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What's inside?

Key themes

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Foundations

Key Themes

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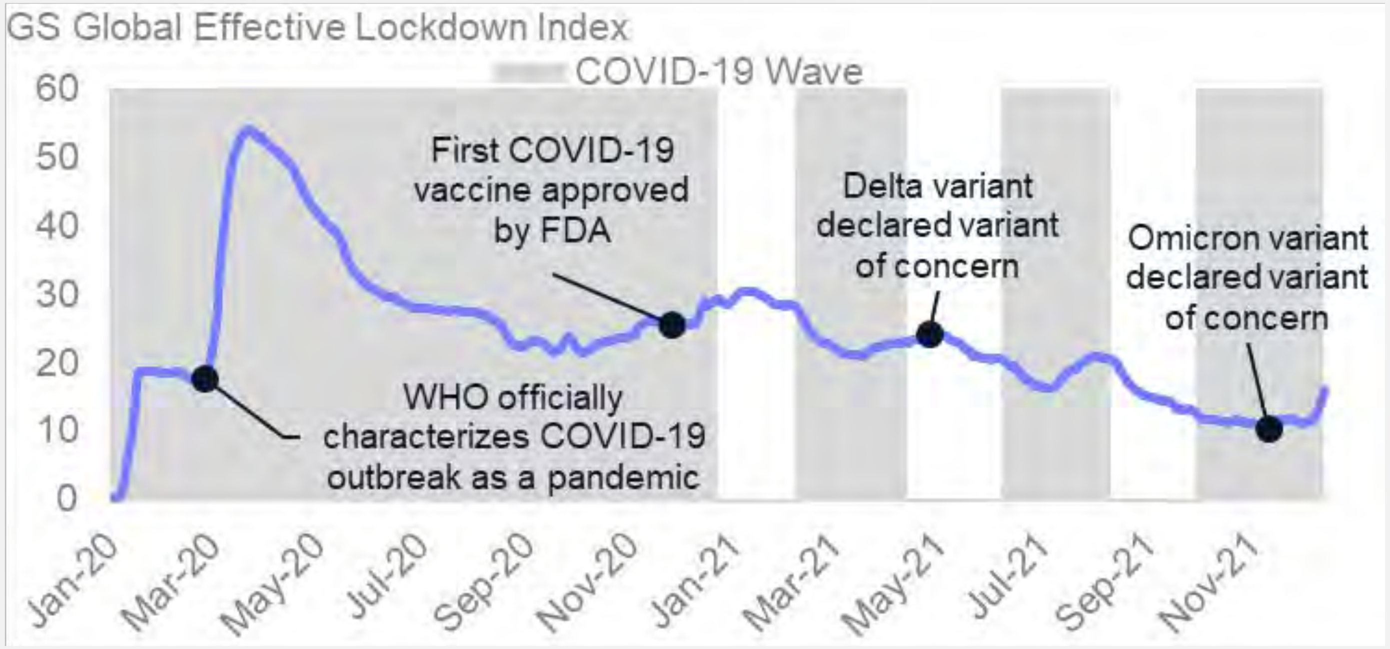
Virus update: Continued progress toward reopening

Goldman Sachs | Asset Management

Better understanding of COVID-19, effective health policies, and vaccine deployment have allowed economies to emerge from lockdowns despite successive virus waves. While Omicron is a cause for concern, and we have seen modest tightening in Western Europe, Goldman Sachs thinks the broader trend remains toward less aggressive policy measures and continued progress toward reopening.

Near-Term Recovery in Reopening



*The Effective Lockdown Index (ELI) combines two prominent measures of lockdowns and social distancing—the government response stringency index constructed at Oxford University and the Google global mobility reports—into a measure that reflects both policy settings and on-the-ground behavior.

Source: GS Global Investment Research and GS Asset Management.

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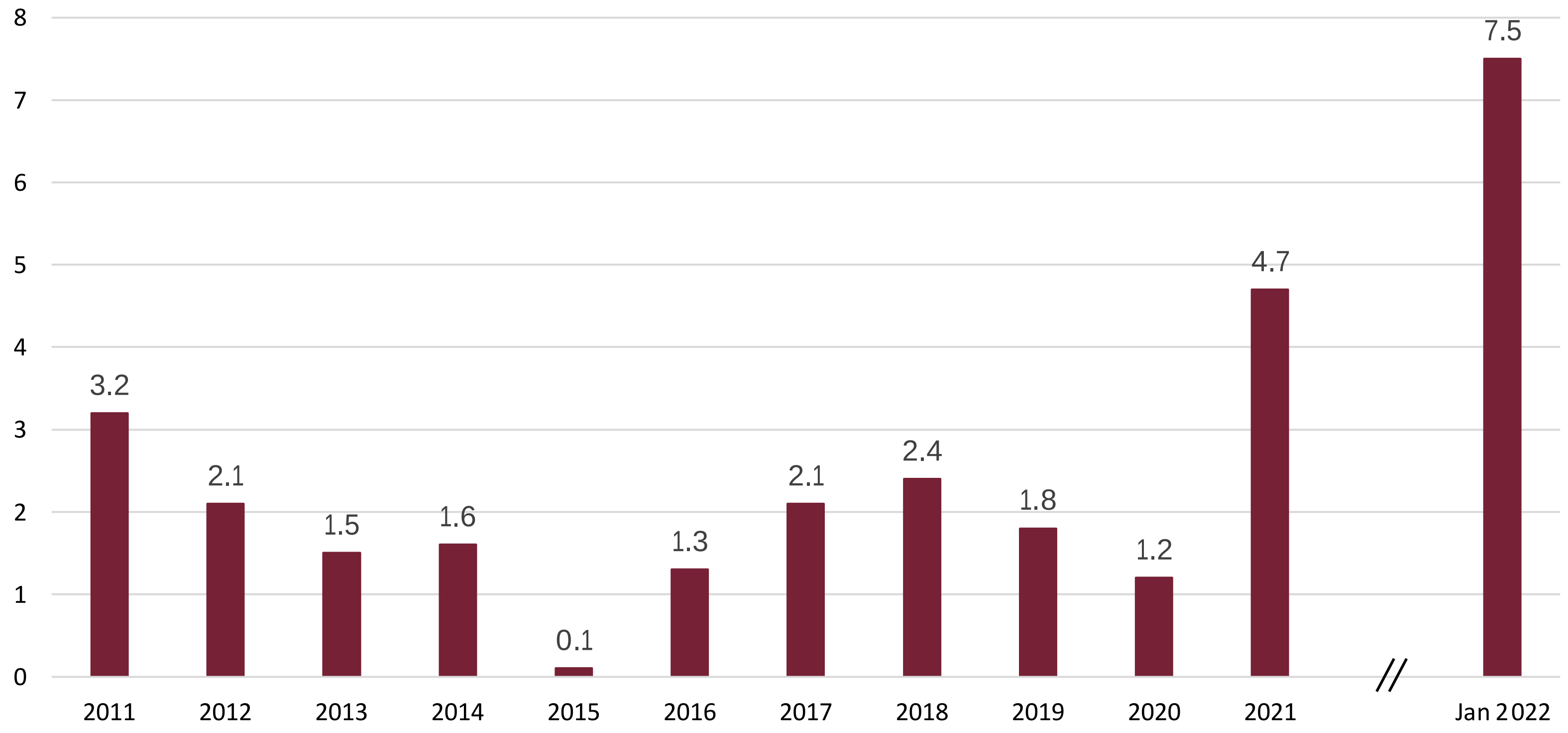
Inflation pressure

U.S. Consumer Price Index, annual average inflation, not seasonally adjusted and January 12-month percent change



What is this chart showing?

This chart shows the U.S. annual inflation rate over time as well as the latest year over year monthly reading.

Why is it important?

High and sustained inflation has historically had a negative impact on economic growth and returns. December 2021 inflation reading was the highest since 1982.

Source: U.S. Bureau of Labor Statistics. The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. This measure includes food and energy, which tend to have more price volatility and whose price shocks cannot be damped through monetary policy.

Fed Policy: Expectations for rate increases

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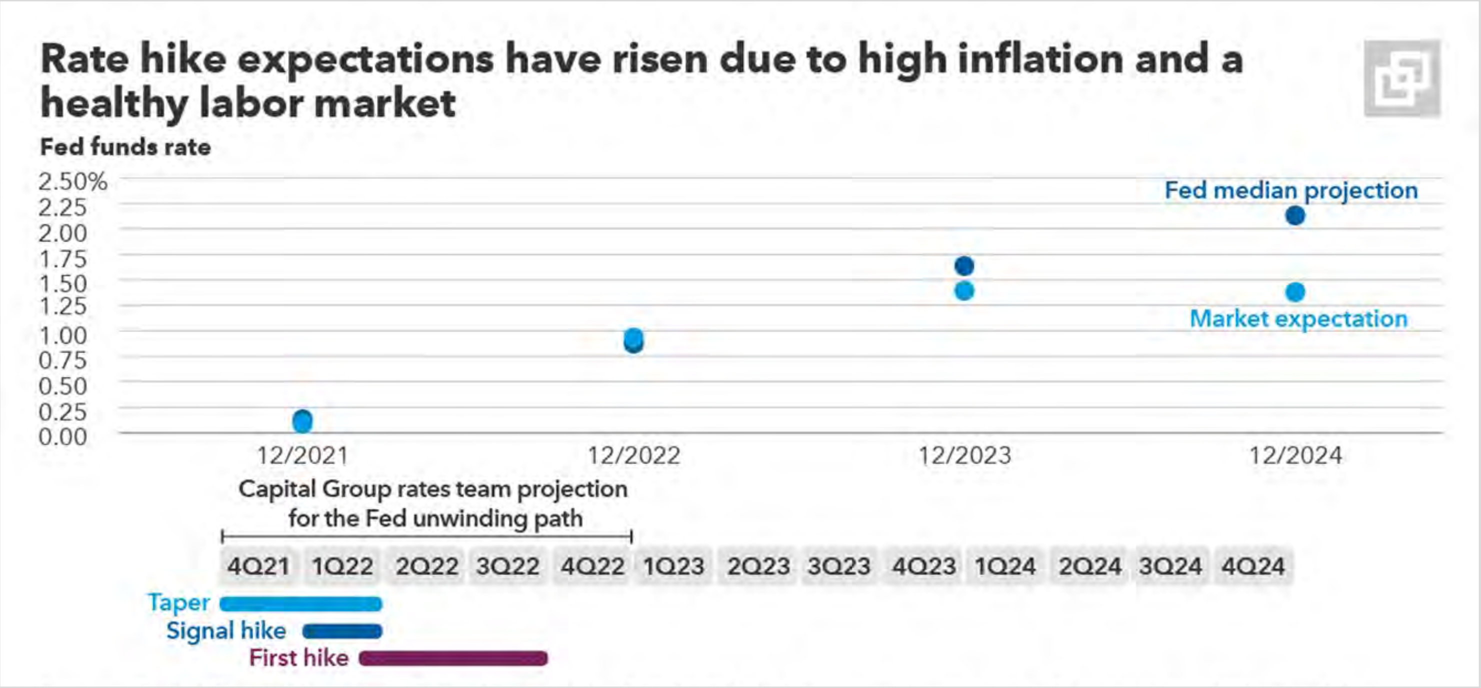
Inflation has climbed to a 40-year high. That — combined with an improving labor market — is pushing the Federal Reserve toward interest rate hikes.



Source: Capital Group, Bloomberg, Federal Reserve. As of 12/15/21. Market expectations based on futures pricing. Midpoint of the federal funds target rates is shown.

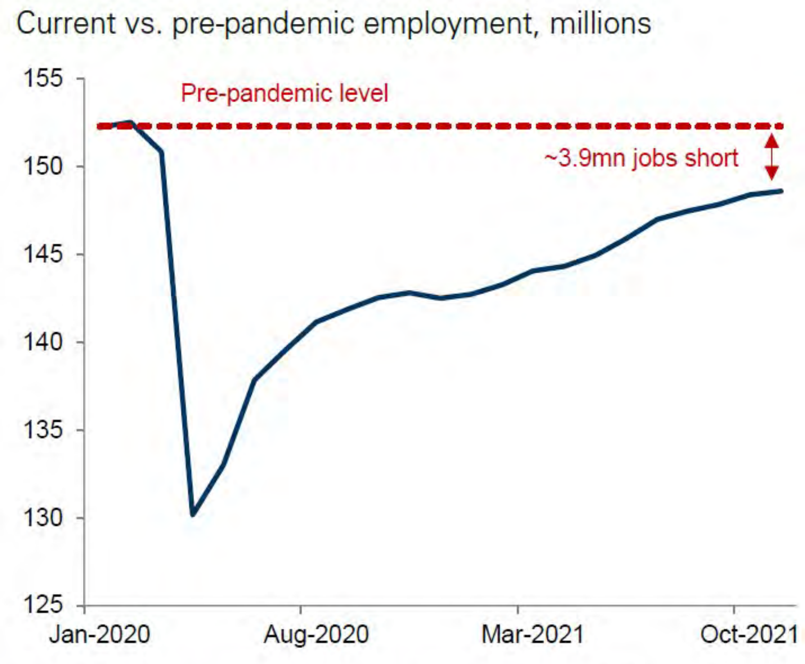
Source: Capital Group, Capital Ideas, *Bond market outlook: Seek balance amid mixed signals,* 2021.

U.S. labor market gains

Goldman Sachs | Asset Management

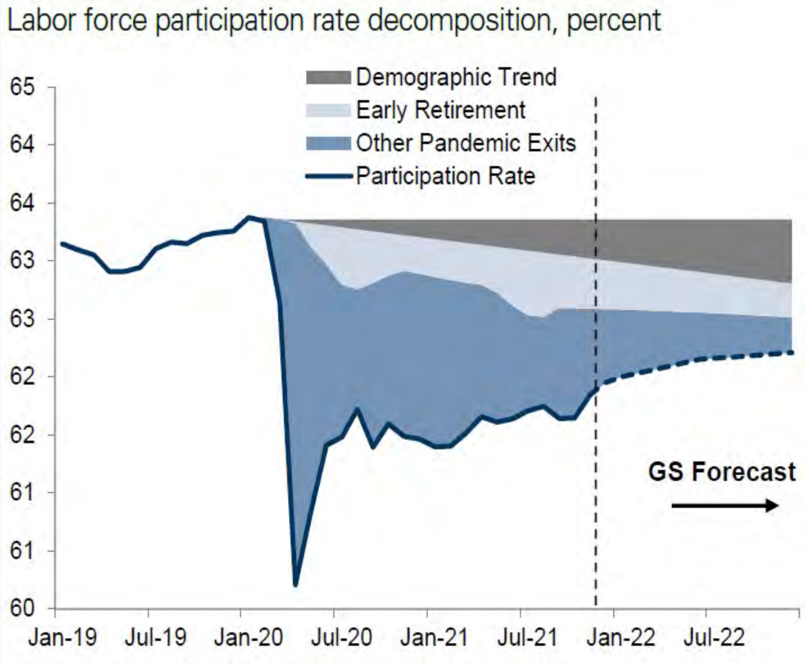
Labor market gains should continue in 2022, paving the way for three Fed rate hikes next year.

Employment is still ~3.9M short of pre-pandemic levels…



Source: US Bureau of Labor Statistics, Goldman Sachs GIR.

…Labor force participation will likely remain below trend



Source: US Bureau of Labor Statistics, Goldman Sachs GIR.

Source: Goldman Sachs Global Macro Research. *Top of Mind, 2021: 4 Themes in Charts*, Dec 17, 2021.

Economy

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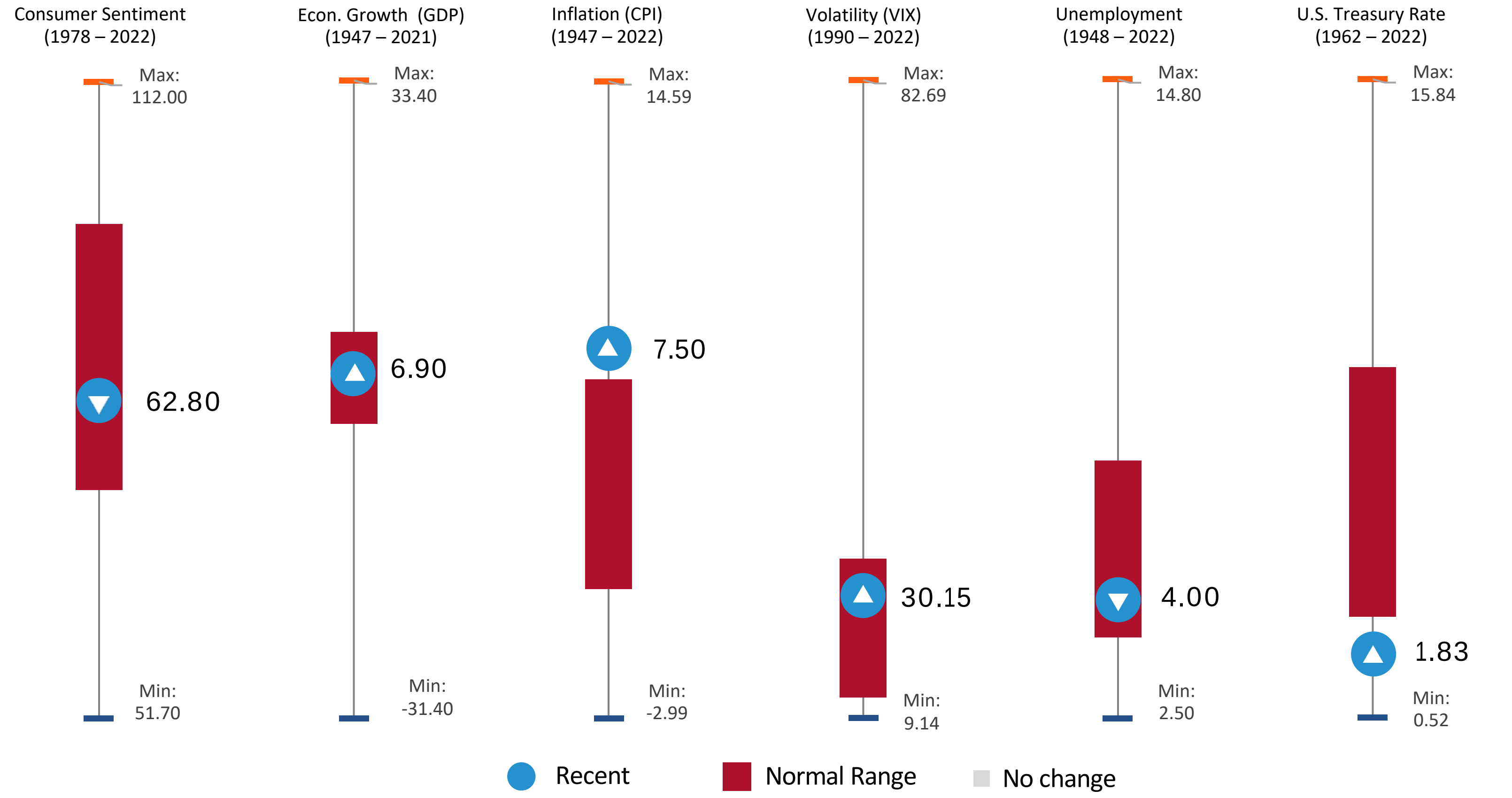
Key economic and market metrics



Source: Most recent data available as of 2/28/22. Bloomberg. Arrows in the blue circles are indicative of most recent three-month trend, with exception of GDP, which is based on trend over the previous 3 quarters. Normal range represents +/- one standard deviation to the mean over timeframe referenced. See Additional Information for more details. **Past performance is not indicative of future returns.**

What is this chart showing?

This chart shows the historical range and recent level of six key economic and market indicators.

Why is it important?

Investors can use this chart to quickly determine if economic indicators are at, above, or below their historical average. Indicators that are outside of their normal average may provide insight into the health or direction of the economy and the market.

