

# Market Review

August 31<sup>st</sup>, 2019

## INDEX LEVELS

		Month-End 8/31/2019	Month-End 7/31/2019	Year End 12/31/18
Domestic Stocks	DJ Industrial Avg.	26403	26864	23327
	S&P 500	2926	2980	2507
	NASDAQ	7963	8175	6635
	Russell 2000®	1495	1575	1349
Int'l Stocks	MSCI EAFE	1838	1932	1720
	MSCI Emerg. Mkt.	973	1064	966

## INTEREST RATES

	Month-End 8/31/2019	Month-End 7/31/2019	Year End 12/31/18
Fed Funds Rate Target	2.00-2.25	2.00-2.25	2.25-2.50
10-Yr Treasury	1.503	2.034	2.684
DJ Corporate	2.822	n.a	4.343
3-Month LIBOR	2.14	2.27	2.81
30-Yr Fix Mortgage	3.68	3.89	4.60
Prime Rate	5.25	5.50	5.50

## COMMODITY PRICES

	Month-End 8/31/2019	Month-End 7/31/2019	Year End 12/31/18
Gold	1519	1426	1278
Crude Oil	55.10	58.58	45.41
Gasoline	2.57	2.73	2.25
Natural Gas	2.285	2.233	2.94

## EQUITY STYLE RETURN

MTD	Val	Core	Grw	YTD	Val	Core	Grw
Large	-2.94	-1.83	-0.77	Large	13.75	18.48	23.28
Mid	-3.53	-2.85	-1.82	Mid	14.81	19.57	26.68
Small	-5.58	-4.94	-4.32	Small	7.31	11.85	16.30

## NEWS

- Are the bond market's signals becoming exaggerated? Long-term bonds have been on a recent tear with yields tumbling enough to heightened fears of a possible recession. Part of the issue has been caused by banks and insurers essentially buying on auto-pilot due to preexisting risk models and hedge strategies.
- The yield on the 10 Yr Treasury closed at 1.503%, which produced a total return of 0.29% MTD. (Yields move inversely to prices).
- EU regulators continue to pressure U.S. Tech as incoming head executive is promising new laws on artificial intelligence and use of big data within 100 days of taking office.



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## ECONOMY

- Trade tensions are depressing freight volumes after a banner year for the industry, adding another stress point for a decelerating U.S. manufacturing sector.
- Global stocks rose after manufacturing data in both China and Europe showed some improvement, but investors remained concerned about the regions growth prospects, which have been buffeted by the threat of a no deal Brexit and the U.S.-China trade fight.
- Stocks capped off a volatile August down only slightly for the month and near recent records. This is the latest example of the bull market's stability despite threats from overseas economic slowdown and uncertainty about trade policy. Throughout the year, positive headlines in the U.S.- China trade fight have helped the S&P 500 rebound following a downturn.

## TOTAL RETURN

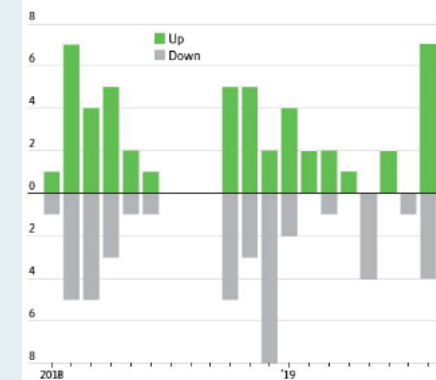
		Month to Date	Year to Date	1-Year
EQUITIES	Russell 3000® (Broad US)	-2.04%	18.02%	1.31%
	S&P 500 (Large Cap US)	-1.58%	18.34%	2.92%
	ACWI ex-US (Broad Int'l)	-3.07%	9.20%	-2.78%
	MSCI EAFE (Devlpd. Int'l)	-2.58%	10.14%	-2.75%
	MSCI Emerging Markets	-4.85%	4.21%	-3.99%
FIXED INCOME	BC Aggregate Bond	2.59%	9.10%	10.17%
	BC US Universal	2.26%	9.27%	10.07%
	B of A ML 3-Month T-Bills	0.21%	1.67%	2.42%
	BC Treasury	3.40%	8.63%	10.38%
	BC US Corp. High Yield	0.40%	11.00%	6.56%
OTHER	Citi World Govt. ex-US	2.22%	7.09%	7.33%
	NAREIT Cmp (RealEstate)	3.49%	24.77%	14.48%
	Bloomberg Commodity Trust	-2.32%	1.93%	-5.89%

## S&P SECTOR YEAR-TO-DATE



## CHART OF THE MONTH

Number of times the S&P 500 swung at least 1% in either direction



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