

Market Environment Standard Report

Long Version

Fourth Quarter 2024

Market review & outlook

No “Santa rally” for second-straight year, optimism over tax cuts & deregulations vs concerns over tariffs



- Global equity markets fell in the fourth quarter, though not enough to fully offset strong gains over the course of the year. The Federal Reserve (“Fed”) cut rates in December but signaled a wait-and-see approach to 2025 and decreased the number of expected cuts. Stimulus announcements in China led to a sharp rally in Chinese equities earlier in the year, but the realities of depressed animal spirits, the ailing property sector, a potential deflationary cycle, and movement of manufacturing out of China dampens the outlook. Market sentiment was mixed as the “Trump Trade” took effect. Expected de-regulations, especially for the energy sector, tax cuts and business-friendly policies in general could help spur economic activity in the US. However, potential tariffs and immigration restrictions could dampen growth and increase inflation and thus put a floor on interest rates. Equity markets diverged as investors digested both potential tailwinds and headwinds with US equities posting moderate gains over the quarter while non-US and emerging markets that would be on the receiving end of tariffs fell sharply.
- Short Treasury bond yields fell during the quarter as the Fed cut rates by a cumulative 50 bps over the quarter. Markets priced in stickier inflation and fewer rate cuts for 2025, which led to curve steepening. The 2-year Treasury yield rose by ~59 bps from 3.66% to 4.25% during Q4, while the 30-year Treasury yield rose by ~64 bps from 4.14% to 4.78%. Credit spreads declined slightly during quarter.
- The Bloomberg US Aggregate Bond Index returned -3.1% in Q4 as rising yields created a headwind for fixed income, partially offset by tightening spreads. The MSCI ACWI returned -1.0%. As a result, a traditional 60/40* portfolio returned -1.8%.

Resilient economy, stubborn inflation and new inflation risks lead to shift in rate cut expectations for 2025

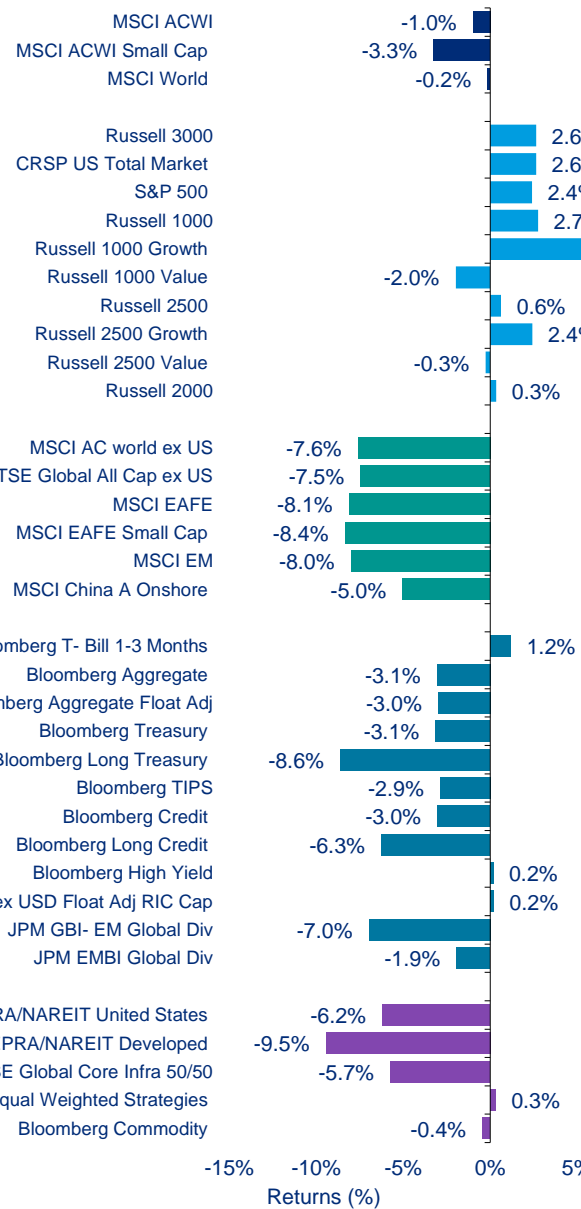


- A resilient and potentially faster growing US economy, a tentative recovery in Europe and a stimulus announcement in China continued to support our expectation of a moderation in growth, but general resilience and no major recession for the coming year.
- US inflation increased in the fourth quarter of 2024. Headline CPI was 2.7% year-over-year through November, while core CPI remained at 3.3%, in line with expectations. Markets are expecting inflation to decline more slowly than previously priced in. Labor markets have shown signs of softening. Risks to inflation include immigration restrictions over the coming years and tariffs. Stronger growth because of a more business-friendly incoming administration could further add to inflationary pressures. The Federal Reserve turned more cautious over the quarter and signaled the potential for fewer rate cuts next year than previously expected which explains much of the subdued to negative returns over the quarter, especially in December.
- The Banks of Japan and England held rates steady, while the European Central Bank cut rates twice over the quarter, saying the risk now lies in stifling growth rather than reigniting inflation. The Bank of Canada, one of the more aggressive rate-cutting banks among the G7 countries also cut twice but signaled the potential for fewer cuts in 2025 with inflation now projected to remain at target.
- Israel signed a ceasefire with Hezbollah in late November and Syrian rebels toppled the Assad regime. Tensions in Gaza and the Middle East remain high, which was reflected in rising oil prices over the quarter. While the decisive outcome of the US elections reduced political uncertainty, large economies in Europe face new elections early in the year after the governments of Germany and France fell.

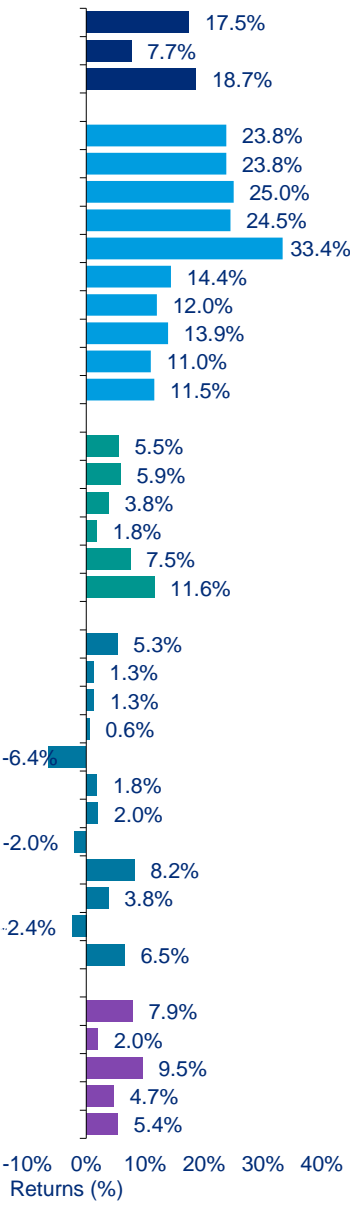
*60% MSCI ACWI, 40% Bloomberg US Aggregate

Performance summary

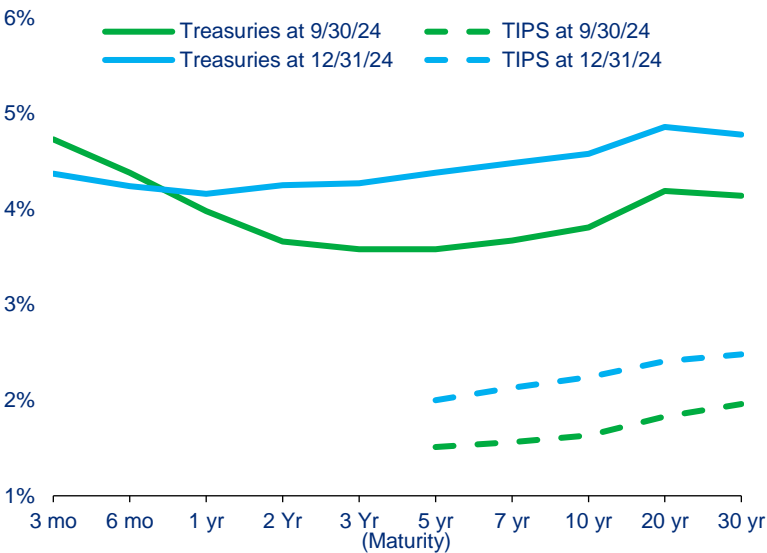
Market Performance
Fourth Quarter 2024



Market Performance
2024

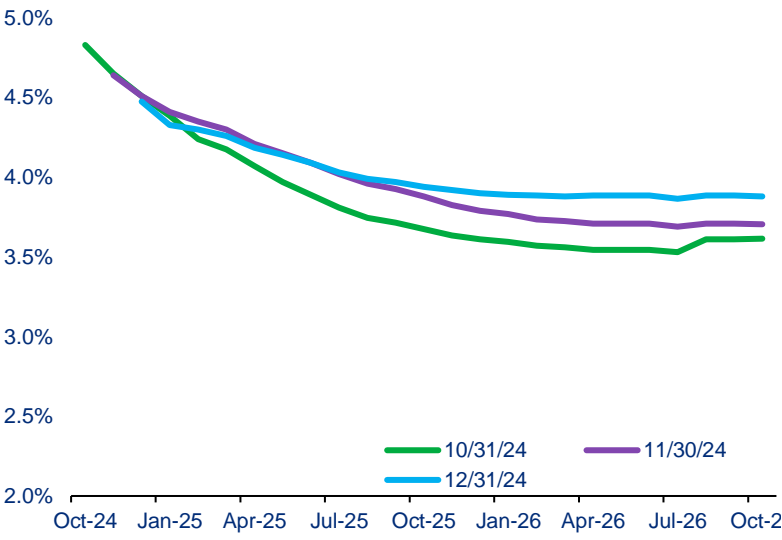


Treasury Yield Curve



Source: Federal Reserve; as of 12/31/24.

Market Implied US Overnight Lending Rate
(Based on Fed Funds Futures)



Source: Bloomberg; as of 12/31/2024.

