

**Index Returns**

	MTD	QTD	YTD	1-Year	3-Year
S&P 500	1.11	6.64	21.83	21.83	11.41
Russell 1000 Growth	0.78	7.86	30.21	30.21	13.79
Russell 1000 Value	1.46	5.33	13.66	13.66	8.65
Russell Mid Cap	0.93	6.07	18.52	18.52	9.58
Russell Mid Cap Growth	0.54	6.81	25.27	25.27	10.30
Russell Mid Cap Value	1.24	5.50	13.34	13.34	9.00
Russell 2000	(0.40)	3.34	14.65	14.65	9.96
Russell 2000 Growth	0.12	4.59	22.17	22.17	10.28
Russell 2000 Value	(0.95)	2.05	7.84	7.84	9.55

**Domestic Equity**

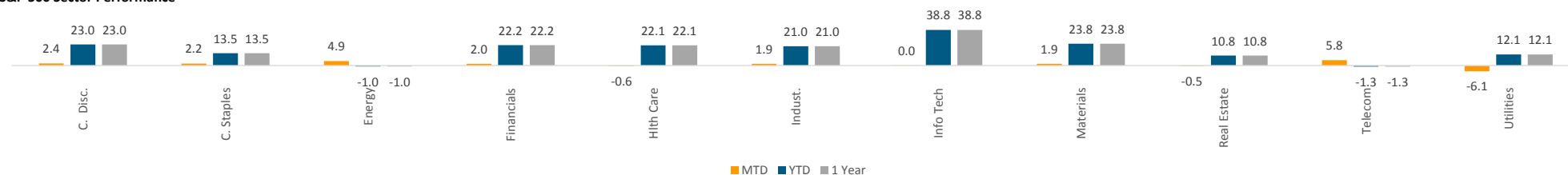
With the signing of the long-awaited tax bill (Tax Cuts and Jobs Act) and continued macroeconomic strength, domestic equity markets climbed higher this month, wrapping up another robust calendar year.

The growth/value dynamic was mixed for the month of December, as value outpaced growth within large cap names, while the opposite occurred within small cap stocks. Large caps continued their dominance over small caps overall, widening the performance gap once again this month.

A portion of November's risk-off/defensive posture carried over into December, as telecom and energy were the top performing sectors for the period. M&A headlines within telecom and rising oil prices were the primary reasons for the outperformance.

When looking back at 2017's overall sector performance, energy and telecom ended the year in negative territory, and were the only sectors to finish in the red, despite December's strength. The technology sector, driven by the "FANGAM" names, ended the year returning almost 40%. Materials completed the year with a 23.8% return, putting it in a distant second place behind technology. Consumer discretionary, financials, health care and industrials also witnessed solid results for the year, each returning over 20%.

**S&P 500 Sector Performance**



**Index Returns**

	MTD	QTD	YTD	1-Year	3-Year
MSCI EAFE	1.61	4.23	25.03	25.03	7.80
MSCI ACWI ex US	2.24	5.00	27.19	27.19	7.83
MSCI EM	3.59	7.44	37.28	37.28	9.10
MSCI EAFE Small Cap	2.67	6.05	33.01	33.01	14.20
MSCI EAFE Growth	1.68	5.24	28.86	28.86	9.15
MSCI EAFE Value	1.53	3.24	21.44	21.44	6.35
MSCI Japan (USD)	0.70	8.49	23.99	23.99	11.62
MSCI Germany (USD)	0.03	2.78	27.70	27.70	8.78
MSCI UK (USD)	4.96	5.72	22.30	22.30	4.14
MSCI France (USD)	(0.22)	1.50	28.75	28.75	10.49
MSCI China (USD)	1.91	7.62	54.07	54.07	12.74
MSCI Brazil (USD)	4.59	(1.99)	24.11	24.11	6.55
MSCI Russia (USD)	2.85	4.26	5.20	5.20	19.29
MSCI India (USD)	4.88	11.82	38.76	38.76	8.69

**International Equity**

Once again, the MSCI EAFE Index witnessed modest results, returning 1.61% for the month. The U.K. was the main driver of the period's performance.

