

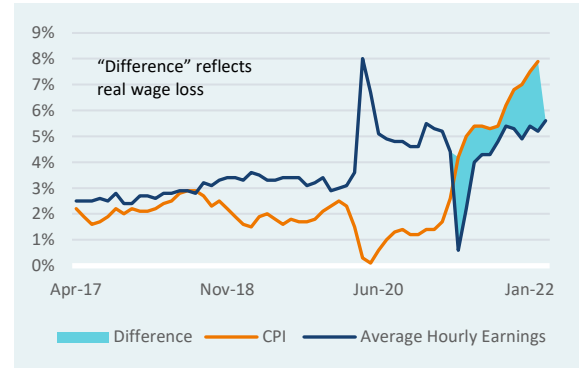
Capital Markets Snapshot

March 21st to April 1st, 2022

U.S. Economy

- March average hourly earnings rose +0.4% from February, up +5.6% from a year ago. Real wage losses have weighed heavily on consumer sentiment, which currently sits below pandemic levels.
- Nonfarm payroll gains missed estimates in March (+431k vs. exp. +490k), but upward job revisions totaling +95k paired with upbeat participation and unemployment data signal a tight labor market.
- Sales of new single-family homes decreased -2.0% in March from last month (-6.2% YoY), as homebuyers face headwinds from rising mortgage rates (4.7%) and elevated prices. The average 30-year mortgage rate is at its highest level since December 2018.

INFLATION VS. HOURLY EARNINGS (YOY %)

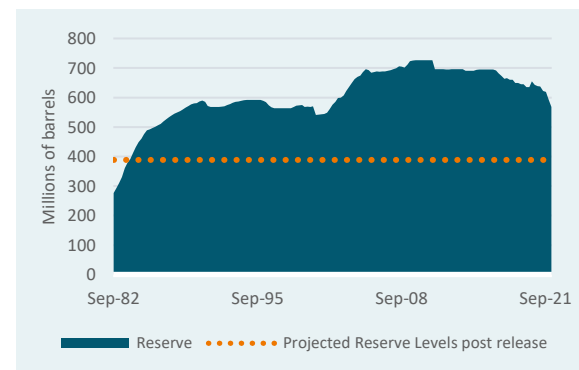


Source: Bloomberg, as of 4/1/22

U.S. Markets

- U.S. Treasuries continued their sell-off, fueled by the increasing probability of the FOMC hiking the fed funds range by 50 bps at the May meeting. The Bloomberg U.S. Treasury Index slid -5.6% in Q1 2022, marking its worst quarterly decline in five decades.
- Large-cap equities rose over the period, ending March up +3.7%. Although returns have been positive over the past month, the S&P 500 produced its first declining quarter since Q1 2020 (-4.6%).
- President Biden announced the largest release of oil reserves in history, adding one million barrels of oil to the market per day for the next six months in an effort to curb rising prices at the pump.

STRATEGIC PETROLEUM RESERVES



Source: U.S. Department of Energy, as of 3/25/22

International Economy

- Conflict in Ukraine continued despite brief optimism around “drastically reduced” military activity around Kyiv and Chernihiv. Eurozone consumer & investor confidence remains depressed.
- March Eurozone headline CPI rose +7.5% from last year, as spiking energy prices fueled the highest inflation reading since the series’ inception. Core CPI was up +3.0% over the same period. Markets are now pricing in at least 5 ECB rate hikes by the end of 2022.
- February Eurozone PPIs were highly elevated due to rapid increases in energy prices. On a year-over-year basis, producer prices grew +41.4% in Italy, +40.7% in Spain, and +25.9% in Germany.

EUROZONE HEADLINE CPI (YEAR-OVER-YEAR)



Source: Bloomberg, as of 4/1/22

International Markets

- EM equities (+2.1%) outperformed both the global opportunity set (+1.7%) and U.S. equities (+1.9%), fueled by solid gains across the basket. International developed equities lagged (+0.7%).
- The Japanese Yen’s slide persisted, fueled by the Bank of Japan Governor Kuroda’s commitment to keep 10-year yields near-zero, diverging from other major central banks who have been raising their rates. The USD/JPY cross is at its strongest level since 2015.
- Brazilian equities surged an impressive +12.1% (USD terms) over the two weeks, fueled by strength from the Brazilian Real. The spread between MSCI Brazil returns in USD v. BRL was +6.8%.

USD/JPY CROSS RATE



Source: Bloomberg, as of 3/31/22

Verus⁷⁷

Past performance is no guarantee of future results. This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. The information provided is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability. Nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security or pursue a particular investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other “forward-looking statements.” No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal.

