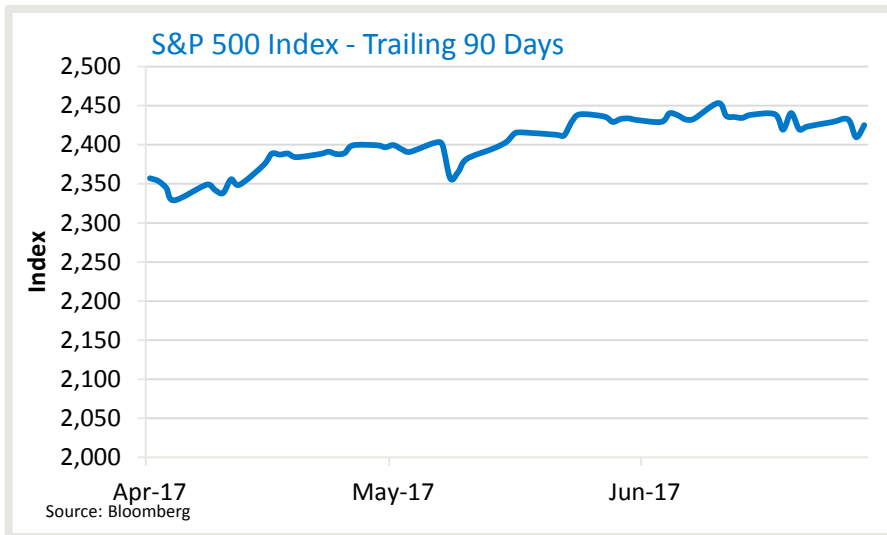


Weekly Market Review

July 7, 2017

Chart of the Week



Weekly Highlights

- **The June jobs report surprises on the upside.** The US economy added 222,000 new jobs in June, significantly more than both the median forecast of 180,000 and 152,000 added in May. The unemployment rate rose to 4.4%, as more adults entered the work force. Average hourly earnings rose by 0.2% in June and by 2.5% for the trailing 12 months.
- **Construction spending unchanged.** Construction spending was essentially unchanged in May relative to the revised estimate for April. For the first five months of the year, the measure is up 6.1% over the same period last year. Residential construction fell 0.5% in May, while public construction rose 2.1%, primarily in the educational sector.
- **ISM indices move higher.** The ISM Manufacturing Index rose to 57.8% in June, up 2.9% from May, and the highest reading since mid-2014. The ISM Non-Manufacturing Index, which covers the service sectors, rose to 57.4% in June, compared to a reading of 56.9% in May. For both indices, a reading above 50% indicates improving conditions.

Talking Points

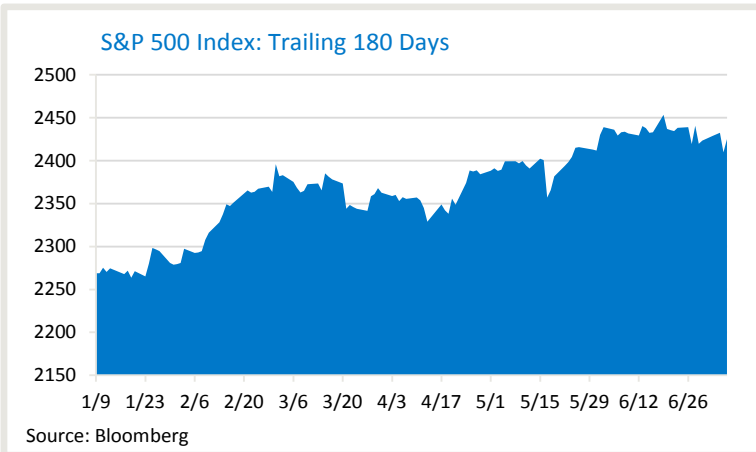
- **Among equities,** peripheral European equities had a strong week, while the “core” countries experienced more modest gains. US equities were down across the board, particularly small caps. EM equities were modestly lower, though Russia was one of the best performers for the week.
- **Treasury yields have a quiet week.** The Tuesday holiday kept the Treasury markets quiet this week. Maturities ten years and out were higher by 5-10 basis points, while shorter maturities were flat to slightly lower.
- **The US Dollar Index** traded slightly higher early in the week, but gave back all of its gains on Thursday and ended the week essentially unchanged.
- **Crude oil** rallied early in the week, but reversed course on Wednesday and traded off more than \$2/barrel from its Tuesday high.
- **Among other economic data released this week:** Factory orders fell 0.8% in May. The US trade deficit fell 2.3% in May to \$46.5 billion. Exports rose by 0.4%, hitting the highest levels in 2 years, while imports fell by 0.1%. The trade deficit with both Mexico and China widened in May.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,425.18	1.77	0.07%	8.3%
Dow Industrials	21,414.34	64.71	0.30%	8.4%
Nasdaq	6,153.08	12.66	0.21%	14.3%
Russell 2000	1,415.84	0.48	0.03%	4.3%
Euro Stoxx Index	380.18	0.81	0.21%	5.2%
Shanghai Composite	3,217.96	25.53	0.80%	3.7%
Russell Global	1,933.09	-8.48	-0.44%	9.7%

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

	Last Price	Change	% Chg.	YTD %
Russell Global EM	3,175.97	-11.94	-0.37%	16.3%
10-Year US Treas.	2.39	9 bps	NM	NM
DJ UBS Comm. Idx.	81.80	-0.80	-0.96%	-6.5%
Gold	\$1,212.43	-\$29.26	-2.36%	5.7%
Crude Oil	\$44.38	-\$1.72	-3.74%	-22.1%
Dollar Index	96.02	0.36	0.38%	-6.1%
VIX Index	11.19	0.01	0.09%	-20.3%



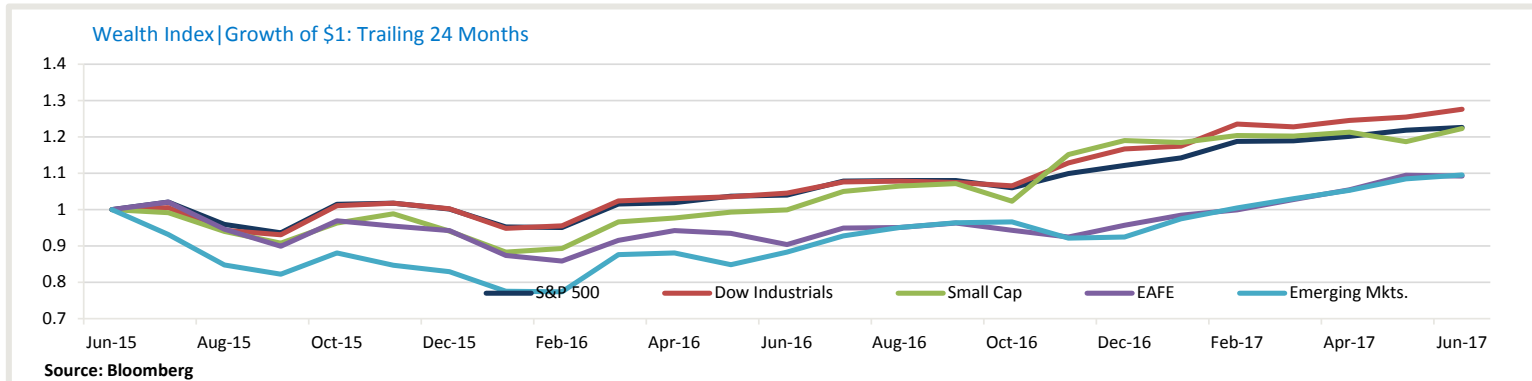
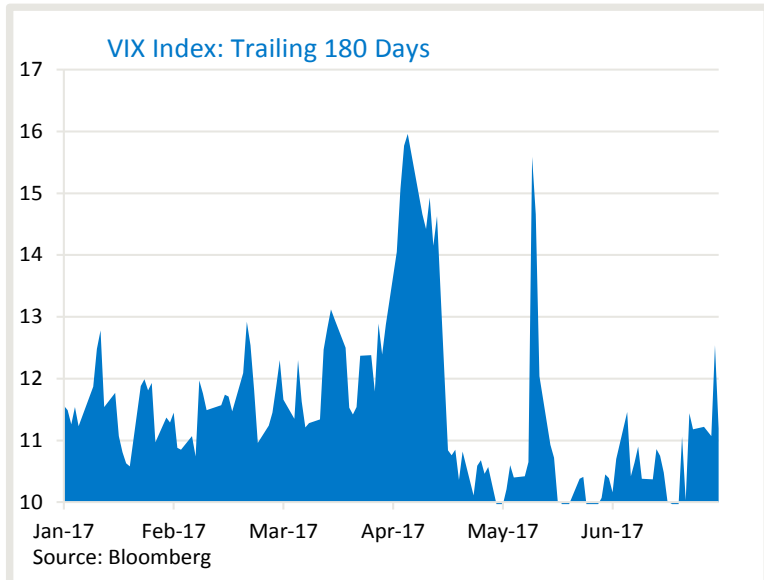
	One Week			YTD		
	Value	Growth		Value	Growth	
L	-0.04%	0.12%	0.27%	3.05%	8.79%	14.29%
	-0.46%	-0.24%	0.05%	3.56%	6.81%	10.84%
S	-0.14%	0.03%	0.20%	-0.53%	4.33%	9.76%

Source: Bloomberg

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

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.2	-0.64%	9.5%
Consumer Staples	9.0	-0.78%	5.8%
Energy	5.9	-1.25%	-14.9%
Financials	14.7	1.47%	7.5%
Health Care	14.5	-0.04%	15.0%
Industrials	10.3	0.66%	9.0%
Information Technology	22.4	0.56%	17.0%
Materials	2.9	0.59%	8.7%
Real Estate	2.9	-1.51%	13.0%
Telecom Services	2.1	-2.18%	-14.7%
Utilities	3.1	-0.93%	5.9%

Source: Bloomberg



The Economy and Markets

A Macro View – June Monthly Recap

Domestic equity market returns were generally positive again in June, though there was a sharp reversal in the trends from the first two months of the quarter. US economic data was again mixed in June, with positive news in employment, slowing inflation, and another increase in the first quarter GDP estimate offset by negative news in retail sales, durable goods, and consumer sentiment. On the employment front, initial jobless claims were under 250,000, and continuing claims were under 2,000,000 each week in June. Headline inflation dropped by 0.1% in May, making the year-over-year change just 1.9%, and core CPI (ex-food and energy) was up 0.1% in May, but just 1.7% over the trailing 12 months. And the final revision to first quarter GDP pushed the figure to 1.4%, double the original 0.7% estimate in April.