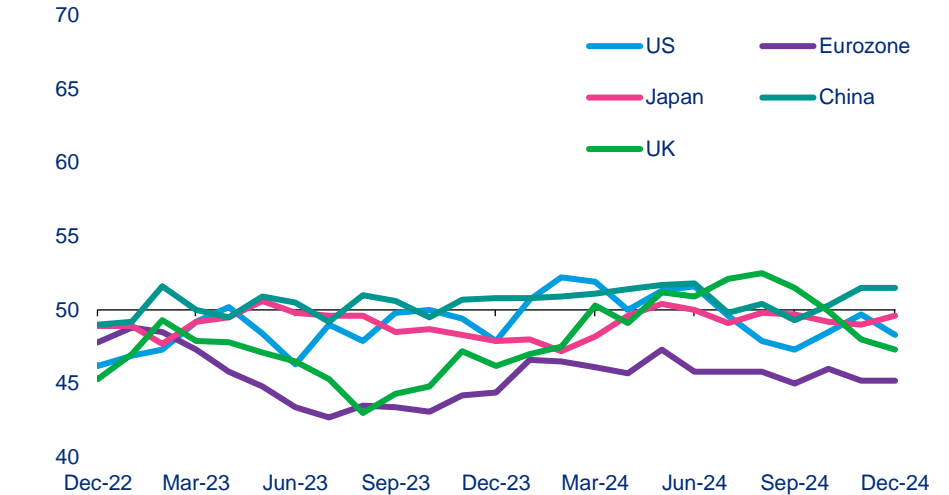
Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg; as of 12/31/24.
Past performance is no guarantee of future results.

Economic fundamentals

A moderately slowing but overall resilient global economy

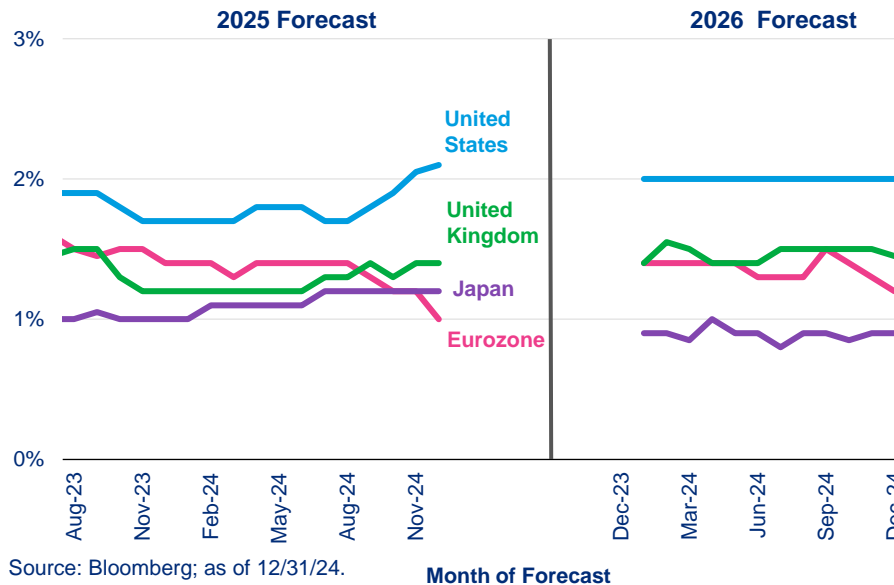
- US economic growth continued at a solid pace during the fourth quarter, while the Eurozone and UK lagged. Forecasts for 2025 rose only in the US, remained flat for the UK and Japan, and declined in the Eurozone.
- Globally manufacturing PMIs remained in contractionary territory except for China. Service PMIs, on the other hand remained strong, which kept composite PMIs in expansionary territory for most major regions. This is generally an indicator for favorable economic growth ahead.
- The US labor market showed only moderate signs of softening from extremely tight levels. The unemployment rate (U-3)¹ ended the quarter at 4.1%, flat from the end of the prior quarter; wage growth remains solid and continued to strengthen over Q4, and the labor force participation rate fell to 62.5%, just below its pre-Covid trend.

Markit Manufacturing PMIs



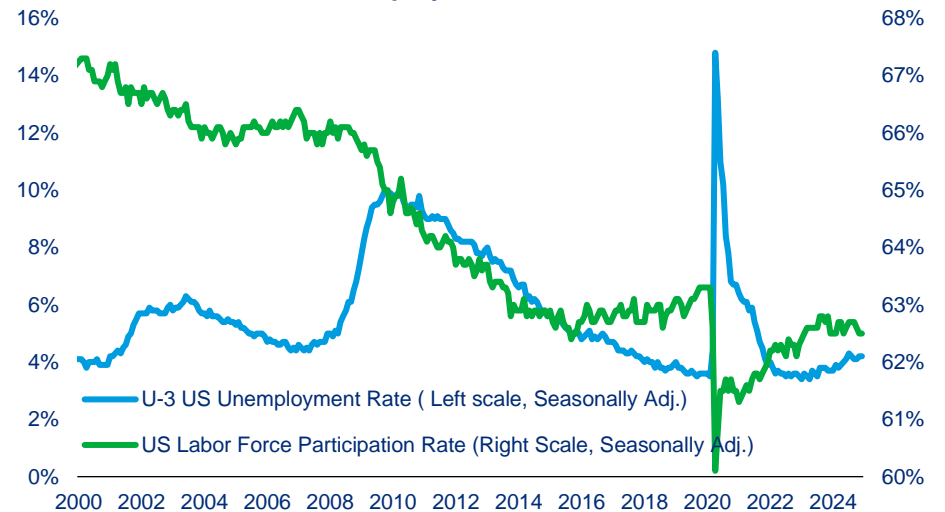
Source: Bloomberg; as of 12/31/24.

Consensus GDP Growth Forecasts



Source: Bloomberg; as of 12/31/24.

US Employment Statistics



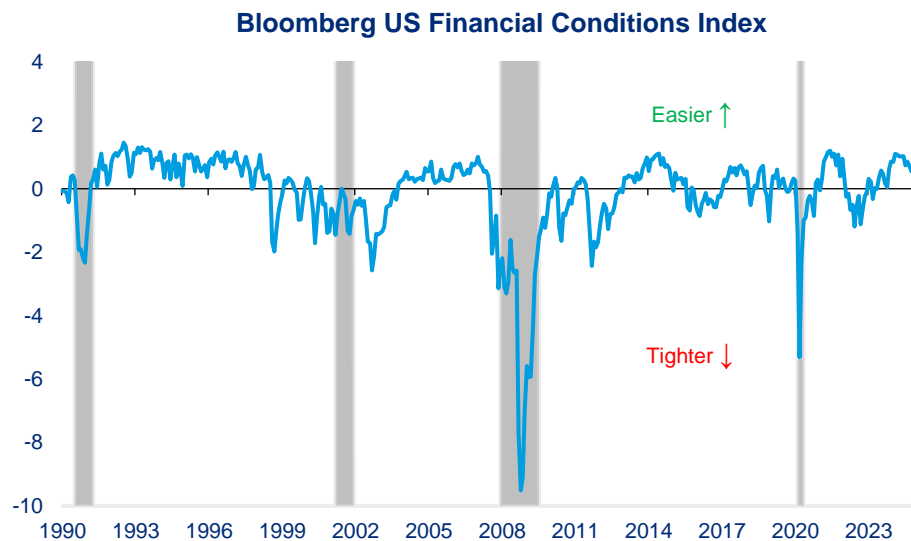
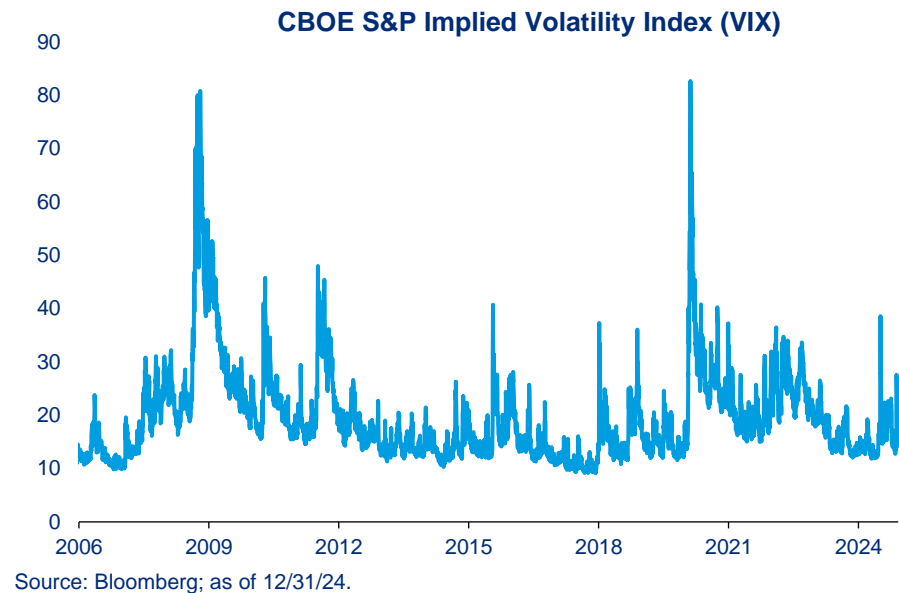
Source: Bloomberg, Refinitiv; as of 12/31/24.

¹ The U-3 unemployment rate represents the percentage of the civilian labor force that is jobless and actively seeking employment.

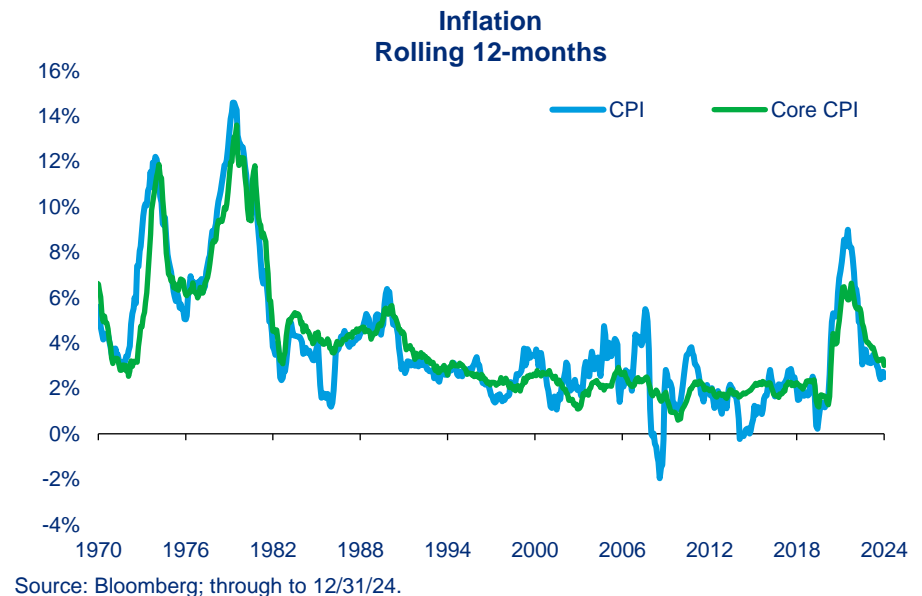
Risk factors

Yield curve steepens but financial conditions remain easier than two years ago

- The yield curve steepened over the quarter with shorter-dated rates falling as the Fed cut rates but longer-dated rates increasing as inflation expectations remain stickier.
- Geopolitical risks that could impact commodity supplies remained elevated given major developments across the Middle East. The quarter saw a 5% rise in oil prices.
- US headline inflation came in at 2.7% in November, while core CPI remained at 3.3%; inflation remains sticky and still above target.
- The CBOE Volatility Index (VIX) marginally increased from 16.7 to 17.4, plummeting from the pre-election high of 22.0.
- The Bloomberg US Financial Conditions Index tightened during the quarter but remains near its easiest levels since 2021.



