BOARD OF TRUSTEES
Cobb County Government Employees' Pension Plan Trust
Other Post Employment Benefits (OPEB) Trust
Meeting of October 9, 2019
2nd Fl. BOC Meeting Room 8:00 A.M.

Agenda

I. Invitation for Public Comment

II. Manager Reports
   a. Richmond Capital – *Beth Barron*
   b. Eagle Asset (Carillion)– *Clay Lindsey*

III. Approval of Minutes – *Hagler*

IV. Approve Calendar Dates for 2020

V. Invoice Payments Approval – *Volckmann*

VI. Trust Report – Suntrust – *Lisa Allen*

VII. Advisor Report – UBS – *Earle Dodd, Allen Wright, Van Price, and Austin Dodd*

VIII. New Business

IX. Adjourn

Next Trustee Meeting – Wednesday, December 4, 2019 - 8:00 a.m. to 9:00 a.m.

BOARD OF TRUSTEES
Cobb County Government Employees' Pension Plan Trust
Other Post-Employment Benefits (OPEB) Trust
Meeting of October 9, 2019
2nd Fl. BOC Meeting Room 8:00 A.M.

Present:
Roger Tutterow, Chair
Sheriff Neil Warren, Vice-Chair
Virgil Moon, Trustee
Tony Hagler, Trustee/Secretary
Bill Volckmann, Trustee

A scheduled meeting of the Board of Trustees of the Cobb County Employees Retirement Plan was called to order by Roger Tutterow at 8:00 a.m. in the 2rd Floor Board of Commissioners Board Room, 100 Cherokee Street, Marietta, Georgia. The following items of business were discussed:

I. Invitation for Public Comment
No comments

II. Managers Reports
a. Loomis Sayles – Gretchen Amidon
b. TCW – Brian McNamara

III. Approval of Minutes

A motion was made by Virgil Moon and seconded by Tony Hagler to approve the minutes for the August 14, 2019 meeting.

Vote: 5 - 0, in favor

IV. Approve Calendar Dates for 2020

Tabled until next Board of Trustee Pension Meeting

V. Ratify Invoice Payments Approval

A motion was made by Neil Warren and seconded by Virgil Moon to approve Two (2) invoices totaling $7000.00 for OPEB, one (1) invoice totaling $18,249.92 for the Defined Contribution Plan, and six (6) invoices totaling $55,689.45 for the Employees Retirement Plan.

Vote: 5 - 0, in favor

VI. Trust Report – SunTrust – *Lisa Allen*

VII. Advisor Report – UBS Consulting – Allen Wright, Austin Dodd

VIII. New Business

IX. Adjourn

A motion was made by Virgil Moon and seconded by Neil Warren to adjourn. Pension Meeting was adjourned at 9:08 a.m.

Vote: 5 – 0, in favor

The next tentatively scheduled meeting will be on December 4, 2019 at 8:00 a.m. in the 2nd Floor Board of Commissioners Board Room, 100 Cherokee Street, Bldg. A., Marietta, Georgia.

CERTIFIED CORRECT:

________________________	________________________
Anthony B. Hagler	Roger Tutterow
Secretary	Chair

UBS House View

Investment Strategy Guide
October 2019

Chief Investment Office
Global Wealth Management
US edition

Helicopters wanted

House View Website: Visit our mobile-friendly website, ubs.com/houseview, to experience our monthly publication online.

Mike Ryan, CFA

Chief Investment Officer Americas,
Global Wealth Management

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Dear reader,

Stocks have struggled to move higher than their summer peak. Trade tensions have been a headwind, but investors are also concerned that there might not be enough "firepower" left for policymakers to enact stimulus and keep the economy from heading toward a recession. This month's **Feature** article investigates the outlook for monetary and fiscal policy, and concludes that—with some exceptions—the world economy will likely need to rely on monetary policy to help mitigate the current growth slowdown.

Our **In Context** article reviews recent performance and sets the stage for the rest of 2019. We believe stocks will continue to struggle to move meaningfully higher in the absence of greater clarity on trade and growth dynamics, but we only recommend a small tactical underweight to stocks. Our **Asset allocation implementation** section details our positioning, including the introduction of a new environmental, social, and governance (ESG) high yield asset class in our Sustainable Investing portfolios. As a reminder, our **Detailed asset allocation** section is available as a standalone report, available at ubs.com/houseview.

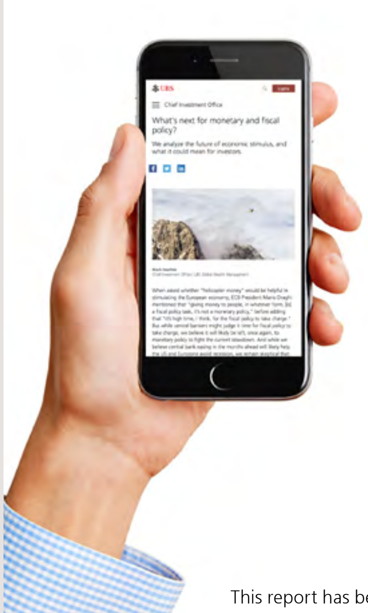
This month, global leaders converged on the United Nations headquarters in NYC to review progress toward the Sustainable Development Goals (SDGs). As our **Thematic Spotlight** explores, we see an opportunity for companies—and investors—to profit by proactively addressing SDGs such as "Zero Hunger" and "Clean Water and Sanitation", and we highlight such investments through our Longer Term Investments (LTI) series.

Regards,

Mike Ryan

Monthly House View
live stream:
3 October 2019
1:00 PM ET
ubs.com/ciolive
Add to calendar

A dial in is also available
Dial in: 1-877-200-4456
Passcode: 46502#



Access our report in a monthly email or on our new House View website at ubs.com/houseview

CIO Preferences

	underweight	neutral	overweight
Total equities - pg. 20	⊖		
Global		⊜	
US all-cap		⊜	
US large-cap growth		⊜	
US large-cap value		⊜	
US mid-cap		⊜	
US small-cap		⊜	
Int'l developed market	⊖		
Japanese		⊜	
Emerging market	⊖		
Total bonds - pg. 22			⊕
US government	⊖		
US Treasuries (long)		⊜	
US TIPS			⊕
US municipal		⊜	
US investment-grade corporate		⊜	
US high-yield		⊜	
Int'l developed market		⊜	
Emerging market		⊜	
EM hard-currency			⊕
Cash		⊜	

This is a visual summary of our preferences. For the full detailed asset allocations see our full detailed asset allocation tables report. This table reflects positioning changes made in our intra-month report: *UBS House View update: Lowering risk in portfolios on rising trade tensions*, published on 26 August 2019.

⊕ **Overweight**
Tactical recommendation to hold more of the asset class than specified in the moderate risk strategic asset allocation.

⊖ **Underweight**
Tactical recommendation to hold less of the asset class than specified in the moderate risk strategic asset allocation.

⊜ **Neutral**
Tactical recommendation to hold the asset class in line with its weight in the moderate risk strategic asset allocation.

Also in this report

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10 In context

12 Asset allocation implementation

14 Bull market monitor

15 Questions we're tracking

16 Top themes

18 Global outlook

26 Key forecasts

26 US sector allocation

Helicopters wanted

Stimulus incoming

It will likely be left to monetary policy again to fight the current slowdown, and we expect further easing in the months ahead.

Limited effect

With interest rates already as low as they are around the world, the impact of further monetary stimulus may be limited.

Shifting tide

Central bankers may think it is time for fiscal policy to take charge, but we don't expect enough stimulus to move markets much higher from here.

Asset allocation

We underweight equities and recommend an overweight to inflation-protected securities and emerging market bonds.

Mark Haefele

Global Chief Investment Officer
Wealth Management

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It will likely be left to monetary policy to fight the current slowdown.

In making *Apocalypse Now*, director Francis Ford Coppola learned that if you want to get something done you need government helicopters, famously locating film production in the Philippines when the country's then-president agreed to provide him with military equipment.

The need for government helicopters was also a theme in outgoing European Central Bank (ECB) President Mario Draghi's recent press conference. When asked whether "helicopter money" would be helpful in stimulating the European economy, he said that "giving money to people, in whatever form, [is] a fiscal policy task, it's not a monetary policy", before adding that "it's high time, I think, for the fiscal policy to take charge".

While central bankers might judge it to be "high time" for fiscal policy to take charge, we don't yet see helicopters full of money on the dawn horizon. Setting aside our own ideas about the cinematic merits of *Apocalypse Now* or the economic wisdom of helicopter money, in this letter I look at how we see developments in fiscal and monetary policy impacting markets.

Germany has the capacity to enact fiscal stimulus, but it appears willing to do so only after an economic crisis materializes. A split US congress, meanwhile, is likely to block any large stimulus measures ahead of next year's US presidential election. And while China has both the means and the will to use fiscal policy, it is likely only to pursue modest stimulus in this cycle, given its desire to constrain debt growth.

It will therefore likely be left, once again, to monetary policy to fight the current slowdown, and we expect central banks to continue to deliver monetary easing in the months ahead. This should help the US and Eurozone economies avoid recession and mitigate market downside. It is also possible that trade policy could surprise to the upside before scheduled tariffs come into effect. That said, we remain skeptical that central banks, in the absence of a trade agreement, have sufficient firepower to drive meaningful gains in the market. We also have to acknowledge that hopes for a trade deal have been dashed many times before.

We position for this tactical environment through an underweight in equities, particularly international stocks, which are more susceptible to trade tension risks. We recommend an overweight to US dollar-denominated emerging market (EM) sovereign bonds, which offer a yield pickup over similar-risk corporate bonds, and to

Treasury Inflation-Protected Securities (TIPS), which can benefit from higher inflation expectations being fostered by an easier Fed. In more-aggressive portfolios, we recommend an allocation to long-duration Treasuries to help protect against equity market volatility.

Fiscal policy

Whether governments *should* or *can afford to* spend more money is ultimately a political question. As investors, we need to understand the current political philosophy of those leading the major economies, interpret what that philosophy means for the likelihood of fiscal stimulus, and consider whether upcoming events might alter that philosophy or governments' reaction function.

We currently do not foresee enough fiscal stimulus to drive further near-term upside in markets.

With this in mind, we currently do not foresee fiscal stimulus sufficient to drive further near-term upside in the markets in any of the major economies.

In the Eurozone, the Maastricht Treaty limits fiscal deficits to 3% of GDP, so the scope for stimulus in the region is limited. The region's largest economy, Germany, does have the space to provide stimulus within this restriction, but it appears committed to its balanced budget stance for 2020.

Finance Minister Olaf Scholz has said that "we are in a position to counter an economic crisis with many, many billions of euros, if one actually breaks out in Germany and Europe". But this merely confirms that fiscal policy will be reactive, rather than proactive, and the "many, many billions" was later confirmed to be EUR 50bn, equivalent to just 1.5% of German and 0.4% of Eurozone GDP.

A technical recession alone may not be enough to trigger higher government spending in Germany.

Our conversations with senior economists and policymakers in the country suggest that the bar for changing this stance is set relatively high. While a major escalation in the US-China trade conflict or a hard Brexit may suffice to trigger a rethink, a technical recession alone may not be enough to trigger higher government spending.

The US has shown greater historical willingness to enact fiscal stimulus. Most recently, in 2017, it enacted tax cuts that boosted the country's GDP by 0.3% in 2018, according to the Congressional Budget Office. However, a divided congress means significant stimulus measures in the near term look unlikely.

Congress will likely block near-term fiscal stimulus in the US.

We will be watching the US presidential race closely for signs of what the country thinks about the role of fiscal policy in shaping the economy these days. In particular, we will be listening for whether candidates float ideas for closer coordination between fiscal and monetary authorities. Such approaches could lead the US to run much larger deficits, albeit at the risk of higher inflation.

While China has used stimulus effectively in the past, global investors are unlikely to feel the effects of stimulus there as much as they have in previous years.

China has also used stimulus effectively in the past, most notably in the aftermath of the 2007–09 financial crisis when it helped the world avoid an even worse downturn. And this year it has already enacted a package of tax and fee cuts worth around 2% of GDP, while also permitting a larger local government bond quota of CNY 3.1tr this year versus CNY 2.2tr last. This quota could even be raised in 4Q to support infrastructure investment.

Read more on
ubs.com/houseview

Unlike in 2008, however, policymakers are far more conscious of the potential side effects of excessive stimulus, which include rising inflation, debt, and property prices. So any continued injections of funds into the economy are likely to be more measured and reactive, as well as subject to changes in the economic outlook and progress in trade talks with the US. Global investors are therefore unlikely to feel the effects of Chinese stimulus as much as they have in previous years.

In sum, the prospects of near-term fiscal stimulus in the US and the Eurozone are low, and action in China will depend on economic developments. With isolated exceptions, like India, most heavyweights of the world economy are likely to rely on monetary policy to help mitigate the current growth slowdown.

In the past month, eight major central banks have cut rates.

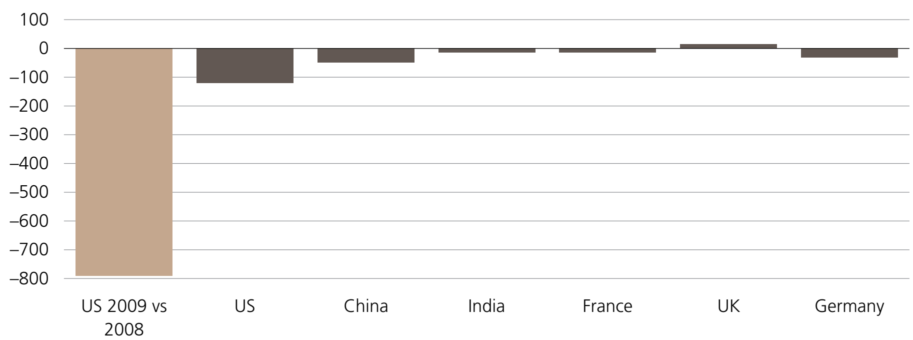
Monetary policy

Central banks have not just talked about the need for more governmental policy to support growth; they have taken action. In the past month, eight major central banks have cut rates.

Figure 1

Fiscal stimulus will be limited in major economies

Budget balance net change (2019 forecast versus 2018 and US 2009 versus 2008), in USD billions

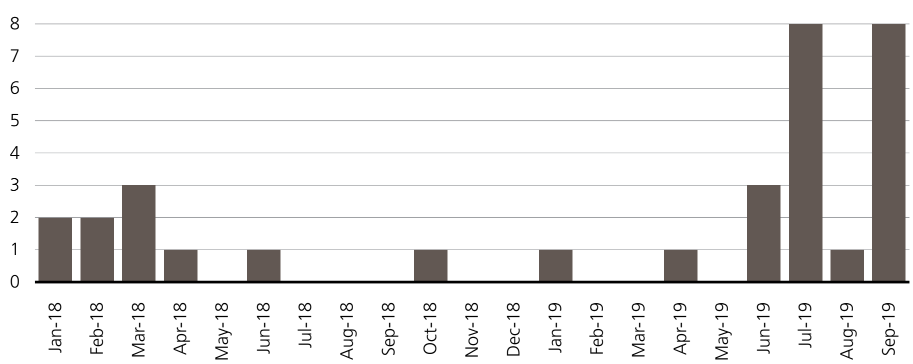


Source: UBS, as of 25 September 2019

Figure 2

Central banks have already taken action

Number of rate cuts by the world's central banks



Source: Bloomberg, UBS, as of 25 September 2019

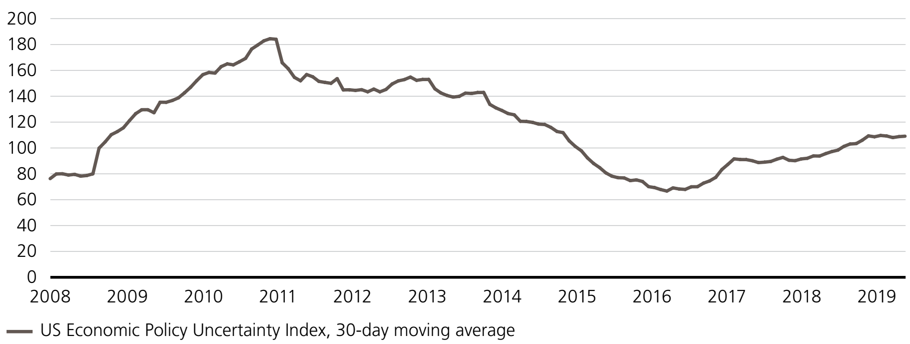
The ECB unveiled a package of measures that included a cut to deposit rates, EUR 20bn per month of quantitative easing (QE), and financial help for banks. The Federal Reserve has cut rates by 25 basis points (bps) twice this year, and we expect further cuts, depending on economic developments. Governor Haruhiko Kuroda of the Bank of Japan has said that pushing its policy rate deeper into negative territory, from today's –0.1%, is an option in his country. And the People's Bank of China has lowered reserve requirement ratios by an additional 50bps, with further action expected.

Yet, while central bankers are committed to action, they are facing visible limits to the effectiveness of their current tool set. For example, the tiering of rates in Europe is a sign that the ECB is having to innovate to mitigate the adverse consequences of negative rates. China has had to introduce the new loan prime rate benchmark to try and improve an inefficient monetary transmission mechanism that has failed to meaningfully lower corporate funding costs despite sufficient bank liquidity. And in Japan, despite the negative rate policy since 2016, banks' attitude to lending remains cautious.

Figure 3

2019 has seen a steady rise in political uncertainty

US Economic Policy Uncertainty Index, a news-based index, 30-day moving average



Source: Bloomberg, UBS, as of 24 September 2019

External view: Insights from private business owners and executives

The ineffectiveness of further rate cuts was also evident among members of the UBS Industry Leader Network* we interviewed in August. They said that lower interest rates will not change their borrowing plans. Many run their businesses using cash, and those that have debt saw little marginal benefit from borrowing more at this stage in the economic cycle.

Several Industry Leaders also said the merits of lower borrowing costs would be outweighed by what has pushed interest rates lower in the first place: pockets of slower economic activity, especially in manufacturing, and higher customer uncertainty.

Where they are investing, private business owners are reallocating investments toward secular growth opportunities, including long-term sustainable investments. They expect the financial and societal returns on them to exceed returns on business capital or "traditional" financial instruments in today's low-rate world.

*The UBS Industry Leader Network is a global group of UBS clients and prospects who are private business owners and executives. Their views may differ from those of UBS.

The Fed, meanwhile, will be conscious that the effectiveness of lower interest rates may be limited at a time when political uncertainty is the primary reason for the economic slowdown. A working paper from Fed staff economists estimates that trade policy uncertainty has contributed to a 0.8ppt drag in world GDP growth over the past year, while Fed Chair Jerome Powell reminded us at a recent press conference that monetary policy only operates with a "long and variable lag".

The effectiveness of monetary policy in the current environment is questionable.

Central banks are trying to use the tools at their disposal to stimulate the economy at a time of slowing growth and muted inflation. But they are having to tread carefully to reduce the risk of unintended consequences, and with rates already so low, the effectiveness of their toolkit is questionable. It may require a resolution to the trade conflict to unlock some of the positive economic effects of their monetary policy.

Asset allocation

With most countries lacking the willingness to embark on a more substantial fiscal drive, and the efficacy of monetary policy under question, the probability of stimulus fueling meaningful medium-term market gains seems lower than usual. But if growth were to slow further, monetary easing and the possibility of reactive fiscal policy do reduce the chance of credit stress.

Figure 4

Attractive carry in USD-denominated emerging market sovereign bonds

JP Morgan EMBIG Diversified yield spread versus Bloomberg Barclays Eurodollar Aa or higher (US high grade), in %

Source: Bloomberg, UBS, as of 24 September 2019

This month we highlight three main investment ideas: underweight equities, prefer US stocks to their Eurozone counterparts, and favor fixed income assets that benefit from easier policy.

We underweight equities.

- **We underweight equities.** Stocks are being driven primarily by the outlook for US-China trade talks, with other geopolitical concerns such as US impeachment and Brexit clouding the picture. While central banks can put a floor under markets, we do not believe they have the capacity to push stocks significantly higher in the short term.

We prefer US equities versus Eurozone equities.

- **We prefer US equities versus Eurozone equities.** While we are underweight stocks overall, we expect the US market to outperform the Eurozone. This rests on our view that Eurozone stocks are more vulnerable in an environment of heightened uncertainty about global trade and fears of weaker global growth. We are neutral on US stocks, while recommending an underweight to international developed and emerging market equities, because we expect the US market to be more resilient. In addition, even after 50bps of rate cuts this year the Fed still has more ammunition than the ECB to combat slowing growth.

We favor income-generating strategies.

- **We favor income-generating strategies.** In an environment of slower growth, central banks will continue to ease policy. We still see opportunities for investors to earn yield in US dollar-denominated EM sovereign bonds, and also recommend an overweight to Treasury Inflation-Protected Securities (TIPS), which can benefit from higher inflation expectations. In more-aggressive portfolios, we recommend an allocation to long-duration Treasuries to help protect against equity market volatility.

In addition, we hold the following positions in our FX strategy:

Within our FX strategy, we now underweight the Australian dollar versus the US dollar.

- **We now underweight the Australian dollar versus the US dollar.** Global trade tensions which have weighed on growth sentiment in Asia should hurt the Australian dollar, which is often seen as a proxy for Chinese growth. Domestic demand and employment growth are deteriorating fast in Australia, which could lead the Reserve Bank of Australia to ease policy even further.

Within our FX strategy, we overweight the British pound versus the US dollar.

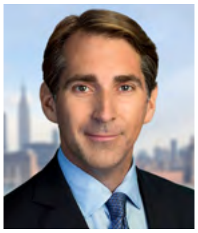
- **We overweight the British pound versus the US dollar.** The latest twist in the Brexit saga was the UK Supreme Court's decision that the suspension of the UK Parliament, which strongly opposes a no-deal Brexit, was unlawful. Our base case remains for the UK to ask for an extension to the 31 October Brexit deadline instead of leaving the EU without a deal. GBPUSD currently trades at 1.23, well below our purchasing power parity estimate of 1.58. Meanwhile, the Bank of England is on hold, while many other major central banks are easing policies.

Within our FX strategy, we overweight the Norwegian krone versus the euro and Canadian dollar.

- **We overweight the Norwegian krone versus the euro and Canadian dollar.** While an uncertain global economic outlook hurts the krone currently, the Norges Bank could still hike rates one more time within the next year, given above-trend economic growth and inflation close to its target. The ECB on the other hand has announced easing measures including a cut to the deposit rate and a QE program. Given ongoing weakness in the Canadian housing market and the Bank of Canada's dovish stance, we also remain cautious on the outlook for the Canadian dollar.

Mark Haefele
Chief Investment Officer
Global Wealth Management

Waiting for direction



Jason Draho, PhD
Head of Asset Allocation Americas,
Chief Investment Office GWM

A September tradition in New York that's likely to be unfamiliar to those who don't live or work in the city is the traffic gridlock in midtown Manhattan during the week of the annual United Nations General Assembly. Look down Sixth Avenue in the middle of the morning and you'll see blocks of bumper-to-bumper cars that aren't moving. Being stuck in that traffic watching pedestrians stroll by at a faster clip is not a fun experience, either. But you see a bigger picture when you look down at traffic from 20 stories up—and the gridlock becomes an apt metaphor for the current state of equity markets. They've gone nowhere the past couple of weeks and their direction from here is also uncertain.

This inertia comes after a tumultuous summer that started promisingly on hopes of central bank policy easing and a prolonged US-China trade war ceasefire. The S&P 500 was even on the verge of "melting up" in July. Then, rather unexpectedly, the trade war escalated on 1 August when the US announced new tariffs, and later in the month existing tariffs was increased 5%. Recession fears jumped and stock prices fell, though not as spectacularly as bond yields. Trade rhetoric on both sides turned more conciliatory in September, with talk of a partial deal as soon as October. Equity markets initially moved higher on the news, but are now stuck in wait-and-see mode.

All of this was enough for us to recommend a modest underweight to equities versus fixed income in our late August US tactical asset allocation update. Economic and market conditions had deteriorated, but they also became extremely uncertain, with many potential risks that could derail the economy. Little has changed in that regard over the past four weeks, which is why we have made no changes to our tactical recommendations this month. A sideways-moving market suggests that we're likely not alone in that thinking or alone in trying to determine what to expect the rest of this year.

One year ago

As we assess what could happen in financial markets over the next few months, memories of what transpired in the final quarter of 2018 are still fresh. In late September 2018 the S&P 500 reached a new all-time high of 2,930 before the wheels came off (Fig. 1). By 24 December the index was down 20%, with only a post-Christmas rally limiting the damage to a 14% decline in the fourth quarter. Since that September 2018 high the S&P 500 total return is only 4%, a far cry from the 21% year-to-date return.

This leads to two immediate observations. First, evaluating recent portfolio performance based only on how it's done so far this year is misleading because much of the return is just due to bouncing back from the steep December sell-off. Second, US equity markets have effectively been directionless for at least the past year, not just the past two weeks. They've been stuck in a range, buffeted by both good and bad news on the economy and trade.

Breaking out is hard to do

Looking ahead to the next few months we see three factors continuing to drive markets, though none may be sufficient to give the market clear direction. In declining order of importance they are: politics, geopolitics and trade; economic data; and the Fed.

US-China trade negotiations are the clear drivers in our view, as the outcomes of escalating tariffs versus a partial deal have very different economic implications. Yet it's hard to have much conviction on any particular scenario because prior negotiations also looked promising until new tariffs were suddenly announced. US domestic politics complicate this assessment because it's uncertain how the impeachment inquiry and the Democratic leadership race could alter President Trump's approach to the negotiations. Even if a partial deal is announced in October, it may do little to improve business and investor sentiment unless it's actually substantive in details.

The markets could look past the trade and political risks if economic growth clearly started to accelerate, especially outside the US. But that's unlikely as long as trade uncertainty that's already weighed heavily on manufacturing activity lingers. Last September manufacturing sentiment was running at full steam based on the Institute for Supply Management (ISM) survey (Fig. 2). But from a level of 60—about the 95th percentile for the past 60 years—it fell just below 50 in August or contractionary territory. In contrast, services are holding steady, growing at a moderate pace—a good thing since services account for nearly 80% of US economic activity.

It feels odd to place the Fed as third on any list of market drivers, but its ability to substantially move markets seems to decline with each rate cut. This is part of a wider global problem for central banks in that monetary policy is losing effectiveness at such low rates. Still, the Fed is prepared to cut rates again in the fourth quarter, while Chair Jay Powell has also improved his communication skills. His comment in early October 2018 that the Fed's "a long way from neutral," which implied that more rate hikes were coming, was the initial catalyst for the equity correction last fall.

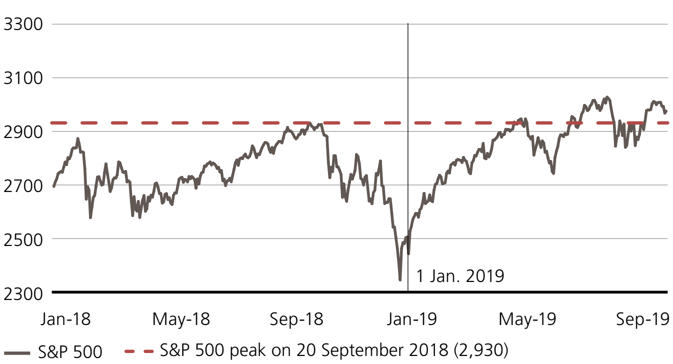
Proceeding with caution

For now it looks like equity markets will continue to be range-bound as trade and growth risks linger. It's certainly possible that hopes for a partial trade deal could be fulfilled in a matter of weeks. But risk assets already appear to be pricing in such an outcome with high probability, limiting the potential upside. At the same time, the prospect of more aggressive central bank easing in response to growth risks should provide the markets with support, at least for now. Being stuck in a trading range can be frustrating, but as with our New York City traffic allegory, we expect equity markets will start moving again in a positive direction, as long as there isn't a trade accident up ahead.

Figure 1

Year-to-date vs. one-year equity returns: a study in contrasts

S&P 500 index level since 1 Jan. 2018

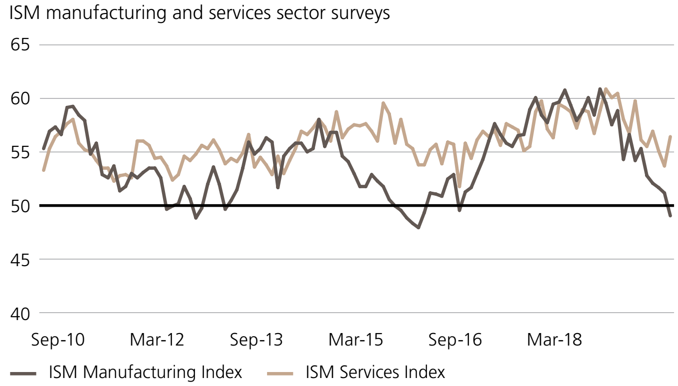


Source: Bloomberg, UBS, as of 25 September 2019

Figure 2

Manufacturing in contraction, services holding steady

ISM manufacturing and services sector surveys



Source: Bloomberg, UBS, as of 25 September 2019

Asset allocation implementation

The UBS House View is our current assessment of the global economy and financial markets, with corresponding investment recommendations. The asset allocation implementation of this view can vary across model portfolios, depending on their objectives.

Our Tactical Asset Allocation (TAA) recommendations

Overweights
- China and Brazil equities (all-equity portfolio)
- Treasury Inflation-Protected Securities (TIPS)
- Emerging market (EM) USD-denominated sovereign bonds

Underweights
- US government bonds
- International developed market equities
- Emerging market equities

What's changed[1]

- Closed overweight position in US equities
- Opened underweight position in emerging market equities
- Opened overweight position in emerging market USD-denominated sovereign bonds
- Reduced underweight position in international developed market equities

[1]These were implemented in our 26 August ad hoc report, "Lowering risk in portfolios on rising trade tensions".

