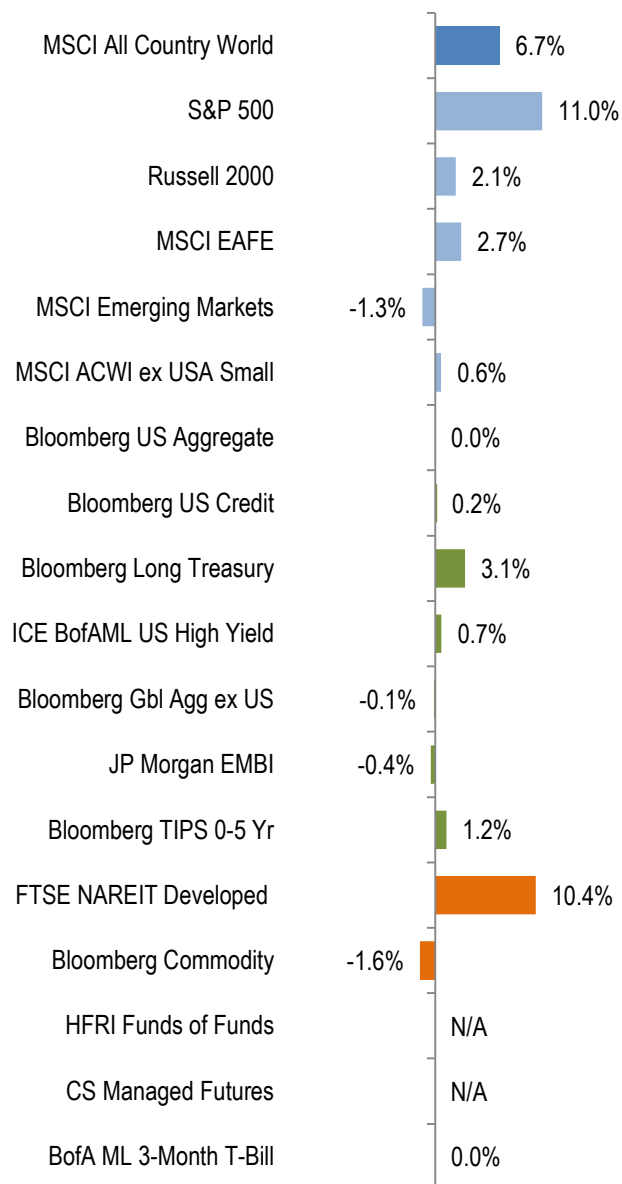


Fourth Quarter 2021



Fourth Quarter 2021: There Is No Alternative

Global markets shrugged off supply-chain issues, various Covid-19 variants, and higher inflation in the fourth quarter to finish positive for the year, as the bull market that started in the spring of 2020 rolled on. Large-capitalization U.S. stocks continued their dominance as the S&P 500 ticked off 70 all-time highs, the second most highs ever recorded in a single calendar year. Exceptionally strong earnings and record-high profit margins were some of the catalysts for the stock market performance. Another driver can be summed up by the acronym "TINA" – There Is No Alternative. Investors, unexcited by low and rising fixed income yields, have shunned bonds and poured money into equity funds at record levels.

Supply-chain issues wreaked havoc on the world economy as consumers, flush with cash from record stimulus, shifted spending into consumer goods and away from in-person services. The subsequent inflation, initially contained in supply-constrained industries, has now extended to the broader economy. The resulting consumer price increases, the largest in three decades, forced Federal Reserve Chair Powell to ditch the at-best confusing "transitory" tag during his December testimony to Congress. Chair Powell also announced that the Federal Reserve is increasing the pace of bond tapering, paving the way for interest rate hikes as early as spring 2022. With inflation well above target and the unemployment rate at 4.2% in November, the path to rate raises would seem clear – but Chair Powell cited the Omicron variant and millions of U.S. adults that haven't returned to the labor force as potential challenges for the economy in 2022.

