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ANOTHER RUN AT RECORD HIGHS

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EQUITIES

Data as of: 10/18/2019

Index	Price	WTD%	QTD%	YTD%
DJIA	26770.20	-0.17	-0.54	14.76
S&P 500	2986.20	0.54	0.32	19.12
Nasdaq	8089.54	0.40	1.13	21.92
Russell 2000	1535.42	1.56	0.79	13.86
Russell 1000 Growth	1619.43	0.26	0.87	23.19
Russell 1000 Value	1258.73	0.70	-0.35	15.10
Comm. Services	170.48	1.32	1.93	22.84
Cons. Disc.	958.79	1.30	1.22	22.69
Cons. Staples	623.45	-0.16	-0.94	19.46
Energy	420.67	-1.72	-3.77	-0.80
Financial Svcs	466.45	1.55	0.20	17.82
Health Care	1061.63	2.03	1.75	6.04
Industrials	648.41	0.10	-0.99	19.60
Info. Tech.	1419.82	-0.86	0.46	30.46
Materials	360.60	0.32	-1.11	13.89
Real Estate	247.02	1.80	1.40	28.42
Utilities	323.94	-0.15	-1.39	20.60
MSCI EAFE*	1922.29	1.36	1.80	14.84
MSCI EM*	1028.39	1.68	2.81	8.86

* MSCI EAFE and EM values as of 10/17/19

- U.S. stocks** gained this week, making another run at all-time highs as investors watched global developments, and third quarter earnings season kicked off. The S&P 500 Index climbed 1% on October 15 amid news that United Kingdom (U.K.) and European Union (E.U.) officials were close to a deal for the U.K. to leave the E.U. (Brexit). The S&P 500 drifted higher on Wednesday and Thursday, pushing within 1% of a record-high close after E.U. member states approved a tentative Brexit deal.
- Economic data** released during the week was mixed. Retail sales unexpectedly fell 0.3% in September, but August's gain was revised upwards to 0.6%. Control group sales, which we view as a cleaner measure of retail sales' contribution to gross domestic product, were unchanged during the month. The Conference Board's Leading Economic Index grew just 0.4% year over year, its smallest increase since June 2016.
- Global stocks** nudged higher during the week. The MSCI EAFE Index of developed market equities rose 1.4% through Thursday, heading for a second straight week of gains. The Euro Stoxx 50 Index climbed to a 17-month high amid progress in Brexit discussions. The MSCI Emerging Markets Index rose 1.8% through Thursday, poised for its biggest weekly increase in six weeks.
- Small cap stocks** outperformed their larger counterparts, as the Russell 2000 Index of small cap companies led among the major indexes we track. Value stocks generally outperformed growth stocks, while the financials, real estate, and healthcare sectors drove sector returns. Technology and energy stocks were the worst-performing sectors.

FIXED INCOME, CURRENCIES, AND COMMODITIES

Data as of: 10/18/19

Yield	Latest	EOW	EOQ	EOY
90 Day UST	1.64	1.68	1.88	2.45
2 Yr UST	1.57	1.63	1.63	2.48
10 Yr UST	1.75	1.76	1.68	2.69
30 Yr UST	2.24	2.22	2.12	3.02

Fixed Income*	Yield	% Return		
		WTD	QTD	YTD
US Agg	2.31	0.05	-0.22	8.28
US Agg Govt.	1.74	-0.05	-0.40	7.28
US TIPS	1.93	0.08	-0.10	7.47
Munis	1.83	-0.13	0.14	6.90
HY Munis	4.06	-0.07	-0.02	9.67
Inv. Grade	2.96	0.24	-0.20	12.97
High Yield	6.31	0.38	0.21	11.64
MBS	2.55	0.00	0.01	5.61
Global Agg	1.38	0.22	0.13	6.47
Intl. Treasuries	0.23	-0.05	-0.88	9.08
JPM EMBI	5.79	-0.30	0.39	9.35

Currencies & Commodities	Price	% Change		
		WTD	QTD	YTD
US Dollar	97.26	-1.05	-2.13	1.13
EUR/USD	1.12	1.17	2.44	-2.64
USD/JPY	108.40	0.01	0.29	-1.14
WTI Oil	53.70	-1.83	-0.68	18.26
Gold	1494	0.36	1.44	16.61
Copper	2.64	0.40	2.33	0.29

*Data as of 10/17/19

The yield presented refers to the corresponding index except for the U.S. Treasury (UST) data, which is of individual Treasury note securities and not an index. The Currency and Commodity data presented are quotes of the exchange rate. This data is from FactSet.

- **U.S. fixed income** trended sideways, even as yields on sovereign debt rallied around the globe. The 10-year U.S. Treasury yield hovered near a one-month high. The Bloomberg Barclays U.S. Aggregate Index, a composite of U.S. corporate and government bonds, was about flat on the week. Credit-sensitive debt generally outperformed higher-quality bonds. High-yield bonds led returns among sectors, while emerging market debt lagged.
- **The U.S. dollar** slid for a third week as currency markets priced in a more optimistic outlook on trade and geopolitical issues. **Oil** prices fell, and **gold** prices rose.
- **Next week**, investors will be watching for Brexit developments after the U.K. Parliament holds its October 19 scheduled vote on a proposed Brexit deal. The European Central Bank is slated to announce a policy decision October 24. Markit's Purchasing Managers' Index October data for several global regions and the September U.S. durable goods report are scheduled to be released October 24 as well. It'll also be a busy week for earnings, as 131 S&P 500 companies are scheduled to report results.

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