5280 Associates
WEALTH MANAGEMENT

August 2022
Market Commentary

with Ted Kouba

Senior Officer of Investment Management

Market Overview

1 THE MONTH AT A GLANCE

	AUG
S&P 500	-4.08%
MSCI EAFE	-4.75%
MSCI Emerging Markets	0.42%
Bloomberg US Aggregate	-2.83%

All returns are total returns as of the month end of the report unless otherwise noted.

Indices are unmanaged and cannot be invested into directly. The returns do not reflect fees, sales charges, or expenses. The results don't reflect any particular investment. Past performance is not indicative of future results.

EQUITIES GIVE UP EARLY MONTH GAINS FOLLOWING FED COMMENTS

Equity markets appeared to want to continue July's rally with the S&P 500 gaining nearly 4% through the first couple weeks in August, only to turn around and give up those gains and fall in the final few days of the month to end down 4.08%. The market reacted to Fed Chair Powell's hawkish comments in Jackson Hole, which shifted market expectations of the path forward for the Fed. Previously, the market had expected the Fed to be willing to cut rates in the first half of next year, though that expectation has since vanished[1].

Fixed income also suffered in August, with the Bloomberg US Aggregate Index losing 2.83% as yields rose across the yield curve, though most significantly at the short-end of the curve. No surprise that attention in bond markets continues to be nearly singularly focused on inflation and the Fed, and the reverberations from Jackson Hole sent yields higher and bond prices lower.

Recessionary talk has faded considerably over the few weeks with a strong jobs report showing the economy added over a half million new jobs in July[2], which was more than double what economists had expected[3]. However, retail sales were flat in July, though prior months were revised upward (making that surprise decline in May disappear)[4], and falling gas prices weighed on the overall number, though providing relief to consumers.

Across the globe, Europe's energy markets generated headlines with energy costs skyrocketing across much of the continent as Russia cut gas supplies, after severely limiting them in recent months. Spikes in energy costs will put European economic growth into question as well as making tackling inflation for the ECB especially difficult.

1. Data from CME FedWatch Tool
2. Bureau of Labor Statistics
3. Based on median forecasts from Bloomberg's survey of economists
4. Census Bureau

Source: Helios Quantitative Research, Bloomberg

Market Overview

Equity Markets	MTD	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	-4.08%	-16.15%	-11.25%	12.36%	11.80%	13.05%
Russell Midcap	-3.13%	-16.53%	-14.84%	9.34%	9.15%	11.60%
Russell 2000	-2.05%	-17.18%	-17.92%	8.55%	6.92%	9.99%
MSCI ACWI	-3.68%	-17.75%	-15.88%	8.03%	6.97%	8.70%
MSCI EAFE	-4.75%	-19.57%	-19.80%	2.39%	1.63%	5.00%
MSCI Emerging Markets	0.42%	-17.49%	-21.80%	2.73%	0.59%	2.92%
Fixed Income Markets						
Bloomberg US Aggregate	-2.83%	-10.75%	-11.52%	-1.99%	0.52%	1.35%
Bloomberg US Treasury	-2.48%	-9.98%	-10.80%	-2.24%	0.30%	0.83%
Bloomberg US Corporate	-2.93%	-14.21%	-14.91%	-2.11%	1.02%	2.32%
Bloomberg US MBS	-3.42%	-9.07%	-9.73%	-1.97%	0.06%	1.05%
Bloomberg Municipal	-2.19%	-8.62%	-8.63%	-0.83%	1.28%	2.25%
Bloomberg US Corporate High Yield	-2.30%	-11.22%	-10.60%	1.02%	2.58%	4.51%
Bloomberg Global Aggregate	-3.95%	-15.55%	-17.61%	-4.39%	-1.46%	-0.28%
Alternative Markets						
Morningstar Diversified Alternatives	-0.37%	-2.01%	-0.58%	2.64%	1.84%	2.53%
Dow Jones US Real Estate	-5.78%	-18.02%	-11.40%	3.45%	6.31%	7.72%
Bloomberg Commodity Index	-0.15%	22.66%	26.73%	16.45%	7.51%	-1.81%

MARKET HIGHLIGHTS

- US large cap underperformed their mid and small cap peers with the Russell Midcap and 2000 outperforming the S&P 500 by 95 basis points and 203 basis points, respectively.
- Of the major equity asset classes, emerging markets was the only one to keep their gains in August with the MSCI Emerging Markets Index rising 0.42%.
- Rising yields placed pressure across fixed income markets, which gave up their July gains and sent the Bloomberg US Aggregate Index down 2.83% after its 2.44% gain in July. Mortgage-backed and corporate bonds underperformed, losing 3.42% and 2.93%, respectively.
- Real estate struggled as well, with the Dow Jones US Real Estate Index falling 5.78% while commodities slightly retraced, losing 0.15%.

Source: Helios Quantitative Research, Bloomberg

Total returns as of the report date unless otherwise noted. Returns over 1 year are annualized. Indices are unmanaged and cannot be invested into directly. The returns do not reflect fees, sales charges, or expenses and don't reflect any particular investment. Past performance is not indicative of future results.

Market Overview

2 EQUITY SECTOR PERFORMANCE

Ranked S&P 500 Sector Total Returns

SECTOR	AUG
Energy	2.83%
Utilities	0.51%
Consumer Staples	-1.75%
Financials	-2.01%
Industrials	-2.81%
Materials	-3.47%
S&P 500	-4.08%
Communication Services	-4.19%
Consumer Discretionary	-4.57%
Real Estate	-5.61%
Health Care	-5.78%
Information Technology	-6.12%

Sector total returns are based on the S&P 500 GICS Level 1 indices.

3 EQUITY STYLE & SIZE PERFORMANCE

Ranked Style, Size, and Geography Total Returns

ASSET CLASS	AUG
Emerging Markets	0.42%
Small Cap Growth	-0.94%
Small Cap Blend	-2.05%
Large Cap Value	-2.98%
Mid Cap Value	-3.06%
Mid Cap Blend	-3.13%
Small Cap Value	-3.16%
Mid Cap Growth	-3.27%
Large Cap Blend	-3.84%
S&P 500	-4.08%
Large Cap Growth	-4.66%
Developed International	-4.75%

Asset class total returns are based on the Russell 1000, Russell 1000 Growth, Russell 1000 Value, Russell Midcap, Russell Midcap Growth, Russell Midcap Value, Russell 2000, Russell 2000 Growth, Russell 2000 Value, MSCI EAFE, and MSCI Emerging Markets indices.

4 CREDIT SECTOR PERFORMANCE

Ranked Fixed Income Sectors Total Returns

SECTOR	AUG
EM Bonds (USD)	-0.54%
US Aggregate 1-3 Year	-0.80%
Global High Yield	-1.51%
US Agency	-1.67%
Municipal	-2.19%
US Corporate High Yield	-2.30%
US Treasury	-2.48%
TIPS	-2.66%
US Aggregate	-2.83%
US Corporate	-2.93%
Global Aggregate	-3.95%
US Aggregate 10+ Year	-4.39%

Sector total returns are based on the Bloomberg US Aggregate, US Treasury, US Treasury Inflation Notes, US Agency, Municipal, US Corporate, US Corporate High Yield, Global Aggregate, Global High Yield, and EM USD Aggregate indices.

Source: Helios Quantitative Research, Bloomberg

Total returns as of the report date unless otherwise noted. Returns over 1 year are annualized. Indices are unmanaged and cannot be invested into directly. The returns do not reflect fees, sales charges, or expenses and don't reflect any particular investment. Past performance is not indicative of future results.

