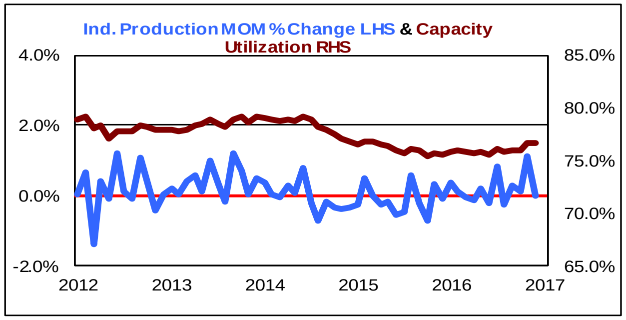
Economic Overview

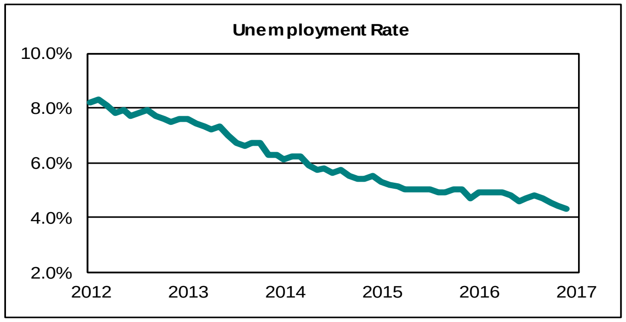
It's long been said that the job of the U.S. Federal Reserve is to take away the punch bowl just as the party is really getting started. How else can one explain the Fed's decision to raise interest rates in June, despite little evidence of sustained price inflation, low but stable unemployment and modest wage pressures? The most cogent reasoning we heard centered around the Fed trying to buy itself some wiggle room should the U.S. economy dip into recession some time in the next year, allowing for a reactive cut in interest rates. Certainly one could argue that we've seen a healthy dose of asset price inflation – equities, bonds and real estate are all trading at or near historical highs – however, plain vanilla consumer price inflation remains somewhat muted today.

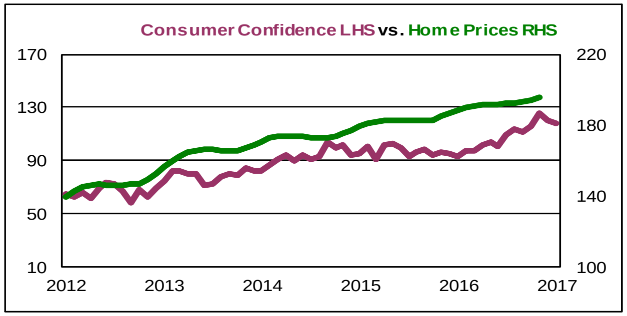
The unemployment report for May saw nonfarm payrolls increase by +138,000, shy of the +182,000 estimate, while April's number was revised down from +211,000 to +174,000. The unemployment rate dropped from 4.4% to 4.3% and the underemployment measure dipped from 8.6% to 8.4%. Average hourly earnings increased +0.2% MoM and are now up +2.5% YoY. Initial jobless claims averaged 240,000 per week in June, trending lower.

As suggested above, consumer price inflation remains modest, with May's CPI report showing prices fell -0.1% on the month, and up just +1.9% YoY. Ex-food and energy, consumer prices rose +0.1% MoM but are up just +1.7% YoY. Prices at the wholesale level were unchanged in May, yet rose +2.4% YoY. The PCE Deflator fell -0.1% and is up just +1.4% for the trailing 12 months.

First quarter GDP was revised up to +1.4% from +1.2%, however, the Atlanta Fed GDPNow forecast estimates the U.S. economy will grow at a roughly +3.0% rate going forward. Although the accuracy of this measure is debatable, it may be giving the Fed comfort as they consider when to begin unwinding their $4.5 trillion balance sheet. Certainly stronger growth will embolden them to speed up their liquidation, however, we remain convinced that Chair Yellen will endeavor to err on the side of caution, and that the balance sheet reduction will take place at a slow and measured pace.

