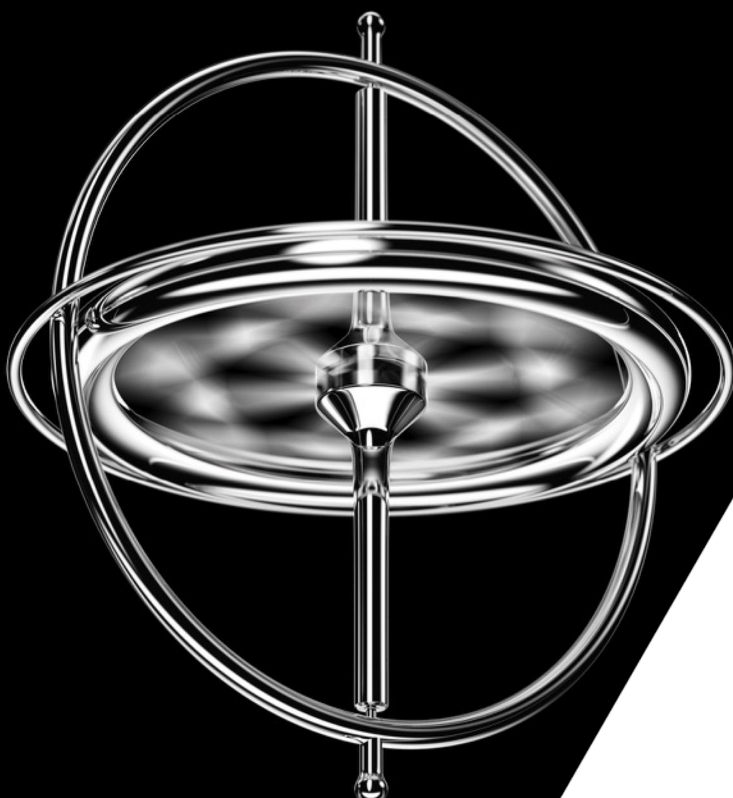
FOCUS

Russell Investments

Economic and Market Review

Second quarter 2018



Important information and disclosures

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

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Standard Deviation is a statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

Correlations measure the strength and direction of a linear relationship between two random variables. The value will range between -1 and 1. Rolling correlations are trailing correlations in overlapping cycles for a given period of time. The periods shift based on a chosen length (typically 1 month) resulting in a continuous stream of trailing correlations e.g. a three year rolling value shifted by 1 month will show you the trailing 3 year value for each month displayed. Correlations are useful for understanding the behavior of correlations over multiple time periods. Demonstrates patterns or longer term trends in the return data.

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Bond investors should carefully consider risks such as interest rate, credit, default and duration risk. Greater risk, such as increased volatility, limited liquidity, prepayment, non-payment and increased default risk, inherent in portfolios that invest in high yield ("junk") bonds or mortgage-backed securities, especially mortgage-backed securities with exposure to sub-prime mortgages. Generally, when interest rates rise, prices of fixed income securities fall. Interest rates in the United States are at, or near, historic lows, which may increase a Fund's exposure to risks associated with rising rates. Investment in non-U.S. and emerging market securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries.

Bloomberg Barclays U.S. High Yield Bond Index: a market value-weighted index which covers the U.S. non-investment grade fixed-rate debt market. The index is composed of U.S. dollar-denominated corporate debt in Industrial, Utility, and Finance sectors with a minimum $150 million par amount outstanding and a maturity greater than 1 year. The index includes reinvestment of income.

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Agenda

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Economic Indicators Dashboard

MARKET VOLATILITY

- Remains on lower end of typical range
- Down from 1Q18

TREASURY YIELD

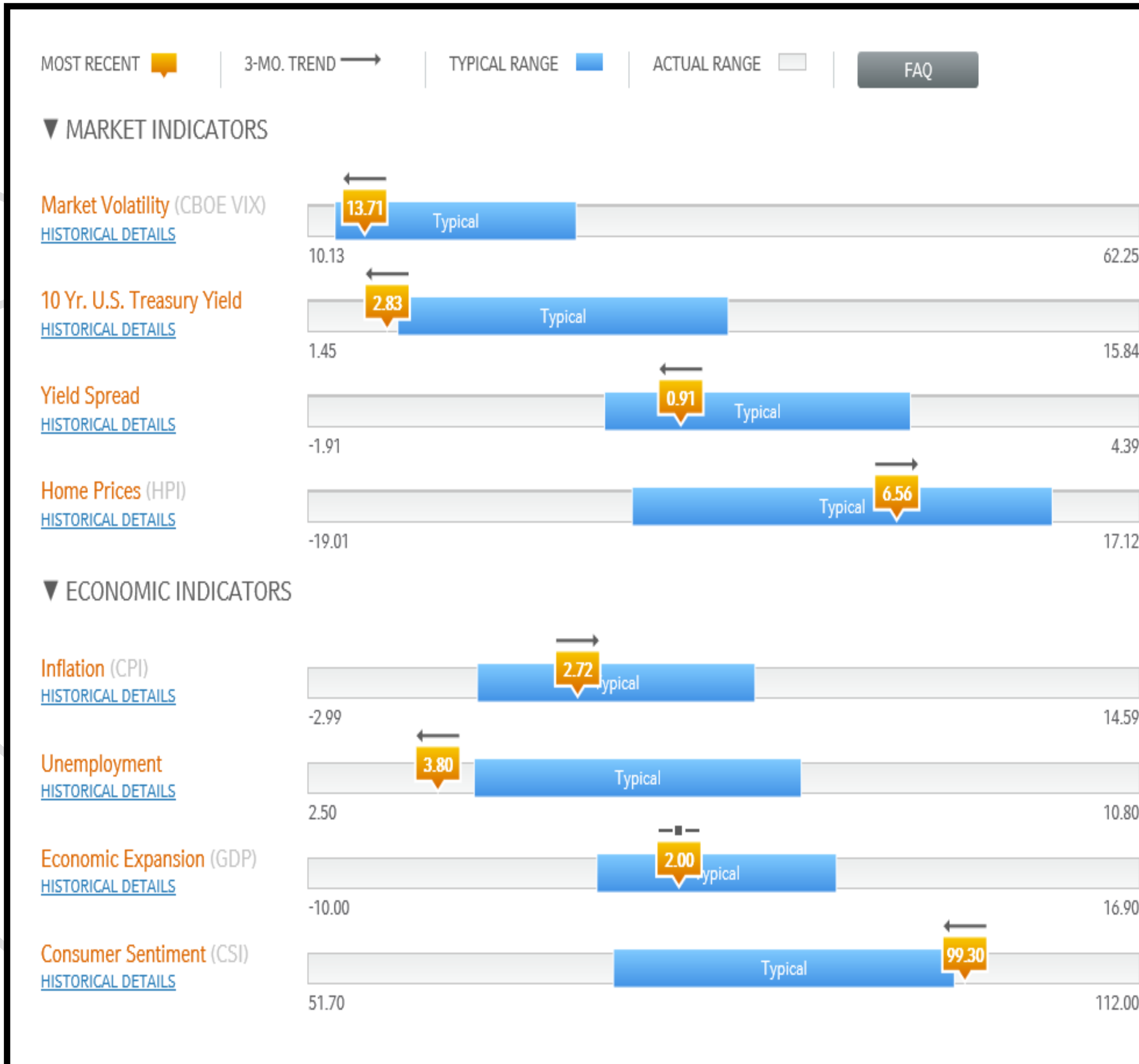
- Down for quarter, up for the year
- Flattening of yield curve is watchpoint