A note on TAA scaling
Unless noted otherwise, the TAA percentages on this page refer to a Moderate risk profile. Generally speaking, we apply a scaling methodology to TAA tilts for lower-risk portfolios, so that a 2% overweight in the moderate risk profile reflects as a 1.5% and 1%, respectively, in the Moderately Conservative and Conservative profiles.

Full detailed asset allocation tables
View our full set of asset allocation tables for guidance on positioning across different investor types, portfolio strategies, and risk tolerances.

Implementation guidance

This month brought a partial reprieve from rapidly escalating trade tensions between the US and China, giving risk assets room to grind marginally higher. However, the global growth outlook remains unstable, with weakness concentrated in the manufacturing sector. Even so, it is still unlikely that the US will enter a recession by the end of 2020, while central bank policy easing and possible fiscal stimulus should reduce downside risks. Equity markets will struggle to move meaningfully higher while uncertainty continues, in our view. We therefore recommend a tactical underweight to equities, particularly in overseas markets that are more susceptible to growth risks, while focusing on harvesting carry (via EM USD sovereign bonds) and positioning for a possible pick-up in inflation expectations through TIPS.

Equities
Tactically, we prefer US equities over international stocks—particularly Eurozone and emerging markets, which are more exposed to trade and growth risks. By comparison, the US economy should be relatively resilient—though not immune—and US stocks should benefit from a less cyclical sector composition.

Within all-equity portfolios, we continue to recommend a carve-out to Japanese equities, which we prefer over other international developed equities. Japanese stocks are pricing in more of the growth slowdown and in a recession the yen should appreciate against the US dollar, helping to offset some of the equity weakness. We also keep our preferences for China and Brazil within EM. China is attractive on the prospect of more policy stimulus, while Brazil stands out for an improving macro outlook and ongoing structural reform.

Within US equities, we remain tilted to sectors that are more domestic and consumer-focused. We prefer consumer staples (improving fundamentals in a low beta sector), consumer discretionary (consumer spending is solid), and communication services (defensive growth) sectors. We balance this with underweights to industrials and energy (both exposed to the global cycle) and to tech, which is expensive relative to the overall market and vulnerable to further disruptions to global supply chains.

Fixed income
We recommend an overweight to emerging market US dollar-denominated sovereign bonds versus US government bonds. This asset class has historically delivered strong risk-adjusted returns and now offers an attractive yield of around 5%, which is higher than similar-risk corporate bonds and especially favorable considering that roughly USD 17tr of bonds globally now offer a negative yield. We maintain a position in TIPS versus US government bonds to position for rising inflation expectations, which have fallen during the past month. They're inexpensive and lifting them is a primary goal for the Fed.

In our Sustainable portfolios, we have opened an overweight position to ESG engagement high yield bonds, a new asset class, funded from ESG IG leaders bonds and ESG leaders equities (US). Additionally, we maintain a preference for green bonds, which have a similar duration as ESG corporate bonds but more defensive characteristics due to their sector composition.

Non-taxable investor

Moderate risk, without non-traditional assets

	Strategic Asset Allocation (SAA)	Tactical tilt	Tactical Asset Allocation (TAA)	Preferences		
Cash	**5.0**		**5.0**		(=)	
Fixed Income	**46.0**	**+2.0**	**48.0**			(+)
US Gov't FI	16.0	-2.0	14.0	(−)		
US TIPS	0.0	+2.0	2.0			(+)
US Treasuries (long)	0.0		0.0		(=)	
US Municipal	0.0		0.0		(=)	
US IG Corp FI	21.0		21.0		(=)	
US HY Corp FI	5.0		5.0		(=)	
Int'l Developed FI	0.0		0.0		(=)	
Emerging Markets FI	4.0		4.0		(=)	
EM Local Currency FI	0.0		0.0		(=)	
EM Hard Currency FI	0.0	+2.0	2.0			(+)
Equity	**49.0**	**-2.0**	**47.0**	(−)		
US All Cap	0.0		0.0		(=)	
US Large Cap Growth	9.0		9.0		(=)	
US Large Cap Value	9.0		9.0		(=)	
US Mid Cap	5.0		5.0		(=)	
US Small Cap	3.0		3.0		(=)	
Int'l Developed Markets	17.0	-1.0	16.0	(−)		
Japan	0.0		0.0		(=)	
Emerging Markets	6.0	-1.0	5.0	(−)		

(+) **Overweight:** Tactical recommendation to hold more of the asset class than specified in the moderate risk strategic asset allocation. (−) **Underweight:** Tactical recommendation to hold less of the asset class than specified in the moderate risk strategic asset allocation. (=) **Neutral:** Tactical recommendation to hold the asset class in line with its weight in the moderate risk strategic asset allocation.
"Emerging Markets FI" is a blend of 50% local currency, 50% hard currency.
Source: UBS

Risk profile implementation guidance

Tactical positioning for the Moderate portfolio is applicable for other risk profiles, with adjustments. While we closed the long-maturity Treasury allocation in Conservative to Moderate portfolios in August, we continue to recommend them in Moderately Aggressive and Aggressive portfolios that have high equity allocations. Longer-duration Treasuries are very effective diversifiers in portfolios with high equity risk, but the interest rate risk that they entail is less desirable in Conservative portfolios.

In Aggressive portfolios we recommend 20-30 Treasury STRIPS (which are principal only), while 20+ year Treasury bonds are sufficient protection for Moderately Aggressive portfolios. STRIPS have longer durations and thus offer more protection during a sustained economic slowdown when rates are likely to fall, but they're also more volatile.

The TIPS allocation is appropriate for all risk profiles, but longer-maturity TIPS (10+ years) are better for Aggressive portfolios because of their longer duration. In Conservative portfolios shorter maturities (0-5 years) are recommended because they have lower duration risk.

Bull Market Monitor

Equity bull markets rarely end in the absence of a recession occurring, which is why we track key attributes of the business cycle to gauge how the expansion is evolving and calculate the risks of a recession.

Cycle status

We think that the US business cycle has transitioned to the late stage. Growth decelerating from its peak toward long-term potential and Fed monetary policy being roughly neutral are the two characteristics typical of a late-cycle economy. The good news is that the economy can be late cycle for a long time. Last year, our main concern was that the economy would overheat, forcing the Fed to tighten monetary policy and causing the cycle to end. However, growth has slowed more recently and the main risk now appears to be that the economy will simply continue slowing until a recession begins.

What's new?

Trade negotiations between the US and China have resumed and a few small steps have been taken to deescalate the dispute, raising hopes that at least a partial deal can be reached. Economic data in recent weeks has mostly surprised to the upside. Consumer spending continues to be the main engine of growth. Job growth has slowed but is still strong enough to keep the labor market tight. The ISM manufacturing PMI fell below 50 in August, but hard data on manufacturing output showed a rise. Housing data has strengthened across the board, suggesting that lower mortgage rates are providing a boost. We keep our growth indicator at neutral. The yield curve is inverted, with long-term Treasury yields below short-term yields. In the past, this has been a reliable indicator that a recession is on the way, but we expect this time to be different. Recent inflation data has been stronger. Credit spreads on corporate bonds are fairly tight. The Fed cut rates by 25 basis points (bps) on 18 September and the market is pricing in about a 75% chance of another cut by the end of the year.

What are we watching?

We are focusing on signs that business demand for labor is slowing, as this could undermine the outlook for consumer spending and increase the risk of recession. In addition to the US-China trade dispute, a decision on auto tariffs should be made by November. Overseas, we are keeping an eye on both slowing growth and political issues with the potential to rattle markets.

What are the investment implications?

Risks for the economy are skewed to the downside. We remain underweight equities in our tactical asset allocation.

Key cycle indicators

The cycle indicators gauge whether the economy is overheating and if financial conditions are restricting growth. These determine our assessment of where we are in the cycle.

Current month: ▼ Last month: ▽

Overall: Late cycle

Early — Late

Overheating indicators

Growth (relative to potential)

Below — Above

Labor market

Weak — Tight

Inflation (relative to 2%)

Below — Above

Financial indicators

Monetary policy

Accommodative — Restrictive

Yield curve

Steep — Inverted

Credit conditions

Loose — Tight

Each indicator is evaluated relative to a neutral level that is sustainable over time in order to determine whether the economy is at risk of overheating or if financial conditions will start to restrict growth.

Questions we're tracking

Is it time to underweight equities?

A renewed rally has taken US and global stocks close to all-time highs set earlier in the summer. This rebound reflects improving optimism over the outcome of trade talks between the US and China, along with action from central banks to protect growth. But we believe that it is too soon to increase exposure to equities. The outcome of the trade talks, which have been the main driver of markets, remains hard to predict. Meanwhile, monetary policy appears to be reaching the limits of its ability to support growth in many parts of the world. As a result, we are tactically underweight stocks until we see greater clarity on US-China talks.

Should investors turn to cash in uncertain times?

Faced by geopolitical uncertainty, and with the outlook for equities looking muted, many investors are tempted by the stability of cash. But we think it is a poor response. Sitting in cash while waiting for a better entry point – timing the market – is a poor strategy for most investors. With interest rates below inflation in most major economies, cash deposits are losing purchasing power. Unlike bonds, cash deposits do not rise in value to help offset falling stocks. And since stocks rise over the long term, cash also has a high opportunity cost. Instead, we recommend other strategies to store liquidity, lower drawdowns, and ensure long-term returns.

Is the US economy heading for a recession?

The Federal Reserve cut interest rates by 25 basis points on 18 September as part of a broader global effort by central banks to insure against economic risks and revive flagging inflation expectations. We believe that Fed easing and strong consumer demand can help avert a 2020 US recession. But risks are tilted to the downside amid escalating trade tensions. Unless the US and China de-escalate, we see limited upside for stocks over the short term.

Is a US-China de-escalation in the cards?

US President Donald Trump delayed a planned tariff hike on USD 250bn of Chinese imports by two weeks as a "gesture of goodwill." Markets have recently been buoyed by positive headlines regarding trade and Brexit, but in our view we need to see actual progress in talks before increasing our equity exposure. Flare-ups in tensions are common; President Trump has previously delayed tariffs only to then escalate tensions through tweets. And an exemption to agricultural imports from the US may reflect economic necessity for China. So with global growth still slowing and other risks on the horizon, we continue to underweight equities.

Is the yield curve inversion a sell signal?

The bond markets are signaling increasing concern over the economic outlook. For the first time since the financial crisis, the 10-year US Treasury bond yield fell below the 2-year bond yield, a development seen by many as a precursor to recession and a sell signal for equity investors. Meanwhile, the yield on the 30-year Treasury hit a record low, below 2%, suggesting investors are expecting low rates to persist long term. We believe that recession fears are overdone. But investors should prepare for a more sustained period of lower interest rates.

Month in review

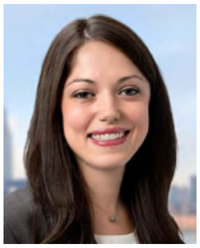
Optimism over trade talks between the US and China drove stocks higher for much of the past month. But US President Donald Trump recently warned that he would not accept a "bad deal", adding that for too long the US had "tolerated, ignored, or even encouraged" trade abuses. Optimism was also dampened after Chinese agriculture officials unexpectedly cancelled a trip to visit farms in Montana and Nebraska.

Political developments continued to loom large this month. US House of Representatives Speaker Nancy Pelosi said she would launch a formal impeachment inquiry into US President Donald Trump, putting her party on the path to pursue the much-discussed but rarely enacted political process. Meanwhile, the UK's Brexit process continued to deliver twists and turns after the nation's top court ruled Prime Minister Boris Johnson's suspension of Parliament was unlawful.

Aerial attacks on two Saudi Arabian oil facilities on 15 September temporarily halted about 5.7mn barrels per day of oil supply. The attacks sent Brent crude prices surging as much as 19% in early trading the following Monday. Oil prices later fell after Saudi Arabia provided assurance that it remains a reliable crude oil supplier.

On 18 September the Federal Reserve cut interest rates by 25 basis points (bps). While the rate cut was already priced in by markets, the FOMC lacks consensus on the path ahead for monetary policy. Less than half of the FOMC participants see another cut this year as appropriate, while the "median dot" suggests rates are more likely to go up than down in the coming years.

Partnering on Progress



Laura Kane, CFA, CPA
Head Thematic Research Americas
CIO Global Wealth Management

Michelle Laliberte, CFA
Thematic Investment Strategist
CIO Global Wealth Management

Every September, world leaders and representatives from both the public and private sectors convene at the General Assembly of the United Nations (UNGA). This year, in addition to the Climate Action Summit, the agenda included a review of the progress made on implementation of Sustainable Development Goals (SDGs). According to a recent UN report[1], progress on the goals is being made but the pace of change is not advancing at the speed or scale required to meet the SDG targets by 2030. Despite the achievements to date, hunger is on the rise for the third consecutive year, gender inequalities persist, and greenhouse gas emissions continue to rise. Amid these concerns, the UN asserts that the SDGs cannot be achieved with government support alone. SDG #17 Partnerships for the goals, recognizes the need for private sector participation. In our view, engaging with the SDGs represents an opportunity for companies to build more sustainable business models, as well as to align with future pockets of demand for goods and services that will be needed to address global challenges.

Our Longer Term Investments (LTI) series is focused on identifying companies that are solving global challenges, which arise from the secular trends of aging, population growth, and urbanization. Guided by this investment rationale, it is no surprise that many of the LTI themes target the same objectives as the SDGs. For example, our *Agricultural Yield and Water Scarcity* themes align well with SDG #1 Zero Hunger, and SDG #6 Clean Water and Sanitation. The themes recommend investment in companies that are helping to solve the global food and water challenges. By 2050, based on current population estimates, 50-60% more food will be need to be produced and 55% of the global population will live in areas with water stress. The two themes highlight the potential for innovative solutions, such as precision agriculture technology that can be used to improve crop yields and field management. Similarly, water-recycling technology can increase low wastewater recycling rates, which range from as low as 3% in some regions to 75% in others.

Creating innovative solutions to global challenges is just one way for companies to contribute to the SDGs. The other option is to enhance operational sustainability. This week's meetings saw commitments from corporate leaders in support of the SDGs. For example, 87 companies—with a combined market capitalization of over USD 2.3tr and annual direct emissions equivalent to 73 coal-fired power plants—committed to set climate targets across their operations and value chains with the goal of limiting the global temperature rise to 1.5 degrees Celsius and reaching net-zero emissions by 2050. Other headlines during UNGA week included Norwegian cruise lines, which pledged to eliminate single-use plastics from its ships by 2020, and Nike, which launched its Move to Zero program aiming to reduce carbon emissions throughout Nike's supply chain by 30% by 2030.

Sustainability efforts can also return benefits to the companies that undertake them. More efficient use of resources can cut costs and avoid costly regulatory flare ups. Governance-related efforts, such as improving board gender diversity, also have the potential to improve company profitability and stock price performance. In our theme report *Investing with a gender lens* we explore the positive relationship between gender diversity and returns and recommend investing in companies who lead in gender diversity and also exhibit positive fundamentals.

Private-sector participation will likely be critical on the path to a more sustainable future, and there could be benefits for companies who are quicker to adapt too. Whether through the technological solutions they provide, or through their sustainability initiatives, we see an opportunity for companies that are proactive in addressing the world's challenges.

[1] Report of the UN Secretary-General on SDG Progress of 2019

Themes universe

For guidance on how to invest in each of the themes on this page, please contact your Financial Advisor.

Technology

Automation and robotics
A fourth industrial revolution is underway, which we believe will transform the future of manufacturing.

Digital data
Companies that both enable digital data and invest its infrastructure will likely continue strong earnings growth over the coming years.

E-commerce
E-commerce is altering the global retail landscape and omnichannel companies should lead the way forward.

Enabling technologies
We identify five enabling technologies that should offer solid long-term growth amid irreversible technological disruption.

Fintech
The global fintech industry is at an inflection point and set to drive a major digital transformation in the financial services industry.

Health Tech
Aging populations are straining global healthcare budgets, spurring healthcare providers to explore new technologies that could improve efficiency.

***Merged Mass transit rail**
Rapid urbanization in Asia will strain mass transit systems, providing opportunities for infrastructure investment over the long term.

Medical devices
The medical device industry has matured but opportunities exist for increased penetration in emerging markets (EMs) where affordability is on the rise.

Oncology
Advances in cancer therapeutics will create new multi-billion dollar opportunities for successful drugs.

Security and safety
Growing trends such as urbanization, digital data growth, and increased regulation support demand for security and safety.

Smart Mobility
Global urbanization will call for structural changes in technology that will alter the way we "consume" mobility in the coming decades.

Space
Growing private sector investment and lower entry barriers to the space economy are causing an inflection point in space-related long-term investments.

Resources

Agricultural yield
The world faces a growing food production crisis as the global population increases. Companies that help to boost agricultural yields stand to benefit.

Clean air and carbon reduction
Rising populations and urbanization are fueling the need for clean-air technologies. Solution providers targeting emissions reductions stand to benefit.

Energy efficiency
Stricter regulation and corporate competition to improve product efficiency are driving demand for energy-efficiency solutions.

Renewables
Increasing energy demand from urbanization and population growth will benefit renewable energy as lower costs drive competitiveness with fossil fuels.

Waste management and recycling
Low waste treatment rates in EMs offer big catch-up potential that could lead to extraordinary growth rates.

Water scarcity
Water scarcity is one of the biggest risks to mankind. If limited water resources can be better harnessed, the benefits could be enormous.

Society

Education services
With limits to many governments' education resources, there is increased opportunity for the private education market.

Emerging market healthcare
An aging EM population requires stepped-up investment in healthcare. We believe global healthcare companies can benefit.

Emerging market infrastructure
Growing urbanization and high economic growth rates will drive demand for infrastructure investment in EMs.

Generics
As healthcare costs grow, government policy and demographics will be important drivers of increased generic drug sales.

Genetic Therapies
Genetic therapies use genes and cells to treat serious diseases. They could revolutionize medicine by removing the fundamental causes of inherited genetic conditions.

Obesity
Urbanization and rising per-capita GDP in EMs will contribute to an ever-greater prevalence of global obesity.

Retirement homes
A larger population of seniors and evolving social trends support opportunity in retirement homes investment.

Retirement planning
Changing demographics are increasing demand for retirement planning, benefiting wealth and asset managers.

Silver spending
As the global population ages, those 55 and older are expected to account for an ever-increasing proportion of consumer spending.

Fixed income

Beyond benchmark
By diversifying fixed-income exposure investors can avoid the shortcomings of heavily government-weighted taxable fixed-income benchmarks.

MLP bonds
Master limited partnership bonds offer attractive coupon income relative to other investment-grade sectors.

Mortgage IOs
Mortgage Interest only (MIOs) offer the opportunity to benefit from rising interest rates along with attractive yields and high credit quality.

US senior loans
Senior loans offer attractive floating-rate coupons with low correlation to other asset classes and lower volatility than high-yield bonds.

Yield for the short end
Short-end corporate bonds offer attractive current yield without taking on excessive credit or interest-rate risk.

Equity

Event-driven strategies
Event-driven strategies can represent attractive ways to capitalize on companies' corporate actions.

Pricing power standouts
As the business cycle progresses to later stages, companies with pricing power should be better insulated from the headwinds of slowing growth and rising input costs.

CLOSED Restructuring and turnarounds
Certain companies undergoing restructuring may outperform the broader market in the coming years.

Rewarding experiences
Consumers are increasingly spending more on experiences vs. goods.

Equity–ESG

Gender lens
Evidence suggests that gender-diverse companies are more profitable and tend to outperform their less-diverse peers.

Sustainable value creation in EM
Incorporating environmental, social, and corporate governance considerations into EM equity investment decisions may provide a competitive edge.

Note: *Mass transit rail theme has been combined with the EM Infrastructure theme.

KEY

- Sustainable longer-term investment theme
- Longer-term investments = Multi-business cycle
- Shorter-term investments = Current business cycle

Global economic outlook

Trade tensions are reverberating through the global economy, hurting the manufacturing sector in particular. We expect 2019 growth to be the slowest in a decade, and 2020 could be even weaker. In the US, job growth has slowed but at least for now the labor market is strong enough to support consumer spending. China is using both fiscal and monetary policy to help prevent a sharper slowdown. Inflation remains subdued in most countries, allowing central banks to run very loose monetary policy.

Global growth in 2019 expected to be 3.2%

	Real GDP growth in %			Inflation in %		
	2018	2019F	2020F	2018	2019F	2020F
US	2.9	2.3	1.3	2.4	1.7	2.1
Canada	1.9	1.6	1.5	2.2	1.9	1.9
Brazil	1.1	0.8	1.5	3.7	3.7	3.7
Japan	0.8	1.3	0.7	1.0	0.8	1.5
Australia	2.7	1.8	2.2	1.9	1.5	2.0
China	6.6	6.0	5.5	2.1	2.4	1.6
India	6.8	5.9	6.5	3.4	3.4	3.6
Eurozone	1.9	1.1	0.7	1.8	1.2	1.2
Germany	1.5	0.5	0.6	1.9	1.4	1.1
France	1.7	1.2	1.0	2.1	1.3	1.4
Italy	0.7	0.1	0.4	1.2	0.6	0.3
Spain	2.6	2.2	1.8	1.7	0.8	1.1
UK	1.4	1.1	0.9	2.5	1.9	1.9
Switzerland	2.8	0.7	0.9	0.9	0.6	1.0
Russia	2.3	1.0	2.1	2.9	4.6	3.7
World	3.8	3.2	3.0	3.0	2.9	2.8

Source: Reuters EcoWin, IMF, UBS, as of 25 September 2019
Note: In developing the CIO economic forecasts, CIO economists work in collaboration with economists employed by UBS Investment Research. Forecasts and estimates are current only as of the date of this publication and may change without notice.

Economic outlook summary

Brian Rose, PhD
Senior Economist Americas

House view

Probability: 50%

Global growth below trend

The latest escalation in the US-China trade dispute makes a deal or a truce in the coming quarters unlikely. The resulting uncertainty around trade remains a drag on exports this year and for most of next year. We postpone our expectation for a return to trend growth to late 2020 or even to 2021. Manufacturing-sensitive economies like Germany are already feeling the impact of trade tensions – German GDP contracted in 2Q19. As the uncertainty around trade is likely to continue, the slowdown in manufacturing could intensify. Economies with a high exposure to global trade are more at risk than domestic-centered economies. Labor market strength is continuing in most major economies, supporting consumers' income. Global unemployment is at or near a 40-year low. We expect domestic demand to cushion the drag from an export and/or manufacturing slowdown. However, the longer the downturn in manufacturing continues, the more it will spill over into labor markets, thereby weakening domestic demand.

↗ Positive scenario

Probability: 20%

Return to trend growth

Trade uncertainty recedes after a breakthrough in US-China negotiations, triggering a rebound in investment spending. Labor markets continue to support consumer demand. The fiscal and monetary stimulus measures in China have positive spillover effects in Asia.

↘ Negative scenario

Probability: 30%

Trade escalation pushes the world economy toward recession

Trade tensions escalate, unsettling business confidence further, which may weigh on business investments and on export activity. Rising job losses undermine consumer spending. Limited monetary and fiscal policy measures are insufficient to counter a fast global downturn.

Central bank policy

Brian Rose, PhD
Senior Economist Americas

House view

Probability: 60%

More rate cuts

The US Federal Reserve cut rates by 25bps on 18 September, noting slower global growth and risks from the US-China trade dispute. The inverted yield curve is another reason to cut rates. While not promising anything, it appears that the Fed may be prepared to cut one more time even if economic growth remains near trend. If economic conditions deteriorate then they would have room to cut more aggressively. The ECB delivered a package of easing measures on 12 September, including a 10bps rate cut. It will also make asset purchases (quantitative easing) of EUR 20bn per month, but the lack of eligible bonds limits what it can do as long as issue/issuer limits and capital key rules aren't changed. We believe these changes are unlikely unless there is a severe recession. We expect one further 10bps cut in March 2020.

↗ Positive scenario

Probability: 30%

More aggressive policy easing as macro backdrop worsens

Political policy errors threaten economic growth either through more aggressive trade disruption or weaker US or European growth. Central banks respond to the changing economic outlook with easing that goes beyond our base case forecasts.

↘ Negative scenario

Probability: 10%

Policy breakthroughs reduce uncertainty

Policy breakthroughs such as a US-China deal on trade removes some of the clouds over the economic outlook. Central banks call off plans to cut rates and in some cases start moving back toward policy normalization.

Earnings growth remains tepid

Jeremy Zirin, CFA
Head of Equities Americas

David Lefkowitz, CFA
Senior Equity Strategist Americas

House view

Probability: 60%

Earnings deceleration coming to an end

US earnings growth continues to decelerate as the one-time boost from a lower tax rate fades and global economic growth slows. While a material decline in profits looks unlikely—leading indicators such as access to capital remain supportive—profit drivers have weakened over the last few months. Business sentiment has moderated, trade frictions have escalated, interest rates have fallen, and overseas growth has slowed. As a result, in late August we trimmed our earnings growth expectations. We expect 2019 and 2020 S&P 500 EPS of USD 164 (+1% y/y) and USD 173 (+5% y/y), respectively. Our estimates include some but not all of the negative impact from the announced tariffs between the US and China. Full implementation of the tariffs could reduce our 2020 estimates by another 1–3%, with the reduction at the high end of the range if business and consumer confidence takes a hit.

↗ Positive scenario

Probability: 20%

Central bank stimulus and trade dispute resolution

Aggressive global central bank stimulus and a resolution to the trade dispute between the US and China drives a reacceleration in growth.

↘ Negative scenario

Probability: 20%

Downturn in sentiment

Trade and geopolitical tensions flare up, depressing business and consumer sentiment. Wage pressures, without improving consumer and business demand, crimp profit margins and earnings growth rates. Declines in long-term interest rates pressure financial sector earnings.

Key dates

1 October 2019
ISM manufacturing PMI for September
The ISM Purchasing Managers Index has fallen five months in a row, dropping below 50 for the first time in three years, as trade uncertainty weighs on the manufacturing sector. The strength of US consumer spending should provide enough support to prevent a severe downturn.

3 October 2019
ISM Non-manufacturing Index for September
The ISM non-manufacturing index rebounded in August and is at a level compatible with growth around trend. We will focus on the readings for business activity, new orders, and employment.

4 October 2019
Labor report for September
Job growth has slowed in 2019. In our view, this mainly reflects the tight labor market, which makes it difficult for businesses to find new workers. However, demand for labor also appears to be softening.

8 October 2019
NFIB small business optimism for September
Small businesses are critical to the overall health of the economy, especially for the labor market. The NFIB survey has held up well in recent months.

16 October 2019
Retail sales for September
Consumer spending has been the main engine of growth in recent months, with household income supported by the strong labor market. The outlook is clouded by widespread headlines in the media about the inverted curve and recession risks.

Equities

Jeremy Zirin, CFA; David Lefkowitz, CFA; Edmund Tran, CFA

While there has been more optimism in recent days around a potential interim deal to defuse US-China trade tensions, we are skeptical that this is sufficient to lift corporate confidence and equities meaningfully higher. The escalation in the trade dispute poses a significant risk to emerging markets and cyclically exposed developed markets, with earnings being affected directly via tariffs and indirectly via slowing economic activity.

Eurozone

Underweight

Economic activity in the region remains weak. We expect earnings growth to be at -4% this year and -3% in 2020. Eurozone equities, however, have rallied strongly since the beginning of the year and now appear to be priced for an overly optimistic macro scenario. At the same time, external risks remain elevated. In addition, valuation, as measured by the 12-month forward price-earnings ratio, is not particularly attractive: the MSCI EMU is trading in line with its 20-year average and slightly above its 10-year average.

EURO STOXX (index points, current: 378)	June 2020 target
House view	**360**
↗ Positive scenario	390
↘ Negative scenario	310

Emerging markets

Underweight

Emerging market (EM) equities rebounded around 6% from their August lows as US-China trade tensions eased. On the back of this development, EM equity funds saw inflows for the first time in four months. Economic data, however, remains weak. Although manufacturing activities have shown signs of stabilization, China investment data remains soft. Valuations are above their historical averages and we see limited room to the upside, given the still-high trade uncertainty and weak global macro backdrop.

MSCI EM (index points, current: 1006)	June 2020 target
House view	**1000**
↗ Positive scenario	1100
↘ Negative scenario	870

Japan

Neutral

Japanese equities have lagged other cyclical markets since the beginning of the year, limiting downside risks and providing rerating potential if global data are to improve from here. Even considering the recent downgrade to our earnings forecasts for FY2019 to -4% from -2%, due to an escalation of trade tensions and yen appreciation, valuations continue to look attractive. We expect an earnings recovery in the December quarter, largely due to base effects.

TOPIX (index points, current: 1620)	June 2020 target
House view	**1600**
↗ Positive scenario	1780
↘ Negative scenario	1380

UK

Neutral

UK equities offer an attractive valuation of 12.1x its 12-month forward P/E and dividend yield of 5%. However, we stay neutral over our tactical horizon because of Brexit risks and uncertainties about sterling, oil, and global growth. Sterling may pose downside risks to the UK should it strengthen on a Brexit extension or deal being passed. We believe intra-market moves will be greater than headline index moves due to Brexit. In light of the uncertain global growth direction and Brexit uncertainties we currently favor a diversified dividend strategy in the UK.

FTSE 100 (index points, current: 7290)	June 2020 target
House view	**7000**
↗ Positive scenario	7800
↘ Negative scenario	6600

Note: Current values as of 25 September 2019

US Equities

US equities have been resilient over the past few weeks, driven by healthy consumer fundamentals and growing optimism for a "mini-deal" in the US-China trade war. However, significantly higher S&P 500 levels appear unlikely in the near term. Market valuations are close to decade highs, corporate earnings growth is weak, and the trade dispute with China remains unresolved. We are neutral on US equities, favoring consumer-facing industries while underweighting global cyclical sectors.

