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QUARTERLY MARKET COMMENTARY | Q4 2020

Resolutions, Vaccines and New Highs Conclude a Strange Year

Quarterly Snapshot

- Capital markets began the fourth quarter of 2020 with a struggling recovery, before a sharp early-November advance was propelled higher through the end of the calendar year by a series of constructive announcements relating to COVID-19 vaccines.
- Emerging-market equities outpaced developed markets for the fourth quarter and calendar year. Global sector-level performance was shaken up during the final three months of the year: Energy and financials—which lagged for most of 2020—were the top performers by a wide margin.
- Signs of a recovery should continue to reveal themselves as COVID-19 abates and economic activity normalises. In the meantime, fiscal spending and accommodative central-bank policy should prop up inflation.

Capital markets began the fourth quarter of 2020 at a crossroad: After risk assets capped off the prior quarter with their first monthly loss since rallying in March, a recovery stumbled in mid-October on a global resurgence of COVID-19 cases. However, a sharp early-November advance that coincided with the US presidential election was propelled higher through the end of the calendar year by a series of constructive announcements relating to the effectiveness, approval, and distribution of COVID-19 vaccines.

Emerging-market equities outpaced developed markets for the fourth quarter, pushing their full-year performance ahead. UK shares led major developed markets during the quarter, but ended up with a sizeable loss for the 12-month period[1]. European and Japanese shares followed the UK for the quarter, and both delivered positive returns for the full year; Japan fared much better than Europe in 2020. Meanwhile, US shares had a comparably modest quarter (albeit with a double-digit gain), but had the top major developed-market performance for the year. Sector-level performance was shaken up during the final three months of the year: Energy and financials both had huge rallies after lagging for most of 2020—making them the top performers by a wide margin during the fourth quarter—but still turned in full-year losses.

UK and eurozone government-bond rates declined for the fourth quarter. UK rates climbed through October and November before dropping sharply across the yield curve in December. Eurozone rates tumbled across the curve in October, but bounced higher during November and had mixed movements in December—resulting in a steeper overall curve. US Treasury rates generally increased throughout the fourth quarter, with the 10-year Treasury rate rising by more than any other maturity.

The approaching end of 2020 forced a scramble of deal-making on both sides of the Atlantic.

EU and UK negotiators attained a measure of resolution on Christmas Eve with an agreement governing some terms of their ongoing relationship. The EU-UK Trade and Cooperation Agreement contains many of the top priorities of each party:

- The EU was able to maintain its single market while avoiding a hard border in Ireland, while the UK avoided tariffs and quotas on goods traded with the EU.

[1] Based on the net performance of the MSCI United Kingdom Index. Source: SEI Data Portal

All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.

Key Measures: Q4 2020

EQUITY		
Dow Jones Industrial Average	10.73%	↑
S&P 500 Index	12.15%	↑
NASDAQ Composite Index	15.63%	↑
MSCI ACWI Index (Net)	14.68%	↑
BOND		
Bloomberg Barclays Global Aggregate Index	3.28%	↑
VOLATILITY		
Chicago Board Options Exchange Volatility Index PRIOR QUARTER: **26.37**	22.75	↓
OIL		
WTI Cushing crude oil prices PRIOR QUARTER: **$40.22**	$48.52	↑
CURRENCIES		
Sterling vs. US dollar	$1.37	↑
Euro vs. US dollar	$1.22	↑
US dollar vs. yen	¥103.31	↓