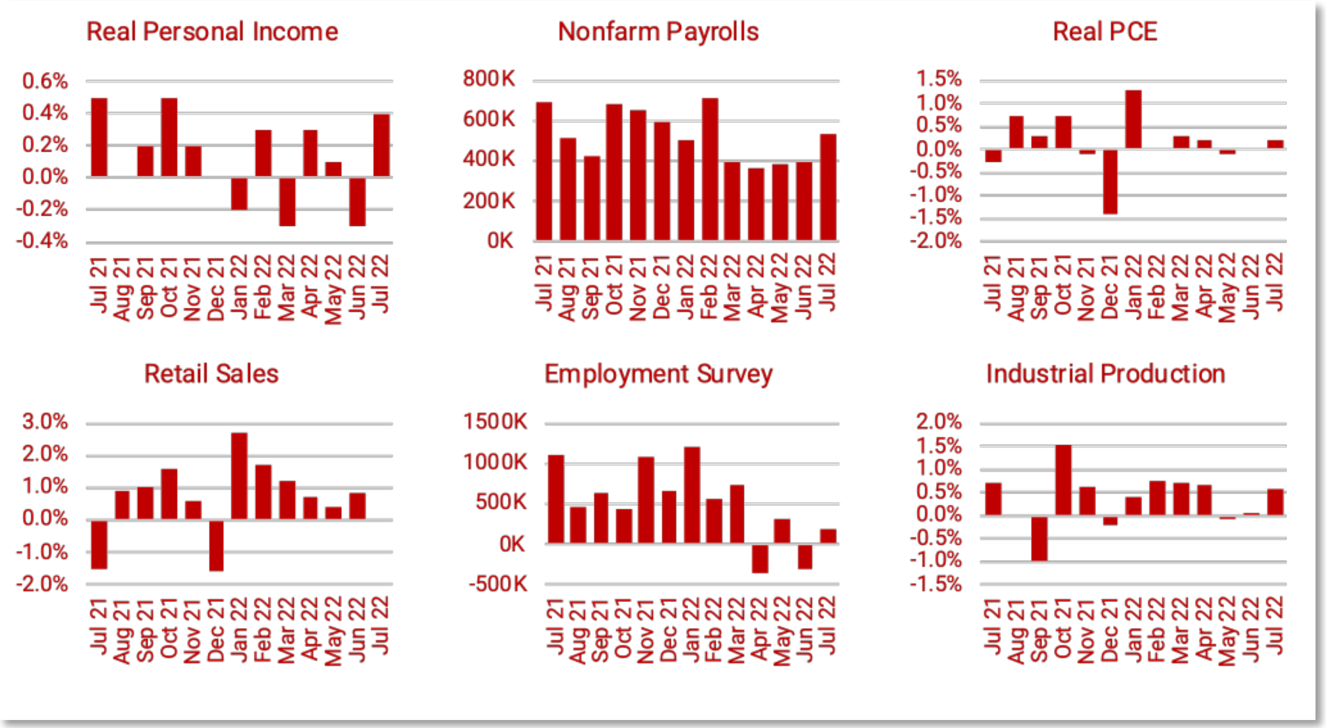
Recession Talks Lose Some Steam

WHAT DOES IT MEAN?

- A few key components the NBER looks at have improved over the last month, with notable improvements in personal income, nonfarm payrolls, and industrial production.
- Retail sales will be one to watch if the slowdown in July is the start of a trend of the consumer cutting back. However, the prior month's data was revised upward, making last December the most recent month of falling retail sales.
- Real personal consumption expenditures (PCE) will be a focus as well as inflation continues to take its toll on consumer balance sheets, though the hot labor market has cushioned that blow so far.

KEY COMPONENTS THE NBER EVALUATES

Monthly changes, July 2021 to July 2022



Note: Employment Survey is the size of the civilian labor force from the Bureau of Labor Statistics Current Population Survey.

Source: Helios Quantitative Research, Bloomberg, Bureau of Economic Analysis, Bureau of Labor Statistics, Census Bureau, Federal Reserve

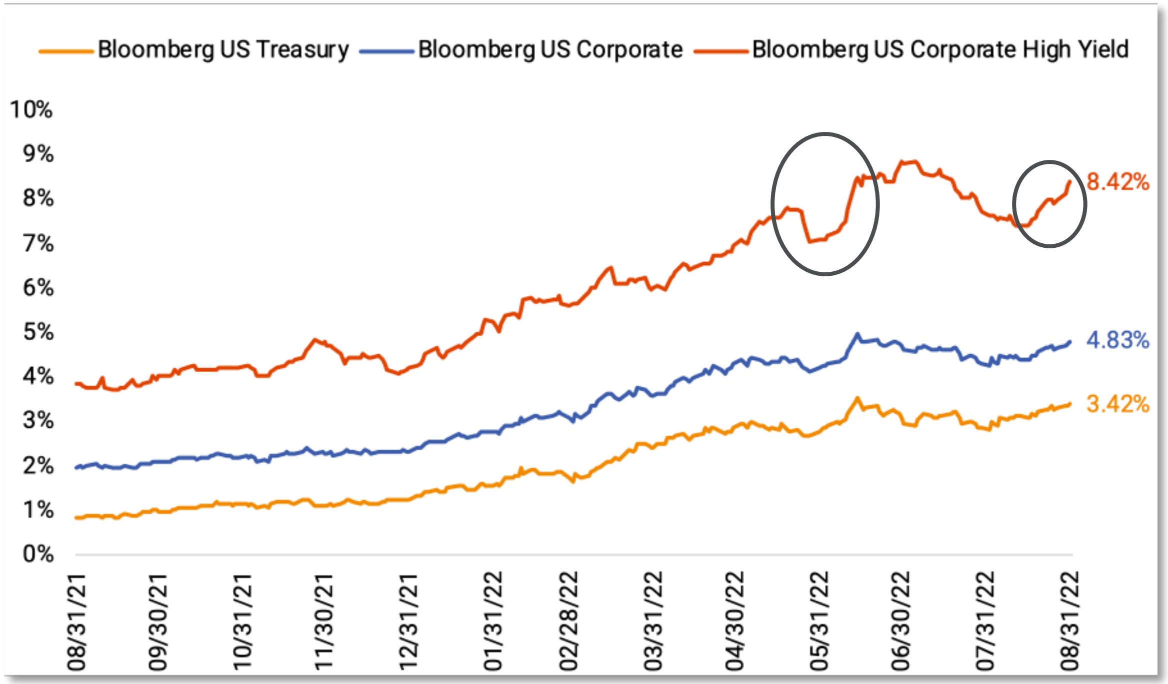
Yield Changes in Treasuries vs. Corporates

WHAT DOES IT MEAN?

- While yields have risen across every fixed income asset class, certain areas of the market see more volatile shifts as government bond yields move.
- High yield corporate bonds generally have more duration risk, and one way to visualize this is the magnitude difference between high yield moves compared to those in investment grade corporate bonds and Treasuries.
- For example, in May and August, the yield to worst of the Bloomberg US Corporate High Yield index had violent shifts, first down, but then spiking back up, while yields in Treasuries were significantly mote muted.

SHARPE MOVEMENTS IN HIGH YIELD OVER THE LAST FEW MONTHS

Yield to worst, August 31, 2021 to August 31, 2022



Source: Helios Quantitative Research, Bloomberg

Expectations on Fed Policy

WHAT DOES IT MEAN?

- The market continues to focus on Fed policy and how quickly rate policy may change throughout the year to combat inflation and how they may navigate the inflationary environment with a potential recession.
- Prior expectations shifted upwards following Powell's comments in Jackson Hole, with expectations that the Fed would be cutting rates effectively taken off the table in the first half of next year, at least for now.