US equities overview

Neutral

Stocks rebounded in September with the S&P 500 close to its all-time high. Resilient consumer spending and signs of de-escalating US-China trade tensions have pushed stocks higher after a volatile August. We remain neutral on US equities. Corporate earnings growth has slowed to the low single-digits and this tepid growth rate should persist over the next few quarters. Additionally, at 17 times forward 12 months earnings, valuations are near the high end of their 10-year range and unlikely to rise materially. Downside should be limited, however; lower interest rates help cushion the blow to both the real economy and to markets.

US equities – sectors

We favor US sectors with exposure to still-healthy consumer spending, and we recommended lower exposure to economically sensitive sectors leveraged to global growth. The communication services industry also appears well positioned in the current environment. This sector includes the mega-cap internet software companies that should continue to benefit from the strong secular growth in digital advertising. We are underweight energy, industrials, and technology. These sectors may disappoint investor expectations should global growth downshift into a lower gear as tariffs take a bigger bite out of economic growth.

US equities – size

We retain our neutral allocation across size segments. Large- and mid-cap stocks continue to outperform small-caps. Earnings growth for small-caps has lagged behind its larger peers. Small-caps have more cyclical exposure and appear to have been disproportionately hurt by the economic slowdown. However, as economic growth stabilizes, the earnings headwinds for small-caps should improve.

US equities – style

Value stocks sharply outperformed growth stocks over the last month—partially reversing year-to-date trends. The abrupt shift into value has been prompted by increased optimism about global economic growth and an improvement in the US/China trade dispute. However, we are skeptical that value stocks can continue to outperform. Any improvement in the economy will likely be modest and late-cycle environments tend to favor growth stocks. We retain our neutral allocation between growth and value.

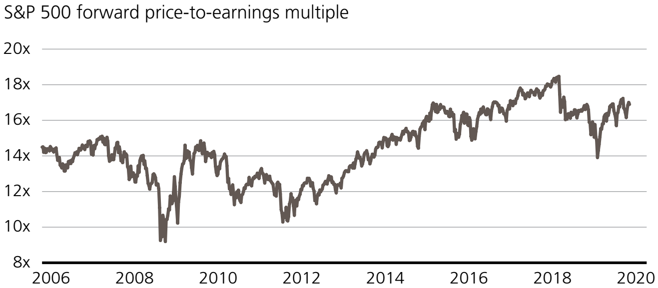
S&P 500 (index points, current: 2985)	June 2020 target
House view	**2950**
↗ Positive scenario	3250
↘ Negative scenario	2350

Note: Current values as of 25 September 2019

Figure 1

Equity market valuations are close to post-crisis highs

S&P 500 forward price-to-earnings multiple

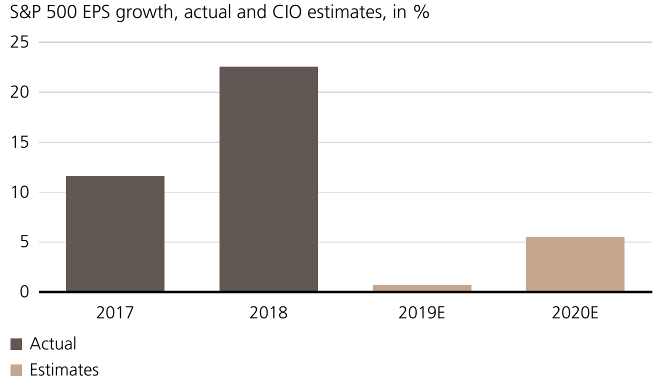


Source: FactSet, UBS, as of 25 September 2019

Figure 2

Earnings growth to improve, but only modestly

S&P 500 EPS growth, actual and CIO estimates, in %



Source: FactSet, UBS, as of 25 September 2019

Bonds

Leslie Falconio; Kathleen McNamara, CFA, CFP; Barry McAlinden, CFA; Philipp Schoettler; Frank Sileo, CFA

The first two weeks of September saw the 10-year Treasury yield jump amid renewed optimism over US-China trade talks. The move was exaggerated as some long positions were neutralized. The Federal Reserve cut rates by 25 basis points (bps) at its meeting on 18 September, citing global developments and their effects on the economy as the main driver of additional stimulus. We are expecting further cuts over the next few quarters in response to economic weakness.

Government bonds

Neutral

After reaching a year-to-date low of 1.43%, 10-year Treasury yields rose the first two weeks of September to 1.90% on the heels of potential trade talks. As European manufacturing data continued to disappoint, the market once again reversed back to 1.6% as we await potential Brexit and trade decisions in October.

US 10-YEAR YIELD (current: 1.7%)	Dec. 2019 target
House view	**1.6%**
Positive scenario	1.2%
Negative scenario	2.4%

Note: We are neutral US government bonds but maintain an overweight to US Treasury Inflation-Protected Securities against nominal US government bonds within this category.

US investment grade corporate bonds

Neutral

We remain neutral on IG. Although credit fundamentals have shown some modest deterioration, the supply/demand picture is tilted in IG's favor. The pickup in IG issuance has been met with strong investor demand. For overseas investors, the large quantity of negative yielding bonds makes US IG an attractive alternative. We continue to favor financials (US banks) over non-financials due to their strong credit profiles. In addition, IG corporates with short maturities (1-3 years) provide attractive yield relative to their low duration.

US IG SPREAD (current: 120bps*)	Dec. 2019 target
House view	**110–130bps**
Positive scenario	90bps
Negative scenario	275bps

*Data based on ICE BAML IG corporate index

US high yield corporate bonds

Neutral

HY has reversed some of its lagging performance last month as the recent events in Saudi Arabia have pushed HY energy back into mid-single digit total return territory. HY energy has returned 5.0% year-to-date, a recovery from 1.5% a little over a month ago. The overall HY index has returned 11.9% with a spread of 391bps versus the 534bps spread we started 2019 with. Although we are currently at the low end of our 390-420bps target range for spreads, we maintain a neural allocation to HY bonds. Factors that could detract from performance include another leg down in oil prices, uncertainty around global trade talks, and a slowdown in the US economy.

USD HY SPREAD (current: 391bps*)	Dec. 2019 target
House view	**380-420bps**
Positive scenario	300bps
Negative scenario	800bps

*Data based on ICE BAML High Yield indices

Emerging market bonds

Overweight

EM corporate and sovereign credit delivered low double-digit gains year-to-date on slightly tighter spreads and significantly lower UST yields. The asset class also benefited from dovish central banks and continued Chinese stimulus measures, despite a more uncertain global environment. We expect spreads to trend sideways to slightly wider, with further bouts of volatility. Global macro and geopolitical risks remain elevated, but dovish central banks appear as a supporting factor. We are tactically overweight EM USD-denominated sovereign bonds as we think the current macroeconomic environment favors carry strategies.

***EMBIG div / CEMBI div SPREAD** (current: 315bps* / 323bps)	six-month target
House view	**320-340bps* /330-350bps**
Positive scenario	260bps* / 270bps
Negative scenario	450bps* / 520bps

*EMBIG diversified *ex-Venezuela
Note: Current values as of 25 September 2019. Overweight position is to emerging market hard-currency bonds.

Municipal bonds

Neutral

Muni yields bottomed out at the end of August before reversing course in the early part of this month. Tax-exempt paper has lost 0.7% thus far in September but has still gained 7.1% on a year-to-date basis. Muni mutual funds have now attracted net new cash for 37 straight weeks. That said, the pace of new issue supply has increased, representing a modest headwind. We continue to favor investment grade munis rather than lower rated high yield credits based on tight credit quality spreads.

Current AAA 10-year muni-to-Treasury yield ratio: 85.6% (last month: 76.9%)

Non-US developed fixed income

Neutral

Over the past month, bond yields have moved mostly higher in non-US developed markets, rebounding from previous declines. On foreign exchange markets, the dollar overall gained against other major currencies. These factors combined to cause negative returns when measured in dollars. With yields still negative on many bonds, non-US developed fixed income remains unattractive. We do not recommend a strategic asset allocation position on the asset class.

Additional US taxable fixed income (TFI) segments

Agency bonds

The Agency market has returned 5.8% year-to-date. Although this performance is respectable, it remains below mortgage-backed securities (MBS), even with the longer interest rate exposure. Callable redemptions have reached USD 98bn this quarter. Over 80% of callable agency bonds that are up for call in 4Q19 were issued before 2018, and most of these issues are expected to get called. As volatility increases, the Agency debt market remains a safe haven; however, with incremental returns dwindling CIO remains underweight the asset class versus MBS or Treasury.

Current spread is +11bps to the 5-year (versus +13bps last month).

Mortgage-backed securities (MBS)

MBS spreads have stabilized since the large interest rate decline in August. Even with the short-term volatility witnessed within the repo market, the mortgage current coupon spread has managed to tighten from August levels, which reached 105bps. Although MBS remain cheap to IG corporates, we remain neutral in MBS as volatility may rise in the fourth quarter along with the potential of trending below the year-to-date low in the 10-year yield of 1.4%.

Current spread is +99bps to the 5-year and 10-year Treasury blend (versus +93bps last publication).

UBS interest rate forecasts

US	24-Sep-19	UBS 3m	UBS 6m	UBS 12m
USD 3m LIBOR	2.1	2.0	1.6	1.1
USD 2Y Treas.	1.7	1.5	1.5	1.6
USD 5Y Treas.	1.6	1.4	1.5	1.6
USD 10Y Treas.	1.7	1.5	1.6	1.7
USD 30Y Treas	2.1	2.0	2.1	2.1
Curve: 2y/10y spread (bp)	0.1	0.0	0.1	0.2

Source: Bloomberg, UBS, as of 24 September 2019

Preferred securities

Preferreds have performed consistently all year. Fed messaging suggests rate risk has abated, though we could see a pull back if risk aversion returns and yields gap higher. But so far, yield spreads remain within historical ranges, which may buffer any fear-driven push toward higher yields. We favor fixed-rate preferreds with above-average coupons. We view fixed-to-floating rate preferreds with greater scrutiny given increased potential for Libor rates to fall further from here and lingering uncertainty regarding the discontinuation of Libor in 2022 or soon after. We favor those with at least four years of call protection, high reset spreads, and strong prospectus language regarding floating-rate coupon calculation in the absence of Libor.

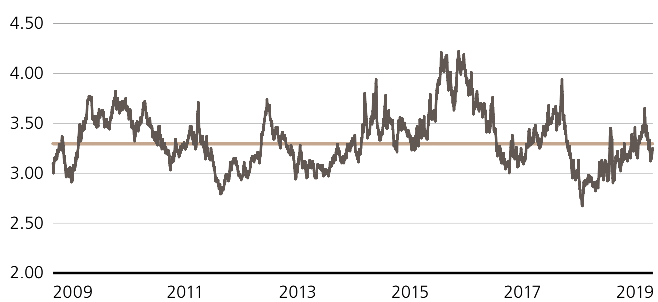
Treasury inflation-protected securities (TIPS)

The CPI has printed above expectations for three consecutive months. With consumer prices rising, in combination with the rise in WTI oil prices, break-even inflation rates began trending higher. The TIPS index has returned over 8% in 2019, outperforming US Treasuries. However, TIPS started to underperform over the past two months given the decline in interest rates and risk off sentiment. We continue to recommend 5-year TIPS but recognize that we may be a bit early on the allocation.

Current 5-year breakeven inflation rate of 1.39% (1.37% last month)

High yield spreads have compressed versus IG corporates in September

Spread ratio between HY and IG, the lower the ratio the more expensive HY



Source: ICE BAML, UBS, as of 24 September 2019

Commodities and other asset classes

Dominic Schnider, CFA, CAIA; Giovanni Staunovo; Thomas Veraguth; Wayne Gordon

Commodity indexes have continued to move sideways since the end of August, lately benefiting from bouncing oil prices following the attacks on two oil facilities in Saudi Arabia. The outlook for commodity prices has clearly dimmed from a top-down perspective. US recession risks have increased, while we have also lowered our global GDP growth estimates for this year and next. Hence, for now, overall commodity exposure looks unattractive over six and 12 months. That said, we advise investors to stay long gold.

Commodities

Neutral

Precious metals We are bullish on gold over our forecast horizon given US-China trade uncertainty and a dovish Federal Reserve pushing US real rates lower. Our expectation of a weaker USD, factors associated with the late stage of an economic cycle, and ongoing political noise as we approach the 2020 US presidential elections are also price supportive. We continue to see gold as a valuable insurance asset in a portfolio context and expect the yellow metal to rise to USD 1,600-1,650/oz over 6-12 months.

GOLD (current: USD 1504/oz)	Six-month target
House view	**USD 1600/oz**
↗ Positive scenario	USD 1700/oz
↘ Negative scenario	USD 1400/oz

Crude oil Short-term oil prices will stay supported, as market participants will maintain a risk premium in crude oil due to the risk of renewed attacks to Middle East energy infrastructure amid very low spare capacity. The outlook for oil prices in 2020 remains challenging, as lower expected economic growth in 2020 is likely to weigh on oil demand growth, while we continue to expect solid non-OPEC growth driven by the US, Norway and Brazil. With the oil market expected to move from undersupplied to oversupplied next year, we expect Brent to decline to USD 55/bbl over the next 6-12 months.

BRENT (current: USD 62/bbl)	Six-month target
House view	**USD 55/bbl**
↗ Positive scenario	USD 70/bbl
↘ Negative scenario	USD 40-50/bbl

Base metals Positive investment returns for the sector in 4Q19 largely hinge on US-China trade talks, as macro-economic data is unlikely to turn the corner in the very near-term. As such the demand backdrop for industrial metals is likely to be poor in 4Q19. Price supportive news flow from the supply side should be limited as well. Nickel prices already factor in a strongly curtailed supply side in 2020 and some challenges in lead. Solid supply growth in Chinese zinc output favors no negative supply bias. Copper supply was very well behaved this year, but name-plate supply growth for next year should still outstrip demand growth. Only in aluminum do we see room for supply growth to disappoint on production cost considerations.

Agriculture Our view on agriculture is that 2H19 should mark the bottom of what has been a multi-year downturn, while the drags associated with the US-China trade uncertainties and disruptions from the rejig of global supply chains should begin to fade in 1H20. While even an interim deal between these two superpowers would be positive for sentiment, the negative impact on prices of a breakdown in October talks from current levels would be more incremental, in our view.

Other asset classes

Listed real estate We forecast earnings growth of 4.8% for 2019–20 (excl. EMs), driven by internal growth, positive rental reversion, repositioning or extensions. A few companies need to deleverage, while the majority still optimize financing. The number of companies with expanding risk spreads will grow if the cyclical deceleration intensifies. Stock picking is key. Physical transaction volumes were at their highest level in 2015. They declined by over 9% in 1H19, while capital value growth has been decelerating since 2015. The cap-rate compression cycle has ended. Increasing cap rates are eroding values slightly amid weaker rental growth, but only locally

RUGL Index (current: USD 5689)	Six-month target
House view	**USD 5500**
↗ Positive scenario	USD 5600
↘ Negative scenario	USD 4800

Note: Current values as of 25 September 2019

Foreign exchange

Thomas Flury, Strategist

In our FX strategy we keep some exposure to currencies that should benefit from a stable global growth outlook, but add a long USD/short Australian dollar (AUD) position that should profit from rising trade tensions between the US and China.

USD

Neutral

We expect a broad strengthening of the USD in the near term due to the ongoing US-China trade conflict. Fed rate cuts have so far failed to offset this impact. In the longer term we expect the USD to weaken.

EUR

Underweight

We expect USD appreciation against the EUR to continue over the coming months. In the longer term, we continue to expect EURUSD to rebound. Europe, in particular Germany, is moving through an economic trough right now. In the US, the low point should be reached in spring 2020.

GBP

Overweight

Receding no-deal Brexit risks support sterling. This may continue, but we caution that Brexit has yet to be resolved. Our latest probability-weighted forecast sees GBPUSD at 1.26 in six months, which aggregates various diverse potential outcomes. We keep our long GBP versus short USD position.

CHF

Neutral

The Swiss National Bank has at its disposal its usual arsenal of measures to stave off CHF strength. In the September meeting, it decided to keep its powder dry by not cutting rates. It might do so off-cycle if the CHF rallies.

JPY

Neutral

The Fed and Bank of Japan meetings in September brought few surprises for markets and kept USDJPY trading in a tight range of 107.5 to 108.5. Over the next 12 months, we expect the Fed to cut rates by a further 100bps to cushion a sharp US economic slowdown. Over the same period, the BoJ is expected to ease by a modest 15bps. In combination, this should guide USDJPY lower.

Other developed market currencies

Neutral

We have added a long USD/short Australian dollar (AUD) position that would profit from rising trade tensions between the US and China. We retain our Norwegian krone (NOK) overweight position against the EUR and the Canadian dollar (CAD). Norway's central bank is unique in its bias to raise interest rates. With the September rate hike, the central bank might have reached the end, but the solid Norwegian economy still keeps chances alive of another rate hike. We keep our basket of high-yielding emerging market currencies, funded by growth-sensitive low-yielding currencies. The main target of this basket is to earn a carry. The long positions in Indonesian rupiah (IDR) and the Indian rupee (INR), funded by short positions in the AUD and Taiwan dollar (TWD), remain unchanged.

UBS CIO FX forecasts

	3M	6M	12M	PPP*
EURUSD	1.09	1.12	1.17	1.29
USDJPY	106	104	100	75
USDCAD	1.35	1.35	1.32	1.20
AUDUSD	0.65	0.68	0.68	0.68
GBPUSD	1.25	1.26	1.31	1.56
NZDUSD	0.61	0.63	0.65	0.57
USDCHF	0.98	0.96	0.94	0.93
EURCHF	1.07	1.07	1.10	1.20
GBPCHF	1.23	1.20	1.23	1.45
EURJPY	116	116	117	96
EURGBP	0.87	0.89	0.89	0.83
EURSEK	11.00	11.20	11.20	9.83
EURNOK	9.80	10.00	10.20	10.55

Source: Thomson Reuters, UBS, as of 26 September 2019
Note: Past performance is not an indication of future returns.
*PPP = Purchasing Power Parity

Key forecasts

⊕ Overweight
⊜ Neutral
⊖ Underweight

Asset class	TAA (6–12 months)	Change this month	Benchmark	Value	m/m perf. in %[1]	Forecast[4] House View	Forecast[4] Positive scenario	Forecast[4] Negative scenario
EQUITIES	⊖							
US	⊜	–	S&P 500	2985	2.1%	2950	3250	2350
Eurozone	⊖	–	Euro Stoxx	378	3.7%	360	390	310
UK*	⊜	–	FTSE 100	7290	2.3%	7000	7800	6600
Japan	⊜	–	Topix	1620	8.1%	1600	1780	1380
Switzerland	⊜	–	SMI	9915	1.1%	10600	10900	9000
Emerging Markets	⊖	–	MSCI EM	1006	3.1%	1000	1100	870
BONDS	⊕							
US Government bonds[2]	⊜	–	10yr Treasury yield	1.7%	-0.5%	1.6%	1.2%	2.4%
US Corporate bonds (IG)	⊜	–	BAML IG spread	120	-0.4%	110-130 bps	90 bps	275 bps
US High-yield bonds	⊜	–	BAML US HY spread	391	0.9%	380-420 bps	300 bps	800 bps
EM Sovereign	⊕	–	EMBI Diversified spread[3]	315	0.1%	320-340 bps	260 bps	450 bps
EM Corporate	⊜	–	CEMBI Diversified spread	323	0.0%	330-350 bps	270 bps	520 bps
OTHER ASSET CLASSES								
Gold	⊜	–	Spot price	1504 /oz.	0.4%	1600	1700	1400
Brent crude oil	⊜	–	Spot price	62.39 /bbl.	4.1%	55	70	40-50
Listed real estate	⊜	–	RUGL Index	5689	2.2%	5500	5600	4800
CURRENCIES			Currency pair					
USD	⊜	↗	USD	NA	NA	NA	NA	NA
EUR	⊖	–	EURUSD	1.10	-1.2%	1.12	NA	NA
GBP	⊕	–	GBPUSD	1.24	0.8%	1.26	NA	NA
JPY**	⊜	–	USDJPY	108	1.2%	104	NA	NA
CHF	⊜	–	USDCHF	0.99	0.8%	0.96	NA	NA

Source: Bloomberg, UBS
* For 1–4 year horizon, we would underweight UK equities.
** For a 1–4 year horizon, we would also hold a preference for the JPY.
[1] Month over month.
[2] We are neutral US government bonds, but maintain an overweight to US Treasury Inflation-Protected Securities against nominal US government bonds within this category.
[3] EMBIG Diversified ex-Venezuela
[4] Equity forecasts are based on a June 2020 target. Bond forecasts (except EM bonds) are based on a December 2019 target. Other asset classes, EM bonds and currencies are based on a six-month forecast.
Note: Current values as of 25 September 2019. Currency values as of 26 September 2019. Change this month column represents change since our UBS House View update: Lowering risk in portfolios on rising trade tensions, published on 26 August 2019.
Past performance is no indication of future performance. Forecasts are not a reliable indicator of future performance.

US equity sector allocation

in %

	S&P 500 Benchmark allocation[1]	CIO GWM tactical deviation[2] Numeric		Symbol		Current allocation[3]
		Previous	Current	Previous	Current	
Communication Services	10.4	+1.0	+1.0	+	+	11.4
Consumer Discretionary	10.0	+1.0	+1.0	+	+	11.0
Consumer Staples	7.5	+1.0	+1.0	+	+	8.5
Energy	4.6	-1.0	-1.0	–	–	3.6
Financials	12.9	+0.0	+0.0	n	n	12.9
Health Care	13.8	+0.0	+0.0	n	n	13.8
Industrials	9.3	-1.0	-1.0	–	–	8.3
Information Technology	21.8	-1.0	-1.0	–	–	20.8
Materials	2.7	+0.0	+0.0	n	n	2.7
Real Estate	3.2	+0.0	+0.0	n	n	3.2
Utilities	3.6	+0.0	+0.0	n	n	3.6

Source: UBS, as of 26 September 2019.

For US equity sub-sector recommendations please see the "Equity Preference List" for each sector. These reports are published on a monthly basis and can be found on the Online Services website in the Research > Equities section.
The benchmark allocation, as well as the tactical deviations, are intended to be applicable to the US equity portion of a portfolio across investor risk profiles.
[1] The benchmark allocation is based on S&P 500 weights.
[2] See "Deviations from strategic asset allocation" in the Appendix of UBS House View for an explanation regarding the interpretation of the suggested tactical deviations from benchmark. The "current" column refers to the tactical deviation that applies as of the date of this publication. The "previous" column refers to the tactical deviation that was in place at the date of the previous edition of the previous edition of UBS House View or the last UBS House View Update.
[3] The sum of the S&P 500 benchmark allocation and CIO GWM tactical deviation columns.

Full detailed asset allocation tables
View our full set of asset allocation tables for guidance on positioning across different investor types, portfolio strategies, and risk tolerances.

Index information

Underlying indices for Strategic Asset Allocations

US Cash (Barclays Capital US Treasury – Bills [1–3 M])
US Large-Cap Growth (Russell 1000 Growth)
US Large-Cap Value (Russell 1000 Value)
US Mid-Cap (Russell Mid Cap)
US Small-Cap (Russell 2000)
International Dev. Equities (MSCI EAFE)
Emerging Markets Equities (MSCI EMF)
US Government Fixed Income (Bloomberg Barclays US Agg Government)
US Municipal Fixed Income (Bloomberg Barclays Municipal Bond)
US Investment-Grade Fixed Income (Bloomberg Barclays US Agg Credit)
US Corporate High-Yield Fixed Income (Bloomberg Barclays US Agg Corp HY)
International Dev. Fixed Income (Bloomberg Barclays Global Agg xUS)
Emerging Markets Fixed Income (50% Bloomberg Barclays EM Gov and 50% BarCap Global EM (USD))
Commodities (Dow Jones-UBS Commodity Index)

Note: For additional information on indices, portfolio analytics, and performance, please see our standalone asset allocation report.

Investment committee

Global Investment Process and Committee description
The UBS investment process is designed to achieve replicable, high-quality results through applying intellectual rigor, strong process governance, clear responsibility, and a culture of challenge.

Based on the analyses and assessments conducted and vetted throughout the investment process, the Chief Investment Officer (CIO) formulates the UBS Wealth Management Investment House View (e.g., overweight, neutral, underweight stances for asset classes and market segments relative to their benchmark allocation) at the Global Investment Committee (GIC). Senior investment professionals from across UBS, complemented by selected external experts, debate and rigorously challenge the investment strategy to ensure consistency and risk control.

Global Investment Committee composition
The GIC comprises top market and investment expertise from across all divisions of UBS:

- Mark Haefele (Chair)
- Paul Donovan
- Jorge Mariscal
- Mike Ryan
- Simon Smiles
- Tan Min Lan
- Themis Themistocleous
- Bruno Marxer (*)
- Andreas Koester

WMA Asset Allocation Committee description
We recognize that a globally derived house view is most effective when complemented by local perspective and application. As such, UBS has formed a Wealth Management Americas Asset Allocation Committee (WMA AAC). WMA AAC is responsible for the development and monitoring of UBS WMA's strategic asset allocation models and capital market assumptions. The WMA AAC sets parameters for the CIO Americas, WM Investment Strategy Group to follow during the translation process of the GIC's House Views and the incorporation of US-specific asset class views into the US-specific tactical asset allocation models.

WMA Asset Allocation Committee composition
The WMA Asset Allocation Committee comprises nine members:

- Mike Ryan
- Michael Crook
- Brian Rose
- Jeremy Zirin
- Jason Draho
- Tom McLoughlin
- Leslie Falconio
- Laura Kane
- David Lefkowitz

(*) Business area distinct from Chief Investment Office Americas, Wealth Management

Cautionary statement regarding forward-looking statements

This report contains statements that constitute "forward-looking statements," including but not limited to statements relating to the current and expected state of the securities market and capital market assumptions. While these forward-looking statements represent our judgments and future expectations concerning the matters discussed in this document, a number of risks, uncertainties, changes in the market, and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to (1) the extent and nature of future developments in the US market and in other market segments; (2) other market and macro-economic developments, including movements in local and international securities markets, credit spreads, currency exchange rates and interest rates, whether or not arising directly or indirectly from the current market crisis; (3) the impact of these developments on other markets and asset classes. UBS is not under any obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

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Explanations about asset classes

Sources of strategic asset allocations and investor risk profiles
Strategic asset allocations represent the longer-term allocation of assets that is deemed suitable for a particular investor. The strategic asset allocation models discussed in this publication, and the capital market assumptions used for the strategic asset allocations, were developed and approved by the WMA AAC.

The strategic asset allocations are provided for illustrative purposes only and were designed by the WMA AAC for hypothetical US investors with a total return objective under five different Investor Risk Profiles ranging from conservative to aggressive. In general, strategic asset allocations will differ among investors according to their individual circumstances, risk tolerance, return objectives and time horizon. Therefore, the strategic asset allocations in this publication may not be suitable for all investors or investment goals and should not be used as the sole basis of any investment decision. Minimum net worth requirements may apply to allocations to non-traditional assets. As always, please consult your UBS Financial Advisor to see how these weightings should be applied or modified according to your individual profile and investment goals.

The process by which the strategic asset allocations were derived is described in detail in the publication entitled "Strategic Asset Allocation (SAA) Methodology and Portfolios." Your Financial Advisor can provide you with a copy.

Deviations from strategic asset allocation or benchmark allocation
The recommended tactical deviations from the strategic asset allocation or benchmark allocation are provided by the Global Investment Committee and the Investment Strategy Group within CIO Americas, Wealth Management. They reflect the short- to medium-term assessment of market opportunities and risks in the respective asset classes and market segments. Positive/zero/negative tactical deviations correspond to an overweight/neutral/underweight stance for each respective asset class and market segment relative to their strategic allocation. The current allocation is the sum of the strategic asset allocation and the tactical deviation.

Note that the regional allocations on the Equities and Bonds pages in UBS House View are provided on an unhedged basis (i.e., it is assumed that investors carry the underlying currency risk of such investments) unless otherwise stated. Thus, the deviations from the strategic asset allocation reflect the views of the underlying equity and bond markets in combination with the assessment of the associated currencies. The detailed asset allocation tables integrate the country preferences within each asset class with the asset class preferences in UBS House View.

Asset allocation does not assure profits or prevent against losses from an investment portfolio or accounts in a declining market.

Scale for tactical deviation charts

Symbol	Description/Definition	Symbol	Description/Definition	Symbol	Description/Definition
+	moderate overweight vs. benchmark	–	moderate underweight vs. benchmark	n	neutral, i.e., on benchmark
++	overweight vs. benchmark	– –	underweight vs. benchmark	n/a	not applicable
+++	strong overweight vs. benchmark	– – –	strong underweight vs. benchmark		

Source: UBS

Statement of risk

Equities - Stock market returns are difficult to forecast because of fluctuations in the economy, investor psychology, geopolitical conditions and other important variables.

Fixed income - Bond market returns are difficult to forecast because of fluctuations in the economy, investor psychology, geopolitical conditions and other important variables. Corporate bonds are subject to a number of risks, including credit risk, interest rate risk, liquidity risk, and event risk. Though historical default rates are low on investment grade corporate bonds, perceived adverse changes in the credit quality of an issuer may negatively affect the market value of securities. As interest rates rise, the value of a fixed coupon security will likely decline. Bonds are subject to market value fluctuations, given changes in the level of risk-free interest rates. Not all bonds can be sold quickly or easily on the open market. Prospective investors should consult their tax advisors concerning the federal, state, local, and non-U.S. tax consequences of owning any securities referenced in this report.

Preferred securities - Prospective investors should consult their tax advisors concerning the federal, state, local, and non-U.S. tax consequences of owning preferred stocks. Preferred stocks are subject to market value fluctuations, given changes in the level of interest rates. For example, if interest rates rise, the value of these securities could decline. If preferred stocks are sold prior to maturity, price and yield may vary. Adverse changes in the credit quality of the issuer may negatively affect the market value of the securities. Most preferred securities may be redeemed at par after five years. If this occurs, holders of the securities may be faced with a reinvestment decision at lower future rates. Preferred stocks are also subject to other risks, including illiquidity and certain special redemption provisions.

