

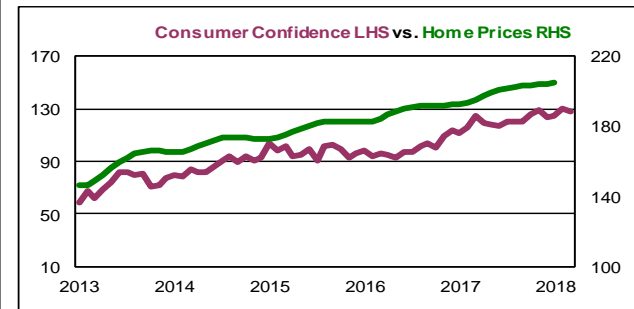
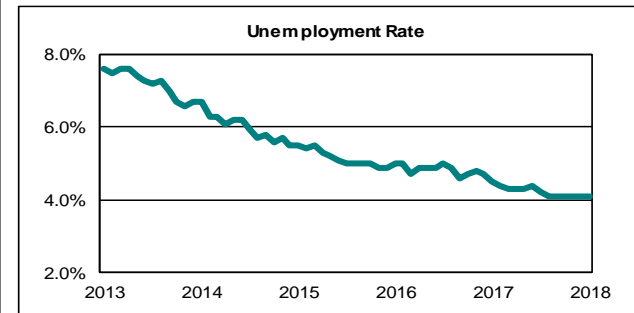
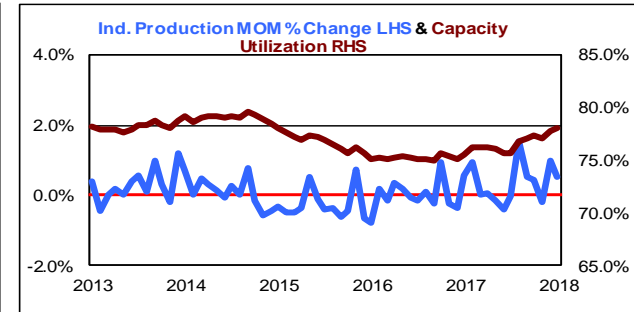
Economic Overview

A quick glance at the charts to the right should tell investors all they need to know about the current state of the U.S. economy. Beginning at the top, growth in Industrial Production remains positive rising +0.5% MoM in March while Capacity Utilization for the same period rose to a better than expected 78.0%. The Unemployment Rate in the U.S. came in at 4.1% at the end of March as 103k new jobs were created. Consumer Confidence continues to climb with April's reading coming in at a better than expected 128.7, while the S&P CoreLogic Case-Shiller Home Price index marked a new high at 197.0, rising +6.3% YoY. At the bottom right we see both producer prices (PPI) and consumer prices (CPI) trending higher, yet at a gradual pace. Lastly, more evidence of the strong labor market is the chart showing the 4-week moving average of initial jobless claims which continues to bottom out.

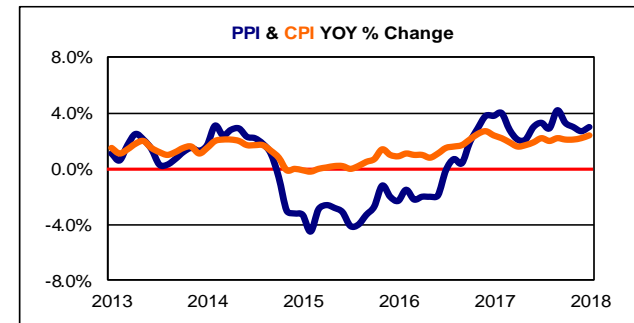
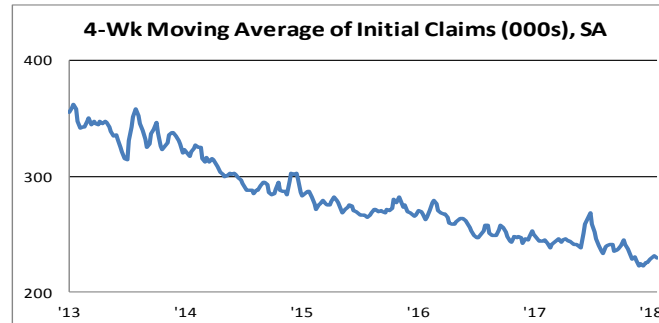
All this strong economic data was wrapped into the Q1 GDP report which showed the U.S. economy expanding at a +2.3% SAAR, beating expectations for a +2.0% rise. The typically weak first quarter report is expected to be the low-water mark for the year as fiscal stimulus from the 2017 Tax Reform Act kicks in during Q2 and Q3. Current estimates have GDP hitting 3.5% to 4.0% during the latter half of 2018, with pick-ups in capital expenditures and wage increases taking hold. Despite the optimism for the balance of the year, potential headwinds include the rising US Dollar, Federal Reserve interest rate hikes and the potential for tariffs and other trade disrupting measures from Washington.

