

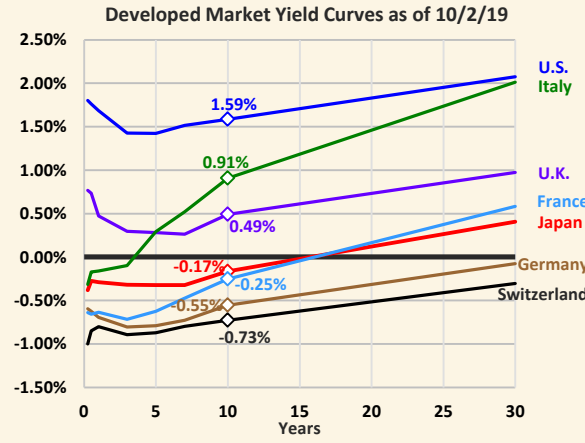
Market Facts and Figures from Q3 2019

In the US, Large Caps were the top performers in Q3, and Value led Growth among Small and Mid Caps

2019 3Q US Returns (Russell Indices)

	Value	Core	Growth
Large	1.4%	1.4%	1.5%
Mid	1.2%	0.5%	-0.7%
Small	-0.6%	-2.4%	-4.2%

While US Treasury yields are low by historical standards, they are still high on a relative basis



Best and Worst Markets

Developed Markets

Top 3	2019 3Q	Bottom 3	2019 3Q
Belgium	3.44%	Sweden	-4.82%
Japan	3.13%	Singapore	-5.78%
Netherlands	2.38%	Hong Kong	-11.94%

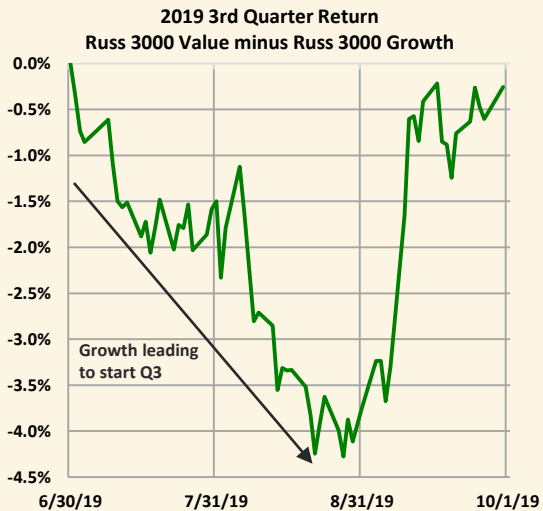
Emerging Markets

Top 3	2019 3Q	Bottom 3	2019 3Q
Turkey	11.65%	Czech Republic	-10.12%
Egypt	7.44%	Poland	-12.12%
Taiwan	5.19%	South Africa	-12.60%

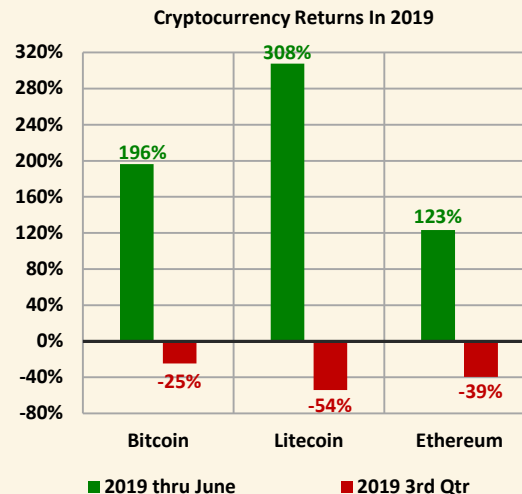
Frontier Markets

Top 3	2019 3Q	Bottom 3	2019 3Q
Jamaica	9.87%	Ukraine	-14.48%
Oman	7.29%	Botswana	-40.67%
Zimbabwe	6.45%	Argentina	-46.83%

