

Investment Performance Summary

As of 9/30/2023

Investment Mix Options	YTD	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years
Domestic Equity Benchmark	12.34	-4.79	-3.30	20.37	9.26	9.07	11.24
Domestic Equity Pool TR	12.37	-4.78	-3.29	20.41	9.28	9.08	
S&P 500 TR USD	13.07	-4.77	-3.27	21.62	10.15	9.92	11.91
International Equity Pool TR	5.09	-3.36	-4.07	20.70	4.10	2.85	
International Equity Benchmark	5.18	-3.16	-3.41	20.30	4.01	2.71	3.74
MSCI ACWI Ex USA NR USD	5.34	-3.16	-3.77	20.39	3.74	2.58	3.35
Intermediate-Term Fixed Income Pool TR	-0.65	-2.45	-2.89	1.42	-4.66	0.60	
Intermediate-Term Fixed Income Benchmark	-0.66	-2.40	-2.80	1.58	-4.57	0.69	1.55
Short-Term Fixed Income Pool TR	1.13	-0.86	-0.54	2.63	-1.88	0.91	
Short-Term Fixed Income Benchmark	1.15	-0.87	-0.46	2.70	-1.76	1.03	1.18
Money Market Pool TR	2.98	0.39	1.14	3.46	1.18	1.25	0.75
USTREAS T-Bill Auction Ave 3 Mon	3.97	0.46	1.38	5.07	2.05	1.85	1.21

Individual investment options allow donors to recommend a custom allocation strategy, which can include one or more Investment Pools.

*The Domestic Equity TR, the International Equity TR, the Domestic Equity Benchmark and the International Equity Benchmark have an inception date of 6/30/19: performance prior to that date is pro-forma.

Investment Mix Options	YTD	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years
Aggressive Mix TR	8.06	-3.69	-2.99	16.33	5.55	6.08	7.70
Aggressive Mix Benchmark	8.10	-3.64	-2.82	16.29	5.57	6.07	7.72
Moderately Aggressive Mix TR	6.57	-3.07	-2.44	13.27	4.00	5.16	6.25
Moderately Aggressive Mix Benchmark	6.63	-3.03	-2.29	13.30	4.06	5.19	6.29
Moderate Mix TR	4.77	-2.39	-1.88	9.66	2.08	3.80	4.55
Moderate Mix Benchmark	4.88	-2.35	-1.74	9.81	2.21	3.89	4.63
Conservative Mix TR	3.03	-1.60	-1.21	6.15	0.27	2.40	2.84
Conservative Mix Benchmark	3.23	-1.56	-1.07	6.50	0.50	2.57	2.97
Short-Term Mix TR	1.79	-0.42	0.05	2.94	-0.81	1.04	1.06
Short-Term Mix Benchmark	2.14	-0.40	0.18	3.54	-0.43	1.32	1.25
Risk Averse Mix TR	2.98	0.39	1.14	3.46	1.18	1.25	0.75
USTREAS T-Bill Auction Ave 3 Mon	3.97	0.46	1.38	5.07	2.05	1.85	1.21

Investment Mix options offer a simple, one-stop approach to an investment strategy that best reflects your charitable goals. Donors recommend one option, which the Community Foundation rebalances.

Returns for periods greater than 1 year are compound annual returns.
TR = Total Return

Current Investment Mix Allocations	Domestic Equity Pool	Int-l Equity Pool	Interm-Term Fixed Income Pool	Short-Term Fixed Income Pool	Money Market Pool
Aggressive	55%	22%	10%	10%	3%
Moderately Aggressive	43%	17%	10%	25%	5%
Moderate	29%	11%	15%	35%	10%
Conservative	14%	6%	18%	42%	20%
Short Term	0%	0%	0%	65%	35%
Risk Averse	0%	0%	0%	0%	100%

Estimated Investment Management Fees for the Investment Mix Options

Aggressive	0.05%
Moderately Aggressive	0.06%
Moderate	0.07%
Conservative	0.08%
Short Term	0.11%
Risk Averse	0.14%

Performance is presented net of all investment management fees, brokerage, consulting and other transaction costs but gross of Long Beach Community Foundation administrative fees.

