Quarterly Investment Review

Q3 2018

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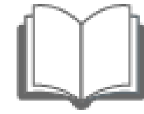
Summary



Market overview

The escalating trade-war tensions between the US and China have become the leading preoccupation of investors, and with good reason: China and the US together accounted for 42% of world gross domestic product last year. The US economy remains in strong shape while the rest of the world is experiencing a marked deceleration; resulting in continued divergence in the performance of global stock markets, with the US outperforming the rest of the world. In US dollar terms, the US equity market posted a return of 7.3% for Q3, much of which was concentrated in mega-cap stocks.

Trade tensions and a strong US Dollar, coupled with fears of contagion across emerging economies stemming from economic crises in Turkey and Argentina, weighed on the performance of Emerging Market assets. In Europe, headlines continued to be broadly negative: sluggish economic growth, still-high unemployment and disagreements over how expansive monetary policy should be, weighed on markets. The UK equity market posted the weakest return of the major developed markets driven by the rejection of the Prime Minister’s Brexit deal by the EU, increasing fears of a hard Brexit.

Government bond yields continued their upward trajectory over the third quarter. The significant sell-off in UK gilt yields had less to do with robust economic performance though, and more to with an increased premium for Brexit led political and inflation risk.

Portfolio positioning

The stability-focused funds delivered returns of between 0.2% and 1.0% for the quarter. An environment of rising yields has been a headwind for these strategies. As their equity components are predominately invested in low volatility equities, this more than compensated for that headwind as low volatility equities matched the strong return of global equity markets over the quarter.

The growth-focused funds delivered returns of between 0.8% and 1.5% over the third quarter. The performance of equity markets overall aided the strategies, although disappointing performance from UK equities proved to be a drag for the period. This was further compounded by the underperformance of value stocks and mid-cap stocks, both of which are strategies to which we are overweight.

During the quarter we undertook a number of changes to the portfolios’ asset allocation, both strategic and tactical. For more details see page 5.

Economic outlook

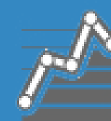
The global growth dynamic is still broadly constructive and policy remains generally benign, despite the gradual withdrawal of monetary accommodation. However, the gradual tightening of global liquidity has created some pinch points where risk has repriced – notably in emerging markets.

We view market risks are more balanced now, but remain constructive on the outlook for equities. The SEI Strategic Portfolios, in general, maintain a value tilt within equities.

The extreme appreciation in some large technology companies suggests that the US stock market could be subject to a sharp rotation from previous winners to laggards at some point.

SEI Strategic Portfolios: Performance

Stability-focused funds



	3 month	1 year	2 year*	3 year*	4 year*	5 year*
SEI Defensive Fund	0.16%	-0.15%	0.04%	1.63%	1.24%	1.52%
SEI Conservative Fund	0.70%	1.23%	1.45%	3.94%	3.13%	3.28%
SEI Moderate Fund	0.98%	2.42%	2.76%	6.23%	5.03%	5.08%

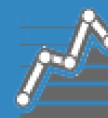
Source: SEI, as at 30 September 2018. Net of fees, Sterling Wealth A Distributing share class. Past performance is not a reliable indicator of future results. *Indicates annualised data.

Performance Drivers	Positioning	Key Building Block(s)	Key Manager(s)
-	Neutral	**UK Core Fixed Income**	**N/A**
	Benchmark relative overweight	Commodities	Threadneedle
+	Low volatility equities bias	Global Managed Volatility	SEI, LSV, Acadian, Analytic
	Benchmark relative underweight	High Yield	T. Rowe Price, Benefit Street Partners

N/A signifies that contribution was derived from asset allocation, rather than one or more specific investment managers.