Consumer Sentiment as measured by the Michigan Consumer Sentiment Index is calculated each month on the basis of a household survey of consumers' opinions on current conditions and future expectations of the economy.

Economic Growth (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

Inflation (CPI) is a measure of inflation that calculates the change in the prices of a basket of goods and services. This measure includes food and energy. Core CPI (excludes food and energy) was +4.98% YOY November 2021.

Volatility VIX is a real-time market index representing the market's expectations for volatility over the coming 30 days.

Unemployment rate as measured by the U.S. Bureau of Labor Statistics.

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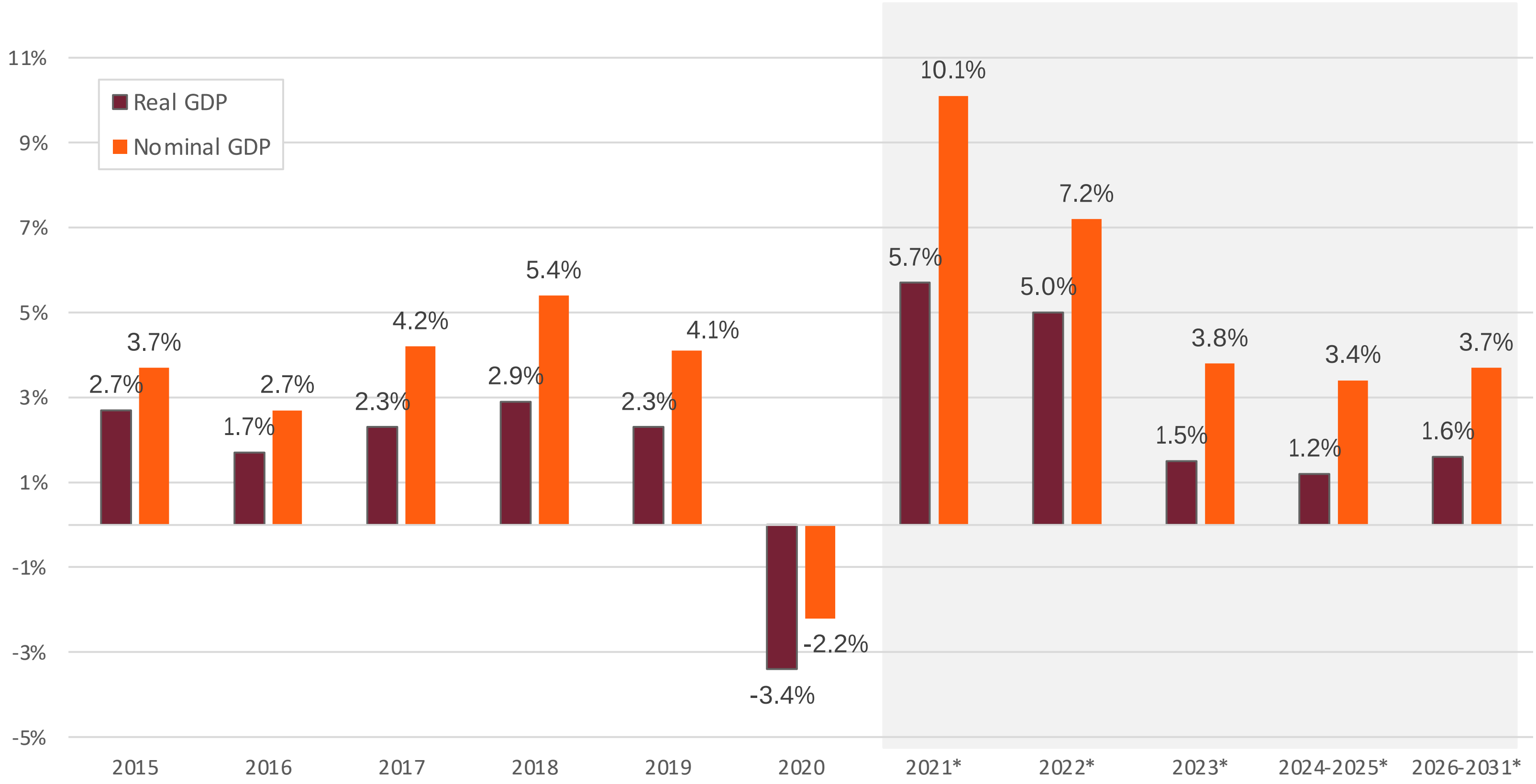
U.S. real vs. nominal GDP

Real & Nominal Gross Domestic Product and Projections for Calendar Years 2015 to 2023 and beyond



Source: Congressional Budget Office. *indicates future projections as of July 2021.

What is this chart showing?

This chart shows the most recently reported economic growth projections prepared by the Congressional Budget Office, a strictly nonpartisan government agency.

Why is it important?

Economic growth influences many factors that can impact the long-term performance of the markets, including interest rates and corporate earnings growth. As such, these GDP projections can be a valuable input for investors looking to set future portfolio return expectations.

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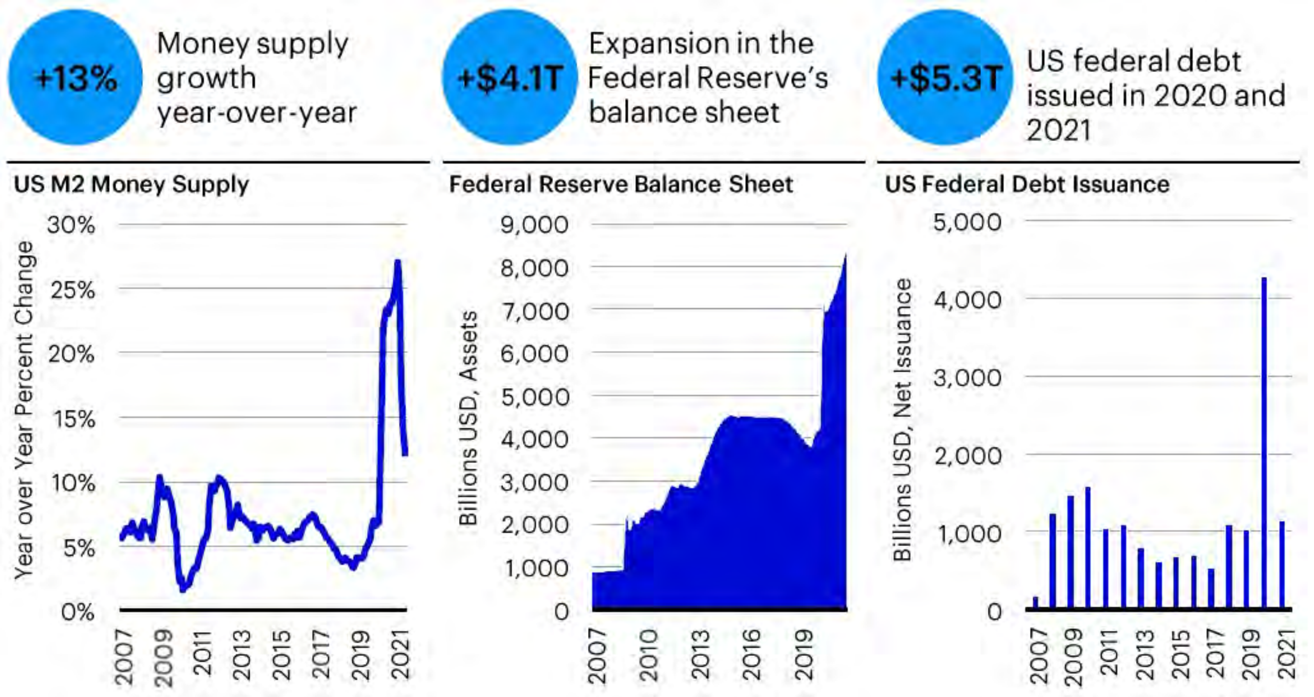
Isn’t it all inflationary?

Invesco

Among the primary concerns of investors has been that a disruptive inflationary spiral will be in the offing, the result of the massive policy responses designed to offset the ill effects of the COVID-19 outbreak and the demand destruction of "The Great Shutdown." Investors pointed to the massive increase in the US money supply, the sizeable expansion of the Federal Reserve's balance sheet, and the significant increase in US federal debt as signs that inflationary pressures would begin building.

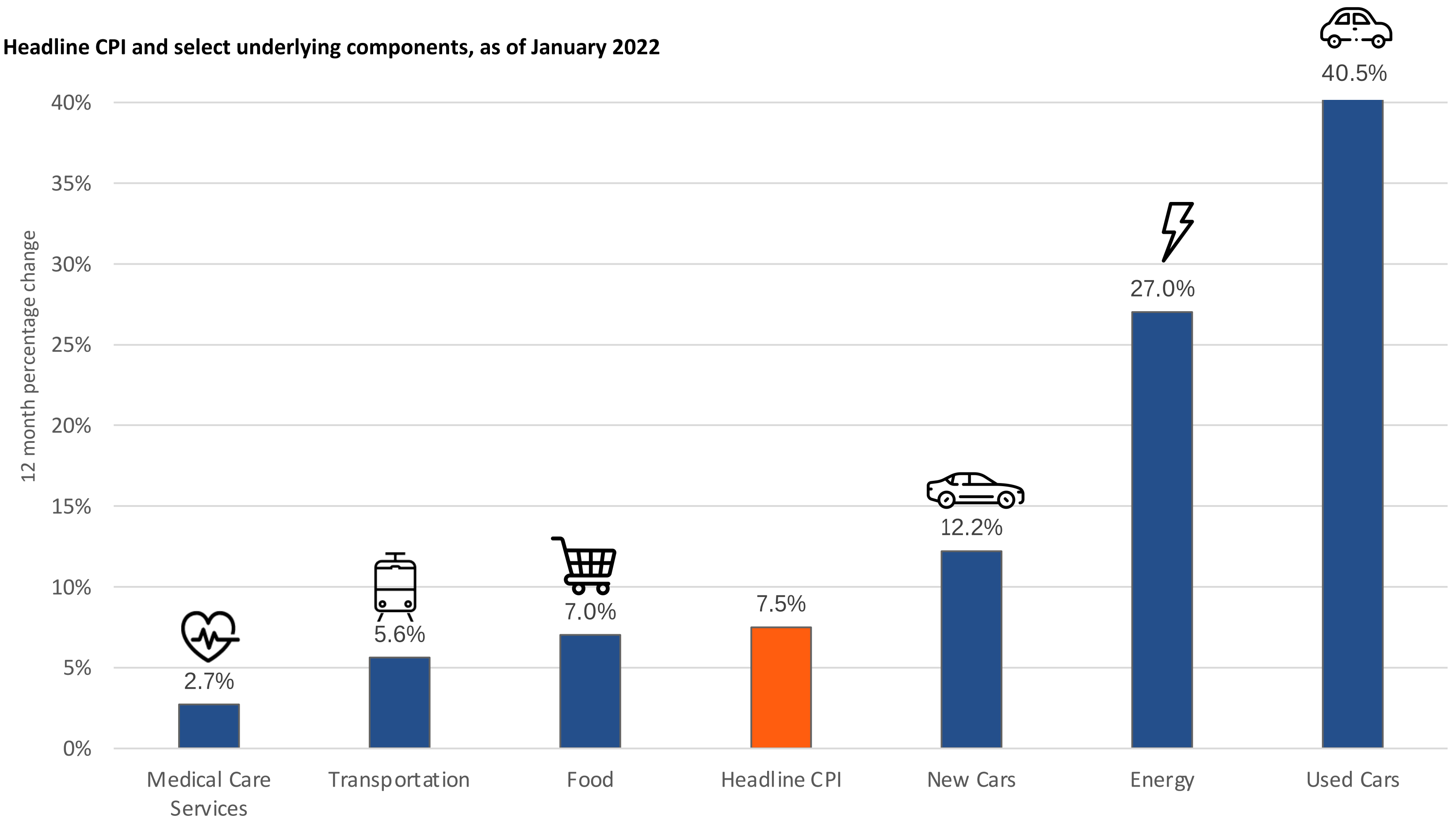


Source of M2 Money Supply: Bloomberg, US Federal Reserve, 8/31/21. M2 is coins and notes in circulation plus short-term deposits in banks and certain money market funds. Source of Federal Reserve Balance Sheet: Bloomberg, US Federal Reserve, 10/13/21. Source of US Federal Debt Issuance: Bloomberg, US Treasury, 10/21.

Source: Invesco. *Isn’t it all inflationary?*, 2021.

Consumer prices on the rise

Headline CPI and select underlying components, as of January 2022



Source: U.S. Bureau of Labor Statistics.

What is this chart showing?

This chart shows the year-over-year price increases in select components of the Consumer Price Index.

Why is it important?

While the headline number tends to get the attention, the inflation rate of underlying components may help investors better understand what factors are driving overall price increases.

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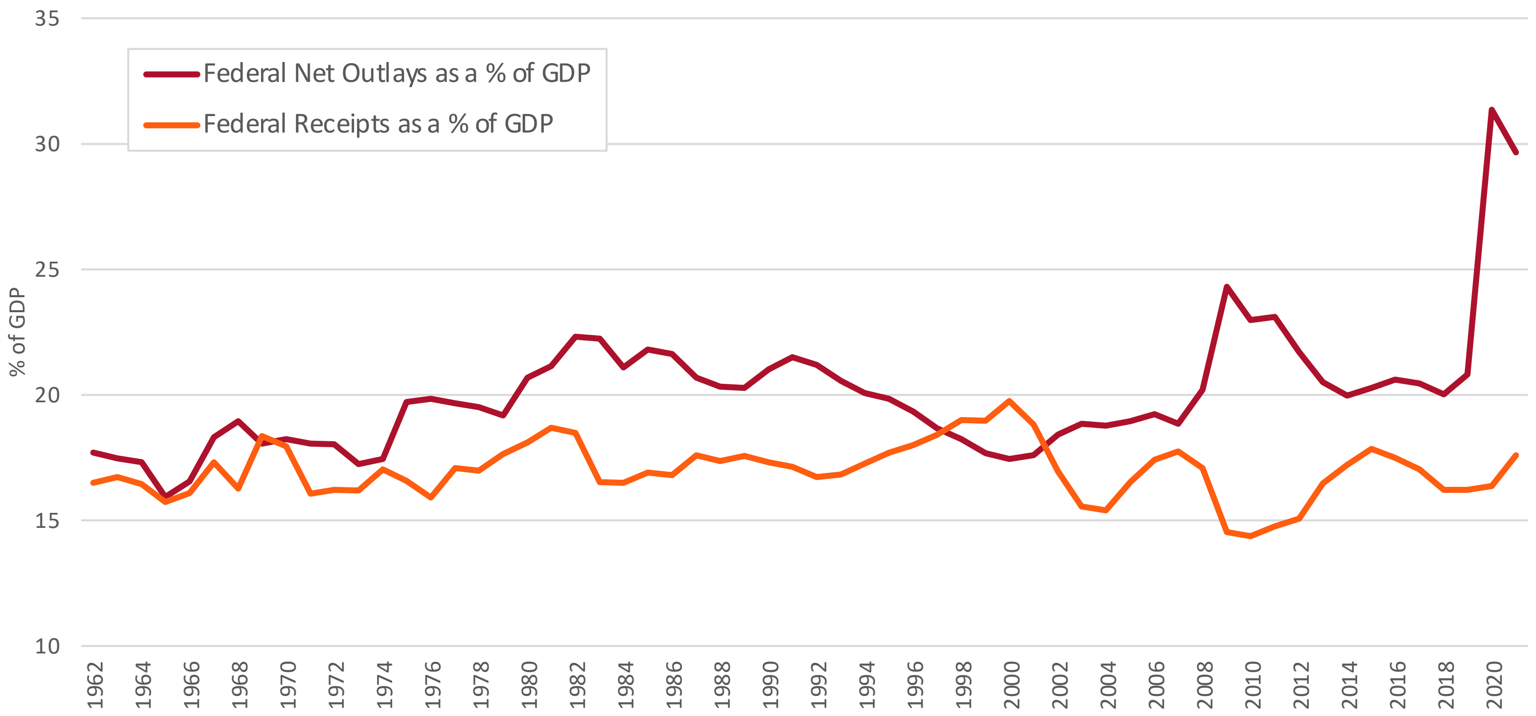
Government spending outpacing revenue

U.S. Federal Government Spending vs. Receipts (1962 – 2021)



Source: Federal Reserve Bank of St. Louis Economic Research

What is this chart showing?

This chart plots the trend in U.S. government spending, and U.S. government receipts from sources such as taxes.

Why is this important?

The U.S. Federal Government committed trillions of dollars to help support the economy, but tax revenue has not kept pace, leading to an increasing deficit.

Equities

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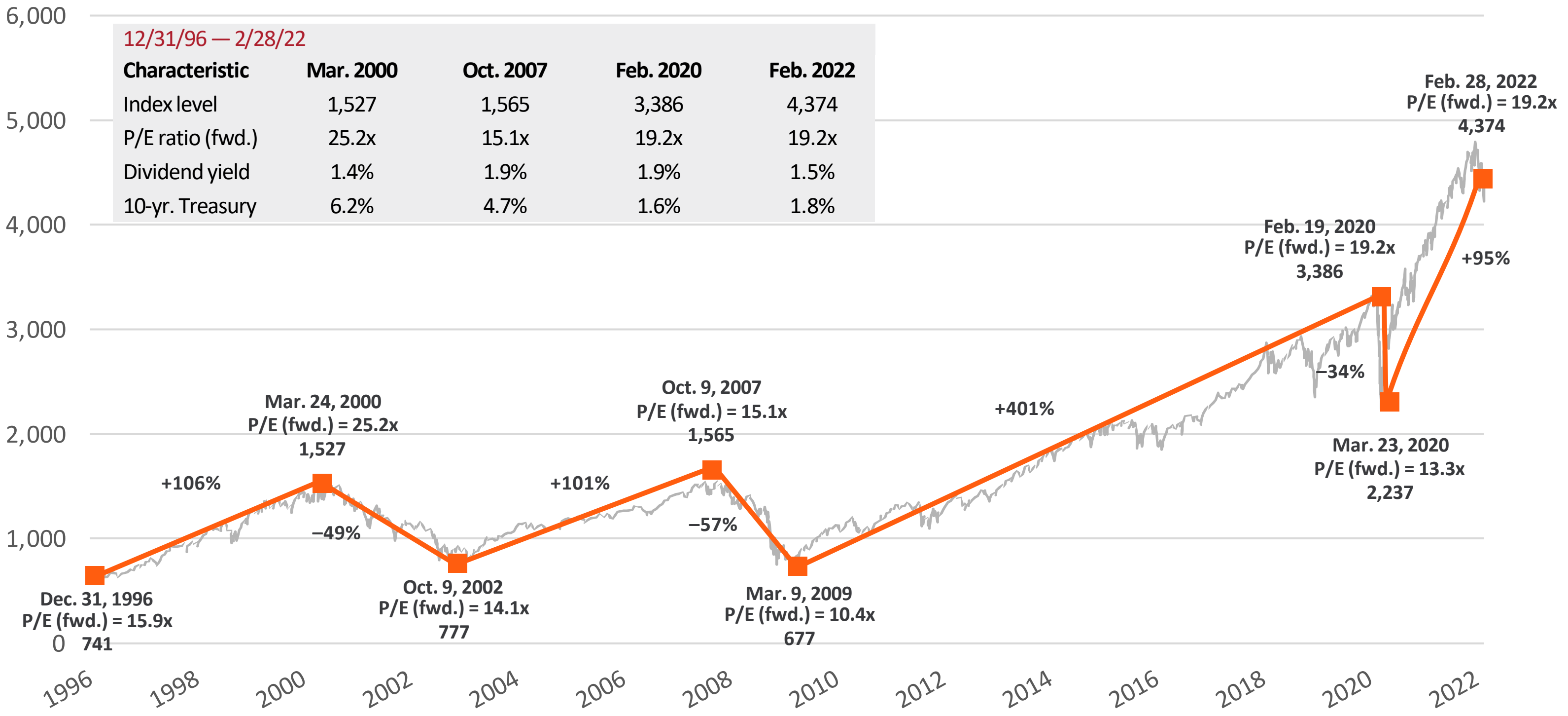
S&P 500: Cumulative returns



12/31/96 — 2/28/22

Characteristic	Mar. 2000	Oct. 2007	Feb. 2020	Feb. 2022
Index level	1,527	1,565	3,386	4,374
P/E ratio (fwd.)	25.2x	15.1x	19.2x	19.2x
Dividend yield	1.4%	1.9%	1.9%	1.5%
10-yr. Treasury	6.2%	4.7%	1.6%	1.8%

Since 1929, we've seen 26 bear markets[1]

Stocks lost more than 36% on average in a bear market[2]

Stocks gained 114% on average during a bull market[3]

What is this chart showing?

