

Market commentary

U.S. ECONOMICS

- U.S. GDP expanded at an annualized quarterly rate of 6.4% in Q1 (+0.4% YoY), the highest number since 2003 outside of the re-opening surge seen in Q3 2020. The inflation-adjusted value of domestically produced goods and services climbed to an annualized \$19.1 trillion close to the pre-pandemic peak of nearly \$19.3 trillion.
- The April jobs report was a disappointment against many economist forecasts, who on average were predicting upwards of one million jobs to be added to the Labor Department's non-farm payrolls. The print showed that only 266,000 jobs were added in April. Some analysts believe that enhanced unemployment benefits are keeping people from taking jobs on the margin. Additionally, 29% of unemployed Americans have now been out of work for at least a year.
- The unemployment rate worsened in April and ticked up to 6.1%, from 6.0% the month before, and roughly 8 million people who were employed before the pandemic have yet to recover their jobs. Fed officials have stated that the conversation around tightening financial conditions will not begin until substantial further progress has been made regarding labor market conditions.

U.S. EQUITIES

- The S&P 500 Index returned +5.3% in April and hit an all-time high level of 4211 on the price index on the penultimate day of the month.
- Ten sectors are reporting year-over-year earnings growth, led by consumer discretionary, financial, and materials. The industrial sector is the only sector reporting a year-over-year decline in earnings.
- Following first quarter earnings analysts expect double-digit earnings growth for the remaining three quarters of 2021.

U.S. FIXED INCOME

- At their April meeting the Federal Open Market Committee continued to hold the fed funds range steady at 0.00% - 0.25%.
 Federal Reserve Chair Jerome Powell reiterated that although their assessment of the U.S. economy is improving, they are not ready to scale back pandemic support.
- Median year-ahead inflation expectations in the U.S. increased 20 basis points to 3.4% in April, the highest level since September 2013. While concerns have mounted around the risk of price increases as the economy reopens, overall price increases have been moderate thus far, and Fed officials remain confident that a pickup in inflation is more likely to be transitory than persistent.
- The Bloomberg Barclays U.S. Treasury Long Index posted a +2.3% gain as the long end of yield curve ticked lower. The 30-year
 Treasury bond yield fell to 2.30% from 2.41% the month before.

INTERNATIONAL MARKETS

- Covid-19 case growth rose to record levels in India with the 7-day average of new cases increasing from 65k to 365k in April. Health experts worry that if the virus continues to spread at its current rate it could lead to more mutations of the virus.
- Emerging market equities (MSCI EM +2.5%) underperformed both
 U.S. equities (S&P 500 Index +5.3%) and international developed
 equities (MSCI EAFE Index 3.0%).
- India, which makes up almost 10% of the MSCI Emerging Markets Index, declined -2.3% in U.S. dollar terms over the month. Other large constituents including China (+0.3%) and South Korea (+0.9%) posted relatively subdued returns in April.

