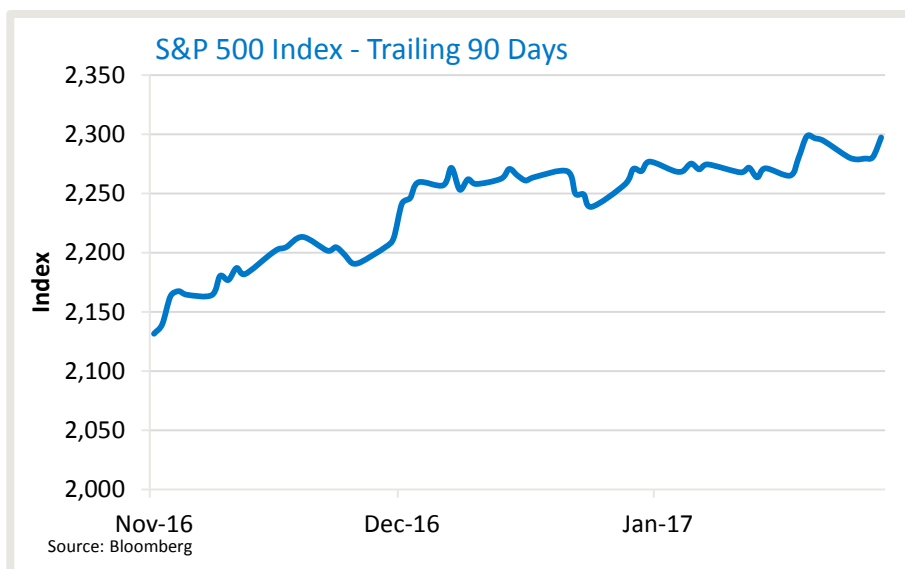


Weekly Market Review

February 3, 2017

Chart of the Week



Weekly Highlights

- **Stock prices were mixed.** The market consolidated somewhat, as investors continued to digest the heightened activity of the Trump administration and the potential economic impact of recent executive orders. Investors also considered today's surprisingly strong January employment data, which showed job growth of 227,000, far exceeding consensus expectations. The unemployment rate increased to 4.8%, as the labor force participation rate rose. In addition, the Federal Open Market Committee (FOMC) took no action on interest rates at its meeting this week.
- **U.S. Treasury yields were modestly lower,** remaining stable following the employment report. The yield on the 10-year U.S. Treasury note has remained in a tight trading range so far this year, trading in a 19 basis point band.
- **Commodity indices edged higher,** as energy, metals, and grains all advanced.

Talking Points

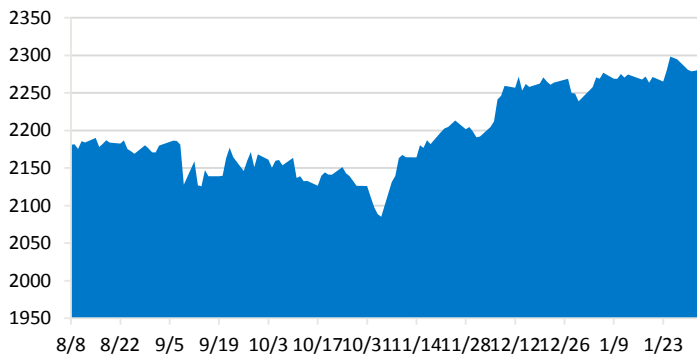
- **Among equities,** small caps outperformed large caps; value stocks underperformed growth stocks, and domestic stocks slightly underperformed international equities. Developed markets underperformed emerging markets.
- **Treasury prices were a bit higher during the week.** The yield on the 10-year T-note eased.
- **Commodity indices were higher,** as prices in energy, metals, and grains advanced.
- **The dollar was lower** against a basket of six major currencies.
- **Among economic data released,** employers added 227,000 jobs in January, far exceeding expectations; the unemployment rate rose to 4.8%; an index of manufacturing services rose more than expected; construction spending declined in January; pending home sales rose; personal income rose, but less than expected; and initial jobless claims were modestly lower.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,297.42	2.73	0.12%	2.6%
Dow Industrials	20,071.46	-22.32	-0.11%	1.6%
Nasdaq	5,666.77	5.98	0.11%	5.3%
Russell 2000	1,377.84	7.13	0.52%	1.5%
Euro Stoxx Index	364.07	-2.31	-0.63%	0.7%
Shanghai Composite	3,140.17	17.03	0.55%	1.2%
Russell Global	1,812.79	-6.83	-0.38%	2.8%

Source: Bloomberg; Index % change is based on price.

S&P 500 Index: Trailing 180 Days



Source: Bloomberg

	Last Price	Change	% Chg.	YTD %
Russell Global EM	2,898.07	4.68	0.16%	6.1%
10-Year US Treas.	2.49	1 bps	NM	NM
DJ UBS Comm. Idx.	87.94	-0.03	-0.04%	0.5%
Gold	\$1,219.43	\$28.53	2.40%	6.3%
Crude Oil	\$53.82	\$0.66	1.24%	-1.5%
Dollar Index	99.76	-0.78	-0.77%	-2.4%
VIX Index	10.98	0.40	3.78%	-21.8%

One Week

YTD

	Value		Growth	Value		Growth
L	0.15%	0.09%	0.04%	0.99%	2.59%	4.15%
	0.39%	0.39%	0.39%	2.54%	3.22%	4.08%
S	0.21%	0.52%	0.86%	0.46%	1.53%	2.71%

Source: Bloomberg

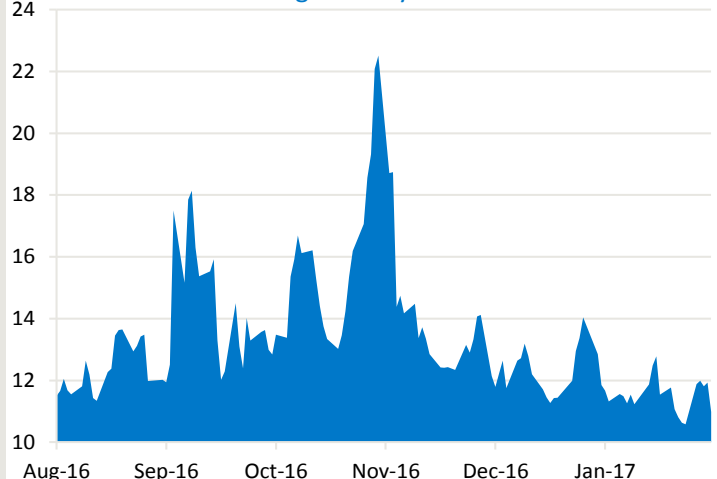
Sector Performance:

S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.2	-0.71%	3.8%
Consumer Staples	9.3	1.16%	2.2%
Energy	7.2	-1.17%	-3.0%
Financials	14.7	0.18%	1.7%
Health Care	13.7	2.44%	3.6%
Industrials	10.2	-1.33%	1.7%
Information Technology	21.4	0.02%	5.9%
Materials	2.9	-1.46%	4.8%
Telecom Services	2.5	-1.90%	-5.0%
Utilities	3.1	0.97%	0.5%

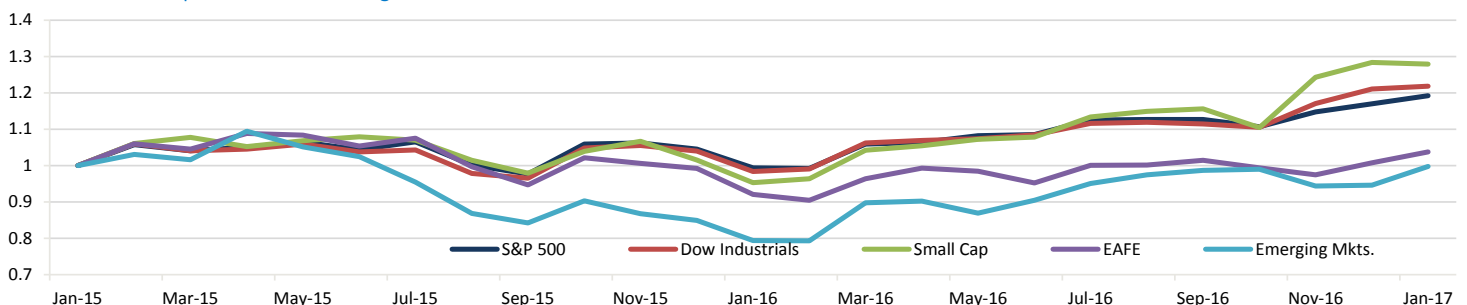
Source: Bloomberg

VIX Index: Trailing 180 Days



Source: Bloomberg

Wealth Index|Growth of \$1: Trailing 24 Months



Source: Bloomberg

The Economy and Markets

A Macro View – January Monthly Recap

Domestic equity markets generated solid performance in January, continuing the trend of the last few months of 2016. Investors continued to be hopeful that the Trump administration's economic policies will be pro-growth. Since the election, the S&P 500 has gained about 7%. In recent weeks analysts have tempered expectations somewhat, but still remain upbeat regarding the economy's prospects. Equity investors have also digested both the rise in interest rates and expectations for further increases in short-term rates by the Federal Open Market Committee (FOMC). The employment situation was surprisingly strong in January, as employers added 227,000 jobs, far exceeding the consensus expectation of 171,000. The FOMC ended its recent meeting by taking no action on interest rates.

