



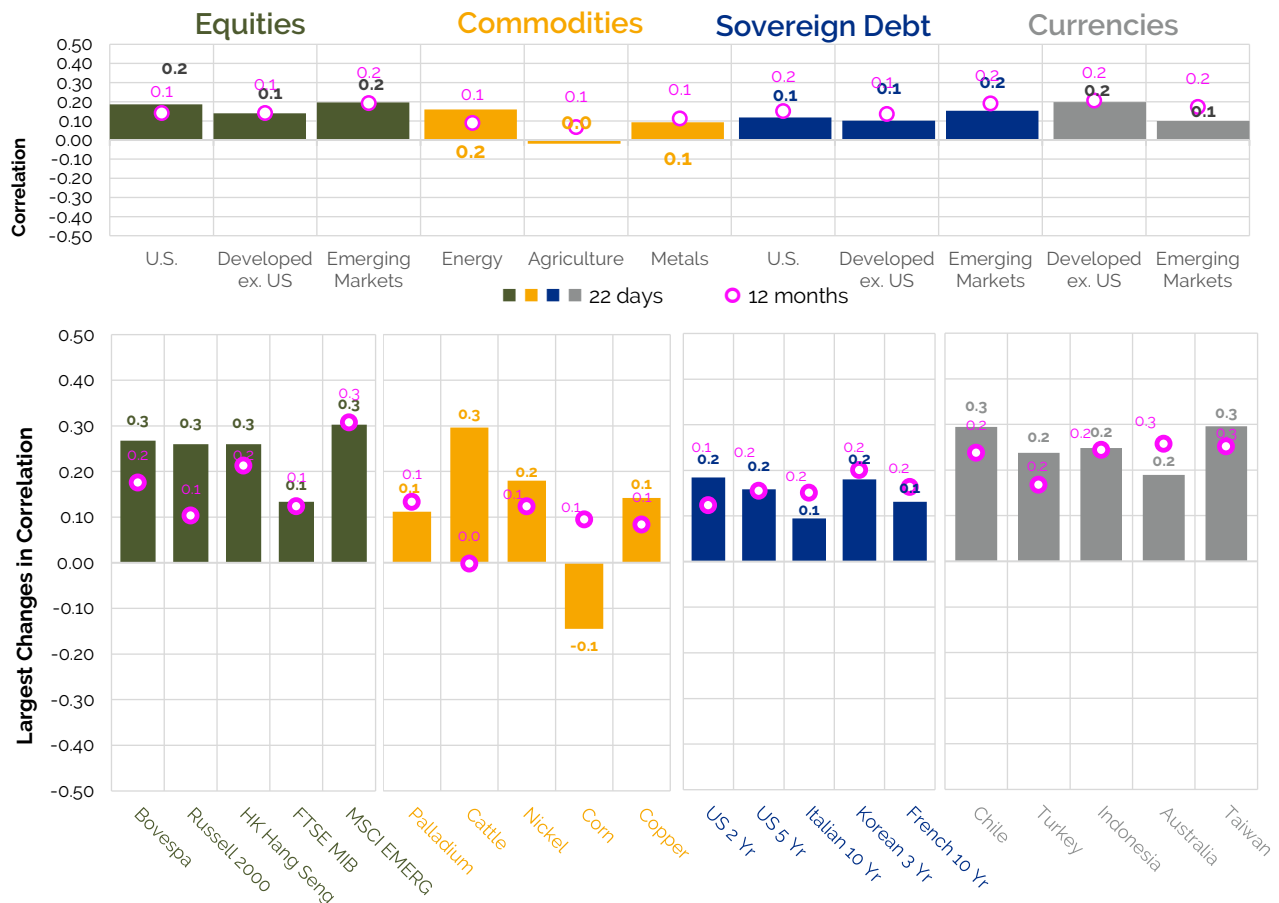
Epsilon Theory

QUANTITATIVE INSIGHTS

Examining Short-Term and Long-Term Correlation

As of July 14, 2017

The correlation figure measures how each asset return moves in relationship to the broad basket of asset returns listed on page 2. When correlations are high or rising, it may indicate that economic movements and sentiment are driving the majority of returns, which could potentially make security selection challenging.



Source: Salient Partners, L.P.

*Sub-asset classes in the top chart are based on an average of underlying assets within the category, as in the Asset Class Key listed below.

For illustrative purposes only. Sub-asset classes in the top chart are based on an average of underlying assets within the category, as in the Asset Class Key listed below. Certain performance information is shown is compared to broad-based securities market indices. Broad-based securities indices are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The returns presented are unaudited, as of the date(s) shown and are subject to change. Epsilon Theory is under no obligation to update recipients. Returns are based on daily inputs.

Asset Class Key

Equities:

U.S:

S&P 500
S&P Midcap 400
Russell 2000
EMINI DJIA
Nasdaq 100 EMINI

Developed ex. US:

S&P Toronto 60
FTSE 100
CAC 40
DAX
FTSE MIB
IBEX 35
Stockholm OMX
AEX
Swiss Market
TOPIX
Nikkei 225
MSCI Singapore
ASX SPI
MSCI EAFE

Emerging:

Bovespa
HK Hang Seng
MSCI Taiwan
FTSE/JSE Top 40
HSCEI
FTSE China A50
S&P CNX Nifty
KOSPI 200
MSCI EMERG

Commodities:

Energy:

Brent Oil
Natural Gas
Heating Oil
Gasoline
Gasoil

Agriculture:

Cattle
Hogs
Corn
Soybeans
Soybean Oil
Soy Meal
Sugar
Cotton
Wheat
Wheat (KCB)
Coffee
Cocoa

Metals:

Gold
Copper
LME Copper
Silver
Zinc
Nickel
Lead
Palladium
Aluminum

Sovereign Debt

U.S:

US 2 Yr
US 5 Yr
US 10 Yr (T-Note)
US 15 Yr (Long Bond)
US 30 Yr (Ultra Long Bond)

Developed ex. US:

Canadian 10 Yr
Euro 2 Yr (Schatz)
Euro 5 Yr (Bobl)
Euro 10 Yr (Bund)
Euro 30 Yr
French 10 Yr
UK 10 Yr (Gilt)
Italian 10 Yr
Japanese 10 Yr (JGB)
Australian 3 Yr
Australian 10 Yr

Emerging:

Korean 3 Yr
Korean 10 Yr

Currencies

Developed ex. U.S.

Europe
UK
Japan
Norway
Sweden
Switzerland
Australia
Canada
New Zealand

Emerging:

Hungary
Poland
Czech
Russia
Israel
Turkey
South Africa
Colombia
India
Korea
Singapore
Taiwan
Indonesia
Malaysia
Philippines
Brazil
Mexico
Chile

For definitions, please click [here](#).

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