Customer Service

If you have any questions about your fund or wish to request a change in your investment mix, please contact LBCF at (562) 435-9033 or info@longbeachcf.org.

Contact Marcelle Epley at (562) 435-9033 or marcelle@longbeachcf.org for more information on the pools, including their component funds and blended benchmarks, the Board of Directors Investment Committee, or the Investment Policy Statement.

Domestic Equity Pool

As of 9/30/2023

Trailing Returns

Domestic Equity Pool & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Domestic Equity Pool TR	12.37	-3.29	20.41	9.28	9.08	
Domestic Equity Benchmark	12.34	-3.30	20.37	9.26	9.07	11.24
S&P 500 TR USD	13.07	-3.27	21.62	10.15	9.92	11.91
Russell 3000 TR USD	12.39	-3.25	20.46	9.38	9.14	11.28

Trailing Returns

Equity Pool Holdings & Benchmarks	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Vanguard Instl Ttl Stk Mkt Idx InstlPIs	12.37	-3.29	20.41	9.28	9.08	11.27
CRSP US Total Market TR USD	12.34	-3.30	20.37	9.26	9.07	11.24

Purpose

The purpose of the Domestic Equity Pool is to facilitate the funding of current and future charitable needs of participating charitable funds and organizations. The long term investment objective of the Equity Pool is to obtain broad equity market exposure utilizing a passive, cost effective approach that is diversified across market capitalizations and regions. A secondary objective is to provide cash flows to fund distributions and to preserve the purchasing power of the funds to meet charitable needs now and in the future.

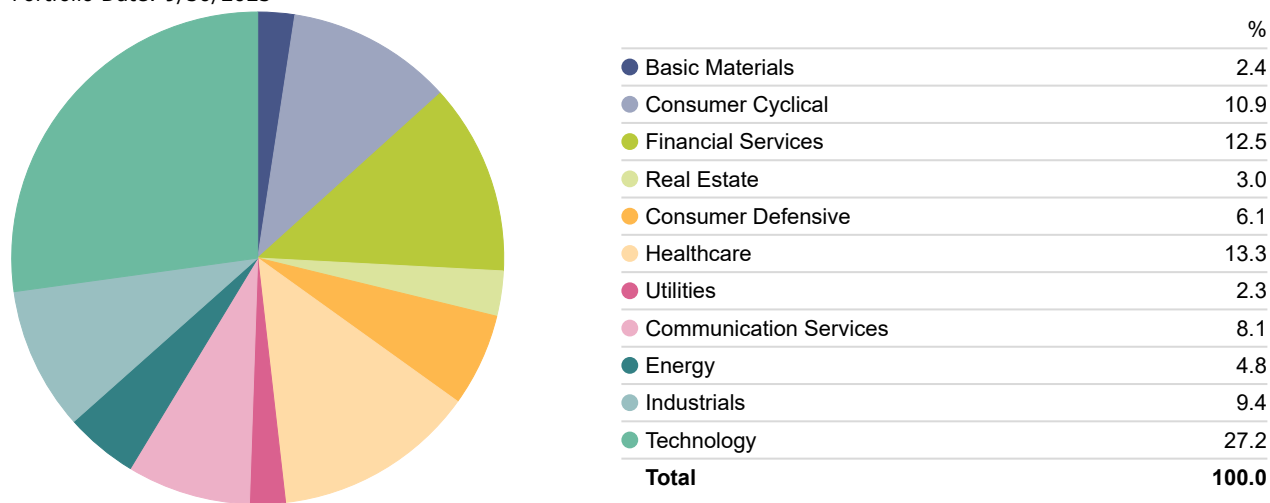
Top Holdings - Domestic Equity Pool

Portfolio Date: 9/30/2023

Total Market Value: \$472,296,642	Market Value (mil)	Portfolio Weighting %
Vanguard Instl Ttl Stk Mkt Idx InstlPIs	\$ 472.3	100%

