

**Wilshire**

# NMI Settlement Fund

Monthly Investment Summary

Sep-2024

# Monthly Market Commentary

*Month Ended September 30, 2024*

## U.S. Economy and Markets

- The broad U.S. equity market was up for the month as the FT Wilshire 5000 Index<sup>SM</sup> returned 2.03%, with a positive return of 20.58% for the year-to-date.
- Large-cap stocks underperformed their small-cap counterparts for the month, with the FT Wilshire Large Cap Index<sup>SM</sup> and the FT Wilshire Small Cap Index<sup>SM</sup> returning 2.06% and 2.15%, respectively.
- Performance across GICS sectors was mostly positive for the quarter. Energy and healthcare were the main market laggards while utilities and consumer discretionary were the main market leaders for the quarter.

## International Economy and Markets

- Developed international equity markets, as measured by the MSCI EAFE Index, returned 0.92% in September. The MSCI Emerging Markets Index produced a gain during the month, up 6.68%.
- Economic growth in the United Kingdom is modest, but positive, while inflation has moved back to target. Europe's largest economy, Germany, has seen business activity contract in September at the sharpest pace in seven months following a fall in economic growth during the second quarter.

## Fixed Income & Real Assets

- The U.S. Treasury yield curve was down across the maturity spectrum during the quarter. The 10-year Treasury yield ended September at 3.78%, down 62 basis points from June.
- Credit spreads were down modestly during the quarter with high yield bond spreads down 14 basis points, to end the quarter below 3%. High yield corporate bonds were up 1.62% for the month, with leveraged loans also up at 0.71%.
- Real asset markets were up for the month. The Wilshire Global Real Estate Index<sup>SM</sup> returning 3.11% and the FTSE Global Core Infrastructure Index up 2.81%.
- Commodities, as measured by the Bloomberg Commodity Index, were up 4.86% in September.

