

First Quarter 2022 Chartbook

Data as of December 31, 2021

Economy – Consumer Strength Heading into 2022

- Elevated inflation remains a headwind, but consumer spending is robust heading into 2022.
- Labor supply issues have accelerated wage gains. The unemployment rate is falling quickly, and labor force participation is edging higher.
- Economic growth is expected to slow in 2022 but at a rate of growth above 3%.

Equities – Shift to Mid-Cycle

- The valuation gap between growth and value stocks is at its widest since 2000 based on some metrics.
- Earnings growth is expected to slow but remain stable. Fundamentals for stocks are still positive.
- Potential headwinds for stocks in 2022 include rising inflation, high valuations, and a more hawkish Fed.

Fixed Income – Hawkish Fed Outlook

- The Fed is expediting tapering, and markets anticipate three to four rate hikes in 2022.
- Yields have risen the fastest in recent months at the short-end, leading to the yield curve narrowing.
- Intermediate and long-term Treasury yields may have further to rise if above-trend inflation and economic growth persists.

U.S. Economic Risk Overview

Indicator	Recession Risk	Trend Signal	Trend										Latest	
			Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21		Nov-21
ISM Manufacturing PMI	LOW	↓	58.7	60.8	64.7	60.7	61.2	60.6	59.5	59.9	61.1	60.8	61.1	58.7
ISM Services PMI	LOW	↑	58.7	55.3	63.7	62.7	64.0	60.1	64.1	61.7	61.9	66.7	69.1	62.0
Industrial Production - YoY Change	LOW	→	-3.3%	-1.7%	-4.9%	1.8%	17.9%	16.4%	10.2%	6.7%	5.4%	4.7%	5.3%	5.3%
Building Permits - YoY Change (3 Mo. Avg.)	LOW	↓	12.9%	18.3%	19.8%	21.6%	31.9%	38.9%	37.8%	20.2%	13.4%	6.1%	5.4%	1.6%
Unemployment Rate	LOW	↑	6.4%	6.2%	6.0%	6.0%	5.8%	5.9%	5.4%	5.2%	4.7%	4.6%	4.2%	3.9%
Temporary Help Employment - YoY Change	LOW	↓	-7.8%	-6.0%	-4.6%	35.6%	32.6%	24.7%	18.3%	14.5%	14.2%	10.7%	9.0%	6.4%
Real Retail Sales - YoY Change (3 Mo. Avg.)	LOW	↓	2.5%	3.8%	4.6%	12.6%	24.5%	31.1%	25.9%	14.6%	10.8%	9.3%	9.2%	9.5%
U. of Michigan Consumer Sentiment	MODERATE	↓	79.0	76.8	84.9	88.3	82.9	85.5	81.2	70.3	72.8	71.7	67.4	70.6
Leading Economic Index (LEI) - YoY Change	LOW	↓	-1.6%	-1.7%	-1.6%	7.8%	16.8%	14.8%	12.3%	11.0%	10.1%	9.4%	9.6%	9.8%
Treasury Yield Curve (10yr - 2yr)	LOW	↓	1.00%	1.30%	1.58%	1.49%	1.44%	1.20%	1.05%	1.10%	1.24%	1.07%	0.91%	0.79%

Recession Riskometer

Economic Trend Signal

Commentary



LOW



NEGATIVE

The dials on the left show our combined estimate of near-term recession risk and direction of economic growth, based on the average reading of ten economic indicators. The Recession Riskometer focuses on producer sentiment, output and manufacturing growth, employment, consumer strength and leading economic indicators.

- The U.S. economy is on solid footing at the start of 2022 despite growing inflationary headwinds. The economy is transitioning from early expansion to mid-cycle. Nine of ten indicators in our Recession Riskometer are still signaling a low recession risk. Consumer sentiment is signaling a moderate recession risk, driven by inflation concerns.
- The economic trend signal remains negative because the pace of growth for most indicators is slowing from high levels. Two out of ten indicators have a positive trend, one has a neutral trend, and seven have a negative trend.

Sources are listed on pages 34-35. Data as of 12/31/2021.

U.S. Economic Risk Indicators

ISM Manufacturing PMI



ISM Services PMI



The ISM Manufacturing PMI slowed to 58.7 in December. Manufacturing activity remains at an elevated level heading into 2022 but is slowing. This index is in the 82nd percentile over the last 20 years.

The ISM Services PMI declined to 62.0 in December from a record high of 69.1 in November. Services activity continues to remain strong despite the surge in COVID-19 cases. This indicator is in the 97th percentile over the last 20 years.

A reading over 50 indicates expansion, below 50 signals contraction, and in the mid 40's suggests recession.

A reading over 50 indicates expansion, below 50 signals contraction, and in the mid 40's suggests recession.

U.S. Economic Risk Indicators

Industrial Production - YoY Change



Industrial Production held steady at 5.3% YoY in November. The pace of growth has stabilized at a high level in recent months. This indicator is in the 94th percentile over the past 20 year.

Industrial Production Index measures real output for manufacturing, mining, and utilities. The YoY change in Industrial Production signals a high risk of recession when it falls into negative territory. There is a low recessionary risk when greater than 1%.

U3 Unemployment Rate



The unemployment rate fell to 3.9% in December, the sixth straight monthly decline. The labor market remains very tight at the start of 2022. The current reading is in the 92nd percentile over the last 20 years.

The U3 Unemployment Rate measures the percentage of people without jobs who are actively seeking work. This is often the officially quoted unemployment rate.

Sources are listed on pages 34-35. Data as of 12/31/2021.

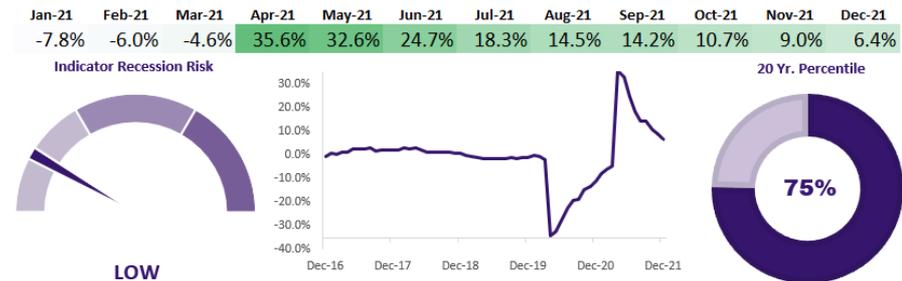
Building Permits - YoY Change (3 Mo. Avg.)



The 3-month average of building permits slowed to 1.5% YoY through November. Housing demand remains strong, but supply chain issues are causing construction delays. The current permits reading is in the 32nd percentile over the past 20 years.

Building Permits are a measure of the issuance of permits to build new housing units. Building permit growth is a measure of the total year-over-year percentage change in building permits (3-month average). This indicator signals a high recession risk when growth falls below -15% YoY.

Temporary Help Employment - YoY Change



The year-over-year change in temporary help employment slowed to 6.4% in December. Temporary help employment growth remains robust but is easing from a high level. The current reading is in the 75th percentile over the last 20 years.

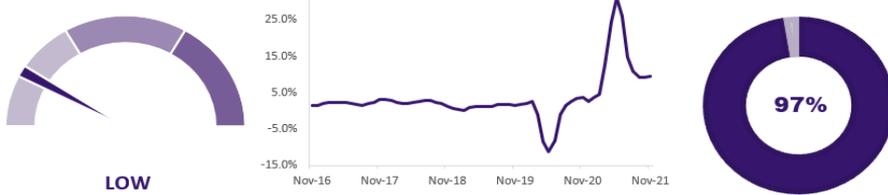
Temporary help employment figures are viewed favorably if they are positive and trending higher. Changes in temporary help numbers are often used as a predictor of changes in future employment.

U.S. Economic Risk Indicators

Real Retail Sales (3 Mo. Avg.) - YoY Change

Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
2.5%	3.8%	4.6%	12.6%	24.5%	31.1%	25.9%	14.6%	10.8%	9.3%	9.2%	9.5%

Indicator Recession Risk



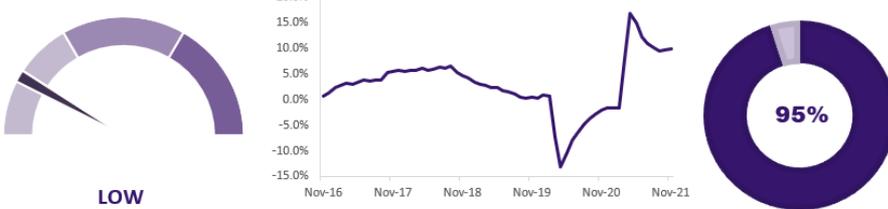
The 3-month average of Real Retail Sales increased slightly to 9.5% YoY through November. Retail sales, even when adjusted for inflation, are elevated versus pre-pandemic levels. However, the pace of growth is moderating.

Real retail sales growth is a measure of the total year-over-year change in retail and food sales adjusted for inflation using the Consumer Price Index. Real retail sales typically decline heading into a recession, and a weaker reading is a concern for the economy.

Leading Economic Index (LEI) - YoY Change

Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
-1.6%	-1.7%	-1.6%	7.8%	16.8%	14.8%	12.3%	11.0%	10.1%	9.4%	9.6%	9.8%

Indicator Recession Risk



The Leading Economic Index (LEI) increased slightly to 9.8% YoY in November. The LEI is in the 95th percentile over the last 20 years. The LEI signals a weakening outlook for the economy when it drops into negative territory. Positively, it remains at an elevated level.

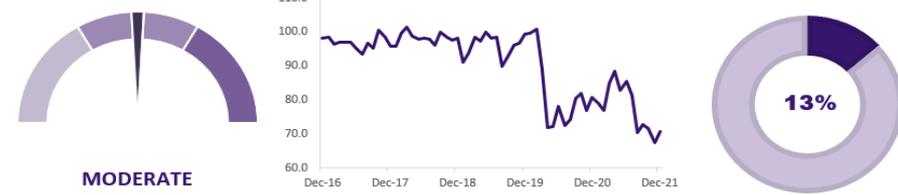
The Conference Board Leading Economic Index (LEI) is a composite index of several U.S. economic indicators that lead the economy. This indicator historically has declined in recessions and rises back into positive territory in expansions.

Sources are listed on pages 34-35. Data as of 12/31/2021.

U. of Michigan Consumer Sentiment

Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
79.0	76.8	84.9	88.3	82.9	85.5	81.2	70.3	72.8	71.7	67.4	70.6

Indicator Recession Risk



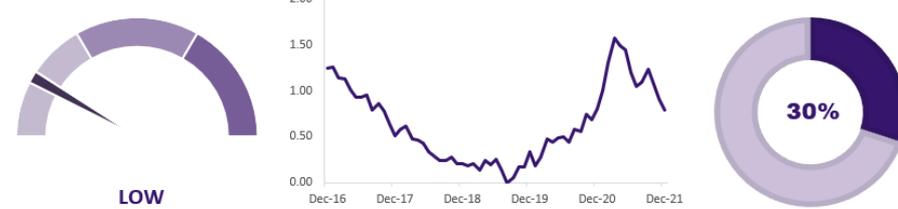
The University of Michigan Consumer Sentiment index increased to 70.6 in December. Rising inflation is negatively impacting consumer sentiment. The current reading is lower than 87% all readings in the last 20 years.

