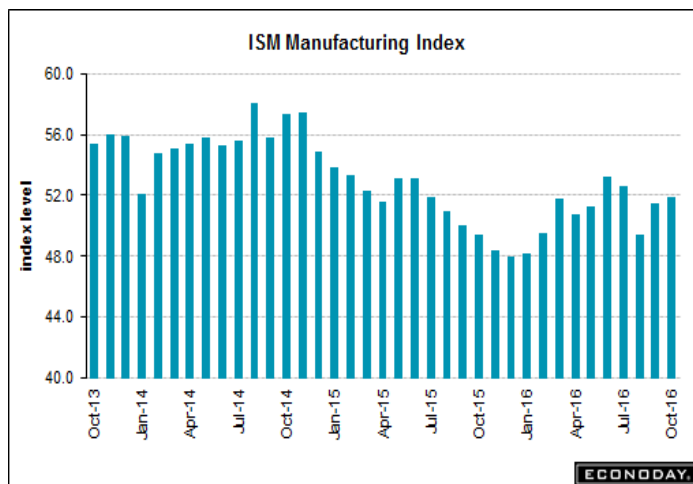


ECONOMIC/MARKET BRIEF



○ POSITIVES

- Consumers continue to remain healthy and rounded out the 3rd quarter in September with personal income increasing by 0.3% and consumer spending increasing by 0.5%
- The October ISM Manufacturing Index reading of 51.9 signifies the U.S. economy and manufacturing sector remain in growth territory despite declining new orders and a continued contraction in backlog orders
- Average hourly earnings increased 0.4% in October to bring the year-over-year rate to a recovery peak of 2.8%
- October vehicle sales came in at a very strong annualized 18.3 million to further highlight the strength of the consumer
- October non-farm payrolls added a respectable 161,000 jobs, bringing the year-to-date average to 181,000

○ CHALLENGES

- While 3rd quarter annualized GDP growth came in at a solid 2.9%, 1.2 points came from exports which were largely driven by a surge in soybean exports
- Construction related spending declined 0.4% in September for a year-over decline of 0.2%

Performance as of October 31, 2016

Index	Month	3 Months	YTD	1 YR	3 YR	5 YR
S&P 500	-1.82%	-1.67%	5.87%	4.51%	8.84%	13.57%
Dow Jones	-0.79%	-0.94%	6.36%	5.49%	7.91%	11.50%
Russell MidCap	-3.17%	-3.22%	6.76%	4.17%	7.28%	13.12%
Russell 2000	-4.75%	-1.99%	6.16%	4.11%	4.12%	11.51%
MSCI EAFE	-2.05%	-0.77%	-0.35%	-3.23%	-1.31%	4.99%
MSCI Emg Mkts	0.24%	4.05%	16.30%	9.27%	-2.05%	0.55%
Barcap Aggr	-0.76%	-0.94%	4.99%	4.37%	3.48%	2.90%

GDP Growth Accelerates in Third Quarter

