

Chart of the Week



Weekly Highlights

- Domestic stock prices were modestly higher this week.** Broad equity indices enjoyed a positive start to December, buoyed by today's extremely strong November jobs report, which showed that hiring surged to the highest level in three years. Favorable seasonality is also supporting equities. Since 1970, the S&P 500 has posted a gain in December 80% of the time, with an average return of 2.0%. Volatility has also recovered to pre-September levels.
- Global markets posted extremely varied results on the week.** World markets posted wildly mixed performance this week, as investors responded to various news items. Emerging markets performed very poorly, as European Central Bank president Draghi said a decision on additional stimulus in the eurozone would wait until next quarter. Meanwhile, China markets soared; the Shanghai Composite is up 38% so far this year.
- Treasury prices were lower for the week.** The yield on the benchmark 10-year U.S. Treasury trended higher this week as the jobs report indicated that payroll growth was very robust.
- Commodity indices edged lower on the week.** Energy declined, but metals and grains were modestly higher.

Talking Points

- Among equities,** large-caps underperformed small-caps, and value stocks outperformed growth-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 fell again on the week.** Energy declined; metals and grains were higher.
- The dollar was sharply higher** this week against a basket of currencies.
- Among economic data released this week,** payroll growth exceeded 320,000, far exceeding expectations; the unemployment rate remained unchanged at 5.8%; manufacturing rose faster than expected; non-manufacturing jumped the most in nine years; construction spending rose slightly; and the four-week average of initial jobless claims declined in the latest week.

MARKET DASHBOARD

	Last Price	Change	% Chg.	YTD %
S&P 500	2,075.28	7.81	0.38%	12.3%
Dow Industrials	17,958.79	138.45	0.78%	8.4%
Nasdaq	4,780.75	-6.80	-0.14%	14.6%
Russell 2000	1,182.39	8.34	0.71%	1.5%
Euro Stoxx Index	350.97	3.29	0.95%	6.8%
Shanghai Composite	2,937.65	254.81	9.50%	38.8%
Russell Global	1,754.96	1.63	0.09%	4.0%

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

	Last Price	Change	% Chg.	YTD %
Russell Global EM	3,077.28	-54.04	-1.73%	-0.9%
10-Year US Treas.	2.31	13 bps	NM	NM
DJ UBS Comm. Idx.	112.20	-0.80	-0.71%	-10.8%
Gold	\$1,190.78	\$27.71	2.37%	-0.5%
Crude Oil	\$65.69	-\$0.74	-1.12%	-28.9%
Dollar Index	89.34	0.92	1.05%	11.6%
VIX Index	11.92	-1.48	-11.10%	-13.6%



	One Week			YTD		
	Value	Growth		Value	Growth	
L	1.13%	0.46%	-0.20%	11.05%	12.04%	13.04%
	0.16%	-0.04%	-0.22%	12.04%	11.40%	10.89%
S	0.76%	0.71%	0.66%	0.45%	1.54%	2.66%

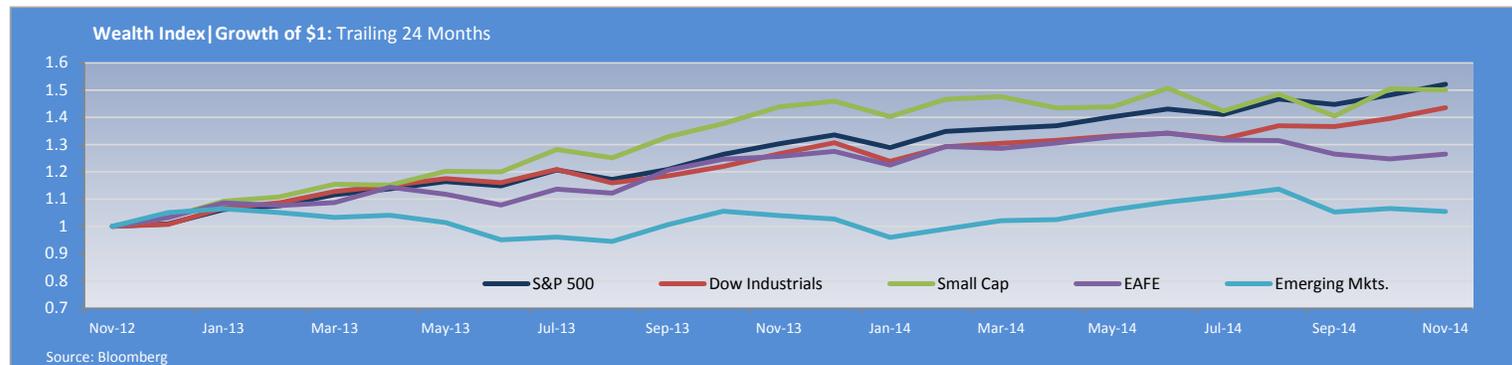
Source: Bloomberg

Sector Performance:

S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	11.9	-0.38%	6.8%
Consumer Staples	9.7	-1.30%	12.9%
Energy	8.4	1.14%	-9.3%
Financials	16.6	1.85%	13.4%
Health Care	14.5	1.63%	27.2%
Industrials	10.4	0.69%	8.6%
Information Technology	19.8	-0.31%	19.9%
Materials	3.2	1.64%	7.4%
Telecom Services	2.3	-3.87%	0.5%
Utilities	3.1	-0.54%	19.7%

Source: Bloomberg



THE ECONOMY AND MARKETS

A Macro View – November Monthly Recap

Domestic equity markets gained ground again in November, in a continuation of the recovery from the September lows. Economic data remained a key driver of the market's gains, as both consumer spending and business investment are trending higher. The one segment of the market that continued to struggle in the month was energy, which plunged as a result of the sharp drop in crude oil prices. Slowing demand and OPEC efforts to suppress prices in order to discourage fracking in the U.S. contributed to energy's slide. Domestic economic data continues to make gains, with the latest estimate of third quarter real gross domestic product (GDP) coming in at +3.9%, up from the previous estimate of +3.5%.