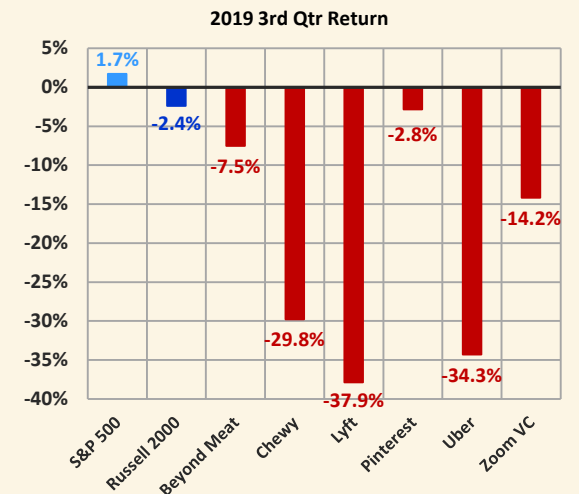
The US market experienced a sharp shift towards Value in the latter half of the third quarter



Cryptocurrencies surged in the first half of 2019, but gave back a chunk of their gains in Q3



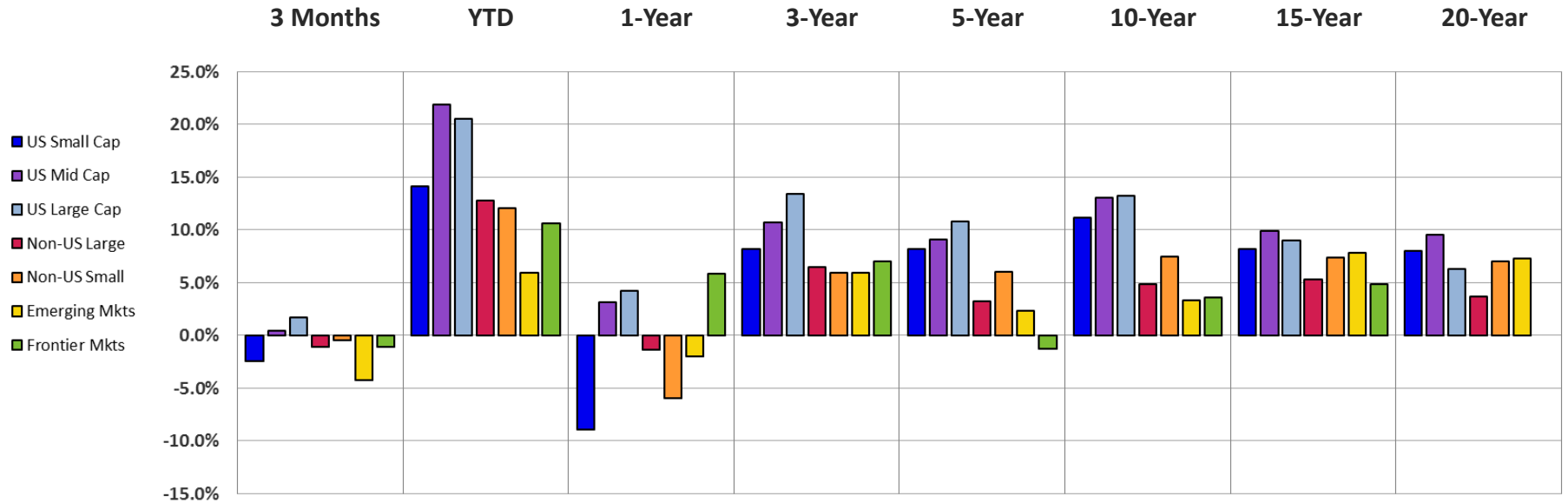
Several of 2019's high-profile IPOs struggled in the third quarter



Sources: Morningstar Advisor Workstation, worldgovernmentbonds.com, coindesk.com, finance.yahoo.com