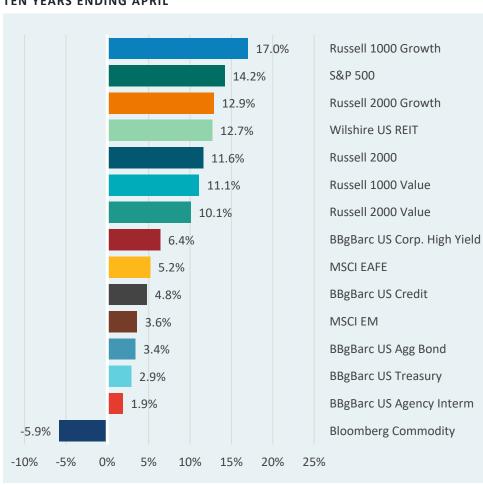


Major asset class returns

ONE YEAR ENDING APRIL



TEN YEARS ENDING APRIL



*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 4/30/21

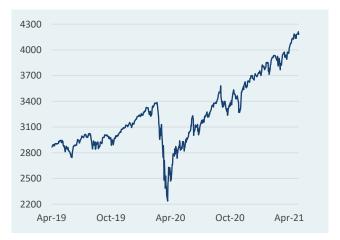
Source: Morningstar, as of 4/30/21



U.S. large cap equities

- The S&P 500 gained 5.3% in April, and all eleven major sectors advanced. The real estate (+8.3%), telecom (+7.9%), and consumer discretionary (+7.1%) sectors were the top performers while energy (+0.6%) was the worst-performing sector.
- Per FactSet, of the 60% of companies in the S&P 500 that have reported earnings, 86% have reported EPS above the mean estimate. This is well above the one-and five-year averages of 77% and 74% respectively. If 86% holds it will be the highest mark since FactSet starting tracking EPS surprise in 2008.
- The Cboe Implied Volatility Index, which represents the market's expectations for volatility over the coming 30 days, ticked below 16.3 in the middle of April the lowest the index has been since the onset of the global pandemic. The index closed the month at 18.6.
- An upbeat outlook for the global economy remains despite the worry that new Covid variants pose to the post-pandemic recovery. The forward one-year priceto-earnings of the S&P 500 remained at historic highs. For the month ended April the S&P 500 showed a 21.8 forward P/E well above the five-year average of 17.9.

S&P 500 PRICE INDEX

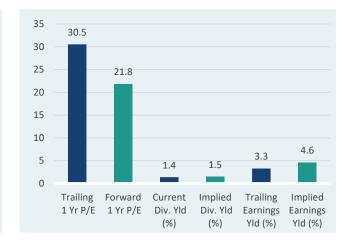


IMPLIED VOLATILITY (VIX INDEX)



Source: CBOE, as of 4/30/21

S&P 500 VALUATION SNAPSHOT

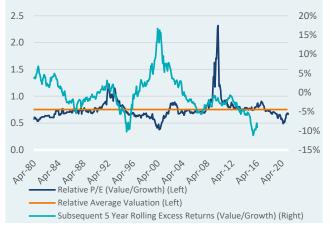


Source: Bloomberg, as of 4/30/21

Domestic equity size and style

- Large-cap equities extended their recent outperformance over small-cap equities to two months. The Russell 1000 Index returned 5.4% while the Russell 2000 Index gained 2.1%. Year-to-date, small cap equities (+15.1%) have still outperformed their large-cap (+11.6%) counterparts.
- Large-cap equities' notable contributor was the information technology sector which returned 5.4% in the Russell 1000 Index compared to 0.7% in the Russell 2000 Index. The energy sector within the Russell 2000 Index was the only sector in the red with a decline of VALUE VS. GROWTH 1-YR ROLLING RELATIVE
 - -3.2%; within the Russell 1000 it gained 0.9%.

VALUE VS. GROWTH RELATIVE VALUATIONS



Source: FTSE, Bloomberg, as of 4/30/21

(+3.4%) as stocks that are more economically sensitive followed the current economic expansionary cycle.

The Russell 3000 Growth Index advanced 6.5% while

outperformance seen by growth style stocks was largely attributed to its roughly 41% larger weight to

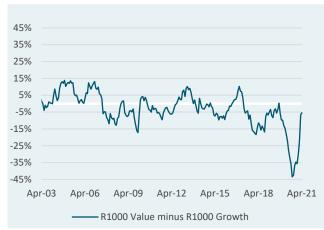
outperformed the MSCI Defensive Sectors Index

— The MSCI USA Cyclical Sectors Index (+6.1%)

the Russell 3000 Value Index posted a 3.9% return. The

the combined information technology and consumer

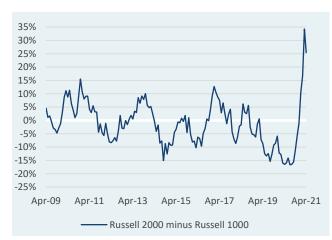
discretionary sectors, as compared to the value index.



