

Portfolio Perspectives

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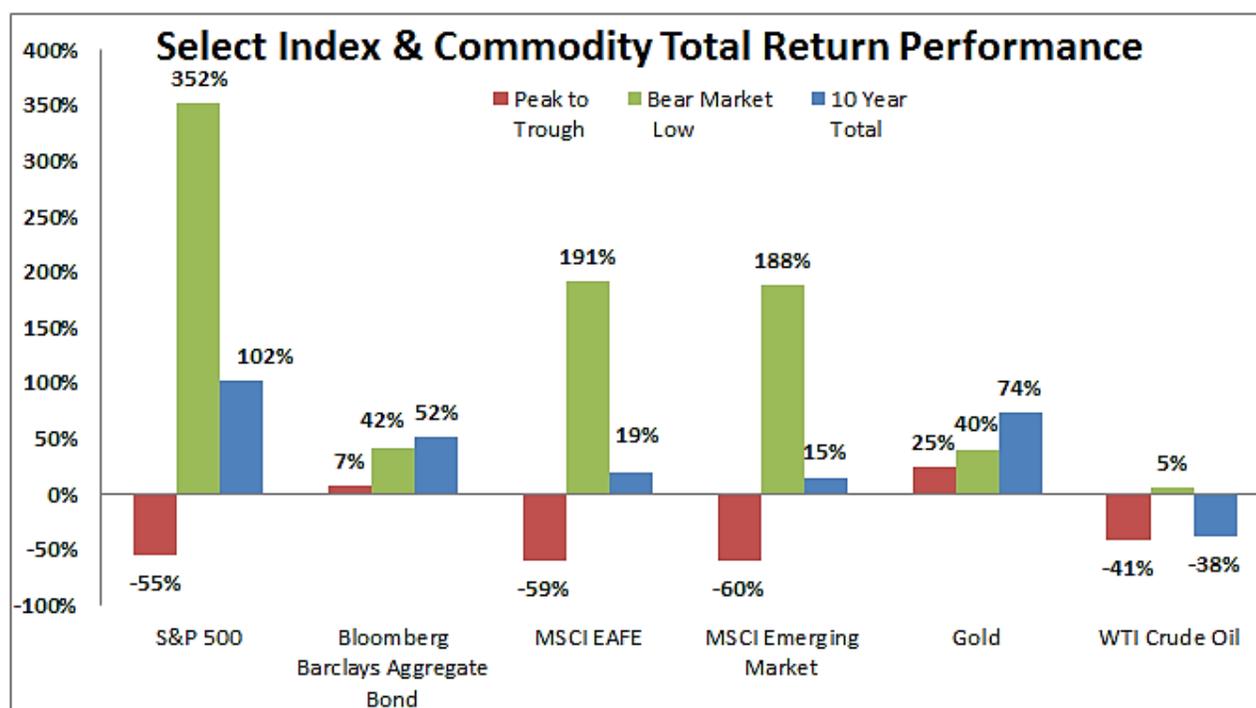
10 Year Anniversary: Market Peak

October 9, 2017 marked the 10-year anniversary of the market peak before the start of the financial crisis and great recession. The steep decline that occurred over the next 18 months left many investors believing their portfolios would never recover from the precipitous decline. Just as pessimism reached its zenith on March 9, 2009, the market decline achieved its nadir. Subsequently, investors have experienced the second longest bull market in history.

To provide some context, the charts below show how selected indices, commodities and S&P 500 sectors performed from the following periods: October 9, 2007 peak to March 9, 2009 bottom, the bear market low to the 10-year anniversary, and 10-year total return.

