		Jan. 2018	One Year	Three Years	Five Years	Ten Years
U.S. Large Cap Equities	S&P 500	5.73%	26.41%	14.66%	15.91%	9.78%
U.S Mid Cap Equities	Russell Midcap	3.76%	20.08%	11.52%	14.29%	10.26%
U.S. Small Cap Equities	Russell 2000	2.61%	17.18%	12.12%	13.33%	9.76%
Master Limited Partnerships (MLP)	Alerian MLP	5.76%	-5.75%	-6.66%	-1.31%	6.70%
International Developed Equities	MSCI EAFE	5.02%	27.60%	9.39%	7.85%	3.44%
Emerging Market Equities	MSCI Emerging Markets	8.33%	41.01%	11.83%	5.74%	3.88%
U.S. Taxable Fixed Income	Barclay's U.S. Aggregate	-1.15%	2.15%	1.14%	2.01%	3.71%
U.S. Tax-Exempt Fixed Income	Barclay's Municipal Aggregate	-1.18%	3.52%	1.97%	2.69%	4.20%
High Yield Fixed Income	Barclay's U.S. Corporate High Yield	0.60%	6.60%	6.33%	5.62%	8.24%
Floating Rate Fixed Income	S&P/LSTA Leveraged Loan	0.96%	4.54%	4.65%	4.01%	5.30%
International Fixed Income	Barclay's Global Aggregate Ex-U.S.	3.04%	11.77%	3.43%	0.62%	2.36%

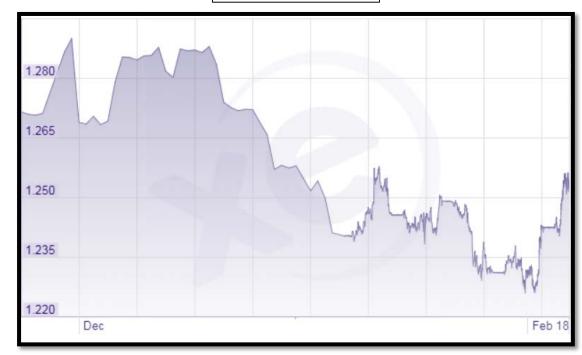
- January 2018 saw a continuation of the synchronized global growth trend from the prior year; the MSCI All Country World Index gained 5.6%.
- U.S. stocks were up 5.7% amid mixed economic data; the macroeconomic backdrop remained strong but 2.6% fourth quarter GDP missed expectations.
- In Janet Yellen's final month as Chair of the Fed, U.S. core inflation remained subdued at 1.8% and the Fed Funds Target Rate remained 1.25%-1.50%.
- Energy infrastructure MLPs rebounded in January, gaining 5.8%; the strong start offset 89% of the losses from 2017.
- International developed equities gained 5.0% in January, with the consensus expecting Eurozone earnings growth of 10% this year.
- Emerging markets equities gained 8.3% in January, supported by a significantly weaker U.S. dollar and above consensus growth across emerging Asia.
- U.S. bond market returns were subdued in January as government bonds continued to sell-off; the 10-year U.S. Treasury yield climbed 31 bps to 2.7%.
- U.S. investment grade bond yields increased as prices fell, and the investment grade taxable and municipal indexes declined slightly over 1%.
- U.S. high yield and floating rate loans performed as expected, gaining between 0.6% and 1.0%, as the higher yields provided shelter against rising prices.
- Global ex-U.S. bonds performed well, a direct result of the U.S. dollar decline; the U.S. dollar ended the month at a three-year low against the Euro.
- 1 USD = 0.8095 EUR (2/6/18)



- The Canadian dollar strengthened 2.2% against the U.S. dollar in January; 0.79499 to 0.81238.
- As of February 6, 2018 the exchange rate of \$1 CAD equaled 0.79793 U.S. dollars.
- Canadian trade data is expected to be positive; the deficit expected to narrow to \$2.1 billion from \$2.5 billion.
- Employment and manufacturing data released in January is positive; jobless rate at 5.7%.
- Most Canadian data has been positive thus far in 2018, supportive for the Canadian dollar.
- Consensus supports further strengthening against the U.S. dollar in 2018.

\$1 CAD to USD

	Last 30 Days	Last 90 Days
HIGH	0.81565	0.81565
LOW	0.79760	0.77558
AVERAGE	0.80544	0.79233
VOLATILITY	0.41%	0.38%



Independence Asset Advisor