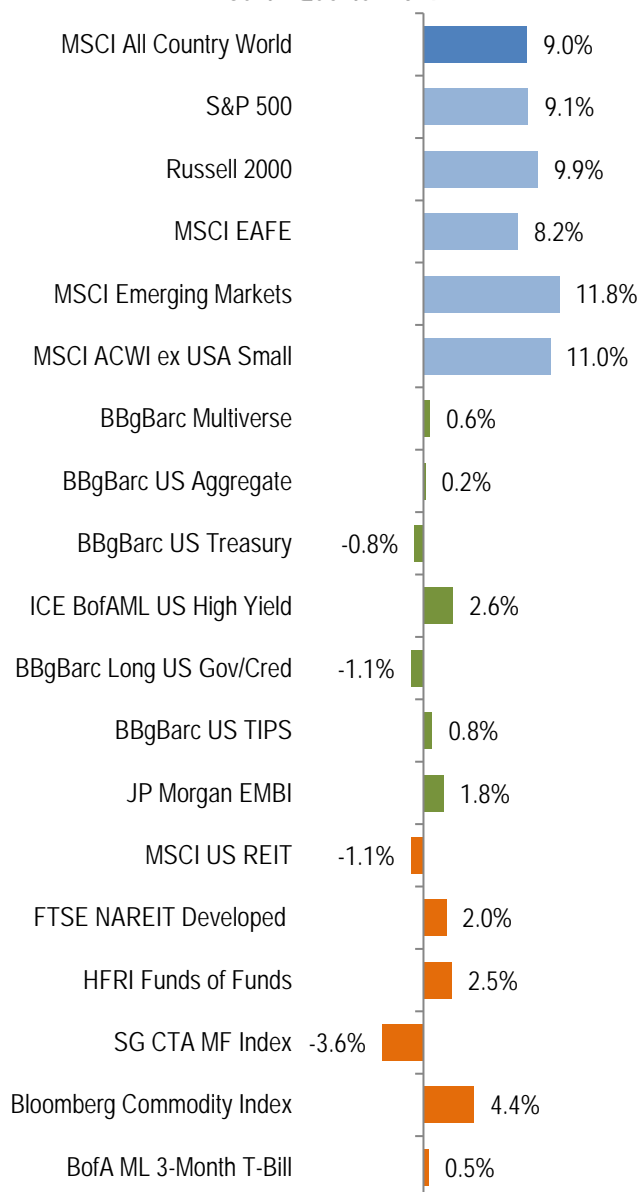


As of December 31, 2019

Fourth Quarter 2019



Fourth Quarter 2019: The Year Everything Worked

What a difference a year makes. After 2018 ended with stocks in free fall, markets rebounded sharply in 2019, with broad market indices pushing new highs daily during the fourth quarter. Last year's worries -- trade, global growth, and tightening monetary policy -- have each abated.