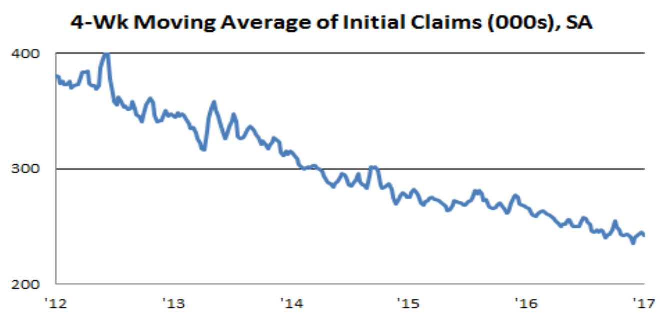


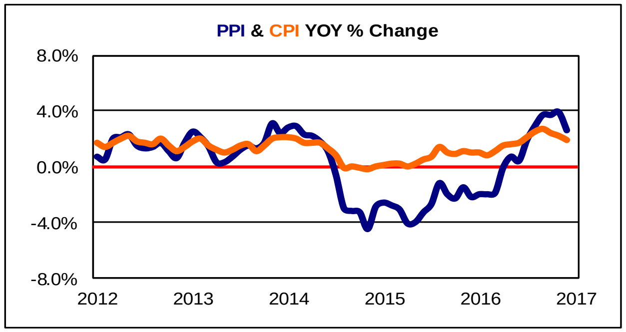




Key Data Points

Name	Current	For	Previous	For
Retail Sales ex. Autos MOM %	-0.30%	May	0.40%	April
Housing Starts	1,092K	May	1,156K	April
Factory Orders MOM %	-0.20%	April	1.00%	March
Leading Indicators MOM %	0.30%	May	0.20%	April
Unit Labor Costs	2.20%	Q1 2017	-4.60%	Q4 2016
GDP QOQ (Annualized)	1.40%	Q1 2017	2.10%	Q4 2016
Wholesale Inventories	0.30%	May	-0.40%	April
MBA Mortgage Applications	-6.20%	June	-3.40%	May





NOTTINGHAM ADVISORS

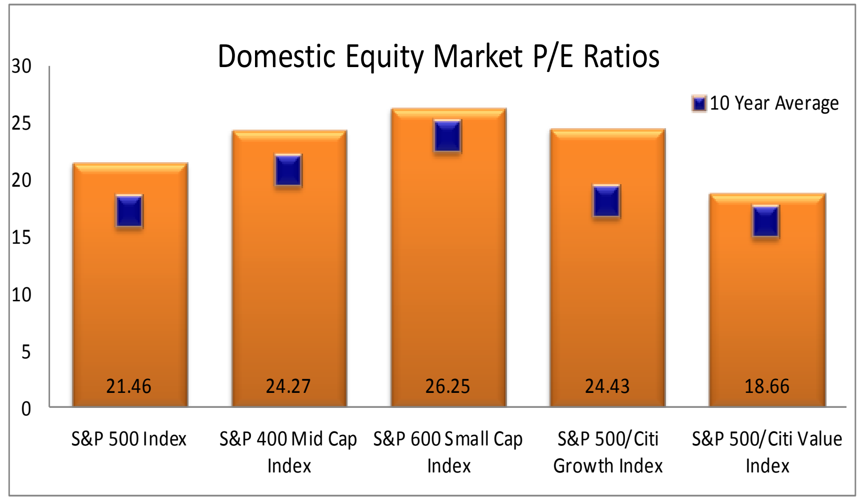
Nottingham Monthly Market Wrap
June 30, 2017

