

| | | <u>Feb. 2017</u> | <u>Year To Date</u> | <u>One Year</u> | <u>Three Years</u> | <u>Five Years</u> |
|------------------------------------------|-------------------------------------|------------------|---------------------|-----------------|--------------------|-------------------|
| U.S. Large Cap Equities | S&P 500 | 3.97% | 5.94% | 24.98% | 10.63% | 14.01% |
| U.S. Mid Cap Equities | Russell Midcap | 2.83% | 5.31% | 26.81% | 8.44% | 13.63% |
| U.S. Small Cap Equities | Russell 2000 | 1.93% | 2.33% | 36.11% | 6.93% | 12.89% |
| Master Limited Partnerships (MLP) | Alerian MLP | 0.40% | 5.31% | 40.83% | -4.29% | 2.07% |
| International Developed Equities | MSCI EAFE | 1.43% | 4.37% | 15.75% | -0.62% | 5.16% |
| Emerging Market equities | MSCI Emerging Markets | 3.06% | 8.70% | 29.46% | 1.35% | -0.37% |
| U.S. Taxable Fixed Income | Barclay's U.S. Aggregate | 0.67% | 0.87% | 1.42% | 2.64% | 2.24% |
| U.S. Tax-Exempt Fixed Income | Barclay's Municipal Aggregate | 0.69% | 1.36% | 0.25% | 3.53% | 3.07% |
| High Yield Fixed Income | Barclay's U.S. Corporate High Yield | 1.46% | 2.93% | 21.83% | 4.72% | 6.84% |
| Floating Rate Loans | S&P/LSTA Leveraged Loan | 0.50% | 1.06% | 12.66% | 3.66% | 4.72% |
| International Fixed Income | Barclay's Global Aggregate Ex-U.S. | 0.29% | 2.17% | -0.30% | -2.78% | -1.36% |

- Global equities reached new record highs during the shortest month of the year, amid strong PMI data in both U.S. and European markets.
- U.S. markets surged in February, and all indexes provided positive returns. The gains were attributable to a more hawkish message from the Fed, with Chairwoman Yellen citing a strong labor market, inflationary pressures and proposed fiscal stimulus as rationale for another hike.
- Midstream MLPs were up only 0.4% in February, but longer-term the Alerian MLP Index has gained 40.8% over the past 12-months.
- International developed markets gained 1.4%, led by robust factory output and upwardly revised growth targets in Japan and the UK.
- Emerging markets have rallied in 2017 thanks to stronger-than-expected growth in China, and a +7% GDP growth target in India.
- U.S. investment grade taxable and tax-exempt bond indexes paired gains in February, with both major indexes up 0.7%.
- High yield bonds continued to outperform, albeit at slightly higher prices, yet default rates continue to fall and the bonds remain attractive.
- Floating rate loans, which have been added to the data set above, gained 0.5% in February with yields continuing to exceed 4.5%.
- The U.S. dollar, which fell nearly 2% in January, gained 1.7% in February to end the month at 101.3.
- Having bounced back in January after a disappointing 2016, global bonds added another 0.3% in February to get to 2.2% for the year.