Covenant Asset Management, LLC

Third Quarter 2020 Investment Perspectives

John Guarino, President | www.covasset.com
125 Maple Avenue Chester, NJ 07930 | (908) 879-4090

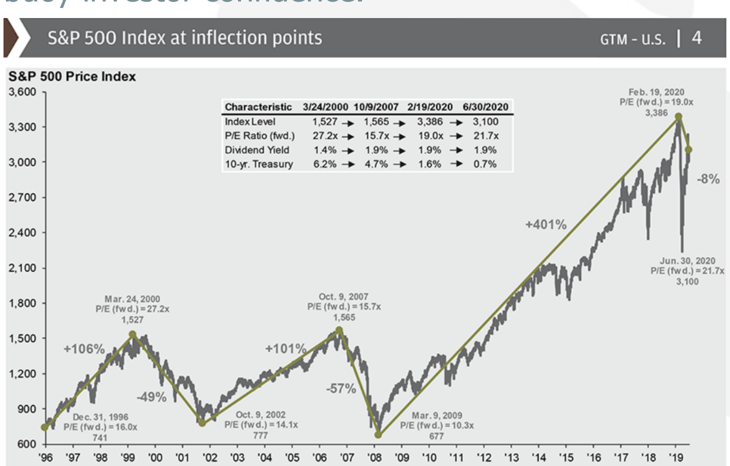
Economic and Financial Markets Review & Outlook

KEY THEMES

1. Financial markets rebounded sharply in the second quarter driven by massive fiscal and monetary stimulus.
2. Pre-existing trends have accelerated during the pandemic leading to the widest divergence in performance of major stock indexes in decades.
3. Second half risks abound with rising coronavirus cases in many states and civil unrest in many big cities.
4. The odds of a Democratic sweep in November are rising, increasing the risk of anti-growth policy changes next year.

Covenant Asset Management is pleased to offer our latest investment perspectives. In this publication we review first half results and highlight key economic, financial, and political themes which we expect will drive markets and investment performance in the coming months.

As 2020 began, it was hard to imagine the state of affairs with which the world would be confronted: a world-wide pandemic; forced shutdowns of major portions of economies; a stock market collapse; and civil unrest to an extent not seen in more than 50 years. A testament to the resilience of the American economy and the grit of its people is evident in the sharp rebound of U.S. stocks since the March 23 market bottom. During the second quarter, the DJIA rose 24%, the S&P 500 was up 26% and Nasdaq jumped 37%, all amongst the largest quarterly gains on record. Markets responded positively to the rapid and massive federal government and Federal Reserve Bank financial stimulation. The likelihood of additional aid in the months ahead continues to buoy investor confidence.



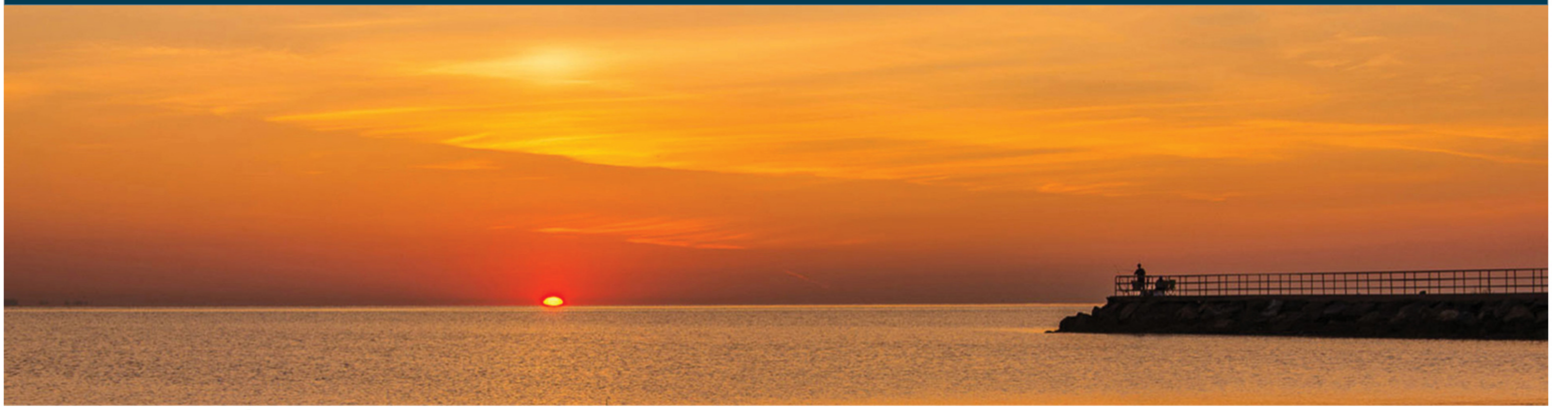
Characteristic	3/24/2000	10/9/2007	2/19/2020	6/30/2020
Index Level	1,527 →	1,565 →	3,386 →	3,100
P/E Ratio (fwd.)	27.2x →	15.7x →	19.0x →	21.7x
Dividend Yield	1.4% →	1.9% →	1.9% →	1.9%
10-yr. Treasury	6.2% →	4.7% →	1.6% →	0.7%

Source: Compustat, FactSet, Federal Reserve, 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), and is provided by FactSet Market Aggregates. Returns are cumulative and based on S&P 500 Index price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns.
Guide to the Markets – U.S. Data are as of June 30, 2020.

J.P.Morgan Asset Management

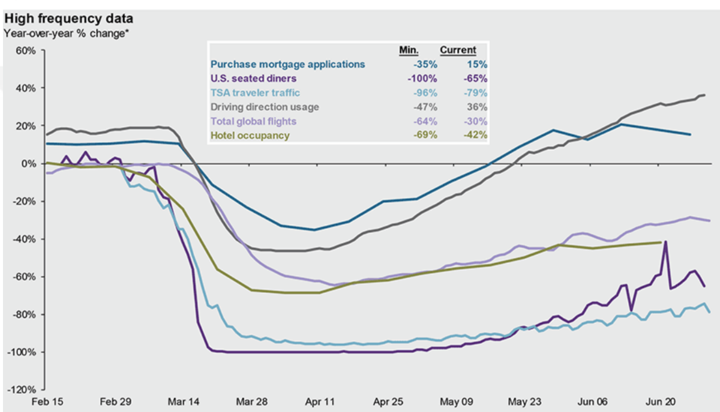
Much discussion has centered on the pace of the eventual economic recovery. There are encouraging early signs that the economy has begun to snap back more quickly than expected. Stock market performance has historically been the best leading indicator of economic activity. While much of the rally in stocks could be attributed to government aid, investors' willingness to continue driving stock prices higher is a sign that government financial support may be sufficient to support economic activity until the effects of the virus have largely passed. Additionally, as states have begun to reopen their economies, business activity has bounced back quickly. Manufacturing and retail sales have surged in the past month and the recovery in job losses has been much more rapid and sizable than economists had forecasted. With virus cases rising in some states, it is likely the recovery will be uneven across geographies and economic sectors. We are watching some of the high frequency economic data displayed in the chart below to determine the economic impact of rising virus cases.