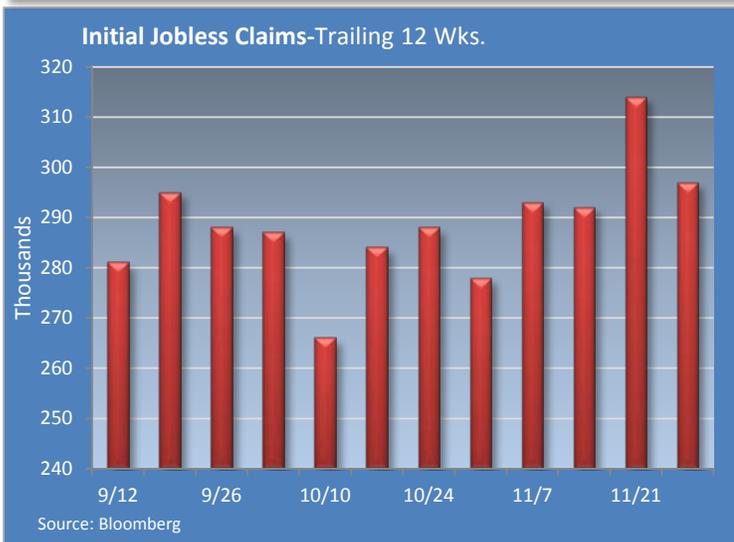
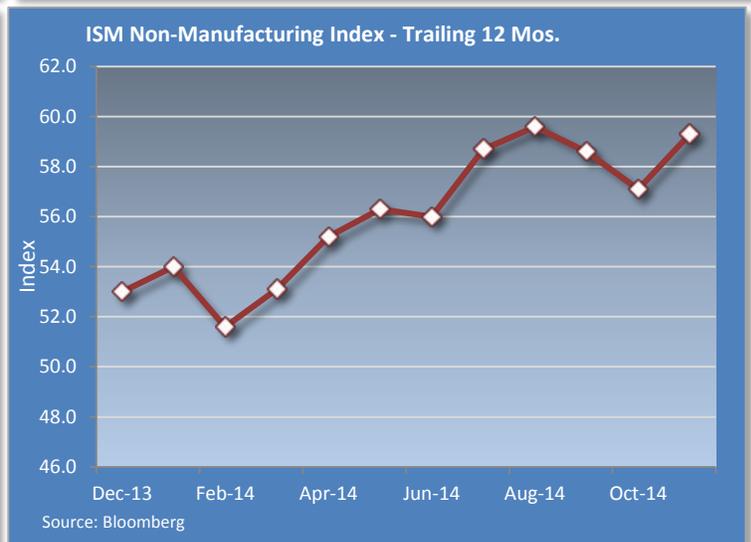
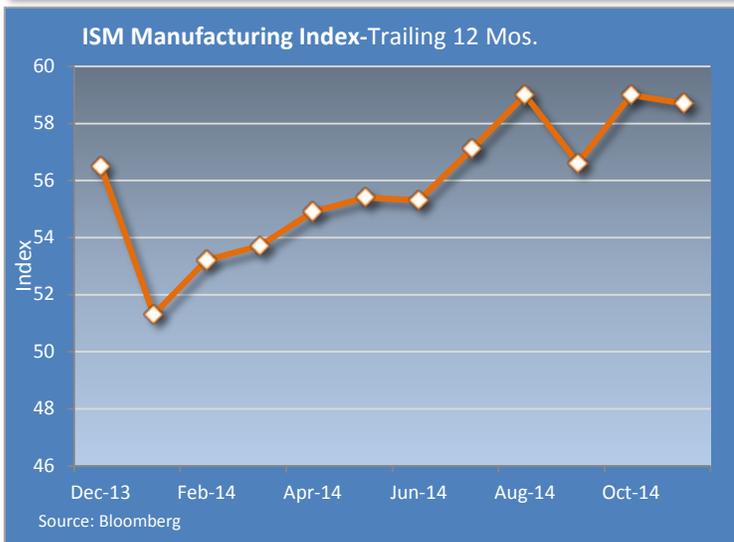
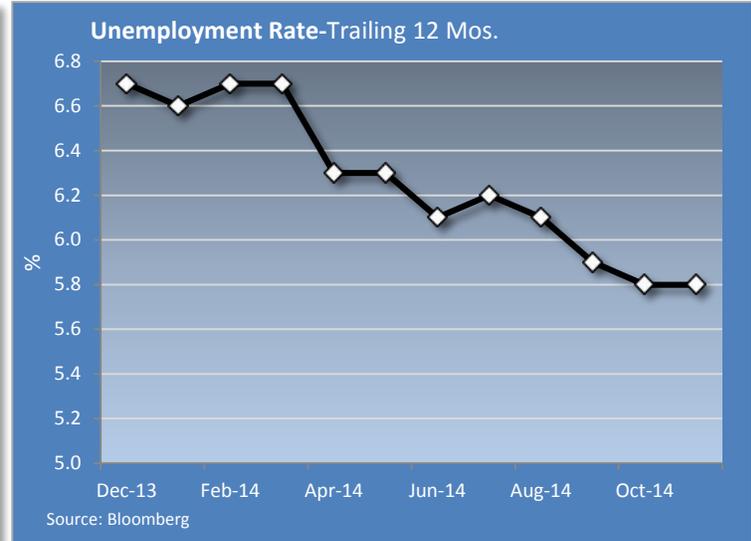
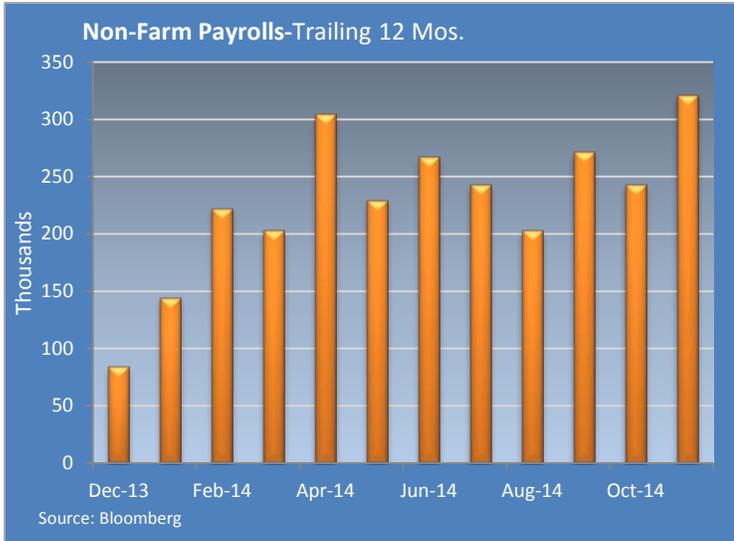
Within this landscape, stocks posted moderate gains in November. The S&P 500 gained +2.7% for the month, and is now up +14.0% on a year-to-date basis. The Dow Jones Industrials also marched higher, gaining +2.9%. The tech-heavy Nasdaq Composite Index rose +3.7%, and is now up +16.0% year-to-date. The Russell 2000 Index of small cap stocks struggled on a relative basis, underperforming the Russell 1000 Index of large cap stocks, with returns of +0.1% and +2.6%, respectively. Growth stocks outperformed value stocks during the month. In terms of sector performance, the top performers in the month were consumer staples, consumer discretionary and information technology with gains of +5.5%, +5.4% and +5.3%, respectively. Energy, telecommunications services and utilities were the laggards, with returns of -8.5%, 1.2% and 1.2%, respectively.

International equity markets posted varied performance in November, which is not unusual for this year. Investors remain concerned with lackluster growth outlooks for the eurozone and emerging markets. Many analysts, however, now contend that European stocks are among the best values globally, and should soon begin to generate strong relative performance. The MSCI World ex-U.S. Index gained +2.1% for the month. Emerging markets reverted their former lagging performance in November after having staged somewhat of a rebound in October. The MSCI Emerging Markets Index declined -1.1% for the month, and the MSCI EAFE Index, which measures developed markets performance, was up +1.4%. Regionally, Europe was the best performer on a relative basis, advancing +2.7%. Eastern Europe and Latin America were among the poorest performers, with results of -7.7% and -4.6%, respectively.

