Capital Markets Flash Report

June 2018

Domestic Equity

Index Returns

	MTD	QTD	YTD	1-Year	3-Year
S&P 500	0.62	3.43	2.65	14.37	11.93
Russell 1000 Growth	0.96	5.76	7.25	22.51	14.98
Russell 1000 Value	0.25	1.18	(1.69)	6.77	8.26
Russell Mid Cap	0.69	2.82	2.35	12.33	9.58
Russell Mid Cap Growth	0.39	3.16	5.40	18.52	10.73
Russell Mid Cap Value	0.81	2.41	(0.16)	7.60	8.80
Russell 2000	0.72	7.75	7.66	17.57	10.96
Russell 2000 Growth	0.78	7.23	9.70	21.86	10.60
Russell 2000 Value	0.61	8.30	5.44	13.10	11.22

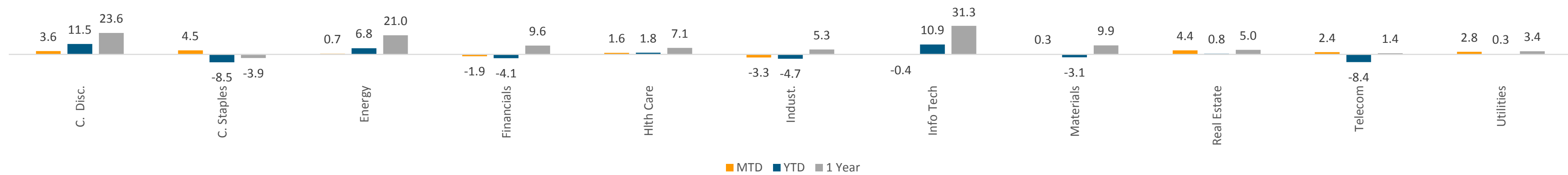
Global trade relations tested global equity markets this month, as the tit for tat tariff battle strengthened. Despite the geopolitical volatility, U.S. equity markets outpaced all others this period, backed by a strong economy and favorable corporate fundamentals.

Small caps outpaced large caps by a slight margin this month, as multinational large cap companies continued to be challenged by headwinds witnessed outside the U.S. Growth led value once again, albeit by a less significant margin than previous months. Growth companies in the U.S. remain supported by strong earnings and positive macroeconomic data.

The S&P 500 Index exhibited a much more defensive posture this month, as the consumer, real estate and utilities sectors drove results. Volatile trade rhetoric and a slight drop in interest rates helped fuel the turnaround in investor mindset. Industrials, which derive a large percentage of their revenues overseas, were the most challenged in June, as international markets experienced the brunt of the slowdown.

The technology sector fell into negative territory for only the second month so far this year. Technology names such as Facebook, Microsoft, NVIDIA, and Adobe have been the S&P's stalwarts for much of last year and so far in 2018. However, recent volatility, exacerbated by the U.S. administration's accusations towards China regarding proprietary technology, helped drag results downward.

S&P 500 Sector Performance



International Equity

Index Returns

	MTD	QTD	YTD	1-Year	3-Year
MSCI EAFE	(1.22)	(1.24)	(2.75)	6.84	4.90
MSCI ACWI ex US	(1.88)	(2.61)	(3.77)	7.28	5.07
MSCI EM	(4.15)	(7.96)	(6.66)	8.20	5.60
MSCI EAFE Small Cap	(1.95)	(1.57)	(1.33)	12.45	10.09
MSCI EAFE Growth	(1.18)	0.11	(0.93)	9.41	6.41
MSCI EAFE Value	(1.27)	(2.64)	(4.61)	4.25	3.30
MSCI Japan (USD)	(2.52)	(2.84)	(2.03)	10.51	6.25
MSCI Germany (USD)	(2.37)	(3.95)	(7.39)	2.55	5.26
MSCI UK (USD)	(0.96)	2.95	(1.05)	10.02	3.09
MSCI France (USD)	(0.99)	(0.46)	(0.13)	9.85	8.66
MSCI China (USD)	(5.22)	(3.50)	(1.75)	21.23	7.08
MSCI Brazil (USD)	(8.32)	(26.39)	(17.29)	(0.33)	3.10
MSCI Russia (USD)	0.37	(6.04)	2.76	25.97	10.99
MSCI India (USD)	(0.97)	(0.60)	(7.51)	6.47	5.34

The MSCI EAFE Index dropped 1.22% during the month of June, driven primarily by the continued slowdown in Germany, potential risks from the new government in Italy, and turbulence regarding trade relations spreading to Japan.

