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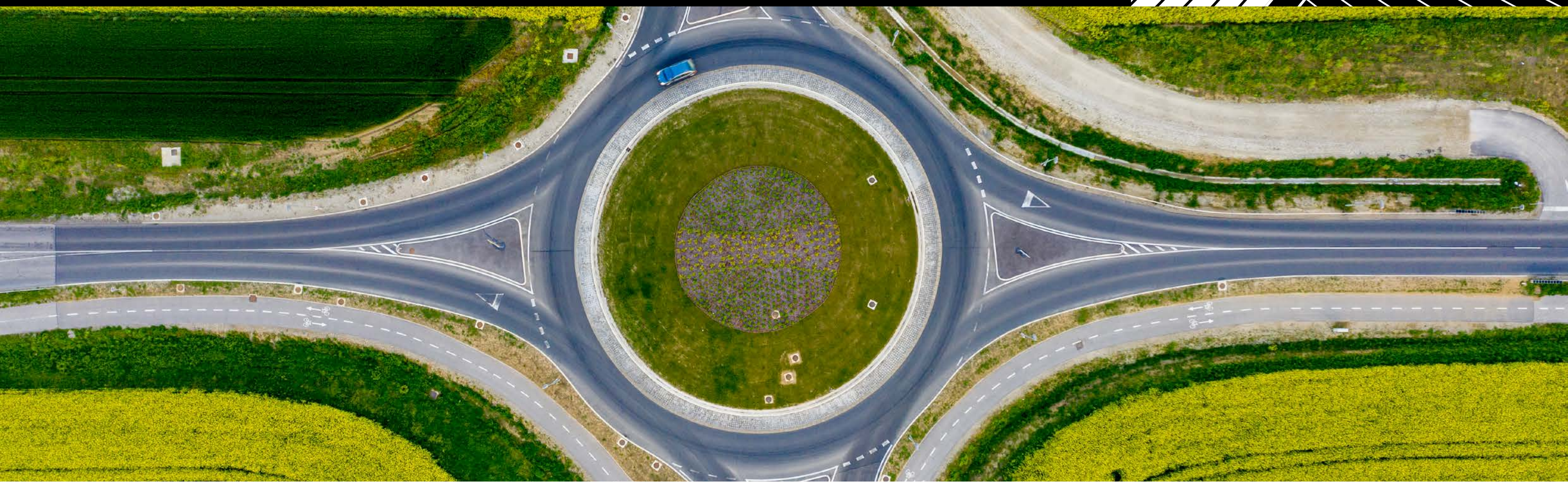
To hold or to fold?

Fixed Income Strategic Forum 2024 | Issue 01



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Introduction

A little known fact about the chart-topping, classic country song "The Gambler" is that it isn't actually about gambling, but rather about life and knowing how to best play the hand you are dealt.

When we met for the first Strategic Forum of 2024, the focus was on the notion of whether to "hold" on to our economic outlook views or "fold" on them, which brought the lines of this classic song to mind. Its memorable chorus goes further than to hold or to fold, also raising the importance of knowing when to "walk away" and even when to "run," all befitting the potential scenarios facing fixed income investors at the start of another year.

Extrapolating this metaphor, the essence of Issue 01 of the Fixed Income Strategic Forum 2024 is centered on the following key themes. Should fixed income investors:

- "Hold" the view of a recession in 2024? So many patterns and indicators still suggest this will occur.
- "Fold" and accept "it's different this time?" Will greater use of fiscal policy and ongoing episodic use of (at times, stealth) significant central bank liquidity continue to support markets and economies, particularly given 2024 is a US election year?
- "Walk away," acknowledging that the outlook for the economy isn't as important to financial markets as it once was? Indeed, the impact of central bank liquidity applications and reductions in the post quantitative easing (QE) enormous balance sheet world are significant and likely to result in more supported market outcomes.

- Or, perhaps, "run"? If even more loose use of fiscal policy (re)ignites inevitable concerns regarding a return to higher inflation, as well as the financing and trajectory of stretched government debt levels, the resultant outcome is the risk of significant long-end bond volatility with higher yields. Coupled with the potential for Japan to begin a hiking cycle, this scenario would be exacerbated, as Japanese savings favour domestic bonds over foreign bonds such as US Treasuries.