Source: Bloomberg; as of 12/31/24.

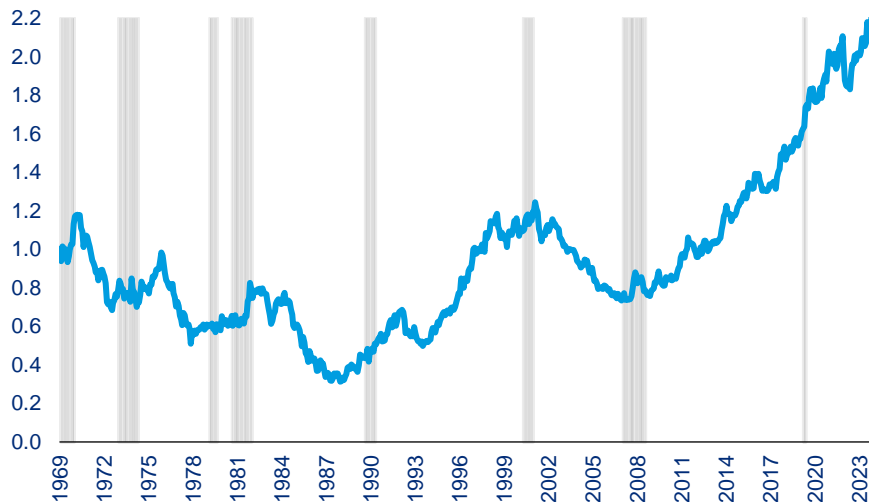


Regional equity returns

Weak global equities returns driven by poor EM and international equity returns and a strong US dollar

- Global equities had a weak end to 2024, returning -1.0% for Q4 but still had a strong year returning 17.5%.
- The S&P 500 returned 2.4% during the quarter, as favored styles rotated back to large and growth from small and value in Q3. It ended the year up by 25%, the first two-year consecutive double-digit gain in more than two decades.
- International developed stocks fell -8.1% in Q4, almost exclusively driven by a stronger dollar that detracted 750 bps from roughly flat returns on a local currency basis.
- Emerging markets equities also had a weak quarter with a strong dollar detracting 360 bps from weak local returns of -4.4%. The expected impact of proposed tariffs and other factors led to poor returns in the largest EM economies such as Brazil, Korea, India and China.

Ratio of MSCI EAFE (Relative Performance to MSCI USA)

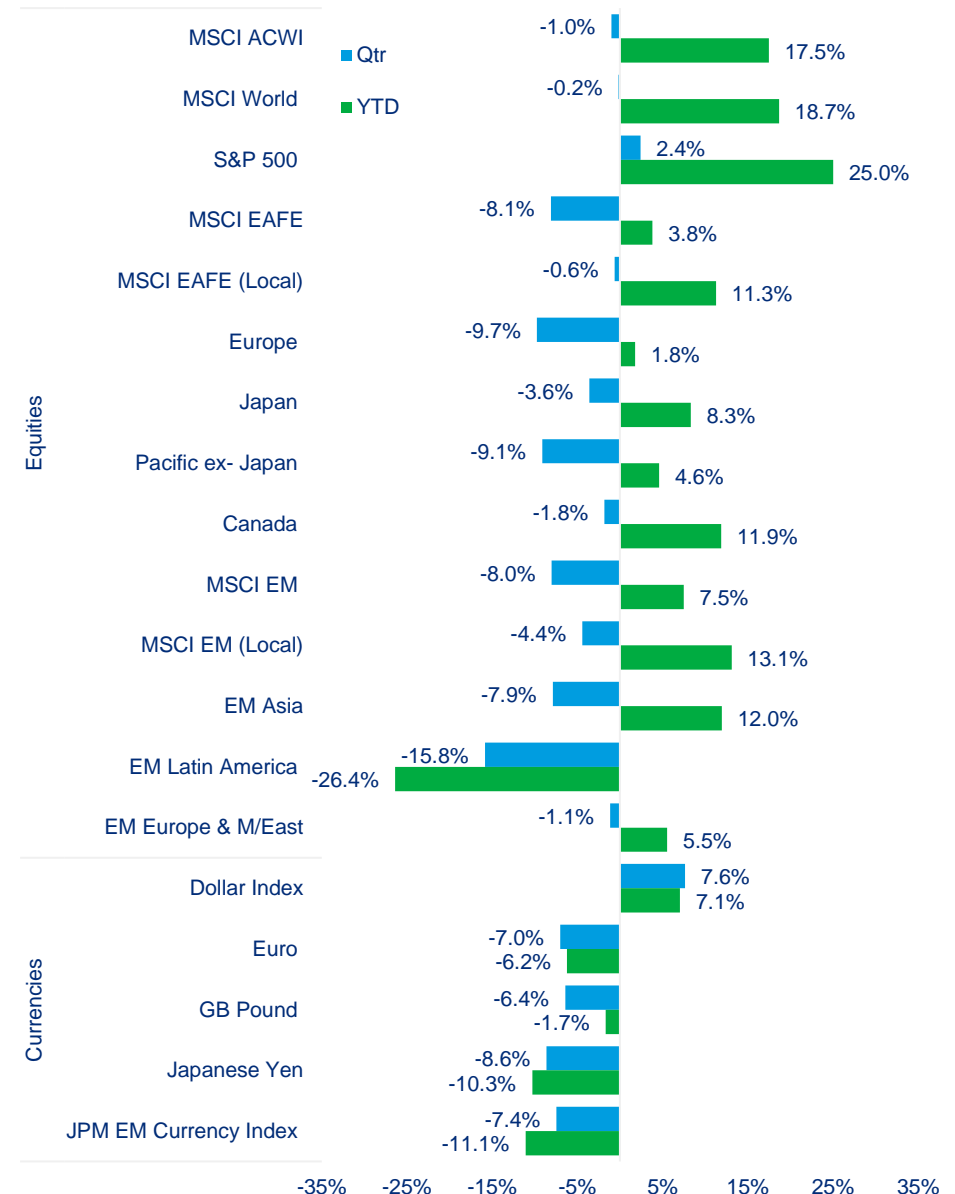


Source: Refinitiv; through to 12/31/24.

Past performance is no guarantee of future results



Global Performance



Source: Bloomberg, Refinitiv; as of 12/31/24.

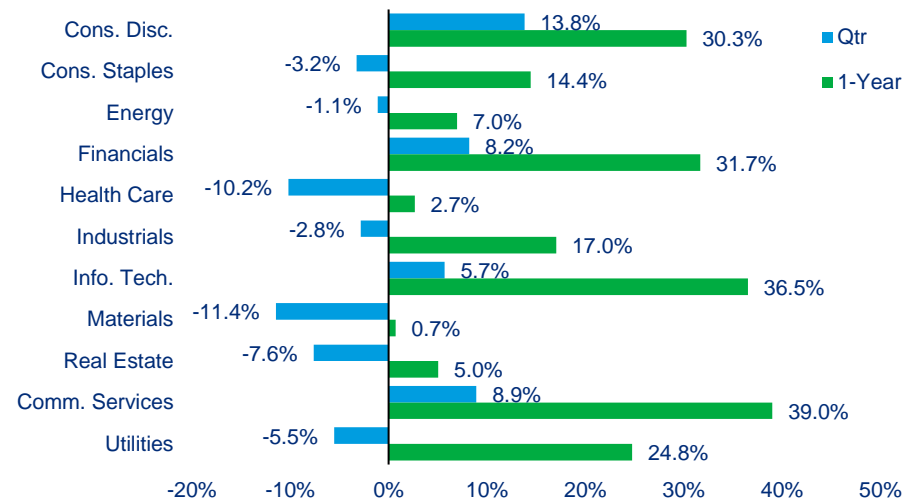
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US equity factor and sector returns

Growth outperforms value by wide margin

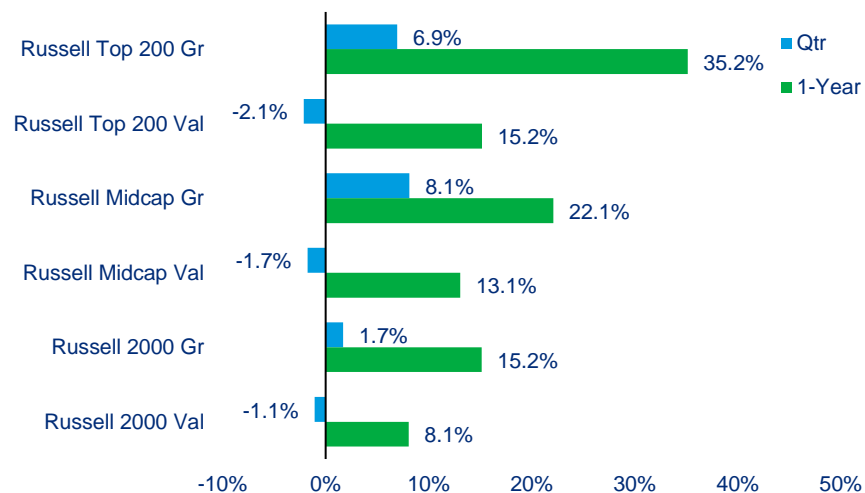
- The AI narrative maintained strong momentum in Q4 with solid earnings results for mega cap tech stocks, Donald Trump winning the US election, and expectations of tax cuts and more business-friendly policies.
- Relative to the MSCI USA, the momentum factor produced the strongest results during the quarter, while the minimum volatility factor was the weakest. All factors except from growth were negative relative to MSCI USA for the quarter.
- The strongest performing sectors for the quarter were traditional growth sectors such as consumer discretionary, info technology, and communication services, with financials also producing strong returns amid the prospect of deregulation.
- The weaker performing sectors were materials, health care and real estate. These tend to be value-oriented sectors, which was out of favor for the quarter.

MSCI USA Sector Returns



Source: Refinitiv; as of 12/31/24.