This chart shows the cumulative return of the S&P 500 Index from 1996 to present. It also highlights the return of major expansionary and contraction periods during this time.

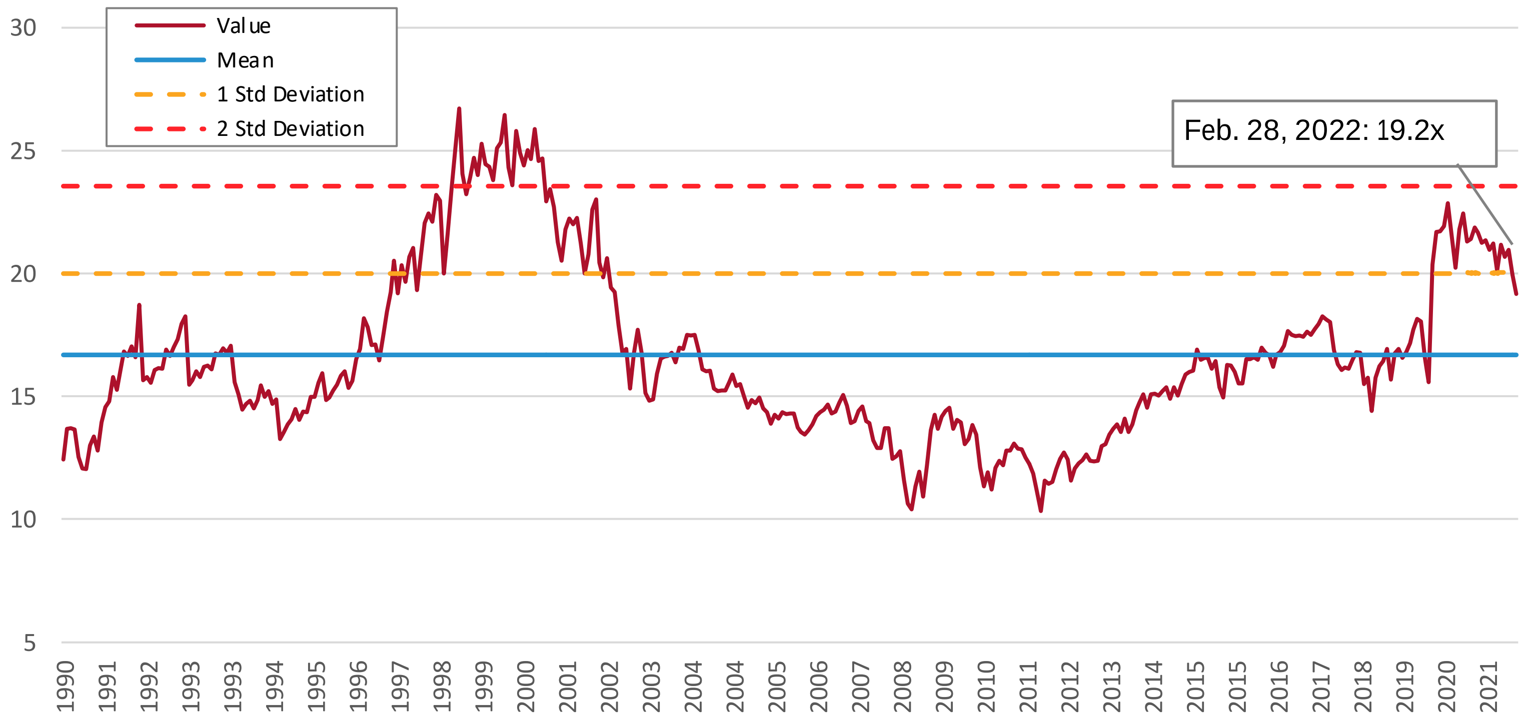
Why is it important?

This chart can help put market cycles in context by comparing the magnitude and duration of bull and bear markets, along with the long-term trend of the S&P 500.

Past performance is not indicative of future returns. You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. **Dividend yield** is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by Compustat. **Forward price-to-earnings ratio** is a bottom-up calculation based on the most recent S&P 500 Index price, divided by consensus estimates for earnings in the next 12 months (NTM). The S&P 500® Price Return Index tracks the stock performance of 500 large U.S. companies. The index used is a price index and does not reflect dividends paid on the underlying stocks.[1] Bloomberg, Lincoln Financial Group as of 12/31/2020. Bear markets are defined as instances of at least a 20% market decline. [2] Source for bear/bull market stats is Ned Davis Research as of 12/15/21 unless otherwise noted. [3] Source for bear/bull market stats is Ned Davis Research as of 12/15/21 unless otherwise noted.

S&P 500: Valuation measures



Source: FactSet, S&P, Robert Shiller, Bloomberg. As of February 28, 2022.

Forward P/E ratio (or forward price-to-earnings ratio) is the most-recent stock price divided by the forward-looking EPS estimate. **Shiller's P/E ratio** is the most recent stock price divided by the average of 10 years of inflation-adjusted earnings. **Dividend yield** is the percentage of its stock price that a company is projected to pay out as dividends. It is calculated by dividing estimated annual dividends per share for the current fiscal year by the company's most recent month-end stock price. **Price-to-book** compares a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share (BVPS). **Price-to-cash flow** is a valuation indicator or multiple that measures the value of a stock's price relative to its operating cash flow per share. **Standard deviation** is a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

Valuation Measures	Recent	20-year Average
Forward P/E	19.2	15.5
Shiller's P/E	36.0	25.9
Dividend Yield	1.5%	2.1%
Price-to-Book	4.0	2.6
Price-to-Cash Flow	14.5	10.8

What is this chart showing?

This chart shows the historical trend of the S&P 500 forward P/E ratio compared to the modern-era historical average.

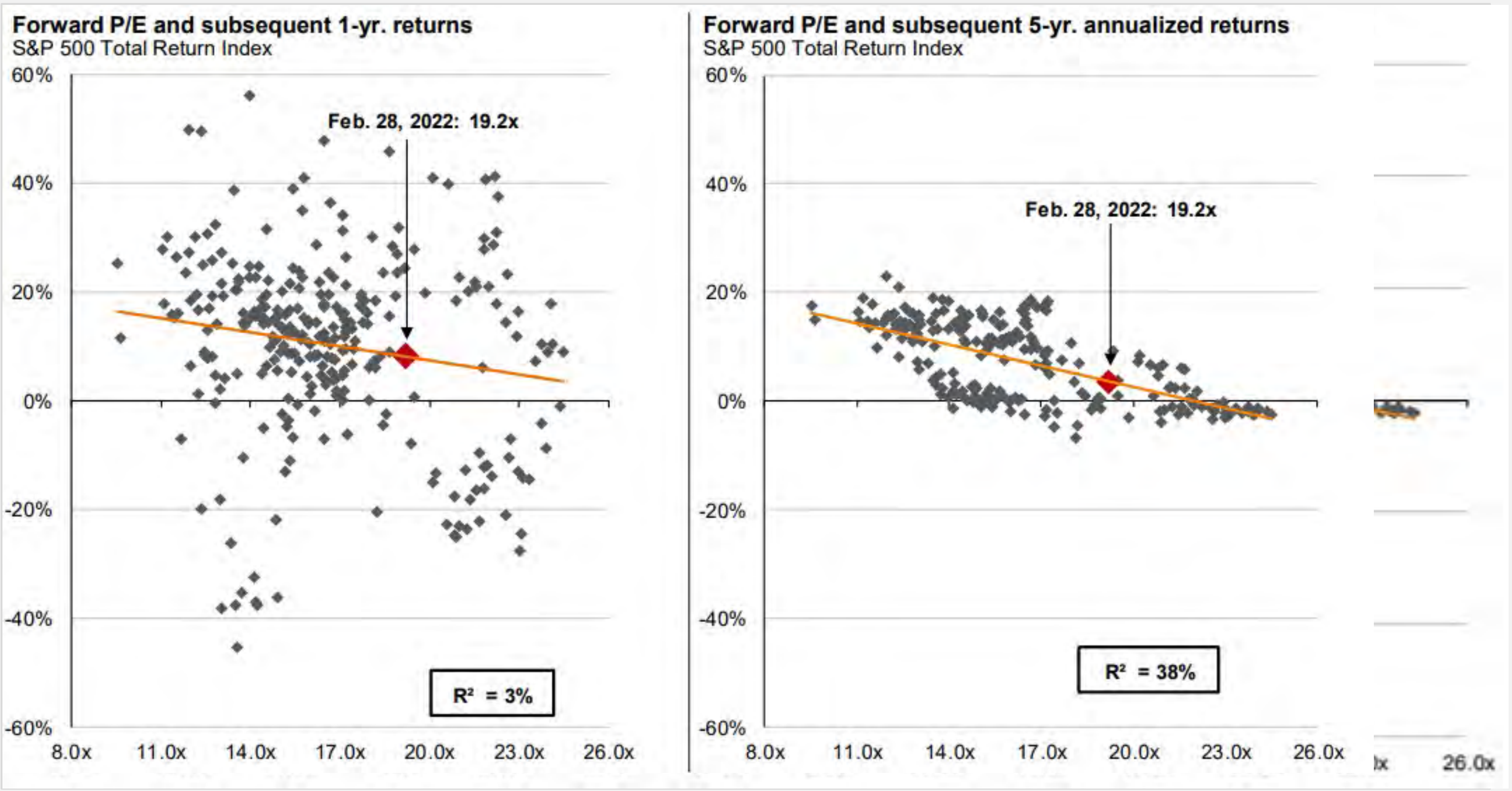
Why is it important?

Equity valuation measures, like the forward P/E, can help investors gauge if the market is overvalued or undervalued relative to the historical average.

Equity valuations and subsequent returns

J.P.Morgan Asset Management

While valuation measures, such as the forward P/E, do not necessarily have predicative power in terms of returns over a short time period (one year), there is a much tighter correlation when using longer return periods, such as five years.



Source: FactSet, Refinitiv Datastream, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management.

Returns are 12-month and 60-month annualized total returns, measured monthly, beginning 1/31/97. R^2 represents the percent of total variation in total returns that can be explained by forward price-to-earnings ratios. Price-to-earnings is price divided by consensus analyst estimates of earnings per share for the next 12 months as provided by IBES since January 1997 and by FactSet since January 2022.

Guide to the Markets – U.S. Data are as of February 28, 2022.

Source: JP Morgan, as of February 28, 2022.

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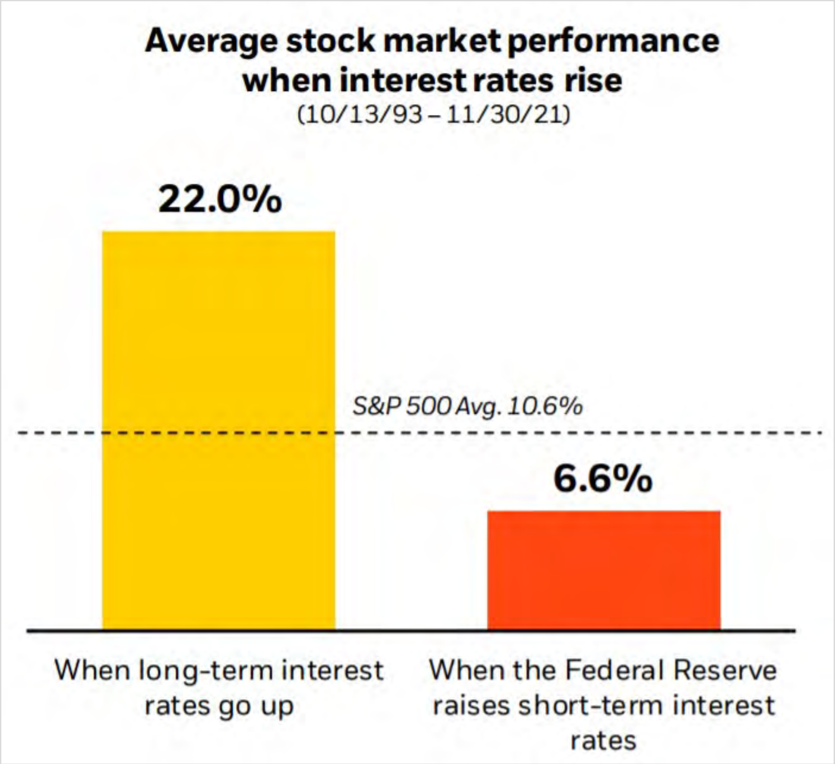
Stock market in rising rate environment

BlackRock

Higher long-term interest rates have been historically good for stocks, but the Federal Reserve raising short-term rates has been more problematic.



Source: Blackrock, Student of the Market, December 2021; https://www.blackrock.com/us/financial-professionals/literature/investor-education/student-of-the-market.pdf.

Stock and bond returns in inflationary regimes

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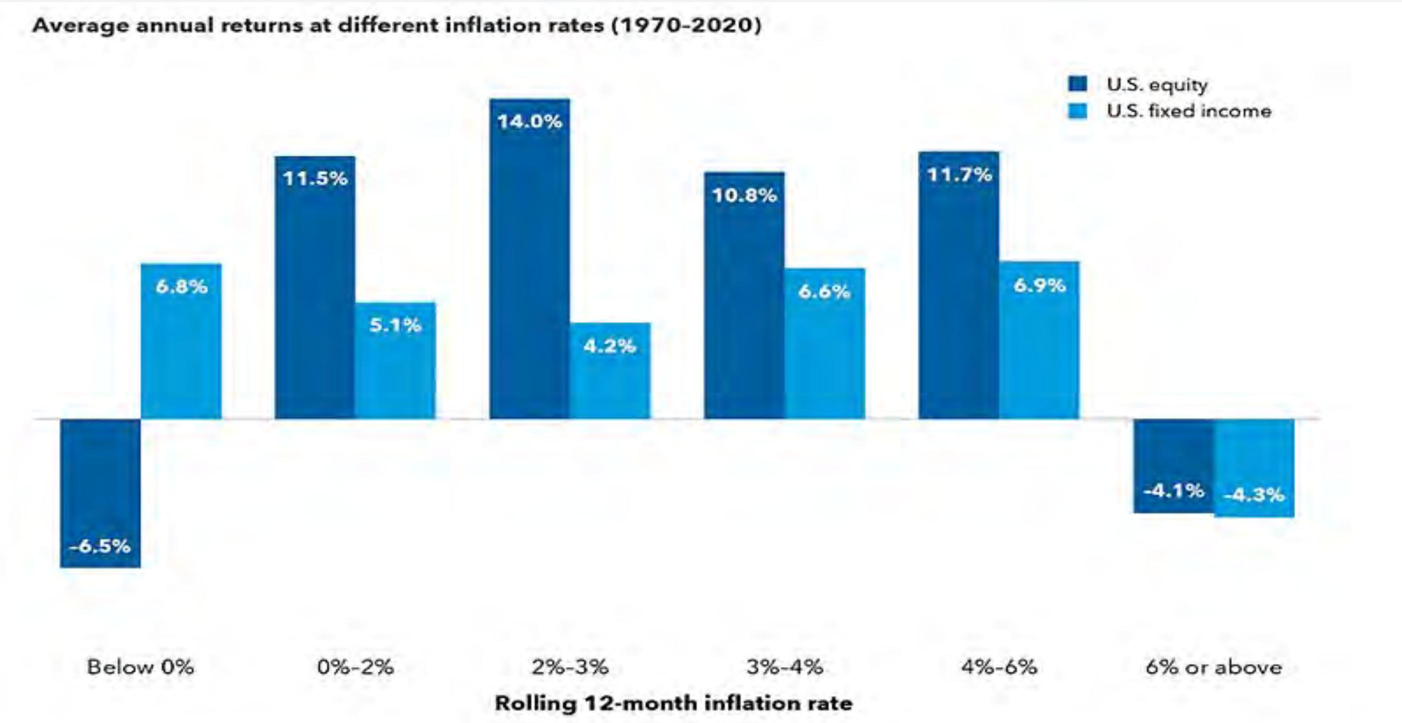
Even during times of higher inflation, stocks and bonds have generally provided solid returns as shown in the chart. It's mostly at the extremes — when inflation is above 6% or negative — that financial assets have tended to struggle.



Source: Capital Group, Bloomberg Index Services, Ltd., Morningstar, Standard & Poor's. All returns are inflation adjusted real returns. U.S. equity returns represented by the Standard & Poor's 500 Composite Index. U.S. fixed income represented by Ibbotson Associates SBBI U.S. Intermediate-Term Government Bond Index from 1/1/1970-12/12/1975, and Bloomberg U.S. Aggregate Bond Index from 1/1/1976 – 12/31/2020. Inflation rates are defined by the rolling 12-month returns of the Ibbotson Associates SBBI U.S. Inflation Index.

Source: American Funds. Outlook 2022 Edition.

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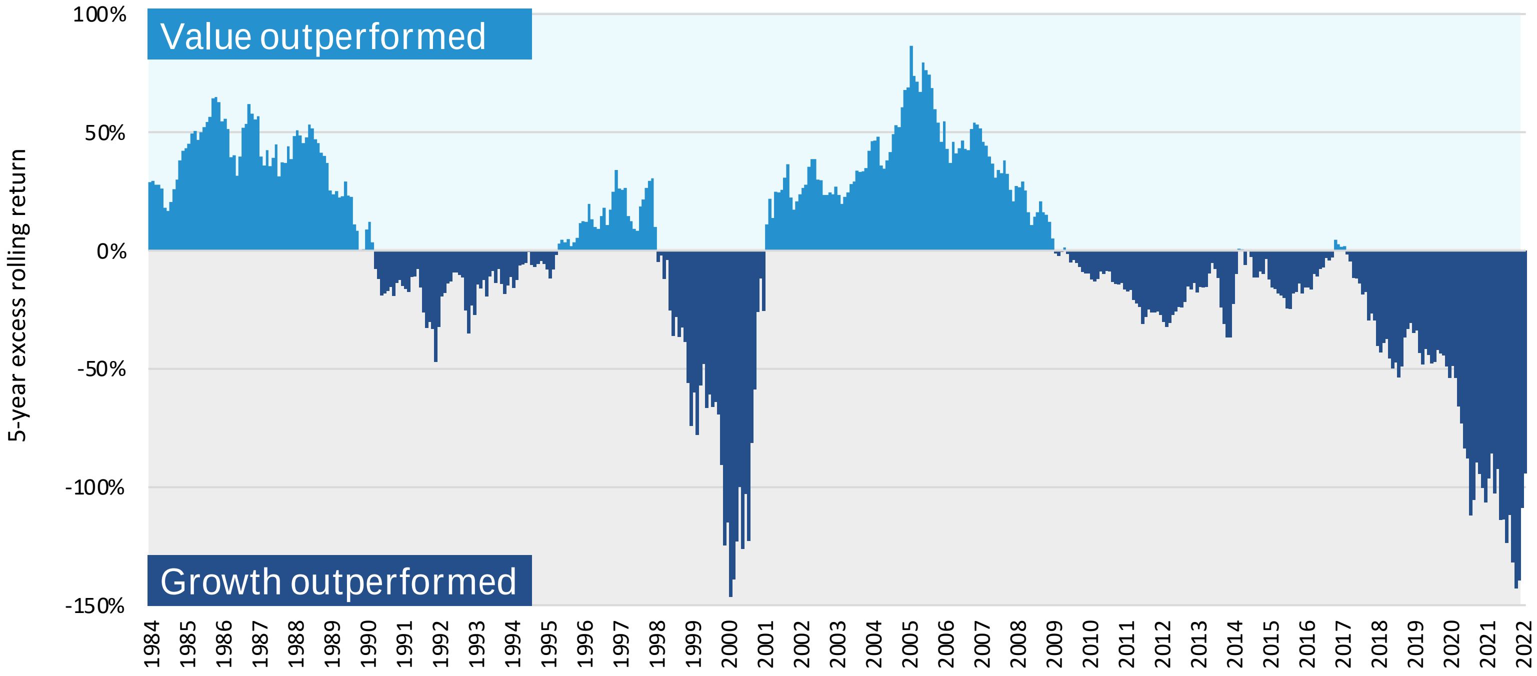
Growth vs. Value leadership rotation

What is this chart showing?

