

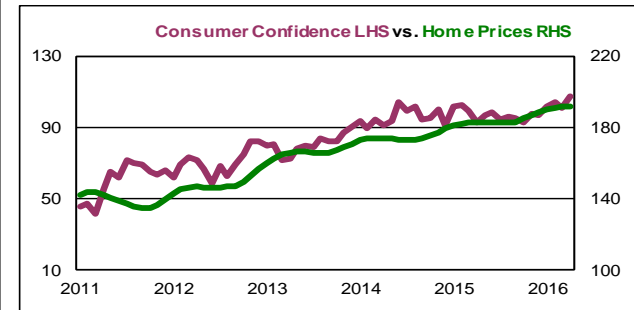
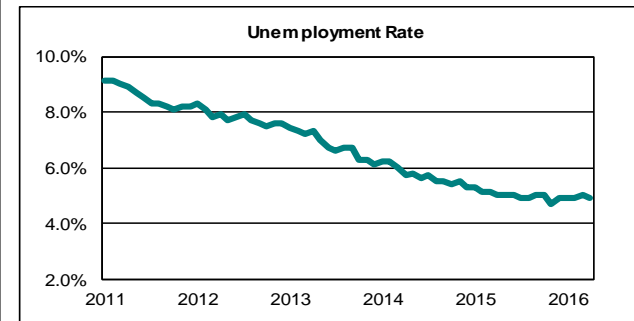
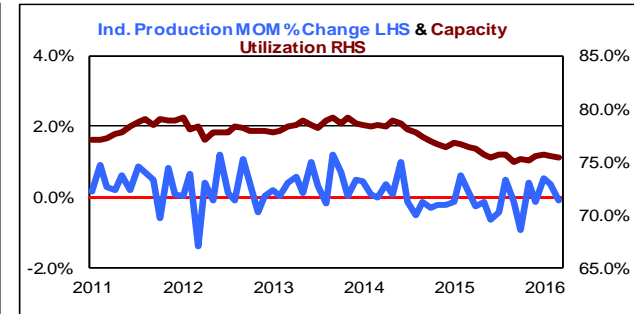
Economic Overview

November saw a run of steadily improving economic data, setting the stage for a likely December interest rate hike by the Federal Reserve. The overall employment picture remained strong, as did the housing market, while industry and the consumer both showed marked signs of improvement. While the market has fully priced in a quarter-point rate hike in December, it remains to be seen what the impact of the surging US dollar and the sharp rise in interest rates will have on corporate earnings.

The Unemployment Rate for October ticked slightly lower to 4.9% as Nonfarm Payrolls increased by +161,000. The Underemployment Rate dropped to 9.5% and the Labor Force Participation Rate held steady at 62.8%. Of note, Average Hourly Earnings rose +0.4% MoM in October and are now up +2.8% from a year ago. Rising wage pressures are a key ingredient to broader price inflation and Fed policy makers will be eyeing these numbers closely.

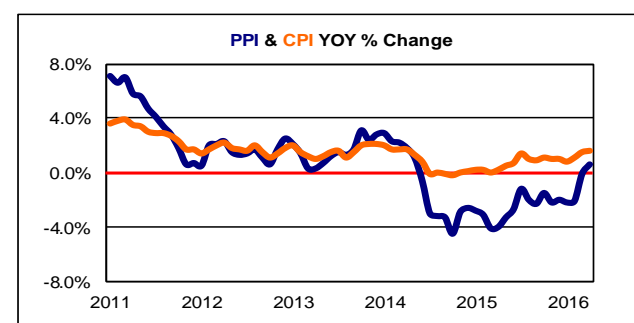
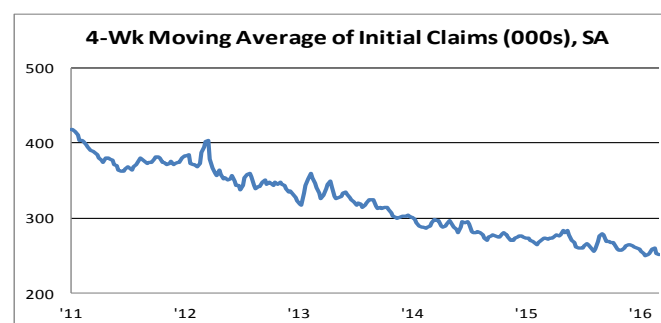
Despite pockets of strength in various markets around the country, the broader housing picture looks stable with the number of newly built housing units still trailing long-term averages. As well, rising rents are making home buying look more attractive for many would-be renters. Housing Starts surged +25.5% MoM in October while Building Permits were up +0.3%. Existing Home Sales rose +2.0% on the month while New Home Sales declined -1.9%. The S&P CoreLogic CS US Home Price Index edged up +0.83% during September and is up +5.46% YoY.

