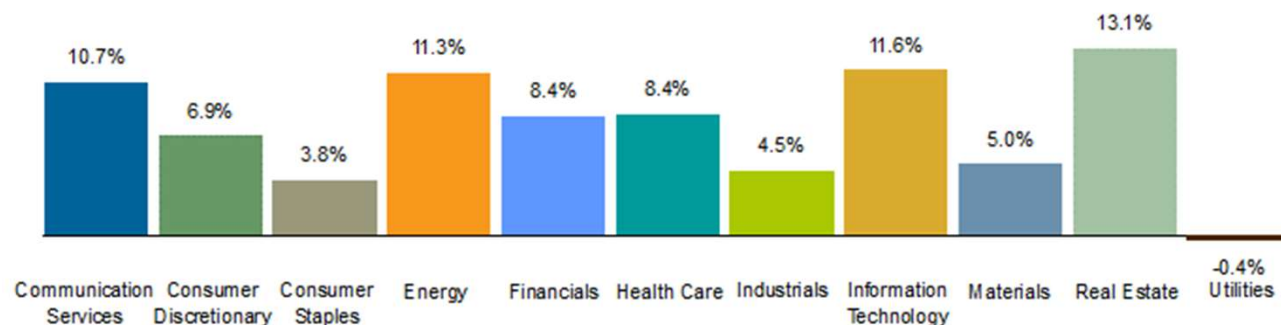


2Q21 Market Environment

US Equity Performance – Second Quarter

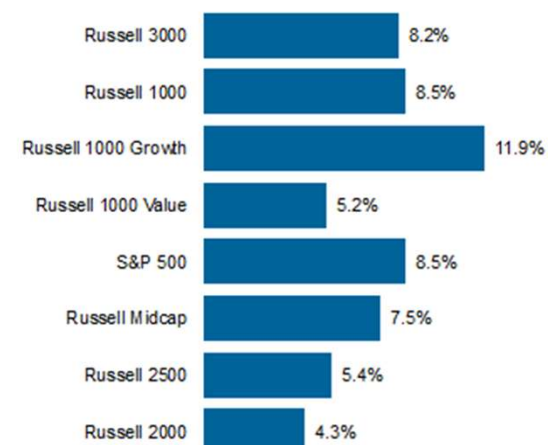
- **Markets keep setting all-time highs**
 - The S&P 500 Index continued to hit record highs in 2Q21.
 - The 12-month rebound after the market low in March 2020 for the S&P 500 surpasses the 12-month GFC and Dot-Com Bubble rebounds. Since March 2020, the S&P is up 96.1%, with all sectors posting gains over 45%; Energy +140.6%.
 - All sectors posted positive returns except for Utilities. 2Q21 top sectors were Technology and Energy.
- **Market leadership changed in 2Q21**
 - Vaccine news/roll-outs provided a catalyst for market rotation into value/cyclicals in 4Q20 and 1Q21.
 - In June 2021, the Fed moved up its timeline for rate hikes, prompting a shift back to growth stocks.
 - Generally, growth outperformed value during the quarter as investors contemplated a “transitory” inflationary environment. The only exception was in small caps, where the Russell 2000 Growth underperformed the Russell 2000 Value. Continued outperformance of meme stocks helped small value.
 - Larger cap stocks outperformed smaller cap stocks, reversing the recent trend of small cap outperformance.
 - Starting in 2005, cumulative returns for broad large cap and small cap indices were in lock-step, until 4Q18.
 - In 2Q21, Russell 1000 increased by 8.5%, ending a two-quarter streak in which small cap stocks outperformed large.
 - After cyclical stocks led the market for the prior two quarters, mega-cap Technology stocks outperformed in 2Q. This helped the Russell 1000 beat the Russell 2000. For the year, the two best-performing sectors are Energy and Financials.
 - Historically, small cap stocks have outperformed in the first 12 months of market recoveries. They tend to underperform in the ensuing 12 months.

