

Monthly Capital Market Monitor



December 2021

2021 ends optimistically as variant scare recedes

Global equity markets recovered in December from the previous month's slump, ending the year on a strong note. The initial scare over the latest Covid-19 variant quickly dissipated as it appears to be neither as severe nor as vaccine resistant as initially feared. As a result, most countries have not imposed major restrictions. Equity investors continued to focus on the strong earnings outlook for the year ahead now that the economic recovery is less likely to be disrupted by Covid-19. Those equity markets that suffered most in November such as the UK and Europe outperformed the US. Value outperformed growth stocks in this cyclical rebound. Emerging markets proved to be an exception, posting another lackluster month. For the 2021 calendar year, Energy, Real Estate, Technology and Financial Services were the best performing sectors, while Telecommunications lagged.

Economic data indicated that the recovery remained well on track with forward-looking purchasing manager indices still in expansion territory, although gradually receding from their recovery peaks. Inflation remained high, prompting major central banks to further accelerate their exit strategies from expansive monetary policies. The Federal Reserve announced a doubling in the pace of its tapering from January 2022, while the Bank of England and a few other central banks in continental Europe increased short-dated rates.

The US avoided a year-end fiscal cliff after Congress voted to extend the debt ceiling beyond next year's mid-term elections. However, Biden's Build Back Better plan got stuck in the Senate as moderate Democrats push for a more modest bill amid concerns about inflation and overall debt levels.

10-year yields in most major regions ended the month only moderately higher, but yields rose significantly at the shorter end of the curve for both the US and UK as markets priced in a faster pace of monetary tightening. Both yield curves flattened as a consequence, reflecting concerns that central banks may move too fast next year. Investment grade credit spreads hardly changed, but high yield spreads declined considerably, recovering from the high yield sell-off in late November.

Geopolitical events did not appear to have an impact on broad markets but reminded investors of short-term tail risks from politics. NATO and Russia continued to face off over Ukraine, most western countries announced diplomatic boycotts of China's Winter Olympics. The election of a leftwing candidate in Chile led to a collapse in its stock markets, while the self-inflicted collapse of the Turkish Lira intensified after its politicized central bank cut rates further.

Energy prices recovered with oil rising by almost 14% after last month's sell-off as fears from the Covid-19 variant receded. Other commodities also recovered as investors became more optimistic on the continuation of the ongoing economic rebound.

The US dollar weakened over the month against major developed and emerging market currencies as demand for safe haven assets remained limited in this risk on environment which benefited more cyclical currencies from commodity producers.

At a Glance

Market Returns in % as of end of December 2021 in USD

Major Asset Class Returns	1M	Q4	1Y
MSCI ACWI	4.0%	6.7%	18.5%
S&P 500	4.5%	11.0%	28.7%
Russell 2500	3.3%	3.8%	18.2%
MSCI EAFE	5.1%	2.7%	11.3%
MSCI EM	1.9%	-1.3%	-2.5%
Bloomberg Treasury	-0.5%	0.2%	-2.3%
Bloomberg Credit	-0.1%	0.2%	-1.1%
Bloomberg Credit Long	-0.4%	1.5%	-1.2%
Bloomberg Aggregate	-0.3%	0.0%	-1.5%
Bloomberg US TIPS	0.3%	2.4%	6.0%
Bloomberg High Yield	1.9%	0.7%	5.3%
FTSE WGBI	-0.6%	-1.1%	-7.0%
JPM GBI-EM Global Diversified	1.6%	-2.5%	-8.7%
NAREIT Equity REITs	9.6%	16.2%	41.3%
NAREIT Global REITs	6.4%	10.4%	27.2%
FTSE Global Core Infrastructure 50/50	7.4%	7.7%	15.7%
Bloomberg Commodity TR	3.5%	-1.6%	27.1%

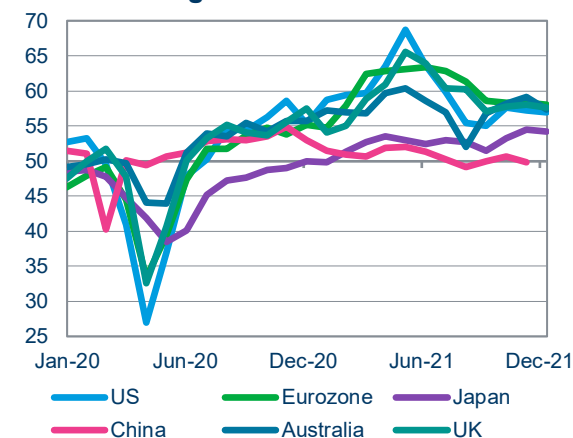
Source: Refinitiv Datastream; as of 12/31/21

Economy, policy and market drivers

Monetary policy and Covid-19 moved markets

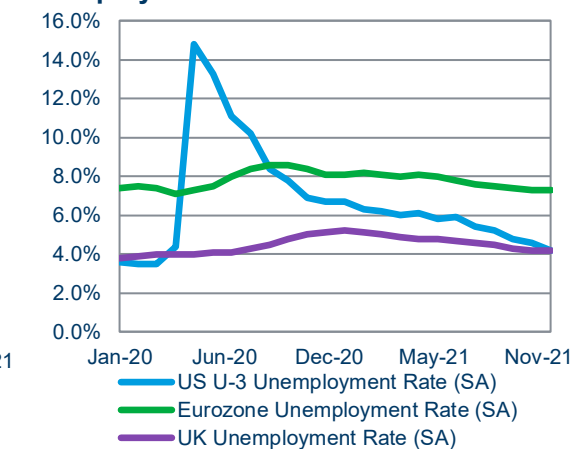
- Another Covid-19 scare, tighter monetary policy and soaring inflation dominated the news during the holiday season, but the immediate economic impact was limited, and equity markets ended the year on a positive note.
- Q3 GDP numbers for the US, UK, Eurozone and other major regions were still solid due to the strong rebound in the previous quarter. Purchasing manager indices remained well in expansion territory even though they started to fall off the rebound peaks achieved earlier in the year, especially for the UK and Eurozone. Unemployment also kept falling in major regions. US nonfarm payrolls remained strong but came in below expectations, driven to some degree by hiring difficulties.
- The latest Covid-19 variant continued to make headlines as it became the dominant strain across the much of the world, but the results of initial studies gave reason for optimism, as the strain appears less severe than its predecessors. The US and UK have encouraged booster vaccinations, but generally have not enacted new restrictions, whereas some countries in continental Europe and Asia have seen the return of activity restrictions. The US saw some disruptions in Christmas air travel, but a reduction in the length of quarantines seems to have reduced staffing shortages. Overall, markets turned increasingly optimistic towards year end that the current scare will likely pass and not derail the global recovery.
- Monetary policy was the other major theme. Inflation in the US, UK and Eurozone remained high and central banks continued to scramble. The Federal Reserve doubled the pace of tapering from January 2022, setting the path for potential interest rate increases in 2022. Central banks in the UK, Norway and Hungary increased short dated rates. In other regions such as the Eurozone, Japan, Australia and Canada, central banks remained on hold.
- The US debt ceiling was extended to the end of 2022, but President Biden's Build Back Better plan stalled in the Senate amid concerns within the Democratic Party that spending plans will prove to be inflationary and raise the national debt to an unacceptable level.
- Geopolitical disputes between western countries, China and Russia continued. A diplomatic boycott of China's Winter Olympics was announced by major western countries while Russia and NATO faced off over Ukraine.

