



# City of Santa Clara

## Meeting Agenda

### Deferred Compensation Committee

Friday, August 20, 2021

10:00 AM

Virtual Meeting  
1500 Warburton Avenue  
Santa Clara, CA 95050

Pursuant to the provisions of California Governor's Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of COVID-19, Committee members will be attending the meeting remotely. The City of Santa Clara has implemented methods for the public to participate remotely via Zoom link or phone call in.

To join Zoom Meeting please use this URL to join.

<https://santaclaraca.zoom.us/j/93494442010?pwd=M05uYUF1cHo3K1RBZWIRRUhDWGNVdz09>

Meeting ID: 934 9444 2010

Passcode: 538980

#### **CALL TO ORDER AND ROLL CALL**

#### **CONSENT CALENDAR**

- 1      **21-1065** Action to Approve the Deferred Compensation Committee Meeting Minutes of May 17, 2021

**Recommendation:** Approve the Meeting Minutes of May 17, 2021.

#### **PUBLIC PRESENTATIONS**

#### **GENERAL BUSINESS**

- 2a      **21-1087** Informational Report on Second Quarter 2021 Performance Presented by Nationwide
- 2b      **21-1088** Informational Report On Second Quarter 2021 Performance and Quarterly Plan Review presented by the Hyas Group
- 2c      **21-1089** Action to Change from Admiral Share Class to Lower Cost Institutional Share Class of the Vanguard Small Cap Growth Fund

- 2d**    **21-1098**    Action to Terminate the WTC-CIF II Mid Cap Opportunities Fund and Replace with the JPMorgan Mid Cap Growth Fund.

**STAFF REPORT**

- 3**        **21-1083**    Informational Memo to the Deferred Compensation Committee Regarding Assignment of the Current Investment Advisory Agreement with Hyas Group, LLC Resulting From Hyas Joining Morgan Stanley Institutional Consulting

**COMMISSIONERS REPORT**

**ADJOURNMENT**

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



# City of Santa Clara

1500 Warburton Avenue  
Santa Clara, CA 95050  
santaclaraca.gov  
@SantaClaraCity

## Agenda Report

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21-1065

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

#### SUBJECT

Action to Approve the Deferred Compensation Committee Meeting Minutes of May 17, 2021

#### RECOMMENDATION

Approve the Meeting Minutes of May 17, 2021.



# City of Santa Clara

## Meeting Minutes

### Deferred Compensation Committee

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05/17/2021

10:00 AM

Virtual Meeting  
1500 Warburton Avenue  
Santa Clara, CA 95050

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<https://santaclaraca.zoom.us/j/93181205656?pwd=andiT1VGZDZXd0dDb1dJcVpY2dKZz09>

Meeting ID: 931 8120 5656

Passcode: 048012

**Present** 4 - Chair Kenn Lee, Member Cory Morgan, Member Steve Hance, and Member Kathy Bunce

#### **CALL TO ORDER AND ROLL CALL**

**Chair Lee called the Deferred Compensation Committee meeting to order at 10:01 AM**

Chair Lee announced that Committee Member Battagin resigned and thanked him for his years of service on the Committee.

**Present** 4 - Chair Kenn Lee, Member Cory Morgan, Member Steve Hance, and Member Kathy Bunce

#### **CONSENT CALENDAR**

**1a**      [21-538](#)      Action to Approve the Deferred Compensation Committee Meeting Minutes of February 16, 2021

**A motion was made by Committee Member Hance, seconded by Committee Member Morgan, to approve the Deferred Compensation Committee Meeting Minutes of February 16, 2021.**

**Aye:** 4 - Chair Lee, Member Morgan, Member Hance, and Member Bunce

**PUBLIC PRESENTATIONS**

None

**GENERAL BUSINESS**

- 2a**     [21-650](#)     Informational Report on First Quarter 2021 Performance
- An Informational Report on First Quarter 2021 Performance presented by Nationwide
- 2b**     [21-651](#)     Informational Report On First Quarter 2021 Performance and Quarterly Plan Review
- An Informational Report on First Quarter 2021 Performance and Quarterly Plan Review was presented by the Hyas Group
- 2c**     [21-652](#)     Action to Terminate the MFS International Intrinsic Value Fund and Replace with the Vanguard International Value Fund.
- A Motion was made by Committee Member Hance, seconded by Committee Member Bunce, to Terminate the MFS International Intrinsic Value Fund and Replace with the Vanguard International Value Fund.**
- Aye:** 4 - Chair Lee, Member Morgan, Member Hance, and Member Bunce
- 2d**     [21-703](#)     Annual Fiduciary Training
- Annual Fiduciary Training was presented by the Hyas Group.
- Upon request by the Hyas Group to move Item 2d before 2b, a motion was made by Committee Member Hance, seconded by Committee Member Morgan, to move Item 2d before 2b.**
- Aye:** 4 - Chair Lee, Member Morgan, Member Hance, and Member Bunce

**STAFF REPORT**

None

**COMMISSIONERS REPORT**

None

**ADJOURNMENT**

The meeting was adjourned at 11:36 AM.

**A motion was made by Committee Member Hance, seconded by Committee Member Morgan, to adjourn the Deferred Compensation Committee Meeting.**

**Aye:** 4 - Chair Lee, Member Morgan, Member Hance, and Member Bunce

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# City of Santa Clara

1500 Warburton Avenue  
Santa Clara, CA 95050  
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@SantaClaraCity

## Agenda Report

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21-1087

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

#### SUBJECT

Informational Report on Second Quarter 2021 Performance Presented by Nationwide

#### DISCUSSION

This is an informational report from the Plan recordkeeper, Nationwide, to the Committee on the City's plan review. This report will be presented by Nationwide and will cover the following topics: a) Quarterly Informational Report, b) Retirement Workshops

This is an informational report, no action is to be taken by the Committee.

1. Nationwide - City of Santa Clara Plan Health Report 06-30-21
2. Nationwide - List of Retirement Workshops Available in August-September

# PLAN HEALTH REPORT

CITY OF SANTA CLARA

as of 06/30/2021



We value your partnership and the opportunity to offer a competitive, effective retirement plan to your participants. Through diligent work and thought leadership, we'll help you grow your plan and help your participants prepare for and live in retirement. This report includes balance information, participant demographics, contribution highlights and retirement readiness numbers. Together, we can use this information to help your participants achieve greater financial wellness.

Our goal is to help you objectively evaluate your Plan's performance and how it performs against other plans like yours. Since Nationwide Retirement Solutions is one of the largest retirement plan providers in the industry, we are uniquely positioned to compare your Plan to many others of similar asset size. By comparing the current year information to previous years, you can see how your Plan is performing, where your educational efforts are working and what areas offer opportunities for improvement. The "Peer Group" comparisons used in this report are based on cases with assets of: \$100 million - \$1 billion.

Thank you for your valued business. We look forward to helping improve retirement readiness for your participants.

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Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA. The information they provide is for educational purposes only and is not legal, tax or investment advice.

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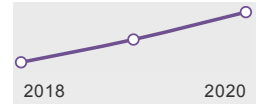
## Quick plan facts

(as of 06/30/2021)

Metric	Current value	%Change from last quarter	%Change from last year
Participant Core Assets	\$218,517,364	4.00%	25.00%
Total Participant Count	1,304	-0.38%	-0.38%
Total New Enrollments YTD Count	22	69.23%	-48.84%
Total Deferrals YTD	\$5,959,514	82.00%	3.00%
Total Rollovers-In YTD	\$921,409	41.00%	-69.00%
ProAccount Participant Count	161	1.26%	12.59%
ProAccount Assets	\$19,613,181	6.00%	75.00%

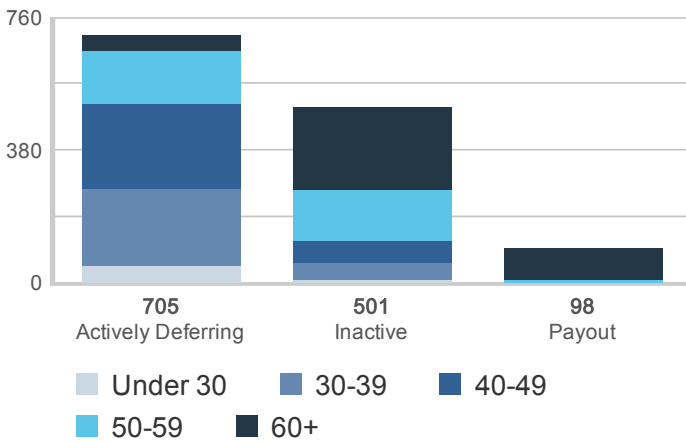
## 457 Plan Summary

**\$ TOTAL PARTICIPANT ACCOUNT BALANCE**  
(as of 06/30/2021)  
**\$230,743,214**



### How many are participating?

**ENROLLED PARTICIPANTS**  
(as of 06/30/2021)  
**1,304**

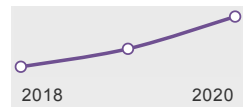


**NEW ENROLLMENTS**  
(Calendar year to date)  
**22**

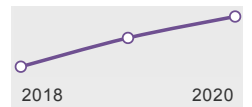
### How are they saving & investing?

**WHAT YOUR PARTICIPANTS ARE CONTRIBUTING**  
(as of 06/30/2021)

**AVERAGE ACCOUNT BALANCE**  
**\$167,558**



**AVERAGE CONTRIBUTION**  
**\$389**



### How many participants are prepared for retirement

**Online engagement**  
(as of 06/30/2021)

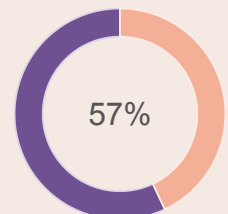
TOTAL ENROLLED PARTICIPANTS  
**1,304**

ENROLLED PARTICIPANTS WITH AN ONLINE ACCOUNT  
**983**

**Retirement readiness**  
(as of 06/30/2021)

PARTICIPANTS WITH A RETIREMENT GOAL  
**450**

PARTICIPANTS 'ON TRACK' FOR RETIREMENT



# PARTICIPANT DEMOGRAPHICS

## How participants are engaged in the plan



ENROLLED PARTICIPANTS <sup>1</sup>  
(as of 06/30/2021)

1,304



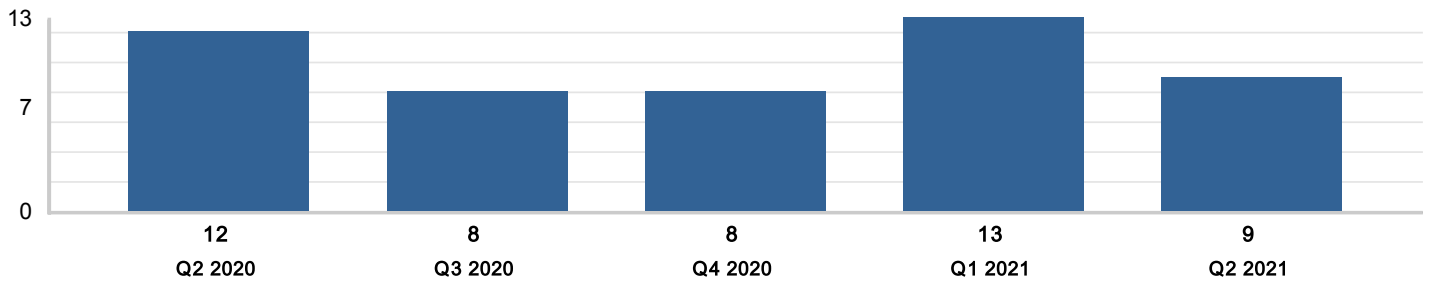
NEW ENROLLMENTS <sup>2</sup>  
(Calendar year to date)

22

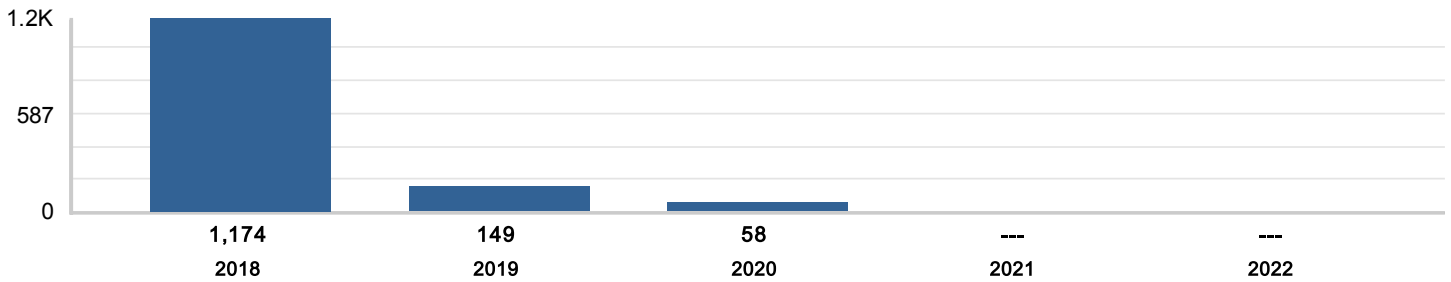
ONLINE ENROLLMENTS <sup>3</sup>  
(Calendar year to date)

17 out of 22

### ENROLLMENT TRENDS (BY QUARTER) <sup>4</sup>



### ENROLLMENT TRENDS (BY YEAR) <sup>4</sup>



<sup>1</sup> Total number of enrolled participants in this plan.

<sup>2</sup> Participants who open and close their account within the calendar year, will not be counted in year-to-date enrollment numbers.

<sup>3</sup> The number of online enrollments out of new enrollments.

<sup>4</sup> Total number of participants enrolled by quarter or by year.

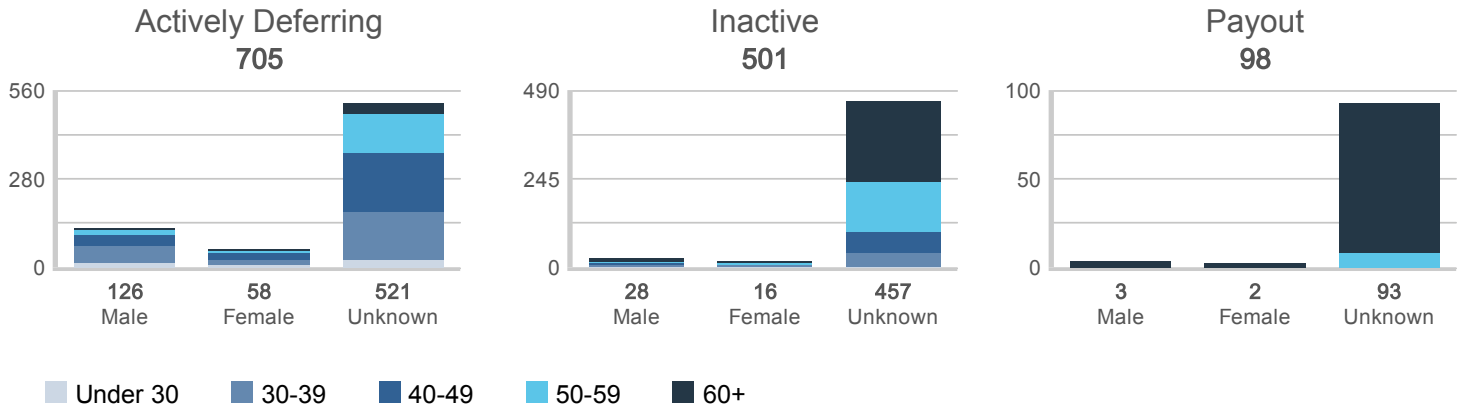
# PARTICIPANT DEMOGRAPHICS

## How participants are engaged in the plan



### Enrolled participant data<sup>5</sup>

(as of 06/30/2021)



	Actively Deferring 705			Inactive 501			Payout 98		
	Male	Female	Unknown	Male	Female	Unknown	Male	Female	Unknown
Under 30	15	9	26	4	1	3	0	0	0
30 - 39	52	18	148	5	5	39	0	0	0
40 - 49	34	22	189	3	4	56	0	0	0
50 - 59	19	8	122	3	4	135	0	0	8
60+	6	1	36	13	2	224	3	2	85

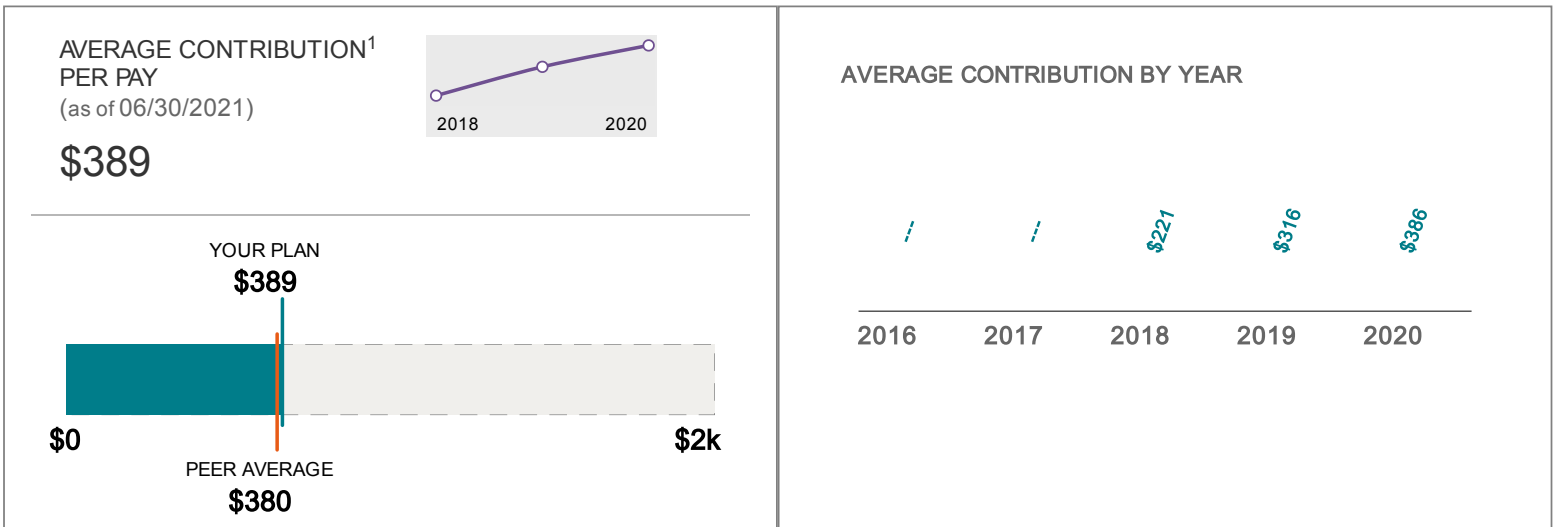
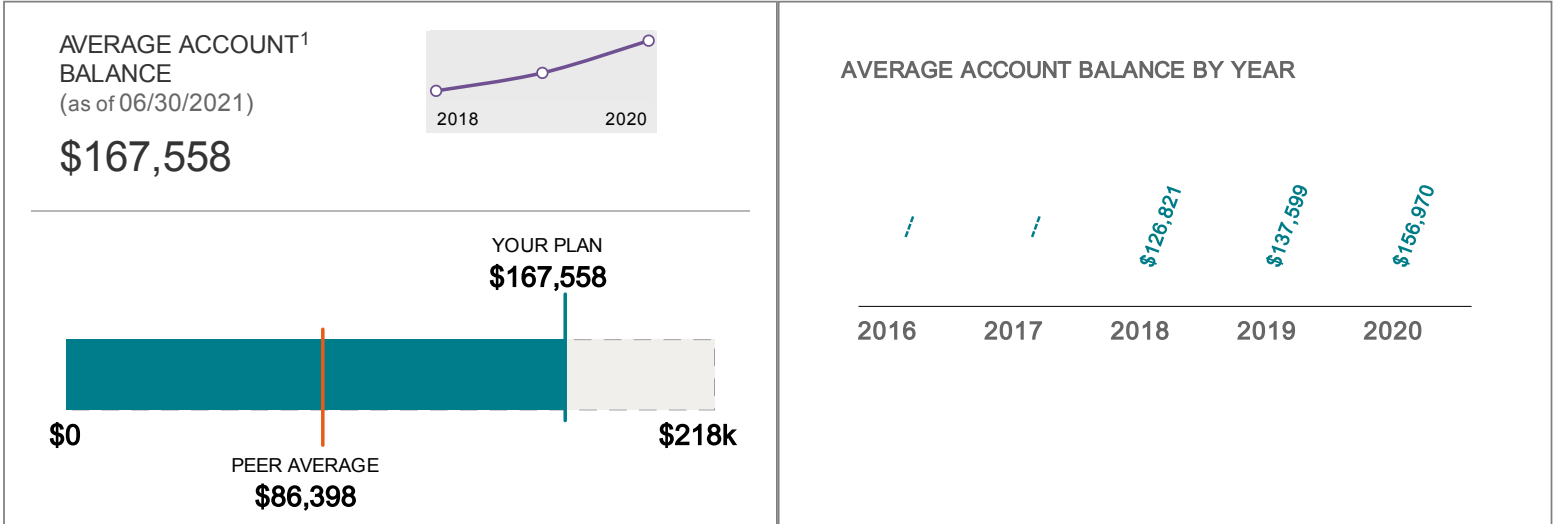
<sup>5</sup> Actively deferring - Participants with a balance, a contribution in the past 30 days and a status of employed.

Inactive - Participants with a balance, no contribution in the past 30 days and no status of payout.

Payout - Participants with a balance and a status of payout.

# CONTRIBUTIONS & INVESTMENTS

## What your participants are contributing



## Balances & contributions by age & gender

(as of 06/30/2021)

	Average account balance			Average annualized contributions		
	Male	Female	Unknown	Male	Female	Unknown
Under 30	\$22,664	\$29,897	\$42,206	\$7,985	\$10,769	\$10,711
30 - 39	\$32,416	\$43,857	\$103,554	\$10,565	\$8,273	\$12,588
40 - 49	\$55,231	\$48,120	\$154,963	\$14,310	\$9,505	\$10,455
50 - 59	\$143,372	\$183,087	\$239,389	\$15,546	\$35,860	\$14,361
60+	\$167,427	\$204,470	\$230,807	\$10,085	\$217	\$3,965

<sup>1</sup>A peer group consists of NRS plans with similar assets. This peer group comparison includes cases with \$100 million - \$1 billion.



# CONTRIBUTION & INVESTMENTS

## What your participants are contributing

**5%** PARTICIPANTS WITH INCREASED CONTRIBUTIONS  
(Calendar year to date)

**4%** PARTICIPANTS WITH AUTOMATIC CONTRIBUTION INCREASE  
(Calendar year to date)

### 2021 IRS limits

Regular Limit \$19,500

50+ Catch Up \$6,500

3-Year Catch Up \$19,500

## How your participants are invested

### ASSET ALLOCATION <sup>1</sup> (as of 06/30/2021)

#### NUMBER OF ASSET CLASSES

1	20.9%
2	5.8%
3	5.5%
4	6.5%
5+	61.1%



### ASSET DIVERSIFICATION <sup>2</sup> (as of 06/30/2021)

#### AVG. # ASSET CLASSES

4.5

#### PEER GROUP

4.6

#### RECOMMENDED

5



### ProAccount

(as of 06/30/2021)

#### TOTAL PROACCOUNT BALANCE

**\$19,613,181**

#### PARTICIPANTS WITH PROACCOUNT

**161**

*out of 1,304 total enrolled participants*

#### AVG ACCOUNT BALANCE WITH PROACCOUNT

**\$121,821**



### Schwab Personal Choice Retirement Account

(as of 06/30/2021)

#### Number of accounts

45

#### Balance

**\$10,154,683**

<sup>1</sup> Percentage of participants by number of investment classes.

<sup>2</sup> Average number of asset classes - Average number of asset classes in which participants are invested.

Peer group - Average number of asset classes in which this peer group (cases with \$100 million - \$1 billion) is invested.

Recommended number of asset classes - The number of asset classes in which a participant should be invested for ideal diversification.

## How many participants are prepared for retirement



### Online engagement

(as of 06/30/2021)

TOTAL ENROLLED PARTICIPANTS

1,304

ENROLLED PARTICIPANTS WITH AN ONLINE ACCOUNT

983



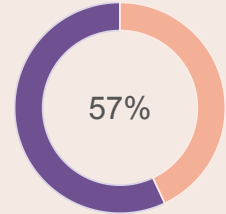
### Retirement readiness

(as of 06/30/2021)

PARTICIPANTS WITH A RETIREMENT GOAL <sup>1</sup>

450

PARTICIPANTS 'ON TRACK' FOR RETIREMENT <sup>2</sup>

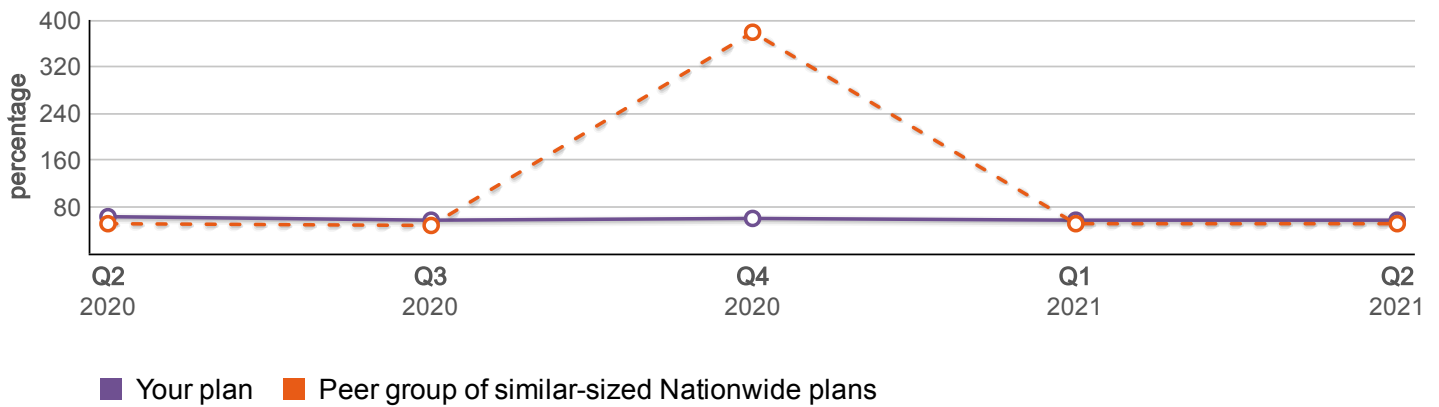


Participants who actively review their online account and use their retirement outlook tools are 4 times more likely to take action and save more for retirement.



## Peer comparison

### Retirement readiness peer comparison



NRM-17390AO

<sup>1</sup> Participants with a retirement goal from My Interactive Retirement Planner®.

<sup>2</sup> Participants with a retirement goal from My Interactive Retirement Planner® and a retirement readiness score of "on track" (.915 or higher).

 Asset class totals

Asset class	2019	2020	2021 YTD	% of total
Mid cap	\$13,890,427.63	\$13,797,622.93	\$15,698,542.58	6.8%
Large cap	\$47,604,650.58	\$57,744,853.25	\$66,968,223.20	29.0%
Bonds	\$5,850,344.41	\$8,239,252.04	\$8,252,907.32	3.6%
SDO	\$5,115,994.48	\$8,348,193.81	\$10,154,682.97	4.4%
Loan	\$1,300,959.43	\$2,075,410.76	\$2,071,166.91	0.9%
Asset allocation	\$30,008,815.39	\$34,917,001.85	\$37,701,524.46	16.3%
International	\$11,694,002.69	\$17,376,816.67	\$19,149,028.65	8.3%
Small cap	\$6,991,788.61	\$8,317,744.11	\$10,892,205.21	4.7%
Fixed assets and cash	\$58,372,921.39	\$63,318,411.32	\$59,854,932.31	25.9%
<b>Total</b>	<b>\$180,829,904.61</b>	<b>\$214,135,306.74</b>	<b>\$230,743,213.61</b>	<b>100%</b>

## \$ Total contributions by asset class

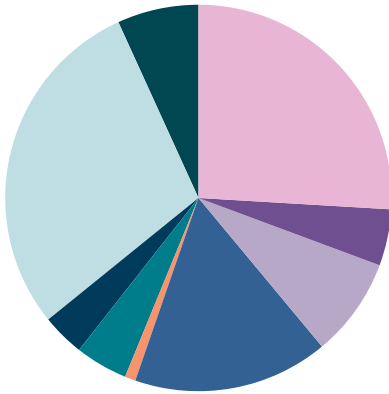
Asset class	2019	2020	2021 YTD	% of total
Mid cap	\$919,299.85	\$966,928.67	\$345,672.05	5.2%
Large cap	\$2,774,174.27	\$2,954,615.23	\$1,560,378.38	23.5%
Bonds	\$451,277.82	\$625,691.28	\$468,194.51	7.1%
Asset allocation	\$3,894,044.79	\$5,696,615.26	\$1,684,948.33	25.4%
International	\$893,203.89	\$1,040,851.35	\$580,692.04	8.7%
Small cap	\$697,826.81	\$549,936.19	\$290,275.96	4.4%
Fixed assets and cash	\$2,472,137.00	\$2,603,343.75	\$1,709,397.70	25.7%
<b>Total</b>	<b>\$12,101,964.43</b>	<b>\$14,437,981.73</b>	<b>\$6,639,558.97</b>	<b>100%</b>

2021



## Asset allocation

(as of 06/30/2021)



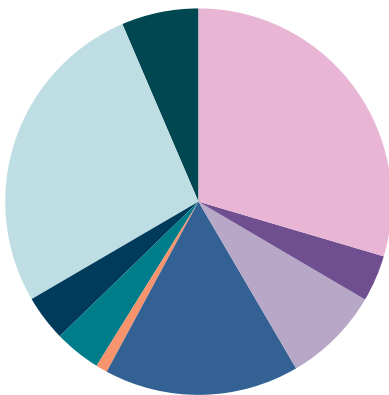
ASSET CLASS	YOUR PLAN	PEER GROUP	DIFFERENCE
Mid cap	6.8%	5.8%	1.0% ●
Large cap	29.0%	20.1%	9.0% ●
Balanced	0.0%	1.7%	0.0%
Bonds	3.6%	3.9%	-0.3% ●
Short term	0.0%	2.0%	0.0%
SDO	4.4%	0.1%	4.3% ●
Specialty	0.0%	0.6%	0.0%
Loan	0.9%	0.0%	0.9% ●
Asset allocation	16.3%	11.5%	4.9% ●
International	8.3%	5.7%	2.6% ●
Small cap	4.7%	3.3%	1.5% ●
Fixed assets and cash	25.9%	45.3%	-19.4% ●
Fixed Indexed Annuity	0.0%	0.0%	0.0%

2020



## Asset allocation

(as of 12/31/2020)



ASSET CLASS	YOUR PLAN	PEER GROUP	DIFFERENCE
Mid cap	6.4%	5.5%	1.0% ●
Large cap	27.0%	19.7%	7.3% ●
Balanced	0.0%	1.6%	0.0%
Bonds	3.8%	4.2%	-0.4% ●
Short term	0.0%	2.1%	0.0%
SDO	3.9%	0.1%	3.8% ●
Specialty	0.0%	0.6%	0.0%
Loan	1.0%	0.0%	0.9% ●
Asset allocation	16.3%	12.9%	3.4% ●
International	8.1%	5.6%	2.5% ●
Small cap	3.9%	3.2%	0.7% ●
Fixed assets and cash	29.6%	44.6%	-15.0% ●

# BALANCE DETAILS



## Total account balance

(as of 06/30/2021)

Money source	Current value
<b>Participant assets</b>	<b>\$230,743,213.61</b>
Rollover Repayment Event Related	\$31,407.96
Salary Reduction	\$200,350,253.88
Rollover (Pre-Tax)	\$9,814,109.88
Rollover 457	\$5,025,887.16
Roth Contribution	\$2,081,149.64
Roth Rollover	\$51,689.93
Roth Rollover 457	\$15,693.14
Salary Reduction IRR	\$315,141.48
Employer Discretionary Account	\$832,030.66
Loan balance	\$2,071,166.91
SDO balance	\$10,154,682.97
<b>Total plan assets</b>	<b>\$230,743,213.61</b>

# BALANCE DETAILS



## Loan Details

(as of 06/30/2021)

Loan type	Number of loans	Principal value
<b>Active loans</b>		
General purpose loan	79	\$1,746,288.97
Primary residence loan	8	\$233,499.15
<b>Defaulted loans*</b>		
General purpose loan	5	\$91,378.79
<b>Total</b>	<b>92</b>	<b>\$2,071,166.91</b>

\* Default amounts are included in Beginning and Ending Balance



## Contributions and transfers/rollovers-in

(as of 06/30/2021)

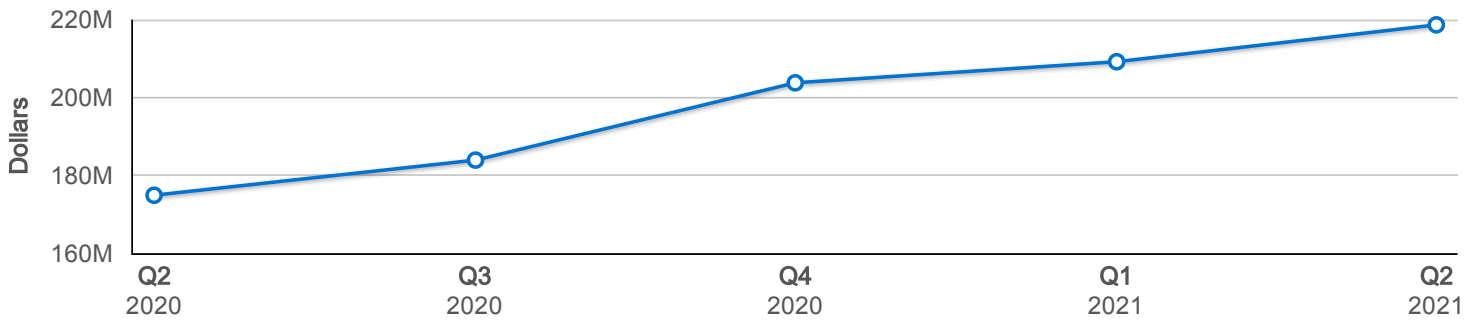
Type	Year to date
Contributions	\$5,959,513.66
Transfers/Rollovers-In	\$680,045.31
<b>Total</b>	<b>\$6,639,558.97</b>



## Balance activity by quarter

Change in balance from last quarter

▲ 4.4%  
FROM LAST QUARTER



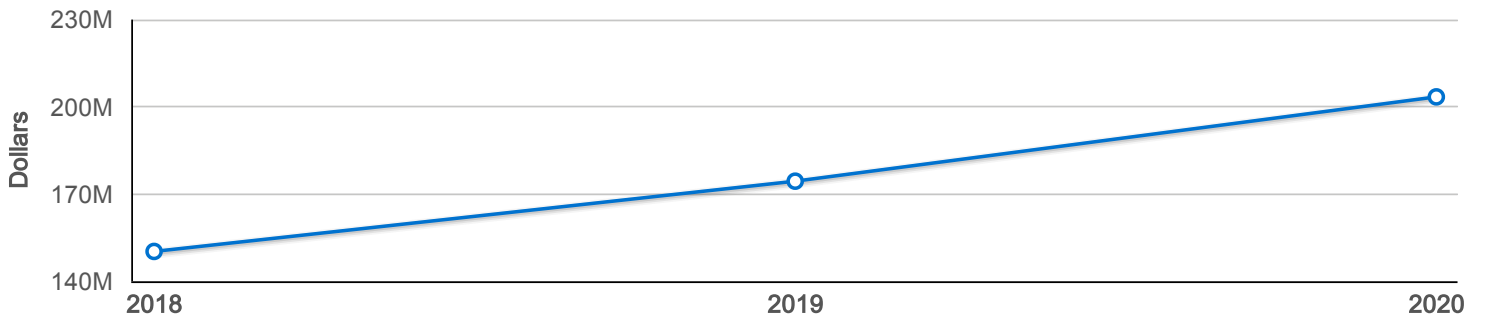




## Balance activity by year

Change in balance from last year

▲ 16.8%  
FROM LAST YEAR



	2016	2017	2018	2019	2020
Total balance	---	---	\$150,093,202.91	\$174,412,950.70	\$203,711,702.17

## Top opportunities to improve plan health

- ✓ **Encourage enrollment**  
Are you happy with your participation rate? Schedule an enrollment workshop today
- ✓ **Suggest online account usage**  
Those who engage in their online account are 4x more likely to save more for retirement
- ✓ **Propose contribution increases**  
Anything can help. Talk with your participants about the benefits of saving now for a better tomorrow
- ✓ **Discuss the benefits of Nationwide ProAccount**  
How participants are invested can play a big role in their retirement health

## Additional opportunities

### How participants are engaged in the plan

- ✓ **Are your participants in the correct status based on their age?**  
Check in with participants who may not be in the correct status.

### What your participants are contributing

- ✓ **Starting to save early is one of the best ways to prepare for retirement.**  
Contact your Nationwide representative to schedule a workshop with your participants under the age of 30 to help them understand the benefits of saving more now.
- ✓ **Are your female participants actively contributing?**  
Host a workshop for women eligible and enrolled in your plan. Nationwide's Women & Investing tools can help.
- ✓ **Incremental increases can go a long way.**  
Let your participants know how having an automatic annual contribution increase can help them reach their retirement goal.
- ✓ **Work with your Nationwide Retirement Specialist to help manage your loans.**
- ✓ **Are those closer to retirement aware of catch-up contributions?**  
Let your participants know that catch-up contributions may help them reach their goal.

### How your participants are invested

- ✓ **Are participants diversified enough?**  
Call your Nationwide retirement specialist and discuss your participants' asset diversification.

### How many participants are prepared for retirement

- ✓ **How many participants are getting close to retirement?**  
Talk with your participants about which payout strategies may benefit them the most.

# More Retirement Workshops!

August – September 2021

Nationwide's local online workshops are back! Register for the following 30 minute online workshops to learn more about managing your money and planning for retirement. 30 minute Q&A Session provided immediately following presentation.

Hosted by the Northern California Nationwide Retirement Specialist Team



## Retirement 101

Register

THURSDAY AUGUST 5<sup>TH</sup>  
12:00PM

Learn about the 457 Deferred Compensation Plan - how it works, why it is important and how to start saving now.

## Top 10 FAQs

Register

THURSDAY AUGUST 12<sup>TH</sup>  
12:00PM

Join us as we review the most commonly asked questions about retirement planning, including what is the difference between a pension and a 457 plan & how much do I need to retire?

## Roth versus Traditional

Register

THURSDAY AUGUST 19<sup>TH</sup>  
12:00PM

Learn the difference between pre-tax and after tax saving strategies and help determine which strategy may be right for you.



Click "Register" or use the provided QR Code.

After registering, you will receive an email confirmation with instructions on how to join the workshop.

## Investing 101

Register

THURSDAY AUGUST 26<sup>TH</sup>  
12:00PM

Determine your investment style and understand your options.

## Get The Facts Before You Retire

Register

THURSDAY SEPT 2<sup>ND</sup>  
12:00PM

Planning to retire within the next five years? Learn important things to do before you declare your retirement date & get the facts on 457 (b) distributions.

## Social Security

Register

WEDNESDAY SEPT 8<sup>TH</sup>  
12:00PM

Understand your options and how they impact your household.

## Healthcare/Medicare

Register

WEDNESDAY SEPT 15<sup>TH</sup>  
12:00PM

Health care costs in retirement, what Medicare covers and how to create a plan for those costs



# City of Santa Clara

1500 Warburton Avenue  
Santa Clara, CA 95050  
santaclaraca.gov  
@SantaClaraCity

## Agenda Report

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21-1088

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

#### SUBJECT

Informational Report On Second Quarter 2021 Performance and Quarterly Plan Review presented by the Hyas Group

#### DISCUSSION

This is an informational report to the Committee on the City's second quarter 2021 performance. This report will be presented by the Hyas Group and will cover the following topics: a) market commentary, b) fund review, and c) fee and revenue analysis.

As this is an informational report only, no action is taken by the Committee.

1. Hyas - City of Santa Clara 6-30-21 Performance Report
2. Hyas - City of Santa Clara 2Q2021 Executive Summary



## **CITY OF SANTA CLARA**

### **457 Deferred Compensation Plan**

June 30, 2021 Performance Report

Vincent Galindo  
Senior Consultant  
vgalindo@hyasgroup.com

Geoff Hildreth  
Performance Analyst  
ghildreth@hyasgroup.com

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<b>Section 2</b>	Account Review
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<b>Section 4</b>	Plan Fee/Revenue Review
<b>Section 5</b>	Fund Attribution

# Section 1

**UNRAVELLING DISTORTION**

Lumber prices provide a great example of the economic distortions stemming from COVID-19. In the early days of the pandemic, the convergence of falling demand for furniture, the expectation of decreased home construction, and staffing cut-backs due to health concerns caused many sawmills to either reduce output or shut down entirely. Ironically, demand for lumber soared a few months later as do-it-yourself (DIY) work became popular amidst quarantined households and construction of single-family homes increased by 12% in 2020. This was the highest rate of increase since 2006. In reaction to increased demand, lumber prices shot up by unprecedented amounts; from \$349 per thousand board feet in April 2020 to \$1,514 in May 2021, a 334% increase in just over one year!

While prices have since come down into the \$700 to \$800 range, they remain at roughly twice their longer-term averages as supply and demand are expected to remain out of balance for some time. The lumber industry is not one that can easily alter production levels to match demand in the short-run. A new mill costs tens of millions of dollars and takes at least two years to construct (the delivery lead-time for even a back-yard DIY mill was 44 to 59 weeks in May). Labor recruitment is another challenging piece of the capacity puzzle. The logging industry, in addition to being hazardous, is relatively low-paying. For example, the median annual wage of sawing machine setters and operators was \$31,560 in 2020, equivalent to the bottom 24<sup>th</sup> percentile of household income. Likewise, median wages for the trucking industry are \$47,130, equivalent to the bottom 35<sup>th</sup> income percentile. The additional \$300 per week in Federal unemployment benefits constitute 49% and 33% of sawing and trucking wages respectively, understandably undercutting any incentive to return to arduous work. Even if labor and industry could immediately correct, wholesalers now sit on inventories of highly-priced lumber and are likely to only slowly reduce their holdings to avoid selling them at a loss. As such, traders expect lumber prices to remain elevated albeit at sub-peak levels.

This commentary is not intended to pin the future of the US economy on the lumber industry, understate its significance (its annual sales are comparable to that of one large-cap US company), or opine on how its troubles will be resolved. Rather, the lumber saga provides one of many examples of an industry whose normal expectations have been thrown far off kilter, for better or worse, by unprecedented events and governmental reactions to COVID-19. Other industry examples include hospitality, restaurants, and online shopping. The timing and manner in which these sectors come back into balance with their peers is difficult to predict; usually these displacements happen to one or two industries or regions at a time and ripple through to the rest. While shrewd investors may have the knowledge of financial markets, valuation, and economic forces to correctly navigate the resolution of these market distortions, the fallout of the global pandemic and the scope of monetary response is beyond their direct experience.

On a high level, what is the best thing to do in this environment? Look past it or at least avoid getting caught up in the near-term industry developments. Interesting as the stories of the lumber industry and so many others may be, extrapolating them into concentrated investment actions over the next few years is a tenuous endeavor. In any case, for all this uncertainty, economic growth expectations appear quite high on aggregated levels. Security prices, while also generally high, do not appear to convey a fear of loss as much as a broad divergence of growth estimates, indicating a path that is moderately upward though hectic. While supply and demand have been disjointed in new and forceful ways, they can still be expected to gravitate towards each other. The routes that industries take back into equilibrium will make for many interesting case studies.



## GLOBAL ECONOMIC LANDSCAPE

- Global growth expectations remain high. Global GDP is expected to grow 6.7% after inflation in 2021 and by 4.6% in 2022; a sharp rebound from the -3.8% of 2020. The Global Purchasing Manager Index, an indicator of economic trends, is at its highest level for manufacturing and services in over ten years.
- Falling back on a familiar and longer-term growth story, the emerging market consumer continues to be a driver of global growth. Interestingly, much of the recent growth has come from outside China. From 2015 to 2019 for example, Europe and the US share of global consumption shrank from 51% to 36%, China's share decreased from 23% to 22%, and the rest of the world's portion increased from 26% to 42%. Looking forward, India's middle class is expected to grow from 21% to 79% of its population (approximately 883 million people, nearly twice the expected amount of increase from China) from 2020 to 2030!
- A very tight US labor market reflects the high demand from Federal and monetary stimulus and generally improved economic expectations. As examples, both total nonfarm job openings and small firms with at least one job they are unable to fill stood at their highest levels in decades.
- US inflation expectations range from 2.3% to 2.8% for the next ten years versus the Federal Reserve's long-term goal of 2.0%. Treasury yields reflect a very inflation-tolerant Federal Reserve. Adjusting for inflation, the yield on a ten-year Treasury was -2.35% at quarter-end, the lowest level since the late 1970s. Nonetheless, the yield difference between the US and a basket of developed market bonds stood at 1.3% on June 30, 2021; their highest level since 2006.

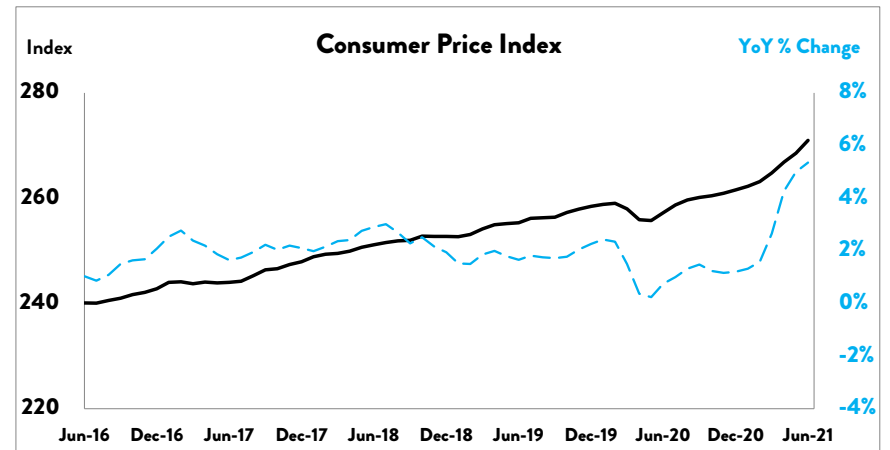
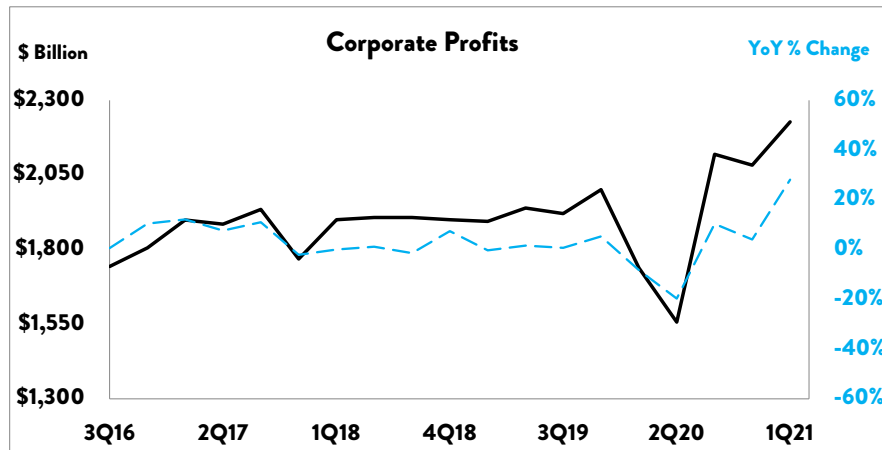
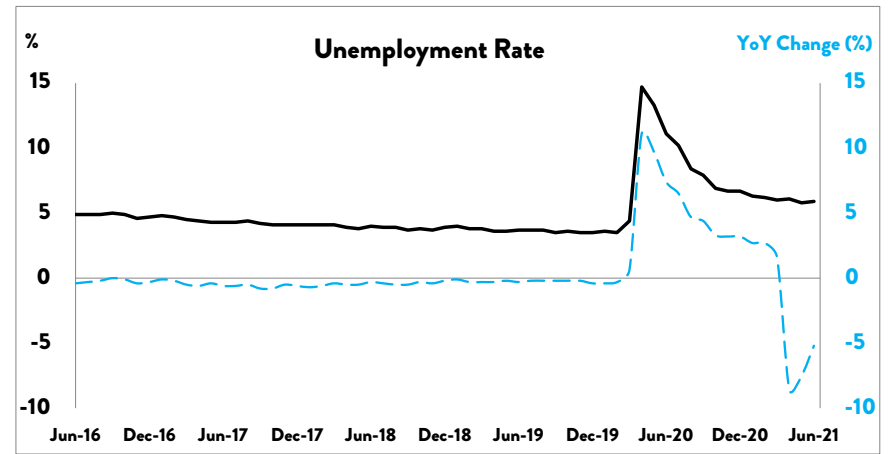
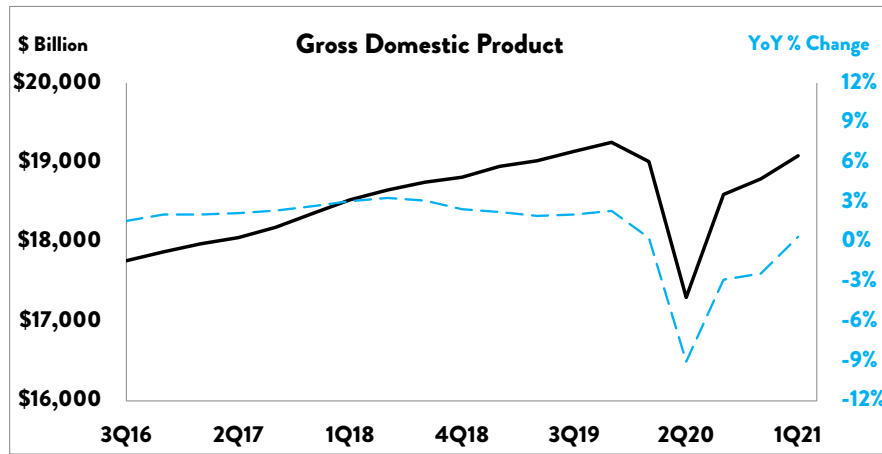
## GLOBAL FINANCIAL MARKETS

- Stock market valuations appear high, particularly in the US. For example, the S&P 500's forward P/E was 21.5 at quarter-end versus a twenty-five-year average of 16.7. Stock-by-stock valuations appear more disparate however, suggesting the potential for active managers to add or subtract value. The P/E difference between the 20<sup>th</sup> and 80<sup>th</sup> percentile S&P 500 stock was 19.7 versus a long-term average of 11.0. International equity valuations also are above long-term averages (excepting Japan, which remains below them) though not to US extents.
- Earnings growth estimates, particularly for cyclical sectors, may explain investors' tolerance of higher valuations. For 2021, earnings growth estimates range from 17% to 50% for various developed and emerging market stock indexes with estimates for cyclical sectors ranging from 33% to 55%! Non-domestic revenue for most developed and emerging markets ranges from 45% to 68% of total, indicating that the myriad of global growth expectations is broadly expected to be high.
- The US high yield bond market continues to show relatively low concern for default risk. Option-adjusted spreads over Treasury bonds stood at 3.04% at the end of 2Q, well below their 10.87% peak on March 23, 2020 and their trailing ten-year average of 4.85%. The range of credit spreads amongst high yield bonds has also tightened up dramatically, suggesting a reduced concern in firm-specific credit risk. Emerging market bonds also reflect this trend, trading at spreads below their longer-term averages.
- Apart from the Federal Reserve, bond purchases by many developed central banks are expected to continue at their current rates for the next few quarters. Though the Federal Reserve is starting to taper off its buying program, the Federal Funds Rate is still expected to remain below 1% through 2023. Given these non-hawkish outlooks, interest rate risk does not appear to be a major concern at this point. However, US and international bond markets have durations of generally over six years, indicating vulnerability to rising rates.

This report is being provided for informational purposes only. The information and opinions presented in this report do not constitute investment advice and have been obtained from sources believed by Hvas Group to be reliable. Hvas Group makes no representation as to their accuracy or completeness. All opinions expressed herein are subject to change.

