

U.S. Equity

- ▶ Domestic equity markets, as represented by the S&P 500 Index (S&P), returned 9.13% in November.
- ▶ Within the S&P, 10 of the 11 sectors posted positive returns. The Information Technology sector was the best performer for the month, returning 12.87%, while the second-best performing sector, Real Estate, posted a return of 12.46%. Energy was the worst performing sector, posting a return of -1.0%.
- ▶ Positive returns were seen across all market capitalizations, with small-caps (Russell 2000) returning 9.03%, mid-caps (Russell Mid Cap Index) returning 10.23% and large-caps (Russell 1000 Index) returning 9.34%. Growth stocks outperformed value stocks across all capitalizations.

Non-U.S. Equity

- ▶ Non-U.S. equity markets, represented by the MSCI ACWI ex-U.S. Index, returned 8.74%. Developed markets, represented by the MSCI EAFE Index, saw returns of 9.19%, and emerging markets (EM), represented by the MSCI Emerging Markets Index, saw returns of 7.56% in November.
- ▶ Within the ACWI ex-U.S. Index, all 11 sectors posted positive returns. Information Technology was the best performing sector, with a return of 15.51%. Industrials, the second-best performer in November, posted a return of 11.27%. Energy was the worst performing sector, posting a return of 2.91%.
- ▶ Regionally, non-U.S. equities also saw positive returns across the board, with EM Latin America performing the best, returning 13.48%. EMEA was the worst performing region, returning 6.60% in November.

Fixed Income

- ▶ Treasury yields fell across the curve in November, with greater changes on the longer end. On the long end, the 10-year and the 30-year both saw a 59 basis point (bps) decline in rates. On the shorter end, the 2-year saw a decline of 39 bps and the 5-year saw a decline of 57 bps, leading the Broad Treasury Index to return 4.05% for the month.
- ▶ The Bloomberg U.S. Aggregate Index (Aggregate) returned 4.91% in November. Investment-grade (IG) credit as a whole returned 6.01%, AAA-rated bonds returned 3.20%, AA-rated bonds returned 5.78%, A-rated bonds returned 6.11% and BBB-rated bonds returned 6.43%. High-yield corporates saw a return of 4.54% during the month.

