

Uncommon truths

Is AI delivering?

AI has certainly delivered for investors in the enablers but what about users? Unemployment is trending up in some countries, US productivity growth is rising and profits have been strong. However, there are many caveats, and it remains difficult to sort the AI wheat from the cyclical chaff.

At the end of a second successive week of falling oil prices (taking the Brent first future to \$91), the optimism expressed by equity markets since the end of March appears warranted. Given that we started the year in optimistic mood and made only limited changes to our Model Asset Allocation in March, we hope the mooted US/Iran agreement comes to fruition (in mid-March we boosted the US equity allocation and reduced energy commodities to zero – see Figure 6).

Of course, relying on logical outcomes in this volatile geopolitical environment is never comfortable, which is why we prefer to focus on longer term drivers of investment performance. The AI theme has been among the most powerful of such engines, with the benefits spreading to enablers outside the US (South Korean stocks have nearly tripled and Taiwanese stocks have more than doubled in the last 12 months, based on MSCI indices).

The question being, when will the benefits of AI spread to users? This is important not only for users and economies but also for enablers, since it is hard to imagine their massive investments paying off if users are extracting no benefit.

Apart from anecdotal evidence that we are all spending a lot of time trying to extract gains from AI, how will we

know it is delivering on its promise? I wrote about this in December 2024 (see [How will we know AI is delivering?](#)). I concluded that we need to keep an eye on trends in productivity, employment, inflation and profit margins but that sorting the underlying wheat from the cyclical chaff will be difficult.

Interestingly, unemployment has been gently trending up since early 2022 in Germany, the UK and the US (Figure 1a). This is despite divergent growth trends, with the German economy treading water, while US GDP has grown at an annualised rate of around 2.5% since 2022 Q1 (the UK in the middle with growth of around 1.0%). At the same time, unemployment has been relatively flat in Japan (GDP growth of around 0.1%) and falling in the Eurozone (1.3%). That unemployment in Germany and the UK has risen is not surprising given the low/no growth backdrop. However, it is more surprising that US unemployment has risen when there has been reasonable growth. Could this be a sign that AI is impacting the US economy (though the benefits of AI can accrue anywhere in the world)?

This brings us to productivity. Figure 1b shows 10-year annualised growth in the broadest measure of productivity (GDP per capita) across a range of economies, using GDP in 2015 US dollars, converted using purchasing power parity (PPP) exchange rates. China is excluded because its productivity growth has been so much higher than in the other countries in the chart (5%-6% in recent years, down from 9%-10% in the 2007-14 period). Based on that chart, US productivity growth has been higher than elsewhere since the pandemic but there is no evidence of an uptrend. Indeed, outside the US the reverse seems to be true.

Figure 1a – Unemployment (%)

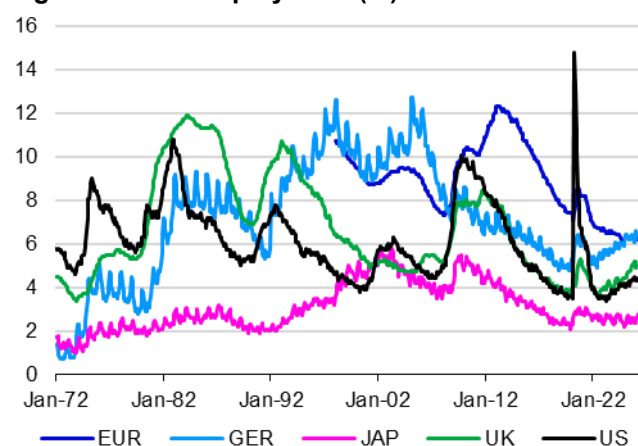
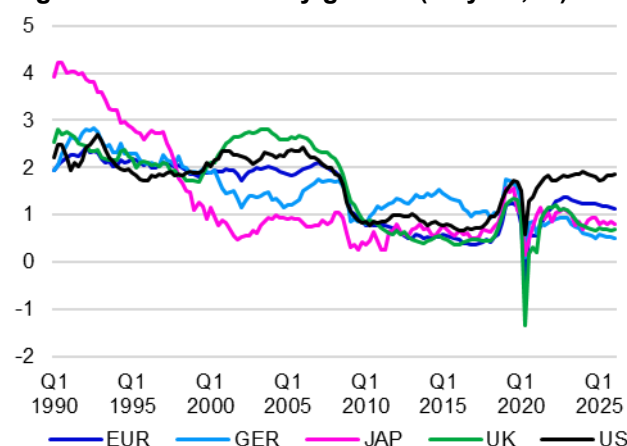