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## 2Q2021 Economic Data



Key: — Economic Series

- - - Year-Over-Year Change

Labor Market Statistics (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	5-Yr Avg.	Date
Jobs Added/Lost Monthly	850,000	4,846,000	-20,679,000	26,817	Jun-21
Unemployment Rate	5.9%	14.7%	3.5%	5.1%	Jun-21
Median Unemployment Length (Weeks)	17.6	22.2	4.0	11.2	Jun-21
Average Hourly Earnings	\$30.40	\$30.40	\$25.70	\$27.74	Jun-21

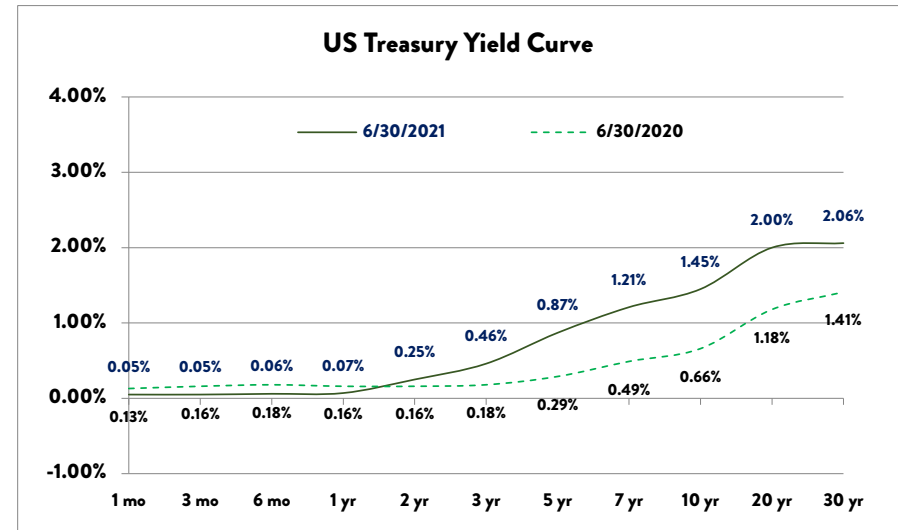
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$3.04	\$3.04	\$1.80	0.0%	Jun-21
Spot Oil	\$71.38	\$71.38	\$16.55	0.0%	Jun-21
Case-Shiller Home Price Index	256.5	256.5	187.4	36.8%*	Apr-21
Medical Care CPI	523.1	524.0	464.3	12.7%*	Jun-21

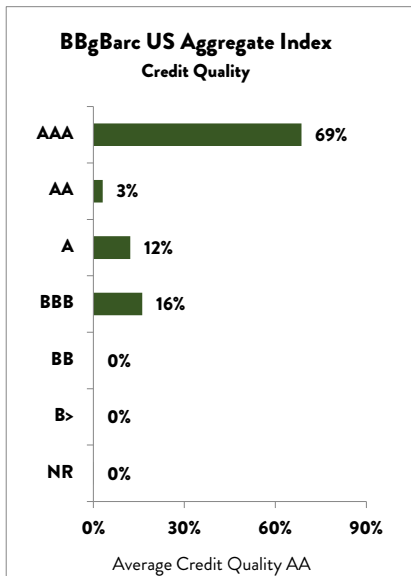
\*% Off Low

## 2Q2021 Bond Market Data

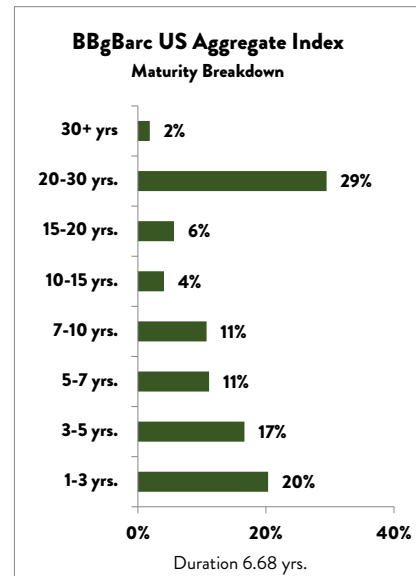
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.01%	0.02%	0.07%	1.20%	1.12%	0.59%
BBgBarc US Aggregate	1.83%	-1.60%	-0.33%	5.34%	3.03%	3.39%
BBgBarc Short US Treasury	0.00%	0.04%	0.11%	1.51%	1.26%	0.72%
BBgBarc Int. US Treasury	0.62%	-1.14%	-1.18%	3.96%	1.93%	2.16%
BBgBarc Long US Treasury	6.46%	-7.92%	-10.58%	7.99%	3.13%	6.66%
BBgBarc US TIPS	3.25%	1.73%	6.51%	6.53%	4.17%	3.40%
BBgBarc US Credit	3.32%	-1.28%	2.99%	7.42%	4.63%	4.92%
BBgBarc US Mortgage-Backed	0.33%	-0.77%	-0.42%	3.78%	2.27%	2.64%
BBgBarc US Asset-Backed	0.34%	0.18%	1.34%	3.65%	2.39%	2.37%
BBgBarc US 20-Yr Municipal	2.10%	1.79%	5.92%	6.30%	4.08%	5.53%
BBgBarc US High Yield	2.74%	3.62%	15.37%	7.45%	7.48%	6.66%
BBgBarc Global	1.31%	-3.21%	2.63%	4.23%	2.34%	2.05%
BBgBarc International	0.92%	-4.42%	4.60%	3.12%	1.63%	0.99%
BBgBarc Emerging Market	2.99%	-0.59%	6.34%	6.70%	4.88%	5.43%



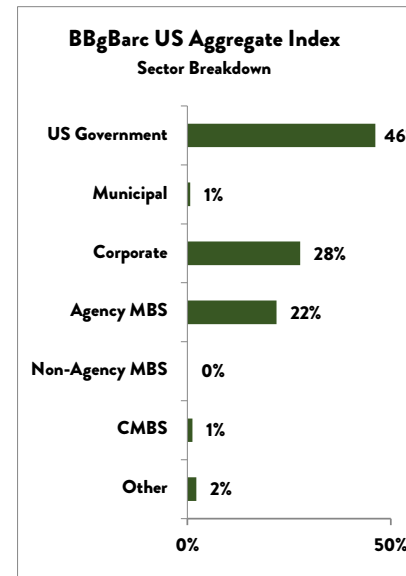
Source: Department of US Treasury



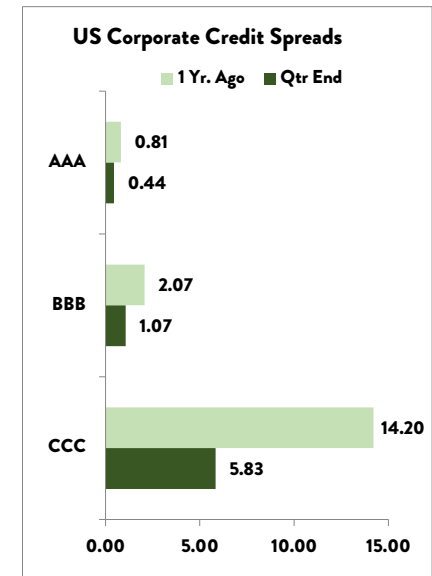
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

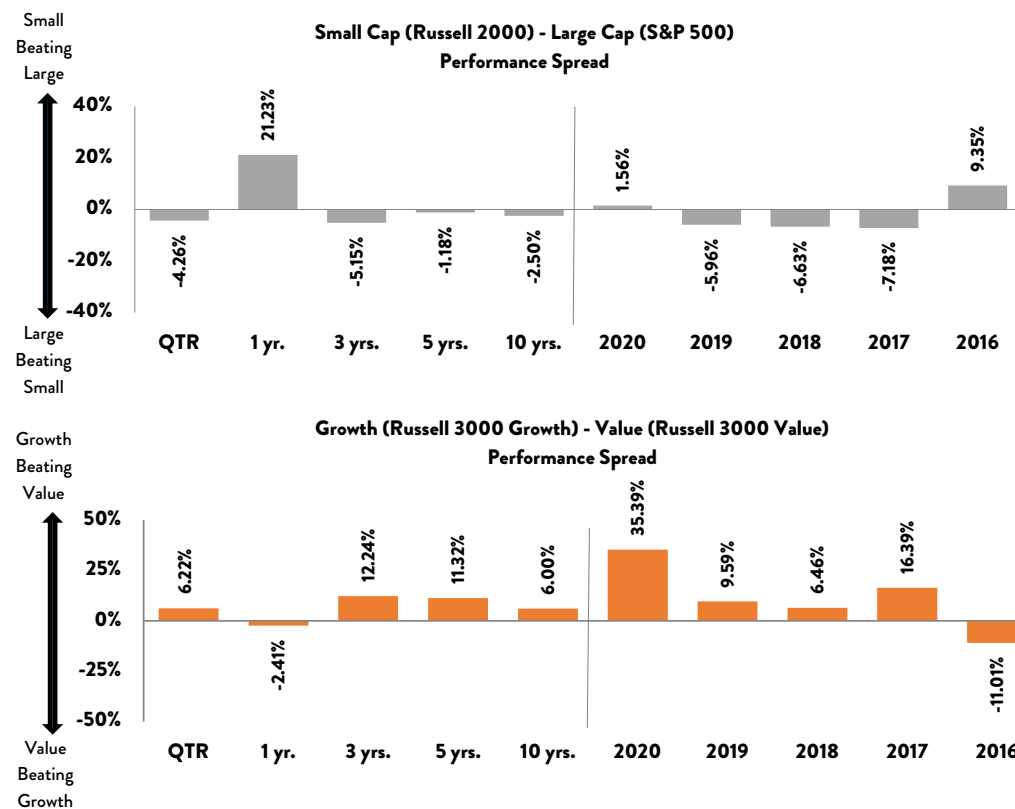
# 2Q2021 US Equity Market Data

## Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 yr.
S&P 500 Index	3%	Real Estate	13.09%	23.30%	31.88%
	27%	Information Technology	11.56%	13.76%	42.40%
	3%	Energy	11.30%	45.64%	49.38%
	11%	Communication Services	10.72%	19.67%	48.38%
	13%	Health Care	8.40%	11.85%	27.92%
	11%	Financials	8.36%	25.69%	61.77%
	12%	Consumer Discretionary	6.95%	10.27%	37.08%
	3%	Materials	4.97%	14.50%	48.51%
	9%	Industrials	4.48%	16.40%	51.45%
	6%	Consumer Staples	3.83%	5.02%	23.29%
2%	Utilities	-0.41%	2.38%	15.77%	
S&P Midcap 400 Index	2%	Energy	14.06%	53.66%	79.46%
	10%	Real Estate	9.11%	18.00%	37.79%
	11%	Health Care	5.47%	10.30%	36.07%
	18%	Industrials	3.97%	18.13%	58.35%
	6%	Materials	3.62%	25.43%	62.24%
	15%	Consumer Discretionary	3.14%	25.16%	74.39%
	15%	Financials	2.92%	22.15%	57.63%
	3%	Utilities	1.79%	11.77%	21.82%
	14%	Information Technology	1.71%	8.19%	53.93%
	2%	Communication Services	-3.02%	3.41%	30.51%
3%	Consumer Staples	-3.41%	11.47%	38.29%	
S&P Smallcap 600 Index	5%	Energy	27.53%	82.70%	141.78%
	2%	Communication Services	12.95%	32.70%	53.91%
	8%	Real Estate	7.51%	18.45%	42.44%
	4%	Consumer Staples	6.60%	23.31%	49.34%
	12%	Health Care	5.49%	14.38%	60.46%
	14%	Information Technology	5.38%	17.50%	65.56%
	15%	Consumer Discretionary	4.76%	44.45%	114.05%
	5%	Materials	3.16%	13.47%	69.24%
	2%	Utilities	1.16%	9.12%	13.41%
	18%	Financials	0.66%	19.68%	54.31%
17%	Industrials	-0.05%	17.34%	59.57%	

## Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	8.55%	15.25%	40.79%	18.67%	17.65%	14.84%
Russell 1000 Value	5.21%	17.05%	43.68%	12.42%	11.87%	11.61%
Russell 1000 Growth	11.93%	12.99%	42.50%	25.14%	23.66%	17.87%
Russell Mid Cap	7.50%	16.25%	49.80%	16.45%	15.62%	13.24%
Russell Mid Cap Value	5.66%	19.45%	53.06%	11.86%	11.79%	11.75%
Russell Mid Cap Growth	11.07%	10.44%	43.77%	22.39%	20.52%	15.13%
Russell 2000	4.29%	17.54%	62.03%	13.52%	16.47%	12.34%
Russell 2000 Value	4.56%	26.69%	73.28%	10.27%	13.62%	10.85%
Russell 2000 Growth	3.92%	8.98%	51.36%	15.94%	18.76%	13.52%
Russell 3000	8.24%	15.11%	44.16%	18.73%	17.89%	14.70%
DJ US Select REIT	11.76%	22.94%	39.98%	8.13%	5.16%	8.67%



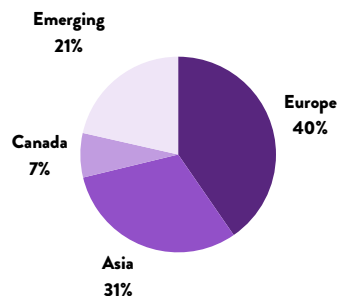
# 2Q2021 International Market Data

## Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
<b>MSCI ACWI ex-US</b>	<b>5.48%</b>	<b>9.16%</b>	<b>35.72%</b>	<b>9.38%</b>	<b>11.08%</b>	<b>5.45%</b>
<b>MSCI EAFE</b>	<b>5.17%</b>	<b>8.83%</b>	<b>32.35%</b>	<b>8.27%</b>	<b>10.28%</b>	<b>5.89%</b>
<b>Europe</b>	<b>7.42%</b>	<b>11.80%</b>	<b>35.09%</b>	<b>8.66%</b>	<b>10.34%</b>	<b>5.58%</b>
United Kingdom	5.97%	12.52%	31.29%	1.90%	5.70%	3.68%
Germany	4.70%	9.13%	31.79%	7.30%	10.27%	5.00%
France	9.07%	13.89%	40.86%	9.18%	12.88%	5.70%
<b>Pacific</b>	<b>1.33%</b>	<b>3.89%</b>	<b>27.80%</b>	<b>7.59%</b>	<b>10.30%</b>	<b>6.58%</b>
Japan	-0.28%	1.28%	24.84%	7.24%	10.19%	7.15%
Hong Kong	2.53%	9.97%	28.95%	6.69%	10.43%	7.65%
Australia	6.87%	10.51%	39.64%	9.60%	11.12%	5.12%
<b>Canada</b>	<b>10.04%</b>	<b>20.59%</b>	<b>45.84%</b>	<b>11.40%</b>	<b>11.00%</b>	<b>3.88%</b>
<b>MSCI EM</b>	<b>5.05%</b>	<b>7.45%</b>	<b>40.90%</b>	<b>11.27%</b>	<b>13.03%</b>	<b>4.28%</b>
<b>MSCI EM Latin America</b>	<b>15.01%</b>	<b>8.89%</b>	<b>44.92%</b>	<b>5.05%</b>	<b>5.89%</b>	<b>-2.45%</b>
<b>MSCI EM Asia</b>	<b>3.77%</b>	<b>6.02%</b>	<b>41.03%</b>	<b>13.06%</b>	<b>15.26%</b>	<b>7.03%</b>
<b>MSCI EM Eur/Mid East</b>	<b>11.29%</b>	<b>18.56%</b>	<b>36.93%</b>	<b>8.98%</b>	<b>9.42%</b>	<b>-1.46%</b>
<b>MSCI ACWI Value ex-US</b>	<b>4.33%</b>	<b>11.69%</b>	<b>37.56%</b>	<b>5.22%</b>	<b>8.54%</b>	<b>3.48%</b>
<b>MSCI ACWI Growth ex-US</b>	<b>6.60%</b>	<b>6.52%</b>	<b>33.68%</b>	<b>13.23%</b>	<b>13.37%</b>	<b>7.28%</b>
<b>MSCI ACWI Sm Cap ex-US</b>	<b>6.35%</b>	<b>12.24%</b>	<b>47.04%</b>	<b>9.78%</b>	<b>11.97%</b>	<b>7.02%</b>

## Regional Exposure

MSCI ACWI ex-USA

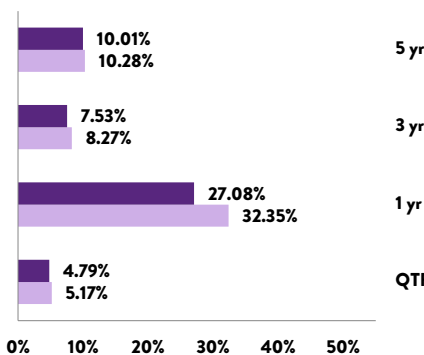


## Top 10 Countries (MSCI AC World ex-USA)

Japan	15%
China	11%
UK	9%
France	7%
Canada	7%
Switzerland	6%
Germany	6%
Taiwan	4%
Australia	4%
South Korea	4%

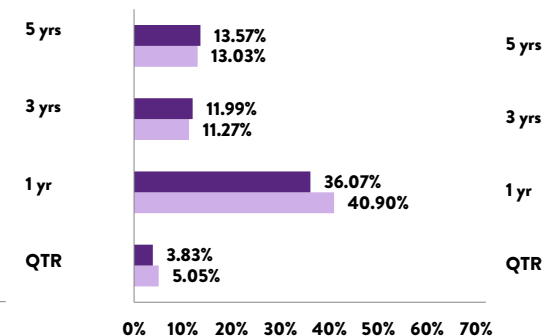
## MSCI EAFE Index Return

Local US\$



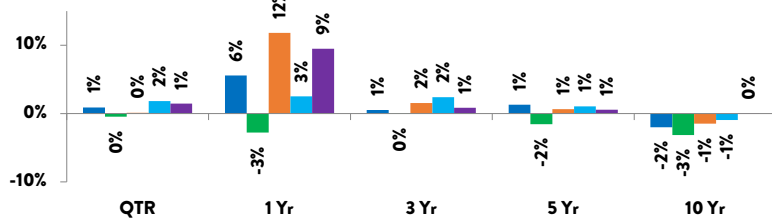
## MSCI Emerging Index Return

Local US\$



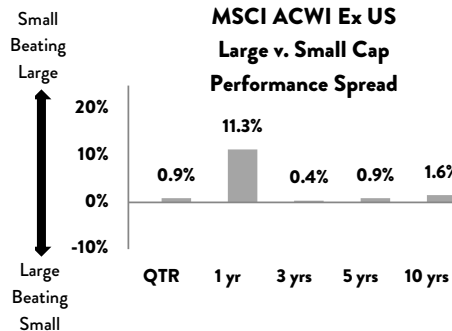
## Foreign Currency v. US\$ Returns

Euro Japanese Yen Pound Sterling Swiss Franc Chinese Yuan

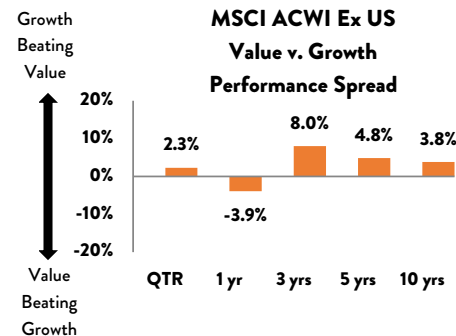


Exchange Rates	QTR	1Q21	4Q20	3Q20	2Q20	1Q20
<b>Japanese Yen</b>	111.05	110.67	103.19	105.58	107.77	107.53
<b>Euro</b>	0.84	0.85	0.82	0.85	0.89	0.91
<b>British Pound</b>	0.72	0.72	0.73	0.77	0.81	0.80
<b>Swiss Franc</b>	0.93	0.94	0.88	0.92	0.95	0.96
<b>Chinese Yuan</b>	6.46	6.55	6.53	6.79	7.07	7.08

## MSCI ACWI Ex US Large v. Small Cap Performance Spread



## MSCI ACWI Ex US Value v. Growth Performance Spread



## Historical Market Returns

Ranked by Performance

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	2Q21
Emerging Markets 32.14%	Emerging Markets 39.42%	US Bonds 5.24%	Emerging Markets 78.51%	Small Cap 26.85%	Core Real Estate 14.96%	Emerging Markets 18.22%	Small Cap 38.82%	Large Cap 13.68%	Core Real Estate 13.95%	Small Cap 21.30%	Emerging Markets 37.28%	Core Real Estate 7.36%	Large Cap 31.49%	Small Cap 19.96%	Commod. 21.15%	Commod. 13.30%
Intl 26.65%	Intl 16.65%	Global Bonds 4.79%	High Yield 58.21%	Mid Cap 25.48%	TIPS 13.56%	Mid Cap 17.28%	Mid Cap 34.76%	Mid Cap 13.21%	Large Cap 1.38%	High Yield 17.12%	Intl 27.19%	Cash 1.69%	Mid Cap 30.54%	Large Cap 18.40%	Small Cap 17.54%	Large Cap 8.55%
Small Cap 18.37%	Commod. 16.23%	Cash 1.39%	Intl 41.45%	Emerging Markets 18.88%	US Bonds 7.84%	Intl 16.83%	Large Cap 32.39%	Core Real Estate 11.44%	US Bonds 0.55%	Mid Cap 13.79%	Large Cap 21.83%	US Bonds 0.01%	Small Cap 25.52%	Emerging Markets 18.31%	Mid Cap 16.25%	Mid Cap 7.50%
Large Cap 15.79%	Core Real Estate 14.84%	TIPS -2.35%	Mid Cap 40.48%	Commod. 16.83%	Global Bonds 5.64%	Small Cap 16.35%	Intl 15.29%	US Bonds 5.97%	Cash 0.03%	Large Cap 11.95%	Mid Cap 18.52%	Global Bonds -1.20%	Intl 21.51%	Mid Cap 17.10%	Large Cap 15.25%	Intl 5.48%
Core Real Estate 15.27%	TIPS 11.64%	Core Real Estate -10.70%	Small Cap 27.17%	Core Real Estate 15.26%	High Yield 4.98%	Large Cap 16.00%	Global Balanced 14.46%	Small Cap 4.89%	TIPS -1.43%	Commod. 11.76	Global Balanced 15.87%	TIPS -1.26%	Global Balanced 18.86%	Global Balanced 13.93%	Intl 9.16%	Global Balanced 5.11%
Mid Cap 15.26%	Global Bonds 9.48%	Global Balanced -24.51%	Large Cap 26.46%	High Yield 15.12%	Large Cap 2.11%	High Yield 15.81%	Core Real Estate 12.95%	TIPS 3.64%	Global Balanced -1.45%	Emerging Markets 11.18%	Small Cap 14.65%	High Yield -2.08%	Emerging Markets 18.42%	TIPS 10.99%	Emerging Markets 7.45%	Emerging Markets 5.05%
Global Balanced 14.53%	Global Balanced 9.07%	High Yield -26.16%	Global Balanced 20.49%	Large Cap 15.06%	Cash 0.06%	Global Balanced 11.06%	High Yield 7.44%	Global Balanced 3.17%	Mid Cap -2.43%	Core Real Estate 7.76%	High Yield 7.50%	Large Cap -4.38%	High Yield 14.32%	Intl 10.65%	Global Balanced 6.57%	Small Cap 4.29%
High Yield 11.85%	US Bonds 6.97%	Small Cap -33.79%	Commod. 18.91%	Intl 11.15%	Global Balanced -0.97%	Core Real Estate 9.76%	Cash 0.07%	High Yield 2.45%	Global Bonds -3.15%	Global Balanced 5.38%	Global Bonds 7.39%	Global Balanced -5.30%	US Bonds 8.72%	Global Bonds 9.20%	Core Real Estate 5.68%	Core Real Estate 3.72%
Global Bonds 6.64%	Mid Cap 5.60%	Commod. -35.65%	TIPS 11.41%	Global Balanced 9.40%	Mid Cap -1.55%	TIPS 6.98%	US Bonds -2.02%	Global Bonds 0.59%	Small Cap -4.41%	TIPS 4.68%	Core Real Estate 6.66%	Mid Cap -9.06%	TIPS 8.43%	US Bonds 7.51%	High Yield 3.62%	TIPS 3.25%
Cash 4.85%	Large Cap 5.49%	Large Cap -37.00%	Global Bonds 6.93%	US Bonds 6.54%	Small Cap -4.18%	Global Bonds 4.32%	Global Bonds -2.60%	Cash 0.04%	High Yield -4.46%	Intl 4.50%	US Bonds 3.54%	Small Cap -11.01%	Commod. 7.69%	High Yield 7.11%	TIPS 1.73%	High Yield 2.74%
US Bonds 4.33%	Cash 4.44%	Mid Cap -41.46%	US Bonds 5.93%	TIPS 6.31%	Commod. -13.32%	US Bonds 4.21%	Emerging Markets -2.60%	Emerging Markets -2.18%	Intl -5.66%	US Bonds 2.65%	TIPS 3.01%	Commod. -11.25%	Global Bonds 6.84%	Cash 0.37%	Cash 0.02%	US Bonds 1.83%
Commod. 2.07%	High Yield 1.87%	Intl -45.53%	Cash 0.16%	Global Bonds 5.54%	Intl -13.71%	Cash 0.08%	TIPS -8.61%	Intl -3.86%	Emerging Markets -14.90%	Global Bonds 2.09%	Commod. 1.70%	Intl -14.20%	Core Real Estate 4.41%	Core Real Estate 0.35%	US Bonds -1.60%	Global Bonds 1.31%
TIPS 0.41%	Small Cap -1.57%	Emerging Markets -53.33%	Core Real Estate -30.40%	Cash 0.15%	Emerging Markets -18.42%	Commod. -1.06%	Commod. -9.52%	Commod. -17.00%	Commod. -24.60%	Cash 0.25%	Cash 0.71%	Emerging Markets -14.58%	Cash 2.30%	Commod. -3.12%	Global Bonds -3.21%	Cash 0.01%

Global Balanced is composed of 60% MSCI World Stock Index, 35% BBgBarc Global Aggregate Bond Index, and 5% US 90-Day T-Bills.

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# Section 2



# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PLAN ASSET ALLOCATION

Second Quarter 2021

Fixed Income	Ticker	Assets	%
Nationwide Fixed Fund	-	\$59,854,932	25.9%
Fidelity US Bond Index	FXNAX	\$2,596,146	1.1%
Sterling Capital Total Return Bond R6	STRDX	\$4,262,014	1.8%
Hotchkis & Wiley High Yield Z	HWHZX	\$1,394,747	0.6%
<b>Total</b>		<b>\$68,107,840</b>	<b>29.5%</b>

Large Cap	Ticker	Assets	%
DFA US Large Cap Value I	DFLVX	\$8,719,828	3.8%
Fidelity 500 Index	FXAIX	\$34,863,824	15.1%
T. Rowe Price Large Cap Growth I	TRLGX	\$23,384,571	10.1%
<b>Total</b>		<b>\$66,968,223</b>	<b>29.0%</b>

Mid Cap	Ticker	Assets	%
MFS Mid Cap Value R6	MVCKX	\$1,932,031	0.8%
Fidelity Mid Cap Index	FSMDX	\$3,487,114	1.5%
WTC-CIF II Mid Cap Opportunities (Series 3)	-	\$10,279,397	4.5%
<b>Total</b>		<b>\$15,698,543</b>	<b>6.8%</b>

Small Cap	Ticker	Assets	%
DFA US Targeted Value I	DFVFX	\$3,844,378	1.7%
Fidelity Small Cap Index	FSSNX	\$1,979,920	0.9%
Vanguard Small Growth Index Adm	VSGAX	\$5,067,907	2.2%
<b>Total</b>		<b>\$10,892,205</b>	<b>4.7%</b>

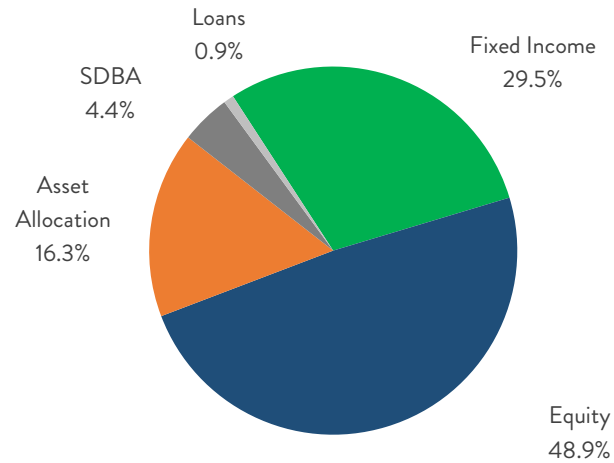
International	Ticker	Assets	%
MFS International Intrinsic Value Equity R6	MINJX	\$4,953,141	2.1%
Fidelity Total International Index	FTIHX	\$4,657,481	2.0%
Vanguard International Growth Adm	VWILX	\$9,538,406	4.1%
<b>Total</b>		<b>\$19,149,029</b>	<b>8.3%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Instl Target Retirement Income Instl	VITRX	\$1,123,704	0.5%
Vanguard Instl Target Retirement 2020 Instl	VITWX	\$1,062,474	0.5%
Vanguard Instl Target Retirement 2025 Instl	VRIVX	\$15,232,652	6.6%
Vanguard Instl Target Retirement 2030 Instl	VTTWX	\$938,643	0.4%
Vanguard Instl Target Retirement 2035 Instl	VITFX	\$8,114,133	3.5%
Vanguard Instl Target Retirement 2040 Instl	VIRSX	\$645,365	0.3%
Vanguard Instl Target Retirement 2045 Instl	VITLX	\$8,021,360	3.5%
Vanguard Instl Target Retirement 2050 Instl	VTRLX	\$686,209	0.3%
Vanguard Instl Target Retirement 2055 Instl	VIVLX	\$1,602,297	0.7%
Vanguard Instl Target Retirement 2060 Instl	VILVX	\$274,688	0.1%
<b>Total</b>		<b>\$37,701,524</b>	<b>16.3%</b>

Miscellaneous	Ticker	Assets	%
Self Directed Option	-	\$10,127,992	4.4%
Loans	-	\$2,071,167	0.9%
<b>Total</b>		<b>\$12,199,159</b>	<b>5.3%</b>

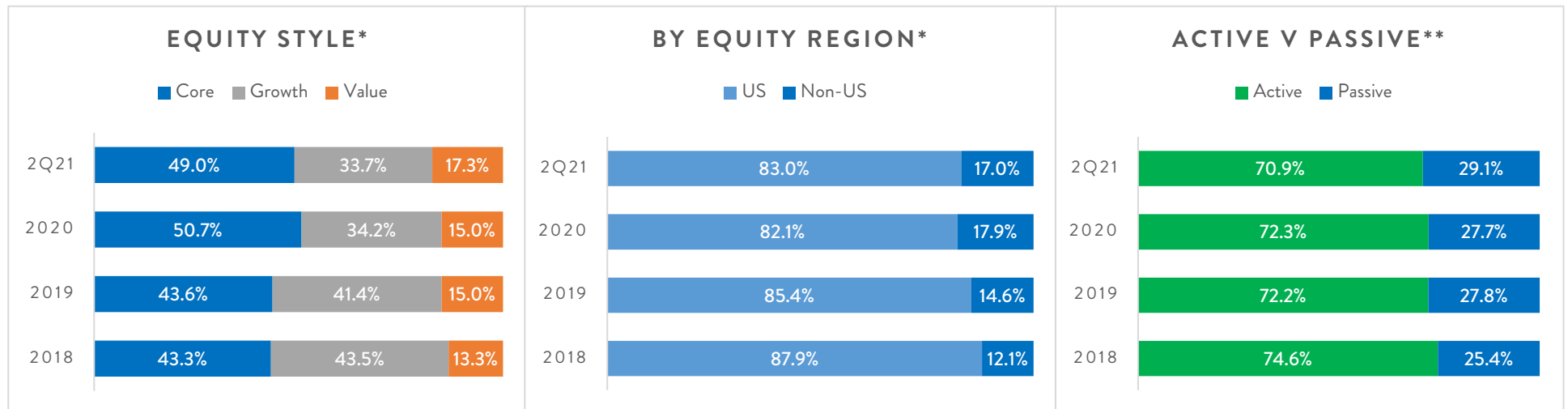
**TOTAL PLAN ASSETS**

**\$230,716,523**



**HISTORICAL PLAN ALLOCATION**

Asset Class	2Q21	2020	2019	2018	2017	2016	2015	2014
<b>Fixed Income</b>	29.5%	33.4%	35.5%	38.7%	N/A	N/A	N/A	N/A
<b>Large Cap</b>	29.0%	27.0%	26.3%	26.1%	N/A	N/A	N/A	N/A
<b>Mid Cap</b>	6.8%	6.4%	7.7%	6.7%	N/A	N/A	N/A	N/A
<b>Small Cap</b>	4.7%	3.9%	3.9%	4.1%	N/A	N/A	N/A	N/A
<b>International</b>	8.3%	8.1%	6.5%	5.1%	N/A	N/A	N/A	N/A
<b>Asset Allocation</b>	16.3%	16.3%	16.6%	16.3%	N/A	N/A	N/A	N/A
<b>SDBA</b>	4.4%	3.9%	2.8%	2.6%	N/A	N/A	N/A	N/A
<b>Loans</b>	0.9%	1.0%	0.7%	0.5%	N/A	N/A	N/A	N/A



\*Excludes Fixed Income, Asset Allocation, Brokerage, and Loan assets

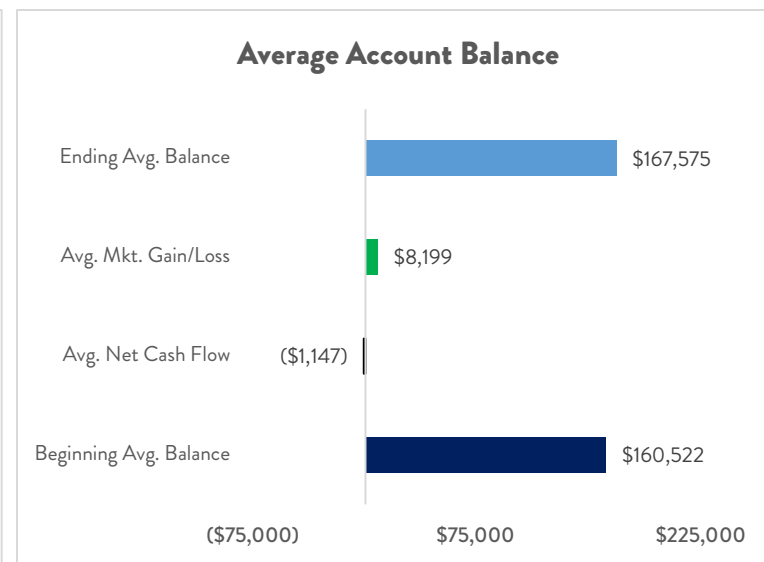
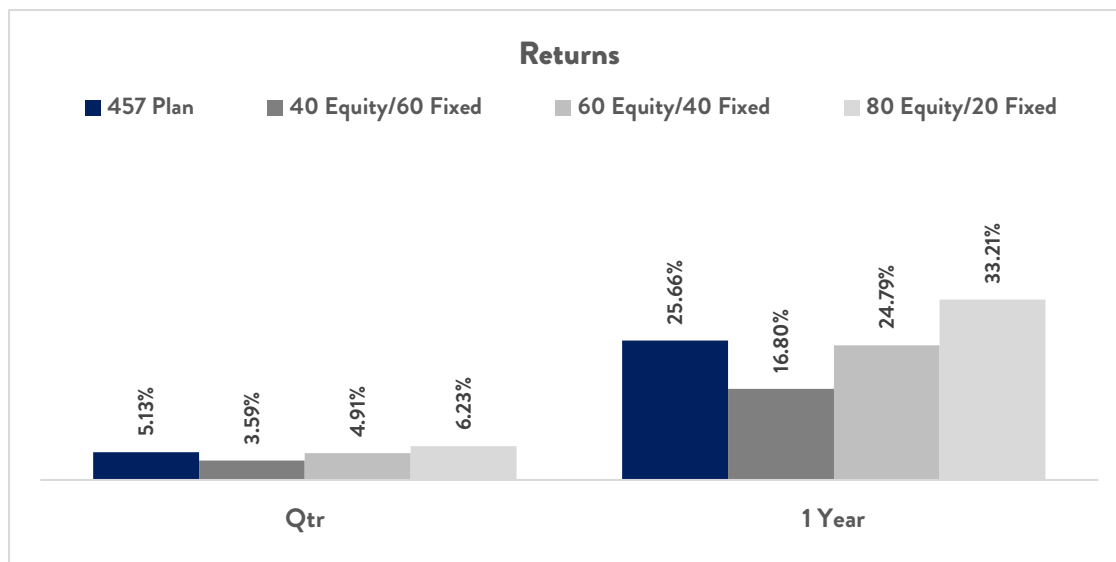
\*\*Excludes Asset Allocation, Brokerage, and Loan assets

**PLAN LEVEL CASH FLOWS**

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$69,207,355	\$799,253	(\$2,202,824)	(\$357,826)	\$661,882	\$68,107,840
<b>Large Cap</b>	\$61,307,889	\$885,989	(\$1,036,828)	\$22,635	\$5,788,537	\$66,968,223
<b>Mid Cap</b>	\$14,898,933	\$198,552	(\$242,617)	\$232,190	\$611,484	\$15,698,543
<b>Small Cap</b>	\$9,865,374	\$124,592	(\$122,815)	\$555,275	\$469,779	\$10,892,205
<b>International</b>	\$18,060,096	\$314,894	(\$403,691)	(\$18,650)	\$1,196,379	\$19,149,029
<b>Asset Allocation</b>	\$35,981,226	\$837,431	(\$647,179)	(\$433,624)	\$1,963,670	\$37,701,524
<b>Total</b>	\$209,320,874	\$3,160,711	(\$4,655,953)	\$0	\$10,691,732	\$218,517,364

**HISTORICAL PLAN CASH FLOWS**

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>2Q21</b>	\$209,320,874	(\$1,495,242)	\$10,691,732	\$218,517,364
<b>YTD</b>	\$203,711,702	(\$2,538,012)	\$17,343,673	\$218,517,364
<b>2020</b>	\$174,412,951	\$3,320,382	\$25,978,370	\$203,711,702
<b>2019</b>	\$150,093,203	(\$2,185,094)	\$26,504,842	\$174,412,951
<b>2018</b>	N/A	N/A	N/A	\$150,093,203
<b>2017</b>	N/A	N/A	N/A	N/A



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 3 Mo T-Bill, BBgBarc Global

Aggregate Bond (rebalanced quarterly)

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# Section 3

Key: Ⓟ Pass / ● Fail

Investment Policy Status

	Performance Factors	Qualitative Factors	On-Watch Date Initiated	Notes
Nationwide Fixed Fund	Ⓟ	Ⓟ	-	
Fidelity US Bond Index	●	Ⓟ	1Q2021	Sharpe Ratio trailing median for five-year period.
Sterling Capital Total Return Bond R6	Ⓟ	Ⓟ	-	
Hotchkis & Wiley High Yield Z	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
DFA US Large Cap Value I	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
Fidelity 500 Index	●	Ⓟ	-	Two consecutive quarters trailing benchmark on rolling three-year basis.
T. Rowe Price Large Cap Growth I	●	Ⓟ	-	Two consecutive quarters trailing benchmark on rolling three-year basis.
MFS Mid Cap Value R6	Ⓟ	Ⓟ	-	
Fidelity Mid Cap Index	Ⓟ	Ⓟ	-	
WTC-CIF II Mid Cap Opportunities (Series 3)	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
DFA US Targeted Value I	●	Ⓟ	2Q2020	Two consecutive quarters trailing benchmark on rolling three-year basis.
Fidelity Small Cap Index	Ⓟ	Ⓟ	-	
Vanguard Small Growth Index Adm	●	Ⓟ	1Q2021	Two consecutive quarters trailing benchmark on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
MFS International Intrinsic Value Equity R6	Ⓟ	●	3Q2020	Significant style drift. To be replaced with Vanguard International Value (VTRIX).
Fidelity Total International Index	Ⓟ	Ⓟ	-	
Vanguard International Growth Adm	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement Income Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2020 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2025 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2030 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2035 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2040 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2045 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2050 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2055 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2060 Instl	Ⓟ	Ⓟ	-	

# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PERFORMANCE REVIEW

Second Quarter 2021

	QTR	YTD	1Yr	<i>Annualized</i>			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Nationwide Fixed Fund</b>	<b>0.78</b>	<b>1.62</b>	<b>3.38</b>	-	-	-	<b>3.50</b>	<b>3.50</b>	-	-	-	-
5 Yr Constant Maturity US Treasury Yield	0.21	0.36	0.52	1.42	1.65	1.46	0.54	1.96	2.75	1.91	1.44	1.53
+/- Index	0.57	1.26	2.86	-	-	-	2.96	1.54	-	-	-	-
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Fidelity US Bond Index</b>	<b>1.85</b>	<b>-1.70</b>	<b>-0.53</b>	<b>5.37</b>	<b>2.97</b>	<b>3.37</b>	<b>7.80</b>	<b>8.48</b>	<b>0.01</b>	<b>3.50</b>	<b>2.52</b>	<b>0.63</b>
BBgBarc Capital US Aggregate Bond Index	1.83	-1.60	-0.33	5.34	3.03	3.39	7.51	8.72	0.01	3.54	2.65	0.55
+/- Index	0.02	(0.10)	(0.20)	0.03	(0.06)	(0.02)	0.29	(0.23)	0.00	(0.04)	(0.13)	0.08
US Fund Intermediate Core Bond	46	75	87	48	59	50	50	48	26	43	55	24
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Sterling Capital Total Return Bond R6</b>	<b>2.16</b>	<b>-0.90</b>	<b>2.35</b>	<b>6.28</b>	<b>3.95</b>	<b>4.05</b>	<b>9.35</b>	<b>9.37</b>	<b>-0.27</b>	<b>4.33</b>	<b>3.75</b>	<b>0.54</b>
BBgBarc Capital US Aggregate Bond Index	1.83	-1.60	-0.33	5.34	3.03	3.39	7.51	8.72	0.01	3.54	2.65	0.55
+/- Index	0.33	0.70	2.68	0.94	0.92	0.66	1.84	0.65	(0.28)	0.79	1.10	(0.01)
US Fund Intermediate Core Bond	16	23	11	10	6	8	15	18	42	10	12	28
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Hotchkis &amp; Wiley High Yield Z</b>	<b>2.87</b>	<b>4.96</b>	<b>19.44</b>	<b>4.97</b>	<b>6.24</b>	<b>5.84</b>	<b>3.83</b>	<b>9.77</b>	<b>-3.34</b>	<b>8.24</b>	<b>16.02</b>	<b>-4.30</b>
BBgBarc Capital US Corp High Yield Index	2.74	3.62	15.37	7.45	7.48	6.66	7.11	14.32	-2.08	7.50	17.13	-4.47
+/- Index	0.13	1.34	4.07	(2.48)	(1.24)	(0.82)	(3.29)	(4.54)	(1.26)	0.73	(1.11)	0.17
US Fund High Yield Bond	29	16	11	87	59	37	74	87	64	15	17	58
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>DFA US Large Cap Value I</b>	<b>5.22</b>	<b>20.71</b>	<b>50.50</b>	<b>10.71</b>	<b>12.56</b>	<b>11.82</b>	<b>-0.61</b>	<b>25.45</b>	<b>-11.65</b>	<b>18.97</b>	<b>18.89</b>	<b>-3.49</b>
Russell 1000 Value Index	5.21	17.05	43.68	12.42	11.87	11.61	2.80	26.54	-8.27	13.66	17.34	-3.83
+/- Index	0.01	3.66	6.82	(1.71)	0.69	0.21	(3.40)	(1.09)	(3.38)	5.30	1.55	0.33
US Fund Large Value	57	17	18	69	38	23	79	49	82	20	13	50

# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PERFORMANCE REVIEW

Second Quarter 2021

	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Fidelity 500 Index</b>	<b>8.55</b>	<b>15.25</b>	<b>40.79</b>	<b>18.66</b>	<b>17.63</b>	<b>14.83</b>	<b>18.40</b>	<b>31.47</b>	<b>-4.40</b>	<b>21.81</b>	<b>11.97</b>	<b>1.38</b>
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.84	18.40	31.49	-4.38	21.83	11.96	1.38
+/- Index	0.00	0.00	0.00	(0.01)	(0.02)	(0.01)	0.00	(0.01)	(0.02)	(0.02)	0.01	0.00
US Fund Large Blend	23	41	45	23	22	10	33	22	22	32	27	25
<b>T. Rowe Price Large Cap Growth I</b>	<b>12.53</b>	<b>16.65</b>	<b>46.98</b>	<b>24.88</b>	<b>27.02</b>	<b>19.41</b>	<b>39.56</b>	<b>28.49</b>	<b>4.32</b>	<b>37.82</b>	<b>2.85</b>	<b>10.08</b>
Russell 1000 Growth Index	11.93	12.99	42.50	25.14	23.66	17.87	38.49	36.39	-1.51	30.21	7.08	5.67
+/- Index	0.60	3.66	4.48	(0.26)	3.36	1.54	1.07	(7.90)	5.83	7.61	(4.22)	4.41
US Fund Large Growth	16	5	12	26	9	6	31	82	7	4	52	10
<b>MFS Mid Cap Value R6</b>	<b>5.04</b>	<b>19.16</b>	<b>50.15</b>	<b>12.93</b>	<b>12.47</b>	<b>11.69</b>	<b>4.40</b>	<b>31.08</b>	<b>-11.31</b>	<b>13.84</b>	<b>15.86</b>	<b>-2.14</b>
Russell Mid Cap Value Index	5.66	19.45	53.06	11.86	11.79	11.75	4.96	27.06	-12.29	13.34	20.00	-4.78
+/- Index	(0.62)	(0.29)	(2.91)	1.07	0.68	(0.06)	(0.57)	4.02	0.98	0.50	(4.14)	2.64
US Fund Mid-Cap Value	44	59	64	21	33	17	34	10	23	45	66	20
<b>Fidelity Mid Cap Index</b>	<b>7.47</b>	<b>16.23</b>	<b>49.79</b>	<b>16.45</b>	<b>15.61</b>	<b>-</b>	<b>17.11</b>	<b>30.51</b>	<b>-9.05</b>	<b>18.47</b>	<b>13.86</b>	<b>-2.44</b>
Russell Mid Cap Index	7.50	16.25	49.80	16.45	15.62	13.24	17.10	30.54	-9.06	18.52	13.80	-2.44
+/- Index	(0.03)	(0.02)	(0.01)	0.00	(0.01)	-	0.01	(0.03)	0.01	(0.05)	0.07	0.00
US Fund Mid-Cap Blend	14	53	50	15	21	-	24	24	25	26	57	32
<b>WTC-CIF II Mid Cap Opportunities (Series 3)</b>	<b>3.00</b>	<b>8.34</b>	<b>42.94</b>	<b>15.94</b>	<b>17.86</b>	<b>14.45</b>	<b>25.16</b>	<b>33.06</b>	<b>-7.03</b>	<b>24.54</b>	<b>12.14</b>	<b>2.20</b>
Russell Mid Cap Growth Index	11.07	10.44	43.77	22.39	20.52	15.13	35.59	35.47	-4.75	25.27	7.33	-0.20
+/- Index	(8.07)	(2.10)	(0.83)	(6.45)	(2.66)	(0.68)	(10.43)	(2.41)	(2.28)	(0.73)	4.81	2.40
US Fund Mid-Cap Growth	95	61	56	90	78	51	79	55	70	57	7	28



# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PERFORMANCE REVIEW

Second Quarter 2021

	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>DFA US Targeted Value I</b>	<b>4.21</b>	<b>30.36</b>	<b>80.04</b>	<b>10.09</b>	<b>13.10</b>	<b>11.00</b>	<b>3.77</b>	<b>21.47</b>	<b>-15.78</b>	<b>9.59</b>	<b>26.86</b>	<b>-5.72</b>
Russell 2000 Value Index	4.56	26.69	73.28	10.27	13.62	10.85	4.63	22.39	-12.86	7.84	31.74	-7.47
+/- Index	(0.35)	3.67	6.76	(0.18)	(0.52)	0.15	(0.87)	(0.92)	(2.92)	1.75	(4.88)	1.75
US Fund Small Value	49	20	23	37	31	22	46	54	54	47	35	51
<b>Fidelity Small Cap Index</b>	<b>4.26</b>	<b>17.53</b>	<b>61.98</b>	<b>13.61</b>	<b>16.59</b>	<b>-</b>	<b>19.99</b>	<b>25.71</b>	<b>-10.88</b>	<b>14.85</b>	<b>21.63</b>	<b>-4.24</b>
Russell 2000 Index	4.29	17.54	62.03	13.52	16.47	12.34	19.96	25.52	-11.01	14.65	21.31	-4.41
+/- Index	(0.03)	(0.01)	(0.05)	0.09	0.12	-	0.03	0.18	0.14	0.20	0.32	0.17
US Fund Small Blend	48	64	36	18	8	-	12	36	34	26	46	53
<b>Vanguard Small Growth Index Adm</b>	<b>5.81</b>	<b>8.52</b>	<b>45.75</b>	<b>18.82</b>	<b>19.38</b>	<b>13.86</b>	<b>35.28</b>	<b>32.76</b>	<b>-5.68</b>	<b>21.92</b>	<b>10.73</b>	<b>-2.52</b>
Vanguard US Small Cap Growth Index	5.81	8.52	45.79	18.83	19.37	13.80	35.35	32.75	-5.68	21.90	10.62	-2.60
+/- Index	0.00	0.00	(0.04)	(0.01)	0.01	0.06	(0.07)	0.01	0.00	0.02	0.11	0.09
US Fund Small Growth	35	62	74	50	59	56	57	36	59	56	46	54
<b>MFS International Intrinsic Value Equity R6</b>	<b>6.81</b>	<b>4.98</b>	<b>25.32</b>	<b>13.36</b>	<b>12.95</b>	<b>11.08</b>	<b>20.56</b>	<b>25.99</b>	<b>-8.89</b>	<b>27.25</b>	<b>4.31</b>	<b>6.85</b>
MSCI EAFE Value (Net) Index	3.01	10.68	33.50	3.78	7.81	3.86	-2.63	16.09	-14.78	21.44	5.02	-5.68
+/- Index	3.80	(5.70)	(8.18)	9.58	5.14	7.22	23.19	9.90	5.89	5.81	(0.72)	12.54
US Fund Foreign Large Value	4	100	94	1	1	1	1	2	2	12	32	1
<b>Fidelity Total International Index</b>	<b>5.53</b>	<b>9.65</b>	<b>36.77</b>	<b>9.44</b>	<b>11.02</b>	<b>-</b>	<b>11.07</b>	<b>21.48</b>	<b>-14.38</b>	<b>27.63</b>	<b>-</b>	<b>-</b>
MSCI ACWI Ex-USA IMI (Net) Index	5.60	9.58	37.18	9.42	11.20	5.65	11.12	21.63	-14.76	27.81	4.41	-4.60
+/- Index	(0.07)	0.07	(0.41)	0.02	(0.18)	-	(0.04)	(0.16)	0.37	(0.18)	-	-
US Fund Foreign Large Blend	31	36	32	36	30	-	42	62	39	27	-	-

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	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard International Growth Adm</b>	<b>7.49</b>	<b>6.38</b>	<b>51.23</b>	<b>23.33</b>	<b>23.66</b>	<b>12.55</b>	<b>59.74</b>	<b>31.48</b>	<b>-12.58</b>	<b>43.16</b>	<b>1.84</b>	<b>-0.54</b>
<b>MSCI ACWI Ex-USA Growth (Net) Index</b>	6.60	6.52	33.68	13.23	13.37	7.28	22.20	27.34	-14.43	32.01	0.12	-1.25
<b>+/- Index</b>	0.89	(0.14)	17.55	10.10	10.29	5.27	37.54	4.14	1.84	11.15	1.72	0.71
<b>US Fund Foreign Large Growth</b>	<b>34</b>	<b>56</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>23</b>	<b>34</b>	<b>7</b>	<b>16</b>	<b>65</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement Income Instl</b>	<b>3.21</b>	<b>3.32</b>	<b>12.04</b>	<b>8.12</b>	<b>6.70</b>	<b>5.84</b>	<b>10.18</b>	<b>13.20</b>	<b>-1.98</b>	<b>8.54</b>	<b>5.29</b>	<b>-0.13</b>
<b>Vanguard Retirement Income Index</b>	3.23	3.34	12.22	8.35	6.91	6.01	10.70	13.40	-1.98	8.67	5.35	0.12
<b>+/- Index</b>	(0.02)	(0.02)	(0.18)	(0.23)	(0.21)	(0.17)	(0.52)	(0.20)	0.00	(0.13)	(0.06)	(0.25)
<b>US Fund Target-Date Retirement</b>	<b>63</b>	<b>63</b>	<b>58</b>	<b>31</b>	<b>43</b>	<b>19</b>	<b>25</b>	<b>47</b>	<b>16</b>	<b>48</b>	<b>28</b>	<b>10</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2020 Instl</b>	<b>4.21</b>	<b>5.56</b>	<b>18.96</b>	<b>10.06</b>	<b>9.44</b>	<b>8.06</b>	<b>12.09</b>	<b>17.69</b>	<b>-4.21</b>	<b>14.13</b>	<b>7.04</b>	<b>-0.63</b>
<b>Vanguard Retirement 2020 Index</b>	4.22	5.61	19.18	10.38	9.72	8.31	12.86	17.87	-4.14	14.22	7.17	-0.40
<b>+/- Index</b>	(0.01)	(0.05)	(0.22)	(0.32)	(0.28)	(0.25)	(0.77)	(0.18)	(0.07)	(0.09)	(0.13)	(0.23)
<b>US Fund Target-Date 2020</b>	<b>49</b>	<b>64</b>	<b>47</b>	<b>28</b>	<b>27</b>	<b>14</b>	<b>38</b>	<b>32</b>	<b>46</b>	<b>21</b>	<b>27</b>	<b>40</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2025 Instl</b>	<b>4.79</b>	<b>6.78</b>	<b>22.81</b>	<b>11.17</b>	<b>10.62</b>	<b>8.78</b>	<b>13.34</b>	<b>19.67</b>	<b>-5.02</b>	<b>15.94</b>	<b>7.56</b>	<b>-0.80</b>
<b>Vanguard Retirement 2025 Index</b>	4.83	6.83	23.07	11.53	10.93	9.05	14.19	19.93	-5.01	16.08	7.66	-0.58
<b>+/- Index</b>	(0.04)	(0.05)	(0.26)	(0.36)	(0.31)	(0.27)	(0.85)	(0.26)	(0.01)	(0.14)	(0.10)	(0.22)
<b>US Fund Target-Date 2025</b>	<b>41</b>	<b>44</b>	<b>35</b>	<b>22</b>	<b>20</b>	<b>15</b>	<b>31</b>	<b>19</b>	<b>41</b>	<b>22</b>	<b>18</b>	<b>42</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2030 Instl</b>	<b>5.27</b>	<b>7.93</b>	<b>26.11</b>	<b>11.92</b>	<b>11.55</b>	<b>9.38</b>	<b>14.10</b>	<b>21.14</b>	<b>-5.82</b>	<b>17.57</b>	<b>7.97</b>	<b>-0.97</b>
<b>Vanguard Retirement 2030 Index</b>	5.29	7.96	26.37	12.29	11.86	9.63	14.96	21.33	-5.74	17.65	8.11	-0.80
<b>+/- Index</b>	(0.02)	(0.03)	(0.26)	(0.37)	(0.31)	(0.25)	(0.86)	(0.19)	(0.08)	(0.08)	(0.14)	(0.17)
<b>US Fund Target-Date 2030</b>	<b>45</b>	<b>54</b>	<b>41</b>	<b>29</b>	<b>29</b>	<b>19</b>	<b>36</b>	<b>35</b>	<b>38</b>	<b>34</b>	<b>26</b>	<b>46</b>

Due to lack of performance history, longer term Vanguard Institutional Target Date Suite performance is based off Investor Share class and adjusted for the differences in fees.

# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

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	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard Instl Target Retirement 2035 Instl</b>	<b>5.70</b>	<b>9.05</b>	<b>29.34</b>	<b>12.64</b>	<b>12.45</b>	<b>9.94</b>	<b>14.80</b>	<b>22.56</b>	<b>-6.56</b>	<b>19.14</b>	<b>8.39</b>	<b>-1.21</b>
Vanguard Retirement 2035 Index	5.73	9.10	29.72	13.02	12.77	10.21	15.67	22.76	-6.48	19.24	8.55	-1.02
+/- Index	(0.03)	(0.05)	(0.38)	(0.38)	(0.32)	(0.27)	(0.87)	(0.20)	(0.08)	(0.10)	(0.16)	(0.19)
<b>US Fund Target-Date 2035</b>	<b>60</b>	<b>75</b>	<b>64</b>	<b>36</b>	<b>39</b>	<b>26</b>	<b>37</b>	<b>46</b>	<b>29</b>	<b>37</b>	<b>26</b>	<b>48</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2040 Instl</b>	<b>6.14</b>	<b>10.22</b>	<b>32.73</b>	<b>13.34</b>	<b>13.34</b>	<b>10.44</b>	<b>15.44</b>	<b>23.93</b>	<b>-7.31</b>	<b>20.73</b>	<b>8.81</b>	<b>-1.52</b>
Vanguard Retirement 2040 Index	6.17	10.25	33.13	13.73	13.68	10.73	16.31	24.19	-7.22	20.87	8.98	-1.25
+/- Index	(0.03)	(0.03)	(0.40)	(0.39)	(0.34)	(0.29)	(0.87)	(0.26)	(0.09)	(0.14)	(0.17)	(0.27)
<b>US Fund Target-Date 2040</b>	<b>58</b>	<b>79</b>	<b>61</b>	<b>38</b>	<b>33</b>	<b>26</b>	<b>40</b>	<b>47</b>	<b>33</b>	<b>29</b>	<b>19</b>	<b>62</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2045 Instl</b>	<b>6.56</b>	<b>11.34</b>	<b>36.10</b>	<b>14.07</b>	<b>13.96</b>	<b>10.76</b>	<b>16.17</b>	<b>25.07</b>	<b>-7.87</b>	<b>21.47</b>	<b>8.94</b>	<b>-1.51</b>
Vanguard Retirement 2045 Index	6.61	11.40	36.63	14.47	14.31	11.03	17.03	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.05)	(0.06)	(0.53)	(0.40)	(0.35)	(0.27)	(0.86)	(0.29)	(0.10)	(0.07)	(0.19)	(0.26)
<b>US Fund Target-Date 2045</b>	<b>44</b>	<b>70</b>	<b>52</b>	<b>30</b>	<b>26</b>	<b>18</b>	<b>37</b>	<b>36</b>	<b>39</b>	<b>21</b>	<b>25</b>	<b>56</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2050 Instl</b>	<b>6.64</b>	<b>11.51</b>	<b>36.49</b>	<b>14.17</b>	<b>14.01</b>	<b>10.78</b>	<b>16.33</b>	<b>25.05</b>	<b>-7.87</b>	<b>21.47</b>	<b>8.95</b>	<b>-1.51</b>
Vanguard Retirement 2050 Index	6.69	11.59	37.03	14.58	14.37	11.06	17.18	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.05)	(0.08)	(0.54)	(0.41)	(0.36)	(0.28)	(0.85)	(0.31)	(0.10)	(0.07)	(0.18)	(0.26)
<b>US Fund Target-Date 2050</b>	<b>47</b>	<b>78</b>	<b>64</b>	<b>32</b>	<b>31</b>	<b>18</b>	<b>37</b>	<b>42</b>	<b>35</b>	<b>27</b>	<b>26</b>	<b>61</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2055 Instl</b>	<b>6.65</b>	<b>11.51</b>	<b>36.50</b>	<b>14.20</b>	<b>14.03</b>	<b>10.78</b>	<b>16.36</b>	<b>25.06</b>	<b>-7.84</b>	<b>21.47</b>	<b>8.94</b>	<b>-1.66</b>
Vanguard Retirement 2055 Index	6.69	11.59	37.03	14.58	14.37	11.06	17.18	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.04)	(0.08)	(0.53)	(0.38)	(0.34)	(0.28)	(0.82)	(0.30)	(0.07)	(0.07)	(0.19)	(0.41)
<b>US Fund Target-Date 2055</b>	<b>51</b>	<b>82</b>	<b>71</b>	<b>34</b>	<b>33</b>	<b>25</b>	<b>39</b>	<b>44</b>	<b>32</b>	<b>37</b>	<b>25</b>	<b>65</b>

Due to lack of performance history, longer term Vanguard Institutional Target Date Suite performance is based off Investor Share class and adjusted for the differences in fees.