The Federal Reserve hiked the Fed Funds rate 25 bps in March and suggested another two hikes were in the offing for the balance of the year. This despite an inflation rate just starting to hit its target measure of 2.0% on a semi-consistent basis. The PCE Deflator for March was unchanged while the Core PCE measure ticked up by 2/10ths of a percent, marking a +1.9% YoY rise. As mentioned above, the rise in both CPI and PPI remains manageable at this point and doesn't necessarily warrant an aggressive Fed.

April marked the 9th year of the current economic expansion, the second longest on record. Given the difficulty in forecasting recessions (we'll leave that to the palm readers and fortune tellers) and the delayed stimulus we anticipate arising from the tax reform bill, we're reluctant to call the end. Inflationary pressures are modest, despite rising labor shortages, and productivity certainly has room to improve. The only thing we see as a risk at this point is an overly aggressive Fed and the headwinds that higher interest rates may create. Stay tuned.



Key Data Points				
Name	Current	For	Previous	For
Retail Sales ex. Autos MOM %	0.20%	March	0.20%	February
Housing Starts	1319K	March	1295K	February
Factory Orders MOM %	1.20%	February	-1.30%	January
Leading Indicators MOM %	0.30%	March	0.70%	February
Unit Labor Costs	2.50%	Q4 2017	1.00%	Q3 2017
GDP QOQ (Annualized)	2.30%	Q1 2018	2.90%	Q4 2017
Wholesale Inventories	0.50%	March	1.00%	February
MBA Mortgage Applications	-0.20%	April	-3.30%	March



