

		<u>May 2018</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	2.41%	2.02%	14.38%	10.98%	12.98%	9.14%
U.S Mid Cap Equities	Russell Midcap	2.27%	1.64%	12.67%	8.57%	11.79%	9.24%
U.S. Small Cap Equities	Russell 2000	6.07%	6.90%	20.76%	10.98%	12.18%	9.64%
Master Limited Partnerships (MLP)	Alerian MLP	5.05%	0.93%	-3.71%	-8.13%	-3.20%	6.09%
Global Equities	MSCI All Country World Index	0.12%	0.11%	11.84%	7.52%	8.88%	4.95%
International Developed Equities	MSCI EAFE	-2.25%	-1.55%	7.97%	4.33%	5.93%	2.10%
Emerging Market Equities	MSCI Emerging Markets	-3.54%	-2.61%	14.03%	6.17%	4.52%	1.62%
U.S. Taxable Fixed Income	Barclay's U.S. Aggregate	0.71%	-1.50%	-0.37%	1.39%	1.98%	3.72%
U.S. Tax-Exempt Fixed Income	Barclay's Municipal Aggregate	1.15%	-0.33%	1.11%	2.79%	2.92%	4.30%
High Yield Fixed Income	Barclay's U.S. Corporate High Yield	-0.03%	-0.24%	2.35%	4.86%	4.87%	7.84%
Floating Rate Fixed Income	S&P/LSTA Leveraged Loan	0.17%	2.04%	4.20%	4.02%	3.85%	5.20%
International Fixed Income	Barclay's Global Aggregate Ex-U.S.	-1.87%	-0.62%	3.40%	3.50%	0.85%	1.85%

- Global equity market results were mixed in May; a supportive macro backdrop favored U.S. markets while political risk dragged foreign markets lower.
- U.S. equities gained 2.4% during the month amid broadly above-consensus data reports:
 - ✓ April consumer confidence remained close to the 17-year record high set in February 2018;
 - ✓ the manufacturing purchasing managers (PMI) key business survey increased in May, signaling a pickup in second quarter growth;
 - ✓ aid from tax reform and strong equity sector results offset the drag to consumption resulting from higher gasoline prices.
- The Alerian MLP Index recorded a strong consecutive monthly gain amid higher energy prices; the Index was up 13.6% since the end of March.
- Foreign equities were generally negative as a confluence of issues led the MSCI EAFE Index and MSCI EM Index lower by 2.3% and 3.5%, respectively:
 - ✓ U.S. trade policy (allied tariffs) uncertainty, plus a North Korean stalemate and tensions rising over China's South China Sea build-out;
 - ✓ the formation of a new government in Italy rattled foreign markets;
 - ✓ The U.S. dollar strengthened approximately 2% against most major global currencies.
- The 10-Year U.S. Treasury yield ended May at 2.9%; during the month the yield moved by as much as 0.33% (peak-to-trough).
- U.S. investment grade bonds performed better in May, with the taxable and municipal indexes gaining 0.7% and 1.2%, respectively.
- High yield bonds were slightly negative in May; investors briefly exited the market in a flight to quality.
- Floating rate loans gained 0.2% during the month and have offered a better total return year-to-date and over the past year compared to bonds.
- The stronger U.S. dollar and heightened risk aversion weighed on foreign government bond markets in May; the Index declined 1.9%.



- U.S. trade tariff discussions, centered around steel, continue to pressure the Canadian dollar; the U.S. suggested 25% tariffs on car imports.
- Italian political uncertainty unsettled markets and led to risk aversion, which put downward pressure on the Canadian dollar.
- The Bank of Canada appears unfazed by U.S. policy, acknowledging the uncertainties but priming the market for a rate increase in June.
- April economic data, was generally weak, specifically employment, but is expected to improve in May.

Date Range	CAD/USD	+/-
1Q 2018	0.795 to 0.775	-2.5%
May 2018	0.780 to 0.771	-1.2%
Year-to-Date	0.795 to 0.771	-3.0%

USD/CAD

	Last 30 Days	Last 90 Days
High	1.30305	1.30979
Low	1.27722	1.25588
Average	1.28805	1.28474



Table data and chart sourced from: www.xe.com