MVIA - MARKET COMMENTARY

Status Quo

2nd Quarter, 2024

Summary

- U.S. markets delivered mixed results in the second quarter. Large cap stocks climbed 4.3% while small cap stocks declined by -3.3%. Bonds ended the quarter up 0.1%.
- Despite market and Fed expectations for at least one interest rate cut this year, U.S. inflation remains above the Federal Reserve's 2% target.
- A handful of mega-cap technology stocks have contributed to most of the S&P 500's year-to-date gains as market breadth remains narrow and tech sector valuations are at the high end of historical ranges.
- The U.S fiscal situation remains concerning, with little talk of any substantial budgeting restraint.
- Despite these concerns, slowing growth and inflation appear enough to keep the bond market content, with yields remaining relatively contained.

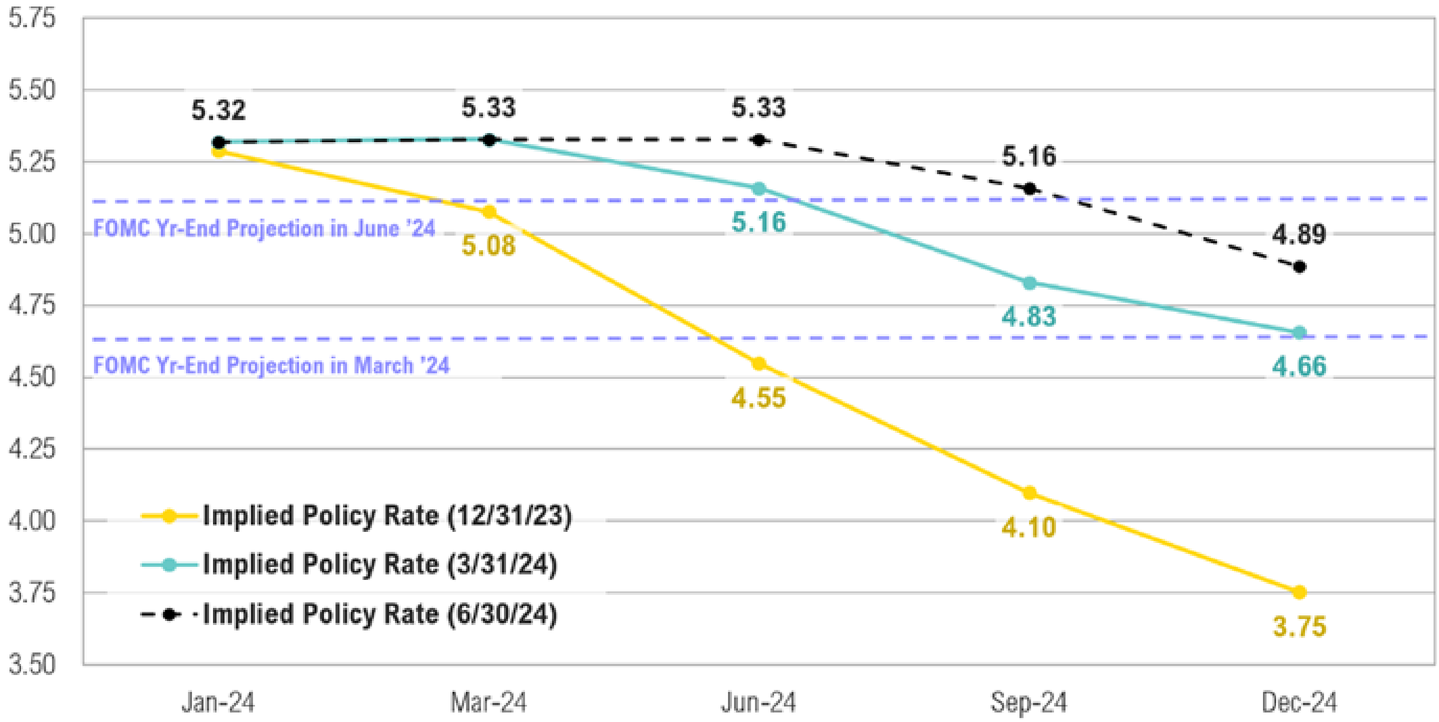
Overview

In the second quarter, U.S. markets experienced mixed results. U.S. large cap stocks climbed 4.3% over the quarter, bringing the S&P 500's year-to-date return to 15.3%. In contrast, U.S. small cap stocks ended the quarter down -3.3%, and the Russell 2000 has gained only a modest 1.7% year to date. This is only the tenth time since 1990 that the spread between U.S. large caps and U.S. small caps has exceeded 7.0%, and most of those occurred in the lead-up to the tech bubble. The Bloomberg U.S. Aggregate Bond Index ended the quarter nearly flat at 0.1% and finished the first six months of the year down -0.7%.

June marked the two-year anniversary since U.S. inflation hit a four-decade high of 9.1%. Since then, inflation has been on a rocky road back down, dropping to 3.0% in June 2023 and slightly rising at the end of May 2024 to 3.3%. At the June Federal Open Market Committee (FOMC) meeting, the Federal Reserve opted to keep interest rates unchanged for the seventh consecutive meeting, and Fed chair Jerome Powell reiterated that the central bank did not yet have the necessary confidence to start cutting interest rates. Market expectations for interest rate cuts dramatically shifted over the first half of 2024: In January, markets expected the equivalent of seven rate cuts, but by June, markets were expecting just one cut in 2024.

Market Expectations for Rate Cuts Have Notably Declined Since January

Implied Fed Funds Rate, %



Source: Bloomberg. FOMC projections are medians.

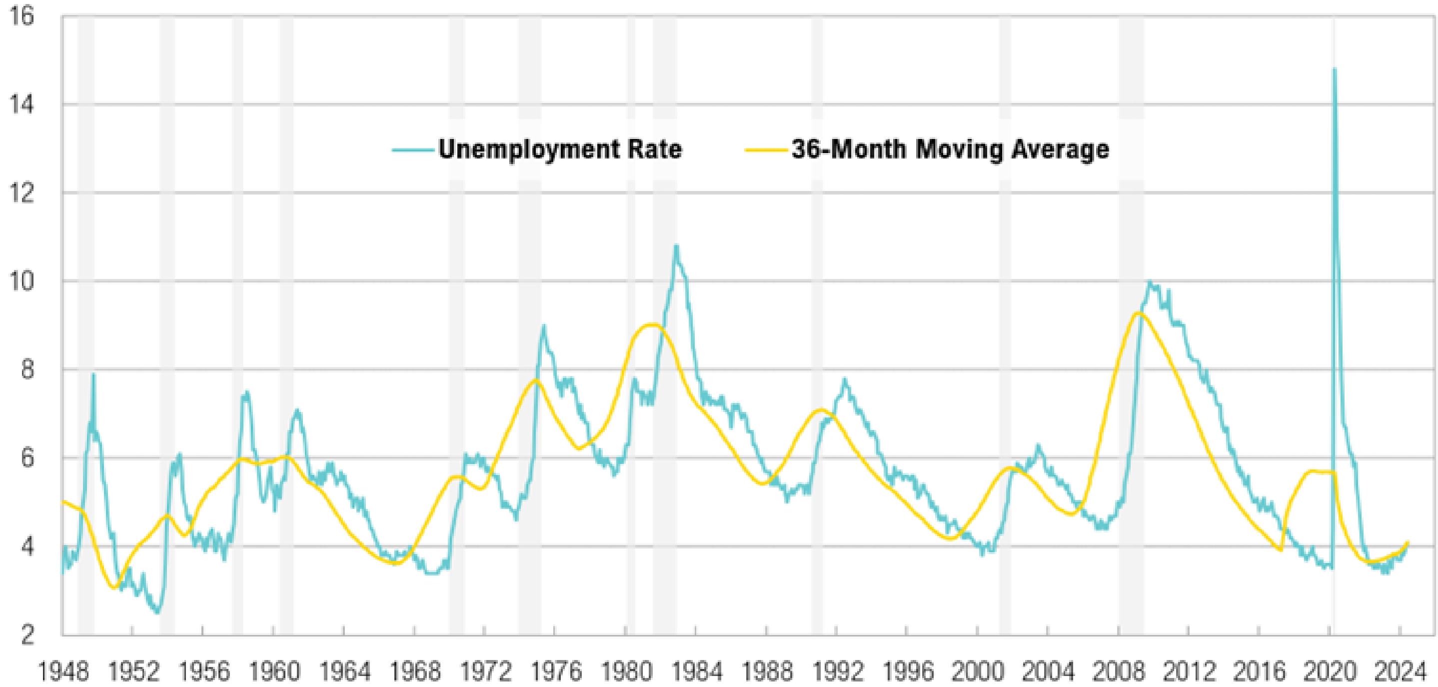
First-quarter earnings results showed that S&P 500 companies fared better than analysts expected. Year-over-year earnings growth for the quarter rose from an expected 3.4% at the end of March to 5.9% at the end of June. For second-quarter earnings, the S&P 500 is expected to report year-over-year earnings growth of 8.8%, and full-year 2024 earnings growth estimates have now hit 11%. Eight of the eleven S&P 500 sectors reported year-over-year earnings growth, led by communication services at 34%, utilities at 32%, and information technology at 25%. A short list of companies, particularly in these sectors, continue to drive earnings growth and dominate market returns. For example, if Meta and Alphabet are excluded from these results, earnings growth in the communication services sector falls from 34% to just 1.8%.

Overall, the U.S. consumer remained resilient throughout the first half of 2024. Personal income data remained stable, increasing at an average month-over-month rate of 0.5% for the first five months of 2024 (the most recent data available), compared to the 0.4% average monthly increase for the first five months of 2023. This, along with consumer access to credit and buy-now-pay-later (BNPL) programs, suggests that consumer spending may be able to persist despite higher interest rates. However, consumer sentiment dropped notably over the past quarter. The University of Michigan's consumer sentiment index dropped from a two-year high of 79.4 at the end of March to 68.2 in June, its sharpest three-month fall since April 2022.

Consumers' willingness to spend appears intact thanks to the solid labor market. Although the U.S. unemployment rate remains low, at 4.1%, it has slowly been trending higher, crossing above its 36-month moving average of 4.0% for the first time in four years—a trend that historically has been followed by a more noticeable increase in the jobless rate. Job openings climbed higher in May, to 8.1 million, from a downwardly revised 7.9 million in April. The May JOLTS (Job Openings & Labor Turnover Survey) report highlighted a notable development in the U.S. labor market: For every job seeker, there were still 1.22 job openings, which suggests some persistent tightness in the labor market. The quits rate has also held steady at 2.2% for seven consecutive months, slightly above the 20-year average of 2.0%.

Historically Tight Labor Market has Started to Soften

U.S. Unemployment Rate vs 36-Month Moving Average



Source: Bloomberg

Additional signs of softening economic data emerged over the second quarter. Final first-quarter GDP estimates showed that quarter-over-quarter annualized growth dropped from 3.4% to 1.4%, and the consumer spending portion of GDP was revised down from 2% to 1.5%. Despite ongoing consumer spending, retail sales declined by -0.2% month-over-month in April and rebounded only slightly in May, rising by 0.1%. Moreover, the ISM Services PMI unexpectedly dropped back into contractionary territory in June, falling to 48.8 (less than 50 indicates contraction) while the ISM Manufacturing PMI remained in contractionary territory in June. The services PMI declined primarily due to lower business activity, fewer new orders, and persistently high prices.

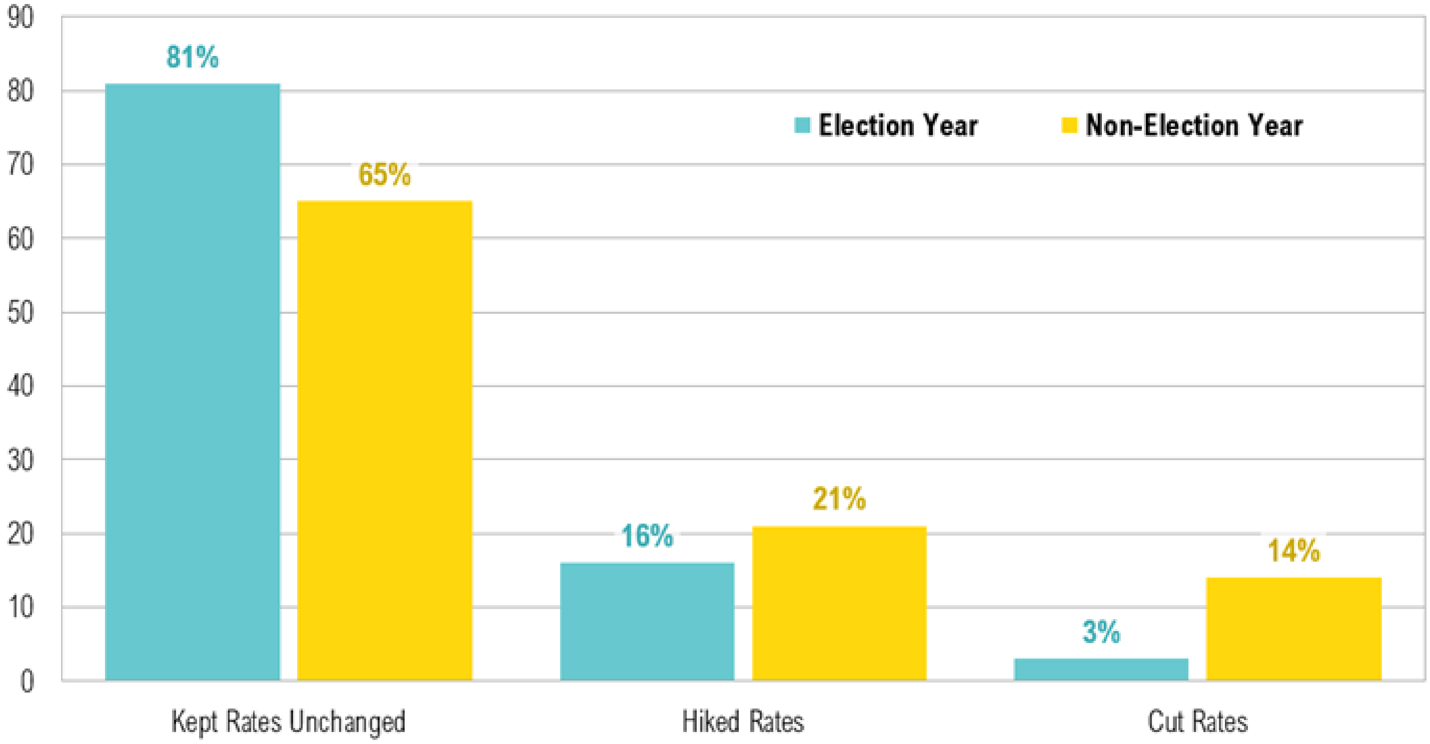
Status Quo

Despite showing a marked improvement from the four-decade high of 9.1%, U.S. inflation remains well above the Fed's official 2% target, at 3.3% as of 6/30. While the Fed has maintained interest rates at 5.25% to 5.5% for nearly twelve months, other central banks worldwide have started to reduce rates. On April 3, the Swiss National Bank became the first G10 central bank to cut interest rates this cycle. On June 5, the Bank of Canada lowered interest rates by 25 basis points, and on June 6, the European Central Bank followed suit, marking their first rate cut since 2019.

Although the Fed's economic projections have been revised downward from two cuts to one rate cut for this year (and the year-end inflation rate has been revised upward from 2.6% to 2.8%), history shows that the Fed prefers to keep rates unchanged as a presidential election draws near. Between 1994 and 2023, the Fed kept interest rates unchanged 81% of the time in the six months leading up to election day and cut rates only 3% of the time—all during 2008. Also, at its May FOMC meeting, the Fed announced plans to taper quantitative tightening, implying it will purchase approximately $500 billion in Treasuries over the next twelve months. So, for now, it seems that the Fed is content with the status quo of elevated interest rates and inflation above 2%.