Economic and Financial Markets Review



However, we have already witnessed the quickest bear market in history followed by the quickest return to bull market territory. There is a good chance we will also experience the sharpest and most rapid recession in our nations history, followed by its steepest and swiftest recovery.

High-frequency economic activity GTM - U.S. | 21



Source: Apple Inc., FlightRadar24, Mortgage Bankers Association (MBA), OpenTable, STR, Transportation Security Administration (TSA), J.P. Morgan Asset Management. *Driving directions and total global flights are 7-day moving averages and are compared to a pre-pandemic baseline.
Guide to the Markets – U.S. Data are as of June 30, 2020.

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The divergence in returns of major U.S. stock indexes in the first half of 2020 is the widest in decades. Not since the internet boom at the turn of the century have we seen such disparity in index performance. The tech heavy Nasdaq composite index was up nearly 13% at the half-year mark, while the Dow Industrials was down 8.4%. The steady march to a digital, information-based world has dramatically evolved during the past four months, as businesses, restaurants, retailers, schools and many other venues and functions have been shuttered. The beneficiaries of these changes have been e-commerce retailers like Amazon, e-commerce platform providers like Shopify, collaborative software providers such as Microsoft and Atlassian, digital payment providers like Paypal and Square, tele-learning companies like Chegg, e-signature companies like Docusign, telemedicine companies like Teledoc and video-conferencing companies like Zoom Video. These are just some examples of the companies and applications leading the way in the accelerated transformation of our economy into a predominantly online, digital, communication and information-based one. While these "new" economy stocks lead the way, old economy stocks found in the energy, financial, industrial and utility sectors are down by double-digit percentages this year.

Returns and valuations by style GTM - U.S. | 11

QTD	Value	Blend	Growth
Large	14.3%	20.5%	27.8%
Mid	19.9%	24.6%	30.3%
Small	18.9%	25.4%	30.6%

YTD	Value	Blend	Growth
Large	-16.3%	-3.1%	9.8%
Mid	-18.1%	-9.1%	4.2%
Small	-23.5%	-13.0%	-3.1%

Current P/E vs. 20-year avg. P/E	Value	Blend	Growth
Large	18.1 / 13.6	21.7 / 15.4	29.8 / 18.8
Mid	19.8 / 14.2	23.9 / 16.1	39.2 / 20.4
Small	27.7 / 16.5	55.0 / 20.7	- / 30.1

Since market peak (October 2007)	Value	Blend	Growth
Large	77.2%	159.6%	269.6%
Mid	99.2%	141.4%	205.8%
Small	58.8%	103.6%	152.5%

Since market low (March 2009)	Value	Blend	Growth
Large	341.9%	480.0%	653.8%
Mid	408.5%	482.5%	606.9%
Small	292.8%	391.0%	495.8%

Current P/E as % of 20-year avg. P/E	Value	Blend	Growth
Large	132.9%	140.9%	158.5%
Mid	139.3%	148.5%	192.2%
Small	168.1%	265.3%	-

Source: FactSet, Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management.
All calculations are cumulative total return, including dividends reinvested for the stated period. Since Market Peak represents period 10/9/07 – 6/30/20, illustrating market returns since the S&P 500 Index high on 10/9/07. Since Market Low represents period 3/9/09 – 6/30/20, illustrating market returns since the S&P 500 Index low on 3/9/09. Returns are cumulative returns, not annualized. For all time periods, total return is based on Russell style indices with the exception of the large blend category, which is based on the S&P 500 Index. Past performance is not indicative of future returns. The price to earnings is a bottom-up calculation based on the most recent index price, divided by consensus estimates for earnings in the next 12 months (NTM), and is provided by FactSet Market Aggregates. Russell 2000 Growth P/E not available due to negative earnings.
Guide to the Markets – U.S. Data are as of June 30, 2020.

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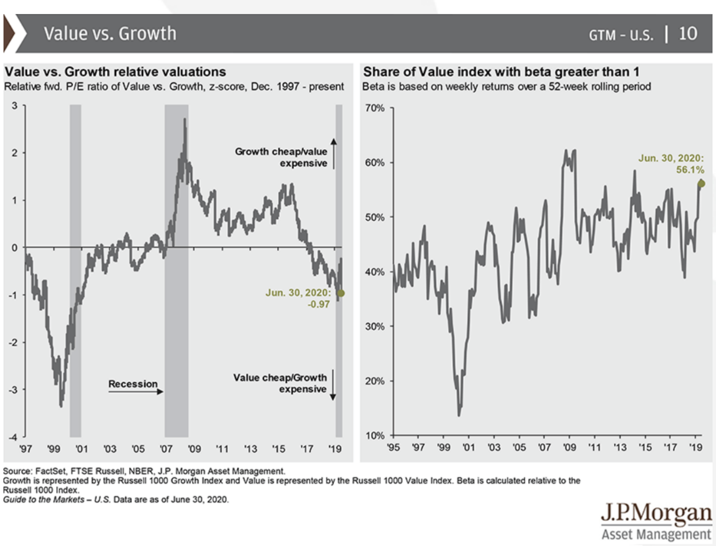
At some point, the global economy will fully reopen. Many of the old economy sectors, whose prospects are more tethered to traditional economic cycle, may show strong relative performance for a period of time. However, many of the new economy trends highlighted above will persist. E-signatures will become more standardized, work from home may ease, but will likely not be discontinued completely. Virtual learning and video doctor's appointments will

Economic and Financial Markets Challenges

become a more permanent part of our society. And online shopping, with at home delivery, will continue unabated. Consumer-oriented companies will need to adapt to this new digital world or they will cease to exist.

