Nottingham Monthly Market Wrap

July 31, 2015

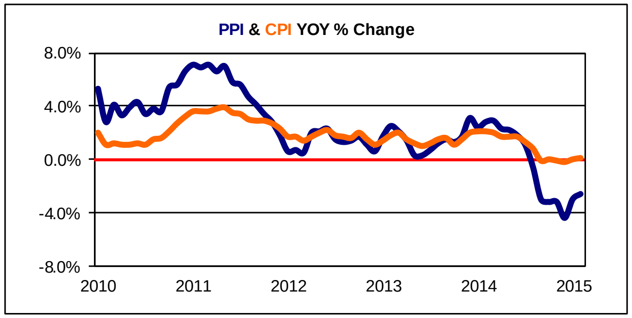
Economic Overview

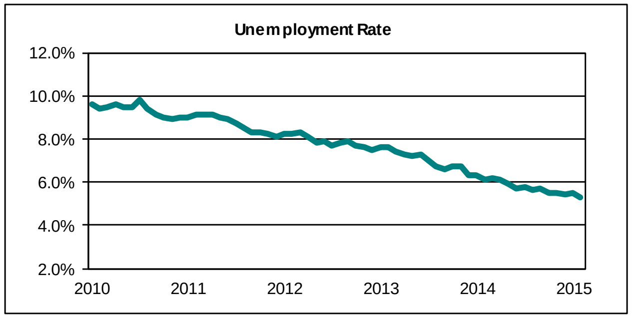
July offered investors the first glimpse at second quarter GDP, and despite diminished expectations, the headline number fell short of consensus guesstimates. According to the US Bureau of Economic Analysis, the US economy grew at a 2.3% annualized rate during the second quarter of 2015, just shy of analysts estimates for 2.5% growth. In contrast to Q1, we saw an uptick in exports, despite continued strength in the US Dollar, as well as a rebound in consumer spending. State and local government spending increased while federal spending declined. Although US growth remains somewhat weaker than anticipated, the question becomes, *Is it weak enough to push Fed liftoff from September into December?*

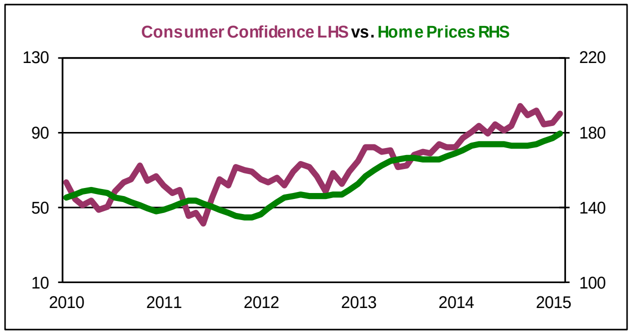
Certainly the labor market remains strong with 223,000 nonfarm jobs created in June (slightly below estimates for 233,000). The unemployment rate for June fell to 5.3% from 5.5% while the U6, or Underemployment Rate dropped to 10.5% from 10.8%. Tempering the good news was no change in Average Hourly Earnings MoM, which analysts anticipated would rise +0.2%. Year over year, average hourly wages are up just +2.0%. The Labor Force Participation rate declined once again, this time to 62.6% from the prior month's reading of 62.9%.

Housing was a mixed-bag in June as the S&P/CaseShiller US Home Price Index showed little change for May while rising +4.39% YoY. The smaller 20-city composite declined -0.18% in May while up +4.94% YoY. New Home Sales fell short of expectations, coming in at 482,000 (SAAR), down -6.8% from the prior month. Housing Starts, however, surged +9.8% MoM (versus expectations for a +6.7% gain) while Building Permits rose +7.4% in June and Existing Home Sales advanced +3.2%.

A "data-dependent" Federal Reserve didn't have much to grasp on to in July in an effort to defend an imminent rate hike. While the odds for September liftoff may have diminished, it's increasingly likely that we'll see some move by December. The prospect of a quarter-point Fed Funds hike from it's current .13% to .25% or .40% shouldn't upset too many CFO's however, and we feel fears over a drastic market correction are misplaced.