S&P Sector Returns, Quarter Ended June 30, 2021

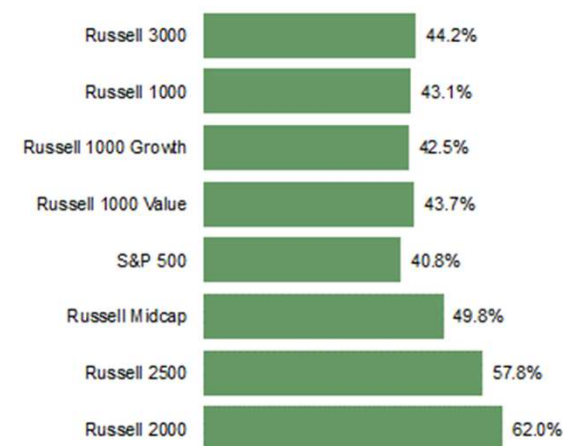


Sources: S&P Dow Jones Indices

U.S. Equity: Quarterly Returns



U.S. Equity: One-Year Returns

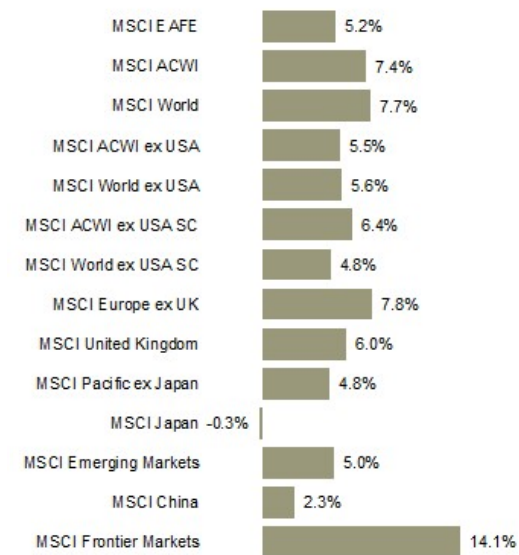


Sources: FTSE Russell, S&P Dow Jones Indices

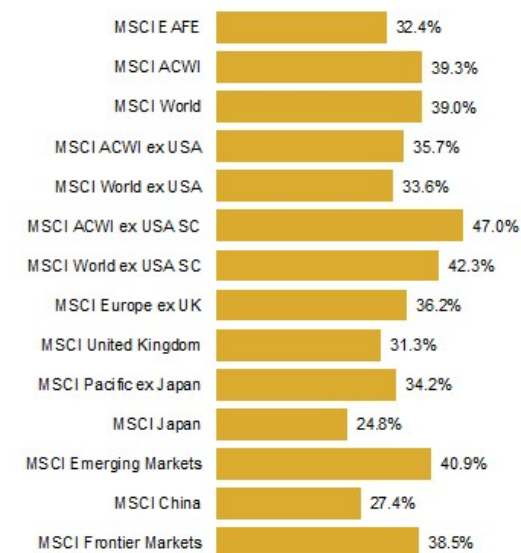
Global ex-U.S. Equity Performance – Second Quarter

- **Strong growth despite pockets of COVID-19 outbreaks**
 - Government stimulus and a continued “return to normal” spurred positive sentiment.
 - Risk assets lost some steam amid concerns around the Delta variant.
 - Small cap was largely in-line with large, except within emerging markets where smaller companies benefited from rebounds within industrials and basic materials.
 - Despite return dispersions within regions, developed and emerging markets performed similarly over the quarter.
- **Market shifts away from cyclicals**
 - Expectations remain positive, but cooled from previous quarters, causing cyclical stocks to lag.
 - Factor performance showed a preference for quality and growth, a divergence from last quarter.
- **U.S. dollar vs. other currencies**
 - The U.S. dollar was mixed versus other currencies and did not contribute meaningfully to global ex-U.S. results.
- **Growth vs. value**
 - Growth overturned value, except in emerging markets, where commodity-rich countries rallied.
- **Uneven global vaccination rates**
 - North America and Europe leading, while the rest of world still lagging in vaccinations
 - YTD equity market returns mirroring regional vaccination status as many countries ex-U.S. remain in lockdown:
 - MSCI North America: +14.9%
 - MSCI Europe: +11.8%
 - MSCI EM Latam: +8.9%
 - MSCI EM Asia: +7.5%
 - MSCI China: +2.3%
- **Potential for re-opening trade ex-U.S.**
 - Historically, small cap, value, and cyclicals thrive in recoveries as manufacturing resumes and retail sales rise.
 - Pointing toward 2H21 ex-U.S. GDP surge and equity market rebounds as vaccination rates increase and lockdowns abate