Since our inception as an independent financial advisor in 1999, Covenant has focused our equity research effort on understanding the key growth trends within our economy and identifying the individual companies best positioned to grow revenues and earnings rapidly, consistently and profitably. The acceleration of these underlying trends in 2020 has allowed many of our clients to enjoy their best U.S. equity performance since 1999, when compared to the S&P 500 Index.



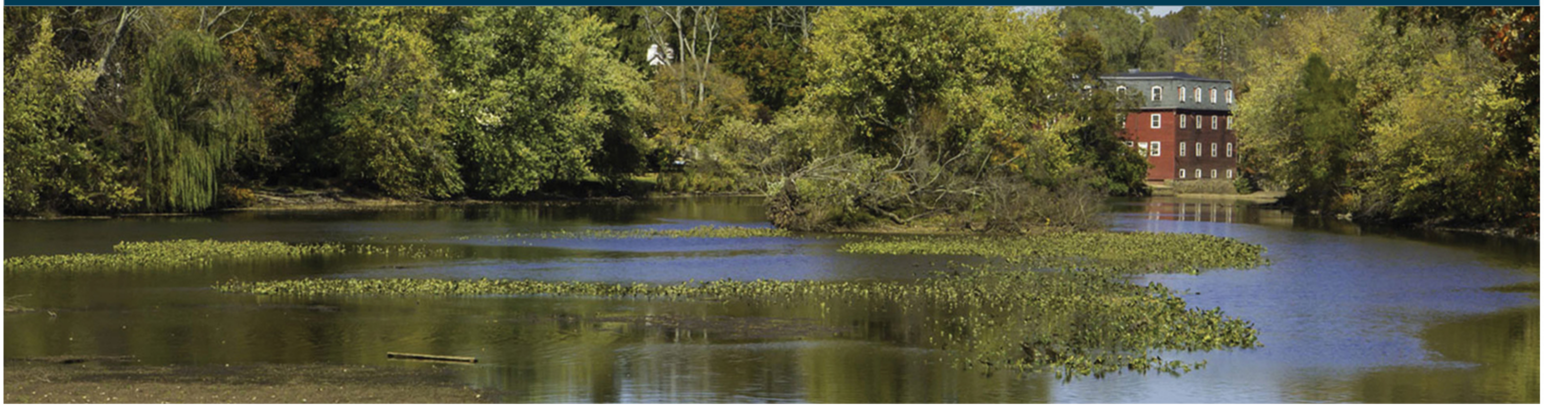
Notwithstanding the positive rebound in financial markets over the past three months, plenty of risks lie ahead. Coronavirus cases in many states have been rising rapidly during the past month, as states have begun to reopen their economies.

On a positive note, we have not seen an accompanying rise in deaths. In fact, at this writing, the number of daily deaths nationwide is at the lowest level since late March. Fortunately, treatment options have improved and the average age of the patient population testing positive has fallen quite a bit. Statistics suggest that younger people testing positive are largely asymptomatic or are likely to recover with little to no medical treatment. The rising case numbers have caused some governors to pause or roll back re-opening plans. These actions may slow down or delay the economic recovery underway in the U.S.

While we make no judgement on the decisions of our elected leaders, we hope they recognize that extending shutdown orders in order to save people from coronavirus infections does lead to other harmful consequences. In the best case scenario, it will be many months before a vaccine is available. The longer it takes to reopen the economy, the more the damage to livelihoods, especially for small business owners in the food, fitness and retail industries. Increased homelessness, suicide and mental-health crises are common during economically hard times. Individuals have also been deferring medical tests, normal checkups and surgeries, out of fear of catching the virus. These deferrals are likely to result in additional health issues and deaths in the future.

In addition to fighting the virus, our nation has also been subjected to civil unrest across many big cities. What began as righteous anger over the George Floyd tragedy has morphed into something much bigger and more destructive. While

Financial Markets Charts



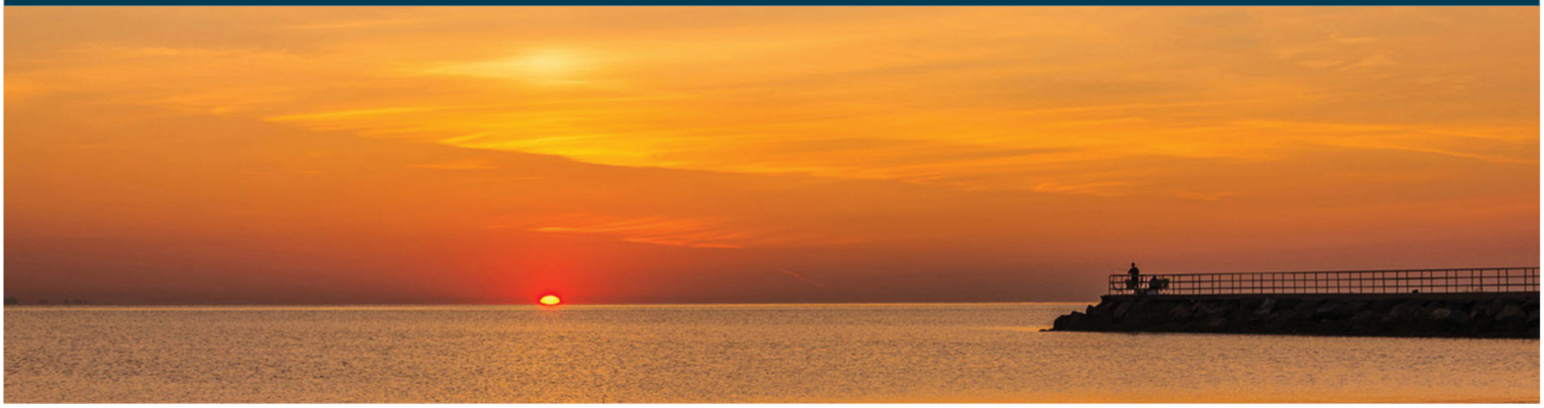
injustices are evident, three months of lockdowns and economic stress caused by high levels of unemployment are at least partially to blame for the rioting. There is also some evidence that the recent spike in Covid-19 cases can in part be attributed to the mass gatherings of protestors. We are monitoring these protests to determine if there are any future economic or financial market implications.

