

MUNICIPAL BOND MARKET MONTHLY

JANNEY FIXED INCOME STRATEGY

April 6, 2015



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Municipal Bond Market Credit Analyst Survey - First Annual

- The most important issue/trend facing the municipal bond market is currently Public Pensions (funding levels, POBs). 86% of municipal credit analysts polled included the category in their top five, according to our survey results.
- Over half (61%) of analysts surveyed believe state and local government credit quality has recovered from the Great Recession. But, a total of 39% think they have not recovered in one form or another: (22%) not recovered, (8%) are undecided and (9%) answered "Not Yet".
- 57% of analysts polled have a "very" or "somewhat" favorable opinion of ratings from Moody's and Fitch. Kroll's total favorability was only 7%. 66% of analysts surveyed have an unfavorable, undecided or "do not consider" Kroll ratings.
- We collected responses from 162 municipal bond credit analysts during our survey. Over half of the replies (63%) were from buy-side analysts. The majority describe themselves as Generalists (59%) or as analysts who specialize in Tax-Backed (30%) bonds.
- California was upgraded by Fitch; Connecticut's outlook was lowered by S&P; Louisiana's outlook was lowered by S&P; and Puerto Rico was downgraded by all three rating agencies.

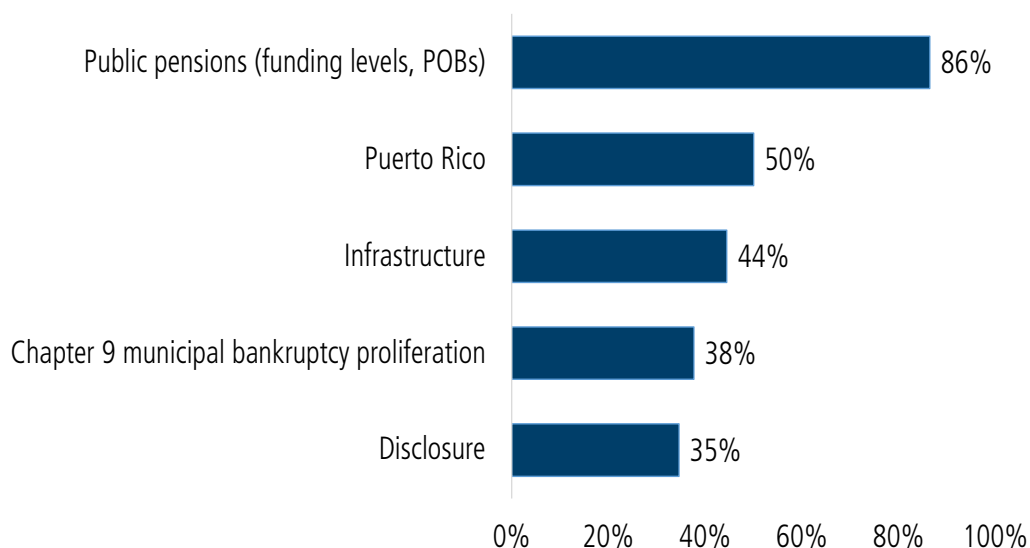
RESULTS OF THE MUNICIPAL BOND ANALYST SURVEY

Key Findings

The First Annual Janney Municipal Bond Market Credit Analyst Survey shows that Public Pensions (86%) is by far the most important issue facing the municipal bond market right now. Puerto Rico (50%), Infrastructure (44%), Chapter 9 Municipal Bankruptcy Proliferation (38%) and Disclosure (35%) are among the other top choices made by credit analysts.

Over half (61%) of the municipal credit analysts surveyed believe state and local government credit quality has recovered. The flip side of this question also tells us that almost half (39%) believe that state and local governments have not recovered completely or that they have not yet decided whether or not they have recovered.

Top 5 Most Important Issues/Trends Facing Municipal Bond Market Today



Source: Janney Fixed Income Research & Strategy (FIRS) Survey.