Theme	Active Position	Rationale / Adjustment
US fiscal stimulus against backdrop of synchronised global economic growth and tightening labour markets	Underweight G3 duration US curve flattener Overweight inflation	Looser fiscal policy may support a hawkish Fed policy stance Heavy front end issuance Trade wars may increase global inflation; maintaining TIPS and JGBI exposure
Late cycle expansion risk	Cautious credit overweight Shortening credit duration Preference for financials	Credit is expensive by historical standards With a flatter curve, shorter dated credit may offer better risk-adjusted returns Industrials more exposed to late-cycle risks (including higher leverage and shareholder-friendly balance sheet activity)
Relative value in non-core markets	Overweight emerging markets debt	EM-DM yield differential has widened significantly in recent months, meaning EM now has a more favourable valuation cushion than before.

Growth-focused funds



	3 month	1 year	2 year*	3 year*	4 year*	5 year*
SEI Core Fund	0.81%	3.26%	5.21%	8.75%	6.98%	6.71%
SEI Balanced Fund	0.84%	4.24%	6.92%	10.95%	8.63%	8.11%
SEI Growth Fund	0.94%	5.09%	8.77%	13.19%	10.42%	9.55%
SEI Aggressive Fund	1.53%	7.87%	11.48%	15.55%	12.57%	11.42%

Source: SEI, as at 30 September 2018. Net of fees, Sterling Wealth A Distributing share class. Past performance is not a reliable indicator of future results. *Indicates annualised data.

Performance Drivers	Positioning	Key Building Block(s)	Key Manager(s)
-	Global equities value bias	Global Equities	All 'local' value managers
	Neutral	Emerging Market Equities	Neuberger Berman, RWC Asset Advisors
	Overweight Japan relative to US	Japan Equity	N/A
+	Long position	US Large Companies, US Small Companies, US Factor Allocation	
	Underweight Chinese IT, overweight energy	Pacific Basin ex-Japan	Maple Brown Abbott
	Overweight	Emerging Markets Debt	N/A

N/A signifies that contribution was derived from asset allocation, rather than one or more specific investment managers.

Theme	Active Position	Rationale / Adjustment
Robust macroeconomic environment	Overweight to valuation-focused managers Underweight to quality-focused managers	Valuation and momentum metrics continue to look attractive although some early signs that fundamentals are rolling over in some areas
Remain constructive on continued global economic growth	Strategic asset allocation to small caps	Domestic orientation may provide protection in the event of a trade war

Q3 Asset Allocation Changes

Strategic asset allocation

Addition of Global Dynamic Asset Allocation Fund to SEI Strategic Portfolios

- SEI's Active Asset Allocation Team implements active positions, overlaid on top of the MSCI World beta, in the Global Dynamic Asset Allocation Fund opportunistically to express tactical trading views based on perceived market mispricing of securities.
- The Global Dynamic Asset Allocation Fund has a risk budget of 5% of active risk to implement these tactical themes, though the actual ex-ante tracking error will vary depending on the attractiveness of the opportunities
- The Fund is indexed to the MSCI World Index and therefore provides beta exposure to global developed equity markets.
- Using the Dynamic Asset Allocation Fund enables us to implement tactical views with greater efficiency.

Increased weighting to Global Managed Volatility Fund in Strategic Portfolios

- We have decided to include the use of the Global Managed Volatility Fund in the growth-focused Strategic Portfolios
- The Global Managed Volatility Fund takes advantage of an observed market anomaly of higher risk adjusted returns in lower volatility equities, offering the potential for equity market-like returns with a meaningful reduction to the level of risk.

Reallocation of non-investment grade fixed income

- High yield and emerging market debt exposures are being brought into closer balance under the latest changes, given their similar equity/fixed income hybrid characteristics
- The allocations to these riskier fixed income exposures are being modestly reduced, with the proceeds invested in diversified combinations of equity and fixed income
- Given the sector concentration within high yield and the shared risk exposures of many issuers of emerging market debt, we believe this change will enhance the diversification of the Strategic Portfolios through a similar mixture of equity and bond-like characteristics, but with more diversified allocations such as global equity and global fixed income.