Municipal bonds - Although historical default rates are very low, all municipal bonds carry credit risk, with the degree of risk largely following the particular bond's sector. Additionally, all municipal bonds feature valuation, return, and liquidity risk. Valuation tends to follow internal and external factors, including the level of interest rates, bond ratings, supply factors, and media reporting. These can be difficult or impossible to project accurately. Also, most municipal bonds are callable and/or subject to earlier than expected redemption, which can reduce an investor's total return. Because of the large number of municipal issuers and credit structures, not all bonds can be easily or quickly sold on the open market.

Appendix

Emerging Market Investments
Investors should be aware that Emerging Market assets are subject to, among others, potential risks linked to currency volatility, abrupt changes in the cost of capital and the economic growth outlook, as well as regulatory and socio-political risk, interest rate risk and higher credit risk. Assets can sometimes be very illiquid and liquidity conditions can abruptly worsen. CIO Americas, WM generally recommends only those securities it believes have been registered under Federal US registration rules (Section 12 of the Securities Exchange Act of 1934) and individual State registration rules (commonly known as "Blue Sky" laws). Prospective investors should be aware that to the extent permitted under US law, CIO Americas, WM may from time to time recommend bonds that are not registered under US or State securities laws. These bonds may be issued in jurisdictions where the level of required disclosures to be made by issuers is not as frequent or complete as that required by US laws.

For more background on emerging markets generally, see the CIO Americas, WM Education Notes "Investing in Emerging Markets (Part 1): Equities," 27 August 2007, "Emerging Market Bonds: Understanding Emerging Market Bonds," 12 August 2009 and "Emerging Markets Bonds: Understanding Sovereign Risk," 17 December 2009.

Investors interested in holding bonds for a longer period are advised to select the bonds of those sovereigns with the highest credit ratings (in the investment-grade band). Such an approach should decrease the risk that an investor could end up holding bonds on which the sovereign has defaulted. Subinvestment-grade bonds are recommended only for clients with a higher risk tolerance and who seek to hold higher-yielding bonds for shorter periods only.

Nontraditional Assets
Nontraditional asset classes are alternative investments that include hedge funds, private equity, real estate, and managed futures (collectively, alternative investments). Interests of alternative investment funds are sold only to qualified investors, and only by means of offering documents that include information about the risks, performance and expenses of alternative investment funds, and which clients are urged to read carefully before subscribing and retain. An investment in an alternative investment fund is speculative and involves significant risks. Specifically, these investments (1) are not mutual funds and are not subject to the same regulatory requirements as mutual funds; (2) may have performance that is volatile, and investors may lose all or a substantial amount of their investment; (3) may engage in leverage and other speculative investment practices that may increase the risk of investment loss; (4) are long-term, illiquid investments; there is generally no secondary market for the interests of a fund, and none is expected to develop; (5) interests of alternative investment funds typically will be illiquid and subject to restrictions on transfer; (6) may not be required to provide periodic pricing or valuation information to investors; (7) generally involve complex tax strategies and there may be delays in distributing tax information to investors; (8) are subject to high fees, including management fees and other fees and expenses, all of which will reduce profits.

Interests in alternative investment funds are not deposits or obligations of, or guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other governmental agency. Prospective investors should understand these risks and have the financial ability and willingness to accept them for an extended period of time before making an investment in an alternative investment fund, and should consider an alternative investment fund as a supplement to an overall investment program.

In addition to the risks that apply to alternative investments generally, the following are additional risks related to an investment in these strategies:

Hedge Fund Risk: There are risks specifically associated with investing in hedge funds, which may include risks associated with investing in short sales, options, small-cap stocks, "junk bonds," derivatives, distressed securities, non-US securities and illiquid investments.

Managed Futures: There are risks specifically associated with investing in managed futures programs. For example, not all managers focus on all strategies at all times, and managed futures strategies may have material directional elements.

Real Estate: There are risks specifically associated with investing in real estate products and real estate investment trusts. They involve risks associated with debt, adverse changes in general economic or local market conditions, changes in governmental, tax, real estate and zoning laws or regulations, risks associated with capital calls and, for some real estate products, the risks associated with the ability to qualify for favorable treatment under the federal tax laws.

Private Equity: There are risks specifically associated with investing in private equity. Capital calls can be made on short notice, and the failure to meet capital calls can result in significant adverse consequences including, but not limited to, a total loss of investment.

Foreign Exchange/Currency Risk: Investors in securities of issuers located outside of the United States should be aware that even for securities denominated in US dollars, changes in the exchange rate between the US dollar and the issuer's "home" currency can have unexpected effects on the market value and liquidity of those securities. Those securities may also be affected by other risks (such as political, economic or regulatory changes) that may not be readily known to a US investor.

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Cobb County Government Employees' Pension Plan

Asset Class Summary

Style Analysis

As of September 30, 2019

Manager/Accounts	Account #:	% Assets	Large Cap Growth	Large Cap Blend	Large Cap Value	Mid Cap Blend	Small Cap Growth	Small Cap Value	Global	International	Fixed Income	Cash	Total Portfolio
TCW	XXXXX76	6.1%	$ 41,911,981										$ 41,911,981
Westfield Capital Management	XXXXX32	7.4%	$ 50,177,658										$ 50,177,658
Vanguard S&P 500 (VINIX)	XXXXX66	11.3%		$ 77,375,446									$ 77,375,446
Eagle Capital	XXXXX85	11.0%			$ 74,822,757								$ 74,822,757
Vanguard Mid Cap (VMCIX)	XXXXX66	6.7%				$ 45,667,855							$ 45,667,855
Eagle Asset Management	XXXXX85	2.8%					$ 18,908,561						$ 18,908,561
Vaughan Nelson	XXXXX49	3.3%						$ 22,596,967					$ 22,596,967
BlackRock Global Allocation (MALOX)	XXXXX66	2.8%							$ 19,017,349				$ 19,017,349
First Eagle Global (SGIIX)	XXXXX66	3.4%							$ 23,070,198				$ 23,070,198
Loomis Sayles Global Equity & Income(LSWWX)	XXXXX66	3.3%							$ 22,736,634				$ 22,736,634
Vanguard Total Int'l Stock (VTSNX)	XXXXX66	5.6%								$ 37,918,500			$ 37,918,500
Vanguard International Growth (VWILX)	XXXXX66	5.3%								$ 36,095,868			$ 36,095,868
Tweedy Browne Global Value (TBGVX)	XXXXX66	5.3%								$ 36,007,302			$ 36,007,302
Richmond	XXXXX37	11.8%									$ 80,223,796		$ 80,223,796
BlackRock Strategic Income Opps (BSIIX)	XXXXX66	6.9%									$ 47,190,776		$ 47,190,776
Delaware Diversified Income (CIT)	XXXXX84	7.1%									$ 48,568,839		$ 48,568,839
Total		**100%**	**$ 92,089,639**	**$ 77,375,446**	**$ 74,822,757**	**$ 45,667,855**	**$ 18,908,561**	**$ 22,596,967**	**$ 64,824,181**	**$ 110,021,669**	**$ 175,983,411**	**$ -**	**$ 682,290,486**
Current Allocation			**13.50%**	**11.34%**	**10.97%**	**6.69%**	**2.77%**	**3.31%**	**9.50%**	**16.13%**	**25.79%**	**0.00%**	**100%**
Target Allocation			**11.00%**	**11.00%**	**11.00%**	**6.00%**	**3.00%**	**3.00%**	**10.00%**	**20.00%**	**25.00%**		**100%**
Difference in %			**2.50%**	**0.34%**	**-0.03%**	**0.69%**	**-0.23%**	**0.31%**	**-0.50%**	**-3.87%**	**0.79%**		

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Dollar values above are rounded to the nearest dollar.

Cobb County Government Employees' Pension Plan
Asset Class Summary
Market Value As of: September 30, 2019

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Sources: Custodial Statement; IPS; Client Request or Advisor Recommendation

Review code: IS1602740

UBS

Cobb County OPEB

Asset Class Summary

Style Analysis

As of September 30, 2019

Manager/Accounts	Account #:	% Assets	Large Cap Growth	Large Cap Blend	Large Cap Value	Mid Cap Blend	Small Cap Growth	Small Cap Value	Global	International	Fixed Income	Cash	Total Portfolio
TCW	**XXXXX93**	6.0%	$ 8,136,694										$ 8,136,694
Westfield Capital Management	**XXXXX91**	6.6%	$ 8,922,028										$ 8,922,028
Vanguard S&P 500 (VINIX)	**XXXXX57**	11.2%		$ 15,076,795									$ 15,076,795
Eagle Capital	**XXXXX00**	10.4%			$ 13,993,359								$ 13,993,359
Vanguard Mid Cap (VIMAX)	**XXXXX57**	6.2%				$ 8,336,020							$ 8,336,020
Eagle Asset Management (HSRUX)	**XXXXX57**	3.0%					$ 3,989,253						$ 3,989,253
Vaughan Nelson	**XXXXX94**	3.2%						$ 4,368,211					$ 4,368,211
BlackRock Global Allocation (MALOX)	**XXXXX57**	3.4%							$ 4,588,655				$ 4,588,655
First Eagle Global (SGIIX)	**XXXXX57**	3.6%							$ 4,875,130				$ 4,875,130
Loomis Sayles Global Equity & Income(LSWWX)	**XXXXX57**	3.9%							$ 5,253,067				$ 5,253,067
Vanguard Total Int'l Stock (VTSNX)	**XXXXX57**	6.1%								$ 8,300,952			$ 8,300,952
Vanguard International Growth (VWILX)	**XXXXX57**	5.6%								$ 7,537,477			$ 7,537,477
Tweedy Browne Global Value (TGBVX)	**XXXXX57**	5.0%								$ 6,812,332			$ 6,812,332
Richmond	**XXXXX92**	12.0%									$ 16,183,951		$ 16,183,951
BlackRock Strategic Income Opps (BSIIX)	**XXXXX57**	6.4%									$ 8,714,685		$ 8,714,685
Delaware Diversified Income (DPFFX)	**XXXXX57**	7.5%									$ 10,100,910		$ 10,100,910
Total		**100%**	**$ 17,058,722**	**$ 15,076,795**	**$ 13,993,359**	**$ 8,336,020**	**$ 3,989,253**	**$ 4,368,211**	**$ 14,716,852**	**$ 22,650,761**	**$ 34,999,545**	**$ -**	**$ 135,189,516**
Current Allocation			**12.62%**	**11.15%**	**10.35%**	**6.17%**	**2.95%**	**3.23%**	**10.89%**	**16.75%**	**25.89%**	**0.00%**	**100%**
Target Allocation			**11.00%**	**11.00%**	**11.00%**	**6.00%**	**3.00%**	**3.00%**	**10.00%**	**20.00%**	**25.00%**		**100%**
Difference in %			**1.62%**	**0.15%**	**-0.65%**	**0.17%**	**-0.05%**	**0.23%**	**0.89%**	**-3.25%**	**0.89%**		

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Review code: IS1602740

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

Cobb County Employees' Retirement Plan

EAGLE ASSET MANAGEMENT

Third Quarter 2019

EAGLE ASSET MANAGEMENT

Investing with Intelligence, Experience and Conviction

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

About our firm

Eagle Asset Management provides institutional and individual investors with a broad array of equity and fixed income products designed to meet long-term goals. Eagle and its subsidiary Eagle Boston Investment Management, Inc. have $32.8 billion in assets under management and advisement.* Our investment philosophies are designed to deliver superior, risk-adjusted returns via both separately managed account and mutual fund platforms. Founded in 1984, Eagle was built on the cornerstones of intelligence, experience and conviction that we believe clients expect from their investment managers.

Updates as of June 30, 2019:

- In keeping with our long-term investment focus, 13 of our 15 composites with ten-year track records beat their respective benchmarks (gross of fees) over the ten-year period. In addition, 12 of our 14 composites with fifteen-year track records beat their respective benchmarks (gross of fees) over the fifteen-year period.
- Since their inception dates, 14 of our 16 composites beat their respective benchmarks (gross of fees).

Investment Objectives (as of June 30, 2019)	**Assets** (millions)
Small Cap Core	$980.0
Small/Mid Cap Core – Institutional	$242.8
Micro Cap Core – Institutional	$5.7
Small Cap Growth – Institutional	$1,180.6
Small Cap Growth – Sub-advised	$398.5
Small Cap Growth – Retail	$5,537.9
Mid Cap Growth	$7,451.6
Small Cap Strategy	$853.6
SMID Cap Strategy	$318.0
Eagle Boston Small Cap Equity – Institutional	$89.3
Equity Income	$5,797.5
All Cap Equity	$292.9
Value	$87.5
Large Cap Core	$806.8
Large Cap Growth	$274.2
International ADR	$86.1
Fixed Income	$8,260.9
Other	$130.3
	$32,794.2

*Information as of June 30, 2019

INVESTMENT TEAM
Small Cap Growth

EAGLE | Asset Management
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Eric Mintz, CFA
Portfolio Co-Manager
Energy, Materials, Industrials
Joined Eagle 2005
24 years investment experience

Bert Boksen, CFA
Managing Director and Portfolio Manager
Consumer Discretionary, Consumer Staples
Joined Eagle 1995
42 years investment experience

Chris Sassouni, DMD
Portfolio Co-Manager - Healthcare
Healthcare
Joined Eagle in 2003
29 years investment experience

Tariq Siddiqi, CFA
Senior Research Analyst
Technology
Joined Eagle in 2012
16 years investment experience

Adam Gallina, CFA
Senior Research Analyst
Technology
Joined Eagle in 2007
19 years investment experience

David Cavanaugh
Senior Research Analyst
Business Services, Financials & Consumer
Joined Eagle in 2017
23 years investment experience

Andrew Adebonojo, CFA
Senior Research Analyst
Healthcare & Financials
Joined Eagle in 2011
27 years investment experience

Bryan Batassa
Portfolio Analyst
Joined Eagle in 2011
12 years investment-industry experience

Clay Lindsey, CFA
Client Portfolio Manager
Joined Eagle in 2000
Moved to Carillon Tower Advisers in 2016
19 years investment-industry experience

POINTS OF DIFFERENTIATION

Small Cap Growth

EAGLE | Asset Management
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Culture of Investment Excellence

- Passionate, experienced and cohesive team
- Performance-based meritocracy
- Team members embrace investment process
- Quarterly internal stock-picking contest 

Invest in Companies with Accelerating Earnings Growth

- Apply proprietary screens and fundamental research to identify companies that will see a step-change in their growth rate and then have a bias to stick with winners

Intense Focus on Proactive Risk Management

- Continuously gather industry data to support/challenge investment thesis (monthly updates)
- Monitor relative strength to identify potential problems
- No significant sector over-/underweights relative to the benchmark
- Be mindful of valuation at purchase

Strive for a Long-term Track Record of Consistent Outperformance

NEW IDEA GENERATION

Small Cap Growth

EAGLE | Asset Management
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Accelerating Growth... At A Reasonable Valuation

Quantitative analysis

- Identify growth drivers such as company-specific catalysts and/or industry trends
- Screen for accelerating earnings growth
- Screen for insider buying
- Screens for fresh new highs
- Strong management with insider ownership
- Reasonable valuation vs. peers

Typically up to 100 stocks

Qualitative analysis

- Buy- and sell-side contacts
- Industry/company contacts
- Conference-call transcripts
- Investment conferences
- Company visits
- Trade journals
- SEC filings

INVESTMENT PROCESS
Small Cap Growth

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- Team members screen for RGARP investment ideas in their sectors
- Rigorous analysis of corporate filings, industry data and Wall Street research
- Meet with management to build investment thesis
- Articulate investment thesis identifying key points and potential risk factors
- Analysts collaborate with portfolio managers for inclusion in the portfolio
- Continuously monitor stocks in portfolio, including monthly updates that identify potential positive or negative catalysts
- Portfolio managers collaborate to monitor portfolio construction and performance

There is no guarantee that the investment goals/objectives will be met.

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RISK MANAGEMENT - SELL DISCIPLINE

Small Cap Growth

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Proactive Process Focus

Portfolio risk

- Addressed through portfolio diversification across multiple sectors; typically up to 100 securities
- Trim holdings if more than 5% of the portfolio
- No significant sector over-/underweights relative to the benchmark
- Collaboration among portfolio managers is critically important

Company risk

- Constant monitoring of positions to identify deteriorating fundamentals (e.g. smiley-face reports, weekly meetings, "ticker?" email)
- Closely analyze the risk/reward of large negative active weights at the individual security level
- Look for evidence of declining relative strength
- Monitor earnings quality
- Buy reasonably priced stocks
- This is a humbling business; it is paramount to quickly identify mistakes and take timely action

There is no guarantee that the investment goals/objectives will be met.

3Q19 MARKET OVERVIEW

Small Cap Growth

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- Small-cap stocks declined during the third quarter as the Russell 2000® Growth Index (down 4.2%) and the Russell 2000® Value Index (down 0.6%) took a breather in the near-term following their upward trajectory earlier in 2019.

- Sector returns across the Russell 2000 Growth Index were broadly negative during the quarter, with the most notable declines experienced within energy (down 19.0%), communications services (down 10.7%) and health care (down 9.8%) while returns within the materials sector (down 6.3%) were also lower.

- Positive returns were generated within the utilities (up 9.2%), consumer staples (up 3.6%) as well as real estate (up 3.0%) sectors, representing a few bright spots for the Growth index during the quarter.

PERFORMANCE

(Data shown gross of fees as of Sept. 30, 2019)

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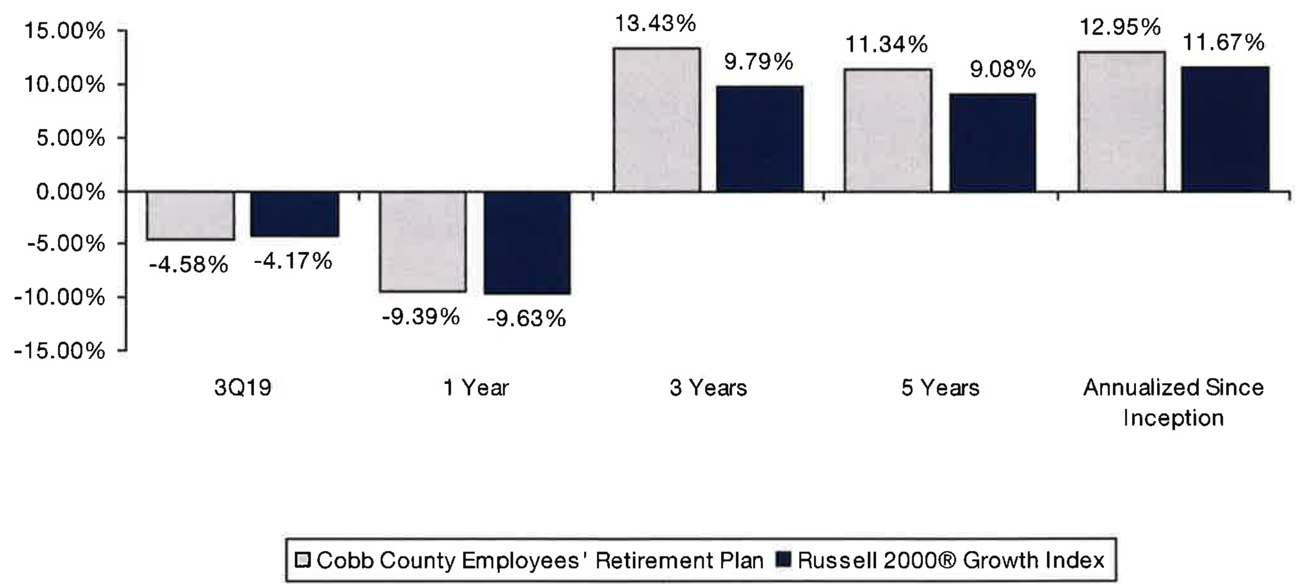

Account inception date is Oct. 12, 2010
Source: Eagle Research
Past performance does not guarantee or indicate future results.

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PERFORMANCE ATTRIBUTION

(For the quarter ending Sept. 30, 2019)

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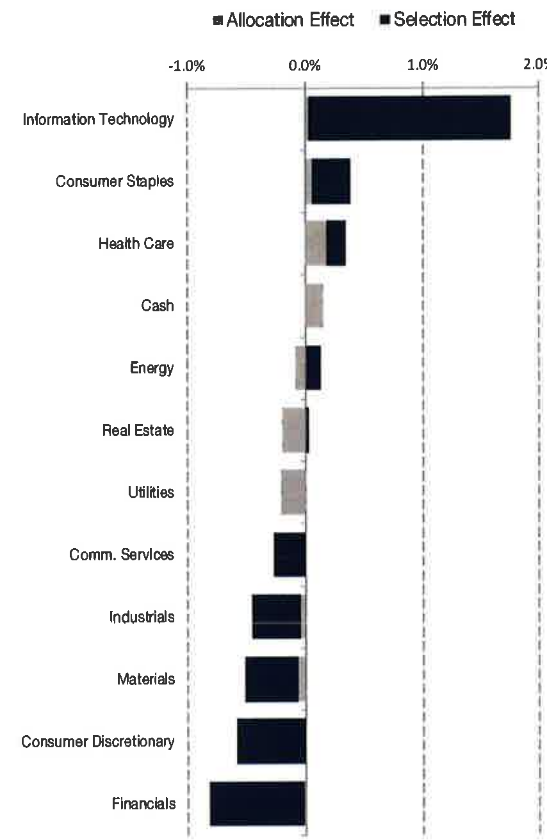
Sector	Cobb County		Russell 2000® Growth Index		Attribution		
	% Portfolio	Average Return	% Portfolio	Average Return	Allocation Effect	Selection Effect	Total Effect
Information Technology	20.52%	6.27%	18.18%	-2.58%	0.03%	1.73%	1.76%
Consumer Staples	3.74%	12.67%	3.33%	3.63%	0.06%	0.32%	0.37%
Health Care	24.67%	-9.15%	28.23%	-9.82%	0.18%	0.16%	0.34%
Cash	3.64%	0.51%	0.00%	0.00%	0.15%	0.00%	0.15%
Energy	1.19%	-8.79%	0.63%	-19.02%	-0.08%	0.13%	0.05%
Real Estate	1.69%	4.79%	4.64%	2.95%	-0.20%	0.03%	-0.17%
Utilities	0.00%	0.00%	1.67%	9.21%	-0.21%	0.00%	-0.21%
Comm. Services	2.68%	-18.80%	2.60%	-10.73%	0.01%	-0.27%	-0.26%
Industrials	18.64%	2.15%	19.31%	-0.02%	-0.04%	-0.41%	-0.46%
Materials	6.18%	-12.96%	3.11%	-6.32%	-0.06%	-0.45%	-0.51%
Consumer Discretionary	11.85%	-8.62%	12.40%	-3.90%	0.01%	-0.58%	-0.57%
Financials	5.19%	-16.73%	5.91%	-2.54%	-0.01%	-0.81%	-0.82%



Source: FactSet, Eagle Research
Bars on attribution chart depict each sector's basis point contribution to or detraction from the relative return attributable to stock selection or sector selection. Stock selection attribution represents the impact of relative performance of our holdings in a sector vs. the benchmark's holdings in that sector. Sector selection attribution represents the impact of relative performance of our residual sector weightings vs. the benchmark's sector weightings. Past performance does not guarantee or indicate future results.

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3Q19 PORTFOLIO IN REVIEW

Small Cap Growth

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Contributors to relative performance

Information Technology

- Modest overweight positioning, while exceeding benchmark returns during the quarter
- Semiconductor holding, Cabot Microelectronics, pushed performance higher

Consumer Staples

- Slightly overweight positioning, while posting above benchmark returns
- Food products holding, Simply Good Foods, helped to drive positive relative returns

Detractors from relative performance

Financials

- Slightly underweight positioning, though underperformed benchmark returns
- Insurance holding, Trupanion, negatively impacted performance

Consumer Discretionary

- Slightly underweight posture, did not keep up with benchmark returns

BEST AND WORST SECURITIES

(For the quarter ending Sept. 30, 2019)

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Best Securities	Average Weight	Security Contribution to Portfolio Return
Cabot Microelectronics	1.60%	0.40%
Trex Company	1.58%	0.39%
Simply Good Foods	2.21%	0.37%
Insulet	0.79%	0.25%
Universal Electronics	1.10%	0.24%

Worst Securities	Average Weight	Security Contribution to Portfolio Return
Quaker Chemical	3.13%	-0.76%
Green Dot	0.42%	-0.42%
Trupanion	1.16%	-0.41%
Bloom Energy	0.27%	-0.39%
Merit Medical Systems	0.33%	-0.32%

The information provided above should not be construed as a recommendation to buy, sell or hold any particular security. The data are shown for informational purposes only and are not indicative of future portfolio characteristics or returns. Portfolio holdings are not stagnant and may change over time without prior notice. Past performance does not guarantee future results. Please note that the holdings identified do not represent all of the securities purchased, sold or recommended for the composite. They are provided for informational purposes only. Eagle, its affiliates or their respective employees may have a position in the securities listed. Please contact your consultant or an Eagle sales professional to obtain the calculation's methodology and/or a list showing every holding's contribution to the overall composite's performance during the measurement period.

Source: FactSet; Eagle Research
Past performance does not guarantee or indicate future results. .

BEST SECURITIES

(For the quarter ending Sept. 30, 2019)

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Best Securities

Cabot Microelectronics (Semiconductors & Semiconductor Equipment)

Cabot Microelectronics provides consumable materials and solutions used to manufacture semiconductor chips and components. Investors have demonstrated their appreciation for the defensible nature of the firm's business model with a potential end in sight to the lull in the semiconductor industry which could help to provide an acceleration in growth going forward.

Trex Company (Building Products)

Trex manufactures wood-alternative decking, railing and fencing products. The firm has benefitted from strong demand for its compelling suite of products, while Trex continues to drive increased consumer adoption of composite decking through development of new and innovative designs.

Simply Good Foods (Food Products)

Snack-maker Simply Good Foods has continued to benefit from strong sales of its Atkins shakes and bars. During the quarter, the stock performed well as the company reported strong results, while also announcing the $1B acquisition of Quest Nutrition which was well-received.

Insulet (Health Care Equipment & Supplies)

Insulet is the market leader for patch pumps which are small tubeless, dome-shaped devices that provide a reservoir of insulin for diabetics which mitigates the need for multiple daily injections. The firm's differentiated insulin delivery system and its subsequent close alignment with a sizable and expanding diabetics end market contributed to solid revenue and earnings growth which was well-received by investors in the quarter.

Universal Electronics (Household Durables)

Universal Electronics, a manufacturer of voice-activated remote controls for television sets, benefitted from ongoing traction in advanced remote orders, successful cost control initiatives and a partial reduction in production reliance on China which have helped to drive the stock higher in the quarter.

Source: FactSet; Eagle Research
Past performance does not guarantee or indicate future results.

WORST SECURITIES

(For the quarter ending Sept. 30, 2019)

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Worst Securities

Quaker Chemical (Chemicals)

Quaker Chemical, which primarily serves heavy industrial and manufacturing markets, saw shares wane as investors grappled with the future growth expectations of a recently closed acquisition of Houghton International and the resulting combined company during the quarter. In our opinion, the combination of Quaker's proven ability to effectively leverage strategic acquisitions and the transaction's complementary nature is poised to bolster growth and drive market share gains going forward.

Green Dot (Consumer Finance)

Green Dot is a provider of prepaid, debit and secured credit cards as well as wage disbursement provisions and tax refund processing services. Shares declined as the company notably cut forward guidance, reflecting increased competition in its core prepaid card business from private companies armed with large marketing budgets. We sold the stock.

Trupanion (Insurance)

Trupanion is a provider of pet medical insurance for cats and dogs. A perceived increase in competition led the Street to downgrade the stock in the period, leading shares of Trupanion lower in the quarter. We have not detected a change in the competitive environment and continue to see Trupanion gaining share. We will continue to closely monitor the industry dynamic and believe the firm is well-positioned to address the needs of pet owners in a burgeoning pet health industry.

Bloom Energy (Electrical Equipment)

Bloom Energy manufactures fuel cells which cater to a niche segment of the power market called "distributed generation." By providing power on-site, Bloom Energy's fuel cells protect mission-critical users (such as server farms) from power outages due to grid instability. Weakness in the stock during the quarter was primarily driven by the firm's tepid guidance for 2020, as management indicated the forecast for 30% growth in shipment volumes to ultimately be offset by price declines of a similar 30%; the magnitude of which far exceeded previous investor expectations. We sold the stock.

Merit Medical Systems (Health Care Equipment & Supplies)

Merit Medical, which manufactures disposable medical devices used in cardiovascular and endoscopic procedures. Shares of Merit declined as a shift towards lower-margin products tempered firm results; a dynamic management indicated has the potential to persist in the near-term. Additionally, the CEO's notable selling in the period further weighed on our confidence in the name. We sold the stock.

Source: FactSet; Eagle Research
Past performance does not guarantee or indicate future results.

