WELLS FARGO
Investment Institute

Asset Allocation Strategy

Executive Summary

April 26, 2023

The certainty of uncertainty

Volatility reawakened in March, largely in response to a handful of U.S. regional bank failures, raising investor concerns about financial instability in the banking sector that quickly spilled over to European global banks. A potential benefit of a diversified portfolio that aligns with an investor's strategic objectives during periods of volatility is that it can help to mitigate wide swings and smooth out performance over time. We advocate the following actions for portfolios to position for periods of uncertainty:

Maintain a modest cash position but look for investment opportunities: Cash and cash alternatives have a place in an investment portfolio for tactical opportunities and rebalancing. Yet, we believe that the amount of cash should be kept at a reasonable level as returns for the asset class historically have barely outpaced inflation and, at times, even lost ground to rising prices. For investors who currently are overweight cash, we recommend dollar-cost averaging into a diversified mix of assets.

Maintain a defensive posture in fixed income: Even in a relatively low-rate environment, bonds should be included in a diversified portfolio. They can provide income, stability of principal, and traditionally have low correlations to equities. In fixed income, we favor a "barbell strategy," that is, overweighting positioning in short- and long-term maturities. We believe a barbell approach can take advantage of high short-term rates and attractive long-term yields that we have not seen in multiple decades. Fixed-income sector positioning should be more defensive, and we favor moving up in credit quality. We remain unfavorable on High Yield Fixed Income and neutral on Commercial Mortgage-Backed Securities (CMBS).

Consider quality cyclicals: Several highly cyclical industries found their footing early in the year, but we believe that declining earnings have not been fully priced in most cyclically oriented sectors. Thus, we prefer quality sectors — Information Technology, Health Care, and Energy — when their risk-reward balance becomes more attractive, at or near the lower end of their trading ranges.

Look overseas: U.S. equity markets have outperformed their international counterparts for much of this recovery. We believe U.S. large-cap stocks are well positioned to withstand periodic volatility. International equities do not always move in lockstep with U.S. equities, and these assets may add diversification benefits to a portfolio. Looking through near-term volatility, we do think the environment is improving for international fixed income, and international equity opportunities could arise as 2023 progresses.

Build commodity exposure: Commodity prices are below 2022 highs, but we expect gains from current levels, as the economic recovery gains momentum. And, especially for long-term investors, supplies of raw materials are likely to lag strong demand growth, while countries around the world replace and improve infrastructure. Upward pressure on prices should continue beyond 2023. We favor building exposure into a multi-year position in portfolios that may still be underexposed.

Don't overlook alternative investments: For accredited or qualified investors, hedge funds may provide some downside protection when equity markets decline. We expect hedge funds, particularly Relative Value and Macro, to generate positive returns this year as correlations fall and the environment for active management is attractive.

Economic summary: Mixed economic data showed economic growth slowing gradually but steadily into April, setting the stage for our forecasted recession later this year. Economic weakness has been particularly noticeable in our high-frequency indicators, already pressured by tightening liquidity conditions reinforced by a string of bank failures in early March. Consumers' real (inflation-adjusted) outlays contracted in February for the third time in the past four months. Real incomes remained supported by a resilient labor market, however, as March non-farm payrolls still reflected catch-up hiring tied to pandemic shortages. For now, strength in the job market is contributing to a more upbeat outlook among households, overshadowing the implications of increased distressed borrowing and rising debt to boost March consumer confidence.

Fixed income: Fixed-income asset class performance reversed to the upside in March, following the decline in February. The first quarter of the year was volatile, influenced heavily by investor concerns on U.S. regional banks and expectations on Federal Reserve (Fed) actions, but most major asset classes posted positive returns as yields declined. Long-term taxable fixed income (+4.4%) was the highlight for the month. International bond markets also posted positive returns in March as the U.S. dollar weakened. Year-to-date (YTD) returns remain mostly positive but face ongoing threats given the expectation for interest rates to remain higher for longer.

Equities: It might be hard to believe that a mini banking crisis unfolded in March, given that equities ended the month broadly higher. The S&P 500 Index gained 3.7% in March, which boosted its YTD return to 7.5%. After initially declining on banking concerns, markets turned higher as participants viewed the banking issues as relatively contained and potentially a net positive as it may have brought forward the end of Fed rate hikes. U.S. dollar-denominated developed market equities (2.6%) performed in line with U.S. dollar-denominated emerging market equities (3.1%), while both asset classes trailed U.S. large-cap equities in March.

Real assets: Master limited partnerships (MLPs) underperformed the broader market in March, with a -1.2% total return (as measured by the Alerian MLP Index) versus a 3.7% return for the S&P 500 Index. West Texas Intermediate (WTI) crude oil prices were volatile during the month but ended slightly down 1.8%. Overall, commodities (BCOM) were down 0.2% in March, underperforming both U.S. equities and U.S. bonds. Over recent months, most individual commodities have seen significant corrections, driven by demand concerns of a looming recession.

Alternative investments*:
Relative Value strategies generated modest losses of 0.5% in March, mostly driven by Arbitrage and Long/Short Credit strategies. Overall, funds struggled to generate meaningful returns against the backdrop of widening corporate credit and mortgage-backed security spreads. **Macro** strategies experienced a 3.2% loss in March. **Event Driven** strategies traded lower by 1.7% for the month, with negative returns across sub-strategies. **Equity Hedge** strategies added 0.9% return in March yet underperformed global equity benchmarks.

*Alternative investments are not appropriate for all investors. They are speculative and involve a high degree of risk that is appropriate only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in a fund and for which the fund does not represent a complete investment program.
Please see pages 9-11 for important definitions and disclosures.

