

KEY TAKEAWAYS

- The positive streak for the S&P 500 continued in July. The index increased for the fourth month in a row as equity asset classes were positive across the board.
- Big winners for the month included Emerging Markets, U.S. Large Cap, High Yield, and precious metals such as gold and silver. The U.S. Dollar gave back the gains from earlier in the year, falling nearly 5% during the month.
- Year-to-date and trailing twelve-month performance are both starting to look a bit better, but outside of U.S. Large Cap, most equity indices still have a ways to go before getting back to even on the year.
- Economic activity has moderated in recent weeks due to the increased number of infections and ongoing measures to slow the spread. Ugly Q2 GDP reports came with little surprise as widespread shutdowns in April and May severely impacted economic output worldwide.
- Congress is negotiating the next round of stimulus measures with Senate Republicans proposing another \$1 trillion plan. With nearly 30 million people currently collecting some form of unemployment benefit, an added stimulus is needed to help consumer spending continue to recover.

NEW JERSEY
201-944-PATH (7284)

MASSACHUSETTS
617-350-8999

FLORIDA
239-214-7931

GEORGIA
404-592-0180

WASHINGTON D.C.
301-998-0300

CALIFORNIA
310-734-5320

WWW.PATHSTONE.COM

INDEX PERFORMANCE (as of 7/31/20)

Equity	July	Year-to-Date	One-Year
U.S. Large Cap	5.6%	2.4%	12.0%
U.S. Small Cap	2.8%	-10.6%	-4.6%
Developed Non-U.S.	2.3%	-9.3%	-1.7%
Emerging Market	8.9%	-1.7%	6.6%
Real Assets			
Real Estate	3.1%	-17.3%	-11.7%
Commodities	5.7%	-14.8%	-12.1%
Natural Resource Equities	5.0%	-22.7%	-18.8%
Fixed Income			
<u>Core Plus</u>			
U.S. High Yield Debt	4.7%	0.7%	4.1%
Emerging Market Debt	3.0%	-4.1%	-0.8%
<u>Core Bonds</u>			
U.S. Aggregate Bonds	1.5%	7.7%	10.1%
U.S. Treasuries	1.1%	10.0%	11.8%
U.S. Municipal Bonds	1.2%	3.3%	4.3%
Month-End Values/Yield	Current	Prior Month	One-Year Ago
CBOE Volatility Index	24.3	30.2	13.9
10-Year Treasury Yield	0.6%	0.7%	2.0%

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.

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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.