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# Town of Plymouth OPEB Trust

Performance Flash - December 2019

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# Capital Markets Flash Report

December 2019



## U.S. Equity

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	3.0	31.5	31.5	15.3	11.7	13.6
Russell 1000 Growth	3.0	36.4	36.4	20.5	14.6	15.2
Russell 1000 Value	2.8	26.5	26.5	9.7	8.3	11.8
Russell Mid Cap	2.3	30.5	30.5	12.1	9.3	13.2
Russell Mid Cap Growth	1.2	35.5	35.5	17.4	11.6	14.2
Russell Mid Cap Value	3.0	27.1	27.1	8.1	7.6	12.4
Russell 2000	2.9	25.5	25.5	8.6	8.2	11.8
Russell 2000 Growth	2.3	28.5	28.5	12.5	9.3	13.0
Russell 2000 Value	3.5	22.4	22.4	4.8	7.0	10.6

U.S. equity markets finished the year on a high note, with the S&P 500 returning 3.0% in December and an impressive 31.5% for the year. Concerns surrounding trade tensions between the U.S. and China and slowing global growth, headlines throughout much of the year, were assuaged by the prospect of a phase one trade deal to be signed in January. Style trends were mixed during the month with growth outperforming value across large capitalization stocks, while value significantly outperformed growth across the small and mid-capitalization spectrums. From a sector standpoint, the energy and technology sectors led the way, while the industrials sector was the only negative returning sector during the month, largely driven by Boeing, which has been plagued with ongoing issues stemming from the 737 Max.

## Fixed Income

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
BBgBarc US Agg	-0.1	8.7	8.7	4.0	3.0	3.7
BBgBarc US Corp IG	0.3	14.5	14.5	5.9	4.6	5.5
BBgBarc US Corp HY	2.0	14.3	14.3	6.4	6.1	7.6
BBgBarc US Gov/Cr 1-3 Yr	0.2	4.0	4.0	2.1	1.7	1.5
BBgBarc US Gov/Cr Long	-1.1	19.6	19.6	8.1	5.4	7.6
BBgBarc Municipal	0.3	7.5	7.5	4.7	3.5	4.3
FTSE WGBI USD	0.3	5.9	5.9	4.1	2.0	1.9
ICE BofAML US 3M T-Bill	0.1	2.3	2.3	1.7	1.1	0.6

Bond markets were mixed in December, with the Bloomberg Barclays Aggregate Bond Index returning -0.1%. There was a steepening of the U.S. Treasury curve as front-end rates fell, while rates on the back end of the curve rose. The U.S. 10-year Treasury ended the month with a yield of 1.92%, up 14 basis points from the November close. The steepening of the curve had a negative impact on more interest rate sensitive, longer duration issues. Spread products outperformed Treasuries amid the risk-on mentality as investment grade and high yield spreads contracted 12 and 34 basis points, respectively. Global bonds rebounded during the month, with the FTSE WGBI Index posting a return of 0.3%.

## International Equity

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
MSCI ACWI Ex USA	4.3	21.5	21.5	9.9	5.5	5.0
MSCI EAFE	3.2	22.0	22.0	9.6	5.7	5.5
MSCI EAFE Growth	2.9	27.9	27.9	12.8	7.7	6.9
MSCI EAFE Value	3.7	16.1	16.1	6.3	3.5	4.0
MSCI EAFE Small Cap	4.4	25.0	25.0	10.9	8.9	8.7
MSCI EM	7.5	18.4	18.4	11.6	5.6	3.7
MSCI EM Small	6.1	11.5	11.5	6.7	3.0	2.9

International equities were positive in December, with the MSCI ACWI ex U.S. Index returning 4.3%, an advance that bested domestic markets. Value led growth, and small caps outperformed large caps across international developed markets. Emerging market returns were especially strong during the month as rising commodity prices provided a nice backdrop in December. For the year, both international developed and emerging markets trailed their U.S. counterparts, facing headwinds from a strengthening dollar and global growth concerns.

