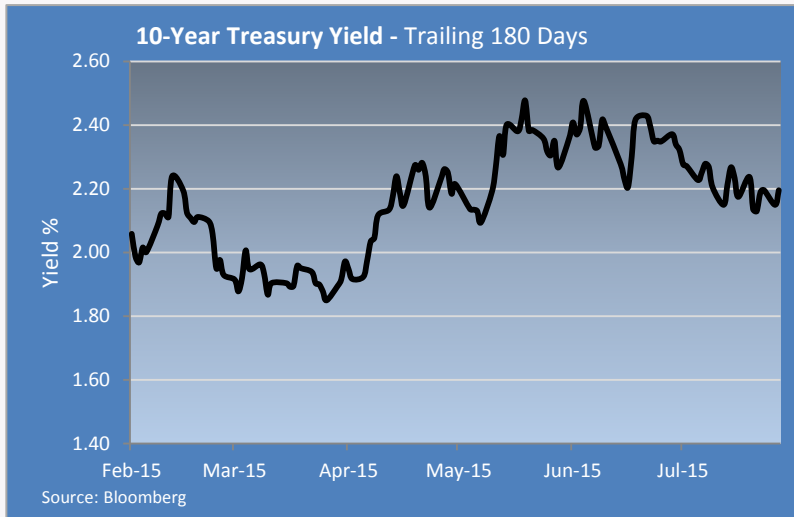


Chart of the Week



Weekly Highlights

- **Federal Reserve minutes** released on Wednesday were the focus of the week, as the central bank's Open Market Committee stated at the July policy meeting that "[m]ost judged that the conditions for policy firming had not yet been achieved, but they noted that conditions were approaching that point. Participants observed that the labor market had improved notably since early this year, but many saw scope for some further improvement." Overall, investors viewed this as mixed signs towards a rate increase in the next meeting which occurs in September.
- **Stock markets declined throughout the week** both domestically and internationally, as declining oil prices, apprehensions about high stock valuations, currency depreciation across all emerging markets including China, as well as concerns about global economic growth sparked sell offs across exchanges.
- **Commodity indexes fell**, as crude oil declines outpaced gold advances. Oil fell to six-year lows as inventories moved higher than expected, whereas gold reached one-month highs as investors sought the commodity as a safe-haven on the heels of China's recent yuan devaluation.

Talking Points

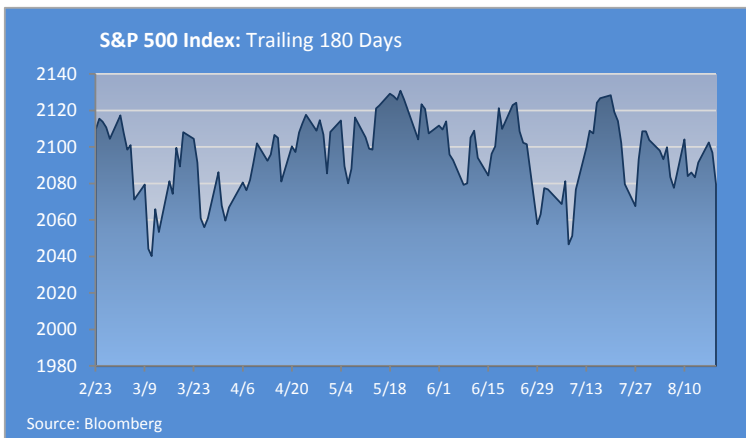
- **Domestic stocks slid**, despite positive leading economic indicators, such as jobless claims falling to their lowest levels in decades and strong existing home sales. This week's pullback likely signals investors' concerns about declining commodity prices, global growth pressure, and more dovish comments from the Federal Reserve than expected.
- **Global markets fell**, as investors remain concerned about future economic growth. Hong Kong and Taiwan indexes fell into bear market territory on Thursday. European markets lost ground after news that Greek Prime Minister Alexis Tsipras plans to hand in his resignation, which will result in early national elections, and could cloud the countries third bailout requirements.
- **U.S. Treasury yields declined**, as rate hike bets fell after the release of the fed minutes.
- **Among economic data released this week**, as expected the housing market index rose 1 point to a very strong 61 in August; However, building permits slid sharply in July, as new NYC laws pulled permits into June at the expense of July; the Consumer Price Index rose only 0.1 percent in July as did the core, both under expectations; Jobless claims were slightly higher than expected, but continue to remain at record lows; The Philadelphia Fed Business Outlook Survey for August was stronger-than-expected at 8.3 vs July's 5.7; Existing home sales were also stronger-than-expected 2.0 percent in July to a 5.59 million annual rate.

MARKET DASHBOARD

	Last Price	Change	% Chg.	YTD %
S&P 500	1,970.89	-120.65	-5.77%	-4.3%
Dow Industrials	16,459.75	-1,017.65	-5.82%	-7.6%
Nasdaq	4,706.04	-342.20	-6.78%	-0.6%
Russell 2000	1,156.79	-55.90	-4.61%	-4.0%
Euro Stoxx Index	361.28	-24.96	-6.46%	5.5%
Shanghai Composite	3,507.74	-457.59	-11.54%	8.4%
Russell Global	1,723.19	-49.52	-2.84%	-1.9%

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

	Last Price	Change	% Chg.	YTD %
Russell Global EM	2,599.52	-113.41	-4.18%	-12.8%
10-Year US Treas.	2.05	-14 bps	NM	NM
DJ UBS Comm. Idx.	87.80	-2.55	-2.82%	-15.8%
Gold	\$1,160.59	\$44.88	4.02%	-2.1%
Crude Oil	\$40.27	-\$2.87	-6.66%	-30.8%
Dollar Index	94.89	-1.61	-1.67%	5.1%
VIX Index	28.03	15.20	118.47%	46.0%



	One Week			YTD		
	Value	Growth		Value	Growth	
L	-6.14%	-6.00%	-5.86%	-8.34%	-4.27%	-0.19%
	-4.82%	-5.12%	-5.41%	-5.22%	-3.05%	-1.01%
S	-4.06%	-4.61%	-5.14%	-8.06%	-3.98%	0.12%

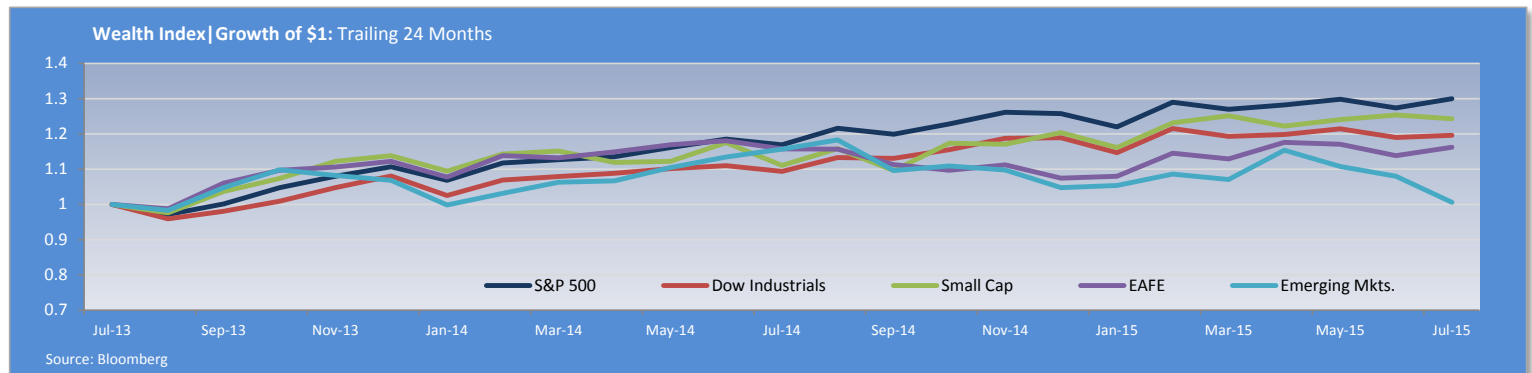
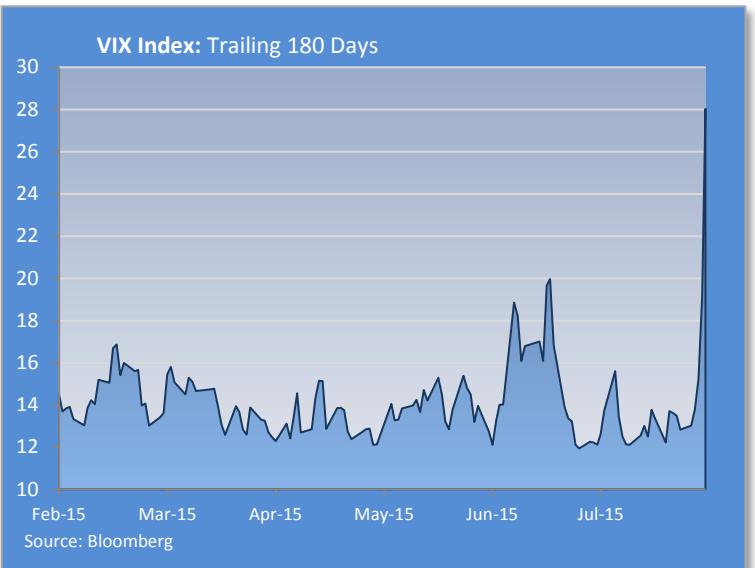
Source: Bloomberg

Sector Performance:

S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.8	-5.22%	2.8%
Consumer Staples	9.8	-4.82%	-2.0%
Energy	6.9	-8.65%	-21.2%
Financials	16.9	-5.91%	-4.2%
Health Care	15.5	-4.95%	4.4%
Industrials	10.1	-5.40%	-9.0%
Information Technology	19.5	-7.37%	-5.1%
Materials	2.9	-5.47%	-11.3%
Telecom Services	2.5	-2.63%	-3.4%
Utilities	3.2	-1.20%	-5.2%

