CORE FIXED INCOME
QUARTERLY COMMENTARY

HIGHLIGHTS

- Bonds sold off in the first quarter of 2024 as investors reassessed the Federal Reserve's projections for possible rate cuts throughout the year.
- The Glenmede Core Fixed Income strategy ("strategy") performed in line for the quarter versus the Bloomberg US Aggregate Index primarily due to our sector weights tilted towards high quality securities and our overall exposure lower to longer dated corporate securities.
- As we enter the second quarter, markets will be anxiously awaiting economic data to help predict the Federal Reserve's timing on rate cuts.

Bonds sold off in the first quarter of 2024 as investors reassessed the Federal Reserve's projections for possible rate cuts throughout the year. It seems the anticipated recession from aggressive rate hikes failed to materialize, and inflation, while still elevated, has finally started to abate. Despite inflation remaining higher than Chairman Powell's two percent target, debates are now advancing on when rate cuts should take place this year. At the conclusion of the Fed's March 20th meeting, the consensus from the Committee seems to point to two to three rate cuts taking place in 2024. The debate continues. The yield curve in the quarter flattened slightly and remained inverted.

For the quarter, corporates, with their higher yielding profile, were the best performing asset class returning -0.4%. US treasuries returned -1.0%, agencies returned -0.4%, and mortgages returned -1.0%. The yield curve flattened in the first quarter with the two-year treasury rising 37 basis points to yield 4.6%, and the thirty-year treasury higher by 31 basis points to yield 4.3%. The yield spread between the two-year treasury and thirty-year treasury closed the quarter at -28 basis points. With our sector weights tilted towards high quality securities and our overall exposure lower to longer dated corporate securities, the Core Fixed Income Composite performed in line for the quarter returning -0.8% (net), versus the benchmark, the Bloomberg Aggregate Index, return of -0.8%.

As we enter the second quarter, markets will be anxiously awaiting economic data to help predict the Federal Reserve's timing on rate cuts. The probability of multiple rate cuts in 2024 seems to have decelerated. Volatility appears elevated, economic activity and spending seems tired, and market uncertainty persists. We remain defensive to neutral in the portfolios. Adhering to our investment process, our emphasis will remain on high-quality while continuing to focus on the more liquid securities.

CORE FIXED INCOME Composite Performance (%)

As of 3/31/2024	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/89)
Glenmede (Gross)	-0.8	-0.8	1.2	-2.6	0.1	1.4	5.1
Glenmede (Net)	-0.8	-0.8	0.9	-2.9	-0.2	1.0	4.7
Bloomberg US Aggregate	-0.8	-0.8	1.7	-2.5	0.4	1.5	5.0

**Annualized*

Glenmede Investment Management, LP claims compliance with the Global Investment Performance Standards (GIPS®).

Glenmede Investment Management, LP, a registered Investment Advisor, is an affiliate of The Glenmede Trust Company, NA (GTC). The "Firm" is defined as all investment advisory accounts managed by Glenmede Investment Management LP. Effective January 1, 2007, the Investment Product Management Group of GTC became Glenmede Investment Management, LP. All performance prior to January 1, 2007, shown here as the performance of GIM, was previously reported as the performance of the Investment Product Management Group of the Glenmede Trust Company.

Past performance is not indicative of future performance and may be lower or higher than the performance quoted. All of the composites' valuations and returns are computed and stated in U.S. Dollars. Net numbers are net of max allowable management fee for this strategy. Additional information regarding the Firm's policies for valuing portfolios, calculating performance and preparing compliant presentations, is available upon request. A GIPS® compliant presentation, as well as a complete list of firm composites and performance, can be requested from GIM Client Service at 215.419.6662. Please see the GIPS® presentation for further explanation.

The Core Fixed Income Composite objective is to provide maximum long-term total return consistent with reasonable risk to principal, by investing primarily in mortgage-backed securities and medium-term fixed income securities issued by the U.S. Treasury, U.S. Government agencies, other agencies or debt obligations of domestic companies. The Bloomberg US Aggregate Index is composed of securities from Bloomberg US Government/Corporate Bond Index, Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. One cannot invest directly in an index.

Sources: Glenmede Investment Management, LP, Bloomberg
Views expressed include opinions of the portfolio managers as of March 31, 2024, based on the facts then available to them. All facts are gathered in good faith from public sources, but accuracy is not guaranteed. Nothing herein is intended as a recommendation of any security, sector or product. **Returns represent past performance and are not guarantees of future results.** Actual performance in a given account may be lower or higher than what is set forth above. All investment has risk, including risk of loss. Designed for professional and adviser use.

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