Manufacturing PMIs



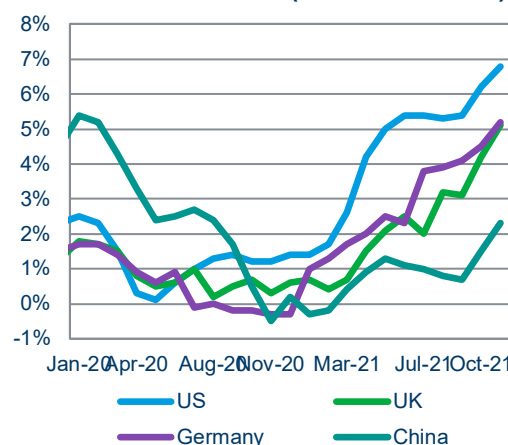
Source: Bloomberg; as of 12/31/21

Unemployment Rates



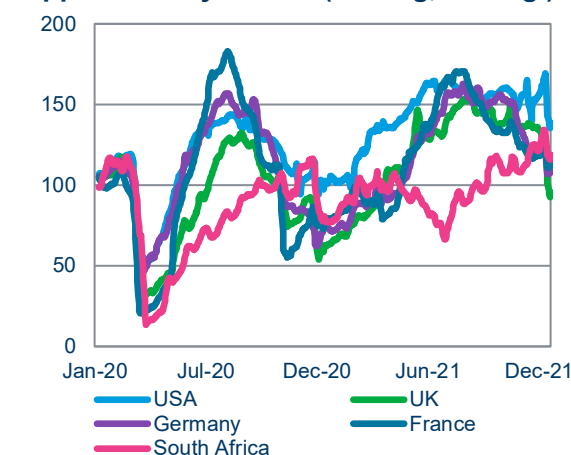
Source: Bloomberg; as of 11/30/21

Consumer Price Index (Year-over-Year)



Source: Bloomberg; as of 11/30/21

Apple Mobility Trends (Driving, 7D Avg.)



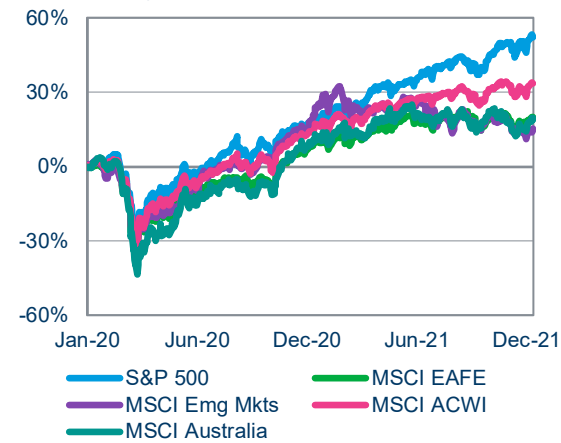
Source: Apple.com; as of 12/31/21

Equities

Equity markets finish 2021 optimistically, near all-time highs

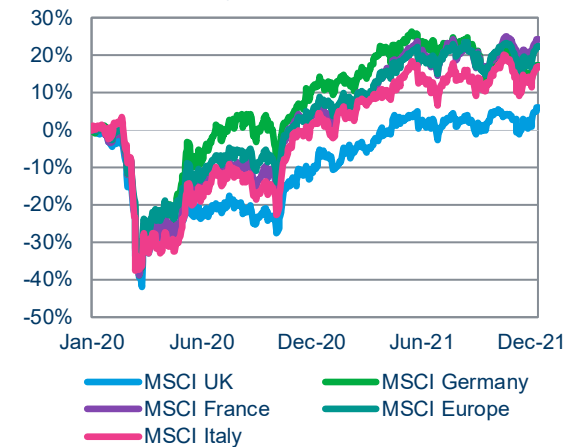
- The MSCI All Country World Index ('ACWI') returned 4.0% for the month and ended the year with a whopping 18.5% return.
- While the month had a few ups and downs, equity markets shrugged off the scare over Covid-19 as medical data was encouraging and only a few countries imposed far-reaching restrictions. Monetary policy was the other big worry but one that had largely been priced in by equity markets. Therefore, hawkish statements and actions seen by major central banks in December had less of an impact on equity markets than on bond markets.
- Positive momentum for equity markets continued to be driven by a strong earnings outlook. Even after an expected 45% rebound in year-on-year earnings for 2021, analysts are expecting 10% earnings growth for 2022¹.
- Value outperformed growth (as measured by Russell 3000) by a margin of around 4.2% as markets switched back from last month's 'stay at home' theme that benefited growth stocks to renewed recovery and 'staying open' optimism.
- On a country level this benefited markets beaten down in the previous month with more cyclical, global trade exposure, including Europe and the UK which outperformed US markets. The exception was Japan which underperformed the US significantly even though returns were still positive at 1.9%.
- Emerging markets returned almost 2% during the month. China declined 3.2% over the month as its economy continues its slow down, which was a significant drag on the index. Positive returns for Brazil, Taiwan and Korea offset this to a degree. Russia had another month of negative returns in spite of the recovery in oil prices, while returns for India were 3.7%.
- Emerging markets underperformed the MSCI ACWI by 21 percentage points over the year after outperforming by 2% in 2020. This was driven by the regulatory crackdown and ensuing slowdown in China and an equally terrible year for Brazil. Other large emerging market countries such as Russia and India outperformed the MSCI ACWI.
- Equity volatility measured via the VIX index started the month at elevated levels but receded over the month as optimism returned, ending the year lower than it started.

Global Equity Performance (USD)



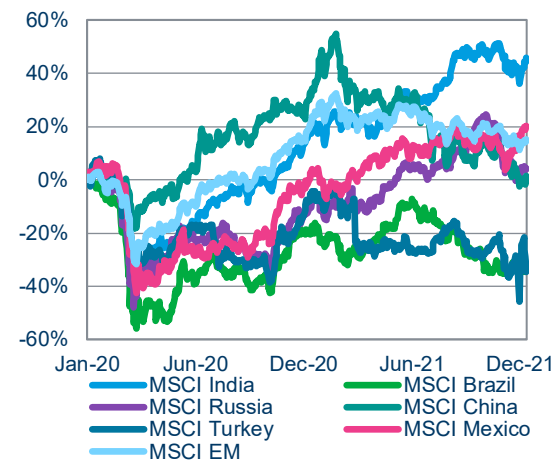
Source: Bloomberg; as of 12/31/21

European Equity Performance (USD)



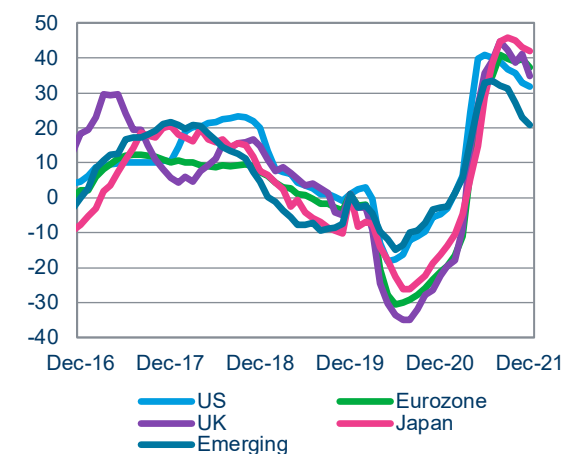
Source: Bloomberg; as of 12/31/21

Emerging Market Equity Performance



Source: Bloomberg; as of 12/31/21

Forward Earnings (Year-over-Year)



Source: Datastream; as of 12/31/21

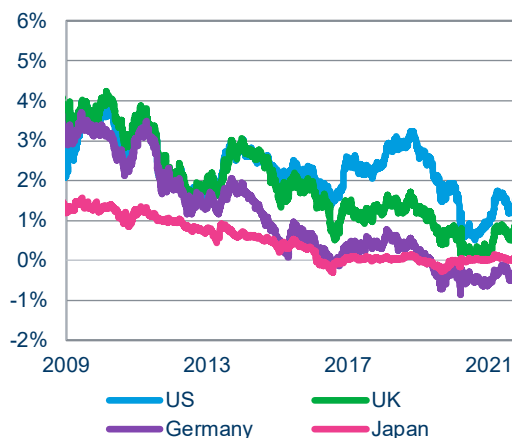
¹ Source: <https://insight.factset.com/sp-500-cy-2021-earnings-preview-record-high-earnings-and-sales-growth-in-cy-2021>