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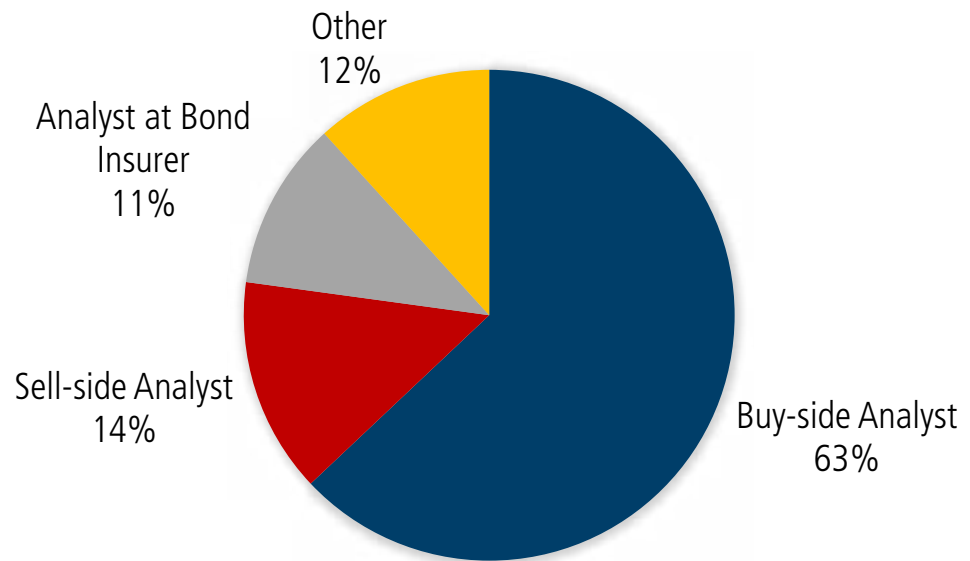
63% of the survey respondents are buy-side municipal credit analysts.

14% of respondents are sell-side municipal credit analysts.

A high percentage, or 59% or those surveyed describe themselves as "Generalists".

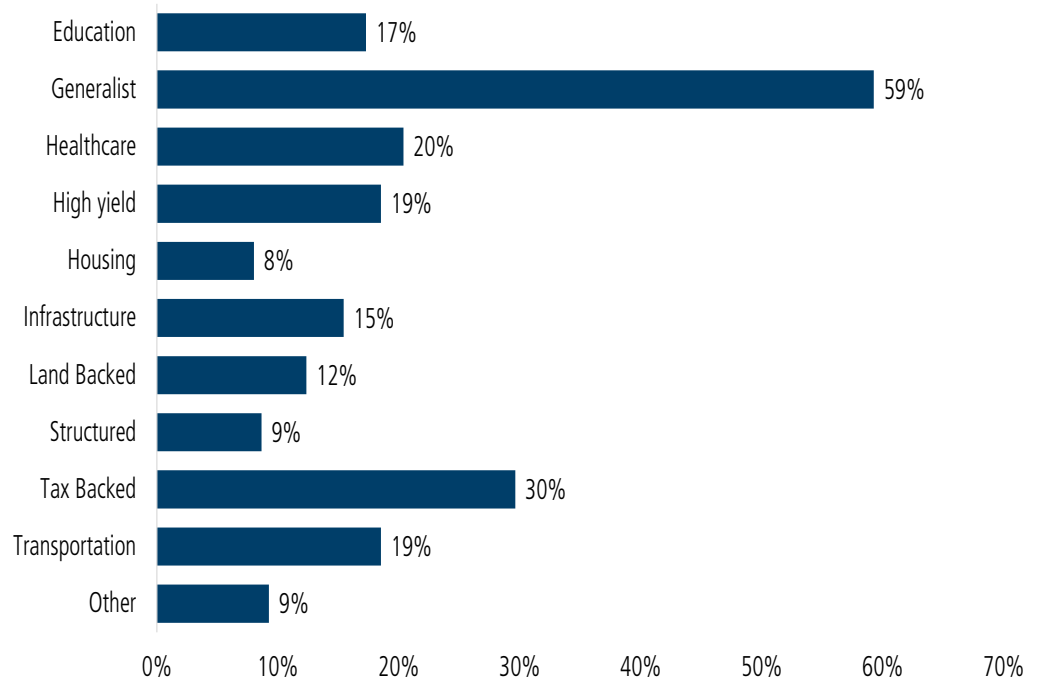
The favorability of municipal ratings were led by Moody's and Fitch. 57% of municipal credit analysts polled said they have a "very" or "somewhat" favorable opinion of ratings from these two rating agencies. S&P's total favorability was not far behind, it was 43%. Kroll's total favorability was only 7%. A total of 66% of municipal analysts surveyed reported an unfavorable, undecided or "do not consider" Kroll ratings.

Question #1: How Would Your Role as a Municipal Bond Analyst Be Best Described?



Source: Janney Fixed Income Research and Strategy (FIRS) survey.

