

# MARKET MATTERS



**Sehr Dsani**

Senior Investment  
Director



**David Kautter**

Associate Investment  
Director



**Graham Landrith**

Associate Investment  
Director

## Key Highlights for Third Quarter 2024

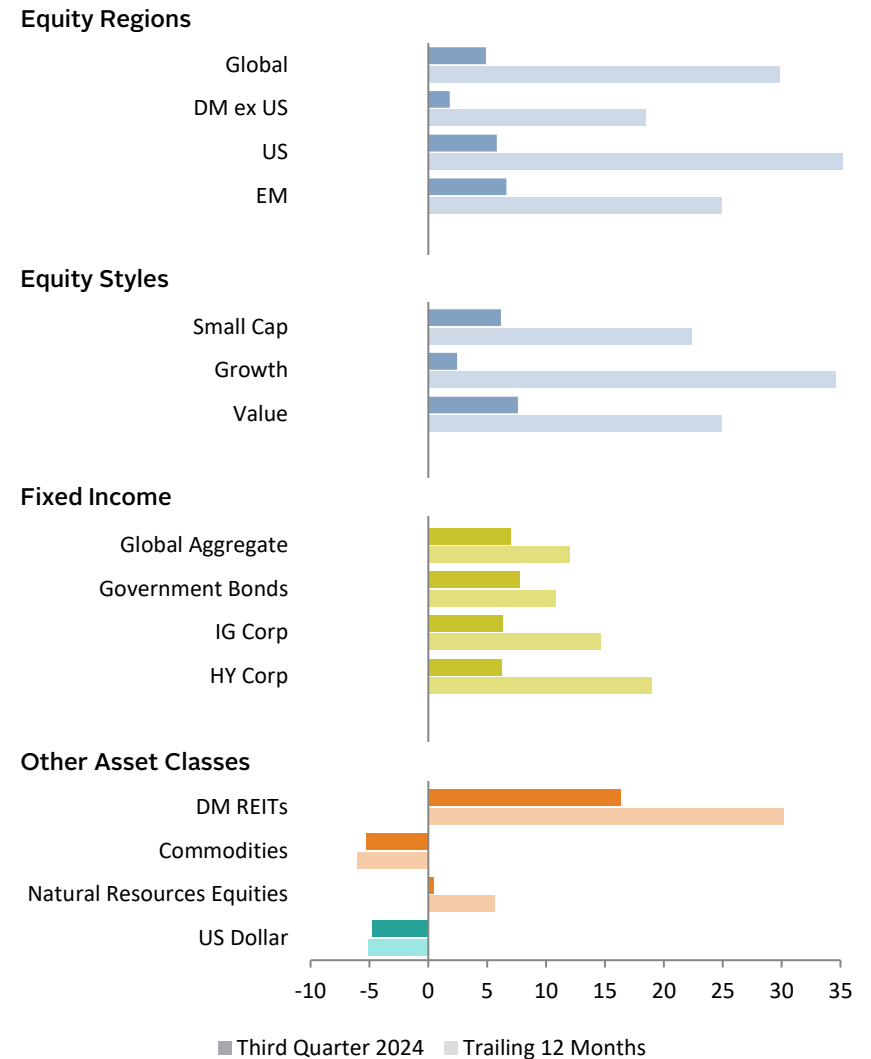
- Global equities advanced in Q3. Monetary easing by several major central banks and a weaker economic outlook led to a rotation favoring value over growth strategies. Real estate, utilities, and financials outperformed the most as yields declined, while energy, information technology, and communication services lagged. Small caps topped large caps by the widest margin in two years.
- Emerging markets bested developed peers as Chinese equities rallied more than 20% since the surprise announcement of stimulus measures in the last week of September.
- Fixed income assets posted their third largest gain in more than two decades, driven by moderating inflation and falling interest rates from central bank tightening.
- Real assets mostly advanced, led by REITs, which were boosted by declining interest rates.
- The US dollar fell to its lowest level in over two years as the Federal Reserve began rate cuts.

# Central bank actions largely drove performance in Q3

## Global Market Developments

- Most major global central banks eased monetary policy in Q3, driven largely by moderating inflation and a weaker economic outlook. The Fed’s first policy rate cut of this cycle in September made a notable impact, with the 50-basis point (bp) reduction boosting stocks. The European Central Bank (ECB) cut its benchmark rate an additional 25 bps over two meetings in Q3. The Bank of England (BOE), which had cut its target rate earlier in the quarter, forewent another rate cut in September as core inflation remained sticky. Other major central banks—including those in Canada, China, New Zealand, and Switzerland—also cut rates.
- Broadly weaker economic data drove monetary policy easing. The US labor market softened, at one point sending stocks to their steepest decline of the year. However, a slew of economic data released afterward indicated that the economy could likely achieve a soft landing and avoid a recession. Elsewhere, German economic data deteriorated, raising concerns of its impact on the broader Eurozone.
- The People’s Bank of China (PBOC) and the Politburo surprised markets with several stimulus measures to help revive the struggling Chinese economy, boosting the stock market late in Q3. Measures included lowering rates, increasing liquidity in the banking system, and additional efforts to support local consumption and the property sector.
- Volatility jumped this quarter on whipsawing enthusiasm over artificial intelligence–related stocks, a weaker US dollar, and the unwinding of the Japanese yen carry trade. Still, most major asset classes advanced, as the worst-case scenarios appeared less likely to materialize.

GLOBAL ASSET CLASS PERFORMANCE (%)



## US equities advanced on Fed easing and relatively strong economic data

**US equities** outgained broad developed markets (DM) peers in Q3. However, due to dollar weakness, US stocks lagged in USD terms.

