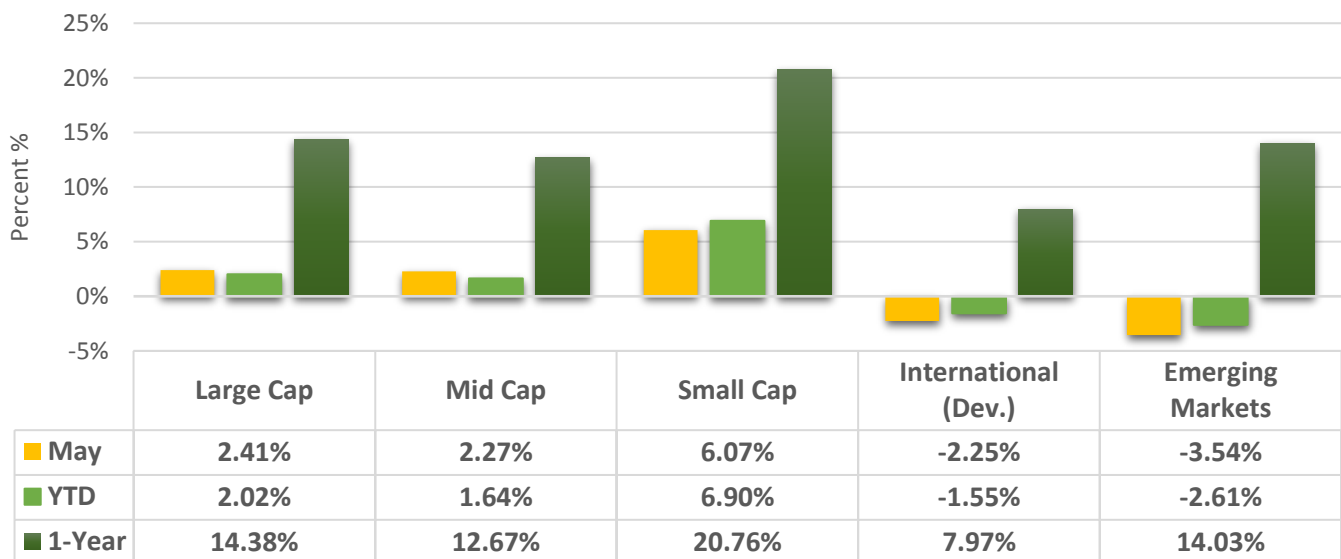


May 2018

Market Update and Economic Developments

- Fueled by global uncertainty, namely Italian political indecision, an Argentine currency crisis, and the economic crisis in Venezuela, international equities remain somewhat shaken in 2018. Developed international stocks finished the month of May down 2.25% and emerging markets continued to struggle, declining over 3.5%.
- Domestically, the consumer confidence index remained high, indicating a sturdy economic expansion as U.S. equities finished the month strong, up 2.4%.
- Small companies, typically being “leaner” and having more of their earnings from domestic markets, generally benefit more from inflation and a strong dollar versus large cap companies. As a result, the companies that make up the Russell 2000 Index finished strong in May, up over 6% in the month and nearly 7% year to date.
- The U.S. Department of Labor reported that the unemployment rate dropped to 3.8% for the month of May, matching the lowest point since 1969, as labor market conditions continue to tighten which could further drive inflation concerns.

EQUITIES

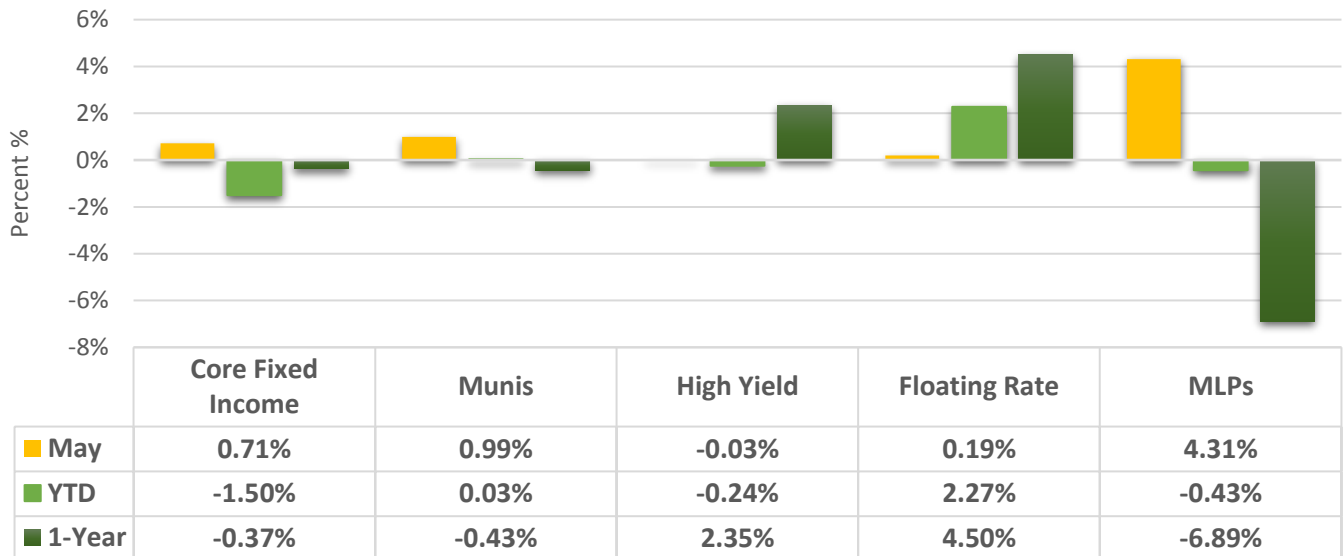


Benchmark Indexes: Large Cap = S&P 500; Mid Cap = Russell Mid Cap; Small Cap = Russell 2000; International Developed = MSCI EAFE; Emerging Markets = MSCI EM.

Fixed Income Market Update and Other Assets

- The 10-year U.S. Treasury yield finished the month at 2.9% and has continued to rise after a solid jobs report to end the month, in line with expectations that the Fed will continue to raise rates this year.
- Core fixed income had a better month in May, posting positive returns of 0.71% as measured by the Bloomberg Barclays U.S. Aggregate Bond Index.
- Municipal bonds recovered nicely this month, up nearly 1.0%, as recent Dodd-Frank changes indicated banks would be able to include the assets class in their “high-quality liquid assets” bucket, which could potentially increase big bank demand for munis.
- The Alerian MLP Infrastructure Index was up 4.3% in May, boosted in part by crude prices continuing their upward trend versus a year ago this time and increasing world demand for oil.

FIXED INCOME AND OTHERS



Benchmark Indexes: Domestic Fixed Income - Barclays US Agg; Municipal Bonds - Barclays 4-6 Yr Muni; High Yield - Barclays US Corp. HY; Floating Rate – CSFB Leveraged Loan Index; Commodities - Bloomberg Commodity; MLPs - Alerian MLP Infrastructure.