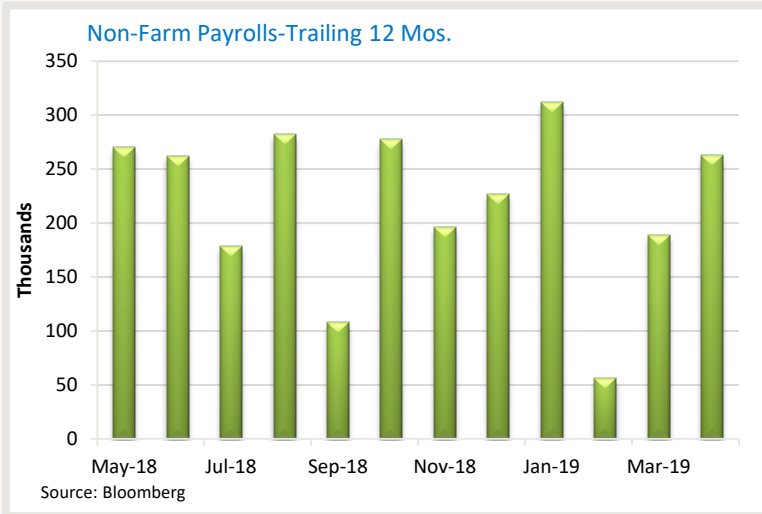




### Chart of the Week



### Weekly Highlights

- **US inflation remains relatively tame, but rents and energy costs continue to climb.** The Producer Price Index (PPI) rose 0.20% in April, after a 0.60% rise in March, and 2.20% for the trailing 12-month period. The core PPI was up 0.40% for the month and a similar 2.20% over the last year. Wholesale prices for gas and a wide array of services were up for the month, while wholesale food prices fell. At the retail level, the Consumer Price Index (CPI) was up 0.30% last month and 2.00% over the last 12 months. Stripping out food and energy, the core CPI was up just 0.10% in April and 2.10% over the last year. Gas prices rose 5.70% last month, accounting for two-thirds of April's increase, and rents were up 0.40% in the month and 3.80% in the last year. After adjusting for these rising costs, hourly wages were down 0.10% for the month and up just 1.20% in the past year.
- **US employment market remains strong.** Initial unemployment claims fell by 2,000 last week vs. the prior week's level of 230,000, though the four-week average rose by 7,750 to 220,250. Continuing unemployment claims rose by 12,000 to 1.68 million. The number of reported job openings in the US reached nearly 7.5 million in March, up 350,000 from February's estimate.

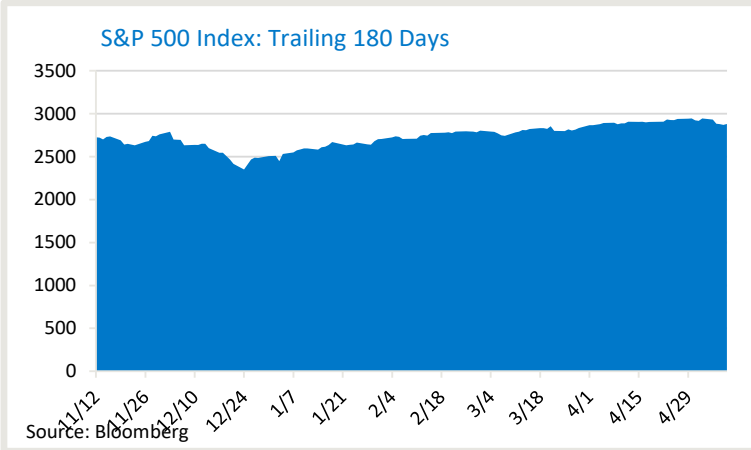
### Talking Points

- **Global equity markets fell** this week on talk of an escalation of the US's trade war with China. Japan suffered the smallest drop of the week, down roughly 2.50%. European stocks were down nearly 3.00%, while US equities were down more than 3.20% on the week.
- **Treasury yields were lower.** Yields on five- and ten-year issues were down roughly nine basis points on the week, driven largely by the same trade issues. The US investment grade fixed income indices were some of the few winners for the week
- **The US Dollar Index** was down slightly this week. After an up and down start to the week, the trade-weighted index sold off sharply on Thursday and Friday.
- **Crude oil** rallied nearly \$2 a barrel on Monday, but proceeded to trade sideways for the remainder of the week. Growing tensions between the US and Iran over its nuclear program could disrupt production and push prices higher in the coming weeks.

## Market Dashboard

	Last Price	Change	% Chg.	YTD %
<b>S&amp;P 500</b>	2,881.40	-64.24	-2.18%	14.9%
<b>Dow Industrials</b>	25,942.37	-562.58	-2.12%	11.2%
<b>Nasdaq</b>	7,916.94	-247.06	-3.03%	19.3%
<b>Russell 2000</b>	1,572.99	-41.03	-2.54%	16.6%
<b>Euro Stoxx Index</b>	377.14	-13.23	-3.39%	11.7%
<b>Shanghai Composite</b>	2,939.21	-139.13	-4.52%	17.9%
<b>MSCI ACWI</b>	509.33	-15.52	-2.96%	11.8%

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



	Last Price	Change	% Chg.	YTD %
<b>MSCI EM</b>	1,028.40	-54.37	-5.02%	6.5%
<b>10-Year US Treas.</b>	2.46	-8 bps	NM	NM
<b>Bloomberg Cmdts. Idx.</b>	78.66	-1.18	-1.47%	2.5%
<b>Gold</b>	\$1,285.97	\$6.89	0.54%	0.3%
<b>Crude Oil</b>	\$61.75	-\$0.24	-0.39%	31.5%
<b>Dollar Index</b>	97.30	-0.20	-0.21%	1.2%
<b>VIX Index</b>	16.04	3.17	24.63%	-36.9%

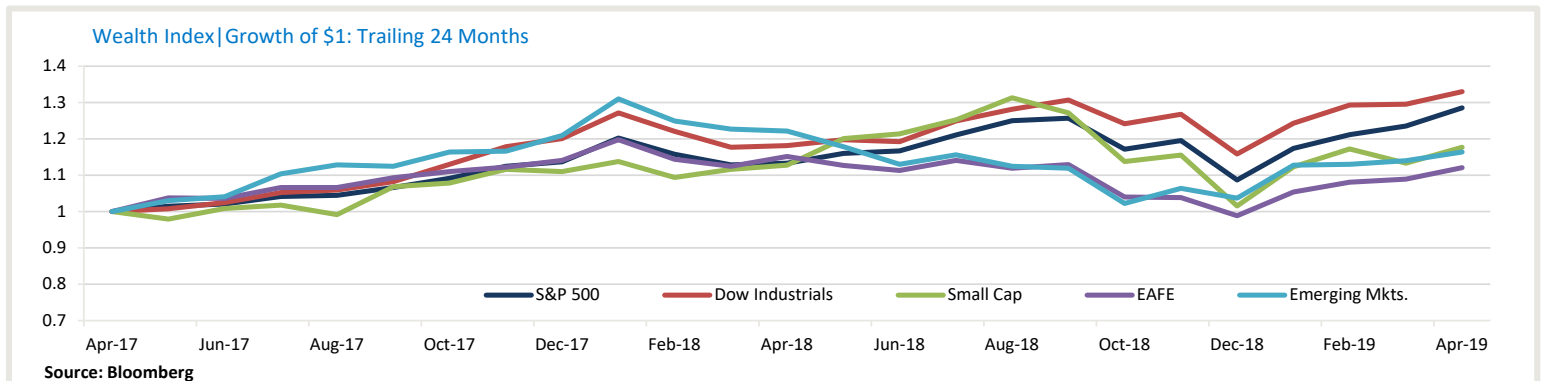
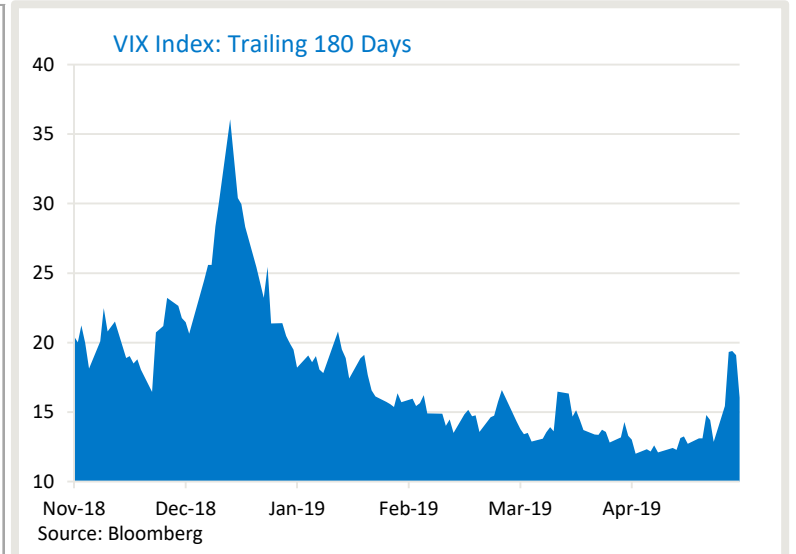
	One Week			YTD		
	Value	Growth		Value	Growth	
<b>L</b>	-1.99%	-2.28%	-2.52%	11.22%	14.32%	17.10%
	-1.77%	-1.88%	-2.03%	15.32%	18.20%	22.32%
<b>S</b>	-2.22%	-2.54%	-2.83%	14.39%	16.64%	18.82%

Source: Bloomberg

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

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
<b>Consumer Discretionary</b>	10.3	-2.52%	19.0%
<b>Consumer Staples</b>	7.3	-0.37%	12.7%
<b>Energy</b>	5.1	-0.60%	11.2%
<b>Financials</b>	13.3	-2.25%	14.9%
<b>Health Care</b>	13.9	-1.53%	2.6%
<b>Industrials</b>	9.5	-2.81%	18.4%
<b>Information Technology</b>	21.4	-3.56%	22.6%
<b>Materials</b>	2.6	-2.83%	8.9%
<b>Real Estate</b>	3.0	-0.72%	16.1%
<b>Communication Services</b>	10.4	-1.86%	18.4%
<b>Utilities</b>	3.3	-0.71%	9.3%

Source: Bloomberg



## The Economy and Markets

### **A Macro View – April Monthly Recap**

The rally in the domestic equity markets, which looked to be losing momentum in March, returned with a vengeance in April. An upside surprise in first quarter gross domestic product (GDP) and a stronger-than-expected first half of corporate earnings season were the primary drivers, boosting stocks across the board. The government shutdown in the early part of the first quarter had reduced expectations for GDP growth to around 2.50%, but the first estimate was significantly stronger at 3.20%. Meanwhile, following a difficult fourth quarter, earnings expectations were revised downward for the first part of 2019, only to have these muted expectations exceeded by a wide range of companies as reports rolled in across the month of April. Banks were the big winners of earnings season, and Financials rallied to lead S&P 500 Index sectors for the month. Mega cap tech stocks continued their winning streak, while the overall economic optimism resonated through economically sensitive sectors such as industrials.