Sources: Bloomberg, FactSet, Lipper

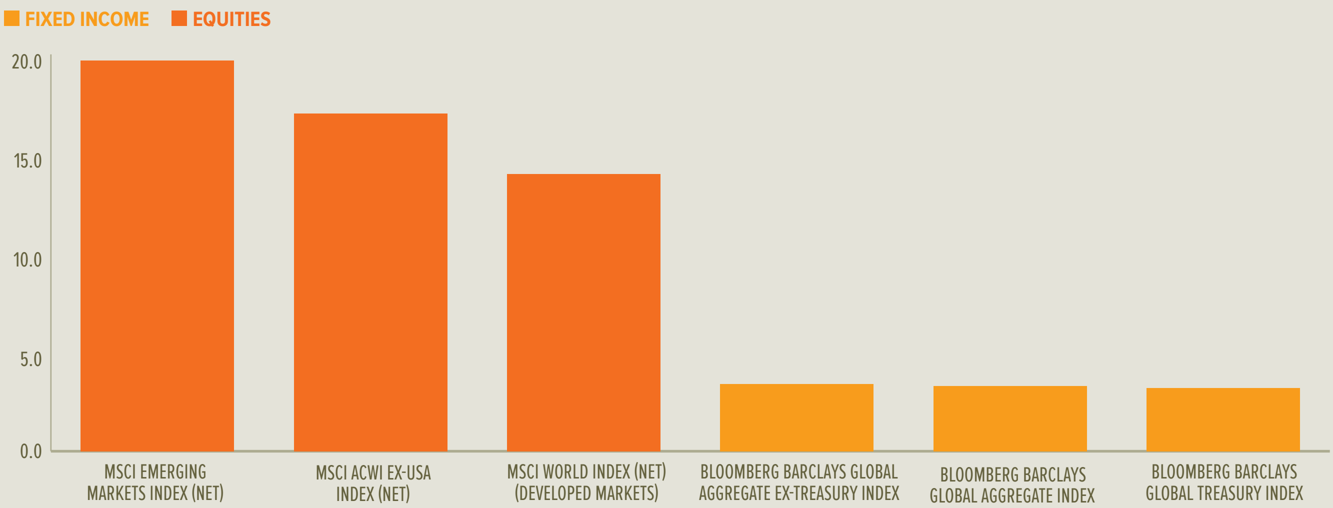
- The EU agreed to reduce its fishing quota within UK waters by 25% over the next five years, which will be followed by annual negotiations.
- Both parties reserved the right to retaliate after judicial review if they believe the other party has tilted the playing field in an anti-competitive manner. The European Court of Justice will not have jurisdiction over trade disagreements.

Trade in services—which includes the financial industry—was not addressed under the scope of the deal, and each party's citizens will be subject to visa restrictions when working or travelling for an extended period in the other party's jurisdiction.

US lawmakers, meanwhile, struck a deal for $900 billion toward pandemic economic relief and $1.4 trillion in federal government funding, which President Trump signed on 27 December. The legislation included the following:

- Another round of forgivable small-business loans under the Paycheck Protection Program, with a $284 billion appropriation
- Extended unemployment payments through March 2021 for approximately 12 million Americans that were on the verge of exhausting their benefits, including a $300-per-week supplement to state-level payments
- Sustained eligibility of unemployment benefits for self-employed, contractors and gig workers, as established under the CARES Act in March 2020
- Preservation of eviction protections to the end of January 2021 and an appropriation of $25 billion to rent relief

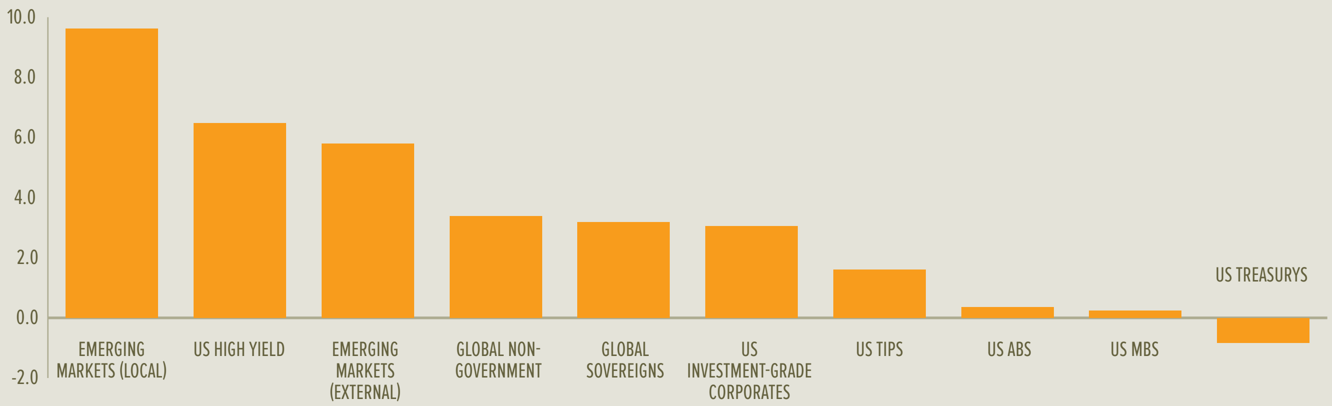
Major Index Performance in Q4 2020 (Percent Return)



Sources: FactSet, Lipper. See "Corresponding Indexes for Major Index Performance Exhibit" in the Index Descriptions section for more information.

All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.

Fixed-Income Performance in Q4 2020 (Percent Return)



Sources: FactSet, Lipper. See "Corresponding Indexes for Fixed-Income Performance Exhibit" in the Index Descriptions section for more information.