Global Equity: Quarterly Returns



Global Equity: One-Year Returns

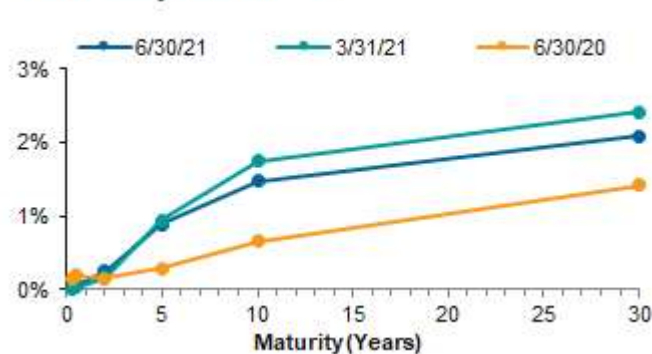


Source: MSCI

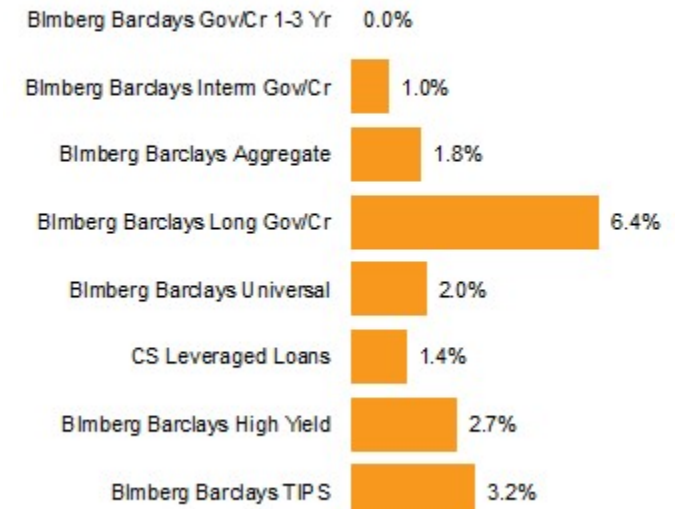
U.S. Fixed Income Summary – Second Quarter

- **US Treasury yield curve flattens**
 - The 10-year U.S. Treasury yield closed 2Q21 at 1.45%, a decline of 29 bps from 1Q21.
 - The short-end of the curve remained anchored, though a hawkish tone from the Fed's June meeting rallied rates on the long end.
 - TIPS outperformed nominal U.S. Treasuries given strong relative performance in April and May.
- **Bloomberg Barclays Aggregate rallies**
 - The Bloomberg Barclays US Aggregate Bond Index added 1.8%, with spread sectors outperforming treasuries.
 - Demand for corporate credit remained strong, with spreads tightening 11 bps over the quarter, to 80 bps.
- **High yield rally continues on lowered default expectations**
 - High yield (HY) bonds outperformed investment grade (IG) in 2Q adjusted for duration, but underperformed IG in absolute terms.
 - Leveraged loans returned 1.5% for the quarter, driven by favorable supply/demand dynamics.
- **Munis outperform Treasuries as economies re-open**
 - Municipals topped treasuries, as municipal yields rose less than treasury yields.
 - The municipal market was supported by the American Rescue Act.
- **Tight corporate spreads and fall in default rate**
 - Corporate credit spreads have not traded this tight since 1H07
 - Default rate is declining from the near-term highs reached during the pandemic. Fed's support provided issuers the opportunity to term out their existing debt and extend maturities, while accelerating growth and better-than-expected earnings were tailwinds to debt holders.
 - 2021 marks the most modest first half of a calendar year for defaults/distressed transactions since 2011, according to JPMorgan.
 - Some market participants have lowered their rolling 12-month default forecasts to a range of <1% to 2.5% for 2021.

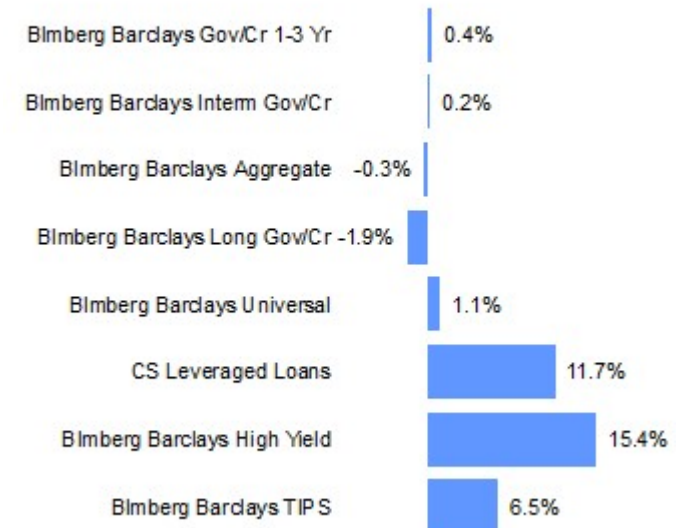
U.S. Treasury Yield Curves



U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



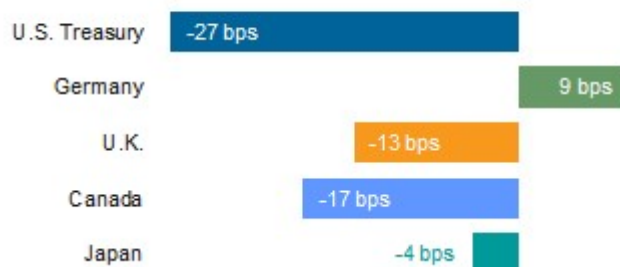
Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