On the downside, US retailers reported the largest decline in sales since January of 2016, -0.3%. More than 300 retailers have filed for bankruptcy in the first half of the year, up 30% from last year. There have been 5,300 further store closings announced through June this year, three times the number last year, and more than 85% of the number of closings in all of 2008, the worst year on record. Durable goods orders fell 1.1% in May, following a similar decline in April. Those two drops were preceded by four months of reasonably strong increases, a sign that businesses and consumers are less confident in the Trump administration's ability to effectively implement its agenda of healthcare and tax reform, in addition to more regulatory changes. Throwing more confusion into the mix is the housing market, which had very mixed signals this month as well. Nationally, average home prices rose by 1.2% from April to May and by 6.6% over the trailing 12 month period. Despite the jump in prices, both new and existing home sales were significantly stronger in May. However, home builders' confidence fell in both May and June (though still remains positive), evidenced by reduced new housing starts in May, the third straight monthly decline. Finally, the pending home sales index fell 0.8% this month, also the third straight decline.

Within this context, domestic equities were mostly higher during the month, but performance was strongest in the smaller cap and value indices. The Russell 1000 Index gained just 0.70%, while the Russell 2000 finished the month up 3.46%. This was a significant change from May, when the large cap index outperformed by more than 3.25%. Within the large cap index, the growth component was actually down 0.26% vs. the value component's return of 1.63%, again a reversal from the growth index outperforming the value index by 2.50% in the previous month. There was a difference of just 6 basis points in the value and growth segments within the Russell 2000. The top-performing sectors in the month (across all market caps) were Financials and Health Care, while Information Technology and Telecommunications Services sharply underperformed. The Bloomberg Commodity Index as a whole was down 19 basis points in June, but that disguises a wide range of returns within the commodity sectors. The Agricultural and Industrial Metals sub-indices both returned more than 3.00% for the month, while both the Energy and Precious Metals sub-indices were down more than 3.00%. REITs rebounded after a poor showing in April and May, as the Dow Jones U.S. Select REIT Index was up 2.45% in June and up 1.64% for the quarter.

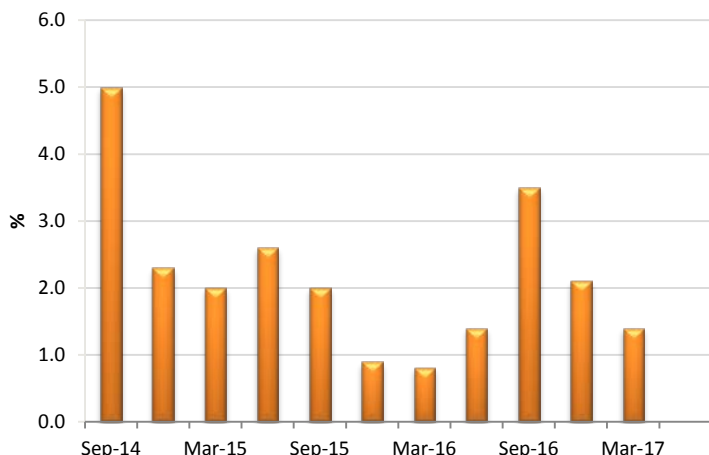
International equity markets were mixed in June, with most returns either in line or slightly lower than domestic returns. The MSCI World ex-U.S. Index posted a return of just 9 basis points for the month, as strong returns from New Zealand and Australia were offset by negative returns from most of Europe. The MSCI Emerging Markets Index posted a gain of +1.01% for the month, with strength in Asia offsetting weakness in Eastern Europe and the Middle East (mostly Russia and Qatar). The dollar depreciated against most major currencies in June, despite the increase in short-term interest rates. The significant exceptions were against the Russian ruble and Columbian peso, against which the dollar appreciated by roughly 5% and 4%, respectively. The dollar was also marginally stronger against the Japanese yen and South Korean won.

Domestic and global fixed income markets pulled back slightly in June, after posting strong performance in April and May. The Federal Reserve's (Fed's) second rate hike of the year in early June helped push yields higher in the short and intermediate portion of the curve. U.S. Treasury yields for maturities from two to ten years rose by 10-13 basis points, though thirty-year yields fell by 3 basis points. Inflation continues to soften, as trailing 12-month CPI, both headline and core, fell below 2.0% as of the end of May. Demand for fixed income assets remains strong, particularly for riskier credits, as flows into mutual funds and ETFs have already eclipsed last year's flows. Most of the broad taxable fixed income indexes had modestly negative returns for the quarter, ranging from -10 to -40 basis points. Only the credit indices (both investment grade and high yield) showed nominal gains, as higher coupon income and modest spread tightening overcame the increase in rates. The worst performer for the month was the Bloomberg Barclays U.S. TIPS Index, down 95 basis points in June. Municipal bonds underperformed their taxable counterparts in June, as municipal yields also rose between 8 and 12 basis points for maturities out to seven years. Long maturity municipal rates rose as well, but by less than the front end of the curve, resulting in a slightly flatter muni curve at the end of June. Limited issuance (roughly 15% less than last year) and steady demand continue to support the tax-exempt market. The global fixed income markets followed the same pattern, as the Bloomberg Barclays Global Aggregate ex-U.S. Index was down 9 basis points, while the JPMorgan EMBI Global Diversified Index was down 14 basis points. On the credit side, the Bloomberg Barclays Global Credit Corporate Index was up 42 basis points, and the Global High Yield Index was up 17 basis points for the month.

*Nathan Behan, CFA, CAIA
SVP, Investment Research*

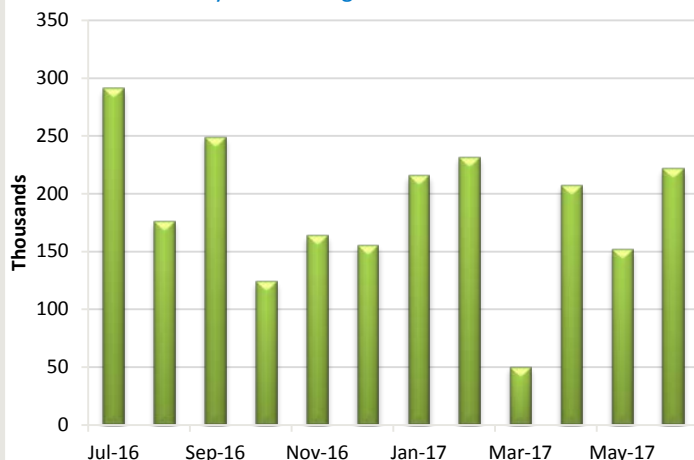
Economic Data

Real GDP Growth Rate - Annualized - 12 Qtrs.



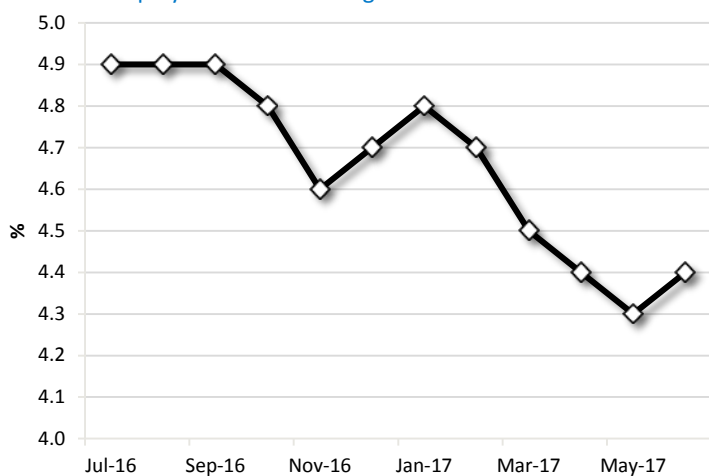
Source: Bloomberg

Non-Farm Payrolls-Trailing 12 Mos.



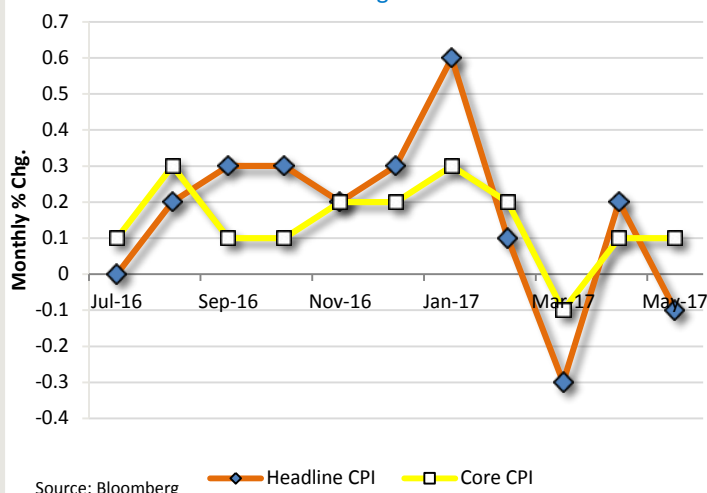
Source: Bloomberg

Unemployment Rate-Trailing 12 Mos.



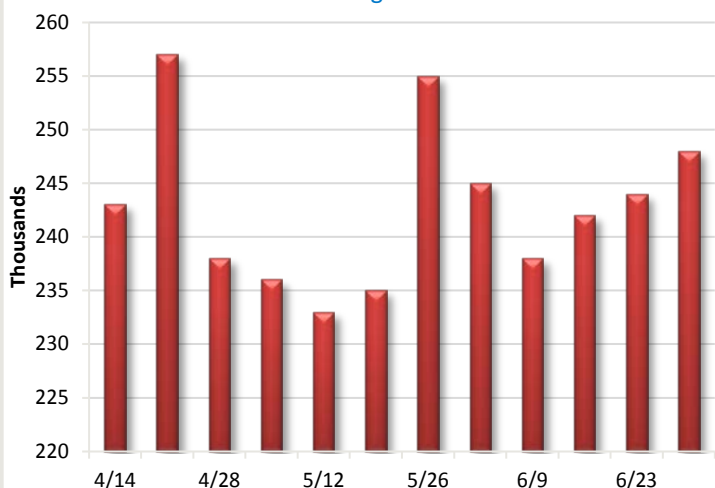
Source: Bloomberg

Consumer Price Index-Trailing 12 Mos.



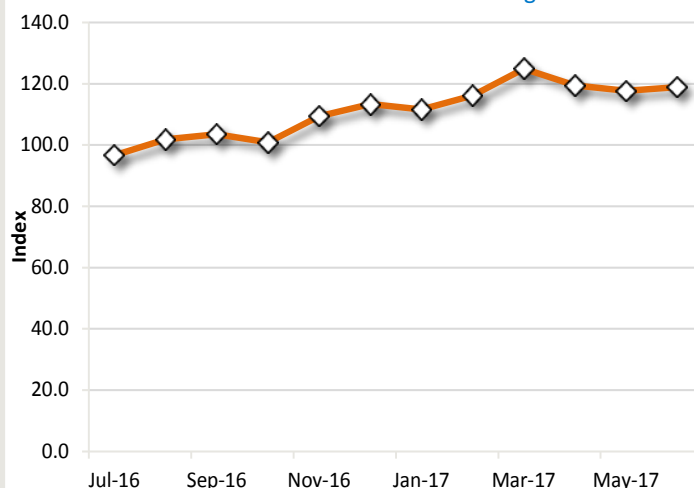
Source: Bloomberg

Initial Jobless Claims-Trailing 12 Wks.



