CITY NATIONAL ROCHDALE®
AN RBC/CITY NATIONAL COMPANY

June 26, 2025

Market Update Webinar

Israel And Iran – What To Expect From The Market?

- While the Middle East media storm continues, markets have been remarkably stable, in-line with historical reactions to similar geopolitical events.

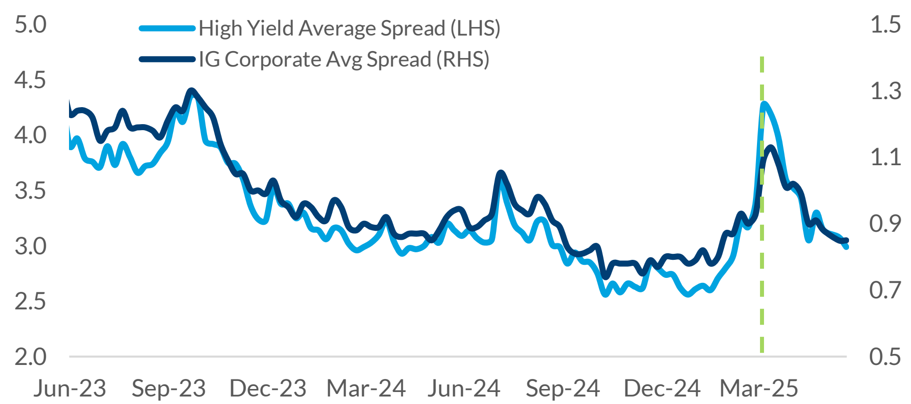
		Basis Point Change in 10-Year Yield				Change in S&P 500			
	Day Before	1 Month	3 Months	6 Months	1 Year	1 Month	3 Months	6 Months	1 Year
Korean War**	6/23/1950	6	7	7	29	-6%	4%	9%	22%
Cuban Missile Crisis	10/19/1962	1	-8	7	20	8%	18%	27%	36%
Cambodia Invasion	4/29/1970	17	-39	-47	-171	-6%	-4%	4%	33%
Iranian Hostage Crisis	11/2/1979	-34	57	-48	174	4%	14%	6%	31%
U.S. Bombs Libya	4/14/1986	53	3	32	101	0%	1%	1%	22%
U.S. Enters Gulf War	1/16/1991	-44	-28	3	-108	17%	24%	23%	37%
Afghanistan War	10/5/2001	-21	62	70	-84	3%	10%	5%	-24%
Iraq War	3/19/2003	-3	-65	18	-21	2%	14%	20%	29%
India Israel & Lebanon Bombings	7/10/2006	-19	-37	-44	-10	1%	7%	13%	21%
Israel Invades Gaza	12/26/2008	51	61	140	167	-4%	-4%	7%	32%
Russia Invades Ukraine	2/8/2022	-12	116	79	165	-8%	-8%	-8%	-7%
Israel Attacks Iran	6/12/2025	-5*				1%*			
Median		-3	3	7	20	1%	7%	7%	29%

Source: CNR Research, as of June 24, 2025.
Past performance is no guarantee of future results.
*Time period is less than one month
**Used Aaa corporates in 1950 since Treasury yields were fixed

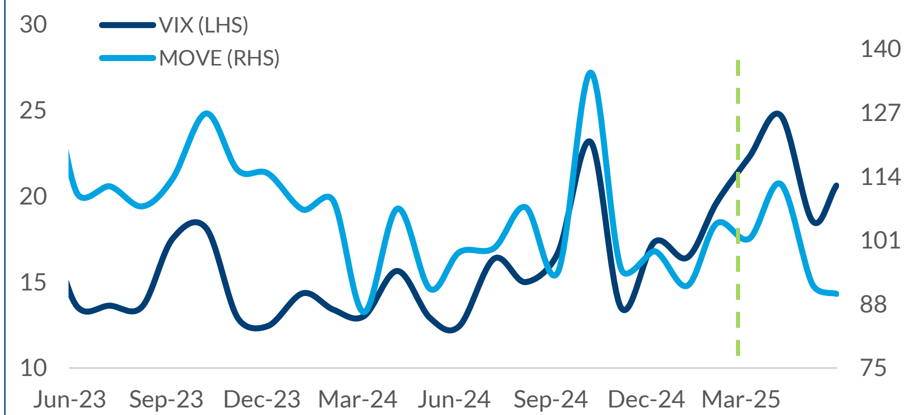
Market Risk Measures Have Retreated From April Highs

- Despite ongoing geopolitical risk, measures of market volatility have subsided since April.

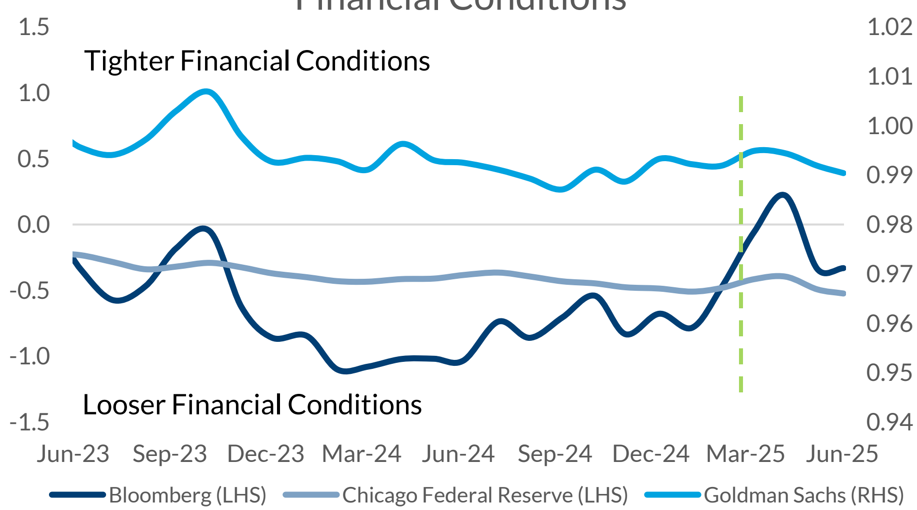
Corporate Bond Spreads



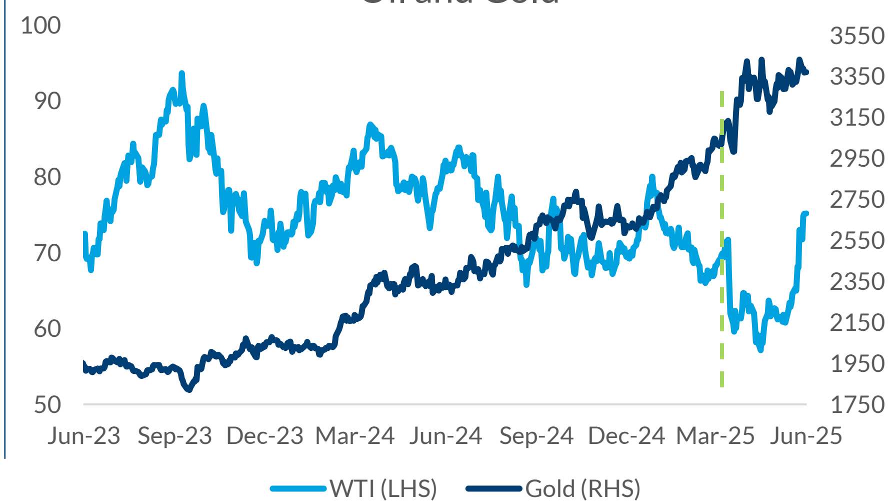
Market Volatility Measures



Financial Conditions



Oil and Gold



Denotes April 2 "Reciprocal Tariff"

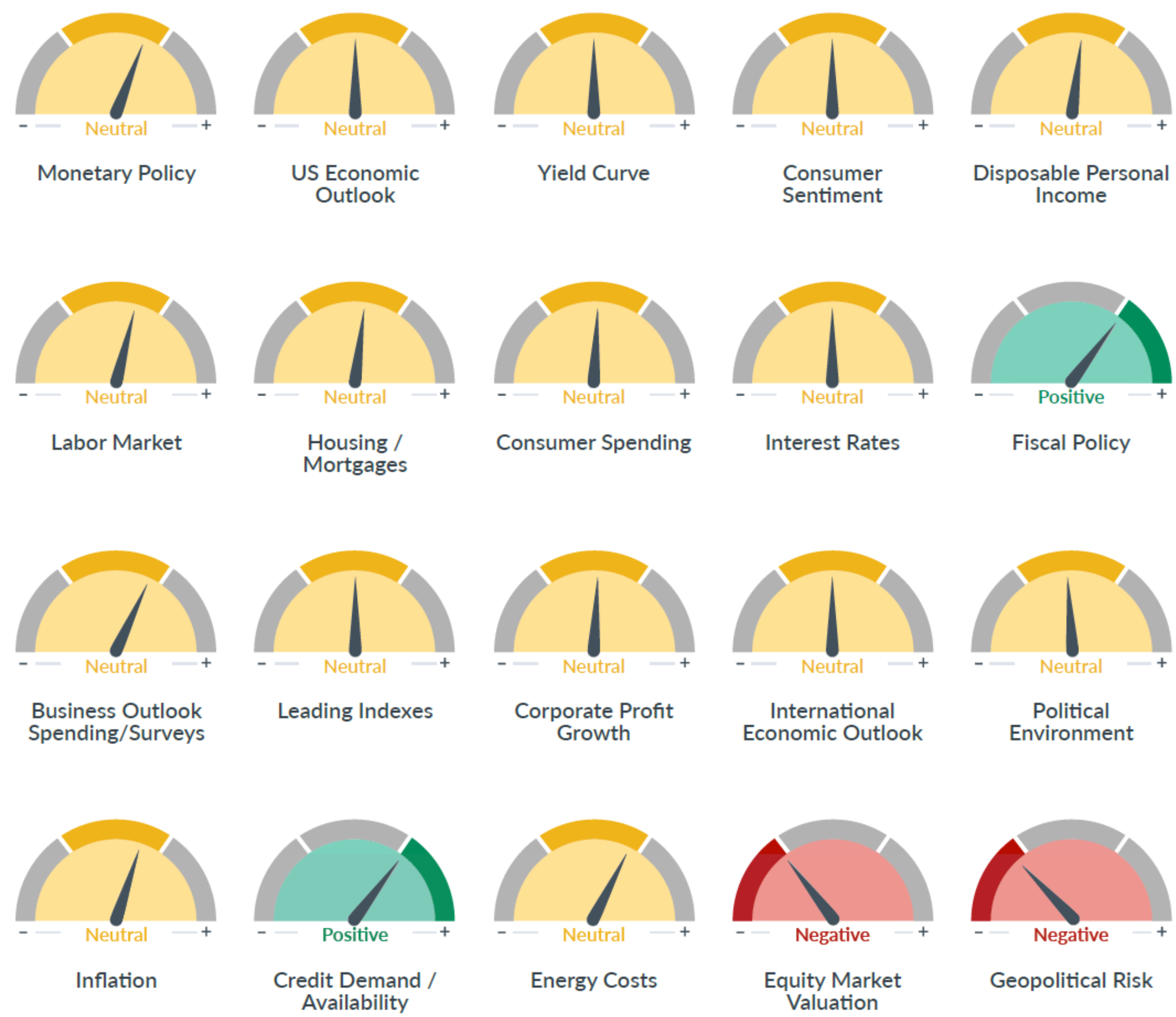
Data current as of June 23, 2025.
Sources: Bloomberg, CNR Research.
Information is subject to change and is not a guarantee of future results.

CNR Speedometers® – July 2025

Economic and Financial Indicators That Are Forward-Looking Six to Nine Months

- The global outlook for growth remains dynamic while tariffs continue to be hashed out.
- The Federal Reserve will remain on hold, unless price impacts are clear or unemployment rises.
- Consumer financials remain strong, sentiment is recovering from recent lows, and spending has slightly slowed.
- Despite the concern on tariffs, fiscal stimulus through deregulation and tax policy is on the horizon.
- U.S. stock valuations are lower but have not corrected to attractive levels.
- The tariff situation continues to be a key concern, especially approaching July 9 extension expiration.

Impact on Economy and Financial Markets



Impact on investment: Positive Neutral Negative **Timeframe:** Current Change from last month

Source: Proprietary opinions based on CNR Research, as of June 2025. Information is subject to change and is not a guarantee of future results.

Economic Forecasts

- July forecasts remain unchanged, while consensus has moved closer into CNR's range.

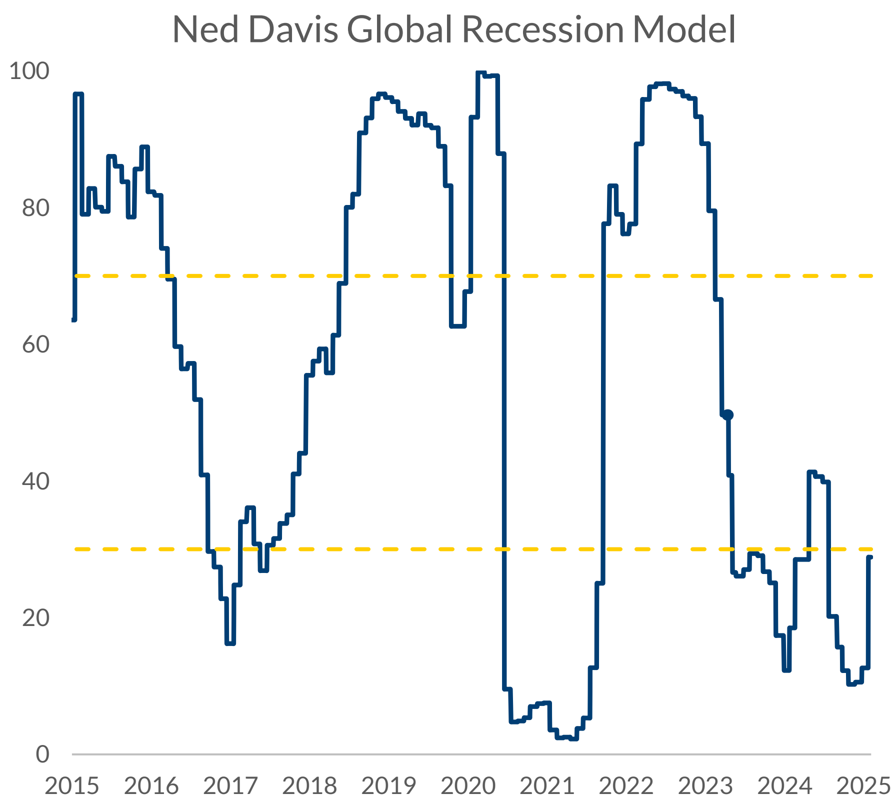
- GDP growth is expected to remain positive, but it may be weighed down by policy decisions.
- Corporate profits for the year may swing within a wide range, but Q1 results were positive.
- Some inflation pressure is likely to materialize based on the administration's tariff policy.
- The Fed may cut rates 1-2 times later this year, which may be a tailwind for stocks.
- Structural pressure will likely keep 10-year Treasury yields over 4%.

