



THE CONCORD ADVISORY GROUP, LTD.

Institutional Investment Consulting Services

OCTOBER 2020 MARKET HIGHLIGHTS

“HIGH FREQUENCY ECONOMIC DATA”

THE CONCORD ADVISORY GROUP, LTD: OCTOBER 2020 MARKET HIGHLIGHTS

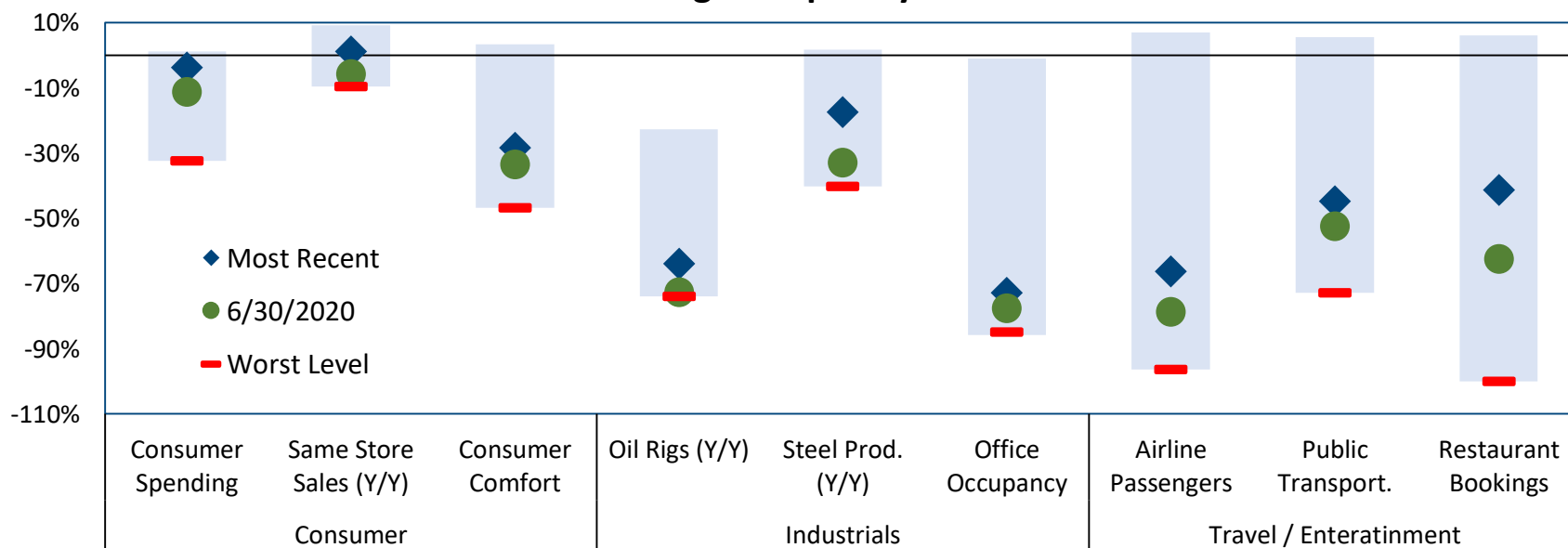
COMMENTARY: “HIGH FREQUENCY ECONOMIC DATA”

Investors and economists are turning increasing attention to high frequency data to gain a timelier understanding of the state of the economy and industries. To that end, alternative data sources, often based on data that was not obtainable a few years ago, are increasingly available and relevant in the more rapidly changing pandemic environment. As an example, daily consumer spending data has supplanted the monthly consumer spending report created by the Bureau of Economic Analysis.

As near real time data becomes accessible to a greater number of people, it becomes more difficult for professional investors to use an information edge to outperform the market. For example, anyone can now monitor changes in the number of airline passengers, which could give valuable clues as to the near-term prospects of airline and hotel stocks, jet fuel prices, and aircraft demand. Going forward, interpretation of data is going to become increasingly important as a source of edge for the investment industry.

Below are some high frequency data points. They generally show uneven improvement. Overall, consumers are doing relatively well. However, areas more negatively impacted by the virus, such as energy, office buildings, entertainment, and travel have seen much slower recoveries.

