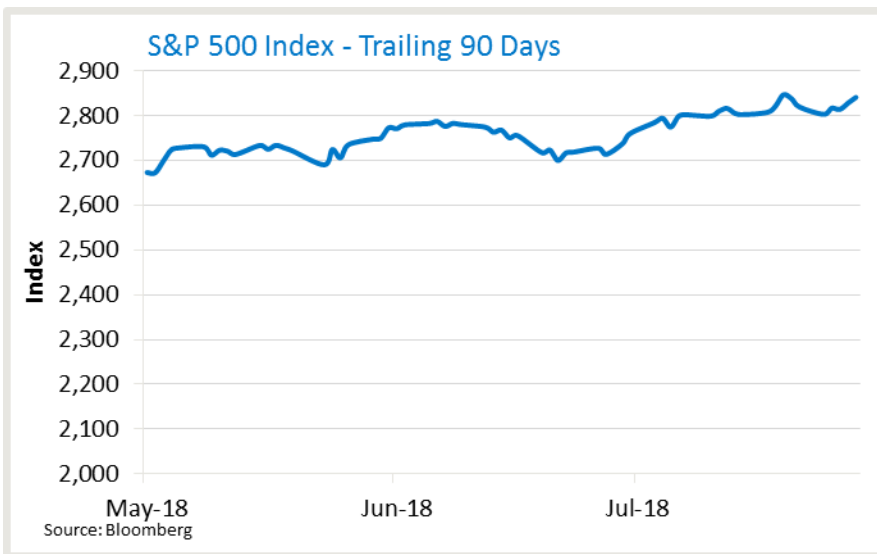


Weekly Market Review

August 3, 2018

Chart of the Week



Weekly Highlights

- **The Bureau of Labor Statistics reported an increase of 157,000 nonfarm payrolls for the month of July, with the service employment sector showing the greatest increase, adding 118,000 jobs.** Although the growth in new jobs was less than expected, the prior month's reading was revised upward by 35,000. The unemployment rate dropped to 3.9%, indicating a healthy labor market, which should not prevent the Fed from raising rates next month.
- **The trade war with China continues, as the Trump Administration raises the stakes by proposing a 25% tariff on \$200 billion worth of Chinese imports.** On Friday, China responded by announcing tariffs on \$60 billion worth of US exports, including liquefied natural gas, small-to-mid-sized aircraft, semiconductors, beef, and steel products. The escalating trade war continues to pose a threat to further economic growth; however there is still hope for a resolution, as China urges the US to return to talks to resolve the dispute.
- **Apple reported better-than-expected financial results this week, as the company sold 41.3 million iPhones at an average price of \$724.** Additionally, the company reported strong revenue growth from other product lines, resulting in earnings per share of \$2.34. As a result, the share price appreciated, pushing Apple to become the first US company to reach a valuation of \$1 trillion.

Talking Points

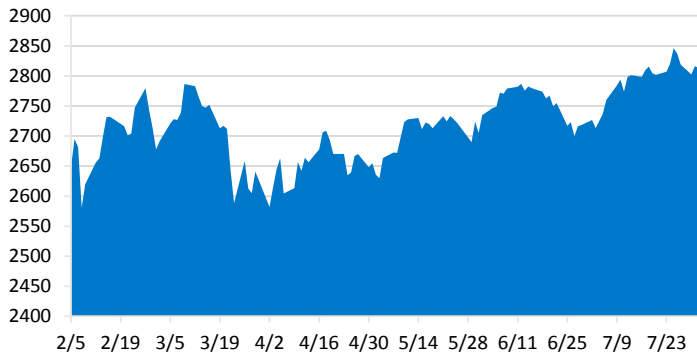
- **Domestic equities** were positive for the week, with small cap stocks leading the way. International equities were down on the week, and emerging markets struggled the most.
- **Treasury yields** were mostly up through end of day Thursday, with the greatest increase in yields occurring at the longer end of the curve.
- **The US dollar** strengthened during the week, as the Bank of England raised rates and its hawkish remarks failed to appease investors' concerns about the economic outlook.
- **Commodities** were down overall, led by a drop in gold prices. Oil ended the week in positive territory.
- **In other economic news,** the Purchasing Managers' Index, which indicates the overall economic health of the manufacturing sector, was down to a five-month low of 55.3. The report indicates continued economic expansion despite headwinds from supply shortages, rising prices, and deteriorating exports.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,840.35	21.53	0.76%	6.2%
Dow Industrials	25,462.58	11.52	0.05%	3.0%
Nasdaq	7,812.02	74.60	0.96%	13.2%
Russell 2000	1,673.37	10.03	0.60%	9.0%
Euro Stoxx Index	389.16	-2.92	-0.74%	0.0%
Shanghai Composite	2,740.44	-133.15	-4.63%	-17.1%
Russell Global	2,164.86	-12.04	-0.55%	1.0%

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	3,354.90	-73.53	-2.14%	-7.9%
10-Year US Treas.	2.95	-1 bps	NM	NM
Bloomberg Cmdts. Idx.	84.90	0.06	0.07%	-3.7%
Gold	\$1,213.60	-\$10.58	-0.86%	-6.8%
Crude Oil	\$68.56	-\$0.09	-0.13%	16.1%
Dollar Index	95.22	0.53	0.56%	3.3%
VIX Index	11.64	-1.39	-10.67%	5.4%

One Week

YTD

	Value	Growth	Value	Growth
L	0.74%	0.91%	0.81%	6.97%
	0.69%	0.50%	1.48%	4.44%
S	0.76%	0.60%	6.23%	8.98%
		0.45%	11.53%	

Source: Bloomberg

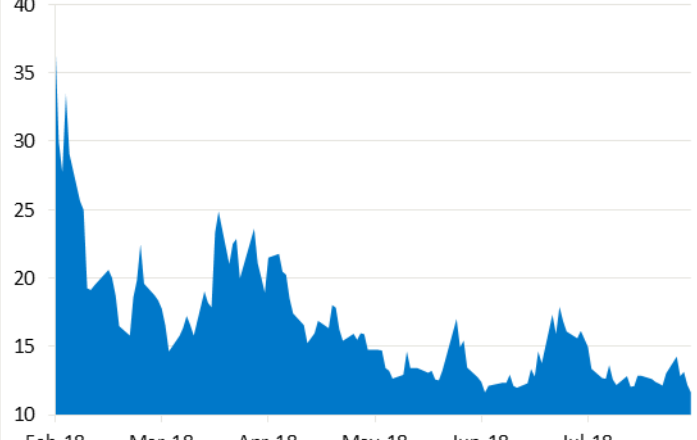
Sector Performance:

S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.6	0.17%	13.3%
Consumer Staples	6.9	1.76%	-5.2%
Energy	6.0	-1.79%	4.2%
Financials	14.0	-0.09%	0.5%
Health Care	14.5	2.10%	8.6%
Industrials	9.7	-0.21%	-0.1%
Information Technology	26.0	1.17%	15.4%
Materials	2.5	-0.17%	-2.0%
Real Estate	2.8	3.31%	1.5%
Telecom Services	1.9	2.22%	-9.0%
Utilities	2.9	1.19%	1.0%

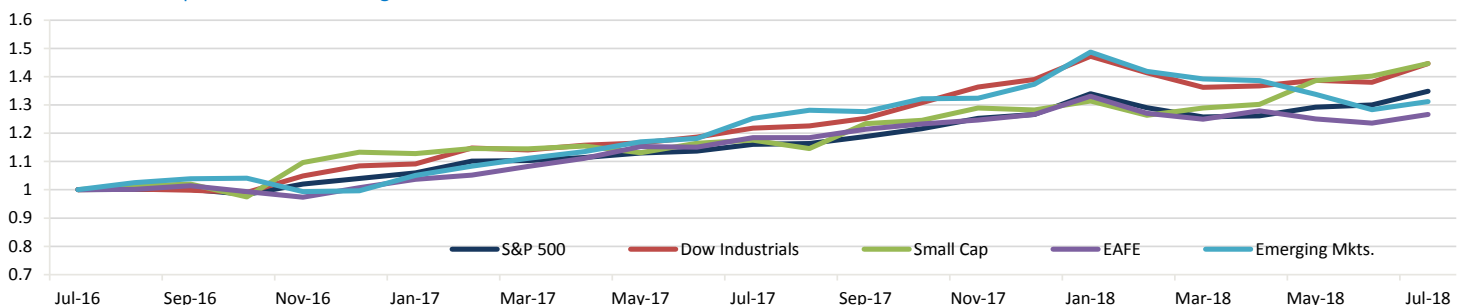
Source: Bloomberg

VIX Index: Trailing 180 Days



Source: Bloomberg

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



Source: Bloomberg

The Economy and Markets

A Macro View – July Monthly Recap

Domestic equity markets posted strong returns in the month of July, with most of the price appreciation coming in the first two weeks of trading. During the month, markets reached highs not seen since the end of January on news of strong economic data. The unemployment rate declined to 3.9%, the second lowest rate in the last 48 years, and second-quarter US Gross Domestic Product (GDP) grew 4.1%, the highest rate in almost four years. For the time being, it appears that the US's strong economic activity is overshadowing the very serious concerns of a global trade war, as the Trump Administration aggressively renegotiates trade deals with the European Union and China. Even with valuations near all-time highs, companies are still repurchasing their own stock. Last quarter marked a record, as US companies spent almost \$437 billion on buyback plans.

