JULY 17, 2026

WEEKLY HEADINGS

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Strong Fundamentals, But Rising Risks. It's been a busy week for both sports fans and investors. From last weekend's Wimbledon finals to the upcoming World Cup final between Argentina and Spain, along with the British Open, there has been no shortage of action on the sporting stage. Financial markets were equally eventful, with key inflation reports, Fed Chair Warsh's first semiannual testimony to Congress, renewed Middle East tensions, and the start of earnings season all helping shape the narrative. Despite the steady flow of headlines, the underlying message remained familiar: inflation is still running above the Fed's target, consumers continue to show resilience, and corporate earnings remain supportive of the equity bull market—even as geopolitical risks stay elevated. Below, we highlight five key takeaways from the week and what they may mean for the economy and financial markets.

KEY TAKEAWAYS

Warsh Signals That Restoring Price Stability Is The Fed's Number One Priority

Downside Inflation Surprises Were Welcomed News For The Fed

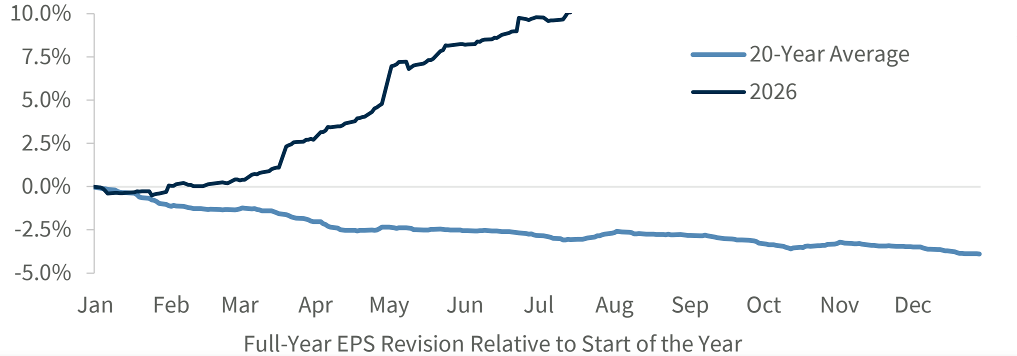
Early Earnings Results Have Exceeded Expectations, Justifying Investor Optimism

- **Warsh Signals Inflation Is His Number One Priority |** In his inaugural semiannual testimony to Congress as Fed Chair, Warsh made clear that restoring price stability remains the Fed's top priority, emphasizing the need to rebuild credibility after inflation has run above the FOMC's 2.0% target for more than five years. While offering few clues about the policy path ahead, he reiterated that the Fed has the tools it needs—both interest rates and the balance sheet—to fulfill its mandate. More notably, Warsh renewed his call for broad reform, arguing that the Fed should reassess its communications, balance sheet strategy, data inputs, AI and labor market dynamics, and inflation framework—changes that could amount to the most significant overhaul of the Fed's operating framework in decades. Meanwhile, this week's softer-than-expected inflation reports should give policymakers more time to assess incoming data, keeping the Fed in a holding pattern for now.
- **Downside Inflation Surprises Are Good News, If Sustained |** This week's downside surprises in both CPI and PPI were welcome news for the Fed. While Warsh stopped short of declaring "mission accomplished" during his Congressional testimony, noting that one month does not make a trend, June's CPI report pointed to broad-based easing in price pressures. Energy prices fell sharply, marking the largest monthly decline in six years and providing a meaningful drag on headline inflation. Core goods prices slipped 0.1% as tariff-related pressures continued to fade, shelter posted its smallest increase (+0.1%) since January 2021, and services inflation cooled further. Notably, the share of CPI components rising at an annualized rate above 2% fell to its lowest level since 2021. If these trends persist, inflation has likely peaked. However, renewed geopolitical tensions could still pose an upside risk to inflation and the Fed's policy outlook.
- **But Beware, The Iran Conflict Is Still Not Behind Us |** After the US-Iran interim peace deal unraveled last week, hostilities quickly intensified. Airstrikes resumed, the US reinstated its blockade of Iranian ports, and shipping through the Strait of Hormuz dropped by more than half, with the 7-day average falling from roughly 25 crossings to just nine. The renewed disruption lifted oil prices, with WTI climbing ~16% from its recent low to around $80/barrel—a reminder that this conflict remains a risk, even as financial markets have largely shrugged off the latest escalation. One underappreciated risk bears watching: the Strategic Petroleum Reserve sits near its lowest level in more than four decades, while commercial inventories have also been declining, leaving energy markets more exposed the longer this latest escalation persists. Even so, our base case does not call for a sustained rise in oil prices, as neither side has much incentive to prolong the conflict.
- **Consumer Spending Remains A Growth Tailwind |** Despite higher gas prices and lingering inflation pressures, this week's data reinforced the resilience of the US consumer. Real-time indicators, including restaurant bookings and department store spending, remained firmly positive year over year. Fueled in part by World Cup-related travel, hotel occupancy rose on a YoY basis for the 12th straight week. That strength was also echoed in bank earnings, where major lenders pointed to broad-based consumer strength: credit card spending grew at its fastest pace in three years, while charge-offs and delinquency rates continued to improve. With consumer spending accounting for ~70% of GDP, solid household demand should continue to support economic growth.
- **Earnings Continue To Clear A High Bar |** The bar was high heading into earnings season, with 2Q26 EPS estimates rising ~3% in the 12 weeks before reporting began. Full-year 2026 EPS estimates are also up ~10% YTD, marking the second-largest upward revision of the past two decades. While still early, corporate results have largely justified that optimism. Companies representing ~13% of the S&P 500's market cap have reported thus far, with 85% beating earnings estimates and delivering aggregate profits 15% above expectations. The strength has been broad-based, from record bank earnings fueled by robust investment banking and IPO activity to strong sales growth at select industrial firms and upside surprises from key health insurers. With valuations already elevated, earnings will need to carry the market from here—and early results suggest they are up to the task.