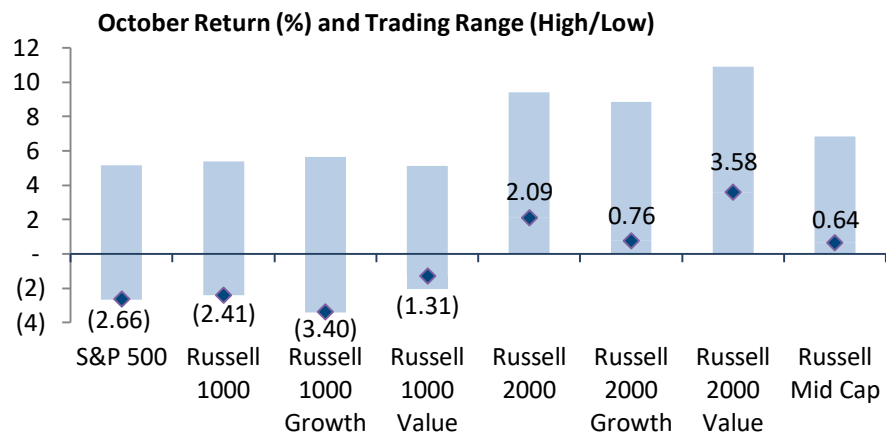
Normalized High Frequency Economic Data



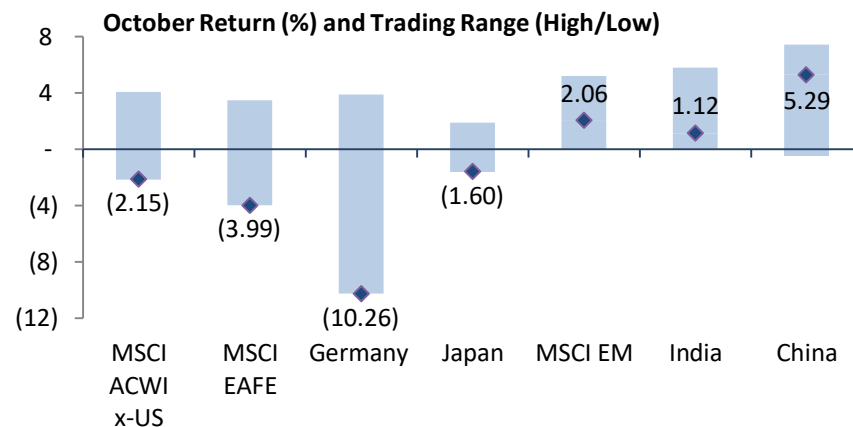
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MONTHLY CHARTS

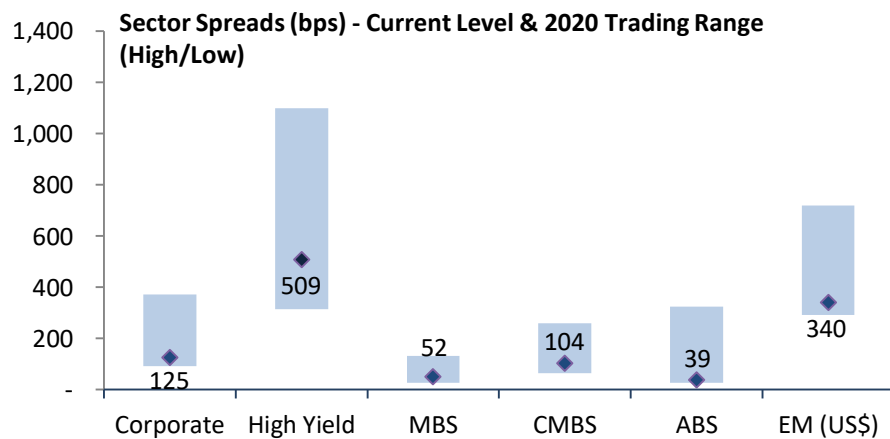
U.S. Equities: U.S. equities declined during the month, amid rising coronavirus infection rates nationwide and presidential election uncertainty.



