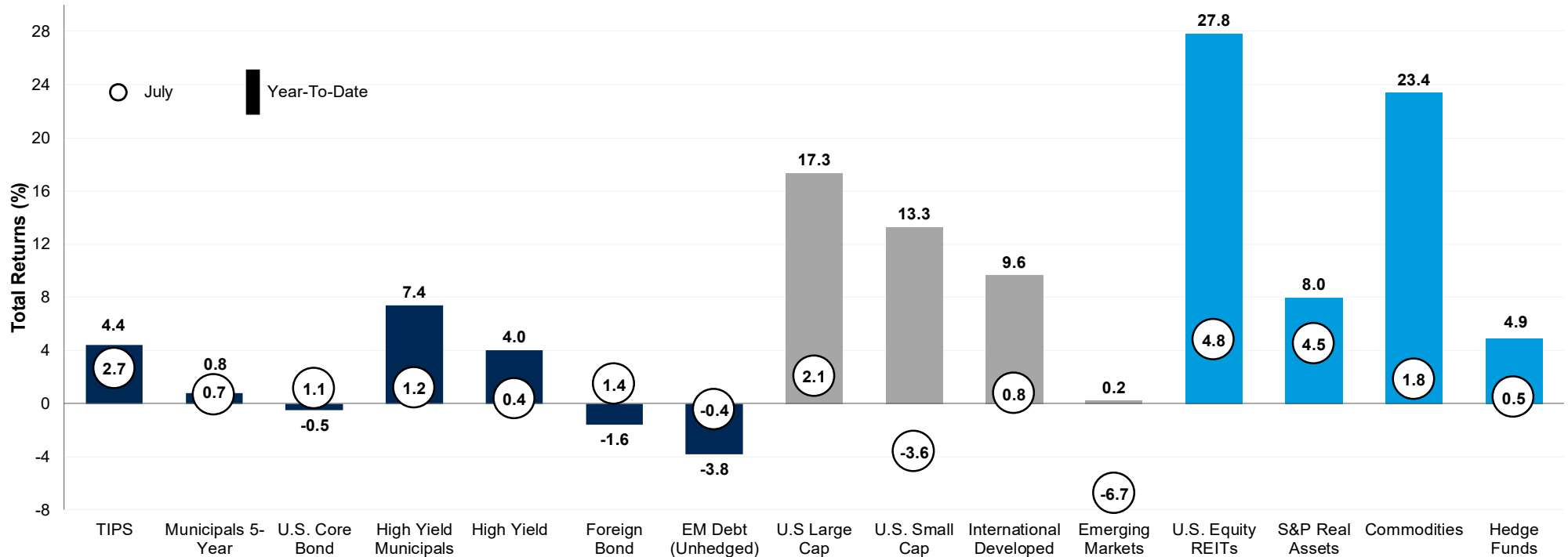


# MARKET RECAP

## *July 2021*

## ASSET CLASS PERFORMANCE



\*Sources: FactSet, J.P. Morgan, Russell, MSCI, FTSE Russell, Alerian. Hedge Funds returns as of 6/30/21. All other returns as of 7/31/21.

### Fixed Income (July)

- + Interest rates moved lower across the curve.
- Investment grade and high yield spreads widened during the period.
- +/- Fixed income markets were largely unchanged following July's FOMC meeting, where Chairman Powell reiterated that current monetary policy remains appropriate, while leaving the door open for the tapering of bond purchases later this year.

### Equity (July)

- + U.S. large cap and international developed equities performed well during the month.
- US small cap equities sold-off as investors favored the perceived safety of large cap names.
- Emerging market equities struggled during the month, driven by the dramatic sell-off in China, caused by newly enacted restrictions, targeting for-profit institutions within the education space.

### Real Asset / Alternatives (July)

- + REITs continued their strong run year-to-date, led by the residential sector.
- + Commodities were positive, aided by natural gas, gasoline, and industrials metals.

