Wilshire

NMI Settlement Fund

Monthly Investment Summary

Oct-2022

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Market Commentary

Month Ended October 31, 2022

U.S. Economy and Markets

- The broad U.S. equity market was up in October as the FT Wilshire 5000 Index℠ returned 8.21%, with a negative return of -18.20% for the year.
- Small cap stocks performed relatively better than their large cap counterparts for the month, with the Wilshire U.S. Small Cap Index℠ and the Wilshire U.S. Large Cap Index℠ returning 11.00% and 7.95%, respectively.
- Performance across GICS sectors was positive in October. Energy, Industrials and Financials were the best performing sectors while Communication Services lagged.

International Economy and Markets

- Developed international equity markets, as measured by the MSCI EAFE Index, returned 5.38% this month. The MSCI Emerging Markets Index produced a loss in October, down -3.10%.
- The U.S. dollar weakened slightly versus advanced foreign economies during the month, resulting in the developed markets' local currency return being lower than those converted back to dollars.

Fixed Income & Real Assets

- Core bonds posted a loss of -1.30% in October as the 10-year U.S. Treasury yield rose 22 basis points.
- High yield corporate bonds rose 2.60% as credit spreads tightened 88 basis points. Leveraged loans were positive for the month at 1.03% but trailed longer-duration bonds.
- Multiple listed real asset markets were up in October with the Wilshire Global Real Estate Securities Index℠ returning 3.51% and the FTSE Global Core Infrastructure Index up 3.39%.
- Commodities, as measured by the Bloomberg Commodity Index, were up 1.99% in October.

