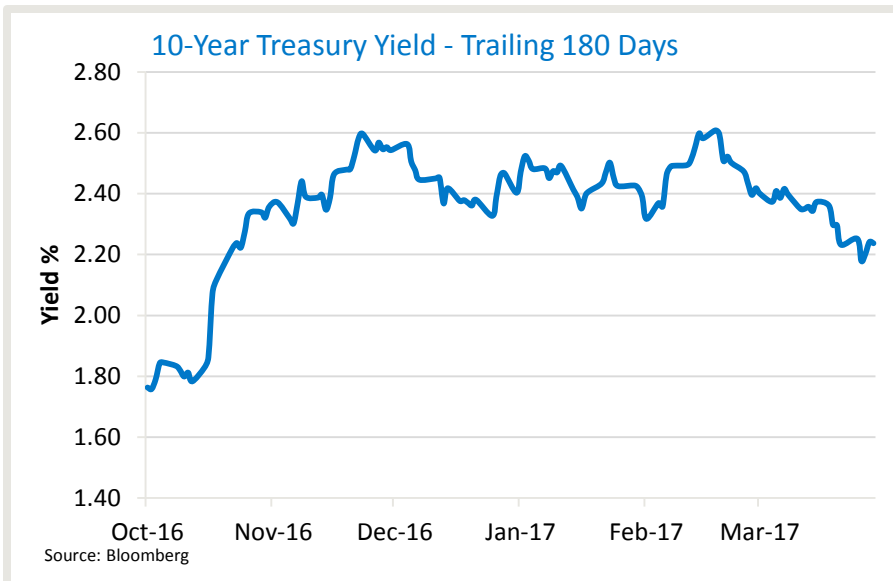


Weekly Market Review

April 21, 2017

Chart of the Week



Weekly Highlights

- **Global markets were cautious over the week** as they awaited the first round of France’s Presidential Election that is being held this weekend. Investors fear strong results from far-right or far-left candidates could stoke geopolitical risk.
- **Existing home sales in the US for the month of March surged** to their highest level since February 2007. Sales rose 4.4% for the month, which outpaced the expected increase of 2.5%.
- **General Motors exited Venezuela** after the country seized production facilities and car stock. The company was forced to lay off 2,700 workers as a result, and that action accompanies heavy economic and political issues within the country.

Talking Points

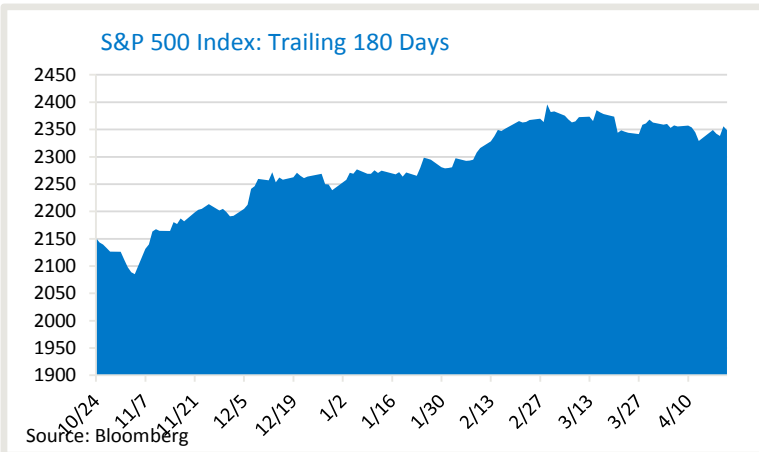
- **Among equities**, small caps outperformed large caps; growth stocks led value stocks; domestic stocks outperformed international stocks; and developed markets beat emerging markets.
- **Treasury yields edged slightly higher this week.** The 10-year Treasury yield marginally rose over the week, ending around 2.24%, driven by somewhat stronger economic data.
- **Commodity indices were mostly down.** Crude oil prices dropped over concerns of increased supply, and were followed down by precious metal and agriculture prices.
- **The dollar index rose over the week.** US Treasury Secretary Steven Mnuchin made comments to dispel the notion that the President’s administration is talking down the dollar’s strength.
- **Among economic data released this week**, March housing starts slowed on a month-over-month basis, falling 6.8% to 1.215 million on an annualized basis, and the lowest rate since November; jobless claims for the week ending April 15 grew by 10,000 to a level of 244,000, slightly higher than the consensus of 242,000.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,348.69	19.74	0.85%	4.9%
Dow Industrials	20,547.76	94.51	0.46%	4.0%
Nasdaq	5,910.52	105.37	1.82%	9.8%
Russell 2000	1,379.85	34.61	2.57%	1.7%
Euro Stoxx Index	378.12	-2.46	-0.65%	4.6%
Shanghai Composite	3,173.15	-72.92	-2.25%	2.2%
Russell Global	1,869.23	14.95	0.81%	6.1%

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

	Last Price	Change	% Chg.	YTD %
Russell Global EM	3,040.21	-6.37	-0.21%	11.3%
10-Year US Treas.	2.24	1 bps	NM	NM
DJ UBS Comm. Idx.	83.90	-2.39	-2.77%	-4.1%
Gold	\$1,284.56	-\$0.97	-0.08%	12.0%
Crude Oil	\$49.59	-\$4.04	-7.54%	-12.3%
Dollar Index	99.89	-0.69	-0.68%	-2.3%
VIX Index	14.64	-1.33	-8.33%	4.2%



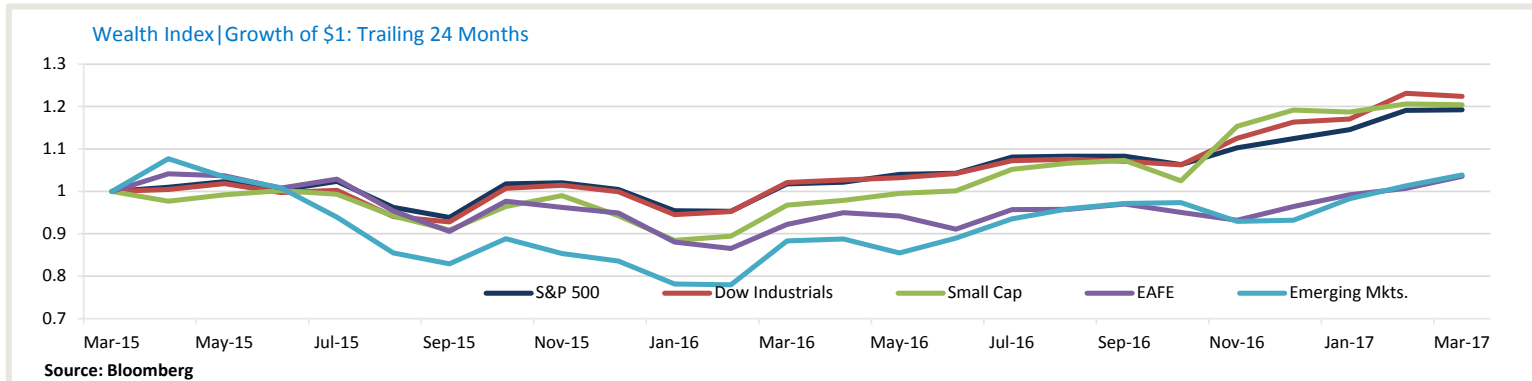
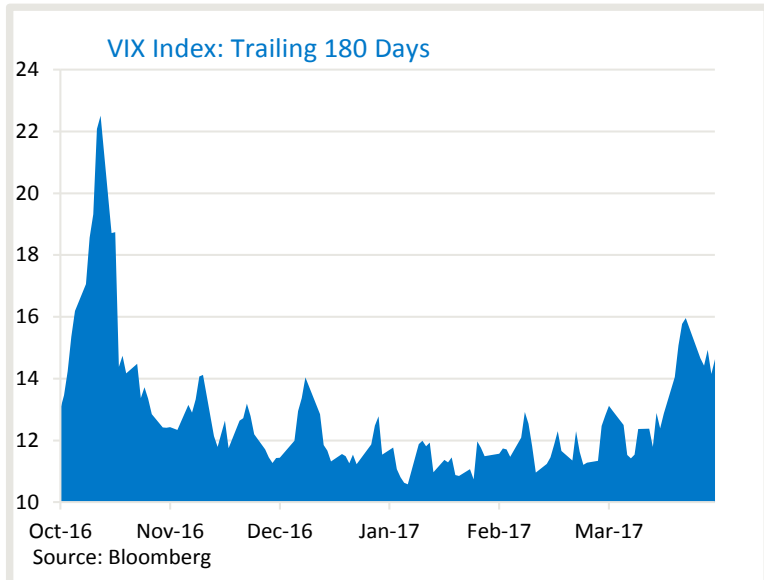
	One Week			YTD		
	Value	Growth		Value	Growth	
L	0.10%	0.70%	1.23%	0.68%	5.14%	9.46%
	1.14%	1.52%	1.97%	2.90%	4.53%	6.58%
S	2.56%	2.57%	2.58%	-1.20%	1.67%	4.87%

Source: Bloomberg

Sector Performance:
S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.4	1.89%	8.4%
Consumer Staples	9.4	0.16%	6.2%
Energy	6.4	-2.13%	-10.1%
Financials	14.1	1.13%	-0.5%
Health Care	13.8	-0.39%	6.9%
Industrials	10.2	2.03%	4.5%
Information Technology	22.3	1.80%	12.0%
Materials	2.8	1.74%	4.9%
Real Estate	3.0	0.69%	4.8%
Telecom Services	2.3	-1.57%	-7.9%
Utilities	3.2	0.14%	6.4%

Source: Bloomberg



The Economy and Markets

A Macro View – Is the American Consumer Maxed Out?

Over the past couple of weeks, reports of consumer credit have started to pique investors' interest, and not necessarily in a positive way. The Federal Reserve (Fed) reported in early April that consumers now hold over \$1 trillion of debt in each of three key areas: auto loans, student debt, and credit-card debt. Typically, the market takes a positive view of increased consumer borrowing, as it reflects heightened consumer confidence. However, what is notable about this rising debt is that all three of these areas have now surpassed their 2008 financial crisis levels. Also, as consumer debt balances continue to expand, the likelihood of delinquencies and defaults expands as well. Current evidence shows that delinquencies are on the rise in some areas of the market, and investors are starting to pay more attention. But should they? Are the current and increasing levels of consumer debt harming the market and economy enough to cause another crisis?