Growth and Value styles have rotated leadership during different market and economic environments.

Why is it important?

Historically, Value has led early in the economic recovery and when rates are rising, where Growth has led when interest rates are falling, and earnings are strong. A mix of both styles can help smooth returns over time.



Value sectors

Industrials	Real Estate
Financials	Utilities
Energy	Consumer Staples
Manufacturing	

Growth sectors

- Communication Services
- Technology
- Healthcare
- Consumer Discretionary

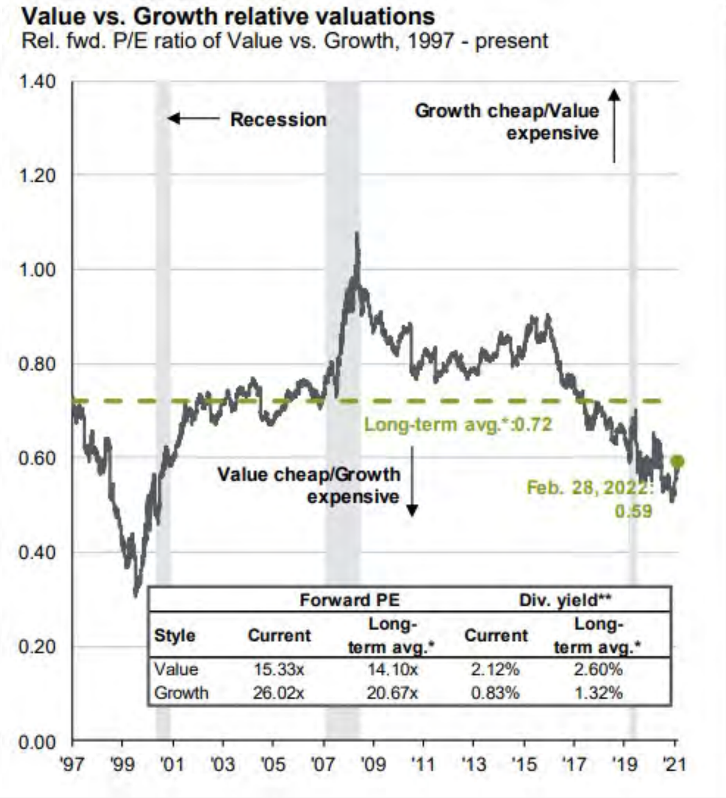
Source: Morningstar; Value represented by Russell 1000 Value Index, Growth represented by Russell 1000 Growth Index. Both indices are total return. Data through 2/28/2022. **Past performance is not indicative of future returns.**

Value vs. Growth style characteristics

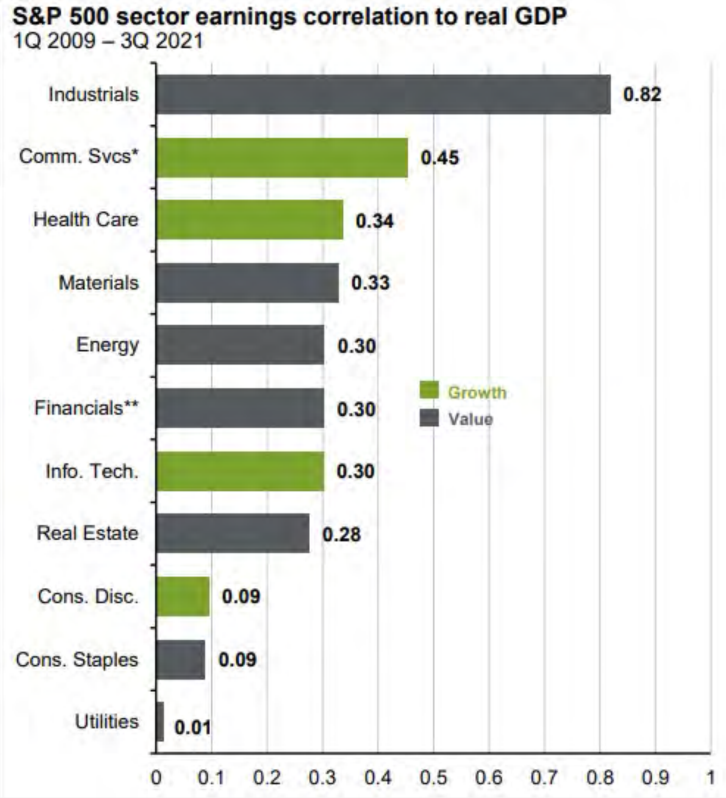
J.P.Morgan
Asset Management

The **chart of the left** shows the relative forward price-to-earnings ratios for the Russell 1000 Value and Russell 1000 Growth indices. When the line is moving up and above the long-term average it shows that value is expensive relative to growth, but when the line is below the long-term average and moving down it represents growth as becoming expensive relative to value.

The **chart on the right** shows the correlations of each sector's earnings to real GDP, with each sector categorized as value or growth based upon their weight in the Russell growth and value indices.



	Forward PE		Div. yield**	
Style	Current	Long-term avg.*	Current	Long-term avg.*
Value	15.33x	14.10x	2.12%	2.60%
Growth	26.02x	20.67x	0.83%	1.32%



Source: FactSet, FTSE Russell, NBER, J.P. Morgan Asset Management. (Left) Growth is represented by the Russell 1000 Growth Index and Value is represented by the Russell 1000 Value Index. *Long-term averages are calculated monthly since December 1997. **Dividend yield is calculated as the next 12-month consensus dividend divided by most recent price. (Right) *Communication services correlation is since 3Q13 and based on backtested data by JPMAM. **Financials correlation is since 4Q09.

Source: J.P. Morgan, Guide to the Markets – U.S. Data are as of February 28, 2022.

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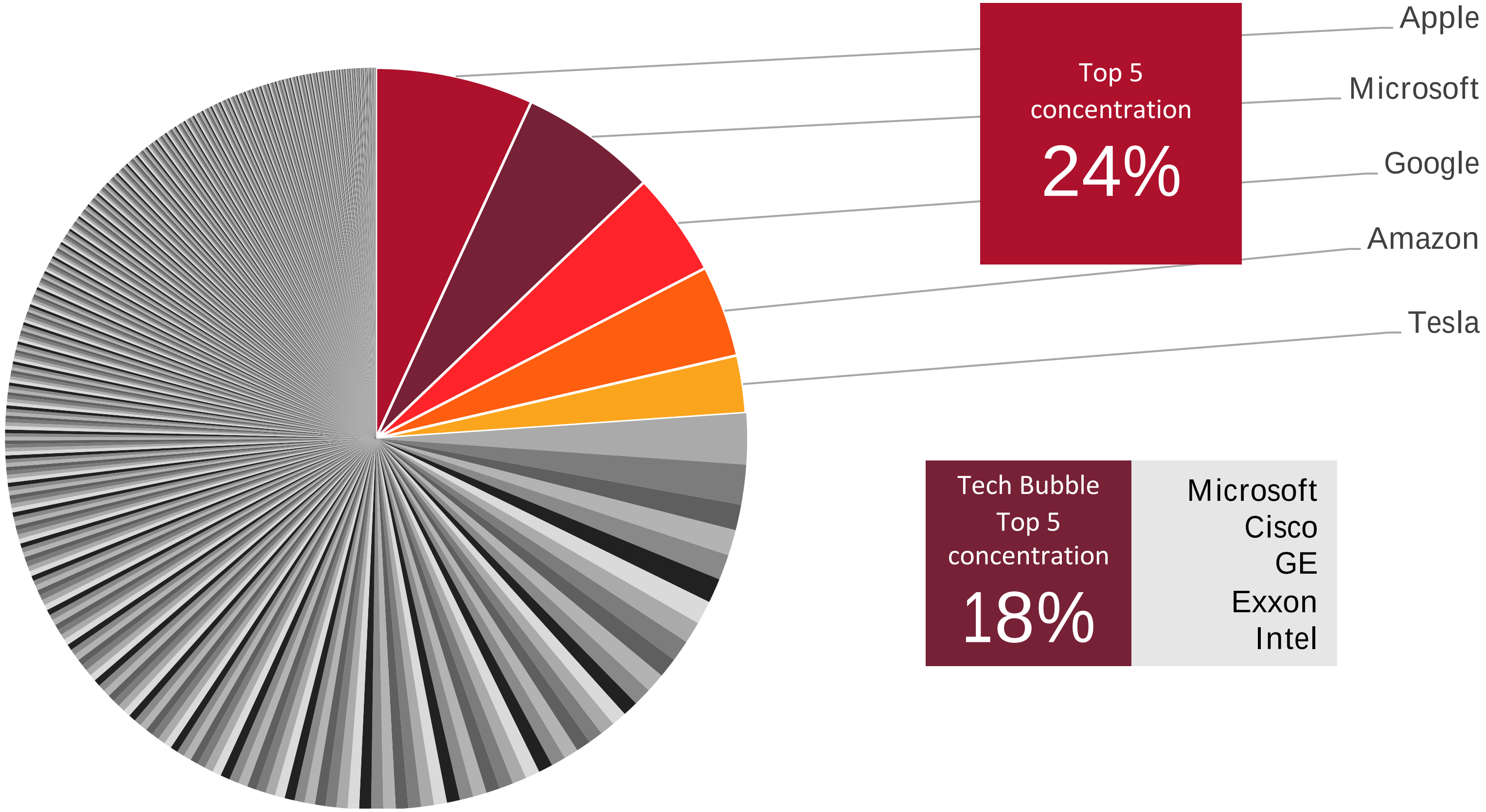
S&P 500: Top 5 stocks



What is this chart showing?

This pie chart shows the top five stocks in the S&P 500, and their combined concentration of the total index. The concentration of the top five stocks during the tech bubble is also shown for reference.

Why is it important?

Investors can use this to gauge current levels of concentration and determine if they represent increased risk.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures. Source: FactSet, S&P. December 31, 2021. Not a recommendation to buy or sell any security.

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S&P 500: Calendar returns and intra-year declines

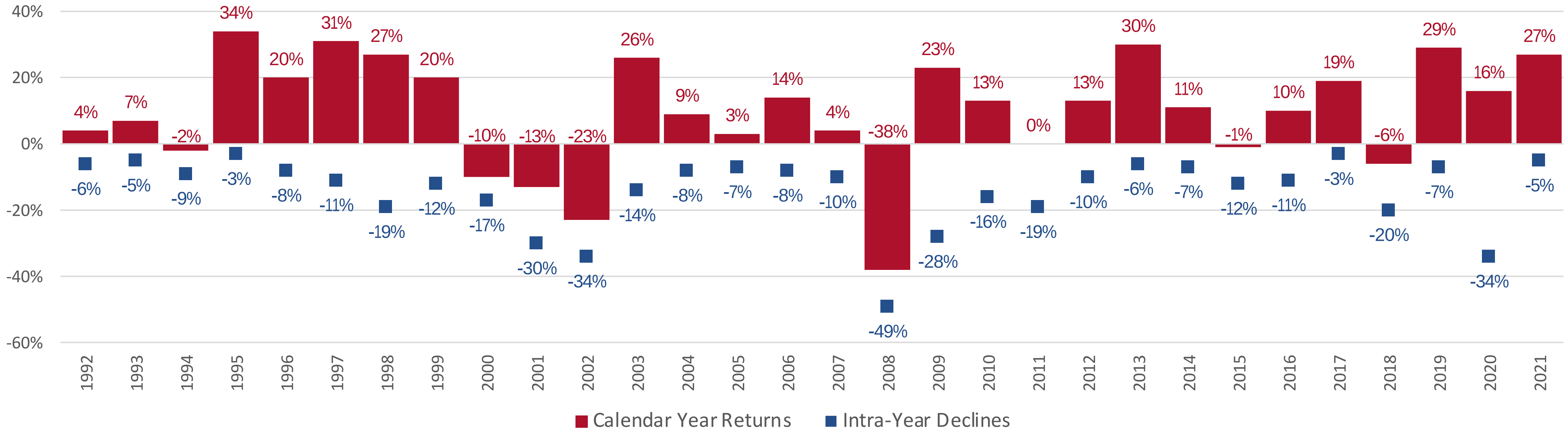
What is this chart showing?

This chart shows calendar year returns of the S&P 500 Price Index from 1970 to present. It also shows the largest intra-year declines (lows) for each year.

Why is it important?

Investors can use this to understand how looking at annual returns alone can hide that there are often large drops that occur within the year.

Despite average intra-year drops of 14.3%, annual returns were positive in 22 of 30 years.



You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Morningstar, Standard & Poors. Returns are based on price index only and do not include dividends. Intra-year declines refer to the largest market drops from a peak to a trough during the year. For illustrative purposes only. **Past performance is not indicative of future returns.**

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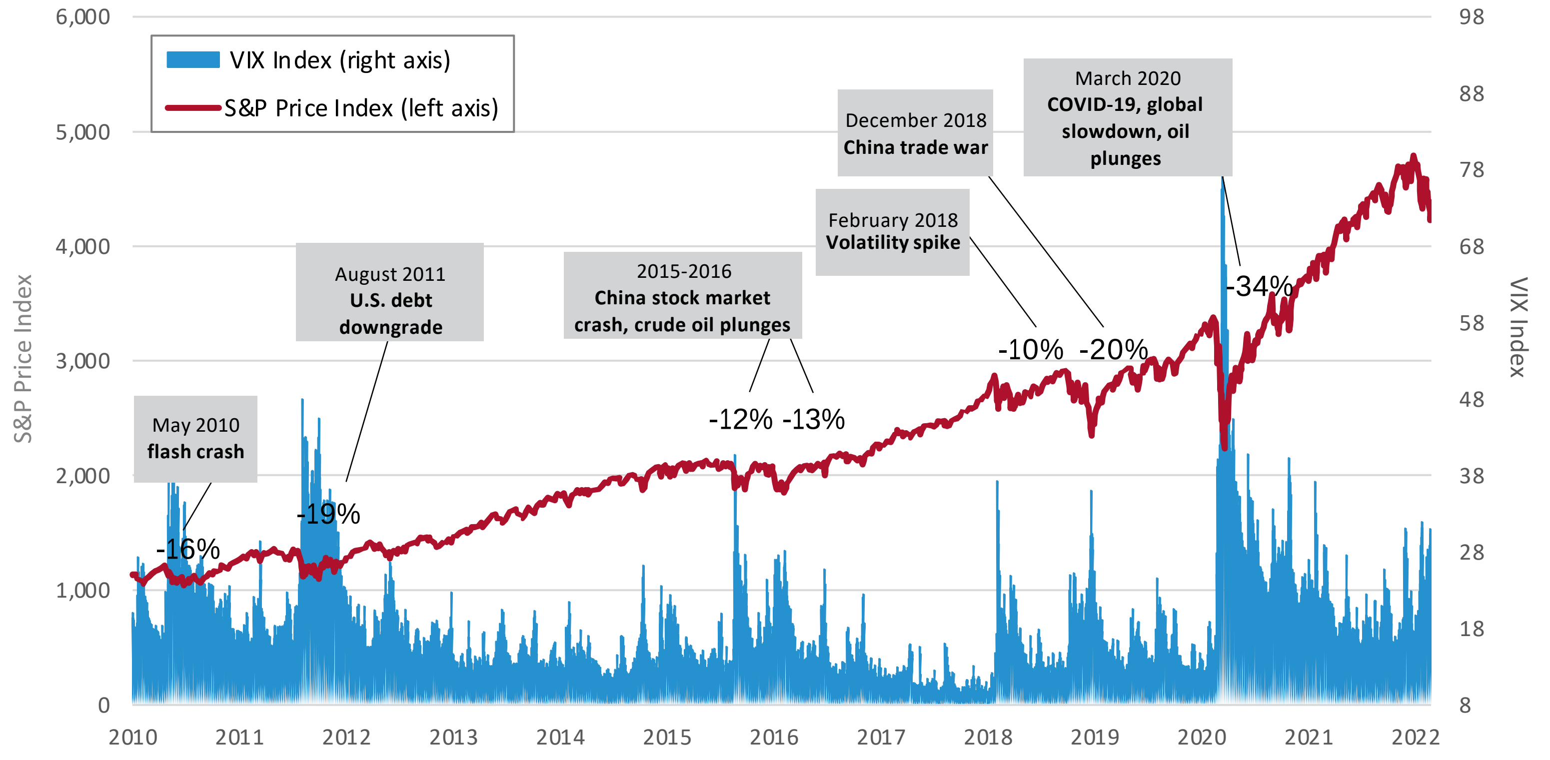
S&P 500: Returns and market volatility



What is this chart showing?

This chart shows key catalysts to large market drawdowns in recent history and volatility levels during these times.

Why is it important?

Investors can use this to view the relationship between volatility and equity market returns over both short- and long-term periods.

Source: Bloomberg, CBOE, S&P. Drawdowns are calculated as the prior peak to the lowest point. **Past performance is not indicative of future returns.**

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures. The **VIX** is a real-time market index representing the market's expectations for volatility over the coming 30 days.

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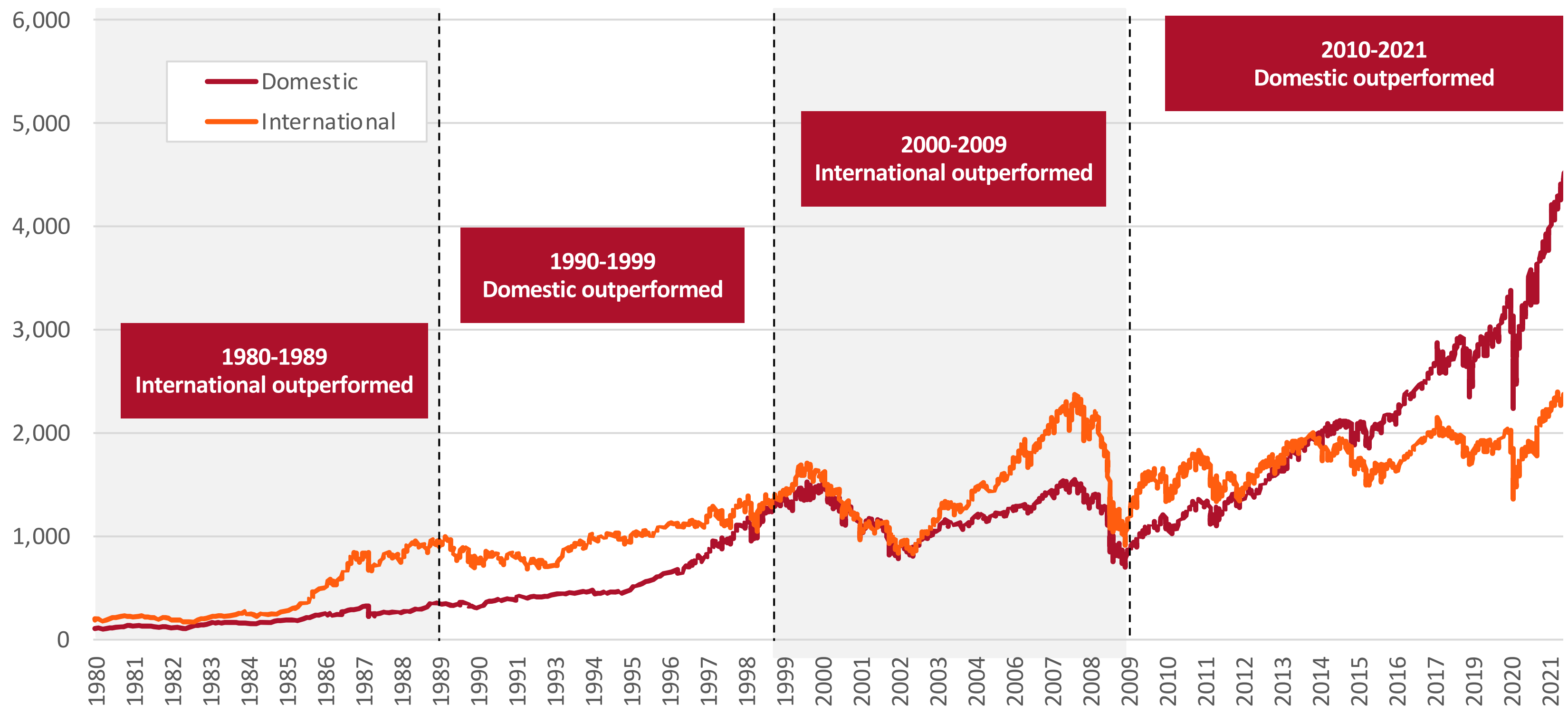
International vs. domestic equity returns

U.S. Equity vs. International Returns (1980 – 2022)



What is this chart showing?

