MARKET COMMENTARY

DAVENPORT
BUILDING WEALTH TOGETHER
1863

MARCH 2021

- During February, equity markets overall responded positively
- The best performing S&P 500 sector was Energy
- Towards the end of February markets appeared focused on rising Treasury yields
- Stats confirm the U.S. has passed the winter 2021 COVID surge
- U.S. appears to be on the path for economic rebound in 2H21

DAVENPORT EQUITY RESEARCH

Ann H. Gurkin
(804) 780-2166
agurkin@investdavenport.com

F. Drake Johnstone
(804) 780-2091
djohnstone@investdavenport.com

Jeff Omohundro, CFA
(804) 780-2170
jomohundro@investdavenport.com

Joel M. Ray, CFA
(804) 780-2067
jray@investdavenport.com

Brian Ward, CFA
(804) 698-2664
bward@investdavenport.com

Evan J. Gilbert
(804) 915-2749
egilbert@investdavenport.com

One James Center
901 East Cary Street, Suite 1100
Richmond, VA 23219
(804) 780-2000

Davenport & Company LLC
Member: NYSE | FINRA | SIPC

During February, equity markets responded positively to improving daily COVID-19 case count trends and the broadening distribution of vaccines amid signs of improving economic news. The VIX Index or "Fear Gauge" which had spiked at the end of January, generally trended down for the month although concerns around rising interest rates appeared to boost the index near month-end. For the full month, the Dow Jones Industrial Average increased 3.2%, the S&P 500® index increased 2.6%, and the smaller cap weighted Russell 2000® increased 6.1%.

The best performing S&P 500 sector in February was Energy which increased 21.5% followed by the Financial Services sector which was up 11.4%. The weakest performances in the month were posted by the Utilities sector which dropped 6.5% followed by the Health Care sector which was down 2.2%. For the prior twelve-month period, the Information Technology sector was the best performer with a 48.0% increase followed by the Consumer Discretionary sector which was up 41.4%, while Utilities was the worst performer for the past twelve months with a 5.9% decrease followed by the Real Estate sector which was up 2.0%.

Towards the end of February markets appeared focused on rising Treasury yields with the 10-year yield reaching around 1.5% at month-end. Improving economic news along with the anticipated approval of Johnson & Johnson's COVID vaccine pointed to a potentially swift U.S. rebound, raising inflation fears. Despite reassurances from Fed Chair Powell offered in Congressional testimony, suggesting Fed monetary policy will remain supportive for quite some time, markets appear to be discounting a robust economic rebound fueled by a new round of stimulus likely driving higher inflation and a shift in Fed policy toward tightening much sooner than the Fed's yearend 2023 target. This backdrop appears to be supporting investor rotation to value/cyclical companies and away from the higher growth NASDAQ issues with the index weakening late in the month.

February brought a range of very strong economic reports including the Conference Board release of its February Consumer Confidence Index and its Leading Economic Index (LEI) for January. The Consumer Confidence reading at 91.3 increased by 0.5 coming in ahead of consensus estimates of 91.0, while LEI increased by 0.5% in January coming in ahead of economist estimates targeted at up 0.4% - both pointing to improved sentiment on the economy. In addition, Durable Goods Orders for January were reported by the Commerce Department, also surprising to the upside, surging 3.4% compared to forecasts of up 1.2% - driven by strong transportation gains. Still, excluding transportation related purchases, durable goods orders increases by 1.4% supported by a pickup in business spending. It was the ninth straight month of gains and the largest percentage increase since July 2020.

Stats confirm the U.S. has passed the winter 2021 COVID surge as caseloads, hospitalizations and daily deaths have subsided from January peaks. The numbers of confirmed new COVID cases among Americans has fallen sharply with latest data showing caseload has plateaued at a much lower level than seen at the winter peak. Although COVID trends in the U.S. have improved, new variants emerging remains the key risk as the U.S. races to vaccinate folks before the more contagious/lethal UK variant gains a foothold.

Where to from here?

Against this encouraging backdrop, markets are trading at ~22x 2021 estimated earnings per Bloomberg and continue to sell at a substantial premium to historical averages reflecting investor expectations for another round of fiscal stimulus; end of the COVID pandemic in the U.S. into 2H21; and a strong economic rebound that leaves little room for disappointment.

The U.S. appears to be on the path for economic rebound in 2H21, while global recovery will likely become evident into 2022. Already, recent stronger than anticipated economic reports have heightened fears of pending inflation with interest rates surging that has created volatile markets and pressured valuations among mega cap technology growth stocks. We continue to focus selective investment in reasonably valued stocks among companies poised for growth over the intermediate and longer term recognizing the potential for bumps in the road along the way.

MARKET AND ECONOMIC STATISTICS

Market Indices:	2/26/2021	12/31/2020	% Change YTD	1/29/2021	% Change (Monthly)
S&P Composite	3,811.15	3,756.07	1.47%	3,714.24	2.61%
Dow Jones Industrials	30,932.37	30,606.48	1.06%	29,982.62	3.17%
NASDAQ Composite	13,192.35	12,888.28	2.36%	13,070.69	0.93%
Russell 2000	2,201.05	1,974.86	11.45%	2,073.64	6.14%
FTSE 100	6,483.43	6,460.52	0.35%	6,407.46	1.19%
Shanghai Composite	3,509.08	3,473.07	1.04%	3,483.07	0.75%
Nikkei Stock Average	28,966.01	27,444.17	5.55%	27,663.39	4.71%
Stoxx Europe 600	404.99	399.03	1.49%	395.85	2.31%
MSCI Emerging Markets	1,339.26	1,291.26	3.72%	1,329.57	0.73%
MSCI Emerging Markets Small Cap	1,283.35	1,211.23	5.95%	1,211.78	5.91%

Performance of S&P 500 by Industry:	% of Index as of 02/26/21	1 Month	3 Month	Year to Date	12 Months
Consumer Discretionary	12.40%	-1.01%	1.81%	-0.62%	41.35%
Consumer Staples	5.97%	-1.50%	-5.39%	-6.74%	9.10%
Energy	2.84%	21.47%	31.26%	25.88%	4.85%
Financials	11.22%	11.36%	15.83%	9.22%	21.54%
Health Care	13.12%	-2.21%	2.74%	-0.96%	21.90%
Industrials	8.43%	6.63%	3.14%	2.00%	23.64%
Information Technology	27.37%	1.07%	5.78%	0.09%	48.03%
Materials	2.63%	3.66%	3.52%	1.18%	39.45%
Communication Services	11.08%	6.18%	7.79%	4.58%	35.52%
Utilities	2.51%	-6.54%	-7.04%	-7.43%	-5.89%
Real Estate	2.43%	1.43%	2.85%	1.91%	2.00%
S&P 500 (Absolute performance)	100%	2.61%	5.23%	1.47%	29.01%

Interest Rates:	2/26/2021	12/31/2020	YTD Change (Basis Points)	1/29/2021	Month Change (BPS)
Fed Funds Effective Rate	0.07%	0.09%	-2	0.07%	0
Prime Rate	3.25%	3.25%	0	3.25%	0
Three Month Treasury Bill	0.03%	0.10%	-7	0.08%	-5
Ten Year Treasury	1.40%	0.91%	49	1.07%	34
Spread - 10 Year vs 3 Month	1.37%	0.82%	56	0.99%	39

Foreign Currencies:	2/26/2021	12/31/2020	% Change YTD	1/29/2021	% Change (Monthly)
Brazil Real (in US dollars)	0.18	0.19	-7.2%	0.18	-2.4%
British Pound (in US dollars)	1.39	1.37	1.9%	1.37	1.6%
Canadian Dollar (in US dollars)	0.79	0.79	0.0%	0.78	0.3%
Chinese Yuan (per US dollar)	6.48	6.53	-0.7%	6.43	0.8%
Euro (in US dollars)	1.21	1.22	-1.2%	1.21	-0.5%
Japanese Yen (per US dollar)	106.57	103.25	3.2%	104.68	1.8%

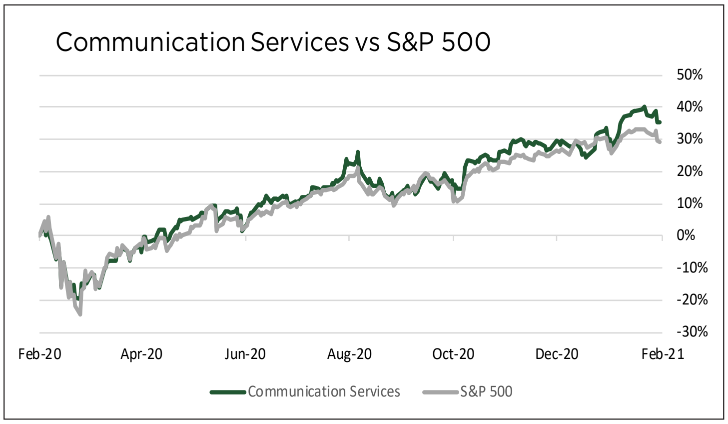
Commodity Prices:	2/26/2021	12/31/2020	% Change YTD	1/29/2021	% Change (Monthly)
CRB (Commodity) Index	486.54	443.81	9.6%	458.41	6.1%
Gold (Comex spot per troy oz.)	1734.04	1898.36	-8.7%	1847.65	-6.1%
Oil (West Texas int. crude)	61.50	48.52	26.8%	52.20	17.8%
Aluminum (LME spot per metric ton)	2149.25	1973.60	8.9%	1981.88	8.4%
Natural Gas (Futures 10,000 MMBtu)	2.77	2.54	9.1%	2.56	8.1%