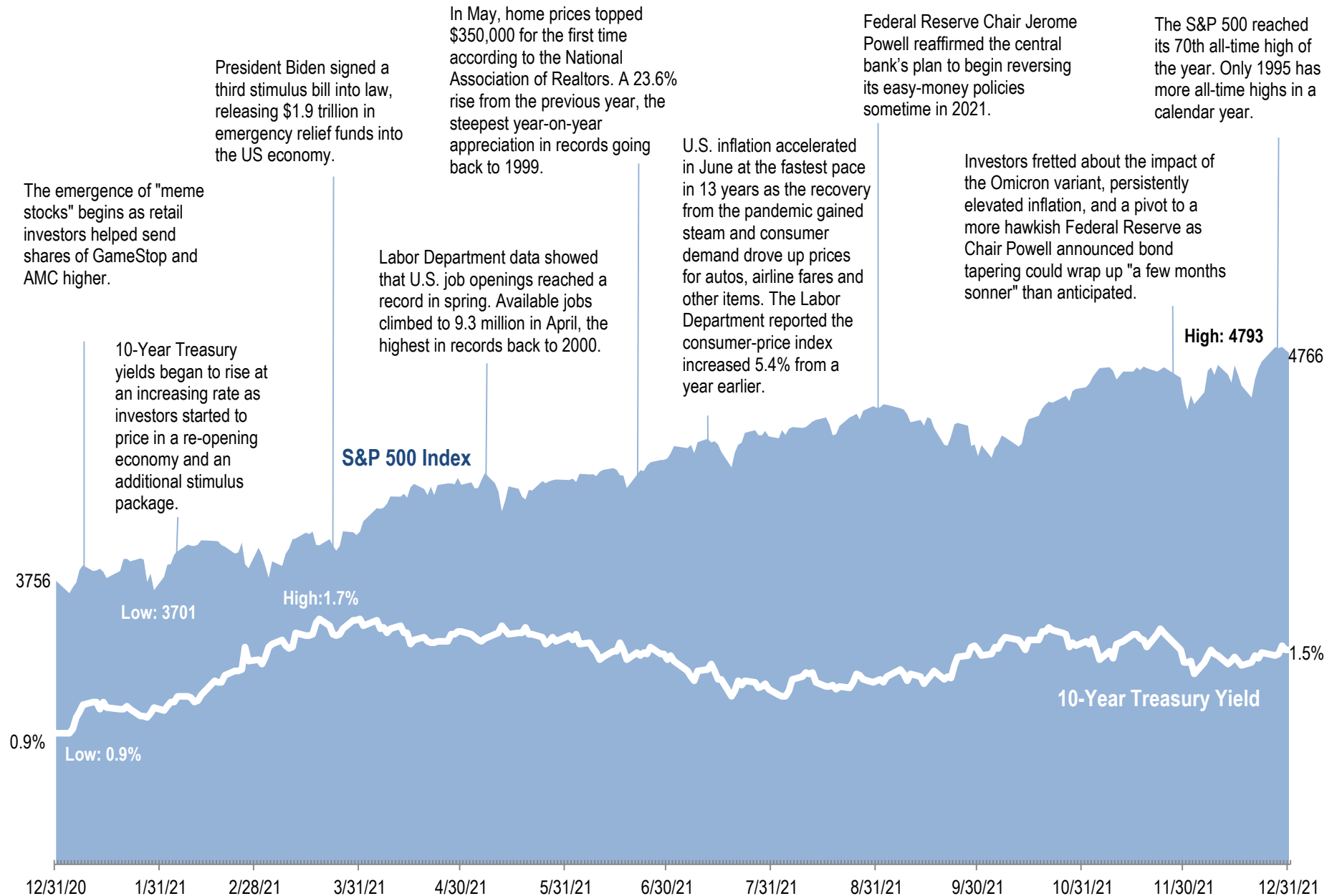
Outside of the US, developed markets were more muted than U.S. indices but they did see double-digit returns for the year. Emerging markets, weighed down heavily by Covid-19 related closures, global supply chain disruptions, and real estate weakness in China, finished down for the year.