US Style Performance

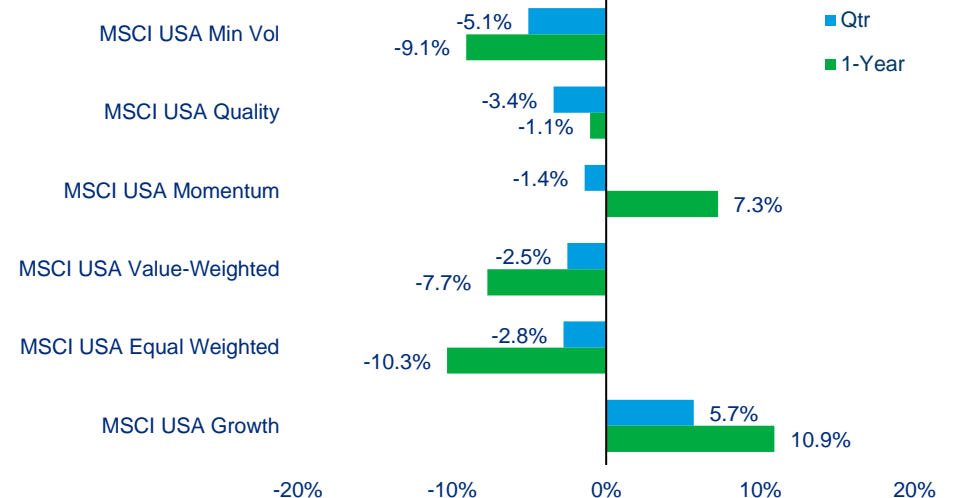


Source: Refinitiv; as of 12/31/24.

Past performance is no guarantee of future results



Relative Factor Performance
(Relative to MSCI USA)



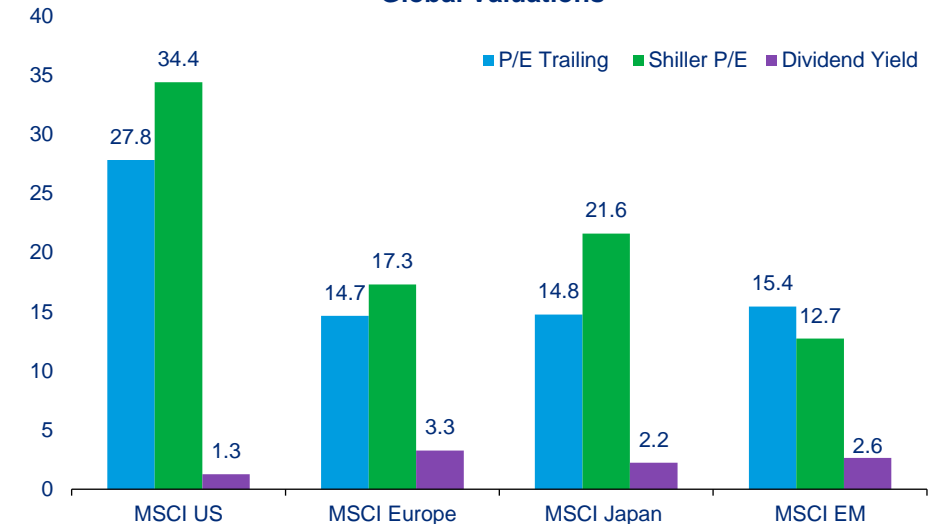
Source: Refinitiv; as of 12/31/24.

Equity fundamentals

US equities more richly valued, non-US valuations improved

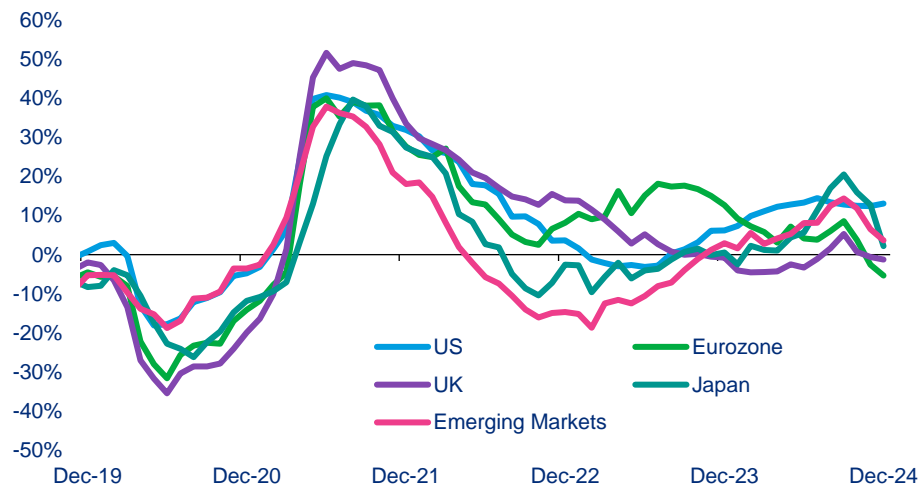
- Positive equity returns led to slightly less attractive US valuations but weakness outside the US improved non-US valuations.
- The trailing P/E ratio on the MSCI US Index rose from 27.3 to 27.8¹. However, given rising yields, we estimate that the equity risk premium over long-term Treasuries decreased by roughly 70 bps².
- International developed stocks appear more reasonably valued than US stocks and became more attractive over the quarter, but markets may price in slower economic and earnings growth and more geopolitical uncertainty for these stocks especially with political uncertainty in Europe.
- Emerging market valuations continue to appear attractive. The Chinese economy seems to be touching bottom, but serious cyclical, geopolitical and structural challenges persist and the effect of tariffs from the incoming US administration remains to be seen.

Global Valuations



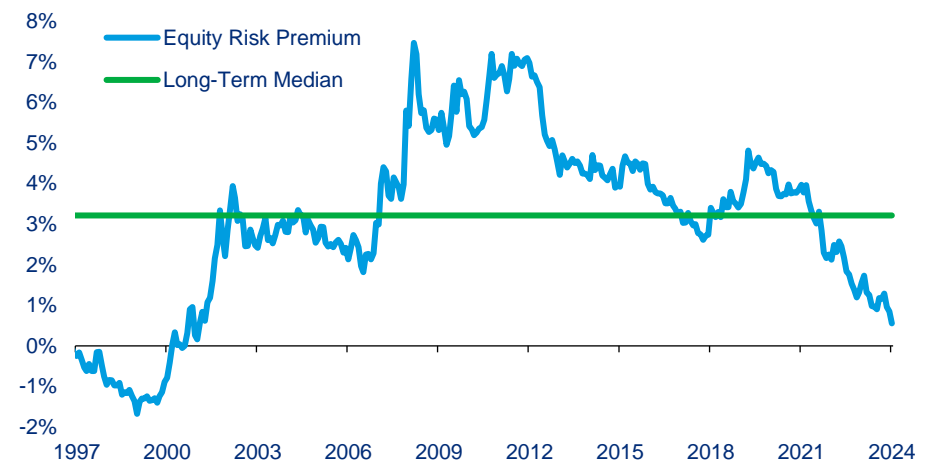
Source: Refinitiv, Bloomberg; as of 12/31/24.

Forward Earnings Estimates
Year-over-Year Change



Source: Refinitiv, Bloomberg; as of 12/31/24.

S&P 500 - Equity Risk Premium Versus Long-Term Treasuries



Source: Bloomberg, Refinitiv, Mercer; as of 12/31/24.

¹ Source: Refinitiv; as of 12/31/24

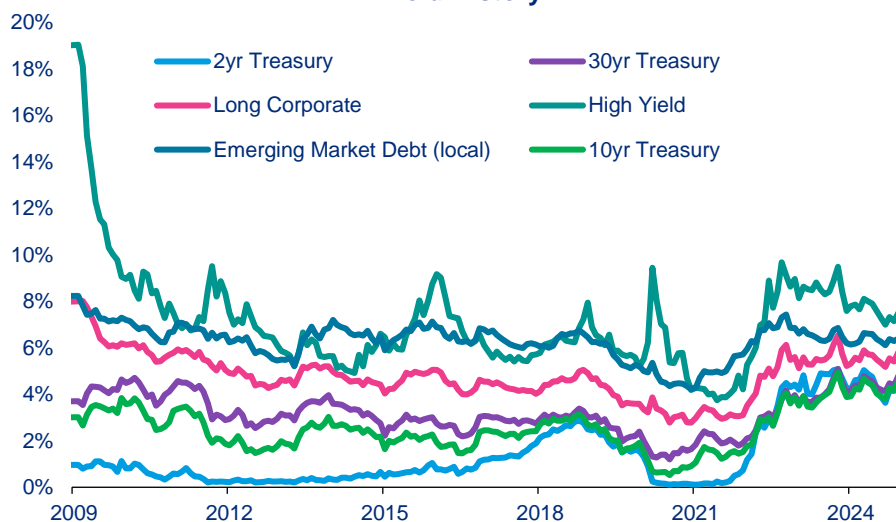
² Source: MSCI, Refinitiv, Mercer; as of 12/31/24

Interest rates and fixed income

Weak fixed income performance amid rising yields

- The Bloomberg US Aggregate Index returned -3.1% during the quarter. Treasuries returned -3.1%, and corporates were down -3.0%. The yield curve shifted higher during the quarter. The 2-year yield rose 59 bps, while the 30-year yield rose 64 bps¹.
- Spreads on US investment-grade credit fell to ~0.8%, below the long-term median level² and remain extremely tight historically.
- US high yield bonds returned 0.2% during the quarter, as high yield spreads fell 8 bps to 2.9% while the shorter duration limited the negative impact of rising longer-dated rates. US high yield spreads are 132 bps below the long-term median level of 4.2%². Local currency EMD returned -7.0% during Q4 with the strong dollar being a major headwind.

Yield History

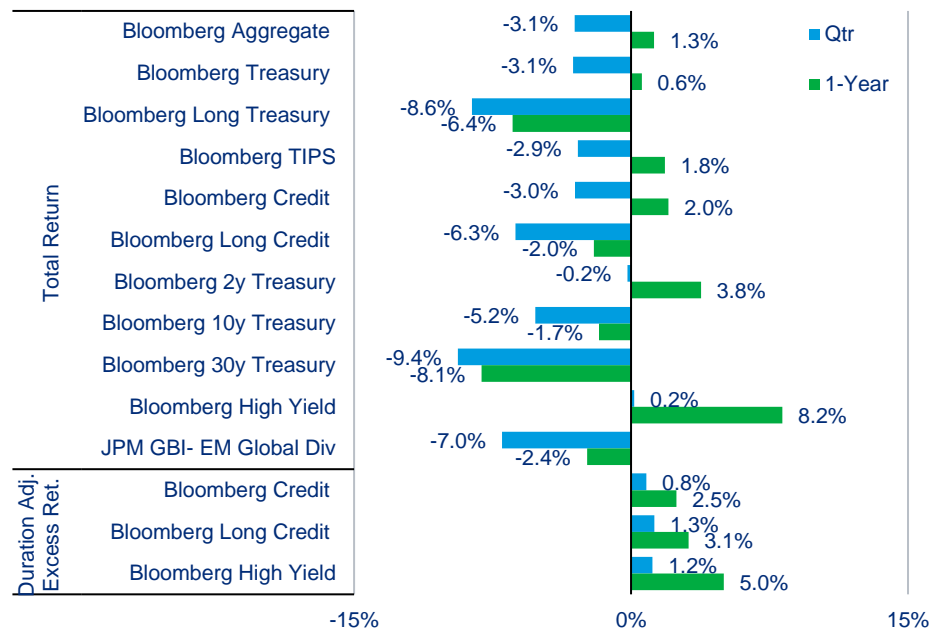


Source: Bloomberg, Federal Reserve; as of 12/31/24.

