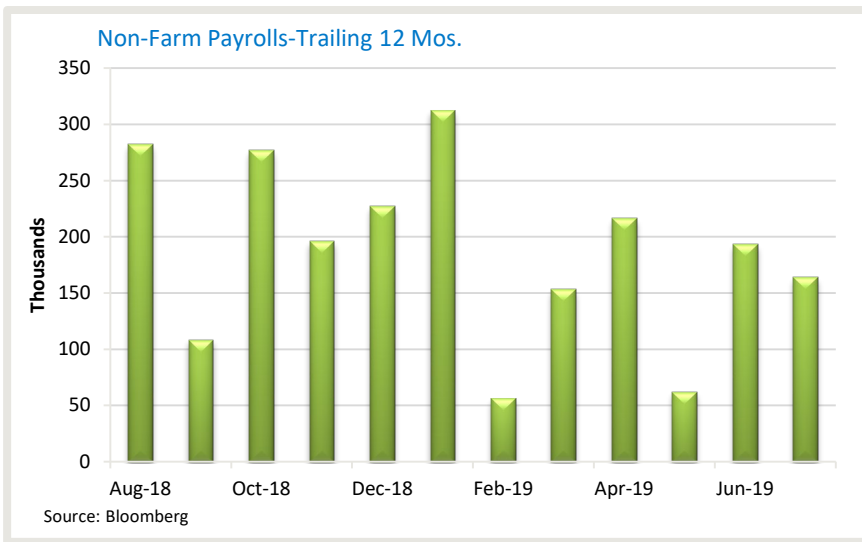


Weekly Market Review

August 12, 2019

Chart of the Week



Weekly Highlights

- Domestic equities were down for the week, with small cap stocks decreasing the most. International equities ended the week in negative territory, falling more than their domestic counterparts, with emerging markets stocks faring the worst.
- Treasury yields across the curve declined through end-of-day Thursday, with longer-term yields falling more than shorter-term yields.
- The US dollar weakened against a basket of major trade partners' currencies during the week, reflecting increased fears over currency wars.
- Commodities contracted for the week, as declining energy prices outweighed the strong week for gold.
- In other economic news, The Producer Price Index for final demand increased by 0.20% last month, bringing the final demand index up 1.70% for the 12 months ended in July. The muted producer prices may be a result of the prolonged global trade war, which some analysts believe is causing a slowdown in manufacturing.

Talking Points

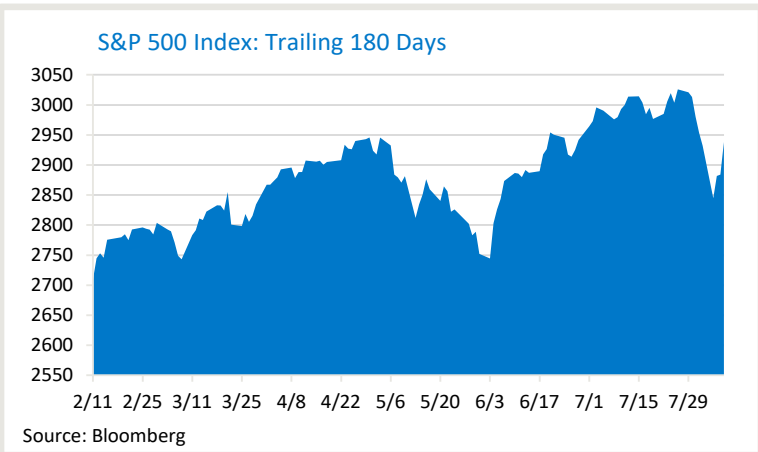
- The Chinese yuan dropped to its lowest level against the dollar since 2008. Many believe that this was in response to the US's announced 10% tariffs on \$300 billion of Chinese goods beginning Sept. 1, but the People's Bank of China denied intentionally devaluing its currency. Regardless, the U.S. Treasury office has labeled China as a currency manipulator.
- Gold posted strong gains this week, up 2% on Monday alone, and reaching a price of \$1,515 on August 8, its highest level in more than six years. As of midday Friday, gold was up almost 4.50%. The flight to gold is assumed to be the result of increased anxiety about further trade escalations between China and the US, and growing concerns about a global economic slowdown.
- Labor markets remain robust, as weekly unemployment claims were 209,000 for the week of August 3, marking an unexpected decrease of 8,000. Additionally, Nonfarm Payrolls increased by 164,000 in July. Despite the continued growth, there is concern about a weakening labor market, as domestic Gross Domestic Product (GDP) is expected to slow in Q3.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,918.65	-13.40	-0.46%	16.4%
Dow Industrials	26,287.44	-197.57	-0.75%	12.7%
Nasdaq	7,959.14	-44.93	-0.56%	20.0%
Russell 2000	1,513.04	-20.62	-1.34%	12.2%
Euro Stoxx Index	371.56	-6.59	-1.74%	10.0%
Shanghai Composite	2,774.75	-93.08	-3.25%	11.3%
MSCI ACWI	512.65	-1.79	-0.35%	12.5%

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

	Last Price	Change	% Chg.	YTD %
MSCI EM	984.30	-19.46	-1.94%	1.9%
10-Year US Treas.	1.73	-12 bps	NM	NM
Bloomberg Cmdts. Idx.	77.42	0.20	0.26%	0.9%
Gold	\$1,497.11	\$57.45	3.99%	16.8%
Crude Oil	\$54.27	-\$1.25	-2.25%	13.7%
Dollar Index	97.55	-0.54	-0.55%	1.4%
VIX Index	17.97	0.36	2.04%	-29.3%



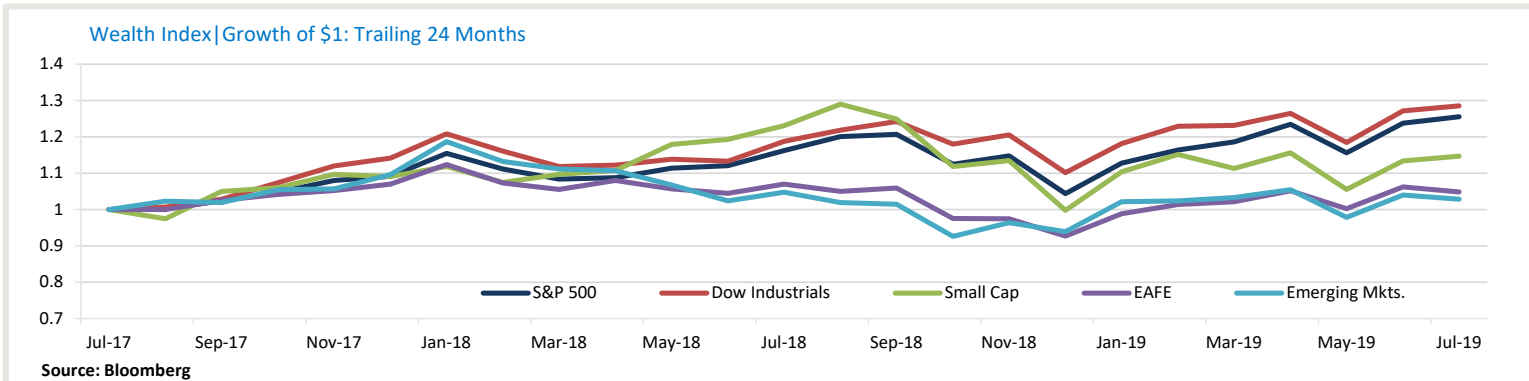
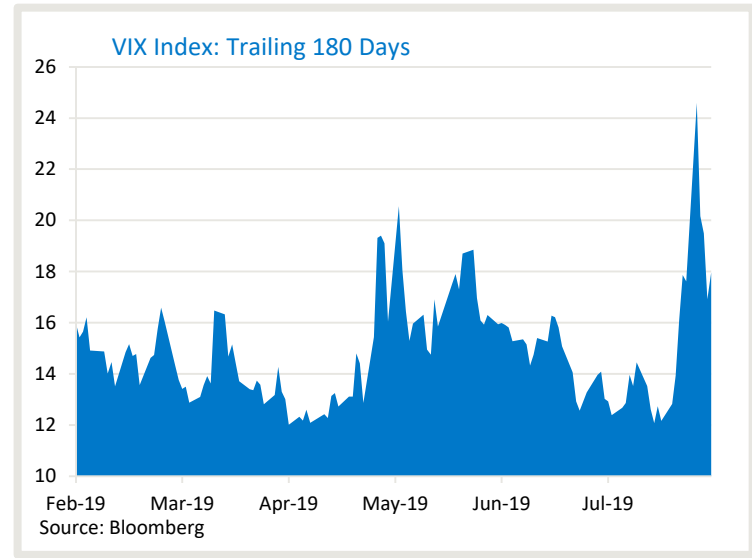
	One Week			YTD		
	Value	Growth		Value	Growth	
L	-0.95%	-0.45%	-0.05%	11.51%	16.07%	20.10%
	-0.86%	-0.34%	0.44%	13.95%	18.80%	26.00%
S	-1.58%	-1.34%	-1.12%	7.18%	12.20%	17.12%

Source: Bloomberg

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

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	10.1	-0.01%	19.4%
Consumer Staples	7.5	0.01%	16.7%
Energy	4.6	-2.22%	2.8%
Financials	12.9	-1.67%	13.6%
Health Care	14.1	0.41%	5.6%
Industrials	9.2	-0.62%	17.0%
Information Technology	21.8	-0.81%	26.3%
Materials	2.8	0.72%	14.2%
Real Estate	3.2	1.77%	23.8%
Communication Services	10.5	-0.64%	19.6%
Utilities	3.4	1.04%	14.8%

Source: Bloomberg



The Economy and Markets

A Macro View—July Monthly Recap

Domestic equity markets posted another month of positive returns, reaching new all-time highs, as investors priced in the upcoming Federal Open Market Committee's (FOMC) rate cut decision. On July 30 and 31, the FOMC met and decided to lower the target range for the federal funds rate to 2% - 2.25%, a reduction of 25 basis points, and the first rate cut since 2008. The Committee cited "implications of global developments for the economic outlook" and "muted inflation pressures" as its reasoning for the rate cut. Although the rate cut was expected, the press conference that followed left market participants unsure about future action, as Jerome Powell, Chair of the Federal Reserve (the Fed), referred to the cut as a "mid-cycle adjustment in policy" and not the "beginning of a lengthy cutting cycle." He made the assurance that the Fed will act as needed to continue to support the expansion with a strong labor market and a controlled rate of inflation.