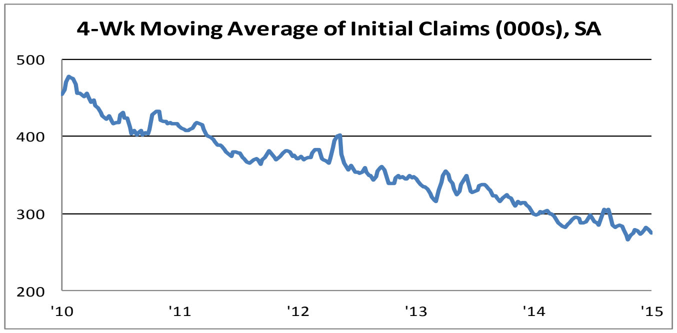


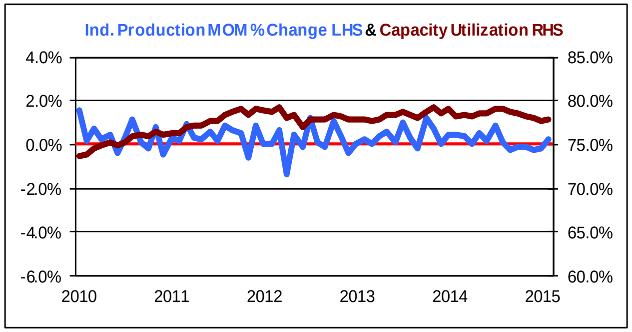




Key Data Points

Name	Current	For	Previous	For
Retail Sales ex. Autos MOM %	-0.10%	June	0.80%	May
Housing Starts	1174K	June	1069K	May
Factory Orders MOM %	-1.00%	May	-0.70%	April
Leading Indicators MOM %	0.60%	June	0.80%	May
Unit Labor Costs	6.70%	1Q15	5.60%	4Q14
GDP QOQ (Annualized)	2.30%	2Q15	0.60%	1Q15
Wholesale Inventories	0.80%	May	0.40%	April
MBA Mortgage Applications	0.80%	July	-4.70%	June





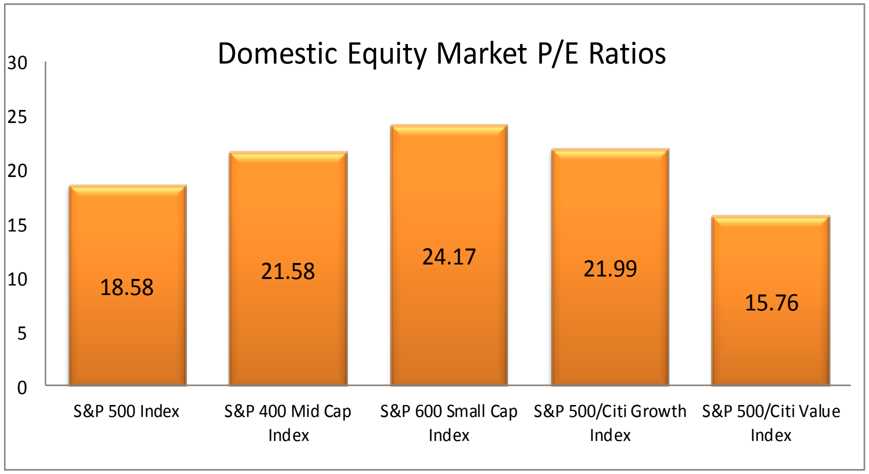
Domestic Equity

Despite an excess of headline risk and handwringing over corporate earnings, US equities posted a solid return in July with the S&P 500 advancing +2.1%. Mid-caps were essentially unchanged while small-caps declined -0.85%. As shown in the box to the right, P/E ratio's remain elevated considering the low-growth environment that we're in; however, they aren't inconsistent with a low inflation/low interest rate environment historically speaking. Any moves lower in equity earnings yields would be met with some skepticism here however.

Among industry sectors, energy was the big loser in July as the price of WTI oil tumbled from $53 to $46 during the month. The energy sector was off nearly 8% on the month and is now down -12% on the year. Many energy optimists, ourselves included, are reconsidering the outlook for crude oil as producers continue to supply the market with oil, despite sluggish demand. Bullish bets on refiners and the energy majors were popular at the start of the year and are rapidly being unwound as crude collapses.

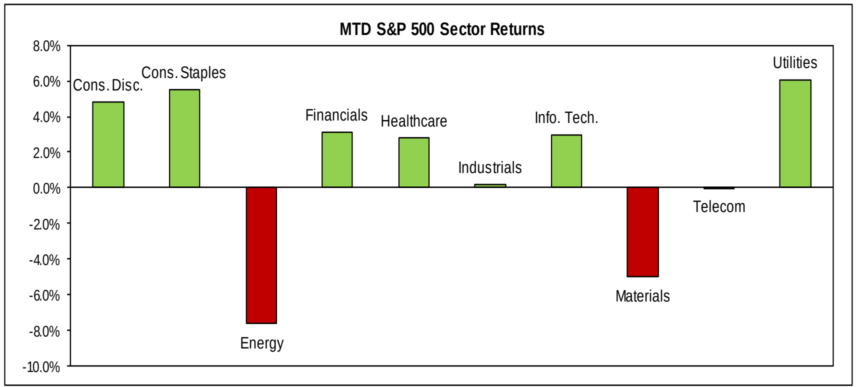
The winners on the month include utilities, staples, and consumer discretionary. Healthcare remains the top sector for 2015, driven by a hot M&A environment and the soaring biotech subsector. The Healthcare sector has a trailing 12-month return of +27.5%, 3-year annualized return of +28% and 5-year annualized return of +24%. Valuations are elevated across the space yet it remains one of the few sectors actually demonstrating growth and the trend higher is likely to continue (until it doesn't).