The Fed Tends to Keep Interest Rates Unchanged as Election Day Nears

Average FOMC Rate Decision Between May and November (1994 – 2023), %



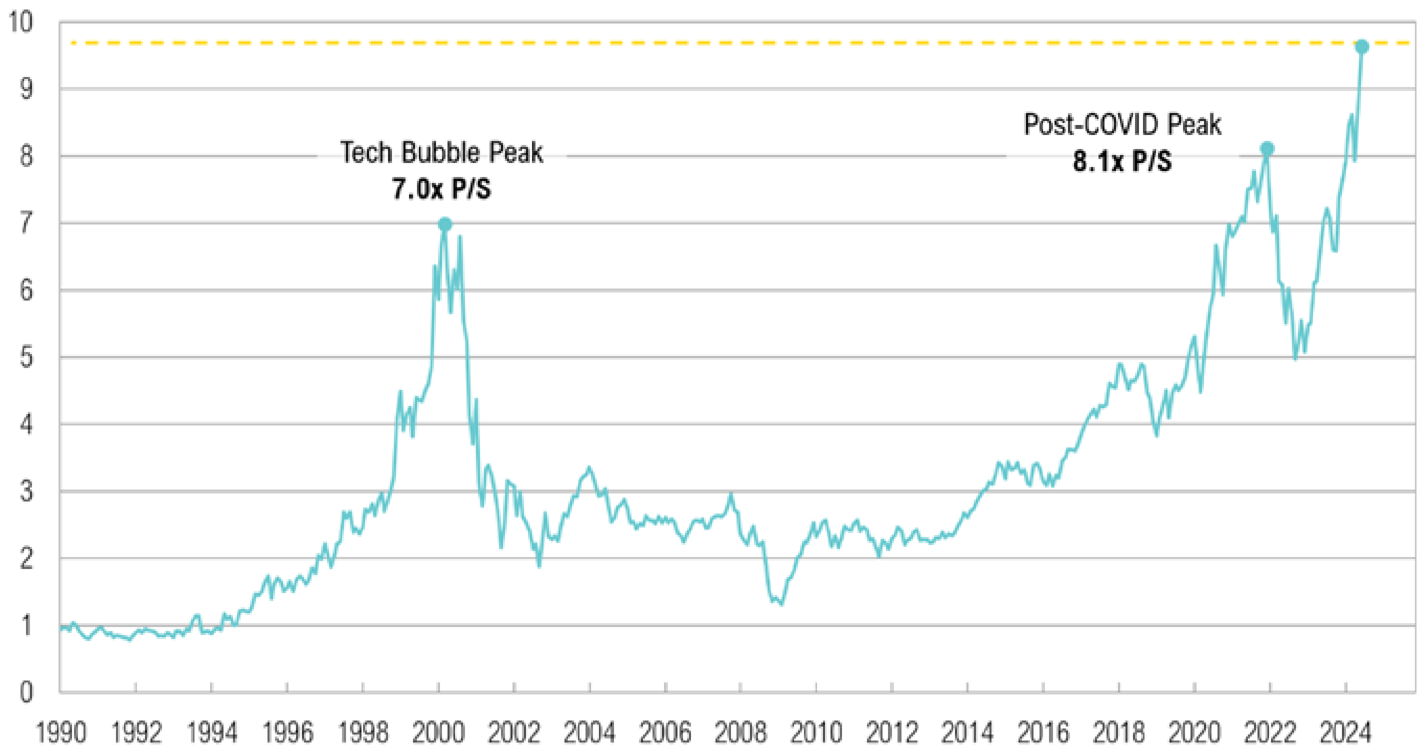
Source: Federal Reserve, Bespoke Investment Group. Analysis between 1/1/1994 and 8/31/2023.

Bolstered by mega-cap technology companies and continued enthusiasm surrounding artificial intelligence, the S&P 500 ended the second quarter up 4.3%. The technology sector fared best, gaining 14% over the quarter, followed by communication services, which gained 9%, and utilities, which ended the quarter up 5%. The Magnificent Seven—Apple, Microsoft, Meta, Alphabet, Amazon, Tesla, and Nvidia—have gained more than 35% year to date, compared to the 8% gain of the other 493 stocks in the S&P 500. Only 17% of S&P 500 stocks outperformed the index in June, compared to the historical average of 49%, marking the lowest participation rate in at least a decade. Furthermore, the correlation between the S&P 500 market cap and equal-weighted indices is among the lowest in 25 years. This unusual narrowness is at least partially justified by earnings growth trends. In 2023, the Magnificent Seven enjoyed year-over-year earnings growth of 19.3% while the rest of the S&P 500 (or the S&P 493) saw earnings decline by -1.4%. The divergence in earnings growth is expected to continue in 2024, as full-year earnings for the Magnificent Seven are expected to rise by 53.5% while earnings for the rest of the S&P 500 are expected to rise by only 4.2%.

This mega-cap tech rally has been accompanied by historically low levels of volatility. The S&P 500 has now experienced its longest period since the Global Financial Crisis without a daily decline of -2% or more, and the ongoing rise in tech stocks has pushed valuations higher. The S&P 500 technology sector ended June at a 9.8x price-to-sales (P/S) ratio, compared to the tech bubble peak of 7.0x. Similarly, the median S&P 500 technology stock ended June with a 6.6x P/S compared to 5.5x at the peak of the tech bubble. This market exuberance was further captured in investor sentiment: Bank of America's Fund Manager Survey showed its most bullish sentiment since November 2021. Meanwhile, expectations for a global "hard landing" made new lows, while household stock allocations hit a 70-year high of 34.5%.

Tech Sector Price to Sales Ratio Ended June 40% Higher Than Tech Bubble Peak

S&P 500 Information Technology Sector, Price to Sales Ratio



Source: Bloomberg

The precarious fiscal situation in the U.S. continues. The fiscal year-to-date budget deficit has reached $1.2 trillion. On June 18, the Congressional Budget Office (CBO) revised the expected fiscal budget deficit upward to $1.9 trillion (or 6.7% of GDP)—a 27% increase from its original February estimate of $1.5 trillion. This level of deficit spending is more akin to an economy in recession or one dealing with a global pandemic. Net interest outlays, which are projected to increase significantly, are expected to constitute a growing share of the deficit—rising from $650 billion in 2023 to $892 billion in 2024—and they are expected to increase to $1.7 trillion by 2034. Unadjusted for inflation, the U.S. is expected to add as much debt in the next decade as it did from 1789 to 2021. A key takeaway from the June 27th presidential debate, was a lack of focus on fiscal responsibility. Neither candidate proposed measures for budget restraint, likely reinforcing the recent CBO projections for an escalating fiscal budget deficit.

Bond markets have remained stable despite higher inflation and continued fiscal spending. Throughout the quarter, yields were relatively contained. The yield curve shifted higher in April on hotter-than-expected inflation data, but it flattened again following a series of softer economic data prints over the last two months of the quarter, specifically when lower first-quarter GDP revisions and ISM PMIs dropped into contractionary territory. The 10-year Treasury yield ended the quarter at 4.4%, and the 2-year Treasury yield ended the quarter at 4.7%.

Treasury yields jumped higher in the closing days of the quarter, likely due to concerns over the fiscal implications of a possible Republican sweep in November. History shows that budget deficits tend to expand when one party controls both Congress and the White House. Increased deficits (which seem inevitable, at least in the shorter term) could lead to an increased supply of bonds and may put downward pressure on Treasury prices. Despite these concerns, slowing growth and inflation appear to be enough to keep the bond market content, with yields remaining relatively contained.

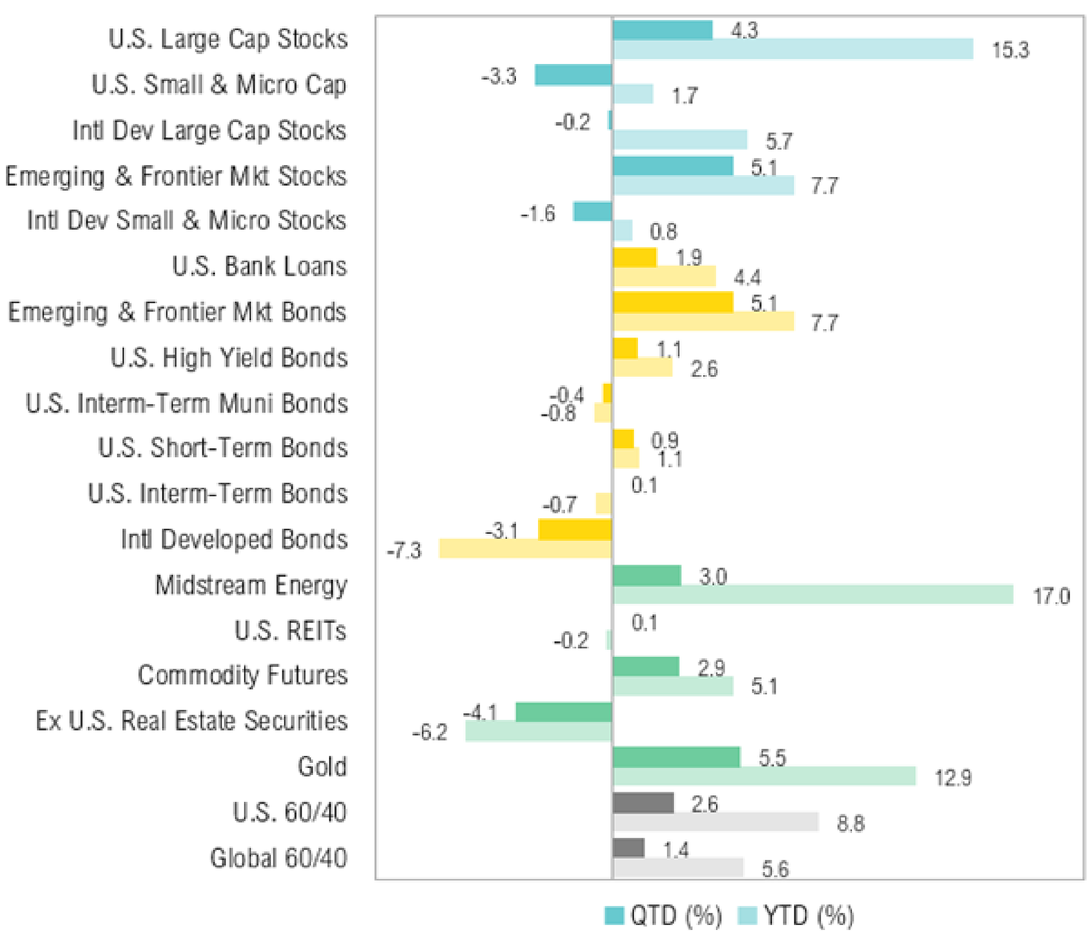
Markets

In equity markets, emerging and frontier market stocks were the top performers, gaining 5.1% over the quarter. Performance in several emerging markets was largely determined by election outcomes, including notable elections in South Africa, Mexico, and India. The MSCI South Africa Index ended the quarter up 12.3%, the MSCI Mexico Index ended the quarter down -16.1%, and the MSCI India Index ended the quarter up 10.2%. Bolstered by a handful of mega-cap tech companies, U.S. large cap stocks ended the quarter up 4.3%. U.S. small cap stocks were the worst-performing group, ending the quarter down -3.3%. U.S. intermediate-term bonds ended the quarter up 0.1% and are down -0.7% year-to-date.

Gold ended the second quarter up 5.5%, reaching a new record high of $2,446 per ounce on May 20. After dropping to $73.2 per barrel on June 4, West Texas Intermediate (WTI) crude ended the quarter at $81.5 per barrel. Gas prices, which had been slowly declining after peaking at $3.8 per gallon on April 22, ticked higher as oil surpassed $80 per barrel, and the national average of regular unleaded gas ended June at $3.6 per gallon.

The Japanese yen reached the lowest levels in nearly four decades on June 28, declining to ¥161 against the U.S. dollar. Over 60 countries will hold general elections over the course of 2024, and more than two billion people are registered to vote this year. In France, the first round of snap elections, held on June 30, led to protests, and the final outcome will be determined in the first week of July. The MSCI France Index ended the quarter down 7.5%, in part due to election uncertainty.

Q2 2024 Key Market Total Returns



Source: Bloomberg

Looking Forward

Capital markets have been in risk-on mode since the Fed's pivot in December 2023. Since then, U.S. large cap stocks have gained 19.1%, and U.S. intermediate-term bonds have seen only a 2.1% increase. Although elements of this market environment seem unsustainable, there is no reason the current unusual dynamics cannot continue as long as the underlying conditions remain intact—such as dramatic fiscal spending, an implicitly higher inflation target, the gradual reduction of quantitative tightening, a stable labor market, and decent economic growth. As long as these factors are maintained, and longer-term bond yields remain stable, the economy and capital markets could have sufficient liquidity to function and maintain the status quo".

As always, if you have any questions or would like to schedule a meeting with one of our investment professionals, please don't hesitate to call us at 508-693-8850.

Sincerely,

Luke Murphy
Managing Director,
Martha's Vineyard Investment Advisors

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MVIA's knowledgeable advisors offer financial solutions that include:

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-Financial Advisory
-Family Office Services
-Business Consulting
-Estate Planning
-Retirement Planning & Consulting
-Non-Profit Investing
-Comprehensive Financial Planning
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-529/Education Planning

Learn more: Visit www.mvinvestmentadvisors.com

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Performance Disclosures

All market pricing and performance data from Bloomberg, unless otherwise cited. Asset class and sector performance are gross of fees unless otherwise indicated.

Citations

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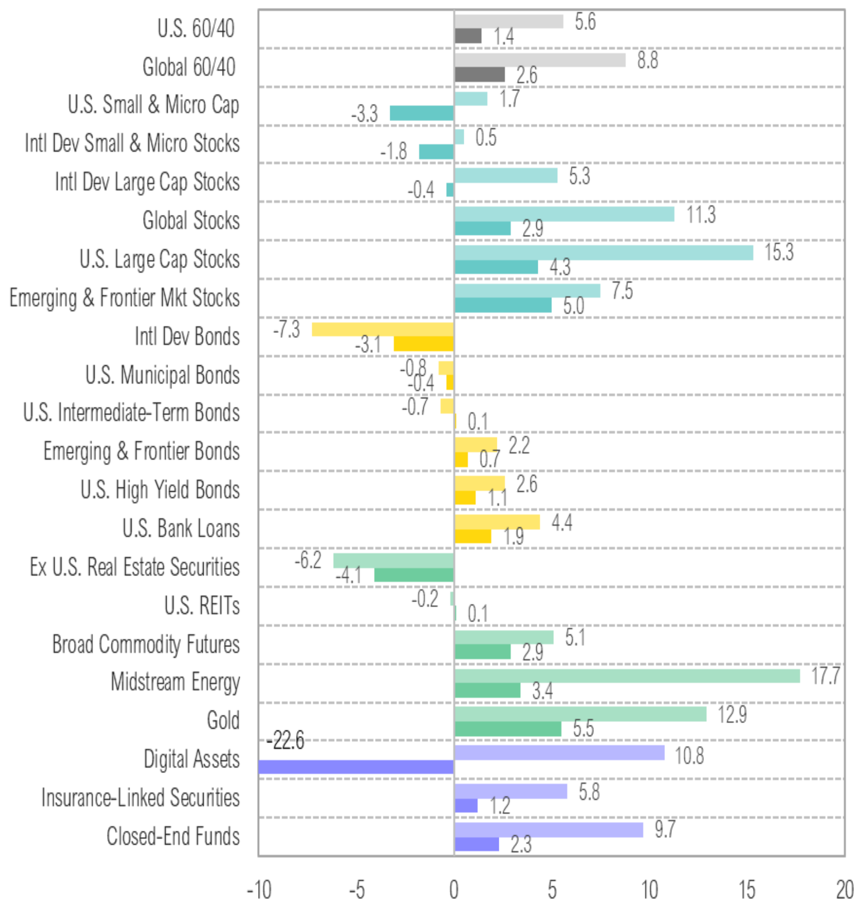
MARTHA'S VINEYARD
INVESTMENT ADVISORS

