



## Chart of the Week



## Weekly Highlights

- **Domestic stock prices declined sharply this week.** Broad equity indices slumped this week due to global turmoil in capital markets and in the Middle East. Argentina missed a deadline to make a \$539 million interest payment. In addition, tensions continued to mount in the Gaza Strip. Also weighing on the market were pessimistic forecasts by companies, which indicated that the geopolitical unrest will adversely impact results going forward.
- **Global markets were almost all lower on the week.** World markets were lower this week as disappointing earnings and regional tensions suppressed indices. European stocks slumped to a three-month low, a slide which was compounded by meager economic growth. Asian stocks also slumped after posting solid gains for the month of July.
- **Treasury prices were lower for the week.** The yield on the benchmark 10-year U.S. Treasury rose this week as investors looked to lock in gains made so far this year.
- **Commodity indices plunged on the week.** Crude oil suffered its largest drop in seven months on slackening demand. Metals and grains also suffered losses.

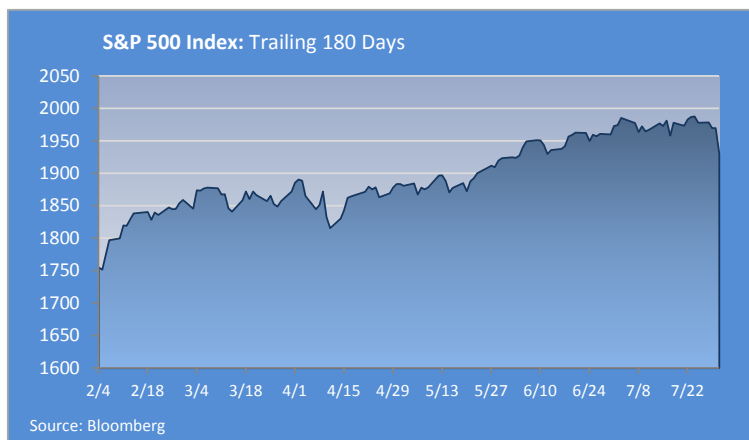
## Talking Points

- **Among equities**, large-caps underperformed small-caps, and growth stocks outperformed value-oriented issues. Domestic stocks outperformed international equities. Developed markets underperformed emerging market stocks.
- **Treasury prices were lower this week.** The yield on the 10-year T-note rose moderately.
- **Commodity prices dropped on the week.** Energy, metals and grains all declined.
- **The dollar was higher** this week against a basket of currencies.
- **Among economic data released this week**, the first estimate of second quarter gross domestic product (GDP) was up 4.0%; payroll growth was less than forecast in July, and the unemployment rate inched up; the Federal Reserve reduced asset purchases by another \$10 billion; and initial jobless claims in the latest week were in line with expectations.

## MARKET DASHBOARD

	Last Price	Change	% Chg.	YTD %
<b>S&amp;P 500</b>	1,925.19	-51.85	-2.62%	4.2%
<b>Dow Industrials</b>	16,493.37	-467.20	-2.75%	-0.5%
<b>Nasdaq</b>	4,352.64	-96.92	-2.18%	4.2%
<b>Russell 2000</b>	1,114.82	-30.84	-2.69%	-4.3%
<b>Euro Stoxx Index</b>	331.91	-10.04	-2.94%	1.1%
<b>Shanghai Composite</b>	2,185.30	58.69	2.76%	3.3%
<b>Russell Global</b>	1,742.37	-42.07	-2.36%	2.9%

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



	Last Price	Change	% Chg.	YTD %
<b>Russell Global EM</b>	3,308.61	-42.25	-1.26%	6.5%
<b>10-Year US Treas.</b>	2.51	4 bps	NM	NM
<b>DJ UBS Comm. Idx.</b>	127.09	-2.22	-1.71%	1.1%
<b>Gold</b>	\$1,293.64	-\$13.11	-1.00%	7.7%
<b>Crude Oil</b>	\$97.63	-\$4.45	-4.36%	3.0%
<b>Dollar Index</b>	81.33	0.31	0.39%	1.6%
<b>VIX Index</b>	16.99	4.32	34.04%	24.0%

One Week			YTD		
	Value	Growth	Value	Growth	
L	-2.87%	-2.65%	-2.42%	4.10%	4.05%
	-2.56%	-2.41%	-2.28%	6.58%	4.46%
S	-2.67%	-2.69%	-2.72%	-3.65%	-4.28%
				-4.88%	

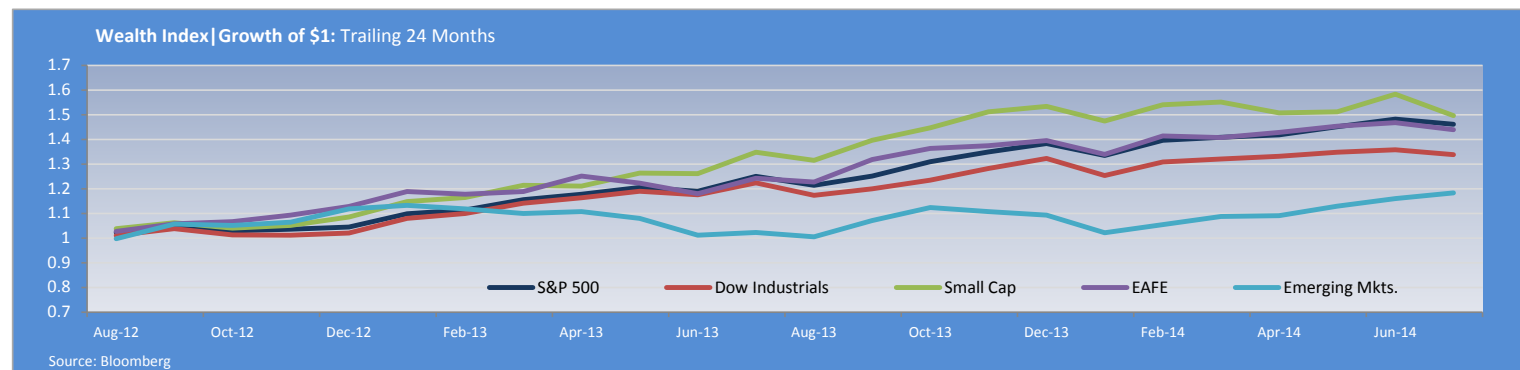
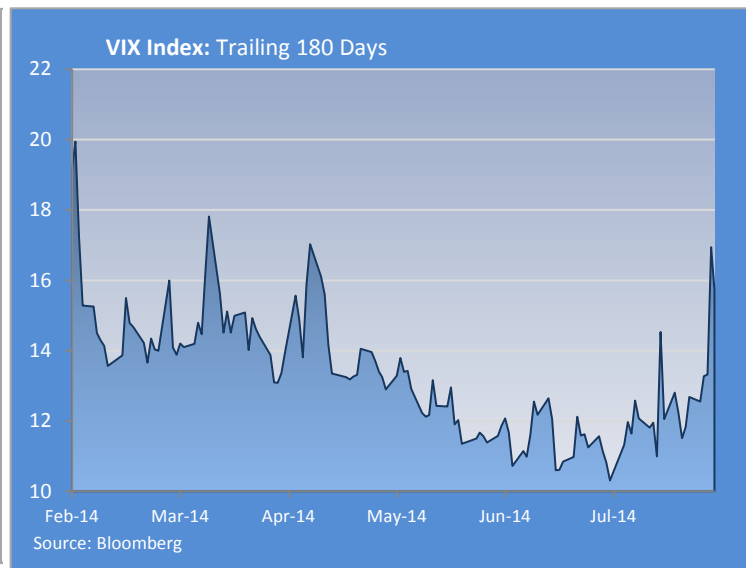
Source: Bloomberg

## Sector Performance:

## S&amp;P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
<b>Consumer Discretionary</b>	11.8	-1.78%	-1.8%
<b>Consumer Staples</b>	9.4	-2.98%	1.0%
<b>Energy</b>	10.6	-4.11%	7.1%
<b>Financials</b>	16.0	-3.03%	1.5%
<b>Health Care</b>	13.5	-1.61%	9.6%
<b>Industrials</b>	10.2	-3.63%	-1.4%
<b>Information Technology</b>	19.3	-2.46%	9.1%
<b>Materials</b>	3.5	-2.83%	5.4%
<b>Telecom Services</b>	2.5	-1.17%	3.4%
<b>Utilities</b>	3.0	-2.51%	8.8%

Source: Bloomberg



## THE ECONOMY AND MARKETS

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### ***A Macro View – July Monthly Recap***