- The Fed reduced its target range for the federal funds rate by 50 bps to 4.75%–5.00%, marking the first reduction in more than four years and a significant shift in monetary policy. Updated economic projections indicate the Fed expects to reduce rates by a total of 200 bps through 2025, reflecting the need to balance inflation risks with a softening labor market. However, this is less than market expectations, suggesting the Fed may underdeliver relative to what is currently priced in.
- Inflation continued to cool toward the 2% target, highlighted by the Fed's preferred inflation metric decelerating to 2.2% year-over-year (YOY) in August, its lowest level in three and a half years. The labor market softened but remained strong on a relative historical basis. Other economic data continued to prove resilient, highlighted by retail sales and industrial production, while sentiment also topped expectations. Q2 GDP grew by a solid 3.0% quarter-over-quarter (QOQ) annualized, driven by domestic consumption.
- Corporate earnings grew 11% YOY in Q2, well above initial forecasts but estimates for Q3 slid to 4% during the quarter. Looking forward, analysts expect calendar year 2024 EPS to grow by 10%, slightly below consensus at the start of 2024.
- Anticipation of Fed rate cuts led to sector rotation. Interest rate-sensitive utilities, real estate, and financials outperformed the US index, while former leaders, communication services and information technology lagged this quarter. This caused value and small-cap strategies to lead growth and large-cap peers on a quarterly basis for just the second time since 2022.

**US EQUITY MARKET PERFORMANCE (%)**  
US and Global Equity Regions



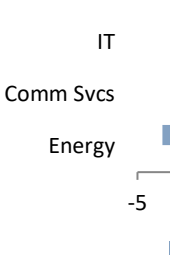
**US Equity Styles**



**Top 3 Performing Sectors**



**Bottom 3 Performing Sectors**



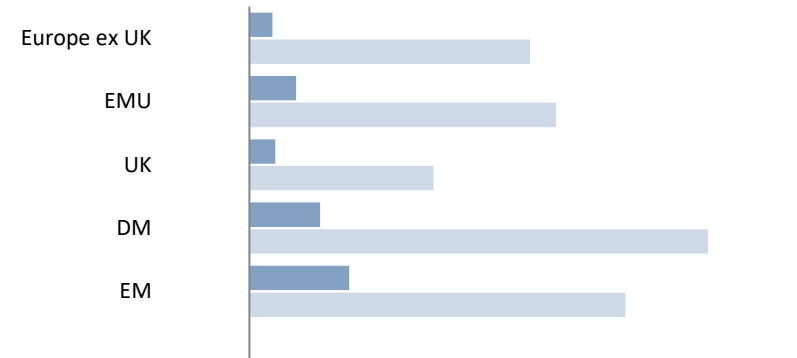
-5 0 5 10 15 20 25 30 35 40 45 50 55  
■ Third Quarter 2024 ■ Trailing 12 Months

## Weak economic data and political turmoil scuttled European equity performance

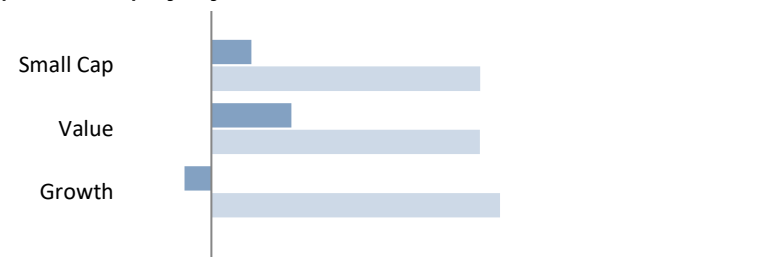
**European equities** advanced but trailed broad DM. **Europe ex UK** and **UK equities** gained roughly the same.

- The ECB cut interest rates by 25 bps for the second time this year. The central bank also lowered its forward economic growth outlook and suggested that risks are skewed to the downside. Q2 GDP grew an anemic 0.2% QOQ, and more recent data point to trouble for Q3. Retail sales and industrial production declined, preliminary PMI data indicated broad market activity receded in September, and multiple confidence surveys showed a net negative outlook.
- Germany continued to struggle amid economic headwinds, including rising competition from China, particularly in sectors such as autos and renewables. Overall, business activity sunk into contraction, highlighted by a sharp decline in manufacturing. Q2 GDP contracted 0.1% QOQ. Germany has still not had two consecutive quarters of GDP growth in nearly three years. Investors worry this malaise may have a wider impact on the Eurozone.
- The BOE cut its benchmark interest rate 25 bps to 5% in August but held steady in September after inflation remained stubbornly higher. BOE Governor Andrew Bailey noted that the central bank expects to reduce borrowing rates “gradually” over time, and that a cut was likely at its next meeting. Futures markets aligned with this view, pricing in two more cuts before year end. The Labour Party secured its widely expected general election victory in July. Markets were relatively unimpacted, largely due to messaging that planned fiscal policy changes will likely be modest.

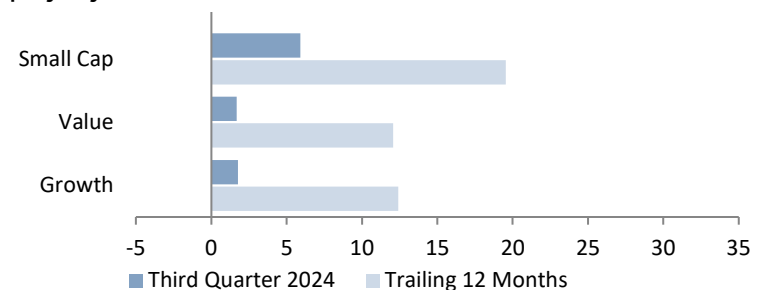
EUROPEAN EQUITY MARKET PERFORMANCE (%)  
European and Global Equity Regions



