

**Monthly Performance  
December 2018**

Dec	Nov	Oct	Rolling 3 Months	Year to Date	Rolling 1 Year	Rolling 3 Year	Rolling 5 Year	Rolling 7 Year	Rolling 10 Year	Inception
<b>DOMESTIC STRATEGIES</b>										
<b>LARGE CAP EQUITY</b>										
										<b>Jan-02</b>
<b>Gross</b>										
-8.85%	-1.70%	-13.38%	-22.39%	-4.57%	-4.57%	9.55%	8.45%	13.09%	13.96%	8.62%
<b>Net</b>										
-8.88%	-1.73%	-13.40%	-22.46%	-4.86%	-4.86%	9.18%	8.09%	12.72%	13.58%	8.23%
<i>Russell 1000 Growth</i>										
-8.60%	1.06%	-8.94%	-15.89%	-1.51%	-1.51%	11.15%	10.40%	14.14%	15.29%	7.20%
<b>ALL CAP GROWTH EQUITY</b>										
										<b>Sep-10</b>
<b>Gross</b>										
-8.39%	-0.72%	-13.67%	-21.48%	-10.15%	-10.15%	7.54%	5.93%	13.09%		13.70%
<b>Net</b>										
-8.47%	-0.80%	-13.74%	-21.68%	-10.81%	-10.81%	7.07%	5.53%	12.68%		13.36%
<i>Russell 3000 Growth</i>										
-8.83%	1.10%	-9.23%	-16.33%	-2.12%	-2.12%	10.85%	9.99%	13.92%		14.84%
<b>ALL CAP GROWTH CONCENTRATED EQUITY</b>										
										<b>Jul-16</b>
<b>Gross</b>										
-6.05%	-1.08%	-12.23%	-18.43%	-5.03%	-5.03%					14.28%
<b>Net</b>										
-6.13%	-1.16%	-12.30%	-18.63%	-5.87%	-5.87%					13.60%
<i>Russell 3000 Growth</i>										
-8.83%	1.10%	-9.23%	-16.33%	-2.12%	-2.12%					12.65%
<b>MID CAP EQUITY</b>										
										<b>Jul-14</b>
<b>Gross</b>										
-9.34%	-1.04%	-13.48%	-22.38%	-7.81%	-7.81%	6.12%				4.31%
<b>Net</b>										
-9.40%	-1.10%	-13.53%	-22.52%	-8.46%	-8.46%	5.27%				3.49%
<i>Russell Midcap Growth</i>										
-9.07%	2.54%	-9.90%	-15.99%	-4.75%	-4.75%	8.59%				6.77%
<b>SMID EQUITY</b>										
										<b>Jul-15</b>
<b>Gross</b>										
-9.09%	-1.61%	-14.40%	-23.43%	-11.50%	-11.50%	5.31%				2.18%
<b>Net</b>										
-9.09%	-1.62%	-14.40%	-23.44%	-11.56%	-11.56%	4.92%				1.78%
<i>Russell 2500 Growth</i>										
-10.85%	1.89%	-12.01%	-20.08%	-7.47%	-7.47%	8.11%				4.51%
<b>SMALL CAP EQUITY</b>										
										<b>Jul-15</b>
<b>Gross</b>										
-9.39%	0.92%	-14.01%	-21.37%	-6.54%	-6.54%	7.73%				2.43%
<b>Net</b>										
-9.39%	0.91%	-14.02%	-21.38%	-6.58%	-6.58%	7.67%				2.37%
<i>Russell 2000 Growth</i>										
-11.68%	1.56%	-12.65%	-21.65%	-9.31%	-9.31%	7.24%				3.25%

Please refer to page 3 of this presentation for performance disclosures. Past performance is not indicative of future results. \*estimate