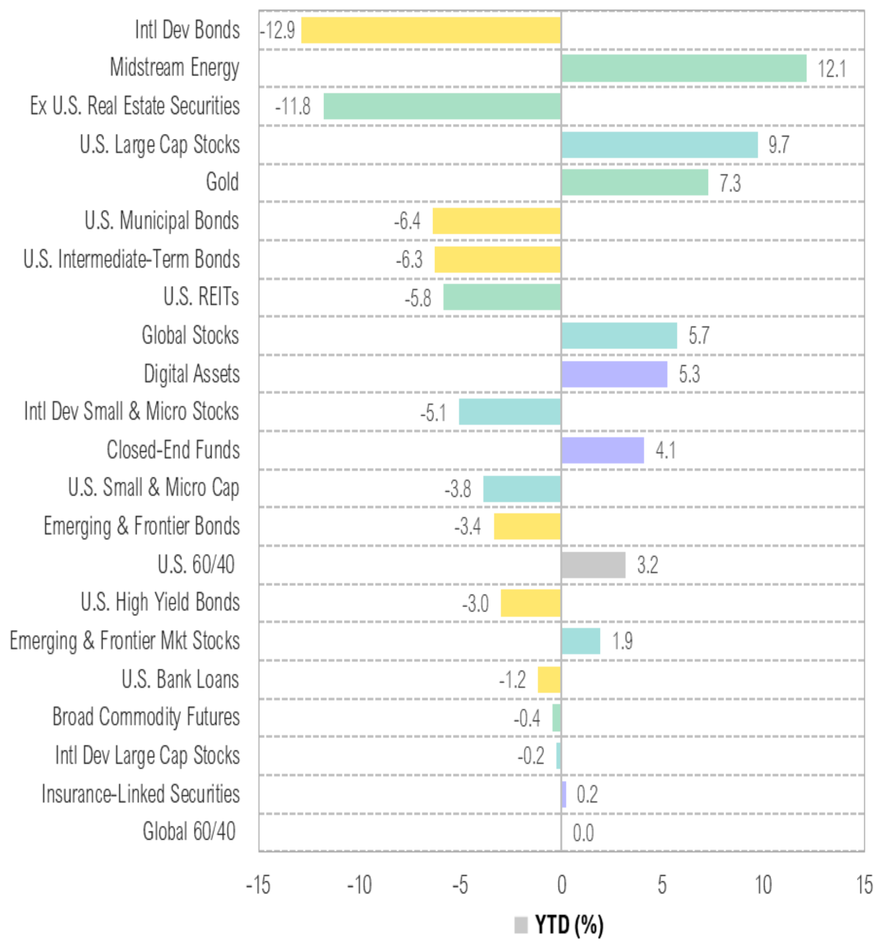
MVIA Market Outlook

3Q, 2024

SEE IMPORTANT DISCLOSURES AT THE END OF THIS PRESENTATION

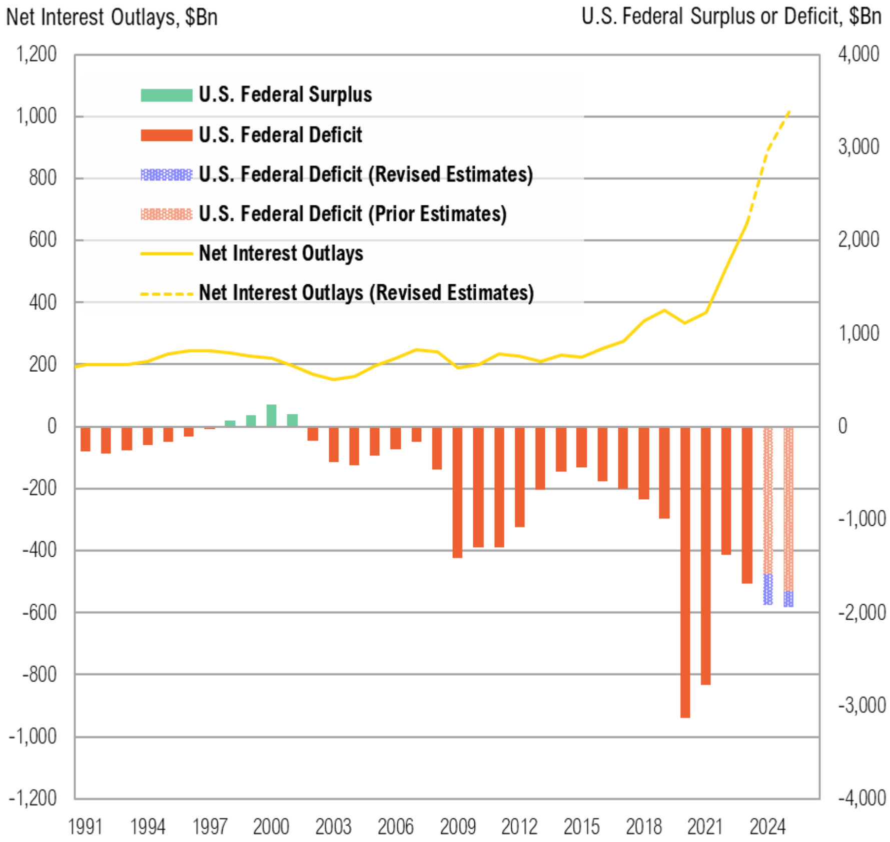
Risk assets fared well over the second quarter, while interest rate-sensitive areas of the market lagged

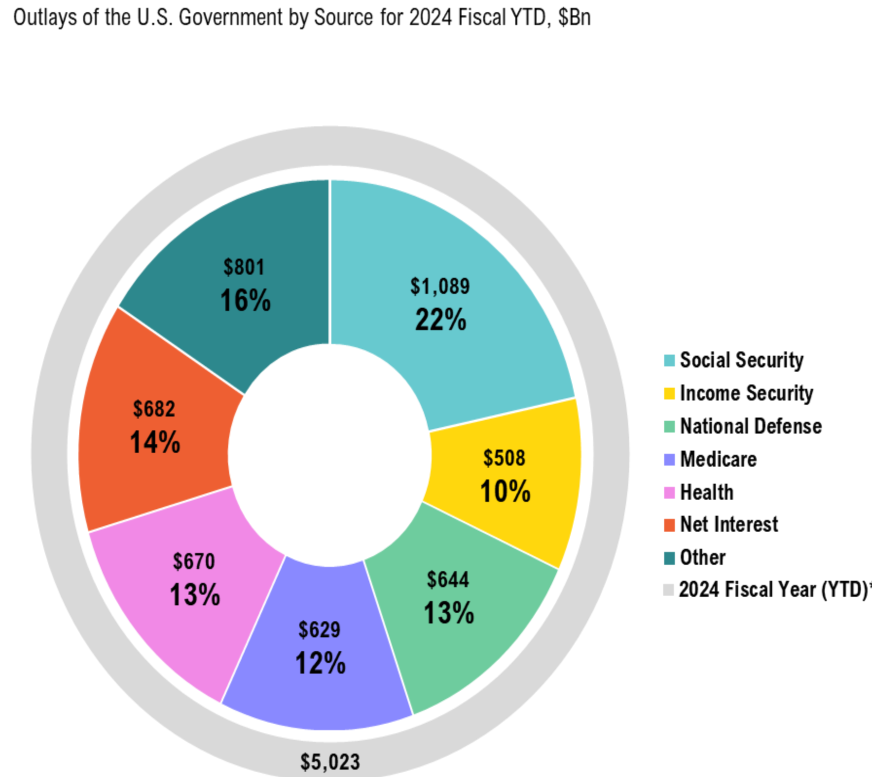




Source: Bloomberg. Returns for periods greater than 1 year are annualized.

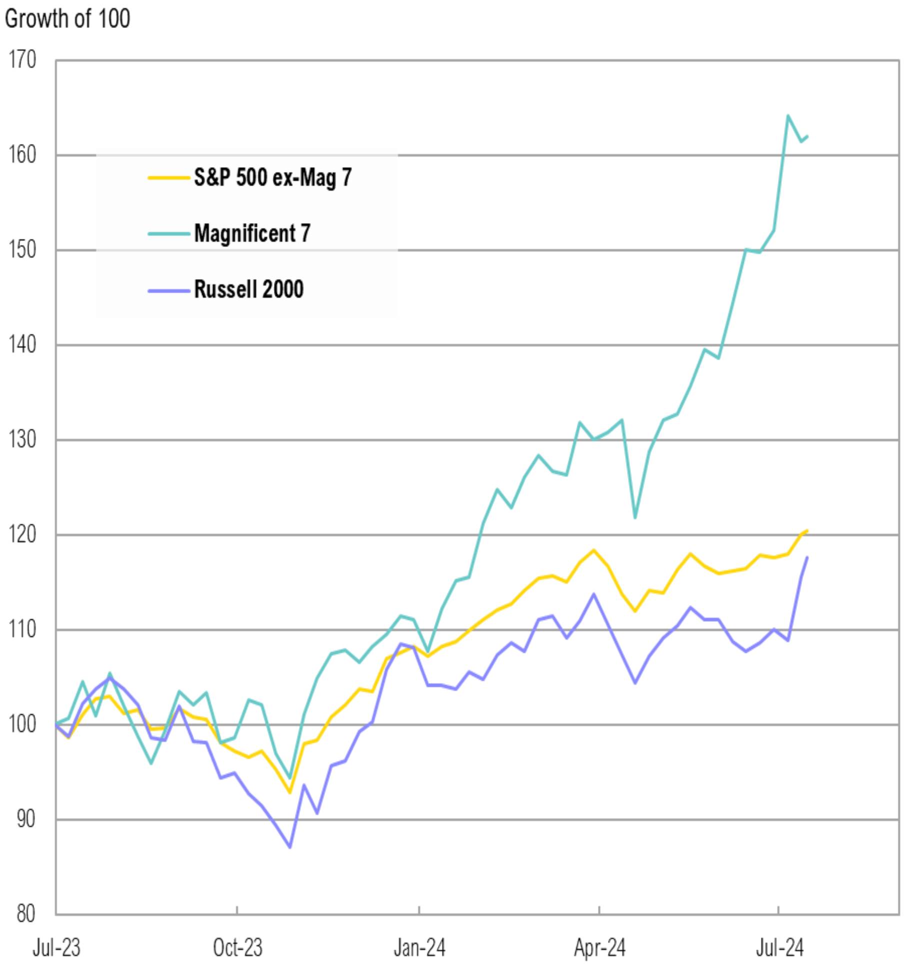
The fiscal budget deficit for this year is already at $1.27Tn, and the CBO has revised deficit estimates upwards for 2024 and 2025

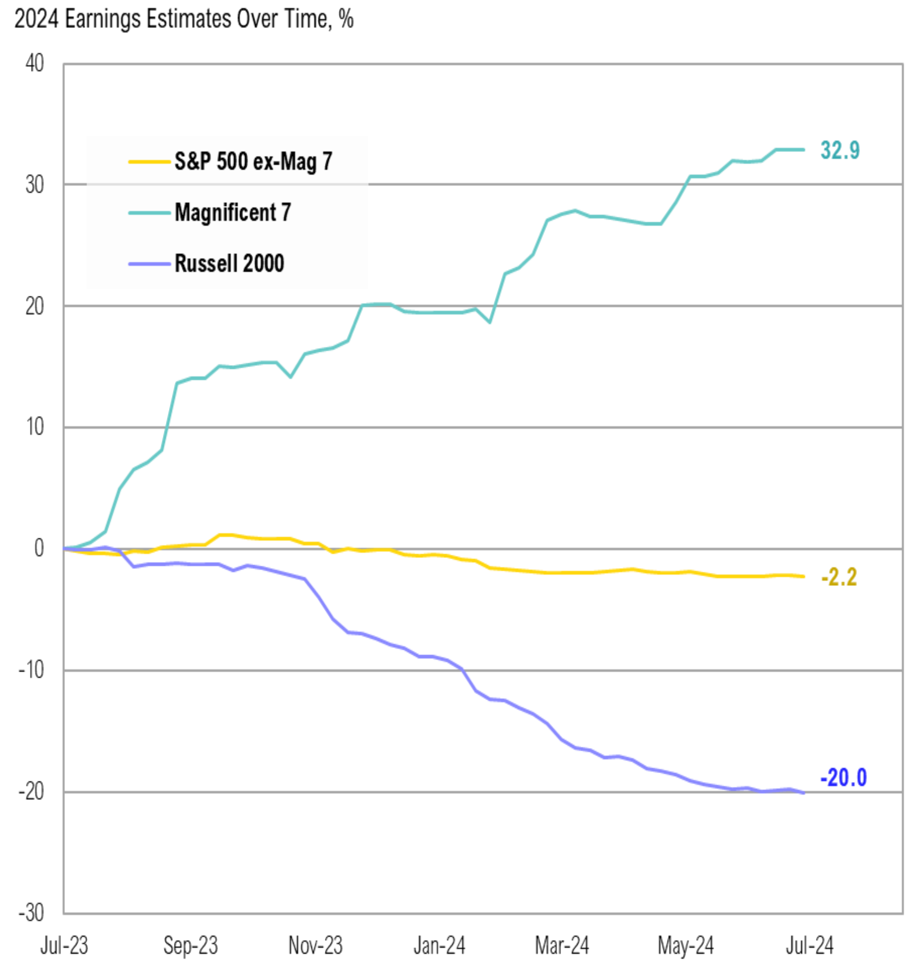




Source: Bloomberg, Congressional Budget Office, U.S. Department of Treasury. *Fiscal year 2024 started on 10/1/2023.

The outperformance of the Magnificent 7 over the S&P 500 and Russell 2000 in the past year has been somewhat justified by strong earnings revisions; will this continue?

