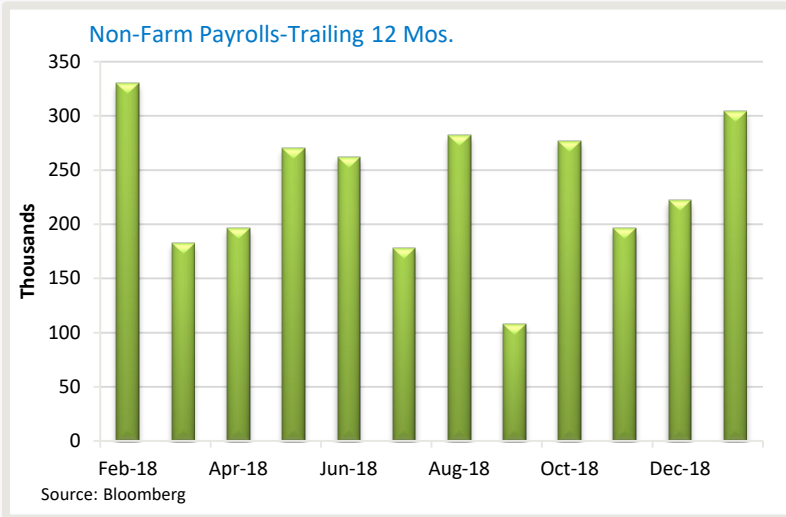




Chart of the Week



Weekly Highlights

- **US and China to resume trade talks in Beijing next week.** Treasury Secretary Steven Mnuchin announced on Wednesday that he and US trade officials will travel to Beijing next week, aiming to finalize a deal prior to the March 1 deadline, when US tariffs on Chinese goods will be increased. However, stocks sold off on Thursday after President Trump said he would not meet with Chinese President Xi prior to the March deadline. White House Advisor Larry Kudlow commented that there is a sizable distance between the trade positions of China and the US.
- **President Trump delivered the State of the Union Address** on Tuesday evening. Highlights from his speech to the joint session of Congress and the American people include focus on areas of fair trade, illegal immigration, cheaper prescription drug prices, and infrastructure improvement.
- **BB&T announced it will buy SunTrust Banks** for \$28 billion in stock, marking the largest US banking merger since the financial crisis. The combined bank would be the sixth largest in the US, with combined assets of \$442 billion.

Talking Points

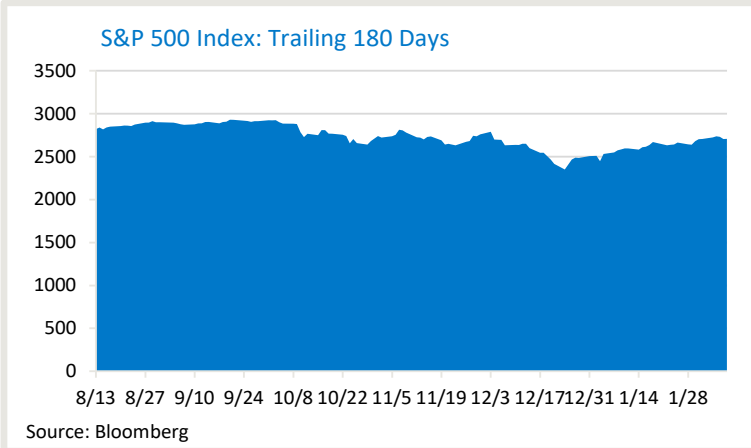
- **Equities faced selling pressure** Thursday and Friday on news that President Trump will not meet with Chinese President Xi prior to the March 1 deadline. Markets appear to be in a holding period as investors await further news on a US/China trade deal, Brexit, and a bipartisan resolution to prevent another government shutdown.
- **The yield on the 10-Year U.S. Treasury Note** increased to 2.73% on Tuesday before declining below 2.65% on Thursday and Friday.
- **British Prime Minister** Theresa May was in Brussels for meetings with other EU leaders to avoid a hard Brexit, which is 50 days out.
- **Bill Gross** announced his retirement this week. The investor once known as the “Bond King” co-founded PIMCO in 1971 and managed client assets for more than forty years, most recently at Janus.
- **Among major economic data**, initial jobless claims fell from a one-and-a-half-year high last week, decreasing by 19,000 to 234,000.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,707.88	1.35	0.05%	8.0%
Dow Industrials	25,106.33	42.44	0.17%	7.6%
Nasdaq	7,298.20	34.33	0.47%	10.0%
Russell 2000	1,506.39	4.34	0.29%	11.7%
Euro Stoxx Index	358.07	-1.64	-0.46%	6.0%
Shanghai Composite	2,618.23	16.51	0.63%	5.0%
MSCI ACWI	490.42	-1.02	-0.21%	7.6%

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

	Last Price	Change	% Chg.	YTD %
MSCI EM	1,041.97	-8.23	-0.78%	7.9%
10-Year US Treas.	2.63	-6 bps	NM	NM
Bloomberg Cmdts. Idx.	80.07	-0.90	-1.11%	4.4%
Gold	\$1,314.14	-\$3.79	-0.29%	2.5%
Crude Oil	\$52.71	-\$2.54	-4.60%	15.3%
Dollar Index	96.63	1.06	1.10%	0.5%
VIX Index	15.72	-0.42	-2.60%	-38.2%



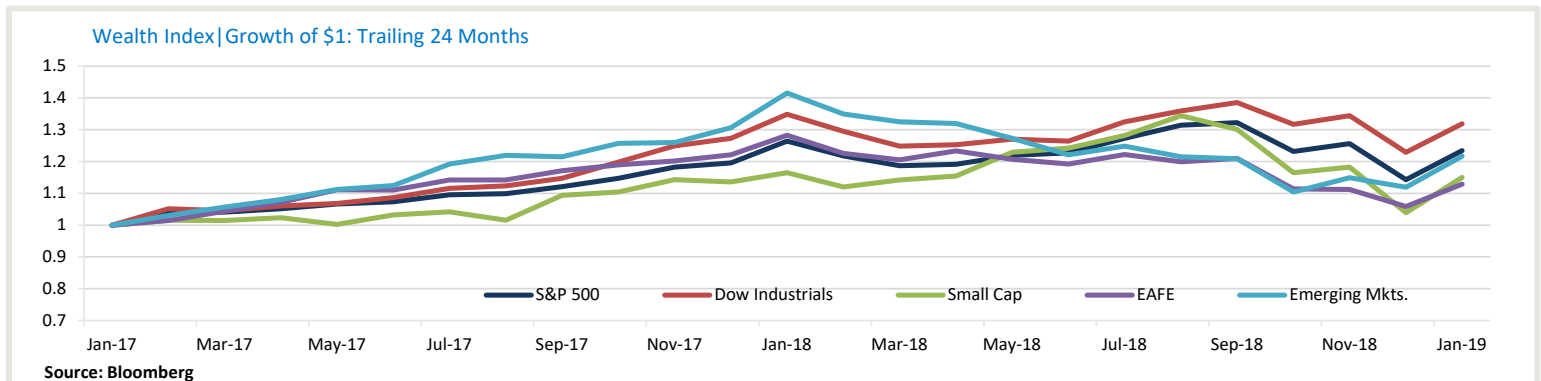
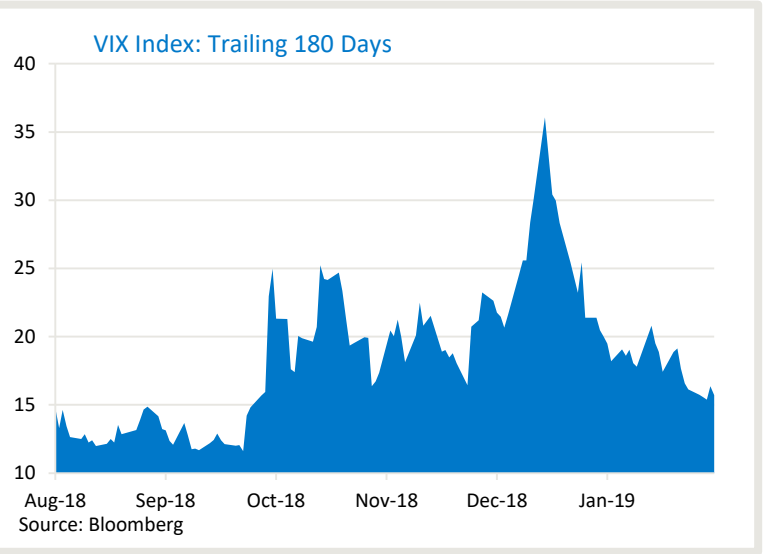
	One Week			YTD		
	Value	Growth		Value	Growth	
L	-0.77%	-0.10%	0.51%	5.99%	7.28%	8.44%
	0.29%	0.67%	1.20%	10.78%	11.92%	13.55%
S	0.17%	0.29%	0.40%	11.21%	11.70%	12.17%

Source: Bloomberg

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

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	9.9	-0.31%	7.9%
Consumer Staples	7.3	1.12%	5.9%
Energy	5.4	-3.25%	9.4%
Financials	13.3	-1.52%	7.5%
Health Care	15.0	-0.93%	3.9%
Industrials	9.6	1.52%	13.3%
Information Technology	20.4	1.76%	9.4%
Materials	2.6	-1.55%	4.3%
Real Estate	3.1	1.39%	11.5%
Communication Services	10.2	-0.33%	9.3%
Utilities	3.2	2.00%	5.1%