Per Strategas Research Partners, through 7/31, over 70% of S&P 500 companies have reported Q2 earnings, with 73% beating estimates and 20% missing. Last quarter, 67% beat expectations while historically 65% have beaten estimates. As referenced above, somewhat elevated P/E ratios demand that corporate America remain strong or the likelihood of a pullback will increase. We remain cautiously optimistic that this will be the case over the next 6-12 months but we will remain ever vigilant for signs of deterioration in corporate earnings.



Domestic Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
S&P 500 Index	2.10%	2.10%	3.35%	11.20%	17.57%	16.22%
S&P 400 Mid Cap Index	0.14%	0.14%	4.33%	11.28%	18.63%	16.24%
S&P 600 Small Cap Index	-0.85%	-0.85%	3.27%	11.95%	18.76%	16.76%
S&P 500/Citi Growth Index	3.62%	3.62%	6.51%	15.49%	18.47%	17.88%
S&P 500/Citi Value Index	0.38%	0.38%	-0.07%	6.58%	16.64%	14.49%



S&P 500 Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of S&P 500
Consumer Discretionary	4.81%	4.81%	11.95%	23.68%	24.58%	22.66%	12.90%
Consumer Staples	5.51%	5.51%	4.69%	19.29%	14.97%	16.42%	10.70%
Energy	-7.65%	-7.65%	-11.97%	-25.69%	1.44%	7.12%	7.02%
Financials	3.12%	3.12%	2.74%	14.37%	21.96%	13.31%	16.36%
Healthcare	2.80%	2.80%	12.63%	27.47%	28.04%	24.16%	15.34%
Industrials	0.20%	0.20%	-2.87%	6.89%	17.07%	14.75%	9.80%
Information Technology	2.99%	2.99%	3.78%	12.77%	17.10%	16.67%	19.82%
Materials	-5.02%	-5.02%	-4.55%	-4.23%	11.87%	10.66%	2.95%
Telecommunications	-0.01%	-0.01%	3.15%	-1.73%	4.11%	12.05%	2.30%
Utilities	6.06%	6.06%	-5.26%	10.47%	9.24%	12.14%	2.81%

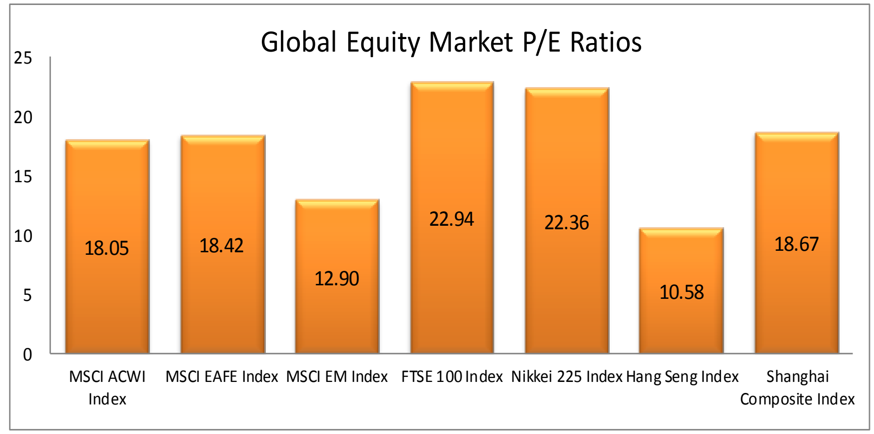
International Equity

Greece stole the headlines in international equity markets during July, but China was the real story as their main equity markets tumbled throughout the month. While most investors were glued to TVs watching the tense negotiations between Greek officials and their euro counterparts, the bubble that was the Chinese equity market was rapidly losing air. The Shanghai Composite Index fell -13.6% during July after rising nearly +60% for the year. Growth in China is slowing meaningfully and investors there are learning the hard way what chasing bubbles can do to one's wealth.

The broad MSCI Emerging Market Index fell in sympathy, declining -6.9% on the month, while Hong Kong's Hang Seng dropped -6.1%. The global commodities rout heavily weighed on EM stocks throughout July as sentiment over the prospects for EM countries declines. Despite being the cheapest sector by far (P/E below 13x), the bullish case for EM equities gets tougher to make as the US Dollar surges and commodity prices decline.