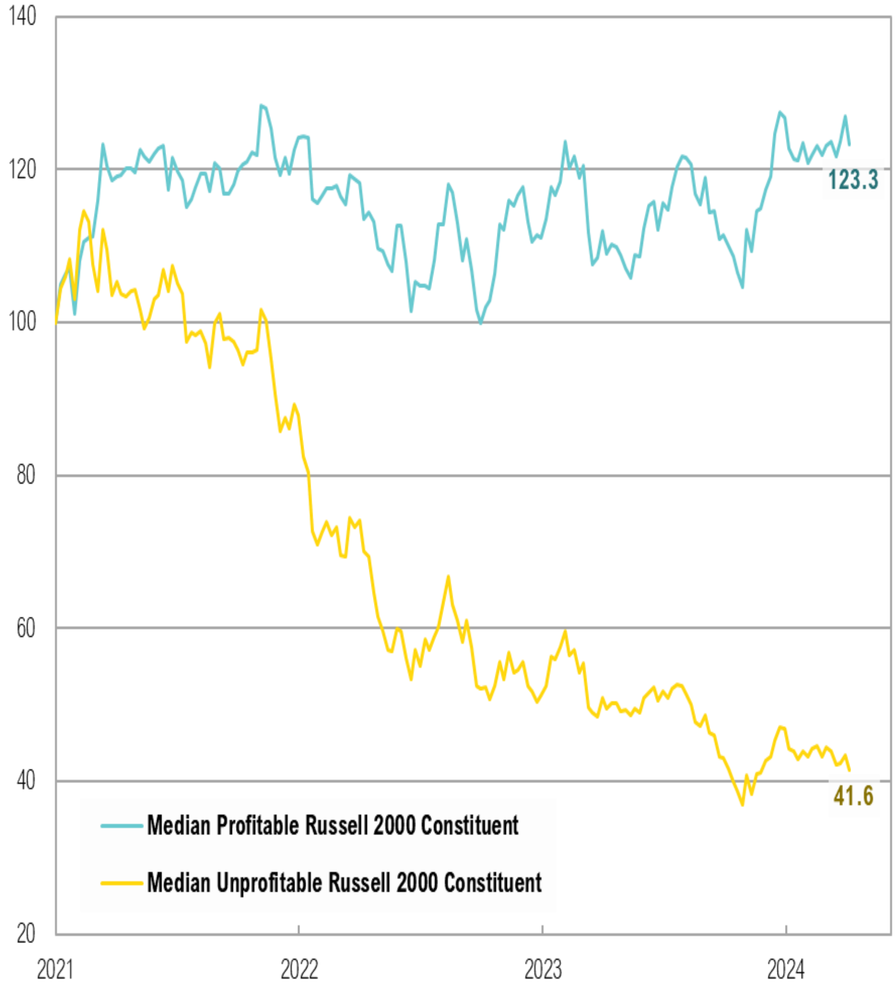




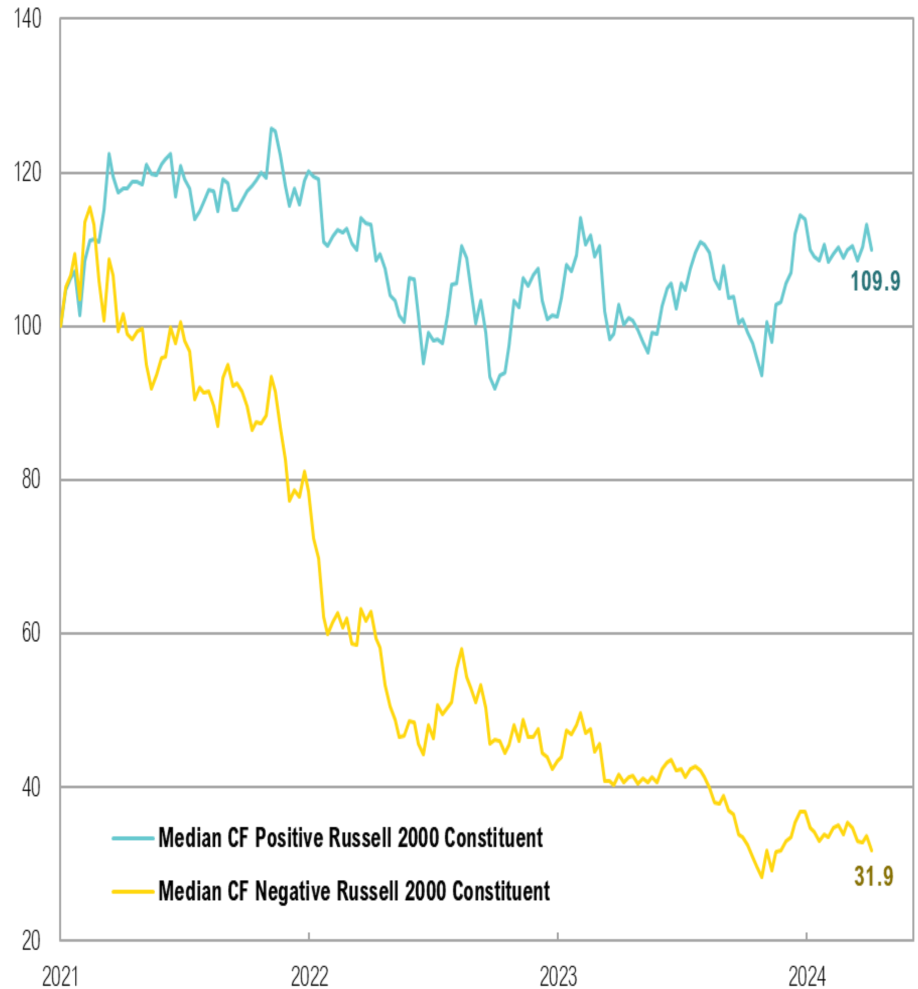
Source: Bloomberg

This is the longest period since pre-GFC without a daily decline of at least 2.05% in the S&P 500; only 22% of S&P 500 members are outperforming the broader index

Growth of 100, Profitable vs. Unprofitable

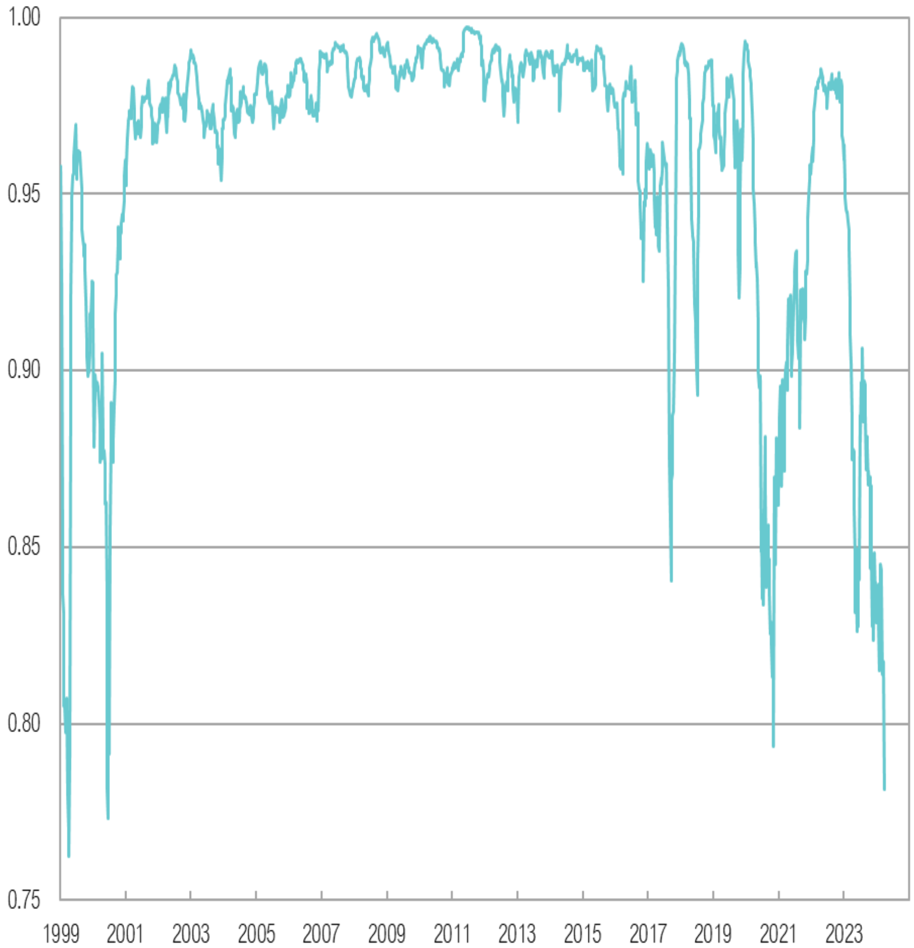


Growth of 100, Cash Flow Positive vs. Cash Flow Negative

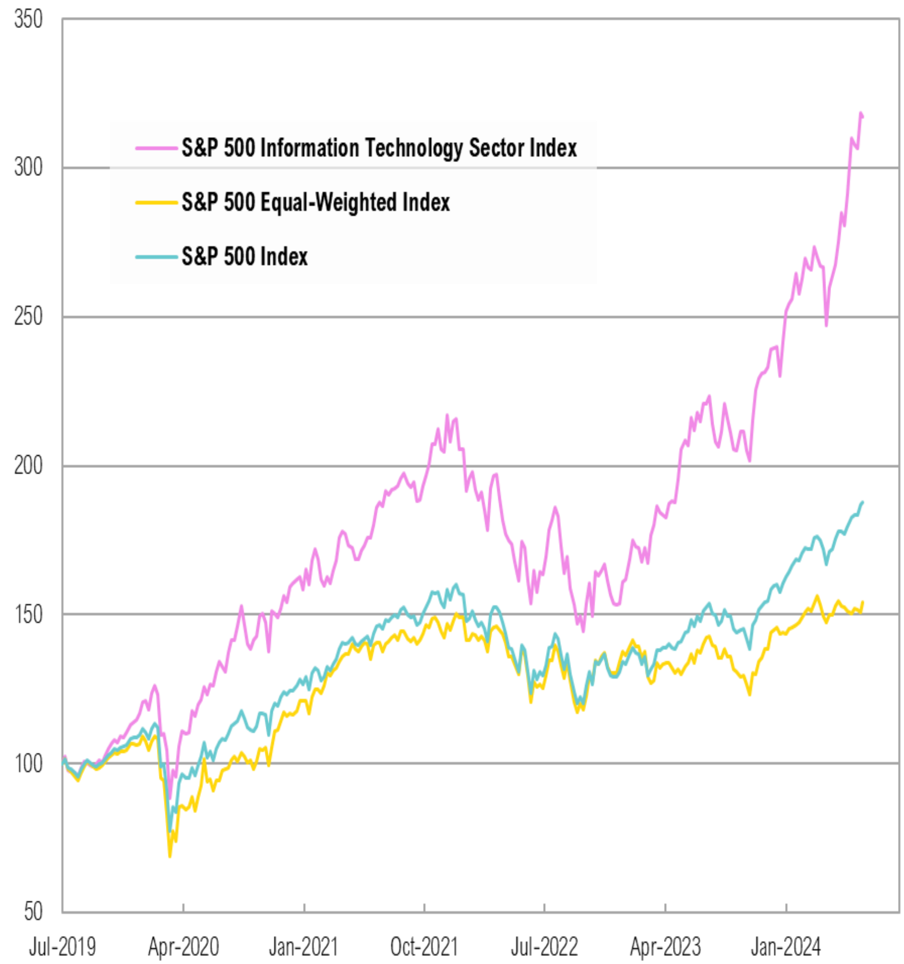


Correlation between the S&P 500 market cap and equal-weighted indices is among the lowest in 25 years

S&P 500 vs S&P 500 Equal-Weighted Index, Rolling 3-Month Correlation



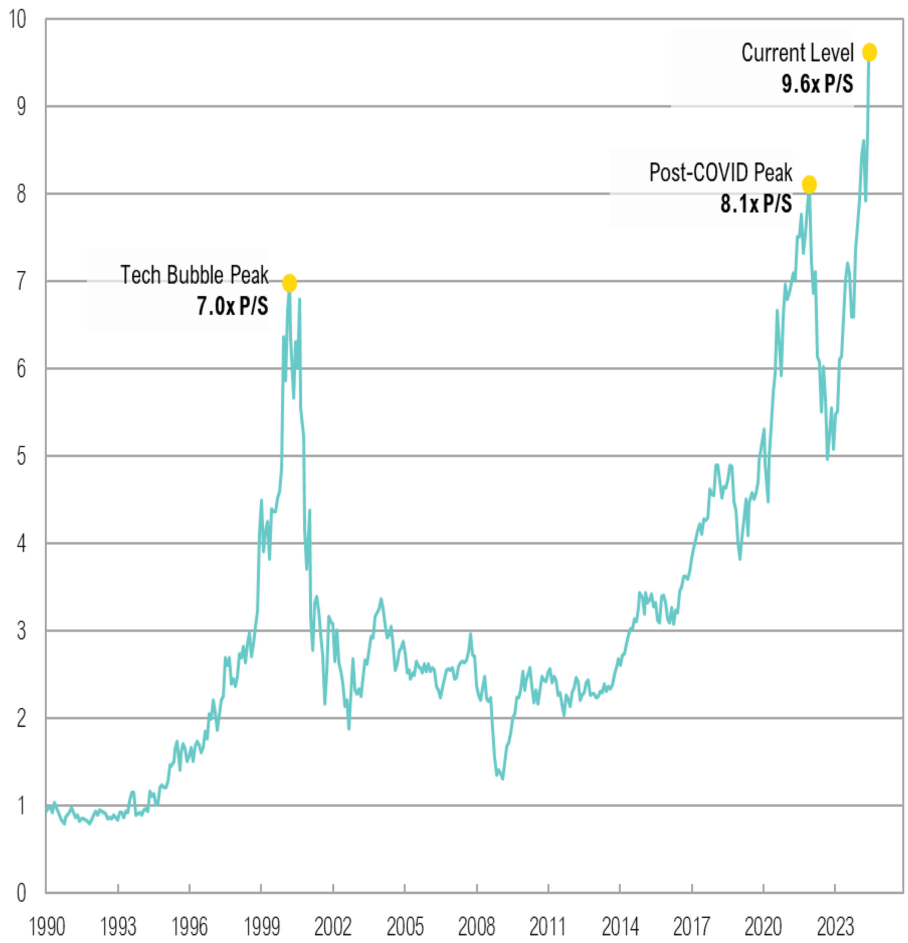
Growth of 100



Source: Bloomberg

The tech sector P/S ratio is currently 40% higher than peak Tech Bubble levels: NVDA (41.9x P/S) and MSFT(14.0x P/S) together account for >40% of the sector; the median tech stock trades at a 6.6x P/S