Figure 1b – Productivity growth (10-year, %)



Note: Figure 1a is based on monthly data from January 1972 to May 2026. Figure 1b is based on quarterly data from 1990 Q1 to 2026 Q1 and shows annualised growth in GDP per capita over rolling 10-year periods (GDP is in US dollars at 2015 prices, using purchasing power parity exchange rates). "EUR" is the Eurozone, "GER" is Germany, "JAP" is Japan, "UK" is the United Kingdom and "US" is the United States of America. As of 29 May 2026. Source: Oxford Economics, LSEG Datastream and Invesco Strategy & Insights

So, there seems no evidence that productivity has accelerated in recent years. However, there are two problems with the data in that chart. The first is that it shows 10-year annualised gains, and recent changes may take a while to show up. Unfortunately, the conclusion doesn't change even if we use year-on-year growth rates, which by their nature are more volatile than the 10-year numbers and more prone to cyclical distortions.

The second problem is in what is being measured. GDP is a full economy measure, including the public sector and agriculture, which may mask AI benefits accruing to the non-farm business sector. Further, the denominator in GDP per capita is the total population and not the workforce, which again may distort what is happening to worker productivity. GDP/capita may be useful when assessing the wellbeing of a country, but other measures may better capture productivity.

Figure 2 shows two alternative measures for the US economy: non-farm business output per worker and non-farm business output per hour worked. These measures are not only more precise than GDP/capita, but they also suggest that productivity growth is rising.

However, there are several caveats: first productivity growth was starting from a low base, and the recent increase may imply a normalisation rather than a new upward trend. Indeed, the year-on-year growth rates have been in the 2.0%-3.5% range since mid-2023 but have not trended up in that period. Nevertheless, if they were to stay at that level over the next 10 years, the annualised 10-year growth rates would start to resemble those seen in the late 1990s and early

2000s, which may themselves have been the result of the technology revolution of that time, which included the roll out of the internet.

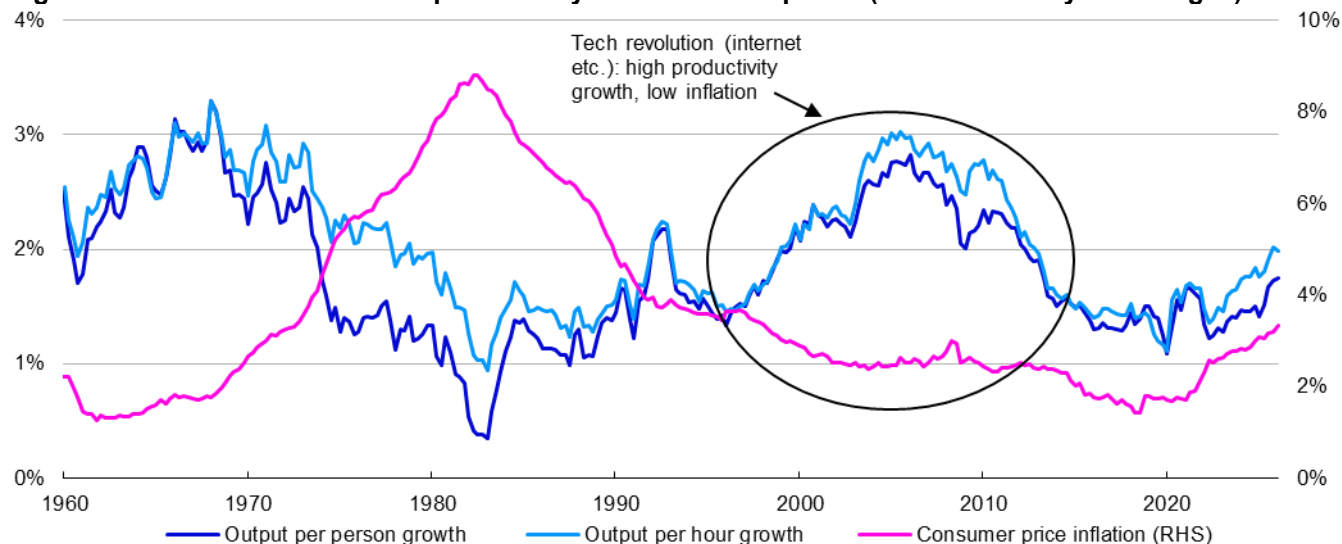
Second, the recent rise in productivity growth has been accompanied by a pick-up in inflation. Some of that was because of the energy price rises that came with the Russian invasion of Ukraine but I think it had more to do with the fiscal and monetary policy settings of 2020 and 2021, which helped economic recovery during the pandemic. Hence, the rise in productivity growth in recent years may have a cyclical element, in contrast to the late 1990s/early 2000s.