Let's first take a look at the current state of auto loans. In the last several months, reports show that auto loans, particularly subprime auto loans and deep subprime (loans to consumers with credit scores below 550), had begun to show weakness and an increased number of delinquencies. In fact, out of the \$1.16 trillion in outstanding auto loan debt (roughly 15% of which is subprime and below), 3.8% of that was reported to be 90-days delinquent as of the end of 2016. Although this figure is still below the level of delinquencies witnessed during the Financial Crisis, the percentage has consistently trended higher every quarter over the last year.

Another area of consumer debt that keeps growing is student loans, which, as of the end of 2016, sits at \$1.31 trillion – twice the amount reported during the 2008 financial crisis. This isn't exactly surprising, considering the increased importance of a college degree and the rising number of individuals going back to school to retool their skills in the wake of the recession. In addition, despite the increased total amount of student loans, delinquency rates for student loans haven't materially picked up over the last several years. A further mitigating factor is that most student loans are backed by the government, so defaults aren't necessarily a significant concern from an investor's perspective.

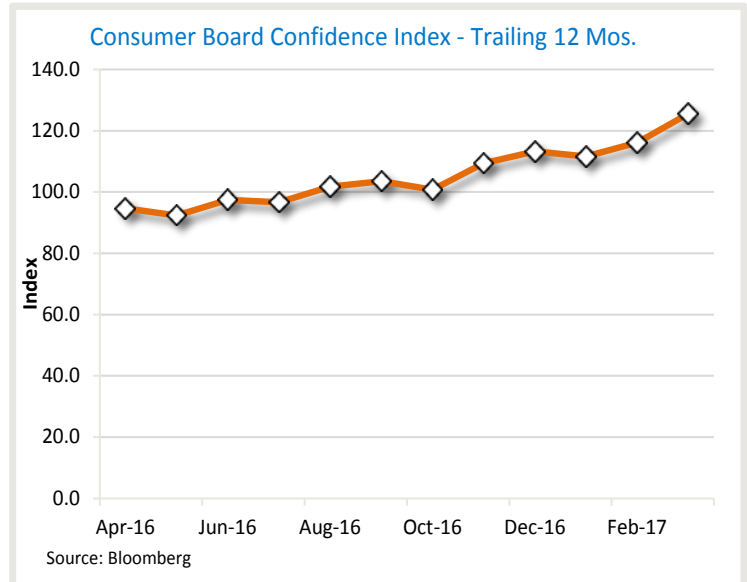
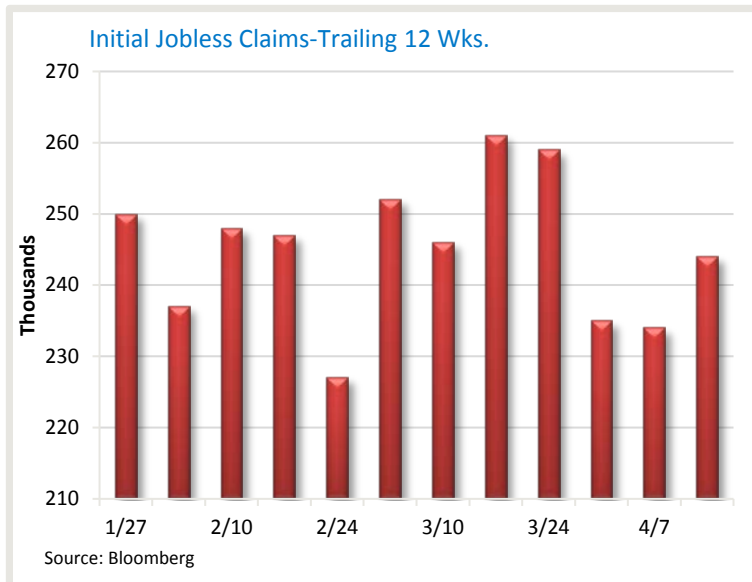
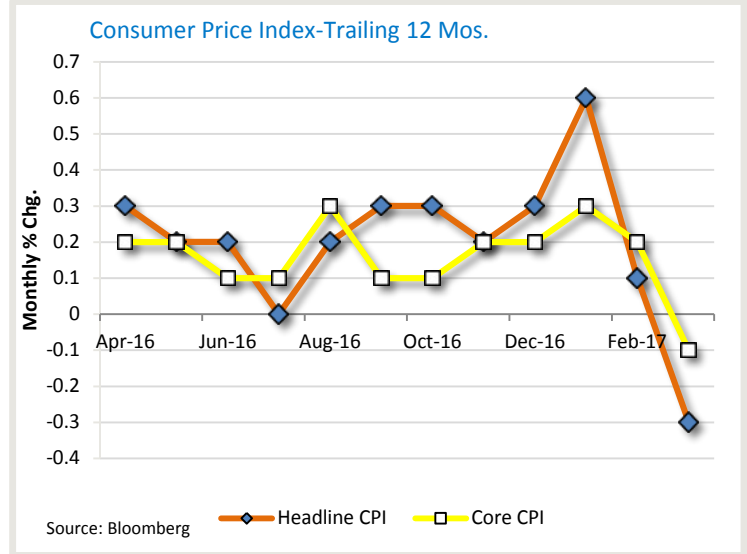
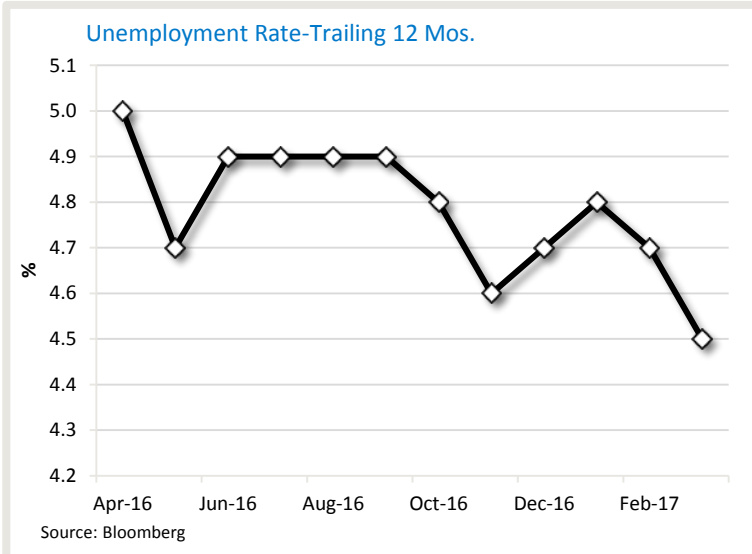
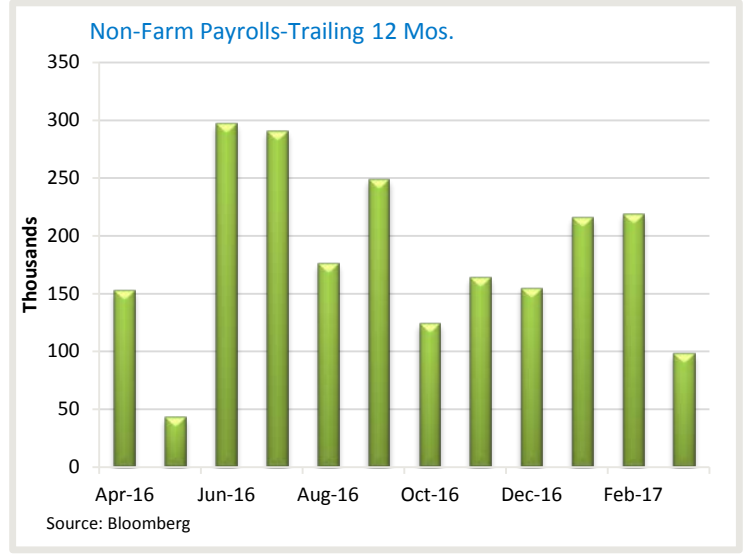
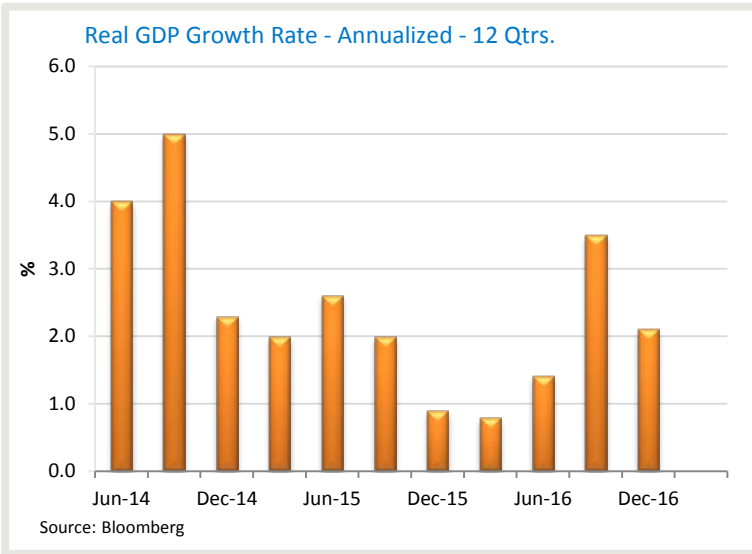
Credit card debt is the area that has garnered the most headlines recently and has just crossed the \$1 trillion mark and breached the previous high watermark seen in 2009. But concern over this current level of credit card debt should be moderated, as the percentage of delinquencies has continued to decline and remains below pre-Financial Crisis levels. What could be cause for concern in the not-so-distant future is the threat of rising rates and the effect they will have on the variable rates assigned to credit cards. If rates do rise as expected, those consumers who don't pay off their cards every month will likely see their monthly payments increase, which could lead to a rise in delinquencies and defaults.

Taking all of this into consideration, these heightened levels of consumer debt seem to be manageable for now. Auto loan delinquencies are trending up, but the market for bonds backed by these types of loans is relatively small, compared to the asset-backed securities market, and thus has a less likely risk of widespread contagion. Government-backed student loans are also unlikely to trigger another crisis, though they may have the more likely effect of being a small drag on long-term consumer spending. Credit card debt, which has been attracting the most attention, appears to be showing little signs of instability, despite rising levels. Furthermore, modest wage growth and currently low unemployment bolster the case for overall continued stability in these areas.

The bottom line is that it may take a noticeable shift in other macro factors, like unemployment and interest rates, to raise investors' anxiety about consumer loans.

