

Invested in your future



WELCOME

2022 Outlook: The Road Ahead

Quarterly Webinar

February 9, 2022

TODAY'S GUEST SPEAKERS

David Baskin

Chairman, Baskin Wealth Management (BWM), Chair, RPB Investment Committee

Brad Smith

Partner, NEPC, RPB's outside investment advisory firm

G. Leonard Teitelbaum

Chair, Board of Trustees, RPB

Michael Kimmel

Chief Executive Officer, RPB

AGENDA

- Opening Remarks
- 2021 Market Recap and Plan Update
- 2022 Outlook Roundtable
- Q&A

OPENING REMARKS

רְכָם יִתְדַּעַם • קְדוּשָׁה • אֲכֹם •

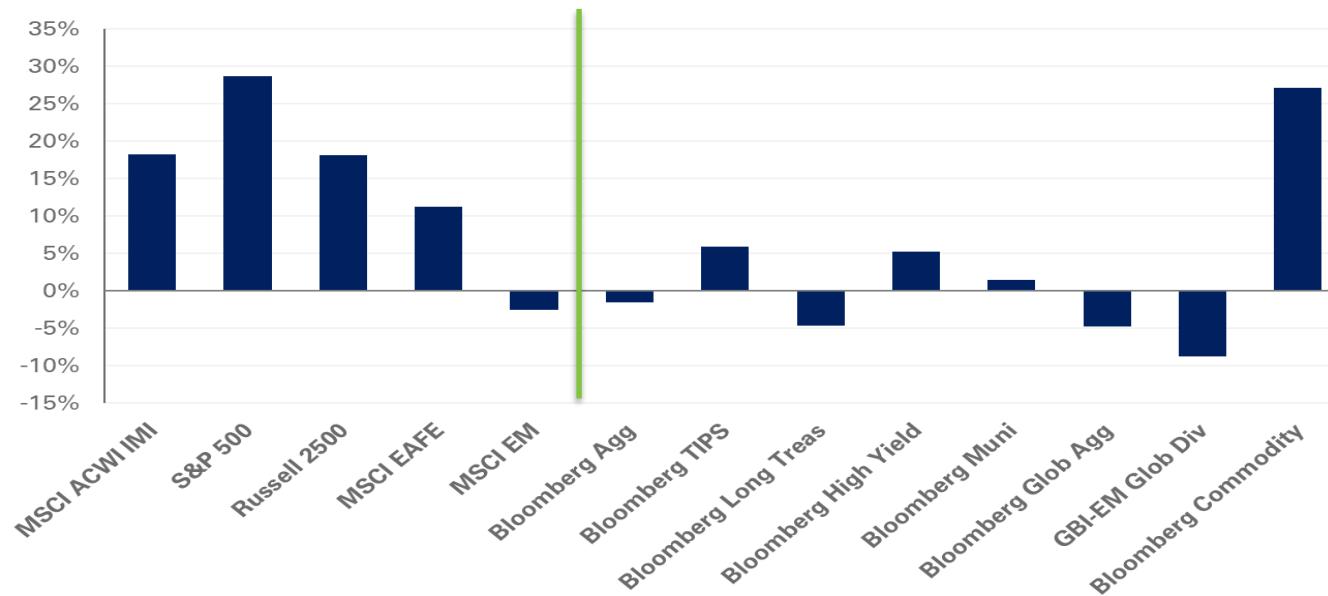
חַמְלָה • בִּנְהָה • אַלְקָה

2022 MARKET RECAP & PLAN UPDATE

ריכים • יהודים • קדשה • אהבה.