MARKET IS EXPECTING THE FED TO EASE OFF THE PEDAL

Probabilities of Fed rate policy target, derived from Fed futures market

	Sep. 21	Nov. 2	Dec. 14	Feb. 1	Mar. 15	May 3
4.25% - 4.50%					9.6%	9.5%
4.00% - 4.25%				27.1%	36.0%	35.8%
3.75% - 4.00%			66.8%	52.3%	40.6%	40.5%
3.50% - 3.75%		68.3%	30.9%	19.3%	12.9%	13.1%
3.25% - 3.50%		30.1%	2.2%	1.3%	0.9%	0.9%
3.00% - 3.25%	72.5%	1.6%				
2.75% - 3.00%	27.5%					
2.50% - 2.75%						
2.25% - 2.50%						
2.00% - 2.25%						
1.75% - 2.00%						
1.50% - 1.75%						

Meeting Date

Numbers may not sum to 100% due to rounding.
Source: Helios Quantitative Research, Bloomberg, CME FedWatch Tool from 08/31/22

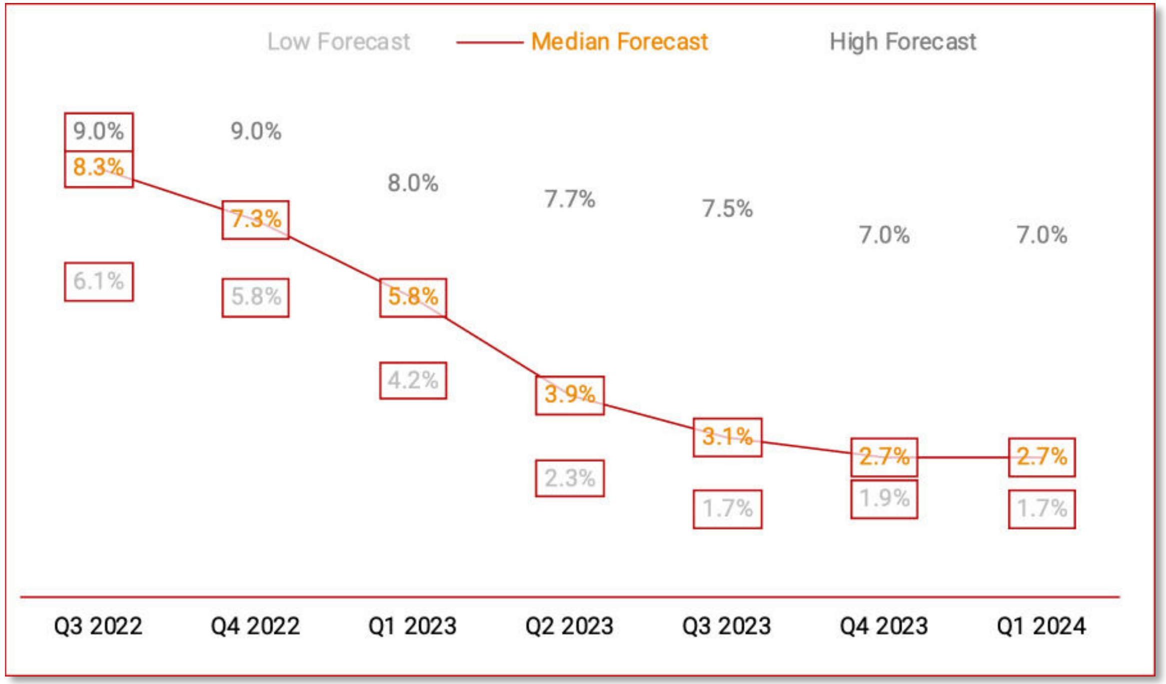
Keeping An Eye On Inflation Expectations

WHAT DOES IT MEAN?

- Inflation continues to be a hot topic and one likely on the mind of many investors. With that in mind, we want to keep an eye on how economists are viewing inflation.
- Over the last month, economists' expectations for future inflation were relatively unchanged.
- As the next few Consumer Price Index reports get released, economists' expectations are likely to move in the same direction if the reports surprise on the upside or downside.
- Inflation figures for August will be released on September 13th.

YEAR-OVER-YEAR CONSUMER PRICE INDEX (CPI) EXPECTATIONS

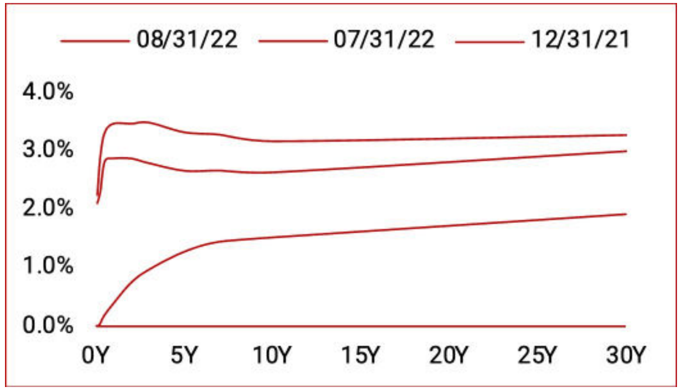
Economists surveyed by Bloomberg, latest as of August 31, 2022



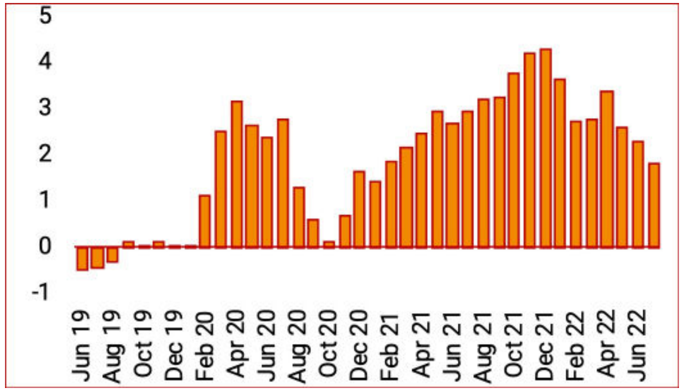
Source: Helios Quantitative Research, Bloomberg

Charts of the Month

US YIELD CURVE MOVES
US government bond yields

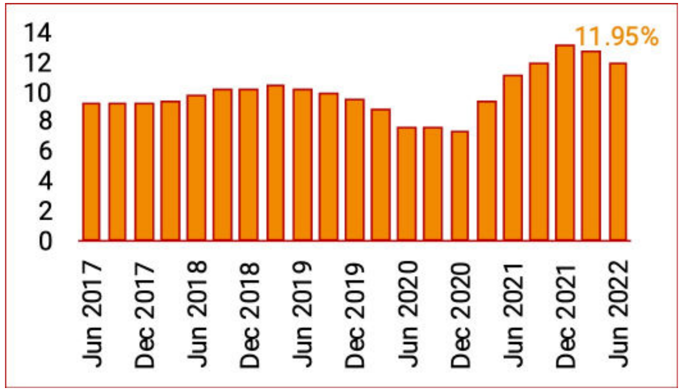


SUPPLY CHAIN PRESSURE
NY Fed, June 2019 to July 2022



IMPLIED VOLATILITY RISES
VIX Index, December 31, 2021 to August 31, 2022

S&P 500 PROFIT MARGINS
Q2 2017 to Q2 2022



WHAT'S IMPORTANT

- Following Powell's comments in Jackson Hole, yields on US government bonds continued to shift upwards. Like recent months, the short end of the curve continues to move faster than the rest of the curve and the 10-year vs 2-year yield remains inverted.
- Supply chain pressure continues to move in the right direction, though more slowly than most had hoped. In the chart, a value of 0 represents a normal environment.
- Volatility spiked at the end of the month, after hovering around 20 for much of August. In August there were two upward step changes in the VIX Index, on the 22nd and the 26th.
- Inflation and wages hurt overall profit margins across the S&P 500 in the second quarter, though margins are still higher than pre-pandemic levels.