Eric Halverson
Investment Analyst

Economic Data



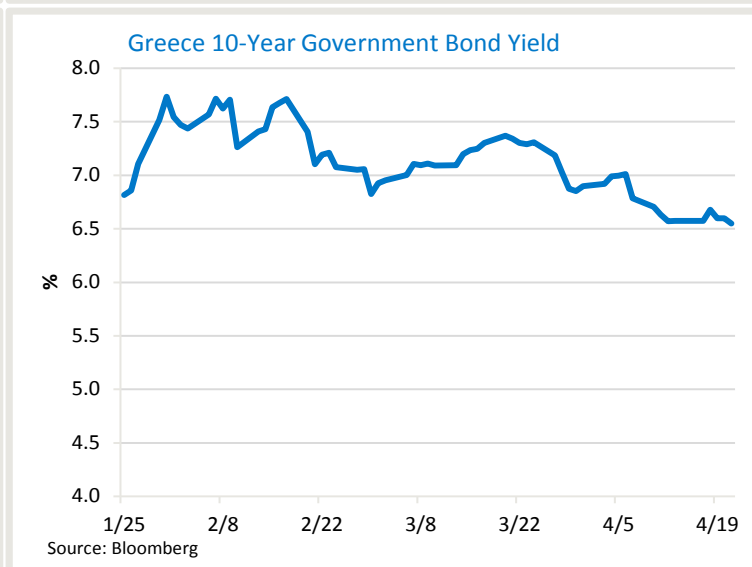
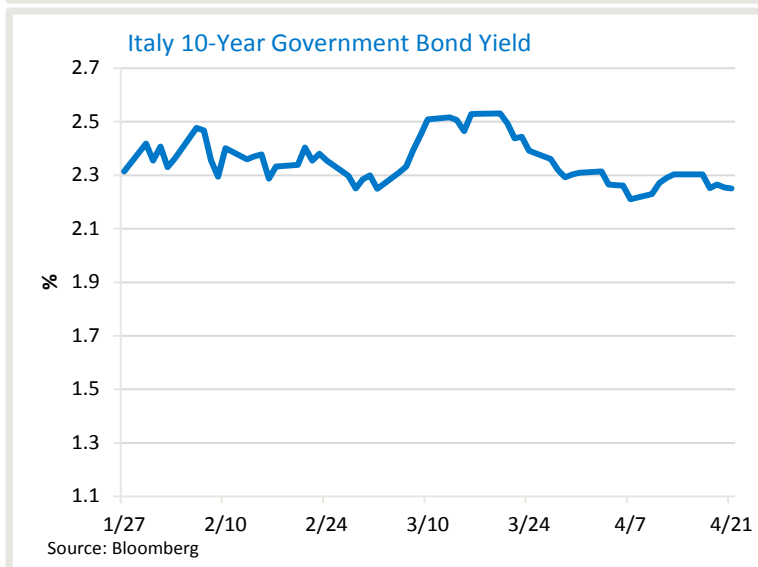
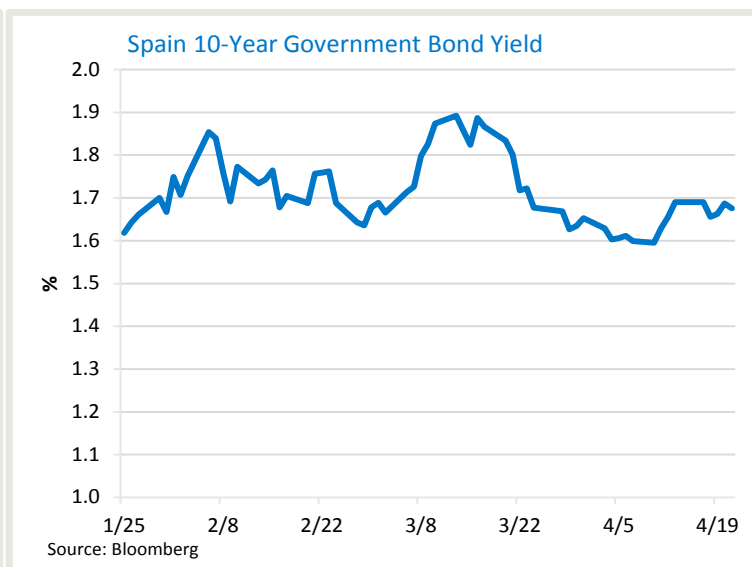
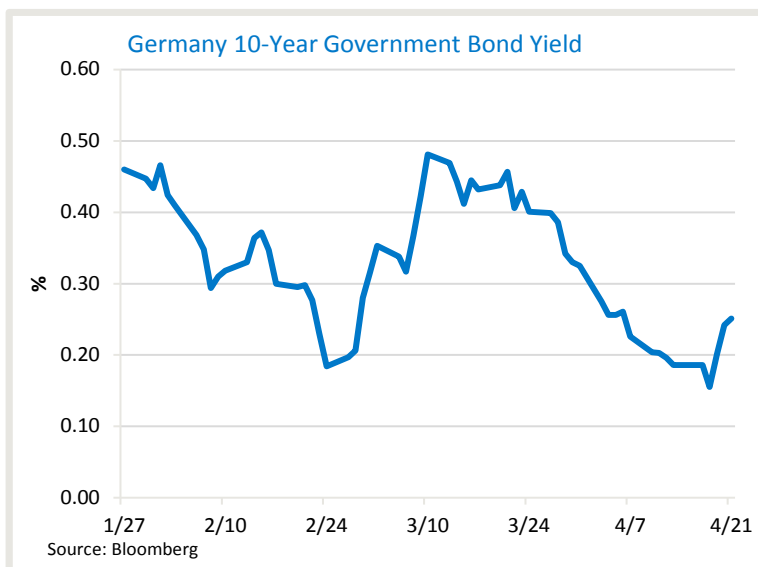
Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.25	-6 bps	NM	NM
Greece 10-Yr. Govt.	6.55	2 bps	NM	NM
Italy 10-Yr. Govt.	2.25	5 bps	NM	NM
Spain 10-Yr. Govt.	1.68	1 bps	NM	NM
Belgium 10-Yr. Govt.	0.80	-5 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.93	5 bps	NM	NM
Ireland 10-Yr. Govt.	0.93	-1 bps	NM	NM
Portugal 10-Yr. Govt.	3.72	12 bps	NM	NM
Netherlands 10-Yr. Govt.	0.51	-8 bps	NM	NM
U.K. 10-Yr. Govt.	1.03	1 bps	NM	NM

Source: Bloomberg
Basis points (bps)

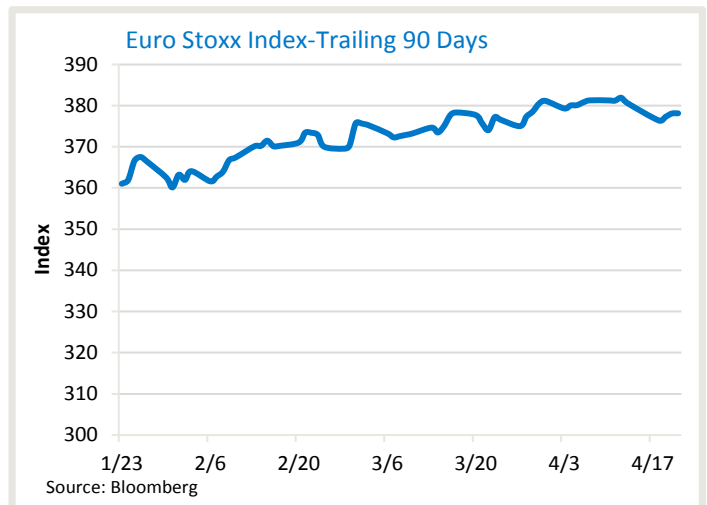
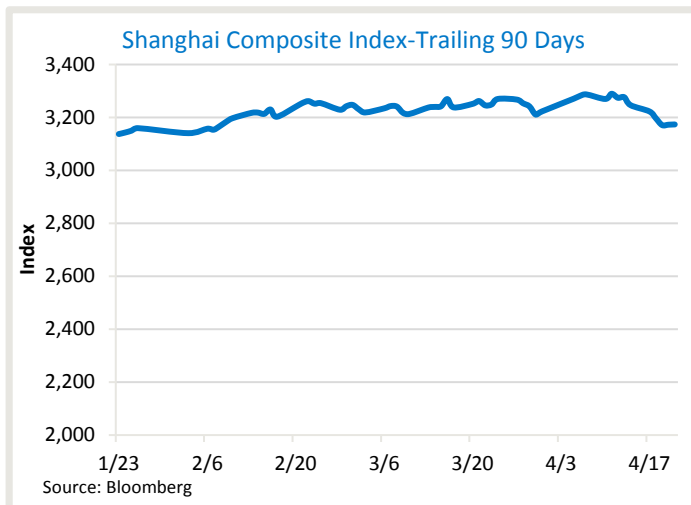
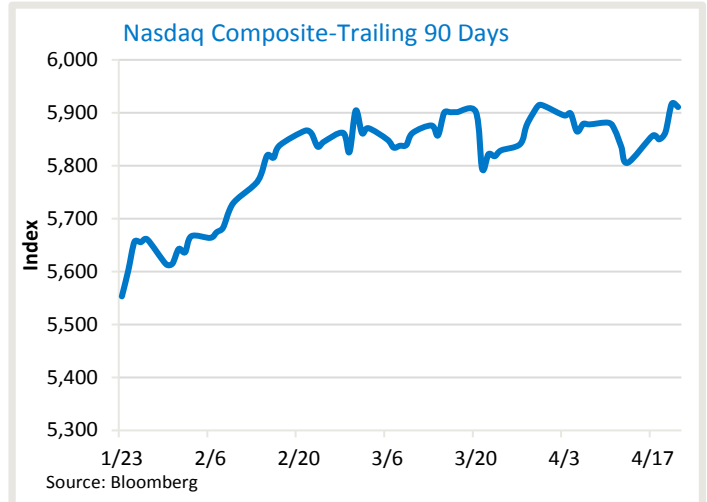
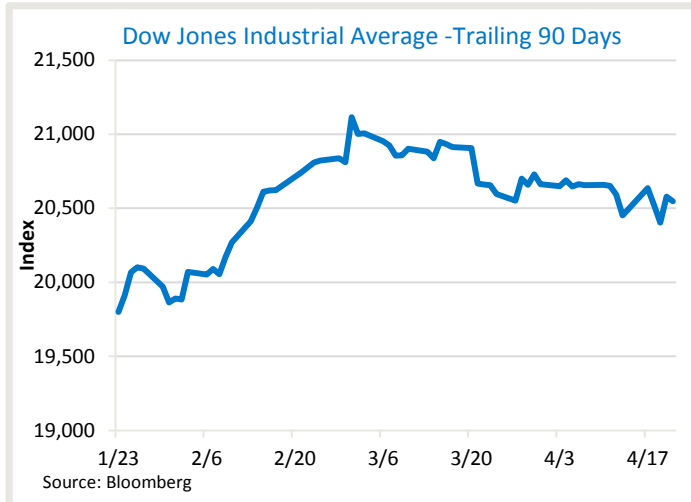


Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
S&P 500	2,348.69	19.74	0.85%	4.91%	Swiss Market Index	8,553.99	-75.03	-0.87%	4.06%
Dow Industrials	20,547.76	94.51	0.46%	3.97%	CAC 40 Index (France)	5,059.20	-11.90	-0.23%	4.05%
Nasdaq Composite	5,910.52	105.37	1.82%	9.80%	DAX Index (Germany)	12,048.57	-60.43	-0.50%	4.94%
Russell Global	1,869.23	14.95	0.81%	6.1%	Irish Overall Index	6,739.31	47.04	0.70%	3.41%
Russell Global EM	3,040.21	-6.37	-0.21%	11.3%	Nikkei 225	18,620.75	285.12	1.56%	-2.58%
S&P/TSX (Canada)	15,614.48	79.00	0.51%	2.14%	Hang Seng Index	24,042.02	-271.48	-1.12%	9.28%
Mexico IPC	48,967.83	12.01	0.02%	7.28%	Shanghai Composite	3,173.15	-72.92	-2.25%	2.24%
Brazil Bovespa	63,760.62	934.34	1.49%	5.87%	Kospi Index (S. Korea)	2,165.04	30.16	1.41%	6.84%
Euro Stoxx 600	378.12	-2.46	-0.65%	4.62%	Taiwan Taiex Index	9,717.41	-15.52	-0.16%	5.01%
FTSE 100	7,114.55	-213.04	-2.91%	-0.40%	Tel Aviv 25 Index	1,393.14	14.48	1.05%	-5.28%
IBEX 35 (Spain)	10,377.00	50.90	0.49%	10.96%	MICEX Index (Russia)	1,944.72	28.43	1.48%	-12.90%

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



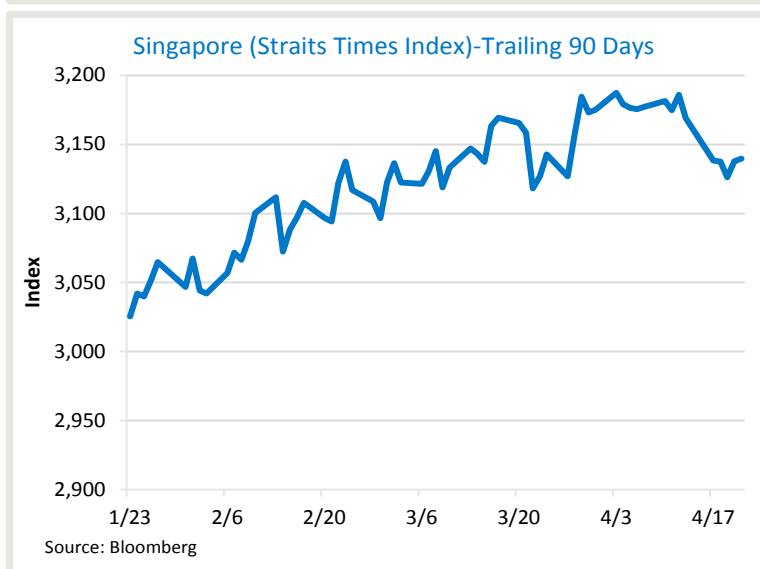
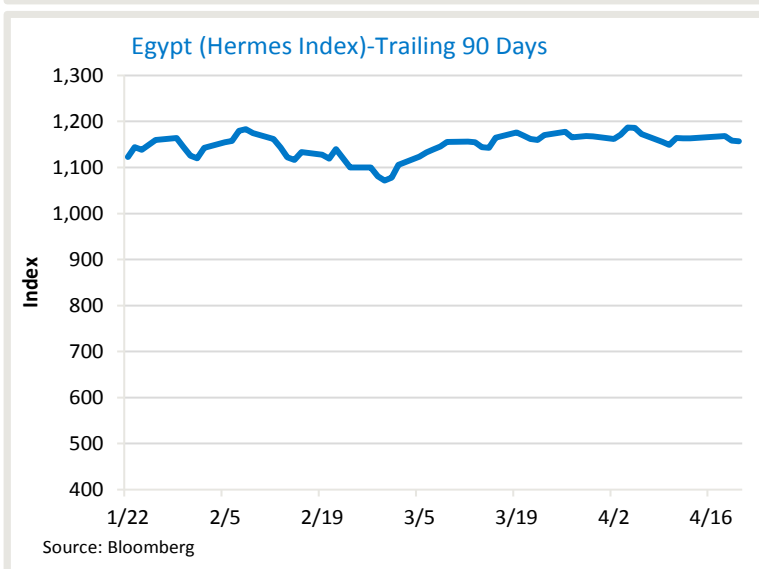
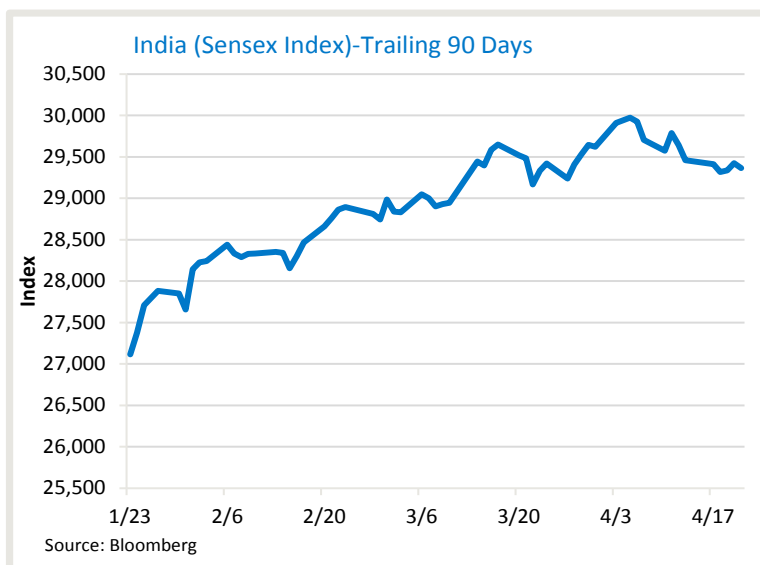
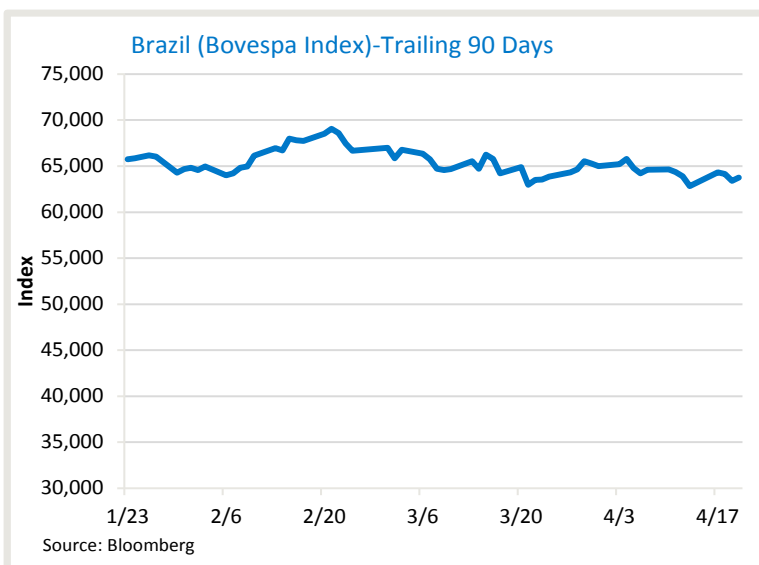
Equities – Emerging and Frontier Markets

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	48,967.83	12.01	0.0%	7.3%
Brazil (Bovespa Index)	63,760.62	934.34	1.5%	5.9%
MICEX Index (Russia)	1,944.72	28.43	1.5%	-12.9%
Czech Republic (Prague)	977.87	1.35	0.1%	6.1%
Turkey (Istanbul)	92,423.93	2360.24	2.6%	18.3%
Egypt (Hermes Index)	1,157.22	-5.83	-0.5%	6.3%
Kenya (Nairobi 20 Index)	3,128.69	25.98	0.8%	-1.8%
Saudi Arabia (TASI Index)	6,899.00	-177.92	-2.5%	-4.3%
Lebanon (Beirut BLOM Index)	1,170.00	-10.15	-0.9%	-3.4%
Palestine	523.44	-1.10	-0.2%	-1.3%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	24,042.02	-271.48	-1.1%	9.3%
India (Sensex 30)	29,365.30	-96.15	-0.3%	10.3%
Malaysia (KLCI Index)	1,756.05	25.06	1.4%	7.0%
Singapore (Straits Times Index)	3,139.83	-29.41	-0.9%	9.0%
Thailand (SET Index)	1,570.02	-19.48	-1.2%	1.8%
Indonesia (Jakarta)	5,664.48	20.32	0.4%	6.9%
Pakistan (Karachi KSE 100)	49,708.65	2131.59	4.5%	4.0%
Vietnam (Ho Chi Minh)	712.41	-6.04	-0.8%	7.2%
Sri Lanka (Colombo)	6,535.54	132.55	2.1%	4.9%
Cambodia (Laos)	1,036.53	-8.18	-0.8%	2.2%