Europe ex UK Equity Styles



UK Equity Styles



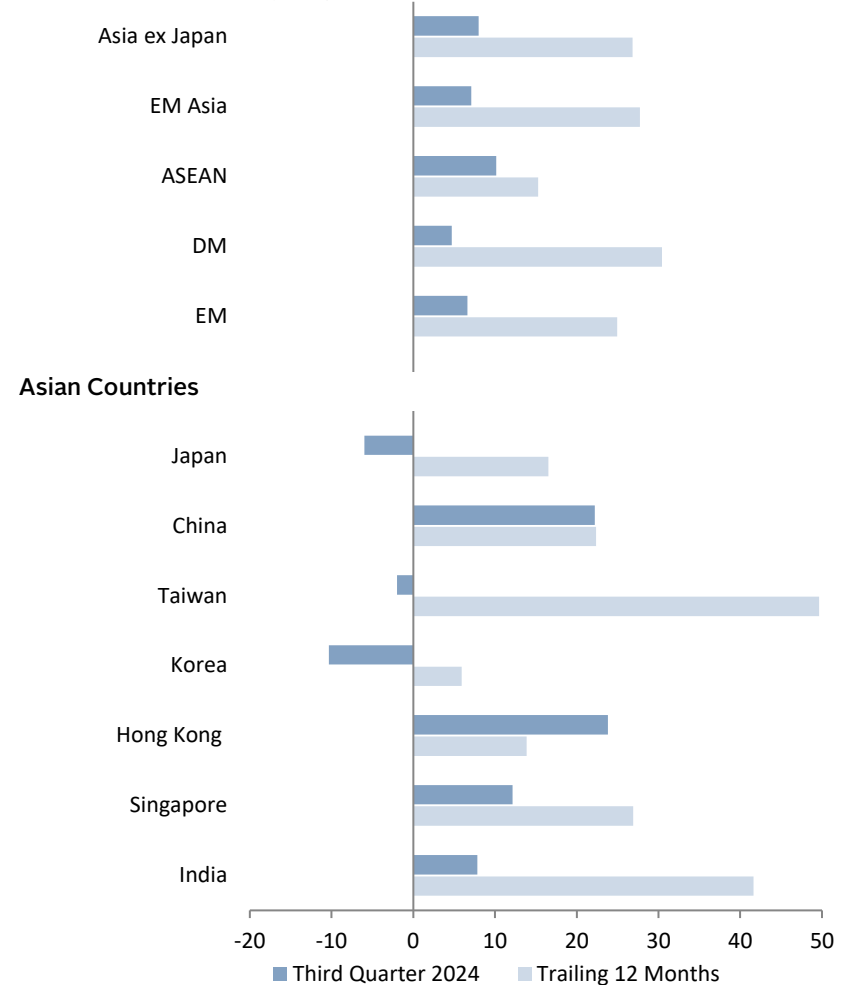
-5 0 5 10 15 20 25 30 35  
■ Third Quarter 2024 ■ Trailing 12 Months

## China's stimulus announcement boosted Asian equities

**Asian equities** were mixed in Q3. China and Hong Kong heavily boosted returns, especially in September, but declines in Japan and Korea limited upside.

- Two back-to-back policy announcements from the PBOC and Politburo caught markets by surprise in late September. The PBOC announced measures that included support for the property sector, equity markets, and bank liquidity, as well as pledging further fiscal stimulus. Notably, just days later, the Politburo announcement showed a clear urgency in boosting domestic consumption, whereas previous communications had focused on “high-quality growth” and strategic sectors.
- Fears of deflation in China drove yields on the ten-year benchmark bonds to their lowest levels on record. However, news of both monetary and fiscal easing measures boosted Chinese equities late in the quarter, outpacing broad global markets by 20 percentage points after the announcement. Hong Kong equities rose even more, boosted by its central bank cutting rates 50 bps to keep in line with the Fed cut, due to its currency's peg to the US dollar.
- Japan's ruling LDP party announced Shigeru Ishiba as its party leader, effectively cementing his role as the next prime minister. Markets reacted negatively; Ishiba is viewed as more hawkish than Prime Minister Fumio Kishida, who resigned earlier in Q3. The Bank of Japan (BOJ) lifted policy rates by 15 bps to 0.25% and halved its bond buying program in July but held rates steady in August. Mixed messaging left investors uncertain about the central bank's decisions going forward. Broadly, the BOJ appears data dependent amid “extremely high uncertainty,” not committing to any policy direction.