Source: Bloomberg



THE ECONOMY AND MARKETS

A Macro View – Oil Declines

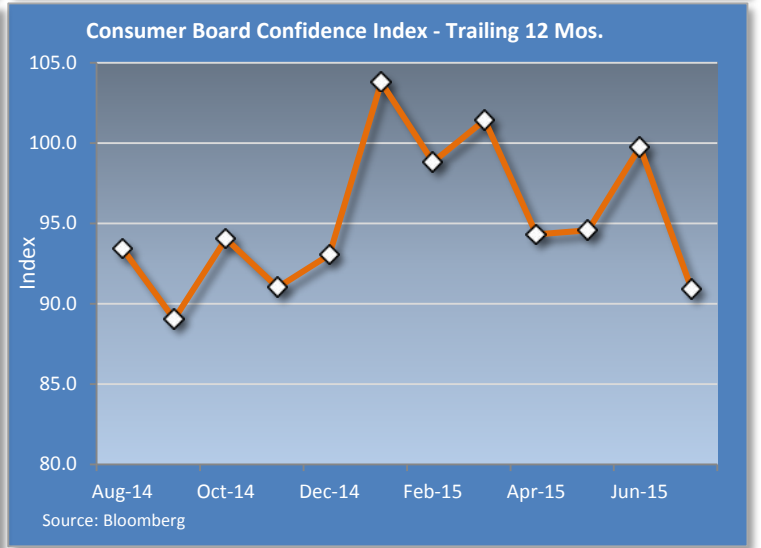
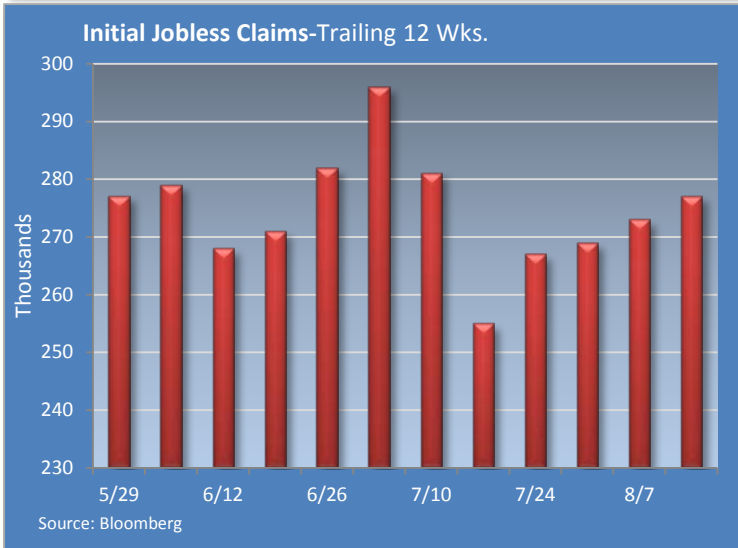
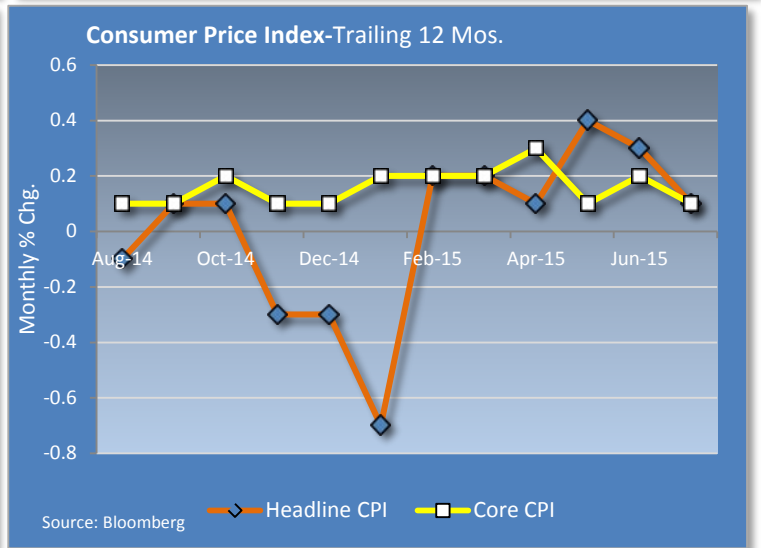
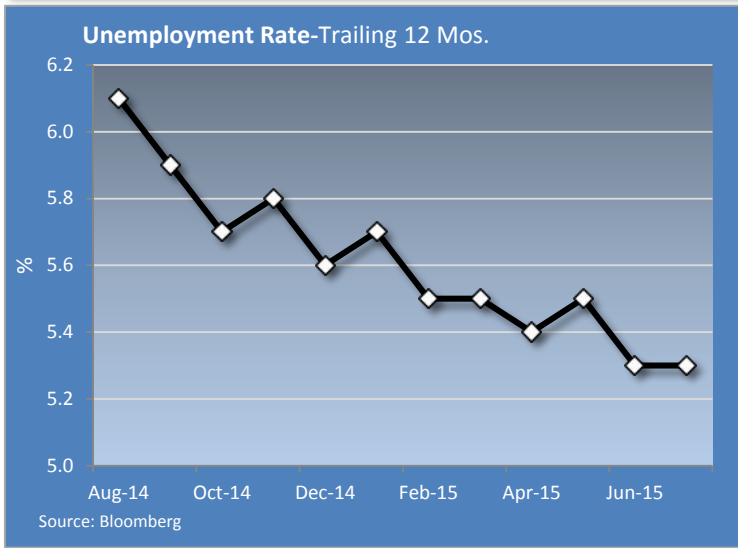
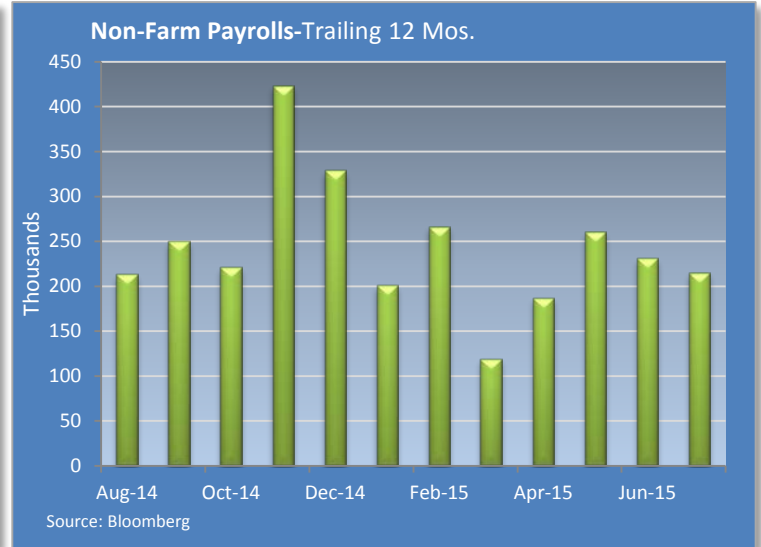
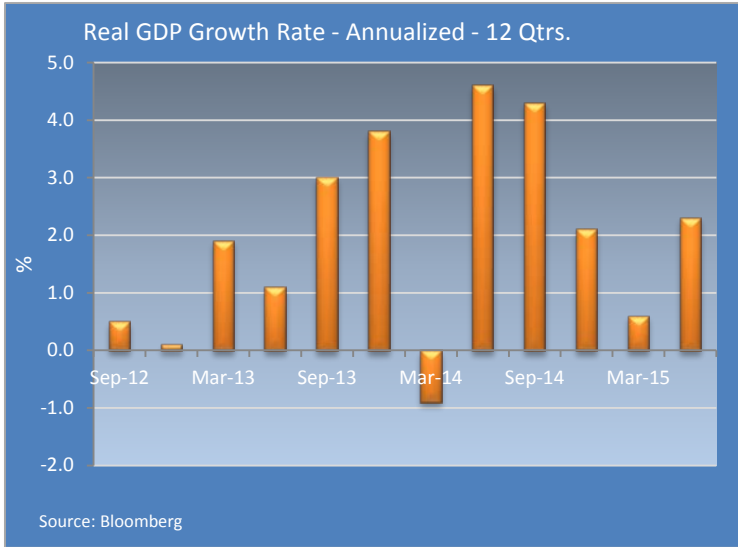
Since June 2014, oil prices have declined by almost 70%, with WTI Crude trading as low as \$40.40 over the last week. The fast and sharp decline in the commodity occurred as five forces collided: increase in U.S. oil production, persistence of production in Libya, discord between OPEC members, and slow in growth in oil demand from Europe and China. To expand, while the U.S. does not export oil, it has become the world's largest oil producer, which has caused the country to cut oil imports by half, and caused excess supply internationally. As two rival governments continue to struggle for control over Libya, many economists expected oil production to slow. However, production normalized fairly quickly, creating an even larger global surplus. OPEC struggled to exert control over price and production, with Saudis and Kuwaitis reportedly having been in a price battle. Lastly, supply continued to further increase as growth in Europe slowed, and as Asian countries cut energy subsidies. While these forces collided in June 2014, we continue to observe elevated crude inventory levels, with the U.S. Energy Information Administration (EIA) reporting Wednesday morning that U.S. commercial crude inventories increased by 2.6 million barrels last week to 456.2 million barrels - levels not seen at this time of year in at least the past 80 years. Additionally, there are concerns that Iran could open their pipeline and further exacerbate the situation. As oil is a commodity in which price is determined by supply, demand and expectations, Citigroup has stated they predict a drop to \$30 a barrel is not out of the question.