# Monthly Index Performance

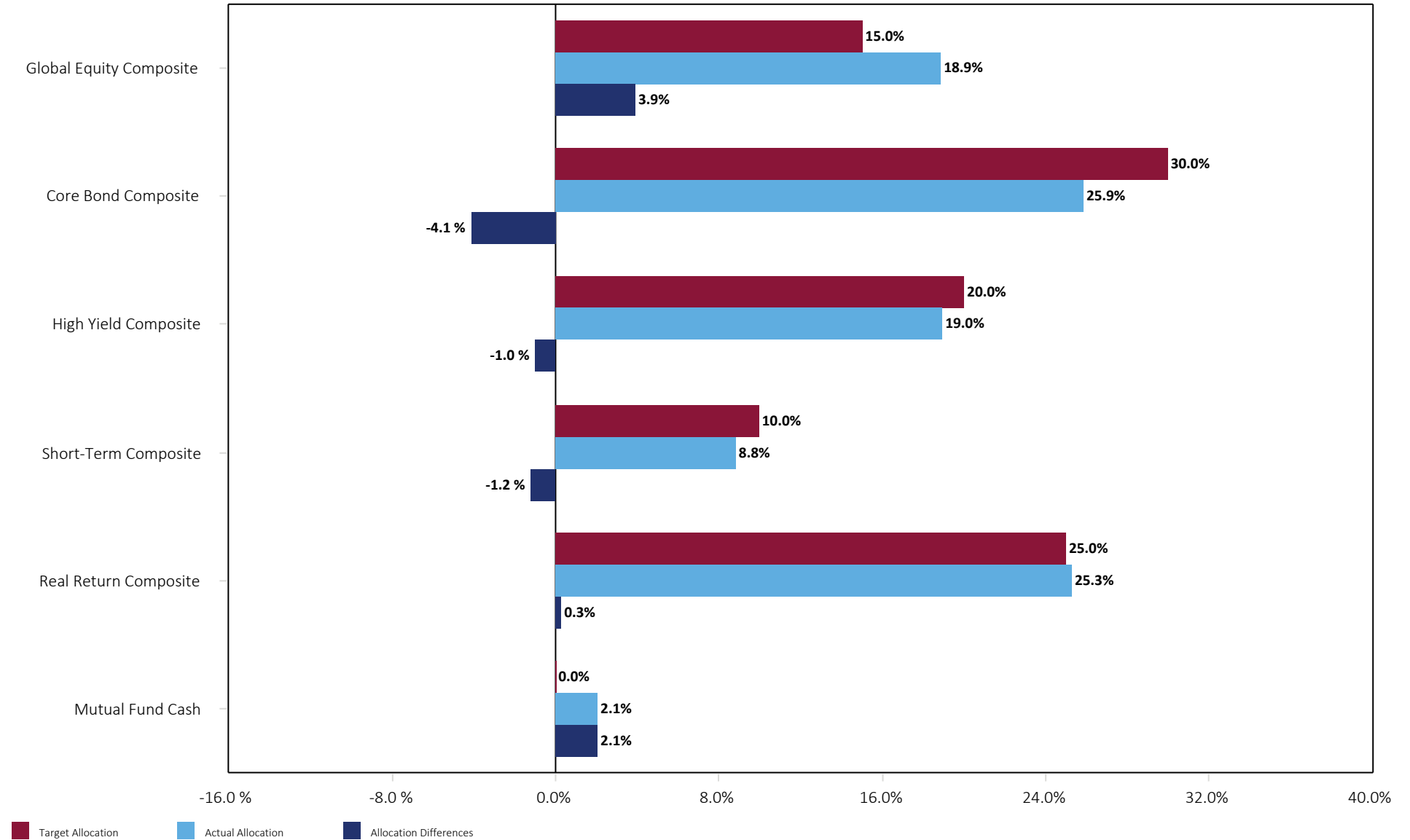
*Periods Ended September 30, 2024*

	Performance (%)						
	1 Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years
U.S. Equity							
FT Wilshire 5000 Index	2.03	6.16	20.58	35.17	10.49	15.50	13.02
S&P 500 Index	2.14	5.89	22.08	36.35	11.91	15.98	13.38
Wilshire 4500 Completion Index	1.26	8.23	12.41	28.53	2.83	12.21	10.65
MSCI USA Minimum Volatility Index	0.44	9.34	18.68	27.92	9.32	9.31	11.47
U.S. Equity by Size/Style							
Wilshire U.S. Large-Cap Index	2.11	5.96	21.44	35.86	11.18	16.00	13.50
Wilshire U.S. Large-Cap Growth Index	2.36	3.65	25.12	42.43	12.63	19.97	15.79
Wilshire U.S. Large-Cap Value Index	1.75	9.39	16.74	27.85	9.34	11.52	10.53
Wilshire U.S. Small-Cap Index	1.09	9.06	10.24	26.84	3.32	10.25	9.11
Wilshire U.S. Small-Cap Growth Index	0.92	7.68	9.24	24.88	1.77	10.24	9.12
Wilshire U.S. Small-Cap Value Index	1.25	10.43	11.25	28.79	4.88	10.29	8.81
Wilshire U.S. Micro-Cap Index	-2.07	8.98	4.64	17.99	-8.52	3.89	4.57
Non-U.S. Equity (USD)							
MSCI AC World ex USA (Net)	2.69	8.06	14.21	25.35	4.14	7.59	5.22
MSCI ACWI ex USA Minimum Volatility Index (Net)	2.18	11.44	15.24	22.69	4.65	5.20	5.57
MSCI EAFE (Net)	0.92	7.26	12.99	24.77	5.48	8.20	5.71
MSCI Emerging Markets (Net)	6.68	8.72	16.86	26.05	0.40	5.75	4.02
MSCI AC World ex USA Small Cap (Net)	3.01	8.90	11.93	23.25	1.39	8.21	6.08
U.S. Fixed Income							
Blmbg. U.S. Aggregate Index	1.34	5.20	4.45	11.57	-1.39	0.33	1.84
Blmbg. U.S. Treasury: Long	2.02	7.82	2.42	15.43	-8.36	-4.28	1.09
Blmbg. U.S. Long Corporate Index	2.70	8.21	4.53	19.18	-4.35	-0.31	3.26
Blmbg. U.S. TIPS Index	1.50	4.12	4.85	9.79	-0.57	2.62	2.54
Blmbg. U.S. Credit Index	1.71	5.71	5.23	13.81	-1.12	1.07	2.79
Blmbg. U.S. Corp: High Yield Index	1.62	5.28	8.00	15.74	3.10	4.72	5.04
Morningstar LSTA U.S. Leveraged Loan	0.71	2.04	6.54	9.59	6.47	5.74	4.86