Fixed-income markets had another month of respectable gains in November, as investors continued to assess the outlook for interest rates now that the Federal Reserve's asset purchase program has ended. Analysts are now focusing attention on the prospects for the shape of the yield curve, with the consensus being that the curve will eventually invert as rates are normalized. Against this backdrop, the 10-year U.S. Treasury yield ended the month at 2.19%, down 15 basis points from the 2.34% level of October 31st. Broad-based fixed-income indices were mostly higher in November, with the Barclays U.S. Aggregate Bond Index gaining 0.7% for the month. As in October, global fixed-income markets performed relatively poorly, with the Barclays Global Aggregate ex-U.S. Index declining -1.1% for the month. Intermediate-term corporate bonds gained ground, as the Barclays U.S. Corporate 5-10 Year Index advanced +0.8%. The Barclays U.S. Corporate High Yield Index ended the month with a loss of -0.7%. Municipals continued to deliver positive gains, returning +0.2% for the month. Municipals are now up +8.5% for the year.

Brandon Thomas
Chief Investment Officer

THIS WEEK IN THE ECONOMY AND MARKETS



EUROZONE

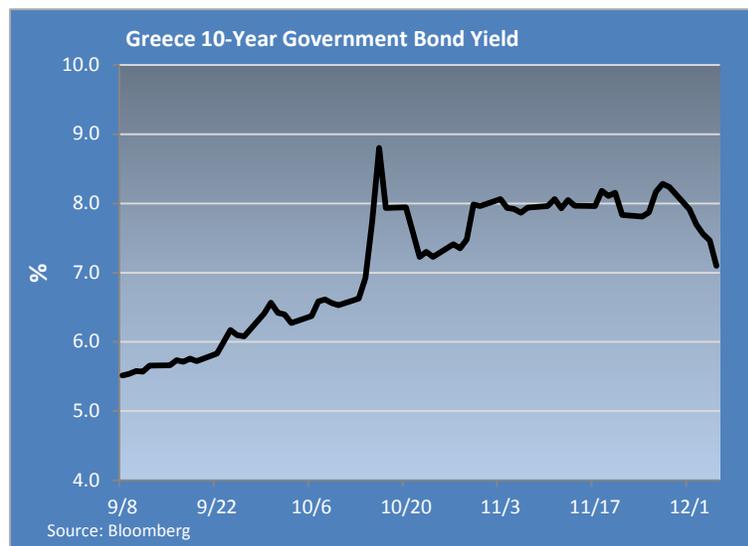
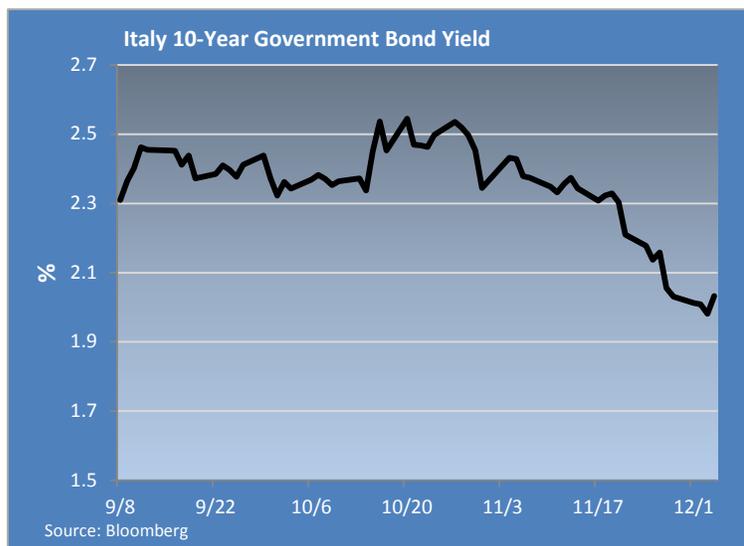
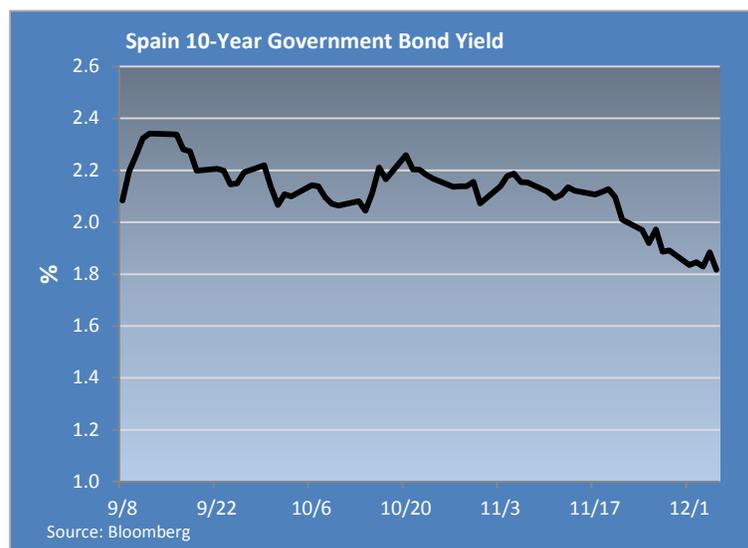
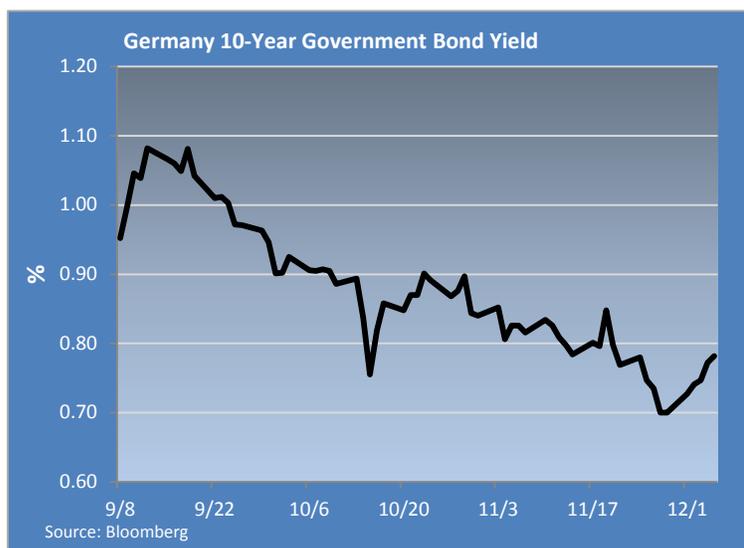
SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.78	-8 bps	NM	NM
Greece 10-Yr. Govt.	7.10	62 bps	NM	NM
Italy 10-Yr. Govt.	1.97	5 bps	NM	NM
Spain 10-Yr. Govt.	1.82	7 bps	NM	NM
Belgium 10-Yr. Govt.	0.99	-7 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	1.03	-6 bps	NM	NM
Ireland 10-Yr. Govt.	1.37	-1 bps	NM	NM
Portugal 10-Yr. Govt.	2.74	9 bps	NM	NM
Netherlands 10-Yr. Govt.	0.89	-8 bps	NM	NM
U.K. 10-Yr. Govt.	2.02	-8 bps	NM	NM