Source: Bloomberg



The Economy and Markets

A Macro View – January Monthly Recap

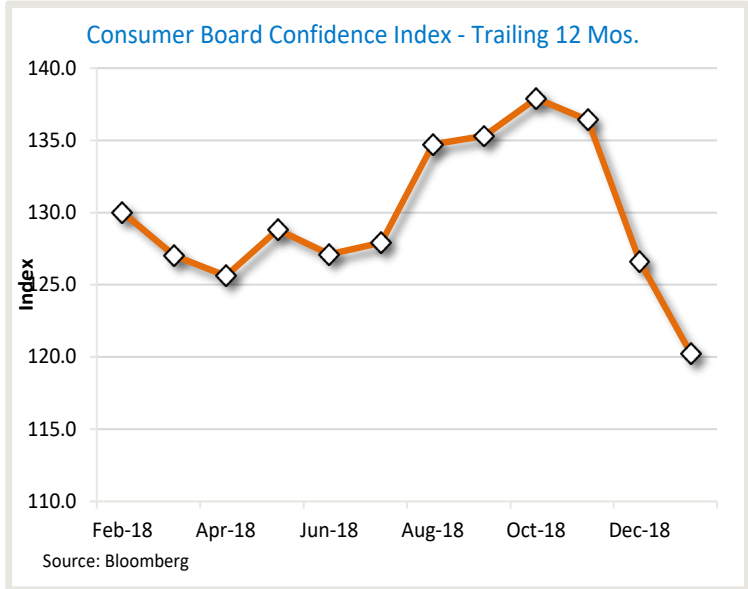
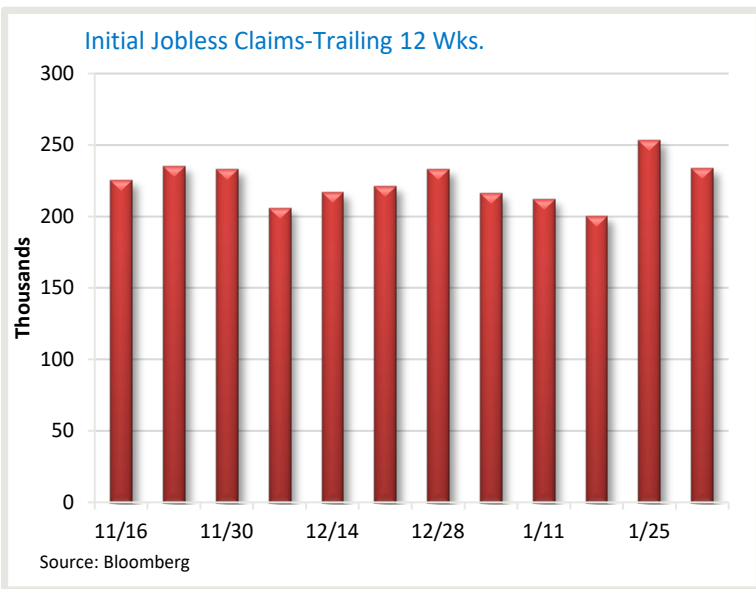
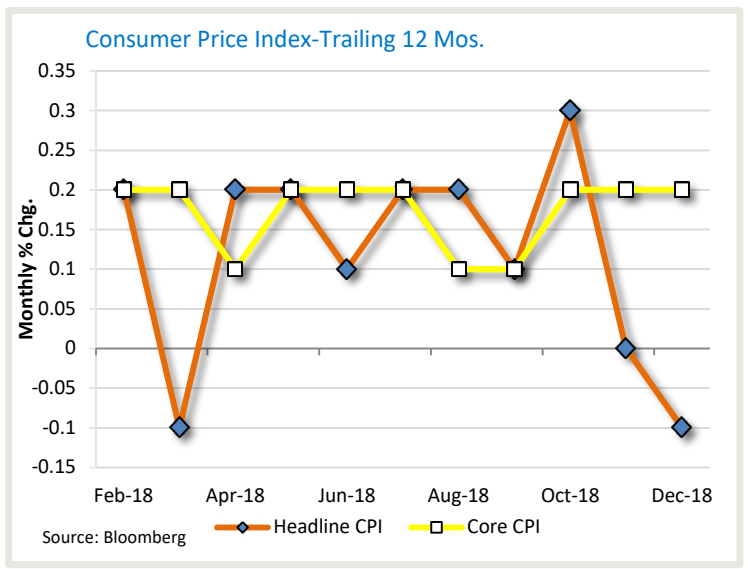
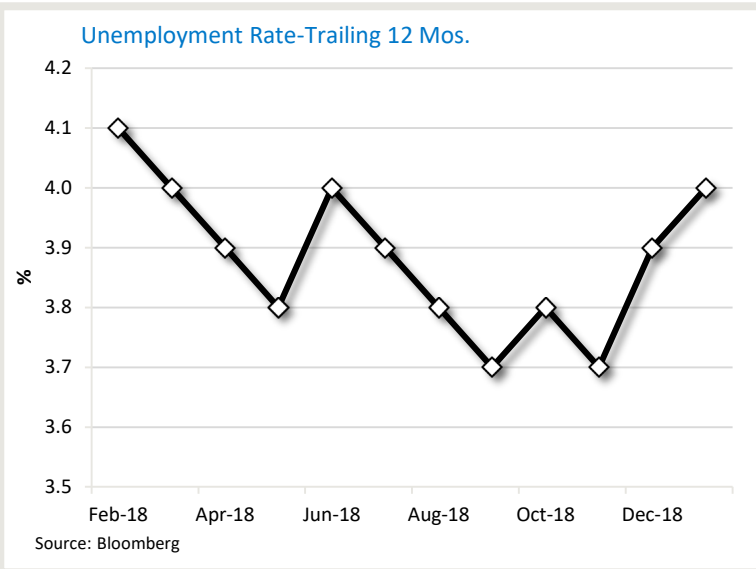
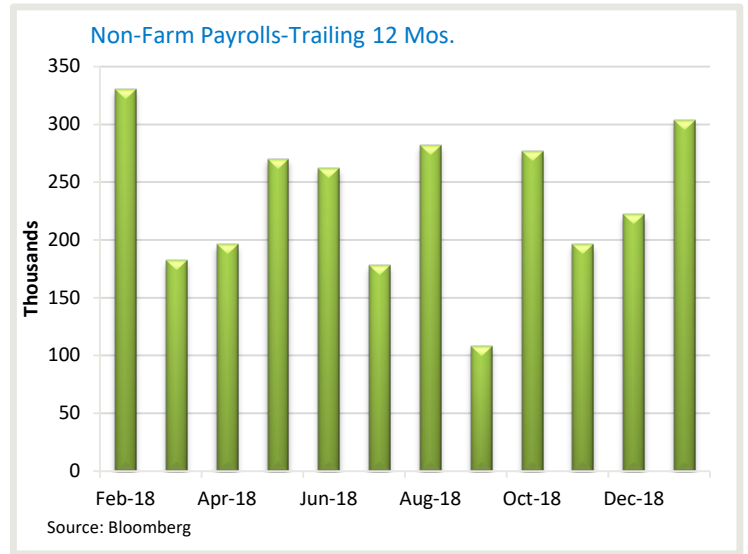
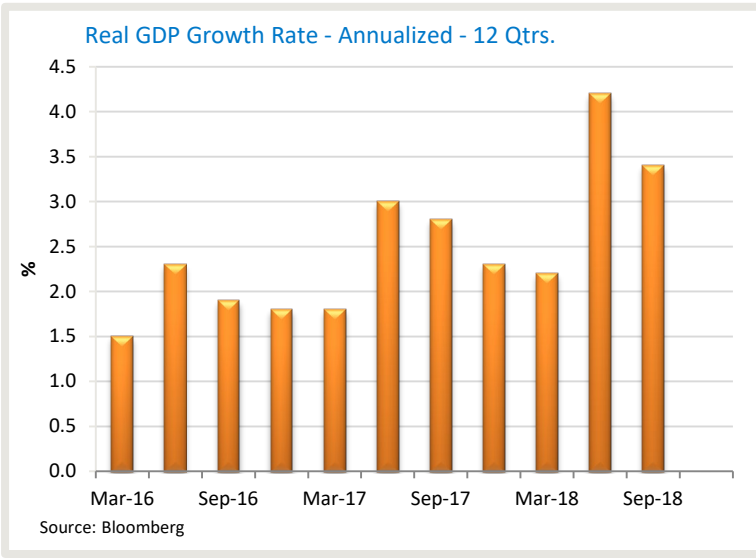
Domestic equity markets kicked off 2019 with a very strong January, as most stocks posted sizable gains that were in sharp contrast to the deep losses experienced in December. The S&P 500 Index posted its best January return since 1987, boosted by signals that the Federal Reserve (Fed) would be more patient with further rate increases and amid improved hope for a trade deal with China. The snapback rally in stocks to start 2019 came off the heels of the worst quarter since 2008 and the worst December since 1931, during the Great Depression. Fear and negative sentiment surrounding rising rates and US/China relations led risk assets to plunge lower in December, but now serve as juxtaposition to the investor optimism regarding these same issues in January. The S&P 500 Index finished January up 8.00%, the Dow Jones Industrial Average gained 7.30%, and the NASDAQ gained 9.80%. The 35-day US government shutdown, which was the longest in history, featured heavily in the news, but did little to discourage investor buying during the month. In central bank news, a dovish Fed was well received by market participants, as it left interest rates unchanged and pledged to be “patient” regarding further rate hikes. Negotiations with China are continuing to progress, which has been viewed favorably, but no official trade details have been announced yet.

Within the context of a more dovish Fed, improving trade relations with China, and a temporary resolution to reopen the government, investors moved back into risk assets. Small cap domestic stocks outperformed large cap equities, as the Russell 2000 Index gained 11.30%, while the Russell 1000 Index gained 8.40%. Mid cap stocks outpaced large caps as well, but slightly trailed small caps, with the Russell Mid Cap Index gaining 10.80%. Growth stocks outperformed value stocks, with the Russell 3000 Growth Index returning 9.20%, compared with 8.00% for the Russell 300 Value Index. In terms of S&P 500 Index sector performance, Industrials was the strongest performer, gaining 11.40%, followed by Energy, which rose 11.10%, as oil prices surged. Utilities and Health Care were the main laggards, with gains of 3.40% and 4.80%, respectively. The January jobs report showed a gain of 304,000 jobs, bringing the three-month average to 241,000. The unemployment rate ticked higher to 4.00%, as labor force participation increased and the government shutdown may have had an impact on unemployment. Quarterly earnings releases have led to some single-stock volatility, but on the whole, earnings have been slightly better than expected. With roughly 40% of companies reporting earnings through month end, earnings-per-share growth is 15% higher year over year thus far. Commodities gained 5.50% behind a surge for oil, while relative weakness in precious metals, livestock, and agriculture lowered overall results.

International equity markets also posted strong results to start the year, with performance mostly in line with large cap domestic stocks, as the MSCI ACWI ex-U.S. Index increased by 7.60%. In Europe, the focus remained on geopolitical issues, including Brexit uncertainty, “yellow vest” protests in France, and Italy’s struggles to gain budget approval. Two global central banks, the European Central Bank and the Bank of Japan, kept monetary policy unchanged and stand ready to be more accommodative if necessary. Similar to those in the US, the largest driver for international markets in January centered on the potential for improved trade relations. The MSCI EAFE Index, which measures performance of international developed equities, gained 6.60%. Emerging markets surged higher in January after a relatively strong fourth quarter, in which they fared best amongst major equity indices. The MSCI EM Index gained 8.80%. Emerging markets in both Latin America and China were regional strong performers, rising 15.00% and 11.10%, respectively.

Fixed income markets posted modest gains for the month, especially when compared with the strong rebound that equities experienced. Treasury yields remained mostly steady through the month, with yields ending January slight lower when compared with the end of December. The yield on the 10-Year U.S. Treasury Note declined five basis points to 2.63% from 2.68%. In response to the Fed’s statement and dovish tone, shorter-term bond yields also declined, with the yield on the 3-Month U.S. Treasury Bill declining to 2.40% from 2.45%. The Barclays U.S. Aggregate Bond Index gained 1.10% for the month. Credit spreads tightened, leading to global bonds outperforming domestic fixed income and high yield outpacing investment grade. The Barclays Global Aggregate ex-U.S. Index gained 1.90%, while the Barclays US Corporate High Yield Index gained 4.50%. Municipal bonds mostly trailed their taxable peers for the month, but still posted a slightly positive result, with the Barclays Municipal Index gaining 0.80%.