	QTD	YTD	1 Year	3 Years	5 Years	15 Years
S&P 500	11.0%	28.7%	28.7%	26.1%	18.5%	10.7%
S&P 500 Value	8.3%	24.9%	24.9%	18.6%	11.9%	7.6%
S&P 500 Growth	13.4%	32.0%	32.0%	32.2%	24.1%	13.3%
Russell 2000	2.1%	14.8%	14.8%	20.0%	12.0%	8.7%
Russell 2000 Value	4.4%	28.3%	28.3%	18.0%	9.1%	7.2%
Russell 2000 Growth	0.0%	2.8%	2.8%	21.2%	14.5%	10.0%
MSCI EAFE (USD)	2.7%	11.3%	11.3%	13.5%	9.5%	3.6%
MSCI EAFE (Local)	3.9%	18.7%	18.7%	13.4%	8.4%	4.2%
MSCI Emerging Markets (USD)	(1.3%)	(2.5%)	(2.5%)	10.9%	9.9%	4.5%
MSCI Emerging Markets (Local)	(0.9%)	(0.2%)	(0.2%)	12.0%	10.5%	6.4%
Bloomberg US Aggregate	0.0%	(1.5%)	(1.5%)	4.8%	3.6%	4.1%
Bloomberg Long Treasury	3.1%	(4.6%)	(4.6%)	8.8%	6.5%	6.6%
FTSE NAREIT Developed	10.4%	27.2%	27.2%	12.9%	8.8%	4.4%
HFRI Fund of Funds	N/A	N/A	N/A	N/A	N/A	N/A
BofA ML 3-Month T-Bill	0.0%	0.1%	0.1%	1.0%	1.2%	0.9%

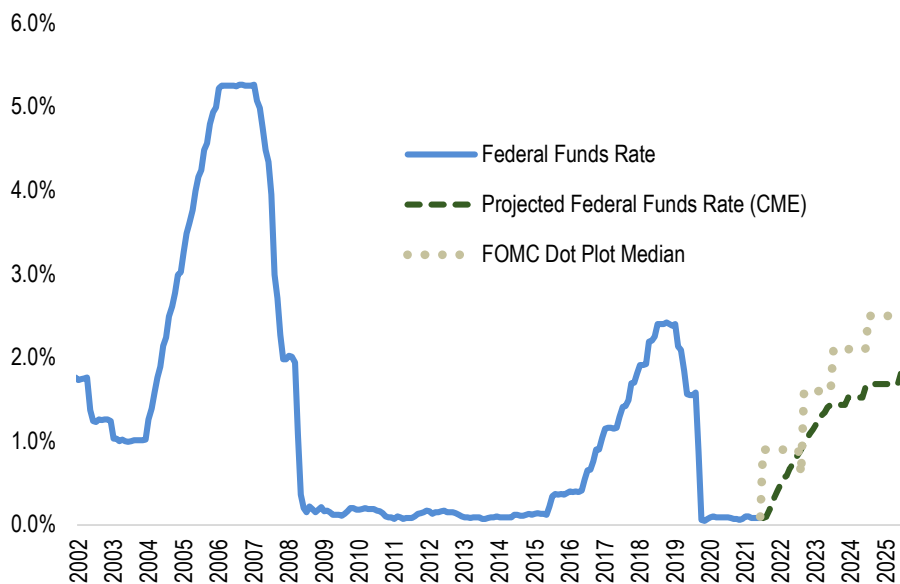
Sources: Sellwood Consulting LLC, Morningstar Direct, Investment Metrics, Federal Reserve Economic Data

Returns for periods longer than 1 year are annualized. HFRI and CS Managed Futures index returns are available on the 6th business day following month end.