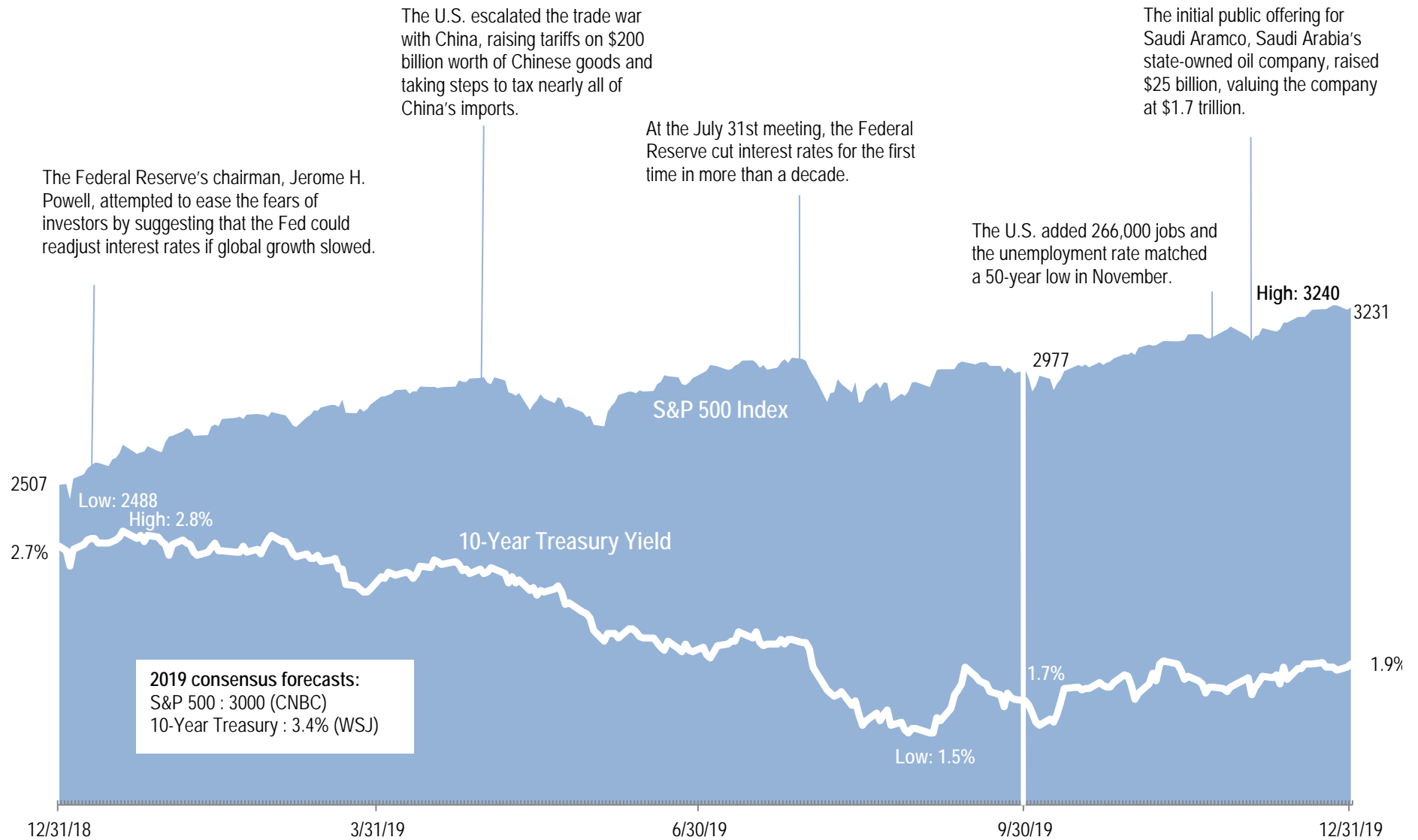
First to fall was concern for monetary tightening when the Federal Reserve first suggested a pause in rate hikes, then announced a single "insurance" rate cut in July, and ultimately cut rates three times in the second half of the year. Confounding underlying economic data supported the Fed's policy reversal. Weak manufacturing and slow wage growth left policymakers puzzled even as the economy created jobs well in excess of steady-state levels.

Trade worries dissipated as two main narratives seemed to emerge throughout the year: either the United States and China are getting close to a trade deal, or there is an increasing likelihood that President Trump and China President Xi Jinping won't escalate the trade war during the American election year. The election's impact on the stock market is likely to be a common media theme in the upcoming year, but if history is any guide, listening to broad predictions about the direction of equity markets based on election outcomes is likely to be more harmful than helpful.

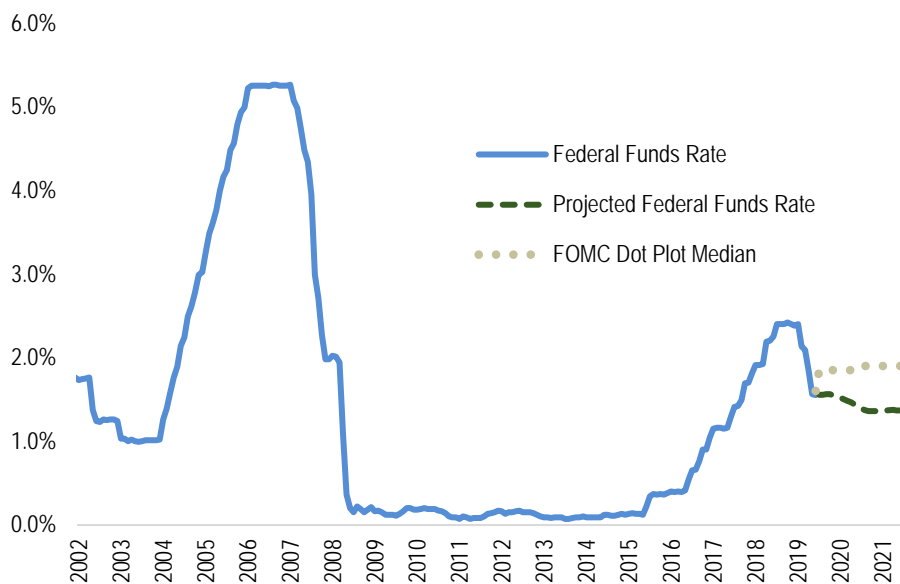
2019 market details will sound like a familiar refrain to most market followers. Value mostly underperformed (again). U.S. stocks outperformed international stocks (again). And interest rates, which according to prognosticators had nowhere to go but up, declined (again). May the next year, and decade, be as interesting as the last.