SECTOR ALLOCATION

(Data shown as of Sept. 30, 2019)

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GICS Master Sector	Cobb County	Russell 2000® Growth Index	Variation
Cash	4.02%	0.00%	4.02%
Information Technology	21.69%	18.07%	3.62%
Materials	6.23%	3.19%	3.05%
Energy	1.14%	0.62%	0.53%
Communication Services	2.55%	2.46%	0.10%
Consumer Staples	3.36%	3.47%	-0.11%
Consumer Discretionary	11.54%	12.26%	-0.71%
Financials	4.68%	6.01%	-1.33%
Industrials	18.28%	19.90%	-1.63%
Utilities	0.00%	1.79%	-1.79%
Health Care	24.70%	27.37%	-2.67%
Real Estate	1.80%	4.87%	-3.07%

Source: FactSet, Eagle Research

TOP 10 HOLDINGS

(Data shown as of Sept. 30, 2019)

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Company	Industry	% of Portfolio
Quaker Chemical	Chemicals	3.0%
Simply Good Foods	Food Products	2.4%
Waste Connections	Commercial Services & Supplies	2.4%
RealPage	Software	2.3%
Woodward	Machinery	1.9%
Cabot Microelectronics	Semiconductors & Semiconductor Equipment	1.9%
MSA Safety	Commercial Services & Supplies	1.8%
Aerojet Rocketdyne	Aerospace & Defense	1.7%
Bright Horizons Family	Diversified Consumer Services	1.6%
Trex Company	Building Products	1.5%
Total of Top 10 Holdings		20.5%

Source: FactSet, Eagle Research

No inference should be drawn that Eagle portfolios will hold these stocks in the future. References to specific securities are not intended as representative of investment recommendations by Eagle, past or present. Under no circumstances does the information contained represent a recommendation or solicitation to buy, hold or sell any security and it should not be assumed that the securities transactions or holdings discussed were or will prove to be profitable. All holdings are subject to change daily. Material regarding individual securities is based on information obtained from third-party sources that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such.

MARKET VALUE

(Data shown as of Sept. 30, 2019)

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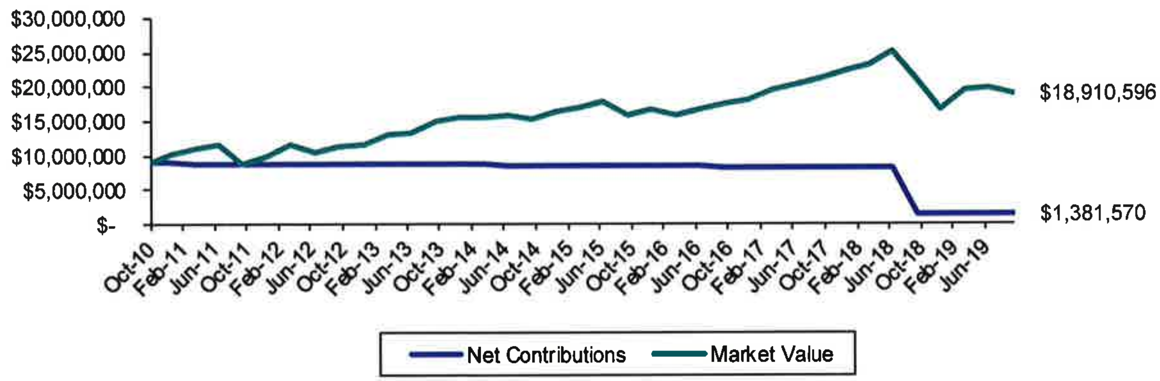

Activity	
Initial Contribution	$8,923,373
Net Deposits(Withdrawals)	$(7,541,803)
Income	$732,348
Appreciation(Depreciation)	$16,796,679
Total Market Value	**$18,910,596**

Account inception date is Oct. 12, 2010
Source: Eagle Research
Past performance does not guarantee or indicate future results.

PERFORMANCE VS. PEERS

Small Cap Growth (Composite data shown gross of fees as of June 30, 2019)

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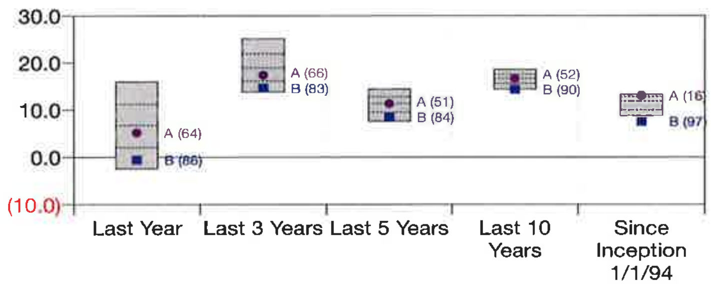
Returns vs. Peers for Small Cap Growth

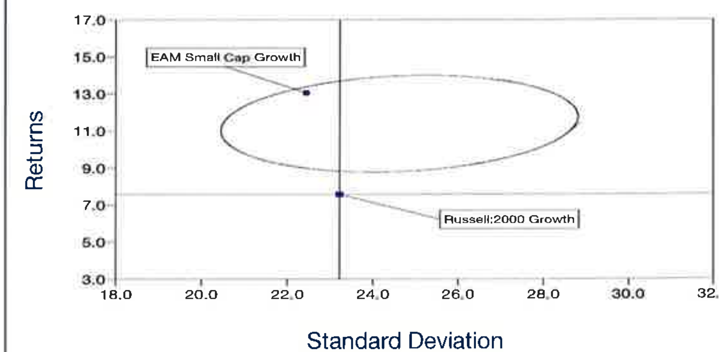
(For various time periods ending June 30, 2019)



	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Since Inception 1/1/94
10th Percentile	16.05	25.18	14.45	18.62	13.32
25th Percentile	11.23	21.97	12.81	17.58	12.82
Median	6.75	18.99	11.41	16.73	11.88
75th Percentile	2.04	16.15	9.54	15.71	10.02
90th Percentile	(2.43)	13.84	7.67	14.42	8.87
EAM Small Cap Growth ● A	5.21	17.40	11.39	16.68	13.07
Russell:2000 Growth ■ B	(0.49)	14.69	8.63	14.41	7.58

Risk vs. Return for Small Cap Growth

(Since Inception Ending June 30, 2019)



Performance Statistics Relative To The Russell 2000® Growth Index

(As of June 30, 2019)

Portfolio Statistics	Since Inception
Alpha	5.93
Beta	0.88
R-Squared	0.84
Up-Market Capture	150.04
Down-Market Capture	96.79
Information Ratio	0.66
Sortino Ratio	1.07
Batting Average	0.608
Sharpe Ratios	**Since Inception**
Small Cap Growth	0.47
Russell 2000® Growth Index	0.21

Source: CAI; Eagle Research
Past performance does not guarantee or indicate future results.
Please see important footnotes in the back of this presentation.

PORTFOLIO STATISTICS

Small Cap Growth (Composite data shown gross of fees as of June 30, 2019)

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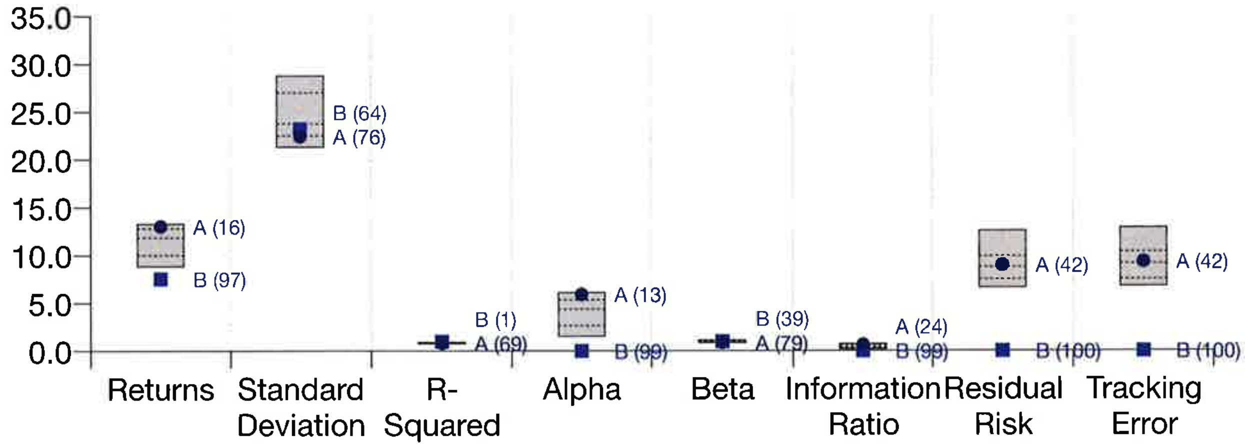
MPT Statistics relative to the Russell 2000® Growth Index
Group: Small Cap Growth Style
(Since Inception, Jan. 1, 1994 ending June 30, 2019)



	Returns	Standard Deviation	R-Squared	Alpha	Beta	Information Ratio	Residual Risk	Tracking Error
10th Percentile	13.32	28.78	0.92	6.11	1.14	0.73	12.57	12.87
25th Percentile	12.82	27.03	0.91	5.37	1.07	0.65	9.89	10.35
Median	11.88	23.80	0.86	4.38	0.96	0.40	8.76	9.11
75th Percentile	10.02	22.54	0.84	2.63	0.91	0.31	7.49	7.50
90th Percentile	8.87	21.34	0.78	1.53	0.85	0.20	6.60	6.76
EAM Small Cap Growth ● A	13.07	22.45	0.84	5.93	0.88	0.66	8.96	9.32
Russell:2000 Growth ■ B	7.58	23.23	1.00	0.00	1.00	0.00	0.00	0.00

Source: CAI; Eagle Research
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PERFORMANCE

Small Cap Growth (Composite data shown gross of fees as of June 30, 2019)

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	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year to Date	
	Gross	Gross	Gross	Gross	Gross	Russell 2000® Growth Index
1994	5.67%	-6.55%	4.65%	10.95%	14.66%	-2.44%
1995	5.61%	20.17%	12.25%	11.66%	59.07%	31.04%
1996	10.97%	13.11%	5.73%	7.76%	43.01%	11.26%
1997	0.79%	19.67%	17.14%	-6.37%	32.29%	12.94%
1998	15.18%	-7.37%	-25.45%	14.08%	-9.26%	1.23%
1999	-9.59%	27.39%	-16.07%	18.60%	14.64%	43.10%
2000	6.81%	-1.91%	-3.77%	-11.23%	-10.50%	-22.44%
2001	-0.53%	12.87%	-18.85%	24.58%	13.49%	-9.22%
2002	8.80%	-15.37%	-23.36%	10.53%	-22.01%	-30.27%
2003	-5.50%	22.76%	11.40%	10.92%	43.35%	48.53%
2004	7.33%	0.77%	-3.27%	14.95%	20.26%	14.31%
2005	-4.52%	3.40%	3.86%	0.97%	3.53%	4.14%
2006	15.58%	-5.67%	2.54%	8.62%	21.42%	13.35%
2007	5.62%	10.43%	-2.10%	-1.40%	12.59%	7.05%
2008	-11.86%	7.03%	-7.64%	-26.78%	-36.20%	-38.53%
2009	-10.90%	24.13%	19.31%	6.04%	39.94%	34.47%
2010	7.69%	-5.81%	12.39%	17.88%	34.39%	29.08%
2011	9.48%	4.28%	-23.32%	11.50%	-2.39%	-2.92%
2012	17.25%	-8.67%	7.70%	2.55%	18.27%	14.59%
2013	13.17%	2.98%	11.31%	4.70%	35.82%	43.29%
2014	0.04%	2.28%	-4.24%	8.64%	6.44%	5.62%
2015	3.49%	4.24%	-10.75%	5.27%	1.37%	-1.38%
2016	-4.11%	4.82%	5.87%	3.28%	9.90%	11.32%
2017	8.83%	4.07%	4.38%	5.68%	24.94%	22.17%
2018	3.24%	9.06%	10.95%	-20.42%	-0.58%	-9.29%
2019	16.99%	1.85%			19.15%	20.36%

Past performance does not guarantee or indicate future results. Please see important footnotes in the back of this presentation.

PERFORMANCE

Small Cap Growth (Composite data shown gross of fees as of June 30, 2019)

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Annualized rates of return	Eagle Small Cap Growth	Russell 2000® Growth Index
One year	5.21%	-0.49%
Three years	17.40%	14.69%
Five years	11.39%	8.63%
10 years	16.68%	14.41%
Since inception (Jan. 1, 1994)	13.07%	7.58%

Past performance does not guarantee or indicate future results. Please see important footnotes in the back of this presentation.

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GIPS PERFORMANCE *Small Cap Growth*

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	Net Composite Return	Russell 2000® Growth Index Benchmark Return	Composite Dispersion	3-year Composite Dispersion	3-year Benchmark Dispersion	Number of Portfolios	Assets ($ Millions)	Percent of Eagle's Assets	Total Firm Assets ($ Millions)
2018	-1.44%	-9.29%	0.65%	16.35%	16.69%	28	$892.8	3.77%	$23,709
2017	24.22%	22.16%	0.66%	13.65%	14.80%	30	1,203.8	4.70%	25,600
2016	9.19%	11.32%	0.32%	15.49%	16.91%	33	1,378.6	6.30%	21,869
2015	0.69%	-1.39%	0.51%	14.05%	15.16%	40	1,456.0	6.97%	20,895
2014	5.69%	5.62%	0.48%	13.97%	14.02%	44	1,570.1	6.73%	23,346
2013	34.94%	43.29%	0.67%	17.19%	17.52%	54	1,925.4	8.06%	23,900
2012	17.47%	14.59%	0.73%	20.65%	21.01%	52	1,568.2	8.18%	19,165
2011	-3.03%	-2.92%	0.35%	23.81%	24.65%	49	1,273.9	7.68%	16,578
2010	33.60%	29.08%	0.41%			38	1,180.8	7.17%	16,468
2009	39.06%	34.47%	0.84%			27	482.3	3.53%	13,668
2008	-36.62%	-38.53%	0.43%			20	325.8	3.09%	10,538
2007	11.53%	7.05%	0.55%			26	1,315.7	9.25%	14,224
2006	20.21%	13.35%	0.47%			21	1,126.7	8.70%	12,952
2005	2.15%	4.14%	0.95%			18	962.8	8.31%	11,584
2004	19.08%	14.31%	0.78%			14	667.7	6.42%	10,394
2003	41.97%	48.53%	1.51%			11	364.3	4.47%	8,151
2002	-22.96%	-30.27%	0.68%			13	273.7	4.81%	5,685
2001	12.53%	-9.22%	1.50%			15	465.6	7.94%	5,867
2000	-11.31%	-22.44%	3.20%			15	411.4	6.71%	6,131
1999	13.56%	43.10%	8.30%			20	475.7	7.54%	6,307

Notes:
1. Eagle Asset Management, Inc. ("Eagle") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Eagle has been independently verified for the periods from January 1, 1982 to December 31, 2018. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Institutional Small Cap Growth Equity composite has been examined for the periods April 1, 1995 to December 31, 2018. The verification and performance examination reports are available upon request.
2. Results for the full historical period are time weighted and calculated monthly. The composites are asset weighted by beginning-of-month values.
3. The Composite Dispersion is an asset weighted standard deviation of annual returns for those accounts that were in the composite for the entire year.
4. See "Fees and Transactions Costs" box below which refers to Fees and Transaction Costs. Refer to the Institutional Small and Mid Cap Equity Fee Schedule.
5. The benchmark is the RUSSELL 2000® GROWTH Index which has been derived from published sources and has not been examined by independent accountants. Russell 2000® Growth measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics.
6. The three year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The three year standard deviation is not required to be presented for periods prior to 2011.
7. Figures include accounts under Eagle's management from their respective inception dates, including accounts of clients no longer with the firm.
8. Data from all accounts have been continuous from their inception to the present or to the cessation of the client relationship with the firm.
9. No alteration of composite performance as presented here has occurred because of changes in personnel or other reasons at any time.
10. A complete list and description of firm composites is available upon request. The composite creation date for GIPS® purposes was January 2001. The composite inception date was January 1994. Performance is based upon U.S. dollar returns.
11. From composite inception through 2018, non-fee paying accounts were below 5%.
12. Net-of-fee returns are reduced by trading costs, the portfolio's actual investment management fee, any bank charges and, if applicable, performance based fees. Calculations include reinvestment of all income and gains. A client's return will be reduce by the advisory fees. Eagle's fees are set forth in Eagle's form ADV, Part II.
13. Accounts will be temporarily removed from a composite during a period when significant cash flows, defined as >= 25% of the portfolio's beginning of period balance, beyond the control of the investment manager occur. Once the account has been rebalanced and remains rebalanced for a complete measurement period, the account will be added back to the composite.
14. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
15. Past performance does not guarantee or indicate future results.

GIPS PERFORMANCE *Small Cap Growth*

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

The risks associated with investing in small-sized companies are based on the premise that relatively small companies will increase their earnings and grow into larger, more valuable companies. However, as with all equity investing, there is the risk that a company will not achieve its expected earnings results, or that an unexpected change in the market or within the company will occur, both of which may adversely affect investment results. Historically, small- and mid-cap stocks have experienced greater volatility than other equity asset classes, and they may be less liquid than large-cap stocks. Thus, relative to larger, more liquid stocks, investing in small- and mid-cap stocks involves potentially greater volatility and risk. The biggest risk of equity investing is that returns can fluctuate and investors can lose money.

Not every investment opportunity will meet all of the stringent investment criteria mentioned to the same degree. Trade-offs must be made, which is where experience and judgment play a key role. Accounts are invested at the discretion of the portfolio manager and may take up to 60 days to become fully invested.

Institutional Small Cap Growth Equity – is designed to provide maximum long-term capital appreciation for investors willing to accept potentially more volatility than found in a typical large capitalization equity portfolio. The Portfolio Manager believes that small capitalization stocks offer potential long-term capital appreciation that is achieved through (1) identifying competitive companies that are growing rapidly and (2) purchasing their stock before they become widely followed.

The definition of accounts included in the Institutional Small Cap Growth Equity Composite is as follows:
1995 (4th Qtr.) – 2018 The Institutional Small Cap Growth Equity Composite reported on herein for fourth quarter 1995 through current is defined as all accounts with the above defined objective that exceed $2 million in assets which paid for transactions on a commission basis, gave Eagle discretionary authorization regarding the selection of brokerage firms and are allowed to participate in new issues. In addition, these accounts are less diversified among industry sectors and are generally less tax sensitive than retail accounts.

Fees and Transaction Costs
As of June 30, 2019, the maximum advisory fees charged for institutional accounts are as follows:
Institutional Small and Mid Cap Equity Fee Schedule
0.95% on assets under $10,000,000
0.90% on assets between $10,000,000 and $25,000,000
0.85% on assets between $25,000,000 and $75,000,000
0.80% on assets between $75,000,000 and $150,000,000
0.75% on assets greater than $150,000,000

Eagle Asset Management, Inc. ("Eagle") is a wholly-owned subsidiary of Carillon Tower Advisers, Inc. Eagle was organized as the corporate successor to Raymond James Asset Management, at the time a division of Raymond James and Associates, Inc., member of the New York Stock Exchange. Eagle was formed in 1976 and began managing assets in 1984 primarily to manage individual and institutional accounts according to broadly defined objectives agreed upon with investors. Eagle is a registered investment adviser with the United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. Eagle manages a variety of equity, fixed-income, and balanced assets for separately managed, institutional, Taft-Hartley, and mutual fund platforms.

All performance data is shown on a time-weighted and size-weighted basis and is shown before (gross) the deduction of management fees, custodial fees and miscellaneous charges to client accounts; all performance is shown after transaction costs. Calculations include reinvestment of all income and gains. A client's return will be reduced by the advisory fees. Eagle's fees are set forth in Eagle's Form ADV, Part II. Over a period of five years, an advisory fee of 1 percent could reduce the total value of a client's portfolio by 5 percent or more. Investing in equities may result in a loss of capital. Current performance may be lower or higher than the performance information quoted. To obtain current month-end performance, please call your financial advisor.

All composite performance data through 2018 have been verified by an internationally recognized accounting firm. Performance data for the current year have not been audited and are subject to revision. Thus, the composite returns shown here may be revised and Eagle will publish any revised performance data. Eagle believes that the performance shown is reasonably representative of its management style and is sufficiently relevant for consideration by a potential or existing client.

A complete list and description of all of Eagle's performance composites are available upon request by calling 800.237.3101.

Index Definition
The Russell 2000® Growth Index represents a segment of the Russell 2000® Index with a greater-than-average growth orientation. The index is referred to for comparative purposes only and the composition of an index is different from the composition of the accounts included in the performance shown. Indices are unmanaged and one cannot invest directly in the index.

PORTFOLIO MANAGEMENT
Small Cap Growth

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

BERT BOKSEN, CFA
Managing Director and Portfolio Manager

- Joined Eagle in 1995
- 42 years of experience as a portfolio manager, former chief investment officer of parent company and analyst
- B.A., City College of New York
- M.B.A., St. John's University

ERIC MINTZ, CFA
Portfolio Co-Manager

- Joined Eagle in 2005
- 24 years of investment experience as an analyst and research associate
- B.A. in economics, Washington and Lee University
- M.B.A., University of Southern California

CHRIS SASSOUNI, DMD
Portfolio Co-Manager - Healthcare

- Joined Eagle in 2003
- 29 years of investment experience as an analyst and president of an independent investment research firm
- B.A. and Doctor of Dental Medicine, University of Pittsburgh
- M.B.A., University of North Carolina

TEAM BIOGRAPHIES

Small Cap Growth

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

ADAM GALLINA, CFA *Senior Research Analyst*

- Joined Eagle in 2007
- 19 years of investment-industry experience, including 14 years in various analyst roles
- B.A., University of Rochester (2000)
- Earned his Chartered Financial Analyst designation in 2009

ANDREW ADEBONOJO, CFA *Senior Research Analyst*

- Joined Eagle in 2011
- 27 years of experience as an equities analyst
- B.A., The College of William & Mary (1989)
- M.B.A. with highest distinction, University of Michigan, (1992)
- Earned his Chartered Financial Analyst designation in 1998

TARIQ SIDDIQI, CFA *Senior Research Analyst*

- Joined Eagle in 2012
- 16 years of experience as a portfolio co-manager and equities analyst
- B.S. in finance and economics, Rochester Institute of Technology (2003)
- Earned his Chartered Financial Analyst designation in 2006

TEAM BIOGRAPHIES
Small Cap Growth

EAGLE | Asset Management
AN AFFILIATE OF CARILLON TOWER ADVISERS

DAVID CAVANAUGH *Senior Research Analyst*

- Joined Eagle in 2017
- 23 years of experience as an equities analyst
- B.S. in finance, Boston College (1992)
- M.B.A., Wharton School, University of Pennsylvania (1997)

BRYAN BATASSA *Portfolio Analyst*

- Joined Eagle in 2011
- 12 years of investment-industry experience
- B.S.B.A. in finance, University of Wisconsin-Milwaukee (2007)
- M.S. in finance, University of South Florida (2011)
- Bryan is a Level II candidate in the Chartered Financial Analyst program

CLAY LINDSEY, CFA *Senior Vice President, Client Portfolio Manager*

- Joined Eagle in 2000
- Moved to Carillon Tower Advisers in 2016
- 19 years of investment experience
- B.S. in finance, University of Georgia (1999)
- M.B.A., University of Florida (2005)
- Earned his Chartered Financial Analyst designation in 2016

Anthony Hagler
Cobb County Governmnent
Cobb County Government
100 Cherokee Street Suite 400
Marietta, GA 30090-9679

Eagle Capital

PORTFOLIO APPRAISAL

Cobb County Board of Trustees

UBS A/C # XXX3000

September 30, 2019

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
CASH AND EQUIVALENTS									
	Dividend Accrual Account		610.52		610.52	0.0	0.000	0.00	0.0
	Money Market		780,676.88		780,676.88	5.6	0.000	0.00	0.0
			781,287.40		781,287.40	5.6		0.00	0.0
COMMON STOCK									
INDUSTRIAL									
4,125	AerCap Holdings NV	51.80	213,695.13	54.75	225,843.75	1.6	0.000	0.00	0.0
61,052	General Electric Co	9.29	567,108.42	8.94	545,804.88	3.9	0.040	2,442.08	0.4
2,070	Wabtec Corp	69.99	144,883.20	71.86	148,750.20	1.1	0.480	993.60	0.7
			925,686.75		920,398.83	6.6		3,435.68	0.4
CONSUMER DISCRETIONARY									
425	Amazon.com Inc	966.85	410,912.14	1,735.91	737,761.75	5.3	0.000	0.00	0.0
8,800	General Motors Co	39.06	343,698.08	37.48	329,824.00	2.4	1.520	13,376.00	4.1
3,300	Hilton Worldwide Holdings Inc	77.69	256,368.75	93.11	307,263.00	2.2	0.600	1,980.00	0.6
4,422	Marriott International -Cl A	107.86	476,962.63	124.37	549,964.14	3.9	1.920	8,490.24	1.5
2,238	Mohawk Industries Inc	197.85	442,779.72	124.07	277,668.66	2.0	0.000	0.00	0.0
			1,930,721.32		2,202,481.55	15.7		23,846.24	1.1
HEALTH CARE									
1,599	UnitedHealth Group Inc	195.30	312,281.03	217.32	347,494.68	2.5	4.320	6,907.68	2.0
			312,281.03		347,494.68	2.5		6,907.68	2.0
FINANCIAL SERVICES									
1,645	Aon PLC	144.85	238,282.36	193.57	318,422.65	2.3	1.760	2,895.20	0.9
5,440	Berkshire Hathaway Inc-Cl B	188.59	1,025,918.07	208.02	1,131,628.80	8.1	0.000	0.00	0.0

Eagle Capital
PORTFOLIO APPRAISAL
Cobb County Board of Trustees
UBS A/C # XXX3000
September 30, 2019

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
12,325	Citigroup Inc	70.45	868,321.31	69.08	851,411.00	6.1	2.040	25,143.00	3.0
3,587	Goldman Sachs Group Inc	214.03	767,720.15	207.23	743,334.01	5.3	5.000	17,935.00	2.4
6,912	Morgan Stanley	47.61	329,091.89	42.67	294,935.04	2.1	1.400	9,676.80	3.3
13,020	Wells Fargo & Co	52.37	681,807.33	50.44	656,728.80	4.7	2.040	26,560.80	4.0
			3,911,141.12		3,996,460.30	28.6		82,210.80	2.1
TECHNOLOGY									
1,673	Fiserv Inc	73.89	123,621.40	103.59	173,306.07	1.2	0.000	0.00	0.0
8,736	Microsoft Corp	74.65	652,128.42	139.03	1,214,566.08	8.7	2.040	17,821.44	1.5
7,051	Oracle Corp	48.01	338,495.95	55.03	388,016.53	2.8	0.960	6,768.96	1.7
			1,114,245.77		1,775,888.68	12.7		24,590.40	1.4
COMMUNICATION SERVICES									
1,001	Alphabet Inc Cl C	970.90	971,871.00	1,219.00	1,220,219.00	8.7	0.000	0.00	0.0
16,475	Comcast Corp-Class A	37.14	611,921.05	45.08	742,693.00	5.3	0.840	13,839.00	1.9
6,456	Dish Network Corp Cl A	52.69	340,182.11	34.07	219,955.92	1.6	0.000	0.00	0.0
2,200	Facebook Inc-A	158.31	348,273.60	178.08	391,776.00	2.8	0.000	0.00	0.0
1,300	GCI Liberty Inc - Class A	63.34	82,344.47	62.07	80,691.00	0.6	0.000	0.00	0.0
5,320	Liberty Broadband-A	73.40	390,494.84	104.52	556,046.40	4.0	0.000	0.00	0.0
800	Liberty Broadband-C	105.61	84,490.16	104.67	83,736.00	0.6	0.000	0.00	0.0
18,900	Liberty Global Plc-Series C	32.46	613,568.07	23.79	449,631.00	3.2	0.000	0.00	0.0
2,650	Liberty TripAdvisor Hdg-A	9.70	25,692.81	9.41	24,936.50	0.2	0.000	0.00	0.0
4,925	Tripadvisor Inc	31.66	155,908.35	38.68	190,499.00	1.4	0.000	0.00	0.0
75	Walt Disney Co/The	109.46	8,209.87	130.32	9,774.00	0.1	1.760	132.00	1.4
			3,632,956.33		3,969,957.82	28.4		13,971.00	0.4
	COMMON STOCK Total		11,827,032.31		13,212,681.86	94.4		154,961.80	1.2

Eagle Capital

PORTFOLIO APPRAISAL

Cobb County Board of Trustees

UBS A/C # XXX3000

September 30, 2019

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
TOTAL PORTFOLIO			**12,608,319.71**		**13,993,969.26**	**100.0**		**154,961.80**	**1.1**

This report is provided for informational purposes only and the data herein may be unreconciled. The account records maintained by your custodian and your accountant are the legal records for your account, and should be used in the preparation of your tax returns. We advise you to seek advice regarding all tax matters. For reporting purposes, Eagle Capital Management assumes a cash yield of zero. Please refer to your custodian's statement for your cash yield. Differences in accounting methods may cause the cost basis of a security in your custodial records to differ from the one contained in this report.

