

KEY TAKEAWAYS

- Equity markets continued their march higher in August despite the continued spread of covid and supply chain issues. Large Cap U.S. equities led the way higher and Emerging Markets equities bounced back from a mid-month lull as tighter regulatory efforts in China had weighed on Chinese stocks.
- The much anticipated commentary from the virtual Jackson Hole Symposium proved innocuous as the U.S. Fed continues to hint that they are likely to slow the pace of bond buying sometime later this year. Chairman Powell also made it clear that interest rate hikes will not be related to the taper and are still likely some time off in the future.
- Industrial activity has picked up in Europe even as China's stringent covid measures have shutdown ports and otherwise further exacerbated global trade delays.
- Core Bonds gave up a little ground in August as yields crept slightly higher. Investors remain challenged by the fact that heightened inflation and low interest rates continue to eat away at their purchasing power.

INDEX PERFORMANCE (as of 8/31/2021)

Equity	August	Year-to-Date	One-Year
U.S. Large Cap	3.0%	21.6%	31.2%
U.S. Small Cap	2.2%	15.8%	47.1%
Developed Non-U.S.	1.8%	12.0%	26.7%
Emerging Market	2.7%	3.1%	21.5%
Real Assets			
Real Estate	1.9%	18.7%	29.6%
Commodities	-0.3%	23.0%	31.0%
Natural Resource Equities	-1.0%	24.5%	33.9%
Fixed Income			
<u>Core Plus</u>			
U.S. High Yield Debt	0.5%	4.6%	10.1%
Emerging Market Debt	0.8%	-3.1%	4.1%
<u>Core Bonds</u>			
U.S. Aggregate Bonds	-0.2%	-0.7%	-0.1%
U.S. Treasuries	-0.2%	-1.4%	-2.1%
U.S. Municipal Bonds	-0.1%	0.9%	2.0%
Month-End Values/Yield	Current	Prior Month	One-Year Ago
CBOE Volatility Index	16.5	18.2	26.4
10-Year Treasury Yield	1.3%	1.2%	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.

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