Against this backdrop, broad market indices were almost universally higher during the month. The S&P 500 gained +1.9%, and is now up +20% over the past twelve months. The Dow Jones Industrial Average (DJIA) also gained ground, producing a gain of +0.6%. The tech-heavy Nasdaq Composite Index rose by +4.4%. The Russell 2000 Index of small cap stocks underperformed the Russell 1000 Index of large cap stocks. Growth stocks outperformed value stocks. In terms of sector performance, the top performers in the month were Materials, Information Technology, and Consumer Discretionary, with returns of +4.6%, +4.4%, and +4.2%, respectively. Energy, Telecom Services, and Financials were the poorest performers, with returns of -3.6%, -2.5%, and +0.2%, respectively. Commodities were little changed, posting a modest gain of +0.1%. REITs declined -0.9%.

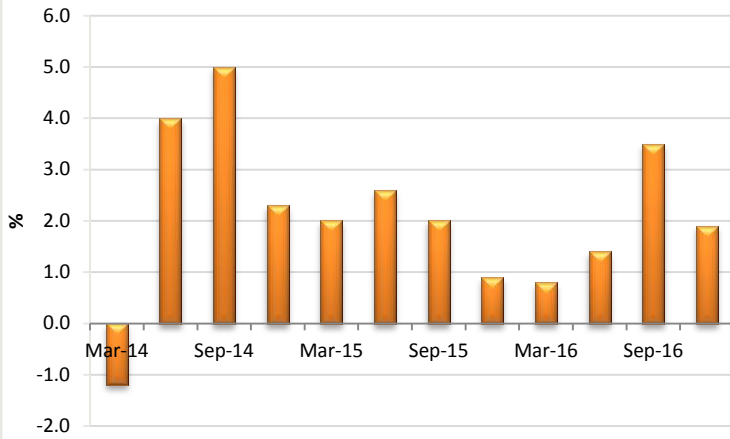
International equity markets on balance posted sharper gains in January than did domestic markets. The positive results were experienced in most regions and within both developed and emerging markets. The strong results during the month are in contrast to the poor relative performance immediately following the election, when investors perceived that Trump's "America First" trade policies would work to the detriment of international companies. The MSCI World ex-U.S. Index advanced by +2.4%. Emerging markets surged, with the MSCI Emerging Markets Index posting a gain of +5.5%, and is now up +25.4% for the past twelve months. The MSCI EAFE Index, which measures developed markets performance, gained +2.9%. Regionally, Latin America and China were the best relative performers, with returns of +7.6% and +6.8%, respectively. Eastern Europe and Europe were the poorest relative performers, with each producing gains of +2.0%.

Fixed-income markets stabilized in January, as investors continued to digest the FOMC's December rate hike. Some analysts also attribute the rebound to the idea that the decline in bond prices had been overdone. The bond market also seems to be taking a wait-and-see approach as to whether Trump's economic policies will generate as much growth as had been anticipated. The yield curve moved in parallel fashion during the month. Within this context, the yield on the 10-year U.S. Treasury note ended the month at 2.45%, the same level as December 31. Performance of broad-based fixed income indices was positive in January, with the Barclays U.S. Aggregate Bond Index advancing +0.2%. Global fixed income markets performed very well, with the Barclays Global Aggregate ex-U.S. Index gaining +1.9%. Intermediate-term corporate bonds were modestly higher, as the Barclays U.S. Corporate 5-10 Year Index inched up by +0.4%. The Barclays U.S. Corporate High Yield Index gained +1.5%. Municipals performed well, advancing by +0.7% in January.

Brandon Thomas
Chief Investment Officer

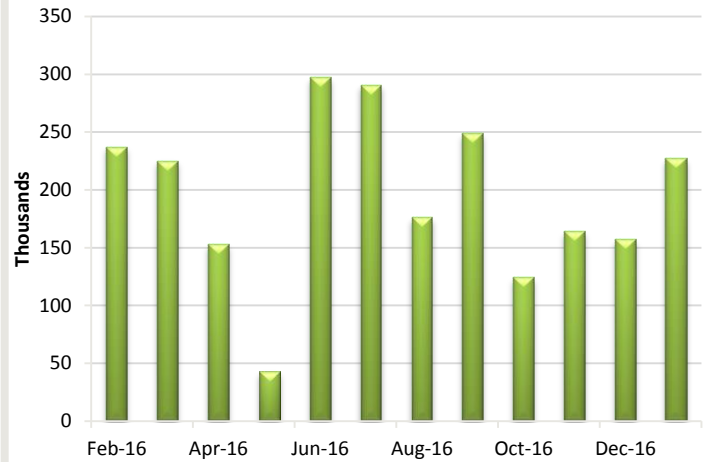
Economic Data

Real GDP Growth Rate - Annualized - 12 Qtrs.



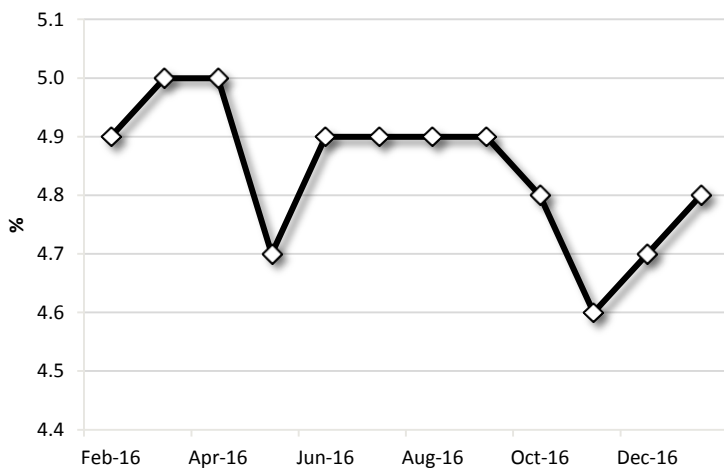
Source: Bloomberg

Non-Farm Payrolls-Trailing 12 Mos.



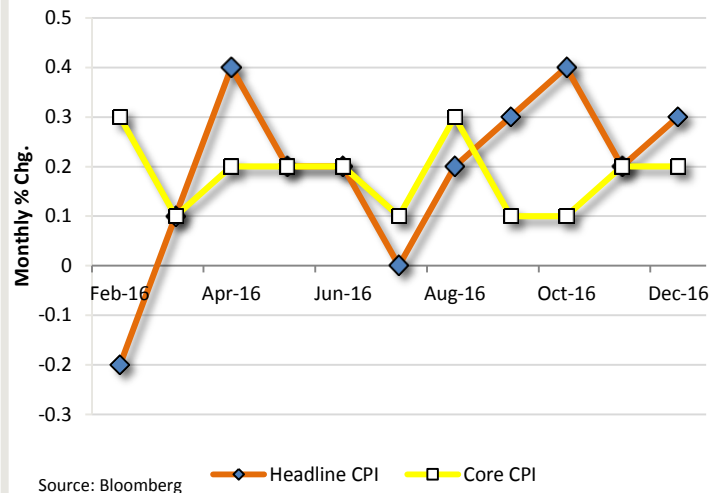
Source: Bloomberg

Unemployment Rate-Trailing 12 Mos.



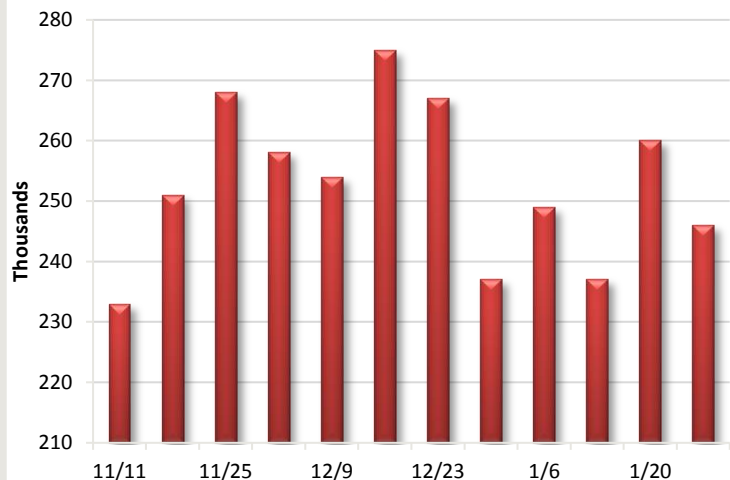
Source: Bloomberg

Consumer Price Index-Trailing 12 Mos.



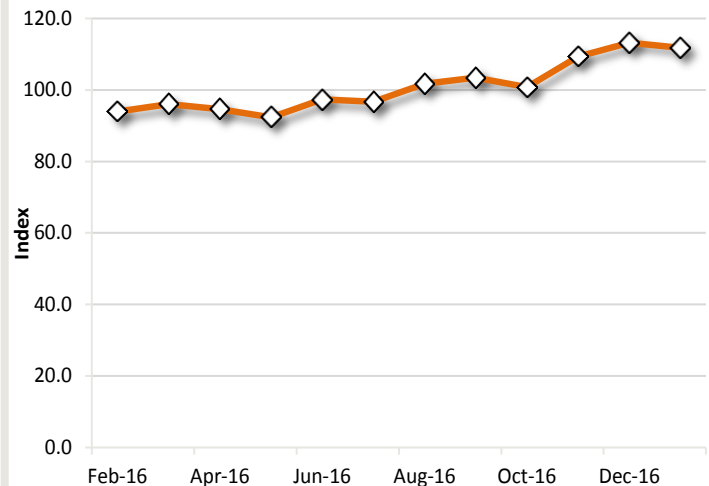
Source: Bloomberg

Initial Jobless Claims-Trailing 12 Wks.