World Equity Performance

Quarter Ending September 30, 2019

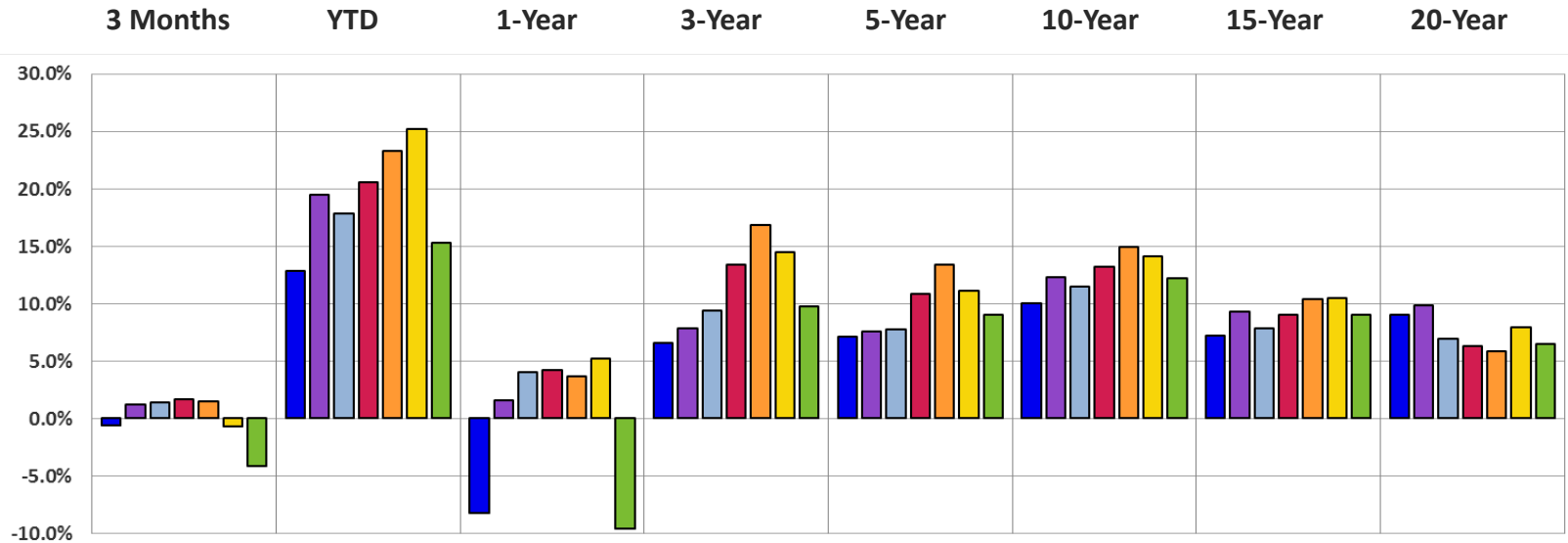


	3 Months	YTD	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year
US Small Cap	-2.4%	14.2%	-8.9%	8.2%	8.2%	11.2%	8.2%	8.0%
US Mid Cap	0.5%	21.9%	3.2%	10.7%	9.1%	13.1%	9.9%	9.5%
US Large Cap	1.7%	20.6%	4.3%	13.4%	10.8%	13.2%	9.0%	6.3%
Non-US Large	-1.1%	12.8%	-1.3%	6.5%	3.3%	4.9%	5.3%	3.7%
Non-US Small	-0.4%	12.1%	-5.9%	5.9%	6.0%	7.5%	7.3%	7.0%
Emerging Mkts	-4.2%	5.9%	-2.0%	6.0%	2.3%	3.4%	7.8%	7.3%
Frontier Mkts	-1.1%	10.7%	5.9%	7.0%	-1.3%	3.6%	4.9%	

The strong returns of the first half of 2019 came to a halt in the third quarter. International stocks of all types were down, as were US small caps. US mid and large caps were slightly positive. Looking longer-term, US Large Caps have outpaced Non-US Developed Large Caps by an annualized 8.3% over the past decade.