The MSCI Europe Index decreased by 0.67% this month, as heightened risks regarding the new Italian government and Germany's weak performance dragged down equity markets in the region.

The MSCI Japan Index fell 2.52%, as fears over the actual implementation of tariffs increased substantially. Japanese auto manufacturers have been suffering due to fears that U.S. tariffs could be applied to car imports, hurting one of Japan's primary exports.

The MSCI Emerging Markets Index sank 4.15% in June, as tariff negotiations entered a precarious stage, political tensions between the U.S. and China intensified, and pressure from a stronger U.S. dollar mounted. From a country standpoint, Brazil drove the lion's share of negative returns, as concerns over Brazil's upcoming elections and lack of progress on fiscal reform weighed on equities.

The U.S. dollar continued its positive trajectory versus most major global currencies, as the outperformance of U.S. economic growth and interest rates helped support the greenback this month.

Currency Spot Returns vs USD

	MTD	QTD	YTD	1-Year	3-Year
Euro	0.02	(5.07)	(2.77)	2.37	1.57
Japanese Yen	(1.91)	(3.99)	1.70	1.44	3.38
British Pound	(0.78)	(5.88)	(2.40)	1.64	(5.67)
Australian Dollar	(2.35)	(3.68)	(5.54)	(3.68)	(1.31)
Chinese Renminbi	(3.39)	(5.04)	(1.71)	2.33	(2.18)

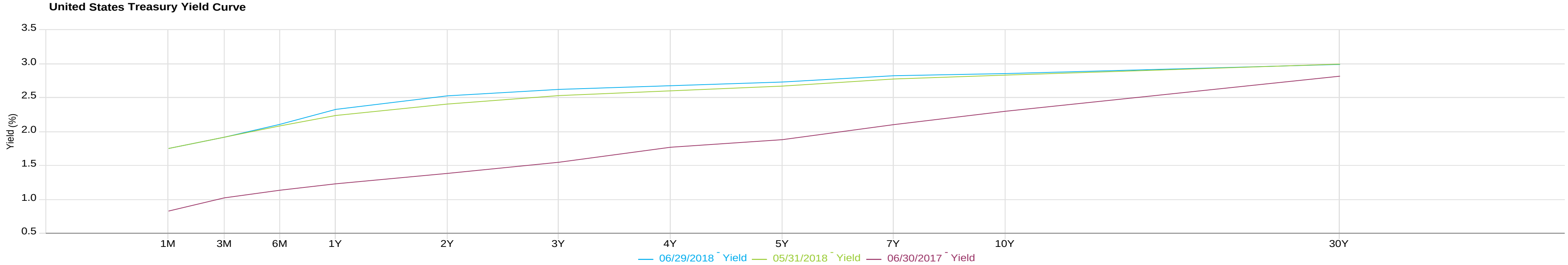
FIDUCIARY INVESTMENT ADVISORS

Strategic thinking. Customized solutions.

Capital Markets Flash Report

June 2018

Fixed Income



Index Returns

	MTD	QTD	YTD	1-Year	3-Year
BBgBarc US Agg	(0.12)	(0.16)	(1.62)	(0.40)	1.72
BBgBarc US Corp IG	(0.58)	(0.98)	(3.27)	(0.83)	3.07
BBgBarc US Corp HY	0.40	1.03	0.16	2.62	5.53
BBgBarc US Long Corp	(1.40)	(2.83)	(6.77)	(1.75)	5.10
BBgBarc US Gov/Credit	(0.19)	(0.33)	(1.90)	(0.63)	1.83
BBgBarc US Long Gov/Credit	(0.62)	(1.45)	(4.98)	(0.78)	4.34
BBgBarc Municipal	0.09	0.87	(0.25)	1.56	2.85
BBgBarc US TIPS	0.40	0.77	(0.02)	2.11	1.93
BofAML US T-Bill 3M	0.17	0.46	0.81	1.36	0.68
Citi WGBI USD	(0.28)	(3.35)	(0.94)	1.90	2.82
JPM EMBI Plus USD	(1.03)	(4.14)	(6.09)	(4.31)	3.97