Fixed income

Short end of yield curves react to accelerated tightening

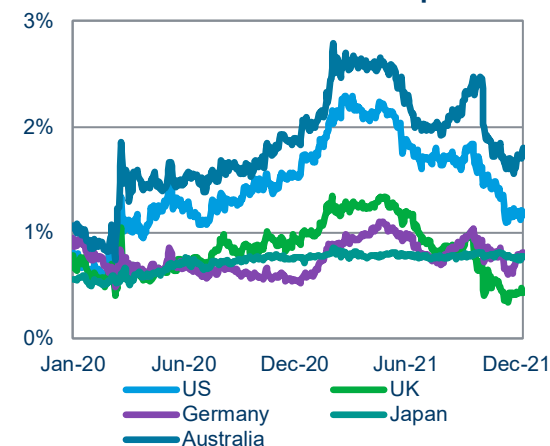
- Major developed 10-year government yields ended the month only marginally higher, led by the UK and Eurozone where 10-year yields rose by around 15-20 basis points. Meanwhile, 10-year yields rose by 9 basis points in the US. While 10-year yields did not move by much for either the US or UK, yields at the shorter end of both curves spiked more significantly as investors positioned for a tighter monetary environment.
- The more optimistic economic outlook, diminishing Covid-19 fears, persistently high inflation and central banks becoming more hawkish led investors to bring forward rate hike expectations. The flattening of the yield curve suggests investors are worried about central banks hiking too quickly.
- For 2021 as a whole, 10-year yields for major global regions were up between 30 and 80 basis points. Japan was the obvious exception where the yield was largely unchanged.
- Credit spreads fell slightly for investment grade but declined considerably for high yield after the sell-off in November. Like equities, high yield benefited from a return in risk-on sentiment. For the year as a whole, investment grade spreads were little changed while high yield spreads were down substantially.
- 10-year break-even inflation was largely unchanged for the US, rising from 2.5% to 2.6%¹. Inflation expectations remain in line with the Fed's long term target, which is roughly the equivalent of 2.5% CPI. For the UK, inflation expectations decreased by another 23 bps over the month. For 2021, inflation expectations have rallied, up by 60 basis points for the US and 95 basis points for the UK as inflation returned with a vengeance, following two years of fiscal and monetary stimulus combined with lockdown-induced supply destruction.
- Local currency emerging market debt gained 1.6% in December, but finished 2021 down by 8.7%. Evergrande and Kaisa, the large Chinese property developers caught in the deleveraging drive officially defaulted on their US dollar debt and China's government already indicated that there will be no bailouts. There was no major market reaction to these events which were largely expected and priced in since summer.

10-Year Government Bond Yields



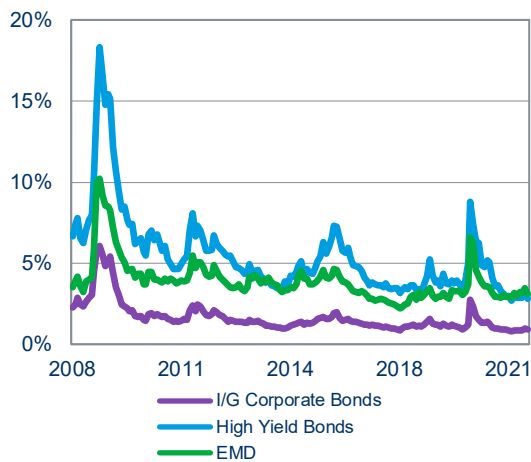
Source: Bloomberg; as of 12/31/21

30 – 2 Year Government Yield Spread



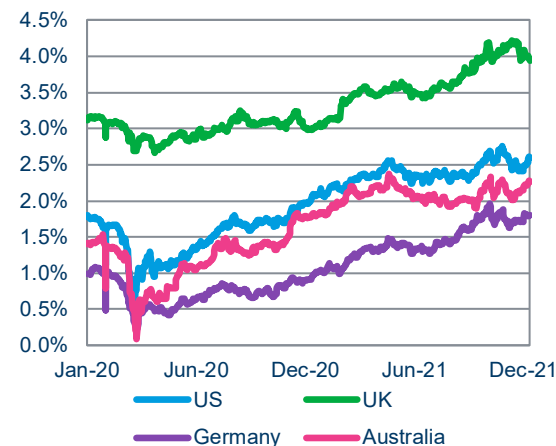
Source: Bloomberg; as of 12/31/21

Credit Spreads



Source: Bloomberg; as of 11/30/21

10-Year Inflation Breakeven Rates



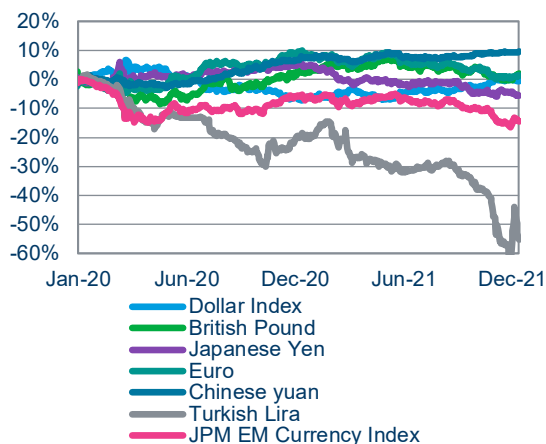
Source: Bloomberg; as of 12/31/21

Currencies, commodities and alternatives

Commodities recover as optimism returns, US dollar weakens

- The US dollar slightly weakened against both major developed and emerging market currencies with weakness most pronounced against currencies of some commodities exporters such as Australia, South Africa and Mexico. Market sentiment turned increasingly risk on throughout the month, which limited safe haven demand as investors moved into more cyclical currencies. The US dollar's only significant appreciation was versus the Japanese Yen. For 2021 as a whole, the US dollar appreciated against all major currencies except the Chinese Renminbi. This reflected the strength of the US economic recovery and expected tighter monetary conditions.
- The currency crisis in Turkey intensified when its politicized central bank continued to cut rates in spite of soaring inflation. This led to the Turkish lira depreciating by as much as 35% intra-quarter until it recovered somewhat in late-December when Turkey's government promised to cover forex losses for deposit-holders. Oil prices rallied by almost 14% over the month as investors re-evaluated the risks to global travel and mobility posed by the latest Covid-19 variant which has turned out to be less disruptive than feared. Many countries were quick to roll back travel restrictions from Southern Africa and only very few countries imposed meaningful mobility restrictions. For 2021 as a whole, oil increased by 55%, reflecting a pickup in demand as economies reopened while supply increased at a lower pace.
- Other commodities also rallied for similar reasons. The S&P North American Natural Resources Index returned around 4% in December, and almost 40% for the year.
- Gold rose by around 3% over the month as inflation readings remained high and the US dollar weakened later in the month. For 2021, gold was down 3.5% as tighter monetary conditions increased the opportunity costs of holding gold. Bitcoin and other cryptocurrencies sold off heading into year-end, with Bitcoin declining 19% during December.
- Global REITs returned 6.4% in December and 27.2% for the year. Optimism prevailed as the housing market remained strong and re-openings improved the prospects for commercial property.
- Hedge funds, measured by the HFRX equal weighted strategies index, returned 0.5% during December and 2.9% for the year.