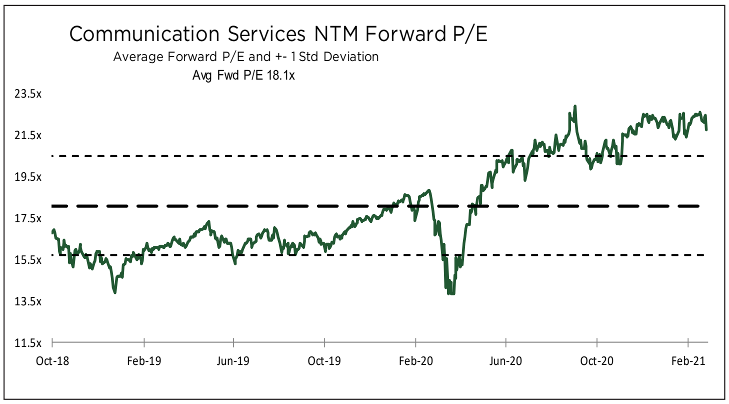
Economic Indicators:	1/31/2021	12/31/2020	% Change YTD	12/31/2020	% Change (Monthly)
Consumer Price Index	262.2	261.6	0.3%	261.6	0.3%
Producer Price Index	208.4	206.2	1.1%	206.2	1.1%
	Q4 2020	**Q3 2020**	**Q2 2020**	**Q1 2020**	**Q4 2019**
GDP Growth Rate (Quarterly)	4.00%	33.40%	-31.40%	-5.00%	2.10%
	January	**December**	**November**	**October**	**September**
Unemployment Rate (End of Month)	6.3%	6.7%	6.7%	6.9%	7.9%

*GDP growth rate is calculated as the percent change from the previous period seasonally adjusted at annual rates. **S&P Sectors were re-named at the end of 2001. The sector Industrials is a combination of the former sectors Capital Goods & Transportation.Sources: Wall Street Journal, Bloomberg, The Department of Labor, The Bureau of Labor Statistics, The Bureau of Economic Analysis, US Treasury website.

TABLE OF CONTENTS

COMMUNICATIONS SERVICES





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
6.18%	7.79%	4.58%	35.52%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Twitter Inc	52.5%
	Live Nation Ent. Inc	33.7%
	ViacomCBS Inc - B	33.0%
	Discovery Inc - C	28.5%
	Discovery Inc - A	28.0%
Laggards	Take-Two Int. Software	-8.0%
	Electronic Arts Inc	-6.4%
	T-Mobile US Inc	-4.8%
	AT&T Inc	-2.6%
	Lumen Technologies Inc	-0.7%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$7.66	$10.30	$12.09
30.3x	22.5x	19.2x

Sector Update

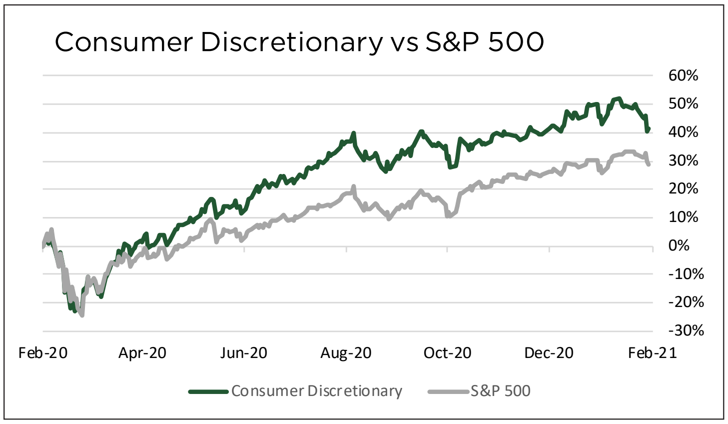
The Communications Services sector appreciated 6.18% in February and 4.58% year-to-date (YTD), compared to the S&P 500 index, which rose 2.61% and 1.47%. Communications Services' 12-month forward P/E remains elevated in the low 20s, compared to its average forward P/E of 18.2x. Media was the top performing sub-sector in February (+8.4%) and the second best sub-sector YTD (+6.1%), driven by the performance of Discovery, the owner of popular cable channels such as Animal Planet, Discovery Channel, HGTV, Food Network, and Travel Channel. The company introduced its Discovery+ streaming service in January and reported that it added 11 million subscribers within seven weeks of launch.

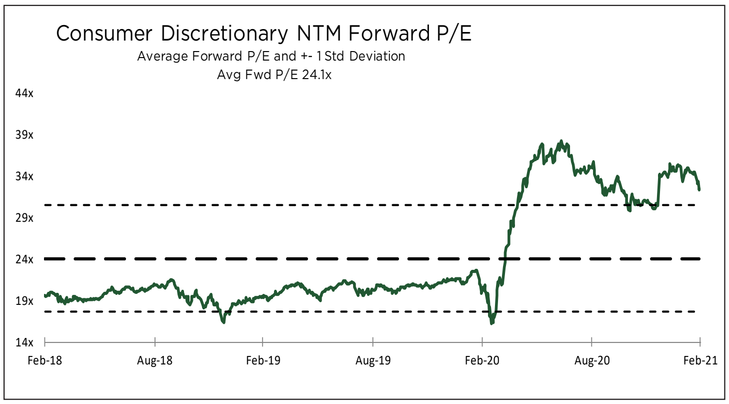
Interactive Media & Services was the second best performing sub-sector in February (+7.8%) and the top sub-sector YTD (+8.3%) driven by the performance of Alphabet and Twitter. Most of Alphabet's share gains occurred in January after it reported better than expected results due to higher direct response and brand advertising and increased spending by small to medium sized businesses to drive e-commerce.

Twitter delivered better than expected Q-4 20 results as it benefited from new ad formats, better attribution, and improved audience targeting. The company believes these improvements will enable it to attract more direct response advertisers (15% of firm revenue today, compared to brand advertisers at 85% of firm revenue) and double its revenue from $3.7 billion in FY20 to $7.5 billion in FY23. While Twitter reported inconsistent performance during most of FY20, the company delivered growth in all key business metrics in Q-4 20, including users (+27%), ad revenue (+30%) and non-GAAP EPS (100%+).

The potential widespread distribution of Covid vaccines this year could drive improved economic growth. The Communications Services sector could outperform the market in 2021, since most of the companies in this sector are economically sensitive.

CONSUMER DISCRETIONARY





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-1.01%	1.81%	-0.62%	41.35%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Royal Caribbean Cr. Ltd	43.5%
	Carnival Corp	43.3%
	L Brands Inc	34.1%
	Tapestry Inc	33.3%
	Wynn Resorts Ltd	32.4%
Laggards	Tesla Inc	-14.9%
	Best Buy Co Inc	-7.8%
	Domino's Pizza Inc	-6.5%
	Pool Corp	-5.5%
	Home Depot Inc	-4.6%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$21.75	$37.30	$49.79
59.5x	34.7x	26.0x

Sector Update

The Consumer Discretionary sector underperformed the broader market in February as gains seen across travel related stocks were insufficient to offset relative weakness in the auto sub-sector. Nevertheless, as seen in the associated table, the trailing twelve-month performance for the group far outpaced the broader market. This past year proved particularly favorable for select Consumer Discretionary companies that aligned with shifting consumer patterns during the pandemic particularly in areas such as ecommerce.

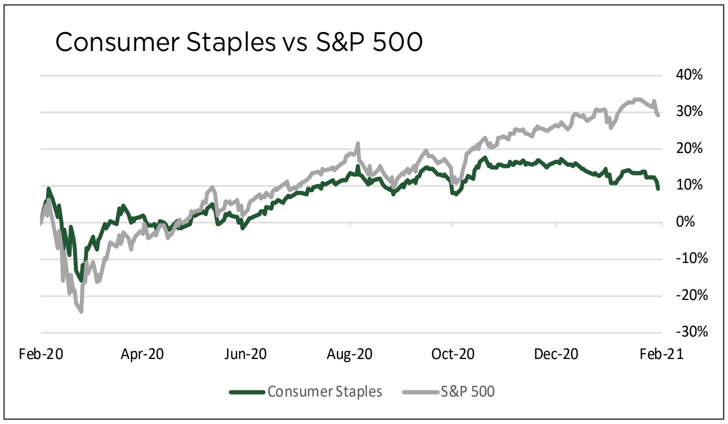
The ongoing imbalance between housing supply and demand continued to be seen in February with the home pricing environment remaining elevated relatively to historic levels. Strong demand has contributed to rising permit numbers which reached the highest level since 2006 in January benefiting from a surge in multifamily permits. However, new home construction was negatively impacted by both chill winter weather and rising pandemic case counts in the month. These impacts were seen in housing starts for the January period which were reported at a seasonally-adjusted rate of 1.58 million down 6% from the revised December level according to the Census Bureau. On a year-over-year basis housing starts dropped about 2%.