**CITY OF SANTA CLARA**

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**PERFORMANCE REVIEW**

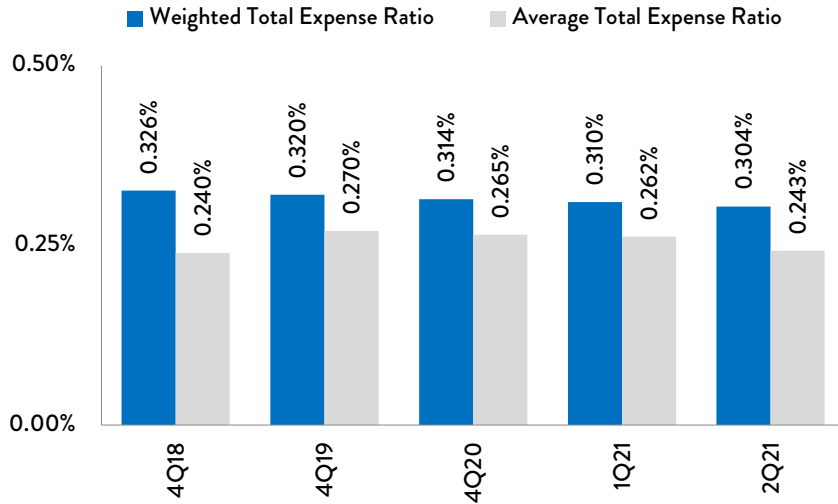
Second Quarter 2021

	QTR	YTD	1Yr	<i>Annualized</i>			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard Instl Target Retirement 2060 Instl</b>	<b>6.66</b>	<b>11.51</b>	<b>36.54</b>	<b>14.23</b>	<b>14.04</b>	<b>-</b>	<b>16.40</b>	<b>25.13</b>	<b>-7.88</b>	<b>21.42</b>	<b>8.94</b>	<b>-1.61</b>
<b>Vanguard Retirement 2060 Index</b>	6.69	11.59	37.03	14.58	14.37	-	17.18	25.36	-7.77	21.54	9.13	-1.25
<b>+/- Index</b>	(0.03)	(0.08)	(0.49)	(0.35)	(0.33)	-	(0.77)	(0.23)	(0.11)	(0.12)	(0.18)	(0.36)
<b>US Fund Target-Date 2060</b>	<b>50</b>	<b>83</b>	<b>72</b>	<b>36</b>	<b>42</b>	<b>-</b>	<b>40</b>	<b>47</b>	<b>32</b>	<b>38</b>	<b>23</b>	<b>82</b>

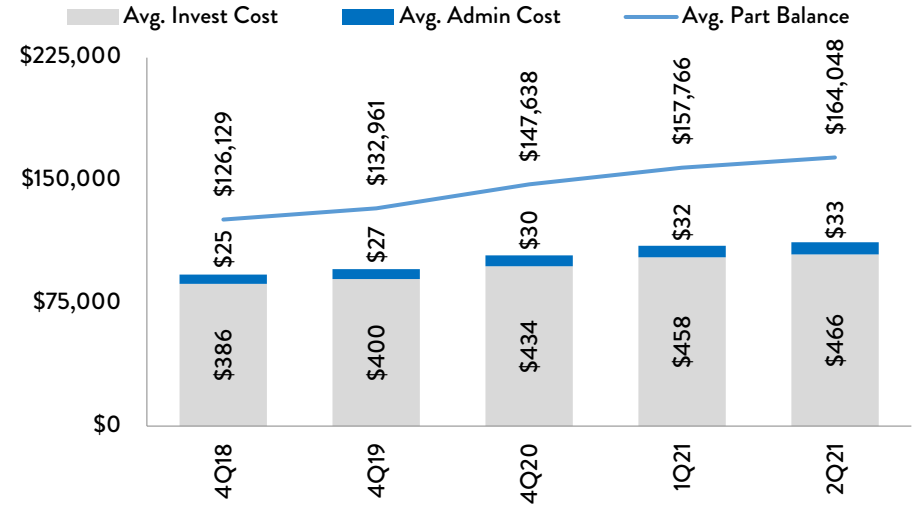
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# Section 4

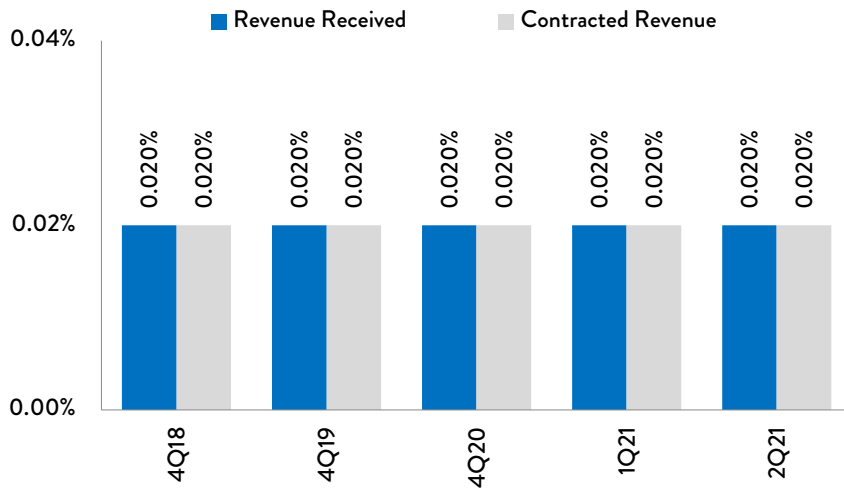
Annualized Plan Cost (%)



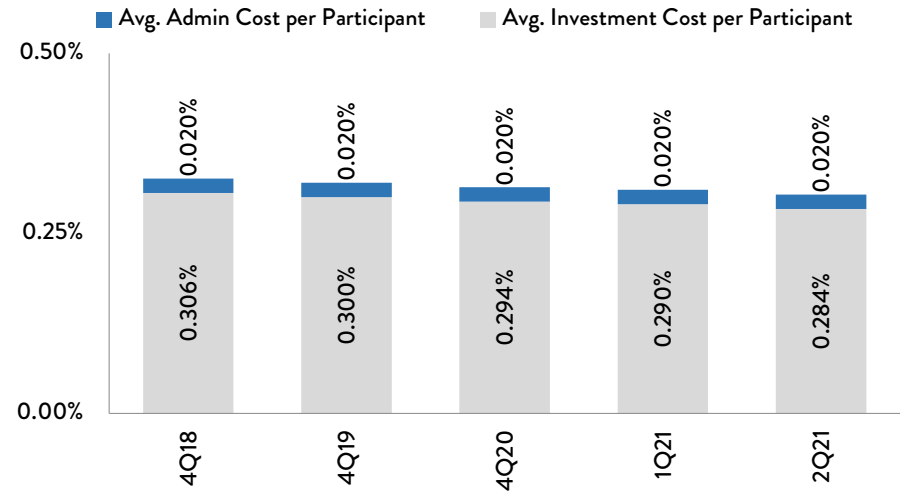
Average Participant Balance and Cost (\$)



Annualized Contracted Revenue v. Revenue Received (as a % of total assets)



Annualized Investment Cost Summary (as a % of total assets)



**CITY OF SANTA CLARA**  
457 Deferred Compensation Plan

**PLAN FEE ANALYSIS**  
Second Quarter 2021

*Annualized*

Fund	Ticker	Quarter Average			Est. Total Invest.	Est. Total Admin.
		Assets	Net Expense Ratio	Admin Fee	Cost	Cost
Nationwide Fixed Fund*	-	\$60,691,024	0.40%	0.02%	\$242,764	\$12,138
Fidelity US Bond Index	FXNAX	\$2,438,862	0.03%	0.02%	\$610	\$488
Sterling Capital Total Return Bond R6	STRDX	\$4,184,959	0.35%	0.02%	\$14,647	\$837
Hotchkis & Wiley High Yield Z	HWHZX	\$1,342,751	0.60%	0.02%	\$8,057	\$269
DFA US Large Cap Value I	DFLVX	\$8,219,030	0.22%	0.02%	\$18,082	\$1,644
Fidelity 500 Index	FXAIX	\$33,602,554	0.02%	0.02%	\$5,040	\$6,721
T. Rowe Price Large Cap Growth I	TRLGX	\$22,316,473	0.56%	0.02%	\$124,972	\$4,463
MFS Mid Cap Value R6	MVCKX	\$1,760,715	0.68%	0.02%	\$11,973	\$352
Fidelity Mid Cap Index	FSMDX	\$2,992,810	0.03%	0.02%	\$748	\$599
WTC-CIF II Mid Cap Opportunities (Series 3)	-	\$10,545,213	0.57%	0.02%	\$60,108	\$2,109
DFA US Targeted Value I	DFFVX	\$3,387,635	0.33%	0.02%	\$11,179	\$678
Fidelity Small Cap Index	FSSNX	\$1,829,351	0.03%	0.02%	\$457	\$366
Vanguard Small Growth Index Adm	VSGAX	\$5,161,804	0.07%	0.02%	\$3,613	\$1,032
MFS International Intrinsic Value Equity R6	MINJX	\$4,778,203	0.63%	0.02%	\$30,103	\$956
Fidelity Total International Index	FTIHX	\$4,486,742	0.06%	0.02%	\$2,692	\$897
Vanguard International Growth Adm	VWILX	\$9,339,617	0.33%	0.02%	\$30,821	\$1,868
Vanguard Instl Target Retirement Income Instl	VITRX	\$561,852	0.09%	0.02%	\$506	\$112
Vanguard Instl Target Retirement 2020 Instl	VITWX	\$531,237	0.09%	0.02%	\$478	\$106
Vanguard Instl Target Retirement 2025 Instl	VRIVX	\$7,616,326	0.09%	0.02%	\$6,855	\$1,523
Vanguard Instl Target Retirement 2030 Instl	VTTWX	\$469,321	0.09%	0.02%	\$422	\$94
Vanguard Instl Target Retirement 2035 Instl	VITFX	\$4,057,067	0.09%	0.02%	\$3,651	\$811
Vanguard Instl Target Retirement 2040 Instl	VIRSX	\$322,683	0.09%	0.02%	\$290	\$65
Vanguard Instl Target Retirement 2045 Instl	VITLX	\$4,010,680	0.09%	0.02%	\$3,610	\$802
Vanguard Instl Target Retirement 2050 Instl	VTRLX	\$343,104	0.09%	0.02%	\$309	\$69
Vanguard Instl Target Retirement 2055 Instl	VIVLX	\$801,148	0.09%	0.02%	\$721	\$160
Vanguard Instl Target Retirement 2060 Instl	VILVX	\$137,344	0.09%	0.02%	\$124	\$27
Vanguard Target Retirement Income Inv	VTINX	\$549,727	0.12%	0.02%	\$660	\$110
Vanguard Target Retirement 2020 Inv	VTWNX	\$515,605	0.13%	0.02%	\$670	\$103
Vanguard Target Retirement 2025 Inv	VTTVX	\$7,514,680	0.13%	0.02%	\$9,769	\$1,503
Vanguard Target Retirement 2030 Inv	VTHRX	\$401,543	0.14%	0.02%	\$562	\$80
Vanguard Target Retirement 2035 Inv	VTTHX	\$3,838,925	0.14%	0.02%	\$5,374	\$768
Vanguard Target Retirement 2040 Inv	VFORX	\$291,365	0.14%	0.02%	\$408	\$58



**CITY OF SANTA CLARA**  
**457 Deferred Compensation Plan**

**PLAN FEE ANALYSIS**  
**Second Quarter 2021**

*Annualized*

Fund	Ticker	Quarter Average			Est. Total Invest.	Est. Total Admin.
		Assets	Net Expense Ratio	Admin Fee	Cost	Cost
Vanguard Target Retirement 2045 Inv	VTIVX	\$3,715,381	0.15%	0.02%	\$5,573	\$743
Vanguard Target Retirement 2050 Inv	VFIFX	\$303,896	0.15%	0.02%	\$456	\$61
Vanguard Target Retirement 2055 Inv	VFFVX	\$732,277	0.15%	0.02%	\$1,098	\$146
Vanguard Target Retirement 2060 Inv	VTTSX	\$127,213	0.15%	0.02%	\$191	\$25
TOTAL		\$213,919,119			\$607,594	\$42,784

Plan Administration Cost	Quarter	Annualized
Plan Generated Revenue (est):	\$10,696	\$42,784

\*No explicit expense ratio stated for the fund. For reporting purposes, an expense of 0.40% is assumed.

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# Section 5

# DFA US Large Cap Value I (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat  
**Silver** **★★★★** S&P 500 TR USD Russell 1000 Value US Fund Large Value  
 12-14-2020 1,141 US Fund Large Value TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	10.79	3.09	0.71	9.06	25.45
2020	-31.52	16.42	5.20	18.52	-0.61
2021	14.72	5.22	—	—	20.71

Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly Std 06-30-2021	50.50	10.71	12.56	11.82	10.30
Std 06-30-2021	50.50	—	12.56	11.82	10.30
Total Return	50.50	10.71	12.56	11.82	10.30
+/- Std Index	9.70	-7.97	-5.09	-3.02	—
+/- Cat Index	6.81	-1.71	0.69	0.21	—
% Rank Cat	20	69	42	27	—
No. in Cat	1210	1141	1012	740	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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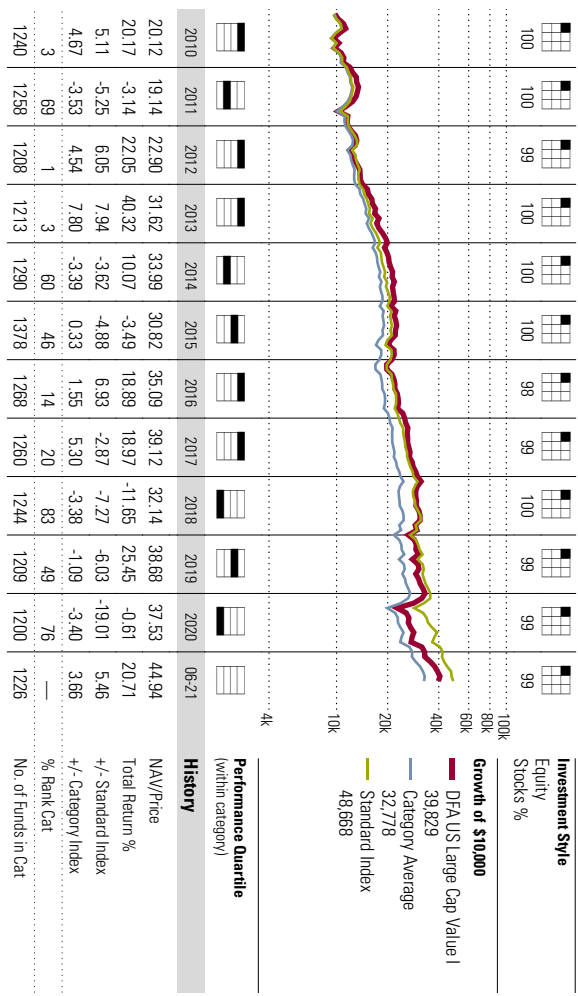
Fees and Expenses	
<b>Sales Charges</b>	
<b>Front-End Load %</b>	<b>NA</b>
<b>Deferred Load %</b>	<b>NA</b>
<b>Fund Expenses</b>	
Management Fees %	0.29
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.22</b>
<b>Gross Expense Ratio %</b>	<b>0.32</b>
<b>Risk and Return Profile</b>	
Morningstar Rating™	3 Yr: 3★ 5 Yr: 3★ 10 Yr: 3★
Morningstar Risk	+Avg +Avg High
Morningstar Return	-Avg Avg +Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	23.21	18.76	16.88
Mean	10.71	12.56	11.82
Sharpe Ratio	0.50	0.67	0.71
MPI Statistics	Standard Index	Best Fit Index	Russell 1000 Value TR USD
Alpha	-9.19	-2.75	-2.75
Beta	1.18	1.15	1.15
R-Squared	88.74	99.08	99.08
12-Month Yield	—	—	—
Potential Cap Gains Exp	16.65%	—	—

**Operations**  
 Family: Dimensional Fund Advisors  
 Manager: Multiple  
 Tenure: 9.4 Years  
 Objective: Growth and Income

Base Currency: USD  
 Ticker: DELVX  
 SIN: US2332038270  
 Minimum Initial Purchase: \$0

Purchase Constraints: A  
 Incept: 02-19-1993  
 Type: MF  
 Total Assets: \$24,744.73 mil



## Portfolio Analysis 05-31-2021

Asset Allocation %	Net %	Long %	Short %	Share Clng	Share Holdings:	Net Assets %
Cash	0.92	0.92	0.01	since 04-2021	349 Total Stocks: 0 Total Fixed-Income, 15% Turnover Ratio	%
US Stocks	97.32	97.32	0.00	6 mil	JPMorgan Chase & Co	3.55
Non-US Stocks	1.77	1.77	0.00	12 mil	Comcast Corp Class A	2.72
Bonds	0.00	0.00	0.00	11 mil	Intel Corp	2.41
Other/Not Clsfd	0.00	0.00	0.00	15 mil	Pfizer Inc	2.29
Total	100.00	100.01	0.01	19 mil	AT&T Inc	2.22

Equity Style	Portfolio Statistics	Port Avg Index	Rel Cat	Rel
Value Blend Growth	P/E Ratio TTM	17.5	0.66	0.91
Large Mid Small	P/C Ratio TTM	10.7	0.61	0.79
	P/B Ratio TTM	2.2	0.49	0.82
	Geo Avg Mkt Cap \$mil	64819	0.33	0.57

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
High Med Low	—	—	—	—
Mid Ex	—	—	—	—
Low	—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	98.2	0.99
Greater Europe	1.5	1.91
Greater Asia	0.3	1.31

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>37.7</b>	<b>1.21</b>
Basic Materials	6.9	3.06
Consumer Cyclical	7.9	0.66
Financial Services	22.5	1.58
Real Estate	0.4	0.16
<b>Sensitive</b>	<b>41.3</b>	<b>0.88</b>
Communication Services	10.7	0.96
Energy	7.3	2.57
Industrials	13.1	1.48
Technology	10.2	0.42
<b>Defensive</b>	<b>20.9</b>	<b>0.96</b>
Consumer Defensive	5.0	0.79
Healthcare	15.7	1.20
Utilities	0.2	0.08

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# DFA US Targeted Value I (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** **409 US Fund Small Value** **SP500 TR USD** **Russell 2000 Value** **US Fund Small Value**  
 05-11-2021

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	12.14	0.95	-1.19	8.59	21.47
2020	-39.19	23.56	4.02	32.77	3.77
2021	25.10	4.21	—	—	30.36
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load adj Mthly	80.04	10.09	13.10	11.00	11.50
Std 06-30-2021	80.04	—	13.10	11.00	11.50
Total Return	80.04	10.09	13.10	11.00	11.50
+/- Std Index	39.25	-8.58	-4.55	-3.84	—
+/- Cat Index	6.76	-0.18	-0.52	0.15	—
% Rank Cat	23	37	33	24	—
No. in Cat	433	409	383	285	—

7-day Yield — Subsidized  
 30-day SEC Yield — Unsubsidized

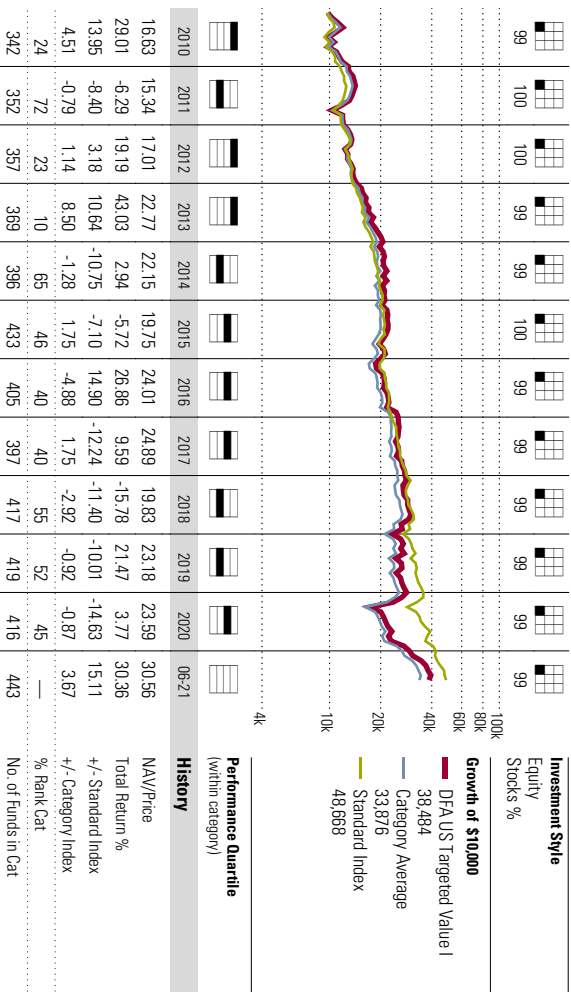
**Performance Disclosure**  
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Fees and Expenses			
Sales Charges			
Front-End Load %	NA		
Deferred Load %	NA		
Fund Expenses			
Management Fees %	0.30		
12b1 Expense %	NA		
Net Expense Ratio %	0.33		
Gross Expense Ratio %	0.33		
Risk and Return Profile			
Morningstar Rating™	3★	3★	3★
Morningstar Risk	+Avg	+Avg	+Avg
Morningstar Return	Avg	+Avg	+Avg
Standard Deviation	29.93	24.48	20.92
Mean	10.09	13.10	11.00
Sharpe Ratio	0.43	0.58	0.58
MPI Statistics	Standard Index	Best Fit Index	Morningstar US
	Small Bid Val Ext TR	Small Bid Val Ext TR	Small Bid Val Ext TR

Operations			
Family:	Dimensional Fund Advisors		
Manager:	Multiple		
Tenure:	9.4 Years		
Objective:	Growth and Income		
12-Month Yield	—		
Potential Cap Gains Exp	-3.67%		



Portfolio Analysis 05-31-2021					
Asset Allocation %			Net %		
Cash	29.01	6.29	19.19	43.03	2.94
US Stocks	13.95	-8.40	3.18	10.64	-10.75
Non-US Stocks	4.51	-0.79	1.14	8.50	-1.28
Bonds	24	72	23	10	65
Other/Not Cstfd	342	352	357	369	396
Total	433	409	383	285	433

Equity Style					
Value	Brand	Growth	Port	Rel	Rel
Large	Mid	Ext	Index	Index	Cat
High	Med	Low	14.4	0.54	0.91
High	Med	Low	7.7	0.44	0.89
High	Med	Low	1.6	0.37	0.94
High	Med	Low	3411	0.02	0.89

Fixed-Income Style			Portfolio Statistics		
Value	Brand	Growth	P/E Ratio TTM	P/C Ratio TTM	P/B Ratio TTM
Large	Mid	Ext	14.4 <th>0.54 <th>0.91 </th></th>	0.54 <th>0.91 </th>	0.91
High	Med	Low	7.7	0.44	0.89
High	Med	Low	1.6	0.37	0.94
High	Med	Low	3411	0.02	0.89

Credit Quality Breakdown			Sector Weightings		
AAA	AA	A	Cyclical	Stocks %	Rel Std Index
AAA	AA	A	Basic Materials	52.3	1.68
AAA	AA	A	Consumer Cyclical	8.9	3.93
AAA	AA	A	Consumer Services	14.8	1.24
AAA	AA	A	Financial Services	27.8	1.95
AAA	AA	A	Real Estate	0.7	0.29
AAA	AA	A	Sensitive	37.6	0.80
AAA	AA	A	Communication Services	2.9	0.26
AAA	AA	A	Energy	6.2	2.16
AAA	AA	A	Industrials	19.3	2.17
AAA	AA	A	Technology	9.3	0.38
AAA	AA	A	Defensive	10.1	0.46
AAA	AA	A	Consumer Defensive	5.3	0.95
AAA	AA	A	Healthcare	4.5	0.34
AAA	AA	A	Utilities	0.2	0.09

Regional Exposure		Performance Constraints:	
Stocks %	Rel Std Index	Incept	Type
Americas	98.7	02-23-2000	A
Greater Europe	0.7	MFE	
Greater Asia	0.6	Total Assets:	\$12,139.19 mil

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# Fidelity® 500 Index (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index** Category Index **Morningstar Cat**  
**Gold** **★★★★★** S&P 500 TR USD Russell 1000 TR US Fund Large Blend  
 02-23-2021 1,257 US Fund Large Blend USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	13.65	4.30	1.69	9.06	31.47
2020	-19.59	20.53	8.94	12.14	18.40
2021	6.18	8.55	—	—	15.25

Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	40.79	18.66	17.63	14.83	14.40
Std 06-30-2021	40.79	—	17.63	14.83	14.40
Total Return	40.79	18.66	17.63	14.83	14.40

+/- Std Index					
	0.00	-0.01	-0.01	-0.01	—
+/- Cat Index	-2.28	-0.49	-0.36	-0.07	—

% Rank Cat					
	50	26	25	12	—
No. in Cat	1386	1257	1099	820	—

7-day Yield **Subsidized** Unsubsidized  
 30-day SEC Yield **—** **—**

**Performance Disclosure**  
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## Fees and Expenses

**Sales Charges**  
**Front-End Load %** **NA**  
**Deferred Load %** **NA**

**Fund Expenses**  
 Management Fees % 0.02  
 12b1 Expense % NA

**Net Expense Ratio %** **0.02**  
**Gross Expense Ratio %** **0.02**  
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	5★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	+Avg

Standard Deviation 18.52 14.99 13.59  
 Mean 18.66 17.63 14.83  
 Sharpe Ratio 0.95 1.09 1.05

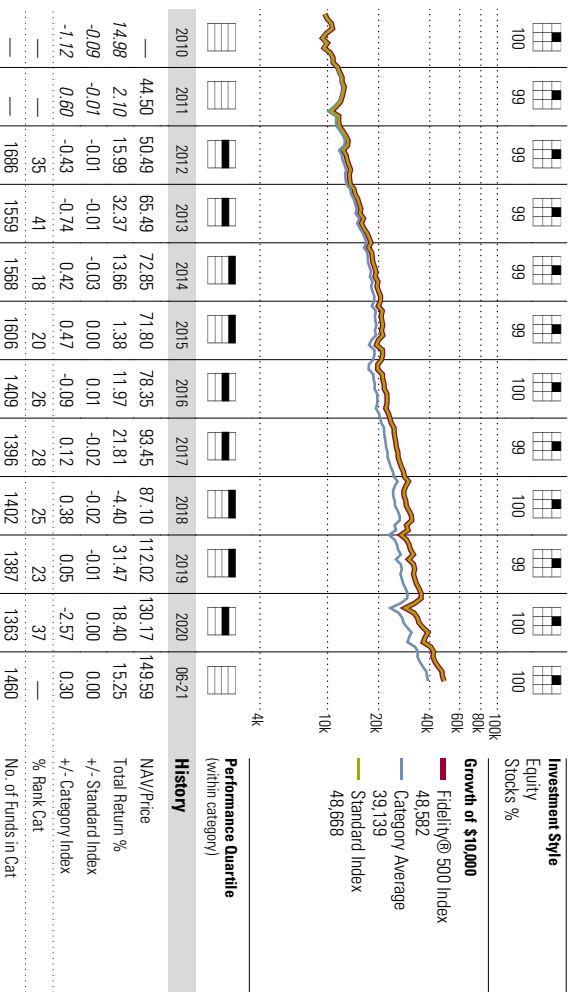
MPI Statistics	Standard Index	Best Fit Index
Alpha	-0.01	-0.01
Beta	1.00	1.00
R-Squared	100.00	100.00
12-Month Yield	—	—
Potential Cap Gains Exp	—	48.33%

## Operations

Family: Fidelity Investments  
 Manager: Multiple  
 Tenure: 12.5 Years  
 Objective: Growth and Income

Base Currency: USD  
 Ticker: FXAIX  
 ISIN: US3159117502  
 Minimum Initial Purchase: \$0

Purchase Constraints: A  
 Incept: 05-04-2011  
 Type: MIF  
 Total Assets: \$343,338.29 mil



Portfolio Allocation %			Net %	Long %	Short %
Asset Class	Cash	Stocks	0.18	0.18	0.00
	US Stocks	Non-US Stocks	98.74	98.74	0.00
	Bonds	Other/Not Cstfd	1.08	1.08	0.00
	Total		0.00	0.00	0.00

Equity Style			Value	Brand	Growth	
	Large	Mid	Small	High	Med	Low
Portfo	High	Med	Low	—	—	—
Index	High	Med	Low	—	—	—
Cat	High	Med	Low	—	—	—

Fixed-Income Style			Value	Brand	Growth	
	Large	Mid	Small	High	Med	Low
Portfo	High	Med	Low	—	—	—
Index	High	Med	Low	—	—	—
Cat	High	Med	Low	—	—	—

**Credit Quality Breakdown** —

Regional Exposure			Stocks %	Rel Std Index
Americas	98.9	1.00	—	—
Greater Europe	0.9	1.08	—	—
Greater Asia	0.2	1.07	—	—

Sector Weightings			Stocks %	Rel Std Index
Basic Materials	2.5	1.09	—	—
Consumer Cyclical	11.9	0.99	—	—
Financial Services	14.8	1.04	—	—
Real Estate	2.5	0.99	—	—
Communication Services	46.3	0.98	—	—
Energy	11.1	1.00	—	—
Industrials	2.8	0.98	—	—
Technology	9.3	1.04	—	—
Consumer Defensive	23.1	0.95	—	—
Healthcare	6.5	1.02	—	—
Utilities	13.1	1.00	—	—
	2.6	1.04	—	—

Share Cng	Share	Holdings	Amount	505 Total Stocks	0 Total Fixed-Income	Net Assets
since	04-2021	7% Turnover Ratio				%
147 mil	Apple Inc	5.50				
70 mil	Microsoft Corp	5.27				
4 mil	Amazon.com Inc	3.86				
22 mil	Facebook Inc A	2.21				
3 mil	Alphabet Inc A	1.98				
3 mil	Alphabet Inc Class C	1.94				
18 mil	Berkshire Hathway Inc Class B	1.54				
28 mil	JPMorgan Chase & Co	1.40				
7 mil	Tesla Inc	1.34				
25 mil	Johnson & Johnson	1.24				
6 mil	NVIDIA Corp	1.13				
9 mil	Unitedhealth Group Inc	1.09				
16 mil	Visa Inc Class A	1.08				
10 mil	The Home Depot Inc	0.96				
23 mil	Procter & Gamble Co	0.93				

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# Fidelity® Mid Cap Index (USD)

Morningstar Quantitative Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat Rating™ **★★★★** S&P 500 TR USD Russell Mid Cap TR US Fund Mid-Cap Blend 05-31-2021 357 US Fund Mid-Cap Blend USD Blend

Performance 06-30-2021	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
Quarterly Returns	16.53	4.14	0.44	7.06	30.51
2019	16.53	4.14	0.44	7.06	30.51
2020	-27.04	24.55	7.49	19.89	17.11
2021	8.15	7.47	—	—	16.23
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	49.79	16.45	15.61	—	15.08
Std 06-30-2021	49.79	—	15.61	—	15.08
Total Return	49.79	16.45	15.61	—	15.08
+/- Std Index	9.00	-2.22	-2.04	—	—
+/- Cat Index	-0.01	0.00	-0.01	—	—
% Rank Cat	53	15	20	—	—
No. in Cat	389	357	290	—	—

7-day Yield — Subsidized  
30-day SEC Yield — Unsubsidized

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-544-8544 or visit [www.institutional.fidelity.com](http://www.institutional.fidelity.com).

## Fees and Expenses

**Sales Charges**  
**Front-End Load %** NA  
**Deferred Load %** NA

## Fund Expenses

Management Fees % 0.03  
12bt Expense % NA  
**Net Expense Ratio %** 0.03  
**Gross Expense Ratio %** 0.03  
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	357 funds	290 funds	202 funds
Morningstar Risk	4★	4★	—
Morningstar Return	Avg +Avg	Avg +Avg	—

Standard Deviation 22.09 17.65 10.10  
Mean 16.45 15.61 —  
Sharpe Ratio 0.75 0.85 —

## MPI Statistics

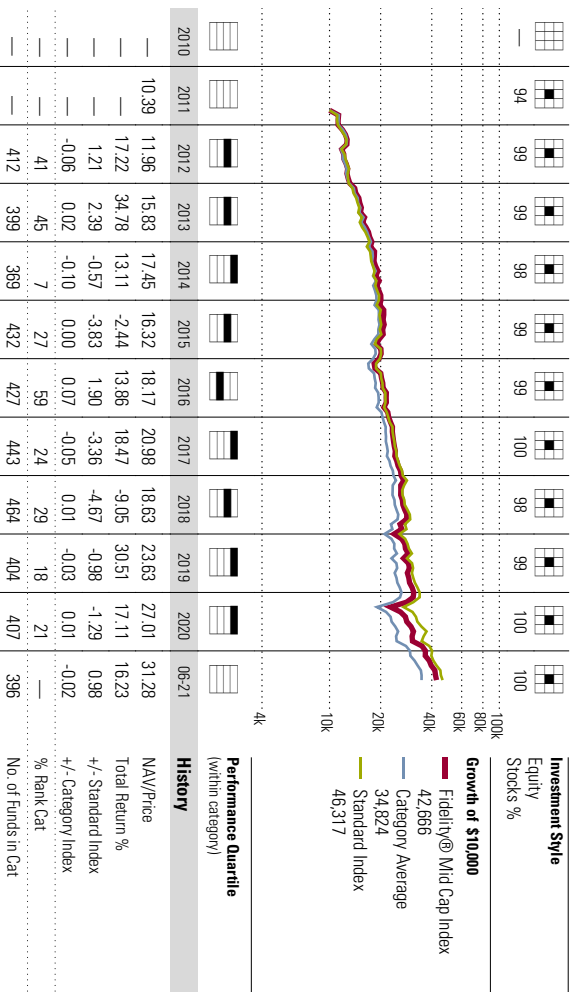
	Standard Index	Best Fit Index
Alpha	0.01	0.01
Beta	-3.75	1.00
R-Squared	1.15	92.60
12-Month Yield	—	100.00
Potential Cap Gains Exp	—	31.17%

## Operations

Family: Fidelity Investments  
Manager: Multiple  
Tenure: 9.8 Years  
Objective: Growth

Base Currency: USD  
Ticker: FSMDX  
ISIN: US316146Z656  
Minimum Initial Purchase: \$0

Purchase Constraints: A  
Incept: 09-08-2011  
Type: MF  
Total Assets: \$22,772.25 mil



## Portfolio Analysis 05-31-2021

Asset Allocation %	Net %	Long %	Short %	Share Cng	Share Holdings:	Net Assets %
Cash	0.22	0.22	0.00	since 04-2021	825 Total Stocks: 0 Total Fixed-Income, 14% Turnover Ratio	—
US Stocks	98.11	98.11	0.00	3 mil	Freeport-McMoran Inc	0.58
Non-US Stocks	1.67	1.67	0.00	8 mil	Ford Motor Co	0.53
Bonds	0.00	0.00	0.00	589,188	Moderna Inc	0.49
Other/Not Cstfd	0.00	0.00	0.00	320,238	KIA Corp	0.46
Total	100.00	100.00	0.00	2 mil	Johnson Controls International PLC	0.45

Equity Style	Value	Brand	Grwth	Port	Rel	Rel	Rel
Large	High	Med	Ext	Avg Index	Index	Cat	—
Mid	High	Med	Ext	P/E Ratio TTM	236	0.89	1.02
Small	High	Med	Ext	P/C Ratio TTM	15.0	0.85	1.13
	High	Med	Ext	P/B Ratio TTM	3.3	0.75	1.06
	High	Med	Ext	Geo Avg Mkt Cap	19102	0.10	1.71

Fixed-Income Style	Value	Brand	Grwth	Port	Rel	Rel	Rel
Large	High	Med	Ext	Avg Eff Maturity	—	—	—
Mid	High	Med	Ext	Avg Eff Duration	—	—	—
Small	High	Med	Ext	Avg Wtd Coupon	—	—	—
	High	Med	Ext	Avg Wtd Price	—	—	—

Credit Quality Breakdown	AAA	AA	A	BBB	BB	B	Below B	Bond %
AAA	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—
A	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—
B	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index
Americas	98.5	1.00
Greater Europe	0.8	1.01
Greater Asia	0.7	3.34

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>37.8</b>	<b>1.22</b>
Basic Materials	4.7	2.09
Consumer Cyclical	13.0	1.08
Financial Services	12.1	0.85
Real Estate	8.0	3.10
<b>Sensitive</b>	<b>41.5</b>	<b>0.88</b>
Communication Services	5.1	0.45
Energy	3.1	1.10
Industrials	14.9	1.69
Technology	18.3	0.76
<b>Defensive</b>	<b>20.7</b>	<b>0.95</b>
Consumer Defensive	4.1	0.66
Healthcare	12.0	0.92
Utilities	4.5	1.85

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# Fidelity® Small Cap Index (USD)

Morningstar Quantitative Rating™ **Bronze** Overall Morningstar Rating™ **★★★★★** S&P 500 TR USD Category Index Russell 2000 TR US Fund Small Blend 603 US Fund Small Blend Morningstar Cat US Fund Small Blend

Performance 06-30-2021	06-30-2021				Total %
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Quarterly Returns	14.56	2.13	-2.34	10.01	25.71
2019	-30.62	25.49	4.98	31.28	19.99
2020	12.73	4.26	—	—	17.53
2021	—	—	—	—	—
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	61.98	13.61	16.59	—	14.73
Std 06-30-2021	61.98	—	16.59	—	14.73
Total Return	61.98	13.61	16.59	—	14.73
+/- Std Index	21.18	-5.06	-1.05	—	—
+/- Cat Index	-0.05	0.09	0.13	—	—
% Rank Cat	43	22	9	—	—
No. in Cat	653	603	512	—	—

7-day Yield **Subsidized** Unsubsidized  
30-day SEC Yield **—** **—**

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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## Fees and Expenses

**Sales Charges**  
**Front-End Load %** **NA**  
**Deferred Load %** **NA**

## Fund Expenses

Management Fees % 0.03  
12b1 Expense % NA  
**Net Expense Ratio %** **0.03**  
**Gross Expense Ratio %** **0.03**  
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	603 funds	512 funds	356 funds
Morningstar Risk	4★	5★	—
Morningstar Return	Avg	Avg	High
	+Avg	High	—

	3 Yr	5 Yr	10 Yr
Standard Deviation	25.55	21.00	—
Mean	13.61	16.59	—
Sharpe Ratio	0.58	0.79	—

## MPI Statistics

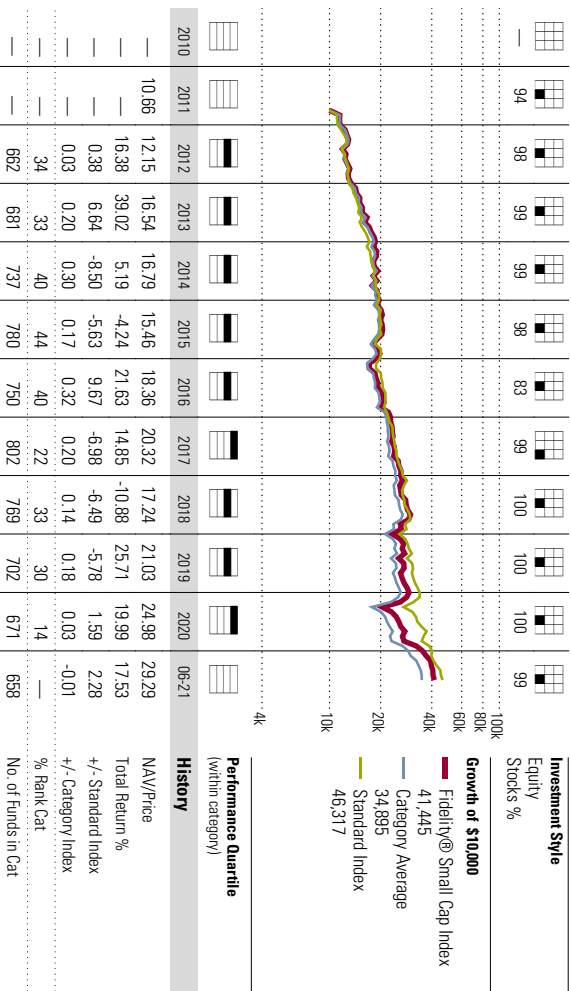
	Standard Index	Best Fit Index
Alpha	0.09	Russel 2000 TR
Beta	-7.57	USD
R-Squared	1.27	1.00
12-Month Yield	84.58	100.00
Potential Cap Gains Exp	—	29.48%

## Operations

Family: Fidelity Investments  
Manager: Multiple  
Tenure: 9.8 Years  
Objective: Small Company

Base Currency: USD  
Ticker: FSSNX  
ISIN: US3161461823  
Minimum Initial Purchase: \$0

Purchase Constraints: A  
Incept: 09-08-2011  
Type: MF  
Total Assets: \$22,190.19 mil



**Portfolio Analysis 01-31-2021**

Asset Allocation %	Net %	Long %	Short %
Cash	0.90	0.90	0.00
US Stocks	98.31	98.31	0.00
Non-US Stocks	0.77	0.77	0.00
Bonds	0.03	0.03	0.00
Other/Not Cstfd	0.00	0.00	0.00
Total	100.00	100.00	0.00

**Equity Style**

Value	Brand	Geom	Port	Rel	Rel
Avg	Index	Cat	Avg	Index	Cat
P/E Ratio TTM	20.4	0.77	0.99		
P/C Ratio TTM	10.1	0.57	0.85		
P/B Ratio TTM	2.5	0.56	0.86		
Geo Avg Mkt Cap	2625	0.01	0.53		

**Fixed-Income Style**

Lat	Med	Ext	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
High	Med	Low	—	—	—	—

**Credit Quality Breakdown** —

	AAA	AA	A	BBB	BB	B	Below B	NR
AAA	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—
A	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—
B	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—
NR	—	—	—	—	—	—	—	—

**Regional Exposure**

	Stocks %	Rel Std Index
Americas	99.7	1.01
Greater Europe	0.1	0.16
Greater Asia	0.2	0.97

**Sector Weightings**

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>36.9</b>	<b>1.19</b>
Basic Materials	3.6	1.57
Consumer Cyclical	13.3	1.10
Financial Services	13.1	0.92
Real Estate	7.0	2.72
<b>Sensitive</b>	<b>35.4</b>	<b>0.75</b>
Communication Services	2.7	0.24
Energy	2.3	0.79
Industrials	15.8	1.79
Technology	14.6	0.60
<b>Defensive</b>	<b>27.7</b>	<b>1.27</b>
Consumer Defensive	3.7	0.58
Healthcare	21.3	1.63
Utilities	2.7	1.11

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# Fidelity® Total International Index (USD)

Morningstar Quantitative Rating™  
**Gold**<sup>o</sup>  
 05-31-2021

Overall Morningstar Rating™ Standard Index  
**★★★★**  
 673 US Fund Foreign Large Blend

MSCI ACWI EX USA NR USD  
 MSCI ACWI EX USA NR USD  
 US Fund Foreign Large Blend

Performance 06-30-2021	06-30-2021				Total %
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Quarterly Returns	10.19	2.85	-1.68	9.02	21.48
2019	-24.15	17.41	6.78	16.81	11.07
2020	3.91	5.53	—	—	9.65
2021	—	—	—	—	—
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	36.77	9.44	—	—	10.06
Std 06-30-2021	36.77	—	—	—	10.06
Total Return	36.77	9.44	11.02	—	10.06
+/- Std Index	1.06	0.06	-0.06	—	—
+/- Cat Index	1.06	0.06	-0.06	—	—
% Rank Cat	25	32	30	—	—
No. in Cat	757	673	579	—	—

7-day Yield  
 30-day SEC Yield

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

### Performance Disclosure

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### Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA

### Fund Expenses

Management Fees %	0.06
12bt Expense %	NA
Net Expense Ratio %	0.06
Gross Expense Ratio %	0.06
<b>Risk and Return Profile</b>	

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	4★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	+Avg	+Avg	—

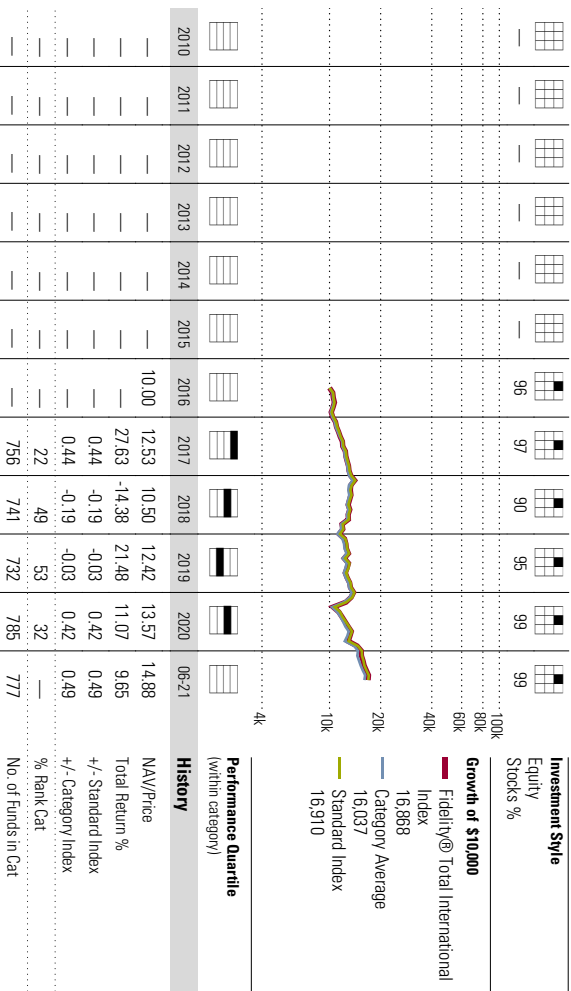
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.91	14.78	—
Mean	9.44	11.02	—
Sharpe Ratio	0.52	0.71	—

MPI Statistics	Standard Index	Best Fit Index
Alpha	-0.01	-0.58
Beta	1.01	1.00
R-Squared	99.29	99.47
12-Month Yield	—	—
Potential Cap Gains Exp	—	1.03%

**Operations**  
 Family: Fidelity Investments  
 Manager: Multiple  
 Tenure: 5.1 Years  
 Objective: Foreign Stock

Base Currency: USD  
 Ticker: FTIHX  
 ISIN: US31635V6386  
 Minimum Initial Purchase: \$0

Purchase Constraints: —  
 Incept: 06-07-2016  
 Type: MF  
 Total Assets: \$7,921.80 mil



### Portfolio Analysis 05-31-2021

Asset Allocation %	Net %	Long %	Short %
Cash	-0.02	0.52	0.54
US Stocks	0.80	0.80	0.00
Non-US Stocks	99.12	99.12	0.00
Bonds	0.00	0.00	0.00
Other/Not Cstfd	0.11	0.11	0.00
Total	100.00	100.54	0.54

Equity Style	Portfolio Statistics	Port	Rel	Rel
Value	P/E Ratio TTM	19.0	1.01	0.98
Small Growth	P/C Ratio TTM	10.4	0.96	0.94
Large	P/B Ratio TTM	1.9	0.97	0.93
Mid	Geo Avg Mkt Cap	31619	0.66	0.57
Small				

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd	—	—	—	—
Med	—	—	—	—
Ext	—	—	—	—

### Credit Quality Breakdown

	AAA	AA	A	BBB	BB	B	Below B	NR	Bond %
AAA	—	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—	—
A	—	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—	—
B	—	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—	—
NR	—	—	—	—	—	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index
Americas	10.2	0.99
Greater Europe	43.7	1.01
Greater Asia	46.1	1.00

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>42.6</b>	<b>1.02</b>
Basic Materials	8.7	1.05
Consumer Cyclical	12.3	0.99
Financial Services	18.0	0.97
Real Estate	3.7	1.41
<b>Sensitive</b>	<b>37.1</b>	<b>1.00</b>
Communication Services	7.2	0.95
Energy	4.3	0.91
Industrials	12.8	1.12
Technology	12.8	0.96
<b>Defensive</b>	<b>20.3</b>	<b>0.96</b>
Consumer Defensive	8.2	0.96
Healthcare	9.0	0.94
Utilities	3.1	1.05

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# Fidelity® US Bond Index (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™**  
**★★★★**  
**Gold**  
 03-31-2021

**403 US Fund Intermediate Core Bond**  
 BBgBarc US Agg Bond TR USD  
 BBgBarc US Agg Bond TR USD  
 US Fund Intermediate Core Bond

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	2.96	2.97	2.27	0.06	8.48
2020	3.66	2.77	0.43	0.75	7.60
2021	-3.48	1.85	—	—	-1.70
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-0.53	5.37	2.97	3.37	3.38
Std 06-30-2021	-0.53	—	2.97	3.37	3.38
Total Return	-0.53	5.37	2.97	3.37	3.38
+/- Std Index	-0.20	0.03	-0.06	-0.02	—
+/- Cat Index	-0.20	0.03	-0.06	-0.02	—
% Rank Cat	83	44	56	47	—
No. in Cat	437	403	348	264	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield	—	—

**Performance Disclosure**  
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## Fees and Expenses

**Sales Charges**  
**Front-End Load %** **NA**  
**Deferred Load %** **NA**

## Fund Expenses

Management Fees % 0.03  
 12bt Expense % NA  
**Net Expense Ratio %** **0.03**  
**Gross Expense Ratio %** **0.03**

## Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	403 funds	348 funds	264 funds
	<b>3★</b>	<b>3★</b>	<b>3★</b>
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	Avg	Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	3.53	3.32	3.11
Mean	5.37	2.97	3.37
Sharpe Ratio	1.18	0.56	0.89

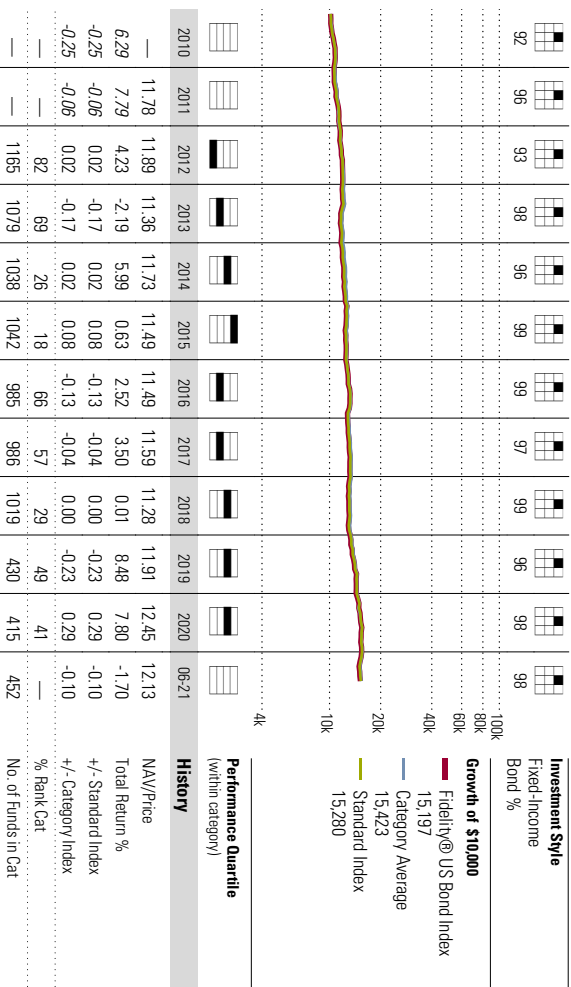
MPI Statistics	Standard Index	Best Fit Index
Alpha	-0.01	Morningstar US
Beta	1.01	Core Btr TR Hdg USD
R-Squared	99.00	99.01
12-Month Yield	—	—
Potential Cap Gains Exp	—	0.01%

## Operations

Family: Fidelity Investments  
 Manager: Multiple  
 Tenure: 7.2 Years  
 Objective: Multisector Bond

Base Currency: USD  
 Ticker: FXMAX  
 ISIN: US3161463563  
 Minimum Initial Purchase: \$0

Purchase Constraints: A  
 Incept: 05-04-2011  
 Type: MF  
 Total Assets: \$58,102.13 mil



Portfolio Analysis 05-31-2021						
Asset Allocation %	Net %	Long %	Short %	Share Cng since 04-2021	Share Holdings: 0 Total Stocks, 2,27.0 Total Fixed-Income, 59% Turnover Ratio	Net Assets %
Cash	1.61	1.61	0.00	1,297 mil	Freddie Mac 2% 30 Year	2.27
US Stocks	0.00	0.00	0.00	1,271 mil	Fannie Mae 2% 30 Year	2.22
Non-US Stocks	0.00	0.00	0.00	1,148 mil	Fannie Mae 3% 30 Year	2.09
Bonds	97.52	97.55	0.03	786 mil	Ginnie Mae 3% 30 Year	1.43
Other/Not Cstfd	0.87	0.87	0.00	770 mil	Fannie Mae 3.5% 30 Year	1.42
Total	100.00	100.03	0.03			

Equity Style				Portfolio Statistics			
Value	Brand	Geom	Port	Avg	Index	Rel	Rel
Large	Mid	Small	P/E Ratio	P/C Ratio	TTM	P/B Ratio	TTM
			Geo Avg Mkt Cap				
			\$mil				

Fixed-Income Style				Sector Weightings			
Ltd	Med	Ext	Avg Eff Maturity	Cyclical	Stocks %	Rel Std Index	
High	Mid	Low	Avg Eff Duration	Basic Materials	—	—	
			Avg Wtd Coupon	Consumer Cyclical	—	—	
			Avg Wtd Price	Financial Services	—	—	
			105.64	Real Estate	—	—	
				Sensitive	—	—	
				Communication Services	—	—	
				Energy	—	—	
				Industrials	—	—	
				Technology	—	—	
				Defensive	—	—	
				Consumer Defensive	—	—	
				Healthcare	—	—	
				Utilities	—	—	

Credit Quality Breakdown 05-31-2021			
AAA	AA	A	Bond %
72.17	4.39	12.34	72.17
10.88	0.15	0.00	10.88
0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.07	0.00	0.00	0.07

Regional Exposure			
Stocks %	Rel Std Index	Stocks %	Rel Std Index
—	—	Americas	—
—	—	Greater Europe	—
—	—	Greater Asia	—

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# Hotchkis & Wiley High Yield Z (USD)

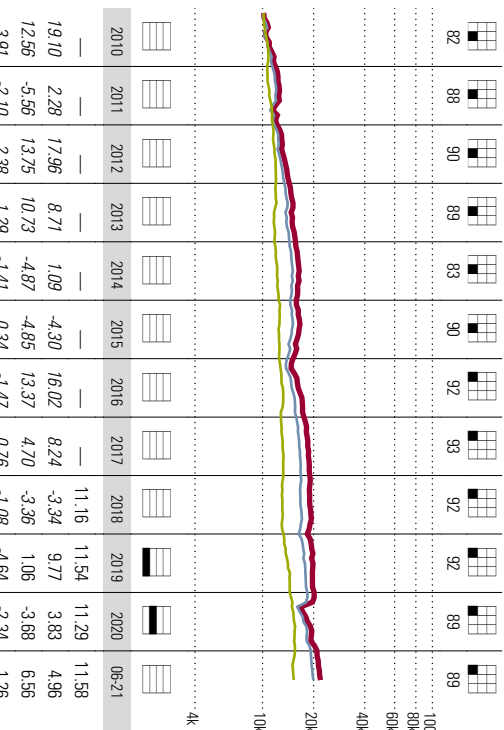
**Morningstar Analyst Rating™**  
**Silver**  
 02-18-2021

**Overall Morningstar Rating™**  
**★★**  
 634 US Fund High Yield Bond

**Standard Index** BBBarc US Agg Bond TR USD  
**Category Index** ICE BofA US High Yield TR USD  
**Morningstar Cat** US Fund High Yield Bond

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	6.13	1.74	-0.62	2.31	9.77
2020	-17.15	10.12	5.22	8.15	3.83
2021	2.04	2.87	—	—	4.95

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	19.44	4.97	—	—	4.76
Std 06-30-2021	19.44	—	—	—	4.76
Total Return	19.44	4.97	6.24	5.84	4.76
+/- Std Index	19.78	-0.38	3.22	2.44	—
+/- Cat Index	3.82	-2.18	-1.06	-0.66	—
% Rank Cat	10	82	55	36	—
No. in Cat	683	634	556	361	—



Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	06-21	History
NAV/Price	—	—	—	—	—	—	—	—	11.16	11.54	11.29	11.58	NAV/Price
Total Return %	19.10	2.28	17.96	8.71	1.09	-4.30	16.02	8.24	-3.34	9.77	3.83	4.96	Total Return %
+/- Standard Index	12.56	-5.56	13.75	10.73	-4.87	-4.65	13.37	4.70	-3.36	1.06	-3.69	6.56	+/- Standard Index
+/- Category Index	3.91	-2.10	2.38	1.29	-1.41	0.34	-1.47	0.76	-1.08	-4.64	-2.34	1.26	+/- Category Index
% Rank Cat	—	—	—	—	—	—	—	—	—	82	71	—	% Rank Cat
No. of Funds in Cat	—	—	—	—	—	—	—	—	—	711	676	695	No. of Funds in Cat

### Portfolio Analysis 05-31-2021

Asset Allocation %	Net %	Long %	Short %	Share Cng since 04-2021	Share Amount	Holdings: 8 Total Stocks, 2,247 Total Fixed-Income, 67% Turnover Ratio	Net Assets %
Cash	0.25	0.26	0.02	—	—	—	—
US Stocks	4.59	4.59	0.00	—	116,127	Horsehead Equity	3.17
Non-US Stocks	0.00	0.00	0.00	—	609,122	Shares Broad USD High Yield Corp	2.32
Bonds	88.60	88.60	0.00	⊕	16 ml	CCO Holdings, LLC/ CCO Holdings Ca	1.58
Other/Not Cstfd	6.56	6.56	0.00	—	18 ml	General Electric Company 3.45%	1.56
Total	100.00	100.02	0.02	—	291	Ra Parent Inc. - Restricted Eq	1.28

Equity Style	Value	Brand	Grwth	Port	Rel	Rel
	Large	Mid	Small	Index	Index	Cat
P/E Ratio TTM	—	—	—	—	—	—
P/C Ratio TTM	—	—	—	—	—	—
P/B Ratio TTM	—	—	—	—	—	—
Geo Avg Mkt Cap	—	—	—	—	—	—

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA

Fixed-Income Style	Ltd	Med	Ext	Avg Eff Maturity	7.23
	High	Mid	Low	Avg Eff Duration	3.80
Avg Wtd Coupon	—	—	—	6.01	6.01
Avg Wtd Price	—	—	—	103.05	103.05

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
<b>Sensitive</b>	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
<b>Defensive</b>	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Management Fees %	0.55
12bt Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.60</b>
<b>Gross Expense Ratio %</b>	<b>0.63</b>
<b>Risk and Return Profile</b>	

Credit Quality Breakdown 05-31-2021	AAA	AA	A	BBB	BB	B	Below B	NR
Bond %	0.00	0.00	0.00	4.68	39.05	37.27	5.16	13.84

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

MPI Statistics	Standard Index	Best Fit Index
Alpha	2.22	-2.92
Beta	0.51	1.17
R-Squared	2.39	96.11
12-Month Yield	—	5.04%
Potential Cap Gains Exp	—	-33.80%

Operations	Hotchkis & Wiley
Family:	Multiple
Manager:	12.3 Years
Tenure:	Corporate Bond - High Yield
Objective:	USD
Base Currency:	—

Tickers:	HWHZX	Incept
ISIN:	US4413485292	03-29-2018
Minimum Initial Purchase:	\$1 mil	MF
Min Auto Investment Plan:	\$1 mil	\$1,105.48 mil
Purchase Constraints:	—	—

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# MFS International Intrinsic Value R6 (USD)

**Morningstar Analyst Rating™** Overall Morningstar Rating™  
**Silver**  
 01-27-2021

**Standard Index** **Category Index** **Morningstar Cat**  
 \*\*\*\*  
 384 US Fund Foreign Large  
 USA NR USD  
 MSCI ACWI EX  
 USA Growth NR  
 MSCI ACWI EX  
 USA Growth NR  
 US Fund Foreign Large  
 USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	12.18	4.35	0.14	7.48	25.99
2020	-13.45	16.88	8.55	9.97	20.56
2021	-1.72	6.81	—	—	4.98
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	25.32	13.36	12.95	11.08	8.27
Std 06-30-2021	25.32	—	12.95	11.08	8.27
Total Return	25.32	13.36	12.95	11.08	8.27
+/- Std Index	-10.40	3.98	1.87	5.63	—
+/- Cat Index	-8.36	0.13	-0.41	3.80	—
% Rank Cat	94	47	55	8	—
No. in Cat	445	384	323	225	—

7-day Yield — Subsidized  
 30-day SEC Yield — Unsubsidized

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-2806 or visit <http://www.mfs.com>.