Source: Helios Quantitative Research, Bloomberg, Federal Reserve Bank of New York

Ecosystem

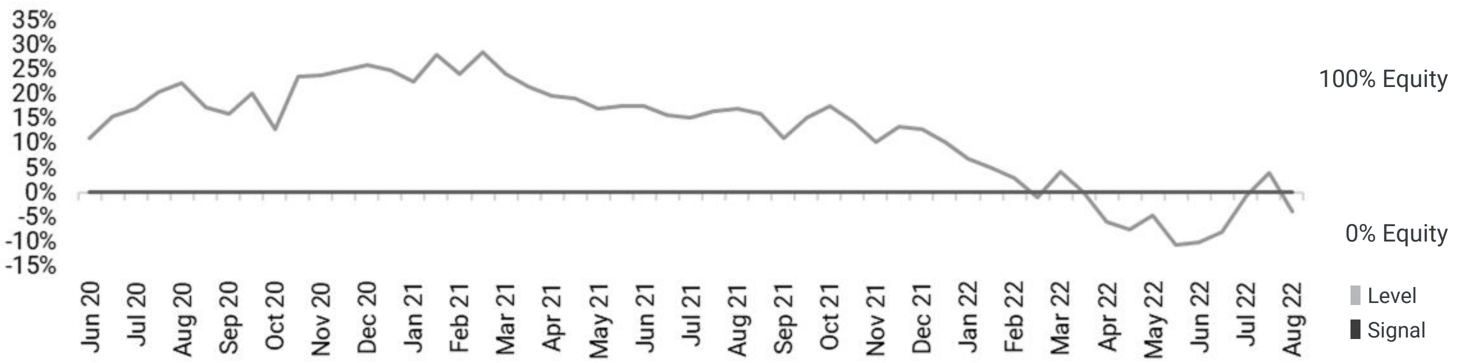

Tr
Trend
Vol
Volatility
Eco
Economic
Con
Contrarian
Fi
Fixed Income
Eq
Equities

Trend Level Element

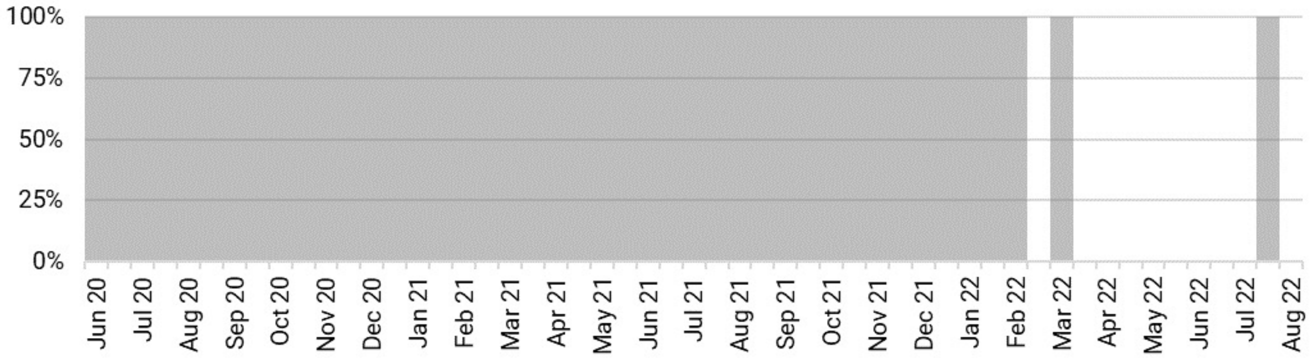
TRADE RATIONALE

Trend quickly returned to a negative view of equities. Global equity markets have been volatile all summer in both up and down directions. The strong rally from July continued through the first half of August but quickly reversed. The trend element holds a negative position because the reversal plummeted through both signal lines by the end of August. The element sees the markets in a downtrend for the time being.

SIGNAL



HISTORICAL EXPOSURE



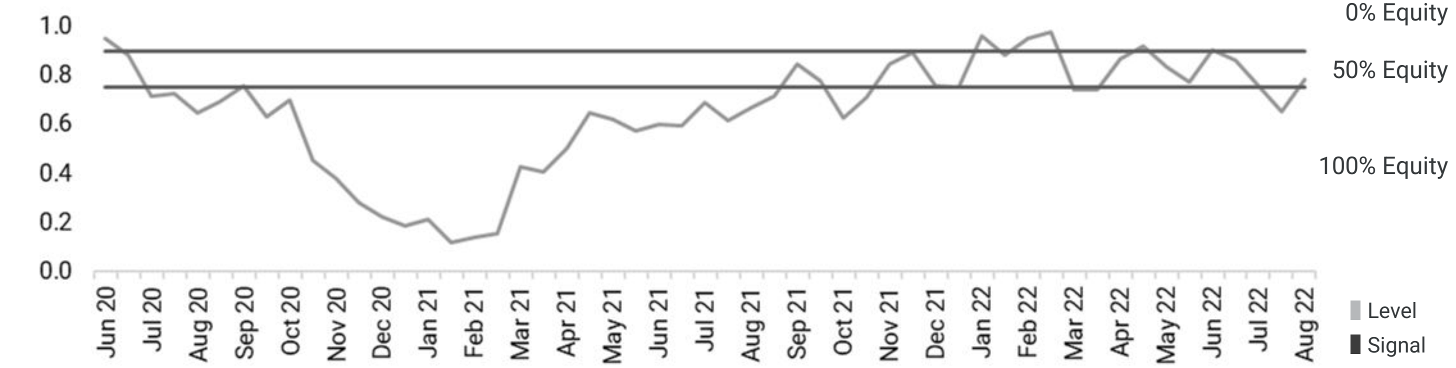
Source: Helios Quantitative Research, Bloomberg

Volatility Level Element

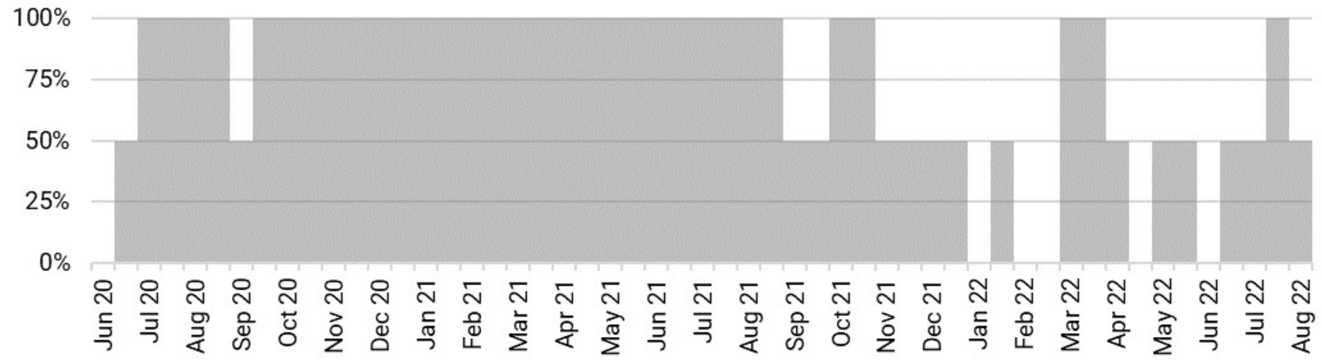
TRADE RATIONALE

Volatility quickly moved back to a neutral view of equities. The Federal Reserve's announcement on August 26, 2022, squashed any hopes they would reign back on policy tightening, thus causing volatility to spike. This year has been indecisive for forward volatility measurements.

SIGNAL



HISTORICAL EXPOSURE



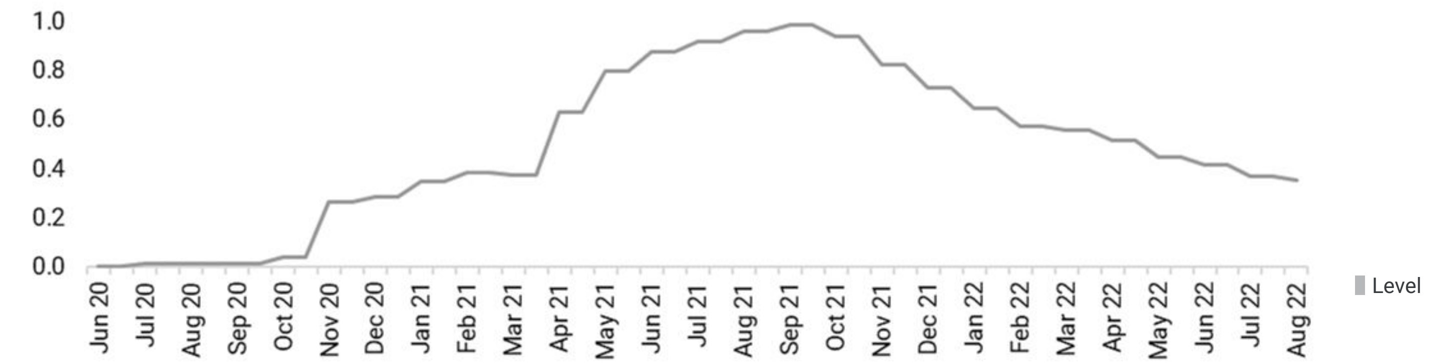
Source: Helios Quantitative Research, Bloomberg

Economic Level Element

TRADE RATIONALE

The Economic view remains slightly underweight equities. The overall economic score has settled at a level of 40 out of 100 for several months. The prospects of a recession are high, but many anticipate that if one occurs, it will be brief and less severe than recent recessions. A very strong labor market is a significant outlier that suggests a country's economic health shouldn't be defined solely by a change in Gross Domestic Product.