Question #2: What is Your Primary Sector Specialty? (You May Choose More Than 1)



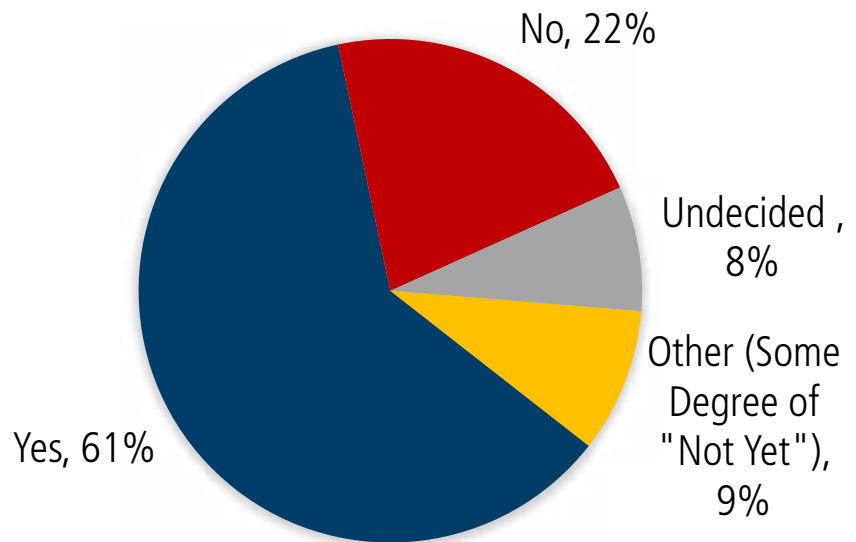
Source: Janney Fixed Income Research and Strategy (FIRS) survey.

Of the municipal analysts surveyed 61% think state and local government credit quality has recovered from the Great Recession.

57% of those surveyed have a "Very" or "Somewhat" Favorable opinion about Moody's and Fitch municipal bond ratings.

A total of 66% of municipal analysts surveyed have an "Unfavorable", "Undecided", or "Do not consider" Kroll ratings.

Question #3: Has State and Local Government Credit Quality Recovered from the Great Recession, In Your Opinion?



Source: Janney Fixed Income Research and Strategy (FIRS) survey.

Question #4: What is Your Opinion of Municipal Bond Ratings from the Following Credit Rating Agencies?

Rating Agency	Very Favorable	Somewhat Favorable	Neutral	Somewhat Un-favorable	Very Un-favorable	Un-decided	Do Not Consider Ratings
Fitch	11%	46%	33%	4%	1%	2%	3%
Kroll	1%	6%	27%	10%	3%	16%	37%
Moody's	17%	40%	22%	15%	3%	1%	2%
S&P	10%	33%	28%	22%	5%	1%	1%

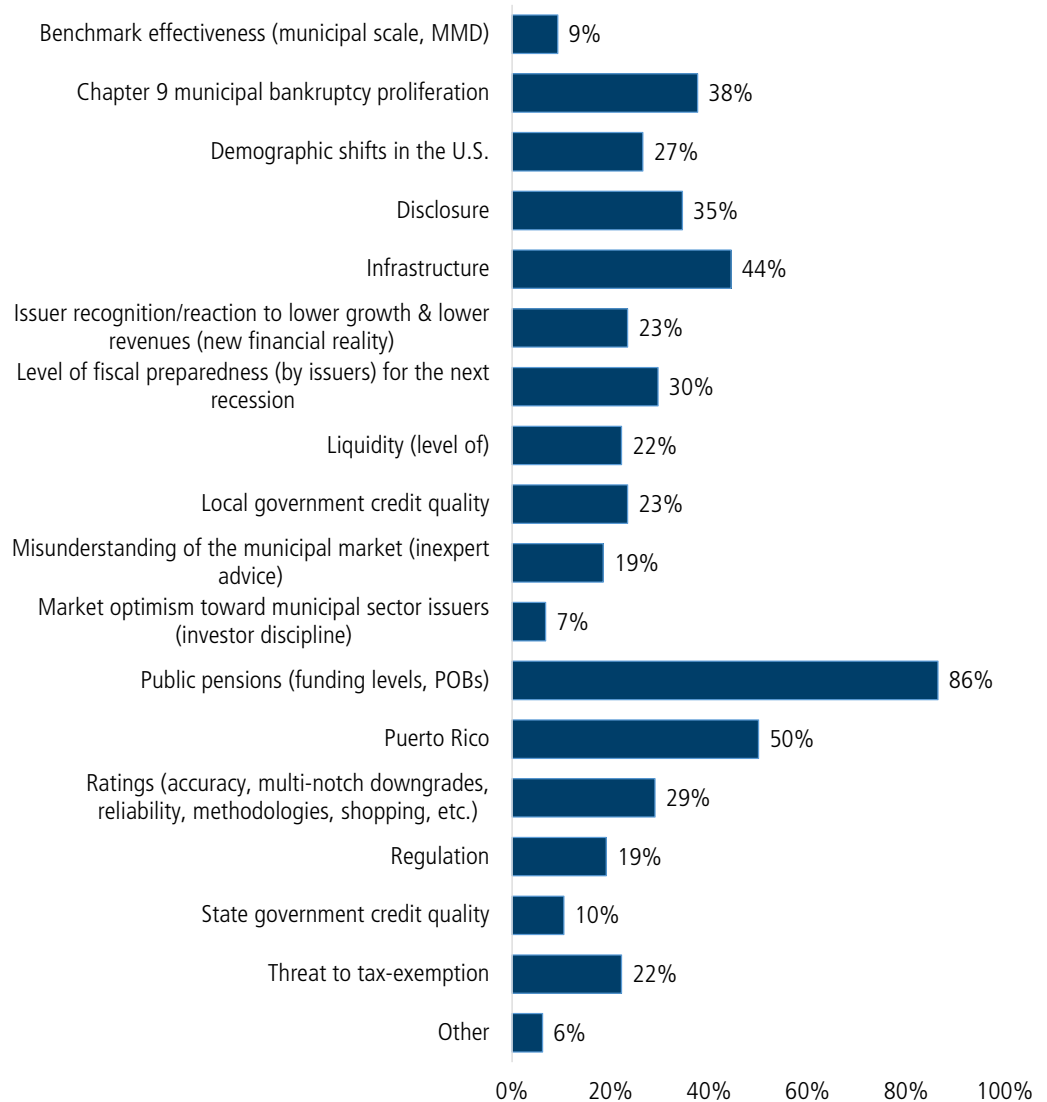
Source: Janney Fixed Income Research and Strategy (FIRS) survey.