**ASIAN EQUITY MARKET PERFORMANCE (%)**  
Asian and Global Equity Regions

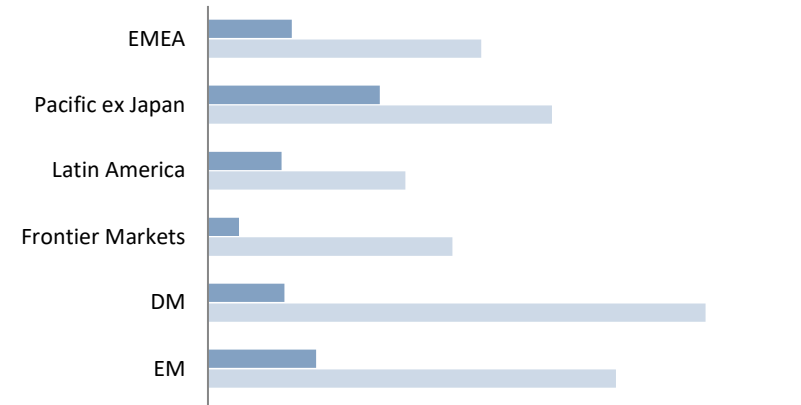


## Central banks adjust monetary policies to address inflation trends

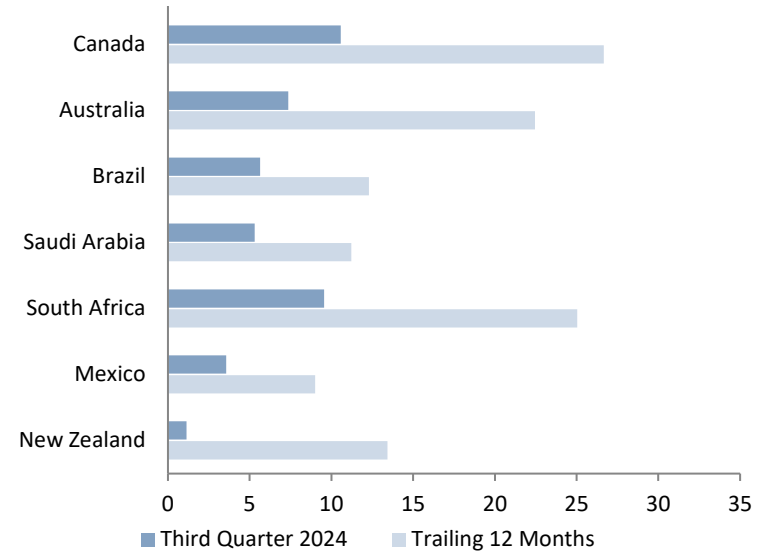
- The Bank of Canada cut its key overnight rate target by 50 bps to 4.25% over two meetings in Q3, bringing the total of rate cuts this year to 75 bps. The decision was supported by excess supply in the economy putting downward pressure on inflation. However, shelter and selected services inflation remained elevated, and wage growth remained high despite a slowing labor market, indicating ongoing inflationary risks.
- The Reserve Bank of Australia (RBA) held its cash rate steady at 4.35% and has yet to begin cutting rates this cycle. Inflation decelerated to 3.8% in Q2 but remains stubbornly high, and the central bank does not expect it to return to target until 2026. Q2 GDP grew below expectations by a meager 0.2% QOQ. Despite restrictive financial conditions weighing on the domestic economy, the RBA affirmed that returning inflation to target was its highest priority.
- The Reserve Bank of New Zealand (RBNZ) lowered its cash rate for the first time in more than four years in August. Markets were surprised as the 25-bp cut came nearly a year ahead of the RBNZ's projections. Inflation slowed to 3.3% in Q2, while Q2 GDP declined 0.2% QOQ, suggesting that the RBNZ may have to cut more aggressively in coming months.
- Brazil was a top performer in the first half of Q3 on manufacturing and industrial outperformance. However, stocks retreated after President Luiz Inácio Lula da Silva replaced the central bank chief with a political ally in late August. The Banco Central do Brazil raised interest rates in September to curb high inflation, but markets remained skeptical, as equities gave back their earlier gains through the end of the quarter.

### NOTABLE EQUITY MARKET PERFORMANCE (%)

#### Other Notable Regions



#### Other Notable Countries



## Fixed income assets advanced on central bank rate cuts

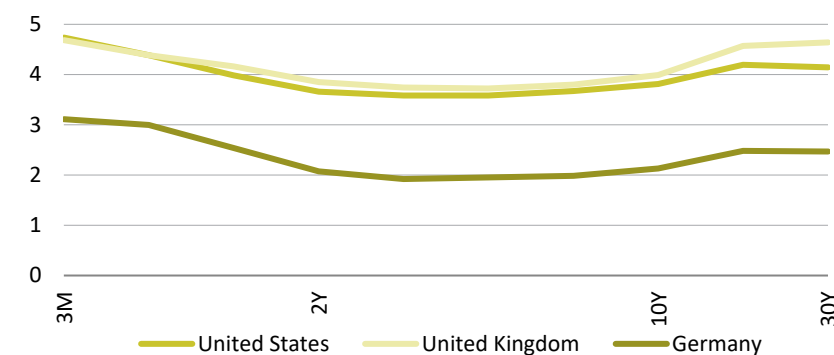
- **US fixed income** sharply advanced in Q3, collecting its second highest quarterly return since 1995. Rising optimism for a Fed rate cut drove returns during most of the quarter. However, returns since the Fed's 50-bp cut were largely unchanged. Notably, two-year Treasury yields declined by 105 bps to 3.66% during the quarter. The only other times the two-year yield has declined by more in the last two decades were during the Global Financial Crisis (GFC) and at the onset of the COVID-19 pandemic. Ten-year Treasury yields fell 55 bps to 3.81%, leading the ten-year/two-year yield curve to turn positive for the first time in two years.
- Bond issuance continued at a torrid pace, setting multiple records across Treasury, corporate investment-grade, and high-yield bonds. Companies rushed to issue debt in anticipation of the volatility around the impending rate decision, economic data releases, and the US presidential election. Meanwhile, the high US government deficit pushed the Department of the Treasury's fast-paced borrowing.
- **Euro-denominated bonds** were also bolstered by falling yields, where ten-year German bund yields declined 35 bps to 2.13%. Corporates trailed government equivalents as economic data releases and forecast changes indicated slower growth across the continent. Notably, France's ten-year yields converged with Spain's for the first time since 2008 amid heightened political and economic risks.
- **Sterling-denominated bond performance** was also positive as the BOE eased. Ten-year gilt yields fell 16 bps to 3.99%. High-yield corporates gained the most due to the dual effects of both central bank rate cuts and improving economic data.

### FIXED INCOME INDEX PERFORMANCE (%)

Fixed Income	Returns (LC)			Yields	
	3Q 2024	TTM	-1Y	-1Y	Current
<b>US Dollar-Denominated</b>					
Aggregate	5.2	11.6	5.39		4.23
Treasury	4.7	9.7	4.85		3.76
IG Corp	5.8	14.3	6.04		4.72
HY Corp*	5.3	15.7	3.94		2.95
TIPS	4.1	9.8	2.39		1.71
Muni	2.7	10.4	4.32		3.32
<b>Euro-Denominated</b>					
Government Bonds	4.0	9.3	2.14		2.19
IG Corp	3.3	9.6	4.52		3.22
HY Corp*	3.3	12.1	4.31		3.45
<b>UK Sterling-Denominated</b>					
Gilts	2.3	7.9	4.66		4.28
IG Corp	2.4	10.7	6.28		5.28
HY Corp*	4.0	15.6	5.82		4.50
Linkers	1.5	6.3	1.19		1.10

\* High-yield index yield data represent option-adjusted spread.

