



SECOR Asset Management

Market and Macro Review – Capital Markets Update

April 20, 2020

Market update

- Equity markets rallied:
 - The Western economies started moving toward re-opening
 - Markets are re-evaluating relative importance of short-term losses from economic shutdowns versus impact of fiscal and monetary policies
- S&P500 outperformed global markets as impact on large US companies is expected to be less severe than on European companies
- Interest rates remained stable as lower risk aversion was offset by quantitative easing
- USD remained range-bound versus major currencies, but weakened against beaten up commodity currencies (Aussie Dollar, Canadian dollar)
- Gold rallied

Return of Selected Indices as of 17 April 2020

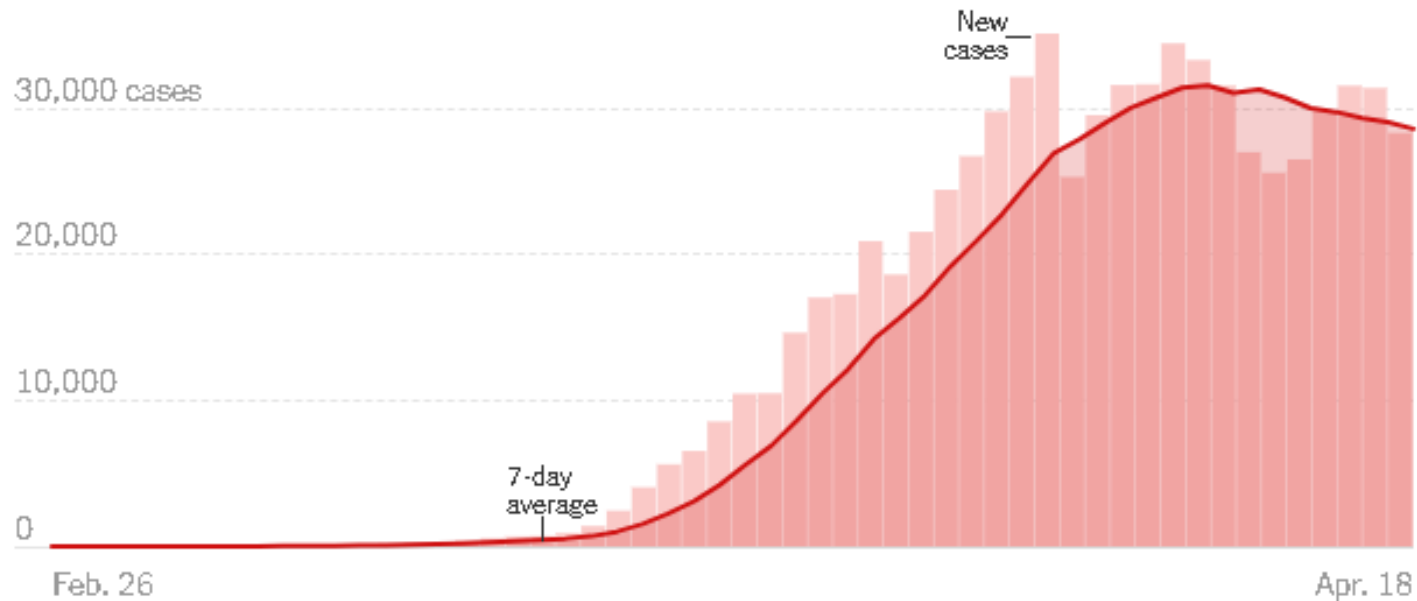
	MSCI ACWI Index (Local)	MSCI Europe Index (Local)	S&P500 Index	MSCI EM Index (Local)	MSCI ACWI Index (USD)	MSCI ACWI Index (GBP)	MSCI ACWI Index (EUR)	Russell 2000 Index (USD)	MSCI EM Index (USD)	US 10Yr Treasury Futures Index	Bloomberg Barclays Sterling Gilt Index	JPMorgan EMBI Index	Bloomberg US Corporate Barclays HY Bonds Index
MTD to 4/17	8.5%	3.4%	11.3%	6.4%	8.6%	7.7%	9.5%	6.6%	6.3%	0.2%	1.9%	1.9%	5.9%
YTD	-13.1%	-19.2%	-10.5%	-13.9%	-14.6%	-9.5%	-11.9%	-26.0%	-18.8%	8.6%	9.1%	-10.1%	-7.6%
12 Months	-4.3%	-12.3%	1.6%	-10.2%	-5.6%	-1.2%	-2.5%	-21.1%	-15.6%	13.3%	14.8%	-3.7%	-2.2%