UNEMPLOYMENT

- Lowest since 1969
- Full employment

CONSUMER SENTIMENT

- Down from 1Q18, but still high on strong employment and favorable business conditions

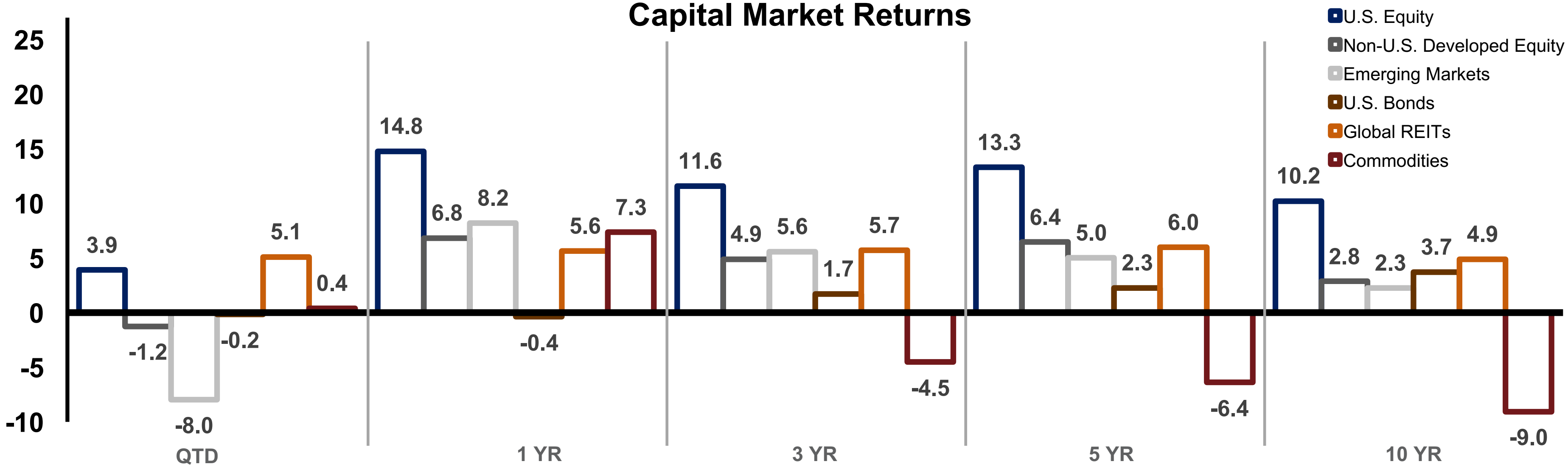


http://www.russellinvestments.com, current state as of 6/30/2018. ***See appendix for category definitions.***
Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Capital markets

PERIODS ENDING JUNE 30 2018

Capital Market Returns



U.S. equity: (Russell 3000® Index) U.S. stock index which includes the 3,000 largest U.S. stocks as measured by market capitalization

Non-U.S. developed equity: (MSCI EAFE Index) International market index that includes Western Europe, Japan, Australia

Emerging markets: (MSCI Emerging Markets Index) Emerging markets index that includes S. Korea, Brazil, Russia, India and China

U.S. bonds: (Bloomberg Barclays U.S. Aggregate Bond Index) Broad index for U.S. Fixed Income market

Global REITs: (FTSE EPRA/NAREIT Developed Index) Index for global publicly traded real estate securities

Commodities: (Bloomberg Commodity Index Total Return) Broad index of common commodities

CAPITAL MARKETS 2Q 2018:

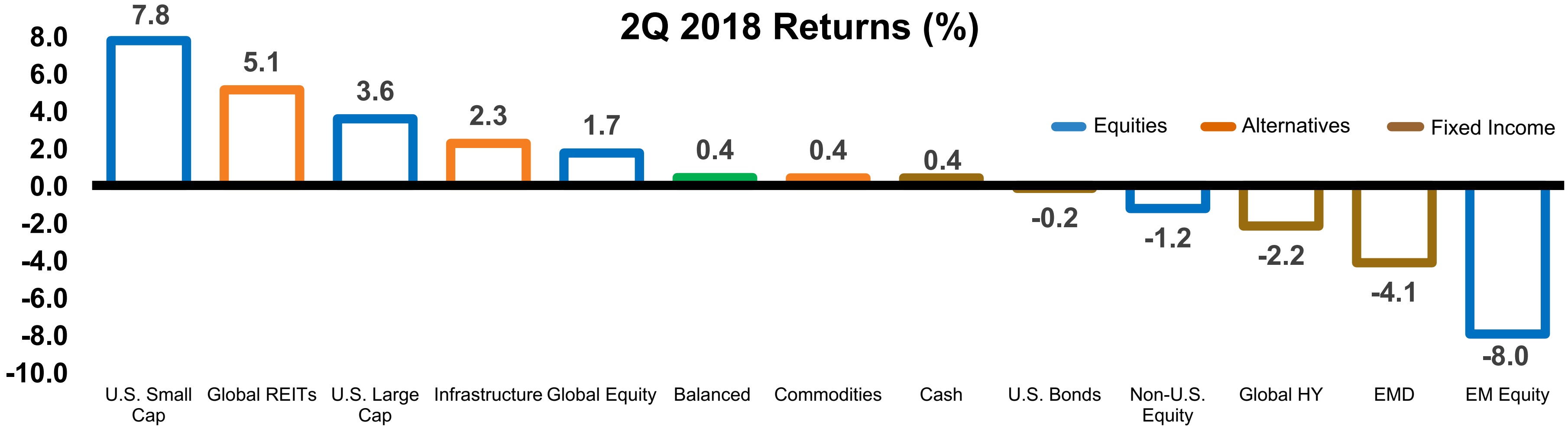
- **U.S. equity** was up for the quarter, led by Energy and attractive 2Q GDP forecasts
- **Non-U.S. developed equity** was down for the quarter on strong U.S. dollar
- **Emerging markets** were down for the quarter on strong U.S. dollar and uncertainties around global trade
- **U.S. bonds** were slightly negative after a Federal Reserve rate hike in June and concerns over a flattening yield curve
- **Global REITS** were up on reversal of 1Q sell off
- **Commodities** were up slightly for the quarter with Energy outperforming Agriculture and Metals

Source: FTSE/Russell, Bloomberg Barclays, MSCI and FTSE NAREIT. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

What worked and what didn't work in 2Q 2018

What worked

What didn't work



WHAT WORKED

- **U.S. small cap** led by top performing Energy sector and helped by perceived buffer from global trade concerns
- **Global REITS** helped by friendlier interest rate environment

