

IDEAS FIXED INCOME /// JANUARY 2017

2016 review: politics in the driver's seat

HIGHLIGHTS

- Broad risk-asset sell-off (equities, credit, emerging bonds) in 1Q16 on China growth concerns and commodity price meltdown.
- Fed postpones tightening till year-end.
- Politics (Brexit, Rouseff, Trump, Italian referendum) take centre stage, shape market trends throughout the year.
- ECB expands easing in size and scope from March. BoE resumes QE post Brexit and ventures into corporate bonds.
- Global fixed income returns in the vicinity of 3.5% in 2016 for euro-based investors.

2016 was full of surprises. Politics took centre stage once concerns about China and falling oil prices receded. The plunge in crude prices and heightened risk of further CNY depreciation in January-February triggered disruptive sell-offs in credit and other asset markets. Brexit, Rouseff, Trump and Renzi then induced major financial market turnarounds, most of the time in unexpected ways. Currencies and fixed income markets recorded wild moves in response to political outcomes.

Central banks have pushed monetary easing further towards its practical boundaries, in the euro area at least. The global call for fiscal stimulus is in fact recognition of diminishing monetary headroom.

1Q sell-off & monetary innovations

- **China unsettles markets**

2016 started with disruptive sell-offs in financial markets. China's surprise devaluation in August 2015 had failed to slow private-sector capital outflows. If anything, outflows accelerated to \$170bn in December 2015 pushing the yuan exchange rate gradually lower. It was only logical for market participants to expect the PBoC to capitulate and devalue further. Instead, Chinese authorities reaffirmed their move to a more flexible exchange rate regime aiming at stability against a trade-weighted basket of currencies. Capital outflows eventually slowed but the root causes for concern remain. China's growth model has hit its limits. Infrastructure build-up to support export-led manufacturing induces excess

capital formation. Capital overhang needs to be wound down until the marginal return on capital normalises. Rebalancing towards a greater share of value-added drawn from the service sector is a long-run process. Capital outflows are thus primarily a reflection of the dearth of domestic growth opportunities. The flipside of the slowdown is increased cross-border mergers and acquisitions and repayments of foreign-currency debt by Chinese corporations.

- **The politics and economics of cheap oil**

As market participants scaled back world growth expectations, oil prices plummeted in the first two months of the year. The 2mbpd supply glut at the time was the fundamental cause for extended weakness in oil prices. OPEC's high market share strategy backfired. The swift reduction of capacity improved productivity considerably across the US oil industry and shifted market power westward. The US is the new marginal producer. OPEC and other producers including Russia had no choice but to strike a deal to curb output decisively starting in 2017.

With foreign exchange reserves fast declining, it became clear as the year progressed that Saudi Arabia would not withstand low crude prices for long. The Kingdom's foreign exchange reserves stood some \$200bn (-25%) below peak in September 2016. On the domestic side, public deficits swelled but the currency peg held. Saudi Arabia instead raised debt in USD markets for the first time. Russia stood by its strategy of a weak currency, blaming international sanctions for the domestic demand shortfall. Deficit financing largely relies on local



sources, which actually supports foreign-currency credit spreads.

- **Fed & US financial conditions**

The first quarter sell-off was global in scope. The currency war that had dominated 2015 was still in full swing as market participants placed a non-zero possibility of another disorderly devaluation of the Chinese yuan. Crude prices fell from \$37 to 2003 lows of \$26 per barrel in January and again in February. Obviously, liquidation of risk positions in futures markets added downside pressure on oil prices. Stock markets recorded a similar double-bottom pattern. Sovereign wealth funds and reserve managers of oil-producing countries sold holdings of risk assets including stocks and credit. Safe assets including US Treasuries were in high demand. The yield on 10-year notes dropped to February low of 1.70%. Breakeven inflation rates fell accordingly to a low point at 1.20% on 10-year US TIPS in February. The collapse in breakeven inflation provided the Fed with a timely argument to extend monetary easing by tweaking the 'dot plot' lower in March. Though oil price changes have little impact on the aggregate price level in the long run, flight-to-quality flows weighed on breakeven rates derived from inflation-protection securities.