Reduction in equity and fixed income home country biases

- While many investors favour investments listed in their own home country to those listed internationally, this preference generally impairs the diversification profile of the overall portfolio and can lead to lower risk-adjusted returns
- Our changes reduce an existing bias towards UK equities and fixed income with the goal of providing enhanced global diversification of our equity and fixed income exposures and improving portfolio efficiency

Tactical asset allocation

Closing out Japan overweight

- We entered this position based on favourable valuations, diverging central bank policies and positive economic fundamentals including a globally coordinated economic recovery and increasing adoption of shareholder friendly policies by Japanese corporations
- While many of these conditions remain in place, fiscal conditions in the US, a soft patch in the global recovery and intensifying trade war concerns have prompted us to exit this theme.

Q3 Manager Changes

Jackson Square Partners removed from US Large Companies

Jackson Square Partners' strategy has not provided consistent alpha-source exposure within the US Large Companies allocation of the Strategic Portfolios. Over time, their portfolio has had varying levels of exposure to stability, momentum and value stocks. We also have concerns with Jackson Square Partners' sell discipline.

Mar Vista Investment Partners will replace Jackson Square Partners, with Fiera Capital Corporation also receiving some of their assets.

Mar Vista Investment Partners added to US Large Companies

Mar Vista Investment Partners were added to the US Large Companies Fund at the end of July.

We find their consistent adherence to the stability alpha source based on deep research attractive. We also like the fact that Mar Vista has the benefits of a relatively small firm, but also has sufficient critical mass of AUM to provide financial stability and resourcing.

Insight Investment Management added to Global Fixed Income

Insight use a quality-driven, diversified approach to investing in the fixed income market. The strategy is comprised of a broad suite of asset classes designed to mitigate risk and add value across a wide range of sources of excess returns.

Insight's approach is geared towards liability-driven investments; this portfolio is considered their flagship strategy.

SNAM added to Japanese Equity allocations

Sompo Japan Nipponkoa Asset Management Company (SNAM) is an intrinsic value investor that invests in securities whose market behaviour they believe should provide exploitable discrepancies between long-term intrinsic value and market price.

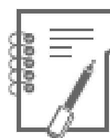
SNAM team focuses on companies' mid-to-long term profitability and believes intrinsic value is best defined by an asset's future cash returns.

Capital International removed from Japanese Equity allocations

Capital International's investment strategy has not provided prominent and consistent alpha source exposure within our Japanese equity allocations.

Capital International's assets have been transferred to SNAM, whom we believe will provide better and higher and more reliable alpha source exposure.

Portfolio Manager's Notebook



UK and Europe

- For the UK and Europe, headlines continue to be broadly negative due to Brexit, Italy and Turkey spillover effects. Additionally, the macro data seen coming out of Europe and the UK is not as strong as the U.S. Therefore, Europe is out of favour for good reason.
- On balance, sentiment is generally weaker than last quarter although not much has changed significantly.
- The UK has had decent earnings for the past twelve months but the market has remained mostly flat. Therefore, it looks better on a valuation basis. Valuations are fair in absolute terms.
- Market conditions are looking more fragile as can be seen in continental Europe where the trailing earnings rate has fallen and PMI has softened (presenting possibly a contrarian buying opportunity). Therefore, we do not possess a particularly robust or bullish outlook.
- The stability managers continue to have low allocations due to valuation concerns.
- The value managers have been trimmed and inflows have been added to momentum.
- The managers continue to seek quality and appear indifferent to short-term price movements or macro issues. Value managers remain pro-cyclical while momentum managers have been positioning to wherever momentum and growth exists.