# Asset Allocation Compliance

Total Fund

Periods Ended As of September 30, 2024



# Asset Allocation & Performance

## NMI Settlement Fund

Periods Ended September 30, 2024

	Allocation		Performance (%) net of fees									
	Market Value \$	%	Since Inception	10 Years	5 Years	3 Years	1 Year	YTD	FYTD	QTD	1 Month	Inception Date
<b>Total Fund</b>	<b>137,791,227</b>	<b>100.00</b>	<b>3.90</b>	<b>4.03</b>	<b>4.17</b>	<b>1.96</b>	<b>15.58</b>	<b>8.62</b>	<b>15.58</b>	<b>5.06</b>	<b>1.70</b>	<b>10/1/2013</b>
Total Fund Policy			3.83	3.89	3.59	1.32	15.06	7.90	15.06	4.95	1.61	
Value Added			0.07	0.14	0.58	0.64	0.52	0.72	0.52	0.11	0.09	
<b>Vanguard Total World Stock</b>	<b>26,060,993</b>	<b>18.91</b>	<b>10.48</b>		<b>12.14</b>	<b>7.83</b>	<b>31.18</b>	<b>17.90</b>	<b>31.18</b>	<b>6.82</b>	<b>2.24</b>	<b>7/1/2018</b>
FTSE Global All Cap Net Tax (US RIC) Idx			10.56		12.25	7.90	31.33	18.14	31.33	6.98	2.38	
Value Added			-0.08		-0.11	-0.07	-0.15	-0.24	-0.15	-0.16	-0.14	
<b>Global Equity Composite</b>	<b>26,060,993</b>	<b>18.91</b>	<b>9.61</b>	<b>9.41</b>	<b>12.14</b>	<b>7.83</b>	<b>31.18</b>	<b>17.90</b>	<b>31.18</b>	<b>6.82</b>	<b>2.24</b>	<b>10/1/2013</b>
Global Equity Policy			9.53	9.35	12.25	7.90	31.33	18.14	31.33	6.98	2.38	
Value Added			0.08	0.06	-0.11	-0.07	-0.15	-0.24	-0.15	-0.16	-0.14	
<b>PGIM High Yield</b>	<b>26,160,677</b>	<b>18.99</b>	<b>3.66</b>			<b>2.78</b>	<b>16.12</b>	<b>8.61</b>	<b>16.12</b>	<b>5.67</b>	<b>2.04</b>	<b>2/1/2021</b>
Blmbrg Barc U.S. High Yield 1% Issuer Cap			3.69			3.12	15.75	8.04	15.75	5.27	1.62	
Value Added			-0.03			-0.34	0.37	0.57	0.37	0.40	0.42	
<b>Dodge &amp; Cox Income Fund</b>	<b>35,673,430</b>	<b>25.89</b>	<b>2.86</b>		<b>2.12</b>	<b>0.37</b>	<b>13.53</b>	<b>5.78</b>	<b>13.53</b>	<b>5.59</b>	<b>1.41</b>	<b>11/1/2014</b>
Blmbg. U.S. Aggregate Index			1.76		0.33	-1.39	11.57	4.45	11.57	5.20	1.34	
Value Added			1.10		1.79	1.76	1.96	1.33	1.96	0.39	0.07	
<b>Vanguard Short-Term Bond</b>	<b>12,133,449</b>	<b>8.81</b>	<b>2.18</b>		<b>1.49</b>	<b>0.92</b>	<b>8.08</b>	<b>4.53</b>	<b>8.08</b>	<b>3.48</b>	<b>0.97</b>	<b>7/1/2018</b>
Bloomberg U.S. Gov/Credit 1-5 Year Index			2.22		1.54	0.94	8.10	4.50	8.10	3.50	0.92	
Value Added			-0.04		-0.05	-0.02	-0.02	0.03	-0.02	-0.02	0.05	