Domestic Equity

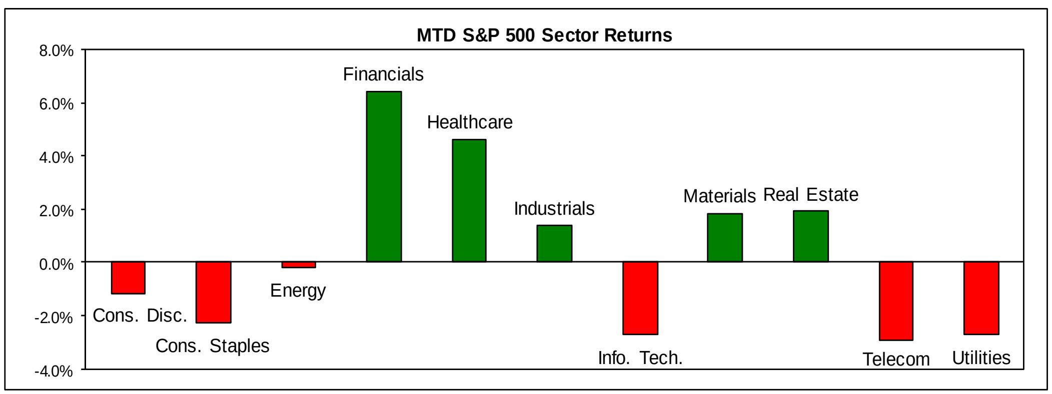
U.S. equities rallied in June, led by the resurgent Small- and Mid-Cap sectors, which have been relative laggards so far in 2017. Small-Caps, as measured by the S&P 600 Index, were the top performing index, up +2.99% on the month. Small-Caps gained +1.71% during the quarter, and are up +2.78% for the year, with all of the performance coming in the month of June. Mid-Caps, as measured by the S&P 400 Index, rose +1.62% during the month, and are up +1.97% QTD and +5.99% for the year. The benchmark S&P 500 Index gained +0.62% in June, +3.09% during the quarter, and is the best performer for the year, up +9.34% YTD. From a style perspective, Value Stocks rebounded in June, with the S&P 500 Citi Value Index gaining +1.90% thanks to a sharp rally in Financials (~28% of the S&P 500 Value Index), which rose +6.43% on the month. Value Stocks also handily outperformed Growth Stocks, as measured by the S&P 500 Citi Growth Index, which lost -0.39% on the month. Growth Stocks have been the market darling, up +13.33% YTD. While this trend of Growth over Value is nothing new, the trade runs the risk of being overly consensus and over valued, which may prompt a rotation back to Value in the short-term, especially if Financials, specifically the Banks, continue to rally.

From a sector standpoint, the aforementioned Financial sector was the best performer, up +6.43% in June thanks to a strong rally in mega-cap Banks, which rose an even more impressive +8.58% during the month. Banks rallied after all major banks passed the Federal Reserve's stress tests, and were able to return capital to shareholders through dividends and buybacks after successful Comprehensive Capital Analysis and Review (CCAR) petitions. Top performers on the month were JP Morgan (+11.26%) and Citigroup (+10.47%), both of which outperformed the broader Bank sub-industry group. Regional Banks were relative laggards, with M&T Bank (+3.50%), Citizens Bank (+4.63%), and U.S. Bank (+2.57%) announcing relative lackluster dividend increases and share buybacks. Healthcare was another standout performer, gaining +4.62% on the month, and has stealthily gained +16.07% YTD.

Notable laggards in June were Technology Stocks, with the sector down -2.7% on the month; however, Tech remains the best performing sector for the year, up +17.23% YTD. Energy and Telecom sectors continue to lag the broader market on a year to date basis, with each sector down -12.61% and -10.74%, respectively, as Energy companies grapple with lower oil prices, and Telecoms deal with price deflation in service contracts.



Domestic Equity Returns						
Name	**MTD**	**QTD**	**YTD**	**1 Year**	**3 Year**	**5 Year**
S&P 500 Index	0.62%	3.09%	9.34%	17.89%	9.60%	14.60%
S&P 400 Mid Cap Index	1.62%	1.97%	5.99%	18.56%	8.51%	14.87%
S&P 600 Small Cap Index	2.99%	1.71%	2.78%	22.36%	9.26%	15.42%
S&P 500/Citi Growth Index	-0.39%	4.42%	13.33%	19.29%	11.01%	15.21%
S&P 500/Citi Value Index	1.90%	1.51%	4.85%	15.85%	7.77%	13.79%



