

Market Indices ¹	April	Year-to-Date
S&P 500	0.39%	1.74%
Russell 3000	0.62%	1.59%
MSCI EAFE	2.90%	-0.20%
MSCI Emerging Markets	0.54%	6.29%
Barclays U.S. Aggregate Bond	0.38%	3.43%
Barclays U.S. Municipal Bond	0.74%	2.42%
Barclays U.S. Corporate High Yield	3.92%	7.40%

¹Morningstar Direct (all performance percentages are total return based, which include reinvested dividend, interest)

At-A-Glance

- U.S. stocks were mixed in April with the Dow Industrials gaining 0.62%, while tech and internet losses pulled the NASDAQ Composite down 1.89%.
- Dollar weakness fueled a commodities rally, with crude oil prices surging 15.52% in April to \$45.92/bbl.
- The Bloomberg Commodities Index gained 8.5% in April, its largest monthly gain since December 2010.

Despite earnings disappointments in technology and internet stocks, the S&P 500 edged higher in April, completing its first back-to-back monthly gain since last November. April ended on a downbeat however, as the benchmark equity index lost 1.41% during the final two days of the month. It was a busy month full of corporate earnings, as well as mixed economic and investing news. Commerce officials said first quarter GDP growth slowed to 0.5%, down from a 1.4% pace during the fourth quarter, surprising economists' expectations with a smaller than forecasted increase in consumer spending. Federal Reserve policymakers held interest rates unchanged, while their policy statement conveyed a somewhat more hawkish tone. Meanwhile, contrary to expectations, Japan's central bank refrained from boosting its stimulus measures, causing the yen to surge over 5% during the last week of April.

Even with late April weakness, the S&P 500 still has the majority of gains from its 15% rally that began on February 11th. In a key milestone, the current seven-year bull market that began in March 2009 has reached a total of 2,608 days, one more than the 1950's rally that ran from June 1949 to August 1956.

Six of the ten major sector groups advanced in April, with Energy (+8.70%), Materials (+4.95%) and Financials (+3.40%) gaining the most. Technology (-5.39%) and Utilities (-2.41%) fell the most last month. On a year-to-date (YTD) basis, Telecom (+14.15%), Energy (+13.07%) and Utilities (+12.77%) are up the largest amount, while Technology (-2.93%) is down the most. In April, crude oil rose the most in a year, helping energy producers post their strongest two-month rally since 2011.

Small-cap domestic stocks, as measured by the Russell 2000 Index, rose 1.57% in April, outperforming its large and mid-cap counterparts. Mid-cap stocks, as measured by the Russell Mid Cap Index, gained 1.06% last month. Value stocks widely outperformed growth in April, with the Russell 1000 Value Index returning 2.10%, while the Russell 1000 Growth Index fell 0.91%.

Internationally, the MSCI EAFE Index, a broad measure of global developed markets outside of the U.S. and Canada, outperformed domestic equities, gaining 2.90% last month. Following a double-digit March rally, the MSCI Emerging Markets Index rose just 0.54%, extending its YTD gain to 6.29%.

Treasuries, as measured by the Barclays U.S. Government Bond Index, fell 0.10% in April, trimming its YTD gain to 3.02%. Benchmark 10-year U.S. Treasuries prices declined last month, sending its yield up 6.4 basis points to end at 1.834%. The Barclays U.S. Municipal Bond Index rose 0.74% in April. U.S. investment grade corporate, government and agency-backed bonds, as measured by the Barclays U.S. Aggregate Bond Index, climbed just 0.38% last month. At the other end of the credit spectrum, the Barclays U.S. Corporate High Yield Index, a proxy for below-investment grade corporate bonds, surged 3.92% in April, extending its YTD rally to 7.40%.

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The **Barclays U.S. Aggregate Bond Index**, which used to be called the *Lehman Aggregate Bond Index*, is a broad base index, maintained by Barclays Capital, and it often used to represent investment grade bonds being traded in the U.S. Barclays Capital (BarCap) U.S. Aggregate Bond Index is made up of the Barclays Capital U.S. Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Based Securities Index, including securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

The **Barclays U.S. Municipal Bond Index** is an unmanaged, market-value-weighted index of investment-grade municipal bonds with maturities of one year or more.

The **Barclays U.S. Corporate High Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt.

The **Barclays U.S. Government Bond Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The index includes U.S. dollar-denominated, fixed-rate, nominal US Treasuries and US agency debentures (securities issued by US government owned or government sponsored entities, and debt explicitly guaranteed by the US government). The US Government Index is a component of the U.S. Government/Credit and U.S. Aggregate Indices, and eligible securities also contribute to the multi-currency Global Aggregate Index. The U.S. Government Index has an inception date of January 1, 1973.

The **CBOE Volatility Index[®] (VIX[®])** is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

The **MSCI EAFE** is designed to measure the equity market performance of developed markets (Europe, Australasia, Far East) excluding the U.S. and Canada. The Index is market-capitalization weighted.

MSCI Emerging Markets is designed to measure equity market performance in global emerging markets. It is a float-adjusted market capitalization index.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe and is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 3000 Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell Midcap Index** measures the performance of the mid-cap segment of the U.S. equity universe and is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The **S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **Dow Jones Industrial Average** is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ.

The **NASDAQ Composite Index** includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad-based capitalization-weighted index.

The **Shanghai Composite Index** is a stock market index of all stocks (A shares and B shares) that are traded at the Shanghai Stock Exchange.

The **STOXX Europe 600 Index** is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.