Within the U.K., the completion of phase 1 of the Brexit negotiations helped support equity market strength in the region, as the MSCI Europe Index returned 1.51% for the month.

Japanese equity markets witnessed a slight slowdown in December, as the MSCI Japan Index increased at a modest 0.70%. Japanese equities have had a very strong year, driven by fantastic performance of company earnings, economic strength and political stability.

The MSCI Emerging Markets Index outpaced all other major global equity indexes in December, exhibiting a 3.59% return. December witnessed a solid recovery in some industrial commodity prices, helping boost some of the more commodity-focused EM stock markets. Chinese demand helped drive results.

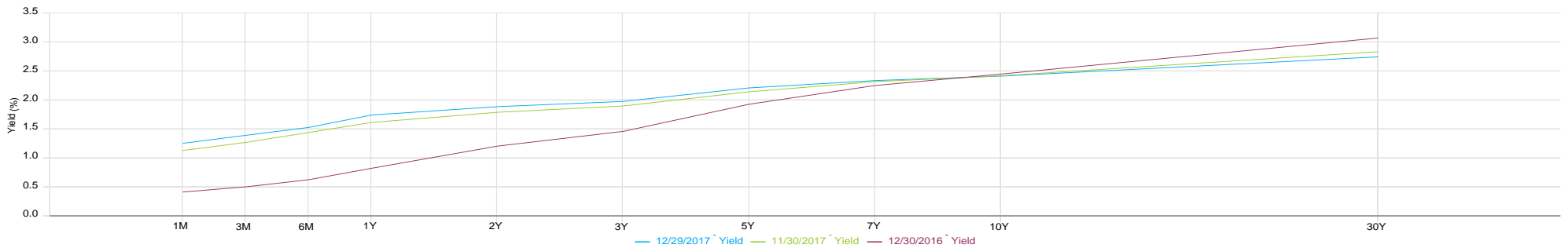
U.S. dollar weakness was prevalent this month, as the majority of global currencies outpaced the U.S. dollar once again. The weak U.S. dollar was one of the primary drivers buoying non-U.S. equity markets this year.

**Currency Spot Returns vs USD**

	MTD	QTD	YTD	1-Year	3-Year
Euro	0.71	1.57	13.85	13.85	(0.26)
Japanese Yen	(0.66)	(0.08)	3.54	3.54	2.10
British Pound	(0.07)	0.83	9.48	9.48	(4.63)
Australian Dollar	3.03	(0.32)	8.02	8.02	(1.50)
Chinese Renminbi	1.52	2.01	6.72	6.72	(1.60)

**Fixed Income**

**United States Treasury Yield Curve**



**Index Returns**

	MTD	QTD	YTD	1-Year	3-Year
BBgBarc US Agg	0.46	0.39	3.54	3.54	2.24
BBgBarc US Corp IG	0.91	1.17	6.42	6.42	3.90
BBgBarc US Corp HY	0.30	0.47	7.50	7.50	6.35
BBgBarc US Long Corp	2.22	3.34	12.09	12.09	5.87
BBgBarc US Gov/Credit	0.52	0.49	4.00	4.00	2.38
BBgBarc US Long Gov/Credit	1.89	2.84	10.71	10.71	4.52
BBgBarc Municipal	1.05	0.75	5.45	5.45	2.98
BBgBarc US TIPS	0.92	1.26	3.01	3.01	2.05
BofAML US T-Bill 3M	0.11	0.28	0.85	0.85	0.41
Citi WGBI USD	0.16	1.04	7.49	7.49	1.74
JPM EMBI Plus USD	0.63	(0.32)	8.29	8.29	6.52

Domestic fixed income markets were strengthened this month by generally healthy fundamentals and a relatively firm economic environment, as the Bloomberg Barclays U.S. Aggregate Bond Index rose 0.46%.

The Treasury curve flattened over the month with the spread between the 2-year and 30-year Treasury yields narrowing 20 basis points to 85 basis points.

Solid fundamentals overall, coupled with a favorable economic backdrop, helped support corporate spreads, which gradually tightened through December and closed at 93 basis points, a new post-crisis tight level.

Continued global macroeconomic strength helped push the Citigroup WGBI to a 0.16% monthly return. For 2017, the index returned a solid 7.49%.