Equity Sectors (Morningstar) - Domestic Equity Pool

Portfolio Date: 9/30/2023



Equity Benchmark Current

CRSP US Total Stock Market 100%

Source: Morningstar Direct

Top Stock Holdings

1. Apple Inc.
2. Microsoft Corp
3. Amazon.com Inc.
4. NVIDA Corp
5. Alphabet Inc Class A
6. Tesla Inc
7. Meta Platforms Inc Class A
8. Alphabet Inc Class C
9. Berkshire Hathaway Inc Class B
10. Exxon Mobil Corp

Trailing Twelve Month Dividend Yield: 1.58%

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Estimated Pool Investment Management Fee: .03%

International Equity Pool

As of 9/30/2023

Trailing Returns

Equity Pool & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
International Equity Pool TR	5.09	-4.07	20.70	4.10	2.85	
International Equity Benchmark	5.18	-3.41	20.30	4.01	2.71	3.74
FTSE Global All Cap ex US TR USD	5.79	-3.26	20.79	4.45	3.17	4.02

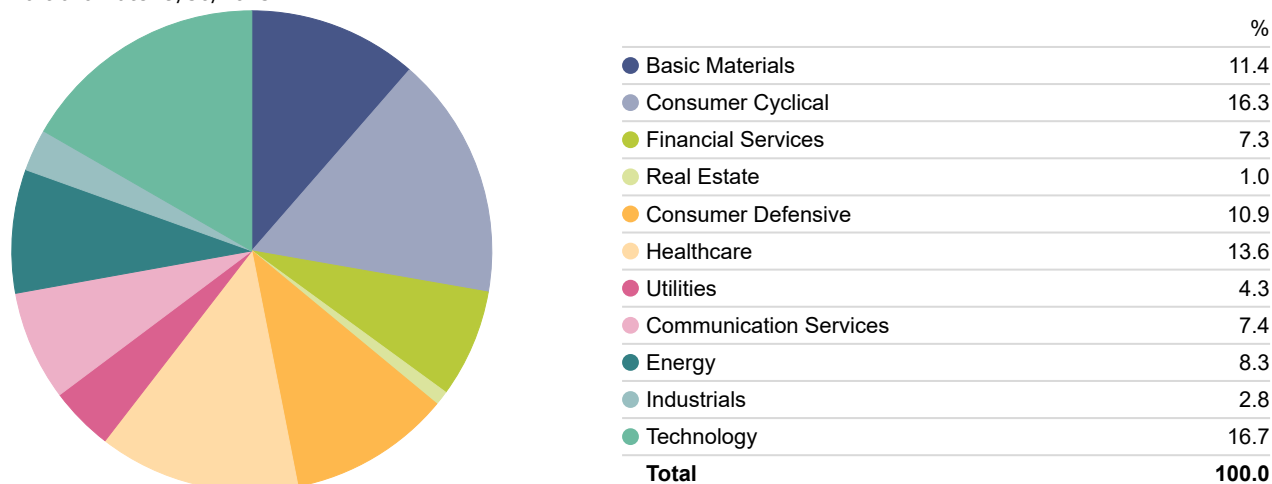
Performance for the International Equity Pool prior to 06/30/2019 is pro-forma based on the experience of the previous Equity Pool

Trailing Returns

International Equity Pool Holding & Benchmark	YTD	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Vanguard Developed Markets Index Instl	5.99	-4.67	24.11	5.37	3.19	4.02
FTSE Developed ex US All Cap NR USD	6.24	-4.00	23.50	5.28	3.00	3.80
Vanguard Emerging Mkts Stock Idx Instl	2.49	-2.14	10.91	-0.19	2.04	2.53
FTSE Emerging NR USD	1.93	-1.64	10.60	-0.36	1.77	2.72

Equity Sectors (Morningstar) - International Equity Pool

Portfolio Date: 9/30/2023



International Equity Benchmark	Current
FTSE Developed ex US All Cap	82%
FTSE Emerging Markets	18%

Source: Morningstar Direct

Purpose

The purpose of the International Equity Pool is to facilitate the funding of current and future charitable needs of participating charitable funds and organizations. The long term investment objective of the International Equity Pool is to obtain broad international equity market exposure utilizing a passive, cost effective approach that is diversified across market capitalizations and regions. A secondary objective is to provide cash flows to fund distributions and to preserve the purchasing power of the funds to meet charitable needs now and in the future.