Economic Data



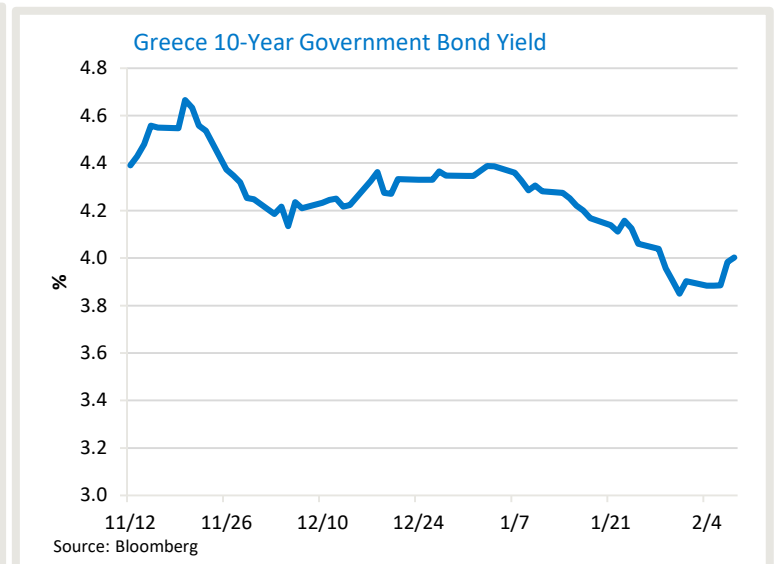
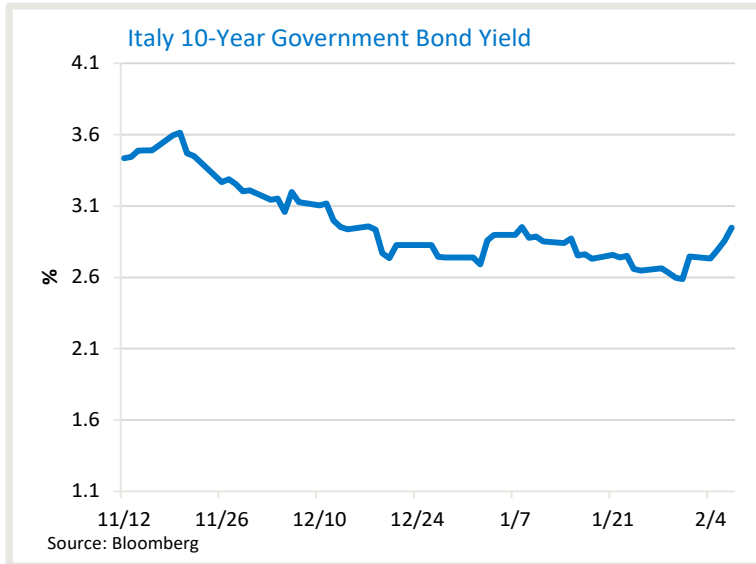
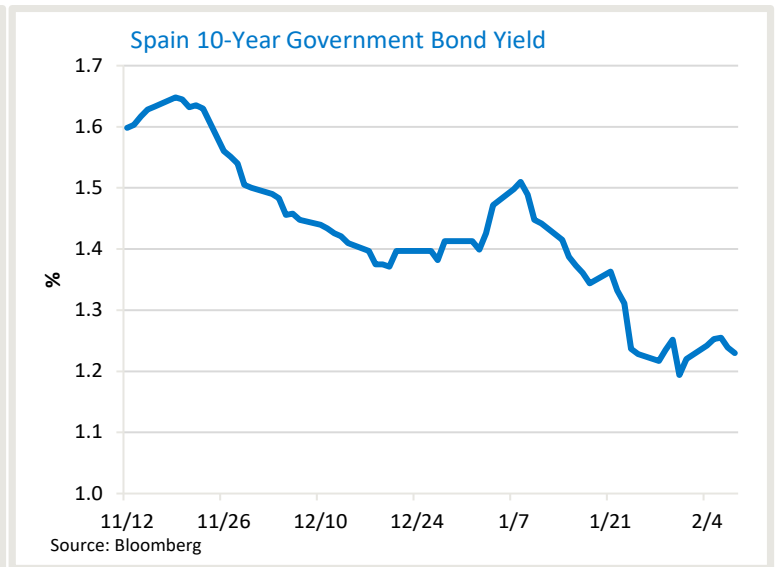
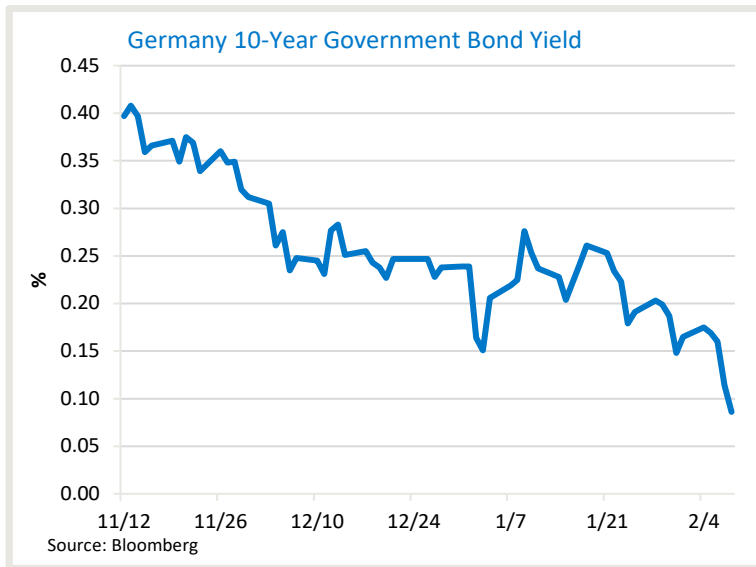
Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.09	8 bps	NM	NM
Greece 10-Yr. Govt.	4.00	-7 bps	NM	NM
Italy 10-Yr. Govt.	2.96	-18 bps	NM	NM
Spain 10-Yr. Govt.	1.23	-1 bps	NM	NM
Belgium 10-Yr. Govt.	0.69	5 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.54	3 bps	NM	NM
Ireland 10-Yr. Govt.	0.87	2 bps	NM	NM
Portugal 10-Yr. Govt.	1.65	-1 bps	NM	NM
Netherlands 10-Yr. Govt.	0.20	7 bps	NM	NM
U.K. 10-Yr. Govt.	1.15	9 bps	NM	NM

Source: Bloomberg
 Basis points (bps)



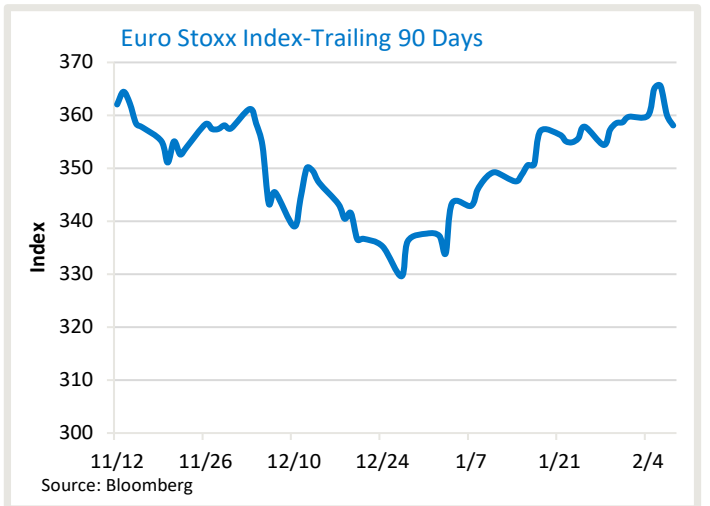
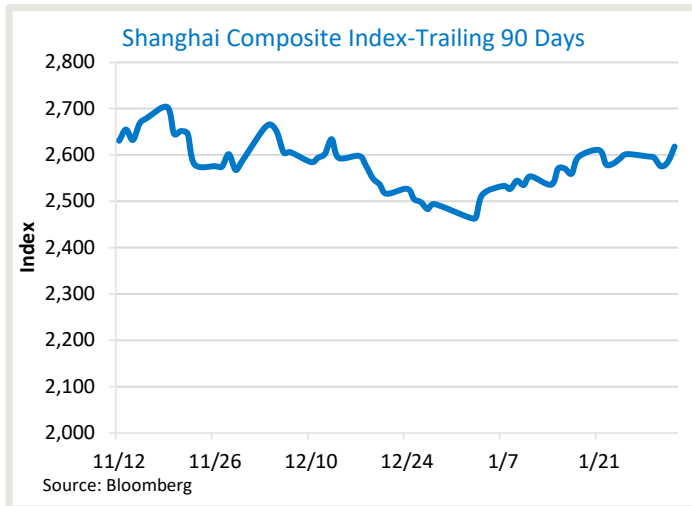
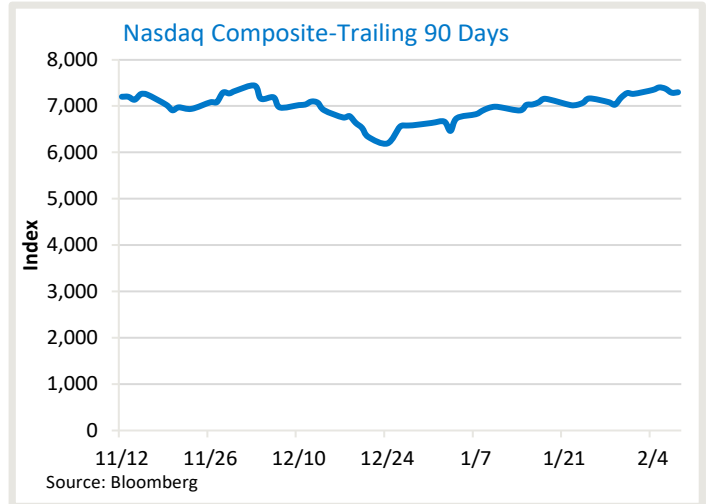
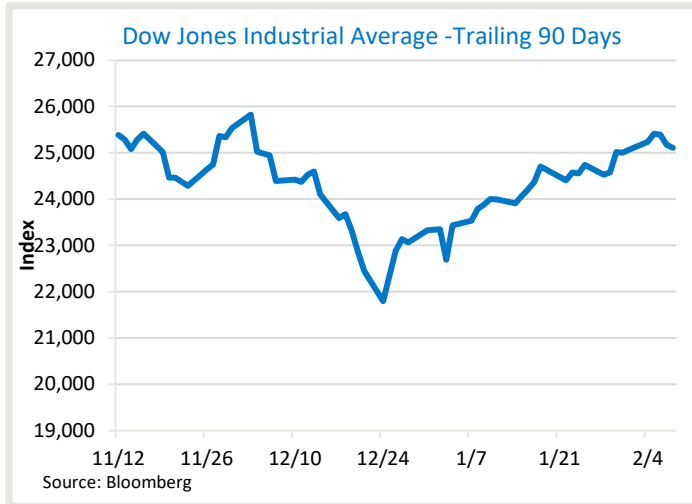
Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,707.88	1.35	0.05%	8.02%
Dow Industrials	25,106.33	42.44	0.17%	7.63%
Nasdaq Composite	7,298.20	34.33	0.47%	9.99%
MSCI ACWI	490.42	-1.02	-0.21%	7.6%
MSCI EM	1,041.97	-8.23	-0.78%	7.9%
S&P/TSX (Canada)	15,633.33	127.03	0.82%	9.15%
Mexico IPC	43,180.45	-557.82	-1.28%	3.70%
Brazil Bovespa	95,343.13	-2518.17	-2.57%	8.48%
Euro Stoxx 600	358.07	-1.64	-0.46%	6.05%
FTSE 100	7,071.18	50.96	0.73%	5.10%
IBEX 35 (Spain)	8,856.80	-162.60	-1.80%	3.71%

	Last	Change	% Chg.	YTD %
Swiss Market Index	9,003.41	7.05	0.08%	6.81%
CAC 40 Index (France)	4,961.64	-57.62	-1.15%	4.88%
DAX Index (Germany)	10,906.78	-273.88	-2.45%	3.29%
Irish Overall Index	5,832.59	-5.51	-0.09%	6.44%
Nikkei 225	20,333.17	-455.22	-2.19%	1.59%
Hang Seng Index	27,946.32	414.64	1.51%	8.13%
Shanghai Composite	2,618.23	16.51	0.63%	4.99%
Kospi Index (S. Korea)	2,177.05	-6.31	-0.29%	6.66%
Taiwan Taiex Index	9,932.26	0.00	0.00%	2.11%
Tel Aviv 25 Index	1,538.39	-15.75	-1.01%	5.09%
MOEX Index (Russia)	2,502.82	-18.88	-0.75%	5.63%

