

MAY 2021

## Monthly Market Commentary

### Multi-Asset

Multi-Asset	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Global 60/40 (ACWI/U.S. Core Bonds)	1.06	4.04	5.44	23.51
Wilshire Risk Parity Index <sup>SM</sup>	2.86	8.49	7.34	27.54

As of May 31, 2021. Source: Bloomberg

### U.S. Economy and Markets

- Domestic equity markets were positive in May, as the Wilshire 5000 Total Market Index<sup>SM</sup> and the S&P 500 Index returned 0.46% and 0.70%, respectively.
- The CBOE Volatility Index (VIX) ended May at 16.76, a decrease from its April close of 18.61 but slightly elevated from the pre-COVID average levels.
- Performance across GICS sectors was mixed for the month, with the Energy and Materials sectors leading the group, gaining 6.72% and 5.28%, respectively. The Consumer Discretionary and Utilities sectors lagged, falling -3.55% and -2.34%, respectively.
- Small cap stocks outperformed their large cap counterparts in May, with the Wilshire U.S. Small Cap Index<sup>SM</sup> and the Wilshire U.S. Large Cap Index<sup>SM</sup> returning 0.64% and 0.44%, respectively.
- Value-oriented equities outperformed their growth-oriented counterparts in both the large and small capitalization segments, with value stocks in positive territory and growth stocks down for the month.

U.S. equity	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Wilshire 5000 Total Market Index <sup>SM</sup>	0.46	5.77	12.63	44.01
Standard & Poor's 500	0.70	6.07	12.62	40.32
Wilshire 4500 Completion Index <sup>SM</sup>	(0.40)	4.04	13.08	64.96
MSCI USA Minimum Volatility	0.83	4.92	7.35	20.13

As of May 31, 2021. Source: Bloomberg

U.S. equity by size/style	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Wilshire U.S. Large Cap Index <sup>SM</sup>	0.44	5.99	12.13	42.23
Wilshire U.S. Large Cap Growth Index <sup>SM</sup>	(1.28)	6.19	8.27	43.63
Wilshire U.S. Large Cap Value Index <sup>SM</sup>	2.58	5.75	16.12	39.86
Wilshire U.S. Small Cap Index <sup>SM</sup>	0.64	3.62	17.64	65.15
Wilshire U.S. Small Cap Growth Index <sup>SM</sup>	(1.54)	1.22	10.32	58.10
Wilshire U.S. Small Cap Value Index <sup>SM</sup>	2.68	5.90	25.18	72.03
Wilshire U.S. Micro Cap Index <sup>SM</sup>	1.66	2.31	30.15	86.26

As of May 31, 2021. Source: Bloomberg

GICS Sector returns *	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Communication Services	0.07	8.50	16.87	45.89
Consumer Discretionary	(3.55)	3.10	8.16	55.12
Consumer Staples	1.78	4.02	6.05	24.80
Energy	6.72	7.33	41.37	46.72
Financials	4.41	10.92	29.48	67.93
Health Care	0.77	4.66	7.65	24.24
Industrials	2.23	5.67	17.75	58.62
Information Technology	(1.26)	3.88	5.34	43.23
Materials	5.28	11.09	23.81	66.23
Real Estate	0.79	8.82	18.22	33.96
Utilities	(2.34)	1.48	4.50	12.51

\*GICS Sector returns for the Wilshire 5000 Total Market Index<sup>SM</sup>

As of May 31, 2021. Source: Wilshire Atlas<sup>SM</sup>

## International Economy and Markets

- Developed international equity markets, as measured by the MSCI EAFE Index, returned 3.26% this month.
- The MSCI Emerging Markets Index gained 2.32% in May.

Non U.S. equity (USD)	MTD(%)	QTD(%)	YTD(%)	1Y(%)
MSCI AC World ex U.S.	3.13	6.17	9.87	42.78
MSCI AC World ex U.S. Minimum Volatility	3.32	4.95	5.55	20.32
MSCI EAFE	3.26	6.37	10.07	38.41
MSCI Emerging Markets	2.32	4.87	7.26	51.00
MSCI AC World ex U.S. Small Cap	2.32	7.02	12.94	52.78