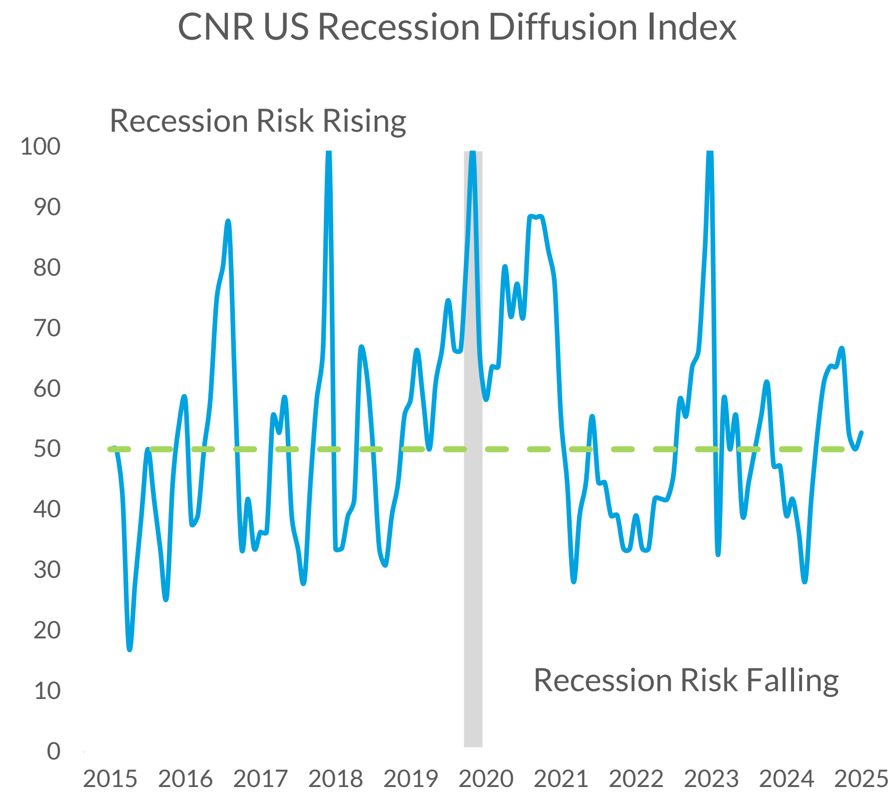
City National Rochdale Forecasts		2024	CNR 2025 (est.)	Consensus 2025 (est.)
Real Annual GDP Growth		2.5%	1.0% to 1.75%	1.4%
Corporate Profit Growth		9.6%	7.0% to 10.0%	7.5%
Headline CPI Year End		2.9%	3.25% to 3.50%	3.0%
Interest Rates	Federal Funds Rate	4.25% to 4.50%	3.75% to 4.25%	4.05%
	Treasury Note, 10-Yr.	4.57%	4.0% to 4.5%	4.25

Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.
e: estimate.
The consumer price index (CPI) measures the monthly change in prices paid by U.S. consumers.
Sources: Bloomberg, FactSet, proprietary opinions based on CNR Research, as of June 2025. Information is subject to change and is not a guarantee of future results.

Recession Risk Is Fading

- Bloomberg's economic forecast survey indicates June median recession risk levels stand at 40%, but expectations have stabilized and in many cases are moving lower.
- CNR's index tracking underlying data provider changes shows the increase in recession risk has stalled.





Data current as of June 23, 2025.
Sources: Left- Ned Davis Research. Further distribution prohibited without prior permission, Right - CNR Research, Bloomberg.
CNR US Recession Index is CNR's best estimate of composite recession indices
Information is subject to change and is not a guarantee of future results.

What Is Going On In Washington D.C.?

One Big Beautiful Bill

- Senate is back from vacation, compliance with the Byrd Rule is being reviewed by the parliamentarian.
- Medicaid: Funding for rural hospitals, employment requirements that may impact Medicaid eligibility.
- IRA: Faster phaseouts of renewable energy tax credits, restrictions could impact projects in construction phases.
- SALT Cap: Senate negotiations resulted in the House's $40,000 limit, but with lower income limits.
- Fiscally conservative senators are looking for lower spending in general, preferring a separate deficit bill.
- Deadline Advertised: July 4th | Likely: August 1st

China & US Tariff Negotiations

- Both countries viewed the other as violating the initial Switzerland discussions.
- Negotiations in London and a phone call between Presidents Trump and Xi "restored" trade.
- China produces 70% and refines ~90% of the rare earth metals and magnets needed by companies in the US.
- Restrictions imposed by China are temporarily removed, following London Discussions.
- Chinese Tariff rate stands at 55%.
- No reduction on AI semiconductor bans to China.

Deregulation

- Easing of Supplementary Leverage Ratio (SLR) restrictions by excluding Treasuries and Central Bank deposits should increase demand.
- Re-tailoring the rules for community and regional banks, potentially raising threshold limits and eliminating regulations.
- Potential policy aimed to accelerate M&A activity.

Ongoing Reciprocal Tariff Negotiations

- Ongoing negotiations remain in flux.
- Section 232 challenges may have a mitigating impact on the level of tariffs.
- The July 9th deadline could be extended as negotiations are complex and take time.
- Possible unilateral deals may emerge if the administration runs out of patience or bandwidth constraints prohibit progress.

Sources: Bloomberg, The White House, CNR Research, as of June 2025. Information is subject to change and is not a guarantee of future results.

2025 Global Market Performance Dynamics

- While global markets started the year at a torrid pace, picking up steam as tariff policy was announced, the recovery from the April low has been a dead heat versus U.S. markets.
- We continue to believe that the key to returns remains the direction of the U.S. dollar, although recently the USD's direction has been less correlated with market returns.

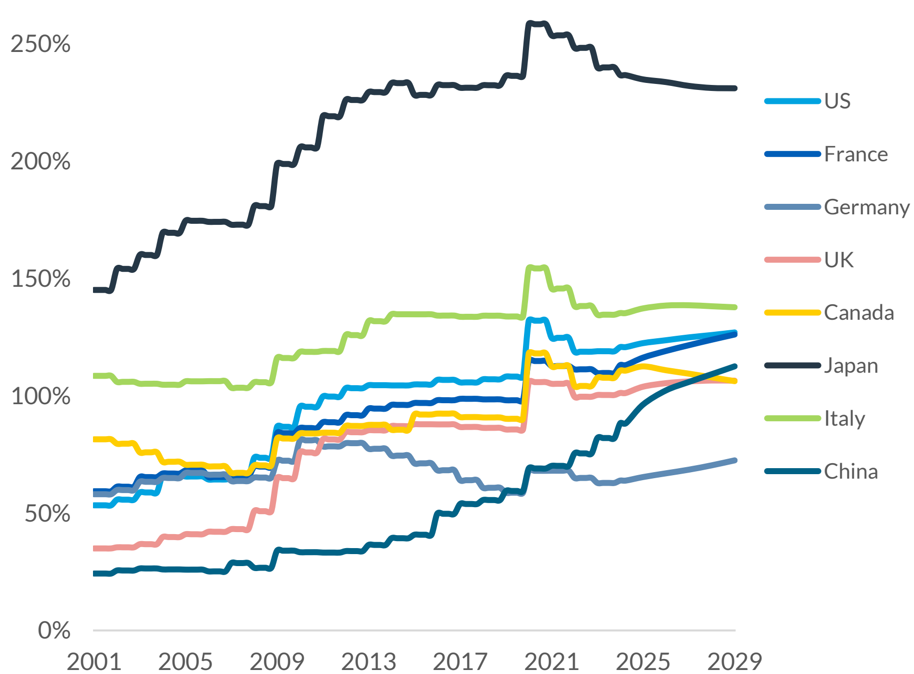
		2024	YTD	YTD - April 7	April 7 to 6/23/2025	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)
US Equities	S&P 500	25.0%	3.1%	-13.6%	19.4%	17.2%	16.3%	13.0%
	Magnificent 7	67.3%	-1.5%	-24.0%	29.5%	38.5%	34.2%	37.3%
	S&P 400	13.9%	-1.5%	-15.7%	16.8%	11.1%	13.7%	8.8%
	S&P 600	8.6%	-6.1%	-18.7%	15.5%	6.2%	12.2%	7.5%
Non US	Europe ex UK	-1.9%	18.2%	-0.6%	18.9%	13.4%	9.2%	4.4%
	UK	7.5%	17.5%	-2.7%	20.7%	14.0%	13.7%	4.8%
	Asia ex Japan	12.0%	10.9%	-7.8%	20.2%	7.8%	5.5%	4.8%
	Japan	8.3%	6.1%	-12.8%	21.6%	13.0%	7.2%	5.4%
	Canada	11.9%	13.4%	-6.0%	20.6%	12.9%	14.5%	7.4%
	Emerging Markets	8.0%	11.5%	-6.3%	19.0%	8.6%	6.1%	4.7%
	Emerging Markets ex China	3.6%	9.7%	-8.3%	19.6%	11.2%	10.0%	5.6%
	China	16.7%	14.3%	-1.6%	16.1%	0.2%	-3.4%	-0.3%
Fixed Income	Treasuries	0.6%	3.1%	3.1%	0.0%	1.6%	-1.7%	1.2%
	Bloomberg Agg	1.1%	6.1%	2.2%	3.8%	5.0%	0.5%	2.4%
	Corporates	2.1%	3.2%	1.1%	2.0%	4.1%	0.0%	2.9%
	Corporate High Yield	8.2%	3.6%	-1.7%	5.4%	8.9%	5.6%	5.2%
	Bank Loans	9.0%	2.4%	-1.2%	3.6%	9.2%	7.2%	5.1%
Commodities	Commodities	0.1%	6.4%	-0.7%	7.1%	-4.7%	10.5%	0.4%
	Gold	27.2%	28.3%	13.7%	12.9%	22.6%	13.8%	11.1%
	WTI	8.1%	-0.1%	-14.2%	16.4%	-6.9%	19.5%	-4.8%

Data current as of June 23, 2025.
Sources: Bloomberg, CNR Research.
Past performance is no guarantee of future results.

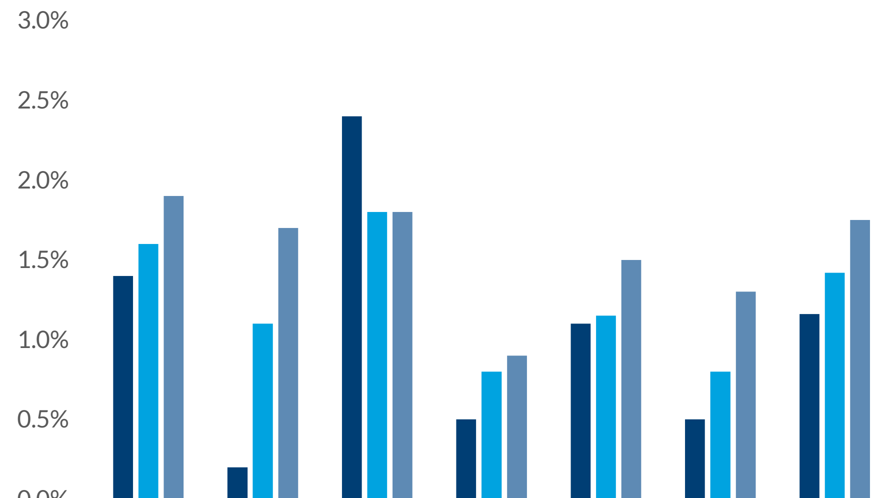
Popular Regional Allocations Still Have Debt Problems

- The U.S. has its debt problems, but it is far from unique on the global stage, especially as Europe and China are set to increase spending.
- Growth forecasts are starting to look better in Europe, but U.S. growth expectations maintain the advantage.

Developed World Debt (% GDP)



YoY Consensus GDP Forecast



	United States	Germany	Spain	Italy	UK	France	European Union
2025	1.4%	0.2%	2.4%	0.5%	1.1%	0.5%	1.2%
2026	1.6%	1.1%	1.8%	0.8%	1.2%	0.8%	1.4%
2027	1.9%	1.7%	1.8%	0.9%	1.5%	1.3%	1.8%

Data current as of June 23, 2025.
Sources: Bloomberg, CNR Research.
Information is subject to change and is not a guarantee of future results.

Sector Allocations For Flagship Core Equity Strategy

- Opportunities across sectors have recovered since the April 7th market low.

Overweight (+)

Technology

- Chip sales continue to soar on data center buildout.
- Companies spending heavily to integrate AI.
- Low valuation sensitivity.

Consumer Staples

- Economically resilient.
- Outperform during instability.
- Declining real yield makes dividend payouts attractive.

Energy

- Cheapest sector with an attractive inflation hedge.

Underweight (-)

Financials

- Susceptible to additional Fed rate cuts.
- Adverse tariff outcome could cause consumer credit losses.
- Expensive valuations, potential for wider spreads.

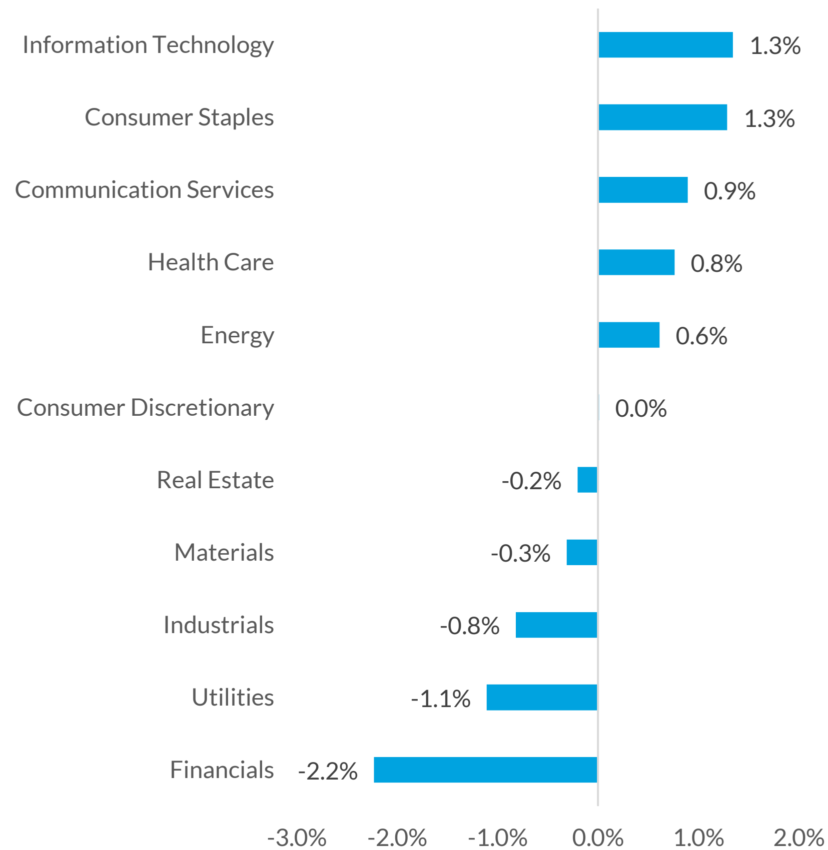
Utilities

- Expensive valuation.
- Above average inflation expectations and a steeper curve could hurt rate sensitivity of the sector.

Consumer Discretionary

- At risk if consumers cut back spending or job market weakens.
- Sector most at risk from tariffs.
- Expensive valuations after the Q2 rally.