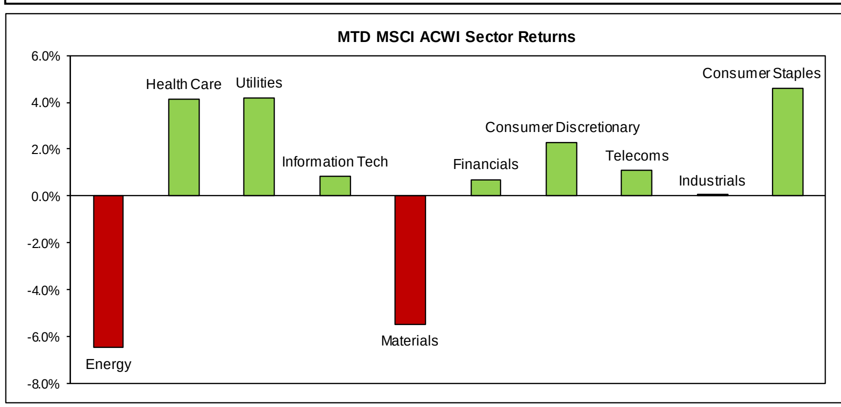
Global equities returned +0.9% in July and are up nearly +4.0% YTD. As with domestic sectors, energy and materials led the decliners while utilities and consumer stocks posted the biggest gains. Healthcare is the leader in the clubhouse just past the half-way point in the year, gaining nearly +15%, with the same trends impacting global stocks as domestic. Developed market equities, as measured by the MSCI EAFE Index, rose +2.08% in July while the FTSE 100 Index posted a +2.7% gain.

Although no longer considered "cheap," European and Japanese equities continue to attract investors as QE remains in force in those countries. Currency-hedged vehicles remain the best way to position those trades with the Euro and Yen both continuing their decline versus the US Dollar. Although the immediate Greek crisis appears over, the country is far from stable footing and will likely remain in the headlines as it works through its awful fiscal position. Borrowing from Peter to pay Paul is rarely a good idea and this time likely won't prove much different.



International Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
MSCI ACWI Index	0.90%	0.90%	3.92%	3.44%	13.50%	11.02%
MSCI EAFE Index	2.08%	2.08%	8.15%	0.36%	13.03%	8.70%
MSCI EM Index	-6.88%	-6.88%	-4.03%	-13.09%	0.93%	0.91%
FTSE 100 Index	2.76%	2.76%	4.31%	3.39%	10.14%	9.11%
Nikkei 225 Index	1.73%	1.73%	18.98%	33.98%	35.65%	18.82%
Hang Seng Index	-6.09%	-6.09%	6.73%	2.72%	11.46%	6.88%
Shanghai Composite Index	-13.59%	-13.59%	14.87%	69.29%	23.59%	9.45%



MSCI ACWI Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of ACWI
Energy	-6.48%	-6.48%	-9.28%	-27.45%	-1.94%	2.23%	6.96%
Health Care	4.13%	4.13%	14.65%	23.25%	25.42%	22.15%	11.17%
Utilities	4.19%	4.19%	-3.07%	-0.15%	8.20%	5.63%	3.37%
Information Tech	0.82%	0.82%	2.84%	8.49%	16.40%	14.20%	12.66%
Materials	-5.49%	-5.49%	-4.52%	-16.02%	0.14%	-0.14%	5.03%
Financials	0.71%	0.71%	3.48%	3.43%	15.74%	8.43%	21.64%
Consumer Discretionary	2.29%	2.29%	9.22%	13.40%	20.52%	17.23%	13.16%
Telecoms	1.09%	1.09%	6.03%	1.19%	9.15%	9.96%	5.06%
Industrials	0.02%	0.02%	1.39%	1.81%	13.52%	10.55%	10.44%
Consumer Staples	4.61%	4.61%	6.70%	10.74%	12.24%	13.86%	10.51%

Nottingham Monthly Market Wrap
July 31, 2015

Fixed Income

The Federal Reserve met in late July and left interest rates unchanged while continuing to emphasize "data dependency." The odds for a September liftoff seemed to wane as the lackluster Q2 GDP report and a tepid Employment Cost Index appeared to provide the Fed some cover until at least December. Many analysts are now pushing their interest-rate hike forecasts into 2016 as well. After peaking at a 2.46% yield in early July, the 10-year Treasury now yields just 2.14%.

Geopolitical events, primarily in Europe, pushed sovereign bond prices higher in July with the ML Global Government Bond II Index returning +1.22% for the month. U.S. government bonds placed second as the ML US Treasury/Agency Master Index returned +0.91%. The ML US Corporate Master Index gained +0.54% while the ML US High Yield Master II Index fell -0.62% as energy credits were hit hard by the sell-off in oil. US dollar denominated emerging market bonds finished the month up +0.54%.

Domestically, the US Municipal Master Index gained +0.79% despite a worsening situation in Puerto Rico. As it heads towards default, Puerto Rico is dragging down the ML Municipal High Yield Index, which declined -0.52% in July and is down -4.5% YTD. As one of the largest issuers of municipal debt, Puerto Rico and it's various agencies were long seen as a legitimate investment-grade way to earn tax-free income in any state. Today, it doesn't appear as though any of the entities with debt outstanding can pay timely principal and interest to bondholders. This story is far from over and will merit watching as various solutions, including a federal bailout, are analyzed and debated.

