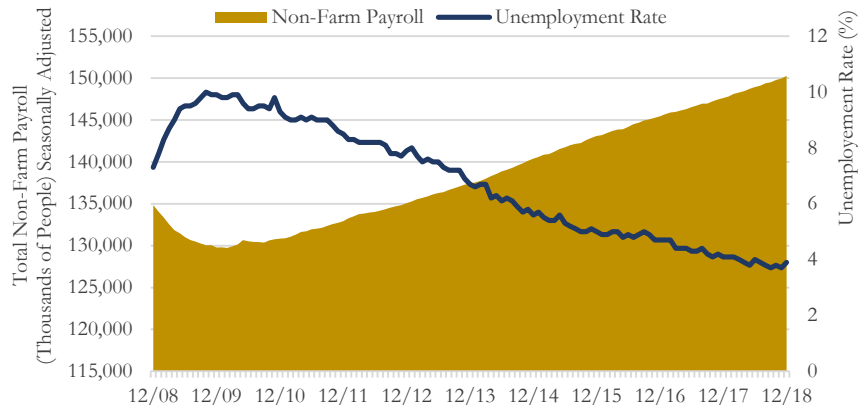


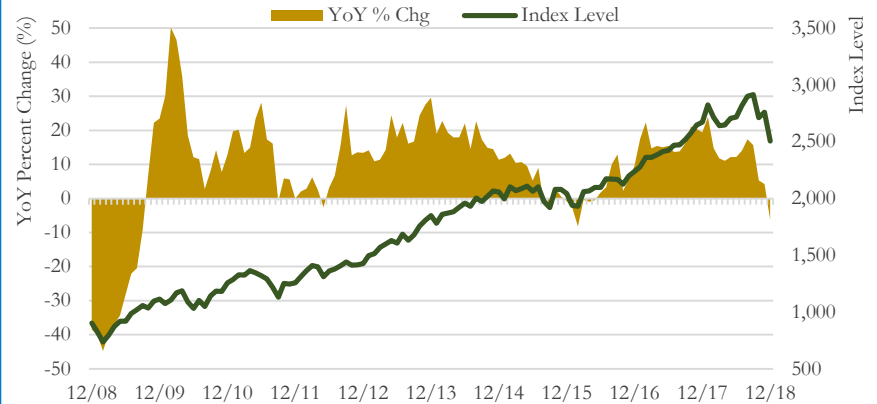
## Monthly Market & Economic Recap

### Total Non-Farm Payrolls and Unemployment Rate



Source: U.S Bureau of Labor Statistics

### S&P 500 Index



Source: Standard & Poor's

December began on an upbeat note as markets responded positively when President Trump and Chinese President Xi Jinping agreed to a trade dispute ceasefire following a meeting at the G20 summit. The Labor Department's employment report also offered encouragement. U.S. employers hired the most workers in ten months while boosting wages, pointing to sustained strength in the economy that could ease fears of a sharp slowdown in growth. Nonfarm payrolls surged by 312,000 in December, greatly exceeding the expected gain of 184,000 jobs. The Federal Reserve made headlines as 2018 wound down. After weeks of market volatility and calls from President Trump to stop raising interest rates, the Federal Reserve hiked rates for the fourth time this year. From the Fed's perspective, the U.S. economy continues to perform well and no longer needs the support of lower-than-normal interest rates or the maintenance of a massive balance sheet. In market news, the S&P 500 and Dow Jones Industrial Average suffered December losses of 9.0% and 8.6%, respectively. It was the worst December for U.S. equities since 1931. Overseas equity markets also experienced December losses. The MSCI EAFE index fell 4.9% while the MSCI Emerging Markets index dropped 2.7%. A flight-to-safety dynamic drove fixed income markets during the month as investors sought refuge from volatile equity markets. The Barclays U.S. Aggregate Bond index produced a 1.8% gain while the Barclays Global Aggregate Ex. USD bond benchmark rose 2.2%.