Eagle Capital

PERFORMANCE HISTORY
GROSS OF FEES

Cobb County Board of Trustees

UBS A/C # XXX3000

September 30, 2019

	Portfolio	S&P 500
Latest Quarter		
06/30/2019 to 09/30/2019	-1.08%	1.70%
Year to Date		
12/31/2018 to 09/30/2019	19.33%	20.55%

PRINT **[BOARD OF TRUSTEES- COBB COUNTY EMPLOYEES DEFINED COMP PLAN]**

REGULAR MEETING for October 9, 2019

PURPOSE

To seek authorization from the Board of Trustees of the Cobb County Employees Retirement Plan to ratify the following invoices which have already been processed for payment;

1	UBS FINANCIAL SERVICES, INC.	$18,249.92
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	TOTAL	$18,249.92

APPROVAL

PRINT

[BOARD OF TRUSTEES- COBB COUNTY EMPLOYEES OPEB PLAN]

REGULAR MEETING for October 9, 2019

PURPOSE

To seek authorization from the Board of Trustees of the Cobb County Employees Retirement Plan to ratify the following invoices which have already been processed for payment;

1	CAVANAUGH MACDONALD CONSULTING, LLC	$1,995.00
2	CAVANAUGH MACDONALD CONSULTING, LLC	$5,005.00
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	TOTAL	$7,000.00

APPROVAL

PRINT

BOARD OF TRUSTEES- COBB COUNTY EMPLOYEES RETIREMENT PLAN

REGULAR MEETING for October 9, 2019

PURPOSE

To seek authorization from the Board of Trustees of the Cobb County Employees Retirement Plan to ratify the following invoices which have already been processed for payment;

1	CAVANAUGH MACDONALD CONSULTING, LLC	$7,225.00
2	SUNTRUST BANK	$42,937.05
3	TROUTMAN SANDERS, LLP	$2,138.60
4	CAVANAUGH MACDONALD CONSULTING, LLC	$750.00
5	TROUTMAN SANDERS, LLP	$2,264.40
6	VIRGIL MOON	$374.40
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	TOTAL	$55,689.45

APPROVAL

INVESTMENT UPDATE

t o

COBB COUNTY GOVERNMENT EMPLOYEES PENSION PLANS

o n

Wednesday, October 9, 2019

b y

Beth L. Baron, CFA, CFP®
Managing Director
Portfolio Manager

RICHMOND CAPITAL MANAGEMENT
Experience, Knowledge, Service

ORGANIZATION

As of September 30, 2019

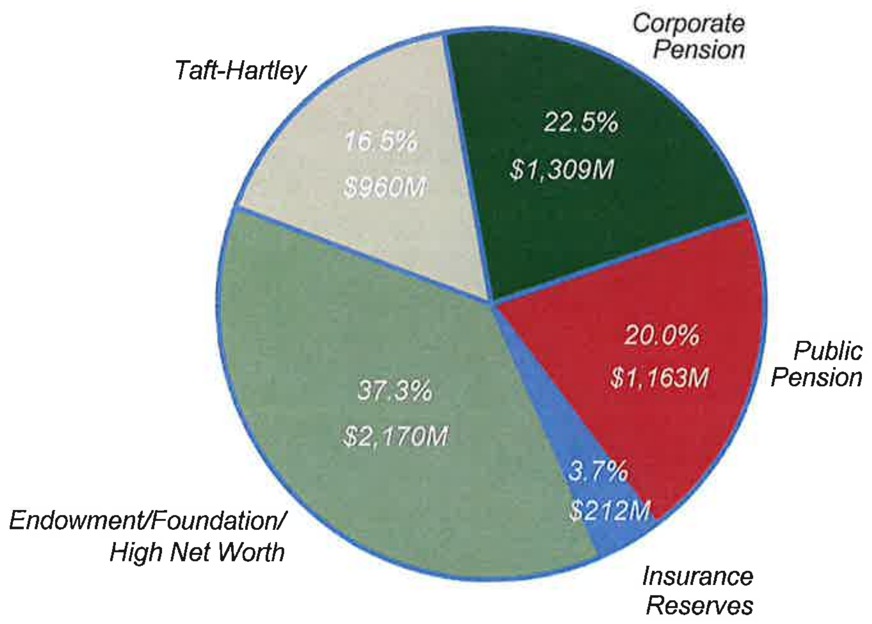
» Independent Investment Advisor since 1987

» 100% Employee Owned

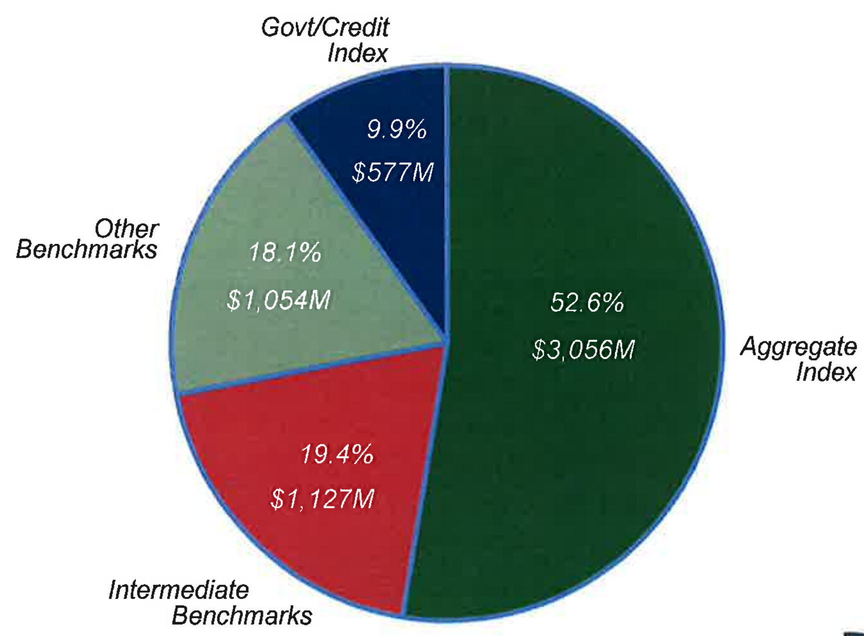
» Seasoned Investment Team of Bond Specialists

» $5.8 Billion Under Management

Assets by Client Type



Assets by Benchmark



PROFESSIONALS FOCUSED ON YOUR PORTFOLIO

Portfolio Management Team

Howard K. Bos, CFA*
President, Portfolio Manager
RCM since 1999
Prior Experience: Key Capital Partners
B.A. College of William & Mary, 1985

William H. Schultz, CFA*
Managing Director, Portfolio Manager
RCM since 1991
Prior Experience: Sovran Capital Management
M.S. University of Wisconsin, 1978
B.B.A. University of Wisconsin, 1975

Paul H. Lundmark, CFA*
Managing Director, Portfolio Manager
RCM since 2003
Prior Experience: USAA Investment Management
M.B.A. University of Minnesota, 1987
B.S. University of Minnesota, 1983

David W. Schultz, CFA
Investment Officer, Portfolio Manager
RCM since 2017
Prior Experience: Virginia Retirement System
M.S. Sloan School, Mass. Institute of Technology, 2014
B.S. University of Virginia, 2011

Beth L. Baron, CFA, CFP®*
Managing Director, Portfolio Manager
RCM since 2000
Prior Experience: Banc of America Investment Svcs.
B.S. University of Virginia, 1983

Patton H. Roark, Jr., CFA*
Managing Director, Portfolio Manager
RCM since 2003
Prior Experience: AFL-CIO Housing Invest. Trust
B.S. Shepherd University, 1989

R. Wheatley McDowell, CFA*
Managing Director, Portfolio Manager
RCM since 2001
Prior Experience: Lehman Brothers
M.B.A. University of Virginia, 1987
B.A. University of Virginia, 1982

John R. Sides
Investment Officer, Portfolio Manager
RCM since 2019
Prior Experience: J.P. Morgan Investment Mgmt.
B.A. University of Pennsylvania, 2011
CFA Level III Candidate

Client Services, Operations, Compliance, and Business Development

Elizabeth M. Harris*
Managing Director, Client Services
RCM since 1984
B.S. Virginia Commonwealth University, 1984

Janis H. Warren*
Managing Director, Operations
RCM since 1987
B.S. Bob Jones University, 1979

Geoffrey B. Sale*
Chief Compliance Officer
RCM since 2002
Prior Experience: Wachovia Securities
M.B.A. University of Richmond, 1996
B.S. Clemson University, 1988

O. Gregory Glatt III
Head of Business Development
RCM since 2018
Prior Experience: Thompson Davis, BB&T
B.A. Albright College, 1993
CFA Level I Candidate

***Shareholder**

COBB COUNTY GOVERNMENT EMPLOYEES PENSION PLANS

Performance Review

As of September 30, 2019

	Cobb County Employees Pension Plan	Cobb County Employees Pension - OPEB	Barclays Government/Credit Index
3rd Quarter, 2019	2.53%	2.53%	2.64%
Year to Date	9.40%	9.51%	9.72%
12 Months to Date	11.04%	11.08%	11.32%
Annualized: 3 Years	3.40%	-	3.16%
5 Years	3.92%	-	3.61%
10 Years	4.53%	-	3.94%
Annualized Since Inception (8/1/2007)	5.13%	-	4.53%
Annualized Since Inception (11/1/2017)	-	5.00%	4.95%

COBB COUNTY EMPLOYEES PENSION PLANS

Portfolio Review

As of September 30, 2019

Cash Flows Since Inception	Cobb County Employees Pension Plan *(8/1/2007)*	Cobb County Employees Pension Plan – OPEB *(11/1/2017)*
Beginning Market Value	$34,821,507	$9,326,000
Change in Market Value of Holdings	2,560,698	568,109
Interest Earned	24,266,594	971,469
Net Contributions/ Withdrawals	19,131,651	5,446,782
Ending Market Value	$80,780,450	$16,312,360

	Cobb County Employees Pension Plan	Cobb County Employees Pension Plan - OPEB	Barclays Govt/Credit Index
Average Maturity	7.88 Years	7.76 Years	9.23 Years
Portfolio Duration	6.13 Years	6.10 Years	6.97 Years
Average Yield to Maturity	2.36%	2.37%	2.20%
Average Quality	A+	A+	AA

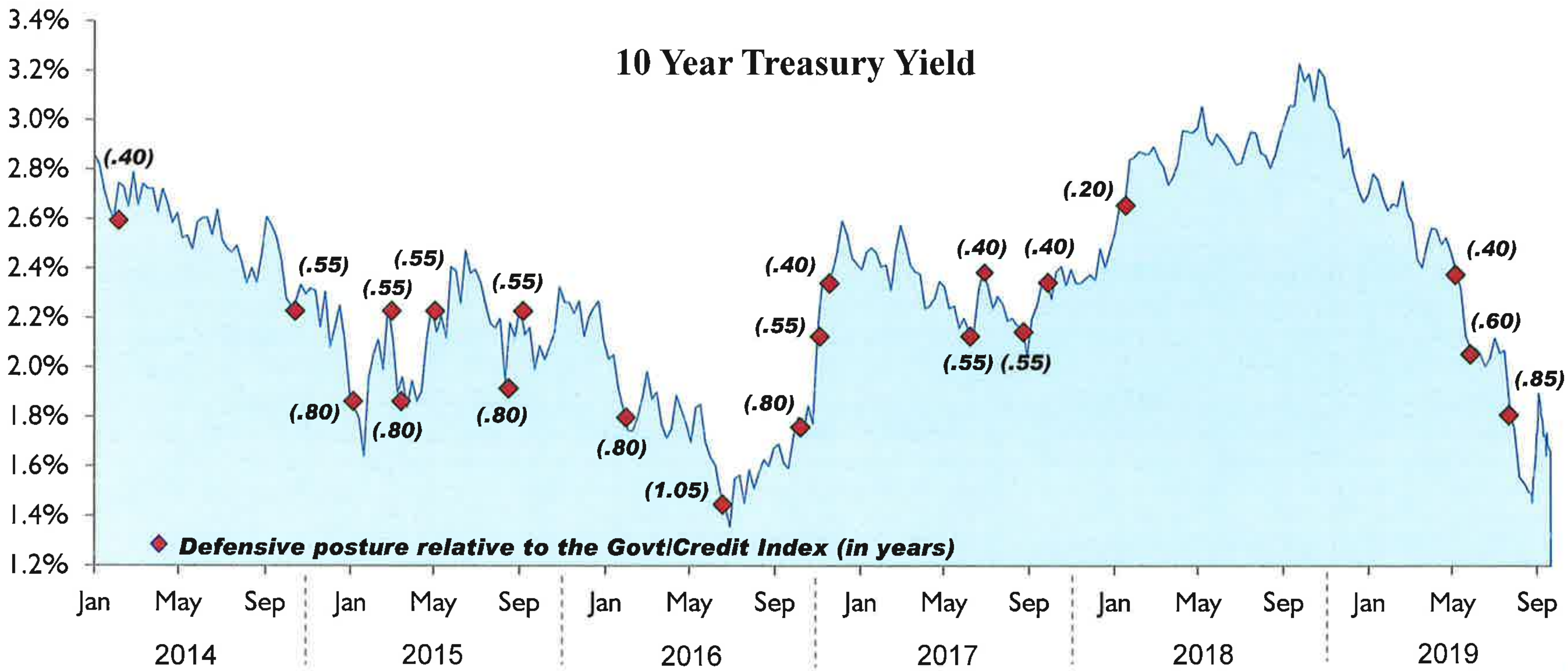
Statistics in this report are calculated by Bloomberg PORT Fixed Income Analytic models.

INVESTMENT THEME: INTEREST RATE VOLATILITY

Market Direction Volatility

***Action*:**
Defensive Duration

- We employ a tactical duration management schedule to add return with spikes of interest rate volatility.
- The Federal Reserve cut Fed Funds by 0.25% on July 31st and again on September 18th. Fed Funds futures trading implies 1-2 additional cuts by year-end.



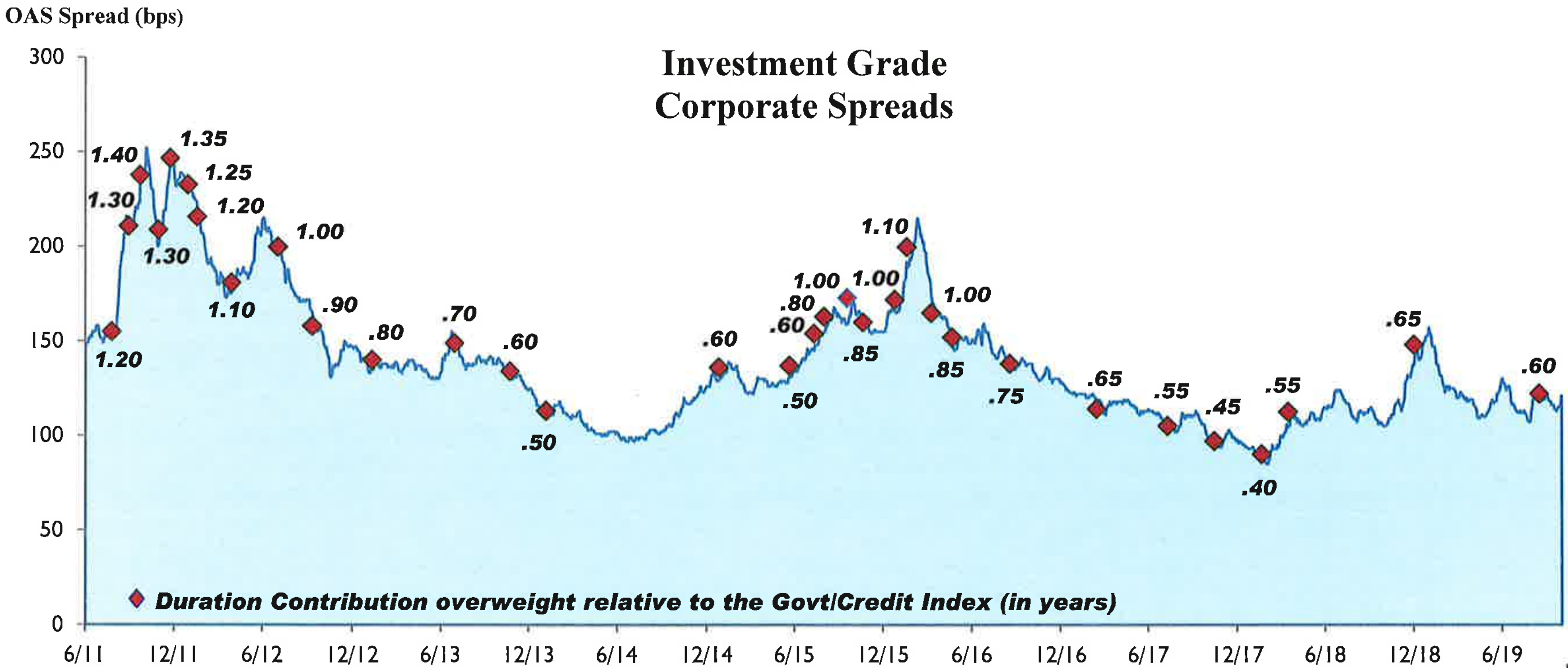
Source: Bloomberg

INVESTMENT THEME: OPPORTUNISTIC CORPORATE BOND ALLOCATION

Credit Spreads Snap Back

***Action*:**
Moderate Corporate Overweight

- We are very disciplined in our approach to overweighting the corporate sector.
- An end-of-2018 spread widening allowed us to increase our allocation to the corporate sector. Since then, spreads have narrowed.



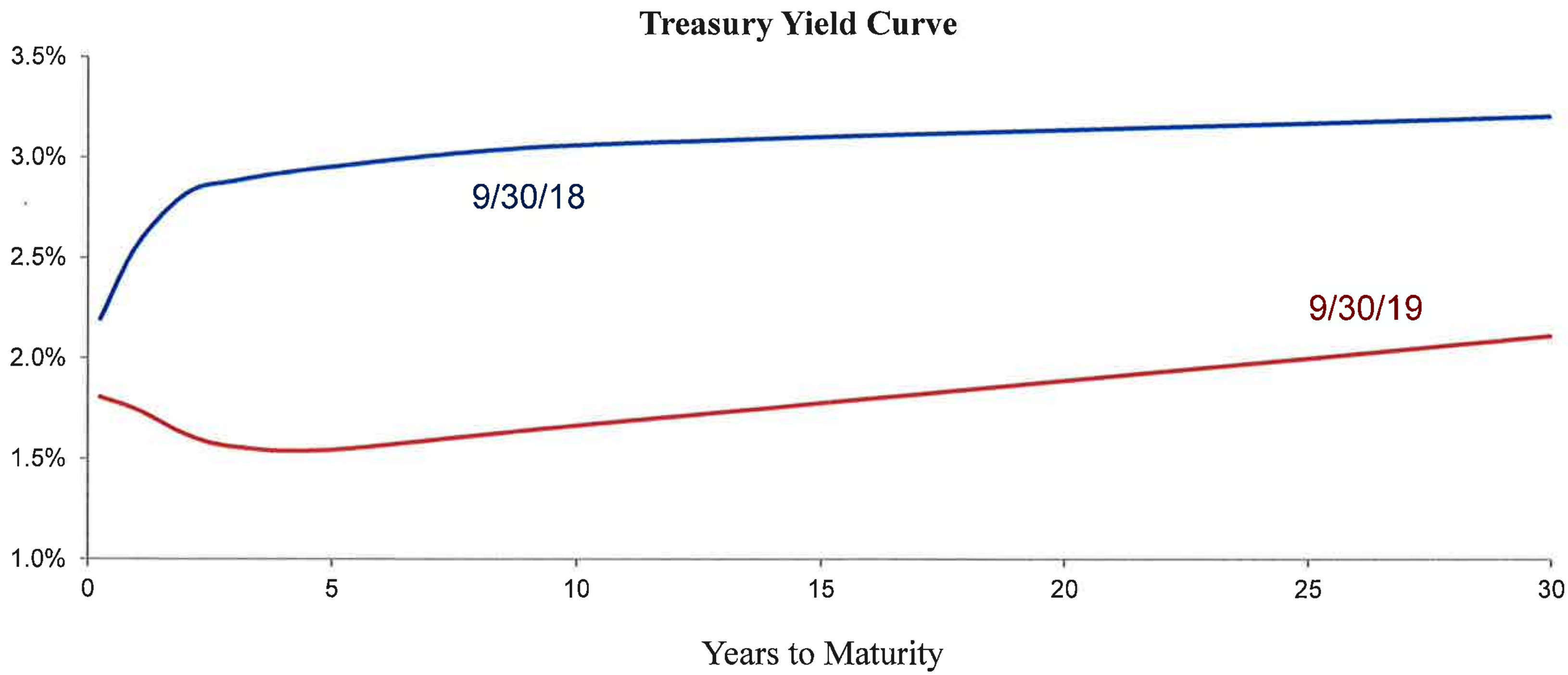
Source: Bloomberg Barclays

INVESTMENT THEME: YIELD CURVE INVERSION

Front End Inversion

***Action*:**
Adding to Shorter Maturity Corporates

- The yield curve has inverted in the front end. We have increased our weighting in shorter maturity bonds.
- Positioned for an eventual normalization of the yield curve.



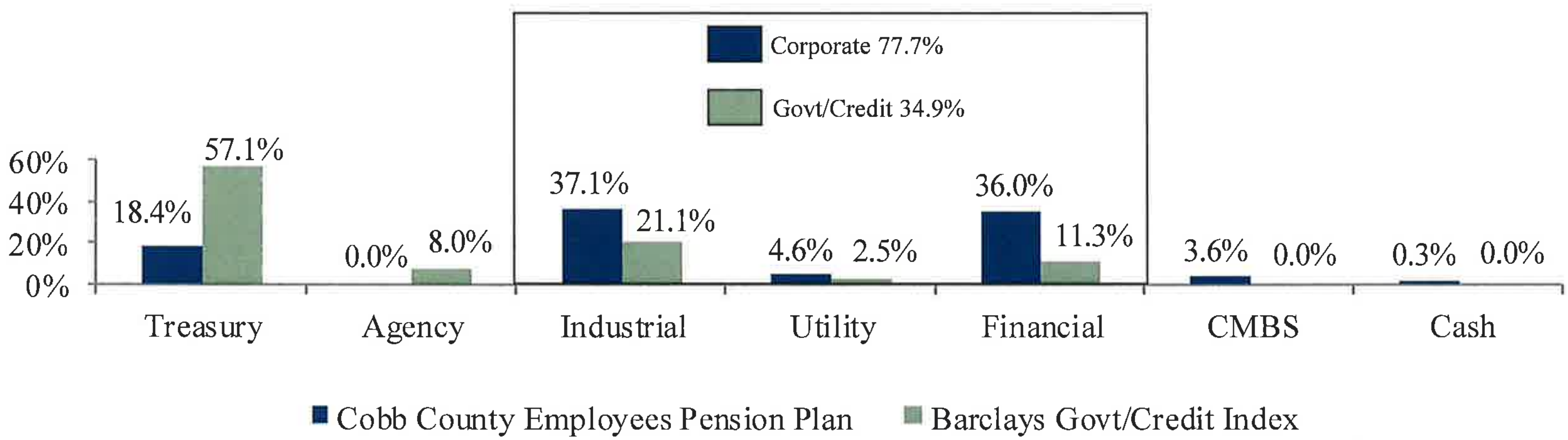
Source: Bloomberg

COBB COUNTY GOVERNMENT EMPLOYEES PENSION PLAN

Market Value: $80,780,450 *As of September 30, 2019*

Quality Distribution

	Cobb County Employees Pension Plan	Barclays Govt/Credit Index
AAA	24.1%	60.7%
AA	8.4%	4.7%
A	49.5%	15.0%
BAA	18.0%	19.6%



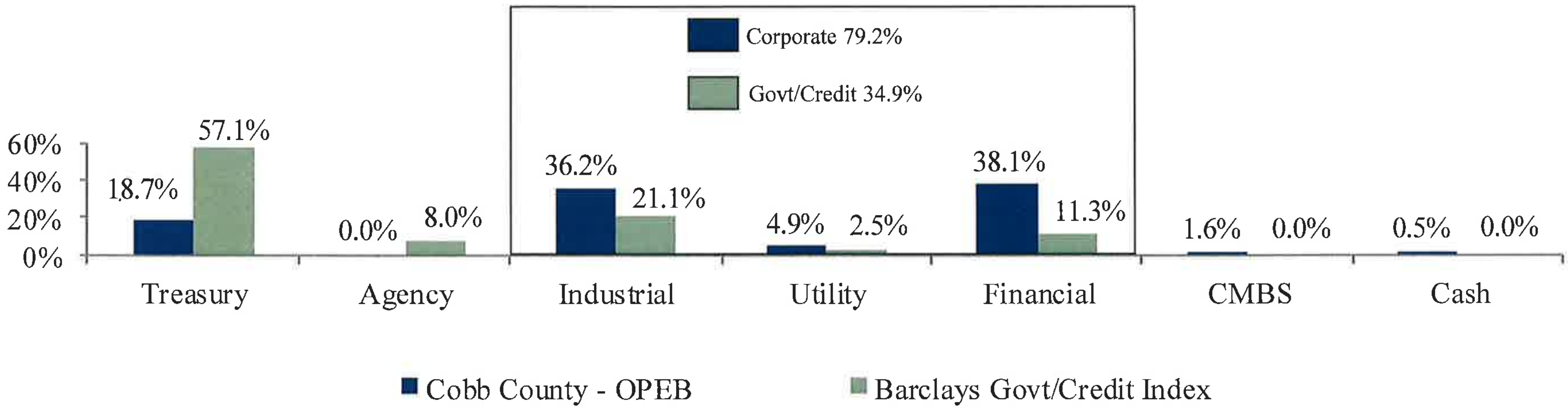
Statistics in this report are calculated by Bloomberg PORT Fixed Income Analytic models.

COBB COUNTY GOVERNMENT EMPLOYEES PENSION PLAN - OPEB

Market Value: $16,312,360

As of September 30, 2019

Quality Distribution	Cobb County Employees Pension Plan - OPEB	Barclays Govt/Credit Index
AAA	21.1%	60.7%
AA	7.3%	4.7%
A	50.2%	15.0%
BAA	21.4%	19.6%



Statistics in this report are calculated by Bloomberg PORT Fixed Income Analytic models.

STRATEGY SUMMARY

- Defensive in terms of duration given current low level of Treasury yields.
- Reduce corporate exposure as spreads tighten. Add as spreads widen.
- Extremely diversified, high quality, transparent portfolio to reduce risk.

COBB COUNTY GOVERNMENT EMPLOYEES' PENSION PLAN

Trust Report: July 1, 2019- August 31, 2019

October 9, 2019

Lisa Allen
Institutional Advisory Services
Vice President & Client Mgr.
Atlanta, GA
404.827.6724
Lisa.Allen@suntrust.com

SunTrust

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TABLE OF CONTENTS

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- Portfolio Allocation by Investment Manager
- Historical Cost of Assets
- Summary Report
- Administrative Expenses
- Class Action Proceeds
- Benefit Payments
- Market to Market Summary (Month Ending)
- Market to Market Summary (Fiscal YTD)

III. Plan Contacts

- Board of Trustees
- Staff
- Professional Contacts
- Investment Managers
- Mutual Funds

IV. Disclosures

- Important Disclosures

I. MARKET VALUE UPDATE - JULY 2019

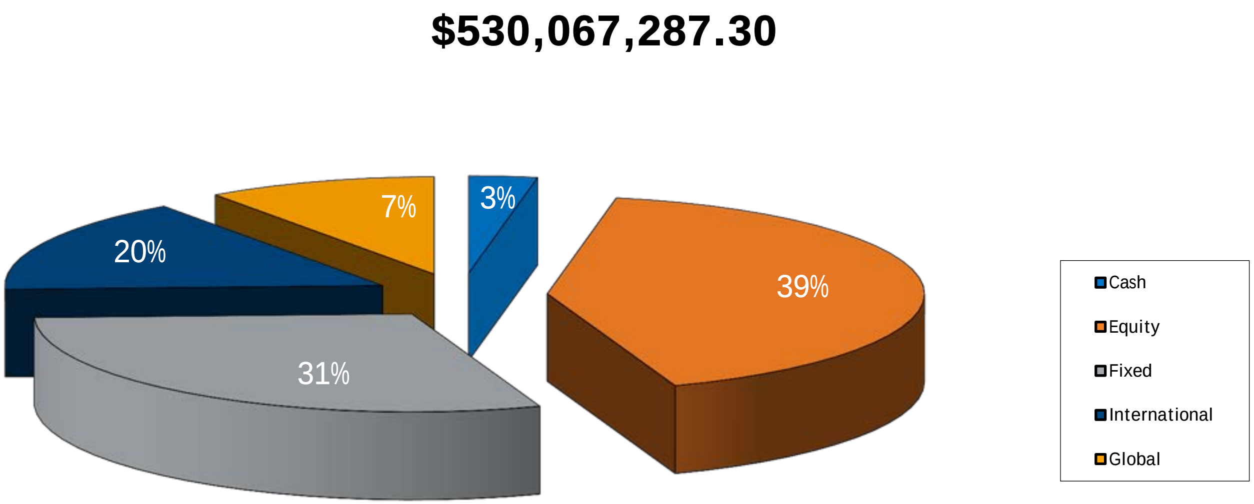
SunTrust

PORTFOLIO ALLOCATION BY INVESTMENT MANAGER – JULY 2019

INVESTMENT MANAGER	ASSET CLASS	ASSET STYLE	9/30/2018 MARKET VALUE	%	7/31/2019 MARKET VALUE	%
Westfield Capital Mgt	Equity	Large Cap Growth	49,409,658	7.2%	51,130,716	7.4%
Vanguard S&P 500 *	Equity	Large Cap Blend	72,568,707	10.5%	78,210,295	11.3%
TCW Asset Mgt	Equity	Large Cap Growth	40,214,394	5.8%	43,066,332	6.2%
Eagle Capital	Equity	Large Cap Value	73,423,400	10.7%	76,683,125	11.0%
Equity Investment Co	Equity	Large Cap Value	0	0.0%	0	0.0%
Vanguard Mid Cap	Equity	Mid Cap Value	44,632,637	6.5%	45,989,429	6.6%
Eagle Asset Mgt	Equity	Small Cap Growth	21,014,264	3.0%	20,224,688	2.9%
Vaughan Nelson	Equity	Small Cap Value	22,898,942	3.3%	22,677,625	3.3%
Total Equity			**324,162,002**	**47.0%**	**337,982,211**	**48.7%**
Blackrock Global	Global	World Allocation	18,031,538	2.6%	18,876,925	2.7%
First Eagle Global	Global	World Allocation	21,122,879	3.1%	22,827,148	3.3%
Natixis Loomis Sayles Global	Global	World Allocation	19,201,311	2.8%	22,755,644	3.3%
Total Global			**58,355,728**	**8.5%**	**64,459,717**	**9.3%**
Vanguard Total Int'l Stock	International	Non-US Equity	37,889,779	5.5%	37,800,037	5.4%
Dodge & Cox Int'l	International	Non-US Equity	37,960,174	5.5%	0	0.0%
Tweedy Browne Global Value	Global	Non-US Equity	0	0.0%	35,773,065	5.2%
Vanguard Int'l Growth	International	Non-US Equity	37,685,297	5.5%	36,614,691	5.3%
Total International			**113,535,250**	**16.5%**	**110,187,793**	**15.9%**
Vanguard Int Bond	Fixed	Intermediate Bond	45,243,060	6.6%	0	6.9%
MacQuarie Diversified	Fixed	Intermediate Bond	44,023,855	6.4%	47,679,514	0.0%
Blackrock Strategic	Fixed	Multi Sector Bond	23,827,185	3.5%	47,099,970	6.8%
CIGNA	Fixed	Stable Value	1,400,000	0.2%	1,200,000	0.2%
Richmond	Fixed	Short-Term Bond	72,919,597	10.6%	79,020,555	11.4%
Total Fixed			**187,413,697**	**27.2%**	**175,000,040**	**25.2%**
Committee Directed	Cash		**5,528,480**	**0.8%**	**6,569,020**	**0.9%**
TOTAL TRUST			**$688,995,157**	**100%**	**$694,198,781**	**100%**