Currency Returns



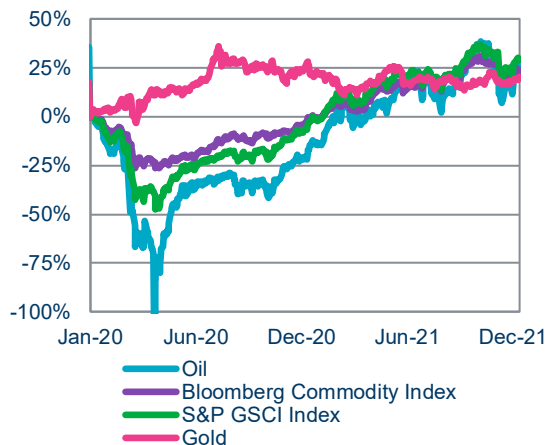
Source: Bloomberg; as of 12/31/21

Gold & Bitcoin



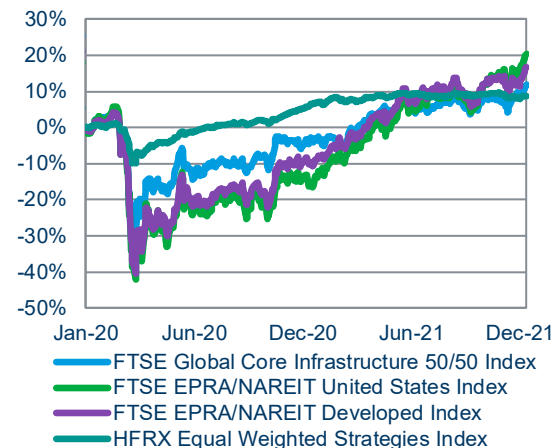
Source: Bloomberg; as of 12/31/21

Commodities



Source: Bloomberg; as of 12/31/21

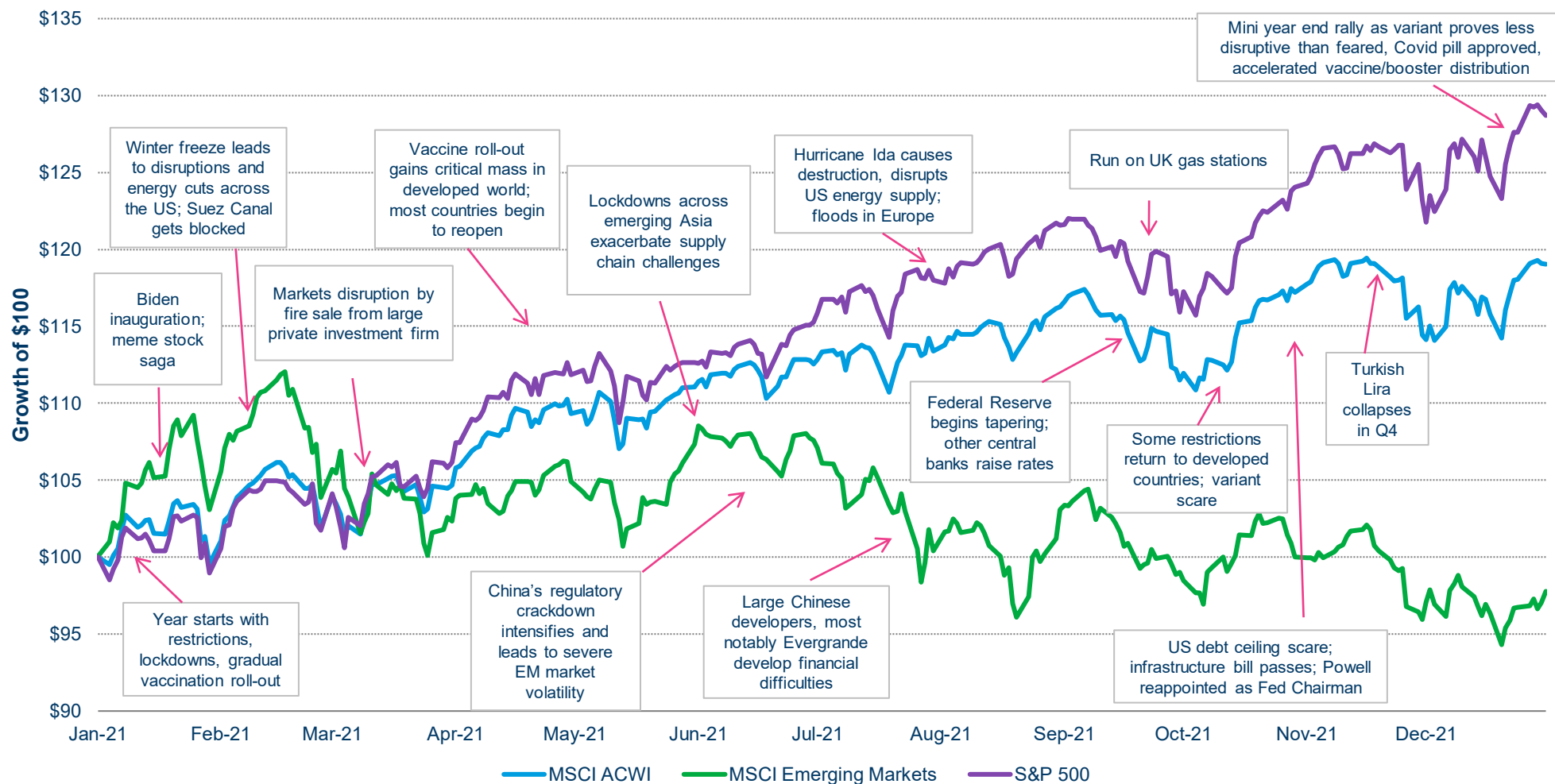
REITs, Hedge Funds, Infrastructure



Source: Bloomberg; as of 12/31/21

2021 in Review

Markets and major developments



Source: Datastream and Mercer Research

All indices in USD. Total return indices for MSCI ACWI, S&P 500 and MSCI Emerging Markets.

Note: For visual reasons, events might not exactly pinpoint to the day they actually happened. We do not imply a direct causal relationship between market movements and every single event.

Valuations and yields

Ending December 31, 2021

Valuations

MSCI USA	12/31/2021	9/30/2021	6/30/2021	3/31/2021
Index Level	20958.0	19038.4	18960.7	17411.2
P/E Ratio (Trailing)	32.2	25.9	29.7	34.0
CAPE Ratio	36.2	34.4	35.3	33.8
Dividend Yield	1.5	1.4	1.3	1.4
P/B	4.4	4.7	4.8	4.6
P/CF	20.3	20.1	20.1	19.6
MSCI EAFE	12/31/2021	9/30/2021	6/30/2021	3/31/2021
Index Level	7695.5	7493.7	7527.2	7157.1
P/E Ratio (Trailing)	23.1	18.5	24.1	25.2
CAPE Ratio	18.0	19.2	19.1	18.0
Dividend Yield	2.4	2.5	2.3	2.3
P/B	1.8	1.9	1.9	1.9
P/CF	7.7	7.1	6.5	6.5
MSCI EM	12/31/2021	9/30/2021	6/30/2021	3/31/2021
Index Level	608.3	616.4	670.6	638.4
P/E Ratio (Trailing)	21.7	15.1	18.7	21.5
CAPE Ratio	14.5	15.8	16.7	16.4
Dividend Yield	2.0	2.2	1.9	1.9
P/B	2.0	1.9	2.1	2.1
P/CF	8.3	9.4	9.1	11.9