Turning elsewhere for signs that AI is delivering to users, what are business profits telling us? Though Q1 earnings reports were strong in both the US and Europe, much of the strength in the US came from the technology and communications sectors, which may owe more to AI enablers than AI users. Also, the strongest gains in Europe were in the energy sector, which I think owes more to high energy prices than to the benefits of AI. Hence, it again seems premature to suggest that users are extracting durable productivity and margin gains.

Overall, there are signs of hope that AI is delivering for users, with rising unemployment, some gains in productivity and strong earnings reports. However, there are many caveats, and I think it is too early to conclude that users are extracting the benefits that would justify recent gains in the share prices of enablers and to hold out the promise of AI gains spreading across the stock market.

All data as of 29 May 2026, unless stated otherwise.

Figure 2 – US non-farm business productivity and consumer prices (annualised 10-year changes)



Note: Quarterly data from 1960 Q1 to 2026 Q1. "Output per person growth" is based on real output (GDP) and number of workers in the non-farm business sector. "Output per hour growth" is based on real output (GDP) and hours worked in the non-farm business sector. Source: Bureau of Labor Statistics (US Department of Labor), Global Financial Data, LSEG Datastream and Invesco Strategy & Insights

Figure 3 – Asset class total returns (%)

Data as at 29 May 2026	Index	Current Level/Ry	Total Return (USD, %)					Total Return (Local Currency, %)				
			1w	1m	QTD	YTD	12m	1w	1m	QTD	YTD	12m
Equities												
World	MSCI	1131	1.7	6.2	16.0	12.4	30.7	1.5	6.1	15.3	12.4	30.9
Emerging Markets	MSCI	1752	4.0	8.5	25.9	25.7	53.5	3.5	8.6	24.3	27.0	57.1
China	MSCI	75	-1.4	-4.4	0.5	-8.5	4.3	-1.5	-4.5	0.1	-8.4	3.3
US	MSCI	7221	1.5	6.4	16.3	11.1	29.3	1.5	6.4	16.3	11.1	29.3
Europe	MSCI	2776	0.8	4.6	10.3	7.3	20.9	0.3	4.6	8.3	7.4	17.8
Europe ex-UK	MSCI	3425	1.1	5.3	11.9	7.4	20.1	0.5	5.3	10.0	7.5	16.2
UK	MSCI	1669	-0.2	2.1	4.9	7.0	23.8	-0.5	2.2	2.7	6.8	23.9
Japan	MSCI	5528	1.8	5.9	14.6	16.3	31.5	1.9	5.3	14.7	18.1	45.0
Government Bonds												
World	BofA-ML	3.70	0.9	0.6	0.9	-0.5	0.5	0.7	0.6	0.3	-0.2	1.3
Emerging Markets	JP Morgan	3.52	0.8	1.1	3.2	3.1	8.3	0.5	0.6	1.3	1.4	3.7
China	BofA-ML	1.50	0.6	1.4	3.0	4.9	7.7	0.3	0.4	0.9	1.6	1.4
US (10y)	Datastream	4.43	1.0	0.3	-0.2	-0.3	4.7	1.0	0.3	-0.2	-0.3	4.7