S&P 500 Information Technology Sector, Price to Sales Ratio



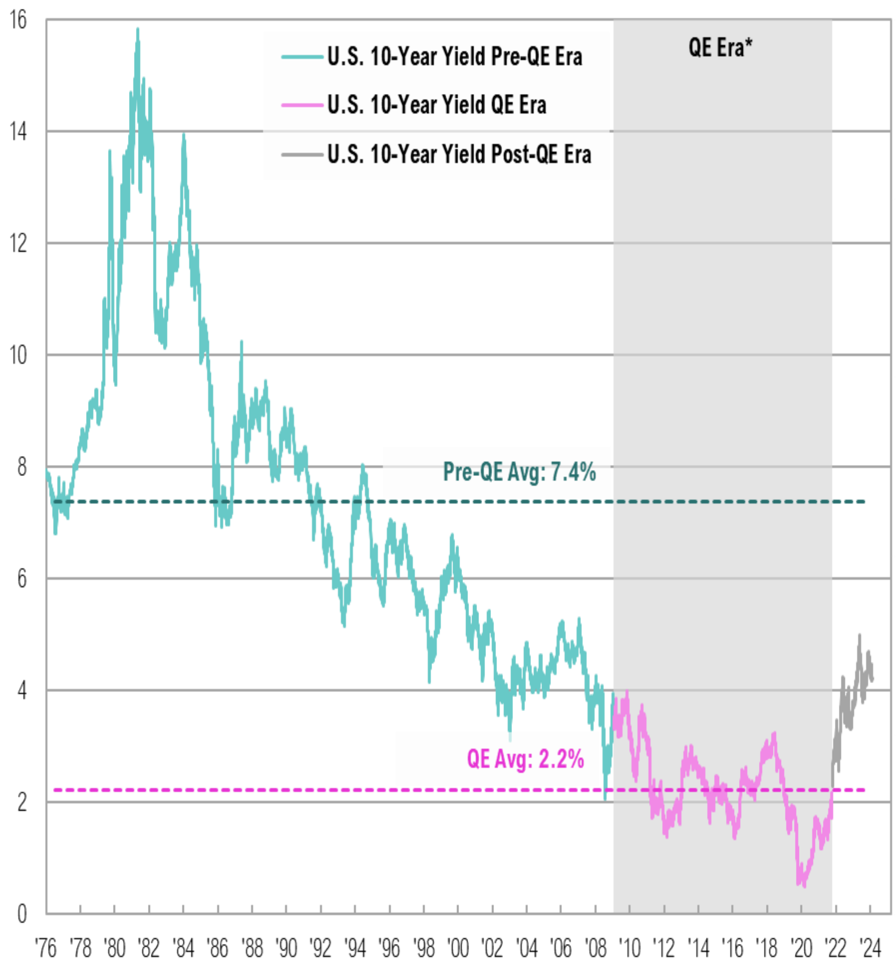
Source: Bloomberg

S&P 500 Information Technology Sector: Top 20 Holdings

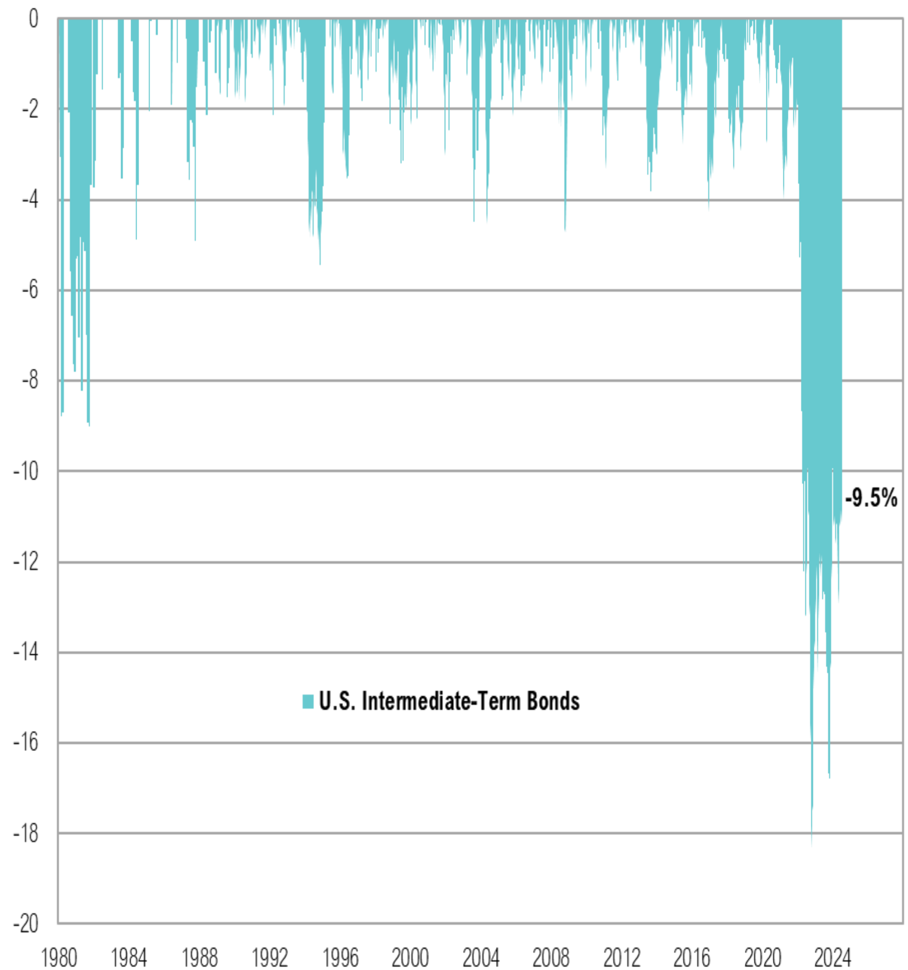
Name	Weight	P/S	P/E	Fwd P/S	Fwd P/E
Microsoft Corp	21.7%	14.0	38.6	11.9	33.7
NVIDIA Corp	21.7%	41.9	78.9	24.6	44.6
Apple Inc	19.4%	8.7	33.3	8.1	30.2
Broadcom Inc	5.5%	18.5	68.5	14.8	32.3
Advanced Micro Devices Inc	1.8%	11.0	207.3	8.7	34.8
QUALCOMM Inc	1.7%	7.0	30.1	6.2	20.8
Adobe Inc	1.6%	11.6	39.4	10.3	26.8
Oracle Corp	1.5%	7.5	37.2	6.8	23.0
Salesforce Inc	1.5%	6.3	39.4	5.7	22.5
Applied Materials Inc	1.4%	7.8	29.9	7.1	26.8
Cisco Systems Inc	1.3%	3.4	14.3	3.4	12.9
Accenture PLC Class A Ordinary Shares	1.2%	2.8	23.2	2.6	22.3
Texas Instruments Inc	1.2%	10.6	31.8	10.6	33.5
Intuit Inc	1.2%	10.8	56.0	9.5	32.3
Micron Technology Inc	1.1%	9.2		4.9	20.8
International Business Machines Corp	1.1%	2.5	18.6	2.4	16.7
ServiceNow Inc	1.0%	15.8	143.2	12.5	49.4
Lam Research Corp	1.0%	10.1	38.9	8.1	30.0
Intel Corp	0.9%	2.3	30.7	2.2	20.6
KLA Corp	0.8%	12.2	38.3	10.4	30.2
Other	11.5%	n/a	n/a	n/a	n/a
Total S&P 500 Tech Index	**100%**	**9.6**	**44.2**	**8.5**	**31.0**
Median S&P 500 Tech Constituent		**6.6**	**34.1**	**5.7**	**23.0**

We are in the biggest bond bear market of all time; bonds peaked in August 2020 and have not recovered yet

10-Year Treasury Yield, %



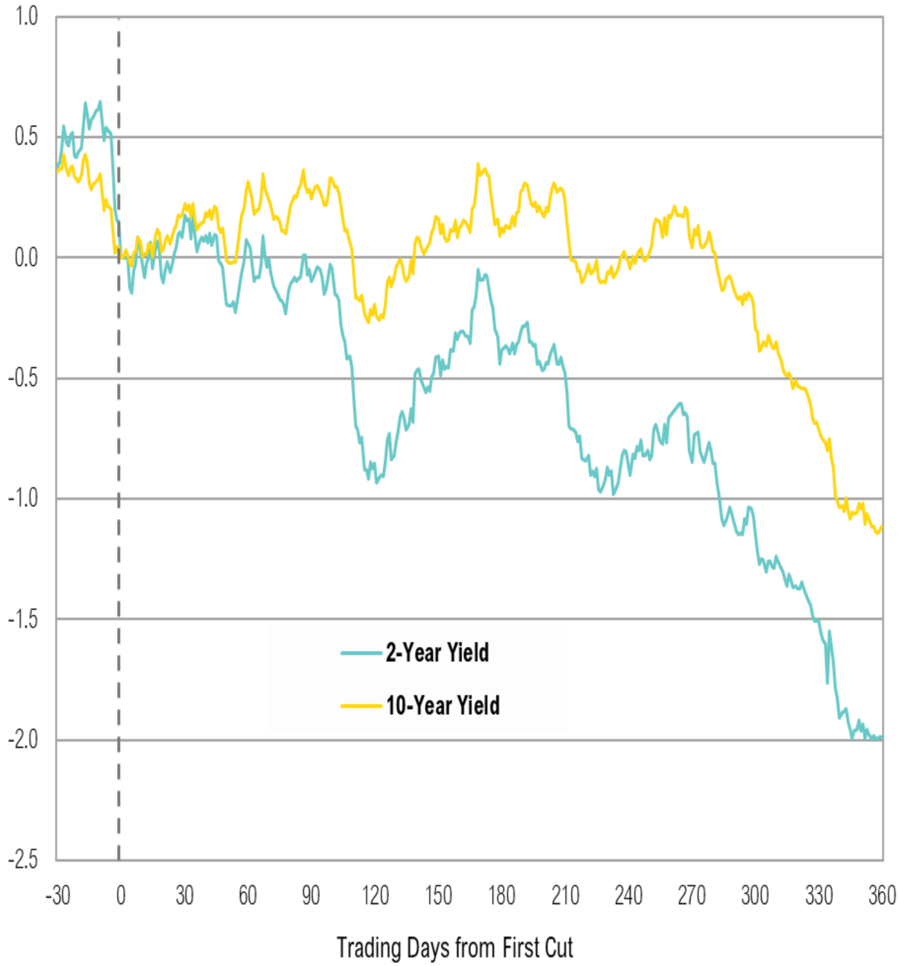
Drawdown, Total Return %



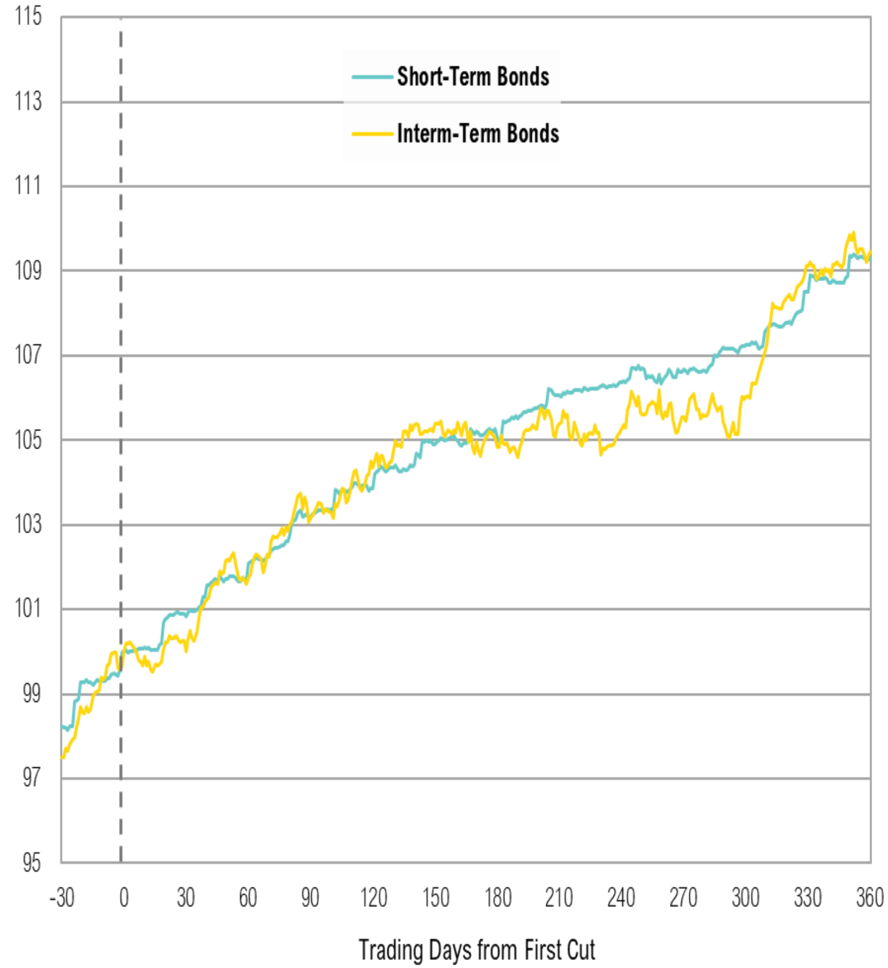
Source: Bloomberg. *QE Era defined as per Bianco Research from 6/30/2009 – 3/16/2022.

During cutting cycles, the shorter end of the yield curve responds more aggressively than the longer end; underweight duration is a good place to be

Absolute Change in Yield, %, Avg. Previous 6 Major Cutting Cycles



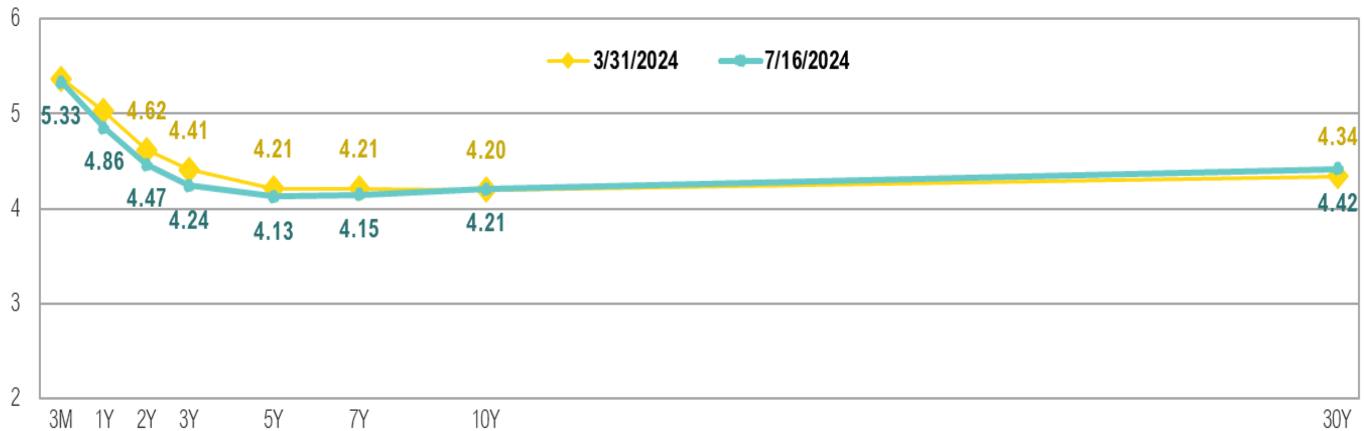
Growth of 100, Average of Previous 3 Major Cutting Cycles



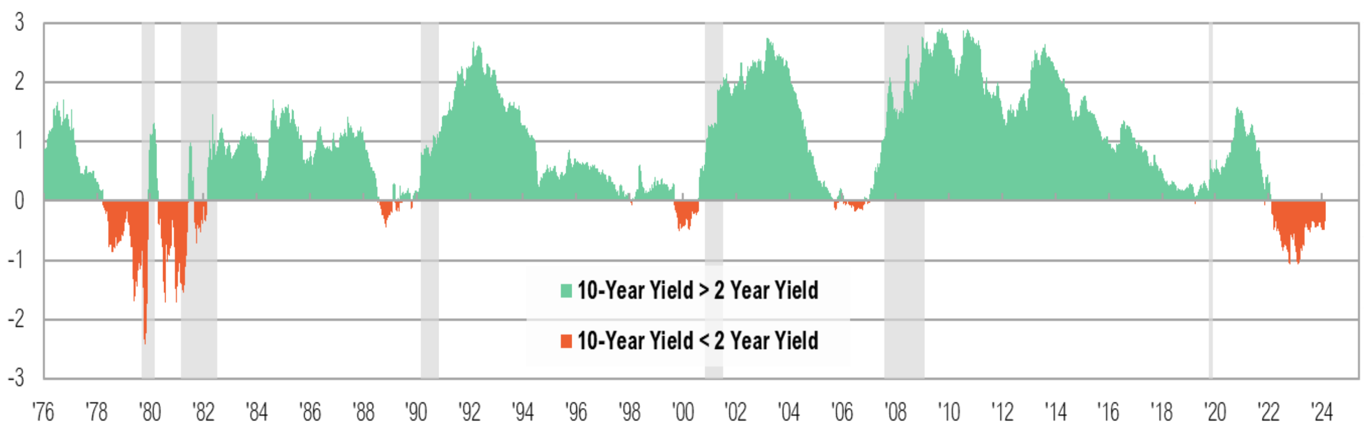
Source: Bloomberg, SpringTide. Major cutting cycles include 2007, 2001, 1995, 1989, 1984, 1981 and 1980. See appendix for asset class & index definitions.