Source: Bloomberg, Refinitiv Datastream

Yields

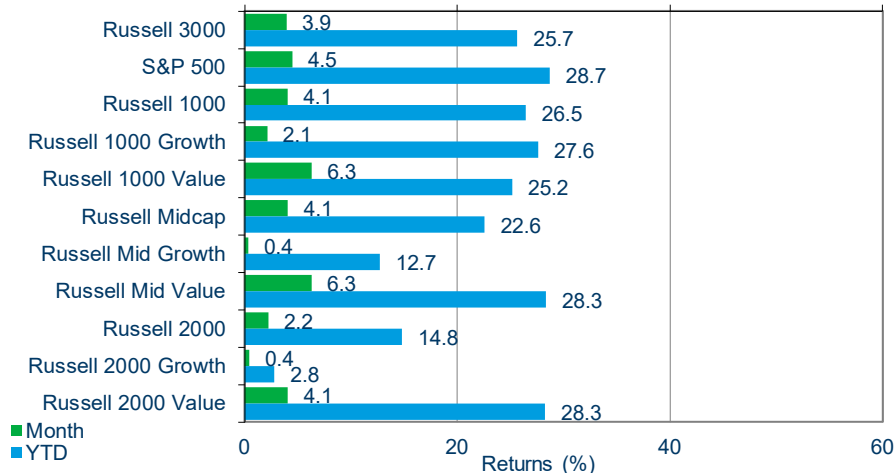
Global Bonds	12/31/2021	9/30/2021	6/30/2021	3/31/2021
Germany – 10Y	-0.18	-0.20	-0.21	-0.29
France - 10Y	0.20	0.16	0.13	-0.05
UK - 10Y	0.97	1.02	0.72	0.85
Switzerland – 10Y	-0.14	-0.16	-0.22	-0.28
Italy – 10Y	1.17	0.86	0.82	0.67
Spain 10Y	0.57	0.46	0.41	0.34
Japan – 10Y	0.07	0.07	0.06	0.10
Euro Corporate	0.52	0.35	0.33	0.36
Euro High Yield	3.55	3.16	2.97	3.22
EMD (\$)	5.27	5.11	4.89	5.26
EMD (LCL)	5.72	5.30	4.98	4.99
US Bonds	12/31/2021	9/30/2021	6/30/2021	3/31/2021
3-Month T-Bill	0.06	0.04	0.05	0.03
10Y Treasury	1.52	1.52	1.45	1.74
30Y Treasury	1.90	2.08	2.06	2.41
10Y TIPS	-1.04	-0.85	-0.87	-0.63
30Y TIPS	-0.44	-0.19	-0.20	0.11
US Aggregate	1.75	1.56	1.50	1.61
US Treasury	1.23	1.01	0.95	1.00
US Corporate	2.33	2.13	2.04	2.28
US Corporate High Yield	4.21	4.04	3.75	4.23

Source: Bloomberg, Refinitiv Datastream

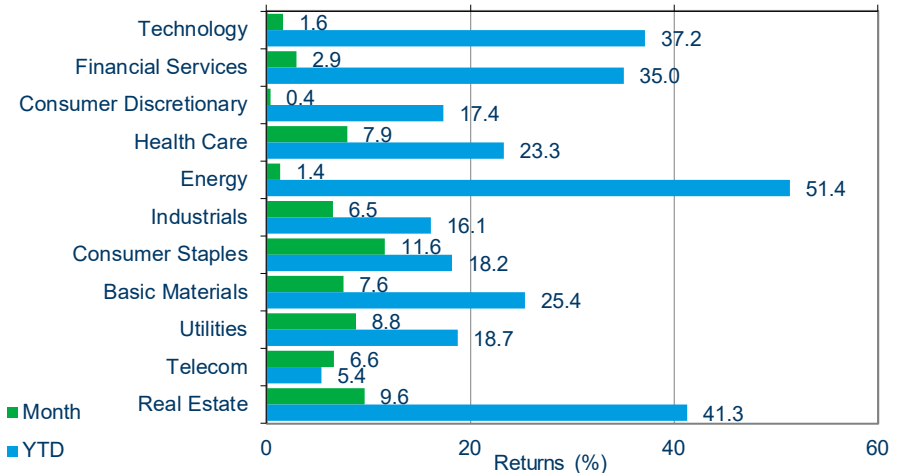
Performance Summary

US Equity ending December 31, 2021

Style and Capitalization Market Performance



Russell 1000 Sector Performance



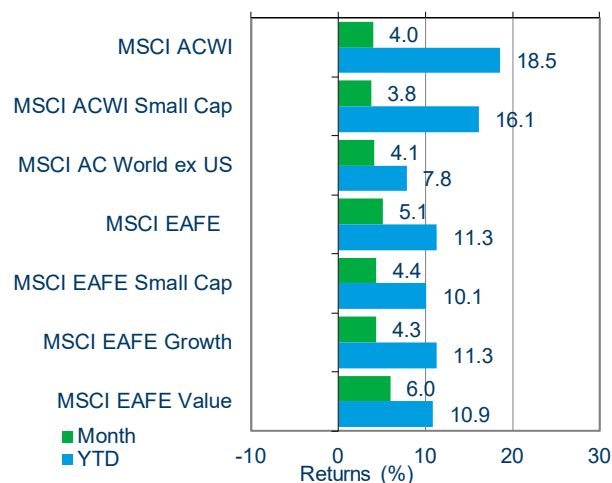
Index Returns	1 Mth	3 Mth	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016
S&P 500	4.5	11.0	28.7	28.7	23.4	26.1	18.5	14.9	16.6	9.5	28.7	18.4	31.5	-4.4	21.8
Russell 3000	3.9	9.3	25.7	25.7	23.3	25.8	18.0	14.5	16.3	9.7	25.7	20.9	31.0	-5.2	21.1
Russell 3000 Growth	2.0	10.9	25.8	25.8	31.9	33.2	24.6	19.0	19.4	10.8	25.8	38.3	35.8	-2.1	29.6
Russell 3000 Value	6.2	7.5	25.4	25.4	13.6	17.6	11.0	9.7	12.9	8.4	25.4	2.9	26.3	-8.6	13.2
Russell 1000	4.1	9.8	26.5	26.5	23.7	26.2	18.4	14.8	16.5	9.7	26.5	21.0	31.4	-4.8	21.7
Russell 1000 Growth	2.1	11.6	27.6	27.6	32.9	34.1	25.3	19.6	19.8	10.9	27.6	38.5	36.4	-1.5	30.2
Russell 1000 Value	6.3	7.8	25.2	25.2	13.4	17.6	11.2	9.7	13.0	8.3	25.2	2.8	26.5	-8.3	13.7
Russell Midcap	4.1	6.4	22.6	22.6	19.8	23.3	15.1	12.2	14.9	10.9	22.6	17.1	30.5	-9.1	18.5
Russell Mid Growth	0.4	2.8	12.7	12.7	23.6	27.5	19.8	14.9	16.6	10.8	12.7	35.6	35.5	-4.8	25.3
Russell Mid Value	6.3	8.5	28.3	28.3	16.1	19.6	11.2	10.0	13.4	10.5	28.3	5.0	27.1	-12.3	13.3
Russell 2500	3.3	3.8	18.2	18.2	19.1	21.9	13.8	11.7	14.1	10.3	18.2	20.0	27.8	-10.0	16.8
Russell 2500 Growth	0.5	0.2	5.0	5.0	21.5	25.1	17.7	13.8	15.7	10.4	5.0	40.5	32.7	-7.5	24.5
Russell 2500 Value	5.2	6.4	27.8	27.8	15.8	18.3	9.9	9.6	12.4	9.8	27.8	4.9	23.6	-12.4	10.4
Russell 2000	2.2	2.1	14.8	14.8	17.4	20.0	12.0	10.8	13.2	9.4	14.8	20.0	25.5	-11.0	14.6
Russell 2000 Growth	0.4	0.0	2.8	2.8	17.7	21.2	14.5	11.7	14.1	9.2	2.8	34.6	28.5	-9.3	22.2
Russell 2000 Value	4.1	4.4	28.3	28.3	15.9	18.0	9.1	9.5	12.0	9.2	28.3	4.6	22.4	-12.9	7.8
Russell 1000 Technology	1.6	14.2	37.2	37.2	41.9	43.6	32.3	25.2	23.6	12.7	37.2	46.7	47.2	-1.2	38.4
Russell 1000 Financial Services	2.9	5.4	35.0	35.0	20.3	24.7	16.7	14.2	17.4	7.0	35.0	7.2	33.8	-8.1	21.6
Russell 1000 Consumer Discretionary	0.4	8.7	17.4	17.4	29.5	29.4	21.8	17.2	19.4	11.4	17.4	42.9	29.2	-0.1	24.1
Russell 1000 Health Care	7.9	9.1	23.3	23.3	20.1	20.6	17.9	13.1	17.6	10.0	23.3	17.1	21.5	6.5	22.1
Russell 1000 Energy	1.4	7.8	51.4	51.4	2.3	5.1	-1.4	-1.3	0.9	5.7	51.4	-30.8	10.7	-18.5	-1.1
Russell 1000 Producer Durables	6.5	5.5	16.1	16.1	14.0	19.3	12.8	11.4	14.4	8.9	16.1	11.8	30.8	-12.4	22.7
Russell 1000 Materials & Processing	7.6	13.3	25.4	25.4	21.4	23.1	14.1	11.5	12.8	9.4	25.4	17.6	26.5	-16.3	23.9
Russell 1000 Consumer Staples	11.6	12.5	18.2	18.2	12.5	16.3	9.3	8.6	11.3	10.1	18.2	7.1	24.1	-9.7	9.8
Russell 1000 Utilities	8.8	12.7	18.7	18.7	8.9	14.4	9.7	9.4	10.5	7.1	18.7	-0.1	26.1	-0.1	6.2
Russell 1000 Telecom	6.6	-0.7	5.4	5.4	-8.2	2.3	-0.3	3.3	5.9	-	5.4	-20.0	27.1	-7.0	-1.4
Russell 1000 Real Estate	9.6	16.2	41.3	41.3	15.8	19.9	12.5	10.5	12.2	11.2	41.3	-5.1	28.7	-4.0	8.7