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



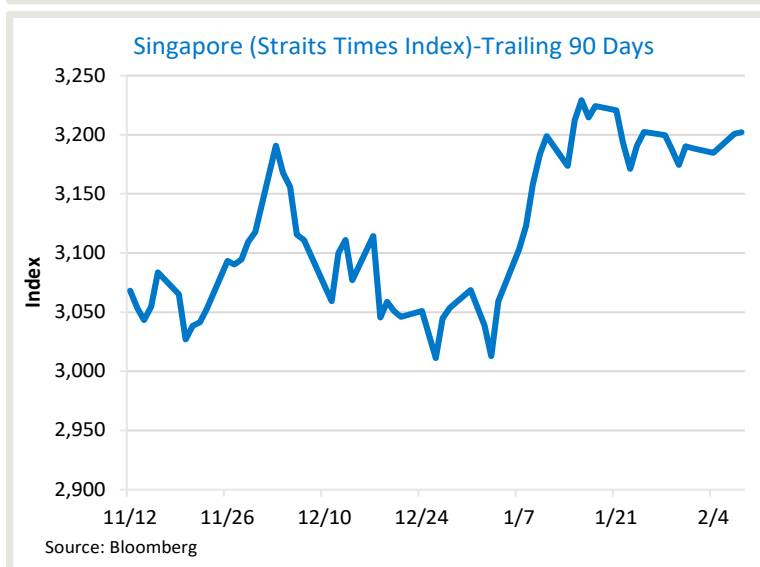
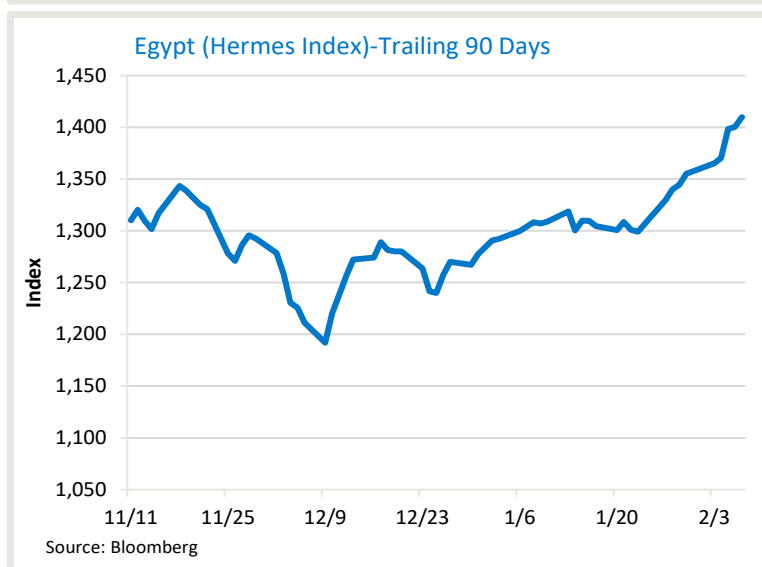
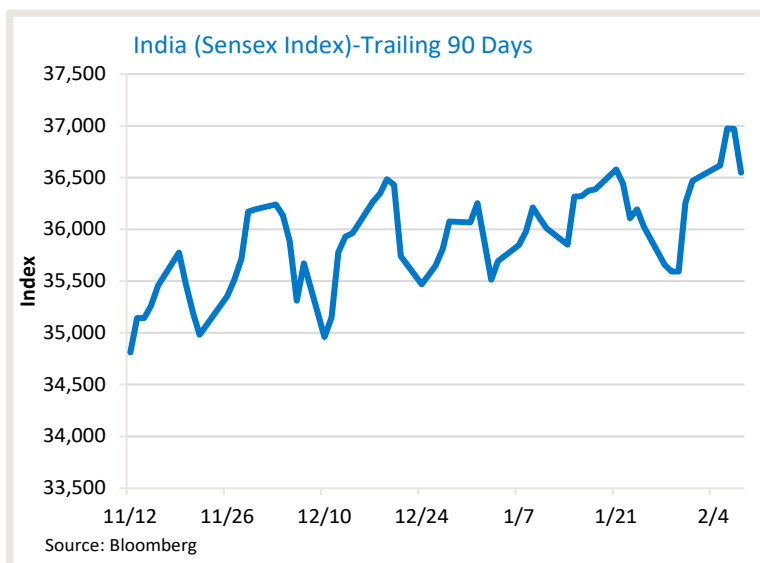
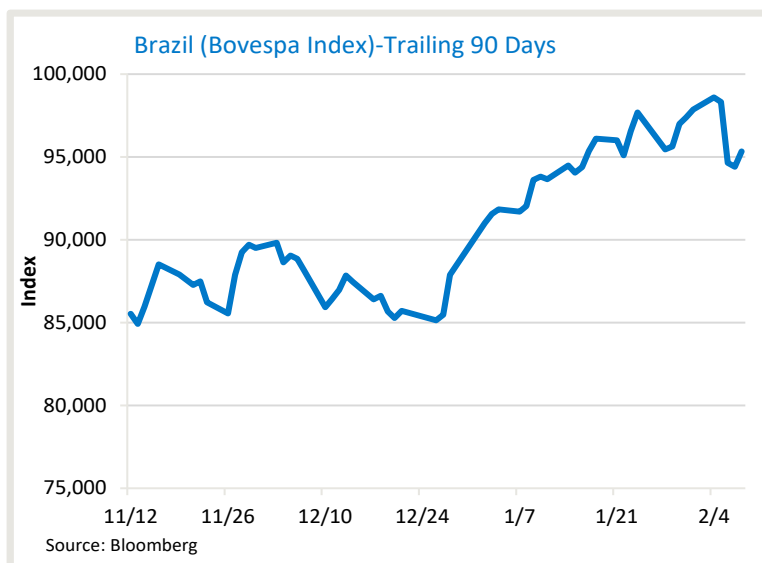
Equities – Emerging and Frontier Markets

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	43,180.45	-557.82	-1.3%	3.7%
Brazil (Bovespa Index)	95,343.13	-2518.17	-2.6%	8.5%
MOEX Index (Russia)	2,502.82	-18.88	-0.7%	5.6%
Czech Republic (Prague)	1,046.82	-1.46	-0.1%	6.1%
Turkey (Istanbul)	102,451.75	-485.40	-0.5%	12.3%
Egypt (Hermes Index)	1,409.66	52.06	3.8%	10.3%
Kenya (Nairobi 20 Index)	3,059.98	77.25	2.6%	8.0%
Saudi Arabia (TASI Index)	8,612.84	52.89	0.6%	10.0%
Lebanon (Beirut BLOM Index)	936.90	-12.16	-1.3%	-4.1%
Palestine	535.77	4.65	0.9%	1.2%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	27,946.32	414.64	1.5%	8.1%
India (Sensex 30)	36,546.48	77.05	0.2%	1.3%
Malaysia (KLCI Index)	1,686.52	-3.89	-0.2%	-0.2%
Singapore (Straits Times Index)	3,202.04	27.66	0.9%	4.3%
Thailand (SET Index)	1,651.68	0.28	0.0%	5.6%
Indonesia (Jakarta)	6,521.66	-11.31	-0.2%	5.3%
Pakistan (Karachi KSE 100)	40,887.35	-225.36	-0.5%	10.3%
Vietnam (Ho Chi Minh)	908.67	-0.21	0.0%	1.8%
Sri Lanka (Colombo)	5,964.14	-25.76	-0.4%	-1.5%
Cambodia (Laos)	831.02	3.94	0.5%	-0.6%