This bigger theme of greater use of fiscal policy is increasingly cited as "higher for longer" by those believing the post-pandemic global economy is markedly different than the one preceding it. Are we in a structurally new environment, one that features much higher utilisation of fiscal policy that results in "higher for longer?" Or are we returning to a lower cost of capital world? Increasingly popular opinion is warming to the possibility of the former. Even if this is the new reality, there is likely a sequencing of the journey to get there.

An appreciation of these themes commences with an in-depth assessment of prevailing economic and market conditions and includes a longer-term reflection of how we got here. Often knowing where we are going starts with a detailed appreciation of where we have been.

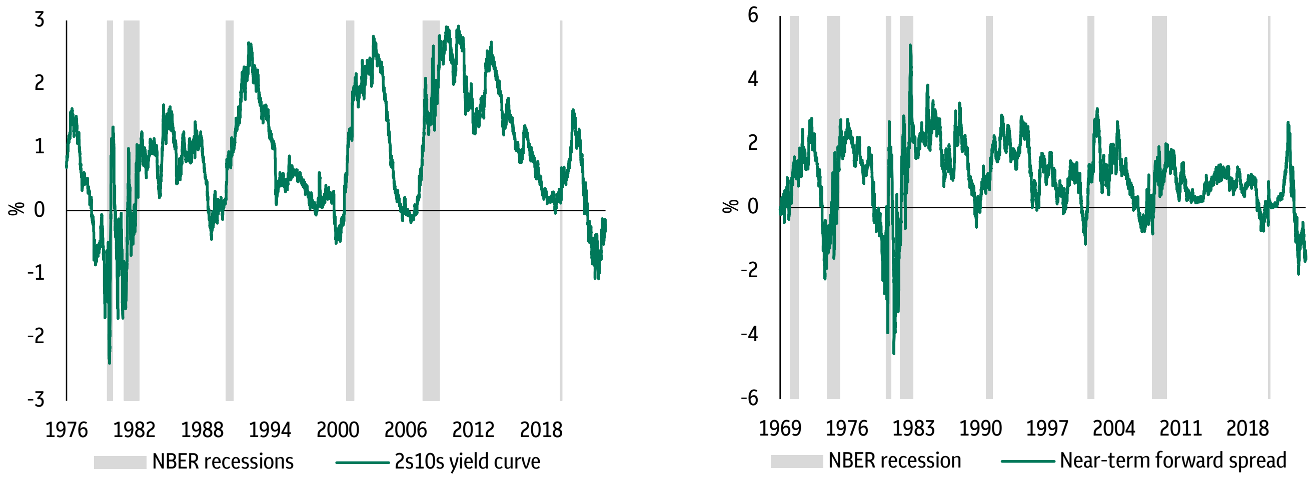
A 2024 recession – the case to hold

A case for recession in 2024 remains, with a large number of historical patterns, leading indicators, and economic data still cautioning that a recession is a strong possibility.

We fundamentally believe that monetary policy does work, albeit with long and variable lags, and it is now in restrictive and potentially overtightening territory. This has naturally led to credit tightening, and the economy is yet to feel the full impacts of the most aggressive hiking cycle in decades flow through. While many investors believe or hope this time is different, high interest rates and tight credit conditions have always mattered.

The protracted and significant inversion of the US yield curve continues and portends that "it's never different this time," as highlighted in Figure 1. While many are growing impatient, the inversion indicator is only now just at the average time for a recession to commence compared with past cycles.

Figure 1:
It's never different this time – curve inversion has always forewarned recession



Sources: Bloomberg, National Bureau of Economic Research (NBER), January 2024.

Many of the offsets to tighter monetary policy, such as the greater-than-expected fiscal pulse, are expected to wane as 2024 progresses. The significant government deficits and their increasing financing needs potentially temper the ability to continue spending more and more to support growth in the years ahead.

While financial markets enjoyed a very favourable rally into year end, it is normal for markets to make new highs just before a recession commences. Concerningly, the equity market is being narrowly led by a very small number of mega performers. The “Magnificent Seven” – the seven (or did it just become 6 given Tesla’s recent performance?) highest-performing and influential stocks that make up an incredible 31% of the S&P 500® Index – are not usually a healthy indicator.