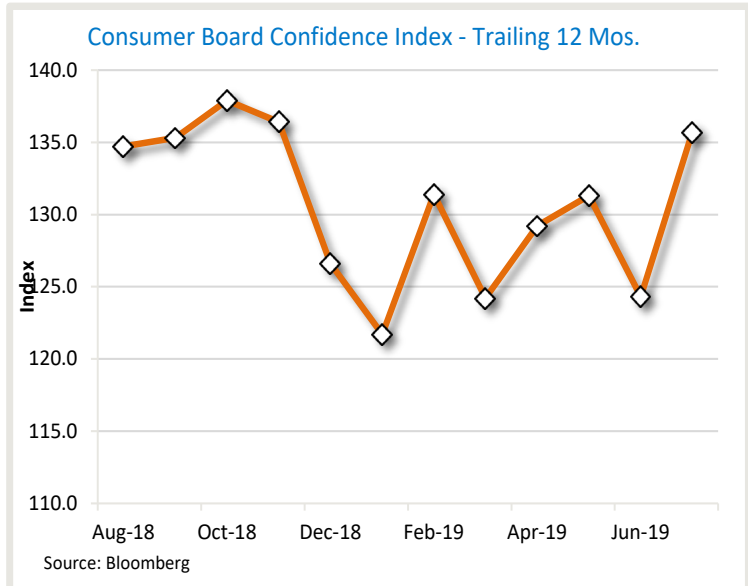
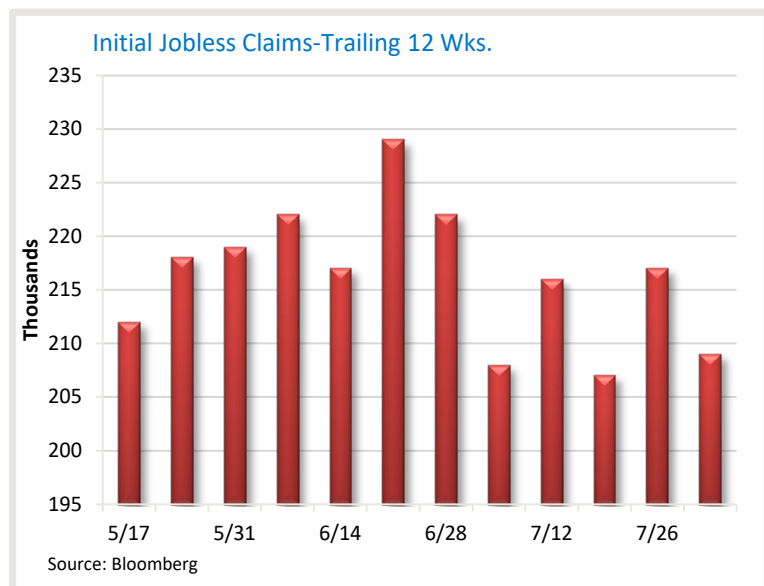
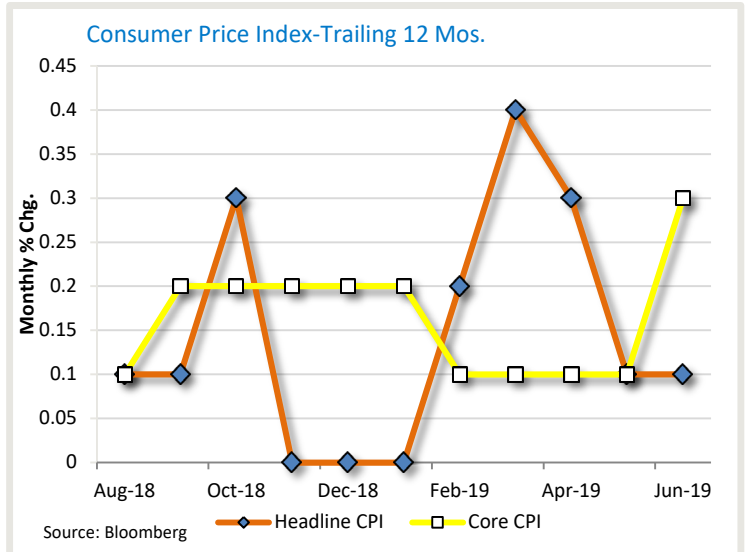
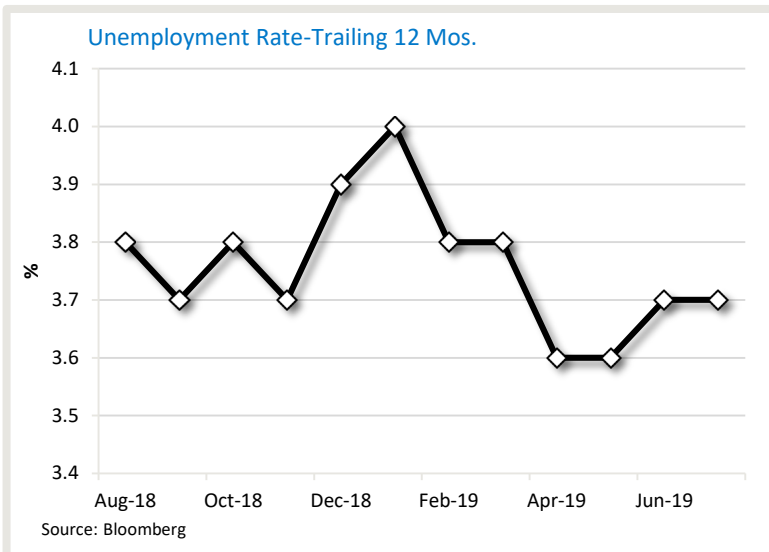
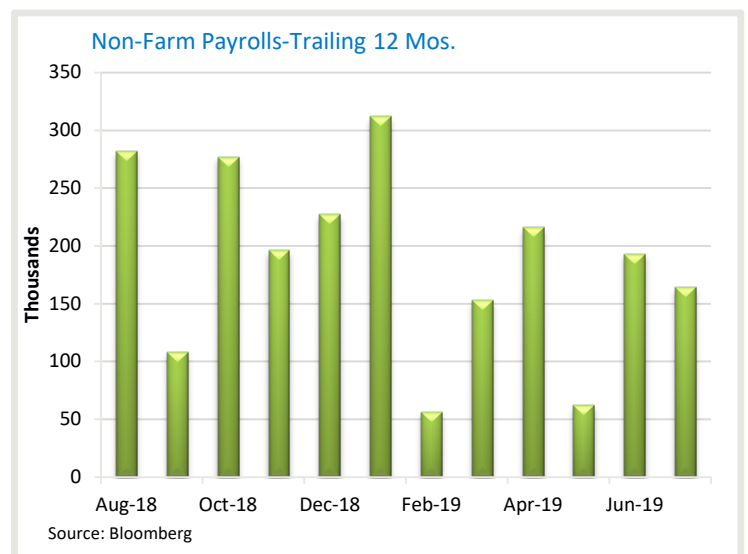
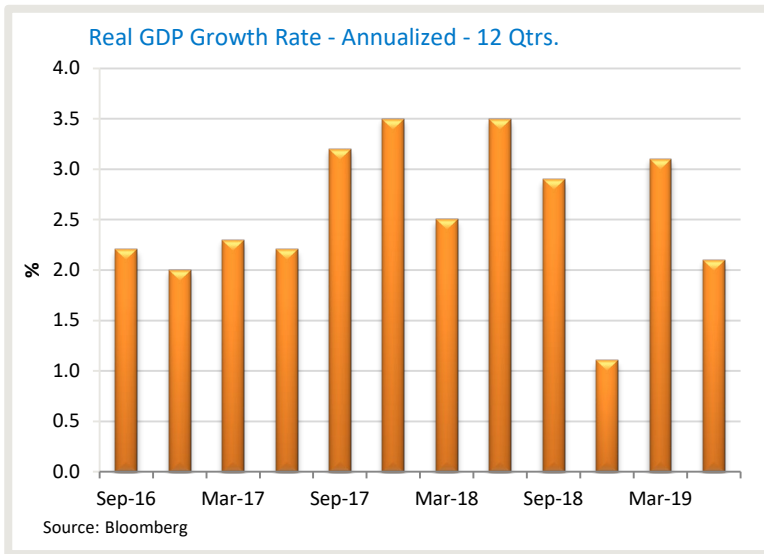
For the month of July, the S&P 500 Index returned 1.44%, and the DJIA posted a gain of 1.12%. Year to date, both indices have shown strong performance, returning 20.24% and 16.69%, respectively. Within domestic stocks, small caps trailed large caps, as the Russell 2000 Index returned 0.58%, while the Russell 1000 Index generated a return of 1.55%. Mid cap stocks outperformed small caps, with the Russell Mid Cap Index gaining 1.49%. Growth stocks outperformed value stocks, with the Russell 3000 Growth Index returning 2.17% compared with 0.78% for the Russell 3000 Value Index. Sector performance was mostly positive, with the Communication Services and Information Technology sectors producing the best results, returning 3.37% and 3.33%, respectively, whereas Energy and Health Care struggled the most, declining 1.78% and 1.59% on a respective basis. The Bloomberg Commodity Index declined 0.67% in July.

International equity markets underperformed relative to their domestic counterparts, as the MSCI ACWI ex-U.S. Index fell 1.21% in July, marking six months of underperformance so far this year. Emerging markets equities had similar performance to that of international developed equities, with the MSCI EM Index declining 1.22%. International markets sold off during the last few days of the month in response to the European Central Bank's (ECB) decision to keep interest rates steady. However ECB President Mario Draghi signaled that the bank is preparing to cut short-term interest rates and restart the bond-buying program in the future as needed to support the slowing eurozone economy. The ECB is primarily concerned with the manufacturing sector, which has experienced a deep contraction in July and is not expected to improve over the short run. Despite weakness from the manufacturing sector, the forecast for euro area GDP growth remains unchanged at 1.20% for 2019, whereas the forecast for 2020 has been lowered slightly to 1.40%.

Fixed income markets posted mostly positive returns, as yields on the shorter and longer notes fell. The yield curve was flat to slightly inverted, ending the month with the yield on the 10-Year U.S. Treasury Note at 2.02%, while the 3-Month Treasury Note yielded 2.08%. As noted above, the FOMC decided to lower the target range for the federal funds rate by 25 basis points, sighting soft growth in fixed business investment. The labor market remains strong, with low levels of unemployment, household spending is increasing, and economic activity is rising moderately. The Bloomberg Barclays U.S. Aggregate Bond Index rose 0.22%, outperforming US government securities by 33 basis points, as investment grade corporates posted solid performance, ending the month up 0.56%. Longer-maturity bonds outperformed shorter ones, while global bonds trailed their domestic fixed income counterparts, with the Barclays Global Aggregate ex-U.S. Index falling by 0.28%. High yield and emerging markets debt generated strong results, returning 0.56% and 1.15%, respectively, in July. Municipal bonds posted positive returns, outperforming their taxable counterparts, with the Bloomberg Barclays Municipal Index returning 0.81% for the month. Within the municipal space, the longer-term securities posted better returns, with the 22+ Year Index beating the 1-2 Year Index by 53 basis points.