	QTD	YTD	3 Years	5 Years	10 Years	15 Years
S&P 500	9.1%	31.5%	15.3%	11.7%	13.6%	9.0%
S&P 500 Value	9.9%	31.9%	11.5%	9.5%	12.2%	7.7%
S&P 500 Growth	8.3%	31.1%	18.7%	13.5%	14.8%	10.2%
Russell 2000	9.9%	25.5%	8.6%	8.2%	11.8%	7.9%
Russell 2000 Value	8.5%	22.4%	4.8%	7.0%	10.6%	6.9%
Russell 2000 Growth	11.4%	28.5%	12.5%	9.3%	13.0%	8.8%
MSCI EAFE (USD)	8.2%	22.0%	9.6%	5.7%	5.5%	4.8%
MSCI EAFE (Local)	5.2%	21.7%	7.7%	6.7%	7.2%	5.8%
MSCI Emerging Markets (USD)	11.8%	18.4%	11.6%	5.6%	3.7%	7.5%
MSCI Emerging Markets (Local)	9.5%	18.1%	11.5%	7.5%	6.1%	9.1%
BBgBarc US Aggregate	0.2%	8.7%	4.0%	3.0%	3.7%	4.2%
FTSE NAREIT Developed	2.0%	23.1%	9.3%	6.5%	9.2%	6.8%
HFRI Fund of Funds	2.5%	7.8%	3.7%	2.2%	2.8%	2.8%
BofA ML 3-Month T-Bill	0.5%	2.3%	1.7%	1.1%	0.6%	1.4%

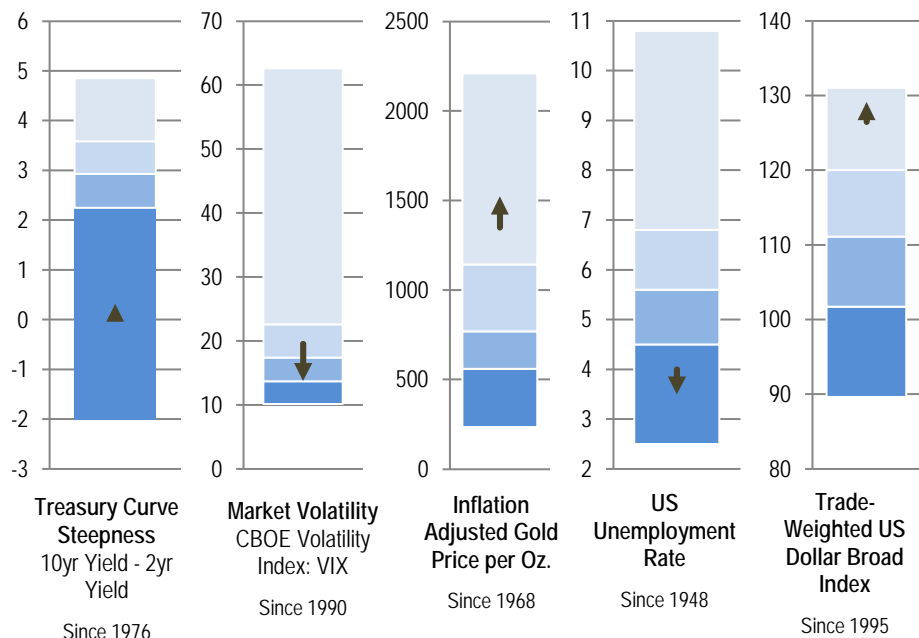
Sources: Sellwood Consulting LLC, Morningstar Direct, Investment Metrics, Federal Reserve Economic Data
Returns for periods longer than 1 year are annualized.