The second argument for renewed caution put forward by US central bankers was the alleged impact of the drawdown on broad financial conditions. It was feared that tighter credit conditions would slow growth. Investment in the energy sector and slower inventory build-up did subtract from GDP in the first half. However, it turned out that US growth slowdown was hardly broad-based. While official accounts sold risk assets heavily in the first few months of 2016, non-resident private investors remain upbeat on US assets, including Treasuries, agency bonds and corporate credit. High-grade bonds thus swiftly recovered from market turmoil. In the energy-heavy high yield market, option-adjusted spreads traded as high as 839bps over Treasury bonds in February. The 12-month trailing default rate on US speculative-grade bonds rose to 5.6% in November 2016 from less than 3% a year earlier.

- **Pushing monetary policy to its practical boundaries**

In the euro area, as inflation dipped back into negative territory in February, the ECB decided to up the ante on asset purchases. In fact, the Bundesbank's Jens Weidmann and other hawks had no voting rights at the March meeting. ECB doves thus had a window of opportunity to ease. Central bankers raised the amount of purchases to €80bn a month from an already sizeable €60bn and cut deposit rates further to -0.40%. This was a bold move. Negative inflation readings through spring had been widely expected due to 2015 base effects on energy prices. Thus the real motives for monetary support could *not* be inflation. The ECB likely aimed at a weaker euro

in a bid to shelter the euro area from foreign developments. However, a week later, the Fed tweaked the dots lower leaving euro-dollar exchange rate unchanged till September.

But there was more. Mario Draghi announced that investment-grade corporate bonds would be eligible to the expanded asset purchase program. The launch of CSPP was most controversial. It is highly unusual for central banks to venture into corporate bonds. At the time, there was no evidence of a credit crunch for non-bank borrowers. If anything, rates were too low for European bond investors chasing higher yields in US corporate markets. Liquidity conditions were subpar and heavy buying from central banks would only worsen the situation. What is more, the CSPP announcement led to front-running as ECB purchases started fully three months later.

The ECB was not alone to tip a toe into corporate credit. In August, the BoE launched a corporate bond program worth some £10bn over 18 months in addition to £60bn purchases in Gilt markets to cushion the British economy from possible negative consequences from the Brexit vote.

In Japan, as negative interest rates and massive quantitative easing failed to weaken the yen, Central Bankers threw in the towel on balance sheet expansion. Instead, the BoJ opted for yield curve control which basically equates putting a ceiling on JGB yields. The target yield on ten-year bonds is about 0%. The flipside of yield targeting is smaller balance sheet expansion. Scandinavian central banks promoted easing as a means to raise inflation. In Sweden, the Riksbank keeps adding more of the same form of stimulus (QE and negative rates). Short-sighted policymaking to bring up inflation has blown up internal financial imbalances. Swedish household debt to disposable income has risen to unsustainable levels.

It's politics, stupid

- **Populism in power**

In 2016, after China fears dissipated, growth and, to a lesser degree, inflation and inflation expectations took the backseat. Politics was front and centre in Europe, Latin America and finally the US.

In Europe, David Cameron's campaign pledge of a referendum on the UK's EU membership turned out to be one of the most disruptive political events in the last decade. The June 23 referendum resulted in a clear majority in favour of the UK leaving the European Union. The 'leave' outcome took markets by storm with sharp knee-jerk reaction from safe bonds and a collapse in sterling. It is hard to imagine a country that benefits more than the UK from (largely skilled and European) immigration and access to EU markets. The formal request to leave the Union will probably be made in March 2017. Two years of negotiations will ensue before the UK leaves the European Union. It could be much longer considering that trade deals can take up to 10 years to negotiate. In any case, the UK's exit ushers in a prolonged period of political and economic uncertainty. The vote, amid a migrant crisis, focused on immigration control. However, access to the



common European market cannot be granted without free movement of people and labour. On economic grounds, the UK runs a large current account deficit (5-6% of GDP), primarily with continental Europe. Access to the EU market is critical to ensure continuation of foreign direct investment in the UK. In the financial sector, the passport that allows UK-based institutions to offer services in the EU countries could be in jeopardy. For instance, it is a requirement that euro government bond trading be located in the EU.