CHART OF THE WEEK

S&P 500's 2026 Earnings Estimates Remain Strong

The S&P 500's 2026 earnings estimates have been revised ~10% higher since the start of the year--marking the second-largest upward revision over the past two decades. As a result, 2026 earnings are expected to be up ~26%.



Source: FactSet, Data as of 7/16/2026.

RAYMOND JAMES

Economy

- June CPI surprised to the downside, with headline inflation *falling* 0.4% MoM while core CPI was unchanged. The annual headline rate slowed to 3.5% and core inflation eased to 2.6%, as broad-based softness in core prices reinforced the general disinflation trend.
- PPI also pointed to easing inflation pressures, with headline PPI *declining* 0.3% MoM and core PPI (ex. Trade) rising just 0.1% MoM. Lower energy prices drove the decline, while downward revisions to May suggest pipeline inflation pressures are moderating.
- Retail sales remained resilient in June, up 0.2% MoM, despite a sharp decline in sales at gasoline stations. Control group sales grew 0.5% MoM while prior months were revised up, pointing to robust consumer spending and stronger potential contributions to 2Q GDP.
- **Focus of the Week:** Next week brings a noticeably slower week in terms of economics data, with focus on Monday's Leading Economic Index (positive MoM print expected for the third month in a row) and Friday's New Home Sales report (consensus : +7.8% MoM).

July 20 – July 24

MON Leading Economic Index

TUE

WED

THU Jobless Claims
ECB Meeting

FRI New Home Sales

FUTURE EVENTS
7/29 FOMC Meeting
7/30 PCE

Equity

- The S&P 500 is on pace to decline by -0.6% this week, marking the first weekly decline over the last three weeks as a strong start to earnings season along with better-than-expected inflation data was more than offset by rising geopolitical tensions and oil prices. After getting off to a strong start to July, this weakness is in-line with historical seasonality. Dating back to 1975, the S&P 500 has gained 1% on average (positive 69% of the time) during the first half of July compared to a flat return (positive only 55% of the time) during the second half of July. With earnings season set to ramp up, strong results will be needed to offset these seasonal headwinds.
- Additionally, small caps have underperformed large caps by more than -2% MTD. Despite June inflation data coming in better than expectations, the percentage of small businesses citing inflation as their biggest concern rose to 21% during the month—the highest level since October 2024. Stronger insulation to rising input costs is one reason why we prefer large caps over small caps, which is evident as the S&P 500's Net Margin is expected be nearly 3x that of the S&P Small Cap 600, a trend that is expected to remain in place until at least 2028. This, combined with stronger large cap upward EPS revisions reinforces our preference for large over small caps.
- **Focus of the Week:** The market will get its first glimpse of hyperscaler earnings next week with Alphabet reporting 2Q26 results on Wednesday evening. We'll be focused on the AI capex outlook as well as monetization within their cloud computing segment.

Fixed Income

- Softer-than-expected inflation reduced the probability of a Fed rate hike in July, with odds falling from 34% to ~10% this week. Yet longer-term Treasury yields are higher as rising oil prices and healthy growth outweigh signs that inflation may be peaking. MTD, the 10-year yield is up 10 bps to 4.55%, while the 30-year briefly touched 5.12%, just shy of its highest mark since 2007. Notably, the move has been driven by higher real yields—30-year real yields are at their highest level in 24 years—rather than inflation expectations, signaling the bond market's confidence in the economy's underlying strength.
- While the broader credit backdrop remains benign, with index spreads still under 80 bp, tech sector spreads have widened. Heavy AI-related capex, record issuance and company-specific credit concerns (including S&P's one-notch downgrade of Oracle to BBB-) has pushed tech sector spreads above broader IG index spreads for the first time since 2006. Meanwhile, benchmark IG yields have risen to ~5.4%, the highest in a year, creating an attractive entry point for long-term investors.
- **Focus of the Week:** Following this week's BOC decision to remain on hold, the ECB—also expected to remain steady—is set to meet.