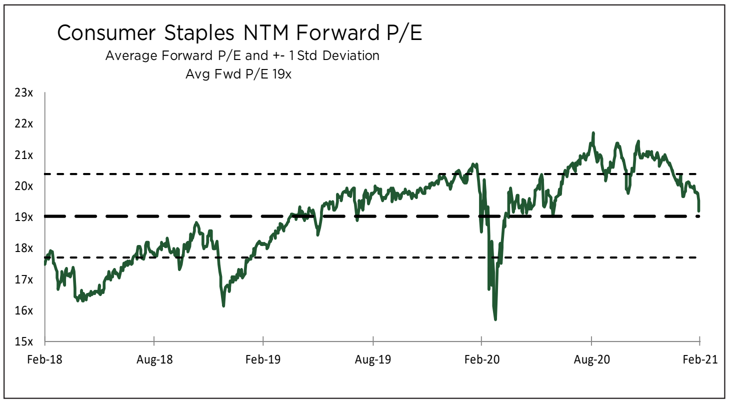
Although relatively weak supply of homes for sale continues to weigh on housing, existing home sales reported for January rose 0.6% on a seasonally adjusted basis to 6.69 million according to the National Association of Realtors. Despite the supply dynamics and pricing up sharply versus the prior year, homebuyers remain active supported by continuing low mortgage rates. It appears that scarcity may be fueling buyers to move quickly on available homes for sale with buyers seeking more space and rural settings influenced by the ongoing global pandemic.

Consumers are paying more at the cash register with January CPI up 0.3% which was the largest increase in the last five months. The pickup in inflation largely reflected the impact from higher gasoline prices which has been in a recent uptrend. In January pump prices rose 7.4% as oil prices rose following the decision by Saudi Arabia to curb pumping levels. Core inflation, which pulls out the impact from food and energy costs, was flat for January. Signs of rising inflation will be closely watched as the year progresses and the economy reopens given the importance the Fed places on price levels as a driver of interest rate policy.

Higher prices did not seem to hold back spending as retail sales in January advanced a strong 5.3%. The January increase was the first uptick in retail sales seen in four months and may reflect stimulus benefits. Double digit increases were seen in sales at departments stores, internet retailers, electronics stores and home furnishing stores. After falling for the last three months, sales at bars and restaurants increased by almost 7%. Auto sales in the month were also positive advancing 3.1%.

CONSUMER STAPLES





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-1.50%	-5.39%	-6.74%	9.10%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Estee Lauder Cos Inc - A	20.8%
	Archer-Daniels-Mid. Co	13.1%
	Sysco Corp	11.4%
	Kraft Heinz Co	8.6%
	Lamb Weston Holdings	6.8%
Laggards	Clorox Co	-13.6%
	Molson Coors Beverage	-11.4%
	Walmart Inc	-7.5%
	Church & Dwight Co Inc	-6.7%
	Kroger Co	-6.6%

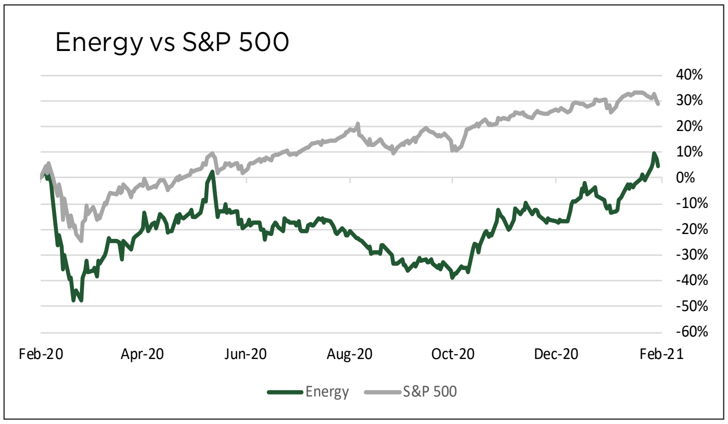
Consensus FY EPS / P/E

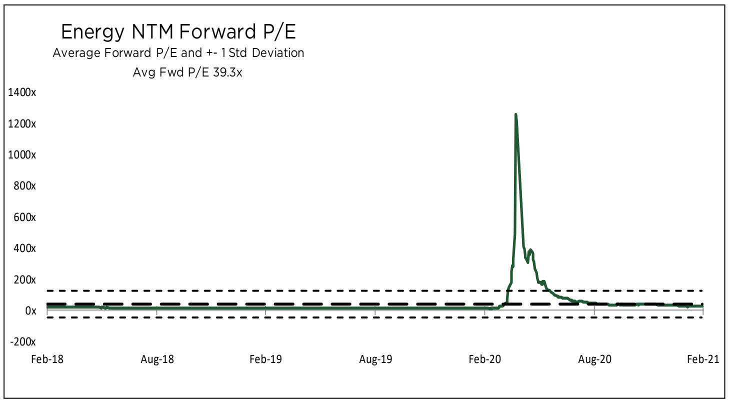
Last Year	Current Year	Next Year
$30.89	$32.97	$35.54
21.0x	19.7x	18.3x

Sector Update

The Consumer Staples sector decreased 1.50% on average in February, which underperformed the S&P 500 Index that increased 2.61%. For the month, the Personal Products and Tobacco segments both reported gains while the others declined. The Consumer Staples sector currently trades with a forward P/E on next year's earnings of about 19x which remains towards the upper end of its historic trading range. Historically, the Consumer Staples stocks weaken as the new year begins and investors reposition portfolios away from more defensive stocks. In an ongoing lower rate environment, an investment in many of the Consumer Staples companies continues to offer an attractive dividend yield. Companies with strong brands with leading market share positions, successful innovation, attractive cash flow generation and experienced management teams remain preferred investments. Any shift in sentiment could result in a rotation out of the more defensive segments. Selective investment among the group remains critical in 2021.

Consumer behavior during and following the COVID-19 pandemic represented a key topic across recent Consumer Analyst Group of NY (CAGNY) presentations. Over the past year, consumers have spent more time at home and many companies that sold bigger, old-fashioned brands have been huge beneficiaries of the trend. As results in 2021 begin to lap the prior year pandemic driven consumer behavior, the key question centers on whether those elevated sales levels persist and for how long. Companies rapidly pivoted to meet the surge in e-commerce sales. Those companies that successfully executed and leveraged their supply chains and kept product on retailer shelves have been beneficiaries in the current environment. Innovation remains key with plant-based anything offerings to appeal to consumers. Consumer pet adoption during the pandemic supports demand for pet food and products. Consumers are cooking more at home and grilling more. Several negative behavior trends have emerged over the past year such as reduced shaving and use of razors, deodorant, and makeup. Presentations also included a discussion of progress against Environment, Social and Governance (ESG) and sustainability strategies. Focus includes the environmental impact (emissions, farming, water, recyclable packaging, etc), mindful consumption (portion control, health), clean ingredients and human capital. Consumers are expected to be more focused on hygiene and cleaning and health remains a key focus with emphasis on ingredients. We wait to see if broad based vaccine distribution unleashes a wave of pent up consumer demand impacting many brands. In addition, inflation is on the rise expected to drive higher costs for such inputs as freight, grains, proteins, labor and packaging. Some companies have already raised prices while others plan and/or focus on price/mix and packaging. Portfolio transformation through divestments and acquisitions as well as streamlining the number of product offerings remains a key theme. Within the tobacco segment, focus centers on a changing landscape with innovation including heat not burn, vaping, and oral offerings and emphasis on harm reduction and preventing underage use. Tobacco stocks continue to offer an attractive yield. With a Democratic administration, there is renewed focus on the cannabis segment in the US and the potential for decriminalization along with rollout of cannabis infused products such as beverages.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
21.47%	31.26%	25.88%	4.85%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Marathon Oil Corp	53.3%
	Apache Corp	38.2%
	Valero Energy Corp	36.4%
	HollyFrontier Corp	33.1%
	Occidental Petrol. Corp	32.7%
Laggards	Cabot Oil & Gas Corp	1.0%
	Kinder Morgan Inc	4.4%
	Williams Cos Inc	7.6%
	ONEOK Inc	11.2%
	Chevron Corp	17.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
-$5.96	$12.75	$19.83
-60.4x	28.2x	18.2x

Sector Update

The Energy sector led markets higher in February fueled by rising oil prices that accelerated to the upside following adverse weather and supply disruptions in Texas. In addition to the weather disruptions in the month, increasing availability of the COVID-19 vaccine is providing optimism around a potential post-pandemic demand recovery. Although the Energy sector has now performed well in both January and February, the story for the trailing twelve months, as seen in the associated table, is one of broad underperformance for the group versus the S&P 500.