What's wrong with \$30 a barrel oil you ask? As a consumer, it seems like money that would have been spent at the pump could be allocated elsewhere, such as consumer discretionary items paying down liabilities, or boosting savings. In fact, Federal Reserve Chair Janet Yellen has compared the cheaper gas to a tax cut for the American people. Unfortunately, there are broader consequences, such as oil producer nations feeling stretched financially, as well as corporate balance sheets and valuations being negatively reshaped. According to a 2012 EIA survey, the top oil producer in the world is Russia, producing 14.0% of the world's oil, as well as Venezuela and Mexico producing 3.56% each of the world's oil. As crude is dollar denominated, it puts pressure on these producer nations, with the Russian ruble steeply declining and the stock market consequently falling. Furthermore, many credit rating agencies have downgraded the countries bonds to junk status. Venezuela was already in trouble when oil was \$120 a barrel, but combined with the decline in oil prices, the world's highest inflation rate, and a currency that is declining there are concerns the country could default on its debt next year. While the country has the largest oil reserves in the world, The President, Nicolás Maduro, has resorted to calling the oil decline a conspiracy led by the U.S. Our neighbor to the south, Mexico, is not in such dire straits, but the country's growth has been harmed by falling oil prices and on Thursday the Mexican Treasury Department lowered expected GDP growth for 2015 from 2.0% to 2.8%. While low oil prices have hurt the aforementioned sovereign nations, as previously mentioned, there are causes for concern domestically as according to CNBC, "the pullback in energy prices is likely to drive overall S&P 500 profit growth into negative territory for full-year 2015." This is caused as decreased oil prices pressure revenues and margins of oil and gas companies. Additionally energy companies are forced to devalue reserves, hurting balance sheets, which in turn decreases the market value of the corporation. Changes in corporate valuations could lead to increased M&A activity, which can ultimately change the structure of the Energy Sector.

Certainly, the increased oil supply, and the decreased demand for oil in emerging markets contributed to the 70% decline in oil prices over the last fourteen months. While this decrease in oil prices might be good for the average consumer's pocket book, we cannot overlook the fact that investors are concerned that downward pressure on the U.S. Energy Sector, as well as sovereign oil producers, could result in a falter in the stock market.

Stephanie Hagglund
Investment Analyst

ECONOMIC DATA



EUROZONE

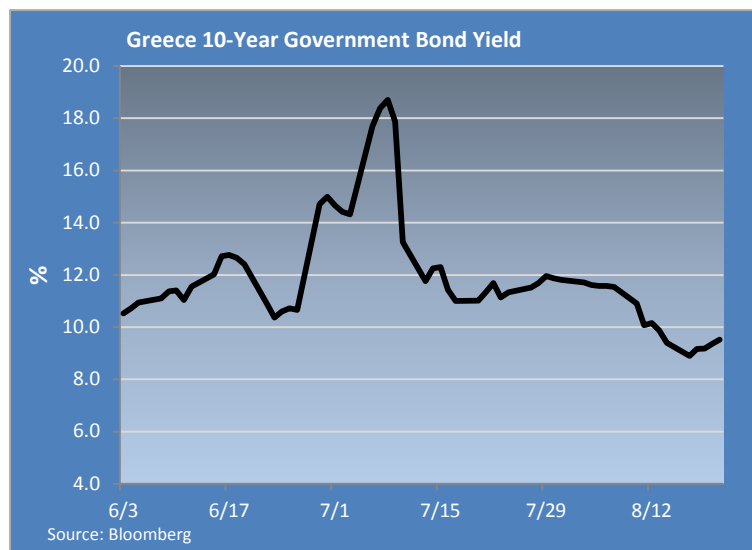
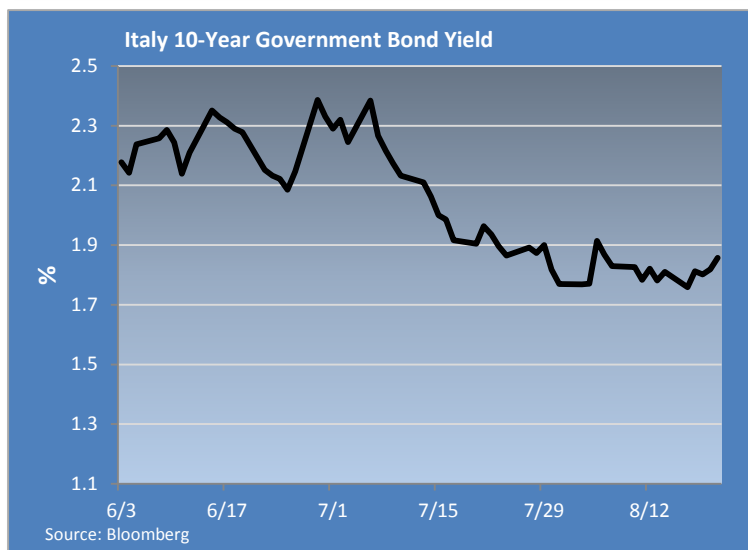
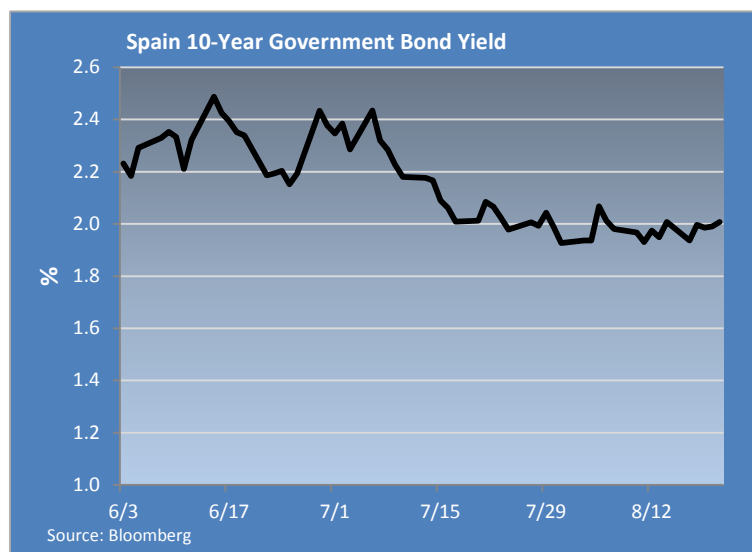
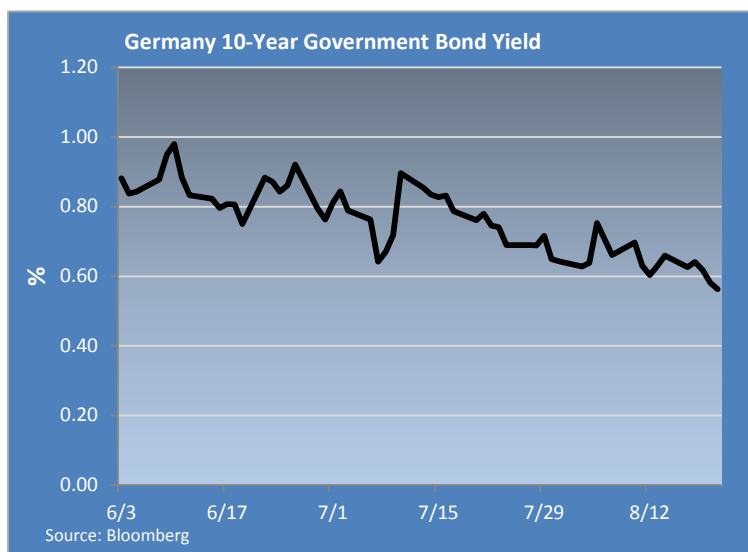
SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.56	9 bps	NM	NM
Greece 10-Yr. Govt.	9.53	-6 bps	NM	NM
Italy 10-Yr. Govt.	1.86	-4 bps	NM	NM
Spain 10-Yr. Govt.	2.01	0 bps	NM	NM
Belgium 10-Yr. Govt.	0.95	5 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.95	3 bps	NM	NM
Ireland 10-Yr. Govt.	1.25	-1 bps	NM	NM
Portugal 10-Yr. Govt.	2.61	-18 bps	NM	NM
Netherlands 10-Yr. Govt.	0.78	5 bps	NM	NM
U.K. 10-Yr. Govt.	1.69	18 bps	NM	NM

Source: Bloomberg

Basis points (bps)