The second reading of third-quarter GDP was up slightly from the prior reading and ahead of expectations. According to the report, the US economy grew at a +3.2% annualized rate as the US consumer continues to do the bulk of the heavy lifting in the economy. It will bear watching as the Trump administration puts forth its proposals around tax reform and fiscal stimulus whether or not there's enough to stimulate the so-called animal spirits which can spur investment and broader economic growth. Lower taxes, increased government spending and a less bureaucratic business environment could help push US GDP north of 4% in 2017.



Key Data Points

| Name | Current | For | Previous | For |
|------------------------------|---------|-----------|----------|-----------|
| Retail Sales ex. Autos MOM % | 0.80% | October | 0.70% | September |
| Housing Starts | 1323K | October | 1054K | September |
| Factory Orders MOM % | 0.30% | September | 0.40% | August |
| Leading Indicators MOM % | 0.10% | October | 0.20% | September |
| Unit Labor Costs | 0.30% | 3Q16 | 3.90% | 2Q16 |
| GDP QOQ (Annualized) | 3.20% | 3Q16 | 1.40% | 2Q16 |
| Wholesale Inventories | -0.40% | October | -0.10% | September |
| MBA Mortgage Applications | -9.40% | November | -1.20% | October |



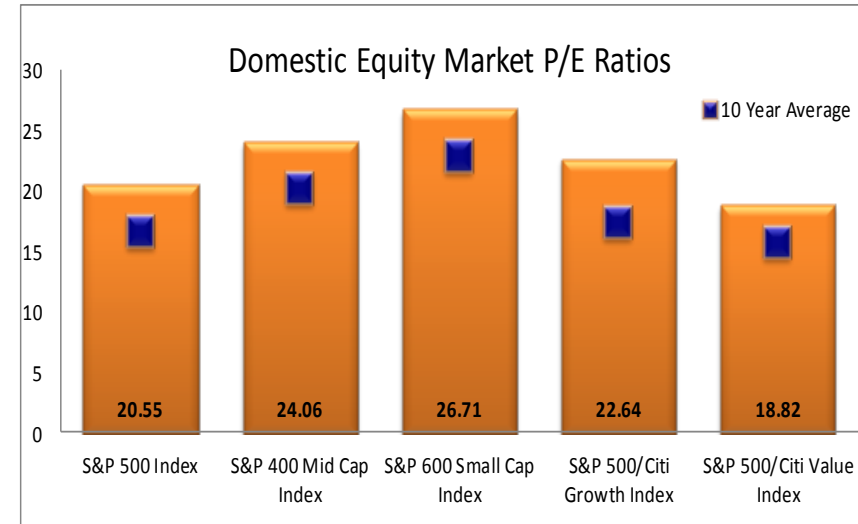
Domestic Equity

Donald Trump's presidential victory was a boon to domestic equity markets, as Large-, Mid-, and Small-Caps rose +3.70%, +8.00%, and +12.53%, respectively. Small-Caps regained leadership among the other market cap indices, as the Index has gained +22.39% YTD. Markets rewarded small cap companies this month with the likelihood that Donald Trump's policies will benefit small-cap companies especially. A strong dollar, coupled with protective trade policies, would likely benefit smaller companies with less exposure to international sales. Large-Cap equities continue to lag their smaller counterparts, only returning +9.79% so far in 2016, while Mid-Caps are up +18.15%. Value Stocks, as measured by the S&P 500 Citi Value Index, rose +6.30% in November, outpacing Growth stocks by over 500 bps! This monthly outperformance was also the largest difference in return between Value and Growth stocks this year. Furthermore, Value has outperformed Growth eight out of the last twelve months, leaving Growth stocks to lag Value by over 900 bps YTD.

Domestic Equity valuations expanded in November, as the S&P 500 trailing P/E multiple rose from 19.9x to 20.6x. Last month's rally bolstered market cap and style based indices to appear expensive relative to long term averages. Moving forward, stretched valuations could continue through the support of expansionary fiscal policies. However, higher interest rates and a stronger U.S. dollar could also be a headwind for corporate earnings, thus putting pressure on equity market valuations.