U.S. Equity Style Performance

Quarter Ending September 30, 2019

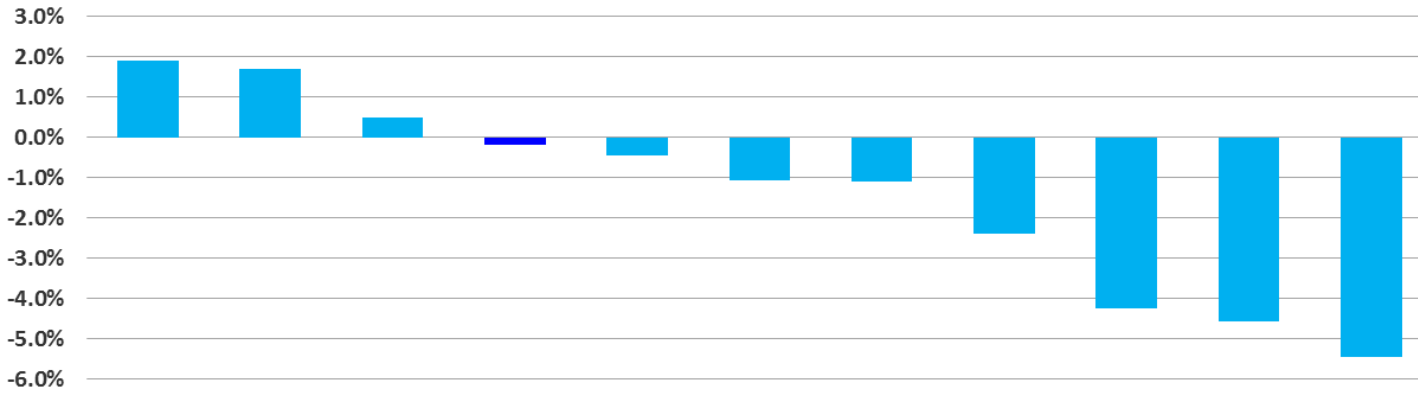


Small Value	-0.6%	12.8%	-8.2%	6.5%	7.2%	10.1%	7.2%	9.0%
Mid Value	1.2%	19.5%	1.6%	7.8%	7.6%	12.3%	9.3%	9.8%
Large Value	1.4%	17.8%	4.0%	9.4%	7.8%	11.5%	7.8%	6.9%
S&P 500	1.7%	20.6%	4.3%	13.4%	10.8%	13.2%	9.0%	6.3%
Large Growth	1.5%	23.3%	3.7%	16.9%	13.4%	14.9%	10.4%	5.8%
Mid Growth	-0.7%	25.2%	5.2%	14.5%	11.1%	14.1%	10.5%	8.0%
Small Growth	-4.2%	15.3%	-9.6%	9.8%	9.1%	12.2%	9.0%	6.5%

Growth stocks were leading yet again at the start of the third quarter, however in late August the US experienced a sharp reversal toward Value stocks. By the end of the quarter, Value had outperformed Growth in Small and Mid Caps, and Large Value was only basis points behind Large Growth.

Equity Performance Breakdown

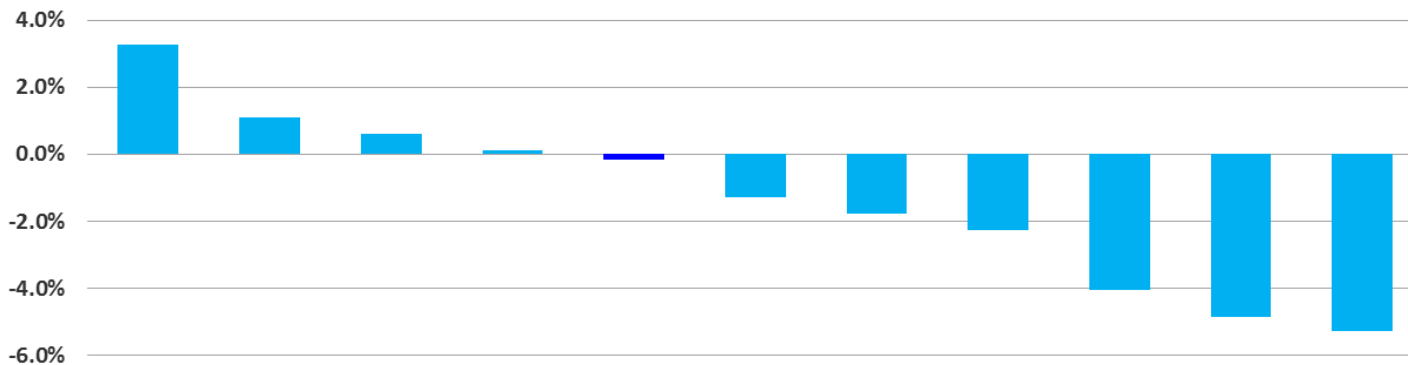
2019 3Q World Index Returns



US Mid and Large Cap stocks were the only positives among the major equity indexes.