Top Holdings - International Equity Pool

Portfolio Date: 9/30/2023

Total Market Value: \$168,105,175	Market Value (mil)	Portfolio Weighting %
Vanguard Developed Markets Index Ins Pls	\$ 127.2	76%
Vanguard Emerging Mkts Stock Idx Instl	\$ 40.9	24%

Top Stock Holdings

1. Taiwan Semiconductor Manufacturing Co Ltd
2. Nestle Sa
3. Novo Nordisk A/S Class B
4. Samsung Electronics Co Ltd
5. ASML Holding NV
6. Tencent Holdings Ltd
7. Toyota Motor Corp
8. Shell PLC
9. Novartis AG Registered Shares
10. AstraZeneca PLC

Trailing Twelve Month Dividend Yield: 3.08%

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Estimated Pool Investment Management Fee: .06%

Intermediate-Term Fixed Income Pool

As of 9/30/2023

Trailing Returns

Int-Term Fixed Income Pool & Blended Benchmark	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Intermediate-Term Fixed Income Pool TR	-0.65	-2.89	1.42	-4.66	0.60	
Intermediate-Term Fixed Income Benchmark	-0.66	-2.80	1.58	-4.57	0.69	1.55

Trailing Returns

Int-Term Fix. Income Pool Holdings & Benchmarks	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Vanguard Interm-Term Bond Index I	-0.73	-3.03	1.13	-5.38	0.74	1.58
Bloomberg US 5-10 GovCredit FIAdj TR USD	-0.90	-2.95	1.27	-5.36	0.78	1.63
Vanguard Mortgage-Backed Secs Idx Instl	-2.17	-3.87	0.15	-5.03	-0.83	
Bloomberg US MBS TR USD	-2.26	-4.05	-0.17	-5.09	-0.77	0.61
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	2.01	0.43	3.31	1.89	2.77	1.67
Bloomberg US TIPS 0-5 Year TR USD	1.92	0.43	3.24	1.90	2.80	1.71
Xtrackers USD High Yield Corp Bd ETF	5.26	0.32	9.63	1.03	2.19	
Solactive USD HY Corp Total Mkt TR USD	5.58	0.37	10.01	1.25	2.44	3.70

Int.-Term Fixed Income Benchmark Weights

	Percent	Inception Date: January 1, 2014
Barclays US 5-10Y Gov/Credit FIAdj TR USD	70%	Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs.
Barclays US MBS Float Adjusted TR USD	20%	
Solactive USD HY Corp Total Mkt TR USD	5%	Estimated Pool Investment Management Fee: 0.06%
Barclays U.S. Treasury TIPS 0-5Y TR USD	5%	

Purpose

The purpose of the Intermediate-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasuries notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The average effective duration and interest rate risk of the Pool will be commensurate with broad fixed income benchmarks such as the Barclays U.S. Aggregate Bond Index.