Strong consumer confidence is a positive signal for future consumer spending, but it is a concern if this indicator is trending lower. The index uses surveys to gather information on consumer expectations regarding the economy.

Treasury Yield Curve (10 Yr. Minus 2 Yr.)

Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
1.00%	1.30%	1.58%	1.49%	1.44%	1.20%	1.05%	1.10%	1.24%	1.07%	0.91%	0.79%

Indicator Recession Risk



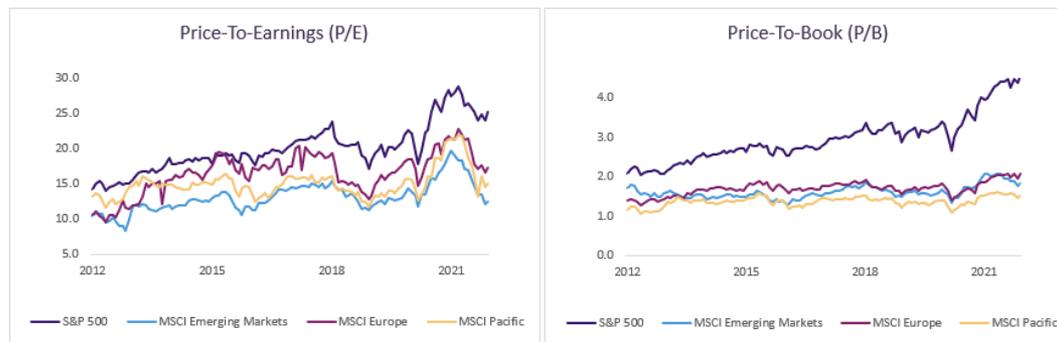
The 2-10 yield curve spread narrowed to 0.79% at the end of December and is in the 30th percentile over the last 20 years. A rising yield curve signals increased optimism for future economic growth and inflation prospects, while a narrowing yield curve signals a weakening growth outlook.

The difference (spread) between the yields of the 10-Year and 2-Year maturity Treasury bonds is one of the early and reliable predictors of a recession. Under normal conditions the 10-Year/2-Year spread is positive, and as recession nears the spread flattens and turns negative. This indicator will shift to high recession risk when the spread is below zero.

Equity Valuation Overview

Price/Earnings (P/E)				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
S&P 500	25.2	18.4	1.8	92%
S&P 500 Growth	31.1	21.5	1.7	91%
S&P 500 Value	20.5	15.8	1.9	96%
S&P MidCap 400	17.4	19.2	-0.7	20%
S&P MidCap 400 Growth	20.8	22.4	-0.4	31%
S&P MidCap 400 Value	14.8	16.8	-0.8	18%
S&P SmallCap 600	15.9	19.1	-1.2	11%
S&P SmallCap 600 Growth	17.8	21.3	-1.0	13%
S&P SmallCap 600 Value	14.3	17.2	-1.2	13%
MSCI EAFE	16.5	14.8	0.6	75%
MSCI EAFE Growth	25.9	19.0	1.5	92%
MSCI EAFE Value	12.0	12.1	0.0	46%
MSCI Emerging Markets	12.5	13.0	-0.2	40%
MSCI Europe	17.3	14.9	0.7	73%
MSCI Pacific	15.1	15.0	0.0	57%
MSCI ACWI	20.0	16.2	1.2	91%

Price/Book Value (P/B)				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
S&P 500	4.6	2.7	2.9	100%
S&P 500 Growth	9.4	4.6	2.6	94%
S&P 500 Value	2.9	1.9	3.0	100%
S&P MidCap 400	2.7	2.2	1.7	97%
S&P MidCap 400 Growth	4.2	3.2	1.9	94%
S&P MidCap 400 Value	1.9	1.6	1.3	91%
S&P SmallCap 600	2.1	1.9	0.6	68%
S&P SmallCap 600 Growth	3.2	2.7	1.2	90%
S&P SmallCap 600 Value	1.5	1.5	0.1	51%
MSCI EAFE	1.9	1.7	0.5	88%
MSCI EAFE Growth	4.3	2.7	2.4	100%
MSCI EAFE Value	1.2	1.2	-0.1	60%
MSCI Emerging Markets	1.8	1.8	0.1	67%
MSCI Europe	2.1	1.8	0.5	87%
MSCI Pacific	1.5	1.4	0.3	82%
MSCI ACWI	2.9	2.1	2.1	96%



Commentary

- As measured by Price-to-Earnings, U.S. large cap stocks were 1.8 standard deviations above their 15-year mean at month-end. Large cap growth stocks are 1.7 st. dev's above their 15-year average and large cap value stocks are 1.9 st. dev's above. Small cap indices are below their 15-year average P/E ratios.
- Most international equity categories are trading near their 15-year average based on price-to-earnings. They continue to trade at a valuation discount versus U.S. large cap equities.
- Based on Price-to-Book, U.S. large cap stocks are near their highest valuation levels in the last 15 years. Small cap stocks are slightly above their 15-year average.
- The P/B ratio for International Developed and Emerging Markets (MSCI Emerging Markets) are near their 15-year average. International value stocks are slightly below their historical average.

The two charts above show equity valuations based on the average Price-to-Earnings (P/E) and Price-to-Book (P/B) ratios for commonly used equity benchmarks. To the left, current valuations are compared to their 15-year average, and we show how far (as measured by standard deviation) the current valuation is from the average. Valuations within 0.5 standard deviations are close to historic norms, a reading around 1.5 indicates high valuation, and figures above 2 are near historic highs. The percentile figure shown next provides a ranking of each index valuation relative to its 15-year history. As an example, if the percentile is 80%, valuation is higher than 80% of all other observations for that index over the past 15-years and lower than 20% of the observations.

Sector Valuation Overview

Price/Earnings (P/E)				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
S&P 500	25.2	18.4	1.8	92%
S&P 500 Consumer Discretionary	33.1	20.8	2.1	93%
S&P 500 Consumer Staples	28.8	20.0	2.6	100%
S&P 500 Energy	24.7	15.9	1.4	90%
S&P 500 Financials	11.7	14.3	-1.0	15%
S&P 500 Health Care	25.6	20.9	1.1	88%
S&P 500 Industrials	26.3	18.5	2.0	96%
S&P 500 Information Technology	33.6	21.3	2.1	96%
S&P 500 Materials	21.5	19.4	0.5	75%
S&P 500 Real Estate*	41.5	N/A	N/A	N/A
S&P 500 Utilities	26.8	17.9	2.3	100%
S&P 500 Communication Services	25.3	20.2	0.5	78%

Price/Book Value (P/B)				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
S&P 500	4.6	2.7	2.9	100%
S&P 500 Consumer Discretionary	9.2	4.2	2.5	96%
S&P 500 Consumer Staples	6.2	4.2	2.6	100%
S&P 500 Energy	1.9	1.9	-0.1	45%
S&P 500 Financials	1.7	1.3	1.4	93%
S&P 500 Health Care	5.3	3.5	2.4	100%
S&P 500 Industrials	5.1	3.5	1.8	97%
S&P 500 Information Technology	11.1	5.0	2.8	99%
S&P 500 Materials	3.4	2.9	1.0	85%
S&P 500 Real Estate*	4.5	N/A	N/A	N/A
S&P 500 Utilities	2.4	1.8	1.8	96%
S&P 500 Communication Services	4.4	2.6	2.2	96%

Commentary

Cyclical sectors:

- Valuations for consumer discretionary stocks remain above the 15-year average based on P/E (2.1 st. dev's above the 15-year mean) and P/B (2.5 st. dev's above the 15-year mean). Financial stocks continue to trade at a discount versus their historical P/E ratio (1 st. dev's below the 15-year mean) and are slightly above their historical P/B ratio. The Materials sector is trading at a slight premium versus the historical average P/E ratio.

Economically-sensitive sectors:

- Energy stocks are 1.4 st. dev's above their 15-year average and at their 15-year average P/B ratio. The technology sector is priced at an elevated level versus earnings (2.1 st. dev's above the historical mean) and more than double the historical P/B average. Industrial stocks are two standard deviations above their 15-year average P/E ratio.

Defensive sectors:

- The defensive sectors (Consumer Staples, Health Care, and Utilities) continue to trade at a premium versus their historical valuation levels, largely because they generate higher yields in a low interest rate environment.

These charts show sector valuations based on the average Price-to-Earnings (P/E) and Price-to-Book (P/B) ratios for the sectors within the S&P 500 index. Valuations are compared to 15-year averages, and we show by how many standard deviations the current is from the average. The percentile figure shown next provides a ranking of each index valuation relative to its 15-year history. As an example, if the percentile is 80%, it is greater than 80% of all other observations over the past 15 years and lower than 20% of observations.

*S&P 500 Real Estate Index does not have 15 years of historical data

Source: Cetera Investment Management, Morningstar, and Standard & Poor's. Data as of 12/31/2021.

Fixed Income Overview

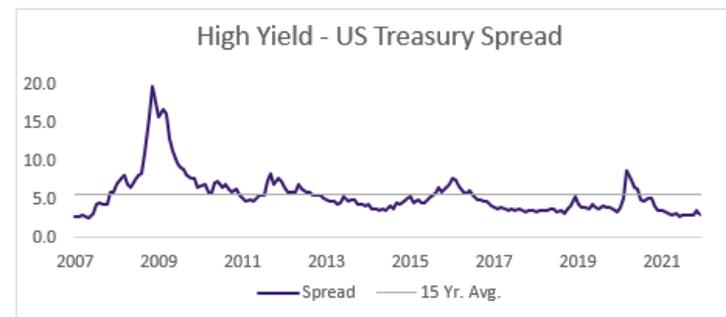
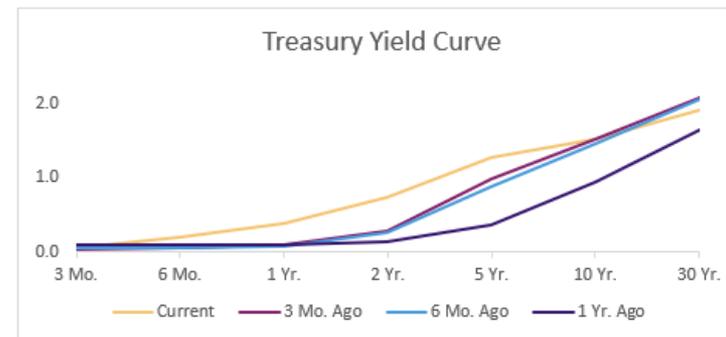
Yield				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
BofAML US Treasury Bill 3 Mon.	0.05	0.79	0.6	76%
BBgBarc Treasury 1-3 Yr.	0.72	1.15	0.4	51%
BBgBarc US Treasury 7-10 Yr.	1.45	2.37	0.9	84%
BBgBarc US Treasury US TIPS	1.34	2.39	0.7	84%
BBgBarc Municipal	1.11	2.67	1.6	96%
BBgBarc GNMA	2.02	3.11	0.9	85%
BBgBarc US Corp IG	2.33	3.78	1.0	90%
BBgBarc US Corporate High Yield	4.21	7.46	1.1	96%
BBgBarc US Aggregate 1-3 Yr.	0.83	1.62	0.6	68%
BBgBarc US Agg Bond	1.75	2.78	0.9	84%
BBgBarc Global Treasury Ex. US	0.83	1.49	0.7	64%
JPM EMBI Global Diversified USD	5.29	5.96	0.6	72%

Treasury Spreads				
Index	Current	15 Yr. Avg.	St. Dev. From	
			15 Yr. Mean	Percentile (15 Yrs.)
BBgBarc Municipal	-0.12	0.85	1.3	94%
BBgBarc GNMA	0.79	1.29	0.8	75%
BBgBarc US Corp IG	1.10	1.96	0.9	93%
BBgBarc US Corporate High Yield	2.98	5.63	0.9	97%
BBgBarc US Agg Bond	0.52	0.96	1.0	97%
BBgBarc Global Treasury Ex. US	-0.40	-0.33	0.1	63%
JPM EMBI Global Diversified USD	4.06	4.14	0.1	51%

Commentary

- The Treasury yield curve has narrowed in recent months. The anticipation of a more aggressive Fed pushed short-term yields (2 to 5 yr.) up. Intermediate-term (10-yr.) and long-term (30-yr.) yields drifted lower because markets anticipate slower economic growth if the Fed hikes rates aggressively to tackle inflation. This dynamic has adjusted in early January, with yields rising across all parts of the curve.
- We expect bond yields to rise further across the yield curve in 2022. Our preference is for an overweight allocation to short-term bonds because of lower duration risk compared to intermediate and long-term bonds.

