

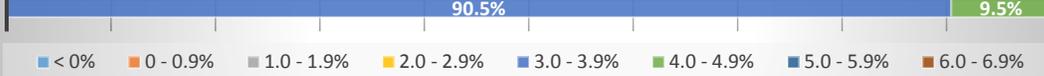


Capital Market Consultants, Inc.

Investment Manager, Capital Market and Economic Research

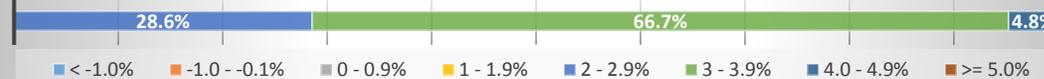
Money Manager Survey: On August 6, 2018, Capital Market Consultants initiated a survey of fixed income and equity asset management organizations that oversee more than \$8.9 trillion. In an effort to gauge institutional investor sentiment, nine questions were presented. These questions, along with the corresponding answer choices, are noted below. The percentage of respondents selecting an answer choice is represented by the bar graph that appears immediately below each question. Answer choices that received zero responses are not represented on the bar graph.

The IMF reported a 2017 global real GDP growth rate of 3.8% and projects both 2018 and 2019 to grow at a 3.9% pace. What are your expectations for the next 12 months?



Comment: We received 21 responses to this question. Nineteen expect global real GDP growth to remain in the 3% to 4% range. Two expect growth of 4% to 5%.

As reported by the Commerce Department, U.S. 2Q 2018 real GDP grew at a 4.1% annual rate. What are your expectations for the next 12 months?



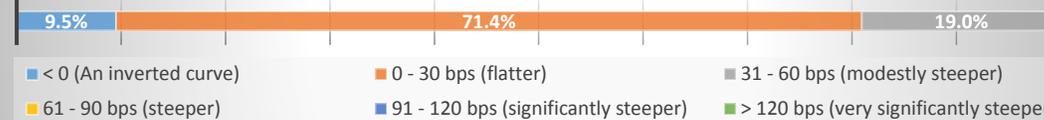
Comment: We received 21 responses to this question. Fourteen expect U.S. real GDP growth of 3% to 4%. Six expect 2% to 3% growth, and one expects growth of 4.0% to 5.0%.

The 10-Year U.S. Treasury Note is currently yielding about 3.0%. What will the yield be in 12 months?



Comment: We received 21 responses to this question. Sixteen expect interest rates in the 3.0% to 3.5% range. Two expect 3.5% to 4% rates, and three expect 2.5% to 3.0% rates.

The 10-2 Treasury Yield Spread is currently about 30 bps. What will the spread be in 12 months?



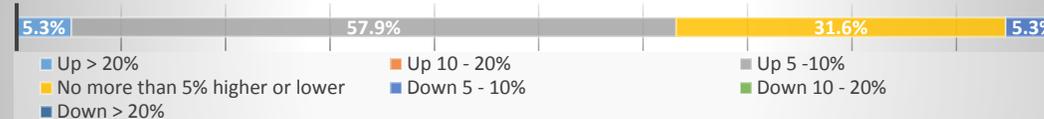
Comment: We received 21 responses to this question. Two expect the yield curve to invert, while four expect the curve to modestly steepen. Fifteen expect a 10-2 spread of 0 - 30 bps.

Is your 12 month outlook on the fixed income markets bullish or bearish?



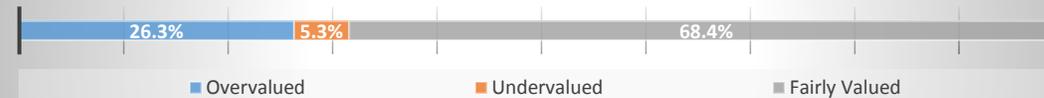
Comment: Twelve respondents offered a bullish or bearish opinion. Ten were bearish while two were bullish.

The S&P 500 is at about 2826. Where will the index close in 12 months?



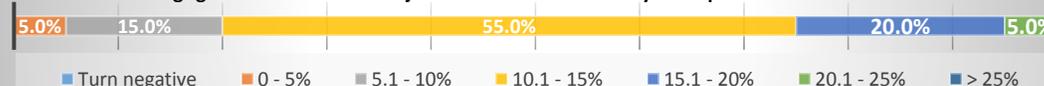
Comment: We received 19 responses to this question. Only one expects the market to fall more than 5%. Eleven expect a 5% to 10% increase. One expects an increase of 20% plus.

In your view, are U.S. equities generally:



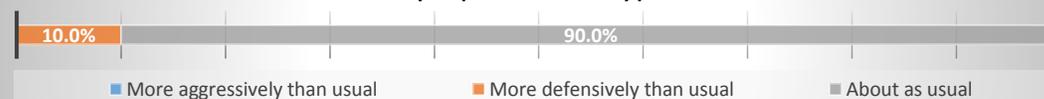
Comment: We received 19 responses to this question. Thirteen view the equity market as fairly valued, five judge it to be overvalued, and one deems the market to be undervalued.

For 1Q 2018, FactSet reported a year-over-year S&P 500 earnings growth of about 25%. For 2Q 2018, FactSet's current blended earnings growth rate estimate is just above 20%. What are your expectations for the next 12 months?



Comment: We received 20 responses to this question. Eleven expect earnings growth of 10% to 15%. One expects to maintain current 20% to 25% earnings growth rates.

How are your portfolios currently positioned?



Comment: We received 20 responses to this question. In general, it was business as usual with 18 maintaining normal positioning. Two reported to be positioned defensively.

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