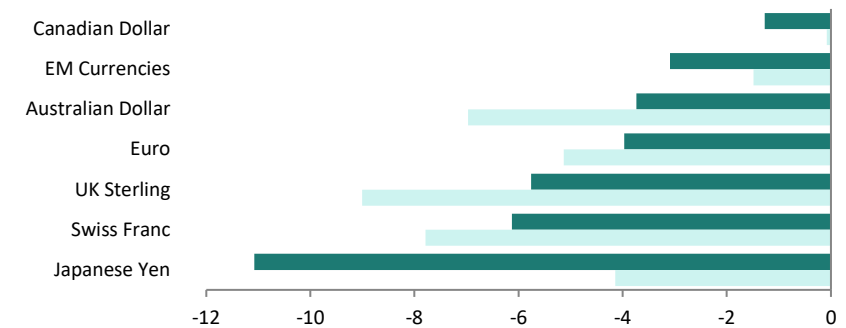
### GLOBAL YIELD CURVES (%)



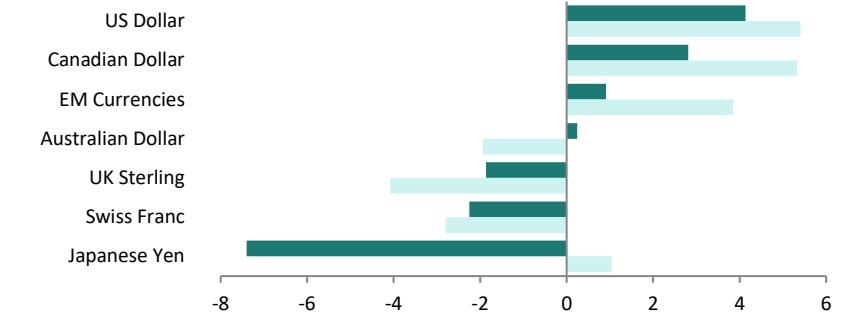
## The start of US monetary easing largely explained Q3 currency performance

- The **US dollar** suffered one of its steepest quarterly declines since the GFC, sending the US Dollar Index to its lowest month-end level in more than two years. Markets pricing in higher odds for a Fed rate cut weighed on the currency for most of the quarter. When the Fed cut rates in September, the higher-than-initially-expected half point reduction solidified the currency's fall. This weakness boosted performance in non-USD assets for US dollar investors. Still, the greenback remains significantly stronger than it has been for most of the prior two decades.
- The **euro** was mixed as inflation in the Eurozone decelerated and the ECB eased monetary policy. The main driver for euro strength versus the US dollar was the rising optimism throughout the quarter for the Fed to begin cutting its policy rate. However, downbeat economic data releases limited the common currency's upside more broadly.
- **UK pound sterling** mostly strengthened, finishing Q3 at its highest level versus USD since early 2022. Firming economic conditions and the BOE's decision to forego another rate cut in September boosted the currency. The new Labour government announced plans for fiscal continuity, strengthening the GBP, as this allayed investor fears that the party might take on large amounts of debt.
- The **Japanese yen** broadly appreciated, gaining 12.5% vis-à-vis the US dollar in Q3, closing at ¥143/USD. Authorities intervened to support the yen after it depreciated to nearly ¥162/USD in early July. The currency also benefited from a narrowing of policy rate differentials as the BOJ tightened, while other major central banks eased.

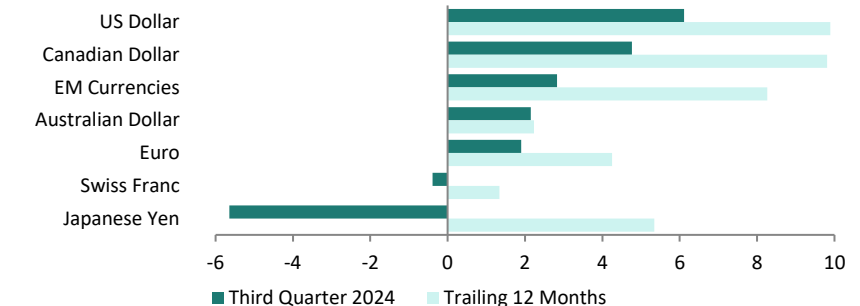
US DOLLAR PERFORMANCE VS VARIOUS CURRENCIES (%)



EURO PERFORMANCE VS VARIOUS CURRENCIES (%)



POUND STERLING PERFORMANCE VS VARIOUS CURRENCIES (%)





