**Market Overview**

Equity markets lagged in August as trade tensions between the US and China resurfaced and investors fretted over slowing global economic growth. The S&P 500 Index declined 1.6% last month as the US manufacturing sector grew at its slowest pace since 2009. The MSCI EAFE Index lost 2.6%, while the MSCI Emerging Market Index fell 4.9% as currency weakness in China put a damper on the rest of the EM Index.

Global bond yields continued to decline as demand for safe-haven assets rose. In the US, 30- and 10-year Treasury yields dropped 57 and 52 basis points, respectively, causing the yield curve to fully invert. As a result, the Barclays US Long Treasury Index shot up 10.5%, its fourth-highest monthly return since inception in 1973. In emerging markets, a stronger US dollar caused hard-currency bonds to outperform local-currency debt.

Meanwhile, in real assets, gold prices got a shot in the arm, rising 7.5% in August, amid concerns around global growth and a lower-yield environment. Additionally, spot WTI crude oil fell 5.9% to $55.06 per barrel but remains up 21.9% for the year.

**Major Index Returns for August:**
- S&P 500: (1.58)%
- MSCI EAFE Index: (2.59)%
- MSCI EM (Emerging Markets): (4.88)%
- Barclays US Aggregate Bond Index: 2.59%
- Barclays High Yield Index: 0.40%
- JP Morgan GBI-EM index: 0.55%

**Endowment Valuation:** $1.2 billion

**Commentary:**

Since inception, the LTIF has met the annual 4.5% spending requirement.

- Each year, there has been a real increase in dollars spent due to growth of the LTIF through investment earnings and donor contributions.
- $559.03 million distributed over last 15 years
- $55.9 million was distributed in Fiscal Year 2019