A 2024 recession – the case to fold

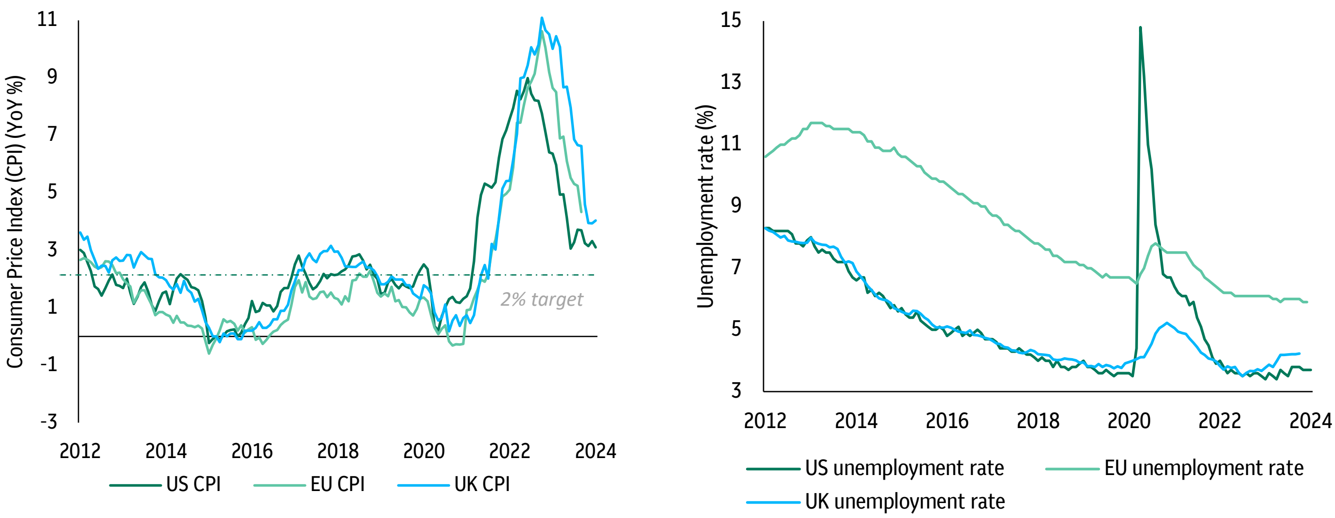
Assessing the counterarguments, the case for “it’s different this time” is also compelling.

- Post-pandemic effects continue to reverberate in the economy, particularly in the tight employment markets, which is a genuine difference this time.
- The sheer magnitude and the ongoing use of fiscal policy – infrastructure, on/friend-shoring, and, most notably, military spending – have played, and continue to play, a significant role in offsetting much tighter monetary policy.
- The artificial intelligence revolution and Magnificent Seven leading equity market performance are affording a “halo-like” sentiment boost to the broader environment. In addition, the proliferation of less interest-rate-sensitive borrowing and private market expansion (debt) may have changed the potency of tighter monetary policy.
- Central bank liquidity continues to play a significant supporting role in financial markets, being afforded quickly and amply when things strain or break (e.g. the response to stress in the US regional banking sector in March 2023). Also a late-year dovish pivot (seemingly from nowhere) from the US Federal Reserve enabled an impressive bull run and euphoric sentiment into the end of 2023. Such a powerful influence on sentiment heading into a new year cannot be underestimated.

With inflation now falling, while near full employment persists (as highlighted in Figure 2), the Fed can potentially ease monetary policy and achieve an unlikely soft landing. We should not forget, however, that it would be highly unusual for the Fed to ease interest rates without a growth or financial market dislocation catalyst, particularly when unemployment levels remain so low. And a recession hasn’t happened yet, like many, including ourselves, thought it would. Looking ahead, with a US election on the horizon, political influences may play a role.

Figure 2:

Inflation on track to return to target, while near full employment persists



Sources: US Bureau of Labor Statistics, EuroStat, Bank for International Settlements (BIS), UK Office for National Statistics.

Assessing the outlook for the US economy, the evidence suggests that there does not appear to be enough "organic" momentum within the economy to generate further growth without additional policy assistance. US economic growth will likely require further fiscal expansion and/or lower interest rates – likely both – to avoid a mild recession in 2024. Without them, the current resilience likely turns into fragility as the impacts of the long and variable lags of the most aggressive monetary policy hiking cycle in decades are increasingly felt. Hence, while markets have embraced the no/soft-landing outcome, the risk of a recession remains. Keeping a close eye on both monetary and fiscal policy adjustments will be important in avoiding a recession.