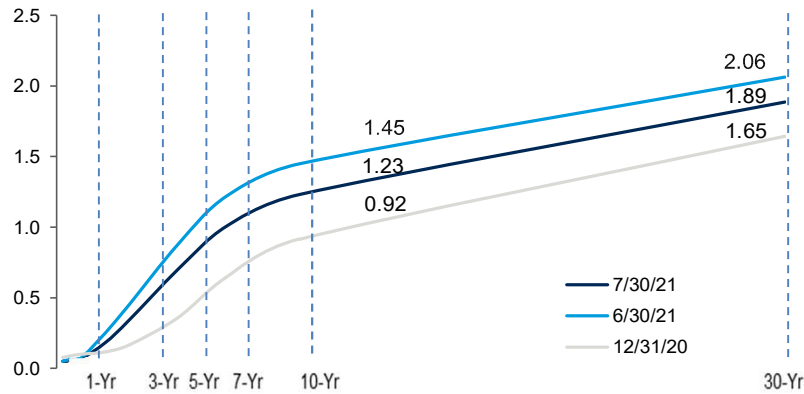
See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

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## FIXED INCOME MARKET UPDATE

### U.S. Treasury Yields Curve

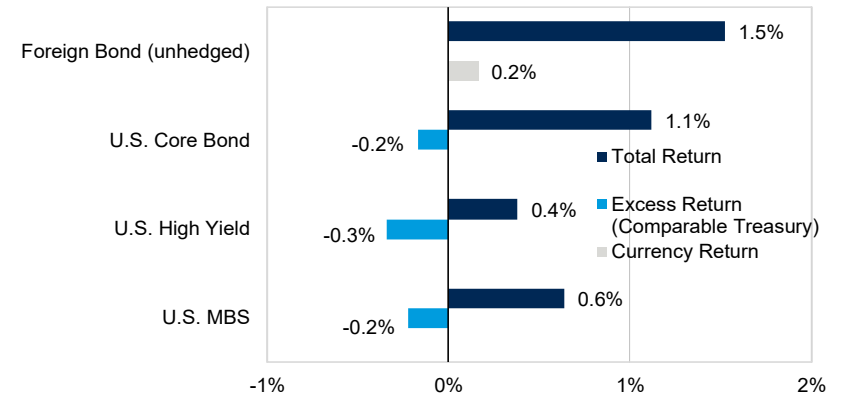
U.S. Treasuries declined in July with the 10-year and 30-year rates declining 22 and 17 basis points, respectively.



Source: FactSet

### Index Performance Attribution (July 2021)

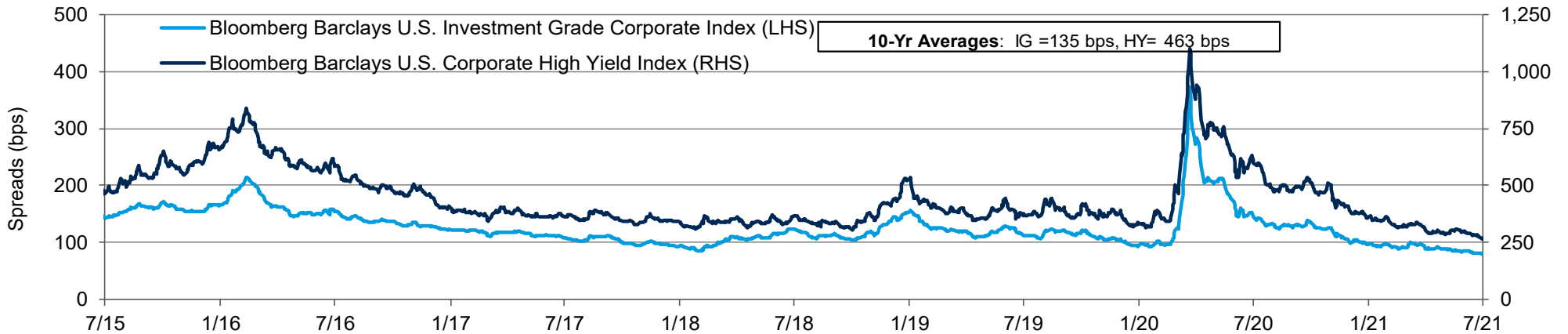
In the U.S., declining interest rates drove positive returns within fixed income markets, although this was partially offset by spread widening within the investment grade and high yield universes.