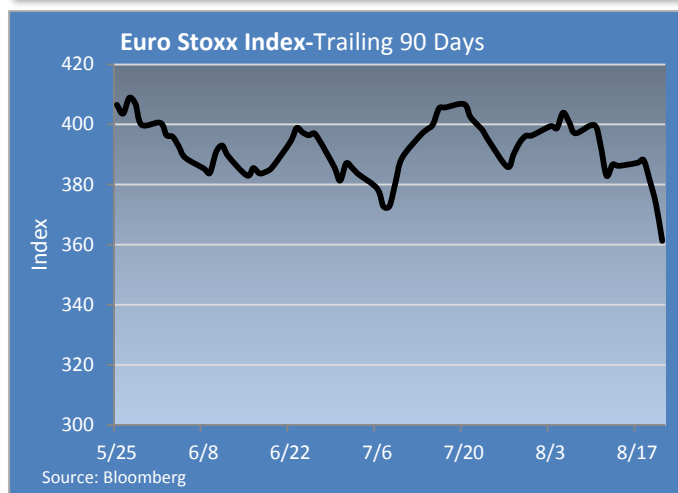
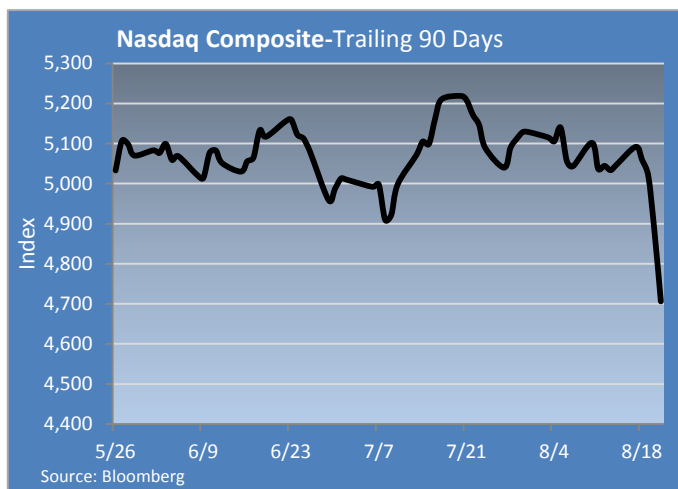
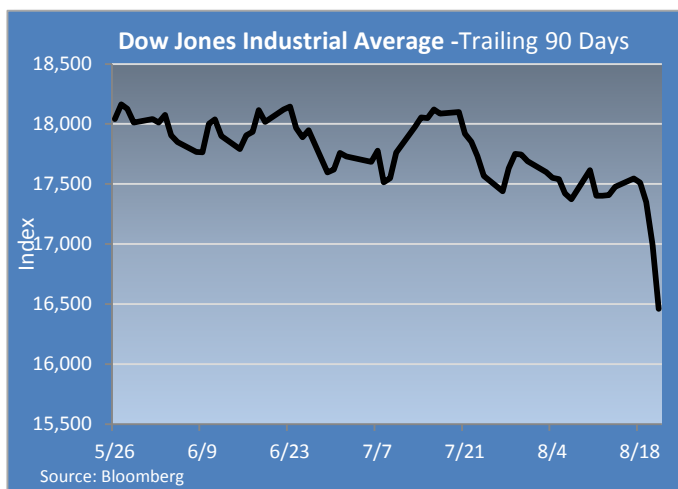
EQUITIES

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	1,970.89	-120.65	-5.77%	-4.27%
Dow Industrials	16,459.75	-1017.65	-5.82%	-7.65%
Nasdaq Composite	4,706.04	-342.20	-6.78%	-0.63%
Russell Global	1,723.19	-49.52	-2.84%	-1.9%
Russell Global EM	2,599.52	-113.41	-4.18%	-12.8%
S&P/TSX (Canada)	13,473.67	-804.21	-5.63%	-7.92%
Mexico IPC	42,163.82	-1582.90	-3.62%	-2.28%
Brazil Bovespa	45,719.64	-1788.77	-3.77%	-8.57%
Euro Stoxx 600	361.28	-24.96	-6.46%	5.47%
FTSE 100	6,187.65	-363.09	-5.54%	-5.76%
IBEX 35 (Spain)	10,271.70	-607.60	-5.58%	-0.08%

	Last	Change	% Chg.	YTD %
Swiss Market Index	8,798.57	-547.99	-5.86%	-2.06%
CAC 40 Index (France)	4,630.99	-325.48	-6.57%	8.38%
DAX Index (Germany)	10,124.52	-860.62	-7.83%	3.25%
Irish Overall Index	6,173.99	-346.62	-5.32%	18.17%
Nikkei 225	19,435.83	-1083.62	-5.28%	11.38%
Hang Seng Index	22,409.62	-1581.41	-6.59%	-5.06%
Shanghai Composite	3,507.74	-457.59	-11.54%	8.44%
Kospi Index (S. Korea)	1,876.07	-107.39	-5.41%	-2.06%
Taiwan Taiex Index	7,786.92	-518.72	-6.25%	-16.33%
Tel Aviv 25 Index	1,695.11	-16.55	-0.97%	15.71%
MICEX Index (Russia)	1,663.31	-49.16	-2.87%	19.10%

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



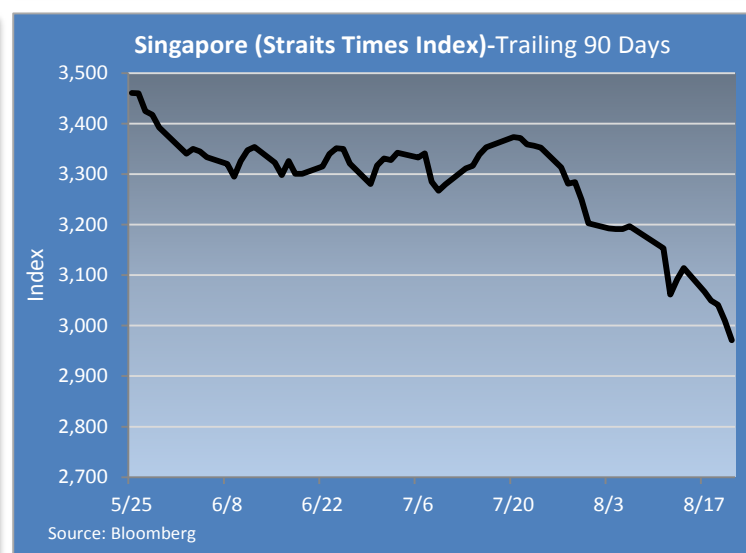
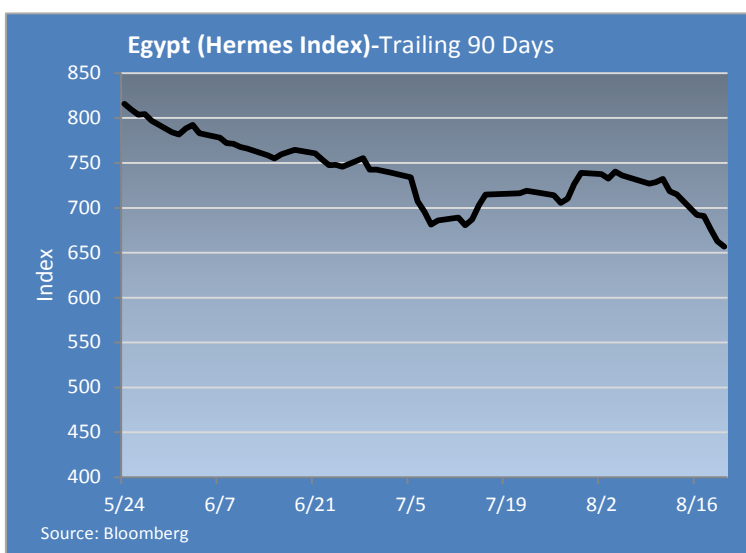
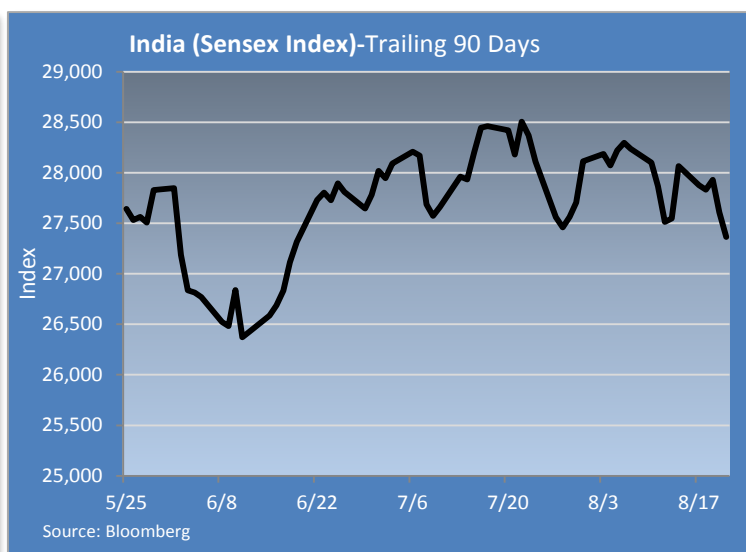
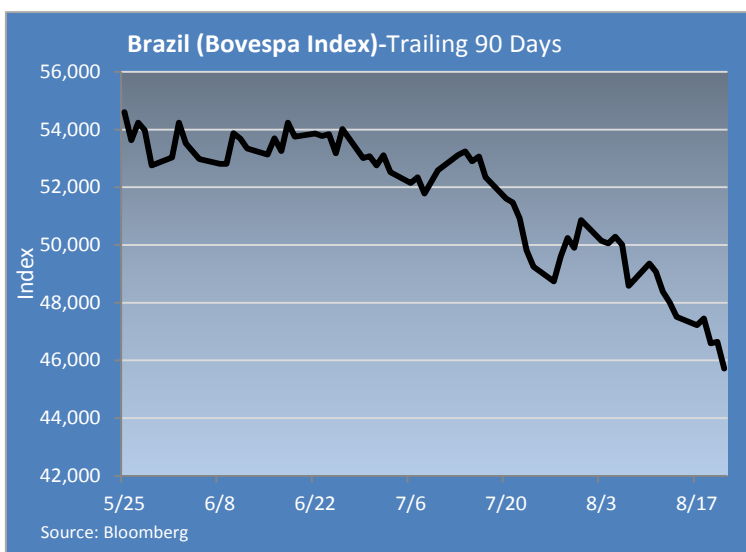
EQUITIES – EMERGING AND FRONTIER MARKETS