For the month of July, the S&P 500 Index and the DJIA returned 3.72% and 4.83%, respectively, as 83% of the S&P 500 companies reported earnings per share that exceeded expectations. For the first time since February, large cap domestic stocks outperformed small cap equities, as the Russell 1000 Index returned 3.45% and the Russell 2000 returned 1.74%. Mid cap stocks also outperformed small caps, with the Russell Mid Cap Index gaining 2.49%. Value stocks outperformed growth stocks, with the Russell 3000 Value Index returning 3.79% compared with 2.84% for the Russell 3000 Growth Index. Sector performance was strong, with positive returns across the board. The high-end Industrials and Health Care sectors generated returns of 7.32% and 6.61%, respectively, whereas the Real Estate and Energy sectors returned 1.08% and 1.42%, respectively. The Bloomberg Commodity Index, recently the worst-performing asset class for the quarter, incurred a loss of 2.13%.

International equity markets posted weaker results when compared with their domestic large cap counterparts, with the MSCI ACWI ex-U.S. Index returning 2.39% for the month of July. The European Central Bank (ECB) indicated no change to its accommodative monetary policy, pledging to keep interest rates the same for at least another year. Additionally, the potential for a trade war between the US and the European Union seems to have diminished after President Trump and European Commission President Jean-Claude Juncker agreed to work to lower trade barriers between the two trade partners. Both parties promised to forgo placing further tariffs while negotiations are under way. Economic activity continues to be positive, as the International Monetary Fund reported real global GDP growth of 3.64% for the first quarter. Furthermore, the ECB is forecasting real GDP growth to hit 2.4% for 2018. International developed equities and emerging markets equities posted similar returns for the month, with the MSCI EAFE Index up 2.46% and the MSCI EM Index 2.20%.

Fixed income markets produced mixed returns for the month, as longer-term yields trended higher. The yields on the 3-month Treasury Note and the 10-Year Treasury Bond increased, ending the month at 2.03% and 2.96%, respectively, resulting in a further flattening, albeit small, of the US Treasury curve. Despite the strength in GDP, driven by consumer spending and nonresidential business investment, Federal Reserve policy makers are expected to continue their gradual pace of interest rate hikes, with two more in store for the year.

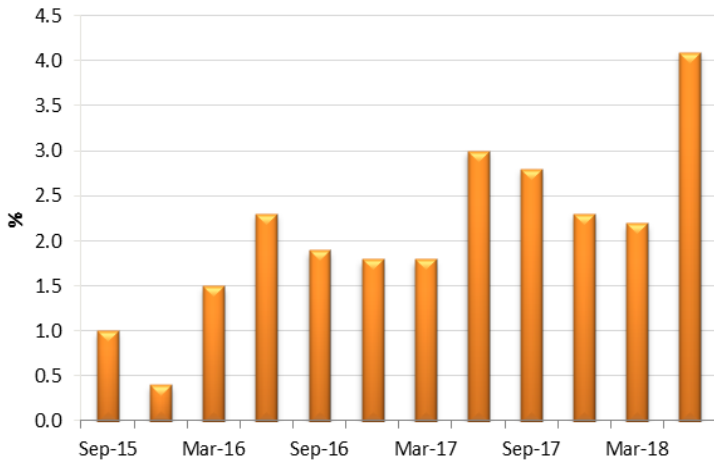
The Bloomberg Barclays U.S. Aggregate Bond Index increased 0.02% for the month, with investment-grade corporates contributing 83 basis points for the month, whereas US government and Treasury securities were down 0.41% and 0.42%, respectively. Global bonds struggled relative to domestic fixed income, as the Barclays Global Aggregate ex-U.S. Index lost 0.17%. However, emerging markets debt was the best-performing asset class within fixed income, returning 2.50%. High yielding fixed income securities posted strong performance, returning 1.09% for the month.

Municipal bonds posted positive returns, and outperformed their taxable counterparts, with the Bloomberg Barclays Municipal Index returning 0.24% for the month. Within the municipal space, the shorter-term securities fared better, with the 1-2 Year Index beating the 22+ Year Index by 20 basis points.

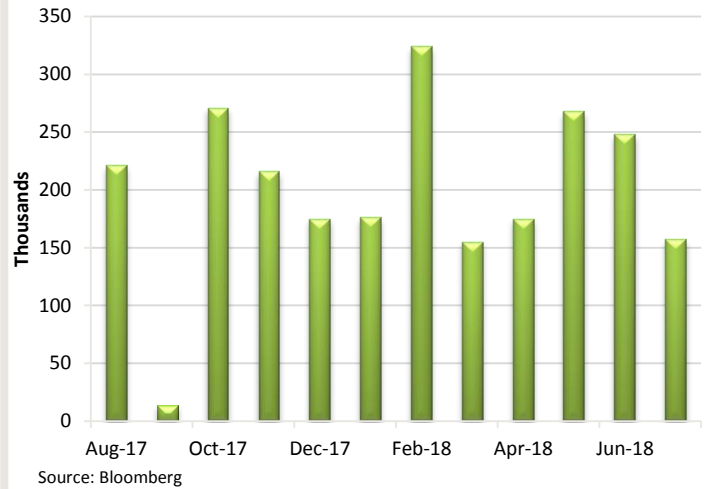
Scott Keller
Associate Portfolio Manager

Economic Data

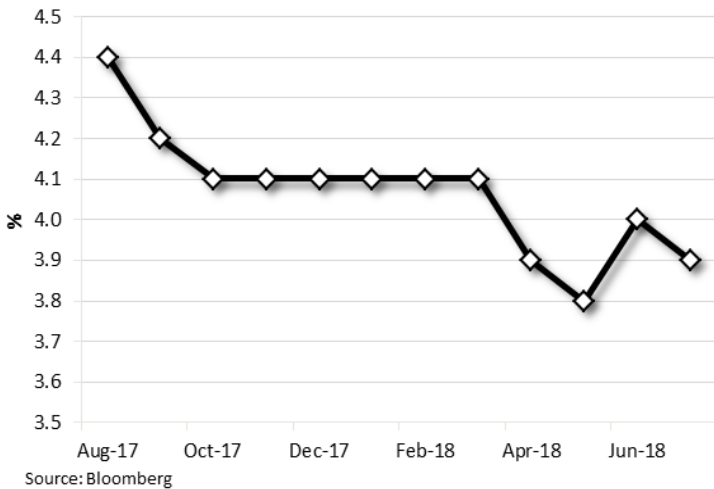
Real GDP Growth Rate - Annualized - 12 Qtrs.



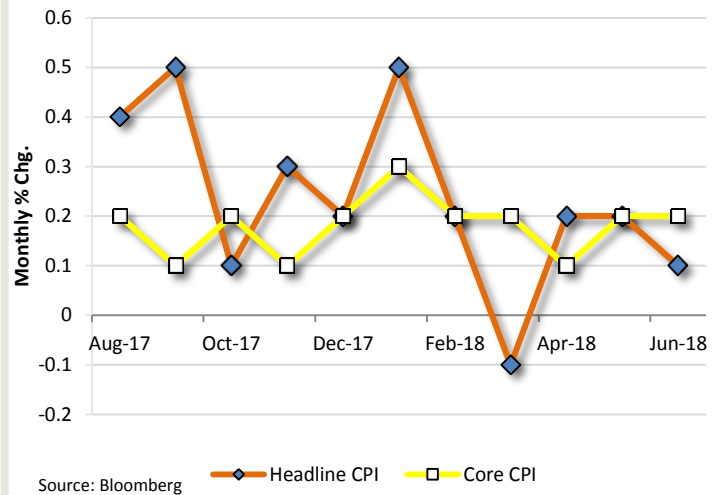
Non-Farm Payrolls-Trailing 12 Mos.



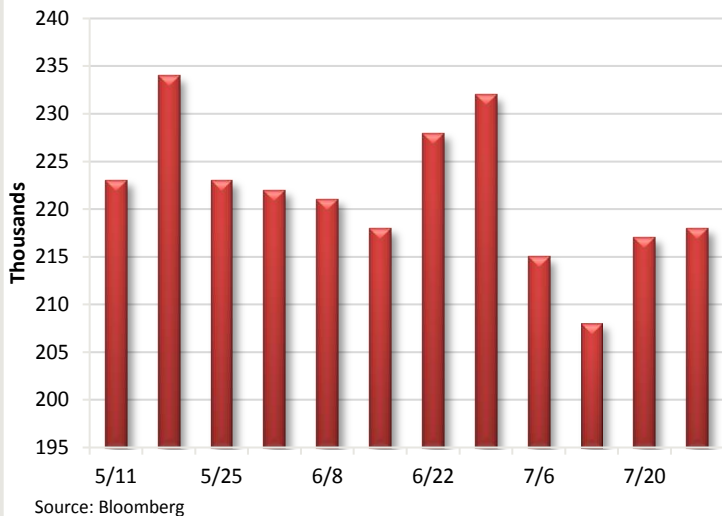
Unemployment Rate-Trailing 12 Mos.



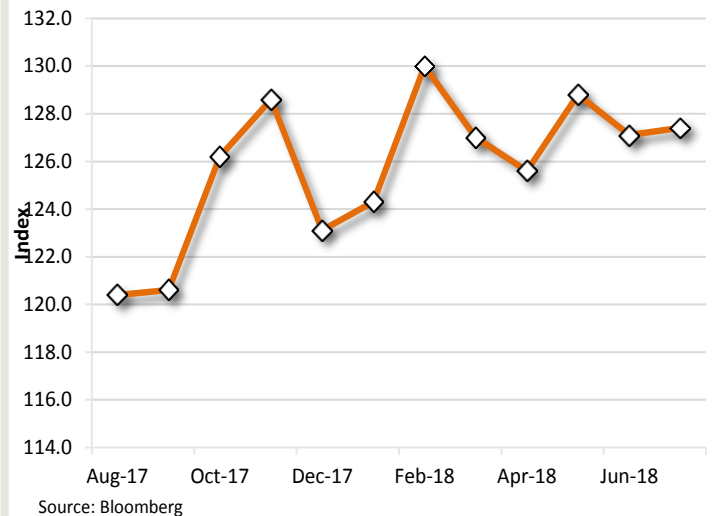
Consumer Price Index-Trailing 12 Mos.