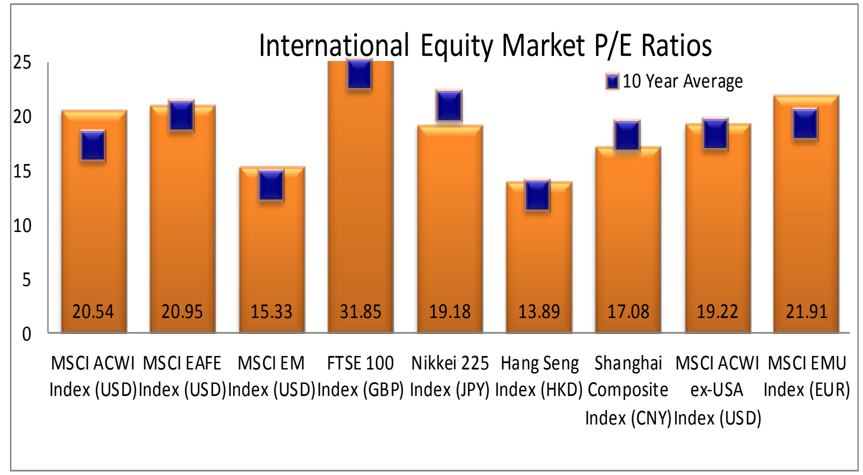
S&P 500 Sector Returns							
Sector	**MTD**	**QTD**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**% of S&P 500**
Consumer Discretionary	-1.20%	2.35%	11.00%	16.90%	12.20%	17.39%	12.65%
Consumer Staples	-2.25%	1.57%	8.03%	3.06%	10.18%	12.60%	10.01%
Energy	-0.18%	-6.36%	-12.61%	-4.14%	-10.51%	1.63%	5.85%
Financials	6.43%	4.25%	6.88%	35.32%	12.31%	17.94%	14.09%
Healthcare	4.62%	7.10%	16.07%	12.47%	11.01%	17.84%	14.24%
Industrials	1.39%	4.73%	9.51%	22.25%	10.21%	16.02%	10.20%
Information Technology	-2.70%	4.14%	17.23%	33.89%	15.93%	17.16%	22.12%
Materials	1.85%	3.17%	9.21%	18.59%	4.74%	11.08%	2.84%
Real Estate	1.92%	2.76%	6.40%	-1.01%	6.42%	6.88%	2.89%
Telecommunications	-2.92%	-7.05%	-10.74%	-11.71%	4.02%	5.84%	2.07%
Utilities	-2.70%	2.21%	8.75%	2.47%	9.36%	11.16%	3.04%

International Equity

Major International market indices were mixed in June. Developed International equities, as measured by the MSCI EAFE Index, lost -0.15% for the month, while Emerging Markets, as measured by the MSCI EM Index, gained +1.04%. Divergences in performance continued at the regional and country level. The Eurozone, as measured by the MSCI EMU Index, lost -2.46% in Euro terms, and -0.93% in Dollar terms, as the Euro strengthened +1.62% against the Dollar on the month. From a country specific standpoint, U.K. equities, as measured by the FTSE 100 Index, lost -2.46% on the month in GBP terms, while Japanese equities, as measured by the Nikkei 225 Index, gained +2.05% in Yen terms. From an Emerging Market country standpoint, Chinese equities rallied after index provider MSCI announced a phase-in plan for China A-Share equities into the broader MSCI Emerging Markets Index. The Shanghai Composite Index rose +2.97% in Yuan terms, while Hong Kong equities, as measured by the Hang Seng Index, gained +1.42% in HKD terms.

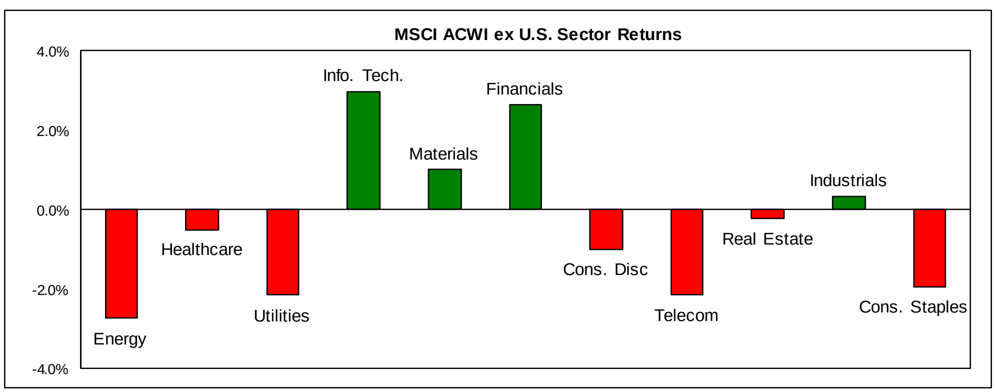
At the half way point for the year, International Equities continue to trounce U.S. equities in terms of performance, benefitting from asset price appreciation (thanks to strong economic data and earnings growth estimates), as well as positive carry from strengthening local currencies (due to a weak U.S. Dollar), which has bolstered returns. Emerging Markets remain the top performer, up +18.55% on the year, followed closely by Developed International (+11.81%), and the Eurozone (+9.11% in EUR terms, but +18.07% in USD terms thanks to a surging Euro). This compares to the U.S. benchmark S&P 500 Index, which has gained +9.34% YTD.