WHAT DIDN'T WORK

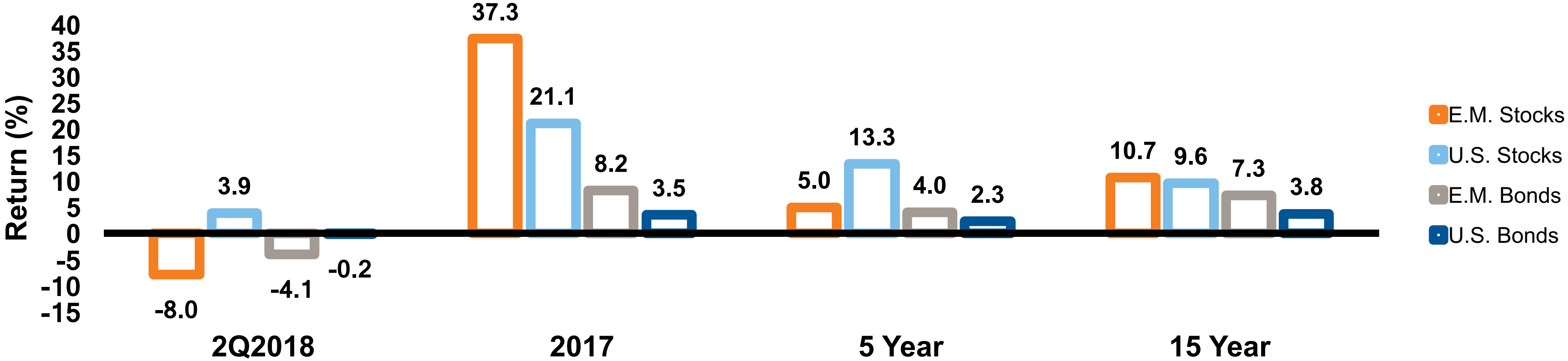
- **EM equity and EM debt** both down for quarter on strong U.S. dollar and uncertainties surrounding global trade

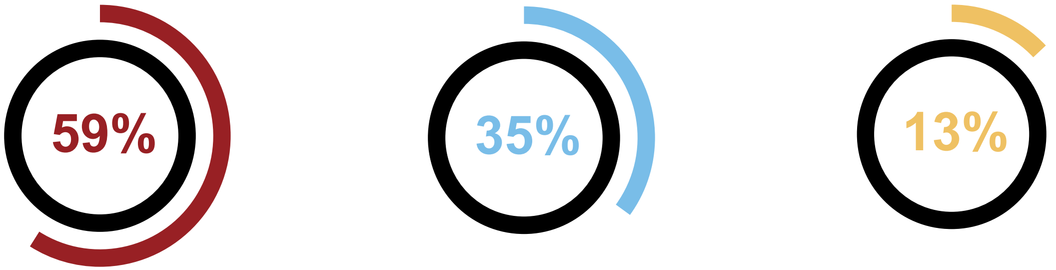
Source: U.S. Small Cap: Russell 2000® Index; U.S. Large Cap: Russell 1000® Index; Global: MSCI World Net Index; Non-U.S.: MSCI EAFE Net index; Infrastructure: S&P Global Infrastructure Index; Global High Yield: Bloomberg Barclays Global High Yield Index; Global REITs: FTSE EPRA/NAREIT Developed Index; Cash: Citigroup 1-3 Month T-Bill Index; EM Equity: MSCI Emerging Markets Index; U.S. Bonds: Bloomberg Barclays U.S. Aggregate Bond Index; EMD: JPM EMBI Plus Bond Index; Commodities: Bloomberg Commodity Index Total Return; Balanced Index: 5% U.S. Small Cap,15% U.S. Large Cap, 10% Global, 12% Non-U.S., 4% Infrastructure, 5% Global High Yield, 4% Global REITs, 0% Cash, 6% EM Equity, 30% U.S. Bonds, 5% EMD and 4% Commodities.
Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Perspective on Emerging Markets

Short-term volatility, attractive long-term returns

Returns (as of June 30, 2018)





World population **World GDP** **World market cap**

Was less than 1% in 1988

Measured allocations may help long-term investment returns

Source: E.M. Stocks: MSCI EM Markets Index, U.S. Stocks: Russell 3000 Index, E.M. Bonds: JPM EMBI Plus Bond Index, U.S. Bonds: Bloomberg Barclays U.S. Aggregate Bond Index

World Population, GDP: IMF and represents EM as defined by MSCI EM member countries, World Market Cap: MSCI May 2018. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

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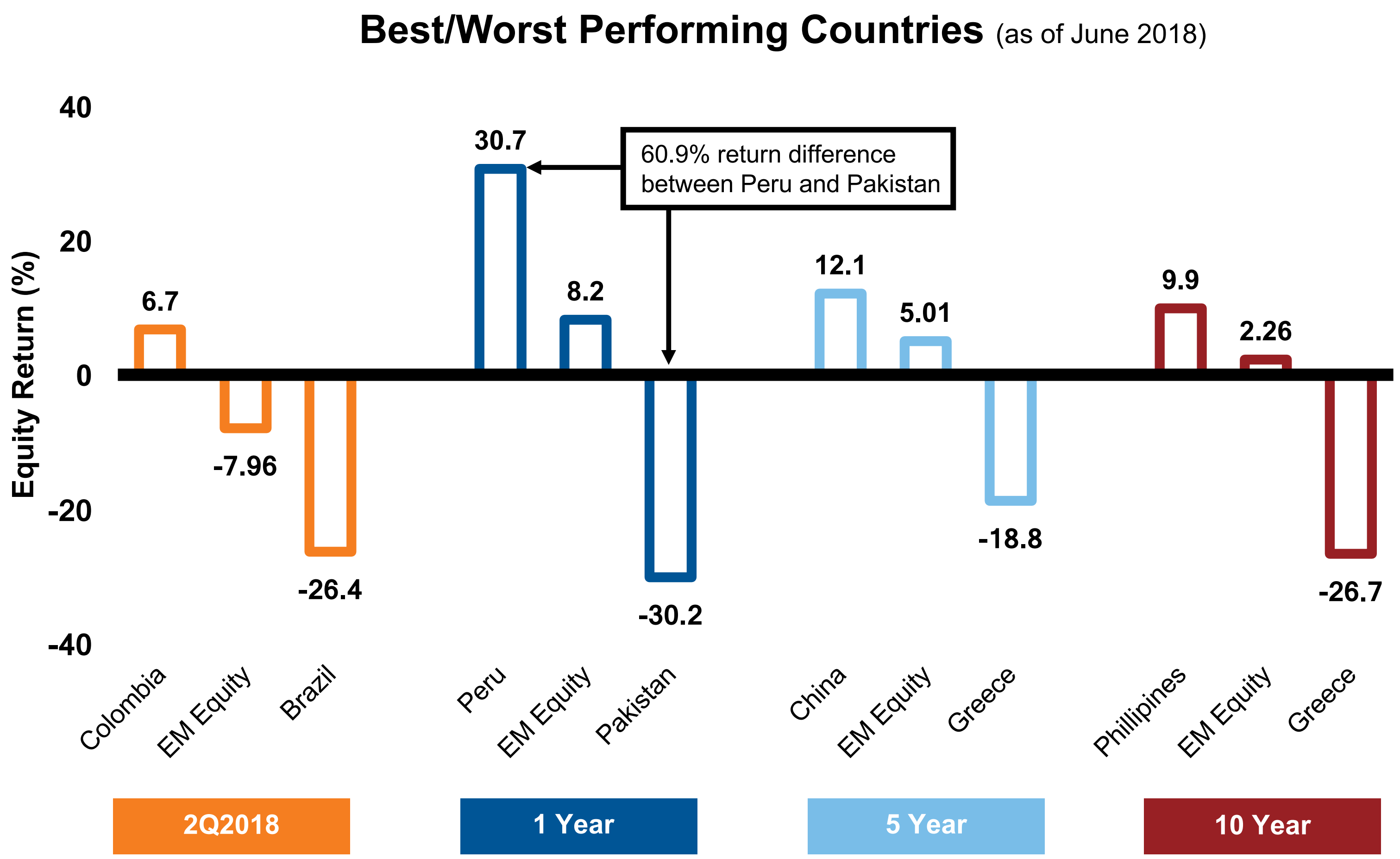
Emerging markets aren't monolithic

