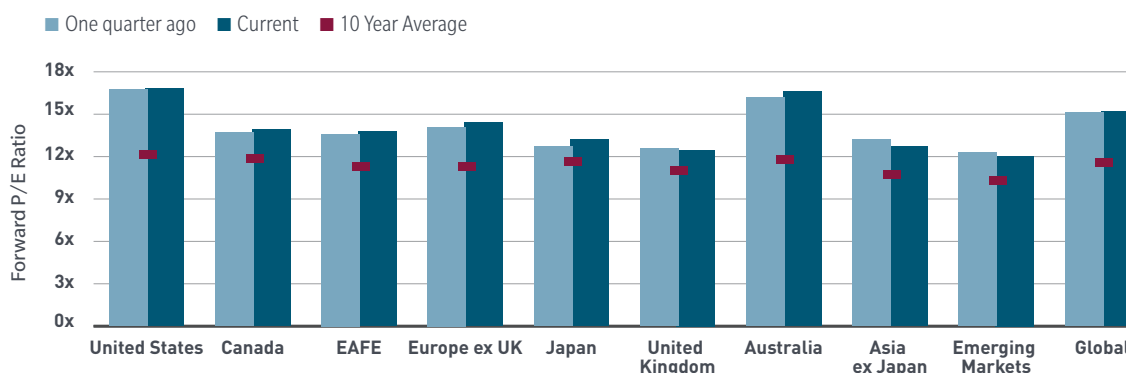


EQUITY SUMMARY

Corporate earnings expectations have continued to fade as the impact of a global growth slowdown and related trade frictions take hold at the company level. Trade tensions between the United States and China remain elevated though negotiations aimed at reaching an interim agreement continue. Growth in China and the eurozone remain weak as Germany's export-driven economy battles trade headwinds. However, global equity valuations remain reasonable at 16x earnings with non-US developed equities trading at lower PE multiples than US equities and emerging market equities trading below developed market valuations. Most sectors in the US have regained the ground lost in 2018 with information technology and real estate leading and energy and health care lagging. Of concern is the recent slowdown of service sector purchasing managers' indices, which appears to be following a slowdown in manufacturing. While markets and economies are indeed distinct, a slowdown in both services and manufacturing activity will certainly create a headwind for corporate revenues.

Forward Price to Earnings

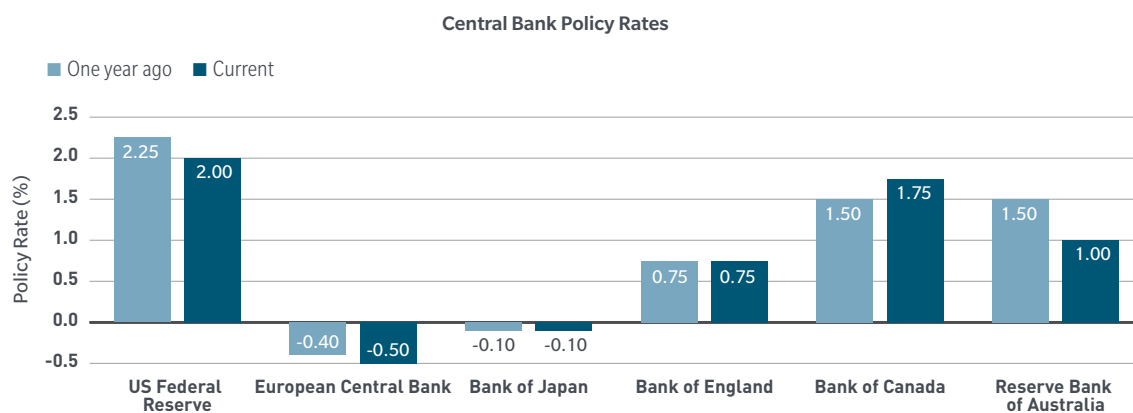


Source: FactSet as of 30 September 2019. United States = S&P 500, Canada = MSCI Canada, United Kingdom = MSCI United Kingdom, Japan = MSCI Japan, Australia = MSCI Australia, Global = MSCI AC World, Europe ex UK = MSCI Europe ex-UK, EAFE = MSCI EAFE, Asia ex Japan = MSCI Asia ex Japan, Emerging Markets = MSCI Emerging Markets.

	SALES GROWTH (YOY%)		NET PROFIT MARGIN (%)		DIVIDEND YIELD (%)	
	Current	10-Year Average	Current	10-Year Average	Current	10-Year Average
United States	5.2	3.5	11.8	9.9	1.9	2.0
Canada	8.9	5.5	11.9	10.4	3.1	2.8
EAFE	2.7	1.7	8.0	6.8	3.5	3.4
Europe ex UK	2.7	1.9	8.4	7.1	3.4	3.5
Japan	3.2	1.5	6.1	4.3	2.5	2.1
United Kingdom	3.1	2.2	8.4	8.1	4.9	4.0
Australia	-1.7	2.8	15.2	13.7	4.7	4.6
Asia ex Japan	5.9	9.2	9.4	9.6	2.8	2.6
Emerging Markets	6.1	8.7	9.6	9.8	3.0	2.7
Global	4.3	3.3	9.9	8.4	2.6	2.6

Source: FactSet as of 30 September 2019. Data shown are trailing (last twelve months). United States = S&P 500, Canada = MSCI Canada, United Kingdom = MSCI United Kingdom, Japan = MSCI Japan, Australia = MSCI Australia, Global = MSCI AC World, Europe ex UK = MSCI Europe ex-UK, EAFE = MSCI EAFE, Asia ex Japan = MSCI Asia ex Japan, Emerging Markets = MSCI Emerging Markets.