2021 Market Recap

- Strong, positive returns for most equity asset classes while inflation concerns and rising interest rates weighed on bond returns



2021 Asset Quilt – Diversification Matters

Returns for Key Indices Ranked in Order of Performance

	MSCI EM 55.8	FTSE NAREIT Equity REIT 31.6	MSCI EM 34.0	FTSE NAREIT Equity REIT 35.1	MSCI EM 39.4	Barclays US Agg Bond 5.2	MSCI EM 78.5	Alerian MLP 35.9	Alerian MLP 13.9	MSCI EM 18.2	Russell 3000 33.6	FTSE NAREIT Equity REIT 30.1	FTSE NAREIT Equity REIT 3.2	Alerian MLP 18.3	MSCI EM 37.3	FTSE Treasury Bill 3 Mon 1.9	Russell 3000 31.0	Russell 3000 20.9	FTSE NAREIT Equity REIT 43.2	FTSE NAREIT Equity REIT 43.2	Russell 3000 16.3	FTSE NAREIT Equity REIT 10.8
Best ↑	Alerian MLP 44.5	MSCI EM 25.6	MSCI EAFE 13.5	MSCI EM 32.1	Alerian MLP 12.7	FTSE Treasury Bill 3 Mon 1.8	Alerian MLP 76.4	FTSE NAREIT Equity REIT 28.0	FTSE NAREIT Equity REIT 8.3	FTSE NAREIT Equity REIT 18.1	Alerian MLP 27.6	Russell 3000 12.6	Barclays US Agg Bond 0.5	Barclays Corp HY 17.1	MSCI EAFE 25.0	Barclays US Agg Bond 0.0	FTSE NAREIT Equity REIT 26.0	MSCI EM 18.3	Alerian MLP 40.2	Alerian MLP 40.2	FTSE NAREIT Equity REIT 11.4	Russell 3000 9.7
	MSCI EAFE 38.6	MSCI EAFE 20.2	FTSE NAREIT Equity REIT 12.2	MSCI EAFE 26.3	MSCI EAFE 11.2	Barclays Corp HY -26.2	Barclays Corp HY 58.2	MSCI EM 18.9	Barclays US Agg Bond 7.8	MSCI EAFE 17.3	Barclays US Agg Bond 22.8	Barclays US Agg Bond 6.0	Russell 3000 0.5	Russell 3000 12.7	Russell 3000 21.1	Barclays Corp HY -2.1	MSCI EAFE 22.0	MSCI EAFE 7.8	Russell 3000 25.7	Russell 3000 25.7	MSCI EAFE 8.0	MSCI EM 9.6
	FTSE NAREIT Equity REIT 37.1	Alerian MLP 16.7	Alerian MLP 6.3	Alerian MLP 26.1	Barclays US Agg Bond 7.0	Alerian MLP -36.9	MSCI EAFE 31.8	Russell 3000 16.9	Barclays Corp HY 5.0	Russell 3000 16.4	Barclays Corp HY 7.4	Alerian MLP 4.8	FTSE Treasury Bill 3 Mon 0.0	MSCI EM 11.2	Barclays Corp HY 7.5	FTSE NAREIT Equity REIT -4.6	MSCI EM 18.4	Barclays US Agg Bond 7.5	MSCI EAFE 11.3	Barclays Corp HY 6.8	Barclays Corp HY 7.8	
	Russell 3000 31.1	Russell 3000 11.9	Russell 3000 6.1	Russell 3000 15.7	Russell 3000 5.1	Russell 3000 -37.3	Russell 3000 28.3	Barclays Corp HY 15.1	Russell 3000 1.0	Barclays Corp HY 15.8	FTSE NAREIT Equity REIT 2.5	Barclays Corp HY 2.5	MSCI EAFE -0.8	FTSE NAREIT Equity REIT 8.5	Russell 3000 -5.2	Barclays Corp HY 14.3	Barclays Corp HY 7.1	Barclays Corp HY 5.3	Barclays Corp HY 5.5	MSCI EM 5.5	Alerian MLP 7.4	
	Barclays Corp HY 29.0	Barclays Corp HY 11.1	FTSE Treasury Bill 3 Mon 3.0	Barclays Corp HY 11.8	FTSE Treasury Bill 3 Mon 4.7	FTSE NAREIT Equity REIT -37.7	FTSE NAREIT Equity REIT 28.0	MSCI EAFE 7.8	FTSE Treasury Bill 3 Mon 0.1	Alerian MLP 4.8	FTSE Treasury Bill 3 Mon 0.1	FTSE Treasury Bill 3 Mon 0.0	Barclays Corp HY -4.5	Barclays US Agg Bond 2.6	Barclays US Agg Bond 3.5	Alerian MLP -12.4	Barclays US Agg Bond 8.7	FTSE Treasury Bill 3 Mon 0.6	FTSE Treasury Bill 3 Mon 0.0	Barclays US Agg Bond 2.9	MSCI EAFE 6.3	
	Barclays US Agg Bond 4.1	Barclays US Agg Bond 4.3	Barclays Corp HY 2.7	FTSE Treasury Bill 3 Mon 4.8	Barclays Corp HY 1.9	MSCI EAFE -43.4	Barclays US Agg Bond 5.9	Barclays US Agg Bond 6.5	MSCI EAFE -12.1	Barclays US Agg Bond 4.2	Barclays US Agg Bond -2.0	MSCI EM -2.2	MSCI EM -14.9	MSCI EAFE 1.0	FTSE Treasury Bill 3 Mon 0.8	MSCI EAFE -13.8	Alerian MLP 6.6	FTSE NAREIT Equity REIT -8.0	Barclays US Agg Bond -1.5	Barclays US Agg Bond -1.5	FTSE Treasury Bill 3 Mon 0.6	Barclays US Agg Bond 4.3
	FTSE Treasury Bill 3 Mon 1.1	FTSE Treasury Bill 3 Mon 1.2	Barclays US Agg Bond 2.4	Barclays US Agg Bond 4.3	FTSE NAREIT Equity REIT -15.7	MSCI EM -53.3	FTSE Treasury Bill 3 Mon 0.2	FTSE Treasury Bill 3 Mon 0.1	MSCI EM -18.4	FTSE Treasury Bill 3 Mon 0.1	MSCI EM -2.6	MSCI EAFE -4.9	Alerian MLP -32.6	FTSE Treasury Bill 3 Mon 0.3	Alerian MLP -6.5	MSCI EM -14.6	FTSE Treasury Bill 3 Mon 2.3	Alerian MLP -28.7	MSCI EM -2.5	MSCI EM -2.5	Alerian MLP -0.3	FTSE Treasury Bill 3 Mon 1.2
Worst ↓	2000	2001	2002	2003	2004	2005	2006	2007	2008	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	10 Yr	20 Yr

