INVESTMENT REVIEW

- Equities experienced a rapid and volatile correction in October. The Dow Jones Industrial Average dropped -5.1% and the S&P 500 declined -6.9%. The Nasdaq lost -9.2%, as the technology sector became a focal point of the selling during the month. While the indices rebounded from their worst levels at month's end, they have given back much of the gains achieved in the third quarter of 2018.

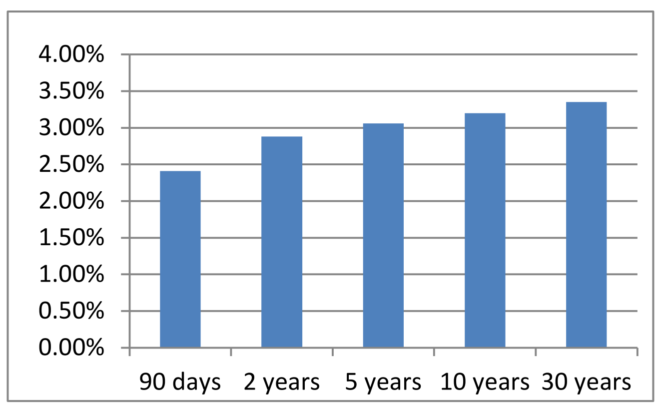
- Third quarter earnings for the S&P 500 are tracking towards a 25% increase as the benefits of tax reform continue. One reason cited for the October correction was a concern that corporate earnings growth is peaking. Forecasted earnings growth of 7 - 10% in 2019 will be lower than 2018, but still healthy and in line with the long-term average.

- U.S. mid-term elections will take place on November 6. Campaigning will continue until the very end with many hotly contested races. Current polling indicates that the Republicans should retain control of the Senate, but that the Democrats could regain the majority in the House.

KEY INVESTMENT STATISTICS

	10/31/2019	12 Month High	12 Month Low	YTD Price Change
Dow Jones Industrial Average	25,116	26,828	22,435	1.6%
Nasdaq Composite	7,306	8,110	6,717	5.8%
S & P 500 Stock Index	2,712	2,931	2,579	1.4%
2018 Operating EPS Estimate	$162			
P/E on 2018 EPS	16.7x			
2019 Operating EPS Estimate	$178			
P/E on 2019 EPS	15.2x			
Dividend Yield	2.0%			
<u>Yields on U.S. Treasury Obligations</u>				
90 days	2.34%			
2 years	2.87%			
5 years	2.98%			
10 years	3.15%			
30 years	3.39%			
CPI: Trailing 12 Months	2.3%			
Crude Oil: Price Per Barrel	$65	$77	$54	
Gold: Price Per Ounce	$1,215	$1,366	$1,161	

US Treasury Obligations



Sources: Bloomberg LLC, FactSet, U.S. Department of Labor, Dow Jones MarketWatch