Source: Bloomberg

Basis points (bps)



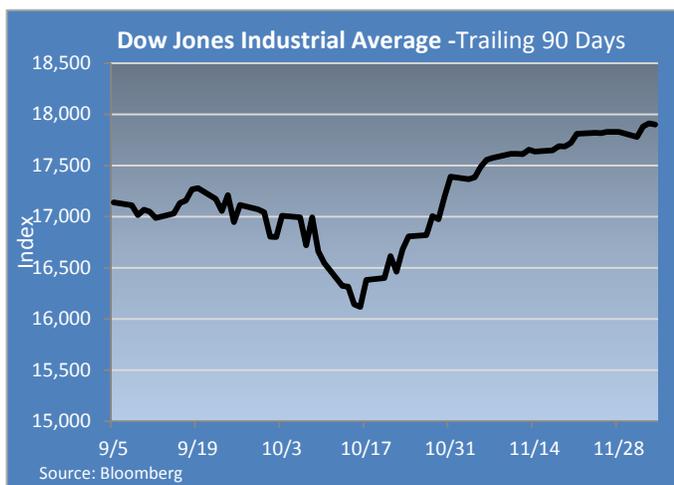
EQUITIES

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,075.28	7.81	0.38%	12.28%
Dow Industrials	17,958.79	138.45	0.78%	8.39%
Nasdaq Composite	4,780.75	-6.80	-0.14%	14.56%
Russell Global	1,754.98	1.63	0.09%	4.0%
Russell Global EM	3,077.28	-54.04	-1.73%	-0.9%
S&P/TSX (Canada)	14,485.41	-262.05	-1.78%	6.32%
Mexico IPC	43,232.93	-1187.54	-2.69%	0.65%
Brazil Bovespa	51,992.89	-3232.86	-5.91%	-0.03%
Euro Stoxx 600	350.97	3.29	0.95%	6.79%
FTSE 100	6,742.84	15.66	0.23%	-0.16%
IBEX 35 (Spain)	10,900.70	111.50	1.04%	9.74%

	Last	Change	% Chg.	YTD %
Swiss Market Index	9,212.85	53.20	0.58%	12.20%
CAC 40 Index (France)	4,419.48	23.60	0.54%	2.74%
DAX Index (Germany)	10,087.12	84.25	0.84%	5.37%
Irish Overall Index	5,325.15	237.80	4.69%	16.96%
Nikkei 225	17,920.45	460.60	2.64%	10.00%
Hang Seng Index	24,002.64	15.19	0.06%	2.99%
Shanghai Composite	2,937.65	254.81	9.50%	38.83%
Kospi Index (S. Korea)	1,986.62	5.84	0.29%	-1.23%
Taiwan Taiex Index	9,206.57	19.42	0.21%	6.91%
Tel Aviv 25 Index	1,485.23	7.64	0.52%	11.72%
MICEX Index (Russia)	1,529.20	-4.48	-0.29%	1.67%

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



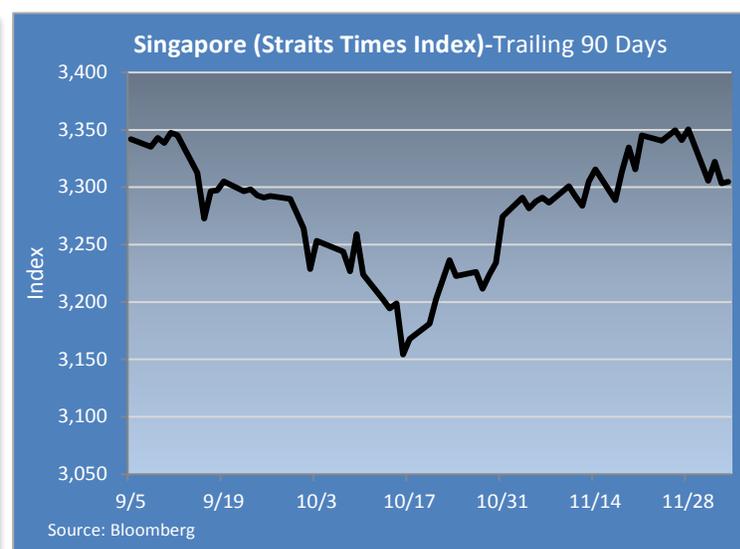
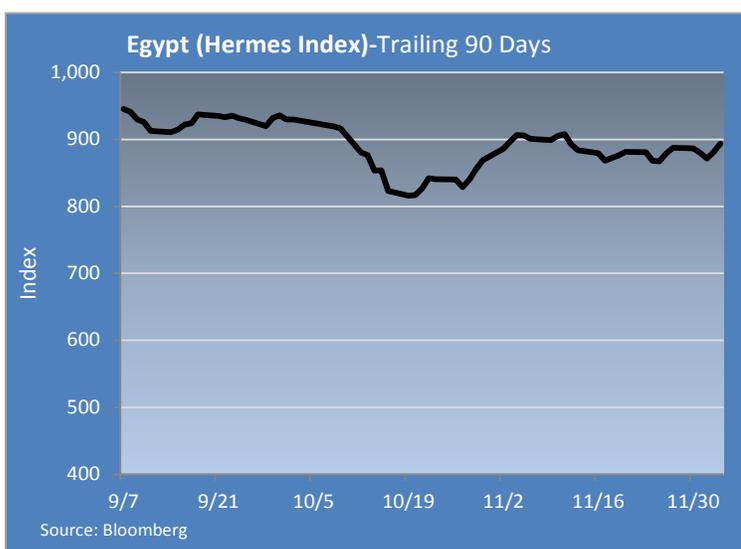
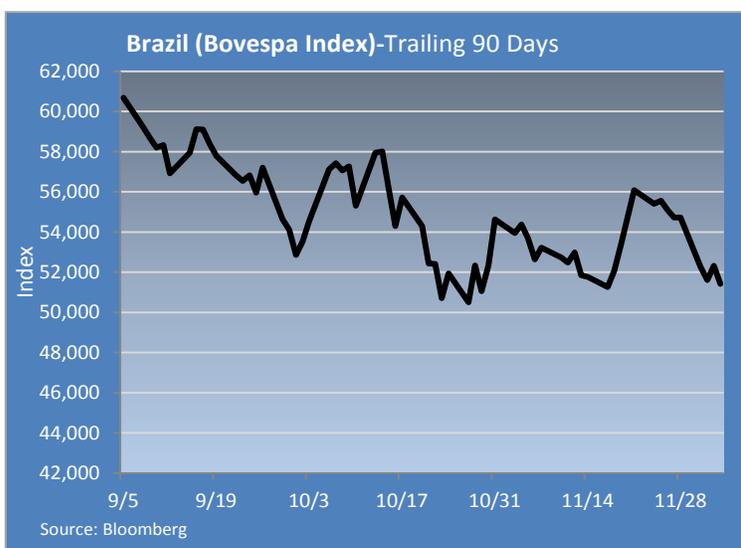
EQUITIES – EMERGING AND FRONTIER MARKETS