Data Source: Refinitiv Datastream

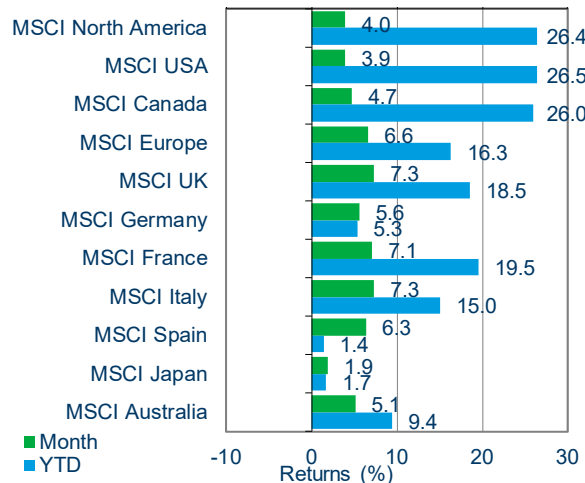
Performance Summary

International Equity ending December 31, 2021

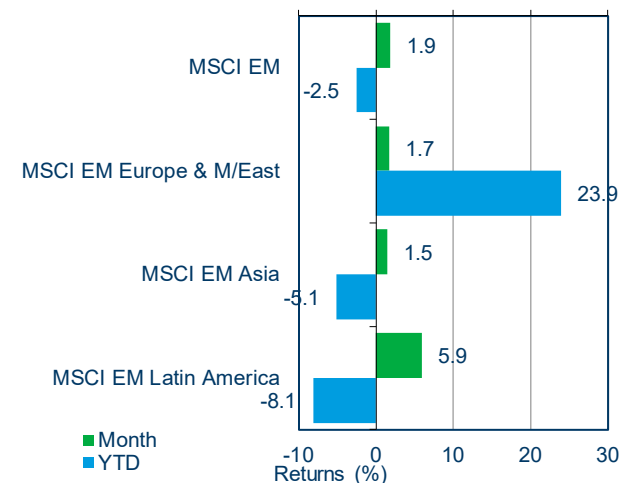
International Equity Performance



Developed Country Performance



Emerging Market Performance



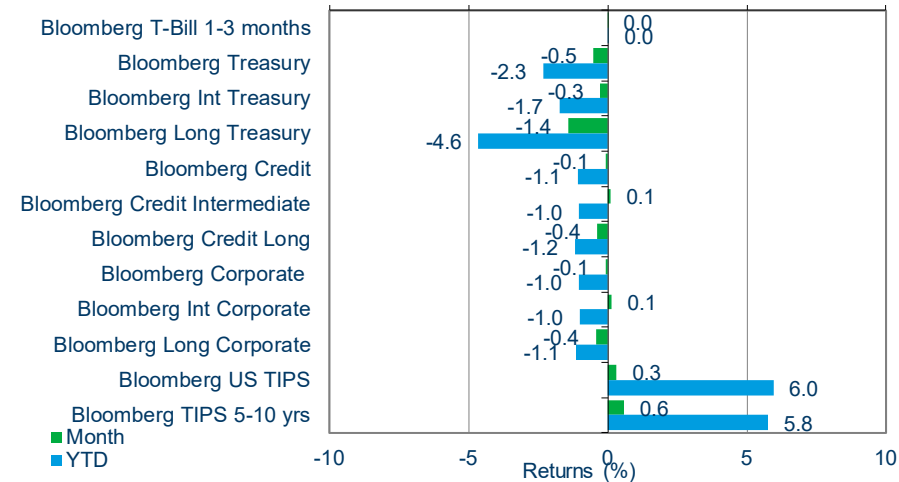
Index	Returns	1 Mth	3 Mth	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016
MSCI ACWI		4.0	6.7	18.5	18.5	17.4	20.4	14.4	10.9	11.9	8.0	18.5	16.3	26.6	-9.4	24.0
MSCI ACWI IMI		4.0	6.2	18.7	18.7	17.8	20.8	14.7	11.4	12.4	8.9	18.7	16.8	27.0	-9.6	24.6
MSCI ACWI Small Cap		3.8	2.1	16.1	16.1	16.2	19.0	12.3	10.2	11.8	10.3	16.1	16.3	24.7	-14.4	23.8
MSCI ACWI ex US		4.1	1.8	7.8	7.8	9.2	13.2	9.6	6.6	7.3	6.8	7.8	10.7	21.5	-14.2	27.2
MSCI EAFE		5.1	2.7	11.3	11.3	9.5	13.5	9.5	6.8	8.0	6.3	11.3	7.8	22.0	-13.8	25.0
MSCI EAFE Growth		4.3	4.1	11.3	11.3	14.7	19.0	13.6	9.7	10.1	7.1	11.3	18.3	27.9	-12.8	28.9
MSCI EAFE Value		6.0	1.2	10.9	10.9	3.9	7.8	5.3	3.6	5.8	5.4	10.9	-2.6	16.1	-14.8	21.4
MSCI EM		1.9	-1.3	-2.5	-2.5	7.4	10.9	9.9	6.1	5.5	9.6	-2.5	18.3	18.4	-14.6	37.3
MSCI North America		4.0	9.8	26.4	26.4	23.1	25.6	17.7	14.0	15.3	8.9	26.4	19.9	30.7	-5.7	20.9
MSCI Europe		6.6	5.7	16.3	16.3	10.7	14.9	10.1	6.6	8.2	6.2	16.3	5.4	23.8	-14.9	25.5
MSCI EM Europe & M/East		1.7	-3.0	23.9	23.9	7.0	10.9	7.8	6.1	2.5	6.6	23.9	-7.6	19.2	-7.9	15.9
MSCI EM Asia		1.5	-1.0	-5.1	-5.1	10.4	13.3	11.9	7.7	8.1	10.0	-5.1	28.4	19.2	-15.5	42.8
MSCI Latin America		5.9	-2.7	-8.1	-8.1	-11.0	-2.4	1.5	-0.4	-2.2	7.8	-8.1	-13.8	17.5	-6.6	23.7
MSCI USA		3.9	10.0	26.5	26.5	23.6	25.9	18.1	14.4	16.0	9.0	26.5	20.7	30.9	-5.0	21.2
MSCI Canada		4.7	7.2	26.0	26.0	15.2	19.2	10.2	6.3	6.0	8.6	26.0	5.3	27.5	-17.2	16.1
MSCI Australia		5.1	2.1	9.4	9.4	9.1	13.5	9.1	6.5	6.6	9.7	9.4	8.7	22.9	-12.0	19.9
MSCI UK		7.3	5.6	18.5	18.5	3.0	8.7	6.2	3.2	5.1	4.9	18.5	-10.5	21.0	-14.2	22.3
MSCI Germany		5.6	0.8	5.3	5.3	8.4	12.4	7.1	5.2	8.2	6.3	5.3	11.5	20.8	-22.2	27.7
MSCI France		7.1	7.1	19.5	19.5	11.5	16.1	11.9	9.1	9.8	6.2	19.5	4.1	25.7	-12.8	28.7
MSCI Italy		7.3	5.6	15.0	15.0	8.2	14.2	9.5	5.4	5.9	2.9	15.0	1.8	27.3	-17.8	28.4
MSCI Spain		6.3	-1.4	1.4	1.4	-1.7	2.6	2.9	-0.6	2.2	4.5	1.4	-4.8	12.0	-16.2	27.0
MSCI Japan		1.9	-4.0	1.7	1.7	7.9	11.7	8.5	7.8	8.3	5.6	1.7	14.5	19.6	-12.9	24.0
MSCI Brazil		4.3	-6.5	-17.4	-17.4	-18.2	-5.5	0.9	0.2	-3.0	8.4	-17.4	-19.0	26.3	-0.5	24.1
MSCI China		-3.2	-6.1	-21.7	-21.7	0.7	7.8	9.4	5.5	7.2	11.1	-21.7	29.5	23.5	-18.9	54.1
MSCI India		3.7	-0.2	26.2	26.2	20.8	16.2	15.1	9.3	10.9	13.5	26.2	15.6	7.6	-7.3	38.8
MSCI Russia		-2.3	-9.2	19.0	19.0	2.1	16.3	10.5	15.0	5.0	9.3	19.0	-12.5	50.9	-0.4	5.2