Sources: Bloomberg, SECOR

COVID 19 update

- Europe: growth of cases slowed; Germany is opening some stores
- US: growth in the number of new cases slowed; the Trump administration issued guidelines to states on re-opening the economies; the speed of flattening may be slower than in China
- Asia: a few new cases in China; number of cases in Japan is growing; concerns about the second wave in Singapore

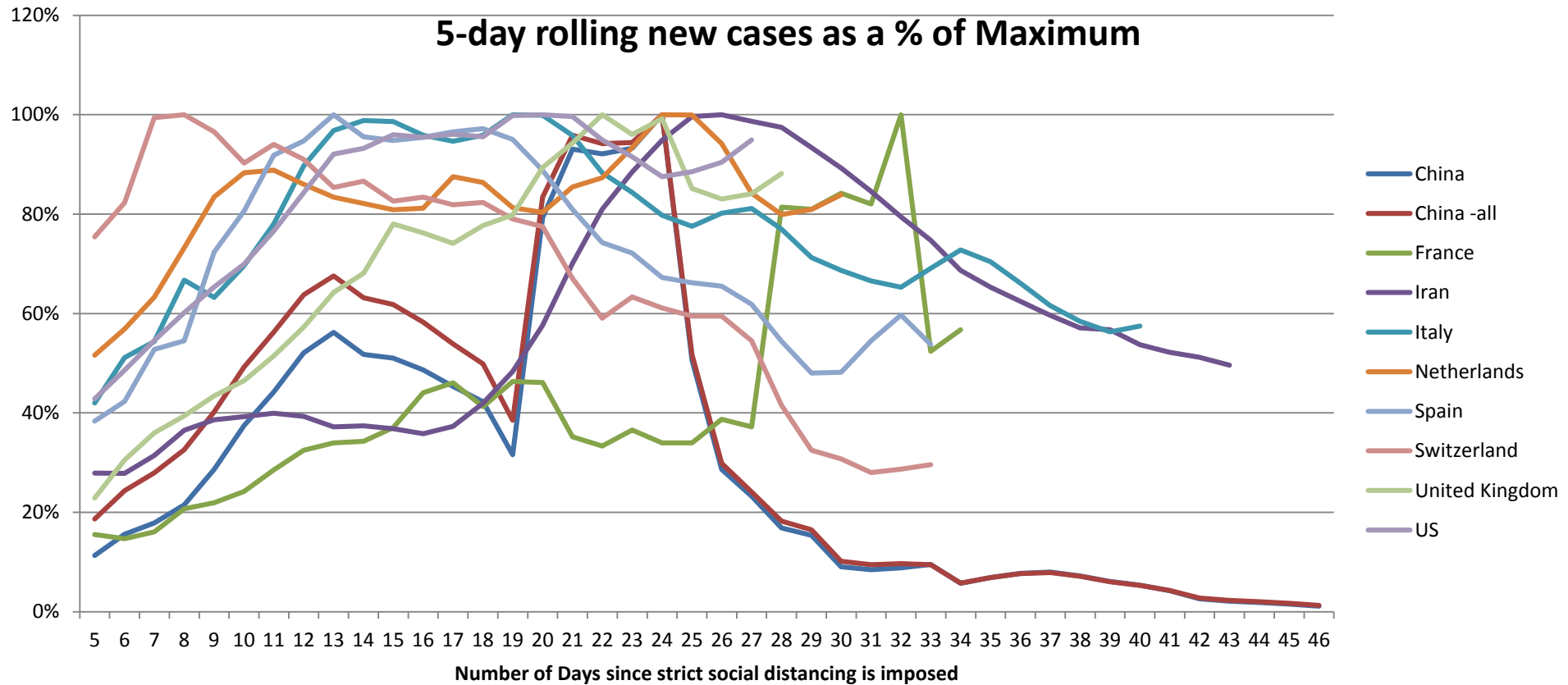
New reported cases by day in the United States