Perhaps the most frequent question we are asked is about the political risks associated with the November election. While it is still pre-mature to assess the likely outcome of the election, conditions may favor a strong showing by Democrats. The odds of a Democratic sweep in November have risen recently which raises the possibility of less friendly tax and regulatory policies in 2021 and beyond. But, it is still about two months before the electorate traditionally begins focusing on the issues and the candidates. As we have seen this year, a lot can happen in a two-month stretch, so we, and, it appears, many other investors are withholding judgment on the outcome of the election for now.

In terms of strategy, we recommend adhering to a well-defined financial plan. It is important to have access to an adequate cash reserve. Now that markets have recovered, if you have cash needs in the foreseeable future, it would be a good time to raise capital. We also recommend maintaining a diversified portfolio of U.S. and foreign stocks, high grade and high yield bonds, REITs, and high yield MLPs in whatever allocation best fits your investment objectives. Your Covenant financial advisor is monitoring your portfolio to assure these core principles are in place. We are always available to assess and review your plan by audio or video call.

We are grateful for your business and the trust you have placed in us to advise and manage your investments. We look forward to speaking with you soon.

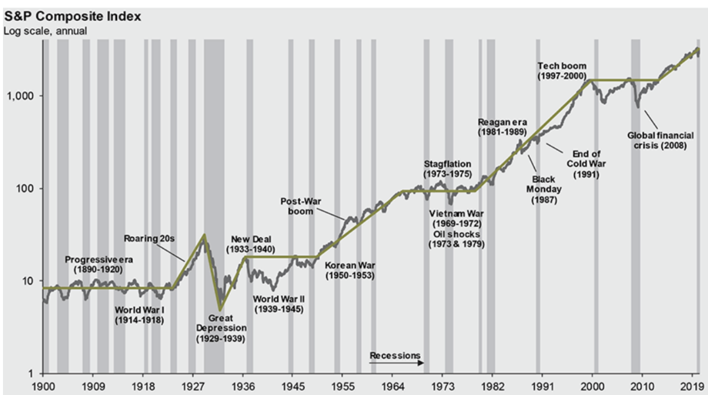
Financial Markets Charts



Rather than write extensively about equity valuations, economic statistics and investing principles, we offer the following charts organized by topic and courtesy of J.P. Morgan Asset Management:

Stock market since 1900

GTM - U.S. | 17



Source: FactSet, NBER, Robert Shiller, J.P. Morgan Asset Management.
Data shown in log scale to best illustrate long-term index patterns. Past performance is not indicative of future returns. Chart is for illustrative purposes only.
Guide to the Markets – U.S. Data are as of June 30, 2020.

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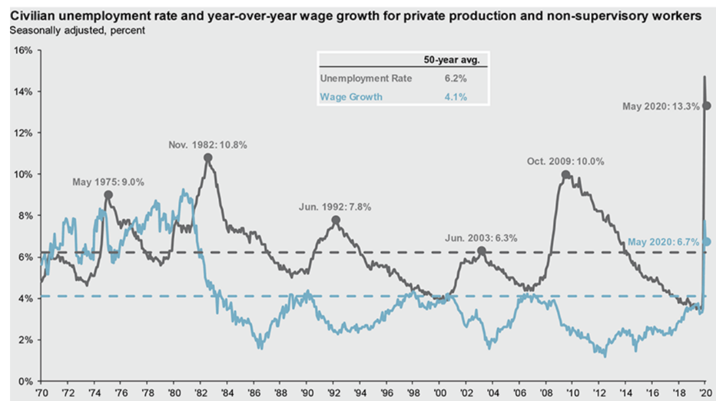
Unemployment and wages

GTM - U.S. | 26



Source: BLS, FactSet, J.P. Morgan Asset Management.
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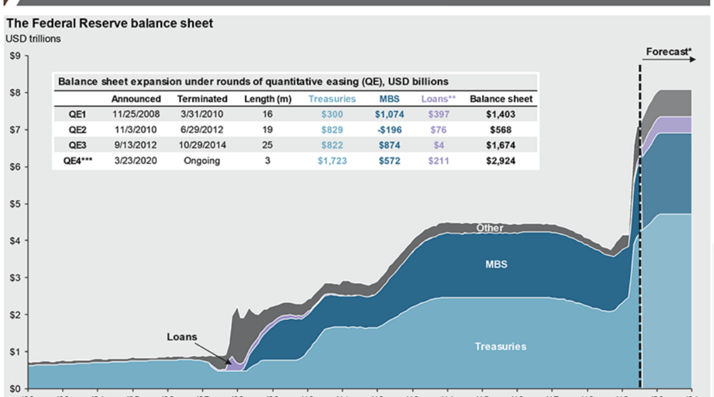
The Federal Reserve balance sheet

GTM - U.S. | 33



Balance sheet expansion under rounds of quantitative easing (QE), USD billions

	Announced	Terminated	Length (m)	Treasuries	MBS	Loans**	Balance sheet
QE1	11/25/2008	3/31/2010	16	$300	$1,074	$397	$1,403
QE2	11/3/2010	6/29/2012	19	$829	-$196	$76	$568
QE3	9/13/2012	10/29/2014	25	$822	$874	$4	$1,674
QE4***	3/23/2020	Ongoing	3	$1,723	$572	$211	$2,924

Source: FactSet, Federal Reserve, J.P. Morgan Investment Bank, J.P. Morgan Asset Management.
Currently, the balance sheet contains $4.2 trillion in Treasuries and $1.9 trillion in MBS. The end balance forecast is $4.7 trillion in Treasuries and $2.2 trillion in MBS by December 2020. *Balance sheet forecast assumes the Federal Reserve maintains its current pace of purchases of Treasuries and MBS through December 2020 as outlined in the June 2020 FOMC meeting. **Loans include primary, secondary and seasonal loans, maiden lane securities and loans extended through newly established corporate credit facilities. Loan figures shown are max usage over the QE period referenced and are not growth of loan portfolio over the period. ***QE4 is ongoing and the expansion figures are as of the most recent Wednesday close as reported by the Federal Reserve.
Guide to the Markets – U.S. Data are as of June 30, 2020.