Source: Bloomberg

Consumer Board Confidence Index - Trailing 12 Mos.



Source: Bloomberg

Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.41	5 bps	NM	NM
Greece 10-Yr. Govt.	7.44	-19 bps	NM	NM
Italy 10-Yr. Govt.	2.26	-3 bps	NM	NM
Spain 10-Yr. Govt.	1.67	-8 bps	NM	NM
Belgium 10-Yr. Govt.	0.99	1 bps	NM	NM

Source: Bloomberg

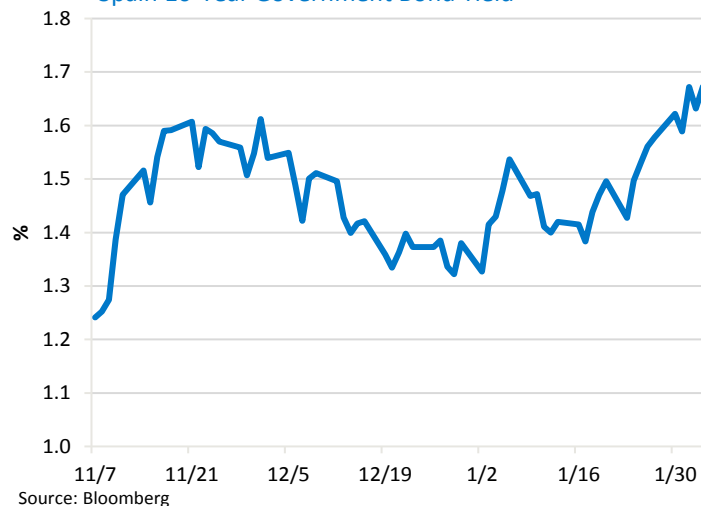
Basis points (bps)

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	1.08	-4 bps	NM	NM
Ireland 10-Yr. Govt.	1.15	0 bps	NM	NM
Portugal 10-Yr. Govt.	4.15	-3 bps	NM	NM
Netherlands 10-Yr. Govt.	0.57	2 bps	NM	NM
U.K. 10-Yr. Govt.	1.35	10 bps	NM	NM

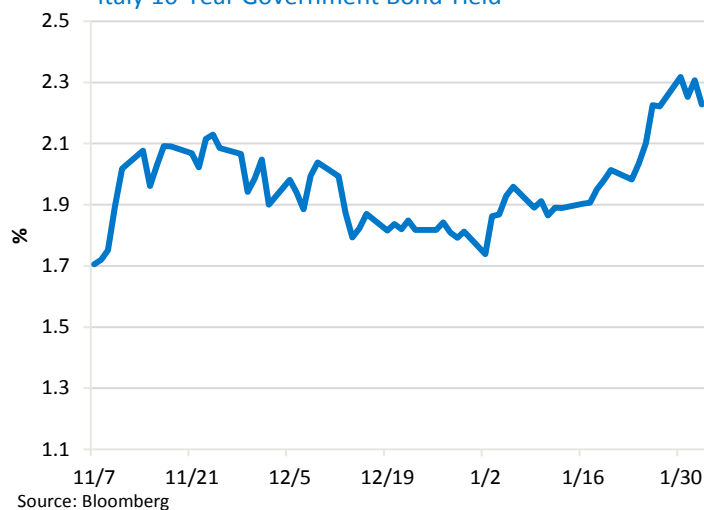
Germany 10-Year Government Bond Yield



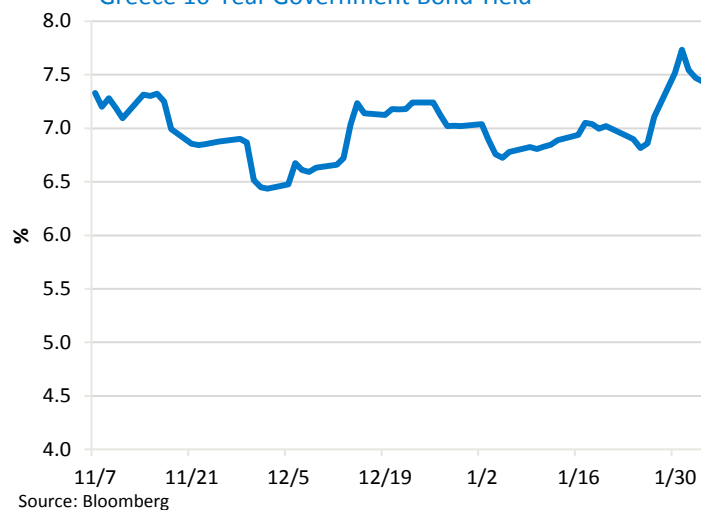
Spain 10-Year Government Bond Yield



Italy 10-Year Government Bond Yield



Greece 10-Year Government Bond Yield



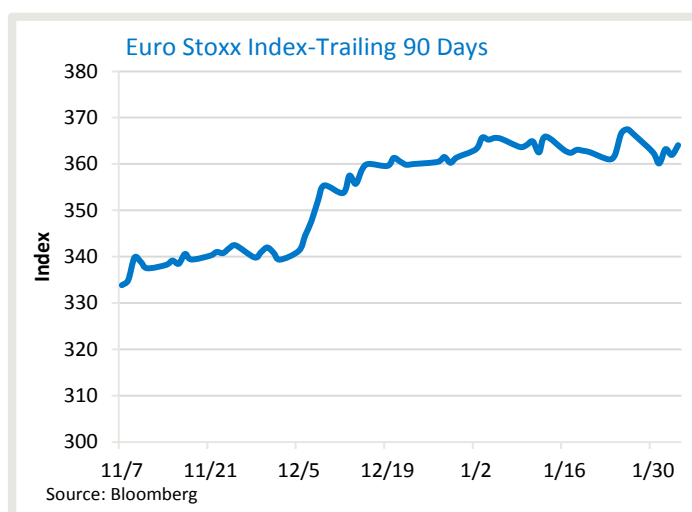
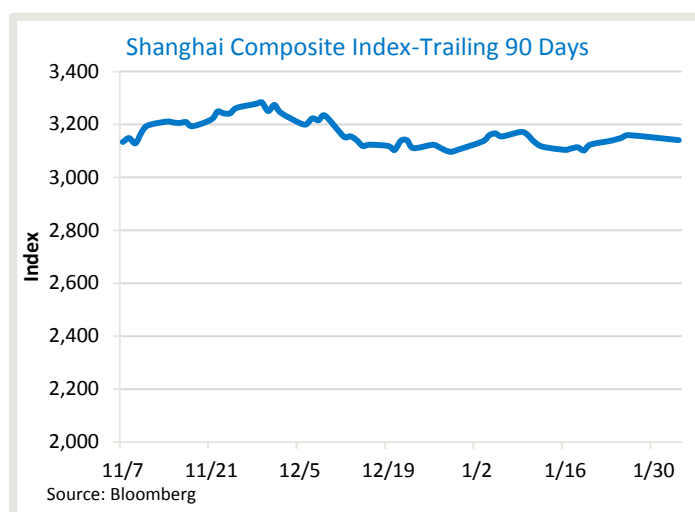
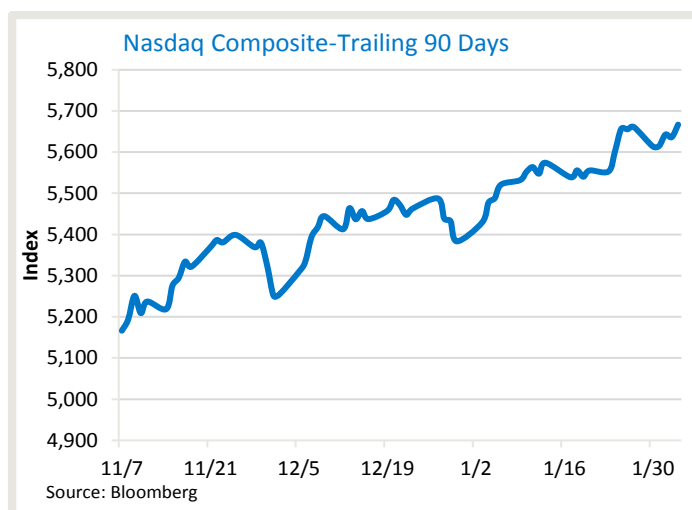
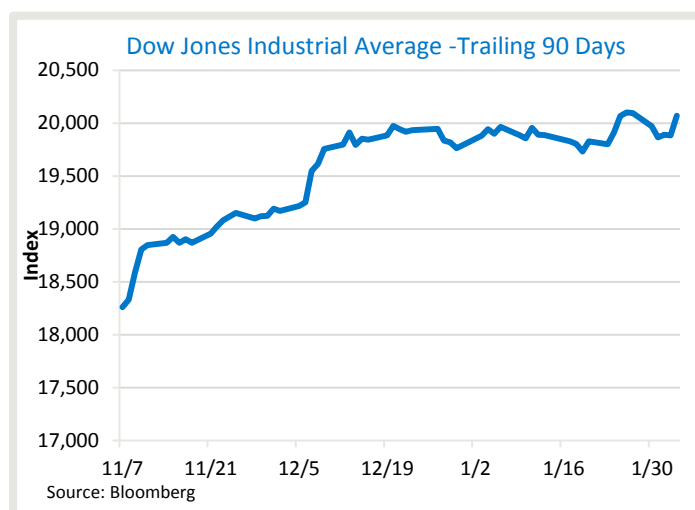
Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,297.42	2.73	0.12%	2.62%
Dow Industrials	20,071.46	-22.32	-0.11%	1.56%
Nasdaq Composite	5,666.77	5.98	0.11%	5.27%
Russell Global	1,812.79	-6.83	-0.38%	2.8%
Russell Global EM	2,898.07	4.68	0.16%	6.1%
S&P/TSX (Canada)	15,476.39	-99.42	-0.64%	1.23%
Mexico IPC	47,225.10	-196.02	-0.41%	3.47%
Brazil Bovespa	64,953.93	-1080.06	-1.64%	7.85%
Euro Stoxx 600	364.07	-2.31	-0.63%	0.73%
FTSE 100	7,188.30	3.81	0.05%	0.64%
IBEX 35 (Spain)	9,462.70	-41.40	-0.44%	1.18%

Source: Bloomberg; Index % change is based on price.

