



INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

January 2018

WEST WARWICK TOTAL PLAN

As of January 31, 2018

Market Performance

Domestic Equity

- US domestic equity markets continued their string of monthly positive returns as the S&P 500 TR up +5.73%. Strong earnings announcements, higher energy prices, and positive investor sentiment led to a month long rally in U.S. stocks. Growth outperformed Value for the month as Consumer Discretionary and Growth had strong months, while Utilities and REITS were negative. For the fourth quarter, the earnings growth rate for the S&P 500 was 13.4%, with Energy leading the way and all sectors reporting positive growth.
- Small Caps had a positive month in January, posting a 2.61% return, but underperformed Large Caps by 3% for the year. Over the past 12 months, Small Cap Stocks have underperformed Large Cap by 8.6%.
- At the end of January, the 12-month forward P/E ratio stood at 18.0x, down from 18.4x in December. The 5-year average P/E ratio is 16.0x. (Source: Fact Set)

International Equity

- International developed markets had a strong month with the MSCI EAFE NR USD index up +5.02% supported by the continuation of coordinated global economic growth. Performance for the month was driven by Japan, which returned +4.55% in USD, as well as Europe, which was up +4.94%.
- Emerging market equities posted strong returns, gaining +8.32% in USD. Performance for the month of January was boosted by China and Brazil, which both had double digit returns for the month. The U.S. Dollar continued its downturn in January, falling -3.25%. The increasing U.S. Trade deficit, debt concerns, and uncertainty in Washington have caused the U.S. Dollar to fall against other major currencies.
- Overall, the MSCI ACWI USD Index was up +5.66% during the month, having one the best starts to the year since the Global Financial Crisis.

Fixed Income

- The Barclays US Aggregate index returned -1.15 in January. Investment-grade corporate issuance priced just under \$125 billion during the month. In spite of the heavy issuance, investment-grade corporate spreads tightened 7bps to end at 86bps in January, the tightest level since February 2007, as a result of strong earnings growth, coupled with healthy demand
- Treasury yields rose dramatically during the month, with the most pronounced shifts in the belly of the curve, where 5-year and 10-year yields jumped 31bps and 30bps, respectively. The spread between the 10-year and 30-year narrowed to 23 bps, the lowest level since 2007.
- As anticipated, the Federal Reserve left rates unchanged at the January FOMC meeting, Janet Yellen's last meeting as Fed Chair. The market-implied probability for a rate hike in March increased from 70% to 99%, as the Fed became more optimistic that inflation should stabilize around its 2% target. The growing confidence regarding government bond prices to weaken, notably US Treasuries.

Economics

- With a coordinated global growth cycle underway, we believe continued upside surprises should lift inflation as resource constraints begin to take hold. For the past nine years, strong growth has been ushered despite the material slack that has persisted since the "Great Recession". With the developed markets finally having closed its output gap and the region's unemployment rate expected to reach its lowest level since 1980, continued above-potential growth needs to be more carefully observed against a monetary policy that is still highly accommodative.
- In the US, Industrial production rose 0.9% in December for the fourth straight monthly increase, the Federal Reserve reported Wednesday. The gain was above Wall Street expectations of a 0.6% 0.8% gain in 2016 and the fastest pace since 2010.
- In Europe, January's Euro-zone flash composite PMI was 58.6, up 0.5 points from December, a 139-month high. Compared with December, January's report showed a much better balance and while counterpart gained a point to 57.6, a 125-month peak.
- In Asia, the pace of growth in China's economy accelerated last year for the first time in seven years as exports, construction and consumer spending all climbed strongly. China's National Bureau of Statistics announced on Thursday that the economy expanded 6.9% last year, up slightly from 6.7% in 2016 and breaking a trend of gradual slowing that began in 2011. For the fourth quarter, the bureau reported economic growth of 6.8% over a year earlier.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of January 31, 2018

