

Market Commentary

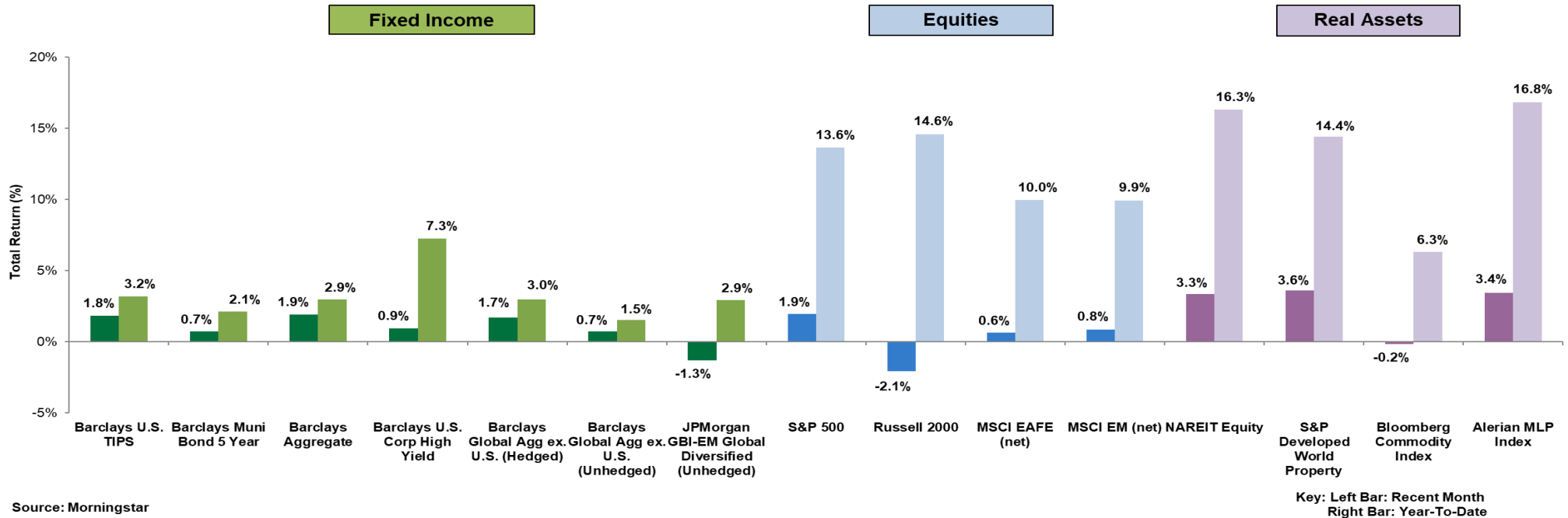
March 2019

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Global Markets Summary

March 2019

Asset Class Returns



Fixed Income

- Dovish comments from the U.S. Federal Reserve pulled U.S. Treasury yields lower. The short end of the yield curve inverted with two-year rates trading above the five-year rates.
- Core Fixed Income was the best performing fixed income asset class as investment grade corporates benefitted from sharply falling long term rates.
- Emerging Markets Debt posted negative returns as sovereign rates rose amid risk averse investor sentiment.