Source: FactSet

### Credit Market Spreads – Trailing 5 Years

Credit spreads widened during the month with investment grade and high yield spreads increasing 6 and 26 basis points, respectively. Spreads spiked in the middle of the month as increases in cases from the “Delta Variant” caused investors to question the magnitude and durability of the economic re-opening, before gradually falling throughout the back half of the month.



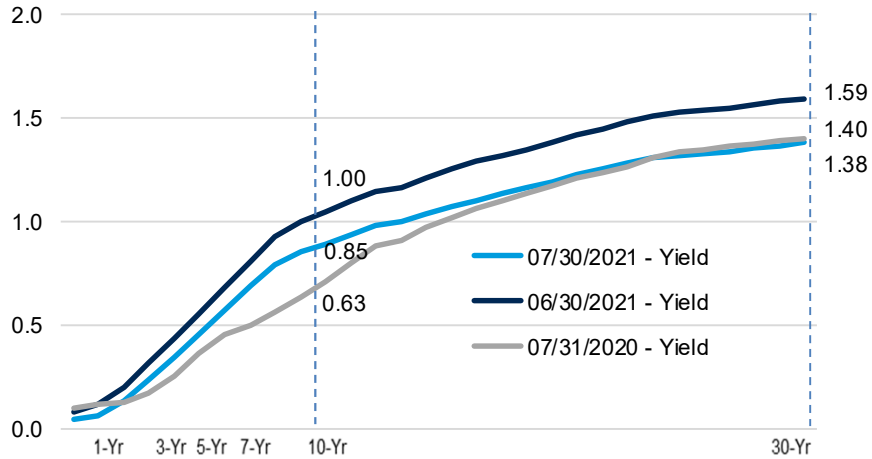
Source: FactSet

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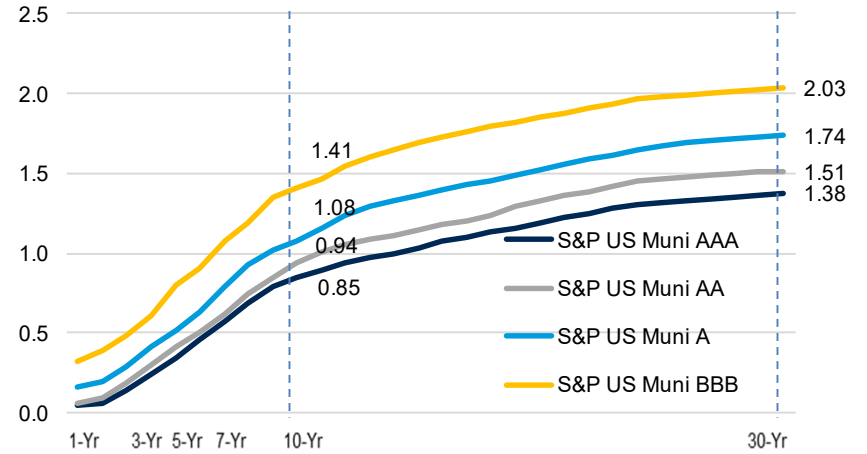
## MUNICIPAL MARKET UPDATE