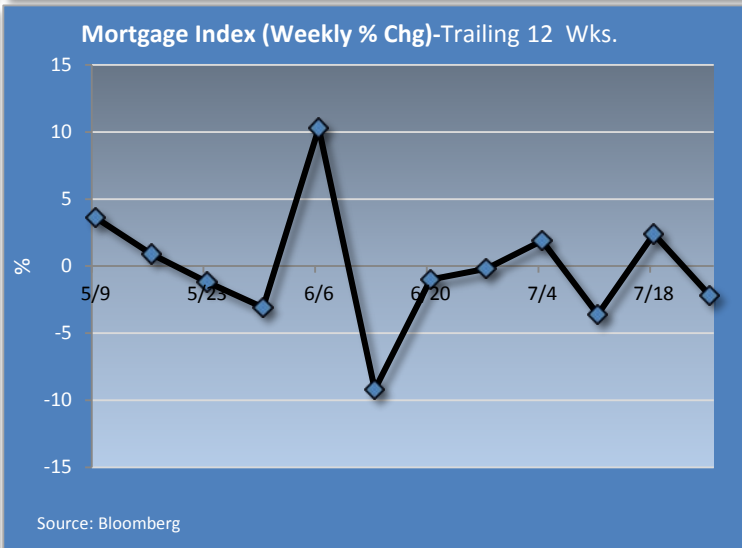
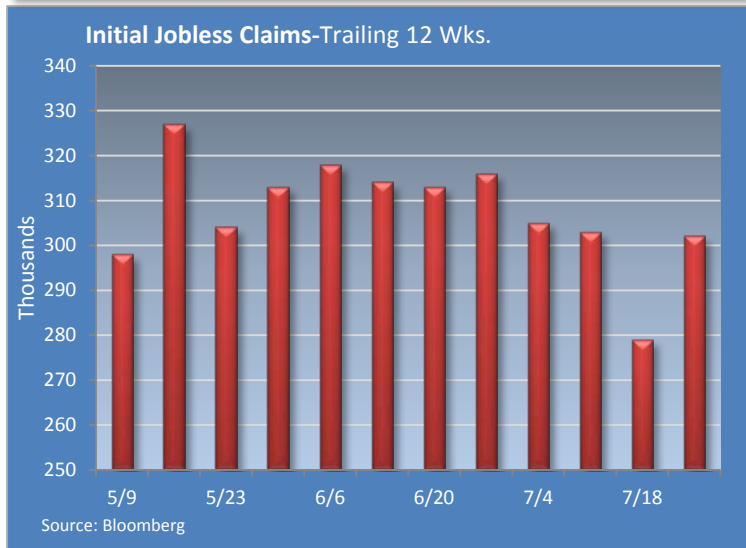
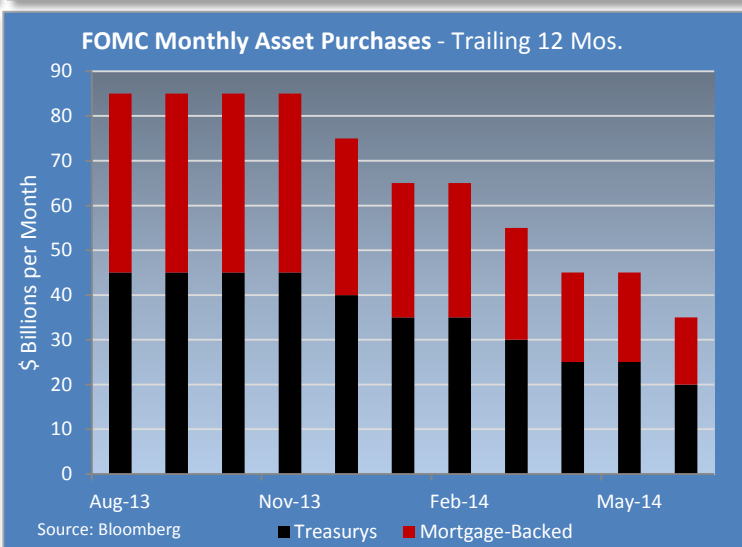
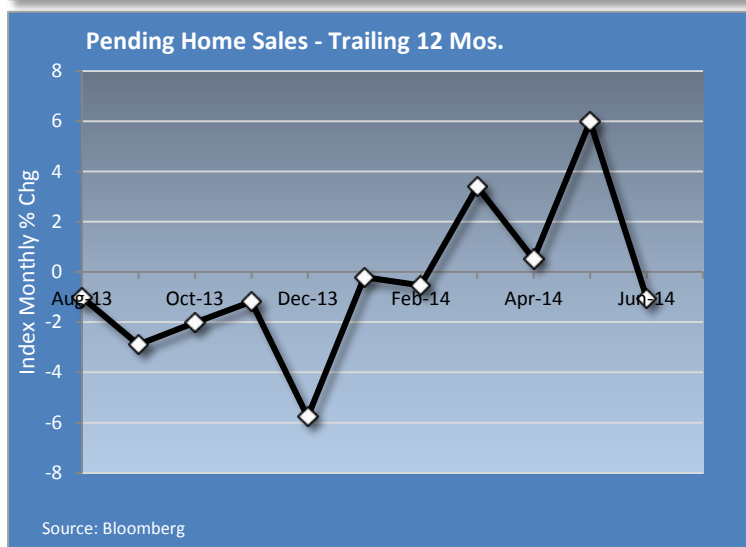
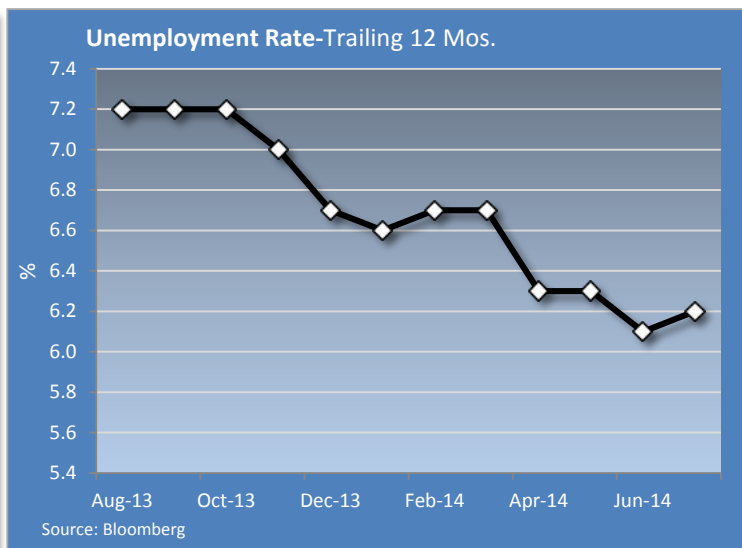
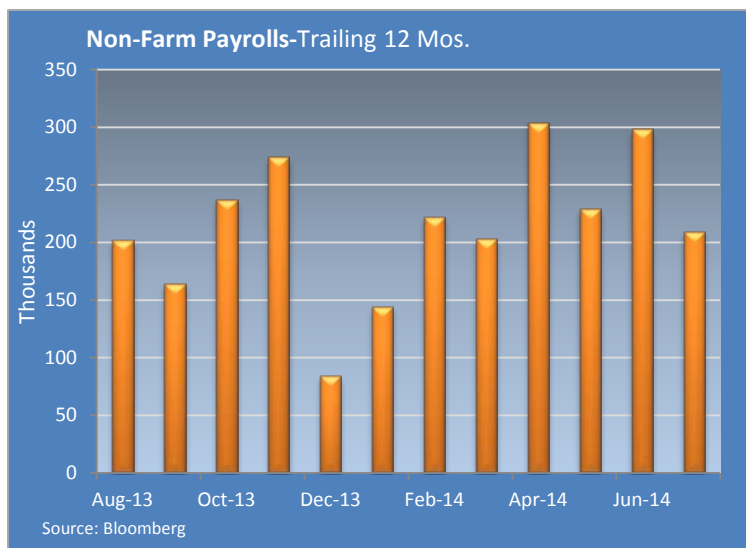
**Domestic equity markets** posted modest losses in July, after having delivered five straight monthly gains. Global turmoil finally caught up with stock prices, as Argentina failed to meet a deadline for a \$539 million interest payment, and geopolitical unrest simmered in many parts of the world. On the positive side, economic data continued to trend well, highlighted this week by the first estimate of second quarter gross domestic product (GDP), which came in at +4.0% - a significant improvement over the -2.9% contraction of the first quarter. Employment gains remained robust in July, with 209,000 jobs added. Even though the gain was slightly below forecast, it represented the first time since 1997 that the economy has had six consecutive months of gains of more than 200,000. The unemployment rate ticked up to 6.2%. Geopolitical tensions continue to grab headlines and cause concern among investors.

Within this landscape, stocks were soft for the month. The S&P 500 declined -1.4% for the month, and is now up +5.7% on a year-to-date basis. The Dow Jones Industrials also dropped -1.4%. The tech-heavy Nasdaq Composite Index slid -0.8% as technology stocks continued to post solid relative results. The Russell 2000 Index of small cap stocks significantly underperformed the Russell 1000 Index of large cap stocks, with returns of -6.1% and -1.6%, respectively. Growth stocks fared slightly better than value stocks during the month. In terms of sector performance, telecom services was the strongest performer on a relative basis, gaining +3.7%, while utilities were the poorest performers, posting a decline of -6.8%.

**International equity markets** were also mostly lower in July, although performance was varied regionally. The MSCI World ex-U.S. Index dropped -1.0% for the month. Emerging markets continued their relative rebound, and outperformed developed markets for the month. The MSCI Emerging Markets Index gained +2.0% for the month. The MSCI EAFE Index, which measures developed markets performance, declined -2.0% for the month. Regionally, China and Pacific ex-Japan were the best performers on a relative basis, with the MSCI China Index and the MSCI Pacific ex-Japan Index gaining +7.3% and +3.7%, respectively. Eastern Europe and Europe were among the poorest performers, with results of -7.8% and -3.8%, respectively.

**Fixed-income markets** were mostly lower in July, but have still fared relatively well on a year-to-date basis. As has been its custom in every one of its meetings so far this year, the Fed continued its pace of tapering of its asset purchase program during the month, reducing purchases by an additional \$10 billion. With this as a backdrop, the benchmark 10-year U.S. Treasury yield ended the month at 2.56%, up four basis points from the 2.52% level of June 30th. Broad-based fixed-income indices were modestly lower in July, with the Barclays U.S. Aggregate Bond Index shedding -0.3% for the month. Global fixed-income markets did not perform as well, with the Barclays Global Aggregate ex-U.S. Index returning -1.4% for the month. Intermediate-term corporate bonds were also lower, as the Barclays U.S. Corporate 5-10 Year Index dropping -0.2%. The Barclays U.S. Corporate High Yield Index posted a loss of -1.3% for the month. Municipals bucked the trend, and posted a gain of +0.2%.

