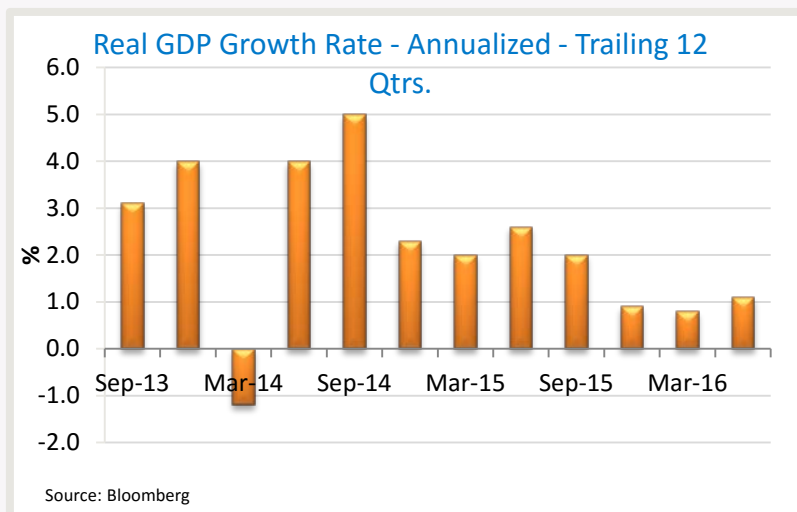




Chart of the Week



Weekly Highlights

- **The Federal Reserve (Fed) left its federal funds target range unchanged** following the two-day Federal Open Market Committee (FOMC) meeting. In its policy statement, the Fed highlighted that the case for an increase in the federal funds rate has strengthened, but decided to wait for further evidence of continued progress towards its objectives. Going into the decision, traders priced in only a 24% likelihood of a rate hike.
- **The Bank of Japan (BOJ) announced it would target the shape of the yield curve.** With its key rate already at -0.1%, the central bank will move to purchase Japanese government bonds (JGBs) with the aim of keeping the 10-year JGB rate at roughly 0% and steepening the yield curve.
- **Fed Chair Janet Yellen discussed the FOMC decision at a press conference** following its release. She stated that the labor market has continued to improve, and inflation has not risen above the 2% target. Although she described the November meeting as a “live” meeting, many expect that if a rate hike does occur, it will be at the December meeting rather than a few days prior to the Presidential election.
- **Microsoft announced a huge share-buyback of \$40 billion of stock**, roughly 40% of the shares outstanding, and an increase in its quarterly dividend to \$0.39 from \$0.03.

Talking Points

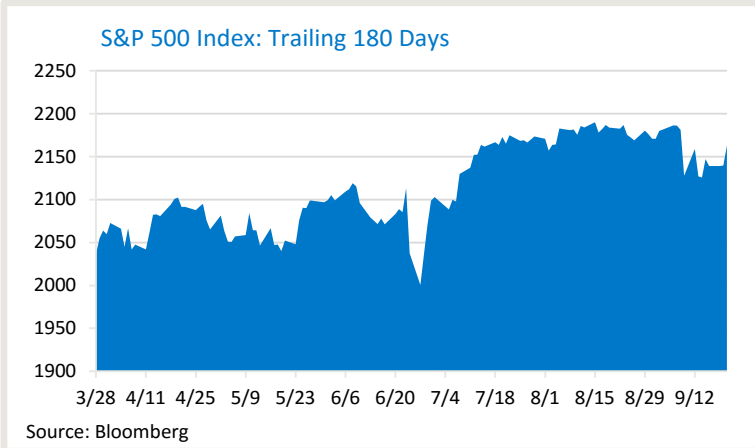
- **Among equities**, small cap continued its strong performance, edging out large cap stocks. Returns were split fairly evenly across large and small caps. Growth and value stocks were more evenly split. International stocks mostly outperformed developed equities, and emerging markets equities posted strong gains.
- **Commodities gained on the week** as oil posted strong gains, and precious metals prices rose following the Fed’s accommodative stance.
- **The yield on the 10-Year Treasury note moved lower.**
- **The dollar index was lower**, following the FOMC announcement and the potential delaying of the rate hike until the December meeting.
- **Despite the FOMC voting to hold off on raising rates**, three voting members (George, Mester, and Rosengren) dissented from the consensus opinion, the largest disagreement on Fed policy since December 2014.
- **Among major economic data released**, initial jobless claims fell to a two-month low of 252,000 versus an estimate of 262,000, dropping by 8,000 from the prior week. Existing home sales were 5.33 million units in August, which was lower than expected, and declined for the second month in a row. Preliminary European PMI fell to 52.6 in September (close to a two-year low) from 52.9 in August.

Market Dashboard

	Last Price	Change	% Chg.	YTD %
S&P 500	2,164.69	25.53	1.19%	5.9%
Dow Industrials	18,261.45	137.65	0.76%	4.8%
Nasdaq	5,305.75	61.18	1.17%	6.0%
Russell 2000	1,254.62	29.84	2.44%	10.5%
Euro Stoxx Index	345.34	7.52	2.23%	-5.6%
Shanghai Composite	3,033.90	31.05	1.03%	-14.3%
Russell Global	1,761.95	47.46	2.77%	6.2%

Source: Bloomberg; Index % change is based on price.

	Last Price	Change	% Chg.	YTD %
Russell Global EM	2,913.37	107.25	3.82%	14.8%
10-Year US Treas.	1.62	-9 bps	NM	NM
DJ UBS Comm. Idx.	84.32	1.09	1.31%	7.3%
Gold	\$1,339.00	\$27.33	2.09%	26.1%
Crude Oil	\$44.72	\$1.12	2.57%	3.2%
Dollar Index	95.47	-0.64	-0.66%	-3.2%
VIX Index	12.29	-3.08	-20.04%	-32.5%



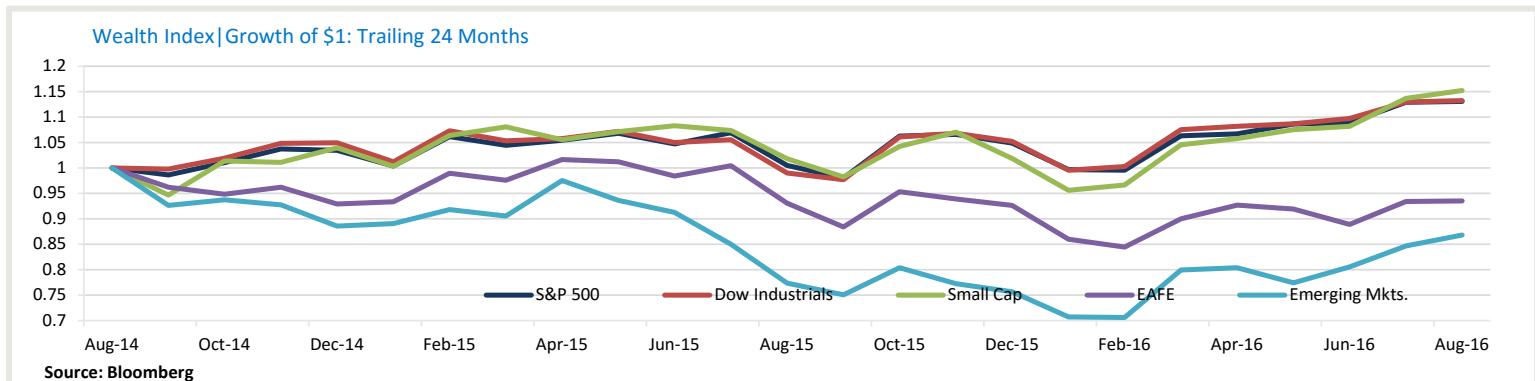
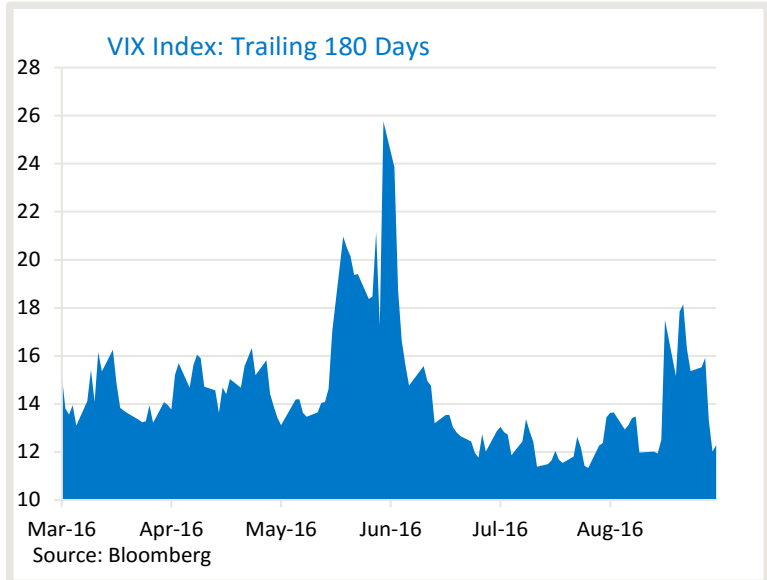
	One Week			YTD		
	Value	Growth		Value	Growth	
L	0.87%	1.01%	1.14%	5.74%	5.07%	4.47%
	2.14%	1.92%	1.65%	11.44%	8.48%	5.56%
S	2.63%	2.44%	2.25%	13.49%	10.45%	7.41%

Source: Bloomberg

Sector Performance:
S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.5	1.45%	1.9%
Consumer Staples	9.9	1.04%	5.7%
Energy	7.0	0.10%	10.9%
Financials	12.8	0.83%	0.0%
Health Care	14.9	1.39%	1.5%
Industrials	9.6	1.83%	7.8%
Information Technology	21.1	0.42%	10.2%
Materials	2.9	1.16%	8.7%
Telecom Services	2.7	1.92%	15.4%
Utilities	3.4	3.37%	17.6%

Source: Bloomberg



The Economy and Markets

A Macro View – A Stock Market Mandate: The Tail Wagging the Fed

For the sixth time this year, market participants around the world set their sights on the Federal Reserve (Fed). Once again, there were slim prospects of a decision from the Federal Open Market Committee (FOMC) to hike interest rates, and based on the market's expectations, the Fed did not disappoint. In 2016, FOMC is batting one thousand: six-for-six with no changes in monetary policy or the fed funds rate. Despite the lack of policy modification, the Fed has changed some of its language, speeches, and the wording of its policy statement. A closer look at these updates reveals that the Fed has been either more dovish or hawkish, depending on the current stock market sentiment. *This leaves one to question whether a robust stock market is an additional FOMC mandate and the tail wagging Fed policy?*