Source: Bloomberg

Consumer Board Confidence Index - Trailing 12 Mos.



Source: Bloomberg

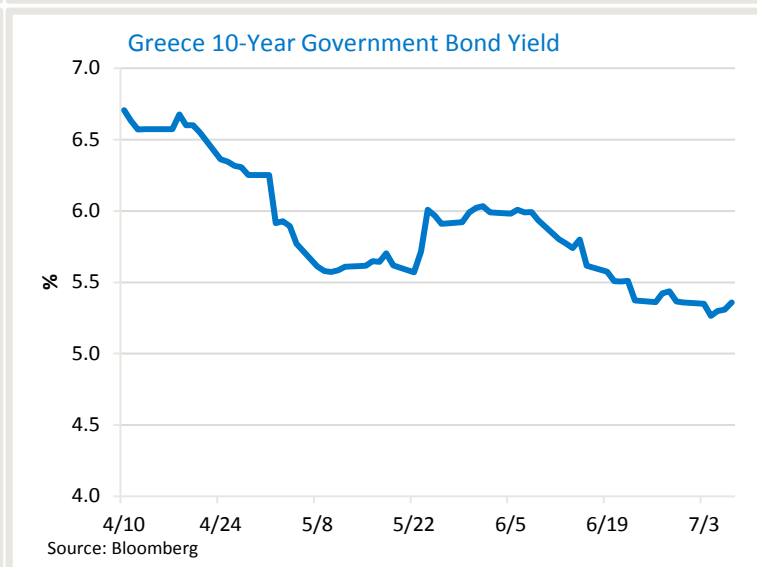
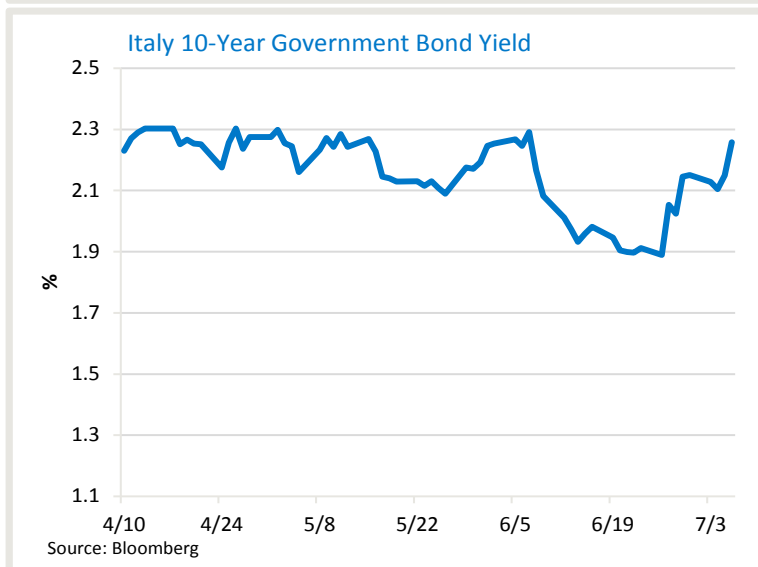
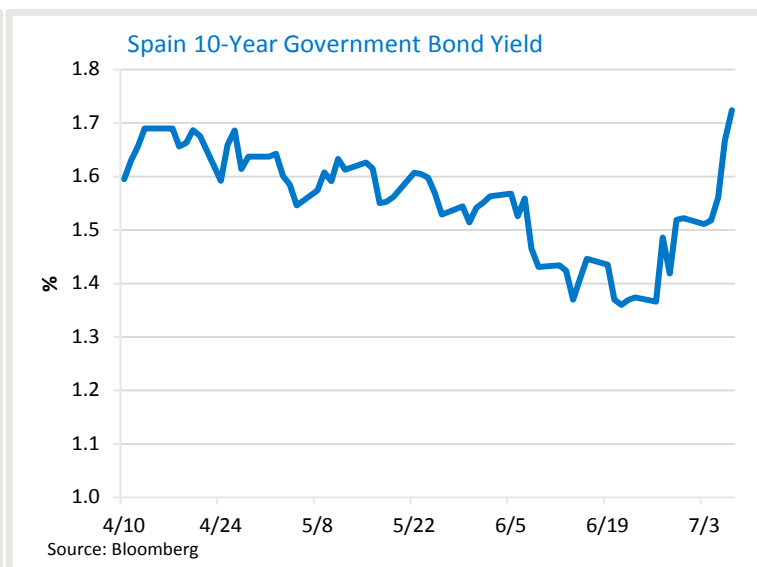
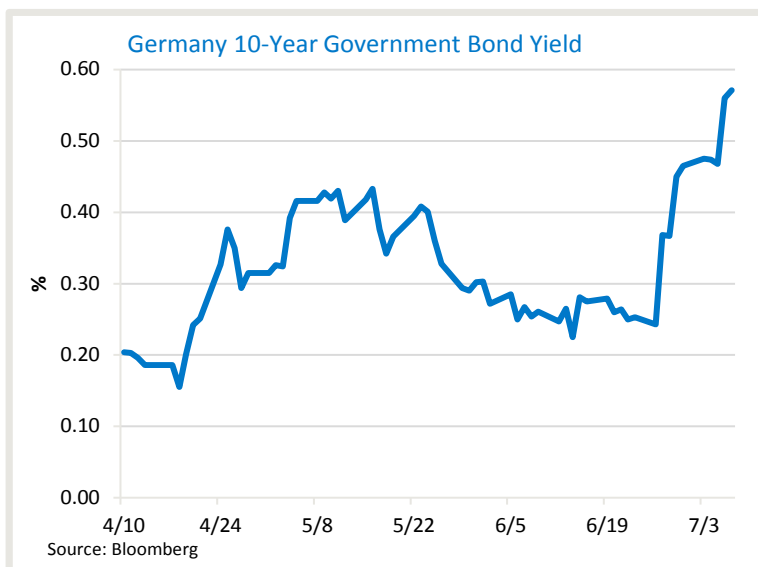
Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.57	-10 bps	NM	NM
Greece 10-Yr. Govt.	5.36	0 bps	NM	NM
Italy 10-Yr. Govt.	2.34	-16 bps	NM	NM
Spain 10-Yr. Govt.	1.72	-18 bps	NM	NM
Belgium 10-Yr. Govt.	0.92	-12 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.94	-12 bps	NM	NM
Ireland 10-Yr. Govt.	0.96	-8 bps	NM	NM
Portugal 10-Yr. Govt.	3.13	-10 bps	NM	NM
Netherlands 10-Yr. Govt.	0.77	-11 bps	NM	NM
U.K. 10-Yr. Govt.	1.30	-6 bps	NM	NM

Source: Bloomberg
Basis points (bps)

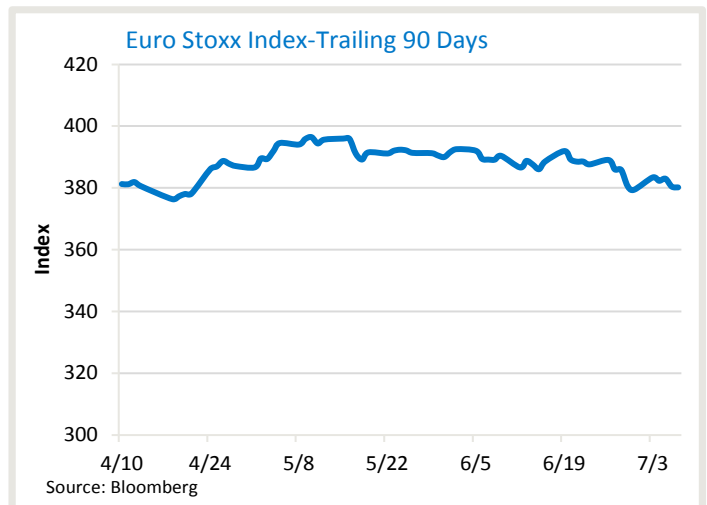
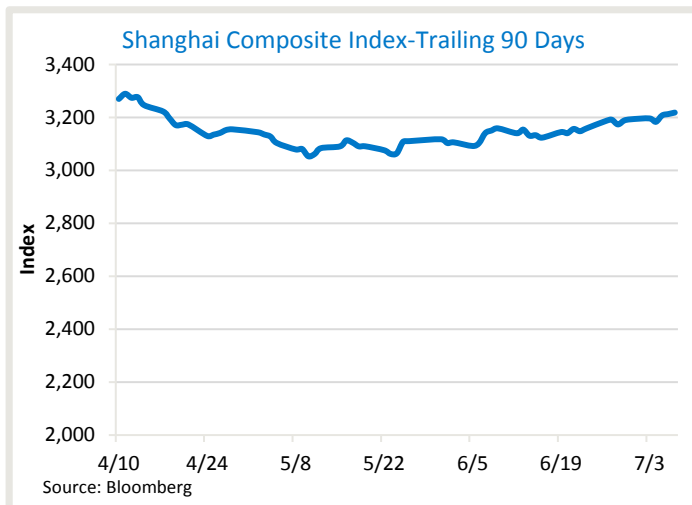
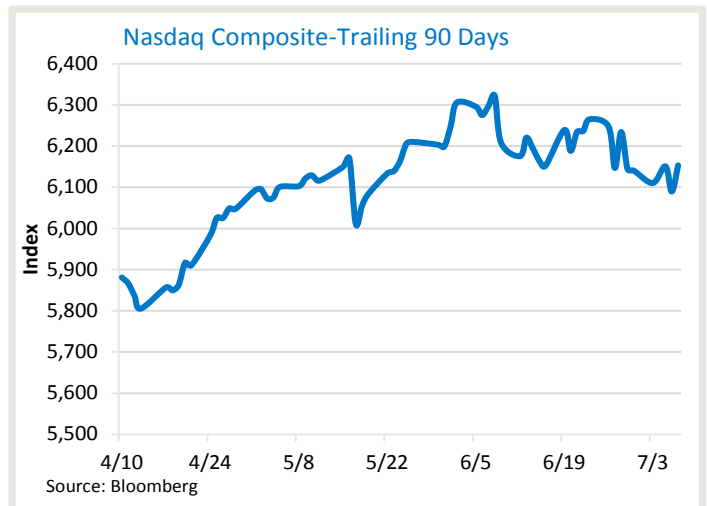
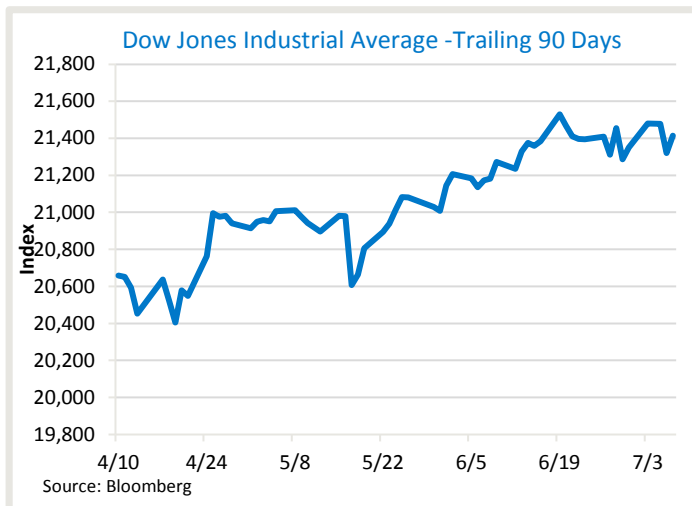


Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
S&P 500	2,425.18	1.77	0.07%	8.32%	Swiss Market Index	8,883.27	-23.62	-0.27%	8.07%
Dow Industrials	21,414.34	64.71	0.30%	8.36%	CAC 40 Index (France)	5,145.16	24.48	0.48%	5.82%
Nasdaq Composite	6,153.08	12.66	0.21%	14.30%	DAX Index (Germany)	12,388.68	63.56	0.52%	7.91%
Russell Global	1,933.09	-8.48	-0.44%	9.7%	Irish Overall Index	6,875.21	47.59	0.70%	5.49%
Russell Global EM	3,175.97	-11.94	-0.37%	16.3%	Nikkei 225	19,929.09	-104.34	-0.52%	4.26%
S&P/TSX (Canada)	15,027.16	-155.03	-1.02%	-1.70%	Hang Seng Index	25,340.85	-423.73	-1.64%	15.18%
Mexico IPC	50,059.02	201.53	0.40%	9.68%	Shanghai Composite	3,217.96	25.53	0.80%	3.68%
Brazil Bovespa	62,322.40	-577.57	-0.92%	3.48%	Kospi Index (S. Korea)	2,379.87	-11.92	-0.50%	17.44%
Euro Stoxx 600	380.18	0.81	0.21%	5.19%	Taiwan Taiex Index	10,297.25	-97.82	-0.94%	11.28%
FTSE 100	7,350.92	38.20	0.52%	2.91%	Tel Aviv 25 Index	1,428.36	-5.27	-0.37%	-2.88%
IBEX 35 (Spain)	10,488.80	44.30	0.42%	12.15%	MICEX Index (Russia)	1,912.48	32.98	1.75%	-14.34%

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



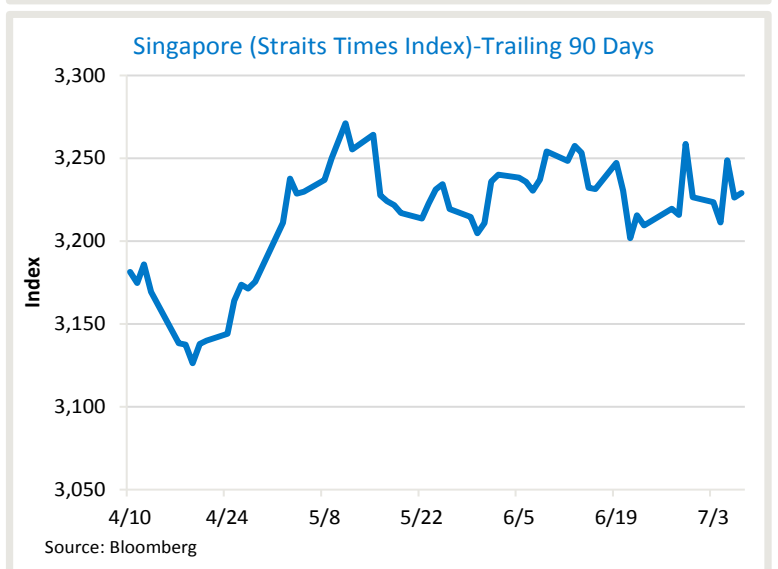
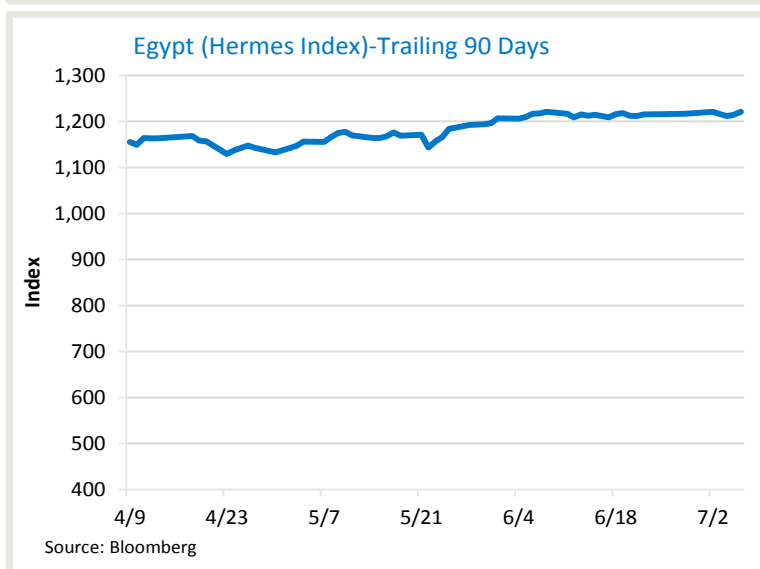
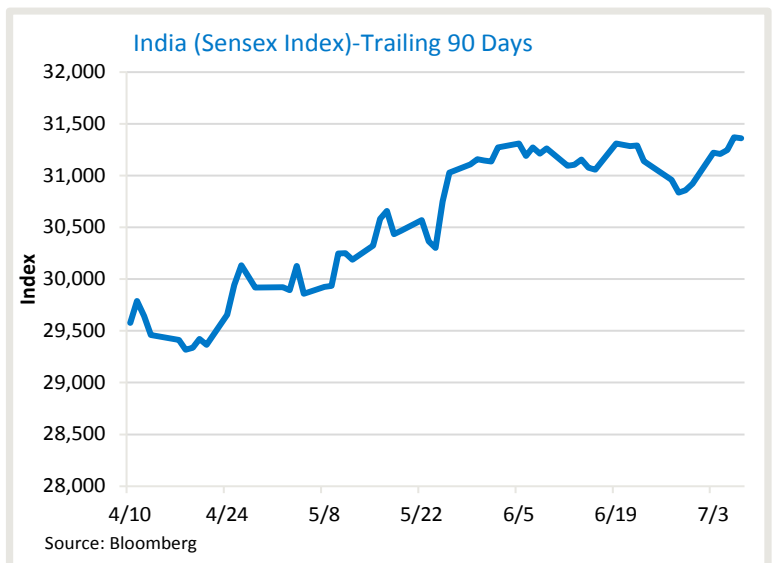
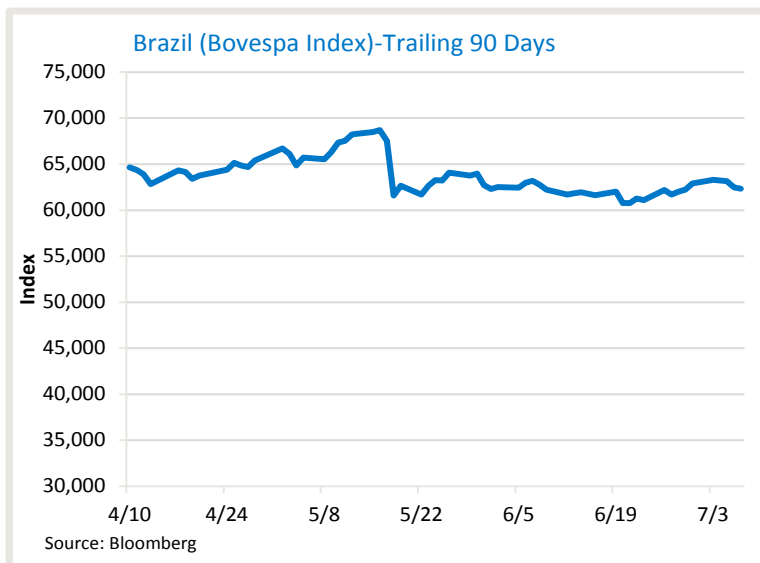
Equities – Emerging and Frontier Markets

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	50,059.02	201.53	0.4%	9.7%
Brazil (Bovespa Index)	62,322.40	-577.57	-0.9%	3.5%
MICEX Index (Russia)	1,912.48	32.98	1.8%	-14.3%
Czech Republic (Prague)	992.18	11.77	1.2%	7.7%
Turkey (Istanbul)	100,084.37	-356.00	-0.4%	28.1%
Egypt (Hermes Index)	1,221.26	4.35	0.4%	12.1%
Kenya (Nairobi 20 Index)	3,604.06	-3.12	-0.1%	13.1%
Saudi Arabia (TASI Index)	7,203.99	-221.73	-3.0%	-0.1%
Lebanon (Beirut BLOM Index)	1,151.41	1.06	0.1%	-5.0%
Palestine	560.62	16.26	3.0%	5.7%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	25,340.85	-423.73	-1.6%	15.2%
India (Sensex 30)	31,360.63	439.02	1.4%	17.8%
Malaysia (KLCI Index)	1,759.93	-3.74	-0.2%	7.2%
Singapore (Straits Times Index)	3,229.01	2.53	0.1%	12.1%
Thailand (SET Index)	1,569.44	-5.30	-0.3%	1.7%
Indonesia (Jakarta)	5,814.79	-14.92	-0.3%	9.8%
Pakistan (Karachi KSE 100)	45,222.15	-1343.14	-2.9%	-5.4%
Vietnam (Ho Chi Minh)	775.73	-0.74	-0.1%	16.7%
Sri Lanka (Colombo)	6,737.50	-9.57	-0.1%	8.2%
Cambodia (Laos)	1,012.87	0.20	0.0%	-0.2%