Scott Keller
Portfolio Manager

Economic Data



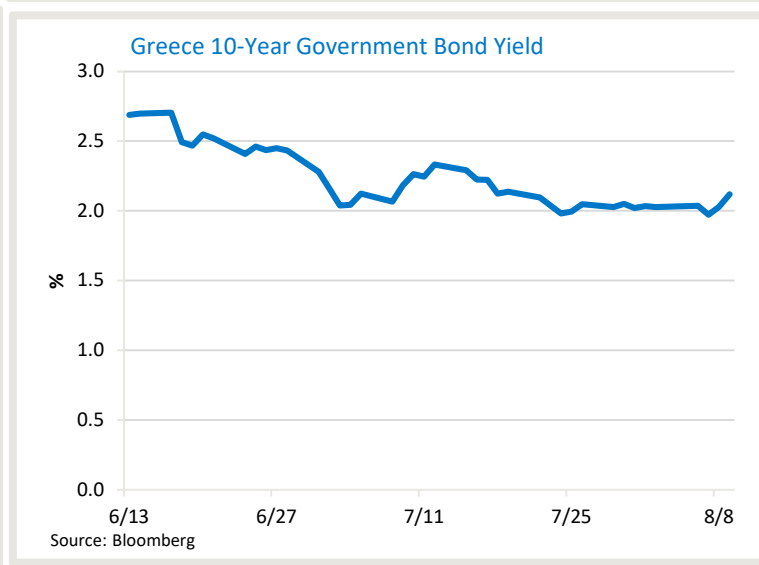
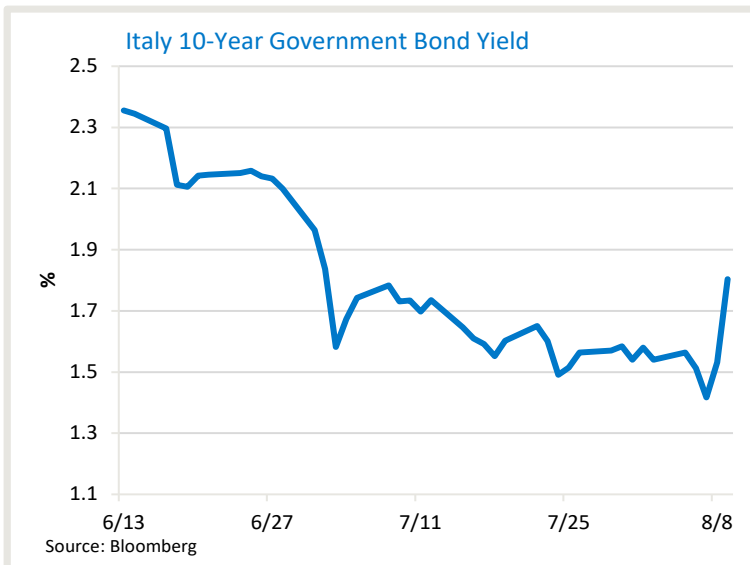
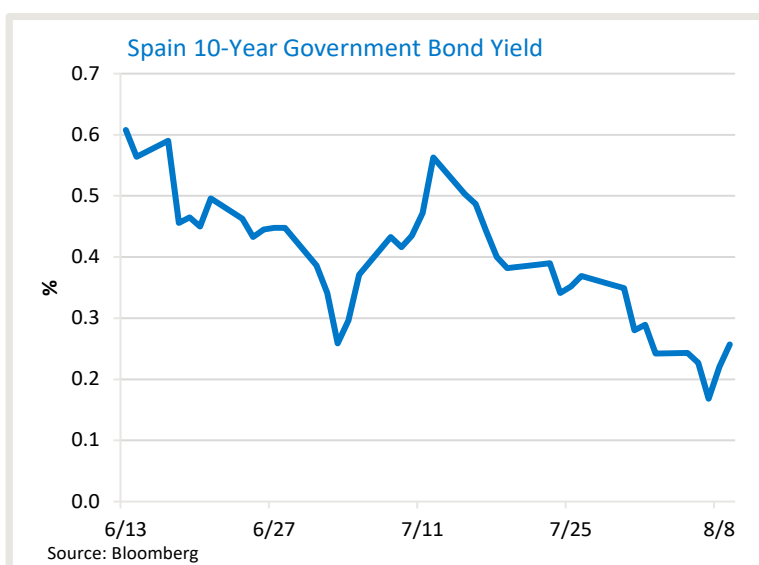
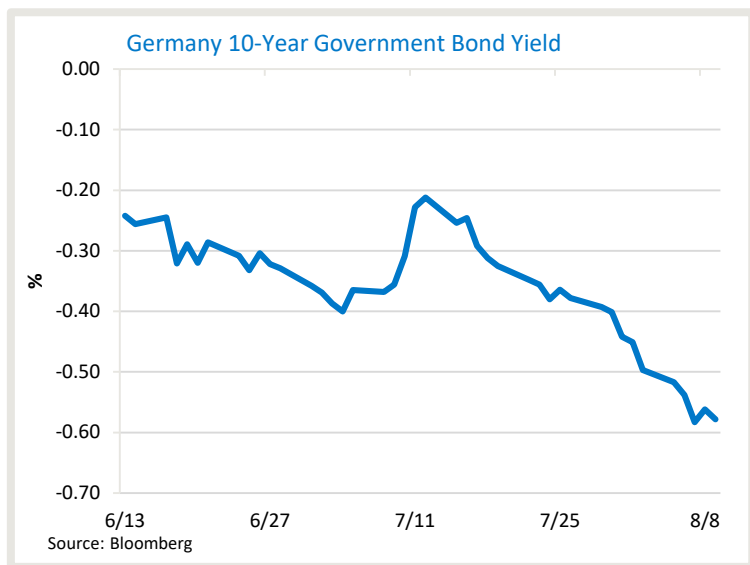
Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	-0.58	8 bps	NM	NM
Greece 10-Yr. Govt.	2.12	-9 bps	NM	NM
Italy 10-Yr. Govt.	1.80	-26 bps	NM	NM
Spain 10-Yr. Govt.	0.26	-2 bps	NM	NM
Belgium 10-Yr. Govt.	-0.22	5 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	-0.27	3 bps	NM	NM
Ireland 10-Yr. Govt.	0.01	2 bps	NM	NM
Portugal 10-Yr. Govt.	0.28	0 bps	NM	NM
Netherlands 10-Yr. Govt.	-0.46	8 bps	NM	NM
U.K. 10-Yr. Govt.	0.48	6 bps	NM	NM

Source: Bloomberg
Basis points (bps)

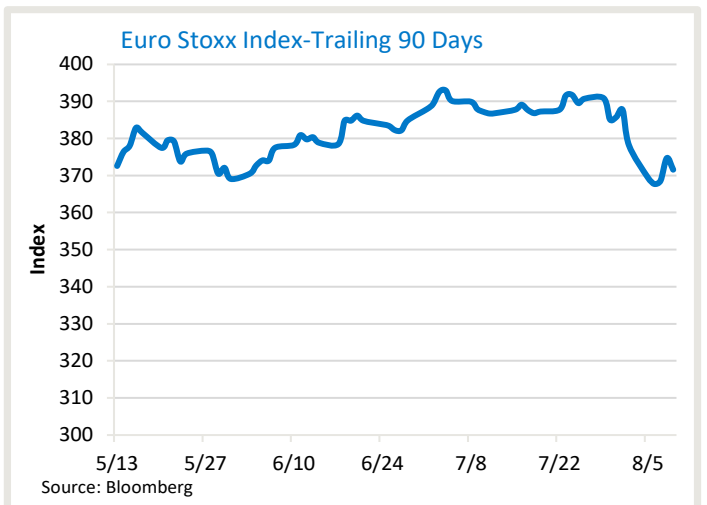
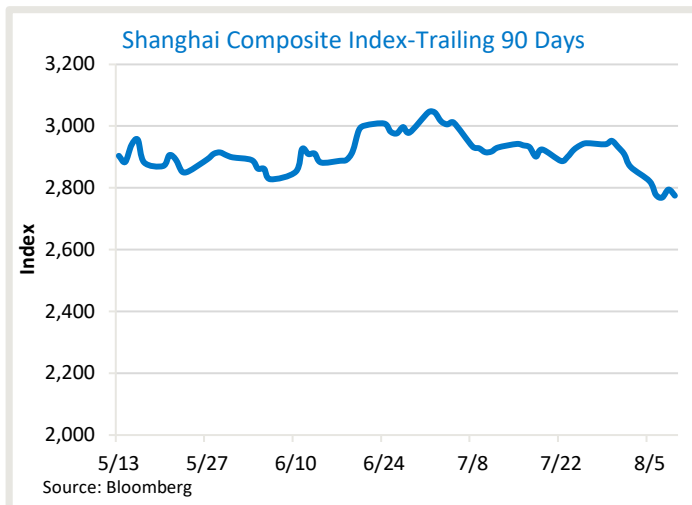
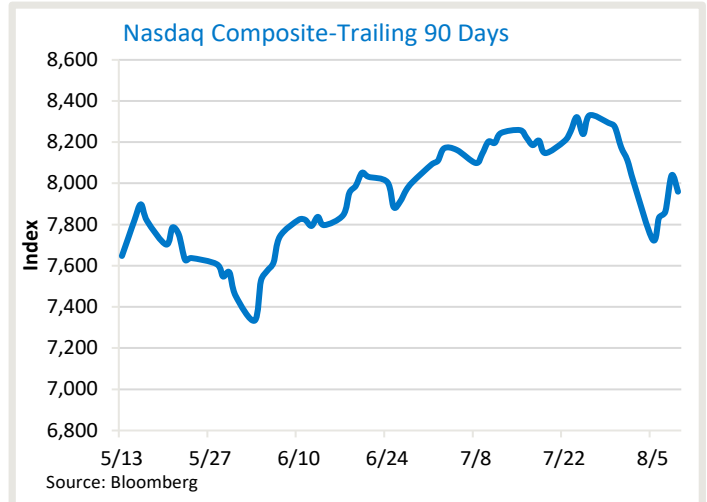
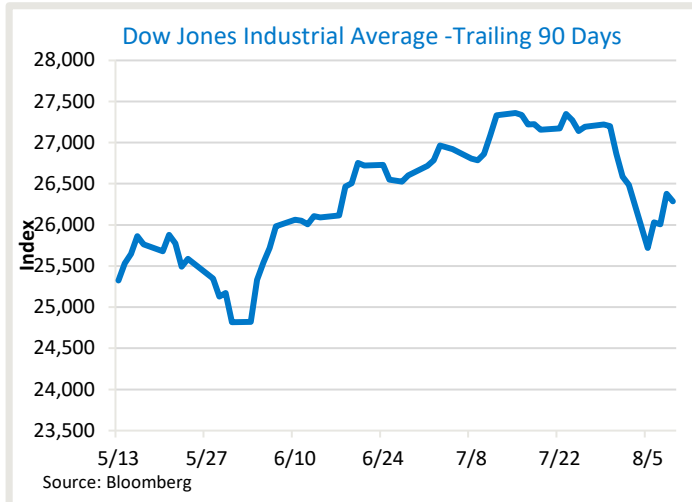


Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
S&P 500	2,918.65	-13.40	-0.46%	16.43%	Swiss Market Index	9,749.92	-53.77	-0.55%	15.67%
Dow Industrials	26,287.44	-197.57	-0.75%	12.69%	CAC 40 Index (France)	5,327.92	-31.08	-0.58%	12.62%
Nasdaq Composite	7,959.14	-44.93	-0.56%	19.95%	DAX Index (Germany)	11,693.80	-178.64	-1.50%	10.75%
MSCI ACWI	512.65	-1.79	-0.35%	12.5%	Irish Overall Index	5,862.29	-115.86	-1.94%	6.98%
MSCI EM	984.30	-19.46	-1.94%	1.9%	Nikkei 225	20,684.82	-402.34	-1.91%	3.35%
S&P/TSX (Canada)	16,341.34	69.68	0.43%	14.09%	Hang Seng Index	25,939.30	-979.28	-3.64%	0.36%
Mexico IPC	40,421.28	443.76	1.11%	-2.93%	Shanghai Composite	2,774.75	-93.08	-3.25%	11.26%
Brazil Bovespa	103,996.20	1322.50	1.29%	18.33%	Kospi Index (S. Korea)	1,937.75	-60.38	-3.02%	-5.06%
Euro Stoxx 600	371.56	-6.59	-1.74%	10.04%	Taiwan Taiex Index	10,494.49	-54.55	-0.52%	7.89%
FTSE 100	7,253.85	-153.21	-2.07%	7.81%	Tel Aviv 25 Index	1,614.53	-16.56	-1.02%	10.29%
IBEX 35 (Spain)	8,757.80	-139.80	-1.57%	2.55%	MOEX Index (Russia)	2,679.71	4.81	0.18%	13.10%