## THIS WEEK IN THE ECONOMY AND MARKETS



## EUROZONE

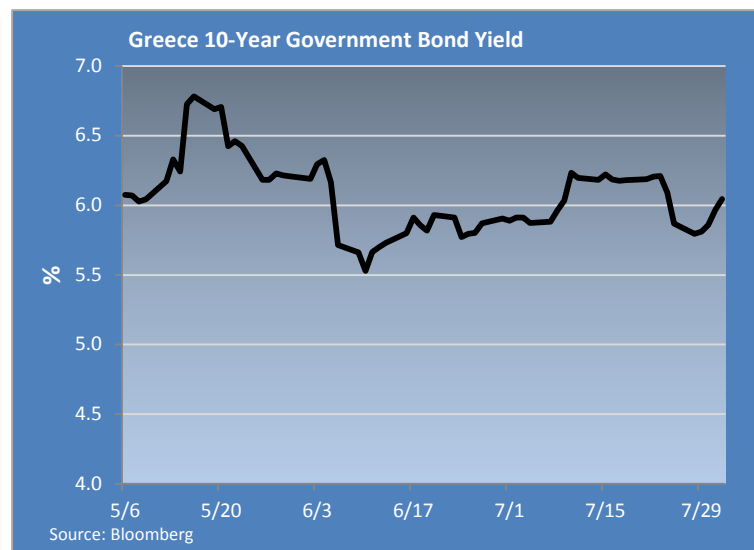
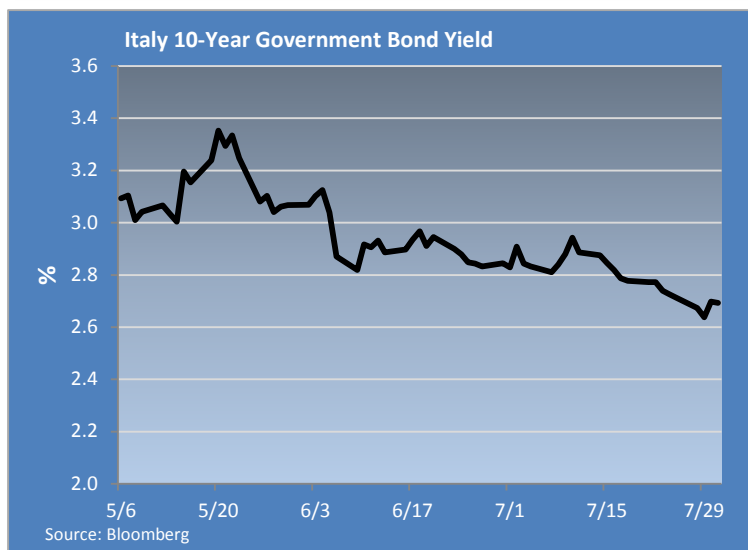
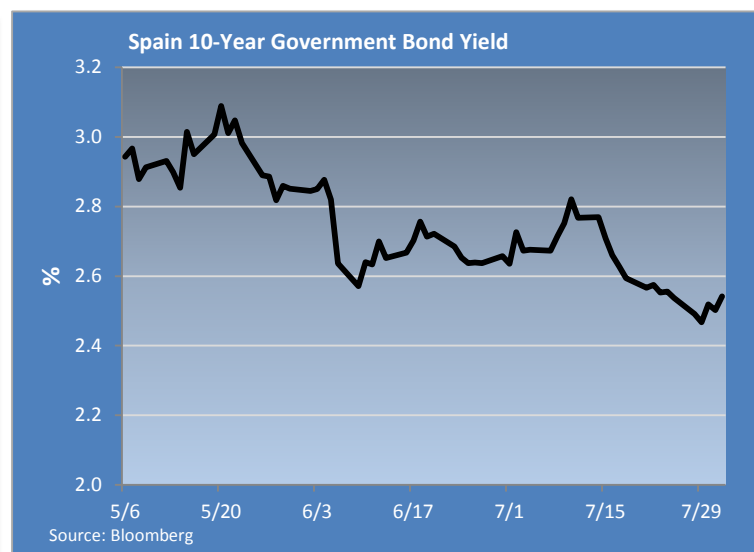
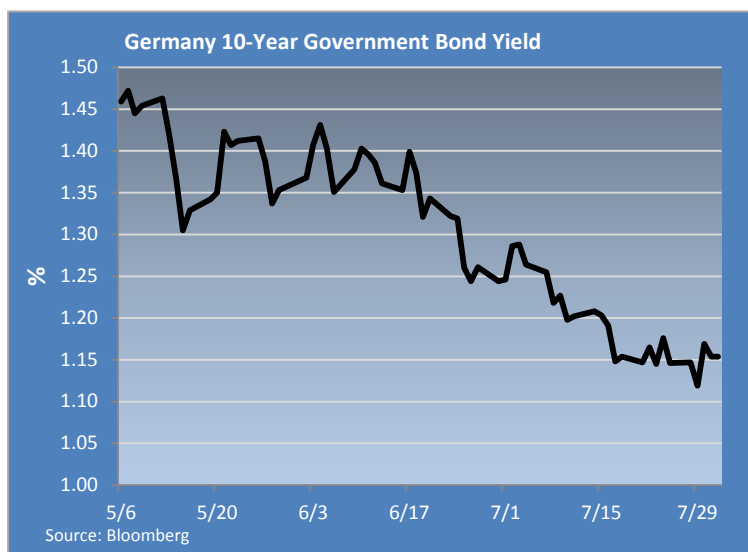
### SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	1.13	1 bps	NM	NM
Greece 10-Yr. Govt.	6.05	-11 bps	NM	NM
Italy 10-Yr. Govt.	2.76	-4 bps	NM	NM
Spain 10-Yr. Govt.	2.56	-2 bps	NM	NM
Belgium 10-Yr. Govt.	1.52	1 bps	NM	NM

Source: Bloomberg

Basis points (bps)

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	1.52	3 bps	NM	NM
Ireland 10-Yr. Govt.	2.22	1 bps	NM	NM
Portugal 10-Yr. Govt.	3.69	-5 bps	NM	NM
Netherlands 10-Yr. Govt.	1.32	2 bps	NM	NM
U.K. 10-Yr. Govt.	2.55	2 bps	NM	NM



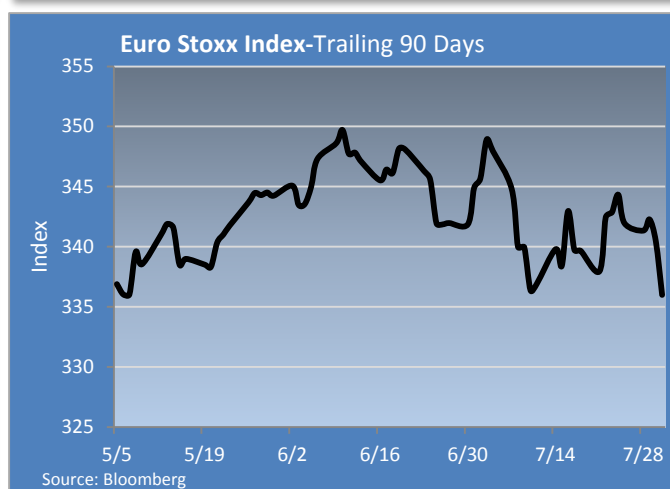
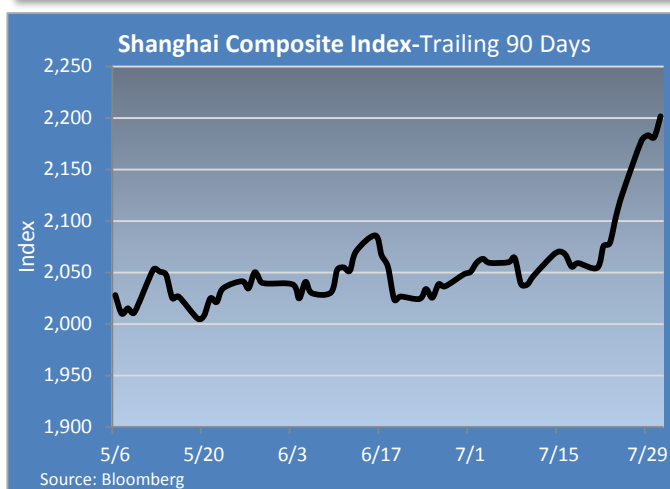
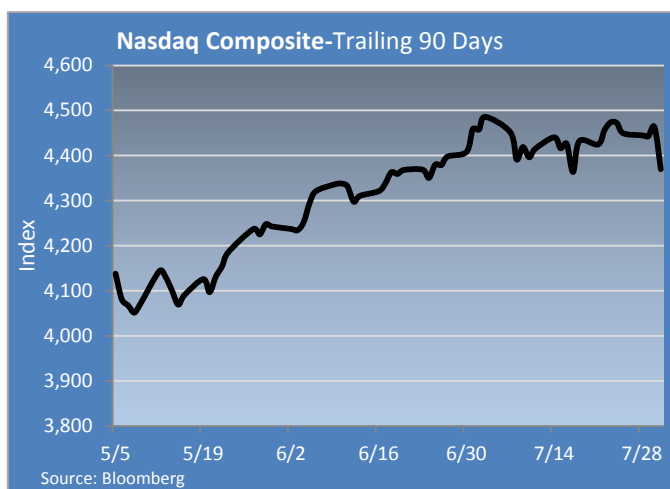
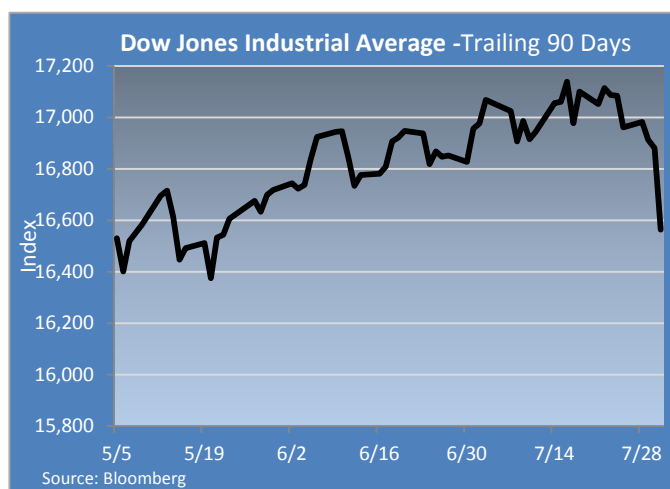
## EQUITIES

## WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
<b>S&amp;P 500</b>	<b>1,925.19</b>	<b>-51.85</b>	<b>-2.62%</b>	<b>4.23%</b>
<b>Dow Industrials</b>	<b>16,493.37</b>	<b>-467.20</b>	<b>-2.75%</b>	<b>-0.50%</b>
<b>Nasdaq Composite</b>	<b>4,352.64</b>	<b>-96.92</b>	<b>-2.18%</b>	<b>4.22%</b>
<b>Russell Global</b>	<b>1,742.38</b>	<b>-42.07</b>	<b>-2.36%</b>	<b>2.9%</b>
<b>Russell Global EM</b>	<b>3,308.61</b>	<b>-42.25</b>	<b>-1.26%</b>	<b>6.5%</b>
<b>S&amp;P/TSX (Canada)</b>	<b>15,209.25</b>	<b>-260.47</b>	<b>-1.69%</b>	<b>11.55%</b>
<b>Mexico IPC</b>	<b>43,979.54</b>	<b>-412.23</b>	<b>-0.93%</b>	<b>2.92%</b>
<b>Brazil Bovespa</b>	<b>55,902.87</b>	<b>-1918.21</b>	<b>-3.32%</b>	<b>8.53%</b>
<b>Euro Stoxx 600</b>	<b>331.91</b>	<b>-10.04</b>	<b>-2.94%</b>	<b>1.11%</b>
<b>FTSE 100</b>	<b>6,679.18</b>	<b>-112.37</b>	<b>-1.65%</b>	<b>-1.04%</b>
<b>IBEX 35 (Spain)</b>	<b>10,514.00</b>	<b>-374.10</b>	<b>-3.44%</b>	<b>6.02%</b>

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

	Last	Change	% Chg.	YTD %
<b>Swiss Market Index</b>	<b>8,410.27</b>	<b>-161.21</b>	<b>-1.88%</b>	<b>2.53%</b>
<b>CAC 40 Index (France)</b>	<b>4,202.78</b>	<b>-127.77</b>	<b>-2.95%</b>	<b>-2.17%</b>
<b>DAX Index (Germany)</b>	<b>9,210.08</b>	<b>-433.93</b>	<b>-4.50%</b>	<b>-3.58%</b>
<b>Irish Overall Index</b>	<b>4,614.85</b>	<b>-102.02</b>	<b>-2.16%</b>	<b>1.66%</b>
<b>Nikkei 225</b>	<b>15,523.11</b>	<b>65.24</b>	<b>0.42%</b>	<b>-4.72%</b>
<b>Hang Seng Index</b>	<b>24,532.43</b>	<b>316.42</b>	<b>1.31%</b>	<b>5.26%</b>
<b>Shanghai Composite</b>	<b>2,185.30</b>	<b>58.69</b>	<b>2.76%</b>	<b>3.28%</b>
<b>Kospi Index (S. Korea)</b>	<b>2,073.10</b>	<b>39.25</b>	<b>1.93%</b>	<b>3.07%</b>
<b>Taiwan Taiex Index</b>	<b>9,266.51</b>	<b>-172.78</b>	<b>-1.83%</b>	<b>7.61%</b>
<b>Tel Aviv 25 Index</b>	<b>1,392.45</b>	<b>-5.79</b>	<b>-0.41%</b>	<b>4.74%</b>
<b>MICEX Index (Russia)</b>	<b>1,374.83</b>	<b>-13.58</b>	<b>-0.98%</b>	<b>-8.59%</b>



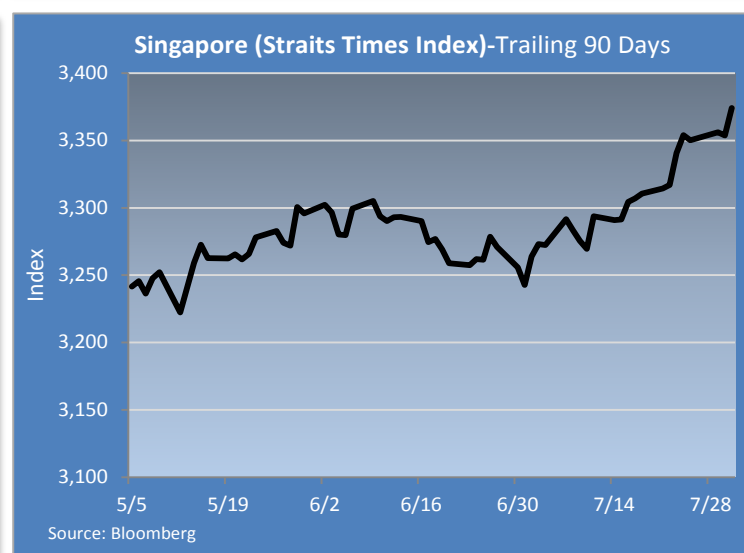
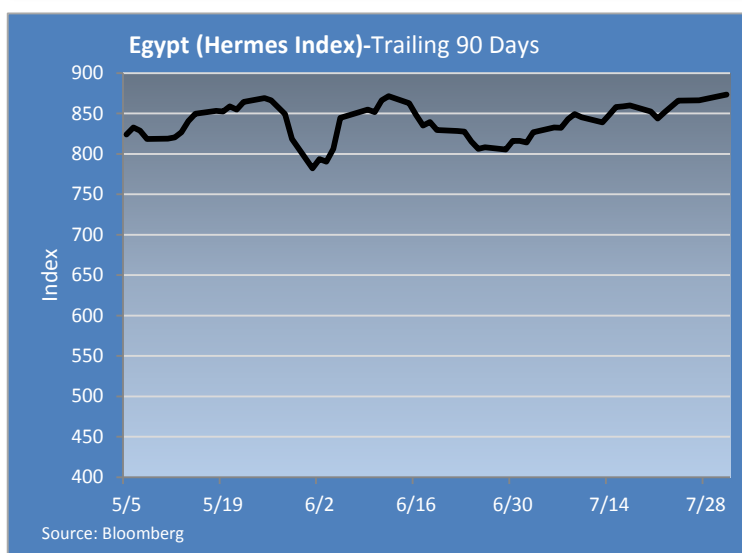
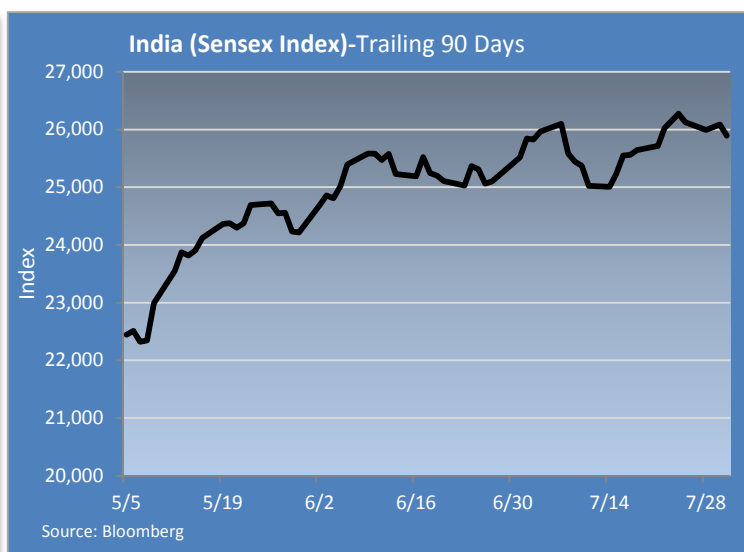
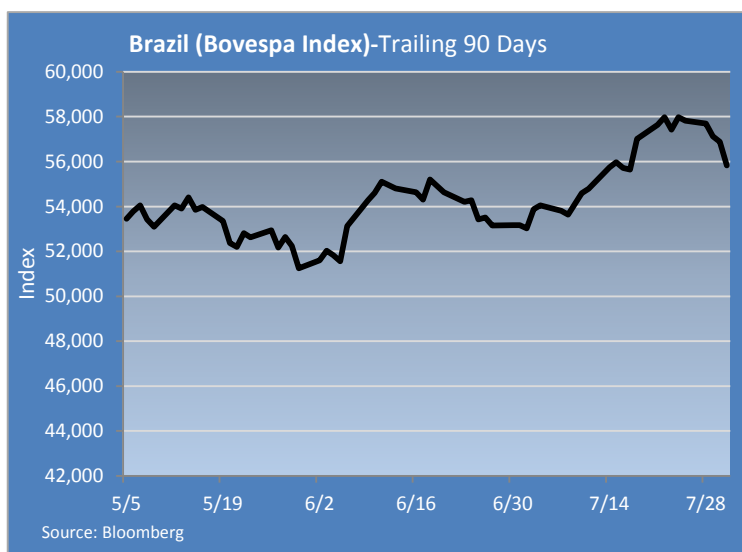
## EQUITIES – EMERGING AND FRONTIER MARKETS

### EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	43,971.77	-412.23	-0.9%	2.9%
Brazil (Bovespa Index)	55,902.87	-1918.21	-3.3%	8.5%
MICEX Index (Russia)	1,374.83	-13.58	-1.0%	-8.6%
Czech Republic (Prague)	951.12	-11.05	-1.1%	-3.8%
Turkey (Istanbul)	82,093.94	-2124.09	-2.5%	21.1%
Egypt (Hermes Index)	873.35	7.54	0.9%	29.3%
Kenya (Nairobi 20 Index)	4,942.28	63.19	1.3%	0.3%
Saudi Arabia (TASI Index)	10,214.73	428.15	4.4%	19.7%
Lebanon (Beirut BLOM Index)	1,195.32	4.27	0.4%	3.9%
Palestine	505.15	-3.65	-0.7%	-6.7%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	24,532.43	316.42	1.3%	5.3%
India (Sensex 30)	25,480.84	-645.91	-2.5%	20.4%
Malaysia (KLCI Index)	1,863.34	-8.49	-0.5%	-0.2%
Singapore (Straits Times Index)	3,344.42	-9.47	-0.3%	5.6%
Thailand (SET Index)	1,500.20	-43.65	-2.8%	15.5%
Indonesia (Jakarta)	5,088.80	1.79	0.0%	19.1%
Pakistan (Karachi KSE 100)	30,314.07	-160.68	-0.5%	20.0%
Vietnam (Ho Chi Minh)	593.90	-6.24	-1.0%	17.7%
Sri Lanka (Colombo)	6,810.13	28.73	0.4%	15.2%
Cambodia (Laos)	1,390.53	24.18	1.8%	10.9%