In the euro area, one political deadlock has been lifted this year with the formation of PP-led centre-right government in Spain after months of stalemate and a second round of inconclusive elections in June. Austria presidential elections were held a second time in a year in early December. The Green party's Alexander Van Der Bellen won presidency against the far-right's Norbert Hofer. In Italy, Matteo Renzi ordered a referendum on a constitutional reform in December associated with Italicum, a new electoral law. The reform basically aimed at ending the bicameral political system that is the root cause for instability in government. Italians strongly rejected constitutional changes. Matteo Renzi resigned.

The election of Donald Trump as President of the United States entails an immense political shock. On November 8th, Donald Trump won Presidency despite losing the popular vote by a 2.8mn margin. Donald Trump policies could mean stricter immigration rules and a withdrawal from major trade agreements, including NAFTA. Foreign policy could lean towards closer relationships with Russia. The shift in foreign relations would come at the expense of China. Trade tariffs could be imposed on Chinese and/or Mexican imports. In turn, the Trans-Pacific Partnership agreement (TPPA) involving 12 countries may never be ratified by the US. In essence, the Trump Administration could mean protectionism and less environment protection. This does bode well for inflation and world trade. Corporate tax cuts and infrastructure spending will increase federal deficits.

Latin America was not immune. Brazil had President Rousseff impeached amid one of the country's longest recessions/depressions ever and social unrest. External imbalances and sustained high inflation continue to plague economic growth. Low commodity prices did not help. Public spending caps despite weak current growth contributed to restore investor faith in Brazilian credit. Central bank action and better investor sentiment helped to stabilize the Brazilian real in currency markets. Lastly, the election of President Mauricio Macri signalled a change in Argentinian politics and relations to creditors. Argentina returned to international debt markets after a decade-long absence. The return to bond markets was met with large demand. The proceeds will serve to settle

payments linked to the country's default a decade ago and fund infrastructure investment.

Making sense of markets

In this section, we review the year from a financial market standpoint. For a euro-based bond investor, total returns ranged from -0.7% in euro convertible bonds to 8.3% in emerging market debt (hedged to euros). Pan-European high yield in euros returned 6.5% beating IG credit (4.7%) and sovereign debt which had absolute performance of 3.3%.

As indicated above, the trend in major government bond markets has shifted along political events. US Treasury yields started falling early in response to Chinese growth concerns and short positioning around 2015 year-end. Fed policymakers then marked down their projected rate path in March hinting at one to two hikes in 2016 instead of four. Downshift in 'dots' signaled easing and contributed shrinking volatility in US bond markets. The MOVE index reflective of implied volatility in Treasury bond futures started falling in March to reach a low in October. The downward trend was only interrupted a volatility spike around Brexit when the 10-year note briefly hit 1.38%. Low volatility favors carry along the yield curve. Bull flattening was the name of the game in US Treasury bond markets until the end of August. In fact, the term premium on 10-year bonds fell in deep negative territory, down to -70bps on New York Fed estimate. Negative term premiums generally highlight complacency among bond market participants. Complacency was indeed traceable to excessive Fed 'caution' despite evidence of continued reduction in labor market slack and signs of faster wage gains. Low inflation was essentially a by-product of earlier declines in energy and import prices, while unit labor costs suggested incipient cost pressures in the domestic economy. This certainly sets the stage for the sharp market turnaround in the fourth quarter. The US Presidential campaign has been acrimonious throughout. The election of Donald Trump proved to be the catalyst for a reset of bond valuations. Yields skyrocketed to about 2.5% from 1.5-1.6% on average in the summer period. Protectionism and fiscal slippage provided timely arguments for a broad unwinding of bull flattening positioning that had oddly coincided with stronger US equities and shrinking corporate bond spreads, in both high yield and investment grade spaces. Something had to give. After a rally up to Brexit, US 10-year yields sold off to end 2016 about 20bps higher than a year ago.