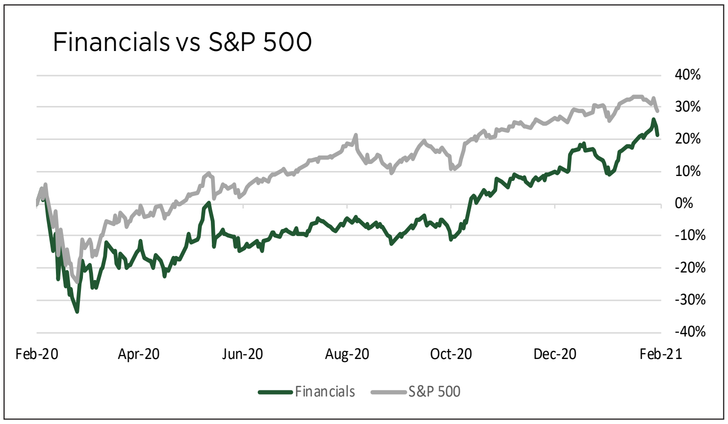
The highlight for energy markets during February was significant adverse weather that blanketed the U.S. and disrupted power production in Texas as well as leading the Southwest Power Pool to start rolling blackouts across fourteen states. The storm left much of Texas without power for several days and interrupted energy production across the region. Natural gas prices soared as storage infrastructure was impaired limiting physical delivery to customers including major utility companies as well as frozen well sites constraining production to feed gas pipelines. The immediate impact of the storm on natural gas prices was seen in the climb from about $2.68 per MMBTU at the start of February to peak at about $3.29 per MMBTU during the disruption.

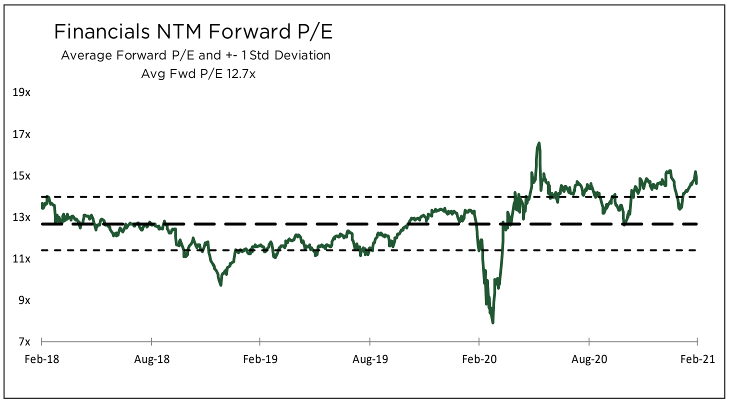
The adverse weather also impacted oil markets with some refineries shutting down due to the cold weather as well as raising questions that the weather event could more broadly impact oil production. In addition to the production issues, oil transportation was brought into question with certain pipeline operations in doubt due to the extreme cold weather.

In mid-February, OPEC decreased the organization's forecast for oil demand in 2021. OPEC now expects 2021 global oil demand of 96.1 million barrels per day which is down 100,000 barrels per day from the prior forecast. The outlook incorporates a rebound of 5.8 million barrels per day from 2020 demand which was negatively impacted by the global pandemic.

The net effect on oil pricing in February was seen with WTI Crude oil increasing from a little over $52 per barrel at the beginning of February to reach over $63 per barrel late in the month. Retail gasoline moved higher for the month ending at about $2.72 per gallon versus $2.48 per gallon at the end of the prior month. We note that gasoline prices have now moved above the prior year level of $2.56 per gallon. The Baker Hughes oil rig count change increased in the month coming in at 309 rigs on February 26 versus 295 rigs on January 29. Oil rig count was far below the prior year level of 678 rigs reflecting the rapid drop in rigs in operation due to the pandemic induced cutbacks. U.S. crude oil storage at 463 million barrels was down versus last month's level of 477 million barrels. U.S. crude oil production has been in a secular uptrend which continued through 2019 and into 2020 before reversing during the COVID-19 pandemic. The trough daily production seen in 2015 was in the 8.5 million barrels per day range and peaked in early 2020 at about 13.1 million barrels per day and is now at 9.7 million barrels per day at the end of February.

FINANCIALS





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
11.36%	15.83%	9.22%	21.54%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	People's United Fin. Inc	31.3%
	Lincoln National Corp	25.0%
	Regions Financial Corp	21.3%
	Wells Fargo & Co	21.1%
	Zions Bancorp NA	20.5%
Laggards	Assurant Inc	-9.0%
	Progressive Corp	-1.4%
	BlackRock Inc	-1.0%
	Allstate Corp	-0.5%
	Franklin Resources Inc	-0.5%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$29.38	$36.01	$40.49
18.2x	14.9x	13.2x

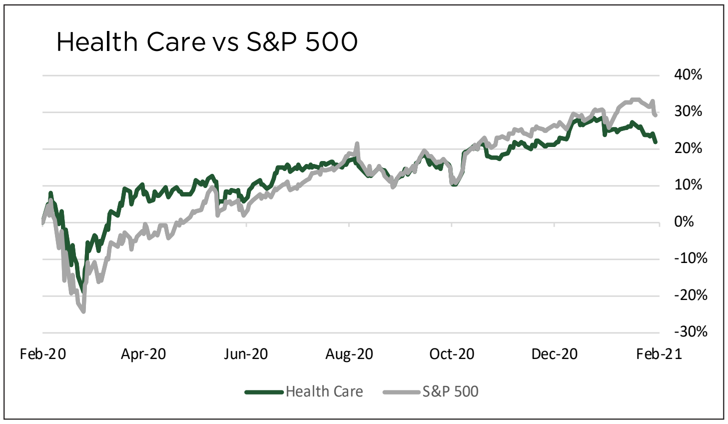
Sector Update

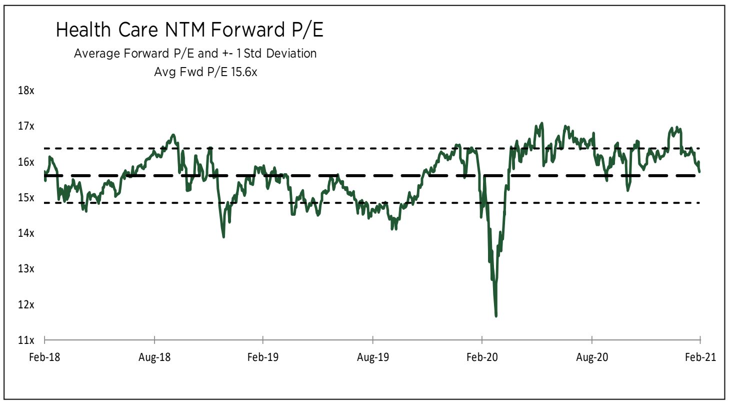
The Financials sector rallied in February, benefitting from a broad cyclical recovery and related steepening of the yield curve that benefits the earnings power of many sector components. During the month, US treasury yields improved more than 30 basis points (bps) for all maturities longer than seven years, led by a 38 bps improvement in 20-year maturities. Over the same period, all maturities inside one year saw modest compression. The sector delivered an 11.36% gain in the month, surpassing the 2.61% return in the S&P 500®. Over the last three months, the sector has outperformed the index by 10.6%. On a trailing twelve-month basis, the sector continues to lag the broader market index by 7.5%.

Banks were the best performing sub-sector in the month, up 16.5%; however, the Consumer Finance sub-sector also delivered a strong 15.3% gain. The Diversified Financial Services sub-sector was the worst performing group in the month, still up a respectable 5.5%. Recent returns have been strongly correlated with asset sensitivity to interest rates and the aforementioned steepening of the yield curve.

Loss trends have been stable to improving into early 2021 on significant pay down activity by consumers and commercial clients. Deposit growth has been extraordinary, up 22% in 2020 and fueled by higher savings rates and direct transfers by the Treasury. Loan growth remains tepid for many traditional lenders and consumer credit providers have seen receivables balances decline in the mid-single digit range over the past year, reducing the incremental earnings benefit of enhanced credit performance. We expect loan growth and increased credit usage into the back half of 2021 on increased economic activity and historically high liquid deposits among commercial banks could provide upside to consensus estimates. In-line with industry expectations, net interest income and margins appear to have bottomed in 3Q20 for most lenders.

