

# July 2018 Monthly Update

## Key Takeaways

U.S. equity market indices were strong, setting all-time highs in July and finishing the month slightly off those highs. Gains were consistent across all sectors. Large cap stocks outperformed small caps and value outperformed growth by less than 1%.

Ex-U.S. Developed Markets and Emerging Markets rebounded in July with gains of 2.5% and 2.2% respectively as the markets concentrated less on political risk and more on economic fundamentals. Most countries posted small but positive results. Returns lagged the U.S. market overall by about 1%.

Bonds were quiet, finishing nearly where they started the month. Coupon income gains were offset by price declines as yields rose 10 to 15 bps across all maturities.

Real estate diverged significantly from equity market performance with marginal gains in July, weakened by increasing interest rates.

**Table 1: Benchmark Index Performance as of July 31, 2018**

Benchmark Index	1 Mo	3 Mo	YTD	2017
Domestic Equities (S&P 1500 Composite)	3.57%	6.97%	6.6%	21.1%
International Developed Equities (MSCI EAFE)	2.46%	-1.07%	-0.4%	25.0%
Emerging Market Equities (MSCI EM)	2.20%	-5.52%	-4.6%	37.3%
Fixed Income (Bloomberg Barclays US Aggregate)	0.02%	0.61%	-1.6%	3.5%
US Real Estate (S&P US REIT Index)	0.67%	9.48%	2.1%	4.3%
Global Equities (MSCI ACWI)	3.02%	2.59%	2.6%	24.0%

**Chart 1: Equity Market Index Performance through July 31, 2018**