Washington Policy

- The Trump Administration finalized a 25% Section 301 tariff on many Brazilian imports, effective July 22, while carving out price-sensitive products such as beef, coffee, fertilizers, minerals, and certain auto parts. We view Brazil as a test case for the broader strategy, in which it uses more durable trade authorities to recreate pieces of the prior tariff regime as Section 122 tariffs expire.
- China tech policy generated headlines after three hawkish chip export control bills were included as amendments in the Senate National Defense Authorization Act (NDAA), providing further examples of bipartisan Congressional appetite to tighten controls on advanced AI chips and semi manufacturing equipment. However, we continue to view passage as unlikely, as the White House remains focused on minimizing friction in the US-China relationship ahead of President Trump's upcoming meetings with President Xi this fall.

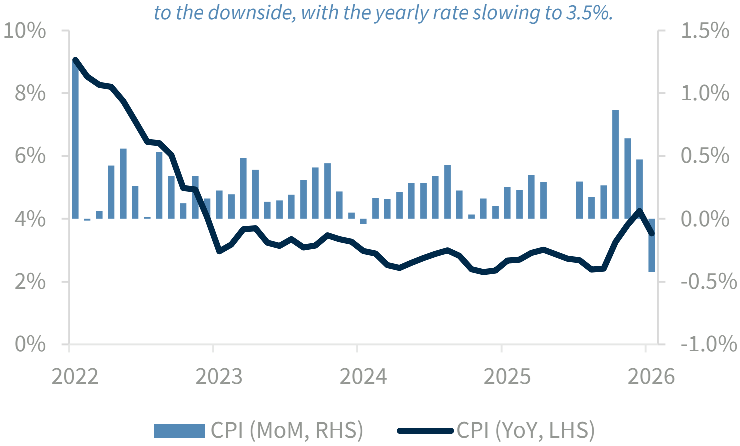
Energy

- Amid the most intense flareup of the US-Iran conflict since the partial deal signed on June 17, the US is once again blockading Iranian ports, and Iran is retaliating by blocking other countries' ships from transiting the Strait of Hormuz. After a rebound that lasted barely three weeks, oil exports from the Persian Gulf are again heavily disrupted. That brief rebound was visible in the latest inventories data: US commercial stockpiles posted a weekly increase for the first time since early April. But inventories remain near four-year lows, and if this latest disruption were to persist, US oil companies are likely to resume monetizing their inventories to meet demand for crude from Asian and European refiners. In a global oil market, this would help to restrain price escalation everywhere—including the US itself.
- After 16 consecutive weeks of drawdowns, the Strategic Petroleum Reserve (SPR) is its lowest level since 1983. However, these drawdowns reflect the fact that the SPR is an emergency resource and is being used precisely for its intended purpose—responding to a once-in-a-lifetime supply shock. As part of the aggregate response—400 million barrels—by the IEA's 32 member countries, the US commitment is 172 million barrels, of which 58% have already been released. It may take longer for the remaining portion to be released, given that the pace of drawdowns is slowing as SPR storage sites approach minimum levels required for safety.

Charts of the Week

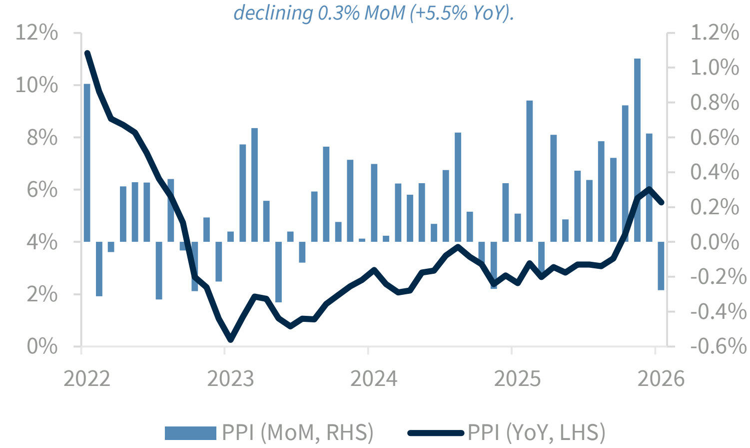
Inflation: Consumer Prices

Driven by falling energy prices, June CPI (-0.4% MoM) surprised to the downside, with the yearly rate slowing to 3.5%.



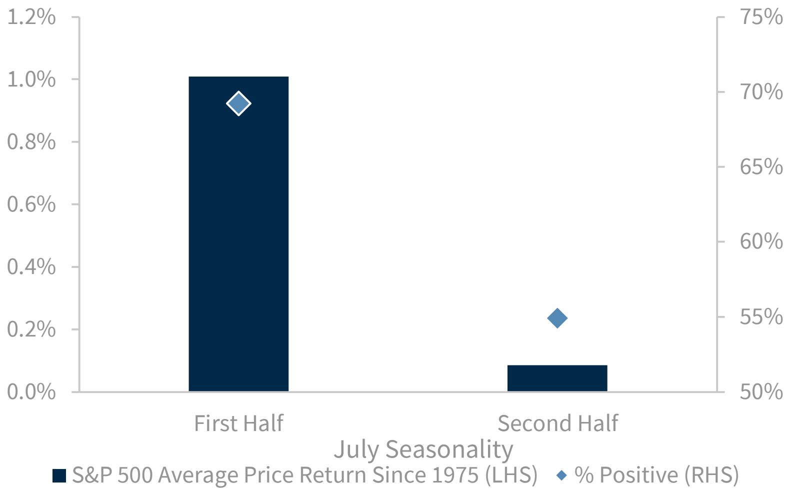
Inflation: Producer Prices

PPI also pointed to easing inflation pressures, with headline PPI declining 0.3% MoM (+5.5% YoY).