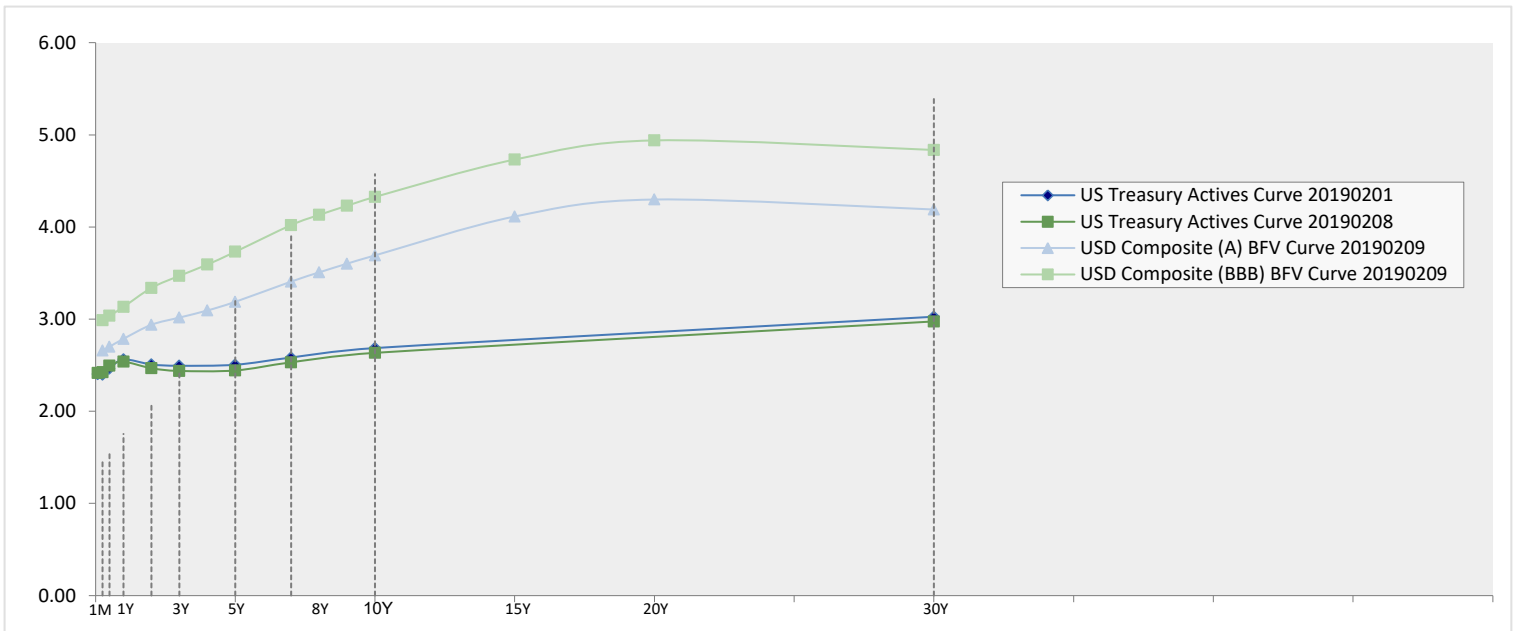


Interest Rates

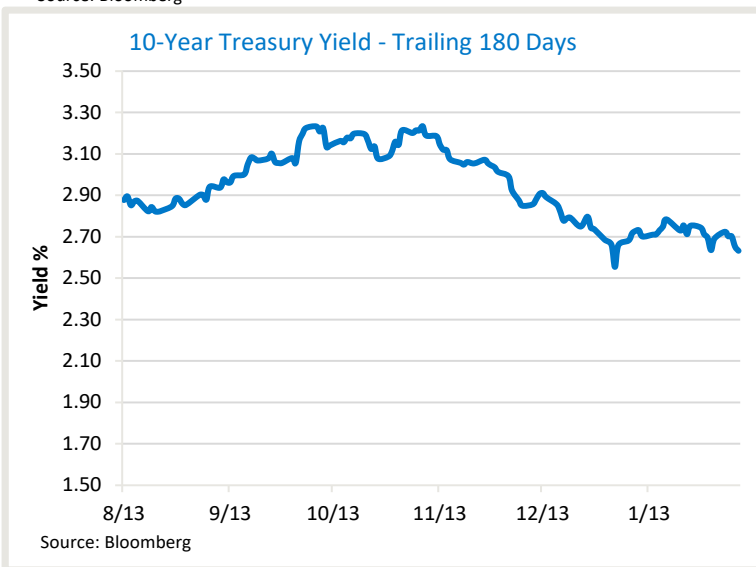
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	2.47%	1 bps	NM	NM	Prime Rate	5.50%	0.00	NM	NM
5-Yr. U.S. Treasury	2.44%	-7 bps	NM	NM	Fed Funds Rate	2.50%	0.00	NM	NM
10-Yr. U.S. Treasury	2.63%	-6 bps	NM	NM	Discount Rate	3.00%	0.00	NM	NM
30-Yr. U.S. Treasury	2.98%	-6 bps	NM	NM	LIBOR (3 Mo.)	2.70%	-4 bps	NM	NM
German 10-Yr. Govt.	0.09%	8 bps	NM	NM	Bond Buyer 40 Muni	3.97%	-4 bps	NM	NM
France 10-Yr.	0.54%	3 bps	NM	NM	Bond Buyer 40 G.O.	4.23%	NA	NM	NM
Italy 10-Yr.	2.96%	-18 bps	NM	NM	Bond Buyer 40 Rev.	4.70%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.91%	11 bps	NM	NM					

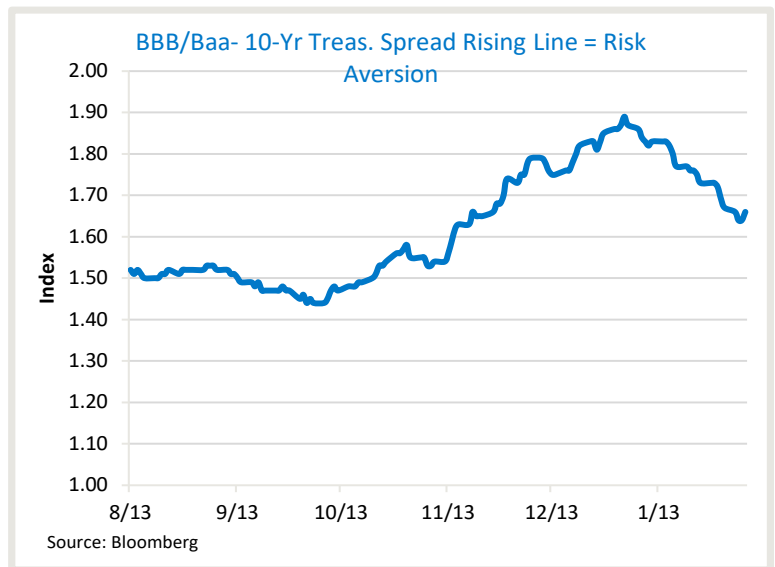
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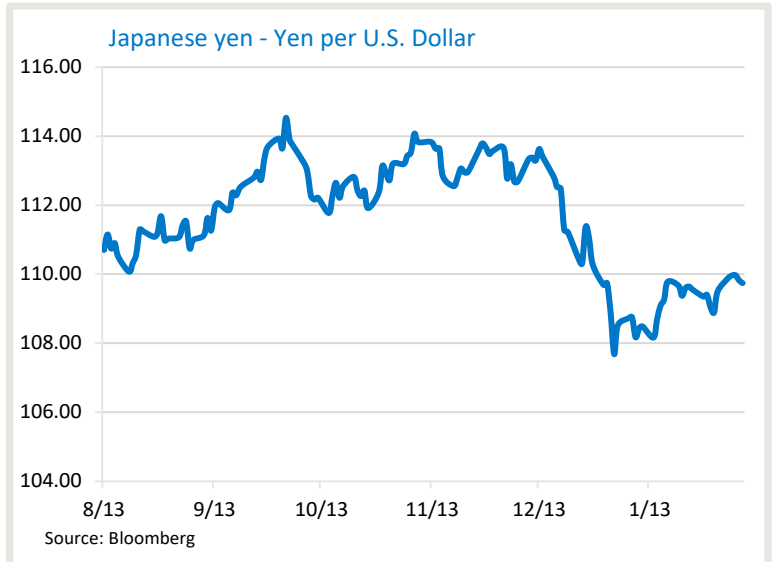
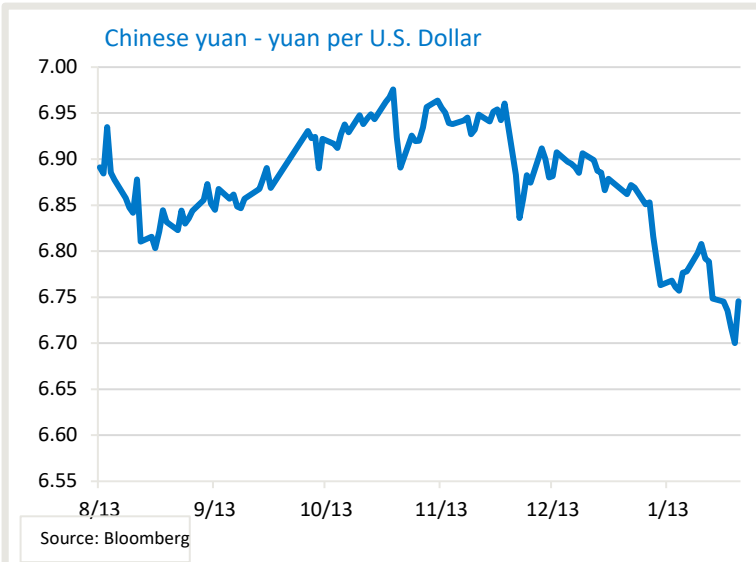
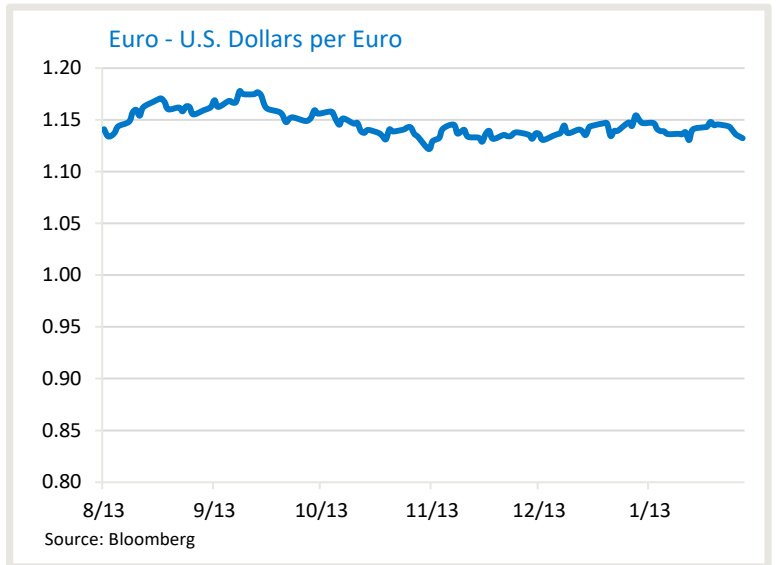
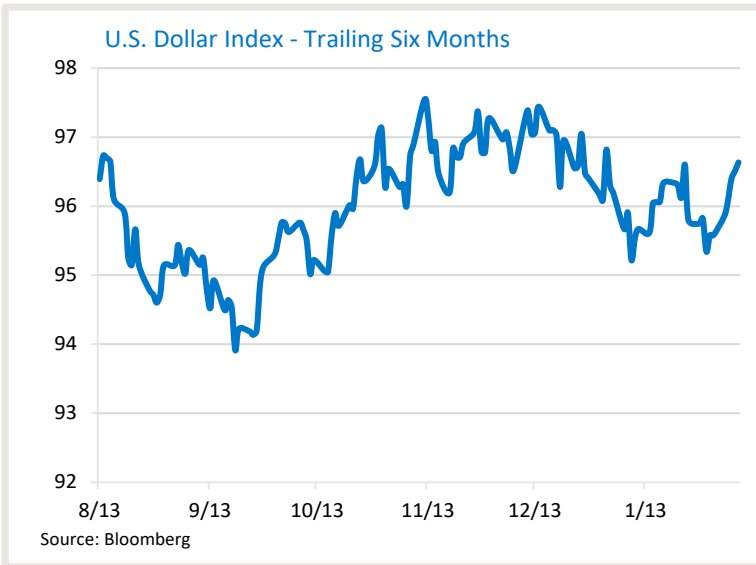
Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	96.63	1.055	1.10%	0.48%
Euro	1.13	-0.013	-1.16%	-1.26%
Japanese Yen	109.77	0.240	-0.22%	-0.05%
British Pound	1.29	-0.014	-1.10%	1.42%
Canadian Dollar	1.33	0.017	-1.28%	2.75%

Source: Bloomberg

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.75	-0.003	0.04%	1.97%
Swiss Franc	1.00	0.004	-0.44%	-1.79%
New Zealand Dollar	0.67	-0.015	-2.20%	0.43%
Brazilian Real	3.73	0.075	-2.02%	3.82%
Mexican Peso	19.09	-0.014	0.07%	2.92%