The Yield chart above shows current yields for several commonly used fixed income benchmarks, compared to their 15-year average. The Treasury Spreads chart shows spreads of credit-sensitive bond sectors relative to Treasury bonds. We also show by how many standard deviations the current yield is from its average, and how often has it been as high or as low for the past 15 years.



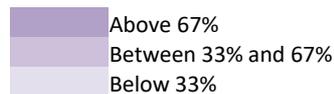
Appendix

U.S. Economic Overview

Category	As of	Latest	Previous	1 Yr. Ago	3 Mo. Avg.	12 Mo. Avg.	1 Mo. Diff.	1 Yr. Diff.	Percentile (10 Yrs.)	1 Yr. Trend	5 Yr. Trend	Trend	Latest
Employment													
US Nonfarm Monthly Payrolls ('000)	Dec-21	199	249	-306	365	537	-50	505	45%				1,091
US Total Nonfarm Payrolls - YoY Change	Dec-21	4.5%	4.2%	-6.2%	4.3%	3.0%	0.4%	10.7%	97%				199
U3 Unemployment Rate	Dec-21	3.9%	4.2%	6.7%	4.2%	5.4%	-0.3%	-2.8%	84%				483
U6 Unemployment Rate	Dec-21	7.3%	7.7%	11.7%	7.7%	9.4%	-0.4%	-4.4%	91%				379
Quit Rate	Nov-21	3.0%	2.8%	2.3%	2.9%	2.7%	0.2%	0.7%	99%				648
Job Openings: Total Nonfarm ('000)	Nov-21	10,562	11,091	6,766	10,752	9,376	-529	3,796	97%				249
Initial Jobless Claims ('000) 4 Wk. MA - Month End	Dec-21	200	240	823	242	471	-40	-623	100%				299
KC Fed LMCI Momentum Indicator	Nov-21	0.7	0.7	0.9	0.7	0.7	0.0	-0.1	77%				10,562
Labor Force Participation Rate	Dec-21	61.9%	61.9%	61.5%	61.8%	61.7%	0.0%	0.4%	16%				395
Employment to Population Ratio	Dec-21	59.5	59.3	57.4	59.2	58.4	0.2	2.1	56%				200
Consumer													
Retail Sales - YoY Change	Nov-21	18.2%	16.3%	3.5%	16.2%	19.0%	2.0%	14.7%	97%				18.2%
Vehicle Sales (Mil. Units, annualized)	Nov-21	12.9	13.0	15.9	12.7	15.3	-0.1	-3.0	3%				15.3
Personal Savings Rate	Nov-21	6.9%	7.1%	13.0%	7.4%	12.4%	-0.2%	-6.1%	18%				12.9
Production													
Industrial Production - YoY Change	Nov-21	5.3%	5.3%	-4.7%	5.1%	5.3%	0.0%	10.0%	95%				5.3%
Capacity Utilization	Nov-21	76.8%	76.5%	73.3%	76.2%	75.3%	0.4%	3.6%	48%				76.5%
Core Capital Goods Orders - YoY Change	Nov-21	11.7%	13.2%	8.2%	12.9%	15.2%	-1.5%	3.4%	92%				13.2%
Housing & Construction													
Building Permits ('000)	Nov-21	1,717	1,653	1,696	1,652	1,703	64	21	95%				1,717
Housing Starts ('000)	Nov-21	1,679	1,502	1,551	1,577	1,591	177	128	99%				1,502
New Home Sales ('000)	Nov-21	744	662	865	710	779	82	-121	90%				662
S&P/Case-Shiller Home Price Index (20 city) - YoY Change	Oct-21	18.4%	19.1%	8.1%	19.1%	15.4%	-0.7%	10.3%	97%				19.1%
Total Construction Spending - YoY Change	Nov-21	9.3%	10.0%	2.5%	9.9%	7.3%	-0.7%	6.8%	67%				10.0%
Survey Data													
ISM Manufacturing PMI Composite	Dec-21	58.7	61.1	60.5	60.2	60.7	-2.4	-1.8	77%				61.1
ISM Manufacturing PMI New Orders	Dec-21	60.4	61.5	67.5	60.6	64.3	-1.1	-7.1	66%				61.5
ISM Services PMI Composite	Dec-21	62.0	69.1	57.7	65.9	62.5	-7.1	4.3	95%				69.1
ISM Services PMI New Orders	Dec-21	61.5	69.7	58.6	67.0	63.5	-8.2	2.9	75%				69.7
U. of Michigan Consumer Sentiment	Dec-21	70.6	67.4	80.7	69.9	77.6	3.2	-10.1	2%				67.4
Inflation													
Consumer Price Index (CPI) - YoY Change	Dec-21	7.0%	6.8%	1.4%	6.7%	4.7%	0.2%	5.7%	100%				6.8%
Personal Consumption Expenditure (PCE) - YoY Change	Nov-21	5.7%	5.1%	1.1%	5.1%	3.5%	0.6%	4.6%	100%				5.1%
Producer Price Index (PPI) - YoY Change	Nov-21	9.7%	8.8%	0.8%	9.1%	6.2%	0.9%	9.0%	100%				8.8%
Average Hourly Earnings - YoY Change	Dec-21	4.7%	5.1%	5.5%	4.9%	4.0%	-0.4%	-0.8%	92%				5.1%
GDP													
Real GDP - QoQ (SAAR)	Q3-21	2.3%	6.7%	33.8%	4.5%	5.0%	-4.4%	-31.5%	44%				6.7%
Real GDP - YoY Change	Q3-21	4.9%	12.2%	-2.9%	8.6%	3.9%	-7.3%	7.8%	97%				12.2%
Other													
Treasury Yield Curve (10 Yr. Minus 2 Yr.) - Month End	Dec-21	0.79%	0.91%	0.80%	0.92%	1.18%	-0.12%	-0.01%	33%				0.91%
Leading Economic Index (LEI) - YoY Change	Nov-21	9.8%	9.6%	-2.2%	9.6%	8.1%	0.2%	11.9%	96%				9.6%

Percent of Active Managers Beating Category Benchmark

Category	Performance						Standard Deviation	
	3 Mo.	YTD	1 Yr.	3 Yr.	2020	2019	1 Yr.	3 Yr.
Large-Cap Blend	52%	53%	53%	18%	17%	28%	75%	36%
Large-Cap Growth	10%	16%	16%	13%	35%	20%	35%	42%
Large-Cap Value	59%	62%	62%	52%	53%	39%	57%	52%
Mid-Cap Blend	72%	68%	68%	19%	24%	23%	26%	43%
Mid-Cap Growth	57%	51%	51%	46%	42%	33%	52%	48%
Mid-Cap Value	37%	54%	54%	40%	40%	41%	30%	37%
Small-Cap Blend	89%	90%	90%	50%	17%	40%	33%	50%
Small-Cap Growth	70%	81%	81%	82%	59%	47%	39%	58%
Small-Cap Value	78%	66%	66%	57%	37%	46%	17%	41%
Foreign Large Blend	76%	71%	71%	63%	45%	59%	12%	36%
Foreign Large Growth	52%	73%	73%	73%	54%	71%	6%	24%
Foreign Large Value	70%	66%	66%	89%	76%	77%	22%	55%
Global Equity	52%	51%	51%	34%	26%	41%	17%	45%
Emerging Markets	58%	60%	60%	65%	47%	68%	49%	23%
Intermediate Core Bond	11%	50%	50%	52%	58%	38%	53%	21%
World Bond	94%	96%	96%	84%	20%	69%	94%	59%
Municipal - Short Term	88%	31%	31%	29%	33%	38%	40%	52%
Municipal - Intermediate	55%	69%	69%	21%	8%	14%	75%	51%
Municipal - Long Term	19%	50%	50%	19%	17%	14%	80%	44%
Municipal - High Yield	94%	100%	100%	87%	21%	89%	9%	4%
High Yield Bond	45%	40%	40%	28%	33%	33%	46%	54%
Bank Loan	15%	24%	24%	13%	17%	26%	43%	65%
Short Govt/Corp	88%	83%	83%	52%	27%	41%	61%	14%
Emerging Markets Bond	1%	27%	27%	33%	44%	35%	32%	19%
TIPS	16%	25%	25%	26%	34%	28%	79%	45%
Multisector Bond	59%	97%	97%	69%	30%	64%	75%	3%
Real Estate	30%	32%	32%	80%	81%	82%	32%	77%
Global Real Estate	8%	10%	10%	42%	73%	48%	50%	81%
Natural Resources	85%	81%	81%	73%	74%	62%	44%	31%
Equity Long/Short	15%	11%	11%	4%	23%	7%	63%	85%
Market Neutral	77%	85%	85%	54%	31%	31%	0%	0%
Managed Futures	100%	26%	26%	78%	70%	91%	70%	30%
Multialternative	17%	31%	31%	7%	6%	5%	69%	86%



Commentary

- In recent months, there has been solid outperformance for active managers in Large-Cap Value, Mid-Cap Blend, Small-Cap Blend, Small-Cap Growth, Small-Cap Value, Foreign Large Blend, Foreign Large Value, Emerging Markets, World Bond, Municipal Bonds, Short Govt/Corp, Natural Resources, and Managed Futures.
- Asset classes where managers struggled to outperform in the last three months include Large-Cap Growth, Mid-Cap Value, Intermediate Core Bond, Bank Loan, Emerging Markets Bond, TIPS, Global Real Estate, Equity Long/Short, and Multialternative.

This chart shows the percentage of active managers beating their category benchmark in each of the Morningstar categories listed. We also show the percentage of active managers that have lower risk, or standard deviation, relative to their Morningstar category benchmark.

A darker background color indicates that actively managed funds are outperforming, with over 67% of non-index funds beating the category benchmark. The lightest color indicates that active management is lagging, with 33% or lower of active managers beating the category benchmark. The middle shade indicates close to average results. For risk, as measured by standard deviation, a darker color indicates risk lower than 67% of the peer group average risk, and the lightest color indicates risk higher than 33% of the peer group benchmark risk.

