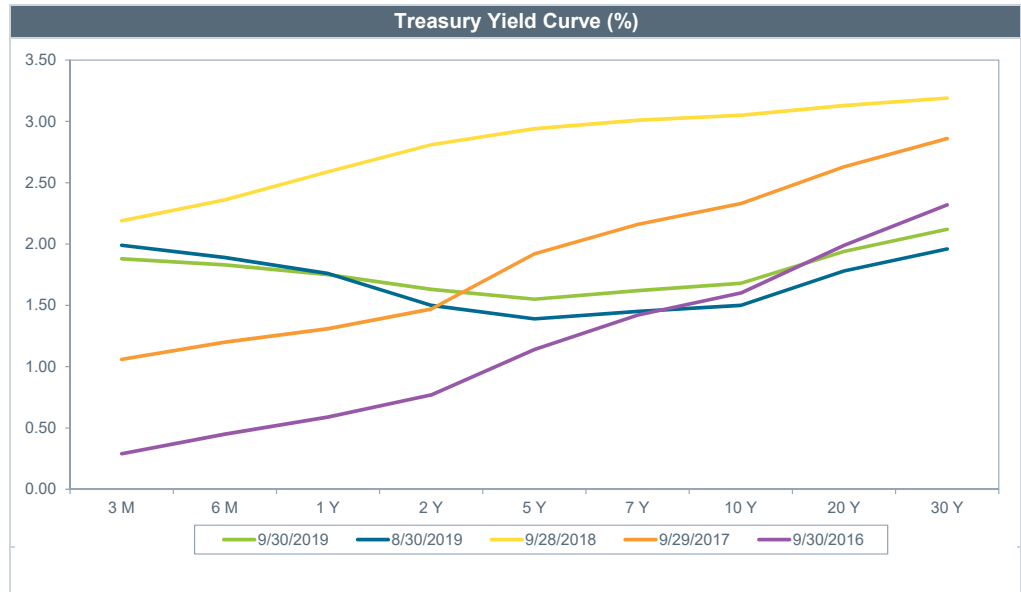


General Market Commentary	
•	During September, the Federal Open Market Committee (FOMC) voted to cut interest rates by 25 basis points, citing weak inflation expectations and concerns about economic growth. This was the second 25 basis point cut of 2019.
•	Following a pronounced rally in treasury yields at the beginning of September, the rest of the month saw yields fall across the curve on signs of weak inflation expectations, slowing economic growth, and global geopolitical uncertainty which was consistent with the message delivered by the FOMC.
•	Most equity markets posted modest returns in September on increased optimism that the US and China could reach a truce in their ongoing trade war. However, equity markets dropped at the end of the month on news that the Trump administration was considering ways to limit US investors' asset flows into China. Options under consideration include delisting Chinese companies from US stock exchanges and placing limits on Chinese stock exposure in US pension funds.
•	Equity markets posted positive returns in September as the S&P 500 (Cap Wtd) Index returned 1.87% and the MSCI EAFE (Net) Index returned 2.87%. Emerging markets returned 1.91% as measured by the MSCI EM (Net) Index.
•	The Bloomberg US Aggregate Bond Index returned -0.53% in September, underperforming the -0.45% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -1.59%, as measured by the FTSE Non-US World Gov't Bond Index.
•	Public real estate, as measured by the FTSE NAREIT Eq REITs Index (TR), returned 2.93% in September and 10.26% over the trailing five-year period.
•	The Cambridge US Private Equity Index returned 12.74% for the trailing one-year period and 12.17% for the trailing five-year period ending March 2019.
•	Absolute return strategies, as measured by the HFRI FOF Comp Index, returned -0.42% for the month and 0.01% over the trailing one-year period.
•	Crude oil's price fell by 1.87% during the month, and has decreased by 26.18% YoY.