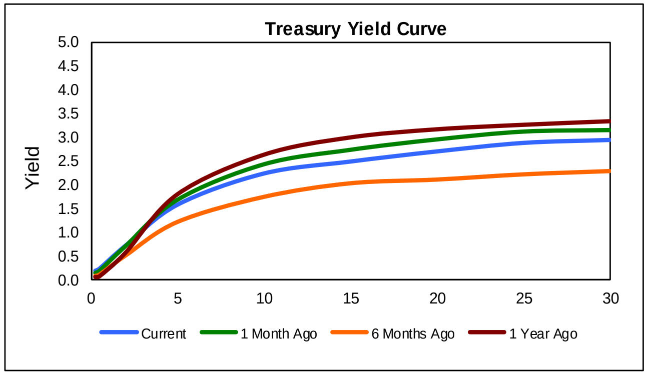
The bond market, despite a growing chorus of critics over liquidity conditions, continues to see cash come in. The perpetual quest for yield from investors of all stripes marches on. The risk to savers grows the longer the Fed dithers and we think it's high time for the Fed to return the interest-rate setting process to the markets. Whether it be September or December, the sooner the better in our opinion.

Central Bank Activity

Name	Current	1 Month Ago	6 Months Ago	1 Year Ago
Fed Funds Rate	0.25%	0.25%	0.25%	0.25%
Bank of Japan Target Rate	0.10%	0.10%	0.10%	0.10%
European Central Bank Rate	0.05%	0.05%	0.05%	0.15%
Bank of England Official Bank Rate	0.50%	0.50%	0.50%	0.50%

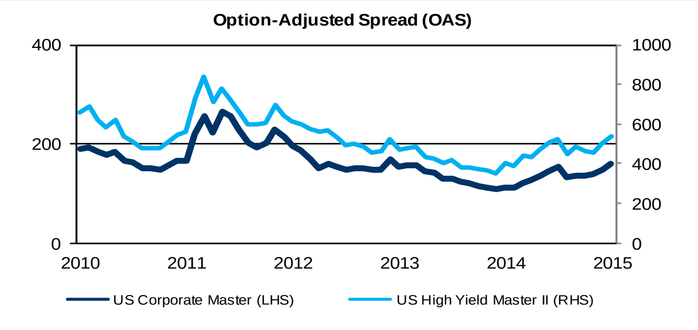
Fixed Income Returns

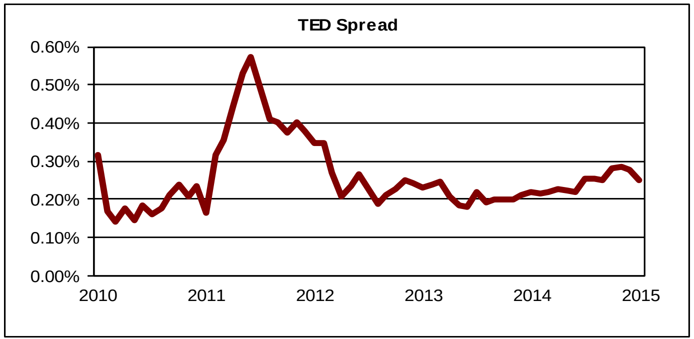
Name	MTD	QTD	YTD	1 Year
ML U.S. Treasury/Agency Master Index	0.91%	0.91%	0.83%	3.64%
ML U.S. Broad Market Index	0.72%	0.72%	0.66%	2.99%
ML U.S. Corporate Master Index	0.54%	0.54%	0.08%	1.68%
ML U.S. High Yield Master II Index	-0.62%	-0.62%	1.86%	0.16%
ML USD Emerging Market Sovereign & Credit Index	0.54%	0.54%	7.00%	-5.91%
ML Global Government Bond II Index	1.22%	1.22%	0.59%	4.54%
ML Municipal Master Index	0.79%	0.79%	0.90%	3.73%
ML Municipal High Yield Index	-0.52%	-0.52%	-4.54%	0.63%

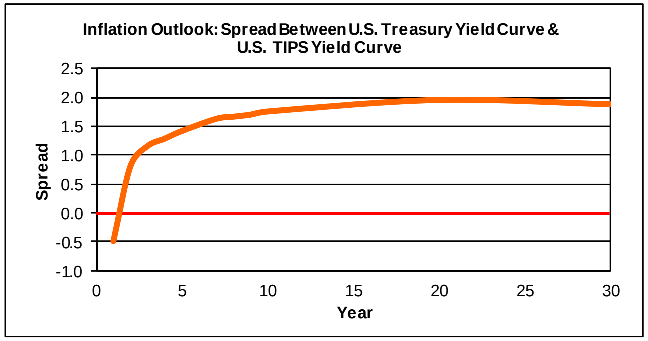


U.S. Treasury Yields

Period	3 Month	6 Month	2 Year	5 Year	10 Year	15 Year	20 Year	25 Year	30 Year
Current	0.17%	0.22%	0.70%	1.56%	2.22%	2.47%	2.69%	2.87%	2.93%
1 Month Ago	0.13%	0.17%	0.69%	1.67%	2.42%	2.72%	2.94%	3.11%	3.14%
6 Months Ago	0.06%	0.09%	0.49%	1.20%	1.73%	2.02%	2.09%	2.20%	2.27%
1 Year Ago	0.04%	0.06%	0.55%	1.78%	2.62%	2.98%	3.15%	3.25%	3.32%