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	42,163.82	-1582.90	-3.6%	-2.3%
Brazil (Bovespa Index)	45,719.64	-1788.77	-3.8%	-8.6%
MICEX Index (Russia)	1,663.31	-49.16	-2.9%	19.1%
Czech Republic (Prague)	992.02	-33.15	-3.2%	4.8%
Turkey (Istanbul)	73,797.77	-3511.18	-4.5%	-13.9%
Egypt (Hermes Index)	656.83	-58.18	-8.1%	-21.2%
Kenya (Nairobi 20 Index)	4,405.29	-90.94	-2.0%	-13.8%
Saudi Arabia (TASI Index)	8,012.83	-670.91	-7.7%	-3.8%
Lebanon (Beirut BLOM Index)	1,168.91	-2.27	-0.2%	-0.1%
Palestine	487.29	-3.07	-0.6%	-3.1%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	22,409.62	-1581.41	-6.6%	-5.1%
India (Sensex 30)	27,366.07	-701.24	-2.5%	-0.5%
Malaysia (KLCI Index)	1,574.67	-22.15	-1.4%	-10.6%
Singapore (Straits Times Index)	2,971.01	-143.24	-4.6%	-11.7%
Thailand (SET Index)	1,365.61	-48.31	-3.4%	-8.8%
Indonesia (Jakarta)	4,335.95	-248.30	-5.4%	-17.0%
Pakistan (Karachi KSE 100)	34,519.77	-1417.56	-3.9%	7.4%
Vietnam (Ho Chi Minh)	556.30	-32.73	-5.6%	2.0%
Sri Lanka (Colombo)	7,471.17	8.83	0.1%	2.4%
Cambodia (Laos)	1,287.73	-19.89	-1.5%	-8.9%

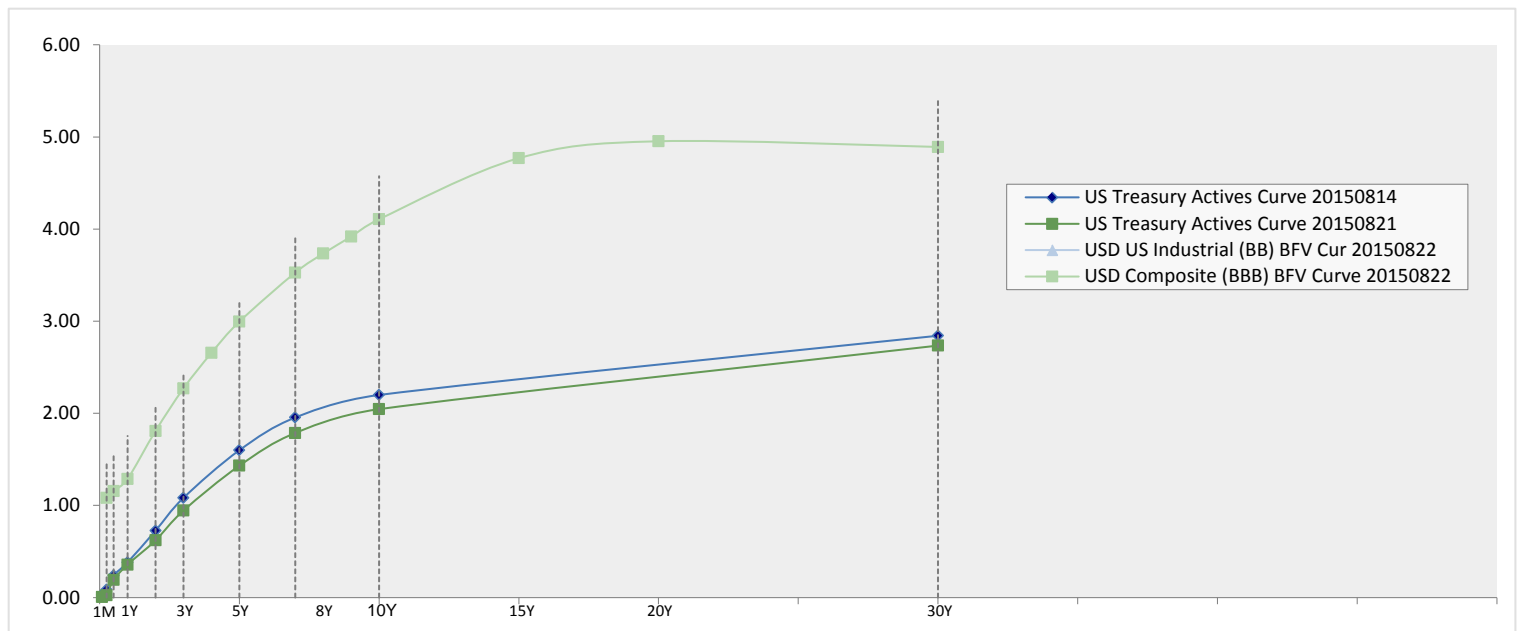


INTEREST RATES

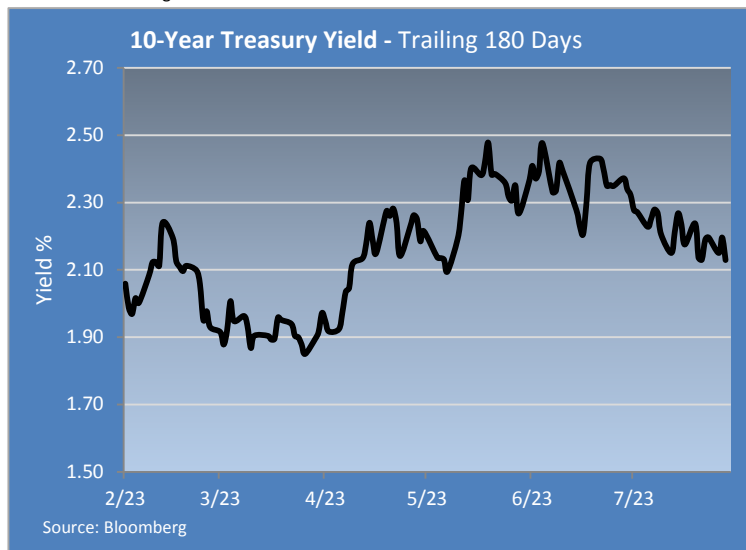
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.62%	2 bps	NM	NM	Prime Rate	3.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.44%	-16 bps	NM	NM	Fed Funds Rate	0.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.05%	-14 bps	NM	NM	Discount Rate	0.75%	0.00	NM	NM
30-Yr. U.S. Treasury	2.75%	-9 bps	NM	NM	LIBOR (3 Mo.)	0.33%	0 bps	NM	NM
German 10-Yr. Govt.	0.56%	9 bps	NM	NM	Bond Buyer 40 Muni	4.03%	-1 bps	NM	NM
France 10-Yr.	0.95%	3 bps	NM	NM	Bond Buyer 40 G.O.	3.73%	NA	NM	NM
Italy 10-Yr.	1.86%	-4 bps	NM	NM	Bond Buyer 40 Rev.	4.08%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.90%	-1 bps	NM	NM					