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Wells Fargo Investment Institute forecasts

Global economy (%)	Latest (%)[1]	2023 YE target (%)[1]	2024 YE target (%)[1]
U.S. GDP growth	2.1 (Period ending Q4)	1.1	1.5
U.S. inflation[3]	5.0 (Mar.)	2.9 (Dec.)	2.8 (Dec.)
U.S. unemployment rate[4]	3.5 (Mar.)	4.4 (Dec.)	4.9 (Dec.)
Global GDP growth[2]	3.1 (Period ending Q4)	▲ 2.3	2.4
Global inflation[2]	5.3 (Q1)	4.4	3.3
Developed market GDP growth	2.2 (Period ending Q4)	▲ 1.2	1.2
Developed market inflation	7.2 (Q1)	3.7	2.5
Emerging market GDP growth	3.8 (Period ending Q4)	2.6	3.3
Emerging market inflation	4.0 (Q1)	4.8	4.0
Eurozone GDP growth	3.6 (period ending Q4)	▲ 0.4	0.6
Eurozone inflation[3]	6.9 (Mar.)	2.1 (Dec)	2.0 (Dec.)
Global equities	**Latest**	**2023 YE target**	**2024 YE target**
S&P 500 Index	4109	4000–4200	4600–4800
S&P 500 earnings per share ($)	222	205	220
Russell Midcap® Index	2798	2700–2900	3200–3400
Russell Midcap earnings per share ($)	151	145	160
Russell 2000 Index	1802	▼ 1650–1850	2000–2200
Russell 2000 earnings per share ($)	74	70	80
MSCI EAFE Index	2093	▲ 2000–2200	2300–2500
MSCI EAFE earnings per share ($)	153	▲ 145	160
MSCI Emerging Markets (EM) Index	990	▲ 850–1050	1000–1200
MSCI EM earnings per share ($)	90	▲ 75	80
Global fixed income (%)	**Latest**	**2023 YE target**	**2024 YE target**
10-year U.S. Treasury yield	3.47	3.50–4.00	3.75–4.25
30-year U.S. Treasury yield	3.65	3.50–4.00	4.00–4.50
Fed funds rate	4.75–5.00	5.25–5.50	3.75–4.00
Global real assets	**Latest**	**2023 YE target**	**2024 YE target**
West Texas Intermediate crude oil price ($ per barrel)	76	▼ $85–$95	$100–$120
Brent crude oil price ($ per barrel)	80	▼ $90–$100	$105–$125
Gold price ($ per troy ounce)	1969	▲ $2100–$2200	$2400–$2500
Commodities	233	▼ 250–270	275–295
Currencies	**Latest**	**2023 YE target**	**2024 YE target**
Dollar/euro exchange rate	$1.08	▲ $1.03–$1.11	$1.12–$1.20
Yen/dollar exchange rate	¥132.9	¥130–¥140	¥120–¥130

Sources: Bloomberg, Wells Fargo Investment Institute, as of March 31, 2023. The targets for 2023 are based on forecasts by Wells Fargo Investment Institute as of April 21, 2023. YE = year-end. Q4 = fourth quarter. Q1 = first quarter. Forecasts are not guaranteed and based on certain assumptions and on our views of market and economic conditions, which are subject to change. GDP = gross domestic product. Latest EPS (earnings per share) figures are consensus estimates as of December 31, 2022. [1]Average % change from the same period a year ago, unless otherwise noted. Most recent four quarters for "Latest," annual average percent change for "2023 target" and "2024 YE target." [2]Global GDP is calculated using GDP weights for developed market (42.1%) and emerging market (57.9%) economies. [3]Latest month percent change from a year ago. [4]Three-month average as of the date indicated. **Past performance is no guarantee of future results.** An index is unmanaged and not available for direct investment. See pages 9-11 for important definitions and disclosures.

▲/▼: recent change.

Current tactical guidance

Cash Alternatives and Fixed Income

Most Unfavorable	Unfavorable	Neutral	Favorable	Most Favorable
	High Yield Taxable Fixed Income U.S. Intermediate Term Taxable Fixed Income	Cash Alternatives Developed Market Ex.-U.S. Fixed Income Emerging Market Fixed Income	U.S. Taxable Investment Grade Fixed Income	U.S. Long Term Taxable Fixed Income U.S. Short Term Taxable Fixed Income**

Equities

Most Unfavorable	Unfavorable	Neutral	Favorable	Most Favorable
U.S. Small Cap Equities**	Emerging Market Equities	Developed Market Ex.-U.S. Equities** U.S. Mid Cap Equities**	U.S. Large Cap Equities**	

Real Assets

Most Unfavorable	Unfavorable	Neutral	Favorable	Most Favorable
		Private Real Estate	Commodities	

Alternative Investments*

Most Unfavorable	Unfavorable	Neutral	Favorable	Most Favorable
		Hedge Funds — Equity Hedge Hedge Funds — Event Driven Private Debt Private Equity	Hedge Funds — Macro Hedge Funds — Relative Value	

Source: Wells Fargo Investment Institute, April 21, 2023.

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Total returns (%)

Fixed Income

Index	MTD	QTD	YTD	1 year	3 year	5 year
U.S. Taxable Investment Grade Fixed Income	2.5	3.0	3.0	-4.8	-2.8	0.9
High Yield Taxable Fixed Income	1.1	3.6	3.6	-3.3	5.9	3.2
DM Ex-U.S. Fixed Income (Unhedged)	4.4	3.2	3.2	-13.1	-6.5	-4.4
EM Fixed Income (U.S. dollar)	1.4	2.2	2.2	-5.9	0.3	-0.2

Equities

Index	MTD	QTD	YTD	1 year	3 year	5 year
U.S. Large Cap Equities	3.7	7.5	7.5	-7.7	18.6	11.2
U.S. Mid Cap Equities	-1.5	4.1	4.1	-8.8	19.2	8.1
U.S. Small Cap Equities	-4.8	2.7	2.7	-11.6	17.5	4.7
DM Equities Ex-U.S. (U.S. dollar)	2.6	8.6	8.6	-0.9	13.5	4.0
EM Equities (U.S. dollar)	3.1	4.0	4.0	-10.3	8.2	-0.5

Real Assets

Index	MTD	QTD	YTD	1 year	3 year	5 year
Public Real Estate	-3.1	1.0	1.0	-20.6	7.6	1.8
Master Limited Partnerships	-1.2	4.1	4.1	14.7	47.1	7.4
Commodities (BCOM)	-0.2	-5.4	-5.4	-12.5	20.8	5.4

Alternative Investments

Index	MTD	QTD	YTD	1 year	3 year	5 year
Global Hedge Funds	-0.8	1.2	1.2	-2.1	10.5	4.7

Sources: Bloomberg, J.P. Morgan, Standard & Poor's, Wells Fargo Investment Institute (WFII), Russell Indices, MSCI Inc., FTSE, Alerian, Hedge Fund Research, Inc.; as of March 31, 2023. MTD = month to date. QTD = quarter to date. YTD = year to date.