	Last	Change	% Chg.	YTD %
Swiss Market Index	8,350.84	-28.73	-0.34%	1.59%
CAC 40 Index (France)	4,825.42	-14.56	-0.30%	-0.76%
DAX Index (Germany)	11,651.49	-162.78	-1.38%	1.48%
Irish Overall Index	6,510.67	-23.36	-0.36%	-0.10%
Nikkei 225	18,918.20	-549.20	-2.82%	-1.03%
Hang Seng Index	23,129.21	80.09	0.35%	5.13%
Shanghai Composite	3,140.17	17.03	0.55%	1.18%
Kospi Index (S. Korea)	2,073.16	6.22	0.30%	2.30%
Taiwan Taiex Index	9,455.56	7.61	0.08%	2.18%
Tel Aviv 25 Index	1,414.40	-9.29	-0.65%	-3.83%
MICEX Index (Russia)	2,226.61	-39.44	-1.74%	-0.27%



Equities – Emerging and Frontier Markets

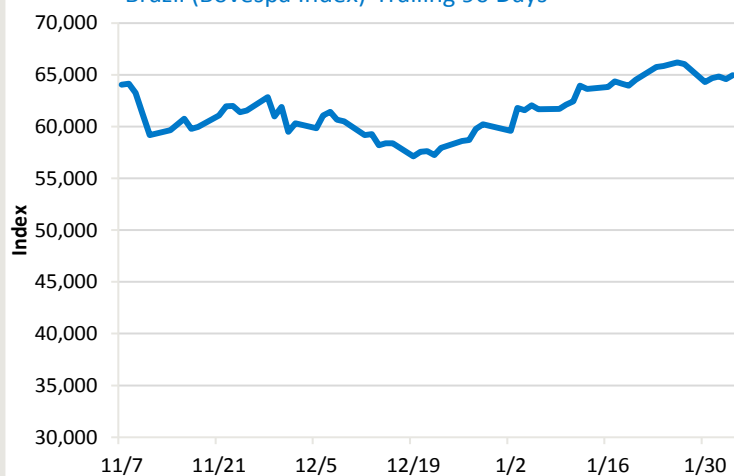
EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	47,225.10	-196.02	-0.4%	3.5%
Brazil (Bovespa Index)	64,953.93	-1080.06	-1.6%	7.8%
MICEX Index (Russia)	2,226.61	-39.44	-1.7%	-0.3%
Czech Republic (Prague)	943.99	7.10	0.8%	2.4%
Turkey (Istanbul)	88,389.50	4562.11	5.4%	13.1%
Egypt (Hermes Index)	1,142.66	-17.09	-1.5%	4.9%
Kenya (Nairobi 20 Index)	2,862.39	50.35	1.8%	-10.2%
Saudi Arabia (TASI Index)	7,098.64	-36.24	-0.5%	-1.6%
Lebanon (Beirut BLOM Index)	1,217.16	0.87	0.1%	0.4%
Palestine	521.18	-0.90	-0.2%	-1.7%

Source: Bloomberg; Index % change is based on price.

	Last	Change	% Chg.	YTD %
Hang Seng Index	23,129.21	80.09	0.3%	5.1%
India (Sensex 30)	28,240.52	358.06	1.3%	6.1%
Malaysia (KLCI Index)	1,685.01	1.08	0.1%	2.6%
Singapore (Straits Times Index)	3,041.94	-9.84	-0.3%	5.6%
Thailand (SET Index)	1,582.95	-7.85	-0.5%	2.6%
Indonesia (Jakarta)	5,360.77	47.93	0.9%	1.2%
Pakistan (Karachi KSE 100)	49,555.83	-407.94	-0.8%	3.7%
Vietnam (Ho Chi Minh)	700.35	14.09	2.1%	5.3%
Sri Lanka (Colombo)	6,119.99	-17.71	-0.3%	-1.7%
Cambodia (Laos)	1,057.69	35.77	3.5%	4.3%