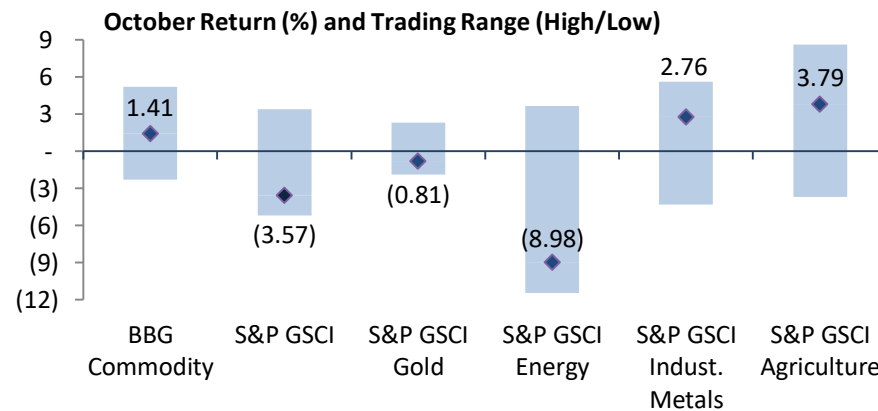
International Equities: Developed non-U.S. equities also ended October in negative territory, as Europe battled its second COVID wave. Emerging markets posted positive results, as a whole.



Fixed Income: A steepening of the yield curve caused longer-maturity bonds to underperform in October. Narrower credit spreads allowed spread sectors to outperform Treasuries.



Commodities: Commodities prices were mixed, with gains in Industrial Metals and Agriculture, but the Energy sector weighed heavily on the asset class.

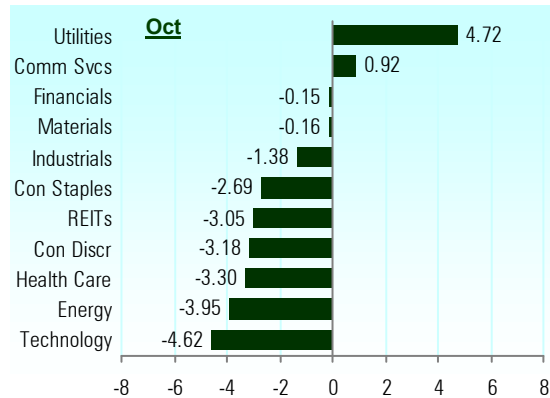


Concord Advisory Group: October 2020 Market Performance

Equity Markets	Past Month	Past 3 Months	YTD	1 Yr	3 Yrs	5 Yrs
S&P 500	-2.66%	0.37%	2.77%	9.71%	10.42%	11.71%
Russell 1000	-2.41%	0.92%	3.83%	10.87%	10.63%	11.79%
Russell 1000 Growth	-3.40%	1.56%	20.11%	29.22%	18.77%	17.32%
Russell 1000 Value	-1.31%	0.24%	-12.74%	-7.56%	1.94%	5.83%
Russell MidCap	0.64%	2.15%	-1.72%	4.13%	6.78%	8.96%
Russell 2000	2.09%	4.24%	-6.78%	-0.14%	2.19%	7.27%
Russell 2000 Growth	0.76%	4.39%	4.67%	13.37%	7.90%	10.37%
Russell 2000 Value	3.58%	4.08%	-18.73%	-13.92%	-4.05%	3.71%
MSCI ACWI	-2.43%	0.20%	-1.09%	4.89%	5.52%	8.12%
MSCI World	-3.07%	-0.16%	-1.42%	4.36%	5.96%	8.13%
MSCI ACWI Ex-US	-2.15%	-0.47%	-7.47%	-2.61%	-0.19%	4.26%
MSCI EAFE	-3.99%	-1.68%	-10.80%	-6.87%	-1.24%	2.85%
MSCI EM	2.06%	2.64%	0.88%	8.25%	1.94%	7.92%
Bloomberg Commodity	1.41%	4.64%	-10.85%	-8.75%	-4.41%	-2.73%