Also included in the legislation were direct economic-relief payments of $600 per person to Americans in households below an income threshold—a payment figure that prompted Trump to withhold his signature for several days in favour of a $2,000 disbursement that passed the House of Representatives but never materialised in the Senate.

Earlier in December, the outcome of the US presidential election was formalised when state-level electors cast their votes in accordance with the certified results of each state's popular vote, delivering a majority of electoral votes to President-elect Joe Biden. A legal campaign to contest the election results waged by President Trump and his allies was mostly retired at that point, although some Republican members of the U.S. Congress sought to object to the counting of electoral votes in early January as a symbolic gesture.

The Regional Comprehensive Economic Partnership (RCEP), a free-trade group composed of 15 Asia-Pacific countries including China, was formalised in mid-November. RCEP nations have a combined population of 2.2 billion people and produce about one-third of global gross-domestic product (GDP), representing the most expansive free-trade area on the planet[2].

A sprawling cyberattack against hundreds of organisations—government agencies, corporations and non-government entities—was discovered in December. The targets were centred largely within the US, and several agencies of the federal government reported infiltrations dating as far back as March 2020. Solarwinds Orion software, which is designed to support business technology infrastructure, was the main gateway for the hack apparently perpetrated by Russian intelligence services[3].

[2] "'A coup for China': Analysts react to the world's largest trade deal that excludes the U.S." CNBC. 15 November 2020.
[3] "How to Understand the Russia Hack Fallout." Wired. 19 December 2020.

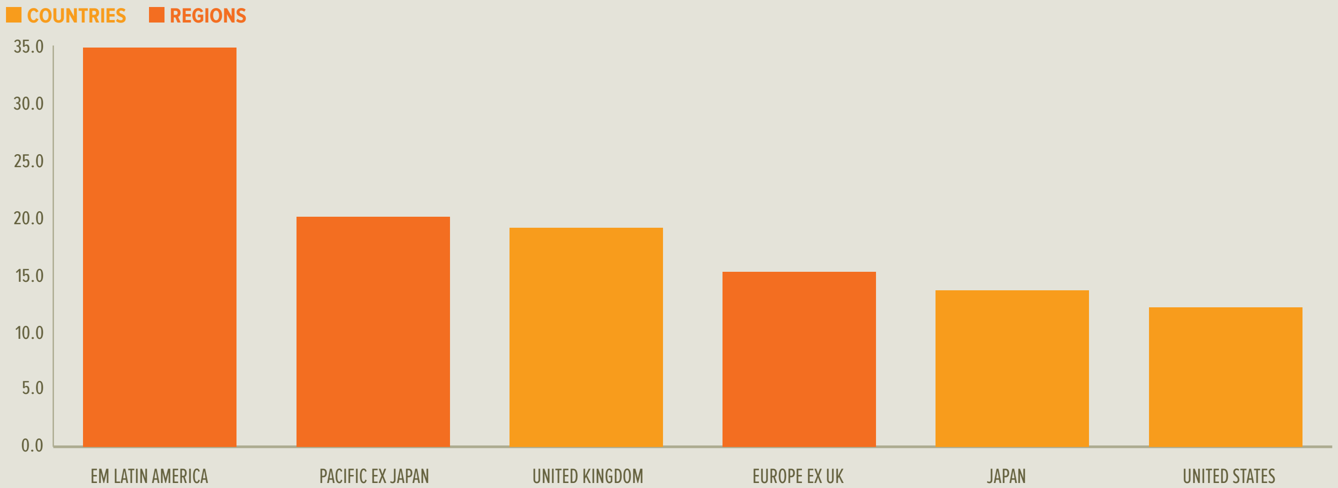
Economic Data

- UK manufacturing activity continued to grow at a healthy rate throughout October and November before accelerating in December. The UK services sector started the fourth quarter with strong growth that gave way to an outright contraction by November, with activity essentially maintaining pace in December. The overall UK economy grew by 16% during the third quarter after falling by 19.8% in the second quarter; the economy shrank by 8.6% year over year through the end of September.

- Growth in eurozone manufacturing activity remained healthy through October and November before strengthening in December. A contraction in the eurozone services sector deepened from October to November, and then moderated during December. The overall eurozone economy grew by 12.5% during the third quarter after declining by 11.8% in the second quarter; the economy had shrunk by 4.3% year over year through the end of the third quarter.