In the euro area, German bond yields collapsed along the curve with 30-year bonds outperforming. Lower yields are at odds with continued stable growth conditions and rising inflation in the second half of 2016 albeit from very low levels. ECB policy is the main market driver. The ban on purchases of bonds yielding less than the deposit rate puts downward pressure on back-end yields. All the more so, that Germany runs a budget surplus which means that that the Central Bank buys loads of bonds in a shrinking market. At year-end, two-year yields were down to -0.78% while ten-year bonds stand about 0.20% having traded in negative territory around mid-year (-0.21%). In 3Q16,



expectations of changes to PSPP parameters ignited a change and a re-steepening of the German yield curve. The yield premium on France bonds was negatively impacted by the rise in populism in Europe and in the US. The spread on 10-year OAT ended the year some 10bps wider than a year ago. With hindsight, long positioning in peripheral debt at the start of the year was a hurdle to performance. In addition, Italy politics caused a sharp re-pricing of BTPs ahead of the December referendum. Italian spreads blew out to close to 200bps in late November. The capital shortfall of some Italian banking institutions will likely require public support although the details are not fully known. It is important to note that in these markets, liquid futures markets facilitate short positioning in times of stress. This may have exacerbated upside pressure on spreads. The outperformer was Spain which regained momentum after the political stalemate ended last summer. The spread on 10-year Bonos is essentially unchanged from a year ago. On inflation-linked markets, the gradual increase in inflation in the second half of 2016 led to a rise in breakeven inflation rates and linker outperformance.

In European credit markets, spreads staged a decisive rally between the announcement of CSPP in March and the actual implementation of purchases from mid-June. Brexit did bring about some volatility but ECB intervention worth about €2bn a week smoothed corporate bond yields thereafter. The average yield on IG euro credit initially increased from 134bps at the beginning of the 2016 to a high at 167bps in February. As the CSPP was announced, spreads shrunk to 134bps until the end of June when actual buying pressured spreads lower again (below the 110bp mark). Towards year-end, rising bond yields resulted in modest spread widening towards 125bps vs. German bonds. On a sector basis, after a rough start of year, materials and energy bonds rallied in keeping with higher commodity prices. In turn, health care (13bp widening on year) and financials' subordinated debt (+48bps) trailed the broad euro IG market. Defensives including utilities (-22bps) and consumer staples (-36bps) outperformed modestly on Bloomberg indices. As concerns CDS indices, the iTraxx IG spread fell by 9bps in 2016 to 72bps at year-end. The crossover spread shrunk by 43bps to 288bps. Financial CDS gauges widened to 93bps on senior debt and 221bps on subordinated debt. European high yield benefitted from spillovers from ECB buying as final investors added to more speculative holdings. ECB purchases include issuers with split ratings.

In the United Kingdom, Brexit had a disruptive impact on Gilt markets. Correlation to US bonds collapsed after the vote. The yield on 10-year British bonds tracked 10-year US yields quite closely in the first half of 2016. The spread on US bonds remained near 40bps up to June 23rd before jumping to 100bps at the end of August. Gilt 10-year yields rose steadily to about 1.50%

by November-end. Still, UK bonds performed strongly through 2016 rallying from 1.87% to 1.24%. Inflation fears mounted following the sharp drawdown in sterling. UK real yields dropped to deeply negative territory (-1.8% on 30y linkers on October 6th, 2016). The decision of the BoE to cut rates and resume quantitative easing in August avoided a disorderly steepening of the curve although foreign selling did accelerate in 3Q16. The BoE will purchase £60bn worth of Gilts over six months and as much as £10bn of sterling-denominated UK corporate bonds over 18 months. BoE action propped up UK asset prices but likely added to downside pressure on sterling.