Alternatives and Other Asset Classes

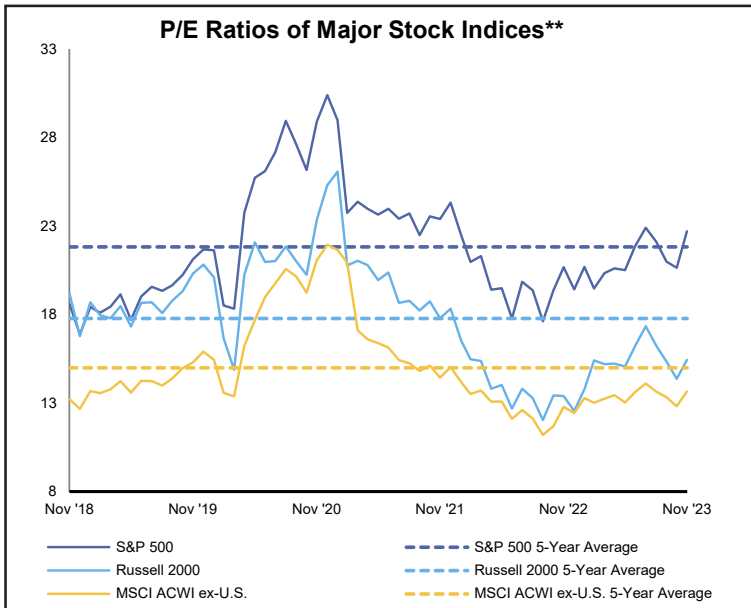
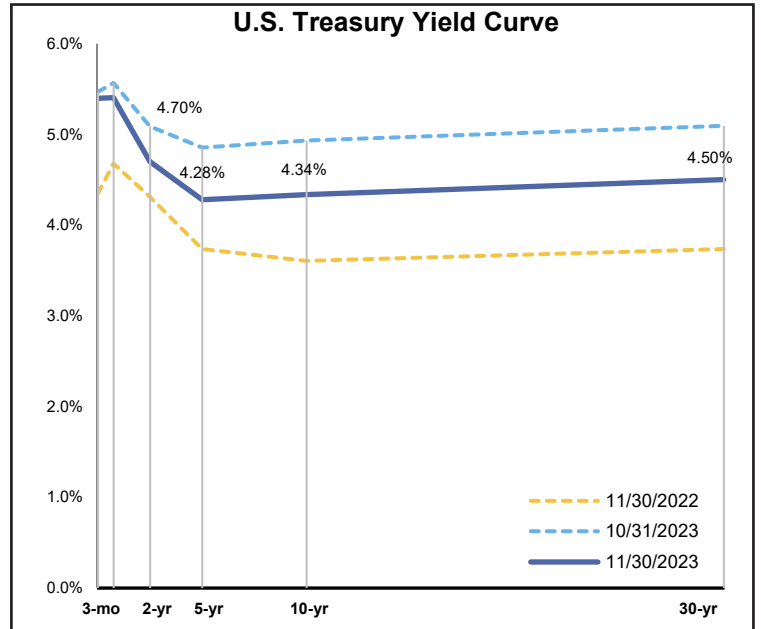
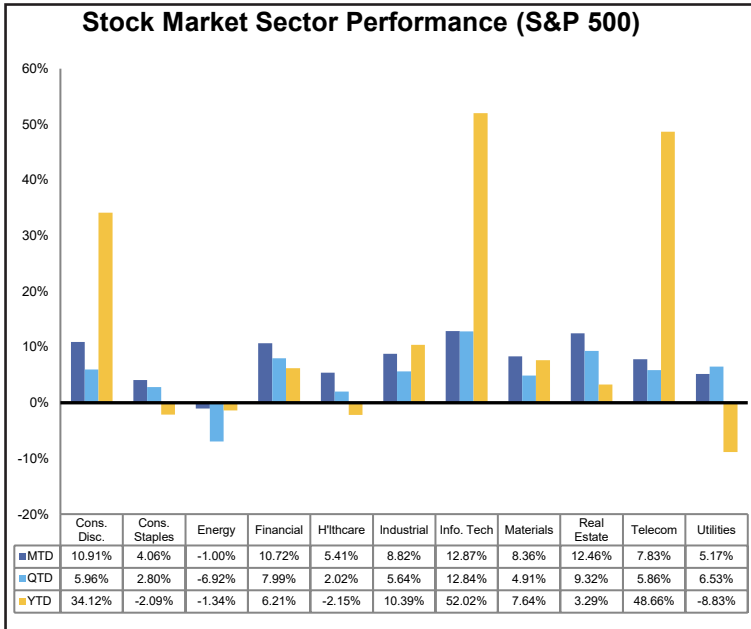
- ▶ Real estate investment trusts (REITs), represented by the FTSE NAREIT Index, returned 9.55% in November. All nine real estate sectors had positive returns for the month. The Self-Storage sector did the best, returning 14.76%. The worst performing sector of the month was Healthcare, returning 5.94%.
- ▶ Listed infrastructure, represented by the FTSE Global Core Infrastructure 50/50 Index, returned 7.53% for the month. Utilities returned 5.17% during the month.
- ▶ The active contract for West Texas Intermediate (WTI) crude fell to \$75.59/barrel in November, down \$5.43 from \$81.02/barrel at the end of October.

