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DiMEO SCHNEIDER
& ASSOCIATES, L.L.C.

Market Commentary

April 2018

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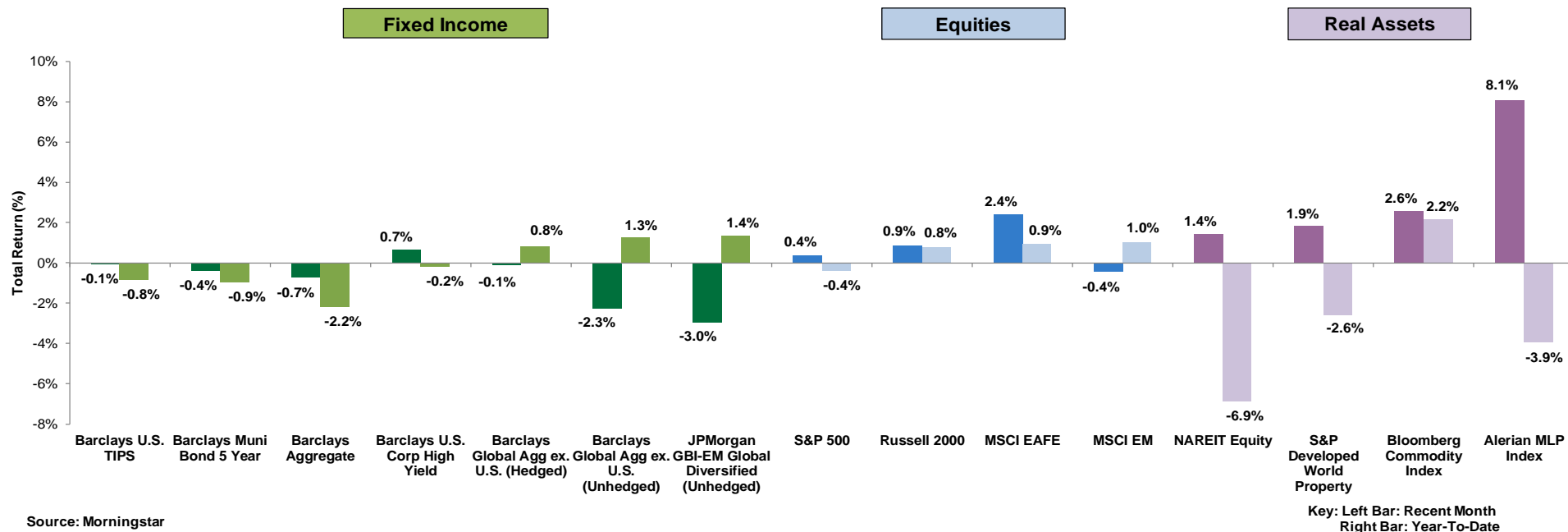


Global Markets Summary

April 2018

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Asset Class Returns



Fixed Income

- The 10-year U.S. Treasury rose 21 bps to end the month at 2.95% after briefly rising above 3.0% for the first time since January 2014. The curve continued to flatten as short rates rose more than long.
- The dollar was a headwind for non-U.S. denominated bonds as it noticeably strengthened into the end of the month.
- U.S. high yield ended in positive territory as its yield advantage and shorter duration were benefits as yields rose and prices fell broadly.

Equities

- Domestic equity markets were mostly higher with small cap companies slightly outperforming large cap names. Energy stocks performed well as crude prices rose. Consumer discretionary also outperformed while staples lagged all other sectors.
- Developed international stocks outperformed all other equity markets on the heels of strong performance from France, the U.K. and Germany. Despite the rise in oil, emerging markets fell with Russia, Brazil and Taiwan all coming under pressure.

