# ~ APRIL 2019 NEWSLETTER ~

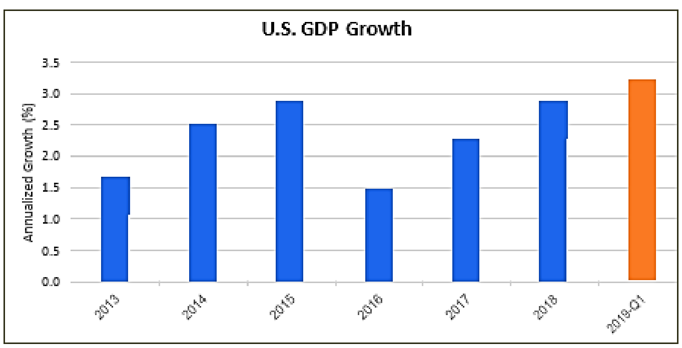
## Monthly Summary

The U.S. economy sustained impressive growth of 3.2% in the first quarter, beating expectations. The employment market also remains healthy adding 263,000 new jobs in April. This brought the unemployment rate down to 3.6%, the lowest level in 50 years. Despite impressive levels of growth, inflation continued to be contained allowing the Federal Reserve to keep rates steady.

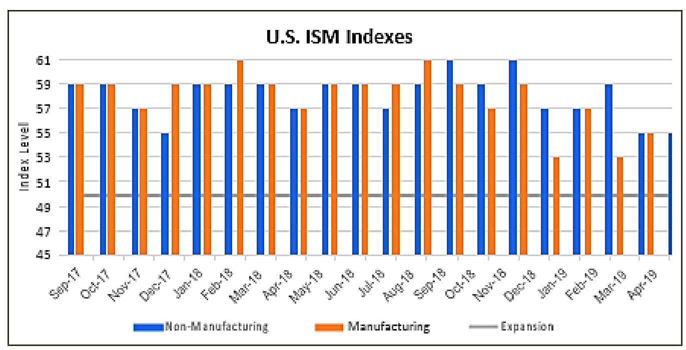
European economic data was more mixed. Eurozone economic growth rose to 0.4% over the first quarter of 2019, up from 0.2% during the fourth quarter of 2018. At the same time, Eurozone economic sentiment kept falling, reaching its lowest level in nearly two years. Brexit confusion remained an overhang to U.K. markets. While emerging markets fared well for much of the month, they were negatively impacted by resurfaced trade negotiation concerns between China and the U.S. These concerns have since spread globally and reintroduced volatility into equity markets. Overall, global growth appears robust though higher valuations make risk assets more susceptible to potential economic disruptions.

Market strength carried forward into April in what continued to be a Goldilocks environment for risk assets. Global equities were bolstered by stronger than anticipated economic growth data paired with benign inflation pressures. Recent market trends persisted in April. International equities lagged the U.S. and, within U.S. equities, growth outpaced value. Strong performance within growth equities was driven by Information Technology stocks and holdings within the Communication Services sector. Healthcare was the worst performing S&P 500 sector for the month (and year-to-date) largely based upon regulatory and policy reform concerns. Bond returns were neutral for the month yet remained positive for the year – a result of compressed credit spreads supported by positive economic data. Global sovereign yields also remain below where they finished in 2018. Municipal bonds were supported by strong demand paired with limited new supply. Municipals' strong performance so far this year translated into diminished relative value versus U.S. Treasuries.