Emerging markets were the star performer for the year. The asset class fared very well for the year even as emerging economies were not immune from political risks (Turkey, Brazil, Thailand, South Korea...). After peaking at 504bps in February, the spread on USD-denominated debt shrank to 342bps from about 410bps at the end of 2015. However, local bond markets proved more volatile in keeping with currency markets. Sentiment regarding Brazil improved dramatically following the impeachment of President Dilma Rousseff and the introduction of public spending caps despite a sharp recession. Brazilian debt spreads almost halved from February highs to 330bps at year-end. Likewise, Chile, Colombia enjoyed spread tightening after the February highs. Argentina managed to raise \$16bn ending decade-long disputes with foreign creditors. Mexico suffered from the election of Donald Trump. The Mexican peso collapsed against the US dollar (hitting 21 pesos for a dollar) forcing the Central Bank to raise interest rates by a total of 200bps last year to 5.25%. Russia benefitted strongly from higher oil prices and low international bond net supply. Moreover, local banks kept purchasing Russian USD-denominated debt. The Russian ruble was the only currency to strengthen after the election of Donald Trump.

In currency markets, the US dollar strengthened against the euro (3%) and sterling post Brexit (16%) but held steady overall against the yen (-1%). Major reversals from last year occurred in the Brazilian real (+23%) whilst the Mexican peso collapsed by 17%. The Russian ruble returned to mid-2015 levels near 60 against the US dollar from highs above 80. Oil prices above \$50 contributed a lot to the rebound. The Swedish Krona lost 3% against the euro but appreciated somewhat after the Central Bank announced tapering will start in 2017. The Norwegian Krona appreciated some 6% vs. the euro as oil played out and the Central Bank took a less dovish turn in 4Q16.

Conclusions

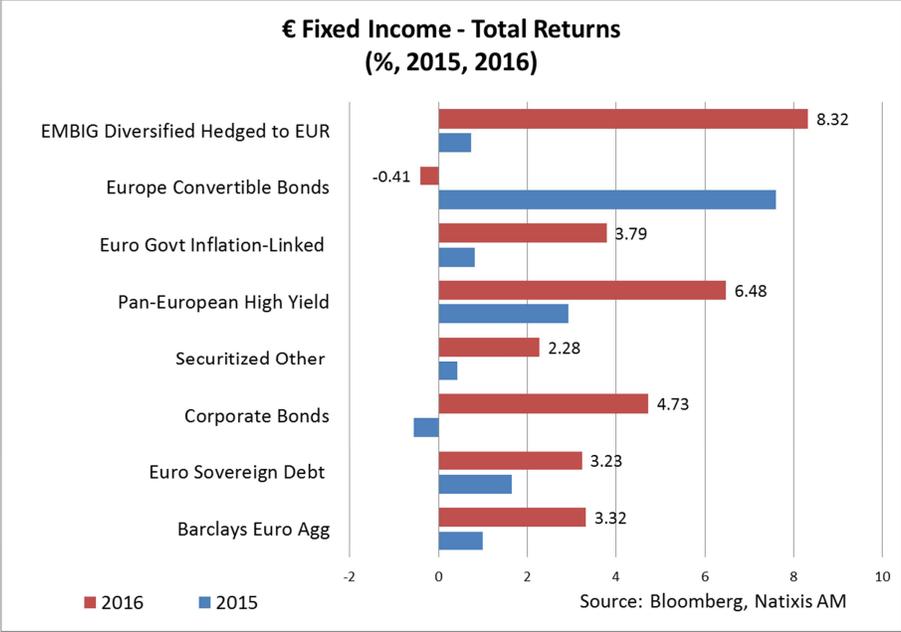
After the sharp 1Q oil and risk-asset sell-off, politics took centre-stage contributing to shape trends in financial markets throughout the year. Brexit, Rousseff's impeachment, Trump all induced major shifts in pricing of financial assets. Meanwhile continued monetary easing including purchases of corporate bonds

(ECB, BoE) enhanced fixed income investment performances. Inflation is slowly returning thanks in rising oil prices.

