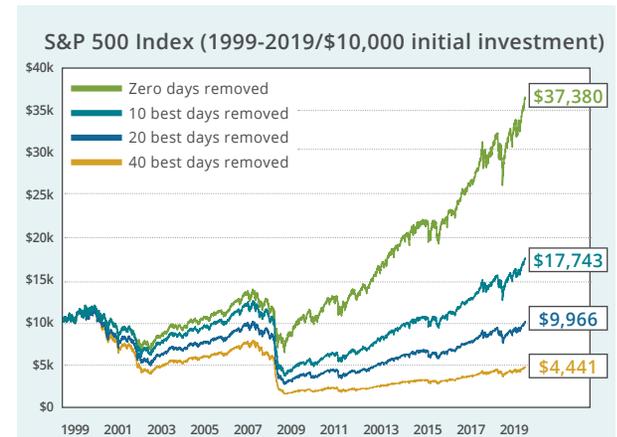


Markets are often volatile to the upside!

Think about what we've come to grips with over the past few weeks: the US economy faces an unprecedented, pandemic driven demand shock; the US Federal Reserve is engaged in a level of monetary policy support and liquidity creation unlike anything in its history; the S&P 500 Index's journey from a bull market to bear market was the quickest ever (taking just 20 days); a record 3.3 million Americans filed for unemployment insurance, and the Federal Government passed the largest fiscal stimulus package in our nation's history! This period – and its associated challenges to our country, our people, and our economy – is unprecedented. With that said, we think a few truths will continue to hold: risk assets are biased higher over the long term, the US economy will expand much more than it contracts, and market gains will come in big, clustered bunches. To the final point, consider last week's performance of the Dow Jones Industrial Average not only did the index put together its best three-day stretch since 1931, but it also recorded its best single-day gain since 1933 when it returned

nearly 12%. That return stream is a stark reminder as to why it is so difficult to time the market – hop out and you might avoid a few bad days, but it's as likely you will miss the market's best days. To make that dynamic trickier is that any year's best days tend to follow immediately on any year's worst days (consider the week of March 16, 2020, when we saw the Dow sell off nearly 9%). If we need another data set about the perils of market timing and the risk of missing the market's best days, consider if you invested \$10,000 into the S&P 500 in 1999 – and kept the money in the market – it would have been worth \$37,380 by the end of 2019. However, miss just the 40 best days for the market over that two-decade stretch and the \$37,380 portfolio is worth just \$4,441!

Periods of economic and market uncertainty are no fun, but during these difficult periods we must remind ourselves of the importance – and the financial benefit – of taking a long term view of things and of staying invested.



Stocks, bonds, and commodities (3/27/2020)

Security name	Last	QTD chg	YTD chg	12mo chg
S&P 500	2541.47	-21.34%	-21.34%	-9.73%
MSCI AC World ex USA	227.58	-24.56%	-24.56%	-18.11%
MSCI EAFE	1549.49	-23.93%	-23.93%	-16.96%
MSCI EM	842.54	-24.41%	-24.41%	-19.39%
Bloomberg Barclays US Agg	107.70	1.98%	1.98%	5.12%
Crude Oil WTI	21.84	-64.23%	-64.23%	-63.68%
Natural Gas	1.67	-23.76%	-23.76%	-37.30%

Treasury rates (3/27/2020)

	Price	Yield
2Y	100.082 / 100.0	0.242
3Y	100.184 / 100.1	0.301
5Y	100.154 / 100.1	0.401
7Y	100.120 / 100.1	0.569
10Y	107.252 / 107.2	0.682
30Y	118.046 / 118.0	1.267

Weekly reports

This week
<ul style="list-style-type: none"> Chicago PMI Nonfarm Payrolls
Last week
<ul style="list-style-type: none"> PMI Composite 40.5 Michigan Consumer Sentiment 89.1

Brinker Capital Market Barometer

MARCH 2020

The weight of the evidence has shifted negative moving through March as the response to the COVID-19 pandemic results in significant negative impacts on global growth and confidence. Portfolios are positioned with an underweight to risk, which is in-line with this view.

SHORT-TERM FACTORS (< 6 months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Momentum		●			Momentum weak; indiscriminate, liquidation selling
Trend		●			Trend weakened meaningfully; extreme oversold contidition
Investor sentiment				●	Short-term sentiment in extreme pessimism; longer-term getting very close
Seasonality			●		Seasonality a neutral approaching second quarter
INTERMEDIATE-TERM FACTORS (6-36 months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Fiscal policy			●		Expect a fiscal policy response, but nature and timing is unclear
Monetary policy				●	Fed all in to support markets and economy; Global central banks taking action
Inflation				●	Global inflation low and inflation expectations muted
Interest rate environment		●			Treasury yields have fallen to record lows, a concerning signal for growth
Macroeconomic	←	●			US economic growth negative in 2Q due to measures taken to prevent the spread
Business sentiment		●			CEO confidence likely to remain weak due to virus and election uncertainty
Consumer sentiment	←		●		Beginning to see impact of virus on consumer confidence
Corporate earnings	←	●			Global revenues and earnings will be negatively impacted by COVID-19 in 2020
Credit environment			●		Credit environment has worsened; selective by industry
LONG-TERM FACTORS (36+ months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Valuation	→			●	Equity valuations now more attractive relative to long-term averages
Business cycle	←	●			US recession now the base case given disruptions caused by COVID-19
Demographics			●		Mixed with US and emerging markets positive; developed intl. negative

Source: Brinker Capital. Information is accurate as of March 17, 2020. Themes and specific funds utilized to implement themes are discussed within the context of Brinker Capital's managed asset allocations and are based on current market conditions and constitute Brinker Capital's judgment and opinions, which are subject to change without notice. Past performance does not guarantee future results. Statements referring to future actions or events, such as the future financial performance of certain asset classes or market segments, are based on the current expectations and projections about future events provided by various sources, including Brinker Capital's Investment Management Group. These statements are not guarantees of future performance and actual events may differ materially from those discussed. Brinker Capital Inc., a registered investment advisor. MSCI AC World ex US Growth: An index made up of approximately the top 50% of the MSCI AC World ex US Index as composite ranked by five growth rates. This is a common proxy used to represent the growth segment of the developed international market. MSCI EAFE Index: A market-capitalized weighted index representing developed international equity markets located in Europe, Australia, Asia and Far East (EAFE). S&P 500 Index: An index consisting of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large-cap universe. Companies included in the Index are selected by the S&P Index Committee, a team of analysts and economists at Standard & Poor's. Barclays US Aggregate Index: A market capitalization-weighted index, maintained by Barclays Capital, and is often used to represent investment grade bonds being traded in the US. MSCI Emerging Markets: a float-adjusted market capitalization index representing 13% of global market capitalization. Captures mid and large cap across more than two dozen emerging market countries.