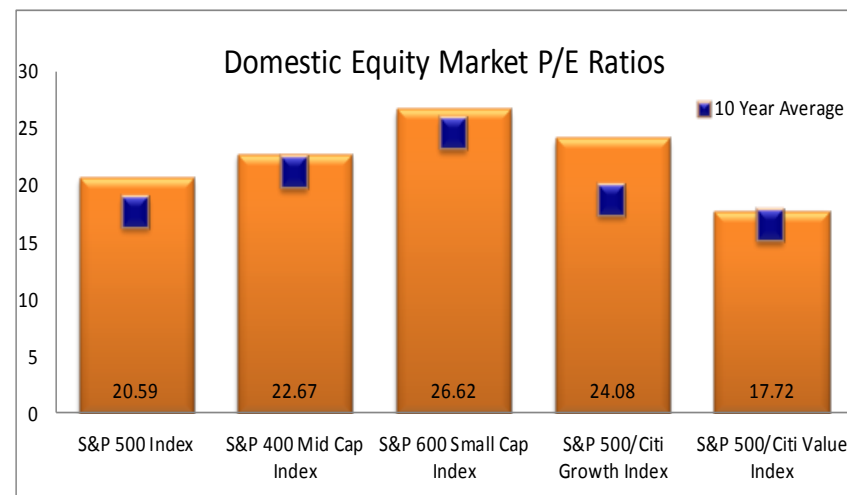


Domestic Equity

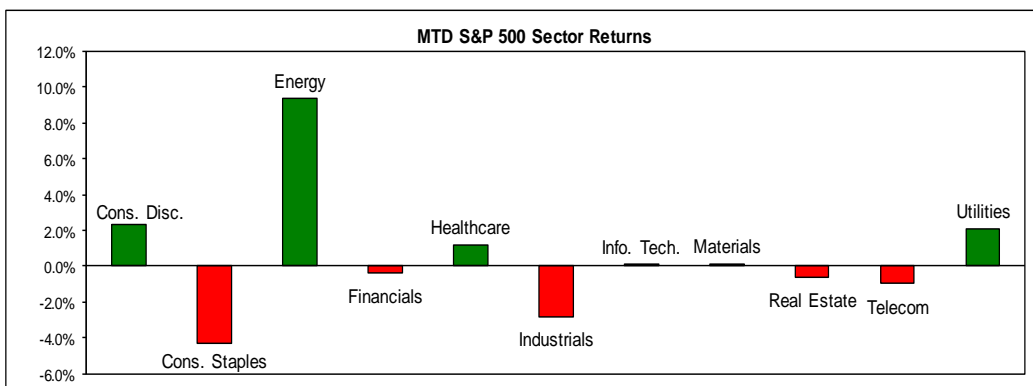
U.S. equities were largely positive in April, bouncing back from a two month rout that saw the S&P shed -6.13%. April's returns were driven by Small-Caps, as measured by the S&P 600 Index, which posted a +1.03% return. The S&P 500 also posted positive returns on the month, gaining +0.38%, and the Mid-Cap 400 Index was the lone negative performer, losing -0.26% on the period. For the year, Small-Caps remain the top performer, with gains of +1.58%, helped by a pick up in domestic economic data.

From a style perspective, Value stocks, as measured by the S&P 500/Citi Value Index, posted returns of +0.50% on the month. Returns were driven by a sharp rally in the Energy sector, which gained +9.36% on the month, on the back of higher oil prices. The Energy sector comprises nearly 13% of the S&P 500 Value Index. Growth stocks also posted positive returns on the month, rising +0.28% despite a mixed bag of Technology earnings. Overall, earnings from market darlings such as Amazon and Netflix easily surpassed Wall Street estimates, and their share prices rose +8.21% and +5.79% on the month boosting the Consumer Discretionary sector which gained +2.36% during the period. (Amazon (21.68%) and Netflix (4.63%) comprise 26.31% of the Consumer Discretionary sector). On the other hand, Alphabet (Google) posted a strong quarter, but it's shares fell -1.79% on the month. The market's largest company, Apple, reports earnings after the bell today, with concerns over the "iPhone super cycle" front and center.

Rate sensitive sectors were largely negative on the month, with Consumer Staples (the year's worst performing sector), Telecoms, and Real Estate Investment Trusts (REITs) posting negative returns of -4.32%, -0.98%, and -0.62%, respectively, as benchmark 10-Year Treasury yields toyed with the psychological 3% level. Utilities, which are typically part of the rate sensitive group, actually posted positive returns on the month, gaining +2.10% despite rising interest rates.



Domestic Equity Returns						
Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
S&P 500 Index	0.38%	0.38%	-0.38%	13.26%	10.55%	12.94%
S&P 400 Mid Cap Index	-0.26%	-0.26%	-1.03%	9.75%	9.39%	11.74%
S&P 600 Small Cap Index	1.03%	1.03%	1.58%	12.74%	11.93%	13.79%
S&P 500/Citi Growth Index	0.28%	0.28%	2.21%	17.71%	12.56%	14.95%
S&P 500/Citi Value Index	0.50%	0.50%	-3.09%	8.30%	8.03%	10.57%



S&P 500 Sector Returns							
Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of S&P 500
Consumer Discretionary	2.36%	2.36%	5.51%	16.80%	13.07%	15.52%	13.43%
Consumer Staples	-4.32%	-4.32%	-11.13%	-6.14%	4.17%	7.00%	8.02%
Energy	9.36%	9.36%	2.92%	12.43%	-0.40%	1.56%	6.08%
Financials	-0.37%	-0.37%	-1.32%	18.56%	14.05%	14.70%	14.25%
Healthcare	1.22%	1.22%	-0.02%	10.91%	6.49%	13.56%	13.60%
Industrials	-2.79%	-2.79%	-4.31%	8.83%	10.59%	13.52%	9.86%
Information Technology	0.09%	0.09%	3.62%	24.65%	18.99%	20.44%	24.55%
Materials	0.15%	0.15%	-5.37%	9.18%	6.36%	9.78%	2.82%
Real Estate	-0.62%	-0.62%	-5.61%	0.95%	3.04%	3.40%	2.73%
Telecommunications	-0.98%	-0.98%	-8.39%	-2.58%	2.42%	2.52%	1.82%
Utilities	2.10%	2.10%	-1.27%	3.22%	9.06%	8.35%	2.83%