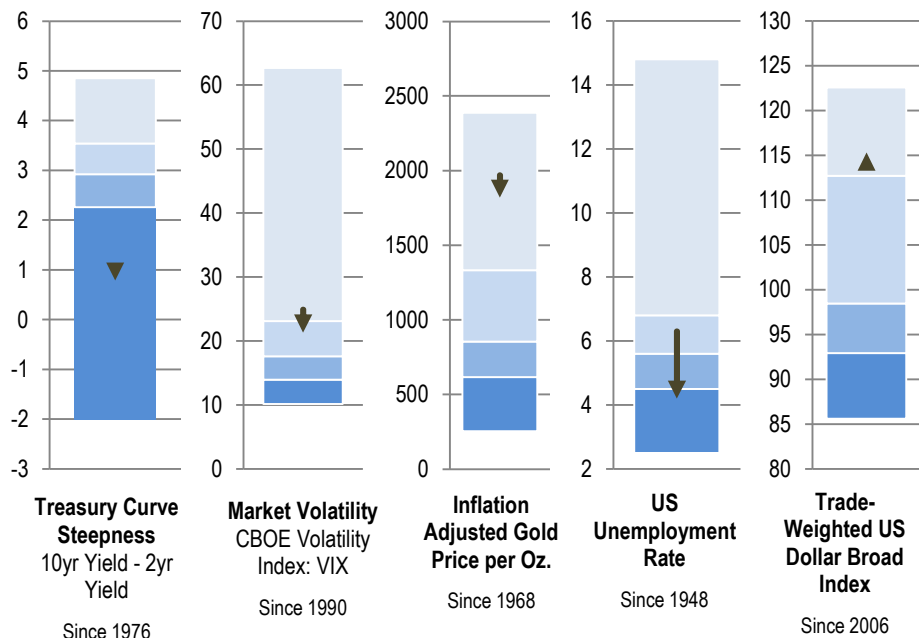
As of December 31, 2021



Federal Funds Rate

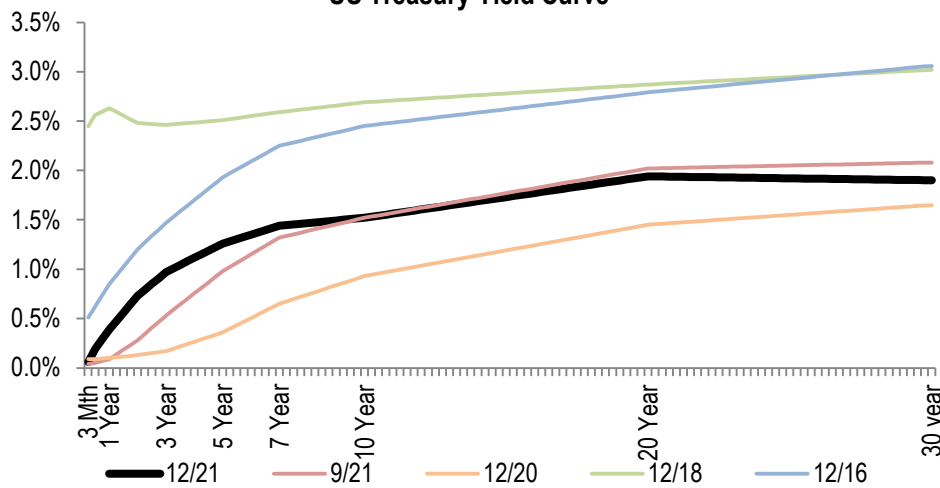


As of December 31, 2021



	12/2021	9/2021	12/2020	12/2018	12/2016
Market Inflation Expectations					
5 Year	2.9	2.5	2.0	1.5	1.8
10 Year	2.6	2.4	2.0	1.7	2.0
20 Year	2.6	2.4	2.1	1.8	2.0
CPI Year-over-Year	---	5.4	1.3	1.9	2.1
West Texas Crude Oil	75.5	75.2	48.4	45.2	53.8
Consumer Sentiment Index	70.6	72.8	80.7	98.3	98.2
S&P 500 Operating EPS	50.4*	52.0	38.2	35.0	27.9
Real GDP Growth YoY	---	2.3	4.5	0.9	2.0
Federal Funds Rate	0.08	0.08	0.09	2.27	0.54