	S&P 100	S&P 500	Russell Mid Cap	MSCI ACWI IMI	MSCI EAFE Small Cap	MSCI EAFE	MSCI Frontier Markets	Russell 2000	MSCI Emerging Markets	MSCI Emrg Small Cap	Russell Micro Cap
2019 3Q Return	1.9%	1.7%	0.5%	-0.2%	-0.4%	-1.1%	-1.1%	-2.4%	-4.3%	-4.6%	-5.5%

2019 3Q Country Returns for the MSCI ACWI IMI

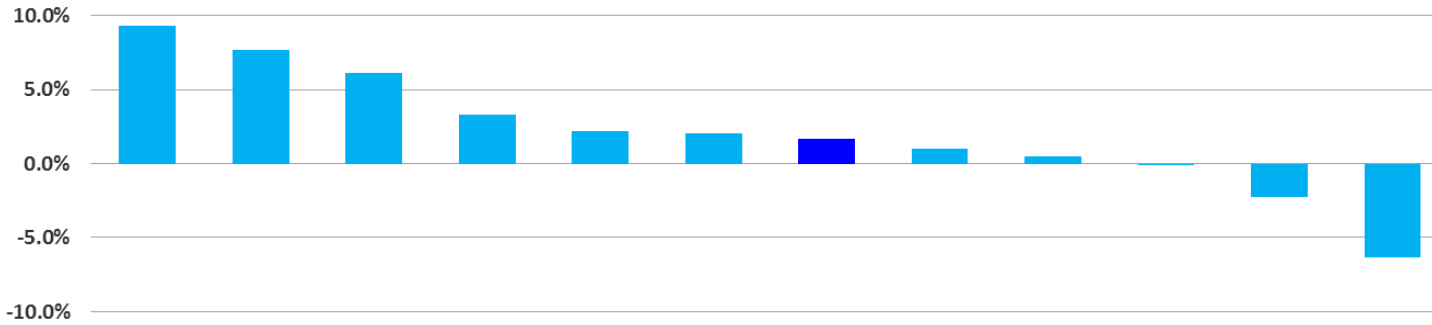


Japan and North America were the top performers in Q3. Almost all countries within the MSCI Emerging Markets Index were down in Q3, with Taiwan being the only positive among the countries that represent a significant portion of that benchmark. The Argentinian stock market fell by almost 50% in Q3 after current President Mauricio Macri was dealt a surprise defeat in his presidential primary election. Investors feared his loss may clear the way for a more populist candidate.

	Japan	U.S.	Canada	Switzerland	MSCI ACWI IMI Index	Australia	France	United Kingdom	Germany	China	South Korea
2019 3Q Return	3.3%	1.1%	0.6%	0.1%	-0.2%	-1.3%	-1.8%	-2.3%	-4.1%	-4.9%	-5.3%
Weight in ACWI	7.7%	55.3%	3.1%	2.7%	-	2.2%	3.1%	5.0%	2.5%	3.4%	1.4%