### S&P U.S. Municipal AAA Yield Curves



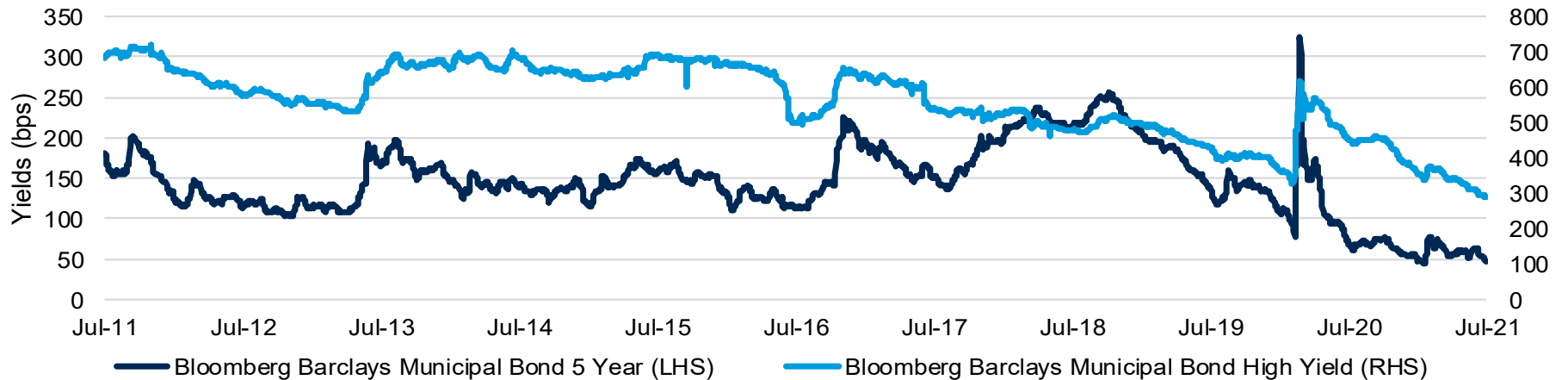
Source: FactSet

### U.S. Municipal Yield Curves (7/30/2021)



Source: FactSet

### Yield to Worst – Trailing 10 Years



Source: FactSet

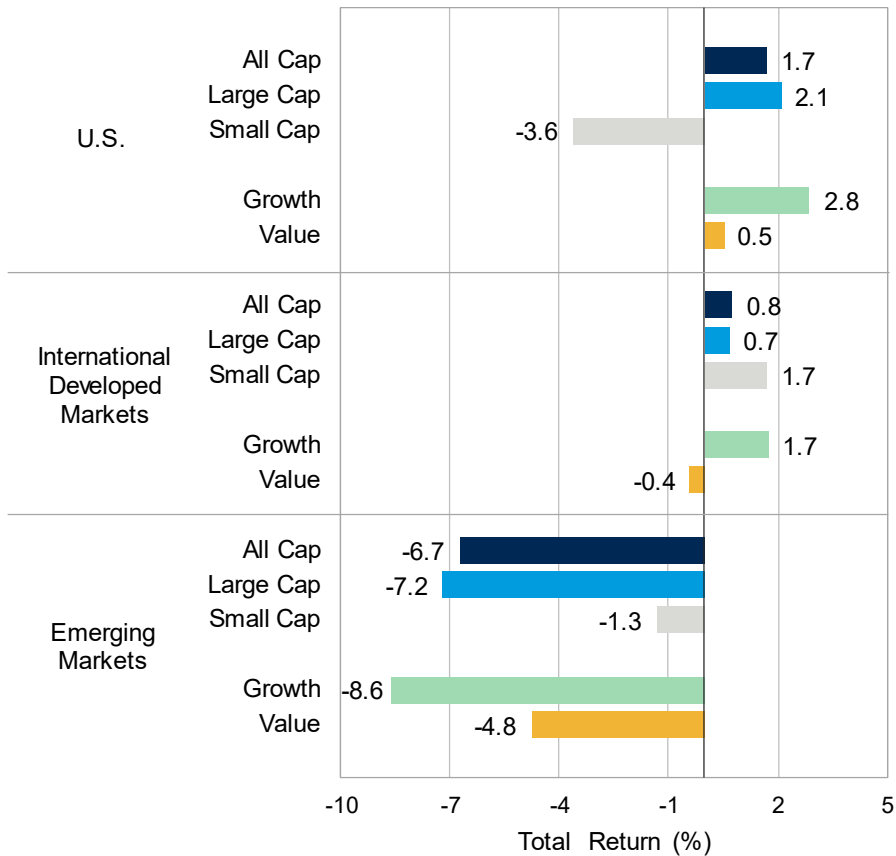
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## EQUITY MARKET UPDATE