* Market Value includes $264.06 cash in Mutual Fund account 1138666

HISTORICAL COST OF ASSETS – JULY 2019



SUMMARY REPORT – JULY 2019

	MONTH 7/01/19 - 7/31/19	CALENDAR YTD 1/01/18 -7/31/19	FISCAL YTD 10/01/18 - 7/31/19
Beginning Market Value			
Plus Accrued Income	**692,865,666**	**602,839,567**	**672,158,540**
Administrative Receipts/Disbursements			
Employer Contributions	4,122,335	32,898,241	47,176,917
Employee Contributions	1,031,296	7,749,020	10,865,554
Inter-Account Transfers	0	0	0
Benefit Payments	-6,312,185	-42,837,214	-60,594,133
Other Cash Receipts/Disbursements	437	5,532	6,913
Administrative Expenses	-550,768	-1,554,290	-2,126,594
Sub-Total	**-1,708,885**	**-3,738,711**	**-4,671,342**
Investment Results			
Non-Cash Receipts/Disbursements	0	-203,039	-408,518
Income Earned	656,121	5,613,235	10,079,069
Gain/Loss on Assets Disposed/Sold	1,009,842	7,802,005	17,588,888
Change In Unrealized Gain/Loss	1,376,037	81,885,725	-547,855
Sub-Total	**3,042,000**	**95,097,925**	**26,711,584**
Ending Market Value			
Plus Accrued Income	**694,198,781**	**694,198,781**	**694,198,781**
Market Value Growth			
Percent Change	**0.19%**	**15.15%**	**3.28%**
Market Value as of 7/31/18		**666,489,184**	
Annual Percent Change		**4.16%**	
Market Value as of 8/12/19		**679,996,235**	
Percent Change Since 7/31/19		**-2.05%**	

ADMINISTRATIVE EXPENSES – JULY 2019

	MONTH 7/01/19 -7/31/19		CALENDAR YTD 1/01/19 - 7/31/19		FISCAL YTD 10/01/18 - 7/31/19	
Investment Management Fees:						
Westfield Capital Mgt	-71,256		-199,152		-268,902	
TCW Asset Management	-127,977		-309,502		-309,502	
Eagle Asset Mgt	-37,222		-105,166		-144,566	
Equity Investment Company	0		0		0	
Vaughn Nelson	-55,213		-156,017		-212,626	
Eagle Capital	-145,283		-403,197		-543,508	
Richmond	-38,293		-112,122		-148,193	
LGIP Fee	-149		-1,031		-1,068	
Sub-Total		**-475,393**		**-1,286,188**		**-1,628,365**
Inv. Mgt. Fees as a % of Assets		**0.07%**		**0.19%**		**0.23%**
Trust Fees:						
SunTrust		0		-87,685		-180,219
Asset Consulting Fees:						
UBS Financial Services		-71,095		-139,382		-257,487
Cavanaugh MacDonald Consulting		-2,320		-34,832		-40,691
Legal & Other Services:						
Troutman Sanders		-1,960		-6,053		-19,681
Cobb County (GAPPT)		0		-150		-150
TOTAL ADMINISTRATIVE EXPENSES		**-550,768**		**-1,554,289**		**-2,126,594**
Total Admin. Exp. As a % of Assets		**0.08%**		**0.22%**		**0.31%**
Reimbursement of Expenses:						
Class Actions Proceeds	437		3,516		3,848	
Sub-Total		**437**		**3,516**		**3,848**
NET ADMINISTRATIVE EXPENSES*		**-550,331**		**-1,550,774**		**-2,122,746**
Net Admin. Exp. As a % of Assets		**0.08%**		**0.22%**		**0.31%**

* reflects disbursements made from the Trust only and excludes implicit mutual fund expenses

CLASS ACTION PROCEEDS – JULY 2019

CLAIMS PAID

2019	Class Period	Amount	Date Paid
DFC Global	01/28/11-02/03/14	2,420	2/22/2019
Amedisys	08/02/05-09/30/11	197	3/26/2019
Lehman Brothers	06/27/07-09/15/08	461	5/7/2019
AIG		437	7/25/2019

CLAIMS PAID SUMMARY

2002 - 2005	40,569
2006 - 2010	371,842
2011 - 2015	118,589
2016	1,394
2017	34,902
2018	7,989
2019	**3,516**
Total	**578,801**

OUTSTANDING CLAIMS

Company	Add Date	Company	Add Date
Key Energy Services	Mar-08	Biolase	Sep-15
HCA Holdings		Delcath Systems	Nov-15
Martek Bioscience		Intralinks Holdings	Nov-15
Genesis Microchip Inc	Apr-08	MF Global	Dec-15
Regeneron Pharm Inc		Tower Group	Dec-15
CV Therapeutics		Invacare Corp	Dec-15
Helen of Troy		CVS	May-16
Viisage Technology		Bioscrip	Jul-16
Buca		JP Morgan Chase	Jul-16
Bisys	Oct-08	Barrick Gold	Oct-16
Coca Cola		Elan Corp	Aug-17
Netopia	Jan-09	PTC Inc.	Aug-17
Level 3	Jun-09	Harman International	Sep-17
Carrier Access Corp		DFC Global	Sep-17
Alliance Gaming		Home Loan Servicing	Nov-17
American Italian Pasta		Aegerion Pharm	Nov-17
KVH Industries		CTI Biopharma	Feb-18
McKesson/HBOC		Imperva	Feb-18
Red Robin Gourmet		Ariad Pharmaceuticals	Apr-18
Charlotte Russe		Commvault Systems	May-18
LHC Group		Lehman Brothers Hdls	May-12
MCSI		Fitbit Inc.	Aug-18
Xerox		Facebook	Aug-18
Wyeth	Mar-13	Gopro Inc.	Aug-18
Northwest Pipe	Mar-13	Allergan Inc.	Aug-18
Pharmacia Corp	Mar-13	Big Lots	Nov-18
Citigroup	Feb-14	Vista Outdoors	Nov-18
Diebold	Jun-14	Quality Systems Inc	Dec-18
Weatherford International	Sep-14	Intuitive Surgical	Dec-18
Lehman Brothers E&Y		JP Morgan-KCC	Feb-19
Celadon Group	May-19	State Street Corp	May-19
Alibaba Group	May-19	Wal-mart	May-19
Thoratec Corp	19-Jul	Alere Inc.	July-19

MARKET TO MARKET SUMMARY - MONTH ENDING JULY 31, 2019

	Westfield Capital Mgt	TCW Asset Mgt	Eagle Capital	Equity Investment	Eagle Asset Mgt	Vaughan Nelson	MacQuarie Diversified	CIGNA	Richmond	Mutual Funds	Committee Directed	Combined Account
Market Value												
Plus Accrued Income As Of 7/01/2019	**50,626,716**	**42,842,412**	**76,079,465**	**0**	**19,852,922**	**22,240,770**	**47,481,884**	**1,200,000**	**78,863,248**	**345,884,169**	**7,794,082**	**692,865,666**
Administrative Receipts/Disbursements												
Employer Contributions	0	0	0	0	0	0	0	0	0	0	4,122,335	4,122,335
Employee Contributions	0	0	0	0	0	0	0	0	0	0	1,031,296	1,031,296
Inter-Account Transfers	0	0	0	0	0	0	0	0	0	0	0	0
Benefit Payments	0	0	0	0	0	0	0	0	0	0	-6,312,185	-6,312,185
Other Cash Receipts/Disbursements	0	0	0	0	0	0	0	0	0	0	437	437
Administrative Expenses	-71,256	-127,977	-145,283	0	-37,222	-55,213	0	0	-38,293	0	-75,524	-550,768
Sub-Total	-71,256	-127,977	-145,283	0	-37,222	-55,213	0	0	-38,293	0	-1,233,642	-1,708,885
Investment Results												
Non-Cash Receipts/Disbursements	0	0	0	0	0	0	0	0	0	0	0	0
Income Earned	32,465	7,477	48,571	0	5,190	12,399	4	0	237,794	303,641	8,580	656,121
Gain/Loss On Assets Disposed/Sold	178,045	103,761	386,606	0	139,725	-13,717	0	0	29,407	186,016	0	1,009,842
Change In Unrealized Gain/Loss	364,747	240,660	313,765	0	264,072	493,387	197,627	0	-71,600	-426,621	0	1,376,037
												0
Sub-Total	575,256	351,897	748,943	0	408,987	492,069	197,631	0	195,601	63,036	8,580	3,042,000
Market Value												
Plus Accrued Income As Of 7/31/2019	**51,130,716**	**43,066,332**	**76,683,125**	**0**	**20,224,687**	**22,677,625**	**47,679,515**	**1,200,000**	**79,020,555**	**345,947,205**	**6,569,020**	**694,198,781**
Cash Balance at SunTrust on 7/31/2019	268,031	1,793,991	3,415,051	0	628,051	1,005,260	2,003	0	85,356	264	6,253,127	13,451,133
Cash Balance at LGIP on 7/31/2019	0	0	0	0	0	0	0	0	0	0	314,653	314,653
Total Cash As Of 7/31/2019	268,031	1,793,991	3,415,051	0	628,051	1,005,260	2,003	0	85,356	264	6,567,779	13,765,786
Most Recent Cash Balance as of 8/12/2019	93,280	1,549,161	3,102,843	0	883,611	1,112,401	2,007	0	1,249,836	265	151,632	8,145,034
Federated Treasury Obligations [Monthly]	0.19%											
Georgia Fund 1* [Monthly]	2.39%											

As published on https://otfs.georgia.gov

MARKET TO MARKET SUMMARY – FISCAL YTD AS OF JULY 31, 2019

	Westfield Capital Mgt	TCW Asset Mgt	Eagle Capital	Equity Investment	Eagle Asset Mgt	Vaughan Nelson	MacQuarie Diversified	CIGNA	Richmond	Mutual Funds	Committee Directed	Combined Account
Market Value												
Plus Accrued Income As Of 10/01/18	49,409,658	**40,214,394**	**73,423,400**	**0**	**21,014,264**	**22,898,942**	**44,023,855**	**1,400,000**	**72,919,597**	341,325,950	**5,528,480**	672,158,539
Administrative Receipts/Disbursements												
Employer Contributions	0	0	0	0	0	0	0	0	0	0	47,176,917	47,176,917
Employee Contributions	0	0	0	0	0	0	0	0	0	0	10,865,554	10,865,554
Inter-Account Transfers	0	0	0	0	0	0	0	0	0	-4,000,000	4,000,000	0
Benefit Payments	0	0	0	0	0	0	0	0	0	0	-60,594,133	-60,594,133
Other Cash Receipts/Disbursements	169	0	-158	0	2,780	0	0	0	786	0	3,336	6,913
Administrative Expenses	-268,902	-309,502	-543,508	0	-144,566	-212,626	0	0	-148,193	0	-499,296	-2,126,594
Sub-Total	-268,733	-309,502	-543,666	0	-141,787	-212,626	0	0	-147,407	-4,000,000	952,378	-4,671,342
Investment Results												
Non-Cash Receipts/Disbursements	-205,479	0	-2,352	0	0	0	0	-200,000	-688	0	0	-408,518
Income Collected	449,752	175,951	693,309	0	86,754	285,533	37	0	2,378,554	5,921,017	88,162	10,079,069
Gain/Loss On Assets Sold	1,847,535	1,521,546	7,185,816	0	730,922	-346,652	0	0	-373,065	7,022,786	0	17,588,888
Change In Unrealized Gain/Loss	-102,017	1,463,942	-4,073,382	0	-1,465,466	52,429	3,655,623	0	4,243,564	-4,322,548	0	-547,855
	0	0	0				0	0	0	0	0	
Sub-Total	1,989,791	3,161,440	3,803,391	0	-647,791	-8,690	3,655,659	-200,000	6,248,365	8,621,255	88,162	26,711,584
Market Value												
Plus Accrued Income As Of 7/31/2019	**51,130,716**	**43,066,332**	**76,683,125**	**0**	**20,224,687**	**22,677,626**	**47,679,514**	**1,200,000**	**79,020,555**	345,947,205	**6,569,020**	694,198,781

II. MARKET VALUE UPDATE - AUGUST 2019

SunTrust

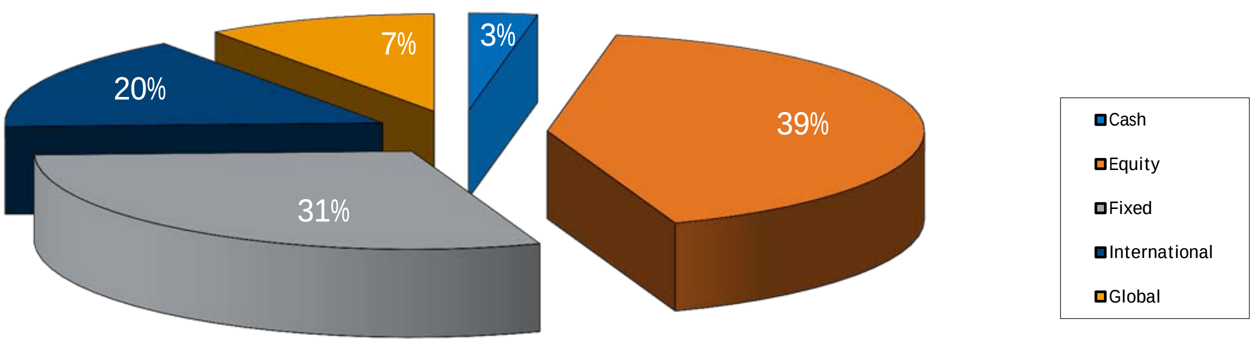
PORTFOLIO ALLOCATION BY INVESTMENT MANAGER – AUGUST 2019

INVESTMENT MANAGER	ASSET CLASS	ASSET STYLE	9/30/2018 MARKET VALUE	%	8/31/2019 MARKET VALUE	%
Westfield Capital Mgt	Equity	Large Cap Growth	49,409,658	7.2%	50,104,016	7.3%
Vanguard S&P 500 *	Equity	Large Cap Blend	72,568,707	10.5%	75,957,468	11.1%
TCW Asset Mgt	Equity	Large Cap Growth	40,214,394	5.8%	42,332,821	6.2%
Eagle Capital	Equity	Large Cap Value	73,423,400	10.7%	73,818,536	10.8%
Equity Investment Co	Equity	Large Cap Value	0	0.0%	0	0.0%
Vanguard Mid Cap	Equity	Mid Cap Value	44,632,637	6.5%	44,748,618	6.5%
Eagle Asset Mgt	Equity	Small Cap Growth	21,014,264	3.0%	19,278,726	2.8%
Vaughan Nelson	Equity	Small Cap Value	22,898,942	3.3%	21,984,613	3.2%
Total Equity			**324,162,002**	**47.0%**	**328,224,798**	**47.9%**
Blackrock Global	Global	World Allocation	18,031,538	2.6%	18,876,925	2.8%
First Eagle Global	Global	World Allocation	21,122,879	3.1%	22,631,139	3.3%
Natixis Loomis Sayles Global	Global	World Allocation	19,201,311	2.8%	22,670,097	3.3%
Total Global			**58,355,728**	**8.5%**	**64,178,161**	**9.4%**
Vanguard Total Int'l Stock	International	Non-US Equity	37,889,779	5.5%	36,925,556	5.4%
Dodge & Cox Int'l	International	Non-US Equity	37,960,174	5.5%	0	0.0%
Tweedy Browne Global Value	Global	Non-US Equity	0	0.0%	35,122,409	5.1%
Vanguard Int'l Growth	International	Non-US Equity	37,685,297	5.5%	35,664,175	5.2%
Total International			**113,535,250**	**16.5%**	**107,712,140**	**15.7%**
Vanguard Int Bond	Fixed	Intermediate Bond	45,243,060	6.6%	0	7.1%
MacQuarie Diversified	Fixed	Intermediate Bond	44,023,855	6.4%	48,766,466	0.0%
Blackrock Strategic	Fixed	Multi Sector Bond	23,827,185	3.5%	47,285,919	6.9%
CIGNA	Fixed	Stable Value	1,400,000	0.2%	1,200,000	0.2%
Richmond	Fixed	Short-Term Bond	72,919,597	10.6%	81,310,041	11.9%
Total Fixed			**187,413,697**	**27.2%**	**178,562,426**	**26.0%**
Committee Directed	Cash		**5,528,480**	**0.8%**	**6,936,840**	**1.0%**
TOTAL TRUST			**$688,995,157**	**100%**	**$685,614,363**	**100%**

* Market Value includes $264.56 cash in Mutual Fund account 1138666

HISTORICAL COST OF ASSETS – AUGUST 2019

$530,204,826,.54



SUNTRUST

SUMMARY REPORT – AUGUST 2019

	MONTH 8/01/19 - 8/31/19	CALENDAR YTD 1/01/18 -8/31/19	FISCAL YTD 10/01/18 - 8/31/19
Beginning Market Value			
Plus Accrued Income	**694,198,781**	**602,839,567**	**672,158,540**
Administrative Receipts/Disbursements			
Employer Contributions	4,128,730	37,026,971	51,305,647
Employee Contributions	1,550,402	9,299,422	12,415,956
Inter-Account Transfers	0	0	0
Benefit Payments	-6,268,260	-49,105,474	-66,862,392
Other Cash Receipts/Disbursements	330,239	335,771	337,153
Administrative Expenses	-52,301	-1,606,590	-2,178,895
Sub-Total	**-311,189**	**-4,049,900**	**-4,982,531**
Investment Results			
Non-Cash Receipts/Disbursements	-330,400	-533,439	-738,918
Income Earned	658,740	6,271,975	10,737,808
Gain/Loss on Assets Disposed/Sold	973,968	8,775,973	18,562,856
Change In Unrealized Gain/Loss	-9,575,536	72,310,189	-10,123,391
Sub-Total	**-8,273,228**	**86,824,697**	**18,438,355**
Ending Market Value			
Plus Accrued Income	**685,614,363**	**685,614,363**	**685,614,363**
Market Value Growth			
Percent Change	**-1.24%**	**13.73%**	**2.00%**
Market Value as of 8/31/18		**674,798,170**	
Annual Percent Change		**1.60%**	
Market Value as of 9/12/19		**691,219,785**	
Percent Change Since 8/31/19		**0.82%**	

ADMINISTRATIVE EXPENSES – AUGUST 2019

	MONTH 8/01/19 -8/31/19		CALENDAR YTD 1/01/19 - 8/31/19		FISCAL YTD 10/01/18 - 8/31/19	
Investment Management Fees:						
Westfield Capital Mgt	0		-199,152		-268,902	
TCW Asset Management	0		-309,502		-309,502	
Eagle Asset Mgt	0		-105,166		-144,566	
Equity Investment Company	0		0		0	
Vaughn Nelson	0		-156,017		-212,626	
Eagle Capital	0		-403,197		-543,508	
Richmond	0		-112,122		-148,193	
LGIP Fee	-161		-1,192		-1,229	
Sub-Total		**-161**		**-1,286,349**		**-1,628,526**
Inv. Mgt. Fees as a % of Assets		**0.00%**		**0.19%**		**0.24%**
Trust Fees:						
SunTrust		-42,937		-130,622		-223,156
Asset Consulting Fees:						
UBS Financial Services		0		-139,382		-257,487
Cavanaugh MacDonald Consulting		-7,225		-42,057		-47,916
Legal & Other Services:						
Troutman Sanders		-2,139		-8,191		-21,820
Cobb County (GAPPT)		0		-150		-150
TOTAL ADMINISTRATIVE EXPENSES		**-52,461**		**-1,606,751**		**-2,179,055**
Total Admin. Exp. As a % of Assets		**0.01%**		**0.23%**		**0.32%**
Reimbursement of Expenses:						
Class Actions Proceeds	0		3,516		3,848	
Sub-Total		**0**		**3,516**		**3,848**
NET ADMINISTRATIVE EXPENSES*		**-52,461**		**-1,603,235**		**-2,175,207**
Net Admin. Exp. As a % of Assets		**0.01%**		**0.23%**		**0.32%**

* reflects disbursements made from the Trust only and excludes implicit mutual fund expenses

CLASS ACTION PROCEEDS – AUGUST 2019

CLAIMS PAID

2019	Class Period	Amount	Date Paid
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2016	1,394
2017	34,902
2018	7,989
2019	**3,516**
Total	**578,801**

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OUTSTANDING CLAIMS

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Martek Bioscience		Intralinks Holdings	Nov-15
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Helen of Troy		CVS	May-16
Viisage Technology		Bioscrip	Jul-16
Buca		JP Morgan Chase	Jul-16
Bisys	Oct-08	Barrick Gold	Oct-16
Coca Cola		Elan Corp	Aug-17
Netopia	Jan-09	PTC Inc.	Aug-17
Level 3	Jun-09	Harman International	Sep-17
Carrier Access Corp		DFC Global	Sep-17
Alliance Gaming		Home Loan Servicing	Nov-17
American Italian Pasta		Aegerion Pharm	Nov-17
KVH Industries		CTI Biopharma	Feb-18
McKesson/HBOC		Imperva	Feb-18
Red Robin Gourmet		Ariad Pharmaceuticals	Apr-18
Charlotte Russe		Commvault Systems	May-18
LHC Group		Lehman Brothers Hdls	May-12
MCSI		Fitbit Inc.	Aug-18
Xerox		Facebook	Aug-18
Wyeth	Mar-13	Gopro Inc.	Aug-18
Northwest Pipe	Mar-13	Allergan Inc.	Aug-18
Pharmacia Corp	Mar-13	Big Lots	Nov-18
Citigroup	Feb-14	Vista Outdoors	Nov-18
Diebold	Jun-14	Quality Systems Inc	Dec-18
Weatherford International	Sep-14	Intuitive Surgical	Dec-18
Lehman Brothers E&Y		JP Morgan-KCC	Feb-19
Celadon Group	May-19	State Street Corp	May-19
Alibaba Group	May-19	Wal-mart	May-19
Thoratec Corp	19-Jul	Alere Inc.	July-19

MARKET TO MARKET SUMMARY – MONTH ENDING AUGUST 31, 2019

	Westfield Capital Mgt	TCW Asset Mgt	Eagle Capital	Equity Investment	Eagle Asset Mgt	Vaughan Nelson	MacQuarie Diversified	CIGNA	Richmond	Mutual Funds	Committee Directed	Combined Account
Market Value												
Plus Accrued Income As Of 8/01/2019	**51,130,716**	**43,066,332**	**76,683,125**	**0**	**20,224,687**	**22,677,625**	**47,679,515**	**1,200,000**	**79,020,555**	**345,947,205**	**6,569,020**	**694,198,781**
Administrative Receipts/Disbursements												
Employer Contributions	0	0	0	0	0	0	0	0	0	0	4,128,730	4,128,730
Employee Contributions	0	0	0	0	0	0	0	0	0	0	1,550,402	1,550,402
Inter-Account Transfers	0	0	0	0	0	0	0	0	0	-1,000,000	1,000,000	0
Benefit Payments	0	0	0	0	0	0	0	0	0	0	-6,268,260	-6,268,260
Other Cash Receipts/Disbursements	0	0	330,400	0	0	0	0	0	0	0	-161	330,239
Administrative Expenses	0	0	0	0	0	0	0	0	0	0	-52,301	-52,301
Sub-Total	0	0	330,400	0	0	0	0	0	0	-1,000,000	358,411	-311,189
Investment Results												
Non-Cash Receipts/Disbursements	0	0	-330,400	0	0	0	0	0	0	0	0	-330,400
Income Earned	55,160	27,347	135,969	0	14,872	39,550	3	0	237,912	138,517	9,409	658,740
Gain/Loss On Assets Disposed/Sold	480,011	-201,846	-36,798	0	76,651	-49,054	0	0	171,519	533,485	0	973,968
Change In Unrealized Gain/Loss	-1,561,871	-559,013	-2,963,760	0	-1,037,485	-683,509	1,086,948	0	1,880,054	-5,736,901	0	-9,575,536
												0
Sub-Total	-1,026,700	-733,511	-3,194,990	0	-945,962	-693,012	1,086,952	0	2,289,486	-5,064,899	9,409	-8,273,228
Market Value												
Plus Accrued Income As Of 8/31/2019	**50,104,016**	**42,332,821**	**73,818,536**	**0**	**19,278,725**	**21,984,613**	**48,766,467**	**1,200,000**	**81,310,041**	**339,882,306**	**6,936,840**	**685,614,363**
Cash Balance at SunTrust on 8/31/2019	642,302	1,165,392	2,541,951	0	627,871	1,342,157	2,007	0	275,436	265	6,817,012	13,414,392
Cash Balance at LGIP on 8/31/2019	0	0	0	0	0	0	0	0	0	0	118,267	118,267
Total Cash As Of 8/31/2019	642,302	1,165,392	2,541,951	0	627,871	1,342,157	2,007	0	275,436	265	6,935,279	13,532,659
Most Recent Cash Balance as of 9/12/2019	282,097	996,606	2,679,402	0	934,976	1,185,474	2,011	0	447,123	265	112,895	6,640,848
Federated Treasury Obligations [Monthly]	0.17%											
Georgia Fund 1* [Monthly]	2.39%											

As published on https://otfs.georgia.gov

MARKET TO MARKET SUMMARY – FISCAL YTD AS OF AUGUST 2019

	Westfield Capital Mgt	TCW Asset Mgt	Eagle Capital	Equity Investment	Eagle Asset Mgt	Vaughan Nelson	MacQuarie Diversified	CIGNA	Richmond	Mutual Funds	Committee Directed	Combined Account
Market Value												
Plus Accrued Income As Of 10/01/18	**49,409,658**	**40,214,394**	**73,423,400**	**0**	**21,014,264**	**22,898,942**	**44,023,855**	**1,400,000**	**72,919,597**	**341,325,950**	**5,528,480**	**672,158,539**
Administrative Receipts/Disbursements												
Employer Contributions	0	0	0	0	0	0	0	0	0	0	51,305,647	51,305,647
Employee Contributions	0	0	0	0	0	0	0	0	0	0	12,415,956	12,415,956
Inter-Account Transfers	0	0	0	0	0	0	0	0	0	-5,000,000	5,000,000	0
Benefit Payments	0	0	0	0	0	0	0	0	0	0	-66,862,392	-66,862,392
Other Cash Receipts/Disbursements	169	0	330,242	0	2,780	0	0	0	786	0	3,175	337,153
Administrative Expenses	-268,902	-309,502	-543,508	0	-144,566	-212,626	0	0	-148,193	0	-551,597	-2,178,895
Sub-Total	-268,733	-309,502	-213,266	0	-141,787	-212,626	0	0	-147,407	-5,000,000	1,310,789	-4,982,531
Investment Results												
Non-Cash Receipts/Disbursements	-205,479	0	-332,752	0	0	0	0	-200,000	-688	0	0	-738,918
Income Collected	504,911	203,299	829,277	0	101,626	325,083	40	0	2,616,467	6,059,534	97,571	10,737,808
Gain/Loss On Assets Sold	2,327,547	1,319,701	7,149,018	0	807,572	-395,706	0	0	-201,547	7,556,271	0	18,562,856
Change In Unrealized Gain/Loss	-1,663,888	904,930	-7,037,142	0	-2,502,951	-631,080	4,742,571	0	6,123,618	-10,059,448	0	-10,123,391
	0	0	0				0	0	0	0	0	
Sub-Total	963,091	2,427,929	608,401	0	-1,593,753	-701,703	4,742,611	-200,000	8,537,851	3,556,356	97,571	18,438,355
Market Value												
Plus Accrued Income As Of 8/31/2019	**50,104,016**	**42,332,821**	**73,818,536**	**0**	**19,278,725**	**21,984,613**	**48,766,466**	**1,200,000**	**81,310,041**	**339,882,306**	**6,936,839**	**685,614,363**

BENEFIT PAYMENTS – JANUARY 1, 2019 to August 31, 2019

	CALENDAR YTD 01/01/19 – 08/31/19	FISCAL YTD 10/01/18 – 08/31/19	FISCAL YTD MONTHLY AVERAGE
Monthly Checks	847	1,121	125
Monthly Direct Deposit	20,698	28,248	3,139
Total Monthly Payments	**21,545**	**29,369**	2,604
Lump Sum Payments	262	391	43
Total Benefit Payments	**21,807**	**29,760**	**2,647**

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IV. PLAN CONTACTS

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V. DISCLOSURE

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- Are not bank guaranteed
- September lose value

