GET Prepaid College Tuition Program

Quarterly Report – September 30, 2020

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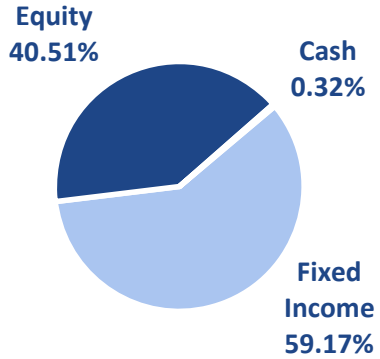
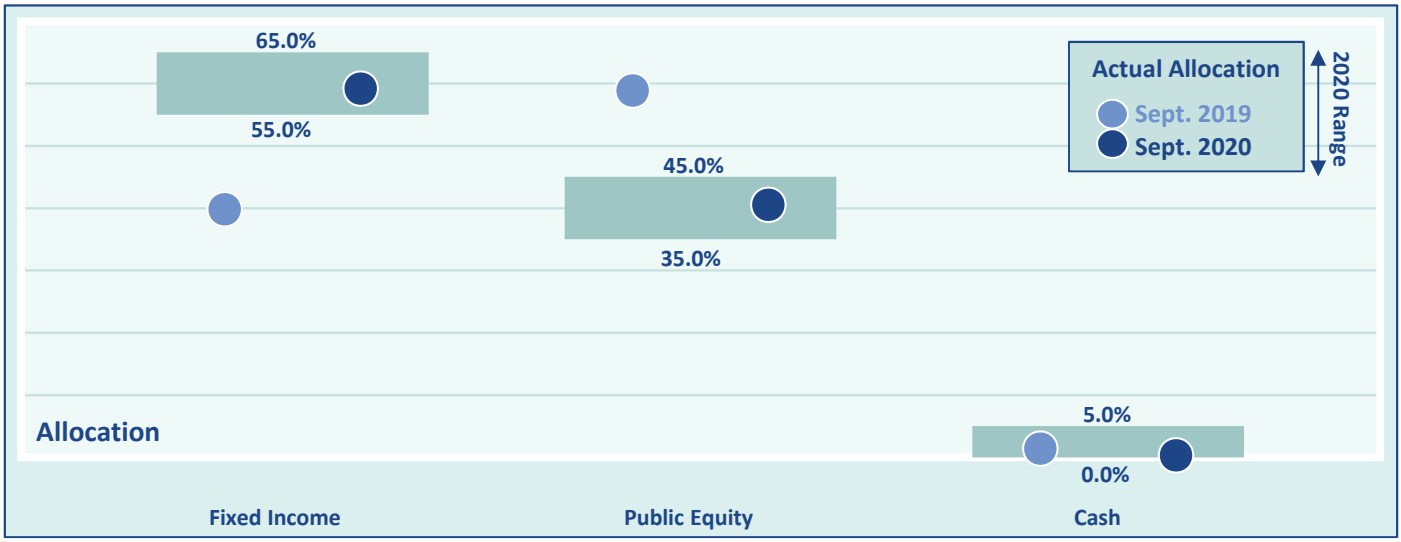
Portfolio Size

Total	**$1,502,149,381**
Cash	$4,843,607
Fixed Income	$888,822,668
Equity	$608,483,106