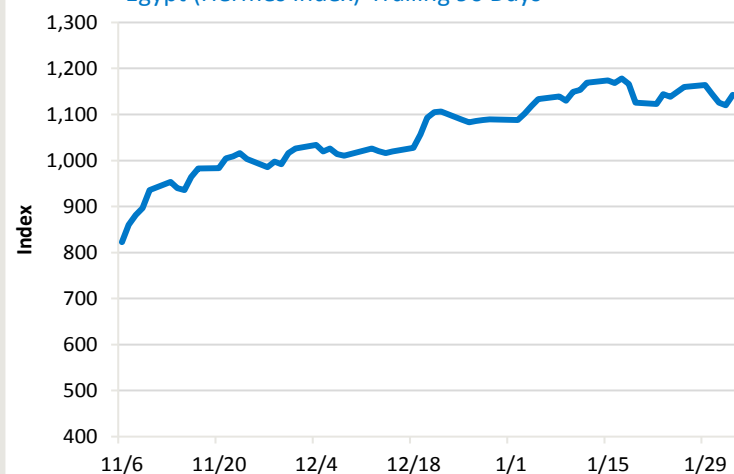
Brazil (Bovespa Index)-Trailing 90 Days



India (Sensex Index)-Trailing 90 Days



Egypt (Hermes Index)-Trailing 90 Days



Singapore (Straits Times Index)-Trailing 90 Days

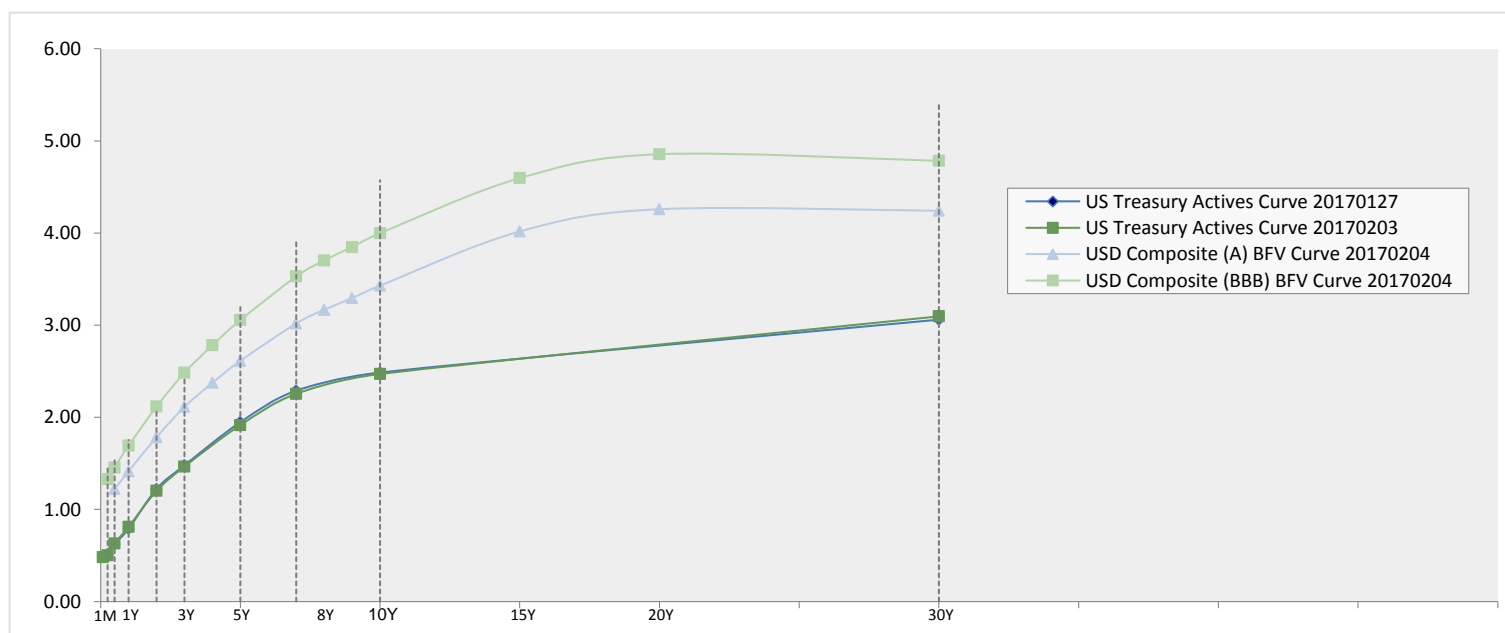


Interest Rates

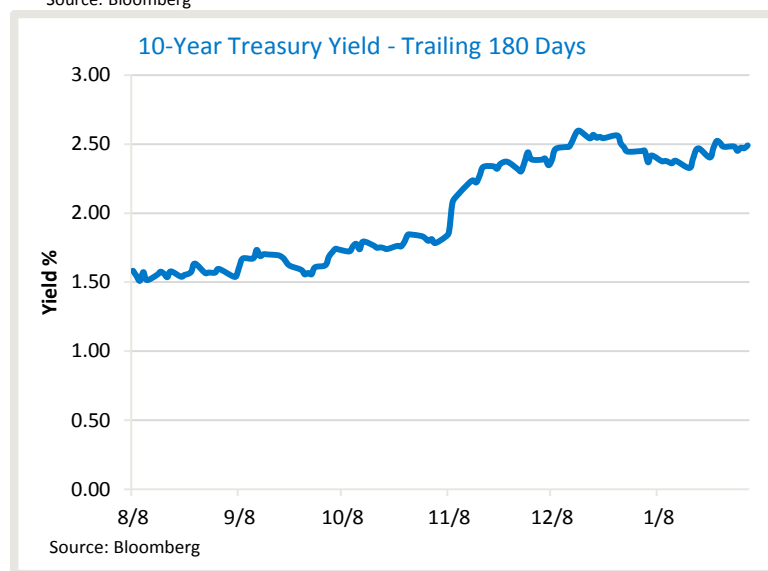
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	1.20%	0 bps	NM	NM	Prime Rate	3.75%	0.00	NM	NM
5-Yr. U.S. Treasury	1.93%	-1 bps	NM	NM	Fed Funds Rate	0.75%	0.00	NM	NM
10-Yr. U.S. Treasury	2.49%	1 bps	NM	NM	Discount Rate	1.25%	0.00	NM	NM
30-Yr. U.S. Treasury	3.11%	5 bps	NM	NM	LIBOR (3 Mo.)	1.03%	-1 bps	NM	NM
German 10-Yr. Govt.	0.41%	5 bps	NM	NM	Bond Buyer 40 Muni	4.12%	0 bps	NM	NM
France 10-Yr.	1.08%	-4 bps	NM	NM	Bond Buyer 40 G.O.	3.87%	NA	NM	NM
Italy 10-Yr.	2.26%	-3 bps	NM	NM	Bond Buyer 40 Rev.	4.02%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.01%	3 bps	NM	NM					

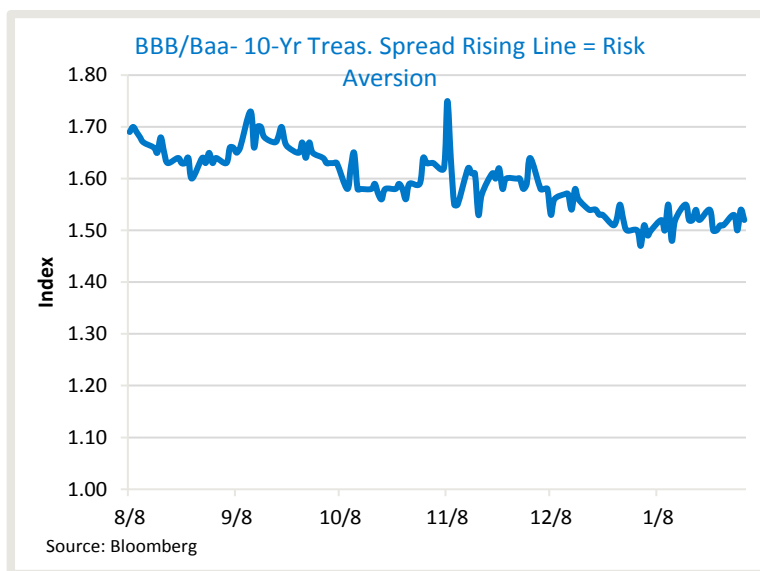
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	99.77	-0.778	-0.77%	-2.40%
Euro	1.08	0.008	0.78%	2.52%
Japanese Yen	112.62	-2.510	2.23%	3.88%
British Pound	1.25	-0.008	-0.62%	1.11%
Canadian Dollar	1.30	-0.012	0.90%	3.11%

Source: Bloomberg

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.87	-0.017	0.24%	1.13%
Swiss Franc	0.99	-0.007	0.69%	2.67%
New Zealand Dollar	0.73	0.005	0.72%	5.44%
Brazilian Real	3.12	-0.018	0.57%	4.23%
Mexican Peso	20.39	-0.501	2.46%	1.68%

U.S. Dollar Index - Trailing Six Months



Euro - U.S. Dollars per Euro



Chinese yuan - yuan per U.S. Dollar



Japanese yen - Yen per U.S. Dollar



Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	87.94	-0.03	-0.04%	0.49%
Crude Oil	\$53.83	\$0.66	1.24%	-1.52%
Natural Gas	\$3.06	-\$0.30	-8.96%	-17.02%
Gasoline (\$/Gal.)	\$2.28	-\$0.01	-0.22%	-2.53%
Heating Oil	166.65	3.20	1.96%	-4.13%
Gold Spot	\$1,219.63	\$28.53	2.40%	6.29%
Silver Spot	\$17.49	\$0.34	1.98%	9.75%

Source: Bloomberg; % change is based on price.

	Last	Change	% Chg.	YTD %
Platinum Spot	\$1,003.75	\$18.15	1.84%	11.14%
Corn	365.25	2.75	0.76%	3.76%
Wheat	430.25	9.75	2.32%	5.45%
Soybeans	1,027.00	-22.25	-2.12%	2.29%
Sugar	21.11	0.78	3.84%	8.20%
Orange Juice	167.00	-6.20	-3.58%	-13.85%
Aluminum	1,829.00	13.00	0.72%	8.03%
Copper	5,886.00	-13.00	-0.22%	6.33%

Crude Oil - Light Crude (\$ per barrel)



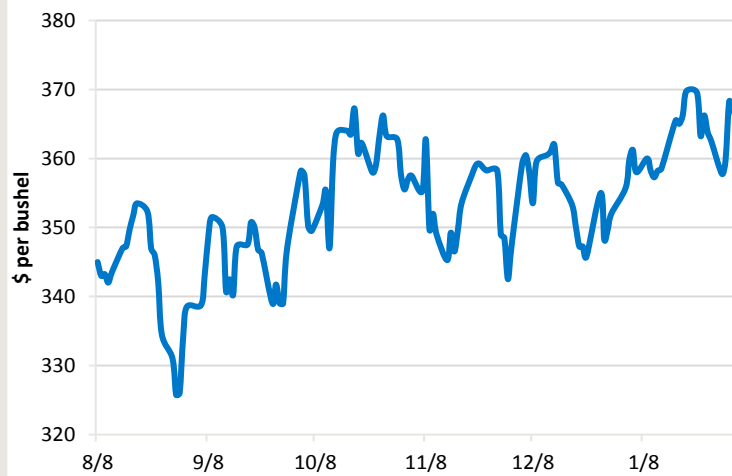
Gold - Spot gold price (\$ per ounce)



Copper



Corn - Active Contract



Alternative Investments

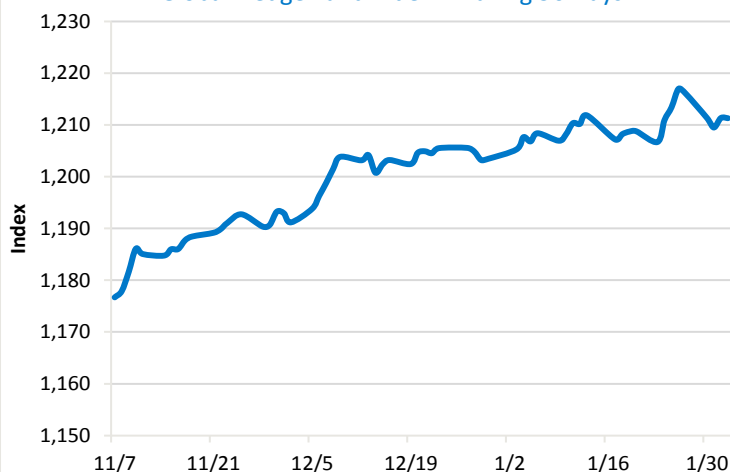
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1211.30	-4.77	-0.39%	0.65%
HFRX Equity Market Neutral	999.07	3.41	0.34%	1.19%
HFRX Equity Hedge Index	1167.01	-4.07	-0.35%	1.00%
HFRX Event-Driven Index	1585.10	-6.14	-0.39%	1.32%
HFRX Absolute Return Index	1031.40	-2.39	-0.23%	0.29%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1081.72	0.64	0.06%	0.81%
HFRX Merger Arbitrage Index	1803.91	-3.81	-0.21%	-0.48%
HFRX Convertible Arbitrage Index	752.91	1.83	0.24%	1.39%
HFRX Macro CTA Index	1126.77	-8.56	-0.75%	-0.76%
IQ Fixed Income Beta Arb Index	1435.96	2.64	0.18%	1.13%

Source: Bloomberg; Index % change is based on price.