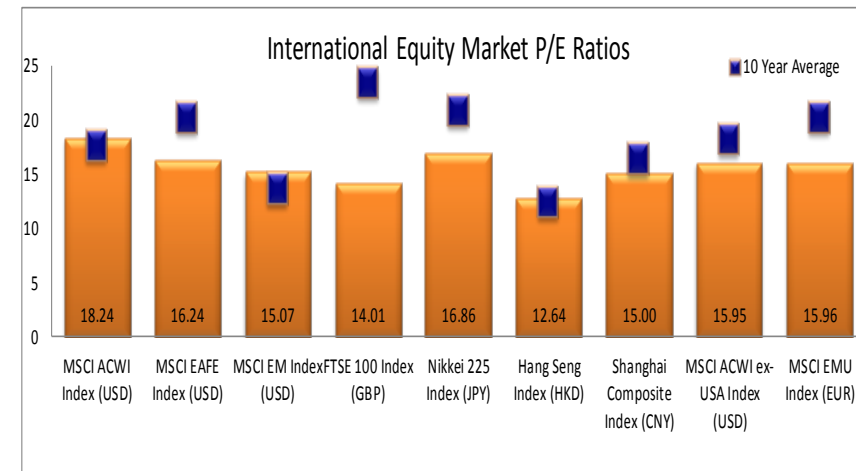
International Equity

International equity performance was mixed in April. Developed Market equities, as measured by the MSCI EAFE Index, posted strong returns of +2.37% during the period, handily outpacing U.S. equities of all sizes. Emerging Markets, as measured by the MSCI EM Index, were a different story, as the index gave back -0.43% during the period. Lately, EM equity performance has been driven largely by two things: China (24.23% of MSCI EM) and Technology (25.68% of MSCI EM). During April, the MSCI China Index lost -0.03%, as high flying tech names such as Alibaba and Tencent (not part of MSCI China) lost -2.72% and -7.81%, respectively. Alibaba reports quarterly earnings May 4th.

From a regional standpoint, the Eurozone gained +5.05% in EUR terms during the period as the Euro weakened -1.98% versus the U.S. Dollar. Previously, the Euro strength (near \$1.25 EUR/USD) was a damper on Eurozone exporting countries such as Germany (largest Economy in Eurozone) providing a headwind for economic growth. Additionally, a lack of inflation in the Eurozone likely means the European Central Bank (ECB) can remain a bit more dovish for a little bit longer, which could put downward pressure on the Euro versus the Dollar in the short run.

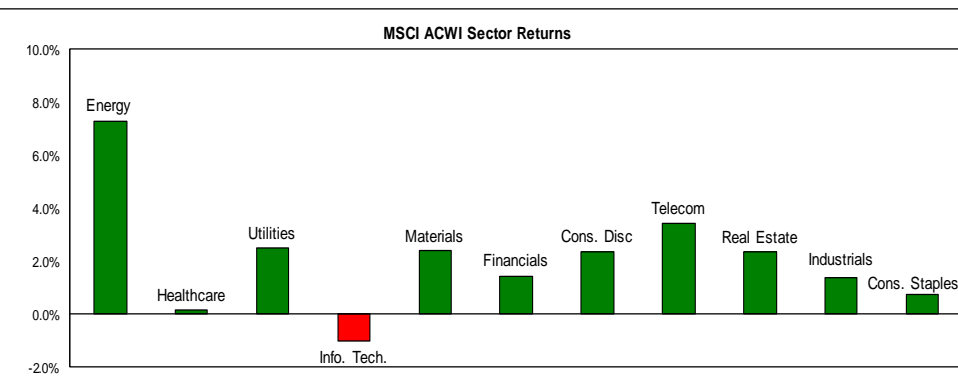
At the country level, the United Kingdom, as measured by the FTSE 100 Index, and Japan, as measured by the Nikkei 225 Index, both posted strong returns of +6.79% and +4.72%, in respective local currencies on the month, thanks to a strong U.S. Dollar (weak local currency).

From a sector standpoint, the Energy sector was the top performer, gaining +7.28% on the month. All other sectors posted positive gains, except for Technology stocks, which lost -1.06% in April, giving up some of the prior months and quarters outperformance versus the broad index.