# Asset Allocation & Performance

NMI Settlement Fund

Periods Ended September 30, 2024

	Allocation		Performance (%) net of fees									
	Market Value \$	%	Since Inception	10 Years	5 Years	3 Years	1 Year	YTD	FYTD	QTD	1 Month	Inception Date
<b>Fixed Income Composite</b>	<b>73,967,705</b>	<b>53.68</b>	<b>3.13</b>	<b>3.19</b>	<b>2.69</b>	<b>1.16</b>	<b>13.49</b>	<b>6.55</b>	<b>13.49</b>	<b>5.27</b>	<b>1.56</b>	<b>10/1/2013</b>
Fixed Income Policy			2.91	2.89	1.90	0.40	12.37	5.65	12.37	4.94	1.36	
Value Added			0.22	0.30	0.79	0.76	1.12	0.90	1.12	0.33	0.20	
<b>Fidelity Strategic Real Return</b>	<b>34,877,966</b>	<b>25.31</b>	<b>4.00</b>				<b>11.18</b>	<b>7.46</b>	<b>11.18</b>	<b>3.83</b>	<b>1.73</b>	<b>8/1/2022</b>
Fidelity Strategic Real Return Policy			4.89				12.07	7.35	12.07	3.77	1.73	
Value Added			-0.89				-0.89	0.11	-0.89	0.06	0.00	
<b>Mutual Fund Cash</b>	<b>2,884,564</b>	<b>2.09</b>	<b>1.45</b>	<b>1.62</b>	<b>2.27</b>	<b>3.53</b>	<b>5.35</b>	<b>3.98</b>	<b>5.35</b>	<b>1.34</b>	<b>0.40</b>	<b>10/1/2013</b>

# Cash Flow Summary

Total Fund

One Month Ending September 30, 2024

	<b>Begin Value</b>	<b>Net Cash Flow</b>	<b>Expenses</b>	<b>Capital Apprec./ Deprec.</b>	<b>End Value</b>
<b>Total Fund</b>	<b>137,484,829</b>	<b>-2,000,000</b>	<b>-6,303</b>	<b>2,312,702</b>	<b>137,791,227</b>
<b>Global Equity Composite</b>	<b>25,489,565</b>			<b>571,428</b>	<b>26,060,993</b>
Vanguard Total World Stock	25,489,565			571,428	26,060,993
<b>Fixed Income Composite</b>	<b>72,832,273</b>			<b>1,135,433</b>	<b>73,967,705</b>
Vanguard Short-Term Bond	12,016,832			116,618	12,133,449
PGIM High Yield	25,638,542			522,135	26,160,677
Dodge & Cox Income Fund	35,176,753			496,677	35,673,430
<b>Real Return Composite</b>	<b>34,284,803</b>			<b>593,163</b>	<b>34,877,966</b>
Fidelity Strategic Real Return	34,284,803			593,163	34,877,966
Mutual Fund Cash	4,878,189	-2,000,000	-6,303	12,679	2,884,564