Public pensions is the leading issue/trend facing the municipal bond market according to 86% of municipal bond credit analysts.

The evolving credit situation in Puerto Rico is a leading issue/trend according to half (50%) of respondents.

Infrastructure is important to 44% of analysts who responded to the survey.

Question #5: What Do You Think Are the 5 (FIVE) Most Important Issues/Trends Facing the Municipal Bond Market Right Now?



Source: Janney Fixed Income Research and Strategy (FIRS) survey.

Description of the Survey and Methodology

The findings presented in this research report are based on the results of a survey that was conducted between Friday March 20th and Tuesday March 31st, 2015. The survey was conducted by Tom Kozlik of Janney Montgomery Scott. The data collected in this report represent responses from 162 municipal bond credit analysts. Rating agency analysts were not included in the survey. **Tom Kozlik**

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Select Recent Changes to Ratings & Outlooks (as of April 2, 2015)

Issuer	State	Recent Rating Action	Date	Underlying Rating(s)	Notes
Hempstead (Town of)	NY	Downgraded to Aa1 from Aaa by Moody's	1-Apr-2015	Aa1/A+	Budget imbalances, fiscal pressures
Puerto Rico	PR	Downgraded to B from BB- by Fitch	26-Mar-2015	Caa1/B/B	Cites concerns about liquidity
Atlantic City	NJ	Reviewing for potential downgrade, by S&P	25-Mar-2015	Caa1/BB	Emergency manager appt., risk of default
Penn Hills SD	PA	Downgraded to Ba3 from Baa1 by Moody's	25-Mar-2015	Ba3/A	Severe credit deterioration
Montgomery County	PA	Outlook raised to Stable from Negative by Moody's	16-Mar-2015	Aa1	Improved finances, should continue
Asbury Park (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	Baa1	Exposure to state aid
Kearny (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	A2	Exposure to state aid
Newark (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	Baa1	Exposure to state aid
Paterson (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	Baa2	Exposure to state aid
Trenton (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	A3	Exposure to state aid
Union City (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	A3	Exposure to state aid
Weehawken (City of)	NJ	On review for possible downgrade by Moody's	13-Mar-2015	Baa3	Exposure to state aid
New Orleans (City of)	LA	Upgraded to A- from BBB+ by S&P	10-Mar-2015	A3/A-/A-	Improved financial performance
Connecticut (State of)	CT	Outlook lowered to Negative from Stable by S&P	9-Mar-2015	Aa3/AA/AA	Weak revenue growth, unfunded pensions
New Orleans (City of)	LA	Outlook raised to Stable from Negative by Moody's	6-Mar-2015	A3/A-/A-	Improved financial performance
Chicago Board of Ed.	IL	Downgraded to Baa3 from Baa1 by Moody's	6-Mar-2015	Baa3/A+/A+	Budget press. from pensions, Neg outlook
Miami (City of)	FL	Upgraded to A1 from A2 by Moody's	5-Mar-2015	A1/A+/A+	Higher reserves and econ recovery
California (State of)	CA	Upgraded to A+ from A by Fitch	4-Mar-2015	Aa3/A+/A+	Continued improved fiscal position
Hempstead (Town of)	NY	Downgraded to A+ from AA+ by S&P	3-Mar-2015	Aa1/A+	Continued fund balance deterioration
Chicago (City of)	IL	Downgraded to Baa2 from Baa1 by Moody's	27-Feb-2015	Baa2/A+/A+	Pressure from pensions, Outlook still Neg
Pittsburgh School Dist	PA	Upgraded to A from A- by S&P	27-Feb-2015	Aa3/A	Strong financial performance
U of NC at Charlotte	NC	Downgraded to A+ from AA- by S&P	26-Feb-2015	AA3/A+	Weakened financial resources
Pittsburgh School Dist	PA	Outlook raised to Positive from Stable by Moody's	25-Feb-2015	Aa3/A	Several years of improved fund balances
Puerto Rico (GO)	PR	Downgraded to Caa1 from B2 by Moody's	19-Feb-2015	Caa1/B/B	Extremely vulnerable fiscal position
Allentown (City of)	PA	Upgraded to A+ from BBB+ by S&P	18-Feb-2015	A3/A+	Improved city finances, lease water sys
Puerto Rico (GO)	PR	Downgraded to B from BB by S&P	13-Feb-2015	Caa1/B/B	Potential inability to meet commitments
Louisiana (State of)	LA	Outlook lowered to Neg from Stable by S&P	13-Feb-2015	Aa2/AA/AA	Recent revenue declines/budget gap
University Sys of MD	MD	Outlook lowered to Neg from Stable by S&P	13-Feb-2015	Aa1/AA+	Weakened financial metrics
Hamden (City of)	CT	Upgraded to A+ from A by S&P	10-Feb-2015	Baa1/A+/BBB+	Improved budget flexibility- result of POBs
Miami (City of)	FL	Upgraded to A+ from BBB by S&P	9-Feb-2015	A1/A+/A+	Improved budget flexibility & reserves
Hamden (City of)	CT	Downgraded to Baa1 from A3 by Moody's	9-Feb-2015	Baa1/A+/BBB+	Strained finances & narrow reserves