- US manufacturing growth picked up from a moderately healthy pace in October to stronger levels in November and December. US services sector growth started solidly in October before heating up in November and then reverting back to still-strong levels in December. New US jobless claims bottomed in mid-November, then climbed until mid-December before retreating through year end. The overall US economy grew at a 33.4% annualised rate during the third quarter after declining by an annualised 31.4% in the second quarter.

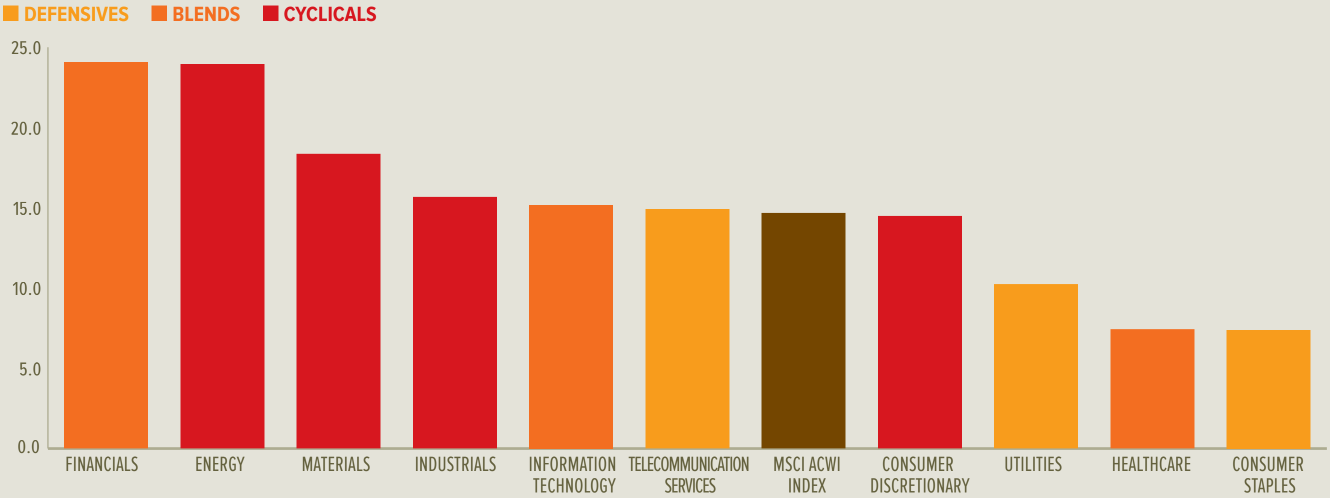
Regional Equity Performance in Q4 2020 (Percent Return)



Sources: FactSet, Lipper. See "Corresponding Indexes for Regional Equity Performance Exhibit" in the Index Descriptions section for more information.

All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.

Global Equity Sector Performance in Q4 2020 (Percent Return)



Sources: FactSet, Lipper. MSCI ACWI Index Sector Components (Cyclicality determined by SEI).

Central Banks

- The Bank of England's Monetary Policy Committee expanded its quantitative-easing programme at its early-November meeting, committing a fresh £150 billion toward bond purchases for a total of £895 billion. There were no additional policy changes at its mid-December meeting. The Committee's latest quarterly report projected that the UK economy would contract by 11% in 2020, a deterioration from the 5.4% contraction estimated a quarter earlier[4].
- The European Central Bank (ECB) made no new changes to monetary policy at its late-October meeting. The December meeting produced a decision to increase the scale of asset purchases associated with its Pandemic Emergency Purchase Programme (PEPP) by €500 billion for a total of €1.85 trillion. PEPP purchases were also extended through at least early 2022. Additionally, the ECB planned to expand the use of its Pandemic Emergency Longer-Term Refinancing Operations (PELTRO) programme, which is designed to promote bank lending through subsidised loans.
- The US Federal Open Market Committee (FOMC) made no changes at either its early-November or mid-December meetings. The US Federal Reserve's (Fed) latest summary of economic projections improved over the prior quarter, with expectations for higher economic growth and lower unemployment in 2021 and thereafter. The US central bank planned to extend four emergency lending facilities that were established in March into the New Year—yet also planned to return $455 billion of unused funding for five other lending facilities to the US Department of the Treasury and shutter the facilities at year end. President-elect Biden named former Fed Chair Janet Yellen as his nominee for US Secretary of the Treasury.

[4] "Bank Rate held at 0.1% and asset purchases increased by £150bn - November 2020." Bank of England; and "Monetary Policy Report - November 2020." Bank of England.