DM indicates Developed Market; EM indicates Emerging Market. Returns over one year are annualized.
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Fixed income sector guidance: U.S. investment-grade securities

Sector	Guidance
Duration	Favorable
U.S. Government	Favorable
Treasury Securities	Favorable
Agencies	Neutral
Inflation-Linked Fixed Income	Neutral
Credit	Neutral
Corporate Securities	Neutral
Preferred Securities	Neutral
Securitized	Neutral
Residential MBS	Neutral
Commercial MBS	Neutral
Asset Backed Securities	Neutral
U.S. Municipal Bonds	Favorable
Taxable Municipal	Neutral
State and Local General Obligation	Neutral
Essential Service Revenue	Favorable
Pre-Refunded	Neutral

Source: Wells Fargo Investment Institute, April 18, 2023. MBS = Mortgage-Backed Securities. Duration is a measure of interest-rate sensitivity.

Total sector returns (%)

Sector	1 month	YTD	12 month
U.S. Government	2.9	3.0	-4.4
Credit	2.7	3.5	-5.3
Securitized	1.9	2.5	-4.9
U.S. Municipal Bonds	2.2	2.8	0.3

Source: Bloomberg, March 31, 2023. YTD = year to date. **Past performance is no guarantee of future results.**

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WFII U.S. equity sector strategy

Sector	S&P 500 Index weight (%)*	Guidance ranges (%)**	Guidance
Communication Services	8.1	-2% to +2%	Neutral
Consumer Discretionary	10.1	-2% to -4%	Unfavorable
Consumer Staples	7.2	-2% to +2%	Neutral
Energy	4.6	+2% to +4%	Favorable
Financials	12.9	-2% to +2%	Neutral
Health Care	14.2	+2% to +4%	Favorable
Industrials	8.7	-2% to +2%	Neutral
Information Technology	26.1	+2% to +4%	Favorable
Materials	2.6	-2% to +2%	Neutral
Real Estate	2.6	-2% to -3%	Unfavorable
Utilities	2.9	-2% to +2%	Neutral
Total	**100.0**		

Sources: Bloomberg, Wells Fargo Investment Institute (WFII). Weightings are as of March 31, 2023. WFII guidance is as of April 18, 2023. An index is unmanaged and not available for direct investment. See pages 9-11 for important definitions and disclosures.
*Sector weightings may not add to 100% due to rounding.

**We now provide ranges of recommended weights, instead of specific percentages. The ranges allow flexibility in sizing transactions, and may require less rebalancing as markets fluctuate.

International equity market strategy

Region	Benchmark weight (%)*	Regional guidance
DM Ex-U.S. Equities		▲ Neutral
Europe	67	▲ Neutral
Pacific	33	Favorable
EM Equities		Unfavorable
Asia	79	Neutral
Europe, Middle East and Africa	13	Most unfavorable
Latin America	8	Neutral

Source: Bloomberg, Wells Fargo Investment Institute (WFII); as of March 31, 2023. WFII regional guidance is as of April 21, 2023. An index is unmanaged and not available for direct investment. See pages 9-11 for important definitions and disclosures. ▲: recent change.

* Benchmarks are MSCI EAFE Index for DM and MSCI Emerging Markets Index for EM. Weightings may not add to 100% due to rounding.

Total returns (%): S&P 500 Index sectors

Sector	1 month	YTD	12 month
Communication Services	10.4	20.5	-17.8
Consumer Discretionary	3.1	16.1	-19.6
Consumer Staples	4.2	0.8	1.2
Energy	-0.2	-4.7	13.6
Financials	-9.6	-5.6	-14.2
Health Care	2.2	-4.3	-3.7
Industrials	0.7	3.5	0.2
Information Technology	10.9	21.8	-4.6
Materials	-1.0	4.3	-6.3
Real Estate	-1.4	1.9	-19.7
Utilities	4.9	-3.2	-6.2
S&P 500 Index	**3.7**	**7.5**	**-7.7**

Source: Bloomberg, March 31, 2023. YTD = year to date. An index is unmanaged and not available for direct investment. See pages 9-11 for important definitions and disclosures. **Past performance is no guarantee of future results.**

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Strategic and tactical asset allocation: Liquid

