

### Global Industry Classification Standard

The Global Industry Classification Standard was developed by Standard and Poor's and Morgan Stanley Capital International (MSCI) to define equities sectors.

### Liquidity

Liquidity refers to the degree to which an asset or security can be bought or sold in the market without affecting the asset's price and to the ability to convert an asset to cash quickly.

### MSCI AC World Index

The MSCI AC World Index captures large- and mid-cap companies across 23 developed and 23 emerging market countries.

### MSCI ACWI ex U.S. Index

The MSCI ACWI ex U.S. Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 23 Emerging Markets (EM) countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the U.S.

### MSCI World Index

The MSCI World Index captures large and mid-cap representation across 23 developed-market countries.

### Negative convexity

Negative convexity is used to describe a bond the price of which reacts less to yield changes at lower yields than a linear function would suggest.

### Quantitative easing (QE)

Quantitative easing (QE) is an unconventional monetary policy tool, in which a central bank conducts broad-based asset purchases.

### Real Estate Investment Trust (REIT)

A Real Estate Investment Trust (REIT) invests in and sometimes operates income-producing real estate, either directly or through mortgages.

### Risk premia

Risk premia refer to the return in excess of the risk-free rate of return that an investment is expected to yield.

### S&P 500 Index

The S&P 500 Index includes 500 leading U.S. companies capturing approximately 80% coverage of available U.S. market capitalization.

### Strategic asset allocation

A strategic asset allocation process involves setting preferred allocations for asset classes on a medium to long-term time horizon.

### Style investing

Style investing refers to an investor's overall investment approach (for example a preference for certain types of stocks).

### Tactical asset allocation

A tactical asset allocation approach changes allocations to benefit from shorter-term market moves.

### Valuation

Valuation attempts to quantify the attractiveness of an asset, for example through looking at a firm's stock price in relation to its earnings.

### Volatility

Volatility measures the dispersion of returns for an individual security or market.

Past performance is not indicative of future returns. Readers should refer to the explanatory notes at the end of this document.