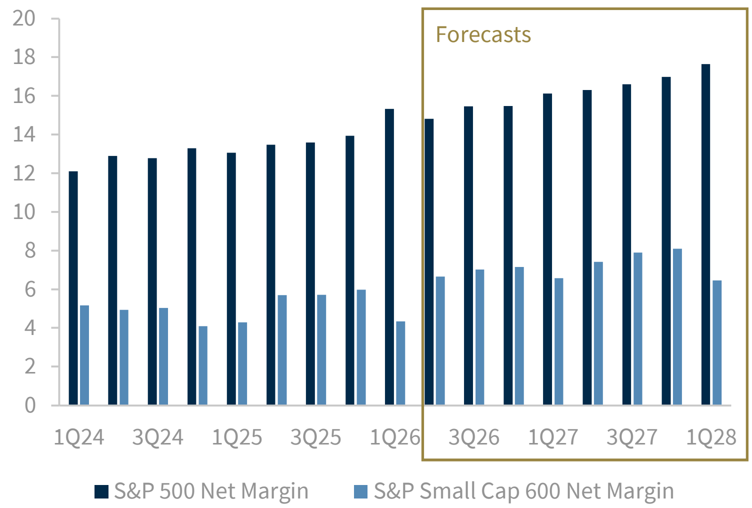
Split July Seasonality

Dating back to 1975, S&P 500 average performance and % of time positive has been stronger during the first half of July.



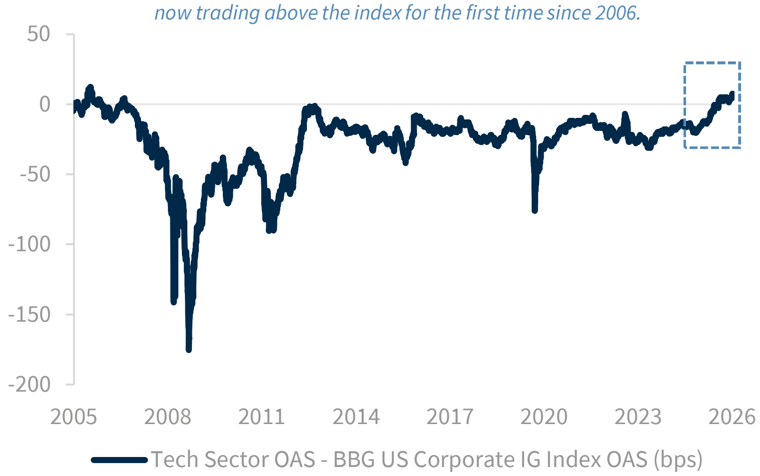
Scale Benefits Margin

Consensus expects large caps' Net Margin to be nearly 3x as strong as small caps until at least 2028.



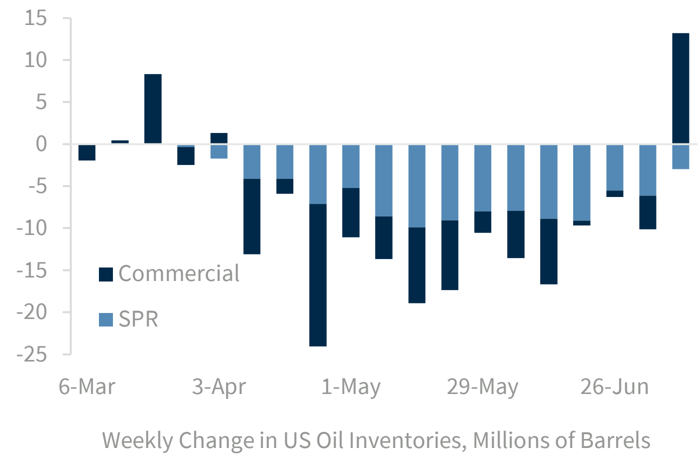
Tech Spreads Push Wider

After trading ~30 bps on average below the IG index, Tech sector spreads are now trading above the index for the first time since 2006.



Commercial Oil Inventories Post First Uptick Since April

Given the latest US-Iran escalation, further near-term increases in commercial inventories are unlikely. Meanwhile, SPR drawdowns are continuing.



Source for charts: FactSet, as of 7/16/2026.
LHS/RHS: Left-hand side/Right-hand side axes.
OAS: An option-adjusted spread (OAS) is a yield metric used to measure the difference between the return on a fixed-income security (like a bond) and a benchmark.

