

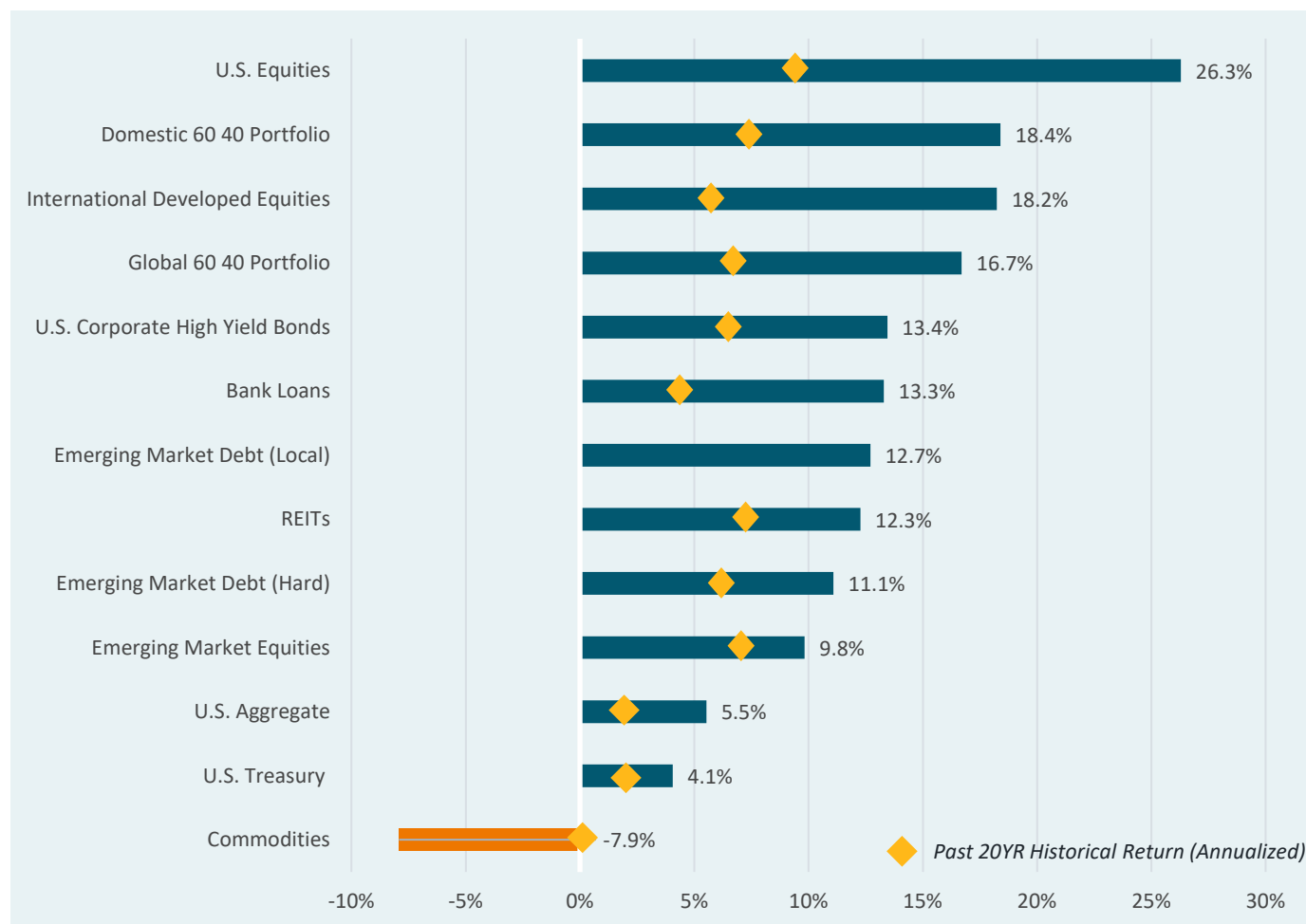
Verus Market Note

Reflecting on 2023 performance

Markets closed out 2023 with impressive gains over the calendar year, going against consensus expectations amongst both economist and market strategists.

Slowing inflation combined with better-than-expected economic growth and labor conditions in the U.S. helped to notch a more than 20% gain from the S&P 500. Additionally, signaling of easing from the Federal Reserve in the fourth quarter provided a tailwind to broader global risk assets.

Most major asset classes saw gains over the year. Fundamentals held steady across global equities and credit in the face of coordinated monetary tightening due to inflationary forces seen across most developed countries. Commodities were the outlier, as the supply concerns that provided a tailwind to inflationary forces reversed course.



Source: Bloomberg, S&P, MSCI, as of 12/31/23. 20-year historical return not available for EMD in local currency terms