May include fixed income, equities, and real assets

STRATEGIC

	INCOME						GROWTH AND INCOME						GROWTH					
	Conservative		Moderate		Aggressive		Conservative		Moderate		Aggressive		Conservative		Moderate		Aggressive	
	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical
Cash Alternatives (%)	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**
Total Global Fixed Income (%)	**78.0**	**80.0**	**67.0**	**68.0**	**59.0**	**62.0**	**50.0**	**54.0**	**41.0**	**45.0**	**33.0**	**37.0**	**22.0**	**28.0**	**14.0**	**19.0**	**5.0**	**12.0**
Total U.S. Investment Grade Taxable Fixed Income	72.0	77.0	58.0	63.0	45.0	52.0	39.0	47.0	30.0	38.0	20.0	28.0	16.0	25.0	8.0	19.0	3.0	12.0
U.S. Short Term Taxable*	14.0	19.0	11.0	15.0	9.0	15.0	8.0	14.0	6.0	12.0	4.0	11.0	3.0	11.0	2.0	10.0	0.0	8.0
U.S. Intermediate Term Taxable*	44.0	39.0	35.0	32.0	27.0	23.0	23.0	19.0	18.0	14.0	12.0	8.0	10.0	6.0	4.0	2.0	3.0	4.0
U.S. Long Term Taxable*	14.0	19.0	12.0	16.0	9.0	14.0	8.0	14.0	6.0	12.0	4.0	9.0	3.0	8.0	2.0	7.0	0.0	0.0
High Yield Taxable Fixed Income	3.0	0.0	4.0	0.0	6.0	2.0	6.0	2.0	6.0	2.0	7.0	3.0	3.0	0.0	3.0	0.0	0.0	0.0
Developed Market Ex-U.S. Fixed Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emerging Market Fixed Income	3.0	3.0	5.0	5.0	8.0	8.0	5.0	5.0	5.0	5.0	6.0	6.0	3.0	3.0	3.0	0.0	2.0	0.0
Total Global Equities (%)	**18.0**	**14.0**	**29.0**	**27.0**	**37.0**	**32.0**	**44.0**	**38.0**	**53.0**	**46.0**	**61.0**	**55.0**	**71.0**	**63.0**	**79.0**	**72.0**	**88.0**	**79.0**
U.S. Large Cap Equities	12.0	12.0	16.0	18.0	19.0	19.0	20.0	22.0	24.0	27.0	28.0	32.0	30.0	34.0	31.0	34.0	28.0	29.0
U.S. Mid Cap Equities	4.0	2.0	5.0	5.0	7.0	6.0	8.0	9.0	10.0	11.0	12.0	12.0	13.0	13.0	14.0	14.0	16.0	16.0
U.S. Small Cap Equities	0.0	0.0	4.0	0.0	4.0	0.0	5.0	0.0	6.0	0.0	6.0	0.0	8.0	0.0	10.0	4.0	13.0	7.0
Developed Market Ex-U.S. Equities	2.0	0.0	4.0	4.0	7.0	7.0	7.0	7.0	8.0	8.0	9.0	9.0	11.0	11.0	12.0	12.0	16.0	16.0
Emerging Market Equities	0.0	0.0	0.0	0.0	0.0	0.0	4.0	0.0	5.0	0.0	6.0	2.0	9.0	5.0	12.0	8.0	15.0	11.0
Total Global Real Assets (%)	**2.0**	**4.0**	**2.0**	**3.0**	**2.0**	**4.0**	**4.0**	**6.0**	**4.0**	**7.0**	**4.0**	**6.0**	**5.0**	**7.0**	**5.0**	**7.0**	**5.0**	**7.0**
Commodities	2.0	4.0	2.0	3.0	2.0	4.0	4.0	6.0	4.0	7.0	4.0	6.0	5.0	7.0	5.0	7.0	5.0	7.0

Strategic allocations are updated annually; last update was July 18, 2022. Tactical allocations are updated periodically; last update was April 21, 2023. The U.S. Taxable Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term.

*Wells Fargo Advisors only.

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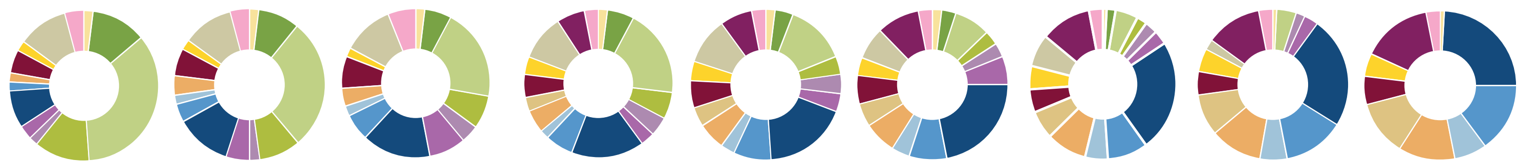
Strategic and tactical asset allocation: Illiquid