	Market Value (\$)	% of Portfolio	Ending January 31, 2018				Inception			
			1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Return (%)	Since
WEST WARWICK TOTAL PLAN	37,372,365	100.0	3.5	5.6	3.5	3.5	16.7	7.8	7.2	Jan-11
Policy Index			3.2	5.5	3.2	3.2	16.6	--	--	Jan-11
MSCI ACWI			5.6	9.4	5.6	5.6	27.5	11.9	--	
Russell 3000			5.3	9.6	5.3	5.3	25.2	14.1	--	
S&P 500			5.7	10.2	5.7	5.7	26.4	--	16.2	Nov-15
Russell 1000 Value			3.9	8.6	3.9	3.9	17.2	--	14.3	Oct-15
Spliced Russell 1000 Growth Index			7.1	11.2	7.1	7.1	34.9	16.1	22.0	Oct-15
Russell Mid Cap Index			3.8	8.3	3.8	3.8	16.8	--	16.8	Mar-17
Russell 2000 Value			1.2	3.2	1.2	1.2	10.0	--	16.4	Nov-15
MSCI ACWI ex USA			5.6	8.8	5.6	5.6	29.7	9.9	--	
Vanguard Developed Custom			4.6	7.9	4.6	4.6	28.0	--	12.3	Oct-15
MSCI EAFE Value			5.4	8.0	5.4	5.4	24.9	--	11.4	Oct-15
MSCI EAFE Growth			4.6	7.7	4.6	4.6	--	--	14.1	Jun-17
MSCI Emerging Markets			8.3	12.4	8.3	8.3	41.0	--	20.8	Nov-15
MSCI Europe/Financials NR USD			8.5	10.5	8.5	8.5	--	--	19.9	May-17
MSCI Japan			4.6	8.5	4.6	4.6	--	--	11.4	Oct-17
MSCI EM Diversified Multi-Factor Index			6.5	--	6.5	6.5	--	--	10.8	Dec-17
MSCI EMU Index			7.0	--	7.0	7.0	--	--	7.2	Dec-17

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

As of January 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Return (%)	Since
Bbgarc US Universal TR			-1.0	-0.7	-1.0	-1.0	2.7	1.8	--	
Barclays U.S. Gov/Credit 6-10 Yr			-1.5	-1.6	-1.5	-1.5	1.9	--	1.5	Oct-15
Barclays 1-3 Yr. Gov/Credit			-0.3	-0.4	-0.3	-0.3	--	--	0.0	Apr-17
Barclays Aggregate			-1.2	-0.8	-1.2	-1.2	2.1	--	1.6	Oct-15
Bbgarc US Universal			-1.0	-0.7	-1.0	-1.0	--	--	-0.4	Oct-17
HFRX Global Hedge Fund Index			2.5	3.3	2.5	2.5	8.0	2.5	3.9	Nov-15
HFRX Global Hedge Fund Index			2.5	3.3	2.5	2.5	8.0	2.5	5.3	Jan-16
Clit Smith Treasury Bill										

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

-iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017

-iShares MSCI Eurozone ETF was invested December 26, 2017

-DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017

-iShares MSCI Japan ETF was invested October 13, 2017

-Voya Securitized Credit was invested October 10, 2017

-Baird Short Term Bond was liquidated August 10, 2017

-John Hancock International Growth was invested June 29, 2017

-iShares MSCI Europe Financials ETF was invested May 31, 2017

-Diamond Hill Short Duration was invested in April 21, 2017

-DFA Emerging Markets Core Equity was invested March 21, 2017

-Vanguard Mid Cap Index was invested in March 1, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of January 31, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022
(p) 212.359.0273 | (f) 212.359.0291 | tng@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355
(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clbrk.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, sans-serif capital letters on a solid black rectangular background. To the right of this background, the word "BROOK" is written in black, bold, sans-serif capital letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

