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## SEARCHING FOR DIRECTION

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### EQUITIES

Data as of: 09/27/2019

Index	Price	WTD%	QTD%	YTD%
DJIA	26820.25	-0.43	0.83	14.97
S&P 500	2961.79	-1.01	0.68	18.15
Nasdaq	7939.63	-2.19	-0.83	19.66
Russell 2000	1520.48	-2.52	-2.94	12.75
Russell 1000 Growth	1593.24	-1.54	0.42	21.19
Russell 1000 Value	1259.61	-0.69	0.39	15.18
Comm. Services	166.67	-2.34	1.49	20.10
Cons. Disc.	939.36	-0.93	-0.66	20.20
Cons. Staples	626.39	1.21	4.86	20.02
Energy	440.45	-2.61	-6.54	3.86
Financial Svcs	466.03	-0.20	1.55	17.71
Health Care	1034.11	-3.01	-3.58	3.29
Industrials	653.53	-0.44	0.28	20.54
Info. Tech.	1398.82	-0.82	1.91	28.53
Materials	362.03	-1.12	-1.39	14.34
Real Estate	243.22	0.16	6.72	26.44
Utilities	328.29	1.30	8.33	22.22
MSCI EAFE*	1895.62	-0.88	-0.96	12.93
MSCI EM*	1009.30	-1.14	-3.48	6.73

\* MSCI EAFE and EM values as of 09/26/19

- Stocks** searched for direction this week as investors digested news of political tensions and signs of trade progress. On Tuesday, the S&P 500 Index posted its biggest drop in a month as an impeachment inquiry was opened against President Donald Trump. The benchmark index then rebounded on Wednesday after the United States announced a trade agreement with Japan, and Trump signaled that a U.S.-China trade deal could happen "sooner than you think." On Friday the S&P 500 dropped on news that the United States is exploring plans to limit U.S. investors' portfolio flows into China.
- Economic data** released in the week was mixed. U.S. manufacturing activity improved in September, according to preliminary Markit Purchasing Managers' Index data. The Conference Board's Consumer Confidence Index posted its second biggest drop since 2011 in September, but the index is still elevated relative to history. Core personal consumption expenditures, the Federal Reserve's (Fed) preferred gauge of consumer inflation, increased 1.8% year over year in August, indicating inflationary pressures remain manageable.
- U.S. stocks** underperformed both the MSCI EAFE Index of developed market stocks and the MSCI Emerging Markets Index during the week. European stocks slid for the first time in six weeks after Markit data showed Germany's manufacturing activity fell to a 10-year low, and political uncertainty increased as the Oct. 31 deadline for the U.K.'s exit from the European Union (Brexit) neared.
- Large cap value stocks** led returns during the week. Consumer staples and utilities were among the best-performing sectors, while communication services, energy, and healthcare lagged.

**FIXED INCOME, CURRENCIES, AND COMMODITIES**

Data as of: 09/27/19

Yield	Latest	EOW	EOQ	EOY
90 Day UST	1.76	1.91	2.12	2.45
2 Yr UST	1.64	1.69	1.75	2.48
10 Yr UST	1.68	1.74	2.00	2.69
30 Yr UST	2.13	2.17	2.52	3.02

Fixed Income*	Yield	% Return		
		WTD	QTD	YTD
US Agg	2.30	0.31	2.15	8.40
US Agg Govt.	1.74	0.46	2.29	7.60
US TIPS	1.89	0.23	1.70	7.96
Munis	1.86	0.27	1.54	6.71
HY Munis	4.05	0.31	2.80	9.64
Inv. Grade	2.95	0.40	2.94	13.08
High Yield	6.25	-0.21	1.45	11.53
MBS	2.49	0.02	1.22	5.45
Global Agg	1.31	0.13	0.86	6.47
Intl. Treasuries	0.16	0.63	3.59	10.16
JPM EMBI	6.05	-0.39	-1.70	8.90

Currencies & Commodities	Price	% Change		
		WTD	QTD	YTD
US Dollar	99.11	0.60	3.10	3.05
EUR/USD	1.09	-0.70	-3.81	-4.59
USD/JPY	107.93	0.36	0.06	-1.57
WTI Oil	55.92	-3.74	-4.36	23.14
Gold	1504	-0.71	6.41	17.40
Copper	2.60	-0.33	-4.26	-1.25

\*Data as of 09/26/19

The yield presented refers to the corresponding index except for the U.S. Treasury (UST) data, which is of individual Treasury note securities and not an index. The Currency and Commodity data presented are quotes of the exchange rate. This data is from FactSet.

- Fixed income** markets gained during the week as global investors sought safe-haven assets amid stock volatility and elevated uncertainty. The 10-year U.S. Treasury yield slid, but the yield curve steepened slightly as short-term yields fell faster than long-term yields. The spread between the 2-year and 10-year yields is still in positive territory, but other parts of the curve remain inverted (short-term yields higher than longer-term yields). Separately, the Fed continued to stabilize the short-term lending markets through securities repurchases to keep rates in line with targets.
- Oil prices** dropped during the week, giving back most of their gains after the attack on Saudi Arabia's oil facilities spurred a 15% rally. The **U.S. dollar** climbed for a second week amid trade progress, even after the Fed cut its policy rate by 25 basis points (0.25%) September 17. **Gold** fell for the fourth time in five weeks.

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