# Historical Hybrid Composition

## Total Fund Composite

As of September 30, 2024

Policy Index	Weight (%)	Policy Index	Weight (%)
<b>Aug-2022</b>		<b>Nov-2020</b>	
FTSE Global All Cap Net Tax (US RIC) Index	15.00	Blmbg. U.S. Aggregate Index	45.85
Blmbg. U.S. Aggregate Index	30.00	ICE BofA High Yield BB-B Constrained Index	20.37
Blmbrg U.S. High Yield 1% Issuer Cap Index	20.00	Bloomberg U.S. Gov/Credit 1-5 Year Index	17.10
Bloomberg U.S. Gov/Credit 1-5 Year Index	10.00	FTSE Global All Cap Net Tax (US RIC) Index	16.68
Fidelity Strategic Real Return Policy	25.00		
<b>Jul-2022</b>		<b>Oct-2020</b>	
FTSE Global All Cap Net Tax (US RIC) Index	15.00	Blmbg. U.S. Aggregate Index	46.73
Blmbg. U.S. Aggregate Index	30.00	ICE BofA High Yield BB-B Constrained Index	20.12
Blmbrg U.S. High Yield 1% Issuer Cap Index	20.00	Bloomberg U.S. Gov/Credit 1-5 Year Index	17.74
Bloomberg U.S. Gov/Credit 1-5 Year Index	10.00	FTSE Global All Cap Net Tax (US RIC) Index	15.41
90 Day U.S. Treasury Bill	25.00		
<b>Feb-2021</b>		<b>Sep-2020</b>	
Blmbg. U.S. Aggregate Index	40.00	Blmbg. U.S. Aggregate Index	46.55
Blmbrg U.S. High Yield 1% Issuer Cap Index	30.00	ICE BofA High Yield BB-B Constrained Index	20.10
Bloomberg U.S. Gov/Credit 1-5 Year Index	10.00	Bloomberg U.S. Gov/Credit 1-5 Year Index	17.67
FTSE Global All Cap Net Tax (US RIC) Index	20.00	FTSE Global All Cap Net Tax (US RIC) Index	15.68
<b>Jan-2021</b>		<b>Dec-2019</b>	
Blmbg. U.S. Aggregate Index	40.65	Blmbg. U.S. Aggregate Index	50.00
ICE BofA High Yield BB-B Constrained Index	29.26	ICE BofA High Yield BB-B Constrained Index	20.00
Bloomberg U.S. Gov/Credit 1-5 Year Index	9.65	Bloomberg U.S. Gov/Credit 1-5 Year Index	20.00
FTSE Global All Cap Net Tax (US RIC) Index	20.44	FTSE Global All Cap Net Tax (US RIC) Index	10.00
<b>Dec-2020</b>		<b>Oct-2019</b>	
Blmbg. U.S. Aggregate Index	45.31	Blmbg. U.S. Aggregate Index	40.00
ICE BofA High Yield BB-B Constrained Index	20.64	ICE BofA High Yield BB-B Constrained Index	20.00
Bloomberg U.S. Gov/Credit 1-5 Year Index	16.83	Bloomberg U.S. Gov/Credit 1-5 Year Index	15.00
FTSE Global All Cap Net Tax (US RIC) Index	17.22	FTSE Global All Cap Net Tax (US RIC) Index	25.00



# Historical Hybrid Composition

## Total Fund Composite

As of September 30, 2024

Policy Index	Weight (%)
<b>Jul-2018</b>	
Blmbg. U.S. Aggregate Index	50.00
ICE BofA High Yield BB-B Constrained Index	32.00
Bloomberg U.S. Gov/Credit 1-5 Year Index	12.00
FTSE Global All Cap Net Tax (US RIC) Index	6.00
<b>Jan-2018</b>	
Blmbg. U.S. Aggregate Index	50.00
ICE BofA High Yield BB-B Constrained Index	32.00
MSCI AC World Index (Net)	6.00
Blmbg. Intermed. U.S. Government/Credit	12.00
<b>Oct-2016</b>	
TF Policy custom2	100.00
<b>Jan-2015</b>	
MSCI AC World Index (Net)	10.00
ICE BofA High Yield BB-B Constrained Index	20.00
Blmbg. U.S. Aggregate Index	50.00
Blmbg. Intermed. U.S. Government/Credit	20.00
<b>Apr-2014</b>	
MSCI AC World Index (Net)	15.00
ICE BofA High Yield BB-B Constrained Index	20.00
Blmbg. U.S. Aggregate Index	45.00
Blmbg. Intermed. U.S. Government/Credit	20.00
<b>Oct-2013</b>	
TF Policy custom1	100.00