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	43,236.55	-1187.54	-2.7%	0.6%
Brazil (Bovespa Index)	51,992.89	-3232.86	-5.9%	0.0%
MICEX Index (Russia)	1,529.20	-4.48	-0.3%	1.7%
Czech Republic (Prague)	1,006.25	-0.92	-0.1%	1.7%
Turkey (Istanbul)	85,239.92	-928.73	-1.1%	25.7%
Egypt (Hermes Index)	893.86	6.48	0.7%	32.4%
Kenya (Nairobi 20 Index)	5,184.92	28.59	0.6%	5.2%
Saudi Arabia (TASI Index)	8,957.63	-98.00	-1.1%	4.9%
Lebanon (Beirut BLOM Index)	1,176.62	-7.28	-0.6%	2.3%
Palestine	487.04	1.76	0.4%	-10.1%

	Last	Change	% Chg.	YTD %
Hang Seng Index	24,002.64	15.19	0.1%	3.0%
India (Sensex 30)	28,458.10	-235.89	-0.8%	34.4%
Malaysia (KLCI Index)	1,749.37	-71.52	-3.9%	-6.3%
Singapore (Straits Times Index)	3,324.39	-26.11	-0.8%	5.0%
Thailand (SET Index)	1,597.76	-2.06	-0.1%	23.0%
Indonesia (Jakarta)	5,187.99	38.11	0.7%	21.4%
Pakistan (Karachi KSE 100)	32,148.78	950.80	3.0%	27.3%
Vietnam (Ho Chi Minh)	578.76	12.18	2.1%	14.7%
Sri Lanka (Colombo)	7,238.92	85.02	1.2%	22.4%
Cambodia (Laos)	1,417.29	-4.85	-0.3%	13.1%

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

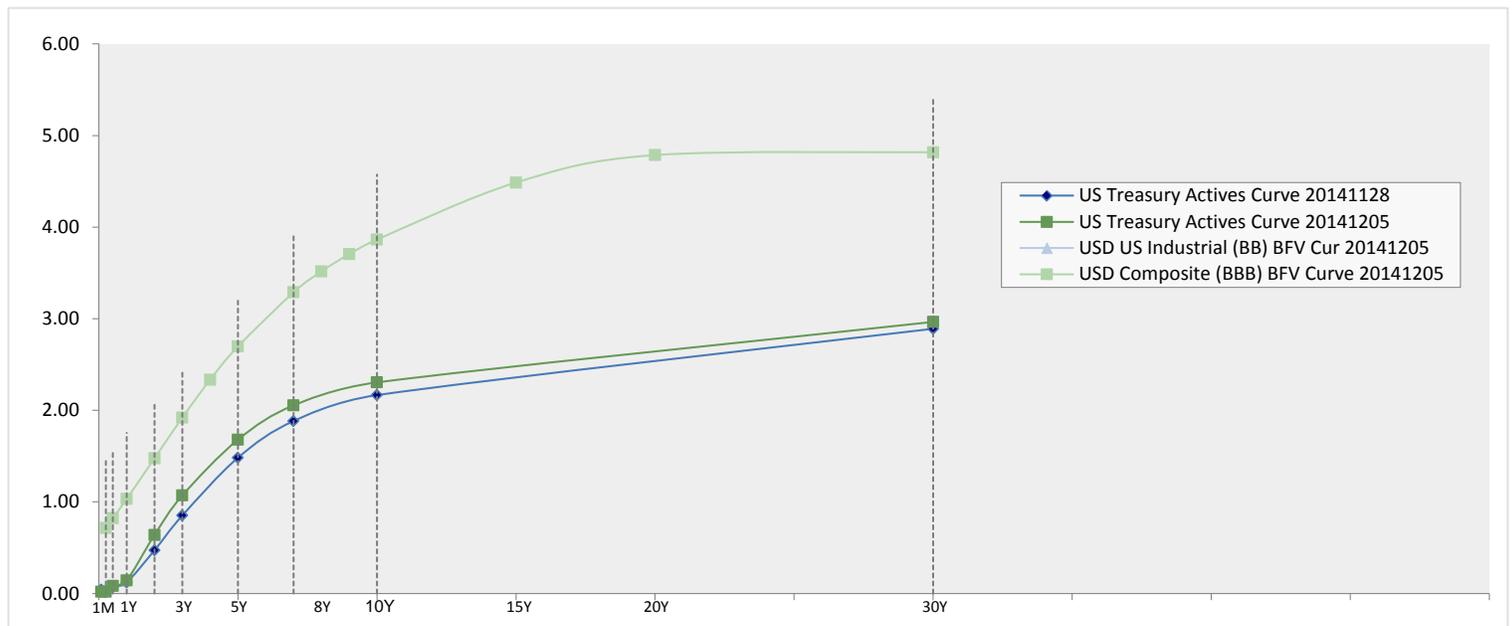


INTEREST RATES

SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.64%	-3 bps	NM	NM	Prime Rate	3.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.68%	18 bps	NM	NM	Fed Funds Rate	0.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.31%	13 bps	NM	NM	Discount Rate	0.75%	0.00	NM	NM
30-Yr. U.S. Treasury	2.96%	7 bps	NM	NM	LIBOR (3 Mo.)	0.24%	0 bps	NM	NM
German 10-Yr. Govt.	0.78%	-8 bps	NM	NM	Bond Buyer 40 Muni	3.79%	-9 bps	NM	NM
France 10-Yr.	1.03%	-6 bps	NM	NM	Bond Buyer 40 G.O.	3.83%	NA	NM	NM
Italy 10-Yr.	1.97%	5 bps	NM	NM	Bond Buyer 40 Rev.	4.50%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.06%	2 bps	NM	NM					