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- The Bank of Japan (BOJ) also took no new actions following its late-October and mid-December monetary policy meetings. It will continue to implement all tools associated with its Quantitative and Qualitative Monetary Easing (QQE) with Yield Curve Control programme. Separately, the BOJ extended its crisis-response programme's emergency funding measures by six months.

SEI's View

We're all looking forward to a better 2021. From the looks of it, investors have already begun to look beyond the valley.

Recent market chatter has hinted at the notion of a "Great Rotation" in capital markets, suggesting that investors may have begun to favour value and cyclical sectors over growth names. While we have seen some evidence of this, we believe it is too early to tell if this is the beginning of a major secular shift in equity investment themes.

Since September, value style equity indexes have outpaced their growth counterparts to varying degrees across geographies and market capitalizations, most notably within US large caps. We have observed several signs of potential normalisation that seem to support the prospects for a style regime change.

- In October, US Treasury yields started to tick up. However, we would be surprised if rates moved sharply higher in 2021.
- The development of highly effective COVID-19 vaccines has helped investors shake off worries that the pandemic would last indefinitely.
- Regulatory developments in both the US and abroad have hinted that the dominance of large technology companies may no longer be as straightforward, long-lasting or profitable as some investors have grown accustomed.

No one knows if this shift is, in fact, a Great Rotation, but we think investors will prove willing to shrug off the likely prospect of more bad news during the difficult months that lay ahead, which could include slowdowns or pauses in vaccine manufacturing, distribution, administration and uptake.

Politics will also come into play, and can either act as a tailwind or a headwind. The US Congress struggled for months trying to get additional income support to the people and businesses most seriously affected by the economic disruptions politicians caused by the virus. They finally came up with a $900 billion compromise that is limited in scope and falls far short of what is needed. Most of the benefits are set to expire in March and April, and it does not address revenue shortfalls facing state and local governments.

Policy depends on personnel, and there is no disputing the priorities of a Biden administration will be quite different from those of the Trump era. One of the most important nominations put forth by President-elect Biden is that of former Fed Chair Janet Yellen as Treasury Secretary. A close working relationship between the Treasury and the Fed will probably be reassuring for investors in the near term since there is little doubt that the central bank will continue its extraordinary efforts to support the economic recovery in 2021.

Casting our focus across the Atlantic, the last-minute Brexit deal provided a Christmas gift of sorts, at least in terms of removing a degree of uncertainty. While a skinny deal is better than none, the UK's long period of intense uncertainty continues to a degree, as the deal addressed the transfer of goods but not commerce in services.

Barriers to trade introduce economic inefficiencies. Post-Brexit, UK prices will likely move a bit higher, GDP a bit lower and supply chains a bit more unreliable.

Looking at the forward price-to-earnings ratio of the MSCI United Kingdom, MSCI Europe ex-U.K. and the MSCI USA Indexes, we can see that the US market has consistently traded at a premium valuation over the past 15 years.

That premium has widened since 2017 and expanded significantly further in 2020. The other two markets have mostly traded at similar valuations to each other over time—but major divergence began to develop in 2019 and became more pronounced in 2020.

UK equity valuations, in our opinion, reflect much of the bad news. Maybe it is time to for investors to think about the things that could go right:

- First, of course, is the development and distribution of vaccines, which are expected to drive the global economy to higher ground in 2021. This should benefit the large energy, materials and industrial multinationals that make up nearly one-third of the market capitalisation of the MSCI United Kingdom Index.
- The country also appears competitive versus other advanced countries when measured by various benchmarks, such as relative unit labour costs.
- The government's trade negotiators have already fanned out across the world to make sure that the UK retains the same trade agreements that it has enjoyed as a member of the EU.
- Prime Minister Boris Johnson has backed away from his attempt to renege on the Withdrawal Agreement that allows Northern Ireland to trade without border restrictions with Ireland and the rest of the EU. This decision saves a lot of headaches, especially with the incoming Biden administration having threatened to impose trade sanctions if the treaty was abrogated.

Like so many other relationships in the equity market, the underperformance of the eurozone benchmark has been going on for a long time. The European economy is more cyclical, value-oriented and less dynamic than the US economy. But that certainly does not prohibit a rebound in performance against the US stock market at a time when the latter appears to be excessively tilted toward technology stocks, the US dollar is weakening and a global economic recovery is at hand.