As for sector performance, Financials rose +13.94% in November, leading all other sectors for the second month in a row. The possibility for reforms of the Dodd-Frank Act by President-Elect Trump may bode well for banks and financial institutions, but much remains to be seen. Furthermore strong economic data suggests an increase in the Fed Funds Rate at the next FOMC meeting is likely. Industrials and Energy were neck and neck for second place among sectors this month, rising +8.85% and +8.40%, respectively. Industrials, which consist of the machinery, construction, defense, and other manufacturing industries, were buoyed on support from Donald Trump, who looks to increase infrastructure spending and reduce effective corporate tax rates. Energy's +24.95% return this year leads all other domestic equity sectors.

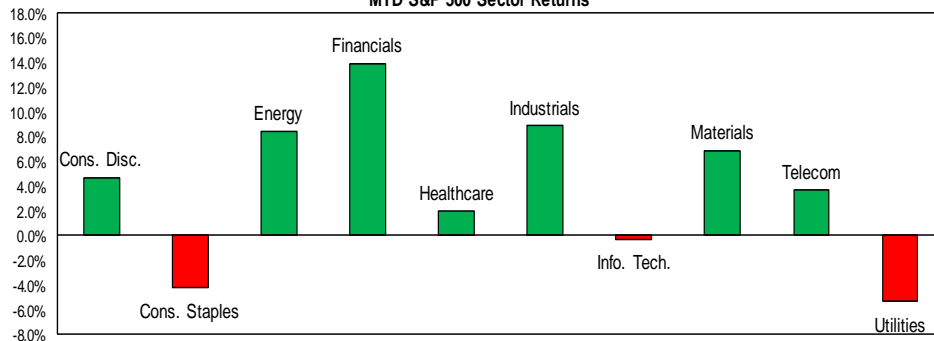
Consumer Staples and Utilities fell -4.29% and -5.40%, this month, respectively, while Information Technology fell slightly by -0.30%. Donald Trump's victory, paired with rising interest rate expectations, caused a shift away from defensive, higher-yielding sectors like Consumer Staples and Utilities this month. Although Health Care recovered +1.95% in November, the sector remains alone as the only sector still negative for the year.



Domestic Equity Returns

| Name | MTD | QTD | YTD | 1 Year | 3 Year | 5 Year |
|---------------------------|--------|--------|--------|--------|--------|--------|
| S&P 500 Index | 3.70% | 1.81% | 9.79% | 8.05% | 9.04% | 14.42% |
| S&P 400 Mid Cap Index | 8.00% | 5.11% | 18.15% | 13.22% | 9.33% | 14.70% |
| S&P 600 Small Cap Index | 12.53% | 7.49% | 22.39% | 16.52% | 8.75% | 16.09% |
| S&P 500/Citi Growth Index | 1.22% | -0.93% | 5.39% | 3.78% | 9.46% | 14.28% |
| S&P 500/Citi Value Index | 6.30% | 4.69% | 14.49% | 12.55% | 8.41% | 14.50% |