SIGNAL



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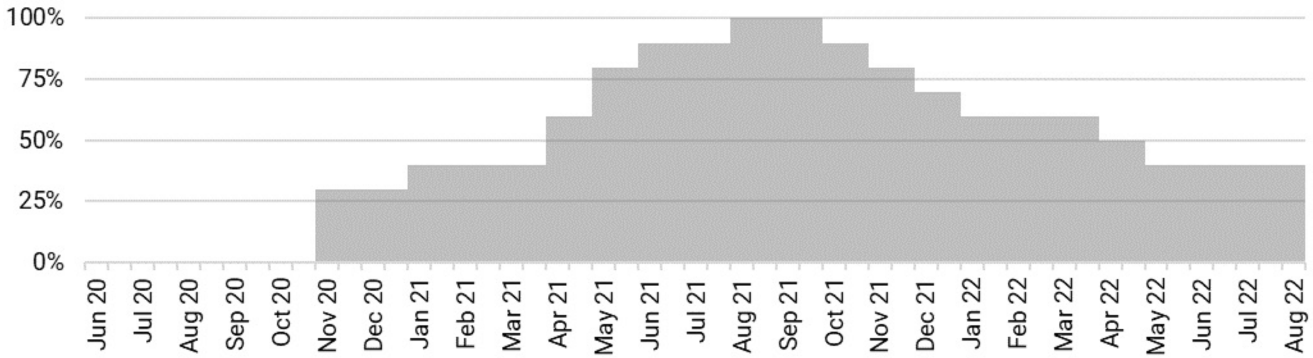


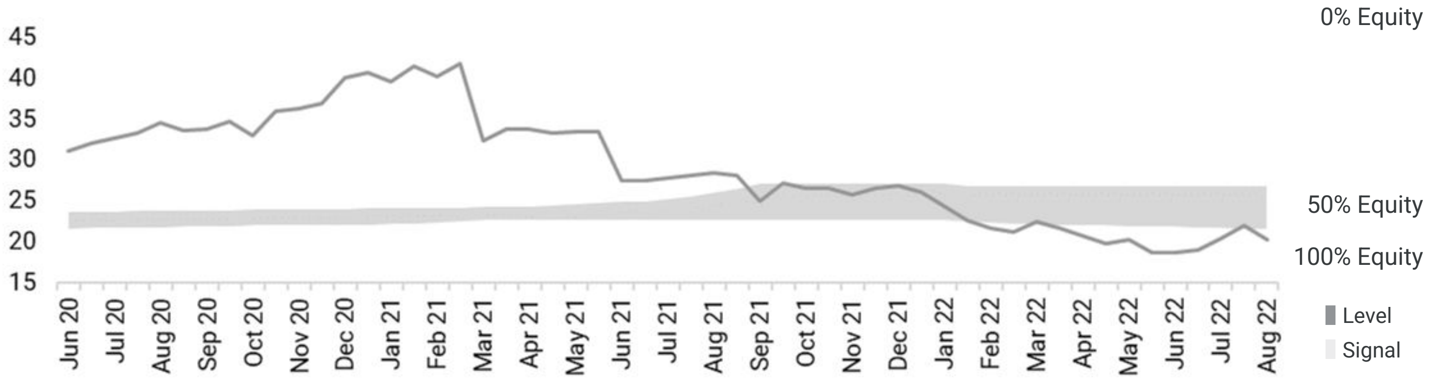
Source: Helios Quantitative Research, Bloomberg

Contrarian Level Element

TRADE RATIONALE

Contrarian moved to a positive view of equities. The price-to-earnings ratio of the S&P 500 Index crept up to over 22 in the middle of August, and the element took a neutral view of equities. Now, the ratio is back down to 20.3, which the element considers cheap relative to history. The contrarian view often sees these market selloffs as buying opportunities and will invest more in equities until valuations return to normal.

SIGNAL



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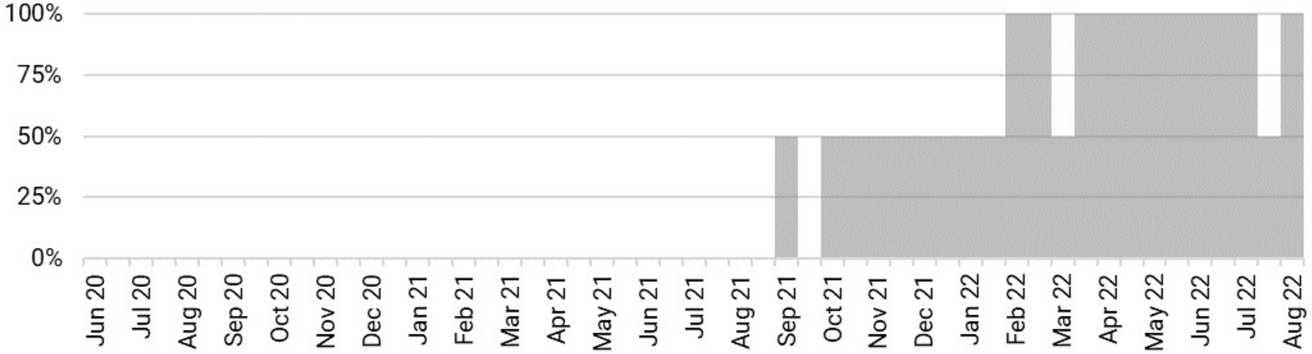
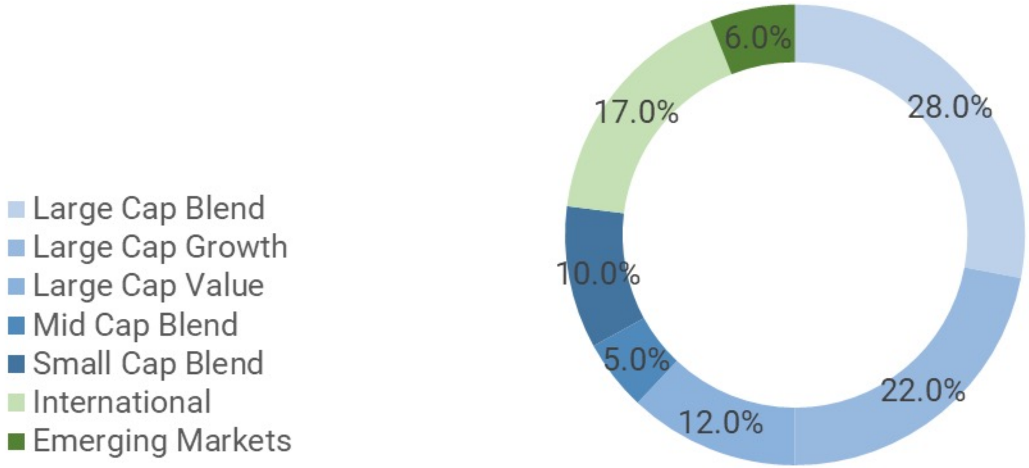