Active Over / Underweight
(Relative to S&P 500)



Data current as of June 21, 2025.
Sources: Bloomberg, CNR Research.
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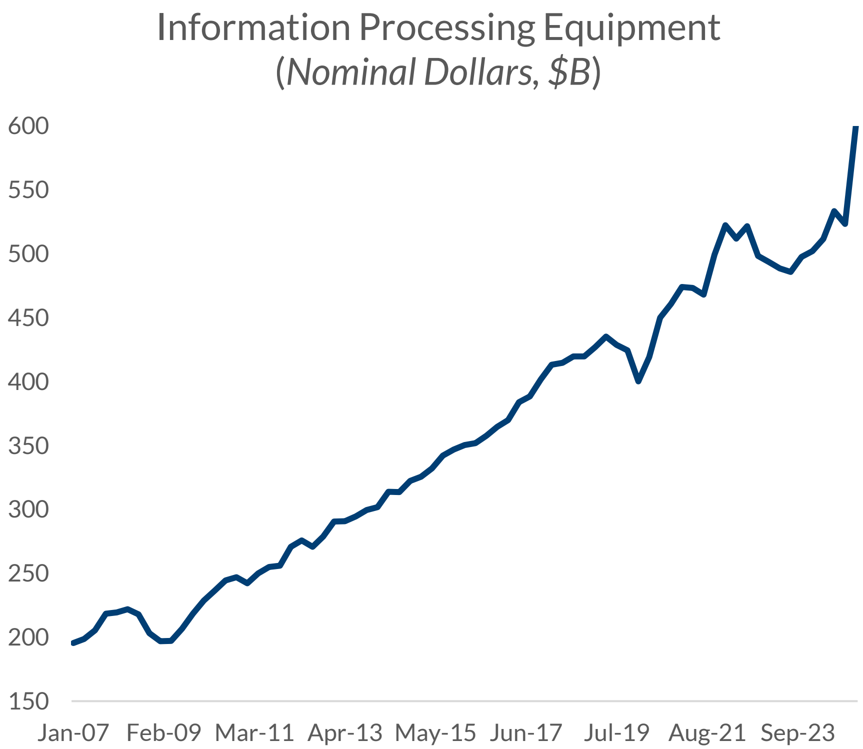
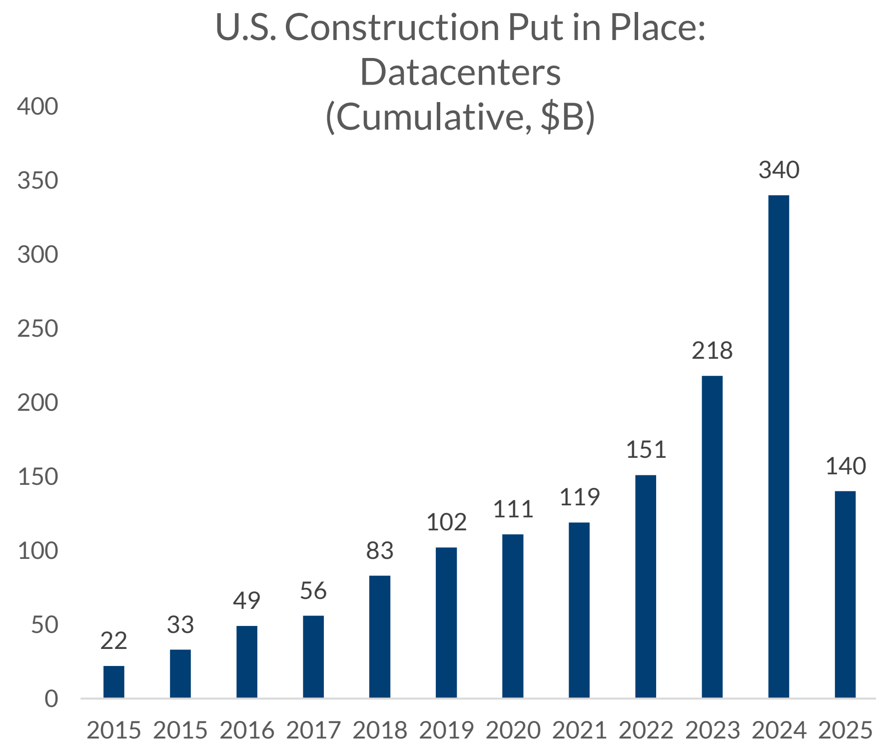
The Second Phase Of AI Is Accelerating

- Data shows that U.S. capital spending will continue to rise as companies seek to build out AI capabilities.
- The increased levels of the information processing equipment component of GDP and the continued development and investment in datacenters show that the AI spending narrative is alive and well.





Data current as of June 21, 2025.
Sources: Bloomberg, CNR Research.
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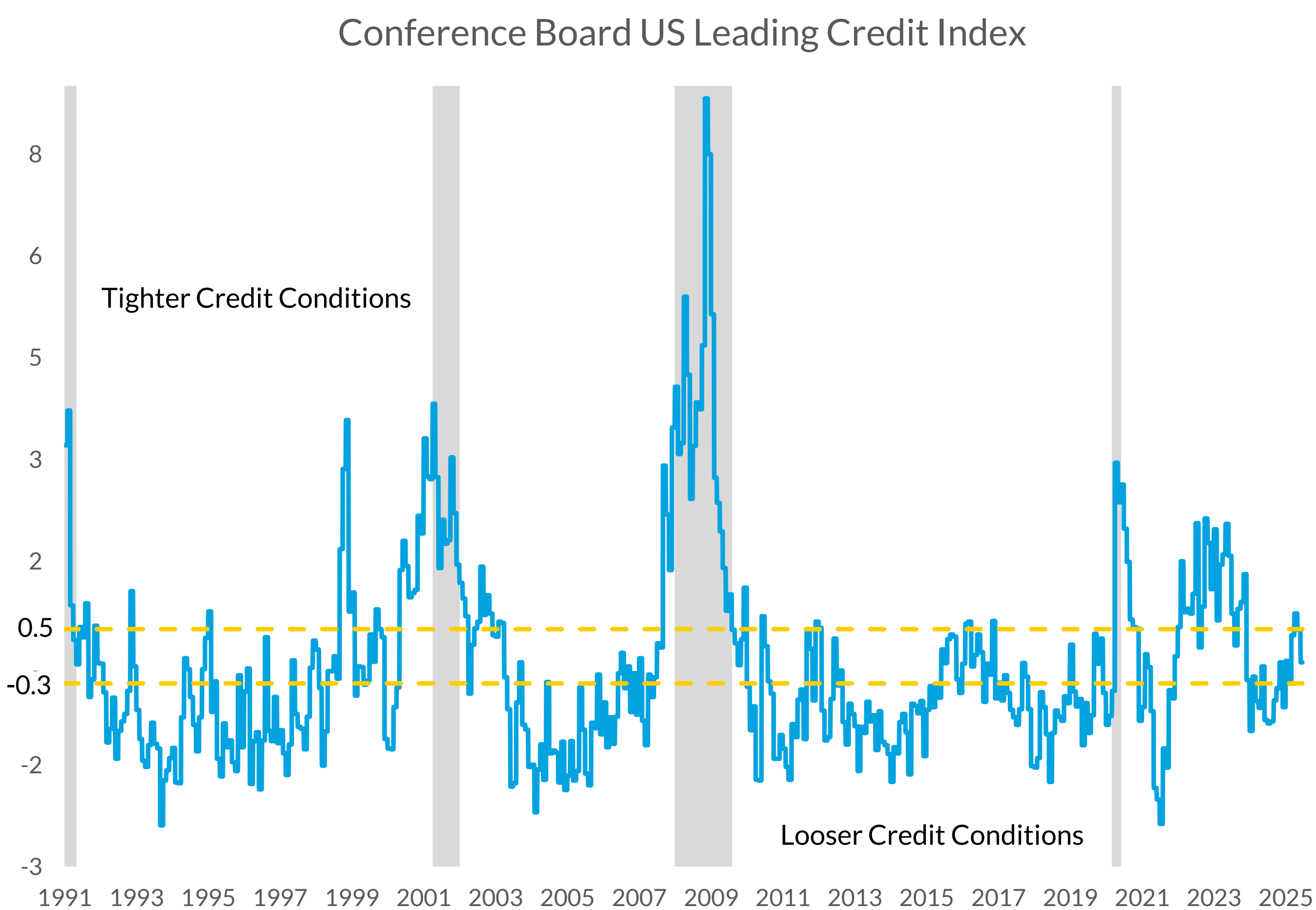
Credit Quality and Health

- Credit conditions remain positive, which is a tailwind to corporate profitability and earnings health.



S&P500 Performance 5/31/1990 – 5/31/2025		
Leading Credit Index is:	%Gain Ann.	% Of Time
Above 0.5	0.20%	26.88%
-0.3 – 0.5	15.10%	21.25%
Below -0.3	9.99%	51.87%

Data current as of June 21, 2025.
Sources: Ned Davis Research. Further distribution prohibited without prior permission, CNR Research, Bloomberg.
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Key Takeaways

- Geopolitical tension reached a crescendo in June because of the conflict between Iran and Israel, but markets took the risk in stride. Volatility measures declined.
- CNR's forecasts have remained stable in July and measures of recession risk fell.
- Passage of the budget reconciliation bill, deregulation and tariff negotiations remain the biggest domestic goals of the administration.
- Since the April 7th market low, global returns have been largely correlated with no clear regional advantage, even as dollar weakness continues.
- The U.S. isn't the only country with a debt problem, and its forecasted growth rate remains the highest in the developed world.
- CNR is overweight Technology, Consumer Staples and Energy and underweight Financials, Utilities and Consumer Discretionary. CNR security selection remains slightly conservative.
- The corporate spending backdrop remains constructive as investment in AI expands across the S&P500 and credit health shows no signs of deteriorating.

Data current as of June 2025.
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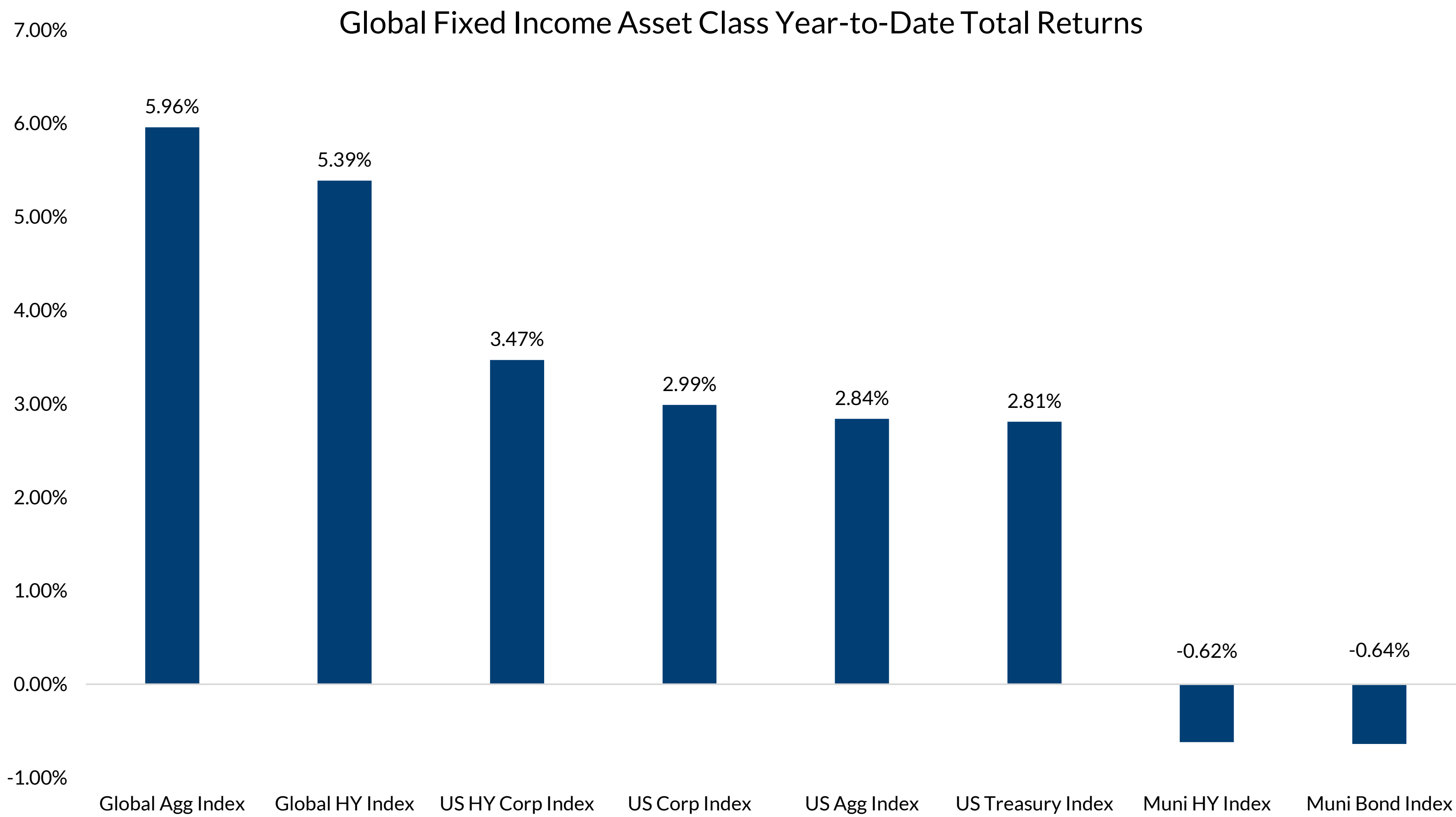
Fixed Income

Global Fixed Income Asset Class Returns Year-to-Date

- Fixed income returns mostly positive despite broad financial market volatility and geopolitical tensions.