**Commodities & Real Estate**

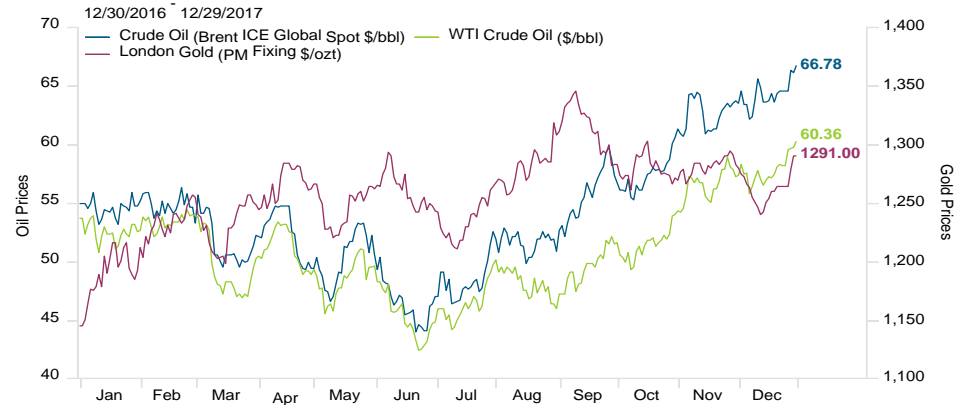
Commodities were positive during December, driven by strength in industrial metals and a late rally in energy. Oil prices moved higher, supported by continued OPEC and Russia production cuts, as well as more recent supply concerns stemming from geopolitical tensions in Iran.

Global public real estate markets witnessed mixed results this month, as global REITs exhibited a positive return, while domestic REITs fell slightly into negative territory. Within the U.S., health care and industrial REITs were the primary detractors. Conversely, retail REITs helped offset some of the underperformance.

**Index Returns**

	MTD	QTD	YTD	1-Year	3-Year
Bloomberg Commodity	2.99	4.71	1.70	1.70	(5.03)
S&P N.A. Natural Resources	5.68	5.94	1.23	1.23	0.11
FTSE NAREIT Eq REITs	(0.21)	1.51	5.23	5.23	5.62
FTSE NAREIT Developed	1.29	3.60	10.36	10.36	4.44

**Commodity Prices - Trailing 1 Year**





## DATA SOURCE ACKNOWLEDGEMENTS, DISCLAIMERS AND DISCLOSURES

**Barclays Global Indices** are a proprietary product of Barclays. Barclays shall maintain exclusive ownership of and rights to the Barclays Indices and that inclusion of the Barclay Indices in this service shall not be construed to vest in the subscriber any rights with respect to the Indices. The subscriber agrees it will not remove any copyright notice or other notification or trade name or marks of Barclays that may appear in the Barclay Indices and that any reproduction and/or distribution of the Barclay Indices (if authorized) shall contain such notices and/or marks.

**Merrill Lynch Indexes**, Copyright 2008, Merrill Lynch, Pierce, Fenner & Smith Inc. All rights reserved. The Merrill Lynch Indices may not be copied, used, or distributed without prior written approval.

**Russell Investment Group** is a registered trade name of Frank Russell Company, a Washington USA corporation, which operates through subsidiaries worldwide. Frank Russell Company is a subsidiary of The Northwestern Mutual Life Insurance Company. Russell and Russell Index, Russell 1000 Index, Russell 2000 Index, Russell 2500 Index, Russell Midcap Index, Russell 3000 Value Index, Russell 3000 Growth Index, Russell 1000 Value Index, Russell 1000 Growth Index, Russell 2000 Value Index, Russell 2000 Growth Index, Russell Midcap Value Index, Russell Midcap Growth Index, Russell 2500 Value Index, Russell 2500 Growth Index are either registered trademarks or trade names of Frank Russell Company in the United States and/or other countries. Indexes are unmanaged and cannot be invested in directly. Copyright Russell Investment Group 2008. All rights reserved.

**Standard & Poors Indices, S&P/Citigroup Indices**. Copyright 2008. Standard & Poors is a division of the McGraw-Hill Companies, Inc. All rights reserved. Standard & Poors Index Services 212-438-2046 or [index\\_services@sandp.com](mailto:index_services@sandp.com).