We remain bullish on Financials in 2021, reflecting upside tied to economic improvement with more conservative risk profiles than many re-opening plays with increased debt-loads.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-2.21%	2.74%	-0.96%	21.90%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Stryker Corp	9.8%
	Boston Scientific Corp	9.4%
	IDEXX Laboratories Inc	8.7%
	IQVIA Holdings Inc	8.4%
	Align Technology Inc	7.9%
Laggards	PerkinElmer Inc	-14.3%
	Cerner Corp	-13.7%
	DaVita Inc	-13.0%
	Viatris Inc	-12.6%
	Incyte Corp	-12.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$58.32	$82.18	$87.78
22.5x	16.0x	14.9x

Sector Update

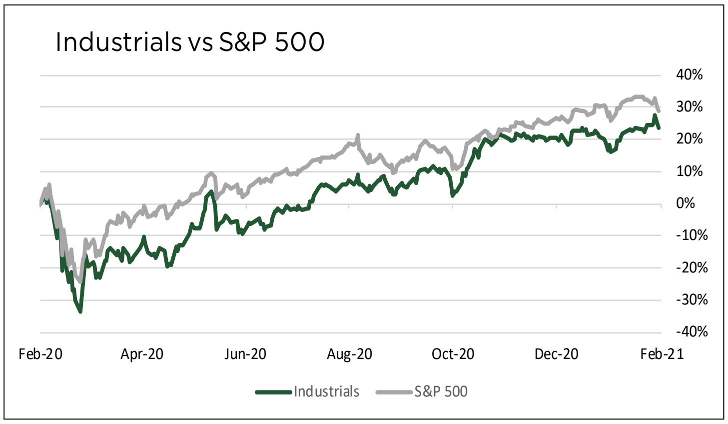
After experiencing a strong 2020 yearend rally, markets experienced heightened volatility early in 2021 as COVID surged late in January, followed by a steady decline in caseload into February, while latest economic reports point to a robust recovery poised to arrive in the U.S. in the months ahead. All told, in February, the S&P 500 advanced 2.61% that contrasts with a 2.21% decline for the Health Care sector as investors shifted focus toward stocks/sectors poised to benefit from re-opening of society.

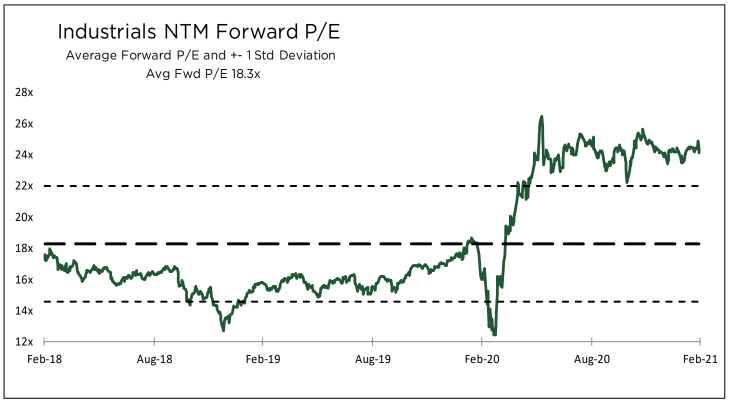
Thus, despite the Health Care sector delivering solid earnings reports for the 4Q20, the group lagged the broad market along with other defensive issues such as utilities and consumer staples. At this time, the Health Care sector is trading in line with historical average price/earnings multiples at 15.6x forward earnings – representing a measurable discount to the S&P 500 multiple in the range of 22x forward earnings. We remain cautious investors in the Health Care sector given political uncertainties that exist with arrival of the Biden Administration, while expectations for U.S. economic recovery this year position cyclical growth stocks to sustain continued investor attention.

Still, despite our cautious stance on the overall sector, we note that firms from the Medtech sector delivering innovative products and services - poised to see heightened demand as hospitals return to services that are more normal as COVID abates – have outperformed of late that could be sustained this year. Examples from this subgroup that experienced strong appreciation in February were Stryker in orthopedics, Boston Scientific in cardiac therapeutics, and Align Technology a leader in manufacture of orthodontic products. In addition, upside earnings reports pointing to sustained strong demand fueled significant appreciation for IQVIA – a leader in contract R&D services to the biopharma sector – in addition to IDEXX that is experiencing increased demand for companion animal diagnostics testing services as Americans have added to their pet families during the COVID pandemic and increased spending on them as well.

On the other hand, COVID has pressured operating results among some firms such as health care IT systems leader Cerner and dialysis provider Da Vita; while departure of PerkinElmer's long tenured treasurer saw the firm's shares back off sharply.

INDUSTRIALS





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
6.63%	3.14%	2.00%	23.64%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Alaska Air Group Inc	33.2%
	Southwest Airlines Co	32.3%
	United Airlines Hold. Inc	31.7%
	Delta Air Lines Inc	26.3%
	United Rentals Inc	22.4%
Laggards	Verisk Analytics Inc	-10.7%
	Equifax Inc	-8.6%
	Rollins Inc	-7.9%
	Carrier Global Corp	-5.1%
	Roper Technologies Inc	-3.9%

Consensus FY EPS / P/E

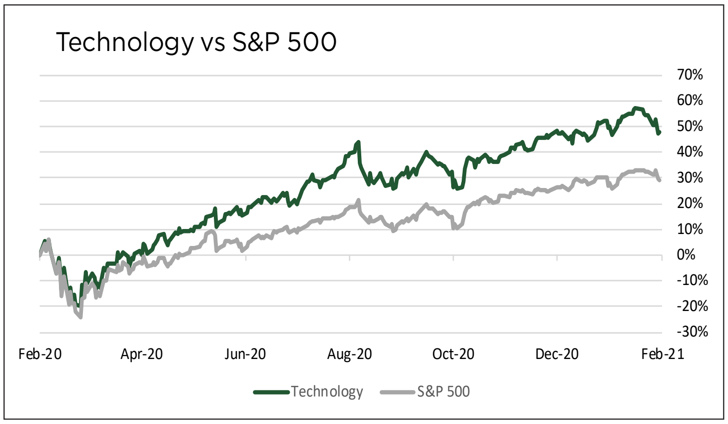
Last Year	Current Year	Next Year
$15.33	$29.95	$40.13
49.9x	25.5x	19.1x

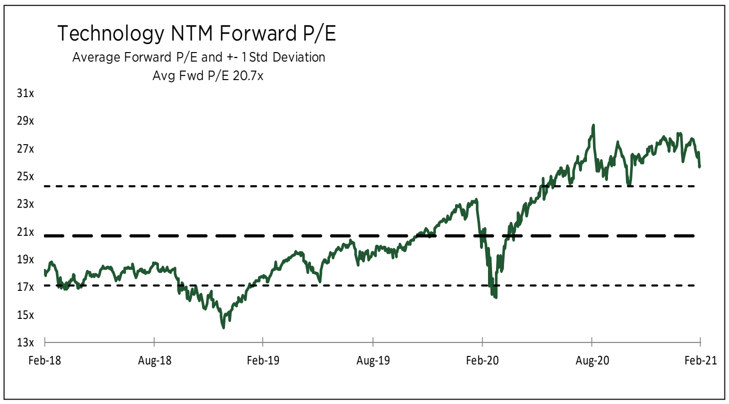
Sector Update

The Industrial sector rebounded 6.6% in February, and outpaced the S&P 500 index that was up 2.6% for the month. The combined airlines sub-set increased 29% for the month as the sector leader. By individual company performance, this group held four of the top-five positions including Alaska Air Group, Southwest Airlines, United Airlines Holdings and Delta Air Lines. Progress on global vaccination efforts appeared to spur investors into pro-cyclical related stocks as a part of the broader re-opening trade. Rising expectations for a sustained economic recovery could unlock pent-up travel demand and translate to improved operating conditions for industries like the airlines. Construction & engineering and machinery industries also delivered double-digit gains on the month. Professional services and commercial services & supplies were negative detractors to sector performance. After a volatile start to 2021, the Industrial sector is up 2.0% through February.

Domestic manufacturing activity accelerated in February, according to the Institute for Supply Management, and outpaced consensus expectations. The Manufacturing PMI registered 60.8%, up from 58.7% in January, and signaled broad based strength across key metrics. New orders, production and backlogs expanded over the prior month while employment also showed improvement. Survey panel sentiment improved and five of the top six manufacturing industries reported strong growth. Labor constraints and supply chain tightness remain challenging, according to survey participants, and could be a headwind to production growth until the bottlenecks unwind. Manufacturing activity in the Eurozone was also strong in February, according to the IHS Markit Eurozone Manufacturing PMI report, which reached the highest index reading in three years. The expansion was broad-based across geographies with several countries at multi-year highs. Only Greece registered an index reading below the 50.0 contraction/expansion threshold. The headline PMI reflected gains in production and new orders, including higher exports. The report also highlighted supply chain delays and input cost inflation near-tem. The Caixin China General Manufacturing PMI dipped slightly in February, but manufacturing remains in expansion territory. The softness was partly attributable to Covid-19 and the impact on new export orders. Still, business confidence improved reflecting optimism for better economic conditions as the fight against the pandemic progresses. This could suggest the three-month soft patch is temporary.

The US housing market continues to support domestic economic growth as reflected in existing home sales and new single-family start activity. A combination of strong housing demand and low existing inventory supply could continue to spur growth in new residential construction activity. The National Association of Realtors expects single-family housing starts to grow more than twenty-percent this year, which could help to ease some of the supply challenges. However, rising home values and higher interest rates, albeit off historically low levels, could be watch items as the year progresses.





