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- On a price basis, the S&P 500 fell 0.12% in August, but including dividends the index was positive. The index also posted an all-time high last month, reaching 2,190.15 on August 15th .
- Hurt by US dollar strength, the Bloomberg Commodity Index fell 1.76% in August. Oil futures climbed 0.5% last month, while gold fell 3.1%, its first monthly decline since May.
- REITs, which became the 11th sector within the S&P 500 on September 1st, fell 3.67% in August.

Including dividends, the S&P 500 registered its sixth consecutive monthly gain. Investors largely stayed on the sidelines, struggling to find direction amid mixed economic data and a flurry of commentary from Federal Reserve policymakers regarding the timing of the next rate hike. Overtones from the Fed culminated at the Kansas City Fed's August 26 symposium in Jackson Hole, Wyoming with Fed Chair Janet Yellen saying "the case for a rate increase has strengthened in recent months." Shortly thereafter, Fed Vice Chair Stanley Fischer said Yellen's comments were consistent with a possible September rate hike, together with a second 2016 increase as early as December. On the economic front, consumer confidence climbed to nearly a one-year high, while Commerce officials revised downward their second quarter GDP growth estimate from 1.2% to 1.1%. The result was an unusually tranquil trading month with the lowest daily share volume in almost two years. Also during the month, the S&P 500 reached its 38th consecutive trading session of not moving more than 1% in either direction.

Performance among the ten major sector groups was likewise mixed in August with Financials (+3.83%) and Technology (+2.12%) posting the largest gains among five advancing sectors. Defensive-oriented sectors suffered the largest declines with Telecom (-5.67%) and Utilities (-5.62%) falling the most. On a year-to-date (YTD) basis however, Telecom (+18.96%) and Utilities (+15.67%) remain this year's biggest winners, while Healthcare (+1.88%) and Consumer Discretionary (+3.96%) have gained the least.

Small-cap domestic stocks, as measured by the Russell 2000 Index, rose 1.77% in August, outperforming its large and mid-cap counterparts. Mid-cap stocks, as measured by the Russell Mid Cap Index, fell 0.25%. Smallcaps stocks have overtaken Mid-caps on a YTD basis, gaining 10.23% and 10.04% respectively. Value stocks outperformed growth in August, with the Russell 1000 Value Index returning 0.77%, while the Russell 1000 Growth Index fell 0.50%. Year to date, value stocks continue to widely outperform growth, returning 10.23% and 5.62% respectively.

The MSCI EAFE Index, a broad performance measure of global developed markets outside of the U.S. and Canada, underperformed domestic equities, rising just 0.07% last month and up 0.49% YTD. The MSCI Emerging Markets Index gained 2.49%, its third consecutive monthly gain. Emerging market stocks, up 14.55% YTD, benefited from global central bank stimulus.

Treasuries, as measured by the Barclays U.S. Government Bond Index, fell 0.53% in August, its worst monthly performance since June 2015. The benchmark 10-year U.S. Treasury fell in price, sending its yield up nearly 13 basis points to finish the month at 1.581%. The Barclays U.S. Municipal Bond Index gained 0.13% last month. U.S. investment grade corporate, government and agency-backed bonds, as measured by the Barclays U.S. Aggregate Bond Index, fell 0.11% in August. At the other end of the credit spectrum, the Barclays U.S. Corporate High Yield Index, a proxy for below-investment grade corporate bonds, gained 2.09% in August, extending its YTD return to 14.35%.

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