United States

- The third quarter is looking much like the second quarter – tariffs and trade war concerns are a dominant factor in the market environment.
- We anticipate that U.S. strength will begin to fade going into 2019 and economic growth will look more similar to developed markets and areas such as Europe or Japan.
- We expect that U.S. growth may slow to 2% by next year which is line with the rest of the developed world.
- The U.S. economy is still pretty strong; the Federal Reserve is on track to raise rates once more this year. This will bring monetary policy close to neutral. During the time that the Fed raises rates the stock market tends to do well and that is what we are currently observing in the market today. Over the next twelve months we are broadly positive on the equity market in the U.S. Additionally, U.S. performance in risk assets may be more aligned with what we are seeing elsewhere in the world.
- Leadership has been barbelled between mega-cap and small-cap stocks, with mid-cap left behind. This is relevant because large-cap active and factor managers tend to overweight mid-cap stocks.
- Ex-mega-cap stocks, the rest of the U.S. market has performed very similar to global markets.
- Small-cap has provided insulation from trade war tensions and a rising dollar; therefore there have been considerable inflows into small-cap. However, second quarter inflows have trailed off in the third quarter.
- EV/EBITDA (valuation metric) is very stretched in small-cap, more so than after the global financial crisis. Therefore, managers are getting cautious and prefer higher quality at the margin.
- Value versus growth is even more extended in small-cap; growth has been beating value approximately 12% over the last year. Momentum has been favourable.
- Earnings growth should peak this year.

Asia

- Trade war tensions remain the single biggest topic and most significant overhang in putting money to work over the last several months.
- There has been increased discussion of a prolonged trade conflict and accelerating conditions. However the market has not responded as negatively as one might expect. Therefore, the actual damage to the Chinese economy may not be as bad as expected a few months ago.
- There was 15% earnings growth in China. Chinese exports to the US account for only 20% of total Chinese exports, therefore the damage of an escalating trade war may not be as bad as the market participants initially expected. In addition, there is an expectation for the Chinese government to introduce stimulus which would have a positive impact.
- In terms of sectors, consumer discretionary, energy and real estate were favourable.
- Government is sensitive to moving its currency lower and prefers a stable currency.

Emerging Markets

- Right now they are struggling. Trade tensions seem to be more focused on China while the U.S. has negotiated a truce with Mexico.
- We have believe that the recent tariffs of 10% will go to 25% by the end of the year. Additionally, the chances are pretty good that all Chinese imports will be subjected to tariffs.

Global Bonds

- Credit remains expensive, especially when considering that the benchmark's credit quality has been deteriorating, while its duration has lengthened. Within credit we retain a preference for financials and shorter-dated credit for better risk/reward opportunities.
- The (local currency) EM - DM yield differential is the widest it has been in two years and has been driven by sentiment contagion in Emerging Markets Debt (as opposed to economic contagion). Therefore, a better valuation opportunity now exists in EMD local rates, although we could still see further widening.

High Yield

- The high yield market returned a little over 2% QTD (USD) with spreads down 50 bps QTD.
- New issuance activity was down 33% over same period a year ago. Net high yield issuance is down by about half from a year ago.
- The U.S. speculative default rate is below 4% for sixth consecutive month. The market anticipated the decline will continue below 2%.
- There are not any near-term concerns from managers but it has been a challenging landscape with few opportunities.

Emerging Markets Debt

- Hard-currency was down 3.5% after second quarter and local-currency was down 10.5%.
- A July recovery did not continue for the rest of the quarter.
- Argentina hiked interest rates to 60%. Its currency went from 28 to 40 pesos/dollar.
- Managers do not seem too concerned about debt servicing in 2019.
- Turkey continued to be a problem, its currency slipped from 4.5 to 7 liras/dollar.
- There has been a tightening of U.S. liquidity which is a concern.

Data source: Bloomberg, as at 30 September 2018.

In Depth: Economic Outlook

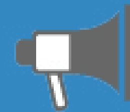
- The ratcheting-up of trade-war tensions between the U.S. and China has become the leading preoccupation of investors. Whatever happens between the two countries will likely have global implications across economies and financial markets. China and America together accounted for 42% of world nominal gross domestic product last year.
- The Chinese Renminbi has fallen sharply against both the dollar and a broader basket of currencies. The weaker currency partially offsets the impact from the first round of tariffs imposed by the U.S. The competitiveness of Chinese exporters against other countries has, of course, improved as a result of currency devaluation.
- On the downside, the weak Chinese currency makes it almost certain that the Trump Administration will increase the tariff rate to 25% at the beginning of January. It also could raise the ire of other big importers of Chinese goods, perhaps making it easier for the U.S. to enlist the support of other World Trade Organization members in its attempt to sanction China over unfair trading practices.
- The U.S. is in strong shape economically. Although nobody wins in a trade war, even those White House advisers who hold a pro-trade bias believe that the U.S. will get hurt less. Investors appear to have reached the same conclusion. While the U.S. flirts with new all-time highs, China has fallen into bear market territory.