Intermediate-Term Fixed Income Pool Holdings

Portfolio Date: 9/30/2023

	Market Value (mil)	Portfolio Weight %
Total Market Value \$140,005,143		
Vanguard Interm-Term Bond Index Ins Plus	\$ 97.7	70%
Vanguard Mortgage-Backed Secs Idx Instl	\$ 28.0	20%
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	\$ 7.2	5%
Xtrackers USD High Yield Corp Bd ETF	\$ 7.1	5%

Fixed Income Pool Statistics

Average Yield to Maturity	5.38%
Average Effective Duration	6.07 years
Trailing Twelve Month Yield	3.17%

Short-Term Fixed Income Pool

As of 9/30/2023

Trailing Returns

Short-Term Fix. Inc. Pool & Blended Benchmark	Year To Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Short-Term Fixed Income Pool TR	1.13	-0.54	2.63	-1.88	0.91	
Short-Term Fixed Income Benchmark	1.15	-0.46	2.70	-1.76	1.03	1.18

Purpose

The purpose of the Short-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasury notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The Pool will have a lower average effective duration than broad fixed income market benchmarks such as the Barclays U.S. Aggregate Bond Index, hence limiting overall interest rate risk.

Trailing Returns

Short-Term Fix. Inc. Pool Holdings & Benchmarks	Year to Date	Quarter	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized
Vanguard Short-Term Bond Idx I	1.44	0.16	2.52	-1.66	1.10	1.05
Bloomberg US 1-5Y GovCredit FIAdj TR USD	1.40	0.21	2.62	-1.62	1.14	1.10
Vanguard Mortgage-Backed Secs Idx Instl	-2.17	-3.87	0.15	-5.03	-0.83	
Bloomberg US MBS Float Adjusted TR USD	-2.01	-3.84	0.13	-4.87	-0.69	0.62
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	2.01	0.43	3.31	1.89	2.77	1.67
Bloomberg US TIPS 0-5 Year TR USD	1.92	0.43	3.24	1.90	2.80	1.71
Invesco Senior Loan ETF	8.40	2.56	11.96	3.99	2.95	2.88
Morningstar LSTA US LL100 Index TR USD	9.66	3.09	13.77	5.25	4.17	3.86

Short-Term Fixed Income Pool Holdings

Portfolio Date: 9/30/2023

	Market Value (mil)	Portfolio Weight %
Total Market Value: \$286,245,267		
Vanguard Short-Term Bond Idx InstlPIs	\$ 200.4	70%
Vanguard Mortgage-Backed Secs Idx Instl	\$ 56.5	20%
Vanguard Shrt-Term Infl-Prot Sec Idx Ins	\$ 14.7	5%
Invesco Senior Loan ETF	\$ 14.7	5%

Short-Term Fixed Income Benchmark Weights

	Percent
Barclays US 1-5Y GovCredit FIAdj TR USD	70%
Barclays US MBS Float Adjusted TR US	20%
Barclays U.S. Treasury TIPS 0-5Y TR USD	5%
S&P/LSTA U.S. Leveraged Loan 100 TR USD	5%

Inception Date: January 1, 2014

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs.

Estimated Pool Investment Management Fee: 0.09%

Fixed Income Pool Statistics

Average Yield to Maturity	5.45%
Average Effective Duration	3.37 years
Trailing Twelve Month Yield	2.84%

Purpose

The purpose of the Money Market Pool is to provide liquidity for participating charitable funds and organizations in funding grant making and payment of fees and administrative costs while providing desired principal stability. The long term investment objective of the Money Market Pool is to seek a competitive market return to preserve and grow the portfolio, provide cash flows to meet charitable needs now and those in the future. As such, the Money Market Pool is highly liquid, which enables donors to access funds for grants in a timely manner. The Money Market Pool invests in bank deposits and obligations of the United States government and its agencies.

Money Market Trailing Returns

Time Period	Money Market Pool	90 Day Treasury Bills
Year to Date	2.98%	3.97%
3 Months	1.14%	1.38%
1 Year	3.46%	5.08%
3 Years	1.18%	2.05%
5 Years	1.25%	1.85%
10 Years	0.75%	1.21%

*Performance periods greater than 12 months are annualized.
Performance is net of investment management fees but not the
Foundation's administrative fees.*