Asset Class Historical Return Heat Map

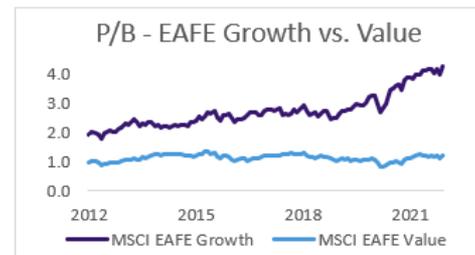
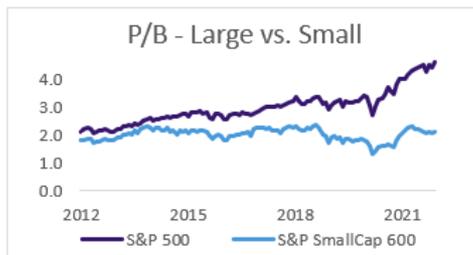
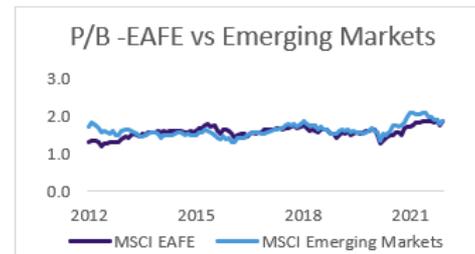
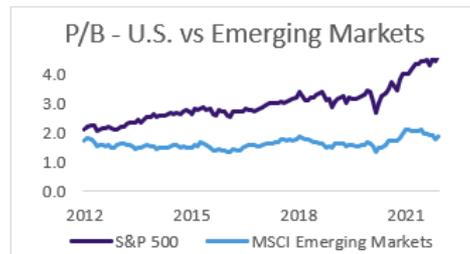
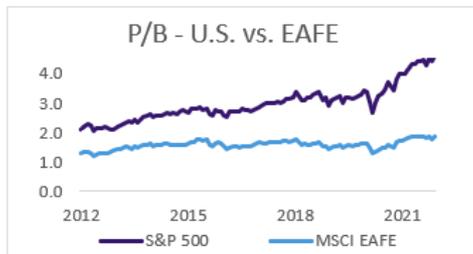
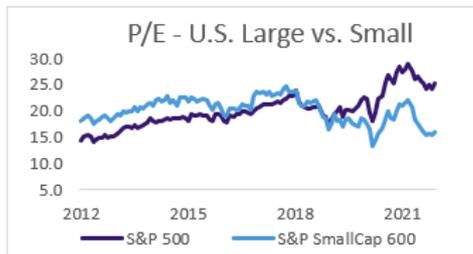
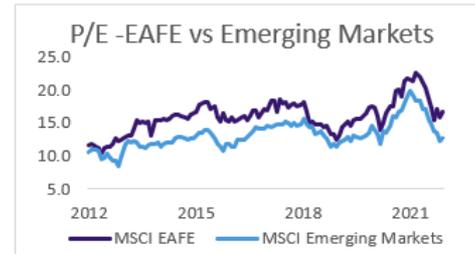
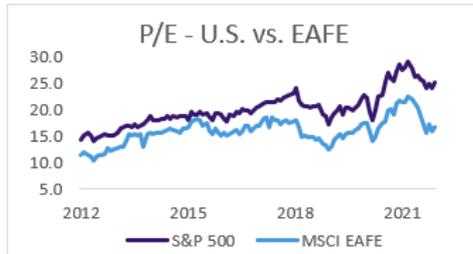
Asset Class	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
US Large Cap	28.71	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
US Large Cap Growth	32.01	33.47	31.13	-0.01	27.44	6.89	5.52	14.89	32.75	14.61	4.65
US Large Cap Value	24.90	1.36	31.93	-8.95	15.36	17.40	-3.13	12.36	31.99	17.68	-0.48
US Mid Cap	24.76	13.66	26.20	-11.08	16.24	20.74	-2.18	9.77	33.50	17.88	-1.73
US Small Cap	26.82	11.29	22.78	-8.48	13.23	26.56	-1.97	5.76	41.31	16.33	1.02
International Developed	11.78	8.28	22.66	-13.36	25.62	1.51	-0.39	-4.48	23.29	17.90	-11.73
Emerging Market Equities	-2.22	18.69	18.90	-14.25	37.75	11.60	-14.60	-1.82	-2.27	18.63	-18.17
REITs	45.91	-11.20	23.10	-4.22	3.76	6.68	4.48	32.00	1.22	17.12	9.37
Commodities	27.11	-3.12	7.69	-11.25	1.70	11.77	-24.66	-17.01	-9.52	-1.06	-13.32
Gold	-4.28	20.95	18.03	-2.81	12.79	7.75	-10.88	-1.75	-28.65	6.08	9.63
Intermediate-Term Treasurys	-3.07	9.98	8.50	0.90	2.55	1.05	1.63	9.00	-6.04	4.16	15.59
Long-Term Treasurys	-4.37	18.10	15.11	-2.00	8.98	1.43	-1.59	27.48	-13.88	3.36	33.84
TIPS	5.96	10.99	8.43	-1.26	3.01	4.68	-1.44	3.64	-8.61	6.98	13.56
Mortgage-Backed Securities	-1.45	3.68	5.85	1.02	1.86	1.56	1.39	5.97	-2.12	2.42	7.90
Corporate IG Bonds	-1.04	9.89	14.54	-2.51	6.42	6.11	-0.68	7.46	-1.53	9.82	8.15
High Yield Corporate Bonds	5.28	7.11	14.32	-2.08	7.50	17.13	-4.47	2.45	7.44	15.81	4.98
Emerging Market Debt	-1.51	5.88	14.42	-4.61	9.32	10.19	1.23	5.53	-6.58	18.54	8.46
US Aggregate Bonds	-1.54	7.51	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.21	7.84
60-40 Allocation	16.61	14.04	22.38	-2.63	14.52	8.23	1.05	10.60	18.62	11.29	4.40

For each time frame, the heat map colors range from green (stronger relative performance) to red (weaker relative performance). There is a box around the return of the best performing asset class in each time period.

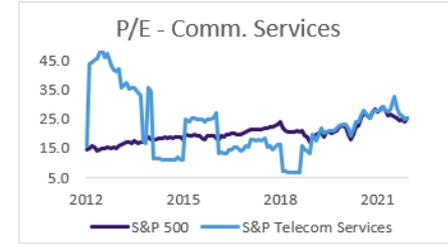
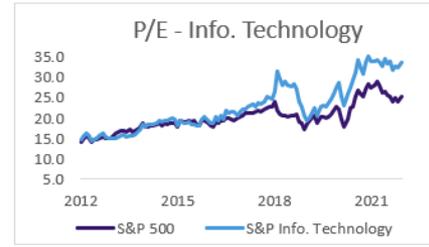
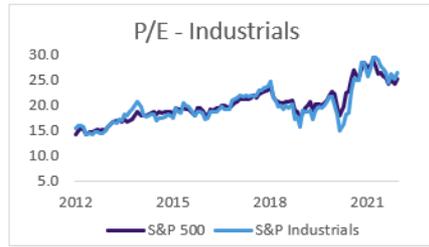
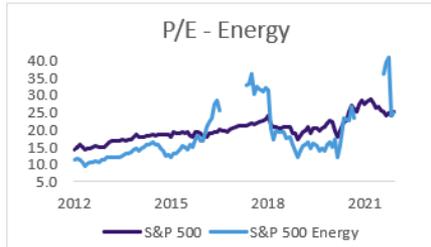
S&P 500 Historical Returns

	January	February	March	April	May	June	July	August	September	October	November	December	Annual	
YTD	-1.01	2.76	4.38	5.34	0.70	2.33	2.38	3.04	-4.65	7.01	-0.69	4.48	28.71	2021
2020	-0.04	-8.23	-12.35	12.82	4.76	1.99	5.64	7.19	-3.80	-2.66	10.95	3.84	18.40	2020
2019	8.01	3.21	1.94	4.05	-6.35	7.05	1.44	-1.58	1.87	2.17	3.63	3.02	31.49	2019
2018	5.72	-3.69	-2.54	0.38	2.41	0.62	3.72	3.26	0.57	-6.84	2.04	-9.03	-4.38	2018
2017	1.90	3.97	0.12	1.03	1.41	0.62	2.06	0.31	2.06	2.33	3.07	1.11	21.83	2017
2016	-4.96	-0.13	6.78	0.39	1.80	0.26	3.69	0.14	0.02	-1.82	3.70	1.98	11.96	2016
2015	-3.00	5.75	-1.58	0.96	1.29	-1.94	2.10	-6.03	-2.47	8.44	0.30	-1.58	1.38	2015
2014	-3.46	4.57	0.84	0.74	2.35	2.07	-1.38	4.00	-1.40	2.44	2.69	-0.25	13.69	2014
2013	5.18	1.36	3.75	1.93	2.34	-1.34	5.09	-2.90	3.14	4.60	3.05	2.53	32.39	2013
2012	4.48	4.32	3.29	-0.63	-6.01	4.12	1.39	2.25	2.58	-1.85	0.58	0.91	16.00	2012
2011	2.37	3.43	0.04	2.96	-1.13	-1.67	-2.03	-5.43	-7.03	10.93	-0.22	1.02	2.11	2011
2010	-3.60	3.10	6.03	1.58	-7.99	-5.23	7.01	-4.51	8.92	3.80	0.01	6.68	15.06	2010
2009	-8.43	-10.65	8.76	9.57	5.59	0.20	7.56	3.61	3.73	-1.86	6.00	1.93	26.46	2009
2008	-6.00	-3.25	-0.43	4.87	1.30	-8.43	-0.84	1.45	-8.91	-16.79	-7.18	1.06	-37.00	2008
2007	1.51	-1.96	1.12	4.43	3.49	-1.66	-3.10	1.50	3.74	1.59	-4.18	-0.69	5.49	2007
2006	2.65	0.27	1.24	1.34	-2.88	0.14	0.62	2.38	2.58	3.26	1.90	1.40	15.79	2006
2005	-2.44	2.10	-1.77	-1.90	3.18	0.14	3.72	-0.91	0.81	-1.67	3.78	0.03	4.91	2005
2004	1.84	1.39	-1.51	-1.57	1.37	1.94	-3.31	0.40	1.08	1.53	4.05	3.40	10.88	2004
2003	-2.62	-1.50	0.97	8.24	5.27	1.28	1.76	1.95	-1.06	5.66	0.88	5.24	28.68	2003
2002	-1.46	-1.93	3.76	-6.06	-0.74	-7.12	-7.80	0.66	-10.87	8.80	5.89	-5.87	-22.10	2002
2001	3.55	-9.12	-6.34	7.77	0.67	-2.43	-0.98	-6.26	-8.08	1.91	7.67	0.88	-11.89	2001
10 Yr. Avg.	1.28	1.39	0.46	2.70	0.47	1.58	2.61	0.97	-0.21	1.38	2.93	0.70	17.15	
25 Yr. Avg.	0.27	-0.05	1.25	2.64	0.51	0.38	1.24	-0.39	-0.53	1.67	2.11	1.44	11.35	
40 Yr. Avg.	1.20	0.50	1.22	2.19	1.13	0.50	1.08	0.63	-0.48	1.24	1.82	1.80	13.63	
% Positive (10 Yrs.)	50%	70%	70%	90%	80%	80%	90%	70%	60%	60%	90%	70%	90%	
% Positive (25 Yrs.)	52%	56%	68%	80%	64%	68%	60%	60%	56%	64%	80%	80%	80%	
% Positive (40 Yrs.)	60%	63%	70%	75%	70%	65%	53%	65%	53%	65%	73%	80%	85%	