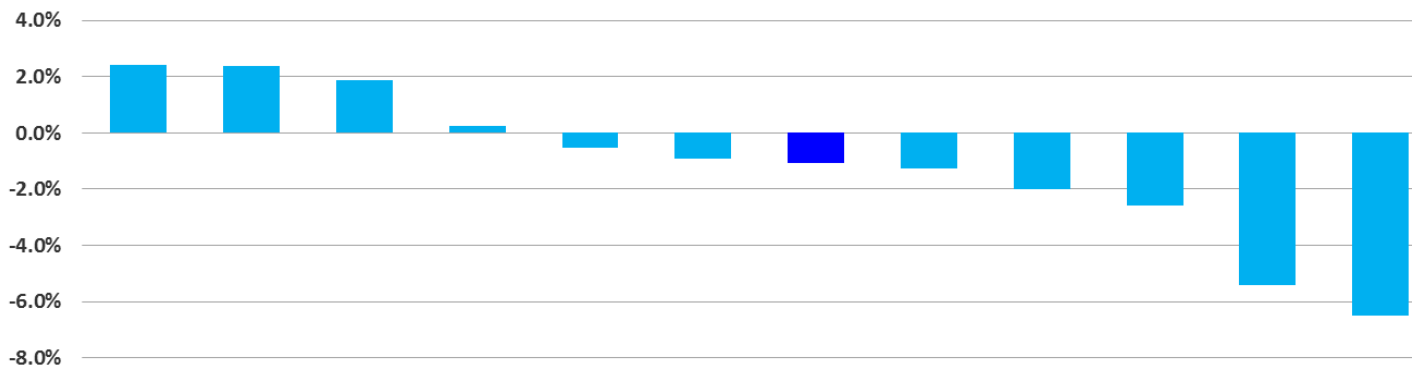
Equity Performance Breakdown

2019 3Q Sector Returns for the S&P 500



	Utilities	Real Estate	Consumer Staples	Technology	Communic. Services	Financials	S&P 500 Index	Industrials	Consumer Discretionary	Materials	Health Care	Energy
2019 3Q Return	9.3%	7.7%	6.1%	3.3%	2.2%	2.0%	1.7%	1.0%	0.5%	-0.1%	-2.3%	-6.3%
Weight in S&P	3.6%	3.2%	7.6%	21.9%	10.4%	12.9%	-	9.3%	10.1%	2.7%	13.7%	4.5%

2019 3Q Sector Returns for the MSCI EAFE



	Health Care	Utilities	Consumer Staples	Consumer Discretionary	Technology	Communic. Services	MSCI EAFE Index	Real Estate	Industrials	Financials	Materials	Energy
2019 3Q Return	2.4%	2.4%	1.9%	0.3%	-0.5%	-0.9%	-1.1%	-1.3%	-2.0%	-2.6%	-5.4%	-6.5%
Weight in EAFE	11.6%	3.8%	12.0%	11.5%	6.7%	5.4%	-	3.6%	14.7%	18.6%	7.0%	5.1%

Defensive sectors ruled in the third quarter, with Utilities, Real Estate and Consumer Staples all up over 6%. No other sector was up more than 3.3% for the quarter. The Health Care sector was down in Q3, likely impacted by the increased talk of major health care system changes by several presidential candidates. The Federal Open Market Committee voted to cut the Fed Funds Rate by a quarter point twice in the third quarter.

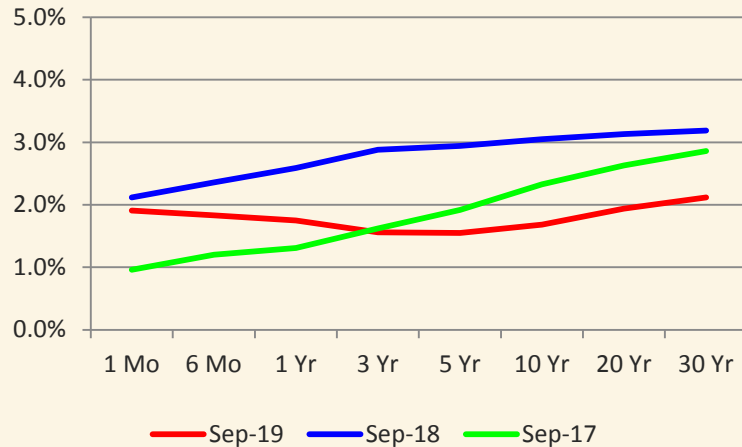
The defensive Utilities and Consumer Staples sectors were among the top performers in the Non-US markets, while the Energy and Materials sectors were the biggest laggards. The European Central Bank also chose to cut interest rates during the quarter, moving further into negative rate territory. In the UK, the Brexit saga took yet another twist, with Brexit hardliner Boris Johnson succeeding Theresa May as Britain's new Prime Minister.