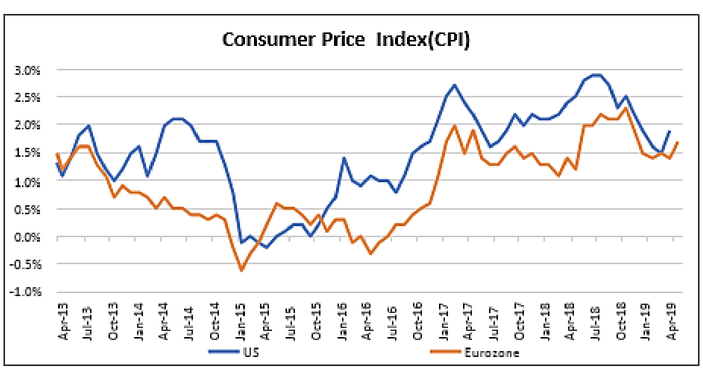
## Economic Data



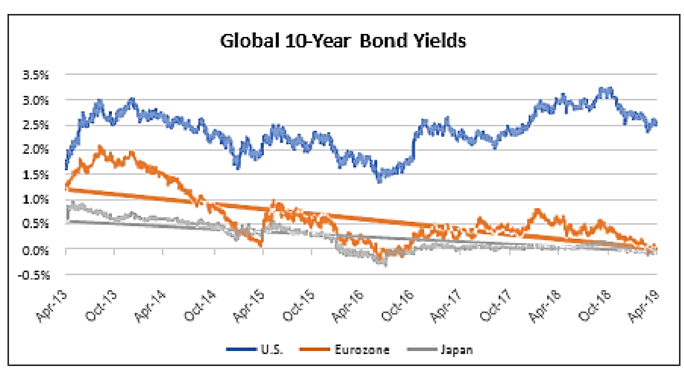

*U.S. Department of Commerce*



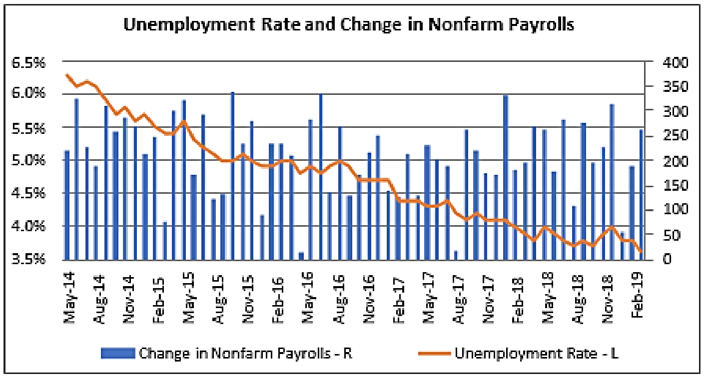

*Institute for Supply Management*




*U.S. Bureau of Labor Statistics*




*Bloomberg*

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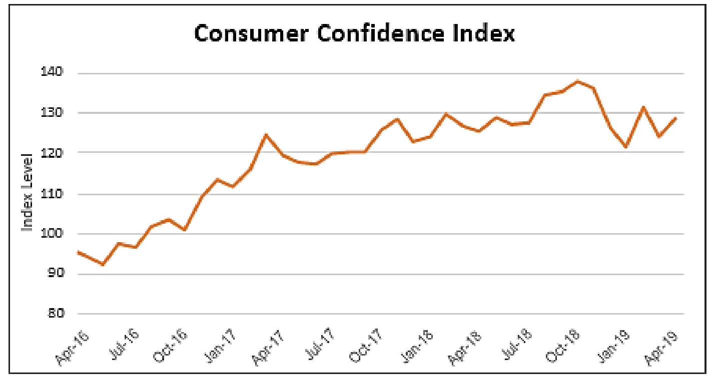
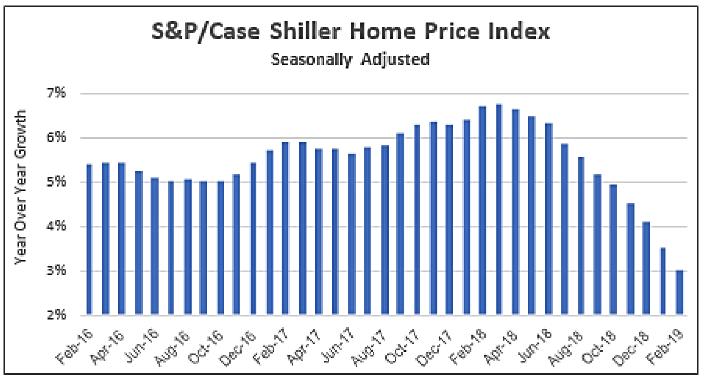
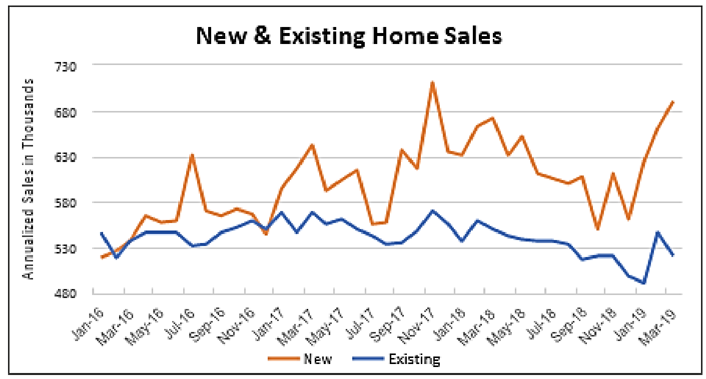



*Conference Board*




*S&P/Case Shiller*




*U.S. Bureau of the Census, U.S. Department of Housing and Urban Development and National Association of Realtors*