



KEY TAKEAWAYS

- April was another month of positive returns from the major equity indices, with U.S. large caps leading the way. The S&P 500 closed the month at a new all-time high and has advanced 26% since its December lows.
- U.S. Real GDP increased by 3.2% in Q1, another solid quarter of growth led by increases in state and local government spending, inventories, and a downturn in imports. Despite the strong Q1 number, expectations are for GDP growth to slow back towards 2-2.5% later this year.
- Earnings season so far has been reasonably positive as a majority of companies are beating analyst expectations on both top and bottom line growth. However these beats come after analysts lowered estimates earlier in the year.
- Geopolitical uncertainty remains. Tariff negotiations between the U.S. and China are still ongoing. Brexit deadlines have been extended to the Fall. Growth in Europe continues to moderate, though it picked up in the first quarter, shrugging off some of the recent headwinds. Unemployment in the Eurozone has declined, and is now at the lowest level since 2008.

NEW JERSEY
201-944-PATH (7284)

MASSACHUSETTS
617-350-8999

FLORIDA
239-214-7931

GEORGIA
404-592-0180

WASHINGTON D.C.
301-998-0300

CALIFORNIA
310-734-5320

OREGON
503-228-3941

www.Pathstone.com

INDEX PERFORMANCE (as of 4/30/19)

Equity	April	Year-to-Date	One-Year
U.S. Large Cap	4.1%	18.3%	13.5%
U.S. Small Cap	3.4%	18.5%	4.6%
Developed Non-U.S.	2.8%	13.1%	-3.2%
Emerging Market	2.1%	12.2%	-5.0%
Real Assets			
Real Estate	-1.2%	13.1%	7.3%
Commodities	-0.4%	5.9%	-8.0%
Natural Resource Equities	0.4%	16.7%	-9.1%
Fixed Income			
<u>Core Plus</u>			
U.S. High Yield Debt	1.4%	8.8%	6.7%
Emerging Market Debt	-0.2%	2.7%	-4.9%
<u>Core Bonds</u>			
U.S. Aggregate Bonds	0.0%	3.0%	5.3%
U.S. Treasuries	-0.3%	1.8%	4.8%
U.S. Municipal Bonds	0.1%	2.3%	5.0%
Month-End Values/Yield	Current	Prior Month	One-Year Ago
CBOE Volatility Index	13.1	13.7	15.9
10-Year Treasury Yield	2.5%	2.4%	2.9%

Sources: Bloomberg, Morningstar, treasury.gov, S&P Dow Jones Indices.

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