

September 2013 Monthly Capital Market Update

MARKET PERFORMANCE (as of 9/30/2013)

Index	MTD	QTD	CYTD	1-Yr	3-Yr	5-Yr	10-Yr	2012	2011	2010	2009	2008
Equities												
S&P 500	3.14	5.24	19.79	19.34	16.27	10.02	7.57	16.00	2.11	15.06	26.46	-37.00
Russell 2000	6.38	10.21	27.69	30.06	18.29	11.15	9.64	16.35	-4.18	26.85	27.17	-33.79
MSCI AC World Index ex USA	6.95	10.09	10.04	16.48	5.95	6.26	8.77	16.83	-13.71	11.15	41.45	-45.53
MSCI EAFE	7.39	11.56	16.14	23.77	8.47	6.35	8.01	17.32	-12.14	7.75	31.78	-43.38
MSCI EMF (Emerging Markets)	6.50	5.77	-4.35	0.98	-0.33	7.22	12.80	18.22	-18.42	18.88	78.51	-53.33
Fixed Income												
Barclays US Aggregate	0.95	0.57	-1.89	-1.68	2.86	5.41	4.59	4.21	7.84	6.54	5.93	5.24
Barclays US Corporate Investment Grade	0.69	0.82	-2.62	-1.58	4.40	9.24	5.27	9.82	8.15	9.00	18.68	-4.94
Barclays US Corporate High Yield	0.99	2.28	3.73	7.14	9.19	13.53	8.86	15.81	4.98	15.12	58.21	-26.16
Barclays US TIPS	1.45	0.70	-6.74	-6.10	4.02	5.31	5.23	6.98	13.56	6.31	11.41	-2.35
Citigroup Non-USD WGBI (USD)	0.00	5.28	-2.24	-3.75	0.28	5.05	5.06	1.51	5.17	5.21	4.39	10.11
Barclays US Treasury - Bills	0.01	0.03	0.09	0.13	0.13	0.27	1.75	0.12	0.15	0.22	0.29	2.44
Alternatives												
DJ UBS Commodity Index	-2.55	2.13	-8.56	-14.35	-3.16	-5.29	2.14	-1.06	-13.32	16.83	18.91	-35.65
FTSE NAREIT Composite	3.46	-2.55	2.48	4.56	12.33	6.27	N/A	19.73	7.30	27.56	27.80	-37.84

MACROECONOMIC INDICATOR (as of 9/30/2013)

Quarterly Data	Sep-13	Jun-13	Mar-13	Dec-12
Real GDP (%y/y, SA)	1.65	1.63	1.32	1.95
Current Account Balance (Lvl, SA) [%y/y]	#N/A	-98,893 [-10.51]	-104,895 [-13.20]	-102,320 [-12.21]

Monthly Data	Sep-13	Aug-13	Jul-13	Jun-13	May-13	Apr-13	Mar-13	Feb-13	Jan-13	Dec-12	Nov-12	Oct-12
Inflation Indicators												
PCE Deflator (%y/y, SA)	0.92	1.13	1.33	1.26	1.04	0.90	1.19	1.77	1.37	1.54	1.59	1.85
Consumer Price Index (%y/y, SA)	1.18	1.52	1.96	1.76	1.39	1.11	1.48	2.27	1.58	1.76	1.77	2.16
Production, Retail, & Manufacturing												
Capacity Utilization (%y/y, NSA)	1.47	1.00	-0.28	0.29	0.09	0.15	1.13	0.55	0.02	0.63	1.13	-0.01
Industrial Production (%y/y, SA)	3.26	2.77	1.49	2.09	1.91	2.01	3.06	2.73	2.05	2.75	3.32	2.21
Retail Sales (%y/y, SA)	3.42	4.76	5.93	6.26	4.37	3.54	3.08	5.71	4.42	4.86	4.24	4.31
ISM Manufacturing Index (Lvl)	56.20	55.70	55.40	50.90	49.00	50.70	51.30	54.20	53.10	50.20	49.90	51.70
Housing												
Housing Starts (Lvl, 000, SA) [%m/m]	#N/A	891 [0.91]	883 [5.75]	835 [-9.14]	919 [7.86]	852 [-15.22]	1005 [3.72]	969 [7.91]	898 [-8.65]	983 [16.75]	842 [-2.55]	864 [1.17]
New Home Sales (Lvl, 000, SA) [%m/m]	#N/A	421 [7.95]	390 [-14.10]	454 [5.83]	429 [-3.81]	446 [0.68]	443 [-0.45]	445 [-2.84]	458 [15.66]	396 [-0.50]	398 [9.04]	365 [-4.95]
Existing Home Sales (Lvl, 000, SA) [%m/m]	#N/A	5480 [1.67]	5390 [6.52]	5060 [-1.56]	5140 [3.42]	4970 [0.61]	4940 [-0.20]	4950 [0.20]	4940 [0.82]	4900 [-1.21]	4960 [2.69]	4830 [1.05]
Employment												
Unemployment Rate (Lvl, SA)	7.20	7.30	7.40	7.60	7.60	7.50	7.60	7.70	7.90	7.80	7.80	7.90
Labor Force Participation Rate (Lvl, SA)	63.20	63.20	63.40	63.50	63.40	63.30	63.30	63.50	63.60	63.60	63.60	63.80
Rates												
10Y Yield (%)	2.61	2.79	2.58	2.49	2.13	1.68	1.85	1.88	1.99	1.76	1.62	1.70
Federal Funds Rate (%)	0.06	0.07	0.09	0.07	0.09	0.14	0.09	0.14	0.15	0.09	0.16	0.18
Household Spending												
Personal Income (%y/y, SA)	3.68	3.78	3.40	3.16	3.15	2.77	2.99	3.68	2.36	7.94	5.38	4.03
Personal Consumption Expenditure (%y/y, SA)	2.67	3.18	3.04	3.33	2.88	2.63	3.19	4.06	3.37	3.80	3.73	3.68
Personal Savings as % of Disposable Income (Lvl, SA)	4.90	4.70	4.60	4.40	4.70	4.50	4.30	4.20	3.60	8.70	5.90	5.00