



The Scorecard

Your Personal CFO

Date: July 31, 2018

Tips From the Pro

"Achievement must be made against the possibility of failure, against the risk of defeat. It is no achievement to walk a tightrope laid flat on the floor." - Ray Kroc

Hazards

Supersizing headline risk

Putting faith in statistics that grab headlines annually like the return of the McRib

Getting sold investment products that are all sizzle and no steak

Front Nine: Market Update

	Annualized				
	1-Month	1-Year	3-Year	5-Year	10-Year
Barclays US Aggregate	0.02%	-0.80%	1.49%	2.25%	3.73%
Barclays US Municipal	0.24%	0.99%	2.69%	3.76%	4.41%
Barclays US TIPS	-0.48%	1.17%	1.69%	1.43%	3.04%
S&P 500	3.72%	16.24%	12.52%	13.12%	10.67%
S&P 1000	2.20%	17.10%	12.67%	12.37%	11.54%
MSCI EAFE	2.46%	6.40%	5.03%	5.86%	3.43%
MSCI Emerging Markets	2.20%	4.36%	8.94%	5.25%	2.87%
Wilshire Real Estate	0.59%	3.46%	6.41%	8.75%	7.66%
Bloomberg Commodities	-2.13%	2.73%	-1.61%	-7.06%	-8.09%

Back Nine: Data From Your CFO

	Most Recent	Previous Month	Start of Year	YTD Change
S&P500 P/E Ratio(Fwd)	18.2	17.4	19.7	-1.5
S&P500 P/E Ratio(TTM)	22.0	23.5	23.3	-1.3
6 Month CD	0.28%	0.26%	0.19%	0.09%
10-Year Treasury	2.96%	2.86%	2.41%	0.55%
S&P 500 Yield	1.82%	1.88%	1.83%	-0.01%
Fed Funds Rate	1.75-2.00%	1.75-2.00%	1.25-1.50%	0.50%
WTI Oil	\$68.76	\$74.15	\$60.42	13.80%
Unemployment	4.00%	3.80%	4.10%	-0.10%
CPI	2.90%	2.80%	2.20%	0.70%

At the Turn

There is always a reason not to invest. Since 2011, EU sovereign debt funding, US fiscal cliff, China hard landing, geopolitical crisis, China hard landing (again), political populism, quantitative tightening, and trade war have each taken turns as top fund manager worries.

19th Hole: Cocktail Party Trivia

According to *The Economist*'s Big Mac Index, the Swiss Franc is the most over-valued currency in the world and the Egyptian Pound is the most under-valued. *The Economist* does caution that "burgernomics was never intended as a precise gauge of currency misalignment, merely a tool to make exchange-rate theory more digestible."

Please see important disclosures on the next page.

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Front Nine: Market Update:

Bond Returns: All returns represent total return. Bond Index: Barclays US Aggregate provided by Barclays Capital; Barclays US Municipal provided by Barclays Capital; Barclays US TIPS provided by Barclays Capital.

Equity Price Levels and Returns: All returns represent total return for state period. Equity Index: S&P 500 provided by Standard & Poor's; S&P 1000 provided by Standard & Poor's; MSCI EAFE provided by MSCI – gross official pricing; MSCI Emerging Markets provided by MSCI – gross official pricing; Wilshire Real Estate Securities Index provided by Wilshire Associates Inc; Commodity Index: Bloomberg Commodity provided by Bloomberg Professional® Service. No index mentioned on the Front Nine Report includes any trading expenses, management fees or other costs.

Back Nine: Data from your CFO:

S&P 500 P/E Ratio (Forward 12 Month) provided by S&P 500 Earnings and Estimate Report; S&P 500 P/E Ratio (Trailing Twelve Month) provided by S&P 500 Earnings and Estimate Report; 6 Month CD Rate provided by FDIC.gov; 10-Year Treasury Rate provided by Bloomberg; S&P 500 Yield provided by S&P 500 Earnings and Estimate Report; Federal Funds Rate provided by Federal Reserve Bank of New York; Price of WTI provided by Bloomberg; Unemployment Rate provided by Bureau of Labor Statistics; Consumer Price Index provided by Bureau of Labor Statistics; Certain information on the Back Nine Report are economic trends and do not necessarily reflect account or market performance.

At the Turn

Source: BofA Merrill Lynch Global Fund Manager Survey

19th Hole: Cocktail Party Trivia:

Source: www.economist.com/bigmac

All Indexes, where applicable, include the reinvestment of dividends and other earnings but do not include any trading expenses, management fees or other costs. Unless otherwise stated, all data is as of July 31, 2018 or as of most recently available. *Past performance does not guarantee future results. Diversification does not guarantee investment returns and does not eliminate the risk of loss.*

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