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## 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	-9.78	-12.24	-8.58	-8.58	7.00	5.77	11.12	MSCI EAFE	-4.85	-12.54	-13.79	-13.79	2.87	0.53	6.32
3000	-9.31	-14.30	-5.24	-5.24	8.97	7.91	13.18	MSCI EM	-2.66	-7.47	-14.58	-14.58	9.25	1.65	8.02
3000 Growth	-8.83	-16.33	-2.12	-2.12	10.85	9.99	15.15	MSCI Frontier Markets	-2.93	-4.33	-16.41	-16.41	4.20	0.67	4.75
1000 Value	-9.60	-11.72	-8.27	-8.27	6.95	5.95	11.18	MSCI ACWI	-7.04	-12.75	-9.42	-9.42	6.60	4.26	9.46
1000	-9.11	-13.82	-4.78	-4.78	9.09	8.21	13.28	MSCI ACWI Ex USA	-4.53	-11.46	-14.20	-14.20	4.48	0.68	6.57
1000 Growth	-8.60	-15.89	-1.51	-1.51	11.15	10.41	15.29	MSCI AC Asia Ex Japan	-2.71	-8.66	-14.37	-14.37	8.56	4.02	10.09
Mid Cap Value	-10.50	-14.95	-12.29	-12.29	6.06	5.44	13.03	<b>International Equity - Country Region</b>							
Mid Cap	-9.92	-15.37	-9.06	-9.06	7.04	6.26	14.03	MSCI Brazil	-1.81	13.42	-0.49	-0.49	27.09	0.69	5.14
Mid Cap Growth	-9.07	-15.99	-4.75	-4.75	8.59	7.42	15.12	MSCI BRIC	-4.21	-5.32	-13.43	-13.43	11.22	2.96	7.63
2000 Value	-12.09	-18.67	-12.86	-12.86	7.37	3.61	10.40	MSCI China	-6.05	-10.73	-18.88	-18.88	8.04	4.65	8.26
2000	-11.88	-20.20	-11.01	-11.01	7.36	4.41	11.97	MSCI Europe	-4.62	-12.72	-14.86	-14.86	2.10	-0.61	6.15
2000 Growth	-11.68	-21.65	-9.31	-9.31	7.24	5.14	13.52	MSCI India	-0.13	2.53	-7.30	-7.30	8.23	8.07	10.66
<b>Standard &amp; Poors</b>								MSCI Japan	-6.68	-14.23	-12.88	-12.88	3.41	3.07	5.33
S&P 500	-9.03	-13.52	-4.38	-4.38	9.26	8.50	13.12	MSCI EM Latin America	-0.82	0.36	-6.57	-6.57	14.85	-1.73	4.98
Consumer Disc	-8.37	-16.42	0.83	0.83	9.55	9.69	18.35	MSCI Russia	-3.49	-8.97	-0.70	-0.70	17.38	-1.96	7.33
Consumer Staples	-9.11	-5.21	-8.38	-8.38	3.09	6.26	10.96	<b>Fixed Income-Taxable</b>							
Energy	-12.67	-23.78	-18.10	-18.10	1.07	-5.56	3.50	Barclays U.S. Aggregate	1.84	1.64	0.01	0.01	2.06	2.52	3.48
Financials	-11.28	-13.11	-13.03	-13.03	9.27	8.16	10.92	Barclays US Aggregate 1-3	0.78	1.18	1.60	1.60	1.26	1.05	1.65
Health Care	-8.62	-8.72	6.47	6.47	8.14	11.12	14.65	Barclays US Aggregate 3-5	1.38	1.84	1.14	1.14	1.63	1.86	2.93
Industrials	-10.70	-17.29	-13.29	-13.29	7.65	5.95	12.68	Barclays US Aggregate 5-7	1.58	1.99	0.90	0.90	1.81	2.32	3.61
Information Technology	-8.46	-17.34	-0.29	-0.29	16.37	14.93	18.36	ICE BofAML US 3M Trsy Bill	0.18	0.56	1.87	1.87	1.02	0.63	0.37
Materials	-6.90	-12.31	-14.70	-14.70	7.22	3.84	11.07	Barclays U.S. Gov't	2.13	2.54	0.88	0.88	1.41	1.99	2.12
Real Estate	-7.41	-3.83	-2.22	-2.22	3.87	8.84	13.28	Barclays U.S. Credit	1.50	0.01	-2.11	-2.11	3.16	3.22	5.52
Communication Services	-7.29	-13.19	-12.53	-12.53	2.17	2.58	7.51	Barclays High Yield Corp.	-2.14	-4.53	-2.08	-2.08	7.23	3.83	11.12
Utilities	-4.02	1.36	4.11	4.11	10.71	10.75	10.46	Barclays TIPS	0.55	-0.42	-1.26	-1.26	2.11	1.69	3.64
<b>Other U.S. Equity</b>								Barclays Global Aggregate	2.02	1.20	-1.20	-1.20	2.70	1.08	2.49
Dow Jones Industrial Avg.	-8.59	-11.31	-3.48	-3.48	12.93	9.70	13.16	Barclays Gbl Agg Ex USD	2.22	0.91	-2.15	-2.15	3.15	-0.01	1.74
NASDAQ 100	-8.83	-16.76	0.04	0.04	12.59	13.34	19.29	JPM EMBI Global Div	1.35	-1.26	-4.26	-4.26	5.15	4.80	8.20
<b>Alternative Investments</b>								<b>Fixed Income-Tax Exempt</b>							
Alerian MLP	-9.36	-17.30	-12.42	-12.42	-1.06	-7.31	9.58	Barclays Municipal	1.20	1.69	1.28	1.28	2.30	3.82	4.85
Bloomberg Commodity	-6.89	-9.41	-11.25	-11.25	0.30	-8.80	-3.78	Barclays Municipal 3 Yr	0.66	1.11	1.76	1.76	1.13	1.16	1.99
FTSE NAREIT Equity REIT	-8.23	-6.73	-4.62	-4.62	2.89	7.90	12.12	Barclays Municipal 5 Yr	0.97	1.58	1.69	1.69	1.47	2.00	3.13
S&P Global Natural Res.	-5.08	-16.79	-12.57	-12.57	12.36	-0.53	3.15	Barclays Municipal 7 Yr	1.21	2.02	1.66	1.66	1.86	2.98	4.01
S&P N. Amer Natural Res.	-11.19	-23.47	-21.07	-21.07	1.50	-6.50	2.99	Barclays HY Muni	0.86	0.30	4.76	4.76	5.77	6.53	9.12

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