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



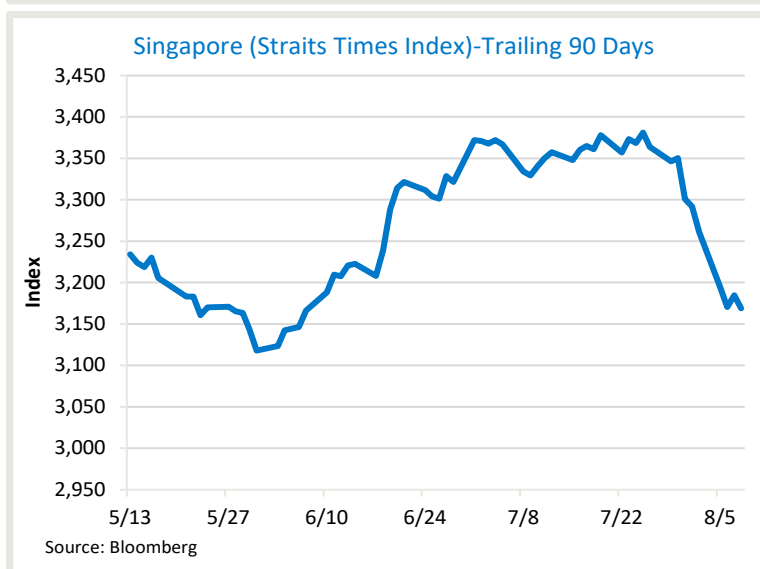
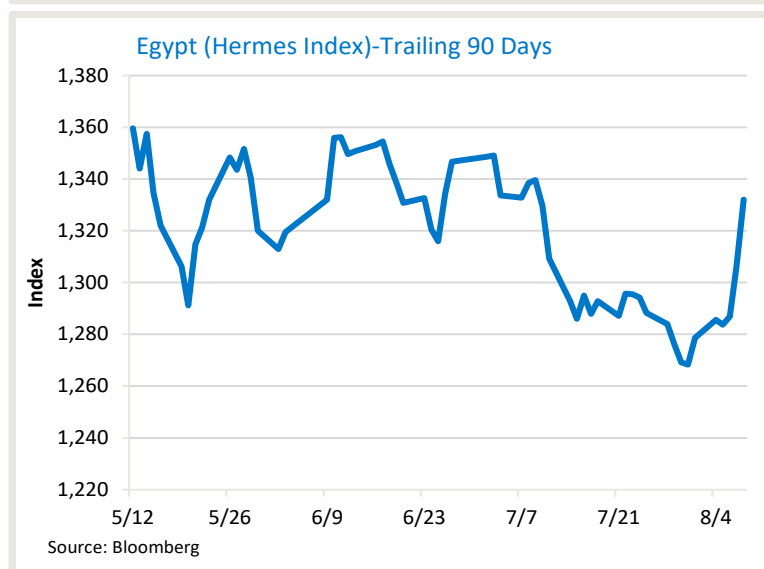
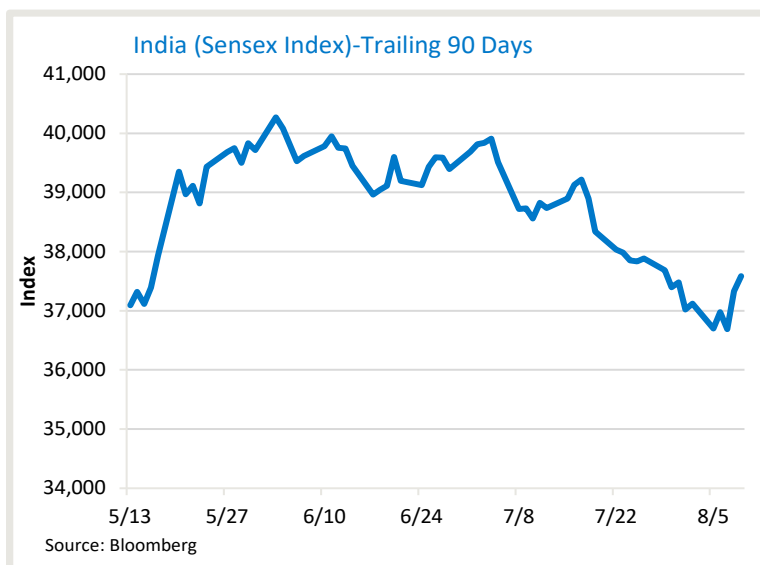
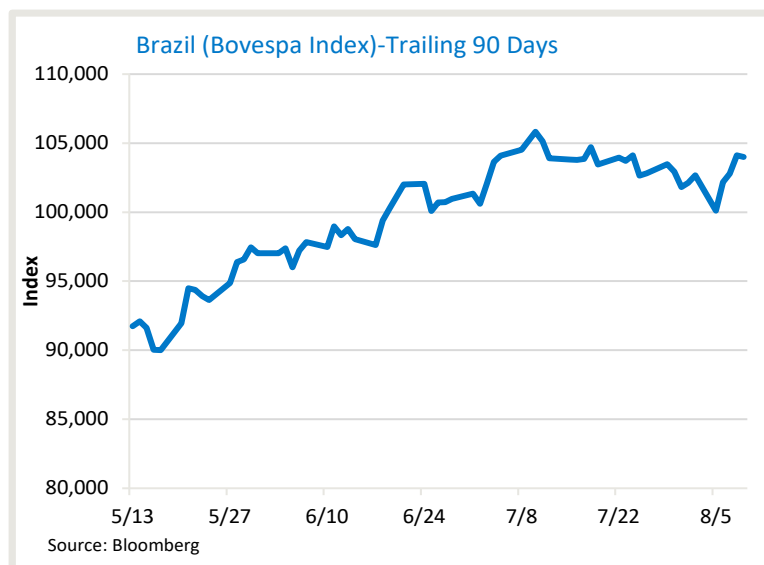
Equities – Emerging and Frontier Markets

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	40,421.28	443.76	1.1%	-2.9%
Brazil (Bovespa Index)	103,996.20	1322.50	1.3%	18.3%
MOEX Index (Russia)	2,679.71	4.81	0.2%	13.1%
Czech Republic (Prague)	1,022.67	-17.70	-1.7%	3.7%
Turkey (Istanbul)	99,405.06	-274.41	-0.3%	8.9%
Egypt (Hermes Index)	1,331.98	53.26	4.2%	4.3%
Kenya (Nairobi 20 Index)	2,543.59	-43.09	-1.7%	-10.2%
Saudi Arabia (TASI Index)	8,550.23	-116.16	-1.3%	9.2%
Lebanon (Beirut BLOM Index)	814.26	-3.60	-0.4%	-16.6%
Palestine	531.17	0.16	0.0%	0.3%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	25,939.30	-979.28	-3.6%	0.4%
India (Sensex 30)	37,581.91	463.69	1.2%	4.2%
Malaysia (KLCI Index)	1,615.05	-11.71	-0.7%	-4.5%
Singapore (Straits Times Index)	3,168.94	-122.81	-3.7%	3.3%
Thailand (SET Index)	1,650.64	-34.07	-2.0%	5.5%
Indonesia (Jakarta)	6,282.13	-58.05	-0.9%	1.4%
Pakistan (Karachi KSE 100)	29,429.07	-2237.34	-7.1%	-20.6%
Vietnam (Ho Chi Minh)	974.34	-16.76	-1.7%	9.2%
Sri Lanka (Colombo)	5,943.11	48.41	0.8%	-1.8%
Cambodia (Laos)	766.75	-15.64	-2.0%	-8.3%