Europe	Bofa-ML	3.10	1.5	1.3	2.8	0.2	3.5	0.8	1.6	1.5	0.9	0.7
Europe ex-UK (EMU, 10y)	Datastream	2.90	1.5	1.3	2.4	0.2	2.7	0.9	1.6	1.1	0.8	-0.1
UK (10y)	Datastream	4.82	1.1	2.3	3.9	0.3	4.3	0.8	2.4	1.6	0.1	4.3
Japan (10y)	Datastream	2.63	0.8	-0.7	-2.0	-5.1	-15.4	0.9	-1.3	-1.9	-3.6	-6.7
IG Corporate Bonds												
Global	BofA-ML	4.65	0.9	0.9	2.0	0.8	5.9	0.7	1.0	1.4	0.8	5.0
Emerging Markets	JP Morgan	0.14	0.6	0.5	2.0	1.6	7.3	0.6	0.5	2.0	1.6	7.3
China	BofA-ML	2.09	0.6	1.3	2.9	4.9	8.7	0.2	0.3	0.9	1.6	2.3
US	BofA-ML	5.13	0.8	0.8	1.3	0.8	6.4	0.8	0.8	1.3	0.8	6.4
Europe	BofA-ML	3.53	1.2	0.9	3.1	0.2	5.2	0.6	1.2	1.8	0.9	2.3
UK	BofA-ML	5.59	1.0	2.0	4.4	0.5	5.6	0.7	2.2	2.1	0.2	5.7
Japan	BofA-ML	2.25	0.4	0.5	-0.2	-2.0	-10.5	0.4	-0.1	-0.1	-0.5	-1.3
HY Corporate Bonds												
Global	BofA-ML	7.06	0.7	0.7	2.9	1.7	7.8	0.6	0.7	2.6	1.9	7.3
US	BofA-ML	7.30	0.5	0.6	2.2	1.6	7.4	0.5	0.6	2.2	1.6	7.4
Europe	BofA-ML	5.75	1.1	0.8	4.3	0.6	7.1	0.5	1.0	3.0	1.2	4.1
Cash (Overnight rates)												
US		3.56	0.1	0.3	0.5	1.4	4.1	0.1	0.3	0.5	1.4	4.1
Euro Area		1.93	-1.3	-1.3	0.9	-0.3	5.9	0.0	0.2	0.2	0.7	2.0
UK		3.73	-2.2	-1.4	1.2	0.3	4.2	0.1	0.3	0.5	1.4	4.0
Japan		0.73	-1.3	0.2	0.1	-1.1	-7.7	0.0	0.1	0.1	0.3	0.6
Real Estate (REITs)												
Global	FTSE	1821	-0.3	0.6	7.8	8.7	14.5	-1.0	0.9	6.4	9.4	11.4
Emerging Markets	FTSE	1334	0.8	-0.1	8.7	4.0	13.4	0.2	0.2	7.4	4.7	10.3
US	FTSE	3541	-1.3	1.4	8.8	14.1	16.9	-1.3	1.4	8.8	14.1	16.9
Europe ex-UK	FTSE	2683	1.9	1.4	7.0	2.0	3.9	1.3	1.7	5.6	2.7	1.0
UK	FTSE	896	1.9	4.5	12.1	0.6	0.9	1.5	4.7	9.7	0.3	1.0
Japan	FTSE	2372	1.0	-7.4	-5.2	-7.7	8.1	1.0	-7.9	-5.1	-6.2	19.1
Commodities												
All	GSCI	5391	-5.0	-7.9	-1.7	37.7	50.3	-	-	-	-	-
Energy	GSCI	1065	-8.4	-12.9	-3.5	76.3	83.4	-	-	-	-	-
Industrial Metals	GSCI	2470	0.2	5.1	9.4	16.0	45.5	-	-	-	-	-
Precious Metals	GSCI	5189	0.7	0.8	-1.6	5.3	42.8	-	-	-	-	-
Agricultural Goods	GSCI	482	-3.0	-4.5	-2.3	2.2	-3.4	-	-	-	-	-
Currencies (vs USD)*												
EUR		1.17	0.5	-0.1	0.9	-0.7	2.5	-	-	-	-	-
JPY		159.28	0.0	0.7	-0.3	-1.6	-9.5	-	-	-	-	-
GBP		1.35	0.3	-0.2	2.2	0.2	0.0	-	-	-	-	-
CHF		1.28	0.5	1.3	2.3	1.5	5.3	-	-	-	-	-
CNY		6.77	0.4	1.1	2.0	3.4	6.2	-	-	-	-	-

Notes: **Past performance is no guarantee of future results.** *The currency section is organised so that in all cases the numbers show the movement in the mentioned currency versus USD (+ve indicates appreciation, -ve indicates depreciation). Please see appendix for definitions, methodology and disclaimers.

