

Saturday, December 31, 2016

	1-Month	Since Election	1-Year
Equity Returns			
Dow Jones Industrial Average	3.44%	11.05%	16.50%
S&P 500	1.98%	7.77%	11.96%
NASDAQ	1.19%	6.88%	8.87%
S&P Mid Cap	2.19%	12.64%	20.74%
Russell 2000	2.80%	16.99%	21.31%
MSCI World (ex-US)	1.86%	2.11%	4.54%
MSCI EAFE	2.71%	3.11%	1.37%
Developed Intl Ex-US Small Cap	1.96%	0.50%	2.63%
MSCI Emerging Markets	-0.25%	-1.44%	10.87%
MSCI ACWI	1.96%	5.25%	8.40%

	1-Month	Since Election	1-Year
S&P 500 Sector Returns			
Consumer Discretionary	0.06%	6.76%	6.03%
Consumer Staples	3.17%	1.02%	5.38%
Energy	1.92%	11.63%	27.36%
Financials	3.90%	20.03%	22.80%
Health Care	0.73%	3.98%	-2.69%
Industrials	0.51%	10.83%	18.86%
Information Technology	1.56%	4.10%	13.85%
Materials	0.12%	7.75%	16.69%
Real Estate	4.32%	4.57%	2.73%
Telecom	8.12%	14.59%	23.49%
Utilities	4.94%	2.36%	16.29%

	1-Month	Since Election	1-Year
Style Returns			
S&P 500 Growth	1.45%	4.99%	6.82%
S&P 500 Value	2.59%	10.75%	17.31%
S&P High Beta	0.86%	15.94%	26.21%
S&P Low Volatility	2.59%	5.34%	10.09%

	1-Month	Since Election	1-Year
Fixed Income Returns			
Barclays Agg	0.25%	-2.45%	2.41%
Barclays Agg 1-3 Year	0.25%	-0.21%	2.09%
Barclays Intermediate Gov Credit	0.22%	-1.88%	1.97%
Barclays Global Bond	0.63%	-4.95%	0.27%
Barclays High Yield	1.92%	2.78%	14.43%
Barclays High Yield Muni Index	4.13%	-4.96%	0.39%

	1-Month	Since Election	1-Year
Alternative Returns			
Alerian MLP	4.60%	10.62%	17.24%
Gold	-1.91%	-11.88%	8.03%
USD	0.80%	5.59%	3.16%
Volatility Index	-37.63%	-37.63%	-18.80%

* Returns as of 12/31/2016

** "Since Election Returns from 11/4/2016 to 12/31/2016

- All major US Indices finished positive for the month of December with the Dow Jones Industrial Average outperforming, followed by the Russell 2000. Foreign markets reversed their November losses with Developed International posting impressive gains. The post-election rally continued at the sector level with Financials and Telecomm leading.
- December brought surprise economic data in the form of an upbeat Consumer Confidence reading (113.7 actual vs 108.5 expected) and strong manufacturing surveys. Industrial Production was soft for the month as was Durable Goods Orders (-4.6%). Third quarter GDP was revised higher to a +3.5% annualized rate vs +3.2% prior on the back of a strong consumer, exports, and upgraded nonresidential fixed investment.
- The Federal Reserve raised its target overnight interest rate to a range of 0.50% to 0.75%. The 0.25% increase in the rate was widely expected; however the Fed is now forecasting three rate increases in 2017, up from two in September.
- Crude Oil and Natural Gas continued their move higher even as the US Dollar added strength during the month. Treasury Yields, while higher than in November, have backed off of their recent highs. Rate hike probabilities for 2017 currently do not predict the Fed raising interest rates again until the second half of 2017.

	Close	Prior Week	Prior to Election	1 Year Ago
Interest Rates				
Fed Funds Target	0.5% - 0.75%	0.5% - 0.75%	0.25% - 0.50%	0.25%
2-Year Treasury	1.20%	1.24%	0.80%	1.06%
5-Year Treasury	1.92%	2.06%	1.24%	1.77%
10-Year Treasury	2.43%	2.56%	1.78%	2.28%
Merrill Lynch Inv. Grade Corp.	3.39%	3.46%	2.95%	3.68%
Merrill Lynch High Yield	6.19%	6.21%	6.57%	8.76%

	Close	Prior Week	Prior to Election	1 Year Ago
Commodities				
Crude Oil	56.82	56.09	45.58	37.28
Gold	1151.46	1138.85	1303.75	1060.6
Natural Gas	3.724	3.761	2.767	2.337

	Close	Prior Week	Prior to Election	1 Year Ago
Currency				
EUR/USD	1.0513	1.0455	1.1135	1.086
GBP/USD	1.2336	1.227	1.2517	1.4738
USD/JPY	116.87	117.39	103.12	120.3
USD/BRL	3.2532	3.2697	3.2322	3.9593
USD/MXN	20.72	20.74	19.02	17.17

* Data provided by Thomson Reuters