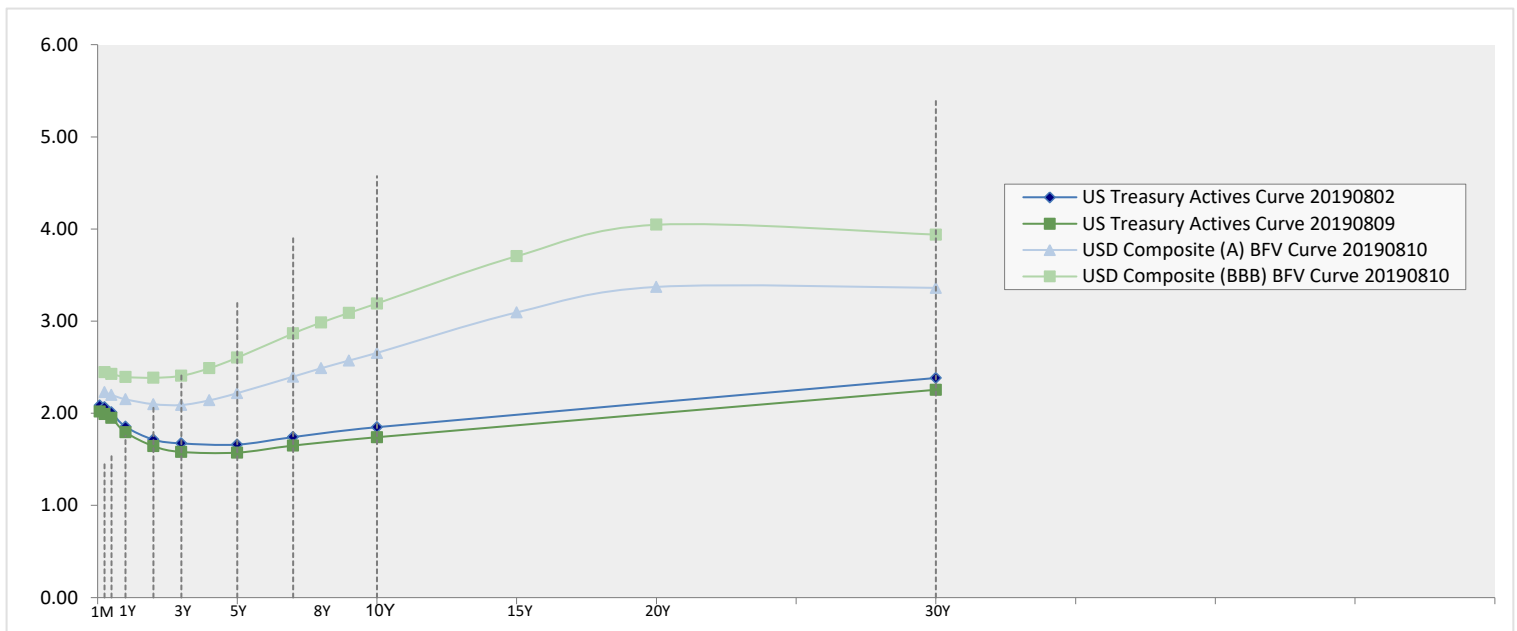


Interest Rates

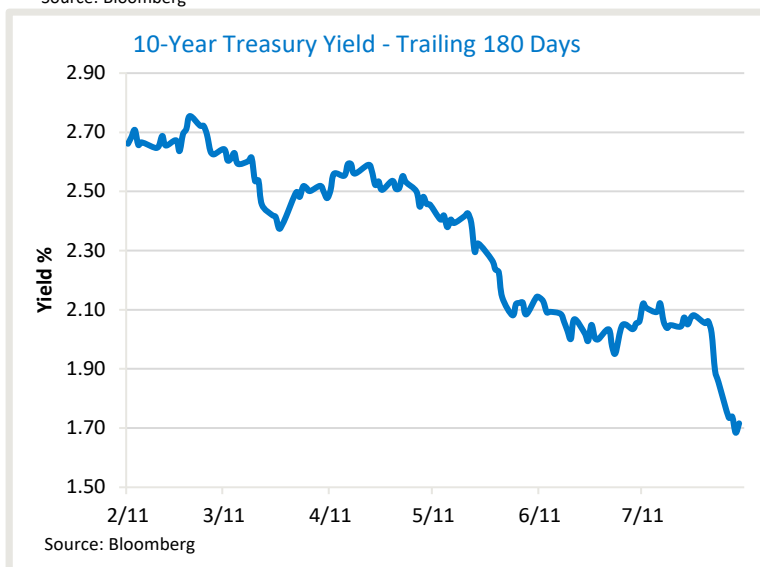
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	1.64%	1 bps	NM	NM	Prime Rate	5.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.56%	-11 bps	NM	NM	Fed Funds Rate	2.25%	0.00	NM	NM
10-Yr. U.S. Treasury	1.73%	-12 bps	NM	NM	Discount Rate	2.75%	0.00	NM	NM
30-Yr. U.S. Treasury	2.25%	-14 bps	NM	NM	LIBOR (3 Mo.)	2.18%	-6 bps	NM	NM
German 10-Yr. Govt.	-0.58%	8 bps	NM	NM	Bond Buyer 40 Muni	2.69%	-15 bps	NM	NM
France 10-Yr.	-0.27%	3 bps	NM	NM	Bond Buyer 40 G.O.	3.22%	NA	NM	NM
Italy 10-Yr.	1.80%	-26 bps	NM	NM	Bond Buyer 40 Rev.	3.70%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.71%	-12 bps	NM	NM					

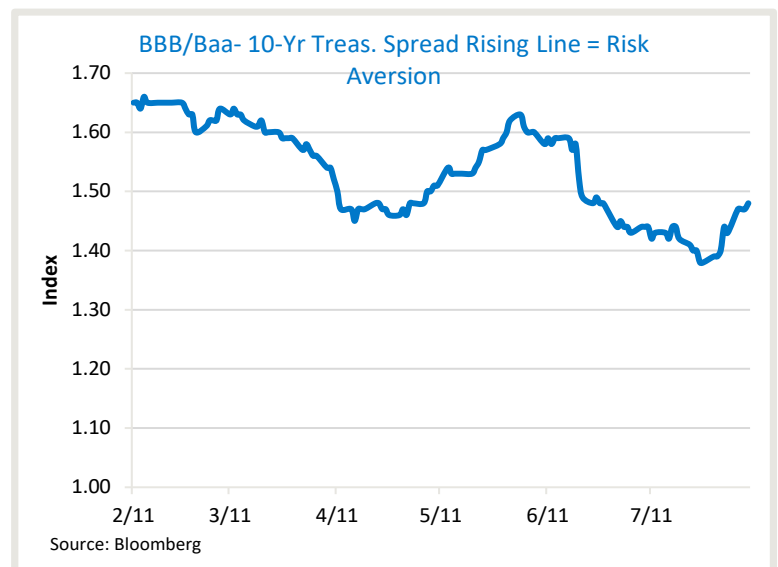
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

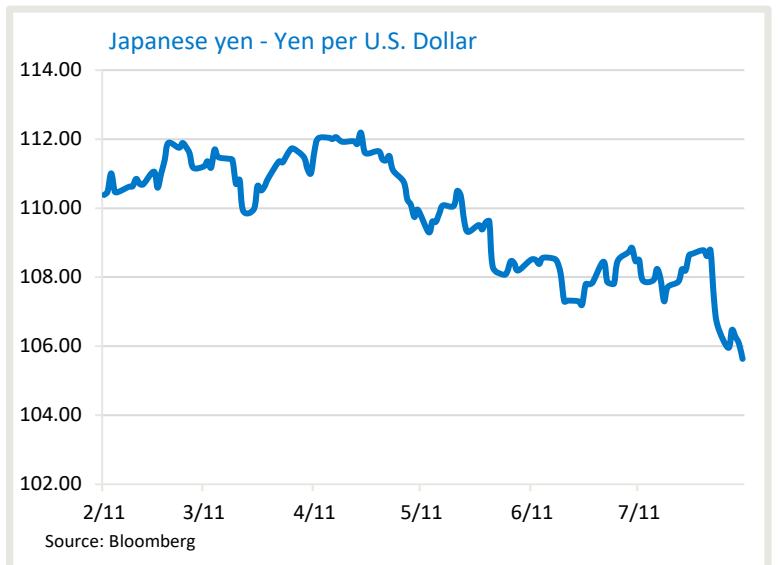
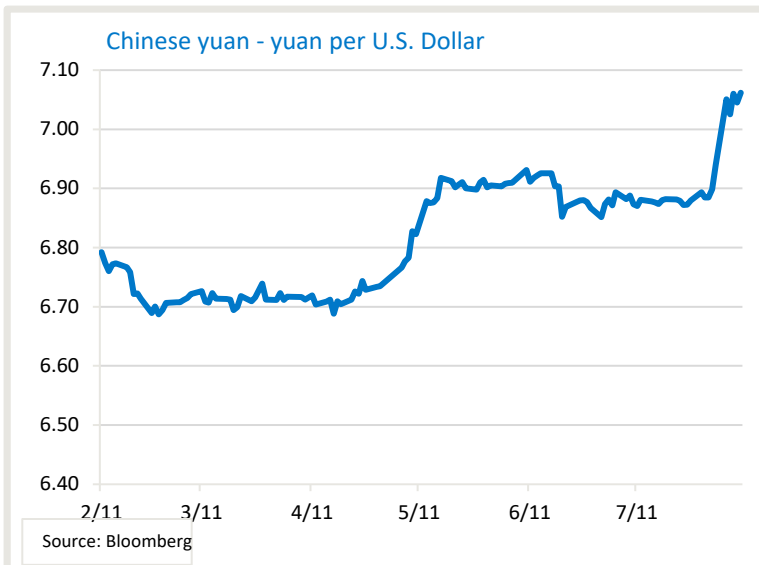
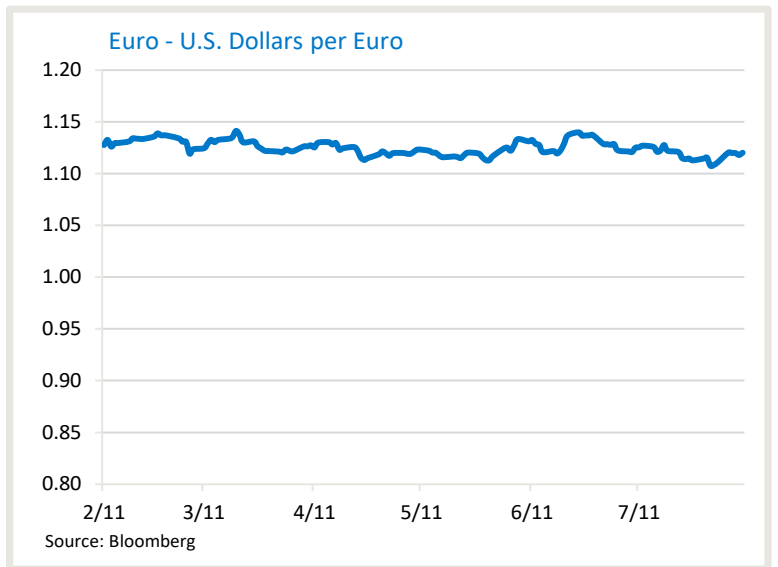
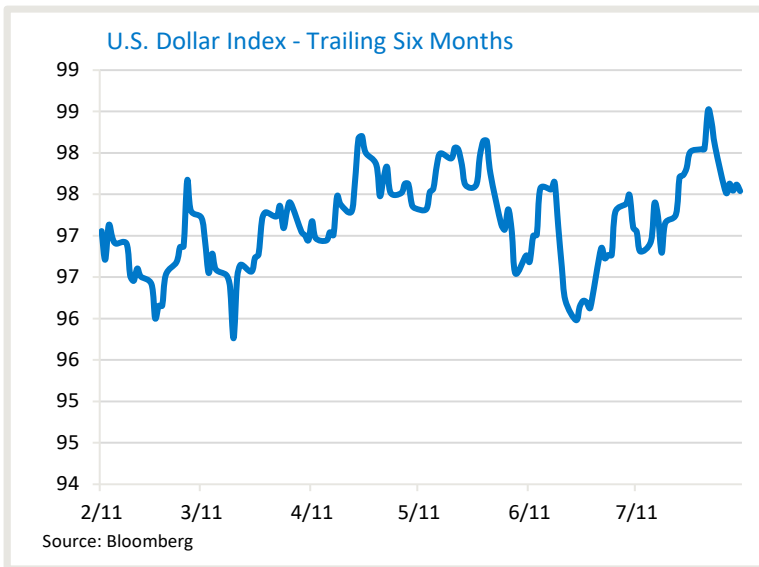
Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	97.55	-0.535	-0.55%	1.42%
Euro	1.12	0.009	0.85%	-2.31%
Japanese Yen	105.65	-0.960	0.91%	3.84%
British Pound	1.20	-0.013	-1.06%	-5.65%
Canadian Dollar	1.32	0.001	-0.05%	3.20%

	Last	Change	% Chg.	YTD %
Chinese Yuan	7.06	0.122	-1.72%	-2.60%
Swiss Franc	0.97	-0.010	1.00%	0.97%
New Zealand Dollar	0.65	-0.007	-1.13%	-3.83%
Brazilian Real	3.94	0.053	-1.35%	-1.73%
Mexican Peso	19.41	0.101	-0.52%	1.26%