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Are markets running their own race?

Notwithstanding our analysis of the economy, we trade in financial markets, and it is clear that markets embraced the no/soft-landing outlook toward the end of 2023, aided at least in part by dovish rhetoric from the Fed in early November. Looking back on 2023, it is apparent that the economic cycle is not always reflected in financial markets. Lengthy disconnects can and do occur, with markets often moving in advance of the economic cycle. In 2023, other key influences were also at play – central bank (stealth) liquidity remained a powerful force and while quantitative tightening (QT) caught headlines, other balance sheet adjustments such as those to the Bank Term Funding Program and the end-of-year Treasury General Account refunding adjustments, similar to the reverse repurchase agreements in 2019, all contributed to liquidity applications and were supportive influences in financial markets.

While these programs and QT are continually forecast to recede, they often don't or are replaced by new ones. The likelihood that in 2024 a new liquidity program will be enacted is high. For example, some form of commercial real estate (CRE) program to aid the banking system seems possible or perhaps an outright return to QE. Can financial markets continue to remain disconnected from the economic cycle again this year? Are the influences of liquidity now greater than the influences of the economy? Hence, should one walk away from the view of the economy impacting financial markets and instead embrace trading ranges associated with application and reduction of liquidity?

Brave new fiscal world? Or a journey with sequencing to get there?

Next, there is the "greater use of fiscal policy" and the ever-increasing government deficits to consider. Will these prevailing forces play a larger role in determining market direction in the year ahead? Are we returning to a lower cost of capital world, or are we in a new environment, a "brave new fiscal world" that features much higher utilisation of fiscal policy and "higher for longer?" If so, is it time to run? Let's step back and place this into context.

Since 1980, monetary policy has been the preferred policy tool to manage the economic cycle, with limited embrace of fiscal policy. Reliance on monetary policy has encouraged the use of more and more debt/credit to support economic growth. Each cycle between 1980 and 2007 was characterised by prolonged "loose" monetary policy before hiking and breaking (debt-reliant) economies requiring a return to lower (then lower, and lower again) rates. This period was generally very favourable for users of credit and enabled the beginnings and the proliferation of the financialisation of developed world economies. It can be broadly characterised as "good times" by financial markets and asset prices. This three-decade pattern spurred an escalation of credit and debt, culminating in a bubble and its bursting in the global financial crisis (GFC) of 2007-2008.

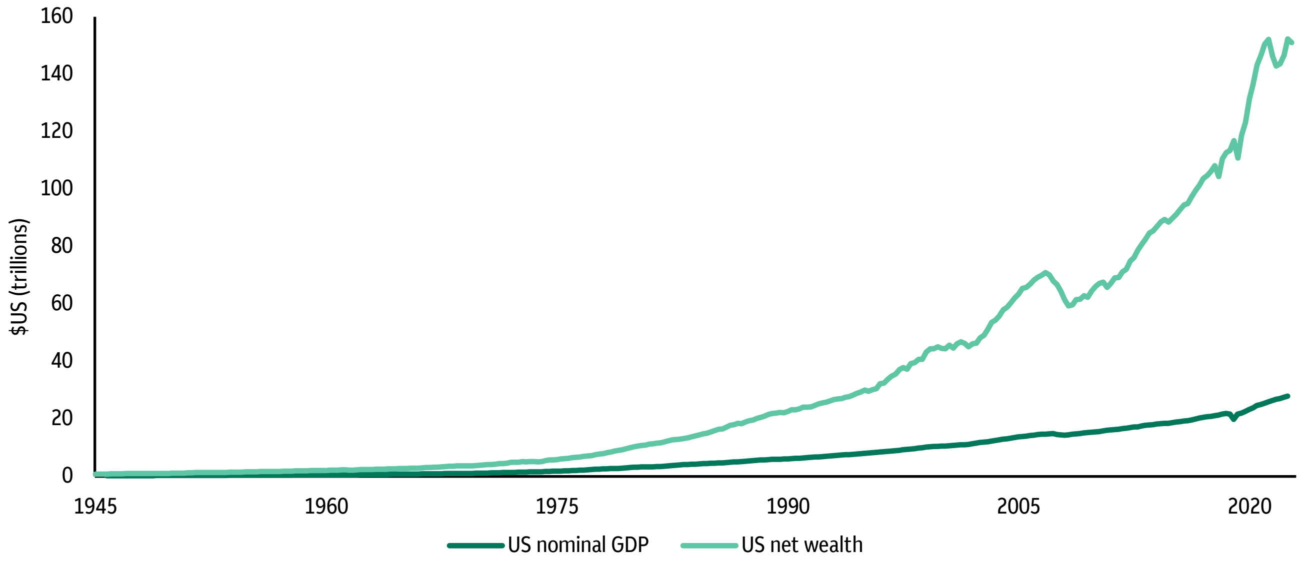
The GFC of 2007-2008: The bursting of the credit bubble required even more extreme policymaker reactions, resulting in monetary policy visiting the lowest of lower bounds – zero (and in some economies, even below zero). Monetary policy then eased even further than the zero bound, with QE deployed in what seemed to be enormous quantities. QE was required to inject liquidity into the banking and financial system to stave off its collapse. At the time, zero interest rate policy (ZIRP) and QE were expected to be temporary. Instead, they persisted for more than a decade. While a ripe period for the use of fiscal policy, it was only engaged episodically and to little effect, caught up in the beginnings of increasingly divided domestic politics.