The pandemic has had one good outcome for Europe. It finally forced Germany and other fiscal "hawks" to allow an expansion in fiscal policy. This move away from budgetary austerity should be viewed in context. Most countries have experienced a sharp rise in red ink this year, and the biggest deficits are outside the eurozone. The Europeans probably can afford to run higher deficits than the International Monetary Fund appears to be pencilling in for 2021. Italy almost certainly will. The memory

Barriers to trade introduce economic inefficiencies. Post-Brexit, UK prices will likely move a bit higher, GDP a bit lower and supply chains a bit more unreliable.

of the European periphery debt crisis is still fresh in the minds of many policymakers who realise that pushing for fiscal austerity measures prematurely would probably be a mistake.

On the other hand, we think there is a greater need for other countries outside the eurozone to regain control of their finances. If those countries fail to do so, Europe could be the beneficiary of investment flows that would further prop up the euro and equity valuations.

Emerging-market equities have been on a tear since they bottomed out last March. For 2020 as a whole, the MSCI Emerging Markets Index (total return) climbed by 18.3%—slightly better than the 15.9% gain registered by the MSCI World Index (total return), which tracks the performance of developed-country stock markets.

However, the MSCI Emerging Markets Index is still just above its previous high-water mark recorded in January 2018. Frontier markets have fared even worse. The MSCI Frontier Emerging Markets Index (total return) has yet to surpass its most recent pre-pandemic high level recorded last January.

Fortunately, not only has the combined firepower of global central banks prevented a liquidity crisis, it has also driven borrowing costs down to near-record lows even as total emerging-market debt exceeds 200% of GDP. Only two problem debtors—Argentina and Turkey—had to increase their interest rates in recent months to stem investment outflows. As the world returns to normal, other nations may need to raise rates in order to attract sufficient investment inflows to sustain their fiscal and current-account positions.

A weak US dollar is an important catalyst for emerging-markets performance. Although the currency has weakened meaningfully this year and pushed emerging-market equities higher, the performance of emerging markets relative to developed markets has been in a narrow range. We expect the coming year will see emerging equities' relative performance improve, partly because the US dollar should continue to weaken.

If the world economy enjoys a durable cyclical recovery in 2021, the dollar should continue to fall. This would also bolster the rebound in commodity prices. Commodities of all sorts have been moving sharply higher since the spring, with metals, raw industrials and foodstuffs rallying together for the first time since the 2009-to-2011 period.

Signs of a recovery should continue to reveal themselves as COVID-19 abates and economic activity normalises. In the meantime, fiscal spending and accommodative central-bank policy should prop up inflation. As the market prices in these developments, "long-duration" growth and expensive high-profitability stocks should be pressured—while momentum investors are likely to rotate into new themes, potentially adding more fuel to this nascent cyclical rally.