Non-U.S. Fixed Income Performance – Second Quarter

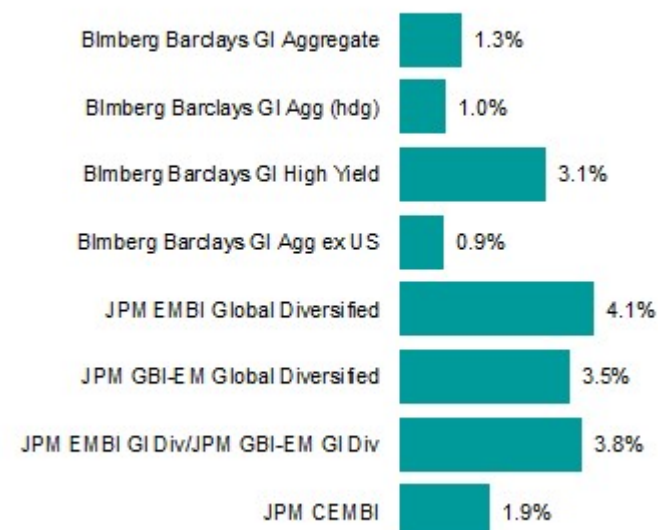
- **Global fixed income posts positive returns**
 - Global fixed income ex-U.S. (hedged) gained as global economies re-opened, albeit underperforming the US Aggregate.
 - The U.S. dollar was mixed against developed currencies, up 0.3% versus the yen; down 1.1% vs. euro, 1.3% vs. the Canadian dollar, 2.0% vs. the Swiss franc.
- **Emerging market debt gains**
 - Emerging market debt rallied in 2Q21, with JPM EMBI Global Diversified gaining 4.1% in hard currency, as falling U.S. rates spilled into emerging markets, and 3.5% in local currency. However, both remained down YTD, -0.7% and -3.4%, respectively.
 - The U.S. dollar generally depreciated versus emerging currencies. Notables include -1.5% vs. Chinese yuan and -13.4% vs. Brazilian real.
 - EM corporates fared better than sovereigns amid improving corporate fundamentals and global economic recovery.
 - Local currency index (GBI-EM Global Diversified) slightly trailed hard currency, as real GDP growth expectations increased.