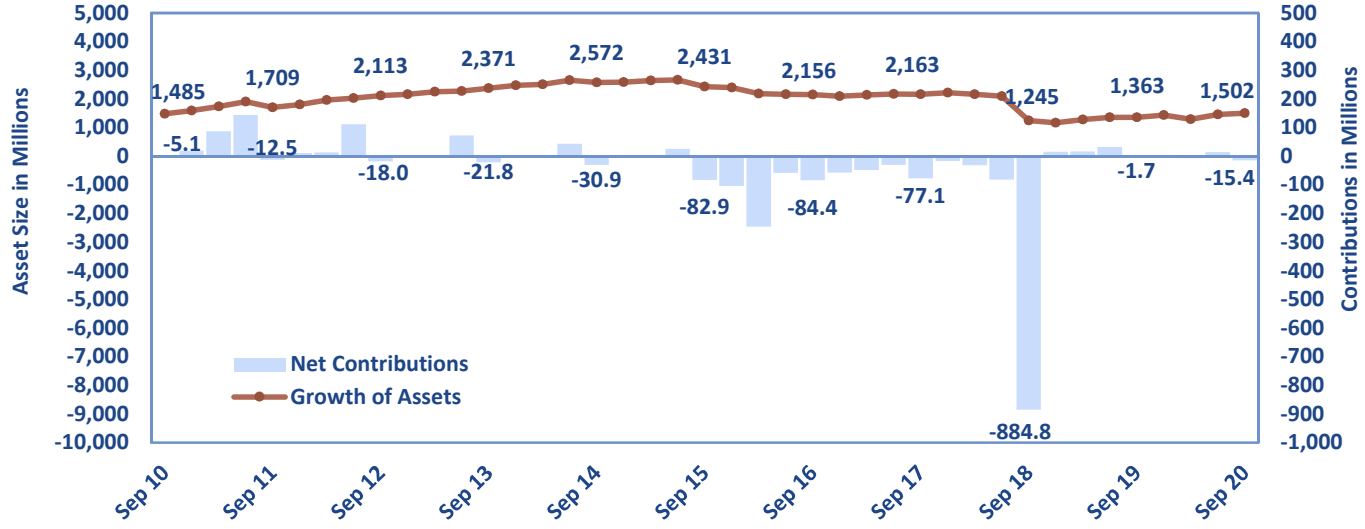
Actual Asset Allocation



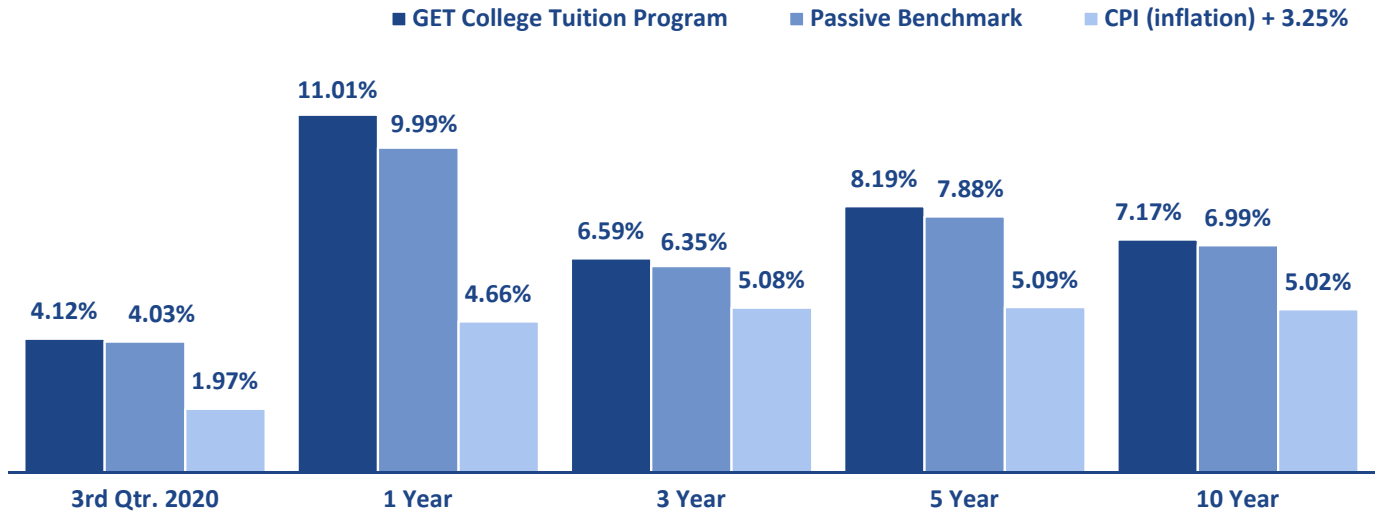


Note: Allocation changed in January 2020. It was previously 40% Fixed Income and 60% Equity and changed to 60% Fixed Income and 40% Equity