Growth continued to outpace value in the large and midcap markets in April. The Russell 1000 Growth Index was up 4.50% in December, outpacing the 1000 Value Index by nearly 1.00%. The midcap markets were the best performers for the month, as the Russell Midcap Growth Index rose 5.50% vs. a 3.30% return for the value-oriented version of the index. Somewhat counter-intuitively, small cap stocks were the laggards in April and the only space where value outperformed growth. The Russell 2000 Value Index was up 3.80%, roughly 75 basis points ahead of the growth index. This performance was driven largely by the growth index's significant weight in the Health Care sector, the only sector with negative performance, due in part to universal health care as a hot issue in the Democratic primaries. The value index's largest single sector, on the other hand, is Financials, which showed strong leadership in April.

The international equity markets rose slightly during April but lagged their US counterparts. The EAFE Index was up 2.80%, and similar to the domestic markets, growth outperformed value. Brexit negotiations continued during the month, ultimately being pushed back to October to allow for more time to negotiate the UK's exit from the European Union (EU). The European Central Bank (ECB) cut its 2019 EU growth forecast to 1.20% from an already modest 1.30%, as substantial downside risks to the growth outlook remain. Despite the gloomy economic outlook and political threats to the EU, stocks in Europe rose 3.60%, outpacing the remainder of the developed markets. Primary factors included a strong start to the first quarter's earnings season in the region and the increase in sentiment around Europe's second-largest trading partner, China, whose stimulus package began to have a positive impact on Chinese growth.

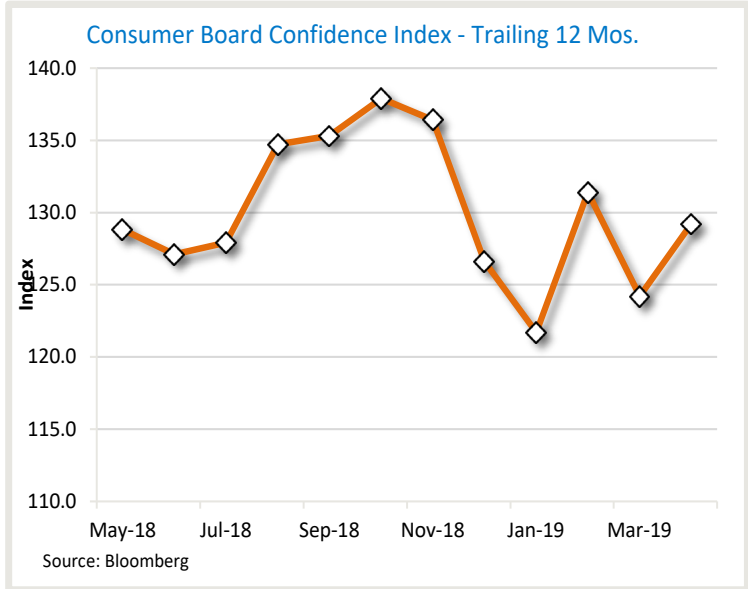
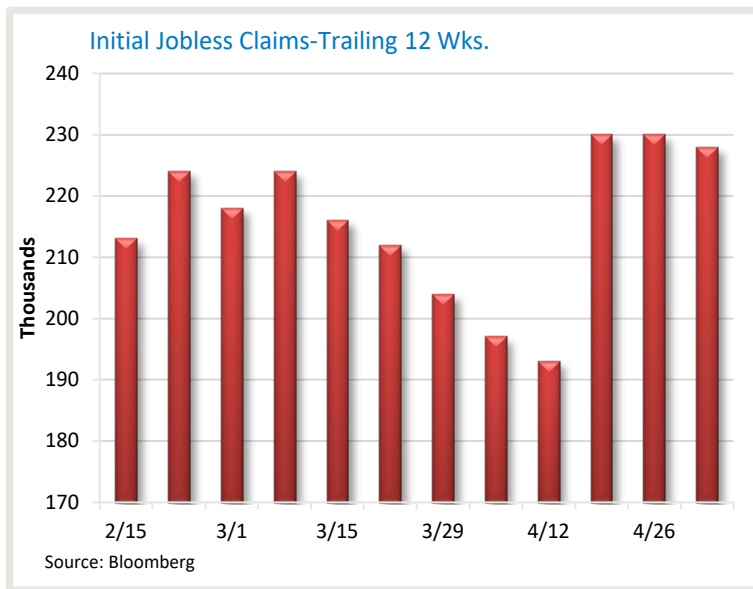
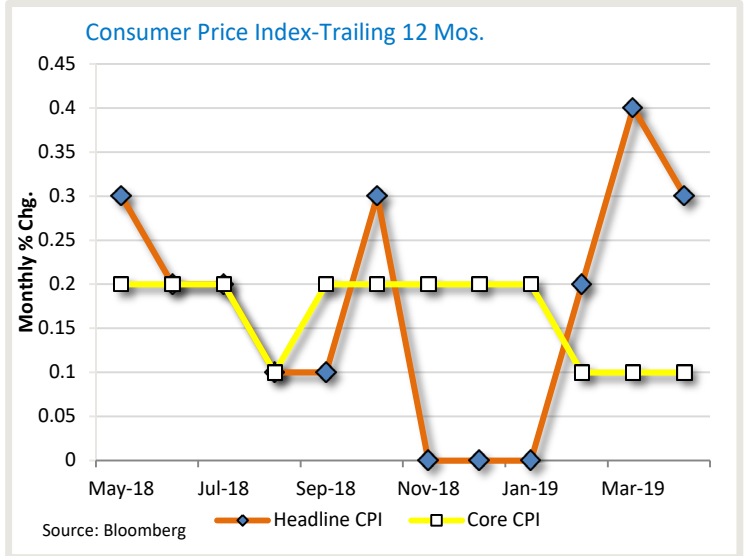
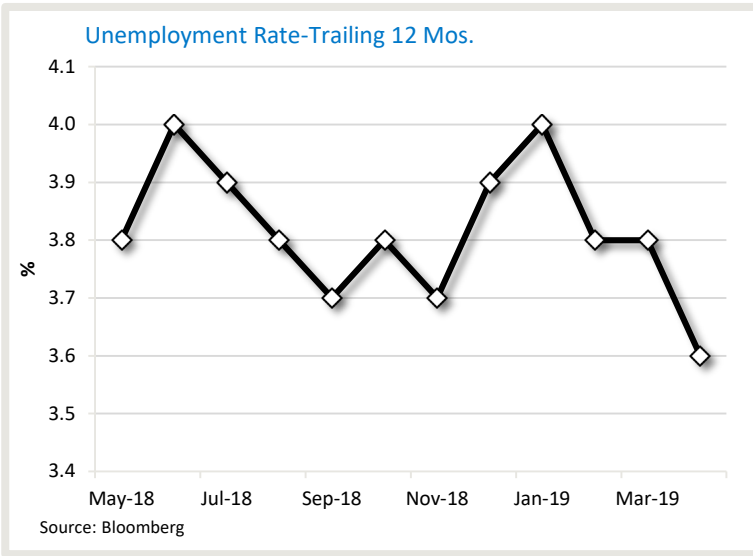
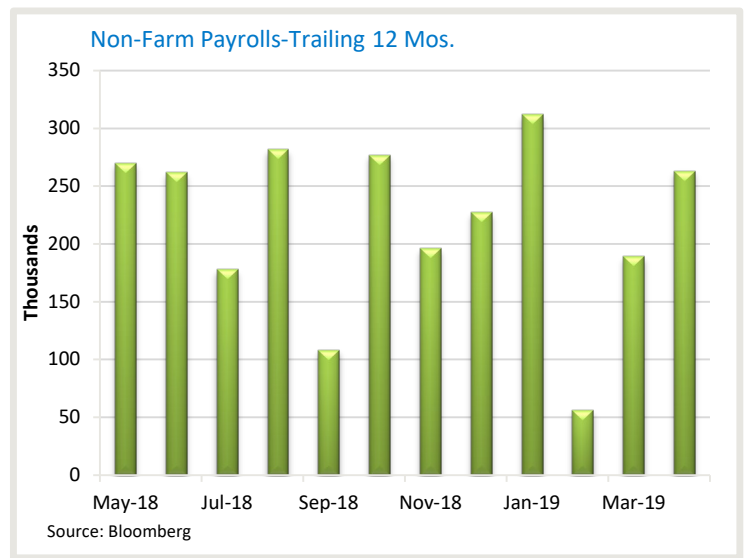
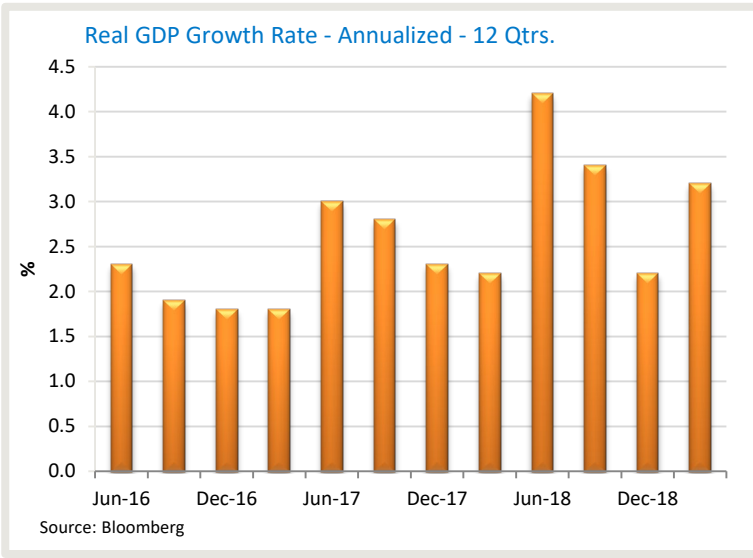
Stocks in emerging markets countries, up 2.10%, trailed their developed markets counterparts. Results in China were modestly positive, rising 2.20%, as markets priced in positive developments in trade negotiations with the US. However, some economic activity showed signs of flagging. The purchasing manager's index weakened from 50.5 in March to 50.1 in April, and exports from China fell 2.70% in the month compared with one year earlier. It appears China is feeling the pinch of a slowing global economy. Latin America as a region was marginally positive at 0.40%, despite a 7.90% loss in Argentina for the month.