■ Russell 3000

■ Barclays Corp HY

■ MSCI EM

■ Alerian MLP

■ FTSE Treasury Bill 3 Mon

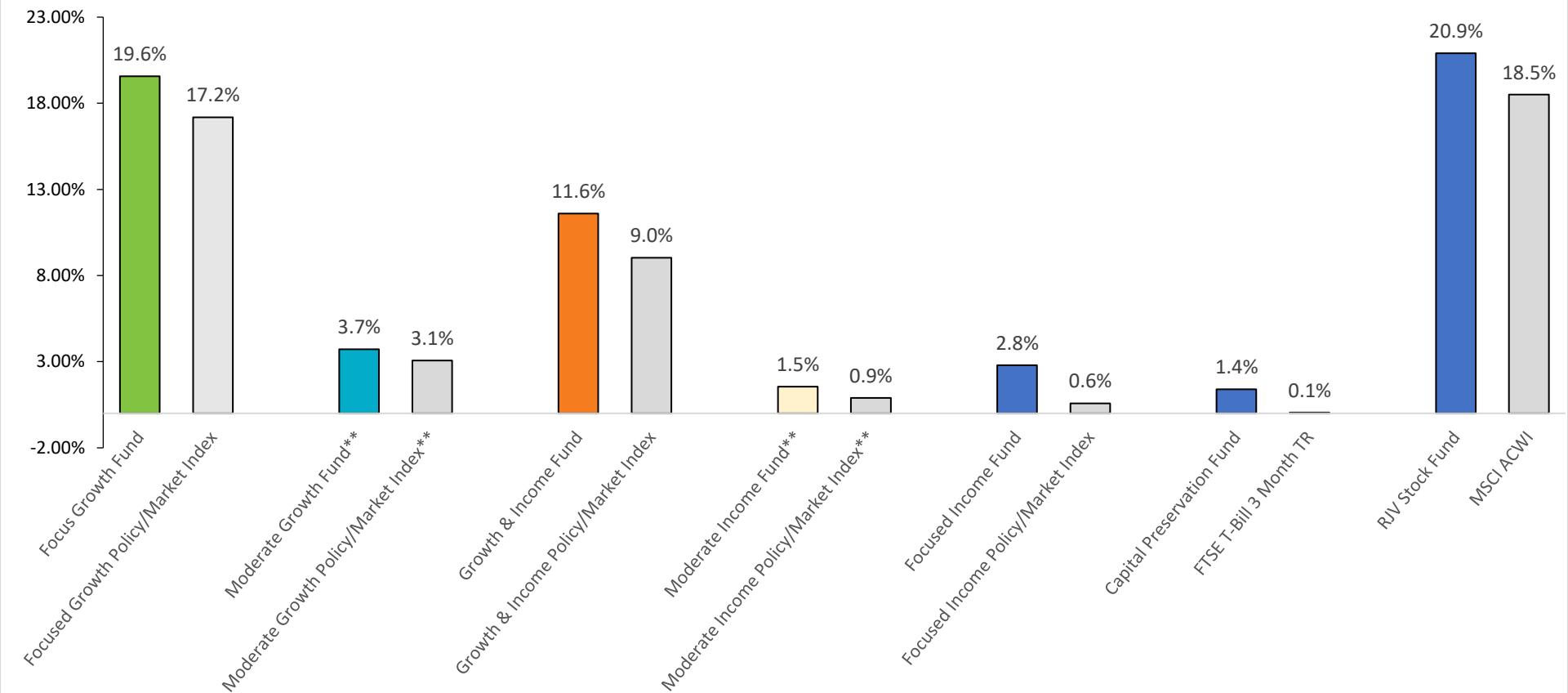
■ FTSE NAREIT Equity REIT

■ Barclays US Agg Bond