Federal Funds Rate

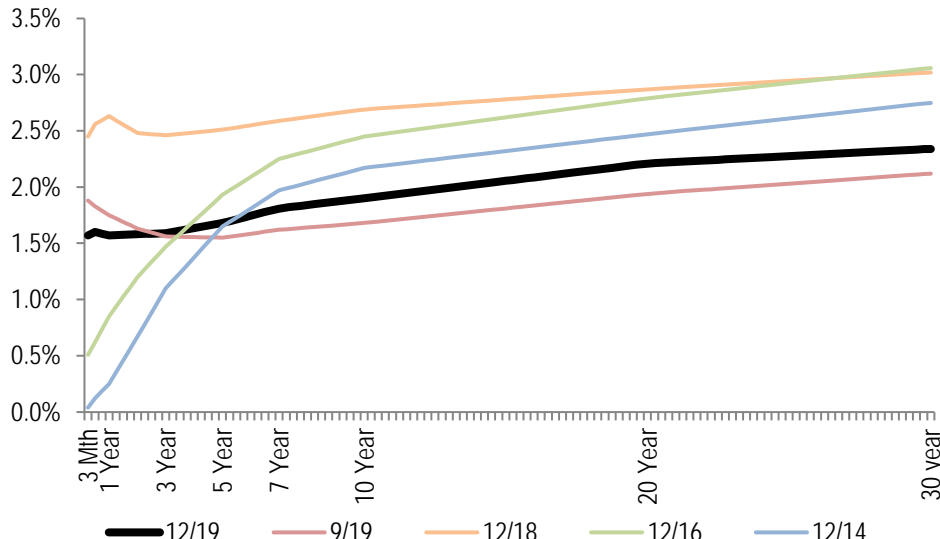


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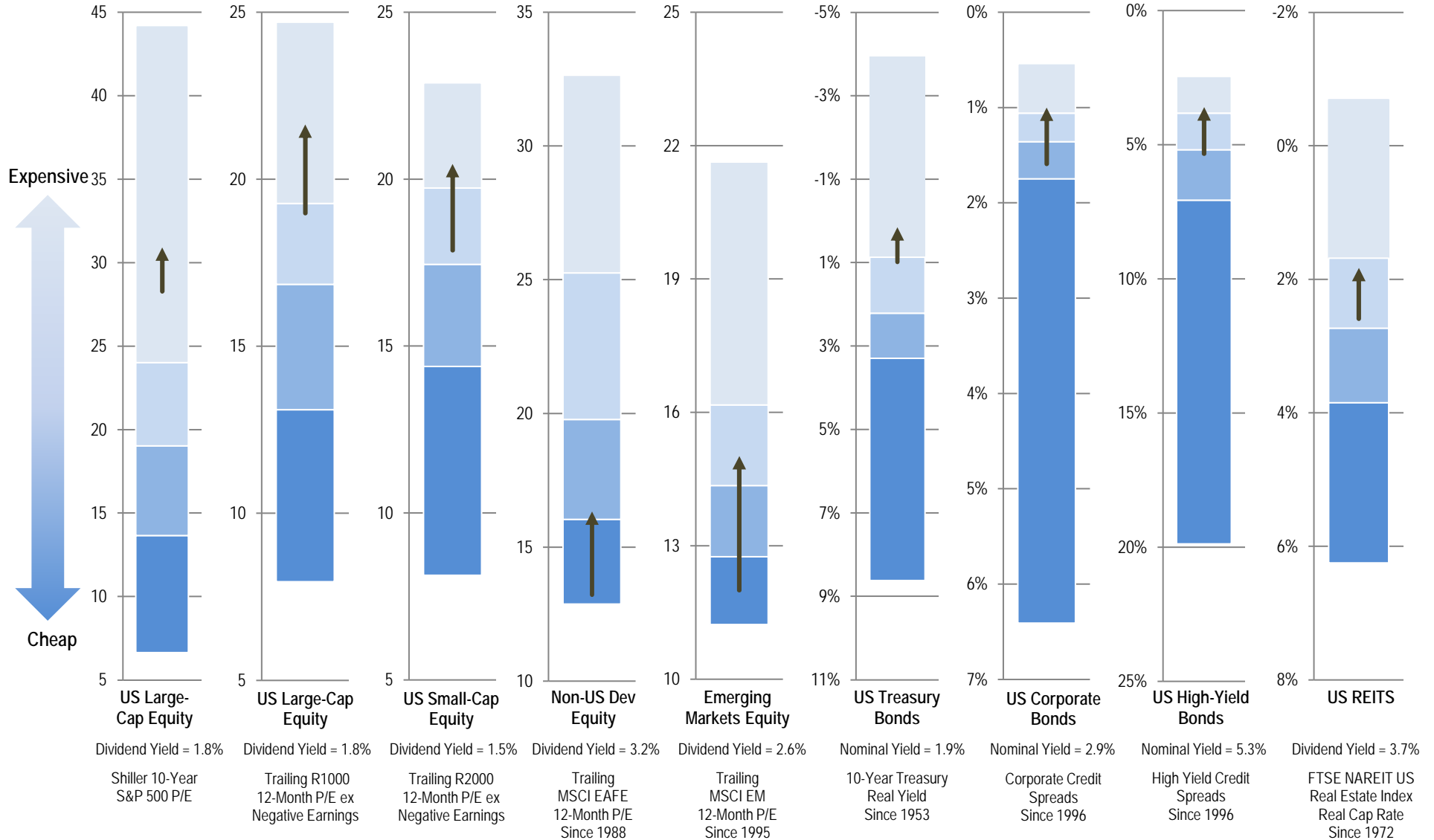
	12/2019	9/2019	12/2018	12/2016	12/2014
Market Inflation Expectations					
5 Year	1.7	1.4	1.5	1.8	1.3
10 Year	1.8	1.5	1.7	2.0	1.7
20 Year	1.8	1.6	1.8	2.0	1.8
CPI Year-over-Year	---	1.7	1.9	2.1	0.7
West Texas Crude Oil	61.7	54.1	45.2	53.8	53.5
Consumer Sentiment Index	99.3	93.2	98.3	98.2	93.6
US Corp Profits (% of GDP)	---	9%	9%	9%	11%
Real GDP Growth YoY	---	2.1	1.1	2.0	2.3
Federal Funds Rate	1.55	2.04	2.27	0.54	0.12