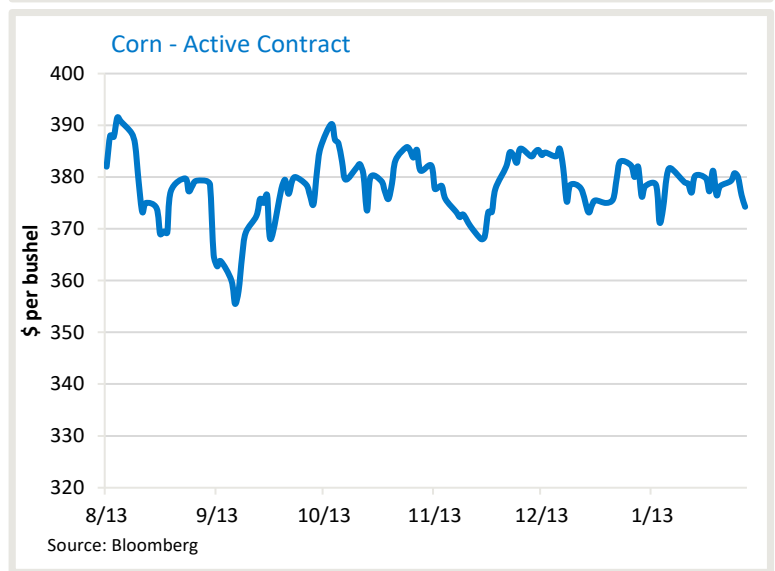
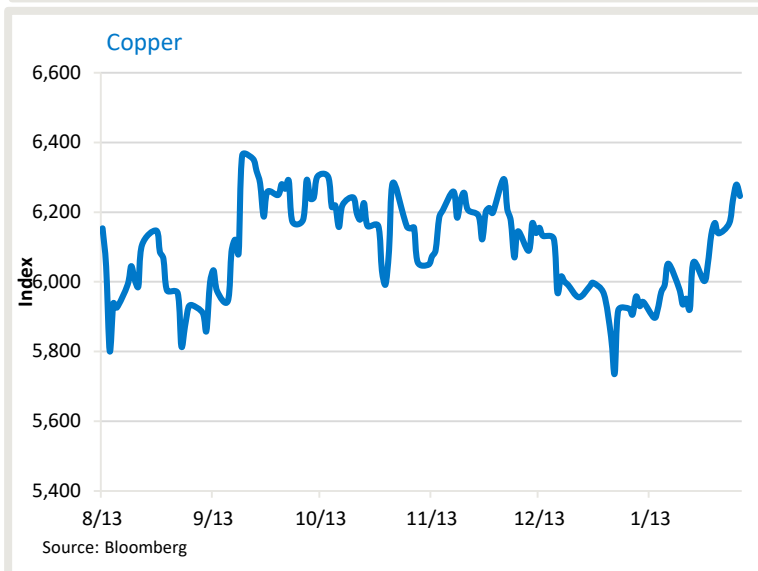
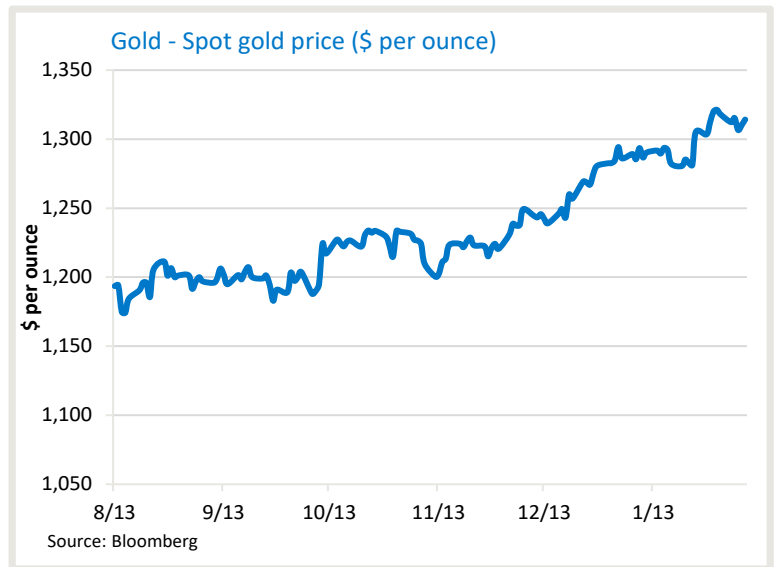
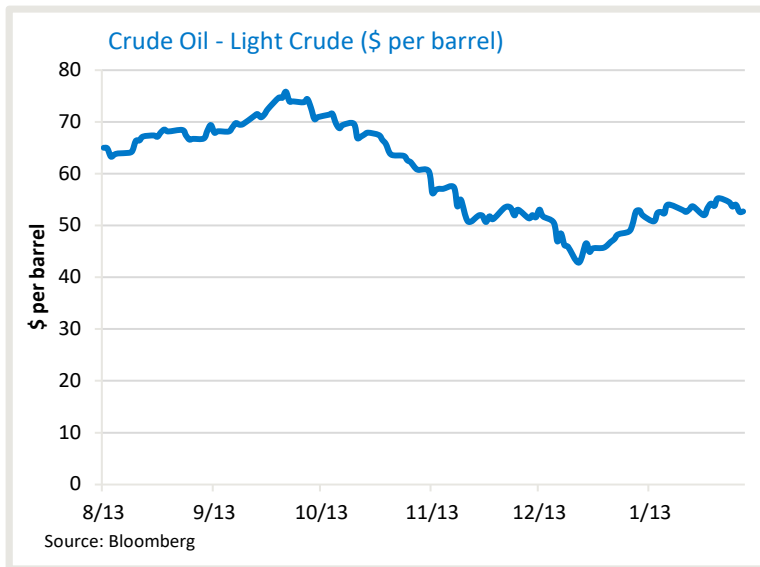


Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	80.07	-0.90	-1.11%	4.37%	Platinum Spot	\$801.02	-\$23.19	-2.81%	0.67%
Crude Oil	\$52.71	-\$2.54	-4.60%	15.31%	Corn	374.25	-4.00	-1.06%	-0.20%
Natural Gas	\$2.61	-\$0.12	-4.46%	-8.38%	Wheat	517.25	-7.00	-1.34%	2.78%
Gasoline (\$/Gal.)	\$2.28	\$0.02	1.06%	1.15%	Soybeans	914.50	-3.25	-0.35%	2.18%
Heating Oil	191.07	-0.25	-0.13%	14.39%	Sugar	12.66	0.01	0.08%	4.63%
Gold Spot	\$1,313.93	-\$3.79	-0.29%	2.47%	Orange Juice	120.95	-1.30	-1.06%	-3.86%
Silver Spot	\$15.83	-\$0.09	-0.54%	2.12%	Aluminum	1,894.00	11.00	0.58%	2.60%
					Copper	6,246.00	107.00	1.74%	4.71%

Source: Bloomberg; % change is based on price.

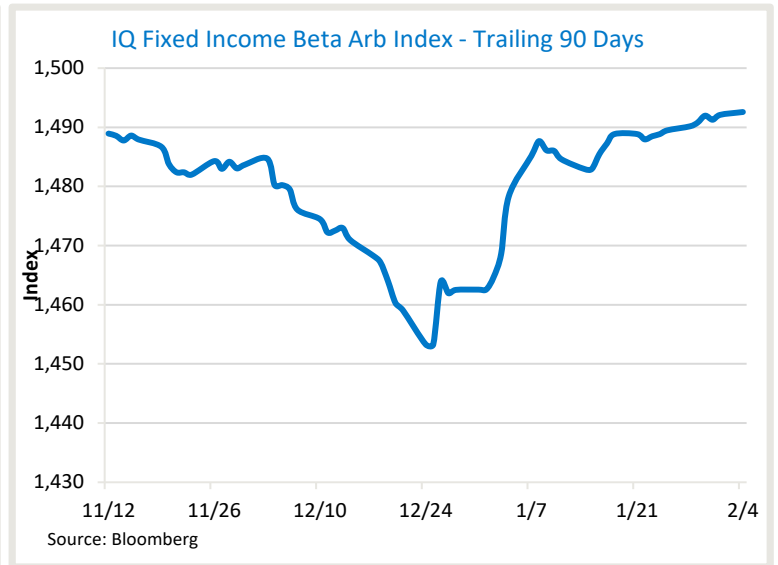
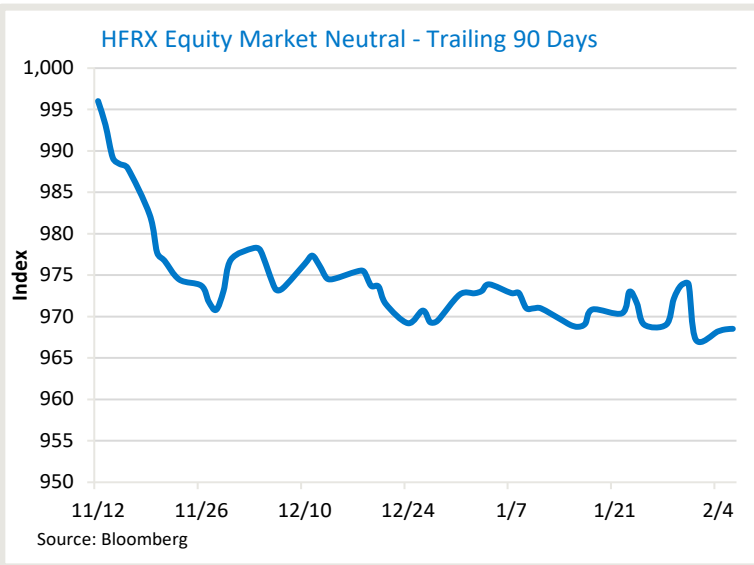
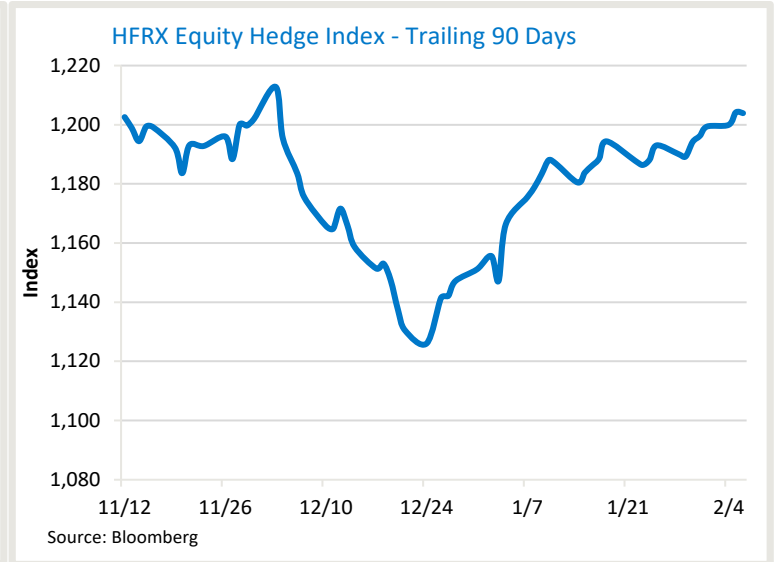
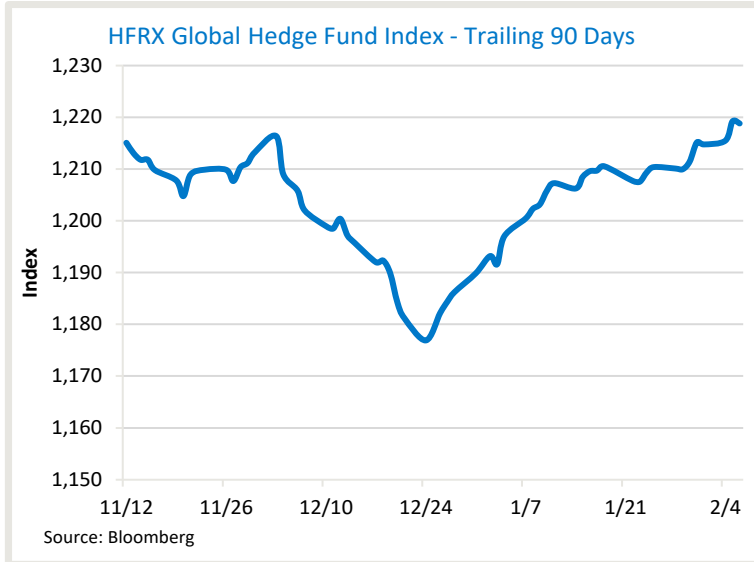