Initial Jobless Claims-Trailing 12 Wks.



Consumer Board Confidence Index - Trailing 12 Mos.



Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

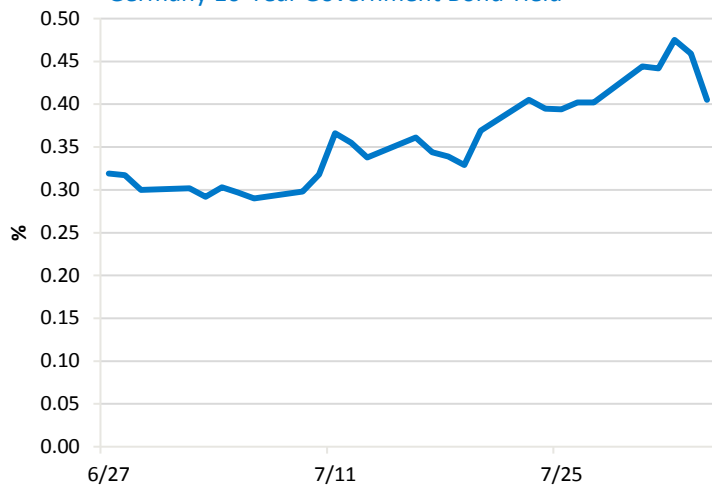
	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.41	0 bps	NM	NM
Greece 10-Yr. Govt.	4.06	-19 bps	NM	NM
Italy 10-Yr. Govt.	2.92	-14 bps	NM	NM
Spain 10-Yr. Govt.	1.42	-5 bps	NM	NM
Belgium 10-Yr. Govt.	0.76	-5 bps	NM	NM

Source: Bloomberg

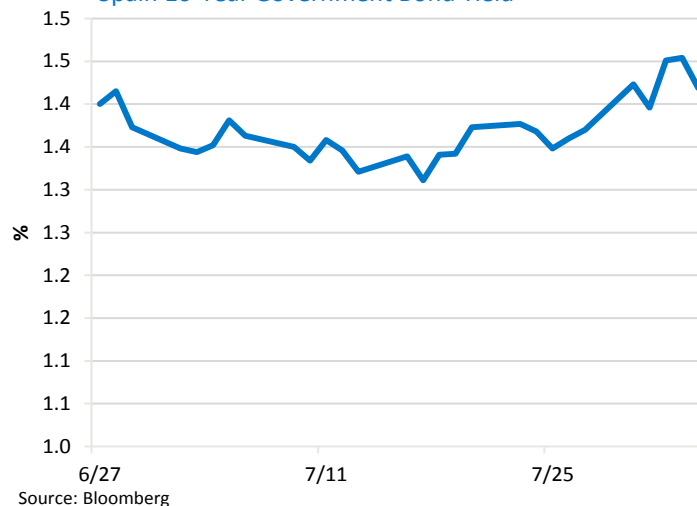
Basis points (bps)

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.74	-4 bps	NM	NM
Ireland 10-Yr. Govt.	0.88	-2 bps	NM	NM
Portugal 10-Yr. Govt.	1.77	-5 bps	NM	NM
Netherlands 10-Yr. Govt.	0.51	-1 bps	NM	NM
U.K. 10-Yr. Govt.	1.33	-5 bps	NM	NM

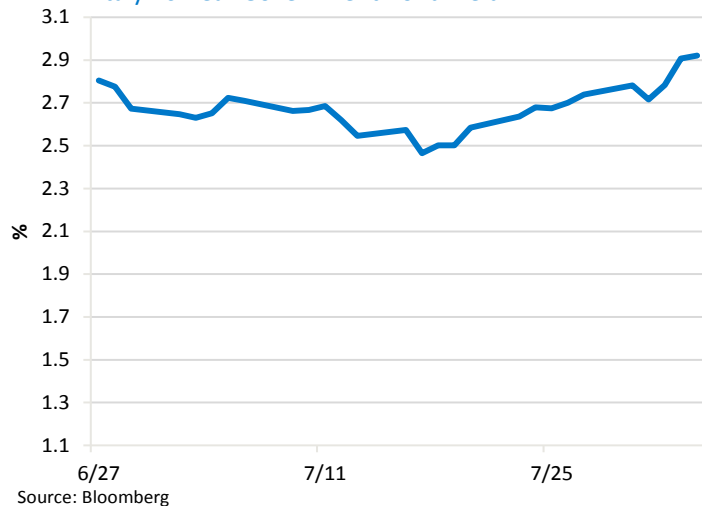
Germany 10-Year Government Bond Yield



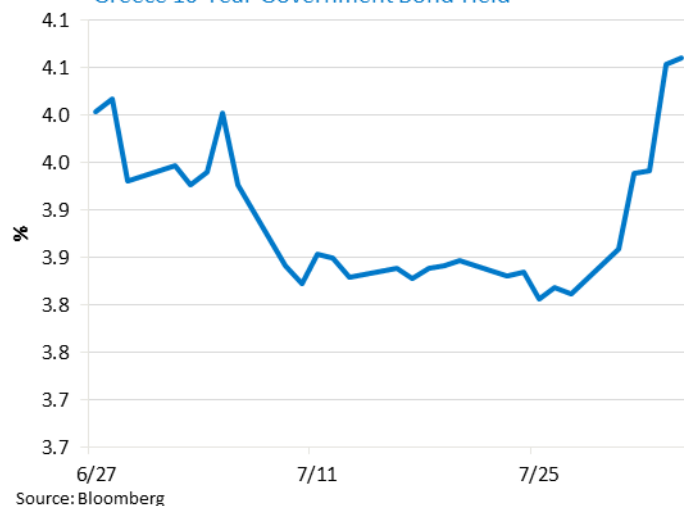
Spain 10-Year Government Bond Yield



Italy 10-Year Government Bond Yield



Greece 10-Year Government Bond Yield



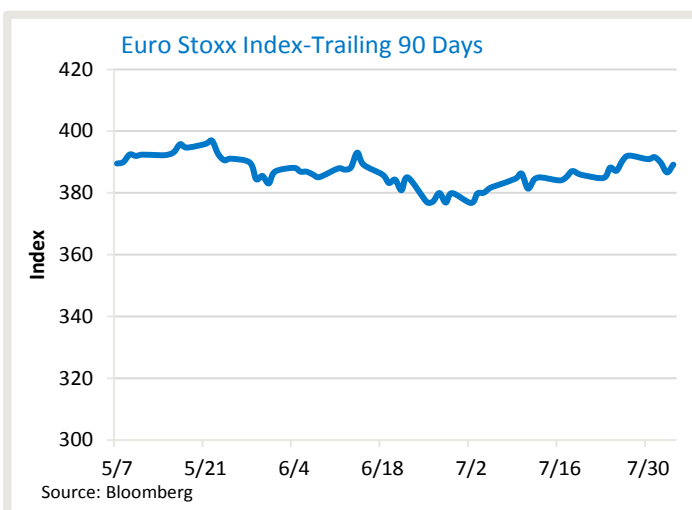
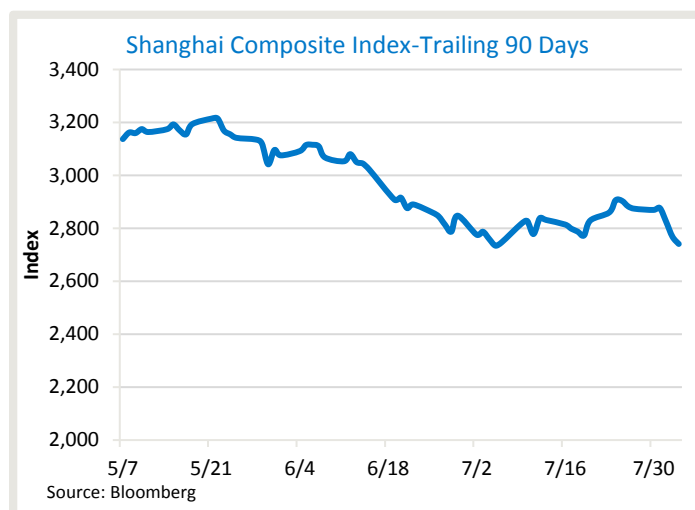
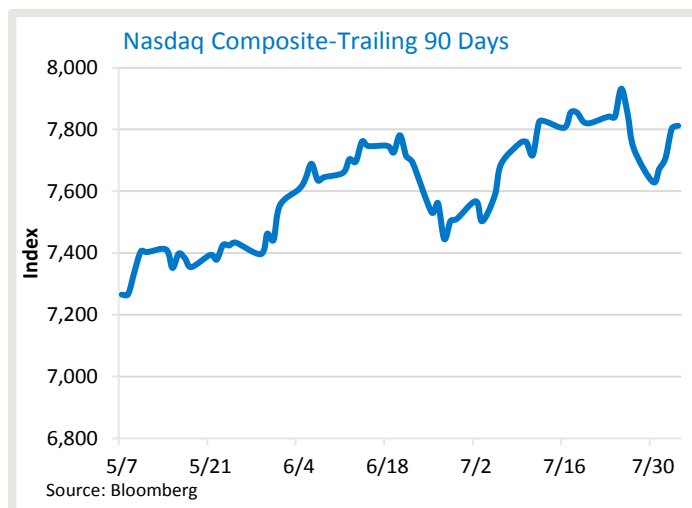
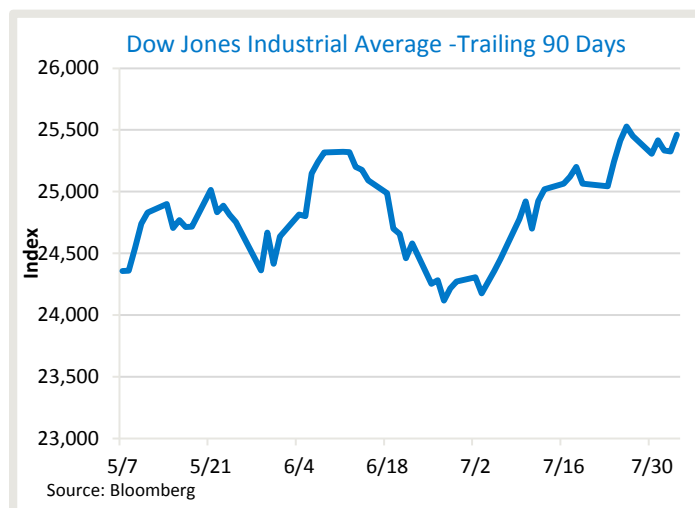
Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,840.35	21.53	0.76%	6.24%
Dow Industrials	25,462.58	11.52	0.05%	3.01%
Nasdaq Composite	7,812.02	74.60	0.96%	13.16%
Russell Global	2,164.86	-12.04	-0.55%	1.0%
Russell Global EM	3,354.90	-73.53	-2.14%	-7.9%
S&P/TSX (Canada)	16,420.24	26.29	0.16%	1.30%
Mexico IPC	49,302.57	-312.84	-0.63%	-0.05%
Brazil Bovespa	81,435.00	1568.88	1.96%	6.59%
Euro Stoxx 600	389.16	-2.92	-0.74%	-0.01%
FTSE 100	7,659.10	-42.21	-0.55%	-0.37%
IBEX 35 (Spain)	9,739.80	-128.10	-1.30%	-3.03%