May include fixed income, equities, real assets, and alternative investments

STRATEGIC



	INCOME						GROWTH AND INCOME						GROWTH					
	Conservative		Moderate		Aggressive		Conservative		Moderate		Aggressive		Conservative		Moderate		Aggressive	
	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical	Strategic	Tactical
Cash Alternatives (%)	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**
Total Global Fixed Income (%)	**64.0**	**66.0**	**53.0**	**55.0**	**45.0**	**45.0**	**38.0**	**39.0**	**29.0**	**32.0**	**23.0**	**26.0**	**15.0**	**20.0**	**9.0**	**14.0**	**0.0**	**6.0**
Total U.S. Investment Grade Taxable Fixed Income	59.0	63.0	46.0	50.0	33.0	37.0	31.0	36.0	21.0	28.0	14.0	20.0	9.0	17.0	4.0	12.0	0.0	6.0
U.S. Short Term Taxable*	12.0	16.0	9.0	13.0	6.0	9.0	6.0	9.0	4.0	9.0	3.0	6.0	2.0	8.0	0.0	6.0	0.0	6.0
U.S. Intermediate Term Taxable*	35.0	30.0	28.0	23.0	20.0	16.0	19.0	16.0	13.0	10.0	8.0	5.0	5.0	2.0	4.0	6.0	0.0	0.0
U.S. Long Term Taxable*	12.0	17.0	9.0	14.0	7.0	12.0	6.0	11.0	4.0	9.0	3.0	9.0	2.0	7.0	0.0	0.0	0.0	0.0
High Yield Taxable Fixed Income	2.0	0.0	2.0	0.0	4.0	0.0	4.0	0.0	4.0	0.0	3.0	0.0	3.0	0.0	2.0	0.0	0.0	0.0
Developed Market Ex-U.S. Fixed Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emerging Market Fixed Income	3.0	3.0	5.0	5.0	8.0	8.0	3.0	3.0	4.0	4.0	6.0	6.0	3.0	3.0	3.0	2.0	0.0	0.0
Total Global Equities (%)	**12.0**	**8.0**	**22.0**	**18.0**	**27.0**	**25.0**	**32.0**	**29.0**	**39.0**	**34.0**	**46.0**	**41.0**	**53.0**	**46.0**	**63.0**	**56.0**	**70.0**	**62.0**
U.S. Large Cap Equities	8.0	8.0	12.0	12.0	15.0	17.0	16.0	19.0	18.0	18.0	22.0	25.0	24.0	25.0	24.0	27.0	24.0	25.0
U.S. Mid Cap Equities	2.0	0.0	4.0	2.0	6.0	4.0	6.0	5.0	8.0	8.0	8.0	6.0	9.0	10.0	13.0	13.0	15.0	13.0
U.S. Small Cap Equities	0.0	0.0	2.0	0.0	2.0	0.0	2.0	0.0	3.0	0.0	4.0	0.0	5.0	0.0	6.0	0.0	7.0	3.0
Developed Market Ex-U.S. Equities	2.0	0.0	4.0	4.0	4.0	4.0	5.0	5.0	6.0	6.0	7.0	7.0	9.0	9.0	11.0	11.0	12.0	12.0
Emerging Market Equities	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	4.0	2.0	5.0	3.0	6.0	2.0	9.0	5.0	12.0	9.0
Total Global Real Assets (%)	**7.0**	**9.0**	**8.0**	**10.0**	**9.0**	**11.0**	**9.0**	**11.0**	**10.0**	**12.0**	**10.0**	**12.0**	**10.0**	**12.0**	**10.0**	**12.0**	**11.0**	**13.0**
Private Real Estate**	5.0	5.0	6.0	6.0	7.0	7.0	5.0	5.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	6.0	6.0
Commodities	2.0	4.0	2.0	4.0	2.0	4.0	4.0	6.0	4.0	6.0	4.0	6.0	5.0	7.0	5.0	7.0	5.0	7.0
Total Alternative Investments (%)**	**15.0**	**15.0**	**15.0**	**15.0**	**17.0**	**17.0**	**19.0**	**19.0**	**20.0**	**20.0**	**19.0**	**19.0**	**21.0**	**21.0**	**17.0**	**17.0**	**18.0**	**18.0**
Global Hedge Funds	11.0	11.0	11.0	11.0	11.0	11.0	10.0	10.0	10.0	10.0	7.0	7.0	7.0	7.0	2.0	2.0	0.0	0.0
Private Equity	0.0	0.0	0.0	0.0	0.0	0.0	6.0	6.0	7.0	7.0	9.0	9.0	11.0	11.0	12.0	12.0	15.0	15.0
Private Debt	4.0	4.0	4.0	4.0	6.0	6.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

Strategic allocations are updated annually; last update was July 18, 2022. Tactical allocations are updated periodically; last update was April 21, 2023. The U.S. Taxable Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term. Hedge fund allocations are based on private hedge fund capital market assumptions. *Wells Fargo Advisors only.

** Alternative investments are not appropriate for all investors. They are speculative and involve a high degree of risk that is appropriate only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in a fund and for which the fund does not represent a complete investment program. Please see pages 9-11 for important definitions and disclosures.

Asset Allocation Strategy Report

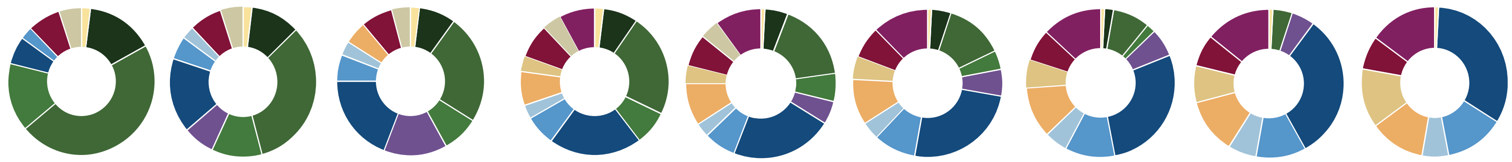
Executive Summary

April 26, 2023

Strategic asset allocation: Tax-efficient illiquid

May include fixed income, equities, real assets, and alternative investments

STRATEGIC



	INCOME			GROWTH AND INCOME			GROWTH		
	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive
	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic
Cash Alternatives (%)	**2.0**	**2.0**	**2.0**	**2.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**
Total Global Fixed Income (%)	**77.0**	**62.0**	**54.0**	**42.0**	**33.0**	**27.0**	**18.0**	**9.0**	**0.0**
Total U.S. Investment Grade Tax Exempt Fixed Income	77.0	55.0	40.0	35.0	28.0	21.0	12.0	4.0	0.0
U.S. Short Term Tax Exempt FI*	15.0	11.0	8.0	7.0	5.0	4.0	2.0	0.0	0.0
U.S. Intermediate Term Tax Exempt FI*	47.0	33.0	24.0	21.0	17.0	13.0	8.0	4.0	0.0
U.S. Long Term Tax Exempt FI*	15.0	11.0	8.0	7.0	6.0	4.0	2.0	0.0	0.0
High Yield Tax Exempt FI	0.0	7.0	14.0	7.0	5.0	6.0	6.0	5.0	0.0
Developed Market Ex-U.S. FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emerging Market FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Global Equities (%)	**9.0**	**24.0**	**33.0**	**38.0**	**45.0**	**53.0**	**61.0**	**69.0**	**77.0**
U.S. Large Cap Equities	6.0	16.0	19.0	19.0	22.0	25.0	28.0	32.0	33.0
U.S. Mid Cap Equities	3.0	5.0	6.0	6.0	7.0	9.0	11.0	11.0	13.0
U.S. Small Cap Equities	0.0	3.0	3.0	3.0	3.0	4.0	5.0	6.0	6.0
Developed Market Ex-U.S. Equities	0.0	0.0	5.0	7.0	9.0	10.0	11.0	12.0	12.0
Emerging Market Equities	0.0	0.0	0.0	3.0	4.0	5.0	6.0	8.0	13.0
Total Global Real Assets (%)	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**	**7.0**
Private Real Estate**	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Alternative Investments (%)**	**5.0**	**5.0**	**4.0**	**11.0**	**14.0**	**12.0**	**13.0**	**14.0**	**15.0**
Global Hedge Funds	5.0	5.0	4.0	4.0	4.0	0.0	0.0	0.0	0.0
Private Equity	0.0	0.0	0.0	7.0	10.0	12.0	13.0	14.0	15.0
Private Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Tax-efficient strategic allocations are updated annually; last update was July 18, 2022. Tactical allocations are updated periodically. FI = fixed income. The U.S. Taxable Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term. Hedge fund allocations are based on private hedge fund capital market assumptions. *Wells Fargo Advisors only.