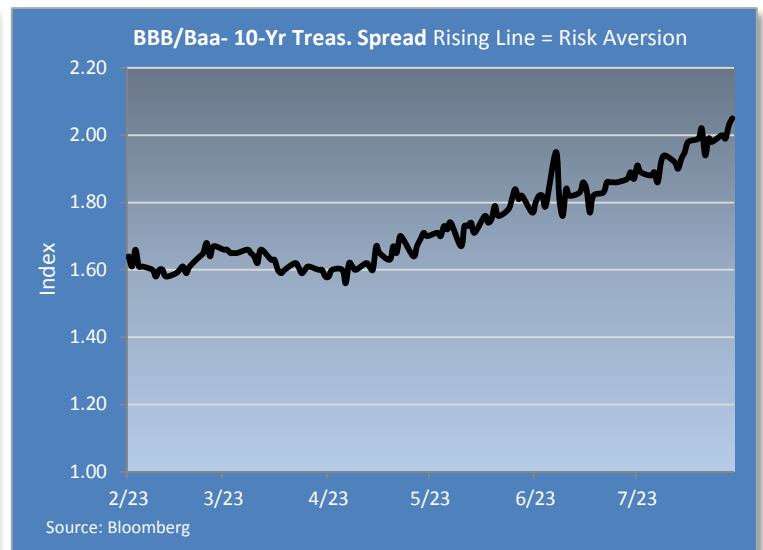
Source: Bloomberg



Source: Bloomberg



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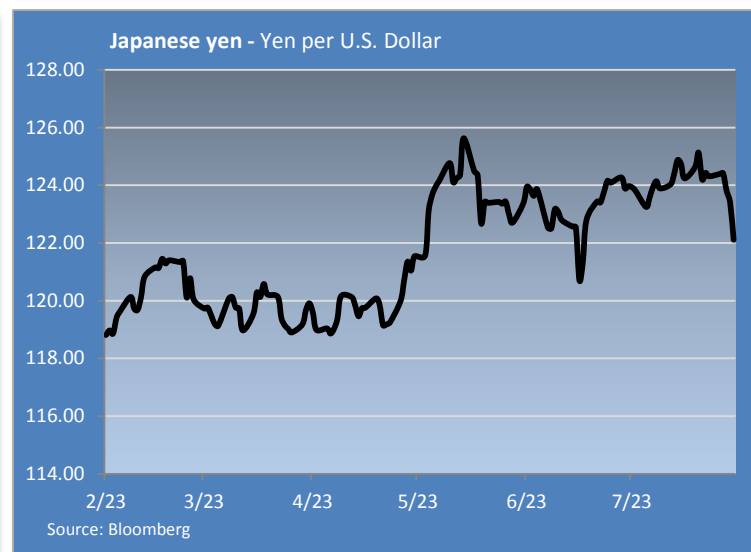
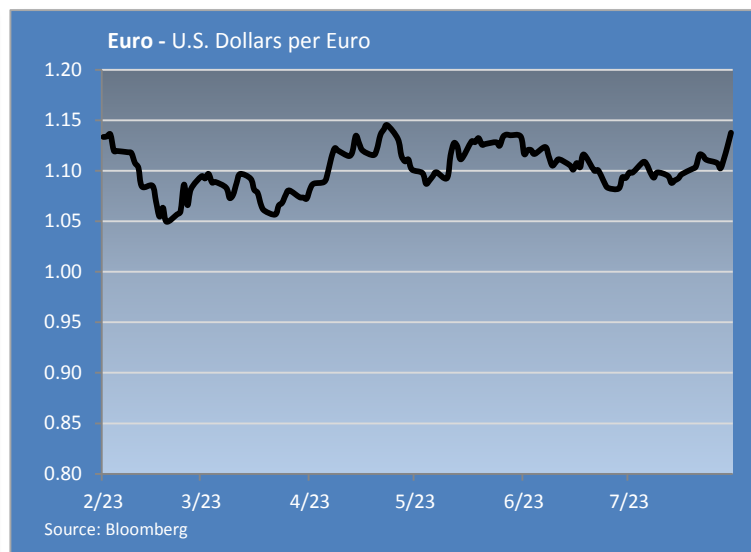
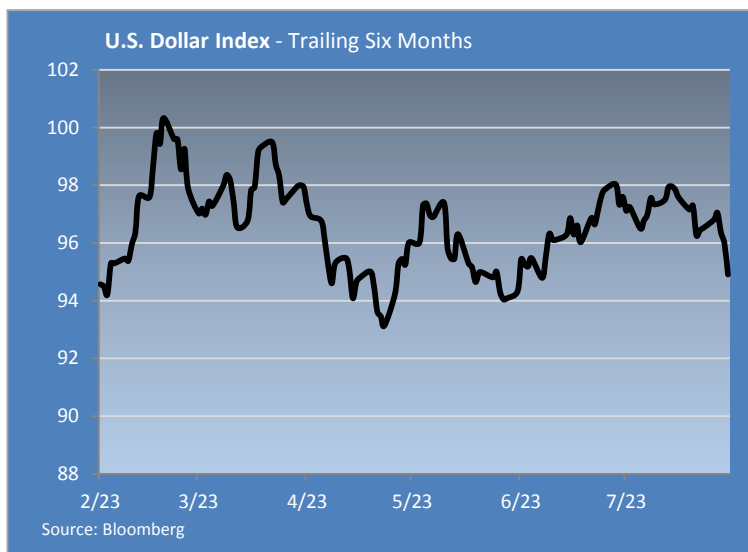
CURRENCIES

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	94.90	-1.614	-1.67%	5.14%
Euro	1.14	0.027	2.41%	-5.96%
Japanese Yen	122.05	-2.200	1.80%	-1.91%
British Pound	1.57	0.005	0.35%	0.76%
Canadian Dollar	1.32	0.008	-0.61%	-11.75%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.39	-0.002	0.04%	-2.87%
Swiss Franc	0.95	-0.028	2.99%	4.95%
New Zealand Dollar	0.67	0.014	2.17%	-14.21%
Brazilian Real	3.50	0.017	-0.47%	-24.05%
Mexican Peso	16.97	0.603	-3.55%	-13.11%

Source: Bloomberg



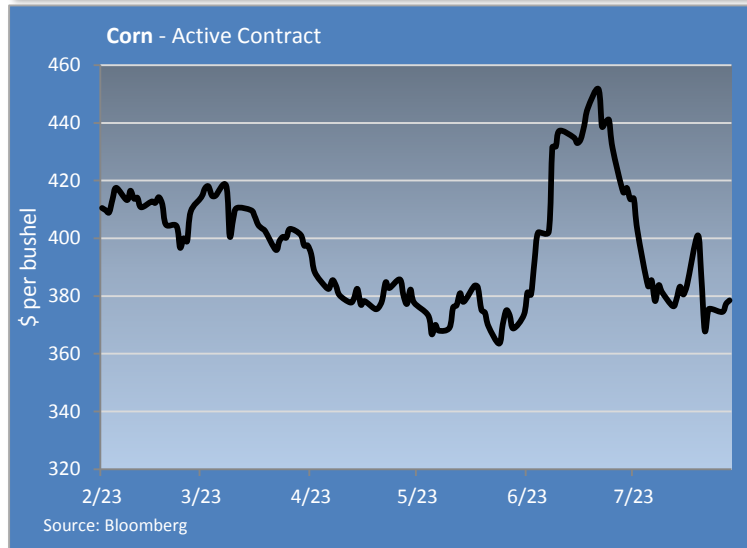
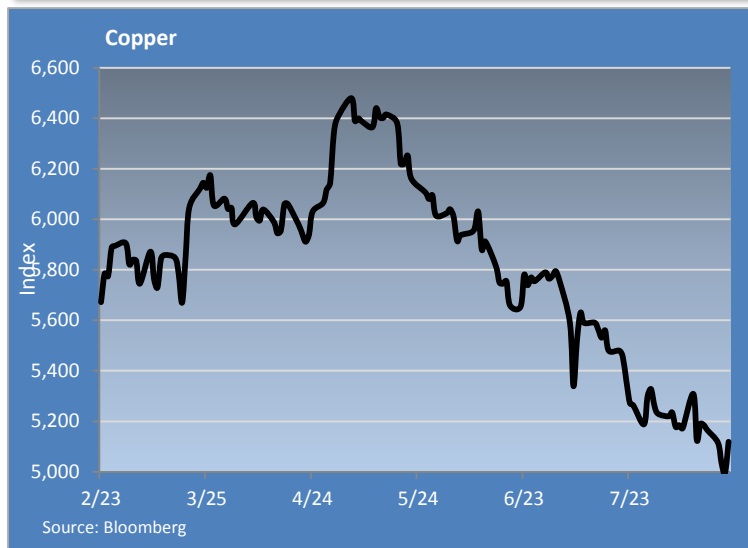
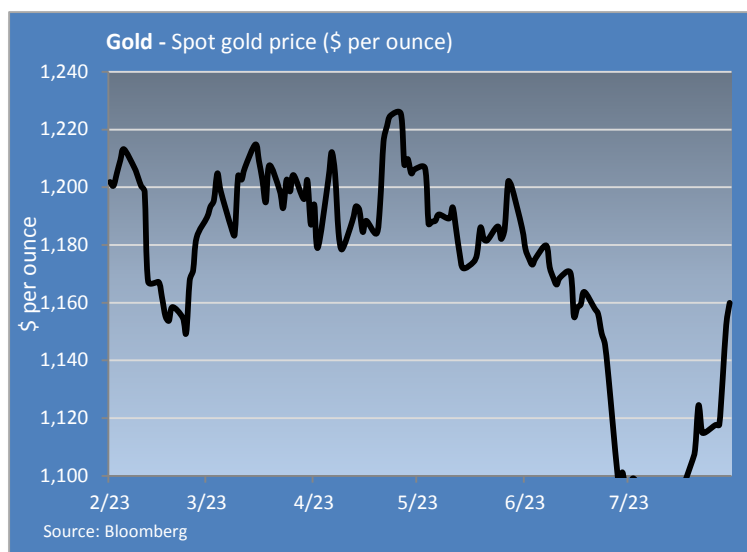
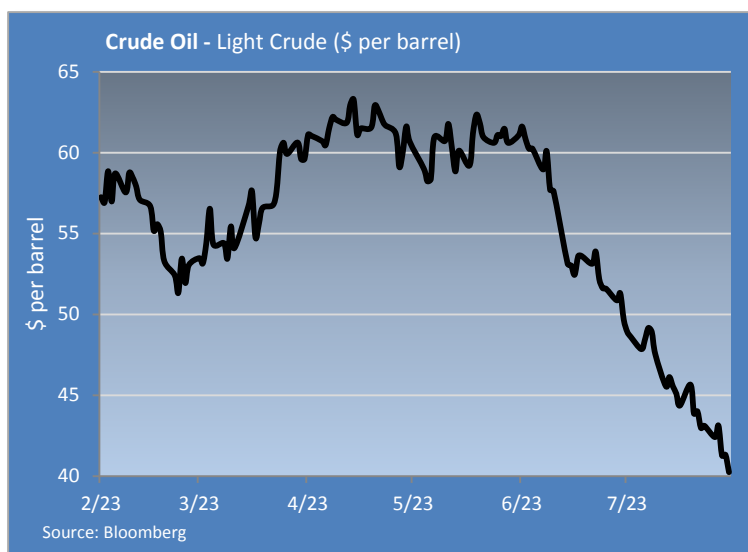
COMMODITIES

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
DJ UBS Comm. Idx.	87.80	-2.55	-2.82%	-15.84%
Rogers Int. Comm. Idx.	2311.42	-41.06	-1.75%	-17.23%
Crude Oil	\$40.26	-\$2.87	-6.66%	-30.78%
Natural Gas	\$2.68	-\$0.12	-4.32%	-10.99%
Gasoline (\$/Gal.)	\$2.63	-\$0.04	-1.31%	17.50%
Heating Oil	146.08	-9.79	-6.28%	-21.82%
Gold Spot	\$1,160.05	\$44.88	4.02%	-2.06%
Silver Spot	\$15.29	\$0.08	0.54%	-2.38%

	Last	Change	% Chg.	YTD %
Platinum Spot	\$1,018.75	\$25.95	2.62%	-15.71%
Corn	377.25	1.75	0.47%	-10.39%
Wheat	504.00	-7.75	-1.51%	-18.02%
Soybeans	889.50	-27.00	-2.95%	-11.54%
Sugar	10.44	-0.24	-2.25%	-33.38%
Orange Juice	128.10	-4.35	-3.28%	-10.98%
Aluminum	1,575.00	-5.50	-0.35%	-14.98%
Copper	5,119.00	-46.00	-0.89%	-18.75%

Source: Bloomberg; % change is based on price.