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

	Last	Change	% Chg.	YTD %
Swiss Market Index	9,158.00	-15.20	-0.17%	-2.39%
CAC 40 Index (France)	5,478.98	-32.78	-0.59%	3.13%
DAX Index (Germany)	12,615.76	-244.64	-1.90%	-2.34%
Irish Overall Index	6,790.59	-107.52	-1.56%	-3.52%
Nikkei 225	22,525.18	-187.57	-0.83%	-1.05%
Hang Seng Index	27,676.32	-1127.96	-3.92%	-7.50%
Shanghai Composite	2,740.44	-133.15	-4.63%	-17.14%
Kospi Index (S. Korea)	2,287.68	-7.31	-0.32%	-7.29%
Taiwan Taiex Index	11,012.43	-63.35	-0.57%	3.47%
Tel Aviv 25 Index	1,578.00	0.30	0.02%	4.52%
MOEX Index (Russia)	2,297.99	5.27	0.23%	8.92%



Equities – Emerging and Frontier Markets

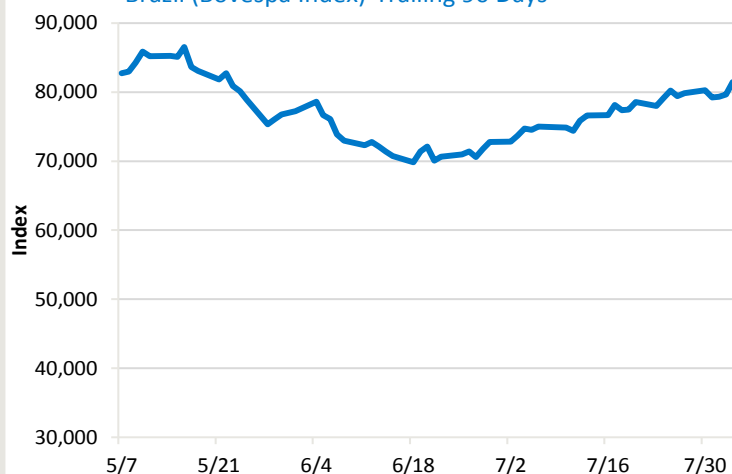
EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	49,302.57	-312.84	-0.6%	0.0%
Brazil (Bovespa Index)	81,435.00	1568.88	2.0%	6.6%
MOEX Index (Russia)	2,297.99	5.27	0.2%	8.9%
Czech Republic (Prague)	1,092.19	-0.83	-0.1%	1.3%
Turkey (Istanbul)	95,610.48	25.63	0.0%	-17.1%
Egypt (Hermes Index)	1,528.38	48.05	3.2%	6.4%
Kenya (Nairobi 20 Index)	3,310.15	-10.29	-0.3%	-10.8%
Saudi Arabia (TASI Index)	8,253.54	-114.16	-1.4%	14.2%
Lebanon (Beirut BLOM Index)	1,035.32	-7.57	-0.7%	-9.9%
Palestine	541.40	0.16	0.0%	-5.8%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	27,676.32	-1127.96	-3.9%	-7.5%
India (Sensex 30)	37,556.16	219.31	0.6%	10.3%
Malaysia (KLCI Index)	1,780.09	10.95	0.6%	-0.9%
Singapore (Straits Times Index)	3,265.73	-59.25	-1.8%	-4.0%
Thailand (SET Index)	1,712.09	22.01	1.3%	-2.4%
Indonesia (Jakarta)	6,007.54	18.40	0.3%	-5.5%
Pakistan (Karachi KSE 100)	42,505.05	-281.40	-0.7%	5.0%
Vietnam (Ho Chi Minh)	959.60	24.08	2.6%	-2.5%
Sri Lanka (Colombo)	6,143.90	-10.09	-0.2%	-3.5%
Cambodia (Laos)	889.47	-4.82	-0.5%	-10.9%

