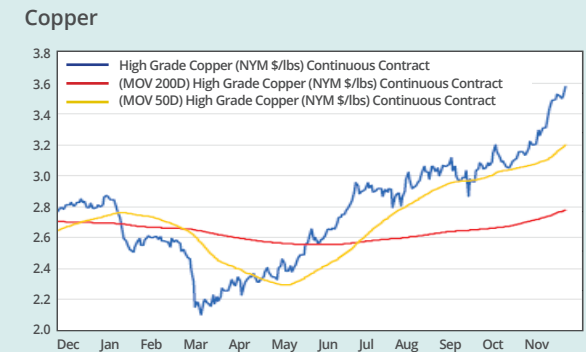
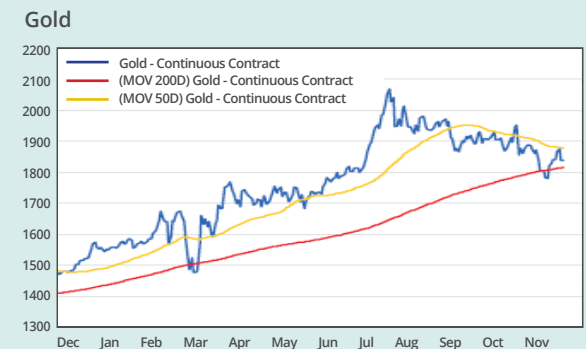


To paraphrase Yogi Berra, what can we observe by watching gold and copper?

The late, great Yogi Berra, in addition to winning 10 World Series with the New York Yankees, was the creator of numerous classic malapropisms, including, “You can observe a lot by just watching.” In that spirit, we turn to two of the world’s most important metals: one precious (gold) and one industrial (copper), and what we might observe about the outlook for the world’s economy by watching their recent performance. At the risk of oversimplifying things, gold, as the ultimate store of value, should do well during periods of economic and political uncertainty, and when interest rates are low and expected to fall further. Since gold doesn’t have a yield, a low yield environment flatters the metal. Copper, as it is designed into everything from trucks to trains, should do well when aggregate demand for finished goods is growing and the outlook for the economy is improving. As copper is priced in US dollars, its price rises as the US dollar goes down, and a declining US dollar, on balance, is a tailwind for global growth. Lately, gold has been on the back foot, selling off about 10% from its recent all-time high, while copper has been on

the front foot, trading at its highest level in almost eight years. The surge in copper and other industrial metals makes sense, as manufacturing activity (think factories making stuff) is outpacing service activity (think people going out to eat), and China, which is a voracious consumer of copper, is leading the global economic rebound. While we should never get too caught up in short-term performance, we think the relative returns of the two metals reflect the belief among many investors that COVID-19 vaccines and ongoing stimulus programs will lead to greater economic growth and manufacturing activity in 2021. We think that thinking is spot on.



Stocks, bonds, and commodities (12/11/2020)

Security name	Last	QTD chg	YTD chg	12mo chg
S&P 500	3663.46	8.93%	13.39%	15.62%
MSCI AC World ex USA	318.45	13.81%	5.56%	8.54%
MSCI EAFE	2090.16	12.66%	2.61%	5.03%
MSCI EM	1257.66	16.24%	12.83%	17.46%
Bloomberg Barclays US Agg	109.84	-0.23%	4.00%	4.11%
Crude Oil WTI	46.56	15.76%	-23.75%	-21.32%
Natural Gas	2.60	2.69%	18.55%	11.47%

Treasury rates (12/11/2020)

	Price	Yield
2Y	99.31 / 99.3	0.133
3Y	99.26 / 99.2	0.185
5Y	99.31 / 100.	0.377
7Y	99.28 / 99.2	0.640
10Y	99.22 / 99.2	0.905
30Y	99.31 / 100.	1.624

Weekly reports

This week
<ul style="list-style-type: none"> Capacity Utilization Philadelphia Fed Index
Last week
<ul style="list-style-type: none"> NFIB Small Business Index 101.4 Initial Claims 853K

Brinker Capital Market Barometer

NOVEMBER 2020

Despite uncertainty surrounding the outcome at the top of the ticket, the election results will likely leave us with a divided government, which we view as a positive outcome for markets. The ongoing COVID-19 pandemic's impact on economic growth will continue to be a factor in the near term. The Federal Reserve remains extremely supportive from a monetary policy perspective, and we expect additional fiscal support from Washington, D.C. in the coming months. Overall, the barometer tilts positive, in-line with our modest overweight to risk across portfolios.

SHORT-TERM FACTORS (< 6 months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Momentum				●	Market momentum remains solid
Trend				●	Market trends positive; US markets above 50-day and 200-day moving averages
Investor sentiment			●		Sentiment surveys show optimism but equity outflows continue
Seasonality	→ →			●	Seasonality stronger in months following a Presidential Election
INTERMEDIATE-TERM FACTORS (6-36 months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Fiscal policy				●	Expect additional fiscal policy support in the coming months
Monetary policy				●	Fed all in to support markets and economy; Global central banks also supportive
Inflation				●	Global inflation low; Fed committed to more flexibility with inflation target
Interest rate environment				●	Treasury yields remain at low levels but stable; yield curve positively sloped
Macroeconomic			●		Macroeconomic data has improved, but recovery will likely be uneven
Business sentiment	→		●		Both CEO confidence and small business confidence surveys have improved
Consumer sentiment		●			Continues to improve, but remains below pre-pandemic levels
Corporate earnings	→		●		Significant improvement in earnings growth in 2Q and 3Q; y/y growth still negative
Credit environment				●	Credit environment is stable and Fed remains supportive
LONG-TERM FACTORS (36+ months)					
	CHANGE	NEGATIVE	NEUTRAL	POSITIVE	
Valuation		●			Equity valuations above long-term averages but not a near-term driver
Business cycle			●		US exited recession that began in February; recovery uneven in short term
Demographics			●		Mixed - US and emerging markets positive but developed international negative

Source: Brinker Capital. Information is accurate as of November 4, 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.