Source: Bloomberg

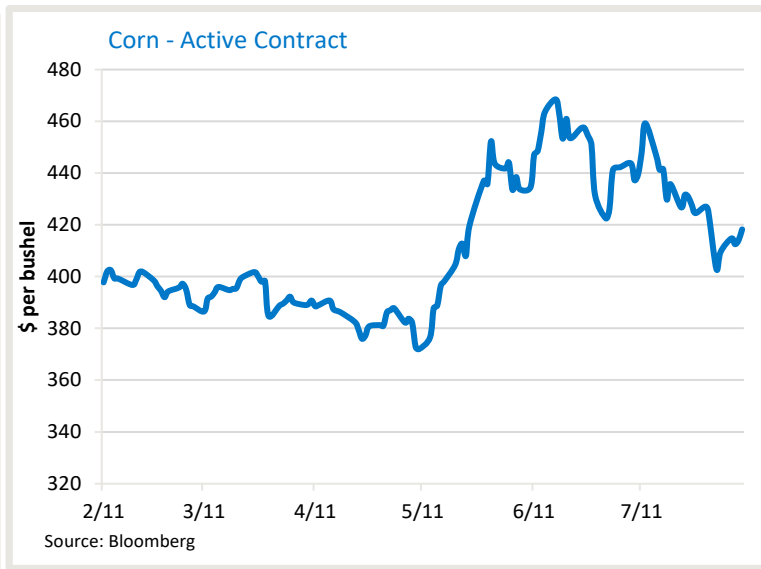
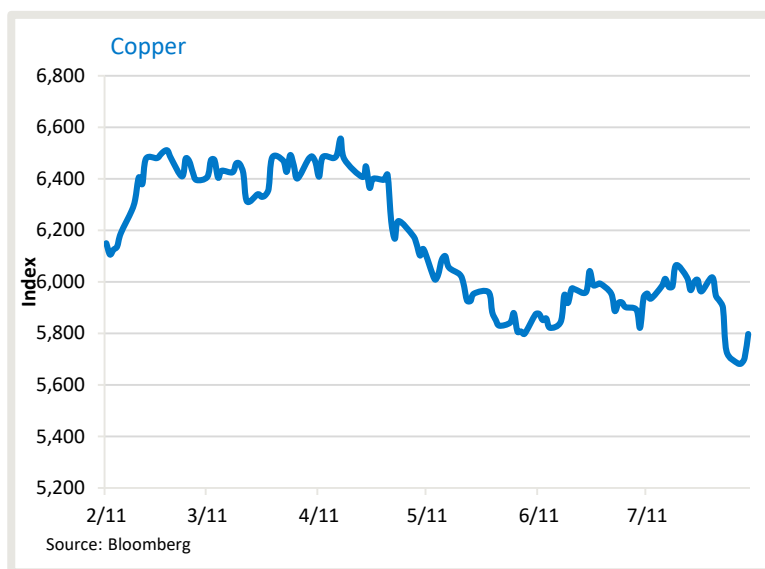
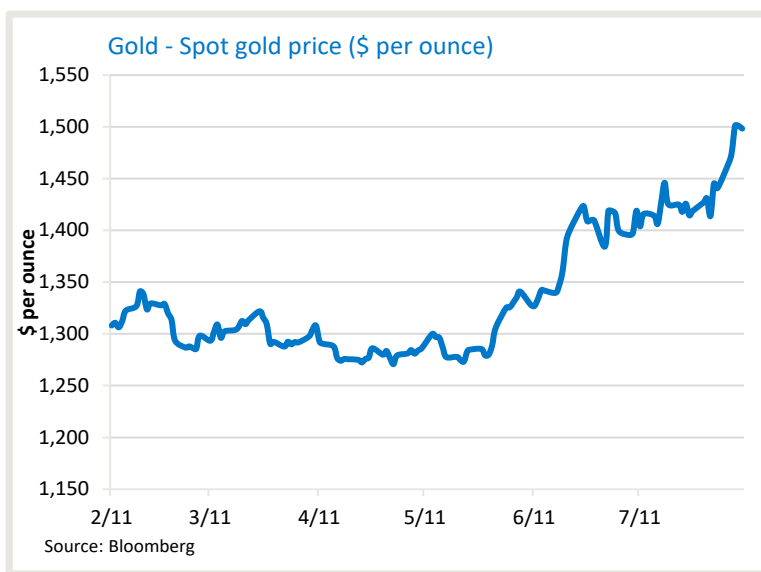
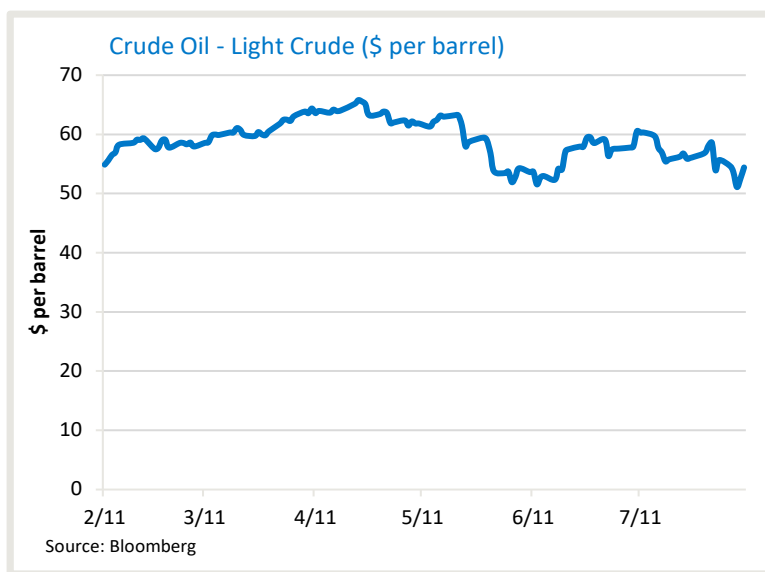


Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	77.42	0.20	0.26%	0.92%	Platinum Spot	\$861.42	\$16.37	1.94%	8.25%
Crude Oil	\$54.28	-\$1.25	-2.25%	13.73%	Corn	417.75	8.25	2.01%	5.09%
Natural Gas	\$2.13	\$0.00	0.05%	-22.13%	Wheat	501.50	10.00	2.03%	-7.56%
Gasoline (\$/Gal.)	\$2.67	-\$0.05	-1.66%	18.34%	Soybeans	891.75	23.25	2.68%	-4.65%
Heating Oil	179.91	-9.04	-4.78%	5.84%	Sugar	11.86	-0.16	-1.33%	-5.35%
Gold Spot	\$1,497.30	\$57.45	3.99%	16.83%	Orange Juice	102.30	3.10	3.12%	-21.25%
Silver Spot	\$16.97	\$0.77	4.77%	9.57%	Aluminum	1,778.00	8.00	0.45%	-3.68%
					Copper	5,798.00	68.50	1.20%	-2.80%

Source: Bloomberg; % change is based on price.

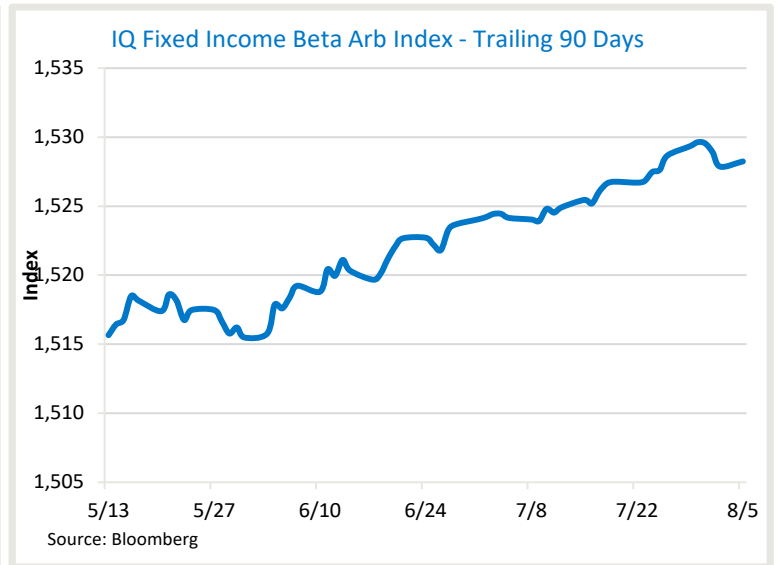
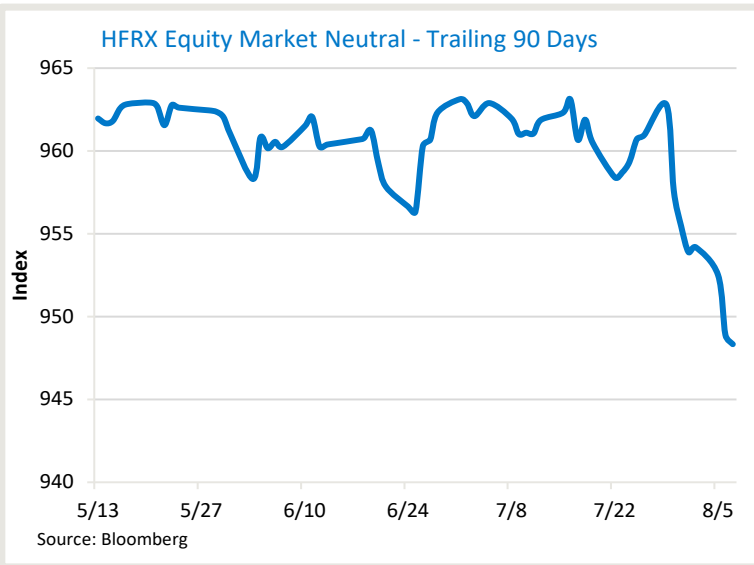
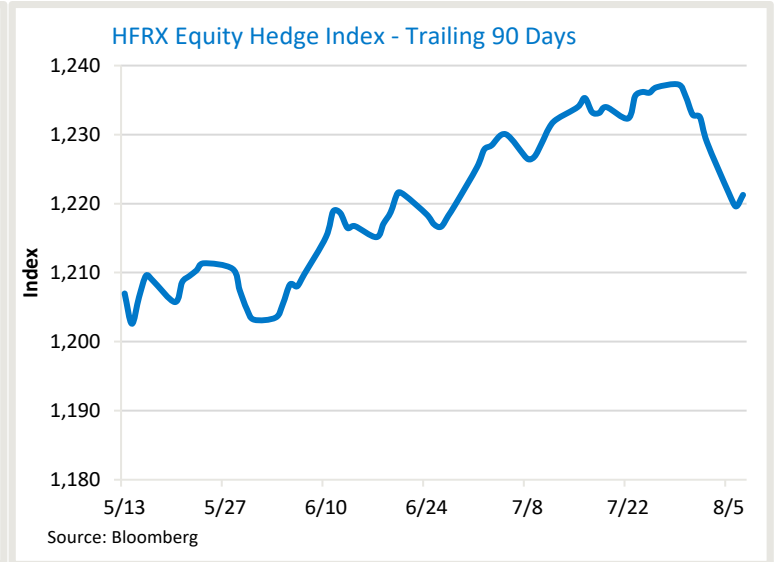
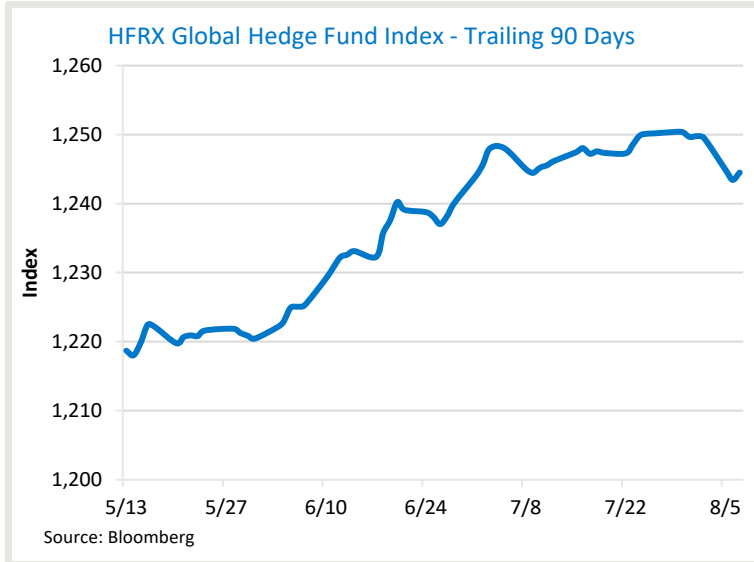