Source: FTSE, Bloomberg, as of 4/30/21

PERFORMANCE

SMALL VS. LARGE 1-YR ROLLING RELATIVE **PERFORMANCE**

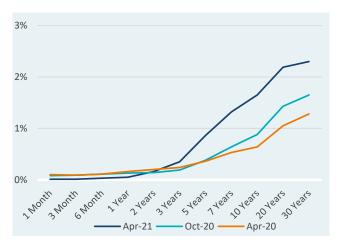




Fixed income

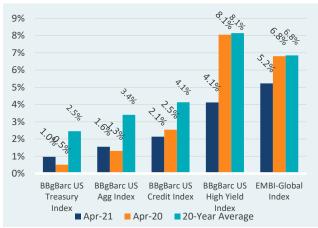
- The five-year breakeven inflation rate, measured as the difference between the five-year nominal Treasury bond yield and the five-year inflation protected Treasury bond yield, rose another five basis points to 2.57%, the highest level since July 2008.
- The Bank of England slowed its emergency bondbuying, a signal that it is on course to end the crisis support later this year. The U.K. has had good success with its vaccine program is hoping that the removal of pandemic-era restrictions will help to sustain the strength of the economic recovery through 2021.
- The Bank of Canada became one of the first major central banks to signal a more hawkish stance as it announced that it may raise interest rates as early as next year and has already begun to taper the pace of bond purchases. Some economists believe this may be a signal for what other central banks might do in the second half of this year.
- Italy raised \$4.5 billion in its third issuance of U.S. dollar denominated bonds since July 2019. Italy has seen a sharp rise in borrowing needs as the coronavirus has slowed economic growth and its budget deficit has surged to a 20-year high.

U.S. TREASURY YIELD CURVE



Source: Bloomberg, as of 4/30/21

NOMINAL YIELDS



Source: Morningstar, as of 4/30/21

BREAKEVEN INFLATION RATES

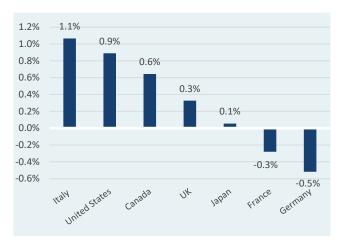




Global markets

- All major global equity indices posted positive performance over the month, and the global equity benchmark, the MSCI ACWI Index, rose +4.4%. The Index was supported by strong performance in U.S. equities (S&P 500 +5.3%) where earnings season has brightened firms' balance sheets.
- The European Union real GDP fell -0.6% in Q1 on a quarterly annualized basis (-1.8% YoY), slipping into a technical recession after two consecutive quarters of decline. Despite this, economists are positive on hopes that an accelerated vaccination campaign can slow a third wave of Covid-19 infections.
- Japanese equities (MSCI Japan -1.5%) significantly underperformed other developed equities (MSCI EAFE +3.0%) in April as Japan extended its state of emergency to May 11th. Japan's vaccination rollout has been slower than many other developed nations due in part to logistical bottlenecks.
- Investors who hedged the US dollar in European equities (MSCI Europe Index +2.4%) lagged those who were unhedged (+4.5%). The Euro (+2.4%) appreciated relative to the dollar in a month in which the dollar reversed course and gave back most of the ground it had gained over the first three months of the year.

GLOBAL SOVEREIGN 10-YEAR YIELDS



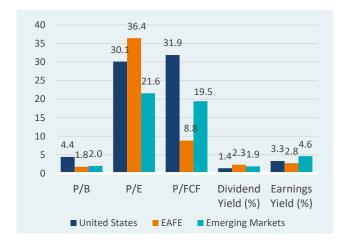
Source: Bloomberg, as of 4/30/21 Source: Federal Re

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 4/30/21

MSCI VALUATION METRICS (3-MONTH AVG)





Commodities

- The Bloomberg Commodity Index rose 8.3% over the month ended April 30th. The largest-weighted component of the index, energy, was up +7.1%. The second largest sub-index, grains, carried the broad commodity index higher and surged +16.0%.
- The Bloomberg Grains Sub-Index advanced 16.0% due to increasing demand and a tight supply for corn and wheat. China's expanding hog herd and the rest of the world's cattle and chickens are eating feed grains faster than farmers can grow them. Droughts in Brazil continue to threaten crop yields which may further weigh on supply.
- In April, the Bloomberg Industrial Metals Sub-Index was up +8.8%. Broad strength from Copper (+11.8%), Nickel (+10.0%) and Aluminum (+8.4%) helped the Industrial Metals Sub-Index higher.
- A surge in demand for lumber sent prices higher in April.
 The U.S. Lumber Random Length Composite a commonly-used bellwether for lumber prices saw a +13.1% increase. Shortages of existing homes available for sale is leading to new construction at a massive level. About 25% of homes for sale are now newly built, compared to the historical average where only 10% of homes were new construction.

INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	8.3	8.3	15.8	48.5	1.6	2.3	(5.9)
Bloomberg Agriculture	14.0	14.0	21.8	66.9	7.2	1.6	(4.0)
Bloomberg Energy	7.1	7.1	25.6	52.4	(13.1)	(5.4)	(14.7)
Bloomberg Grains	16.0	16.0	25.6	71.7	8.3	1.5	(3.6)
Bloomberg Industrial Metals	8.8	8.8	17.0	63.1	6.5	10.6	(2.0)
Bloomberg Livestock	(1.5)	(1.5)	8.8	22.2	(5.2)	(4.6)	(4.4)
Bloomberg Petroleum	6.9	6.9	31.3	130.9	(8.9)	0.1	(10.3)
Bloomberg Precious Metals	3.6	3.6	(6.0)	12.7	9.9	5.3	(1.7)
Bloomberg Softs	12.4	12.4	10.8	42.2	1.1	(2.5)	(8.9)

Source: Morningstar, as of 4/30/21

COMMODITY PERFORMANCE



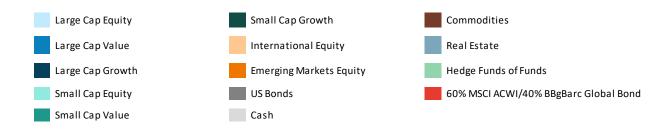


Appendix



Periodic table of returns

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	5-Year	10-Year
Small Cap Value	66.4	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	37.3	6.7	36.4	38.5	23.6	22.9	17.0
Commodities	43.1	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	30.2	1.9	31.4	34.6	15.8	18.9	14.2
Large Cap Value	33.2	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	25.0	0.0	28.5	21.0	15.7	17.8	12.9
Small Cap Equity	27.3	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	22.2	-1.5	26.5	20.0	15.1	16.5	11.6
Large Cap Equity	26.5	7.0	2.8	1.0	39.2	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	21.7	-3.5	25.5	18.3	11.6	13.5	11.1
Large Cap Growth	21.3	4.1	-2.4	-6.0	29.9	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	14.6	-6.0	22.4	14.0	7.8	12.5	10.1
Small Cap Growth	24.3	6.0	2.5	-5.9	30.0	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	17.1	-4.8	22.0	10.3	7.2	12.2	8.8
International Equity	20.9	-3.0	-5.6	-11.4	29.7	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	13.7	-8.3	18.6	7.8	6.6	9.5	6.5
Emerging Markets Equity	13.2	-7.3	-9.1	-15.5	25.2	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	7.8	-9.3	18.4	7.5	4.8	8.9	5.2
Hedge Funds of Funds	11.4	-7.8	-9.2	-15.7	23.9	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	7.7	-11.0	8.7	4.6	4.2	6.0	3.6
60/40 Global Portfolio	7.3	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	7.0	-11.2	7.8	2.8	4.2	5.8	3.5
Real Estate	4.8	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	3.5	-12.9	7.7	1.6	1.7	3.2	3.4
Cash	-0.8	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	1.7	-13.8	6.4	0.5	0.0	2.3	0.6
US Bonds	-1.5	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	0.9	-14.6	2.1	-3.1	-2.6	1.1	-5.9

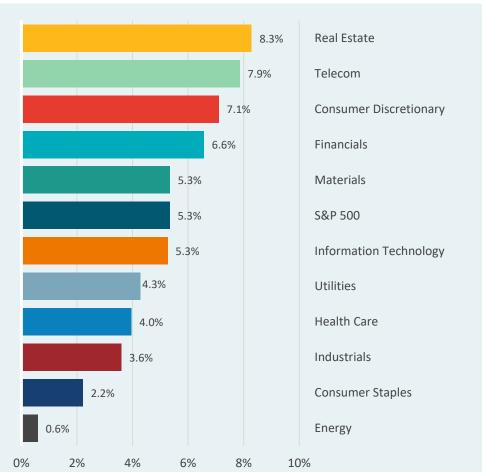


Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, BBgBarc US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, BBgBarc Global Bond. NCREIF Property Index performance data as of 3/31/21.