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State and Other Select Issuer Ratings (April 2, 2015)

State	Moody's			S&P			Fitch		
	Rating	Outlook	Last	Rating	Outlook	Last	Rating	Outlook	Last
Alabama	Aa1	Stable	4/16/2010	AA	Positive	11/27/2013	AA+	Stable	5/3/2010
Alaska	Aaa	Negative	12/16/2014	AAA	Stable	1/5/2012	AAA	Stable	1/7/2013
Arizona (*)	Aa3	Positive	11/26/2013	AA-	Stable	12/23/2011	NR	-	-
Arkansas	Aa1	Stable	4/16/2010	AA	Stable	1/10/2003	NR	-	-
California	Aa3	Stable	6/25/2014	A+	Stable	11/5/2014	A+	Stable	3/4/2015
Colorado (*)	Aa1	Stable	4/16/2010	AA	Stable	7/10/2007	NR	-	-
Connecticut	Aa3	Stable	1/20/2012	AA	Negative	3/9/2015	AA	Negative	7/2/2013
Delaware	Aaa	Stable	4/30/2010	AAA	Stable	2/22/2000	AAA	Stable	4/13/2006
Dist. of Columbia	Aa2	Stable	8/2/2013	AA-	Stable	3/21/2013	AA-	Stable	4/5/2010
Florida	Aa1	Stable	4/16/2010	AAA	Stable	7/12/2011	AAA	Stable	8/23/2013
Georgia	Aaa	Stable	4/16/2010	AAA	Stable	7/29/1997	AAA	Stable	4/13/2006
Hawaii	Aa2	Stable	5/17/2011	AA	Stable	11/22/2014	AA	Stable	6/15/2011
Idaho (*)	Aa1	Stable	4/16/2010	AA+	Stable	3/30/2011	AA	Stable	4/5/2010
Illinois	A3	Negative	6/6/2013	A-	Negative	6/23/2014	A-	Negative	6/3/2013
Indiana (*)	Aaa	Stable	4/16/2010	AAA	Stable	7/18/2008	AAA	Stable	10/15/2014
Iowa (*)	Aaa	Stable	4/16/2010	AAA	Stable	9/11/2008	AAA	Stable	4/5/2010
Kansas (*)	Aa2	Stable	4/30/2014	AA	Negative	8/6/2014	None	None	None
Kentucky (*)	Aa2	Stable	6/2/2014	AA-	Negative	1/31/2013	A+	Stable	11/8/2012
Louisiana	Aa2	Stable	4/16/2010	AA	Negative	2/13/2015	AA	Stable	4/5/2010
Maine	Aa2	Stable	6/4/2014	AA	Stable	5/24/2012	AA	Stable	1/23/2013
Maryland	Aaa	Stable	7/19/2013	AAA	Stable	5/7/1992	AAA	Stable	4/13/2006
Massachusetts	Aa1	Stable	4/16/2010	AA+	Stable	9/16/2011	AA+	Stable	4/5/2010
Michigan	Aa2	Positive	3/28/2013	AA-	Stable	6/17/2014	AA	Stable	4/2/2013
Minnesota	Aa1	Stable	7/30/2013	AA+	Stable	9/29/2011	AA+	Stable	7/7/2011
Mississippi	Aa2	Stable	4/16/2010	AA	Stable	11/30/2005	AA+	Negative	11/15/2013
Missouri	Aaa	Stable	7/19/2013	AAA	Stable	2/16/1994	AAA	Stable	4/13/2006
Montana	Aa1	Stable	4/16/2010	AA	Stable	5/5/2008	AA+	Stable	4/5/2010
Nebraska (*)	Aa2	Stable	4/16/2010	AAA	Stable	5/5/2011	NR	-	-
Nevada	Aa2	Stable	3/24/2011	AA	Stable	3/10/2011	AA+	Stable	4/5/2010
New Hampshire	Aa1	Stable	4/16/2010	AA	Stable	12/8/2014	AA+	Stable	4/5/2010
New Jersey	A1	Negative	5/13/2014	A	Stable	9/10/2014	A	Negative	9/5/2014
New Mexico	Aaa	Stable	7/19/2013	AA+	Negative	11/26/2014	NR	-	-
New York	Aa1	Stable	6/16/2014	AA+	Stable	7/23/2014	AA+	Stable	6/25/2014
North Carolina	Aaa	Stable	1/12/2007	AAA	Stable	6/25/1992	AAA	Stable	4/13/2006
North Dakota (*)	Aa1	Stable	4/16/2010	AAA	Stable	12/13/2013	NR	-	-
Ohio	Aa1	Stable	3/16/2012	AA+	Stable	7/19/2011	AA+	Stable	4/11/2011
Oklahoma	Aa2	Stable	4/16/2010	AA+	Stable	9/5/2008	AA+	Stable	4/5/2010
Oregon	Aa1	Stable	4/16/2010	AA+	Stable	3/10/2011	AA+	Stable	4/5/2010
Pennsylvania	Aa3	Stable	7/21/2014	AA-	Stable	9/25/2014	AA-	Stable	9/23/2013
Puerto Rico	Caa1	Negative	2/19/2015	B	Negative	2/13/2015	B	Negative	3/26/2015
Rhode Island	Aa2	Stable	10/6/2014	AA	Stable	6/18/2014	AA	Stable	7/18/2011
South Carolina	Aaa	Stable	12/7/2011	AA+	Stable	7/11/2005	AAA	Stable	4/13/2006
South Dakota (*)	Aa2	Stable	5/27/2010	AA+	Stable	3/25/2011	AA	Positive	8/1/2014
Tennessee	Aaa	Stable	12/7/2011	AA+	Stable	11/5/2013	AAA	Stable	4/5/2010
Texas	Aaa	Stable	4/16/2010	AAA	Stable	9/27/2013	AAA	Stable	4/5/2010
Utah	Aaa	Stable	4/16/2010	AAA	Stable	6/7/1991	AAA	Stable	4/13/2006
Vermont	Aaa	Stable	4/16/2010	AA+	Stable	11/10/2014	AAA	Stable	4/5/2010
Virginia	Aaa	Stable	7/19/2013	AAA	Stable	11/11/1992	AAA	Stable	4/13/2006
Washington	Aa1	Stable	7/19/2013	AA+	Stable	11/12/2007	AA+	Stable	7/19/2013
West Virginia	Aa1	Stable	7/9/2010	AA	Stable	8/21/2009	AA+	Stable	7/8/2011
Wisconsin	Aa2	Positive	11/20/2014	AA	Stable	8/15/2008	AA	Stable	4/5/2010
Wyoming (*)	NR	-	-	AAA	Stable	5/3/2011	NR	-	-

Source: Moody's; S&P; Fitch and Janney FIS. (*) Denotes a Lease or Issuer Credit Rating.

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Municipal Credit Rating Scale and Definitions

