

**Monthly Market Commentary**

Global markets had a rough month in October as growth and inflation expectations seem to be moderating from levels seen the last couple of years. Most markets experienced a correction and with elevated volatility. Strong performance in a few sectors throughout the year has narrowed as defensive sectors are starting to outperform cyclical sectors over the last few months, which is consistent with late cycle dynamics. We believe US growth may have peaked in the third quarter of 2018, marking it one of the longest consecutive growth streaks in the US history. As we move forward, comparisons become meaningfully tougher in reported data as the economy and companies' cycle through strong data reported in the previous year fueled by fiscal stimulus and synchronized global growth. Earnings remain strong; however, expectations are elevated while certain global growth concerns and trade related worries seem to be having a negative impact on future guidance. We maintain a conservative outlook but will reposition cash at opportune times to maintain a defensive stock exposure posture.