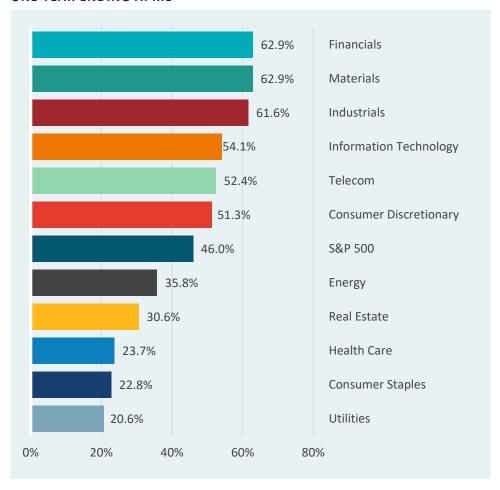


S&P 500 sector returns

QTD



ONE YEAR ENDING APRIL



Source: Morningstar, as of 4/30/21

Source: Morningstar, as of 4/30/21



Detailed index returns

DOMESTIC EQUITY								FIXED INCOME							
	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year		Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index								Broad Index							
S&P 500	5.3	5.3	11.8	46.0	18.7	17.4	14.2	BBgBarc US TIPS	1.4	1.4	(0.1)	6.1	6.2	4.1	3.3
S&P 500 Equal Weighted	4.7	4.7	16.8	57.1	16.5	15.5	13.3	BBgBarc US Treasury Bills	0.0	0.0	0.0	0.1	1.5	1.2	0.7
DJ Industrial Average	2.8	2.8	11.3	42.1	14.5	16.5	12.9	BBgBarc US Agg Bond	0.8	0.8	(2.6)	(0.3)	5.2	3.2	3.4
Russell Top 200	5.5	5.5	10.9	46.1	20.2	18.6	14.8	BBgBarc US Universal	0.8	0.8	(2.2)	1.8	5.4	3.6	3.7
Russell 1000	5.4	5.4	11.6	49.5	19.2	17.8	14.2	Duration							
Russell 2000	2.1	2.1	15.1	74.9	15.2	16.5	11.6	BBgBarc US Treasury 1-3 Yr	0.0	0.0	(0.0)	0.2	2.9	1.7	1.3
Russell 3000	5.2	5.2	11.8	50.9	18.9	17.7	14.0	BBgBarc US Treasury Long	2.3	2.3	(11.5)	(15.6)	7.4	3.7	6.4
Russell Mid Cap	5.1	5.1	13.7	59.6	16.7	15.6	12.7	BBgBarc US Treasury	0.7	0.7	(3.5)	(4.3)	4.6	2.4	2.9
Style Index								Issuer							
Russell 1000 Growth	6.8	6.8	7.8	51.4	25.4	22.9	17.0	BBgBarc US MBS	0.6	0.6	(0.6)	(0.2)	4.1	2.5	2.8
Russell 1000 Value	4.0	4.0	15.7	45.9	12.3	12.2	11.1	BBgBarc US Corp. High Yield	1.1	1.1	1.9	19.7	7.0	7.5	6.4
Russell 2000 Growth	2.2	2.2	7.2	69.2	18.0	18.9	12.9	BBgBarc US Agency Interm	0.3	0.3	(0.7)	0.1	3.4	2.0	1.9
Russell 2000 Value	2.0	2.0	23.6	79.0	11.7	13.5	10.1	BBgBarc US Credit	1.1	1.1	(3.4)	4.3	6.6	4.6	4.8
INTERNATIONAL EQUITY								OTHER							
Broad Index								Index							
MSCI ACWI	4.4	4.4	9.1	45.7	13.3	13.9	9.2	Bloomberg Commodity	8.3	8.3	15.8	48.5	1.6	2.3	(5.9)
MSCI ACWI ex US	2.9	2.9	6.5	43.0	7.0	9.8	4.7	Wilshire US REIT	8.0	8.0	17.5	34.2	11.4	5.7	12.7
MSCI EAFE	3.0	3.0	6.6	39.9	6.3	8.9	5.2	CS Leveraged Loans	0.1	0.1	2.0	20.8	4.1	4.6	5.0
MSCI EM	2.5	2.5	4.8	48.7	7.5	12.5	3.6	Alerian MLP	7.1	7.1	30.7	44.6	(4.2)	(3.0)	(0.4)
MSCI EAFE Small Cap	4.0	4.0	8.7	52.6	7.2	10.9	7.9	Regional Index							
Style Index								JPM EMBI Global Div	2.2	2.2	(2.4)	16.0	5.3	5.1	5.7
MSCI EAFE Growth	4.2	4.2	3.6	38.3	10.8	11.3	7.0	JPM GBI-EM Global Div	2.3	2.3	(4.6)	11.2	1.0	3.0	0.3
MSCI EAFE Value	1.9	1.9	9.5	40.9	1.5	6.2	3.3	Hedge Funds							
Regional Index								HFRI Composite	2.7	2.7	8.7	31.5	8.4	7.8	4.7
MSCI UK	4.4	4.4	10.8	32.6	0.8	4.5	3.0	HFRI FOF Composite	2.3	2.3	4.2	22.5	6.2	6.0	3.5
MSCI Japan	(1.5)	(1.5)	0.0	30.6	5.5	9.1	7.0	Currency (Spot)							
MSCI Europe	4.5	4.5	8.8	43.1	6.3	8.6	4.7	Euro	2.4	2.4	(1.6)	9.9	(0.1)	1.0	(2.1)
MSCI EM Asia	2.4	2.4	4.6	50.2	10.3	15.3	6.5	Pound Sterling	0.4	0.4	1.3	9.8	0.2	(1.1)	(1.8)
MSCI EM Latin American	3.7	3.7	(1.8)	46.4	(4.5)	3.6	(3.8)	Yen	1.1	1.1	(5.5)	(2.2)	0.0	(0.4)	(2.9)