**MSCI Inc.** and all other service marks referred to herein are the exclusive property of MSCI and its affiliates. All MSCI indices are the exclusive property of MSCI and may not be used in any way without express written permission of MSCI. Copyright 2008 by MSCI Inc. All rights reserved. THE SERVICE IS PROVIDED TO LICENSEE ON AN "AS IS" BASIS. NEITHER MSCI INC. NOR ANY OTHER PARTY MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICE (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND MSCI INC. EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OR ORIGINALITY, ACCURACY, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. LICENSEE ASSUMES THE ENTIRE RISK OF ANY USE LICENSEE MAY MAKE OF THE SERVICE AND ACKNOWLEDGES THAT DATA FIELDS MAY NOT BE CONSISTENT THROUGHOUT THE DATA. IN NO EVENT SHALL MSCI INC. OR ANY OTHER PARTY, BE LIABLE TO LICENSEE OR ANY OTHER PARTY FOR ANY DIRECT OR INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS, LOST SAVINGS OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT OR THE INABILITY OF LICENSEE TO USE THE SERVICE,

REGARDLESS OF THE FORM OF ACTION, EVEN IF MSCI INC. HAS BEEN ADVISED OF OR OTHERWISE MIGHT HAVE ANTICIPATED THE POSSIBILITY OF SUCH DAMAGES

**FTSE NAREIT US Real Estate Index**, The FTSE US Real Estate Index is calculated by FTSE International Limited (FTSE). All rights in the FTSE NAREIT US Real Estate Index vest in FTSE and the National Association of Real Estate Investment Trusts (NAREIT). FTSE is a trademark of the London Stock Exchange PLC and The Financial Times Limited and is used by FTSE under license. NAREIT is a trademark of NAREIT. Neither FTSE nor NAREIT shall be liable (including in negligence) for any loss arising out of use of the FTSE NAREIT US Real Estate Index by any person. All data is derived from, and applies only to, publicly traded securities.

The analysis in this report was prepared by Fiduciary Investment Advisors, LLC, utilizing data from third parties and other sources including but not limited to FIA computer software and selected information in the FIA database. Reasonable care has been taken to assure the accuracy of the data contained herein, and comments are objectively stated and are based on facts gathered in good faith. These reports do not constitute investment advice with respect to the purchase, sale or disposition of individual securities. FIA disclaims responsibility, financial or otherwise, for the accuracy or completeness of this report. This report and the information contained herein was prepared solely for the internal business use of our clients. This report is confidential and cannot be reproduced or redistributed to any party other than the intended recipients without the expressed consent of FIA. FIA does not intend to benefit any third party recipient of its work product or create any legal duty from FIA consents to the release of its work product to such third party.

Past performance is no guarantee of future results. Unless explicitly stated in your service agreement, there should be no reliance on FIA services to provide analysis or reporting on a daily basis, the changes to manager rankings, ratings or opinions thereon. Unless explicitly stated in your Service Agreement, FIA services are not intended to monitor investment manager compliance with individual security selection criteria, limits on security selection, and/or prohibitions to the holding of certain securities or security types.

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Fiduciary Investment Advisors, LLC), or any non-investment related content, made reference to directly or indirectly in this newsletter will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this newsletter serves as the receipt of, or as a substitute for, personalized investment advice from Fiduciary Investment Advisors, LLC. To the extent that a reader has any questions regarding the applicability of any specific issue discussed above to his/her individual situation, he/she is encouraged to consult with the professional advisor of his/her choosing. Fiduciary Investment Advisors, LLC is neither a law firm nor a certified public accounting firm and no portion of the newsletter content should be construed as legal or accounting advice. A copy of the Fiduciary Investment Advisors, LLC's current written disclosure statement discussing our advisory services and fees is available for review upon request.

FIA provides a copy of its SEC Form ADV Part II to clients without charge upon request.

**Fiduciary Investment Advisors, LLC** - 100 Northfield Drive, Windsor, CT 06095, [www.fiallc.com](http://www.fiallc.com), 1-866-466-9412