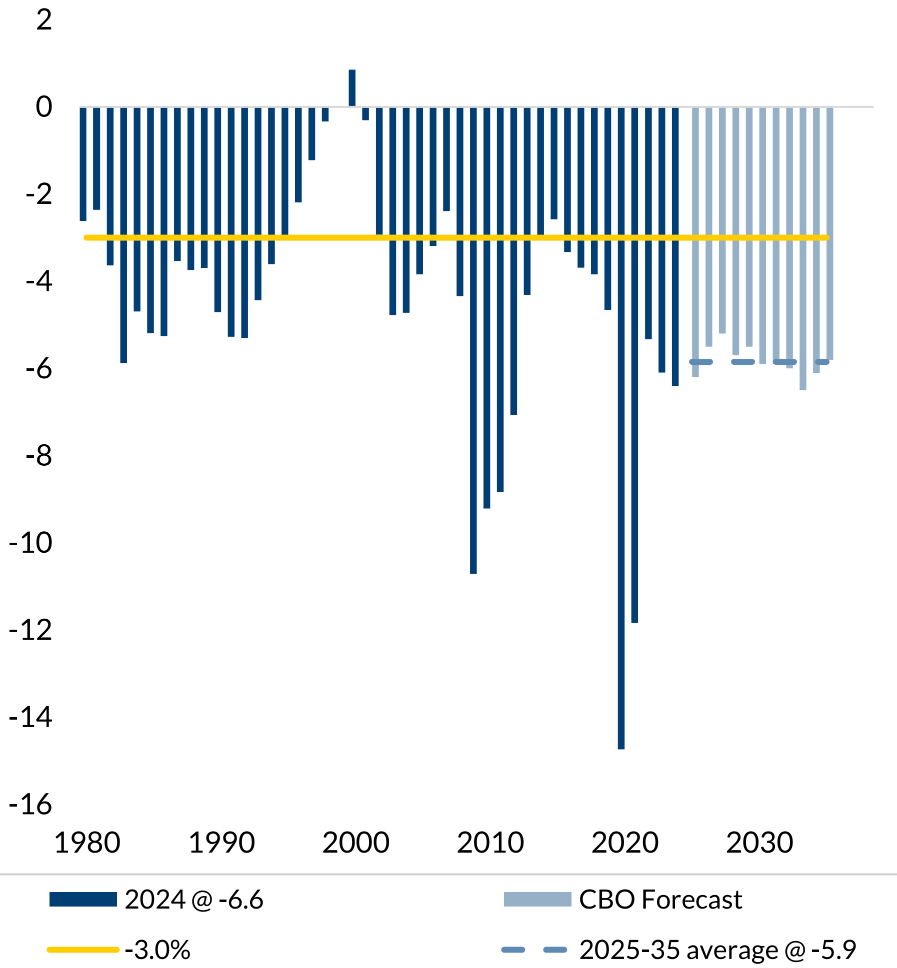


Source: Bloomberg US Treasury Bond Index, Bloomberg US Aggregate Index, Bloomberg Global Aggregate Index, Bloomberg US High Yield Corporate Bond Index, Bloomberg Global High Yield Index, Bloomberg US Corporate Bond Index, Bloomberg Municipal Bond Index, Bloomberg Municipal High Yield Index as of June 20, 2025. Information is subject to change and is not a guarantee of future results.

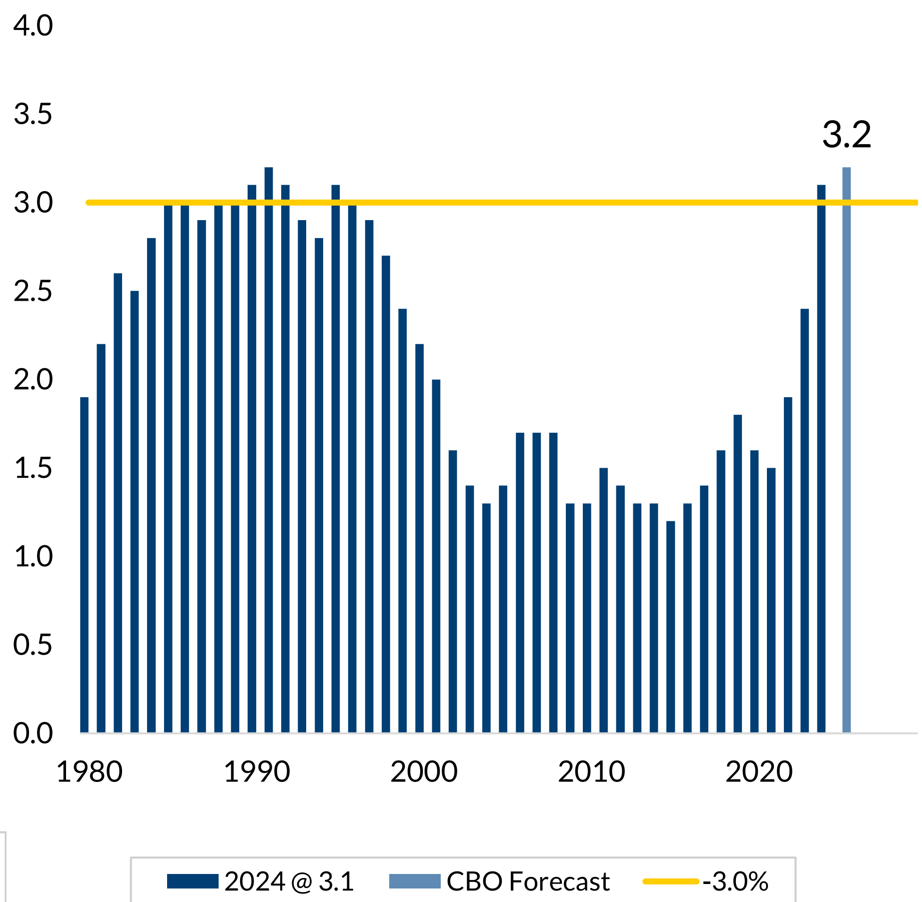
Projected Federal Deficits Will Pose Medium-Term Challenges

- Fixed income markets will continue to weigh implications of the future path of US fiscal imbalances.

Federal Surplus/Deficit as a Percent of GDP
%, annual, January 2025 CBO forecast



Federal Debt: Net Interest Outlays
% of GDP, with CBO January 2025 forecast

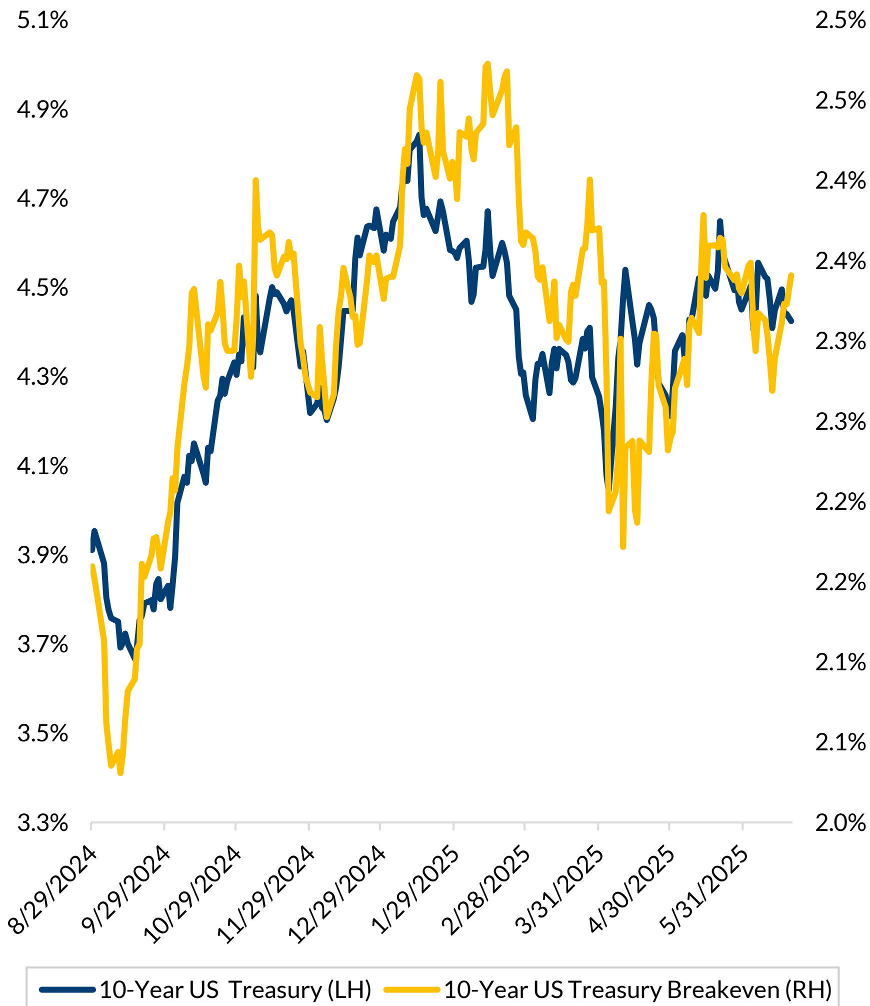


Source: Office of Management & Budget as of June 23, 2025.
Information is subject to change and is not a guarantee of future results.

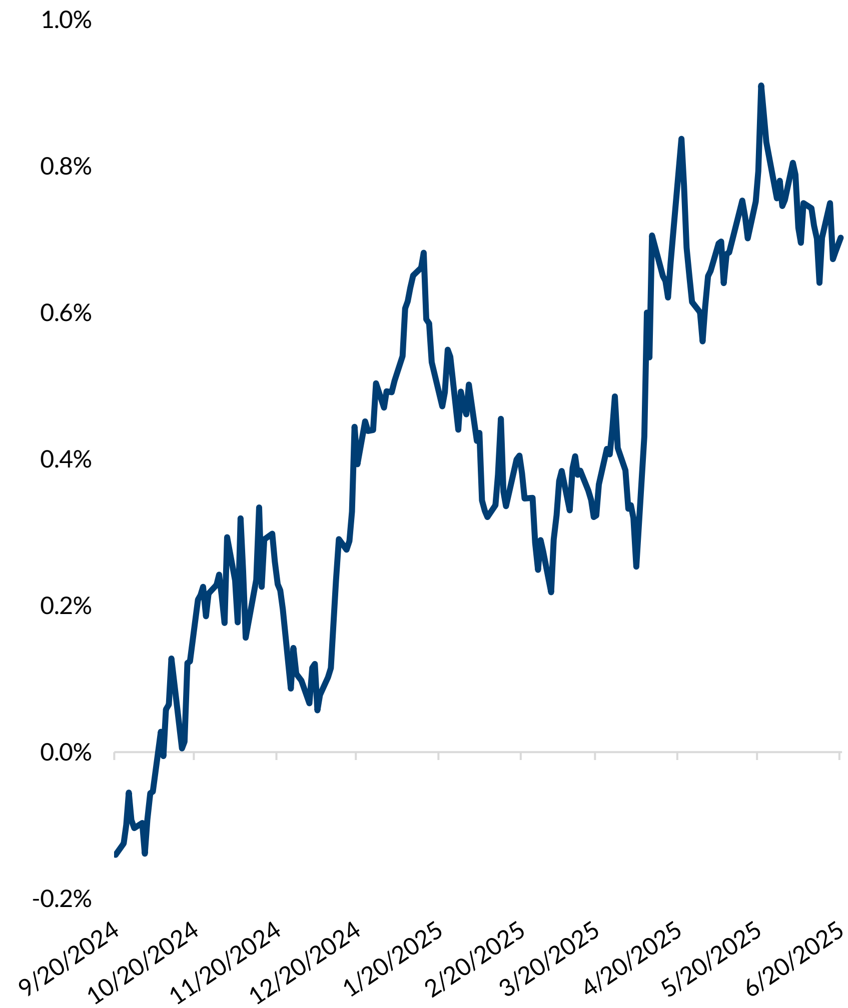
Long-Term Rates Are Likely To Remain Elevated

- The impact of federal deficit spending, inflation uncertainty and policy will drive rates.

US Treasury 10-Year Yield and Forward Breakeven



10-Year US Treasury Term Premium

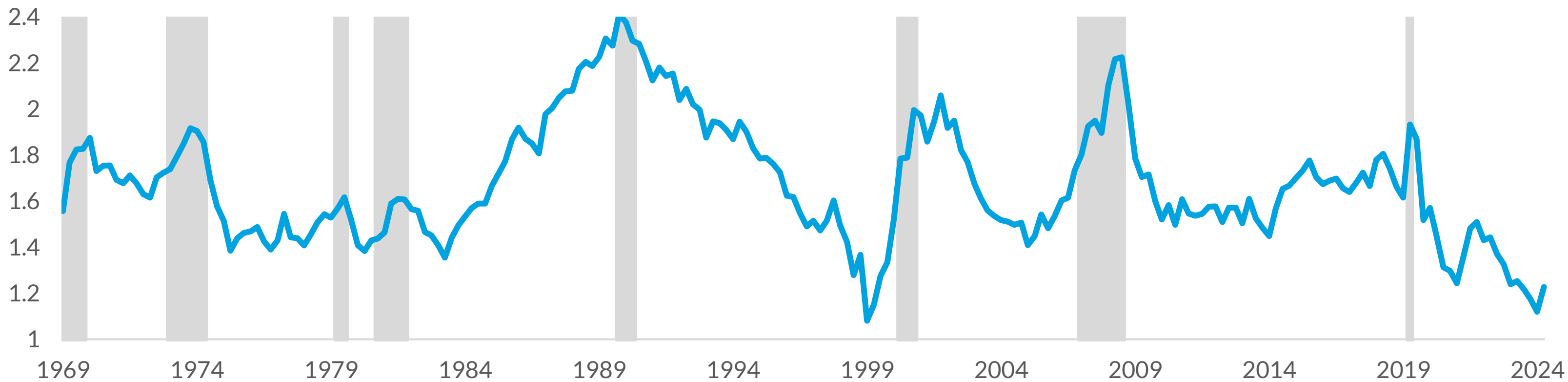


Source: Bloomberg US Treasury 10-Year Index and Bloomberg US Treasury 10-Year Breakeven Index as of June 20, 2025.
Information is subject to change and is not a guarantee of future results.

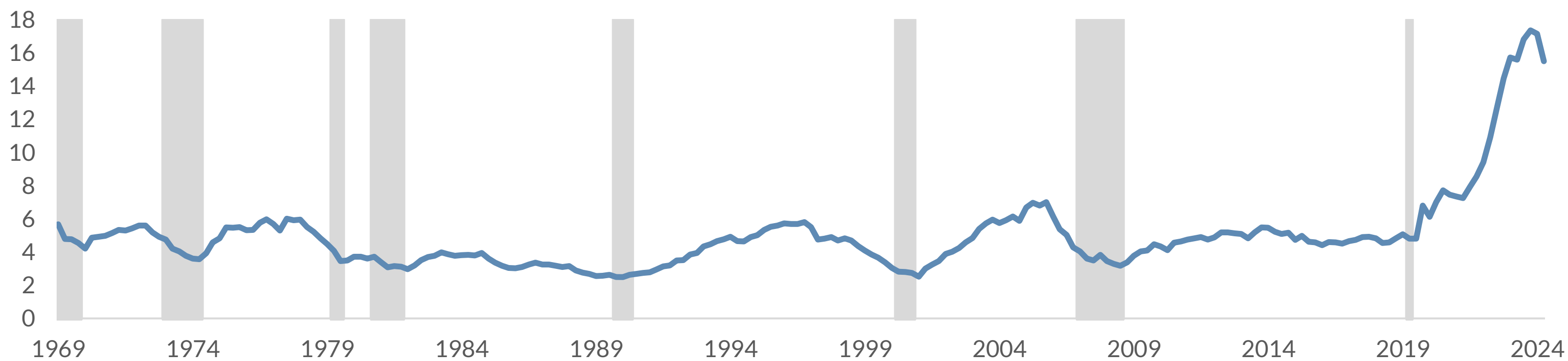
Credit Quality and Health

- Corporate leverage has dropped significantly as companies face the prospect of higher rates; however, given interest rate stabilization, bond issuance is starting to increase.
- Given decreased leverage resulting in lower overall interest expense, interest coverage remains at an all-time high underscoring the ability for corporations to navigate a higher interest rate environment.

