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DiMEO SCHNEIDER  
& ASSOCIATES, L.L.C.

# Market Commentary

## *July 2019*

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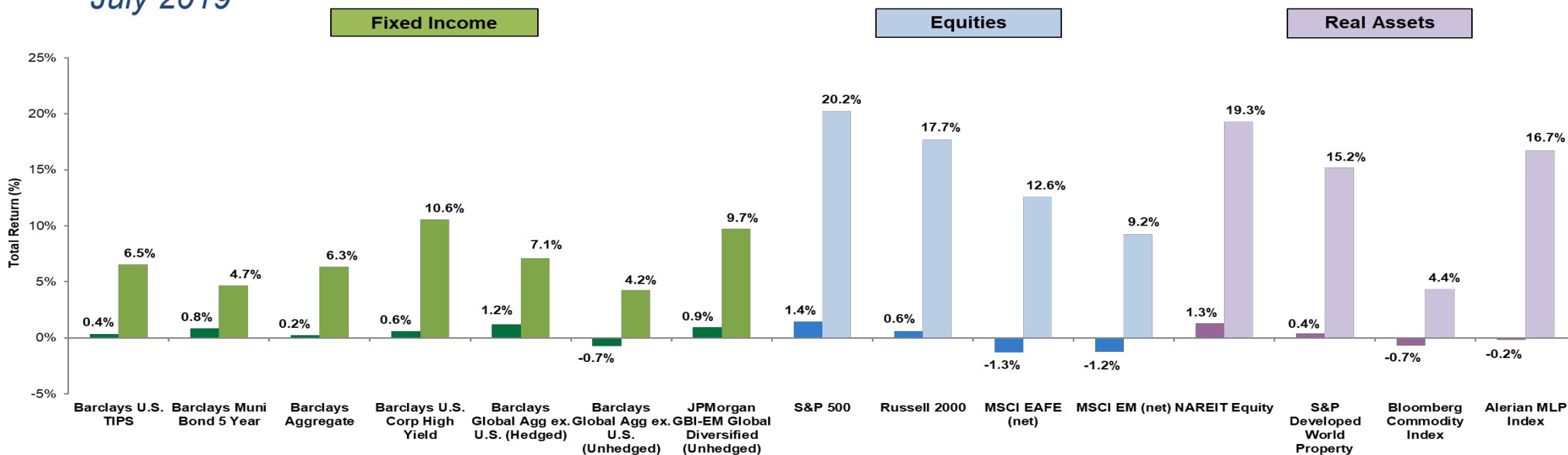
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# Global Markets Summary

July 2019

## Asset Class Returns



Source: Morningstar

### Fixed Income

### Equities

### Real Assets

Key: Left Bar: Recent Month  
Right Bar: Year-To-Date

- U.S. Treasury yields fell on the short end of the curve with the 3-month rate finishing at 2.08 percent, while the belly of the curve climbed with the 10-year ending the month at 2.02 percent. The yield curve remained inverted but has flattened since June.
- All domestic fixed income sectors posted positive returns as expectations were confirmed that the Federal Reserve would lower interest rates.
- International developed bond markets fell as a result of currency fluctuations. Emerging markets debt increased in value despite a strong U.S. Dollar as a result of central bank interest rate reductions globally.

