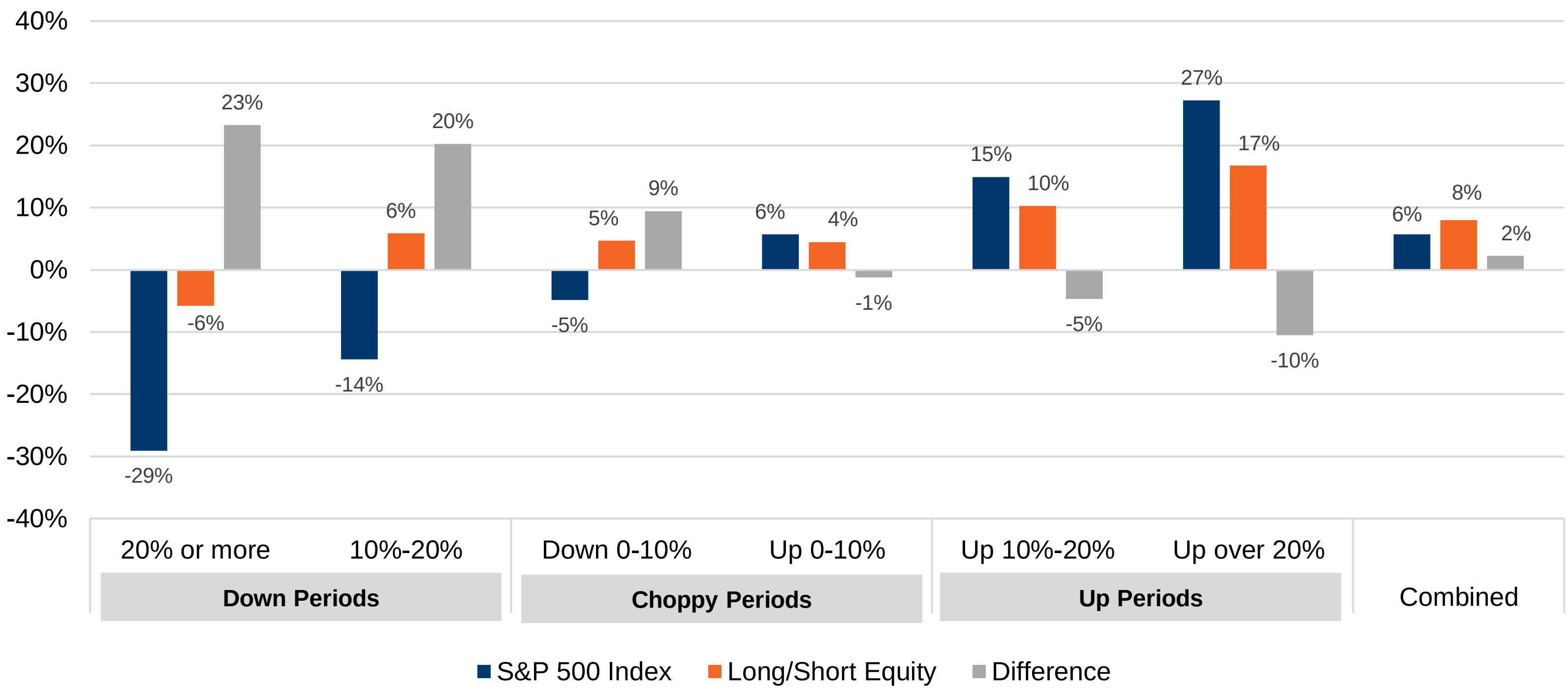
Long/Short Equity in Down or Choppy Markets

Value Added During Difficult Equity Markets

Hedged equity strategies are expected to trail the S&P 500 Index during strong equity rallies and outperform in falling or choppy markets. While the number of up market periods surpassed both the number of down and choppy periods over the last 20 years, Long/Short Equity's performance in difficult markets added significant value to a portfolio—outperforming on a cumulative basis over the 20-year period vs. long-only equities.

Rolling One-Year Returns (2000-2020)



	Market Return	S&P 500 Index	Long/Short Equity	Difference	# of Periods
Down Periods	Down 20%	-29.08%	-5.79%	23.29%	20
	Down 10-20%	-14.42%	5.85%	20.27%	19
Choppy Periods	Down 0-10%	-4.81%	4.77%	9.58%	18
	Up 0-10%	5.72%	4.48%	-1.24%	55
Up Periods	Up 10-20%	14.95%	10.30%	-4.64%	81
	Up 20% plus	27.22%	16.74%	-10.48%	42
	Avg. Annual Return	5.74%	7.97%	2.23%	
	Cumulative Return	214.23%	381.57%		

Past performance is not indicative of future results. Source: Morningstar and Eurekahedge. Long/Short Equity is represented by Eurekahedge. The 60/40 portfolio is represented by 60% S&P 500 Index and 40% Barclays Capital Aggregate Bond Index. Data from 01/01/00–06/30/20. Returns during periods represent average rolling 12-month returns for each investment.

S&P 500 Index is a commonly recognized, market capitalization weighted index of 500 widely held equity securities, designed to measure broad U.S. equity performance. **Barclays Aggregate Bond Index** is a broad bond index covering most U.S. traded bonds and some foreign bonds traded in the U.S. **Eurekahedge** is an independent data provider and alternative research firm that specializes in hedge fund databases covering North America, Europe, Asia and Latin America. It is a subsidiary of Mizuho Bank.