Fixed Income Performance

Fixed Income Rates of Return		2019 3Q	YTD	1 Year	3 Year	5 Year	10 Year
Broad Market Indices	BBgBarc US Aggregate TR	2.27%	8.52%	10.30%	2.92%	3.38%	3.75%
	BBgBarc US Govt/Credit TR	2.64%	9.72%	11.32%	3.16%	3.61%	3.94%
Intermediate Indices	BBgBarc US Int Agg TR	1.38%	6.18%	8.08%	2.39%	2.74%	3.16%
	BBgBarc US Govt/Credit Int TR	1.37%	6.41%	8.17%	2.40%	2.68%	3.05%
Government Only Indices	FTSE 3 Month Treasury	0.56%	1.78%	2.36%	1.52%	0.96%	0.52%
	BBgBarc US Govt 1-3 Yr TR	0.59%	3.07%	4.42%	1.54%	1.34%	1.21%
	BBgBarc US Govt Int TR	1.18%	5.18%	7.52%	1.82%	2.18%	2.34%
	BBgBarc US TIPS TR	1.34%	7.58%	7.12%	2.21%	2.45%	3.46%
	BBgBarc US Govt Long TR	7.83%	19.61%	24.58%	4.11%	6.73%	6.86%
Municipal Indices	BBgBarc US Municipal TR	1.58%	6.75%	8.55%	3.19%	3.66%	4.16%
	BBgBarc US Municipal 1 Yr TR	0.26%	1.84%	2.64%	1.44%	1.09%	1.10%
	BBgBarc US Municipal 10 Yr TR	1.42%	6.86%	9.09%	3.16%	3.80%	4.42%
	BBgBarc US Municipal 20 Yr TR	2.29%	8.59%	10.58%	4.04%	4.71%	5.24%
Mortgage Backed Indices	BBgBarc US MBS TR	1.37%	5.60%	7.80%	2.32%	2.80%	3.14%
Corporate Bond Indices	BBgBarc US Credit TR	2.98%	12.61%	12.63%	4.33%	4.54%	5.32%
	BBgBarc US High Yield TR	1.33%	11.41%	6.36%	6.07%	5.37%	7.94%
World Bond Indices	FTSE World Government Bond	0.85%	6.27%	8.13%	1.19%	1.80%	1.69%
	BBgBarc EM USD Sovereign TR	0.80%	11.84%	11.16%	3.94%	5.24%	6.73%