Source: LSEG Datastream and Invesco Strategy & Insights

Figure 4 – Global equity sector total returns relative to market (%)

Data as of 29 May 2026	Global				
	1w	1m	QTD	YTD	12m
Energy	-4.6	-8.3	-15.3	8.1	4.1
Basic Materials	1.1	-1.8	-5.5	4.4	16.5
Basic Resources	1.9	-0.3	-4.2	4.9	33.6
Chemicals	-0.9	-5.2	-8.4	3.4	-10.1
Industrials	0.1	-2.9	-2.9	-0.6	-4.8
Construction & Materials	1.2	-4.3	-3.0	-1.6	-5.0
Industrial Goods & Services	-0.1	-2.7	-3.0	-0.4	-4.8
Consumer Discretionary	-0.4	-2.8	-5.3	-11.0	-17.0
Automobiles & Parts	1.7	5.3	-0.6	-10.3	-7.8
Media	-3.1	-6.1	-13.3	-18.8	-34.4
Retailers	-1.6	-5.7	-3.7	-4.3	-9.7
Travel & Leisure	0.8	-3.6	-9.1	-14.3	-21.7
Consumer Products & Services	0.1	-2.8	-8.0	-19.3	-27.7
Consumer Staples	-3.2	-5.0	-11.1	-7.9	-20.7
Food, Beverage & Tobacco	-3.3	-3.8	-9.9	-4.9	-17.5
Personal Care, Drug & Grocery Stores	-2.9	-7.1	-13.3	-13.2	-26.0
Healthcare	-1.5	-1.3	-10.9	-12.8	-12.0
Financials	-1.7	-4.2	-6.2	-8.3	-8.0
Banks	-1.3	-4.3	-5.6	-6.1	0.3
Financial Services	-1.5	-3.4	-5.6	-10.3	-14.6
Insurance	-3.2	-5.2	-8.9	-10.6	-17.2
Real Estate	-2.0	-5.5	-6.2	-5.9	-13.4
Technology	3.0	8.9	20.1	12.9	24.7
Telecommunications	0.0	5.5	7.0	18.9	16.7
Utilities	-2.2	-7.3	-12.3	-5.3	-10.3

Notes: **Past performance is no guarantee of future results.** Returns shown are for Datastream sector indices versus the total market index. Source: LSEG Datastream and Invesco Strategy & Insights

Figure 5a – US factor index total returns (%)

Data as of 29 May 2026	Absolute					Relative to Market				
	1w	1m	QTD	YTD	12m	1w	1m	QTD	YTD	12m
Growth	2.1	6.8	13.1	5.7	14.9	0.7	0.5	-2.7	-5.0	-11.5
Low volatility	-2.5	-1.0	0.2	1.6	0.5	-3.9	-6.9	-13.8	-8.7	-22.5
Price momentum	2.1	9.2	23.2	27.5	45.2	0.6	2.7	5.9	14.6	11.8
Quality	1.0	4.3	7.0	3.1	16.7	-0.4	-1.9	-8.0	-7.3	-10.1
Size	1.0	3.3	5.4	4.5	14.5	-0.5	-2.9	-9.4	-6.0	-11.8
Value	0.1	2.4	6.3	10.9	28.6	-1.3	-3.7	-8.6	-0.3	-0.9
Market	1.4	6.3	16.3	11.3	29.8					
Market - Equal-Weighted	1.0	4.2	8.8	9.5	20.5					

Notes: **Past performance is no guarantee of future results.** All indices are subsets of the S&P 500 index, they are rebalanced monthly, use data in US dollars and are equal-weighted. Growth includes stocks in the top third based on both their 5-year sales per share trend and their internal growth rate (the product of the 5-year average return on equity and the retention ratio); Low volatility includes stocks in the bottom quintile based on the standard deviation of their daily returns in the previous three months; Price momentum includes stocks in the top quintile based on their performance in the previous 12 months; Quality includes stocks in the top third based on both their return on invested capital and their EBIT to EV ratio (earnings before interest and taxes to enterprise value); Size includes stocks in the bottom quintile based on their market value in US dollars. Value includes stocks in the bottom quintile based on their price to book value ratios. The market represents the S&P 500 index. Source: LSEG Datastream and Invesco Strategy & Insights

Figure 5b – European factor index total returns relative to market (%)