Ripe for active opportunities



Source: EM Equity: MSCI Emerging Markets Index. Individual country returns: MSCI Emerging Markets Country Indexes.
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What's next for global stocks?

40 years of ebbs and flows

Market leader	Horizon	Months	Return Differential	Period ending 10-Year earnings valuations U.S. / Non-U.S.
U.S. Stocks	June '78 – Oct '82	53	24.1%	8.0 / --
Non-U.S. Stocks	Nov '83 – Nov '88	61	66.8%	14.8 / 37.3
U.S. Stocks	Dec '88 – Feb '93	50	91.1%	20.5 / 21.5
Non-U.S. Stocks	Mar '93 – May '94	15	25.8%	20.2 / 27.3
U.S. Stocks	Jun '94 – Jan '02	79	126.6%	30.3 / 22.5
Non-U.S. Stocks	Feb '02 – Jan '08	72	37.9%	24.0 / 25.6
U.S. Stocks	**Feb '08 – Jun '18**	**125**	**68.1%**	**30.8 / 17.7**

Current U.S. stock market run is historical in length and has created a valuation imbalance not seen since the late 1980's

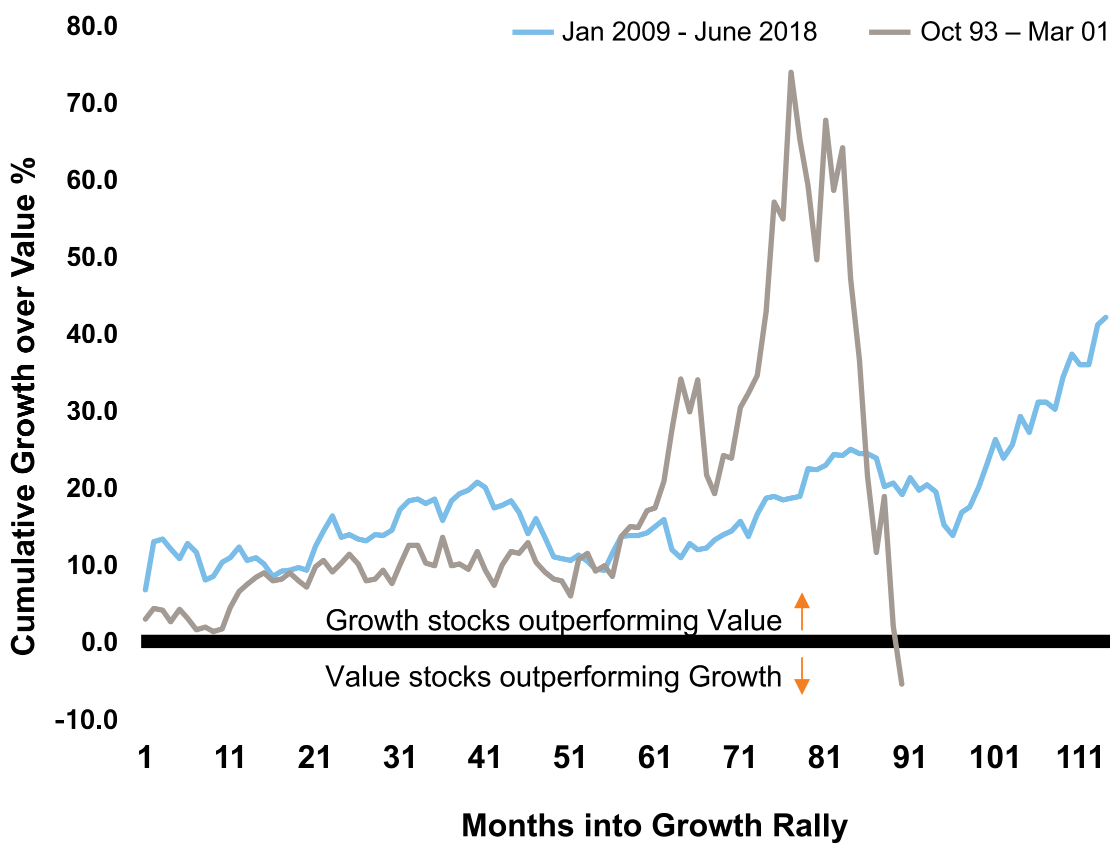
Source: U.S. Stocks: S&P 500 Index; Non-US Stocks: MSCI EAFE Index; 10-Year Earning Valuations: Research Affiliates provided historical data for the Shiller CAPE. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Growth stocks crushing value

Déjà vu all over again?

- Growth stocks beating value stocks since 2009
- Current stretch longer than 90's tech rally
  - 37 months longer than 90s peak
- Market reversals can happen quickly
  - Growth gave up 6+ year advantage in 13 months

Growth vs Value as of June 30, 2018



Source: Russell 1000 Growth Index and Russell 1000 Value Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Rising interest rates got you down?

History puts it in perspective

6

Interest rates have risen > 2.0% **six** times since 1976[1]

Low	Avg	High
2.2%	3.4%	5.8%

14 Months

Average period from trough to peak was **14** months[2]

Low	Avg	High
9 mos.	14 mos.	16 mos.

-6.3%

The bond market pullback averaged **-6.3%** per period[2]

Low	Avg	High
-12.7%	-6.3%	-1.0%

3.5 Months

Post drawdown average recovery of **3.5** months[2]

Low	Avg	High
1 mos.	3.5 mos.	6 mos.