■ MSCI EAFE

2021 Tier 1 & 3 Investment Returns - Net of Fees

January 1, 2021 through December 31, 2021



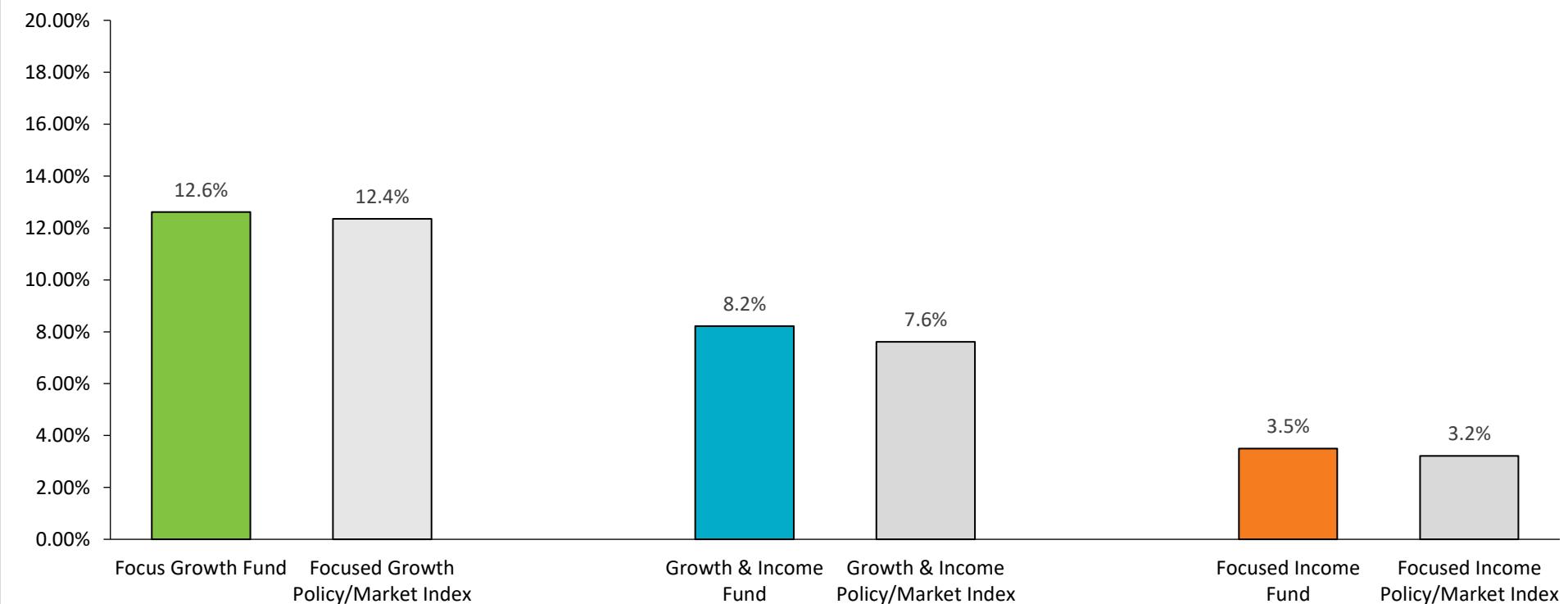
*Net of investment management fees.