- As the trade war with China heats up, the Trump Administration has become more conciliatory toward other countries with which it has picked fights. With regard to the North American Free Trade Agreement, broad agreement has been reached with Mexico and Canada. The threat of tariffs on European and Japanese cars and car parts has been shelved. This may represent a realisation by the White House that it's better to gain allies in its battle against China than fight on multiple fronts.
- The fundamental outlook remains favourable for U.S. equities, despite trade-war concerns and the rising trend in interest rates. Tax cuts, deregulation and strong revenue growth have provided an ideal backdrop for equities to appreciate, but performance could be constrained if earnings estimates fade in the event economic growth slows unexpectedly or profit margins falter as a result of the increasing tariffs on tradeable goods. SEI views the risks to the U.S. stock market as evenly balanced and not yet tilted to the downside.

"Although nobody wins in a trade war, even those White House advisers who hold a pro-trade bias believe that the US will get hurt less."

- Besides rising trade tensions with China, we see the Federal Reserve as another potential threat to the U.S. equity bull market. SEI agrees with the Fed's view that the funds rate is still below the so-called neutral rate of interest, above which the stock market has historically run into trouble. The question is how high the federal-funds rate will ultimately go
- One can argue about whether the valuations embedded in the U.S. equity market are high, especially when measured against other global stock markets. A sharp rotation out of large technology companies could be somewhere down the road. SEI equity portfolios certainly tilt in the direction of more value-oriented companies and industries.
- Predicting the future is a hazardous venture most of the time. In view of the uncertainties facing investors at the present time, the prediction game is, perhaps, even more challenging. Accordingly, we believe in a diversified approach to investing. Although maintaining exposure to risk assets may feel uncomfortable, for investors with long time horizons, it pays to keep in mind that mistiming entries and exits into and out of equities can be costly. At this stage, mistiming one's exit is the greater concern.

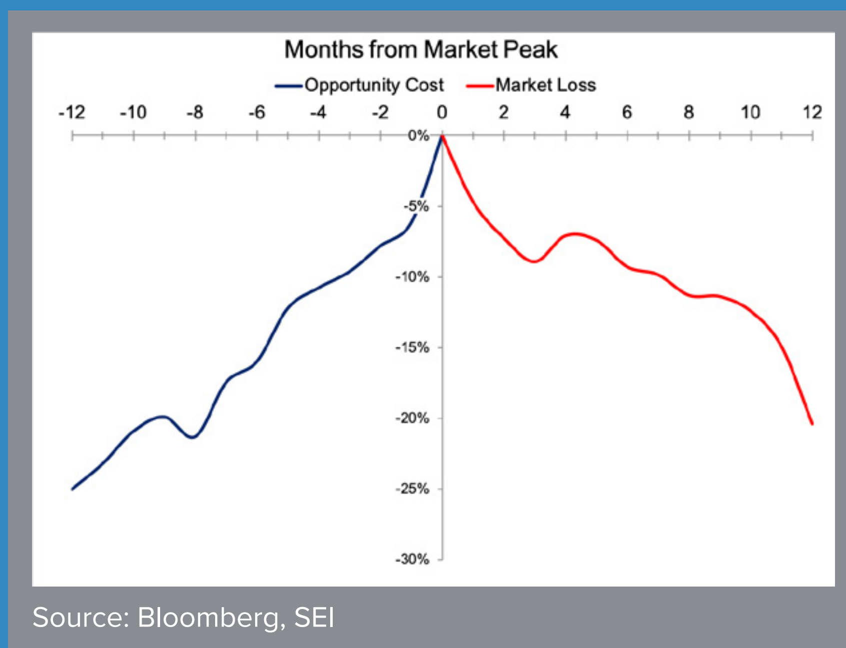
Thematic Insight: Staying Strategic



Predicting the future is a hazardous venture most of the time. In view of the uncertainties facing investors at the present time, the prediction game is, perhaps, even more challenging. Accordingly, we believe in a diversified approach to investing. Although maintaining exposure to risk assets may feel uncomfortable, we believe that investors with long time horizons can benefit from keeping in mind that mistiming entries and exits into and out of equities can be costly.