UBS Financial Services Inc.
Index Flash Report
September 30, 2019

Created on 10/03/2019	THRU 9/30/19		2019 QUARTERLY RETURNS				ANNUALIZED RETURNS ENDING 9/30/2019							CALENDAR YEAR RETURNS									
INDEX	MONTH	YTD	Q1	Q2	Q3	Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	15 Yrs	20 Yrs	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
S&P 500	1.87	20.55	13.65	4.30	1.70		4.25	13.39	10.84	13.26	13.24	9.01	6.33	(4.38)	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46
S&P Mid Cap	3.06	17.87	14.49	3.05	(0.09)		(2.49)	9.38	8.88	11.81	12.56	9.82	9.99	(11.08)	16.24	20.74	(2.18)	9.77	33.50	17.88	(1.73)	26.64	37.38
S&P 500 Growth	0.29	21.06	14.95	4.56	0.72		3.25	15.73	12.82	14.62	14.72	9.97	5.89	(0.01)	27.44	6.89	5.52	14.89	32.75	14.61	4.65	15.05	31.57
S&P 500 Value	3.74	20.01	12.19	4.02	2.83		5.56	10.61	8.47	11.63	11.56	7.87	6.34	(8.95)	15.36	17.40	(3.13)	12.36	31.99	17.68	(0.48)	15.10	21.18
S&P 500 Equal Weighted	3.11	20.10	14.91	3.72	0.77		3.40	11.05	9.46	13.14	13.41	9.97	9.24	(7.64)	18.90	14.80	(2.20)	14.49	36.16	17.65	(0.11)	21.91	46.31
DJIA	2.05	17.51	11.81	3.21	1.83		4.21	16.44	12.28	13.17	13.56	9.51	7.43	(3.48)	28.11	16.50	0.21	10.04	29.65	10.24	8.38	14.06	22.68
NASDAQ Comp	0.54	21.54	16.81	3.87	0.18		0.52	15.88	13.51	15.79	15.50	11.22	6.41	(2.84)	29.64	8.87	6.96	14.75	40.12	17.45	(0.83)	18.02	45.36
Wilshire 5000	1.82	20.11	14.11	3.99	1.23		2.95	12.91	10.58	13.04	13.09	9.18	6.80	(5.27)	20.99	13.37	0.67	12.71	33.06	16.06	0.98	17.16	28.30
Russell 3000	1.76	20.09	14.04	4.10	1.16		2.92	12.83	10.44	13.00	13.08	9.10	6.72	(5.24)	21.13	12.74	0.48	12.56	33.55	16.42	1.03	16.93	28.34
Russell 3000G	(0.04)	22.75	16.18	4.50	1.10		2.70	16.36	13.07	14.76	14.74	10.31	5.88	(2.12)	29.59	7.39	5.09	12.44	34.23	15.21	2.18	17.64	37.01
Russell 3000V	3.67	17.47	11.93	3.68	1.23		3.10	9.24	7.76	11.16	11.36	7.78	7.09	(8.58)	13.19	18.40	(4.13)	12.70	32.69	17.55	(0.10)	16.23	19.76
Russell 1000	1.73	20.53	14.00	4.25	1.42		3.87	13.19	10.62	13.21	13.23	9.17	6.63	(4.78)	21.69	12.05	0.92	13.24	33.11	16.42	1.50	16.10	28.43
Russell 1000G	0.01	23.30	16.10	4.64	1.49		3.71	16.89	13.39	15.02	14.94	10.40	5.83	(1.51)	30.21	7.08	5.67	13.05	33.48	15.26	2.64	16.71	37.21
Russell 1000V	3.57	17.81	11.93	3.84	1.36		4.00	9.43	7.79	11.30	11.46	7.82	6.93	(8.27)	13.66	17.34	(3.83)	13.45	32.53	17.51	0.39	15.51	19.69
Russell 2000	2.08	14.18	14.58	2.10	(2.40)		(8.89)	8.23	8.19	10.43	11.19	8.19	7.99	(11.01)	14.65	21.31	(4.41)	4.89	38.82	16.35	(4.18)	26.85	27.16
Russell 2000G	(0.82)	15.34	17.14	2.75	(4.17)		(9.63)	9.79	9.08	11.43	12.25	9.04	6.53	(9.31)	22.17	11.32	(1.38)	5.60	43.30	14.59	(2.91)	29.09	34.47
Russell 2000V	5.13	12.82	11.93	1.37	(0.57)		(8.24)	6.54	7.17	9.35	10.06	7.22	9.05	(12.86)	7.84	31.74	(7.47)	4.22	34.52	18.05	(5.50)	24.50	20.55
Russell 2500	1.77	17.72	15.82	2.96	(1.28)		(4.04)	9.51	8.57	11.43	12.22	9.16	9.21	(10.00)	16.81	17.59	(2.90)	7.07	36.80	17.88	(2.51)	26.71	34.38
Russell 2500G	(1.88)	19.97	18.99	4.14	(3.18)		(4.11)	12.33	10.22	12.77	13.48	10.14	7.92	(7.47)	24.46	9.73	(0.19)	7.05	40.65	16.13	(1.57)	28.86	41.65
Russell 2500V	4.58	15.41	13.12	1.89	0.13		(4.35)	6.87	6.98	10.13	11.00	8.09	9.55	(12.36)	10.36	25.20	(5.49)	7.11	33.32	19.21	(3.36)	24.82	27.67
Russell Mid Cap	1.97	21.93	16.54	4.13	0.48		3.19	10.69	9.10	12.57	13.07	9.92	9.50	(9.06)	18.52	13.80	(2.44)	13.22	34.76	17.28	(1.55)	25.47	40.48
Russell Mid CapG	(1.14)	25.23	19.62	5.40	(0.67)		5.20	14.50	11.12	13.80	14.08	10.53	7.97	(4.75)	25.27	7.33	(0.20)	11.90	35.74	15.81	(1.65)	26.38	46.29
Russell Mid CapV	4.06	19.47	14.37	3.19	1.22		1.60	7.82	7.55	11.63	12.29	9.29	9.83	(12.29)	13.34	20.00	(4.78)	14.75	33.46	18.51	(1.38)	24.75	34.21
EAFE	2.92	13.35	10.13	3.97	(1.00)		(0.82)	7.01	3.77	6.62	5.39	5.78	4.17	(13.36)	25.62	1.51	(0.39)	(4.48)	23.29	17.90	(11.73)	8.21	32.46
EAFE Net	2.87	12.80	9.98	3.68	(1.07)		(1.34)	6.48	3.27	6.12	4.90	5.29	3.72	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78	17.32	(12.14)	7.75	31.78
EAFE Ex-Japan	2.50	13.92	11.20	4.90	(2.33)		0.32	7.13	3.14	6.07	5.26	6.11	4.88	(13.61)	25.98	1.11	(3.18)	(4.71)	22.29	20.54	(11.04)	6.28	41.33
MSCI World	2.18	18.15	12.65	4.20	0.66		2.42	10.82	7.79	10.29	9.62	7.74	5.43	(8.20)	23.07	8.15	(0.32)	5.50	27.37	16.54	(5.02)	12.34	30.79
MSCI World Net	2.13	17.61	12.48	4.00	0.53		1.83	10.21	7.18	9.67	9.01	7.14	4.89	(8.71)	22.40	7.51	(0.87)	4.94	26.68	15.83	(5.54)	11.76	29.99
MSCI World xUS Net	2.81	13.57	10.45	3.79	(0.93)		(0.95)	6.49	3.06	5.77	4.78	5.36	3.89	(14.09)	24.21	2.75	(3.04)	(4.32)	21.02	16.41	(12.21)	8.95	33.67
MSCI Emerging Mkts	1.94	6.23	9.97	0.74	(4.11)		(1.63)	6.37	2.71	2.79	3.73	8.19	7.64	(14.25)	37.75	11.60	(14.60)	(1.82)	(2.27)	18.64	(18.17)	19.20	79.02
MSCI Emerging Mkts Net	1.91	5.89	9.91	0.61	(4.25)		(2.02)	5.97	2.33	2.41	3.37	7.82	7.30	(14.57)	37.28	11.19	(14.92)	(2.19)	(2.60)	18.23	(18.42)	18.88	78.51
MSCI ACWI	2.15	16.71	12.33	3.80	0.10		1.95	10.30	7.23	9.42	8.93	7.64	5.43	(8.93)	24.62	8.48	(1.84)	4.71	23.44	16.80	(6.86)	13.21	35.41
MSCI ACWI Net	2.10	16.20	12.18	3.61	(0.03)		1.38	9.71	6.65	8.83	8.35	7.07	#N/A	(9.41)	23.97	7.86	(2.36)	4.16	22.80	16.13	(7.35)	12.67	34.63
MSCI ACWI xUS	2.62	12.06	10.44	3.22	(1.70)		(0.72)	6.85	3.39	5.50	4.93	6.14	4.70	(13.78)	27.77	5.01	(5.25)	(3.44)	15.78	17.39	(13.33)	11.60	42.14
MSCI ACWI xUS Net	2.57	11.56	10.31	2.98	(1.80)		(1.23)	6.33	2.90	5.01	4.46	5.66	4.25	(14.20)	27.19	4.50	(5.66)	(3.87)	15.29	16.83	(13.71)	11.15	41.45
EURO STOXX 50	3.21	16.27	10.18	6.98	(1.35)		1.31	7.68	1.77	5.86	2.22	3.93	2.66	(16.25)	24.27	0.70	(4.47)	(8.66)	26.99	19.90	(16.88)	(9.13)	29.69
Barclay CTA Index	(0.56)	7.07	1.33	2.97	2.62		5.43	1.05	0.91	0.78	0.93	2.73	3.28	(3.17)	0.70	(1.23)	(1.50)	7.61	(1.42)	(1.70)	(3.09)	7.05	(0.10)
Alerian MLP	0.71	11.08	16.82	0.12	(5.02)		(8.13)	(2.46)	(8.65)	(0.93)	6.25	7.23	10.90	(12.42)	(6.52)	18.31	(32.59)	4.80	27.58	4.80	13.88	35.85	76.41
HFRI Equity Hedge (Total) Index	#N/A	#N/A	7.57	1.57	#N/A		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	(7.14)	13.29	5.47	(0.97)	1.81	14.28	7.41	(8.38)	10.45	24.57
HFRI Fund of Funds Composite Index	#N/A	#N/A	4.60	1.49	#N/A		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	(4.02)	7.77	0.51	(0.27)	3.37	8.96	4.79	(5.72)	5.70	11.47
HFRI Fund Weighted Composite Index	#N/A	#N/A	5.46	1.69	#N/A		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	(4.75)	8.59	5.44	(1.12)	2.98	9.13	6.36	(5.25)	10.25	19.98

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UBS Financial Services Inc.
Index Flash Report
September 30, 2019

Created on 10/03/2019	THRU 9/30/19		2019 QUARTERLY RETURNS				ANNUALIZED RETURNS ENDING 9/30/2019							CALENDAR YEAR RETURNS									
INDEX	MONTH	YTD	Q1	Q2	Q3	Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	15 Yrs	20 Yrs	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
ML Preferred Stock Fixed Rate	0.66	15.40	8.70	3.02	3.05		10.13	5.50	6.66	6.01	7.66	3.94	4.95	(4.34)	10.58	2.32	7.58	15.44	(3.65)	13.60	4.11	13.66	20.07
BoA-ML All Convertible x-144a	(0.13)	13.82	9.40	3.89	0.15		2.97	9.22	6.78	9.74	9.56	7.23	#N/A	(1.41)	13.77	11.04	(3.37)	9.70	24.26	14.88	(5.53)	15.81	48.22
NAREIT (EQ)	1.88	28.49	17.17	1.79	7.73		20.70	9.03	11.07	10.66	13.59	9.37	11.54	(4.04)	8.67	8.63	2.83	28.03	2.86	19.70	8.28	27.95	27.99
DJ US Select REIT	2.71	24.64	15.72	0.82	6.83		16.41	6.48	9.70	9.50	12.69	8.71	11.20	(4.22)	3.76	6.68	4.48	32.00	1.22	17.12	9.37	28.07	28.46
BC Aggregate	(0.53)	8.52	2.94	3.08	2.27		10.30	2.92	3.38	2.72	3.75	4.21	5.01	0.01	3.54	2.65	0.55	5.97	(2.02)	4.21	7.84	6.54	5.93
BC Int Aggregate	(0.23)	6.18	2.28	2.39	1.38		8.08	2.39	2.74	2.24	3.16	3.78	4.60	0.92	2.27	1.97	1.21	4.12	(1.02)	3.56	5.97	6.15	6.46
CG Broad Inv Grd	(0.55)	8.66	2.95	3.10	2.37		10.44	2.96	3.40	2.73	3.72	4.28	5.08	(0.01)	3.60	2.66	0.53	5.91	(2.04)	4.23	7.85	6.30	5.06
BoA-ML C/G 1-3 yr	(0.05)	3.44	1.22	1.49	0.70		4.65	1.84	1.60	1.36	1.56	2.43	3.18	1.63	0.86	1.29	0.67	0.78	0.70	1.48	1.56	2.82	3.84
BC Int G/C	(0.37)	6.42	2.33	2.61	1.36		8.19	2.39	2.69	2.15	3.05	3.59	4.47	0.86	2.10	2.08	1.14	3.10	(0.84)	3.79	5.91	5.89	5.24
BC Gov Int	(0.44)	5.18	1.58	2.34	1.18		7.52	1.82	2.18	1.60	2.34	3.18	4.00	1.43	1.14	1.05	1.18	2.52	(1.25)	1.73	6.08	4.98	(0.32)
BC GC	(0.76)	9.72	3.26	3.53	2.64		11.32	3.16	3.61	2.86	3.94	4.26	5.12	(0.42)	4.00	3.05	0.15	6.01	(2.35)	4.82	8.74	6.59	4.52
BC US Tips	(1.36)	7.58	3.19	2.86	1.35		7.13	2.21	2.45	1.06	3.46	3.91	5.47	(1.26)	3.01	4.68	(1.44)	3.64	(8.61)	6.98	13.56	6.31	11.41
BC US Treasury	(0.85)	7.71	2.11	3.01	2.40		10.48	2.24	2.91	2.09	3.08	3.78	4.63	0.86	2.31	1.04	0.84	5.05	(2.75)	1.99	9.81	5.87	(3.57)
BC Gov	(0.83)	7.66	2.10	2.99	2.39		10.40	2.27	2.90	2.10	3.00	3.73	4.59	0.88	2.30	1.05	0.86	4.92	(2.60)	2.02	9.02	5.52	(2.20)
BC US Credit	(0.65)	12.61	4.87	4.27	2.98		12.63	4.33	4.54	3.89	5.32	5.12	5.92	(2.11)	6.18	5.63	(0.77)	7.53	(2.01)	9.37	8.35	8.47	16.04
BC Global Aggregate xUS	(1.42)	4.38	1.52	3.42	(0.58)		5.34	0.43	0.87	0.01	1.28	3.06	3.78	(2.15)	10.51	1.49	(6.02)	(3.08)	(3.08)	4.09	4.36	4.95	7.53
BC Global Aggregate	(1.02)	6.32	2.20	3.29	0.71		7.60	1.59	1.99	1.21	2.34	3.58	4.36	(1.20)	7.39	2.09	(3.15)	0.59	(2.60)	4.32	5.64	5.54	6.93
BC EM Sovereign	(0.46)	11.84	6.14	4.53	0.80		11.16	3.94	5.24	4.34	6.73	7.59	9.34	(3.86)	9.23	9.24	1.29	7.12	(6.34)	18.32	8.80	12.12	27.59
BC Muni	(0.80)	6.75	2.90	2.14	1.58		8.55	3.19	3.66	3.39	4.16	4.37	4.96	1.28	5.45	0.25	3.30	9.05	(2.55)	6.78	10.70	2.38	12.91
BC 3 yr Muni	(0.51)	2.78	1.33	1.11	0.31		3.92	1.65	1.44	1.41	1.78	2.48	3.06	1.76	1.56	0.08	1.18	1.22	1.33	1.86	3.46	1.81	5.78
BC 5 yr Muni	(0.85)	4.37	2.11	1.66	0.54		6.02	2.15	2.25	2.14	2.89	3.44	4.03	1.69	3.14	(0.39)	2.43	3.19	0.81	2.96	6.93	3.40	7.40
BC 7 yr Muni	(0.95)	5.73	2.69	1.96	0.98		7.87	2.66	3.07	2.85	3.76	4.13	4.70	1.66	4.49	(0.50)	3.26	6.09	(0.97)	4.20	10.14	4.63	7.61
BC 10 yr Muni	(0.98)	6.86	3.15	2.15	1.42		9.09	3.16	3.80	3.52	4.42	4.62	5.17	1.41	5.83	(0.12)	3.76	8.72	(2.17)	5.70	12.32	4.05	9.85
BC HY Muni	(0.20)	9.69	3.83	2.73	2.84		10.02	5.88	5.99	5.71	7.06	5.85	5.82	4.76	9.69	2.99	1.81	13.84	(5.51)	18.14	9.25	7.79	32.74
BC Agency	(0.46)	5.98	1.81	2.32	1.74		7.99	2.43	2.58	1.99	2.50	3.39	4.34	1.34	2.06	1.39	1.01	3.58	(1.38)	2.16	4.82	4.36	1.53
BC Mortgages	0.07	5.60	2.17	1.96	1.37		7.80	2.32	2.80	2.36	3.14	4.06	4.78	0.99	2.47	1.67	1.51	6.08	(1.41)	2.59	6.23	5.37	5.89
BC ABS	(0.15)	4.13	1.48	1.67	0.92		5.42	2.24	2.25	1.73	2.72	3.02	2.38	1.77	1.55	2.03	1.25	1.85	(0.51)	3.34	5.26	5.61	20.92
BC HY	0.36	11.41	7.26	2.50	1.33		6.36	6.07	5.37	5.88	7.94	7.33	7.09	(2.08)	7.50	17.13	(4.47)	2.45	7.44	15.81	4.98	15.12	58.21
BoA-ML High Yield	0.31	11.51	7.40	2.57	1.23		6.34	6.06	5.36	5.85	7.82	7.19	7.05	(2.26)	7.48	17.34	(4.55)	2.45	7.38	15.44	4.50	15.24	56.28
BoA-ML Treasury 1-5 yr	(0.24)	3.83	1.22	1.82	0.75		5.62	1.62	1.71	1.30	1.68	2.59	#N/A	1.52	0.65	1.09	0.98	1.24	(0.19)	0.91	3.36	3.61	0.23
CG T-Bill (90 Day)	0.17	1.78	0.60	0.61	0.56		2.36	1.52	0.96	0.70	0.52	1.32	1.73	1.86	0.84	0.27	0.03	0.03	0.05	0.07	0.08	0.13	0.16
IFC Invest Comp	2.01	5.97	9.53	0.88	(4.09)		(1.40)	6.26	3.03	3.37	4.21	8.72	8.41	(14.22)	37.89	10.78	(12.38)	(1.12)	(0.58)	18.89	(19.03)	20.64	81.03
CG Wld Gov Bond	(1.30)	6.27	1.74	3.57	0.85		8.13	1.19	1.80	0.59	1.69	3.31	4.16	(0.84)	7.49	1.60	(3.57)	(0.48)	(4.00)	1.65	6.35	5.17	2.55
CG Wld Gov Bond xUS	(1.59)	5.39	1.52	3.93	(0.11)		6.78	0.60	1.28	(0.06)	1.15	3.08	3.87	(1.82)	10.33	1.81	(5.54)	(2.68)	(4.56)	1.51	5.17	5.21	4.38
Bloomberg Commodity Total Return	1.17	3.13	6.32	(1.19)	(1.84)		(6.57)	(1.50)	(7.18)	(8.17)	(4.36)	(4.10)	(0.61)	(11.25)	1.70	11.77	(24.67)	(17.04)	(9.58)	(1.14)	(13.37)	16.67	18.72

UBS Financial Services Inc.
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Created on 10/03/2019	THRU 9/30/19		2019 QUARTERLY RETURNS				ANNUALIZED RETURNS ENDING 9/30/2019							CALENDAR YEAR RETURNS									
INDEX	MONTH	YTD	Q1	Q2	Q3	Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	15 Yrs	20 Yrs	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
70S&P/30BCAGG	1.15	17.05	10.39	4.06	1.90		6.44	10.35	8.73	10.15	10.52	7.78	6.20	(2.82)	16.08	9.23	1.34	11.39	21.12	12.49	4.08	12.92	20.44
70S&P/30BCIGC	1.20	16.35	10.19	3.91	1.62		5.80	10.17	8.51	9.97	10.29	7.59	6.03	(2.57)	15.61	9.04	1.49	10.49	21.54	12.37	3.46	12.70	20.22
60S&P/40BCIGC	0.97	14.94	9.05	3.76	1.59		6.26	9.08	7.71	8.86	9.28	7.07	5.88	(2.02)	13.58	8.06	1.52	9.41	18.11	11.12	3.91	11.84	18.11
50S&P/50BCIGC	0.75	13.53	7.91	3.59	1.55		6.67	7.98	6.90	7.75	8.27	6.54	5.71	(1.49)	11.59	7.08	1.51	8.35	14.75	9.89	4.30	10.93	15.98
40S&P/60BCIGC	0.53	12.11	6.79	3.42	1.52		7.05	6.88	6.08	6.64	7.24	5.99	5.51	(0.97)	9.64	6.08	1.47	7.30	11.48	8.67	4.67	9.99	13.85
60S&P/40 BCAGG	0.91	15.86	9.31	3.96	1.96		7.10	9.32	8.00	9.11	9.59	7.33	6.11	(2.35)	14.21	8.31	1.28	10.62	17.56	11.31	4.69	12.13	18.40
50S&P/20EAFE (net)/30BC AGG	1.35	15.50	9.66	3.93	1.34		5.26	8.99	7.23	8.76	8.89	7.09	5.73	(4.79)	16.70	7.06	0.92	7.52	19.36	12.84	1.08	11.54	21.53
70 MSCI ACWI(net) / 30 Citi WBIG	1.16	13.39	9.13	3.64	0.26		3.55	7.42	5.40	6.66	6.66	6.26	#N/A	(6.87)	18.79	6.20	(2.44)	3.21	14.87	12.56	(3.37)	10.47	25.74
60 MSCI ACWI(net) / 40 Citi WBIG	0.85	12.43	8.13	3.63	0.34		4.22	6.64	4.95	5.92	6.07	5.94	#N/A	(6.04)	17.11	5.63	(2.50)	2.88	12.32	11.36	(2.05)	9.68	22.81
50 MSCI ACWI(net) / 50 Citi WBIG	0.54	11.47	7.12	3.61	0.43		4.86	5.85	4.49	5.18	5.47	5.61	#N/A	(5.23)	15.45	5.04	(2.58)	2.55	9.82	10.16	(0.75)	8.86	19.91
70 MSCI ACWI(net) / 30 BC AGG	1.31	14.05	9.38	3.56	0.69		4.32	7.79	5.83	7.11	7.17	6.47	#N/A	(6.48)	17.50	6.42	(1.30)	4.77	14.87	12.66	(2.67)	11.31	25.93
60 MSCI ACWI(net) / 40 BC AGG	1.05	13.31	8.45	3.52	0.92		5.25	7.13	5.52	6.51	6.73	6.22	#N/A	(5.52)	15.41	5.92	(0.98)	4.96	12.32	11.48	(1.13)	10.77	23.03
S&P Target Risk Aggressive	1.71	14.76	10.30	3.34	0.68		3.00	8.51	6.87	8.82	9.34	#N/A	#N/A	(7.65)	20.06	7.66	(0.79)	6.11	22.52	15.19	(1.58)	17.08	26.48
S&P Target Risk Conservative	0.38	11.03	5.84	3.11	1.73		7.50	5.18	4.52	4.73	5.18	#N/A	#N/A	(2.73)	9.70	5.09	(1.06)	3.97	6.71	6.59	4.35	7.28	9.38
S&P Target Risk Growth	1.17	13.26	8.48	3.26	1.11		4.80	7.22	6.06	7.30	7.63	#N/A	#N/A	(5.69)	15.93	6.67	(0.94)	6.30	16.03	11.44	1.30	11.18	19.15
S&P Target Risk Moderate	0.64	11.77	6.71	3.17	1.52		6.60	5.87	5.02	5.66	5.96	#N/A	#N/A	(3.72)	11.78	5.63	(1.06)	4.49	10.47	8.59	2.26	8.22	13.81

	THRU 8/31/19		2019 QUARTERLY RETURNS				ANNUALIZED RETURNS ENDING 8/31/2019							CALENDAR YEAR RETURNS									
	MONTH	YTD	Q1	Q2	Q3	Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	15 Yrs	20 Yrs	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
CPI (1 month lag, Seasonally Adjusted)	0.05	1.41	0.56	0.46			1.77	2.17	1.54	1.46	1.75	2.04	2.16	2.03	2.18	0.67	1.49	1.76	3.02	1.43	2.82	(0.02)	4.11

UBS

Cobb County Government Employees' Pension Plan

Asset Class Summary

Style Analysis

As of September 30, 2019 Manager/Accounts	Account #:	% Assets	Large Cap Growth	Large Cap Blend	Large Cap Value	Mid Cap Blend	Small Cap Growth	Small Cap Value	Global	International	Fixed Income	Cash	Total Portfolio
TCW	XXXXX76	6.1%	$ 41,911,981										$ 41,911,981
Westfield Capital Management	XXXXX32	7.4%	$ 50,177,658										$ 50,177,658
Vanguard S&P 500 (VINIX)	XXXXX66	11.3%		$ 77,375,446									$ 77,375,446
Eagle Capital	XXXXX85	11.0%			$ 74,822,757								$ 74,822,757
Vanguard Mid Cap (VMCIX)	XXXXX66	6.7%				$ 45,667,855							$ 45,667,855
Eagle Asset Management	XXXXX85	2.8%					$ 18,908,561						$ 18,908,561
Vaughan Nelson	XXXXX49	3.3%						$ 22,596,967					$ 22,596,967
BlackRock Global Allocation (MALOX)	XXXXX66	2.8%							$ 19,017,349				$ 19,017,349
First Eagle Global (SGIIX)	XXXXX66	3.4%							$ 23,070,198				$ 23,070,198
Loomis Sayles Global Equity & Income(LSWWX)	XXXXX66	3.3%							$ 22,736,634				$ 22,736,634
Vanguard Total Int'l Stock (VTSNX)	XXXXX66	5.6%								$ 37,918,500			$ 37,918,500
Vanguard International Growth (VWILX)	XXXXX66	5.3%								$ 36,095,868			$ 36,095,868
Tweedy Browne Global Value (TBGVX)	XXXXX66	5.3%								$ 36,007,302			$ 36,007,302
Richmond	XXXXX37	11.8%									$ 80,223,796		$ 80,223,796
BlackRock Strategic Income Opps (BSIIX)	XXXXX66	6.9%									$ 47,190,776		$ 47,190,776
Delaware Diversified Income (CIT)	XXXXX84	7.1%									$ 48,568,839		$ 48,568,839
Total		100%	$ 92,089,639	$ 77,375,446	$ 74,822,757	$ 45,667,855	$ 18,908,561	$ 22,596,967	$ 64,824,181	$ 110,021,669	$ 175,983,411	$ -	$ 682,290,486
Current Allocation			**13.50%**	**11.34%**	**10.97%**	**6.69%**	**2.77%**	**3.31%**	**9.50%**	**16.13%**	**25.79%**	**0.00%**	**100%**
Target Allocation			11.00%	11.00%	11.00%	6.00%	3.00%	3.00%	10.00%	20.00%	25.00%		100%
Difference in %			2.50%	0.34%	-0.03%	0.69%	-0.23%	0.31%	-0.50%	-3.87%	0.79%		

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Dollar values above are rounded to the nearest dollar.

Cobb County Government Employees' Pension Plan
Asset Class Summary
Market Value As of: September 30, 2019

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Sources: Custodial Statement; IPS; Client Request or Advisor Recommendation

Review code: IS1602740

UBS

Cobb County OPEB

Asset Class Summary

Style Analysis

As of September 30, 2019 Manager/Accounts	Account #:	% Assets	Large Cap Growth	Large Cap Blend	Large Cap Value	Mid Cap Blend	Small Cap Growth	Small Cap Value	Global	International	Fixed Income	Cash	Total Portfolio
TCW	XXXXX93	6.0%	$ 8,136,694										$ 8,136,694
Westfield Capital Management	XXXXX91	6.6%	$ 8,922,028										$ 8,922,028
Vanguard S&P 500 (VINIX)	XXXXX57	11.2%		$ 15,076,795									$ 15,076,795
Eagle Capital	XXXXX00	10.4%			$ 13,993,359								$ 13,993,359
Vanguard Mid Cap (VIMAX)	XXXXX57	6.2%				$ 8,336,020							$ 8,336,020
Eagle Asset Management (HSRUX)	XXXXX57	3.0%					$ 3,989,253						$ 3,989,253
Vaughan Nelson	XXXXX94	3.2%						$ 4,368,211					$ 4,368,211
BlackRock Global Allocation (MALOX)	XXXXX57	3.4%							$ 4,588,655				$ 4,588,655
First Eagle Global (SGIIX)	XXXXX57	3.6%							$ 4,875,130				$ 4,875,130
Loomis Sayles Global Equity & Income(LSWWX)	XXXXX57	3.9%							$ 5,253,067				$ 5,253,067
Vanguard Total Int'l Stock (VTSNX)	XXXXX57	6.1%								$ 8,300,952			$ 8,300,952
Vanguard International Growth (VWILX)	XXXXX57	5.6%								$ 7,537,477			$ 7,537,477
Tweedy Browne Global Value (TGBVX)	XXXXX57	5.0%								$ 6,812,332			$ 6,812,332
Richmond	XXXXX92	12.0%									$ 16,183,951		$ 16,183,951
BlackRock Strategic Income Opps (BSIIX)	XXXXX57	6.4%									$ 8,714,685		$ 8,714,685
Delaware Diversified Income (DPFFX)	XXXXX57	7.5%									$ 10,100,910		$ 10,100,910
Total		100%	$ 17,058,722	$ 15,076,795	$ 13,993,359	$ 8,336,020	$ 3,989,253	$ 4,368,211	$ 14,716,852	$ 22,650,761	$ 34,999,545	$ -	$ 135,189,516
Current Allocation			12.62%	11.15%	10.35%	6.17%	2.95%	3.23%	10.89%	16.75%	25.89%	0.00%	100%
Target Allocation			11.00%	11.00%	11.00%	6.00%	3.00%	3.00%	10.00%	20.00%	25.00%		100%
Difference in %			1.62%	0.15%	-0.65%	0.17%	-0.05%	0.23%	0.89%	-3.25%	0.89%		

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Cobb County OPEB
Asset Class Summary
Market Value As of: September 30, 2019

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