**Moderate Growth Fund/Allocation Index and Focused Income Fund/Allocation Index returns since inception of August 1, 2021.

Tier 1 Volatility – Standard Deviation

Lower is less risky

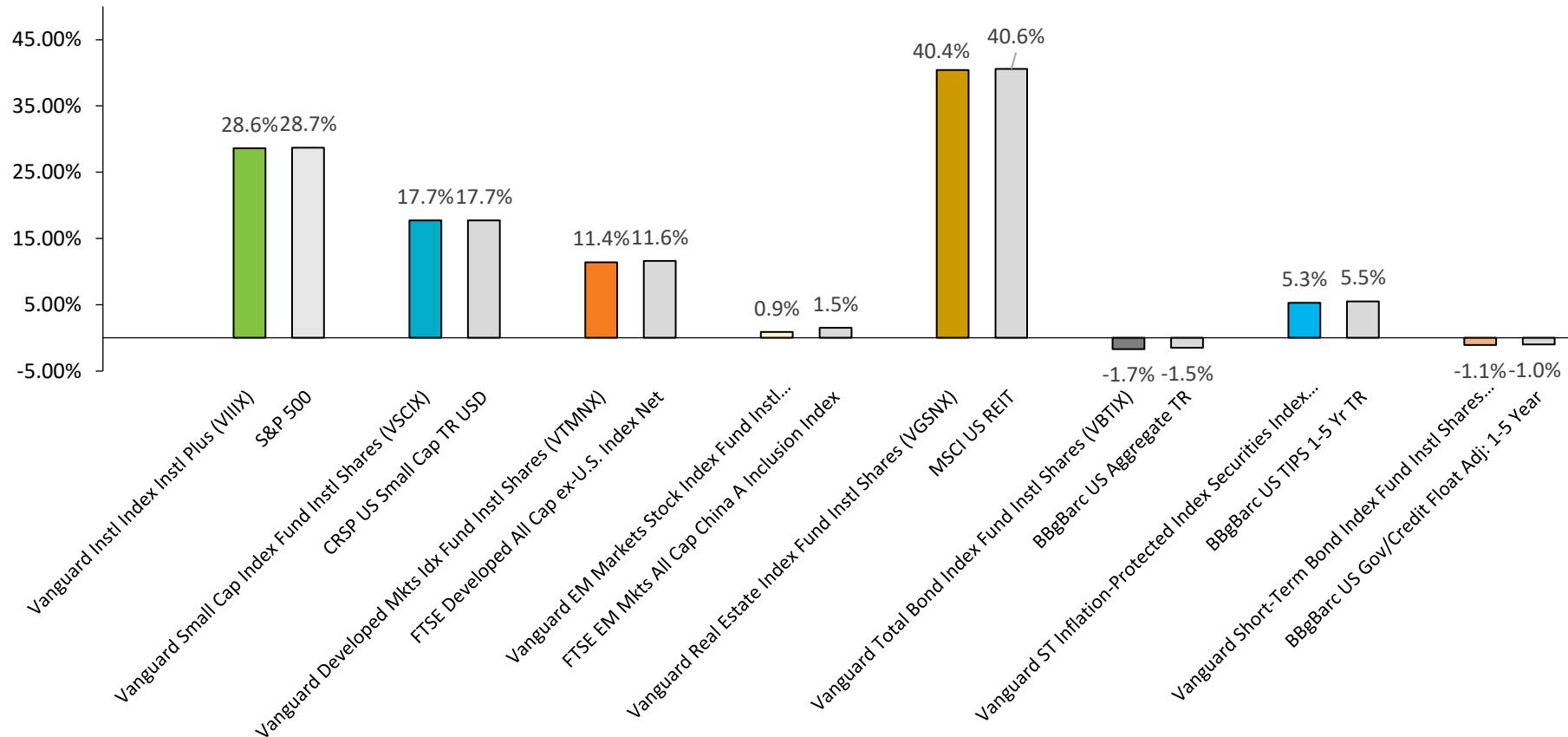
Since inception: January 1, 2013 through December 31, 2021