Data as of 29 May 2026	Absolute					Relative to Market				
	1w	1m	QTD	YTD	12m	1w	1m	QTD	YTD	12m
Growth	0.9	5.3	10.7	7.0	12.1	0.6	0.6	1.6	-0.9	-4.8
Low volatility	-1.0	1.6	3.0	5.0	6.2	-1.2	-2.9	-5.5	-2.7	-9.8
Price momentum	0.5	6.6	13.7	15.7	36.0	0.2	1.8	4.4	7.1	15.5
Quality	0.7	4.5	8.3	8.1	21.8	0.4	-0.2	-0.6	0.1	3.4
Size	1.0	5.3	10.8	4.2	8.8	0.7	0.6	1.7	-3.4	-7.7
Value	1.5	5.3	10.2	6.6	20.6	1.2	0.5	1.2	-1.3	2.4
Market	0.3	4.7	8.9	8.0	17.8					
Market - Equal-Weighted	0.7	5.0	9.5	8.0	15.7					

Notes: **Past performance is no guarantee of future results.** All indices are subsets of the STOXX 600 index, they are rebalanced monthly, use data in euros and are equal-weighted. Growth includes stocks in the top third based on both their 5-year sales per share trend and their internal growth rate (the product of the 5-year average return on equity and the retention ratio); Low volatility includes stocks in the bottom quintile based on the standard deviation of their daily returns in the previous three months; Price momentum includes stocks in the top quintile based on their performance in the previous 12 months; Quality includes stocks in the top third based on both their return on invested capital and their EBIT to EV ratio (earnings before interest and taxes to enterprise value); Size includes stocks in the bottom quintile based on their market value in euros; Value includes stocks in the bottom quintile based on their price to book value ratios. The market represents the STOXX 600 index. Source: LSEG Datastream and Invesco Strategy & Insights

Figure 6 – Model asset allocation

	Neutral	Policy Range	Allocation	Position vs Neutral	Hedged	Currency
Cash Equivalents	5%	0-10%	4%			
Cash	3%		0%			
AAA CLOs	2%		4%			
Bank Loans	4%	0-8%	↓ 5%			
US	3%		↓ 4%			
Europe	1%		↓ 1%			
Bonds	40%	10-70%	↓ 31%			
Government	25%	10-40%	↓ 18%			
US	8%		↓ 5%			
Europe ex-UK (Eurozone)	7%		↓ 5%			
UK	1%		2%			
Japan	7%		↓ 2%			
Emerging Markets	2%		4%			
China**	0.2%		0%			
India**	0.1%		1%			
Corporate IG	10%	0-20%	↓ 8%			
US Dollar	5%		↓ 3%			
Euro	2%		1%			
Sterling	1%		2%			
Japanese Yen	1%		0%			
Emerging Markets	1%		2%			
China**	0.1%		0%			
Corporate HY	5%	0-10%	5%			
US Dollar	4%		4%			
Euro	1%		1%			
Equities	45%	25-65%	↑ 53%			
US	25%		↑ 25%			
Europe ex-UK	7%		↓ 9%			
UK	4%		↓ 5%			
Japan	4%		7%			
Emerging Markets	5%		↓ 7%			
China**	2%		↓ 3%			
India**	1%		1%			
Real Estate	4%	0-8%	↓ 5%			
US	1%		0%			
Europe ex-UK	1%		2%			
UK	1%		2%			
Japan	1%		↓ 1%			
Emerging Markets	1%		0%			
Commodities	2.0%	0-4%	↓ 2.3%			
Energy	1.0%		↓ 0.0%			
Industrial Metals	0.3%		1.0%			
Precious Metals	0.3%		↑ 0.3%			
Agriculture	0.3%		1.0%			
Total	100%		100%			
Currency Exposure (including effect of hedging)						
USD	51%		↑ 45%			
EUR	20%		↓ 21%			
GBP	7%		↓ 11%			
JPY	14%		↓ 10%			
EM	9%		↓ 13%			
Total	100%		100%			

Notes: *This is a theoretical portfolio and is for illustrative purposes only. It does not represent an actual portfolio and is not a recommendation of any investment or trading strategy. **China and India are included in Emerging Markets allocations. Cash is an equally weighted mix of USD, EUR, GBP and JPY. Currency exposure calculations exclude cash. Arrows show direction of change in allocations. India has been added in this edition. See the latest [The Big Picture](#) document for more details. See appendices for definitions, methodology and disclaimers. Source: Invesco Strategy & Insights