Net debt of Nonfinancial Corporations Relative to Cash Flow (EBITDA)



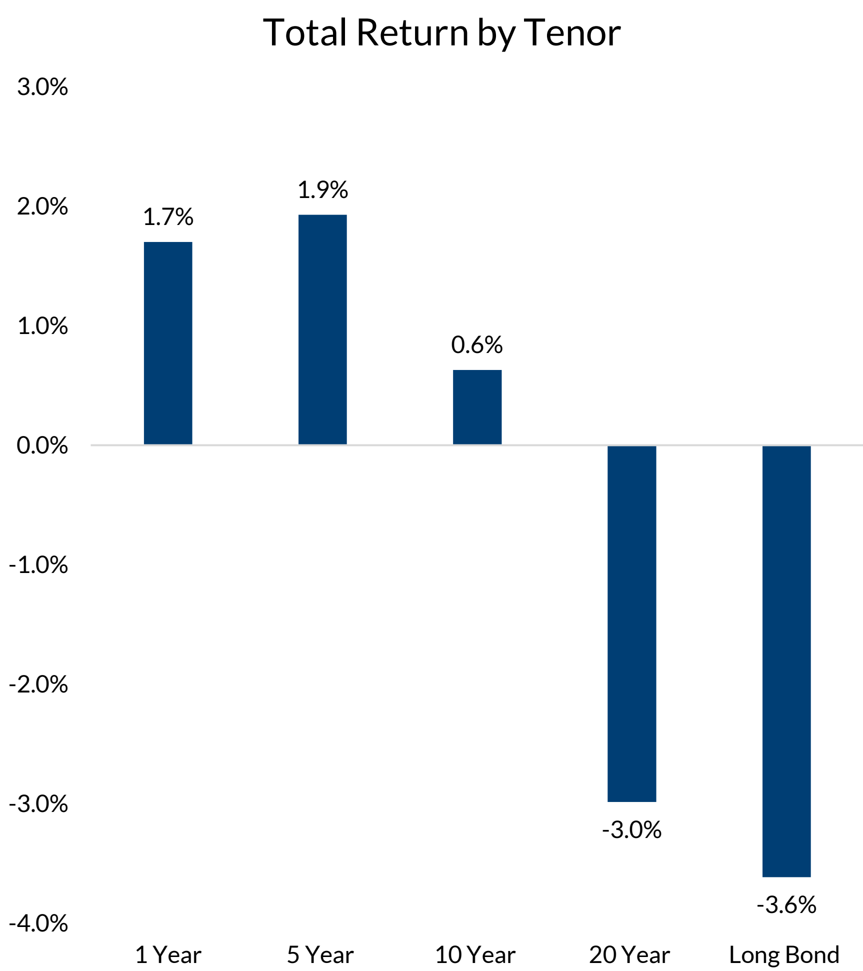
Interest Coverage Ratio of Nonfinancial Corporations (EBIT/I)

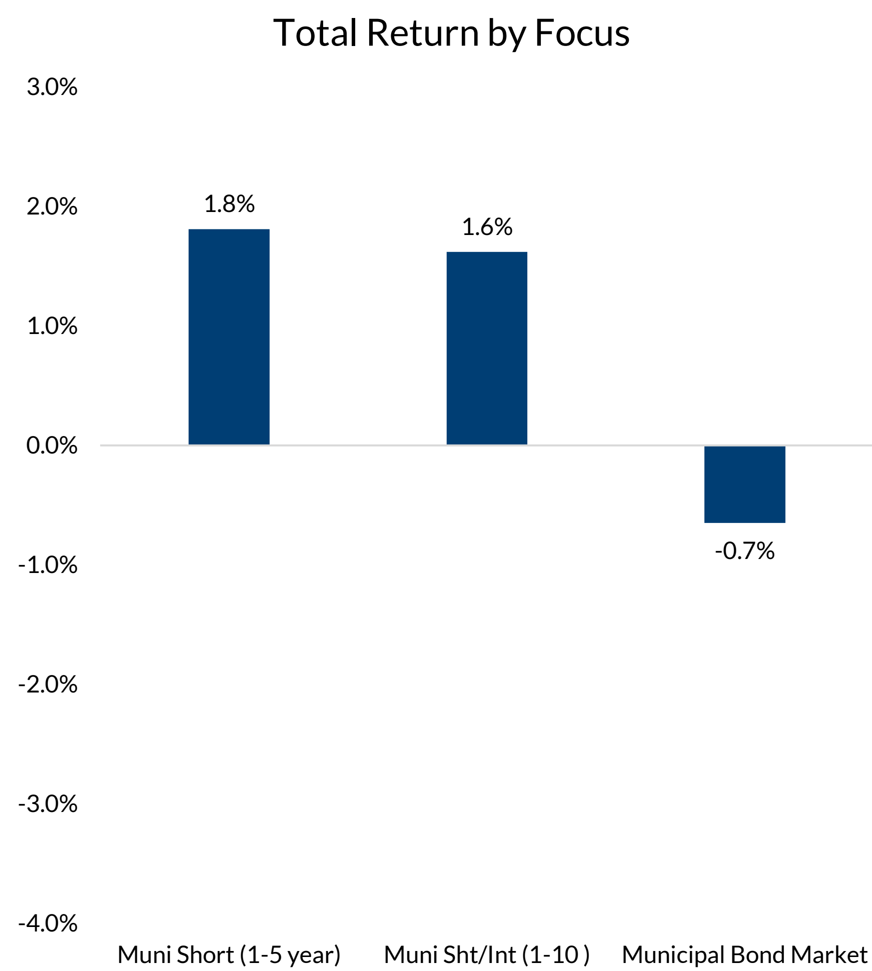


Data current as of June 21, 2025.
Sources: Ned Davis Research. Further distribution prohibited without prior permission, CNR Research, Bloomberg.
Information is subject to change and is not a guarantee of future results.

Municipal Returns Show the Impact of Yield Curve Shifts

- The increase in longer-term yields has resulted in underperformance versus shorter duration maturities.



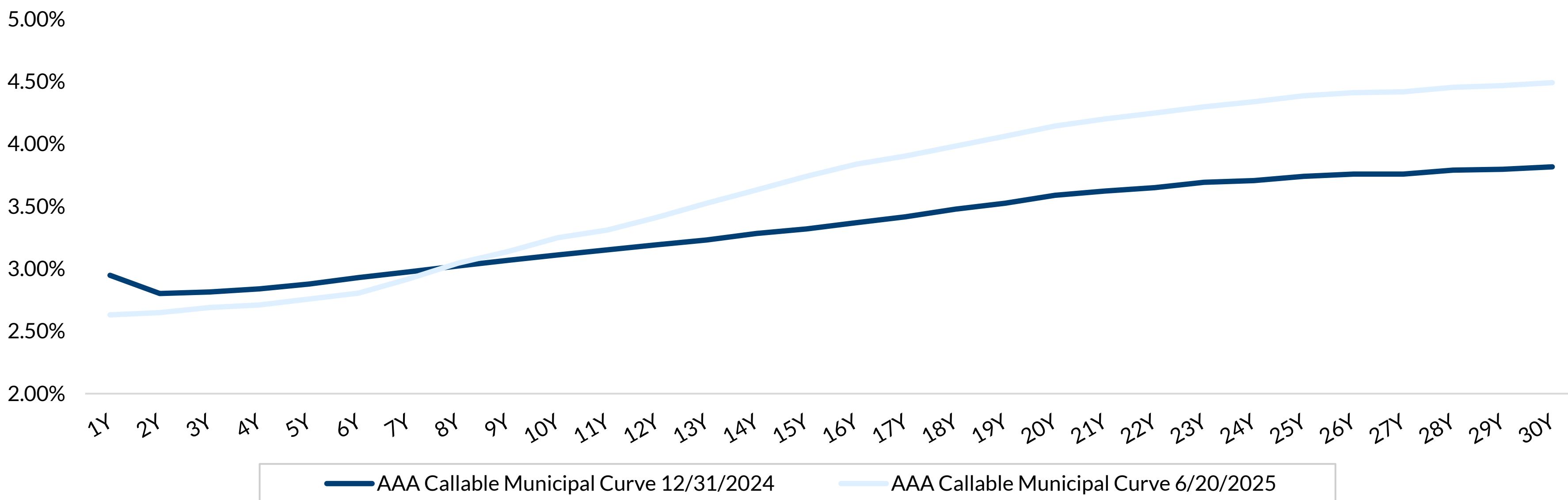


Source – Bloomberg as of June 19, 2025. Indices include the Bloomberg Municipal Short 1-5yr, Bloomberg Municipal Short-Intermediate 1-10yr, and the Bloomberg Municipal Bond Index.
Information is subject to change and is not a guarantee of future results.

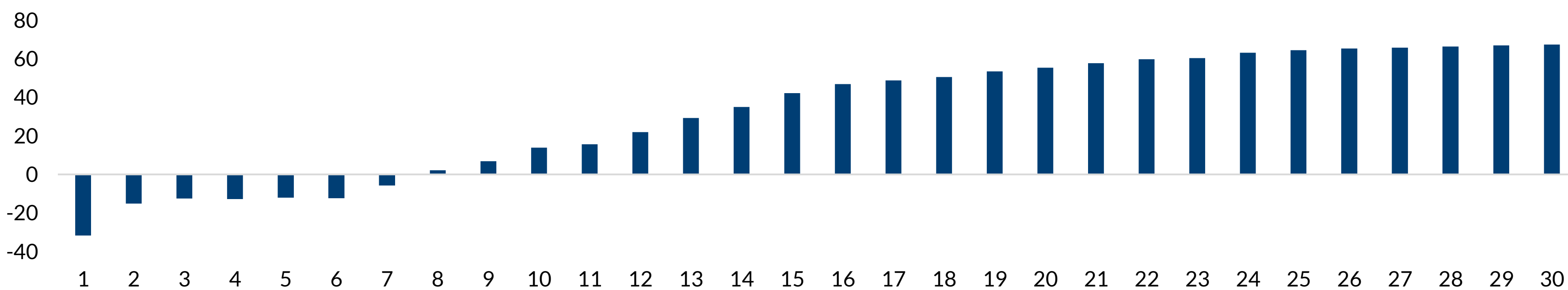
A Steeper Municipal Bond Yield Curve = Opportunity

- Higher yields across most of the muni curve compensate for duration and offer compelling tax-efficient value.

AAA Callable Municipal Bond Yield Curve Has Steepened Significantly Year-to-Date



Yield Change Year-to-Date (in Bps)



Source: Bloomberg AAA Callable Municipal Bond Yield Curve as of June 20, 2025.
Information is subject to change and is not a guarantee of future results.

Positioning For The Second Half

US Treasuries

- The Fed has held rates steady. CNR forecasts 1-2 cuts by year-end.
- CNR 10-year Treasury forecast of between 4%-4.5%.
- Cash investors can benefit from modest extension, but we remain cautious of the longest and most volatile maturities.

Investment Grade Corporates

- Credit spreads have recovered from April wides but continue to offer fair value for long-term investors.
- Attractive nominal yields support income generation and forward return potential.
- Balance sheets are well-positioned to counter volatility in the economy or issuer profitability.

Investment Grade Municipals

- Municipal bond valuations have improved off their multi-year lows.
- Credit quality remains strong and resilient in response to changes in the economy and federal policy.
- High relative yields and a steep curve offer long-term investors an attractive entry point in the asset class.

Opportunistic Income

- Despite volatility, fundamentals remain strong across markets with reasonable leverage and coverage ratios.
- Default rates have remained manageable with expectations to remain lower than historical averages.
- Absolute yields are attractive with high-single digit levels across US High Yield and US Bank Loans, and above 10% for some areas of the CLO market. High Yield Municipals on a taxable equivalent basis are approximately 10%.

Source: CNR Research and Bloomberg as of June 20, 2025.
Information is subject to change and is not a guarantee of future results.

Key Points

- Fixed income asset classes largely delivered positive returns YTD amid volatility.
- Projected federal deficits will continue to pressure longer-term rates.
- Credit conditions remain broadly healthy across key fixed income asset classes.
- Municipal bond underperformance has significantly improved valuations and opportunity.
- Yield and income should bolster total return prospects while cushioning against volatility.

Data current as of June 2025.
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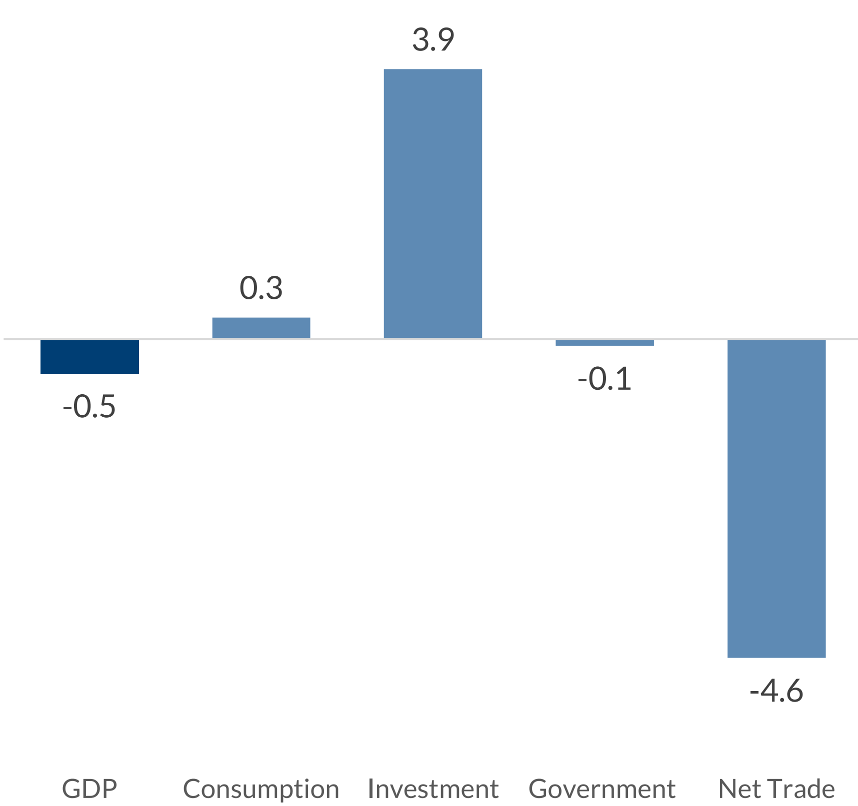
Economics

GDP: Negative Growth Always Gets a Headline

- The timing and quirkiness of GDP accounting caused the negative report.
- Record-setting imports were the primary cause of Q1 performance.
- Much of that will be reversed in Q2, an average of the two quarters show stability in growth.

