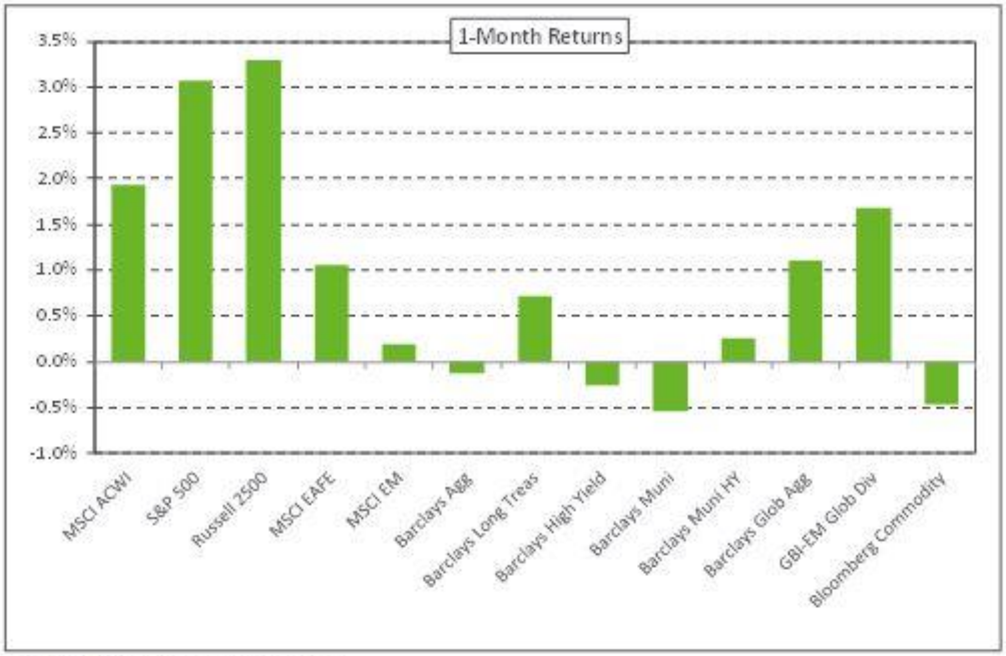
Unitarian Universalist Common Endowment Fund

		Last Month	YTD	Last Year	Last 3 Years	Last 5 Years
	Monthly Market Commentary for November 2017					
Domestic Stocks	S&P 500	3.1%	20.5	22.9	10.9	15.7
	S&P Mid Cap 400	3.7%	16.0	18.5	11.4	15.5
	Russell 2000	2.9%	15.1	18.3	11.1	15.0
Domestic Bonds	Barclays Aggregate	-0.1%	3.1	3.2	2.1	2.0
	High Yield Bonds	-0.3%	7.2	9.2	5.7	6.0
	91-Day T-Bills	0.1%	0.8	0.9	0.4	0.2
Non-US Stocks	MSCI EAFE (Net)	1.0%	23.1	27.3	6.0	8.2
	MSCI Emerg Mkts (Net)	0.2%	32.5	32.8	6.1	4.6
Global Bonds	Citi World Gov't	1.4%	7.3	6.6	1.5	-0.1

As 2017 draws to a close, most investors can look back on the year as one marked by low volatility and high returns. November did little to change this dynamic as global equities continued their relentless march forward. US stocks were in the lead with gains of 5.5%, stealing the thunder from international equities that dominated for most of the year. The MSCI EAFE returned 1.0% on the month with a bulk of the gains fueled by a weakening dollar amid uncertainty over Brexit negotiations and the Catalonia referendum. Strengthening currencies also drove gains in emerging markets but the MSCI EM Index eked out a 0.2% return.

US fixed-income returns were a mixed bag as the Fed appeared resolute about raising rates in December despite persistently low inflation readings. The Treasury curve flattened on the month with the 10-year yield up three basis points to 2.41% and the 30-year yield down five basis points to 2.83%. The Barclays US Aggregate Bond Index dipped 0.1%; long-duration bonds fared well as the Barclays US Treasury Index gained 0.7%. Credit spreads widened slightly in November leading to a 0.3% decline in the Barclays US High Yield Index.

At NEPC, we still believe international and emerging market equities remain attractive relative to the United States, especially as US equities have recently narrowed the year-to-date performance gap. Within US fixed income, we recommend investors tilt away from credit risk and reallocate to a combination of safe-haven debt, such as TIPS, and global equities, as we observe spreads below median levels across investment-grade and high-yield securities. In general, we remind investors of the importance of rebalancing and maintaining target exposures, especially in a year where equities have seen such marked outperformance.



As of 11/30/2017, Source: Bloomberg

[Commentary courtesy of New England Pension Consultants (NEPC). UUCEF has a consultancy agreement with NEPC to assist in the oversight of investment managers and provide other advisory services to the UUCEF Investment Committee. NEPC® is an independent, full service investment consulting firm, providing asset allocation, manager search, performance evaluation and investment policy services to middle and upper market institutional investment programs.]