Alternative Investments

The alternative space was dominated by the massive sell-off in commodities that began in June and gained steam throughout July. Oil was the main culprit, with West Texas Intermediate dropping from $54 to $46 per barrel (and Brent from $64 to $50 per barrel) during July. The Dollar's strength combined with a major slowdown in China, turned many heretofore bullish investors around. The trade down was volatile and had many of the characteristics of a capitulation trade; however, producers continue to resist large scale cuts to production and the demand for gasoline remains robust. While a snap-back higher is getting less and less likely in our eyes, sentiment is getting uniformly negative on energy, which should make contrarian investors take note.

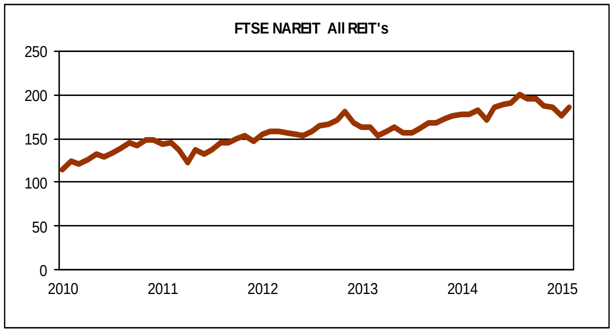
Gold fell from $1,173 per oz. to $1,094 (-6.7%) during July while silver dropped from $15.70 to $14.78 (-5.8%) as demand disappeared. After peaking at $1,900/oz. in September of 2011, gold has fallen -43% while silver has declined -70% from it's high back in April of 2011. After peaking at $10,160 per metric ton in February of 2011, copper has fallen -48% to $5,230 per MT. This broad-based decline in commodities can be largely attributed to the weakening economic growth seen in the BRIC countries. China appears to be growing far slower than it's stated 7% target, while Brazil is struggling with a weakening Real and high inflation. Russia, after a series of political missteps, is stumbling under the weight of international sanctions. Ultimately, the cure for low prices will be low prices, just as the cure for high prices was high prices. Until then, caution is warranted in the sector as the end of the commodity super cycle has occurred and a readjustment takes place.

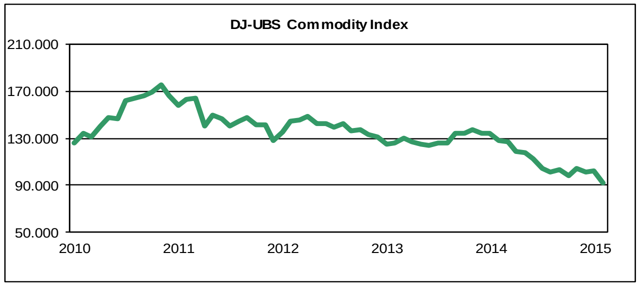
Hedge fund performance continues to vary depending on manager, sector, and amount of leverage employed etc. Commodity routs such as this will usually claim some high profile victims (see Amaranth) and it's merely a matter of time before we read about the high paid genius that was caught leaning the wrong way on commodities. The more robust activities (and crowded trades) would appear to center more around merger arbitrage as the value of deals year-to-date approaches $3 trillion globally with half of that within the US. Nearly a third of US M&A flow is coming from Pharma and Healthcare alone. The Merger Arbitrage index is up +4.24% YTD, handily outpacing most other mandates.

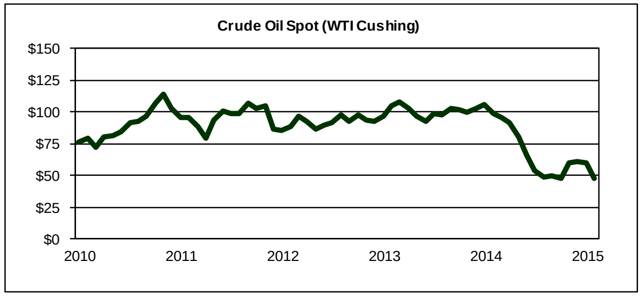
US Dollar strength continues with the Canadian and Australian dollars being the latest casualties. The Greenback's strength has come at the expense of US exports; however, there is little we can see in the near-term that will change Dollar sentiment.