US Treasury Yield Curve

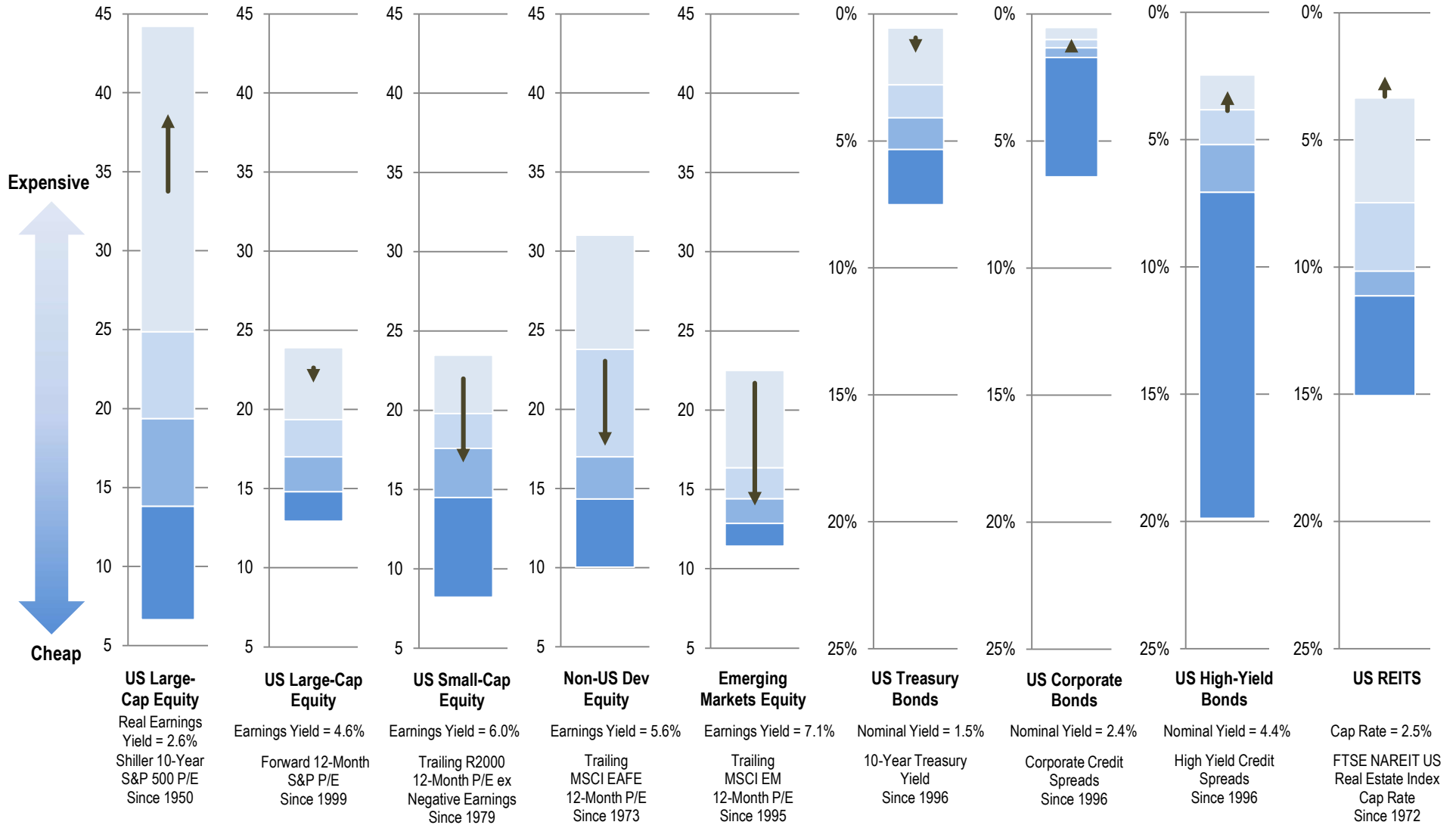


Sources: Sellwood Consulting LLC, Morningstar Direct, Investment Metrics, Federal Reserve Economic Data, CME Group, S&P Dow Jones Indices

Arrows in the top-right charts represent year on year change.

