Quarterly Economic and Market Update

September 2020
<table>
<thead>
<tr>
<th>Item</th>
<th>9/30/20</th>
<th>6/30/20</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Payrolls Monthly Change</td>
<td>661,000</td>
<td>4,781,000</td>
<td>(4,120,000)</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>7.9%</td>
<td>11.1%</td>
<td>(3.2%)</td>
</tr>
<tr>
<td>Labor Force Participation</td>
<td>61.4%</td>
<td>61.5%</td>
<td>(0.1%)</td>
</tr>
<tr>
<td>Effective Fed Funds Rate</td>
<td>0.09%</td>
<td>0.08%</td>
<td>0.01%</td>
</tr>
<tr>
<td>3 Month T-Bill</td>
<td>0.10%</td>
<td>0.14%</td>
<td>(0.04%)</td>
</tr>
<tr>
<td>2 Year T-Note</td>
<td>0.13%</td>
<td>0.15%</td>
<td>(0.02%)</td>
</tr>
<tr>
<td>3 Year T-Note</td>
<td>0.16%</td>
<td>0.17%</td>
<td>(0.01%)</td>
</tr>
<tr>
<td>5 Year T-Note</td>
<td>0.28%</td>
<td>0.29%</td>
<td>(0.01%)</td>
</tr>
<tr>
<td>10 Year T-Note</td>
<td>0.69%</td>
<td>0.66%</td>
<td>0.03%</td>
</tr>
<tr>
<td>U.S. Fed Debt Avg Yield*</td>
<td>1.65%</td>
<td>1.75%</td>
<td>(0.10%)</td>
</tr>
<tr>
<td>30 Year Mortgage Rate</td>
<td>3.08%</td>
<td>3.27%</td>
<td>(0.19%)</td>
</tr>
<tr>
<td>1-5 Yr Agency Spread</td>
<td>0.08%</td>
<td>0.14%</td>
<td>(0.06%)</td>
</tr>
<tr>
<td>1-5 Yr A-AAA Corporate Spread</td>
<td>0.47%</td>
<td>0.55%</td>
<td>(0.08%)</td>
</tr>
<tr>
<td>Dow Jones</td>
<td>27,782</td>
<td>25,813</td>
<td>7.6%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>3,363</td>
<td>3,100</td>
<td>8.5%</td>
</tr>
<tr>
<td>Consumer Price Index YOY*</td>
<td>1.0%</td>
<td>0.6%</td>
<td>0.4%</td>
</tr>
<tr>
<td>U.S. Avg Regular Unleaded</td>
<td>$2.19</td>
<td>$2.18</td>
<td>$0.01</td>
</tr>
<tr>
<td>Retail Sales YOY*</td>
<td>2.9%</td>
<td>2.2%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Case-Shiller Home Prices YOY*</td>
<td>4.0%</td>
<td>3.6%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Gold (per ounce)</td>
<td>$1,885.82</td>
<td>$1,780.96</td>
<td>$104.86</td>
</tr>
<tr>
<td>Dollar Index</td>
<td>93.89</td>
<td>97.39</td>
<td>(3.51)</td>
</tr>
<tr>
<td>Consumer Confidence</td>
<td>101.8</td>
<td>98.3</td>
<td>3.5</td>
</tr>
</tbody>
</table>

*Estimates for the current quarter/month, some data are lagged

Sources: FHN Main Street and Bloomberg
Economic and Market Update
9/30/20

U.S. GDP (Quarter over Quarter Annualized)*

-45 -35 -25 -15 -5 5 15 25 35


* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists
As of: 9/30/2020
Economic and Market Update
9/30/20

* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists
As of: 9/30/2020
Economic and Market Update
9/30/20

12 Month Average Job Change
-804,000

Source: Bureau of Labor Statistics
Economic and Market Update
9/30/20

U.S. Number of Employed Full-Time and Part-Time

Source: Bureau of Labor Statistics

U.S. Labor Force Participation Rate

Source: Bureau of Labor Statistics
Weekly Initial Jobless Claims is the actual number of people who have filed for Unemployment benefits for the first time. The following five eligibility criteria must be met in order to file for unemployment benefits: 1. Meet the requirements of time worked during a 1 year period (full time or not). 2. Become unemployed through no fault of your own (cannot be fired). 3. Must be able to work; no physical or mental holdbacks. 4. Must be available for work. 5. Must be actively seeking work.

