

Market Facts and Figures from Q4 2016

In the US, it was a strong quarter for Value stocks and Small Cap stocks.

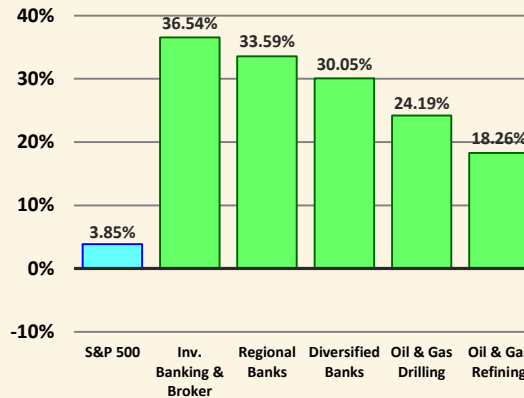
Oil & Gas and Bank stocks rose sharply in the fourth quarter.

Best and Worst Markets

2016 4Q US Returns (Russell Indices)

	Value	Core	Growth
Large	6.7%	3.8%	1.0%
Mid	5.5%	3.2%	0.5%
Small	14.1%	8.8%	3.6%

S&P 500 Sub-Sectors: 2016 4Q Return



Developed Markets

Top 3	2016 4Q	Bottom 3	2016 4Q
Italy	10.75%	New Zealand	-10.88%
Austria	6.51%	Israel	-11.32%
United States	3.85%	Belgium	-11.80%

Emerging Markets

Top 3	2016 4Q	Bottom 3	2016 4Q
Russia	18.56%	Philippines	-12.80%
Greece	15.33%	Turkey	-13.72%
Hungary	9.26%	Egypt	-23.34%

Frontier Markets

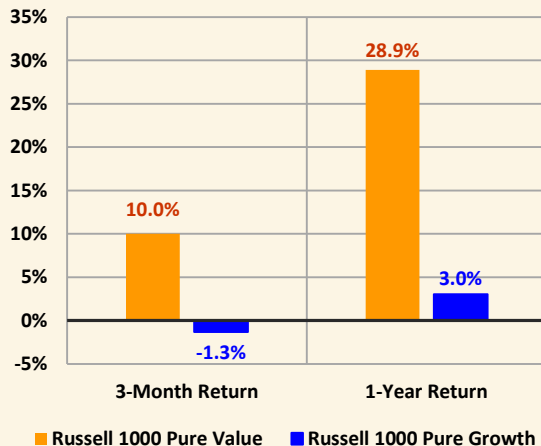
Top 3	2016 4Q	Bottom 3	2016 4Q
Jamaica	19.66%	Vietnam	-10.41%
Bulgaria	17.20%	Argentina	-12.21%
Pakistan	16.19%	Slovenia	-17.83%

The US stock market saw a significant shift toward the most Value-like stocks in 2016.

The spread on High Yield bonds declined sharply in 2016, indicating less fear of bond defaults.

US Treasury yields rose sharply in Q4, leading to a drop in bond values.

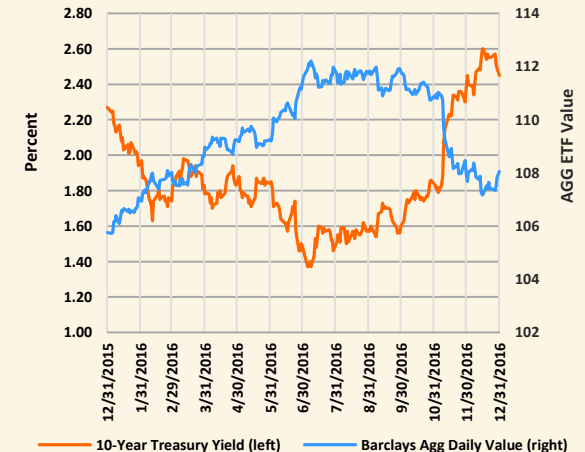
"Pure Value" vs. Pure Growth" in 2016



BofA/ML US High Yield Option-Adj Spread 2016 YTD



10-Year US Treasury Yield vs Barclays Aggregate



Sources: Morningstar Advisor Workstation, research.stlouisfed.org, finance.yahoo.com