# Historical Hybrid Composition

Global Equity Composite

*As of September 30, 2024*

Policy Index	Weight (%)
<b>Jul-2018</b>	
FTSE Global All Cap Net Tax (US RIC) Index	100.00
<b>Oct-2013</b>	
MSCI AC World Index (Net)	100.00

# Historical Hybrid Composition

## Fixed Income Composite

As of September 30, 2024

Policy Index	Weight (%)	Policy Index	Weight (%)
<b>Jul-2022</b>		<b>Sep-2020</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	16.67	Bloomberg U.S. Gov/Credit 1-5 Year Index	20.96
Blmbrg U.S. High Yield 1% Issuer Cap Index	33.33	ICE BofA High Yield BB-B Constrained Index	23.84
Blmbg. U.S. Aggregate Index	50.00	Blmbg. U.S. Aggregate Index	55.20
<b>Feb-2021</b>		<b>Dec-2019</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	12.50	Bloomberg U.S. Gov/Credit 1-5 Year Index	22.22
Blmbrg U.S. High Yield 1% Issuer Cap Index	37.50	ICE BofA High Yield BB-B Constrained Index	22.22
Blmbg. U.S. Aggregate Index	50.00	Blmbg. U.S. Aggregate Index	55.56
<b>Jan-2021</b>		<b>Oct-2019</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	12.13	Bloomberg U.S. Gov/Credit 1-5 Year Index	20.00
ICE BofA High Yield BB-B Constrained Index	36.78	ICE BofA High Yield BB-B Constrained Index	26.67
Blmbg. U.S. Aggregate Index	51.09	Blmbg. U.S. Aggregate Index	53.33
<b>Dec-2020</b>		<b>Jul-2018</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	20.33	Bloomberg U.S. Gov/Credit 1-5 Year Index	12.77
ICE BofA High Yield BB-B Constrained Index	24.93	ICE BofA High Yield BB-B Constrained Index	34.04
Blmbg. U.S. Aggregate Index	54.74	Blmbg. U.S. Aggregate Index	53.19
<b>Nov-2020</b>		<b>Jan-2018</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	20.52	Blmbg. Intermed. U.S. Government/Credit	12.77
ICE BofA High Yield BB-B Constrained Index	24.45	ICE BofA High Yield BB-B Constrained Index	34.04
Blmbg. U.S. Aggregate Index	55.03	Blmbg. U.S. Aggregate Index	53.19
<b>Oct-2020</b>		<b>Oct-2016</b>	
Bloomberg U.S. Gov/Credit 1-5 Year Index	20.98	Fixed Income Policy custom2	100.00
ICE BofA High Yield BB-B Constrained Index	23.78		
Blmbg. U.S. Aggregate Index	55.24		
		<b>Jan-2015</b>	
		ICE BofA High Yield BB-B Constrained Index	22.20
		Blmbg. Intermed. U.S. Government/Credit	22.20
		Blmbg. U.S. Aggregate Index	55.60

# Historical Hybrid Composition

Fixed Income Composite

As of September 30, 2024

Policy Index	Weight (%)
<b>Apr-2014</b>	
ICE BofA High Yield BB-B Constrained Index	23.55
Blmbg. Intermed. U.S. Government/Credit	23.55
Blmbg. U.S. Aggregate Index	52.90
<b>Oct-2013</b>	
Fixed Income Policy custom1	100.00