	Rating Agency			Definition
	Moody's	S&P	Fitch	
Investment Grade	Aaa	AAA	AAA	Exceptionally strong credit quality and minimal default risk.
	Aa1	AA+	AA+	Upper medium grade and subject to low credit risk.
	Aa2	AA	AA	Upper medium grade and subject to low credit risk.
	Aa3	AA-	AA-	Upper medium grade and subject to low credit risk.
	A1	A+	A+	Strong credit quality and subject to low default risk.
	A2	A	A	Strong credit quality and subject to low default risk.
	A3	A-	A-	Strong credit quality and subject to low default risk.
	Baa1	BBB+	BBB+	Subject to moderate risk and possess some speculative characteristics.
	Baa2	BBB	BBB	Subject to moderate risk and possess some speculative characteristics.
Baa3	BBB-	BBB-	Subject to moderate risk and possess some speculative characteristics.	
Sub-Investment Grade	Ba1	BB+	BB+	Weak credit quality with speculative elements and substantial credit risk.
	Ba2	BB	BB	Weak credit quality with speculative elements and substantial credit risk.
	Ba3	BB-	BB-	Weak credit quality with speculative elements and substantial credit risk.
	B1	B+	B+	Very weak credit quality, very speculative with high credit risk.
	B2	B	B	Very weak credit quality, very speculative with high credit risk.
	B3	B-	B-	Very weak credit quality, very speculative with high credit risk.
	Caa1	CCC+		Extremely weak credit quality and subject to very high credit risk.
	Caa2	CCC	CCC	Extremely weak credit quality and subject to very high credit risk.
	Caa3	CCC-		Extremely weak credit quality and subject to very high credit risk.
	Ca	CC		Highly speculative and are in or near default with some prospect for recovery.
		C	CC	Lowest class of rated bonds and may be in default with little prospect for recovery.
			C	Lowest class of rated bonds and may be in default with little prospect for recovery.
	D	D	RD/D	Issuer is in default and/or has failed to make a payment.

Source: Moody's; S&P; Fitch and Janney FIS.

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Janney Municipal Bond Market Publications

Title	Date	Pub	Notes
Pricing Discipline Remains	March 23, 2015	Weekly	A review of U.S. State credit spreads
Puerto Rico's Cloud Darkens	March 19, 2015	Note	Restructure and/or default is likely for most credits
Need for Highway Infrastructure	March 16, 2015	Weekly	Am Society of Engineers Gave U.S. a D+
Favorable Supply Demand, No Ratio Relief	March 9, 2015	Weekly	Hefty muni issuance but no ratio relief
More Downgrades for Puerto Rico	February 23, 2015	Weekly	PR bond trading levels hardly budged, despite downgrades
Stabilizing U.S.- Improving Muni Credit?	February 10, 2015	Monthly	There is an uneven level of recovery for muni credits
Tobacco Bond Update	February 9, 2015	Weekly	We remain cautious on the tobacco sector
Public Pension Funding Cloud	February 3, 2015	Note	Largest cloud overhanging public finance
Puerto Rico: Update	February 2, 2015	Weekly	PR economy continues to contract, debt load grows
Atlantic City: Appointments/Downgrades	January 29, 2015	Note	We reviewed significant events in Atlantic City, NJ
Narrow Credit Spreads Justify Credit Risk?	January 26, 2015	Weekly	Carefully consider the risk reward
U.S. State Fiscal Health Update (PA State)	January 7, 2015	Note	Credit deterioration likely without policy shifts
Everything Investors Need to Know	December 16, 2014	Monthly	2015 Municipal Market Preview
Holdings and Taxes	December 15, 2014	Weekly	Banks increasing holdings; State taxes back on track
Little Clarity From Stockton & Detroit	November 3, 2014	Weekly	There were no hard precedents set in Chp 9 cases.
How Far Should Investors Chase Yield	October 27, 2014	Weekly	Narrowing spreads reduce risk/reward proposition
