NEUBERGER | BERMAN

MARKET VIEWS:
Based on 12-Month Outlook for Each Asset Class

	Underweight		**At Target**	Overweight	
EQUITY					
Global Equities	○	○	●	○	○
U.S. All Cap	○	○	●	○	○
U.S. Large Cap	○	○	●	○	○
U.S. Small and Mid Cap	○	○	○	●	○
Developed Market—Non-U.S. Equities	○	○	●	○	○
Emerging Markets Equities	○	○	●	○	○
FIXED INCOME					
Cash	○	●	○	○	○
Global Bonds	○	○	●	○	○
Investment Grade Fixed Income	○	○	● ←	○	○
U.S. Government Securities	○	○	●	○	○
Investment Grade Corporates	○	○	● ←	○	○
Agency MBS	○	○	●	○	○
ABS / CMBS	○	○	○	●	○
Municipal Bonds	○	○	●	○	○
U.S. TIPS	○	○	○	●	○
High Yield Corporates	○	○	●	○	○
Non U.S. Developed Market Bonds	○	○	●	○	○
Emerging Markets Debt	○	○	○	→ ●	○
REAL AND ALTERNATIVE ASSETS					
Commodities	○	○	● ←	○	○
Hedged Strategies	○	●	○	○	○
Private Equity	○	○	○	●	○
Private Debt	○	○	○	●	○
Private Real Estate	○	○	○	→ ●	○

About the Asset Allocation Committee

Neuberger Berman's Asset Allocation Committee meets every quarter to poll its members on their outlook for the next 12 months on each of the asset classes noted and, through debate and discussion, to refine our market outlook. The panel covers the gamut of investments and markets, bringing together diverse industry knowledge, with an average of 30 years of experience.

Committee Members

Joseph V. Amato
Co-Chair, President and Chief Investment Officer—Equities

Erik L. Knutzen, CFA, CAIA
Co-Chair, Chief Investment Officer—Multi-Asset

Jeffrey Blazek
Co-Chair, Co-Chief Investment Officer—Multi-Asset

Ashok Bhatia, CFA
Co-Chief Investment Officer—Fixed Income

Thanos Bardas, PhD
Co-Head of Global Investment Grade Fixed Income

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Senior Portfolio Manager—Multi-Asset

Hakan Kaya, PhD
Senior Portfolio Manager—Quantitative and Multi-Asset Strategies

David G. Kupperman, PhD
Co-Head, NB Alternative Investment Management

Ugo Lancioni
Head of Global Currency

Shannon L. Saccocia, CFA
Chief Investment Officer—Private Wealth

Raheel Siddiqui
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Robert Surgent
Senior Portfolio Manager—Multi-Asset

Brad Tank
Co-Chief Investment Officer—Fixed Income

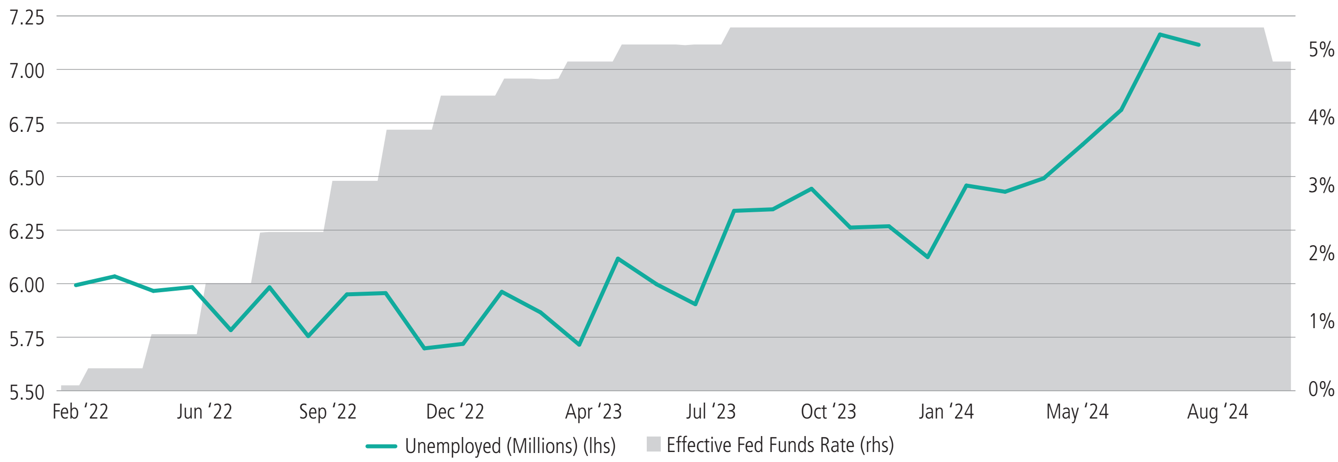
Elizabeth Traxler
Managing Director, Private Investment Portfolios & Co-Investments

Anthony D. Tutrone
Global Head of Alternatives

Rates Relief or Slowdown Uncertainty?

With the U.S. Federal Reserve (Fed) now cutting rates, investors must decide whether the market will trade "rates relief" or "slowdown uncertainty." The Asset Allocation Committee (AAC) maintains its soft-landing outlook, which suggests a moderate rate-cutting cycle that gives rate relief to the economy's "have-nots"—lower-income consumers and smaller companies—more than its "haves." Renewed stimulus for the sharply slowing Chinese economy has improved the outlook for non-U.S. markets and commodities, but we need to see its full impact to lift our views above target.

UNEMPLOYMENT FOLLOWED RATES UP, WITH A LAG—WILL RATE CUTS STEM ITS RISE?



Source: FactSet. Data as of October 1, 2024. Nothing herein constitutes a prediction or projection of future events or future market behavior. Historical trends do not imply, forecast or guarantee future results. Due to a variety of factors, actual events or market behavior may differ significantly from any views expressed or any historical results. Investing entails risks, including possible loss of principal. **Past performance is no guarantee of future results.**

EQUITY

- The AAC anticipates further broadening of U.S. equity-market performance now that rate cutting is underway, but larger companies are both fully valued and less sensitive to rate changes.
- Renewed stimulus from China has improved the outlook for non-U.S. markets, but we still think its structural challenges will continue to weigh on the global economy; we remain at target in our view on Europe; and while we remain constructive on Japan on a secular horizon, given continuing evolution of corporate governance, we move from an overweight to an at-target view as yen strengthening becomes a potential headwind.

FIXED INCOME

- The AAC downgraded its view on investment grade bonds to at-target, given full valuations.
- Our soft-landing outlook and debt sustainability concerns make us cautious on longer-dated bonds, even as policy rates are cut.
- We have become more positive on emerging markets debt given attractive yields amid the global rate-cutting cycle.

REAL AND ALTERNATIVE ASSETS

- The AAC continues to view commodities as a useful hedge against potential inflation and geopolitical shocks, but slowing global demand prevents us from maintaining our overweight view.
- We remain cautious on core real estate, but this is offset by the renewed tailwind of declining rates, and what we see as abundant market-dislocation opportunities in the value-add and opportunistic sectors, and particularly in real estate secondaries.
- We maintain our longstanding view that outsized rewards are available in private equity secondaries and co-investments, but primary private equity buyouts are also beginning to look more attractive against a backdrop of declining rates.