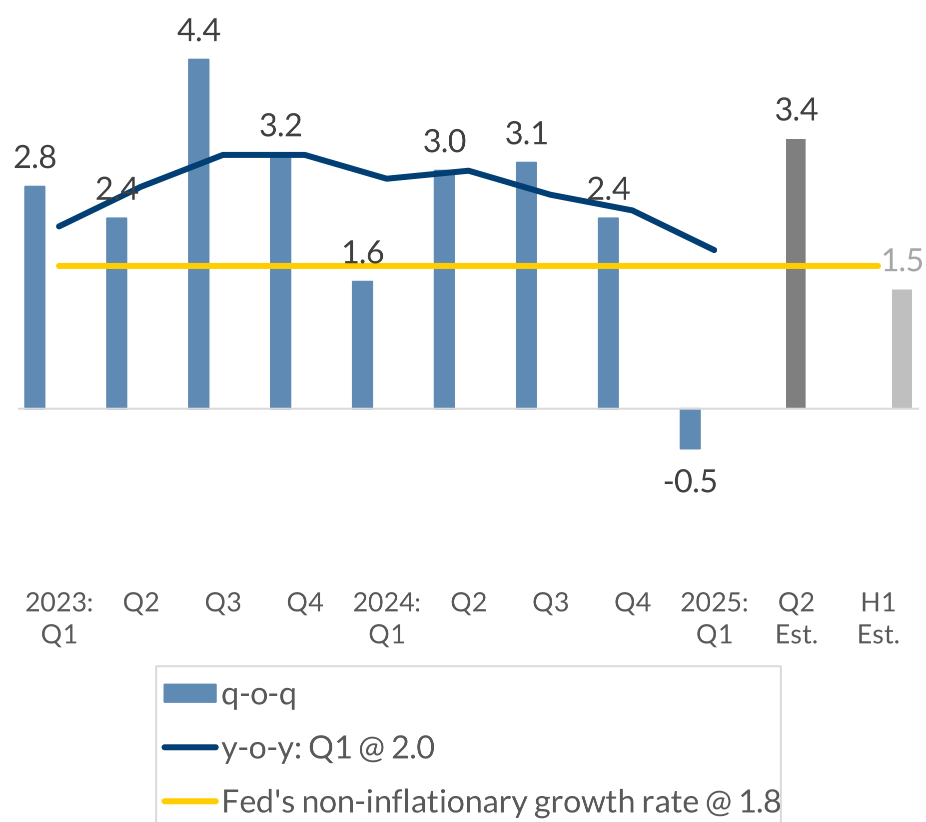
GDP: 2024: Q1 Contribution

% change, seasonally adjusted annual rate



GDP

% change, seasonally adjusted annualized rate

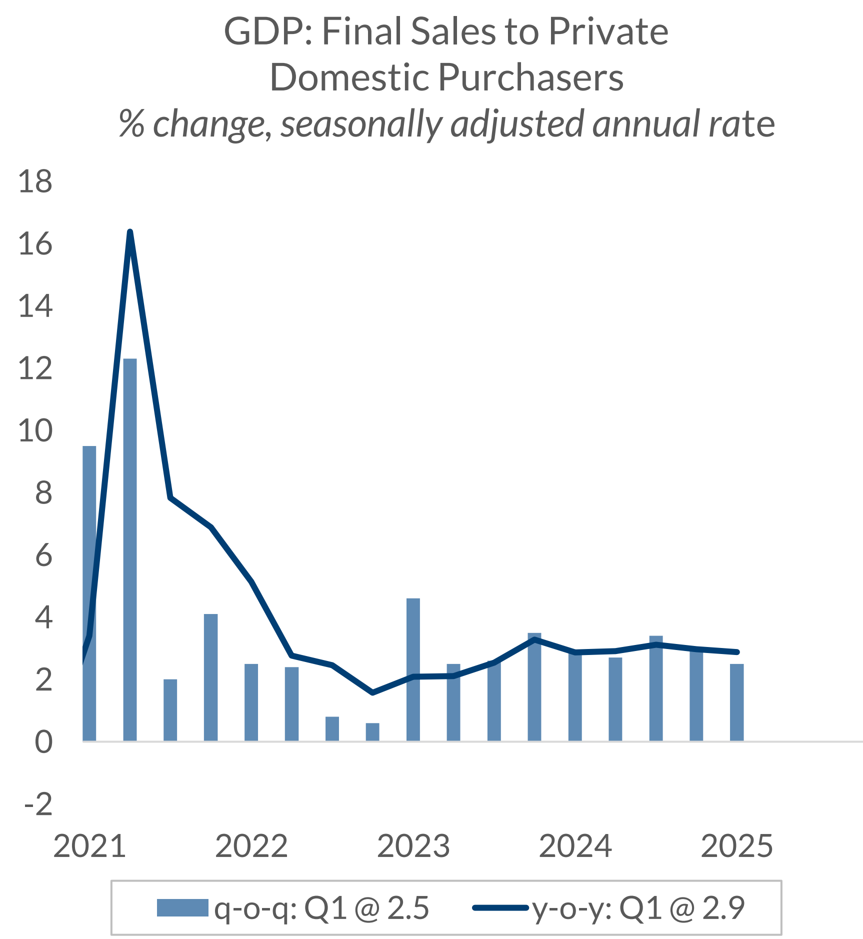


Data current as of June 26, 2025
Source: Bureau of Economic analysis
Information is subject to change and is not a guarantee of future results.

GDP: Final Sales to Private Domestic Purchasers

- It provides a clear picture of domestic demand and spending patterns.
- It focuses on the activity of domestic businesses and consumers.
- It has been very stable for more than two years.

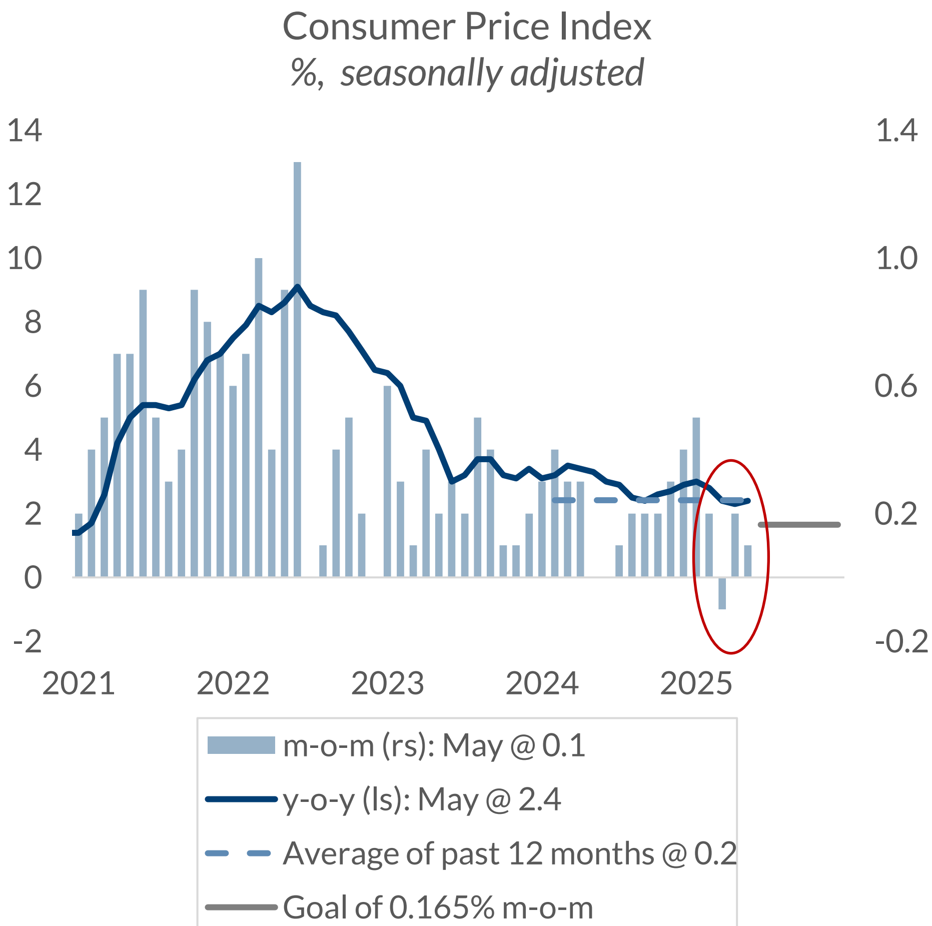
	Q-O-Q	Y-O-Y
GDP	-0.2	2.1
Final Sales *GDP less Inventories*	-2.9	1.4
Final Sales to Domestic Purchasers *Final Sales less Net Exports*	2.0	2.8
Final Sales to Private Domestic Purchasers Final sales to Domestic Purchasers less Government	2.5	2.9

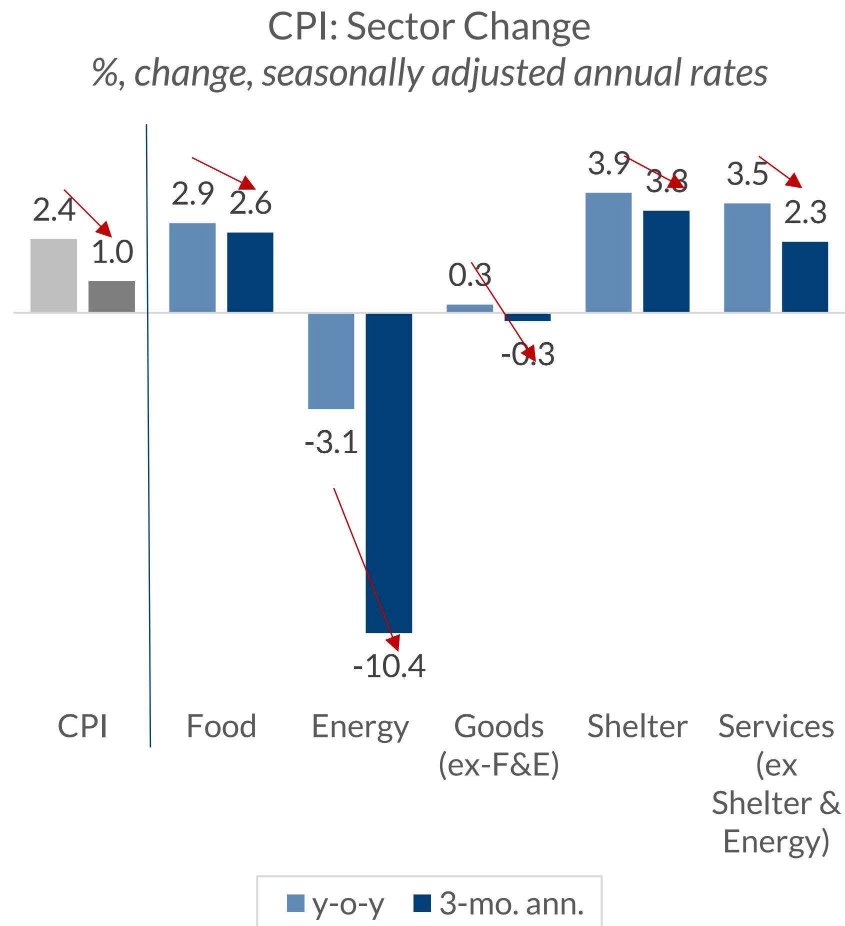


Data current as of June 24, 2025
Source: Bureau of Economic Analysis
Information is subject to change and is not a guarantee of future results.

Inflation: Tariffs Suggest Higher Prices

- Price pressures have been weak lately, thanks to lower energy prices.
- It is unknown when and how much businesses will pass on the import tax.
- The weaker dollar and stimulus of the budget bill are also adding to inflationary concerns.



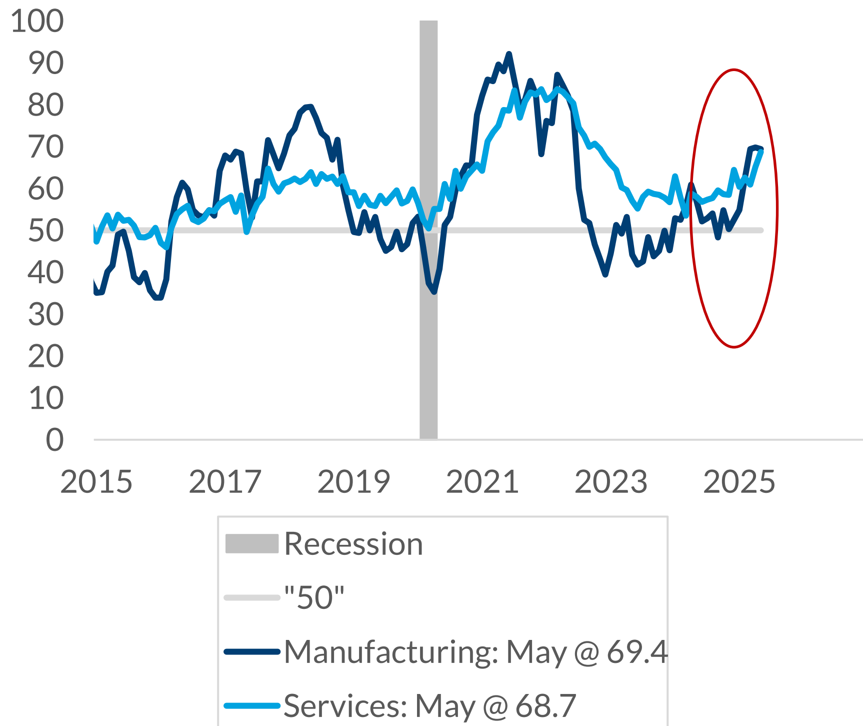


Data current as of June 24, 2025
Source: Bureau of Labor Statistics
Information is subject to change and is not a guarantee of future results.

Inflation: Price Increases from Tariffs Are Slow to Develop

- Retailers generally have sold goods acquired before tariffs are put in place.
- Manufacturing and service industries are already seeing higher prices.
- Walmart announced in May that they will begin raising prices on some items.

ISM Price Index
%, seasonally adjusted
diffusion index, >50.0 is expansionary, <50.0 is restrictive

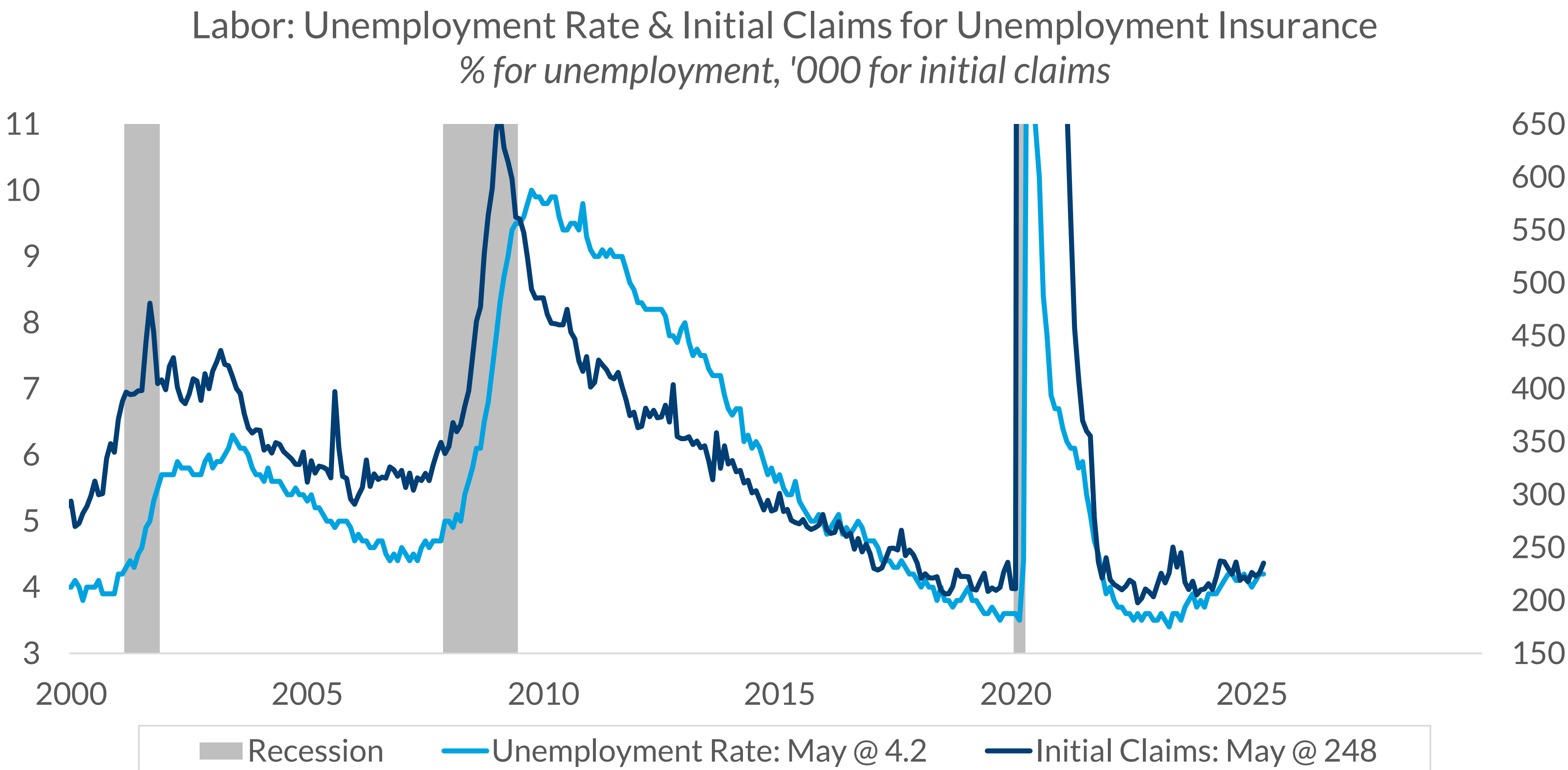


CPI: Laundry Equipment
% change, seasonally adjusted

Data current as of June 24, 2025
Source: Institute of Supply Management, Bureau of Labor Statistics
Information is subject to change and is not a guarantee of future results.