Change in 10-Year Global Government Bond Yields

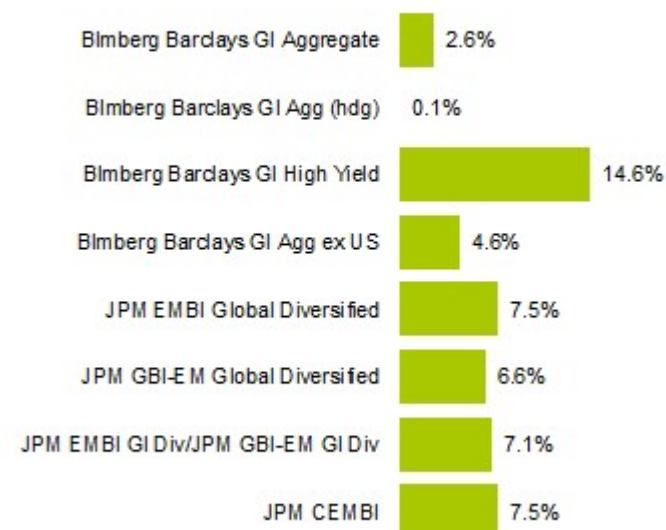
1Q21 to 2Q21



Global Fixed Income: Quarterly Returns



Global Fixed Income: One-Year Returns



Returns for Various Periods – June 30, 2021

		April	May	June	Last Quarter	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
EQUITY	1 Russell:3000 Index	5.15	0.46	2.47	8.24	15.11	44.16	18.73	17.89	14.70	10.78
	2 Russell:1000 Index	5.38	0.47	2.51	8.54	14.95	43.07	19.16	17.99	14.90	10.89
	3 Russell:1000 Growth	6.80	(1.38)	6.27	11.93	12.99	42.50	25.14	23.66	17.87	13.53
	4 Russell:1000 Value	4.00	2.33	Z	5.21	17.05	43.68	12.42	11.87	11.61	8.01
	5 Russell:Midcap Index	5.10	0.80	1.47	7.50	16.25	49.80	16.45	15.62	13.24	10.53
	6 Russell:Midcap Growth	5.62	(1.53)	6.80	11.07	10.44	43.77	22.39	20.52	15.13	12.10
	7 Russell:Midcap Value	4.84	1.97	(1.16)	5.66	19.45	53.06	11.86	11.79	11.75	9.11
	8 Russell:2500 Index	4.00	0.21	1.18	5.44	16.97	57.79	15.24	16.35	12.86	10.25
	9 Russell:2500 Growth	3.51	(2.78)	5.37	6.04	8.67	49.63	20.15	20.68	14.83	12.04
	10 Russell:2500 Value	4.29	2.03	(1.32)	5.00	22.68	63.23	10.60	12.29	10.93	8.41
	11 Russell:2000 Index	2.10	0.21	1.94	4.29	17.54	62.03	13.52	16.47	12.34	9.51
	12 Russell:2000 Growth	2.18	(2.86)	4.69	3.92	8.98	51.36	15.94	18.76	13.52	10.89
	13 Russell:2000 Value	2.02	3.11	(0.61)	4.56	26.69	73.28	10.27	13.62	10.85	7.90
	14 S&P:500	5.34	0.70	2.33	8.55	15.25	40.79	18.67	17.65	14.84	10.73
	15 S&P:400 Mid Cap	4.50	0.20	(1.02)	3.64	17.60	53.24	13.17	14.29	12.40	10.43
	16 S&P:600 Small Cap	2.04	2.08	0.33	4.51	23.56	67.40	12.20	15.82	13.49	10.45
	17 MSCI:ACWI ex US	2.94	3.13	(0.65)	5.48	9.16	35.72	9.38	11.08	5.45	4.85
	18 MSCI:EAFE	3.01	3.26	(1.13)	5.17	8.83	32.35	8.27	10.28	5.89	4.40
	19 MSCI:EM	2.49	2.32	0.17	5.05	7.45	40.90	11.28	13.03	4.29	6.61
	20 MSCI:ACWI	4.37	1.56	1.32	7.39	12.30	39.26	14.57	14.61	9.90	7.60
FIXED INCOME	21 Blmbg:Aggregate	0.79	0.33	0.70	1.83	(1.60)	(0.33)	5.34	3.03	3.39	4.43
	22 Blmbg:Gov/Credit	0.88	0.51	1.01	2.42	(1.96)	(0.39)	5.95	3.31	3.71	4.58
	23 Blmbg:Credit	1.06	0.72	1.50	3.32	(1.28)	2.99	7.42	4.63	4.92	5.61
	24 Blmbg:Corporate High Yld	1.09	0.30	1.34	2.74	3.62	15.37	7.45	7.48	6.66	7.53
	25 Blmbg:Municipal Bond	0.84	0.30	0.27	1.42	1.06	4.17	5.10	3.25	4.28	4.50
	26 Blmbg:US TIPS	1.40	1.21	0.61	3.25	1.73	6.51	6.53	4.17	3.40	4.56
	27 Blmbg:Glob Agg ex USD	1.62	1.36	(2.02)	0.92	(4.42)	4.60	3.12	1.63	0.99	3.09
	28 S&P:LSTA Levlg Loan	0.51	0.58	0.37	1.47	3.28	11.65	4.39	4.99	4.39	4.63
	29 ML:US Treasuries 1-3 Yrs	0.05	0.08	(0.15)	(0.03)	(0.08)	0.07	2.68	1.60	1.20	2.17
	30 LIBOR - 3 Month	0.01	0.01	--	--	--	--	--	--	--	--
	31 3 Month T-Bill	0.00	0.00	0.00	0.00	0.02	0.09	1.34	1.17	0.63	1.08
REAL ASSETS	32 Blmbg:Commodity TR Idx	8.29	2.73	1.85	13.30	21.15	45.61	3.90	2.40	(4.44)	(3.00)
	33 GS Commodity Index	8.23	2.52	4.29	15.72	31.40	57.37	(2.72)	1.73	(6.48)	(6.37)
	34 MSCI:US REIT Index	8.05	0.93	2.69	12.00	21.80	38.05	10.14	6.32	9.38	7.01
	35 Alerian:MLP Index	7.15	7.57	5.18	21.23	47.84	63.98	(0.33)	(1.05)	1.07	5.85
	36 DJB:Gbl Infrastructure	4.68	1.61	0.49	6.88	12.58	18.75	7.95	6.85	8.22	8.36
	37 US DOL:CPI All Urban Cons	0.82	0.80	--	--	--	--	--	--	--	--