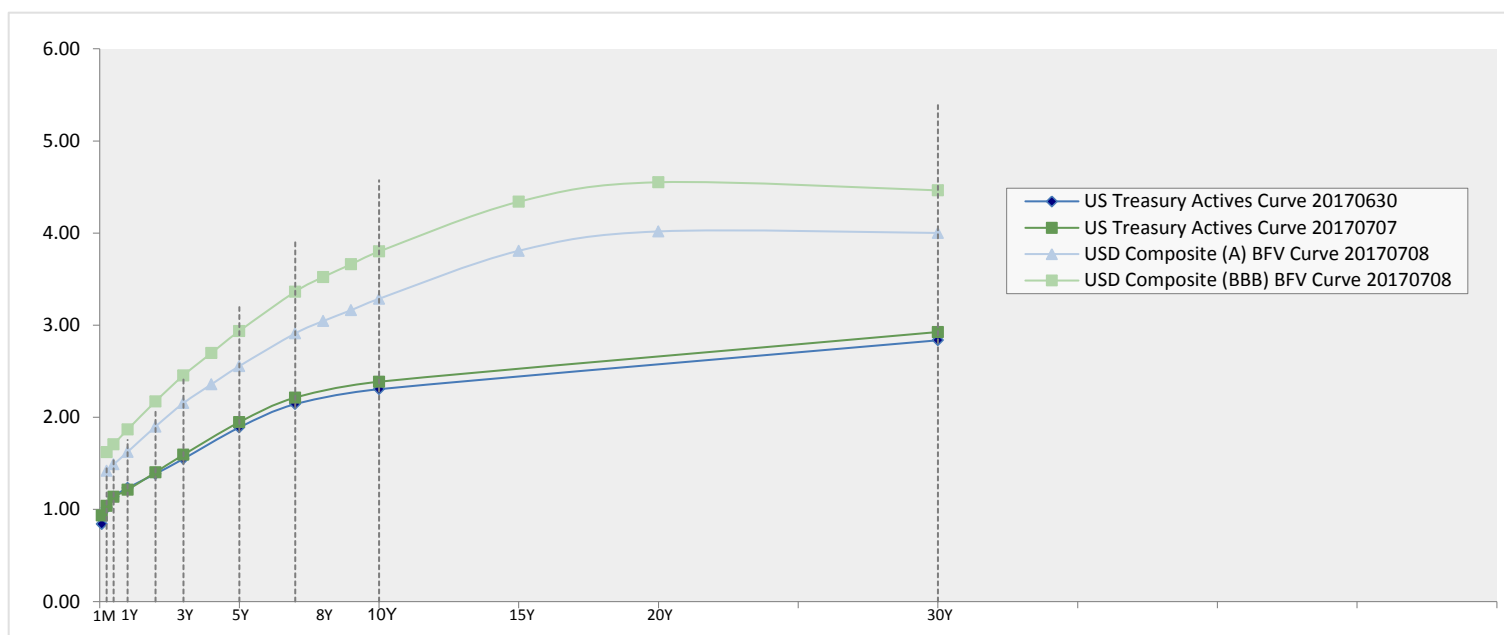


Interest Rates

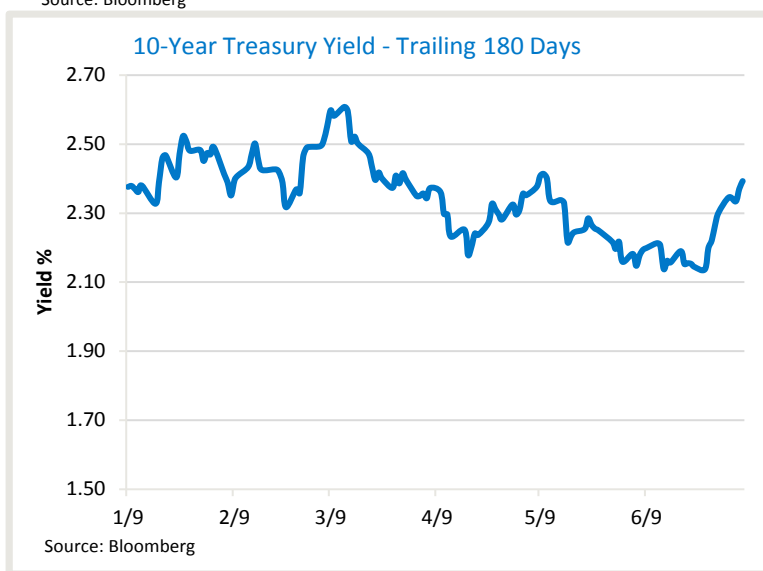
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	1.40%	0 bps	NM	NM	Prime Rate	4.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.96%	7 bps	NM	NM	Fed Funds Rate	1.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.39%	9 bps	NM	NM	Discount Rate	1.75%	0.00	NM	NM
30-Yr. U.S. Treasury	2.94%	10 bps	NM	NM	LIBOR (3 Mo.)	1.30%	0 bps	NM	NM
German 10-Yr. Govt.	0.57%	-10 bps	NM	NM	Bond Buyer 40 Muni	3.71%	5 bps	NM	NM
France 10-Yr.	0.94%	-12 bps	NM	NM	Bond Buyer 40 G.O.	3.60%	NA	NM	NM
Italy 10-Yr.	2.34%	-16 bps	NM	NM	Bond Buyer 40 Rev.	3.76%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.77%	2 bps	NM	NM					

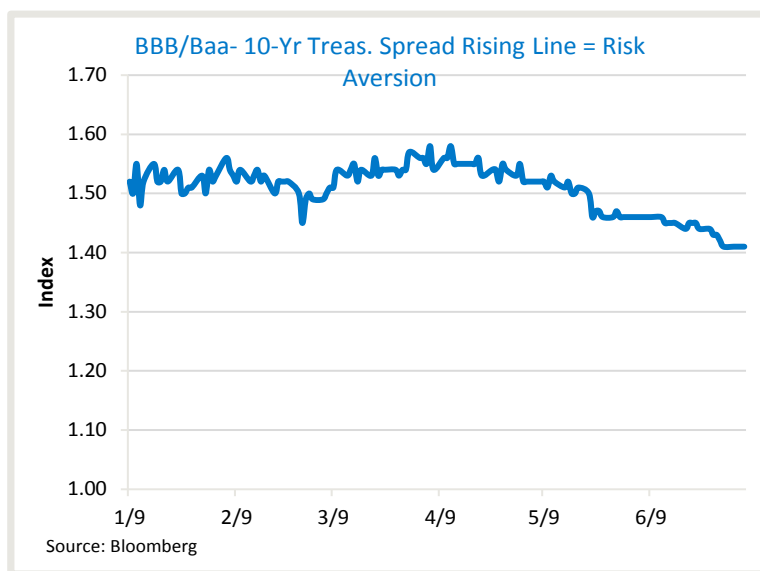
Source: Bloomberg



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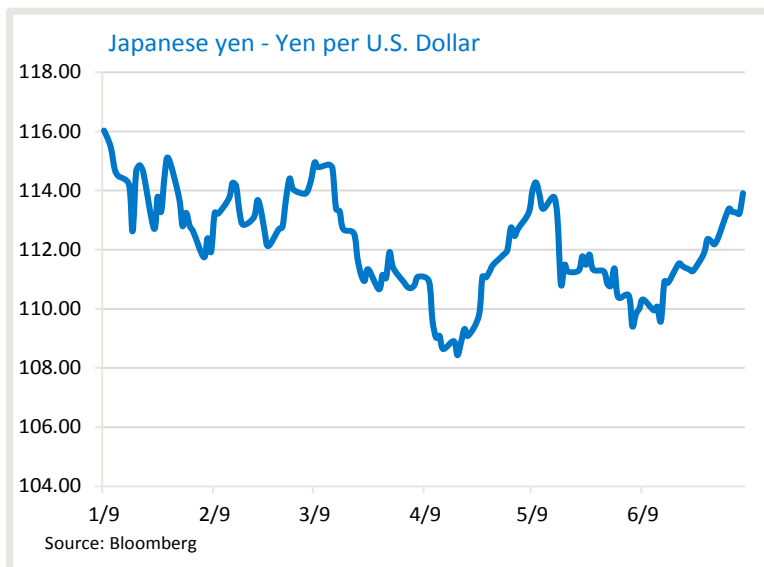
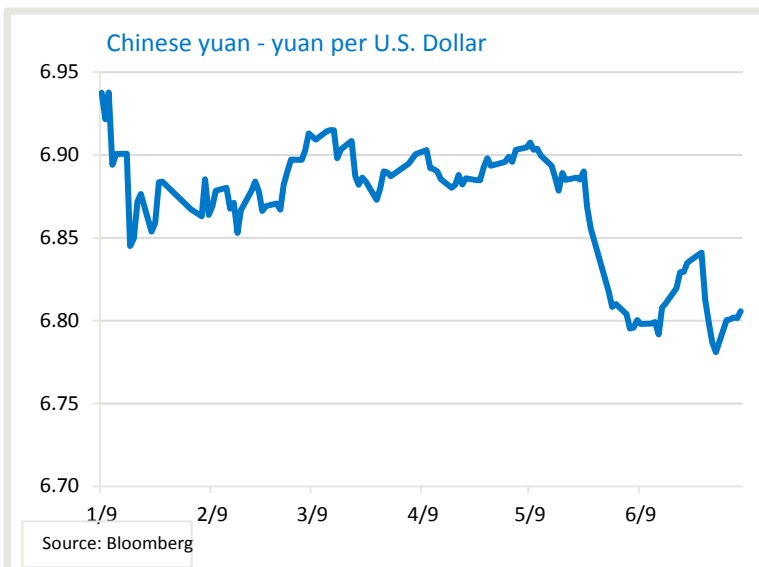
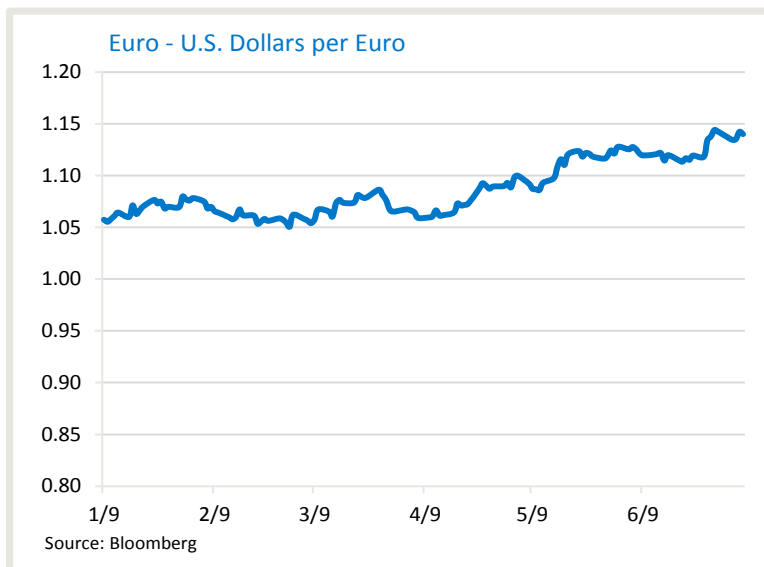
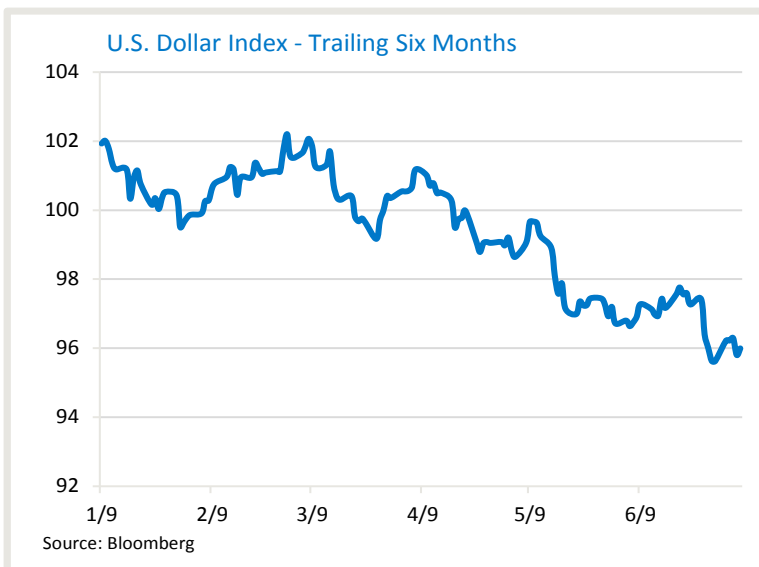
Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	96.02	0.364	0.38%	-6.08%
Euro	1.14	-0.003	-0.22%	8.41%
Japanese Yen	113.91	1.520	-1.33%	2.68%
British Pound	1.29	-0.014	-1.08%	4.41%
Canadian Dollar	1.29	-0.008	0.62%	4.32%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.81	0.025	-0.36%	2.05%
Swiss Franc	0.96	0.006	-0.61%	5.73%
New Zealand Dollar	0.73	-0.006	-0.78%	4.93%
Brazilian Real	3.28	-0.024	0.73%	-1.01%
Mexican Peso	18.10	-0.029	0.16%	14.57%