### Market Capitalization and Style Performance (July 2021)

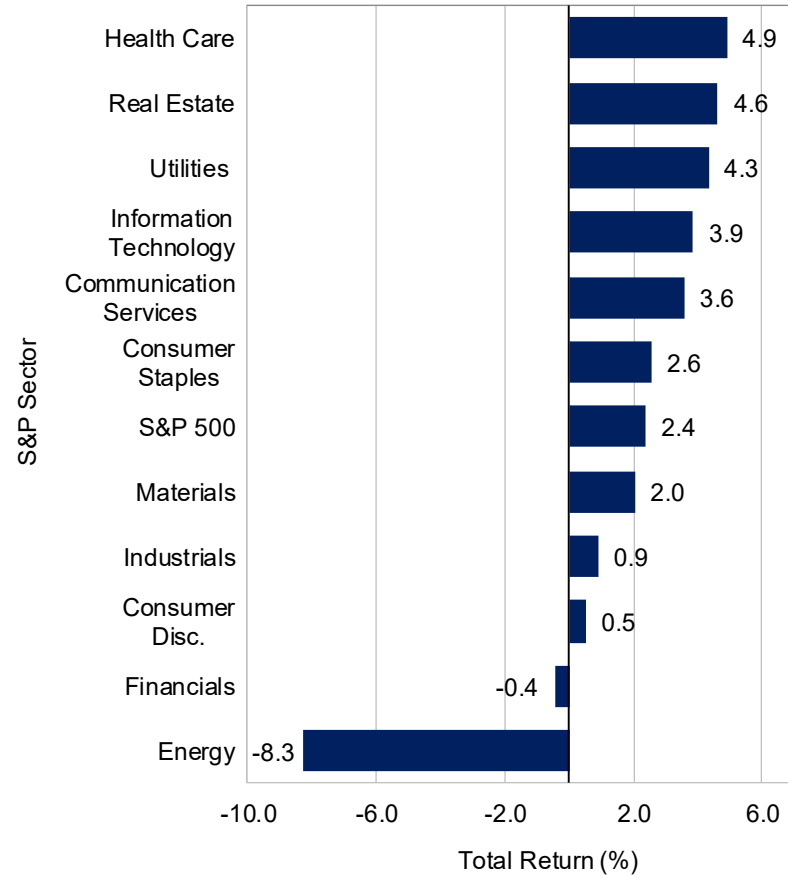
Style trends were mixed across regions. Within domestic and foreign developed markets growth bested value. Style trends were reversed in emerging markets with value beating growth. Within the US, investors favored large cap equities, while small cap equities were in favor internationally.



Source: FactSet

### U.S. Equities – Returns by Sector (July 2021)

U.S. equity sector performance was generally positive, with energy being the notable outlier. Energy equities came under pressure following OPEC's decision to reduce supply cuts enacted during the Spring of 2020 in the midst Covid-19 pandemic.