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	Dec	Nov	Oct	Rolling 3 Months	Year to Date	Rolling 1 Year	Rolling 3 Year	Rolling 5 Year	Rolling 7 Year	Rolling 10 Year	Inception
<b>INTERNATIONAL STRATEGIES</b>											
<b>DEVELOPED MARKETS EQUITY</b>											
											<b>Apr-17</b>
<b>Gross</b>	-4.67%	0.11%	-7.77%	-11.98%	-13.87%	-13.87%					2.04%
<b>Net</b>	-4.68%	0.11%	-7.77%	-11.99%	-13.88%	-13.88%					2.03%
<i>MSCI EAFE</i>	-4.96%	-0.31%	-8.03%	-12.86%	-16.14%	-16.14%					-2.35%
<b>INTERNATIONAL EQUITY</b>											
											<b>Apr-17</b>
<b>Gross</b>	-3.62%	0.05%	-8.95%	-12.20%	-15.68%	-15.68%					1.49%
<b>Net</b>	-3.62%	0.04%	-8.95%	-12.21%	-15.73%	-15.73%					1.43%
<i>MSCI ACWI ex USA</i>	-4.68%	0.79%	-8.21%	-11.81%	-16.45%	-16.45%					-1.91%
<b>LATIN AMERICA EQUITY</b>											
											<b>Jan-14</b>
<b>Gross</b>	-1.92%	-2.01%	-4.34%	-8.06%	-19.22%	-19.22%	9.86%	3.74%			3.74%
<b>Net</b>	-1.98%	-2.08%	-4.41%	-8.25%	-19.86%	-19.86%	9.12%	3.13%			3.13%
<i>Russell Latin America</i>	-0.40%	-1.38%	2.73%	0.91%	-7.14%	-7.14%	14.98%	-1.84%			-1.84%
<b>MODERATELY CONSERVATIVE STRATEGY</b>											
<b>GROWTH &amp; INCOME EQUITY</b>											
											<b>Sep-10</b>
<b>Gross</b>	-6.81%	0.21%	-7.45%	-13.57%	-9.26%	-9.26%	6.48%	4.70%	9.18%		9.68%
<b>Net</b>	-6.87%	0.14%	-7.51%	-13.74%	-10.01%	-10.01%	5.73%	4.03%	8.61%		9.20%
<i>S&amp;P 500 Total Return</i>	-9.03%	2.04%	-6.84%	-13.52%	-4.38%	-4.38%	9.26%	8.49%	12.70%		13.36%
<b>TAX EFFICIENT STRATEGY</b>											
<b>ALL CAP TAX EFFICIENT EQUITY</b>											
											<b>Nov-17</b>
<b>Gross</b>	-7.58%	-0.92%	-11.20%	-18.69%	-7.40%	-7.40%					-5.12%
<b>Net</b>	-7.66%	-1.00%	-11.28%	-18.90%	-8.34%	-8.34%					-6.09%
<i>Russell 3000</i>	-9.31%	2.00%	-7.36%	-14.30%	-5.24%	-5.24%					-1.19%

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## Monthly Performance December 2018

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The Large Cap Equity composite includes all fully discretionary accounts invested in the Large Cap strategy. The strategy seeks long-term growth of capital. The strategy typically invests in large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. On April 25, 2017 the composite name was changed to Large Cap Equity. Prior to April 25, 2017 the composite was known as the Large Cap Institutional Equity. The benchmarks for the composite are the Russell 1000® Growth Index and the S&P 500® Total Return Index.

The All Cap Growth Equity composite includes all fully discretionary accounts invested in the All Cap Growth strategy. The strategy seeks long-term growth of capital. The strategy typically invests in small, mid and large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The benchmark for the composite is the Russell 3000® Growth Index. On October 1, 2014 the benchmark was changed to the Russell 3000 Growth benchmark for a more suitable comparison.

The All Cap Growth Concentrated Equity composite includes all fully discretionary accounts invested in the All Cap Growth Concentrated strategy. The strategy seeks long-term growth of capital. The strategy typically invests in small, mid and large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy is concentrated, non-diversified, and may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The benchmark for the composite is the Russell 3000 Growth Index.

The Mid Cap Equity composite includes all fully discretionary accounts invested in the Mid Cap strategy. The strategy seeks long-term growth of capital. The strategy typically invests in medium capitalization stocks, between \$2 and \$10 billion, which have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The benchmark for the composite is the Russell Midcap® Growth Index. On April 1, 2015 the benchmark was changed to the Russell Midcap® Growth Index to provide a more suitable comparison. The S&P 400® Total Return was shown in presentations prior to April 1, 2015.