Items to Watch

- ▶ Inflation continues to cool both domestically and across the globe, with the October Consumer Price Index (CPI) reading coming in below expectations at 3.2% year-over-year, down from 3.7% in September. A 4.5% decline in energy costs can be credited for the lower reading. Core inflation, which excludes volatile items such as food and energy, has been slower to cool, but still hit a two-year low of 4.0%. In the Eurozone, lower energy prices also drove down the CPI, with the early November estimate at 2.4% year-over-year growth, while UK consumer prices cooled to 4.6% in October, down from 4.8% in September.
- ▶ These readings are supportive of numerous central banks' decisions to leave interest rates unchanged at their last meetings. Domestic markets are now beginning to focus on future rate cuts rather than new rate hikes, though the timing and direction of the next rate decisions are not entirely clear as inflation remains above targets and may yet see another uptick.
- ▶ While a "goldilocks" scenario of a soft landing continues to be generally accepted, the U.S. economy is seeing varying degrees of strength across sectors. Economic activity in manufacturing contracted for the thirteenth consecutive month, as the ISM Purchasing Managers Index (PMI) registered at 46.7 in November. On the other hand, services saw a PMI reading of 52.7 in November, marking the eleventh month of expansion. The U.S. was not alone in their struggles with regard to manufacturing, as the HCOB Eurozone Manufacturing PMI marked 17 months of contraction with a reading of 44.2. However, the bloc has not seen the same bright spot in services. The November Services PMI reading of 48.7 marked the fourth month of contraction.

| Total Return of Major Indices | | | | |
|---------------------------------|--------|--------|--------|---------|
| Domestic Equity | MTD | QTD | YTD | 1 YR |
| S&P 500 | 9.13% | 6.84% | 20.79% | 13.81% |
| Russell 3000 | 9.32% | 6.43% | 19.60% | 12.58% |
| Russell 2000 | 9.03% | 1.59% | 4.14% | -2.62% |
| Russell 1000 | 9.34% | 6.70% | 20.56% | 13.54% |
| International Equity | MTD | QTD | YTD | 1 YR |
| MSCI ACWI ex-U.S. | 8.74% | 4.25% | 9.82% | 9.00% |
| MSCI EAFE | 9.19% | 4.76% | 12.18% | 12.27% |
| MSCI Emerging Markets | 7.56% | 3.38% | 5.26% | 3.78% |
| Fixed Income | MTD | QTD | YTD | 1 YR |
| Bloomberg Barclays U.S. Agg | 4.91% | 3.26% | 2.01% | 1.55% |
| Bloomberg Barclays Global Agg | 5.50% | 4.24% | 1.94% | 2.49% |
| Bloomberg Barclays U.S. HY | 4.54% | 3.32% | 9.38% | 8.70% |
| Alternatives and Diversifying | MTD | QTD | YTD | 1 YR |
| FTSE Global Core Infrastructure | 7.53% | 5.70% | -1.92% | -3.99% |
| FTSE NAREIT Equity | 9.55% | 4.77% | 2.52% | -2.75% |
| Bloomberg Commodity | -2.69% | -2.89% | -9.75% | -12.28% |

| Economic Indicators | | |
|--|-----------|----------------|
| Domestic | Current | Previous Month |
| Unemployment Rate (%) | 3.9% | 3.8% |
| Initial Jobless Claims (4 week average) | 220 K | 220.5 K |
| CB Leading Economic Indicators | -0.8 | -0.7 |
| Capacity Utilization | 78.9% | 79.5% |
| GDP (annual growth rate) | 5.2% | 2.1% |
| University of Michigan Consumer Confidence | 61.3 | 63.8 |
| New Home Starts | 679 K | 719 K |
| Existing Home Sales | 3.8 MM | 4 MM |
| Retail Sales (YoY) | 2.3% | 3.5% |
| U.S. Durable Goods (MoM) | -5.4% | 4.0% |
| Consumer Price Index (YoY) | 3.2% | 3.7% |
| Producer Price Index (MoM) | -1.8% | 0.9% |
| Developed International* | 9/30/2023 | 6/30/2023 |
| Market GDP (annual rate) | 1.5% | 1.8% |
| Market Unemployment | 4.4% | 4.3% |



Source: Bloomberg. Data as of November 30, 2023, unless otherwise noted.
 *Developed market data is calculated with respect to the weightings in the MSCI World ex-U.S. Index. Most current data is as of September 30, 2023 due to release dates of numerous countries.
 **P/E ratios are calculated based on one-year-forward estimates and adjusted to include only positive earning results for consistency.

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