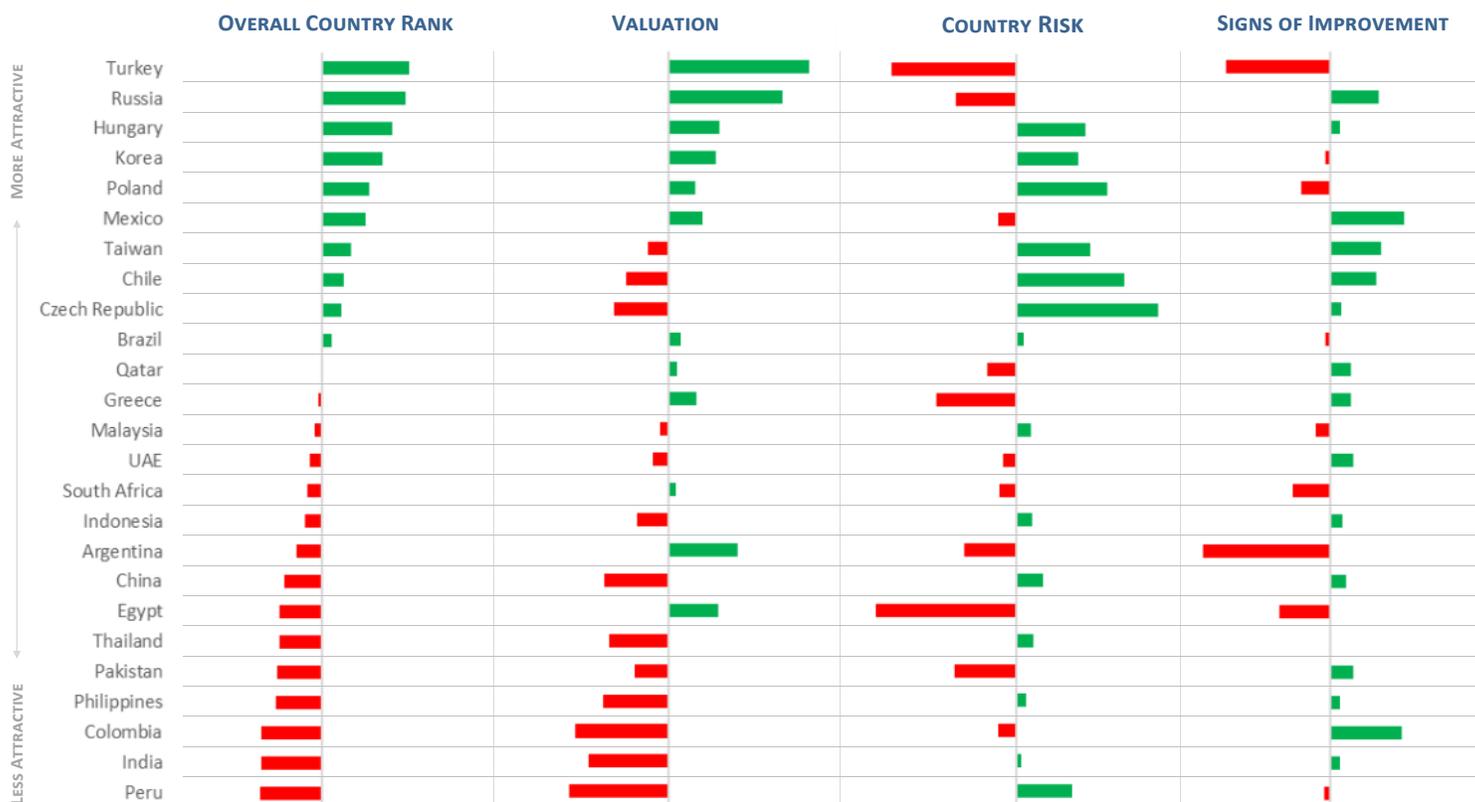




Real-time insight on how DuPont Capital has positioned its portfolios as a function of key factors driving the markets.