## Interest rate–sensitive real assets outperformed

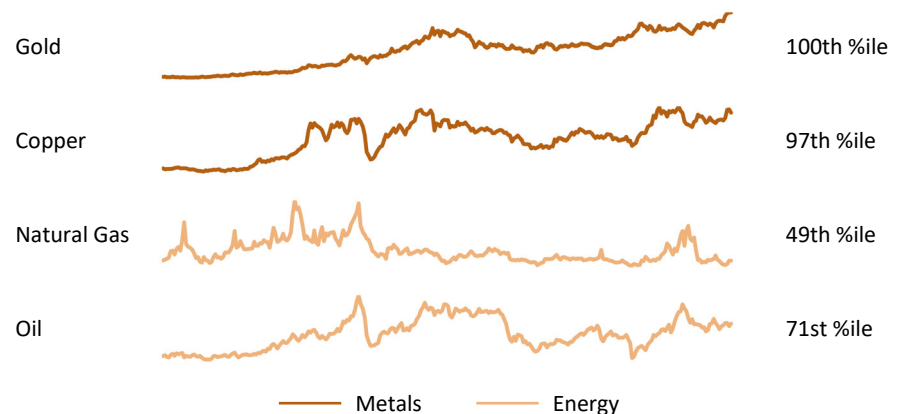
- **Commodities** fell in Q3, dragged down by lower energy prices. Oil steeply declined, touching its lowest price levels since 2021. Oversupply, weaker global economic outlook, and rumblings that Saudi Arabia may abandon its \$100 price target contributed to the decline. These factors overshadowed heightened tensions in the Middle East and a two-month extension of OPEC+’s production cuts to December. Other commodity sectors advanced, led by precious metals’ double-digit gain. Copper prices turned positive for the quarter after China’s stimulus announcement raised hopes of a Chinese economic rebound.
- **Global natural resources equities** underperformed on cheaper energy prices and lackluster Q2 earnings releases. Materials and energy were the only two equity sectors to see their YOY profit margins compress. Energy was the only equity sector to decline on the quarter.
- **REITs** outperformed on falling interest rates. Office gained the most, boosted by the improved outlook, having sold off severely during the pandemic. Retail contributed the most to the broader index’s return, given its large weighting in the index, as retail sales in the United States remained solid.
- **Gold** continued its bull run, setting new all-time nominal highs. Declining real yields and central bank rate cuts boosted its relative attractiveness. Heightened geopolitical tensions and record purchases by central banks also continued to support the yellow metal’s rise.

### REAL ASSETS PERFORMANCE (%)

Real Assets	3Q 2024	Trailing 12 Months
S&P GSCI™	-5.3	-6.1
Energy Index	-12.2	-14.9
Industrial Metals Index	2.4	12.1
Precious Metals Index	12.3	41.5
Agriculture Index	3.7	-2.0
Bloomberg Commodities	0.7	1.0
DM Natural Resources Equities	0.4	5.6
Alerian MLP	0.7	24.5
Gold	13.2	41.9
DM REITs	16.3	30.2
US REITs	16.8	34.8
DM Infrastructure	12.3	26.0

### SELECT COMMODITY NOMINAL PRICE PERFORMANCE

January 31, 2000 – September 30, 2024



Sources: Alerian, Bloomberg L.P., CME Group Inc., EPRA, FTSE International Limited, Hong Kong Exchanges and Clearing Limited, Intercontinental Exchange, Inc., MSCI Inc., National Association of Real Estate Investment Trusts, Standard & Poor’s, and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: Returns for Commodities, DM Natural Resources Equities, and Gold are in US dollars; all other returns are in local currency unless otherwise noted. Equity returns are net of dividend taxes. Gold performance based on spot price return. The S&P GSCI is a production-weighted commodity futures index. The Bloomberg Commodity Index is weighted based on both production and futures market liquidity, with exposure to commodity groups and individual commodities capped at 33% and 15%, respectively. Between rebalancings, weightings may fluctuate to levels outside these limits. Price percentiles calculated based on start dates as follows: November 1979 for gold, June 1988 for natural gas, April 1990 for oil, and July 1993 for copper. Oil based on the Brent Crude Oil global benchmark.

# APPENDIX



## MAJOR ASSET CLASS PERFORMANCE (%)

	Third Quarter 2024				Trailing 12 Months			
	LC	US\$	£	€	LC	US\$	£	€
<b>Global Equity Regions</b>								
Global	4.9	6.6	0.5	2.4	29.8	31.8	19.9	25.0
DM ex US	1.8	7.8	1.6	3.5	18.5	25.0	13.7	18.6
US	5.8	5.8	-0.3	1.6	35.6	35.6	23.4	28.7
EM	6.6	8.7	2.5	4.4	25.0	26.1	14.7	19.6
<b>Global Fixed Income</b>								
Global Aggregate	7.0	7.0	0.8	2.7	12.0	12.0	1.9	6.2
Government Bonds	7.8	7.8	1.6	3.5	10.9	10.9	0.9	5.2
IG Corp	6.3	6.3	0.2	2.1	14.6	14.6	4.3	8.8
HY Corp	6.2	6.2	0.1	2.0	19.0	19.0	8.3	12.9
<b>Other Global Asset Classes</b>								
DM REITs	16.3	16.3	9.6	11.7	30.2	30.2	18.5	23.5
DM Natural Resources Equities	-1.4	0.4	-5.4	-3.6	3.1	5.6	-3.9	0.2
Inflation-Linked Bonds	6.0	6.0	-0.1	1.8	12.0	12.0	1.9	6.3
Commodities	-5.3	-5.3	-10.7	-9.0	-6.1	-6.1	-14.5	-10.9