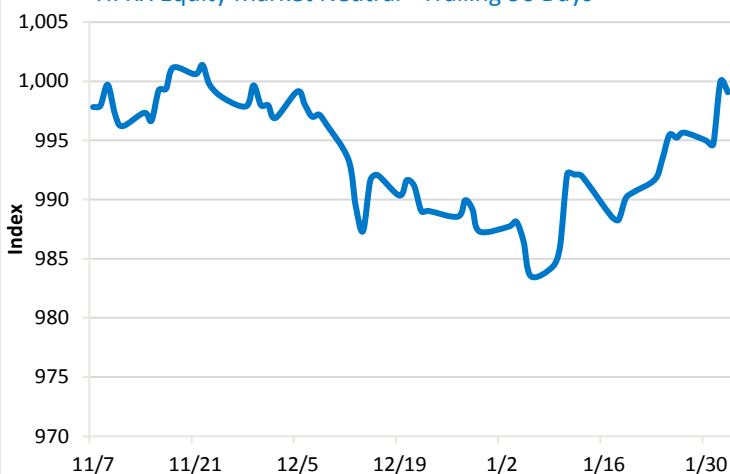
HFRX Global Hedge Fund Index - Trailing 90 Days



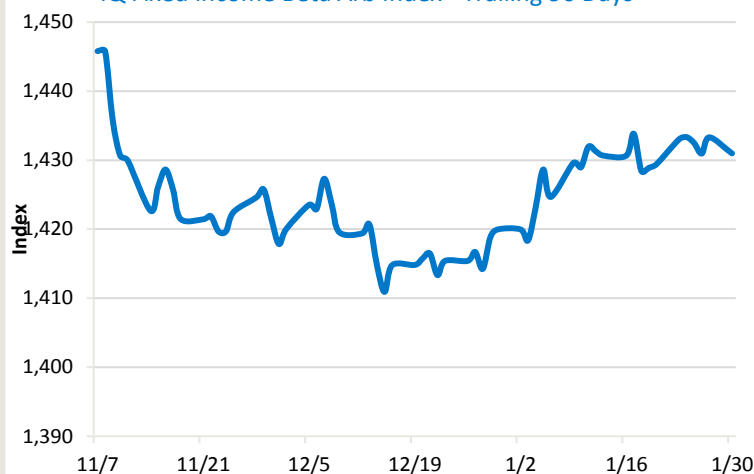
HFRX Equity Hedge Index - Trailing 90 Days



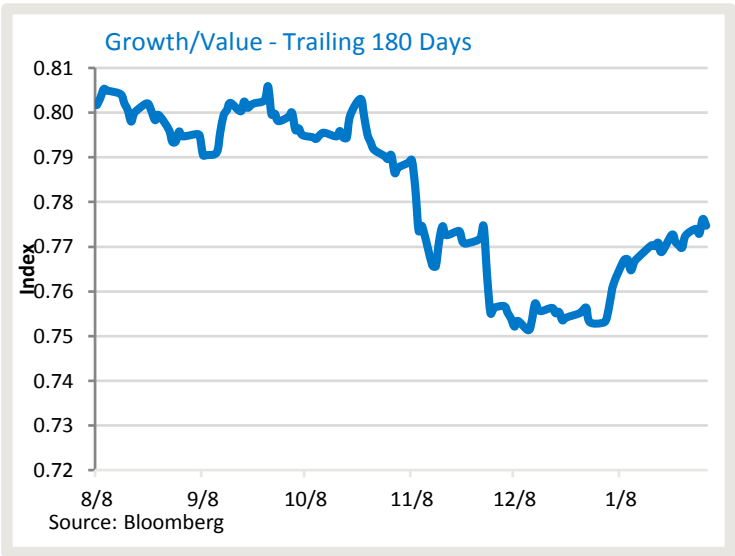
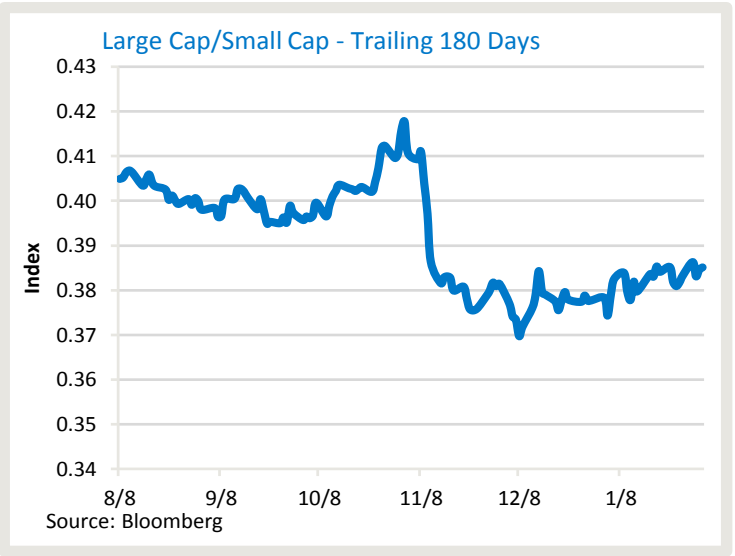
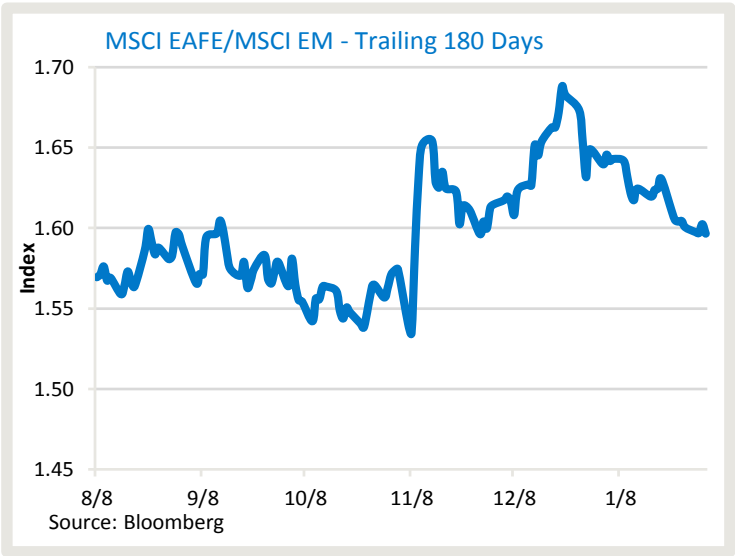
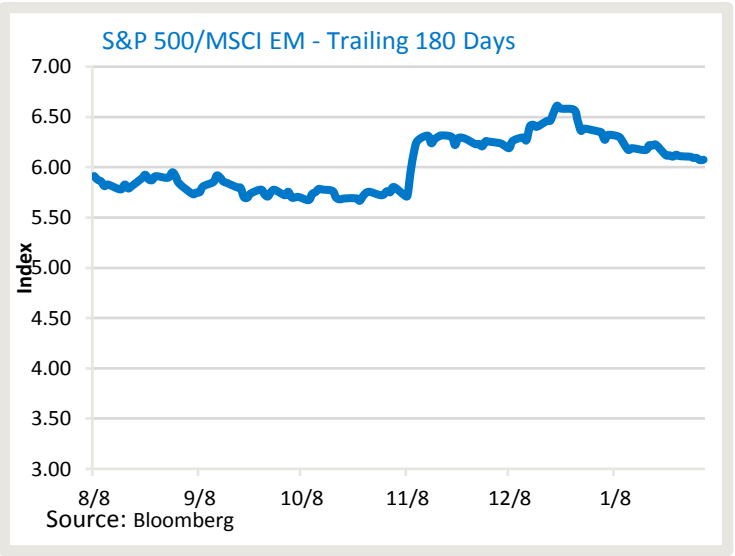
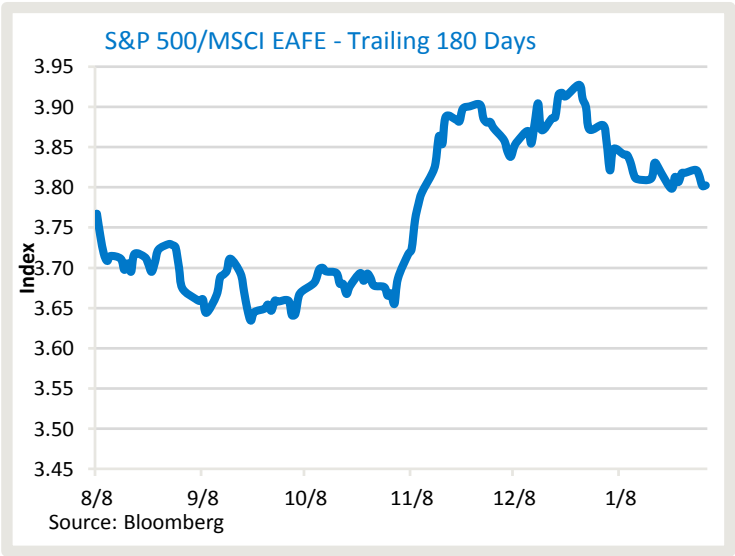
HFRX Equity Market Neutral - Trailing 90 Days



