Non-US equities declined in August amid escalating trade tensions between the US and its major trading partners, a currency crisis in Turkey, and uncertainty in Italy. A spate of positive macroeconomic data was unable to lift the MSCI Europe Index, which fell 2.8% last month. Emerging market equities also ended lower. Meanwhile, US stocks held firm with the S&P 500 Index gaining 3.26%, as robust GDP growth in the second quarter overshadowed trade disputes and macroeconomic worries.

Within fixed income, geopolitical turmoil pushed safe-haven debt higher with the 10-year US Treasury yield falling 10 basis points to 2.86% and the 10-year German bund yield declining 12 basis points to 0.33%. Credit spreads were modestly wider across the board with emerging markets bearing the brunt, declining 1.7%, according to the JPM Emerging Market Bond Index; local emerging market debt fared worse with the JPM GBI-EM Global Diversified Index falling 6.1% as Turkey’s currency travails.

For the Month of August:
- S&P 500 returned 3.26%
- MSCI EAFE Index returned (-1.93)%
- MSCI EM (Emerging Markets) returned (-2.70)%
- Barclays US Aggregate Bond Index returned 0.10%
- Barclays High Yield Index returned .27%

Commentary:
- Each year, since inception, the LTIF has met the 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.
- $516 million distributed over last 15 years.
- $52.2 million was distributed in Fiscal Year 2017
- $53.7 million was distributed in Fiscal Year 2018