US Treasury Yield Curve



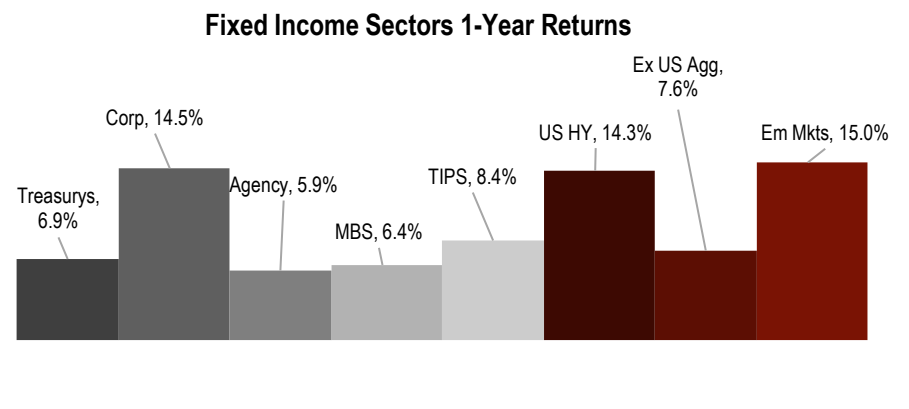
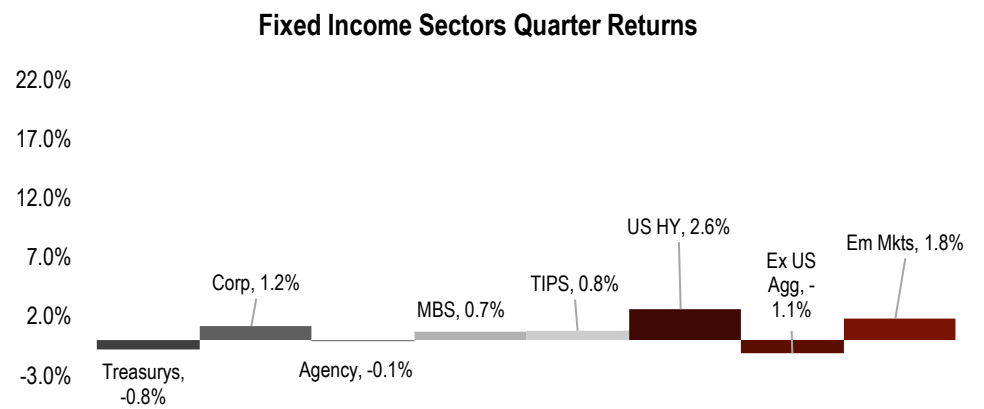
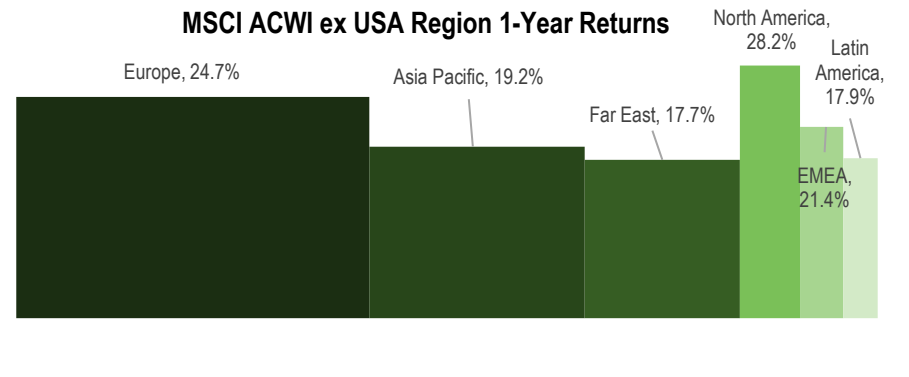
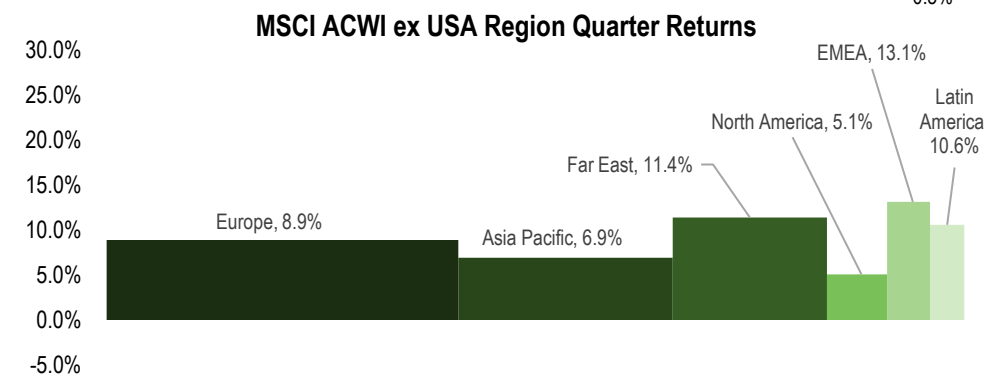
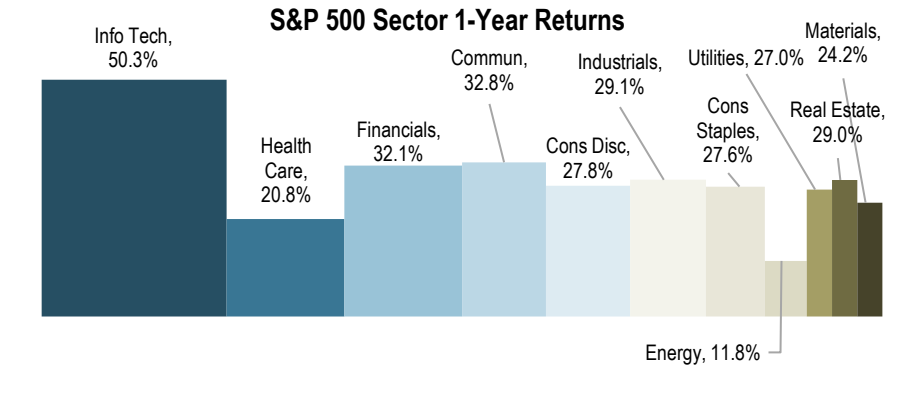
