BENEFIT OF DIVERSIFICATION AND A LONG TIME HORIZON

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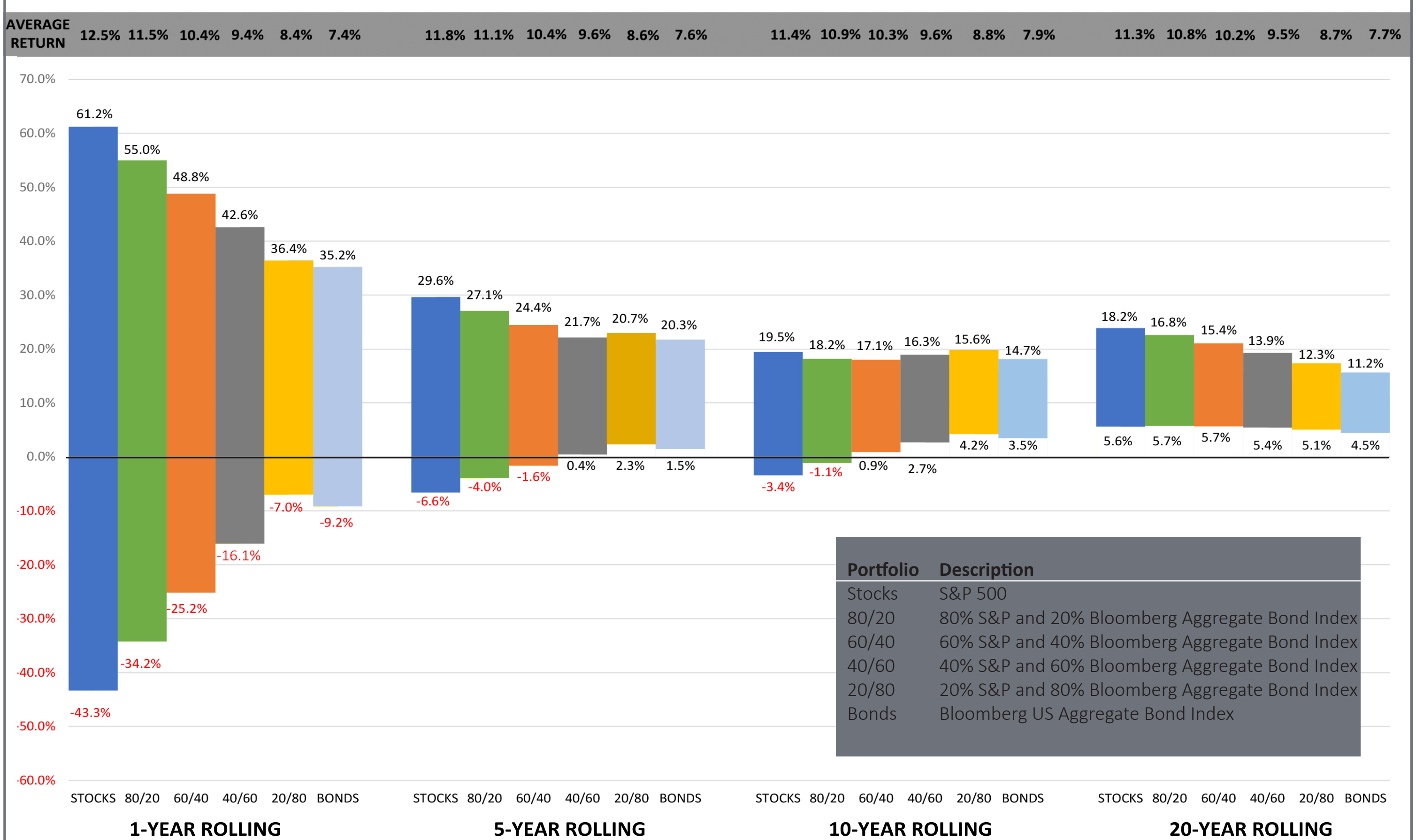
We hope you are all staying safe and healthy during this challenging period. During periods of anxiety and market volatility, we continue to stress the importance of portfolio diversification and the advantage of a long time horizon. We help our clients through these difficult times by ensuring their upcoming cash flow needs are covered, while managing the rest of their assets in globally diversified portfolios designed to meet longer-term goals. The following chart shows the range of outcomes for several different portfolios over rolling 1-, 5-, 10-, and 20-year periods.

Note the benefit of:

Diversification: Diversified portfolios can lead to more consistent and less volatile results than a single asset class. Consistency and downside protection are both critically important to long-term investment success. In our series on portfolio diversification we also highlighted the **benefits across various asset classes**, and **global equities**.

Long Time Horizon: Markets can be extremely volatile in the short term and equity drawdowns can be severe and occur suddenly. Returns are not linear, and markets do not rise by an equal amount every week, month, year, or even decade. The longer the investment time horizon the greater the odds of positive returns. The market goes up over time as difficult periods do not last forever.

Range of stock, bond, and portfolio returns
Annualized total returns from 1976-2019



Source: Bloomberg. Total annualized returns are calculated using 12-month rolling periods from January 1967 to October 2019. Portfolios are re-balanced annually.

DISCLOSURES:

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.

The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies promoted will be successful.

No strategy assures success or protects against loss. Asset allocation does not ensure a profit or protect against loss. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

All indexes mentioned are unmanaged indexes which cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. Past performance is no guarantee of future results.

The Standard & Poor's 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of the U.S. investment-grade fixed-rate bond market, including both government and corporate bonds.