*Estimate provided by S&P Dow Jones Indices

As of December 31, 2021

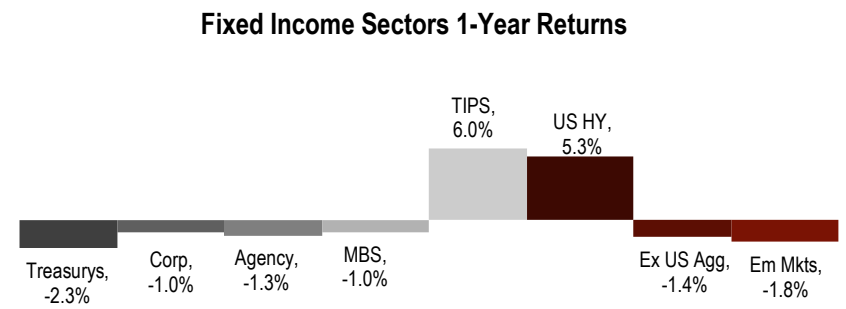
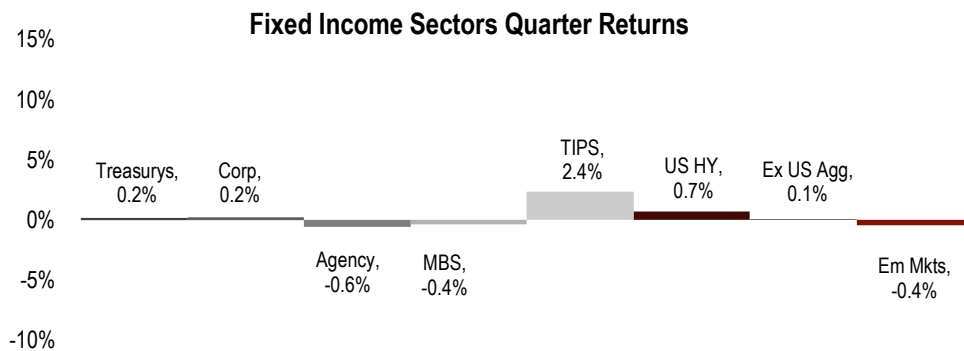
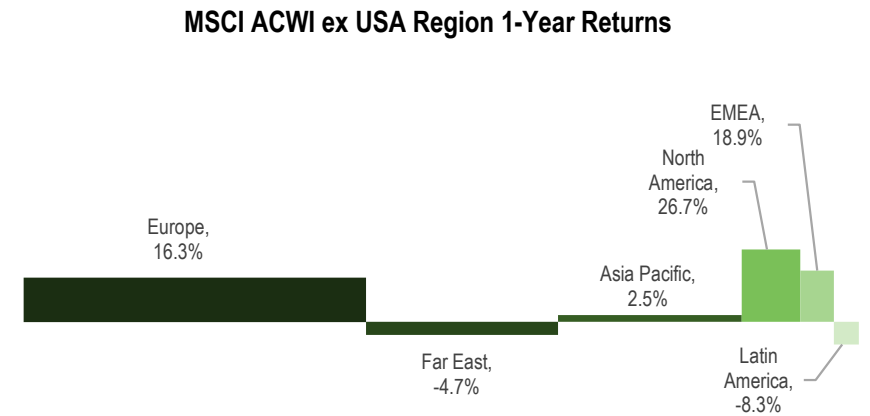
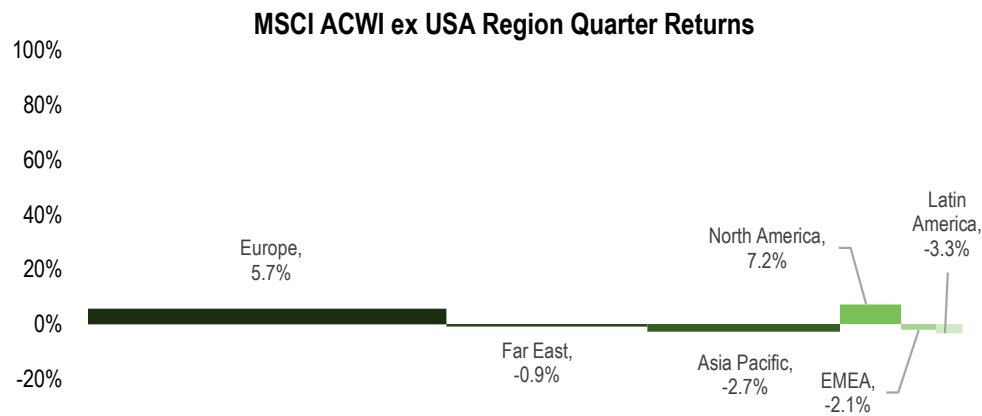
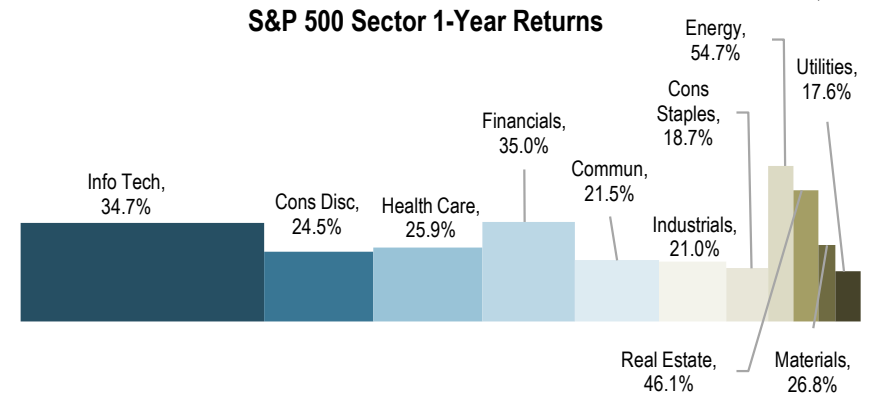
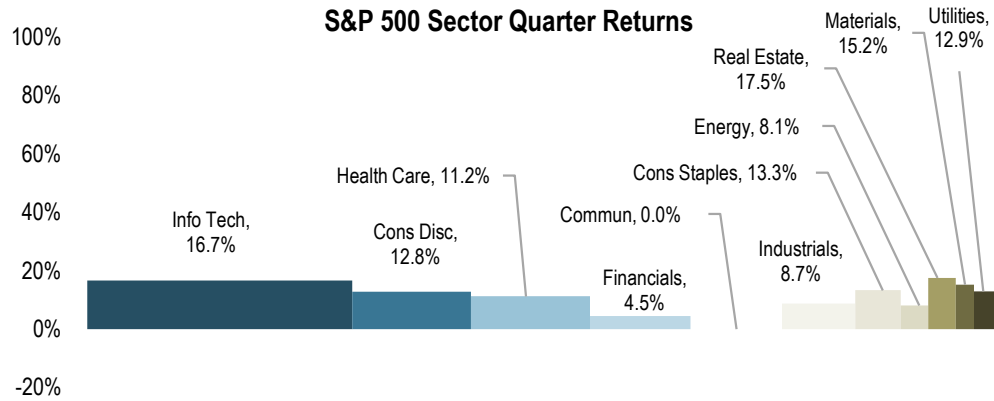