## Commodities & Real Estate

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity	5.0	7.7	7.7	-0.9	-3.9	-4.7
S&P N.A. Natural Resources	7.1	17.6	17.6	-2.0	-1.4	1.4
FTSE Nareit Equity REITs	-0.6	26.0	26.0	8.1	7.2	11.9
FTSE EPRA Nareit Developed	0.6	23.1	23.1	9.3	6.5	9.2

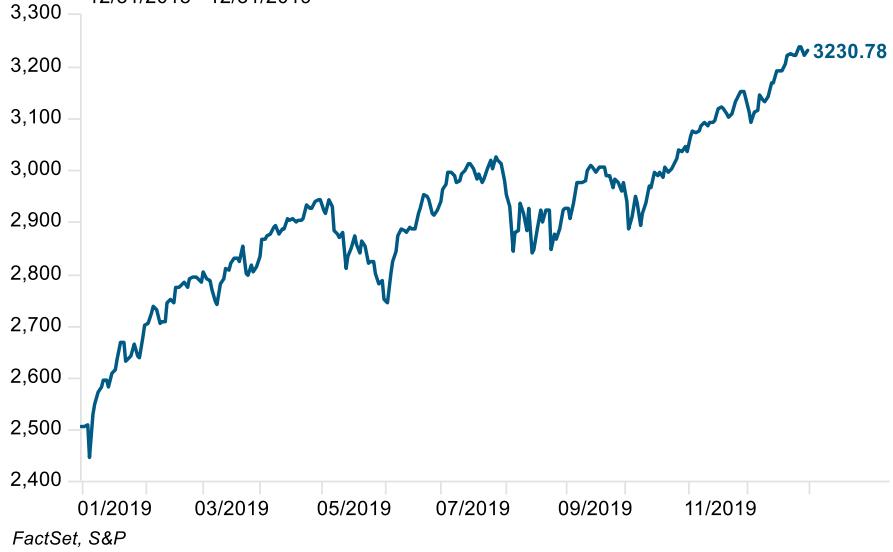
Commodities and natural resource equities performed well in December, returning 5.0% and 7.1%, respectively. Oil prices rose during the month amid elevated tensions in the Middle East and economic optimism following improved trade relations between the U.S. and China. REIT returns were muted during the month, lagging commodities and the broader equity markets in the face of rising interest rates.

# Capital Markets Flash Report

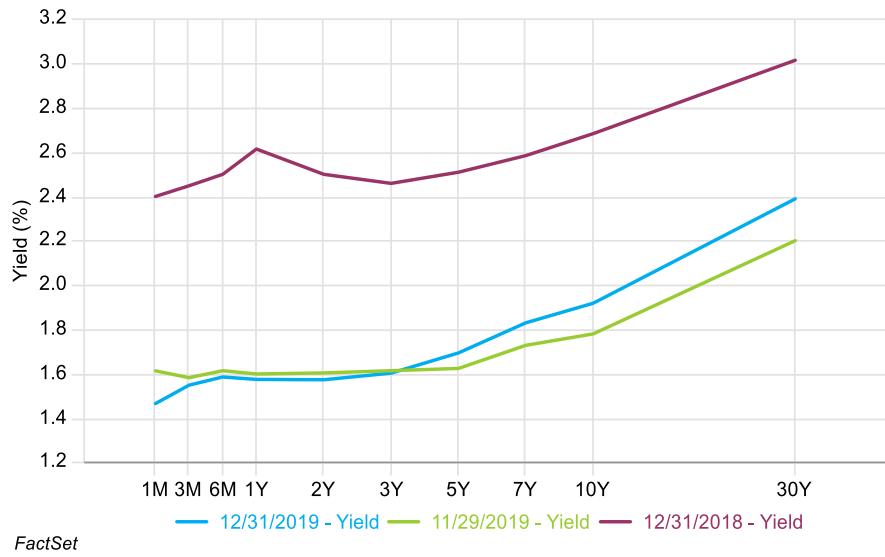
December 2019

## S&P 500 Price History - Trailing 1 Year

12/31/2018 - 12/31/2019



## United States Treasury Yield Curve



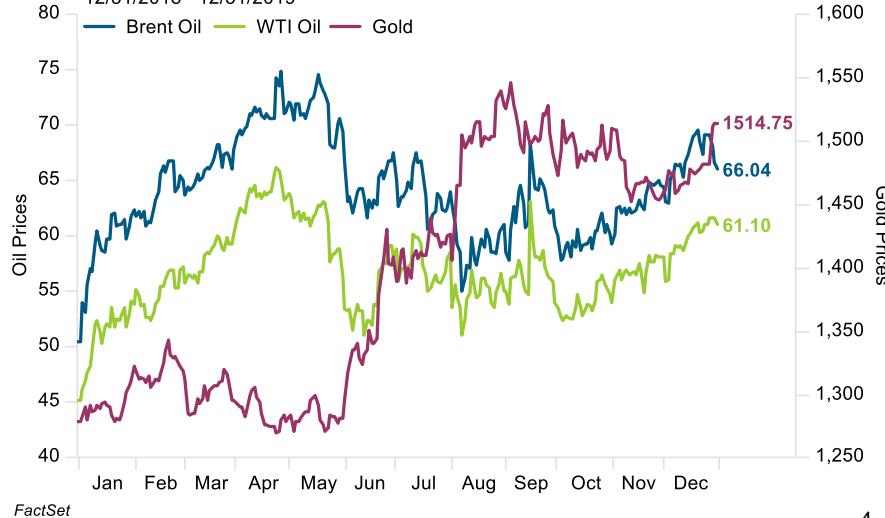
## Barclays Corporate Option Adjusted Spread - Trailing 1 Year

