

# Market Commentary

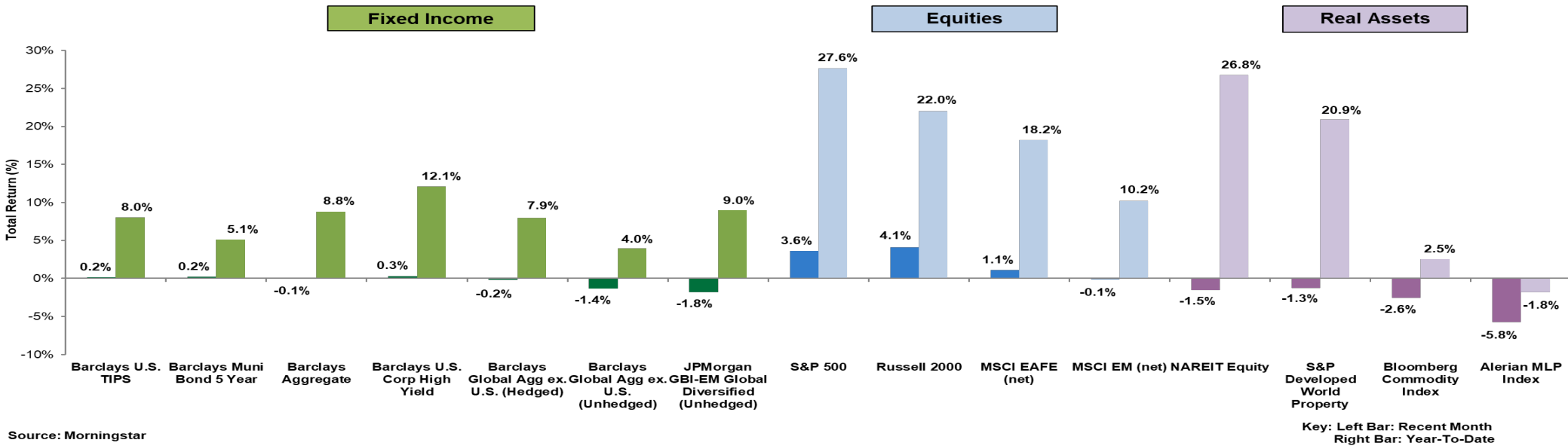
## November 2019

*This report is intended for the exclusive use of clients or prospective clients of Cordasco Financial Network Inc. Content is privileged and confidential. Dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources which are believed though not guaranteed to be accurate. Past performance does not indicate future performance. This paper does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice.*

# Global Markets Summary

## November 2019

### Asset Class Returns



#### Fixed Income

- U.S. Treasury yields rose across maturities with the ten-year rate finishing at 1.78 percent. Short term rates rose more than long term rates leading to a flattening curve later in the month.
- Rising rates during the month muted domestic fixed income sector returns.
- Unhedged international bonds underperformed hedged on U.S. dollar strength amid rising rates.

#### Equities

- Domestic equities posted positive returns on strong economic data and optimism regarding a “phase one” U.S. – China trade deal.
- Growth broadly outperformed value during the month. Technology, industrials, financials and health care led while utilities and energy lagged.
- International developed equities increased on rising consumer sentiment in Germany and promises of a new Brexit deal by Christmas. Emerging markets were modestly negative on poor economic data in China.

#### Real Assets

- Commodities posted negative returns as metals fell sharply on declining global demand, stirring investor concern of global slowdown.
- Domestic and international REITs fell as rates rose and investors weighed global growth concerns.
- Milder-than-expected weather sank natural gas prices and apathy towards energy stocks reigned over MLPs.

# Global Highlights

## November 2019

United Kingdom equities gained as polls suggested that a Conservative Party win in the December election was more probable. Additionally, promises from Prime Minister Boris Johnson to deliver a new Brexit deal by Christmas boosted markets.

UK  
1.7%

USA  
3.6%

Brazil  
-4.4%

U.S. equities reached new highs in November and continued to gain on a mix of supportive monetary policy and hopes of a “phase-one” U.S. – China trade deal, lifting prospects of an extended cycle. Domestically, consumers remained healthy heading into the holiday season a rise in October personal spending – the eighth straight monthly increase this year.

Brazilian equities sold off as the Central Bank of Brazil was forced to support the country's currency, which had declined to levels lower than in the country's deepest recession in 2015.