¹ Source: Federal Reserve; as of 12/31/24

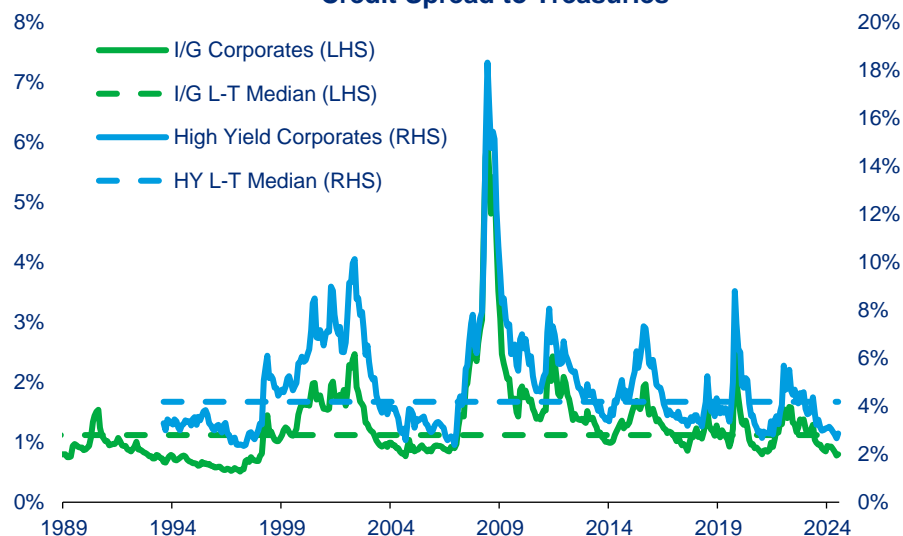
² Source: Bloomberg, Mercer; as of 12/31/24

Fixed Income Performance



Source: Bloomberg, Datastream; as of 12/31/2024

Credit Spread to Treasuries

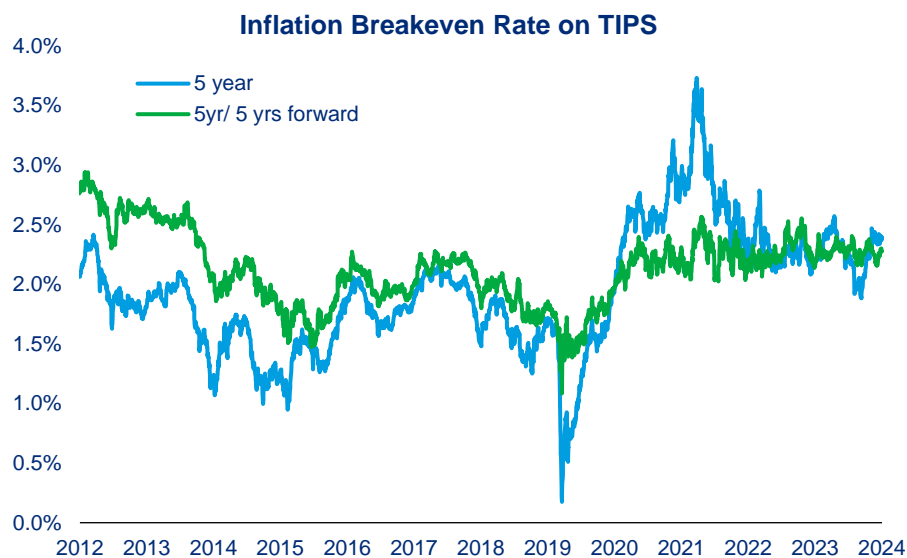


Source: Bloomberg; as of 12/31/24.

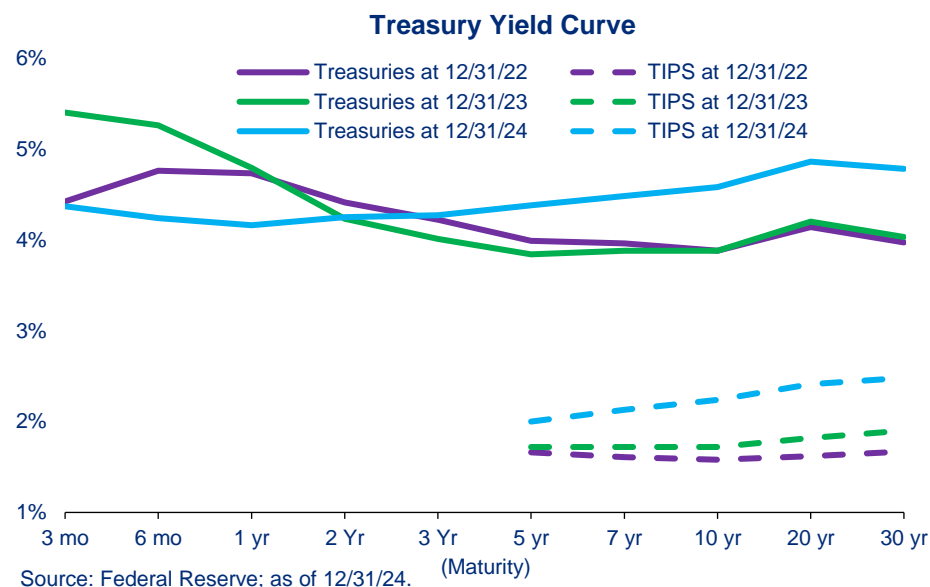
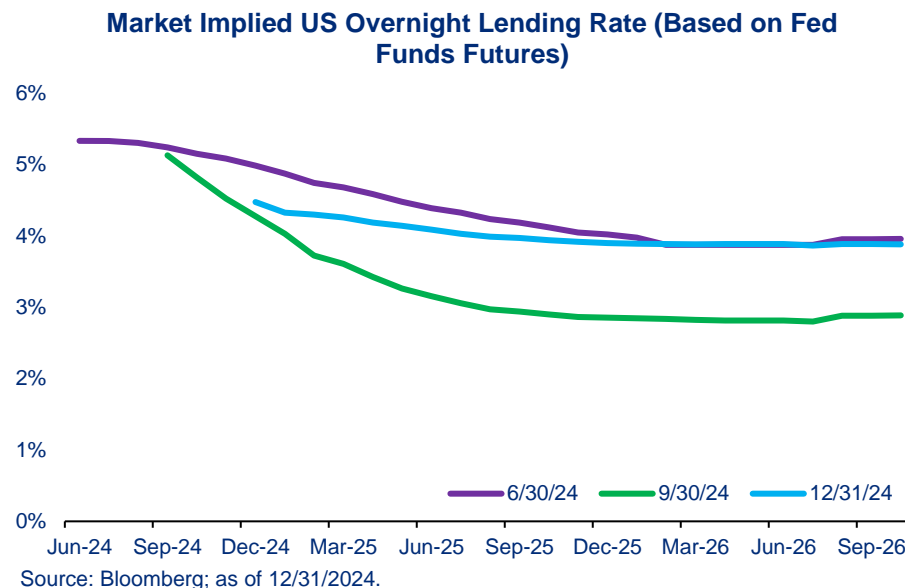
Monetary policy

Fed hawkish cut to finish 2024

- As widely expected, the Fed cut rates again in Q4 by a cumulative 50 bps but signaled that rates may be cut at a slower pace in 2025 than previously anticipated amid economic resilience, stubborn inflation and increased inflation uncertainty.
- US inflation breakeven rates rose slightly during the quarter, with the 10-year CPI inflation breakeven rate ending at ~2.3%, still above the Fed's target of 2.0% PCE (roughly equivalent to 2.5% CPI)¹.
- Overseas, the European Central Bank cut rates for the fourth time in 2024. Bank of Canada also cut rates in Q4 while the Bank of Japan held rates steady. The Swiss central bank cut rates for a fourth time this year. Bank of England held rates steady at their December meeting after cutting rates multiple times earlier in the quarter.



¹ Source: St. Louis Fed; as of 12/31/24

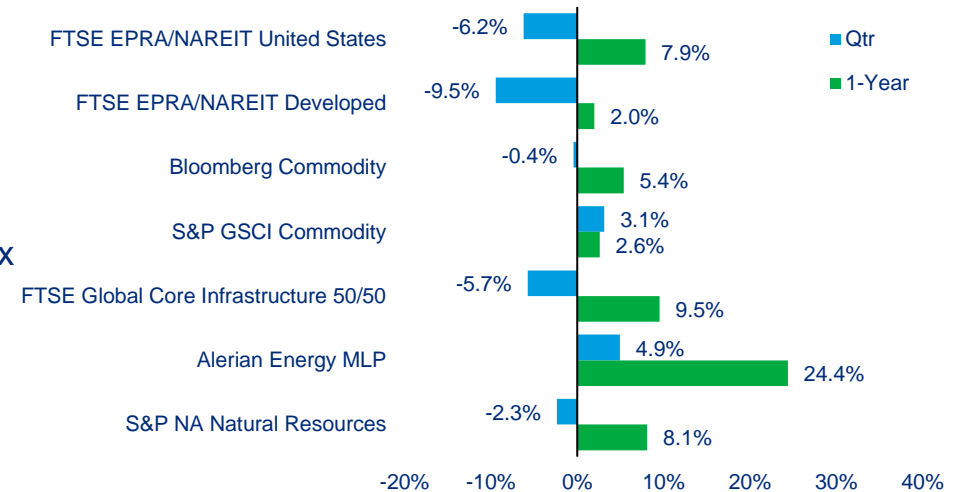


Alternative investment performance

REITs & infrastructure underperform broader equities, commodity returns low to negative

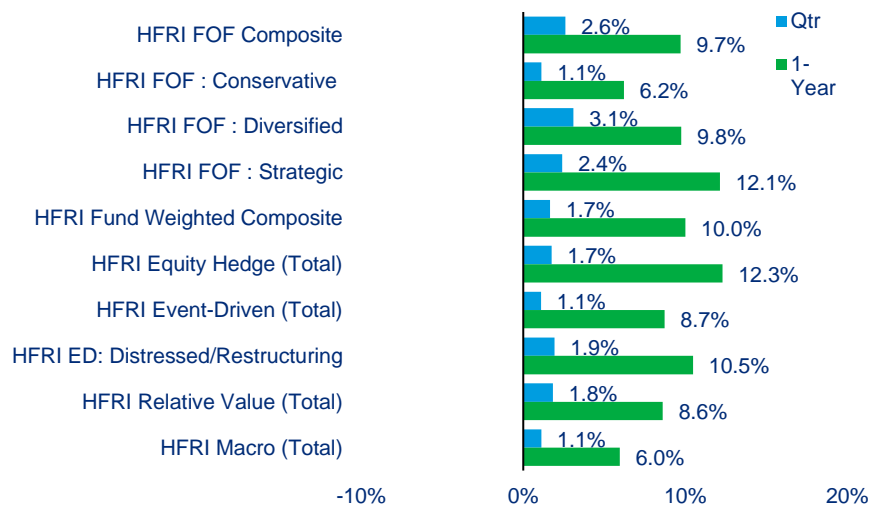
- Global developed REITs returned -9.5% during Q4, underperforming broader equity markets by a wide margin. Core listed infrastructure stocks also had negative returns during the quarter. Higher rate sensitivities for both sectors were headwinds this quarter.
- Commodities and natural resources had mixed performance depending on the index. Increasing oil prices led to positive performance for the energy heavy S&P GSCI Commodity index while the more diversified Bloomberg index was slightly negative. The price of WTI crude oil rose by ~5% and ended the quarter at around \$72.
- The HFRI FOF Composite Index returned 2.6% in Q4 ¹.
- Global private equity outperformed global developed stocks over the longer-term trailing periods ².