Challenges remain for year 2017. Politics will be on the agenda in the

euro area (Netherlands, France, Germany). Fed and ECB policies may diverge further.

As at January 2nd, 2017.



This material has been provided for information purposes only to investment service providers or other Professional Clients, Qualified or Institutional Investors and, when required by local regulation, only at their written request.

In the E.U. (outside of the UK) This material is provided by NGAM S.A. or one of its branch offices listed below. NGAM S.A. is a Luxembourg management company that is authorized by the Commission de Surveillance du Secteur Financier and is incorporated under Luxembourg laws and registered under n. B 115843. Registered office of NGAM S.A.: 2, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. France: NGAM Distribution (n.509 471 173 RCS Paris). Registered office: 21 quai d'Austerlitz, 75013 Paris. Italy: NGAM S.A., Succursale Italiana (Bank of Italy Register of Italian Asset Management Companies no 23458.3). Registered office: Via Larga, 2 - 20122, Milan, Italy. Germany: NGAM S.A., Zweigniederlassung Deutschland (Registration number: HRB 88541). Registered office: Im Trutz Frankfurt 55, Westend Carrée, 7. Floor, Frankfurt am Main 60322, Germany. Netherlands: NGAM, Nederlands filiaal (Registration number 50774670). Registered office: World Trade Center Amsterdam, Strawinskylaan 1259, D-Tower, Floor 12, 1077 XX Amsterdam, the Netherlands. Sweden: NGAM, Nordics Filial (Registration number 516405-9601 - Swedish Companies Registration Office). Registered office: Kungsgatan 48 5tr, Stockholm 111 35, Sweden. Spain: NGAM, Sucursal en España. Registered office: Torre Colon II - Plaza Colon, 2 - 28046 Madrid, Spain. In Switzerland This material is provided for information purposes only by NGAM, Switzerland Sàrl, Rue du Vieux Collège 10, 1204 Geneva, Switzerland or its representative office in Zurich, Schweizergasse 6, 8001 Zürich. In the U.K. This material is approved and provided by NGAM UK Limited which is authorised and regulated by the UK Financial Conduct Authority (register no. 190258). This material is intended to be communicated to and/or directed at persons (1) in the United Kingdom, and should not to be regarded as an offer to buy or sell, or the solicitation of any offer to buy or sell securities in any other jurisdiction than the United Kingdom; and (2) who are authorised under the Financial Services and Markets Act 2000 (FSMA 2000); or are high net worth businesses with called up share capital or net assets of at least £5 million or in the case of a trust assets of at least £10 million; or any other person to whom the material may otherwise lawfully be distributed in accordance with the FSMA 2000 (Financial Promotion) Order 2005 or the FSMA 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the "Intended Recipients"). To the extent that this material is issued by NGAM UK Limited, the fund, services or opinions referred to in this material are only available to the Intended Recipients and this material must not be relied nor acted upon by any other persons. Registered Office: NGAM UK Limited, One Carter Lane, London, EC4V 5ER. In the DIFC This material is provided in and from the DIFC financial district by NGAM Middle East, a branch of NGAM UK Limited, which is regulated by the DFSA. Related financial products or services are only available to persons who have sufficient financial experience and understanding to participate in financial markets within the DIFC, and qualify as Professional Clients as defined by the DFSA. Registered office: Office 603 - Level 6, Currency House Tower 2, PO Box 118257, DIFC, Dubai, United Arab Emirates. In Japan This material is provided by Natixis Asset Management Japan Co., Registration No.: Director-General of the Kanto Local Financial Bureau (kinsho) No. 425. Content of Business: The Company conducts discretionary asset management business and investment advisory and agency business as a Financial Instruments Business Operator. Registered address: 2-2-3 Uchisaiwaicho, Chiyoda-ku, Tokyo. In Taiwan This material is provided by NGAM Securities Investment Consulting Co., Ltd., a Securities Investment Consulting Enterprise regulated by the Financial Supervisory Commission of the R.O.C. Registered address: 16F-1, No. 76, Section 2, Tun Hwa