Data Source: Refinitiv Datastream

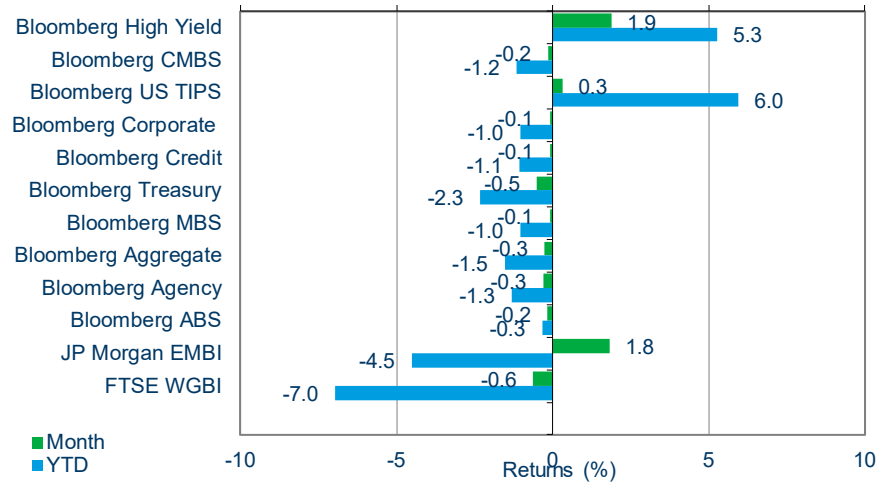
Performance Summary

Fixed Income ending December 31, 2021

Bond Performance by Duration



Sector, Credit, and Global Bond Performance



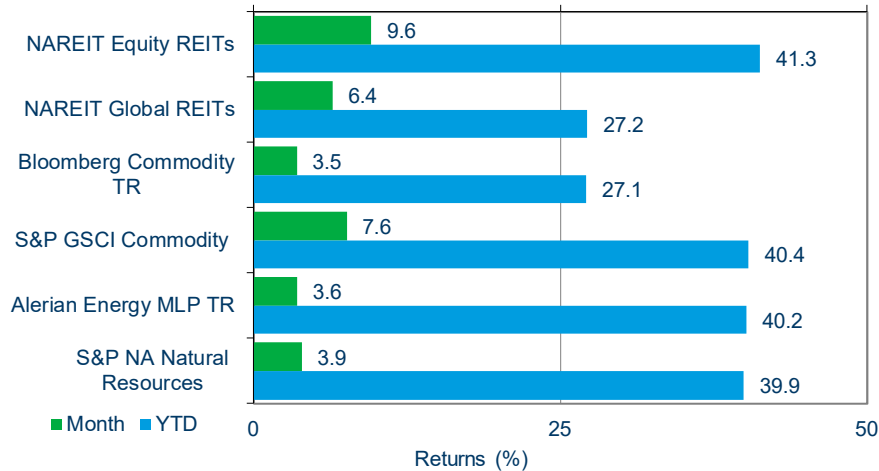
Index	Returns	1 Mth	3 Mth	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016
Bloomberg Aggregate		-0.3	0.0	-1.5	-1.5	2.9	4.8	3.6	3.0	2.9	4.3	-1.5	7.5	8.7	0.0	3.5
Bloomberg Treasury		-0.5	0.2	-2.3	-2.3	2.7	4.1	3.1	2.5	2.1	3.9	-2.3	8.0	6.9	0.9	2.3
Bloomberg Int Treasury		-0.3	-0.6	-1.7	-1.7	2.0	3.0	2.3	2.0	1.7	3.2	-1.7	5.8	5.2	1.4	1.1
Bloomberg Long Treasury		-1.4	3.1	-4.6	-4.6	5.9	8.8	6.5	4.6	4.5	6.7	-4.6	17.7	14.8	-1.8	8.5
Bloomberg Credit		-0.1	0.2	-1.1	-1.1	4.0	7.2	5.1	4.3	4.4	5.4	-1.1	9.4	13.8	-2.1	6.2
Bloomberg Credit Intermediate		0.1	-0.6	-1.0	-1.0	2.9	5.1	3.8	3.3	3.5	4.7	-1.0	7.1	9.5	0.0	3.7
Bloomberg Credit Long		-0.4	1.5	-1.2	-1.2	5.8	11.4	7.6	6.2	6.4	7.3	-1.2	13.3	23.4	-6.8	12.2
Bloomberg Corporate		-0.1	0.2	-1.0	-1.0	4.3	7.6	5.3	4.5	4.7	5.5	-1.0	9.9	14.5	-2.5	6.4
Bloomberg Int Corporate		0.1	-0.6	-1.0	-1.0	3.1	5.4	4.0	3.6	3.8	4.8	-1.0	7.5	10.1	-0.2	3.9
Bloomberg Long Corporate		-0.4	1.5	-1.1	-1.1	6.1	11.8	7.7	6.3	6.5	7.3	-1.1	13.9	23.9	-7.2	12.1
Bloomberg Gov/Credit		-0.3	0.2	-1.7	-1.7	3.5	5.5	4.0	3.3	3.1	4.5	-1.7	8.9	9.7	-0.4	4.0
Bloomberg US TIPS		0.3	2.4	6.0	6.0	8.4	8.4	5.3	4.2	3.1	5.3	6.0	11.0	8.4	-1.3	3.0
Bloomberg TIPS 5-10 yrs		0.6	2.0	5.8	5.8	8.6	8.6	5.5	4.5	3.2	5.4	5.8	11.5	8.6	-0.9	2.9
Bloomberg T-Bill 1-3 months		0.0	0.0	0.0	0.0	0.3	0.9	1.1	0.8	0.6	1.2	0.0	0.6	2.2	1.8	0.8
Bloomberg ABS		-0.2	-0.6	-0.3	-0.3	2.1	2.9	2.4	2.2	2.0	3.2	-0.3	4.5	4.5	1.8	1.6
Bloomberg Agency		-0.3	-0.6	-1.3	-1.3	2.0	3.3	2.7	2.2	2.0	3.5	-1.3	5.5	5.9	1.3	2.1
Bloomberg CMBS		-0.2	-0.6	-1.2	-1.2	3.4	5.0	3.8	3.3	3.7	5.0	-1.2	8.1	8.3	0.8	3.4
Bloomberg MBS		-0.1	-0.4	-1.0	-1.0	1.4	3.0	2.5	2.2	2.3	4.0	-1.0	3.9	6.4	1.0	2.5
Bloomberg Municipal Bond		0.2	0.7	1.5	1.5	3.3	4.7	4.2	3.5	3.7	4.5	1.5	5.2	7.5	1.3	5.4
Bloomberg High Yield		1.9	0.7	5.3	5.3	6.2	8.8	6.3	6.1	6.8	7.8	5.3	7.1	14.3	-2.1	7.5
FTSE WGBI		-0.6	-1.1	-7.0	-7.0	1.2	2.7	2.9	1.8	1.0	4.3	-7.0	10.1	5.9	-0.8	7.5
JP Morgan EMBI		1.8	-0.3	-4.5	-4.5	1.1	4.8	3.4	4.0	4.2	7.9	7.1	12.6	-5.3	8.3	9.6
JP GBI-EM Global Div. (local)		1.6	-2.5	-8.7	-8.7	-3.2	2.1	2.8	1.0	0.7		2.7	13.5	-6.2	15.2	1.8