Labor: Will Demand Hold Up?

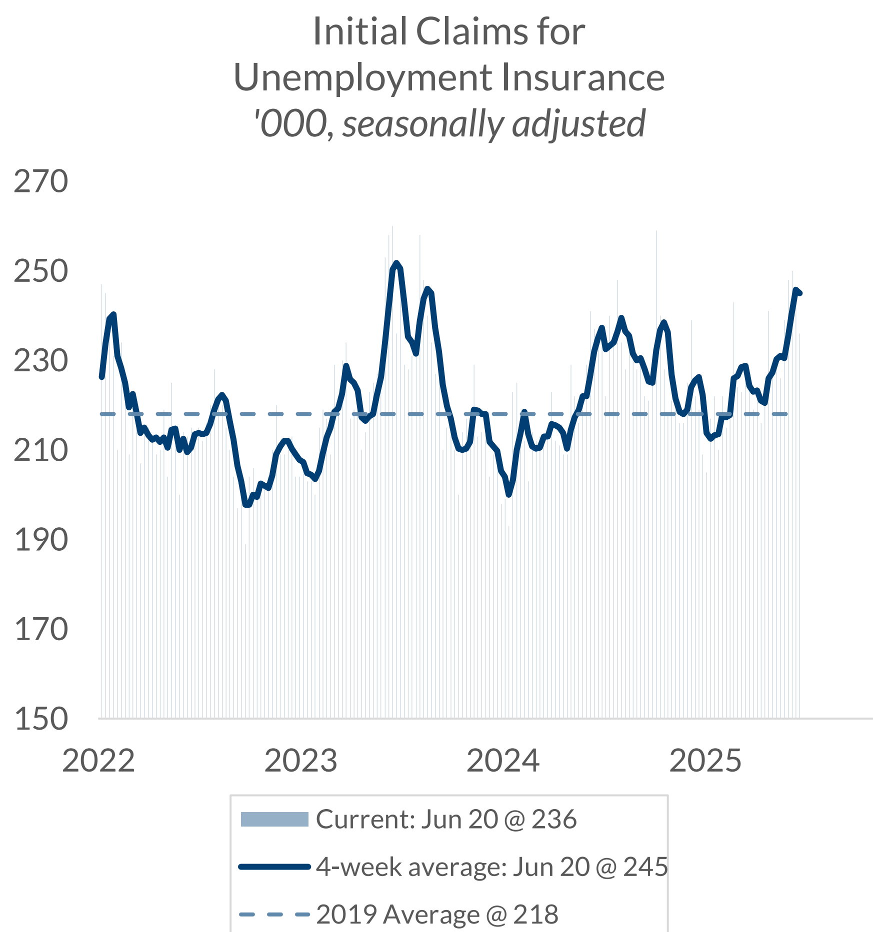
- A key concern of continued economic growth centers on a low unemployment rate.
- Initial claims for unemployment insurance are a consistent leading indicator for changes in labor demand.

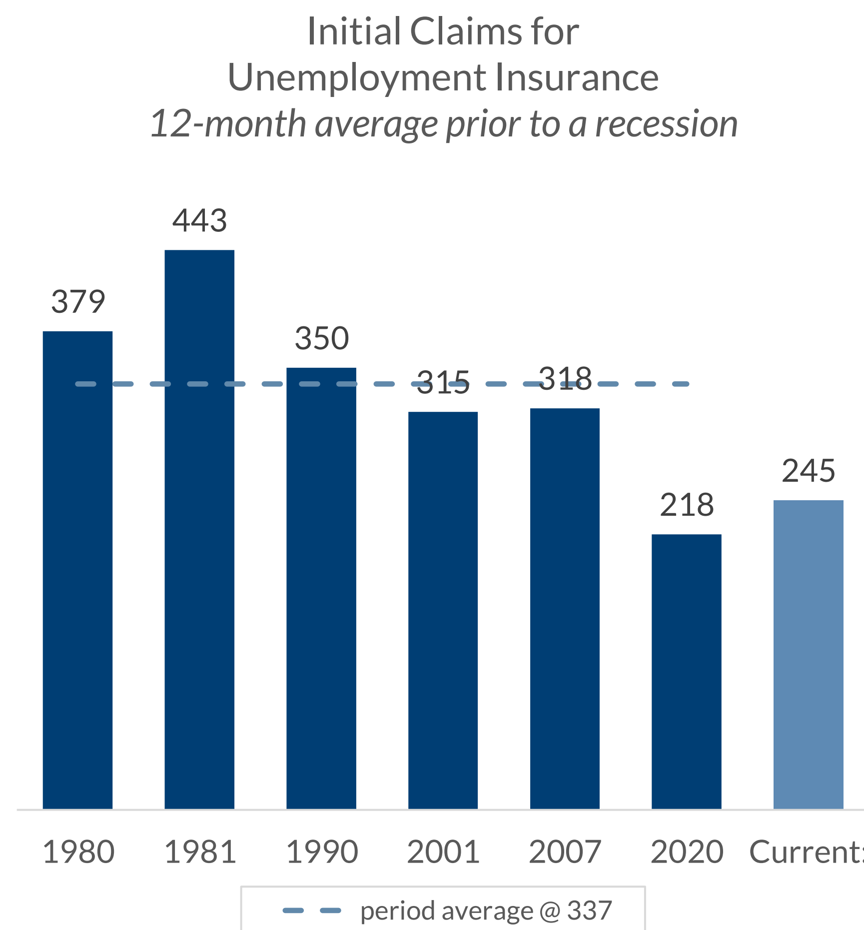


Data current as of June 24, 2025
Source: Bureau of Labor Statistics, Department of Labor
Information is subject to change and is not a guarantee of future results.

Labor: Initial Claims Are Starting to Nudge Upward

- Claims have been on an upward trajectory for the past few months.
- At this point, it is not a concern since they are at historically low levels.
- That said, it is an important indicator to be watching.

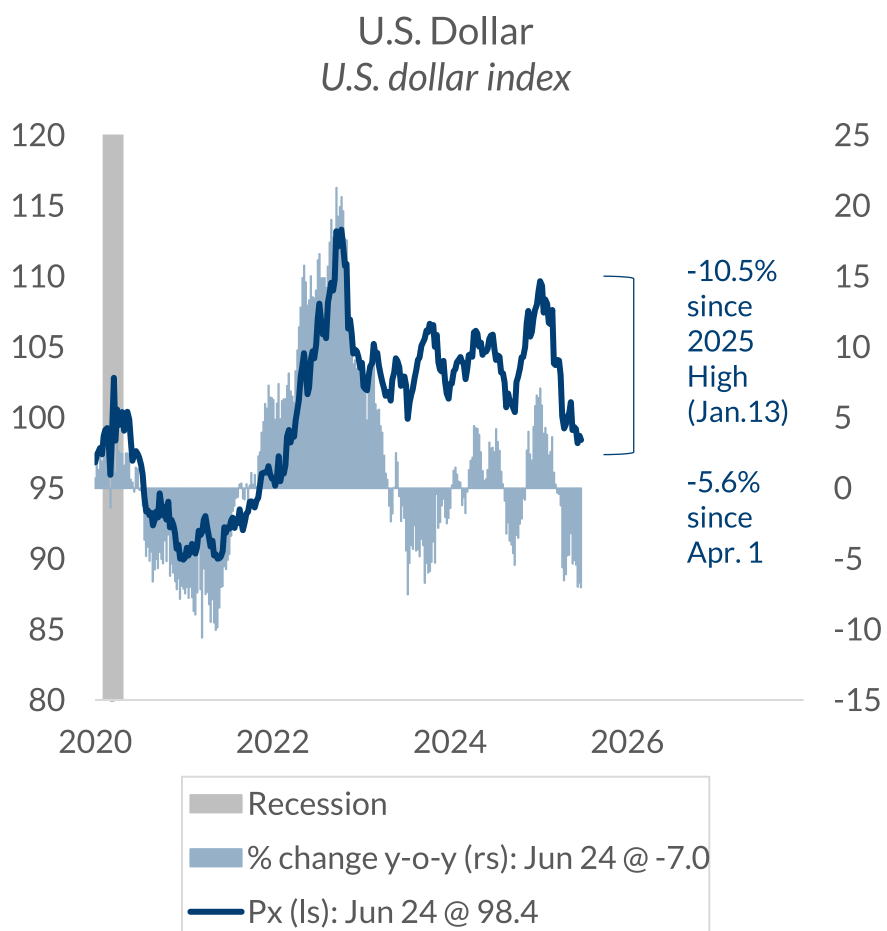


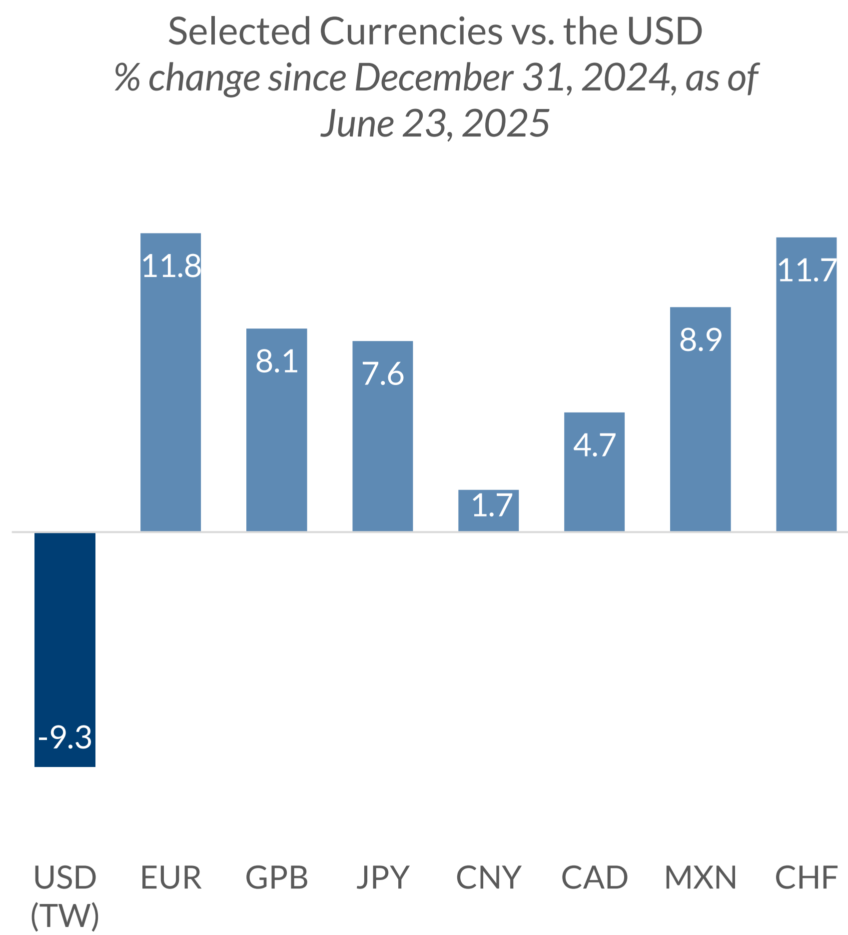


Data current as of June 26, 2025
Source: The Labor Department
Information is subject to change and is not a guarantee of future results.

The Dollar: The Recent Weakness Has Been a Surprise

- High relative interest rates and tariffs usually push up the value of a currency.
- Global investors appear concerned.
- They worry about the inflationary risks of tariffs and the tax-cut agenda with a low unemployment rate.