This chart shows the cumulative growth of international equities versus domestic equities from 1980 through the most recent quarter end.

Why is it important?

While one may outperform the other for long periods of time, history shows that leadership between international and domestic equity tends to rotate. Investors can use this information to help inform future investment decisions when considering portfolio allocations to domestic and international stocks.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: FactSet, S&P, MSCI as of February 28, 2022. Returns are cumulative and based on 1) S&P 500 Index price movement only, and do not include the reinvestment of dividends and 2) MSCI World ex USA PR USD. **Past performance is not indicative of future returns.**

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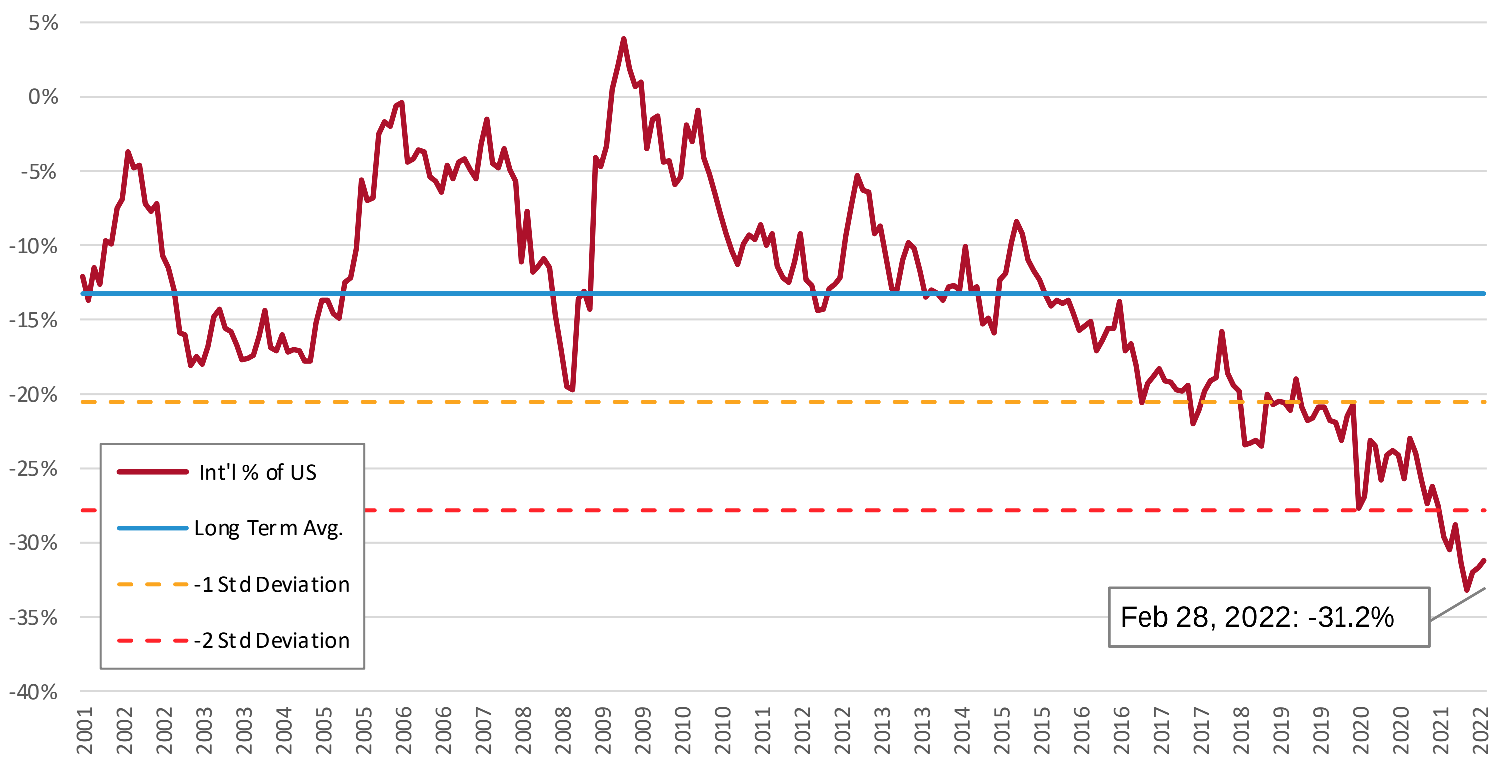
International vs. domestic equity valuations

Discount of International vs. U.S. stock market, based on forward P/E valuation measure



What is this chart showing?

This chart shows the relative valuations of International and U.S. stocks.

Why is it important?

Compared to the long-term average, International stocks are currently priced at a steep discount to U.S. stocks. This is worth noting for investors considering their strategic allocations.

Source: FactSet, MSCI, and S&P. Based on MSCI All Country World Index ex. U.S. vs. S&P 500 Indices, forward price-to-earnings comparison. **Forward P/E ratio** (or forward price-to-earnings ratio) is the most-recent stock price divided by the forward-looking EPS estimate.

Fixed income

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U.S. Treasury yield

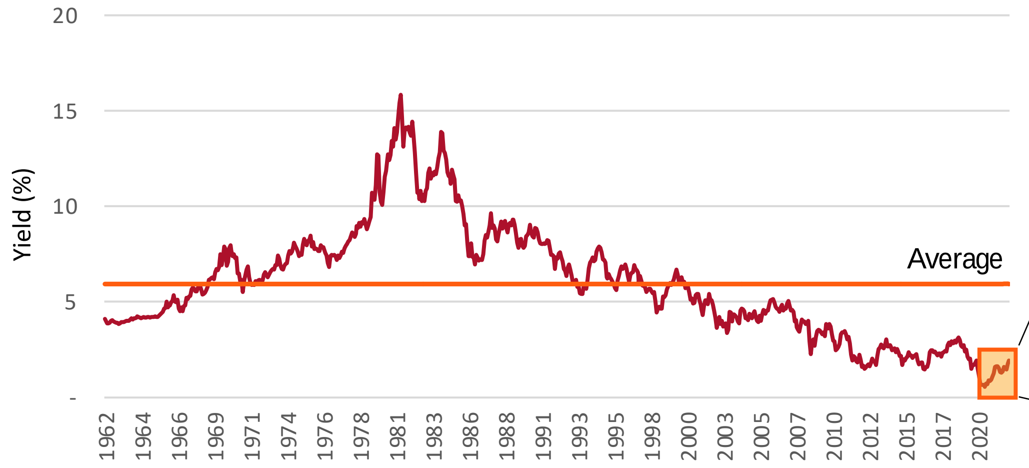
What is this chart showing?

This chart shows the historical yield for the 10-year Treasury, along with an expanded view of yield movements this year and their impact on several bond asset class returns.

Why is it important?

Experts view the 10-year Treasury yield as a benchmark for the state of the economy and investor confidence. It drives interest rates throughout the market, making money more or less expensive to borrow. Movements can signal a need to reevaluate stock valuations and portfolio investment risks.

U.S. 10-year Treasury yield



U.S. 10-year Treasury yield, January 2020 thru February 2022

	YTD Return (thru 2/28/22)
Core Bonds	–3.25%
Intermediate Treasuries	–2.35%
Long-term Treasuries	–5.58%

	Nominal Yield	Core Inflation*	Real Yield
10-year Treasury	1.83%	6.04%	-4.21%

Past performance is not indicative of future returns.

Core bonds represented by BBgBarc US Aggregate Bond TR; Intermediate Treasuries represented by ICE BofA 5-10Y US Trsy TR USD; Long-term Treasuries represented by ICE BofA 10+Y US Trsy TR USD.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Morningstar, Bloomberg, J.P. Morgan. Real 10-year Treasury yields are calculated as the daily Treasury yield less year- over-year core CPI inflation for that month.

*Real 10-year Treasury yields are calculated as the daily Treasury yield less year-over-year core CPI inflation for that month. For the current month, we use the prior month's core CPI figures until the latest data is available.

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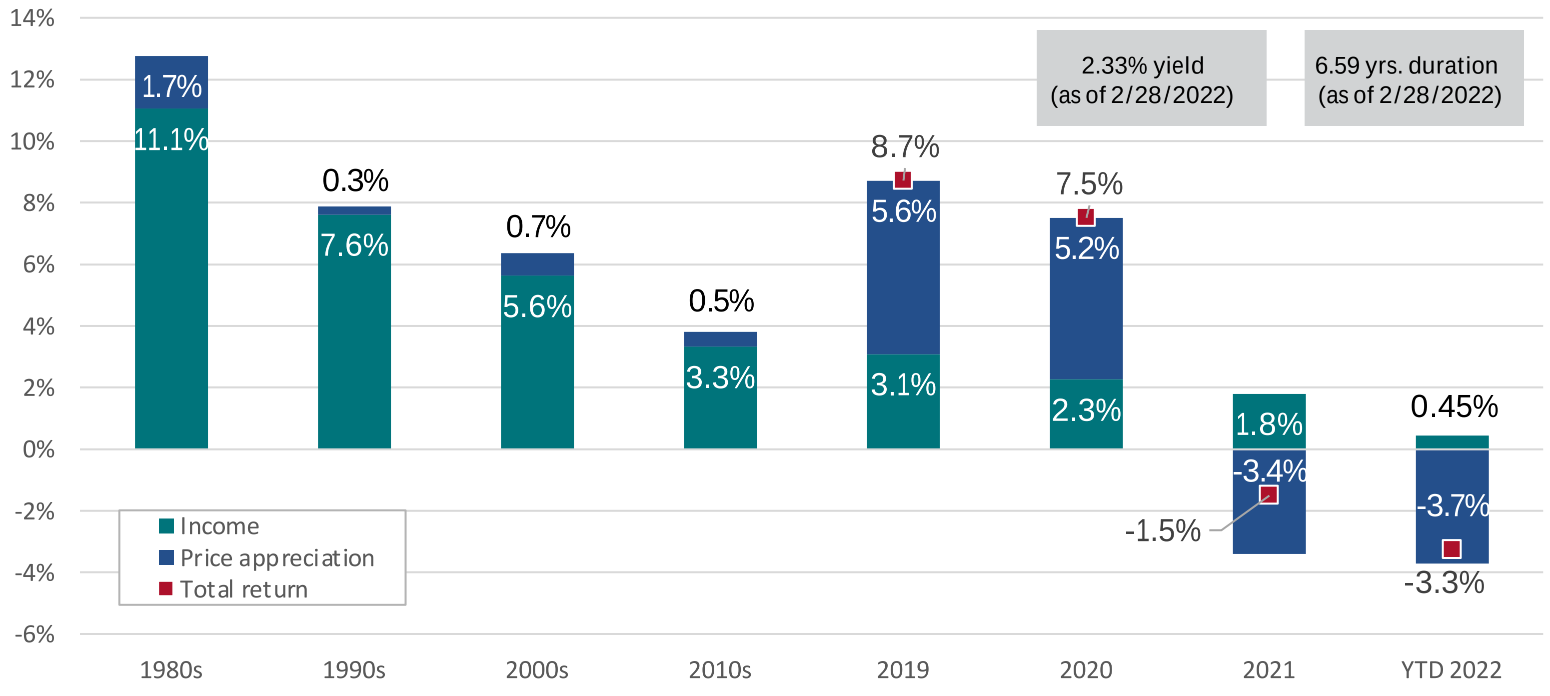
Core bonds: Total return breakdown

U.S. Bloomberg Barclays Aggregate Index



What is this chart showing?

This chart breaks down the total return of the Barclays U.S. Aggregate Bond Index into separate income and price appreciation components throughout different time periods.

Why is it important?

Investors can use this to see the historical drivers of bond returns, and how those drivers have shifted over the decades. Interest rates had been steadily declining for 40 years, making it challenging for investors to find meaningful levels of income from relatively safe sources, like core bonds.

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Barclays, Bloomberg, Morningstar. As of February 28, 2022. **Past performance is not indicative of future returns.**

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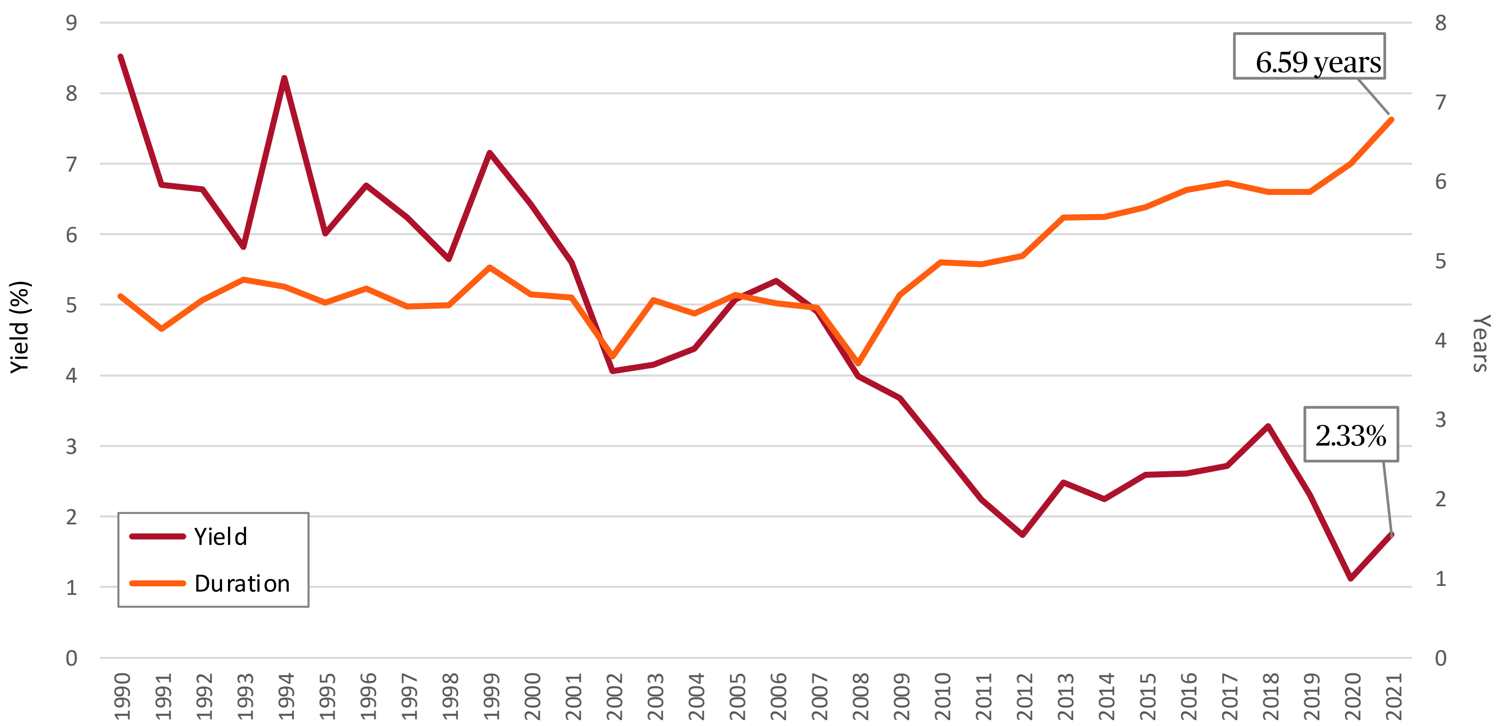
Core bonds: Index characteristics

U.S. Bloomberg Barclays Aggregate Index



Date	Yield (A)	Duration (B)	Rate increase that would offset yield (A/B)
12/31/89	8.62%	4.6 yrs	187 bps
12/31/99	7.20%	4.9 yrs	147 bps
12/31/09	3.70%	4.6 yrs	80 bps
12/31/20	1.10%	6.2 yrs	18 bps
12/30/21	1.75%	6.8 yrs	26 bps
YTD 2/28/22	2.33%	6.6 yrs	35 bps

What is this chart showing?

This chart shows how the yield and duration of core bonds, as measured by the Bloomberg Barclays Aggregate Bond Index, has trended from 1990 through present.

Why is it important?

Investors can use this to see how the risk/reward trade-off of core bonds has been trending over time. Risk is measured by the duration, and reward is measured by the yield.

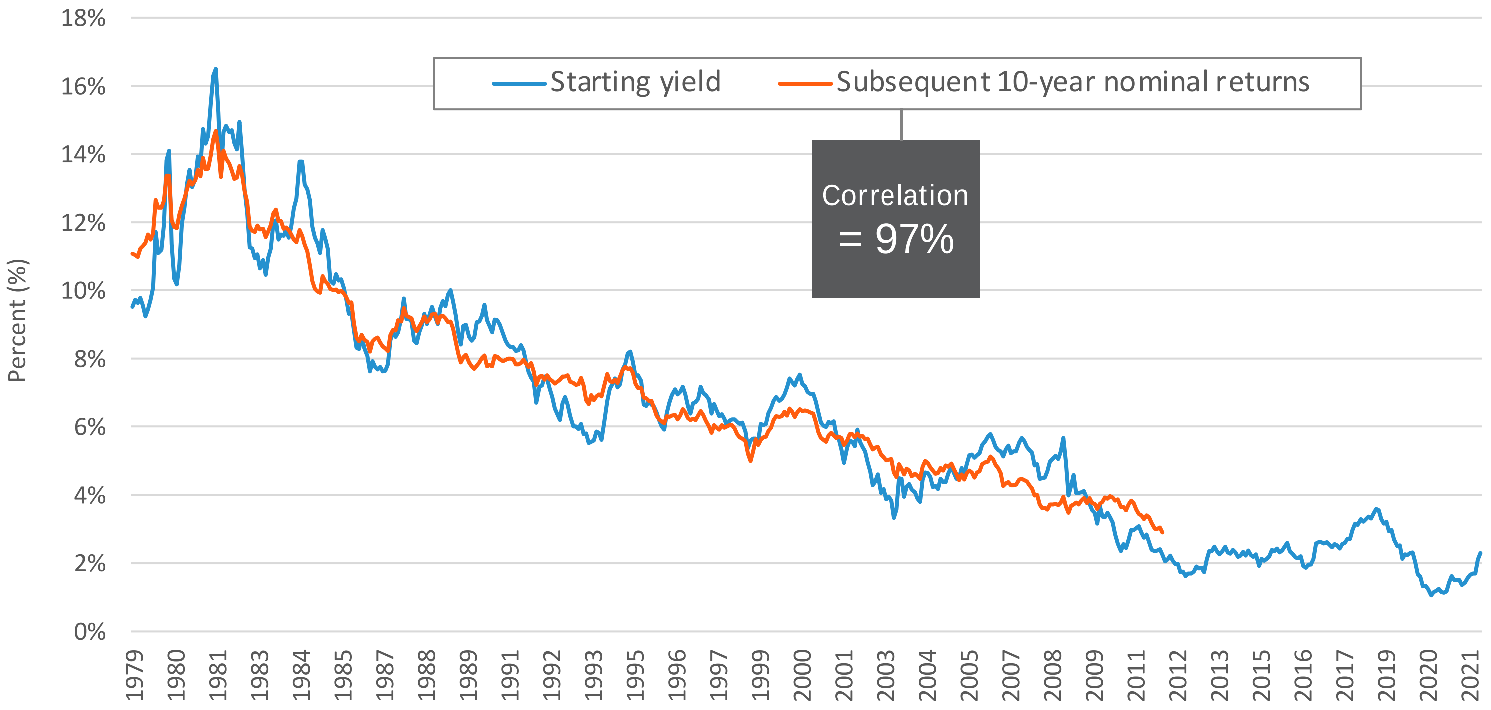
You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Duration is a measure of a fund's interest-rate sensitivity — the longer a fund's duration, the more sensitive the fund is to shifts in interest rates. **Yield** is represented by Yield to Worst, which is the lowest possible yield of a bond.