[1] 10-Year Treasury Yield as provided by the St. Louis Federal Reserve website
[2] Bloomberg Barclays U.S. Aggregate Bond Index
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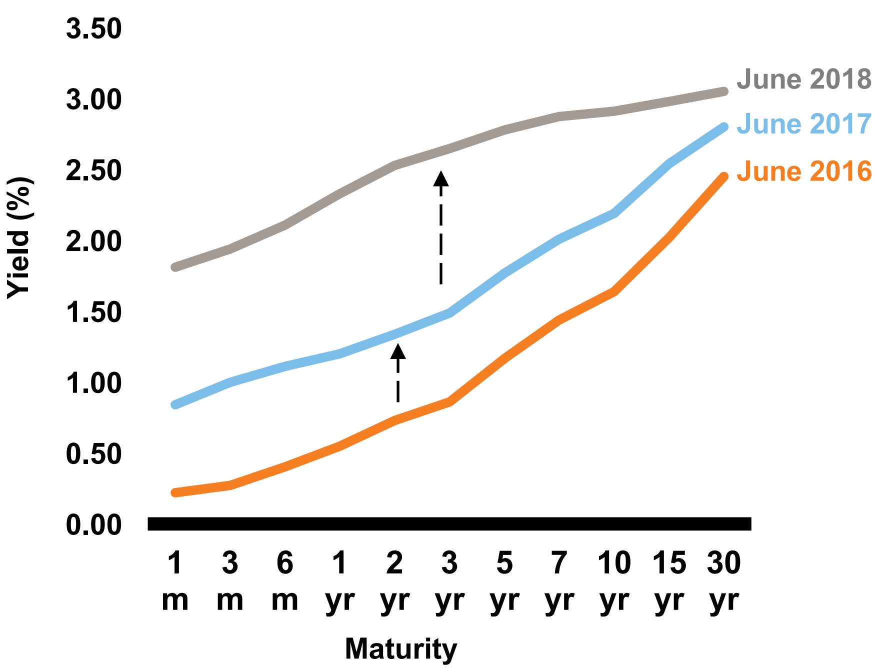
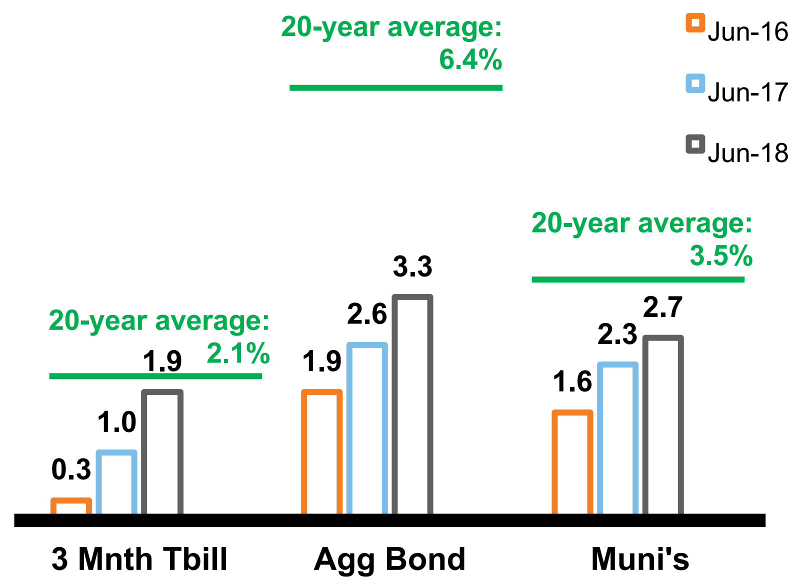
Higher rates boost income

Brighter outlook for income investors

Treasury Yield Curve



Bond Market Yields (%)



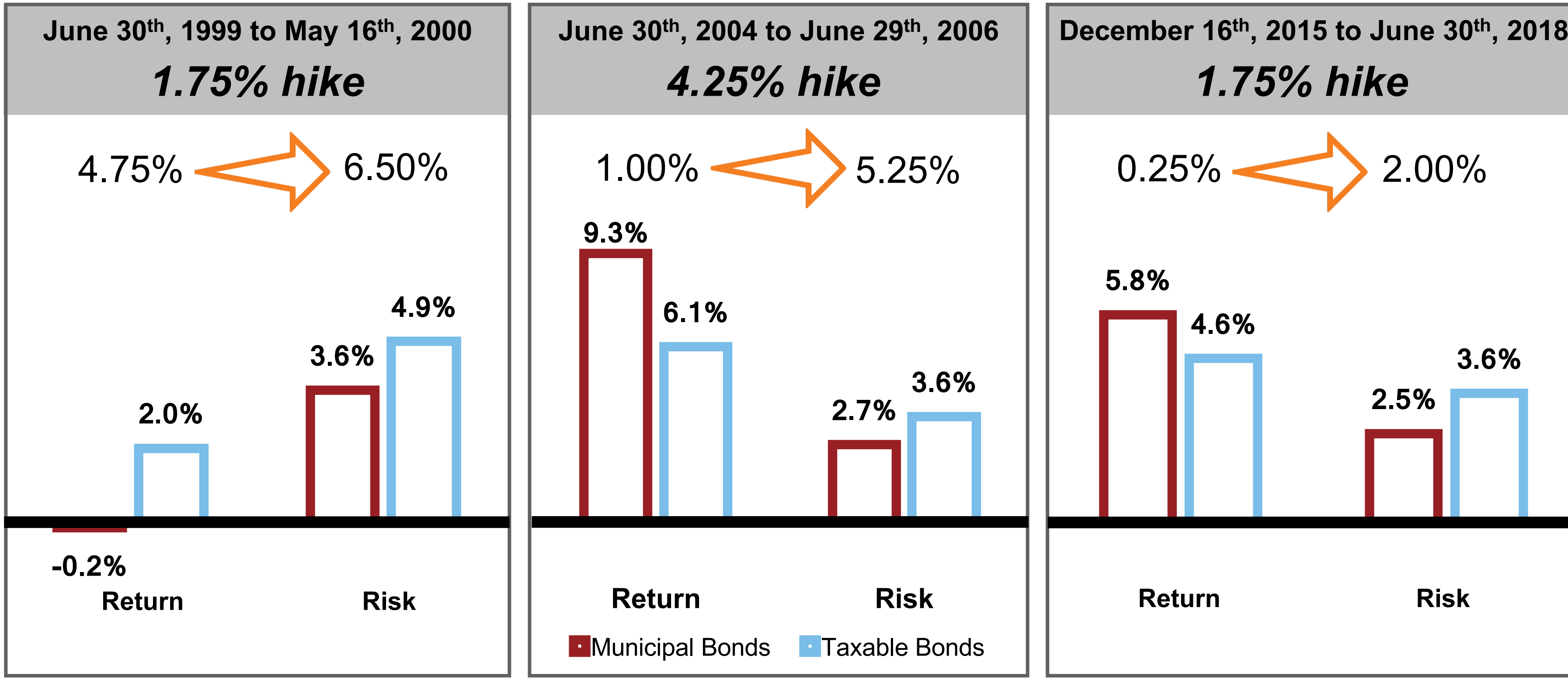
Since June 2016, interest rates have increased 60 bps to 180bps along the Treasury yield curve

Income seeking investors are seeing increased yields from investment grade sources

Source: Treasury Yield Curve from the St. Louis Federal Reserve website; 3 Month Tbill: Bloomberg Barclays Three Month Treasury Bill Index:
Agg Bond: Bloomberg Barclays U.S. Aggregate Bond Index; Muni Bonds: Bloomberg Barclays Municipal Bond Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Munis have weathered past rate hike cycles

Lower risk, higher return relative to taxable bonds



Municipal Bonds have delivered higher pretax returns than Taxable Bonds in two of the past three federal funds rate hike cycles, with lower risk in all three cycles