12/31/2018 - 12/31/2019



## Commodity Prices - Trailing 1 Year

12/31/2018 - 12/31/2019



## Asset Allocation

As of December 31, 2019

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>OPEB Trust</b>	<b>6,616,897</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
<b>Fixed Income</b>	<b>2,619,725</b>	<b>39.6</b>	<b>40.0</b>	<b>-0.4</b>
RhumbLine Core Bond Pooled Index Fund	2,619,725	39.6	40.0	-0.4
<b>Domestic Equity</b>	<b>2,966,970</b>	<b>44.8</b>	<b>40.0</b>	<b>4.8</b>
RhumbLine S&P 500 Pooled Index Fund	2,966,970	44.8	40.0	4.8
<b>International Equity</b>	<b>1,030,202</b>	<b>15.6</b>	<b>20.0</b>	<b>-4.4</b>
Rhumbline International Pooled Index Trust	1,030,202	15.6	20.0	-4.4

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.  
Asset Allocation weightings may not add up to 100% due to rounding.

# Town of Plymouth OPEB Trust

Performance Update As Of December 31, 2019

## Portfolio Performance

	Value	Performance(%)					
		1 Month	QTD	1 Year	3 Years	Since Inception	Inception Date
<b>OPEB Trust</b>	<b>6,616,897</b>	<b>1.8</b>	<b>5.1</b>	<b>20.0</b>	<b>9.7</b>	<b>9.9</b>	<b>12/01/2016</b>
<i>OPEB Index Policy</i>		1.8	5.3	20.4	9.7	10.0	12/01/2016

## Calendar Year Performance

	2018	2017	2016	2015	2014	2013	2012
<b>OPEB Trust</b>	<b>-4.2</b>	<b>14.8</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>OPEB Index Policy</i>	-4.3	14.8	N/A	N/A	N/A	N/A	N/A

Allocation Mandate	Weight (%)
<b>Dec-2016</b>	
Bloomberg Barc. U.S. Aggregate Index	40.00
S&P 500 Index	40.00
MSCI EAFE (Net) Index	20.00

The allocation mandate represents the current benchmark composition for the portfolio. Please keep in mind that the investment objective may have changed over time.

## Manager Performance Overview

As of December 31, 2019

	1 Month	QTD	1 Year	3 Years	Since Inception	Inception Date
<u>Fixed Income</u>						
<b>RhumbLine Core Bond Pooled Index Fund</b>	<b>-0.2 (72)</b>	<b>0.0 (77)</b>	<b>8.5 (63)</b>	<b>4.0 (41)</b>	<b>3.9 (44)</b>	<b>12/01/2016</b>
<i>Blmbg. Barc. U.S. Aggregate Index</i>	-0.1	0.2	8.7	4.0	4.0	
IM U.S. Broad Market Core Fixed Income (MF) Median	0.0	0.2	8.7	3.9	3.8	
<u>Domestic Equity</u>						
<b>RhumbLine S&amp;P 500 Pooled Index Fund</b>	<b>3.0 (36)</b>	<b>9.0 (39)</b>	<b>31.3 (33)</b>	<b>15.2 (26)</b>	<b>15.4 (25)</b>	<b>12/01/2016</b>
<i>S&amp;P 500 Index</i>	3.0	9.1	31.5	15.3	15.6	
IM U.S. Large Cap Core Equity (MF) Median	2.9	8.7	29.6	13.9	14.1	
<u>International Equity</u>						
<b>Rhumble International Pooled Index Trust</b>	<b>3.2 (77)</b>	<b>8.1 (68)</b>	<b>22.2 (49)</b>	<b>9.6 (37)</b>	<b>10.5 (27)</b>	<b>12/01/2016</b>
<i>MSCI EAFE (Net) Index</i>	3.3	8.2	22.0	9.6	10.5	
IM International Large Cap Core Equity (MF) Median	3.7	9.1	22.1	8.5	9.1	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies. Composite performance includes all funds held in the composite since inception.

Returns are net of fees unless otherwise stated. Mutual fund performance stated above may differ slightly from the current share class' historical performance due to share class exchanges.

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

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