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
1.07%	5.78%	0.09%	48.03%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Zebra Technologies Corp	28.8%
	Applied Materials Inc	22.2%
	Western Digital Corp	21.4%
	Xerox Holdings Corp	21.2%
	CDW Corp/DE	19.2%
Laggards	Leidos Holdings Inc	-16.6%
	Akamai Technologies Inc	-14.9%
	QUALCOMM Inc	-12.9%
	DXC Technology Co	-10.6%
	Arista Networks Inc	-9.0%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$66.69	$85.02	$94.88
34.4x	27.0x	24.2x

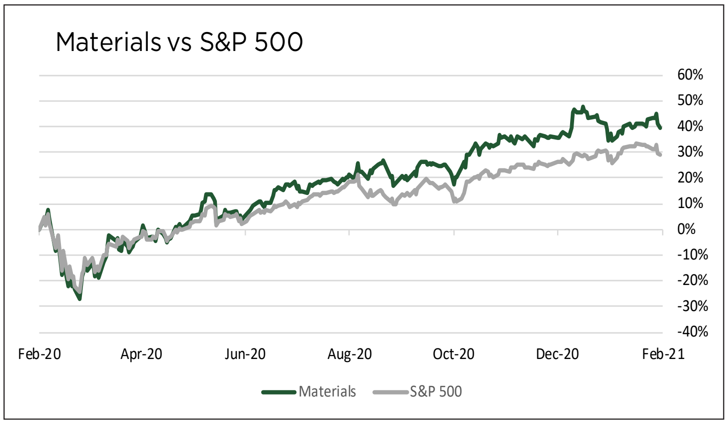
Sector Update

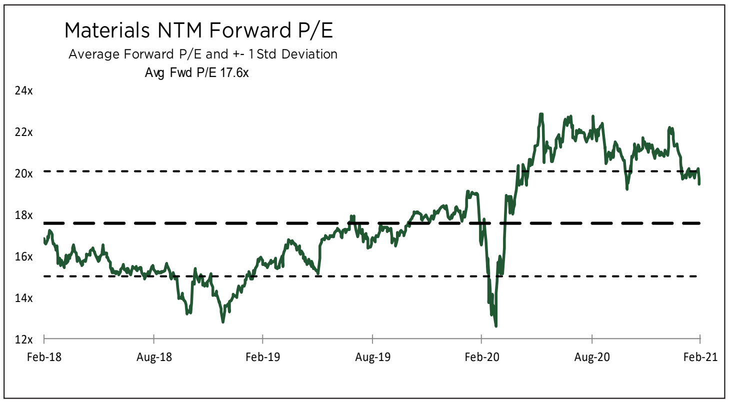
The Technology sector appreciated 1.07% in February and 0.09% year-to-date, lagging the S&P 500 index, which rose 2.61% and 1.47%. Technology remained the top performing market sector over the past 12-months (+48.03%). Electronic Equipment, Instruments, and Components was the top performing sub-sector in February (+8.2%) and YTD (+8.5%) driven by the performance of companies such as Zebra Technologies, a manufacturer of barcode scanners, printers and handheld readers. While the company was impacted by the Covid pandemic in 2020, it is benefiting from the recovery in the economy and reported better than expected Q-4 20 results (revenue increased 9.7%) and provided guidance for Q-1 21/FY21 revenue growth of 28% and 10-14%, respectively.

The Semiconductor and Semiconductor Capital sector was the third best performing sub-sector in February (+5.5%) and remained the second best performing sub-sector YTD (+8%), driven by the sharp rise in the shares of Applied Materials and other semiconductor capital equipment companies. Global demand for semiconductor components exceeds supply driven by robust demand for laptop PCs/tablets, video game consoles, 5G smart phones, and a resurgence of demand from auto manufacturers. Semiconductor manufacturers are significantly expanding their capacity to meet demand, which benefits semiconductor capital equipment companies such as Applied Materials, KLA Corporation, and MKS Instruments.

The Technology sector's valuation remains quite elevated, with its average forward 12-month P/E multiple of 27x well above its average forward multiple of 20.4x. The expansion of technology company P/E multiples was a significant contributor to sector performance in 2020. Given the recent rise of long-term interest rates, investors may become less inclined to purchase high growth technology companies with lofty P/E multiples, since their valuations may be impacted by equity analysts factoring in higher interest rates into their discounted cash flow models. The Technology sector could continue to underperform the market in the near-term as investors rotate to sectors that benefit from the resumption of normal economic activity. However, the Technology sector could deliver improved performance later this year if companies continue to report higher than expected revenue and earnings growth.

MATERIALS





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
3.66%	3.52%	1.18%	39.45%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	Freeport-McMoRan Inc	26.0%
	Nucor Corp	22.8%
	Int'l. Flavors & Frag.	20.6%
	LyondellBasell Industries	20.2%
	Martin Marietta Materials	17.2%
Laggards	DuPont de Nemours Inc	-11.5%
	Newmont Corp	-8.8%
	FMC Corp	-6.1%
	Air Products and Ch.. Inc	-4.2%
	Albemarle Corp	-3.4%

Consensus FY EPS / P/E

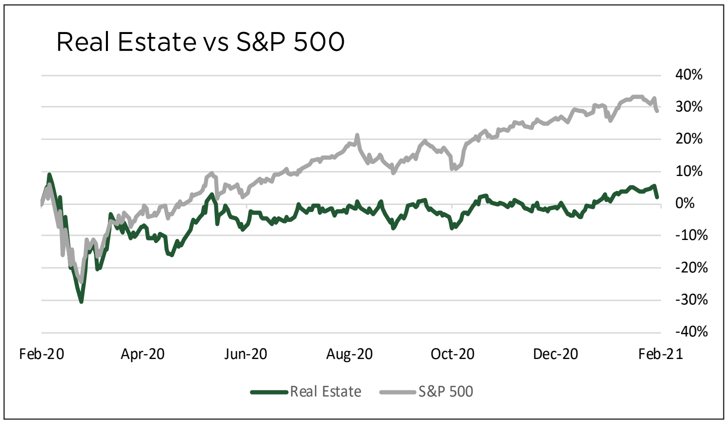
Last Year	Current Year	Next Year
$16.15	$23.30	$25.33
28.5x	19.8x	18.2x

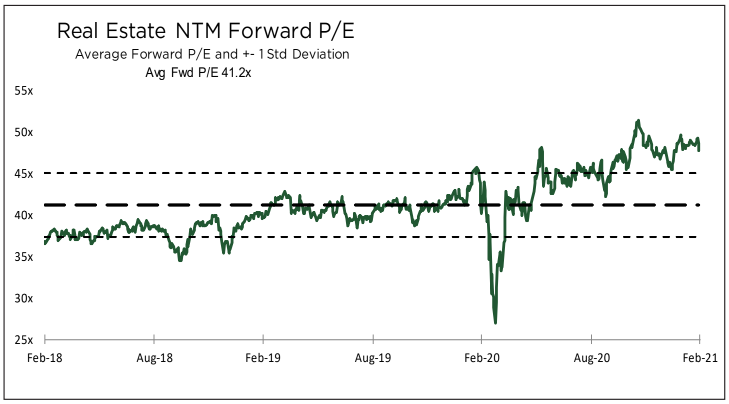
Sector Update

The Materials segment reported an increase of 3.66% in February which outperformed the S&P 500 Index that increased 2.61%. All sectors reported increases for the month. Construction Materials represented the strongest sector with double-digit growth for the month. Rising interest rates and Treasury yields are underpinnng the leadership of the cyclical sectors in the market in 2021 with support for those stocks that are more exposed to an economic recovery and market reopening following the COVID-19 pandemic. The Materials segment currently trades with a forward P/E of about 17.6x. The outlook for 2021 remains positive across the segment supported by consumer demand, market reopening as the vaccine expands, favorable balance sheets and a new round of fiscal stimulus support for the market. The timing of a return to a more 'normal' operating environment remains a key factor to monitor. Selective investment among the group remains critical in 2021.

The Materials segment should benefit from improving sequential demand as volume rebounds and the market benefits from fiscal stimulus especially in 2H FY21. An acceleration in global demand would drive higher earnings and the outlook for 2021 remains favorable supported by renewed growth and easy comparisons with last year. The timing of the vaccine availability and the pace of the recovery remain key factors. Strong company cash generation and balance sheets support expected renewed share repurchases and potential M&A activity. A Democratic administration provides a favorable framework for the prospects for higher infrastructure spending supporting demand for construction stocks. Earnings for the chemical companies are supported by higher demand from autos, industrial markets, consumer and medial markets. The Housing segment has been a strong performer during the COVID-19 pandemic and should continue to benefit from the consumer's renewed interest in the home. The supply of homes remains tight and supports ongoing higher demand for new home construction and pricing. Consumer savings rates are at high levels following the stay at home mandate during the COVID-19 pandemic. Strong consumer demand should support the repair and remodel activity. Continued demand from heightened consumer at-home-consumption and the elevated e-commerce business supports ongoing momentum for the packaging companies.