For long-term investors, International Equities remain a bright spot in a world of rich equity valuations and Central Banks preparing to remove the monetary stimulus punch bowl. Valuations remain compelling, positive economic data is accelerating, and U.S. Dollar investors may benefit from appreciating local currencies abroad. These themes have translated into strong asset flows into International equities, and positive performance relative to U.S. equities. We expect both trends to continue for the foreseeable future.



International Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
MSCI ACWI Index (USD)	0.49%	4.43%	11.81%	19.44%	5.42%	11.17%
MSCI EAFE Index (USD)	-0.15%	6.31%	14.22%	20.91%	1.73%	9.29%
MSCI EM Index (USD)	1.04%	6.35%	18.55%	24.14%	1.41%	4.29%
FTSE 100 Index (GBP)	-2.46%	0.98%	4.68%	16.94%	6.74%	9.65%
Nikkei 225 Index (JPY)	2.05%	6.06%	5.78%	31.03%	11.71%	19.45%
Hang Seng Index (HKD)	1.42%	8.50%	19.50%	27.75%	7.32%	9.60%
Shanghai Composite Index (CNY)	2.97%	-0.23%	3.61%	11.07%	18.22%	9.96%
MSCI ACWI ex-USA Index (USD)	0.34%	5.95%	14.44%	21.05%	1.34%	7.77%
MSCI EMU Index (EUR)	-2.46%	1.75%	9.11%	25.89%	8.17%	14.30%



MSCI ACWI Ex U.S. Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of ACWI Ex. USA
Energy	-2.76%	-2.65%	-3.43%	7.26%	-10.10%	-1.55%	6.53%
Healthcare	-0.51%	7.31%	16.29%	4.87%	1.38%	10.84%	6.55%
Utility	-2.17%	3.80%	11.21%	4.35%	2.77%	7.21%	5.90%
Information Technology	2.99%	12.90%	29.43%	42.26%	11.31%	15.48%	10.35%
Materials	1.01%	1.73%	10.41%	27.67%	-1.61%	1.05%	6.92%
Financials	2.64%	5.88%	14.01%	33.48%	2.13%	9.49%	21.04%
Consumer Discretionary	-1.01%	5.76%	13.04%	23.97%	1.92%	10.21%	11.64%
Telecommunications	-2.16%	4.20%	10.53%	4.07%	-0.41%	5.94%	5.72%
Real Estate*	-0.23%	5.86%	N/A	N/A	N/A	N/A	3.49%
Industrials	0.34%	6.92%	17.21%	24.13%	3.24%	9.57%	11.66%
Consumer Staples	-1.95%	7.32%	16.60%	6.95%	3.90%	8.51%	10.19%

*The MSCI ACWI Ex. USA Real Estate Sector was developed on August 31st, 2016

Fixed Income

As was widely anticipated, the Federal Reserve hiked short-term interest rates a quarter point in June, citing expectations for a stronger economy and increased inflation in the second half of the year. The bond market wasn't impressed, however, as yields gradually drifted higher, though without any sense of urgency. Currently the market is pricing in a 0.0% chance of a rate hike at the July meeting and only a 55% chance that a move comes in December. Increasingly bond investors are turning their attention to the Fed's bloated balance sheet, wondering how and when it will begin the process of reducing the number of securities it holds.

Bond returns were mixed in June, with both investment-grade and high-yield corporate bonds eking out positive returns while most other sectors turned in small losses. The ML US Corporate Master Index gained +0.25% on the month and is up +3.88% for the first half of the year while the ML US High Yield Master II Index gained just +0.11% in June, but remains up +4.91% YTD. Spreads continued to trend lower in June as demand for yield remains strong. At 112 basis points, the ML US Corporate Master Index is 26 bps below its 5-year average while the ML US High Yield Master II Index at 386 bps over Treasuries is currently 121 bps below its 5-year average.