Source: Helios Quantitative Research, Bloomberg

Passive Equity Style Element

SIGNAL



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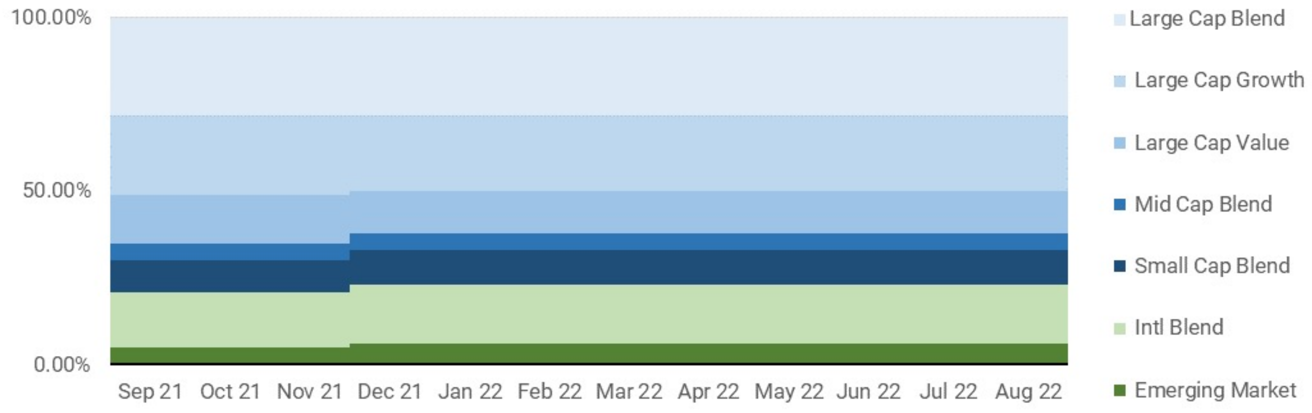


TRADE RATIONALE

No changes to the Passive Equity Style Element. The model rebalanced in November to match the overall return structure of an index comprised of 75% Russell 3000 Index & 25% MSCI ACWI ex-US Index. The next rebalance will be on November 30, 2022.

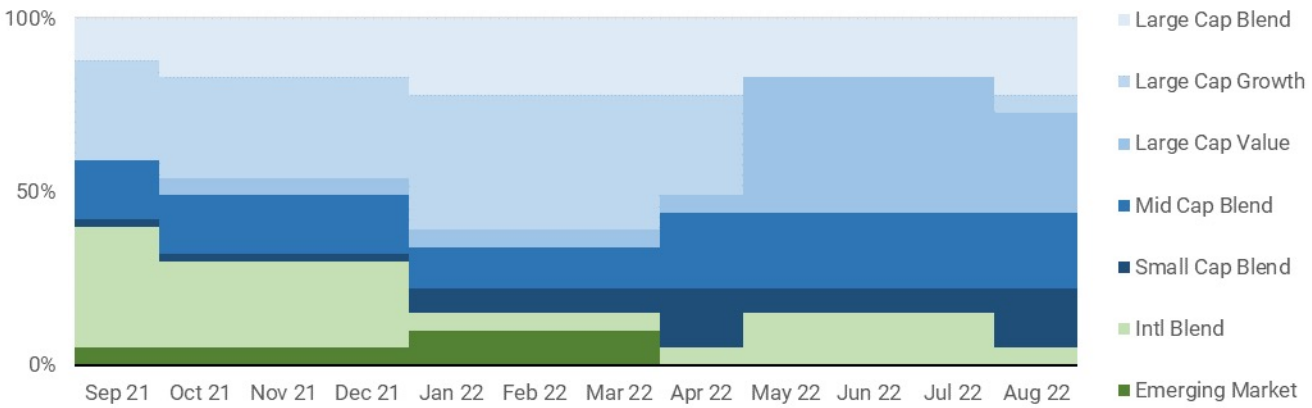
Source: Helios Quantitative Research, Bloomberg

Active Equity Style Element

SIGNAL

Leading Economic Index	05/31/22	06/30/22	07/31/22	08/31/22	Trend	Position
US LEI Change	0.07%	-0.02%	-0.22%	-0.20%		Overweight US Stocks
Global LEI Change	-0.07%	-0.11%	-0.23%	-0.22%		
US - Global	0.14%	0.09%	0.01%	0.01%		
				^		
Valuation Ratio						
Growth P/B Ratio	10.68	10.39	9.28	10.41		Overweight Value Stocks
Value P/B Ratio	2.47	2.52	2.28	2.42		
G-V Trend	-	-	-	-		

HISTORICAL EXPOSURE



TRADE RATIONALE

The overweight to US and value stocks persists in the element. While the US economy is softening, the effects of war and energy prices have far greater impacts on the rest of the developed world. The compression of valuations between growth and value stocks continues. A short-term technical view shows that the asset classes with the strongest risk-adjusted momentum are Large Cap Growth, Mid Cap Blend & Small Cap Blend.

Source: Helios Quantitative Research, Bloomberg

Active+ Equity Style Element

SIGNAL

Leading Economic Index	05/31/22	06/30/22	07/31/22	08/31/22	Trend	Position
US LEI Change	0.07%	-0.02%	-0.22%	-0.20%		Overweight US Stocks
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US - Global	0.14%	0.09%	0.01%	0.01%		
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Valuation Ratio						
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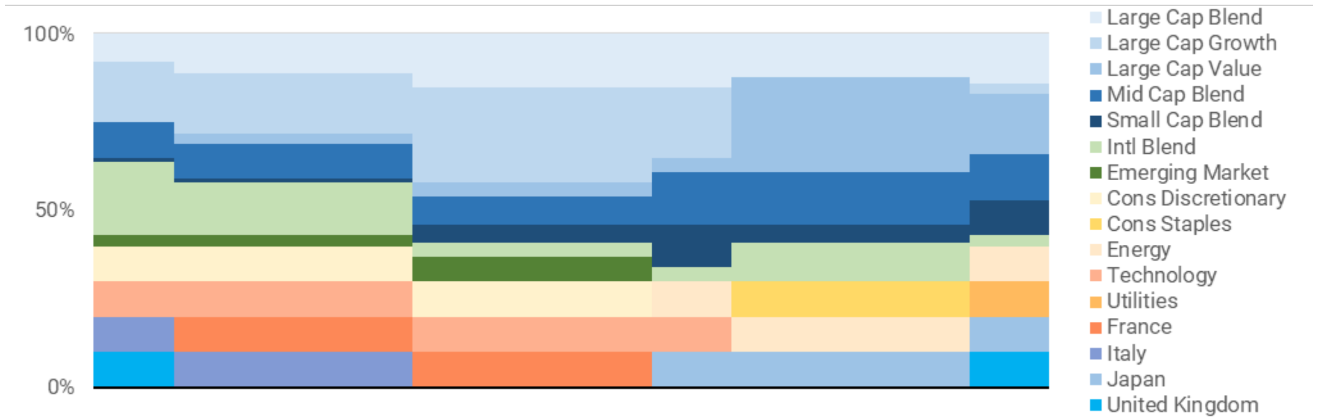
Value P/B Ratio	2.47	2.52	2.28	2.42		
G-V Trend	-	-	-	-		

HISTORICAL EXPOSURE



TRADE RATIONALE

The overweight to US and value stocks persists in the element. While the US economy is softening, the effects of war and energy prices have far greater impacts on the rest of the developed world. The international countries with the strongest data are Japan and the United Kingdom. The compression of valuations between growth and value stocks continues. The strongest trend among sector valuations is in energy and utilities. A short-term technical view shows that the asset classes with the strongest risk-adjusted momentum are Large Cap Growth, Mid Cap Blend & Small Cap Blend.