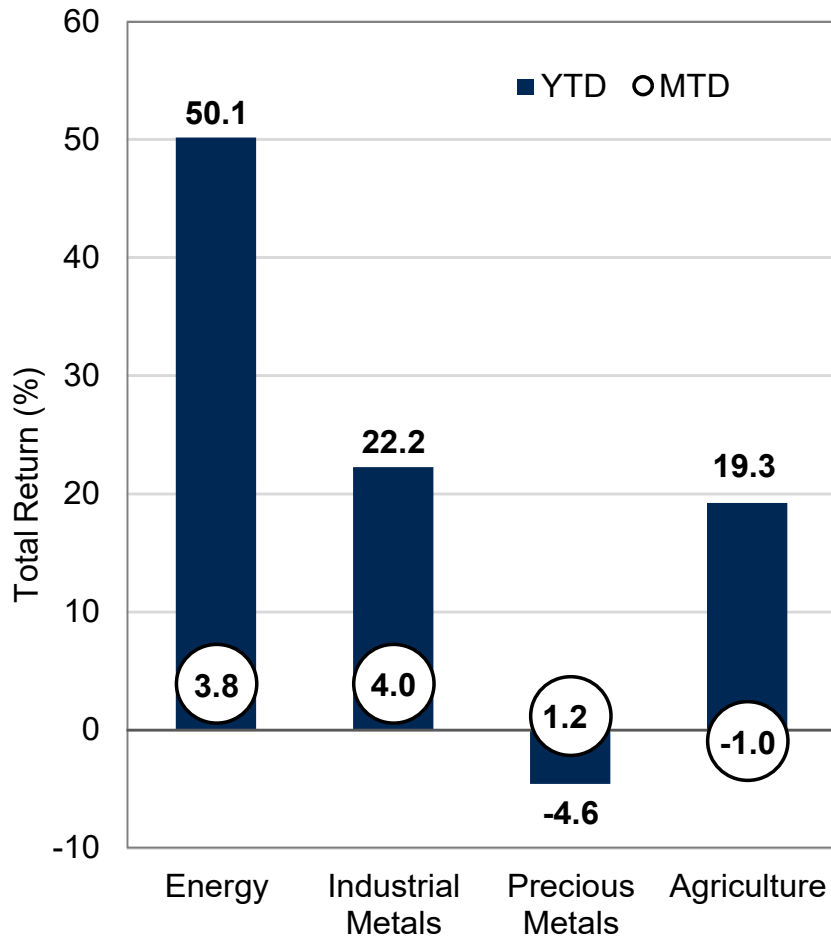


Source: FactSet

## REAL ASSETS MARKET UPDATE

### Real Assets Performance

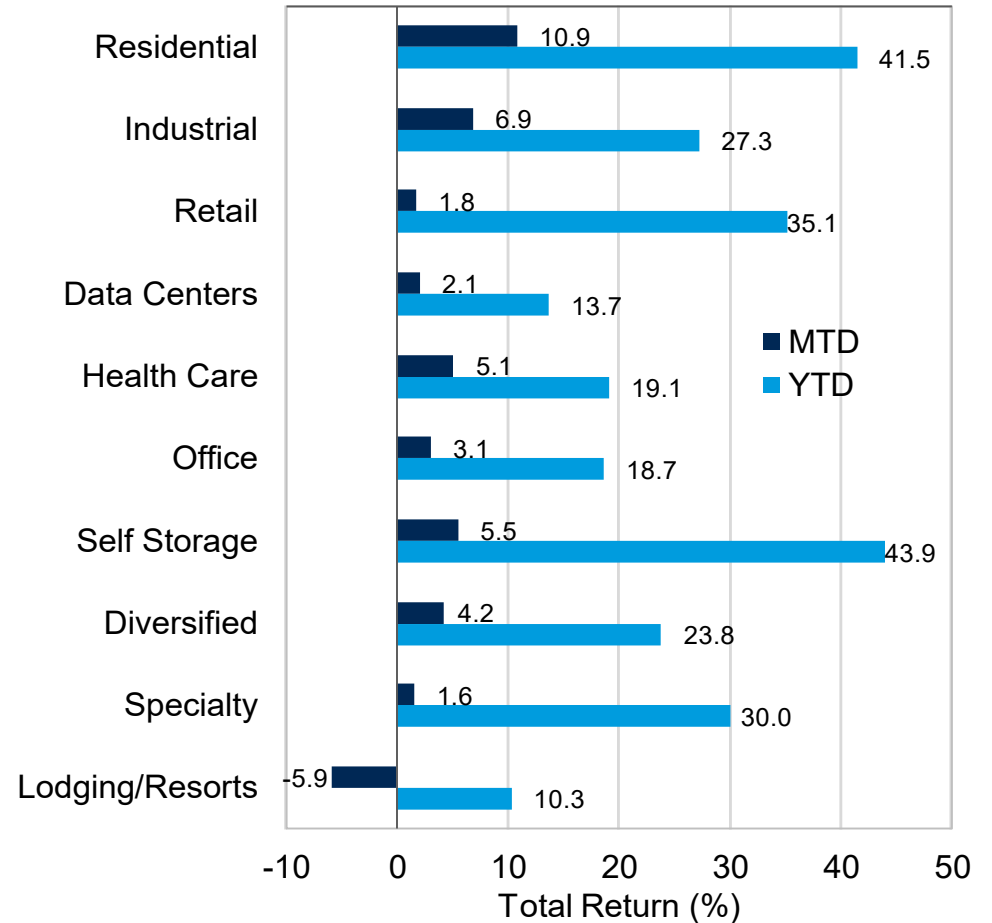
The energy commodity sector benefitted from exposure to natural gas and gasoline. Natural gas benefitted from hotter than average temperatures, while gasoline benefitted from a pick-up in demand from summer travel.



Source: FactSet

### REIT Sector Performance

Strong REIT sector performance was broad based in July, with most sectors in positive territory. The residential sector led the way, benefitting from strong increases in rental prices. The lodging/resort sector was negative in July as the increases in cases caused by the "Delta Variant" pressured the sector.