South Road, Taipei, Taiwan, Da-An District, 106 (Ruentex Financial Building I), R.O.C., license number 2012 FSC SICE No. 039, Tel. +886 2 2784 5777. In Singapore This material is provided by NGAM Singapore (name registration no. 53102724D) to distributors and institutional investors for informational purposes only. NGAM Singapore is a division of Natixis Asset Management Asia Limited (company registration no. 199801044D). Registered address of NGAM Singapore: 10 Collyer Quay, #14-07/08 Ocean Financial Centre, Singapore 049315. In Hong Kong This material is issued by NGAM Hong Kong Limited. In Australia This document is issued by NGAM Australia Pty Limited (NGAM Aust) (ABN 60 088 786 289) (AFSL No. 246830) and is intended for the general information of financial advisers and wholesale clients only. In New Zealand This document is intended for the general information of New Zealand wholesale investors only and does not constitute financial advice. This is not a regulated offer for the purposes of the Financial Markets Conduct Act 2013 (FMCA) and is only available to New Zealand investors who have certified that they meet the requirements in the FMCA for wholesale investors. NGAM Australia Pty Limited is not a registered financial service provider in New Zealand. In Latin America This material is provided by NGAM S.A. In Chile Esta oferta privada se acoge a la Norma de Carácter General N°336 de la SVS de Chile. In Uruguay This material is provided by NGAM Uruguay S.A., a duly registered investment advisor, authorised and supervised by the Central Bank of Uruguay. Registered office: WTC - Luis Alberto de Herrera 1248, Torre 3, Piso 4, Oficina 474, Montevideo, Uruguay, CP 11300. The sale or offer of any units of a fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. In Colombia This material is provided by NGAM S.A. Oficina de Representación (Colombia) to professional clients for informational purposes only as permitted under Decree 2555 of 2010. Any products, services or investments referred to herein are rendered exclusively outside of Colombia. This material does not constitute a public offering in Colombia and is addressed to less than 100 specifically identified investors. In Mexico This material is provided by NGAM Mexico, S. de R.L. de C.V., which is not a regulated financial entity with the Comisión Nacional Bancaria y de Valores or any other Mexican authority. This material should not be considered an offer of securities or investment advice or any regulated financial activity. Any products, services or investments referred to herein are rendered exclusively outside of Mexico.

The above referenced entities are business development units of Natixis Global Asset Management, the holding company of a diverse line-up of specialised investment management and distribution entities worldwide. The investment management subsidiaries of Natixis Global Asset Management conduct any regulated activities only in and from the jurisdictions in which they are licensed or authorized. Their services and the products they manage are not available to all investors in all jurisdictions. It is the responsibility of each investment service provider to ensure that the offering or sale of fund shares or third party investment services to its clients complies with the relevant national law.

The provision of this material and/or reference to specific securities, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any security, or an offer of services. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. The analyses, opinions, and certain of the investment themes and processes referenced herein represent the views of the portfolio manager(s) as of the date indicated. These, as well as the portfolio holdings and characteristics shown, are subject to change. There can be no assurance that developments will transpire as may be forecasted in this material. Past performance information presented is not indicative of future performance.

Although Natixis Global Asset Management believes the information provided in this material to be reliable, including that from third party sources, it does not guarantee the accuracy, adequacy, or completeness of such information. This material may not be distributed, published, or reproduced, in whole or in part.

All amounts shown are expressed in USD unless otherwise indicated.