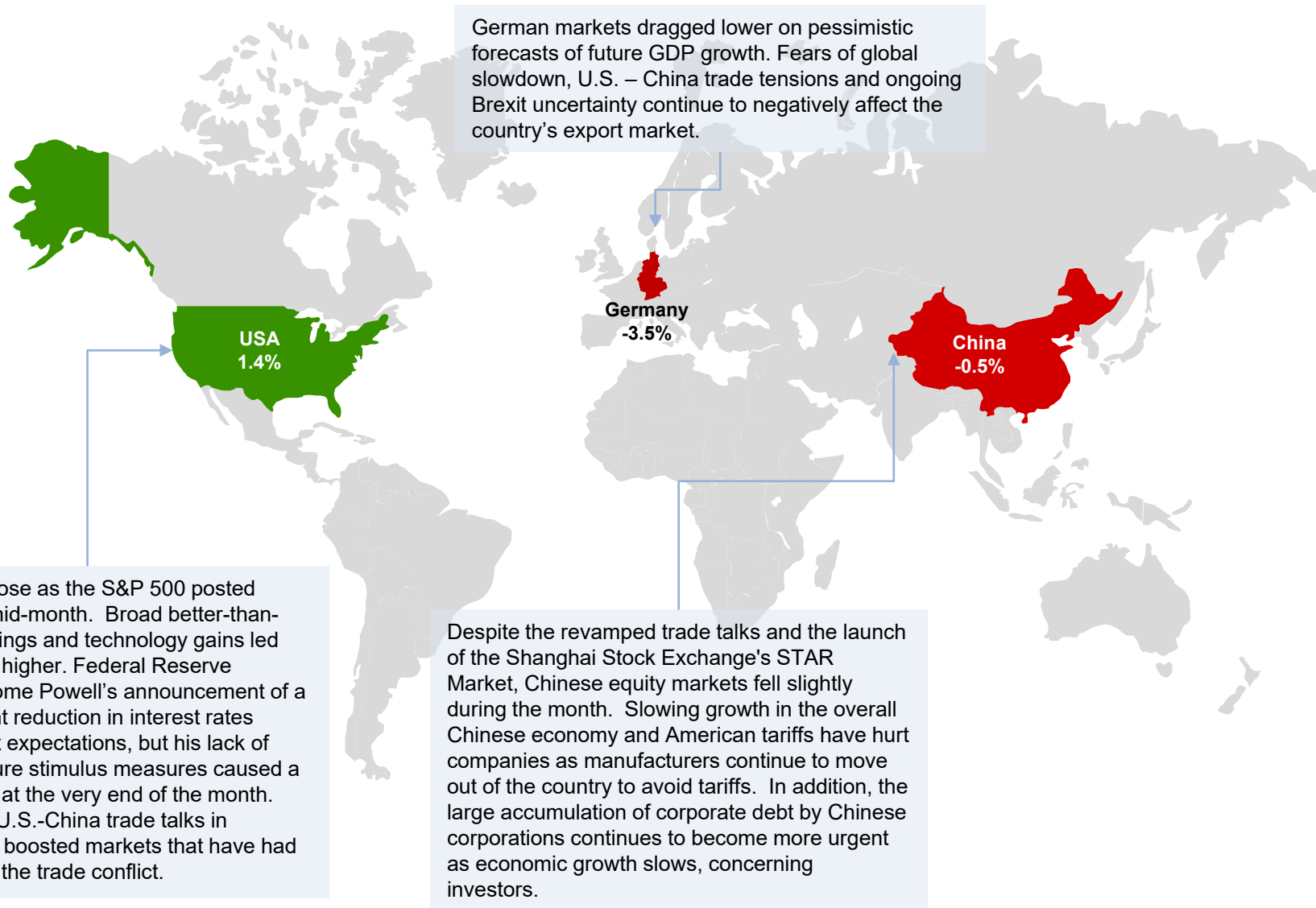
- Domestic equities surpassed previous highs led by better-than-expected earnings growth, increased expectations of interest rate declines and the restart of U.S.-China trade discussions.
- Growth broadly outperformed value during the month. Information technology, communication services, and consumer staples led while energy, materials and industrials lagged the benchmark.
- International equities fell on concerns over a potential no-deal Brexit and trade tensions. Emerging markets fell on U.S. Dollar strength and trade concerns.

- Commodity prices fell slightly, dragged lower by natural gas despite gains made by precious metals on expectations of interest rate cuts.
- Domestic and international REITs generated modest returns influenced by falling interest rate expectations.
- MLPs underperformed despite a rally in oil prices as investors grew weary of natural gas losses due to oversupply.