The SMID Cap Equity composite includes all fully discretionary accounts invested in the SMID Cap strategy. The strategy seeks long-term growth of capital. The strategy typically invests in small and medium capitalization stocks which have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The benchmark for the composite is the Russell 2500™ Growth Index.

The Small Cap Equity composite includes all fully discretionary accounts invested in the Small Cap strategy. The strategy seeks long-term growth of capital. The strategy typically invests in small capitalization stocks which have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The benchmark for the composite is the Russell 2000® Growth Index. The benchmark for the composite is the Russell 2000® Growth Index.

The Developed Markets Equity composite includes all fully discretionary accounts invested in the Developed Markets strategy. The strategy seeks long-term growth of capital. The strategy typically invests in large, mid and small capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The investable universe includes stocks selected from a broad range of companies in Europe, Australia, Asia, and the Far East from the MSCI EAFE, an index primarily composed of large- and mid-capitalization developed market equities, excluding the U.S. and Canada. The benchmark for the composite is the MSCI EAFE Index.

The International Equity composite includes all fully discretionary accounts invested in the International strategy. The strategy seeks long-term growth of capital. The strategy typically invests in large, mid and small capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The investable universe includes stocks selected from a broad range of international developed and emerging market companies from the MSCI ACWI ex U.S., an index primarily composed of large- and mid-capitalization non-U.S. equities. The benchmark for the composite is the MSCI ACWI ex U.S. Index.

The Latin America Equity composite includes all fully discretionary accounts invested in the Latin America strategy. The strategy seeks long-term growth of capital. The strategy typically invests in small, mid and large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The benchmark for the composite is the Russell Latin America Index.

The Growth & Income Equity composite includes all fully discretionary accounts invested in the Growth & Income strategy. The strategy seeks income and capital appreciation via a portfolio of companies that have the ability and willingness to pay dividends. The strategy typically invests in small, mid and large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. The benchmark for the composite is the S&P 500® Total Return Index.

The All Cap Tax Efficient Equity composite includes all fully discretionary accounts invested in the All Cap Tax Efficient strategy. The strategy seeks long-term growth of capital by using equities in a tax efficient manner: long-term holding period (greater than 18 months) and lower turnover target (approximately 40% or lower). The strategy typically invests in mid and large capitalization stocks that have optimal risk/return profiles according to their Q Score. The proprietary Hanseatic Q Score is a dynamic quantitative analytic for identifying strong market performers. The strategy may comprise companies of any size, from large, well-established firms to smaller, emerging growth franchises. The benchmark for the composite is the Russell 3000 Index.

Performance results are based on estimates. For gross and net performance results, see performance table. Commentary section is based on gross performance results only for better comparison to benchmark data. Although the information contained in the commentary sections have been obtained from sources we believe to be reliable, the accuracy and completeness of such information and the opinions expressed herein cannot be guaranteed. Past performance is not necessarily indicative of future results. Different types of investments involve varying degrees of risk.

## MARKET COMMENTARY

### FOURTH QUARTER 2018

Stocks ended 2018 in negative territory, the worst performance since 2008 and only the second negative year over the past decade. The S&P 500 and NASDAQ averages closed the year down 6% and 1% respectively, while small caps lost 12%. Treasury bonds also dropped for the year as did commodities. December was a particularly awful month; the S&P 500 was down 9% and the Dow industrials lost 8.7%, the worst December for the latter average since the Great Depression almost ninety years ago. The S&P 500 had been up 10% in late September before sliding 20% into the Christmas Eve low. By our reckoning, 1946 was the last comparable late year selloff.

Given the strong performance over the first nine months of 2018, it certainly would not have been surprising for stocks to languish some or trade sideways through the last quarter, but recent market behavior has been outside of our expectations. The market declines over the past three months and in December are very low probability events, but that doesn't change the fact that they have been both costly and stressful.

December in particular has exacted a toll on investor confidence. Investors have yanked \$75 billion from mutual funds and exchange traded funds that track stocks during the month, the biggest exodus from stock funds in a single month ever according to Lipper data going back to 1992. Also, according to a recent American Association of Individual Investors recent survey, only 32% of investors expected prices to rise over the next six months.