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Asset Allocation Strategy Report

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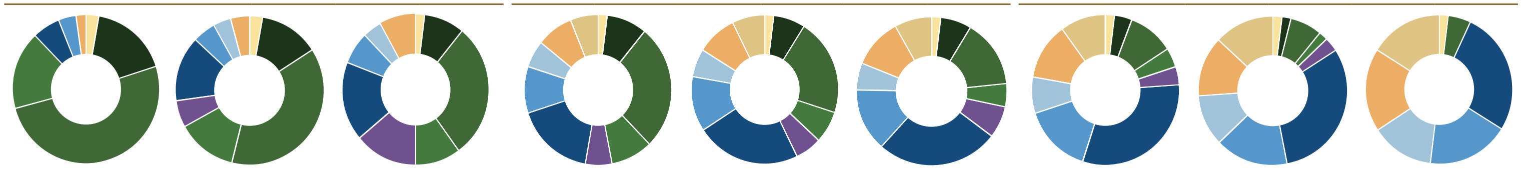
April 26, 2023

Strategic asset allocation: Tax-efficient liquid

May include fixed income, equities, and real assets

STRATEGIC



	INCOME			GROWTH AND INCOME			GROWTH		
	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive	Conservative	Moderate	Aggressive
	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic	Strategic
Cash Alternatives (%)	**3.0**	**3.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**
Total Global Fixed Income (%)	**85.0**	**70.0**	**62.0**	**51.0**	**41.0**	**32.0**	**22.0**	**14.0**	**5.0**
Total U.S. Investment Grade Tax Exempt Fixed Income	85.0	64.0	48.0	45.0	35.0	25.0	18.0	11.0	5.0
U.S. Short Term Tax Exempt FI*	17.0	13.0	9.0	9.0	7.0	5.0	4.0	2.0	0.0
U.S. Intermediate Term Tax Exempt FI*	51.0	38.0	29.0	27.0	21.0	15.0	10.0	7.0	5.0
U.S. Long Term Tax Exempt FI*	17.0	13.0	10.0	9.0	7.0	5.0	4.0	2.0	0.0
High Yield Tax Exempt FI	0.0	6.0	14.0	6.0	6.0	7.0	4.0	3.0	0.0
Developed Market Ex-U.S. FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emerging Market FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Global Equities (%)	**12.0**	**27.0**	**36.0**	**47.0**	**57.0**	**66.0**	**76.0**	**84.0**	**93.0**
U.S. Large Cap Equities	6.0	14.0	17.0	17.0	23.0	27.0	31.0	31.0	27.0
U.S. Mid Cap Equities	4.0	5.0	7.0	10.0	12.0	14.0	15.0	16.0	18.0
U.S. Small Cap Equities	0.0	4.0	4.0	6.0	6.0	6.0	8.0	11.0	14.0
Developed Market Ex-U.S. Equities	2.0	4.0	8.0	8.0	9.0	11.0	12.0	13.0	18.0
Emerging Market Equities	0.0	0.0	0.0	6.0	7.0	8.0	10.0	13.0	16.0
Total Global Real Assets (%)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Tax-efficient strategic allocations are updated annually; last update was July 18, 2022. Tactical allocations are updated periodically. The U.S. Taxable Investment Grade Fixed Income encompasses the allocations to Short Term, Intermediate Term, and Long Term. Hedge fund allocations are based on private hedge fund capital market assumptions.

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Forecasts, targets, and estimates are based on certain assumptions and on our views of market and economic conditions which are subject to change.

A periodic investment plan such as dollar cost averaging does not assure a profit or protect against a loss in declining markets. Since such a strategy involves continuous investment, the investor should consider his or her ability to continue purchases through periods of low price levels.

Asset class risks

Asset allocation and diversification are investment methods used to manage risk and cannot eliminate the risk of investment losses. Your individual allocation may be different than the strategic long-term allocation above due to your unique individual circumstances, but is targeted to be in the allocation ranges detailed. The asset allocation reflected above may fluctuate based on asset values, portfolio decisions, and account needs.

Alternative investments, such as hedge funds, private capital funds, and private real estate funds, carry specific investor qualifications and involve the risk of investment loss, including the loss of the entire amount invested. While investors may potentially benefit from the ability of alternative investments to potentially improve the risk-reward profiles of their portfolios, the investments themselves can carry significant risks. Government regulation and monitoring of these types of investments may be minimal or nonexistent. There may be no secondary market for alternative investment interests and transferability may be limited or even prohibited.

The use of alternative investment strategies, such as Equity Hedge, Event Driven, Macro and Relative Value, are speculative and involve a high degree of risk. These strategies may expose investors to risks such as short selling, leverage risk, counterparty risk, liquidity risk, volatility risk, the use of derivatives and other significant risks. The use of alternative investment strategies may require a manager's skill in assessing corporate events, the anticipation of future movements in securities prices, interest rates, or other economic factors. No assurance can be given that a manager's view of the economy will be correct which may result in lower investment returns or higher return volatility.

Private capital funds use complex trading strategies, including hedging and leveraging through derivatives and short selling. These funds often demand long holding periods to allow for a turnaround and exit strategy. Hedge fund and private equity/private capital fund investing involves other material risks including capital loss and the loss of the entire amount invested. A fund's offering documents should be carefully reviewed prior to investing.