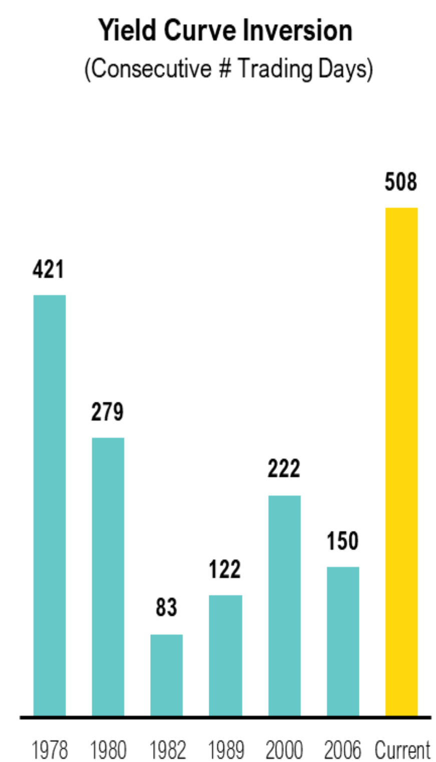
The yield curve remained relatively unchanged over the quarter; it has now been more than 2 years since the yield curve inverted and remains inverted at -26bps

U.S. Treasury Yield Curve, %



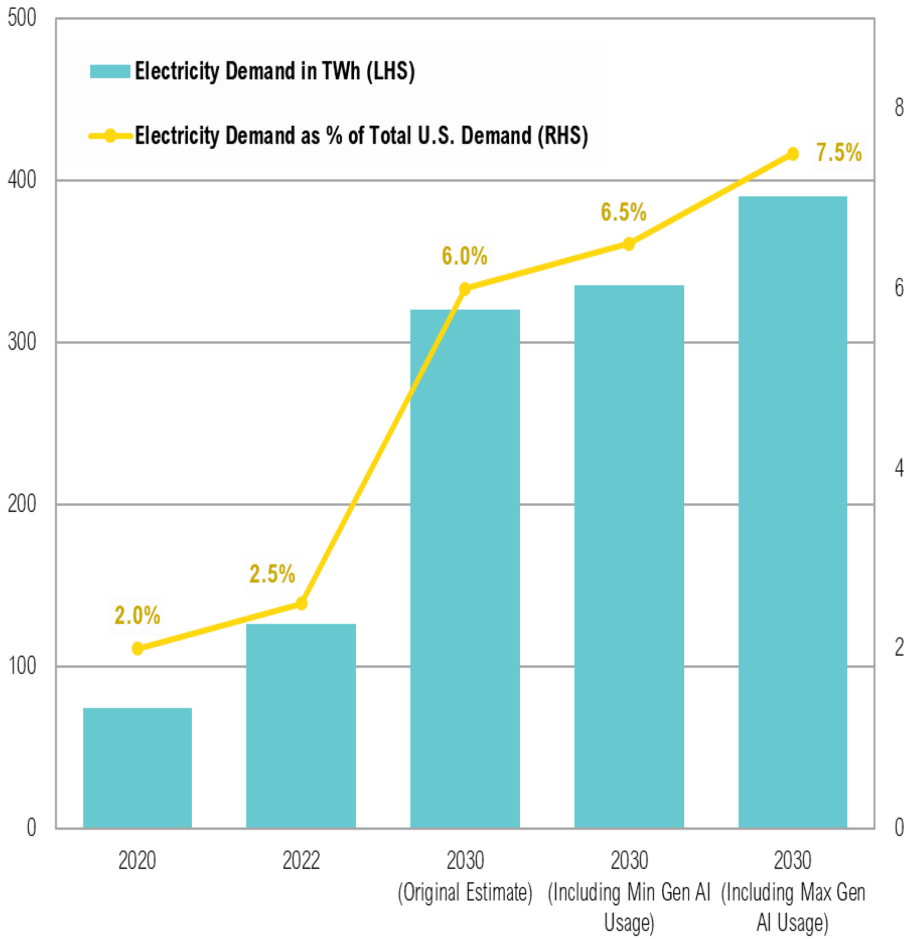
U.S. 10-Year Treasury Yield – U.S. 2-Year Treasury Yield, %



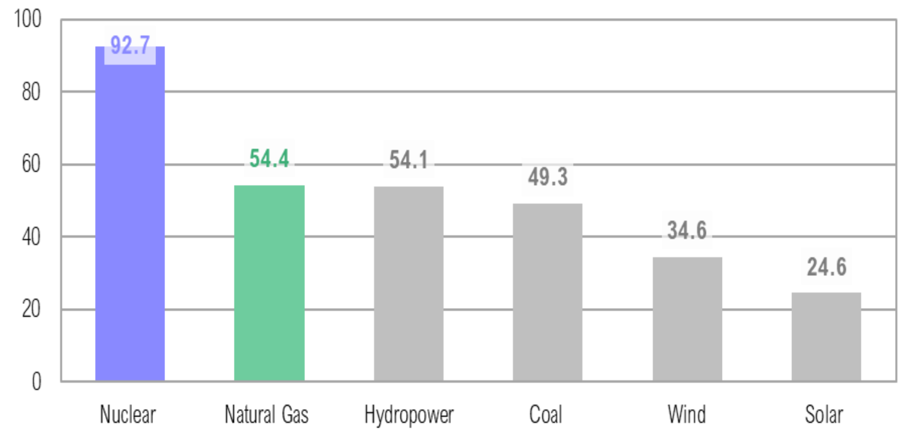


AI and data centers are expected to be key drivers of future U.S. power demand; given consistent output requirements for data centers, natural gas and nuclear are the best energy sources to meet demand

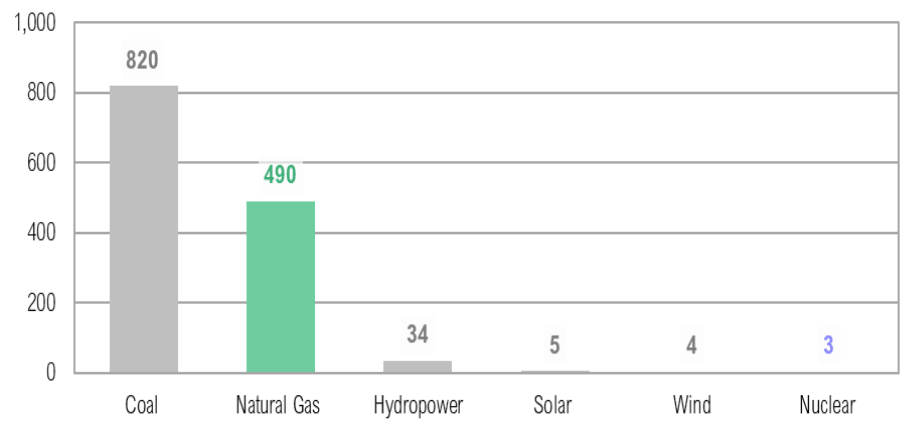
U.S. Data Center Elec. Demand, TWh   Data Center Elec. Demand, % of Total Elec. Demand



Actual Output as a % of Maximum Possible Output (Capacity Factor)



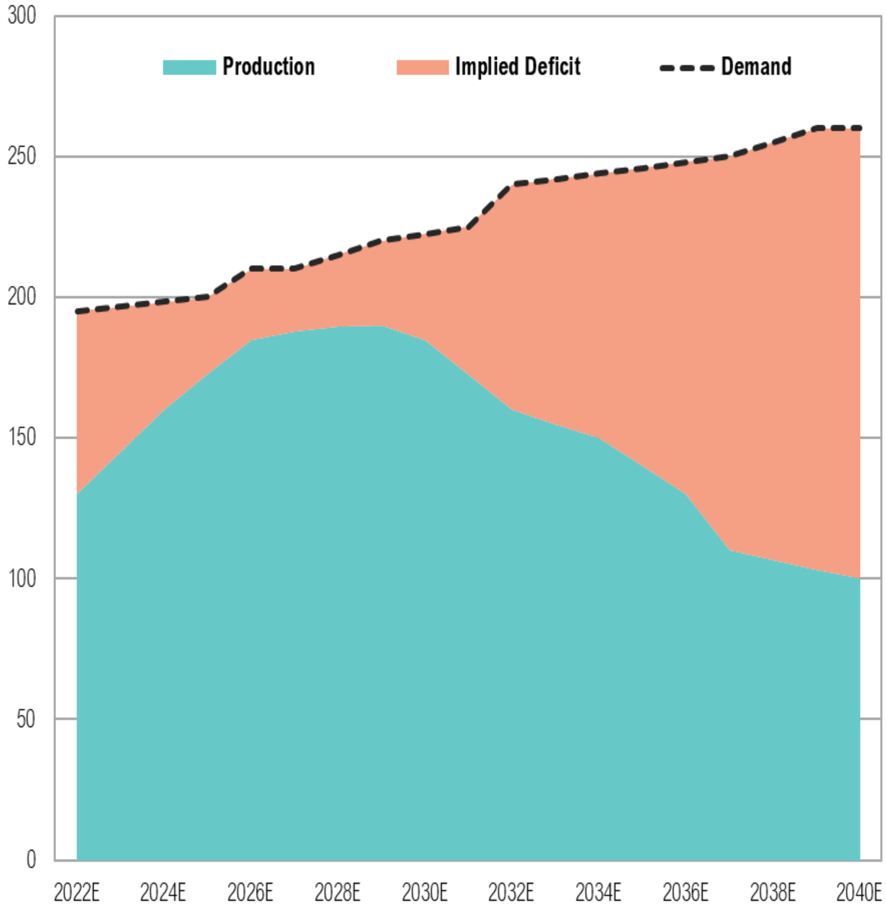
CO_2 Emissions, CO_2/GWh



Source: Bloomberg, BCG, EIA.

Uranium production remains in a structural supply deficit; despite seeing a supply response from restarted idled mines, there needs to be meaningful investments in new projects to clear deficit (but this has yet to materialize)

Estimated Uranium Supply & Demand, Million Pounds of U_3O_8*



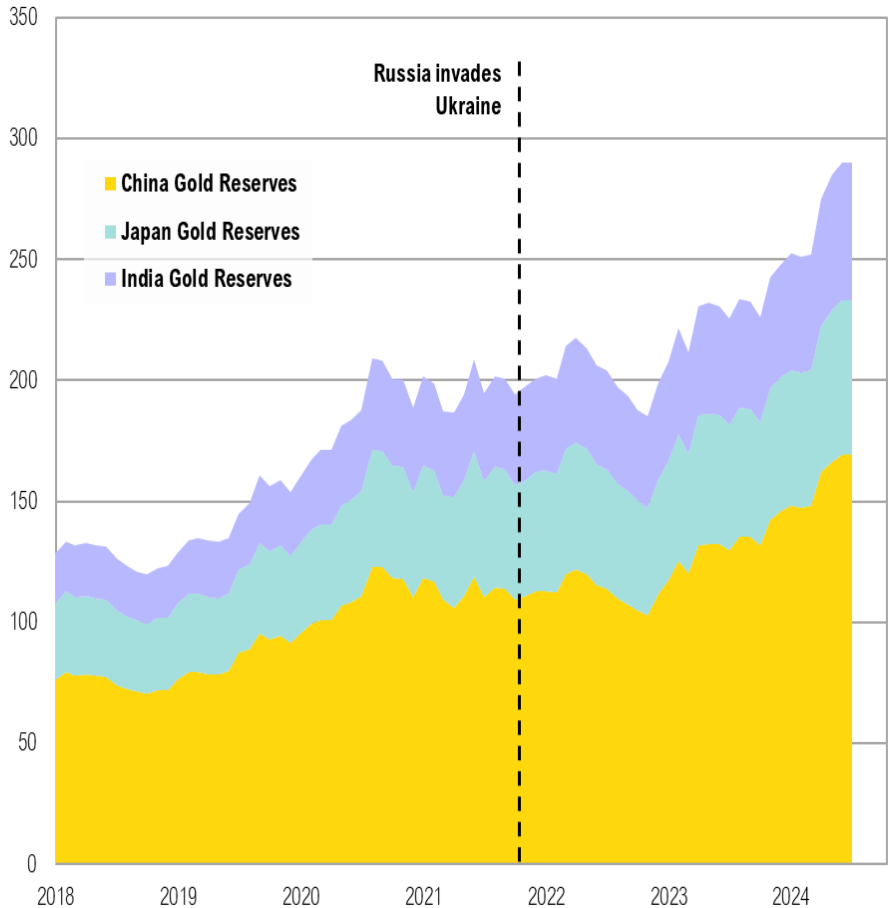
Uranium Mining Projects, Production Capacity in Million Pounds of U_3O_8*

Project	Owner	2022	2023	2024	2025	2026	2027
Restarted Idled Capacity		**1.1**	**13.6**	**24.4**	**42.2**	**49.4**	**57.2**
McArthur River	Cameco	1.1	13.5	18	18.2	18.4	18.2
Rabbit Lake	Cameco						3.6
Cameco U.S.	Cameco					1	1.4
Multiple	Kazatomprom			1.7	12.9	15.6	18.6
Langer Heinrich	Paladin Energy			2.5	3.5	4.5	5.5
Lost Creek	Ur-Energy		0.1	0.7	1	1	1
Shirley Basin	Ur-Energy					1	1
Honeymoon	Boss Energy			0.8	1.6	2.5	2.5
Christensen Ranch	Uranium Energy			0.3	1	1	1
Rosita	Encore Energy			0.3	0.8	0.8	0.8
Alta Mesa	Encore Energy			0.1	1	1	1
McClean Lake	Denison Mines				0.8	0.6	0.6
Nichols Ranch	Energy Fuels				0.3	0.6	0.6
Whirlwind	Energy Fuels					0.3	0.3
Pinyon Plain	Energy Fuels				0.5	0.5	0.5
La Sal & Pandora	Energy Fuels				0.6	0.6	0.6
New Mines Under Development					**0.3**	**2.5**	**4.9**
Dasa	Global Atomic				0.3	2.5	4.9

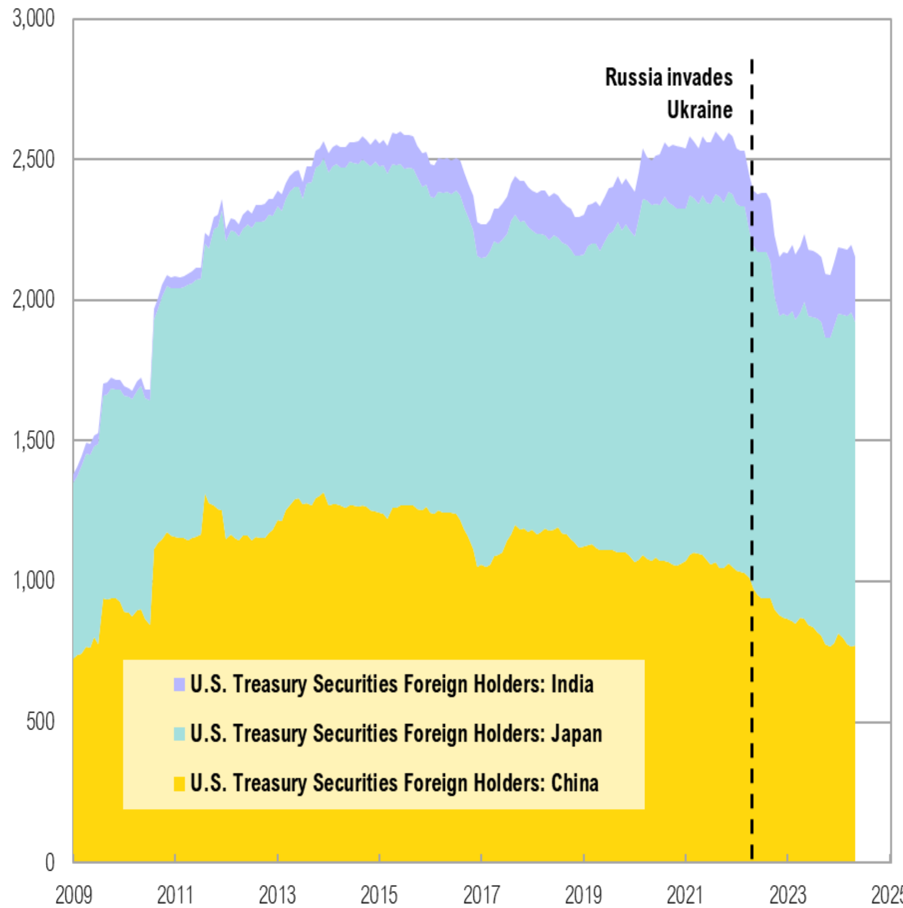
Source: Bloomberg, U.S. Department of Energy, Sprott. *World Nuclear Association estimate, as Q2 2023.