Asset Class Performance | Distribution by Asset Class and Style (as of July 16)**

US Equities (Russell indices)

		Value	Blend	Growth
Weekly Returns (as of July 16)	Large Cap	1.2%	-0.2%	-1.7%
	Mid Cap	1.3%	0.0%	-3.8%
	Small Cap	2.1%	-0.6%	-3.1%
Year-to-Date Returns (as of July 16)	Large Cap	19.6%	10.6%	2.7%
	Mid Cap	19.4%	14.9%	1.4%
	Small Cap	24.6%	20.6%	16.9%

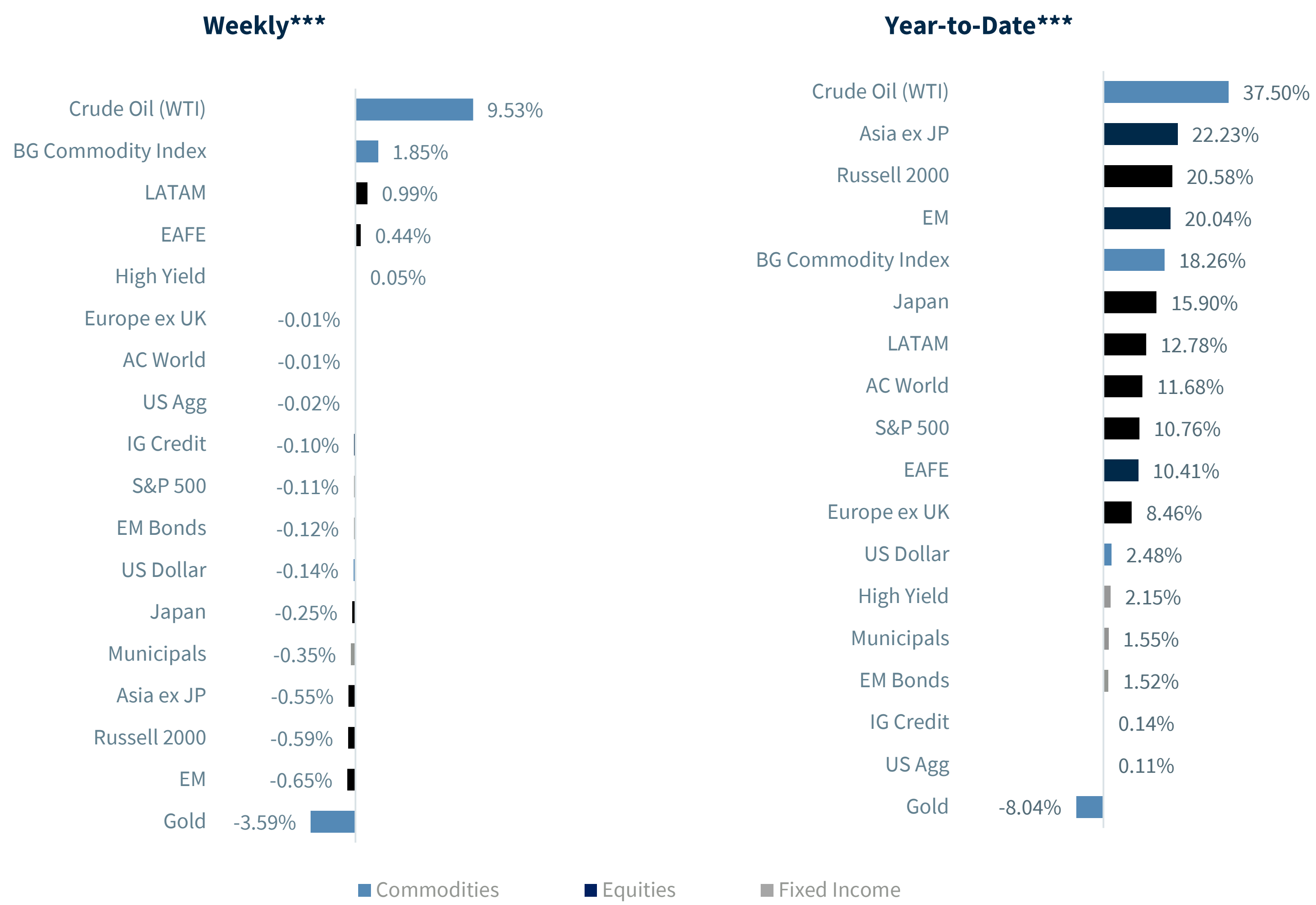
International Equities (MSCI indices)

		Dev. Mkt	World	Emerg. Mkt
Weekly Returns (as of July 16)	Large Cap	0.2%	-0.1%	-1.1%
	Mid Cap	0.6%	0.0%	0.5%
	Small Cap	0.7%	-0.5%	0.1%
Year-to-Date Returns (as of July 16)	Large Cap	12.6%	12.4%	22.6%
	Mid Cap	11.1%	12.5%	21.7%
	Small Cap	10.7%	15.2%	13.9%

Fixed Income (Bloomberg indices)

		1-3 YR	Medium	Long
Weekly Returns (as of July 16)	Treasury	0.1%	0.1%	0.0%
	Invest. Grade	0.1%	0.0%	0.0%
	High Yield	0.1%	0.1%	-0.6%
Year-to-Date Returns (as of July 16)	Treasury	2.0%	-0.4%	-0.9%
	Invest. Grade	1.3%	0.6%	0.1%
	High Yield	2.3%	2.1%	2.5%

Asset Class Performance | Weekly and Year-to-Date (as of July 16)**



**Weekly performance calculated from Thursday close to Thursday close.

***Assumes all asset classes are priced in US dollars unless otherwise noted. Ranked in order of performances (best to worst).