Source: Barclays, Bloomberg. As of February 28, 2022. **Past performance is not indicative of future returns.**

Core bonds: Starting yields and subsequent returns

Bloomberg Barclays U.S. Aggregate Bond Index starting yield and subsequent returns



What is this chart showing?

This chart shows the starting yield of U.S. core bonds for the past 40+ years, along with the subsequent 10-year total returns from that point.

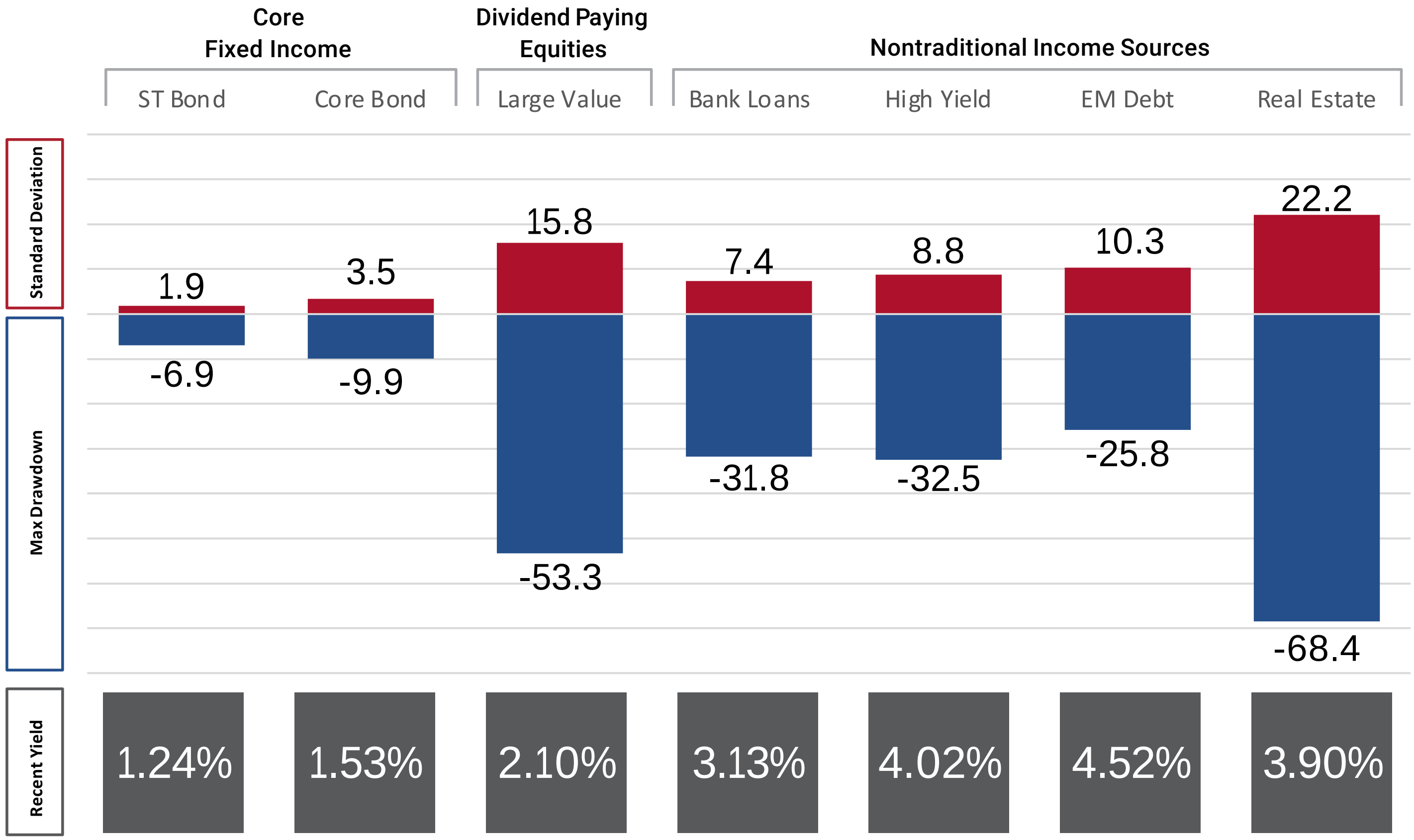
Why is it important?

Investors commonly look to current yields to inform their total return expectations, as historically starting yield is an accurate predictor of future bond returns (97% correlation).

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Research affiliates based on data from Bloomberg and FactSet as of February 28, 2022. Proxy: Bloomberg Barclays U.S. Aggregate Bond Index. **Past performance is not a guarantee or a reliable indicator of future results.**

Income assets: Yields and risk



What is this chart showing?

This chart shows the 15-year standard deviation and maximum drawdown of select income-producing asset classes, along with recent yields.

Why is it important?

This allows investors to easily compare both the yield and risk of various income-producing asset classes.

Standard deviation is a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

Current yield (SEC Yield) is a calculation based on a 30- day period ending on the last of the previous month. It is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period.

Max drawdown is the largest drop in value from peak to bottom for an asset, asset class, or portfolio, over a certain period of time.

Source: Morningstar. 15-year standard deviation and 15-year max drawdown based on period ending 2/28/2022. SEC yield based on most current data available as of 2/28/2022.

Asset allocation

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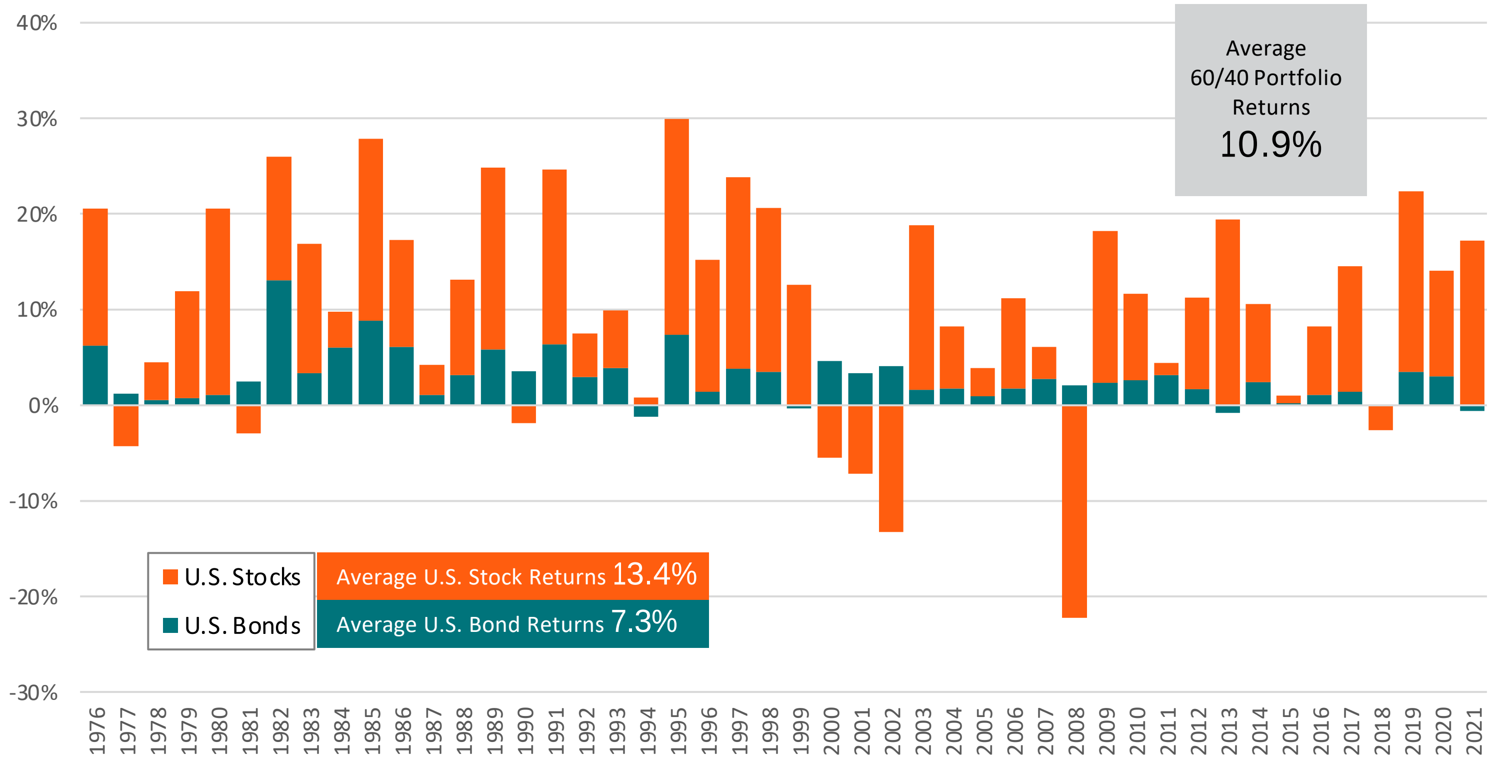
60/40 portfolio returns



What is this chart showing?

This chart shows both the annual and long-term average returns of a portfolio consisting of 60% U.S. stocks and 40% U.S. bonds.

Why is it important?

Investors can use this to compare the performance of a domestic 60/40 portfolio to other strategies, as well as view the respective contribution to total return from both stocks and bonds.

Stocks are represented by the S&P 500 Index. Bonds are represented by the Bloomberg Barclays U.S. Aggregate Bond Index. You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Data from Morningstar, Stocks = S&P 500 TR, Bonds = Barclays US Aggregate Bond Index, 1976 through 2020; 60/40 Portfolio = 60% S&P 500 TR + 40% Barclays US Aggregate Index. Arithmetic averages used. **Past performance is not indicative of future returns. Asset allocation does not ensure a profit nor protect against loss.**

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Asset class sentiment from our network

		vs. Prior Qtr.	More bearish	Neutral	More bullish
Equities	U.S. Large Cap	▲	Mid	Min	Max
	U.S. Mid Cap		Min	Mid	Max
	U.S. Small Cap	▼	Min	Mid	Max
	U.S. Growth	▲	Min	Mid	Max
	U.S. Value		Min	Mid	Max
	International Equity		Mid	Mid	Max
	Emerging Market Equity		Mid	Mid	Max
Fixed Income	U.S. Government		Max	Mid	Min
	U.S. High Yield		Min	Mid	Max
	U.S. Investment Grade		Max	Mid	Min
	U.S. Investment Grade Corporate		Mid	Max	Min
	Emerging Market Debt (USD)		Min	Max	Mid
	TIPS		Mid	Max	Max
	International Fixed Income (IG)		Max	Max	Mid
Alts.	Global REITs	▲	Min	Max	Mid
	U.S. REITs	▲	Mid	Max	Max
	Commodities		Mid	Mid	Max

What is this chart showing?

This table shows, in aggregate, sentiment on various asset classes from our network of asset management partners.

Why is it important?

These survey results are informative, as they provide readers a consensus view from industry leaders on asset class outlooks for the next 12 to 18 months.

Concentration of asset manager views

Min	Mid	Max

Arrows represent a sentiment change of greater than or equal to 20%

▲ = bullish sentiment increased

▼ = bearish sentiment increased

A **bearish** reading indicates the potential for an asset to underperform its class or subclass on a risk-adjusted basis.

A **bullish** reading indicates the potential for an asset to outperform its class or subclass on a risk-adjusted basis.

A **neutral** reading indicates the potential for performance in line with the asset's historical averages.

Survey results as of 12/31/2021. Every quarter, Lincoln collects, and aggregates in this chart, various asset class sentiments from our network of asset management partners, to provide readers a consensus view from industry leaders on asset class outlooks for the next 12 to 18 months. Asset manager views are compiled each quarter end through a survey process. This quarter's results include the views of 24 asset managers. The views expressed above are those of the select asset managers only and not necessarily of any Lincoln Financial Group affiliate. The survey results are not based on any particularized financial situation, or need, and are not intended to be, and should not be construed as, a forecast, research, investment advice or a recommendation for any specific strategy, product or service from any of the participating investment managers. Investors should speak to their financial professionals regarding the investment mix that may be right for them based on their financial situation and investment objectives.

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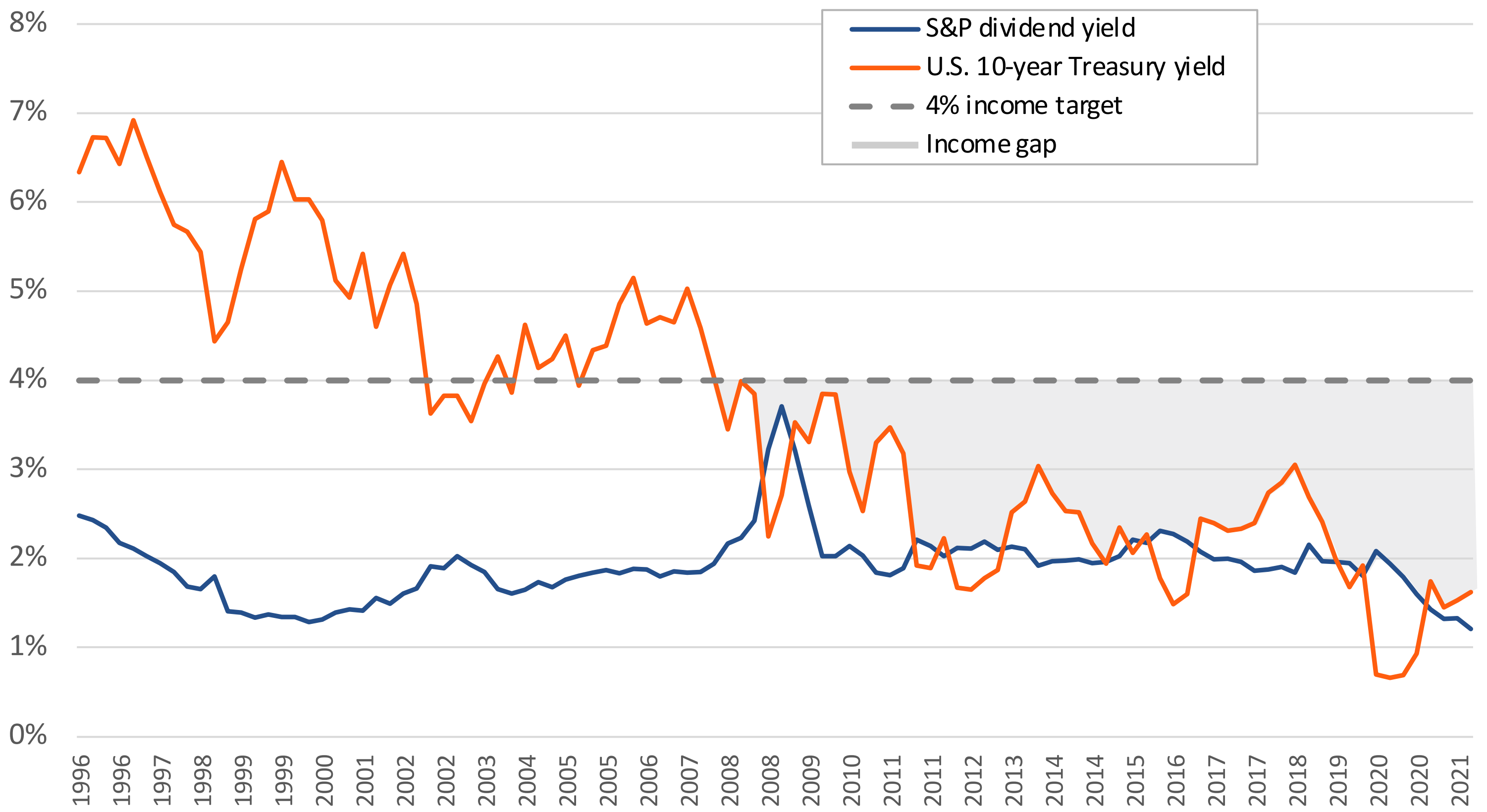
The income gap



What is this chart showing?

This chart shows interest rates and dividend yields over time, and how each can contribute to achieving a 4% portfolio income target.

Why is it important?

Investors can use this to determine how the current environment may impact future income planning.

Past performance is not indicative of future returns. You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: FactSet. Data from January 1, 1996, through December 31, 2021.

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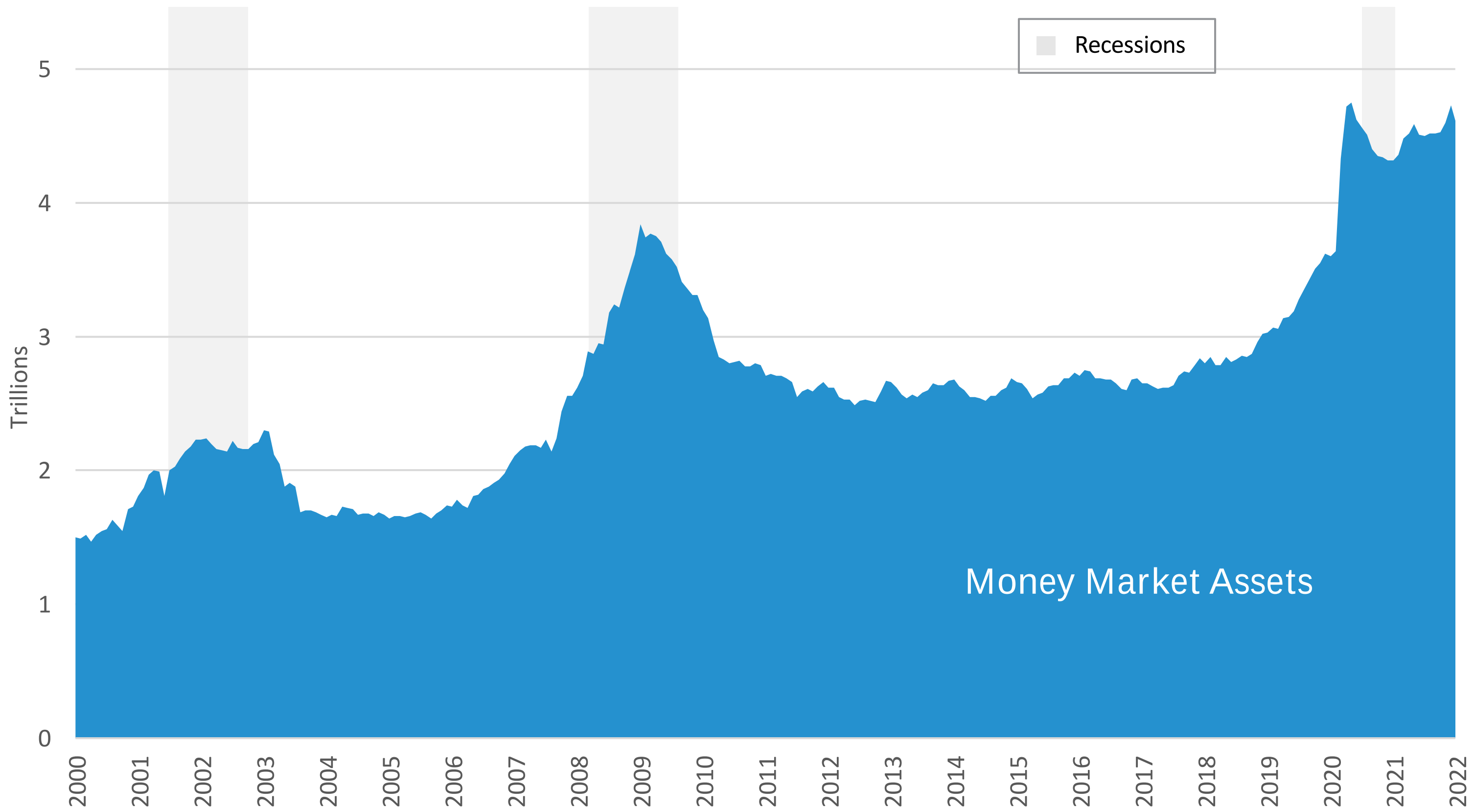
Cash on the sidelines

Growth in Money Market Assets



Source: Morningstar. Data as of January 31, 2022. Data based on combined AUM of tax-free, taxable, and Prime Money Market accounts.