Accompanied by 'flight to safety' (geopolitics, U.S. fiscal situation), gold's resilience continues

Central Bank Gold Reserves, $Bn



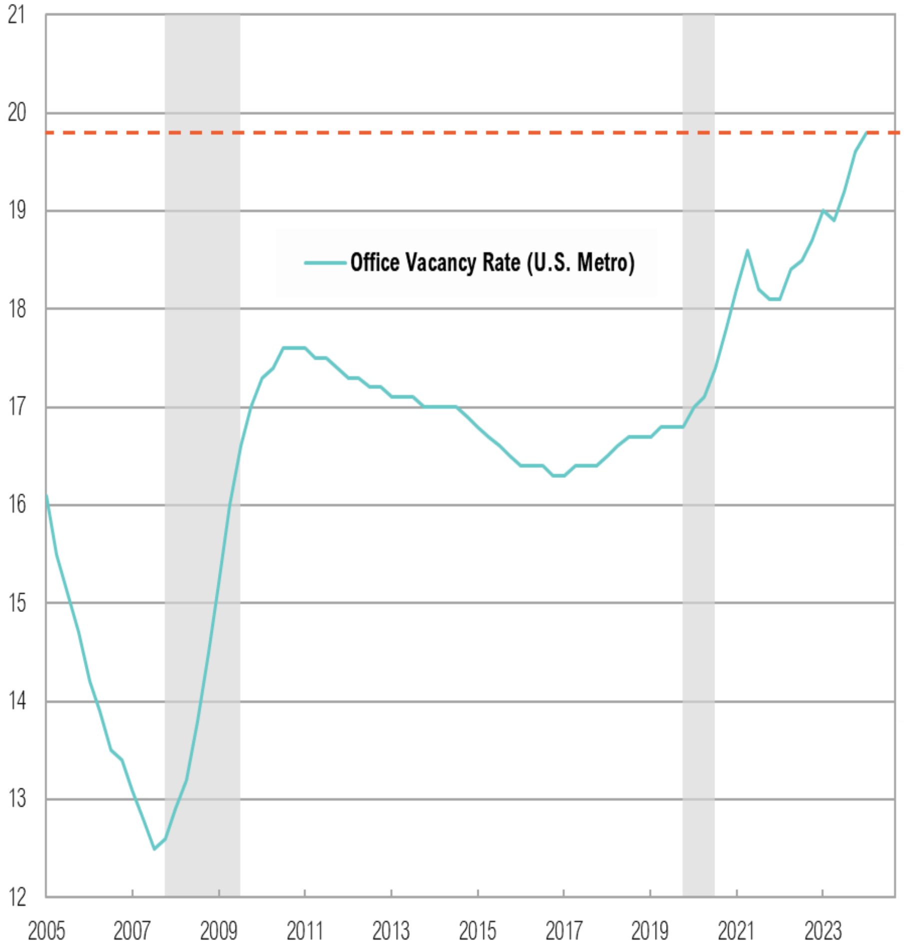
Foreign Holders of U.S. Treasury Securities, $Bn



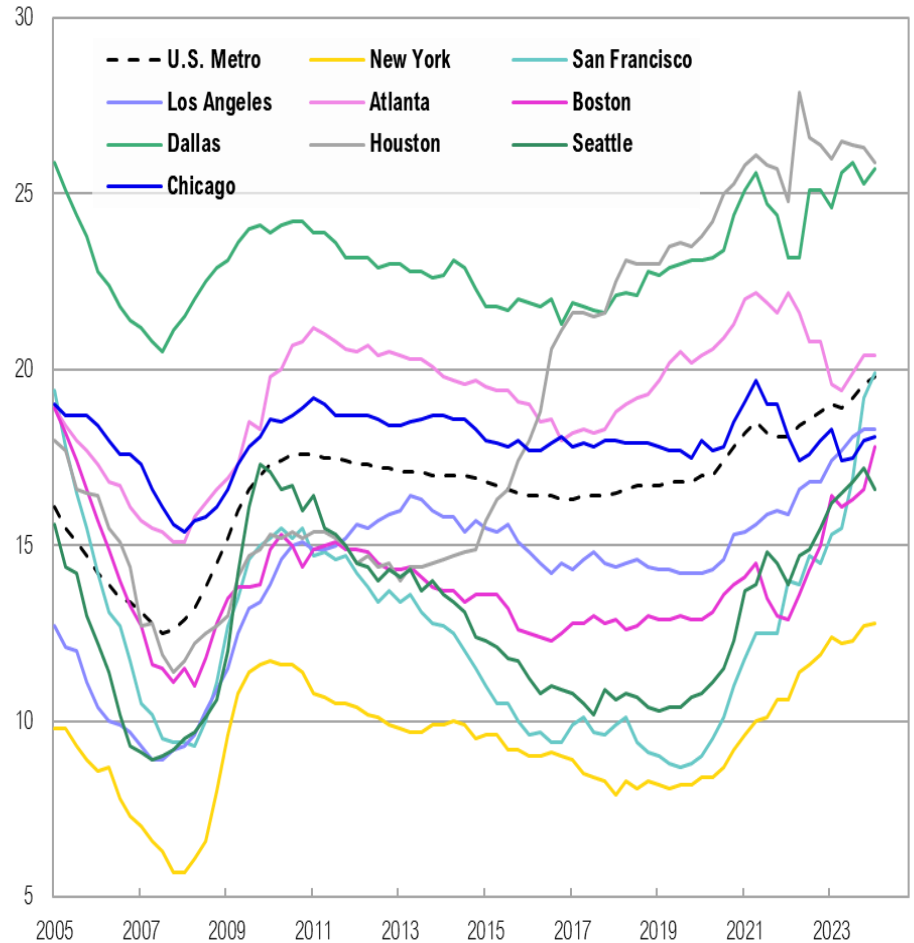
Source: Bloomberg. Gold reserve data as of 5/31/2024. Foreign Treasury holdings as of 4/30/2024.

U.S. metro office vacancy rates are nearing 20%, far surpassing the GFC peak of 17.6%; vacancies in Boston, San Francisco, New York and Dallas continue to climb

U.S. Metro Office Real Estate Vacancy Rate, %



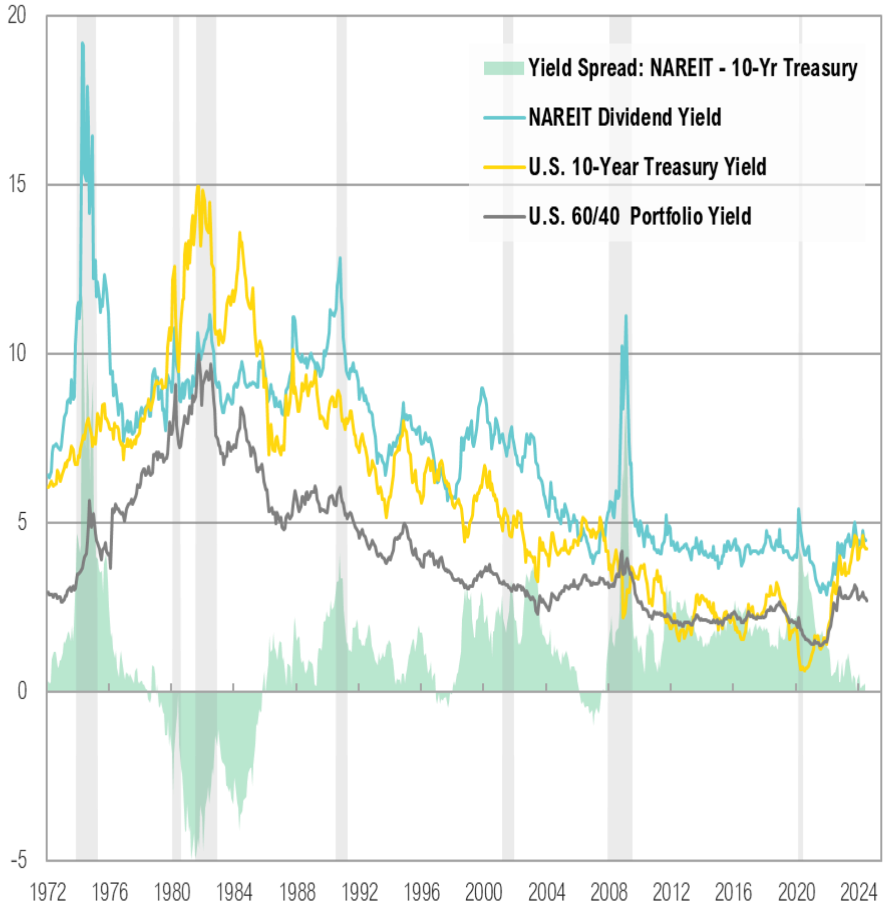
U.S. Office Real Estate Vacancy Rates by City, %



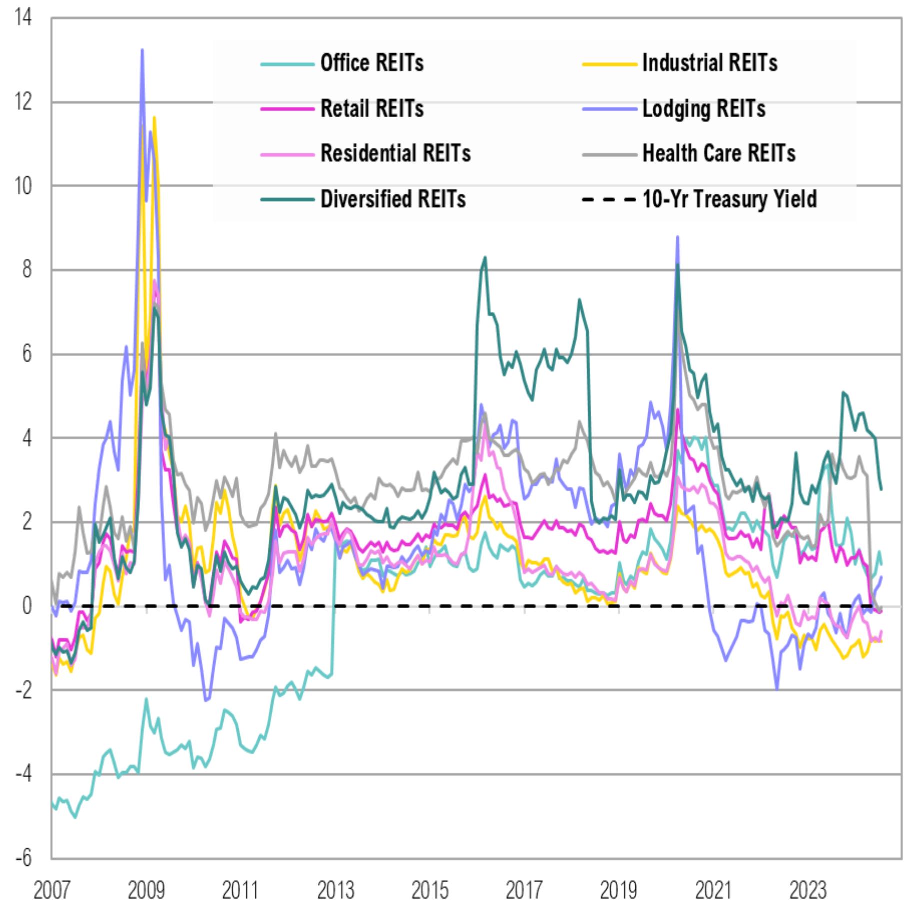
Source: Bloomberg. As of 3/31/2024.

U.S. REITs rebounded 13% from their April lows as lower yields provided a reprieve for the asset class; despite the rebound, REITs still look wholly unattractive on a relative yield basis

Yield, %

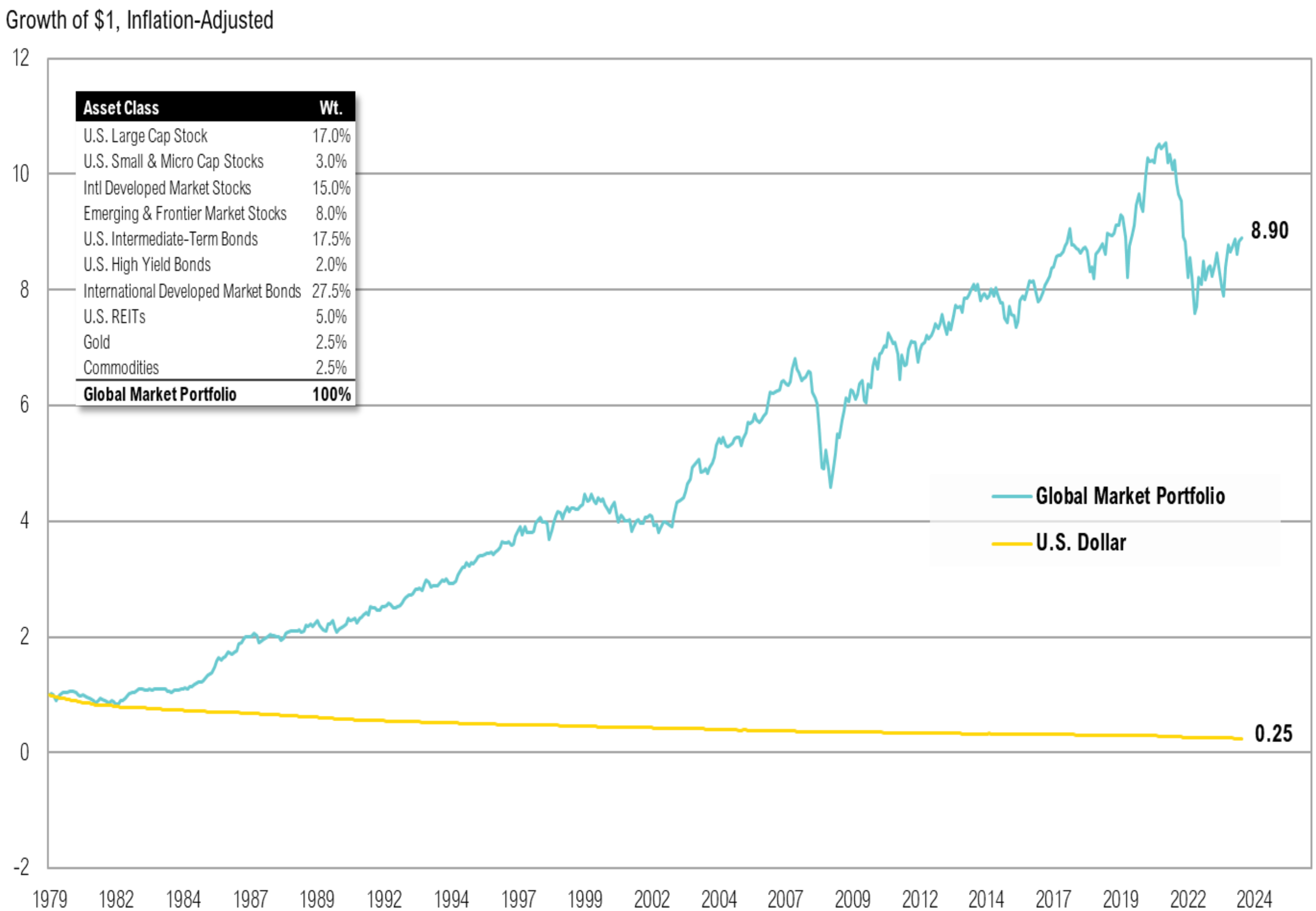


Spreads: 12-Month Forward Dividend Yields vs. 10-Year Treasury, %



Source: Bloomberg, NAREIT.

The U.S. dollar is likely to remain the ‘cleanest shirt in the laundry’ for the foreseeable future, but it will gradually lose its value vs. real and productive financial assets over time



Asset Class	Wt.
U.S. Large Cap Stock	17.0%
U.S. Small & Micro Cap Stocks	3.0%
Intl Developed Market Stocks	15.0%
Emerging & Frontier Market Stocks	8.0%
U.S. Intermediate-Term Bonds	17.5%
U.S. High Yield Bonds	2.0%
International Developed Market Bonds	27.5%
U.S. REITs	5.0%
Gold	2.5%
Commodities	2.5%
Global Market Portfolio	**100%**

Source: Bloomberg, SpringTide. As of 6/30/2024. Inflation adjustment based on U.S. CPI.