Privately offered real estate funds carry significant risks. They are unlisted making them hard to value and trade. They are generally only available to accredited investors within the meaning of the U.S. securities laws. There can be no assurance a secondary market will exist for these funds and there may be restrictions on transferring interests.

Cash alternatives including bank certificates of deposits, Treasury bills, and ultra-short bond mutual funds have advantages and disadvantages depending on the type of instrument. They typically offer lower rates of return than longer-term equity or fixed-income securities and may not keep pace with inflation over extended periods of time. While government securities are backed by the full faith and credit of the federal government as to payment of principal and interest if held to maturity and are considered free from credit risk, they are subject to interest rate risk.

Investing in commodities is not appropriate for all investors. Exposure to the commodities markets may subject an investment to greater share price volatility than an investment in traditional equity or debt securities. Investments in commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity. Products that invest in commodities may employ more complex strategies which may expose investors to additional risks.

Inflation-Indexed Bonds, including Treasury Inflation-Protected Securities (TIPS), are subject to interest rate risk, especially when real interest rates rise. This may cause the underlying value of the bond in the portfolio to fluctuate more than other fixed income securities.

Investing in foreign securities presents certain risks that may not be present in domestic securities. For example, investments in foreign, emerging and frontier markets present special risks, including currency fluctuation, the potential for diplomatic and potential instability, regulatory and liquidity risks, foreign taxation and differences in auditing and other financial standards.

Investments in fixed-income securities are subject to market, interest rate, credit/default, liquidity, inflation and other risks. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. Credit risk is the risk that an issuer will default on payments of interest and principal. High yield fixed income securities are considered speculative, involve greater risk of default, and tend to be more volatile than investment grade fixed income securities. Municipal bonds offer interest payments exempt from federal taxes, and potentially state and local income taxes. They are subject to credit risk and potentially the Alternative Minimum Tax (AMT). Quality varies widely depending on the specific issuer. All fixed income investments may be worth less than their original cost upon redemption or maturity.

Equity securities are subject to market risk which means their value may fluctuate in response to general economic and market conditions and the perception of individual issuers. Investments in equity securities are generally more volatile than other types of securities.

Mortgage-related and asset-backed securities are subject to the risks associated with investment in debt securities. In addition, they are subject to prepayment and call risks. Changes in prepayments may significantly affect yield, yielding investments may not be available for the Fund to purchase. These risks may be heightened for longer maturity and duration securities. Commercial Mortgage Backed Securities (CMBS) are a type of mortgage-backed security backed by commercial mortgages rather than residential real estate. CMBS tend to be more complex and volatile than residential mortgage-backed securities due to the unique nature of the underlying property assets.

Master Limited Partnerships (MLPs) involves certain risks which differ from an investment in the securities of a corporation. MLPs may be sensitive to price changes in oil, natural gas, etc., regulatory risk, and rising interest rates. A change in the current tax law regarding MLPs could result in the MLP being treated as a corporation for federal income tax purposes which would reduce the amount of cash flows distributed by the MLP. Other risks include the volatility associated with the use of leverage; volatility of the commodities markets; market risks; supply and demand; natural and man-made catastrophes; competition; liquidity; market price discount from Net Asset Value and other material risks.

Preferred stocks are subject to issuer-specific and market risks. They are generally subordinated to bonds or other debt instruments in an issuer's capital structure, subjecting them to a greater risk of non-payment than more senior securities.

The prices of small and mid-cap company stocks are generally more volatile than large company stocks. They often involve higher risks because smaller companies may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions.

Sector investing can be more volatile than investments that are broadly diversified over numerous sectors of the economy and will increase a portfolio's vulnerability to any single economic, political, or regulatory development affecting the sector. This can result in greater price volatility. **Communication Services** companies are vulnerable to their products and services becoming outdated because of technological advancement and the innovation of competitors. Companies in the Communication Services sector may also be affected by rapid technology changes; pricing competition, large equipment upgrades, substantial capital requirements and government regulation and approval of products and services. In addition, companies within the industry may invest heavily in research and development which is not guaranteed to lead to successful implementation of the proposed product. Risks associated with the **Consumer Discretionary** sector include, among others, apparel price deflation due to low-cost entries, high inventory levels and pressure from e-commerce players; reduction in traditional advertising dollars, increasing household debt levels that could limit consumer appetite for discretionary purchases, declining consumer acceptance of new product introductions, and geopolitical uncertainty that could affect consumer sentiment. **Consumer Staples** industries can be significantly affected by competitive pricing particularly with respect to the growth of low-cost emerging market production, government regulation, the performance of the overall economy, interest rates, and consumer confidence. The **Energy** sector may be adversely affected by changes in worldwide energy prices, exploration, production spending, government regulation, and changes in exchange rates, depletion of natural resources, and risks that arise from extreme weather conditions. Investing in **Financial** services companies will subject an investment to adverse economic or regulatory occurrences affecting the sector. Some of the risks associated with investment in the **Health Care** sector include competition on branded products, sales erosion due to cheaper alternatives, research and development risk, government regulations and government approval of products anticipated to enter the market. There is increased risk investing in the **Industrials** sector. The industries within the sector can be significantly affected by general market and economic conditions, competition, technological innovation, legislation and government regulations, among other things, all of which can significantly affect a portfolio's performance. **Materials** industries can be significantly affected by the volatility of commodity prices, the exchange rate between foreign currency and the dollar, export/import concerns, worldwide competition, procurement and manufacturing and cost containment issues. **Real Estate** investments have special risks, including possible illiquidity of the underlying properties, credit risk, interest rate fluctuations, and the impact of varied economic conditions. Risks associated with the **Technology** sector include increased competition from domestic and international companies, unexpected changes in demand, regulatory actions, technical problems with key products, and the departure of key members of management. Technology and Internet-related stocks, especially smaller, less-seasoned companies, tend to be more volatile than the overall market. **Utilities** are sensitive to changes in interest rates, and the securities within the sector can be volatile and may underperform in a slow economy.

