GET Prepaid College Tuition Program

Quarterly Report – June 30, 2020

Portfolio Size, Allocation, and Assets Under Management 2

Performance 3

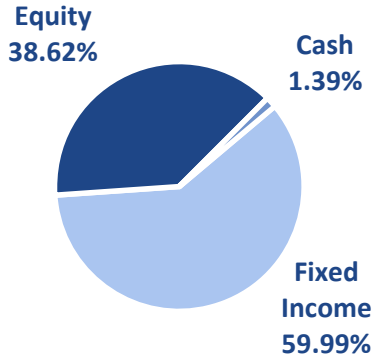
GET Prepaid College Tuition Program

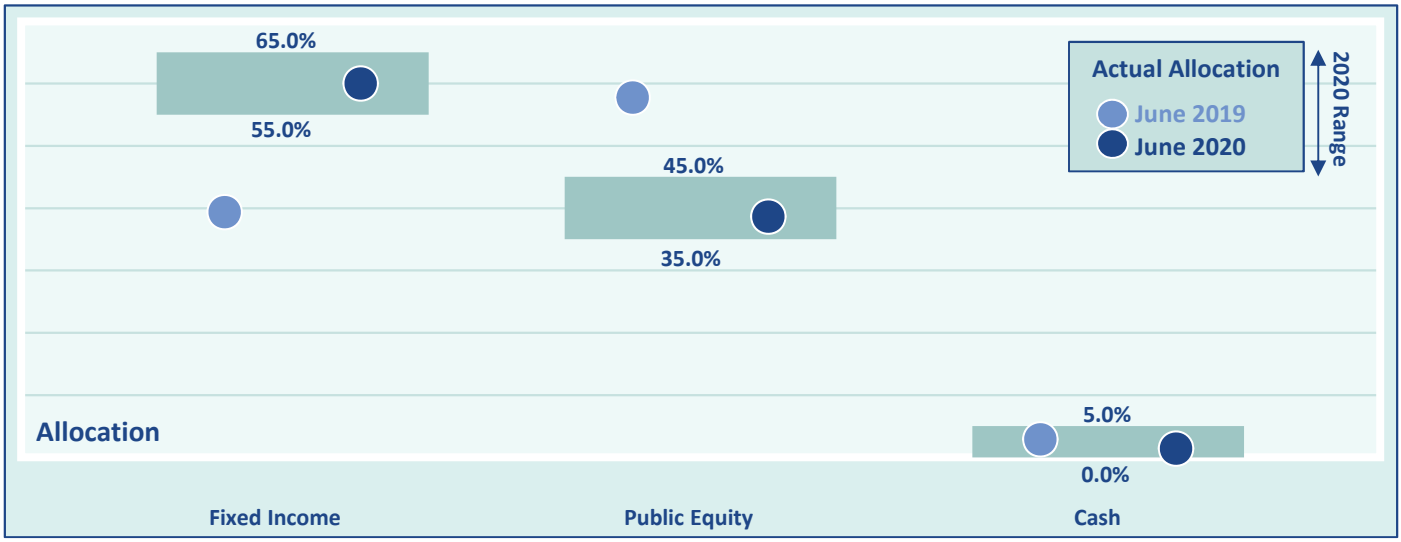
Quarter Ended June 30, 2020

Portfolio Size

Total	**$1,457,582,351**
Cash	$20,316,738
Fixed Income	$874,410,509
Equity	$562,855,105