## Fees and Expenses

**Sales Charges**  
**Front-End Load %** NA  
**Deferred Load %** NA

## Fund Expenses

Management Fees % 0.61  
 12bt Expense % NA  
**Net Expense Ratio %** 0.63  
**Gross Expense Ratio %** 0.63  
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	394 funds	323 funds	225 funds
	4★	3★	5★
Morningstar Risk	Low	Low	Low
Morningstar Return	Avg	Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	13.69	11.79	11.61
Mean	13.36	12.95	11.08
Sharpe Ratio	0.90	1.00	0.91

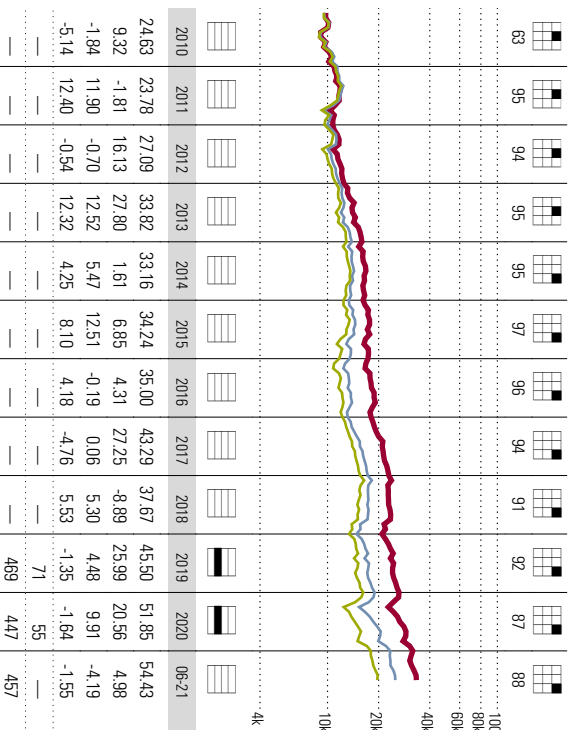
MPT Statistics	Standard Index	Best Fit Index
Alpha	5.74	2.26
Beta	0.70	0.80
R-Squared	81.95	89.46
12-Month Yield	—	—
Potential Cap Gains Exp	—	47.38%

**Operations**  
 Family: MFS  
 Manager: Multiple  
 Tenure: 12.7 Years  
 Objective: Foreign Stock

Base Currency: USD  
 Ticker: MINJX  
 ISIN: US5527463492  
 Minimum Initial Purchase: \$0

Rel Std Index: 1.73  
 Regional Exposure: Americas 17.7%, Greater Europe 58.4%, Greater Asia 23.9%

Purchase Constraints: A/C  
 Incept: 05-01-2006  
 Type: MF  
 Total Assets: \$32,223.79 mil



Investment Style	Equity	Stocks %
MFS International Intrinsic Value R6	33,353	—
Category Average	25,064	—
Standard Index	19,611	—

Performance Quartile (within category)	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
History	447	457	469	487	487	457

## Portfolio Analysis 06-30-2021

Asset Allocation %	Net %	Long %	Short %
Cash	5.58	13.27	7.70
US Stocks	13.24	13.24	0.00
Non-US Stocks	81.19	81.19	0.00
Bonds	0.00	0.00	0.00
Other/Not Cstfd	0.00	0.00	0.00
Total	100.00	107.70	7.70

Equity Style	Value	Brand	Growth
Large	—	—	—
Mid	—	—	—
Small	—	—	—

Portfolio Statistics	Port	Avg	Rel	Rel
P/E Ratio TTM	32.6	1.72	1.13	—
P/C Ratio TTM	20.6	1.90	1.09	—
P/B Ratio TTM	3.9	2.00	1.02	—
Geo Avg Mkt Cap \$mil	373.16	0.78	0.61	—

Fixed-Income Style	Ltd	Med	Ext
High	—	—	—
Mid	—	—	—
Low	—	—	—

Credit Quality Breakdown — Bond %

	AAA	AA	A	BBB	BB	B	Below B	NR
AAA	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—
A	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—
B	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—
NR	—	—	—	—	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index
Americas	17.7	1.73
Greater Europe	58.4	1.34
Greater Asia	23.9	0.52

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>20.4</b>	<b>0.49</b>
Basic Materials	11.5	1.39
Consumer Cyclical	3.9	0.31
Financial Services	2.8	0.15
Real Estate	2.3	0.87
<b>Sensitive</b>	<b>47.1</b>	<b>1.27</b>
Communication Services	0.3	0.05
Energy	0.3	0.05
Industrials	21.3	1.87
Technology	25.2	1.89
<b>Defensive</b>	<b>32.5</b>	<b>1.54</b>
Consumer Defensive	28.8	3.35
Healthcare	3.7	0.39
Utilities	0.0	0.00

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# MFS Mid Cap Value R6 (USD)

Morningstar Quantitative Rating™  
★ ★ ★ ★ ★  
★ ★ ★ ★ ★ Gold<sup>®</sup>

Overall Morningstar Rating™ Standard Index  
★★★★★  
 395 US Fund Mid-Cap Value S&P 500 TR USD  
 Category Index Russell Mid Cap Value TR USD  
 Morningstar Cat US Fund Mid-Cap Value

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	14.60	4.66	2.06	7.08	31.08
2020	-30.83	19.78	5.36	19.59	4.40
2021	13.45	5.04	—	—	19.16
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	50.15	12.93	12.47	—	12.14
Std 06-30-2021	50.15	—	12.47	—	12.14
Total Return	50.15	12.93	12.47	11.69	12.14
+/- Std Index	9.35	-5.74	-5.18	-3.15	—
+/- Cat Index	-2.92	1.07	0.68	-0.05	—
% Rank Cat	72	25	41	27	—
No. in Cat	414	395	346	246	—

7-day Yield — Subsidized  
 30-day SEC Yield — Unsubsidized

**Performance Disclosure**  
 The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-2806 or visit <http://www.mfs.com>.

## Fees and Expenses

Sales Charges  
**Front-End Load % NA**  
**Deferred Load % NA**

## Fund Expenses

Management Fees % 0.65  
 12bt Expense % NA  
**Net Expense Ratio % 0.68**  
**Gross Expense Ratio % 0.68**  
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	395 funds	346 funds	246 funds
Morningstar Risk	4★	4★	4★
Morningstar Return	-Avg	-Avg	-Avg
	+Avg	+Avg	+Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	22.78	18.18	15.97
Mean	12.93	12.47	11.69
Sharpe Ratio	0.60	0.68	0.74

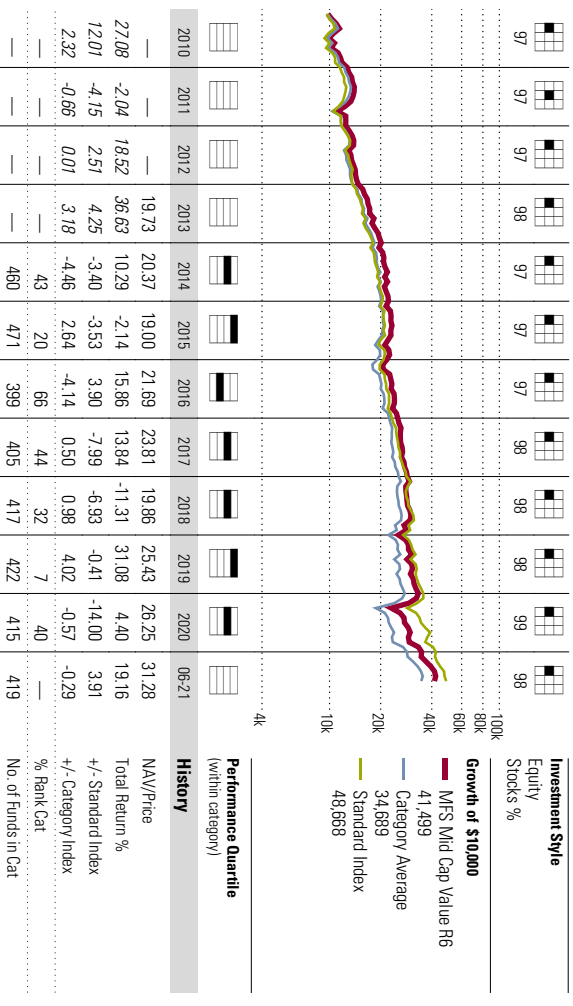
MPI Statistics	Standard Index	Best Fit Index	Russell Mid Cap Value TR USD
Alpha	-6.84	1.17	1.17
Beta	1.16	0.97	0.97
R-Squared	88.61	99.12	99.12

12-Month Yield —  
 Potential Cap Gains Exp 8.76%

**Operations**  
 Family: MFS  
 Manager: Multiple  
 Tenure: 12.7 Years  
 Objective: Growth

Base Currency: USD  
 Ticker: MNOCKX  
 ISIN: US55273WW4758  
 Minimum Initial Purchase: \$0

Purchase Constraints: A  
 Incept: 02-01-2013  
 Type: MIF  
 Total Assets: \$14,646.86 mil



## Portfolio Analysis 06-30-2021

Asset Allocation % 06-30-2021	Net %	Long %	Short %
Cash	2.14	2.14	0.00
US Stocks	94.03	94.03	0.00
Non-US Stocks	3.83	3.83	0.00
Bonds	0.00	0.00	0.00
Other/Not Cstfd	0.00	0.00	0.00
Total	100.00	100.00	0.00

Equity Style	Value	Brand	Growth	Port	Rel	Rel
	Avg	Index	Cat	Avg	Index	Cat
P/E Ratio TTM	19.5	0.74	0.95			
P/C Ratio TTM	11.3	0.64	1.04			
P/B Ratio TTM	2.3	0.52	1.03			
Geo Avg Mkt Cap	15445	0.08	1.19			

## Fixed-Income Style

Value	Brand	Growth	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Large	Med	Small	High	Med	Low	

## Credit Quality Breakdown

	AAA	AA	A	BBB	BB	B	Below B	Bond %
AAA	—	—	—	—	—	—	—	—
AA	—	—	—	—	—	—	—	—
A	—	—	—	—	—	—	—	—
BBB	—	—	—	—	—	—	—	—
BB	—	—	—	—	—	—	—	—
B	—	—	—	—	—	—	—	—
Below B	—	—	—	—	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index
Americas	96.5	0.97
Greater Europe	1.5	1.93
Greater Asia	2.0	9.62

## Top Holdings 05-31-2021

Share Cng	Share	Holdings	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat	Net Assets %
Since 05-2021	Amount	150 Total Stocks, 0 Total Fixed-Income, 19% Turnover Ratio							
⊕	3 ml	Eastman Chemical Co	4.40	19.16					1.29
⊕	2 ml	Johnson Controls International PLC	-6.93	-0.41	-14.00	3.91			1.27
⊕	1 ml	Arthur J. Gallagher & Co	0.98	4.02	-0.57	-0.29			1.24
⊕	814,582	Stanley Black & Decker Inc	32	7	40	—			1.21
⊕	3 ml	The Hartford Financial Services Gr	417	422	415	419			1.18
⊕	4 ml	KBR Inc	150	150	150	150			1.18
⊕	3 ml	LKQ Corp	1.17	1.17	1.17	1.17			1.17
⊕	341,576	Zebra Technologies Corp	1.16	1.16	1.16	1.16			1.16
⊕	1 ml	Eaton Corp PLC	1.15	1.15	1.15	1.15			1.15
⊕	3 ml	Toll Brothers Inc	1.13	1.13	1.13	1.13			1.13
⊕	2 ml	Life Storage Inc	1.10	1.10	1.10	1.10			1.10
⊕	687,919	L3Harris Technologies Inc	1.03	1.03	1.03	1.03			1.03
⊕	865,140	Zimmer Biomet Holdings Inc	1.00	1.00	1.00	1.00			1.00
⊕	663,501	NXP Semiconductors NV	0.96	0.96	0.96	0.96			0.96
⊕	708,248	Lear Corp	0.94	0.94	0.94	0.94			0.94

## Sector Weightings

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>46.0</b>	<b>1.48</b>
Basic Materials	6.6	2.92
Consumer Cyclical	11.8	0.98
Financial Services	20.0	1.40
Real Estate	7.6	2.97
<b>Sensitive</b>	<b>32.2</b>	<b>0.68</b>
Communication Services	2.0	0.18
Energy	5.2	1.82
Industrials	16.1	1.81
Technology	9.0	0.37
<b>Defensive</b>	<b>21.7</b>	<b>0.99</b>
Consumer Defensive	5.7	0.91
Healthcare	8.2	0.63
Utilities	7.8	3.17

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# Nationwide Fixed Account

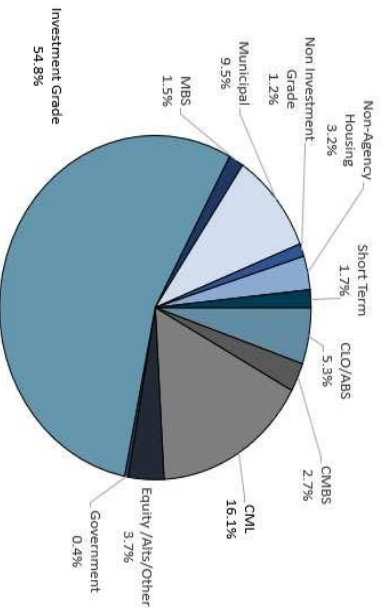
Q2 2021  
As of 6/30

(Group annuity contract issued by Nationwide Life Insurance Company<sup>1</sup>)

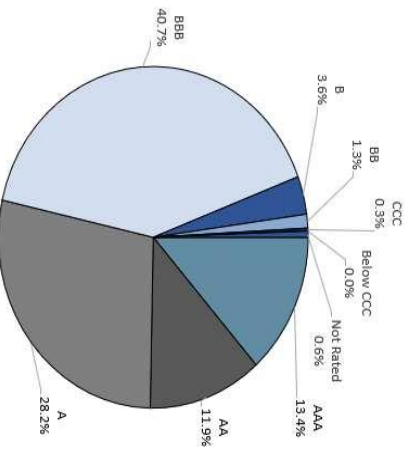
## Product Profile

The Nationwide Fixed Account is a General Account Product that seeks to provide a low-risk, stable investment option offering consistently competitive returns for retirement plan investors.

## Investment Allocation



## Credit Quality



## Top 10 General Account Credit Exposures

Company	% of Assets
Truist Financial Corp	0.47%
Bank of America Corp	0.43%
AT&T Inc	0.43%
Comcast Corp	0.42%
BP plc	0.41%
Verizon Communications Inc	0.40%
Bristol-Myers Squibb Co	0.38%
Morgan Stanley	0.37%
Walt Disney Co	0.37%
MICROSOFT CORP	0.35%

## General Account Profile

Inception Date:	1/10/1931
Total Market Value	\$50.9 billion
Total Number of Unique Holdings	4,558
Average Quality of Bond Portfolio	A-
Weighted Average Maturity:	12.0 years
Weighted Average Life	9.7 years
Effective Duration:	6.9
Market to Book Ratio <sup>2</sup> :	110%

## Nationwide Life Insurance Co. Rating<sup>3</sup>

A.M. Best	A+	Affirmed 12/17/20
Moody's	A1	Affirmed 05/27/20
Standard & Poor's	A+	Affirmed 05/07/21

## Investment Management

The General Account is managed by a team of investment professionals with deep market knowledge, multi-asset class capabilities, and broad market cycle experience. The team uses a disciplined, research-driven approach, supported by a robust risk management framework, to provide diversification and strong risk-adjusted returns.

**Crediting Rate:** The rate currently being credited to your account can be found on your statement, on the web at NRSFORU.com or by contacting our solutions center at 1-877-677-3678.

<sup>1</sup> The Nationwide Fixed Account is backed by the General Account of Nationwide Life Insurance Company and is backed solely by the claims paying ability of Nationwide Life Insurance Company. Information about the securities held in the General Account does not imply ownership by plan participants investing in the Fixed Account or by plan sponsors as the owners of the group annuity contract. This account is not a mutual fund.

<sup>2</sup> The market to book ratio is specific to the Nationwide Life Insurance Company and represents assets on an aggregate basis. However, each product contract experiences its own ratio that differs from the aggregate. The market to book ratio may fluctuate from time to time in accordance with market trends.

<sup>3</sup> These ratings and rankings reflect Rating Agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and are subject to change at any time. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are only updated when there is a change in the rating, the dates reflect the most recent ratings we have received.

Your contract may contain liquidation (exchange and/or transfer) restrictions. The unregistered group variable and fixed annuity contracts are issued by Nationwide Life Insurance Company, Columbus, OH. For more information, please contact your Plan Sponsor.

Please contact the Solutions Center at 1-877-677-3678 for assistance.

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#### **Definitions**

**Average Quality (AQ):** the book value weighted average quality rating of the bond portfolio. The AQ of this investment portfolio is calculated using the second lowest of four (including Internal), median of three, lowest of two, or one rating for each security including but not limited to the following NRSROs: S&P, Moody's, Fitch, and Internal ratings. Asset Backed Securities, Commercial Mortgage Backed Securities, and Non-Agency Mortgage Backed Securities will only use Internal rating.

**Average Maturity (AM):** the book value weighted length of time (in years) to the stated maturity for fixed-income securities. Since this measure ignores the possibility of pre-payment, it generally overstates the average length of time to return of principal. The AM of this investment portfolio is based on scheduled maturities and does not reflect prepayments.

**Average Weighted Life (AWL):** for debt securities, the dollar-weighted average time until the return of all principal in years. AWL for this investment portfolio is weighted by book value.

**Effective Duration:** effective duration specifically takes into account the way changes in yield will affect expected cash flows. It takes into account both the discounting that occurs at different interest rates as well as changes in cash flows.

**Market to Book Ratio:** market to book ratio is equal to market value divided by book value.

**Exchange:** an exchange is the movement of money between the Nationwide Fixed Account and any other investment option available to the plan.

**Transfer:** a transfer is the movement of money between product providers within the same plan or another financial institution.

NRN-1198AO.9 (07/2021)

Release date 06-30-2021 | Note: Portions of the analysis are based on pre- inception returns. Please read disclosure for more information.

# Sterling Capital Total Return Bond R6 (USD)

**Morningstar Quantitative** **Rating™** **Neutral**<sup>a</sup>  
05-31-2021

**Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**  
★★★★★  
403 US Fund Intermediate  
Core Bond

BBBarc US Avg  
Bond TR USD

BBBarc US Avg  
Bond TR USD

US Fund Intermediate  
Core Bond

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	3.23	3.53	2.19	0.14	9.37
2020	0.73	5.10	1.59	1.67	9.35
2021	-3.00	2.16	—	—	-0.90
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	2.35	6.28	—	—	5.36
Std 06-30-2021	2.35	—	—	—	5.36
Total Return	2.35	6.28	3.95	4.05	5.36
+/- Std Index	2.69	0.94	0.93	0.65	—
+/- Cat Index	2.69	0.94	0.93	0.65	—
% Rank Cat	13	9	4	9	—
No. in Cat	437	403	348	264	—

7-day Yield 07-26-21 2.29<sup>1</sup>  
30-day SEC Yield 06-30-21 1.57<sup>1</sup>  
1. Contractual waiver. Expires 01-31-2022

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

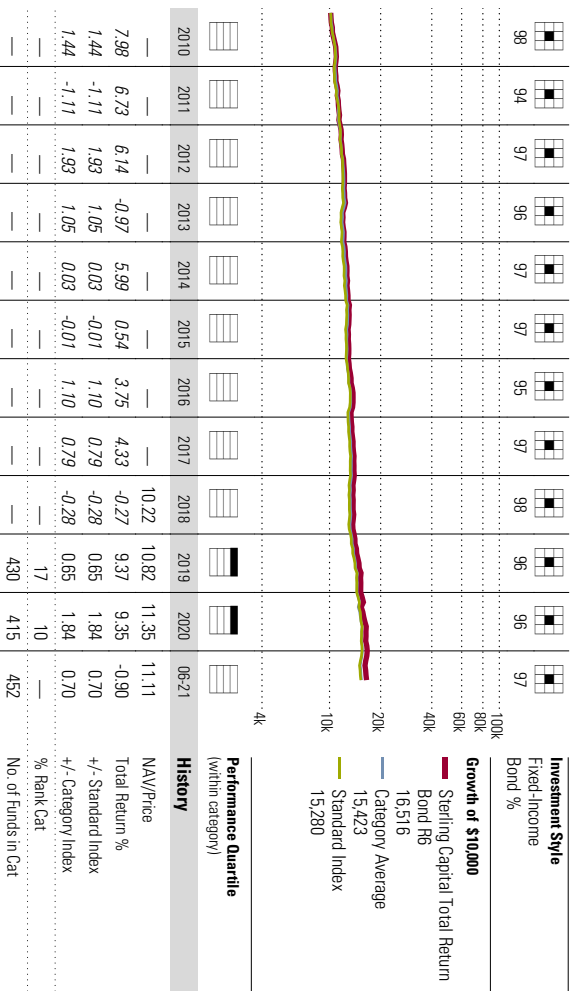
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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-228-1872 or visit [www.sterlingcapitalfunds.com](http://www.sterlingcapitalfunds.com).

Fees and Expenses	
Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.25
Management Fees %	0.00
1201 Expense %	0.35
Net Expense Ratio %	0.45
Gross Expense Ratio %	0.45
Risk and Return Profile	
Morningstar Rating™	3 Yr 5 Yr 10 Yr
	403 funds 348 funds 264 funds
Morningstar Risk	5★ 5★ 5★
	+Avg +Avg +Avg
Morningstar Return	High High High
	3 Yr 5 Yr 10 Yr
Standard Deviation	4.06 3.57 3.17
Mean	6.28 3.95 4.05
Shape Ratio	1.24 0.79 1.08
MPT Statistics	Standard Index Best Fit Index
	BBBarc US Universal TR USD

Regional Exposure	
Alpha	0.65
Beta	1.07
R-Squared	81.88
12-Month Yield	2.58%
Potential Cap Gains Exp	5.03%

**Operations**  
Family: Sterling Capital Funds  
Manager: Multiple  
Tenure: 13.5 Years  
Objective: Growth and Income



Portfolio Analysis 06-30-2021			
Asset Allocation %	Net %	Long %	Short %
Cash	1.71	1.73	0.02
US Stocks	0.00	0.00	0.00
Non-US Stocks	0.00	0.00	0.00
Bonds	96.84	96.84	0.00
Other/Not Cstfd	1.45	1.45	0.00
Total	100.00	100.02	0.02
Equity Style			
Value	Brand	Growth	
Large	Mid	Ext	
High	Med	Low	
Fixed-Income Style			
Lat	Mid	Ext	
High	Med	Low	
Credit Quality Breakdown 06-30-2021			
AAA	54.57	Bond %	
AA	8.05		
AA	15.70		
A	—		
BBB	21.21		
BB	0.23		
B	0.20		
Below B	0.02		
NR	0.02		
Sector Weightings			
↑ Cyclical	Stocks %	Rel Std Index	
Basic Materials	—	—	
Consumer Cyclical	—	—	
Financial Services	—	—	
Real Estate	—	—	
↓ Sensitive	Stocks %	Rel Std Index	
Communication Services	—	—	
Energy	—	—	
Industrials	—	—	
Technology	—	—	
↓ Defensive	Stocks %	Rel Std Index	
Consumer Defensive	—	—	
Healthcare	—	—	
Utilities	—	—	

Share Cng	Share	Holdings:	Net Assets
since	Amount	0 Total Stocks: 445 Total Fixed-Income, 60% Turnover Ratio	%
05-2021	46 mil	United States Treasury Notes 0.12%	2.91
	24 mil	Federated Hermes Treasury 0bl IS	1.51
	20 mil	FORD CREDIT AUTO OWNER TRUST 1.06%	1.24
	19 mil	ONEMAIN FINANCIAL ISSUANCE TRUST 1	1.19
	16 mil	United States Treasury Notes 1.62%	1.05
	17 mil	AMERICREDIT AUTOMOBILE RECEIVABLES	1.04
*	16 mil	HERTZ VEHICLE FINANCING III LLC 1.	0.99
	15 mil	Federal National Mortgage Associat	0.95
	14 mil	Federal Home Loan Mortgage Corpora	0.94
	14 mil	Federal Home Loan Mortgage Corpora	0.94
	13 mil	BANK 2020-BNKZ7 2.14%	0.92
	13 mil	Federal National Mortgage Associat	0.90
	14 mil	SANTANDER DRIVE AUTO RECEIVABLES T	0.89
	12 mil	Capital One Multi Asset Execution	0.79
	11 mil	Firma Pass-Thru 2.5%	0.75

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Base Currency: USD  
Ticker: STRDX  
ISIN: US8591806242  
Minimum Initial Purchase: \$0

Purchase Constraints: A  
Incept: 02-01-2018  
Type: MF  
Total Assets: \$1,595.53 mil





# T. Rowe Price Price Lrg Cp Gr I (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★★** **S&P 500 TR USD** **Russell 1000** **US Fund Large Growth**  
 08-26-2020 1,138 US Fund Large Growth Growth TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	14.68	3.00	-1.11	10.00	28.49
2020	-13.87	28.60	11.46	13.05	39.56
2021	3.66	12.53	—	—	16.65

Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	46.98	24.88	27.02	19.41	12.82
Std 06-30-2021	46.98	—	27.02	19.41	12.82
Total Return	46.98	24.88	27.02	19.41	12.82
+/- Std Index	6.18	6.20	9.37	4.57	—
+/- Cat Index	4.48	-0.27	3.36	1.55	—
% Rank Cat	16	26	10	7	—
No. in Cat	1239	1138	1024	761	—

7-day Yield 07-26-21 0.00  
 30-day SEC Yield —

**Performance Disclosure**  
 The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-638-5660 or visit [www.troweprice.com](http://www.troweprice.com).

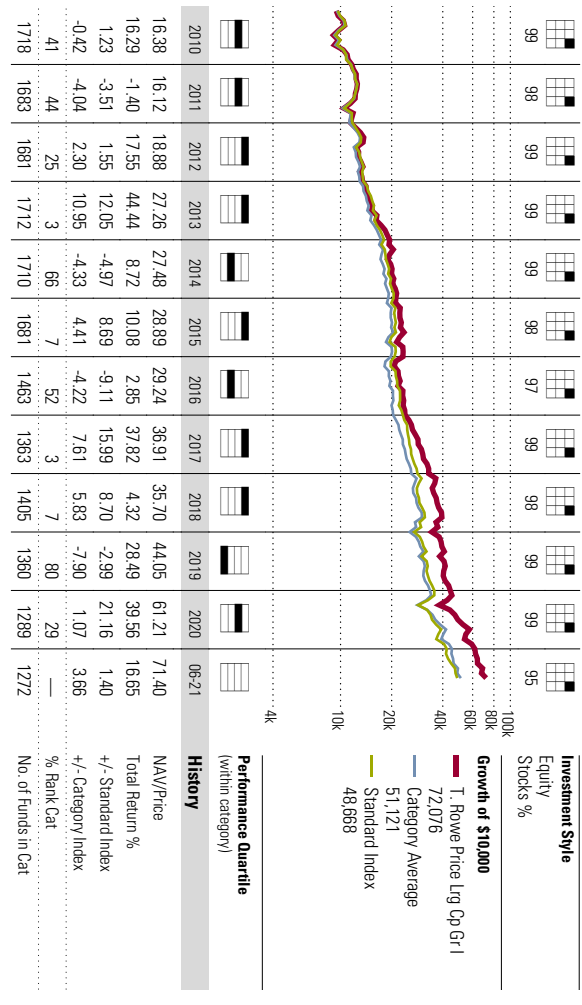
Fees and Expenses	
Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.55
Management Fees %	0.55
12B1 Expense %	NA
Net Expense Ratio %	0.56
Gross Expense Ratio %	0.56
Risk and Return Profile	

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	5★	5★
Morningstar Risk	Avg	Avg	+Avg
Morningstar Return	+Avg	High	High
Standard Deviation	19.38	16.19	15.76
Mean	24.88	27.02	19.41
Sharpe Ratio	1.18	1.49	1.17
MPT Statistics	Standard Index	Best Fit Index	Morningstar US
Alpha	5.37	0.93	0.93
Beta	1.00	0.98	0.98
R-Squared	90.54	97.99	97.99
12-Month Yield	—	—	—
Potential Cap Gains Exp	56.64%	—	—

**Operations**  
 Family: T. Rowe Price  
 Manager: Taymour Tamaddon  
 Tenure: 4.5 Years  
 Objective: Growth

Base Currency: USD  
 Ticker: TRLGX  
 ISIN: US45775L4086  
 Minimum Initial Purchase: \$1 mil

Purchase Constraints: A  
 Incept: 10-31-2001  
 Type: MF  
 Total Assets: \$25,618.06 mil



Portfolio Analysis 06-30-2021	
Asset Allocation %	Net %
Cash	0.32
US Stocks	88.77
Non-US Stocks	6.37
Bonds	0.00
Other/Not Cstfd	4.53
Total	100.00

Portfolio Statistics	
P/E Ratio TTM	36.2
P/C Ratio TTM	23.7
P/B Ratio TTM	7.7
Geo Avg Mkt Cap	292258
Avg Eff Maturity	—
Avg Eff Duration	—
Avg Wtd Coupon	—
Avg Wtd Price	—

Fixed-Income Style	
Value	High
Brand	Med
Style	Ext
Size	High
Market	Med
Quality	Low

Sector Weightings	
Cyclical	27.0
Basic Materials	0.8
Consumer Cyclical	18.5
Financial Services	7.1
Real Estate	0.6
Sensitive	59.2
Communication Services	27.5
Energy	0.0
Industrials	4.0
Technology	27.7
Defensive	13.8
Consumer Defensive	1.2
Healthcare	12.4
Utilities	0.2

Credit Quality Breakdown	
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	
Americas	93.7
Greater Europe	2.3
Greater Asia	4.0
Stocks %	93.7
Rel Std Index	0.95
Consumer Defensive	1.2
Healthcare	12.4
Utilities	0.2

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# Vanguard Instl Trgt Retire 2020 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index** **Category Index** **Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 152 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2020 2020  
 2020 152 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2020 2020 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	7.85	3.22	1.20	4.47	17.69
2020	-10.74	11.43	4.46	7.88	12.09
2021	1.30	4.21	—	—	5.56

Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	18.96	10.06	9.44	—	7.87
Std 06-30-2021	18.96	—	9.44	—	7.87
Total Return	18.96	10.06	9.44	—	7.87

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

Sales Charges		NA
<b>Front-End Load %</b>		<b>NA</b>
<b>Deferred Load %</b>		<b>NA</b>

Fund Expenses		0.00
Management Fees %		0.00
12b1 Expense %		NA
<b>Net Expense Ratio %</b>		<b>0.09</b>
<b>Gross Expense Ratio %</b>		<b>0.09</b>

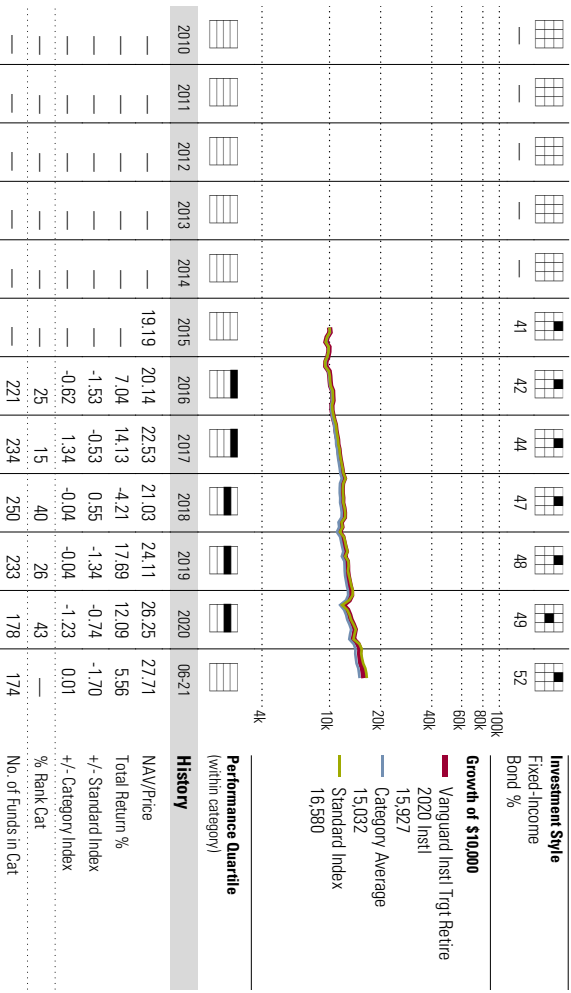
Risk and Return Profile		3 Yr	5 Yr	10 Yr
Morningstar Rating™	152 funds	3★	4★	65 funds
Morningstar Risk	Avg	Avg	Avg	—
Morningstar Return	Avg	+Avg	—	—

MPT Statistics		Standard Index	Best Fit Index
Alpha	0.35	0.73	Morningstar TR USD
Beta	0.84	0.76	
R-Squared	98.86	99.30	
12-Month Yield	1.55%	1.55%	
Potential Cap Gains Exp	16.99%	16.99%	

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation

Base Currency: USD  
 Ticker: VITWX  
 SIN: US92202E7976  
 Minimum Initial Purchase: \$5 mil

Purchase Constraints: —  
 Incept: 06-26-2015  
 Type: MF  
 Total Assets: \$31,851.72 mil



Portfolio Analysis 06-30-2021		Net %	Long %	Short %
<b>Asset Allocation %</b>		0.94	0.97	0.03
Cash		28.32	28.32	0.00
US Stocks		18.61	18.61	0.00
Non-US Stocks		51.72	51.75	0.03
Bonds		0.41	0.41	0.00
Other/Not Cstfd		100.00	100.07	0.07

Equity Style		Value	Share	Gain/Loss
		Large	Med	Small
		High	Med	Low

Fixed-Income Style		Value	Share	Gain/Loss
		Large	Med	Small
		High	Med	Low

Credit Quality Breakdown 05-31-2021		AAA	AA	A	BBB	BB	B	Below B	NR
AAA		75.50	2.27	9.47	12.48	0.00	0.00	0.01	0.27
AA		2.27	9.47	12.48	0.00	0.00	0.01	0.27	
A		9.47	12.48	0.00	0.00	0.01	0.27		
BBB		12.48	0.00	0.00	0.01	0.27			
BB		0.00	0.01	0.27					
B		0.01	0.27						
Below B		0.27							
NR		0.27							

Regional Exposure		Stocks %	Rel Std Index
Americas		64.0	1.08
Greater Europe		17.3	0.97
Greater Asia		18.6	0.93

Sector Weightings		Stocks %	Rel Std Index
<b>Cyclical</b>		<b>36.7</b>	<b>0.94</b>
Basic Materials		5.0	0.96
Consumer Cyclical		12.0	1.10
Financial Services		16.1	1.04
Real Estate		3.6	0.50
<b>Sensitive</b>		<b>42.2</b>	<b>1.09</b>
Communication Services		9.0	1.25
Energy		3.3	0.86
Industrials		11.1	0.98
Technology		18.7	1.15
<b>Defensive</b>		<b>21.1</b>	<b>0.94</b>
Consumer Defensive		6.7	0.93
Healthcare		11.8	0.98
Utilities		2.6	0.85

Performance Metrics		NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
2020		15,927	15,032	16,580	—	—	—
History		—	—	—	—	—	—

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# Vanguard Instl Trgt Retire 2025 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 194 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2025 2025 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	8.79	3.39	1.09	5.25	19.67
2020	-12.94	13.19	5.17	9.36	13.34
2021	1.89	4.79	—	—	6.78
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	22.81	11.17	10.62	—	8.88
Std 06-30-2021	22.81	—	10.62	—	8.88
Total Return	22.81	11.17	10.62	—	8.88
+/- Std Index	-1.11	-0.06	0.32	—	—
+/- Cat Index	0.67	0.03	0.50	—	—
% Rank Cat	38	29	24	—	—
No. in Cat	212	194	152	—	—

7-day Yield — Subsidized  
 30-day SEC Yield 07-20-21 1.58 Unsubsidized

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

**Sales Charges**  
**Front-End Load %** NA  
**Deferred Load %** NA

**Fund Expenses**  
 Management Fees % 0.00  
 12b1 Expense % NA  
**Net Expense Ratio %** 0.09  
**Gross Expense Ratio %** 0.09

**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	+Avg	+Avg	—

Standard Deviation 11.33 9.17 —  
 Mean 11.17 10.62 —  
 Sharpe Ratio 0.88 1.02 —

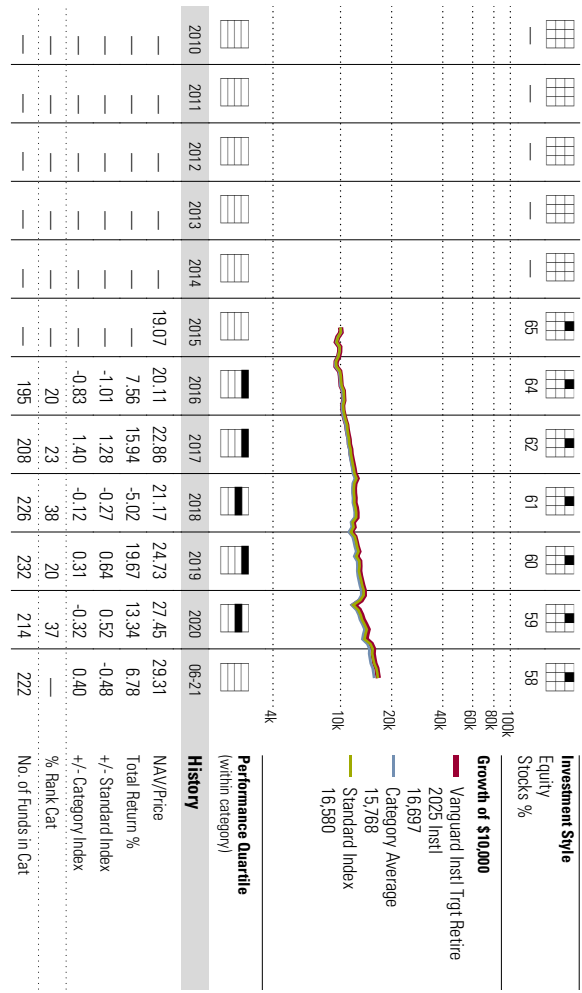
MPT Statistics

	Standard Index	Best Fit Index
Alpha	0.00	0.46
Beta	0.99	0.89
R-Squared	99.30	99.43
12-Month Yield	1.57%	1.57%
Potential Cap Gains Exp	16.94%	16.94%

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation

Base Currency: USD  
 Ticker: VRIVX  
 ISIN: US92202E7893  
 Minimum Initial Purchase: \$5 mil

Purchase Constraints: —  
 Incept: 06-26-2015  
 Type: MF  
 Total Assets: \$51,716.51 mil



**Portfolio Analysis 06-30-2021**

**Asset Allocation %**

Asset Class	Net %	Long %	Short %
Cash	0.46	0.50	0.04
US Stocks	35.26	35.26	0.00
Non-US Stocks	22.79	22.79	0.00
Bonds	41.11	41.14	0.03
Other/Not Cstfd	0.38	0.38	0.00
Total	100.00	100.07	0.07

**Equity Style**

Value	Share	Weight	Port	Rel	Rel
Value	Share	Weight	Avg Index	Index	Cat
Large	—	—	21.7	1.02	0.94
Mid	—	—	13.5	1.03	0.93
Small	—	—	2.7	1.07	0.92
Geo Avg Mkt Cap	66063	1.40	0.87	—	—

**Fixed-Income Style**

Value	Share	Weight	Avg Eff	Avg Eff	Avg Wtd
Value	Share	Weight	Eff Maturity	Duration	Coupon
High	—	—	8.20	6.47	2.29
Med	—	—	—	—	—
Low	—	—	—	—	—
Avg Wtd Price	—	—	108.19	—	—

**Credit Quality Breakdown 05-31-2021**

AAA	AA	A	BBB	BB	B	Below B	NR
69.94	2.79	11.63	15.33	0.00	0.00	0.01	0.30

**Regional Exposure**

Region	Stocks %	Rel Std Index
Americas	64.4	1.04
Greater Europe	17.2	0.96
Greater Asia	18.4	0.92

**Share Cng**

Share Cng	Share	Holdings	Net Assets
Amount	10,722	Total Stocks	17,743
24% Turnover Ratio	—	Total Fixed-Income	—
05-2021	167 mil	Vanguard Total Stock Market Idx I	35.44
1,310 mil	Vanguard Total Bond Market IIdx	28.63	
549 mil	Vanguard Total Intl Stock Index Inv	22.64	
298 mil	Vanguard Total Intl Bd II Idx Admi	11.69	
32 mil	Vanguard Shrt-Term Intl-Prot Sec I	1.63	
0	Vanguard Total Intl Bd IIdx Admratr™	0.00	

**Sector Weightings**

Sector	Stocks %	Rel Std Index
<b>Cyclical</b>	36.7	0.94
Basic Materials	5.0	0.96
Consumer Cyclical	12.0	1.10
Financial Services	16.1	1.03
Real Estate	3.6	0.50
<b>Sensitive</b>	42.2	1.09
Communication Services	9.1	1.26
Energy	3.3	0.86
Industrials	11.1	0.98
Technology	18.7	1.15
<b>Defensive</b>	21.1	0.94
Consumer Defensive	6.7	0.93
Healthcare	11.8	0.98
Utilities	2.6	0.85

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# Vanguard Instl Trgt Retire 2030 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 193 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2030 2030  
 2030 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	9.56	3.39	0.87	6.02	21.14
2020	-14.77	14.57	5.71	10.54	14.10
2021	2.52	5.27	—	—	7.93
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	26.11	11.92	11.55	—	9.26
Std 06-30-2021	26.11	—	11.55	—	9.26
Total Return	26.11	11.92	11.55	—	9.26
+/- Std Index	2.19	0.69	1.25	—	—
+/- Cat Index	0.18	0.16	0.37	—	—
% Rank Cat	43	33	29	—	—
No. in Cat	213	193	153	—	—

7-day Yield	
30-day SEC Yield 07-20-21	1.58
	1.58

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

## Fees and Expenses

Sales Charges	NA
<b>Front-End Load %</b>	<b>NA</b>
<b>Deferred Load %</b>	<b>NA</b>

Fund Expenses	0.00
Management Fees %	0.00
12b1 Expense %	NA

Net Expense Ratio %	0.09
<b>Gross Expense Ratio %</b>	<b>0.09</b>

## Risk and Return Profile

Morningstar Rating™	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	Avg	+Avg	—
Standard Deviation	3 Yr 12.70	5 Yr 10.27	10 Yr —
Mean	11.92	11.55	—
Sharpe Ratio	0.85	1.00	—

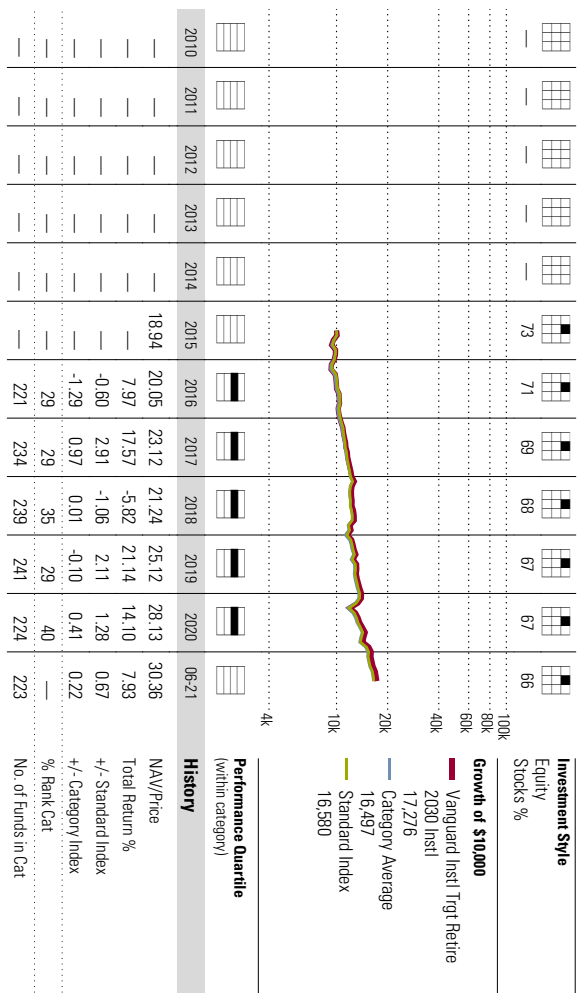
MPT Statistics	Standard Index	Best Fit Index
	TR USD	Morningstar TR USD
	Lifetime Mod 2030	TR USD

Alpha	-0.37	0.90
Beta	1.12	0.87
R-Squared	99.37	99.49
12-Month Yield	1.52%	1.52%
Potential Cap Gains Exp	17.02%	17.02%

Operations	
Family:	Vanguard
Manager:	Multiple
Tenure:	6.1 Years
Objective:	Asset Allocation

Base Currency:	USD
Ticker:	VTTMX
SIN:	US92202E7711
Minimum Initial Purchase:	\$5 mil

Purchase Constraints:	—
Incept:	06-26-2015
Type:	MF
Total Assets:	\$54,535.30 mil



Portfolio Analysis 06-30-2021											
Asset Allocation %			Net %	Long %	Short %	History					
Cash	0.36	0.36	0.02	0.02	20.05	23.12	21.24	25.12	28.13	30.36	NAV/Price
US Stocks	40.07	40.07	0.00	0.00	7.97	17.57	-5.82	21.14	14.10	7.93	Total Return %
Non-US Stocks	26.00	26.00	0.00	0.00	-0.60	2.91	-1.06	2.11	1.28	0.67	+/- Standard Index
Bonds	33.25	33.27	0.03	0.03	-1.29	0.97	0.01	-0.10	0.41	0.22	+/- Category Index
Other/Not Cstfd	0.33	0.33	0.00	0.00	29	29	35	29	40	—	% Rank Cat
Total	100.00	100.05	0.05	0.05	221	234	239	241	224	223	No. of Funds in Cat

Equity Style		Portfolio Statistics	
Value	Small Growth	P/E Ratio TTM	21.7
Large	Med	P/C Ratio TTM	13.5
	Med	P/B Ratio TTM	2.7
	Small	Geo Avg Mkt Cap	66032
			1.39
			0.87

Fixed-Income Style		Portfolio Statistics	
High	Med	Avg Eff Maturity	8.50
Low	Med	Avg Eff Duration	6.68
	Low	Avg Wtd Coupon	2.36
		Avg Wtd Price	108.17

## Credit Quality Breakdown 05-31-2021

AAA	68.30	Bond %
AA	2.94	
A	12.27	
BBB	16.17	
BB	0.00	
B	0.00	
Below B	0.01	
NR	0.31	

Sector Weightings		Stocks %	Rel Std Index
<b>Cyclical</b>		<b>36.7</b>	<b>0.94</b>
Basic Materials		5.0	0.96
Consumer Cyclical		12.0	1.10
Financial Services		16.1	1.03
Real Estate		3.6	0.50
<b>Sensitive</b>		<b>42.2</b>	<b>1.09</b>
Communication Services		9.1	1.26
Energy		3.3	0.86
Industrials		11.1	0.98
Technology		18.7	1.15
<b>Defensive</b>		<b>21.1</b>	<b>0.94</b>
Consumer Defensive		6.7	0.93
Healthcare		11.8	0.98
Utilities		2.6	0.85

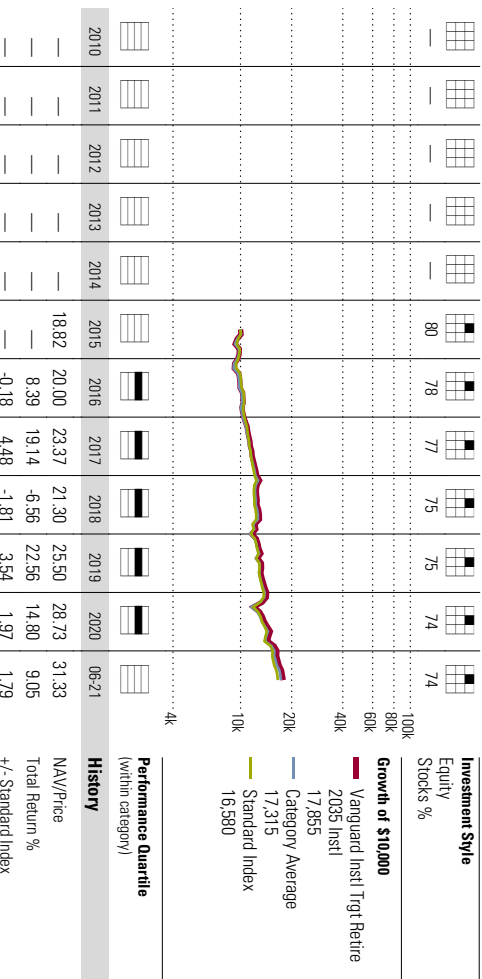
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# Vanguard Instl Trgt Retire 2035 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 191 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2035 2035 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	10.28	3.45	0.70	6.68	22.56
2020	-16.51	15.92	6.24	11.64	14.80
2021	3.17	5.70	—	—	9.05
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	29.34	12.64	12.45	—	9.83
Std 06-30-2021	29.34	—	12.45	—	9.83
Total Return	29.34	12.64	12.45	—	9.83
+/- Std Index	5.42	1.41	2.15	—	—
+/- Cat Index	-1.20	0.32	0.27	—	—
% Rank Cat	61	36	38	—	—
No. in Cat	205	191	149	—	—



Performance Quartile (within category)		History	
NAV/Price	31.33	06-21	215
Total Return %	9.05		
+/- Standard Index	1.97		
+/- Category Index	-0.33		
% Rank Cat	—		
No. of Funds in Cat	—		

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

## Fees and Expenses

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA

<b>Fund Expenses</b>	
Management Fees %	0.00
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.09</b>
<b>Gross Expense Ratio %</b>	<b>0.09</b>

<b>Risk and Return Profile</b>				
	3 Yr	5 Yr	10 Yr	
Morningstar Rating™	3★	4★	—	86 funds
Morningstar Risk	Avg	Avg	—	—
Morningstar Return	Avg	Avg	—	—

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	14.05	11.35	—
Beta	1.23	0.96	—
R-Squared	99.29	99.48	—
12-Month Yield	1.54%	1.54%	—
Potential Cap Gains Exp	17.93%	17.93%	—

MPT Statistics	Standard Index	Best Fit Index
	—	Morningstar
	—	TR USD
	—	Lifetime Mod 2035

Alpha	-0.73	0.67
Beta	1.23	0.96
R-Squared	99.29	99.48
12-Month Yield	1.54%	1.54%
Potential Cap Gains Exp	17.93%	17.93%

<b>Operations</b>	
Family:	Vanguard
Manager:	Multiple
Tenure:	6.1 Years
Objective:	Asset Allocation