Today, mistiming an exit is the greater concern. The chart below illustrates the potential cost of missing the market peak: selling out before the market peak can lead to an opportunity loss (the gains that are foregone), while selling after the peak leads to actual losses. Since 1957, the S&P 500 Index has, on average, performed well in the final year of each bull market. If an investor sold stocks 12 months too soon (that is, before the peak in prices), the opportunity loss would average nearly 25%. If stocks were sold one year after the peak in prices, the realized market loss would average 20%. This exercise doesn't even consider the opportunity or actual losses sustained in the process of picking the bottom of a bull market when re-establishing equity exposure. The effort to correctly guess both the right time to sell and the right time to repurchase comes with risks of its own.

Investors Often Eat a Broken Crystal Ball



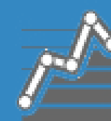
Source: Bloomberg, SEI

SEI's large-cap portfolios maintain a value tilt. Financials and healthcare are the largest overweights, while technology is heavily underweight. Small-cap equity portfolios have been shifting from momentum strategies into value. Absolute weightings are little changed, however, owing to the outperformance of momentum stocks.

In fixed-income, the themes of SEI's core portfolios have not materially changed. Duration is near a neutral setting. Portfolios remain more neutral at the short end of the yield curve and overweight the long end in anticipation of continued curve flattening. SEI's strategies are overweight credit and agency mortgaged-back securities. In the high-yield space, our portfolios favour duration short of the benchmark.

Global Market Performance

Representative market indices



Equity Indices	3 month	1 year	2 year*	3 year*	4 year*	5 year*
Global Equities *MSCI World Index*	5.1%	11.3%	14.1%	12.7%	9.1%	10.3%
UK Equities *FTSE All-Share Index*	-0.8%	5.9%	8.9%	11.5%	7.8%	7.5%
US Equities *Russell 1000 Index*	7.3%	17.1%	17.5%	16.4%	11.7%	13.0%
European Equities *MSCI Europe ex UK Index*	2.3%	0.3%	9.3%	6.9%	6.2%	7.6%
Pacific Basin Equities *MSCI Pacific ex Japan Index*	-0.5%	4.3%	9.2%	12.7%	4.5%	3.9%
Japanese Equities *TSE TOPIX (with dividend) Index*	5.9%	10.8%	19.7%	11.2%	10.5%	11.0%
Emerging Market Equities *MSCI Emerging Markets Index*	0.1%	2.0%	10.0%	18.1%	9.2%	8.2%

Fixed Income Indices	3 month	1 year	2 year*	3 year*	4 year*	5 year*
UK Gilts *BofA ML UK Gilts All Stocks Index*	-1.7%	0.6%	-1.5%	3.0%	4.3%	4.6%
Global Government Bonds *Bloomberg Barclays Global Treasury Index*	-0.8%	-0.3%	-1.3%	1.4%	2.1%	2.8%
Global Bonds *Bloomberg Barclays Global Aggregate Index*	-0.4%	-0.7%	-0.9%	1.5%	2.0%	2.8%
Global Credit *Bloomberg Barclays Gbl Agg ex Treasuries Index*	0.0%	-1.1%	-0.5%	1.7%	1.9%	2.7%
High Yield Bonds *BofA ML US High Yield Constrained Index*	2.1%	1.4%	4.6%	7.1%	4.4%	5.0%
Emerging Market Debt *50/50 JPM EMBI Gbl Div & JPM GBI-EM Gbl Div*	1.5%	-1.9%	0.4%	11.1%	7.0%	6.4%