The domestic fixed income markets were largely flat in April, with the US Government/Credit Index returning five basis points and the Aggregate Index up just three basis points. Although credit posted relatively strong returns of 49 basis points, mortgage-backed securities, down six basis points, and Treasuries, declining 28 basis points, both experienced negative price pressure, as the yield curve steepened on modestly higher growth expectations for the global economy. Credit spreads were largely unchanged in the investment grade space, just two basis points tighter than at the end of March. The high yield market continued its rally from the first quarter, rising 1.40%, as spreads compressed by roughly 30 basis points on average in April. The bank loan market was even stronger with the S&P Performing Loan Index up 1.80%.

The municipal market was similarly quiet with the 1-5 Year Index up just two basis points and the 1-15 Year Index up 20 basis points. Technicals in the municipal market remained strong, as new supply is down 28% this year compared with the first four months of 2018. Demand for tax-free funds in April continued at a near record pace, as municipal bond funds as a whole took in more than \$6 billion after taking in \$27 billion in the first quarter. However, short-term municipal bond funds had outflows of slightly more than \$1 billion, as investors pulled out money to pay their annual tax bills. This pushed short-term yields slightly higher, while intermediate and longer term yields fell in conjunction with the taxable market. These technicals are expected to continue to drive the market for the next few months, as cash from maturities and early calls this summer, the vast majority of which will need to be reinvested, are estimated to significantly exceed the amount of new supply.

Sovereign credits in developed markets were down roughly 80 basis points in dollar terms in April, as bond yields rose across much of Europe and Asia, reflecting improving market sentiment. The yield on the 10-year German Bund rose eight basis points, returning to positive territory with a yield of 0.01%. Central bankers remain cautious, even with this modest rise in rates. ECB President Mario Draghi continued to indicate that rate hikes are unlikely through the remainder of 2019, and the ECB stands ready to use appropriate tools to move inflation closer to its 2.00% target. Bank of Japan Governor Haruhiko Kuroda indicated that rates would not be raised before the spring of 2020, introducing a time frame to its "extended period" comments for the first time. Kuroda also continued to express concerns over slowing growth and weak developments in inflation.

Economic Data



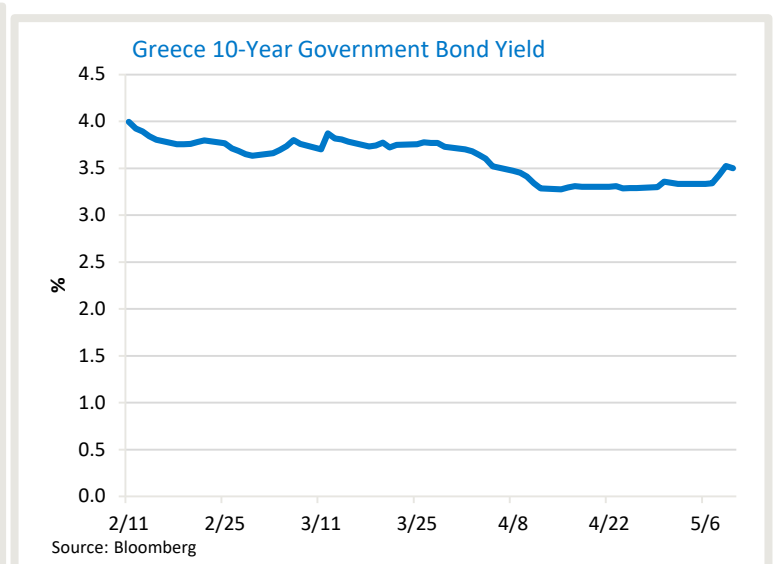
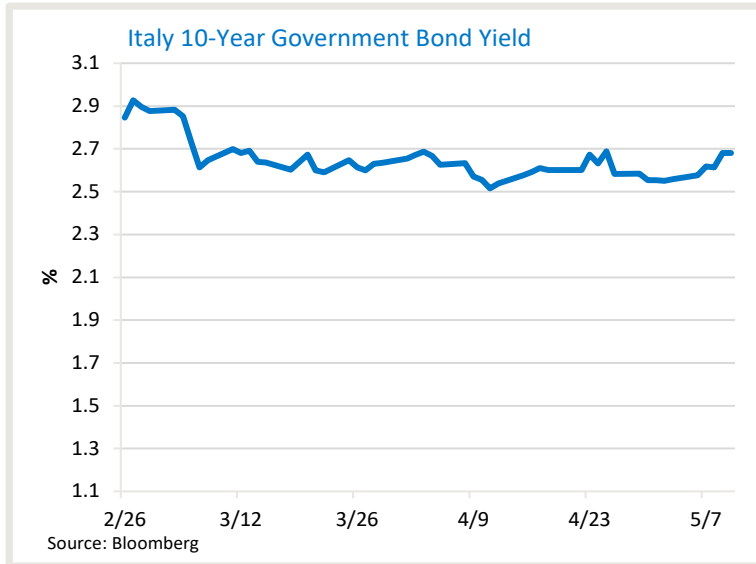
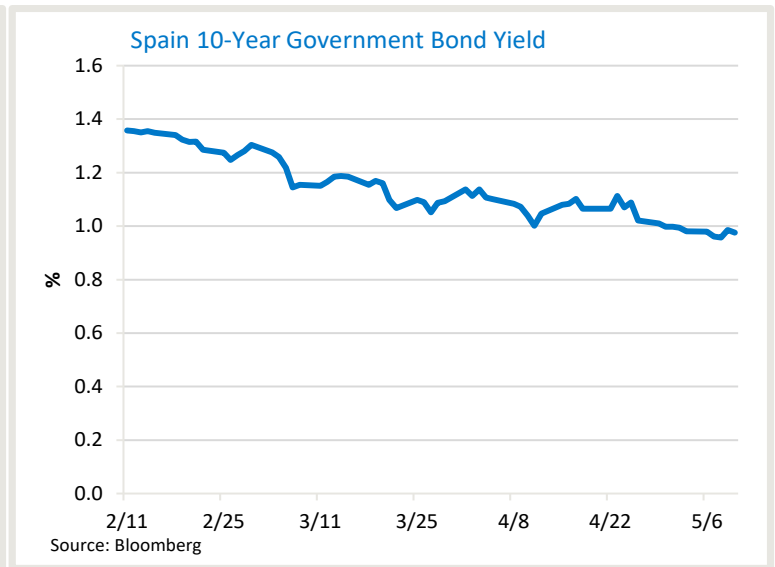
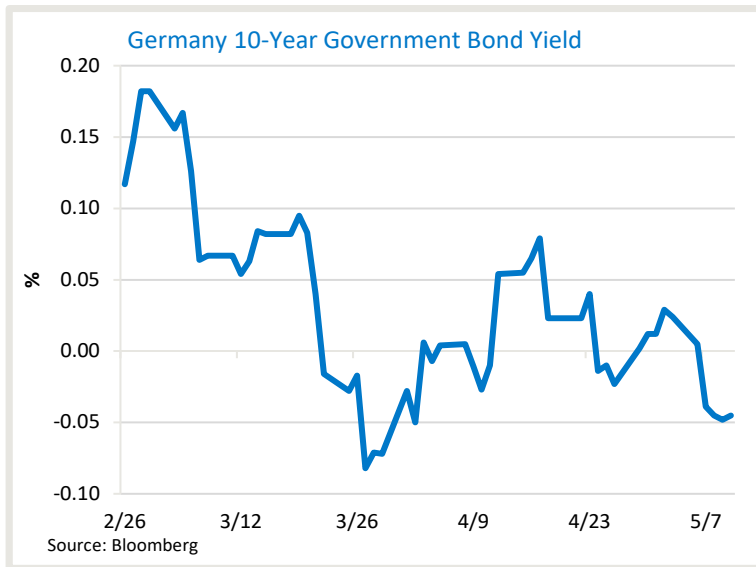
**Eurozone**

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	-0.05	7 bps	NM	NM
Greece 10-Yr. Govt.	3.50	-14 bps	NM	NM
Italy 10-Yr. Govt.	2.68	-11 bps	NM	NM
Spain 10-Yr. Govt.	0.98	0 bps	NM	NM
Belgium 10-Yr. Govt.	0.44	2 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.35	2 bps	NM	NM
Ireland 10-Yr. Govt.	0.53	2 bps	NM	NM
Portugal 10-Yr. Govt.	1.11	0 bps	NM	NM
Netherlands 10-Yr. Govt.	0.14	5 bps	NM	NM
U.K. 10-Yr. Govt.	1.13	8 bps	NM	NM

Source: Bloomberg  
 Basis points (bps)