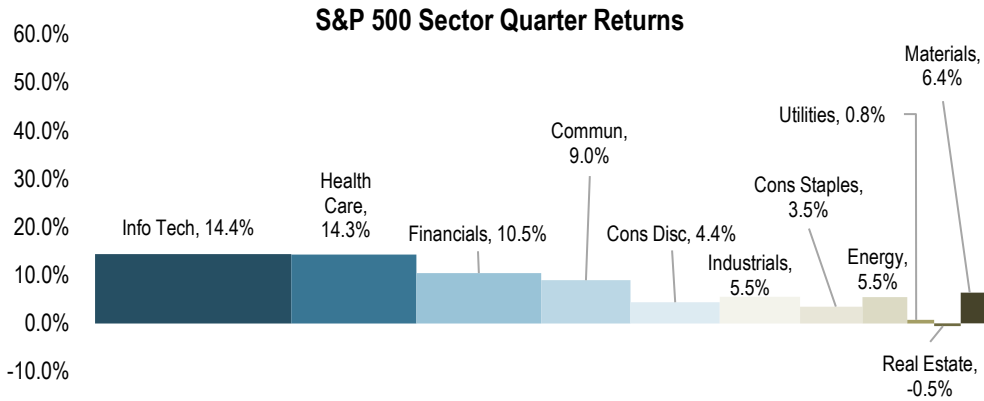
Sources: Sellwood Consulting LLC, Morningstar Direct, Investment Metrics, Federal Reserve Economic Data, CME Group
 Arrows in the top-right charts represent year on year change.

