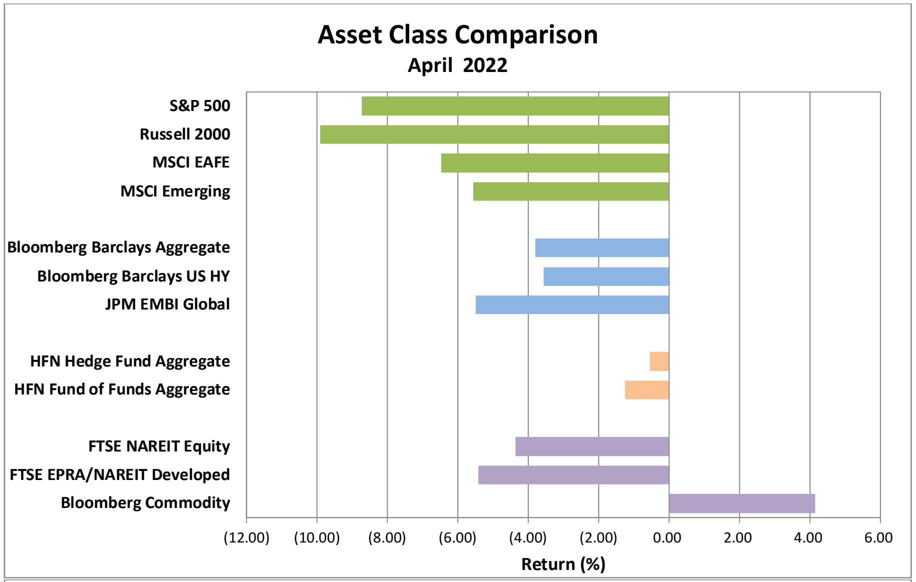
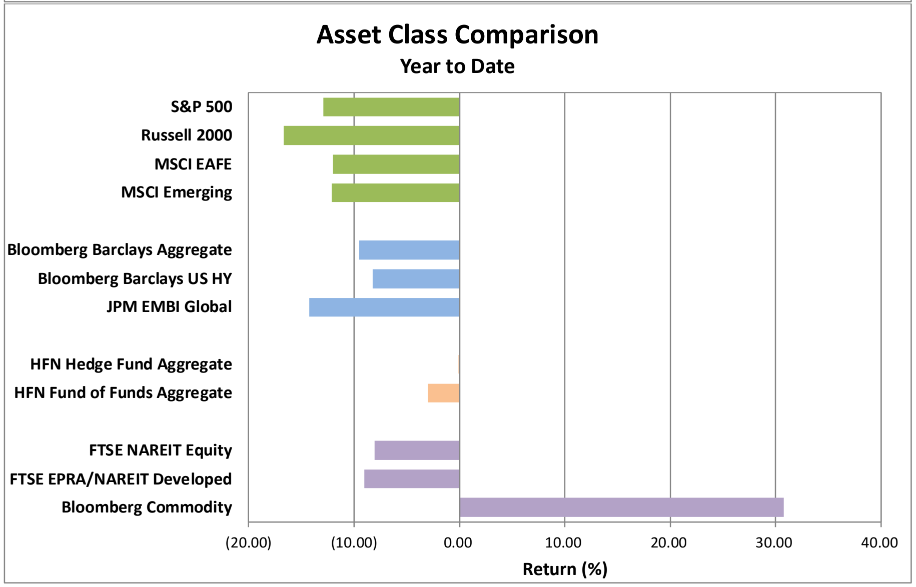




Market Overview

- Global markets declined significantly in April on an array of worries including Russia's invasion of Ukraine and its implications for Europe's security, refugee population and economic growth as well as concerns over inflation, COVID-related lockdowns in China's biggest cities and what that would mean for global growth and supply disruptions. Corporate earnings season commenced with some high-profile disappointments and earnings guidance which also served to spook investors. All major asset classes and industry sectors saw price declines except commodities, particularly energy and agricultural products, on a spike in prices owing to the Russia/Ukraine conflict.

- Global central banks started to tighten monetary policy including the U.S. Federal Reserve Board which is expected to move aggressively to increase interest rates to combat inflation. Market participants expect 50 basis point rate hikes in each of the next four Federal Open Market Committee (FOMC) meetings, which is an incredibly fast reversal of the accommodative policy of the recent past. Anxiety over target interest rate increases and a reduction of the Fed balance sheet caused market interest rates to increase and bond prices to decline resulting in losses in fixed income markets.

- Against this backdrop, hedge funds provided some protection with the hedge fund aggregate index down fractionally at -0.5% while hedge fund of funds in aggregate were off by -1.4% for April. Hedge fund performance compares favorably to the U.S. bond market which was down by -3.8%, and U.S. large cap and small cap stocks which were down by -8.7% and -9.9%, respectively while non-U.S. developed and emerging markets stocks were down by -6.5% and -5.6%, respectively. Hedge fund returns were augmented by global macro, CTA/futures and trend following strategies which make bets on the direction of interest rates, commodity markets and currency markets. Only commodity markets were up during April, returning 4.1%.

