

Capital Markets Flash Report

August 2019

U.S. Equity						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	-1.6	18.3	2.9	12.7	10.1	13.4
Russell 1000 Growth	-0.8	23.3	4.3	17.0	13.1	15.4
Russell 1000 Value	-2.9	13.8	0.6	8.1	6.6	11.5
Russell Mid Cap	-2.8	19.6	0.5	10.1	7.9	13.5
Russell Mid Cap Growth	-1.8	26.7	6.0	14.9	10.7	14.9
Russell Mid Cap Value	-3.5	14.8	-3.1	6.5	5.9	12.5
Russell 2000	-4.9	11.8	-12.9	7.9	6.4	11.6
Russell 2000 Growth	-4.3	16.3	-11.0	10.6	8.1	13.1
Russell 2000 Value	-5.6	7.3	-14.9	5.0	4.6	10.0

U.S. equity markets took a step back in August, with the S&P 500 Index posting a return of -1.6%. Large cap stocks significantly outperformed small caps, with growth outperforming value across all cap spectrums. From a sector standpoint, the utilities and real estate sectors posted strong returns as falling interest rates sent investors scrambling for yield.

Fixed Income						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
BBgBarc US Agg	2.6	9.1	10.2	3.1	3.3	3.9
BBgBarc US Corp IG	3.1	13.9	13.3	4.6	4.6	5.8
BBgBarc US Corp HY	0.4	11.0	6.6	6.2	4.9	8.5
BBgBarc US Gov/Cr 1-3 Yr	0.8	3.5	4.6	1.9	1.6	1.6
BBgBarc US Gov/Cr Long	7.9	23.3	22.3	5.8	6.7	7.9
BBgBarc Municipal	1.6	7.6	8.7	3.3	3.8	4.6
FTSE WGBI USD	2.7	7.7	8.4	1.9	1.4	2.1
ICE BofAML US 3M T-Bill	0.2	1.6	2.4	1.5	0.9	0.5

Bond markets rallied in August, posting strong positive returns as falling interest rates provided a nice backdrop. The 10-year Treasury yield ended the month at 1.51%. Treasuries outperformed spread products in August as investment grade and high yield spreads widened 12 and 22 basis points, respectively. Global bonds posted strong returns during the month as well, with the FTSE WGBI Index producing a return of 2.7%.

International Equity						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
MSCI ACWI Ex USA	-3.1	8.8	-3.3	5.9	1.4	4.7
MSCI EAFE	-2.6	9.7	-3.3	5.9	1.9	5.0
MSCI EAFE Growth	-1.2	16.6	0.8	7.9	4.5	6.8
MSCI EAFE Value	-4.1	2.7	-7.4	3.8	-0.8	3.1
MSCI EAFE Small Cap	-2.5	9.0	-9.2	6.0	4.3	7.7
MSCI EM	-4.9	3.9	-4.4	5.8	0.4	4.1
MSCI EM Small	-5.0	-0.1	-10.4	1.1	-1.4	3.8

International equities struggled in August, posting negative absolute returns across regions, and underperforming domestic markets. Style trends were consistent abroad, with growth outpacing value. Emerging markets lagged developed regions, with weakness coming from China as trade tensions with the U.S. continue to weigh on the outlook.

Commodities & Real Estate						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity	-2.3	1.9	-5.9	-0.9	-8.6	-4.3
S&P N.A. Natural Resources	-5.1	6.3	-18.0	-2.6	-8.0	1.8
FTSE Nareit Equity REITs	3.4	23.3	12.1	5.7	8.3	13.4
FTSE EPRA Nareit Developed	1.9	17.8	9.1	5.4	5.9	9.8

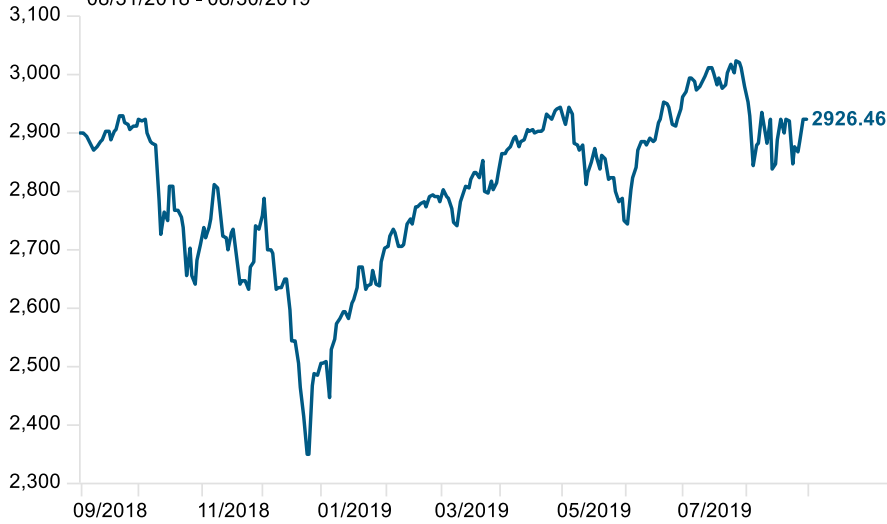
Commodities and natural resource equities struggled in August. The strength of the U.S. dollar, combined with global growth concerns, weighed on returns. On the other hand, precious metals performed well, with gold, often seen as a safe haven during times of distress, reaching levels not seen since 2013. As has been the case for much of 2019, REITs continued to benefit from the declining rate environment.