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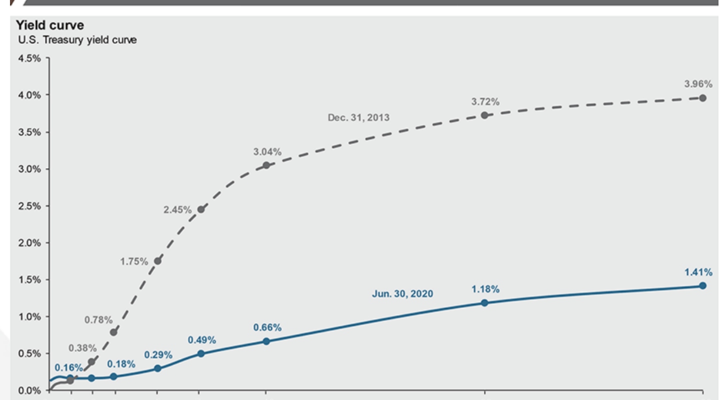
Yield curve

GTM - U.S. | 36



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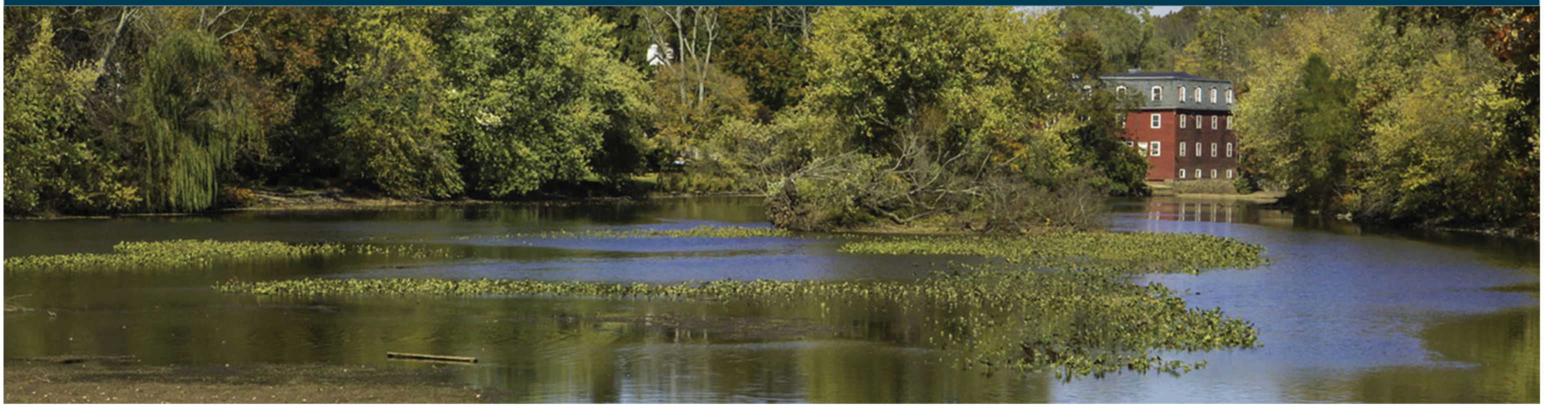
Financial Markets Charts



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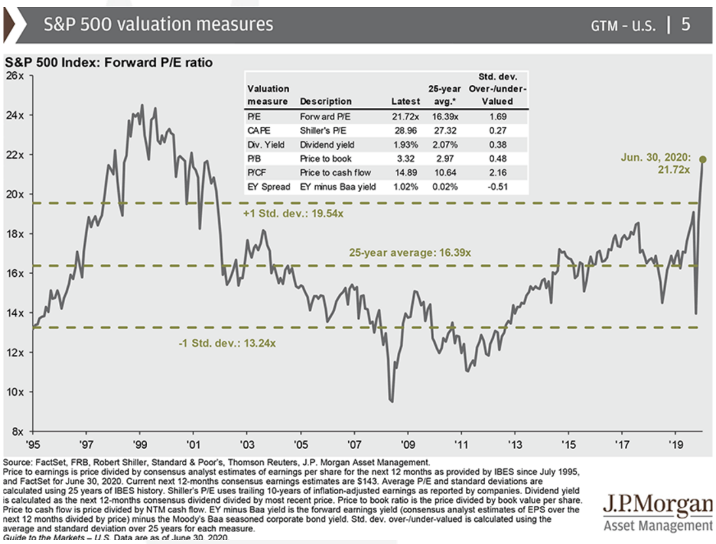

