08%	3.09%







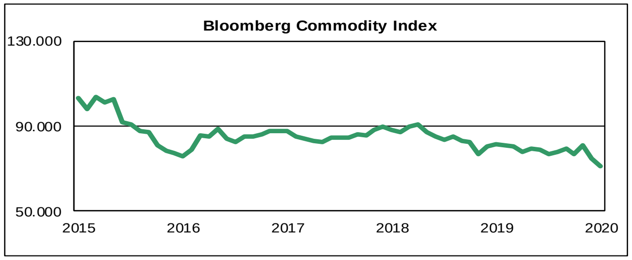
Alternative Investments

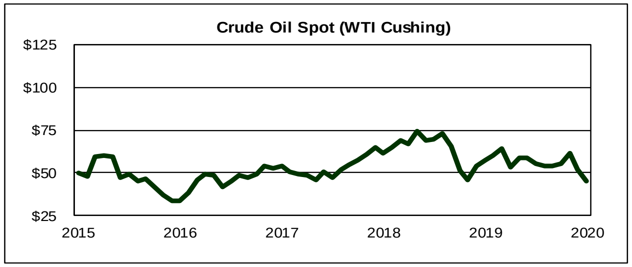
Alternative investments largely fared poorly in February, with Gold the lone bright spot. As global equity markets sold off, bond yields fell precipitously with the benchmark 10-year U.S. Treasury yield falling below 1% to new record lows. Fears over the spread of the coronavirus gripped markets of all shapes and sizes, with the CBOE Volatility Index (VIX) spiking +112.9% to 40.11 at month end. Volatility has now risen +173.98% year to date, and +171.38% over the past year, underscoring just how complacent the equity markets had become.

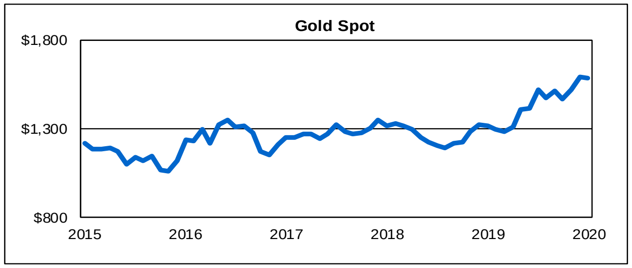
Commodities, as measured by the Bloomberg Commodities Index, fell -5.2%, with all major subcomponents losing value. West Texas Intermediate (WTI) crude oil lost nearly $7/barrel, or -13.2% on the month to close under $45/barrel. February's monthly close represented the lowest monthly close since August 2016. With WTI oil prices now down -26.7% year to date, it remains to be seen whether OPEC members will look to cut production in an effort to boost crude oil prices. Furthermore, with demand for oil slowing as global growth slows, it's not a given that a short term cut in production will sustainably boost WTI prices. Real Estate, as measured by the FTSE NAREIT All-REIT Index lost -7.3% on the month despite interest rates falling across the yield curve. While Real Estate fared better than the broader market (S&P 500 lost -8.23% on the month), it was not the typical safe haven one might expect, especially given a falling interest rate environment.

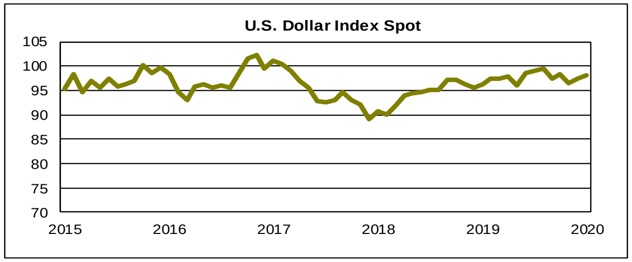
Even as rates fell, the Dollar, as measured by the DXY Index rose +0.8% on the month; however, with falling interest rates in the U.S., interest rate differentials between the Dollar and Euro for example may compress, leading to upward pressure on the Euro. A strengthening Euro and weakening U.S. Dollar would be a boon for U.S. based investors investing overseas in USD terms. Despite Dollar strength in February, and the past year (up +2.1% over the past 12-months), Gold prices have soared. Gold held it's own in February, losing less then $4/ounce, or -0.2%, to close at $1,586/ounce. The precious metal has risen more than $272/ounce over the past year, or +20.7%, handily outpacing all other alternative investments, major U.S. and International equity market indices, and most individual sectors. The lone outperformer of Gold has been U.S. Technology stocks, which have gained +26.7% over the past 12-months.

Hedge Fund strategies served as a proper hedge in February, with 8 of 9 strategies moving +/- 1% or less on average. Notable performance included Merger Arbitrage (-0.26%) and Market Neutral (-0.44%) which proved their worth.