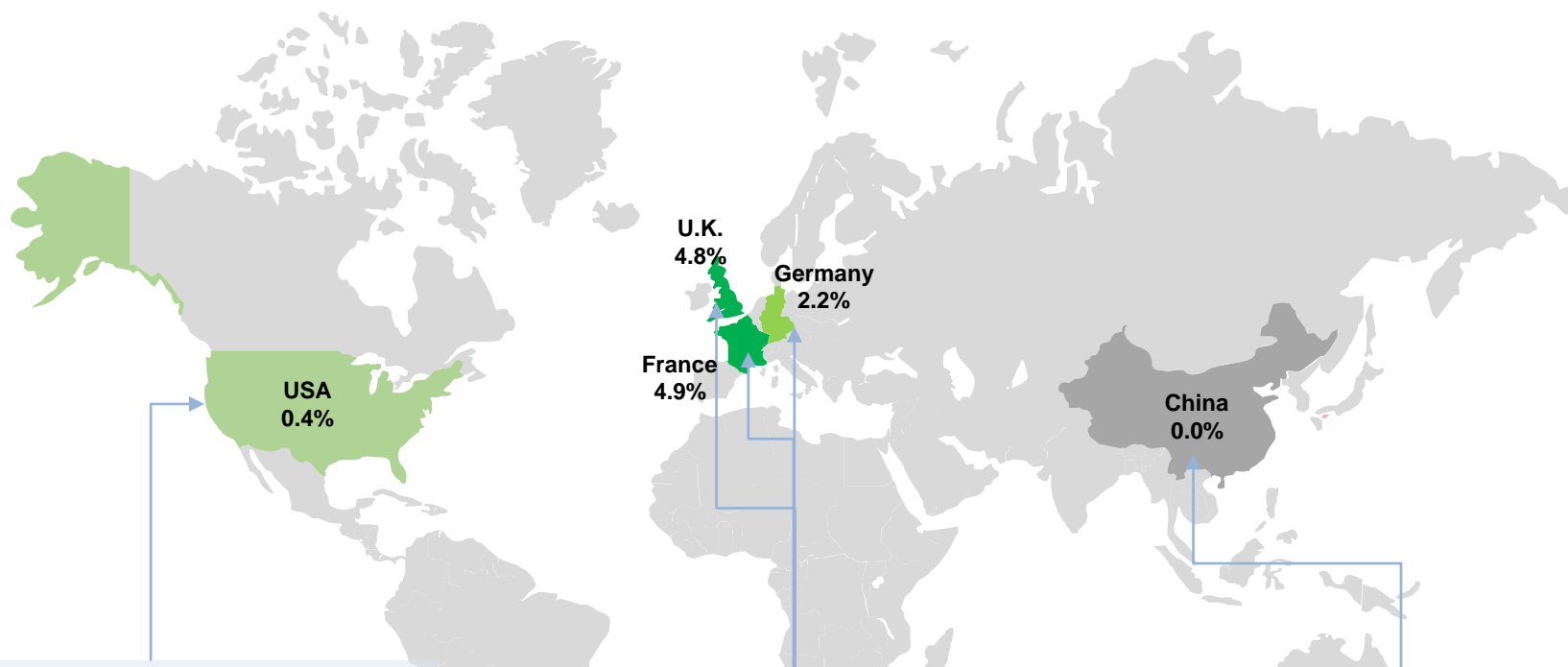
Real Assets

- Real assets finished higher during April as inflation expectations increased. REITs, commodities and MLPs all performed better than U.S. large cap equities with MLPs besting all other asset classes. Higher oil prices helped while M&A also picked up slightly.
- REITs gained some footing after falling sharply in the first quarter of the year as investors rotated back into the sector and inflation came into focus.
- Energy largely led commodities higher and industrial metals also gained.



Global Highlights

April 2018



Minutes from the Federal Reserve's March meeting revealed a more hawkish tone. In addition to raising the target Fed Funds Rate by 25 bps (which was announced during the meeting), it was learned that all participants now expect the economy to strengthen and inflation to rise throughout the course of this year.

First quarter GDP in the United States grew at an annualized rate of 2.3%. This is below the 2.9% pace during the fourth quarter, yet was still above expectations which called for 2.0% growth.

A combination of events helped the European stocks finish higher during the month. Earnings reports were largely positive, China lightened its rhetoric on trade tariffs and a lower euro also helped lift stocks. Higher bond yields also led to outperformance by the financial sector.

Chinese President, Xi Jinping, reiterated plans to continue opening up the Chinese economy during the Boao Forum, an annual summit focused on Asian economies similar to the annual conference in Davos. His plans include lowering import tariffs on a number of products.