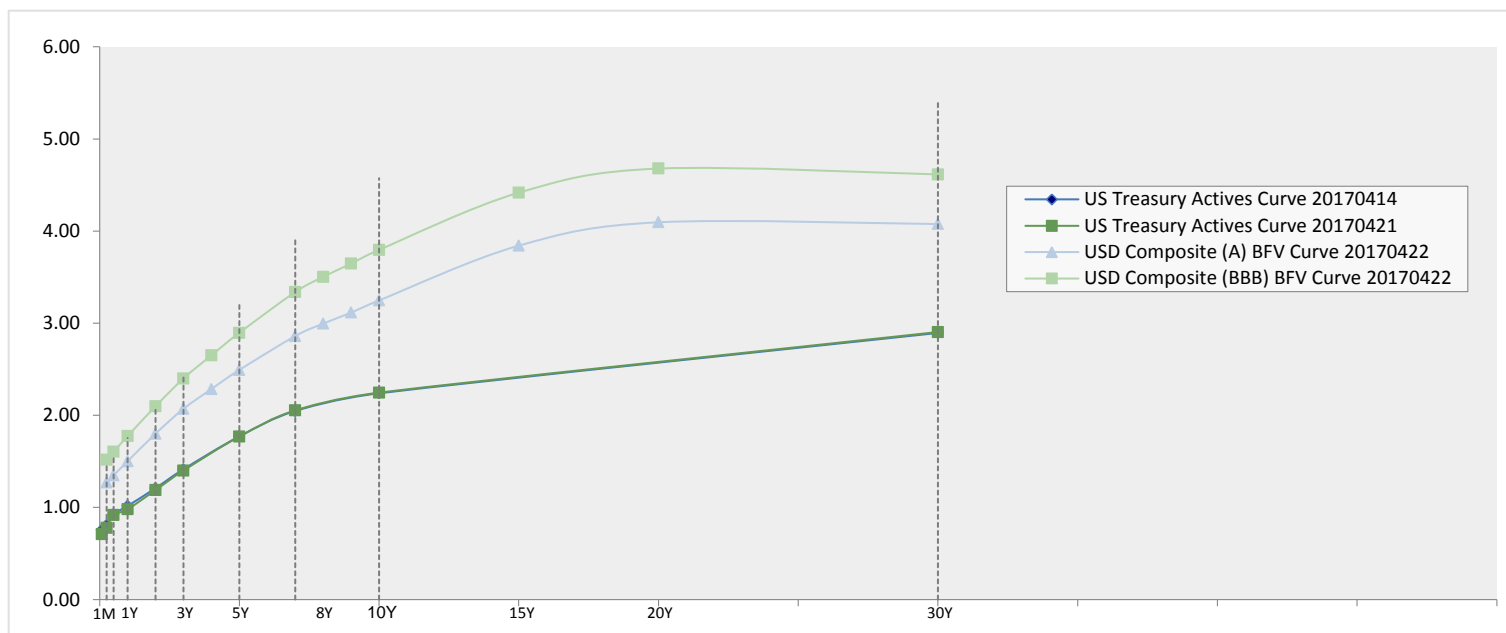


Interest Rates

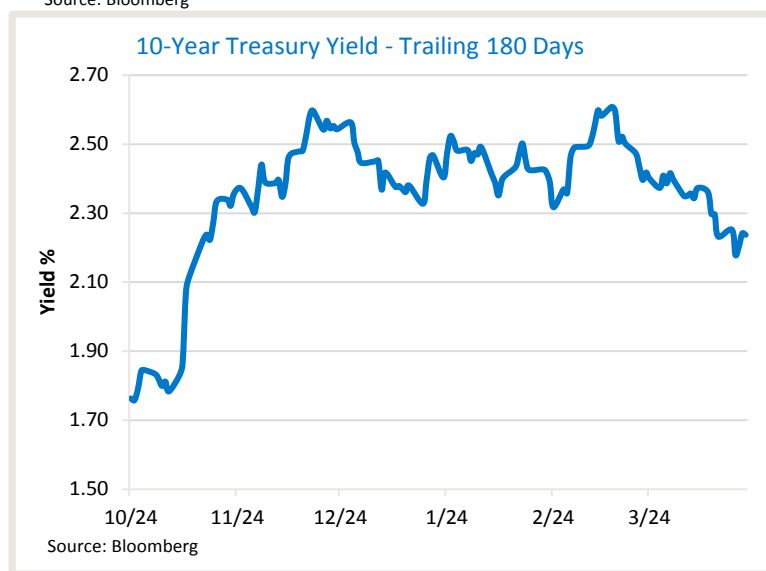
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	1.19%	0 bps	NM	NM	Prime Rate	4.00%	0.00	NM	NM
5-Yr. U.S. Treasury	1.76%	0 bps	NM	NM	Fed Funds Rate	1.00%	0.00	NM	NM
10-Yr. U.S. Treasury	2.24%	1 bps	NM	NM	Discount Rate	1.50%	0.00	NM	NM
30-Yr. U.S. Treasury	2.90%	1 bps	NM	NM	LIBOR (3 Mo.)	1.15%	-1 bps	NM	NM
German 10-Yr. Govt.	0.25%	-6 bps	NM	NM	Bond Buyer 40 Muni	3.85%	-2 bps	NM	NM
France 10-Yr.	0.93%	5 bps	NM	NM	Bond Buyer 40 G.O.	3.71%	NA	NM	NM
Italy 10-Yr.	2.25%	5 bps	NM	NM	Bond Buyer 40 Rev.	3.91%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.91%	-2 bps	NM	NM					

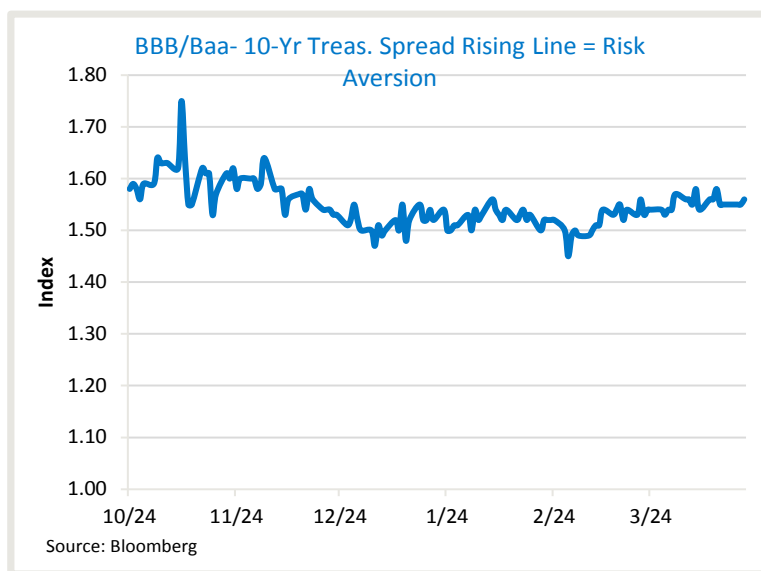
Source: Bloomberg



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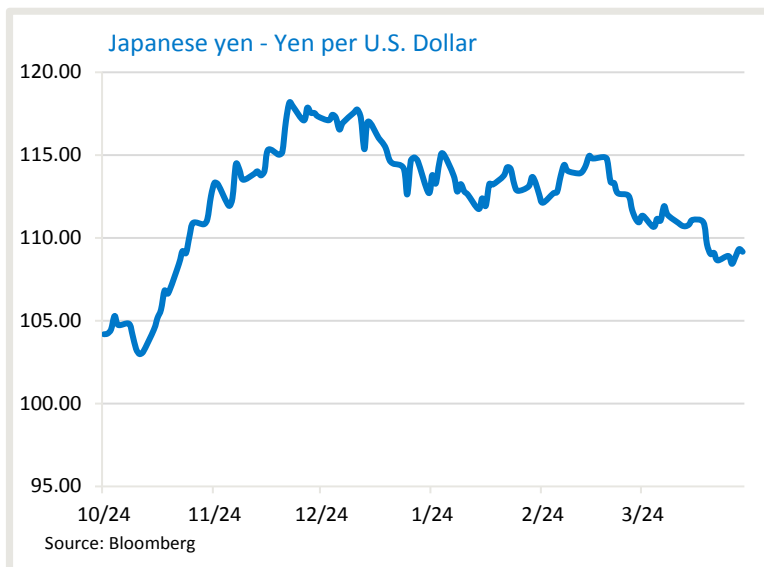
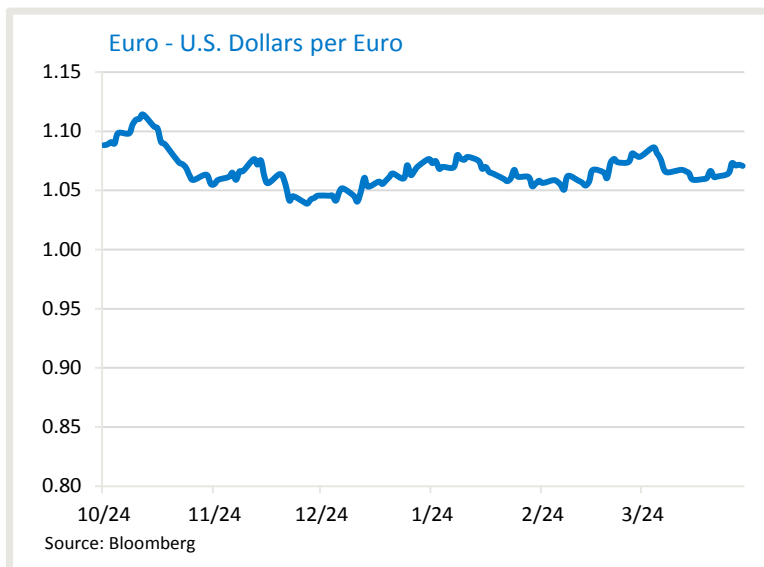
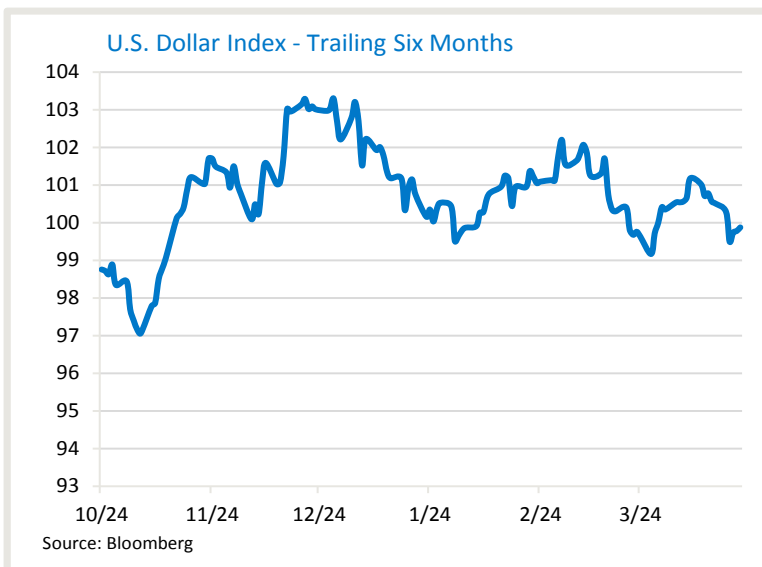
Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	99.87	-0.685	-0.68%	-2.28%
Euro	1.07	0.009	0.84%	1.81%
Japanese Yen	109.17	0.520	-0.48%	7.15%
British Pound	1.28	0.028	2.23%	3.74%
Canadian Dollar	1.35	0.017	-1.23%	-0.37%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.89	0.001	-0.01%	0.86%
Swiss Franc	1.00	-0.008	0.83%	2.19%
New Zealand Dollar	0.70	0.003	0.43%	1.36%
Brazilian Real	3.15	0.001	-0.04%	3.24%
Mexican Peso	18.81	0.308	-1.64%	10.08%