Capital Markets Snapshot

MARKET PERFORMANCE

	Last Two Weeks 3/21/2022 - 4/1/2022		March		Q1 2022		YTD	
	Return	Std Dev	Return	Std Dev	Return	Std Dev	Return	Std Dev
Equities								
S&P 500 TR USD	1.89	16.47	3.71	23.16	-4.60	21.48	-4.27	21.32
Russell 2000 TR USD	0.30	23.18	1.24	27.89	-7.53	27.16	-6.58	27.03
MSCI ACWI NR USD	1.70	13.34	2.17	21.80	-5.36	18.75	-5.21	18.60
MSCI EAFE NR USD	0.97	14.50	0.64	25.52	-5.91	22.85	-6.36	22.68
MSCI EM NR USD	2.13	14.00	-2.26	31.41	-6.97	24.14	-6.64	23.96
Fixed Income								
Bloomberg US Treasury US TIPS TR USD	-2.18	9.31	-1.86	10.72	-3.02	9.06	-3.48	9.02
Bloomberg US Treasury TR USD	-1.29	8.07	-3.11	8.43	-5.58	7.03	-5.84	6.99
Bloomberg Long Term US Treasury TR USD	-0.78	20.04	-5.34	21.46	-10.58	17.99	-10.36	17.87
Bloomberg US Agg Bond TR USD	-1.08	7.96	-2.78	8.18	-5.93	6.64	-6.19	6.59
Bloomberg US Credit TR USD	-0.45	8.53	-2.51	9.99	-7.42	7.99	-7.55	7.93
Bloomberg High Yield Corporate TR USD	0.09	4.38	-1.15	6.05	-4.84	5.23	-4.98	5.19
JPM EMBI Global Diversified TR USD	-0.50	8.19	-0.90	10.52	-10.02	11.27	-10.24	11.18
Other								
Bloomberg Commodity TR USD	0.44	29.36	8.65	36.69	25.55	25.05	25.01	24.90
Wilshire US REIT TR USD	4.43	23.33	6.85	19.09	-3.87	19.78	-1.88	20.08
MSCI Currency Factor Mix ER USD	-0.24	2.38	-0.60	2.92	-0.01	2.55	0.18	2.56

Source: Morningstar, data as of last available market close, Top/bottom two highlighted.

ECONOMIC DATA - RELEASED

Date	Country	Event	Freq	Period	Surv(M)	Actual	Surprise
03/21/22	GE	PPI YoY	M	Feb	26.2%	25.9%	-0.2
03/23/22	UK	CPI YoY	M	Feb	6.0%	6.2%	1.5
03/24/22	EC	S&P Global Eurozone Services PMI	M	Mar P	54.3	54.8	0.3
03/24/22	US	Durable Goods Orders	M	Feb P	-0.6%	-2.2%	-1.7
03/24/22	US	S&P Global US Services PMI	M	Mar P	56.0	58.9	1.9
03/25/22	GE	IFO Business Climate	M	Mar	94.2	90.8	-1.6
03/28/22	US	Advance Goods Trade Balance	M	Feb	-\$106.5b	-\$106.6b	0.0
03/29/22	US	Conf. Board Consumer Confidence	M	Mar	107.0	107.2	0.1
03/31/22	US	Personal Income	M	Feb	0.5%	0.5%	0.0
03/31/22	US	PCE Deflator YoY	M	Feb	6.4%	6.4%	0.0
04/01/22	RU	S&P Global Russia Manufacturing PMI	M	Mar	42.0	44.1	0.2
04/01/22	EC	CPI Estimate YoY	M	Mar	6.7%	7.5%	1.7
04/01/22	US	Change in Nonfarm Payrolls	M	Mar	490k	431k	-0.6
04/01/22	US	Unemployment Rate	M	Mar	3.7%	3.6%	-1.2
04/01/22	US	Average Hourly Earnings YoY	M	Mar	5.5%	5.6%	0.9

ECONOMIC DATA - NEXT TWO WEEKS

Date	Country	Event	Freq	Period	Prior	Surv(M)	Std Dev
04/05/22	US	Trade Balance	M	Feb	-\$89.7b	-\$88.5b	0.7
04/06/22	EC	PPI MoM	M	Feb	5.2%	1.2%	0.1
04/06/22	EC	PPI YoY	M	Feb	30.6%	31.7%	0.7
04/06/22	US	FOMC Meeting Minutes	D	16-Mar	--	--	--
04/07/22	EC	Retail Sales YoY	M	Feb	7.8%	4.9%	0.5
04/07/22	US	Consumer Credit	M	Feb	\$6.838b	\$18.200b	4.6
04/10/22	CH	PPI YoY	M	Mar	8.8%	7.6%	0.3
04/10/22	CH	CPI YoY	M	Mar	0.9%	1.5%	0.1
04/11/22	RU	Exports	M	Feb	45.9b	--	--
04/12/22	US	CPI YoY	M	Mar	7.9%	--	--
04/12/22	US	CPI Ex Food and Energy YoY	M	Mar	6.4%	6.6%	0.0
04/12/22	US	Real Avg Hourly Earning YoY	M	Mar	-2.6%	--	--
04/13/22	UK	CPI YoY	M	Mar	6.2%	--	--
04/14/22	US	Retail Sales Advance MoM	M	Mar	0.3%	0.6%	0.4
04/14/22	US	U. of Mich. Sentiment	M	Apr P	59.4	58.8	1.0

Source: Bloomberg



Past performance is no guarantee of future results. This document is provided for informational purposes only and is directed to institutional clients and eligible institutional counterparties only and is not intended for retail investors. The information provided is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability. Nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security or pursue a particular investment vehicle or any trading strategy. This document may include or imply estimates, outlooks, projections and other "forward-looking statements." No assurance can be given that future results described or implied by any forward looking information will be achieved. Investing entails risks, including possible loss of principal.