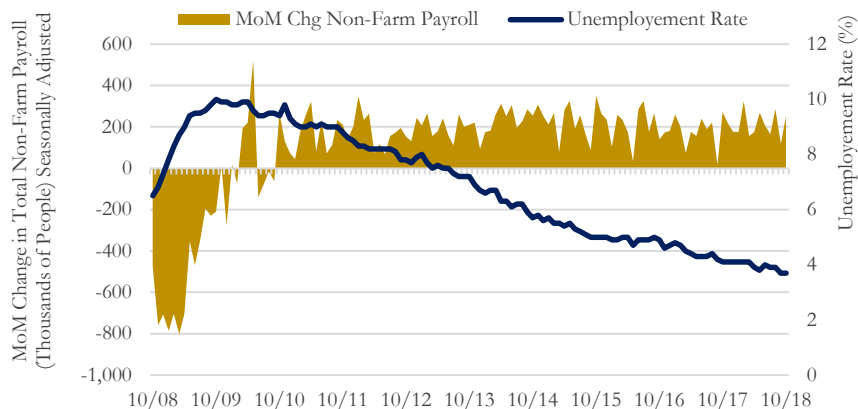


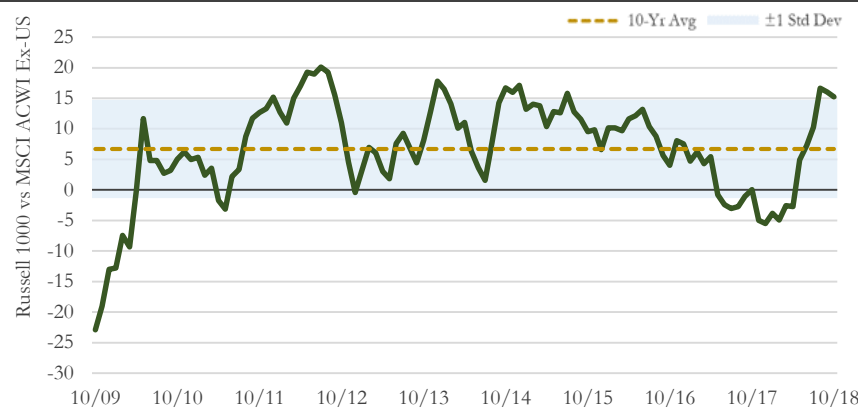
# Monthly Market & Economic Recap

**Change in Total Non-Farm Payrolls and Unemployment Rate**



Source: U.S Bureau of Labor Statistics

**U.S. vs International (1-Yr Rolling Return)**



Source: Morningstar Direct

U.S. job growth rebounded sharply in October and wages recorded their largest annual gain in 9 ½ years, pointing to further labor market tightening that could encourage the Federal Reserve to raise interest rates again in December. As reported by the Labor Department, nonfarm payrolls increased by 250,000 jobs in October while the unemployment rate remained unchanged at 3.7%, a 49-year low. Economists had been expecting a 190,000 increase in jobs and a 3.7% unemployment rate. Trade policies continue to be a concern. The International Monetary Fund (IMF) recently cut its global growth forecast as trade tensions have started to hit worldwide economic activity. The IMF expects the world economy to grow at a 3.7% pace in 2018 and 2019, each a 0.2% decline from the previous forecast. In equity markets, the divergence between the U.S. stock market and that of the rest of the world continues to be noteworthy. Year-to-date, the S&P 500 is up 3.0% while the MSCI EAFE index has fallen 9.3%. And following months of relative stability, volatility returned to equity markets in October as investors seem to be focusing more on earnings growth sustainability than on generally strong third quarter corporate reporting. For the month, the S&P 500 generated a 6.84% loss while the MSCI EAFE index fell 7.96%. Fixed income markets were also broadly negative as the 10-year Treasury yield reached 3.25% for the first time since late April 2011. The Barclays U.S. Agg Bond Index fell 0.79% while the Barclays Global Agg Ex. USD bond benchmark dropped 1.39%.

Capital Market Consultants, Inc. (CMC) is an outsourced Chief Investment Officer business providing research consulting and asset management services. CMC provides customized and private labeled investment manager, capital market and economic research services to registered investment advisors, banks, broker dealers, multi-family offices and other wealth management professionals. For more information click the following links:

**CMC Website**

<http://www.cmarkc.com/>

**Outsource CIO Services**

<http://www.cmarkc.com/ResearchConsulting.aspx>

**Investment Strategies**

<http://www.cmarkc.com/InvestmentStrategies.aspx>

**Asset Management Programs**

<http://www.cmarkc.com/AssetManagement.aspx>

**A la Carte Research Services**

<http://www.cmarkc.com/eCIO.aspx>

## Monthly Market & Economic Recap

	<u>1 Month</u>	<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>		<u>1 Month</u>	<u>3 Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>Russell</b>								<b>International Equity - Broad Market</b>							
3000 Value	-5.46	-4.00	-1.52	2.78	9.01	8.50	11.27	MSCI EAFE	-7.96	-8.95	-9.28	-6.85	3.62	2.02	6.89
3000	-7.36	-3.95	2.43	6.60	11.27	10.81	13.35	MSCI EM	-8.71	-11.65	-15.72	-12.52	6.52	0.78	7.84
3000 Growth	-9.23	-3.90	6.19	10.20	13.44	13.06	15.33	MSCI Frontier Markets	-3.53	-8.78	-15.72	-12.07	2.82	1.64	2.37
1000 Value	-5.18	-3.59	-1.46	3.03	8.88	8.61	11.30	MSCI ACWI	-7.49	-6.36	-3.96	-0.52	7.74	6.15	9.75
1000	-7.08	-3.51	2.67	6.98	11.31	11.05	13.42	MSCI ACWI Ex USA	-8.13	-9.65	-10.97	-8.24	4.37	1.63	6.92
1000 Growth	-8.94	-3.43	6.62	10.71	13.67	13.44	15.45	MSCI AC Asia Ex Japan	-10.85	-12.98	-16.43	-13.63	6.29	3.33	10.19
Mid Cap Value	-7.20	-6.68	-4.30	0.16	8.15	8.11	13.35								
Mid Cap	-8.31	-6.07	-1.47	2.79	9.04	8.97	14.19	<b>International Equity - Country Region</b>							
Mid Cap Growth	-9.90	-5.11	2.16	6.14	10.39	10.10	15.10	MSCI Brazil	17.83	11.77	3.38	4.76	25.16	-0.87	4.70
2000 Value	-8.95	-9.10	-2.46	-0.59	10.52	7.19	10.95	MSCI BRIC	-6.51	-11.36	-14.51	-11.53	8.86	2.08	7.33
2000	-10.86	-9.26	-0.60	1.85	10.67	8.01	12.44	MSCI China	-11.47	-16.02	-19.55	-16.73	6.05	4.74	9.75
2000 Growth	-12.65	-9.39	1.11	4.13	10.72	8.75	13.89	MSCI Europe	-7.63	-9.89	-9.90	-8.34	2.51	1.21	6.54
								MSCI India	-6.98	-14.63	-15.90	-12.42	3.91	5.95	9.36
<b>Standard &amp; Poors</b>								MSCI Japan	-8.46	-5.47	-7.01	-3.56	5.44	4.89	6.72
S&P 500	-6.84	-3.25	3.01	7.35	11.52	11.34	13.24	MSCI EM Latin America	3.46	-0.75	-3.69	-2.43	12.72	-2.51	4.91
Consumer Disc	-11.27	-5.74	7.04	15.16	10.62	12.28	18.50	MSCI Russia	-4.56	-2.54	4.10	10.69	15.24	-1.76	4.81
Consumer Staples	2.31	3.90	-1.11	6.81	6.35	8.36	11.56								
Energy	-11.26	-11.97	-4.64	1.77	2.63	-1.88	4.74	<b>Fixed Income-Taxable</b>							
Financials	-4.73	-5.56	-4.65	0.63	12.58	11.64	9.66	Barclays U.S. Aggregate	-0.79	-0.79	-2.38	-2.05	1.04	1.84	3.94
Health Care	-6.69	0.24	8.83	11.28	9.43	12.83	14.85	Barclays US Aggregate 1-3	0.11	0.39	0.52	0.34	0.79	0.84	1.77
Industrials	-10.81	-8.59	-6.50	-1.04	9.98	9.23	12.81	Barclays US Aggregate 3-5	-0.05	0.15	-0.73	-1.04	0.84	1.40	3.21
Information Technology	-7.97	-1.92	11.02	12.30	20.03	19.31	18.43	Barclays US Aggregate 5-7	-0.28	-0.13	-1.35	-1.43	0.89	1.69	3.93
Materials	-9.47	-11.76	-11.95	-9.35	7.13	5.76	10.11	ICE BofAML US 3M Trsy Bill	0.17	0.51	1.48	1.68	0.90	0.55	0.35
Real Estate	-1.67	-1.89	-0.03	2.42	5.17	8.58	11.76	Barclays U.S. Gov't	-0.47	-0.63	-2.08	-1.92	0.22	1.15	2.64
Communication Services	-5.75	1.26	-5.04	6.50	5.17	3.69	9.19	Barclays U.S. Credit	-1.40	-1.23	-3.49	-2.81	2.34	2.82	6.43
Utilities	1.95	2.48	4.72	1.00	10.92	10.65	10.62	Barclays High Yield Corp.	-1.60	-0.32	0.93	0.97	6.60	4.68	11.20
								Barclays TIPS	-1.43	-1.77	-2.27	-1.24	1.46	0.97	4.11
<b>Other U.S. Equity</b>								Barclays Global Aggregate	-1.12	-1.87	-3.46	-2.05	1.52	0.33	3.16
Dow Jones Industrial Avg.	-4.98	-0.64	3.41	9.87	15.24	12.77	13.33	Barclays Gbl Agg Ex USD	-1.39	-2.75	-4.38	-2.09	1.82	-0.82	2.52
NASDAQ 100	-8.62	-3.41	9.82	12.67	15.78	16.98	19.27	JPM EMBI Global Div	-2.16	-2.40	-5.13	-4.39	4.32	4.35	9.20
<b>Alternative Investments</b>								<b>Fixed Income-Tax Exempt</b>							
Alerian MLP	-7.99	-8.00	-2.57	0.68	-1.52	-4.84	8.29	Barclays Municipal	-0.62	-1.01	-1.01	-0.51	1.89	3.25	4.80
Bloomberg Commodity	-2.16	-2.05	-4.14	-1.73	-0.69	-7.31	-4.18	Barclays Municipal 3 Yr	-0.06	-0.50	0.58	-0.16	0.65	0.95	2.13
FTSE NAREIT Equity REIT	-2.97	-2.98	-1.21	1.26	4.55	7.56	11.28	Barclays Municipal 5 Yr	-0.19	-0.78	-0.09	-0.77	0.91	1.60	3.35
S&P Global Natural Res.	-9.09	-8.85	-4.49	1.50	12.37	1.48	4.26	Barclays Municipal 7 Yr	-0.30	-0.81	-0.65	-0.94	1.32	2.39	4.21
S&P N. Amer Natural Res.	-11.99	-14.71	-9.23	-2.56	2.02	-3.67	3.94	Barclays HY Muni	-1.25	-0.85	3.14	4.74	5.42	5.96	7.45