As of May 31, 2021. Source: Bloomberg

Non U.S. equity (local currency)	MTD(%)	QTD(%)	YTD(%)	1Y(%)
MSCI AC World ex U.S.	1.96	3.42	10.12	33.10
MSCI AC World ex U.S. Minimum Volatility	2.39	2.61	6.13	13.92
MSCI EAFE	2.08	3.37	11.22	28.67
MSCI Emerging Markets	1.35	2.97	7.06	43.89
MSCI AC World ex U.S. Small Cap	1.16	4.22	13.34	41.42

As of May 31, 2021. Source: Bloomberg

## Fixed Income & Real Assets

- The 10-year U.S. Treasury yield ended the month at 1.58%, a decrease from its April close of 1.65%.
- The Bloomberg Barclays U.S. Aggregate Index posted a gain of 0.33% in May.
- Inflation-linked bonds were the best performing segment within U.S. fixed income, with the Bloomberg Barclays U.S. TIPS Index returning 1.21%. Below investment-grade bonds were positive but underperformed other segments, with the Bloomberg Barclays U.S. High Yield Index returning 0.30%.
- Listed U.S. real estate posted positive returns in May, with the Wilshire U.S. Real Estate Securities Index<sup>SM</sup> returning 1.32%. Listed global infrastructure was up, as well, with the S&P Global Infrastructure Index gaining 0.56%.
- Commodities, as measured by the Bloomberg Commodity Index, advanced 2.73% in May.

U.S. fixed income	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Bloomberg Barclays U.S. Aggregate	0.33	1.12	(2.29)	(0.40)
Bloomberg Barclays Long Term Treasury	0.45	2.79	(11.10)	(13.56)
Bloomberg Barclays Long Term Corporate	1.09	2.84	(5.92)	3.35
Bloomberg Barclays U.S. TIPS	1.21	2.63	1.12	7.05
Bloomberg Barclays U.S. Credit	0.72	1.79	(2.74)	3.32
Bloomberg Barclays U.S. High Yield	0.30	1.39	2.25	14.96
S&P/LSTA Leveraged Loan	0.58	1.10	2.90	12.51

As of May 31, 2021. Source: Bloomberg

Global fixed income	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Bloomberg Barclays U.S. Aggregate	0.94	2.21	(2.35)	4.47
Bloomberg Barclays Global Aggregate (Hdg)	0.22	0.49	(2.00)	0.09
Bloomberg Barclays EM LC Gov't Unvrsl	2.03	3.67	0.21	9.80
Bloomberg Barclays EM LC Gov't Unvrsl (Hdg)	0.26	0.60	(1.50)	(1.12)

As of May 31, 2021. Source: Bloomberg

Real assets	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Wilshire U.S. Real Estate Securities Index <sup>SM</sup>	1.32	9.41	19.08	36.53
Wilshire Global Real Estate Securities Index <sup>SM</sup>	1.86	8.55	15.73	35.90
Bloomberg Commodity Index	2.73	11.25	18.94	46.22
S&P Global Infrastructure Index	0.56	4.12	7.24	23.75
Alerian Midstream Energy Index	6.00	12.54	36.04	41.95

As of May 31, 2021. Source: Bloomberg

## Alternatives

- The Wilshire Liquid Alternative Index<sup>SM</sup> returned 0.79% in May. The Wilshire Liquid Alternative Global Macro Index<sup>SM</sup> and the Wilshire Liquid Alternative Equity Hedge Index<sup>SM</sup> were the best sub-strategy performers this month, returning 1.35% and 1.12%, respectively.
- The Wilshire Liquid Alternative Event Driven Index<sup>SM</sup> lagged, returning 0.36%.

Alternatives	MTD(%)	QTD(%)	YTD(%)	1Y(%)
Wilshire Liquid Alternative Index <sup>SM</sup>	0.79	2.34	4.56	12.71
Wilshire Liquid Alternative Equity Hedge Index <sup>SM</sup>	1.12	3.84	9.37	20.45
Wilshire Liquid Alternative Event Driven Index <sup>SM</sup>	0.36	1.42	3.23	10.54
Wilshire Liquid Alternative Global Macro Index <sup>SM</sup>	1.35	2.91	4.82	9.39
Wilshire Liquid Alternative Multi-Strategy Index <sup>SM</sup>	1.11	3.03	5.58	14.36
Wilshire Liquid Alternative Relative Value Index <sup>SM</sup>	0.37	1.07	1.29	8.64

As of May 31, 2021. Source: Bloomberg

## Important Information

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