Following the GFC, from 2009 up until 2020, the "lower for longer" environment ensued. Monetary policy stayed at the zero bound (leaving only briefly in 2019), and the ongoing use of once utterly unthinkable levels of QE (liquidity) in the trillions was now seen as normal and ultimately essential to support economic growth (or was it financial markets?). Upon reflection, it is no surprise to anyone that ZIRP and trillions in QE spurred the far greater expansion of the credit/debt burden as investors increasingly reached for yield in a yield-starved world. Again, fiscal policy remained underutilised, caught up in political stasis as once-favoured political centrists collapsed in a world of increasing inequality. This period of effectively zero cost of capital and abundant liquidity was almost perfect operating conditions for financial markets and asset prices – a bonanza, typified by the proliferation of private equity and then private debt.

Then in 2020, the COVID-19 pandemic occurred. The shutdowns that followed required sizable QE liquidity. Even more important, it was also the catalyst for governments to step up and "break glass in case of emergency" and enact massive programs of fiscal policy. Supply disruptions combined with fiscal stimulus created a considerable surge in inflation that then required the most aggressive monetary policy hiking response since 1979-1980. From 2022 to now, the resultant higher cost of capital world that the post-pandemic economy presented has been slowly, albeit with long and variable lags, challenging all things "financialisation" – the world that enjoyed years of ZIRP and QE. The environment has seen acute episodic stress events such as the US regional bank crisis and the challenges in CRE, and there will likely be others. These events have required policy responses (aka stealth liquidity from central banks) that ultimately also support financial markets. But now, the use of fiscal policy is no longer taboo. Indeed, it is increasingly seen as an essential policy lever in what is a very different post-pandemic economy and geopolitical world. A policy lever that increasingly populist-leaning governments are keen to utilise. Fiscal policy is back in favour.

Figure 3:

Net wealth versus GDP – the financial economy is now far greater than the real economy



Sources: US Bureau of Economic Analysis (BEA), Federal Reserve.

Stepping back to assess the path to today, we see that developed economies, having already exhausted lower and lower rates, then ZIRP, and then unthinkable liquidity, are now increasingly engaging and relying on fiscal policy to maintain their economic growth trajectories. If the prevailing environment is one of favourable economic growth conditions, it is highly likely that greater fiscal policy will need to be employed. Without it, economic growth will likely be subpar. A subpar growth environment will require much lower interest rates (this may be required regardless), and central banks will likely continue to support financial markets with abundant liquidity programs (this also seems likely regardless).

The significant problem with ongoing fiscal support is that current government deficits are already considerable. Existing debt levels are extremely elevated and forecast to worsen at an increasing rate, and this is before further fiscal utilisation is added, exacerbated by higher and higher interest cost burdens. In other words, government finances are already very stretched and require massive ongoing borrowing. This is no small problem in a world of fewer and fewer buyers of US Treasuries. Hence, a world of greater fiscal policy usage also has a significant byproduct – a higher cost of capital – i.e. higher interest rates.