Standardised Performance

		1 year to 31-Dec-20	1 year to 31-Dec-19	1 year to 31-Dec-18	1 year to 31-Dec-17	1 year to 31-Dec-16
Key Measures						
Dow Jones Industrial Average		9.72%	25.34%	-3.48%	28.11%	16.50%
S&P 500 Index		18.40%	31.49%	-4.38%	21.83%	11.96%
NASDAQ Composite Index		44.92%	36.69%	-2.84%	29.64%	8.87%
MSCI ACWI Index (Net)		16.25%	26.60%	-9.41%	23.97%	7.86%
Bloomberg Barclays Global Aggregate Index		9.20%	6.84%	-1.20%	7.39%	7.39%
Major Index Performance						
Bloomberg Barclays Global Aggregate ex-Treasury Index		8.79%	8.32%	-2.16%	7.51%	2.59%
Bloomberg Barclays Global Aggregate Index		9.20%	6.84%	-1.20%	7.39%	2.09%
Bloomberg Barclays Global Treasury Index		9.50%	5.59%	-0.38%	7.29%	1.65%
MSCI ACWI ex-USA (Net)		10.65%	21.51%	-14.20%	27.19%	4.50%
MSCI Emerging Markets Index (Net)		18.31%	18.42%	-14.57%	37.28%	11.19%
MSCI World Index (Net)		15.90%	27.67%	-8.71%	22.40%	7.51%
Fixed-Income Performance						
US Treasury Inflation-Protected Securities (TIPS)	Bloomberg Barclays 1-10 Year U.S. TIPS Index	8.39%	6.85%	-0.25%	1.90%	4.01%
Global Non-Government	Bloomberg Barclays Global Aggregate ex-Treasury Index	8.79%	8.32%	-2.16%	7.51%	2.59%
Global Sovereigns	Bloomberg Barclays Global Treasury Index	9.50%	5.59%	-0.38%	7.29%	1.65%
US Investment-Grade Corporates	Bloomberg Barclays U.S. Corporate Investment Grade Index	9.89%	14.54%	-2.51%	6.42%	6.11%
US Asset-Backed Securities (ABS)	Bloomberg Barclays U.S. Asset-Backed Securities Index	4.52%	4.53%	1.77%	1.55%	2.03%
US Mortgage-Backed Securities (MBS)	Bloomberg Barclays U.S. Mortgage-Backed Securities Index	3.87%	6.35%	0.99%	2.47%	1.67%
US Treasurys	Bloomberg Barclays U.S. Treasury Index	8.00%	6.86%	0.86%	2.31%	1.04%
US High Yield	ICE BofAML US High Yield Constrained Index	6.07%	14.41%	-2.27%	7.48%	17.49%
Emerging Markets (External)	JPMorgan EMBI Global Diversified Index	5.26%	15.04%	-4.26%	10.26%	10.15%
Emerging Markets (Local)	JPMorgan GBI-EM Global Diversified Index	2.69%	13.47%	-6.21%	15.21%	9.94%
Regional Equity Performance						
United Kingdom	FTSE All-Share Index	-6.94%	23.95%	-14.77%	23.82%	-2.12%
EM Latin America	MSCI Emerging Markets Latin America Index (Net)	-13.80%	17.46%	-6.57%	23.74%	31.04%
Europe ex UK	MSCI Europe ex UK Index (Net)	10.91%	24.81%	-15.14%	26.82%	-0.56%
Pacific ex Japan	MSCI Pacific ex Japan Index (Net)	6.55%	18.36%	-10.30%	25.88%	7.85%
United States	S&P 500 Index	18.40%	31.49%	-4.38%	21.83%	11.96%
Japan	TOPIX, also known as the Tokyo Stock Price Index	13.04%	19.25%	-13.73%	26.55%	3.46%
Global Equity Sector Performance						
MSCI ACWI Index		16.25%	26.60%	-9.42%	23.97%	7.86%
MSCI ACWI Consumer Discretionary Index		36.68%	27.70%	-8.35%	25.16%	2.88%
MSCI ACWI Consumer Staples Index		8.13%	21.65%	-10.47%	17.73%	1.52%
MSCI ACWI Energy Index		-28.57%	12.78%	-13.27%	6.77%	27.66%
MSCI ACWI Financials Index		-3.78%	23.25%	-15.66%	24.09%	12.38%
MSCI ACWI Healthcare Index		14.87%	22.67%	1.71%	20.14%	-6.83%
MSCI ACWI Industrials Index		11.27%	26.44%	-14.40%	25.27%	11.92%
MSCI ACWI Information Technology Index		45.61%	46.89%	-5.81%	41.77%	12.20%
MSCI ACWI Materials Index		20.91%	20.12%	-16.01%	29.63%	23.59%
MSCI ACWI Telecommunication Services Index		23.68%	24.63%	-10.91%	7.72%	5.03%
MSCI ACWI Utilities Index		3.81%	21.11%	1.37%	13.93%	5.68%

All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.

Glossary of Financial Terms

Bear market: A bear market refers to a market environment in which prices are generally falling (or are expected to fall) and investor confidence is low.

Bull market: A bull market refers to a market environment in which prices are generally rising (or are expected to rise) and investor confidence is high.

Fiscal policy: Fiscal policy relates to decisions about government revenues and outlays, like taxation and economic stimulus.

Fiscal stimulus: Fiscal stimulus refers to government spending intended to provide economic support.

Monetary policy: Monetary policy relates to decisions by central banks to influence the amount of money and credit in the economy by managing the level of benchmark interest rates and the purchase or sale of securities. Central banks typically make policy decisions based on their mandates to target specific levels or ranges for inflation and employment.

Pandemic Emergency Longer-Term Refinancing Operations (PELTROs): PELTROs are a series of longer-term refinancing operations intended by the ECB to ensure sufficient liquidity and smooth money market conditions during the COVID-19 pandemic period. PELTRO operations are planned to be allotted on a near-monthly basis maturing in the third quarter of 2021.

Pandemic Emergency Purchase Programme (PEPP): PEPP is a temporary asset purchase programme of private and public sector securities established by the ECB to counter the risks to monetary policy transmission and the outlook for the euro area posed by the COVID-19 outbreak.

Paycheck Protection Program: The Paycheck Protection Program is a loan offer by the U.S. government's Small Business Administration (SBA) designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.

Quantitative easing: Quantitative easing refers to expansionary efforts by central banks to help increase the supply of money in the economy.