Source: Helios Quantitative Research, Bloomberg

Equity Style Element – Exposure

GEOGRAPHIC EXPOSURE

	Benchmark	Passive		Active		Active+	
Cash	0.98	0.35	-0.63	0.32	-0.66	0.37	-0.61
US Stocks	73.86	76.17	2.31	93.65	19.79	76.50	2.64
Non-US Stocks	25.15	23.46	-1.69	6.03	-19.12	23.09	-2.06
Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.01	0.01	0.00	0.00	-0.01	0.04	0.03

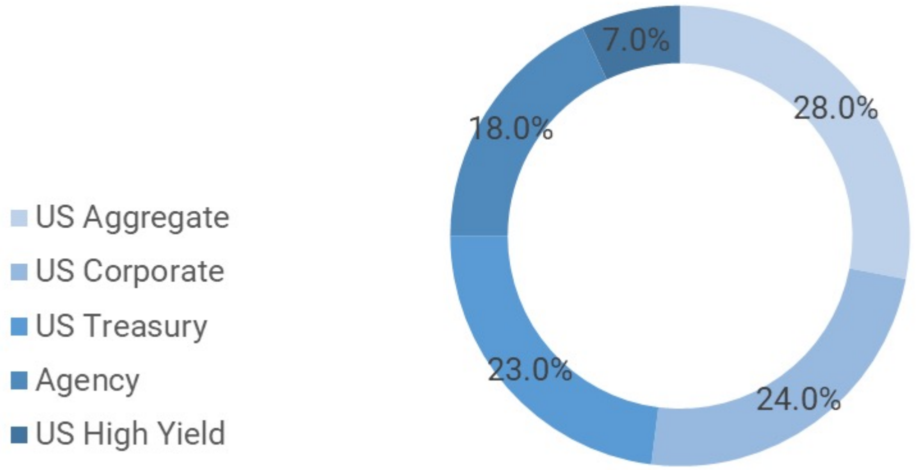
STYLE EXPOSURE

	Benchmark			Passive			Active			Active+		
	V	B	G	V	B	G	V	B	G	V	B	G
L	18	27	31	-2	-1	1	-3	-8	-12	7	-6	-13
M	5	8	5	-1	-1	0	3	5	2	2	5	0
S	2	3	1	1	1	2	4	5	4	1	2	2

Source: Helios Quantitative Research, Morningstar

Passive Fixed Income Style Element

SIGNAL



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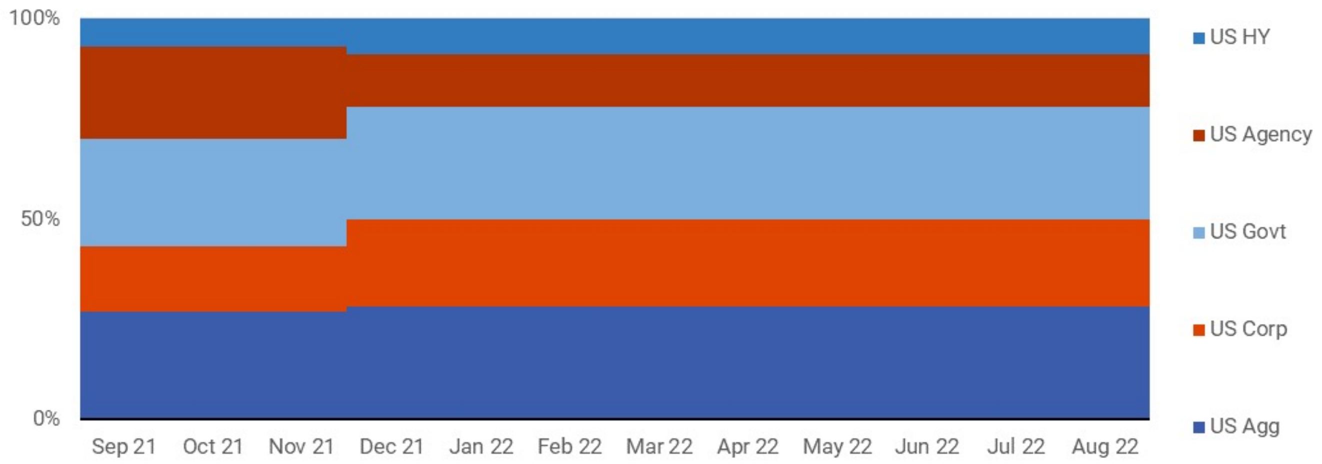


TRADE RATIONALE

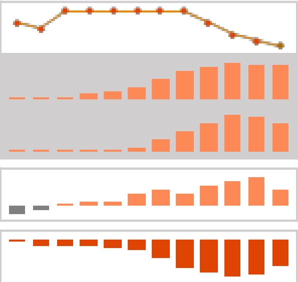
No changes to the Passive Fixed Income Style Element. The model rebalanced in November to match the overall return structure of the Bloomberg US Universal Total Return Index. The next rebalance will be on November 30, 2022.

Source: Helios Quantitative Research, Bloomberg

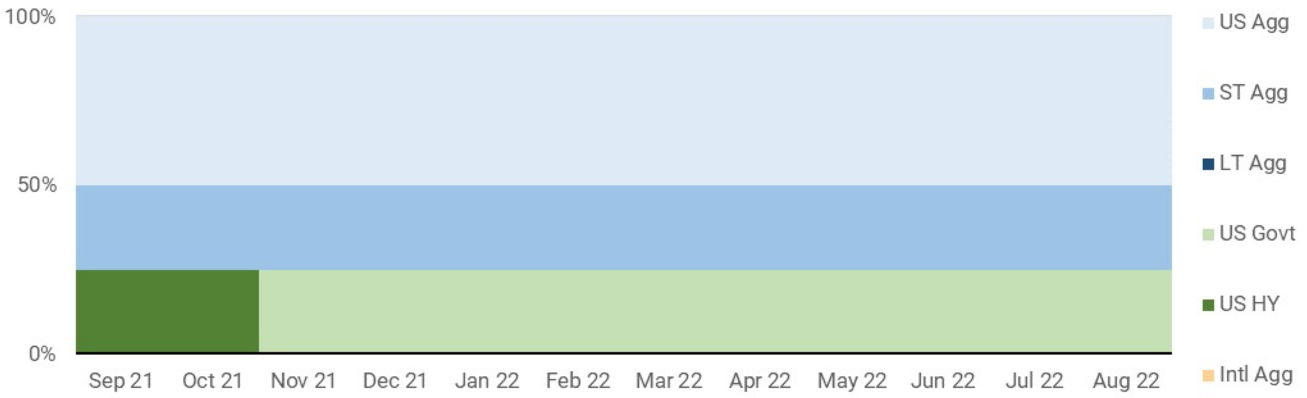
Active Fixed Income Style Element

SIGNAL

Indicator	05/31/22	06/30/22	07/31/22	08/31/22	Trend		Position
Inflation	6.00	5.90	5.90	5.90		<	SHORT DURATION
2-Year Yield	2.56	2.95	2.88	3.49			
10-Year Yield	2.84	3.01	2.65	3.19			
Credit Spreads	4.23	5.91	5.08	5.22			TREASURIES
Intl Agg (BWX)	24.31	23.16	23.61	22.26			0%



HISTORICAL EXPOSURE



TRADE RATIONALE

The story of fixed income signals remains unchanged. Inflationary data is still very high; the credit spread level in high-yield bonds is still increasing, and interest rates are rising. The element seeks to be conservative in this environment by holding an overweight to short duration and treasury bonds. In addition, international bonds are still out of the allocation because of the negative trend in total return.