Current Month Return Annualized: 4.78%

Investment Commentary

September 30, 2023

Third Quarter 2023 Market Update

The third quarter of 2023 was a somewhat difficult period for markets, as most risk assets were negative, partially giving back gains from earlier in the year. Across the board, market participants have continued to digest actions of the U.S. Federal Reserve (the “Fed”), prognosticating how much higher interest rates may go, and how long they may stay elevated. At its most recent meeting in September, Chair Jerome Powell left rates unchanged (current target Fed Funds rate of 5.25% – 5.50%). However, they signaled that they are open to additional rate hikes between now and the end of the year to continue battling inflation, which has started to wane but continues to be significantly above their long-term target. Despite one of the most aggressive Fed rate hiking cycles in history, having raised the benchmark rate 11 times in 18 months, the U.S. economy and equity markets have been surprisingly resilient, supported mostly by continued strong consumer activity.

As measured by the S&P 500 Index, domestic equity markets were negative for the third quarter, returning -3.3%, but remained in positive territory on the year (+13.1% YTD). Energy was the best-performing sector during the period, up +12.2% (+6.0% YTD), as the price of oil surged to a 52-week high in September, topping \$90+ a barrel, its largest quarterly increase since the invasion of Ukraine. Outside of energy, the only other positive sector during the third quarter was communication services (+3.1%, +40.4% YTD). Interest rate-sensitive sectors were the worst-performing sectors, including real estate (-9.5%, -8.1% YTD) and utilities (-9.2%, -14.4%). As discussed last quarter, most of the positive YTD headline returns of the S&P 500 have been driven by very few mega-cap stocks within the consumer discretionary (+26.7% YTD), technology (+34.7% YTD), and communication services (+40.4% YTD) sectors, as markets continue to exhibit very narrow performance. The largest seven companies (Apple,

Microsoft, Google, Amazon, Meta, Nvidia, and Tesla) make up approximately 30% of the S&P 500 index today. The divergence in performance is notable when comparing the YTD return of the index using the most quoted *market capitalization-weighted* version (+13.1%), to the YTD return of the *equal-weighted* version, where all index members are weighted equally irrespective of their market cap (+1.8%), which yields a staggering difference of more than 1,100 basis points.

In other areas of the equity markets, small-cap stocks continued to underperform large caps during the quarter, as they are typically more sensitive to economic uncertainty. Conversely, small-cap stocks have also suffered more than their large-cap peers from effective interest rates and associated borrowing costs. Many large-cap companies had been able to extend debt maturities in 2021 and 2022, before the run-up in interest rates. In contrast, smaller companies face some of the highest interest rates over a decade. Due to this and other factors, small caps have now lagged large caps by their widest margin in over twenty years. Developed international equities, as measured by the MSCI EAFE Index, were down -4.1% for the period (+7.6% YTD) measured in U.S. Dollar (“USD”) terms, amid continued worry about interest rates and slowing growth. Today, stocks outside the U.S. trade at more than a 30% discount to their domestic peers (as measured by forward price-to-earnings or “P/E” ratios), representing a significant discount to their long-term averages (almost two standard deviations below on a relative basis). Emerging market equities were down -2.9% (+2.2% YTD), as measured by the MSCI EAFE Emerging Markets Index (in USD terms) as risk appetite remained muted and ongoing concerns over weakness in the Chinese economy and property sector continued to weigh on markets.

Fixed income markets were also negative, as yields rose sharply during the quarter. Movement of the yield curve included what is referred to

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September 30, 2023

as a “bear steepening” when long-term rates increase faster than short-term rates, a rare occurrence in bond markets, particularly when the yield curve is already inverted. As measured by the Bloomberg U.S. Aggregate Bond Index, bond markets were down -3.2% for the period and remain down on the year (-1.2% YTD), having seen little relief from last year’s sell-off. Municipal bonds, U.S. Treasuries, and mortgage-backed securities were all negative over the quarter, whereas investment-grade corporate bonds fared slightly better. High-yield bonds earned a small positive return over the quarter and are one of the only areas of the fixed-income universe with positive returns YTD. The U.S. Treasury yield curve continues to be inverted, a traditional signal that precedes recessions, and the 10-year Treasury yield spiked to nearly 4.6% as of quarter-end.