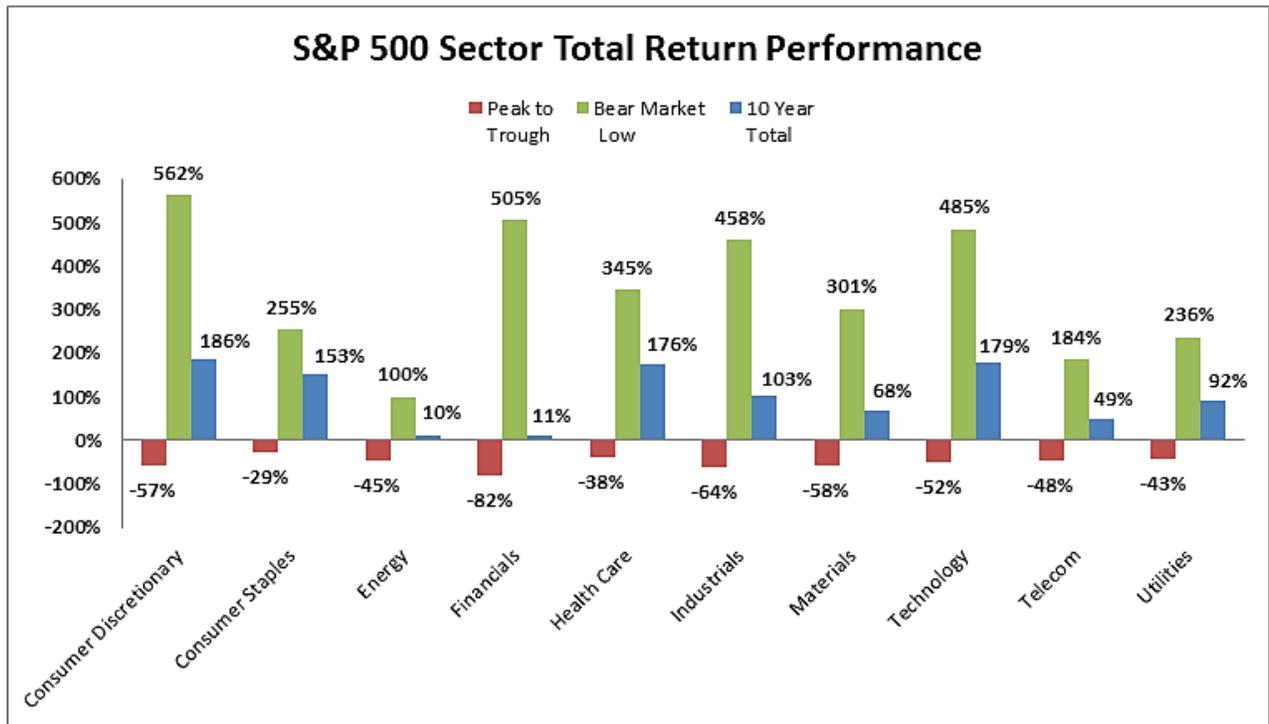
Some noteworthy items from the data:

- The S&P 500 at the market peak before the financial crisis doubled over the 10-year period, which included a more than 50% decline during the first year and a half.
- Consumer Discretionary, Technology and Health Care had the best total returns. Energy and Financials were the relative underperforming sectors.
- International Developed and Emerging Market Equities experienced significant underperformance relative to the U.S.
- Fixed Income did well during low interest rate environment.
- Commodity performance underscores volatility of the asset class.



Source: Bloomberg

*Data as of closing price October 9, 2007 through closing price October 9 2017



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*Data as of closing price October 9, 2007 through closing price October 9 2017

S&P 500 Index: The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted index with each stock's weight in the Index proportionate to its market value

Bloomberg Barclays U.S. Aggregate Bond Index: Bloomberg Barclays U.S. Aggregate Bond Index is unmanaged and is composed of the Bloomberg Barclays U.S. Government/Credit Index and the Bloomberg Barclays U.S. Mortgage-Backed Securities Index. The Bloomberg Barclays U.S. Government/Credit Bond Index is an unmanaged, market-weighted index generally representative of intermediate and long-term government and investment grade corporate debt securities having maturities of greater than one year. The Bloomberg Barclays Mortgage Backed Securities Index is an unmanaged index of mortgage pools of the Government National Mortgage Association, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association.

MSCI EAFE® Index (Europe, Australasia, Far East): The MSCI Europe, Australasia and Far East ("MSCI EAFE") Stock Index is an unmanaged group of securities widely regarded by investors to be representations of the stock markets of Europe, Australasia and the Far East. Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

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