Assets Under Management

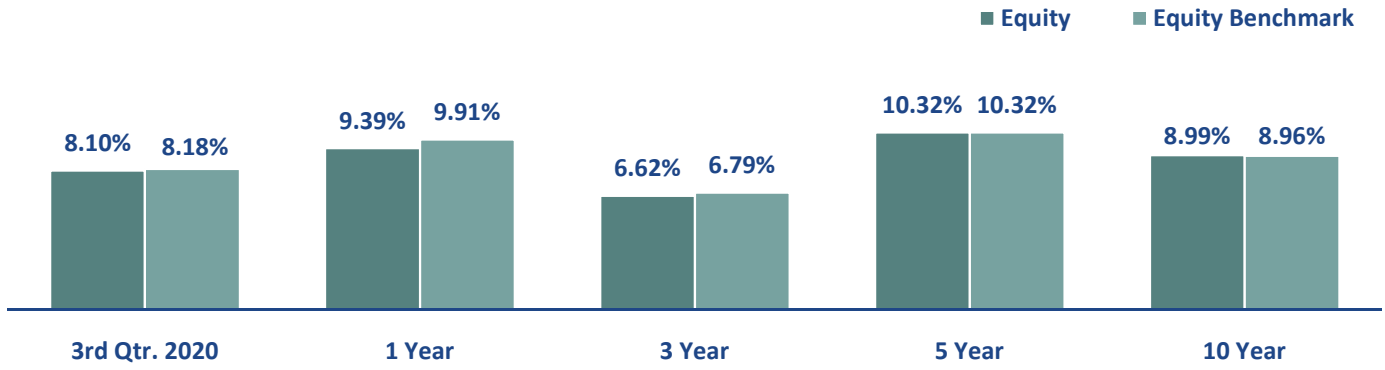


Total Return *



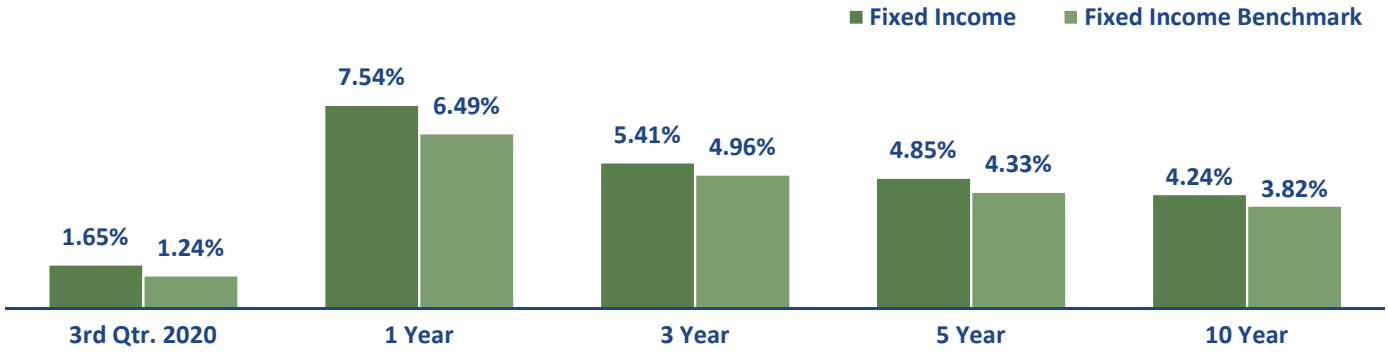
Equity Return *

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



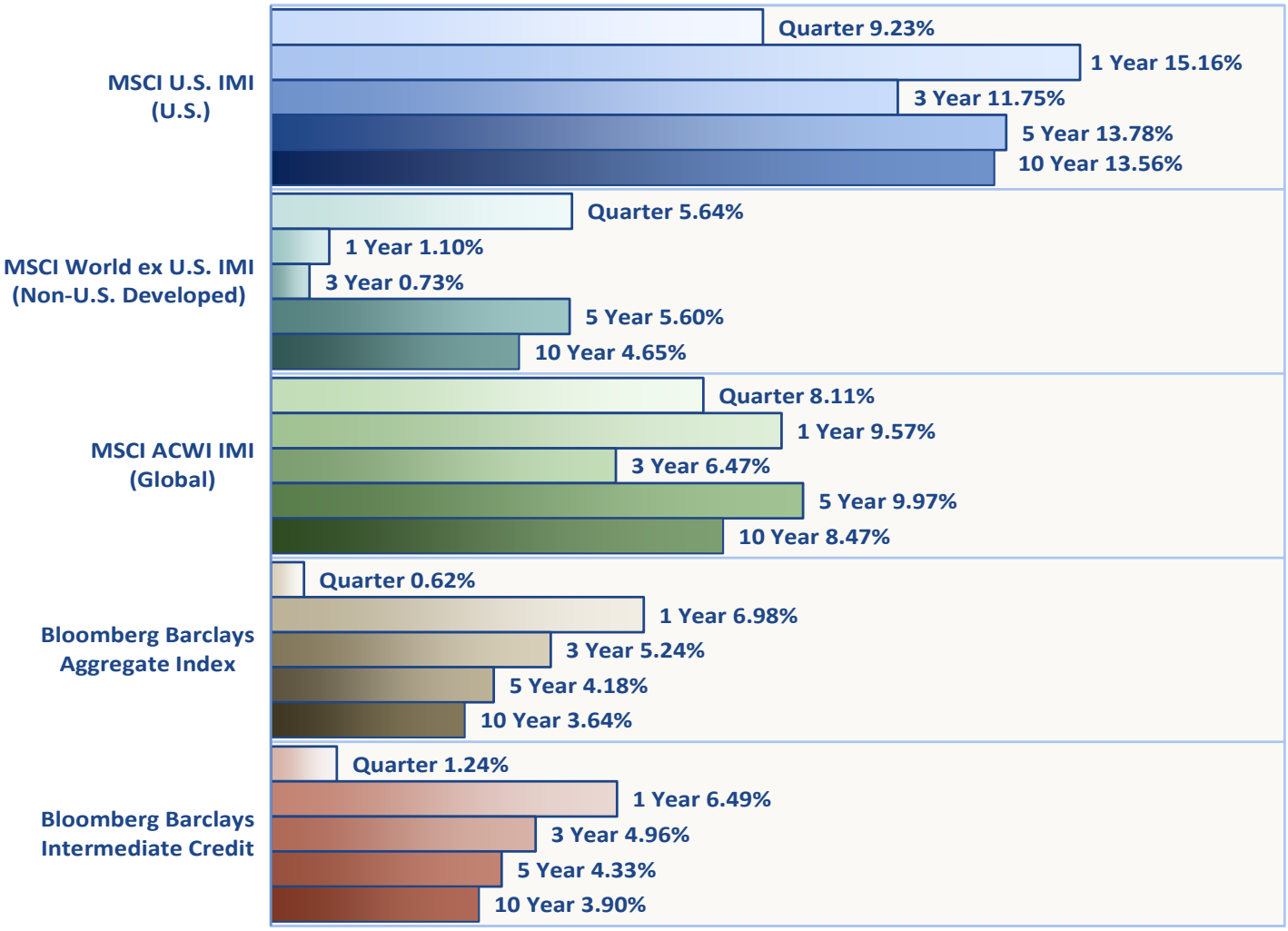
Fixed Income Return *

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 Environment



- Despite growing worries surrounding a second wave of COVID-19, global equity markets enjoyed a strong third quarter, albeit with a wide range of returns.
- The MSCI World Developed IMI index returned 7.9% in the third quarter.
  - The U.S. equity market returned 9.1 %.
- Sector performance varied widely: Energy returned -12.4% and is down about 43% for the calendar year.
  - Consumer Discretionary returned 17.6%.
  - Information Technology returned 12.3% and for the calendar year, it's up nearly 25%.
- Interest rates are expected to remain low for an extended period.
  - The Fed announced its willingness to allow inflation to run above target in today's environment.
- U.S. 10 year Treasuries ended the quarter with a yield of 0.7%, broadly flat over the quarter but down from 1.9% at the start of the year.
- Fixed income returns were driven by narrowing of credit spreads, so credit-heavier indexes outperformed.
  - Bloomberg's Credit index was up 1.5% for the quarter compared to the High Yield index at 4.6%.
- Oil prices took a step back in September, dropping 9.6%, breaking a streak of five consecutive monthly gains.