Source: Bloomberg

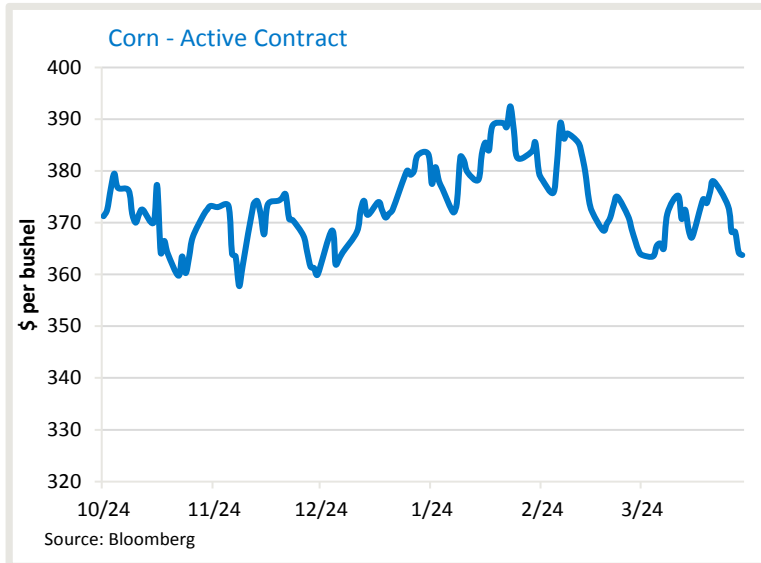
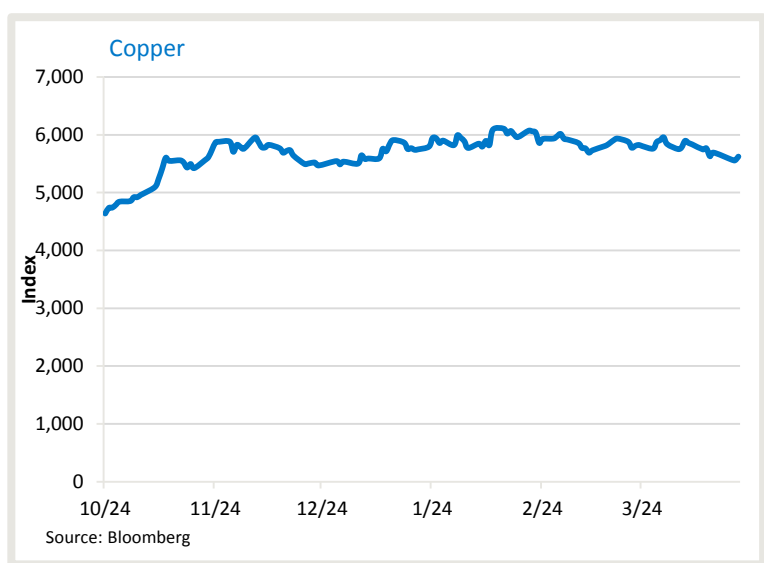
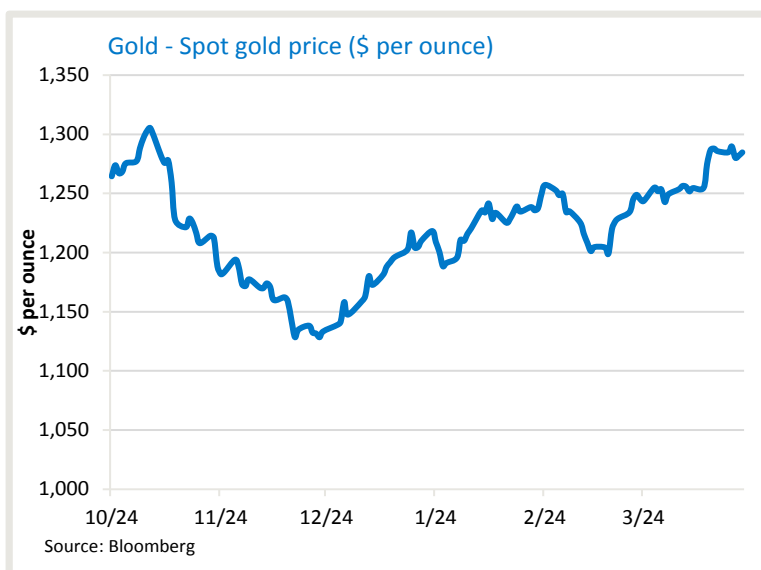
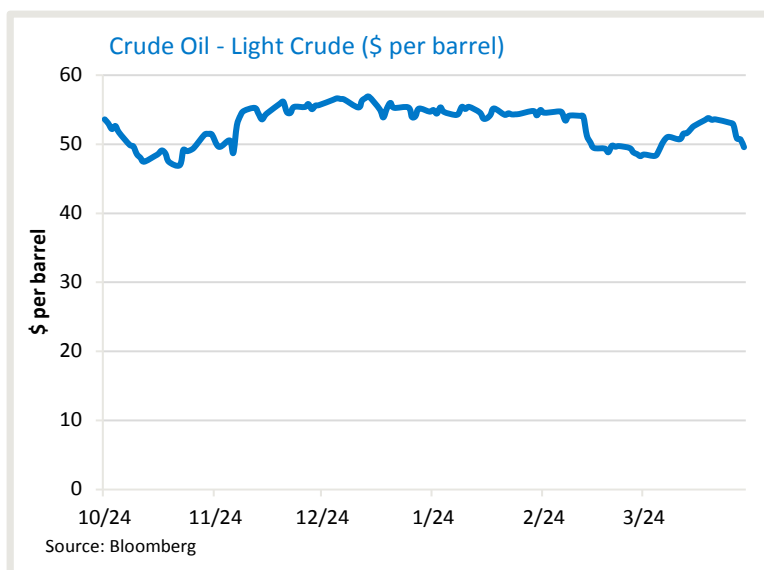


Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	83.90	-2.39	-2.77%	-4.13%	Platinum Spot	\$972.30	-\$0.75	-0.08%	7.67%
Crude Oil	\$49.63	-\$4.04	-7.54%	-12.27%	Corn	363.75	-14.25	-3.77%	-0.14%
Natural Gas	\$3.10	-\$0.13	-3.90%	-12.48%	Wheat	421.00	-21.75	-4.91%	-3.05%
Gasoline (\$/Gal.)	\$2.42	\$0.02	0.67%	3.72%	Soybeans	960.75	-5.50	-0.57%	-5.72%
Heating Oil	155.29	-9.80	-5.94%	-11.04%	Sugar	16.51	-0.06	-0.36%	-12.41%
Gold Spot	\$1,285.31	-\$0.97	-0.08%	11.96%	Orange Juice	152.40	-3.35	-2.15%	-19.77%
Silver Spot	\$17.94	-\$0.60	-3.22%	12.68%	Aluminum	1,943.00	34.00	1.78%	14.77%
					Copper	5,623.00	-69.00	-1.21%	1.58%

Source: Bloomberg; % change is based on price.

