



MarketDesk
White Label Insights

The following two pages provide a sample of the **Monthly Client Letter** you will receive as part of the White Label Insights package. The format of the monthly letter will generally be as follows:

- **Page 1:** The first page provides a discussion of the most recent month's market-moving news, including an explanation of what factors drove the market.
- **Page 2:** The second page provides a review of the month in numbers. Charts cover U.S. style and sector returns for the most recent month, as well as year-to-date. A market data center at the bottom of the page provides price, performance, and valuation metrics for stocks, fixed income, interest rates, and commodities.
- The header on the first page can be **customized** with your firm's logo and contact information. The footer on each page can be customized with your compliance disclosures. This [video](#) provides a step-by-step guide showing how to brand your insights.

All white label content is designed to be used "as is", meaning you can brand the content with your firm's information, get compliance approval, and start using it right away.

However, if you would prefer to add additional commentary, **you can edit the document** as you see fit to include your own opinions and market insights.

In addition, we encourage you to customize the white label content. Announce firm highlights and awards. Highlight firm employees. Share media appearances. Introduce summer interns. Notify clients of upcoming events. Add a lifestyle section. Reference exciting events in your local community. **The possibilities are endless!**

In addition to this document, you will receive a compliance support package to facilitate compliance approval and an audio recording of the client letter to distribute.

See Monthly Sample



Monthly Client Letter | January 31st, 2020

FIGURE 1

Your Market Snapshot - January 2020

	Price Level	YTD	1 month	3 months
S&P 500	321.73	0.0%	0.0%	6.6%
Dow Jones	282.42	-0.9%	-0.9%	5.0%
NASDAQ	219.07	3.0%	3.0%	11.4%
Russell 2000	160.53	-3.1%	-3.1%	3.7%

Note: Performance presented as total returns including dividends.

Fourth Quarter 2019 Rally Carries Over to 2019 Before Coronavirus Outbreak Leads to Mid-Month Sell-Off

The first half of January was a continuation of the fourth quarter's rally. The strong performance ended abruptly mid-month after news of the coronavirus outbreak, with markets selling off during the second half of the month. By the end of January, the S&P 500 Index, Dow Jones Index, and Russell 2000 Index each closed below where they started the month. The S&P 500 Index produced a total return of -0.04% during the month, with utility and technology stocks leading the index. U.S. Treasuries produced a total return of 2.49%, while gold returned 4.50%.

Due to the economic uncertainty created by the coronavirus outbreak, economically sensitive assets underperformed during January. The Russell 2000 Index, an index of small companies, produced a total return of -3.10%. Emerging markets, which tend to be sensitive to global growth, produced a total return of -6.15%. Commodities also sold off due to fears about the China travel ban's impact on China's future commodity demand. Oil prices declined -15.56%, steel prices fell -1.87%, and copper prices fell -9.81%.

The 10-year Treasury rate started the year at 1.92% but declined to 1.52% as the coronavirus outbreak spread. The Federal Reserve held interest rates steady during its January 2020 meeting. The primary reason for the interest rate decision appears to be inflation, or the lack thereof. The Federal Reserve wants to see inflation in a "sweet-spot" around 2%, which the Fed views as a middle ground between an overheated economy with

high inflation and a recession with deflation. Inflation continues to run below the Federal Reserve's 2% target¹. The Federal Reserve's focus on its 2% inflation mandate could keep interest rates lower for longer.

Mixed Global Trade Developments

On a positive note, two trade issues occurred during January. First, the U.S. and China signed the Phase One trade deal. Second, Congress passed a revised NAFTA agreement. President Donald Trump signed the new NAFTA agreement, which now must be approved by China and Canada. The two trade developments remove uncertainty for business executives and are generally viewed as good for the economy.

Across the Atlantic, a new trade issue developed between the U.S. and European Union (EU). The dispute is the result of a proposed EU digital services tax. The U.S. says the proposed tax unfairly targets companies such as Facebook and Google. Tensions flared as the U.S. threatened tariffs against EU autos and French wine. The two sides ultimately agreed to a truce and further discussions, which has eased tensions for now.

U.S. Economy

The primary story continues to be weak business spending and manufacturing activity. December manufacturing activity remained in contractionary territory. In contrast, January consumer confidence was the strongest since August 2019. Investors are watching the economy for any signs that weak business spending might flow through to consumers.

Looking Ahead

As January ends, the coronavirus outbreak continues to make headlines. Travel bans are in place, and Chinese factories are delaying opening after the Lunar New Year. The continued spread of the coronavirus outbreak is a significant risk for global markets. February promises to be busy with more Q4 2019 earnings reports and information about the coronavirus's economic impact.