Weekly Data**

US Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	7533.8	(0.1)	0.5	10.8	21.7	20.3	13.4	15.2
DJ Industrial Average	52553.0	0.1	0.4	9.3	18.8	15.0	8.7	11.0
NASDAQ Composite Index	25881.9	(1.2)	(1.3)	11.4	24.8	22.4	12.4	17.8
Russell 1000	7887.2	(0.2)	0.3	10.6	22.0	20.5	12.7	15.3
Russell 2000	7392.5	(0.6)	(1.6)	20.6	40.8	18.6	7.0	11.6
Russell Midcap	11252.6	0.0	(0.3)	14.9	21.6	16.5	8.5	12.0

Equity Sectors

Sector	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
Materials	635.9	0.6	(0.3)	11.6	15.1	8.6	6.6	9.8
Industrials	1524.9	(0.5)	(2.8)	16.8	21.4	20.2	13.9	13.5
Comm Services	473.0	1.0	4.2	5.0	28.3	29.6	13.1	12.0
Utilities	462.0	0.8	0.3	8.0	14.1	14.3	9.9	9.3
Consumer Discretionary	1920.6	0.4	0.7	(0.1)	9.1	12.7	6.8	12.7
Consumer Staples	950.5	3.1	3.0	11.3	10.1	9.6	8.1	8.1
Health Care	1886.3	(0.2)	1.9	5.5	22.7	9.0	6.5	10.1
Information Technology	6607.0	(2.1)	(2.7)	16.6	30.0	29.1	21.1	25.8
Energy	871.2	4.4	7.4	28.5	36.2	15.5	23.2	9.3
Financials	944.3	2.2	5.8	4.6	10.9	20.3	11.5	13.7
Real Estate	293.0	2.8	3.3	18.6	17.3	10.5	3.8	6.9

Fixed Income

Index	Yield	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
3-Month Treasury Bill (%)	3.7	0.1	0.2	2.0	3.9	4.7	3.6	2.4
2-Year Treasury (%)	4.2	0.1	0.2	0.7	3.0	4.0	1.6	1.6
10-Year Treasury (%)	4.6	(0.0)	(0.8)	(0.9)	3.7	2.2	(2.0)	0.1
Bloomberg US Corporate HY	7.5	0.1	0.2	2.2	6.2	8.6	4.2	5.5
Bloomberg US Aggregate	4.8	(0.0)	(0.5)	0.1	4.2	3.9	(0.2)	1.5
Bloomberg Municipals	--	(0.4)	(0.8)	1.5	6.7	3.4	0.8	2.1
Bloomberg IG Credit	5.3	(0.1)	(0.7)	0.1	4.5	5.0	0.0	2.5
Bloomberg EM Bonds	6.1	(0.1)	(0.5)	1.5	7.7	8.0	1.8	3.3

Commodities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
WTI Crude ($/bl)	79.0	9.5	13.6	37.5	18.9	1.5	1.9	5.6
Gold ($/Troy Oz)	3992.1	(3.6)	(1.1)	(8.0)	18.8	26.7	17.1	11.6
Bloomberg Commodity Index	129.7	1.9	5.3	18.3	24.7	7.4	6.6	4.1

Currencies

Currency	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
US Dollar Index	100.8	(0.1)	(0.4)	2.5	2.4	0.3	1.7	0.4
Euro	1.14	0.1	0.1	(2.6)	(1.3)	0.6	(0.6)	0.3
British Pound	1.35	0.7	1.6	0.3	0.7	0.9	(0.4)	0.2
Japanese Yen	162.45	(0.0)	0.0	(3.5)	(8.6)	(5.2)	(7.5)	(4.2)

International Equities

Index	Price	Weekly	MTD	YTD	1 Year	3 Year	5 Year	10 Year
MSCI AC World	1121.7	(0.0)	0.2	11.7	23.9	19.5	11.5	13.0
MSCI EAFE	3132.1	0.4	0.5	10.4	23.5	16.2	9.7	10.0
MSCI Europe ex UK	3453.8	(0.0)	(0.4)	8.5	20.1	15.4	9.5	10.9
MSCI Japan	5502.9	(0.2)	(0.1)	15.9	35.4	18.1	9.9	9.9
MSCI EM	1664.0	(0.7)	(3.2)	20.0	37.3	20.6	7.5	9.7
MSCI Asia ex JP	1103.7	(0.5)	(3.3)	22.2	38.7	21.7	7.6	10.4
MSCI LATAM	2998.7	1.0	1.8	12.8	38.8	12.9	10.3	7.7
Canada S&P/TSX Composite	25184.5	0.4	1.4	11.4	30.2	20.3	12.1	9.3

**Weekly performance calculated from Thursday close to Thursday close.

Disclosures

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SMALL CAPS | Investing in small cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. The prices of small company stocks may be subject to more volatility than those of large company stocks.

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and heightened political and/or economic instability. These risks are greater in emerging markets.