In addition to performance woes, 2018 was also notable for its extreme volatility. There have been only seventeen extreme overbought readings in the volatility index (VIX) by our measure since 1990. Four of those occurred in the past year making 2018 the most volatile in almost thirty years.

The proximate cause of the most recent selloff was the Fed decision to raise interest rates in late December. While expected, the rate decision and Chairman Powell's subsequent commentary about its balance sheet reduction program being on "autopilot" conveyed a Fed that was oblivious to market realities and wrongheadedly risking a recession by tightening monetary policy too quickly. Federal Reserve Bank of New York President Williams did a commendable job after the meeting by making it clear that "autopilot" may have been a poor choice of words. But the damage was done. In recent days, however, there has been a shift in the Fed's rhetoric. Speaking to economists on January 4, Chairman Powell raised the possibility of a pause in the Fed's interest-rate hiking campaign and an alteration in its balance sheet reduction plans in response to the downside risks investors perceive to the economy. The latest shift in the Fed's tone is significant. The forward equity market outlook is certainly more positive with a flexible data-driven monetary policy than a Fed that automatically raises rates because that was their plan from a year ago.

Market volatility will likely persist at least in the early part of 2019 as investors digest the multiple forces impacting corporate earnings, interest rates and the economy. Trade policy will likely remain a significant uncertainty. Potential escalation of US-China trade tensions, including more and bigger tariffs, are a key risk to corporate profits as the recent Apple report makes clear. It is likely that more companies with international earnings exposure will also lower forward earnings guidance. There are also significant risks in the European economies that can have a serious impact on the global economy. There are the Brexit and Italy issues of course, but perhaps of more concern is the recent decline of German business confidence measures. If Germany, which is the locomotive of the Eurozone, were to slow then what happens to the rest of Europe?

In the context of all the downside volatility and potential risks, it is understandable that investor sentiment measures are depressed and anxiety increased. On the other side of the coin, there is positive news. A welcome respite from the downbeat of bad news was the December employment report which showed that employers added the most workers in 10 months, wage gains accelerated and labor-force participation jumped. If the job numbers hold up through revisions (next 2 months) this will be the second-best year for employment since 2000. Across-the-board strength in the job market will support further gains in consumer spending, the biggest part of the economy. This is a clear signal that the economy is on solid footing even as the markets fret about a potential trade war and other risks.

Another positive for the economy is that inflation and interest rates remain low. The uptick in wages is not a significant inflation problem and commodity markets have been weak over the last several months. Interest rates are also low. With the recent "flight to quality" rally in bond prices (lower yields), the 10-year Treasury is again trading below the psychological barrier of 3%.

An important positive for the equity market is that valuations have become more attractive. Stock valuations rose to levels well above historical averages as the market advanced over the first three quarters of 2018. But the combination of strong earnings, low interest

rates and falling prices have restored P/E ratios to more “normal” levels. Also, stocks at their December lows were down about as much as we have historically seen in non-recessionary bear markets, which is what we believe this is. Non-recessionary bear markets also occurred in 1987, 1990, 1998 and 2011. Technical and sentiment measures are extremely negative, which is a plus from a contrarian viewpoint. Gas prices are down and consumer financial health is more positive than it has been in a long time. Corporate buyback activity is robust, supported by strong corporate balance sheets.

In conclusion, there is no doubt that this has been a challenging time for investors. The kind of market weakness we have recently experienced is alarming and perhaps especially troublesome because there seems to be a disconnect between the fears embedded in market behavior and the quite positive economic and financial environments. Though we cannot rule out more near-term turbulence, we believe there are plenty of catalysts to make 2019 a positive year for stocks.