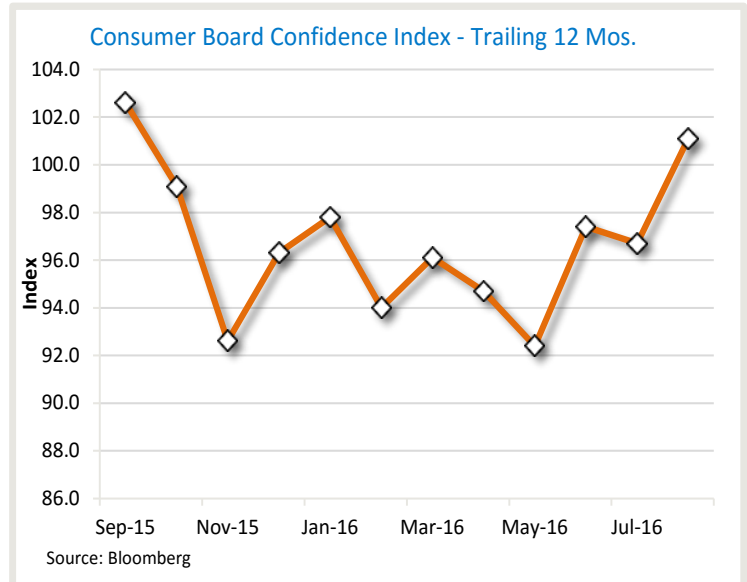
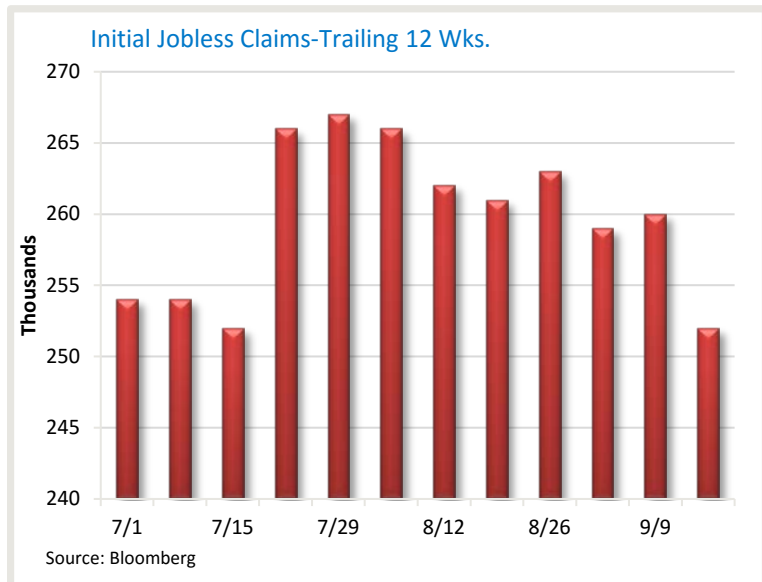
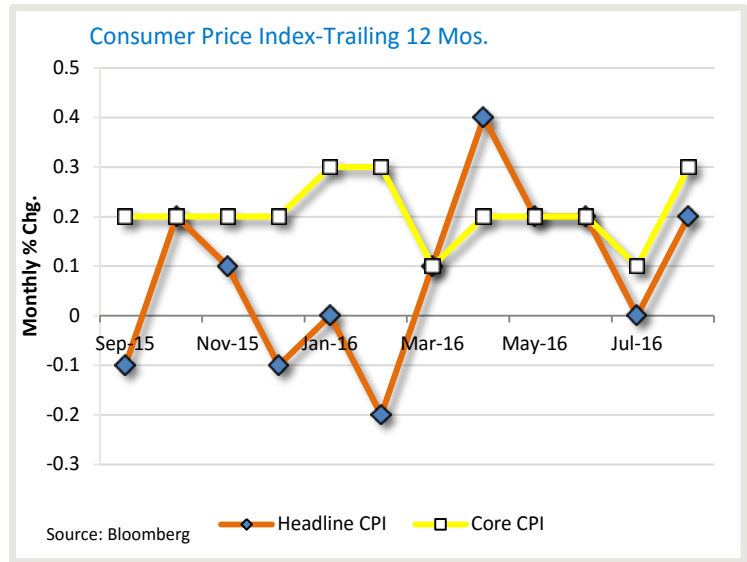
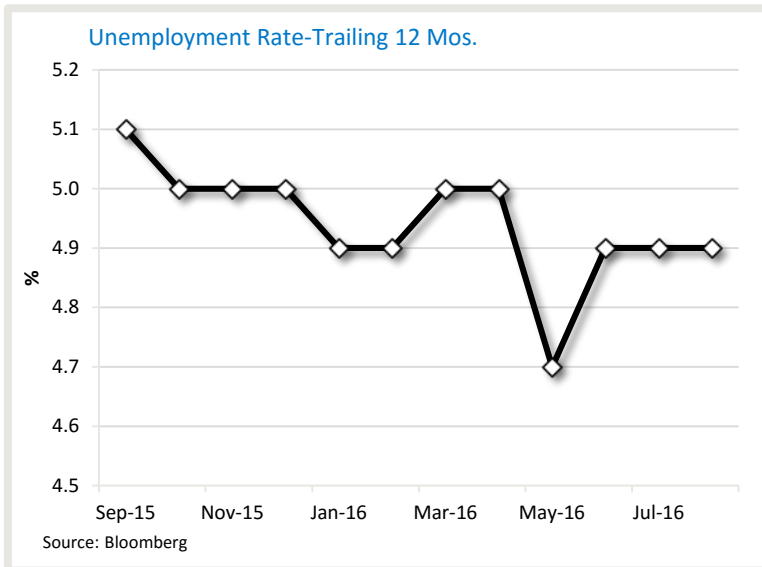
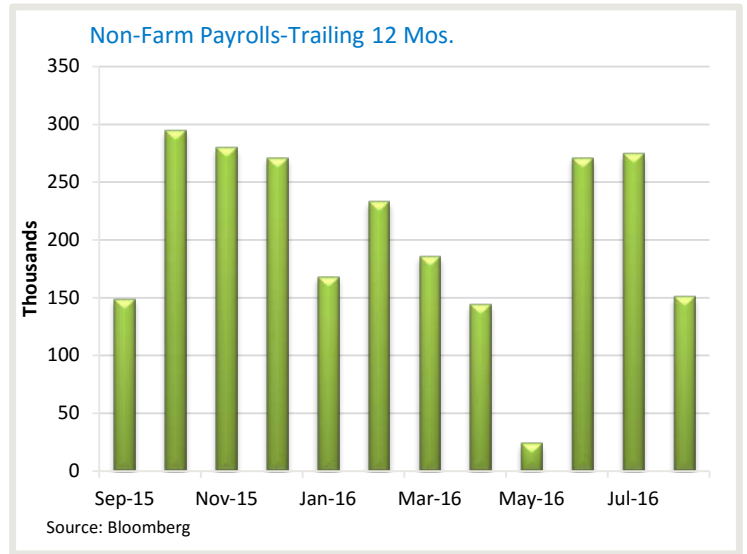
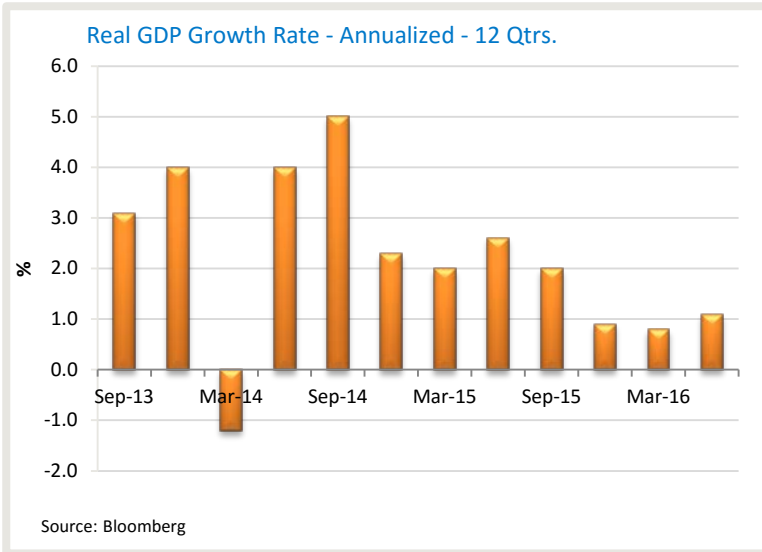
Based on the Federal Reserve Reform Act of 1977, the FOMC is tasked with a dual mandate that holds the Fed accountable for fostering maximum employment, stable prices, and moderate long-term interest rates. Whereas the Fed's attention to the dual mandate has been clear over the past forty years, its new directive of a rising stock market has more recently crept into focus. The concern with the stock market's reaction to Fed policy has never been higher than in the post- financial- crisis era. This year, each glimpse into a hawkish stance by the Fed has been followed by heightened volatility, a pause in the grind higher, or a selloff in equities, before a shift back to an accommodative stance.

Following a December 2015 rate hike, the FOMC started backpedaling early in 2016 (when U.S. stocks experienced the worst 10-day start of the year in history), proceeded to lighten its hawkish tone, and held off tightening at its next few meetings. Similarly, the heightened volatility experienced post-Brexit in June led to both a weaker Fed stance and language at the July FOMC meeting. Despite the indications of a solid labor market (with the unemployment rate below 5%), and stable price levels, it seems the FOMC would like to raise rates, but a strong force is holding it back.

Although the Fed's accommodative stance has expanded the money supply, pushing businesses and consumers to spend, in a much larger way it also has increased asset prices, boosting investors' account balances. This positive externality has helped drive market indices to all-time highs, and pushed Americans (who have been very pleased with their 401K statements over the past few years), to spend, driving the roughly 70% personal consumption component of GDP higher. Removing the accommodation and the stock market support may have unintended consequences that lead to a larger-than-expected growth slowdown.

In looking at all the motivations for continued accommodation, one can understand why the FOMC would vote in favor of holding off on raising rates. However, this action is difficult to defend through the lens of the Fed's dual mandate. In her comments following the policy statement, Chair Janet Yellen hinted that the FOMC intends to hike rates before the year ends. With only November and December FOMC meetings remaining this year, we are left to wonder if the Fed can raise rates (without concern for the stock market) and regain control of its tail.