While this initially sounds troubling for fixed income investors, the real takeaway is that a higher cost of capital world is the complete opposite to the one outlined above (and illustrated in Figure 3), the one that financial markets have enjoyed over the past few decades. What worked so well then will not work so well in a higher cost of capital world. All things financialisation will be challenged. “Higher for longer?” Be careful what you wish for.

Knowing whether to hold, fold, walk away, or run

In 2024, fixed income investors are grappling with these themes.

Hold – Will there be a recession requiring central banks to cut interest rates? If so, will they need to be as aggressive as the hiking cycle was? In other words, will they cut and cut much further than markets currently anticipate?

Fold – Will the US economy remain resilient and achieve a soft landing? In our opinion, this will require further fiscal expansion and/or lower interest rates, i.e. a loosening of monetary policy. It is likely to be both, as the current resilience turns into fragility when the impacts of long and variable lags of the most aggressive monetary policy hiking cycle in decades are increasingly felt.

Walk away – Does the economic outlook really matter that much in 2024 – it didn’t in 2023 – given the other reality of ongoing favourable (stealth) liquidity conditions that are likely to remain in place, even more so given 2024 is an election year? In other words, ignore the economic outlook and trade ranges based on the considerable impacts of ebbs and flows in liquidity.

Run – Or will markets begin to focus on future fiscal trajectories? These trajectories most likely would include greater, potentially aggressive fiscal expansion beyond the US election, bringing with it the increasing realities of stretched government finances requiring massive borrowing. Will bond markets swing widely and at higher yield levels as the prospect of greater fiscal policy, meaning higher growth and higher inflation episodes, all while increasing the genuine concerns relating to significant government debt supply issues? All of this could potentially be exacerbated by Japan joining the monetary policy hiking cycle.

So, what should fixed income investors do?

Our view – The euphoric sentiment in financial markets at the end of 2023 and into the start of this year has many doubting the likelihood of a recession – they say “it’s different this time.” While unpopular, we feel the high probability of a recession remains. If the Fed does ease monetary policy and continues to provide other forms of liquidity support, we appreciate that a recession may be avoided and that financial markets could look through any weakness in the economy. However, we are wary given most risk assets including equities and credit markets are already priced for this upside scenario. Have they run too far too soon? We’ll see. History illustrates that if there is a recession, risk asset markets do not react until the recession is afoot, then they adjust considerably and do not bottom until the easing cycle concludes. Nonetheless, we acknowledge that in the post-QE, massive central bank balance sheet world, especially with an upcoming US election, financial markets are likely to get further assistance if and when required.

In an environment where monetary policy is in overtightening territory (indeed, “higher for longer” is truly a case of be careful what you wish for), fiscal policy is loose amid already-stretched government finances, uncertain internal politics (with elections everywhere) continue to proliferate, and geopolitical risks (Ukraine, Middle East, trade route disruptions) are also rising, the year ahead should be one in which volatility is heightened. At the current juncture, (liquidity assisted) markets do not seem to be priced for such uncertainties. Therefore, for now, we prefer to stay liquid, stay longer duration, and remain patient for better entry levels in credit markets. While we are wary of the inevitable greater use of fiscal policy and its increasingly concerning impact on government financing as well as its potential to create stickier inflation, we sense the sequence is bond yields down first, with late 2024 into 2025 and beyond the election cycle a period that perhaps incorporates greater bond yield curve volatility.

Fixed income investment implications

Although the global economy has been more resilient than expected, many of the signposts for a downturn still remain intact, while key drivers of resilience seem to be waning. These areas of support may continue for a little while longer – particularly given it is an election year – however, we are mindful that "it's never different this time," and bouts of optimism before a recession are not uncommon. We are watchful for these continued signs of support but remain of the view that economic downside risk remains elevated.

Against this backdrop, we observe that, broadly speaking, market participants are pricing in almost entirely optimistic scenarios with equity indices at all-time highs and credit spreads at close to historical tights. We see this immaculate shift as highly unlikely when compared with even an objectively balanced view of risks going forward and as such remain in a prudent and cautious investment position. We stay focused on maintaining elevated levels of liquidity and a defensive mindset favouring duration, which provides attractive yields and a risk offset, along with high-quality investment grade credit, which we expect to be less impacted should we see volatility arise. Concurrently, we stand ready to lean into markets more heavily should we see valuations become more attractive and are actively seeking out individual pockets of opportunity and value that do remain across markets.