## HANSEATIC QUARTERLY STRATEGY PERFORMANCE AND ATTRIBUTION

### LARGE CAP EQUITY (LG)

The Large Cap Equity strategy return was down 22.39%, the Russell 1000 Growth benchmark return was down 15.89%. The strategy’s fourth quarter underperformance was derived from relative underperformance in five of eleven sectors. Communication Services, Industrials, and Financials contributed 1.01%, 0.34%, and 0.10% respectively to the relative performance. Real Estate and Staples contributed a combined 0.05%. Healthcare, Tech, Energy, Consumer Discretionary, and Materials detracted 2.66%, 2.41%, 1.63%, 1.24%, and 0.07% respectively from relative performance. Utilities had no impact. The portfolio is overweight Consumer Discretionary and Healthcare and underweight Communication Services.

### ALL CAP GROWTH EQUITY (AG)

The All Cap Growth Equity strategy return was down 21.48%, the Russell 3000 Growth benchmark return was down 16.33%. The strategy’s fourth quarter underperformance was derived from relative underperformance in five of eleven sectors. Utilities, Materials, Staples, and Industrials were the only sectors that were relatively flat during the quarter, from down 0.01% to up 0.02%. Communication Services contributed 1.02% to relative performance. Real Estate and Financials contributed a combined 0.13% to relative performance. Healthcare, Energy, Tech and Consumer Discretionary detracted 2.27%, 2.02%, 1.04%, and 0.99% from relative performance. The portfolio is overweight Staples and Healthcare, and underweight Tech and Communication Services. Cash is about 35%.

## ALL CAP GROWTH CONCENTRATED EQUITY (CD)

The All Cap Growth Concentrated Equity strategy return was down 18.43%, the Russell 3000 Growth benchmark return was down 16.33%. The strategy's fourth quarter underperformance was derived from relative underperformance in four of eleven sectors. Utilities, and Materials were the only sectors that were relatively flat during the quarter, 0% - 0.03% respectively. Communication Services, Industrials, Consumer Discretionary, Staples, and Real Estate contributed 2.01%, 0.36%, 0.35%, 0.29%, and 0.07% to relative performance. Healthcare, Energy, Financials, and Tech detracted 2.56%, 1.79%, 0.78%, and 0.07% from relative performance. The portfolio is overweight Materials, and underweight Tech, Communication Services, and Consumer Discretionary. Cash is about 45%.

## ALL CAP TAX EFFICIENT EQUITY (TE)

The All Cap Tax Efficient Equity strategy return was down 18.69%, the Russell 3000 benchmark return was down 14.30%. The strategy's fourth quarter underperformance was derived from relative underperformance in seven of eleven sectors. Utilities was the only sector that was relatively flat during the quarter -0.03%. Communication Services, Staples, Real Estate, and Materials contributed 0.91%, 0.71%, 0.28%, and 0.04% to relative performance. Energy, Healthcare, Industrials, Tech, Consumer Discretionary, and Financials detracted 2.46%, 1.40%, 1.09%, 0.90%, 0.35%, and 0.11% from relative performance. The portfolio is overweight Healthcare and Tech, and underweight Financials, Communication Services, and Consumer Discretionary. Cash is about 18%.

## MID CAP EQUITY (MC)

The Mid Cap Equity strategy return was down 22.38%, the Russell Midcap Growth benchmark return was down 15.99%. The strategy's fourth quarter underperformance was derived from relative underperformance in six of eleven sectors. Industrials, Materials, Real Estate and Communication Services contributed 0.97%, 0.20%, 0.11%, and 0.09% respectively to relative performance. Utilities were flat during the quarter. Healthcare, Energy, Consumer Discretionary, Tech, Consumer Staples and Financials detracted 3.10%, 2.12%, 1.23%, 0.93%, 0.22%, and 0.17% from relative performance. The portfolio is overweight Consumer Staples and Healthcare and is underweight Industrials and Tech. Cash is about 16%.

## SMID EQUITY (SM)

The SMID Cap Equity strategy return was down 23.43%, the Russell 2500 Growth benchmark return was down 20.08%. The strategy's fourth quarter underperformance was derived from relative underperformance in six of eleven sectors. Notable were Industrials, Financials, Tech, Real Estate, and Communication Services respectively contributing 0.93%, 0.82%, 0.61%, 0.28%, and 0.21% to the relative gain. Energy, Consumer Discretionary, Healthcare, and Consumer Staples detracted 2.59%, 1.40%, 0.82%, and 0.48%

sequentially from relative performance. Utilities and Materials detracted a combined 0.12% from relative performance. The portfolio is overweight Healthcare, Industrials, Financials, Consumer Staples, and Tech while underweight Utilities. Cash is about 34%.