Portfolio Analysis 06-30-2021										
Asset Allocation %										
Cash	0.28	0.30	0.03	18.82	20.00	23.37	21.30	25.50	28.73	31.33
US Stocks	44.64	44.64	0.00	8.39	19.14	-6.56	22.56	14.80	9.05	9.05
Non-US Stocks	29.02	29.02	0.00	-0.18	4.48	-1.81	3.54	1.97	1.79	1.79
Bonds	25.80	25.82	0.02	-1.68	0.62	0.25	-0.48	1.42	-0.33	-0.33
Other/Not Cstfd	0.26	0.26	0.00	27	32	30	38	42	—	—
Total	100.00	100.05	0.05	195	208	221	229	207	215	215

Equity Style										
Portfolio Statistics										
P/E Ratio TTM	21.7	1.02	0.95	6.68	8.50					
P/C Ratio TTM	13.5	1.03	0.94	2.36	2.36					
P/B Ratio TTM	2.7	1.06	0.92	108.16	108.16					
Geo Avg Mkt Cap	66037	1.39	0.88	—	—					
Avg Eff Maturity	—	—	—	8.50	8.50					
Avg Eff Duration	—	—	—	6.68	6.68					
Avg Wtd Coupon	—	—	—	2.36	2.36					
Avg Wtd Price	—	—	—	108.16	108.16					

Value	Share	Holdings	Net Assets
100.00	10,847	Total Stocks	17,224
100.00	—	Total Fixed-Income	—
100.00	—	Total	17,224

AAA	68.30	Bond %
AA	2.94	
A	12.27	
BBB	16.17	
BB	0.00	
B	0.00	
Below B	0.01	
NR	0.31	

<b>Credit Quality Breakdown</b> 05-31-2021	
AAA	68.30
AA	2.94
A	12.27
BBB	16.17
BB	0.00
B	0.00
Below B	0.01
NR	0.31

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AA	2.94	
A	12.27	
BBB	16.17	
BB	0.00	
B	0.00	
Below B	0.01	
NR	0.31	

Base Currency:	USD	Purchase Constraints:	—
Ticker:	VITFX	Incept:	06-26-2015
ISIN:	US92202E7638	Type:	MF
Minimum Initial Purchase:	\$5 mil	Total Assets:	\$50,067.78 mil

AAA	68.30	Bond %
AA	2.94	
A	12.27	
BBB	16.17	
BB	0.00	
B	0.00	
Below B	0.01	
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B	0.00	
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A	12.27	
BBB	16.17	
BB	0.00	
B	0.00	
Below B	0.01	
NR	0.31	

# Vanguard Instl Trgt Retire 2040 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index** **Category Index** **Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 193 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2040 2040  
 2040 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	11.00	3.46	0.49	7.40	23.93
2020	-18.24	17.25	6.77	12.78	15.44
2021	3.85	6.14	—	—	10.22
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	32.73	13.34	13.34	—	10.37
Std 06-30-2021	32.73	—	13.34	—	10.37
Total Return	32.73	13.34	13.34	—	10.37
+/- Std Index	8.81	2.11	3.04	—	—
+/- Cat Index	-2.01	0.56	0.45	—	—
% Rank Cat	58	38	32	—	—
No. in Cat	207	193	153	—	—

7-day Yield		Subsidized	Unsubsidized
30-day SEC Yield 07-20-21	1.62	—	1.62

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

## Fees and Expenses

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA

<b>Fund Expenses</b>	
Management Fees %	0.00
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.09</b>
<b>Gross Expense Ratio %</b>	<b>0.09</b>

## Risk and Return Profile

Morningstar Rating™	3★	4★
Morningstar Risk	Avg	Avg
Morningstar Return	Avg	+Avg

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	15.41	12.44	—
Beta	1.35	1.06	—
R-Squared	99.16	99.52	—
12-Month Yield	1.51%	1.51%	—
Potential Cap Gains Exp	18.16%	—	—

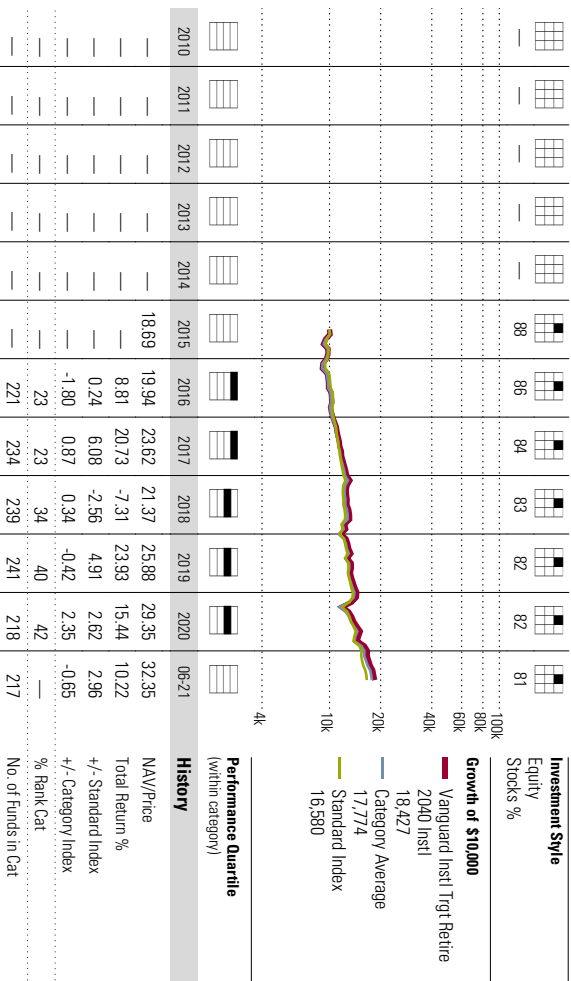
MPT Statistics	Standard Index	Best Fit Index
	Morningstar US	Morningstar US
	Mod Agg Tgt-Alice	NH USD
	NR	NR

Alpha	-1.10	-1.05
Beta	1.35	1.06
R-Squared	99.16	99.52
12-Month Yield	1.51%	1.51%
Potential Cap Gains Exp	18.16%	—

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation

Base Currency: USD  
 Ticker: VBRSX  
 ISIN: US92202E7554  
 Minimum Initial Purchase: \$5 mil

Purchase Constraints: —  
 Incept: 06-26-2015  
 Type: MF  
 Total Assets: \$46,252.62 mil



**Portfolio Analysis 06-30-2021**

Asset Allocation %	Net %	Long %	Short %
Cash	0.26	0.27	0.02
US Stocks	49.12	49.12	0.00
Non-US Stocks	32.07	32.07	0.00
Bonds	18.35	18.37	0.01
Other/Not Cstfd	0.20	0.20	0.00
Total	100.00	100.03	0.03

**Equity Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
Large	Mid	Small	Index	Index	Index	Index	Index
High	High	High	8.50	6.68	6.68	6.68	0.95
Med	Med	Med	2.37	2.37	2.37	2.37	0.95
Low	Low	Low	—	—	—	—	0.93

**Fixed-Income Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
Large	Mid	Small	Index	Index	Index	Index	Index
High	High	High	8.50	6.68	6.68	6.68	0.95
Med	Med	Med	2.37	2.37	2.37	2.37	0.95
Low	Low	Low	—	—	—	—	0.93

**Credit Quality Breakdown** 05-31-2021

AAA	68.30	Bond %
AA	2.94	—
A	12.27	—
BBB	16.17	—
BB	0.00	—
B	0.00	—
Below B	0.01	—
NR	0.31	—

**Regional Exposure**

Region	Stocks %	Rel Std Index
Americas	64.2	1.08
Greater Europe	17.3	0.97
Greater Asia	18.5	0.93

**Share Clng**

Share since	Share Amount	Holdings	Net Assets %
05-2021	15% Turnover Ratio	10,910 Total Stocks, 16,648 Total Fixed-Income,	—
⊕	208 mil	Vanguard Total Stock Market Ix I	49.36
⊕	693 mil	Vanguard Total Int Stock Index Inv	31.89
⊕	551 mil	Vanguard Total Bond Market II Ix	13.44
⊕	120 mil	Vanguard Total Int Bd II Ix Admi	5.27
⊖	0	Vanguard Total Int Bd Ix Admra™	0.00

**Sector Weightings**

Sector	Stocks %	Rel Std Index
🔄 Cyclical	36.7	0.94
🏠 Basic Materials	5.0	0.96
🏢 Consumer Cyclical	12.0	1.10
🏢 Financial Services	16.1	1.03
🏠 Real Estate	3.6	0.50
🏢 Sensitive	42.2	1.09
🏢 Communication Services	9.1	1.25
⚡ Energy	3.3	0.86
🏢 Industrials	11.1	0.98
🏢 Technology	18.7	1.15
➔ Defensive	21.1	0.94
🏢 Consumer Defensive	6.7	0.93
🏢 Healthcare	11.8	0.98
🏢 Utilities	2.6	0.85

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# Vanguard Instl Trgt Retire 2045 Instl (USD)

**Morningstar Analyst Rating™** Overall Morningstar Rating™ **Standard Index**  
**Silver** 03-03-2021

★★★★★  
 191 US Fund Target-Date 2045

Morningstar Mod Morningstar Category Index  
 Tgt Risk TR USD Lifetime Mod 2045 2045  
 TR USD US Fund Target-Date

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	11.54	3.48	0.32	8.02	25.07
2020	-19.90	18.65	7.32	13.91	16.17
2021	4.48	6.56	—	—	11.34
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	36.10	14.07	13.96	—	10.86
Std 06-30-2021	36.10	—	13.96	—	10.86
Total Return	36.10	14.07	13.96	—	10.86
+/- Std Index	12.18	2.84	3.66	—	—
+/- Cat Index	-1.28	1.07	0.74	—	—
% Rank Cat	51	35	26	—	—
No. in Cat	205	191	149	—	—

7-day Yield	
30-day SEC Yield 07-20-21	1.64
	1.64

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

## Fees and Expenses

Sales Charges	
<b>Front-End Load %</b>	<b>NA</b>
<b>Deferred Load %</b>	<b>NA</b>

Fund Expenses	
Management Fees %	0.00
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.09</b>
<b>Gross Expense Ratio %</b>	<b>0.09</b>

## Risk and Return Profile

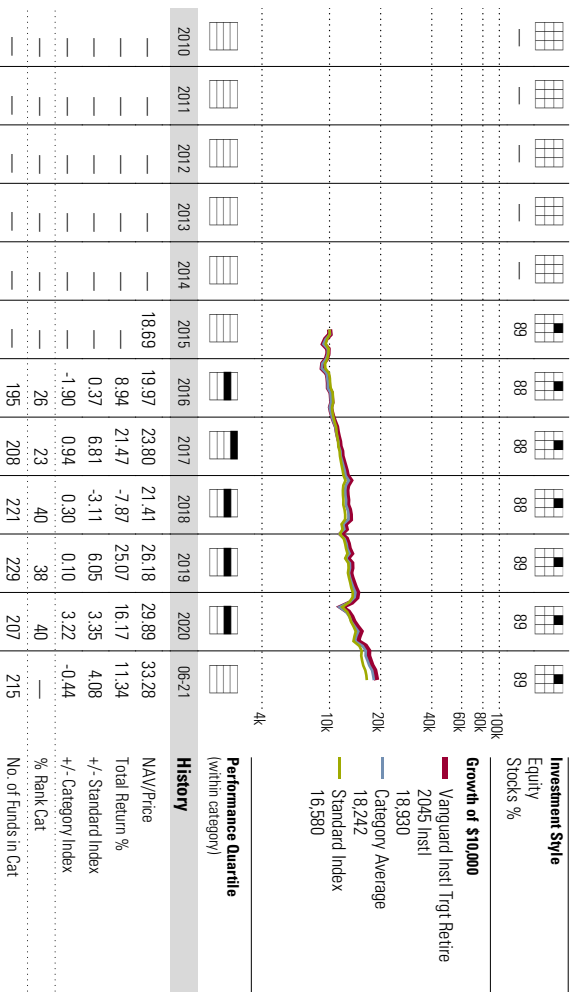
Morningstar Rating™	3★	4★
Morningstar Risk	Avg	Avg
Morningstar Return	Avg	+Avg

Standard Deviation	3 Yr	5 Yr	10 Yr
Mean	16.62	13.37	—
Sharpe Ratio	14.07	13.96	—
	0.80	0.96	—

MPT Statistics	Standard Index	Best Fit Index
Alpha	-1.32	0.40
Beta	1.46	0.92
R-Squared	99.06	99.59

12-Month Yield	1.50%
Potential Cap Gains Exp	17.94%

<b>Operations</b>	
Family:	Vanguard
Manager:	Multiple
Tenure:	6.1 Years
Objective:	Asset Allocation



Portfolio Analysis 06-30-2021											
Asset Allocation %			Net %	Long %	Short %	Share Clng					NAV/Price
Cash	0.20	0.21	0.02	0.02	0.02	23.80	21.41	26.18	29.89	33.28	Total Return %
US Stocks	53.71	53.71	0.00	8.94	21.47	-7.87	25.07	16.17	11.34	4.08	+/- Standard Index
Non-US Stocks	35.04	35.04	0.00	0.37	6.81	-3.11	6.05	3.35	4.08	-0.44	+/- Category Index
Bonds	10.92	10.93	0.01	-1.90	0.94	0.30	0.10	3.22	-0.44	—	% Rank Cat
Other/Not Clsfd	0.14	0.14	0.00	26	23	40	38	40	—	—	No. of Funds in Cat
Total	100.00	100.02	0.02	195	208	221	229	207	215	—	

<b>Equity Style</b>	Value		Blend		Growth	
	High	Med	High	Med	High	Med
	Low	Med	Low	Med	Low	Med

<b>Portfolio Statistics</b>	P/E Ratio TTM	21.7	1.02	0.95
	P/C Ratio TTM	13.5	1.03	0.95
	P/B Ratio TTM	2.7	1.06	0.94
	Geo Avg Mkt Cap	66022	1.39	0.93

<b>Fixed-Income Style</b>	Ltd		Med		Ext	
	High	Med	High	Med	High	Med
	Low	Med	Low	Med	Low	Med

<b>Sector Weightings</b>	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>36.7</b>	<b>0.94</b>
Basic Materials	5.0	0.96
Consumer Cyclical	12.0	1.10
Financial Services	16.0	1.03
Real Estate	3.6	0.50

<b>Fixed-Income Style</b>	Avg Eff Maturity		Avg Eff Duration		Avg Wtd Coupon	
	High	Med	High	Med	High	Med
	Low	Med	Low	Med	Low	Med

<b>Sensitive</b>	<b>42.2</b>	<b>1.09</b>
Communication Services	9.1	1.25
Energy	3.3	0.86
Industrials	11.1	0.98
Technology	18.7	1.15

<b>Credit Quality Breakdown</b>	05-31-2021	
AAA	68.30	Bond %
AA	2.94	—
A	12.27	—
BBB	16.17	—
BB	0.00	—
B	0.00	—
Below B	0.01	—
NR	0.31	—

<b>Defensive</b>	<b>21.1</b>	<b>0.95</b>
Consumer Defensive	6.7	0.93
Healthcare	11.8	0.98
Utilities	2.7	0.85

<b>Regional Exposure</b>	Stocks %	Rel Std Index
Americas	64.2	1.08
Greater Europe	17.3	0.97
Greater Asia	18.5	0.93

<b>Operations</b>	
Base Currency:	USD
Ticker:	VITLX
SIIN:	US92202E7489
Minimum Initial Purchase:	\$5 mil

<b>Purchase Constraints:</b>	
Incept:	06-26-2015
Type:	MF
Total Assets:	\$40,240.57 mil

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# Vanguard Instl Trgt Retire 2050 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 193 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2050 2050  
 2050 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	11.52	3.47	0.32	8.02	25.05
2020	-19.87	18.61	7.34	14.03	16.33
2021	4.57	6.64	—	—	11.51
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	36.49	14.17	14.01	—	10.91
Std 06-30-2021	36.49	—	14.01	—	10.91
Total Return	36.49	14.17	14.01	—	10.91
+/- Std Index	12.57	2.94	3.71	—	—
+/- Cat Index	-1.92	1.12	0.71	—	—
% Rank Cat	67	36	35	—	—
No. in Cat	207	193	153	—	—

7-day Yield — Subsidized  
 30-day SEC Yield 07-20-21 1.65 Unsubsidized 1.65

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

**Sales Charges**  
**Front-End Load %** NA  
**Deferred Load %** NA

**Fund Expenses**  
 Management Fees % 0.00  
 12b1 Expense % NA  
**Net Expense Ratio %** 0.09  
**Gross Expense Ratio %** 0.09

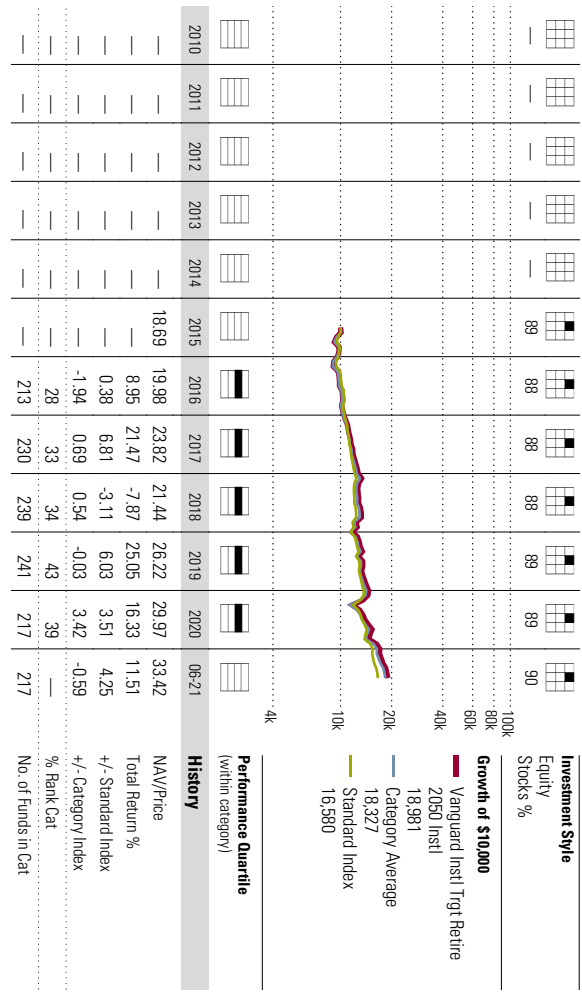
Risk and Return Profile				
	3 Yr	5 Yr	10 Yr	78 Funds
Morningstar Rating™	3★	4★	—	—
Morningstar Risk	Avg	Avg	—	—
Morningstar Return	Avg	Avg	—	—
Standard Deviation	3 Yr 16.64	5 Yr 13.38	10 Yr —	—
Mean	14.17	14.01	—	—
Sharpe Ratio	0.81	0.96	—	—

MPT Statistics	Standard Index	Best Fit Index
	MSCI ACWI NR	USD
Alpha	-1.24	0.48
Beta	1.46	0.93
R-Squared	99.05	99.62
12-Month Yield	1.48%	1.48%
Potential Cap Gains Exp	16.49%	16.49%

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation

Base Currency: USD  
 Ticker: VTRIX  
 SIN: US92202E7307  
 Minimum Initial Purchase: \$5 mil

Purchase Constraints: —  
 Incept: 06-26-2015  
 MF: \$32,522.93 mil  
 Total Assets:



**Portfolio Analysis 06-30-2021**

Asset Allocation %	Net %	Long %	Short %
Cash	0.21	0.23	0.02
US Stocks	54.54	54.54	0.00
Non-US Stocks	35.78	35.78	0.00
Bonds	9.35	9.36	0.01
Other/Not Cstfd	0.12	0.12	0.00
Total	100.00	100.02	0.02

**Equity Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
Large	Mid	Small	Index	Index	Index	Index	Index
■	■	■	21.7	1.02	0.95	6.68	0.96
■	■	■	13.5	1.03	0.95	2.39	0.94
■	■	■	2.7	1.06	0.94	—	0.96

**Fixed-Income Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
High	Mid	Low	Index	Index	Index	Index	Index
■	■	■	8.50	6.68	2.39	—	—
■	■	■	—	—	—	—	—
■	■	■	—	—	—	—	—

**Credit Quality Breakdown 05-31-2021**

AAA	AA	A	BBB	BB	B	Below B	NR
68.30	2.94	12.27	16.17	0.00	0.00	0.01	0.31

**Regional Exposure**

Region	Stocks %	Rel Std Index
Americas	64.1	1.08
Greater Europe	17.3	0.97
Greater Asia	18.6	0.93

**Sector Weightings**

Sector	Weightings	Stocks %	Rel Std Index
Cyclical	36.7	0.94	
Basic Materials	5.0	0.97	
Consumer Cyclical	12.0	1.10	
Financial Services	16.0	1.03	
Real Estate	3.6	0.50	
Sensitive	42.2	1.09	
Communication Services	9.1	1.25	
Energy	3.4	0.86	
Industrials	11.1	0.98	
Technology	18.7	1.15	
Defensive	21.1	0.94	
Consumer Defensive	6.7	0.93	
Healthcare	11.8	0.98	
Utilities	2.7	0.85	

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# Vanguard Instl Trgt Retire 2055 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 191 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2055 2055  
 2055 TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	11.53	3.50	0.28	8.03	25.06
2020	-19.87	18.63	7.35	14.02	16.36
2021	4.56	6.65	—	—	11.51
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	36.50	14.20	14.03	—	10.92
Std 06-30-2021	36.50	—	14.03	—	10.92
Total Return	36.50	14.20	14.03	—	10.92
+/- Std Index	12.58	2.97	3.73	—	—
+/- Cat Index	-2.21	1.18	0.73	—	—
% Rank Cat	72	38	38	—	—
No. in Cat	205	191	146	—	—

7-day Yield Subsidized Unsubsidized  
 30-day SEC Yield 07-20-21 1.65 1.65

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

### Fees and Expenses

**Sales Charges**  
**Front-End Load %** **NA**  
**Deferred Load %** **NA**

**Fund Expenses**  
 Management Fees % 0.00  
 12b1 Expense % NA  
**Net Expense Ratio %** **0.09**  
**Gross Expense Ratio %** **0.09**

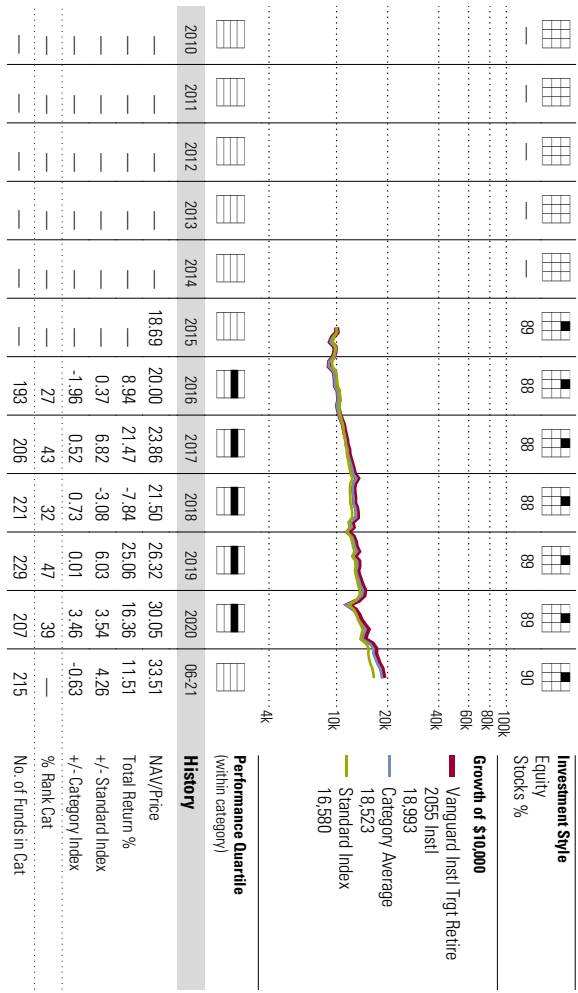
### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	3★	—
Morningstar Risk	-Avg	-Avg	—
Morningstar Return	Avg	Avg	—
Standard Deviation	3 Yr 16.64	5 Yr 13.39	10 Yr —
Mean	14.20	14.03	—
Sharpe Ratio	0.81	0.96	—

**MFT Statistics**

	Standard Index	Best Fit Index
Alpha	-1.22	0.50
Beta	1.46	0.93
R-Squared	99.07	99.63
12-Month Yield	1.46%	1.46%
Potential Cap Gains Exp	14.11%	14.11%

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation



**Portfolio Analysis 06-30-2021**

Asset Allocation %	Net %	Long %	Short %	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
Cash	0.16	0.18	0.02	23.86	21.50	26.32	30.05	33.51	06-21
US Stocks	54.56	54.56	0.00	8.94	21.47	-7.94	16.36	11.51	—
Non-US Stocks	35.79	35.79	0.00	6.82	-3.08	6.03	3.54	4.26	—
Bonds	9.36	9.36	0.01	-1.96	0.52	0.73	0.01	-0.63	—
Other/Not Cstfd	0.12	0.12	0.00	4.3	32	47	39	—	—
Total	100.00	100.00	0.02	206	221	229	207	215	—

**Equity Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
Large	Med	Ext	Avg Eff Maturity	8.50	6.68	6.88	6.88
Med	Med	Med	Avg Eff Duration	2.39	2.39	2.39	2.39
Small	Low	Low	Avg Wtd Coupon	—	—	—	—
			Avg Wtd Price	—	—	—	—

**Fixed-Income Style**

Value	Brand	Growth	Port	Rel	Index	Rel	Cap
Large	Med	Ext	Avg Eff Maturity	8.50	6.68	6.88	6.88
Med	Med	Med	Avg Eff Duration	2.39	2.39	2.39	2.39
Small	Low	Low	Avg Wtd Coupon	—	—	—	—
			Avg Wtd Price	—	—	—	—

**Credit Quality Breakdown 05-31-2021**

AAA	AA	A	BBB	BB	B	Below B	NR
68.30	2.94	12.27	16.17	0.00	0.00	0.01	0.31

**Regional Exposure**

Americas	Greater Europe	Greater Asia
64.1	17.3	18.6

**Operations**  
 Base Currency: USD  
 Ticker: VVIX  
 SIN: US92202E7224  
 Minimum Initial Purchase: \$5 mil  
 Purchase Constraints: —  
 Incept: 06-26-2015  
 MF: \$18,744.28 mil  
 Total Assets: —

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# Vanguard Instl Trgt Retire 2060 Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index** **Category Index** **Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date  
 03-03-2021 176 US Fund Target-Date Tgt Risk TR USD Lifetime Mod 2060 2060  
 2060 18 USD TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	11.53	3.50	0.32	8.04	25.13
2020	-19.88	18.66	7.38	14.02	16.40
2021	4.55	6.66	—	—	11.51

Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	36.54	14.23	14.04	—	10.92
Std 06-30-2021	36.54	—	14.04	—	10.92
Total Return	36.54	14.23	14.04	—	10.92

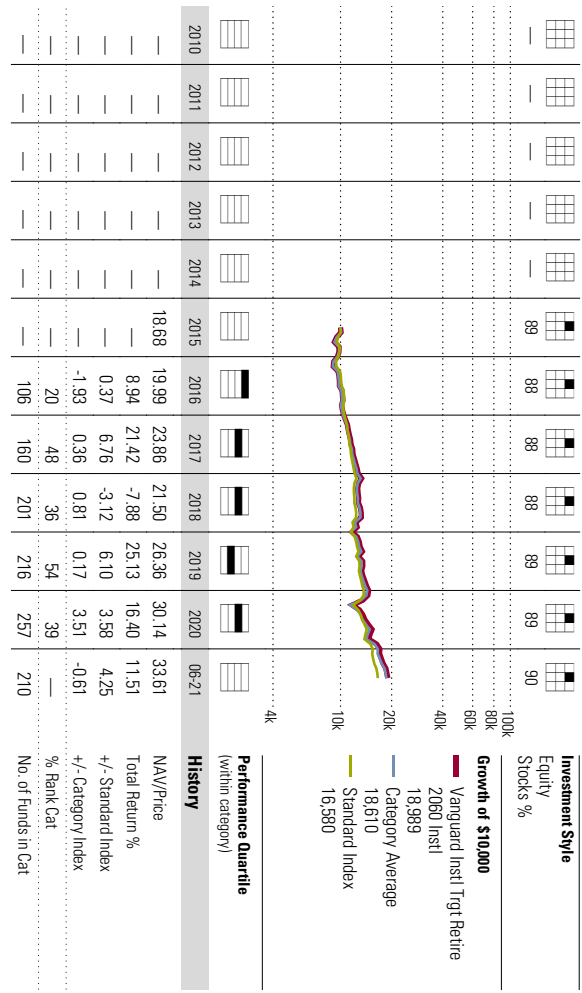
**Performance Disclosure**  
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 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.00
Management Fees %	0.00
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.09</b>
<b>Gross Expense Ratio %</b>	<b>0.09</b>

Risk and Return Profile				
	3 Yr	5 Yr	10 Yr	
Morningstar Rating™	3★	3★	—	176 funds
Morningstar Risk	-Avg	Avg	—	109 funds
Morningstar Return	Avg	Avg	—	—

MPT Statistics				
	Standard Index	Best Fit Index	MSCI ACWI NR	USD
Alpha	-1.22	0.51	—	—
Beta	1.46	0.93	—	—
R-Squared	99.06	99.62	—	—
12-Month Yield	1.40%	1.40%	—	—
Potential Cap Gains Exp	12.09%	12.09%	—	—

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation



Portfolio Analysis 06-30-2021											
Asset Allocation %		Net %	Long %	Short %	Share Cng	Share Holdings	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat
Cash	0.16	0.17	0.02	0.02	05-2021	Amount	10.951	14.920	16.40	4.25	—
US Stocks	54.52	54.52	0.00	0.00		9% Turnover Ratio	38 mil	Vanguard Total Stock Market Ix I	3.58	-0.61	—
Non-US Stocks	35.86	35.86	0.00	0.00			127 mil	Vanguard Total Int Stock Index Inv	3.51	—	—
Bonds	9.34	9.35	0.01	0.00			48 mil	Vanguard Total Bond Market II Ix	3.51	—	—
Other/Not Cstfd	0.12	0.12	0.00	0.00			9 mil	Vanguard Total Int Bd II Ix Admi	—	—	—
Total	100.00	100.02	0.02	0.02			0	Vanguard Total Int Bd Ix Admrativ™	—	—	—

Equity Style		Portfolio Statistics	
Value	Brand Growth	P/E Ratio TTM	P/B Ratio TTM
Large	Med	13.5	2.7
Med	Small	1.06	0.94
Small	—	Geo Avg Mkt Cap	65898
—	—		1.39

Fixed-Income Style		Portfolio Statistics	
Ltd	Med	Ext	Avg Eff Maturity
High	Med	Low	2.39
—	—	—	Avg Wtd Duration
—	—	—	Avg Wtd Coupon
—	—	—	Avg Wtd Price

Credit Quality Breakdown 05-31-2021		Bond %	
AAA	AA	BBB	BB
AAA	68.30	16.17	0.00
AA	2.94	0.00	0.00
A	12.27	0.00	0.00
BBB	—	0.01	0.01
BB	0.31	—	—
B	—	—	—
Below B	—	—	—
NR	—	—	—

**Regional Exposure**  
 Stocks % Rel Std Index  
 Americas 64.0 1.08  
 Greater Europe 17.4 0.97  
 Greater Asia 18.6 0.93

Base Currency: USD  
 Ticker: VILVX  
 SIN: US92202E7141  
 Minimum Initial Purchase: \$5 mil  
 Purchase Constraints: —  
 Incept: 06-26-2015  
 Type: MF  
 Total Assets: \$7,582.83 mil

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# Vanguard Instl Trgt Retire Inc Instl (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Silver** **★★★★** Morningstar Mod US Fund Target-Date Retirement  
 03-03-2021 140 US Fund Target-Date Tgt Risk TR USD Lifetime Mod Incm Retirement TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	5.58	2.91	1.49	2.66	13.20
2020	-5.88	7.95	3.08	5.19	10.18
2021	0.11	3.21	—	—	3.32

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	12.04	8.12	6.70	—	6.07
Std 06-30-2021	12.04	—	6.70	—	6.07
Total Return	12.04	8.12	6.70	—	6.07
+/- Std Index	-11.88	-3.11	-3.60	—	—
+/- Cat Index	-3.62	-0.42	-0.39	—	—
% Rank Cat	54	32	41	—	—
No. in Cat	157	140	116	—	—

7-day Yield Subsidized Unsubsidized  
 30-day SEC Yield 07-20-21 1.64 1.64

**Performance Disclosure**  
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**Sales Charges**  
**Front-End Load %** **NA**  
**Deferred Load %** **NA**

**Fund Expenses**  
 Management Fees % 0.00  
 12b1 Expense % NA  
**Net Expense Ratio %** **0.09**  
**Gross Expense Ratio %** **0.09**  
**Risk and Return Profile**

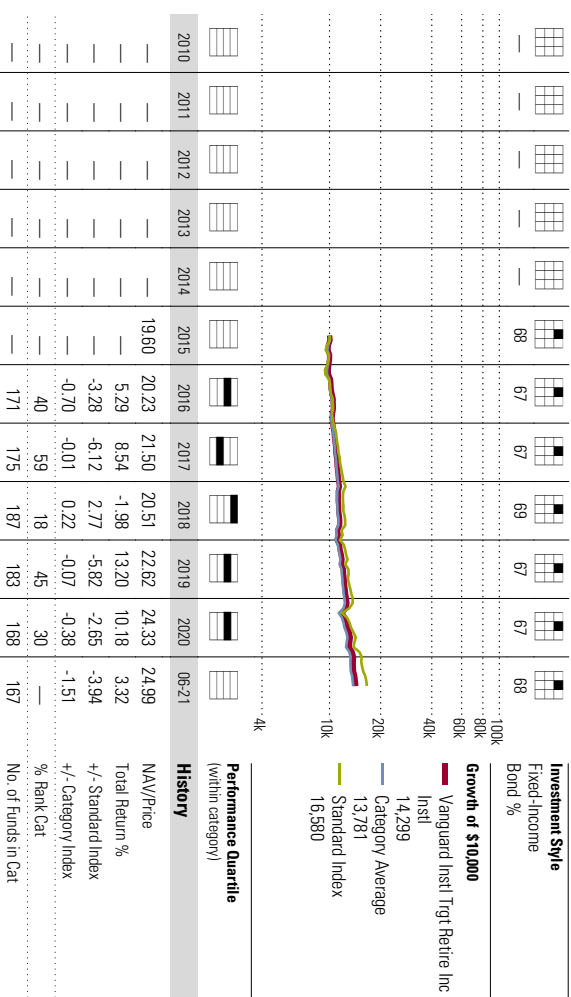
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	3★	—
Morningstar Risk	Avg	Avg	—
Morningstar Return	+Avg	Avg	—
Standard Deviation	3 Yr 6.13	5 Yr 5.01	10 Yr —
Mean	8.12	6.70	—
Shapera Ratio	1.10	1.09	—

MPT Statistics	Standard Index	Best Fit Index Morningstar TR USD	Lifetime Mod 2015 TR USD
Alpha	1.49	0.75	0.75
Beta	0.53	0.70	0.70
R-Squared	94.53	98.62	98.62
12-Month Yield	1.53%	1.53%	1.53%
Potential Cap Gains Exp	12.29%	12.29%	12.29%

**Operations**  
 Family: Vanguard  
 Manager: Multiple  
 Tenure: 6.1 Years  
 Objective: Asset Allocation

Base Currency: USD  
 Ticker: VTRX  
 ISIN: US92202E9986  
 Minimum Initial Purchase: \$5 mil

Purchase Constraints: —  
 Incept: 06-26-2015  
 Type: MF  
 Total Assets: \$9,405.65 mil



Investment Style		Performance Quartile (within category)	
Fixed-Income	Bond %	NAV/Price	History
		Total Return %	
		+/- Standard Index	
		+/- Category Index	
		% Rank Cat	
		No. of Funds in Cat	

**Portfolio Analysis 06-30-2021**

Asset Allocation %	Net %	Long %	Short %
Cash	1.31	1.35	0.04
US Stocks	18.00	18.00	0.00
Non-US Stocks	11.81	11.81	0.00
Bonds	68.39	68.43	0.04
Other/Not Cstfd	0.49	0.49	0.00
Total	100.00	100.08	0.08

Equity Style	Value	Share	Rel	Rel
	Share	Index	Index	Cat
Value	Share	Index	Index	Cat
Large	Med	Small		
P/E Ratio TTM	21.7	1.02	0.98	
P/B Ratio TTM	13.5	1.03	0.97	
Geo Avg Mkt Cap	65496	1.38	0.96	

**Fixed-Income Style**

Value	Share	Rel	Rel
Share	Index	Index	Cat
High	Med	Ext	
High	Med	Low	
Avg Eff Maturity	6.74		
Avg Eff Duration	5.48		
Avg Wtd Coupon	1.89		
Avg Wtd Price	108.25		

**Credit Quality Breakdown 05-31-2021**

AAA	AA	A	BBB	BB	B	Below B	NR
77.86	2.05	8.56	11.27	0.00	0.00	0.01	0.26

**Regional Exposure**

Stocks %	Rel Std Index
Americas	64.1
Greater Europe	17.3
Greater Asia	18.7

Share Cng	Share	Holdings	Net Assets
since	Amount	10,010 Total Stocks, 21% Turnover Ratio	%
05-2021	314 mil	Vanguard Total Bond Market II Idx	37.61
	16 mil	Vanguard Total Stock Market Idx I	18.09
	61 mil	Vanguard Short-Term Intl-Prot Sec I	16.98
	72 mil	Vanguard Total Intl Bd II Idx Admi	15.56
	52 mil	Vanguard Total Intl Stock Index Inv	11.71
	0	Vanguard Total Intl Bd Idx Admratr™	0.00

**Sector Weightings**

Stocks %	Rel Std Index
<b>Cyclical</b>	<b>36.7</b>
Basic Materials	5.0
Consumer Cyclical	12.0
Financial Services	16.2
Real Estate	3.6
<b>Sensitive</b>	<b>42.2</b>
Communication Services	9.0
Energy	3.3
Industrials	11.1
Technology	18.7
<b>Defensive</b>	<b>21.1</b>
Consumer Defensive	6.7
Healthcare	11.7
Utilities	2.6

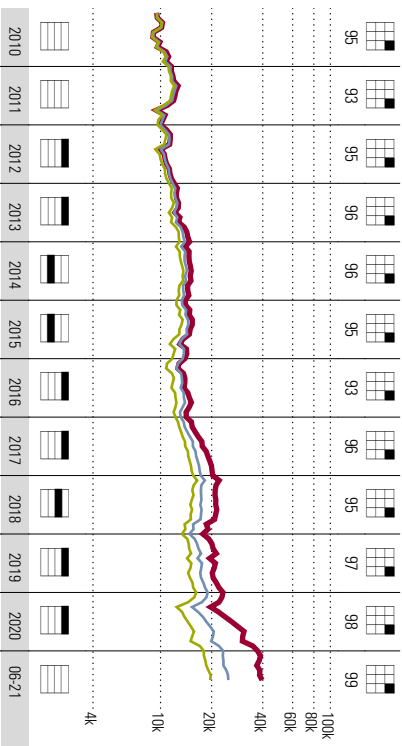
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# Vanguard International Growth Adm (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index** **Category Index** **Morningstar Cat**  
**Silver** **★★★★★** **MSCI ACWI EX** **US Fund Foreign Large**  
 07-07-2021 **384 US Fund Foreign Large** **USA NR USD** **USA Growth NR** **USA Growth NR** **USD**

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	14.92	3.23	-3.02	14.29	31.48
2020	-15.52	33.01	16.27	22.26	59.74
2021	-1.03	7.49	—	—	6.38



Investment Style	
Equity	Stocks %
Vanguard International	39.633
Growth Adm	25.064
Category Average	19.611

**Performance Disclosure**  
 The overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
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**7-day Yield** Subsidized —  
**30-day SEC Yield** —

**Sales Charges**  
**Front-End Load %** NA  
**Deferred Load %** NA  
**Fund Expenses** 0.31  
**Management Fees %** NA  
**1201 Expense %** 0.33  
**Net Expense Ratio %** 0.33  
**Gross Expense Ratio %** 0.33  
**Risk and Return Profile**

Morningstar Rating™	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	5★	5★
Morningstar Risk	High	High	High
Morningstar Return	High	High	High

Standard Deviation	3 Yr	5 Yr	10 Yr
Standard Deviation	21.12	17.77	17.46
Mean	23.33	23.66	12.55
Sharpe Ratio	1.04	1.22	0.73

**Operations**  
**Family:** Vanguard  
**Manager:** Multiple  
**Tenure:** 18.4 Years  
**Objective:** Foreign Stock

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	06-21
61.52	51.99	61.28	74.22	68.47	67.06	67.33	95.58	79.22	102.79	160.29	170.52
15.81	-13.58	20.18	23.12	-5.51	-0.54	1.84	43.16	-12.58	31.48	59.74	6.38
4.65	0.13	3.35	7.83	-1.64	5.12	-2.65	15.97	1.61	9.97	49.09	-2.78
1.35	0.63	3.51	7.63	-2.86	0.71	1.72	11.15	1.84	4.14	37.54	-0.14
—	—	24	15	65	67	12	6	31	22	4	—
—	—	250	278	341	361	363	399	439	469	447	457

**Portfolio Analysis 03-31-2021**  
**Asset Allocation %**  
 Cash 0.13  
 US Stocks 12.25  
 Non-US Stocks 87.32  
 Bonds 0.00  
 Other/Not Cstfd 0.30  
 Total 100.00

Value	Brand	Green
Large	Med	Small
High	Med	Low

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	31.5	1.67	1.09	—
P/C Ratio TTM	21.2	1.96	1.13	—
P/B Ratio TTM	4.7	2.40	1.22	—
Geo Avg Mkt Cap \$mil	86471	1.80	1.40	—

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
AAA	—	—	—	—
AA	—	—	—	—
A	—	—	—	—
BBB	—	—	—	—
BB	—	—	—	—
B	—	—	—	—
Below B	—	—	—	—

Regional Exposure	Stocks %	Rel Std Index
Americas	17.8	1.74
Greater Europe	48.7	1.12
Greater Asia	33.4	0.72

**Base Currency:** USD  
**Ticker:** VWIIX  
**SIN:** US9219105015  
**Minimum Initial Purchase:** \$50,000

Share Cng	Share Holdings	Holdings	Net Assets %
12-2020	Amount	118 Total Stocks: 0 Total Fixed-Income, 20% Turnover Ratio	%
⊕	7 mil	ASML Holding NV	6.82
⊕	45 mil	Tencent Holdings Ltd	5.38
⊕	2 mil	Merckadolibre Inc	4.09
⊖	4 mil	Tesla Inc	3.49
⊕	79 mil	Alibaba Group Holding Ltd Ordinary	3.32
⊕	903.347	Adyen NV	2.99
⊕	3 mil	Kering SA	2.99
⊕	5 mil	Illumina Inc	2.80
⊕	43 mil	Meituan	2.50
⊖	23 mil	M3 Inc	2.38
⊕	5 mil	Sporty Technology SA	2.19
⊕	11 mil	Moderna Inc	2.13
⊖	11 mil	Nidec Corp	2.07
⊖	31 mil	NIO Inc ADR	1.81
⊕	5 mil	Ferrari NV	1.63

Sector Weightings	Stocks %	Rel Std Index
⊖ <b>Cyclical</b>	<b>42.5</b>	<b>1.01</b>
Basic Materials	1.0	0.12
Consumer Cyclical	32.7	2.63
Financial Services	8.8	0.47
Real Estate	0.0	0.00
⊖ <b>Sensitive</b>	<b>35.7</b>	<b>0.96</b>
Communication Services	8.5	1.13
Energy	1.4	0.30
Industrials	10.1	0.88
Technology	15.7	1.18
⊖ <b>Defensive</b>	<b>21.8</b>	<b>1.03</b>
Consumer Defensive	6.7	0.78
Healthcare	14.3	1.50
Utilities	0.8	0.28

**Purchase Constraints:** —  
**Incept:** 08-13-2001  
**Type:** MF  
**Total Assets:** \$72,672,48 mil

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# Vanguard Small Cap Growth Index Admiral (USD)

**Morningstar Analyst Rating™ Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat**  
**Gold** **★★★★** **S&P 500 TR USD** **Russell 2000** **US Fund Small Growth**  
 02-22-2021 576 US Fund Small Growth Growth TR USD

Performance 06-30-2021					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2019	19.50	3.83	-2.15	9.35	32.76
2020	-24.22	32.92	7.74	24.65	35.28
2021	2.56	5.81	—	—	8.52
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	45.75	18.82	19.38	—	16.45
Std 06-30-2021	45.75	—	19.38	—	16.45
Total Return	45.75	18.82	19.38	13.86	16.45
+/- Std Index	4.95	0.15	1.73	-0.98	—
+/- Cat Index	-5.61	2.88	0.61	0.33	—
% Rank Cat	79	48	56	53	—
No. in Cat	612	576	505	379	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 07-26-21	0.34	0.34

**Performance Disclosure**  
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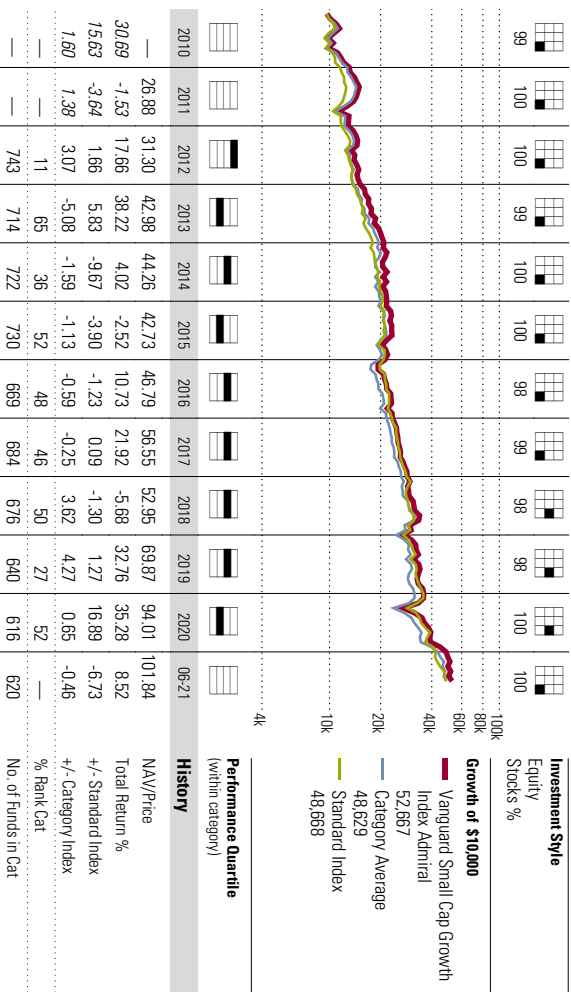
Sales Charges		NA	
<b>Front-End Load %</b>		<b>NA</b>	
<b>Deferred Load %</b>		<b>NA</b>	
Fund Expenses		0.06	
Management Fees %		NA	
12b1 Expense %		0.07	
<b>Net Expense Ratio %</b>		<b>0.07</b>	
<b>Gross Expense Ratio %</b>		<b>0.07</b>	
Risk and Return Profile		0.07	
Morningstar Rating™	3 Yr 3★ 5 Yr 3★ 10 Yr 3★	576 funds	505 funds
Morningstar Risk	-Avg -Avg -Avg	379 funds	
Morningstar Return	Avg Avg Avg		

	3 Yr	5 Yr	10 Yr
Standard Deviation	24.22	19.51	17.96
Mean	18.82	19.38	13.86
Shapero Ratio	0.78	0.95	0.78
MPT Statistics			
	Standard Index	Best Fit Index	Morningstar US
	Small Bid Grt Ext TR	Small Bid Grt Ext TR	USD
Alpha	-2.01	3.07	3.07
Beta	1.19	0.97	0.97
R-Squared	82.75	97.79	97.79
12-Month Yield	0.45%	0.45%	0.45%
Potential Cap Gains Exp	29.10%	29.10%	29.10%

Operations	
Family:	Vanguard
Manager:	Multiple
Tenure:	16.6 Years
Objective:	Small Company

	USD
Base Currency:	USD
Ticker:	VSGAX
SIN:	US9219377101
Minimum Initial Purchase:	\$3,000

	USD
Purchase Constraints:	—
Incept:	09-27-2011
Type:	MF
Total Assets:	\$15,974.03 mill



Portfolio Analysis 06-30-2021		Net %		Long %		Short %	
<b>Asset Allocation %</b>		0.01	0.00	0.01	0.01	0.01	0.01
Cash		99.50	99.50	0.00	0.00	0.00	0.00
US Stocks		0.51	0.51	0.00	0.00	0.00	0.00
Non-US Stocks		0.00	0.00	0.00	0.00	0.00	0.00
Bonds		0.00	0.00	0.00	0.00	0.00	0.00
Other/Not Cstfd		100.00	100.00	0.00	0.00	0.00	0.00
Total		100.00	100.00	0.01	0.01	0.01	0.01

Equity Style		Portfolio Statistics	
Value	Brand Growth	Port Avg Index	Rel Cat
Large	Med	31.7	1.20
Med	Small	20.8	1.18
Small	—	5.2	1.18
—	—	6601	0.03
—	—	6601	0.03

Fixed-Income Style		Avg Eff Maturity	
High	Med	Avg Eff Duration	Avg Wld Coupon
Med	Low	—	—
Low	—	—	—

Credit Quality Breakdown		Bond %	
AAA	AA	—	—
AA	A	—	—
BBB	BB	—	—
B	Below B	—	—
NR	NR	—	—

Sector Weightings		Stocks %	
<b>Cyclical</b>		<b>26.5</b>	<b>0.85</b>
Basic Materials		2.5	1.10
Consumer Cyclical		12.1	1.01
Financial Services		4.0	0.28
Real Estate		7.9	3.05
<b>Sensitive</b>		<b>46.1</b>	<b>0.98</b>
Communication Services		3.2	0.29
Energy		1.8	0.62
Industrials		13.2	1.49
Technology		27.9	1.15
<b>Defensive</b>		<b>27.4</b>	<b>1.25</b>
Consumer Defensive		3.8	0.61
Healthcare		23.2	1.78
Utilities		0.3	0.13

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# WTC-CIF II Mid Cap Opportunities (Series 3)

Market Review: three months ending 30 June 2021

## PORTFOLIO MANAGEMENT

Philip Ruedi, CFA  
Mark Whitaker, CFA



## OBJECTIVE

The objective of the Mid Cap Opportunities Portfolio (Series 3) is long-term total return in excess of the S&P MidCap 400 Index.

## BROAD MARKET REVIEW

US equities rallied for the fifth consecutive quarter amid a backdrop of improving vaccination rates, accelerating economic growth, and a broader reopening of the economy. Inflation rose sharply during the quarter, as robust demand for goods and services, along with significant global supply-chain disruptions, drove consumer and producer prices sharply higher. The US Federal Reserve (Fed) held steadfast in its view that elevated price pressures should prove transitory, but the Fed rattled markets by considerably raising its inflation forecast for 2021 and signaling the potential for two interest-rate hikes in 2023. This hawkish shift in expectations triggered a rotation from value and cyclically sensitive stocks to growth stocks toward the end of the quarter. A bipartisan group of senators reached an agreement with President Joe Biden on an infrastructure package worth approximately US\$1.2 trillion. The package faces considerable legislative hurdles, with Democratic Party leaders insisting the plan could only advance in tandem with a much larger social policy bill funded through higher corporate taxes, which are vehemently opposed by Republicans. First-quarter corporate earnings vastly exceeded expectations, and the forward 12-month price-to-earnings ratio for the S&P 500 Index ended the second quarter at 21.4. Economic data indicated strong upward momentum in the US economy, with the labor market strengthening, US manufacturing expanding at an exceptional pace, and the services sector rebounding sharply as the economy broadly reopened.

The S&P MidCap 400 returned 3.6% over the quarter. Within the index, nine out of 11 sectors rose for the quarter. Energy and real estate were the top performing sectors, while consumer staples and communication services were the bottom performing sectors for the period.

## INVESTMENT RETURNS (% , USD)

	2Q21	1 yr	3 yrs	5 yrs	Since inception
<b>Portfolio</b>	<b>3.0</b>	<b>43.0</b>	<b>15.9</b>	<b>17.9</b>	<b>17.3</b>
Custom benchmark	3.6	53.2	13.2	14.3	14.1
Active return (vs benchmark)	-0.6	-10.3	2.8	3.6	3.2

Custom benchmark: The custom benchmark consists of S&P MidCap 400 from index inception through 30 January 1981; S&P MidCap 400 from 31 January 1981 to present. | Inception date: 1 June 2016. | Sums may not total due to rounding. | Performance returns for periods one year or less are not annualized. | **PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS AND AN INVESTMENT CAN LOSE VALUE.** | Portfolio returns are reported net of operating expenses and investment management fee.

# WTC-CIF II Mid Cap Opportunities (Series 3)

## Performance Review: three months ending 30 June 2021

### PERFORMANCE HIGHLIGHTS

- The portfolio underperformed the index over the period, however delivered overall positive returns.
- Sector allocation, a result of our bottom-up stock selection process, was a driver of relative underperformance. Allocation effect was driven by our overweight to information technology and underweight to real estate, but partially offset by our overweight to health care and underweight to consumer staples. Stock selection also detracted from returns. Weak selection in health care was partially offset by selection in information technology, consumer discretionary and communication services.
- At the issuer level, our top two relative contributors were out of benchmark allocations to CommScope Holding and Apellis Pharmaceuticals, while our top two relative detractors were out of benchmark allocations to ChemoCentryx and F5 Networks.
- Shares of CommScope, a communications equipment and technology company, rose over the period after announcing plans to spin off its Home Networks business as part of a strategy to reduce operating costs. Investors viewed the strategic move favorably. Shares rose further following first-quarter results that beat consensus revenue and EPS estimates, driven by strong growth in its Broadband Networks segment. ChemoCentryx shares fell sharply after the US FDA Arthritis Advisory Committee met to consider the new drug application for avacopan, a candidate for the treatment of anti-neutrophil cytoplasmic autoantibody associated vasculitis. The FDA panel had a surprising split vote on the question of whether the risk-benefit profile of avacopan supports approval due to efficacy concerns and using non-inferiority as a primary endpoint.

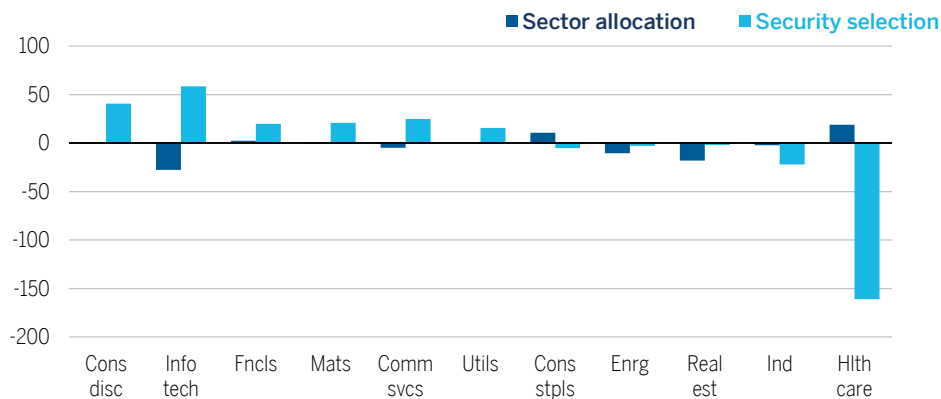
### TOP RELATIVE CONTRIBUTORS

Company	Sector	Relative impact (gross, bps)	End weight (%)
CommScope Holding	Info technology	53	1.9
Apellis Pharmaceuticals	Health care	35	1.2
Reata Pharmaceuticals	Health care	33	1.2
YETI Holdings	Cons discretionary	27	1.7
Credit Accept	Financials	27	1.4

### TOP RELATIVE DETRACTORS

Company	Sector	Relative impact (gross, bps)	End weight (%)
ChemoCentryx	Health care	-81	0.0
F5 Networks	Info technology	-30	2.1
Sage Therapeutics	Health care	-28	0.8
Allakos	Health care	-24	0.6
Performance Food Group	Cons staples	-21	0.9

### SECTOR ATTRIBUTION (gross, bps, USD)



Benchmark used in the calculation of attribution data: S&P Midcap 400. | **PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS AND AN INVESTMENT CAN LOSE VALUE.**

# WTC-CIF II Mid Cap Opportunities (Series 3)

## Positioning & Outlook: three months ending 30 June 2021

### POSITIONING & OUTLOOK

Mid cap stocks had a positive second quarter of 2021 as the market continues to balance the COVID-19 re-opening trade with the prospect of higher interest rates and inflation. The growth leadership that persisted for much of 2020 resumed during the quarter as growth stocks handily outpaced value stocks, especially in June. Our focus on building a diversified portfolio of blue-chip, market-leading mid cap companies that grow faster than peers generated positive absolute returns during the quarter, but modestly underperformed our S&P 400 benchmark.