As of December 31, 2019



Arrows represent year on year change. Trailing 12 month P/E and cap rate metrics exclude the top and bottom 5%. P/E metrics calculated by Investment Metrics and Morningstar may use different methodology. 10-Year Treasury real yields are based on the constant maturity TIPS yields calculated by the Federal Reserve. Prior to 2003, real yields are calculated by adjusting the nominal yield with the prior 12-month change in core CPI-U. Real cap rates are inflation adjusted using the applicable 10-year TIPS breakeven inflation rate. Prior to 2003, real cap rates are calculated by adjusting the cap rate with the prior 12-month change in the core CPI-U. Sources: Sellwood Consulting LLC, Robert Shiller Data, FTSE Russell, MCSI, Federal Reserve Economic Data, NAREIT

As of December 31, 2019



The equity bar widths depict end of the quarter region and sector weights. Fixed income bar widths do not depict specific sector weights.
Sources: Sellwood Consulting LLC, Morningstar Direct

As of December 31, 2019

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	1/1/2010 - 12/31/2019	Legend
27%	22%	29%	39%	19%	14%	21%	37%	7%	31%	9%	MSCI All Country World
20%	15%	19%	32%	15%	1%	17%	25%	2%	27%	14%	S&P 500
19%	14%	18%	23%	14%	1%	12%	24%	1%	26%	12%	Russell 2000
17%	10%	17%	23%	11%	1%	12%	22%	0%	23%	5%	MSCI EAFE
15%	8%	16%	13%	6%	1%	11%	15%	-1%	22%	4%	MSCI Emerging Markets
15%	8%	16%	9%	6%	0%	10%	11%	-1%	20%	3%	BBgBarc Multiverse
15%	6%	16%	7%	5%	0%	8%	10%	-2%	18%	4%	BBgBarc US Aggregate
13%	4%	16%	4%	5%	-1%	8%	9%	-3%	15%	3%	BBgBarc US Treasury
12%	2%	10%	0%	4%	-1%	7%	8%	-4%	14%	8%	ICE BofAML US High Yield
10%	0%	9%	-2%	4%	-2%	5%	8%	-5%	9%	8%	BBgBarc Long US Gov/Credit
8%	-4%	7%	-2%	3%	-3%	4%	7%	-5%	8%	3%	BBgBarc US TIPS
7%	-6%	5%	-3%	3%	-3%	3%	7%	-6%	8%	7%	JP Morgan EMBI
6%	-6%	5%	-3%	0%	-4%	3%	4%	-9%	8%	10%	NCREIF-ODCE
6%	-7%	4%	-7%	0%	-4%	1%	3%	-11%	7%	9%	FTSE NAREIT Developed
6%	-12%	2%	-9%	-2%	-5%	1%	2%	-11%	7%	3%	HFRI Funds of Funds
6%	-13%	0%	-9%	-5%	-15%	0%	2%	-14%	4%	-5%	Bloomberg Commodity Index
0%	-18%	-1%	-10%	-17%	-25%	0%	1%	-15%	2%	1%	BofA ML 91-Day T-Bill

Returns for the period from 1/1/2010 - 12/31/2019 are annualized.

Returns for the NCREIF-ODCE are not currently available.