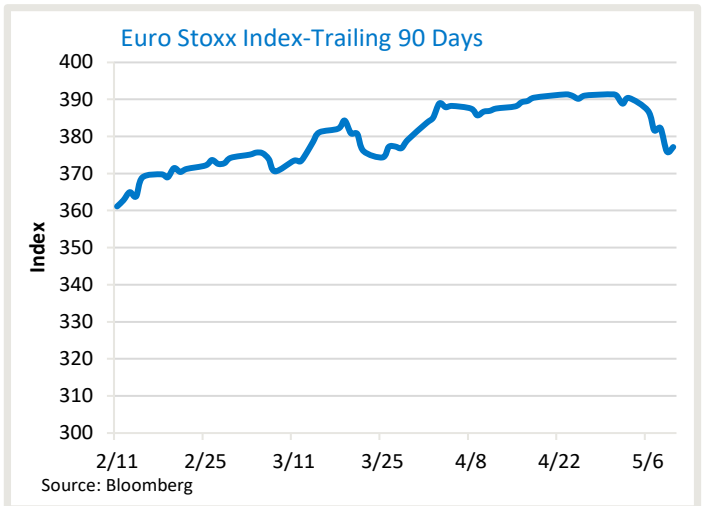
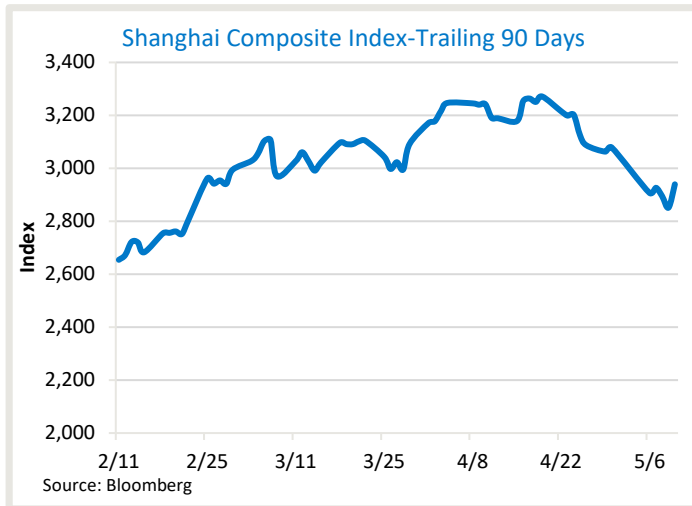
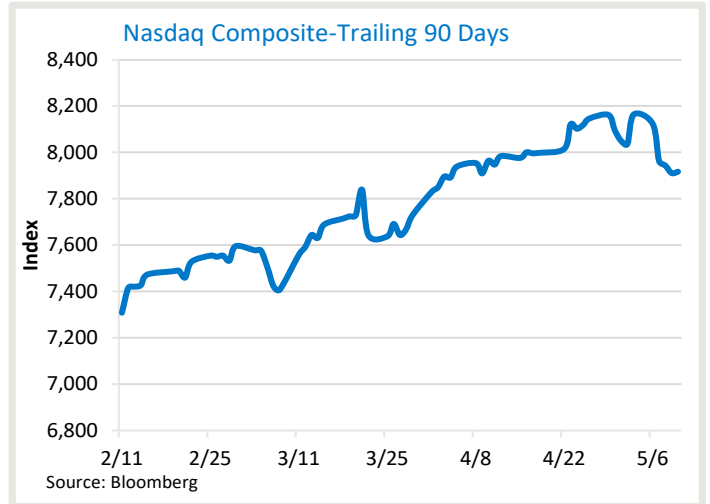
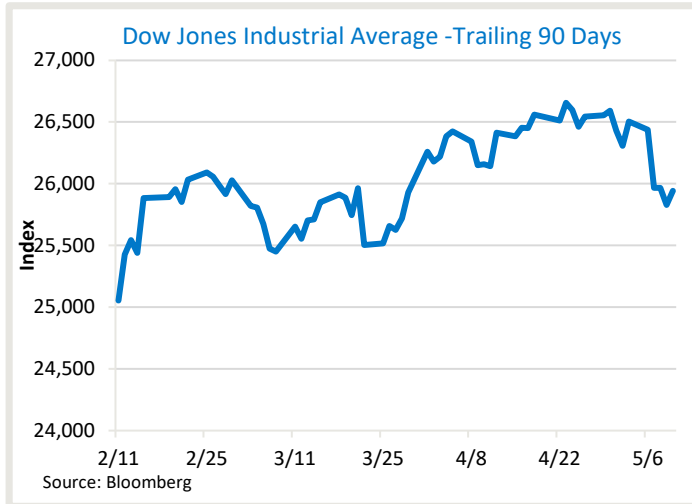


Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
S&P 500	2,881.40	-64.24	-2.18%	14.94%	Swiss Market Index	9,472.83	-269.16	-2.76%	12.38%
Dow Industrials	25,942.37	-562.58	-2.12%	11.21%	CAC 40 Index (France)	5,327.44	-221.40	-3.99%	12.61%
Nasdaq Composite	7,916.94	-247.06	-3.03%	19.32%	DAX Index (Germany)	12,059.83	-352.92	-2.84%	14.21%
MSCI ACWI	509.33	-15.52	-2.96%	11.8%	Irish Overall Index	6,242.88	-255.86	-3.94%	13.93%
MSCI EM	1,028.40	-54.37	-5.02%	6.5%	Nikkei 225	21,344.92	-962.66	-4.32%	6.65%
S&P/TSX (Canada)	16,297.55	-196.88	-1.19%	13.79%	Hang Seng Index	28,550.24	-1531.31	-5.09%	10.46%
Mexico IPC	43,382.35	-894.89	-2.02%	4.18%	Shanghai Composite	2,939.21	-139.13	-4.52%	17.86%
Brazil Bovespa	94,257.56	-1750.33	-1.82%	7.25%	Kospi Index (S. Korea)	2,108.04	-104.71	-4.73%	3.28%
Euro Stoxx 600	377.14	-13.23	-3.39%	11.70%	Taiwan Taiex Index	10,712.99	-383.31	-3.45%	10.13%
FTSE 100	7,203.29	-177.35	-2.40%	7.06%	Tel Aviv 25 Index	1,584.95	-13.66	-0.85%	8.27%
IBEX 35 (Spain)	9,117.50	-292.10	-3.10%	6.76%	MOEX Index (Russia)	2,514.87	-66.08	-2.56%	6.14%

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



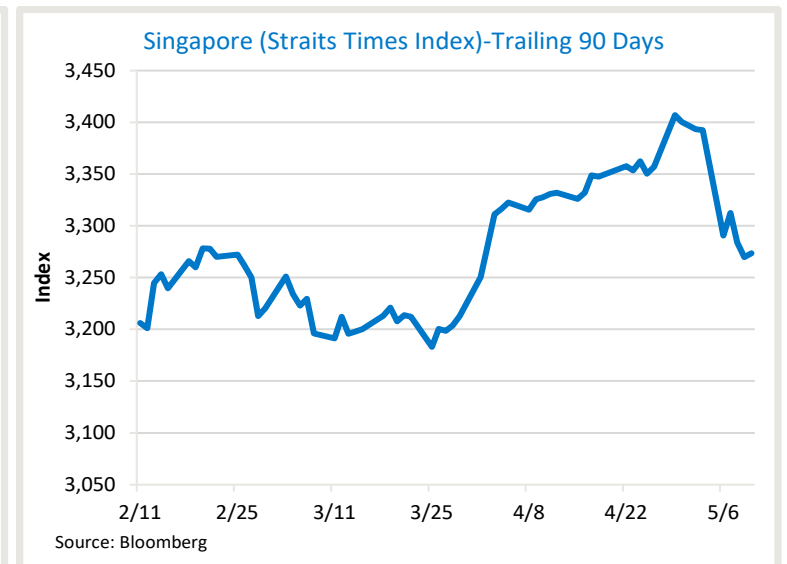
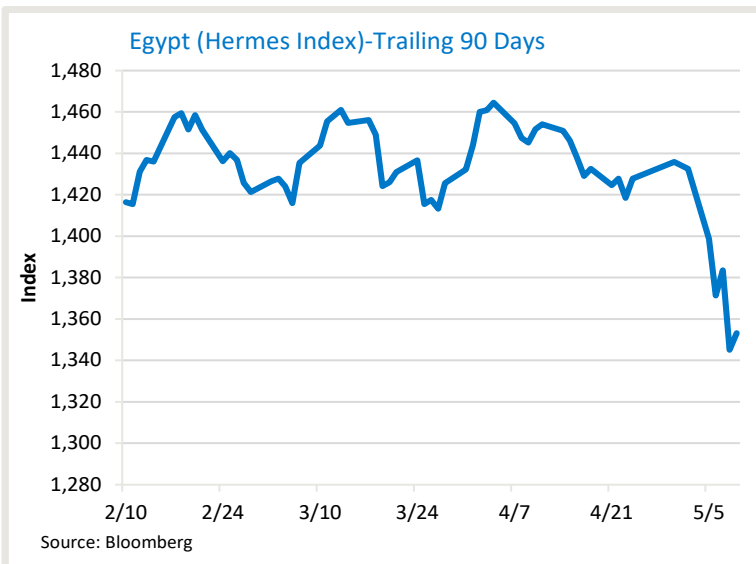
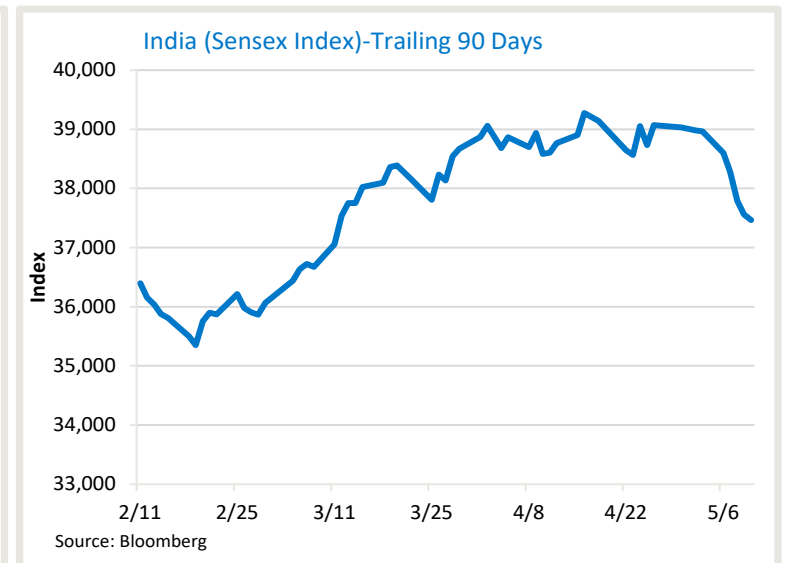
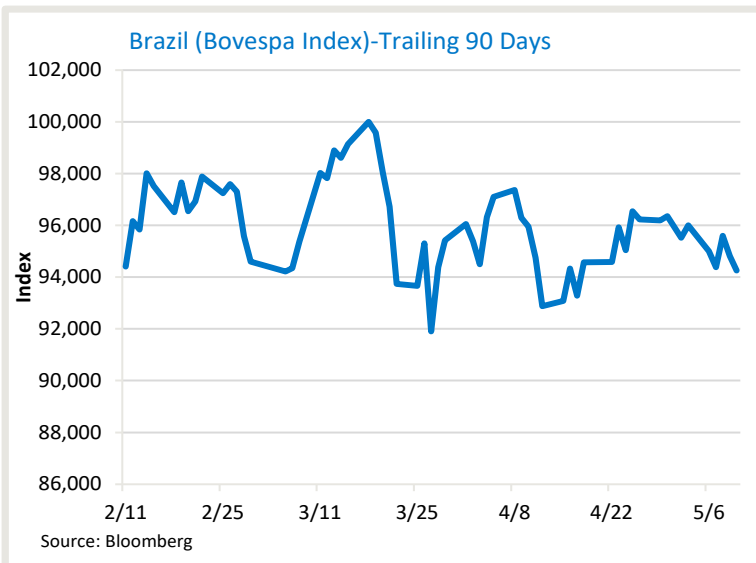
## Equities – Emerging and Frontier Markets

### EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	43,382.35	-894.89	-2.0%	4.2%
Brazil (Bovespa Index)	94,257.56	-1750.33	-1.8%	7.2%
MOEX Index (Russia)	2,514.87	-66.08	-2.6%	6.1%
Czech Republic (Prague)	1,049.64	-29.99	-2.8%	6.4%
Turkey (Istanbul)	88,533.38	-5412.68	-5.8%	-3.0%
Egypt (Hermes Index)	1,353.14	-79.35	-5.5%	5.9%
Kenya (Nairobi 20 Index)	2,782.61	-16.61	-0.6%	-1.8%
Saudi Arabia (TASI Index)	8,856.94	-479.96	-5.1%	13.2%
Lebanon (Beirut BLOM Index)	871.39	-32.68	-3.6%	-10.8%
Palestine	529.12	1.72	0.3%	0.0%

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

	Last	Change	% Chg.	YTD %
Hang Seng Index	28,550.24	-1531.31	-5.1%	10.5%
India (Sensex 30)	37,462.99	-1500.27	-3.9%	3.9%
Malaysia (KLCI Index)	1,610.27	-27.03	-1.7%	-4.8%
Singapore (Straits Times Index)	3,273.50	-118.79	-3.5%	6.7%
Thailand (SET Index)	1,648.69	-30.48	-1.8%	5.4%
Indonesia (Jakarta)	6,209.12	-110.34	-1.7%	0.2%
Pakistan (Karachi KSE 100)	34,716.53	-1406.42	-3.9%	-6.3%
Vietnam (Ho Chi Minh)	952.55	-21.59	-2.2%	6.7%
Sri Lanka (Colombo)	5,327.68	-111.07	-2.0%	-12.0%
Cambodia (Laos)	797.57	8.98	1.1%	-4.6%

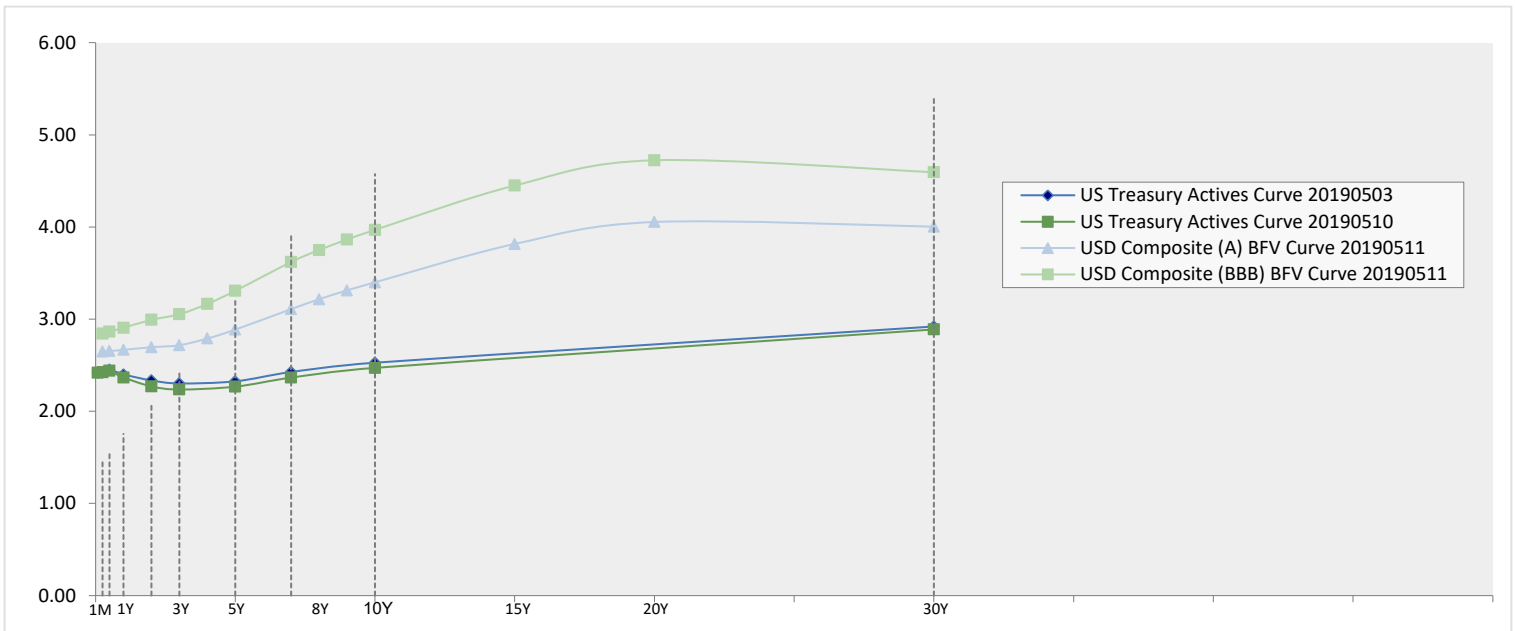


## Interest Rates

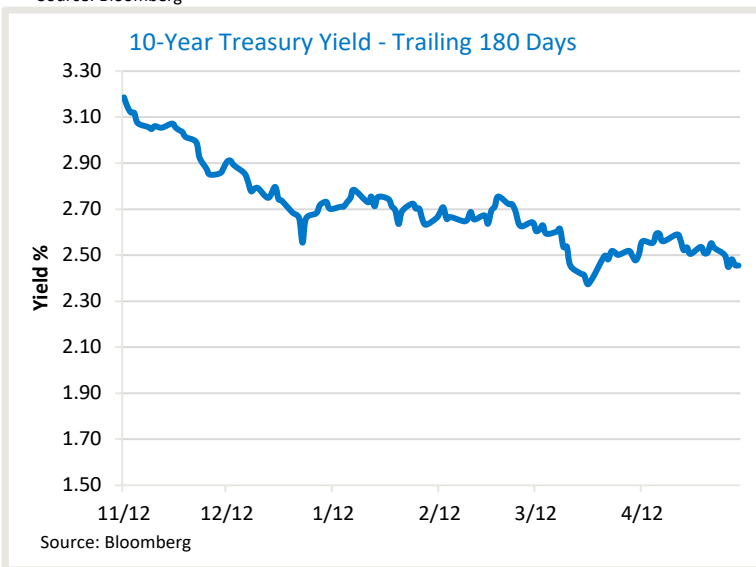
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	2.27%	1 bps	NM	NM	Prime Rate	5.50%	0.00	NM	NM
5-Yr. U.S. Treasury	2.25%	-8 bps	NM	NM	Fed Funds Rate	2.50%	0.00	NM	NM
10-Yr. U.S. Treasury	2.46%	-8 bps	NM	NM	Discount Rate	3.00%	0.00	NM	NM
30-Yr. U.S. Treasury	2.87%	-5 bps	NM	NM	LIBOR (3 Mo.)	2.54%	-2 bps	NM	NM
German 10-Yr. Govt.	-0.05%	7 bps	NM	NM	Bond Buyer 40 Muni	3.20%	-10 bps	NM	NM
France 10-Yr.	0.35%	2 bps	NM	NM	Bond Buyer 40 G.O.	3.63%	NA	NM	NM
Italy 10-Yr.	2.68%	-11 bps	NM	NM	Bond Buyer 40 Rev.	4.11%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.98%	-5 bps	NM	NM					

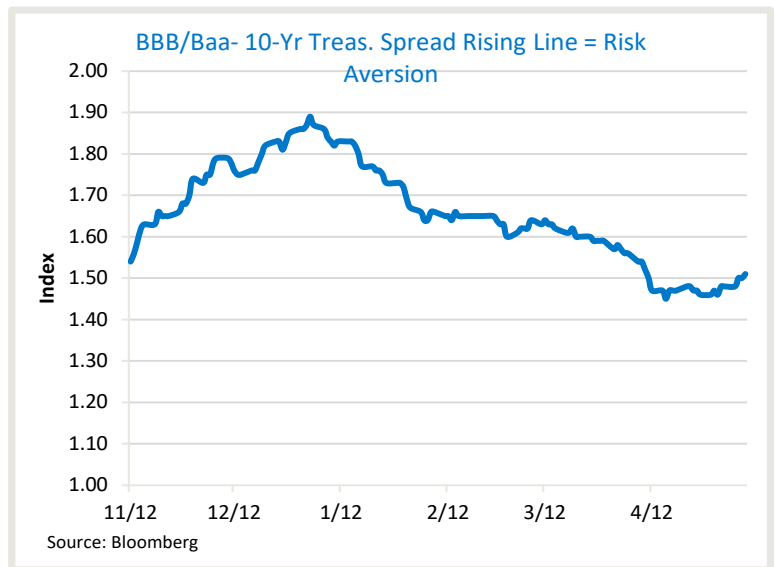
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



## Currencies

### SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
<b>Dollar Index</b>	<b>97.30</b>	<b>-0.202</b>	<b>-0.21%</b>	<b>1.19%</b>
<b>Euro</b>	<b>1.12</b>	<b>0.004</b>	<b>0.34%</b>	<b>-2.01%</b>
<b>Japanese Yen</b>	<b>109.97</b>	<b>-1.130</b>	<b>1.03%</b>	<b>-0.25%</b>
<b>British Pound</b>	<b>1.30</b>	<b>-0.017</b>	<b>-1.26%</b>	<b>1.98%</b>
<b>Canadian Dollar</b>	<b>1.34</b>	<b>-0.001</b>	<b>0.04%</b>	<b>1.66%</b>