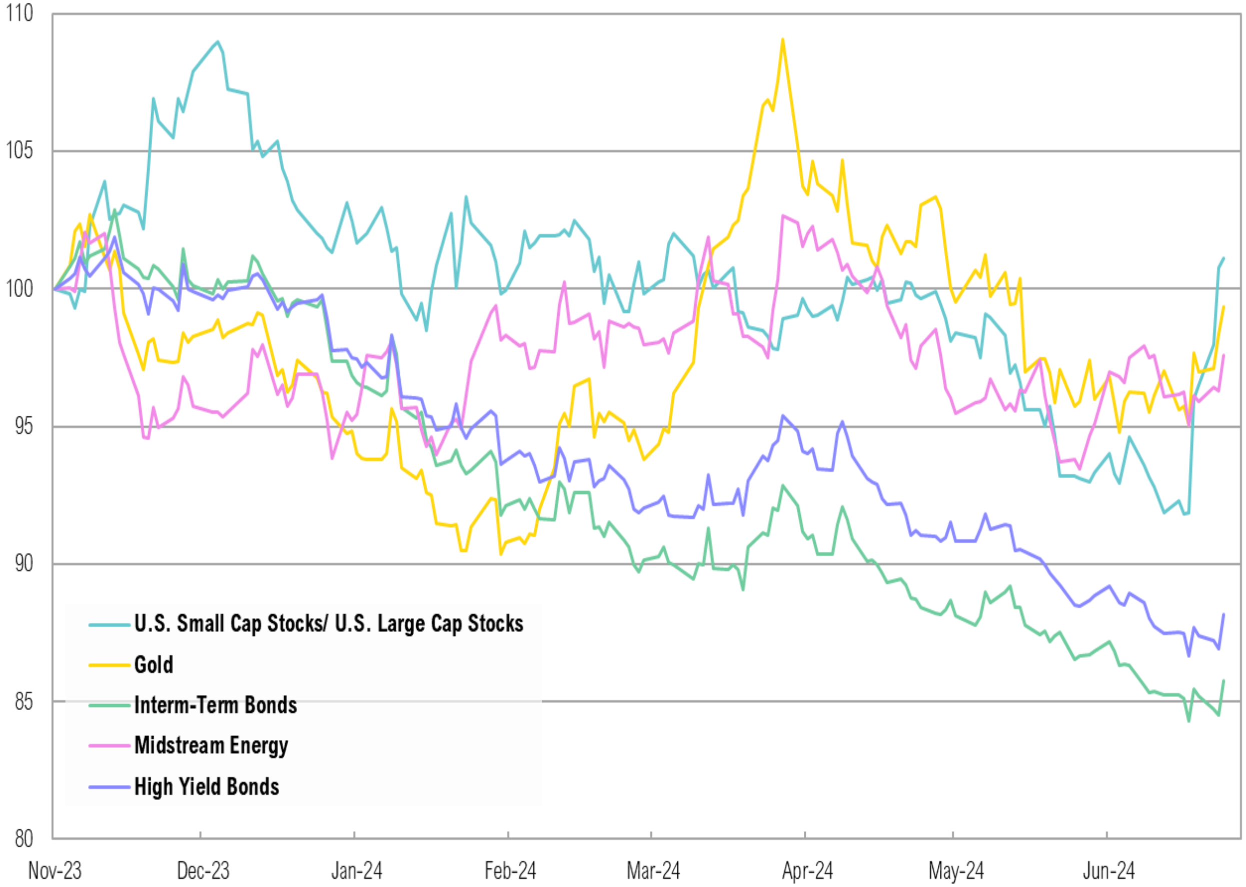
Despite fiscal concerns in the U.S., the country remains a global leader, as demonstrated by its stock market performance, and other countries (e.g. China, Russia) are facing their own challenges.

The fiscal situation in the U.S. could lead to significant currency devaluation over time, which will benefit dollar-denominated real assets.

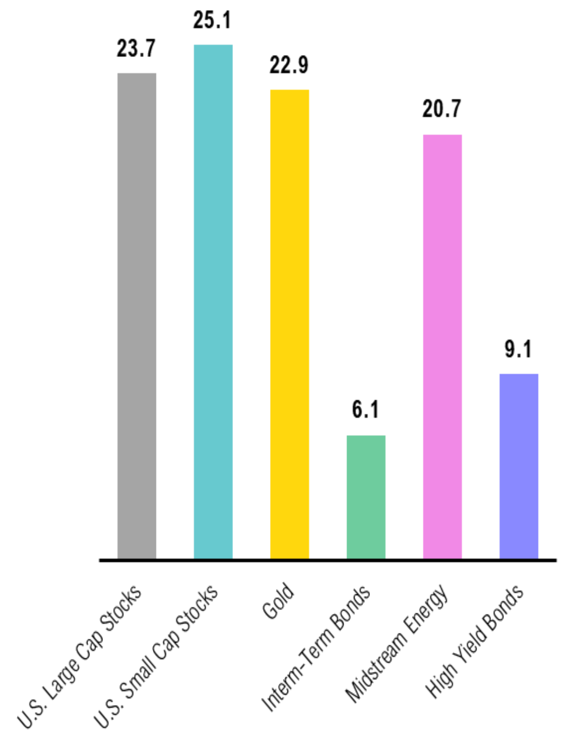
While real assets are viewed favorably, they should be sized cautiously due to high-risk profiles.

While some asset classes have been able to keep up with U.S. large cap stocks, most have lagged, suggesting there might be overlooked opportunities elsewhere

Growth of 100, Asset Classes Relative to S&P 500

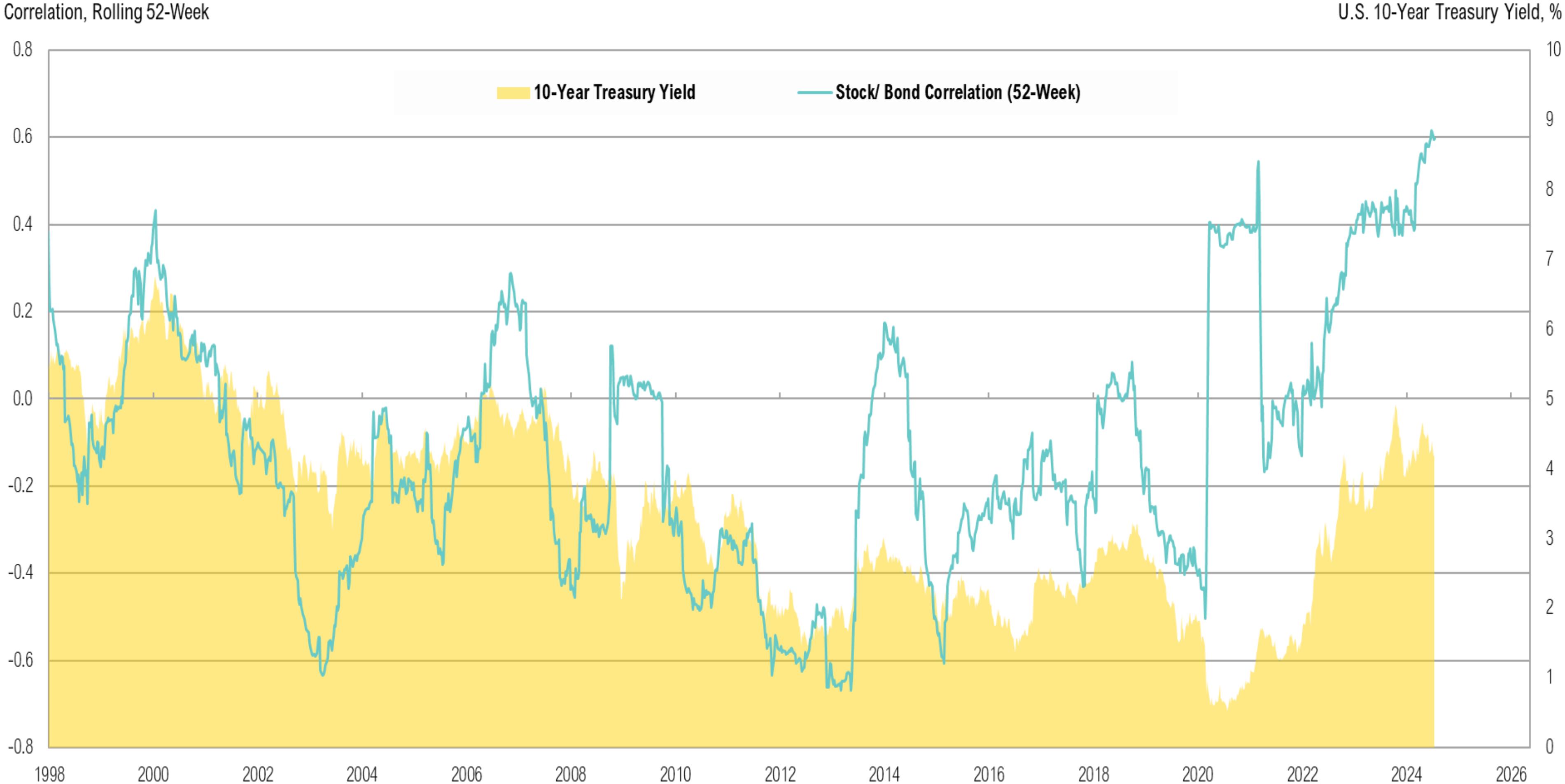


Total Return, 10/27/2023 – 7/17/2024, %



Source: Bloomberg, SpringTide. As of 7/17/2024. See appendix for asset class & index definitions. Since October 2023 stock market bottom.

Stocks and bonds remain highly correlated in this higher-rate environment



Source: Bloomberg, SpringTide. Stocks = S&P 500 TR Index, Bonds = Bloomberg U.S. Aggregate TR Index.

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Performance Disclosures

All market pricing and performance data from Bloomberg, unless otherwise cited. Asset class and sector performance are gross of fees unless otherwise indicated.

Appendix: Asset Class Definitions

Asset Class	Benchmark	Index	Start Date	End Date	Data Source
U.S. Large Cap Stocks	S&P 500 Index	S&P 500 TR Index	01/31/1970	n/a	Bloomberg, Ibbotson Associates, NYU/Stern
		IA SBBI US Large Stock TR Index	01/31/1926	12/31/1969	
		NYU/Stern S&P 500 TR	01/31/1920	12/31/1925	
U.S. Small & Micro Cap	Russell 2000 TR Index	Russell 2000 TR Index	01/31/1979	n/a	Bloomberg, Ibbotson Associates, SpringTide
		IA SBBI US Small Stock TR Index	01/31/1926	12/31/1978	
		SpringTide U.S. Small & Micro Cap Premium-Based Extension	01/31/1920	12/31/1925	
Intl Dev Stocks	MSCI EAFE NR Index	MSCI EAFE NR Index	01/31/1970	n/a	MSCI, NYU/Stern
		NYU/Stern Developed World Indices	01/31/1920	12/31/1969	
EM & Frontier Stocks	MSCI Emerging Markets NR Index	MSCI Emerging Markets NR Index	01/31/2001	n/a	MSCI, NYU/Stern
		NYU/Stern Emerging World Index (Price)	01/31/1920	12/31/2000	
Global Stocks	MSCI ACWI NR Index	MSCI ACWI NR Index	01/31/2001	n/a	MSCI, NYU/Stern
		NYU/Stern All World Index (Price)	01/31/1920	12/31/2000	
Venture Capital	Cambridge Venture Capital	Cambridge Venture Capital	01/01/1981	n/a	Cambridge, SpringTide
		SpringTide Venture Capital Premium-Based Extension	01/31/1920	12/31/1980	
U.S. Muni Bonds	Bloomberg Municipal 1-10Y Blend 1-12Y TR Index	Bloomberg Municipal 1-10Y Blend 1-12Y TR Index	07/31/1993	n/a	Bloomberg
		USA Municipal AAA Bonds Total Return Index (TRUSAMUM)	01/31/1920	06/30/1993	
U.S. Long-Term Bonds	Bloomberg US Long Gov/Corp TR Index	Bloomberg US Long Gov/Corp TR Index	02/28/1999	n/a	Bloomberg, NYU/Stern
		NYU/Stern US 30Yr Government Bond TR Index	01/31/1920	01/31/1999	
U.S. Interm-Term Bonds	Bloomberg US Aggregate Bond TR Index	Bloomberg US Aggregate Bond TR Index	01/31/1976	n/a	Bloomberg, NYU/Stern
		NYU/Stern US Total Return AAA Corporate Bond Index	01/31/1920	12/31/1975	
U.S. High Yield Bonds	Bloomberg US Corporate High Yield TR Index	Bloomberg US Corporate High Yield TR Index	07/31/1983	n/a	Bloomberg, Ibbotson Associates, SpringTide
		IA Bloomberg US HY Corporate Bonds	02/28/1926	06/30/1983	
		SpringTide U.S. High Yield Bonds Premium-Based Extension	01/31/1920	01/31/1926	
Intl Dev Bonds	Bloomberg Global Aggregate ex-USD TR Index	Bloomberg Global Aggregate ex-USD TR Index	01/31/1990	n/a	Bloomberg, NYU/Stern
		NYU/Stern All World ex-USA Government Bond Index	01/31/1920	12/31/1989	
U.S. REITs	MSCI US REIT GR Index	MSCI US REIT GR Index	01/01/1995	n/a	Bloomberg, Winans
		Winans US Real Estate Index (WIREI)	01/01/1920	12/31/1994	
Commodity Futures	Bloomberg Commodity TR Index	Bloomberg Commodity TR Index	01/31/1991	n/a	Bloomberg
		Thompson Jefferies CRB Core Commodity Total Return Index	01/31/1920	12/31/1990	
Midstream Energy	Alerian MLP TR Index	Alerian MLP TR Index	01/31/1996	n/a	Alerian, Bloomberg
		S&P 500 Energy Index	01/31/1946	12/31/1995	
		ExxonMobil Corp (XOM)	01/31/1920	12/31/1945	
Gold	LBMA Gold Price	LBMA Gold Price	02/29/1968	n/a	LBMA, Bloomberg
		New York Spot Bullion	01/31/1920	01/31/1968	
Cash/Ultra-Short Bonds	Bloomberg US T-Bill 1-3 Month TR Index	Bloomberg US T-Bill 1-3 Month TR Index	12/31/1991	n/a	Bloomberg, NYU/Stern
		NYU/Stern USA Total Return T-Bill Index	01/31/1920	11/30/1991	

Appendix: Asset Class Definitions

Asset Class Benchmarks

Asset class performance was measured using the following benchmarks:

U.S. Large Cap Stocks: S&P 500 TR Index

U.S. Small & Micro Cap Stocks: Russell 2000 TR Index

Intl Dev Large Cap Stocks: MSCI EAFE GR Index

Intl Dev Small & Micro Stocks: MSCI EAFE GR Index

Emerging & Frontier Market Stocks: MSCI Emerging Markets GR Index

Global Stocks: MSCI ACWI GR Index

Private Equity: Cambridge Associates U.S. Private Equity

Venture Capital: Cambridge Associates U.S. Venture Capital

U.S. Interm-Term Muni Bonds: Bloomberg Barclays 1-10 (1-12 Yr) Muni Bond TR Index

U.S. High Yield Muni Bonds: Bloomberg Barclays High Yield Muni TR Index

U.S. Interm-Term Bonds: Bloomberg Barclays U.S. Aggregate Bond TR Index

U.S. High Yield Bonds: Bloomberg Barclays U.S. Corporate High Yield TR Index

U.S. Bank Loans: S&P/LSTA U.S. Leveraged Loan Index

Intl Developed Bonds: Bloomberg Barclays Global Aggregate ex-U.S. Index

Emerging & Frontier Market Bonds: JPMorgan EMBI Global Diversified TR Index

Public BDCs: S&P BDC Index

U.S. REITs: MSCI U.S. REIT GR Index

Ex U.S. Real Estate Securities: S&P Global Ex-U.S. Property TR Index

Private Real Estate: Cambridge Associates Real Estate

Commodity Futures: Bloomberg Commodity TR Index

Midstream Energy: Alerian MLP TR Index

Gold: LBMA Gold Price

Long-Short Equity: HFRI Equity Hedge Index

Global Macro: HFRI Macro-CTA Index

Relative Value: HFRI Relative Value Index

Closed-End Funds: S-Network Composite Closed-End TR Index

Insurance-Linked Securities: SwissRe Global Cat Bond TR Index

Digital Assets: MVIS CryptoCompare Digital Assets 25 Index

Cash & Cash Equivalents: Bloomberg Barclays U.S. T-Bill 1-3 Month TR Index

U.S. Short-Term Muni Bonds: Bloomberg Barclays Municipal 1-3 Yr TR Index

U.S. Short-Term Bonds: Bloomberg Barclays U.S. Agg 1-3 Yr TR Index

U.S. 60/40: 60% S&P 500 TR Index 40% Bloomberg Barclays U.S. Aggregate Bond TR Index

Global 60/40: 60% MSCI ACWI GR Index 40% Bloomberg Barclays Global Aggregate Bond TR Index