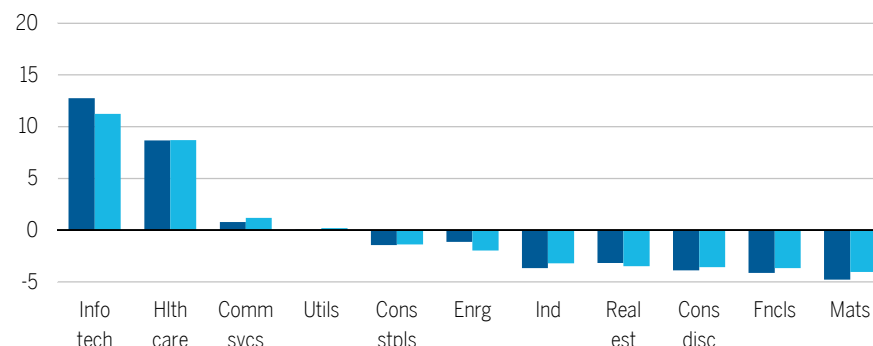
Holdings within the biotechnology industry drove underperformance. Despite this, we continue to see several potential catalysts on the horizon for many of these companies, including multiple read-outs and FDA directions during the second half of 2021. Outside of biotechnology, we also hold a number of cyclical health care businesses that are likely to benefit from a return to normality and resumption of many delayed surgical procedures.

We are excited about where the portfolio is invested today and believe we are well positioned to outperform over a market cycle. Insurance companies in the portfolio have passed on significant price increases that will support growth over the next 2-3 years. We hold a number of non-cyclical steady earners where fundamentals continue to look strong and relative valuations are very attractive. We continue to own multiple companies that benefitted from the rapid digitization of the economy during the COVID-19 pandemic. We feel that many of these trends are likely to persist and remain confident that the balance in the portfolio today has us well positioned for the future.

At the end of the period, our largest overweights were information technology and health care. We were most underweight to materials, financials and consumer discretionary.

### SECTOR ACTIVE WEIGHTS (% OF EQUITY)

31 Mar 2021 30 Jun 2021



Portfolio*	25.7	19.8	3.0	3.2	2.1	0.1	14.8	6.2	11.2	11.4	2.6
Benchmark	14.4	11.1	1.8	3.0	3.4	2.1	18.0	9.7	14.8	15.1	6.6

\*End weights as of 30 Jun 2021



# WTC-CIF II Mid Cap Opportunities (Series 3)

Transactions, Holdings & Characteristics: three months ending 30 June 2021

## LARGEST BUYS

Company	% of equities as of 31 Mar 2021	% of equities as of 30 Jun 2021
Dun & Bradstreet	0.1	0.6
Mirati Therapeutics	0.0	0.5
Steel Dynamics	0.0	0.5

## LARGEST SELLS

Company	% of equities as of 31 Mar 2021	% of equities as of 30 Jun 2021
Coherent	1.6	0.2
Alleghany	0.5	0.0
KAR Auction Services	0.8	0.6

## PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
Asset-weighted market cap (USD, bil)	9.8	7.7
Median market cap (USD, bil)	8.0	5.6
Projected EPS growth (5-yr, %)	16.9	17.4
Projected P/E (x)	23.2	17.0
Average ROE (5-yr, %)	13.6	16.2
Price/book (x)	3.5	2.8
Yield (%)	0.7	1.3
Asset turnover (1-yr, %)	45	
Historical beta (3-yr, USD)	0.94	
Historical R <sup>2</sup> (3-yr, USD)	0.94	
Historical tracking risk (3-yr, USD, %)	5.73	

## TOP TEN HOLDINGS

Company	Sector	% of equities
II-VI	Info technology	2.2
Ingersoll Rand	Industrials	2.1
F5 Networks	Info technology	2.1
Genpact	Info technology	2.1
WEX	Info technology	2.0
CommScope Holding	Info technology	1.9
Etsy	Cons discretionary	1.9
First Solar	Info technology	1.8
NVR	Cons discretionary	1.7
MKS Instruments	Info technology	1.7
<b>Total</b>		<b>19.5</b>

Benchmark: S&P Midcap 400 | The largest buys and sells shown are based on the net market value of the transactions over the period (e.g. Buys = \$3,000 and Sells = \$2,000, Net = \$1,000). | The largest buys and sells includes transactions resulting from a cash flow into or out of the portfolio during the period. | Historical returns based risk characteristics are calculated versus the benchmark(s) used for performance comparison purposes, which may be different than the benchmark(s) displayed on this page. Please see the investment returns page for additional information. | Sums may not total due to rounding. | If access products are held by the portfolio they have been excluded from the calculation of the transaction data. If access products are held by the portfolio they may not be included in the calculation of characteristic data. Access products are instruments used to gain access to equity markets not otherwise available and may include (but are not limited to) instruments such as warrants, total return swaps, p-notes, or zero strike options.



# **CITY of SANTA CLARA**

## RETIREMENT PLAN

### 457 DEFERRED COMPENSATION PLAN

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Second Quarter Performance Report 2021

**UNRAVELLING DISTORTION**

Lumber prices provide a great example of the economic distortions stemming from COVID-19. In the early days of the pandemic, the convergence of falling demand for furniture, the expectation of decreased home construction, and staffing cut-backs due to health concerns caused many sawmills to either reduce output or shut down entirely. Ironically, demand for lumber soared a few months later as do-it-yourself (DIY) work became popular amidst quarantined households and construction of single-family homes increased by 12% in 2020. This was the highest rate of increase since 2006. In reaction to increased demand, lumber prices shot up by unprecedented amounts; from \$349 per thousand board feet in April 2020 to \$1,514 in May 2021, a 334% increase in just over one year!

While prices have since come down into the \$700 to \$800 range, they remain at roughly twice their longer-term averages as supply and demand are expected to remain out of balance for some time. The lumber industry is not one that can easily alter production levels to match demand in the short-run. A new mill costs tens of millions of dollars and takes at least two years to construct (the delivery lead-time for even a back-yard DIY mill was 44 to 59 weeks in May). Labor recruitment is another challenging piece of the capacity puzzle. The logging industry, in addition to being hazardous, is relatively low-paying. For example, the median annual wage of sawing machine setters and operators was \$31,560 in 2020, equivalent to the bottom 24<sup>th</sup> percentile of household income. Likewise, median wages for the trucking industry are \$47,130, equivalent to the bottom 35<sup>th</sup> income percentile. The additional \$300 per week in Federal unemployment benefits constitute 49% and 33% of sawing and trucking wages respectively, understandably undercutting any incentive to return to arduous work. Even if labor and industry could immediately correct, wholesalers now sit on inventories of highly-priced lumber and are likely to only slowly reduce their holdings to avoid selling them at a loss. As such, traders expect lumber prices to remain elevated albeit at sub-peak levels.

This commentary is not intended to pin the future of the US economy on the lumber industry, understate its significance (its annual sales are comparable to that of one large-cap US company), or opine on how its troubles will be resolved. Rather, the lumber saga provides one of many examples of an industry whose normal expectations have been thrown far off kilter, for better or worse, by unprecedented events and governmental reactions to COVID-19. Other industry examples include hospitality, restaurants, and online shopping. The timing and manner in which these sectors come back into balance with their peers is difficult to predict; usually these displacements happen to one or two industries or regions at a time and ripple through to the rest. While shrewd investors may have the knowledge of financial markets, valuation, and economic forces to correctly navigate the resolution of these market distortions, the fallout of the global pandemic and the scope of monetary response is beyond their direct experience.

On a high level, what is the best thing to do in this environment? Look past it or at least avoid getting caught up in the near-term industry developments. Interesting as the stories of the lumber industry and so many others may be, extrapolating them into concentrated investment actions over the next few years is a tenuous endeavor. In any case, for all this uncertainty, economic growth expectations appear quite high on aggregated levels. Security prices, while also generally high, do not appear to convey a fear of loss as much as a broad divergence of growth estimates, indicating a path that is moderately upward though hectic. While supply and demand have been disjointed in new and forceful ways, they can still be expected to gravitate towards each other. The routes that industries take back into equilibrium will make for many interesting case studies.

## GLOBAL ECONOMIC LANDSCAPE

- Global growth expectations remain high. Global GDP is expected to grow 6.7% after inflation in 2021 and by 4.6% in 2022; a sharp rebound from the -3.8% of 2020. The Global Purchasing Manager Index, an indicator of economic trends, is at its highest level for manufacturing and services in over ten years.
- Falling back on a familiar and longer-term growth story, the emerging market consumer continues to be a driver of global growth. Interestingly, much of the recent growth has come from outside China. From 2015 to 2019 for example, Europe and the US share of global consumption shrank from 51% to 36%, China's share decreased from 23% to 22%, and the rest of the world's portion increased from 26% to 42%. Looking forward, India's middle class is expected to grow from 21% to 79% of its population (approximately 883 million people, nearly twice the expected amount of increase from China) from 2020 to 2030!
- A very tight US labor market reflects the high demand from Federal and monetary stimulus and generally improved economic expectations. As examples, both total nonfarm job openings and small firms with at least one job they are unable to fill stood at their highest levels in decades.
- US inflation expectations range from 2.3% to 2.8% for the next ten years versus the Federal Reserve's long-term goal of 2.0%. Treasury yields reflect a very inflation-tolerant Federal Reserve. Adjusting for inflation, the yield on a ten-year Treasury was -2.35% at quarter-end, the lowest level since the late 1970s. Nonetheless, the yield difference between the US and a basket of developed market bonds stood at 1.3% on June 30, 2021; their highest level since 2006.

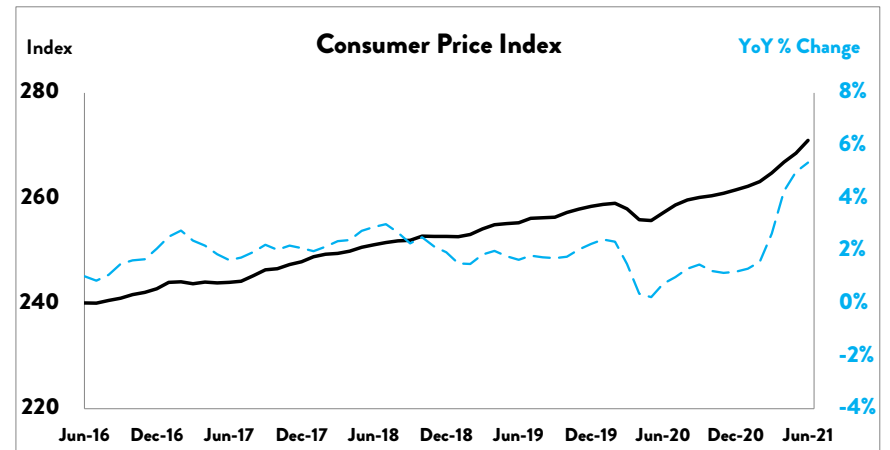
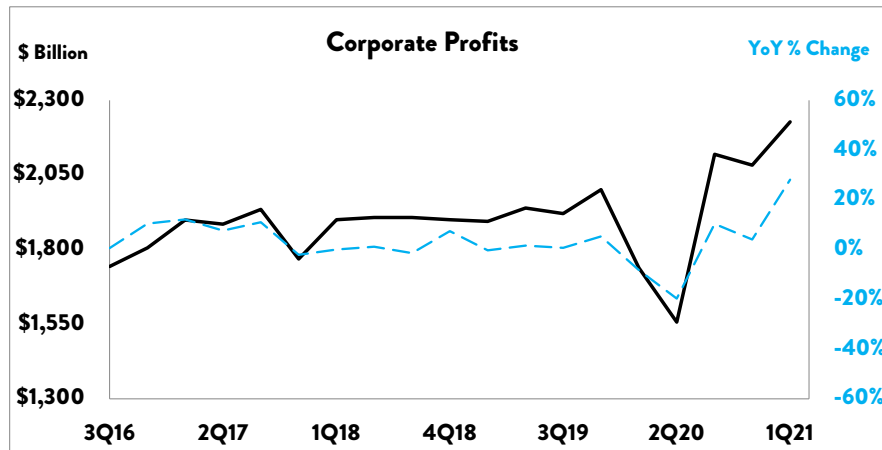
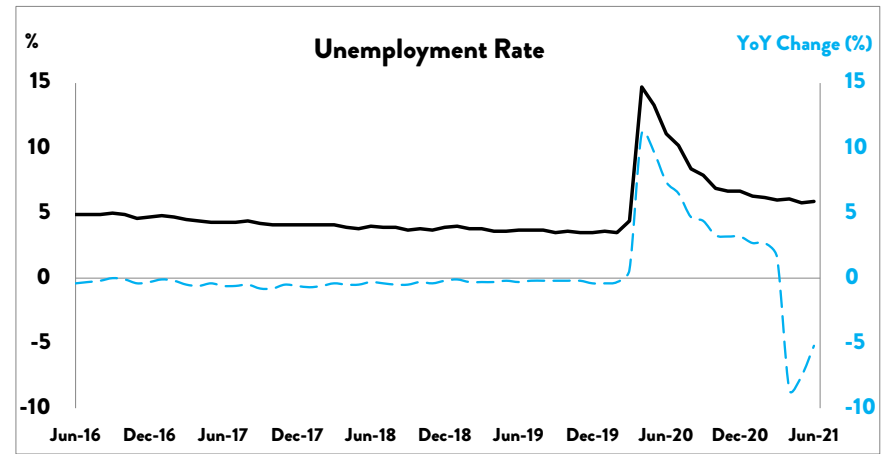
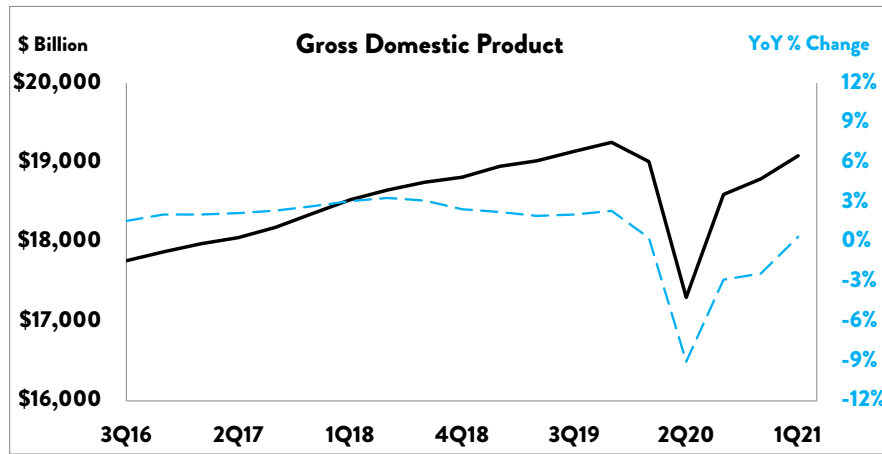
## GLOBAL FINANCIAL MARKETS

- Stock market valuations appear high, particularly in the US. For example, the S&P 500's forward P/E was 21.5 at quarter-end versus a twenty-five-year average of 16.7. Stock-by-stock valuations appear more disparate however, suggesting the potential for active managers to add or subtract value. The P/E difference between the 20<sup>th</sup> and 80<sup>th</sup> percentile S&P 500 stock was 19.7 versus a long-term average of 11.0. International equity valuations also are above long-term averages (excepting Japan, which remains below them) though not to US extents.
- Earnings growth estimates, particularly for cyclical sectors, may explain investors' tolerance of higher valuations. For 2021, earnings growth estimates range from 17% to 50% for various developed and emerging market stock indexes with estimates for cyclical sectors ranging from 33% to 55%! Non-domestic revenue for most developed and emerging markets ranges from 45% to 68% of total, indicating that the myriad of global growth expectations is broadly expected to be high.
- The US high yield bond market continues to show relatively low concern for default risk. Option-adjusted spreads over Treasury bonds stood at 3.04% at the end of 2Q, well below their 10.87% peak on March 23, 2020 and their trailing ten-year average of 4.85%. The range of credit spreads amongst high yield bonds has also tightened up dramatically, suggesting a reduced concern in firm-specific credit risk. Emerging market bonds also reflect this trend, trading at spreads below their longer-term averages.
- Apart from the Federal Reserve, bond purchases by many developed central banks are expected to continue at their current rates for the next few quarters. Though the Federal Reserve is starting to taper off its buying program, the Federal Funds Rate is still expected to remain below 1% through 2023. Given these non-hawkish outlooks, interest rate risk does not appear to be a major concern at this point. However, US and international bond markets have durations of generally over six years, indicating vulnerability to rising rates.

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## 2Q2021 Economic Data



Key: — Economic Series

- - - Year-Over-Year Change

Labor Market Statistics (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	5-Yr Avg.	Date
Jobs Added/Lost Monthly	850,000	4,846,000	-20,679,000	26,817	Jun-21
Unemployment Rate	5.9%	14.7%	3.5%	5.1%	Jun-21
Median Unemployment Length (Weeks)	17.6	22.2	4.0	11.2	Jun-21
Average Hourly Earnings	\$30.40	\$30.40	\$25.70	\$27.74	Jun-21

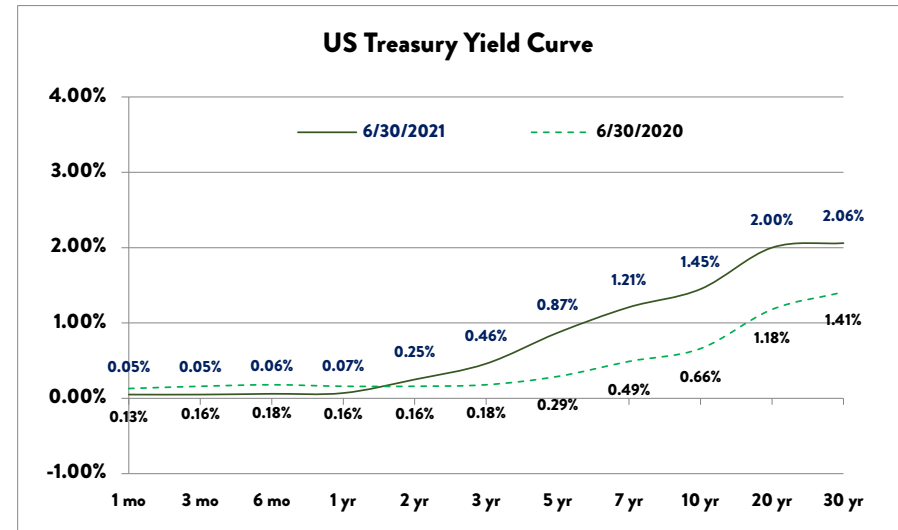
Source: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics

Other Prices and Indexes (Monthly)					
Category	Recent	5-Yr High	5-Yr Low	% Off Peak	Date
Gas: Price per Gallon	\$3.04	\$3.04	\$1.80	0.0%	Jun-21
Spot Oil	\$71.38	\$71.38	\$16.55	0.0%	Jun-21
Case-Shiller Home Price Index	256.5	256.5	187.4	36.8*	Apr-21
Medical Care CPI	523.1	524.0	464.3	12.7*	Jun-21

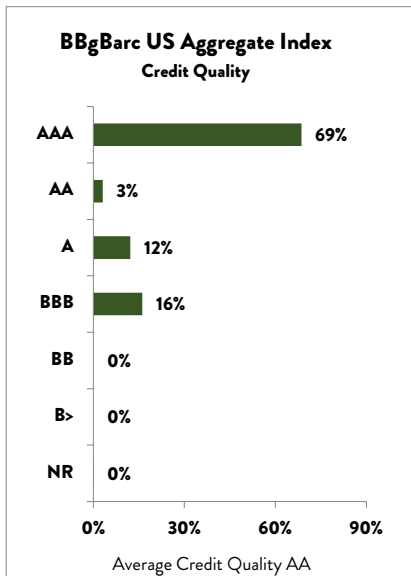
\*% Off Low

## 2Q2021 Bond Market Data

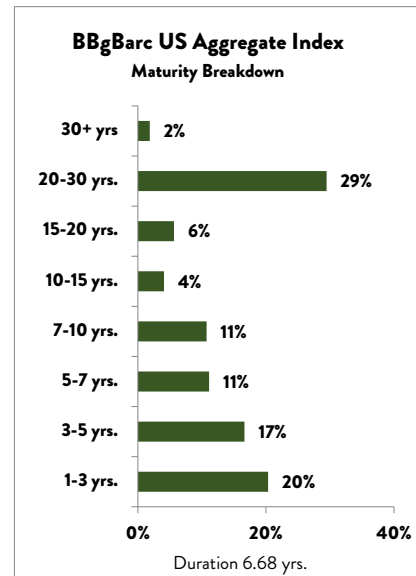
Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	0.01%	0.02%	0.07%	1.20%	1.12%	0.59%
BBgBarc US Aggregate	1.83%	-1.60%	-0.33%	5.34%	3.03%	3.39%
BBgBarc Short US Treasury	0.00%	0.04%	0.11%	1.51%	1.26%	0.72%
BBgBarc Int. US Treasury	0.62%	-1.14%	-1.18%	3.96%	1.93%	2.16%
BBgBarc Long US Treasury	6.46%	-7.92%	-10.58%	7.99%	3.13%	6.66%
BBgBarc US TIPS	3.25%	1.73%	6.51%	6.53%	4.17%	3.40%
BBgBarc US Credit	3.32%	-1.28%	2.99%	7.42%	4.63%	4.92%
BBgBarc US Mortgage-Backed	0.33%	-0.77%	-0.42%	3.78%	2.27%	2.64%
BBgBarc US Asset-Backed	0.34%	0.18%	1.34%	3.65%	2.39%	2.37%
BBgBarc US 20-Yr Municipal	2.10%	1.79%	5.92%	6.30%	4.08%	5.53%
BBgBarc US High Yield	2.74%	3.62%	15.37%	7.45%	7.48%	6.66%
BBgBarc Global	1.31%	-3.21%	2.63%	4.23%	2.34%	2.05%
BBgBarc International	0.92%	-4.42%	4.60%	3.12%	1.63%	0.99%
BBgBarc Emerging Market	2.99%	-0.59%	6.34%	6.70%	4.88%	5.43%



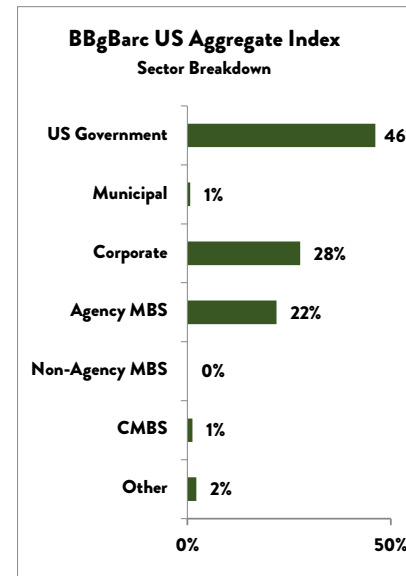
Source: Department of US Treasury



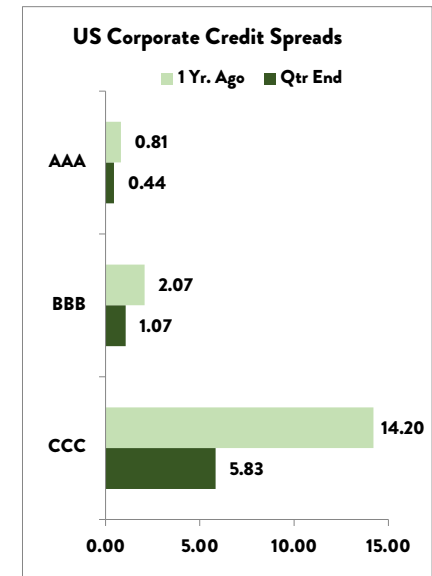
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

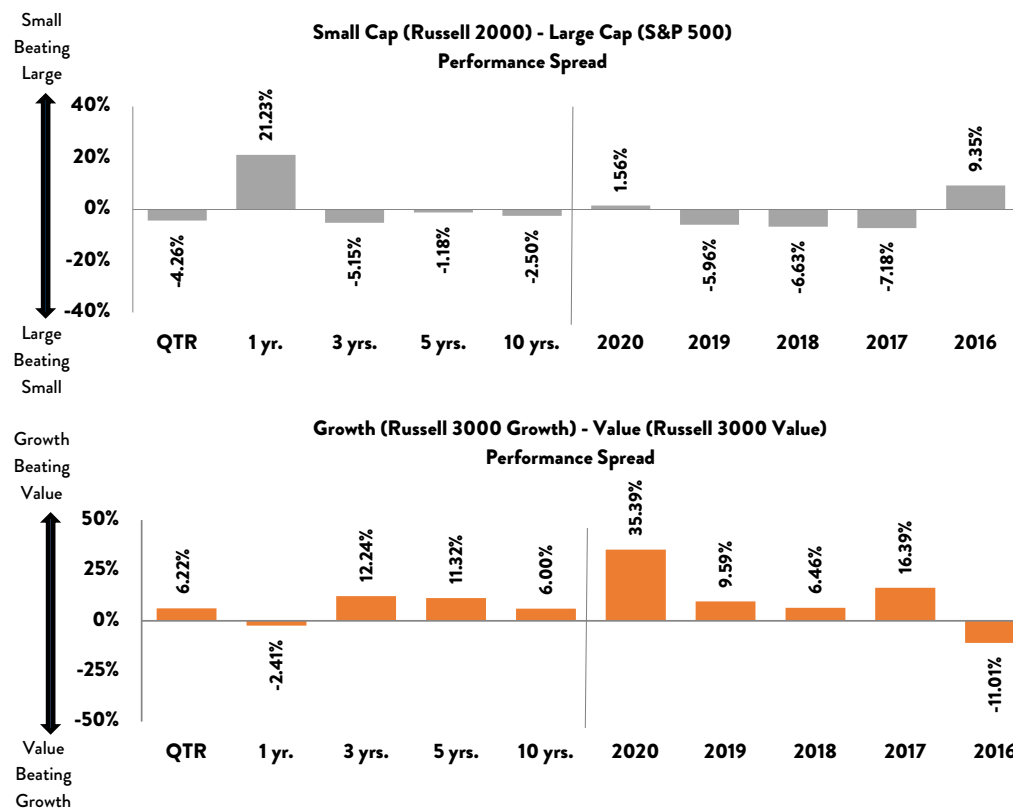
# 2Q2021 US Equity Market Data

## Sectors Weights/Returns (ranked by quarter performance)

	Wgt.	Sector	QTR	YTD	1 yr.
S&P 500 Index	3%	Real Estate	13.09%	23.30%	31.88%
	27%	Information Technology	11.56%	13.76%	42.40%
	3%	Energy	11.30%	45.64%	49.38%
	11%	Communication Services	10.72%	19.67%	48.38%
	13%	Health Care	8.40%	11.85%	27.92%
	11%	Financials	8.36%	25.69%	61.77%
	12%	Consumer Discretionary	6.95%	10.27%	37.08%
	3%	Materials	4.97%	14.50%	48.51%
	9%	Industrials	4.48%	16.40%	51.45%
	6%	Consumer Staples	3.83%	5.02%	23.29%
2%	Utilities	-0.41%	2.38%	15.77%	
S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
	2%	Energy	14.06%	53.66%	79.46%
	10%	Real Estate	9.11%	18.00%	37.79%
	11%	Health Care	5.47%	10.30%	36.07%
	18%	Industrials	3.97%	18.13%	58.35%
	6%	Materials	3.62%	25.43%	62.24%
	15%	Consumer Discretionary	3.14%	25.16%	74.39%
	15%	Financials	2.92%	22.15%	57.63%
	3%	Utilities	1.79%	11.77%	21.82%
	14%	Information Technology	1.71%	8.19%	53.93%
2%	Communication Services	-3.02%	3.41%	30.51%	
3%	Consumer Staples	-3.41%	11.47%	38.29%	
S&P Smallcap 600 Index	Wgt.	Sector	QTR	YTD	1 yr.
	5%	Energy	27.53%	82.70%	141.78%
	2%	Communication Services	12.95%	32.70%	53.91%
	8%	Real Estate	7.51%	18.45%	42.44%
	4%	Consumer Staples	6.60%	23.31%	49.34%
	12%	Health Care	5.49%	14.38%	60.46%
	14%	Information Technology	5.38%	17.50%	65.56%
	15%	Consumer Discretionary	4.76%	44.45%	114.05%
	5%	Materials	3.16%	13.47%	69.24%
	2%	Utilities	1.16%	9.12%	13.41%
18%	Financials	0.66%	19.68%	54.31%	
17%	Industrials	-0.05%	17.34%	59.57%	

## Index Performance Data

Index	QTR	YTD	1 yr.	Annualized		
				3 yrs.	5 yrs.	10 yrs.
S&P 500	8.55%	15.25%	40.79%	18.67%	17.65%	14.84%
Russell 1000 Value	5.21%	17.05%	43.68%	12.42%	11.87%	11.61%
Russell 1000 Growth	11.93%	12.99%	42.50%	25.14%	23.66%	17.87%
Russell Mid Cap	7.50%	16.25%	49.80%	16.45%	15.62%	13.24%
Russell Mid Cap Value	5.66%	19.45%	53.06%	11.86%	11.79%	11.75%
Russell Mid Cap Growth	11.07%	10.44%	43.77%	22.39%	20.52%	15.13%
Russell 2000	4.29%	17.54%	62.03%	13.52%	16.47%	12.34%
Russell 2000 Value	4.56%	26.69%	73.28%	10.27%	13.62%	10.85%
Russell 2000 Growth	3.92%	8.98%	51.36%	15.94%	18.76%	13.52%
Russell 3000	8.24%	15.11%	44.16%	18.73%	17.89%	14.70%
DJ US Select REIT	11.76%	22.94%	39.98%	8.13%	5.16%	8.67%



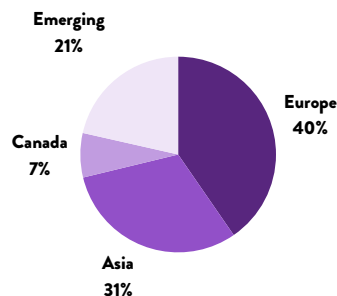
# 2Q2021 International Market Data

## Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
<b>MSCI ACWI ex-US</b>	<b>5.48%</b>	<b>9.16%</b>	<b>35.72%</b>	<b>9.38%</b>	<b>11.08%</b>	<b>5.45%</b>
<b>MSCI EAFE</b>	<b>5.17%</b>	<b>8.83%</b>	<b>32.35%</b>	<b>8.27%</b>	<b>10.28%</b>	<b>5.89%</b>
<b>Europe</b>	<b>7.42%</b>	<b>11.80%</b>	<b>35.09%</b>	<b>8.66%</b>	<b>10.34%</b>	<b>5.58%</b>
United Kingdom	5.97%	12.52%	31.29%	1.90%	5.70%	3.68%
Germany	4.70%	9.13%	31.79%	7.30%	10.27%	5.00%
France	9.07%	13.89%	40.86%	9.18%	12.88%	5.70%
<b>Pacific</b>	<b>1.33%</b>	<b>3.89%</b>	<b>27.80%</b>	<b>7.59%</b>	<b>10.30%</b>	<b>6.58%</b>
Japan	-0.28%	1.28%	24.84%	7.24%	10.19%	7.15%
Hong Kong	2.53%	9.97%	28.95%	6.69%	10.43%	7.65%
Australia	6.87%	10.51%	39.64%	9.60%	11.12%	5.12%
<b>Canada</b>	<b>10.04%</b>	<b>20.59%</b>	<b>45.84%</b>	<b>11.40%</b>	<b>11.00%</b>	<b>3.88%</b>
<b>MSCI EM</b>	<b>5.05%</b>	<b>7.45%</b>	<b>40.90%</b>	<b>11.27%</b>	<b>13.03%</b>	<b>4.28%</b>
<b>MSCI EM Latin America</b>	<b>15.01%</b>	<b>8.89%</b>	<b>44.92%</b>	<b>5.05%</b>	<b>5.89%</b>	<b>-2.45%</b>
<b>MSCI EM Asia</b>	<b>3.77%</b>	<b>6.02%</b>	<b>41.03%</b>	<b>13.06%</b>	<b>15.26%</b>	<b>7.03%</b>
<b>MSCI EM Eur/Mid East</b>	<b>11.29%</b>	<b>18.56%</b>	<b>36.93%</b>	<b>8.98%</b>	<b>9.42%</b>	<b>-1.46%</b>
<b>MSCI ACWI Value ex-US</b>	<b>4.33%</b>	<b>11.69%</b>	<b>37.56%</b>	<b>5.22%</b>	<b>8.54%</b>	<b>3.48%</b>
<b>MSCI ACWI Growth ex-US</b>	<b>6.60%</b>	<b>6.52%</b>	<b>33.68%</b>	<b>13.23%</b>	<b>13.37%</b>	<b>7.28%</b>
<b>MSCI ACWI Sm Cap ex-US</b>	<b>6.35%</b>	<b>12.24%</b>	<b>47.04%</b>	<b>9.78%</b>	<b>11.97%</b>	<b>7.02%</b>

## Regional Exposure

MSCI ACWI ex-USA

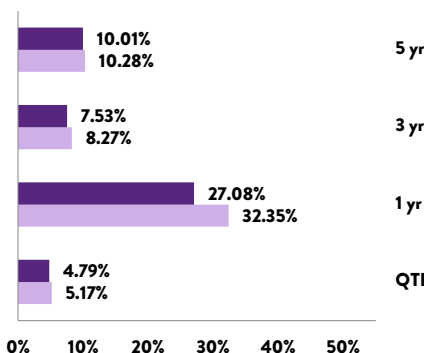


## Top 10 Countries (MSCI AC World ex-USA)

Japan	15%
China	11%
UK	9%
France	7%
Canada	7%
Switzerland	6%
Germany	6%
Taiwan	4%
Australia	4%
South Korea	4%

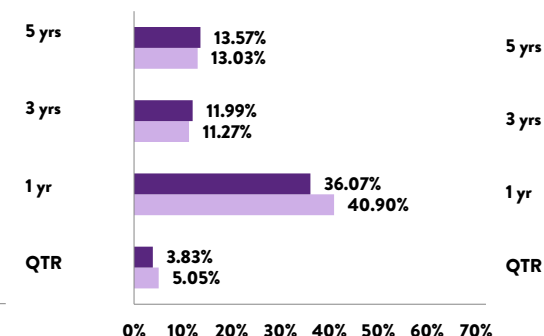
## MSCI EAFE Index Return

Local US\$



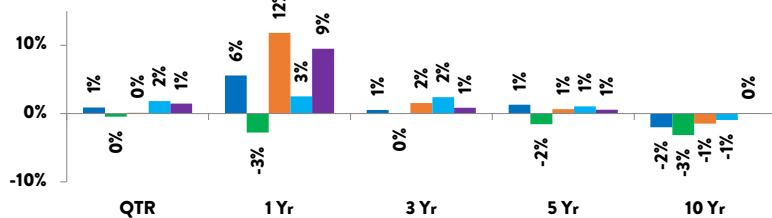
## MSCI Emerging Index Return

Local US\$



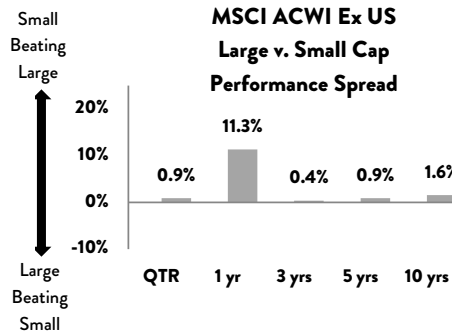
## Foreign Currency v. US\$ Returns

Euro Japanese Yen Pound Sterling Swiss Franc Chinese Yuan

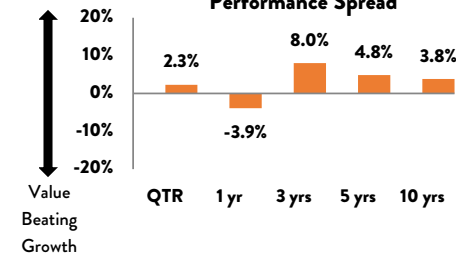


Exchange Rates	QTR	1Q21	4Q20	3Q20	2Q20	1Q20
<b>Japanese Yen</b>	111.05	110.67	103.19	105.58	107.77	107.53
<b>Euro</b>	0.84	0.85	0.82	0.85	0.89	0.91
<b>British Pound</b>	0.72	0.72	0.73	0.77	0.81	0.80
<b>Swiss Franc</b>	0.93	0.94	0.88	0.92	0.95	0.96
<b>Chinese Yuan</b>	6.46	6.55	6.53	6.79	7.07	7.08

## MSCI ACWI Ex US Large v. Small Cap Performance Spread



## MSCI ACWI Ex US Value v. Growth Performance Spread





# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PLAN ASSET ALLOCATION

Second Quarter 2021

Fixed Income	Ticker	Assets	%
Nationwide Fixed Fund	-	\$59,854,932	25.9%
Fidelity US Bond Index	FXNAX	\$2,596,146	1.1%
Sterling Capital Total Return Bond R6	STRDX	\$4,262,014	1.8%
Hotchkis & Wiley High Yield Z	HWHZX	\$1,394,747	0.6%
<b>Total</b>		<b>\$68,107,840</b>	<b>29.5%</b>

Large Cap	Ticker	Assets	%
DFA US Large Cap Value I	DFLVX	\$8,719,828	3.8%
Fidelity 500 Index	FXAIX	\$34,863,824	15.1%
T. Rowe Price Large Cap Growth I	TRLGX	\$23,384,571	10.1%
<b>Total</b>		<b>\$66,968,223</b>	<b>29.0%</b>

Mid Cap	Ticker	Assets	%
MFS Mid Cap Value R6	MVCKX	\$1,932,031	0.8%
Fidelity Mid Cap Index	FSMDX	\$3,487,114	1.5%
WTC-CIF II Mid Cap Opportunities (Series 3)	-	\$10,279,397	4.5%
<b>Total</b>		<b>\$15,698,543</b>	<b>6.8%</b>

Small Cap	Ticker	Assets	%
DFA US Targeted Value I	DFVFX	\$3,844,378	1.7%
Fidelity Small Cap Index	FSSNX	\$1,979,920	0.9%
Vanguard Small Growth Index Adm	VSGAX	\$5,067,907	2.2%
<b>Total</b>		<b>\$10,892,205</b>	<b>4.7%</b>

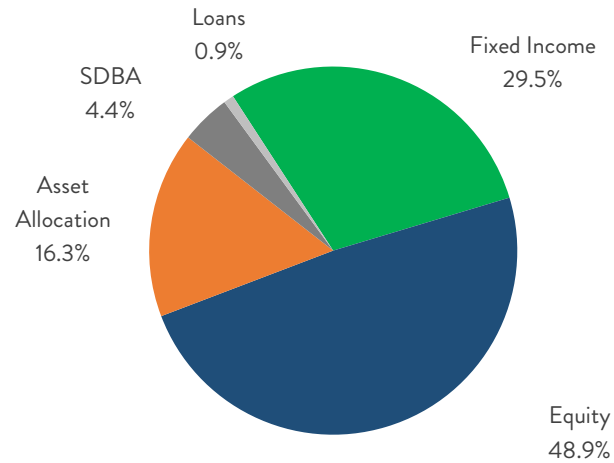
International	Ticker	Assets	%
MFS International Intrinsic Value Equity R6	MINJX	\$4,953,141	2.1%
Fidelity Total International Index	FTIHX	\$4,657,481	2.0%
Vanguard International Growth Adm	VWILX	\$9,538,406	4.1%
<b>Total</b>		<b>\$19,149,029</b>	<b>8.3%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Instl Target Retirement Income Instl	VITRX	\$1,123,704	0.5%
Vanguard Instl Target Retirement 2020 Instl	VITWX	\$1,062,474	0.5%
Vanguard Instl Target Retirement 2025 Instl	VRIVX	\$15,232,652	6.6%
Vanguard Instl Target Retirement 2030 Instl	VTTWX	\$938,643	0.4%
Vanguard Instl Target Retirement 2035 Instl	VITFX	\$8,114,133	3.5%
Vanguard Instl Target Retirement 2040 Instl	VIRSX	\$645,365	0.3%
Vanguard Instl Target Retirement 2045 Instl	VITLX	\$8,021,360	3.5%
Vanguard Instl Target Retirement 2050 Instl	VTRLX	\$686,209	0.3%
Vanguard Instl Target Retirement 2055 Instl	VIVLX	\$1,602,297	0.7%
Vanguard Instl Target Retirement 2060 Instl	VILVX	\$274,688	0.1%
<b>Total</b>		<b>\$37,701,524</b>	<b>16.3%</b>

Miscellaneous	Ticker	Assets	%
Self Directed Option	-	\$10,127,992	4.4%
Loans	-	\$2,071,167	0.9%
<b>Total</b>		<b>\$12,199,159</b>	<b>5.3%</b>

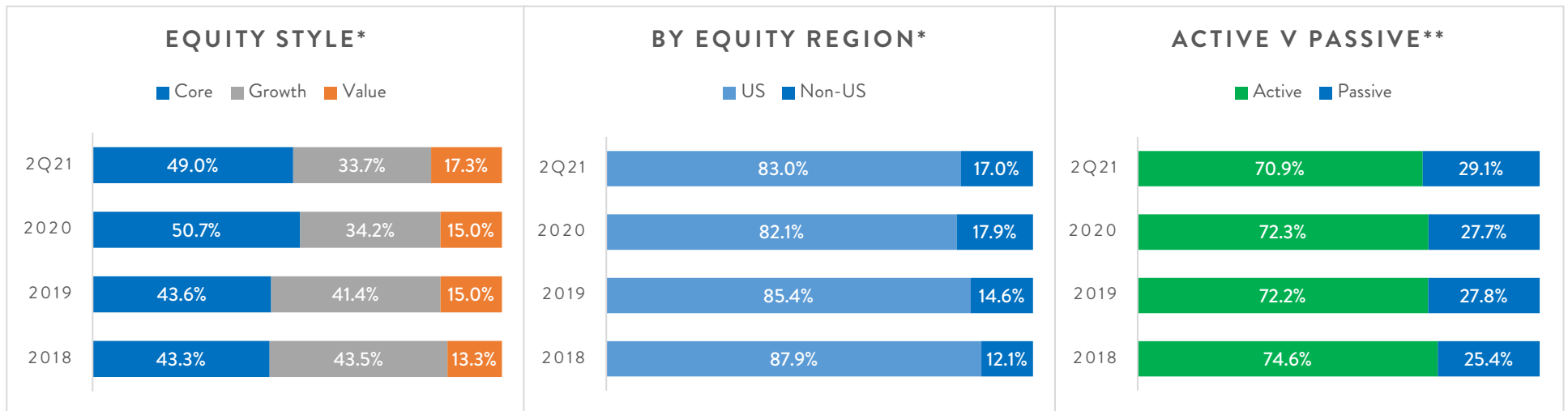
**TOTAL PLAN ASSETS**

**\$230,716,523**



**HISTORICAL PLAN ALLOCATION**

Asset Class	2Q21	2020	2019	2018	2017	2016	2015	2014
<b>Fixed Income</b>	29.5%	33.4%	35.5%	38.7%	N/A	N/A	N/A	N/A
<b>Large Cap</b>	29.0%	27.0%	26.3%	26.1%	N/A	N/A	N/A	N/A
<b>Mid Cap</b>	6.8%	6.4%	7.7%	6.7%	N/A	N/A	N/A	N/A
<b>Small Cap</b>	4.7%	3.9%	3.9%	4.1%	N/A	N/A	N/A	N/A
<b>International</b>	8.3%	8.1%	6.5%	5.1%	N/A	N/A	N/A	N/A
<b>Asset Allocation</b>	16.3%	16.3%	16.6%	16.3%	N/A	N/A	N/A	N/A
<b>SDBA</b>	4.4%	3.9%	2.8%	2.6%	N/A	N/A	N/A	N/A
<b>Loans</b>	0.9%	1.0%	0.7%	0.5%	N/A	N/A	N/A	N/A



\*Excludes Fixed Income, Asset Allocation, Brokerage, and Loan assets

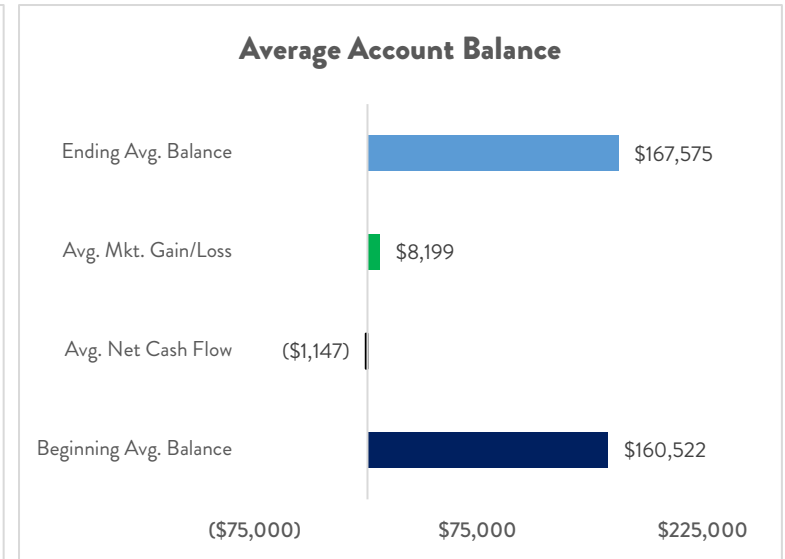
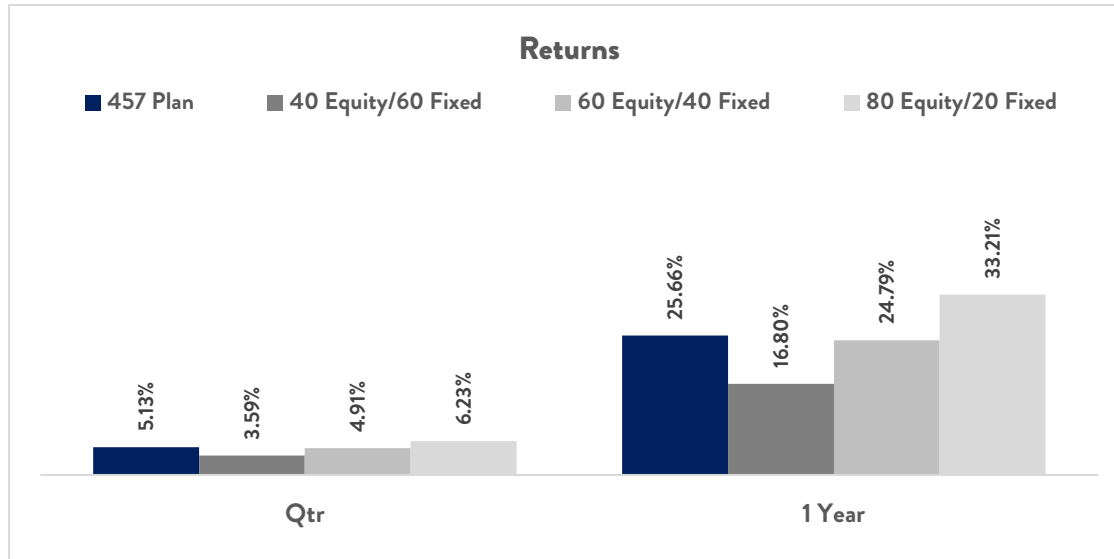
\*\*Excludes Asset Allocation, Brokerage, and Loan assets

**PLAN LEVEL CASH FLOWS**

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$69,207,355	\$799,253	(\$2,202,824)	(\$357,826)	\$661,882	\$68,107,840
<b>Large Cap</b>	\$61,307,889	\$885,989	(\$1,036,828)	\$22,635	\$5,788,537	\$66,968,223
<b>Mid Cap</b>	\$14,898,933	\$198,552	(\$242,617)	\$232,190	\$611,484	\$15,698,543
<b>Small Cap</b>	\$9,865,374	\$124,592	(\$122,815)	\$555,275	\$469,779	\$10,892,205
<b>International</b>	\$18,060,096	\$314,894	(\$403,691)	(\$18,650)	\$1,196,379	\$19,149,029
<b>Asset Allocation</b>	\$35,981,226	\$837,431	(\$647,179)	(\$433,624)	\$1,963,670	\$37,701,524
<b>Total</b>	\$209,320,874	\$3,160,711	(\$4,655,953)	\$0	\$10,691,732	\$218,517,364

**HISTORICAL PLAN CASH FLOWS**

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>2Q21</b>	\$209,320,874	(\$1,495,242)	\$10,691,732	\$218,517,364
<b>YTD</b>	\$203,711,702	(\$2,538,012)	\$17,343,673	\$218,517,364
<b>2020</b>	\$174,412,951	\$3,320,382	\$25,978,370	\$203,711,702
<b>2019</b>	\$150,093,203	(\$2,185,094)	\$26,504,842	\$174,412,951
<b>2018</b>	N/A	N/A	N/A	\$150,093,203
<b>2017</b>	N/A	N/A	N/A	N/A



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 3 Mo T-Bill, BBgBarc Global Aggregate Bond (rebalanced quarterly)

Key: Ⓟ Pass / ● Fail

Investment Policy Status

	Performance Factors	Qualitative Factors	On-Watch Date Initiated	Notes
Nationwide Fixed Fund	Ⓟ	Ⓟ	-	
Fidelity US Bond Index	●	Ⓟ	1Q2021	Sharpe Ratio trailing median for five-year period.
Sterling Capital Total Return Bond R6	Ⓟ	Ⓟ	-	
Hotchkis & Wiley High Yield Z	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
DFA US Large Cap Value I	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
Fidelity 500 Index	●	Ⓟ	-	Two consecutive quarters trailing benchmark on rolling three-year basis.
T. Rowe Price Large Cap Growth I	●	Ⓟ	-	Two consecutive quarters trailing benchmark on rolling three-year basis.
MFS Mid Cap Value R6	Ⓟ	Ⓟ	-	
Fidelity Mid Cap Index	Ⓟ	Ⓟ	-	
WTC-CIF II Mid Cap Opportunities (Series 3)	●	Ⓟ	4Q2019	Two consecutive quarters trailing benchmark and median on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
DFA US Targeted Value I	●	Ⓟ	2Q2020	Two consecutive quarters trailing benchmark on rolling three-year basis.
Fidelity Small Cap Index	Ⓟ	Ⓟ	-	
Vanguard Small Growth Index Adm	●	Ⓟ	1Q2021	Two consecutive quarters trailing benchmark on rolling three-year basis. Sharpe Ratio trailing median for five-year period.
MFS International Intrinsic Value Equity R6	Ⓟ	●	3Q2020	Significant style drift. To be replaced with Vanguard International Value (VTRIX).
Fidelity Total International Index	Ⓟ	Ⓟ	-	
Vanguard International Growth Adm	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement Income Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2020 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2025 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2030 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2035 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2040 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2045 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2050 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2055 Instl	Ⓟ	Ⓟ	-	
Vanguard Instl Target Retirement 2060 Instl	Ⓟ	Ⓟ	-	

# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PERFORMANCE REVIEW

Second Quarter 2021

	QTR	YTD	1Yr	<i>Annualized</i>			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Nationwide Fixed Fund</b>	<b>0.78</b>	<b>1.62</b>	<b>3.38</b>	-	-	-	<b>3.50</b>	<b>3.50</b>	-	-	-	-
5 Yr Constant Maturity US Treasury Yield	0.21	0.36	0.52	1.42	1.65	1.46	0.54	1.96	2.75	1.91	1.44	1.53
+/- Index	0.57	1.26	2.86	-	-	-	2.96	1.54	-	-	-	-
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Fidelity US Bond Index</b>	<b>1.85</b>	<b>-1.70</b>	<b>-0.53</b>	<b>5.37</b>	<b>2.97</b>	<b>3.37</b>	<b>7.80</b>	<b>8.48</b>	<b>0.01</b>	<b>3.50</b>	<b>2.52</b>	<b>0.63</b>
BBgBarc Capital US Aggregate Bond Index	1.83	-1.60	-0.33	5.34	3.03	3.39	7.51	8.72	0.01	3.54	2.65	0.55
+/- Index	0.02	(0.10)	(0.20)	0.03	(0.06)	(0.02)	0.29	(0.23)	0.00	(0.04)	(0.13)	0.08
US Fund Intermediate Core Bond	46	75	87	48	59	50	50	48	26	43	55	24
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Sterling Capital Total Return Bond R6</b>	<b>2.16</b>	<b>-0.90</b>	<b>2.35</b>	<b>6.28</b>	<b>3.95</b>	<b>4.05</b>	<b>9.35</b>	<b>9.37</b>	<b>-0.27</b>	<b>4.33</b>	<b>3.75</b>	<b>0.54</b>
BBgBarc Capital US Aggregate Bond Index	1.83	-1.60	-0.33	5.34	3.03	3.39	7.51	8.72	0.01	3.54	2.65	0.55
+/- Index	0.33	0.70	2.68	0.94	0.92	0.66	1.84	0.65	(0.28)	0.79	1.10	(0.01)
US Fund Intermediate Core Bond	16	23	11	10	6	8	15	18	42	10	12	28
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Hotchkis &amp; Wiley High Yield Z</b>	<b>2.87</b>	<b>4.96</b>	<b>19.44</b>	<b>4.97</b>	<b>6.24</b>	<b>5.84</b>	<b>3.83</b>	<b>9.77</b>	<b>-3.34</b>	<b>8.24</b>	<b>16.02</b>	<b>-4.30</b>
BBgBarc Capital US Corp High Yield Index	2.74	3.62	15.37	7.45	7.48	6.66	7.11	14.32	-2.08	7.50	17.13	-4.47
+/- Index	0.13	1.34	4.07	(2.48)	(1.24)	(0.82)	(3.29)	(4.54)	(1.26)	0.73	(1.11)	0.17
US Fund High Yield Bond	29	16	11	87	59	37	74	87	64	15	17	58
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>DFA US Large Cap Value I</b>	<b>5.22</b>	<b>20.71</b>	<b>50.50</b>	<b>10.71</b>	<b>12.56</b>	<b>11.82</b>	<b>-0.61</b>	<b>25.45</b>	<b>-11.65</b>	<b>18.97</b>	<b>18.89</b>	<b>-3.49</b>
Russell 1000 Value Index	5.21	17.05	43.68	12.42	11.87	11.61	2.80	26.54	-8.27	13.66	17.34	-3.83
+/- Index	0.01	3.66	6.82	(1.71)	0.69	0.21	(3.40)	(1.09)	(3.38)	5.30	1.55	0.33
US Fund Large Value	57	17	18	69	38	23	79	49	82	20	13	50