Source: Morningstar Direct, Federal Reserve Economic Data (FRED). Data as of 06/30/2018. Federal funds rate hike cycle methodology: Following cycle of downward adjustments to the federal funds rate, the first day of the first increase in the federal funds rate to the first day of the final increase in federal funds rate. 06/30/1999 to 05/16/2000 & 06/30/2004 to 06/29/2006 time periods use Federal Funds Target Rate (DISCONTINUED), Percent, Daily, Not Seasonally Adjusted data set; 12/16/2015 to 06/30/2018 time period use Federal Funds Target Range – Upper Limit, Percent, Daily, Not Seasonally Adjusted data set. Asset Class Definitions: Municipal Bonds = BBgBarc Municipal TR USD; Taxable Bonds = Bloomberg Barclays U.S. Aggregate Bond Index TR USD. Return = Cumulative Total Return & Risk = Annualized Standard Deviation. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Russell Investments 2018 global outlook

Trade-war tightrope

KEY EXPECTATIONS

UNITED STATES
Beyond the horizon

- 3-4 Fed rate hikes in 2018
- 2.7% GDP growth
- 20% earnings growth in Q2 but valuations expensive
- Recession risks elevated in late 2019 to 2020

Underweight: Strong economy and corporate profits in 2018, but risk beyond the horizon

EUROZONE
Push and pull

- 1.8-2.4% GDP growth
- 5%-10% earnings growth
- Neutral valuations
- Geopolitical risk around Italy, Brexit and trade wars

Overweight: Strong fundamentals, relatively attractive valuation and supportive monetary policy

ASIA-PACIFIC
Temporary pause

- Expect broad-based growth and positive earnings revisions
- Trade war escalation and stronger dollar not central scenario, but a risk

Overweight: Strong Chinese activity, robust global growth, supportive policy, attractive valuations

Given global uncertainty and high valuations, we believe in diversifying sources of returns

There is no guarantee the stated expectations will be met.
As of 6/30/2018. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.

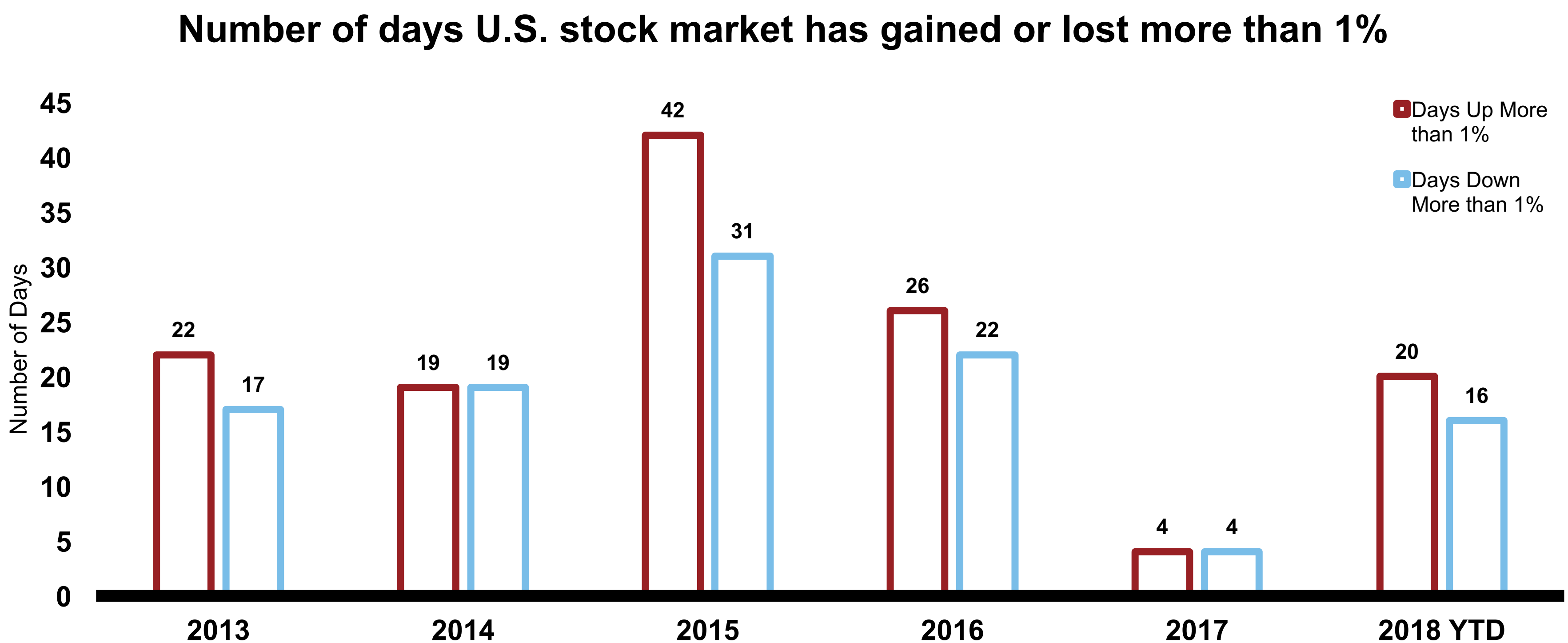
Tariffs and trade barriers

Complexity in an interconnected world

POTENTIAL BENEFITS	POTENTIAL RISKS
› Foster specific industries	› Slow down economic growth
› Protect national security interests	› Raise prices and stimulate inflation
› Help domestic producers and jobs	› Hurt consumers
› Source for government revenue	› Job loss in downstream industries
› Address international trade distortions	› Harm domestic exporters

Intelligent diversification and dynamic management can help protect investment portfolios from potential unintended consequences

Volatility strikes back



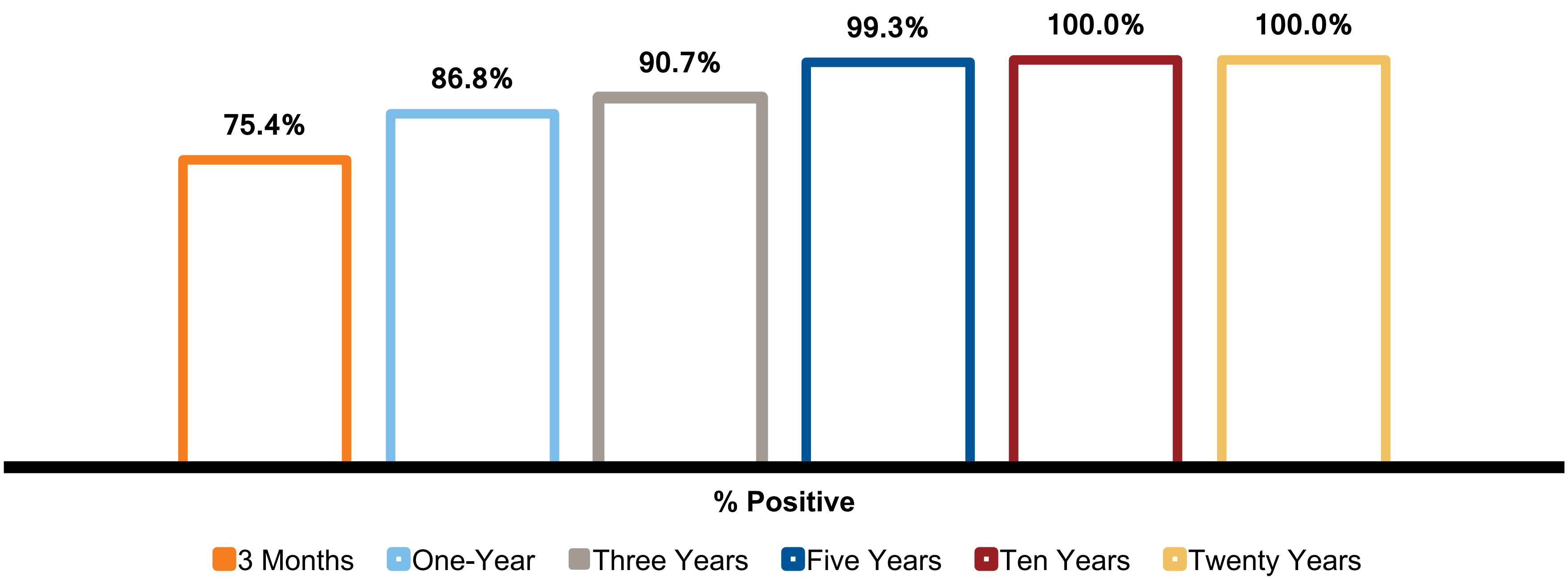
1% moves on the S&P 500 Index during the first half of 2018 have nearly matched or surpassed 4 of the last 5 full calendar years.