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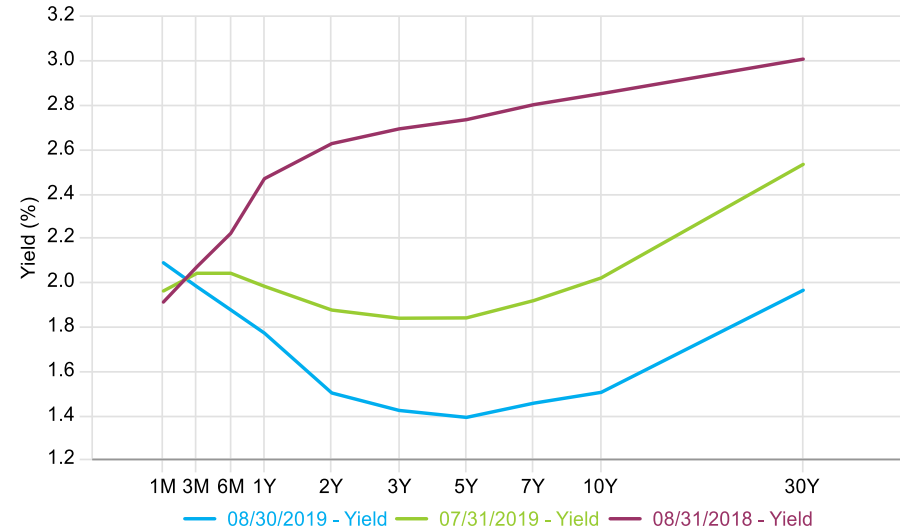
S&P 500 Price History - Trailing 1 Year

08/31/2018 - 08/30/2019



FactSet, S&P

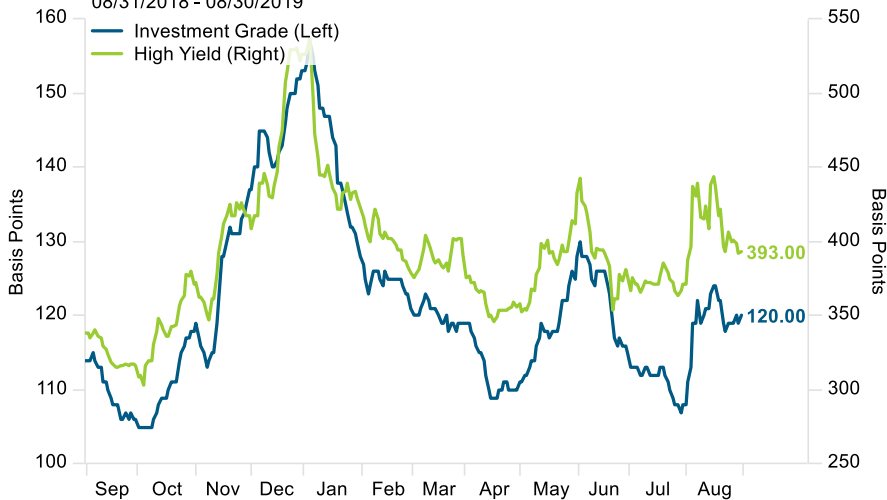
United States Treasury Yield Curve



FactSet

Barclays Corporate Option Adjusted Spread - Trailing 1 Year

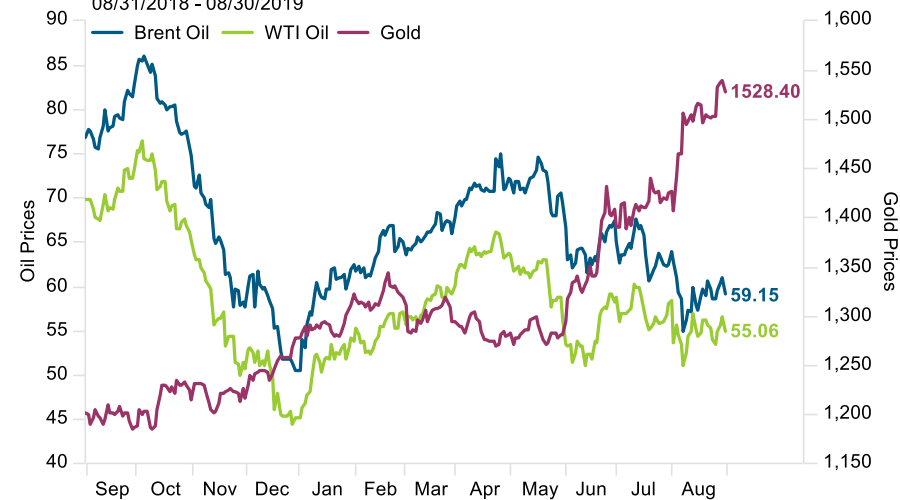
08/31/2018 - 08/30/2019



FactSet, Bloomberg Barclays

Commodity Prices - Trailing 1 Year

08/31/2018 - 08/30/2019



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Performance data sourced from Morningstar Direct.