Alternative Investments

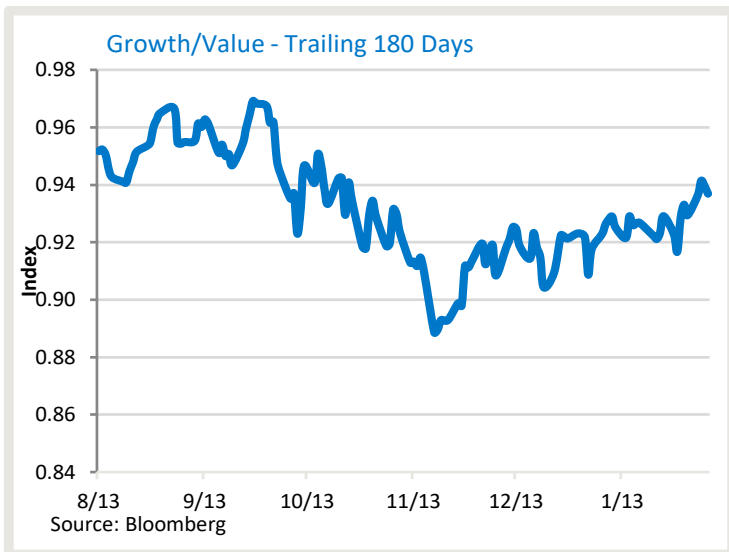
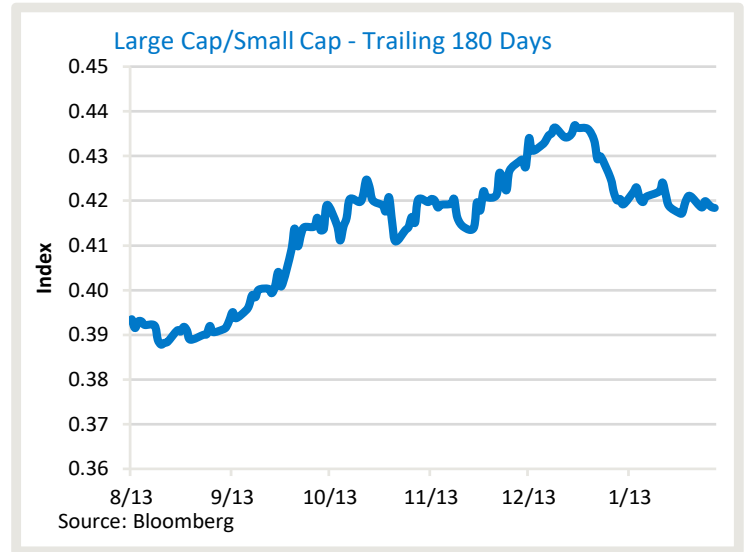
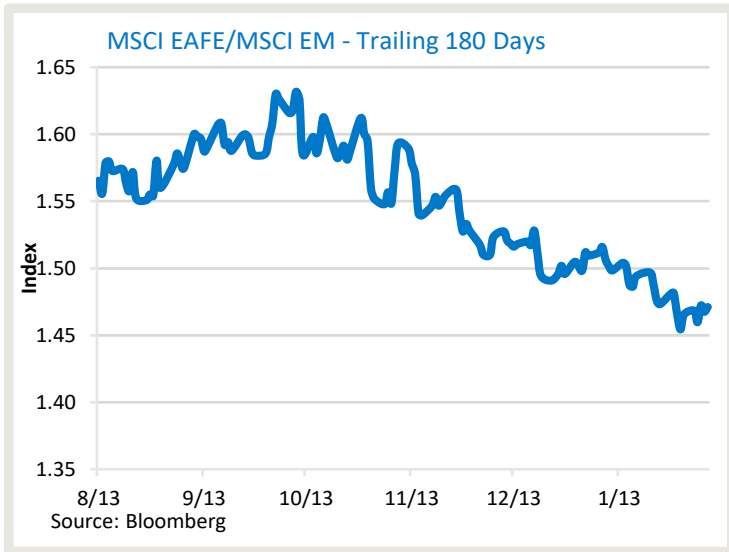
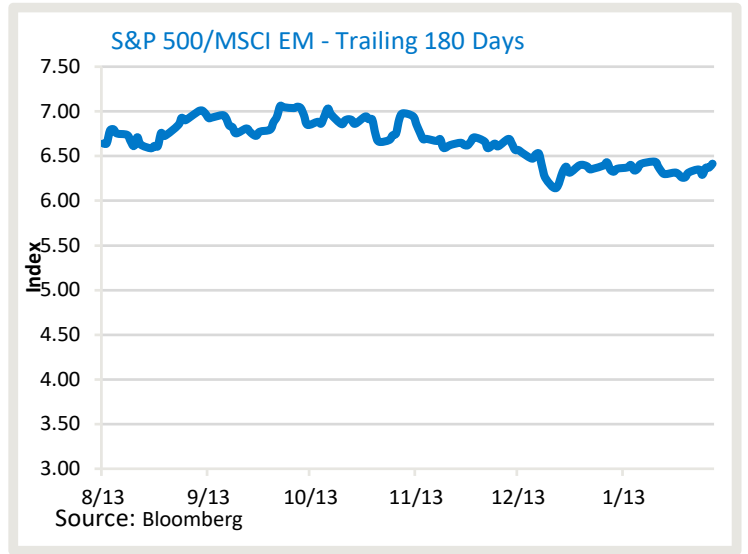
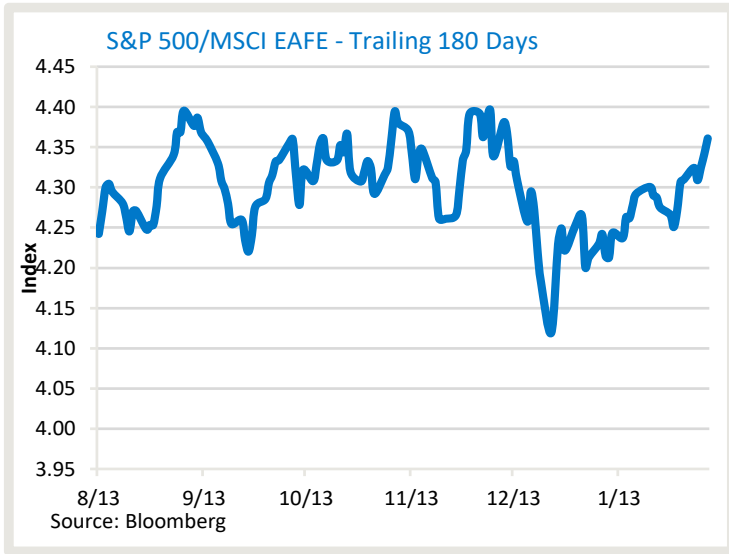
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1218.81	4.05	0.33%	2.43%	HFRX Distressed Index	1030.02	2.66	0.26%	2.85%
HFRX Equity Market Neutral	968.52	1.33	0.14%	-0.43%	HFRX Merger Arbitrage Index	1837.71	0.02	0.00%	1.10%
HFRX Equity Hedge Index	1203.90	4.52	0.38%	4.59%	HFRX Convertible Arbitrage Index	801.94	4.46	0.56%	1.81%
HFRX Event-Driven Index	1509.85	1.00	0.07%	2.62%	HFRX Macro CTA Index	1100.68	3.85	0.35%	-2.26%
HFRX Absolute Return Index	1070.94	2.87	0.27%	1.22%	IQ Fixed Income Beta Arb Index	1495.26	3.16	0.21%	2.24%

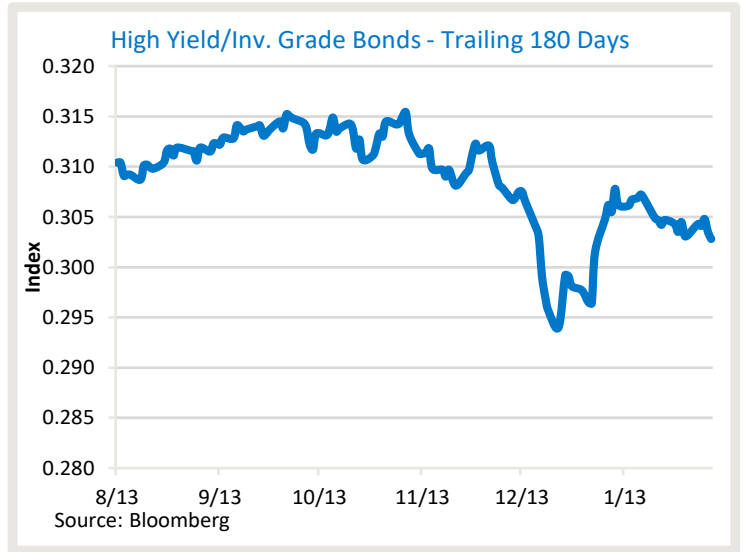
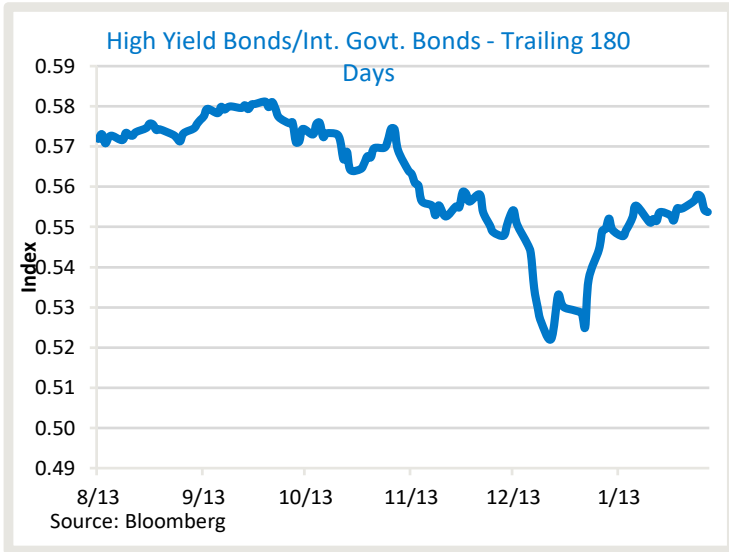
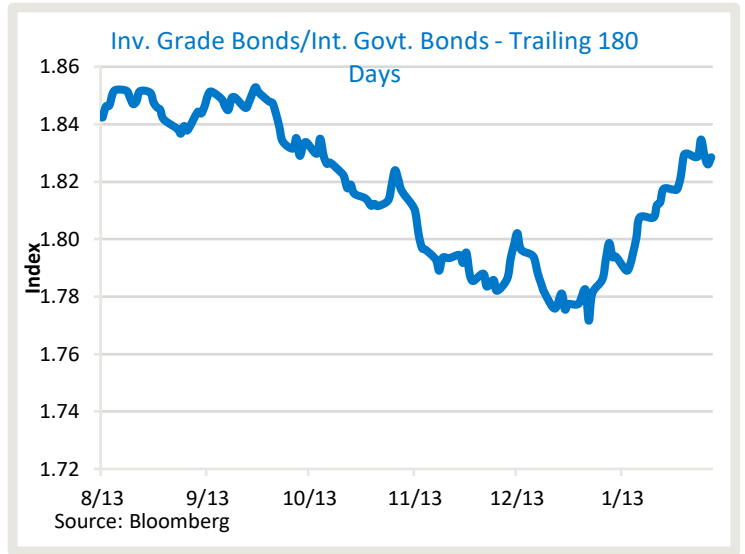
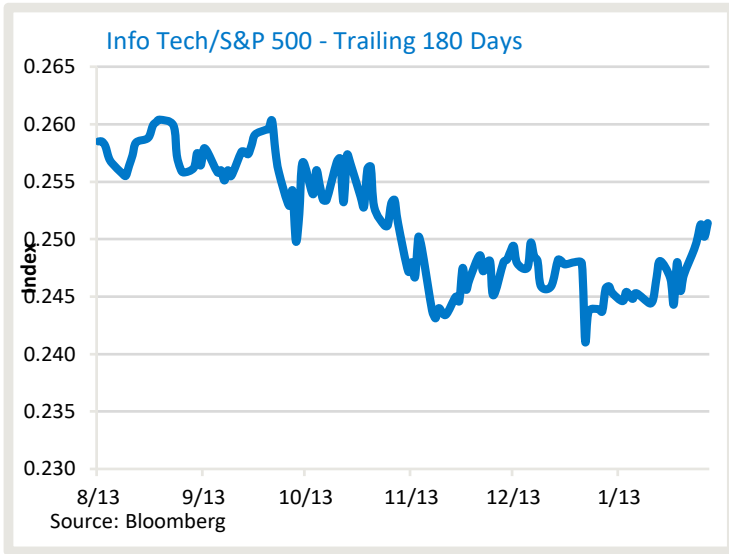
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			11/22	11/29	12/6	12/13	12/20	12/27	1/3	1/10	1/17	1/24	1/31	2/7
Equity	Domestic Equity	Large Cap (R200)	-3.18%	3.52%	-1.43%	-1.49%	-6.97%	0.93%	-1.70%	5.89%	1.53%	0.06%	2.27%	-0.07%
		Small Cap (R2000)	-2.35%	2.49%	-3.15%	-3.03%	-7.45%	0.44%	-0.07%	8.61%	1.51%	-0.19%	2.39%	0.41%
	Int'l. Equity	MSCI EAFE	-0.74%	1.45%	-3.38%	0.86%	-3.39%	-1.50%	1.34%	4.49%	0.24%	0.72%	1.98%	-0.47%
		MSCI Em. Mkts.	-0.50%	2.26%	-1.92%	0.67%	-2.61%	-0.78%	-0.29%	5.17%	1.03%	1.04%	2.99%	-0.76%
Fixed Income	BarCap Agg. (AGG)	0.18%	0.22%	0.41%	0.18%	0.29%	-0.01%	1.11%	-0.57%	0.03%	0.28%	0.68%	-0.34%	
	High Yield (JNK)	-0.60%	0.78%	-1.00%	0.64%	-3.75%	0.27%	0.21%	4.14%	0.09%	-0.03%	1.09%	-0.34%	
Commodities	Bloomberg Commodity Index	0.62%	-0.88%	-0.44%	0.30%	-4.49%	-1.28%	-0.45%	2.63%	1.21%	-0.30%	0.64%	-0.85%	
Alternatives	Hedge Funds (HFRX Global)	-0.24%	0.19%	-0.44%	-0.72%	-1.08%	0.01%	0.61%	1.20%	0.32%	-0.02%	0.47%	0.30%	
Asset Allocation	60/40*	-1.29%	1.75%	-1.25%	-0.49%	-3.56%	0.07%	0.07%	3.57%	0.64%	0.26%	1.66%	-0.22%	
	48/32/20 (w/Alts.)**	-1.08%	1.44%	-1.09%	-0.54%	-3.06%	0.06%	0.18%	3.10%	0.57%	0.20%	1.42%	-0.12%	

