Market Review

HORAN CAPITAL ADVISORS

Sunday, April 30, 2017

Equity Returns	1-Month	YTD	1-Year
Dow Jones Industrial Average	1.45%	6.71%	20.90%
S&P 500	1.03%	7.16%	17.92%
NASDAQ	2.35%	12.71%	28.18%
S&P Mid Cap	0.84%	4.81%	20.46%
Russell 2000	1.10%	3.59%	25.63%
MSCI World (ex-US)	1.78%	10.65%	13.19%
MSCI EAFE	2.28%	10.51%	12.59%
Developed Intl Ex-US Small Cap	4.13%	13.20%	15.16%
MSCI Emerging Markets	0.98%	14.42%	18.75%
MSCI ACWI	1.37%	8.64%	15.71%

S&P 500 Sector Returns	1-Month	YTD	1-Year
Consumer Discretionary	2.44%	11.09%	15.78%
Consumer Staples	1.03%	7.45%	8.64%
Energy	-2.89%	-9.38%	2.08%
Financials	-0.84%	1.66%	27.16%
Health Care	1.54%	10.04%	10.09%
Industrials	1.76%	6.40%	19.40%
Information Technology	2.52%	15.41%	35.36%
Materials	1.39%	7.33%	15.18%
Real Estate	0.60%	3.58%	4.74%
Telecom	-3.31%	-7.15%	0.45%
Utilities	0.78%	7.23%	10.57%

Style Returns	1-Month	YTD	1-Year
S&P 500 Growth	1.85%	10.49%	18.89%
S&P 500 Value	-0.50%	3.08%	16.01%
S&P High Beta	-1.49%	1.45%	22.11%
S&P Low Volatility	0.88%	6.20%	12.07%

Fixed Income Returns	1-Month	YTD	1-Year
Barclays Agg	0.98%	1.72%	0.85%
Barclays Agg 1-3 Year	0.28%	0.80%	1.50%
Barclays Intermediate Gov Credit	0.76%	1.32%	0.64%
Barclays Global Bond	2.73%	3.53%	-3.68%
Barclays High Yield	0.96%	3.34%	11.76%
Barclays High Yield Muni Index	0.70%	4.45%	1.13%

Alternative Returns	1-Month	YTD	1-Year
Alerian MLP	-0.13%	2.19%	13.06%
Gold	1.94%	10.18%	-2.33%
USD	-1.50%	-3.36%	6.10%
Volatility Index	-12.53%	-22.93%	-31.08%

- April was a strong month for equity markets around the globe with small cap companies in developed international markets leading the path higher; a sign of improved risk sentiment in Europe. The NASDAQ led US markets for a second straight month as Technology remains the top performing sector this year. The cyclical rally continued during the month as Consumer Discretionary, Technology, Industrials, and Materials all outperformed the S&P 500.

- Earnings season has officially kicked off and first quarter results are largely exceeding expectations thus far. Just over half of S&P 500 companies have reported earnings with Q1 year over year growth sitting at 15.8%, a 6.5% surprise versus what analysts had expected. Revenue growth for Q1 sits at 8.2% year over year, a 0.7% surprise versus estimates. Cyclical sectors are all posting strong earnings growth, partially explaining the continuation of the cyclical rally.

- Despite strong earnings results, US first quarter GDP came in light of expectations at 0.7%. The GDP report showed a slowdown in consumer spending, mainly due to weaker vehicle sales. However, strength in nonresidential investment was a positive in the report.

- The US dollar weakened against a basket of major currencies in April. Notably, the Euro strengthened against the US dollar as the first round of the French Presidential Election concluded. The strength is a sign of the market's confidence that the moderate candidate, Emmanuel Macron, will defeat the “populist” candidate Marine LePen. The second and final round of the elections will take place May 7th where Macron is expected to win by a wide margin.

Interest Rates	Close	Prior Week	Prior Year End	1 Year Ago
Fed Funds Target	0.75% - 1.00%	0.75% - 1.00%	0.25% - 0.50%	0.25% - 0.50%
2-Year Treasury	1.27%	1.18%	1.20%	0.77%
5- Year Treasury	1.82%	1.76%	1.92%	1.28%
10-Year Treasury	2.28%	2.24%	2.43%	1.82%
Merrill Lynch Inv. Grade Corp.	3.24%	3.22%	3.37%	3.08%
Merrill Lynch High Yield	5.62%	5.79%	6.19%	7.56%

Commodities	Close	Prior Week	Prior Year End	1 Year Ago
Crude Oil	51.73	51.96	56.82	48.13
Gold	1267.65	1284	1151.46	1292.5
Natural Gas	3.276	3.101	3.724	2.178

Currency	Close	Prior Week	Prior Year End	1 Year Ago
EUR/USD	1.0895	1.0726	1.0513	1.1454
GBP/USD	1.2946	1.2812	1.2336	1.4611
USD/JPY	111.53	109.07	116.87	106.35
USD/BRL	3.1758	3.1475	3.2532	3.4352
USD/MXN	18.81	18.80	20.72	17.17

* Returns as of 4/30/2017

* Data provided by Thomson Reuters

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