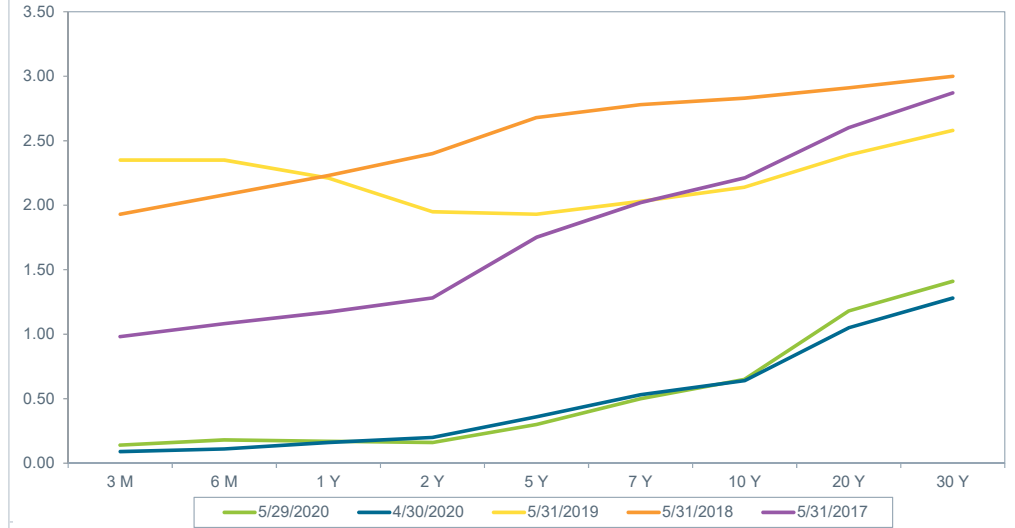


General Market Commentary

- Global equity markets continued to climb upwards during May, extending their April rally off March lows as many countries around the globe began reopening their economies. Most US and developed international markets returned mid-single digits, while emerging markets lagged their developed counterparts significantly, returning less than 1%.
- Despite strong equity performance, concerns over the health of the US economy persisted. Federal Reserve Chairman Jerome Powell dashed many investors' hopes of a sharp V-shaped recovery, noting, "The recovery may take some time to gather momentum, and the passage of time can turn liquidity problems into solvency problems." However, Chairman Powell also reiterated that the Fed would use all of the monetary policy tools available until economic recovery is well underway.
- The US economy added 2.5 million jobs in May as businesses ramped up hiring as states began to reopen up across the country. The unemployment rate dropped to 13.3%, beating many economists' forecasts of a May unemployment rate approaching 20%.
- Equity markets posted positive returns in May as the S&P 500 (Cap Wtd) Index returned 4.76% and the MSCI EAFE (Net) Index returned 4.35%. Emerging markets returned 0.77% as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned 0.47% in May, outperforming the 0.18% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned 0.48%, 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 0.19% in May and 2.47% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 13.94% for the trailing one-year period and 12.12% for the trailing five-year period ending December 2019.
- Absolute return strategies, as measured by the HFRI FOF Comp Index, returned 2.54% for the month and 0.33% over the trailing one-year period.
- Crude oil's price increased by 88.38% during the month, but has decreased by 33.66% YoY.

Treasury Yield Curve (%)



Economic Indicators	May-20	Apr-20	May-19	10 Yr	20 Yr
Federal Funds Rate (%)	0.05	—	0.05	2.40	0.64
Breakeven Inflation - 5 Year (%)	0.84	▲	0.71	1.59	1.72
Breakeven Inflation - 10 Year (%)	1.14	▲	1.07	1.74	1.96
Breakeven Inflation - 30 Year (%)	1.48	▲	1.40	1.83	2.09
Bloomberg US Agg Bond Index - Yield (%)	1.34	▲	1.31	2.69	2.44
Bloomberg US Agg Bond Index - OAS (%)	0.76	▲	0.74	0.49	0.53
Bloomberg US Agg Credit Index - OAS (%)	1.64	▼	1.91	1.20	1.33
Bloomberg US Corp: HY Index - OAS (%)	6.37	▼	7.44	4.33	4.81
Capacity Utilization (%)	64.80	▲	64.00	77.80	76.67
Unemployment Rate (%)	13.3	▼	14.7	3.6	6.2
PMI - Manufacturing (%)	43.1	▲	41.5	52.3	53.8
Baltic Dry Index - Shipping	504	▼	635	1,096	1,172
Consumer Conf (Conf Board)	86.60	▲	85.70	131.30	93.71
CPI YoY (Headline) (%)	0.1	▼	0.3	1.8	1.7
CPI YoY (Core) (%)	1.2	▼	1.4	2.0	1.9
PPI YoY (%)	-2.8	▲	-5.1	1.3	1.6
M2 YoY (%)	23.1	▲	18.0	4.3	6.3
US Dollar Total Weighted Index	121.28	▼	122.67	116.67	103.45
WTI Crude Oil per Barrel (\$)	35	▲	19	54	71
Gold Spot per Oz (\$)	1,730	▲	1,687	1,306	1,368

Treasury Yield Curve (%)	May-20	Apr-20	May-19	May-18	May-17			
3 Month	0.14	0.09	2.35	1.93	0.98			
6 Month	0.18	0.11	2.35	2.08	1.08			
1 Year	0.17	0.16	2.21	2.23	1.17			
2 Year	0.16	0.20	1.95	2.40	1.28			
5 Year	0.30	0.36	1.93	2.68	1.75			
7 Year	0.50	0.53	2.03	2.78	2.02			
10 Year	0.65	0.64	2.14	2.83	2.21			
20 Year	1.18	1.05	2.39	2.91	2.60			
30 Year	1.41	1.28	2.58	3.00	2.87			
Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	4.76	18.19	-4.97	12.84	10.23	9.86	11.60	13.15
Russell 2000	6.51	21.14	-15.95	-3.44	1.98	3.72	6.56	9.23
MSCI EAFE (Net)	4.35	11.10	-14.26	-2.81	-0.37	0.79	2.90	5.27
MSCI EAFE SC (Net)	7.13	18.27	-14.28	-0.78	0.07	3.27	5.63	7.83
MSCI EM (Net)	0.77	10.00	-15.96	-4.39	-0.15	0.88	1.23	2.47
Bloomberg US Agg Bond	0.47	2.25	5.47	9.42	5.07	3.94	3.64	3.92
ICE BofAML 3 Mo US T-Bill	0.00	0.01	0.59	1.84	1.79	1.19	0.86	0.64
NCREIF ODCE (Gross)	N/A	N/A	0.98	4.88	6.81	8.46	9.90	11.45
FTSE NAREIT Eq REITs Index (TR)	0.19	8.51	-21.12	-14.55	-0.25	2.47	4.62	8.17
HFRI FOF Comp Index	2.54	6.10	-3.24	0.33	1.67	0.94	2.25	2.53
Bloomberg Cmdty Index (TR)	4.34	2.74	-21.20	-17.05	-6.90	-7.79	-9.03	-6.00

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.