International Equity Returns

Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
MSCI ACWI Index (USD)	1.01%	1.01%	0.16%	14.77%	8.05%	9.42%
MSCI EAFE Index (USD)	2.37%	2.37%	0.95%	15.10%	5.52%	6.49%
MSCI EM Index (USD)	-0.43%	-0.43%	0.98%	22.12%	6.43%	5.12%
FTSE 100 Index (GBP)	6.79%	6.79%	-0.90%	8.46%	6.65%	7.12%
Nikkei 225 Index (JPY)	4.72%	4.72%	-0.48%	19.25%	6.79%	12.14%
Hang Seng Index (HKD)	2.53%	2.53%	3.48%	29.96%	6.92%	10.27%
Shanghai Composite Index (CNY)	-2.71%	-2.71%	-6.77%	-0.30%	-9.80%	9.78%
MSCI ACWI ex-USA Index (USD)	1.67%	1.67%	0.57%	16.46%	5.56%	6.02%
MSCI EMU Index (EUR)	5.05%	5.05%	2.20%	5.50%	4.91%	11.05%



MSCI ACWI Ex U.S. Sector Returns

Sector	MTD	QTD	YTD	1 Year	3 Year	5 Year	% of ACWI Ex. USA
Energy	7.28%	7.28%	5.51%	25.68%	5.85%	2.03%	7.42%
Healthcare	0.12%	0.12%	0.17%	7.21%	-0.76%	5.39%	6.26%
Utility	2.47%	2.47%	1.48%	8.39%	5.65%	5.59%	5.54%
Information Technology	-1.06%	-1.06%	0.75%	28.64%	15.27%	14.86%	11.21%
Materials	2.36%	2.36%	-0.48%	21.28%	8.28%	3.95%	7.43%
Financials	1.43%	1.43%	0.41%	15.67%	4.91%	5.49%	20.92%
Consumer Discretionary	2.35%	2.35%	1.24%	17.61%	5.37%	8.16%	11.57%
Telecommunications	3.39%	3.39%	-0.80%	7.23%	-0.62%	4.09%	5.14%
Real Estate*	2.32%	2.32%	N/A	N/A	N/A	N/A	3.58%
Industrials	1.34%	1.34%	-0.21%	14.10%	6.92%	7.43%	11.26%
Consumer Staples	0.71%	0.71%	-2.02%	9.41%	5.44%	4.56%	9.67%

Fixed Income

The yield curve has moved significantly YTD, in a non-parallel shift. The 30 year Treasury yield has remained relatively stable, while the short end of the curve has moved up dramatically. This has been spurred by the Federal Reserve's target rate increases and a rising likelihood of future raises. Continued economic growth, low unemployment, and inflation moving towards the Fed's target levels have provided credibility to their rate forecast. Expectations for an increase at the May meeting, which begins today, have risen steadily but remain below 50%. It would be a break from tradition to move rates at a meeting that is not followed by a scheduled press conference, making a May hike unlikely. An increase at the June meeting is currently viewed as a sure thing, with a 92.7% likelihood.

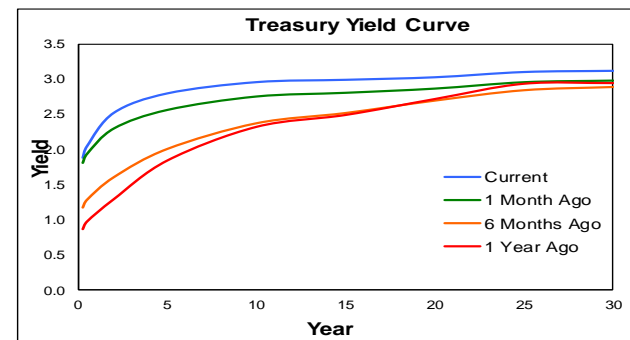
The YTD shift has caused a flattening of the yield curve, which can easily be seen in the graph to the right. Currently, the 2 year Treasury yields 46 bps less than the 10 year Treasury, while the 5 year yields only 16 bps less. This move has dramatically increased the relative attractiveness of shorter maturity bonds. Libor, which many floating rate bond coupons are based on, has also risen quickly. It is now possible to earn yields in excess of 2%, while taking on nearly zero interest rate risk due to the floating nature of the coupon.