Data Source: Refinitiv Datastream

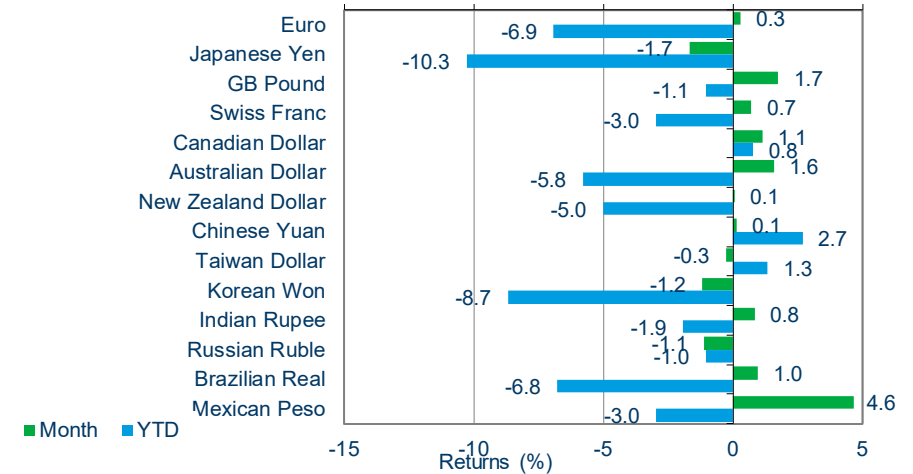
Performance summary

Alternatives ending December 31, 2021

Real Asset Performance



Performance of Foreign Currencies versus the US Dollar



Index Returns	1 Mth	3 Mth	YTD	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years	20 Years	2020	2019	2018	2017	2016
NAREIT Equity REITs	9.6	16.2	41.3	41.3	15.8	19.9	12.5	10.5	12.2	11.2	41.3	-5.1	28.7	-4.0	8.7
NAREIT Global REITs	6.4	10.4	27.2	27.2	8.1	12.9	8.8	7.0	9.6	9.6	27.2	-8.2	23.1	-4.7	11.4
Bloomberg Commodity TR	3.5	-1.6	27.1	27.1	11.0	9.9	3.7	0.1	-2.9	1.8	27.1	-3.1	7.7	-11.2	1.7
Goldman Sachs Commodity Indx	7.6	1.5	40.4	40.4	3.5	8.0	2.8	-2.2	-5.5	-0.1	40.4	-23.7	17.6	-13.8	5.8
Alerian Energy MLP TR	3.6	0.6	40.2	40.2	0.0	2.1	-2.7	-5.1	-0.3	7.4	40.2	-28.7	6.6	-12.4	-6.5
Oil	13.6	0.2	55.0	55.0	11.0	18.3	7.0	5.1	-2.7	6.9	55.0	-20.5	34.5	-24.8	12.5
Gold	2.9	4.1	-3.5	-3.5	9.6	12.6	9.7	6.4	1.6	9.9	-3.5	24.4	18.9	-2.1	13.7
S&P NA Natural Resources	3.9	8.1	39.9	39.9	6.5	10.1	1.3	0.8	1.3	6.0	39.9	-19.0	17.6	-21.1	1.2
JPM Emerging Markets FX INDEX	0.4	-4.9	-9.2	-9.2	-7.5	-5.7	-4.4	-5.5	-5.6	-	-9.2	-5.7	-2.0	-10.0	5.7
Euro	0.3	-1.8	-6.9	-6.9	0.7	-0.3	1.6	-0.9	-1.3	1.2	-6.9	8.9	-2.3	-4.4	14.1
Japanese Yen	-1.7	-3.3	-10.3	-10.3	-2.9	-1.6	0.3	0.6	-3.9	0.6	-10.3	5.2	0.9	2.8	3.7
GB Pound	1.7	0.4	-1.1	-1.1	1.0	2.0	1.9	-2.0	-1.4	-0.4	-1.1	3.1	3.9	-5.6	9.5
Swiss Franc	0.7	2.1	-3.0	-3.0	3.0	2.5	2.2	1.2	0.3	3.0	-3.0	9.3	1.4	-0.7	4.5
Canadian Dollar	1.1	0.3	0.8	0.8	1.4	2.6	1.2	-1.2	-2.1	1.2	0.8	2.0	5.0	-7.8	6.8
Australian Dollar	1.6	0.7	-5.8	-5.8	1.8	0.9	0.1	-1.7	-3.3	1.8	-5.8	9.9	-0.7	-9.5	7.8
New Zealand Dollar	0.1	-1.1	-5.0	-5.0	0.7	0.5	-0.4	-1.9	-1.3	2.5	-5.0	6.6	0.3	-5.2	2.0
Chinese Yuan	0.1	1.4	2.7	2.7	4.7	2.7	1.8	-0.3	-0.1	1.3	2.7	6.7	-1.2	-5.4	6.7
Taiwan Dollar	-0.3	0.4	1.3	1.3	3.9	3.3	3.2	1.9	0.9	1.2	1.3	6.5	2.2	-3.0	9.4
Korean Won	-1.2	0.0	-8.7	-8.7	-1.7	-2.3	0.2	-1.1	-0.2	0.5	-8.7	5.7	-3.3	-4.3	13.3
Indian Rupee	0.8	-0.4	-1.9	-1.9	-2.1	-2.2	-1.8	-2.4	-3.3	-2.1	-1.9	-2.3	-2.5	-8.2	6.4
Russian Ruble	-1.1	-2.8	-1.0	-1.0	-9.0	-2.3	-3.9	-3.5	-8.1	-4.4	-1.0	-16.3	12.6	-17.3	6.4
Brazilian Real	1.0	-2.3	-6.8	-6.8	-15.1	-11.4	-10.2	-10.0	-10.4	-4.3	-6.8	-22.6	-3.4	-14.7	-1.7
Mexican Peso	4.6	0.7	-3.0	-3.0	-3.9	-1.4	0.2	-4.6	-3.8	-3.9	-3.0	-4.8	3.8	0.0	5.5
BofA ML All Convertibles	0.1	0.0	6.3	6.3	24.7	24.2	16.9	12.9	13.9	9.3	6.3	46.2	23.2	0.2	13.7
60%S&P 500/40% Barc Agg	2.6	6.6	15.9	15.9	15.2	17.3	12.3	10.0	10.8	7.4	14.6	21.7	-2.7	13.8	7.9

Data Source: Refinitiv Datastream

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