REAL ESTATE





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
1.43%	2.85%	1.91%	2.00%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	CBRE Group Inc - A	24.3%
	Host Hotels & Resorts Inc	22.4%
	Simon Property Group Inc	21.5%
	Regency Centers Corp	16.1%
	Fed. Realty Invest. Trust	15.5%
Laggards	Equinix Inc	-12.4%
	Digital Realty Trust Inc	-6.4%
	SBA Comm. Corp	-5.0%
	American Tower Corp	-4.9%
	Alexandria Real Estate	-4.4%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$3.61	$4.76	$5.45
64.3x	48.8x	42.6x

Sector Update

After experiencing a strong 2020 yearend rally, markets experienced heightened volatility early in 2021 as COVID surged late in January, followed by a steady decline in caseload into February, while latest economic reports point to a robust recovery poised to arrive in the U.S. in the months ahead. All told, in February, the S&P 500 advanced 2.61% that contrasts with a 2.43% increase for the Real Estate sector that although falling a bit short of the broad market still points to an improved trend line after continual lagging performance over the past year. We sense that the improved sector performance of late has arisen as COVID caseloads have diminished and vaccine distribution has ramped – setting the stage for a robust domestic economic rebound in the months to come – with investors increasingly focused on stocks poised to benefit as society reopens. Risks to consider going forward however relate to interest rates that could weigh on bond proxy investments including REITs.

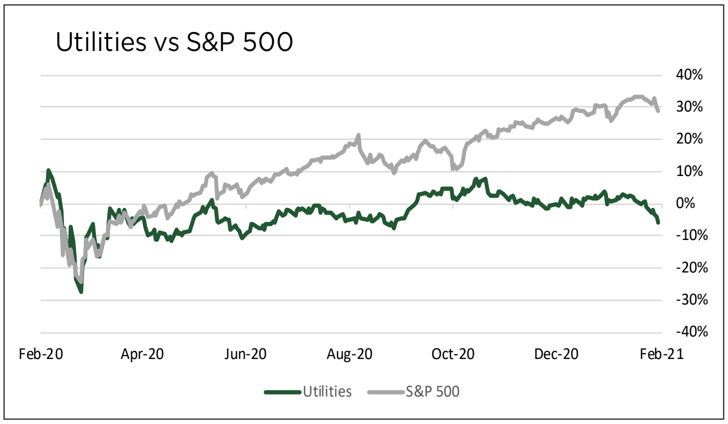
Still, we anticipate the return to normalcy – post-COVID – will take into 2H21 with the REIT sector looking very different as recovery arises. The recovery of food and entertainment venues is likely to take years, while it is difficult to estimate the pace and to what extent a return to the office as well as to brick and mortar retailers will eventually arise. Business travel demand could be more permanently altered as COVID has driven accelerated move to digital, while vacation travelers likely await vaccination before resuming plans. Still, demand for cell towers, data centers and likely warehouse storage is anticipated to remain fairly robust.

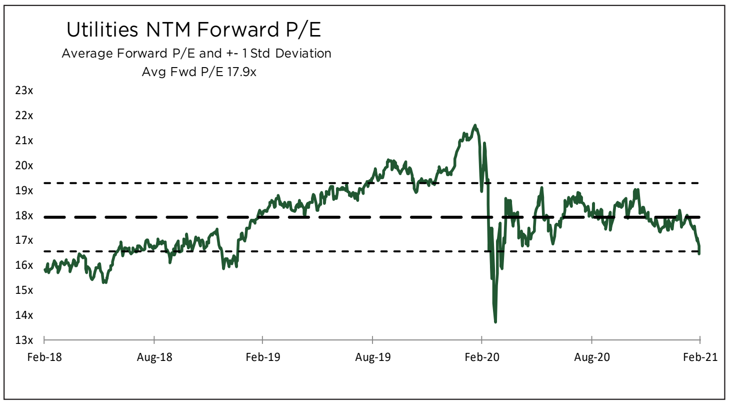
Yet, although business prospects remain quite solid over the intermediate and longer term, recent stock performance among REIT sector leaders in data center and cell tower operations backed off in February after having led the sector through 2020. FFO reported by both Equinix and Digital Realty exceeded consensus forecasts, while EPS reflecting heightened investment fell short. Likewise, the T Mobile/Sprint merger has resulted in cell tower contract losses for American Tower and SBA Communications pressuring share valuations.

Other segments of the REIT sector focused on commercial real estate, lodging, and retail have experienced improved sentiment among investors that see depressed valuations as offering improved returns as society reopens. Lodging company Host Hotels shares surged 22% in the past month, while commercial real estate leader CBRE shares ramped by 24%. Improved rent collections and prospects for occupancy gains for mall operator Simon Property saw the firm's shares rise by over 21% in the past month as well.

Thus, over the past month, we have seen a swing in investor focus among REIT sector issues moving from prior sector leaders to laggards poised to have improved fundamentals as COVID abates and economic activity improves – a situation likely to persist in the near term.

UTILITIES





Source : Bloomberg

Sector Performance

1 Month	3 Months	YTD	TTM
-6.54%	-7.04%	-7.43%	-5.89%

S&P 500 Performance

1 Month	3 Months	YTD	TTM
2.61%	5.23%	1.47%	29.01%

	Company Performance	1 Month
Leaders	AES Corp	8.9%
	FirstEnergy Corp	7.7%
	Evergy Inc	-0.2%
	DTE Energy Co	-0.8%
	NiSource Inc	-2.5%
Laggards	NRG Energy Inc	-11.8%
	American Water Works	-10.8%
	WEC Energy Group Inc	-9.3%
	Eversource Energy	-9.2%
	NextEra Energy Inc	-9.1%

Consensus FY EPS / P/E

Last Year	Current Year	Next Year
$17.85	$17.78	$18.83
16.5x	16.6x	15.7x

Sector Update

The Utilities sector declined 6.54% in February, lagging the 2.61% improvement in the S&P500®. The sector's performance was hampered by its defensive characteristics against a firming macroeconomic environment and rising interest rate backdrop. Over the last three-month period, the performance gap is even wider, with the sector down 7.04% compared to a 5.23% gain for the broader market index. On a trailing twelve-month basis, the Utilities sector declined 5.89% and lagged the 29% improvement in the S&P by a wide margin.

Independent and Renewable producers were the best performing sub-sector, up 8.9% in February. This subsector continues to benefit from ESG investor focus and the expectation that renewables could be a primary piece of infrastructure build-out under the Biden administration. All other sub-sectors finished the month in a range of down 5.7% for Multi Utilities and down 10.8% in Water Utilities. We note that Water Utilities only includes one component, American Water Works (AWK).

Arlington, Virginia based AES Corporation (AES) was the leader for the month, up 8.9% and was one of just two sector components finishing the month above January levels. Houston, Texas based NRG Energy (NRG) was the laggard of February after leading the sector in performance in the prior month. NRG increased its guidance following a recent acquisition early in January and saw increased momentum through mid-February until extreme winter storms hit the state of Texas that introduced significant uncertainty to the company's near-term earnings potential.

While the sector has lagged broader returns against an improving macro backdrop and rising rate environment, the attractive yields and historically defensive characteristics of the sector could provide enhanced performance against volatility. While we prefer new investment in cyclically sensitive sectors, we continue to focus on utilities with well-covered dividends, quality electric and renewable assets with long-term capital backlog visibility, and attractive service territories relative to national averages.

ECONOMIC CALENDAR

Date	Release	For	Prior
4-Mar	Initial Claims	02/27	736K
4-Mar	Continuing Claims	02/20	4.419M
4-Mar	Productivity-Rev.	Q4	-4.80%
4-Mar	Unit Labor Costs - Rev	Q4	6.80%
4-Mar	Factory Orders	Jan	1.60%
4-Mar	EIA Natural Gas Inventories	02/27	-338 bcf
5-Mar	Nonfarm Payrolls	Feb	49K
5-Mar	Nonfarm Private Payrolls	Feb	6K
5-Mar	Unemployment Rate	Feb	6.30%
5-Mar	Hourly Earnings	Feb	0.20%
5-Mar	Average Workweek	Feb	35
5-Mar	Trade Balance	Jan	-$66.6B
5-Mar	Consumer Credit	Jan	$9.7B
8-Mar	Wholesale Inventories	Jan	0.30%
10-Mar	MBA Mortgage Applications Index	03/06	0.50%
10-Mar	CPI	Feb	0.30%
10-Mar	Core CPI	Feb	0.00%
10-Mar	EIA Crude Oil Inventories	03/06	+21.56M
10-Mar	Treasury Budget	Feb	-$235.3B
11-Mar	Continuing Claims	02/27	4.295M
11-Mar	Initial Claims	03/06	745K
11-Mar	EIA Natural Gas Inventories	03/06	-98 bcf
12-Mar	Core PPI	Feb	NA
12-Mar	PPI	Feb	NA
12-Mar	Univ. of Michigan Consumer Sentiment - Prelim	Mar	NA
15-Mar	Empire State Manufacturing	Mar	NA
15-Mar	Net Long-Term TIC Flows	Jan	NA
16-Mar	Business Inventories	Jan	NA
16-Mar	Export Prices ex-ag.	Feb	NA
16-Mar	Import Prices ex-oil	Feb	NA
16-Mar	Retail Sales	Feb	NA
16-Mar	Retail Sales ex-auto	Feb	NA
16-Mar	Capacity Utilization	Feb	NA
16-Mar	Industrial Production	Feb	NA
16-Mar	NAHB Housing Market Index	Mar	NA
17-Mar	MBA Mortgage Applications Index	03/13	NA
17-Mar	Building Permits	Feb	NA
17-Mar	Housing Starts	Feb	NA
17-Mar	EIA Crude Oil Inventories	03/13	NA
17-Mar	FOMC Rate Decision	Mar	NA
18-Mar	Continuing Claims	03/06	NA
18-Mar	Initial Claims	03/13	NA
18-Mar	Philadelphia Fed Index	Mar	NA
18-Mar	Leading Indicators	Feb	NA
18-Mar	EIA Natural Gas Inventories	03/13	NA