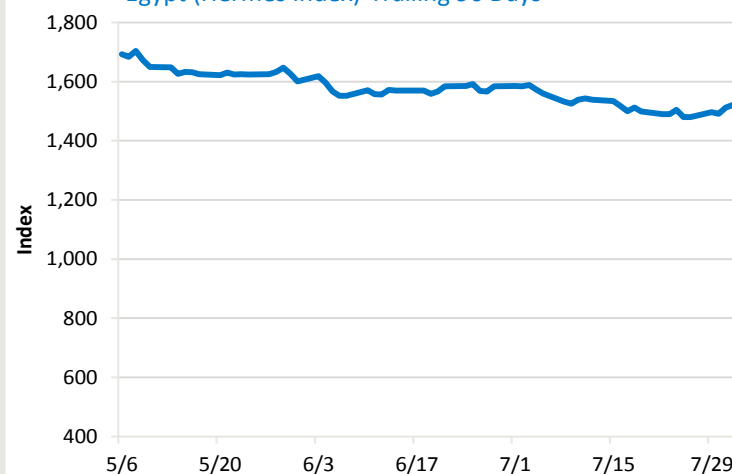
Brazil (Bovespa Index)-Trailing 90 Days



India (Sensex Index)-Trailing 90 Days



Egypt (Hermes Index)-Trailing 90 Days



Singapore (Straits Times Index)-Trailing 90 Days

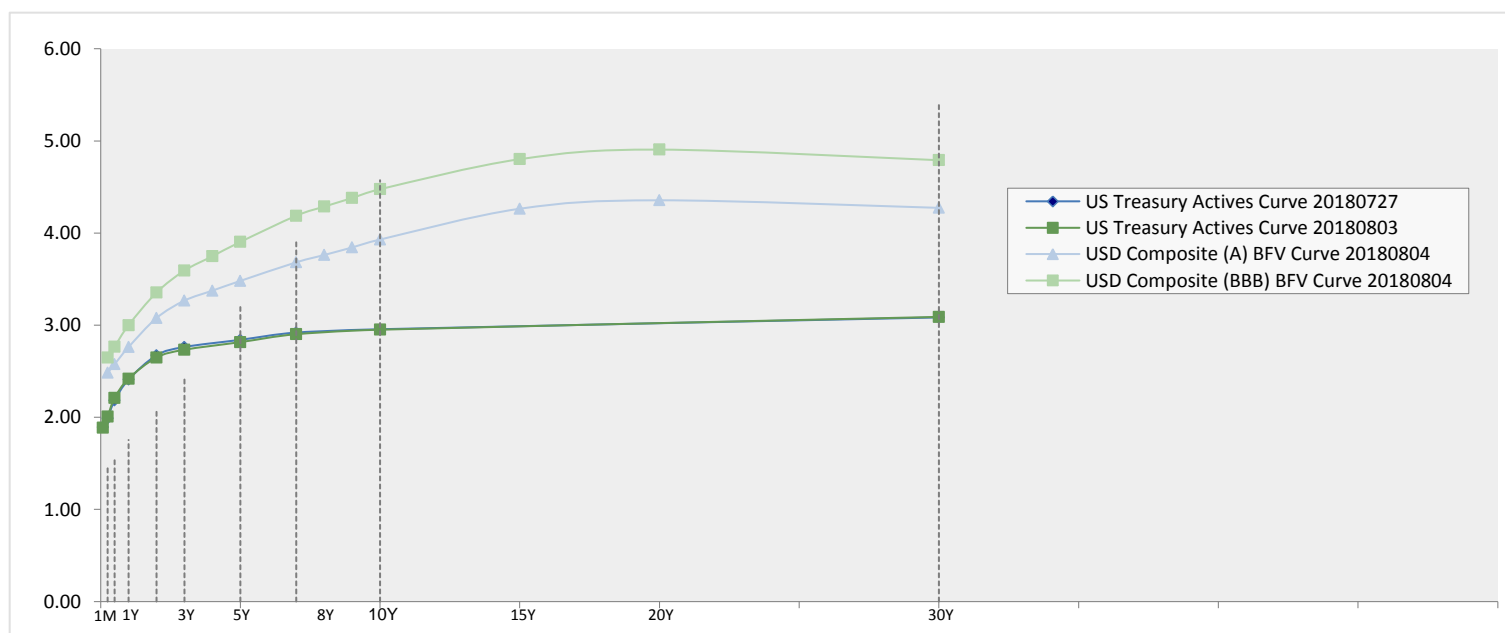


Interest Rates

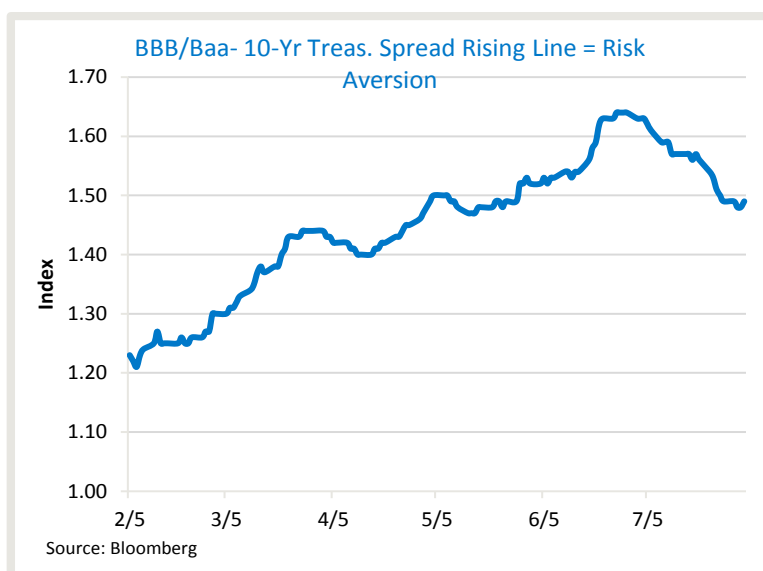
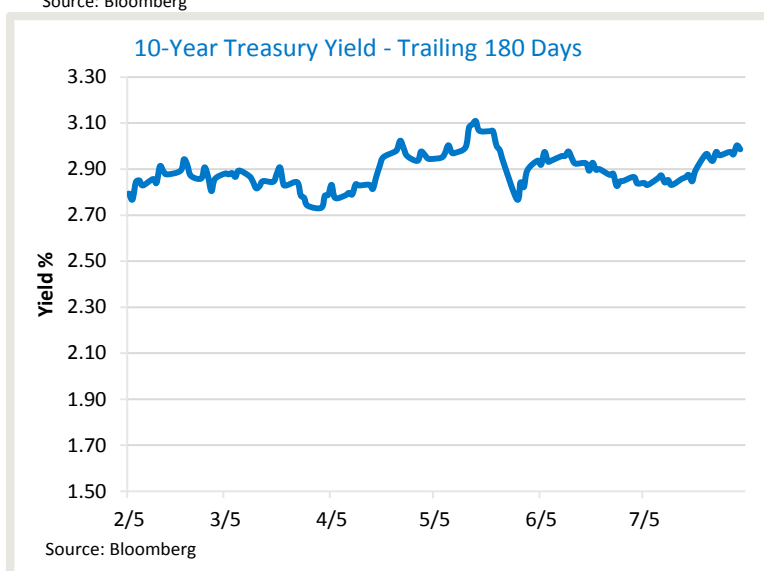
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	2.65%	1 bps	NM	NM	Prime Rate	5.00%	0.00	NM	NM
5-Yr. U.S. Treasury	2.82%	-3 bps	NM	NM	Fed Funds Rate	2.00%	0.00	NM	NM
10-Yr. U.S. Treasury	2.95%	-1 bps	NM	NM	Discount Rate	2.50%	0.00	NM	NM
30-Yr. U.S. Treasury	3.09%	1 bps	NM	NM	LIBOR (3 Mo.)	2.34%	0 bps	NM	NM
German 10-Yr. Govt.	0.41%	0 bps	NM	NM	Bond Buyer 40 Muni	3.86%	4 bps	NM	NM
France 10-Yr.	0.74%	-4 bps	NM	NM	Bond Buyer 40 G.O.	3.95%	NA	NM	NM
Italy 10-Yr.	2.92%	-14 bps	NM	NM	Bond Buyer 40 Rev.	4.45%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.14%	0 bps	NM	NM					

Source: Bloomberg



Source: Bloomberg



Currencies

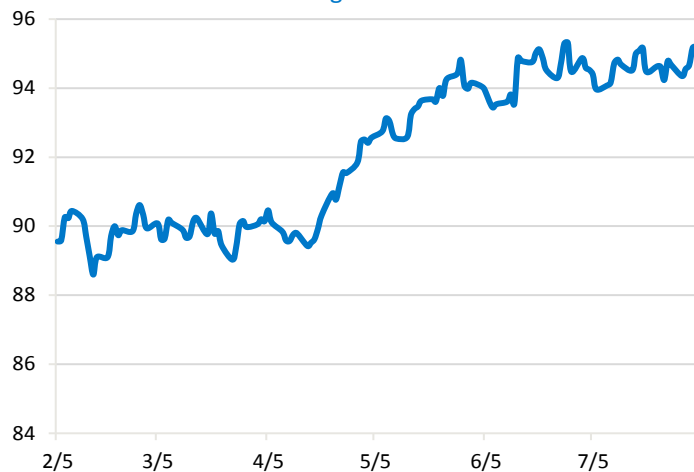
SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	95.20	0.534	0.56%	3.34%
Euro	1.16	-0.009	-0.77%	-3.65%
Japanese Yen	111.27	0.230	-0.21%	1.27%
British Pound	1.30	-0.010	-0.77%	-3.77%
Canadian Dollar	1.30	-0.006	0.48%	-3.24%

Source: Bloomberg

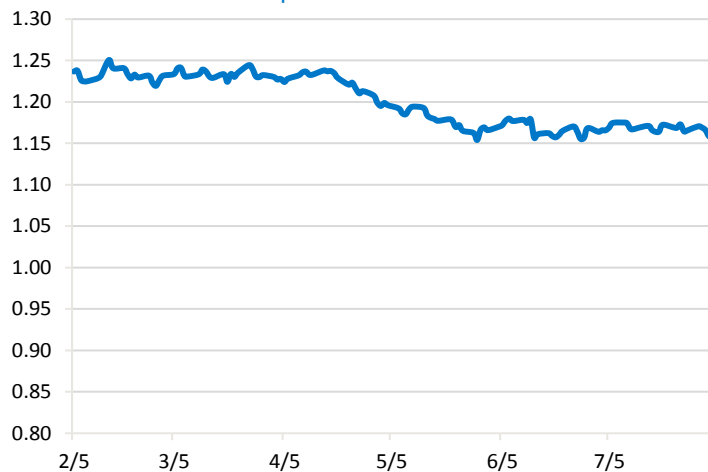
	Last	Change	% Chg.	YTD %
Chinese Yuan	6.83	0.014	-0.20%	-4.69%
Swiss Franc	0.99	0.000	0.03%	-2.00%
New Zealand Dollar	0.67	-0.004	-0.63%	-4.95%
Brazilian Real	3.71	-0.005	0.13%	-10.76%
Mexican Peso	18.56	-0.072	0.39%	5.93%

U.S. Dollar Index - Trailing Six Months



Source: Bloomberg

Euro - U.S. Dollars per Euro



Source: Bloomberg

Chinese yuan - yuan per U.S. Dollar



Source: Bloomberg

Japanese yen - Yen per U.S. Dollar



Source: Bloomberg

Commodities

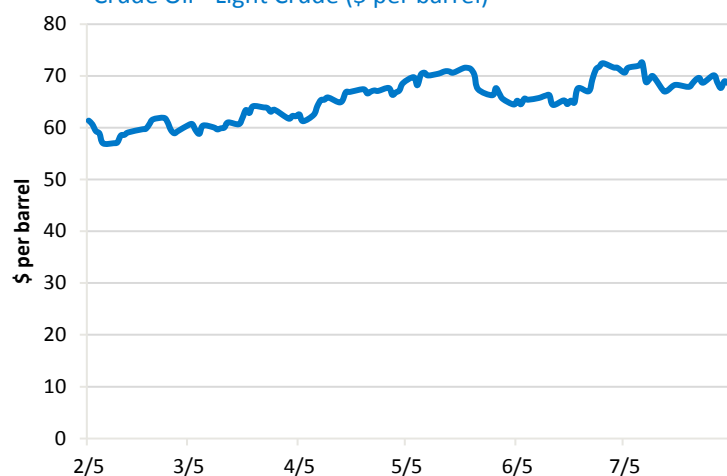
SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	84.90	0.06	0.07%	-3.71%
Crude Oil	\$68.59	-\$0.09	-0.13%	16.13%
Natural Gas	\$2.85	\$0.06	2.30%	2.04%
Gasoline (\$/Gal.)	\$2.87	\$0.02	0.56%	15.52%
Heating Oil	213.22	-2.69	-1.25%	8.80%
Gold Spot	\$1,213.74	-\$10.58	-0.86%	-6.84%
Silver Spot	\$15.42	-\$0.09	-0.57%	-8.97%

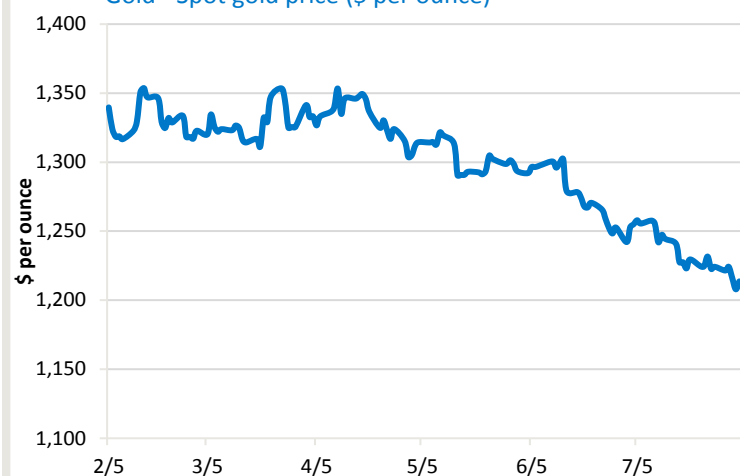
Source: Bloomberg; % change is based on price.