Equity Markets

The S&P 500 Index lost 8.7% in April. Given the geopolitical and macroeconomic uncertainty and surge in commodity prices, the best performing market segments included defensive and commodity related sectors such as consumer staples (+2.6%) and energy (-1.5%) while laggards included communication services (-15.6%), consumer discretionary (-13.0%), technology (-11.3%) and financials (-9.9%). Small caps lagged large cap stocks and value beat growth. European markets beat the U.S. but were all lower with the U.K. being the relative outperformer for the month. Emerging markets performed in line with Europe at -5.6% with relative outperformers being commodity exporters in the Middle East as well as Africa. The U.S. dollar was higher versus most major market currencies.

Fixed Income Markets

Global bond markets declined in April on a steady ascent in interest rates. In the U.S., interest rates increased by a sizable amount and the yield curve steepened. The yield on the 2-year Treasury security was up 38 bps to 2.72% while the yield on the 10-year increased by 60 bps to 2.94%. The 5-year Treasury yield increased by 50 bps and ended the month slightly higher than the 10-year at 2.96%. Credit and securitized sectors underperformed comparable duration Treasury securities as riskier segments of the bond market began to sell off on concerns over less accommodation by the Fed and potential economic challenges as the campaign of monetary policy tightening begins in earnest. The only segment of the fixed income market that saw positive returns on the month were floating rate leveraged loans (bank loans).

Alternative Strategies

Hedge funds and fund-of-funds protected capital and were down by a more modest amount at -0.5% and -1.4%, respectively, with global macro/CTA and multi-strategy funds performing best, continuing the trend seen since the start of the year. Other sectors that also performed well year-to-date included equity market neutral strategies which rely on security selection, relative value fixed income strategies and deep value distressed as well as merger arbitrage.

Developed Market Returns (%)

	Month	Year to Date
S&P 500	(8.72)	(12.92)
Russell 2000	(9.91)	(16.69)
MSCI EAFE ($)	(6.47)	(12.00)
MSCI Europe ($)	(5.75)	(12.69)
MSCI UK ($)	(3.69)	(1.93)
MSCI Japan ($)	(8.80)	(14.83)
MSCI Pacific ex Japan (	(5.91)	(2.37)

Source: eVestment Alliance, MSCI, S&P, Russell

Emerging Market Returns (%)

	Month	Year to Date
MSCI EM ($)	(5.56)	(12.15)
MSCI EM Asia ($)	(5.08)	(13.29)
MSCI EM EMEA ($)	(3.27)	(16.49)
MSCI EM Latin America (	(12.98)	10.74

Source: eVestment Alliance, MSCI

U.S. Fixed Income Returns (%)

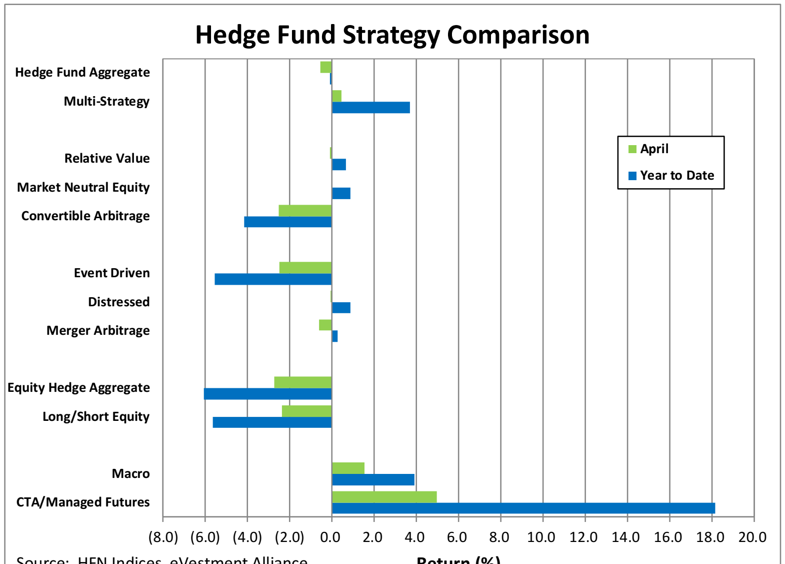
	Month	Year to Date
Bloomberg Barclays Aggregate	(3.79)	(9.50)
Bloomberg Barclays Government	(3.05)	(8.41)
Bloomberg Barclays U.S. TIPS	(2.04)	(5.00)
Bloomberg Barclays U.S. Inv. Grade Co	(5.47)	(12.73)
Bloomberg Barclays U.S. Mort. Backed	(3.51)	(8.31)
Bloomberg Barclays U.S. High Yield	(3.56)	(8.22)
Credit Suisse Leveraged Loan	0.17	0.07

Source: eVestment Alliance, Bloomberg Barclays, Credit Suisse

Non-U.S. Fixed Income Returns (%)

	Month	Year to Date
FTSE Non-U.S. WGBI Hedged	(2.46)	(6.71)
FTSE Non-U.S. WGBI Unhedged	(7.79)	(14.36)
JP Morgan EMBI Global	(5.48)	(14.23)

Source: eVestment Alliance, FTSE, JP Morgan



Source: HFN Indices, eVestment Alliance