Investment grade and high yield spreads have widened, but still appear rich on a historical basis. Paired with the flattening curve, it has become possible to limit the duration of IG/HY exposures, while still earning an attractive amount of yield. Limiting the duration of credit holdings will reduce the interest rate sensitivity of a portfolio, as well as the negative price impact of spread widening. The flattening curve mentioned above has also stirred some concern as a possible indication of a coming recession (the curve hasn't been this flat since 2007). This also supports limiting the impact of spread widening on a fixed income portfolio, as spreads rise most significantly during recessions, as default rates move higher.

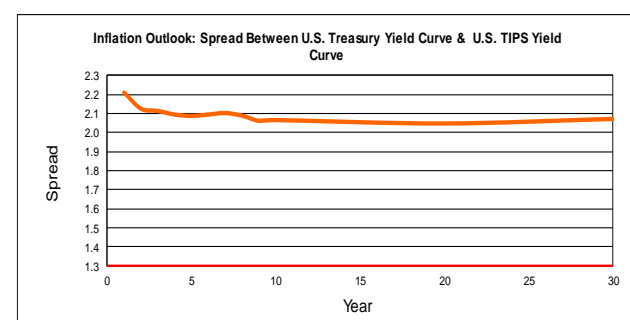
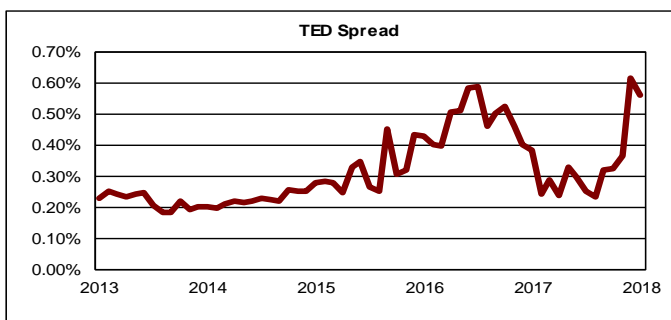
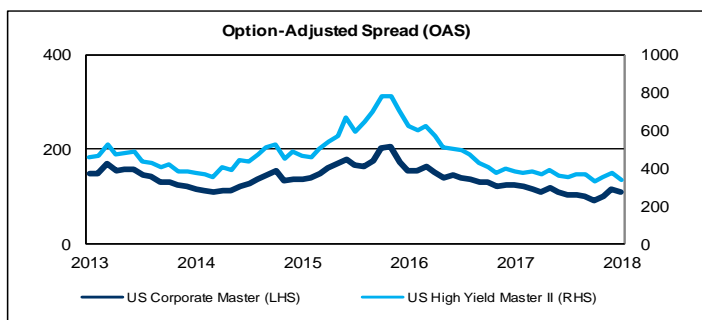
Constrained municipal issuance continues to support the pricing of existing bonds, making yields sticky, or less likely to increase when the treasury yield curve shifts higher. The supply constraint seems most apparent in the 10 year range, with the muni yield as a percentage of treasury yield falling from 91% to 86% over the past month.

Central Bank Activity				
Name	Current	1 Month Ago	6 Months Ago	1 Year Ago
Fed Funds Rate	1.75%	1.75%	1.25%	1.00%
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	0.50%	0.50%	0.25%	0.25%

Fixed Income Returns				
Name	MTD	QTD	YTD	1 Year
Bloomberg Barclays US Government Index	-0.80%	-0.80%	-1.94%	-0.81%
Bloomberg Barclays US Agg Index	-0.74%	-0.74%	-2.19%	-0.10%
Bloomberg Barclays US Corporate Index	-0.93%	-0.93%	-3.22%	0.94%
Bloomberg Barclays US Corporate High Yield Index	0.65%	0.65%	-0.21%	3.22%
Bloomberg Barclays EM USD Agg Index	-1.02%	-1.02%	-2.48%	0.95%
Bloomberg Barclays Global Agg Treasuries USD Index	-0.33%	-0.33%	0.25%	1.75%
Bloomberg Barclays Municipal Index	-0.36%	-0.36%	-1.46%	1.65%