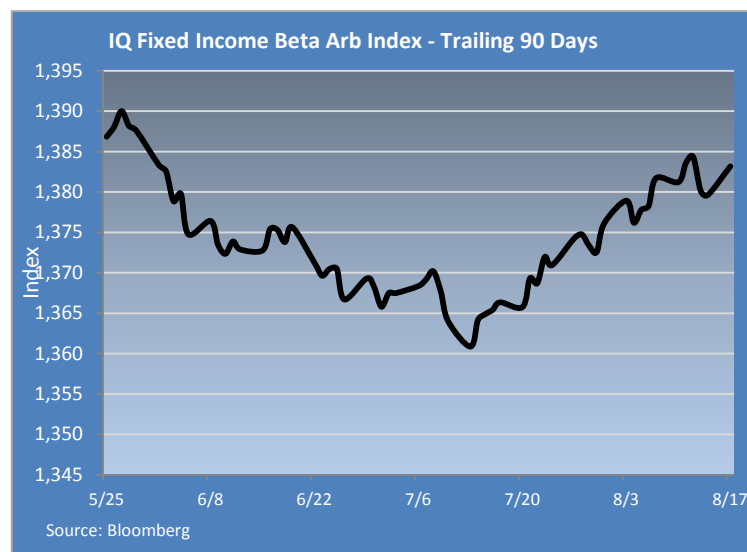
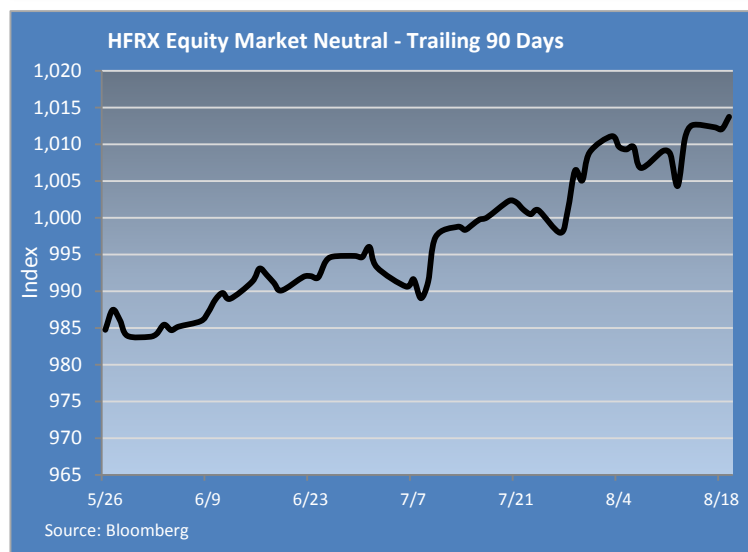
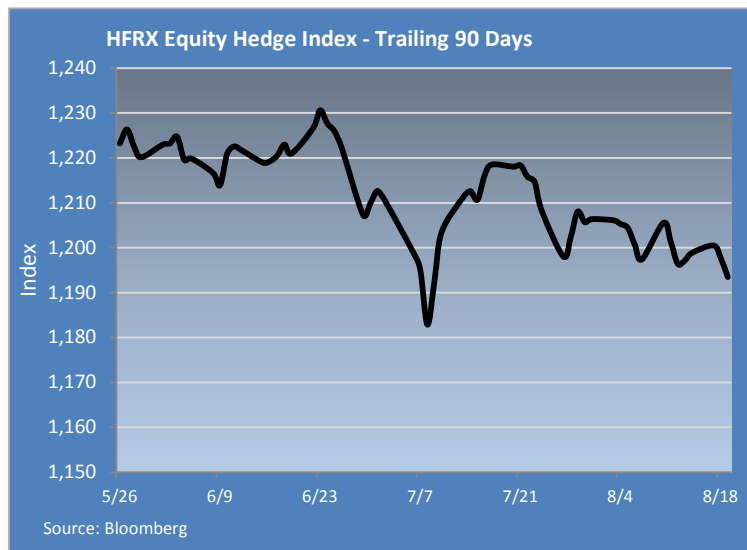
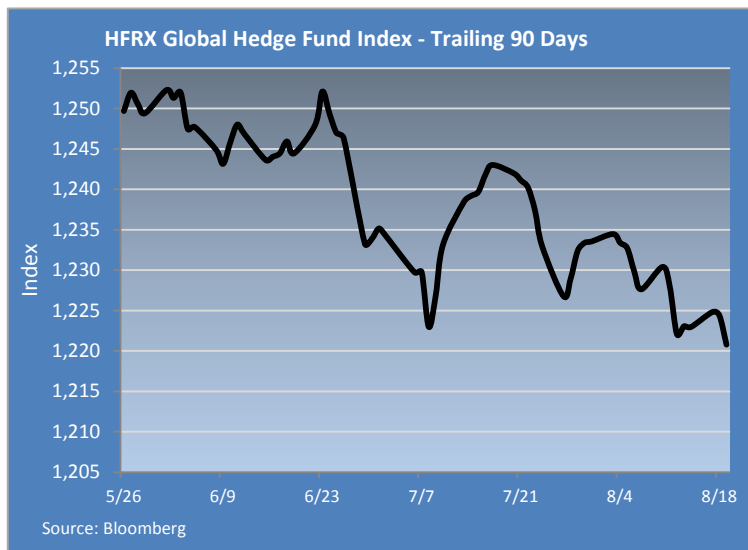
ALTERNATIVE INVESTMENTS

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

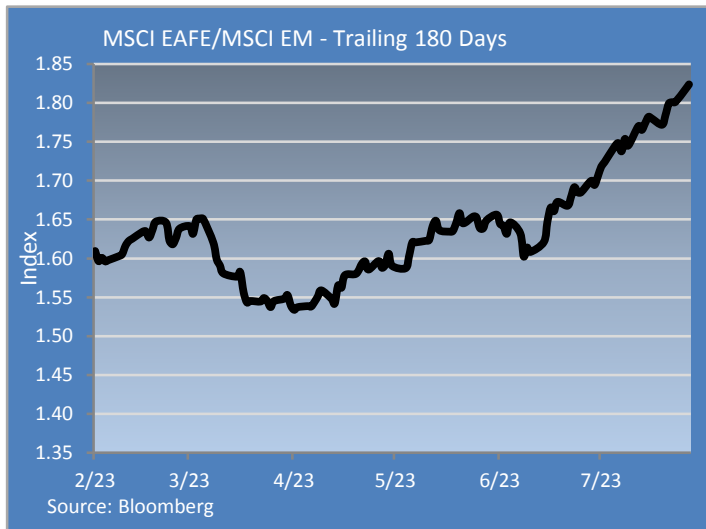
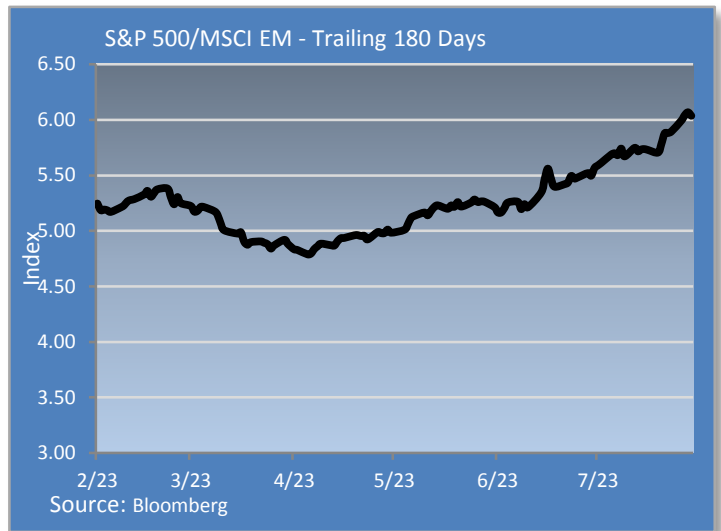
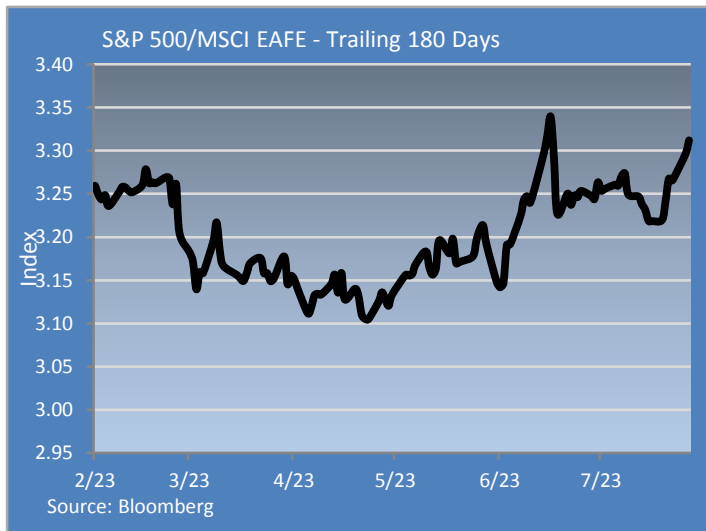
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1224.38	-9.03	-0.74%	-0.37%
HFRX Equity Market Neutral	1012.32	-4.95	-0.49%	2.16%
HFRX Equity Hedge Index	1193.46	-18.84	-1.57%	-0.16%
HFRX Event-Driven Index	1483.86	-12.67	-0.85%	-2.82%
HFRX Absolute Return Index	1021.48	-0.88	-0.09%	2.21%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	992.68	-3.78	-0.38%	-1.98%
HFRX Merger Arbitrage Index	1678.88	1.47	0.09%	4.78%
HFRX Convertible Arbitrage Index	720.32	1.65	0.23%	2.56%
HFRX Macro CTA Index	1199.99	-2.50	-0.21%	0.17%
IQ Fixed Income Beta Arb Index	1381.25	1.59	0.12%	-0.46%