History of Federal Asst & Recent Gridlock	October 15, 2014	Monthly	No patterns, cannot count on federal assistance
U.S. State Fiscal Health Update (NY State)	October 1, 2014	Note	NY upgrades reflect momentum, stresses remain
Puerto Rico Debt Grows, Economy Contracts	September 29, 2014	Weekly	Challenges remain, new debt offering expected
Less Breathing Room for Tobacco Bonds	September 22, 2014	Weekly	Investors should be very cautious of 2006 & 2007 vintage
Cracks in the States/Local Govt Deterioration	September 16, 2014	Monthly	State & local govts credit quality is slowly deteriorating
Your Municipal Bond Portfolio	September 5, 2014	Note	Credit quality and duration are important for portfolios
Mid-Year Municipal Market Review/Outlook	August 27, 2014	Monthly	Municipal credit quality is high, but falling
Detroit Water and Sewer Update	August 25, 2014	Weekly	30% of bonds tendered, but an important step
Parsing the PREPA News	August 18, 2014	Weekly	PREPA reached agreement with stakeholders
U.S. State Fiscal Health Update	August 12, 2014	Note	More downgrades lurk for some U.S. state credits
Steady as She Goes	August 11, 2014	Weekly	Municipals continue to show stability, credit is improving
This Summer is Different	August 4, 2014	Weekly	Volume indicators are lower this year
Are S&P's Local Govt. Ratings Too High?	July 14, 2014	Monthly	We have become increasingly skeptical of S&P
Puerto Rico: It All Goes Back to Economy	June 30, 2014	Weekly	Puerto Rico's economy continues to contract
OPEBS v Pension Primer	June 23, 2014	Weekly	OPEB is funded on a pay as you go basis
A Brief Pension Primer	June 16, 2014	Weekly	Update on pension funding
Inertia - Not Best Response to Rate Concerns	June 12, 2014	Note	Investors are concerned about potential for rising rates
What a Difference a Year Makes	June 9, 2014	Weekly	M/T Ratios have stabilized since last summer
Puerto Rico - Post Visit Update	June 5, 2014	Note	April revenue miss increases budget balance
Supply Constraints	June 2, 2014	Weekly	Summer supply and demand collision
The Rime of Municipal Bond Issuance	May 22, 2014	Monthly	Municipal Issuance will drop in 2014 & in coming years
Tobacco Bond Update	May 19, 2014	Weekly	Trends in the tobacco sector remain negative
Municipal Default Update	May 12, 2014	Weekly	Municipal defaults remain low compared to other sectors
Atlanta Hartsfield Jackson Int Airport	May 12, 2014	Note	Key takeaways from our closer look at ATL
Municipal Airport Sector	May 9, 2014	Note	Headwinds have receded in Airport sector
New Jersey Downgraded	May 5, 2014	Weekly	NJ spreads have remained steady since the downgrade
Municipal Market Technical Review	April 28, 2014	Weekly	M/T Ratios have been declining
Tax Day Reminder of Muni Value	April 15, 2014	Note	Let municipal help alleviate the pain of higher taxes
U.S. State Fiscal Health Update	April 11, 2014	Note	A new spending paradigm for state governments
The Bond Insurers- Now There are Three	April 9, 2014	Note	Upgrades for Assured and National
Chp 9 Bankruptcies Remain Low	March 28, 2014	Monthly	Review Chp 9 bankruptcies, RI willingness
Heavy New Issue Week Comes and Goes	March 17, 2014	Weekly	Heavy calendar and Puerto Rico issuance
Size of Municipal Market Shrinks Again	March 10, 2014	Weekly	Fed data indicates amt. bonds is gradually diminishing
Our Annual Municipal Sector Credit Reviews	February 28, 2014	Monthly	Still have "Cautious" outlooks on 6 (of 11) sectors
Municipals: Positive but Tepid Demand	February 24, 2014	Weekly	Modest mutual fund inflows
Moody's and Fitch Downgrade - Puerto Rico	February 11, 2014	Note	Moody's & Fitch downgraded GO below investment grade
Municipals: Puerto Rico Downgrades	February 10, 2014	Weekly	A Review of recent downgrades related to Puerto Rico