¹ U.S. Federal Reserve

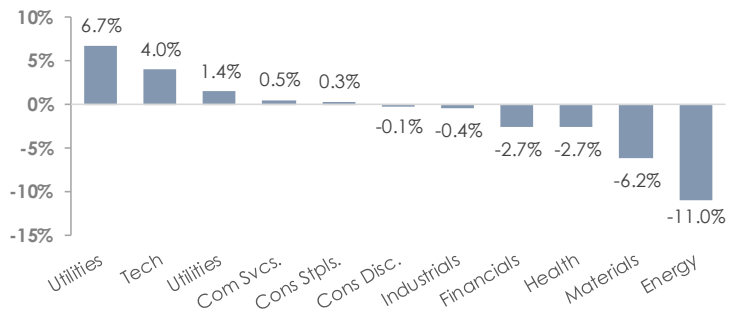
THIS MONTH IN NUMBERS

FIGURE 2
U.S. Style Returns (1-Month)

	Value	Blend	Growth
Large	-2.1%	0.0%	2.3%
Mid	-1.9%	-0.8%	0.9%
Small	-5.2%	-3.1%	-1.0%

As of 1/31/2020

FIGURE 3
U.S. Sector Returns (1-Month)



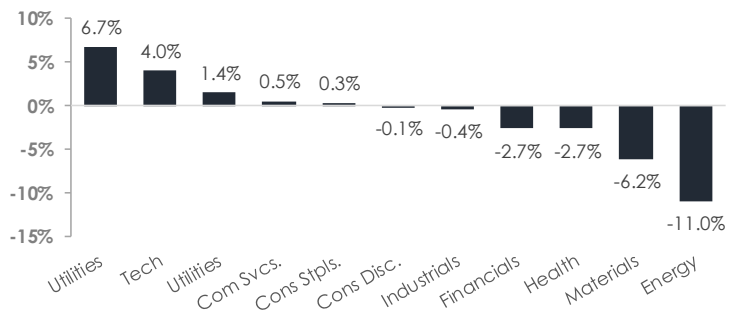
As of 1/31/2020

FIGURE 4
U.S. Style Returns (Year-To-Date)

	Value	Blend	Growth
Large	-2.1%	0.0%	2.3%
Mid	-1.9%	-0.8%	0.9%
Small	-5.2%	-3.1%	-1.0%

As of 1/31/2020

FIGURE 5
U.S. Sector Returns (Year-To-Date)



As of 1/31/2020

FIGURE 6
Market Data Center

Stocks	Level	1 month	3 months	YTD	1 year	3 years	Dividend Yield	NTM P/E	P/B
S&P 500	3,226	0.0%	6.6%	0.0%	21.3%	48.2%	1.69%	18.1x	3.5x
Dow Jones	28,256	-0.9%	5.0%	-0.9%	15.3%	50.4%	2.03%	17.5x	4.2x
Russell 2000	4,011	-3.1%	3.7%	-3.1%	9.1%	23.1%	1.27%	22.2x	2.0x
Russell 1000 Growth	1,196	2.3%	9.9%	2.3%	27.5%	70.5%	0.94%	23.4x	8.4x
Russell 1000 Value	813	-2.1%	3.6%	-2.1%	14.5%	26.4%	2.26%	14.8x	2.1x
MSCI EAFE	1,175	-2.8%	1.2%	-2.8%	11.1%	23.1%	3.12%	14.6x	1.6x
MSCI EM	59,424	-6.2%	1.1%	-6.2%	0.6%	20.8%	2.25%	12.3x	1.6x
NASDAQ	9,151	3.0%	11.4%	3.0%	31.2%	79.3%	0.69%	22.8x	6.5x

Fixed Income	Yield	1 month	3 months	YTD	1 year	3 years	Commodities	Level	1 month	YTD
U.S. Aggregate	2.64%	2.0%	1.9%	2.0%	9.5%	13.7%	Oil (WTI)	51.56	-15.6%	-15.6%
U.S. Corporates	3.21%	2.4%	3.5%	2.4%	16.0%	22.0%	Gasoline	1.46	-13.0%	-13.0%
Municipals (10yr)	2.37%	1.7%	2.0%	1.7%	8.3%	14.1%	Natural Gas	1.84	-15.9%	-15.9%
High Yield	4.97%	-0.5%	2.0%	-0.5%	8.0%	15.5%	Propane	0.43	-13.4%	-13.4%
							Ethanol	1.24	-2.7%	-2.7%
							Gold	1,588	4.3%	4.3%
							Silver	18.01	0.5%	0.5%
							Copper	2.52	-9.8%	-9.8%
							Steel	578	-1.9%	-1.9%
							Corn	3.81	-1.7%	-1.7%
							Soybeans	8.64	-8.1%	-8.1%

Key Rates	1/31/2020	12/31/2019	10/31/2019	7/31/2019	1/31/2019	1/31/2017
3 yr Treasuries	1.30%	1.60%	1.51%	1.84%	2.43%	1.46%
10 yr Treasuries	1.52%	1.92%	1.69%	2.02%	2.63%	2.46%
30 yr Treasuries	2.01%	2.39%	2.18%	2.53%	3.00%	3.07%
30 yr Fixed Mortgage	3.63%	3.86%	3.75%	3.87%	4.37%	4.04%
Prime Rate	4.75%	4.75%	4.75%	5.50%	5.50%	3.75%

As of 1/31/2020