Looking internationally, the ML Global Government Bond II Index fell -0.46% in June, though remains up +0.38% YTD, while the ML USD Emerging Market Sovereign & Credit index dropped -0.53%, yet posts a strong gain of +6.36% YTD. The ECB dropped some none-too-subtle hints recently suggesting that its munificence may be short-lived, as economic data in the Eurozone gathers momentum. The Bank of Japan, on the other hand, is likely to keep its foot on the QE accelerator for some time to come.

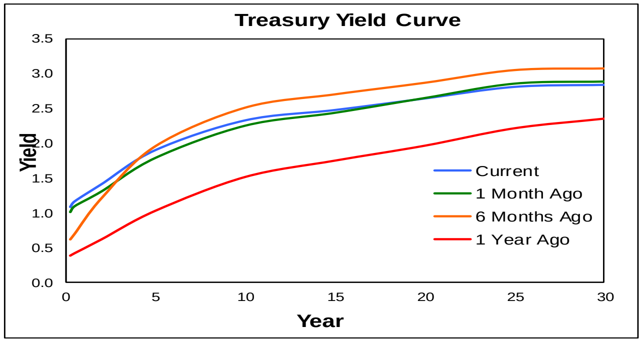
Looking ahead, many a forecaster, ourselves included, saw the 10-year Treasury yielding close to 3.00% by year's end. As the clock ticks down, however, we have yet to see the strong economic growth and accompanying inflationary signs that would take us there. Global demand for fixed income securities remains robust, growth and inflation remain low, and despite the incredible corporate re-levering we've seen over the past 5+ years, yields remain well behaved. Bond vigilantes, where art thou?

Central Bank Activity

Name	Current	1 Month Ago	6 Months Ago	1 Year Ago
Fed Funds Rate	1.25%	1.00%	0.75%	0.50%
Bank of Japan Target Rate	0.10%	0.10%	0.10%	0.10%
European Central Bank Rate	0.00%	0.00%	0.00%	0.00%
Bank of England Official Bank Rate	0.25%	0.25%	0.25%	0.50%

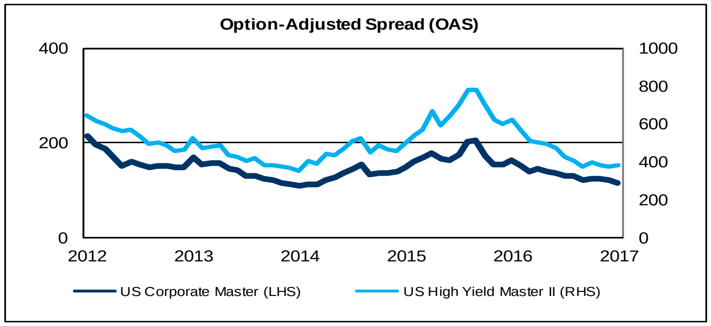
Fixed Income Returns

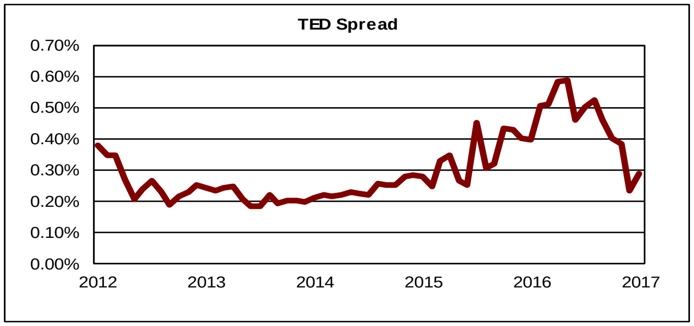
Name	MTD	QTD	YTD	1 Year
ML U.S. Treasury/Agency Master Index	-0.15%	1.21%	1.90%	-2.34%
ML U.S. Broad Market Index	-0.09%	1.46%	2.34%	-0.38%
ML U.S. Corporate Master Index	0.25%	2.42%	3.88%	2.33%
ML U.S. High Yield Master II Index	0.11%	2.14%	4.91%	12.75%
ML USD Emerging Market Sovereign & Credit Index	-0.53%	2.09%	6.36%	10.46%
ML Global Government Bond II Index	-0.46%	0.51%	0.38%	-2.96%
ML Municipal Master Index	-0.23%	1.98%	3.40%	-0.53%
ML Municipal High Yield Index	-0.34%	0.50%	3.11%	1.04%