Source: Bloomberg



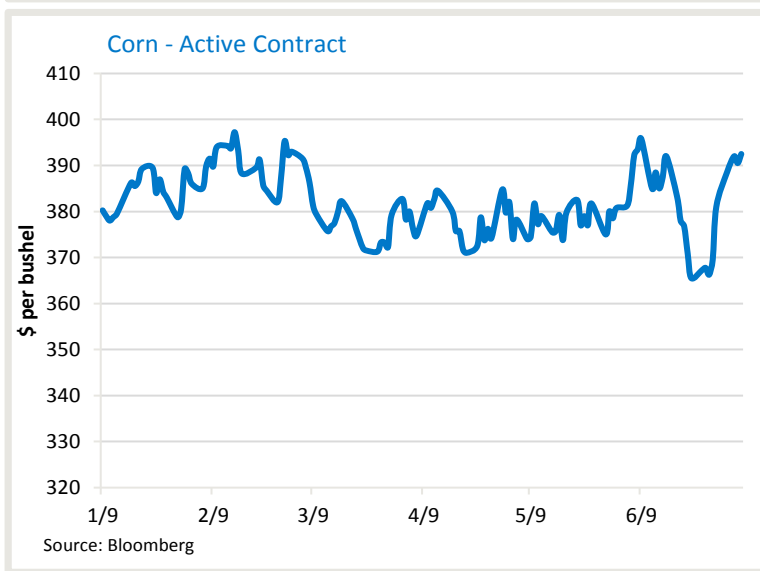
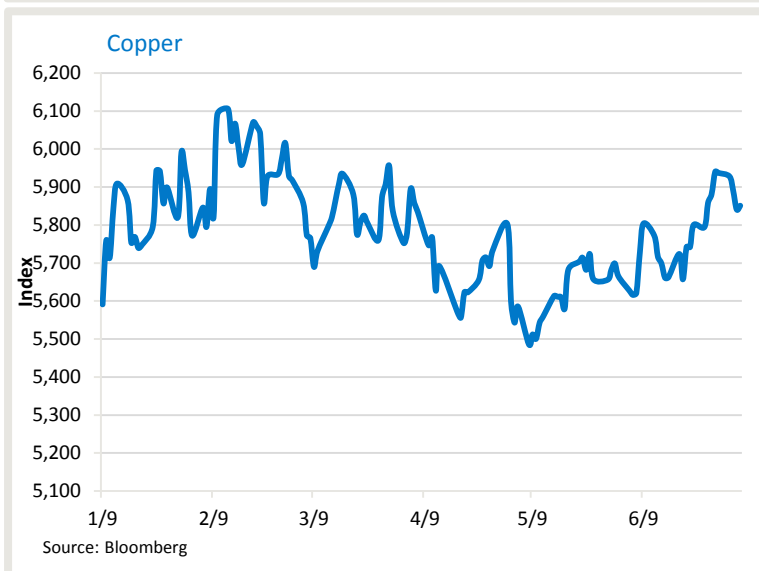
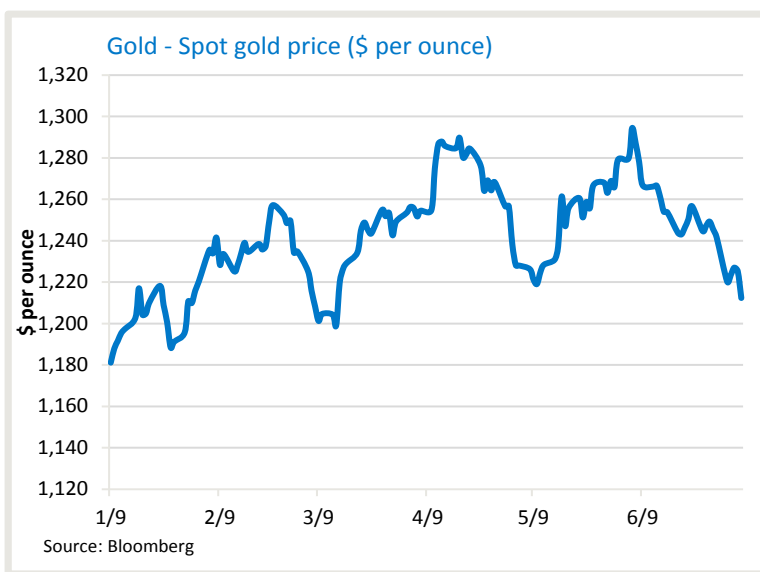
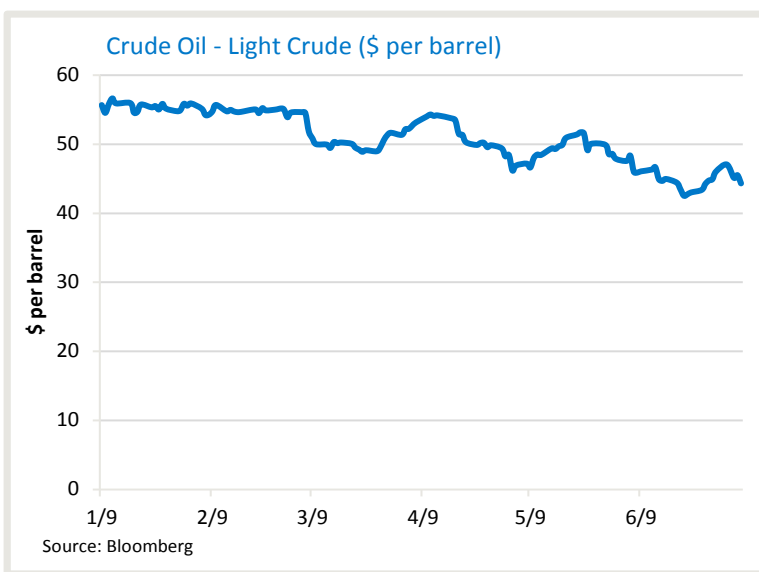
Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	81.80	-0.80	-0.96%	-6.52%
Crude Oil	\$44.35	-\$1.72	-3.74%	-22.11%
Natural Gas	\$2.86	-\$0.18	-5.90%	-20.11%
Gasoline (\$/Gal.)	\$2.26	\$0.02	1.07%	-3.30%
Heating Oil	145.18	-3.35	-2.26%	-17.94%
Gold Spot	\$1,212.52	-\$29.26	-2.36%	5.65%
Silver Spot	\$15.59	-\$1.06	-6.36%	-2.22%

Source: Bloomberg; % change is based on price.

	Last	Change	% Chg.	YTD %
Platinum Spot	\$906.80	-\$19.43	-2.10%	0.37%
Corn	392.50	23.00	6.22%	5.72%
Wheat	535.00	39.00	7.86%	19.49%
Soybeans	1,015.50	90.75	9.81%	2.65%
Sugar	14.15	0.65	4.81%	-24.13%
Orange Juice	133.75	-0.15	-0.11%	-28.97%
Aluminum	1,944.00	25.00	1.30%	14.83%
Copper	5,851.00	-86.00	-1.45%	5.70%