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Monthly Index Performance

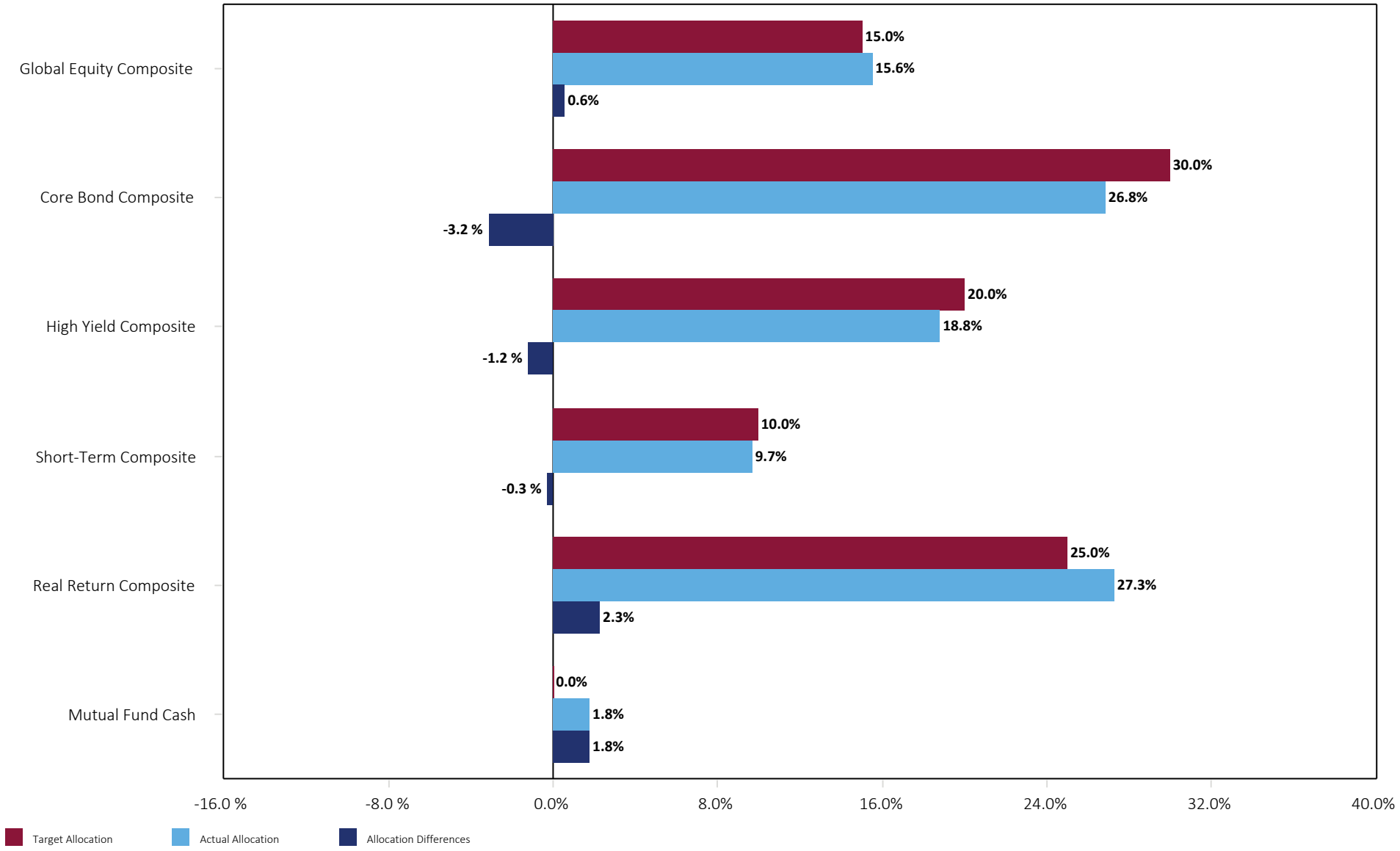
Periods Ended October 31, 2022

	Performance (%)				
	1 Month	YTD	1 Year	3 Years	5 Years
U.S. Equity					
FT Wilshire 5000 Total Market TR Index	8.21	-18.20	-16.02	10.15	10.11
S&P 500	8.10	-17.70	-14.61	10.22	10.44
FT Wilshire 4500 Completion Index	8.65	-21.47	-23.93	8.73	7.56
MSCI USA Minimum Volatility Index	7.82	-10.82	-6.65	5.62	8.91
U.S. Equity by Size/Style					
FT Wilshire U.S. Large-Cap Index	7.95	-18.35	-15.89	10.40	10.71
FT Wilshire U.S. Large-Cap Growth Index	5.10	-26.50	-24.61	11.33	11.30
FT Wilshire U.S. Large-Cap Value Index	10.99	-7.80	-4.48	9.28	9.28
FT Wilshire U.S. Small-Cap Index	11.00	-16.33	-16.87	7.79	6.24
FT Wilshire U.S. Small-Cap Growth Index	10.10	-20.90	-22.88	6.92	5.82
FT Wilshire U.S. Small-Cap Value Index	11.82	-11.73	-10.64	8.61	6.18
FT Wilshire U.S. Micro-Cap Index	9.57	-22.80	-29.53	3.99	1.32
Non-U.S. Equity (USD)					
MSCI AC World ex USA (Net)	2.99	-24.31	-24.73	-1.68	-0.60
MSCI ACWI ex USA Minimum Volatility Index (Net)	0.31	-19.22	-17.69	-2.95	0.45
MSCI EAFE Index (Net)	5.38	-23.17	-23.00	-1.27	-0.09
MSCI Emerging Markets (Net)	-3.10	-29.42	-31.03	-4.42	-3.09
MSCI AC World ex USA Small Cap (Net)	3.25	-27.08	-27.75	0.12	-0.29
U.S. Fixed Income					
Blmbg. U.S. Aggregate	-1.30	-15.72	-15.68	-3.77	-0.54
Blmbg. U.S. Treasury: Long	-5.55	-32.78	-31.98	-9.98	-2.72
Blmbg. U.S. Long Corporate Index	-2.25	-31.02	-31.04	-7.83	-1.75
Blmbg. U.S. TIPS	1.24	-12.54	-11.47	1.12	2.16
Blmbg. U.S. Credit Index	-1.03	-18.92	-18.91	-4.13	-0.32
Blmbg. U.S. Corp: High Yield	2.60	-12.53	-11.76	0.31	2.01
S&P LSTA Leverage Loan Index	1.03	-2.25	-1.78	2.69	3.06