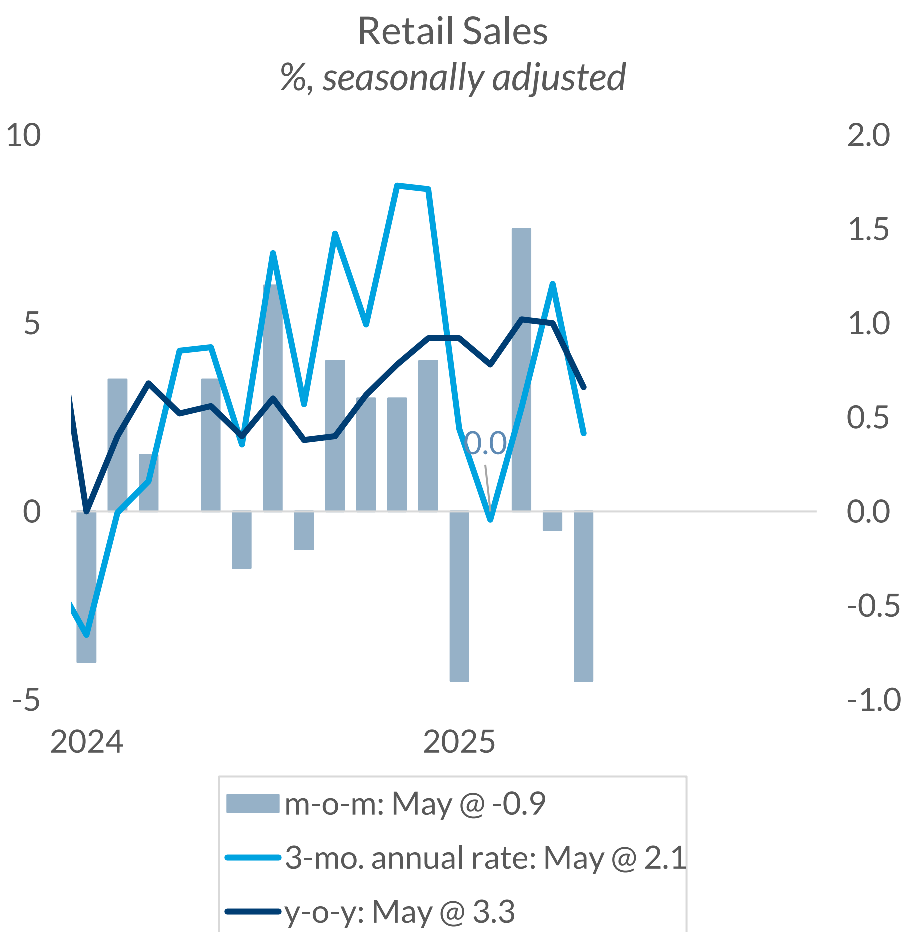


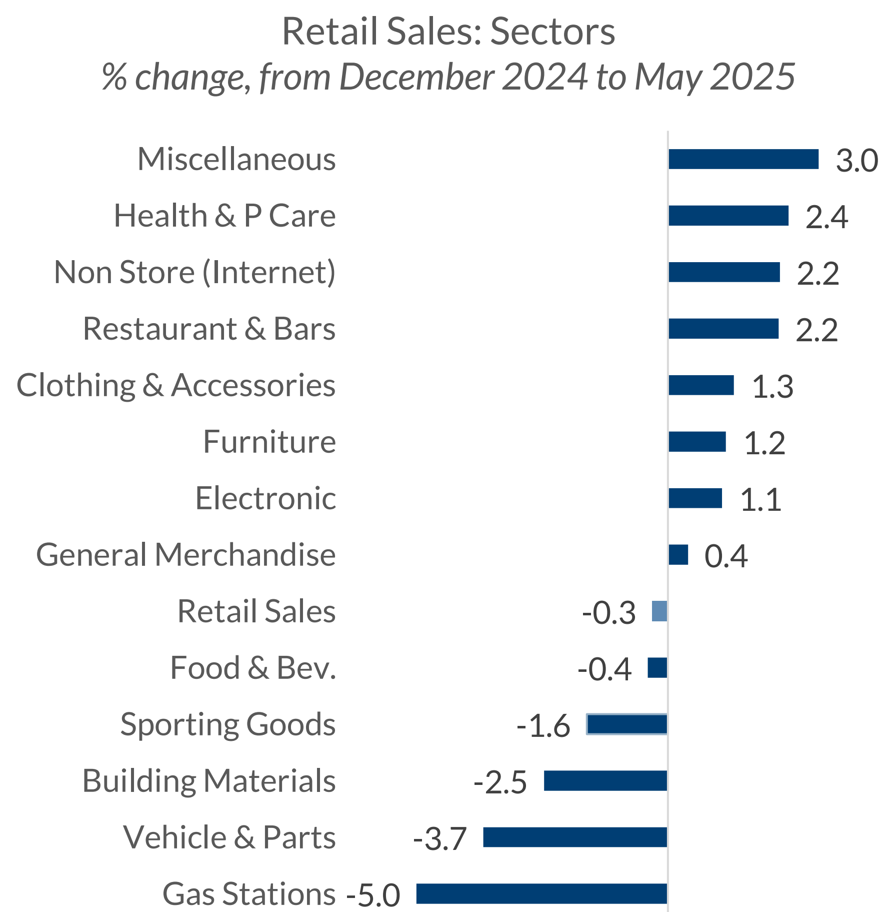


Data current as of June 24, 2025
Source: Bloomberg & International Currency Exchange (ICE)
Information is subject to change and is not a guarantee of future results.

The Consumer: Crosswinds Have Contained Spending

- The slower pace of consumer spending looks worse than it is.
- Lower gasoline prices and auto sales (tariff-related) accounted for most of the 0.9% May decline.
- Consumers have held back spending by choice, not necessity.



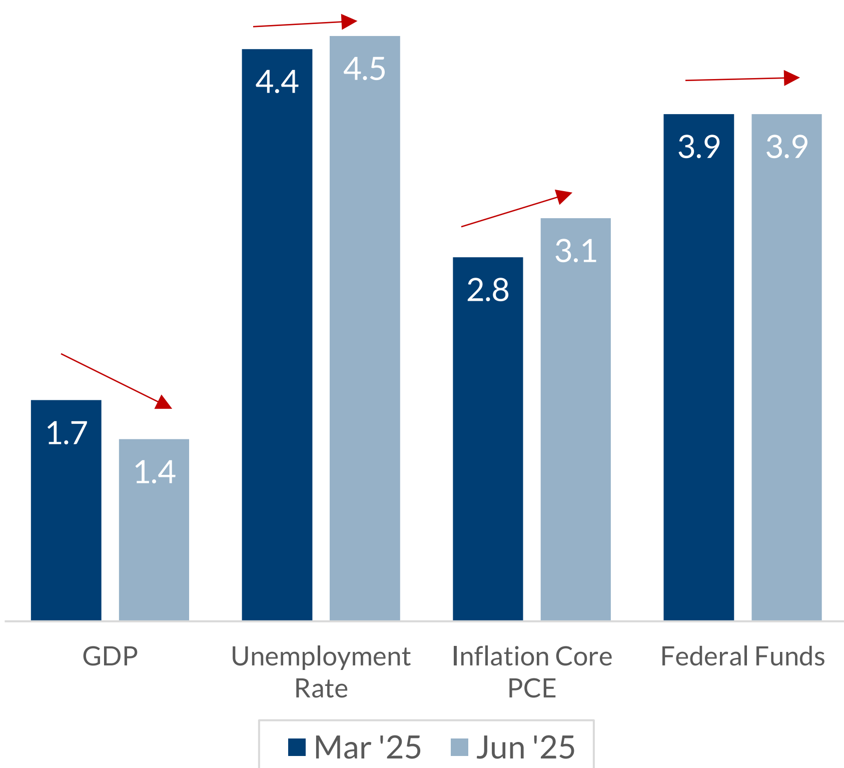


Data current as of June 24, 2025
Source: U.S. Census Bureau
Information is subject to change and is not a guarantee of future results.

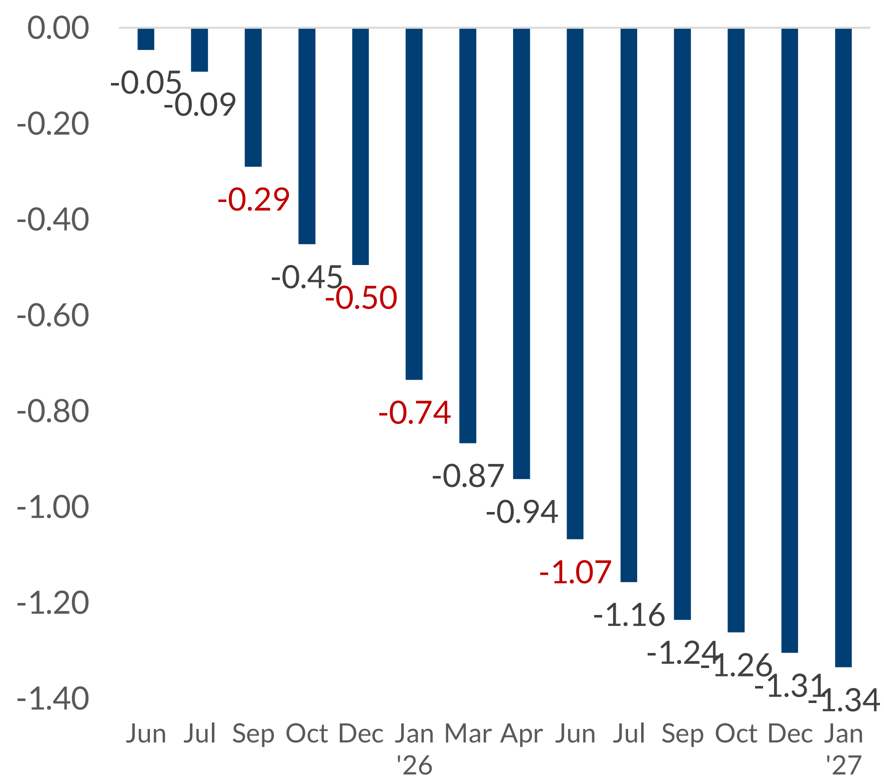
The Fed: Sitting on Their Hands for Now

- Although inflation has been mild lately, the Fed is concerned about the future.
- The economy's strength gives the Fed time to study the impact tariffs will have on consumers and corporate profits.
- Since inflation is above the target, the Fed will be reactive instead of preemptive.

FOMC: Summary of Economic Projections
%, median rate for 2025



Federal Funds Futures:
Change from Current Level
%, as of June 26, 2025



Data current as of June 26, 2025
Source: Federal Reserve Bank, Bloomberg's WIRP page
Information is subject to change and is not a guarantee of future results.

Key Points

- We expect GDP growth to slow in 2025, not stall.

- Growth should accelerate towards year-end and into next year.

- Economic policy should stabilize
  - Tariff rates will be determined
  - The budget will be passed

- The budget is very pro-growth for the next few years.

- Reduced regulation will entice businesses to expand.

Data current as of June 24, 2025
Source: CNR Research
Information is subject to change and is not a guarantee of future results.

Q&A

Index Definitions

The Standard & Poor’s 500 Index (S&P 500) is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity and industry group representation to represent US equity performance.

The 10-year Treasury bond yield is the interest rate the U.S. government pays to borrow money for a decade, serving as a benchmark for other interest rates and a key indicator of investor sentiment about economic conditions. It matters because it influences borrowing costs, impacts the valuation of financial assets, and signals expectations about inflation and economic growth.

S&P 400 TR (28 June 1991 base) Standard and Poor's Midcap 400 Index is a capitalization-weighted index which measures the performance of the mid-range sector of the U.S. stock market. This index represents the Total return version of MID.

The Standard & Poor's Smallcap 600 Index is a capitalization-weighted index that measures the performance of selected U.S. stocks with a small market capitalization. The index was developed with a base value of 100 as of December31, 1993.

Bloomberg Magnificent 7 Total Return Index is an equal-dollar weighted equity benchmark consisting of a fixed basket of 7 widely-traded companies classified in the United States and representing the Communications, Consumer Discretionary and Technology sectors as defined by Bloomberg Industry Classification System (BICS).

MSCI Daily Total Return Net UK USD. Morgan Stanley Capital International Equity Indices in US Dollars. Indices with net dividends reinvested use the same dividend minus-tax-credit calculations, but subtract withholding taxes retained at the source for foreigners who do not benefit from a double taxation treaty.

MSCI AC Daily Total Return Net Asia Ex Japan USD. MSCI Net Total Return Index Series.

MSCI Daily Total Return Net Japan USD. Morgan Stanley Capital International Equity Indices in US Dollars. Indices with net dividends reinvested use the same dividend minus-tax-credit calculations, but subtract withholding taxes retained at the source for foreigners who do not benefit from a double taxation treaty.

MSCI Daily Total Return Net Canada USD. Morgan Stanley Capital International Equity Indices in US Dollars. Indices with net dividends reinvested use the same dividend minus-tax-credit calculations, but subtract withholding taxes retained at the source for foreigners who do not benefit from a double taxation treaty.

The MSCI Em (Emerging Markets) Index is a free-float weighted equity index that captures large and mid cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI Emerging Markets ex China Net Return USD Index: MSCI Emerging Markets ex China Net Return USD Index

The MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs).

The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. STRIPS are excluded from the index because their inclusion would result in double-counting.

The Bloomberg Global Aggregate Corporate Index is a flagship measure of global investment grade, fixed-rate corporate debt. This multicurrency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility and financial sectors.

The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Index Definitions

The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.

The Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the US leveraged loan market.

Bloomberg WTI Crude Oil Subindex index is a single commodity subindex of the BCOM composed of futures contracts on crude oil. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

The VIX Index is a financial benchmark designed to be an up-to-the-minute market estimate of the expected volatility of the S&P 500® Index, and is calculated by using the midpoint of real-time S&P 500 Index (SPX) option bid/ask quotes.

The MOVE Index measures U.S. bond market volatility by tracking a basket of OTC options on U.S. interest rate swaps. The Index tracks implied normal yield volatility of a yield curve weighted basket of at-the-money one month options on the 2-year, 5-year, 10-year, and 30-year constant maturity interest rate swaps.

The Bloomberg GlobalAgg Index is a flagship measure of global investment grade debt from a multitude local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

The Bloomberg Global High Yield Index is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive.

The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.

The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

The Bloomberg USAgg Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg Muni High Yield Total Return Index Value Unhedged USD.

The Bloomberg U.S. Municipal Index covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds.

Bloomberg Municipal Short (1-5) Yr Total Return Index Unhedged USD

Bloomberg Municipal Managed Money New York Short Intermediate (1-10 Yr)

A diffusion index is a metric used to show the dispersion of change relative to a reference point, and a series of data can demonstrate whether there are upward or downward trends.

The ISM price index refers to the ISM manufacturing index or purchasing managers' index, which is a key indicator of the state of the U.S. economy. It measures the level of demand for products by assessing the amount of ordering activity at factories

Definitions

Employment Index: US jobs with the exception of farmwork; unincorporated self-employment; and employment by private households, the military, and intelligence agencies.

A consumer price index (CPI) measures changes in the price level of a market basket of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

The “core” Personal Consumption Expenditures (PCE) price index is defined as prices excluding food and energy prices. The core PCE price index measures the prices paid by consumers for goods and services without the volatility caused by movements in food and energy prices to reveal underlying inflation.

Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country’s borders in a specific time period.

CNR Speedometers® are indicators that reflect forecasts of a 6 to 9 month time horizon. The colors of each indicator, as well as the direction of the arrows represent our positive/negative/neutral view for each indicator. Thus, arrows directed towards the (+) sign represents a positive view which in turn makes it green. Arrows directed towards the (-) sign represents a negative view which in turn makes it red. Arrows that land in the middle of the indicator, in line with the (0), represents a neutral view which in turn makes it yellow. All of these indicators combined affect City National Rochdale’s overall outlook of the economy.

Yield to worst is a measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting.

Risk sentiment refers to how financial market participants (traders and investors) are behaving and feeling. It describes their willingness to take on risk, with risk-on sentiment indicating preparedness to take risks and risk-off sentiment indicating caution

A collateralized Bond Obligation (CBO) is an investment-grade bond that is backed by a pool of junk bonds. Junk bonds are typically not investment grade, but because the pool includes several types of credit quality bonds together from multiple issuers, they offer enough diversification to be structured as "investment grade.“

The term premium refers to the additional return that investors require for holding a longer-term bond as opposed to a series of shorter-term bonds.

Important Information

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All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met, and investors may lose money. Diversification may not protect against market risk or loss. Past performance is no guarantee of future performance.

There are inherent risks with equity investing. These risks include, but are not limited to stock market, manager, or investment style. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

There are inherent risks with fixed income investing. These risks may include interest rate, call, credit , market, inflation, government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. This risk is heightened with investments in longer duration fixed-income securities and during periods when prevailing interest rates are low or negative.

Municipal securities are volatile and can be significantly affected by adverse tax, legislative, or political changes and the financial condition of their issuers.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

CNR is free from any political affiliation and does not support any political party or group over another.