Equities

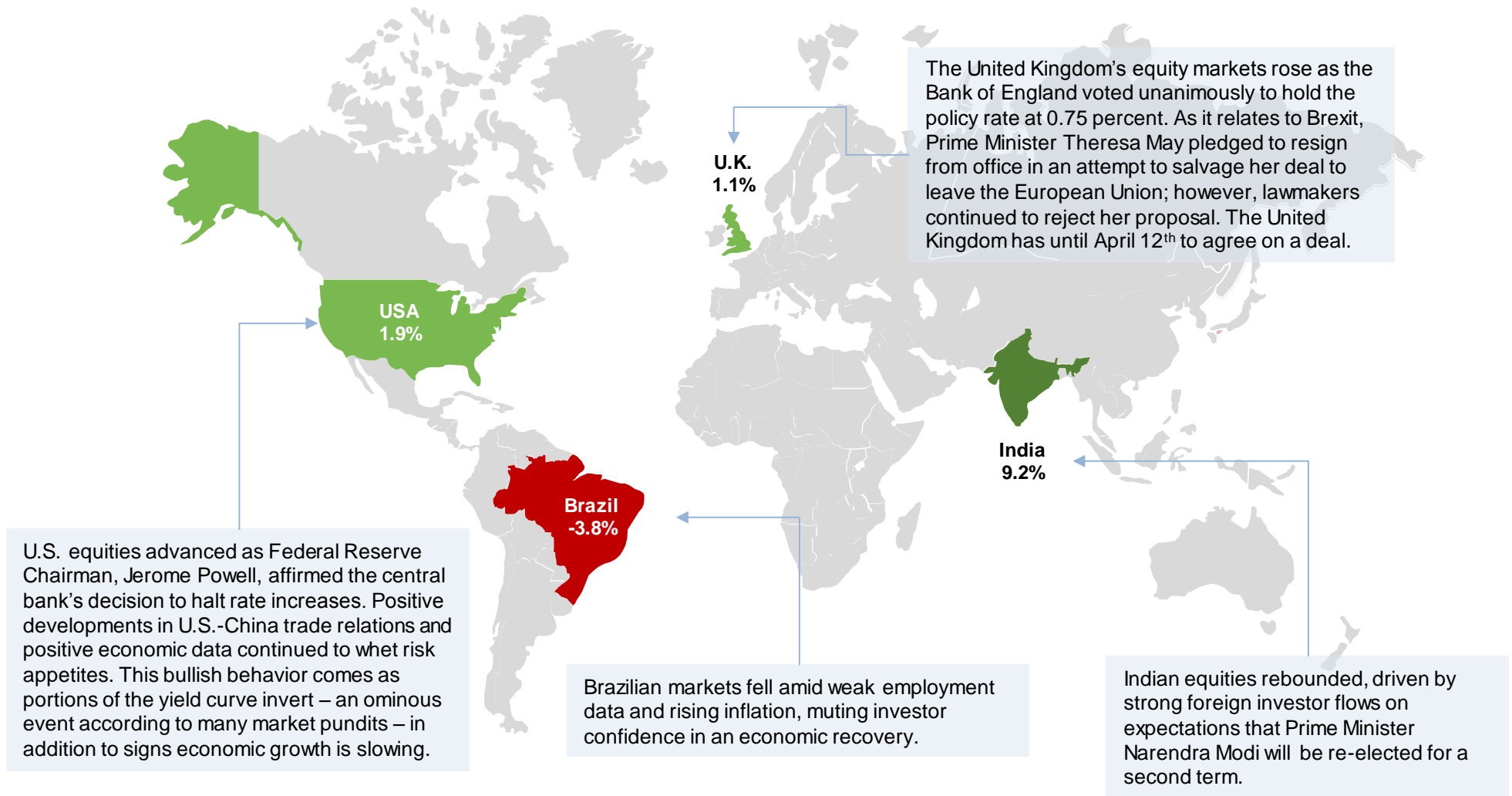
- Large Cap U.S. equities continued their advance as fewer macroeconomic headlines and a pause in rate-hikes resulted in positive sentiment.
- Growth broadly outperformed Value during the month. Technology and energy led while financials and healthcare lagged the benchmark.
- International equities advanced but were subdued by stagnant economic data and concerns of slowing growth in Europe and Asia, respectively.

Real Assets

- Commodities fell slightly during the month. Oversupply of grains dragged prices lower and gold was weighed down by a strong dollar.
- International REITs marginally outpaced domestic REITs and MLPs as the best performing real asset class in March. Sentiment in Europe improved as the European Central Bank postponed interest rate hikes until 2020.
- MLPs rose higher on oil price strength and falling rates.