Fixed Income Markets	Past Month	Past 3 Months	YTD	1 Yr	3 Yrs	5 Yrs
Barclays Capital Aggregate	-0.45%	-1.30%	6.31%	6.18%	5.07%	4.08%
Barclays Capital Global Aggregate	0.10%	-0.42%	5.83%	5.64%	4.26%	3.90%
Barclays Capital Intermediate Aggregate	-0.17%	-0.26%	4.99%	5.08%	4.14%	3.25%
Barclays Capital Universal	-0.36%	-1.11%	5.82%	5.96%	4.98%	4.34%
Barclays Capital Government	-0.92%	-1.83%	7.81%	6.90%	5.19%	3.62%
Barclays Capital Credit	-0.22%	-1.76%	6.15%	6.66%	6.00%	5.60%
Barclays Capital Municipal	-0.30%	-0.75%	3.02%	3.60%	4.10%	3.71%
Barclays Capital High Yield	0.51%	0.42%	1.14%	3.50%	4.24%	6.32%
Barclays Capital Mortgage	-0.04%	-0.11%	3.58%	3.95%	3.68%	2.96%
Barclays Capital 1-3 Yr Gov/Credit	0.02%	0.06%	3.13%	3.38%	2.86%	2.11%
FTSE 3-Month Treasury Bill	0.01%	0.03%	0.56%	0.85%	1.62%	1.15%
FTSE World Govt Bond	-0.18%	-0.85%	6.95%	6.01%	4.49%	3.92%
Barclays Capital U.S. TIPS	-0.65%	0.07%	8.52%	9.09%	5.50%	4.43%
BofAML Invest Grade Convertible	1.29%	1.66%	-0.60%	0.44%	7.35%	11.18%

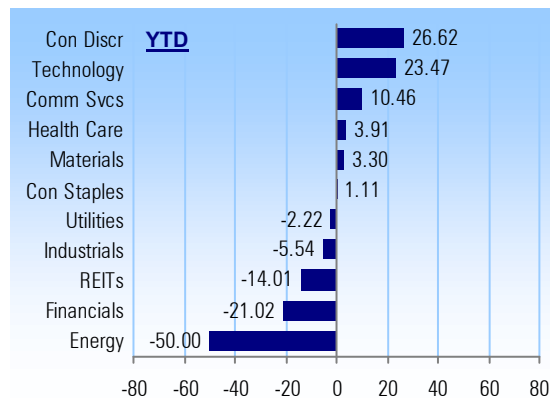
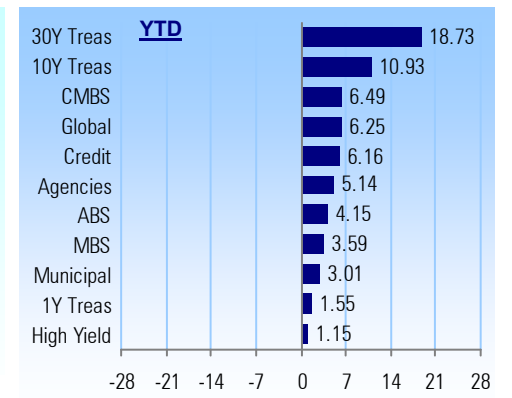
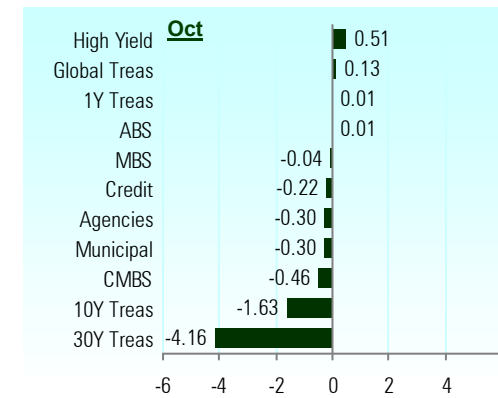
Equity Sector Returns (%)



Equity Style Returns (%)

	Value	Core	Growth
Large	-1.31	-2.41	-3.40
Mid	0.93	0.64	0.12
Small	3.58	2.09	0.76

Fixed Income Sector Returns (%)



	Value	Core	Growth
Large	-12.74	3.83	20.11
Mid	-12.03	-1.72	14.06
Small	-18.73	-6.78	4.67

Treasury Yield Curve