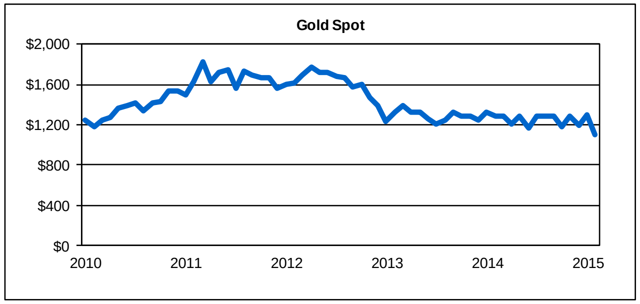
Hedge Funds

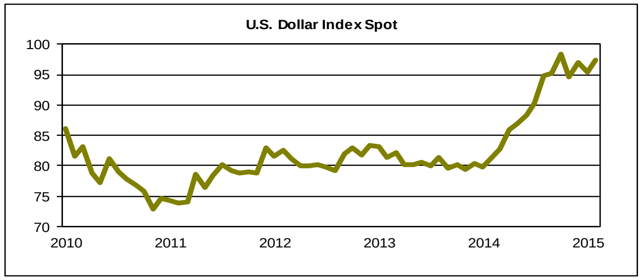
Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
Global Hedge	-0.04%	-0.04%	1.23%	-0.22%	2.99%	1.28%
Convertible Arbitrage	0.26%	0.26%	2.76%	-7.13%	1.58%	2.34%
Distressed Securities	-0.90%	-0.90%	-0.04%	-5.66%	1.06%	0.85%
Equity Hedge (L/S)	-0.34%	-0.34%	2.01%	3.77%	5.81%	1.46%
Equity Market Neutral	1.05%	1.05%	1.90%	4.13%	2.55%	0.00%
Event Driven	-1.96%	-1.96%	-0.55%	-7.73%	3.70%	2.19%
Macro	2.83%	2.83%	1.44%	6.98%	1.37%	-0.01%
Merger Arbitrage	0.66%	0.66%	4.24%	6.20%	3.54%	2.73%
Relative Value Arbitrage	0.12%	0.12%	1.96%	-1.72%	1.03%	1.14%
Absolute Return	0.44%	0.44%	2.46%	2.01%	2.60%	1.01%











Spot Rates

Description	Current	1 Month Ago	3 Months Ago	6 Months Ago	1 Year Ago
CAD / USD	1.31	1.25	1.21	1.27	1.09
JPY / USD	123.89	122.50	119.38	117.49	102.80
USD / GBP	1.56	1.57	1.54	1.51	1.69
USD / EUR	1.10	1.11	1.12	1.13	1.34

S&P 500 Index (SPX) – Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

S&P 500 Sector Indices (S5COND, S5CONS, S5ENRS, S5FINL, S5HLTH, S5INDU, S5INFT, S5MATR, S5TELS, S5UTIL) – The S&P 500 is broken down into ten sub-indices according to the Global Industry Classification Standard (GICS) sectors. These ten sectors include Consumer Discretionary, Consumer Staples, Energy, Financials, Health Care, Industrials, Information Technology, Materials, Telecommunication Services, and Utilities.

S&P 400 Mid Cap Index (MID) – Standard and Poor's Mid Cap 400 Index is a capitalization-weighted index, which measures the performance of the mid-range sector of the U.S. stock market.

S&P 600 Small Cap Index (SML) – Standard & Poor's Small Cap 600 Index is a capitalization-weighted index that measures the performance of selected U.S. stocks with a small market capitalization.

S&P 500/Citigroup Growth Index (SGX) – The S&P 500/Citigroup Growth Index is a market capitalization-weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

S&P 500/Citigroup Value Index (SVX) – The S&P 500/Citigroup Value Index is a market capitalization-weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

MSCI AC World Index (MXWD) – The MSCI AC World Index is a free float-weighted equity index. The index includes both emerging and developed world markets.

MSCI EAFE Index (MXEA) – The MSCI EAFE Index is a capitalization-weighted index that monitors the performance of stocks from developed markets in Europe, Australia-Asia, and the Far East.

MSCI Emerging Market Index (MXEF) – The MSCI Emerging Market Index is a free-float weighted index that is designed to measure the equity performance of international emerging markets.

FTSE 100 Index (UKX) – The FTSE 100 Index is a capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange. The equities use an investability quotient weighting in the index calculation.

Nikkei 225 Stock Average Index (NKY) – The Nikkei-225 Stock Average is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Hang Seng Index (HSI) – The Hang Seng is a free-float capitalization-weighted index of selected companies from the Stock Exchange of Hong Kong. The components of the index are divided into four sub-indexes: Commerce and Industry, Finance, Utilities, and Properties.

Shanghai Stock Exchange Composite Index (SHCOMP) – The Shanghai Stock Exchange Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

S&P Global 1200 Index (SPGLOB) – The S&P Global 1200 Index is a composite index, comprised of seven regional and country indices – S&P 500, S&P Europe 350, S&P/TOPIX 150 (Japan), S&P TSX 60 (Canada), S&P/ASX 50 (Australia), S&P Asia 50, and S&P Latin America 50. The S&P Global 1200 is calculated in US dollars. The index is market-cap weighted.