Global Highlights

March 2019



Stated returns reflect each country's MSCI Gross Country Index in U.S. Dollars

Financial Markets Performance

Total Returns as of March 31, 2019

Periods greater than one year are annualized

All returns are in U.S. dollar terms

Global Fixed Income Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.2%	0.6%	0.6%	2.1%	1.1%	0.7%	0.5%	0.4%	1.3%
Bloomberg Barclays US TIPS	1.8%	3.2%	3.2%	2.7%	1.7%	1.9%	1.2%	3.4%	3.7%
Bloomberg Barclays Municipal Bond (5 Year)	0.7%	2.1%	2.1%	4.4%	1.8%	2.2%	2.2%	3.1%	3.3%
Bloomberg Barclays HY Muni	2.6%	3.8%	3.8%	8.1%	6.1%	6.1%	6.0%	8.7%	5.7%
Bloomberg Barclays US Aggregate	1.9%	2.9%	2.9%	4.5%	2.0%	2.7%	2.5%	3.8%	3.9%
Bloomberg Barclays U.S. Corporate High Yield	0.9%	7.3%	7.3%	5.9%	8.6%	4.7%	6.3%	11.3%	7.3%
Bloomberg Barclays Global Aggregate ex-US Hedged	1.7%	3.0%	3.0%	5.2%	3.3%	4.3%	4.2%	4.3%	4.3%
Bloomberg Barclays Global Aggregate ex-US Unhedged	0.7%	1.5%	1.5%	(4.1%)	1.0%	(0.3%)	0.2%	2.5%	2.9%
Bloomberg Barclays U.S. Long Gov / Credit	4.7%	6.5%	6.5%	5.2%	3.8%	5.3%	4.9%	7.2%	6.1%
JPMorgan GBI-EM Global Diversified	(1.3%)	2.9%	2.9%	(7.6%)	3.3%	(0.8%)	(0.5%)	4.4%	5.8%
Global Equity Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	1.9%	13.6%	13.6%	9.5%	13.5%	10.9%	12.8%	15.9%	8.6%
Dow Jones Industrial Average	0.2%	11.8%	11.8%	10.1%	16.4%	12.2%	12.9%	16.0%	9.0%
NASDAQ Composite	2.7%	16.8%	16.8%	10.6%	18.0%	14.3%	15.4%	18.9%	10.6%
Russell 3000	1.5%	14.0%	14.0%	8.8%	13.5%	10.4%	12.6%	16.0%	8.7%
Russell 1000	1.7%	14.0%	14.0%	9.3%	13.5%	10.6%	12.8%	16.0%	8.7%
Russell 1000 Growth	2.8%	16.1%	16.1%	12.7%	16.5%	13.5%	14.3%	17.5%	9.7%
Russell 1000 Value	0.6%	11.9%	11.9%	5.7%	10.5%	7.7%	11.1%	14.5%	7.6%
Russell Mid Cap	0.9%	16.5%	16.5%	6.5%	11.8%	8.8%	12.0%	16.9%	9.6%
Russell Mid Cap Growth	1.3%	19.6%	19.6%	11.5%	15.1%	10.9%	13.0%	17.6%	9.9%
Russell Mid Cap Value	0.5%	14.4%	14.4%	2.9%	9.5%	7.2%	11.3%	16.4%	9.2%
Russell 2000	(2.1%)	14.6%	14.6%	2.0%	12.9%	7.1%	10.7%	15.4%	8.0%
Russell 2000 Growth	(1.4%)	17.1%	17.1%	3.9%	14.9%	8.4%	11.8%	16.5%	8.7%
Russell 2000 Value	(2.9%)	11.9%	11.9%	0.2%	10.9%	5.6%	9.6%	14.1%	7.2%
MSCI ACWI (net)	1.3%	12.2%	12.2%	2.6%	10.7%	6.5%	8.4%	12.0%	6.8%
MSCI ACWI ex. U.S. (net)	0.6%	10.3%	10.3%	(4.2%)	8.1%	2.6%	4.7%	8.8%	5.6%
MSCI EAFE (net)	0.6%	10.0%	10.0%	(3.7%)	7.3%	2.3%	5.6%	9.0%	5.1%
MSCI EAFE Growth (net)	1.8%	12.0%	12.0%	(1.3%)	7.6%	3.9%	6.5%	9.7%	5.7%
MSCI EAFE Value (net)	(0.5%)	7.9%	7.9%	(6.1%)	6.9%	0.7%	4.7%	8.1%	4.5%
MSCI EAFE Small Cap (net)	0.2%	10.7%	10.7%	(9.4%)	7.5%	4.5%	8.2%	12.8%	7.2%
MSCI Emerging Markets (net)	0.8%	9.9%	9.9%	(7.4%)	10.7%	3.7%	2.7%	8.9%	7.9%
Real Assets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
FTSE NAREIT Equity REITs	3.3%	16.3%	16.3%	20.9%	6.1%	9.1%	9.3%	18.3%	8.5%
S&P Developed World Property ex-US	4.0%	13.1%	13.1%	4.8%	7.5%	6.3%	8.5%	13.2%	7.3%
S&P Developed World Property	3.6%	14.4%	14.4%	12.4%	6.7%	7.5%	8.8%	15.2%	7.7%
Bloomberg Commodity Total Return	(0.2%)	6.3%	6.3%	(5.3%)	2.2%	(8.9%)	(7.1%)	(2.6%)	(2.8%)
Alerian MLP	3.4%	16.8%	16.8%	15.1%	5.7%	(4.7%)	0.7%	10.1%	8.0%