Asset Allocation Compliance

Total Fund

Periods Ended As of October 31, 2022



Asset Allocation & Performance

NMI Settlement Fund

Periods Ended October 31, 2022

	Allocation		Performance (%) net of fees							
	Market Value $	%	Since Inception	5 Years	3 Years	1 Year	YTD	FYTD	1 Month	Inception Date
Total Fund	**112,389,463**	**100.00**	**2.48**	**1.51**	**-0.08**	**-13.78**	**-14.18**	**1.85**	**1.85**	**10/1/2013**
Total Fund Policy			2.46	1.39	-0.84	-14.90	-15.35	1.73	1.73	
Value Added			0.02	0.12	0.76	1.12	1.17	0.12	0.12	
Vanguard Total World Stock	**17,494,982**	**15.57**	**5.32**		**5.04**	**-19.91**	**-20.89**	**6.27**	**6.27**	**7/1/2018**
FTSE Global All Cap Net Tax (US RIC) Idx			5.35		5.07	-19.86	-20.88	6.08	6.08	
Value Added			-0.03		-0.03	-0.05	-0.01	0.19	0.19	
Global Equity Composite	**17,494,982**	**15.57**	**6.95**	**5.27**	**5.04**	**-19.91**	**-20.89**	**6.27**	**6.27**	**10/1/2013**
Global Equity Policy			6.82	5.26	5.07	-19.86	-20.88	6.08	6.08	
Value Added			0.13	0.01	-0.03	-0.05	-0.01	0.19	0.19	
PGIM High Yield	**21,136,924**	**18.81**	**-4.54**			**-12.03**	**-12.83**	**2.17**	**2.17**	**2/1/2021**
Blmbrg Barc U.S. High Yield 1% Issuer Cap			-4.79			-11.70	-12.45	2.60	2.60	
Value Added			0.25			-0.33	-0.38	-0.43	-0.43	
Dodge & Cox Income Fund	**30,168,627**	**26.84**	**1.41**	**0.44**	**-2.21**	**-14.24**	**-14.12**	**-1.00**	**-1.00**	**11/1/2014**
Blmbg. U.S. Aggregate			0.55	-0.54	-3.77	-15.68	-15.72	-1.30	-1.30	
Value Added			0.86	0.98	1.56	1.44	1.60	0.30	0.30	
Vanguard Short-Term Bond	**10,921,020**	**9.72**	**0.68**		**-1.12**	**-7.05**	**-6.76**	**-0.26**	**-0.26**	**7/1/2018**
Blmbg. 1-5 Year Gov/Credit			0.73		-1.10	-7.03	-6.84	-0.23	-0.23	
Value Added			-0.05		-0.02	-0.02	0.08	-0.03	-0.03	

Asset Allocation & Performance

NMI Settlement Fund

Periods Ended October 31, 2022

	Allocation		Performance (%) net of fees							
	Market Value $	%	Since Inception	5 Years	3 Years	1 Year	YTD	FYTD	1 Month	Inception Date
Fixed Income Composite	**62,226,698**	**55.37**	**1.85**	**0.57**	**-1.42**	**-12.66**	**-12.87**	**0.19**	**0.19**	**10/1/2013**
Fixed Income Policy			1.77	0.45	-2.13	-13.24	-13.51	0.18	0.18	
Value Added			0.08	0.12	0.71	0.58	0.64	0.01	0.01	
Fidelity Strategic Real Return	**30,646,966**	**27.27**	**-4.34**					**3.00**	**3.00**	**8/1/2022**
Fidelity Strategic Real Return Policy			-4.39					2.82	2.82	
Value Added			0.05					0.18	0.18	
Real Return Composite	**30,646,966**	**27.27**	**-4.34**					**3.00**	**3.00**	**8/1/2022**
Real Return Policy			-4.39					2.82	2.82	
Value Added			0.05					0.18	0.18	
Mutual Fund Cash	**2,020,817**	**1.80**	**0.70**	**1.16**	**0.53**	**0.94**	**0.93**	**0.25**	**0.25**	**10/1/2013**

Cash Flow Summary

Total Fund

One Month Ending October 31, 2022

	Begin Value	Net Cash Flow	Expenses	Capital Apprec./ Deprec.	End Value
Total Fund	**110,349,648**		**-5,175**	**2,044,990**	**112,389,463**
Global Equity Composite	**16,462,498**			**1,032,484**	**17,494,982**
Vanguard Total World Stock	16,462,498			1,032,484	17,494,982
Fixed Income Composite	**62,111,723**			**114,975**	**62,226,698**
Vanguard Short-Term Bond	10,949,582			-28,563	10,921,020
Hotchkis & Wiley High Yield Fund					
PGIM High Yield	20,687,621			449,303	21,136,924
Dodge & Cox Income Fund	30,474,391			-305,763	30,168,627
Real Return Composite	**29,754,464**			**892,501**	**30,646,966**
Fidelity Strategic Real Return	29,754,464			892,501	30,646,966
Mutual Fund Cash	2,020,963		-5,175	5,030	2,020,817

Historical Hybrid Composition

Total Fund Composite

As of October 31, 2022

Policy Index	Weight (%)
Aug-2022	
FTSE Global All Cap Net Tax (US RIC) Index	15.00
Blmbg. U.S. Aggregate	30.00
Blmbrg U.S. High Yield 1% Issuer Cap Index	20.00
Blmbg. 1-5 Year Gov/Credit	10.00
Fidelity Strategic Real Return Policy	25.00
Jul-2022	
FTSE Global All Cap Net Tax (US RIC) Index	15.00
Blmbg. U.S. Aggregate	30.00
Blmbrg U.S. High Yield 1% Issuer Cap Index	20.00
Blmbg. 1-5 Year Gov/Credit	10.00
90 Day US Treasury Bill	25.00
Feb-2021	
Blmbg. U.S. Aggregate	40.00
Blmbrg U.S. High Yield 1% Issuer Cap Index	30.00
Blmbg. 1-5 Year Gov/Credit	10.00
FTSE Global All Cap Net Tax (US RIC) Index	20.00
Jan-2021	
Blmbg. U.S. Aggregate	40.65
ICE BofAML High Yield BB-B Constrained Index	29.26
Blmbg. 1-5 Year Gov/Credit	9.65
FTSE Global All Cap Net Tax (US RIC) Index	20.44
Dec-2020	
Blmbg. U.S. Aggregate	45.31
ICE BofAML High Yield BB-B Constrained Index	20.64
Blmbg. 1-5 Year Gov/Credit	16.83
FTSE Global All Cap Net Tax (US RIC) Index	17.22