Source: Bloomberg

	Last	Change	% Chg.	YTD %
<b>Chinese Yuan</b>	<b>6.82</b>	<b>0.088</b>	<b>-1.28%</b>	<b>0.82%</b>
<b>Swiss Franc</b>	<b>1.01</b>	<b>-0.005</b>	<b>0.52%</b>	<b>-2.89%</b>
<b>New Zealand Dollar</b>	<b>0.66</b>	<b>-0.005</b>	<b>-0.75%</b>	<b>-1.82%</b>
<b>Brazilian Real</b>	<b>3.96</b>	<b>0.016</b>	<b>-0.41%</b>	<b>-2.02%</b>
<b>Mexican Peso</b>	<b>19.10</b>	<b>0.168</b>	<b>-0.88%</b>	<b>2.95%</b>

U.S. Dollar Index - Trailing Six Months



Source: Bloomberg

Euro - U.S. Dollars per Euro



Source: Bloomberg

Chinese yuan - yuan per U.S. Dollar



Source: Bloomberg

Japanese yen - Yen per U.S. Dollar



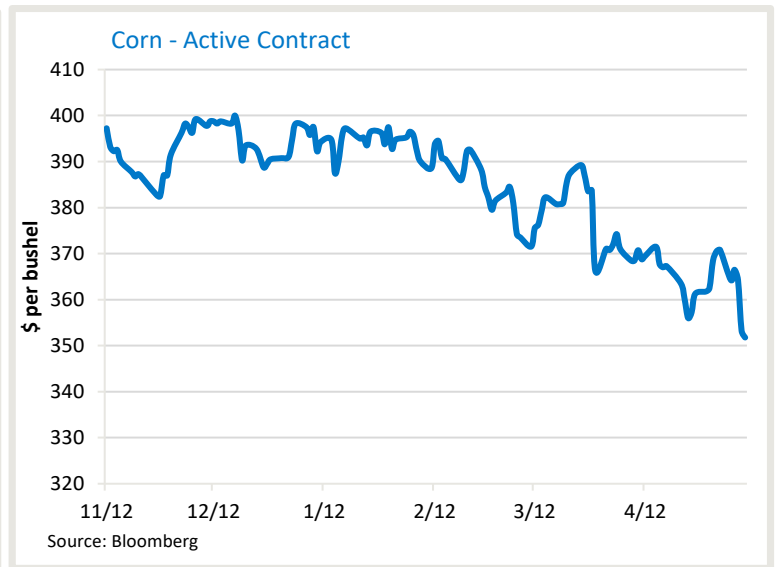
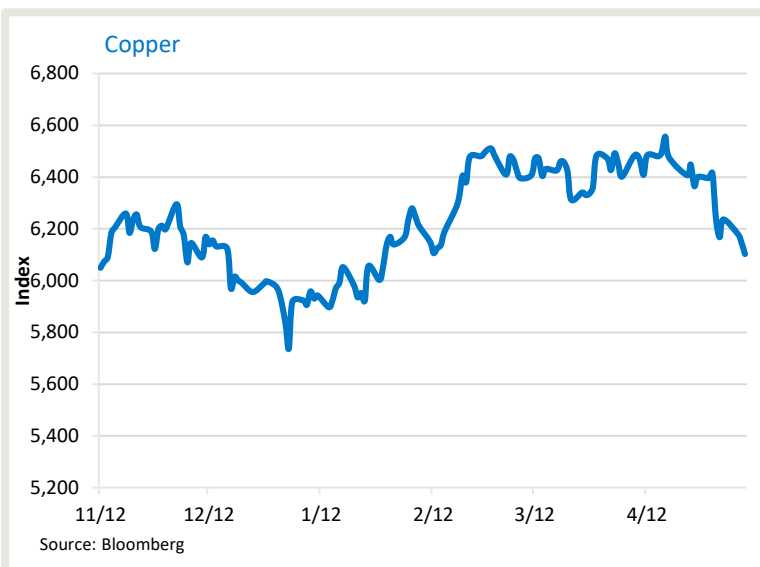
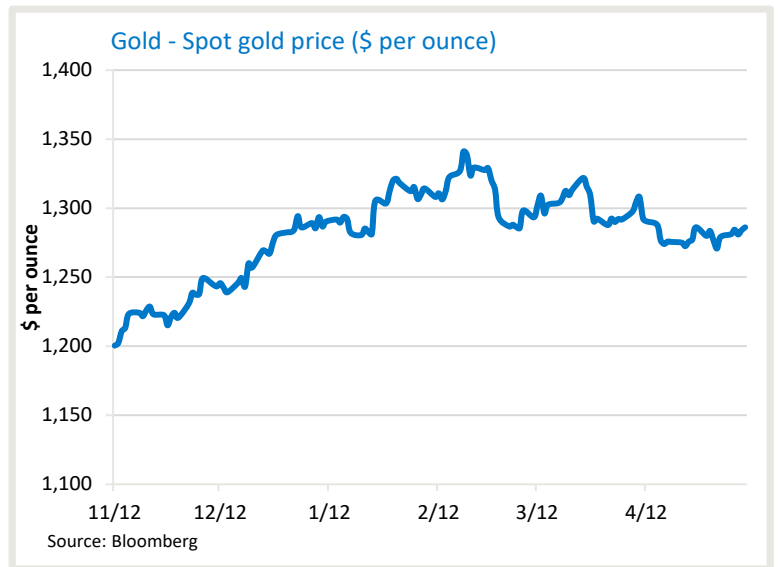
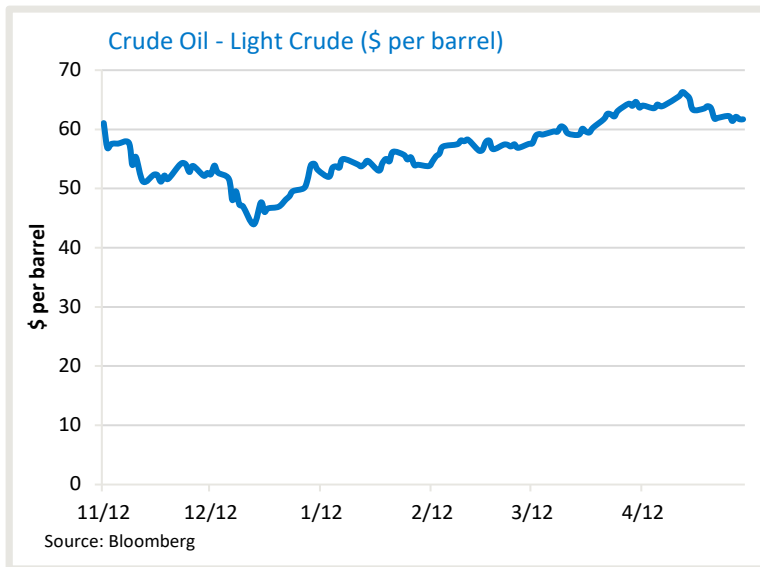
Source: Bloomberg

## Commodities

### SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	78.66	-1.18	-1.47%	2.54%	Platinum Spot	\$865.75	-\$6.23	-0.71%	8.80%
Crude Oil	\$61.76	-\$0.24	-0.39%	31.47%	Corn	351.75	-19.00	-5.12%	-9.98%
Natural Gas	\$2.62	\$0.06	2.18%	-3.46%	Wheat	424.75	-13.25	-3.03%	-18.08%
Gasoline (\$/Gal.)	\$2.87	-\$0.02	-0.79%	27.25%	Soybeans	809.25	-33.00	-3.92%	-12.06%
Heating Oil	205.64	-1.44	-0.70%	23.63%	Sugar	11.72	-0.29	-2.41%	-4.25%
Gold Spot	\$1,285.88	\$6.89	0.54%	0.27%	Orange Juice	95.05	1.15	1.22%	-25.94%
Silver Spot	\$14.78	-\$0.17	-1.12%	-4.66%	Aluminum	1,799.00	0.00	0.00%	-2.55%
					Copper	6,102.00	-134.00	-2.15%	2.30%

Source: Bloomberg; % change is based on price.