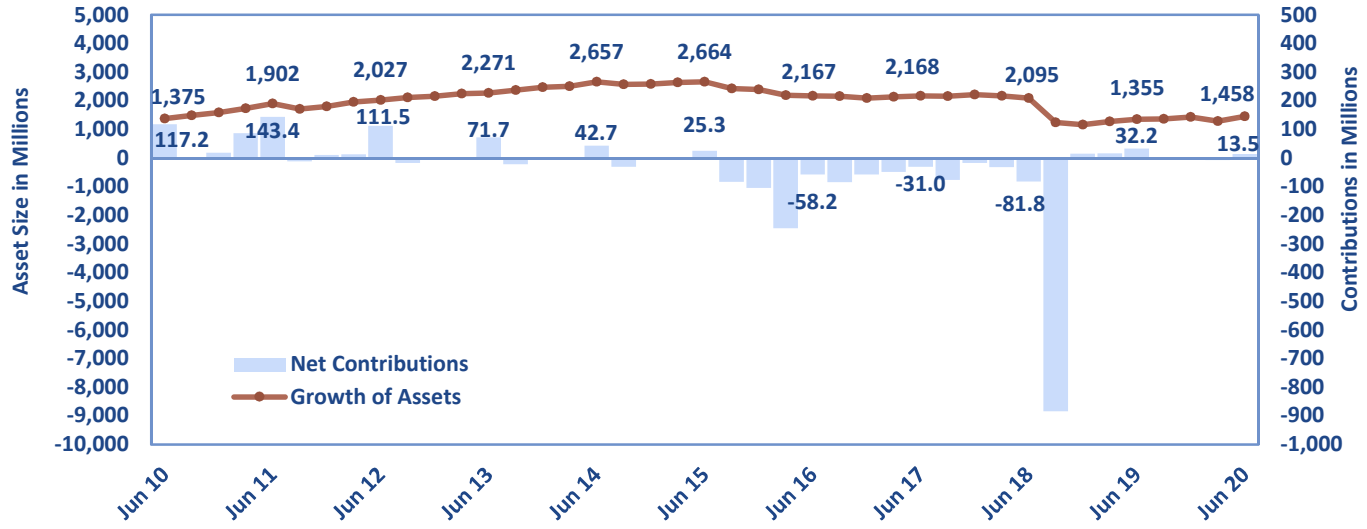
Actual Asset Allocation





Note: Allocation changed in January 2020. It was previously 40% Fixed Income and 60% Equity and changed to 60% Fixed Income and 40% Equity