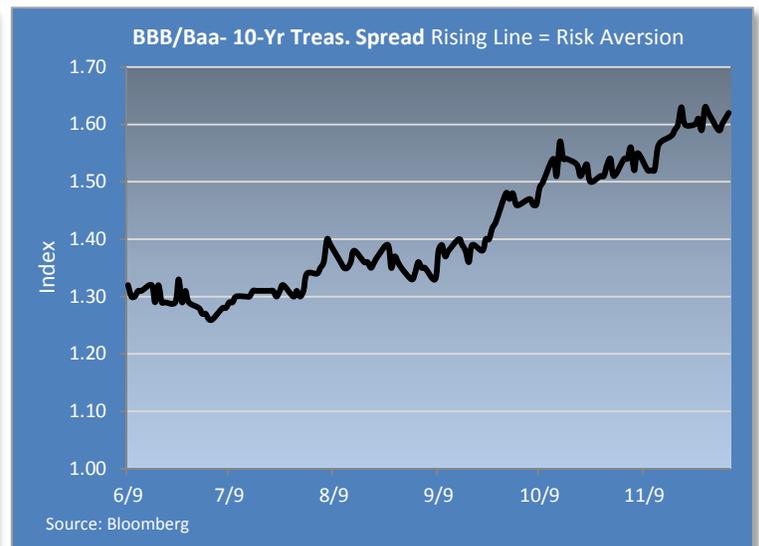
Source: Bloomberg



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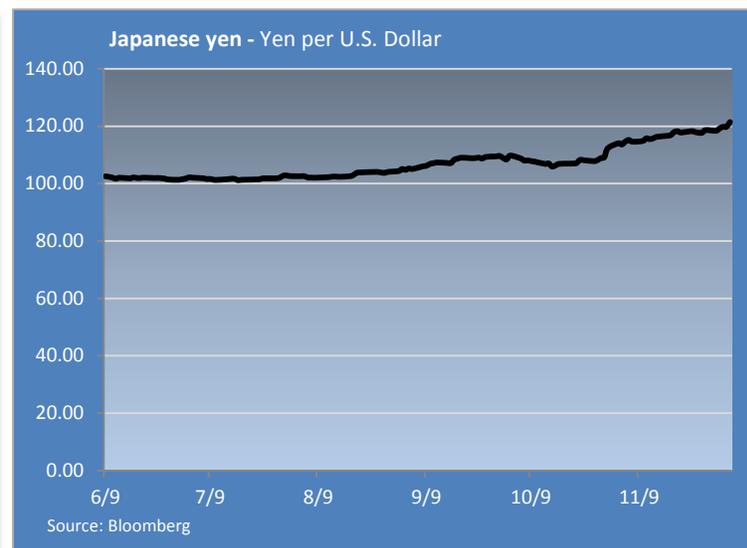
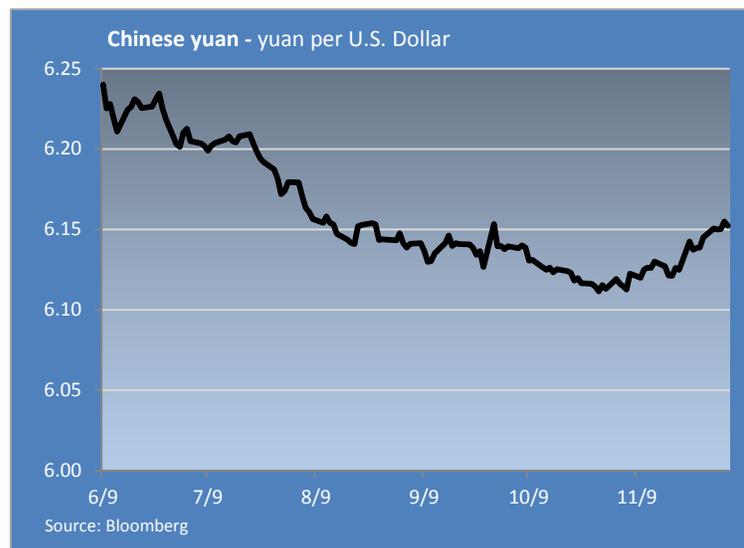
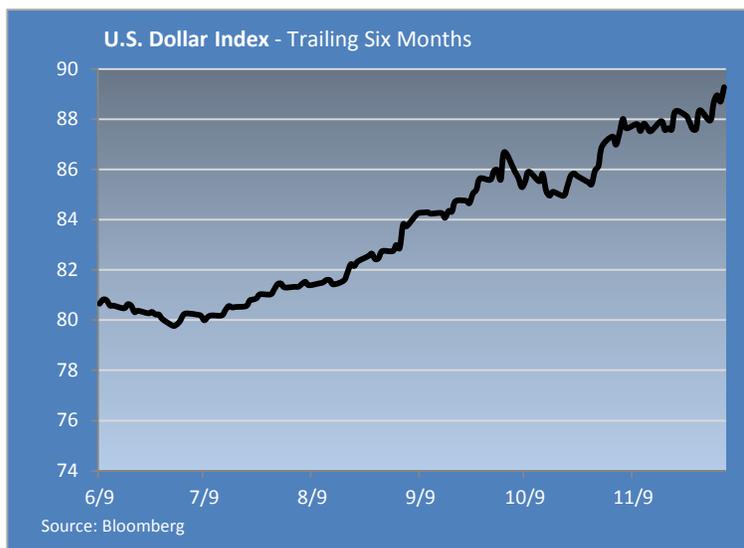
CURRENCIES

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	89.34	0.924	1.05%	11.55%
Euro	1.23	-0.015	-1.20%	-10.48%
Japanese Yen	121.39	2.810	-2.31%	-13.28%
British Pound	1.56	-0.005	-0.34%	-5.83%
Canadian Dollar	1.14	0.001	-0.07%	-7.01%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.15	0.007	-0.12%	-1.59%
Swiss Franc	0.98	0.012	-1.23%	-8.64%
New Zealand Dollar	0.77	-0.013	-1.62%	-6.09%
Brazilian Real	2.59	0.043	-1.66%	-9.45%
Mexican Peso	14.39	0.371	-2.59%	-8.84%

Source: Bloomberg



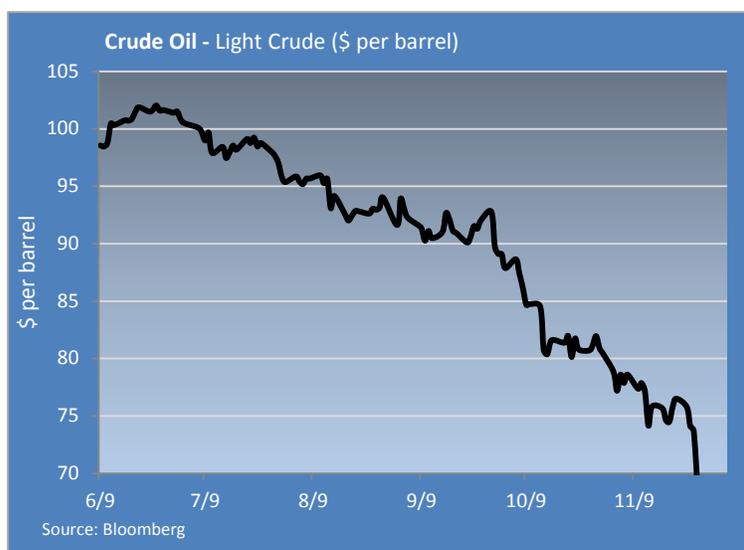
COMMODITIES

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
DJ UBS Comm. Idx.	112.20	-0.80	-0.71%	-10.82%
Rogers Int. Comm. Idx.	3006.67	-145.15	-4.61%	-15.45%
Crude Oil	\$65.69	-\$0.74	-1.12%	-28.86%
Natural Gas	\$3.80	-\$0.32	-7.73%	-14.23%
Gasoline (\$/Gal.)	\$2.71	-\$0.07	-2.55%	-18.42%
Heating Oil	209.90	-5.47	-2.53%	-29.26%
Gold Spot	\$1,190.95	\$27.71	2.37%	-0.55%
Silver Spot	\$16.31	\$0.85	5.52%	-16.27%

	Last	Change	% Chg.	YTD %
Platinum Spot	\$1,223.06	\$23.12	1.93%	-10.72%
Corn	395.00	4.00	1.03%	-14.80%
Wheat	594.00	12.25	2.12%	-8.94%
Soybeans	1,036.00	3.00	0.30%	-10.65%
Sugar	15.14	-0.50	-3.21%	-14.99%
Orange Juice	146.00	-3.15	-2.12%	-1.15%
Aluminum	1,994.50	-9.50	-0.47%	10.79%
Copper	6,470.00	119.00	1.87%	-12.09%

Source: Bloomberg; % change is based on price.