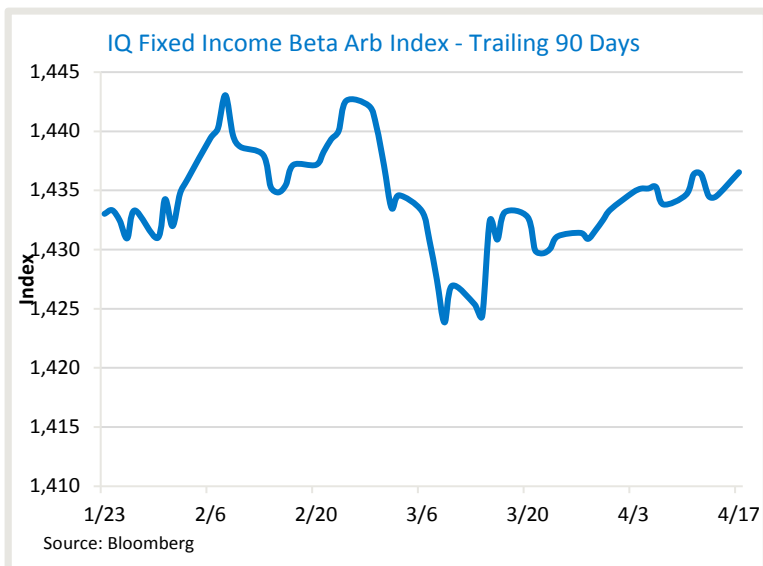
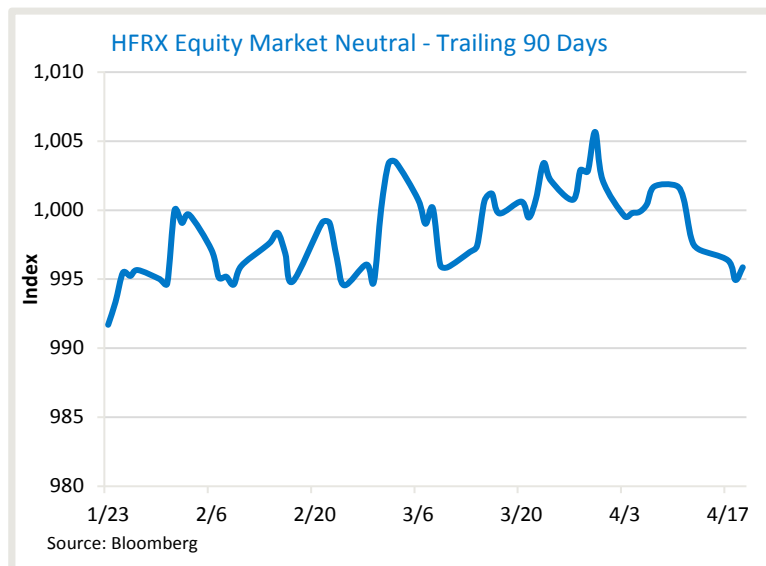
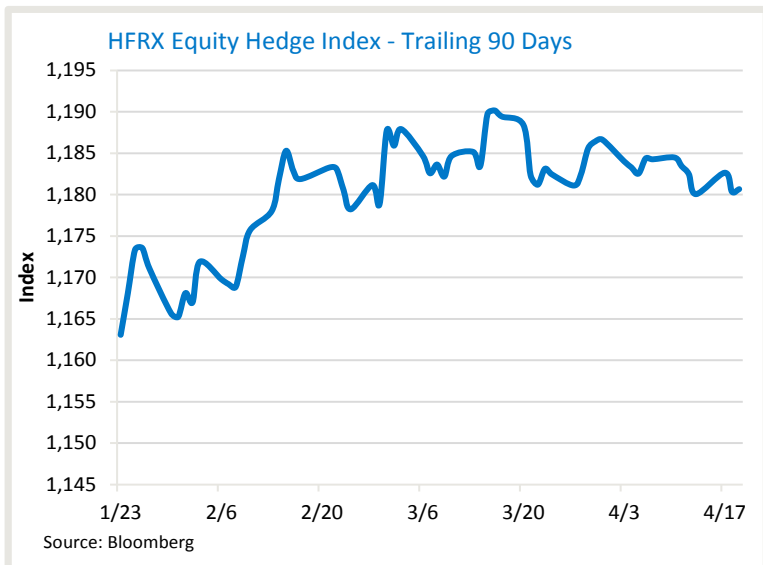
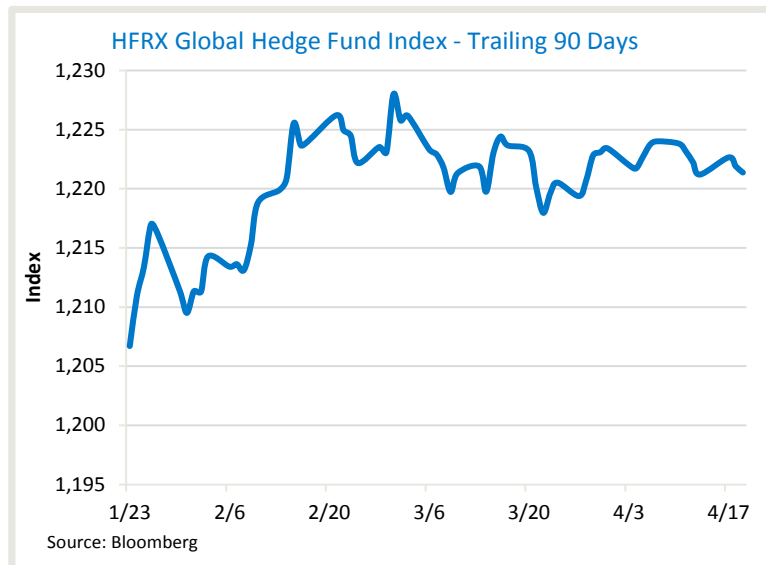


Alternative Investments

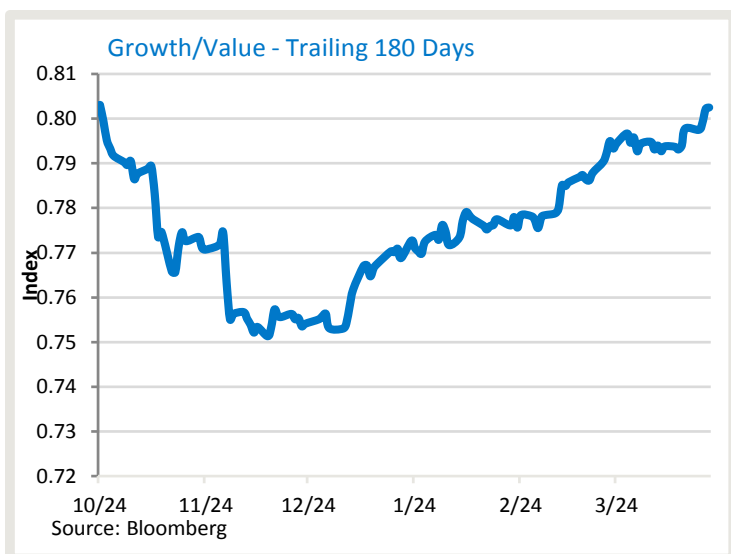
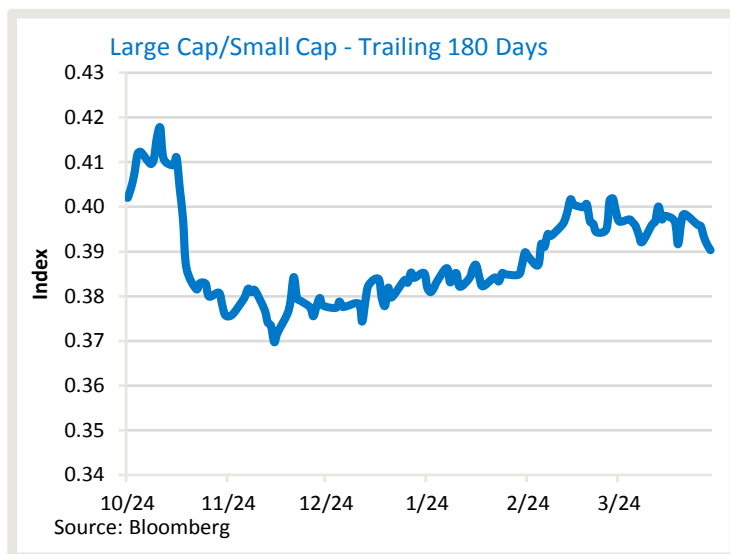
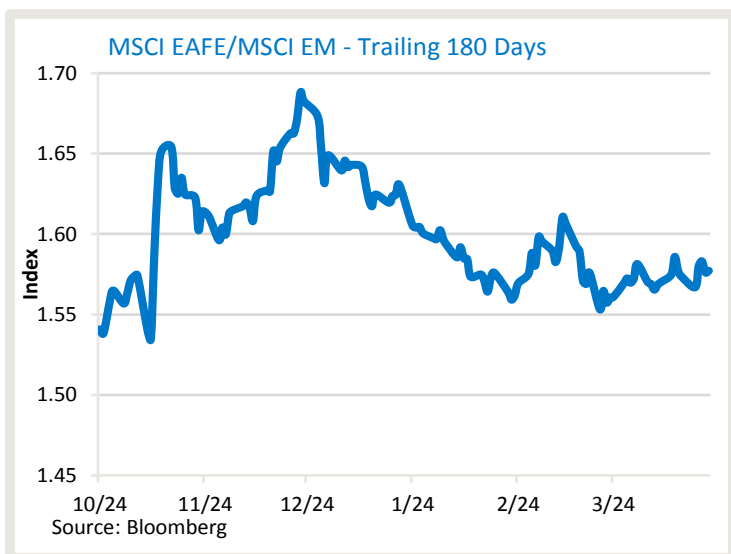
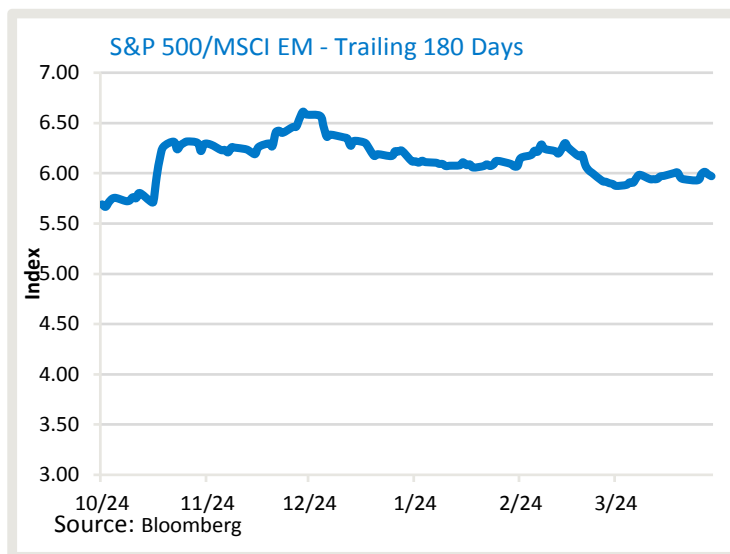
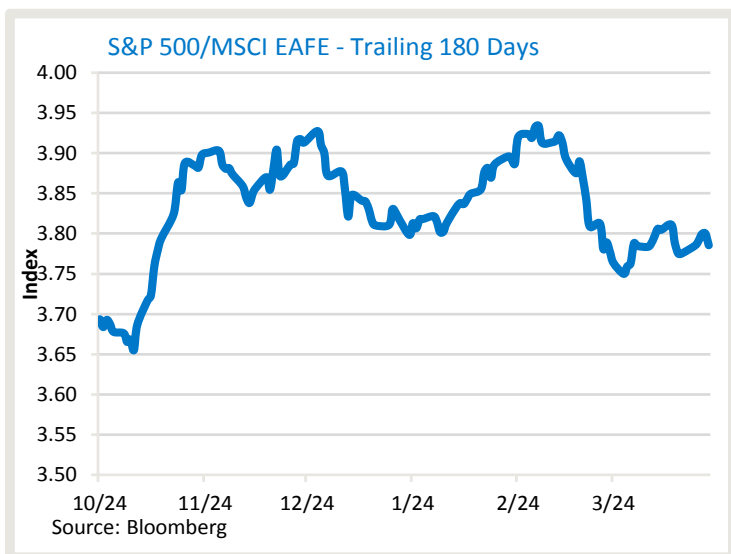
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1223.30	2.10	0.17%	1.65%	HFRX Distressed Index	1095.65	1.81	0.17%	2.11%
HFRX Equity Market Neutral	997.89	0.72	0.07%	1.07%	HFRX Merger Arbitrage Index	1820.09	2.88	0.16%	0.41%
HFRX Equity Hedge Index	1184.74	4.68	0.40%	2.53%	HFRX Convertible Arbitrage Index	762.83	0.27	0.04%	2.72%
HFRX Event-Driven Index	1613.69	7.04	0.44%	3.15%	HFRX Macro CTA Index	1124.05	-3.35	-0.30%	-1.00%
HFRX Absolute Return Index	1037.37	1.57	0.15%	0.87%	IQ Fixed Income Beta Arb Index	1439.17	4.66	0.32%	1.35%

