

First Quarter 2020

Summary Statistics

Market Returns	12/31/19 – 03/31/20	03/31/19 – 03/31/20
Dow Industrials	- 22.63 %	- 12.96 %
S&P 500	- 19.53 %	- 6.72 %
NASDAQ Composite	- 13.87 %	+ 0.95 %
Russell 2000	- 30.89 %	- 25.11 %
S&P 400 Mid Cap	- 29.70 %	- 22.51 %
Barclays Gov't/Credit Intermediate Bond Index	+ 2.40 %	+ 6.88 %
Barclays U.S. Treasury (1-3 Yr) Bond Index	+ 2.76 %	+ 5.41 %

Federal Open Market Committee **

Federal Funds Interest Rate Change

*0-.25 Target Rate-12/17/14	*0.25-0.50 Target Rate 03/16/16	*1.00-1.25 Target Rate 06/14/17	*2.00-2.25% Target Range 9/26/2018	*1.50-1.75% Target Range 12/11/2019
*0.25 Target Rate-01/28/15	*0.25-0.50 Target Rate 04/27/16	*1.00-1.25 Target Rate 07/26/17	*2.00-2.25% Target Range 11/08/2018	*1.50-1.75% Target Range 01/29/2020
*0-.25 Target Rate 3/18/15	*0.25-0.50 Target Rate 06/15/16	*1.00-1.25 Target Rate 09/20/17	*2.25-2.50% Target Range 12/19/2018	*1.00-1.25% Target Range 03/03/2020
*0-.25 Target Rate 4/29/15	*0.25-0.50 Target Rate 07/27/16	*1.00-1.25 Target Rate 11/01/17	*2.25-2.50% Target Range 01/30/2019	*0.00-0.25% Target Range 03/15/2020
*0-.25 Target Rate 6/17/15	*0.25-0.50 Target Rate 09/21/16	*1.25-1.50 Target Rate 12/13/17	*2.25-2.50% Target Range 03/20/2019	
*0-.25 Target Rate 7/29/15	*0.25-0.50 Target Rate 11/02/16	*1.25-1.50 Target Rate 01/31/18	*2.25-2.50% Target Range 05/01/2019	
*0-.25 Target Rate 09/17/15	*0.50-0.75 Target Rate 12/14/16	*1.50-1.75 Target Rate 03/21/18	*2.25-2.50% Target Range 06/19/2019	
*0-.25 Target Rate 10/28/15	*0.50-0.75 Target Rate 02/01/17	*1.50-1.75 Target Rate 05/02/18	*2.00-2.25% Target Range 07/31/2019	
*.25-.50 Target Rate 12/16/15	*0.75-1.00 Target Rate 03/14/17	*1.75-2.00 Target Rate 06/13/18	*1.75-2.00% Target Range 09/30/2019	
*.25-.50 Target Rate 1/27/16	*0.75-1.00 Target Rate 05/03/17	*1.75-2.00 Target Rate 08/01/18	*1.50-1.75% Target Range 10/30/2019	

Federal Reserve Action 09/18/2019- In light of the implications of global developments for the economic outlook as well as muted inflation pressures, the committee decided to lower the target range for the federal funds rate to 1 ¼ to 2 percent.

Federal Reserve Action 01/31/2019- Labor market remains strong and that economic activity has been rising at a moderate rate. Although household spending has been rising at a strong pace, business fixed investment and exports remain weak. The committee decided to lower the target range for the federal funds rate to 1.50% to 1.75%.

Federal Reserve Action 12/11/2019- On a 12-month basis, overall inflation and inflation for items other than food and energy are running below 2%. Market based measures of inflation compensation remain low. The committee decided to maintain the target range for the federal funds rate at 1.5% to 1.75%.

Federal Reserve Action 01/29/2020- Important Notes from the January FOMC meeting statement included: Labor market remains strong, economic activity has been Rising, household spending has been rising at a moderate space, business fixed investment and exports remain weak. As a result, the fed decided to maintain the target range for the fed funds rate at 1.50-1.75%.

Federal Reserve Action 03/03/2020- No scheduled meeting but an intermeeting announcement: In light of the risks and in support of achieving its maximum employment and price stability goals, the FOMC decided today to lower the target range for the federal funds rate by 0.5 Percentage point, to 1.00-1.25%.

Federal Reserve Action 03/15/2020- No Scheduled Meeting, but an intermeeting announcement: the effects of the corona virus will weigh on economic activity in the near term and pose risks to the economic outlook. In light of those developments, the committee decided to lower the target range for the fed funds rate to 0.00-0.25%. the committee expects to maintain this target range until it is confident that the economy has weathered recent events and is on track to achieve its maximum employment and price stability goals.

Federal Reserve Action 03/23/20- No Scheduled meeting but an intermeeting announcement: The FOMC is taking further actions to support the flow of credit to households and businesses by addressing strains in the markets for treasury securities and agency mortgage-backed securities. They will also include purchases of agency commercial-backed securities and offer large-scale overnight and term repurchase agreements operations.

Current Market Yields as of:	10/4/17	1/10/18	4/5/18	7/2/18	10/8/18	1/4/19	4/2/19	07/10/19	10/1/19	1/17/20	4/1/20
Fed Funds ***	1.25%	1.50%	1.75%	2.00%	2.25%	2.25%	2.25%	2.25%	1.75%	1.50%	0.00%
2-year US Treasury	1.23%	1.96%	2.30%	2.52%	2.88%	2.39%	2.30%	1.78%	1.63%	1.58%	0.23%
5-year US Treasury	1.79%	2.33%	2.64%	2.73%	3.07%	2.37%	2.28%	1.79%	1.55%	1.64%	0.37%
10-year US Treasury	2.26%	2.58%	2.83%	2.85%	3.23%	2.56%	2.48%	2.03%	1.68%	1.84%	0.62%
30-year US Treasury	2.95%	2.92%	3.07%	2.98%	3.40%	2.92%	2.88%	2.55%	2.12%	2.30%	1.27%
Spread 2-year to 10-year	103BP	62 BP	53BP	33BP	35BP	17BP	18BP	25BP	5BP	26BP	39BP

Interest rates have been brought back to zero on the short end by federal reserve and the 10 Yr. US Treasury yield fell to a historic low of 0.31% in March.

* Performance Numbers supplied by Merrill Lynch, Barclays and Morgan Stanley

** Federal Reserve Information comes from the Federal Open Market Committee Website

***Yield Curve data from US Department of the Treasury