Economic Data



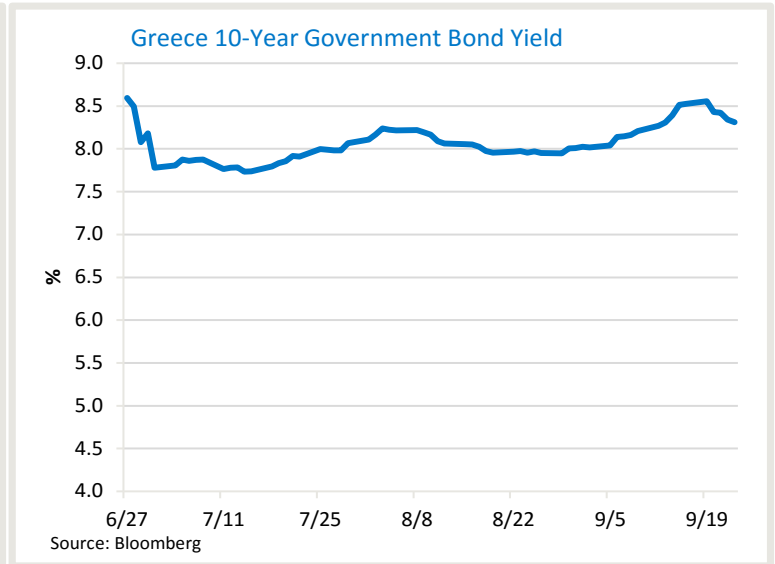
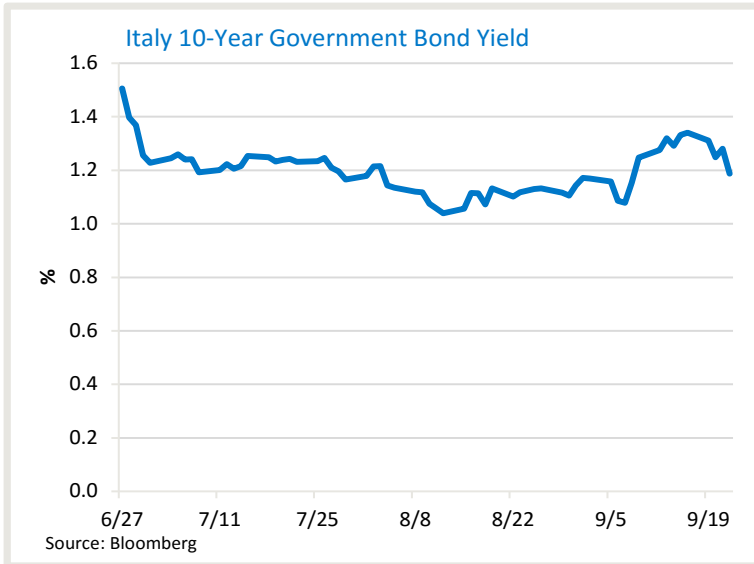
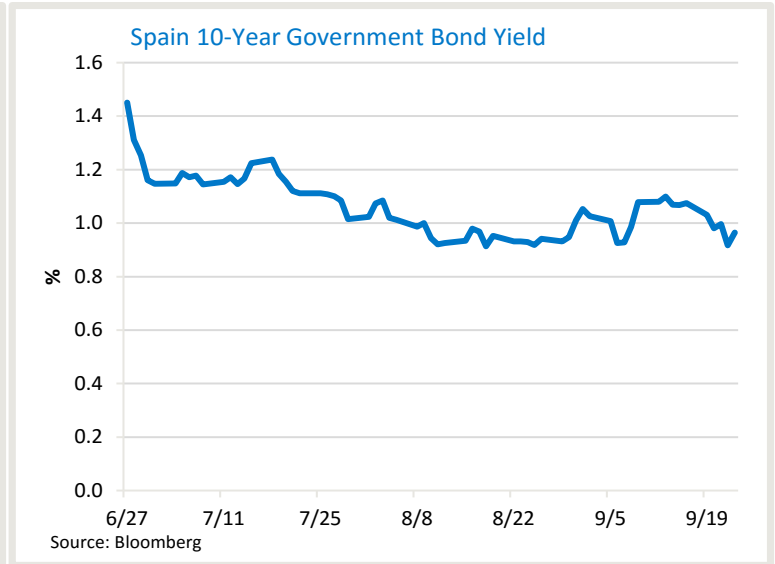
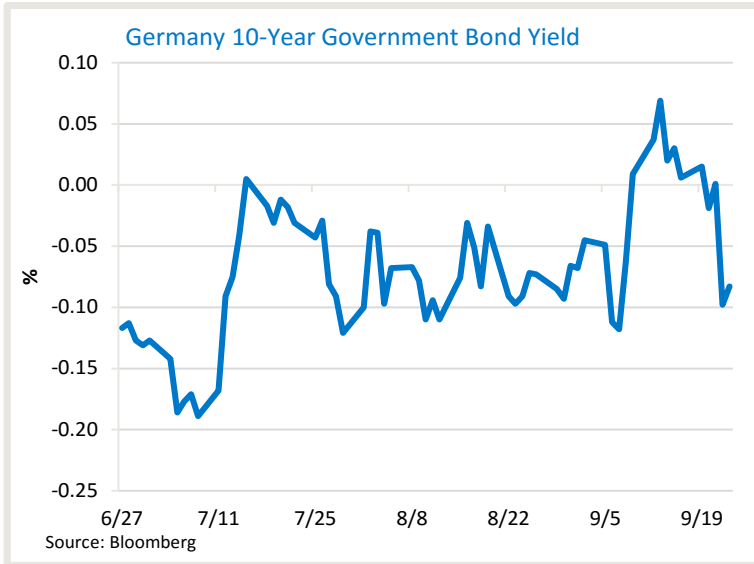
Eurozone

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	-0.08	9 bps	NM	NM
Greece 10-Yr. Govt.	8.31	12 bps	NM	NM
Italy 10-Yr. Govt.	1.21	12 bps	NM	NM
Spain 10-Yr. Govt.	0.96	10 bps	NM	NM
Belgium 10-Yr. Govt.	0.14	9 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.21	9 bps	NM	NM
Ireland 10-Yr. Govt.	0.38	8 bps	NM	NM
Portugal 10-Yr. Govt.	3.36	3 bps	NM	NM
Netherlands 10-Yr. Govt.	0.03	8 bps	NM	NM
U.K. 10-Yr. Govt.	0.73	14 bps	NM	NM

Source: Bloomberg
Basis points (bps)



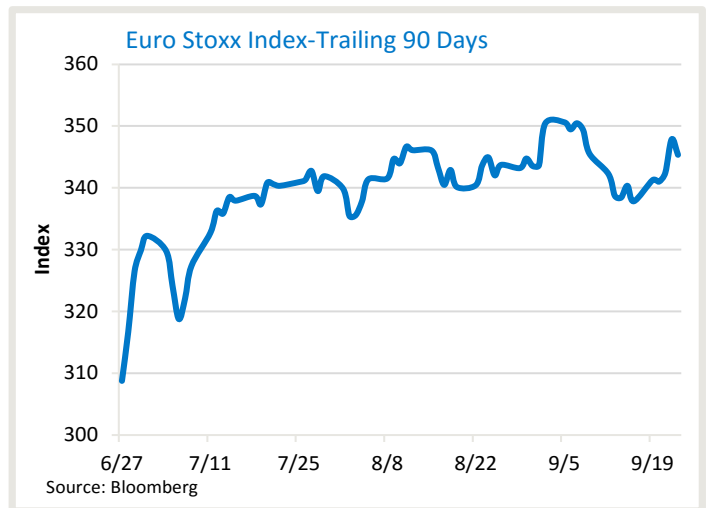
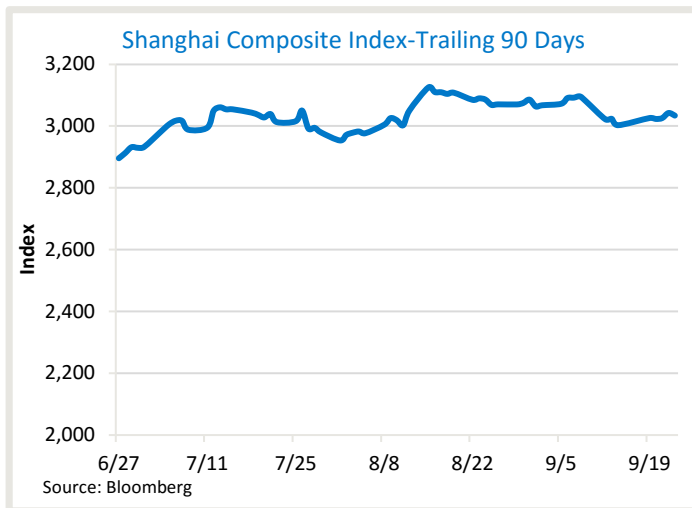
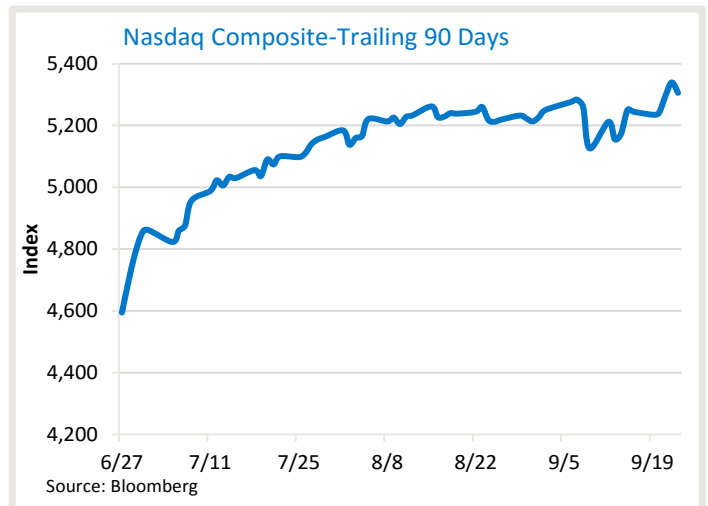
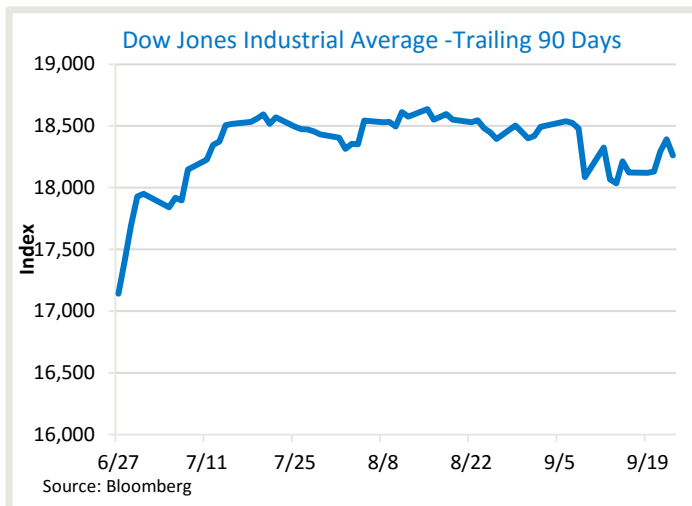
Equities

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,164.69	25.53	1.19%	5.91%
Dow Industrials	18,261.45	137.65	0.76%	4.80%
Nasdaq Composite	5,305.75	61.18	1.17%	5.96%
Russell Global	1,761.95	47.46	2.77%	6.2%
Russell Global EM	2,913.37	107.25	3.82%	14.8%
S&P/TSX (Canada)	14,697.93	247.24	1.71%	12.97%
Mexico IPC	47,778.48	1855.57	4.04%	11.17%
Brazil Bovespa	58,697.00	1617.24	2.83%	35.40%
Euro Stoxx 600	345.34	7.52	2.23%	-5.60%
FTSE 100	6,909.43	199.15	2.97%	10.69%
IBEX 35 (Spain)	8,823.60	190.20	2.20%	-7.55%

	Last	Change	% Chg.	YTD %
Swiss Market Index	8,272.89	142.45	1.75%	-6.18%
CAC 40 Index (France)	4,488.69	156.24	3.61%	-3.20%
DAX Index (Germany)	10,626.97	350.80	3.41%	-1.08%
Irish Overall Index	6,108.86	-2.59	-0.04%	-10.05%
Nikkei 225	16,754.02	139.78	0.84%	-11.98%
Hang Seng Index	23,686.48	350.89	1.50%	8.09%
Shanghai Composite	3,033.90	31.05	1.03%	-14.28%
Kospi Index (S. Korea)	2,054.07	54.71	2.74%	4.73%
Taiwan Taiex Index	9,284.62	382.32	4.29%	11.35%
Tel Aviv 25 Index	1,461.56	26.96	1.88%	-4.39%
MICEX Index (Russia)	2,011.83	29.87	1.51%	14.22%

Source: Bloomberg; Index % change is based on price.