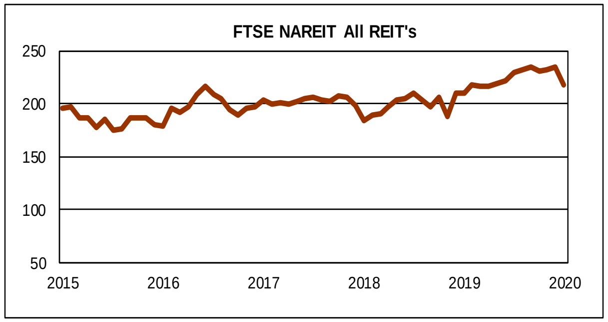




Hedge Funds

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
Global Hedge	-0.78%	-0.37%	-0.37%	5.30%	1.73%	0.76%
Convertible Arbitrage	-0.06%	0.66%	0.66%	3.91%	3.26%	3.26%
Equity Hedge (L/S)	-2.80%	-3.12%	-3.12%	2.02%	1.55%	0.56%
Equity Market Neutral	-0.44%	-1.98%	-1.98%	-2.55%	-2.03%	-1.18%
Event Driven	0.17%	0.68%	0.68%	8.17%	0.48%	1.26%
Macro	-0.35%	0.47%	0.47%	6.58%	1.40%	-0.64%
Merger Arbitrage	-0.26%	-0.09%	-0.09%	2.22%	0.22%	2.18%
Relative Value Arbitrage	0.09%	0.78%	0.78%	4.47%	2.85%	1.15%
Absolute Return	-0.12%	-0.11%	-0.11%	3.09%	2.22%	1.78%

Note: Price Return, Returns as of 02/27/19



Spot Rates

Description	Current	1 Month Ago	3 Months Ago	6 Months Ago	1 Year Ago
CAD / USD	1.34	1.32	1.33	1.33	1.32
JPY / USD	107.89	108.35	109.49	106.28	111.39
USD / GBP	1.28	1.32	1.29	1.22	1.33
USD / EUR	1.10	1.11	1.10	1.10	1.14

S&P 500 Index (SPX) – Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

S&P 500 Sector Indices (S5COND, S5CONS, S5ENRS, S5FINL, S5HLTH, S5INDU, S5INFT, S5MATR, S5TELS, S5UTIL, S5RLST) – The S&P 500 is broken down into eleven sub-indices according to the Global Industry Classification Standard (GICS) sectors. These eleven sectors include Consumer Discretionary, Consumer Staples, Energy, Financials, Health Care, Industrials, Information Technology, Materials, Communication Services, Utilities, and Real Estate.

S&P 400 Mid Cap Index (MID) – Standard and Poor's Mid Cap 400 Index is a capitalization-weighted index, which measures the performance of the mid-range sector of the U.S. stock market.

S&P 600 Small Cap Index (SML) – Standard & Poor's Small Cap 600 Index is a capitalization-weighted index that measures the performance of selected U.S. stocks with a small market capitalization.

S&P 500/Citigroup Growth Index (SGX) – The S&P 500/Citigroup Growth Index is a market capitalization-weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

S&P 500/Citigroup Value Index (SVX) – The S&P 500/Citigroup Value Index is a market capitalization-weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

MSCI AC World Index (MXWD) – The MSCI AC World Index is a free float-weighted equity index. The index includes both emerging and developed world markets.

MSCI EAFE Index (MXEA) – The MSCI EAFE Index is a capitalization-weighted index that monitors the performance of stocks from developed markets in Europe, Australia-Asia, and the Far East.

MSCI Emerging Market Index (MXEF) – The MSCI Emerging Market Index is a free-float weighted index that is designed to measure the equity performance of international emerging markets.

FTSE 100 Index (UKX) – The FTSE 100 Index is a capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange. The equities use an investability quotient weighting in the index calculation.

Nikkei 225 Stock Average Index (NKY) – The Nikkei-225 Stock Average is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Hang Seng Index (HSI) – The Hang Seng is a free-float capitalization-weighted index of selected companies from the Stock Exchange of Hong Kong. The components of the index are divided into four sub-indexes: Commerce and Industry, Finance, Utilities, and Properties.

Shanghai Stock Exchange Composite Index (SHCOMP) – The Shanghai Stock Exchange Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

MSCI USA Extended ESG Focus Index- The Index is designed to maximize exposure to positive environmental, social and governance (ESG) factors while exhibiting risk and return characteristics similar to those of the MSCI USA Index.

MSCI EAFE Extended ESG Focus Index- The Index is designed to maximize exposure to positive environmental, social and governance (ESG) factors while exhibiting risk and return characteristics similar to those of the MSCI EAFE Index.

MSCI Emerging Markets Extended ESG Focus Index- The Index is designed to maximize exposure to positive environmental, social and governance (ESG) factors while exhibiting risk and return characteristics similar to those of the MSCI Emerging Markets Index.

MSCI ACWI ex USA Index (MXWDU) – The MSCI ACWI ex USA Index is a free-float weighted index.