Source: Department of Labor and Bloomberg
Economic and Market Update
9/30/20

U.S. Real* Retail Sales YOY % Change

U.S. Consumer Confidence

*Real: Inflation Adjusted

Source: U.S. Census Bureau

Source: Conference Board
CPI and CPIX YOY % Change

CPIX: Consumer Price Index, excluding food and energy

PCE and PCEC YOY % Change

PCEC: Personal Consumption Expenditure Core

Source: Bureau of Labor Statistics and Bureau of Economic Analysis
Case-Shiller 20 City U.S. Home Price Index
YOY % Increase

Source: Case-Shiller

U.S. New and Existing Home Sales

Source: New (U.S. Census Bureau), Existing (National Assoc. of Realtors)
Seasonally Adjusted Annual Rate
Economic and Market Update
9/30/20

U.S. Federal Debt Outstanding

U.S. Treasury Interest Bearing Debt Avg Rate

Source: U.S. Treasury
Fed Funds Anticipated Rate from the September 16, 2020 FOMC Meeting

Source: Bloomberg
Economic and Market Update
9/30/20

U.S. Treasury Yield Curve Change

<table>
<thead>
<tr>
<th>Maturity</th>
<th>9/30/20</th>
<th>6/30/20</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M</td>
<td>0.10</td>
<td>0.14</td>
<td>-0.04</td>
</tr>
<tr>
<td>6M</td>
<td>0.10</td>
<td>0.16</td>
<td>-0.06</td>
</tr>
<tr>
<td>1Y</td>
<td>0.12</td>
<td>0.15</td>
<td>-0.04</td>
</tr>
<tr>
<td>2Y</td>
<td>0.13</td>
<td>0.15</td>
<td>-0.02</td>
</tr>
<tr>
<td>3Y</td>
<td>0.16</td>
<td>0.17</td>
<td>-0.02</td>
</tr>
<tr>
<td>5Y</td>
<td>0.28</td>
<td>0.29</td>
<td>-0.01</td>
</tr>
<tr>
<td>10Y</td>
<td>0.69</td>
<td>0.66</td>
<td>0.03</td>
</tr>
<tr>
<td>30Y</td>
<td>1.46</td>
<td>1.41</td>
<td>0.04</td>
</tr>
</tbody>
</table>

Source: Bloomberg
Figures may not total due to rounding
Economic and Market Update
9/30/20

U.S. Treasury Yields: 3M and 1Y

U.S. Treasury Yields: 2Y and 5Y

Source: Bloomberg
Economic and Market Update
9/30/20

Source: Bloomberg

U.S. Treasury Yields 2Yr and 5Yr - Fed Funds Target Rate

Source: Bloomberg
Global Treasury Rates

<table>
<thead>
<tr>
<th>Country</th>
<th>2 Year Yields</th>
<th>5 Year Yields</th>
<th>10 Year Yields</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>0.25%</td>
<td>0.35%</td>
<td>0.87%</td>
</tr>
<tr>
<td>Australia</td>
<td>0.16%</td>
<td>0.29%</td>
<td>0.79%</td>
</tr>
<tr>
<td>USA</td>
<td>0.13%</td>
<td>0.28%</td>
<td>0.68%</td>
</tr>
<tr>
<td>England</td>
<td>-0.03%</td>
<td>0.26%</td>
<td>0.56%</td>
</tr>
<tr>
<td>Japan</td>
<td>-0.14%</td>
<td>-0.06%</td>
<td>0.26%</td>
</tr>
<tr>
<td>Italy</td>
<td>-0.23%</td>
<td>-0.12%</td>
<td>0.25%</td>
</tr>
<tr>
<td>Spain</td>
<td>-0.51%</td>
<td>-0.22%</td>
<td>0.23%</td>
</tr>
<tr>
<td>Portugal</td>
<td>-0.58%</td>
<td>-0.30%</td>
<td>0.01%</td>
</tr>
<tr>
<td>France</td>
<td>-0.67%</td>
<td>-0.61%</td>
<td>-0.24%</td>
</tr>
<tr>
<td>Germany</td>
<td>-0.71%</td>
<td>-0.71%</td>
<td>-0.52%</td>
</tr>
<tr>
<td>Switzlnd</td>
<td>-0.82%</td>
<td>-0.75%</td>
<td>-0.52%</td>
</tr>
</tbody>
</table>

Source: Bloomberg
ICE BofAML Index (option adjusted spread vs. Treasury)

1-5Yr Non-Callable Agency (GVPB)

Source: ICE BofAML Indices

Economic and Market Update
9/30/20

Spread: 1-5Yr Agency vs Treasury

Current Spread is 8

Spread: 1-5Yr A-AAA Corporate vs Treasury

Current Spread is 47

ICE BofAML Index (option adjusted spread vs. Treasury)
Corporate A-AAA Excluding Yankee (CVAC)
Economic and Market Update
9/30/20

*ICE BofAML Index (option adjusted spread vs. Treasury)
AAA Rated ABS (R0A1)

Current Spread is 48

Source: ICE BofAML Indices

*ICE BofAML Index (option adjusted spread vs. Treasury)
CMO Agency 0-3Yr PAC (CM1P)