Source: NY Times

COVID 19 update

- In Europe and in the US, the time from peak new cases to economic reopening is likely to be longer than in China
- Comparison of Sweden and Norway shows that stricter measures flatten the curve faster and reduce the number of deaths

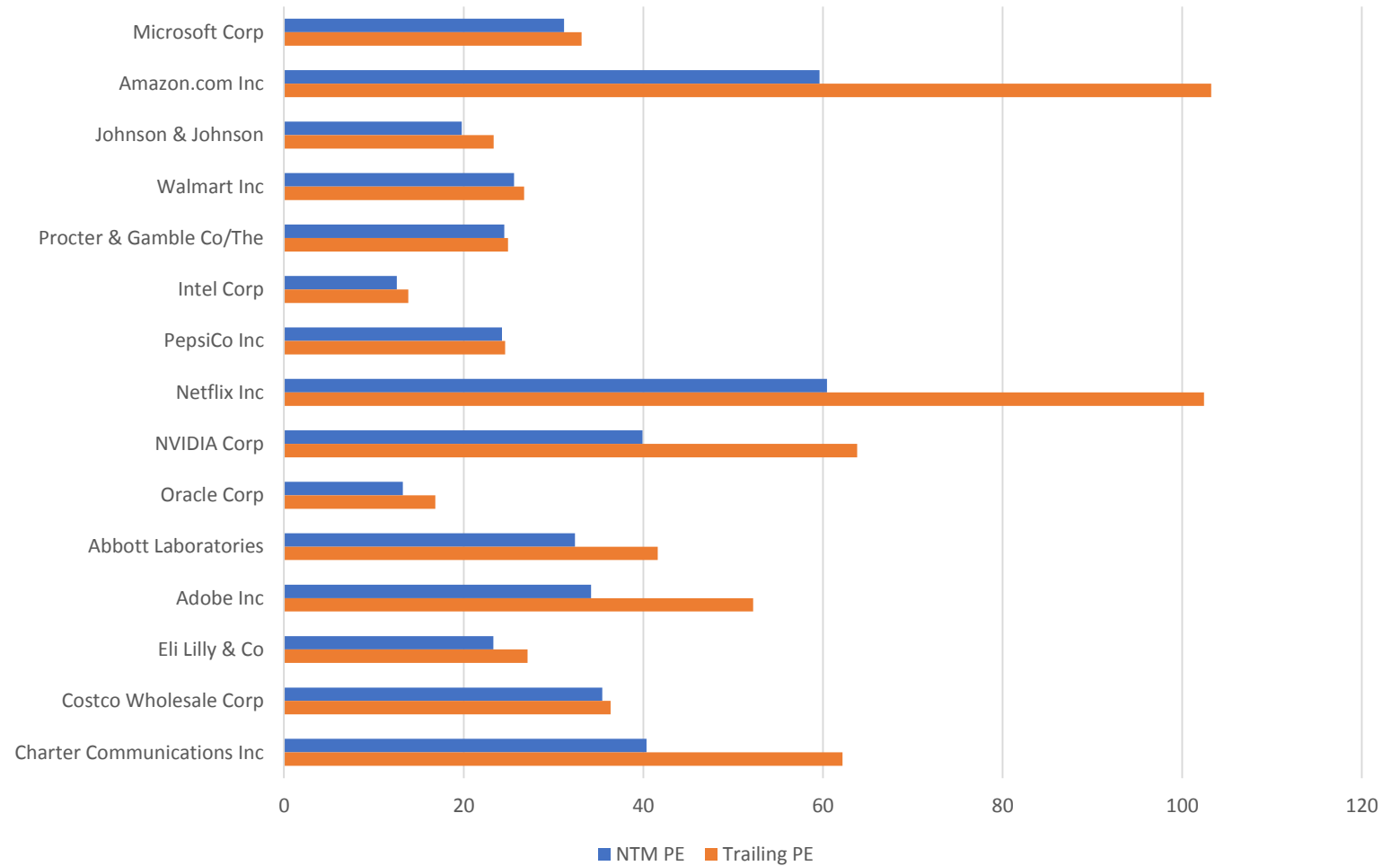


Sources: NY Times

Largest equity outperformers

2020 winners are high-growth companies whose business appears to be less dependent on economic shutdown