MTD S&P 500 Sector Returns



S&P 500 Sector Returns

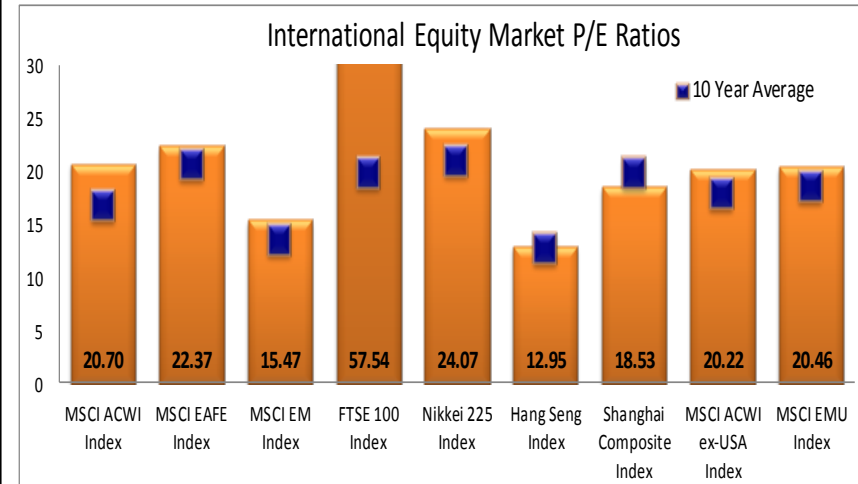
| Sector | MTD | QTD | YTD | 1 Year | 3 Year | 5 Year | % of S&P 500 |
|------------------------|--------|--------|--------|--------|--------|--------|--------------|
| Consumer Discretionary | 4.70% | 2.24% | 5.96% | 3.02% | 9.39% | 18.08% | 12.61% |
| Consumer Staples | -4.29% | -5.03% | 2.14% | 5.06% | 8.28% | 12.62% | 10.31% |
| Energy | 8.40% | 5.25% | 24.95% | 12.62% | -2.13% | 3.30% | 7.38% |
| Financials | 13.94% | 16.56% | 18.19% | 15.63% | 11.01% | 18.92% | 14.09% |
| Healthcare | 1.95% | -4.70% | -3.40% | -1.68% | 9.26% | 17.29% | 13.50% |
| Industrials | 8.85% | 6.67% | 18.26% | 15.86% | 9.65% | 15.71% | 10.35% |
| Information Technology | -0.30% | -0.36% | 12.10% | 9.53% | 14.07% | 15.81% | 20.72% |
| Materials | 6.86% | 4.58% | 16.55% | 11.70% | 6.15% | 10.03% | 2.88% |
| Telecommunications | 3.61% | -3.09% | 14.21% | 16.21% | 6.63% | 10.76% | 2.43% |
| Utilities | -5.40% | -4.58% | 10.81% | 13.21% | 11.11% | 10.01% | 2.98% |

International Equity

International equities underwhelmed in November, with only two major market indices posting positive returns (China and Japan). Developed market equities, as measured by the MSCI EAFE Index, fell -1.94% on the month, helped lower by the UK, where the FTSE 100 Index shed -2.00%, but buoyed by Japan's Nikkei 225, which rose +5.07%. Regionally speaking, the Eurozone, as measured by the MSCI EMU Index fared slightly better, losing -0.23% on the period, thanks to better than expected economic data. The Citi Eurozone Economic Surprise Index rose from 40.8 at the end of October to 56.90 in November, signaling economic data that continues to beat estimates for the Eurozone.

China's Shanghai Composite Index rose +4.83% on the month, in sharp contrast to broad based emerging markets, which were hit hard by a strong U.S. Dollar and sold off after U.S. President-elect Trump's victory. The broad based MSCI EM Index lost -4.60% during the month after rising sharply through the first three quarters of the year. China's Purchasing Managers Index has slowly been improving, from 51.2 to 51.7, likely helped by a weaker Yuan. The Peoples Bank of China (PBOC) has continued to allow the Yuan to weaken versus the Dollar, hitting a recent low of 6.92 CNY/USD and the end of November, the lowest level in more than 8 years.

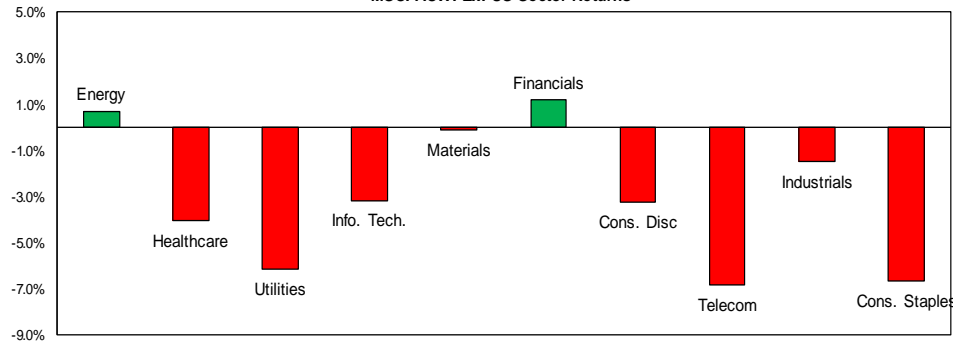
At the individual sector level, ACWI ex. U.S. sectors were mostly negative, except for Energy (+0.71%) and Financials (+1.21%). Energy stocks rallied sharply on November 30th, as OPEC announced an agreement between member nations and Russia to cut production to 32.5 million barrels per day. Markets took this news in stride, pushing the Energy sector up +3.05% yesterday alone. Rising rates are likely to continue to put pressure on defensive, high yielding sectors such as Telecoms, Consumer Staples, and Utilities, which lost -6.17%, -6.86%, and -6.68% in November alone, and -9.30%, -12.12%, and -7.04% in the past two months.