Index Descriptions

S&P 500 Index: The S&P 500 Index is an unmanaged market-capitalisation-weighted index comprising 500 of the largest publicly-traded US companies and is considered representative of the broad US stock market.

Corresponding Indexes for Key Measures Exhibit

Dow Jones Industrial Average	The Dow Jones Industrial Average is a widely followed market indicator based on a price-weighted average of 30 blue-chip New York Stock Exchange stocks that are selected by editors of The Wall Street Journal.
NASDAQ Composite Index	The NASDAQ Composite Index is a market-value-weighted index of all common stocks listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) system, representing a subset of the US equity market.
MSCI ACWI Index	The MSCI ACWI Index is a market-capitalisation-weighted index composed of over 2,000 companies, and is representative of the market structure of 46 developed- and emerging-market countries in North and South America, Europe, Africa and the Pacific Rim. The Index is calculated with net dividends reinvested in US dollars.
Bloomberg Barclays Global Aggregate Index	The Bloomberg Barclays Global Aggregate Index is an unmanaged market-capitalisation-weighted benchmark that tracks the performance of investment-grade fixed-income securities denominated in 13 currencies. The Index reflects reinvestment of all distributions and changes in market prices.
Chicago Board Options Exchange Volatility Index (VIX)	The Chicago Board Options Exchange Volatility Index (VIX) tracks the expected volatility in the S&P 500 Index over the next 30 days. A higher number indicates greater volatility.

Corresponding Indexes for Major Index Performance Exhibit

MSCI ACWI ex-USA Index	The MSCI ACWI ex-USA Index includes both developed- and emerging-market countries, excluding the US.
MSCI Emerging Markets Index	The MSCI Emerging Markets Index is a free float-adjusted market-capitalisation-weighted index designed to measure the performance of global emerging-market equities.
MSCI World Index	The MSCI World Index is a free float-adjusted market-capitalisation-weighted index that is designed to measure the equity market performance of developed markets.
Bloomberg Barclays Global Aggregate Index	The Bloomberg Barclays Global Aggregate Index is an unmanaged market-capitalisation-weighted benchmark that tracks the performance of investment-grade fixed-income securities denominated in 13 currencies. The Index reflects reinvestment of all distributions and changes in market prices.
Bloomberg Barclays Global Aggregate ex-Treasury Index	The Bloomberg Barclays Global Aggregate ex-Treasury Index is an unmanaged market index representative of the total return performance of ex-Treasury major world bond markets.
Bloomberg Barclays Global Treasury Index	The Bloomberg Barclays Global Treasury Index is composed of those securities included in the Bloomberg Barclays Global Aggregate Index that are Treasury securities.

Corresponding Indexes for Fixed-Income Performance Exhibit

US High Yield	ICE BofA U.S. High Yield Constrained Index
Global Sovereigns	Bloomberg Barclays Global Treasury Index
Global Non-Government	Bloomberg Barclays Global Aggregate ex-Treasury Index
Emerging Markets (Local)	JPMorgan GBI-EM Global Diversified Index
Emerging Markets (External)	JPMorgan EMBI Global Diversified Index
US Mortgage-Backed Securities (MBS)	Bloomberg Barclays U.S. Mortgage Backed Securities Index
US Asset-Backed Securities (ABS)	Bloomberg Barclays U.S. Asset-Backed Securities Index
US Treasurys	Bloomberg Barclays U.S. Treasury Index
US Treasury Inflation-Protected Securities (TIPS)	Bloomberg Barclays 1-10 Year U.S. TIPS Index
US Investment-Grade Corporates	Bloomberg Barclays U.S. Corporate Bond Index

Corresponding Indexes for Regional Equity Performance Exhibit

United States	S&P 500 Index
United Kingdom	FTSE All-Share Index
Pacific ex Japan	MSCI Pacific ex Japan Index (Net)
Japan	TOPIX, also known as the Tokyo Stock Price Index
Europe ex UK	MSCI Europe ex UK Index (Net)
EM Latin America	MSCI Emerging Markets Latin America Index (Net)

All references to performance are in US dollar terms unless otherwise noted. See Standardised Performance for more information.

Important Information

Data refers to past performance. Past performance is not a reliable indicator of future results.

Investments in SEI Funds are generally medium- to long-term investments. The value of an investment and any income from it can go down as well as up. Investors may get back less than the original amount invested. Returns may increase or decrease as a result of currency fluctuations. Additionally, this investment may not be suitable for everyone. If you should have any doubt whether it is suitable for you, you should obtain expert advice.

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