Real Asset Performance



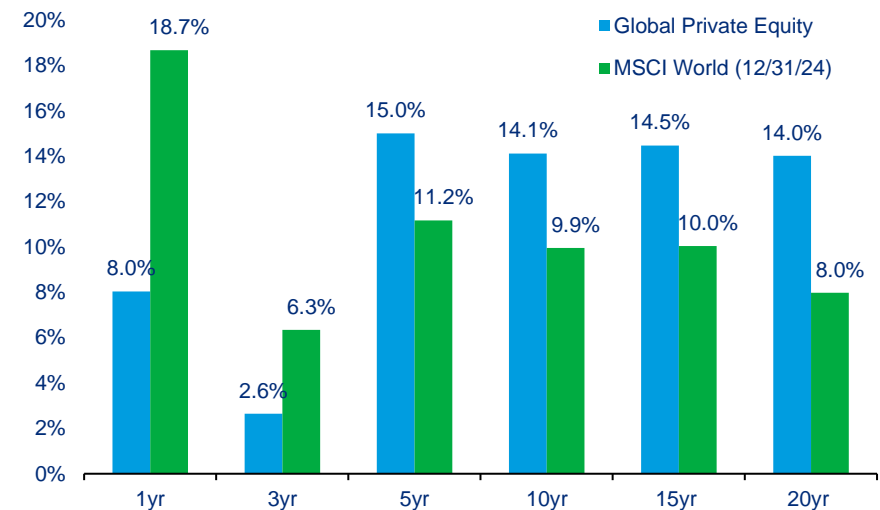
Source: Refinitiv; as of 12/31/2024.

Hedge Fund Performance



Source: Hedge Fund Research; as of 12/31/24.

Global Private Equity vs. Global Public Equities



Source: Burgiss, Bloomberg; as of 09/30/24.

¹ Source: Hedge Fund Research; as of 12/31/24

² Source: Burgiss, Bloomberg; as of 9/30/24

Valuations and yields

Ending December 31, 2024

Valuations

MSCI USA	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Index Level	26834.0	26105.7	24644.7	23686.9
P/E Ratio (Trailing)	27.8	27.3	26.4	26.2
CAPE Ratio	34.4	34.3	32.9	32.3
Dividend Yield	1.3	1.3	1.3	1.4
P/B	5.1	5.2	5.0	4.9
P/CF	21.9	19.8	19.0	18.0
MSCI EAFE	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Index Level	8081.6	8795.2	8199.7	8234.3
P/E Ratio (Trailing)	15.1	15.5	15.3	15.7
CAPE Ratio	15.9	17.6	16.8	16.9
Dividend Yield	3.1	3.0	3.0	2.9
P/B	1.8	2.0	1.9	1.9
P/CF	10.1	13.0	12.0	10.3
MSCI EM	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Index Level	573.9	623.8	573.8	546.5
P/E Ratio (Trailing)	15.4	16.3	16.0	15.6
CAPE Ratio	12.7	14.0	13.0	12.3
Dividend Yield	2.6	2.5	2.6	2.8
P/B	1.7	1.9	1.7	1.6
P/CF	6.9	8.9	9.6	8.3

Source: Bloomberg, Thomson Reuters Datastream

Yields

Global Bonds	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Germany – 10Y	2.37	2.12	2.50	2.30
France – 10Y	3.20	2.92	3.30	2.81
UK – 10Y	4.57	4.00	4.17	3.93
Switzerland – 10Y	0.33	0.41	0.60	0.69
Italy – 10Y	3.52	3.45	4.07	3.68
Spain – 10Y	3.06	2.93	3.42	3.16
Japan – 10Y	1.10	0.86	1.06	0.73
Euro Corporate	3.18	3.22	3.82	3.66
Euro High Yield	6.03	6.29	7.02	7.72
EMD (\$)	8.23	7.78	8.49	7.23
EMD (LCL)	7.12	6.65	7.18	6.81
US Bonds	12/31/2024	9/30/2024	6/30/2024	3/31/2024
3-Month T-Bill	4.37	4.73	5.48	5.46
10Y Treasury	4.58	3.81	4.36	4.20
30Y Treasury	4.78	4.14	4.51	4.34
10Y TIPS	2.24	1.63	2.08	1.88
30Y TIPS	2.48	1.96	2.23	2.07
US Aggregate	4.91	4.23	5.00	4.85
US Treasury	4.45	3.76	4.57	4.43
US Corporate	5.33	4.72	5.48	5.30
US Corporate High Yield	7.49	6.99	7.91	7.66

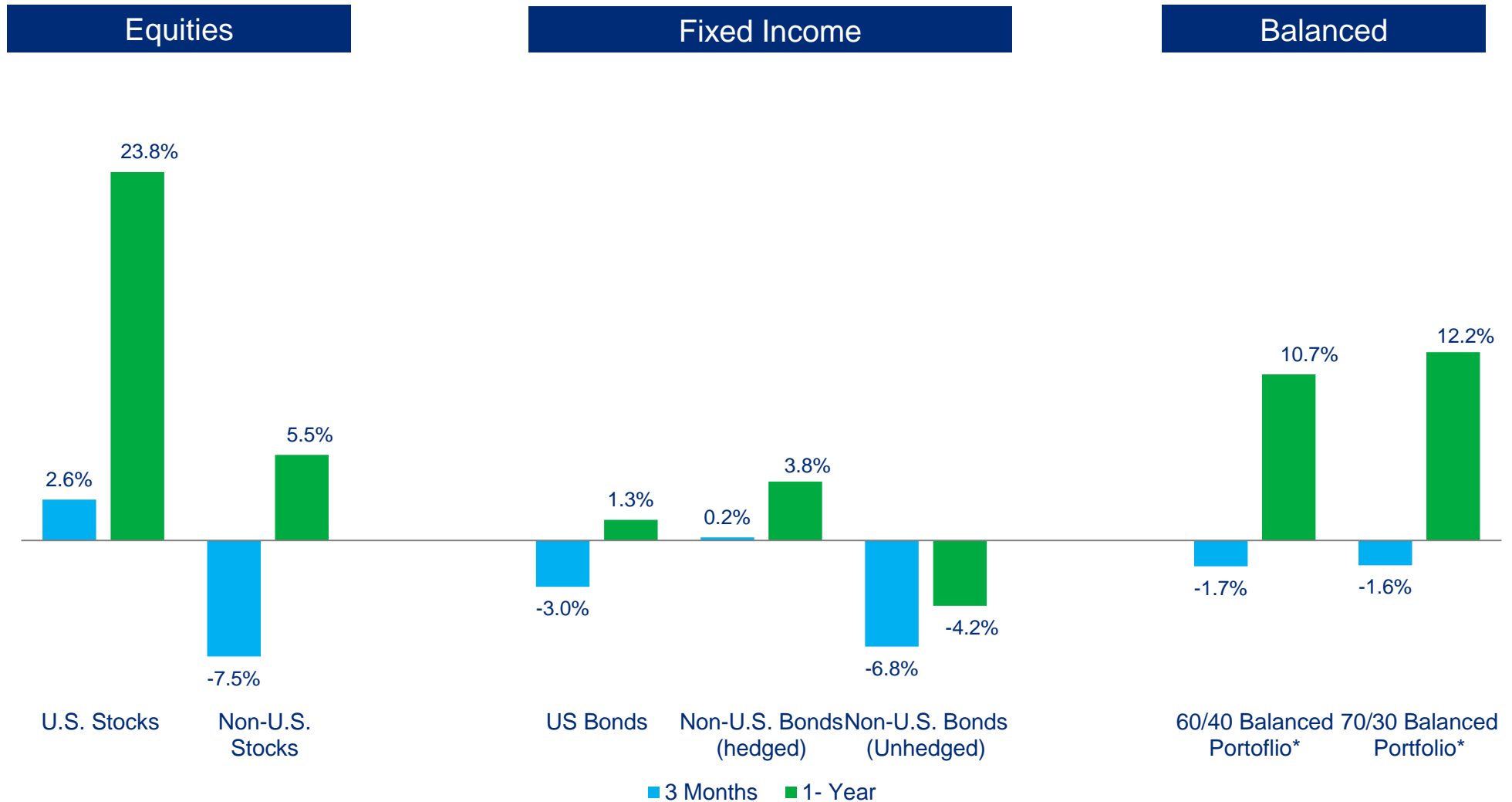
Source: Bloomberg, Thomson Reuters Datastream

Appendix



Global market returns – overview

Global market returns as of December 31, 2024 (%)