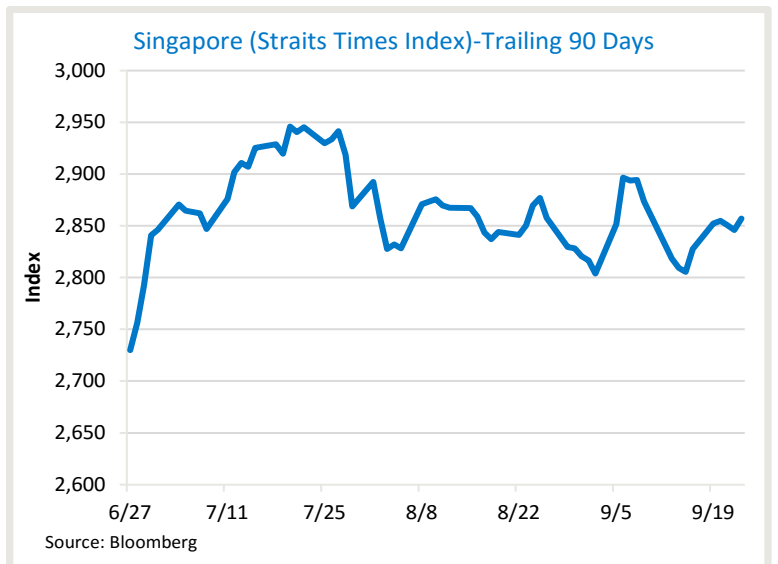
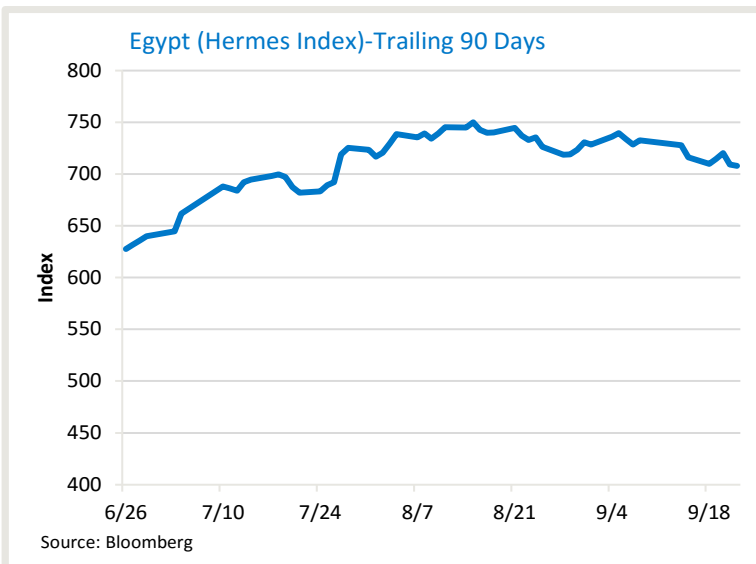
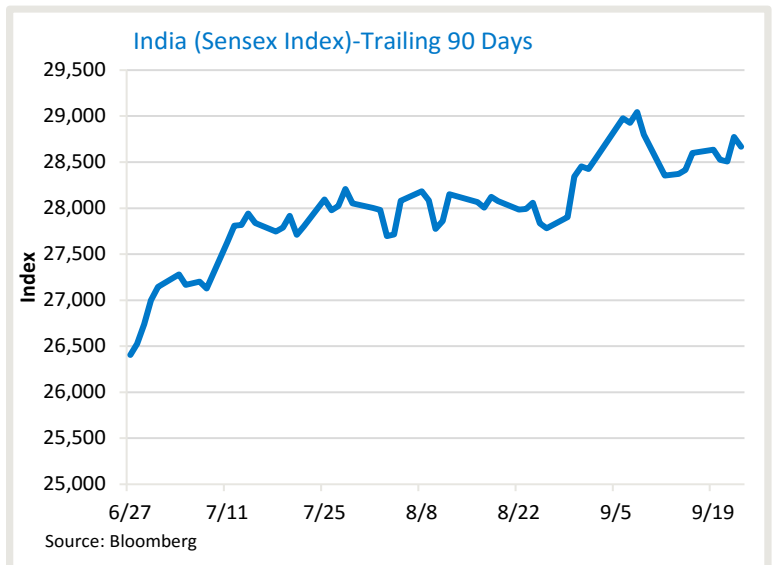
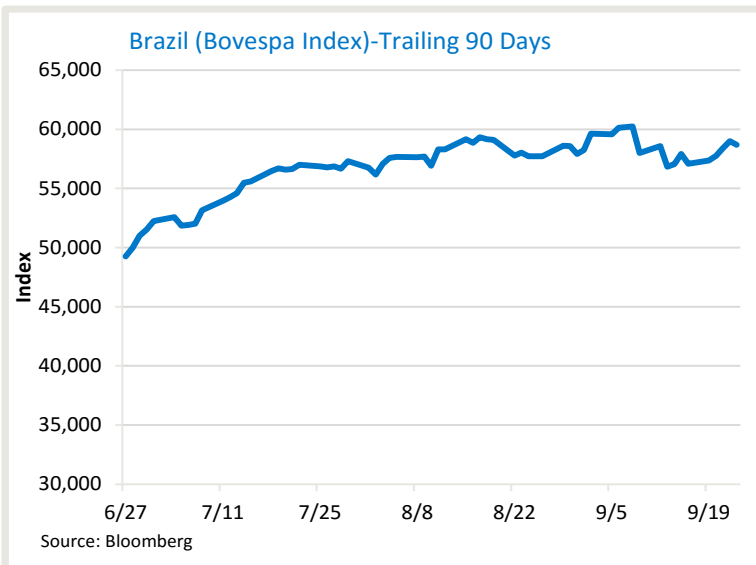
Equities – Emerging and Frontier Markets

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	47,778.48	1855.57	4.0%	11.2%
Brazil (Bovespa Index)	58,697.00	1617.24	2.8%	35.4%
MICEX Index (Russia)	2,011.83	29.87	1.5%	14.2%
Czech Republic (Prague)	874.05	13.24	1.5%	-8.6%
Turkey (Istanbul)	79,756.44	3736.15	4.9%	11.2%
Egypt (Hermes Index)	708.00	-8.00	-1.1%	12.3%
Kenya (Nairobi 20 Index)	3,174.15	-31.97	-1.0%	-21.4%
Saudi Arabia (TASI Index)	5,948.92	-190.46	-3.1%	-13.9%
Lebanon (Beirut BLOM Index)	1,149.44	0.17	0.0%	-1.7%
Palestine	525.06	0.34	0.1%	-1.4%

Source: Bloomberg; Index % change is based on price.

	Last	Change	% Chg.	YTD %
Hang Seng Index	23,686.48	350.89	1.5%	8.1%
India (Sensex 30)	28,668.22	69.19	0.2%	9.8%
Malaysia (KLCI Index)	1,670.99	18.00	1.1%	-1.3%
Singapore (Straits Times Index)	2,856.95	29.50	1.0%	-0.9%
Thailand (SET Index)	1,492.88	13.81	0.9%	15.9%
Indonesia (Jakarta)	5,388.91	121.14	2.3%	17.3%
Pakistan (Karachi KSE 100)	39,781.95	-581.73	-1.4%	21.2%
Vietnam (Ho Chi Minh)	674.09	22.78	3.5%	16.4%
Sri Lanka (Colombo)	6,479.21	6.74	0.1%	-6.0%
Cambodia (Laos)	1,014.15	1.33	0.1%	-13.6%

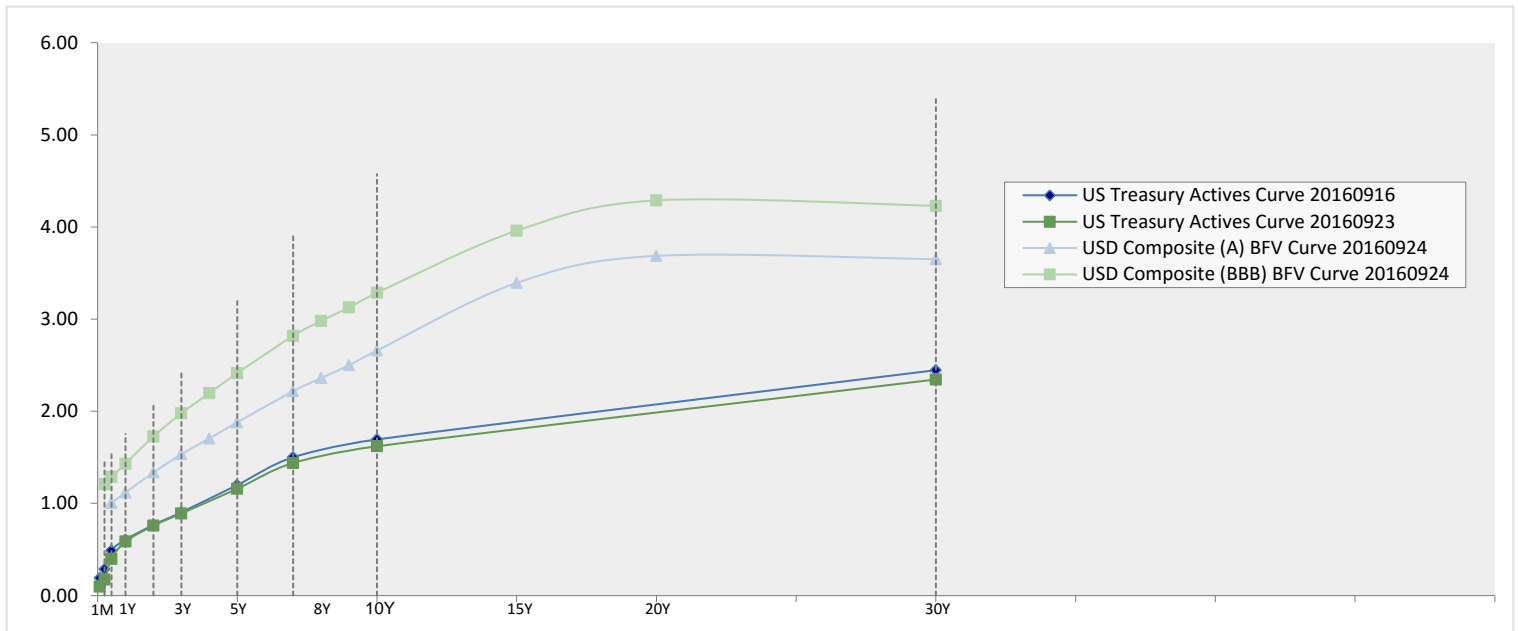


Interest Rates

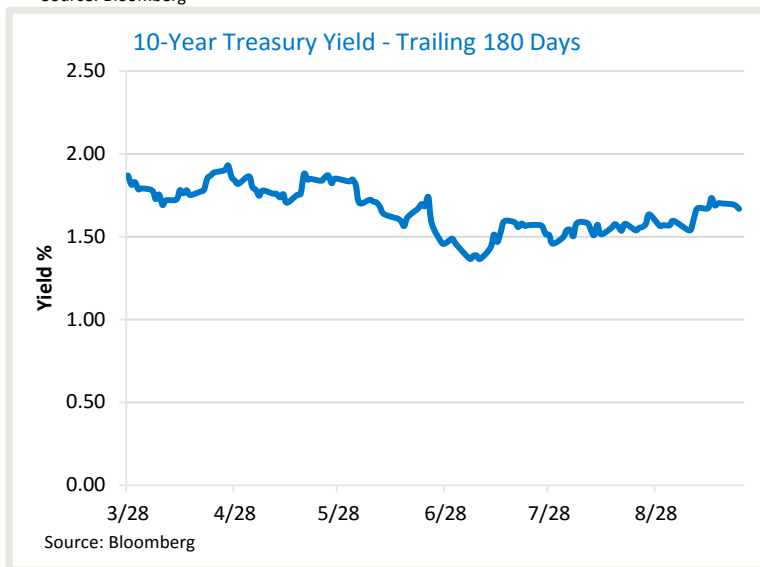
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.76%	0 bps	NM	NM	Prime Rate	3.50%	0.00	NM	NM
5-Yr. U.S. Treasury	1.15%	-6 bps	NM	NM	Fed Funds Rate	0.50%	0.00	NM	NM
10-Yr. U.S. Treasury	1.62%	-9 bps	NM	NM	Discount Rate	1.00%	0.00	NM	NM
30-Yr. U.S. Treasury	2.34%	-11 bps	NM	NM	LIBOR (3 Mo.)	0.86%	0 bps	NM	NM
German 10-Yr. Govt.	-0.08%	9 bps	NM	NM	Bond Buyer 40 Muni	2.86%	0 bps	NM	NM
France 10-Yr.	0.21%	9 bps	NM	NM	Bond Buyer 40 G.O.	2.98%	NA	NM	NM
Italy 10-Yr.	1.21%	12 bps	NM	NM	Bond Buyer 40 Rev.	3.23%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	1.43%	-1 bps	NM	NM					

