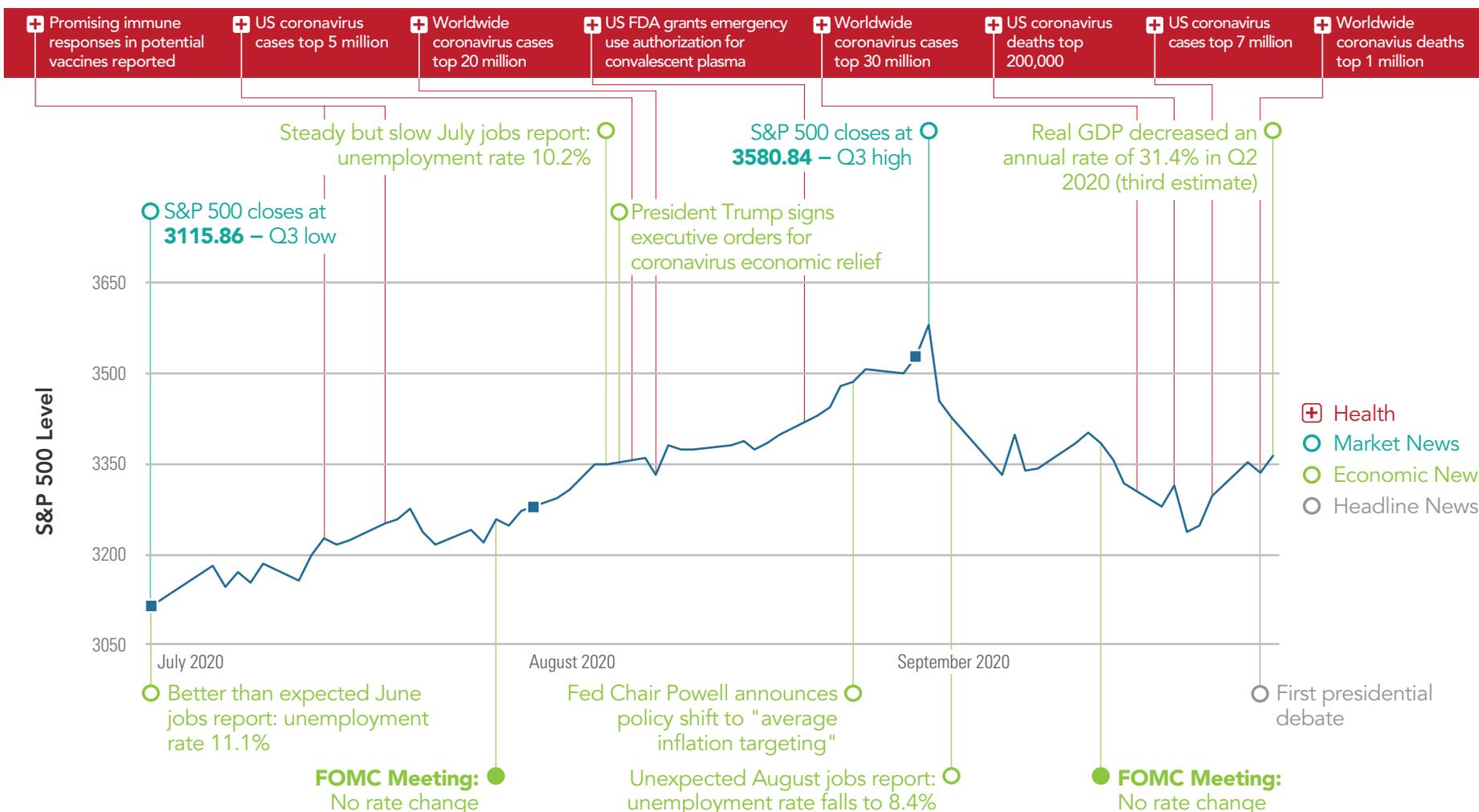


Third Quarter 2020 in Review



THE S&P 500® INDEX AND KEY EVENTS



The market indices shown are non-managed indices shown for reference purposes. Index performance reflects the reinvestment of dividends. It is not possible to invest directly in an index, and index performance does not reflect any deduction for investment advisory fees.

Global equities strong

- In the third quarter, emerging markets led US large cap, US small cap, and non-US developed stocks; all posted positive returns. Both the S&P 500® and Nasdaq Composite reached record highs during the quarter.