Source: Refinitiv, Bloomberg; as of 12/31/24

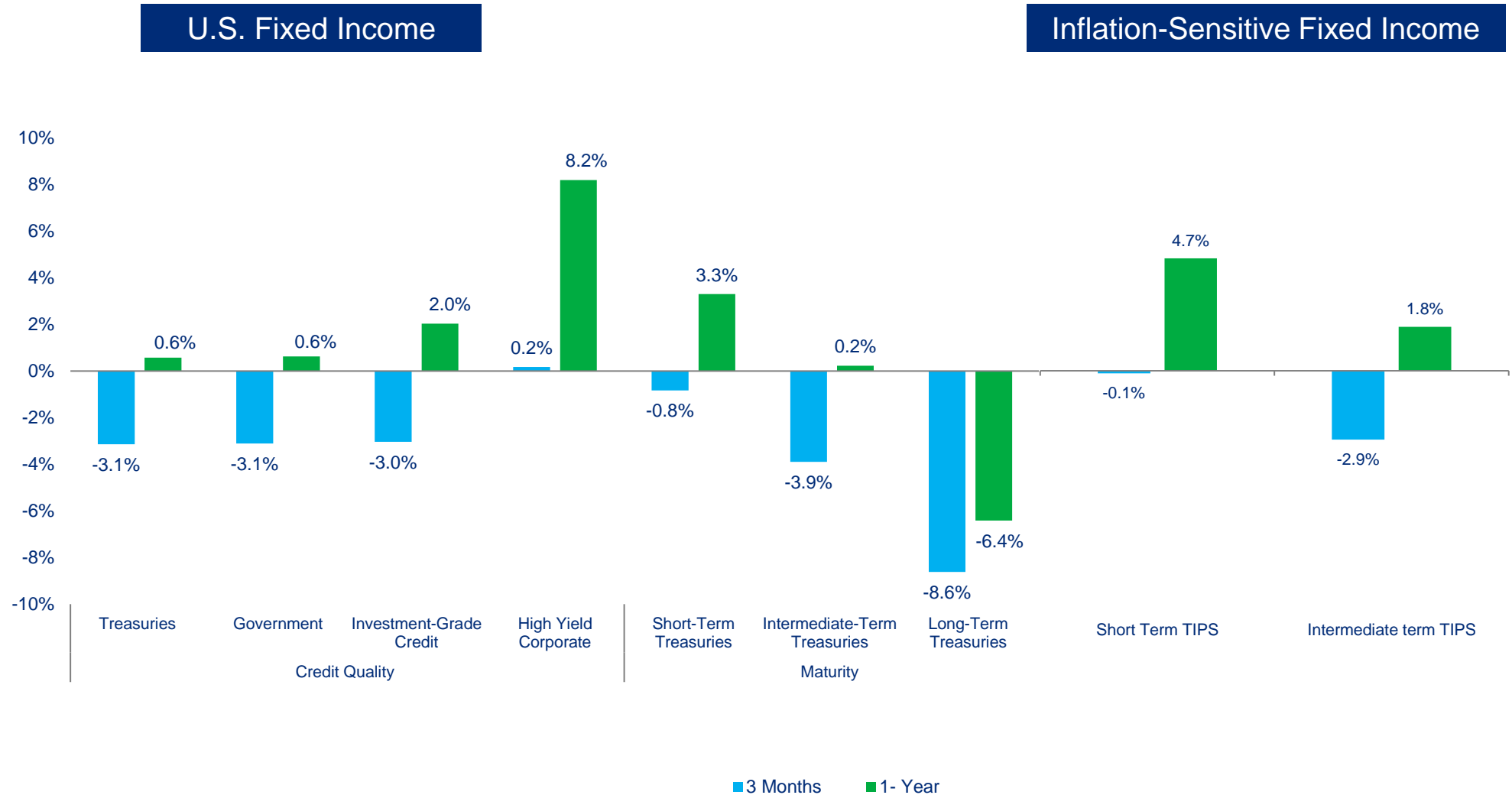
US Stocks (CRSP US Total Market Index), Non-US Stocks (FTSE Global All-Cap ex-US Index), US Bonds (Bloomberg US Aggregate Float Adjusted Index), Non-US Bonds hedged (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), Non-US Bonds unhedged (Bloomberg Global Aggregate Index ex-USD).

*60/40 balanced portfolio Static Composite (36% U.S. stocks, 24% international stocks, and 28% investment-grade U.S. bonds, 12% investment-grade international bonds).

*70/30 balanced portfolio Static Composite (42% U.S. stocks, 28% international stocks, and 21% investment-grade U.S. bonds, 9% investment-grade international bonds).

Global market returns – fixed income

Global market returns as of December 31, 2024 (%)



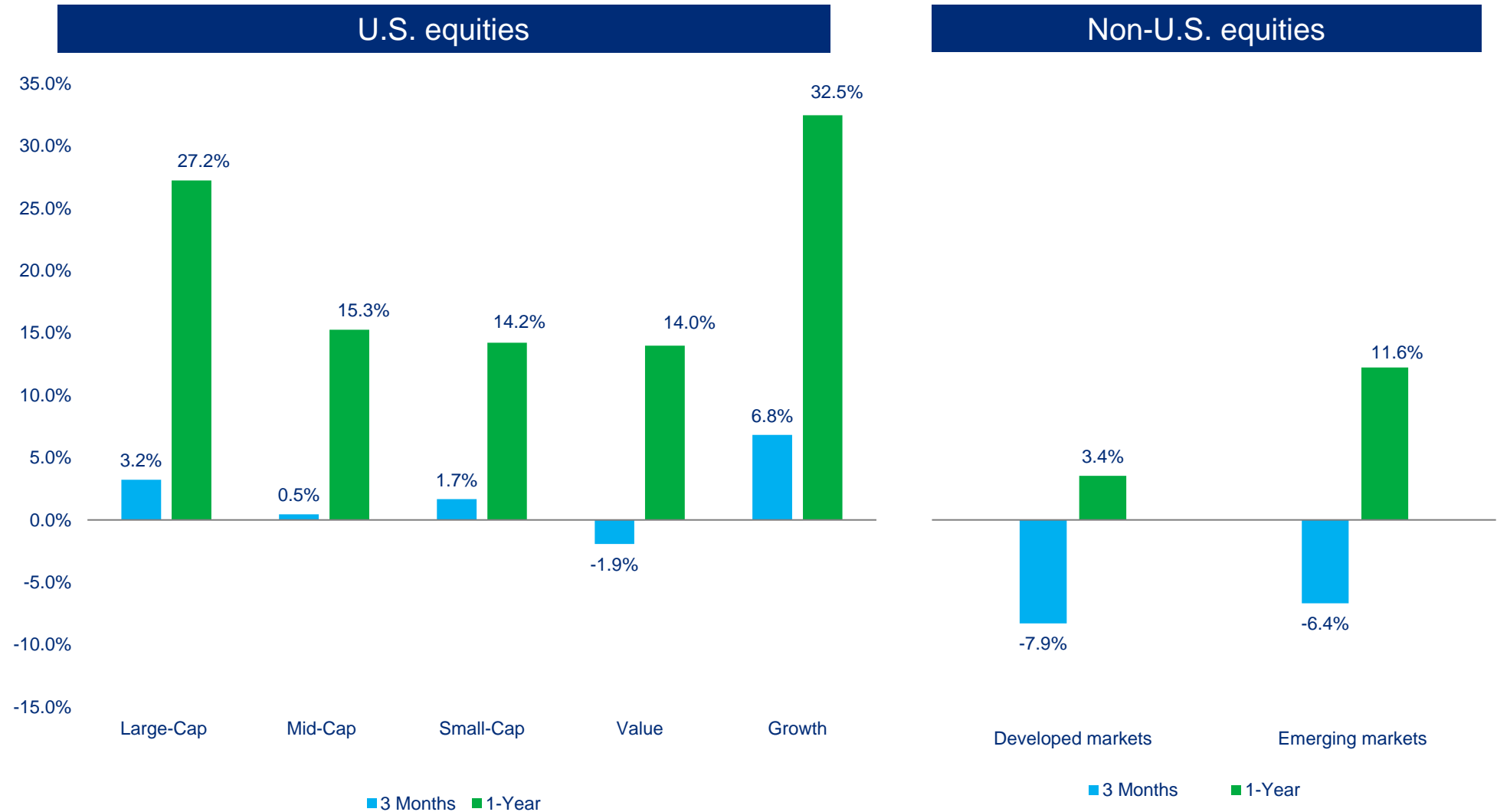
Source: Refinitiv, Bloomberg; as of 12/31/24

Treasuries (Bloomberg US Treasury Index), Government (Bloomberg US Government Index), Investment-grade credit (Bloomberg US Credit Index), High Yield Corporate (Bloomberg US High Yield Corporate index), Short Term treasuries (Bloomberg US 1-5yr Treasury Index), Intermediate term treasuries (Bloomberg US 5-10yr Treasury Index), Long term Treasuries (Bloomberg US Long Treasury Index), Short Term TIPS (Bloomberg US Treasury 0-5yr TIPS Index), Intermediate term TIPS (Bloomberg US TIPS Index)

Past performance is no guarantee of future results

Global market returns – equities

Global market returns as of December 31, 2024 (%)



Source: Refinitiv, Bloomberg; as of 12/31/24

Large-Cap (CRSP US Mega Cap Index), Mid-Cap (CRSP US Mid Cap Index), Small-Cap (CRSP US Small Cap Index), Value (Russell 3000 Value Index), Growth (Russell 3000 Growth Index), Developed Markets (FTSE Developed All Cap ex US Index), Emerging Markets (FTSE Emerging Markets All Cap China A Inclusion Index)

Periodic table of returns

Global market returns as of September 30, 2024 (%)