# CITY OF SANTA CLARA

## 457 Deferred Compensation Plan

# PERFORMANCE REVIEW

Second Quarter 2021

	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Fidelity 500 Index</b>	<b>8.55</b>	<b>15.25</b>	<b>40.79</b>	<b>18.66</b>	<b>17.63</b>	<b>14.83</b>	<b>18.40</b>	<b>31.47</b>	<b>-4.40</b>	<b>21.81</b>	<b>11.97</b>	<b>1.38</b>
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.84	18.40	31.49	-4.38	21.83	11.96	1.38
+/- Index	0.00	0.00	0.00	(0.01)	(0.02)	(0.01)	0.00	(0.01)	(0.02)	(0.02)	0.01	0.00
US Fund Large Blend	23	41	45	23	22	10	33	22	22	32	27	25
<b>T. Rowe Price Large Cap Growth I</b>	<b>12.53</b>	<b>16.65</b>	<b>46.98</b>	<b>24.88</b>	<b>27.02</b>	<b>19.41</b>	<b>39.56</b>	<b>28.49</b>	<b>4.32</b>	<b>37.82</b>	<b>2.85</b>	<b>10.08</b>
Russell 1000 Growth Index	11.93	12.99	42.50	25.14	23.66	17.87	38.49	36.39	-1.51	30.21	7.08	5.67
+/- Index	0.60	3.66	4.48	(0.26)	3.36	1.54	1.07	(7.90)	5.83	7.61	(4.22)	4.41
US Fund Large Growth	16	5	12	26	9	6	31	82	7	4	52	10
<b>MFS Mid Cap Value R6</b>	<b>5.04</b>	<b>19.16</b>	<b>50.15</b>	<b>12.93</b>	<b>12.47</b>	<b>11.69</b>	<b>4.40</b>	<b>31.08</b>	<b>-11.31</b>	<b>13.84</b>	<b>15.86</b>	<b>-2.14</b>
Russell Mid Cap Value Index	5.66	19.45	53.06	11.86	11.79	11.75	4.96	27.06	-12.29	13.34	20.00	-4.78
+/- Index	(0.62)	(0.29)	(2.91)	1.07	0.68	(0.06)	(0.57)	4.02	0.98	0.50	(4.14)	2.64
US Fund Mid-Cap Value	44	59	64	21	33	17	34	10	23	45	66	20
<b>Fidelity Mid Cap Index</b>	<b>7.47</b>	<b>16.23</b>	<b>49.79</b>	<b>16.45</b>	<b>15.61</b>	<b>-</b>	<b>17.11</b>	<b>30.51</b>	<b>-9.05</b>	<b>18.47</b>	<b>13.86</b>	<b>-2.44</b>
Russell Mid Cap Index	7.50	16.25	49.80	16.45	15.62	13.24	17.10	30.54	-9.06	18.52	13.80	-2.44
+/- Index	(0.03)	(0.02)	(0.01)	0.00	(0.01)	-	0.01	(0.03)	0.01	(0.05)	0.07	0.00
US Fund Mid-Cap Blend	14	53	50	15	21	-	24	24	25	26	57	32
<b>WTC-CIF II Mid Cap Opportunities (Series 3)</b>	<b>3.00</b>	<b>8.34</b>	<b>42.94</b>	<b>15.94</b>	<b>17.86</b>	<b>14.45</b>	<b>25.16</b>	<b>33.06</b>	<b>-7.03</b>	<b>24.54</b>	<b>12.14</b>	<b>2.20</b>
Russell Mid Cap Growth Index	11.07	10.44	43.77	22.39	20.52	15.13	35.59	35.47	-4.75	25.27	7.33	-0.20
+/- Index	(8.07)	(2.10)	(0.83)	(6.45)	(2.66)	(0.68)	(10.43)	(2.41)	(2.28)	(0.73)	4.81	2.40
US Fund Mid-Cap Growth	95	61	56	90	78	51	79	55	70	57	7	28

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## 457 Deferred Compensation Plan

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	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>DFA US Targeted Value I</b>	<b>4.21</b>	<b>30.36</b>	<b>80.04</b>	<b>10.09</b>	<b>13.10</b>	<b>11.00</b>	<b>3.77</b>	<b>21.47</b>	<b>-15.78</b>	<b>9.59</b>	<b>26.86</b>	<b>-5.72</b>
Russell 2000 Value Index	4.56	26.69	73.28	10.27	13.62	10.85	4.63	22.39	-12.86	7.84	31.74	-7.47
+/- Index	(0.35)	3.67	6.76	(0.18)	(0.52)	0.15	(0.87)	(0.92)	(2.92)	1.75	(4.88)	1.75
US Fund Small Value	49	20	23	37	31	22	46	54	54	47	35	51
<b>Fidelity Small Cap Index</b>	<b>4.26</b>	<b>17.53</b>	<b>61.98</b>	<b>13.61</b>	<b>16.59</b>	<b>-</b>	<b>19.99</b>	<b>25.71</b>	<b>-10.88</b>	<b>14.85</b>	<b>21.63</b>	<b>-4.24</b>
Russell 2000 Index	4.29	17.54	62.03	13.52	16.47	12.34	19.96	25.52	-11.01	14.65	21.31	-4.41
+/- Index	(0.03)	(0.01)	(0.05)	0.09	0.12	-	0.03	0.18	0.14	0.20	0.32	0.17
US Fund Small Blend	48	64	36	18	8	-	12	36	34	26	46	53
<b>Vanguard Small Growth Index Adm</b>	<b>5.81</b>	<b>8.52</b>	<b>45.75</b>	<b>18.82</b>	<b>19.38</b>	<b>13.86</b>	<b>35.28</b>	<b>32.76</b>	<b>-5.68</b>	<b>21.92</b>	<b>10.73</b>	<b>-2.52</b>
Vanguard US Small Cap Growth Index	5.81	8.52	45.79	18.83	19.37	13.80	35.35	32.75	-5.68	21.90	10.62	-2.60
+/- Index	0.00	0.00	(0.04)	(0.01)	0.01	0.06	(0.07)	0.01	0.00	0.02	0.11	0.09
US Fund Small Growth	35	62	74	50	59	56	57	36	59	56	46	54
<b>MFS International Intrinsic Value Equity R6</b>	<b>6.81</b>	<b>4.98</b>	<b>25.32</b>	<b>13.36</b>	<b>12.95</b>	<b>11.08</b>	<b>20.56</b>	<b>25.99</b>	<b>-8.89</b>	<b>27.25</b>	<b>4.31</b>	<b>6.85</b>
MSCI EAFE Value (Net) Index	3.01	10.68	33.50	3.78	7.81	3.86	-2.63	16.09	-14.78	21.44	5.02	-5.68
+/- Index	3.80	(5.70)	(8.18)	9.58	5.14	7.22	23.19	9.90	5.89	5.81	(0.72)	12.54
US Fund Foreign Large Value	4	100	94	1	1	1	1	2	2	12	32	1
<b>Fidelity Total International Index</b>	<b>5.53</b>	<b>9.65</b>	<b>36.77</b>	<b>9.44</b>	<b>11.02</b>	<b>-</b>	<b>11.07</b>	<b>21.48</b>	<b>-14.38</b>	<b>27.63</b>	<b>-</b>	<b>-</b>
MSCI ACWI Ex-USA IMI (Net) Index	5.60	9.58	37.18	9.42	11.20	5.65	11.12	21.63	-14.76	27.81	4.41	-4.60
+/- Index	(0.07)	0.07	(0.41)	0.02	(0.18)	-	(0.04)	(0.16)	0.37	(0.18)	-	-
US Fund Foreign Large Blend	31	36	32	36	30	-	42	62	39	27	-	-

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	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard International Growth Adm</b>	<b>7.49</b>	<b>6.38</b>	<b>51.23</b>	<b>23.33</b>	<b>23.66</b>	<b>12.55</b>	<b>59.74</b>	<b>31.48</b>	<b>-12.58</b>	<b>43.16</b>	<b>1.84</b>	<b>-0.54</b>
<b>MSCI ACWI Ex-USA Growth (Net) Index</b>	6.60	6.52	33.68	13.23	13.37	7.28	22.20	27.34	-14.43	32.01	0.12	-1.25
<b>+/- Index</b>	0.89	(0.14)	17.55	10.10	10.29	5.27	37.54	4.14	1.84	11.15	1.72	0.71
<b>US Fund Foreign Large Growth</b>	<b>34</b>	<b>56</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>23</b>	<b>34</b>	<b>7</b>	<b>16</b>	<b>65</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement Income Instl</b>	<b>3.21</b>	<b>3.32</b>	<b>12.04</b>	<b>8.12</b>	<b>6.70</b>	<b>5.84</b>	<b>10.18</b>	<b>13.20</b>	<b>-1.98</b>	<b>8.54</b>	<b>5.29</b>	<b>-0.13</b>
<b>Vanguard Retirement Income Index</b>	3.23	3.34	12.22	8.35	6.91	6.01	10.70	13.40	-1.98	8.67	5.35	0.12
<b>+/- Index</b>	(0.02)	(0.02)	(0.18)	(0.23)	(0.21)	(0.17)	(0.52)	(0.20)	0.00	(0.13)	(0.06)	(0.25)
<b>US Fund Target-Date Retirement</b>	<b>63</b>	<b>63</b>	<b>58</b>	<b>31</b>	<b>43</b>	<b>19</b>	<b>25</b>	<b>47</b>	<b>16</b>	<b>48</b>	<b>28</b>	<b>10</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2020 Instl</b>	<b>4.21</b>	<b>5.56</b>	<b>18.96</b>	<b>10.06</b>	<b>9.44</b>	<b>8.06</b>	<b>12.09</b>	<b>17.69</b>	<b>-4.21</b>	<b>14.13</b>	<b>7.04</b>	<b>-0.63</b>
<b>Vanguard Retirement 2020 Index</b>	4.22	5.61	19.18	10.38	9.72	8.31	12.86	17.87	-4.14	14.22	7.17	-0.40
<b>+/- Index</b>	(0.01)	(0.05)	(0.22)	(0.32)	(0.28)	(0.25)	(0.77)	(0.18)	(0.07)	(0.09)	(0.13)	(0.23)
<b>US Fund Target-Date 2020</b>	<b>49</b>	<b>64</b>	<b>47</b>	<b>28</b>	<b>27</b>	<b>14</b>	<b>38</b>	<b>32</b>	<b>46</b>	<b>21</b>	<b>27</b>	<b>40</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2025 Instl</b>	<b>4.79</b>	<b>6.78</b>	<b>22.81</b>	<b>11.17</b>	<b>10.62</b>	<b>8.78</b>	<b>13.34</b>	<b>19.67</b>	<b>-5.02</b>	<b>15.94</b>	<b>7.56</b>	<b>-0.80</b>
<b>Vanguard Retirement 2025 Index</b>	4.83	6.83	23.07	11.53	10.93	9.05	14.19	19.93	-5.01	16.08	7.66	-0.58
<b>+/- Index</b>	(0.04)	(0.05)	(0.26)	(0.36)	(0.31)	(0.27)	(0.85)	(0.26)	(0.01)	(0.14)	(0.10)	(0.22)
<b>US Fund Target-Date 2025</b>	<b>41</b>	<b>44</b>	<b>35</b>	<b>22</b>	<b>20</b>	<b>15</b>	<b>31</b>	<b>19</b>	<b>41</b>	<b>22</b>	<b>18</b>	<b>42</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2030 Instl</b>	<b>5.27</b>	<b>7.93</b>	<b>26.11</b>	<b>11.92</b>	<b>11.55</b>	<b>9.38</b>	<b>14.10</b>	<b>21.14</b>	<b>-5.82</b>	<b>17.57</b>	<b>7.97</b>	<b>-0.97</b>
<b>Vanguard Retirement 2030 Index</b>	5.29	7.96	26.37	12.29	11.86	9.63	14.96	21.33	-5.74	17.65	8.11	-0.80
<b>+/- Index</b>	(0.02)	(0.03)	(0.26)	(0.37)	(0.31)	(0.25)	(0.86)	(0.19)	(0.08)	(0.08)	(0.14)	(0.17)
<b>US Fund Target-Date 2030</b>	<b>45</b>	<b>54</b>	<b>41</b>	<b>29</b>	<b>29</b>	<b>19</b>	<b>36</b>	<b>35</b>	<b>38</b>	<b>34</b>	<b>26</b>	<b>46</b>

Due to lack of performance history, longer term Vanguard Institutional Target Date Suite performance is based off Investor Share class and adjusted for the differences in fees.



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## 457 Deferred Compensation Plan

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	QTR	YTD	1Yr	Annualized			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard Instl Target Retirement 2035 Instl</b>	<b>5.70</b>	<b>9.05</b>	<b>29.34</b>	<b>12.64</b>	<b>12.45</b>	<b>9.94</b>	<b>14.80</b>	<b>22.56</b>	<b>-6.56</b>	<b>19.14</b>	<b>8.39</b>	<b>-1.21</b>
Vanguard Retirement 2035 Index	5.73	9.10	29.72	13.02	12.77	10.21	15.67	22.76	-6.48	19.24	8.55	-1.02
+/- Index	(0.03)	(0.05)	(0.38)	(0.38)	(0.32)	(0.27)	(0.87)	(0.20)	(0.08)	(0.10)	(0.16)	(0.19)
<b>US Fund Target-Date 2035</b>	<b>60</b>	<b>75</b>	<b>64</b>	<b>36</b>	<b>39</b>	<b>26</b>	<b>37</b>	<b>46</b>	<b>29</b>	<b>37</b>	<b>26</b>	<b>48</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2040 Instl</b>	<b>6.14</b>	<b>10.22</b>	<b>32.73</b>	<b>13.34</b>	<b>13.34</b>	<b>10.44</b>	<b>15.44</b>	<b>23.93</b>	<b>-7.31</b>	<b>20.73</b>	<b>8.81</b>	<b>-1.52</b>
Vanguard Retirement 2040 Index	6.17	10.25	33.13	13.73	13.68	10.73	16.31	24.19	-7.22	20.87	8.98	-1.25
+/- Index	(0.03)	(0.03)	(0.40)	(0.39)	(0.34)	(0.29)	(0.87)	(0.26)	(0.09)	(0.14)	(0.17)	(0.27)
<b>US Fund Target-Date 2040</b>	<b>58</b>	<b>79</b>	<b>61</b>	<b>38</b>	<b>33</b>	<b>26</b>	<b>40</b>	<b>47</b>	<b>33</b>	<b>29</b>	<b>19</b>	<b>62</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2045 Instl</b>	<b>6.56</b>	<b>11.34</b>	<b>36.10</b>	<b>14.07</b>	<b>13.96</b>	<b>10.76</b>	<b>16.17</b>	<b>25.07</b>	<b>-7.87</b>	<b>21.47</b>	<b>8.94</b>	<b>-1.51</b>
Vanguard Retirement 2045 Index	6.61	11.40	36.63	14.47	14.31	11.03	17.03	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.05)	(0.06)	(0.53)	(0.40)	(0.35)	(0.27)	(0.86)	(0.29)	(0.10)	(0.07)	(0.19)	(0.26)
<b>US Fund Target-Date 2045</b>	<b>44</b>	<b>70</b>	<b>52</b>	<b>30</b>	<b>26</b>	<b>18</b>	<b>37</b>	<b>36</b>	<b>39</b>	<b>21</b>	<b>25</b>	<b>56</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2050 Instl</b>	<b>6.64</b>	<b>11.51</b>	<b>36.49</b>	<b>14.17</b>	<b>14.01</b>	<b>10.78</b>	<b>16.33</b>	<b>25.05</b>	<b>-7.87</b>	<b>21.47</b>	<b>8.95</b>	<b>-1.51</b>
Vanguard Retirement 2050 Index	6.69	11.59	37.03	14.58	14.37	11.06	17.18	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.05)	(0.08)	(0.54)	(0.41)	(0.36)	(0.28)	(0.85)	(0.31)	(0.10)	(0.07)	(0.18)	(0.26)
<b>US Fund Target-Date 2050</b>	<b>47</b>	<b>78</b>	<b>64</b>	<b>32</b>	<b>31</b>	<b>18</b>	<b>37</b>	<b>42</b>	<b>35</b>	<b>27</b>	<b>26</b>	<b>61</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Vanguard Instl Target Retirement 2055 Instl</b>	<b>6.65</b>	<b>11.51</b>	<b>36.50</b>	<b>14.20</b>	<b>14.03</b>	<b>10.78</b>	<b>16.36</b>	<b>25.06</b>	<b>-7.84</b>	<b>21.47</b>	<b>8.94</b>	<b>-1.66</b>
Vanguard Retirement 2055 Index	6.69	11.59	37.03	14.58	14.37	11.06	17.18	25.36	-7.77	21.54	9.13	-1.25
+/- Index	(0.04)	(0.08)	(0.53)	(0.38)	(0.34)	(0.28)	(0.82)	(0.30)	(0.07)	(0.07)	(0.19)	(0.41)
<b>US Fund Target-Date 2055</b>	<b>51</b>	<b>82</b>	<b>71</b>	<b>34</b>	<b>33</b>	<b>25</b>	<b>39</b>	<b>44</b>	<b>32</b>	<b>37</b>	<b>25</b>	<b>65</b>

Due to lack of performance history, longer term Vanguard Institutional Target Date Suite performance is based off Investor Share class and adjusted for the differences in fees.

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	QTR	YTD	1Yr	<i>Annualized</i>			2020	2019	2018	2017	2016	2015
				3Yr	5Yr	10Yr						
<b>Vanguard Instl Target Retirement 2060 Instl</b>	<b>6.66</b>	<b>11.51</b>	<b>36.54</b>	<b>14.23</b>	<b>14.04</b>	<b>-</b>	<b>16.40</b>	<b>25.13</b>	<b>-7.88</b>	<b>21.42</b>	<b>8.94</b>	<b>-1.61</b>
<b>Vanguard Retirement 2060 Index</b>	6.69	11.59	37.03	14.58	14.37	-	17.18	25.36	-7.77	21.54	9.13	-1.25
<b>+/- Index</b>	(0.03)	(0.08)	(0.49)	(0.35)	(0.33)	-	(0.77)	(0.23)	(0.11)	(0.12)	(0.18)	(0.36)
<b>US Fund Target-Date 2060</b>	<b>50</b>	<b>83</b>	<b>72</b>	<b>36</b>	<b>42</b>	<b>-</b>	<b>40</b>	<b>47</b>	<b>32</b>	<b>38</b>	<b>23</b>	<b>82</b>

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**PLAN FEE ANALYSIS**  
Second Quarter 2021

*Annualized*

Fund	Ticker	Quarter Average			Est. Total Invest.	Est. Total Admin.
		Assets	Net Expense Ratio	Admin Fee	Cost	Cost
Nationwide Fixed Fund*	-	\$60,691,024	0.40%	0.02%	\$242,764	\$12,138
Fidelity US Bond Index	FXNAX	\$2,438,862	0.03%	0.02%	\$610	\$488
Sterling Capital Total Return Bond R6	STRDX	\$4,184,959	0.35%	0.02%	\$14,647	\$837
Hotchkis & Wiley High Yield Z	HWHZX	\$1,342,751	0.60%	0.02%	\$8,057	\$269
DFA US Large Cap Value I	DFLVX	\$8,219,030	0.22%	0.02%	\$18,082	\$1,644
Fidelity 500 Index	FXAIX	\$33,602,554	0.02%	0.02%	\$5,040	\$6,721
T. Rowe Price Large Cap Growth I	TRLGX	\$22,316,473	0.56%	0.02%	\$124,972	\$4,463
MFS Mid Cap Value R6	MVCKX	\$1,760,715	0.68%	0.02%	\$11,973	\$352
Fidelity Mid Cap Index	FSMDX	\$2,992,810	0.03%	0.02%	\$748	\$599
WTC-CIF II Mid Cap Opportunities (Series 3)	-	\$10,545,213	0.57%	0.02%	\$60,108	\$2,109
DFA US Targeted Value I	DFFVX	\$3,387,635	0.33%	0.02%	\$11,179	\$678
Fidelity Small Cap Index	FSSNX	\$1,829,351	0.03%	0.02%	\$457	\$366
Vanguard Small Growth Index Adm	VSGAX	\$5,161,804	0.07%	0.02%	\$3,613	\$1,032
MFS International Intrinsic Value Equity R6	MINJX	\$4,778,203	0.63%	0.02%	\$30,103	\$956
Fidelity Total International Index	FTIHX	\$4,486,742	0.06%	0.02%	\$2,692	\$897
Vanguard International Growth Adm	VWILX	\$9,339,617	0.33%	0.02%	\$30,821	\$1,868
Vanguard Instl Target Retirement Income Instl	VITRX	\$561,852	0.09%	0.02%	\$506	\$112
Vanguard Instl Target Retirement 2020 Instl	VITWX	\$531,237	0.09%	0.02%	\$478	\$106
Vanguard Instl Target Retirement 2025 Instl	VRIVX	\$7,616,326	0.09%	0.02%	\$6,855	\$1,523
Vanguard Instl Target Retirement 2030 Instl	VTTWX	\$469,321	0.09%	0.02%	\$422	\$94
Vanguard Instl Target Retirement 2035 Instl	VITFX	\$4,057,067	0.09%	0.02%	\$3,651	\$811
Vanguard Instl Target Retirement 2040 Instl	VIRSX	\$322,683	0.09%	0.02%	\$290	\$65
Vanguard Instl Target Retirement 2045 Instl	VITLX	\$4,010,680	0.09%	0.02%	\$3,610	\$802
Vanguard Instl Target Retirement 2050 Instl	VTRLX	\$343,104	0.09%	0.02%	\$309	\$69
Vanguard Instl Target Retirement 2055 Instl	VIVLX	\$801,148	0.09%	0.02%	\$721	\$160
Vanguard Instl Target Retirement 2060 Instl	VILVX	\$137,344	0.09%	0.02%	\$124	\$27
Vanguard Target Retirement Income Inv	VTINX	\$549,727	0.12%	0.02%	\$660	\$110
Vanguard Target Retirement 2020 Inv	VTWNX	\$515,605	0.13%	0.02%	\$670	\$103
Vanguard Target Retirement 2025 Inv	VTTVX	\$7,514,680	0.13%	0.02%	\$9,769	\$1,503
Vanguard Target Retirement 2030 Inv	VTHRX	\$401,543	0.14%	0.02%	\$562	\$80
Vanguard Target Retirement 2035 Inv	VTTHX	\$3,838,925	0.14%	0.02%	\$5,374	\$768
Vanguard Target Retirement 2040 Inv	VFORX	\$291,365	0.14%	0.02%	\$408	\$58

**CITY OF SANTA CLARA**  
**457 Deferred Compensation Plan**

**PLAN FEE ANALYSIS**  
**Second Quarter 2021**

*Annualized*

Fund	Ticker	Quarter Average Assets	Net Expense Ratio	Admin Fee	Est. Total Invest. Cost	Est. Total Admin. Cost
Vanguard Target Retirement 2045 Inv	VTIVX	\$3,715,381	0.15%	0.02%	\$5,573	\$743
Vanguard Target Retirement 2050 Inv	VFIFX	\$303,896	0.15%	0.02%	\$456	\$61
Vanguard Target Retirement 2055 Inv	VFFVX	\$732,277	0.15%	0.02%	\$1,098	\$146
Vanguard Target Retirement 2060 Inv	VTTSX	\$127,213	0.15%	0.02%	\$191	\$25
TOTAL		\$213,919,119			\$607,594	\$42,784

Plan Administration Cost	Quarter	Annualized
Plan Generated Revenue (est):	\$10,696	\$42,784

\*No explicit expense ratio stated for the fund. For reporting purposes, an expense of 0.40% is assumed.



# City of Santa Clara

1500 Warburton Avenue  
Santa Clara, CA 95050  
santaclaraca.gov  
@SantaClaraCity

## Agenda Report

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21-1089

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

#### SUBJECT

Action to Change from Admiral Share Class to Lower Cost Institutional Share Class of the Vanguard Small Cap Growth Fund

#### DISCUSSION

This is an action report item for the Committee. Please see the attached recommendation from the Hyas Group to change from the admiral share class to the lower cost institutional share class of the Vanguard Small Cap Growth Index Fund. The report and recommendation will be presented by the Hyas Group.

1. Hyas Group - Recommendation to Change from the Admiral Share Class to the Lower Cost Institutional Share Class of the Vanguard Small Cap Growth Index Fund

# MEMO

To: City of Santa Clara Deferred Compensation Plan Committee

From: Hyas Group

Date: August 4, 2021

RE: Recommendation to Change from the Admiral Share Class to the Lower Cost Institutional Share Class of the Vanguard Small Cap Growth Index Fund

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108 NW 9<sup>th</sup> Ave #203  
Portland, Ore. 97209  
(971) 634-1500  
hyasgroup.com

The City of Santa Clara 457 Deferred Compensation Plan fund lineup includes the Vanguard Small Cap Growth Index Fund, Admiral share class. Many fund managers, including Vanguard, utilize investment asset breakpoints to determine investment fees, meaning the more assets you have, the lower the fees you pay by moving to a lower cost share class of the same fund.

With the recent strong rally in the stock market – especially in the small cap growth sector – the assets in the City’s Vanguard Small Cap Growth Index Fund have surpassed the level required to move to a lower cost share class, and the City has the opportunity to move from the Admiral share class with a 0.07% expense ratio to the Institutional share class with a 0.06% expense ratio. As noted in the table below from the City’s second quarter performance report, the Vanguard Small Cap Growth Index Fund had approximately \$5.2 million in it (approximately 300 City participants were in the fund). As noted, if the Committee voted to move to the less expensive Institutional share class, participant savings would be roughly \$500 annually plan-wide (or on average \$1.75 per participant).

Fund	Second Quarter Average Assets	Expense Ratio			Est. Annual Savings
		Current	New	Difference	
Vanguard Small Growth Index Adm	\$5,161,804	0.07%	0.06%	0.01%	\$516

The funds are virtually identical. The main difference is the cost as represented by a lower expense ratio.

Hyas Group’s recommendation is to move to the less expensive share class of the Vanguard Small Cap Growth Index Fund. If the Committee approves the switch at the next meeting (August 20), Nationwide can make the effective date for the change November 16, 2021.



# City of Santa Clara

1500 Warburton Avenue  
Santa Clara, CA 95050  
santaclaraca.gov  
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## Agenda Report

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21-1098

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

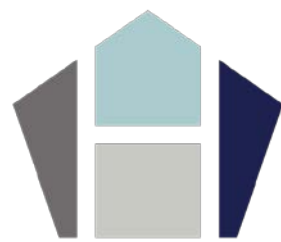
#### SUBJECT

Action to Terminate the WTC-CIF II Mid Cap Opportunities Fund and Replace with the JPMorgan Mid Cap Growth Fund.

#### DISCUSSION

This is an action item report to the Committee. Please see the attached Mid Cap Growth Manager Search Report, and recommendation from the Hyas Group to terminate the WTC-CIF II Mid Cap Opportunities Fund and replace with the JPMorgan Mid Cap Growth Fund. The report and recommendation will be presented by the Hyas Group.

1. Hyas Group - Mid Cap Growth Manager Search Report August 2021
2. Hyas Group - Recommendation to Terminate the WTC-CIF II Mid Cap Opportunities Fund and Replace with the JPMorgan Mid Cap Growth Fund



**HYAS**  
GROUP

**City of Santa Clara**  
**457 Deferred Compensation Plan**  
**Mid Cap Growth Manager Search Report**  
August 2021



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<b>Section 2</b>	Description of Funds
<b>Section 3</b>	Performance, Risk, and Style Summary
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<b>Section 5</b>	Composition
<b>Section 6</b>	Fund Fact Sheets and Performance Analysis
<b>Section 7</b>	Glossary

# Section 1

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Section 1: Background and Search Criteria

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This document has been prepared to provide analysis of several potential replacement fund candidates in the Mid Cap Growth asset class. The current option, WTC-CIF II Mid Cap, has underperformed versus an appropriate set of policy performance criteria over its applicable performance period. By and large, the recent underperformance has been derived from the fact that the fund uses the Standard & Poor's 400 MidCap Index as a benchmark, which has deviated from the industry standard benchmark, the Russell MidCap Growth Index. As such, a manager search has been assembled to review

The Hyas Group seeks to evaluate managers over a full market cycle, during which time a manager is expected to have adequate opportunities to add value through their specific investment approach. In the case of the current option, we believe the trailing five-year period incorporates a broad enough range of market environments to be considered representative of a market cycle over which to evaluate the current fund and replacement candidates.

The replacement candidates presented generally include management teams that have satisfied the following Investment Policy criteria:

- 1) Investment track record of no less than five years
- 2) Five-year returns above peer group median
- 3) Reasonable portfolio diversification and risk (volatility) characteristics
- 4) Investment style consistency over evaluation period

We have provided four alternative candidates in the Mid Cap Growth asset class category along with the incumbent investment option for review. We have also provided a summary of current expense ratios for the current option and each of the replacement candidates.

Although all four replacement candidates are suitable, the Hyas Group is recommending the termination of the WTC-CIF II Mid Cap CIT and replacing it with the JPMorgan Mid Cap Growth fund. The JPMorgan fund is more reflective of the Mid Cap Growth asset class and has been a strong performer in part due to their strong risk management. If approved, Nationwide will transfer all existing balances and any future contributions to the JPMorgan fund effective on or around November 16th, 2021.

**All performance-related information is as of 2Q21 unless stated otherwise.**

# Section 2

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Section 2: Description of Funds

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#### **Current Option**

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##### **Fund Name: WTC-CIF II Mid Cap**

Prospectus Objective: Growth of Capital

Strategy: Mid Valuation-Sensitive Growth

Commentary: The Wellington Mid Cap Opportunities CIT is a more conservative mid-growth option, tending to tilt toward the larger end of the market capitalization spectrum and in favor of established, market leaders with attractive valuations. Management applies a three-part decision-making process in order to help identify attractive companies: business fundamentals and economic viability of the company in question, valuations relative to the company's industry and historical valuation range, and growth expectations relative to what Wall Street analysts are estimating. Over longer time periods, this fund's approach has resulted in a bias toward more steady growth companies. This approach has helped the fund to fare well to the downside though it has caused it to lag in more growth-centric markets where higher-beta names have tended to lead. Over the long-term it has successfully delivered attractive risk-adjusted returns within a mid cap growth framework.

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Replacement Candidates

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#### **Fund Name: MFS Mid Cap Growth**

Prospectus Objective: Growth of Capital

Strategy: Mid High Growth

Commentary: MFS Mid Cap Growth takes a balanced, diversified approach to adding value through stock selection while keeping factor bets (such as tilts towards sectors, investment styles, or asset classes) to a minimum. The fund is supported by the MFS global research platform, wherein analysts are divided into sector groups, allowing them to specialize and know the dynamics of an industry. This strategy's approach is to identify companies with strong, cash-flow centric fundamentals that are likely to sustain robust growth for longer than the investment community is anticipating. As such the fund exhibits a fairly low amount of turnover relative to most of its peers that place greater emphasis on the next quarter's earnings. Additionally, management's tendency to take a buy-and-hold focus on companies with solid long-term prospects has generally caused the fund to have lower performance volatility than most of its peers. Overall the fund has consistently provided competitive exposure to the mid cap growth asset class with relatively low volatility and tracking error.

#### **Fund Name: Artisan Mid Cap**

Prospectus Objective: Growth of Capital

Strategy: Mid High Growth

Commentary: Artisan Mid Cap is a semi-concentrated fund focused on identifying companies with strong underlying long-term economics, discounted share prices relative to their private market valuations, and that are early in their profit cycles. Artisan's fundamental focus within this approach is that share prices eventually follow profits, but must be given time to do so and said profits must be predictable enough to be realized over a reasonable holding period. Predictability in turn is predicated on judicious management. As such, management seeks to avoid rapidly growing companies whose growth is poorly managed or too difficult to predict. The fund will then gravitate towards companies whose operating histories show higher long-term cash flow and sales growth, but which do not trade at high multiple versus the growth universe. In terms of portfolio construction, management will generally hold 60-70 stocks, with roughly one-third of the fund in the top-ten, highest conviction names. The fund has a longer average holding period than most growth funds, with management taking the approach of gradually adding and trimming stocks.

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Replacement Candidates (continued)

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#### **Fund Name: JP Morgan Mid Growth**

Prospectus Objective: Growth of Capital

Strategy: Mid Core Growth

Commentary: JP Morgan Mid Cap Growth takes a risk-controlled approach to add value through stock-selection while minimizing sector and style bets. Within this strategy, management searches for companies that have high and sustainable growth prospects and competitive positions within their industries. In addition to seeking out competitive companies, management will employ risk controls to ensure that the fund's market capitalization breakdown, and sector allocations remain close to those of its prospectus benchmark; the Russell Mid Cap Growth Index. This process has lead the fund to track the index closely; performing slightly better to the upside while keeping pace to the downside.

#### **Fund Name: TIAA Mid Growth**

Prospectus Objective: Growth of Capital

Strategy: Mid High Growth

Commentary: TIAA-CREF Mid-Cap Growth focuses on identifying companies with accelerating earnings, business momentum, attractive valuations relative to perceived growth prospects, and strong market sentiment. Management takes the view that earnings growth is simply what drives stock returns over the long run and therefore that it is necessary to identify companies with the highest potential earnings growth. Screens are performed for stocks with strong growth rates, positive business momentum, strong and positive investor sentiment, and attractive valuations. The portfolio is then adjusted to prevent undue exposures to factors such as industry or sectors, macroeconomic themes, and other quantitative elements. As such the portfolio is tilted towards companies with higher expected earnings growth in a manner that represents much of the mid cap growth universe. The fund has been a balanced performer with the strongest relative returns coming in up-markets as corporate earnings accelerate. Tracking error relative to the benchmark and peer group has also been low. Overall the fund is a viable option for those seeking exposure to high-growing mid cap stocks in a stylistically consistent manner.

# Section 3



# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Section 3: Performance, Risk, and Style Summary

#### Peer Group Rankings

	2Q21	YTD	1YR	3YR	5YR	10YR	2020	2019	2018	2017	2016	2015
WTC-CIF II Mid Cap	95	61	56	90	78	51	79	55	70	57	7	28
MFS Mid Cap Growth	37	90	93	41	29	17	41	17	10	34	60	10
Artisan Mid Cap	8	77	70	8	20	14	14	13	34	74	95	23
JP Morgan Mid Growth	50	66	55	14	17	9	23	7	45	18	91	18
TIAA Mid Growth	26	52	25	32	41	61	28	46	77	38	81	58

Fund rankings in **red** lag the 50th percentile of the peer group

#### Returns

	2Q21	YTD	1YR	3YR	5YR	10YR	2020	2019	2018	2017	2016	2015
WTC-CIF II Mid Cap	3.00	8.34	42.94	15.94	17.86	14.45	25.16	33.06	-7.03	24.54	12.14	2.20
MFS Mid Cap Growth	7.99	5.40	35.16	21.41	21.13	15.65	35.80	37.93	1.21	26.39	4.75	4.60
Artisan Mid Cap	10.52	7.97	41.32	28.54	22.93	15.92	59.09	38.45	-3.78	20.75	-0.64	2.42
JP Morgan Mid Growth	7.25	8.69	44.28	26.47	23.65	16.49	48.51	39.96	-4.97	29.72	0.37	3.01
TIAA Mid Growth	8.98	9.69	52.18	22.58	20.27	13.80	44.96	33.12	-8.46	25.90	1.69	-0.86
<b>Russell Mid Cap Growth</b>	<b>11.07</b>	<b>10.44</b>	<b>43.77</b>	<b>22.39</b>	<b>20.52</b>	<b>15.13</b>	<b>35.59</b>	<b>35.47</b>	<b>-4.75</b>	<b>25.27</b>	<b>7.33</b>	<b>-0.20</b>
<b>Avg. Mid Growth</b>	<b>7.09</b>	<b>11.26</b>	<b>48.20</b>	<b>21.02</b>	<b>19.91</b>	<b>13.59</b>	<b>37.27</b>	<b>32.30</b>	<b>-6.65</b>	<b>24.51</b>	<b>5.73</b>	<b>-1.03</b>

Returns longer than one year is annualized.

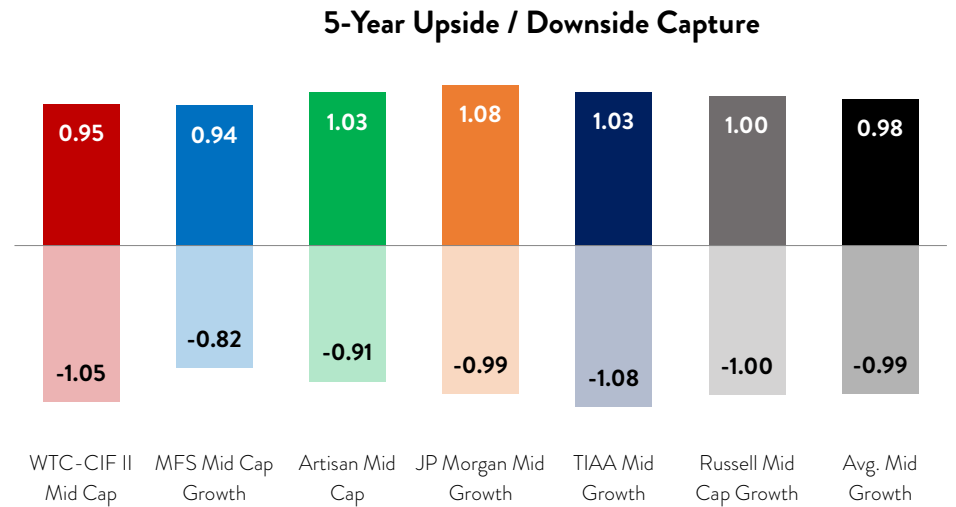
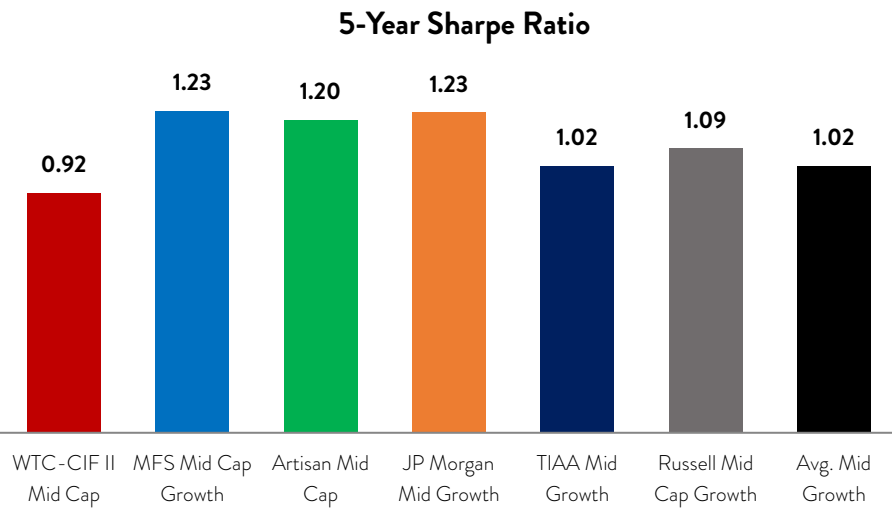
#### Returns +/- Index

	2Q21	YTD	1YR	3YR	5YR	10YR	2020	2019	2018	2017	2016	2015
WTC-CIF II Mid Cap	(8.07)	(2.10)	(0.83)	(6.45)	(2.66)	(0.68)	(10.43)	(2.41)	(2.28)	(0.73)	4.81	2.40
MFS Mid Cap Growth	(3.08)	(5.05)	(8.61)	(0.98)	0.61	0.52	0.21	2.46	5.96	1.12	(2.58)	4.80
Artisan Mid Cap	(0.55)	(2.47)	(2.45)	6.15	2.41	0.79	23.51	2.98	0.98	(4.52)	(7.97)	2.62
JP Morgan Mid Growth	(3.82)	(1.75)	0.51	4.08	3.12	1.36	12.92	4.49	(0.22)	4.46	(6.96)	3.21
TIAA Mid Growth	(2.09)	(0.76)	8.41	0.19	(0.25)	(1.34)	9.37	(2.35)	(3.71)	0.63	(5.64)	(0.66)

Fund returns in **red** lag the Index

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021



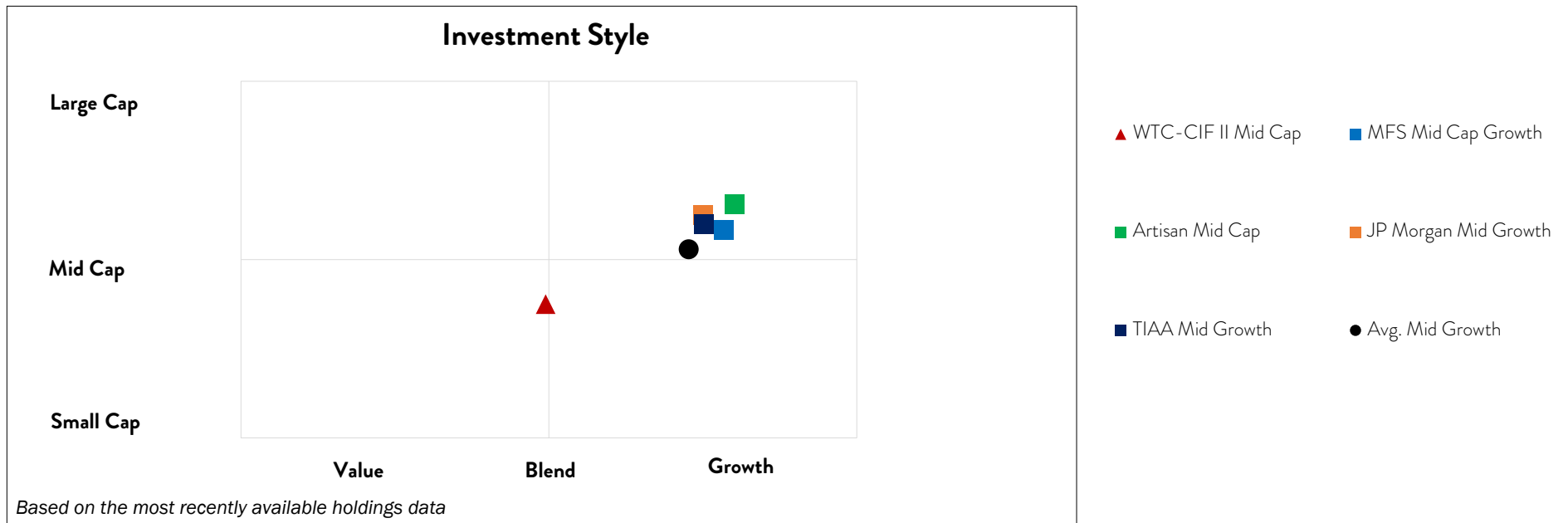
# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Volatility and Investment Style

	Beta	R <sup>2</sup>	Tracking Error		Batting Averages				
			vs. Idx	vs. Avg.	% > 0	vs. Idx	vs. Avg.	vs. Idx or Avg.	vs. Idx and Avg.
WTC-CIF II Mid Cap	1.00	0.91	5.46	4.24	70%	47%	48%	53%	42%
MFS Mid Cap Growth	0.87	0.94	4.59	4.87	70%	57%	53%	62%	48%
Artisan Mid Cap	0.95	0.90	5.51	5.75	70%	52%	53%	62%	43%
JP Morgan Mid Growth	0.99	0.97	3.12	2.97	67%	55%	60%	70%	45%
TIAA Mid Growth	1.05	0.97	3.17	2.89	70%	42%	52%	55%	38%
<b>Russell Mid Cap Growth</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>2.49</b>	<b>70%</b>	<b>-</b>	<b>57%</b>	<b>57%</b>	<b>-</b>
<b>Avg. Mid Growth</b>	<b>0.99</b>	<b>0.98</b>	<b>2.49</b>	<b>-</b>	<b>75%</b>	<b>43%</b>	<b>-</b>	<b>43%</b>	<b>-</b>

Based on the trailing 5-year period ending 2Q21.



# Section 4

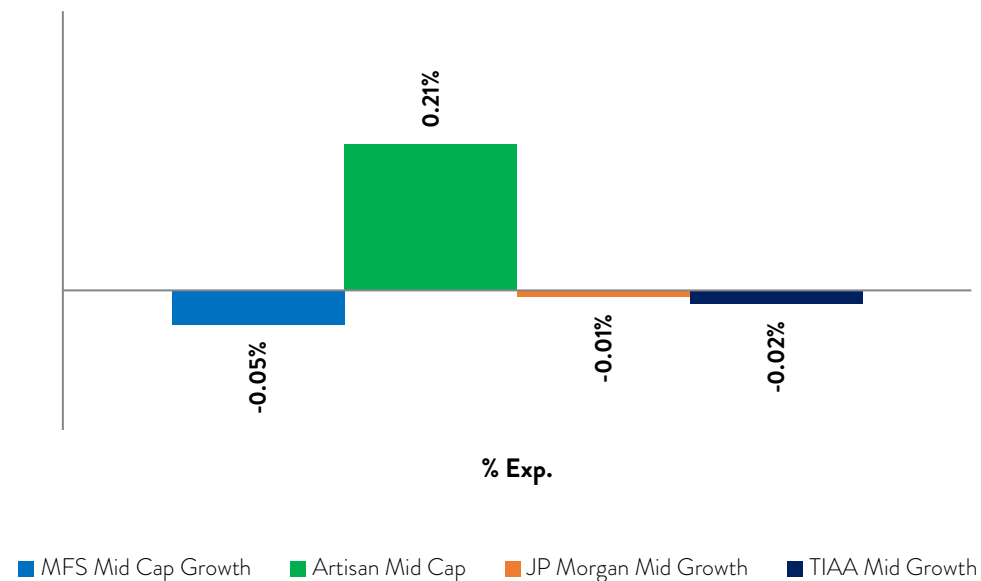
# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

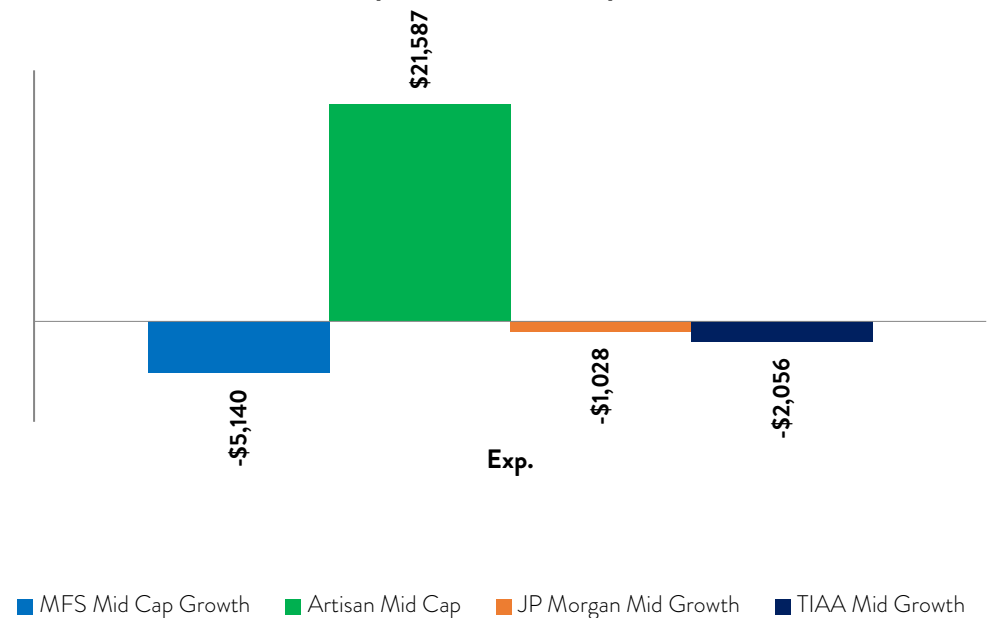
### Section 4: Revenue, Expenses, and Operations

	Ticker	Share Class	Estimated Annual Expenses			Total Plan Assets	Revenue Share
			% Exp.	as % of Plan	\$	\$230,716,523	
WTC-CIF II Mid Cap	HFMVX	Retirement	0.75%	0.033%	\$77,095	Fund Assets \$10,279,397 <i>as of 2Q21</i>	0.00%
MFS Mid Cap Growth	OTCKX	Retirement	0.70%	0.031%	\$71,956		0.00%
Artisan Mid Cap	APHMV	Inst	0.96%	0.043%	\$98,682		0.00%
JP Morgan Mid Growth	JMGMX	Retirement	0.74%	0.033%	\$76,068		0.00%
TIAA Mid Growth	TRGMX	Retirement	0.73%	0.033%	\$75,040		0.00%
<b>Avg. Mid Growth</b>	-	-	<b>1.08%</b>	<b>0.048%</b>	<b>\$111,515</b>		

Estimated Impact on Annual Expenses (%)



Estimated Impact on Annual Expenses (\$)

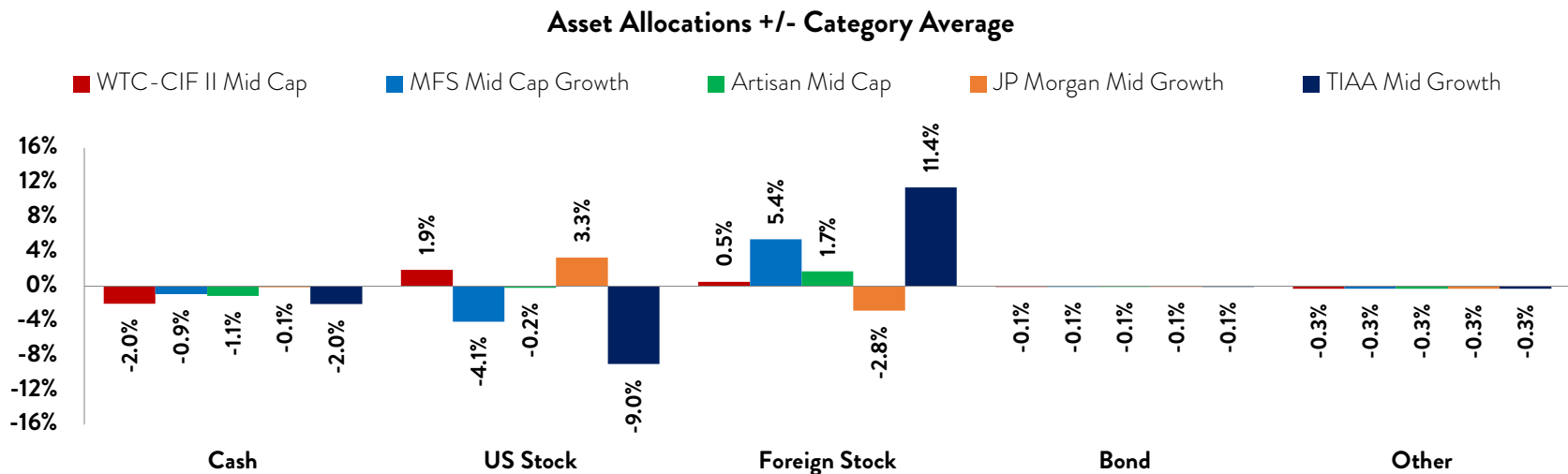
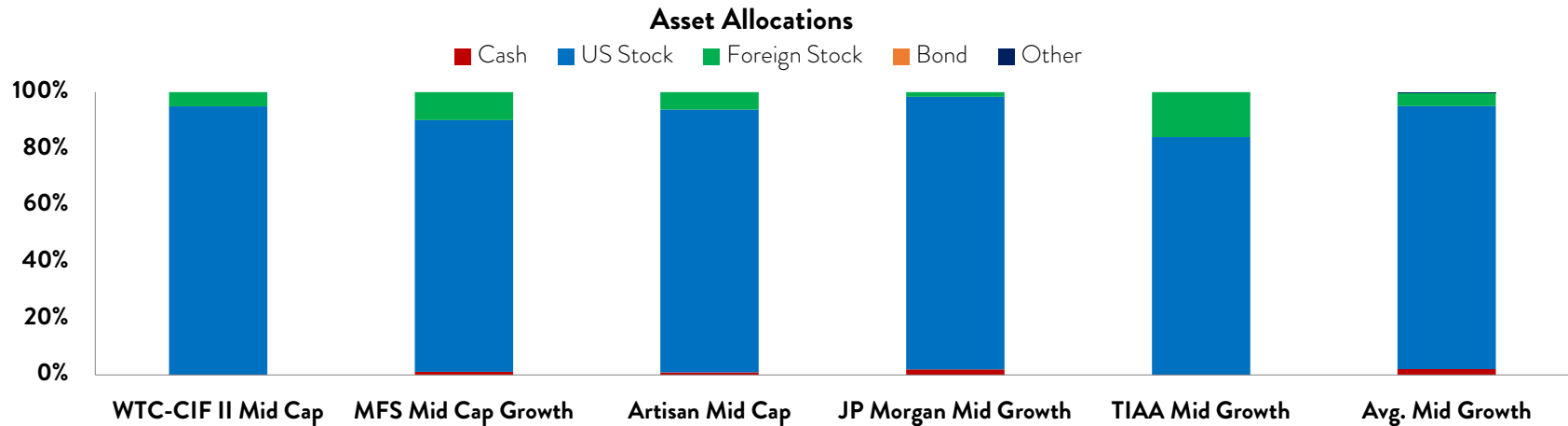


# Section 5

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Section 5: Composition and Performance Analysis



## City of Santa Clara 457 Deferred Compensation Plan

Mid Cap Growth Manager Search Report August 2021

### Sector Weights

	Utilities	Telecom	Info. Tech.	Financials	Healthcare	Cons. Stpls.	Cons. Disc.	Industrials	Materials	Energy
WTC-CIF II Mid Cap	3.3%	3.0%	25.5%	18.1%	19.4%	2.1%	10.9%	15.0%	2.6%	0.1%
MFS Mid Cap Growth	0.0%	7.8%	24.6%	8.4%	19.9%	0.4%	15.1%	20.0%	3.9%	0.0%
Artisan Mid Cap	0.0%	10.0%	30.5%	9.8%	21.4%	0.5%	14.5%	12.3%	1.1%	0.0%
JP Morgan Mid Growth	0.0%	7.9%	30.0%	6.7%	20.2%	1.1%	13.7%	19.3%	0.9%	0.0%
TIAA Mid Growth	0.0%	7.8%	31.9%	4.5%	19.3%	3.4%	21.7%	10.4%	0.9%	0.0%
Avg. Mid Growth	0.5%	4.8%	29.1%	10.5%	20.8%	2.2%	14.6%	13.7%	3.1%	0.8%

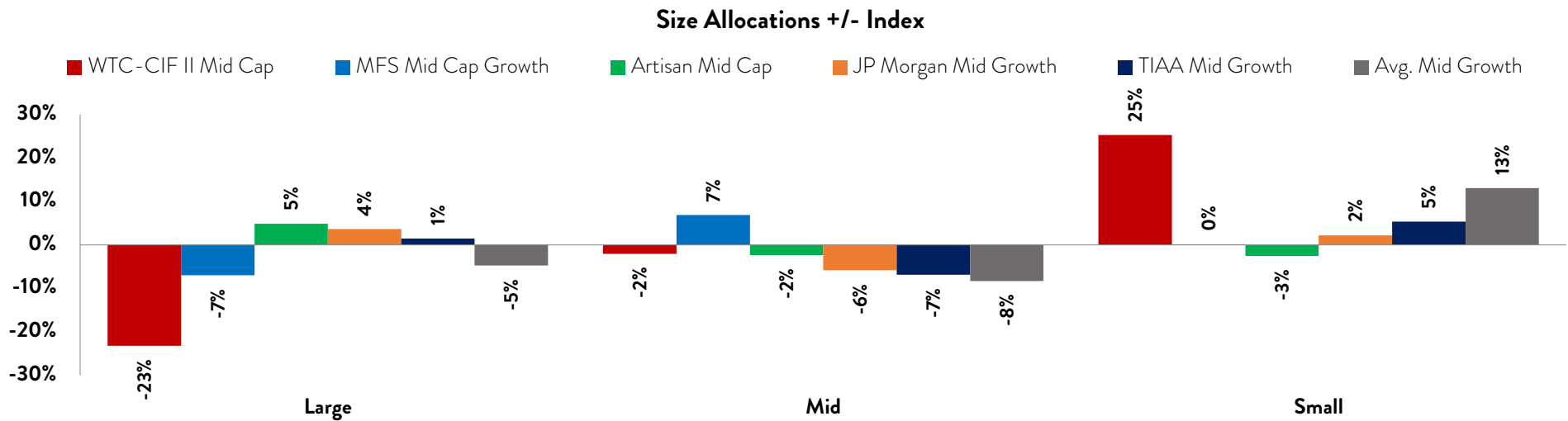
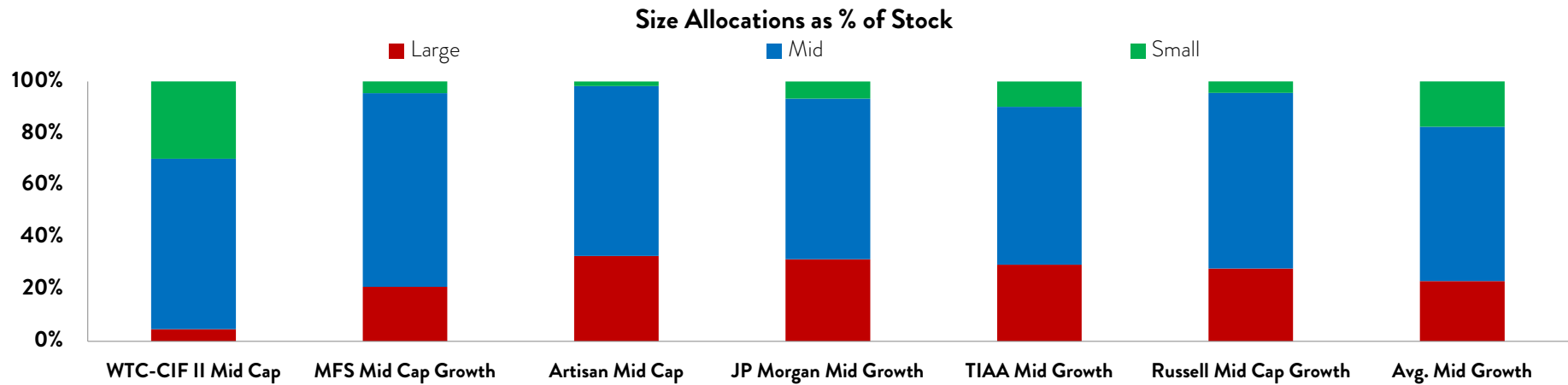
### +/- Sector Weights