Policy Index	Weight (%)
Nov-2020	
Blmbg. U.S. Aggregate	45.85
ICE BofAML High Yield BB-B Constrained Index	20.37
Blmbg. 1-5 Year Gov/Credit	17.10
FTSE Global All Cap Net Tax (US RIC) Index	16.68
Oct-2020	
Blmbg. U.S. Aggregate	46.73
ICE BofAML High Yield BB-B Constrained Index	20.12
Blmbg. 1-5 Year Gov/Credit	17.74
FTSE Global All Cap Net Tax (US RIC) Index	15.41
Sep-2020	
Blmbg. U.S. Aggregate	46.55
ICE BofAML High Yield BB-B Constrained Index	20.10
Blmbg. 1-5 Year Gov/Credit	17.67
FTSE Global All Cap Net Tax (US RIC) Index	15.68
Dec-2019	
Blmbg. U.S. Aggregate	50.00
ICE BofAML High Yield BB-B Constrained Index	20.00
Blmbg. 1-5 Year Gov/Credit	20.00
FTSE Global All Cap Net Tax (US RIC) Index	10.00
Oct-2019	
Blmbg. U.S. Aggregate	40.00
ICE BofAML High Yield BB-B Constrained Index	20.00
Blmbg. 1-5 Year Gov/Credit	15.00
FTSE Global All Cap Net Tax (US RIC) Index	25.00

Historical Hybrid Composition

Total Fund Composite

As of October 31, 2022

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

Historical Hybrid Composition

Global Equity Composite

As of October 31, 2022

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

Historical Hybrid Composition

Fixed Income Composite

As of October 31, 2022

Policy Index	Weight (%)
Jul-2022	
Blmbg. 1-5 Year Gov/Credit	16.67
Blmbrg U.S. High Yield 1% Issuer Cap Index	33.33
Blmbg. U.S. Aggregate	50.00
Feb-2021	
Blmbg. 1-5 Year Gov/Credit	12.50
Blmbrg U.S. High Yield 1% Issuer Cap Index	37.50
Blmbg. U.S. Aggregate	50.00
Jan-2021	
Blmbg. 1-5 Year Gov/Credit	12.13
ICE BofAML High Yield BB-B Constrained Index	36.78
Blmbg. U.S. Aggregate	51.09
Dec-2020	
Blmbg. 1-5 Year Gov/Credit	20.33
ICE BofAML High Yield BB-B Constrained Index	24.93
Blmbg. U.S. Aggregate	54.74
Nov-2020	
Blmbg. 1-5 Year Gov/Credit	20.52
ICE BofAML High Yield BB-B Constrained Index	24.45
Blmbg. U.S. Aggregate	55.03
Oct-2020	
Blmbg. 1-5 Year Gov/Credit	20.98
ICE BofAML High Yield BB-B Constrained Index	23.78
Blmbg. U.S. Aggregate	55.24

Policy Index	Weight (%)
Sep-2020	
Blmbg. 1-5 Year Gov/Credit	20.96
ICE BofAML High Yield BB-B Constrained Index	23.84
Blmbg. U.S. Aggregate	55.20
Dec-2019	
Blmbg. 1-5 Year Gov/Credit	22.22
ICE BofAML High Yield BB-B Constrained Index	22.22
Blmbg. U.S. Aggregate	55.56
Oct-2019	
Blmbg. 1-5 Year Gov/Credit	20.00
ICE BofAML High Yield BB-B Constrained Index	26.67
Blmbg. U.S. Aggregate	53.33
Jul-2018	
Blmbg. 1-5 Year Gov/Credit	12.77
ICE BofAML High Yield BB-B Constrained Index	34.04
Blmbg. U.S. Aggregate	53.19
Jan-2018	
Blmbg. Intermed. U.S. Government/Credit	12.77
ICE BofAML High Yield BB-B Constrained Index	34.04
Blmbg. U.S. Aggregate	53.19
Oct-2016	
Fixed Income Policy custom2	100.00
Jan-2015	
ICE BofAML High Yield BB-B Constrained Index	22.20
Blmbg. Intermed. U.S. Government/Credit	22.20
Blmbg. U.S. Aggregate	55.60

Historical Hybrid Composition

Fixed Income Composite

As of October 31, 2022

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