What is this chart showing?

This chart shows the amount of cash investors held in money market accounts from 2000 through the most current data available as of quarter end.

Why is it important?

Increases and decreases in cash on the sidelines is one indicator that can help gauge how investors are feeling, positive or negative, about the market and the economy.

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Periodic table of investment returns

What is this chart showing?

This chart shows the annual performance of major asset classes. Each category is color-coded and listed from best-performing to worst in each year. Additionally, the returns of a diversified asset allocation are shown in each year for reference.

Why is it important?

Investors can easily see that from year to year, performance of the asset categories tends to rotate, making it very difficult for investors to select the top performing asset. Investors who own a diversified asset allocation tend to experience positive returns over the long-term.

														2008 – 2021	
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Annualized	Volatility
US Core Bond 5.2%	EM Stocks 79.1%	REITs 28%	REITs 8.3%	REITs 19.7%	US Sm Cap 38.9%	REITs 28%	REITs 2.8%	US Sm Cap 21.3%	EM Stocks 37.8%	Cash 1.8%	US Lg Cap 31.5%	US Sm Cap 20.0%	REITs 41.3%	US Lg Cap 11.0%	REITs 23.4%
Cash 1.8%	Global HY Bond 59.4%	US Sm Cap 26.9%	US Core Bond 7.8%	Global HY Bond 19.6%	US Lg Cap 32.4%	US Lg Cap 13.7%	US Lg Cap 1.4%	Global HY Bond 14.2%	Foreign Stocks 25.6%	US Core Bond 0%	REITs 28.7%	Commods 18.7%	US Lg Cap 28.7%	US Sm Cap 9.5%	US Sm Cap 23.2%
Asset Allocation -25.3%	Foreign Stocks 32.5%	EM Stocks 19.2%	Global HY Bond 3.1%	EM Stocks 18.6%	Foreign Stocks 23.3%	US Core Bond 6%	US Core Bond 0.6%	US Lg Cap 11.9%	US Lg Cap 21.8%	REITs -4%	US Sm Cap 25.5%	US Lg Cap 18.4%	Commods 27.1%	REITs 9.4%	EM Stocks 23.1%
Global HY Bond -26.8%	REITs 28%	Commods 16.8%	US Lg Cap 2.1%	Foreign Stocks 17.9%	Asset Allocation 14.9%	Asset Allocation 5.2%	Cash 0%	Commods 11.7%	US Sm Cap 14.7%	Global HY Bond -4.1%	Foreign Stocks 22.7%	Asset Allocation 11.3%	US Sm Cap 14.8%	Global HY Bond 6.9%	Commods 19.6%
US Sm Cap -33.7%	US Sm Cap 27.2%	US Lg Cap 15.1%	Cash 0.1%	US Sm Cap 16.3%	Global HY Bond 7.3%	US Sm Cap 4.9%	Foreign Stocks -0.4%	EM Stocks 11.6%	Asset Allocation 14.6%	US Lg Cap -4.4%	Asset Allocation 19.5%	Global HY Bond 8.3%	Asset Allocation 13.4%	Asset Allocation 6.6%	Foreign Stocks 19.5%
Commods -35.6%	US Lg Cap 26.5%	Global HY Bond 14.8%	Asset Allocation -0.7%	US Lg Cap 16%	REITs 2.9%	Global HY Bond 0%	Asset Allocation -2%	REITs 8.6%	Global HY Bond 10.4%	Asset Allocation -5.8%	EM Stocks 18.9%	US Core Bond 7.5%	Foreign Stocks 11.8%	US Core Bond 3.9%	US Lg Cap 17.3%
US Lg Cap -36.9%	Asset Allocation 25%	Asset Allocation 13.3%	US Sm Cap -4.2%	Asset Allocation 12.2%	Cash 0%	Cash 0%	Global HY Bond -2.7%	Asset Allocation 8.3%	REITs 8.7%	US Sm Cap -11%	Global HY Bond 12.6%	Cash 7.0%	Global HY Bond 1.0%	Foreign Stocks 3.6%	Global HY Bond 12.6%
REITs -37.7%	Commods 18.9%	Foreign Stocks 8.2%	Foreign Stocks -11.7%	US Core Bond 4.2%	US Core Bond -2%	EM Stocks -1.8%	US Sm Cap -4.4%	US Core Bond 2.6%	US Core Bond 3.5%	Commods -11.3%	US Core Bond 8.7%	REITs 0.5%	Cash 0%	EM Stocks 2.7%	Asset Allocation 12.1%
Foreign Stocks -43%	US Core Bond 5.9%	US Core Bond 6.5%	Commods -13.3%	Cash 0.1%	EM Stocks -2.3%	Foreign Stocks -4.5%	EM Stocks -14.6%	Foreign Stocks 1.5%	Commods 1.7%	Foreign Stocks -13.4%	Commods 7.7%	Foreign Stocks -3.1%	US Core Bond -1.5%	Cash 0.6%	US Core Bond 3.4%
EM Stocks -53.1%	Cash 0.1%	Cash 0.1%	EM Stocks -18.2%	Commods -1.1%	Commods -9.5%	Commods -17%	Commods -24.7%	Cash 0.3%	Cash 0.8%	EM Stocks -14.3%	Cash 2.2%	EM Stocks -5.1%	EM Stocks -2.2%	Commods -3.80%	Cash 0.4%

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures.

Source: Bloomberg, FactSet, S&P, MSCI, FTSE, Russell. **US Core Bond** — US BBgBarc Aggregate TR; **US Lg Cap** — S&P 500 TR; **Cash** — BBgBarc US Treasury Bill 1-3 Mon TR USD; **Global HY Bond** — BBgBarc Global High Yield TR USD; **EM Stocks** — MSCI EM GR USD; **Foreign Stocks** — MSCI EAFE GR USD; **US Sm Cap** — Russell 2000 TR USD; **Commods** — Bloomberg Commodity TR USD; **REITs** — FTSE NAREIT All Equity REITs TR USD; **Asset Allocation** - 25% S&P 500, 10% Russell 2000, 15% MSCI EAFE, 5% MSCI EME, 25% Bloomberg Barclays US Aggregate, 5% Bloomberg Barclays 1-3m Treasury, 5% Bloomberg Barclays Global High Yield Index, 5% Bloomberg Commodity Index and 5% NAREIT Equity REIT Index. **Please see Additional Information on page 44 for index definitions.** All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. **Past performance is not indicative of future returns.**

Foundations

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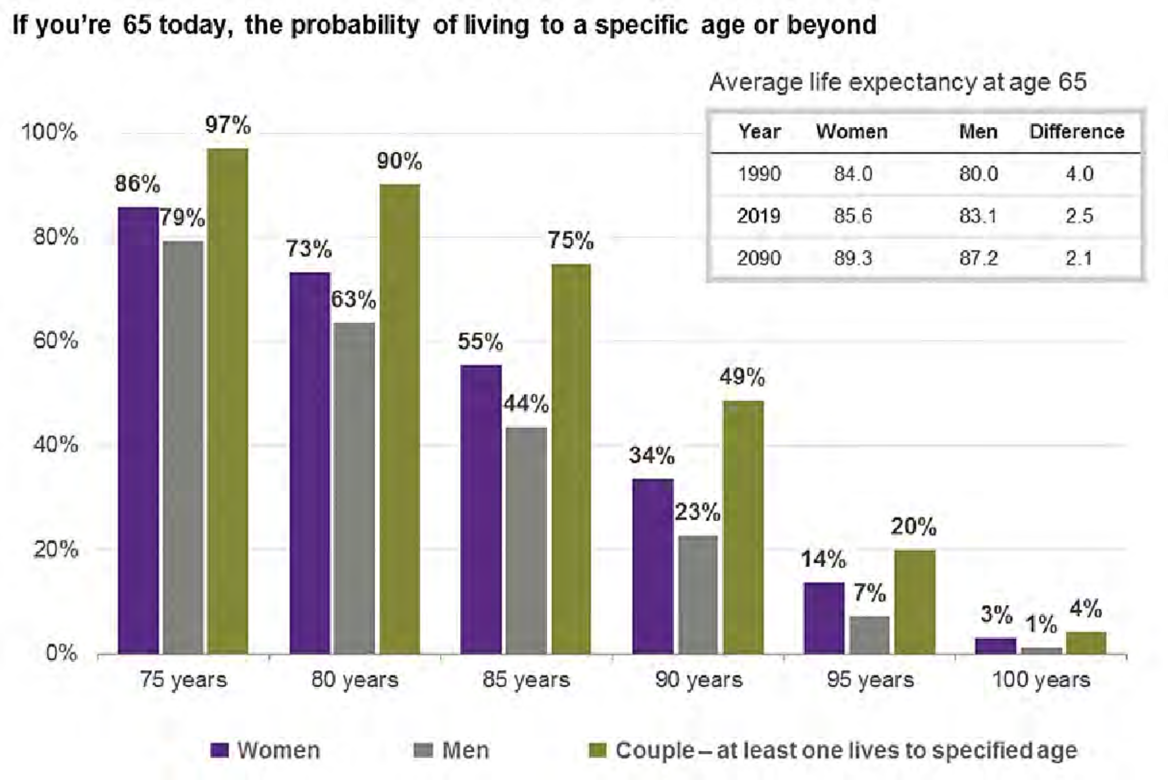
Life expectancy probabilities

J.P.Morgan Asset Management

Average life expectancy continues to increase and is a midpoint not an endpoint. You may need to plan on the probability of living much longer – perhaps 30+ years in retirement.



Average life expectancy at age 65

Year	Women	Men	Difference
1990	84.0	80.0	4.0
2019	85.6	83.1	2.5
2090	89.3	87.2	2.1

Source (chart): Social Security Administration, Period Life Table, 2017 (published in 2020), J.P. Morgan Asset Management.

Source (table): Social Security Administration 2020 OASDI Trustees Report. Probability at least one member of a same-sex female couple lives to age 90 is 56% and a same-sex male couple is 40%.

Source: J.P. Morgan Asset Management Guide to Retirement, https://am.jpmorgan.com/us/en/asset-management/adv/insights/retirement-insights/guide-to-retirement

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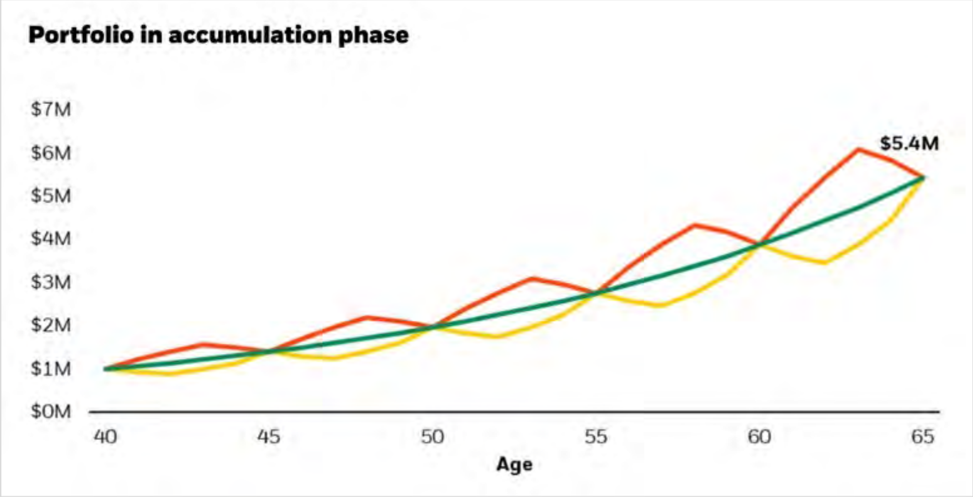
The impact of sequence of returns risk

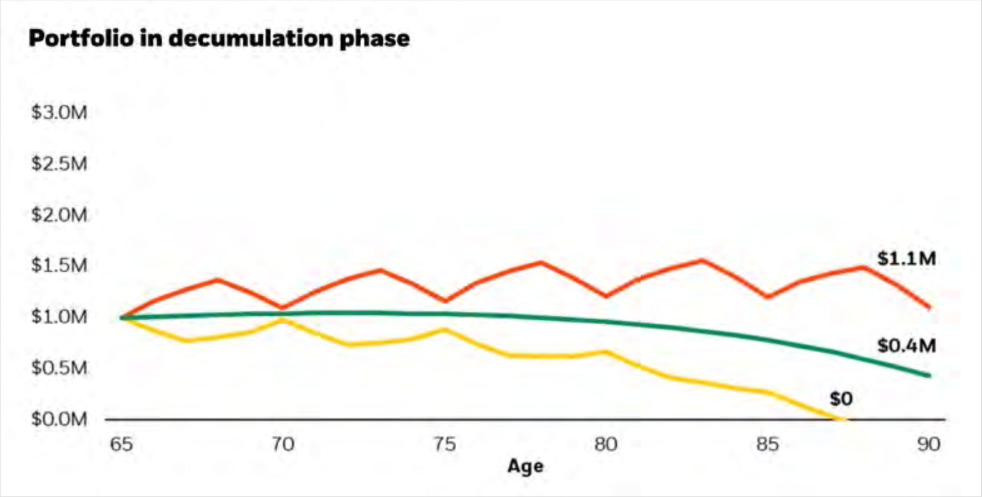
BlackRock.

Retirees decumulating their portfolio may realize different retirement outcomes just due to the sequence in which market returns occur. Said another way, when you retire can be as important as how much you have when you retire.

Return pattern

	Year 1	Year 2	Year 3	Year 4	Year 5	Avg. Annual
Portfolio A	22%	15%	12%	-4%	-7%	7%
Portfolio B	7%	7%	7%	7%	7%	7%
Portfolio C	-7%	-4%	12%	15%	22%	7%





Source: BlackRock. This graphic looks at the effect the sequence of returns can have on your portfolio value over a long period of time. Other factors that may affect the longevity of assets include the investment mix, taxes and expenses related to investing. This is a hypothetical illustration. The accumulation phase illustration assumes a hypothetical initial portfolio balance of $1,000,000 with no additions or withdrawals and the hypothetical sequence of returns noted in the table. The decumulation phase illustration assumes a hypothetical initial portfolio balance of $1,000,000, annual withdrawals of $60,000 adjusted annually by 3% for inflation, and the hypothetical sequence of returns noted in the table. These figures are for illustrative purposes only and do not represent any particular investment, nor do they reflect any investment fees, expenses or taxes. When you are withdrawing money from a portfolio, your results can be affected by the sequence of returns even when average return remains the same, due to the compounding effect on the annual account balances and annual withdrawals.

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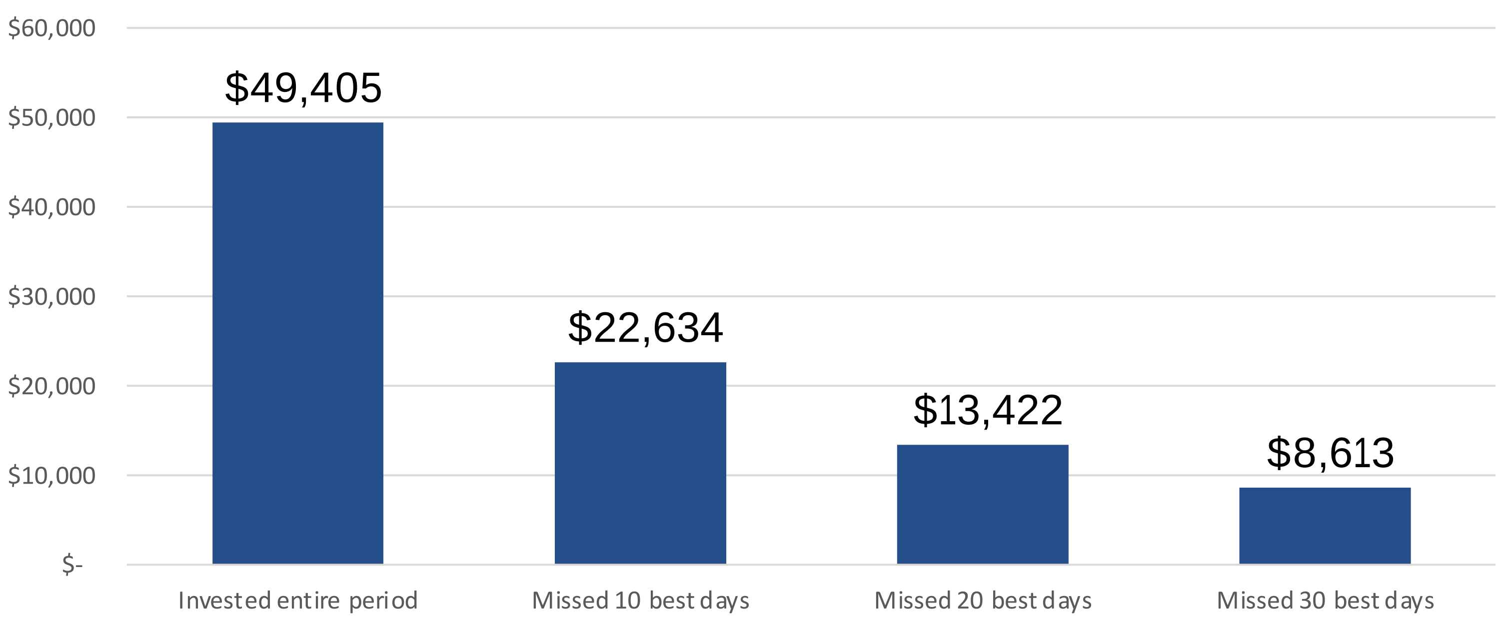
Missed best days

Performance of $10,000 investment between January 1, 2000, and December 31, 2021



Cumulative Return	394.1%	126.3%	34.2%	-13.9%
Annualized Return	7.9%	4.0%	1.4%	–0.7%

You cannot invest directly in an index. All indices are unmanaged and do not include fees or expenses. Please see the back of this presentation for index definitions and disclosures. Returns based on S&P 500 Price Return Index, which does not include dividends.

Source: FactSet, S&P, Lincoln Investment Advisors Corp. Data from January 1, 2000, through December 31, 2021. **Past performance is not indicative of future returns.**

What is this chart showing?

This chart shows how missing the best days in the market would have impacted returns of an investment in the S&P 500.