Source: Bloomberg; *60/40 portfolio = 30% Large Cap/10% Small Cap/15% EAFE/5% Emerging Markets/35% BarCap Agg./5% High Yield.

**48/32/20 portfolio = 24% Large Cap/8% Small Cap/12% EAFE/4% Emerging Markets/28% BarCap Agg./4% High Yield/20% HFRX Global Index.

RELATIVE STRENGTH MATRIX (BASED ON 30-DAY RSI)

	Large Cap Core	Large Cap Growth	Large Cap Value	Mid Cap Core	Mid Cap Growth	Mid Cap Value	Small Cap Core	Small Cap Growth	Small Cap Value	Int'l. Developed	Emerging Markets	REITs	Comm.	Int. Bond	High Yield
Large Cap Core	1.00	0.99	1.02	0.93	0.91	0.95	0.99	0.99	0.98	0.98	0.89	0.85	1.13	0.87	0.95
Large Cap Growth	1.01	1.00	1.02	0.93	0.91	0.95	0.99	1.00	0.99	0.99	0.89	0.86	1.14	0.87	0.96
Large Cap Value	0.98	0.98	1.00	0.91	0.89	0.93	0.97	0.98	0.97	0.96	0.88	0.84	1.12	0.86	0.94
Mid Cap Core	1.08	1.08	1.10	1.00	0.98	1.02	1.07	1.07	1.06	1.06	0.96	0.92	1.23	0.94	1.03
Mid Cap Growth	1.10	1.10	1.12	1.02	1.00	1.04	1.09	1.09	1.08	1.08	0.98	0.94	1.25	0.96	1.05
Mid Cap Value	1.06	1.05	1.07	0.98	0.96	1.00	1.04	1.05	1.04	1.03	0.94	0.90	1.20	0.92	1.01
Small Cap Core	1.01	1.01	1.03	0.94	0.92	0.96	1.00	1.00	1.00	0.99	0.90	0.87	1.15	0.88	0.97
Small Cap Growth	1.01	1.00	1.02	0.93	0.91	0.96	1.00	1.00	0.99	0.99	0.90	0.86	1.14	0.88	0.96
Small Cap Value	1.02	1.01	1.03	0.94	0.92	0.96	1.00	1.01	1.00	1.00	0.91	0.87	1.15	0.88	0.97
Int'l. Developed	1.02	1.01	1.04	0.94	0.93	0.97	1.01	1.01	1.00	1.00	0.91	0.87	1.16	0.89	0.97
Emerging Markets	1.12	1.12	1.14	1.04	1.02	1.06	1.11	1.11	1.10	1.10	1.00	0.96	1.28	0.98	1.07
REITs	1.17	1.16	1.19	1.08	1.06	1.11	1.16	1.16	1.15	1.15	1.04	1.00	1.33	1.02	1.12
Commodities	0.88	0.88	0.90	0.82	0.80	0.83	0.87	0.87	0.87	0.86	0.78	0.75	1.00	0.77	0.84
Int. Bond	1.15	1.14	1.17	1.06	1.04	1.09	1.14	1.14	1.13	1.13	1.02	0.98	1.31	1.00	1.10
High Yield	1.05	1.04	1.07	0.97	0.95	0.99	1.04	1.04	1.03	1.03	0.93	0.90	1.19	0.91	1.00

Source: Bloomberg

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

INDEX OVERVIEW

The S&P 500 Index is an unmanaged index comprised of 500 widely held securities considered to be representative of the stock market in general. The S&P/Case-Shiller Home Price Indices measure the residential housing market, tracking changes in the value of the residential real estate market in 20 metropolitan regions across the United States. The Nasdaq Composite is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The MSCI EAFE Index represents 21 developed markets outside of North America. The MSCI EAFE Growth Index is an unmanaged index considered representative of growth stocks of Europe, Australasia and the Far East. The MSCI EAFE Value Index is an unmanaged index considered representative of value stocks of Europe, Australasia and the Far East. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The MSCI Europe Index is an unmanaged index considered representative of stocks of developed European countries. The MSCI Pacific Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. The Barclays US Credit Index is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. The Barclays US Aggregate Bond Index is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year. The Barclays US Corporate High Yield Index covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index may include emerging market debt. The Barclays Capital Municipal Bond Index is an unmanaged index comprised of investment-grade, fixed-rate municipal securities representative of the tax-exempt bond market in general. The Barclays US Treasury Total Return Index is an unmanaged index of public obligations of the US Treasury with a remaining maturity of one year or more. The Citigroup World Government Bond Index is a market capitalization weighted bond index consisting of the government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The DJ-UBS Commodity Index Total ReturnSM measures the collateralized returns from a basket of 19 commodity futures contracts representing the energy, precious metals, industrial metals, grains, softs and livestock sectors. The Russell 1000 Index is a market capitalization-weighted benchmark index made up of the 1000 largest U.S. companies in the Russell 3000 Index. The Russell 1000 Growth Index is an unmanaged index considered representative of large-cap growth stocks. The Russell 1000 Value Index is an unmanaged index considered representative of large-cap value stocks. The Russell 2000 Index is an unmanaged index considered representative of small-cap stocks. The Russell 2000 Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 Value Index is an unmanaged index considered representative of small-cap value stocks. The Russell 3000 Index is an unmanaged index considered representative of the US stock market. The Russell Midcap Index is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Growth Index is an unmanaged index considered representative of mid-cap growth stocks. The Russell Midcap Value Index is an unmanaged index considered representative of mid-cap value stocks. The HFRX Indices are a series of benchmarks of hedge fund industry performance which are engineered to achieve representative performance of a larger universe of hedge fund strategies. Hedge Fund Research, Inc. employs the HFRX Methodology (UCITS compliant), a proprietary and highly quantitative process by which hedge funds are selected as constituents for the HFRX Indices. The ISM Non-Manufacturing Index is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM). The ISM Non-Manufacturing Index tracks economic data, like the ISM Non-Manufacturing Business Activity Index. A composite diffusion index is created based on the data from these surveys that monitors economic conditions of the nation. The ISM Manufacturing Index is an index based on surveys of more than 300 manufacturing firms by the Institute of Supply Management. The ISM Manufacturing Index monitors employment, production inventories, new orders and supplier deliveries. A composite diffusion index is created that monitors conditions in national manufacturing based on the data from these surveys. The Consumer Price Index (CPI) measures the change in the cost of a fixed basket of products and services. The Gross Domestic Product (GDP) rate is a measurement of the output of goods and services produced by labor and property located in the United States. Basis Point(s) is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. The CBOE Volatility Index (VIX) is an up-to-the-minute market estimate of expected volatility that is calculated by using real-time S&P 500 Index option bid/ask quotes. The Index uses nearby and second nearby options with at least 8 days left to expiration and then weights them to yield a constant, 30-day measure of the expected volatility of the S&P 500 Index. The MSCI World ex-U.S. Index - captures large and mid-cap representation across 22 of 23 Developed Markets DM countries*--excluding the United States. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. (* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.) The MSCI Japan Index - is designed to measure the performance of the large and mid-cap segments of the Japanese market. With 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. The Barclays Global Aggregate ex-U.S. Index - is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The University of Michigan Consumer Sentiment Index (MCSI) is a survey of consumer confidence conducted by the University of Michigan. The Michigan Consumer Sentiment Index (MCSI) uses telephone surveys to gather information on consumer expectations regarding the overall economy. A separately managed account (SMA) is an individual managed investment account offered typically by a brokerage firm through one of their brokers or financial consultants and managed by independent investment management firms (often called money managers for short) and have varying fee structures. An open-end index fund continuously issues and redeems shares based on investor demand. As an index fund, its investment objective is to duplicate the performance of the index it uses as a benchmark. Investment Grade or Investment Grade Bond – The broad credit designation given to corporate and municipal bonds which have a high probability of being paid and minor, if any, speculative features. Bonds rated Baa and higher by Moody's Investor Services or BBB and higher by Standard & Poor's are deemed by those agencies to be "investment grade". Non-Investment Grade - By definition, junk bonds are non-investment grade. A bond rated lower than Baa/BBB, also called a "high-yield" bond. Junk bonds are speculative compared with investment grade bonds. Risk-On Risk-Off - An investment setting in which price behavior responds to, and is driven by, changes in investor risk tolerance. Risk-on risk-off refers to changes in investment activity in response to global economic patterns. During periods when risk is perceived as low, risk-on risk-off theory states that investors tend to engage in higher-risk investments. When risk is perceived as high, investors have the tendency to gravitate toward lower-risk investments.

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