ENERGY COMMODITIES | Investing in energy commodities is generally considered speculative, with high levels of volatility, limited market regulation, and emerging markets risk. Oil prices are influenced by OPEC decisions and tend to be economically sensitive. Natural gas prices are influenced by weather.

MINING COMMODITIES | Investing in mining commodities is generally considered speculative, with high levels of volatility, limited market regulation, and emerging markets risk. Prices of precious metals such as gold are influenced by central bank decisions. Prices of industrial metals such as copper tend to be economically sensitive.

SECTORS | Sector investments are companies focused on a specific economic sector and are presented here for illustrative purposes only. Sectors, including Tech, are subject to varying levels of competition, economic sensitivity, and political and regulatory risks. Investing in any individual sector involves limited diversification.

CURRENCIES | Currency investing is generally considered speculative, with high levels of volatility and limited market regulation. These risks are greater in emerging markets.

FIXED INCOME | Fixed-income securities (or bonds) are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise. A credit rating of a security is not a recommendation to buy, sell or hold the security and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning Rating Agency. Ratings and insurance do not remove market risk since they do not guarantee the market value of the bond.

MUNICIPAL BONDS | Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Please consult an income tax professional to assess the impact of holding such securities on your tax liability.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

PERSONAL CONSUMPTION EXPENDITURES | The Personal Consumption Expenditures (PCE) Price Index is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services.

PRODUCER PRICE INDEX | The Producer Price Index (PPI) is a measure of wholesale inflation, while the Consumer Price Index measures the prices paid by consumers.

CONSUMER PRICE INDEX | The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

CONSUMER SENTIMENT INDEX | The University of Consumer Sentiment Survey (MCSI) is a monthly survey measuring US consumer confidence regarding personal finances, business conditions, and buying conditions. It serves as a key leading economic indicator, forecasting consumer spending by interviewing approximately 600–1,000 households.

ISM MANUFACTURING INDEX | The ISM Manufacturing Index, or Purchasing Managers' Index (PMI), is a crucial monthly report on US economic activity based on surveys of manufacturing supply executives. It gauges sector health by tracking new orders, production, employment, supplier deliveries, and inventories. A reading above 50 indicates expansion; below 50 signals contraction.

ISM SERVICES INDEX | The ISM Services Index, now officially known as the Services PMI (Purchasing Managers' Index), is a monthly economic indicator released by the Institute for Supply Management. It measures the performance of the US service sector—which constitutes nearly 80% of the economy—based on surveys of over 400 purchasing managers across 60+ industries, such as finance, retail, and healthcare.

IMPORT/EXPORT PRICE INDICES | The Import and Export Price Indices are economic indicators that measure the average change in prices of goods and services imported into a country from foreign sources, or exported from the US, respectively. These indices act as key metrics for inflation, tracking how changing international costs affect domestic consumers, businesses, and economic policy.

US DOLLAR INDEX | The US Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies.

NEW HOME SALES INDEX | The New Home Sales report, released monthly by the US Census Bureau and the Department of Housing and Urban Development (HUD), tracks the number of newly constructed, privately-owned single-family homes sold across the US. As a key leading economic indicator, it measures new, signed sales contracts rather than closings.

LEADING ECONOMIC INDEX | The Leading Economic Index (LEI) is a monthly composite statistic published by The Conference Board that predicts future shifts in the business cycle, typically looking six to nine months ahead. It combines 10 forward-looking economic components, such as stock prices, building permits, and manufacturing orders, to signal upcoming economic expansions or recessions before they become evident in the overall economy.

MICHIGAN CONSUMER SENTIMENT INDEX | The Michigan Consumer Sentiment Index (MCSI) is a monthly survey-based economic indicator measuring US consumer confidence regarding their personal finances, business conditions, and buying power. It is a leading indicator for predicting consumer spending, which drives the majority of the US economy.

FHFA HOME PRICE INDEX |The FHFA Home Price Index I Is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties.

CASE SHILLER HOME PRICE INDEX | The Case Shiller Home Price Index , U.S. National Home Price NSA Index measures the change in the value of the U.S. residential housing market by tracking the purchase prices of single-family homes. The index is compiled and published monthly.

NFIB SMALL BUSINESS INDEX | The NFIB Small Business Optimism Index is a monthly composite indicator that measures the outlook of U.S. small business owners on economic conditions, employment, and business health.

NAHB/WELLS FARGO HOUSING MARKET INDEX (HMI) | The NAHB/Wells Fargo Housing Market Index (HMI) is a monthly survey-based gauge of sentiment among U.S. single-family home builders that reflects their views on current and near-term housing market conditions.

Disclosures

DATA SOURCE | FactSet, Bloomberg as of 07/16/2026

DOMESTIC EQUITY DEFINITION

DOW JONES INDUSTRIAL AVERAGE (DJIA) | The Dow Jones Industrial Average (DJIA) is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.

NASDAQ COMPOSITE INDEX | The Nasdaq Composite Index is the market capitalization-weighted index of over 3,300 common equities listed on the Nasdaq stock exchange.

