

NEXPOINT

DISCLOSURE

The following presentation may include statements that contain forward-looking information, and such statements may be subject to risks and uncertainties, some of which are significant in scope and by their nature beyond the controls of the investment advisor. There can be no assurance that such information will prove to be accurate and historical results are not necessarily indicative of future performance.

NEXPOINT

Market Minute

May 30, 2023

Mike Hurley, CMT
Chief Market Strategist

775-750-8921

mhurley@nexpoint.com

The following presentation may include statements that contain forward-looking information, and such statements may be subject to risks and uncertainties, some of which are significant in scope and by their nature beyond the controls of the investment advisor. There can be no assurance that such information will prove to be accurate and historical results are not necessarily indicative of future performance.

Important Last Week

Finally a Breakout?

- S&P finally pushing through resistance(?)
- NASDAQ clearly through 12,250
- Very weak internals on breakout
- Held both 50 & 200-day averages
- Market getting increasingly split
- Regional banks remain our top concern

Big Picture

- Have broken long-term down trendline
- Have tested breakout successfully
- Holding above 50 & 200-day averages
- 'Higher highs' would suggest new bull



Big Picture



Commodities / US\$:

- Commodities up 2x since Mar'20
- Oil & copper weak, very GDP sensitive
- Risk of secular bull and/or 'stagflation'

Yields / Credit:

- 10-yr. yield holding bottom of range
- Yield curve inversion largest since 1981
- Reliable forecaster of economic recession

Stocks:

- Saw a typical 'bear market'
- Market trying to form cyclical bottom
- Have tested recent breakouts successfully
- Weak market internals are concerning



| Trends | LT | Notes |
|-------------|-------|---|
| Commodities | ▲ | Finally seeing a meaningful pullback, BCOM Index testing key 105 area |
| Bonds/Rates | ▼ / ▲ | 10-yr. finding support in 3½% area; corporate credit now improving |
| Stocks | ▲ | Saw an 'average' bear, a typical bottom and now likely a new bull |



About Mike

Mike Hurley, CMT serves as Chief Market Strategist and Portfolio Manager for NexPoint Advisors, L.P.

Prior to joining NexPoint he launched 2 of the first 100 'alternative mutual funds', including the Fusion Global Long/Short Fund (FGLSX) which posted a positive return in 2008 and won the Lipper Performance Achievement Award in the Long/Short category for the one-year period ending December 31, 2008 (ranked #1 of 90).

Mike also served as Chief Technical Strategist for several boutique research firms, including: SoundView Technology Group and E*Offering (The Investment Bank of E*TRADE).

He proudly served in the United States Navy, where he flew over 50 combat missions during Operation Desert Storm, earning two Air Medals.

Mike is a graduate of UC Santa Barbara, where he received BA degrees in both Business Economics and Chemistry. He is Series 7, 63 & 65 licensed and is a Chartered Market Technician (CMT).

NEXPOINT

w w w . n e x p o i n t . c o m

DISCLOSURES

Confidential – Do not copy or distribute. The information may not be reproduced or further disseminated without the permission of NexPoint Advisors, LP. Information contained in this document is subject to change without notice.

The information in this presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often include words such as "anticipates," "estimates," "expects," "projects," "intends," "plans," "believes" and words and terms of similar substance in connection with discussions of future operating or financial performance.

These forward-looking statements are based on our current expectations and assumptions regarding the fund's portfolio and performance, the economy and other future conditions and forecasts of future events, circumstances and results. As with any projection or forecast, they are inherently susceptible to uncertainty and changes in circumstances.

This presentation is for educational purposes only and contains statistics and graphical representations that have been obtained from sources believed to be reliable but are not guaranteed as to accuracy or completeness. References to any specific securities do not constitute an offer to buy or sell securities. Past performance of any security or investment strategy does not guarantee future performance.

Charts as of: May 26th, 2023, and courtesy of TradeStation or Bloomberg, unless otherwise noted.