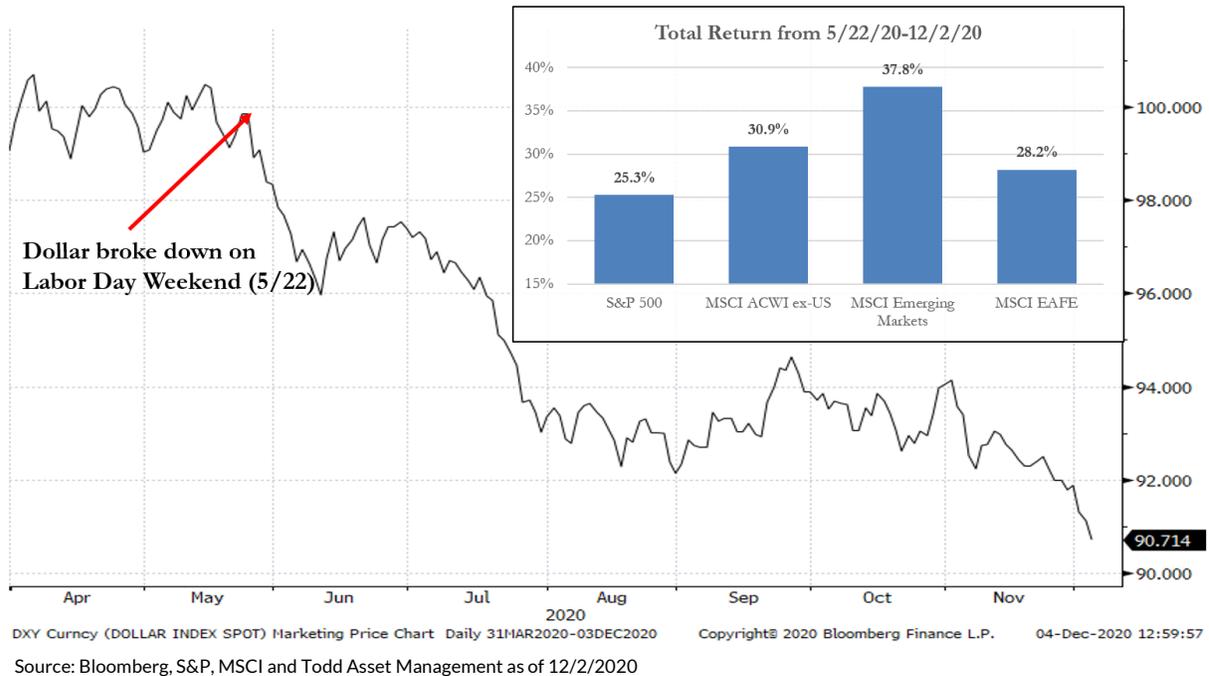


The Inflection Point US Dollar Index



- The US Dollar steadily weakened after the introduction of the EU Recovery fund (on 5/22/20). Investors believe that this fund indicates that Europe is unified in their unanimous shift from austerity to growth policies.
- When the US dollar weakens, international markets usually outperform. The last time this happened was the decade ending in 2009, when international markets sustainably outperformed domestic equity markets by over 5.5% annually. We think this is happening again (as shown in the box above) as the Emerging Market and ACWI-ex US indexes are ahead of the S&P 500 by over 12% and 5.5% respectively.
- We believe the US Dollar weakness should last for at least several years. Higher US deficits along with better visibility for global growth probably drive this.

The indexes used in the chart are unmanaged, and not available for direct investment; they include reinvestment of dividends; they do not reflect management fees or transaction costs: **S&P 500 Index** is a widely recognized index of market activity based on the aggregate performance of a selected portfolio of publicly traded common stocks. **MSCI ACWI ex-U.S. Index** is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States. The ACWI ex-U.S. includes both developed and emerging markets. **MSCI Emerging Markets Index** captures large and mid cap representation across 26 Emerging Markets (EM) countries. With 1,390 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. **MSCI EAFE Index** is an equity index which captures large and mid cap representation across 21 Developed Markets countries* around the world, excluding the US and Canada. With 925 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. For investors who benchmark their U.S. and international stocks separately, these indexes provide a way to monitor international exposure apart from U.S. investments.

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