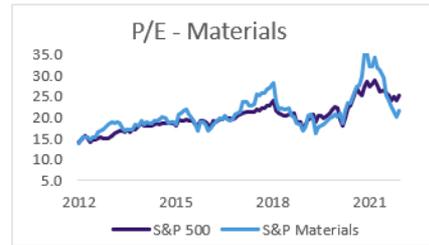
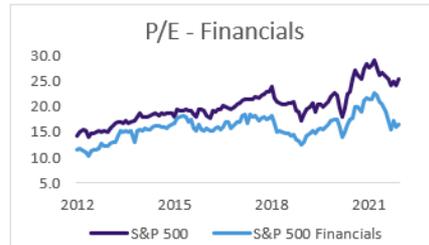
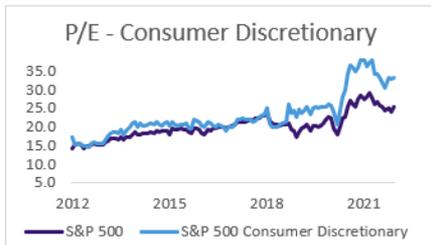
Equity Valuation Charts



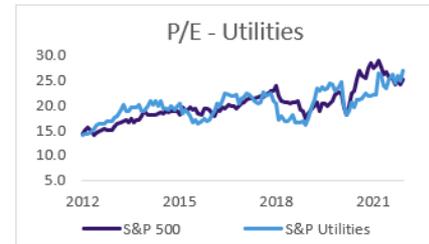
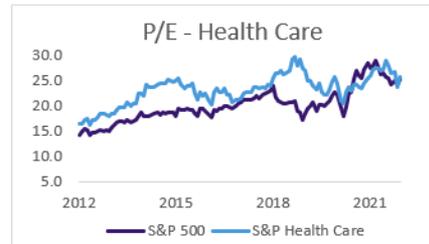
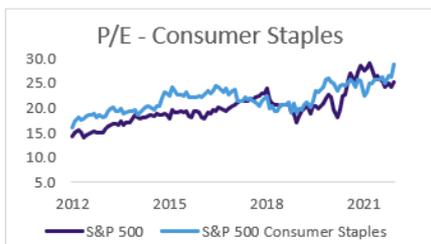
Economically Sensitive Sectors