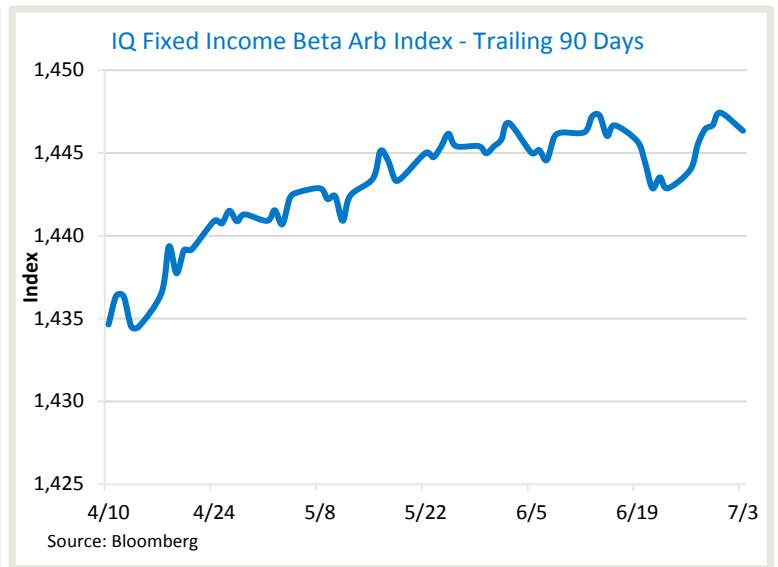
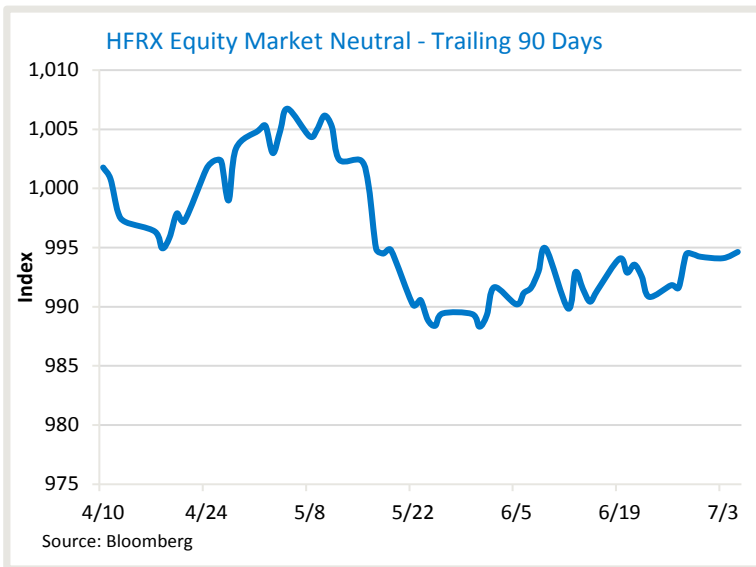
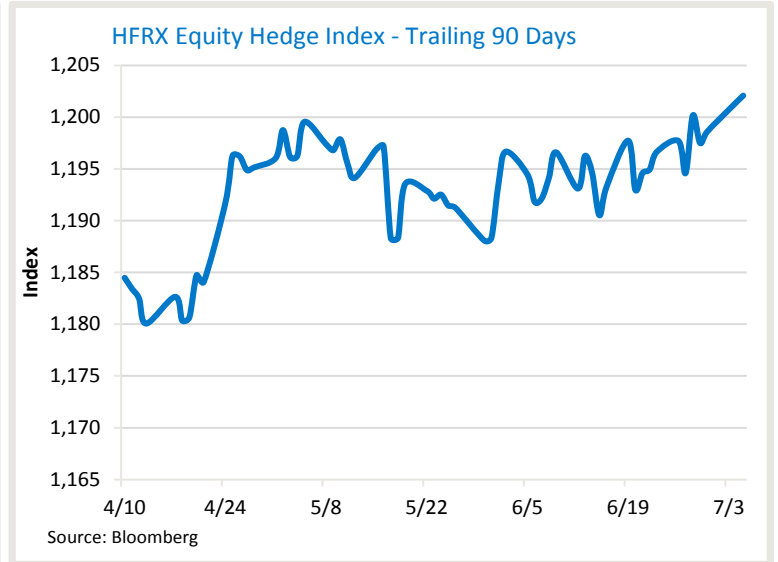
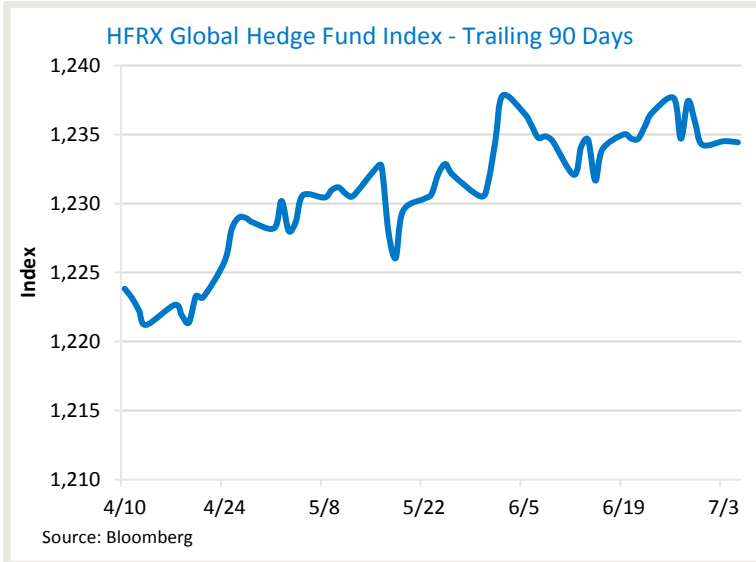


Alternative Investments

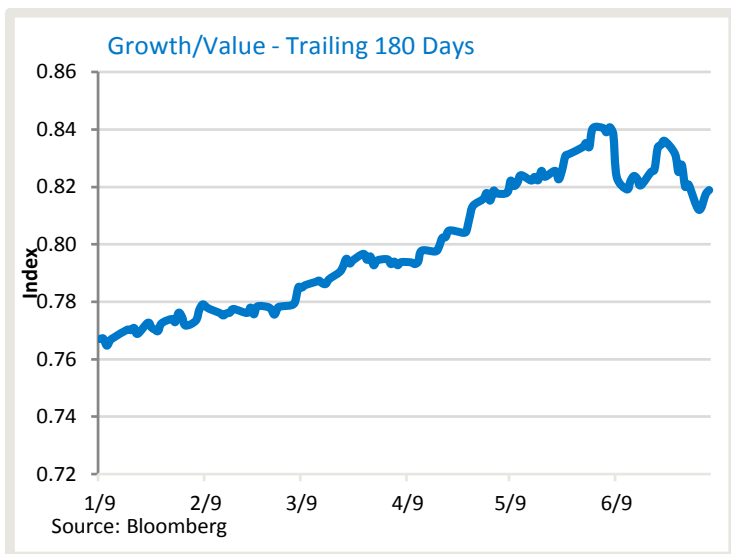
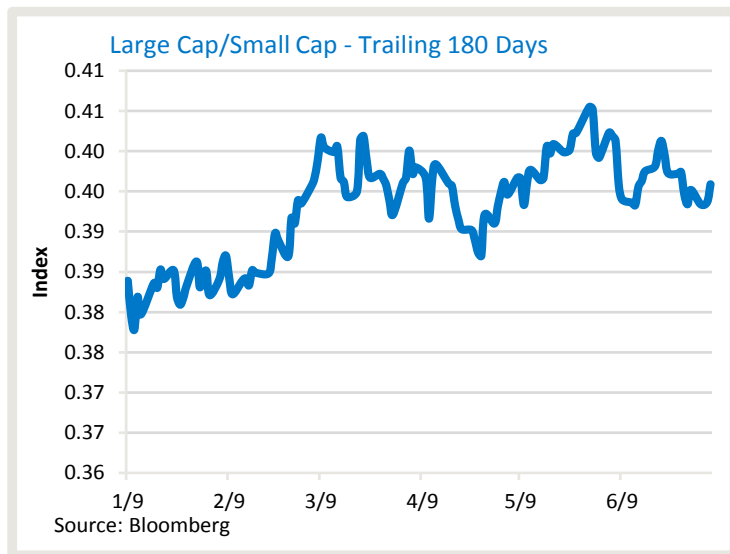
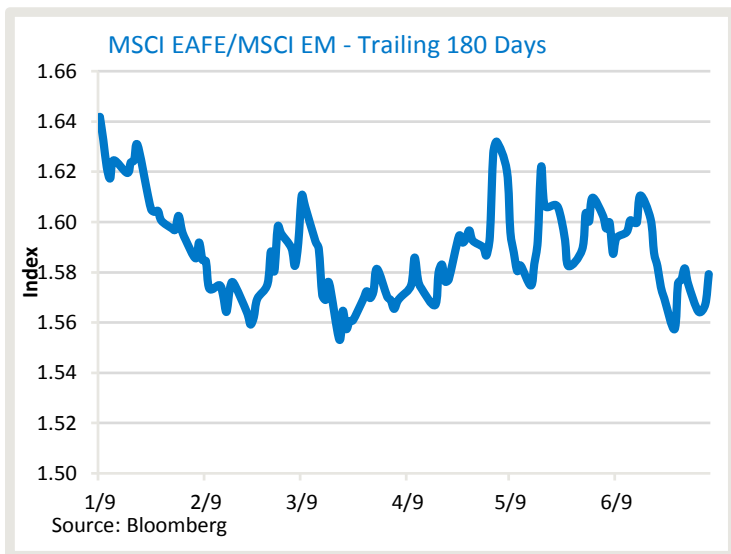
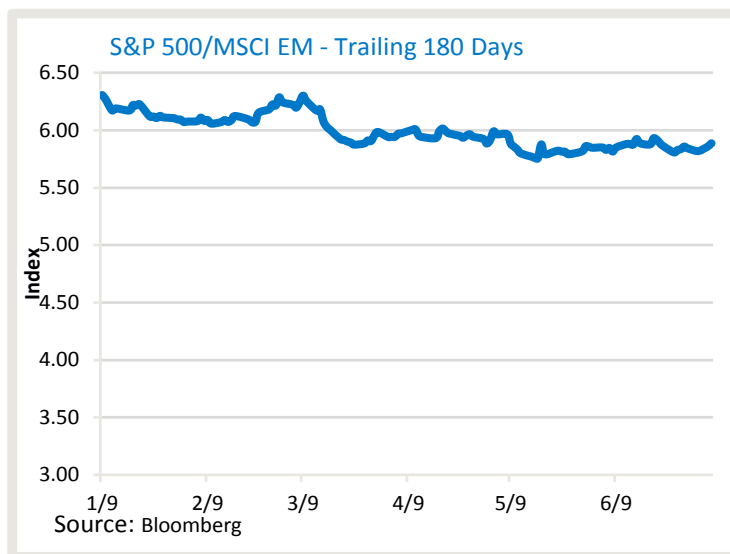
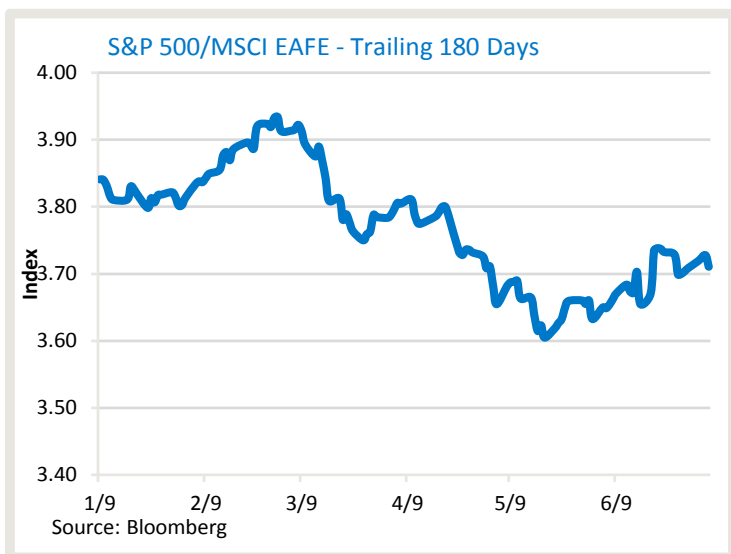
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1234.43	0.18	0.01%	2.57%	HFRX Distressed Index	1099.67	-0.82	-0.07%	2.48%
HFRX Equity Market Neutral	994.63	0.41	0.04%	0.74%	HFRX Merger Arbitrage Index	1834.99	-2.37	-0.13%	1.24%
HFRX Equity Hedge Index	1202.09	3.49	0.29%	4.04%	HFRX Convertible Arbitrage Index	775.52	0.60	0.08%	4.43%
HFRX Event-Driven Index	1633.80	-2.76	-0.17%	4.44%	HFRX Macro CTA Index	1123.14	-3.69	-0.33%	-1.08%
HFRX Absolute Return Index	1043.76	1.13	0.11%	1.49%	IQ Fixed Income Beta Arb Index	1448.12	0.69	0.05%	1.98%

