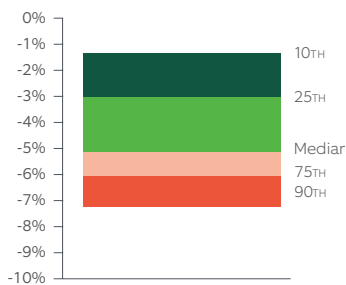


# UNIVERSE SUMMARIES

## ERISA



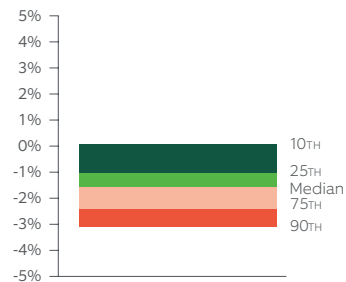
TOTAL RETURNS – SEPTEMBER 30, 2023

- The ERISA universe median plan return declined -5.1% in the first quarter. The ERISA plan median one, three and five-year returns were 5.1%, -1.2% and 2.7% respectively.
- The driver behind poor quarterly performance is the ERISA segments large allocation to long duration fixed income positions which performed poorly as the segment aligns assets with liabilities. The Bloomberg Long Credit A+ index was down -10.23% for the quarter.
- The decline is US equity returns during the quarter was attributed to investor concern that the economy is slow to respond to the Fed's recent interest rates increased and that higher rates will remain for longer than previously anticipated.

< 4%

Median allocation to private equity, an asset class not widely used by the segment

## PUBLIC FUNDS



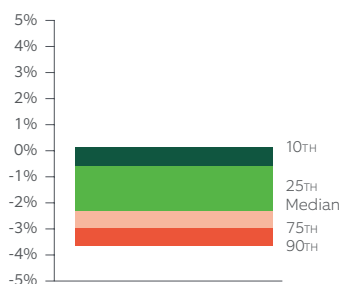
TOTAL RETURNS – SEPTEMBER 30, 2023

- The Public Fund median plan return was down -1.7% in the quarter. The Public Funds universe median returns for the one, three and five-year periods stand at 9.1%, 5.6% and 5.2% respectively.
- The Fed increased rates by 25 bps in July and skipped another hike in September giving some relief but the Fed has indicated another rate hike is expected by end of this year.
- Labor markets have been resilient to interest rates changes, the Bureau of Labor Statistics reported August unemployment at 3.8%, a rate lower than what was anticipated earlier in the year.

27.9%

US Public Equity remains as the largest allocation for the segment

## GLOBAL FAMILY OFFICE



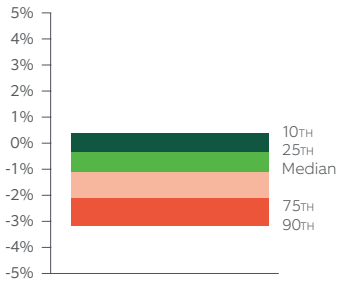
TOTAL RETURNS – SEPTEMBER 30, 2023

- The Global Family Office universe median plan return was down -2.3% in the quarter. The median multi-period returns for the one-, three- and five-year periods came in at 12.3%, 6.9% and 6.3% respectively.
- The S&P 500 large cap index was down -3.3% for the three-month period. The Russell 1000 large cap growth index returned -3.1% which slightly outperformed the Russell 1000 large cap value index return of -3.2%.
- The Eurozone region equity markets fell during the quarter as fears that economic growth will be limited as a result of recent increases to interest rates by the European Center Bank (ECB).

15%

the median allocation to Private Equity has almost doubled over the last 5 years

## FOUNDATIONS & ENDOWMENTS



TOTAL RETURNS – SEPTEMBER 30, 2023

- The Foundation & Endowment universe median plan returned -1.1% in the quarter. The Foundations & Endowments median one, three and five-year returns were 9.9%, 6.9% and 6.2% respectively.
- Allocations to Alternative Assets such as Private Equity has resulted in this segment outperforming other segments for longer term results.
- The US ten-year government bond yield rose from 3.81% to 4.59% during quarter, while the two-year government bond yield rose 16 basis points to 5.03%.

# 25.1%

median allocation to Private Equity which is now higher than the median allocation to Public Equity.

### TO LEARN MORE

For more detailed universe information please contact your IRAS consultant or other Northern Trust representative.

### ABOUT NORTHERN TRUST UNIVERSES

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Northern Trust's Investment Risk and Analytical Services give you a comprehensive array of risk management capabilities, supported by powerful technology and delivered by experienced professionals. We can help you bring all the details to focus – so you can address strategic program management issues. If you would like to participate in our universe analysis and receive more in-depth information, please contact your relationship manager.

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Returns are shown gross of fees. Index returns assume reinvestment of dividends and earnings and do not reflect the deduction of any trading costs or other expenses. It is not possible to invest directly in an index. Past performance does not indicate future results.