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



Financial Markets Performance

Total Returns as of April 30, 2018

Periods greater than one year are annualized

All returns are in U.S. dollar terms

Global Fixed Income Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.1%	0.4%	0.5%	1.1%	0.5%	0.3%	0.2%	0.3%	1.2%
Bloomberg Barclays US TIPS	(0.1%)	0.0%	(0.8%)	0.3%	1.0%	(0.1%)	2.1%	3.1%	4.2%
Bloomberg Barclays Municipal Bond (5 Year)	(0.4%)	(0.7%)	(0.9%)	(0.4%)	1.2%	1.4%	2.3%	3.3%	3.3%
Bloomberg Barclays HY Muni	0.4%	2.0%	1.0%	5.8%	4.9%	4.0%	6.9%	5.6%	6.2%
Bloomberg Barclays US Aggregate	(0.7%)	(1.1%)	(2.2%)	(0.3%)	1.1%	1.5%	2.6%	3.6%	3.8%
Bloomberg Barclays U.S. Corporate High Yield	0.7%	(0.8%)	(0.2%)	3.3%	5.0%	4.8%	6.2%	7.9%	8.0%
Bloomberg Barclays Global Aggregate ex-US Hedged	(0.1%)	1.2%	0.8%	2.7%	2.8%	3.4%	4.2%	4.2%	4.1%
Bloomberg Barclays Global Aggregate ex-US Unhedged	(2.3%)	(1.7%)	1.3%	7.7%	3.1%	0.4%	0.4%	1.9%	4.0%
Bloomberg Barclays U.S. Long Gov / Credit	(1.9%)	(3.5%)	(5.5%)	1.5%	2.3%	2.9%	6.3%	6.6%	6.1%
JPMorgan GBI-EM Global Diversified	(3.0%)	(3.0%)	1.4%	8.4%	3.4%	(1.9%)	(0.0%)	3.3%	7.0%
Global Equity Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	0.4%	(5.8%)	(0.4%)	13.3%	10.6%	13.0%	12.3%	9.0%	9.5%
Dow Jones Industrial Average	0.3%	(7.1%)	(1.6%)	18.1%	13.4%	13.0%	12.3%	9.4%	10.0%
NASDAQ Composite	0.1%	(4.4%)	2.7%	18.1%	14.0%	17.6%	15.1%	12.6%	12.1%
Russell 3000	0.4%	(5.3%)	(0.3%)	13.0%	10.2%	12.8%	12.0%	9.1%	9.9%
Russell 1000	0.3%	(5.5%)	(0.4%)	13.2%	10.3%	12.8%	12.2%	9.1%	9.8%
Russell 1000 Growth	0.3%	(5.0%)	1.8%	19.0%	12.8%	15.1%	13.6%	10.8%	10.4%
Russell 1000 Value	0.3%	(6.1%)	(2.5%)	7.5%	7.7%	10.5%	10.6%	7.3%	9.1%
Russell Mid Cap	(0.2%)	(4.2%)	(0.6%)	11.2%	8.3%	11.8%	11.0%	9.5%	11.7%
Russell Mid Cap Growth	(0.9%)	(4.2%)	1.2%	16.9%	9.1%	12.8%	11.2%	9.7%	11.6%
Russell Mid Cap Value	0.5%	(4.2%)	(2.0%)	6.8%	7.8%	11.0%	10.9%	9.2%	11.6%
Russell 2000	0.9%	(1.8%)	0.8%	11.5%	9.6%	11.7%	10.1%	9.5%	10.9%
Russell 2000 Growth	0.1%	(1.4%)	2.4%	16.6%	9.9%	13.1%	10.7%	10.4%	11.4%
Russell 2000 Value	1.7%	(2.2%)	(1.0%)	6.5%	9.3%	10.4%	9.4%	8.5%	10.3%
MSCI ACWI	1.0%	(5.2%)	0.2%	14.8%	8.0%	9.4%	8.0%	5.7%	9.3%
MSCI ACWI ex. U.S.	1.7%	(4.7%)	0.6%	16.5%	5.5%	5.9%	4.3%	2.7%	9.2%
MSCI EAFE	2.4%	(3.9%)	0.9%	15.1%	5.4%	6.4%	5.3%	2.9%	8.6%
MSCI EAFE Growth	1.6%	(3.8%)	0.6%	16.2%	6.4%	7.0%	5.8%	3.5%	8.5%
MSCI EAFE Value	3.2%	(3.9%)	1.3%	14.0%	4.5%	5.7%	4.6%	2.3%	8.6%
MSCI EAFE Small Cap	1.4%	(3.2%)	1.8%	20.5%	11.5%	11.0%	8.5%	6.7%	12.3%
MSCI Emerging Markets	(0.4%)	(6.7%)	1.0%	22.1%	6.4%	5.1%	2.3%	2.5%	12.6%
Real Assets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
FTSE NAREIT Equity REITs	1.4%	(2.8%)	(6.9%)	(3.3%)	3.5%	4.9%	7.5%	5.9%	10.0%
S&P Developed World Property ex-US	2.2%	(2.7%)	1.2%	14.9%	5.1%	4.4%	6.9%	3.7%	10.9%
S&P Developed World Property	1.9%	(2.6%)	(2.6%)	5.7%	4.1%	4.5%	7.0%	4.4%	10.2%
Bloomberg Commodity Total Return	2.6%	0.2%	2.2%	8.0%	(4.2%)	(7.3%)	(8.9%)	(7.8%)	(0.3%)
Alerian MLP	8.1%	(9.2%)	(3.9%)	(12.5%)	(10.7%)	(4.5%)	0.6%	5.7%	9.3%

Source: Morningstar