

KEY TAKEAWAYS

- The U.S. reopening is in full swing as falling COVID case numbers and easing restrictions have allowed activity to resume at a robust pace. The CDC reports that over 60% of American adults have received at least one vaccine dose.
- Returns from Developed Non-U.S. equities have been strong, beating their domestic peers during the month. Signs of faster growth in Europe, a weaker dollar, and more cyclical exposure within indices have helped push international markets higher. Value styles across most markets continue to shine with global recovery trends firmly in place.
- Markets have largely shrugged off any worries of rising inflation. Interest rates had little reaction to the latest release of the Consumer Price Index, which reflected prices increased by 4.2% on a year-over-year basis. Commodity prices advanced during the month, but the 10-year Treasury yield has stuck trading in a tight range between 1.5% and 1.6%.
- Cryptocurrencies showed their true colors in May, with the volatile nature of the digital assets on full display. Bitcoin declined by over 40% during the month as environmental concerns and government scrutiny triggered a steep correction.

INDEX PERFORMANCE (as of 5/31/2021)

Equity	May	Year-to-Date	One-Year
U.S. Large Cap	0.7%	12.6%	40.3%
U.S. Small Cap	0.2%	15.3%	54.6%
Developed Non-U.S.	3.3%	10.1%	38.4%
Emerging Market	2.3%	7.3%	51.0%
Real Assets			
Real Estate	1.8%	12.9%	34.2%
Commodities	2.7%	18.9%	46.2%
Natural Resource Equities	7.1%	32.3%	46.8%
Fixed Income			
<u>Core Plus</u>			
U.S. High Yield Debt	0.3%	2.3%	15.0%
Emerging Market Debt	2.5%	-2.2%	8.4%
<u>Core Bonds</u>			
U.S. Aggregate Bonds	0.3%	-2.3%	-0.4%
U.S. Treasuries	0.3%	-3.2%	-3.8%
U.S. Municipal Bonds	0.1%	0.3%	2.8%
Month-End Values/Yield	Current	Prior Month	One-Year Ago
CBOE Volatility Index	16.8	18.6	27.5
10-Year Treasury Yield	1.6%	1.7%	0.7%

ALASKA

ARIZONA

CALIFORNIA

COLORADO

FLORIDA

GEORGIA

MASSACHUSETTS

NEW JERSEY

NEW YORK

TEXAS

BELLEVUE, WA

SEATTLE, WA

WASHINGTON D.C.

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Sources: Bloomberg, Morningstar, treasury.gov, S&P Dow Jones Indices.

You cannot invest directly in an index; therefore, performance returns do not reflect any management fees. Returns of the indices include the reinvestment of all dividends and income, as reported by the commercial databases involved. Returns over one year have been annualized.

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U.S. Large Cap Equity is represented by the S&P 500 Index, with dividends reinvested. U.S. Small Cap Equity is represented by the Russell 2000 Index. Developed Non-U.S. Equity is represented by the MSCI EAFE Index. Emerging Market Equity is represented by the MSCI EM Index. Real Estate is represented by the S&P Global Property Index. Commodities are represented by the DJ UBS Commodity Index. Natural Resource Equities are represented by the S&P North American Natural Resources Index. U.S. High Yield Debt is represented by the Bloomberg Barclays U.S. Corporate High Yield Index. Emerging Market Debt is represented by the JPM GMI-EM Global Diversified Index. U.S. Aggregate Bonds is represented by the Bloomberg Barclays U.S. Aggregate Bond Index. U.S. Treasuries is represented by the Bloomberg Barclays U.S. Treasury Index. U.S. Municipal Bonds is represented by the Bloomberg Barclays Municipal 1-10yr Index.