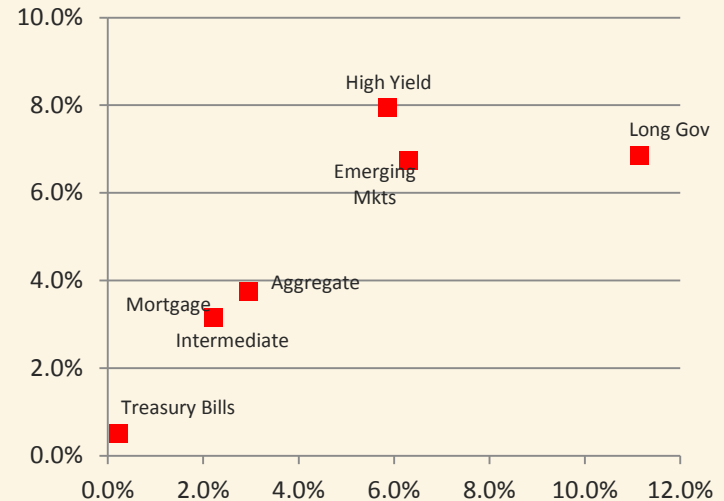
Source: Morningstar Advisor Workstation

United States Yield Curve



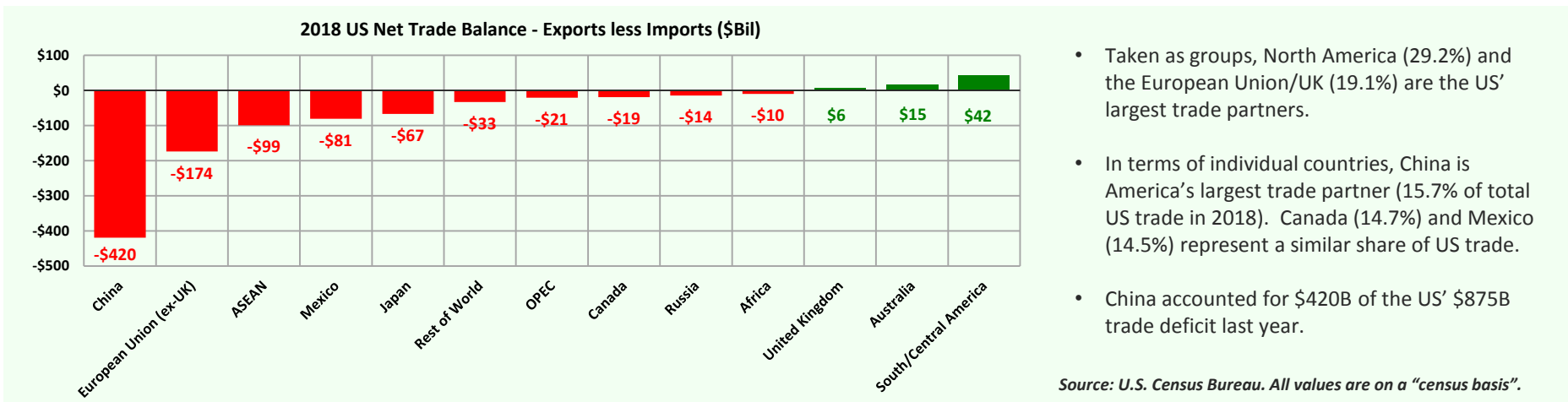
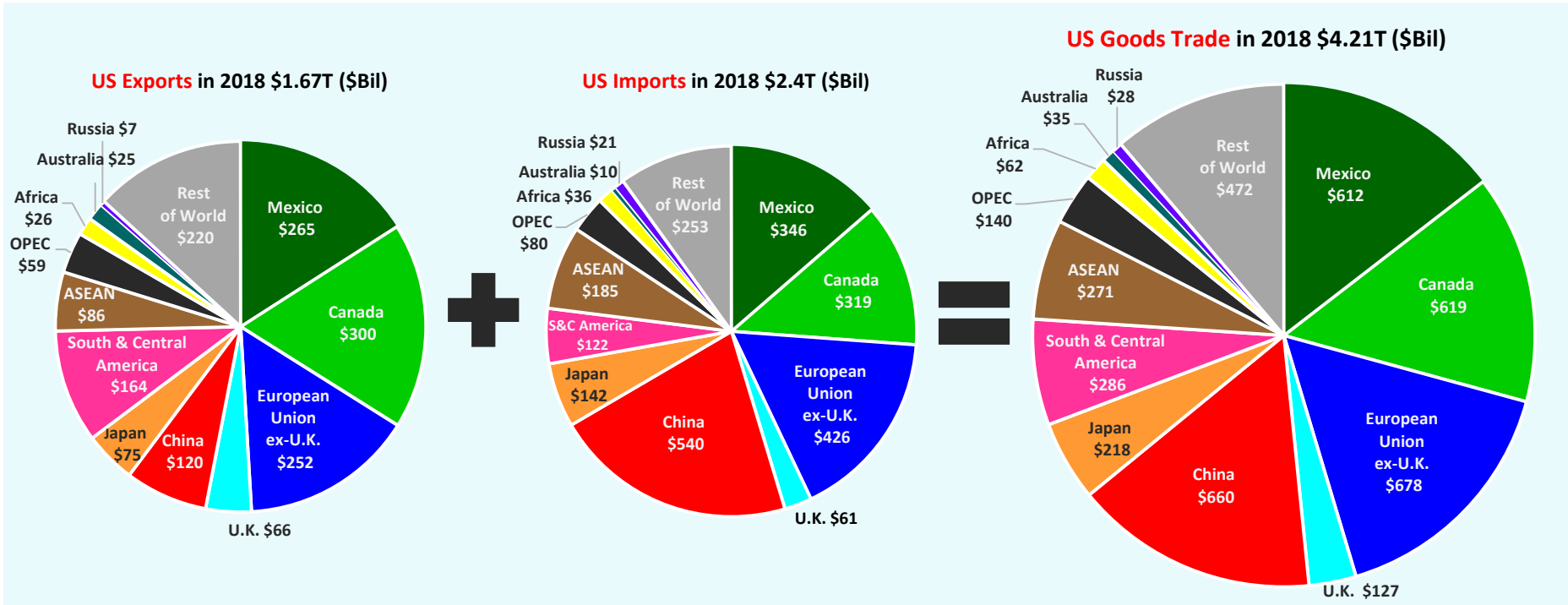
Source: United States Federal Reserve

10 Yr Risk vs Return - Selected Indices



MARKET MICROSCOPE – US Trading Partners By The Numbers

The US/China tariff war has put trade front and center in the news of late.



- Taken as groups, North America (29.2%) and the European Union/UK (19.1%) are the US' largest trade partners.
- In terms of individual countries, China is America's largest trade partner (15.7% of total US trade in 2018). Canada (14.7%) and Mexico (14.5%) represent a similar share of US trade.
- China accounted for \$420B of the US' \$875B trade deficit last year.

Source: U.S. Census Bureau. All values are on a "census basis".