International Equity Returns

| Name | MTD | QTD | YTD | 1 Year | 3 Year | 5 Year |
|--------------------------|--------|--------|--------|--------|--------|--------|
| MSCI ACWI Index | 0.82% | -0.86% | 6.17% | 4.31% | 3.58% | 9.47% |
| MSCI EAFE Index | -1.94% | -3.93% | -1.79% | -3.09% | -1.65% | 6.21% |
| MSCI EM Index | -4.60% | -4.36% | 11.22% | 8.86% | -2.77% | 1.33% |
| FTSE 100 Index | -2.00% | -0.98% | 13.08% | 11.14% | 4.49% | 8.22% |
| Nikkei 225 Index | 5.07% | 11.30% | -2.08% | -5.49% | 7.22% | 18.92% |
| Hang Seng Index | -0.49% | -1.89% | 8.00% | 7.61% | 2.17% | 8.75% |
| Shanghai Composite Index | 4.83% | 8.17% | -6.28% | -3.72% | 16.14% | 9.54% |
| MSCI ACWI ex-USA Index | -2.28% | -3.66% | 2.40% | 0.52% | -1.78% | 4.78% |
| MSCI EMU Index | -0.23% | 1.15% | -1.42% | -7.03% | 5.18% | 11.59% |

MSCI ACWI Ex. US Sector Returns



MSCI ACWI Ex. U.S. Sector Returns

| Sector | MTD | QTD | YTD | 1 Year | 3 Year | 5 Year | % of ACWI |
|------------------------|--------|---------|---------|---------|--------|--------|-----------|
| Energy | 0.71% | 1.95% | 24.26% | 15.28% | -6.98% | -3.43% | 7.59% |
| Healthcare | -4.08% | -10.84% | -15.19% | -14.16% | -0.52% | 9.02% | 6.63% |
| Utility | -6.17% | -7.04% | 2.57% | 4.11% | 3.16% | 4.69% | 6.25% |
| Information Technology | -3.19% | -5.17% | 10.77% | 9.50% | 5.32% | 10.14% | 9.44% |
| Materials | -0.14% | 0.56% | 25.57% | 21.34% | -3.74% | -2.95% | 7.45% |
| Financials | 1.21% | 3.59% | 3.42% | 1.93% | -2.10% | 7.34% | 21.83% |
| Consumer Discretionary | -3.24% | -3.50% | -2.86% | -4.73% | -1.70% | 8.03% | 12.14% |
| Telecommunications | -6.86% | -9.30% | -6.48% | -8.51% | -3.62% | 3.12% | 6.35% |
| Industrials | -1.51% | -3.37% | 5.37% | 2.35% | -0.71% | 6.44% | 11.70% |
| Consumer Staples | -6.68% | -12.12% | -3.80% | -5.15% | 0.13% | 6.30% | 10.61% |

Fixed Income

November can only be described as a rout as far as the bond market was concerned. The infamous bond vigilantes, long given up for dead, came back to life in a big way sending yields higher across the curve. The trigger for this sell-off, of course, was the surprise election of Donald Trump for President. Having run a campaign based upon wide-scale debt-financed government spending, markets appear to be taking him at his word and selling before the US debt/GDP ratio widens out even further. With US/international yield differentials still heavily favoring the US, we do think there may be somewhat limited upside to yields in the near-term as sovereign debt in both Japan and the Eurozone still hovers around 0.0%.

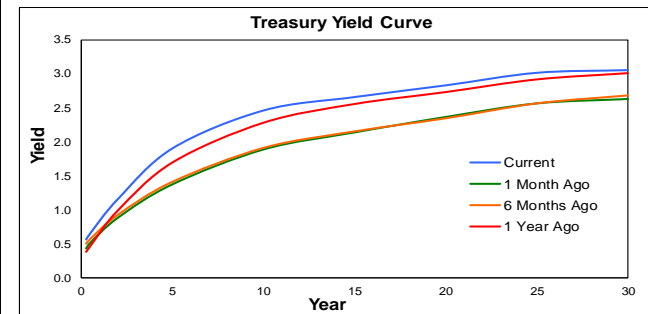
Municipal bonds were hit the hardest in November as talk of tax reform, specifically lower marginal tax rates, could potentially reduce the attractiveness of munis. Currently trading at or above 100% of Treasury yields, municipal bonds would appear to offer excellent relative value in the fixed income space. For November, the ML Municipal Master Index fell -3.65% while the ML Municipal High Yield Index dropped -4.01%. Somewhat illiquid in the best of times, during periods of stress, muni prices can decline rapidly. It's likely the decline in prices is being exacerbated by the risk limits of bank trading desks, which in a Dodd-Frank world are severely limited as to the capital they may put at risk in support of market making.