MSCI ACWI ex USA Sector Indices– The MSCI ACWI ex USA Index is broken down into eleven sub-indices according to the Global Industry Classification Standard (GICS) sectors. These eleven sectors include Consumer Discretionary, Consumer Staples, Energy, Financials, Health Care, Industrials, Information Technology, Materials, Communication Services, Utilities, and Real Estate.

MSCI EMU Index (MXEM) – The MSCI EMU (European Economic and Monetary Union) Index is a free-float weighted equity index.

Bloomberg Barclays Global Treasuries USD Hedged Index (LGTRTRUH)– The Bloomberg Barclays Global Treasury Index tracks fixed-rate, local currency government debt of investment grade countries. The index represents the treasury sector of the Global Aggregate Index and contains issues from 37 countries denominated in 24 currencies.

Bloomberg Barclays Municipal Bond Index (LMBITR)– The Bloomberg Barclays Municipal Bond Index covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

Bloomberg Barclays U.S. Government Index- Bloomberg Barclays US Government Bond Index is compromised of the US Treasury and US Agency Indices. The index includes US dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government).

Bloomberg Barclays EM Hard Currency Aggregate Index (LG20TRUU)- The Bloomberg Barclays Emerging Markets Hard Currency Aggregate Index is a hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

Bloomberg Barclays U.S. Aggregate Bond Index (LBUSTRUU)- The Bloomberg Barclays US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg Barclays U.S. Corporate Index (LUACTRUU)- The Bloomberg Barclays US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg Barclays U.S. Corp High Yield Index (LFTR
ML U.S. Corporate Index (C0A0) – The Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high yield, below-investment grade fixed-rate corporate bond market.

S&P Green Bond Select Index (SPGRSLLT)- The S&P Green Bond Select Index is a market value-weighted subset of the S&P Green Bond Index that seeks to measure the performance of green-labeled bonds issued globally, subject to stringent financial and extra-financial eligibility criteria.

ML U.S. Corporate Index (C0A0) – The Merrill Lynch U.S. Corporate Index tracks the performance of U.S. dollar denominated investment grade corporate debt publicly issued in the U.S. domestic market.

ML U.S. High Yield Index (H0A0) – The Merrill Lynch U.S. High Yield Index tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market.

FTSE NAREIT All REITs Index (FNAR) – The FTSE NAREIT All REITs Index is a free float adjusted market capitalization-weighted index that includes all tax qualified REITs listed in the NYSE, AMEX, and NASDAQ National Market.

Bloomberg Commodity Index (BCOM) – Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

U.S. Dollar Index (DXY) – The U.S. Dollar Index (USDX) indicates the general int'l value of the USD. The USDX does this by averaging the exchange rates between the USD and 6 major world currencies. The ICE US computes this by using the rates supplied by some 500 banks.

HFRX Global Hedge Fund Index (HFRXGL) – The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies.

HFRX Convertible Arbitrage Index (HFRXCA) – The HFRX Convertible Arbitrage Index is designed to reflect the general performance of strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a convertible fixed income instrument.

HFRX Distressed Securities Index (HFRXDS) – The HFRX Distressed Securities Index is designed to reflect the general performance of strategies focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance of obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

HFRX Macro Index (HFRXM) – The HFRX Macro Index reflects the general performance of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency, and commodity markets.

HFRX Equity Hedge Index (HFRXEH) – The HFRX Equity Hedge Index is designed to reflect the general performance of strategies that maintain both long and short positions in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques. Strategies can be broadly diversified or narrowly focused.

HFRX Equity Market Neutral Index (HFRXEMN) – The HFRX Equity Market Neutral Index is designed to reflect the general performance of strategies that employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities.

HFRX Event Driven Index (HFRXED) – The HFRX Event Driven Index reflects the general performance of strategies that maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including, but not limited to, mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance, or other capital structure adjustments.

HFRX Merger Arbitrage Index (HFRXMA) – The HFRX Merger Arbitrage Index reflects the general performance of strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are current engaged in a corporate transaction.

HFRX Relative Value Arbitrage Index (HFRXRVA) – The HFRX Relative Value Arbitrage Index reflects the general performance of strategies that maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Economic Data Sources:
PPI & CPI – Bureau of Labor Statistics
Unemployment Rate – Bureau of Labor Statistics
Consumer Confidence – Conference Board
S&P/Case-Shiller Composite 20 – Case-Shiller
Industrial Production – Federal Reserve
Capacity Utilization – Federal Reserve
Retail Sales – U.S. Census Bureau
Housing Starts – U.S. Department of Commerce
Factory Orders – U.S. Census Bureau
Leading Indicators – Conference Board
Unit Labor Costs – Bureau of Labor Statistics
GDP – Bureau of Economic Analysis
Wholesale Inventories – U.S. Census Bureau
MBA Mortgage Applications – Mortgage Bankers Association
4-Week Moving Average of Initial Claims, SA – Bureau of Labor Statistics

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