U.S. Treasury Yields									
Period	3 Month	6 Month	2 Year	5 Year	10 Year	15 Year	20 Year	25 Year	30 Year
Current	1.88%	2.05%	2.52%	2.79%	2.95%	2.99%	3.02%	3.10%	3.12%
1 Month Ago	1.81%	1.94%	2.30%	2.56%	2.75%	2.80%	2.86%	2.95%	2.98%
6 Months Ago	1.17%	1.28%	1.60%	2.01%	2.37%	2.52%	2.69%	2.84%	2.89%
1 Year Ago	0.86%	0.98%	1.29%	1.84%	2.32%	2.49%	2.71%	2.93%	2.94%



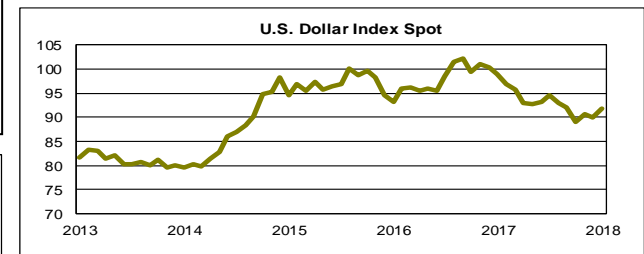
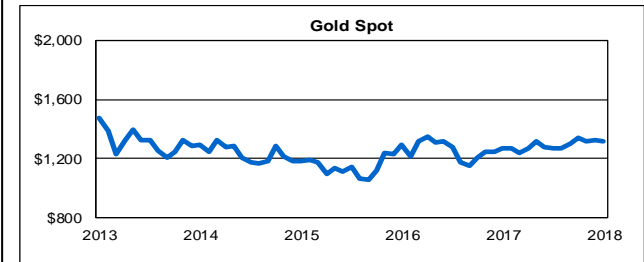
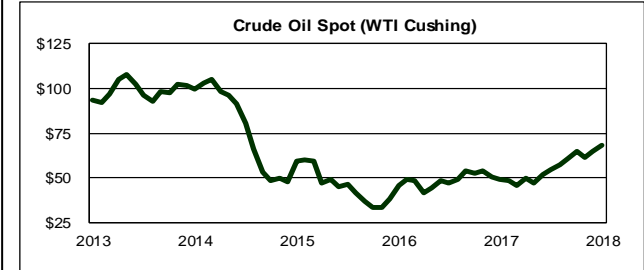
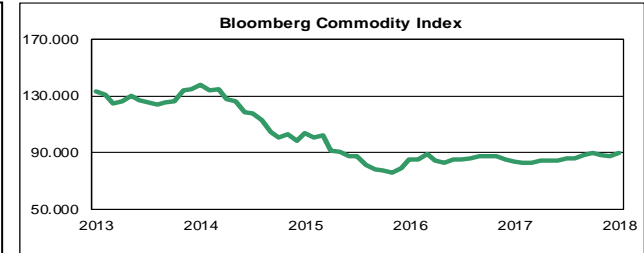
Alternative Investments

Alternative investments posted strong results in April, as West Texas Intermediate (WTI) crude oil prices rose nearly \$4/barrel, or +5.6%, to close at \$68.57. Oil's rally comes on the heels of reports that inventories (supply) and demand for oil may be close to equilibrium levels once again. The current inventory levels show the "supply glut" that caused WTI prices to collapse near \$25/barrel in 2016 may have abated. With the U.S. pumping more than 10 million barrels per day, it may not be long before the U.S. is the top producer in the world. Stay tuned.

Oil's gains helped fuel a rally in commodities, as measured by the Bloomberg Commodities Index (BCOM), which rose +2.4% on the month. Commodities continue to look attractive as a late-cycle play, as signs of inflation are showing up in economic data and Q1 earnings reports. While oil and gas related sub industries account for nearly one third of the BCOM Index, metals and agriculture make up the rest of the basket. Those components continue to post mixed results as uncertainties over tariffs and global growth weigh on investor sentiment.