- **Rates:** Bond yields fell significantly in 4Q 2023 with markets pricing in an aggressive amount of rate cuts in the US, though compared with historical levels they remain elevated. Central bank rhetoric is pushing back on the amount of easing that is priced in, however, the end of their hiking cycle is broadly upon us. Rates exposure remains our preferred expression of our investment outlook with the view to add duration should yields pick up though will be more nuanced in regard to timing as market pricing of cuts and supply dynamics will likely have an impact on the volatility in the shorter term. We have shifted our exposures down to the front and middle of curves, to position for the end of the hiking cycle.
- **Credit:** Credit fundamentals continue to be finely balanced though with some level of deterioration expected as we head later in the credit cycle. All-in yields in credit markets are providing a compelling return proposition and are driving flows. However, spreads do not reflect the heightened volatility backdrop for markets and the uncertain economic outlook, and as such, we remain disciplined on total risk exposures. We see selective security opportunities, in financials, utilities, and short-dated investment grade exposures. Within higher beta sectors, we prefer high yield over loans, noting that high yield generally performs well after rate pauses, though we remain patient for appropriate entry levels.
- **Emerging markets (EM) debt:** The global backdrop continues to be the main driver for the asset class, with spreads on hard currency debt at fairly tight levels though in line with global credit equivalents. EM currency performance is dependent on the US dollar trajectory, and we await more attractive conditions to increase local currency exposure. Technical support is evident with increased interest in the asset class and relatively under-invested by crossover. We maintain a neutral view on the sector but are taking a selective approach in opportunities, particularly within the BB ratings bucket, which offers more opportunities.
- **Structured securities:** US agency mortgage-backed securities (MBS) continue to exhibit favourable valuations with underlying US housing market fundamentals still resilient – this remains our favoured exposure within structured products market. Australian residential MBS spreads are at wides of historical ranges. We see these as attractive but through higher-quality transactions, which are offering attractive spreads backed by robust structures. We remain defensive within commercial MBS as CRE fundamentals will be slow to recover, and we expect loan delinquencies to trend higher.
- **Currency:** We believe the US dollar has peaked for the cycle, but the downward trend will be slow and prone to bouts of volatility until the outlook for growth, inflation, and central policy becomes clearer. Elsewhere, the euro looks vulnerable given its weaker growth outlook and elevated geopolitical risks. The Bank of Japan is the only G10 central bank likely to tighten policy this year, and while carry remains a drag, we favour buying the Japanese yen on dips. Likewise, the Australian dollar should also benefit from narrowing rate differentials while looking cheap from a valuation perspective.

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Past performance does not guarantee future results.

Diversification may not protect against market risk.

Fixed income securities are subject to credit risk, which is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower expects to use future cash flows to pay a current debt. Investors are compensated for assuming credit risk by way of interest payments from the borrower or issuer of a debt obligation. Credit risk is closely tied to the potential return of an investment, the most notable being that the yields on bonds correlate strongly to their perceived credit risk.

Fixed income securities are also subject to interest rate risk, which is the risk that the prices of fixed income securities will increase as interest rates fall and decrease as interest rates rise. Interest rate changes are influenced by a number of factors, such as government policy, monetary policy, inflation expectations, and the supply and demand of securities. Fixed income securities with longer maturities or duration generally are more sensitive to interest rate changes.

Fixed income securities may also be subject to prepayment risk, which is the risk that the principal of a bond that is held by a portfolio will be prepaid prior to maturity at the time when interest rates are lower than what the bond was paying. A portfolio may then have to reinvest that money at a lower interest rate.

Market risk is the risk that all or a majority of the securities in a certain market – like the stock market or bond market – will decline in value because of factors such as adverse political or economic conditions, future expectations, investor confidence, or heavy institutional selling.

Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis, and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Strategy's investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries. These disruptions could prevent the Strategy from executing advantageous investment decisions in a timely manner and could negatively impact the Strategy's ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value and risk profile of the Strategy.