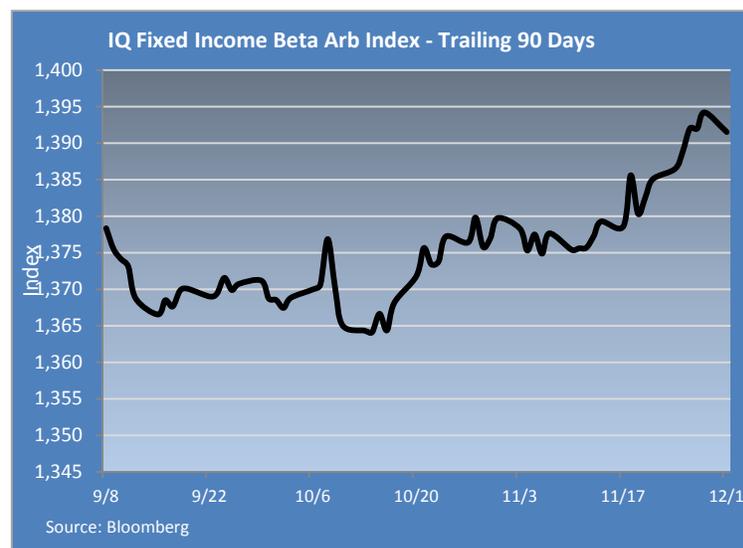
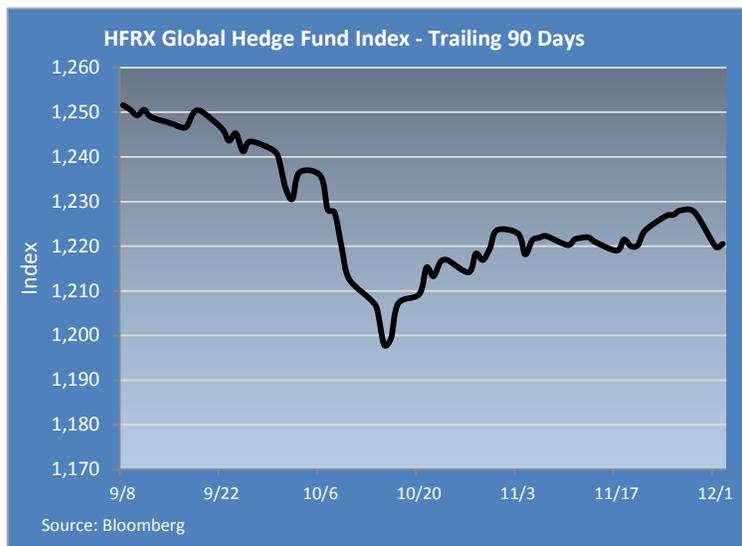
ALTERNATIVE INVESTMENTS

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

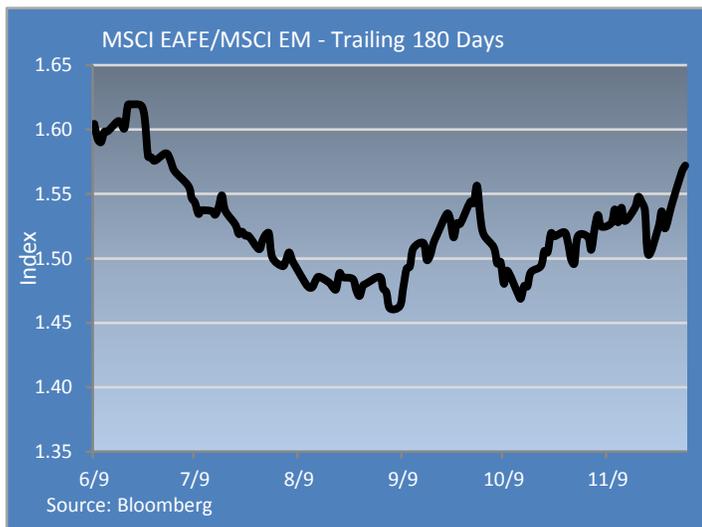
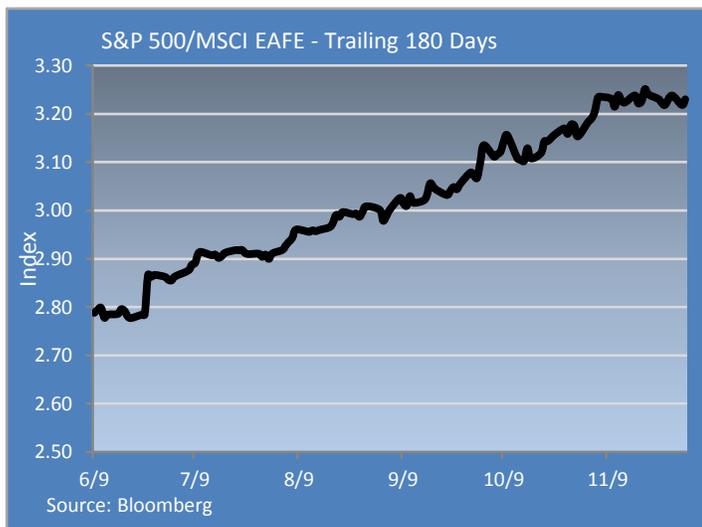
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1227.99	-5.26	-0.43%	-0.26%
HFRX Equity Market Neutral	984.45	1.09	0.11%	3.73%
HFRX Equity Hedge Index	1186.23	-5.21	-0.44%	1.52%
HFRX Event-Driven Index	1528.82	-5.87	-0.39%	-3.98%
HFRX Absolute Return Index	1001.81	-1.48	-0.15%	1.30%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1017.94	-5.71	-0.56%	0.93%
HFRX Merger Arbitrage Index	1598.38	2.80	0.18%	2.01%
HFRX Convertible Arbitrage Index	711.55	-2.51	-0.35%	-8.79%
HFRX Macro CTA Index	1183.13	-2.08	-0.17%	4.70%
IQ Fixed Income Beta Arb Index	1386.87	-7.21	-0.52%	6.80%