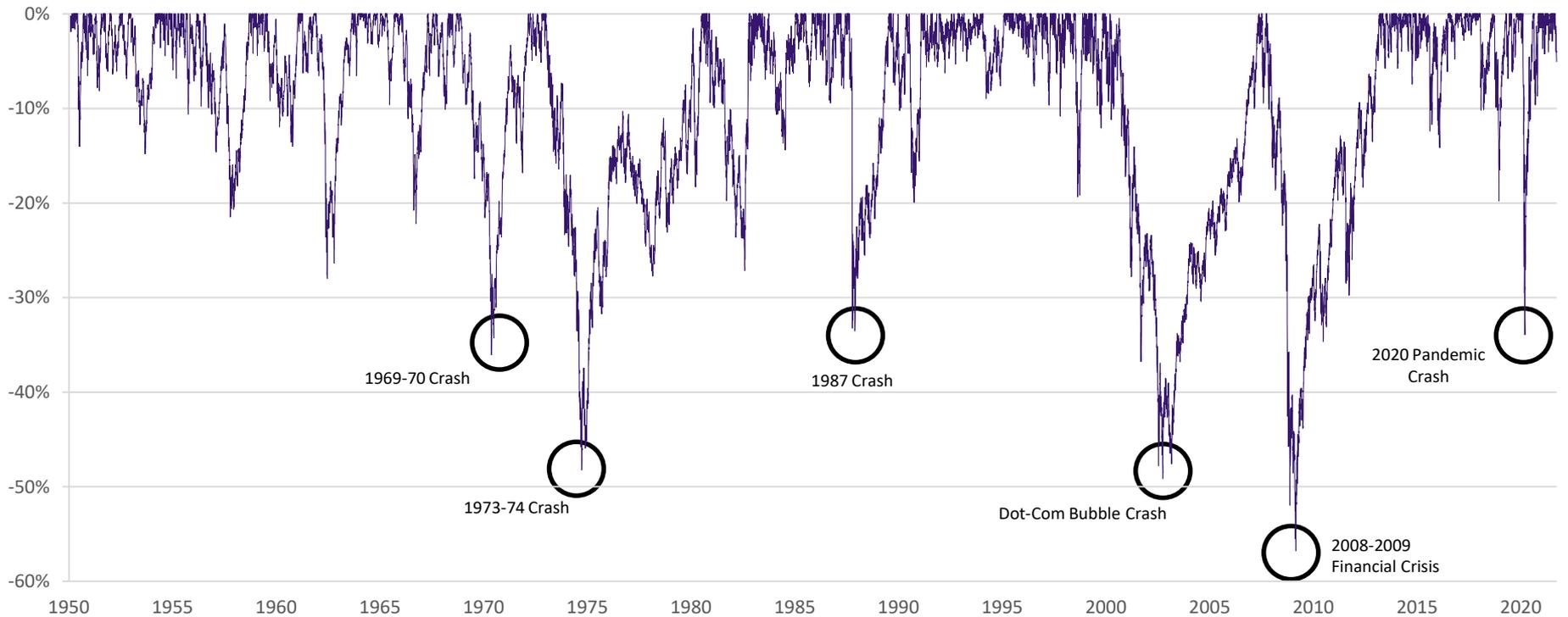
Cyclical Sectors



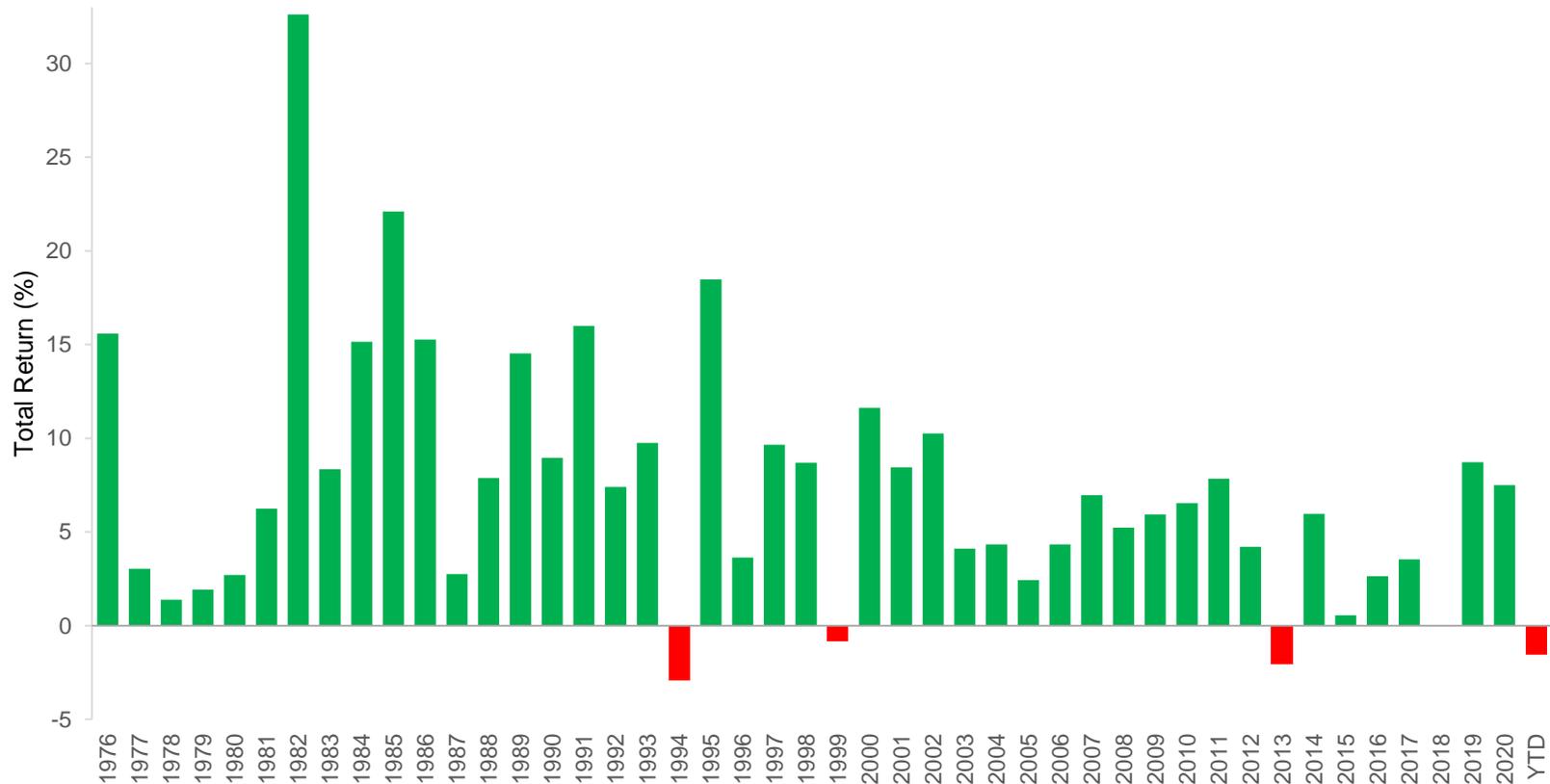
Defensive Sectors



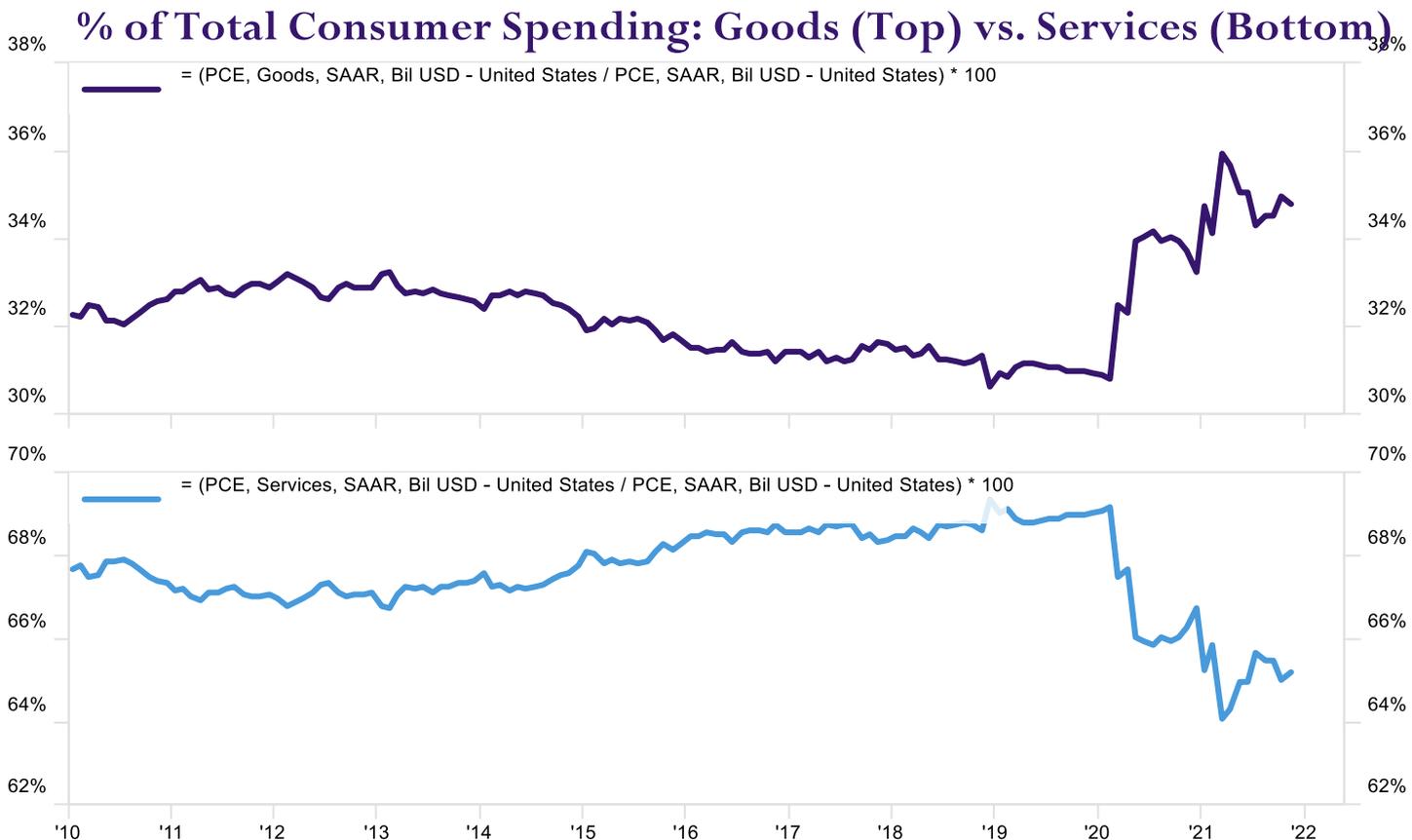
S&P 500 Drawdowns (1950-2021)



Annual Bond Returns

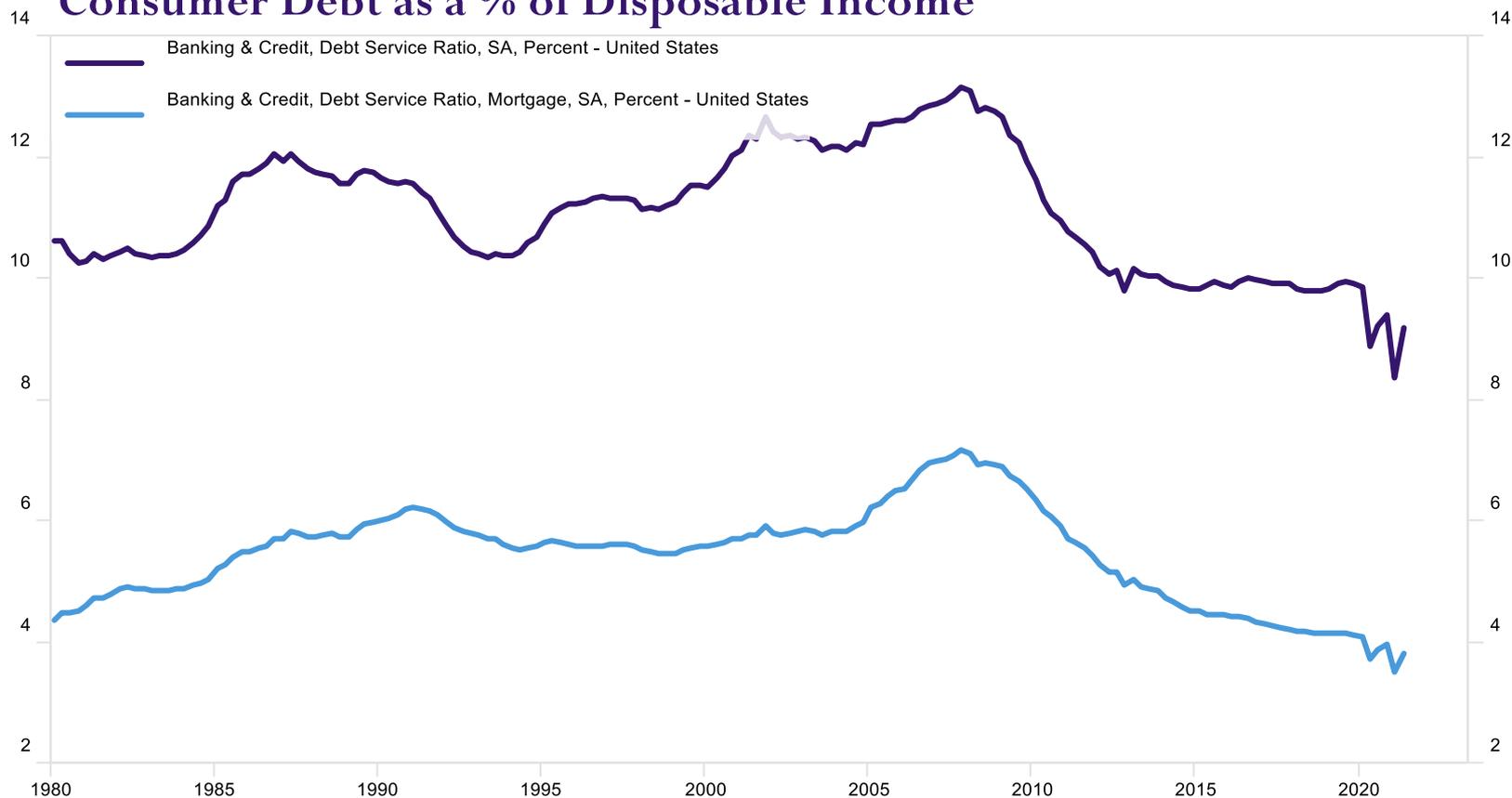


The Bloomberg Aggregate Bond Index had a total return of -1.5% in 2021. It was only the fourth time this index had a negative return since 1976. The decline was relatively shallow in each case and 1994 had the steepest decline (-2.9%). Periods of weakness in bonds are typically shorter with lower declines when compared to bear markets in stocks.



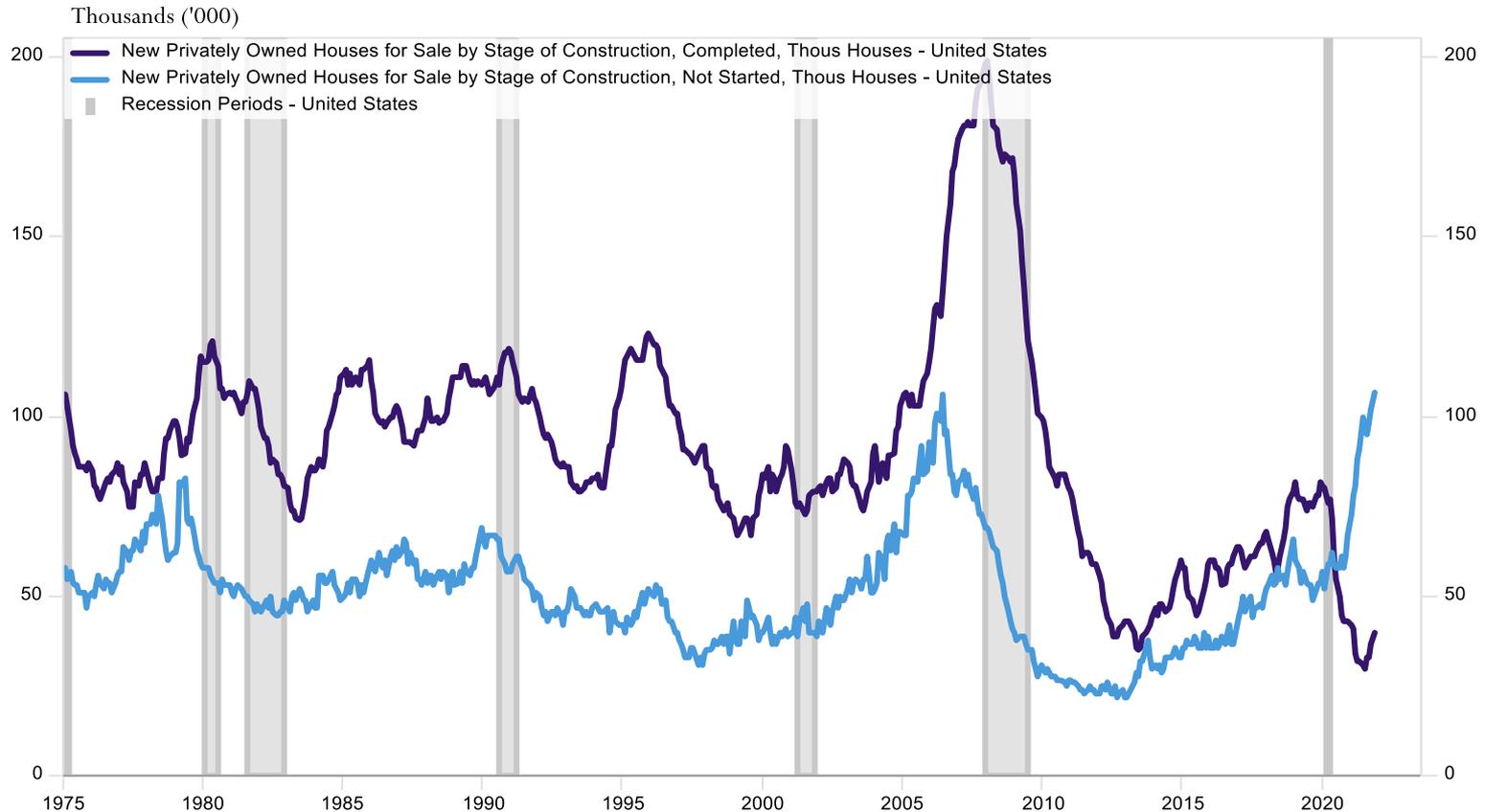
Spending on services dropped from 69% of total consumer spending before the pandemic to 65% at the end of November. The share of total consumer spending on goods rose from 31% of total spending to 35% over that time frame. The shift in consumer spending habits has been a major contributor to supply issues within the economy. It may take a few years before spending on services rises back to the pre-pandemic level as a percentage of total consumer spending.

Consumer Debt as a % of Disposable Income



Consumers are on solid footing heading into 2022. Overall debt service levels are near their lowest level since 1980 for total debt and mortgage debt. Lower debt obligations provide more bandwidth for consumer spending. Moreover, wages are rising at a faster pace than the prior economic expansion. Consumer spending is likely to grow at a healthy pace next year.