ML U.S. Treasury & Agency Index (G0A0) – The Merrill Lynch U.S. Treasury and Agency Index tracks the performance of U.S. dollar denominated U.S. Treasury and non-subordinated U.S. agency debt issued in the U.S. domestic market.

ML U.S. Broad Market Index (US00) – The Merrill Lynch U.S. Broad Market Index tracks the performance of U.S. dollar denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasury, quasi-government, corporate, securitized, and collateralized securities.

ML U.S. Corporate Index (C0A0) – The Merrill Lynch U.S. Corporate Index tracks the performance of U.S. dollar denominated investment grade corporate debt publicly issued in the U.S. domestic market.

ML U.S. High Yield Index (H0A0) – The Merrill Lynch U.S. High Yield Index tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market.

ML Global Government Index (W0G1) – The Merrill Lynch Global Government Index tracks the performance of investment grade sovereign debt publicly issued and denominated in the issuer's own domestic market and currency.

ML U.S. Municipal Securities Index (U0A0) – The Merrill Lynch U.S. Municipal Securities Index tracks the performance of U.S. dollar denominated investment grade tax-exempt publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. domestic market.

FTSE NAREIT All REITs Index (FNAR) – The FTSE NAREIT All REITs Index is a free float adjusted market capitalization-weighted index that includes all tax qualified REITs listed in the NYSE, AMEX, and NASDAQ National Market.

Dow Jones UBS Commodity Index (DJUBS) – The Dow Jones UBS Commodity Index is composed of futures contracts on 19 physical commodities. It reflects the return of underlying commodity futures price movements only. Previously, the index was the Dow Jones AIG Commodity Index.

U.S. Dollar Index (DXY) – The U.S. Dollar Index (USDX) indicates the general int'l value of the USD. The USDX does this by averaging the exchange rates between the USD and 6 major world currencies. The ICE US computes this by using the rates supplied by some 500 banks.

HFRX Global Hedge Fund Index (HFRXGL) – The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies.

HFRX Convertible Arbitrage Index (HFRXCA) – The HFRX Convertible Arbitrage Index is designed to reflect the general performance of strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a convertible fixed income instrument.

HFRX Distressed Securities Index (HFRXDS) – The HFRX Distressed Securities Index is designed to reflect the general performance of strategies focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance of obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

HFRX Macro Index (HFRXM) – The HFRX Macro Index reflects the general performance of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency, and commodity markets.

HFRX Equity Hedge Index (HFRXEH) – The HFRX Equity Hedge Index is designed to reflect the general performance of strategies that maintain both long and short positions in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques. Strategies can be broadly diversified or narrowly focused.

HFRX Equity Market Neutral Index (HFRXEMN) – The HFRX Equity Market Neutral Index is designed to reflect the general performance of strategies that employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities.

HFRX Event Driven Index (HFRXED) – The HFRX Event Driven Index reflects the general performance of strategies that maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including, but not limited to, mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance, or other capital structure adjustments.

HFRX Merger Arbitrage Index (HFRXMA) – The HFRX Merger Arbitrage Index reflects the general performance of strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are current engaged in a corporate transaction.

HFRX Relative Value Arbitrage Index (HFRXRVA) – The HFRX Relative Value Arbitrage Index reflects the general performance of strategies that maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Economic Data Sources:
PPI & CPI – Bureau of Labor Statistics
Unemployment Rate – Bureau of Labor Statistics
Consumer Confidence – Conference Board
S&P/Case-Shiller Composite 20 – Case-Shiller
Industrial Production – Federal Reserve
Capacity Utilization – Federal Reserve
Retail Sales – U.S. Census Bureau
Housing Starts – U.S. Department of Commerce
Factory Orders – U.S. Census Bureau
Leading Indicators – Conference Board
Unit Labor Costs – Bureau of Labor Statistics
GDP – Bureau of Economic Analysis
Wholesale Inventories – U.S. Census Bureau
MBA Mortgage Applications – Mortgage Bankers Association
4-Week Moving Average of Initial Claims, SA – Bureau of Labor Statistics

If you have any questions or comments, please feel free to contact any member of our investment team:

Tom Quealy, *Chief Executive Officer* – tom.quealy@nottinghamadvisors.com
Larry Whistler, CFA, *President/Chief Investment Officer* – larry.whistler@nottinghamadvisors.com
Nick Verbanic, *V.P./Portfolio Manager* – nick.verbanic@nottinghamadvisors.com
Matthew Krajna, *Portfolio Manager* – matthew.krajna@nottinghamadvisors.com
Brock Wilkinson, *Associate Portfolio Manager* – brock.wilkinson@nottinghamadvisors.com
Jason Cassorla, *Associate Portfolio Manager* – jason.cassorla@nottinghamadvisors.com
Amy Fogle, *Trading Specialist* – amy.fogle@nottinghamadvisors.com