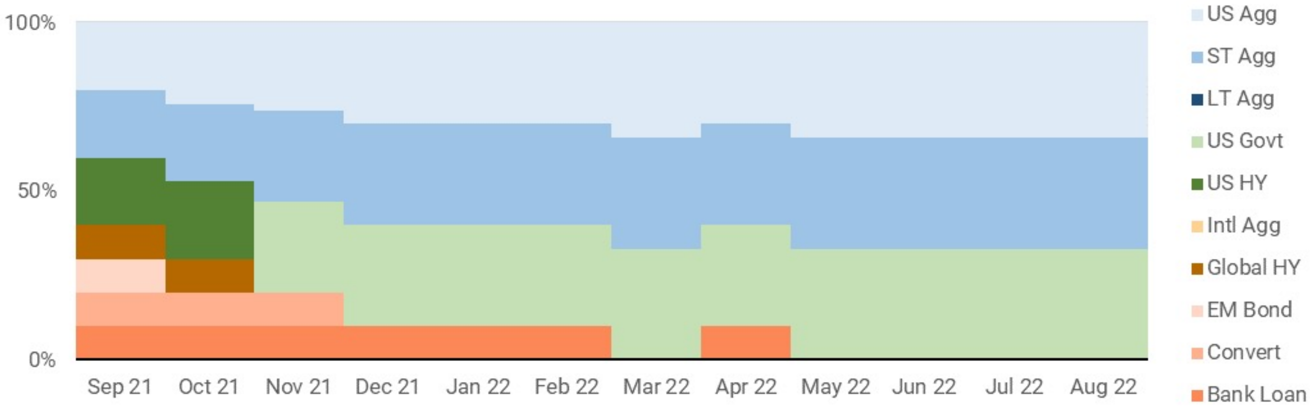
Source: Helios Quantitative Research, Bloomberg

Active+ Fixed Income Style Element

SIGNAL

Indicator	05/31/22	06/30/22	07/31/22	08/31/22	Trend		Position
Inflation	6.00	5.90	5.90	5.90		<	SHORT DURATION
2-Year Yield	2.56	2.95	2.88	3.49			
10-Year Yield	2.84	3.01	2.65	3.19			
Credit Spreads	4.23	5.91	5.08	5.22			TREASURIES
Intl Agg (BWX)	24.31	23.16	23.61	22.26			0%
Global HY (GHYG)	44.29	40.63	43.11	40.84			0%
EM Bond (EMB)	91.25	85.32	88.02	85.30			0%
Convert (CWB)	68.73	64.56	67.97	68.02			0%
Bank Loan (BKLN)	21.07	20.27	20.97	20.97			0%

HISTORICAL EXPOSURE



TRADE RATIONALE

The story of fixed income signals remains unchanged. Inflationary data is still very high; the credit spread level in high-yield bonds is still increasing, and interest rates are rising. The element seeks to be conservative in this environment by holding an overweight to short duration and treasury bonds. In addition, none of the other diversifying asset classes are in the portfolio because of the negative trends in total returns.

Source: Helios Quantitative Research, Bloomberg

Disclosures

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Index Benchmarks presented within this report may not reflect factors relevant for your portfolio or your unique risks, goals or investment objectives. Past performance of an index is not an indication or guarantee of future results. It is not possible to invest directly in an index.

The Bloomberg U.S. Agency Index is comprised of publicly issued debt of U.S. Government agencies and quasi-federal corporations, and corporate debt guaranteed by the U.S. Government.

The Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

The Bloomberg Municipal Bond Index is a total return performance benchmark for municipal bonds and have maturities of at least one year.

The Bloomberg U.S. Mortgage-Backed Securities (MBS) Index tracks fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

The Bloomberg U.S. Corporate High Yield Bond 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.

The Bloomberg U.S. 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.

The Bloomberg U.S. Universal Total Return Index measures the performance of U.S. dollar-denominated taxable bonds that are rated either investment-grade or high-yield. The index includes U.S. Treasury bonds, investment-grade and high-yield U.S. corporate bonds, mortgage-backed securities and Eurodollar bonds.

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The Bloomberg U.S. Aggregate Bond Index, or the Agg, is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States.

The Bloomberg U.S. Treasury Bond® Index includes public obligations of the US Treasury, i.e. US government bonds. Certain Treasury bills are excluded by a maturity constraint. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded.

The Bloomberg U.S. Treasury Inflation-Linked Bond ® Index (Series-L) measures the performance of the U.S. Treasury Inflation Protected Securities (TIPS) market.

The Bloomberg Commodity® Index (BCOM) is a broadly diversified commodity price index distributed by Bloomberg Indexes.

The Bloomberg Emerging Markets USD Aggregate Bond ® Index is a flagship hard currency Emerging Markets debt benchmark that includes fixed and floating-rate U.S. dollar-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers.

The Bloomberg Global High Yield Corporate Bond ® Index is a rules-based market-value-weighted index engineered to measure the below-investment-grade, fixed-rate, global corporate bond market.

The CBOE Volatility Index®, or VIX, is a real-time market index representing the market's expectations for volatility over the coming 30 days.

CME FedWatch Tool, is a tool created by the CME Group (Chicago Mercantile Exchange Group) to act as a barometer for the market’s expectation of potential changes to the fed funds target rate while assessing potential Fed movements around Federal Open Market Committee (FOMC) meetings.

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.

The Dow Jones U.S. Real Estate® Index is designed to track the performance of real estate investment trusts (REIT) and other companies that invest directly or indirectly in real estate.

The Michigan Consumer Sentiment Index (MCSI) is a monthly survey of consumer confidence levels in the United States conducted by the University of Michigan.

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The Morningstar Diversified Alternatives® index is designed to provide diversified exposure to alternative asset classes while enhancing risk-adjusted portfolio returns when combined with a range of traditional investments.

The MSCI ACWI (Morgan Stanley Capital International All Country World Index) Ex-U.S.® Index is a stock market index comprising of non-U.S. stocks from 22 developed markets and 26 emerging markets.

The MSCI EAFE® (Morgan Stanley Capital International Europe, Australasia, and the Far East) Index is a broad market index of stocks located within countries in Europe, Australasia, and the Middle East.

The MSCI (Morgan Stanley Capital International) Emerging Markets® Index is a selection of stocks that is designed to track the financial performance of key companies in fast-growing nations.

The National Bureau of Economic Research (NBER) is an American, private, non-profit, non-partisan organization dedicated to conducting and to disseminating unbiased economic research among public policymakers, business professionals, and the academic community. The NBER is well known for providing start and end dates for recessions in the United States.

The Russell 1000 Growth® Index measures the performance of the Russell 1000® 's growth segment, which is defined to include firms whose share prices have higher price-to-book ratios and higher expected earnings growth rates.

The Russell 1000 Value® Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected and historical growth rates.

The Russell 2000® Index measures the performance of the 2,000 smaller companies that are included in the Russell 3000® Index, which itself is made up of nearly all U.S. stocks. The Russell 2000® is widely regarded as a bellwether of the U.S. economy because of its focus on smaller companies that focus on the U.S. market.

The Russell 2000 Growth® Index measures the performance of the small- cap growth segment of the US equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values.

The Russell 2000 Value® Index measures the performance of the small-cap segment of the U.S. equity universe. It includes those Russell 2000® companies with lower price-to-book ratios and lower forecasted growth values.

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The Russell 3000 ® Index is a market-capitalization-weighted equity index maintained by FTSE Russell that provides exposure to the entire U.S. stock market. The index tracks the performance of the 3,000 largest U.S.-traded stocks, which represent about 97% of all U.S.-incorporated equity securities.

The Russell Midcap® Index is a market capitalization-weighted index comprised of 800 publicly traded U.S. companies with market caps of between $2 and $10 billion. The 800 companies in the Russell Midcap® Index are the 800 smallest of the 1,000 companies that comprise Russell 1000® Index.

The Russell Midcap® Value Index measures the performance of the mid- cap value segment of the US equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500® Index, or the Standard & Poor's 500® Index, is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies.

The S&P 500 Global Industry Classification Standard ® (GICS) sectors is a classification system developed by S&P Indices and MSCI Barra in 1999 in response to the global financial community's need for one complete, consistent set of global sector and industry definitions.

The Leading Economic Index (LEI) is an index published monthly by The Conference Board. It is used to predict the direction of global economic movements in future months. The index is composed of 10 economic components whose changes tend to precede changes in the overall economy.

The price-to-book ratio (P/B ratio) is used to compare a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share (BVPS).

The European Central Bank (ECB) is the central bank of the 19 European Union countries which have adopted the euro. Its main task is to maintain price stability. It is the prime component of the Eurosystem and the European System of Central Banks (ESCB) as well as one of seven institutions of the European Union.