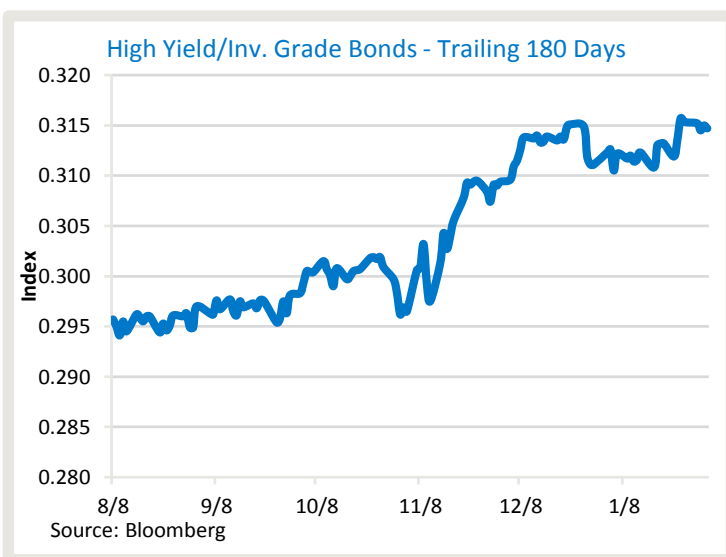
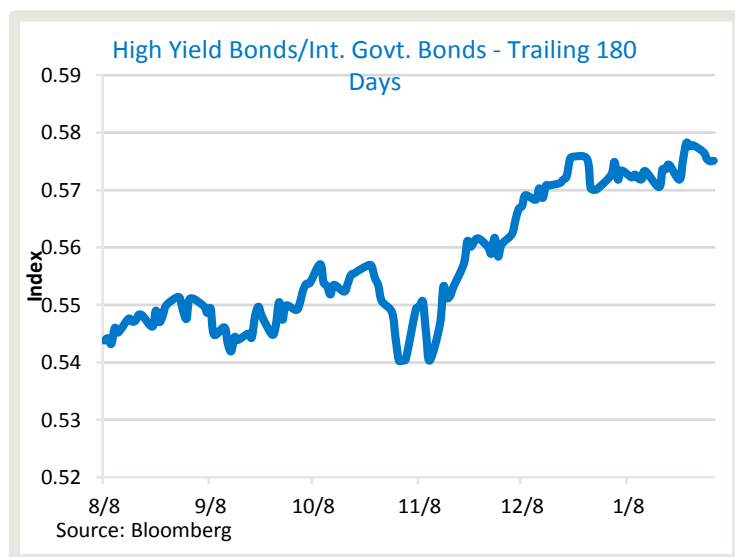
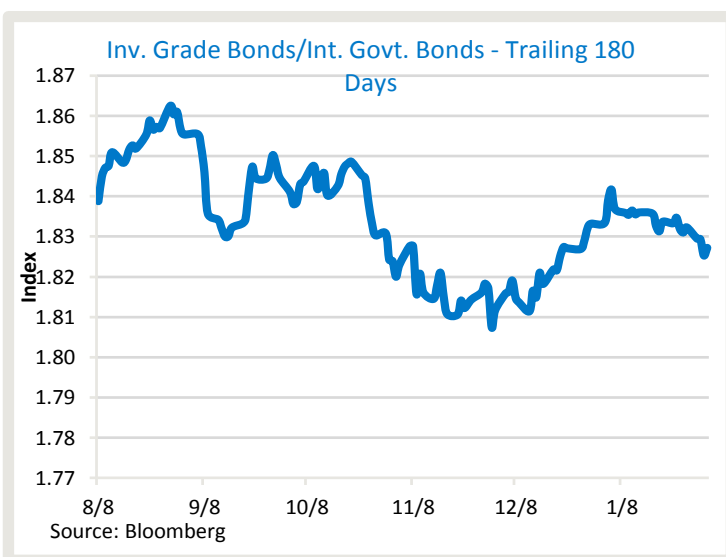
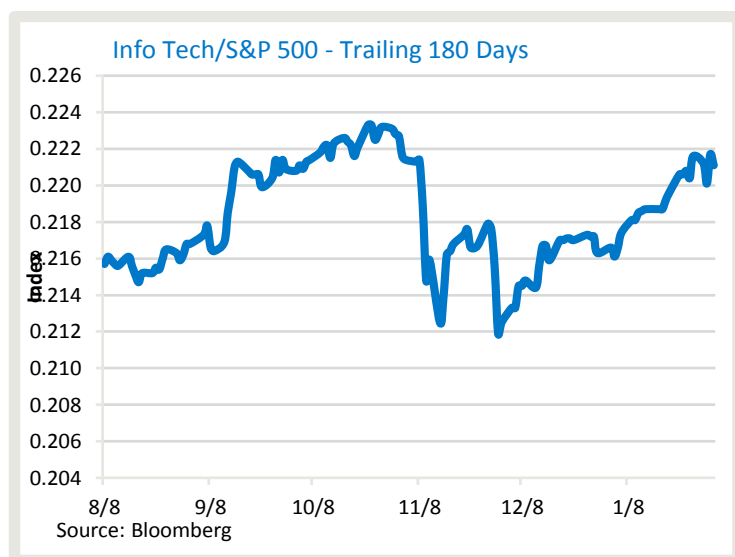
IQ Fixed Income Beta Arb Index - Trailing 90 Days



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			11/17	11/24	12/1	12/8	12/15	12/22	12/29	1/5	1/12	1/19	1/26	2/2
Equity	Domestic Equity	Large Cap (R200)	0.59%	0.66%	-0.51%	2.24%	1.11%	0.00%	-0.54%	0.85%	0.10%	-0.28%	1.36%	-0.68%
		Small Cap (R2000)	4.62%	2.49%	-2.11%	5.52%	-1.44%	-0.27%	0.04%	0.64%	-0.79%	-1.13%	2.22%	-1.32%
	Int'l. Equity	MSCI EAFE	-0.79%	-0.46%	0.35%	2.71%	-0.65%	0.60%	0.06%	2.77%	0.03%	-0.58%	1.59%	-0.18%
		MSCI Em. Mkts.	-3.25%	0.57%	0.75%	2.44%	-2.35%	-1.88%	1.89%	2.71%	1.69%	-0.24%	2.48%	-0.17%
Fixed Income	BarCap Agg. (AGG)		-0.67%	-0.50%	-0.46%	0.46%	-0.93%	0.21%	0.42%	0.75%	-0.04%	-0.52%	-0.05%	-0.01%
	High Yield (JNK)		0.45%	1.09%	-0.64%	1.84%	-0.55%	0.85%	-0.46%	0.91%	0.11%	-0.24%	0.79%	-0.46%
Commodities	Bloomberg Commodity Index		-1.33%	3.18%	1.83%	0.74%	-0.83%	-0.58%	1.55%	-0.16%	1.09%	-0.37%	0.13%	0.15%
Alternatives	Hedge Funds (HFRX Global)		0.14%	0.28%	0.16%	0.72%	0.07%	0.18%	-0.11%	0.30%	0.28%	-0.12%	0.69%	-0.47%
Asset Allocation	60/40*		0.15%	0.29%	-0.47%	2.00%	-0.38%	0.09%	0.07%	1.18%	0.03%	-0.49%	1.02%	-0.40%
	48/32/20 (w/Alts.)**		0.15%	0.29%	-0.34%	1.75%	-0.29%	0.10%	0.03%	1.00%	0.08%	-0.42%	0.95%	-0.41%

Source: Bloomberg; *60/40 portfolio = 30% Large Cap/10% Small Cap/15% EAFE/5% Emerging Markets/35% BarCap Agg./5% High Yield.

**48/32/20 portfolio = 24% Large Cap/8% Small Cap/12% EAFE/4% Emerging Markets/28% BarCap Agg./4% High Yield/20% HFRX Global Index.

RELATIVE STRENGTH MATRIX (BASED ON 30-DAY RSI)

	Large Cap Core	Large Cap Growth	Large Cap Value	Mid Cap Core	Mid Cap Growth	Mid Cap Value	Small Cap Core	Small Cap Growth	Small Cap Value	Int'l. Developed	Emerging Markets	REITs	Comm.	Int. Bond	High Yield
Large Cap Core	1.00	0.96	1.08	1.03	1.02	1.04	1.10	1.10	1.10	0.99	0.96	1.14	1.07	1.32	1.07
Large Cap Growth	1.04	1.00	1.12	1.07	1.06	1.08	1.14	1.14	1.14	1.03	1.00	1.19	1.11	1.37	1.11
Large Cap Value	0.93	0.90	1.00	0.96	0.95	0.97	1.02	1.02	1.02	0.92	0.89	1.06	1.00	1.23	1.00
Mid Cap Core	0.97	0.93	1.04	1.00	0.99	1.01	1.07	1.07	1.07	0.96	0.93	1.11	1.04	1.28	1.04
Mid Cap Growth	0.98	0.94	1.05	1.01	1.00	1.02	1.08	1.08	1.08	0.97	0.94	1.12	1.05	1.29	1.05
Mid Cap Value	0.96	0.92	1.03	0.99	0.98	1.00	1.06	1.06	1.06	0.95	0.92	1.10	1.03	1.27	1.03
Small Cap Core	0.91	0.88	0.98	0.94	0.93	0.95	1.00	1.00	1.00	0.90	0.87	1.04	0.97	1.20	0.97
Small Cap Growth	0.91	0.88	0.98	0.94	0.93	0.95	1.00	1.00	1.00	0.90	0.87	1.04	0.97	1.20	0.97
Small Cap Value	0.91	0.87	0.98	0.94	0.93	0.95	1.00	1.00	1.00	0.90	0.87	1.04	0.97	1.20	0.97
Int'l. Developed	1.01	0.97	1.09	1.04	1.03	1.05	1.11	1.11	1.11	1.00	0.97	1.15	1.08	1.33	1.08
Emerging Markets	1.04	1.00	1.12	1.08	1.07	1.09	1.15	1.15	1.15	1.03	1.00	1.19	1.12	1.38	1.12
REITs	0.87	0.84	0.94	0.90	0.89	0.91	0.96	0.96	0.96	0.87	0.84	1.00	0.94	1.16	0.94
Commodities	0.93	0.90	1.00	0.96	0.95	0.97	1.03	1.03	1.03	0.92	0.90	1.07	1.00	1.23	1.00
Int. Bond	0.76	0.73	0.81	0.78	0.77	0.79	0.83	0.83	0.83	0.75	0.73	0.87	0.81	1.00	0.81
High Yield	0.93	0.90	1.00	0.96	0.95	0.97	1.03	1.03	1.03	0.93	0.90	1.07	1.00	1.23	1.00