2021 Tier 2 Investment Returns - Net of Fees

Vanguard Index Funds

January 1, 2021 through December 31, 2021



*Net of investment management fees.

2022 OUTLOOK ROUNDTABLE

• ניכם • מילדיים • קדשה • אהבה •

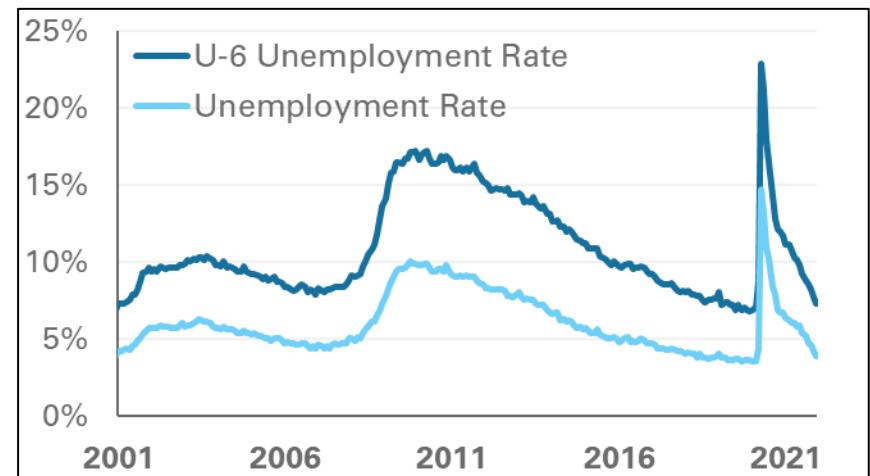
חמליה • בירה

Roundtable Discussion Questions

- What is the impact of the ongoing Covid-19 pandemic on the economy and the markets going forward?

Roundtable Discussion Questions

- The path of the virus will continue to impact global economic activity but on a somewhat diminishing level due to the distribution of Covid-19 vaccines coupled with historic monetary stimulus
- The improvement in economic data, labor markets, and risk assets highlights the shortened impact of the virus on capital markets



Roundtable Discussion

- What will be the drivers of asset class returns and what should investors watch out for in 2022?

2022 Drivers of Asset Class Returns

- Asset class return expectations are lower due to strong equity market returns and reflect a wide range of outcomes related to the pandemic's economic impact
- Permanent interventions (which is still supportive of higher asset prices) are fading as monetary policy shifts to a less accommodative stance
- The Federal Reserve is still accommodative but has begun tapering asset purchases
 - Recent commentary from the Fed suggests higher rates may happen sooner than anticipated given the current economic and inflation backdrop

Roundtable Discussion

- What does the pullback in the stocks of technology and “highflyer” companies mean?