What some experts have coined “the most anticipated recession ever”, has yet to materialize in the economic data or capital markets. And while that has seemingly surprised many, there are notable positive dynamics at play within the economic environment that presumably could explain this – a resilient consumer, low unemployment and a labor market that continues to be tight, progress on the Fed’s fight against inflation, strong corporate earnings, etc. – it remains worth noting that the above data points are all backward-looking in nature. As we consider the opposite, what lies ahead, we note that there are a growing number of economic indicators, trends, and troubling events, could signal turbulence ahead, and are being monitored closely by investors.

In addition to the topics that we have written about in prior notes – an inverted yield curve, the historically lagged effects of interest rate hikes, tighter lending, and credit standards, etc. – there are others that we are watching intently, namely around debt service costs and refinancing risks. One area that appears particularly prone to stress and enduring headwinds is the commercial real estate industry, which

has benefited from low-interest rates, favorable tax treatment, and a bull market in real assets for many years. Commercial real estate continues to struggle, particularly office buildings in large metropolitan areas, which are seeing elevated vacancy rates due to work-from-home policies, changes in post-COVID behavior patterns, and other troubling trends, making some metropolitan areas less desirable. Since February 2022, the cost of senior real estate financing has roughly doubled, and borrowers (particularly with floating rate debt) face issues where property cash flows may not cover interest payments. In addition, much ink has been spilled about the looming “maturity wall” in commercial real estate debt, where nearly \$1 trillion is set to mature in the next 12-24 months, which must be refinanced at much higher rates.

In addition to the items mentioned above, other potentially worrisome data points have begun to surface around the health of the consumer, such as record high credit card balances, delinquency rates ticking up on credit instruments such as auto loans, etc. As consumers spend down excess savings accumulated during the era of COVID stimulus, a question looms as to how much longer the consumer can continue to spend at current levels.

Yields across the fixed income universe rose sharply over the quarter, with municipal and U.S. Treasury yield curves “bear steepening”. Two-year municipal and Treasury yields rose 73 basis points (0.73%) and 18 basis points (0.18%) over the quarter, as 10-year yields rose 89 basis points (0.89%) and 76 basis points (0.76%), respectively. In fact, the 10-year Treasury, often used as a fundamental valuation benchmark, has risen almost 100 basis points (1.00%) since July, coinciding with volatility and pressure in the equity markets over a similar period. For most market participants, the Fed’s tightening was anticipated to be temporary– a short-term increase to tame inflation, followed by quick

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cuts and reversion to a more normalized environment – a thesis that has supported equity market strength this year. However, larger than anticipated fiscal deficits that have led to surprisingly high Treasury issuance (and structural concerns around U.S. debt), a resilient consumer-supported economy, and the market's corresponding acceptance of what could be the reality of a "higher for longer" rate environment, sent Treasury yields towards 16-year highs.

For many investors, fixed income remains a key component of a globally diversified portfolio. High-quality bonds today yield between 5% and 8%, providing investors with attractive current income, and a cushion against continued volatility and uncertainty. Fixed income has the potential to appreciate in price when equities and risk assets come under pressure. As a reminder, fixed income prices are inversely related to yields (when yields increase, prices decrease, and vice versa).

The investment backdrop for much of 2023 has been positive, as the narrative around an economic soft landing has dominated market sentiment and investors have been given some reprieve from a difficult prior year. Inflation has come down, consumer spending has remained robust, and the economy has outperformed the expectations of most participants. In addition, we are now more than a year past the bottoming of most broad-based equity indices in October of 2022. However, as we head into the last few months of the year, the go-forward outlook remains progressively more uncertain. As concerns continue to grow around the potential for an economic slowdown, there exists several dynamics that merit watching closely. Perhaps the most important is closely monitoring the health of consumers and watching for signs of slowdown, particularly with the resumption of student loan payments (estimated at an average of \$200 per month for 20% of the prime component of the work force), dwindling excess pandemic savings, elevated energy prices and rising costs for mortgages and other credit instruments.