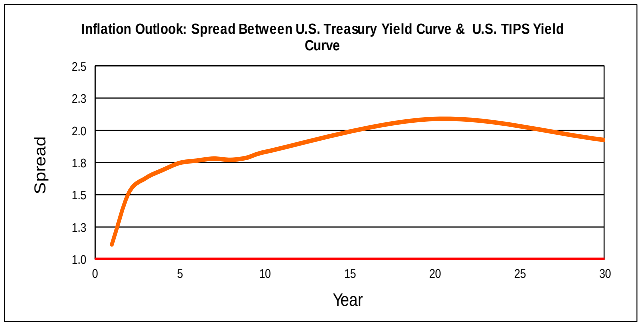


U.S. Treasury Yields

Period	3 Month	6 Month	2 Year	5 Year	10 Year	15 Year	20 Year	25 Year	30 Year
Current	1.08%	1.16%	1.41%	1.90%	2.33%	2.47%	2.64%	2.81%	2.83%
1 Month Ago	1.01%	1.09%	1.31%	1.79%	2.25%	2.43%	2.65%	2.85%	2.88%
6 Months Ago	0.62%	0.70%	1.21%	1.96%	2.51%	2.70%	2.86%	3.05%	3.07%
1 Year Ago	0.38%	0.42%	0.62%	1.03%	1.51%	1.75%	1.96%	2.21%	2.35%





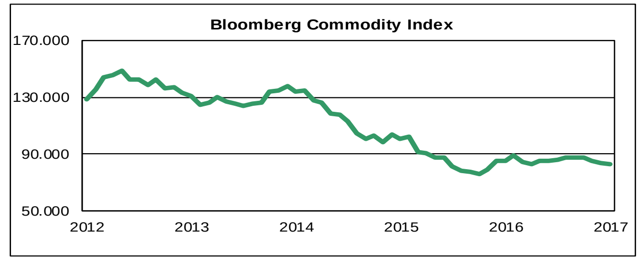


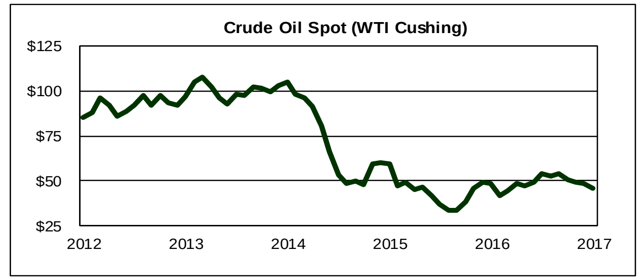
Alternative Investments

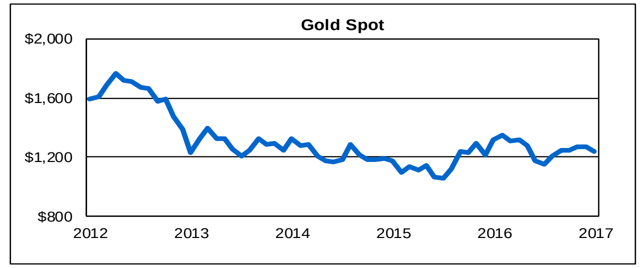
Alternative investments were mostly negative performers in June. West Texas Intermediate (WTI) crude oil lost -4.7%, or more than $2/barrel, which dragged down the broader Bloomberg Commodities Index by -0.3% on the month. WTI crude oil actually fell much further intra-month, to a low of $42/bbl, as inventories remained high and more supply came online (both domestically and internationally from the likes of Libya). WTI's intra-month decline of more than -12% marked a sharp reversal from $50 WTI prices that the market had become comfortable with. During the quarter, the drop from $53/bbl to $42/bbl marked WTI's return to bear market territory with a decline of more than -20%, only to be followed by a nearly +10% snap-back rally to close out the quarter. While the short-term volatility in WTI prices may allow for tactical positioning, the long-term outlook for oil prices is mixed. According to data compiled by Bloomberg, forecasts from major sell-side banks have a median price target of $55/bbl through Q2 2018; however, the $30-$70/bbl range of forecasts indicates the lack of consensus on where oil prices are headed from here.