Tech Sector Pullback

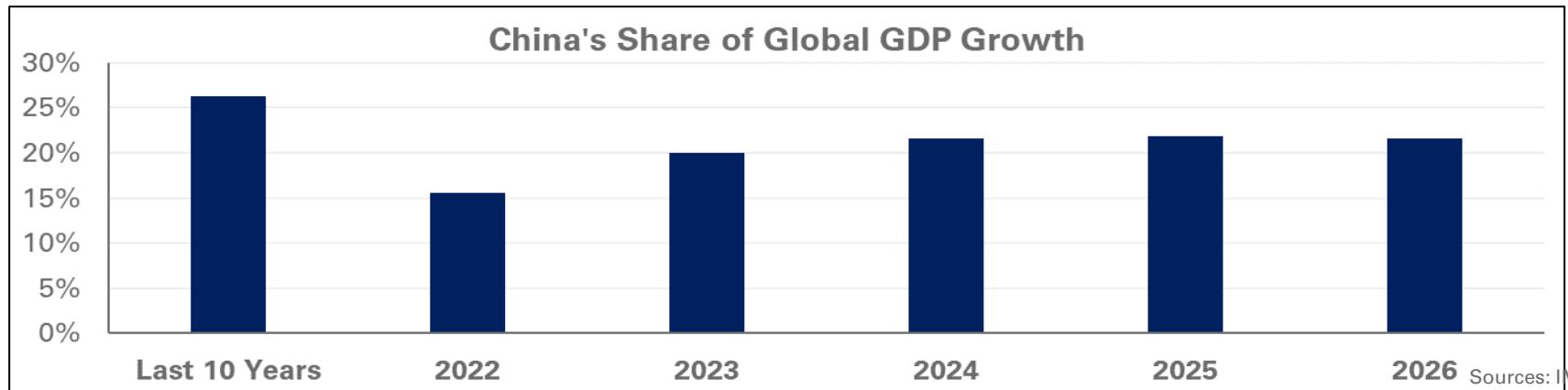
- Global markets have been defined by coordinated global central bank fiscal and monetary stimulus
- Tapering of permanent monetary interventions may pressure technology companies with higher valuations
 - Innovation driven by technologies companies can provide deflationary pressure
- Technology companies will need to continue to innovate and increase revenue to sustain or expand current multiples
- Emphasizes the importance of a diversified equity allocation, including both growth and value-oriented sectors and companies

Roundtable Discussion

- How will China's increasingly authoritarian tone impact emerging markets?

China

- China is undergoing a significant change as the economy transitions from a production to a consumption-base economy
 - It is expected to equal the size of the U.S. economy within 15 years
- The 2021 “regulatory reset” targeted a narrow (but high profile) segment of the market, which triggered a market correction in China (down over 20%)
- China continues to be an important high growth market exposure but will have above average volatility going forward



Roundtable Discussion

- What does the highest Inflation in 30 years imply for interest rates and market returns?

Inflation Impact

- Unprecedented stimulus coupled with the reopening of the economy caused the highest inflation levels in 30 years in 2021
- NEPC's expectation for inflation has increased over the near-term (1-5 years), but the long-term inflation view (10-year inflation) is unchanged
 - We expect the 5%+ inflation prints are transitory, but have an increased conviction that inflation at the ~3% level could persist over the next 3 years
- Deflationary pressures, such as demographics and technology, are expected to overwhelm inflationary pressures in the long-run
 - They have been overpowered by market stimulus and supply chain constraints in the near-term

2022 Market Recap: Economy at a crossroads

- Global equity markets continue to offer opportunities for investment
 - Early exit from a long-term allocation may detract from long-term results
 - Equity investments offer meaningful inflation-sensitivity over the long term
- Expect heightened volatility
- Continued emphasis on diversified portfolios

Your Next Actions

- Know what you're invested in
- Stay focused on your risk tolerance
- Beginning of the year is a good time to review your portfolio
- Make sure to set up rebalancing to maintain your risk, liquidity, and diversification goals.



תיקון עולם

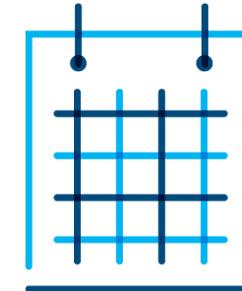
Q & A

• יסודות לגורמיות • קהילה • חיים

Announcements

➤ **Expanded Retirement Plan Eligibility**

Coming this spring, URJ congregations can enroll anyone who works 18 or more hours a week in RPB's plan.



➤ **RPB Annual Retirement Seminar**

November 6 – 8 | Miami

תיקון עולם

THANK YOU!

• יסודות לגורמיות • קהילה • חיים