Fixed income volatility increased considerably in recent months as yields rose sharply in early September and have since retreated lower. Markets appear to be struggling with clear signs of slowing global growth and inflation and the counterbalance that central bank accommodation may provide. The US Fed cut rates twice during the third quarter and the ECB released yet another stimulus package which included a rate cut to combat sluggish growth and mitigate the impacts of Brexit uncertainty and slowing trade. Globally, a benign inflationary backdrop has allowed banks to keep monetary stimulus flowing, but some investors now question the effectiveness of the ultra-low/negative rate experiment as inflation remains below target. Investment grade credit spreads remain fully valued but off their tights with European investment grade bonds looking more attractive than US investment grade, particularly in the periphery countries. Emerging markets fundamentals are mixed and face near term headwinds from dollar strength and slower global growth, but still enjoy the longer-term tailwinds of solid productivity growth and favorable demographic trends.



Source: FactSet as of 30 September 2019.

	YIELD TO MATURITY (%)		DURATION (YEARS)	
	Current	10-Year Average	Current	10-Year Average
US Treasuries	1.7	1.6	6.6	5.7
Global ex US Sovereigns	0.7	1.4	8.1	6.9
Emerging Markets Debt	5.2	5.9	7.6	7.1
Global Investment Grade	2.3	3.0	6.9	6.2
Global High Yield	6.5	7.1	3.7	4.3
US Municipal Bonds	1.9	2.6	5.2	7.0

Source: FactSet as of 30 September 2019. US Treasuries = Bloomberg Barclays US Aggregate Government Treasury Index, Global Sovereigns ex US = Bloomberg Barclays Global Aggregate ex US, Emerging Market Debt = JP Morgan EMBI Global, Global Investment Grade = Bloomberg Barclays Global Aggregate Corporate, Global High Yield = Bloomberg Barclays Global High Yield, Municipal Bond = Bloomberg Barclays US Municipal.

\*yield to maturity unavailable for the municipal bond, so yield to worst is shown instead. Yield to maturity ("YTM") is the average rate of return (gross of fees) anticipated on a bond portfolio if all securities are held until they mature. The calculation of YTM takes into account the current market price of bonds, their par value, coupon interest rate, and time to maturity. It also assumes that all coupons are reinvested at the same rate. YTM does not represent the yield or performance of the fund. Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value.

Investment professionals, for a copy of the complete Capital Markets View, please contact your MFS relationship manager.

“Standard & Poor’s®” and “S&P®” are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”) and Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”) and have been licensed for use by S&P Dow Jones Indices LLC and sublicensed for certain purposes by Massachusetts Financial Services Company (“MFS”). The S&P 500® is a product of S&P Dow Jones Indices LLC, and has been licensed for use by MFS. MFS’s product(s) is not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, Dow Jones, S&P, or their respective affiliates, and neither S&P Dow Jones Indices LLC, Dow Jones, S&P, their respective affiliates make any representation regarding the advisability of investing in such product(s).

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, “Barclays”), used under license. Bloomberg or Bloomberg’s licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan’s prior written approval. Copyright 2019, J.P. Morgan Chase & Co. All rights reserved.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

The views expressed are those of the MFS and are subject to change at any time. These views are for informational purposes only and should not be relied upon as a recommendation to purchase any security or as a solicitation or investment advice from the Advisor.

Unless otherwise indicated, logos and product and service names are trademarks of MFS® and its affiliates and may be registered in certain countries.

Distributed by:

**U.S.** - MFS Investment Management; **Latin America** - MFS International Ltd.; **Canada** - MFS Investment Management Canada Limited. No securities commission or similar regulatory authority in Canada has reviewed this communication.

**Please note that in Europe and Asia Pacific, this document is intended for distribution to investment professionals and institutional clients only.**

**U.K.** - MFS International (U.K.) Limited (“MIL UK”), a private limited company registered in England and Wales with the company number 03062718, and authorized and regulated in the conduct of investment business by the U.K. Financial Conduct Authority. MIL UK, One Carter Lane, London, EC4V 5ER UK provides products and investment services to institutional investors. This material shall not be circulated or distributed to any person other than to professional investors (as permitted by local regulations) and should not be relied upon or distributed to persons where such reliance or distribution would be contrary to local regulation; **Singapore** - MFS International Singapore Pte. Ltd. (CRN 201228809M); **Australia/New Zealand** - MFS International Australia Pty Ltd (“MFS Australia”) holds an Australian financial services licence number 485343. MFS Australia is regulated by the Australian Securities and Investments Commission.; **Hong Kong** - MFS International (Hong Kong) Limited (“MIL HK”), a private limited company licensed and regulated by the Hong Kong Securities and Futures Commission (the “SFC”). MIL HK is approved to engage in dealing in securities and asset management regulated activities and may provide certain investment services to “professional investors” as defined in the Securities and Futures Ordinance (“SFO”). **Japan** - MFS Investment Management K.K., is registered as a Financial Instruments Business Operator, Kanto Local Finance Bureau (FIBO) No.312, a member of the Investment Trust Association, Japan and the Japan Investment Advisers Association. As fees to be borne by investors vary depending upon circumstances such as products, services, investment period and market conditions, the total amount nor the calculation methods cannot be disclosed in advance. All investments involve risks, including market fluctuation and investors may lose the principal amount invested. Investors should obtain and read the prospectus and/or document set forth in Article 37-3 of Financial Instruments and Exchange Act carefully before making the investments.