Source: Janney Fixed Income Strategy.

Analyst Certification

We, Tom Kozlik and Alan Schankel, the Primarily Responsible Analysts for this report, hereby certify that all of the views expressed in this report accurately reflect our personal views about any and all of the subject sectors, industries, securities, and issuers. No part of our compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

Definition of Outlooks

Positive: Janney FIS believes there are apparent factors which point towards improving issuer or sector credit quality which may result in potential credit ratings upgrades

Stable: Janney FIS believes there are factors which point towards stable issuer or sector credit quality which are unlikely to result in either potential credit ratings upgrades or downgrades.

Cautious: Janney FIS believes there are factors which introduce the potential for declines in issuer or sector credit quality that may result in potential credit ratings downgrades.

Negative: Janney FIS believes there are factors which point towards weakening in issuer credit quality that will likely result in credit ratings downgrades.

Definition of Ratings

Overweight: Janney FIS expects the target asset class or sector to outperform the comparable benchmark (below) in its asset class in terms of total return

Marketweight: Janney FIS expects the target asset class or sector to perform in line with the comparable benchmark (below) in its asset class in terms of total return

Underweight: Janney FIS expects the target asset class or sector to underperform the comparable benchmark (below) in its asset class in terms of total return

Benchmarks

Asset Classes: Janney FIS ratings for domestic fixed income asset classes including Treasuries, Agencies, Mortgages, Investment Grade Credit, High Yield Credit, and Municipals employ the "Barclay's U.S. Aggregate Bond Market Index" as a benchmark.

Treasuries: Janney FIS ratings employ the "Barclay's U.S. Treasury Index" as a benchmark.

Agencies: Janney FIS ratings employ the "Barclay's U.S. Agency Index" as a benchmark.

Mortgages: Janney FIS ratings employ the "Barclay's U.S. MBS Index" as a benchmark.

Investment Grade Credit: Janney FIS ratings employ the "Barclay's U.S. Credit Index" as a benchmark.

High Yield Credit: Janney FIS ratings for employ "Barclay's U.S. Corporate High Yield Index" as a benchmark.

Municipals: Janney FIS ratings employ the "Barclay's Municipal Bond Index" as a benchmark.

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