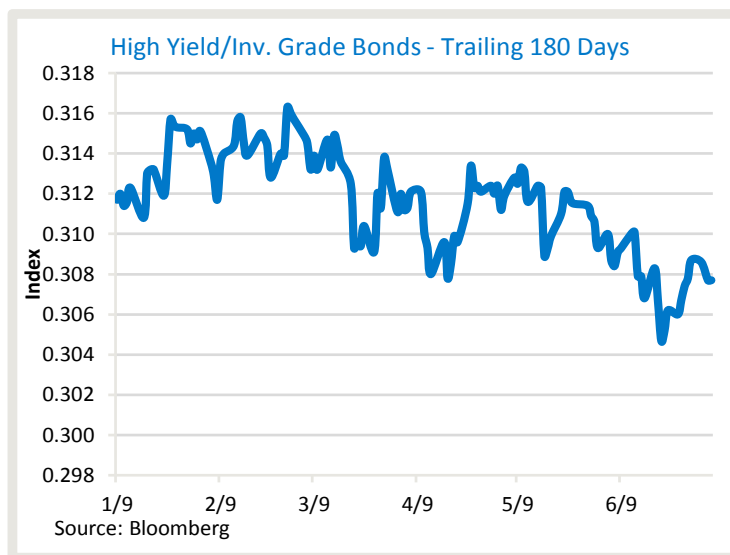
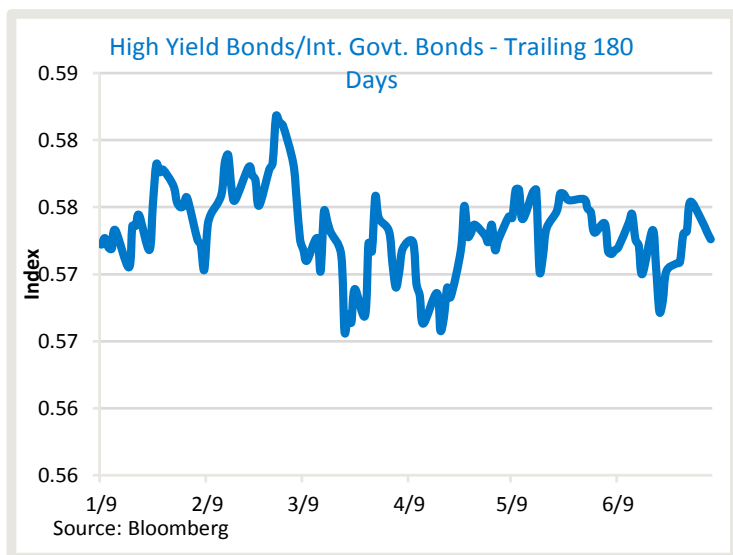
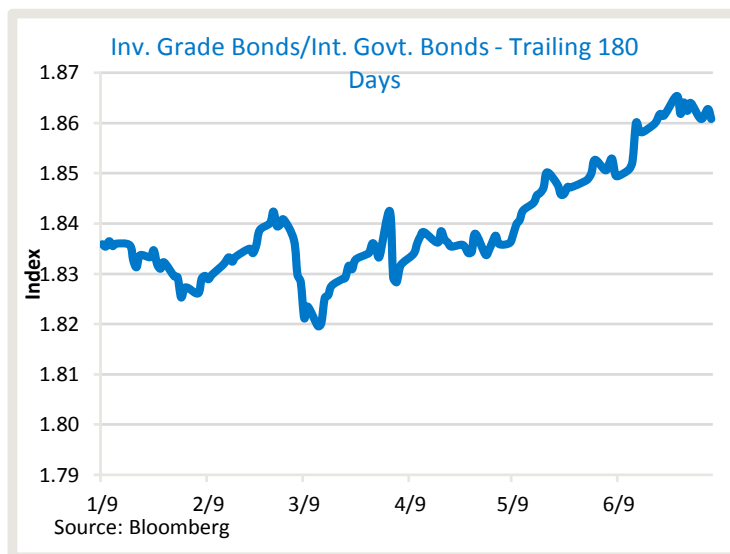
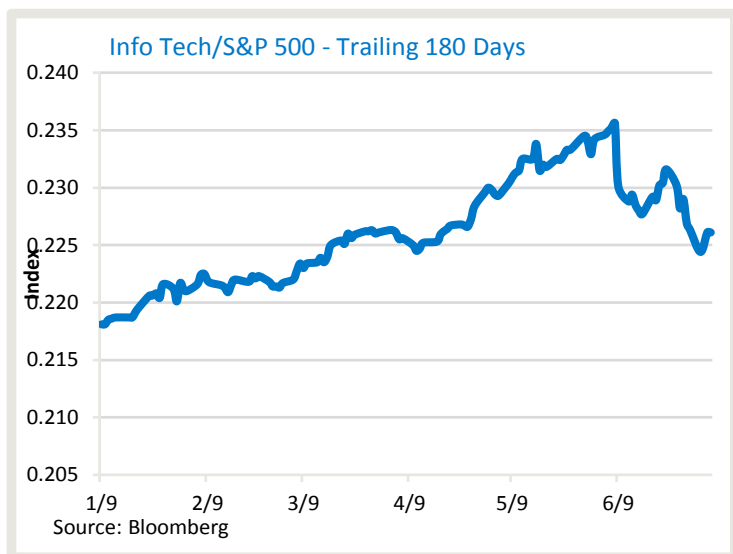
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			4/20	4/27	5/4	5/11	5/18	5/25	6/1	6/8	6/15	6/22	6/29	7/6
Equity	Domestic Equity	Large Cap (R200)	1.01%	1.47%	0.24%	0.08%	-1.17%	2.09%	0.56%	0.29%	-0.17%	0.23%	-0.69%	-0.39%
		Small Cap (R2000)	2.89%	2.38%	-2.00%	0.10%	-2.09%	1.64%	0.92%	1.40%	-0.39%	-0.39%	0.83%	-1.09%
	Int'l. Equity	MSCI EAFE	0.21%	2.93%	0.94%	0.28%	0.55%	1.27%	0.12%	-0.01%	-0.92%	0.48%	0.52%	-0.70%
		MSCI Em. Mkts.	-0.46%	2.21%	0.04%	2.07%	-1.20%	2.65%	-0.60%	1.05%	-1.51%	0.52%	0.52%	-0.78%
Fixed Income	BarCap Agg. (AGG)	-4.73%	-2.04%	-3.28%	-1.23%	-1.56%	-7.92%	2.41%	-1.34%	14.14%	-5.67%	-3.48%	17.54%	
	High Yield (JNK)	0.54%	0.62%	-0.81%	0.68%	0.03%	0.59%	-0.13%	-0.30%	0.05%	-0.56%	0.43%	-0.67%	
Commodities	Bloomberg Commodity Index	-2.15%	-0.98%	-1.68%	1.11%	0.36%	0.34%	-1.48%	-0.35%	-1.53%	-1.93%	2.49%	1.34%	
Alternatives	Hedge Funds (HFRX Global)	0.17%	0.46%	-0.02%	0.17%	-0.38%	0.56%	0.14%	0.02%	-0.26%	0.32%	0.02%	-0.12%	
Asset Allocation	60/40*	-1.03%	0.54%	-1.17%	-0.22%	-1.08%	-1.63%	1.08%	-0.21%	4.65%	-1.89%	-1.22%	5.74%	
	48/32/20 (w/Alts.)**	-0.79%	0.53%	-0.94%	-0.14%	-0.94%	-1.19%	0.89%	-0.16%	3.67%	-1.45%	-0.97%	4.57%	

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	1.00	1.04	1.02	1.05	1.01	0.98	1.03	0.95	0.96	1.10	1.05	0.84	1.11
Large Cap Growth	0.99	1.00	0.99	1.02	1.01	1.04	1.00	0.97	1.02	0.94	0.95	1.09	1.04	0.83	1.10
Large Cap Value	1.00	1.01	1.00	1.04	1.02	1.05	1.01	0.98	1.03	0.95	0.96	1.10	1.05	0.84	1.11
Mid Cap Core	0.97	0.98	0.97	1.00	0.99	1.02	0.97	0.95	1.00	0.91	0.92	1.06	1.01	0.81	1.07
Mid Cap Growth	0.98	0.99	0.98	1.02	1.00	1.03	0.99	0.96	1.01	0.93	0.94	1.08	1.03	0.82	1.09
Mid Cap Value	0.95	0.96	0.95	0.98	0.97	1.00	0.96	0.93	0.98	0.90	0.91	1.04	0.99	0.80	1.05
Small Cap Core	0.99	1.00	0.99	1.03	1.01	1.05	1.00	0.97	1.03	0.94	0.95	1.09	1.04	0.83	1.10
Small Cap Growth	1.02	1.03	1.02	1.06	1.04	1.07	1.03	1.00	1.05	0.97	0.98	1.12	1.07	0.86	1.13
Small Cap Value	0.97	0.98	0.97	1.00	0.99	1.02	0.97	0.95	1.00	0.92	0.93	1.07	1.01	0.81	1.07
Int'l. Developed	1.06	1.07	1.06	1.09	1.08	1.11	1.06	1.04	1.09	1.00	1.01	1.16	1.11	0.89	1.17
Emerging Markets	1.04	1.06	1.04	1.08	1.07	1.10	1.05	1.02	1.08	0.99	1.00	1.15	1.09	0.88	1.16
REITs	0.91	0.92	0.91	0.94	0.93	0.96	0.92	0.89	0.94	0.86	0.87	1.00	0.95	0.76	1.01
Commodities	0.96	0.97	0.96	0.99	0.97	1.01	0.96	0.94	0.99	0.90	0.92	1.05	1.00	0.80	1.06
Int. Bond	1.19	1.20	1.19	1.23	1.21	1.25	1.20	1.17	1.23	1.13	1.14	1.31	1.25	1.00	1.32
High Yield	0.90	0.91	0.90	0.93	0.92	0.95	0.91	0.88	0.93	0.85	0.86	0.99	0.94	0.76	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 **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 **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 **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. The **Industrial Production Index** is an economic indicator that measures real output for all facilities located in the United States manufacturing, mining, and electric, and gas utilities (excluding those in U.S. territories).

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