Fixed income sectors positive

- Fixed income was also a bright spot. High yield corporate bonds led investment grade corporate bonds, municipal bonds, and broad investment grade bonds, all with positive returns. Treasuries landed in very mild positive territory.

Important events

- The Federal Open Market Committee (the Fed) left the fed funds rate unchanged at the July and September meetings. Notably, in August, Chair Jerome Powell announced the Fed was adopting a “flexible form of average inflation targeting,” seeking to “achieve a 2 percent inflation rate over time.” The September “dot plot” revealed the majority of Fed participants anticipate a flat rate path through 2023.
- Coronavirus statistics reached grim milestones, with more than 30 million diagnosed cases and 1 million deaths globally at the close of the quarter.
- The pandemic’s effect was reflected in US real gross domestic product (GDP), which declined 31.4% in the second quarter (third estimate).
- On a more encouraging note, the US unemployment rate declined steadily during the quarter, settling at 8.4% in August.

Savos positioning

- Savos expectations for the remainder of 2020: economic recovery slows amid COVID-19 outbreaks and flu season; elevated unemployment continues; market volatility due to US presidential election and uncertainty about additional stimulus.

About Savos Investments

Savos Investments specializes in risk-managed strategies for financial advisors and their clients on the AssetMark platform. Savos aims to help clients reach their financial goals with expertly constructed portfolios and personalized investment solutions.

Simply Smart. Simply Savos.

Third quarter 2020 returns: Dow Jones Industrial Average: 8.22%; S&P 500: 8.93%; Russell 2000® Index: 4.93%; MSCI EAFE Index: 4.87%; MSCI EM Index: 9.65%; Bloomberg Barclays US Treasury 7-10 Year Index: 0.28%; S&P 500 Investment Grade Corporate Bond Index: 1.41%; S&P Municipal Bond Index: 1.18%; S&P 500 High Yield Corporate Bond Index: 3.96%; Bloomberg Barclays US Aggregate Bond Index: 0.62%.

Sources: Bloomberg; FactSet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Federal Reserve.

Important Information

All investments involve the risk of potential investment losses as well as the potential for investment gains. Prior performance is no guarantee of future results. This information is not a solicitation for investment, but is intended only as a discussion of certain economic or finance related topics, or as a general discussion of certain services offered to financial advisors through the AssetMark platform. Opinions are those of Savos and may change at any time. Investors seeking more information about the investments available on the AssetMark platform should discuss with their financial advisor. Prior to making any investment decision, investors should always discuss their particular situation with both a qualified financial advisor and a qualified tax advisor. Financial advisors may seek more information regarding all services offered through the AssetMark platform by contacting Savos at (818) 528-3788.

The S&P 500® Index measures the performance of 500 leading companies in the U.S. Constituents generally have a market-cap above \$5 billion and represent approximately 80% of the investable market. The MSCI All Country World (ACWI) Index measures large- and mid-cap equity performance of developed and emerging markets. Represents approximately 85% of the global equity investment universe. The MSCI EAFE® Index measures the equity performance of countries considered to represent developed markets, excluding the U.S. and Canada. The MSCI Emerging Markets (EM) Index measures the equity market performance of countries considered to represent emerging markets. The Russell 2000® Index measures the performance of companies considered to represent the small-cap segment of the US equity market. The Bloomberg Barclays US Aggregate Bond Index measures the performance of USD-denominated, investment-grade, fixed-rate taxable bond market of SEC-registered securities. The index includes Treasury bonds, Government-related and Corporate, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS sectors. The Bloomberg Barclays US Treasury 7-10 Year Index measures the performance of US Treasury bonds, including all publicly issued securities with 7 to 9.9999 years to maturity. The Bloomberg Barclays US Corporate Bond Index measures the performance of the investment-grade, fixed-rate, taxable corporate bond market. Includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers that meet specified maturity, liquidity and quality requirements. The Bloomberg Barclays US Municipal Bond Index measures the performance of the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds. The Bloomberg Barclays US Corporate High Yield Bond Index measures the performance of USD-denominated, non-investment-grade, fixed-rate taxable corporate bonds. "High-yield" securities have the middle rating from Moody's, Fitch or S&P of Ba1/BB+/BB+ or below. Index excludes emerging market debt. The Dow Jones Industrial Average® measures the performance of an index of 30 large U.S. companies. Excludes the transportation industry and utilities sector.

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100529 | C20-16775 | 10/2020 | EXP 10/31/21

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