COMMENTS (as of August 15, 2018)

VALUATION	Turkey and Russia stand out for their attractive valuations, but possess above average risk. Korea and Poland have a favorable combination of both attractive valuations and lower levels of country risk. China, India, and Pakistan appear the least attractive on the basis of currency and equity market valuation measures.
RISK	Turkey, Egypt, and Greece remain among the riskiest countries we evaluate due to a combination of geopolitical conflict, domestic political risk, and weak financial profiles. Eastern European countries, such as Hungary, Czech Republic, and Poland, continue to report strong economic growth, which has improved the respective risk profile of each country.
SIGNS OF IMPROVEMENT	Rising oil prices have helped improve the economic outlook for oil exporters, including Colombia, Qatar, Russia, and the UAE. Sentiment around Chile and Mexico has also improved following their respective elections. The outlook for Argentina and Turkey has worsened due to their reliance on U.S. Dollar financing, which has diminished with tighter U.S. monetary policy.

Please note the chart and commentary above are as of August 15, 2018, and are subject to change without notice. The above chart is provided to demonstrate our investment philosophy and analytical process only, and should not be considered a recommendation. The country rankings shown will not always reflect the positioning of our portfolio for idiosyncratic or stock selection reasons. The Emerging Markets Equity country valuation metrics above may vary from those of our Emerging Markets Debt strategy due to differences in evaluation measures. Investing involves risks.



Our research indicates countries with low equity market valuations and undervalued real effective exchange rates outperform. We utilize our proprietary risk and valuation models to identify countries with low investor expectations, but solid economic fundamentals.

The charts on the preceding page illustrate the output of our country risk and country valuation models, as well as a scoring of any signs of improvement for each country in the MSCI Emerging Markets Index. The scoring is aggregated to generate an overall country ranking.

Our fundamental analysts incorporate the following factors in their analysis:

Country Risk

- ❖ Political Score
- ❖ Financial Score
- ❖ Economic Score

Valuation

- ❖ Real Effective Exchange Rates for Currency Valuation
- ❖ Bottom-up P/E ratio for Stock Valuation

Signs of Improvement

- ❖ Changes in CDS spreads
- ❖ Estimates revisions

ABOUT THE PORTFOLIO TEAM

Erik Zipf, CFA

Portfolio Manager, EM Equity
24 Years' Industry Experience

Lode Devlaminck

Senior Portfolio Manager, Global Equity
29 Years' Industry Experience

Mark Freudenthal, CFA

Regional Analyst, Latin America
22 Years' Industry Experience

Dan Petruzzi, CFA

Regional Analyst, Europe, Middle East, Africa
13 Years' Industry Experience

Raoul Rayos, CFA

Regional Analyst and Regional Portfolio Manager, Asia
25 Years' Industry Experience

ABOUT OUR FIRM

DuPont Capital has a long history of institutional asset management. Our parent company, DuPont, established a retirement pension plan for employees in 1942, and in 1975 created a separate pension management division.

In 1993, DuPont Capital was established and became an SEC registered investment advisor. We share our parent company's history of innovation and, over the years, have been on the forefront of developing global investment opportunities in both traditional and alternative strategies across equity, fixed income, and alternative investments.

The information contained in this memorandum is intended for the sole use of prospective investors in understanding and evaluating the impact of market events and is not designed or intended to be used for any other purpose. The document may contain forward-looking statements, which are based on current opinions, expectations and projections. We undertake no obligation to update or revise any forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements. An investment in securities includes risk of loss. There is no guarantee that any investment in the securities mentioned will be profitable. This document is not intended as an offer or solicitation for the purchase or sale of any security or financial instrument or as a recommendation to invest in any of the securities or financial instruments discussed herein. Registration of an investment adviser with the SEC does not imply any level of skill or training.