## DEVELOPED MARKETS PERFORMANCE (%)

Equities (MSCI)	Third Quarter 2024				Trailing 12 Months			
	LC	US\$	£	€	LC	US\$	£	€
<b>Developed Markets</b>	4.7	6.4	0.2	2.1	30.4	32.4	20.5	25.6
<b>US</b>	5.8	5.8	-0.3	1.6	35.6	35.6	23.4	28.7
<b>Canada</b>	10.6	12.0	5.5	7.6	26.7	26.8	15.3	20.2
<b>UK</b>	1.7	7.9	1.7	3.7	12.2	23.3	12.2	17.0
<b>Japan</b>	-6.0	5.7	-0.4	1.5	16.5	21.6	10.6	15.3
<b>Israel</b>	11.8	12.4	5.9	7.9	30.7	32.4	20.4	25.6
<b>Europe ex UK</b>	1.5	6.2	0.1	2.0	18.6	25.8	14.5	19.4
<b>EMU*</b>	3.1	7.3	1.1	3.1	20.3	26.8	15.4	20.3
Austria	4.4	8.7	2.5	4.4	21.7	28.3	16.7	21.7
Belgium	10.7	15.2	8.6	10.7	19.4	25.8	14.5	19.4
Denmark	-13.9	-10.3	-15.5	-13.9	18.1	24.5	13.3	18.1
Finland	3.8	8.1	1.9	3.8	10.5	16.5	6.0	10.5
France	3.4	7.7	1.5	3.4	10.4	16.4	5.9	10.4
Germany	6.3	10.7	4.4	6.3	25.3	32.1	20.2	25.4
Ireland	9.4	13.9	7.4	9.4	31.5	38.6	26.2	31.5
Italy	4.3	8.6	2.3	4.3	27.5	34.4	22.3	27.5
Netherlands	-8.2	-4.5	-10.0	-8.3	31.9	38.7	26.2	31.6
Norway	1.0	2.1	-3.8	-1.9	3.5	4.5	-4.9	-0.9
Portugal	4.4	8.7	2.5	4.4	5.6	11.3	1.3	5.6
Spain	9.1	13.7	7.1	9.2	28.9	35.9	23.7	28.9
Sweden	3.8	8.4	2.2	4.1	26.7	35.8	23.5	28.8
Switzerland	1.9	8.5	2.3	4.2	12.1	21.6	10.6	15.4
<b>Pacific ex Japan</b>	10.5	14.3	7.7	9.8	21.0	28.2	16.7	21.6
Australia	7.4	11.5	5.1	7.1	22.5	31.6	19.8	24.9
Hong Kong	23.8	24.4	17.3	19.5	13.8	14.8	4.4	8.9
Singapore	12.1	17.6	10.8	12.9	26.9	33.9	21.9	27.0
New Zealand	1.1	5.6	-0.5	1.4	13.4	20.1	9.3	14.0

\* MSCI EMU Index tracks ten developed nations in the European Economic and Monetary Union.

## EMERGING MARKETS PERFORMANCE (%)

Equities (MSCI)	Third Quarter 2024				Trailing 12 Months			
	LC	US\$	£	€	LC	US\$	£	€
<b>Emerging Markets</b>	6.6	8.7	2.5	4.4	25.0	26.1	14.7	19.6
<b>EM Asia</b>	7.1	9.5	3.2	5.1	27.7	29.7	18.0	23.0
China	22.2	23.5	16.4	18.6	22.4	23.9	12.7	17.5
China A-Shares	17.3	21.5	14.5	16.7	9.4	13.9	3.6	8.0
India	7.8	7.3	1.1	3.0	41.6	40.3	27.7	33.1
Indonesia	6.6	15.3	8.7	10.8	3.1	5.2	-4.3	-0.2
Korea	-10.3	-5.6	-11.0	-9.3	5.9	9.3	-0.6	3.7
Malaysia	5.4	20.5	13.6	15.8	19.0	35.5	23.3	28.6
Philippines	16.3	21.7	14.7	16.8	21.5	22.7	11.6	16.4
Taiwan	-2.0	0.5	-5.3	-3.5	49.7	52.7	38.9	44.8
Thailand	13.0	28.9	21.5	23.8	3.4	17.0	6.5	11.0
<b>EM EMEA</b>	5.1	7.1	1.0	2.9	16.7	19.2	8.5	13.1
Czech Republic	1.6	5.0	-1.0	0.9	5.8	7.7	-2.0	2.2
Egypt	12.9	12.3	5.8	7.8	44.9	-7.3	-15.7	-12.1
Greece	6.0	10.4	4.0	6.0	24.5	31.3	19.4	24.5
Hungary	2.7	6.3	0.2	2.1	32.3	36.4	24.1	29.4
Kuwait	3.2	3.7	-2.3	-0.4	7.6	8.9	-0.9	3.3
Poland	-8.3	-3.9	-9.4	-7.7	28.0	45.7	32.5	38.2
Qatar	10.5	10.5	4.2	6.2	11.3	11.2	1.2	5.5
Saudi Arabia	5.3	5.3	-0.8	1.1	11.2	11.2	1.2	5.5
South Africa	9.6	16.1	9.4	11.5	25.0	36.7	24.4	29.7
Turkey	-8.8	-12.6	-17.6	-16.0	33.2	6.8	-2.8	1.3
UAE	12.0	12.0	5.6	7.6	6.4	6.4	-3.2	0.9
<b>EM Latin America</b>	4.5	3.7	-2.2	-0.4	12.1	2.8	-6.4	-2.4
Brazil	5.6	7.1	1.0	2.9	12.3	2.6	-6.6	-2.6
Chile	0.2	5.3	-0.8	1.1	6.3	5.8	-3.7	0.4
Colombia	-0.1	-0.9	-6.6	-4.8	29.4	25.4	14.1	19.0
Mexico	3.6	-3.4	-9.0	-7.2	9.0	-3.4	-12.1	-8.3
Peru	7.9	7.9	1.7	3.6	57.4	57.4	43.2	49.3
<b>Frontier Markets</b>	1.9	4.5	-1.5	0.4	15.0	15.1	4.7	9.2



**CAMBRIDGE  
ASSOCIATES**

### **Global Asset Class Performance Exhibit**

Equity region and style performances are represented by the following indexes: MSCI ACWI (Global), MSCI World ex US (DM ex US), MSCI US (US), MSCI Emerging Markets (EM), MSCI ACWI Small Cap (Small Cap), MSCI ACWI Growth (Growth), and MSCI ACWI Value (Value). Fixed income performances are represented by the following indexes: Bloomberg Global Aggregate (Global Aggregate), Bloomberg Government Bond (Government Bonds), Bloomberg Corporate Investment Grade Bond (IG Corp), and Bloomberg Corporate High Yield Bond (HY Corp). Other asset class performances are represented by the following indexes: FTSE EPRA NAREIT Developed Total Return (DM REITs), S&P GSCI™ Commodity Total Return (Commodities), MSCI World Natural Resources (Natural Resources Equities), and United States Dollar DXY (US Dollar).