Source: FactSet

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## FINANCIAL MARKETS PERFORMANCE

Total return as of July 31, 2021

Periods greater than one year are annualized

All returns are in U.S. dollar terms

Global Fixed Income Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.0%	0.0%	0.1%	1.2%	1.1%	0.8%	0.6%	1.0%
Bloomberg Barclays U.S. TIPS	2.7%	4.4%	6.9%	7.6%	4.5%	3.7%	3.3%	4.6%
Bloomberg Barclays Municipal Bond (5 Year)	0.7%	0.8%	1.7%	3.8%	2.4%	2.6%	2.7%	3.7%
Bloomberg Barclays High Yield Municipal Bond	1.2%	7.4%	12.6%	7.9%	6.3%	6.8%	6.9%	5.5%
Bloomberg Barclays U.S. Aggregate	1.1%	-0.5%	-0.7%	5.7%	3.1%	3.5%	3.3%	4.4%
Bloomberg Barclays U.S. Corporate High Yield	0.4%	4.0%	10.6%	7.2%	7.0%	5.7%	6.6%	7.5%
Bloomberg Barclays Global Aggregate ex-U.S. Hedged	1.4%	-0.2%	0.7%	4.3%	3.0%	3.9%	4.2%	4.3%
Bloomberg Barclays Global Aggregate ex-U.S. Unhedged	1.5%	-2.9%	1.7%	3.8%	1.8%	1.1%	0.9%	3.1%
Bloomberg Barclays U.S. Long Gov / Credit	2.8%	-2.0%	-4.2%	10.8%	5.5%	6.7%	7.1%	7.5%
JPMorgan GBI-EM Global Diversified	-0.4%	-3.8%	3.0%	3.3%	3.0%	0.3%	0.3%	4.6%
Global Equity Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	2.4%	18.0%	36.4%	18.2%	17.3%	14.7%	15.3%	10.9%
Dow Jones Industrial Average	1.3%	15.3%	34.8%	13.7%	16.3%	13.9%	13.9%	10.6%
NASDAQ Composite	1.2%	14.3%	37.5%	25.3%	24.5%	20.2%	19.5%	15.0%
Russell 3000	1.7%	17.1%	38.7%	18.1%	17.4%	14.6%	15.2%	10.9%
Russell 1000	2.1%	17.3%	38.0%	18.6%	17.6%	14.8%	15.4%	11.0%
Russell 1000 Growth	3.3%	16.7%	36.7%	25.3%	23.3%	19.4%	18.4%	13.9%
Russell 1000 Value	0.8%	18.0%	39.3%	11.3%	11.4%	9.8%	12.1%	7.9%
Russell Mid Cap	0.8%	17.1%	42.6%	15.8%	14.8%	12.6%	13.7%	10.7%
Russell Mid Cap Growth	1.0%	11.6%	34.5%	21.9%	19.6%	16.1%	15.7%	12.5%
Russell Mid Cap Value	0.6%	20.2%	47.1%	11.1%	11.0%	9.9%	12.2%	9.2%
Russell 2000	-3.6%	13.3%	52.0%	11.5%	14.3%	11.8%	12.3%	9.5%
Russell 2000 Growth	-3.6%	5.0%	41.0%	13.9%	16.4%	13.5%	13.6%	11.0%
Russell 2000 Value	-3.6%	22.2%	63.7%	8.3%	11.6%	9.7%	10.8%	7.7%
MSCI ACWI	0.7%	13.1%	33.2%	13.7%	13.8%	10.0%	10.2%	7.6%
MSCI ACWI ex. U.S.	-1.6%	7.4%	27.8%	7.9%	9.6%	5.2%	5.4%	4.7%
MSCI EAFE	0.8%	9.6%	30.3%	7.7%	9.4%	5.4%	6.1%	4.4%
MSCI EAFE Growth	1.7%	8.6%	27.5%	12.3%	11.8%	8.4%	8.0%	6.1%
MSCI EAFE Value	-0.2%	10.4%	32.9%	2.7%	6.7%	2.2%	4.1%	2.6%
MSCI EAFE Small Cap	1.7%	10.9%	38.7%	8.8%	11.1%	8.4%	8.7%	6.6%
MSCI Emerging Markets	-6.7%	0.2%	20.6%	7.9%	10.4%	5.0%	3.6%	6.0%
Alternatives	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.9%	3.6%	5.3%	2.6%	2.4%	1.9%	1.9%	2.0%
FTSE NAREIT Equity REITs	4.8%	27.8%	39.0%	11.5%	6.4%	9.1%	9.8%	7.2%
S&P Real Assets	1.8%	12.3%	22.5%	7.7%	6.4%	4.4%	5.2%	5.9%
FTSE EPRA NAREIT Developed	3.9%	24.4%	35.8%	8.0%	4.5%	8.5%	9.7%	5.9%
FTSE EPRA NAREIT Developed ex U.S.	2.4%	12.1%	30.2%	5.9%	5.8%	4.6%	5.9%	4.1%
Bloomberg Commodity Total Return	1.8%	23.4%	40.3%	5.3%	3.9%	-3.2%	-4.5%	-3.1%
HFRI Fund of Funds Composite*	0.5%	4.9%	18.2%	6.3%	6.1%	4.1%	3.9%	3.1%
HFRI Fund Weighted Composite*	0.4%	10.1%	27.5%	7.9%	7.9%	5.6%	5.1%	5.0%
Alerian MLP	-6.3%	38.5%	59.3%	-4.5%	-2.4%	-6.1%	0.6%	5.1%