Managing for increased volatility can help navigate the market's wild swings.

Sources: U.S. equities—S&P 500® Index. Factset. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Long-term odds in your favor

Percentage of time diversified 60/40 mix produced positive returns (Jan. 1975–June 2018)



It's about time in the market

Sources: 60/40 Mix--40% S&P 500 Index, 20% MSCI EAFE Index, 35% Bloomberg Barclays U.S. Aggregate Bond Index; 5% FTSE NAREIT All Equity REITS Index
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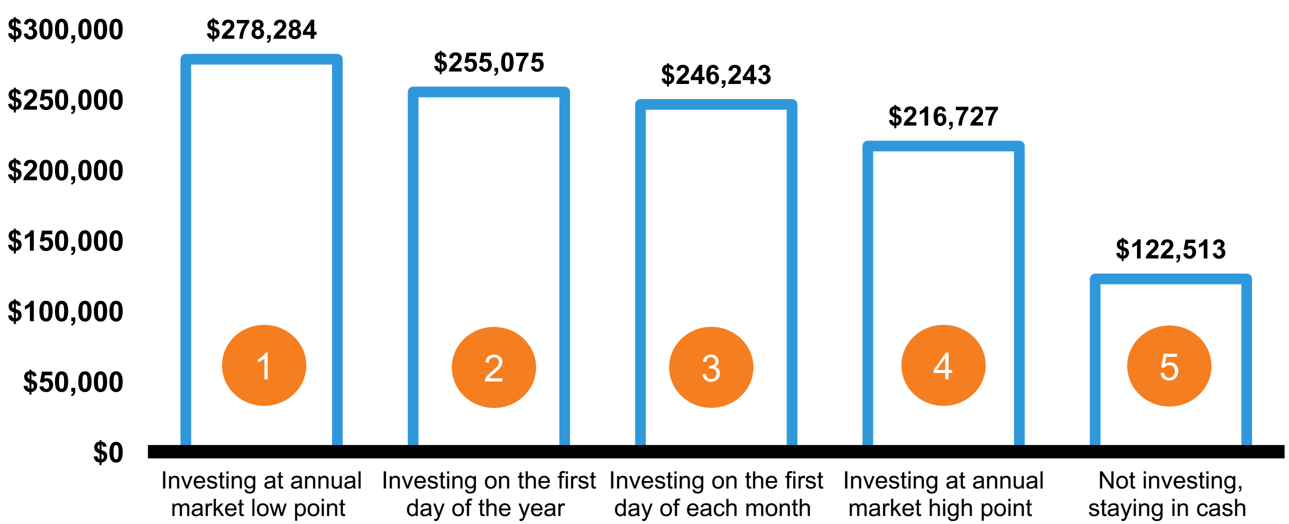
Be invested. Stay invested.

1 Perfect timing	2 First of year	3 Dollar cost averaging	4 Perfectly wrong timing	5 Holding cash, no investment
This strategy is ideal, yet implausible.	Investing your money for the most amount of time can yield the most gain in most market environments.	A popular rules-based strategy. Can help investors cope with uncertain or volatile markets.	Despite bad timing, assets invested in the market may grow faster than if left in cash.	Holding cash too long can result in the least growth of wealth.

Hypothetical ending wealth after investing $12,000 per year for 10 years

Period ending June 30th, 2018



Note that one year represents a 12-month period ending June 30th.

Assumes a one-time investment of $12,000 per year into a hypothetical U.S. index portfolio represented by the S&P 500 Index with dividends reinvested and no withdrawals between June 30, 2008 and June 30, 2018.
Source: Russell Investments.

Cash return based on return of $12,000 invested each year in a hypothetical portfolio of 3-month Treasury bonds represented by the Citigroup 3-month U.S. Treasury Bill Index without any withdrawals between June 30, 2008 and June 30, 2018.
Source: Citigroup.

Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Important information and disclosures

RISKS OF ASSET CLASSES DISCUSSED IN THIS PRESENTATION:

Global, International and Emerging markets return may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Investments in non-U.S. markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation. Such securities may be less liquid and more volatile. Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and political systems with less stability than in more developed countries.

Real Assets: Investments in infrastructure-related companies have greater exposure to adverse economic, financial, regulatory, and political risks, including, governmental regulations. Global securities may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks. Investments in international markets can involve risks of currency fluctuation, political and economic instability, different accounting standards, and foreign taxation.

Commodities: Commodities may have greater volatility than traditional securities. The value of commodities may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity, and international economic, political and regulatory developments.

Bonds: With fixed income securities, such as bonds, interest rates and bond prices tend to move in opposite directions. When interest rates fall, bond prices typically rise and conversely when interest rates rise, bond prices typically fall. When interest rates are at low levels there is risk that a sustained rise in interest rates may cause losses to the price of bonds. Bond investors should carefully consider these risks such as interest rate, credit, repurchase and reverse repurchase transaction risks. Greater risk, such as increased volatility, limited liquidity, prepayment, non-payment and increased default risk, is inherent in portfolios that invest in high yield ("junk") bonds or mortgage backed securities, especially mortgage backed securities with exposure to sub-prime mortgages. Investment in non-U.S. and emerging market securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries. When interest rates are at low levels there is risk that a sustained rise in interest rates may cause losses to the price of bonds.

Small capitalization (small cap) investments involve stocks of companies with smaller levels of market capitalization (generally less than $2 billion) than larger company stocks (large cap). Small cap investments are subject to considerable price fluctuations and are more volatile than large company stocks. Investors should consider the additional risks involved in small cap investments.

Large capitalization (large cap) investments involve stocks of companies generally having a market capitalization between $10 billion and $200 billion. The value of securities will rise and fall in response to the activities of the company that issued them, general market conditions and/or economic conditions.

Although stocks have historically outperformed bonds, they also have historically been more volatile. Investors should carefully consider their ability to invest during volatile periods in the market.