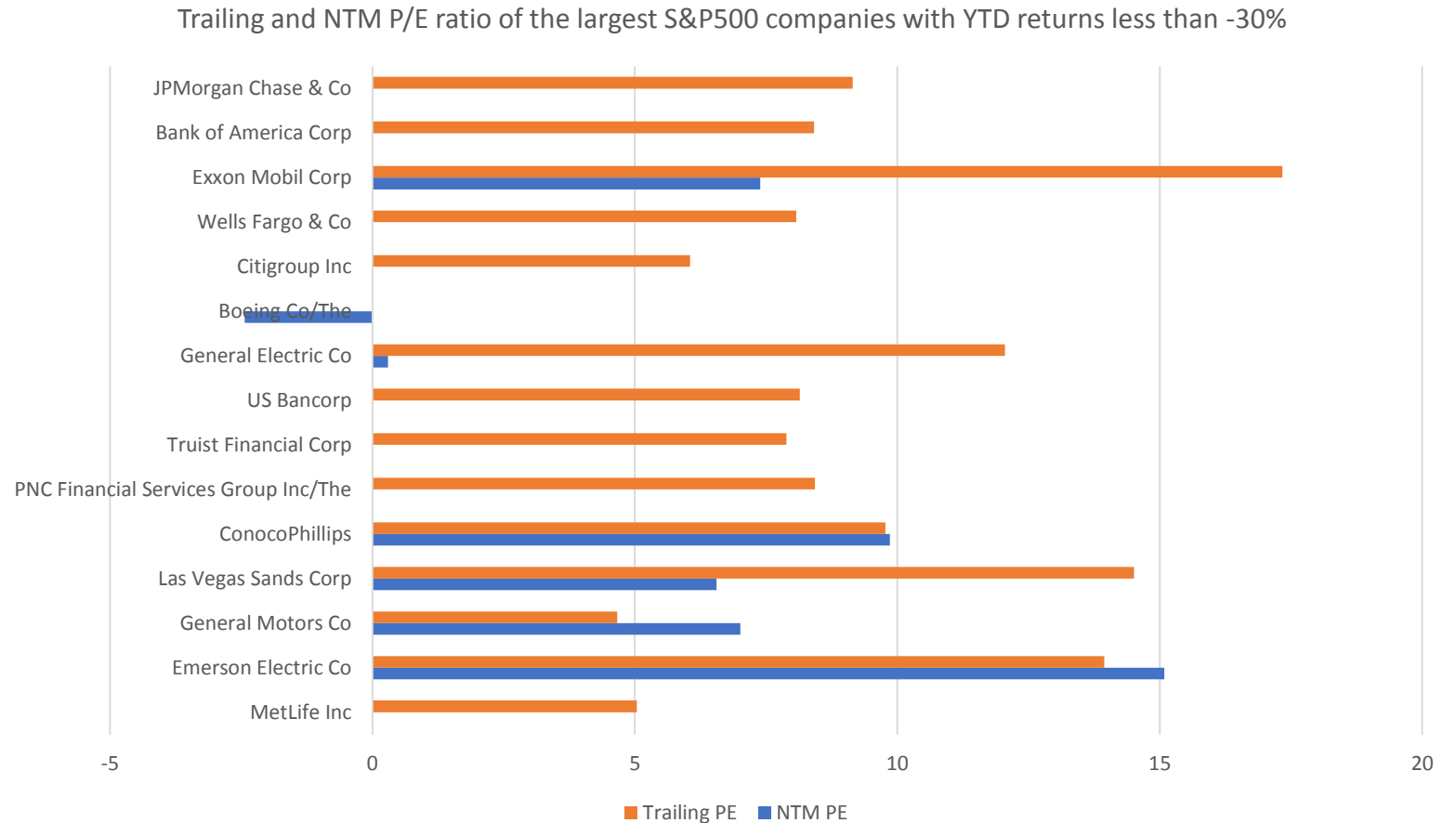
Trailing and NTM P/E ratio of the largest S&P500 companies with positive YTD returns