	Last	Change	% Chg.	YTD %
Platinum Spot	\$831.40	\$0.34	0.04%	-10.43%
Corn	384.25	8.00	2.13%	0.07%
Wheat	579.75	29.75	5.41%	20.28%
Soybeans	902.25	17.00	1.92%	-7.53%
Sugar	10.85	-0.03	-0.28%	-28.67%
Orange Juice	168.90	5.10	3.11%	20.51%
Aluminum	2,036.00	-35.00	-1.69%	-10.23%
Copper	6,139.50	-157.50	-2.50%	-15.28%

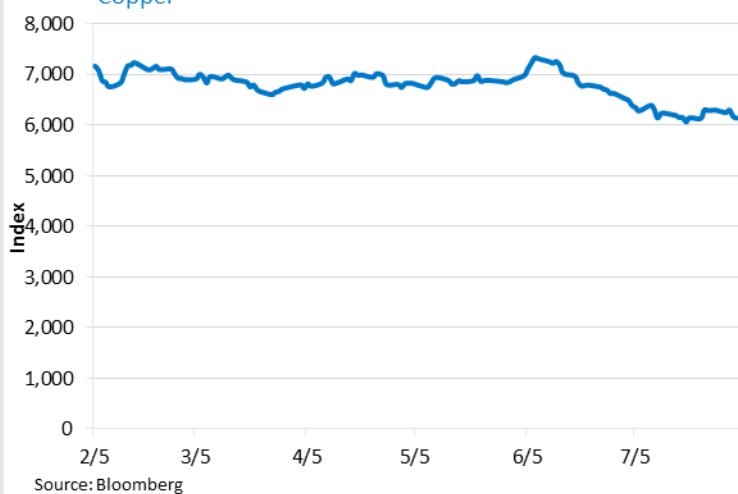
Crude Oil - Light Crude (\$ per barrel)



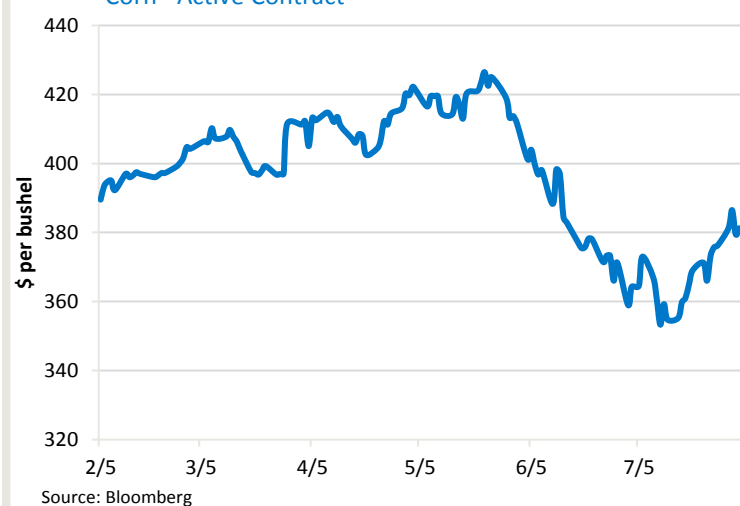
Gold - Spot gold price (\$ per ounce)



Copper



Corn - Active Contract



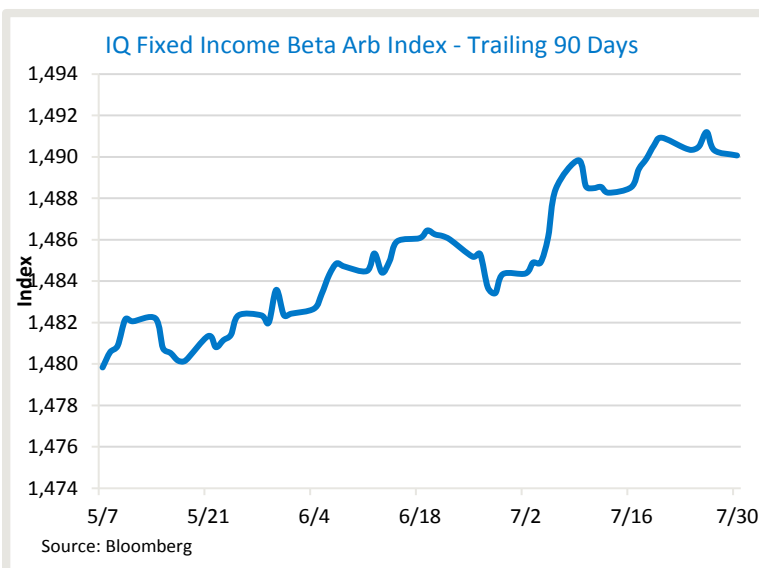
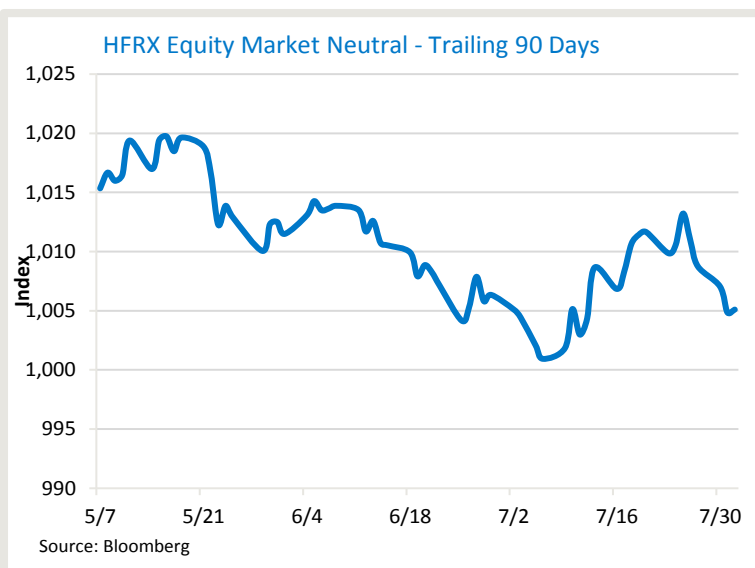
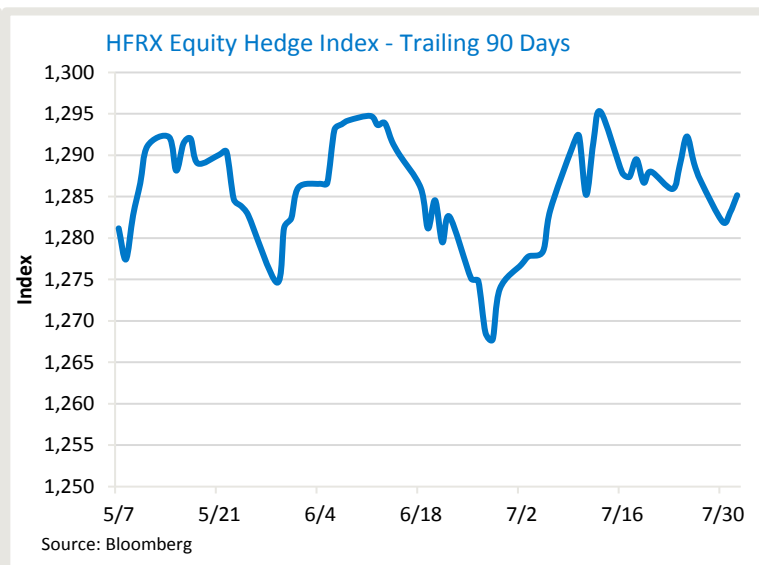
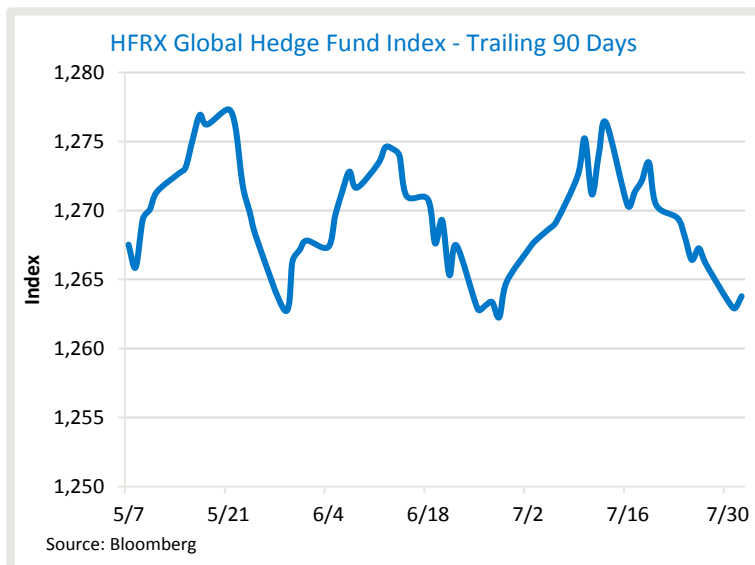
Alternative Investments