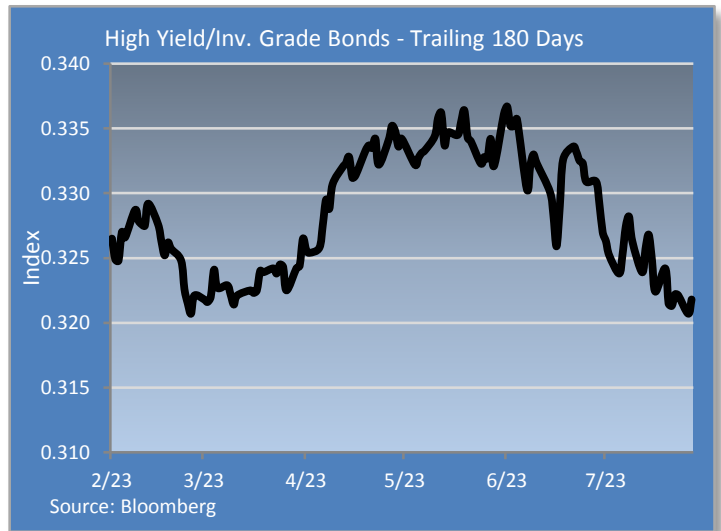
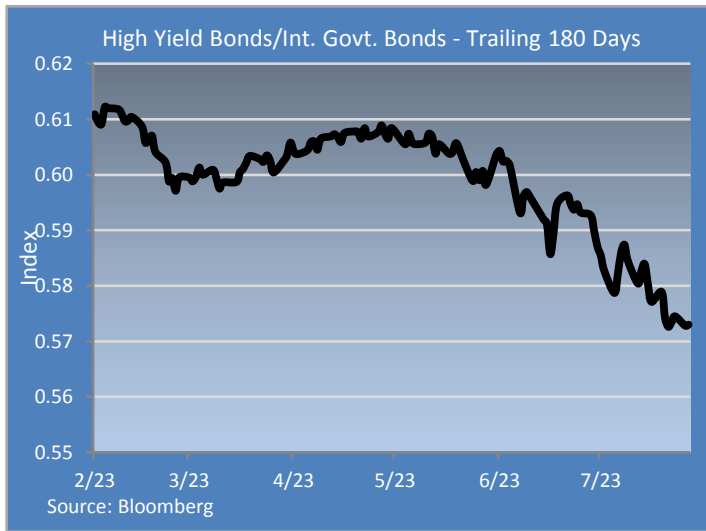
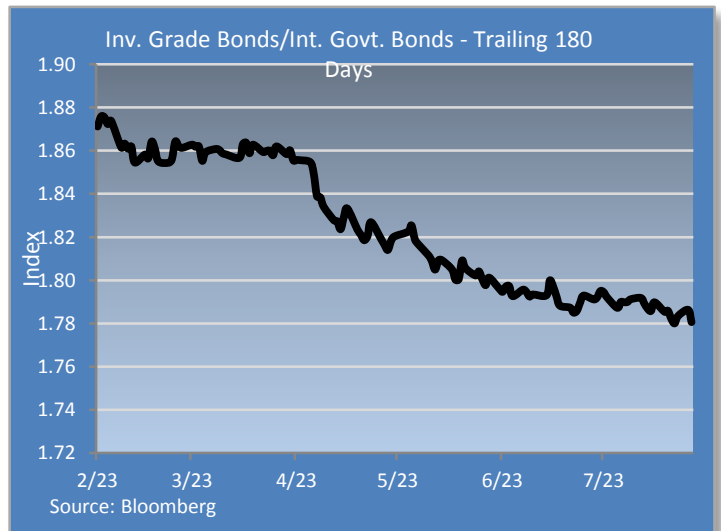
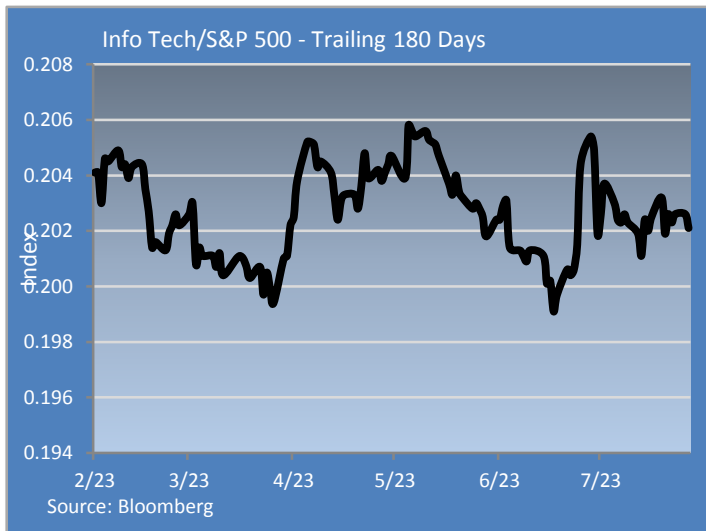
Source: Bloomberg; Index % change is based on price.



PORTFOLIO CONSTRUCTION



PORTFOLIO CONSTRUCTION (cont'd.)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			6/4	6/11	6/18	6/25	7/2	7/9	7/16	7/23	7/30	8/6	8/13	8/20
Equity	Domestic Equity	Large Cap (R200)	-1.18%	0.66%	0.56%	-0.85%	-1.14%	-1.23%	3.86%	-0.95%	0.33%	-1.31%	-0.16%	-2.44%
		Small Cap (R2000)	-0.14%	1.41%	1.24%	-0.11%	-2.73%	-1.13%	3.13%	-2.19%	-1.04%	-1.32%	-0.91%	-2.67%
	Int'l. Equity	MSCI EAFE	-0.52%	-0.42%	-0.75%	1.53%	-2.81%	-2.17%	4.28%	-0.89%	-0.97%	0.88%	-1.58%	-2.73%
		MSCI Em. Mkts.	-2.13%	-1.14%	0.08%	1.08%	-1.69%	-5.32%	2.38%	-1.93%	-3.19%	-1.02%	-2.27%	-3.99%
Fixed Income	BarCap Agg. (AGG)	-1.00%	-0.29%	0.15%	-0.37%	-0.03%	0.37%	-0.06%	0.33%	-0.06%	-0.06%	0.10%	0.41%	
	High Yield (JNK)	-1.24%	-0.26%	-0.15%	-0.05%	-0.88%	-0.73%	0.66%	-1.36%	0.45%	-1.26%	-0.96%	-0.86%	
Commodities	DJ UBS Index	-0.10%	1.44%	-0.88%	0.30%	0.96%	-2.77%	-0.97%	-3.76%	-1.87%	-2.26%	-0.09%	-1.35%	
Alternatives	Hedge Funds (HFRX Global)	-0.24%	0.04%	-0.17%	0.08%	-1.02%	-0.59%	1.21%	-0.36%	-0.32%	-0.29%	-0.55%	-0.75%	
Asset Allocation	60/40*	-0.96%	0.10%	0.23%	-0.11%	-1.17%	-0.98%	2.25%	-0.69%	-0.31%	-0.53%	-0.50%	-1.51%	
	48/32/20 (w/Alts.)**	-0.82%	0.09%	0.15%	-0.07%	-1.14%	-0.90%	2.04%	-0.62%	-0.31%	-0.48%	-0.51%	-1.36%	

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	0.94	1.07	1.00	0.98	1.00	1.10	1.07	1.14	1.07	1.54	0.78	1.21	0.79	1.45
Large Cap Growth	1.07	1.00	1.14	1.06	1.05	1.07	1.17	1.14	1.22	1.14	1.64	0.83	1.29	0.84	1.55
Large Cap Value	0.94	0.88	1.00	0.93	0.92	0.94	1.03	1.00	1.07	1.00	1.44	0.73	1.13	0.74	1.36
Mid Cap Core	1.00	0.94	1.07	1.00	0.99	1.01	1.10	1.07	1.15	1.07	1.54	0.78	1.21	0.79	1.46
Mid Cap Growth	1.02	0.95	1.09	1.01	1.00	1.02	1.12	1.08	1.16	1.09	1.56	0.79	1.23	0.80	1.48
Mid Cap Value	1.00	0.93	1.06	0.99	0.98	1.00	1.09	1.06	1.14	1.06	1.53	0.78	1.20	0.79	1.45
Small Cap Core	0.91	0.85	0.97	0.91	0.89	0.91	1.00	0.97	1.04	0.97	1.40	0.71	1.10	0.72	1.32
Small Cap Growth	0.94	0.88	1.00	0.94	0.92	0.94	1.03	1.00	1.07	1.00	1.44	0.73	1.13	0.74	1.36
Small Cap Value	0.88	0.82	0.94	0.87	0.86	0.88	0.96	0.93	1.00	0.94	1.35	0.68	1.06	0.69	1.27
Int'l. Developed	0.94	0.88	1.00	0.93	0.92	0.94	1.03	1.00	1.07	1.00	1.44	0.73	1.13	0.74	1.36
Emerging Markets	0.65	0.61	0.70	0.65	0.64	0.65	0.71	0.69	0.74	0.70	1.00	0.51	0.79	0.51	0.95
REITs	1.28	1.20	1.37	1.28	1.26	1.29	1.41	1.37	1.47	1.37	1.97	1.00	1.55	1.01	1.87
Commodities	0.83	0.78	0.89	0.83	0.81	0.83	0.91	0.88	0.95	0.88	1.27	0.65	1.00	0.65	1.20
Int. Bond	1.27	1.19	1.36	1.26	1.25	1.27	1.39	1.35	1.45	1.35	1.95	0.99	1.53	1.00	1.84
High Yield	0.69	0.65	0.74	0.69	0.68	0.69	0.76	0.73	0.79	0.73	1.06	0.54	0.83	0.54	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.

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 **Citigroup World Government Bond Index** measures the performance of fixed-rate, local currency, investment grade sovereign bonds and comprises sovereign debt from over 20 countries, denominated in a variety of currencies. 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 **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 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 **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. (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 **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.

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