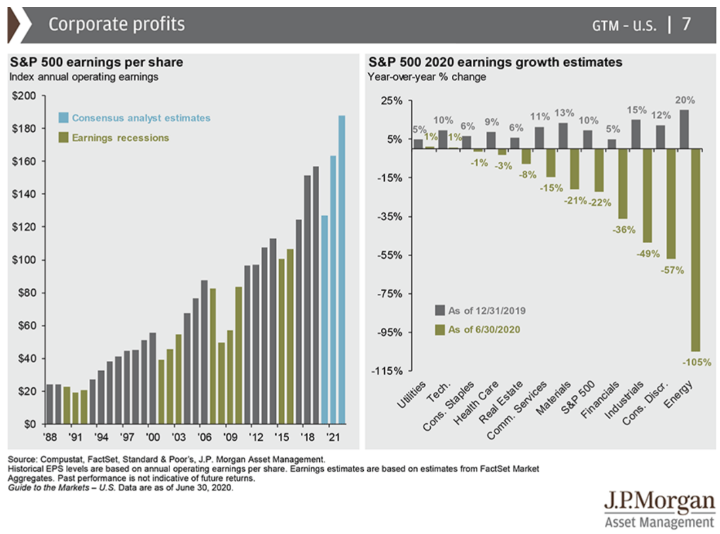

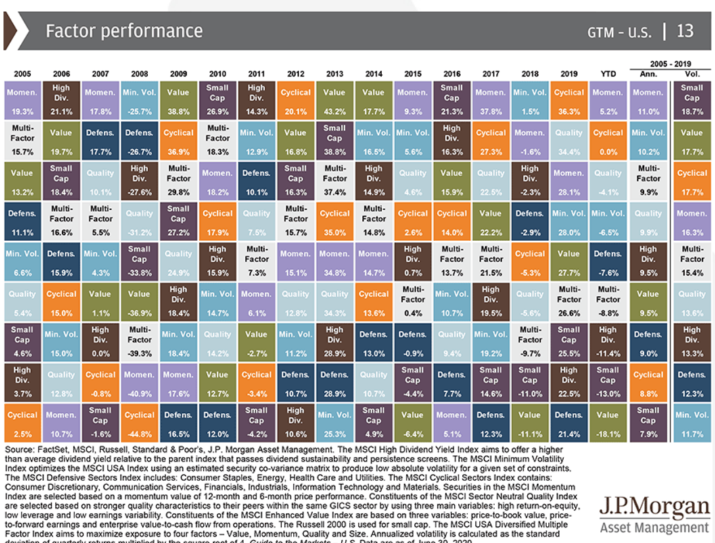

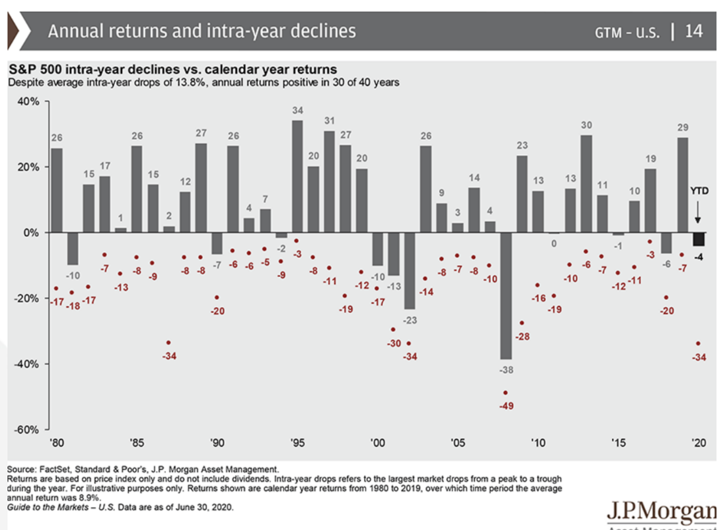

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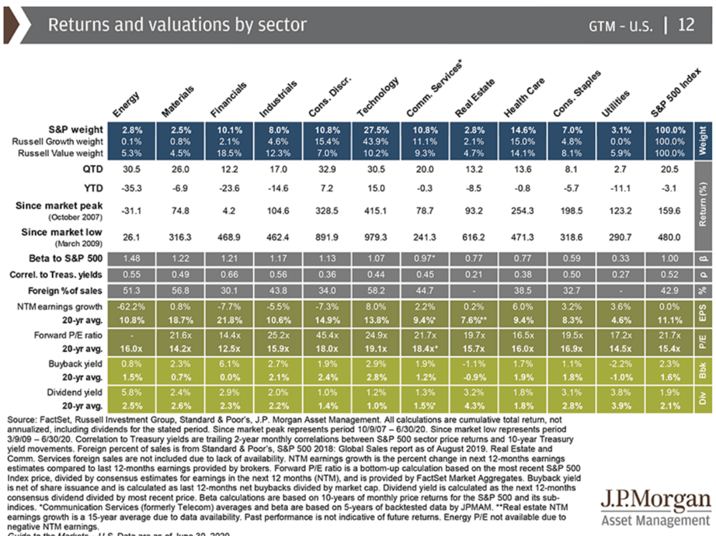

Returns and valuations by sector — GTM - U.S. | 12

		Energy	Materials	Financials	Industrials	Cons. Discr.	Technology	Comm. Services*	Real Estate	Health Care	Cons. Staples	Utilities	S&P 500 Index
Weight	S&P weight	2.8%	2.5%	10.1%	8.0%	10.8%	27.5%	10.8%	2.8%	14.6%	7.0%	3.1%	100.0%
	Russell Growth weight	0.1%	0.8%	2.1%	4.6%	15.4%	43.9%	11.1%	2.1%	15.0%	4.8%	0.0%	100.0%
	Russell Value weight	5.3%	4.5%	18.5%	12.3%	7.0%	10.2%	9.3%	4.7%	14.1%	8.1%	5.9%	100.0%
Return (%)	QTD	30.5	26.0	12.2	17.0	32.9	30.5	20.0	13.2	13.6	8.1	2.7	20.5
	YTD	-35.3	-6.9	-23.6	-14.6	7.2	15.0	-0.3	-8.5	-0.8	-5.7	-11.1	-3.1
	Since market peak (October 2007)	-31.1	74.8	4.2	104.6	328.5	415.1	78.7	93.2	254.3	198.5	123.2	159.6
	Since market low (March 2009)	26.1	316.3	468.9	462.4	891.9	979.3	241.3	616.2	471.3	318.6	290.7	480.0
β	Beta to S&P 500	1.48	1.22	1.21	1.17	1.13	1.07	0.97*	0.77	0.77	0.59	0.33	1.00
ρ	Correl. to Treas. yields	0.55	0.49	0.66	0.56	0.36	0.44	0.45	0.21	0.38	0.50	0.27	0.52
%	Foreign % of sales	51.3	56.8	30.1	43.8	34.0	58.2	44.7	-	38.5	32.7	-	42.9
EPS	NTM earnings growth	-62.2%	0.8%	-7.7%	-5.5%	-7.3%	8.0%	2.2%	0.2%	6.0%	3.2%	3.6%	0.0%
	20-yr avg.	10.8%	18.7%	21.8%	10.6%	14.9%	13.8%	9.4%*	7.6%**	9.4%	8.3%	4.6%	11.1%
P/E	Forward P/E ratio	-	21.6x	14.4x	25.2x	45.4x	24.9x	21.7x	19.7x	16.5x	19.5x	17.2x	21.7x
	20-yr avg.	16.0x	14.2x	12.5x	15.9x	18.0x	19.1x	18.4x*	15.7x	16.0x	16.9x	14.5x	15.4x
Bbk	Buyback yield	0.8%	2.3%	6.1%	2.7%	1.9%	2.9%	1.9%	-1.1%	1.7%	1.1%	-2.2%	2.3%
	20-yr avg.	1.5%	0.7%	0.0%	2.1%	2.4%	2.8%	1.2%	-0.9%	1.9%	1.8%	-1.0%	1.6%
Div	Dividend yield	5.8%	2.4%	2.9%	2.0%	1.0%	1.2%	1.3%	3.2%	1.8%	3.1%	3.8%	1.9%
	20-yr avg.	2.5%	2.6%	2.3%	2.2%	1.4%	1.0%	1.5%*	4.3%	1.8%	2.8%	3.9%	2.1%