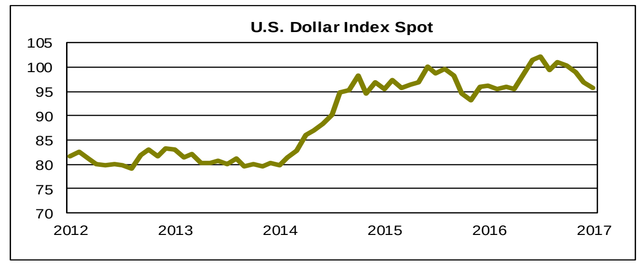
From a currency standpoint, the U.S. Dollar, as measured by the DXY Index, lost -1.3% on the month. The Dollar lost ground against the Euro, which rose +1.62% to a 1-year high of $1.14 USD/EUR. The Euro's strength comes on the back of strong economic data and waves of inflows into Euro-denominated assets. ECB President Mario Draghi's hawkish tone towards potentially scaling back monetary stimulus sent the Euro rallying, only to see him try and walk back his comments days later. It is still in the Eurozone's best interests to have a weak Euro, but strong economic data and earnings growth prospects are likely to support a stronger Euro against the Dollar from here. In contrast to the Euro's strength, the Japanese Yen weakened by nearly -1.5% against the Dollar, while the Canadian Loonie strengthened more than +4.1% against the Dollar. Moving forward, currency specific divergences against the Dollar are likely, especially between the Euro (stronger) and Yen (weaker) against the Dollar.

Hedge Funds continue to struggle on an aggregate basis. While all ten strategies are positive for the year (on average), their performance sharply lags most broad equity benchmarks. Event Driven strategies remain the group's top performers, up +4.63%, while Macro strategies are basically flat on the year, up a scant +0.17%.





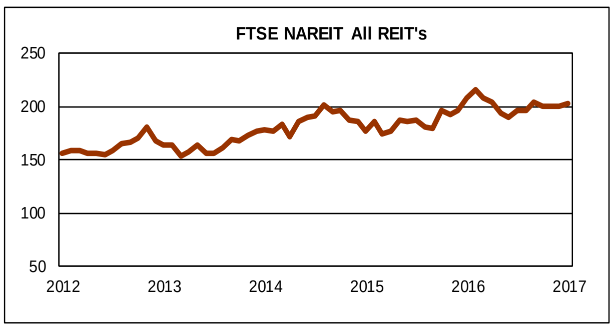




Hedge Funds

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
Global Hedge	0.35%	1.02%	2.69%	6.14%	-0.30%	1.93%
Convertible Arbitrage	1.10%	1.86%	4.40%	8.81%	-0.09%	2.62%
Distressed Securities	0.59%	0.98%	2.58%	14.37%	0.92%	2.51%
Equity Hedge (L/S)	0.77%	0.92%	3.64%	7.97%	0.49%	3.41%
Equity Market Neutral	0.62%	-0.78%	0.72%	0.57%	1.07%	1.29%
Event Driven	-0.01%	1.63%	4.63%	12.57%	-0.20%	3.98%
Macro	0.52%	0.94%	0.17%	-2.44%	0.35%	-0.13%
Merger Arbitrage	0.36%	1.17%	1.27%	3.14%	5.06%	4.00%
Relative Value Arbitrage	0.13%	0.60%	1.63%	4.51%	-1.74%	0.13%
Absolute Return	0.15%	0.78%	1.43%	1.98%	1.18%	1.94%

Note: Price Return, Returns as of 06/29/17



Spot Rates

Description	Current	1 Month Ago	3 Months Ago	6 Months Ago	1 Year Ago
CAD / USD	1.30	1.35	1.33	1.34	1.29
JPY / USD	112.39	110.78	111.39	116.96	103.20
USD / GBP	1.30	1.29	1.26	1.23	1.33
USD / EUR	1.14	1.12	1.07	1.05	1.11

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

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