Source: Morningstar

Disclosures

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes. Each index is unmanaged and investors can not actually invest directly into an index: Cash – Citigroup 90 Day T-Bill; TIPS – Bloomberg Barclays US Treasury TIPS; Aggregate Bond – Bloomberg Barclays US Aggregate Bond Index; Municipal Bond – Bloomberg Barclays Municipal 5-Year Bond; High Yield – Bloomberg Barclays US Corporate High Yield; Foreign Bond – Bloomberg Barclays Global Aggregate Ex USD; Local Currency Denominated Emerging Markets Debt – JPMorgan GBI-EM Global Diversified Unhedged Index; Large Value – Russell 1000 Value; Large Blend – S&P 500; Large Growth – Russell 1000 Growth; Small Value – Russell 2000 Value; Small Blend – Russell 2000; Small Growth – Russell 2000 Growth; International – MSCI EAFE; Emerging Markets – MSCI EM; REITs – FTSE NAREIT Equity REITs; Commodities – Bloomberg Commodity Index; MLP – Alerian MLP; Hedge Funds – HFRI Fund of Funds Composite Index; Balanced – 5% Bloomberg Barclays US Treasury TIPS, 10% Bloomberg Barclays US Aggregate Bond Index, 4.5% Bloomberg Barclays Global Aggregate Ex USD, 4.5% Bloomberg Barclays Global Aggregate Ex USD (Hedged), 9% Bloomberg Barclays US Corporate High Yield, 2% JPMorgan GBI-EM Global Diversified Unhedged Index, 16% S&P 500, 5% Russell 2000, 12% MSCI EAFE, 7% MSCI EM, 5% FTSE NAREIT Equity REITs, 5% Bloomberg Commodity Index, 5% Alerian MLP, 10% HFRI Fund of Funds Composite Index; Domestic Equity Indices – Russell 1000, Russell 1000 Growth, Russell 1000 Value, Russell Mid-Cap, Russell Mid Cap Growth, Russell Mid-Cap Value, Russell 2000, Russell 2000 Growth, Russell 2000 Value; International Developed Markets – MSCI EAFE; US Dollar – US Dollar Index; Unhedged Developed Fixed Income – Bloomberg Barclays Global Aggregate Ex USD (Hedged); Real Assets – Bloomberg Commodity Index; Materials, Financials, Energy, Oil & Gas, Healthcare, Information Technology, Consumer Related Sectors – Dow Jones Sector Indices; Small Cap Securities – Russell 2000, Russell 2000 Growth, Russell 2000 Value; Large Cap Securities – Russell 1000, Russell 1000 Growth, Russell 1000 Value; Mid Cap Securities – Russell Mid Cap, Russell Mid Cap Growth, Russell Mid Cap Value; Growth – Russell 1000 Growth, Russell Mid Cap Growth, Russell Small Cap Growth; Value – Russell 1000 Value, Russell Mid Cap Value, Russell 2000 Value; Fixed Income Markets – Bloomberg Barclays US Treasury TIPS, Bloomberg Barclays Municipal 5-Year Bond, Bloomberg Barclays Aggregate; Investment Grade Corporate Securities – Bloomberg Barclays US Credit; Long Maturity Treasuries – Bloomberg Barclays US Treasury 20+ Year; Shorter Dated Issues – Bloomberg Barclays US Treasury 1-3 Year; Industrial-, Financial-and Utility- Related Credits – Bloomberg Barclays Fixed Income Sector Indices; BB-Rated, B-Rated and CCC-Rated – Bloomberg Barclays Fixed Income Credit Quality Indices; MBS – Bloomberg Barclays US MBS; ABS – Bloomberg Barclays ABS; Crude Oil – Bloomberg Composite Crude Oil; Australia, New Zealand, Japan, China, India, Taiwan, South Korea, Brazil, Mexico, Chile, South Africa, Turkey, Egypt, Hungary, Poland, Russia, Canada, United Kingdom, Spain, Germany, Italy, France – MSCI Country Index Gross Return USD; Natural Gas – Bloomberg Natural Gas.