Growth: Growth investments focus on stocks of companies whose earnings/profitability are accelerating in the short-term or have grown consistently over the long-term. Such investments may provide minimal dividends which could otherwise cushion stock prices in a market decline. A stock's value may rise and fall significantly based, in part, on investors' perceptions of the company, rather than on fundamental analysis of the stocks. Investors should carefully consider the additional risks involved in growth investments.

Value: Value investments focus on stocks of income-producing companies whose price is low relative to one or more valuation factors, such as earnings or book value. Such investments are subject to risks that the stocks' intrinsic values may never be realized by the market, or, that the stocks may turn out not to have been undervalued. Investors should carefully consider the additional risks involved in value investments.

An **Investment Grade** is a system of gradation for measuring the relative investment qualities of bonds by the usage of rating symbols, which range from the highest investment quality (least investment risk) to the lowest investment quality (greatest investment risk).

Gross domestic product (GDP) refers to the market value of all final goods and services produced within a country in a given period. It is often considered an indicator of a country's standard of living.

Index definitions

Bloomberg Barclays Global High-Yield Index: An index which provides a broad-based measure of the global high-yield fixed income markets. The Global High-Yield Index represents that union of the U.S. High-Yield, Pan-European High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices.

Bloomberg Barclays High Yield Municipal Bond Index: An unmanaged index considered representative of noninvestment-grade bonds. FactSet Research Systems Inc. Barclays Intermediate U.S. Credit Index is an unmanaged index of dollar-denominated, investment-grade, publicly issued securities with maturities of one to 10 years.

Bloomberg Barclays Intermediate Treasury Index: Measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years.

Bloomberg Barclays Short Treasury Index: Is composed of all treasuries that have a remaining maturity between one and twelve months.

Bloomberg Barclays U.S. Aggregate Bond Index: An index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities, and mortgage-backed securities. (specifically: Barclays Government/Corporate Bond Index, the Asset-Backed Securities Index, and the Mortgage-Backed Securities Index).

Bloomberg Barclays U.S. Credit Bond Index: Measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

Bloomberg Commodity Index Family: Represents the major commodity sectors within the broad index: Energy (including petroleum and natural gas), Petroleum (including crude oil, heating oil and unleaded gasoline), Precious Metals, Industrial Metals, Grains, Livestock, Softs, Agriculture and ExEnergy. Also available are individual commodity sub-indexes on the 19 components currently included in the DJ-UBSCI℠, plus brent crude, cocoa, feeder cattle, gas oil, lead, orange juice, platinum, soybean meal and tin.

Bloomberg Commodity Index Total Return: Composed of futures contracts on physical commodities. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for the delivery of the underlying physical commodity. In order to avoid the delivery process and maintain a long futures position, nearby contracts must be sold and contracts that have not yet reached the delivery period must be purchased. This process is known as "rolling" a futures position.

BofA Merrill Lynch Global High Yield Index: Tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets.

Citigroup 1-3 Month T-Bill Index: An unmanaged index that tracks short-term U.S. government debt instruments.

FTSE NAREIT: An Index designed to present investors with a comprehensive family of REIT performance indexes that span the commercial real estate space across the U.S. economy, offering exposure to all investment and property sectors. In addition, the more narrowly focused property sector and sub-sector indexes provide the facility to concentrate commercial real estate exposure in more selected markets.

FTSE NAREIT all Equity Index: Measures the performance of the commercial real estate space across the U.S. economy offering exposure to all investment and property sectors.

FTSE EPRA/NAREIT Developed Index: A global market capitalization weighted index composed of listed real estate securities in the North American, European and Asian real estate markets.

JPM Emerging Market Bond Index (EMBI): Dollar-denominated sovereign bonds issued by a selection of emerging market countries.

JPM EMBI Plus Bond Index: Tracks total returns for traded external debt instruments in the emerging markets.

MSCI country indices: Indices which include securities that are classified in that country according to the MSCI Global Investable Market Index Methodology, together with companies that are headquartered or listed in that country and carry out the majority of their operations in that country.

The MSCI AC (All Country) Asia ex Japan Index: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Asia, excluding Japan. The MSCI AC Asia ex Japan Index consists of the following 10 developed and emerging market country indexes: China, Hong Kong, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.

MSCI EAFE (Europe, Australasia, Far East) Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

Index definitions (cont'd)

MSCI Emerging Markets Index: A float-adjusted market capitalization index that consists of indices in 21 emerging economies: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

MSCI Emerging Markets Information Technology Index: Tracks the information technology sector of the emerging markets (GICS sector classification).

MSCI Europe Index: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI World Index: A market cap weighted stock market index of 1,653 stocks from companies throughout the world.

MSCI World ex-USA Index: The MSCI All Country (AC) World ex U.S. Index tracks global stock market performance that includes developed and emerging markets but excludes the U.S.

Russell 3000® Index: Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

Russell 3000® Growth Index: Measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000® Value Index: Measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those of large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the NASDAQ.

The S&P Global Infrastructure Index: Provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation, and Energy.

U.S. Energy: Within the Russell 3000®, those energy-related businesses, such as oil companies involved in the exploration, production, servicing, drilling and refining processes, and companies primarily involved in the production and mining of coal and other fuels used in the generation of consumable energy. Gas extraction, distribution and pipeline companies classify into this Sector.

U.S. Health Care: Within the Russell 3000®, those companies that manufacture health care equipment and supplies or provide health care-related services such as lab services, in-home medical care and health care facilities. Also included are companies involved in research, development and production of pharmaceuticals and biotechnology.

U.S. Material & Processing: Within the Russell 3000®, those companies that extract or process raw materials, and companies that manufacture chemicals, construction materials, glass, paper, plastic, forest products and related packaging products. Metals and minerals miners, metal alloy producers, and metal fabricators are included.

U.S. Technology: Within the Russell 3000®, those companies that serve the information technology, telecommunications technology and electronics industries.

Economic Indicators Dashboard definitions

Market Indicators

HOME PRICES – The S&P/Case-Shiller Home Price Index is a measurement of U.S. residential real estate prices, tracking changes in top 20 metropolitan regions. This indicator value represents the trailing year over year % change in the home prices index as of last month-end. Residential real estate represents a large portion of the US economy and the Home Price index helps us monitor the value of real estate.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30 day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. U.S. TREASURY YIELD – The yield on the 10 year U.S. Treasury note issued by the U.S. Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3 month Treasury bill yields and 10 year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The University of Michigan Survey of Consumer Sentiment Index is an economic indicator which measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Current GDP is based on the current prices of the period being measured. Nominal GDP growth refers to GDP growth in nominal prices (unadjusted for price changes). Real GDP growth refers to GDP growth adjusted for price changes. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) NSA (non-seasonally adjusted) measures changes in the price level of a market basket of consumer goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – The Bureau of Labor Statistics measures employment and unemployment of all persons over the age of 15 using two different labor force surveys conducted by the United States Census Bureau (within the United States Department of Commerce) and the Bureau of Labor Statistics (within the United States Department of Labor) that gather employment statistics monthly. The data reported here is seasonally adjusted (SA) to account for seasonal gains in employment leading up to Christmas.