\*One month lag.

Source: FactSet & Morningstar as of 7/31/21. Periods greater than 1 year are annualized. All returns are in U.S. dollar terms.

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## DISCLOSURES

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged, and investors can not actually invest directly into an index:

TIPS: Bloomberg Barclays Global Inflation-Linked: U.S. TIPS Total Return Index Unhedged  
Municipals 5-Year: Bloomberg Barclays Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD  
Core Bond: Bloomberg Barclays US Agg Total Return Value Unhedged USD  
High Yield Municipals: Bloomberg Barclays Muni High Yield Total Return Index Value Unhedged USD  
High Yield: Bloomberg Barclays US Corporate High Yield Total Return Index Value Unhedged USD  
Foreign Bond: Bloomberg Barclays Global Aggregate ex-USD Total Return Index Value USD (50/50 blend of hedged and unhedged)  
EM Debt (unhedged): J.P. Morgan GBI-EM Global Diversified Composite Unhedged USD  
U.S. Large Cap: S&P 500 Total Return Index  
U.S. Small Cap : Russell 2000 Total Return Index  
International Developed: MSCI EAFE Net Total Return USD Index  
Emerging Markets: MSCI Emerging Markets Net Total Return USD Index  
World: MSCI ACWI Net Total Return USD Index  
U.S. Equity REITs: FTSE Nareit Equity REITs Total Return Index USD  
Commodities: Bloomberg Commodity Total Return Index  
Midstream Energy: Alerian MLP Total Return Index  
Hedge Funds: Hedge Fund Research HFRI Fund of Funds Composite Index  
Event Driven: Hedge Fund Research HFRI Event-Driven Total Index  
Relative Value: Hedge Fund Research HFRI Relative Value Fixed Income-Convertible Arbitrage Index  
Equity Hedge: Hedge Fund Research HFRI Equity Hedge Total Index  
Direct Fund Composite: Hedge Fund Research HFRI Fund Weighted Composite Index  
Fund of Funds Composite: Hedge Fund Research HFRI Fund of Funds Composite Index  
Macro: Hedge Fund Research HFRI Macro Total Index  
International, 7% Emerging Markets, 5% U.S. Equity REITs, 6% MLPs  
U.S.: MSCI USA Net Total Return USD Index  
China: MSCI CHINA Net Total Return USD Index  
Japan: MSCI Japan Net Total Return USD Index  
Germany: MSCI Germany Net Total Return USD Index  
India: MSCI India Net Total Return USD Index  
United Kingdom: MSCI UK Net Total Return USD Index  
France: MSCI France Net Total Return USD Index  
Italy: MSCI Italy Net Total Return USD Index  
Brazil: MSCI Brazil Net Total Return USD Index  
Canada: MSCI Canada Net Total Return USD Index