

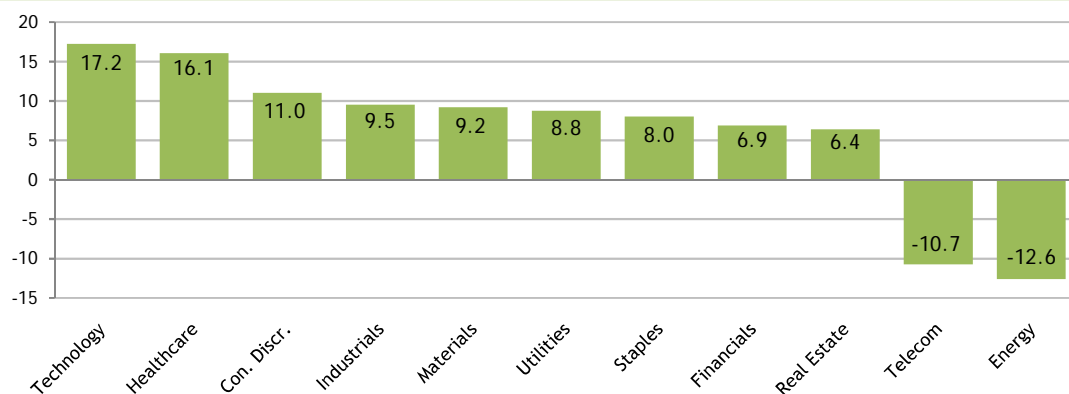
Stock indices registered solid 2nd quarter gains, fueled by improving corporate earnings. S&P 500 companies reported another quarter of strong earnings growth and full year 2017 S&P 500 earnings remain on track to grow at the fastest pace since 2011. Signaling the economy continues to improve, the Federal Reserve raised the fed funds rate 25 basis points at its June meeting. This marks the fourth increase in the fed funds rate since December of 2015. U.S. stock indices again reached all-time highs during the 2nd quarter, with the S&P 500 gaining 3.1%.

International stocks outperformed domestic stocks during the quarter, as the MSCI EAFE Index gained 6.1%. Small cap stocks posted solid gains but lagged the overall market. The Russell 2000 Small Cap Index gained 2.5%. Growth stocks continued their recent very strong performance, again outperforming value stocks.

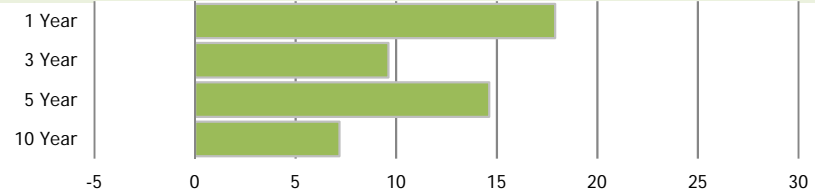
Long term interest rates moved lower during the quarter. The U.S. 10-year Treasury note yield ended June at 2.27%, down 12 basis points during the quarter. The yield curve continued to flatten though, as short term interest rates moved higher. The Barclays Aggregate Bond Index gained 1.4% for the quarter.

Healthcare and Technology were the best performing sectors in the stock market during the quarter. Energy and Telecommunications were the only sectors with negative returns. Falling oil prices again weighed on the Energy sector, as the price of crude oil fell 9% in the second quarter.

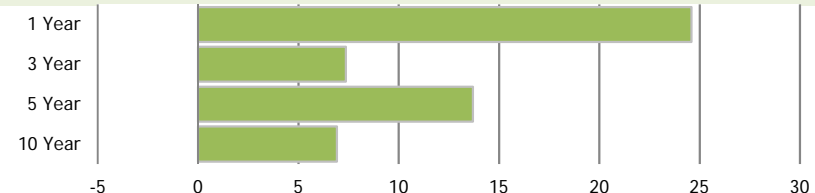
S&P 500 Index: Sector Returns Percent Year-to-Date



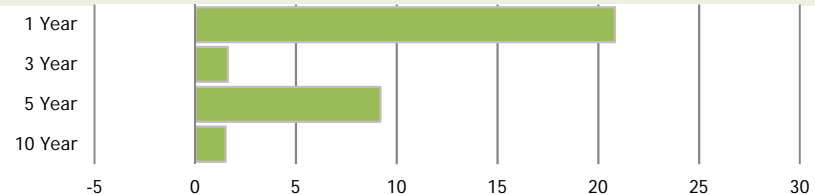
S&P 500 Average Annual Percent Total Return



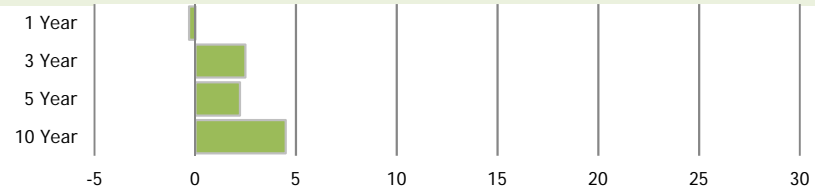
Russell 2000 Small Cap Index



MSCI EAFE International Index



Barclays Capital US Aggregate Bond Index



Barclays US Treasury Bill 1-3 Month