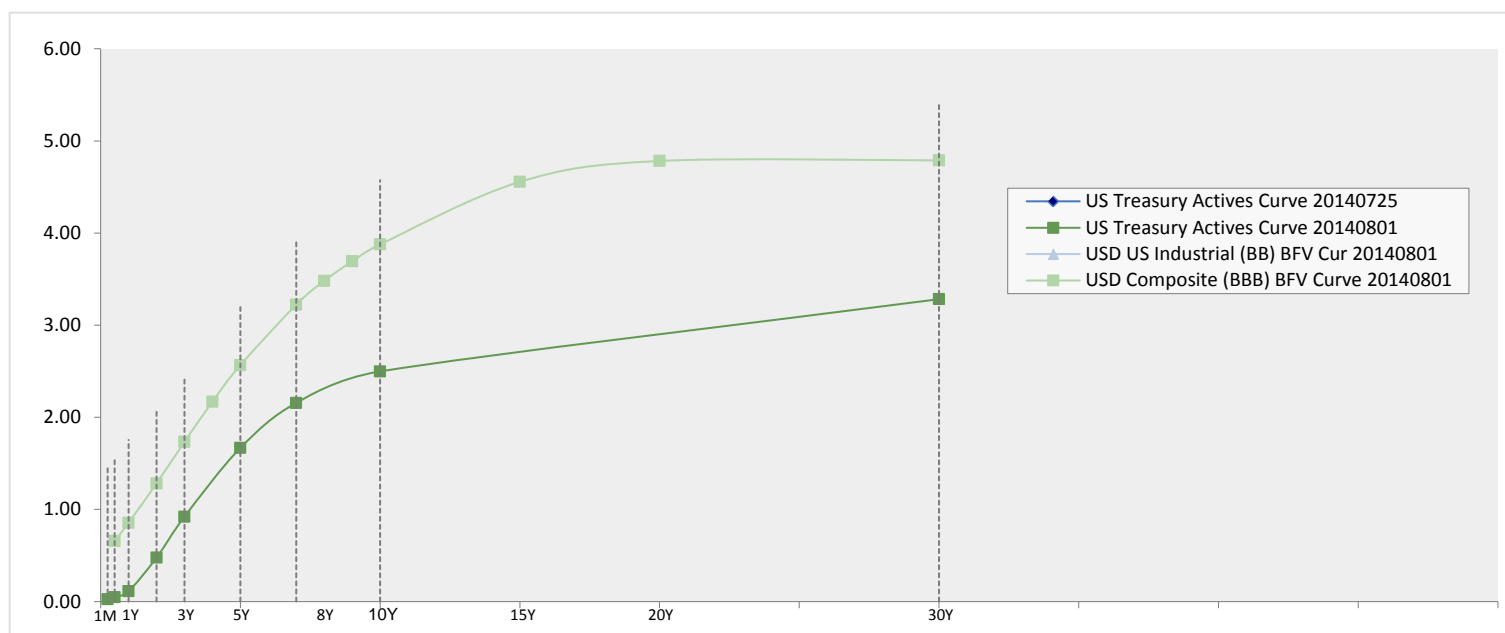


## INTEREST RATES

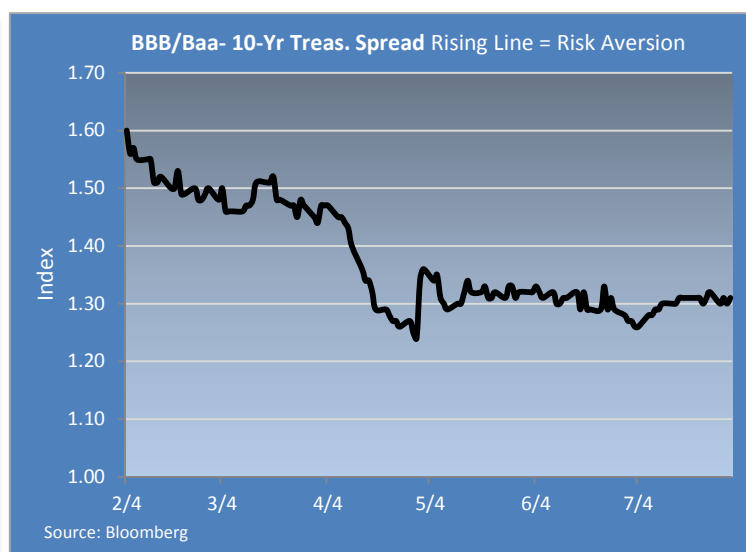
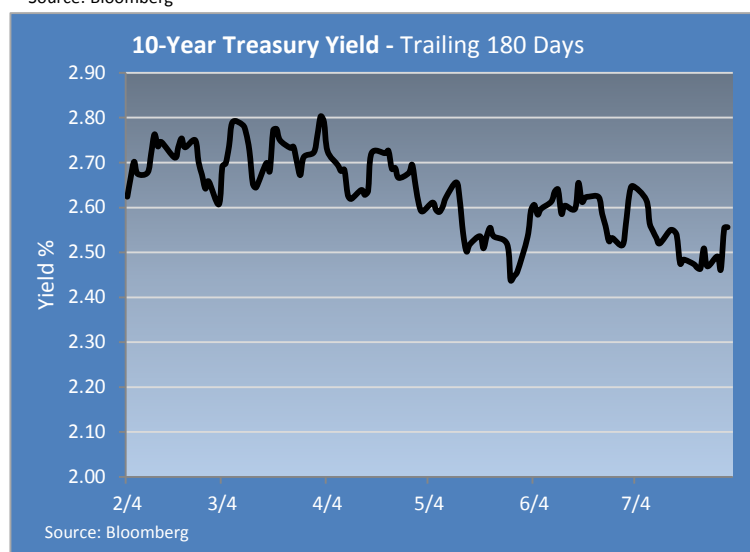
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.47%	0 bps	NM	NM	Prime Rate	3.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.67%	0 bps	NM	NM	Fed Funds Rate	0.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.51%	4 bps	NM	NM	Discount Rate	0.75%	0.00	NM	NM
30-Yr. U.S. Treasury	3.30%	5 bps	NM	NM	LIBOR (3 Mo.)	#VALUE!	1 bps	NM	NM
German 10-Yr. Govt.	1.13%	1 bps	NM	NM	Bond Buyer 40 Muni	4.10%	1 bps	NM	NM
France 10-Yr.	1.52%	3 bps	NM	NM	Bond Buyer 40 G.O.	4.29%	NA	NM	NM
Italy 10-Yr.	2.76%	-4 bps	NM	NM	Bond Buyer 40 Rev.	4.99%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.45%	-1 bps	NM	NM					

Source: Bloomberg



Source: Bloomberg





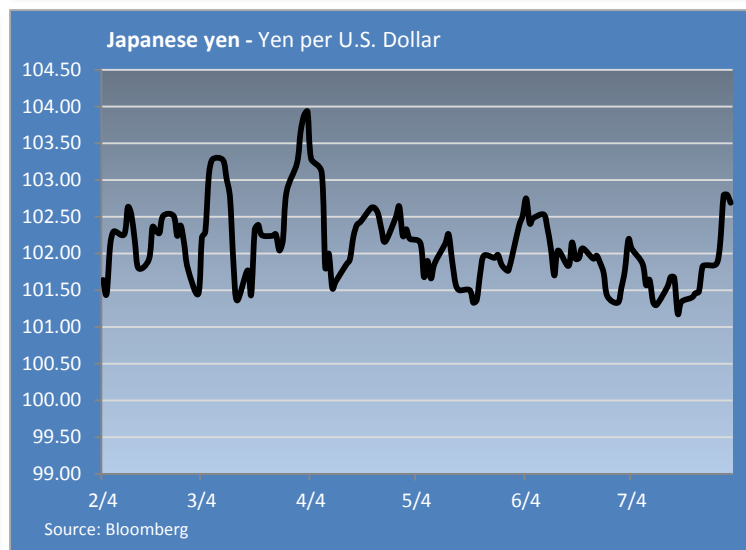
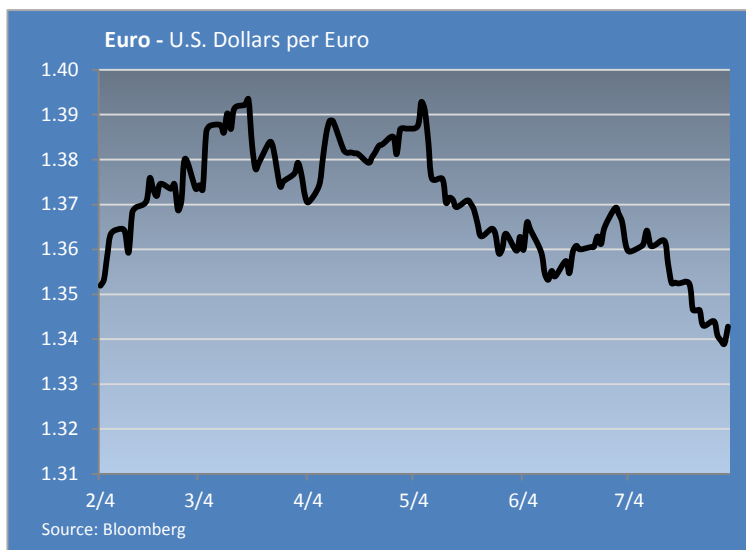
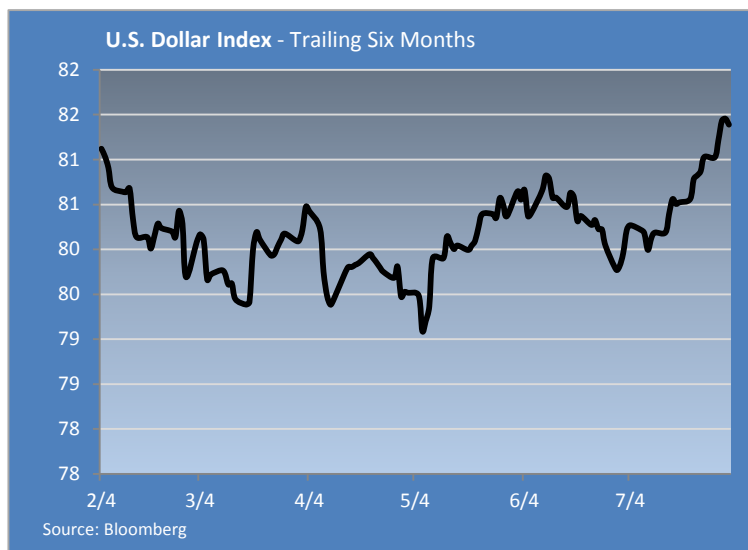
## CURRENCIES

### SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	81.34	0.314	0.39%	1.63%
Euro	1.34	-0.001	-0.04%	-2.32%
Japanese Yen	102.58	0.740	-0.72%	2.66%
British Pound	1.68	-0.015	-0.89%	1.61%
Canadian Dollar	1.09	0.011	-1.01%	-2.74%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.18	-0.012	0.20%	-2.03%
Swiss Franc	0.91	0.001	-0.14%	-1.47%
New Zealand Dollar	0.85	-0.005	-0.54%	3.58%
Brazilian Real	2.26	0.031	-1.35%	4.50%
Mexican Peso	13.19	0.245	-1.86%	-1.17%

Source: Bloomberg

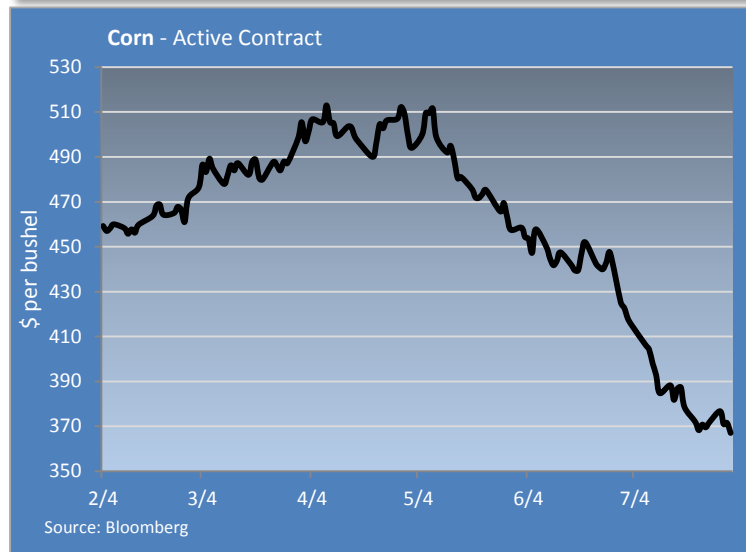
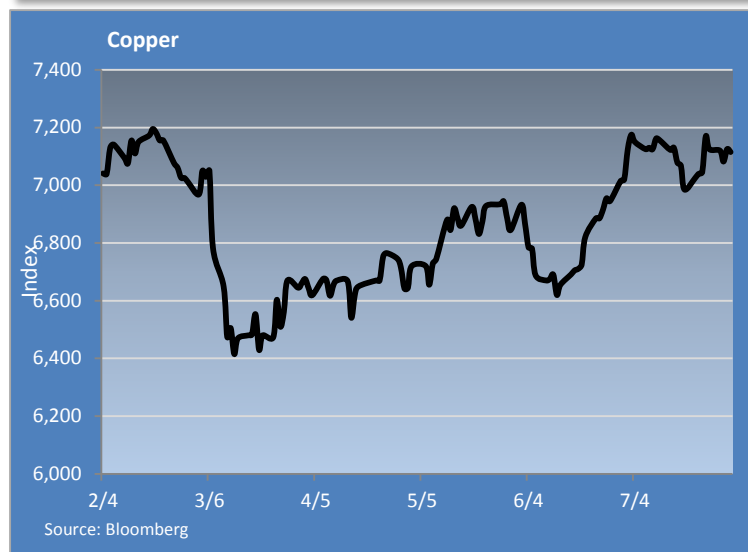
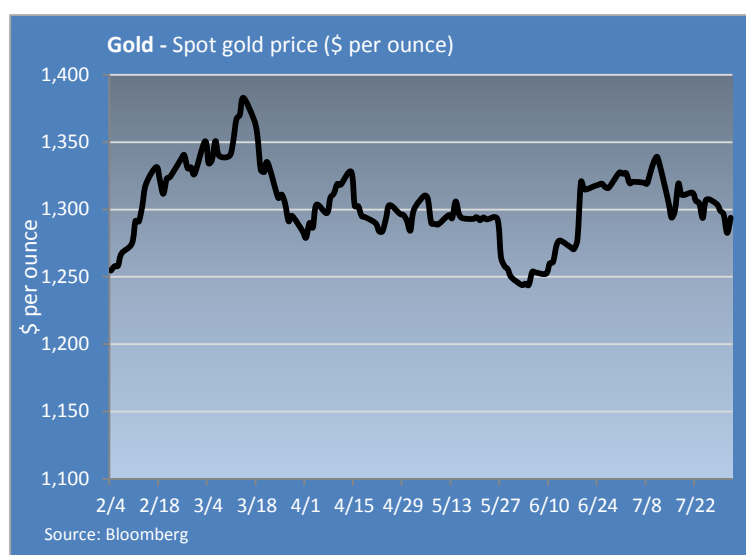
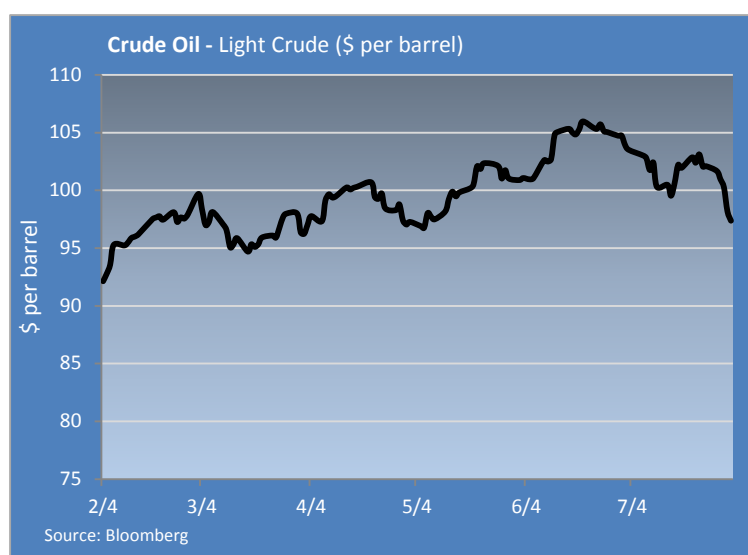


## COMMODITIES

## SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
DJ UBS Comm. Idx.	127.09	-2.22	-1.71%	1.06%	Platinum Spot	\$1,462.88	-\$15.37	-1.04%	6.70%
Rogers Int. Comm. Idx.	3541.58	-45.57	-1.27%	-0.41%	Corn	362.25	-9.50	-2.56%	-19.54%
Crude Oil	\$97.65	-\$4.45	-4.36%	3.04%	Wheat	534.25	-3.75	-0.70%	-14.72%
Natural Gas	\$3.80	\$0.01	0.32%	-8.35%	Soybeans	1,058.50	-25.00	-2.31%	-6.74%
Gasoline (\$/Gal.)	\$3.52	-\$0.02	-0.45%	5.84%	Sugar	16.35	0.00	0.00%	-4.11%
Heating Oil	286.68	-5.77	-1.97%	-4.65%	Orange Juice	139.35	0.00	0.00%	-3.36%
Gold Spot	\$1,294.11	-\$13.11	-1.00%	7.70%	Aluminum	1,988.00	-9.00	-0.45%	10.43%
Silver Spot	\$20.34	-\$0.40	-1.91%	4.47%	Copper	7,115.00	-10.00	-0.14%	-3.33%

Source: Bloomberg; % change is based on price.