### **Equity Performance Exhibits**

All data are total returns unless otherwise noted. Total return data for all MSCI indexes are net of dividend taxes.

US Equity Market Performance chart includes performance for the MSCI US, MSCI World ex US, MSCI Emerging Markets, MSCI US Small Cap, MSCI US Growth, and MSCI US Value indexes. The sector performance is represented by the relevant MSCI US sector indexes.

European Equity Market Performance chart includes performance for the MSCI Europe ex UK, MSCI EMU, MSCI UK, MSCI World, MSCI Emerging Markets, MSCI Europe ex UK Small Cap Index, MSCI Europe ex UK Growth, MSCI Europe ex UK Value, MSCI UK Small Cap, MSCI UK Growth, and MSCI UK Value indexes.

Asian Equity Market Performance chart includes performance for the MSCI AC Asia ex Japan, MSCI ASEAN, MSCI EM Asia, MSCI World, and MSCI Emerging Markets indexes. The Asian country equity performances are represented by the relevant MSCI country index. Asia ex Japan includes China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, and Thailand. EM Asia includes China, India, Indonesia, Korea, Malaysia, the Philippines, Taiwan, and Thailand. ASEAN includes Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Notable Equity Market Performance chart includes performance for MSCI Emerging Markets EMEA, MSCI Pacific ex Japan, MSCI Emerging Markets Latin America, and MSCI Frontier Markets indexes. The Other Notable Country equity performances are represented by the relevant MSCI country index.

### **Fixed Income Performance Table**

US dollar–denominated performances are represented by the following indexes: Bloomberg US Aggregate (Aggregate), Bloomberg US Treasury (Treasury), Bloomberg US Corporate Investment Grade (IG Corp), Bloomberg US Corporate High Yield (HY Corp), Bloomberg US TIPS (TIPS), and Bloomberg US Municipal Bond (Muni). Euro-denominated performances are represented by the following indexes: FTSE Europe Government Bond (Government Bonds), Bloomberg Euro-Aggregate Corporate Bond (IG Corp), and Bloomberg Pan-European High Yield Bond (Euro) (HY Corp). UK Sterling–denominated performance are represented by the following indexes: FTSE British Government All Stocks Bond (Gilts), Bloomberg Sterling Aggregate Corporate Bond (IG Corp), ICE BofA Sterling High Yield Bond (HY Corp), and Bloomberg Sterling Inflation Linked GILT (Linkers).

### **Real Assets Performance Table**

Real assets performances are represented by the following indexes: S&P GSCI™ Index, S&P GSCI™ Energy Index, S&P GSCI™ Industrial Metals Index, S&P GSCI™ Precious Metals Index, S&P GSCI™ Agriculture Index, Bloomberg Commodity TR Index, MSCI World Natural Resources Index, Alerian MLP Index, LBMA Gold Price, FTSE® NAREIT All Equity REITs Index, FTSE® EPRA/NAREIT Developed Real Estate Index, and the MSCI World Core Infrastructure Index.

Copyright © 2024 by Cambridge Associates LLC. All rights reserved.

This report may not be displayed, reproduced, distributed, transmitted, or used to create derivative works in any form, in whole or in portion, by any means, without written permission from Cambridge Associates LLC (“CA”). Copying of this publication is a violation of US and global copyright laws (e.g., 17 U.S.C. 101 et seq.). Violators of this copyright may be subject to liability for substantial monetary damages.

This report is provided for informational purposes only. The information does not represent investment advice or recommendations, nor does it constitute an offer to sell or a solicitation of an offer to buy any securities. Any references to specific investments are for illustrative purposes only. The information herein does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Information in this report or on which the information is based may be based on publicly available data. CA considers such data reliable but does not represent it as accurate, complete, or independently verified, and it should not be relied on as such. Nothing contained in this report should be construed as the provision of tax, accounting, or legal advice. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE. Broad-based securities indexes are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Any information or opinions provided in this report are as of the date of the report, and CA is under no obligation to update the information or communicate that any updates have been made. Information contained herein may have been provided by third parties, including investment firms providing information on returns and assets under management, and may not have been independently verified.

The terms “CA” or “Cambridge Associates” may refer to any one or more CA entity including: Cambridge Associates, LLC (a registered investment adviser with the US Securities and Exchange Commission, a Commodity Trading Adviser registered with the US Commodity Futures Trading Commission and National Futures Association, and a Massachusetts limited liability company with offices in Arlington, VA; Boston, MA; Dallas, TX; New York, NY; and San Francisco, CA), Cambridge Associates Limited (a registered limited company in England and Wales, No. 06135829, that is authorized and regulated by the UK Financial Conduct Authority in the conduct of Investment Business, reference number: 474331); Cambridge Associates GmbH (authorized and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (“BaFin”), Identification Number: 155510), Cambridge Associates Asia Pte Ltd (a Singapore corporation, registration No. 200101063G, which holds a Capital Market Services License to conduct Fund Management for Accredited and/or Institutional Investors only by the Monetary Authority of Singapore), Cambridge Associates Limited, LLC (a registered investment adviser with the US Securities and Exchange Commission, an Exempt Market Dealer and Portfolio Manager in the Canadian provinces of Alberta, British Columbia, Manitoba, Newfoundland and Labrador, Nova Scotia, Ontario, Québec, and Saskatchewan, and a Massachusetts limited liability company with a branch office in Sydney, Australia, ARBN 109 366 654), Cambridge Associates Investment Consultancy (Beijing) Ltd (a wholly owned subsidiary of Cambridge Associates, LLC which is registered with the Beijing Administration for Industry and Commerce, registration No. 110000450174972), and Cambridge Associates (Hong Kong) Private Limited (a Hong Kong Private Limited Company licensed by the Securities and Futures Commission of Hong Kong to conduct the regulated activity of advising on securities to professional investors).