Sources: Bloomberg, SECOR
As of 17 April 2020

Largest equity underperformers

2020 losers are companies with significant economic exposures – they now trade at discounted valuations



Sources: Bloomberg, SECOR
As of 17 April 2020

Disclaimer

The information and opinions contained in this presentation are for background purposes only and do not purport to be full or complete. No reliance may be placed for any purpose on the information or opinions contained herein. SECOR does not give any representation, warranty or undertaking, or accept any liability, as to the accuracy or the completeness of the information or opinions contained herein.

This presentation does not constitute an offer or solicitation to any person in any jurisdiction. Any such offering will only be made in accordance with the terms and conditions set forth in a private placement memorandum or other offering document.

Recipients should not rely on this material in making any future investment decision. We do not represent that the information contained herein is accurate or complete, and it should not be relied upon as such. Opinions expressed herein are subject to change without notice. Certain information contained herein (including any forward-looking statements and economic and market information) has been obtained from published sources and/or prepared by third parties and in certain cases has not been updated through the date hereof. While such sources are believed to be reliable, SECOR and its affiliates do not assume any responsibility for the accuracy or completeness of such information. SECOR does not undertake any obligation to update the information contained herein as of any future date. Any views or opinions expressed may not reflect those of the firm as a whole.

This document may include projections or other forward-looking statements regarding future events, targets, intentions or expectations. Due to various risks and uncertainties, actual events or results may differ materially from those reflected or contemplated in such forward-looking statements. Past performance is no guarantee of future results. Investments are subject to risk, including the possible loss of principal. There is no guarantee that projected returns or risk assumptions will be realized or that an investment strategy will be successful. No representation, warranty or undertaking is made as to the reasonableness of the assumptions made herein or that all assumptions made herein have been stated. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product made reference to directly or indirectly in this document, will be profitable, equal any corresponding indicated performance level(s), or be suitable for your portfolio.

Illustrative models or investments presented in this document are based on a number of assumptions and are presented only for the limited purpose of providing a sample illustration. Any sample illustration is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond SECOR's control. Any sample illustration may not be reflective of any actual investment purchased, sold, or recommended for investment by SECOR and are not intended to represent the performance of any investment made in the past or to be made in the future by any portfolio managed or advised by SECOR. Actual returns may have no correlation with the sample illustration presented herein, and the sample illustration is not necessarily indicative of an investment that SECOR will make. It should not be assumed that SECOR's investment recommendations in the future will accomplish its goals or will equal the illustration provided herein.

The information contained in this document is based on matters as they exist as of the date of preparation of such material and not as of the date of distribution or any future date and SECOR does not undertake any obligation to update the information contained herein as of any future date. This document does not constitute advice or a recommendation or offer to sell or a solicitation to deal in any security or financial product. It is provided for background purposes only and on the understanding that the recipient has sufficient knowledge and experience to be able to understand and make its own evaluation of the information described herein, any risks associated therewith and any related legal, tax, accounting or other material considerations. To the extent that a reader has any questions regarding the applicability of any specific issue discussed above to his/her/its specific portfolio or situation, it is encouraged to consult with the professional advisor of his/her/its choosing.

Investment advisory services are provided by SECOR Investment Advisors, LP ("SIA") and SECOR Investment Advisors (UK), LLP, ("SIA-UK"), each subsidiaries of SECOR Asset Management, LP. Portfolio solutions are provided by SECOR Investment Management, LP ("SIM"), a subsidiary of SECOR Asset Management, LP. SIA UK is authorized and regulated by the Financial Conduct Authority. Each of SIA and SIM are registered as an investment adviser with the Securities and Exchange Commission. Registration as an investment adviser with the Securities and Exchange Commission does not imply any level of skill or training.

Indexes are unmanaged, do not reflect deduction of fees and expenses, and are not available for direct investment. None of the securities discussed represent SECOR investments.