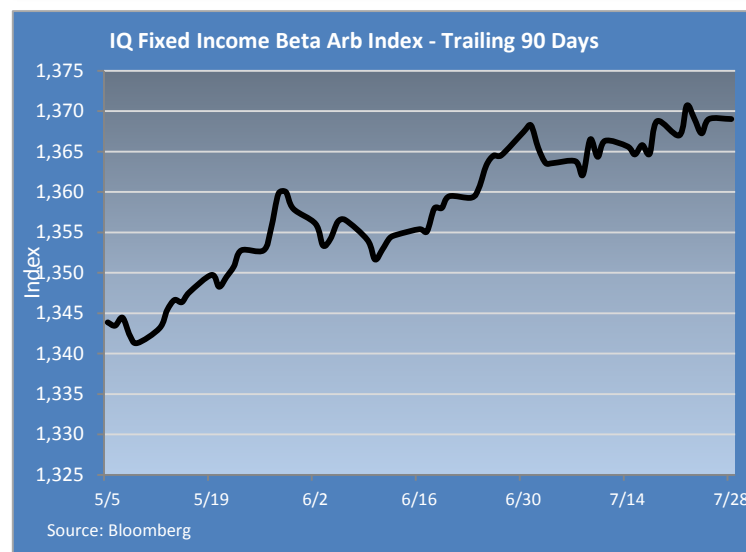
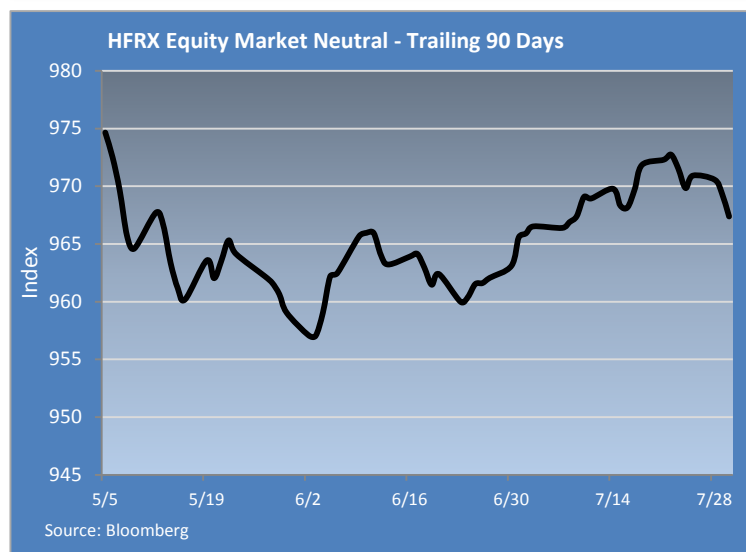
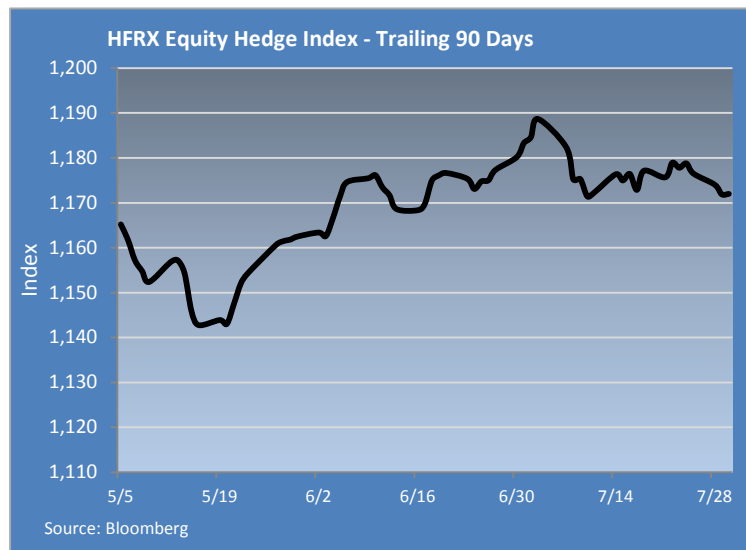
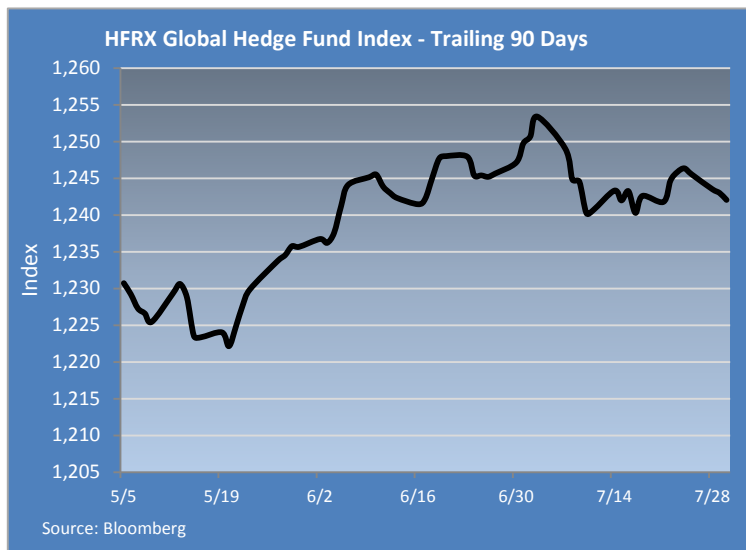
## ALTERNATIVE INVESTMENTS

### SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

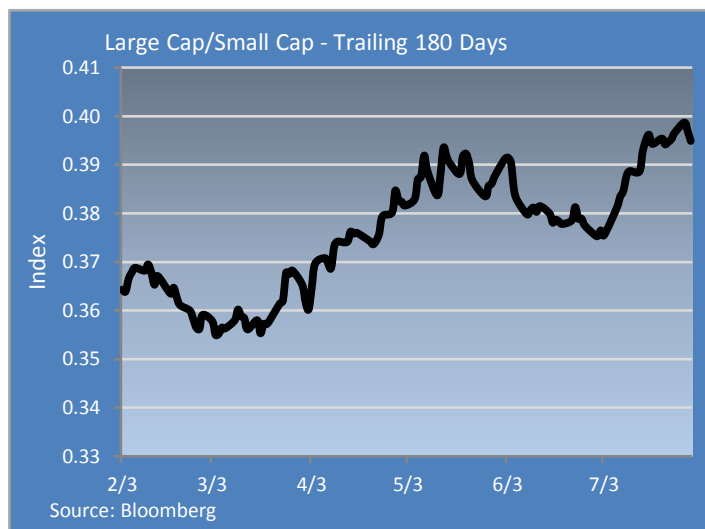
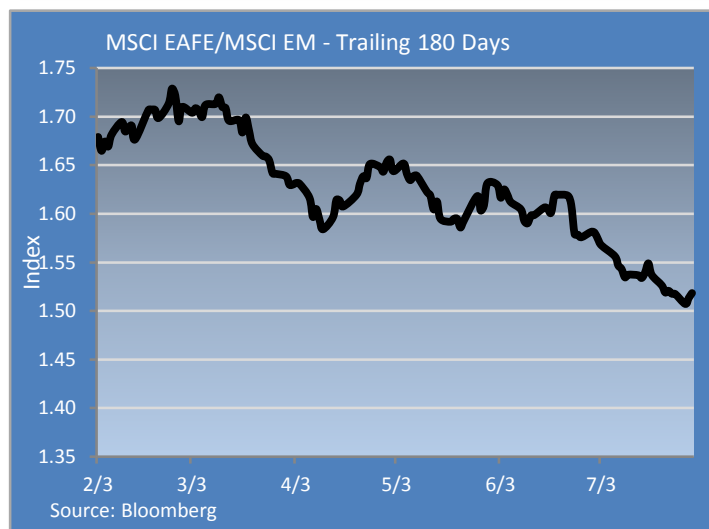
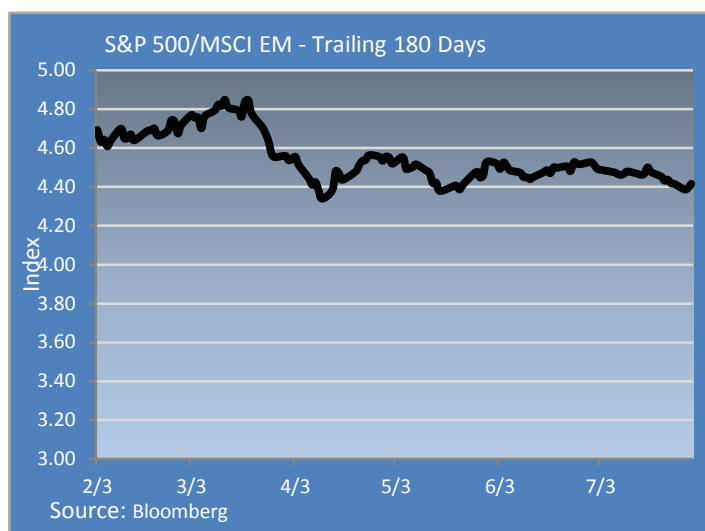
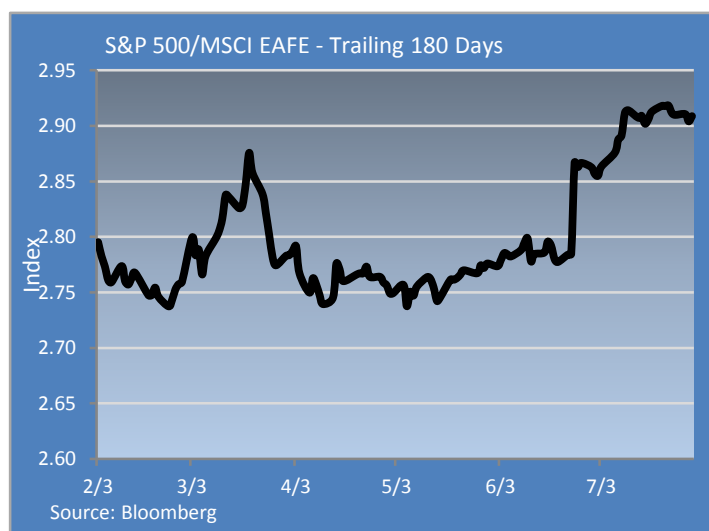
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1246.36	-3.50	-0.28%	1.35%
HFRX Equity Market Neutral	967.38	-3.54	-0.36%	1.64%
HFRX Equity Hedge Index	1178.78	-4.52	-0.38%	0.57%
HFRX Event-Driven Index	1635.55	-6.33	-0.39%	3.76%
HFRX Absolute Return Index	1004.95	-2.54	-0.25%	1.61%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1069.95	-3.02	-0.28%	6.60%
HFRX Merger Arbitrage Index	1582.90	-6.79	-0.43%	0.33%
HFRX Convertible Arbitrage Index	777.91	0.44	0.06%	0.31%
HFRX Macro CTA Index	1135.73	-1.77	-0.16%	0.18%
IQ Fixed Income Beta Arb Index	1362.87	-7.10	-0.52%	4.87%