S&P 500 | The S&P 500 Total Return Index: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

S&P 500 EQUAL WEIGHT INDEX | The S&P 500 Equal Weight Index: The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

S&P SMALL CAP 600 | The S&P Small Cap 600: The index tracks 600 US small-capitalization companies. It acts as a benchmark for the small-cap segment of the U.S. equity market and is used by investors to measure performance or gain exposure to smaller-tier growth companies.

LARGE GROWTH | Russell 1000 Growth Total Return Index: This index represents a segment of the Russell 1000 Index with a greater- than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values. This index includes the effects of reinvested dividends.

MID GROWTH | Russell Mid Cap Growth Total Return Index: This index contains stocks from the Russell Midcap Index with a greater-than-average growth orientation. The stocks are also members of the Russell 1000 Growth Index. This index includes the effects of reinvested dividends.

LARGE BLEND | Russell 1000 Total Return Index: This index represents the 1000 largest companies in the Russell 3000 Index. This index is highly correlated with the S&P 500 Index. This index includes the effects of reinvested dividends.

SMALL GROWTH | Russell 2000 Growth Total Return Index: This index represents a segment of the Russell 2000 Index with a greater- than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

MID BLEND | Russell Mid Cap Total Return Index: This index consists of the bottom 800 securities in the Russell 1000 Index as ranked by total market capitalization. This index includes the effects of reinvested dividends.

SMALL BLEND | Russell 2000 Total Return Index: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

LARGE VALUE | Russell 1000 Value Total Return Index: This index represents a segment of the Russell 1000 Index with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values. This index includes the effects of reinvested dividends.

MID VALUE | Russell Mid Cap Value Total Return Index: This index contains stocks from the Russell Midcap Index with a less-than-average growth orientation. The stocks are also members of the Russell 1000 Value Index. This index includes the effects of reinvested dividends.

SMALL VALUE | Russell 2000 Value Total Return Index: This index represents a segment of the Russell 2000 Index with a less-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

COMMODITY INDEX DEFINITION

BLOOMBERG COMMODITY INDEX (BCOM) | The Bloomberg Commodity Index is a broadly diversified commodity price index distributed by Bloomberg Index Services Limited.

FIXED INCOME DEFINITION

AGGREGATE BOND | Bloomberg US Agg Bond Total Return Index: The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | Bloomberg US Corporate High Yield Total Return Index: The index measures the USD-denominated, high yield, fixed- rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | Bloomberg US Credit Total Return Index: The index measures the investment grade, US dollar-denominated, fixed- rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

Disclosures

BLOOMBERG US CORPORATE INVESTMENT GRADE | The index commonly used as the standard benchmark for US investment-grade corporate debt, and tracks the performance of the USD-denominated, fixed-rate, taxable corporate bond market. It captures publicly issued securities across industrial, utility, and financial issuers by companies inside and outside the US.

BLOOMBERG MUNICIPAL BOND INDEX | The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

BLOOMBERG US CONVERTIBLE LIQUID BOND INDEX | The index tracks the performance of USD-denominated convertible securities, specifically bonds and convertible preferred stock, issued in the US market with a minimum amount outstanding of $350 million.

BLOOMBERG CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

BLOOMBERG EMERGING MARKET BOND INDEX | The Bloomberg USD Emerging Market Composite Bond Index is a rules-based, market-value-weighted index engineered to measure USD fixed-rate sovereign and corporate securities issued from emerging markets. The index includes both investment- grade and below-investment-grade securities.

BLOOMBERG WIRP FUTURES MODEL | The Bloomberg World Interest Rate Probability (WIRP) function calculates the implicit forecast for rates after each meeting over the next year for the biggest developed world central banks, based on pricing in futures and overnight index swaps markets.

BLOOMBERG TREASURY INDEX | The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. The Index is a component of the US Aggregate, US Universal, Global Aggregate and Global Treasury Indices. The index includes securities with remaining maturity of at least one year.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | MSCI EM Eastern Europe Net Return Index: The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe.

EMERGING MARKETS ASIA | MSCI EM Asia Net Return Index: The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | MSCI EM Latin America Net Return Index: The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | MSCI Emerging Markets Net Return Index: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | MSCI Pacific Ex Japan Net Return Index: The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | MSCI Japan Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

NIKKEI 225 INDEX | The Nikkei 225 is Japan's main stock market index, tracking the performance of 225 large, highly traded "blue-chip" companies listed on the Tokyo Stock Exchange (TSE). It's a price-weighted index, meaning higher-priced stocks have a greater impact, similar to the Dow Jones Industrial Average, and serves as a key indicator of the Japanese economy.

FOREIGN DEVELOPED MARKETS | MSCI EAFE Net Return Index: This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

MSCI EAFE | The MSCI EAFE (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

MSCI ACWI | The MSCI All Country World Index (ACWI) is a stock index designed to track broad global equity-market performance. The index is comprised of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets.

MSCI ACWI EX US | The MSCI All Country World Index (ACWI) is a stock index designed to track broad global equity-market performance. The index is comprised of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets.

Disclosures

CANADA S&P/TSX COMPOSITE | The S&P/TSX Composite Index is a capitalization-weighted equity index that tracks the performance of the largest companies listed on primary stock exchange, the Toronto Stock Exchange.

STOXX EUROPE 600 | The Represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland ,France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

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