International investments entail risks including fluctuation in currency values, differences in accounting principles, or economic or political instability. Investing in emerging markets can be riskier than investing in established foreign markets due to increased volatility, lower trading volume, and higher risk of market closures. In many emerging markets, there is substantially less publicly available information and the available information may be incomplete or misleading. Legal claims are generally more difficult to pursue.

Currency risk is the risk that fluctuations in exchange rates between the US dollar and foreign currencies and between various foreign currencies may cause the value of an investment to decline. The market for some (or all) currencies may from time to time have low trading volume and become illiquid, which may prevent an investment from effecting positions or from promptly liquidating unfavourable positions in such markets, thus subjecting the investment to substantial losses.

Credit risk is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower expects to use future cash flows to pay a current debt. Investors are compensated for assuming credit risk by way of interest payments from the borrower or issuer of a debt obligation. Credit risk is closely tied to the potential return of an investment, the most notable being that the yields on bonds correlate strongly to their perceived credit risk.

Mortgage-backed (MBS) and asset-backed (ABS) securities, like other fixed income securities, are subject to credit risk and interest rate risk, and may also be subject to prepayment risk and extension risk. Extension risk is the risk that principal on mortgage-backed or asset-backed securities will be repaid more slowly than expected, which may reduce the proceeds available for reinvestment in higher yielding securities. MBS and ABS may decline in value, become more volatile, face difficulties in valuation, or experience reduced liquidity due to changes in interest rates or general economic conditions. Certain MBS or ABS, such as collateralized mortgage obligations, real estate mortgage investment conduits, and stripped MBS, may be more susceptible to these risks.

Inflation is the rate at which the general level of prices for goods and services is rising, and, subsequently, purchasing power is falling. Central banks attempt to stop severe inflation, along with severe deflation, in an attempt to keep the excessive growth of prices to a minimum.

Liquidity risk is the possibility that securities cannot be readily sold within seven days at approximately the price at which a fund has valued them.

The global financial crisis (GFC) refers to the period of extreme stress in global financial markets and banking systems between mid-2007 and early 2009.

Gross domestic product (GDP) is a measure of all goods and services produced by a nation in a year. It is a measure of economic activity.

Quantitative easing (QE) is a government monetary policy used to increase the money supply by buying government securities or other securities from the market. Quantitative easing increased the money supply by flooding financial institutions with capital in an effort to promote increased lending and liquidity.

Quantitative tightening (QT) refers to when central banks raise interest rates. In a tightening monetary policy environment, a reduction in the money supply is a factor that can significantly help to slow or keep the domestic currency from inflation.

Recession is a period of temporary economic decline during which trade and industrial activity are reduced, generally identified by a fall in GDP in two successive quarters.

A Treasury yield refers to the effective yearly interest rate the US government pays on money it borrows to raise capital through selling Treasury bonds, also referred to as Treasury notes or Treasury bills depending on maturity length.

The yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality, but differing maturity dates. The most frequently reported yield curve compares the 3-month, 2-year, 5-year, and 30-year US Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates. It is also used to predict changes in economic output and growth.

The shape of the yield curve is closely scrutinized because it helps to give an idea of future interest rate change and economic activity. There are three main types of yield curve shapes: normal, inverted and flat (or humped). A normal yield curve is one in which longer maturity bonds have a higher yield compared to shorter-term bonds due to the risks associated with time. An inverted yield curve is one in which the shorter-term yields are higher than the longer-term yields, which can be a sign of upcoming recession. A flat (or humped) yield curve is one in which the shorter- and longer-term yields are very close to each other, which is also a predictor of an economic transition. The slope of the yield curve is also seen as important: the greater the slope, the greater the gap between short- and long-term rates.

Yield curve inversion is when coupon payments on shorter-term Treasury bonds exceed the interest paid on longer-term bonds.

The **Consumer Price Index** (CPI) is a measure of inflation representing changes in prices of goods and services purchased for consumption by households.

The **S&P 500 Index** measures the performance of 500 mostly large-cap stocks weighted by market value, and is often used to represent performance of the US stock market.

Index performance returns do not reflect any management fees, transaction costs or expenses. Indices are unmanaged and one cannot invest directly in an index.

Economic trend information is sourced from Bloomberg unless otherwise noted.

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