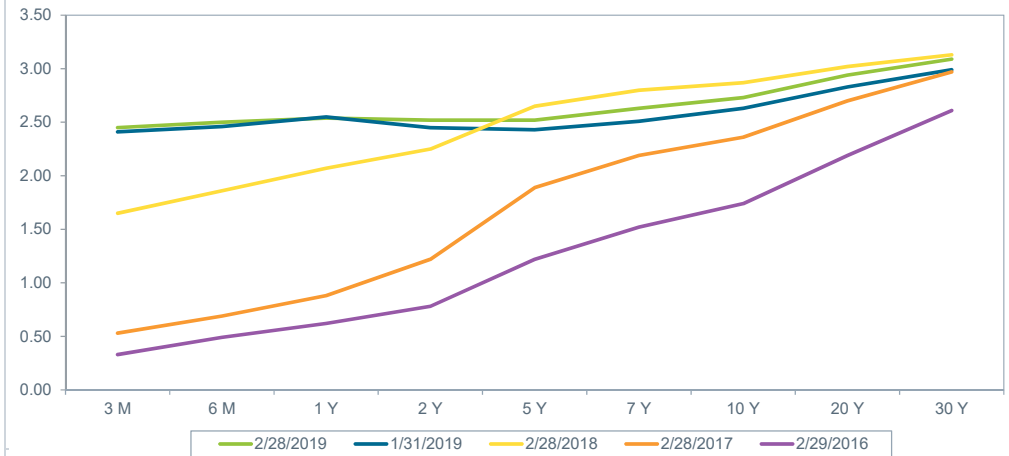


General Market Commentary

- After rallying in January, global equities continued to run in February, with the MSCI ACW Index up 2.7%. Renewed optimism of the US and China reaching a trade agreement pushed stocks higher.
- US fourth quarter annualized GDP growth came in at 2.6% beating the estimated 2.2% figure and bringing 2018 GDP growth to 2.9%.
- US Treasury yields rose modestly across the curve, as investors' risk appetite increased with strong equity performance in February, and commentary from the Federal Open Market Committee that suggested a more accommodative stance on monetary policy over the near-term.
- Equity markets posted positive returns in February as the S&P 500 (Cap Wtd) Index returned 3.21% and the MSCI EAFE (Net) Index returned 2.55%. Emerging markets returned 0.22% as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned -0.06% in February, outperforming the -0.08% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -1.31%, as measured by the FTSE Non-US World Gov't Bond Index.
- Public real estate, as measured by the FTSE NAREIT Eq REITs Index (TR), returned 0.73% in February and 8.53% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 18.01% for the trailing one-year period and 13.40% for the trailing five-year period ending September 2018.
- Absolute return strategies, as measured by the HFRI FOF Comp Index, returned 1.12% for the month and -1.23% over the trailing one-year period.
- Crude oil's price increased by 6.38% during the month, but has decreased by 7.17% YoY.

Treasury Yield Curve (%)



Treasury Yield Curve (%)	Feb-19	Jan-19	Feb-18	Feb-17	Feb-16
3 Month	2.45	2.41	1.65	0.53	0.33
6 Month	2.50	2.46	1.86	0.69	0.49
1 Year	2.54	2.55	2.07	0.88	0.62
2 Year	2.52	2.45	2.25	1.22	0.78
5 Year	2.52	2.43	2.65	1.89	1.22
7 Year	2.63	2.51	2.80	2.19	1.52
10 Year	2.73	2.63	2.87	2.36	1.74
20 Year	2.94	2.83	3.02	2.70	2.19
30 Year	3.09	2.99	3.13	2.97	2.61

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	3.21	11.48	11.48	4.68	15.28	10.67	13.06	16.67
Russell 2000	5.20	17.03	17.03	5.58	16.67	7.36	11.48	16.60
MSCI EAFE (Net)	2.55	9.29	9.29	-6.04	9.32	2.07	5.47	9.56
MSCI EAFE SC (Net)	2.24	10.48	10.48	-10.53	10.24	4.33	8.20	13.45
MSCI EM (Net)	0.22	9.01	9.01	-9.89	15.04	4.13	2.07	10.33
Bloomberg US Agg Bond	-0.06	1.00	1.00	3.17	1.69	2.32	2.12	3.71
ICE BofAML 3 Mo US T-Bill	0.18	0.38	0.38	2.04	1.13	0.70	0.53	0.41
NCREIF ODCE (Gross)	N/A	N/A	N/A	8.35	8.24	10.41	10.99	7.00
FTSE NAREIT Eq REITs Index (TR)	0.73	12.56	12.56	21.40	8.40	8.53	9.52	18.36
HFRI FOF Comp Index	1.12	3.70	3.70	-1.23	3.88	1.89	2.98	3.46
Bloomberg Cmdb Index (TR)	1.01	6.51	6.51	-5.67	3.57	-8.81	-7.68	-2.19

Economic Indicators	Feb-19	Jan-19	Feb-18	10 Yr	20 Yr
Federal Funds Rate (%)	2.40	2.40	1.35	0.45	1.92
Breakeven Inflation - 1 Year (%)	2.91 ▲	-0.86	2.39	0.88	1.05
Breakeven Inflation - 5 Year (%)	1.86 ▲	1.73	2.09	1.72	1.86
Breakeven Inflation - 10 Year (%)	1.94 ▲	1.86	2.12	2.00	2.03
Breakeven Inflation - 30 Year (%)	1.98 ▲	1.94	2.14	2.16	2.26
Bloomberg US Agg Bond Index - Yield (%)	3.21 ▲	3.15	3.15	2.63	3.96
Bloomberg US Agg Bond Index - OAS (%)	0.45 ▼	0.47	0.37	0.57	0.64
Bloomberg US Agg Credit Index - OAS (%)	1.14 ▼	1.21	0.91	1.46	1.47
Bloomberg US Corp: HY Index - OAS (%)	3.79 ▼	4.23	3.36	5.31	5.54
Capacity Utilization (%)	78.23 ▼	78.26	77.21	75.96	77.27
Unemployment Rate (%)	3.8 ▼	4.0	4.1	6.7	5.9
PMI - Manufacturing (%)	54.2 ▼	56.6	60.7	54.0	52.8
Baltic Dry Index - Shipping	658 ▼	668	1,192	1,396	2,312
Consumer Conf (Conf Board)	131.40 ▲	121.70	130.00	84.43	92.84
CPI YoY (Headline) (%)	1.5 ▼	1.6	2.2	1.6	2.2
CPI YoY (Core) (%)	2.1 ▼	2.2	1.8	1.8	2.0
PPI YoY (%)	0.5 ▲	0.3	2.7	1.5	2.3
M2 YoY (%)	4.2 ▼	4.3	4.1	6.1	6.2
US Dollar Total Weighted Index	91.16 ▲	90.53	86.49	81.55	86.29
WTI Crude Oil per Barrel (\$)	57 ▲	54	62	73	60
Gold Spot per Oz (\$)	1,313 ▼	1,321	1,318	1,312	888

NCREIF performance is reported quarterly; MTD and QTD returns are shown as "N/A" on interim-quarter months and until available. Data shown is as of most recent quarter-end. Treasury data courtesy of the US Department of the Treasury. Economic data courtesy of Bloomberg Professional Service.