Current Spread is 60
Selected Sector Quarterly Total Returns

Source: Bloomberg
Economic and Market Update
9/30/20

Selected Sector Year-Over-Year Total Returns

Source: Bloomberg
Economic and Market Update

9/30/20

Sources: Bloomberg, FHN Main Street

- CPI Jumps
- Russia Announces COVID Vaccine
- Five States Report Single-Day Record COVID Cases: MO, TN, TX, UT, and WV
- US Gives Chinese Consulate in Houston 72 Hours to Close
- Powell Says FOMC Will Use Average Inflation Targeting
- Q1 US GDP Drops to Lowest on Record, as Fed Chair Powell Commits to Using Fed Tools For as Long as it Takes
- Unemployment Rate Drops to 8.4% vs. Expected 9.8%
- Vice President Pence Says Agreement Made to Avoid Government Shutdown
- Democrats Filibuster Republicans Pandemic Aid Bill
- Dr. Fauci Warns It May Take Longer Before Public Gets COVID Vaccine

Sources: Bloomberg, FHN Main Street
Economic and Market Update
9/30/20

Sources: Bloomberg, FHN Financial, FHN Main Street

Dow Jones Industrial Average

Fed Pledges to Keep Rates Low

Walmart Warns Lower Future Sales as Result of Pandemic

US-China Remain Committed to Trade Deal After Review

Apple Drags Down Stocks

Mnuchin Says Lawmakers to Give Stimulus Bill a "Serious Try"

News of Softbank's Big Tech Bet Burst Tech Bubble

Jay Powell Sounds Alarm on Americans Running out of Savings

US Government Partners with Pfizer to Make COVID Vaccine

China Encourages Citizens to Invest in Equities

Moderna Begins Human COVID Vaccine Trial

President Trump Suggests Election Delay

ISM Services Beat Expectations

Trump Announces Looking at Capital Gains Tax Cut

US-China Remain Committed to Trade Deal After Review

Apple Drags Down Stocks

Mnuchin Says Lawmakers to Give Stimulus Bill a "Serious Try"

News of Softbank's Big Tech Bet Burst Tech Bubble

Jay Powell Sounds Alarm on Americans Running out of Savings

US Government Partners with Pfizer to Make COVID Vaccine

China Encourages Citizens to Invest in Equities

Moderna Begins Human COVID Vaccine Trial

President Trump Suggests Election Delay

ISM Services Beat Expectations

Trump Announces Looking at Capital Gains Tax Cut

Fed Pledges to Keep Rates Low

Walmart Warns Lower Future Sales as Result of Pandemic

US-China Remain Committed to Trade Deal After Review

Apple Drags Down Stocks

Mnuchin Says Lawmakers to Give Stimulus Bill a "Serious Try"

News of Softbank's Big Tech Bet Burst Tech Bubble

Jay Powell Sounds Alarm on Americans Running out of Savings

Source: Bloomberg, FHN Financial, FHN Main Street
Disclosure

This report represents the opinions of FHN Financial Main Street Advisors, LLC and should not be considered predictive of any future market performance. Opinions are subject to change without notice. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered investment advice or a recommendation of any particular security, investment strategy, or investment product.

Although this information has been obtained from sources which we believe to be reliable, we do not guarantee its accuracy, and it may be incomplete or condensed. This is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. All herein listed securities are subject to availability and change in price. Past performance is not indicative of future results, and changes in any assumptions may have a material effect on projected results. Ratings on all securities are subject to change.

FHN Financial Capital Markets, FHN Financial Portfolio Advisors, and FHN Financial Municipal Advisors are divisions of First Horizon Bank. FHN Financial Securities Corp., FHN Financial Main Street Advisors, LLC, and FHN Financial Capital Assets Corp. are wholly owned subsidiaries of First Horizon Bank. FHN Financial Securities Corp. is a member of FINRA and SIPC — http://www.sipc.org/.

FHN Financial Municipal Advisors is a registered municipal advisor. FHN Financial Portfolio Advisors is a portfolio manager operating under the trust powers of First Horizon Bank. FHN Financial Main Street Advisors, LLC is a registered investment advisor. None of the other FHN entities, including FHN Financial Capital Markets, FHN Financial Securities Corp., or FHN Financial Capital Assets Corp. are acting for their own interests. You should discuss any information or material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

FHN Financial, through First Horizon Bank or its affiliates, offers investment products and services. Investment products are not FDIC insured, have no bank guarantee, and may lose value.

Source: ICE Data Indices, LLC ("ICE"), is used with permission. ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND SUBSCRIBER'S USE IS AT SUBSCRIBER'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND FHN FINANCIAL MAIN STREET ADVISORS, LLC, OR ANY OF ITS PRODUCTS OR SERVICES.