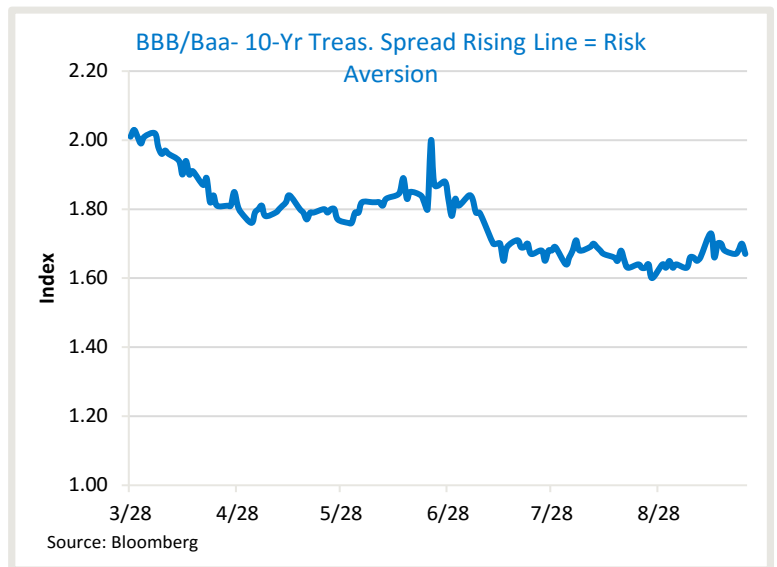
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

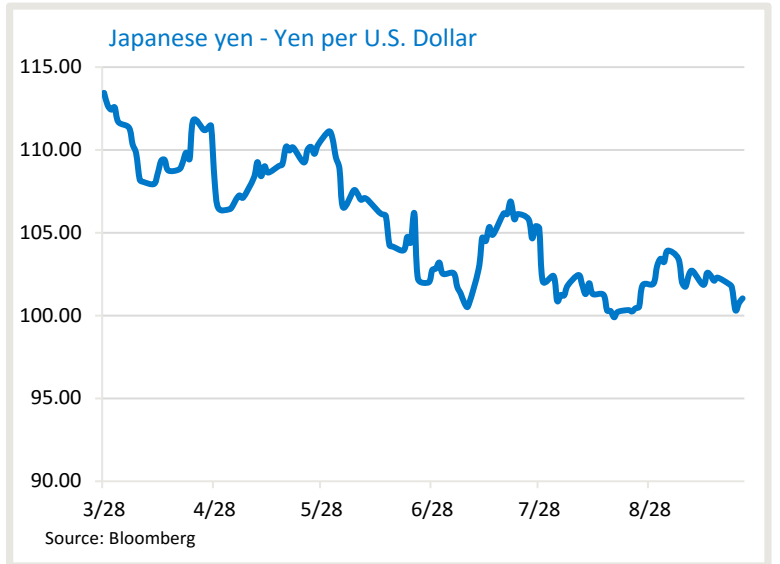
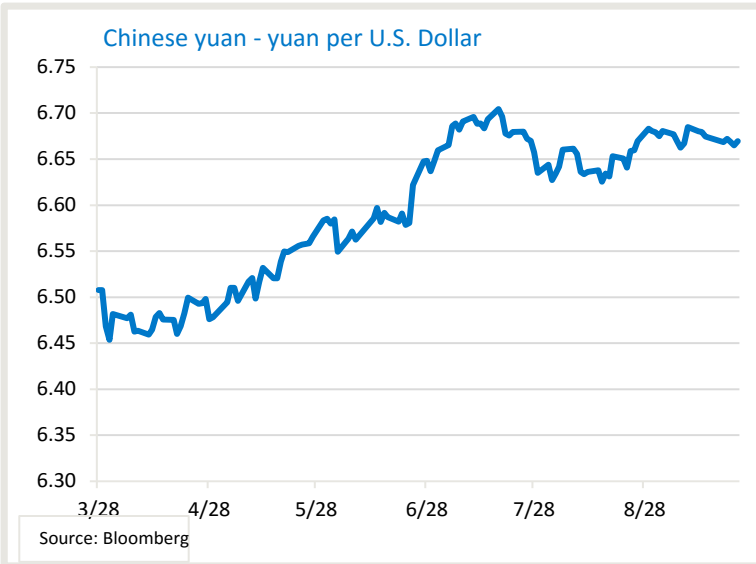
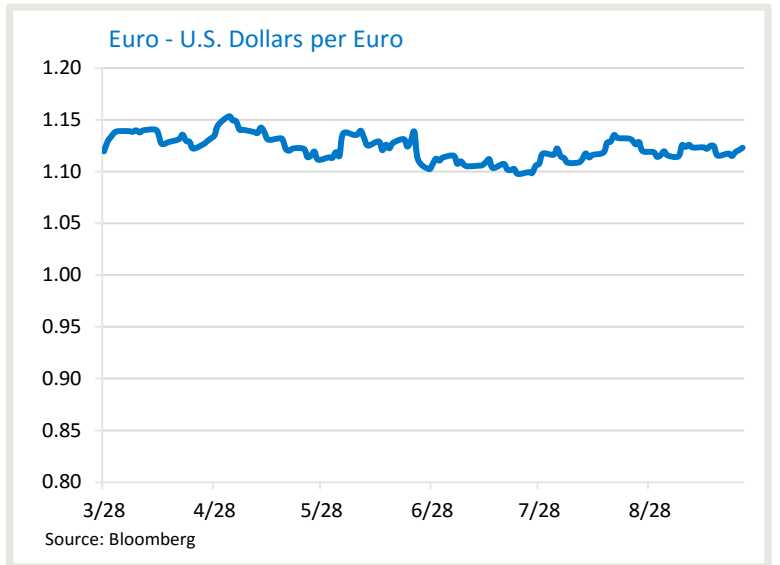
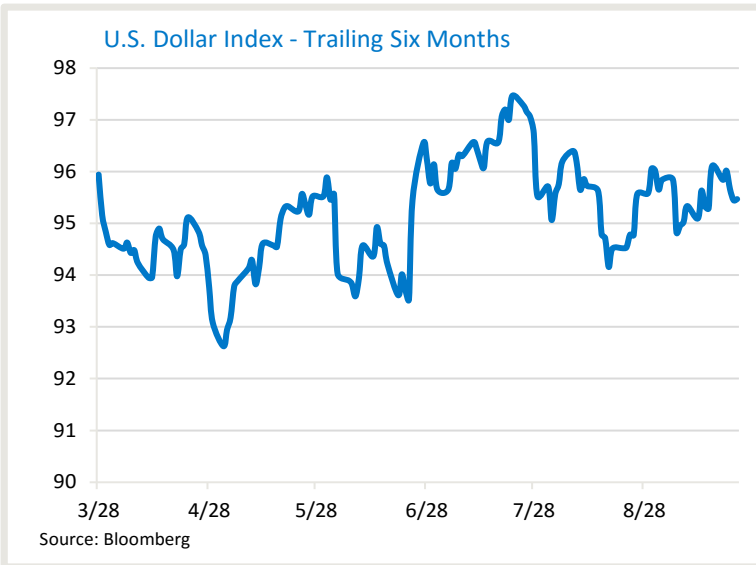
Currencies

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	95.48	-0.638	-0.66%	-3.20%
Euro	1.12	0.008	0.68%	3.40%
Japanese Yen	101.03	-1.250	1.24%	18.98%
British Pound	1.30	-0.003	-0.25%	-11.98%
Canadian Dollar	1.32	-0.005	0.36%	5.13%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.67	-0.005	0.08%	-2.63%
Swiss Franc	0.97	-0.011	1.11%	3.35%
New Zealand Dollar	0.72	-0.002	-0.32%	6.03%
Brazilian Real	3.25	-0.019	0.57%	22.08%
Mexican Peso	19.80	0.205	-1.04%	-13.16%

Source: Bloomberg

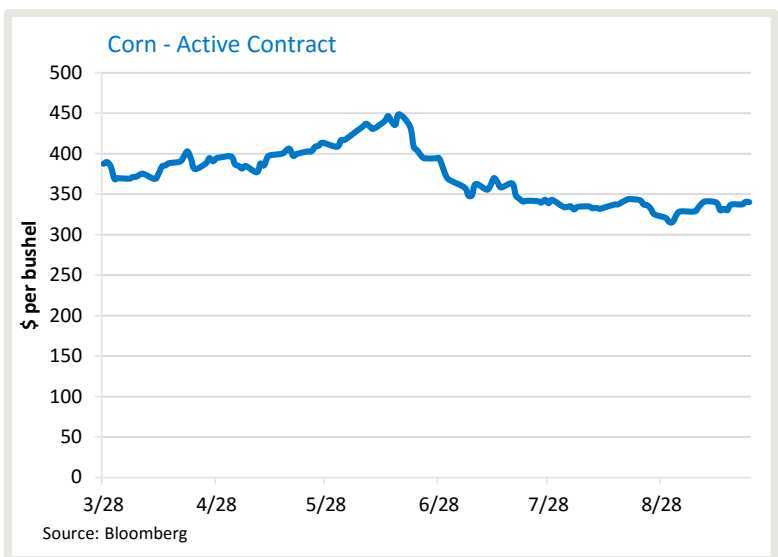
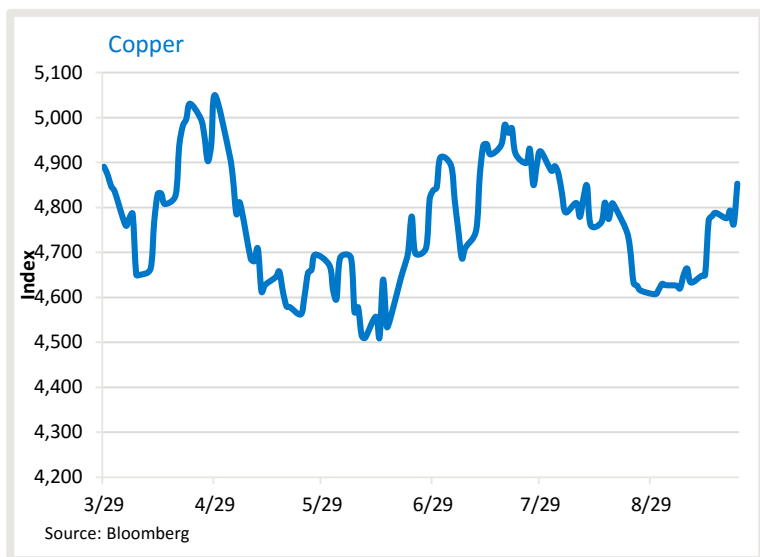
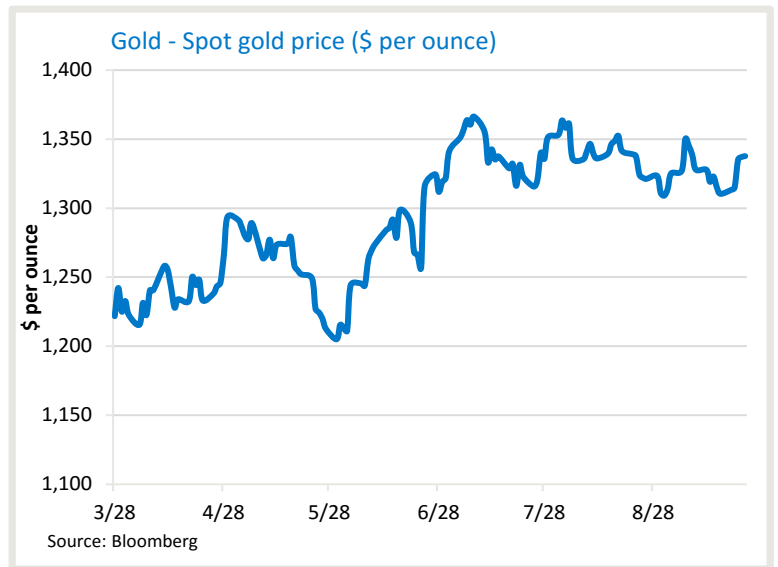
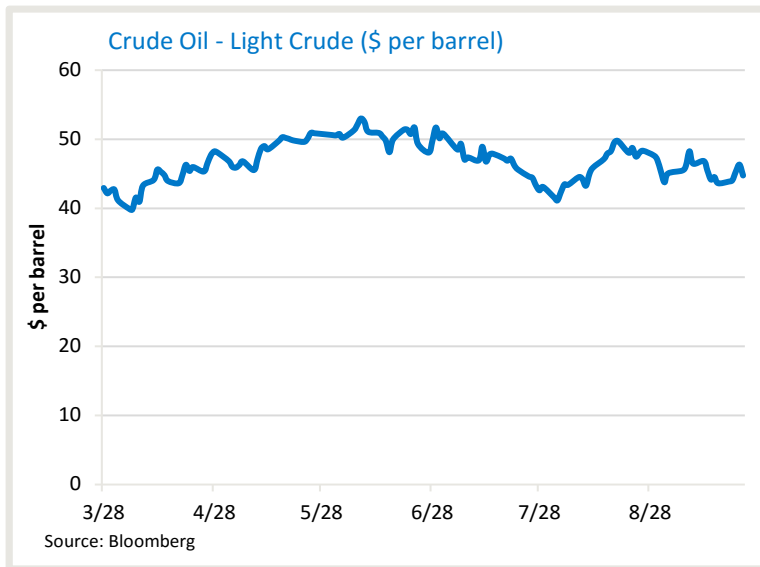