The Bloomberg Barclays U.S. Aggregate Bond Index returned -0.12% this period, as trade tensions escalated in June, overshadowing favorable U.S. macroeconomic data.

Short-term Treasury yields rose and longer-maturity yields fell as the Treasury curve continued to flatten. 30-year yields fell back below 3% and 2-year yields climbed above 2.5%. The spread between the 10-year and the 2-year dropped 10bps to a new post-crisis low of 33bps.

High levels of supply and a soft market tone weighed on investment grade corporate spreads, which widened 8bps to close at 123bps, the widest level since late 2016. High yield spreads benefited from light supply, widening only 1bp to close at 363bps.

The Citigroup WGBI dropped 1.03% for the period, driven mostly by continued U.S. dollar strength.

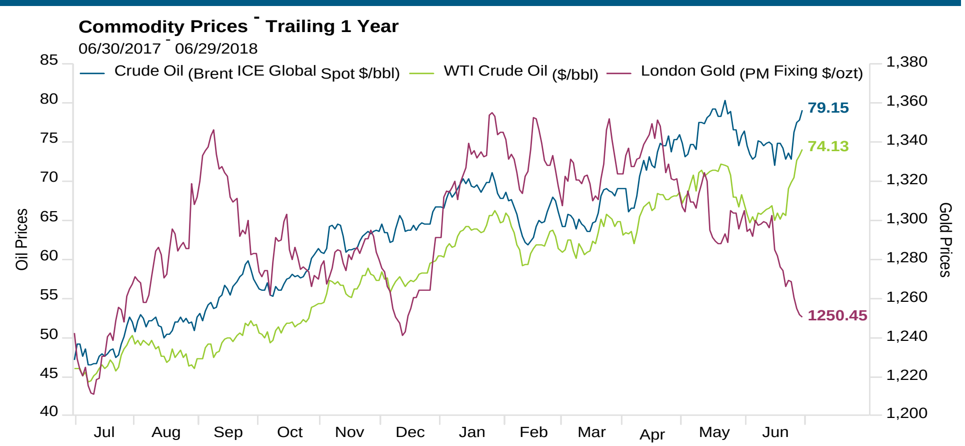
Commodities & Real Estate

Commodities advanced in June, led by strong gains in the energy sector. Oil touched three-year highs at the end of the month, as threats to global supply, including potential U.S. government imposed sanctions on Iran, economic and geopolitical concerns in Venezuela, and a greater than anticipated drop in U.S. crude inventories, lifted prices higher.

Global REITs were among the best performing asset classes during the period. Positive fundamentals, strong global economic growth, and higher M&A activity continue to serve as tailwinds for the group. This marks the fourth consecutive month that global REITs have outperformed the broader equity markets.

Index Returns

	MTD	QTD	YTD	1-Year	3-Year
Bloomberg Commodity	(3.50)	0.40	(0.00)	7.35	(4.54)
S&P N.A. Natural Resources	0.87	12.05	5.29	19.80	3.29
FTSE NAREIT Eq REITs	4.36	10.04	1.02	3.50	8.06
FTSE NAREIT Developed	1.43	5.12	0.36	5.64	5.71



Source: FactSet

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 withot 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.

MSCI Inc. and all other service marks referred to herein are the exclusive property of MSCI and its affiliates. All MSCI indices are the excusive 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 ACKOWLEDGES 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 POSIIBILITY 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 nor their licensors 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, wwwfiallc.com, 1-866-466-9412