Alternative Investments

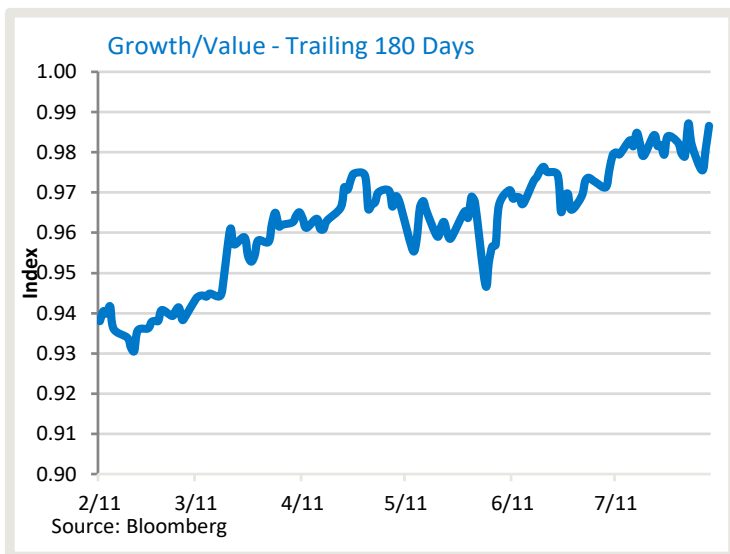
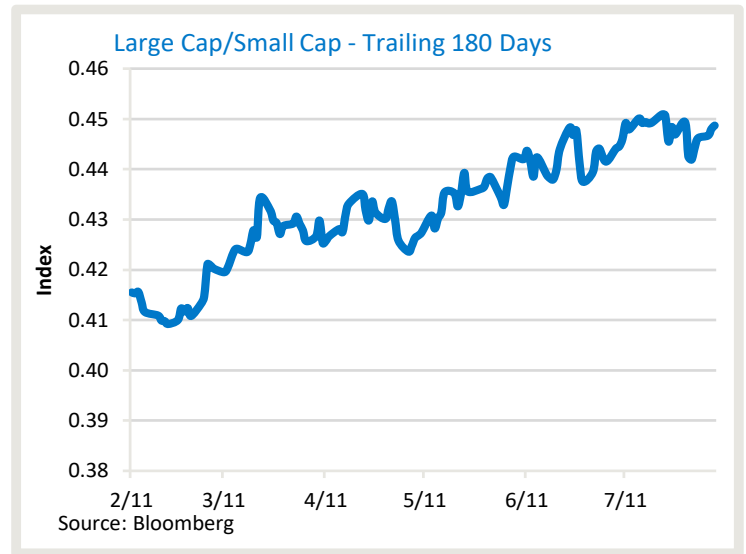
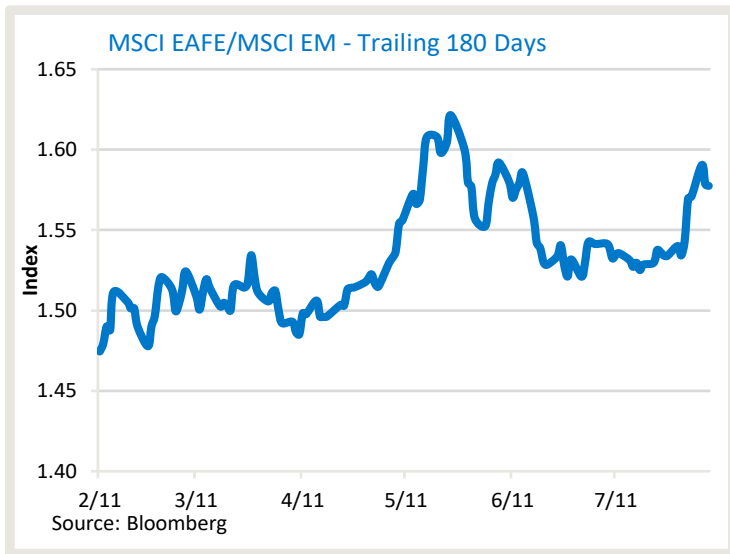
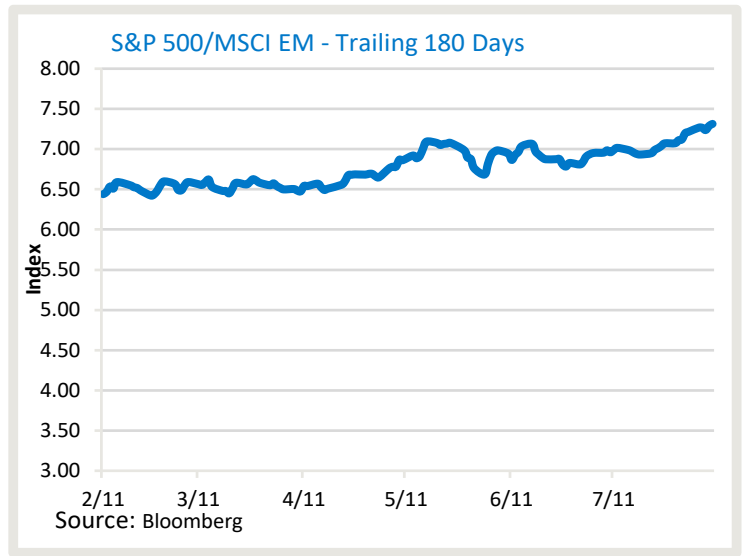
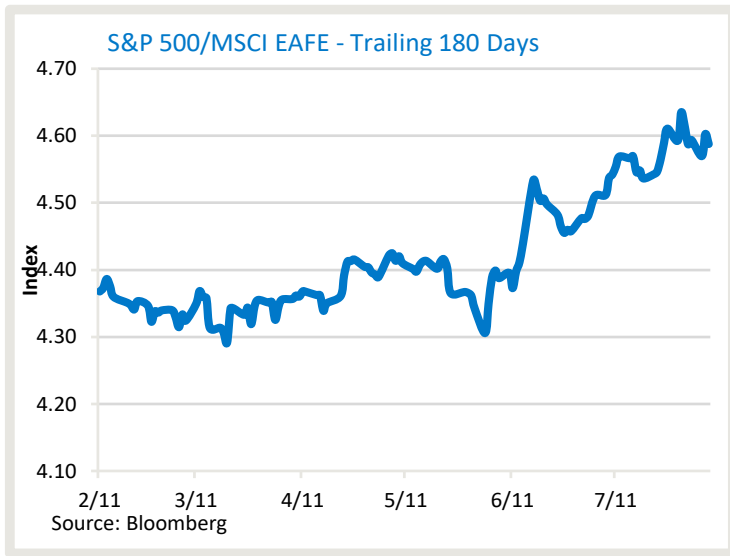
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1244.50	-5.00	-0.40%	4.59%	HFRX Special Situation Index	1216.38	-8.37	-0.68%	1.11%
HFRX Equity Market Neutral	948.33	-5.85	-0.61%	-2.50%	HFRX Merger Arbitrage Index	1779.03	-5.84	-0.33%	-2.12%
HFRX Equity Hedge Index	1221.26	-7.59	-0.62%	6.10%	HFRX Convertible Arbitrage Index	808.08	-4.44	-0.55%	2.59%
HFRX Event-Driven Index	1505.64	-10.07	-0.66%	2.34%	HFRX Macro CTA Index	1175.20	-1.42	-0.12%	4.36%
HFRX Absolute Return Index	1078.59	-1.06	-0.10%	1.94%	IQ Fixed Income Beta Arb Index	1526.68	-1.17	-0.08%	4.39%

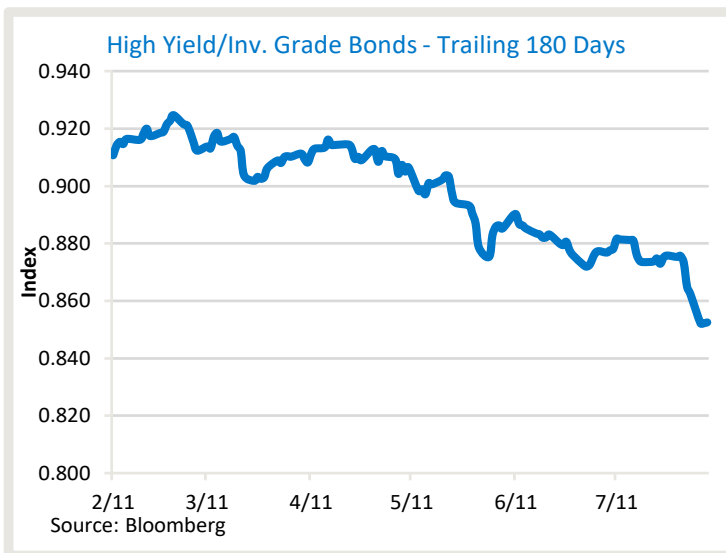
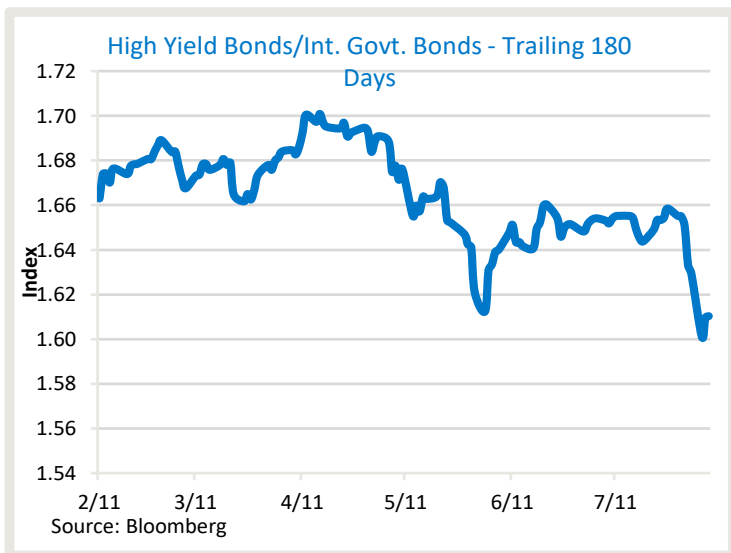
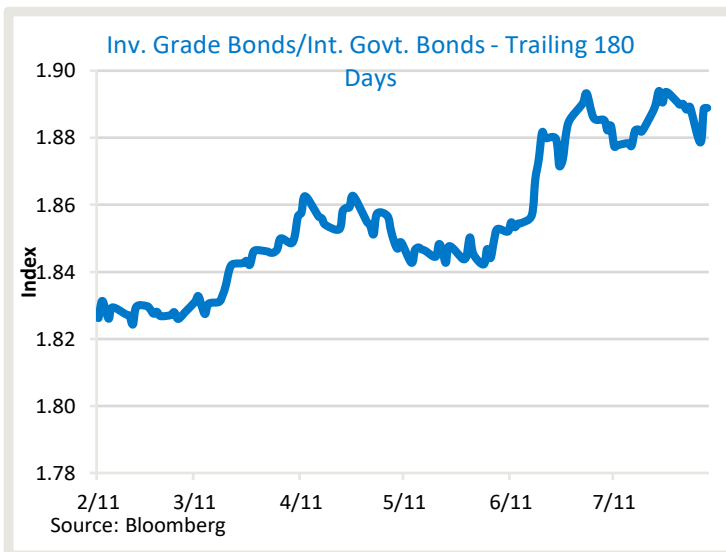
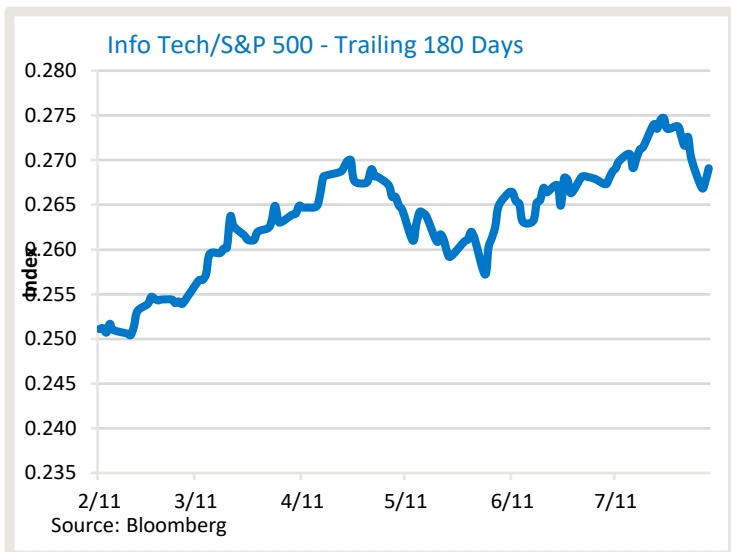
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			5/23	5/30	6/6	6/13	6/20	6/27	7/4	7/11	7/18	7/25	8/1	8/8
Equity	Domestic Equity	Large Cap (R200)	-1.92%	-1.18%	1.68%	1.82%	2.25%	-0.91%	2.44%	0.27%	-0.17%	0.26%	-1.62%	-0.58%
		Small Cap (R2000)	-3.59%	-1.06%	1.21%	2.15%	1.80%	-1.08%	1.65%	-0.90%	-0.15%	0.37%	-0.68%	-1.20%
	Int'l. Equity	MSCI EAFE	-1.55%	-0.74%	1.54%	1.36%	2.08%	-0.24%	1.87%	-1.54%	-0.69%	0.66%	-1.28%	-2.53%
		MSCI Em. Mkts.	-2.60%	1.03%	0.79%	1.93%	3.10%	0.10%	0.93%	-0.89%	-0.33%	0.24%	-2.82%	-3.93%
Fixed Income	BarCap Agg. (AGG)	0.34%	0.48%	0.30%	0.34%	0.73%	-0.01%	0.14%	-0.80%	0.57%	-0.10%	0.65%	0.79%	
	High Yield (JNK)	-0.21%	-0.26%	0.32%	0.58%	1.46%	-0.54%	0.13%	-0.57%	-0.06%	0.31%	-0.52%	-0.36%	
Commodities	Bloomberg Commodity Index	-2.91%	1.45%	-2.52%	0.65%	2.00%	1.29%	-1.23%	1.72%	-2.04%	0.10%	-2.52%	0.04%	
Alternatives	Hedge Funds (HFRX Global)	-0.14%	0.00%	0.34%	0.62%	0.62%	-0.16%	0.79%	-0.20%	0.16%	0.20%	-0.03%	-0.42%	
Asset Allocation	60/40*	-1.19%	-0.36%	1.02%	1.21%	1.65%	-0.44%	1.28%	-0.59%	0.01%	0.21%	-0.69%	-0.61%	
	48/32/20 (w/Alts.)**	-0.98%	-0.29%	0.88%	1.09%	1.44%	-0.39%	1.18%	-0.51%	0.04%	0.21%	-0.56%	-0.57%	

