Below are Evergreen Gavekal's Likes/Dislikes for September 6, 2019.

OUR CURRENT LIKES AND DISLIKES

No changes this week.

LIKE

- Large-cap growth (focus on lower P/E issues within this style; i.e., â??growth at a reasonable priceâ?•)
- Some international developed markets (especially Japan)
- Publicly-traded pipeline partnerships (MLPs and other mid-stream energy securities) yielding 7%-15% (accelerate the pace of accumulation after the recent sharp correction)
- Gold-mining stocks (hold off on buying for now due to the on-going rally; some profit-taking is advisable)
- Gold (be prepared for a near-term correction; longer term, however, the breakout above \$1400 is impressive)
- Select blue chip oil stocks (accelerate purchases with these, as well)
- One- to two-year Treasury notes
- Canadian dollar-denominated short-term bonds
- Short-term investment grade corporate bonds (1-2 year maturities)
- Emerging market (EM) bonds in local currency (accumulate as we expect the US dollar to weaken after the recent bout of strength; USD weakness is positive for EM debt)
- Large-cap value (the severe weakness seen in August in many of these issues has
 produced a long list of compelling bargains but further weakness is entirely possible; the
 US stock market looks precarious to us presently)
- Intermediate-term Treasury bonds (buying longer maturities less aggressively due to the recent big bond rally; however, we continue to see decent value in very high grade 3- to 7year US bonds)
- Japanese Yen (positive over the long term, but expect a decent correction)
- Copper producers
- British pound currency (use a tight stop on this)
- South Korean Equities (trade war concerns are valid and the semi-conductor industry has slumped, but this offers a long term entry point)
- High-dividend yield equities with safe distributions (as interest rates disappear, investors will go searching for yield)

NEUTRAL

- Most cyclical resource-based stocks
- Mid-cap growth
- Emerging stock markets; however, a number of Asian developing markets appear undervalued
- Canadian REITs
- Intermediate-term investment-grade corporate bonds, yielding approximately 4%
- US-based Real Estate Investment Trusts (REITs)

- Long-term investment grade corporate bonds
- Small-cap growth
- Preferred stocks
- Mexican stocks (after a healthy rally, we have sold all of our REIT holdings)
- Cash
- Solar Yield Cos (PG&E risk is rising again; taking profits in one of the more Calif-exposed companies)
- Intermediate municipal bonds with strong credit ratings (due to this yearâ??s powerful rally)
- Long-term municipal bonds
- Long-term Treasury bonds
- Silver (profit taking is reasonable after the recent run)

DISLIKE

- Small-cap value
- Mid-cap value
- Lower-rated junk bonds
- Floating-rate bank debt (junk)
- US industrial machinery stocks (such as one that runs like a certain forest animal, and another famous for its yellow-colored equipment)
- BB-rated corporate bonds (credit spreads widened significantly during the 4th quarter of 2018 but have declined sharply this year; we expect renewed widening in the months ahead) * **
- European banks
- Investment-grade floating rate corporate bonds (reducing exposure to these as Fed rate cuts are increasingly likely)
- US dollar
- Traditionally â??safeâ?• sectors such as Staples and Utilities due to elevated debt and valuation concerns

DISCLOSURE: This material has been prepared or is distributed solely for informational purposes only and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Any opinions, recommendations, and assumptions included in this presentation are based upon current market conditions, reflect our judgment as of the date of this presentation, and are subject to change. Past performance is no guarantee of future results. All investments involve risk including the loss of principal. All material presented is compiled from sources believed to be reliable, but accuracy cannot be guaranteed and Evergreen makes no representation as to its accuracy or completeness. Securities highlighted or discussed in this communication are mentioned for illustrative purposes only and are not a recommendation for these securities. Evergreen actively manages client portfolios and securities discussed in this communication may or may not be held in such portfolios at any given time.

^{*} Credit spreads are the difference between non-government bond interest rates and treasury vields.

^{**} Some BB-rated issues are currently attractive despite our spread-widening fears.