Although hit the hardest, munis weren't alone in terms of seeing yields rise. The ML US Corporate Master Index dropped -2.68%, equaling the decline of the ML Treasury/Agency Master Index, while the ML USD Emerging Market Sovereign & Credit Index dipped -2.76%. US high-yield actually fared okay, spurred on by the equity rally, with the ML US High Yield Master II Index falling only -0.39%, still up 15.2% for the year.

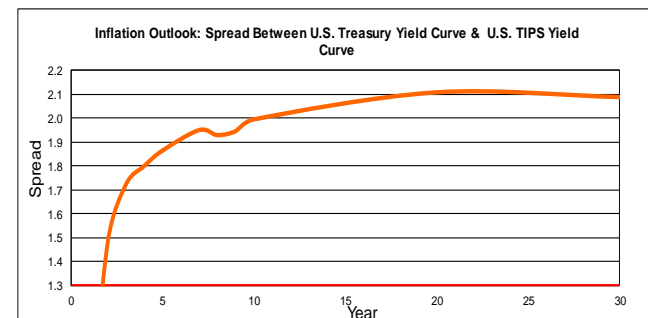
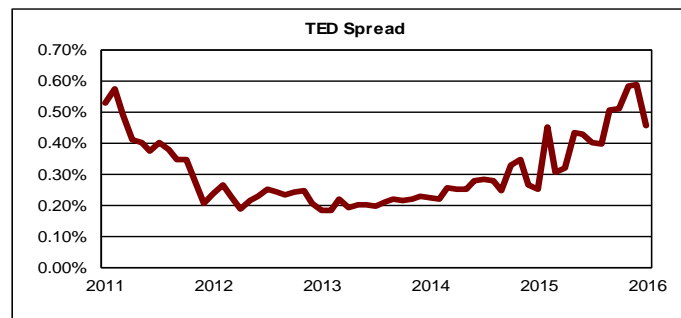
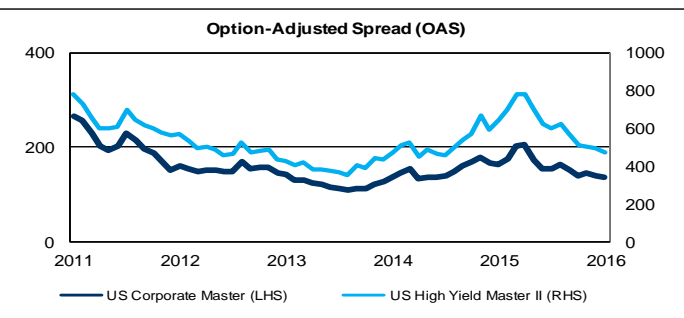
Treasury Inflation-Protected securities have had a nice run of late after 10-year breakeven spreads dipped to 1.2% in February. With break-evens now at 2.0%, TIPS still represent decent value in our eyes as we feel long-run inflation expectations still aren't fully priced into the bond market.

| Central Bank Activity | | | | |
|------------------------------------|---------|-------------|--------------|------------|
| Name | Current | 1 Month Ago | 6 Months Ago | 1 Year Ago |
| Fed Funds Rate | 0.50% | 0.50% | 0.50% | 0.25% |
| Bank of Japan Target Rate | 0.10% | 0.10% | 0.10% | 0.10% |
| European Central Bank Rate | 0.00% | 0.00% | 0.00% | 0.05% |
| Bank of England Official Bank Rate | 0.25% | 0.25% | 0.50% | 0.50% |