	Utilities	Telecom	Info. Tech.	Financials	Healthcare	Cons. Stpls.	Cons. Disc.	Industrials	Materials	Energy
WTC-CIF II Mid Cap	2.8%	-1.8%	-3.6%	7.6%	-1.4%	0.0%	-3.7%	1.4%	-0.5%	-0.7%
MFS Mid Cap Growth	-0.5%	3.0%	-4.5%	-2.1%	-0.9%	-1.8%	0.5%	6.3%	0.8%	-0.8%
Artisan Mid Cap	-0.5%	5.2%	1.3%	-0.7%	0.6%	-1.7%	-0.1%	-1.4%	-2.0%	-0.8%
JP Morgan Mid Growth	-0.5%	3.2%	0.9%	-3.8%	-0.6%	-1.0%	-0.9%	5.7%	-2.1%	-0.8%
TIAA Mid Growth	-0.5%	3.1%	2.8%	-6.0%	-1.5%	1.3%	7.1%	-3.3%	-2.2%	-0.8%
Avg. Mid Growth	-	-	-	-	-	-	-	-	-	-



# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

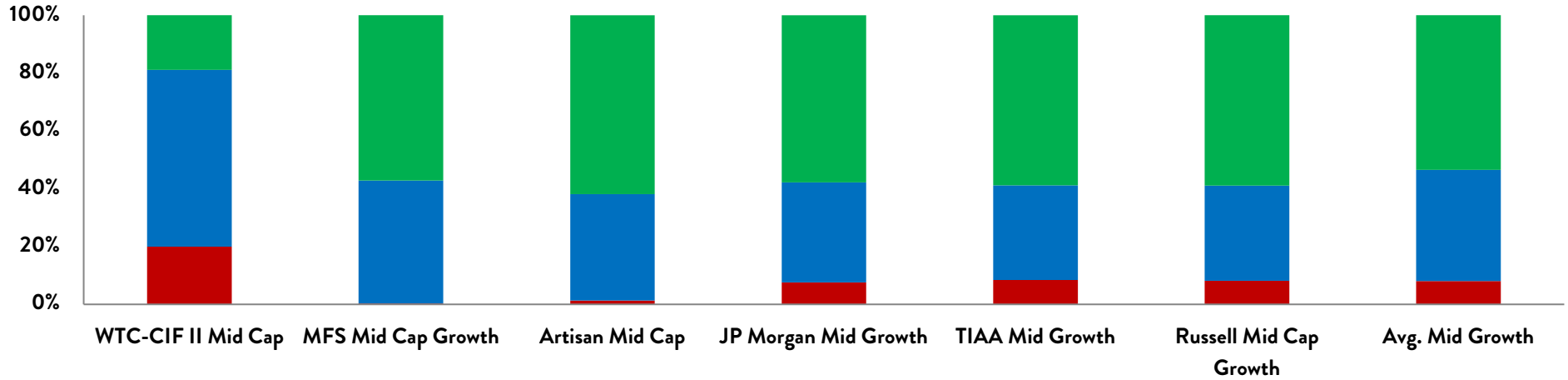


# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

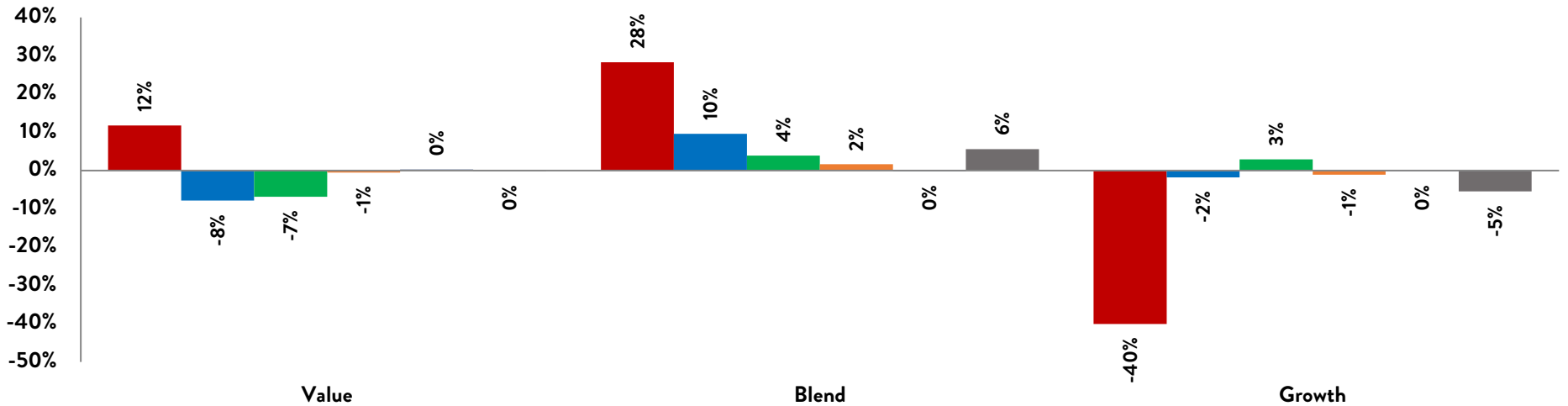
**Style Allocations as % of Stock**

■ Value ■ Blend ■ Growth



**Style Allocations +/- Index**

■ WTC-CIF II Mid Cap ■ MFS Mid Cap Growth ■ Artisan Mid Cap ■ JP Morgan Mid Growth ■ TIAA Mid Growth ■ Avg. Mid Growth



# Section 6

# WTC-CIF II Mid Cap

## Fund Fact Sheet - June 30, 2021

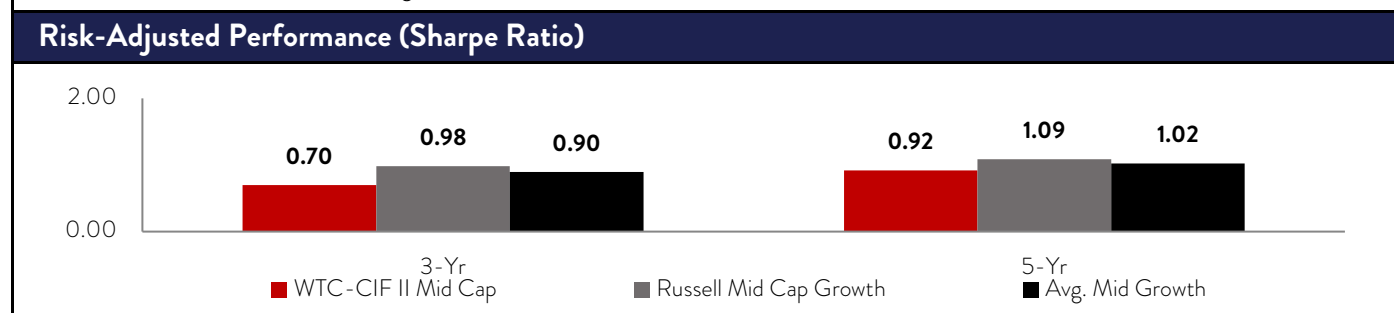
Operations	
Ticker:	HFMVX
CUSIP:	41664R267
Share Class:	Retirement
Legal Structure:	Open Ended Investment Company
Investment Type:	Open-End Fund

Management	
Advisor:	Hartford Funds Management Company, LLC
Sub-Advisor:	Wellington Management Company LLP
Senior Manager:	Mark A. Whitaker; Philip W. Ruedi;
Year Started:	2010

Expenses	
Prospectus Net Exp. Ratio:	0.75%
Annual Report Exp. Ratio:	0.75%
Management Fee:	0.71%
12b-1:	0.00%
Redemption Fee %:	0.00%

Size & Flows (\$m)	
Fund Size:	\$14,811
Est. 1-Year Flows:	(\$3,420)
as % of Current Size:	-23%
x Management Fee:	(\$24)
Est. 3-Year Flows:	(\$3,174)
as % of Current Size:	-21%
x Management Fee:	(\$23)
# of Holdings:	101
% in Top 10 Holdings:	19%
# of Stocks:	99
Est. \$m per Stock:	\$150
< 5% of Company	\$2,992

Performance							
	Qtr	YTD	1Yr	3Yr	5Yr	10Yr	
WTC-CIF II Mid Cap	3.00	8.34	42.94	15.94	17.86	14.45	
Russell Mid Cap Growth	11.07	10.44	43.77	22.39	20.52	15.13	
+/- Index	(8.07)	(2.10)	(0.83)	(6.45)	(2.66)	(0.68)	
Ranking	95	61	56	90	78	51	
	2020	2019	2018	2017	2016	2015	
WTC-CIF II Mid Cap	25.16	33.06	-7.03	24.54	12.14	2.20	
Russell Mid Cap Growth	35.59	35.47	-4.75	25.27	7.33	-0.20	
+/- Index	(10.43)	(2.41)	(2.28)	(0.73)	4.81	2.40	
Ranking	79	55	70	57	7	28	



Composition		Sector		+/- Avg.		Size/Style		+/- Idx.	
<b>Asset Allocation</b> 		Energy	0%	-1%	Large Value	0%	-2%		
		Materials	3%	0%	Large Blend	4%	-4%		
	Industrials	15%	1%	Large Growth	1%	-18%			
	Cons. Disc.	11%	-4%	Mid Value	12%	7%			
	Cons. Stpls.	2%	0%	Mid Blend	42%	19%			
	Healthcare	19%	-1%	Mid Growth	11%	-28%			
	Financials	18%	8%	Small Value	8%	7%			
	Info. Tech.	26%	-4%	Small Blend	15%	13%			
	Telecom	3%	-2%	Small Growth	7%	5%			
	Utilities	3%	3%	<b>Total Mid</b>	<b>66%</b>	<b>-2%</b>			
	<b>Total:</b>	<b>100%</b>	<b>0%</b>	<b>Total Growth</b>	<b>19%</b>	<b>-40%</b>			

# MFS Mid Cap Growth

Fund Fact Sheet - June 30, 2021

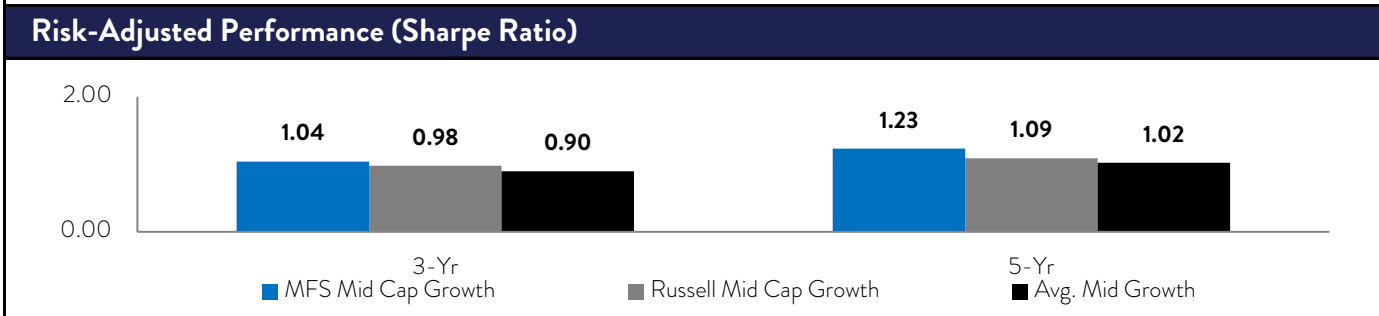
Operations	
Ticker:	OTCKX
CUSIP:	552987554
Share Class:	Retirement
Legal Structure:	Open Ended Investment Company
Investment Type:	Open-End Fund

Management	
Advisor:	Massachusetts Financial Services Company
Sub-Advisor:	None
Senior Manager:	Eric B. Fischman
Year Started:	2008

Expenses	
Prospectus Net Exp. Ratio:	0.70%
Annual Report Exp. Ratio:	0.69%
Management Fee:	0.69%
12b-1:	0.00%
Redemption Fee %:	0.00%

Size & Flows (\$m)	
Fund Size:	\$14,836
Est. 1-Year Flows:	\$1,337
as % of Current Size:	9%
x Management Fee:	\$9
Est. 3-Year Flows:	\$6,448
as % of Current Size:	43%
x Management Fee:	\$44
# of Holdings:	113
% in Top 10 Holdings:	22%
# of Stocks:	112
Est. \$m per Stock:	\$132
< 5% of Company	\$2,649

Performance						
	Qtr	YTD	1Yr	3Yr	5Yr	10Yr
MFS Mid Cap Growth	7.99	5.40	35.16	21.41	21.13	15.65
Russell Mid Cap Growth	11.07	10.44	43.77	22.39	20.52	15.13
+/- Index	(3.08)	(5.05)	(8.61)	(0.98)	0.61	0.52
Ranking	37	90	93	41	29	17
	2020	2019	2018	2017	2016	2015
MFS Mid Cap Growth	35.80	37.93	1.21	26.39	4.75	4.60
Russell Mid Cap Growth	35.59	35.47	-4.75	25.27	7.33	-0.20
+/- Index	0.21	2.46	5.96	1.12	(2.58)	4.80
Ranking	41	17	10	34	60	10



Composition					
Asset Allocation	Sector	+/- Avg.	Size/Style	+/- Idx.	
<p>Foreign Stock 10% Cash 1% US Stock 89%</p>	Energy	0%	Large Value	-2%	
	Materials	4%	Large Blend	-2%	
	Industrials	20%	Large Growth	-3%	
	Cons. Disc.	15%	Mid Value	-5%	
	Cons. Stpls.	0%	Mid Blend	11%	
	Healthcare	20%	Mid Growth	1%	
	Financials	8%	Small Value	-1%	
	Info. Tech.	25%	Small Blend	1%	
	Telecom	8%	Small Growth	0%	
	Utilities	0%	<b>Total Mid</b>	<b>74%</b>	<b>7%</b>
	<b>Total:</b>	<b>100%</b>	<b>0%</b>	<b>Total Growth</b>	<b>57%</b>
					<b>-2%</b>

# Artisan Mid Cap

## Fund Fact Sheet - June 30, 2021

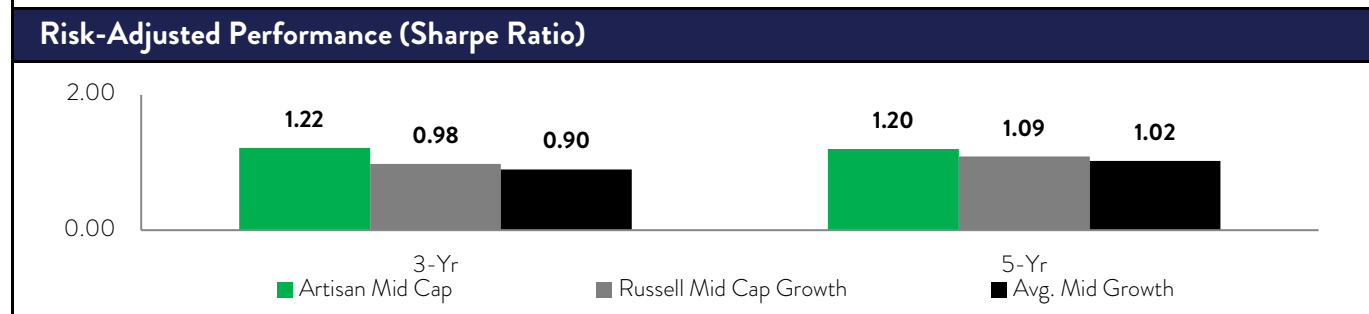
Operations	
Ticker:	APHMX
CUSIP:	04314H600
Share Class:	Inst
Legal Structure:	Open Ended Investment Company
Investment Type:	Open-End Fund

Management	
Advisor:	Artisan Partners Limited Partnership
Sub-Advisor:	None
Senior Manager:	James D. Hamel
Year Started:	2001

Expenses	
Prospectus Net Exp. Ratio:	0.96%
Annual Report Exp. Ratio:	0.95%
Management Fee:	0.94%
12b-1:	0.00%
Redemption Fee %:	0.00%

Size & Flows (\$m)	
Fund Size:	\$7,636
Est. 1-Year Flows:	(\$835)
as % of Current Size:	-11%
x Management Fee:	(\$8)
Est. 3-Year Flows:	(\$2,936)
as % of Current Size:	-38%
x Management Fee:	(\$28)
# of Holdings:	70
% in Top 10 Holdings:	31%
# of Stocks:	64
Est. \$m per Stock:	\$119
< 5% of Company	\$2,386

Performance		Qtr	YTD	1Yr	3Yr	5Yr	10Yr
Artisan Mid Cap		10.52	7.97	41.32	28.54	22.93	15.92
Russell Mid Cap Growth		11.07	10.44	43.77	22.39	20.52	15.13
+/- Index		(0.55)	(2.47)	(2.45)	6.15	2.41	0.79
Ranking		8	77	70	8	20	14
		2020	2019	2018	2017	2016	2015
Artisan Mid Cap		59.09	38.45	-3.78	20.75	-0.64	2.42
Russell Mid Cap Growth		35.59	35.47	-4.75	25.27	7.33	-0.20
+/- Index		23.51	2.98	0.98	(4.52)	(7.97)	2.62
Ranking		14	13	34	74	95	23



Composition		Sector	+/- Avg.	Size/Style	+/- Idx.	
<b>Asset Allocation</b> 	Energy	0%	-1%	Large Value	0%	-2%
	Materials	1%	-2%	Large Blend	10%	3%
	Industrials	12%	-1%	Large Growth	22%	4%
	Cons. Disc.	14%	0%	Mid Value	1%	-4%
	Cons. Stpls.	0%	-2%	Mid Blend	26%	3%
	Healthcare	21%	1%	Mid Growth	38%	-1%
	Financials	10%	-1%	Small Value	0%	-1%
	Info. Tech.	30%	1%	Small Blend	0%	-2%
	Telecom	10%	5%	Small Growth	1%	0%
	Utilities	0%	-1%	<b>Total Mid</b>	<b>65%</b>	<b>-2%</b>
	<b>Total:</b>	<b>100%</b>	<b>0%</b>	<b>Total Growth</b>	<b>62%</b>	<b>3%</b>

# JP Morgan Mid Growth

## Fund Fact Sheet - June 30, 2021

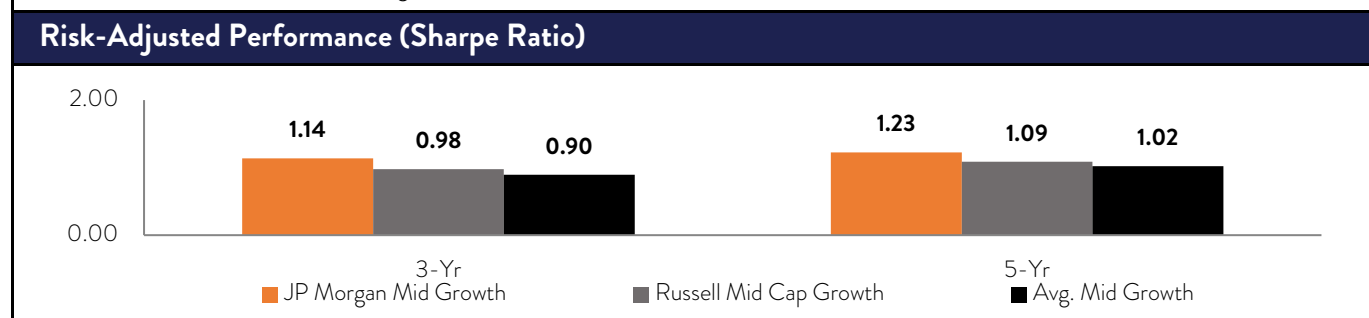
Operations	
Ticker:	JMGMX
CUSIP:	4812C2288
Share Class:	Retirement
Legal Structure:	Open Ended Investment Company
Investment Type:	Open-End Fund

Management	
Advisor:	J.P. Morgan Investment Management, Inc.
Sub-Advisor:	None
Senior Manager:	Timothy RV Parton
Year Started:	2004

Expenses	
Prospectus Net Exp. Ratio:	0.74%
Annual Report Exp. Ratio:	0.74%
Management Fee:	0.65%
12b-1:	0.00%
Redemption Fee %:	0.00%

Size & Flows (\$m)	
Fund Size:	\$8,795
Est. 1-Year Flows:	\$1,145
as % of Current Size:	13%
x Management Fee:	\$7
Est. 3-Year Flows:	\$1,244
as % of Current Size:	14%
x Management Fee:	\$8
# of Holdings:	119
% in Top 10 Holdings:	15%
# of Stocks:	118
Est. \$m per Stock:	\$75
< 5% of Company	\$1,491

Performance							
	Qtr	YTD	1Yr	3Yr	5Yr	10Yr	
JP Morgan Mid Growth	7.25	8.69	44.28	26.47	23.65	16.49	
Russell Mid Cap Growth	11.07	10.44	43.77	22.39	20.52	15.13	
+/- Index	(3.82)	(1.75)	0.51	4.08	3.12	1.36	
Ranking	50	66	55	14	17	9	
	2020	2019	2018	2017	2016	2015	
JP Morgan Mid Growth	48.51	39.96	-4.97	29.72	0.37	3.01	
Russell Mid Cap Growth	35.59	35.47	-4.75	25.27	7.33	-0.20	
+/- Index	12.92	4.49	(0.22)	4.46	(6.96)	3.21	
Ranking	23	7	45	18	91	18	



Composition		Sector	+/- Avg.	Size/Style	+/- Idx.	
<b>Asset Allocation</b> 	Energy	0%	-1%	Large Value	3%	1%
	Materials	1%	-2%	Large Blend	10%	2%
	Industrials	19%	6%	Large Growth	19%	1%
	Cons. Disc.	14%	-1%	Mid Value	5%	-1%
	Cons. Stpls.	1%	-1%	Mid Blend	20%	-3%
	Healthcare	20%	-1%	Mid Growth	37%	-2%
	Financials	7%	-4%	Small Value	0%	-1%
	Info. Tech.	30%	1%	Small Blend	5%	3%
	Telecom	8%	3%	Small Growth	1%	0%
	Utilities	0%	-1%	<b>Total Mid</b>	<b>62%</b>	<b>-6%</b>
	<b>Total:</b>	<b>100%</b>	<b>0%</b>	<b>Total Growth</b>	<b>58%</b>	<b>-1%</b>

# TIAA Mid Growth

## Fund Fact Sheet - June 30, 2021

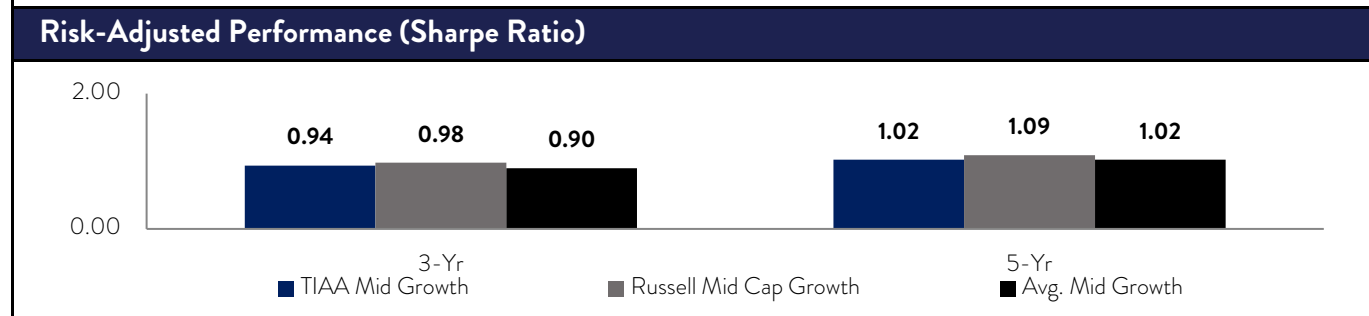
Operations	
Ticker:	TRGMX
CUSIP:	87244W888
Share Class:	Retirement
Legal Structure:	Open Ended Investment Company
Investment Type:	Open-End Fund

Management	
Advisor:	Teachers Advisors LLC
Sub-Advisor:	None
Senior Manager:	Adrian Almazan
Year Started:	2019

Expenses	
Prospectus Net Exp. Ratio:	0.73%
Annual Report Exp. Ratio:	0.78%
Management Fee:	0.45%
12b-1:	0.00%
Redemption Fee %:	0.00%

Size & Flows (\$m)	
Fund Size:	\$1,873
Est. 1-Year Flows:	\$17
as % of Current Size:	1%
x Management Fee:	\$0
Est. 3-Year Flows:	(\$472)
as % of Current Size:	-25%
x Management Fee:	(\$2)
# of Holdings:	117
% in Top 10 Holdings:	19%
# of Stocks:	116
Est. \$m per Stock:	\$16
< 5% of Company	\$323

Performance						
	Qtr	YTD	1Yr	3Yr	5Yr	10Yr
TIAA Mid Growth	8.98	9.69	52.18	22.58	20.27	13.80
Russell Mid Cap Growth	11.07	10.44	43.77	22.39	20.52	15.13
+/- Index	(2.09)	(0.76)	8.41	0.19	(0.25)	(1.34)
Ranking	26	52	25	32	41	61
	2020	2019	2018	2017	2016	2015
TIAA Mid Growth	44.96	33.12	-8.46	25.90	1.69	-0.86
Russell Mid Cap Growth	35.59	35.47	-4.75	25.27	7.33	-0.20
+/- Index	9.37	(2.35)	(3.71)	0.63	(5.64)	(0.66)
Ranking	28	46	77	38	81	58

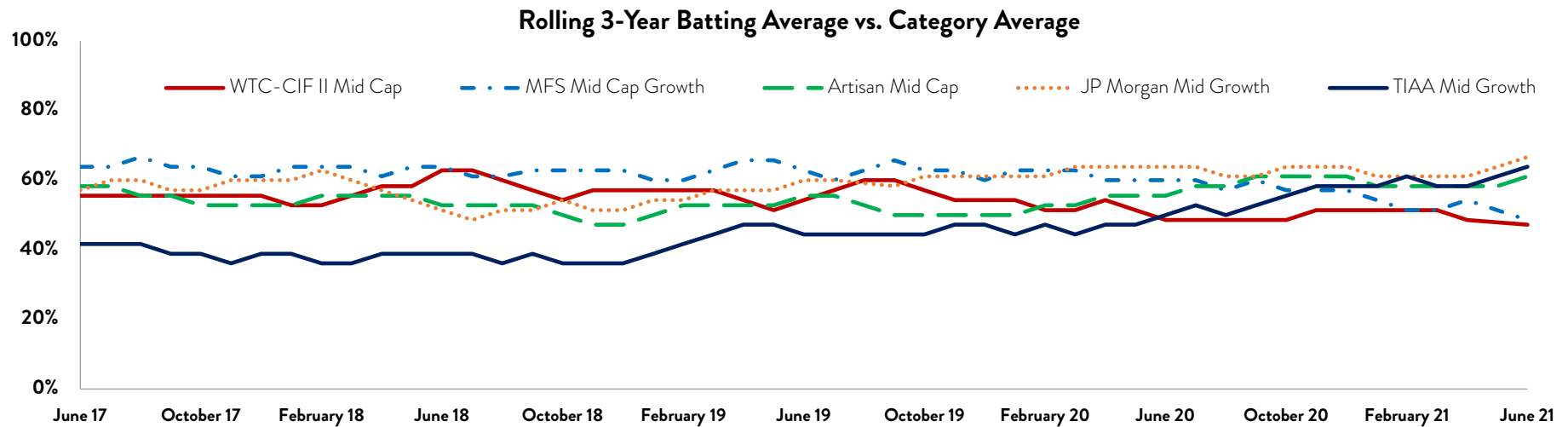
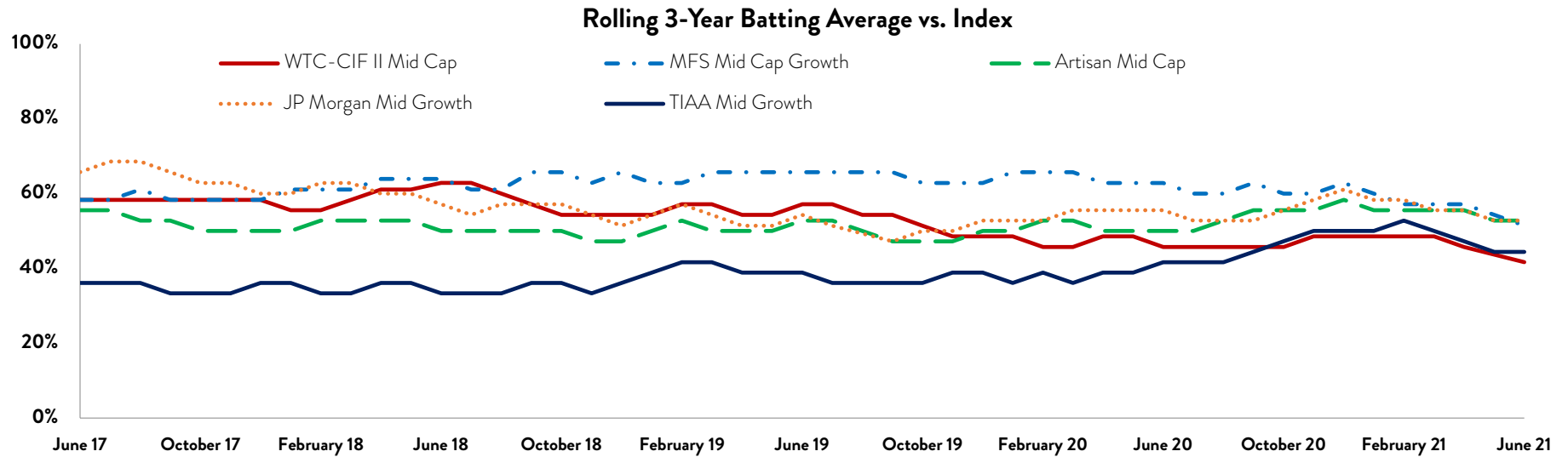


Composition						
Asset Allocation	Sector	+/- Avg.	Size/Style	+/- Idx.		
<p>Cash 0%</p> <p>Foreign Stock 16%</p> <p>US Stock 84%</p>	Energy	0%	Large Value	2%	1%	
	Materials	1%	Large Blend	7%	-1%	
	Industrials	10%	Large Growth	20%	2%	
	Cons. Disc.	22%	Mid Value	3%	-2%	
	Cons. Stpls.	3%	Mid Blend	24%	0%	
	Healthcare	19%	Mid Growth	34%	-5%	
	Financials	4%	Small Value	3%	2%	
	Info. Tech.	32%	Small Blend	2%	0%	
	Telecom	8%	Small Growth	5%	3%	
	Utilities	0%	<b>Total Mid</b>	<b>61%</b>	<b>-7%</b>	
	<b>Total:</b>	<b>100%</b>	<b>0%</b>	<b>Total Growth</b>	<b>59%</b>	<b>0%</b>



# City of Santa Clara 457 Deferred Compensation Plan

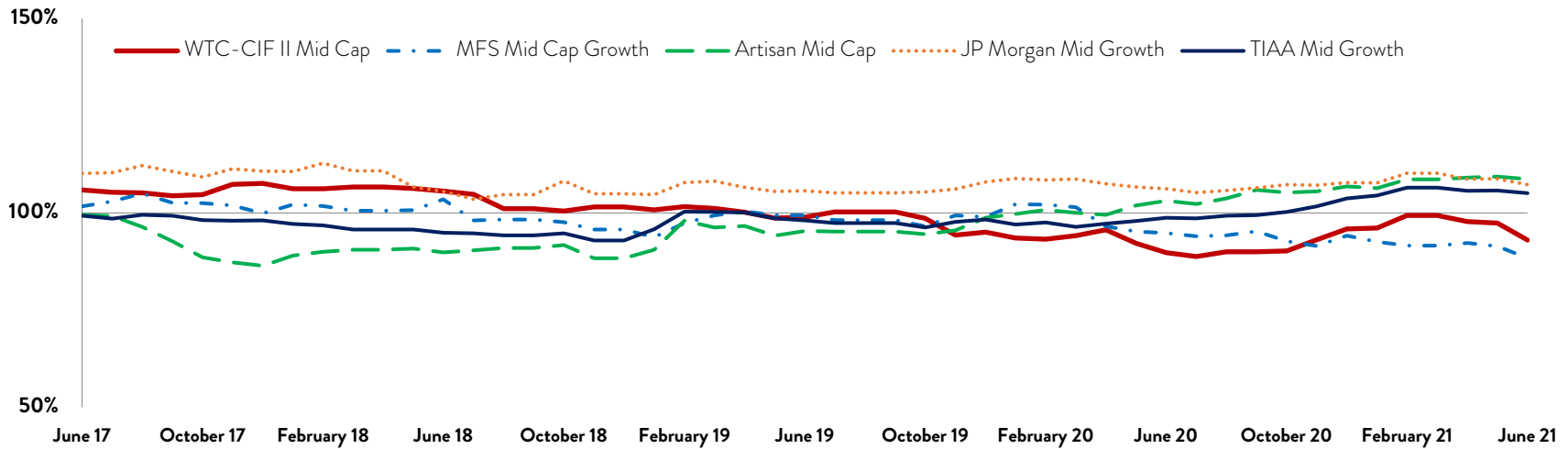
## Mid Cap Growth Manager Search Report August 2021



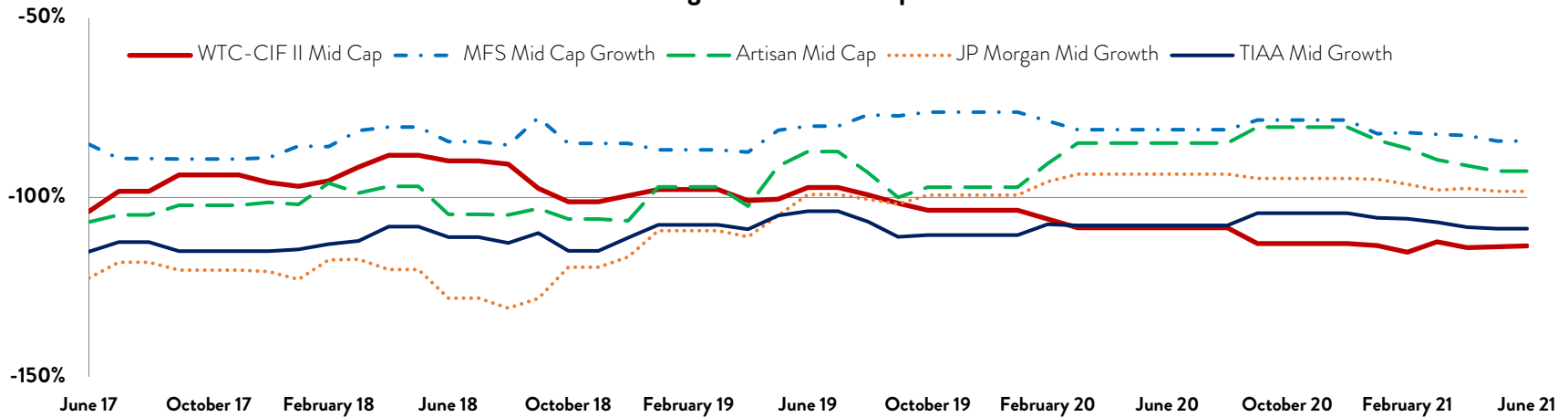
# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Rolling 3-Year Up-Capture



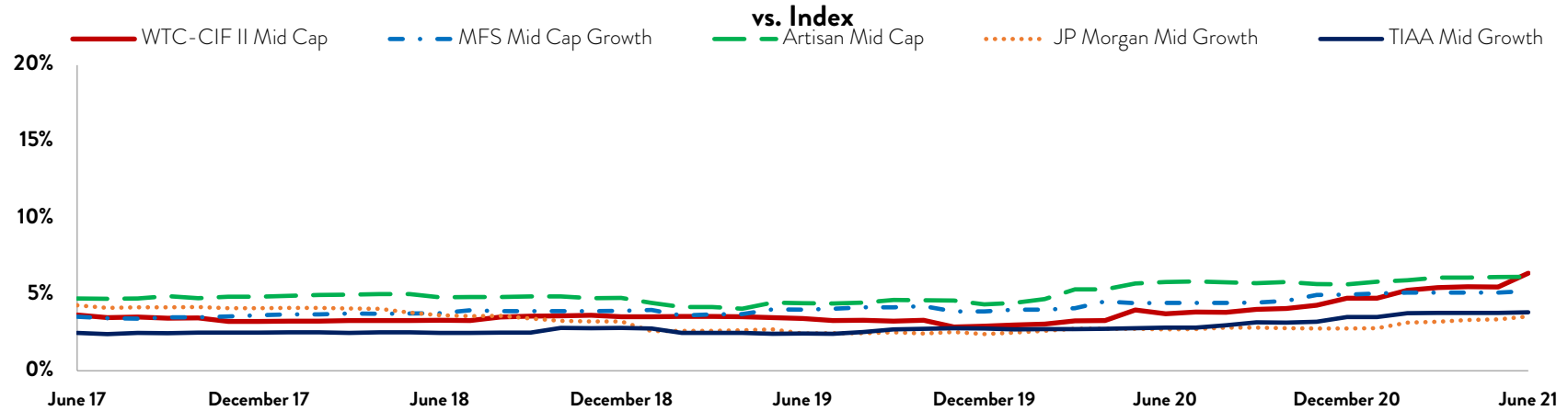
### Rolling 3-Year Down-Capture



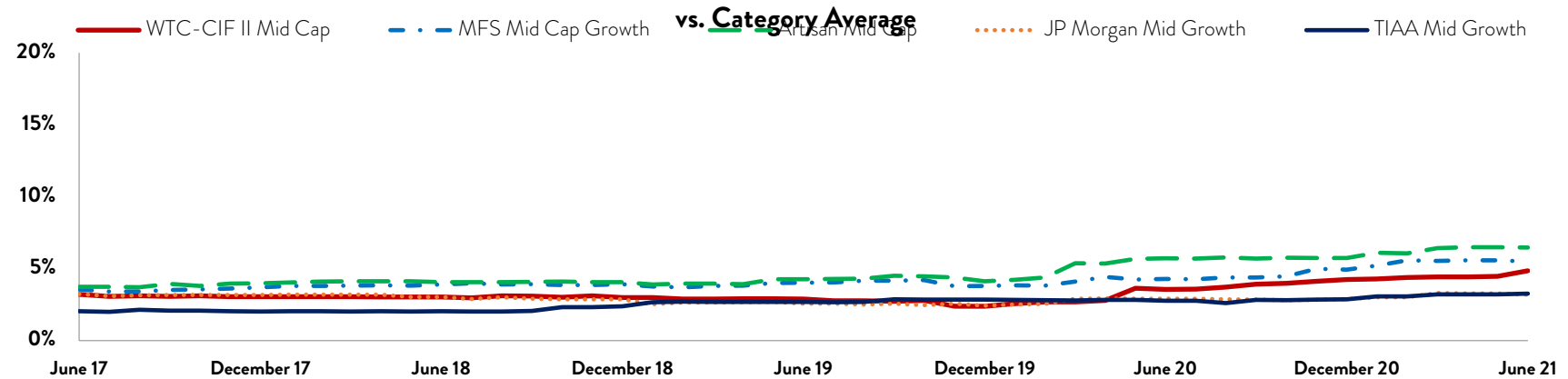
# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Rolling 3-Year Tracking Error



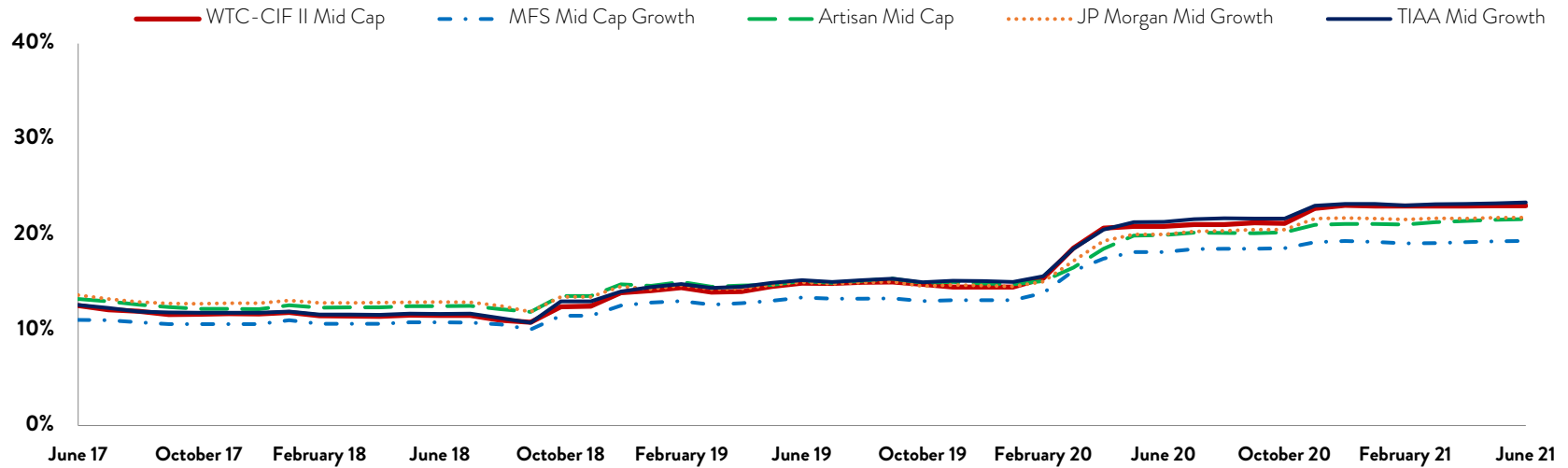
### Rolling 3-Year Tracking Error



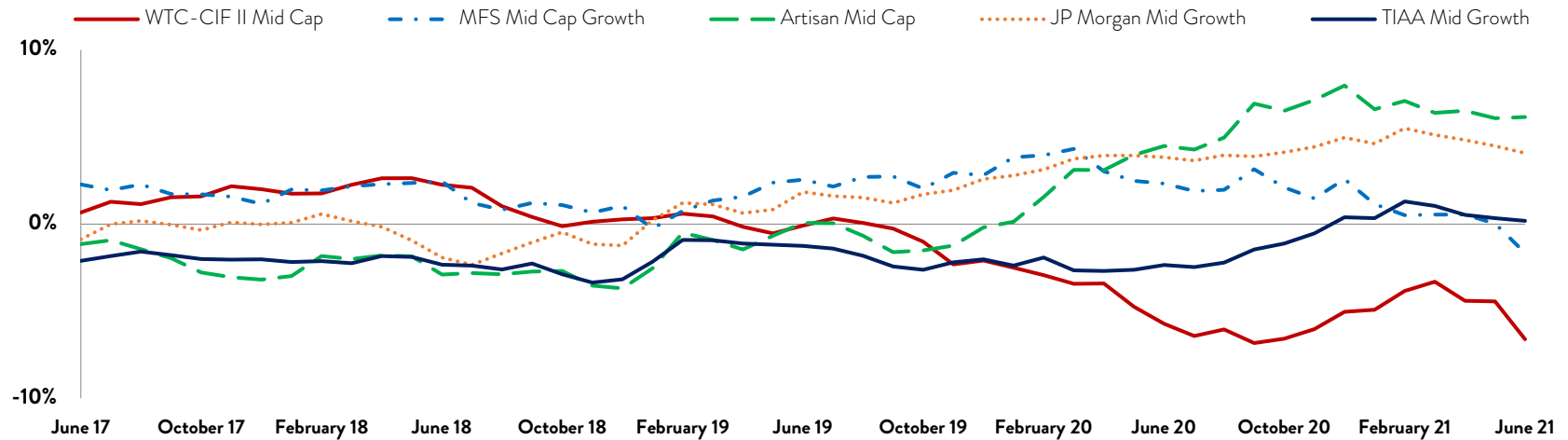
# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Rolling 3-Year Standard Deviation



### Rolling 3-Year Excess Return



# Section 7

# City of Santa Clara 457 Deferred Compensation Plan

## Mid Cap Growth Manager Search Report August 2021

### Section 7: Glossary

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#### Investment Terms

##### **Fixed Income:**

A fund that invests primarily in bonds and other fixed-income securities, often to provide shareholders with current income. Peer groups within this asset class may include, but are not limited to, Intermediate-Term, Money Market, Stable Value, Inflation-Protected, High Yield, Global, and others.

##### **Large Cap:**

A fund that invests in stocks of companies with large market capitalizations, typically starting at \$10 billion. Large Caps tend to be well-established companies, so their stocks typically entail less volatility and more current income than Small Caps, but also offer less potential for dramatic growth. A Large Cap fund may pursue an investment style such as growth, value, or a combination of the two (often referred to as Core or Blend) and be placed within a corresponding peer group.

##### **Mid Cap:**

A fund that invests in stocks of companies with medium market capitalizations, typically ranging between \$2 billion and \$10 billion. Mid Caps are often considered to offer more growth potential than Large Caps (but less than Small Caps) and less risk than Small Caps (but more than Large Caps). A Mid Cap fund may pursue an investment style such as Growth, Value, or a combination of the two (often referred to as Core or Blend) and be placed within a corresponding peer group.

##### **Small Cap:**

A fund that invests in stocks of companies with small market capitalizations, typically no higher than \$2 billion. Small Caps are often considered to offer more growth potential, but less current income than Large Caps and Mid Caps, and with more risk. A Small Cap fund may pursue an investment style such as Growth, Value, or a combination of the two (often referred to as Core or Blend) and be placed within a corresponding peer group.

##### **International Stock:**

A fund that invests primarily in the stocks of companies located, or with revenues derived from, outside of the United States. An International fund may pursue an investment style such as Growth, Value, or a combination of the two (often referred to as Core or Blend) and be placed within a corresponding peer group. Additional peer groups may include, but are not limited to, Global, Emerging Markets, and others.

##### **Asset Allocation:**

A fund that pursues a method of investing by which the manager include a range of different investment classes such as bonds, stocks, cash, alternative investments, and others in their portfolios. Peer groups within this asset class may include, but are not limited to Conservative Allocation, Moderate Allocation, Aggressive Allocation, Target Date, Life Cycle and others.

##### **Growth (investment style):**

A fund that invests primarily in the stocks of companies appearing to have relatively high growth prospects relative to their asset class. These companies often pay relatively low current income as most earnings are reinvested in the pursuit of higher future growth. These companies may also trade at relatively high valuations (such as price-to-earnings or price-to-sales) as investors may be willing to pay a “premium” to benefit from the company’s expected future growth.

##### **Value (investment style):**

A fund that invests primarily in the stocks of companies appearing be attractively priced by assorted metrics (such as price-to-earnings, price-to-sales, dividend yield, and others). These companies typically distribute a greater portion of their cash flows to shareholders than growth companies and as such will typically pay higher current income.

##### **Blend/Core (investment style):**

A fund that incorporates a comparable amount of Growth and Value investment styles into its investment management.

# City of Santa Clara 457 Deferred Compensation Plan

Mid Cap Growth Manager Search Report August 2021

## Operational Terms

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### **CUSIP:**

A nine character code that represents most securities, including the type of security. A CUSIP can be used to expedite settlement of securities transactions.

### **Expense Ratio:**

A measure of what it costs to operate an investment, expressed as a percentage of its assets or in basis points. These are costs the investor pays through a reduction in the investment's value.

### **Mutual Fund:**

An investment company that gathers money from individual investors for the purchase of securities, such as stocks, bonds, or cash equivalents. Investors own shares of the mutual funds but do not own the underlying securities. Shares of mutual funds can typically be redeemed on an end-of-day basis for the net asset value of the underlying securities, minus any applicable fees.

### **Redemption Fee:**

A fee collected by an investment company for selling out of a fund within a specified time period, typically 30 days. The fee is established to discourage short-term trading and is redistributed to any remaining fund investors.

### **Revenue Share:**

A portion of a fund's expense ratio that may be used to pay plan expenses for certain retirement plans.

### **Share Class:**

Some investment funds and companies offer more than one type or group of shares, each of which is considered a class (e.g., "Class A," "Advisor" or "Institutional" shares). For most investment funds each class has different fees and expenses but all of the classes invest in the same pool of securities and share the same investment objectives.

### **Ticker:**

A five-letter code, often used for trading purposes, that represents a particular mutual fund.

# City of Santa Clara 457 Deferred Compensation Plan

Mid Cap Growth Manager Search Report August 2021

## Statistical Terms

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### **Batting Average:**

How frequently a fund outperformed its benchmark given a certain time period and periodicity of returns.

### **Beta:**

A statistical measure of an investment's volatility and degree of co-movement relative to its benchmark. A beta of 1.0 implies that an investment has, or has exhibited the same degree of volatility as its benchmark and has tended to closely track the performance of its benchmark. A beta that is above (below) 1 implies that an investment has exhibited higher (lower) overall volatility than its benchmark. Beta is often viewed as indicative of an investment's sensitivity to "systematic" or market risk.

### **R-Squared (R<sup>2</sup>):**

A statistical measurement of how much of an investment's returns are explained by another set of returns, typically that of a benchmark. An R<sup>2</sup> of 1.0 (0.0) implies that 100% (0%) of an investment's returns are explained by its benchmark and provides an indication as to what degree the investment might be expected to move in step with its benchmark.

### **Sharpe Ratio:**

A measure of risk-adjusted returns. The Sharpe Ratio is the ratio of an investment's excess return (typically versus its index or a "risk-free" investment such as Treasury Bills) relative to its standard deviation for the corresponding period. A high (low) Sharpe Ratio indicates that an investment has provided a high (low) amount of excess return relative to the amount of risk it has incurred in doing so.

### **Standard Deviation:**

A statistical measurement of how an investment's returns have tended to fluctuate around their average. A higher standard deviation implies a broader range of returns relative to an average and thereby a higher degree of investment risk. Assuming a normal distribution, approximately 95% of an investment's returns should fall within two standard deviations of its average for the corresponding time period and periodicity.

### **Tracking Error:**

Tracking error is a measurement of the volatility of the difference between an investment's returns versus those of its benchmark. Given a certain periodicity of returns (such as monthly or quarterly), tracking error measures the volatility of the difference of the investment's and the benchmark's periodic returns within a specified time period. Annualized tracking error above 6% is generally viewed as high.

### **Up (Down) Capture Ratio:**

Up (down) capture compares an investment's upside (downside) performance relative to that of its benchmark when the benchmark was returning positive (negative). Up (down) capture is expressed in percentage terms. For example, an investment with 120% Up Capture has, in relative terms, provided 20% more returns than the benchmark in periods of rising markets.



# MEMO

To: City of Santa Clara Deferred Compensation Plan Committee

From: Hyas Group

Date: July 26, 2021

RE: Recommendation to Terminate the WTC-CIF II Mid Cap Opportunities Fund and Replace with the JPMorgan Mid Cap Growth Fund

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108 NW 9<sup>th</sup> Ave #203  
Portland, Ore. 97209  
(971) 634-1500  
hyasgroup.com

The WTC-CIF II Mid Cap Opportunities Fund's strategy is to invest in mid-sized growth companies, and the fund is benchmarked against the Standard & Poor's 400 MidCap Index. Wellington Management Company – the subadvisor to the fund – has historically been a very consistent and stellar fund manager.

In the fourth quarter of 2019, the City of Santa Clara Deferred Compensation Plan Committee placed the WTC-CIF II Mid Cap Opportunities Fund on watch status for performance reasons. The most recent full market cycle has caused a significant divergence between the WTC-CIF II Mid Cap Opportunities Fund and its peers. While the majority of the WTC-CIF II Mid Cap Opportunities Fund's portfolio is in mid cap growth companies, it has a 30% allocation to small cap names and a sizable portion of the portfolio falls into the value category. This allocation has caused significant underperformance in this market cycle. In addition to the structure of the portfolio, this fund has suffered some underperformance due to security selection in the healthcare and technology sectors. For these reasons, Hyas Group has lost confidence in the strategy and recommends replacing it.

Hyas Group has prepared a search document for the mid cap growth asset class for the Committee's review. In this search document, we have provided four alternatives along with the incumbent investment option, and we have included several datapoints such as performance, risk metrics, investment style, composition analysis, and fees. While all four replacement candidates are suitable, the Hyas Group recommends replacing the WTC-CIF II Mid Cap Opportunities Fund with the JPMorgan Mid Cap Growth Fund. The JPMorgan Mid Cap Growth Fund is much more reflective of the mid cap growth asset class and has been a consistent performer. In looking ahead, Hyas Group believes the JPMorgan Mid Cap Growth Fund will perform better and more consistent with the mid cap growth peer universe. As of June 30, 2021, there were roughly 350 participants in the fund with \$10 million invested.. Lastly, an important consideration is the fee structure. The expense ratio of the JPMorgan Mid Cap Growth Fund is slightly lower than the WTC-CIF II Mid Cap Opportunities Fund (0.74% versus 0.75%).

If the Committee approves this fund change at its August 20 meeting, Nationwide will transfer all existing balances and any future contributions to the WTC-CIF II Mid Cap Opportunities Fund effective on or around November 16, 2021.



## Agenda Report

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21-1083

Agenda Date: 8/20/2021

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### REPORT TO DEFERRED COMPENSATION COMMITTEE

#### **SUBJECT**

Informational Memo to the Deferred Compensation Committee Regarding Assignment of the Current Investment Advisory Agreement with Hyas Group, LLC Resulting From Hyas Joining Morgan Stanley Institutional Consulting

#### **DISCUSSION**

Hyas Group, LLC (“Hyas”) is a fiduciary to the City of Santa Clara’s Deferred Compensation Plan (“Plan”) who help monitor compliance with Plan guidelines and the Investment Policy Statement (IPS), report quarterly on the performance of investment managers/funds and fees, oversee changes to Plan design, provide updates regarding legal and regulatory changes related to Section 457(b) Plans, provide education to City staff and Committee, and help assess the services, performance and fees of Nationwide as the Administration Services provider.

On or about July 9, 2021, Hyas notified the City that they will be joining Morgan Stanley as part of its Institutional Consulting Business, effective the third quarter of 2021. It is anticipated that this change will not result in changes to services, processes, and personnel.

This memorandum is notify the Deferred Compensation Committee (“Committee”) that the City Manager, as the designated Plan Administrator (“Administrator”), will be providing consent on behalf of the City and the Plan to the assignment of the current investment advisory agreement with Hyas, and that the City and the Plan will not be objecting to such assignment, resulting from Hyas joining Morgan Stanley.

There is no further action needed from the Committee.