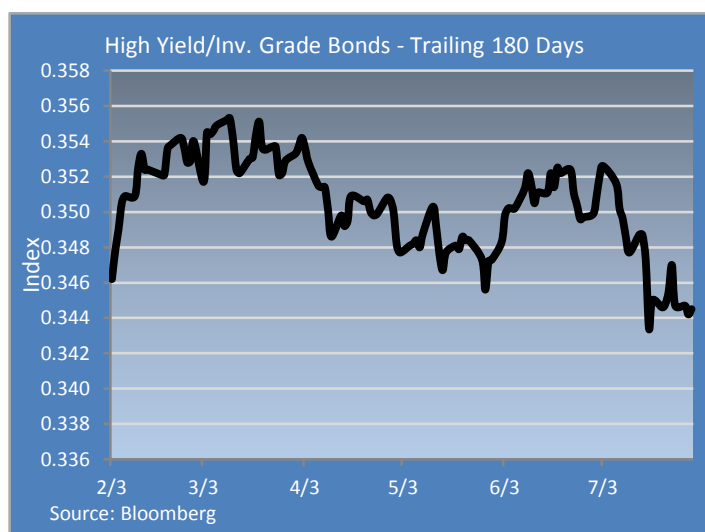
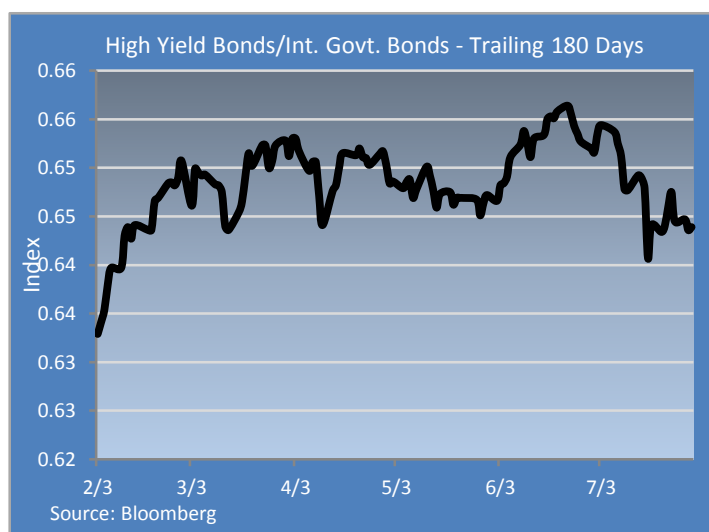
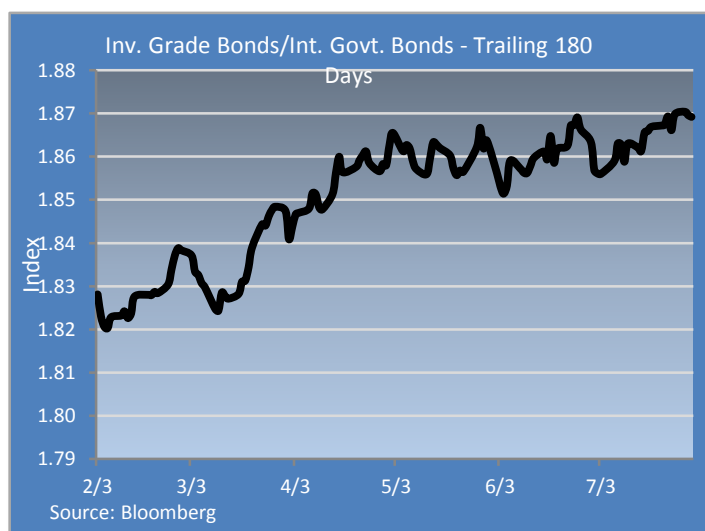
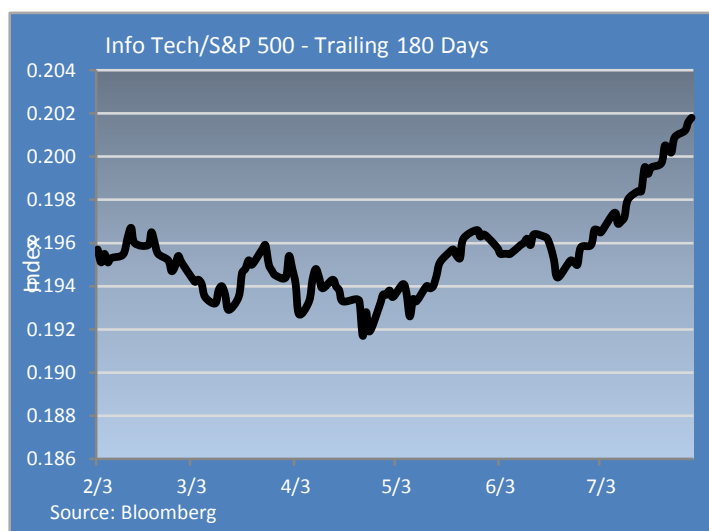
Source: Bloomberg; Index % change is based on price.



## PORTFOLIO CONSTRUCTION



## PORTFOLIO CONSTRUCTION (cont'd.)



## WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			5/15	5/22	5/29	6/5	6/12	6/19	6/26	7/3	7/10	7/17	7/24	7/31
Equity	Domestic Equity	Large Cap (R200)	-0.24%	1.19%	1.37%	0.96%	-0.52%	1.48%	-0.16%	1.47%	-0.97%	-0.15%	1.55%	-2.89%
		Small Cap (R2000)	-0.13%	1.63%	2.35%	1.22%	0.47%	2.12%	-0.28%	2.82%	-3.83%	-2.43%	2.00%	-3.13%
	Int'l. Equity	MSCI EAFE	-0.36%	-0.16%	1.09%	0.30%	0.52%	1.06%	-1.48%	1.54%	-2.59%	0.56%	0.74%	-1.86%
		MSCI Em. Mkts.	2.01%	1.17%	-0.24%	-0.35%	1.91%	-0.46%	-0.30%	1.47%	0.02%	0.02%	1.72%	-1.40%
Fixed Income	BarCap Agg. (AGG)		0.49%	-0.18%	0.41%	-0.57%	-0.03%	-0.15%	0.59%	-0.70%	0.36%	0.30%	-0.20%	-0.17%
	High Yield (JNK)		0.32%	0.05%	0.29%	-0.24%	0.29%	0.43%	0.07%	-0.38%	-0.53%	-0.87%	0.71%	-1.79%
Commodities	DJ UBS Index		-0.36%	-0.14%	-0.63%	-1.08%	0.74%	1.48%	0.07%	-1.57%	-2.29%	-0.88%	-0.72%	-0.88%
Alternatives	Hedge Funds (HFRX Global)		-0.25%	0.35%	0.65%	0.44%	0.14%	0.38%	-0.20%	0.56%	-1.05%	0.00%	0.49%	-0.35%
Asset Allocation	60/40*		0.15%	0.49%	0.96%	0.22%	0.07%	0.76%	-0.10%	0.73%	-0.96%	-0.14%	0.83%	-1.68%
	48/32/20 (w/Alts.)**		0.07%	0.46%	0.90%	0.27%	0.08%	0.69%	-0.12%	0.71%	-0.98%	-0.11%	0.76%	-1.41%

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	0.98	1.02	1.05	1.04	1.05	1.11	1.07	1.16	1.07	0.84	0.91	1.48	0.96	1.51
Large Cap Growth	1.02	1.00	1.04	1.07	1.06	1.07	1.14	1.09	1.19	1.09	0.85	0.93	1.51	0.98	1.53
Large Cap Value	0.98	0.96	1.00	1.03	1.02	1.03	1.09	1.05	1.14	1.05	0.82	0.90	1.45	0.94	1.48
Mid Cap Core	0.96	0.94	0.97	1.00	0.99	1.01	1.06	1.03	1.11	1.02	0.80	0.87	1.42	0.92	1.44
Mid Cap Growth	0.96	0.95	0.98	1.01	1.00	1.02	1.07	1.04	1.12	1.03	0.81	0.88	1.43	0.93	1.45
Mid Cap Value	0.95	0.93	0.97	0.99	0.98	1.00	1.06	1.02	1.10	1.01	0.79	0.87	1.41	0.91	1.43
Small Cap Core	0.90	0.88	0.92	0.94	0.93	0.95	1.00	0.96	1.05	0.96	0.75	0.82	1.33	0.86	1.35
Small Cap Growth	0.93	0.91	0.95	0.98	0.97	0.98	1.04	1.00	1.08	0.99	0.78	0.85	1.38	0.90	1.40
Small Cap Value	0.86	0.84	0.88	0.90	0.89	0.91	0.96	0.92	1.00	0.92	0.72	0.78	1.27	0.83	1.29
Int'l. Developed	0.94	0.92	0.96	0.98	0.97	0.99	1.04	1.01	1.09	1.00	0.78	0.86	1.39	0.90	1.41
Emerging Markets	1.19	1.17	1.22	1.25	1.24	1.26	1.33	1.28	1.39	1.27	1.00	1.09	1.77	1.15	1.80
REITs	1.10	1.07	1.12	1.15	1.14	1.15	1.22	1.18	1.28	1.17	0.92	1.00	1.62	1.05	1.65
Commodities	0.67	0.66	0.69	0.71	0.70	0.71	0.75	0.72	0.79	0.72	0.57	0.62	1.00	0.65	1.02
Int. Bond	1.04	1.02	1.06	1.09	1.08	1.09	1.16	1.11	1.21	1.11	0.87	0.95	1.54	1.00	1.56
High Yield	0.66	0.65	0.68	0.70	0.69	0.70	0.74	0.71	0.77	0.71	0.56	0.61	0.99	0.64	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**

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 is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The MSCI EAFE Index represents 21 developed markets outside of North America. 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 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 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 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 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 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 Citigroup World Government Bond Index is a market capitalization weighted bond index consisting of the government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The DJ-UBS Commodity Index Total Return<sup>SM</sup> 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 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). The ISM Non-Manufacturing Index 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 ISM Manufacturing Index is an index based on surveys of more than 300 manufacturing firms by the Institute of Supply Management. The ISM Manufacturing Index monitors employment, production inventories, new orders and supplier deliveries. A composite diffusion index is created that monitors conditions in national manufacturing based on the data from these surveys. The Consumer Price Index (CPI) measures the change in the cost of a fixed basket of products and services. 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. 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 World ex-U.S. Index - captures large and mid-cap representation across 22 of 23 Developed Markets DM countries\*--excluding the United States. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. (\* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.) 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 Barclays 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 University of Michigan Consumer Sentiment Index (MCSI) is a survey of consumer confidence conducted by the University of Michigan. The Michigan Consumer Sentiment Index (MCSI) uses telephone surveys to gather information on consumer expectations regarding the overall economy. 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. An open-end index fund continuously issues and redeems shares based on investor demand. As an index fund, its investment objective is to duplicate the performance of the index it uses as a benchmark. 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.

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