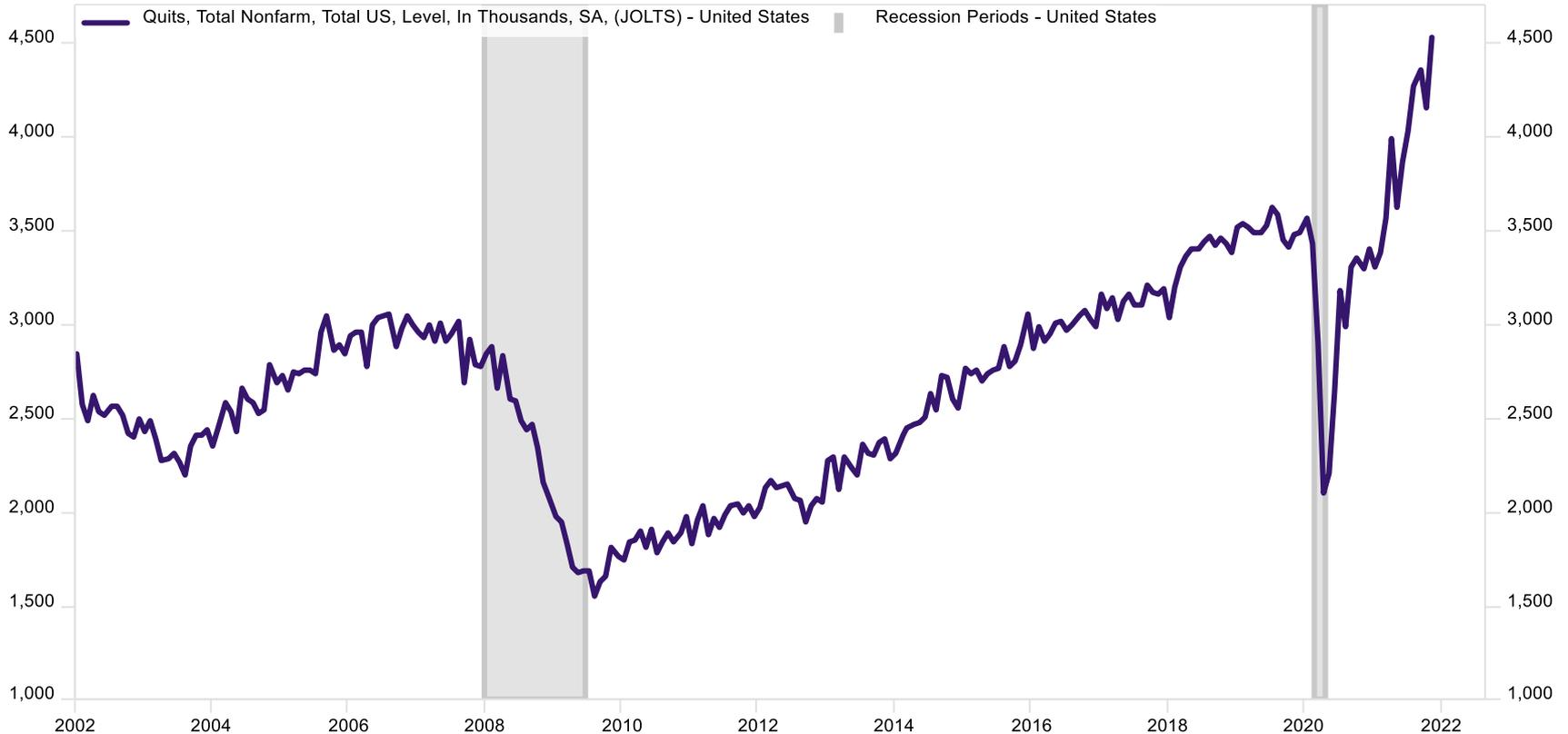
New Homes for Sale: Completed vs. Not Started



The number of completed new homes for sale remains near historical lows, while new homes for sale that have not been started rose to the highest level on record in October. Housing supply is coming, but material and labor supply issues are slowing the construction process.

Quits

Thousands ('000)



Workers have quit their jobs at an unprecedented rate this year. Job openings have also risen to the highest levels on record, far outpacing the number of unemployed individuals. The labor market is tight, and many workers have switched jobs for better pay or a different career path. The media has referred to the recent surge in quits as “the great resignation.”

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Additional risks are associated with international investing, such as currency fluctuations, political and economic instability, and differences in accounting standards. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume.

The **Recession Riskometer** is the average reading of ten economic indicators – Unemployment, ISM Manufacturing and Non-Manufacturing Indexes, Industrial Production Growth, Building Permits Growth, Temporary Staffing Employment Growth, Real Retail Sales Growth, Consumer Confidence as measured by the University of Michigan, Philadelphia Federal Reserve's Leading Indicator for the U.S. Index, as well as the difference between 10- and 2-year Treasury rates.

The Economic Trend Signal measures the average of whether each of the ten indicators in the **Recession Riskometer** are improving, neutral or declining in their most recent reading as compared to historical data.

The U3 Unemployment Rate measures the percentage of people without jobs who are actively seeking work. This is often the officially quoted unemployment rate. The U6 Unemployment Rate expands the definition of U3 by including "discouraged workers", or those who have stopped looking for work because current economic conditions make them believe that no work is available for them, other "marginally attached workers", or those who would like and are able to work, but have not looked for work recently, as well as part-time workers who want to work full-time, but cannot due to economic reasons.

The ISM Manufacturing Index is based on surveys of over 400 manufacturing firms across 20 industries by the Institute of Supply Management. Equal weight is given to responses in five areas - new orders, production, supplier deliveries, employment and inventories. Generally, a reading over 50 indicates expansion, and a reading in the low 40's suggests recessionary conditions. Changes in the index are also helpful in gauging the direction of economic growth.

The ISM Services Index is based on surveys of over 350 non-manufacturing firms in 17 industries representing over 80% of the U.S. economy by the Institute of Supply Management. The survey shows the percentage of managers reporting higher activity, lower activity or no change in the following areas: business activity, new orders, employment, supplier deliveries, backlog of orders, new export orders, inventory change, inventory sentiment, imports, and prices.

Industrial Production and Capacity Utilization is measured monthly by the United States Federal Reserve, based on hours worked by industrial-sector employees. The report shows total amount of US industrial production as a percentage compared to a baseline year. It also offers percentage changes from month to month and year to year, and a breakdown of production by industry grouping.

Building Permits are a measure of the issuance of permits to build new housing units (single and multi-family units). Building Permits Growth is a measure of the total year-over-year percentage change of the 3-month average of building permits. This indicator leads housing construction and provides a signal for potential weakness in the housing sector when it is declining.

Definitions (cont.)

The US Bureau of Labor Statistics surveys the temporary staffing industry is surveyed in its Professional and Business Services. They produce a report on Temporary Help Employment - changes in this figure are often used as a predictor of changes in future employment. Changes in Temporary Help Employment is a coincident economic indicator.

Real Retail Sales Growth is a measure of the total year-over-year change in retail and food sales adjusted for inflation using the Consumer Price Index. Real Retail Sales figures provided are the year-over-year change of the 3-month average. By neutralizing the impact of inflation, the year-over-year change in retail and food sales provides a better view into consumer spending strength because growth in this figure indicates stronger demand without the impact of rising prices. Real Retail and Food Sales typically decline heading into recession, and a weaker read is a concern for the economy.

The University of Michigan Consumer Sentiment Index is survey of consumer confidence conducted via telephone surveys to gather information on consumer expectations regarding the overall economy.

The Leading Economic Index (LEI) is a composite index of several U.S. economic indicators that lead the economy including building permits, manufacturers' new orders, and consumer expectations. This index is often used as a proxy to gauge where the economy is heading over the next several months because it measures the strength of leading indicators. The Leading Economic Index historically has declined ahead of recessions and trends higher during expansions.

The difference (spread) between the yields of the 10-Year and 2-Year maturity Treasury bonds. Often referred to as the 10-Year/2-Year spread, this metric is one of the early and reliable predictors of recession. Under normal conditions the 10-Year/2-Year spread is positive, as investors demand higher risk premium for longer -term bonds. Spreads are usually wider early in an economic recovery and narrow as growth sets in. As recession becomes more likely, spreads tend to move toward zero or turn negative - this occurs because in periods when economic growth slows inflation decreases and demand for credit declines, pushing long term rates lower.

A Price/Earnings (P/E) ratio is a measure for equity analysis. It is calculated by dividing the current market price of a stock by its earning per share.

A Price/Book (P/B) ratio is a measure for equity analysis. It is calculated by dividing the current market price of a stock by the most recent book value per share.

The yield curve is a graphical representation of several yields or interest rates across different bond maturities. Typical maturities include 3-month, 6-month, 1-year, 2-year, 5-year, 10-year and 30-year.

The High-Yield - US Treasury spread is the percentage difference in current yields of various classes of high-yield bonds compared against U.S. Treasury bonds.

Definitions (cont.)

Percentile is a method of ranking a metric versus its history by measuring the percentage of group observations equal to or lower than it. As an example, if a metric scores in the 80th percentile, it is greater than 80% of all other group observations over the stated time period and lower than 20% of the group observations.

Standard deviation is a statistical method used to gauge asset risk based on measuring the dispersion in returns relative to the average over a specified period of time.

The Global Industry Classification Standard (GICS) is a classification system for equities, it is used by various equity indexes to classify domestic and international stocks and breaks equities down to 11 sectors, which Morningstar breaks down into three groups as described below. Stocks in Energy, Industrials, Information Technology and Telecommunication Services are classified as Sensitive. Consumer Discretionary, Financials and Materials are defined as Cyclical, and Consumer Staples, Health Care and Utilities are classified as Defensive.

Sensitive - The sensitive super sector includes industries which ebb and flow with the overall economy, but not severely so. Sensitive industries fall between the defensive and cyclical industries as they are not immune to a poor economy but they also may not be as severely impacted by a poor economy as industries in the cyclical super sector. In general, the stocks in these industries move closely to the direction of the economy.

Cyclical - The cyclical super sector includes industries significantly impacted by economic shifts. When the economy is prosperous these industries tend to expand and when the economy is in a downturn these industries tend to shrink. In general, the stocks in these industries expand faster when the economy is growing and also contract faster in a recession.

Defensive - The defensive super sector includes industries that are relatively immune to economic cycles. These industries provide services that consumers require in both good and bad times, such as healthcare and utilities. In general, the stocks in these industries are not very sensitive to the direction of the economy.

A drawdown is a measure of the decline from a peak point for an investment or an index. It is typically quoted for a specified period of time, and measured as the percentage between the peak and the subsequent trough in value. The duration of a drawdown indicates the time elapsed before the investment returns to the starting peak value.

A simple moving average of an investment or an index calculates its average price for a set period to the most recent price. The moving average is updated each successive period by deleting the price from the earliest date and adding the newly available most recent price. The result is a trend line for price movements, which may be an indicator of market sentiment. Generally, if the moving average is trending higher and the investment or index price rises above the moving average, sentiment is considered to be bullish, as prices are likely to continue higher, and it may be a good time to buy. If the moving average trend slopes downward, and the investment price is below the moving average, this may be a bearish, or sell signal, as prices may continue to move down.

Index Definitions

The S&P 500 is an index of 500 stocks chosen for market size, liquidity and industry grouping (among other factors) designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

The S&P Growth Index is a float adjusted, market capitalization weighted index of 317 stocks drawn from the S&P 500 Index that exhibit strong growth characteristics. S&P Dow Jones Indexes uses three factors to measure growth: sales growth, the ratio of earnings change to price, and momentum.