Commodities

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
Bloomberg Comm. Idx.	84.32	1.09	1.31%	7.34%	Platinum Spot	\$1,055.09	\$38.66	3.80%	18.32%
Crude Oil	\$44.71	\$1.12	2.57%	3.23%	Corn	336.50	-0.50	-0.15%	-12.14%
Natural Gas	\$2.97	\$0.02	0.75%	16.70%	Wheat	404.75	1.50	0.37%	-20.25%
Gasoline (\$/Gal.)	\$2.21	\$0.02	1.05%	10.87%	Soybeans	955.00	-11.00	-1.14%	8.18%
Heating Oil	141.13	0.91	0.65%	7.88%	Sugar	22.70	0.23	1.02%	50.33%
Gold Spot	\$1,338.57	\$27.33	2.09%	26.07%	Orange Juice	202.70	6.00	3.05%	39.89%
Silver Spot	\$19.67	\$0.88	4.69%	42.01%	Aluminum	1,633.00	57.50	3.65%	8.36%
					Copper	4,853.00	65.00	1.36%	3.15%

Source: Bloomberg; % change is based on price.

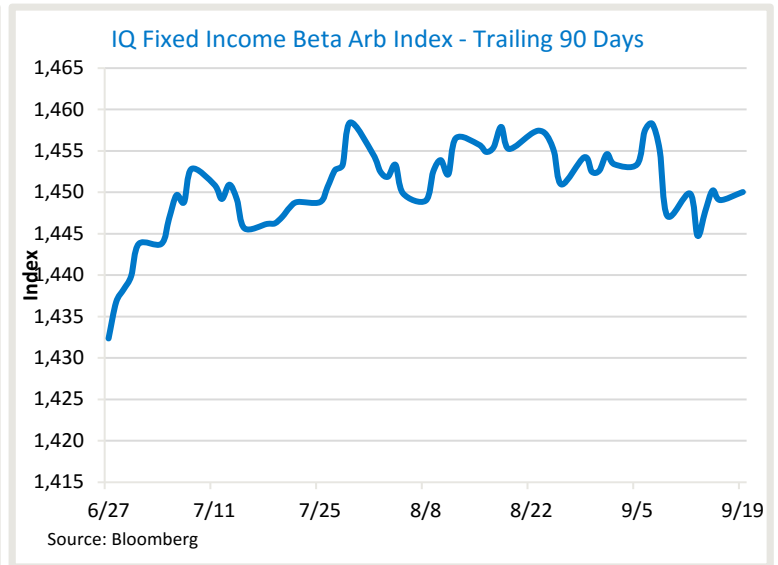
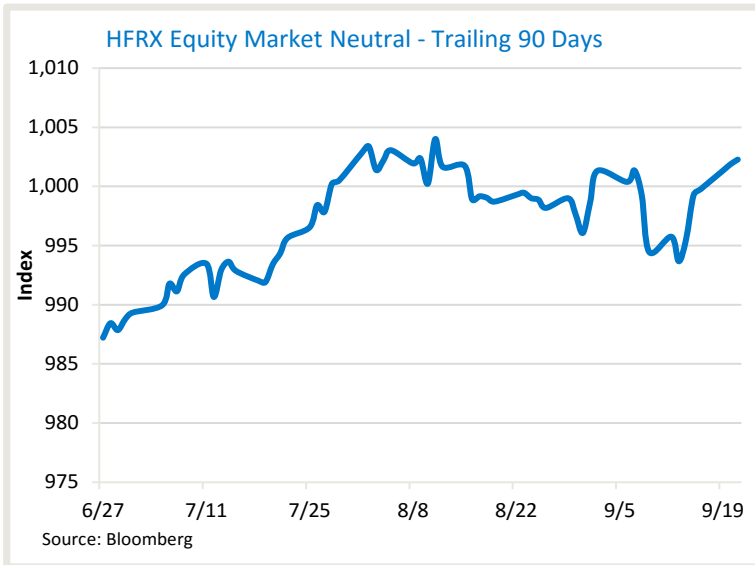
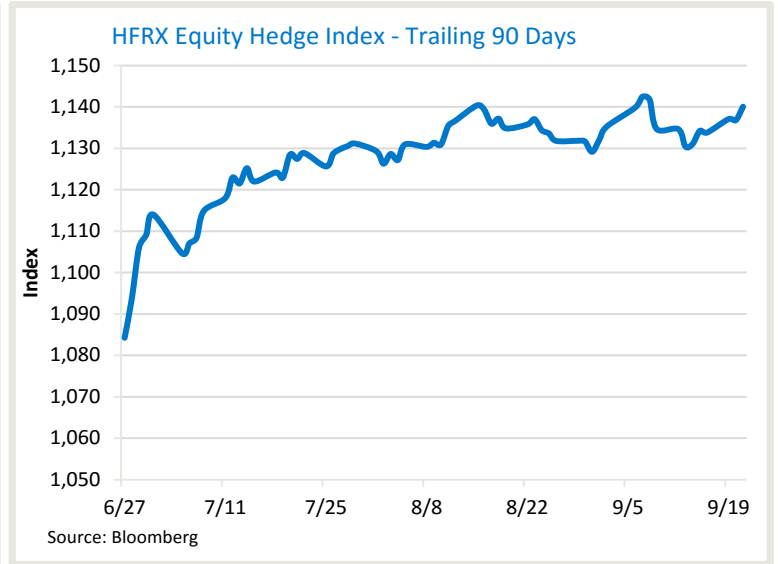
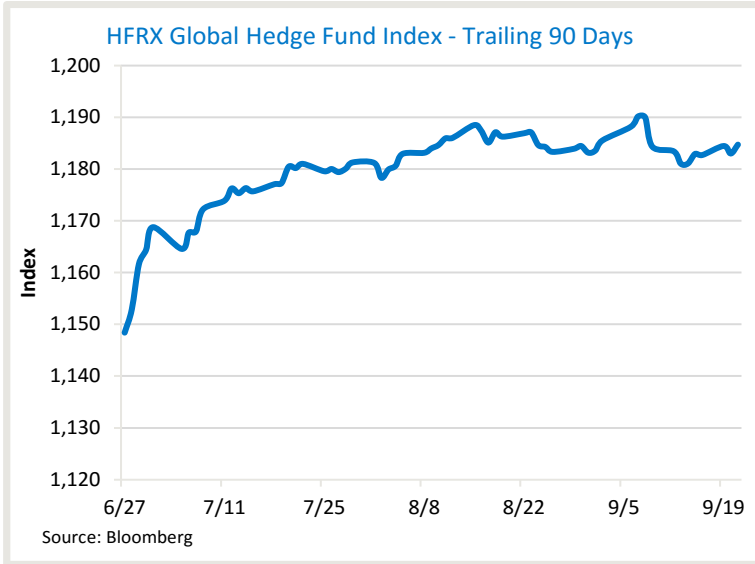