| Fixed Income Returns | | | | |
|---|--------|--------|--------|--------|
| Name | MTD | QTD | YTD | 1 Year |
| ML U.S. Treasury/Agency Master Index | -2.67% | -3.76% | -0.73% | -1.09% |
| ML U.S. Broad Market Index | -2.39% | -3.18% | 2.50% | 2.17% |
| ML U.S. Corporate Master Index | -2.68% | -3.48% | 5.30% | 4.39% |
| ML U.S. High Yield Master II Index | -0.39% | -0.08% | 15.22% | 12.25% |
| ML USD Emerging Market Sovereign & Credit Index | -2.76% | -3.35% | 13.90% | 12.07% |
| ML Global Government Bond II Index | -1.73% | -8.04% | 2.90% | 2.65% |
| ML Municipal Master Index | -3.65% | -4.55% | -0.65% | 0.14% |
| ML Municipal High Yield Index | -4.01% | -4.64% | 5.89% | 5.91% |



| U.S. Treasury Yields | | | | | | | | | |
|----------------------|---------|---------|--------|--------|---------|---------|---------|---------|---------|
| Period | 3 Month | 6 Month | 2 Year | 5 Year | 10 Year | 15 Year | 20 Year | 25 Year | 30 Year |
| Current | 0.56% | 0.66% | 1.16% | 1.90% | 2.46% | 2.66% | 2.83% | 3.01% | 3.05% |
| 1 Month Ago | 0.43% | 0.52% | 0.88% | 1.37% | 1.89% | 2.14% | 2.36% | 2.56% | 2.63% |
| 6 Months Ago | 0.50% | 0.57% | 0.92% | 1.41% | 1.91% | 2.15% | 2.34% | 2.56% | 2.68% |
| 1 Year Ago | 0.38% | 0.47% | 0.99% | 1.69% | 2.28% | 2.55% | 2.73% | 2.91% | 3.01% |

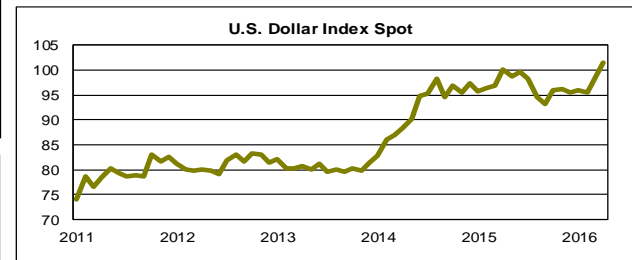
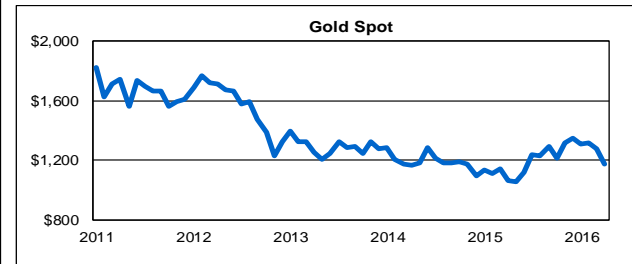
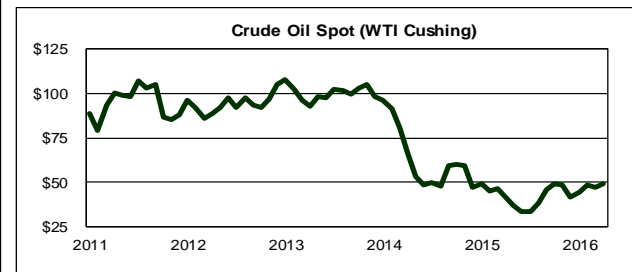
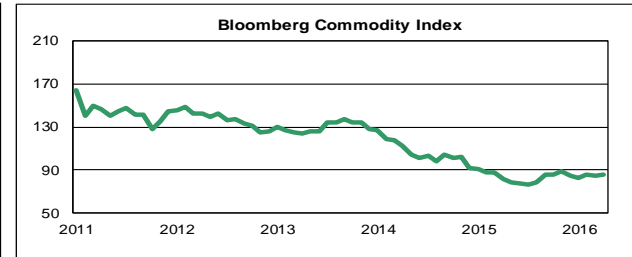