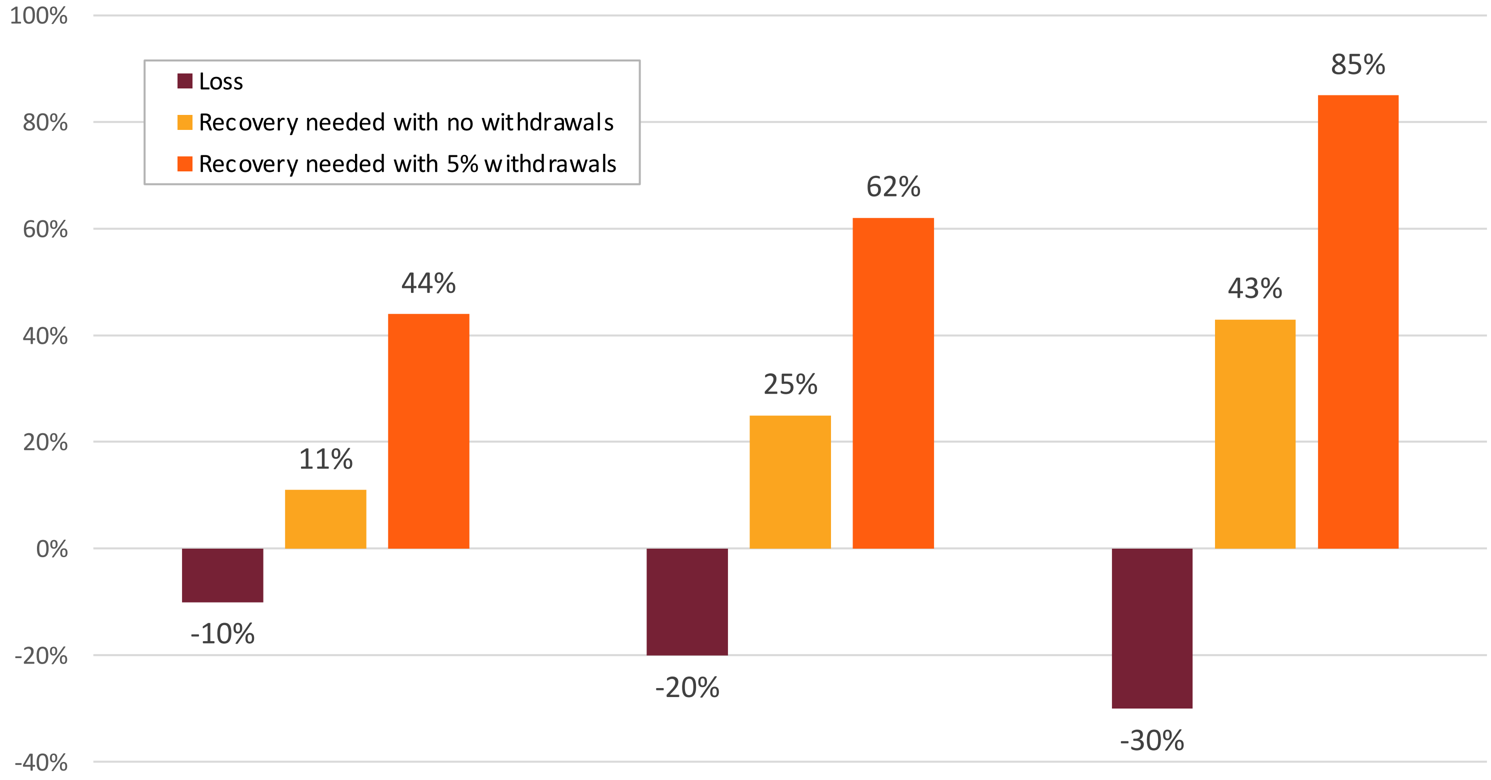
Why is it important?

Missing the best days can be costly, while avoiding the worst days can be beneficial. However, because the best days often follow the worst, it is nearly impossible to accurately time the market.

For this reason, simply staying the course is generally the best approach.

Mathematics of loss

Gains required to recover from losses



Source: Lincoln Investment Advisors Corp.

The calculation of the cumulative gains required over five years with withdrawals includes the initial loss (–10%, –20%, –30%) and the continued 5% annual withdrawals from the portfolio. It does not include the impact of investment returns. This is a hypothetical example. No actual investment is being illustrated.

What is this chart showing?

This chart shows the gains needed to offset losses, both with and without distributions.

Why is it important?

Many investors underestimate the gains needed to recover from investment losses — especially when withdrawals are being taken. Recouping losses always requires a larger percentage of gains than the loss itself to fully recover.

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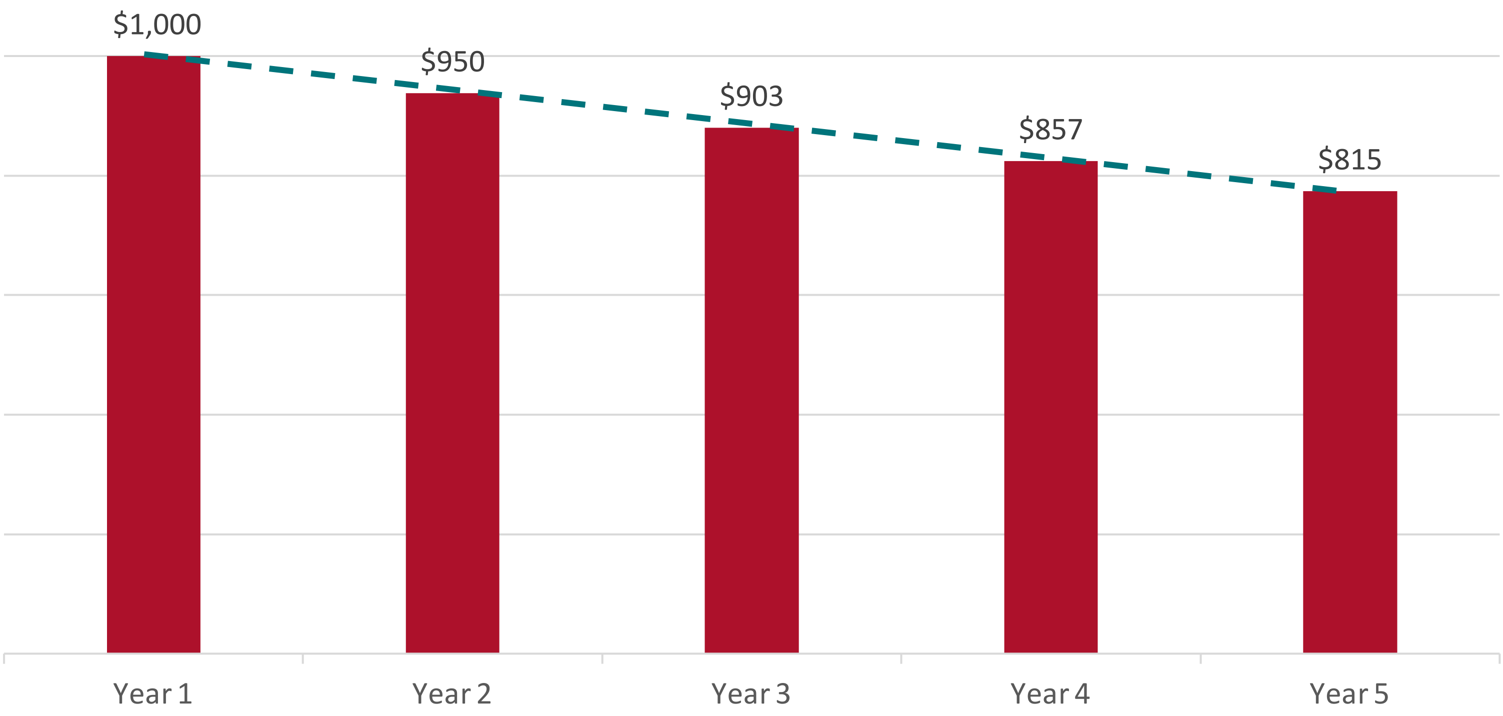
Purchasing power erosion

Calculation of future purchasing power, at 5% inflation



What is this chart showing?

This chart shows the impact inflation can have on the purchasing power of cash over time.

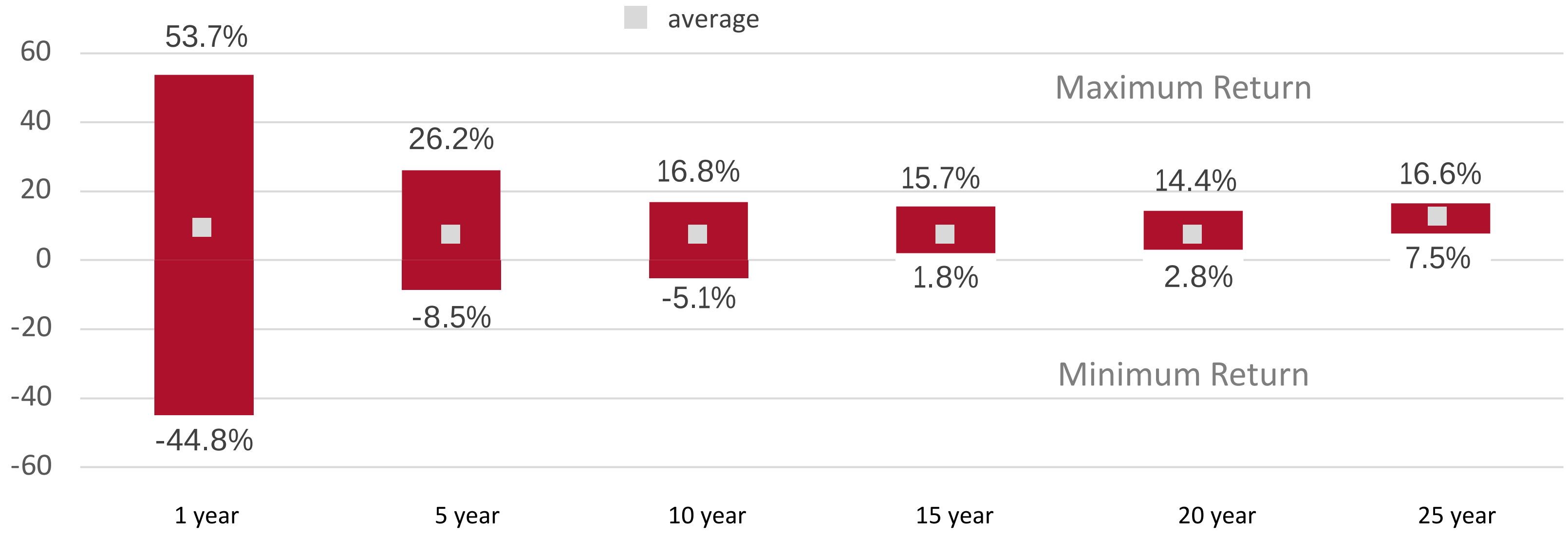
Why is it important?

While it may feel safe to hold large cash positions, it is important for investors to understand that when inflation is high, the purchasing power of those dollars can decrease substantially over time.

Note: This illustration assumes an inflation rate of 5%

Time in the market, not timing the market

S&P 500 Rolling Returns, range of outcomes (1/1/1971 – 12/31/2021)



Rolling Returns	1 Yr	5 Yr	10 Yr	15 Yr	20 Yr	25 Yr
Max Return	53.7%	26.2%	16.8%	15.7%	14.4%	16.6%
Min. Return	-44.8%	-8.5%	-5.1%	1.8%	2.8%	7.5%
Avg. Return	9.1%	8.0%	8.1%	8.1%	8.2%	10.9%
# of periods	600	552	492	432	372	312

What is this chart showing?

This chart shows rolling returns of the S&P 500 index for 1-,5-,10-,15-,20-, and 25-year periods.

Why is it important?

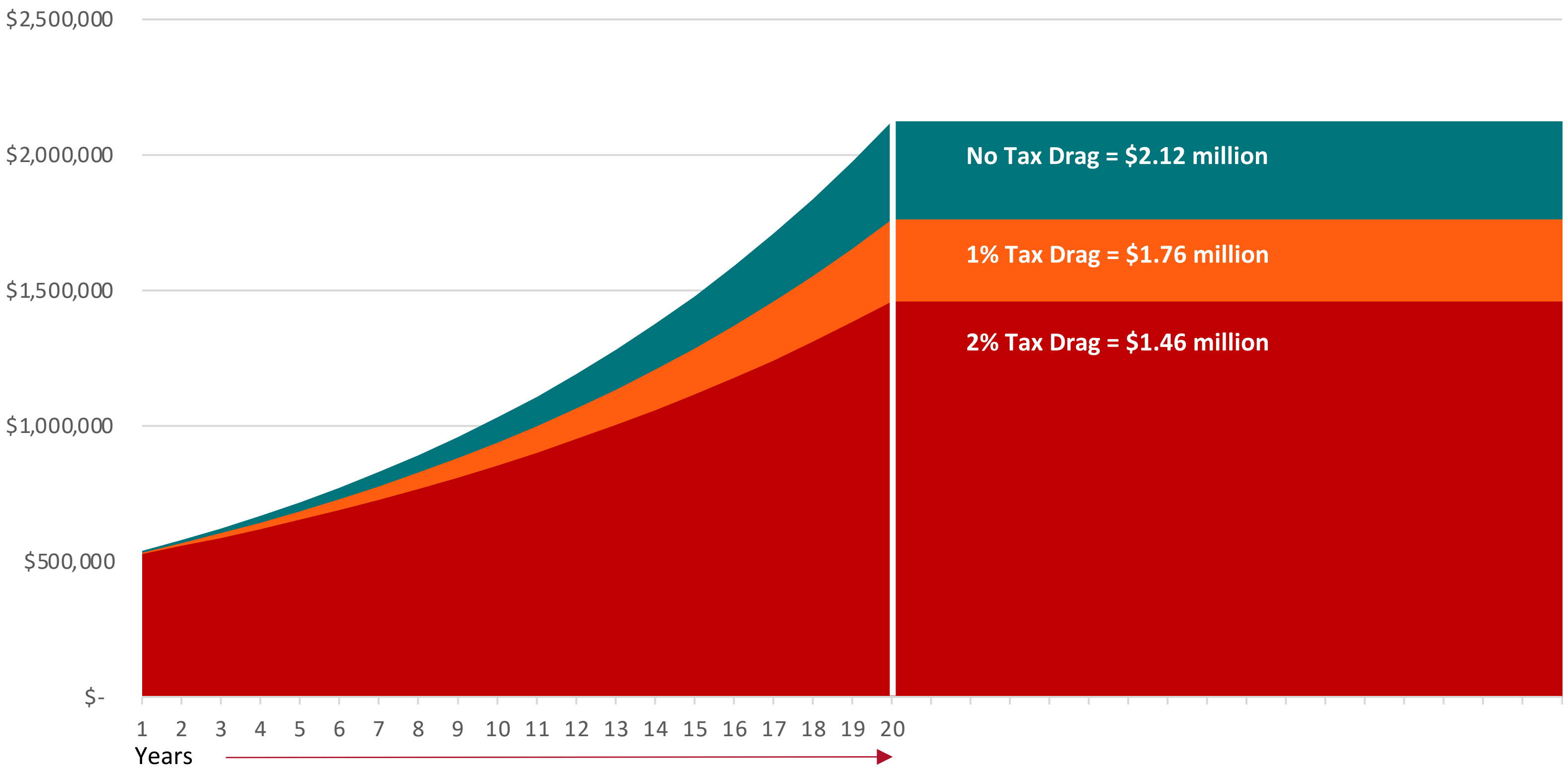
While stocks can be volatile over short periods of time, staying the course over the long term has not only reduced the range of potential outcomes, but also increased the minimum return.

Source: Morningstar Direct. Rolling returns are annualized on a 5,10-,15-,20-, and 25-year basis. Using monthly S&P 500 price return data starting in January of 1971, summary return statistics were calculated based on the total number of rolling returns periods existing for each given period of time. For each rolling return period, a range of returns (maximum and minimum) as well as the average return has been calculated to provide a historical reference for how equities have performed over the past half century. Returns >1yr annualized. **Past performance is not indicative of future returns.**

For use with the general public.

Impact of taxes

Hypothetical Growth of $500,000 over 20 years at 7.5% per year, with 0%, 1% and 2% tax drag scenarios



US Equity	International Equity	Fixed Income
2.1% Lost to taxes each year[3]	1.1% Lost to taxes each year[3]	1.4% Lost to taxes each year[3]

Every dollar paid in taxes is a dollar less invested for your long-term goals.

What is this chart showing?

This chart shows the financial impact that taxes can have on a portfolio's growth over an extended period of time.

Why is it important?

It is important for investors to understand how taxes could affect the growth of their portfolio, and to consider ways to improve after tax returns.

Note: This illustration is for hypothetical purposes only and may not represent an actual experience. Tax drag represents the reduction in portfolio returns due to taxes paid on distributions (stock dividends, bond dividends and capital gains). [3]Morningstar; Industry average annualized tax drag by asset class. Three years ending on June 30, 2020. Assumes that distributions are taxed at the highest federal tax-rate prevailing for each type of distribution, and the appropriate current or historical federal tax rate is applied to each distribution date. State and local taxes are ignored, as are the effects of AMT, exemptions, phase-out credits, or any individual specific issues.

Additional information

Index Descriptions

S&P 500 Index is a market-cap weighted index that measures the performance of 500 widely held large capitalization stocks in the U.S. equity market. It is regarded as the best gauge of the U.S. equity market.

Russell 2000 Index measures the performance of the small cap segment of the U.S. equity universe. It is a subset of the Russell 3000.

MSCI Emerging Markets Index is a free float-adjusted market capitalization index that measures equity market performance in large and mid cap representation across 27 emerging market countries.

MSCI EAFE Index is a free float-adjusted equity index that captures large and mid cap representation across 21 developed market countries, excluding the U.S. and Canada.

MSCI All Country World Index (ACWI) is a free float-adjusted market capitalization index that captures large and mid cap representation across 23 developed markets and 27 emerging market countries.

Bloomberg Commodity Total Return Index is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 13-week (3-month) U.S. Treasury bills.

Bloomberg Barclays Global High Yield Index is a multicurrency flagship measure of the global high yield debt market. The index represents the union of the U.S. High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices.

The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS, ABS and CMBS.

The FTSE Nareit All Equity REITs Index is a free float-adjusted market capitalization- weighted index of U.S. equity REITs. Constituents of the index include all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property.

The Bloomberg Barclays U.S. Treasury Bills 1-3 Month Index includes all publicly issued zero coupon U.S. Treasury bills that have a remaining maturity of less than three months and at least one month, are rated investment-grade, are U.S.-dollar denominated, nonconvertible, and have $300 million or more of outstanding face value.

University of Michigan (UoM) Inflation Expectations measures the percentage that consumers expect the price of goods and services to change during the next 12 months.

Economic and Market Indicators

- Consumer sentiment based on month-end data, starting in Jan. 1978 to February 2022. +/- 1 std. deviation of historical value range from 98.53% to 73.32%.
- Economic expansion (CQOQ Index) based on QOQ % change data of quarterly data, starting in June 1947 to December 2021. +/- 1 std. deviation of historical value range from 7.86% to –1.46%.
- Inflation (CPI) based on YOY % change of monthly CPI seasonally adjusted data, starting in Jan. 1947 to January 2022. +/- 1 std. deviation of historical value range from 6.37% to 0.58%.
- Market volatility (VIX) based on daily closing values of the CBOE VIX index from Jan. 1990 to February 2022. +/- 1 std. deviation of historical value range from 27.51% to 11.49%.
- Unemployment based on month-end data, starting in Jan. 1948 to January 2022. +/- 1 std. deviation of historical value range from 7.46% to 4.06%.
- 10Y U.S. Treasury yield based on daily data, starting in Jan. 1962 to February 2022. +/- 1 std. deviation of historical value range from 8.93% to 2.95%.

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