## SMALL CAP EQUITY (SC)

The Small Cap Equity strategy return was down 21.37%, the Russell 2000 Growth benchmark return was down 21.65%. The Small Cap Equity strategy's fourth quarter outperformance was derived from relative outperformance in seven of eleven sectors. Financials, Healthcare, Communication Services, Real Estate and Staples contributed 0.87%, 0.61%, 0.49%, 0.41% and 0.32% respectively to relative performance. Materials and Tech contributed a combined 0.10% to relative performance. Energy and Consumer Discretionary detracted 1.20% and 0.77% from relative performance. Industrials and Utilities detracted a combined 0.56% from the relative performance. The portfolio is overweight Tech and underweight Industrials, Healthcare, Consumer Discretionary, and Financials. Cash is about 33%.

## DEVELOPED MARKETS (DM)

The Developed Markets Equity strategy return was down 11.98%, the MSCI EAFE Index return was down 12.86%. The strategy's fourth quarter outperformance was derived from performance in Utilities by 0.18%. Real Estate and Communication Services had no exposure. Consumer Discretionary, Industrials, Healthcare, Energy, Tech and Materials detracted 4.58%, 2.01%, 1.85%, 1.74%, 1.02% and 0.66% sequentially from performance. Financials and Consumer Staples detracted a combined 0.29% from performance. At the sector level, the portfolio is underweight Financials, Industrials, and Healthcare. The portfolio is overweight Belgium 2.44% and Israel 1.72%; and underweight United Kingdom 15.41%, Japan 9.24%, Germany 8.78%, Switzerland 8.74%, and Australia 6.98%. Cash is about 45%.

## INTERNATIONAL (IN)

The International Equity strategy return was down 12.20%, the MSCI ACWI ex USA Index return was down 11.81%. The strategy's fourth quarter underperformance was derived from performance in Utilities by 0.52%. Real Estate and Communication Services had no exposure. Consumer Discretionary, Energy, Industrials, Healthcare, Tech and Financials detracted 3.13%, 2.49%, 2.47%, 2.01%, 1.06% and 0.71% sequentially from performance. Materials and Staples detracted a combined 0.84%. At the sector level, the portfolio is overweight Utilities and underweight Financials, Industrials, Staples, and Communication Services. At the market level, the portfolio is underweight EM 4.91% and underweight DM 42.41%. At the country level, the portfolio is overweight Brazil 9.95%; and underweight United Kingdom 9.67%, Japan 8.06%, and China 7.08%. Cash is about 41%.



## LATIN AMERICA EQUITY (LA)

The Latin America Equity strategy return was down 8.06%, the Russell Latin America Index return was 0.91%. The strategy's fourth quarter underperformance was derived from underexposure and a larger than normal cash position. Most notable were Utilities and Consumer Discretionary contributing 1.41% and 0.16% respectively to performance. Industrials, Energy, Materials, Consumer Staples, and Communication Services detracted 3.06%, 2.61%, 2.28%, 0.86%, and 0.67% sequentially from performance. Financials detracted 0.15% and there was no exposure to Real Estate, Tech or Healthcare. The portfolio is overweight Utilities; and is underweight Financials, Staples, and Communication Services. Cash is about 31%.

## GROWTH & INCOME EQUITY (GI)

The Growth & Income Equity strategy return was down 13.57%, the S&P 500 Total Return Index return was down 13.52%. The strategy's fourth quarter underperformance was derived from relative underperformance in four of eleven sectors. Notable were Healthcare, Communication Services, and Financials contributing 0.98%, 0.95%, and 0.54% respectively to relative performance. Industrials, Staples, Utilities, and Tech contributed a combined 0.25% relative performance. Consumer Discretionary, Energy, Materials, and Real Estate detracted 1.34%, 0.62%, 0.56%, and 0.26% respectively from relative performance. The portfolio is overweight Materials and slightly overweight Utilities while it is underweight all other sectors. Cash is about 39%.