Figure 7 – Model allocations for global sectors

	Neutral	Invesco		Preferred Region
Energy	6.7%	Overweight		Europe
Basic Materials	4.3%	Neutral		Europe
Basic Resources	3.0%	Overweight	↑	Europe
Chemicals	1.3%	Underweight	↓	US
Industrials	12.8%	Neutral		US
Construction & Materials	1.8%	Overweight	↑	Europe
Industrial Goods & Services	11.0%	Neutral		US
Consumer Discretionary	12.9%	Underweight		Europe
Automobiles & Parts	2.6%	Underweight		Europe
Media	0.9%	Underweight		Europe
Retailers	5.2%	Underweight	↓	US
Travel & Leisure	1.7%	Underweight	↓	EM
Consumer Products & Services	2.5%	Neutral	↑	Europe
Consumer Staples	4.5%	Neutral		US
Food, Beverage & Tobacco	2.9%	Neutral		US
Personal Care, Drug & Grocery Stores	1.6%	Overweight		Europe
Healthcare	7.9%	Neutral		US
Financials	16.2%	Neutral	↓	US
Banks	8.3%	Neutral	↓	Japan
Financial Services	5.0%	Overweight		Japan
Insurance	2.9%	Neutral		US
Real Estate	2.5%	Overweight		Japan
Technology	24.9%	Neutral	↑	US
Telecommunications	3.8%	Underweight		US
Utilities	3.4%	Overweight	↑	US

Notes: These are theoretical allocations which are for illustrative purposes only. They do not represent an actual portfolio and are not a recommendation of any investment or trading strategy. See the latest [Strategic Sector Selector](#) for more details.

Source: LSEG Datastream and Invesco Strategy & Insights

Appendix

Methodology for Model Asset Allocation

Which asset classes?

We look for investibility, size and liquidity. We have chosen to include equities, bonds (government, corporate investment grade and corporate high yield), bank loans, REITs to represent real estate, commodities and cash (all across a range of geographies). We use cross-asset correlations to determine which decisions are the most important.

Neutral allocations and policy ranges

We use market capitalisation in USD for major benchmark indices to calculate neutral allocations. For commodities, we use industry estimates for total ETP market cap + assets under management in hedge funds + direct investments. We use an arbitrary 5% for the combination of cash and AAA CLOs. We impose diversification by using policy ranges for each asset category (the range is usually symmetric around neutral).

Currency hedging

We adopt a cautious approach when it comes to currency hedging as currency movements are notoriously difficult to accurately predict and sometimes hedging can be costly. Also, some of our asset allocation choices are based on currency forecasts. We use an amalgam of central bank rate forecasts, policy expectations and real exchange rates relative to their historical averages to predict the direction and amplitude of currency moves.

Definitions of data and benchmarks for Figure 3

Sources: we source data from LSEG Datastream unless otherwise indicated.

Cash: returns are based on a proprietary index calculated using the Intercontinental Exchange Benchmark Administration overnight LIBOR (London Interbank Offer Rate). From 1st January 2022, we use the euro short term rate, the UK Sterling Overnight Index Average (SONIA), the US Secured Overnight Financing Rate (SOFR) and the uncollateralised overnight rate for the Japanese yen. The global rate is the average of the euro, British pound, US dollar and Japanese yen rates. The series started on 1 January 2001 with a value of 100.

Gold: London bullion market spot price in USD/troy ounce.

Government bonds: Current levels, yields and total returns use Datastream benchmark 10-year yields for the US, Eurozone, Japan and the UK, and the ICE BofA government bond total return index for the World and Europe. The emerging markets yields and returns are based on the JP Morgan Global Emerging Markets Government Bond Index.

Corporate investment grade (IG) bonds: ICE BofA investment grade corporate bond total return indices, except for in emerging markets where we use the JP Morgan Corporate Emerging Market Broad Bond Index.

Corporate high yield (HY) bonds: ICE BofA high yield total return indices

Equities: We use MSCI benchmark gross total return indices for all regions.

Commodities: Goldman Sachs Commodity total return indices

Real estate: FTSE EPRA/NAREIT total return indices

Currencies: Global Trade Information Services spot rates

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

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