The S&P Value Index is a float adjusted, market capitalization weighted index of 364 stocks drawn from the S&P 500 Index that exhibit strong value characteristics. S&P Dow Jones Indexes uses three factors to measure value: the ratios of book value, earnings and the sales to price sales metric.

The S&P MidCap 400 provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, measures the performance of 400 mid-sized companies, representing more than 7% of available market cap.

The S&P MidCap 400 Growth Index represents the growth companies of the S&P MidCap 400 Index which itself is composed of mid-cap stocks from the broad U.S. equity market. Growth companies are identified by three factors: book value to price ratio, earnings to price ratio, and sales to price ratio.

The S&P MidCap 400 Value Index represents the value companies of the S&P MidCap 400 Index which itself is composed of mid-cap stocks from the broad U.S. equity market. Value companies are identified by three factors: book value to price ratio, earnings to price ratio, and sales to price ratio.

The S&P SmallCap 600 measures the small-cap segment of the U.S. equity market. Introduced in 1994, the index is designed to track the performance of 600 small-size companies in the U.S, reflecting this market segment's distinctive risk and return characteristics. The index measures a segment of the market that is typically known for less liquidity and potentially less financial stability than large-caps, the index was constructed to be an efficient benchmark composed of small-cap companies that meet investability and financial viability criteria.

Index Definitions (cont.)

The S&P SmallCap 600 Growth Index represents the growth companies of the S&P S&P SmallCap 600 Index which itself is composed of small cap stocks from the broad U.S. equity market. Growth companies are identified by three factors: book value to price ratio, earnings to price ratio, and sales to price ratio.

The S&P SmallCap 600 Value Index represents the value companies of the S&P SmallCap 600 Index which itself is composed of small-cap stocks from the broad U.S. equity market. Value companies are identified by three factors: book value to price ratio, earnings to price ratio, and sales to price ratio.

The MSCI EAFE is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

The MSCI EAFE Growth index represents large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the U.S. and Canada.

The MSCI EAFE Value index represents large and mid cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the U.S. and Canada.

The MSCI Emerging Markets is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The MSCI Europe Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The MSCI Pacific Index captures large and mid-cap representation across five Developed Markets (DM) countries in the Pacific region. With 470 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Index Definitions (cont.)

The MSCI ACWI is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes. The developed market country indexes included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indexes included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The S&P 500® Consumer Discretionary Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Consumer Discretionary sector.

The S&P 500® Consumer Staples Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Consumer Staples sector.

The S&P 500® Energy Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Energy sector.

The S&P 500® Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Financials sector.

The S&P 500® Health Care Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Health Care sector.

The S&P 500® Industrials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Industrials sector.

The S&P 500® Information Technology Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Information Technology sector.

Index Definitions (cont.)

The S&P 500® Materials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Materials sector.

The S&P 500® Real Estate Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Real Estate sector.

The S&P 500® Telecommunication Services Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Telecommunication Services sector.

The S&P 500® Utilities Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Utilities sector.

The Bank of America Merrill Lynch U.S. Treasury Bill 3 Month index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

The Bloomberg U.S. Treasury: 1-3 Year Index measures the performance of U.S. Treasury securities with remaining maturities of one to three years.

The Bloomberg U.S. Treasury: 7-10 Year Index measures the performance of U.S. Treasury securities that have a remaining maturity of at least seven years and less than 10 years.

The Bloomberg U.S. Treasury: U.S. TIPS Index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value.

The Bloomberg U.S. Municipal Bond Index is an unmanaged, market-value-weighted index of investment-grade municipal bonds with maturities of one year or more.

The Bloomberg GNMA Index measures the performance of Government National Mortgage Association (GNMA or “Ginnie Mae”) bonds. It is a subset of the Bloomberg Barclays U.S. Aggregate index.

Index Definitions (cont.)

The Bloomberg U.S. Corporate (Investment Grade) Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by U.S. and non-US private-sector industrial, utility and financial issuers. Certificates of deposit are also included. Launched in July 1973, securities included must be rated investment grade (Baa3/BBB-/BBB- or higher). Eligible senior and subordinated corporate securities must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 10.75 years. The index is unhedged and rebalances monthly.

The Bloomberg U.S. Corporate High-Yield Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt.

The Bloomberg U.S. Aggregate 1-3 Years Index consists of publicly issued investment grade corporate, US Treasury and government agency securities with remaining maturities of one to three years.

The Bloomberg Capital U.S. Aggregate Bond Index, which was originally called the Lehman Aggregate Bond Index, is a broad based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate debt securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency) debt securities that are rated at least Baa3 by Moody's and BBB- by S&P. Taxable municipals, including Build America bonds and a small amount of foreign bonds traded in U.S. markets are also included. Eligible bonds must have at least one year until final maturity, but in practice the index holdings has a fluctuating average life of around 8.25 years. This total return index, created in 1986 with history backfilled to January 1, 1976, is unhedged and rebalances monthly.

The Bloomberg Global Treasury ex U.S. Bond Index consists of those securities included in the Barclays Global Aggregate Bond Index that are Treasury securities, with the U.S. excluded. The Barclays Global Aggregate Bond Index is comprised of several other Barclays indexes that measure fixed income performance of regions around the world.

The JP Morgan Emerging Markets Bond Index (EMBI) Global Diversified measures the performance of fix-rate for external-currency denominated debt instruments including Brady bonds, loans, Eurobonds in emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Mexico, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa. It covers more of the eligible instruments than the EMBI+ by relaxing somewhat the strict EMBI+ limits on secondary market trading liquidity.

Index Definitions (cont.)

The Bloomberg Commodity Index is a broadly diversified index that measures 22 exchange-traded futures on physical commodities in five groups (energy, agriculture, industrial metals, precious metals, and livestock), which are weighted to account for economic significance and market liquidity. No single commodity can comprise less than 2% or more than 15% of the index; and no group can represent more than 33% of the index. However, between rebalancings, group weightings may fluctuate to levels outside the limits. The index rebalances annually, weighted 2/3 by trading volume and 1/3 by world production.

The Bloomberg US Treasury 20+ Year index represents the 20+ Year component of the Barclays US Treasury Index. Included securities must have at least 20 years to final maturity regardless of call features, and least \$250 million par amount outstanding. They must be rated investment grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch.

The Dow Jones U.S. Select REIT Index tracks the performance of publicly traded REITs and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate. The index is a subset of the Dow Jones U.S. Select Real Estate Securities Index (RESI), which represents equity real estate investment trusts (REITs) and real estate operating companies (REOCs) traded in the U.S.

The S&P GSCI Gold Index, a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future. The index is designed to be tradable, readily accessible to market participants, and cost efficient to implement. The more widely tracked S&P GSCI index is recognized as a leading measure of general price movements and inflation in the world economy. The index represents commodity market beta is world-production weighted and is designed to be investable by including the most liquid commodity futures.

Federal funds rate is the interest banks charge one another when lending reserve balances on an overnight basis. Typically banks with reserve capital above the minimum required to be held at the Federal Reserve will lend the excess to banks who need to meet minimums.

Treasury yield is the return on investment of U.S. government's debt obligations. Short-term Treasury bills offer no interest payments and are issued at discount from face value. The yield of the three-month Treasury bill is the difference between the discount price and face value, expressed as an annualized percentage rate.

Longer-term Treasury notes are issued for maturities from 1-10 years and offer an interest (or coupon) payment. They may be purchased at premium or discount from face value. The yield on 1- and 2- year Treasury notes is based on their coupon payment and face value, adjusted upward if the note was purchased at discount, and downward if the note was purchased at a premium. It is also expressed as an annualized percentage rate.

Asset Class Indexes

Asset Class

US Large Cap
US Large Cap Growth
US Large Cap Value
US Mid Cap
US Small Cap
International Developed
Emerging Market Equities
REITs
Commodities
Gold
Intermediate-Term Treasurys
Long-Term Treasurys
TIPS
Mortgage-Backed Securities
Corporate IG Bonds
High Yield Corporate Bonds
Emerging Market Debt
US Aggregate Bonds
60-40 Allocation

Index

S&P 500
S&P 500 Growth
S&P 500 Value
S&P Midcap 400
S&P SmallCap 600
MSCI EAFE
MSCI Emerging Markets
DJ US Select REIT
Bloomberg Commodities
S&P GSCI Gold
Bloomberg US Treasury 7-10 Yr
Bloomberg US Treasury 20+ Yr
Bloomberg US Treasury US TIPS
Bloomberg GNMA
Bloomberg US Corporate IG
Bloomberg US Corporate High Yield
JPM EMBI Global
Bloomberg US Aggregate Bond
60% S&P 500, 40% Bloomberg US Aggregate Bond

Data Sources

Economic Indicator

Nonfarm Monthly Payrolls ('000)
Total Nonfarm Payrolls - YoY Change
U3 Unemployment Rate
U6 Unemployment Rate
Quit Rate
Job Openings: Total Nonfarm Payroll
Initial Jobless Claims ('000) 4 Wk. MA - Month End
KC Fed LMCI Momentum Indicator
Labor Force Participation Rate
Employment to Population Ratio
Temporary Help Employment
Retail Sales - YoY Change
Vehicle Sales (Mil. Units, annualized)
Personal Savings Rate
Real Retail Sales (3MMA) - YoY Change
Industrial Production - YoY Change
Capacity Utilization
Core Capital Goods Orders - YoY Change
Building Permits ('000)
Housing Starts ('000)

Source

U.S. Bureau of Labor Statistics
U.S. Employment and Training Administration
Federal Reserve Bank of Kansas City
U.S. Bureau of Labor Statistics
U.S. Bureau of Labor Statistics
U.S. Bureau of Labor Statistics
U.S. Bureau of the Census
U.S. Bureau of Economic Analysis
U.S. Bureau of Economic Analysis
Federal Reserve Bank of St. Louis
Board of Governors of the Federal Reserve System (US)
Board of Governors of the Federal Reserve System (US)
U.S. Bureau of the Census
U.S. Bureau of the Census
U.S. Bureau of the Census

Data Sources (cont.)

Economic Indicator

New Home Sales
S&P/Case-Shiller Home Price Index (20 city) - YoY Change
Total Construction Spending - YoY Change
ISM Manufacturing Composite PMI
ISM Manufacturing New Orders
ISM Services Composite PMI
ISM Services New Orders
U. of Michigan Consumer Sentiment
Consumer Price Index (CPI) - YoY Change
Personal Consumption Expenditure (PCE) - YoY Change
Producer Price Index (PPI) - YoY Change
Average Hourly Earnings - YoY Change
Real GDP – QoQ (SAAR)
Real GDP – YoY Change
Treasury Yield Curve (10-Yr. Minus 2-Yr.)
Leading Economic Index (LEI) – YoY Change

Source

U.S. Bureau of the Census
S&P Dow Jones Indices LLC
U.S. Bureau of the Census
Institute for Supply Management
Institute for Supply Management
Institute for Supply Management
Institute for Supply Management
University of Michigan
U.S. Bureau of Labor Statistics
U.S. Bureau of Economic Analysis
U.S. Bureau of Labor Statistics
U.S. Bureau of Labor Statistics
U.S. Bureau of Economic Analysis
U.S. Bureau of Economic Analysis
Federal Reserve Bank of St. Louis
The Conference Board