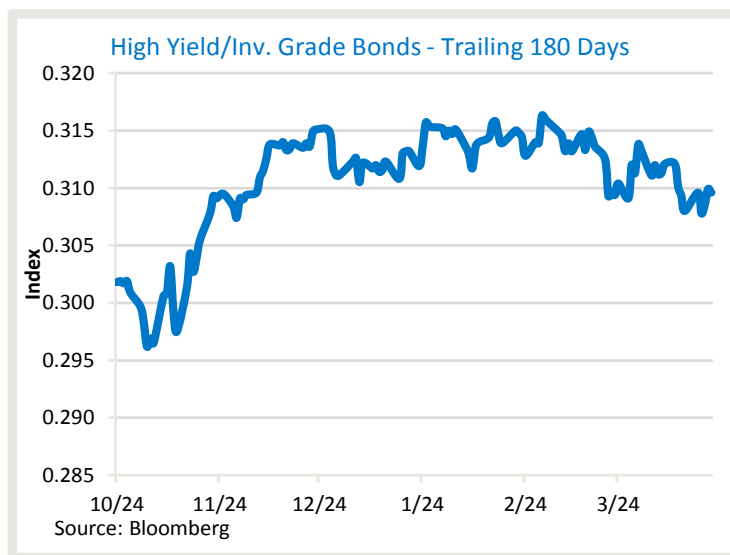
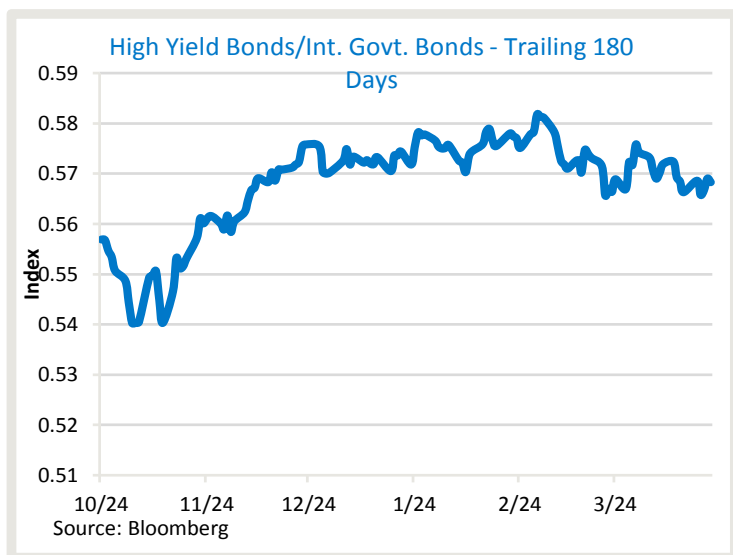
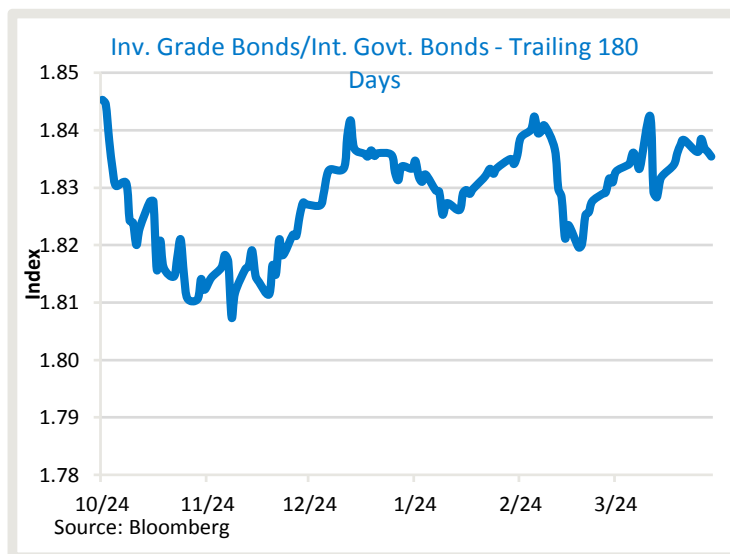
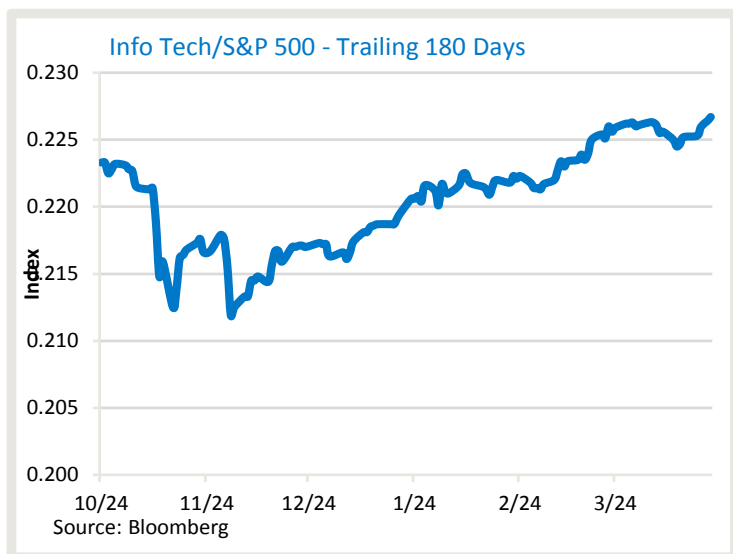
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			2/2	2/9	2/16	2/23	3/2	3/9	3/16	3/23	3/30	4/6	4/13	4/20
Equity	Domestic Equity	Large Cap (R200)	-0.68%	1.18%	1.88%	0.83%	0.84%	-0.48%	0.58%	-1.57%	0.90%	-0.41%	-1.20%	1.01%
		Small Cap (R2000)	-1.32%	1.55%	1.49%	-0.32%	0.07%	-2.55%	1.90%	-2.35%	2.14%	-1.30%	-1.41%	2.89%
	Int'l. Equity	MSCI EAFE	-0.18%	-0.13%	1.45%	0.27%	-0.32%	-0.60%	2.80%	-0.21%	0.51%	-1.20%	-0.03%	0.21%
		MSCI Em. Mkts.	-0.17%	1.13%	2.17%	0.69%	-1.65%	-1.43%	4.36%	0.49%	0.16%	-0.64%	-0.05%	-0.46%
Fixed Income	BarCap Agg. (AGG)	-1.21%	2.85%	-8.91%	3.04%	-1.27%	1.07%	-2.33%	4.11%	-1.56%	17.34%	29.55%	-4.73%	
	High Yield (JNK)	-0.46%	0.19%	0.19%	0.57%	-0.16%	-2.05%	0.85%	-0.71%	1.59%	-0.54%	-0.16%	0.54%	
Commodities	Bloomberg Commodity Index	0.15%	0.14%	-0.05%	-1.25%	-0.44%	-2.77%	0.35%	-0.33%	0.90%	0.47%	0.64%	-2.15%	
Alternatives	Hedge Funds (HFRX Global)	-0.47%	0.33%	0.69%	0.07%	0.11%	-0.49%	0.38%	-0.39%	0.28%	0.05%	-0.21%	0.17%	
Asset Allocation	60/40*	-0.82%	1.55%	-2.07%	1.39%	-0.32%	-0.29%	0.23%	0.69%	0.07%	5.57%	9.83%	-1.03%	
	48/32/20 (w/Alts.)**	-0.75%	1.31%	-1.52%	1.12%	-0.24%	-0.33%	0.26%	0.47%	0.11%	4.47%	7.82%	-0.79%	

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	0.87	1.15	1.00	0.96	1.03	1.02	0.98	1.06	0.98	0.97	0.87	1.27	0.93	1.01
Large Cap Growth	1.15	1.00	1.32	1.14	1.10	1.18	1.17	1.12	1.22	1.13	1.12	1.00	1.46	1.07	1.17
Large Cap Value	0.87	0.76	1.00	0.87	0.83	0.90	0.89	0.85	0.93	0.86	0.85	0.76	1.11	0.82	0.89
Mid Cap Core	1.00	0.87	1.15	1.00	0.96	1.04	1.02	0.98	1.06	0.98	0.98	0.87	1.27	0.94	1.02
Mid Cap Growth	1.05	0.91	1.20	1.04	1.00	1.08	1.07	1.02	1.11	1.02	1.02	0.91	1.33	0.98	1.06
Mid Cap Value	0.97	0.84	1.11	0.97	0.93	1.00	0.99	0.95	1.03	0.95	0.95	0.84	1.23	0.91	0.98
Small Cap Core	0.98	0.85	1.12	0.98	0.94	1.01	1.00	0.96	1.04	0.96	0.96	0.85	1.24	0.92	1.00
Small Cap Growth	1.02	0.89	1.17	1.02	0.98	1.05	1.04	1.00	1.08	1.00	1.00	0.89	1.30	0.96	1.04
Small Cap Value	0.94	0.82	1.08	0.94	0.90	0.97	0.96	0.92	1.00	0.92	0.92	0.82	1.20	0.88	0.96
Int'l. Developed	1.02	0.89	1.17	1.02	0.98	1.05	1.04	1.00	1.08	1.00	0.99	0.89	1.29	0.95	1.04
Emerging Markets	1.03	0.89	1.18	1.02	0.98	1.06	1.05	1.00	1.09	1.01	1.00	0.89	1.30	0.96	1.04
REITs	1.15	1.00	1.32	1.15	1.10	1.19	1.17	1.12	1.22	1.13	1.12	1.00	1.46	1.07	1.17
Commodities	0.79	0.69	0.90	0.78	0.75	0.81	0.80	0.77	0.84	0.77	0.77	0.69	1.00	0.74	0.80
Int. Bond	1.07	0.93	1.23	1.07	1.02	1.10	1.09	1.05	1.13	1.05	1.04	0.93	1.36	1.00	1.09
High Yield	0.99	0.86	1.13	0.98	0.94	1.02	1.00	0.96	1.04	0.97	0.96	0.86	1.25	0.92	1.00

Source: Bloomberg

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

Index Overview & Key Definitions

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

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

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