Source: Morningstar, HFRI, as of 4/30/21



Detailed private market returns

Comparison to public market index returns

Private Equity Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Private Equity FoFs & Secondary Funds	12.3	12.2	10.4	11.9
Global Private Equity Direct Funds *	20.4	16.2	14.8	14.6
U.S. Private Equity Direct Funds *	21.0	17.6	15.0	16.0
Europe Private Equity Direct Funds *	18.6	14.2	16.3	12.7
Asia Private Equity Direct Funds *	19.9	14.3	13.8	13.3
Public Index Time-weighted Returns				
MSCI World	10.4	7.7	10.5	9.4
S&P 500	15.1	12.3	14.1	13.7
MSCI Europe	(8.0)	(0.6)	4.2	4.3
MSCI AC Asia Pacific	11.2	4.3	9.1	5.6

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	0.5	6.6	7.9	12.2
Public Index Time-weighted Returns				
FTSE NAREIT Equity REIT	(18.2)	0.2	3.9	7.9

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt **	3.7	6.4	8.2	10.2
Public Index Time-weighted Returns				
S&P / LSTA U.S. Leveraged Loan 100 Index	1.7	3.4	4.1	4.1
Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Private Real Assets Pooled IRRs Global Nature Resources ***	1 Year (20.2)	3 Year (7.5)	5 Year (2.8)	10 Year (0.0)
Global Nature Resources ***	(20.2)	(7.5)	(2.8)	(0.0)
Global Nature Resources *** Global Infrastructure	(20.2)	(7.5)	(2.8)	(0.0)

Source: Pooled IRRs are from Thompson Reuters C|A and Time-weighted Returns are from Investment Metrics, as of September 30th, 2020. All returns in U.S. dollars.

^{***} Includes Private Equity Energy, Timber and Upstream Energy & Royalties.



^{*} Includes Buyout, Growth Equity and Venture Capital.

^{**} Includes Control-Oriented Distressed, Credit Opportunities, Senior Debt and Subordinated Capital.

Notices & disclosures

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