Alternative Investments

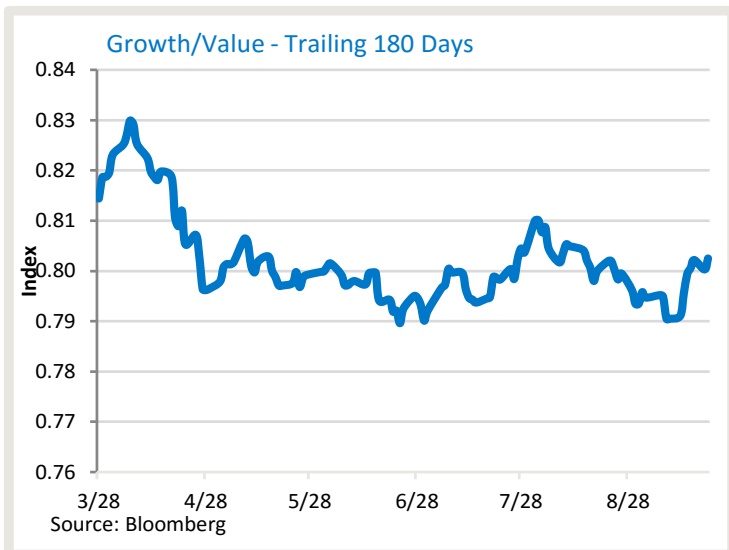
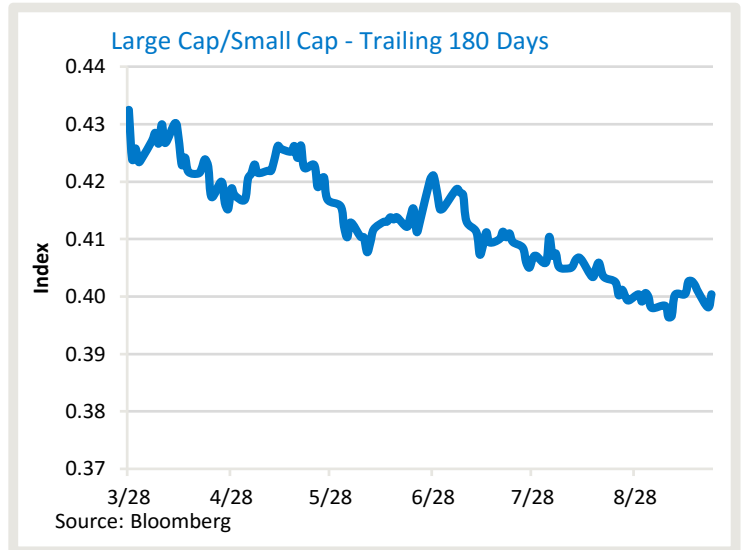
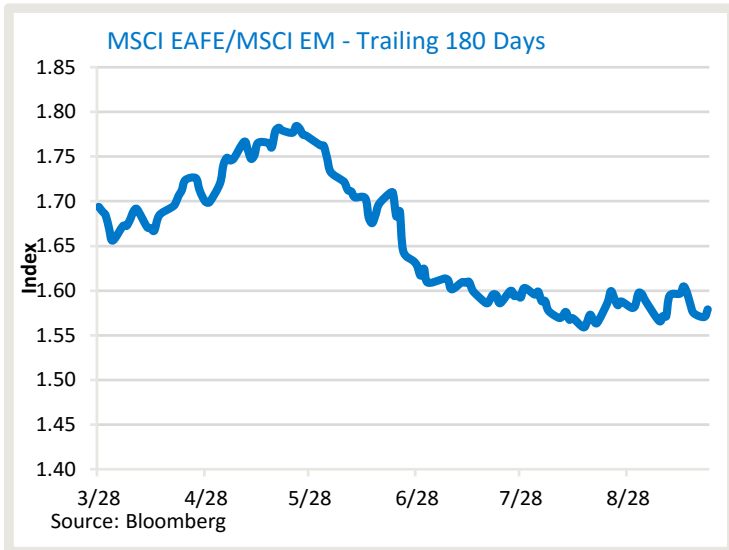
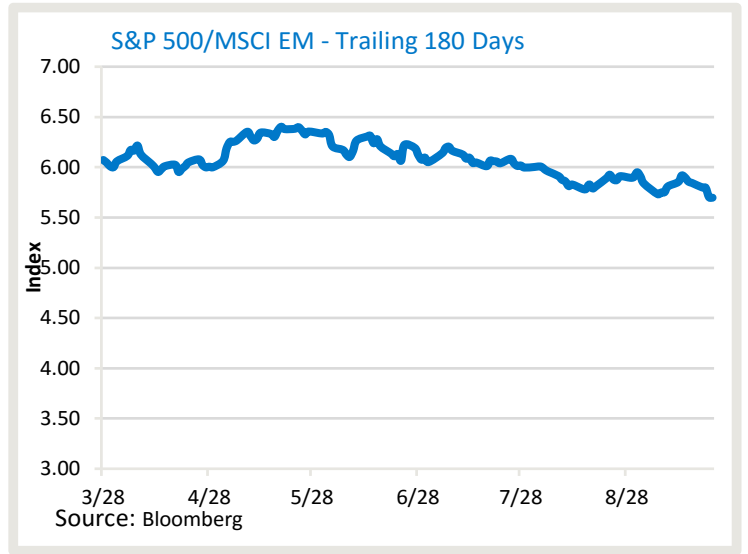
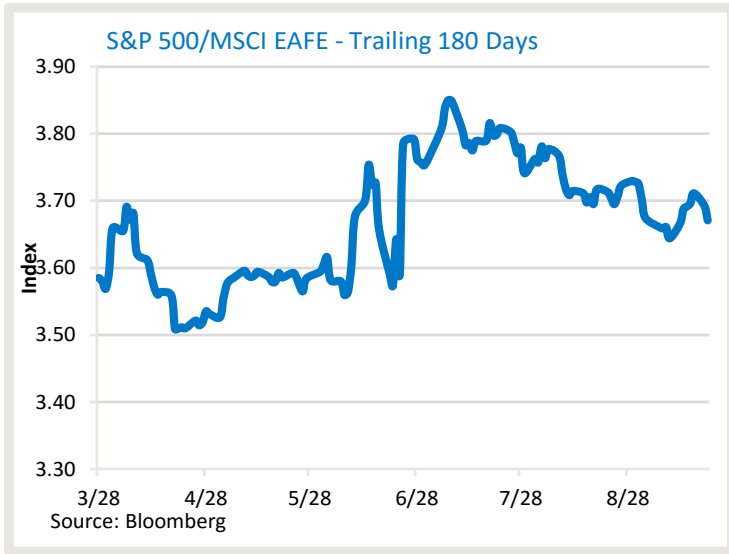
SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1187.38	4.67	0.39%	1.13%	HFRX Distressed Index	1019.51	8.38	0.83%	13.75%
HFRX Equity Market Neutral	1002.56	2.78	0.28%	-3.61%	HFRX Merger Arbitrage Index	1788.69	1.53	0.09%	2.93%
HFRX Equity Hedge Index	1142.93	9.12	0.80%	-0.99%	HFRX Convertible Arbitrage Index	738.41	3.16	0.43%	5.16%
HFRX Event-Driven Index	1514.29	2.83	0.19%	7.52%	HFRX Macro CTA Index	1152.57	6.09	0.53%	-1.46%
HFRX Absolute Return Index	1031.22	2.57	0.25%	0.58%	IQ Fixed Income Beta Arb Index	1457.17	8.11	0.56%	5.05%

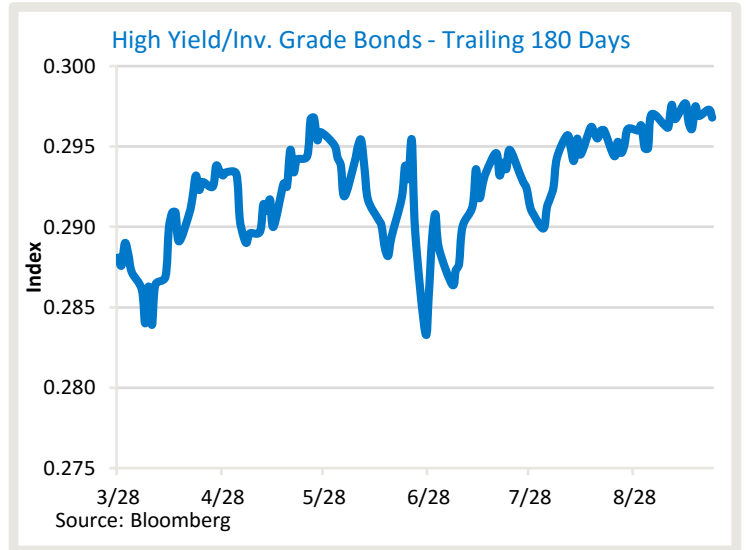
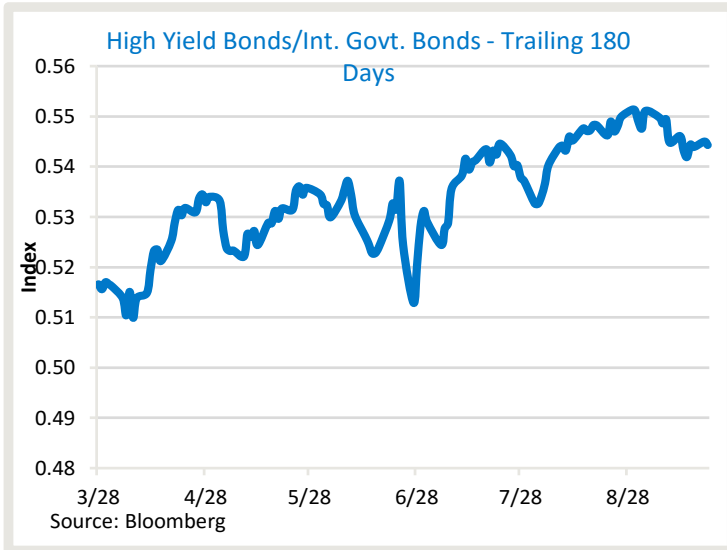
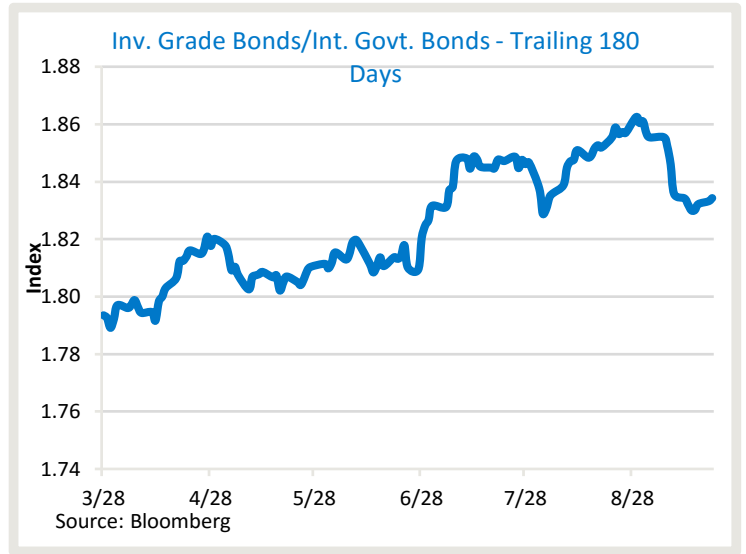
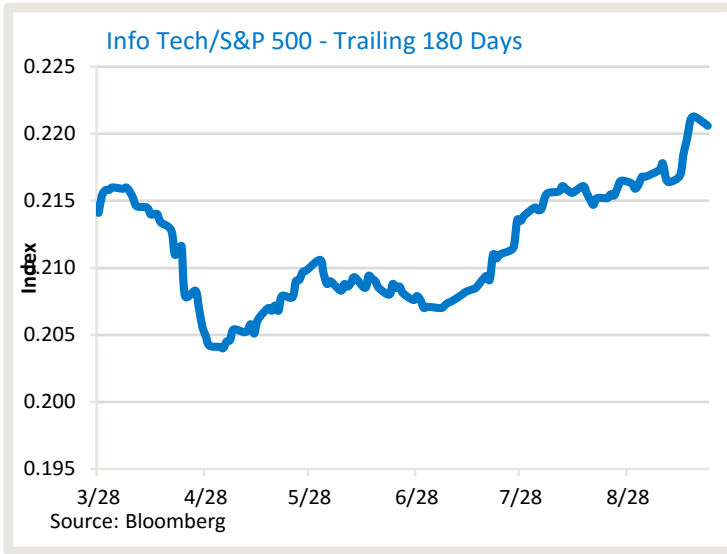
Source: Bloomberg; Index % change is based on price.



Portfolio Construction



Portfolio Construction (continued)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			7/7	7/14	7/21	7/28	8/4	8/11	8/18	8/25	9/1	9/8	9/15	9/22
Equity	Domestic Equity	Large Cap (R200)	0.07%	2.98%	0.10%	0.07%	-0.12%	1.01%	-0.04%	-0.70%	0.04%	0.46%	-1.32%	1.24%
		Small Cap (R2000)	-0.19%	4.56%	0.14%	1.12%	-0.29%	1.27%	0.63%	0.26%	-0.02%	1.50%	-2.49%	2.97%
	Int'l. Equity	MSCI EAFE	-1.58%	4.51%	0.16%	0.06%	0.32%	2.69%	-0.02%	-0.34%	-0.45%	2.27%	-3.27%	3.10%
		MSCI Em. Mkts.	-0.85%	4.71%	0.61%	0.50%	0.06%	3.60%	0.97%	-2.00%	-0.78%	4.06%	-4.13%	3.59%
Fixed Income	BarCap Agg. (AGG)	0.41%	-0.36%	-0.14%	0.19%	-0.15%	-0.17%	0.33%	-0.19%	-0.05%	-0.21%	-0.45%	0.48%	
	High Yield (JNK)	-0.28%	1.63%	0.17%	-0.66%	-0.06%	1.22%	0.63%	-0.30%	-0.25%	0.25%	-0.99%	1.16%	
Commodities	Bloomberg Commodity Index	-3.72%	1.85%	-2.49%	-1.83%	0.61%	0.08%	3.29%	-1.95%	-3.47%	3.71%	-2.43%	2.92%	
Alternatives	Hedge Funds (HFRX Global)	0.31%	0.72%	0.33%	-0.01%	0.05%	0.45%	0.10%	-0.24%	-0.06%	0.54%	-0.59%	0.38%	
Asset Allocation	60/40*	-0.15%	2.21%	0.06%	0.20%	-0.07%	1.02%	0.24%	-0.41%	-0.13%	0.77%	-1.55%	1.54%	
	48/32/20 (w/Alts.)**	-0.06%	1.92%	0.11%	0.16%	-0.05%	0.90%	0.21%	-0.38%	-0.11%	0.72%	-1.36%	1.31%	

Source: Bloomberg; *60/40 portfolio = 30% Large Cap/10% Small Cap/15% EAFE/5% Emerging Markets/35% BarCap Agg./5% High Yield.

**48/32/20 portfolio = 24% Large Cap/8% Small Cap/12% EAFE/4% Emerging Markets/28% BarCap Agg./4% High Yield/20% HFRX Global Index.