Source: Bloomberg

The Relative Strength Matrix provides an indication of how the various asset classes have performed relative to one another over the past 30 days. A number greater than 1.0 indicates that the asset class in the far left column has outperformed the corresponding asset class in the top row over the past 30 days. A number below 1.0 means the asset class on the left has underperformed the asset class at the top. The green shading indicates outperformance, and the red shading indicates underperformance.

Index Overview & Key Definitions

Fed, The Fed or FED refers to the Federal Reserve System, the central bank of the United States. The **Federal Open Market Committee (FOMC)** is the monetary policymaking body of the Federal Reserve System. **Fed Funds Rate**, the interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight. The **European Central Bank (ECB)** is the central bank for Europe's single currency, the euro. The ECB's main task is to maintain the euro's purchasing power and thus price stability in the euro area. The euro area comprises the 19 European Union countries that have introduced the euro since 1999. The **Gross Domestic Product (GDP)** rate is a measurement of the output of goods and services produced by labor and property located in the United States. **Basis Point(s)** is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. A **separately managed account (SMA)** is an individual managed investment account offered typically by a brokerage firm through one of their brokers or financial consultants and managed by independent investment management firms (often called money managers for short) and have varying fee structures. The **Consumer Price Index (CPI)** measures the change in the cost of a fixed basket of products and services. The **Producer Price Index (PPI)** program measures the average change over time in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services. **Core CPI** is an additional CPI Index, excludes energy and food item price changes, and measures the "core" or "underlying" rate of inflation. The **PCE (Personal Consumption Expenditure) Index of Prices** is a US-wide indicator of the average increase in prices for all domestic personal consumption. Using a variety of data including U.S. Consumer Price Index and Producer Price Index prices, it is derived from personal consumption expenditures; essentially a measure of goods and services targeted towards individuals and consumed by individuals.

The **Dow Jones Industrial Average (DOW or DJIA)** is an unmanaged index of 30 common stocks comprised of 30 actively traded blue chip stocks, primarily industrials and assumes reinvestment of dividends. The **S&P 500 Index** is an unmanaged index comprised of 500 widely held securities considered to be representative of the stock market in general. The **S&P/Case-Shiller Home Price Indices** measure the residential housing market, tracking changes in the value of the residential real estate market in 20 metropolitan regions across the United States. The **Nasdaq Composite Index** is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The **US Dollar Index** is a measure of the value of the United States dollar relative to a basket of foreign currencies. It is a weighted geometric mean of the dollar's value relative to other select currencies (Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona (SEK) & Swiss franc). The **Nikkei Index** (Nikkei 225 or Nikkei) is a stock market index for the Tokyo Stock Exchange calculated daily by the Nihon Keizai Shimbun (Nikkei) newspaper since 1950. It is a price-weighted index (the unit is yen), and the components are reviewed once a year. The **FTSE 100 Index (FTSE 100)** is a share index of the 100 companies listed on the London Stock Exchange (LSE) with the highest market capitalization. The **Bloomberg Commodity Index** (formerly the **Dow Jones-UBS Commodity Index**) tracks prices of futures contracts on physical commodities on the commodity markets and is designed to minimize concentration in any one commodity or sector (currently 22 commodity futures in seven sectors). The **Barclays Capital US Credit Index** is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. The **Barclays Capital US Aggregate Bond Index** is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year. The **Barclays Capital US Corporate High Yield Index** covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index may include emerging market debt. The **Barclays Capital Municipal Bond Index** is an unmanaged index comprised of investment-grade, fixed-rate municipal securities representative of the tax-exempt bond market in general. The **Barclays Capital US Treasury Total Return Index** is an unmanaged index of public obligations of the US Treasury with a remaining maturity of one year or more. The **Barclays Capital Global Aggregate ex-U.S. Index** is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The **Barclays Capital U.S. 5-10 Year Corporate Bond Index** measures the investment return of U.S. dollar denominated, investment-grade, fixed rate, taxable securities issued by industrial, utility, and financial companies with maturities between 5 and 10 years. Treasury securities, mortgage-backed securities (MBS) foreign bonds, government agency bonds and corporate bonds are some of the categories included in the index. The **Barclays Capital U.S. Corporate High-Yield Index** is composed of fixed-rate, publicly issued, non-investment grade debt. The **Barclays Capital U.S. Corporate 5-10 Year Index** includes U.S. dollar-denominated, investment-grade, fixed-rate, taxable securities issued by industrial, utility, & financial companies, with maturities between 5 & 10 years. The **DJ-UBS Commodity Index Total Return SM** measures the collateralized returns from a basket of 19 commodity futures contracts representing the energy, precious metals, industrial metals, grains, softs and livestock sectors. The **Russell 1000 Index** is a market capitalization-weighted benchmark index made up of the 1000 largest U.S. companies in the Russell 3000 Index. The **Russell 1000 Growth Index** is an unmanaged index considered representative of large-cap growth stocks. The **Russell 1000 Value Index** is an unmanaged index considered representative of large-cap value stocks. The **Russell 2000 Index** is an unmanaged index considered representative of small-cap stocks. The **Russell 2000 Growth Index** is an unmanaged index considered representative of small-cap growth stocks. The **Russell 2000 Value Index** is an unmanaged index considered representative of small-cap value stocks. The **Russell 3000 Index** is an unmanaged index considered representative of the US stock market. The **Russell Midcap Index** is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The **Russell Midcap Growth Index** is an unmanaged index considered representative of mid-cap growth stocks. The **Russell Midcap Value Index** is an unmanaged index considered representative of mid-cap value stocks. The **HFRX Indices** are a series of benchmarks of hedge fund industry performance which are engineered to achieve representative performance of a larger universe of hedge fund strategies. Hedge Fund Research, Inc. employs the HFRX Methodology (UCITS compliant), a proprietary and highly quantitative process by which hedge funds are selected as constituents for the HFRX Indices. The **University of Michigan Consumer Sentiment Index (MCSI)** is a survey of consumer confidence conducted by the University of Michigan using telephone surveys to gather information on consumer expectations regarding the overall economy. The **CBOE Volatility Index (VIX)** is an up-to-the-minute market estimate of expected volatility that is calculated by using real-time S&P 500 Index option bid/ask quotes. The Index uses nearby and second nearby options with at least 8 days left to expiration and then weights them to yield a constant, 30-day measure of the expected volatility of the S&P 500 Index. The **MSCI EAFE Index** is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. The **MSCI EAFE Growth Index** is an unmanaged index considered representative of growth stocks of Europe, Australasia and the Far East. The **MSCI EAFE Value Index** is an unmanaged index considered representative of value stocks of Europe, Australasia and the Far East. The **MSCI EM (Emerging Markets) Latin America Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of emerging markets in Latin America. The **MSCI World ex-U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries - excluding the US. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The **MSCI Japan Index** is designed to measure the performance of the large and mid-cap segments of the Japanese market. With 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The **MSCI Europe Index** is an unmanaged index considered representative of stocks of developed European countries. The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. The **Barclays Intermediate US Government/Credit Bond Index** is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including Treasuries, government-related and U.S. corporate securities, with maturities of at least one year and less than 10 years. The **Philadelphia Fed Manufacturing Index** is a regional Federal Reserve Bank index measuring changes in business growth and is constructed from a survey of participants who voluntarily answer questions regarding the direction of change in their overall business activities. The **ISM Non-Manufacturing Index** is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM) and also tracks economic data, like the ISM Non-Manufacturing Business Activity Index. A composite diffusion index is created based on the data from these surveys that monitors economic conditions of the nation. The **Housing Market Index (HMI)** is based on a monthly survey of NAHB members designed to take the pulse of the single-family housing market. In May 2007, **Markit's U.S. PMI** research was extended out to cover producers of metal goods. In October 2009, Markit's U.S. Manufacturing PMI survey panel was extended further to cover all areas of U.S. manufacturing activity. The **NY Empire State Index** is an index based on the monthly survey of manufacturers in New York State - known as the Empire State Manufacturing Survey - conducted by the Federal Reserve Bank of New York. The headline number for the NY Empire State Index refers to the survey's main index, which summarizes general business conditions in New York State.

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