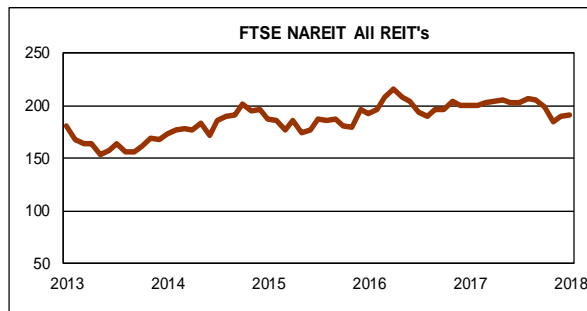
Gold posted slightly negative results in April, losing \$10/ounce, or -0.7%, to close at \$1,315/ounce. Gold has remained range bound between \$1,300 and \$1,350/ounce on the year, and has come under pressure lately from rising interest rates and a strong Dollar (the DXY Index gained +2.1% in April). Despite the aforementioned headwinds for Gold, the precious metal remains a viable portfolio hedge to rising equity market volatility. Moreover, Gold has been able to weather the storm year to date, posting gains of +0.9%, which makes it one of the best performing asset classes on the year. Moving forward, while Gold does not pay a dividend or accrue interest, its tail hedge characteristics are likely to benefit a diversified portfolio.

As the Dollar strengthened in April, the Yen, Pound, and Euro all weakened. Rising probabilities of a fourth interest rate hike by the Federal Reserve now stand near 40%, likely causing the recent rally in the Dollar. While the Dollar's best days may be behind it, it remains to be seen whether or not U.S. economic data will "catch up" relative to the rest of the world. In the meantime, investors are likely finding comfort in the higher interest rates, and "stable" conditions found in the U.S., despite the risks around globally.



Hedge Funds						
Name	MTD	QTD	YTD	1 Year	3 Year	5 Year
Global Hedge	0.16%	0.16%	-0.86%	2.94%	0.49%	1.20%
Convertible Arbitrage	0.34%	0.34%	0.43%	4.26%	3.31%	1.45%
Distressed Securities	0.46%	0.46%	-5.00%	-4.11%	0.77%	1.54%
Equity Hedge (L/S)	-0.33%	-0.33%	0.84%	7.22%	1.58%	2.94%
Equity Market Neutral	0.16%	0.16%	0.89%	1.00%	0.84%	1.40%
Event Driven	0.46%	0.46%	-4.37%	-1.78%	1.07%	1.58%
Macro	0.44%	0.44%	-1.59%	1.72%	-1.56%	-0.26%
Merger Arbitrage	-1.39%	-1.39%	-2.57%	-0.94%	2.95%	3.33%
Relative Value Arbitrage	0.23%	0.23%	1.22%	3.80%	0.09%	0.08%
Absolute Return	-0.14%	-0.14%	0.16%	2.57%	1.62%	2.03%

Note: Price Return, Returns as of 04/27/18



Spot Rates					
Description	Current	1 Month Ago	3 Months Ago	6 Months Ago	1 Year Ago
CAD / USD	1.28	1.29	1.23	1.29	1.37
JPY / USD	109.34	106.28	109.19	113.64	111.49
USD / GBP	1.38	1.40	1.42	1.33	1.30
USD / EUR	1.21	1.23	1.24	1.16	1.09



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.

Bloomberg Barclays Global Treasuries USD Hedged Index (LGTTRUH)– The Bloomberg Barclays Global Treasury Index tracks fixed-rate, local currency government debt of investment grade countries. The index represents the treasury sector of the Global Aggregate Index and contains issues from 37 countries denominated in 24 currencies.

Bloomberg Barclays Municipal Bond Index (LMBITR)– The Bloomberg Barclays Municipal Bond Index covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

Bloomberg Barclays EM Hard Currency Aggregate Index (LG20TRUU)- The Bloomberg Barclays Emerging Markets Hard Currency Aggregate Index is a hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

Bloomberg Barclays U.S. Government Index- Bloomberg Barclays US Government Bond Index is comprised of the US Treasury and US Agency Indices. The index includes US dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government).

Bloomberg Barclays U.S. Aggregate Bond Index (LBSTRUU)- The Bloomberg Barclays US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg Barclays U.S. Corporate Index (LUACTRUU)- The Bloomberg Barclays US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg Barclays U.S. Corp High Yield Index (LFTR ML U.S. Corporate Index (COA0) – The Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high yield, below-investment grade fixed-rate corporate bond market.

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.

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 (USDIX) indicates the general int'l value of the USD. The USDIX 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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