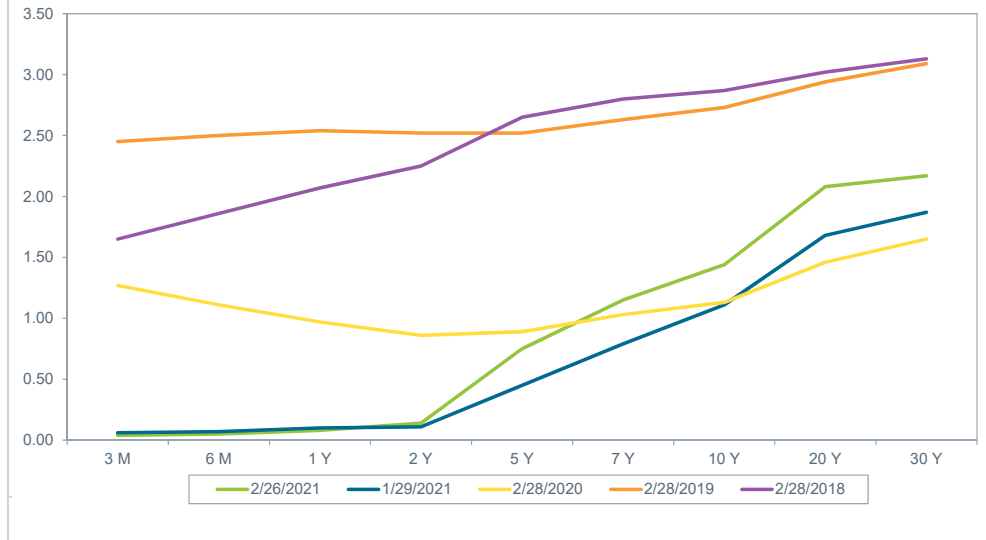


General Market Commentary

- Global equity markets rallied during the first half of the month, led by better than expected economic data, a continued decline in COVID-19 cases, as well as progress towards an additional US stimulus package. However, markets pulled back during the last week of the month, driven by fears of higher inflation. Ultimately, all major indices posted low to mid-single digit returns, with US small cap indices outperforming US large cap indices, and value indices significantly outpacing their growth counterparts.
- The fear of rising inflation prompted a sell-off in the bond market, resulting in negative broad market fixed income returns for the month. The sell-off led to rising bond yields, with the 10-year Treasury yield peaking at 1.61% in late February, the highest level in a year.
- Despite investor concerns regarding inflation, Fed Chairman Powell stated he does not currently see inflation as a major threat, and the Fed will continue with its policies of near-zero interest rates and bond purchasing program to help stimulate the economy.
- Equity markets posted positive returns in February as the S&P 500 (Cap Wtd) Index returned 2.76% and the MSCI EAFE (Net) Index returned 2.24%. Emerging markets returned 0.76% as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned -1.44% in February, underperforming the -0.84% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -2.56%, 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 4.01% in February and 6.43% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 12.62% for the trailing one-year period and 12.87% for the trailing five-year period ending September 2020.
- Absolute return strategies, as measured by the HFRI FOF Comp Index, returned 3.07% for the month and 14.78% over the trailing one-year period.
- Crude oil's price increased by 17.82% during the month, and has increased by 37.40% YoY.

Treasury Yield Curve (%)



Economic Indicators	Feb-21		Jan-21	Feb-20	10 Yr	20 Yr
Federal Funds Rate (%)	0.07	—	0.07	1.58	0.63	1.45
Breakeven Inflation - 5 Year (%)	2.42	▲	2.22	1.37	1.73	1.82
Breakeven Inflation - 10 Year (%)	2.15	▲	2.10	1.43	1.93	2.01
Breakeven Inflation - 30 Year (%)	2.11	▲	2.10	1.54	2.05	2.24
Bloomberg US Agg Bond Index - Yield (%)	1.42	▲	1.17	1.68	2.33	3.47
Bloomberg US Agg Bond Index - OAS (%)	0.34	▼	0.36	0.50	0.52	0.62
Bloomberg US Agg Credit Index - OAS (%)	0.86	▼	0.92	1.17	1.29	1.44
Bloomberg US Corp: HY Index - OAS (%)	3.26	▼	3.62	5.00	4.71	5.40
Capacity Utilization (%)	73.76	▼	75.46	76.93	76.55	76.58
Unemployment Rate (%)	6.2	▼	6.3	3.5	6.0	6.1
PMI - Manufacturing (%)	60.8	▲	58.7	50.3	53.8	52.8
Baltic Dry Index - Shipping	1,675	▲	1,452	1,366	1,113	2,300
Consumer Conf (Conf Board)	91.30	▲	88.90	132.60	96.46	90.35
CPI YoY (Headline) (%)	1.7	▲	1.4	2.3	1.7	2.1
CPI YoY (Core) (%)	1.3	▼	1.4	2.4	1.9	2.0
PPI YoY (%)	2.4	▲	0.4	1.3	1.2	2.0
M2 YoY (%)	27.10	▲	25.8	6.8	7.7	6.9
US Dollar Total Weighted Index	113.12	▲	112.24	117.74	105.19	103.22
WTI Crude Oil per Barrel (\$)	62	▲	52	45	68	63
Gold Spot per Oz (\$)	1,734	▼	1,848	1,586	1,410	1,022

Treasury Yield Curve (%)	Feb-21	Jan-21	Feb-20	Feb-19	Feb-18
3 Month	0.04	0.06	1.27	2.45	1.65
6 Month	0.05	0.07	1.11	2.50	1.86
1 Year	0.08	0.10	0.97	2.54	2.07
2 Year	0.14	0.11	0.86	2.52	2.25
5 Year	0.75	0.45	0.89	2.52	2.65
7 Year	1.15	0.79	1.03	2.63	2.80
10 Year	1.44	1.11	1.13	2.73	2.87
20 Year	2.08	1.68	1.46	2.94	3.02
30 Year	2.17	1.87	1.65	3.09	3.13

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	2.76	1.72	1.72	31.29	14.14	16.82	13.04	13.43
Russell 2000	6.23	11.58	11.58	51.00	14.87	17.92	10.78	11.86
MSCI EAFE (Net)	2.24	1.15	1.15	22.46	4.59	9.73	4.37	5.04
MSCI EAFE SC (Net)	2.65	2.27	2.27	31.18	5.15	11.73	7.01	7.76
MSCI EM (Net)	0.76	3.85	3.85	36.05	6.35	15.24	7.27	4.41
Bloomberg US Agg Bond	-1.44	-2.15	-2.15	1.38	5.32	3.55	3.47	3.58
ICE BofAML 3 Mo US T-Bill	0.01	0.02	0.02	0.40	1.54	1.20	0.87	0.63
NCREIF ODCE (Gross)	N/A	N/A	N/A	1.19	4.92	6.21	8.32	9.88
FTSE NAREIT Eq REITs Index (TR)	4.01	4.12	4.12	2.88	9.19	6.43	7.08	7.91
HFRI FOF Comp Index	3.07	2.24	2.24	14.78	5.38	5.84	3.83	3.45
Bloomberg Cmdty Index (TR)	6.47	9.27	9.27	20.32	0.32	3.52	-5.46	-5.88

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.