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

## Financial Markets Performance

Total Returns as of November 30, 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	0.1%	0.5%	2.1%	2.3%	1.6%	1.0%	0.7%	0.5%	1.3%
Bloomberg Barclays US TIPS	0.2%	(1.0%)	8.0%	8.6%	3.2%	2.3%	0.9%	3.1%	3.9%
Bloomberg Barclays Municipal Bond (5 Year)	0.2%	(0.1%)	5.1%	6.1%	3.5%	2.3%	2.2%	2.9%	3.5%
Bloomberg Barclays HY Muni	0.4%	0.4%	10.3%	11.3%	8.7%	6.0%	5.2%	7.3%	5.7%
Bloomberg Barclays US Aggregate	(0.1%)	(0.3%)	8.8%	10.8%	4.1%	3.1%	2.7%	3.6%	4.2%
Bloomberg Barclays U.S. Corporate High Yield	0.3%	1.0%	12.1%	9.7%	6.3%	5.4%	5.7%	7.7%	7.2%
Bloomberg Barclays Global Aggregate ex-US Hedged	(0.2%)	(1.2%)	7.9%	9.2%	4.6%	4.1%	4.3%	4.3%	4.5%
Bloomberg Barclays Global Aggregate ex-US Unhedged	(1.4%)	(1.8%)	4.0%	6.3%	3.6%	1.2%	0.0%	0.9%	2.5%
Bloomberg Barclays U.S. Long Gov / Credit	0.1%	(1.9%)	21.0%	25.4%	8.7%	6.0%	5.1%	7.4%	7.0%
JPMorgan GBI-EM Global Diversified	(1.8%)	2.0%	9.0%	10.4%	6.3%	0.7%	(0.5%)	2.3%	5.4%
Global Equity Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	3.6%	7.9%	27.6%	16.1%	14.9%	11.0%	14.4%	13.4%	9.0%
Dow Jones Industrial Average	4.1%	6.9%	23.0%	12.5%	16.3%	12.2%	14.3%	13.3%	9.6%
NASDAQ Composite	4.6%	9.1%	31.9%	19.5%	18.9%	13.9%	17.7%	16.3%	11.1%
Russell 3000	3.8%	7.9%	27.3%	15.5%	14.2%	10.6%	14.1%	13.4%	9.1%
Russell 1000	3.8%	7.8%	27.7%	16.1%	14.7%	10.8%	14.3%	13.5%	9.2%
Russell 1000 Growth	4.4%	7.4%	32.4%	21.0%	19.8%	13.7%	16.4%	15.2%	10.6%
Russell 1000 Value	3.1%	8.3%	23.2%	11.3%	9.6%	7.8%	12.1%	11.7%	7.7%
Russell Mid Cap	3.6%	6.7%	27.6%	15.0%	11.6%	8.9%	13.2%	13.6%	9.6%
Russell Mid Cap Growth	5.0%	5.7%	33.9%	21.8%	17.0%	11.3%	14.9%	14.8%	10.4%
Russell Mid Cap Value	2.7%	7.4%	23.3%	10.4%	7.7%	7.1%	11.9%	12.7%	8.9%
Russell 2000	4.1%	9.1%	22.0%	7.5%	8.6%	8.2%	11.8%	12.4%	7.9%
Russell 2000 Growth	5.9%	8.0%	25.6%	10.9%	12.2%	9.5%	13.2%	13.7%	8.9%
Russell 2000 Value	2.3%	10.2%	18.3%	4.0%	5.0%	6.8%	10.2%	11.0%	6.8%
MSCI ACWI (net)	2.4%	7.5%	22.3%	13.7%	11.9%	7.2%	9.5%	8.6%	6.9%
MSCI ACWI ex. U.S. (net)	0.9%	7.1%	16.5%	11.2%	9.2%	3.8%	5.3%	4.7%	5.3%
MSCI EAFE (net)	1.1%	7.8%	18.2%	12.4%	9.6%	4.3%	6.3%	5.3%	4.9%
MSCI EAFE Growth (net)	1.8%	6.6%	24.4%	18.4%	12.6%	6.4%	7.8%	6.9%	5.9%
MSCI EAFE Value (net)	0.4%	9.0%	12.0%	6.5%	6.6%	2.1%	4.8%	3.7%	3.8%
MSCI EAFE Small Cap (net)	2.2%	9.9%	19.7%	12.0%	10.4%	7.8%	9.4%	8.4%	7.0%
MSCI Emerging Markets (net)	(0.1%)	6.1%	10.2%	7.3%	9.0%	3.1%	2.9%	3.3%	7.3%
Real Assets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
FTSE NAREIT Equity REITs	(1.5%)	2.8%	26.8%	16.3%	10.0%	7.7%	10.2%	12.8%	8.3%
S&P Developed World Property ex-US	(0.9%)	4.9%	17.9%	15.6%	9.8%	5.4%	6.3%	7.4%	5.9%
S&P Developed World Property	(1.3%)	3.5%	20.9%	14.6%	9.0%	5.7%	7.4%	9.0%	6.3%
Bloomberg Commodity Total Return	(2.6%)	0.6%	2.5%	(4.5%)	(2.0%)	(6.4%)	(7.7%)	(5.0%)	(3.2%)
Alerian MLP	(5.8%)	(11.0%)	(1.8%)	(11.0%)	(5.7%)	(9.6%)	(2.6%)	4.0%	6.0%

Source: Morningstar

## Disclosures

This report is intended for the exclusive use of clients or prospective clients of Cordasco Financial Network Inc. Content is privileged and confidential. Dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources which are believed though not guaranteed to be accurate. Past performance does not indicate future performance. This paper does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice.

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.