Source: FactSet, Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management. All calculations are cumulative total return, not annualized, including dividends for the stated period. Since market peak represents period 10/9/07 – 6/30/20. Since market low represents period 3/9/09 – 6/30/20. Correlation to Treasury yields are trailing 2-year monthly correlations between S&P 500 sector price returns and 10-year Treasury yield movements. Foreign percent of sales is from Standard & Poor's, S&P 500 2018: Global Sales report as of August 2019. Real Estate and Comm. Services foreign sales are not included due to lack of availability. NTM earnings growth is the percent change in next 12-months earnings estimates compared to last 12-months earnings provided by brokers. Forward P/E 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), and is provided by FactSet Market Aggregates. Buyback yield is net of share issuance and is calculated as last 12-months net buybacks divided by market cap. Dividend yield is calculated as the next 12-months consensus dividend divided by most recent price. Beta calculations are based on 10-years of monthly price returns for the S&P 500 and its sub-indices. *Communication Services (formerly Telecom) averages and beta are based on 5-years of backtested data by JPMAM. **Real estate NTM earnings growth is a 15-year average due to data availability. Past performance is not indicative of future returns. Energy P/E not available due to negative NTM earnings.
Guide to the Markets – U.S. Data are as of June 30, 2020.

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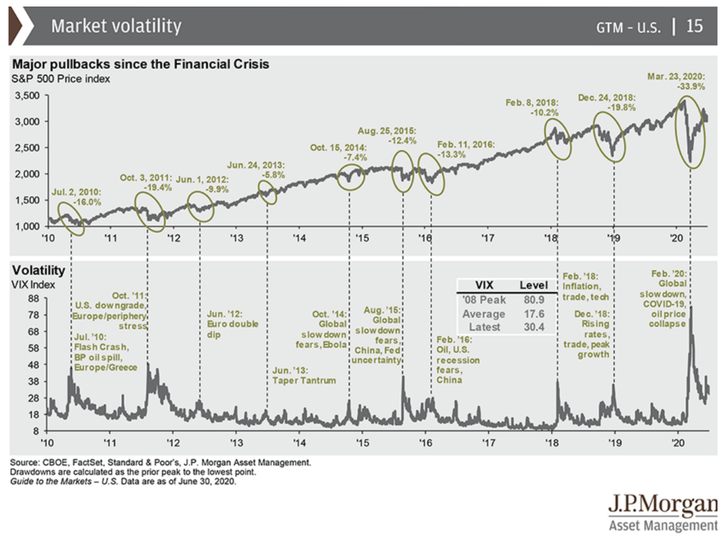

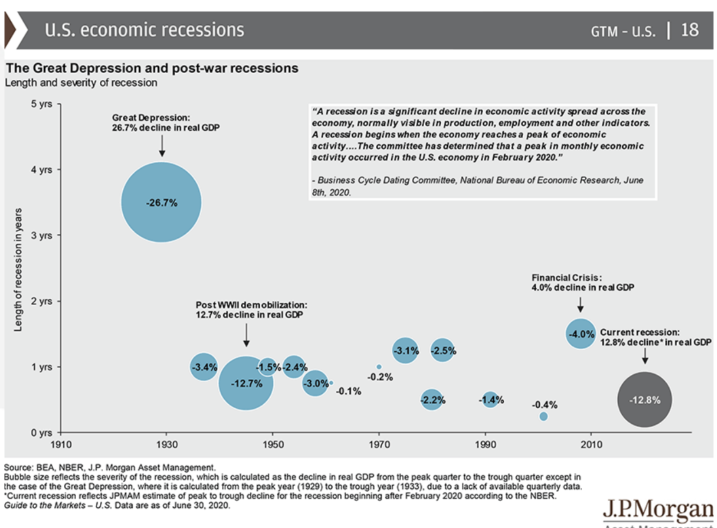

Financial Markets Charts

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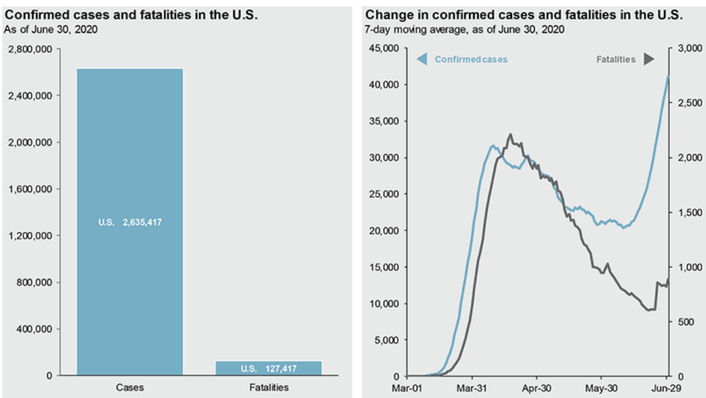
COVID-19: U.S. confirmed cases and fatalities



Source: Johns Hopkins CSSE, J.P. Morgan Asset Management.
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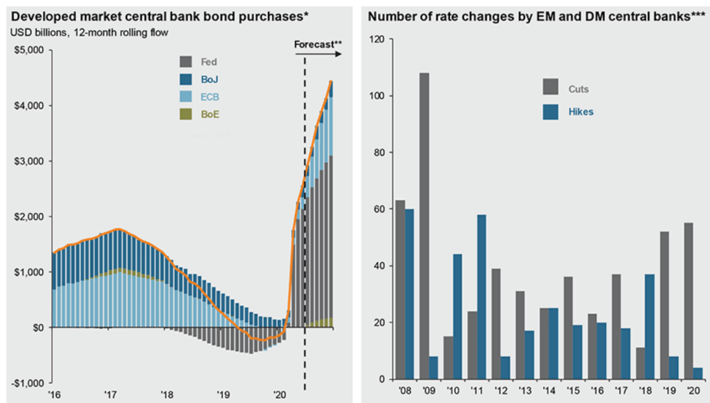
Global monetary policy



Source: J.P. Morgan Asset Management; (Left) Bank of England, Bank of Japan, European Central Bank, FactSet, Federal Reserve System, J.P. Morgan Global Economic Research; (Right) Bloomberg. *Includes the Bank of Japan (BoJ), Bank of England (BoE), European Central Bank (ECB) and Federal Reserve. **Bond purchase forecast assumes $200bn GBP in net purchases from BoE through August 2021; continued BoJ QE of $50trn JPY ann. for 2020; $1.11trn EUR in net purchases from the ECB through 2020; and the Federal Reserve to purchase $2.5trn of Treasuries, $1.2trn of agency MBS and $50bn of agency CMBS through 2020. Fed assumptions are based on purchase activity in March 2020 and previous QE announcements. ***Central banks include Australia, Brazil, Canada, Chile, China, Colombia, Denmark, euro area, Hong Kong SAR, Indonesia, India, Japan, Korea, Malaysia, Mexico, Norway, Peru, Philippines, Poland, Russia, Saudi Arabia, South Africa, Sweden, Switzerland, Thailand, Turkey, United Kingdom and the United States. *Guide to the Markets – U.S.* Data are as of June 30, 2020.