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

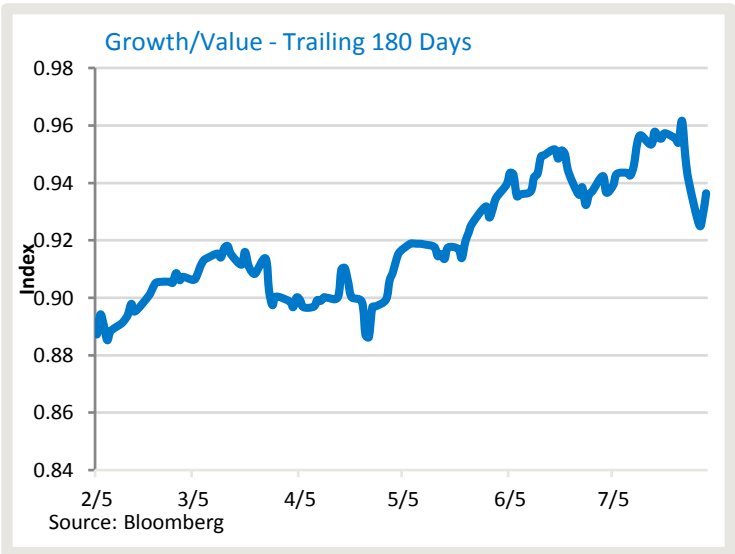
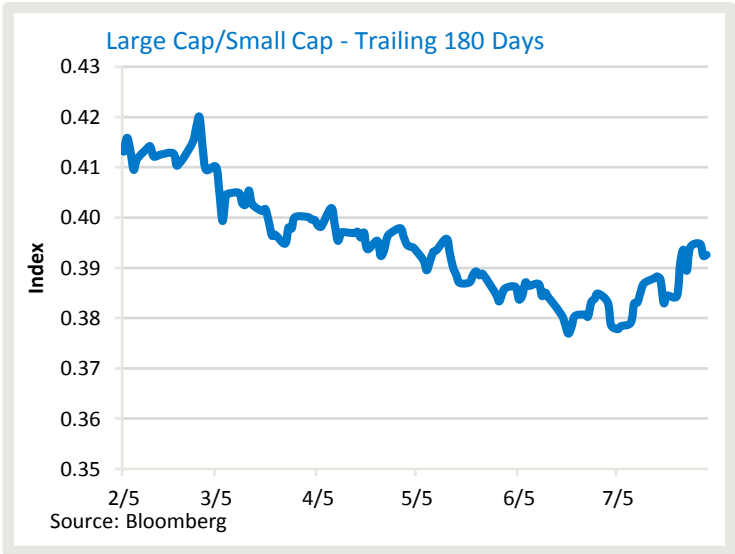
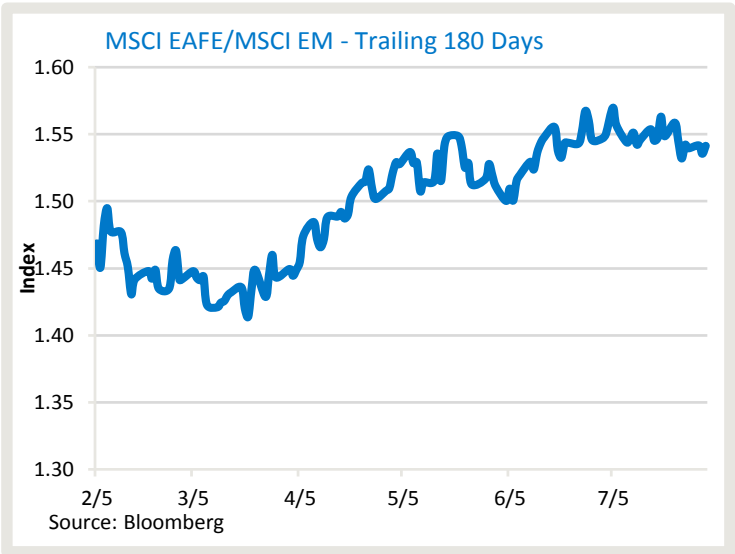
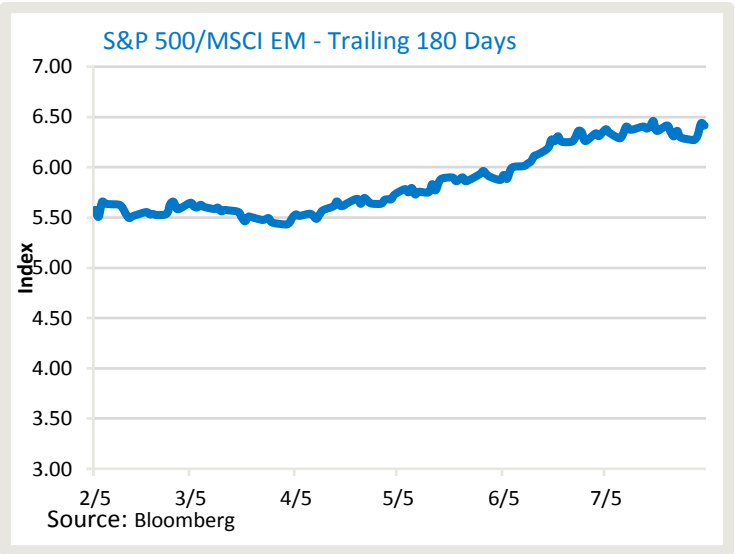
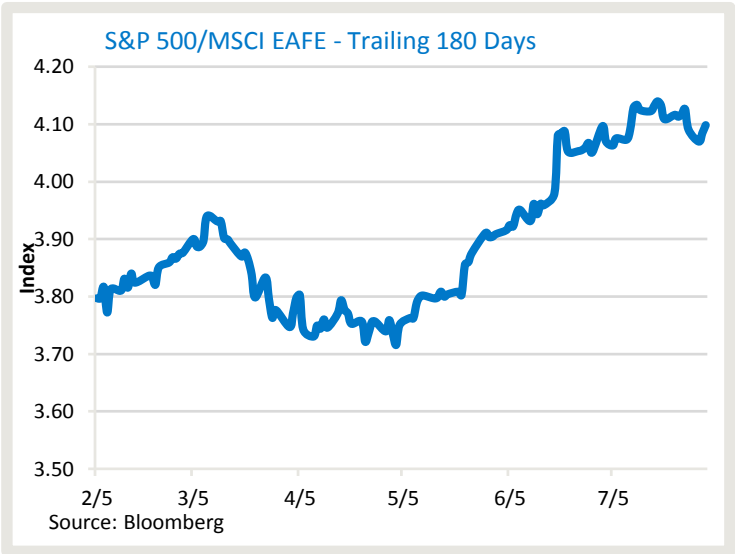
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1262.71	-3.40	-0.27%	-1.01%
HFRX Equity Market Neutral	1002.45	-6.30	-0.62%	-0.19%
HFRX Equity Hedge Index	1278.47	-8.30	-0.65%	0.61%
HFRX Event-Driven Index	1583.10	3.78	0.24%	-4.96%
HFRX Absolute Return Index	1072.81	-3.28	-0.30%	0.90%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1040.77	0.25	0.02%	-5.95%
HFRX Merger Arbitrage Index	1842.30	2.50	0.14%	-0.58%
HFRX Convertible Arbitrage Index	799.45	-4.19	-0.52%	0.41%
HFRX Macro CTA Index	1136.93	-4.58	-0.40%	-2.31%
IQ Fixed Income Beta Arb Index	1490.44	0.12	0.01%	1.36%