Alternative Investments

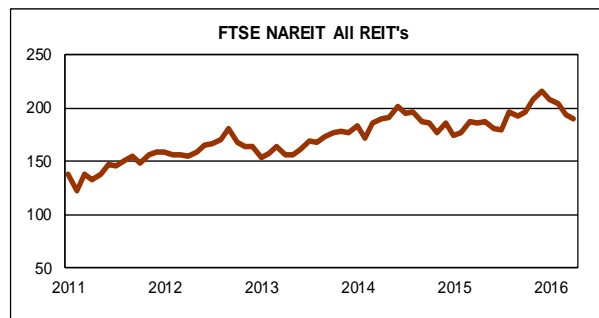
Alternative Investments zigged and zagged in November after Donald Trump was elected President and OPEC actually agreed to cut production. Trump's election victory comes on the hopes of renewed U.S. economic growth, through less regulation, lower taxes, and fiscal stimulus, which caused benchmark U.S. Treasury yields to soar. This culmination of events pushed the U.S. Dollar, as measured by the DXY Index, to its highest monthly close since December 2002, up +3.1% on the month. Conventional wisdom would lead us to believe that if President-elect Trump is successful at implementing his policy agenda, and U.S. economic growth accelerates from here, that the U.S. Dollar will likely benefit and move higher. The Dollar's rise likely contributed to Gold's dismal performance in November. After a knee-jerk reaction to President-elect Trump's initial victory in the early hours of November 8th, Gold subsequently lost -4% by the end of the week, and ended the month down -8.1%. The back up in yields caused high yielding equity sectors such as Real Estate Investment Trusts (REITs), as measured by the FTSE NAREIT All REIT Index, to fall -2.2% during the period. REITs have shed -12.2% since the end of July, as interests rates have risen more than 100 basis points. Interestingly, while REITs are typically sensitive to rising interest rates, they should benefit from stronger U.S. economic growth.

Commodities, as measured by the Bloomberg Commodities Index, rose +1.3% on the month thanks to a sharp rise in West Texas Intermediate (WTI) crude oil prices, which jumped nearly +\$5/bbl after OPEC announced that its member nations and Russia had agreed on a production cut. WTI closed the month at \$49.44/bbl, its highest monthly close since June 2015, up +5.5% on the month. While we were skeptical that a deal would be reached, it remains to be seen if participants will follow through with actual production cuts. Furthermore, the U.S. remains the world's swing producer, and with \$50/bbl oil, more production may still come online globally.

Finally, on the currency front, the US Dollar's rise had ripple effects across the globe, as the Euro fell -3.6% against the Dollar on the month to close under \$1.06 USD/EUR. Many sell-side analysts are again calling for a return to parity, something we're watching closely as we expect the Dollar's rally to continue. The Yen weakened significantly against the Dollar, down more than -9.2% to 114.5 JPY/USD, a trend likely to continue into 2017.



| Hedge Funds | | | | | | |
|--------------------------|--------|--------|--------|--------|--------|--------|
| Name | MTD | QTD | YTD | 1 Year | 3 Year | 5 Year |
| Global Hedge | 0.66% | 0.08% | 1.42% | 0.07% | -0.77% | 1.34% |
| Convertible Arbitrage | -0.71% | -0.27% | 4.88% | 3.81% | -1.34% | 2.43% |
| Distressed Securities | 1.15% | 2.86% | 16.80% | 12.95% | 1.40% | 1.92% |
| Equity Hedge (L/S) | 1.22% | 0.37% | -0.32% | -1.42% | -0.01% | 2.66% |
| Equity Market Neutral | 0.13% | 0.01% | -3.89% | -3.56% | 1.70% | 0.41% |
| Event Driven | 1.70% | 1.57% | 8.85% | 7.83% | -0.85% | 3.12% |
| Macro | -1.10% | -2.67% | -3.79% | -5.14% | -0.26% | -0.76% |
| Merger Arbitrage | 0.52% | 0.39% | 3.56% | 4.58% | 4.83% | 3.81% |
| Relative Value Arbitrage | 0.32% | 0.32% | 0.07% | -1.85% | -1.87% | 0.06% |
| Absolute Return | -0.18% | -0.58% | 0.08% | -0.34% | 1.33% | 1.60% |



| Spot Rates | | | | | |
|-------------|---------|-------------|--------------|--------------|------------|
| Description | Current | 1 Month Ago | 3 Months Ago | 6 Months Ago | 1 Year Ago |
| CAD / USD | 1.34 | 1.34 | 1.31 | 1.31 | 1.34 |
| JPY / USD | 114.46 | 104.82 | 103.43 | 110.73 | 123.11 |
| USD / GBP | 1.25 | 1.22 | 1.31 | 1.45 | 1.51 |
| USD / EUR | 1.06 | 1.10 | 1.12 | 1.11 | 1.06 |



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-indices: 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 (GOAO) – 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 (COA0) – 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 (HOA0) – 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 (USDXY) indicates the general int'l value of the USD. The USDXY 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

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