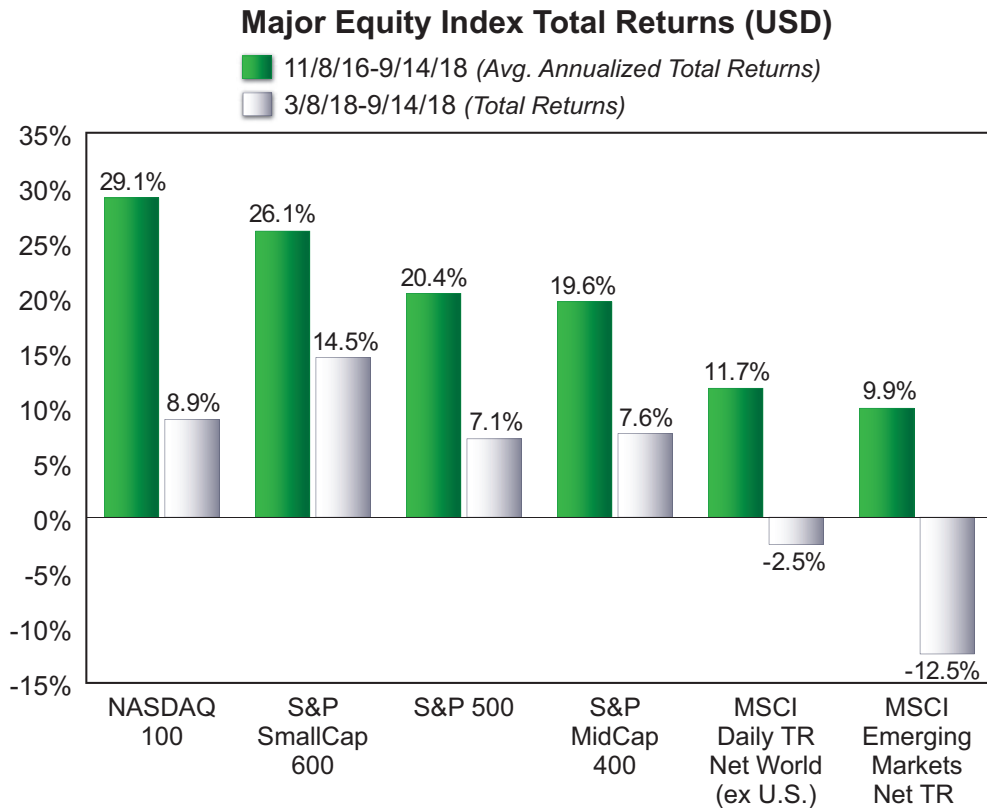


Trump Rally (11/8/16-9/14/18) vs. Trump Tariffs (3/8/18-9/14/18)



Source: Bloomberg. Past performance is no guarantee of future results.

View from the Observation Deck

1. A common thread running through the Trump Rally and the Trump Tariffs is President Trump's policy of "America First."
2. While each of the equity indices featured in the chart have posted positive average annualized total returns (green bars) since Donald Trump won the presidential election on 11/8/16, the U.S. equity indices have clearly outperformed their foreign counterparts through 9/14/18.
3. On 3/8/18, President Trump signed a proclamation authorizing tariffs on imported steel (25%) and aluminum (10%). Since that initial proclamation, the Trump administration has authorized additional tariffs, primarily targeting China.
4. We believe that the tariffs have negatively impacted the total returns (white bars) of the two foreign equity indices since 3/8/18, with emerging markets suffering the most. The U.S. equity indices have continued to perform well, largely due to the passage of the Tax Cuts & Jobs Act on 12/22/17 and the pro-U.S. tariffs.
5. The U.S. dollar has strengthened since the tariffs commenced, creating some headwind for foreign stocks. From 3/8/18 through 9/14/18, the U.S. dollar rose by 5.27%, as measured by the U.S. Dollar Index (DXY), according to Bloomberg. That represents a reversal from how the U.S. dollar performed after Trump's victory in the presidential election and the start of the tariffs. From 11/8/16 through 3/8/18, the U.S. Dollar Index declined by 7.85%.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The NASDAQ 100 Index includes 100 of the largest domestic and non-financial companies listed on The NASDAQ Stock Market based on market capitalization. The S&P SmallCap 600 Index is a capitalization-weighted index that tracks U.S. stocks with a small market capitalization. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks (currently 505) used to measure large-cap U.S. stock market performance. The S&P MidCap 400 Index is a capitalization-weighted index that tracks the mid-range sector of the U.S. stock market. The MSCI World (ex U.S.) Index is a free-float weighted index designed to measure the equity market performance of developed markets. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The U.S. Dollar Index (DXY) indicates the general international value of the dollar relative to a basket of major world currencies.

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