Arrows represent year on year change. Trailing 12 month P/E and cap rate metrics exclude the top and bottom 5%. P/E metrics calculated by Investment Metrics and Morningstar may use different methodology.

Sources: Sellwood Consulting LLC, Robert Shiller Data, S&P Dow Jones Indices, FTSE Russell, MCSI, Federal Reserve Economic Data, NAREIT

Sector and Region Returns

As of December 31, 2021



The equity bar widths depict end of the quarter region and sector weights. Fixed income bar widths do not depict specific sector weights. The Far East includes Hong Kong, Japan and Singapore.

Sources: Sellwood Consulting LLC, Morningstar Direct

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	1/1/2012 - 12/31/2021	Legend
29%	39%	19%	14%	21%	37%	7%	31%	20%	29%	11%	MSCI All Country World
19%	32%	15%	1%	17%	25%	2%	27%	18%	27%	17%	S&P 500
18%	23%	14%	1%	12%	24%	1%	26%	18%	27%	13%	Russell 2000
17%	23%	11%	1%	12%	22%	0%	23%	16%	19%	6%	MSCI EAFE
16%	13%	6%	1%	11%	15%	-1%	22%	16%	15%	4%	MSCI Emerging Markets
16%	9%	6%	0%	10%	11%	-1%	20%	11%	13%*	3%	Bloomberg Multiverse
16%	7%	5%	0%	8%	10%	-2%	18%	10%	11%	4%	Bloomberg US Aggregate
16%	4%	5%	-1%	8%	9%	-3%	15%	9%	10%*	3%	Bloomberg US Treasury
10%	0%	4%	-1%	7%	8%	-4%	14%	8%	6%	7%	ICE BofA US High Yield
9%	-2%	4%	-2%	5%	8%	-5%	9%	8%	5%	8%	Bloomberg Long US Gov/Credit
7%	-2%	3%	-3%	4%	7%	-5%	8%	8%	0%	4%	Bloomberg US TIPS
5%	-3%	3%	-3%	3%	7%	-6%	8%	6%	-2%	6%	JP Morgan EMBI
5%	-3%	0%	-4%	3%	4%	-9%	8%	5%	-2%	10%	NCREIF-ODCE
4%	-7%	0%	-4%	1%	3%	-11%	7%	1%	-2%	8%	FTSE NAREIT Developed
2%	-9%	-2%	-5%	1%	2%	-11%	7%	0%	-3%	4%	HFRI Funds of Funds
0%	-9%	-5%	-15%	0%	2%	-14%	4%	-3%	-3%	-4%	Bloomberg Commodity Index
-1%	-10%	-17%	-25%	0%	1%	-15%	2%	-8%	-5%	1%	ICE BofA 91-Day T-Bill

Returns for the period from 1/1/2012 - 12/31/2021 are annualized.

*Returns for the NCREIF-ODCE are through 9/30 and the returns for the HFRI Fund of Funds are through 11/30.