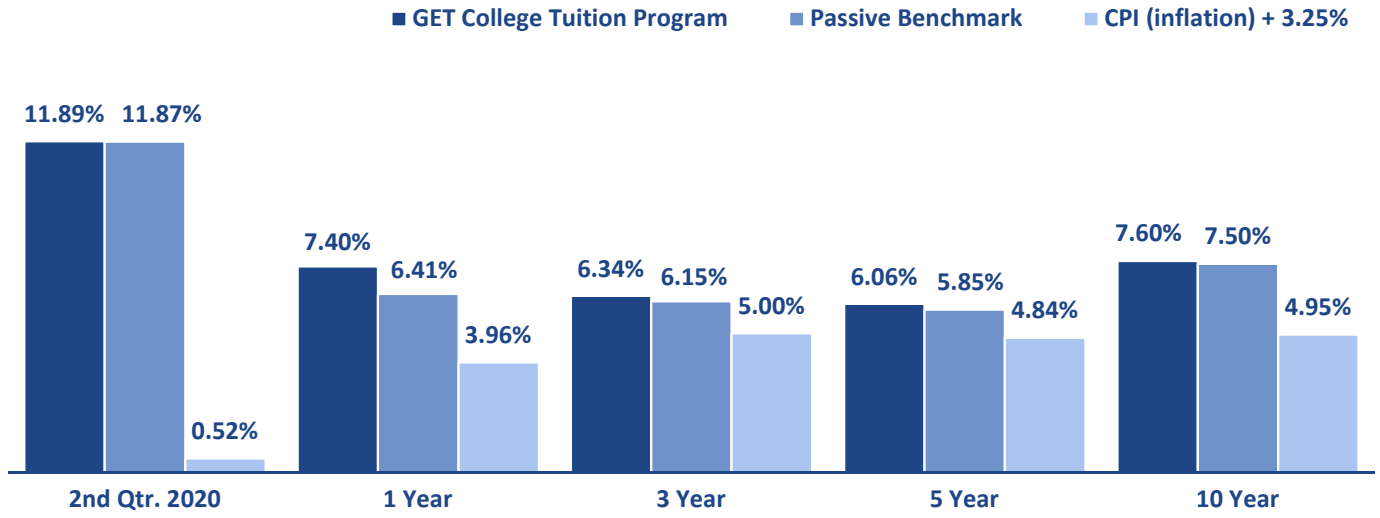
Assets Under Management



GET Prepaid College Tuition Program

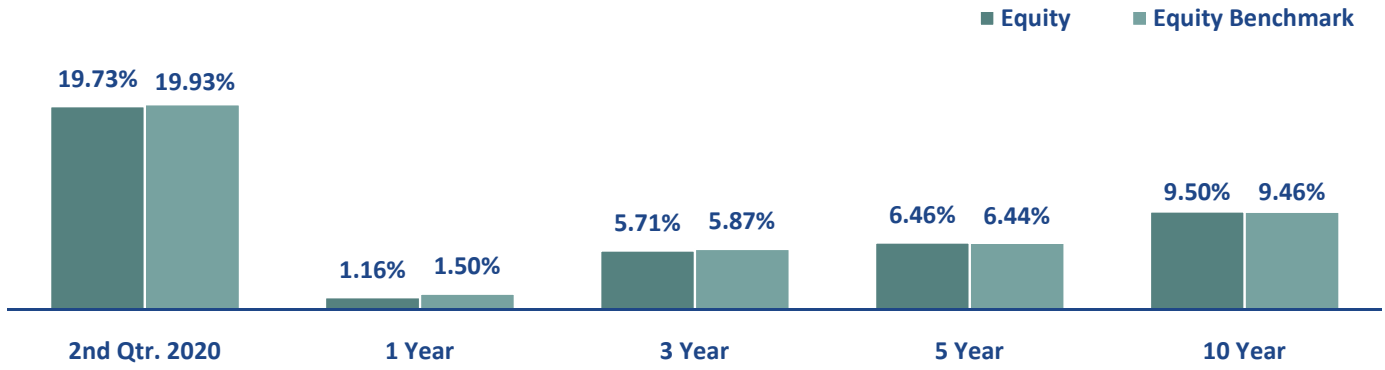
Quarter Ended June 30, 2020

Total Return *



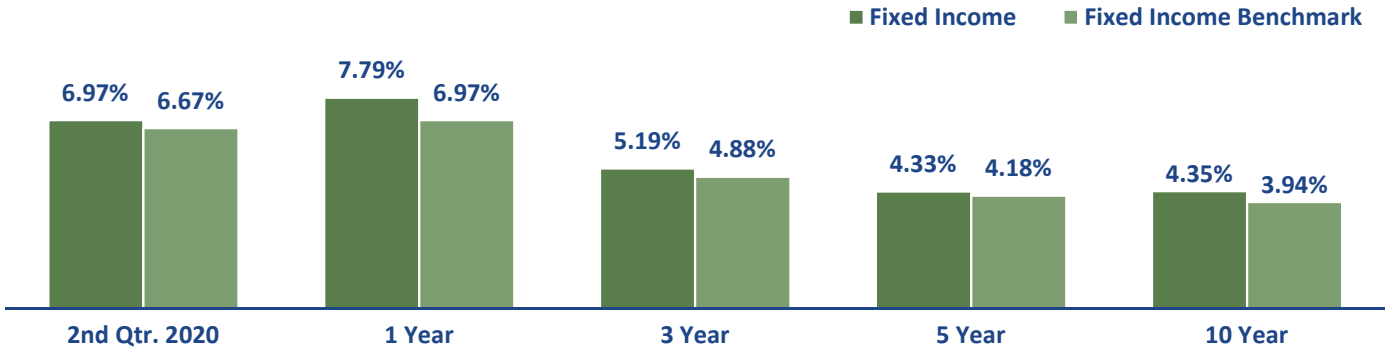
Equity Return *

Benchmark: MSCI ACWI IMI w/U.S. Gross and a historical blended return



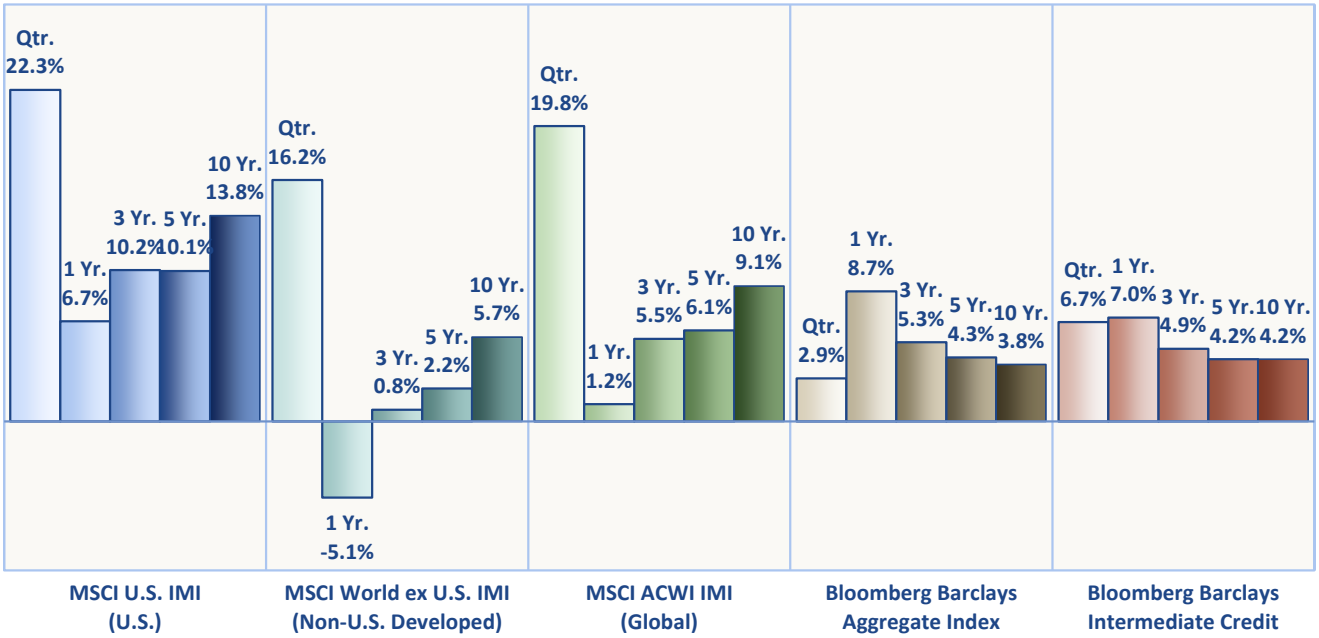
Fixed Income Return *

Benchmark: Bloomberg Barclays Intermediate Credit and a historical blended return



* The return numbers above are net of manager fees and other expenses that can be directly debited from the account for portfolio management but do not include the WSIB management fee.

Market Performance as of June 30, 2020



Key Takeaways:

- Strong Q2 performance resulted from a wave of economic stimulus from central banks and governments, along with tentative reopening of economic activity

- The Fed responded quickly to the slowdown (target interest rate remained at 0% - 0.25%), and global central banks indicated broad commitments to low-cost lending globally

- The pandemic is leaving its mark:
  - U.S. gross domestic product (GDP) shrank 9.5% in Q2
  - Personal spending slumped 34.6% -- largest quarterly decline on record
  - The U.S. economy contracted at an annualized pace of 5% in the first quarter
  - U.S. unemployment hit 14.7% in April, a level not seen since the Great Depression

- Equities: MSCI Developed World IMI index returned 19.94% for 2Q, bringing the 1-year return to 1.84%

- Fixed Income: With interest rates unchanged and credit spreads narrower, returns were widely dispersed across sectors
  - The Bloomberg Barclays High Yield index returned 10.18% for the quarter and a mere 0.02% for the 1-year period
  - The broader Bloomberg Barclays Universal returned 3.81% for the quarter and 7.88% for the 1-year period

- Treasuries: Based on the Fed's stimulus pledge, 10-year U.S. Treasuries declined 1 basis point to 0.66% during the quarter