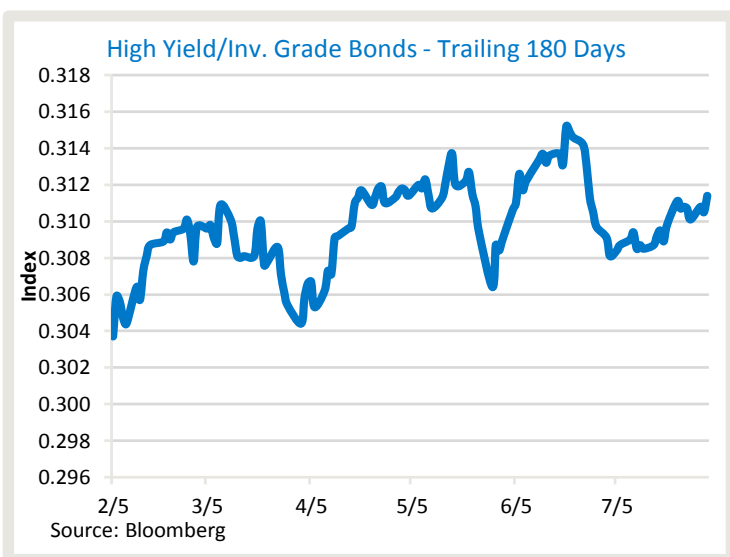
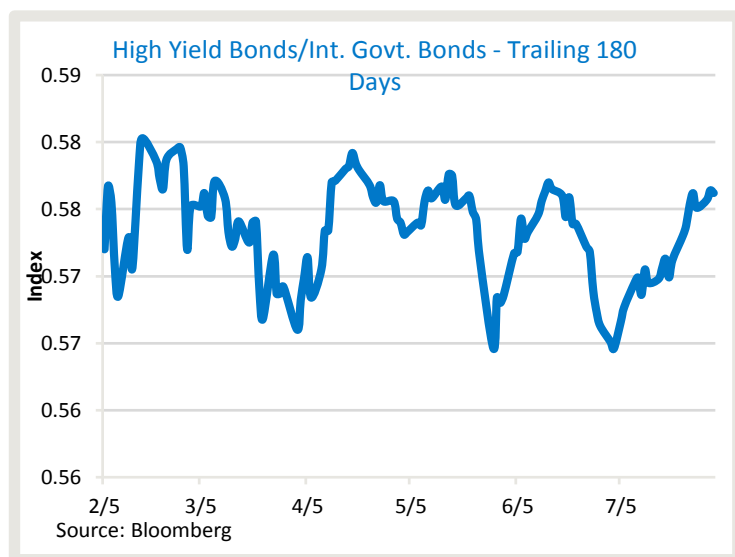
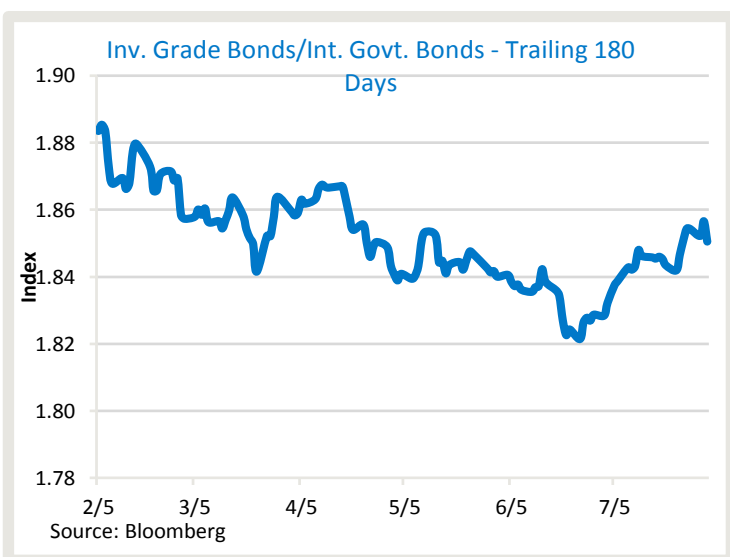
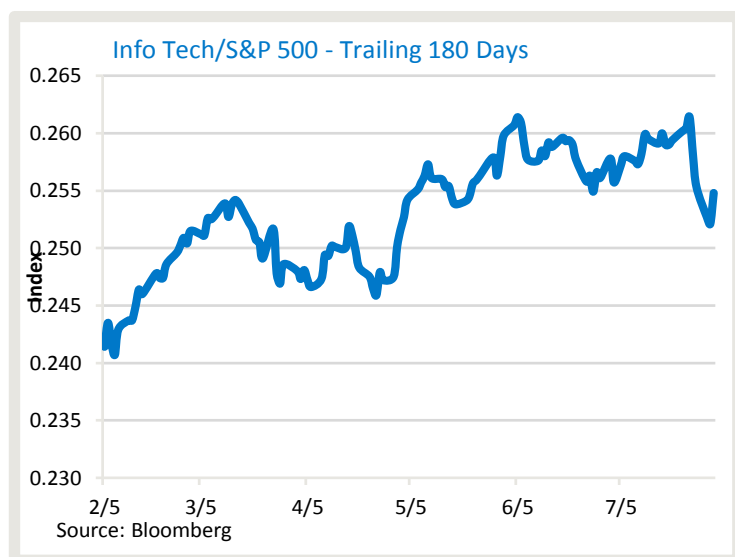
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			5/17	5/24	5/31	6/7	6/14	6/21	6/28	7/5	7/12	7/19	7/26	8/2
Equity	Domestic Equity	Large Cap (R200)	-0.14%	0.29%	-0.72%	2.53%	0.35%	-1.24%	-1.14%	0.68%	2.47%	0.15%	1.22%	-0.21%
		Small Cap (R2000)	1.35%	0.18%	0.33%	2.09%	1.02%	0.25%	-2.60%	2.10%	0.64%	0.65%	0.35%	-0.78%
	Int'l. Equity	MSCI EAFE	0.33%	-1.34%	-1.82%	1.76%	-0.29%	-2.54%	-1.27%	0.80%	0.60%	0.25%	1.59%	-1.28%
		MSCI Em. Mkts.	-1.08%	-0.79%	-1.26%	2.58%	-2.09%	-4.04%	-3.10%	0.73%	1.51%	-0.90%	2.69%	-2.00%
Fixed Income		BarCap Agg. (AGG)	-0.74%	0.82%	0.54%	-0.53%	-0.06%	0.00%	0.37%	0.08%	0.09%	0.07%	0.45%	-0.25%
		High Yield (JNK)	-0.36%	0.14%	-0.36%	0.36%	0.59%	-0.31%	-0.81%	-0.25%	0.62%	0.03%	0.45%	-0.11%
Commodities		Bloomberg Commodity Index	-0.27%	1.33%	-0.87%	-0.74%	-0.92%	-3.13%	0.43%	-1.45%	-1.78%	-1.12%	2.27%	-0.52%
Alternatives		Hedge Funds (HFRX Global)	0.54%	-0.55%	-0.22%	0.45%	0.09%	-0.68%	-0.24%	0.51%	0.44%	-0.06%	0.49%	-0.36%
Asset Allocation		60/40*	-0.19%	0.16%	-0.35%	1.20%	0.07%	-0.95%	-0.86%	0.58%	1.03%	0.13%	0.57%	-0.52%
		48/32/20 (w/Alts.)**	-0.04%	0.02%	-0.32%	1.05%	0.07%	-0.89%	-0.74%	0.57%	0.91%	0.09%	0.36%	-0.49%

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	1.01	1.02	1.07	1.09	1.06	1.08	1.09	1.06	1.24	1.38	1.00	1.36	1.29	1.13
Large Cap Growth	0.99	1.00	1.01	1.06	1.07	1.05	1.06	1.08	1.05	1.23	1.36	0.99	1.35	1.27	1.11
Large Cap Value	0.98	0.99	1.00	1.04	1.06	1.03	1.05	1.06	1.04	1.21	1.35	0.98	1.33	1.26	1.10
Mid Cap Core	0.94	0.95	0.96	1.00	1.02	0.99	1.01	1.02	0.99	1.16	1.29	0.94	1.27	1.21	1.06
Mid Cap Growth	0.92	0.93	0.94	0.98	1.00	0.98	0.99	1.00	0.98	1.15	1.27	0.92	1.26	1.19	1.04
Mid Cap Value	0.94	0.96	0.97	1.01	1.02	1.00	1.02	1.03	1.00	1.17	1.30	0.95	1.29	1.22	1.06
Small Cap Core	0.93	0.94	0.95	0.99	1.01	0.98	1.00	1.01	0.99	1.16	1.28	0.93	1.27	1.20	1.05
Small Cap Growth	0.92	0.93	0.94	0.98	1.00	0.97	0.99	1.00	0.97	1.14	1.27	0.92	1.25	1.18	1.03
Small Cap Value	0.94	0.95	0.97	1.01	1.02	1.00	1.01	1.03	1.00	1.17	1.30	0.95	1.28	1.22	1.06
Int'l. Developed	0.80	0.81	0.82	0.86	0.87	0.85	0.87	0.88	0.85	1.00	1.11	0.81	1.10	1.04	0.91
Emerging Markets	0.73	0.73	0.74	0.77	0.79	0.77	0.78	0.79	0.77	0.90	1.00	0.73	0.99	0.93	0.82
REITs	1.00	1.01	1.02	1.07	1.08	1.06	1.07	1.09	1.06	1.24	1.37	1.00	1.36	1.29	1.12
Commodities	0.73	0.74	0.75	0.78	0.80	0.78	0.79	0.80	0.78	0.91	1.01	0.74	1.00	0.95	0.83
Int. Bond	0.78	0.79	0.79	0.83	0.84	0.82	0.83	0.85	0.82	0.96	1.07	0.78	1.06	1.00	0.87
High Yield	0.89	0.90	0.91	0.95	0.96	0.94	0.95	0.97	0.94	1.10	1.22	0.89	1.21	1.14	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 **Purchasing Managers' Index (PMI)** is an indicator of the economic health of the manufacturing sector. The **PMI** is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. **Brexit** is a commonly used term for the United Kingdom's withdrawal from the European Union. The **Kansas City Fed Manufacturing Survey** monitors manufacturing plants selected according to geographic distribution, industry mix and size in the Tenth Federal Reserve District. **West Texas Intermediate (WTI)**, also known as Texas light sweet, is a grade of crude oil used as a benchmark in oil pricing. **Risk Premium** is the return in excess of the risk-free rate of return an investment is expected to yield. **LIBOR or ICE LIBOR** (previously BBA LIBOR) is a benchmark rate, which some of the world's leading banks charge each other for short-term loans. It stands for Intercontinental Exchange London Interbank Offered Rate and serves as the first step to calculating interest rates on various loans throughout the world.

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 **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 **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 Growth 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 **HFRI 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 HFRI Methodology (UCITS compliant), a proprietary and highly quantitative process by which hedge funds are selected as constituents for the HFRI 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 **NY Empire State Manufacturing Index** is 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 **S&P The Dow Jones Wilshire U.S. REIT Index** tracks the performance of publicly traded REITs and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate. The **Russell Top 200 Index** measures the performance of the 200 largest companies in the Russell 1000 Index, with a weighted average market capitalization of \$186 billion. The **Barclays 1-3 Year US Treasury Bond Index** measures public US Treasury obligations with remaining maturities of one to three years. The **S&P LSTA Leveraged Loan Index** is an unmanaged capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. It covers the US market back to 1997 and currently calculates on a daily basis. The **JP Morgan EMBI Global Index** tracks total returns for US dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities.

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