RELATIVE STRENGTH MATRIX (BASED ON 30-DAY RSI)

	Large Cap Core	Large Cap Growth	Large Cap Value	Mid Cap Core	Mid Cap Growth	Mid Cap Value	Small Cap Core	Small Cap Growth	Small Cap Value	Int'l. Developed	Emerging Markets	REITs	Comm.	Int. Bond	High Yield
Large Cap Core	1.00	0.98	1.03	1.01	1.02	1.00	0.93	0.92	0.94	0.96	0.92	1.04	1.04	1.07	0.97
Large Cap Growth	1.02	1.00	1.05	1.03	1.04	1.02	0.95	0.94	0.96	0.97	0.93	1.06	1.06	1.09	0.99
Large Cap Value	0.97	0.95	1.00	0.98	0.99	0.97	0.90	0.89	0.92	0.93	0.89	1.01	1.00	1.04	0.94
Mid Cap Core	0.99	0.97	1.02	1.00	1.01	1.00	0.92	0.91	0.94	0.95	0.91	1.03	1.03	1.06	0.97
Mid Cap Growth	0.98	0.96	1.01	0.99	1.00	0.98	0.91	0.90	0.92	0.94	0.90	1.02	1.01	1.05	0.95
Mid Cap Value	1.00	0.98	1.03	1.00	1.02	1.00	0.92	0.92	0.94	0.95	0.91	1.04	1.03	1.06	0.97
Small Cap Core	1.08	1.06	1.11	1.09	1.10	1.08	1.00	0.99	1.02	1.03	0.99	1.12	1.12	1.15	1.05
Small Cap Growth	1.08	1.06	1.12	1.09	1.11	1.09	1.01	1.00	1.02	1.04	0.99	1.13	1.12	1.16	1.06
Small Cap Value	1.06	1.04	1.09	1.07	1.08	1.06	0.98	0.98	1.00	1.01	0.97	1.10	1.10	1.13	1.03
Int'l. Developed	1.05	1.03	1.08	1.06	1.07	1.05	0.97	0.96	0.99	1.00	0.96	1.09	1.08	1.12	1.02
Emerging Markets	1.09	1.07	1.13	1.10	1.12	1.10	1.01	1.01	1.03	1.04	1.00	1.14	1.13	1.17	1.06
REITs	0.96	0.94	0.99	0.97	0.98	0.96	0.89	0.88	0.91	0.92	0.88	1.00	0.99	1.03	0.93
Commodities	0.97	0.95	1.00	0.97	0.99	0.97	0.90	0.89	0.91	0.92	0.88	1.01	1.00	1.03	0.94
Int. Bond	0.94	0.92	0.97	0.94	0.96	0.94	0.87	0.86	0.88	0.89	0.86	0.98	0.97	1.00	0.91
High Yield	1.03	1.01	1.06	1.04	1.05	1.03	0.95	0.95	0.97	0.98	0.94	1.07	1.06	1.10	1.00

Source: Bloomberg

The Relative Strength Matrix provides an indication of how the various asset classes have performed relative to one another over the past 30 days. A number greater than 1.0 indicates that the asset class in the far left column has outperformed the corresponding asset class in the top row over the past 30 days. A number below 1.0 means the asset class on the left has underperformed the asset class at the top. The green shading indicates outperformance, and the red shading indicates underperformance.

INDEX OVERVIEW

The S&P 500 Index is an unmanaged index comprised of 500 widely held securities considered to be representative of the stock market in general. The S&P/Case-Shiller Home Price Indices measure the residential housing market, tracking changes in the value of the residential real estate market in 20 metropolitan regions across the United States. The Nasdaq Composite is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The MSCI EAFE Index represents 21 developed markets outside of North America. The MSCI EAFE Growth Index is an unmanaged index considered representative of growth stocks of Europe, Australasia and the Far East. The MSCI EAFE Value Index is an unmanaged index considered representative of value stocks of Europe, Australasia and the Far East. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The MSCI Europe Index is an unmanaged index considered representative of stocks of developed European countries. The MSCI Pacific Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. The Barclays US Credit Index is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. The Barclays US Aggregate Bond Index is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year. The Barclays US Corporate High Yield Index covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index may include emerging market debt. The Barclays Capital Municipal Bond Index is an unmanaged index comprised of investment-grade, fixed-rate municipal securities representative of the tax-exempt bond market in general. The Barclays US Treasury Total Return Index is an unmanaged index of public obligations of the US Treasury with a remaining maturity of one year or more. The Citigroup World Government Bond Index is a market capitalization weighted bond index consisting of the government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The DJ-UBS Commodity Index Total ReturnSM measures the collateralized returns from a basket of 19 commodity futures contracts representing the energy, precious metals, industrial metals, grains, softs and livestock sectors. The Russell 1000 Index is a market capitalization-weighted benchmark index made up of the 1000 largest U.S. companies in the Russell 3000 Index. The Russell 1000 Growth Index is an unmanaged index considered representative of large-cap growth stocks. The Russell 1000 Value Index is an unmanaged index considered representative of large-cap value stocks. The Russell 2000 Index is an unmanaged index considered representative of small-cap stocks. The Russell 2000 Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 Value Index is an unmanaged index considered representative of small-cap value stocks. The Russell 3000 Index is an unmanaged index considered representative of the US stock market. The Russell Midcap Index is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Growth Index is an unmanaged index considered representative of mid-cap growth stocks. The Russell Midcap Value Index is an unmanaged index considered representative of mid-cap value stocks. The HFRX Indices are a series of benchmarks of hedge fund industry performance which are engineered to achieve representative performance of a larger universe of hedge fund strategies. Hedge Fund Research, Inc. employs the HFRX Methodology (UCITS compliant), a proprietary and highly quantitative process by which hedge funds are selected as constituents for the HFRX Indices. The ISM Non-Manufacturing Index is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM). The ISM Non-Manufacturing Index tracks economic data, like the ISM Non-Manufacturing Business Activity Index. A composite diffusion index is created based on the data from these surveys that monitors economic conditions of the nation. The ISM Manufacturing Index is an index based on surveys of more than 300 manufacturing firms by the Institute of Supply Management. The ISM Manufacturing Index monitors employment, production inventories, new orders and supplier deliveries. A composite diffusion index is created that monitors conditions in national manufacturing based on the data from these surveys. The Consumer Price Index (CPI) measures the change in the cost of a fixed basket of products and services. The Gross Domestic Product (GDP) rate is a measurement of the output of goods and services produced by labor and property located in the United States. Basis Point(s) is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. The CBOE Volatility Index (VIX) is an up-to-the-minute market estimate of expected volatility that is calculated by using real-time S&P 500 Index option bid/ask quotes. The Index uses nearby and second nearby options with at least 8 days left to expiration and then weights them to yield a constant, 30-day measure of the expected volatility of the S&P 500 Index. The MSCI World ex-U.S. Index - captures large and mid-cap representation across 22 of 23 Developed Markets DM countries*--excluding the United States. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. (* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.) The MSCI Japan Index - is designed to measure the performance of the large and mid-cap segments of the Japanese market. With 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. The Barclays Global Aggregate ex-U.S. Index - is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The University of Michigan Consumer Sentiment Index (MCSI) is a survey of consumer confidence conducted by the University of Michigan. The Michigan Consumer Sentiment Index (MCSI) uses telephone surveys to gather information on consumer expectations regarding the overall economy. A separately managed account (SMA) is an individual managed investment account offered typically by a brokerage firm through one of their brokers or financial consultants and managed by independent investment management firms (often called money managers for short) and have varying fee structures. An open-end index fund continuously issues and redeems shares based on investor demand. As an index fund, its investment objective is to duplicate the performance of the index it uses as a benchmark. Investment Grade or Investment Grade Bond - The broad credit designation given to corporate and municipal bonds which have a high probability of being paid and minor, if any, speculative features. Bonds rated Baa and higher by Moody's Investor Services or BBB and higher by Standard & Poor's are deemed by those agencies to be "investment grade". Non-Investment Grade - By definition, junk bonds are non-investment grade. A bond rated lower than Baa/BBB, also called a "high-yield" bond. Junk bonds are speculative compared with investment grade bonds. Risk-On Risk-Off - An investment setting in which price behavior responds to, and is driven by, changes in investor risk tolerance. Risk-on risk-off refers to changes in investment activity in response to global economic patterns. During periods when risk is perceived as low, risk-on risk-off theory states that investors tend to engage in higher-risk investments. When risk is perceived as high, investors have the tendency to gravitate toward lower-risk investments.

The information, analysis, and opinions expressed herein are for general and educational purposes only. Nothing contained in this weekly review is intended to constitute legal, tax, accounting, securities, or investment advice, nor an opinion regarding the appropriateness of any investment, nor a solicitation of any type. All investments carry a certain risk, and there is no assurance that an investment will provide positive performance over any period of time. An investor may experience loss of principal. Investment decisions should always be made based on the investor's specific financial needs and objectives, goals, time horizon, and risk tolerance. The asset classes and/or investment strategies described may not be suitable for all investors and investors should consult with an investment advisor to determine the appropriate investment strategy. Past performance is not indicative of future results.

Information obtained from third party sources are believed to be reliable but not guaranteed. Endowment Wealth Management makes no representation regarding the accuracy or completeness of information provided herein. All opinions and views constitute our judgments as of the date of writing and are subject to change at any time without notice.

Investments in smaller companies carry greater risk than is customarily associated with larger companies for various reasons such as volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources. Investing overseas involves special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets. Income (bond) securities are subject to interest rate risk, which is the risk that debt securities in a portfolio will decline in value because of increases in market interest rates. Exchange Traded Funds (ETFs) are subject to risks similar to those of stocks, such as market risk. Investing in ETFs may bear indirect fees and expenses charged by ETFs in addition to its direct fees and expenses, as well as indirectly bearing the principal risks of those ETFs. ETFs may trade at a discount to their net asset value and are subject to the market fluctuations of their underlying investments. Investing in commodities can be volatile and can suffer from periods of prolonged decline in value and may not be suitable for all investors. Index Performance is presented for illustrative purposes only and does not represent the performance of any specific investment product or portfolio. An investment cannot be made directly into an index.

Alternative Investments may have complex terms and features that are not easily understood and are not suitable for all investors. You should conduct your own due diligence to ensure you understand the features of the product before investing. Alternative investment strategies may employ a variety of hedging techniques and non-traditional instruments such as inverse and leveraged products. Certain hedging techniques include matched combinations that neutralize or offset individual risks such as merger arbitrage, long/short equity, convertible bond arbitrage and fixed-income arbitrage. Leveraged products are those that employ financial derivatives and debt to try to achieve a multiple (for example two or three times) of the return or inverse return of a stated index or benchmark over the course of a single day. Inverse products utilize short selling, derivatives trading, and other leveraged investment techniques, such as futures trading to achieve their objectives, mainly to track the inverse of their benchmarks. As with all investments, there is no assurance that any investment strategies will achieve their objectives or protect against losses.

Neither Endowment Wealth Management nor its representatives render tax, accounting or legal advice. Any tax statements contained herein are not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. federal, state, or local tax penalties. Taxpayers should always seek advice based on their own particular circumstances from an independent tax advisor.

Copyright Endowment Wealth Management, Inc. All rights reserved

ABOUT Endowment Wealth Management, Inc.

We are a Multi-Client Family Office whose *sole mission* is to provide wealth sustainability for individuals, families, retirement plans and institutions through the utilization of the *Endowment Investment Philosophy*. We manage our client's financial wealth to enhance the human capital of their future generations. We work closely with our clients to develop an integrated long-term wealth plan that maximizes the benefit gained by integrating all of our individuals or families wealth producing assets. We are different from many other firms, in the way we build our portfolios on behalf of our clients.

For more information on Endowment Wealth Management, Inc., please call (920) 785-6010 and/or visit www.EndowmentWM.com.