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	0.96	1.06	1.00	0.96	1.04	1.05	1.01	1.10	1.22	1.38	0.88	1.18	0.73	1.06
Large Cap Growth	1.04	1.00	1.10	1.04	0.99	1.08	1.09	1.05	1.14	1.27	1.44	0.91	1.22	0.75	1.10
Large Cap Value	0.94	0.91	1.00	0.94	0.90	0.98	0.99	0.95	1.04	1.15	1.30	0.82	1.11	0.68	1.00
Mid Cap Core	1.00	0.96	1.06	1.00	0.96	1.04	1.05	1.01	1.10	1.22	1.38	0.87	1.17	0.72	1.06
Mid Cap Growth	1.04	1.01	1.11	1.05	1.00	1.09	1.10	1.05	1.15	1.28	1.44	0.91	1.23	0.76	1.11
Mid Cap Value	0.96	0.92	1.02	0.96	0.92	1.00	1.01	0.97	1.06	1.17	1.33	0.84	1.13	0.70	1.02
Small Cap Core	0.95	0.92	1.01	0.95	0.91	0.99	1.00	0.96	1.05	1.16	1.31	0.83	1.12	0.69	1.01
Small Cap Growth	0.99	0.96	1.05	0.99	0.95	1.03	1.04	1.00	1.09	1.21	1.37	0.87	1.17	0.72	1.05
Small Cap Value	0.91	0.87	0.96	0.91	0.87	0.95	0.95	0.91	1.00	1.11	1.25	0.79	1.07	0.66	0.96
Int'l. Developed	0.82	0.79	0.87	0.82	0.78	0.85	0.86	0.82	0.90	1.00	1.13	0.72	0.96	0.59	0.87
Emerging Markets	0.72	0.70	0.77	0.72	0.69	0.75	0.76	0.73	0.80	0.88	1.00	0.63	0.85	0.52	0.77
REITs	1.14	1.10	1.21	1.14	1.09	1.19	1.20	1.15	1.26	1.40	1.58	1.00	1.34	0.83	1.21
Commodities	0.85	0.82	0.90	0.85	0.81	0.89	0.89	0.86	0.94	1.04	1.18	0.74	1.00	0.62	0.90
Int. Bond	1.38	1.33	1.47	1.38	1.32	1.44	1.45	1.39	1.52	1.69	1.91	1.21	1.62	1.00	1.46
High Yield	0.94	0.91	1.00	0.94	0.90	0.98	0.99	0.95	1.04	1.15	1.30	0.83	1.11	0.68	1.00

Source: Bloomberg

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

Index Overview & Key Definitions

Fed, The Fed or FED refers to the Federal Reserve System, the central bank of the United States. The **Federal Open Market Committee** (FOMC) is the monetary policymaking body of the Federal Reserve System. **Fed Funds Rate**, the interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight. The **European Central Bank** (ECB) is the central bank for Europe's single currency, the euro. The ECB's main task is to maintain the euro's purchasing power and thus price stability in the euro area. The euro area comprises the 19 European Union countries that have introduced the euro since 1999. The **Gross Domestic Product** (GDP) rate is a measurement of the output of goods and services produced by labor and property located in the United States. **Basis Point(s)** is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. A **separately managed account** (SMA) is an individual managed investment account offered typically by a brokerage firm through one of their brokers or financial consultants and managed by independent investment management firms (often called money managers for short) and have varying fee structures. The **Consumer Price Index** (CPI) measures the change in the cost of a fixed basket of products and services. The **Producer Price Index** (PPI) program measures the average change over time in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services. **Core CPI** is an additional CPI Index, excludes energy and food item price changes, and measures the "core" or "underlying" rate of inflation. The PCE (Personal Consumption Expenditure) Index of Prices is a US-wide indicator of the average increase in prices for all domestic personal consumption. Using a variety of data including U.S. Consumer Price Index and Producer Price Index prices, it is derived from personal consumption expenditures; essentially a measure of goods and services targeted towards individuals and consumed by individuals. The **Purchasing Managers' Index** (PMI) is an indicator of the economic health of the manufacturing sector. The PMI is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. **Brexit** is a commonly used term for the United Kingdom's withdrawal from the European Union. The **Kansas City Fed Manufacturing Survey** monitors manufacturing plants selected according to geographic distribution, industry mix and size in the Tenth Federal Reserve District. **West Texas Intermediate** (WTI), also known as Texas light sweet, is a grade of crude oil used as a benchmark in oil pricing. **Risk Premium** is the return in excess of the risk-free rate of return an investment is expected to yield. **LIBOR or ICE LIBOR** (previously BBA LIBOR) is a benchmark rate, which some of the world's leading banks charge each other for short-term loans. It stands for Intercontinental Exchange London Interbank Offered Rate and serves as the first step to calculating interest rates on various loans throughout the world.

The **Dow Jones Industrial Average** (DOW or DJIA) is an unmanaged index of 30 common stocks comprised of 30 actively traded blue chip stocks, primarily industrials and assumes reinvestment of dividends. The **S&P 500 Index** is an unmanaged index comprised of 500 widely held securities considered to be representative of the stock market in general. The **S&P/Case-Shiller Home Price Indices** measure the residential housing market, tracking changes in the value of the residential real estate market in 20 metropolitan regions across the United States. The **Nasdaq Composite Index** is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The **US Dollar Index** is a measure of the value of the United States dollar relative to a basket of foreign currencies. It is a weighted geometric mean of the dollar's value relative to other select currencies (Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona (SEK) & Swiss franc). The **FTSE 100 Index** (FTSE 100) is a share index of the 100 companies listed on the London Stock Exchange (LSE) with the highest market capitalization. The **Bloomberg Commodity Index** (formerly the **Dow Jones-UBS Commodity Index**) tracks prices of futures contracts on physical commodities on the commodity markets and is designed to minimize concentration in any one commodity or sector (currently 22 commodity futures in seven sectors). The **Barclays Capital US Credit Index** is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. The **Barclays Capital US Aggregate Bond Index** is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year. The **Barclays Capital US Corporate High Yield Index** covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index may include emerging market debt. The **Barclays Capital Municipal Bond Index** is an unmanaged index comprised of investment-grade, fixed-rate municipal securities representative of the tax-exempt bond market in general. The **Barclays Capital US Treasury Total Return Index** is an unmanaged index of public obligations of the US Treasury with a remaining maturity of one year or more. The **Barclays Capital Global Aggregate ex-U.S. Index** is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The **Barclays Capital U.S. 5-10 Year Corporate Bond Index** measures the investment return of U.S. dollar denominated, investment-grade, fixed rate, taxable securities issued by industrial, utility, and financial companies with maturities between 5 and 10 years. Treasury securities, mortgage-backed securities (MBS) foreign bonds, government agency bonds and corporate bonds are some of the categories included in the index. The **Barclays Capital U.S. Corporate High-Yield Index** is composed of fixed-rate, publicly issued, non-investment grade debt. The **Barclays Capital U.S. Corporate 5-10 Year Index** includes U.S. dollar-denominated, investment-grade, fixed-rate, taxable securities issued by industrial, utility, & financial companies, with maturities between 5 & 10 years. The **Russell 1000 Index** is a market capitalization-weighted benchmark index made up of the 1000 largest U.S. companies in the Russell 3000 Index. The **Russell 1000 Growth Index** is an unmanaged index considered representative of large-cap growth stocks. The **Russell 1000 Value Index** is an unmanaged index considered representative of large-cap value stocks. The **Russell 2000 Index** is an unmanaged index considered representative of small-cap stocks. The **Russell 2000 Growth Index** is an unmanaged index considered representative of small-cap growth stocks. The **Russell 2000 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 **NY Empire State Manufacturing Index** is based on the monthly survey of manufacturers in New York State – known as the Empire State Manufacturing Survey – conducted by the Federal Reserve Bank of New York. The **S&P The Dow Jones Wilshire U.S. REIT Index** tracks the performance of publicly traded REITs and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate. The **Russell Top 200 Index** measures the performance of the 200 largest companies in the Russell 1000 Index, with a weighted average market capitalization of \$186 billion. The **Barclays 1-3 Year US Treasury Bond Index** measures public US Treasury obligations with remaining maturities of one to three years. The **S&P LSTA Leveraged Loan Index** is an unmanaged capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. It covers the US market back to 1997 and currently calculates on a daily basis. The **NFIB Small Business Optimism Index** is compiled from a survey that is conducted each month by the National Federation of Independent **Business** (NFIB) of its members

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