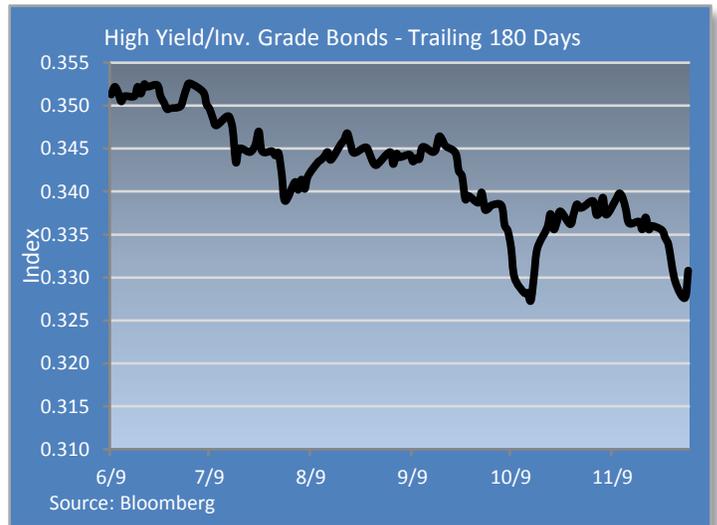
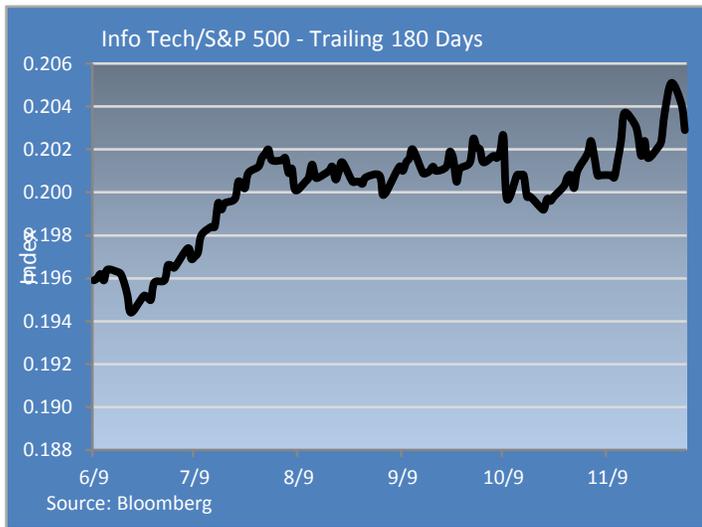
Source: Bloomberg; Index % change is based on price.



PORTFOLIO CONSTRUCTION



PORTFOLIO CONSTRUCTION (cont'd.)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			9/18	9/25	10/2	10/9	10/16	10/23	10/30	11/6	11/13	11/20	11/27	12/4
Equity	Domestic Equity	Large Cap (R200)	0.89%	-2.18%	-0.96%	-0.87%	-3.63%	4.70%	2.23%	1.74%	0.49%	0.61%	0.99%	-0.04%
		Small Cap (R2000)	-1.11%	-4.23%	-1.25%	-2.59%	1.67%	2.82%	3.52%	1.39%	0.30%	-0.40%	1.70%	-1.48%
	Int'l. Equity	MSCI EAFE	-0.08%	-1.94%	-3.58%	-0.74%	-4.01%	3.61%	1.24%	0.31%	0.47%	0.14%	1.51%	-0.67%
		MSCI Em. Mkts.	-1.22%	-2.91%	-3.23%	1.59%	-3.74%	1.14%	2.63%	-1.61%	0.14%	-0.26%	2.27%	-2.54%
Fixed Income	BarCap Agg. (AGG)	-0.32%	0.53%	0.26%	0.51%	0.69%	-0.40%	-0.14%	-0.49%	0.20%	0.01%	0.46%	-0.16%	
	High Yield (JNK)	0.07%	-1.30%	-0.15%	-0.57%	-0.53%	1.61%	0.20%	-0.50%	-0.42%	-0.85%	0.83%	-2.03%	
Commodities	DJ UBS Index	-0.94%	-1.16%	-0.73%	0.52%	-1.08%	-0.26%	0.60%	-0.81%	-0.90%	1.70%	0.36%	-4.50%	
Alternatives	Hedge Funds (HFRX Global)	-0.05%	-0.70%	-0.86%	-0.88%	-1.66%	1.42%	0.25%	0.20%	0.00%	-0.14%	0.63%	-0.46%	
Asset Allocation	60/40*	-0.02%	-1.40%	-1.03%	-0.40%	-1.49%	2.23%	1.30%	0.43%	0.30%	0.11%	1.01%	-0.55%	
	48/32/20 (w/Alts.)**	-0.02%	-1.26%	-1.00%	-0.50%	-1.53%	2.07%	1.09%	0.38%	0.24%	0.06%	0.93%	-0.53%	

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	0.99	1.02	1.05	1.04	1.06	1.14	1.13	1.17	1.24	1.42	0.95	1.68	1.15	1.70
Large Cap Growth	1.01	1.00	1.03	1.05	1.05	1.07	1.15	1.14	1.18	1.25	1.43	0.96	1.69	1.15	1.71
Large Cap Value	0.98	0.97	1.00	1.03	1.02	1.04	1.12	1.11	1.15	1.21	1.40	0.93	1.65	1.13	1.67
Mid Cap Core	0.96	0.95	0.97	1.00	0.99	1.01	1.09	1.08	1.12	1.18	1.36	0.91	1.60	1.10	1.62
Mid Cap Growth	0.96	0.95	0.98	1.01	1.00	1.02	1.10	1.08	1.12	1.19	1.37	0.91	1.61	1.10	1.63
Mid Cap Value	0.94	0.94	0.96	0.99	0.98	1.00	1.08	1.06	1.10	1.16	1.34	0.89	1.58	1.08	1.60
Small Cap Core	0.87	0.87	0.89	0.91	0.91	0.93	1.00	0.99	1.02	1.08	1.24	0.83	1.46	1.00	1.48
Small Cap Growth	0.89	0.88	0.90	0.93	0.92	0.94	1.01	1.00	1.04	1.10	1.26	0.84	1.49	1.02	1.51
Small Cap Value	0.86	0.85	0.87	0.90	0.89	0.91	0.98	0.97	1.00	1.06	1.22	0.81	1.43	0.98	1.45
Int'l. Developed	0.81	0.80	0.82	0.85	0.84	0.86	0.93	0.91	0.94	1.00	1.15	0.77	1.36	0.93	1.37
Emerging Markets	0.70	0.70	0.72	0.74	0.73	0.75	0.80	0.79	0.82	0.87	1.00	0.67	1.18	0.81	1.19
REITs	1.05	1.05	1.07	1.10	1.10	1.12	1.21	1.19	1.23	1.30	1.50	1.00	1.77	1.21	1.79
Commodities	0.60	0.59	0.61	0.62	0.62	0.63	0.68	0.67	0.70	0.74	0.85	0.57	1.00	0.68	1.01
Int. Bond	0.87	0.87	0.89	0.91	0.91	0.93	1.00	0.98	1.02	1.08	1.24	0.83	1.46	1.00	1.48
High Yield	0.59	0.58	0.60	0.62	0.61	0.63	0.67	0.66	0.69	0.73	0.84	0.56	0.99	0.68	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 ReturnSM 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. The Barclays 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. Barclays U.S. Aggregate Bond Index is weighted according to market capitalization, which means the securities represented in the index are weighted according to the market size of the bond category. Treasury securities, mortgage-backed securities (MBS) foreign bonds, government agency bonds and corporate bonds are some of the categories included in the index. Barclays U.S. Corporate High-Yield Index is composed of fixed-rate, publicly issued, non-investment grade debt. Barclays U.S. Corporate 5-10 Year Index includes U.S. dollar-denominated, investment-grade, fixed-rate, taxable securities issued by industrial, utility, and financial companies, with maturities between 5 and 10 years.

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