Index definitions

An index is unmanaged and not available for direct investment.

Fixed income representative indexes

Cash Alternatives/Treasury Bills. Bloomberg U.S. Treasury Bills (1-3M) Index is representative of money markets.

U.S. Short Term Taxable Fixed Income. Bloomberg U.S. Aggregate 1-3 Year Bond Index is the 1-3 year component of the Bloomberg U.S. Aggregate Bond, which represents fixed-income securities that are SEC-registered, taxable, dollar-denominated, and investment-grade.

U.S. Intermediate Term Taxable Fixed Income. Bloomberg U.S. Aggregate 5-7 Year Bond Index is unmanaged and is composed of the Bloomberg U.S. Government/Credit Index and the Bloomberg U.S. Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities with maturities of 5-7 years.

U.S. Long Term Taxable Fixed Income. Bloomberg U.S. Aggregate 10+ Year Bond Index is unmanaged and is composed of the Bloomberg U.S. Government/Credit Index and the Bloomberg U.S. Mortgage-Backed Securities Index, and includes Treasury issues, agency issues, corporate bond issues, and mortgage-backed securities with maturities of 10 years or more.

U.S. Taxable Investment Grade Fixed Income. Bloomberg U.S. Aggregate Bond Index is a broad-based measure of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market.

High Yield Taxable Fixed Income. Bloomberg U.S. Corporate High-Yield Index covers the universe of fixed rate, non-investment grade debt.

Developed Market Ex-U.S. Fixed Income (Unhedged). J.P. Morgan GBI Global ex-U.S. Index (Unhedged) in USD is an unmanaged market index that is representative of the total return performance in U.S. dollars on an unhedged basis of major non-U.S. bond markets.

Developed Market Ex-U.S. Fixed Income (Hedged). J.P. Morgan GBI ex U.S. Hedged is an unmanaged market index representative of the total return performance in U.S. dollars on an unhedged basis of major non-U.S. bond markets.

Emerging Market Fixed Income (U.S. dollar). J.P. Morgan Emerging Markets Bond Index (EMBI Global) currently covers more than 60 emerging market countries. Included in the EMBI Global are U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

U.S. Investment Grade Corporate Fixed Income. Bloomberg U.S. Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Preferred Stock. S&P U.S. Preferred Stock Index is designed to measure the performance of the U.S. preferred stock market. Preferred stocks pay dividends at a specified rate and receive preference over common stocks in terms of dividend payments and liquidation of assets.

Equity representative indexes

U.S. Large Cap Equities. S&P 500 Index is a capitalization-weighted index calculated on a total return basis with dividends reinvested. The index includes 500 widely held U.S. market industrial, utility, transportation and financial companies.

U.S. Mid Cap Equities. Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Index represents approximately 27% of the total market capitalization of the Russell 1000 companies.

U.S. Small Cap Equities. Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Developed Market Ex-U.S. Equities (U.S. dollar)/(Local). MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of 21 developed markets, excluding the U.S. and Canada.

Emerging Market Equities (U.S. dollar)/(Local). MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of 23 emerging markets.

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Real assets representative indexes

Public Real Estate. FTSE EPRA/NAREIT Developed Index is designed to track the performance of listed real-estate companies and REITs in developed countries worldwide.

MLPs. Alerian MLP Index is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for this emerging asset class. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis and on a total-return basis.

Commodities (BCOM). Bloomberg Commodity Index is comprised of 23 exchange-traded futures on physical commodities weighted to account for economic significance and market liquidity.

Alternative strategies representative indexes

Global Hedge Funds. HFRI Fund Weighted Composite Index. A global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net-of-all-fees performance in U.S. dollars and have a minimum of $50 million under management or a 12-month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

Relative Value. HFRI Relative Value (Total) Index. Strategy is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. Relative Value (RV) position may be involved in corporate transactions also, but as opposed to Event Driven (ED) exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

Macro. HFRI Macro (Total) Index. Encompass a broad range of strategies predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard-currency, and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top-down and bottom-up theses, quantitative and fundamental approaches and long- and short-term holding periods. Although some strategies employ RV techniques, Macro strategies are distinct from RV strategies in that the primary investment thesis is predicated on predicted or future movements in the underlying instruments rather than on realization of a valuation discrepancy between securities. In a similar way, while both Macro and Equity Hedge managers may hold equity securities, the overriding investment thesis is predicated on the impact movements in underlying macroeconomic variables may have on security prices, as opposed to Equity Hedge (EH), in which the fundamental characteristics on the company are the most significant are integral to investment thesis.

Event Driven. HFRI Event Driven (Total) Index. Maintains positions in companies currently or prospectively involved in corporate transactions of a wide variety including mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated and frequently involve additional derivative securities. Exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company-specific developments. Investment theses are typically predicated on fundamental (as opposed to quantitative) characteristics, with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

Equity Hedge. HFRI Equity Hedge (Total) Index. Equity Hedge: Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities, both long and short.

Note: HFRI Indices have limitations (some of which are typical of other widely used indexes). These limitations include survivorship bias (the returns of the indexes may not be representative of all the hedge funds in the universe because of the tendency of lower performing funds to leave the index); heterogeneity (not all hedge funds are alike or comparable to one another, and the index may not accurately reflect the performance of a described style); and limited data (many hedge funds do not report to indexes, and, therefore, the index may omit funds, the inclusion of which might significantly affect the performance shown. The HFRI Indices are based on information self-reported by hedge fund managers that decide on their own, at any time, whether or not they want to provide, or continue to provide, information to HFR Asset Management, L.L.C. Results for funds that go out of business are included in the index until the date that they cease operations. Therefore, these indexes may not be complete or accurate representations of the hedge fund universe, and may be biased in several ways. Returns of the underlying hedge funds are net of fees and are denominated in USD.

Disclosures

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