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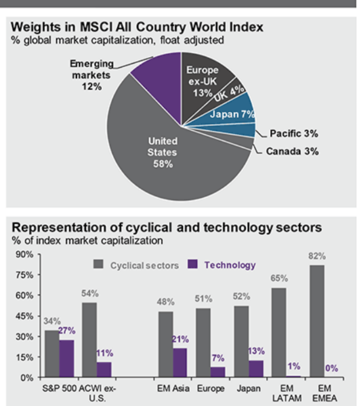
Global equity markets

Returns	2020 YTD		2019		15-years	
	Local	USD	Local	USD	Ann.	Beta
Regions						
U.S. (S&P 500)	-	-3.1	-	31.5	9.0	0.87
AC World ex-U.S.	-8.8	-10.8	21.4	22.1	5.7	1.10
EAFE	-10.3	-11.1	22.3	22.7	5.3	1.06
Europe ex-UK	-9.0	-8.6	27.5	25.9	5.9	1.20
Emerging markets	-5.4	-9.7	18.5	18.9	7.8	1.26
Selected Countries						
United Kingdom	-17.7	-23.2	16.5	21.1	4.2	1.01
France	-15.6	-15.5	29.3	27.0	5.9	1.22
Germany	-7.2	-7.1	23.9	21.7	6.4	1.32
Japan	-7.6	-6.9	18.9	20.1	4.3	0.75
China	3.5	3.6	23.3	23.7	11.3	1.26
India	-12.1	-16.9	10.0	7.6	9.2	1.31
Brazil	-16.5	-38.8	31.5	26.7	9.5	1.47
Russia	-14.3	-24.3	38.8	52.7	7.4	1.53



Source: FactSet, Federal Reserve, MSCI, Standard & Poor's, J.P. Morgan Asset Management.
All return values are MSCI Gross Index (official) data. 15-year history based on U.S. dollar returns. 15-year return and beta figures are calculated for the time period 12/31/04-12/31/19. Beta is for monthly returns relative to the MSCI AC World Index. Annualized volatility is calculated as the standard deviation of quarterly returns multiplied by the square root of 4. Chart is for illustrative purposes only. Please see disclosure page for index definitions. Past performance is not a reliable indicator of current and future results. Sector breakdown includes the following aggregates: Technology (Information Technology) and cyclicals (Consumer Discretionary, Financials, Industrials, Energy and Materials).
Guide to the Markets –U.S. Data are as of June 30, 2020.

J.P.Morgan Asset Management

Asset class returns

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	2005 - 2019 Ann.	2005 - 2019 Vol.
EM Equity 34.5%	REITs 35.1%	EM Equity 39.8%	Fixed Income 5.2%	EM Equity 79.0%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Fixed Income 6.1%	Large Cap 9.0%	REITs 22.2%
Comdty. 21.4%	EM Equity 32.6%	Comdty. 16.2%	Cash 1.8%	High Yield 59.4%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	Cash 0.5%	REITs 8.3%	EM Equity 22.1%
DM Equity 14.0%	DM Equity 26.9%	DM Equity 11.6%	Asset Alloc. -25.4%	DM Equity 32.5%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Large Cap -3.1%	Small Cap 7.9%	Comdty. 18.6%
REITs 12.2%	Small Cap 18.4%	Asset Alloc. 7.1%	High Yield -26.9%	REITs 28.0%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. -4.5%	EM Equity 7.8%	Small Cap 17.7%
Asset Alloc. 8.1%	Large Cap 15.8%	Fixed Income 7.0%	Small Cap -33.8%	Small Cap 27.2%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	High Yield -4.7%	High Yield 7.2%	DM Equity 17.3%
Large Cap 4.9%	Asset Alloc. 15.3%	Large Cap 5.5%	Comdty. -35.6%	Large Cap 26.5%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	EM Equity -9.7%	Asset Alloc. 6.6%	Large Cap 14.0%
Small Cap 4.6%	High Yield 13.7%	Cash 4.8%	Large Cap -37.0%	Asset Alloc. 25.0%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	DM Equity -11.1%	DM Equity 5.3%	High Yield 10.9%
High Yield 3.6%	Cash 4.8%	High Yield 3.2%	REITs -37.7%	Comdty. 18.9%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	Small Cap -13.0%	Fixed Income 4.1%	Asset Alloc. 10.0%
Cash 3.0%	Fixed Income 4.3%	Small Cap -1.6%	DM Equity -43.1%	Fixed Income 5.9%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	REITs -13.3%	Cash 1.3%	Fixed Income 3.4%
Fixed Income 2.4%	Comdty. 2.1%	REITs -15.7%	EM Equity -53.2%	Cash 0.1%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	Comdty. -19.4%	Comdty. -2.6%	Cash 1.0%

Source: Barclays, Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.
Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Fixed Income: Bloomberg Barclays US Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg Barclays 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg Barclays US Aggregate, 5% in the Bloomberg Barclays 1-3m Treasury, 5% in the Bloomberg Barclays Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period of 12/31/04 – 12/31/19. Please see disclosure page at end 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.
Guide to the Markets – U.S. Data are as of June 30, 2020.

J.P.Morgan Asset Management

*Any performance-related data listed in this report may represent un-audited results compiled by Covenant Asset Management or others. It could be intended to reflect results that are indicative of Covenant's individual client's equity performance who religiously invest according to our model portfolios. This performance data represents past performance and individual client results may vary materially. Past performance does not guarantee future results and current performance may be higher or lower than the performance data quoted.

Covenant Asset Management, LLC