Economic Indicators	Sep-19	Aug-19	Sep-18	10 Yr	20 Yr
Federal Funds Rate (%)	1.90 ▼	2.13	2.18	0.58	1.84
Breakeven Inflation - 5 Year (%)	1.35 ▼	1.36	2.03	1.75	1.85
Breakeven Inflation - 10 Year (%)	1.52 ▼	1.54	2.14	2.01	2.03
Breakeven Inflation - 30 Year (%)	1.59 ▼	1.60	2.16	2.14	2.26
Bloomberg US Agg Bond Index - Yield (%)	2.26 ▲	2.13	3.46	2.54	3.85
Bloomberg US Agg Bond Index - OAS (%)	0.46 ▼	0.48	0.39	0.53	0.63
Bloomberg US Agg Credit Index - OAS (%)	1.09 ▼	1.14	1.00	1.34	1.46
Bloomberg US Corp: HY Index - OAS (%)	3.73 ▼	3.93	3.16	4.90	5.49
Capacity Utilization (%)	77.47 ▼	77.90	79.25	76.47	77.16
Unemployment Rate (%)	3.5 ▼	3.7	3.7	6.4	5.9
PMI - Manufacturing (%)	47.8 ▼	49.1	59.5	54.4	52.8
Baltic Dry Index - Shipping	1,823 ▼	2,378	1,540	1,323	2,323
Consumer Conf (Conf Board)	125.10 ▼	134.20	135.30	89.44	92.64
CPI YoY (Headline) (%)	1.7 —	1.7	2.3	1.7	2.2
CPI YoY (Core) (%)	2.4 —	2.4	2.2	1.8	2.0
PPI YoY (%)	-0.2 ▼	0.2	3.2	1.8	2.3
M2 YoY (%)	5.7 ▲	5.2	3.7	5.9	6.2
US Dollar Total Weighted Index	93.09 ▲	92.88	90.11	82.39	86.12
WTI Crude Oil per Barrel (\$)	54 ▼	55	73	73	62
Gold Spot per Oz (\$)	1,472 ▼	1,520	1,193	1,338	920

Treasury Yield Curve (%)	Sep-19	Aug-19	Sep-18	Sep-17	Sep-16
3 Month	1.88	1.99	2.19	1.06	0.29
6 Month	1.83	1.89	2.36	1.20	0.45
1 Year	1.75	1.76	2.59	1.31	0.59
2 Year	1.63	1.50	2.81	1.47	0.77
5 Year	1.55	1.39	2.94	1.92	1.14
7 Year	1.62	1.45	3.01	2.16	1.42
10 Year	1.68	1.50	3.05	2.33	1.60
20 Year	1.94	1.78	3.13	2.63	1.99
30 Year	2.12	1.96	3.19	2.86	2.32

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	1.87	1.70	20.55	4.25	13.39	10.84	13.26	13.24
Russell 2000	2.08	-2.40	14.18	-8.89	8.23	8.19	10.43	11.19
MSCI EAFE (Net)	2.87	-1.07	12.80	-1.34	6.48	3.27	6.12	4.90
MSCI EAFE SC (Net)	2.81	-0.44	12.05	-5.93	5.94	6.02	8.63	7.45
MSCI EM (Net)	1.91	-4.25	5.90	-2.02	5.97	2.33	2.41	3.37
Bloomberg US Agg Bond	-0.53	2.27	8.52	10.30	2.92	3.38	2.72	3.75
ICE BofAML 3 Mo US T-Bill	0.18	0.56	1.81	2.38	1.54	0.98	0.72	0.54
NCREIF ODCE (Gross)	1.31	1.31	3.77	5.60	7.31	9.35	10.30	10.86
FTSE NAREIT Eq REITs Index (TR)	2.93	7.80	26.96	18.42	7.36	10.26	10.03	13.03
HFRI FOF Comp Index	-0.42	-0.90	5.21	0.01	3.16	1.95	3.18	2.67
Bloomberg Comdty Index (TR)	1.17	-1.84	3.13	-6.57	-1.50	-7.18	-8.15	-4.32

Treasury data courtesy of the US Department of the Treasury. Economic data courtesy of Bloomberg Professional Service.