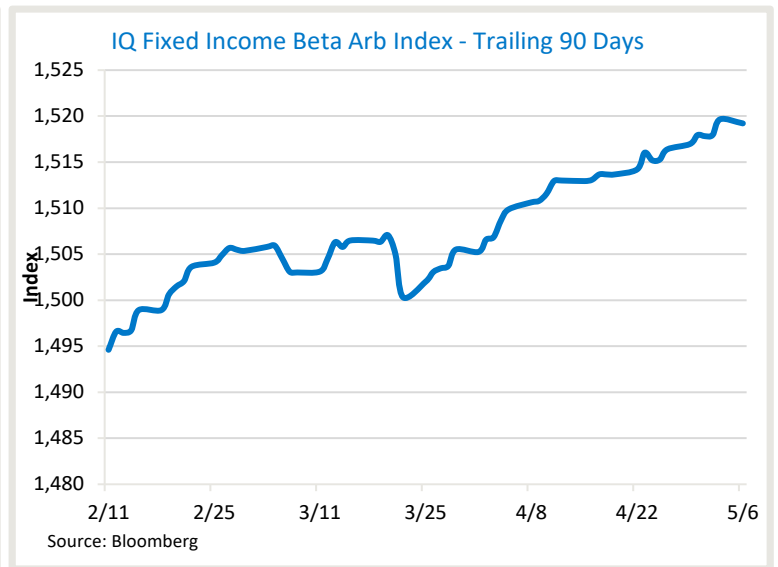
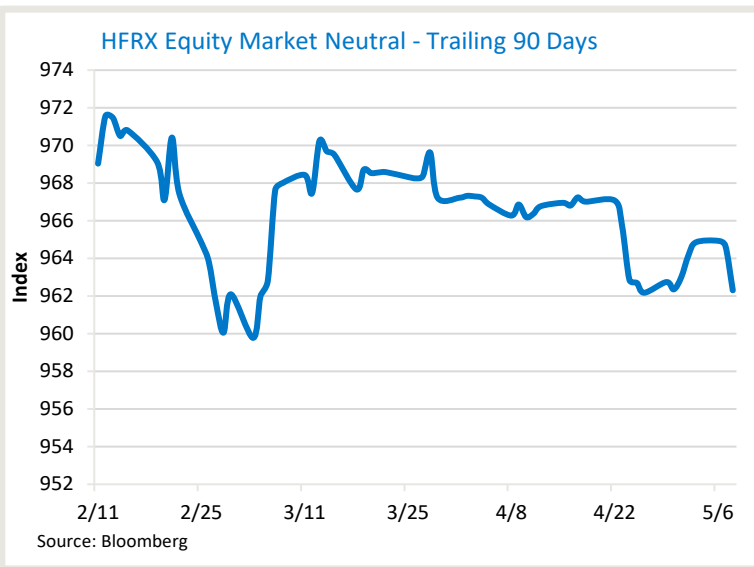
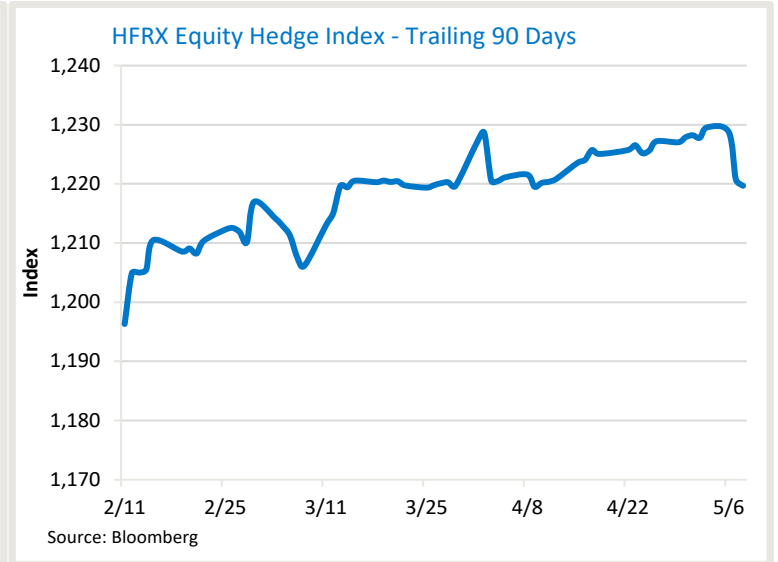
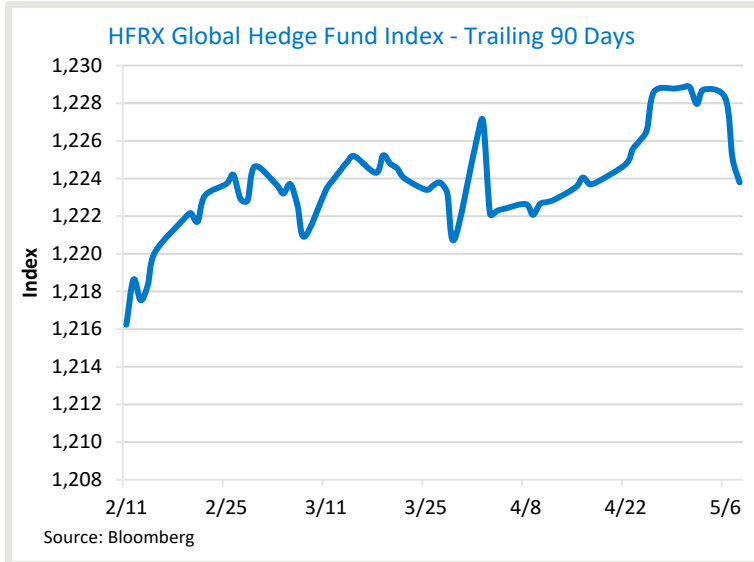


## Alternative Investments

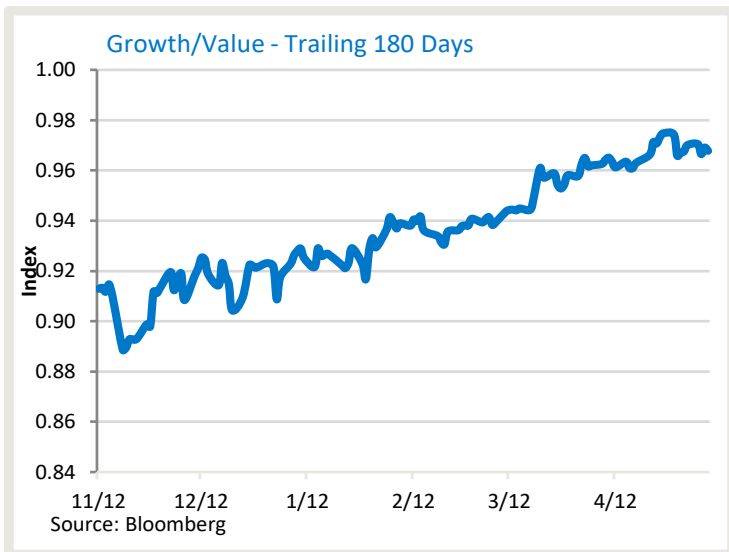
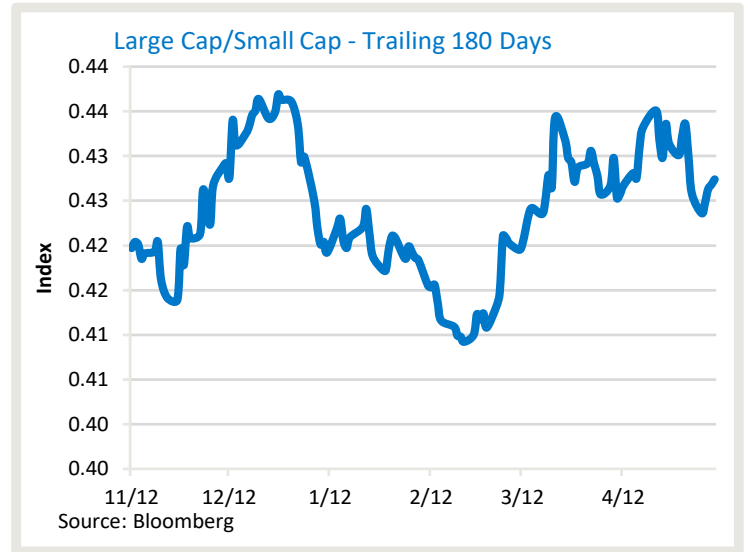
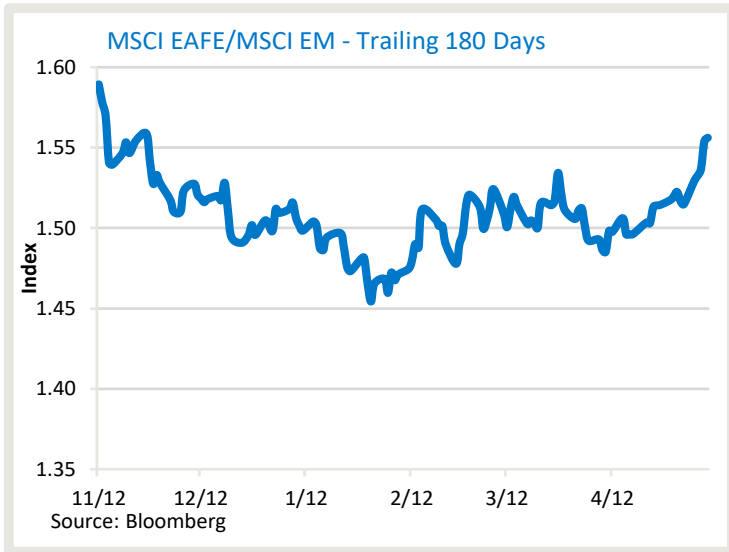
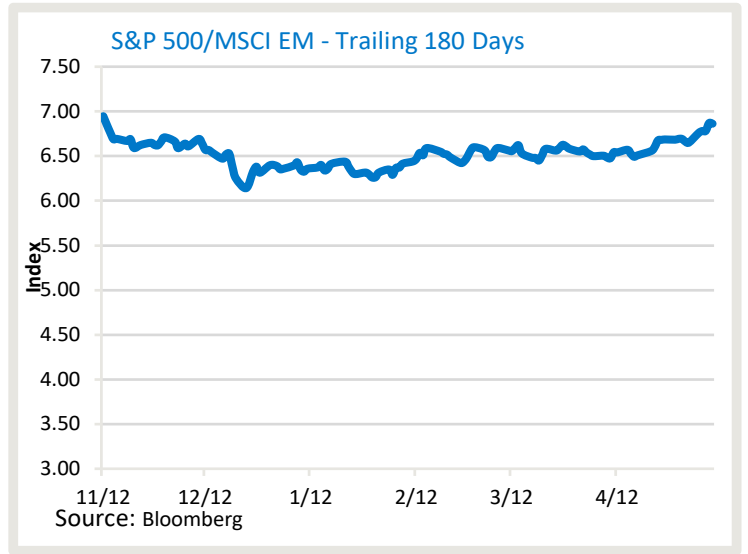
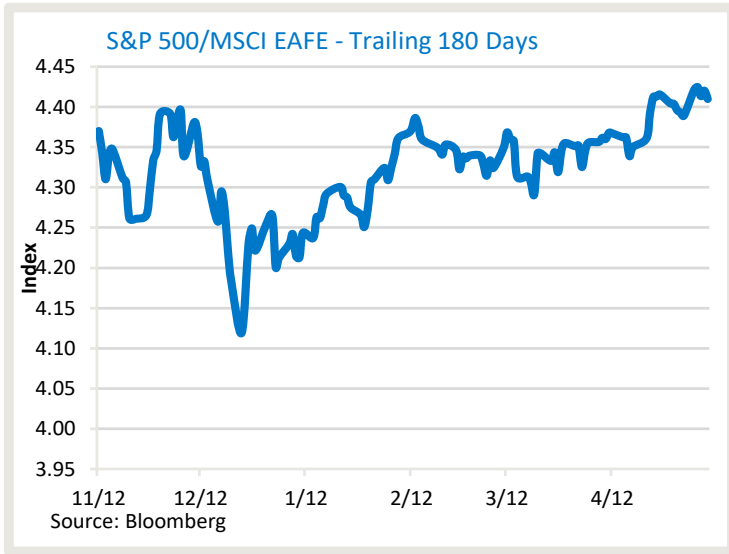
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1223.79	-4.94	-0.40%	2.85%	HFRX Special Situation Index	1195.19	-3.76	-0.31%	-0.65%
HFRX Equity Market Neutral	962.30	-2.55	-0.26%	-1.07%	HFRX Merger Arbitrage Index	1792.62	5.02	0.28%	-1.38%
HFRX Equity Hedge Index	1219.67	-9.88	-0.80%	5.96%	HFRX Convertible Arbitrage Index	798.99	-1.51	-0.19%	1.44%
HFRX Event-Driven Index	1486.77	-3.11	-0.21%	1.05%	HFRX Macro CTA Index	1118.87	-6.94	-0.62%	-0.64%
HFRX Absolute Return Index	1068.21	0.37	0.03%	0.96%	IQ Fixed Income Beta Arb Index	1517.57	-2.10	-0.14%	3.76%