Commodities and Cash	3 month	1 year	2 year*	3 year*	4 year*	5 year*
Oil *ICE Brent Crude Futures*	5.9%	49.3%	21.5%	10.8%	-3.1%	-1.4%
Gold *US $ per Troy Ounce*	-4.9%	-6.9%	-4.9%	2.2%	-0.4%	-2.2%
Commodities *Bloomberg Commodities Index (USD)*	-2.0%	2.6%	1.1%	-0.1%	-7.3%	-7.2%
Cash *LIBOR 3 Month GBP*	0.2%	0.6%	0.5%	0.5%	0.5%	0.5%

Source: Bloomberg, as at 30 September 2018. Gross returns. Past performance is not a reliable indicator of future results. *Indicates annualised data.

Accessing SEI

Platform and wrap availability

	Sterling Wealth A Distributing Share Class	Sterling Wealth A Accumulating Share Class
7IM	✓	✓
Aegon	✓	
AJ Bell Investcentre	✓	✓
Ascentric	✓	✓
Aviva	✓	✓
AXA Elevate	✓	
Cofunds	✓	✓
FundsNetwork	✓	✓
Novia	✓	✓
Nucleus	✓	✓
Old Mutual Wealth	✓	
Standard Life	✓	✓
Succession	✓	
Transact	✓	✓
Wealthtime	✓	✓
Zurich	✓	✓

Fund and share class identifiers

	Sterling Wealth A Distributing Share Class	Sterling Wealth A Accumulating Share Class
SEI Defensive Fund	IE00B6145K75	IE00BYV1R427
SEI Conservative Fund	IE00B616BM72	IE00BYV1R534
SEI Moderate Fund	IE00B61N2T25	IE00BYV1R641
SEI Core Fund	IE00B62XK082	IE00BYV1R757
SEI Balanced Fund	IE00B60CGR62	IE00BYV1R864
SEI Growth Fund	IE00B614TP06	IE00BYV1R971
SEI Aggressive Fund	IE00B6390G16	IE00BYV1RB90

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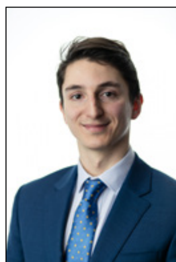

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The SEI Strategic Portfolios are a series of the SEI Funds and may invest in a combination of other SEI and Third-Party Funds as well as in additional manager pools based on asset classes. These manager pools are pools of assets from the respective Strategic Portfolio separately managed by Portfolio Managers, which are monitored by SEI. One cannot directly invest in these manager pools.

Past performance is not a reliable indicator of future results. Standardised performance is available upon request. All data is as at 30 June 2018.

Asset class performance discussed is based on the majority SEI fund underlying the asset class. This does not include analysis of the manager pools, hedged share class investments within SEI Funds, additional SEI funds or any third-party funds within the Strategic Portfolios.

As a result, performance for the total asset class allocation may vary. Not all asset classes discussed are included in all Strategic Portfolios.

All asset class comparative performance is relative to the benchmark of the specific SEI fund representing the majority of the asset class investment. SEI sources data directly from FactSet, Lipper, and BlackRock, unless otherwise stated.

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The investment risks described below are not exhaustive and potential investors should carefully review the Prospectus prior to investing. The risks described below may apply to the underlying assets of the products into which the Strategic Portfolios invest.

- Investment in equity securities in general are subject to market risks that may cause their prices to fluctuate over time.
- Fixed Income securities are subject to credit risk and may also be subject to price volatility and may be sensitive to interest rate fluctuations.
- Absolute return investments utilise aggressive investment techniques which may increase the volatility of returns. If the correlation between absolute return investments and other asset classes within the fund increases, absolute return investments' expected diversification benefits may be decreased.
- In addition to the normal risks associated with investing, international investments may involve risk of capital loss from differences in generally accepted accounting principles or from economic or political instability in other nations. The Funds are denominated in one currency but may hold assets which are priced in other currencies. The performance of the Fund may therefore rise and fall as a result of exchange rate fluctuations. The Fund or some of its underlying assets may hold derivatives or borrow to invest. This can make the Fund more volatile and investors should expect above-average price increases or decreases.

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