ECONOMIC CALENDAR

Date	Release	For	Prior
22-Mar	Existing Home Sales	Feb	NA
23-Mar	Current Account Balance	Q4	NA
23-Mar	New Home Sales	Feb	NA
24-Mar	MBA Mortgage Applications Index	03/20	NA
24-Mar	Durable Goods –ex transportation	Feb	NA
24-Mar	Durable Orders	Feb	NA
24-Mar	EIA Crude Oil Inventories	03/20	NA
25-Mar	Continuing Claims	03/13	NA
25-Mar	GDP - Third Estimate	Q4	NA
25-Mar	Initial Claims	03/20	NA
25-Mar	EIA Natural Gas Inventories	03/20	NA
26-Mar	Adv. Intl. Trade in Goods	Feb	NA
26-Mar	Adv. Retail Inventories	Feb	NA
26-Mar	Adv. Wholesale Inventories	Feb	NA
26-Mar	PCE Prices	Feb	NA
26-Mar	PCE Prices - Core	Feb	NA
26-Mar	Personal Income	Feb	NA
26-Mar	Personal Spending	Feb	NA
26-Mar	Univ. of Michigan Consumer Sentiment - Final	Mar	NA
30-Mar	S&P Case-Shiller Home Price Index	Jan	NA
30-Mar	FHFA Housing Price Index	Mar	NA
30-Mar	Consumer Confidence	Mar	NA
31-Mar	MBA Mortgage Applications Index	03/27	NA
31-Mar	ADP Employment Change	Mar	NA
31-Mar	Chicago PMI	Mar	NA
31-Mar	Pending Home Sales	Feb	NA
31-Mar	EIA Crude Oil Inventories	03/27	NA

DISCLOSURES

This information has been compiled from various sources we believe to be reliable, however, there is no guarantee of its accuracy or completeness. Any opinion expressed herein is based upon our interpretation of the information from such source. This information is not furnished in connection with a sale or offer to sell securities or in connection with the solicitation of an offer to buy securities. Our firm, or its offices or members of their families, may at times, have a long or short position in the securities mentioned herein and may make purchases or sales of these securities while this memorandum is in circulation.

Past performance is not indicative of future results.

An index is not available for direct investment; therefore, its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio.

Sectors and sector components defined by Standard & Poor's GICS Level 1 index. For the list of all holdings in GICS Level 1 index sectors, contact your Davenport Financial Advisor.

Leaders: Represent top five best stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Laggards: Represent top five worst stock price performance in the most recent calendar month within their respective GICS Level 1 Sector

Members: The GICS Level 1 Telecommunication Services sector has only three component companies. This sector will not include "Leaders and Laggards", but will show all three members and their price performance over the previous calendar month.

S&P 500®: The S&P 500 Index is comprised of 500 U. S. stocks and is an indicator of the performance of the overall U.S. stock market. Standard & Poor's Financial Services LLC, a division of S&P Global, is the source and owner of the registered trademarks related to the S&P 500 Index.

Dow Jones Industrials: The Dow Jones Industrial Average is an index of 30 "blue chip" stocks of U.S. "industrial" companies.

NASDAQ Composite: The Nasdaq-100 Index is a "modified capitalization-weighted" index designed to track the performance of a market consisting of the 100 largest and most actively traded non-financial domestic and international securities listed on The Nasdaq Stock Market, based on market capitalization.

Russell 2000®: The Russell 2000® Index is a capitalization-weighted index designed to measure the performance of a market consisting of the 2,000 smallest publicly traded U.S. companies (in terms of market capitalization) that are included in the Russell 3000® Index. Source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"). © LSE Group 2021. FTSE Russell is a trading name of certain LSE Group companies. "Russell®" is a trade mark of the relevant LSE Group companies and is used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote/sponsor/endorse the content of this communication.

FTSE 100: The FTSE 100 is an index of the leading shares on the London Stock Exchange. Shanghai Composite: The SSE Composite Index is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

Nikkei Stock Average: Nikkei is short for Japan's Nikkei 225 Stock Average, the leading and most-respected index of Japanese stocks. It is a price-weighted index comprised of Japan's top 225 blue-chip companies traded on the Tokyo Stock Exchange. The Nikkei is equivalent to the Dow Jones Industrial Average Index in the United States.

Stoxx Europe 600: The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Markets: The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. (MSCI Website).

MSCI Emerging Markets Small Cap: The MSCI Emerging Markets Small Cap Index includes small cap representation across 23 Emerging Markets countries. With 1,889 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. The small cap segment tends to capture more local economic and sector characteristics relative to larger Emerging Markets capitalization segments.

US Dollar Index (USDX, DXY): An index (or measure) of the value of the United States dollar relative to a basket of currencies, often referred to as a basket of US trade partners' currencies.

VIX: The ticker symbol for the Chicago Board Options Exchange (CBOE) Volatility Index, which shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 index options.

Shanghai Composite (SSE Index): The Shanghai Composite Index, also known as the SSE Index is a stock market index of all stock (A shares and B shares) that are traded at the Shanghai Stock Exchange.

Certification: As the primary authors of this report, we hereby certify that the views and opinions expressed herein accurately reflect our personal views and opinions about the principal subject(s) of this report. Further, I hereby certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or personal views expressed herein.

Please contact your Davenport Financial Advisor for more information.

DAVENPORT
BUILDING WEALTH TOGETHER
1863

A Legacy of Excellence, a Commitment to Independence

Our mission is to serve our clients' best interests in pursuing their financial goals. We attract talented professionals who are guided by integrity and experience. Our firm fosters a collaborative environment in which time-tested principles are combined with current analytical tools to create investment strategies that serve our clients' needs. Independent and employee-owned since 1863, Davenport & Company is a trusted financial advisor to generations of families and institutions.

CORPORATE HEADQUARTERS

One James Center | 901 East Cary Street, Suite 1100 | Richmond, Virginia 23219
(804) 780-2000 (800) 846-6666
www.investdavenport.com

Charlotte*
101 North Tryon St., Ste. 1220
Charlotte, NC 28246
(704) 375-0550

Charlottesville
600 E. Water St., Ste. A
Charlottesville, VA 22902
(434) 296-9013

Danville
165 Holt Garrison Pkwy., Ste. 570B
Danville, VA 24540
(434) 836-5528

Farmville
101 North Main St.
Farmville, VA 23901
(434) 392-9813

Franklin
105 West Fourth Ave.
Franklin, VA 23851
(757) 562-0053

Fredericksburg
904 Princess Anne St., Ste. 102
Fredericksburg, VA 22401
(540) 373-1863

Greensboro
628 Green Valley Rd., Ste. 410
Greensboro, NC 27408
(336) 297-2800

Kilmarnock
141 Technology Park Dr.
Kilmarnock, VA 22482
(804) 435-7705

Leesburg*
19301 Winmeade Dr., Ste. 218
Leesburg, VA 20176
(571) 223-5893

Lynchburg
1104 Commerce St.
Lynchburg, VA 24504
(434) 948-1100

Newport News
11827 Canon Blvd., Ste. 404
Newport News, VA 23606
(757) 595-5740

Norfolk
101 West Main St., Ste. 4000
Norfolk, VA 23510
(757) 314-3600

Richmond
901 East Cary St., Ste. 1100
Richmond, VA 23219
(804) 780-2000

Raleigh
3605 Glenwood Ave., Ste. 310
Raleigh, NC 27612
(919) 571-6550

Roanoke
10 Franklin Road S.E., Ste. 450
Roanoke, VA 24011
(540) 345-1909

Sanford
503 Carthage St., Ste. 300
Sanford, NC 27330
(919) 777-9823

Suffolk
330 West Constance Rd., Ste. 200
Suffolk, VA 23434
(757) 539-5355

Towson*
The Oxford Building
8600 LaSalle Rd., Ste. 618
Towson, MD 21286-2014
(410) 296-9426

Virginia Beach
477 Viking Dr., Ste. 200
Virginia Beach, VA 23452
(757) 498-4000

Williamsburg
5400 Discovery Park Blvd., Ste. 301
Williamsburg, VA 23188
(757) 258-2800

**Public Finance office. Additional Public Finance services in Hilton Head and Mt. Pleasant, SC and Atlanta, GA available upon request.*

© Copyright 2021 Davenport & Company LLC. All rights reserved.
Davenport & Company LLC Member: NYSE | FINRA | SIPC