Periodic Table of Index Returns

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	10-Year Average Return	
US REITS 28.0%	Private Equity All 10.1%	Small Cap Core Equity 21.3%	Emerging Market Equity 37.3%	Private Equity All 19.2%	Large Cap Core Equity 31.5%	Private Equity All 29.9%	Private Equity All 53.1%	Commodity 16.1%	Large Cap Core Equity 26.3%	Large Cap Core Equity 22.1%	16.3%	Private Equity All Burgiss Private iQ All
Private Equity All 15.1%	US REITS 2.8%	High Yield Bonds 17.1%	Developed Intl Equity 25.0%	Treasury Bonds 0.9%	Mid Cap Core Equity 30.5%	Small Cap Core Equity 20.0%	US REITS 41.3%	Private Equity All 0.5%	Global Equity 22.2%	Global Equity 18.7%	13.4%	Large Cap Core Equity S&P 500
Large Cap Core Equity 13.7%	Large Cap Core Equity 1.4%	Mid Cap Core Equity 13.8%	Global Equity 24.0%	Aggregate Bonds 0.0%	US REITS 28.7%	Large Cap Core Equity 18.4%	Large Cap Core Equity 28.7%	Hedge Fund of Funds -5.6%	Developed Intl Equity 18.2%	Emerging Market Equity 16.9%	10.2%	Mid Cap Core Equity Russell Midcap
Mid Cap Core Equity 13.2%	Blended 60/40 1.3%	Large Cap Core Equity 12.0%	Large Cap Core Equity 21.8%	High Yield Bonds -2.1%	Global Equity 26.6%	Emerging Market Equity 18.3%	Commodity 27.1%	High Yield Bonds -11.2%	Blended 60/40 17.7%	Blended 60/40 14.8%	9.4%	Global Equity MSCI ACWI Net
Blended 60/40 11.0%	Treasury Bonds 0.8%	Commodity 11.8%	Mid Cap Core Equity 18.5%	Blended 65/35 -2.5%	Small Cap Core Equity 25.5%	Mid Cap Core Equity 17.1%	Mid Cap Core Equity 22.6%	Emerging Debt Local -11.7%	Mid Cap Core Equity 17.2%	Mid Cap Core Equity 14.6%	8.8%	Small Cap Core Equity Russell 2000
Aggregate Bonds 6.0%	Aggregate Bonds 0.6%	Emerging Market Equity 11.2%	Private Equity All 17.1%	Hedge Fund of Funds -2.6%	Blended 60/40 23.3%	Global Equity 16.3%	Global Equity 18.5%	Treasury Bonds -12.5%	Small Cap Core Equity 16.9%	US REITS 14.2%	8.7%	Blended 60/40 60% S&P 500/40% Barc
Treasury Bonds 5.0%	Hedge Fund of Funds -0.3%	Emerging Debt Local 9.9%	Blended 60/40 15.4%	US REITS -4.0%	Developed Intl Equity 22.0%	Blended 60/40 14.6%	Blended 60/40 15.9%	Aggregate Bonds -13.0%	Private Equity All 15.7%	Developed Intl Equity 13.0%	8.0%	REITS NAREIT Equity REITs
Small Cap Core Equity 4.9%	Developed Intl Equity -0.8%	Private Equity All 9.2%	Emerging Debt Local 15.2%	Large Cap Core Equity -4.4%	Emerging Market Equity 18.4%	Treasury Bonds 8.0%	Small Cap Core Equity 14.8%	Developed Intl Equity -14.5%	High Yield Bonds 13.4%	Small Cap Core Equity 11.2%	5.7%	Developed Intl Equity MSCI EAFE Net
Global Equity 4.2%	Global Equity -2.4%	Blended 60/40 8.8%	Small Cap Core Equity 14.6%	Emerging Debt Local -6.2%	High Yield Bonds 14.3%	Developed Intl Equity 7.8%	Developed Intl Equity 11.3%	Blended 60/40 -15.8%	Emerging Debt Local 12.7%	High Yield Bonds 8.0%	5.0%	High Yield Bonds Bloomberg High Yield
Hedge Fund of Funds 3.4%	Mid Cap Core Equity -2.4%	US REITS 8.6%	US REITS 8.7%	Mid Cap Core Equity -9.1%	Emerging Debt Local 13.5%	Aggregate Bonds 7.5%	Hedge Fund of Funds 5.7%	Mid Cap Core Equity -17.3%	US REITS 11.4%	Commodity 5.9%	4.0%	Emerging Markets Equity MSCI EMF Net
High Yield Bonds 2.5%	Small Cap Core Equity -4.4%	Global Equity 7.9%	Hedge Fund of Funds 7.6%	Global Equity -9.4%	Private Equity All 11.9%	High Yield Bonds 7.1%	High Yield Bonds 5.3%	Large Cap Core Equity -18.1%	Emerging Market Equity 9.8%	Hedge - Fund of Funds 5.7%	3.6%	Hedge- Fund of Funds HFRI Fund of Funds
Emerging Market Equity -2.2%	High Yield Bonds -4.5%	Aggregate Bonds 2.7%	High Yield Bonds 7.5%	Small Cap Core Equity -11.0%	Aggregate Bonds 8.7%	Hedge Fund of Funds 6.7%	Aggregate Bonds -1.5%	Global Equity -18.4%	Aggregate Bonds 5.5%	Aggregate Bonds 4.4%	1.8%	Aggregate Bonds Bloomberg Aggregate
Developed Intl Equity -4.9%	Emerging Market Equity -14.9%	Treasury Bonds 1.0%	Aggregate Bonds 3.5%	Commodity -11.3%	Commodity 7.7%	Emerging Debt Local 2.7%	Treasury Bonds -2.3%	Emerging Market Equity -20.1%	Hedge Fund of Funds 4.4%	Treasury Bonds 3.8%	1.3%	Treasury Bonds Bloomberg Treasury
Emerging Debt Local -5.7%	Emerging Debt Local -14.9%	Developed Intl Equity 1.0%	Treasury Bonds 2.3%	Developed Intl Equity -13.8%	Treasury Bonds 6.9%	Commodity -3.1%	Emerging Market Equity -2.5%	Small Cap Core Equity -20.4%	Treasury Bonds 4.1%	Emerging Debt Local 2.1%	0.3%	Emerging Debt Local JP Morgan Emerging Market GBI-EM
Commodity -17.0%	Commodity -24.7%	Hedge Fund of Funds 0.5%	Commodity 1.7%	Emerging Market Equity -14.6%	Hedge Fund of Funds 6.2%	US REITS -5.1%	Emerging Debt Local -8.8%	US REITS -24.9%	Commodity -7.9%	Private Equity All N/A	0.0%	Commodity Bloomberg Commodity

Source: Bloomberg, Mercer as of 9/30/24

Source: Bloomberg, Refinitiv, JP Morgan, Barclays, ICE, Mercer

Analysis; as of 9/30/24



Past performance is no guarantee of future results

Appendix

Index List

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Appendix 1 – Indices used by asset class

Asset Class	Index	Source
Global All Cap Equities	MSCI ACWI Net Total Return Index	Refinitiv
Global Small Cap Equities	MSCI ACWI Small Cap Net Total Return Index	Refinitiv
Global Developed Equity	MSCI World Net Total Return Index	Refinitiv
Defensive Equity	Russell 3000 Total Return Index	Refinitiv
	CRSP US Total Market Total Return index	Refinitiv
	CRSP US Mega Cap Total Return Index	Bloomberg
US Large Cap	S&P 500 Total Return Index	Refinitiv
	Russell 1000 Total Return Index	Refinitiv
US Large Cap growth	Russell 1000 Growth Total Return Index	Refinitiv
US Large Cap Value	Russell 1000 Value Total Return Index	Refinitiv
US Mid Cap	CRSP US Mid Cap Total Return Index	Refinitiv
US SMID Cap	Russell 2500 Total Return Index	Refinitiv
US SMID Cap Growth	Russell 2500 Growth Total Return Index	Refinitiv
US SMID Value	Russell 2500 Value Total Return Index	Refinitiv
US Small Cap	CRSP US Small Cap Total return Index	Refinitiv
	Russell 2000 Total Return Index	Refinitiv
US Value Equity	Russell 3000 Value Total Return Index	Refinitiv
US Growth Equity	Russell 3000 Growth Total Return Index	Refinitiv
Global ex US Equity	MSCI AC World ex US Net Total Return Index	Refinitiv
	FTSE Global All Cap ex US Total Return Index	Refinitiv
International Developed Equity	FTSE Developed All cap ex US Total Return Index	Refinitiv
	MSCI EAFE Net Total Return Index	Refinitiv

All indices in USD unless otherwise specified

Appendix 1 – Indices used by asset class

Asset Class	Index	Source
International Developed Equity Small Cap	MSCI EAFE Small Cap Net Total Return Index	Refinitiv
Emerging Markets Equity	MSCI EM Net Total Return Index	Refinitiv
	FTSE Emerging Markets All Cap China A Inclusion Total Return Index	Bloomberg
	MSCI China A Onshore Net Total Return Index	Refinitiv
US Cash	Bloomberg T- Bill 1-3 months Index	Bloomberg
Global Bonds	Bloomberg Aggregate Total Return Index	Refinitiv
US Treasuries	Bloomberg Treasury Total Return Index	Refinitiv
US Government Bonds	US Government Total Return Index	Refinitiv
US Long Treasuries	Bloomberg Long Treasury Total Return Index	Refinitiv
Short Term Treasuries	Bloomberg 1-5yr Treasury Total Return Index	Refinitiv
Intermediate Term Treasuries	Bloomberg 5-10yr Treasury Total Return Index	Refinitiv
Short Term TIPS	Bloomberg 0-5yr US TIPS Total Return Index	Bloomberg
US Inflation Linked Bonds	Bloomberg US TIPS Total Return Index	Refinitiv
US Investment Grade Credit	Bloomberg Credit Total Return Index	Refinitiv
US Long Investment Grade Credit	Bloomberg Long Credit Total Return Index	Refinitiv
US High Yield Bonds	Bloomberg High Yield Total Return Index	Refinitiv
EMD (Local Currency)	JPM GBI-EM Global Diversified Total Return Index	Refinitiv
EMD (Hard Currency)	JPM EMBI Global Diversified Total Return Index	Refinitiv
Global Bonds ex US	Bloomberg Global Aggregate ex USD Float Adjusted RIC Capped Index Hedged	Bloomberg
US REITS	FTSE EPRA/NAREIT United States Total Return Index	Refinitiv
Global Developed REITS	FTSE EPRA/NAREIT Developed Total Return Index	Refinitiv

Appendix 1 – Indices used by asset class

Asset Class	Index	Source
Infrastructure	FTSE Global Core Infrastructure 50/50 Total Return Index	Refinitiv
Hedge Funds	HFRX Equal Weighted Strategies Total Return Index	Refinitiv
Commodities	Bloomberg Commodity Total Return Index	Refinitiv
Europe Equity	MSCI Europe Net Total Return Index	Refinitiv
Japan Equity	MSCI Japan Net Total Return Index	Refinitiv
Pacific ex Japan	MSCI Pacific ex Japan Net Total Return Index	Refinitiv
Canada	MSCI Canada Net Total Return Index	Refinitiv
Emerging Markets Asia	MSCI EM Asia Net Total Return Index	Refinitiv
Emerging Markets Latin America	MSCI EM Latin America Net Total Return Index	Refinitiv
EM Europe and Middle East	MSCI EM & Middle East Net Total Return Index	Refinitiv
US Dollar	DXY Index	Bloomberg
Euro	EUR Currency Index	Bloomberg
GB Pound	GBP Currency Index	Bloomberg
Japanese Yen	JPY Currency Index	Bloomberg
Emerging Market currency	JPM EM Currency Index	Bloomberg
2-year Treasury	Bloomberg US 2yr Treasury Index	Bloomberg
10-year Treasury	Bloomberg US 10yr Treasury Index	Bloomberg
Long Corporate	Bloomberg US long corporate Index	Bloomberg
Corporate	Bloomberg US corporate Index	Bloomberg

Appendix 1 – Indices used by asset class

Asset Class	Index	Source
5 year Breakeven	US 5-year breakeven index	Bloomberg
5year 5 years forward	US Forward 5-year 5years Index	Bloomberg
Energy	Alerian Energy MLP Total Return Index	Refinitiv
Natural Resources	S&P NA Natural resources Total Return Index	Refinitiv
Global Private Equity	Burgiss Private Equity	Burgiss
Hedge Funds Conservative	HFRI FOF conservative Index	Refinitiv
Diversified Hedge Funds	HFRI FOF Diversified Index	Refinitiv
Strategic Hedge Funds	HFRI FOF Strategic Index	Refinitiv
Equity Hedge Funds	HFRI Equity Hedge Index	Refinitiv
Event driven Hedge Funds	HFRI Event Driven Index	Refinitiv
Distressed Hedge Funds	HFRI ED: Distressed/Restructuring Index	Refinitiv
Relative Value Hedge Funds	HFRI Relative Value Index	Refinitiv
Macro Hedge Funds	HFRIC Macro Index	Refinitiv

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