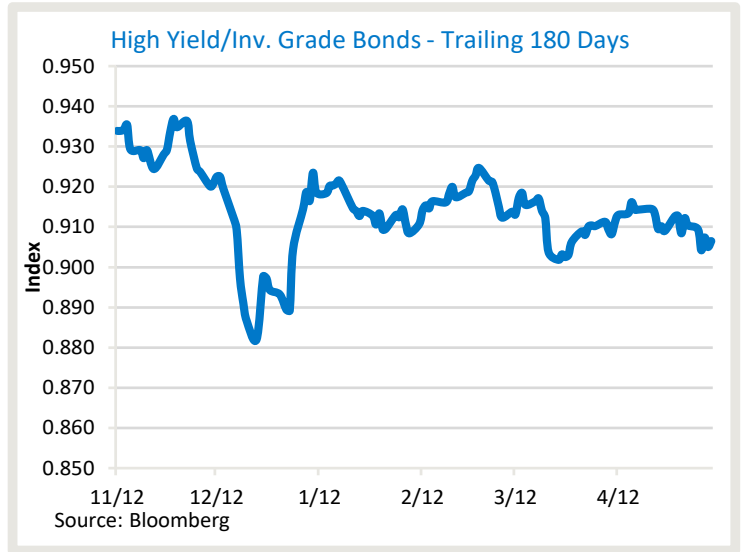
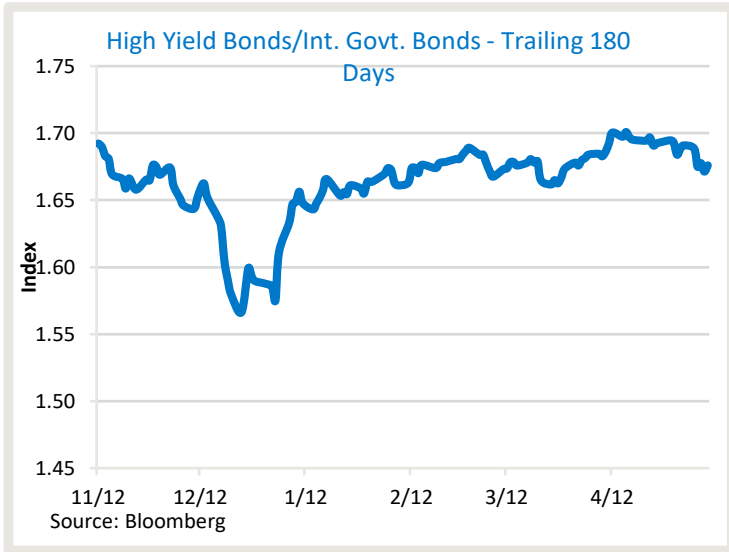
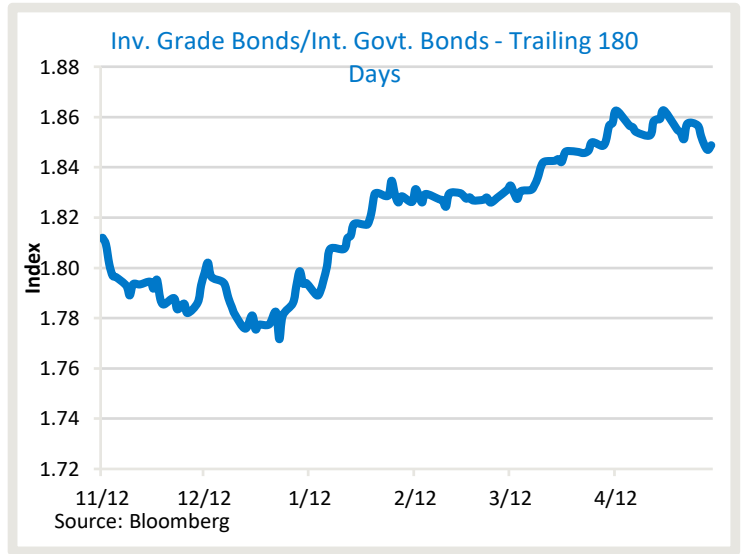
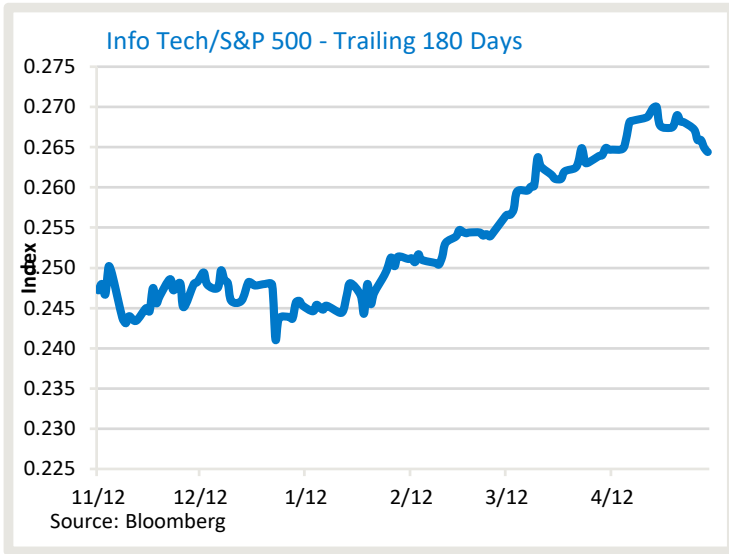
Source: Bloomberg; Index % change is based on price.



## Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			2/21	2/28	3/7	3/14	3/21	3/28	4/4	4/11	4/18	4/25	5/2	5/9
Equity	Domestic Equity	Large Cap (R200)	1.01%	0.43%	-1.18%	2.29%	1.71%	-1.51%	2.22%	0.22%	0.75%	0.85%	-0.38%	-1.65%
		Small Cap (R2000)	1.97%	0.00%	-3.30%	1.71%	0.82%	-1.75%	2.11%	0.74%	-0.85%	0.63%	0.45%	-0.80%
	Int'l. Equity	MSCI EAFE	2.09%	0.35%	-0.83%	0.89%	1.35%	-1.80%	2.36%	-0.02%	0.57%	-0.50%	0.04%	-2.70%
		MSCI Em. Mkts.	1.14%	0.00%	-0.70%	0.44%	2.05%	-2.29%	3.40%	0.63%	0.45%	-1.45%	0.21%	-4.69%
Fixed Income	BarCap Agg. (AGG)	-0.08%	-0.06%	0.21%	0.13%	0.61%	0.93%	0.71%	0.16%	-0.27%	0.28%	-0.30%	0.45%	
	High Yield (JNK)	0.40%	0.45%	-0.64%	0.54%	0.50%	0.11%	0.14%	0.70%	-0.08%	0.08%	-0.47%	-0.46%	
Commodities	Bloomberg Commodity Index	2.28%	-0.49%	-1.07%	1.03%	1.23%	-1.53%	1.41%	0.00%	-0.64%	-0.60%	-1.87%	-1.43%	
Alternatives	Hedge Funds (HFRX Global)	0.28%	0.09%	-0.02%	0.19%	-0.03%	-0.11%	-0.08%	0.04%	0.09%	0.23%	0.11%	-0.34%	
Asset Allocation	60/40*	0.86%	0.13%	-0.81%	1.09%	1.14%	-0.68%	1.16%	0.26%	0.15%	0.27%	-0.18%	-1.08%	
	48/32/20 (w/Alts.)**	0.74%	0.17%	-0.65%	0.91%	0.90%	-0.57%	0.92%	0.21%	0.14%	0.26%	-0.12%	-0.93%	

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	0.97	1.05	0.99	0.95	1.04	1.02	1.01	1.04	1.19	1.32	0.99	1.42	0.91	1.04
Large Cap Growth	1.03	1.00	1.08	1.02	0.98	1.07	1.05	1.04	1.07	1.23	1.36	1.02	1.46	0.94	1.07
Large Cap Value	0.95	0.93	1.00	0.95	0.91	0.99	0.97	0.96	0.99	1.14	1.26	0.94	1.35	0.87	0.99
Mid Cap Core	1.01	0.98	1.06	1.00	0.96	1.04	1.03	1.02	1.04	1.20	1.33	1.00	1.43	0.92	1.04
Mid Cap Growth	1.05	1.02	1.10	1.04	1.00	1.09	1.08	1.06	1.09	1.25	1.39	1.04	1.49	0.96	1.09
Mid Cap Value	0.96	0.94	1.01	0.96	0.92	1.00	0.99	0.98	1.00	1.15	1.28	0.96	1.37	0.88	1.00
Small Cap Core	0.98	0.95	1.03	0.97	0.93	1.01	1.00	0.99	1.02	1.17	1.29	0.97	1.39	0.89	1.01
Small Cap Growth	0.99	0.96	1.04	0.98	0.94	1.02	1.01	1.00	1.03	1.18	1.31	0.98	1.40	0.90	1.03
Small Cap Value	0.96	0.94	1.01	0.96	0.92	1.00	0.99	0.97	1.00	1.15	1.27	0.95	1.37	0.88	1.00
Int'l. Developed	0.84	0.81	0.88	0.83	0.80	0.87	0.86	0.85	0.87	1.00	1.11	0.83	1.19	0.76	0.87
Emerging Markets	0.76	0.74	0.79	0.75	0.72	0.78	0.77	0.77	0.79	0.90	1.00	0.75	1.07	0.69	0.79
REITs	1.01	0.98	1.06	1.00	0.96	1.04	1.03	1.02	1.05	1.20	1.33	1.00	1.43	0.92	1.05
Commodities	0.70	0.68	0.74	0.70	0.67	0.73	0.72	0.71	0.73	0.84	0.93	0.70	1.00	0.64	0.73
Int. Bond	1.10	1.07	1.15	1.09	1.04	1.14	1.12	1.11	1.14	1.31	1.45	1.09	1.56	1.00	1.14
High Yield	0.96	0.94	1.01	0.96	0.92	1.00	0.99	0.97	1.00	1.15	1.27	0.96	1.37	0.88	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 Return<sup>SM</sup> 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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