# Global Highlights

July 2019



*Stated returns reflect each country's MSCI Gross Country Index in U.S. Dollars*



# Financial Markets Performance

Total Returns as of July 31, 2019

Periods greater than one year are annualized

All returns are in U.S. dollar terms

<b>Global Fixed Income Markets</b>	<b>1 MO</b>	<b>3 MO</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
Bloomberg Barclays 1-3-Month T-Bill	0.2%	0.6%	1.4%	2.3%	1.4%	0.9%	0.6%	0.5%	1.3%
Bloomberg Barclays US TIPS	0.4%	2.9%	6.5%	5.7%	1.9%	1.8%	1.0%	3.7%	4.0%
Bloomberg Barclays Municipal Bond (5 Year)	0.8%	2.5%	4.7%	5.7%	2.1%	2.4%	2.3%	3.1%	3.6%
Bloomberg Barclays HY Muni	0.6%	2.8%	7.3%	8.1%	5.3%	6.4%	5.6%	8.1%	5.9%
Bloomberg Barclays US Aggregate	0.2%	3.3%	6.3%	8.1%	2.2%	3.0%	2.5%	3.8%	4.2%
Bloomberg Barclays U.S. Corporate High Yield	0.6%	1.6%	10.6%	6.9%	6.8%	5.1%	6.2%	8.7%	7.5%
Bloomberg Barclays Global Aggregate ex-US Hedged	1.2%	4.0%	7.1%	8.9%	3.6%	4.6%	4.4%	4.4%	4.6%
Bloomberg Barclays Global Aggregate ex-US Unhedged	(0.7%)	3.3%	4.2%	3.7%	0.5%	0.0%	0.5%	1.8%	3.3%
Bloomberg Barclays U.S. Long Gov / Credit	0.7%	7.8%	14.3%	14.4%	3.1%	5.8%	4.3%	7.3%	6.9%
JPMorgan GBI-EM Global Diversified	0.9%	6.8%	9.7%	8.0%	4.4%	(0.1%)	0.2%	3.0%	6.4%
<b>Global Equity Markets</b>	<b>1 MO</b>	<b>3 MO</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
S&P 500	1.4%	1.7%	20.2%	8.0%	13.4%	11.3%	14.0%	14.0%	9.1%
Dow Jones Industrial Average	-	-	-	-	-	-	-	-	-
NASDAQ Composite	2.2%	1.3%	23.9%	7.7%	17.9%	14.6%	17.1%	16.6%	11.4%
Russell 3000	1.5%	1.6%	20.5%	7.0%	13.1%	11.0%	13.9%	14.0%	9.3%
Russell 1000	1.6%	1.8%	20.7%	8.0%	13.3%	11.2%	14.0%	14.1%	9.3%
Russell 1000 Growth	2.3%	2.4%	24.2%	10.8%	17.1%	14.3%	15.9%	15.7%	10.5%
Russell 1000 Value	0.8%	1.1%	17.2%	5.2%	9.4%	8.0%	12.1%	12.4%	8.0%
Russell Mid Cap	1.4%	1.7%	23.1%	6.7%	11.0%	9.6%	13.6%	14.3%	10.3%
Russell Mid Cap Growth	2.3%	3.2%	29.0%	14.1%	15.5%	12.3%	15.2%	15.4%	10.9%
Russell Mid Cap Value	0.8%	0.7%	19.0%	1.8%	7.7%	7.5%	12.4%	13.6%	9.6%
Russell 2000	0.6%	(0.7%)	17.7%	(4.4%)	10.4%	8.5%	11.9%	12.5%	8.7%
Russell 2000 Growth	1.0%	0.7%	21.5%	(1.2%)	12.7%	10.2%	13.3%	13.7%	9.7%
Russell 2000 Value	0.2%	(2.2%)	13.6%	(7.7%)	8.0%	6.7%	10.5%	11.2%	7.6%
MSCI ACWI (net)	0.3%	0.5%	16.6%	2.9%	10.2%	6.5%	9.7%	9.3%	7.3%
MSCI ACWI ex. U.S. (net)	(1.2%)	(0.9%)	12.2%	(2.3%)	7.2%	2.1%	6.0%	5.4%	6.0%
MSCI EAFE (net)	(1.3%)	(0.4%)	12.6%	(2.6%)	6.9%	2.4%	6.9%	5.8%	5.5%
MSCI EAFE Growth (net)	(0.4%)	2.0%	18.0%	1.8%	7.8%	4.8%	8.2%	7.3%	6.4%
MSCI EAFE Value (net)	(2.2%)	(3.0%)	7.1%	(7.0%)	5.8%	(0.1%)	5.6%	4.3%	4.5%
MSCI EAFE Small Cap (net)	(0.7%)	(2.0%)	11.7%	(7.6%)	6.7%	4.7%	9.7%	8.8%	7.5%
MSCI Emerging Markets (net)	(1.2%)	(2.7%)	9.2%	(2.2%)	8.4%	1.8%	3.7%	4.6%	8.7%
<b>Real Assets</b>	<b>1 MO</b>	<b>3 MO</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
FTSE NAREIT Equity REITs	1.3%	2.8%	19.3%	11.7%	3.2%	8.2%	8.8%	14.5%	9.1%
S&P Developed World Property ex-US	(0.7%)	1.3%	11.5%	2.3%	4.4%	3.5%	6.8%	7.9%	6.8%
S&P Developed World Property	0.4%	2.1%	15.2%	7.1%	4.0%	5.9%	8.0%	10.8%	8.0%
Bloomberg Commodity Total Return	(0.7%)	(1.4%)	4.4%	(5.4%)	(0.7%)	(8.3%)	(7.6%)	(4.1%)	(2.7%)
Alerian MLP	(0.2%)	1.3%	16.7%	(3.5%)	(0.7%)	(6.6%)	0.3%	6.9%	8.2%

Source: Morningstar