

KEY TAKEAWAYS

- Global equities surged in November. The MSCI ACWI increased by an impressive 12.3% — the largest monthly return in the index's history, dating back to 1987.
- News of effective vaccine trials kicked off a wave of positive investor sentiment. Powered by cyclical and value style rotations, many indices reached new all-time highs, a notable difference from the tech-fueled rally that drove markets through the majority of 2020.
- U.S. Small Caps, Developed Non-U.S., and Value asset classes, the laggards of the year, all benefited from the re-opening trade, as investors began pricing in a more optimistic future.
- Not to be overlooked, fundamentals have been strengthening as well. The economic recovery is ongoing, and third-quarter earnings per share for the S&P 500 were impressively down merely 6% year-over-year, while 84% of companies bested expectations.
- Concerns over rising virus counts have been more than offset by the vaccine optimism and the passing of election uncertainty. Fed-fueled liquidity and the determination to not derail the economic recovery should help support markets despite the near-term risks, as investors look ahead to the prospect of a post-COVID-19 environment.

INDEX PERFORMANCE (as of 11/30/2020)

ALASKA
 CALIFORNIA
 FLORIDA
 GEORGIA
 MASSACHUSETTS
 NEW JERSEY
 TEXAS
 BELLEVUE, WA
 SEATTLE, WA
 WASHINGTON D.C.

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Equity

	November	Year-to-Date	One-Year
U.S. Large Cap	11.0%	14.0%	17.5%
U.S. Small Cap	18.4%	10.4%	13.6%
Developed Non-U.S.	15.5%	3.0%	6.4%
Emerging Market	9.3%	10.2%	18.4%

Real Assets

Real Estate	12.2%	-10.1%	-8.6%
Commodities	3.5%	-7.7%	-3.1%
Natural Resource Equities	17.0%	-22.2%	-16.7%

Fixed Income
Core Plus

U.S. High Yield Debt	4.0%	5.1%	7.2%
Emerging Market Debt	5.5%	-0.8%	3.3%

Core Bonds

U.S. Aggregate Bonds	1.0%	7.4%	7.3%
U.S. Treasuries	0.4%	8.3%	7.6%
U.S. Municipal Bonds	0.8%	3.8%	4.1%

Month-End Values/Yield

	Current	Prior Month	One-Year Ago
CBOE Volatility Index	20.6	38.0	12.6
10-Year Treasury Yield	0.8%	0.9%	1.8%

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.