February 2018

WEST WARWICK TOTAL PLAN

As of February 28, 2018

WEST WARWICK TOTAL PLAN Performance

Ending February 28, 2018

Inception

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Return (%)	Since Inception
WEST WARWICK TOTAL PLAN	1,000	-2.9	1.3	0.2	0.2	10.9	--	--	--	Jan-11
Policy Index	68.8	4.3	2.7	1.1	1.1	19.7	--	--	--	
TOTAL EQUITY	20,910,220	4.2	2.8	1.2	1.2	18.8	8.3	--	--	
MSCI ACWI	33.7	3.0	3.2	1.6	1.6	17.0	--	--	--	
DOMESTIC EQUITY	1,980,764	-3.7	2.4	1.4	1.4	16.2	10.6	--	--	
Russell 3000	3,698,102	10.4	-3.7	2.9	1.8	17.0	--	--	--	Nov-15
VANGUARD 600 INDEX ADM			-3.7	3.0	1.8	17.1	--	--	--	Nov-15
S&P 600	2,565,841	7.2	-3.9	4.0	1.5	14.0	--	--	--	Oct-15
DODGE & COX LARGE CAP VALUE			-4.8	0.4	-1.1	7.8	--	--	--	Oct-15
Russell 1000 Value	2,901,758	8.2	-2.6	5.1	4.2	26.9	--	--	--	Oct-15
ISHARES RUSSELL 1000 GROWTH ETF			-2.6	5.1	4.3	26.1	12.8	--	--	Oct-15
Spliced Russell 1000 Growth Index	1,464,305	4.1	-4.1	0.4	-0.5	12.1	--	--	--	Mar-17
VANGUARD MID CAP INDEX FUND			-4.1	0.4	-0.5	12.0	--	--	--	Mar-17
Russell Mid Cap Index	760,334	2.1	-7.2	-6.9	-5.7	4.5	--	--	--	Nov-15
AMG SILVERCREST SMALL CAP I			-5.0	-4.7	-3.8	3.0	--	--	--	Nov-15
Russell 2000 Value	590,424	1.7	-1.7	--	--	--	--	--	--	Feb-18
POWERSHARES KBW BANK PORTFOLIO			-0.6	--	--	--	--	--	--	Feb-18
KBW NASDAQ BANK	8,929,456	26.1	-5.0	2.0	0.7	23.1	--	--	--	Dec-17
INTERNATIONAL EQUITY			-4.7	2.8	0.6	21.6	6.2	--	--	
MSCI ACWI ex USA	2,572,331	7.2	-5.2	1.0	-0.6	20.0	--	--	--	Oct-15
VANGUARD DEVELOPED MARKETS ADM			-6.9	-1.6	-3.5	18.9	--	--	--	Oct-15
CAUSEWAY INTERNATIONAL VALUE INV	1,219,503	3.4	-4.8	1.9	0.4	18.2	--	--	--	Oct-15
MSCI EAFE Value	1,956,517	5.5	-3.9	3.8	2.9	2.9	--	--	--	Jun-17
JOHN HANCOCK INTERNATIONAL GROWTH FUND			-4.3	1.8	0.2	0.2	--	--	--	Jun-17
MSCI EAFE Growth	1,122,457	3.2	-5.0	6.8	3.0	30.5	--	--	--	Nov-15
CAUSEWAY EMERGING MARKETS			-4.6	7.0	3.3	30.5	--	--	--	Nov-15
MSCI Emerging Markets	628,111	1.8	-6.0	0.8	0.6	0.6	--	--	--	Dec-17
ISHARES EUROZONE ETF			-5.5	3.7	2.7	2.7	--	--	--	May-17
ISHARES MSCI EUR FN ETF	287,663	0.8	-3.0	2.6	1.9	1.9	--	--	--	Oct-17
ISHARES MSCI JAPAN ETF	741,512	2.1	-1.5	3.7	3.0	3.0	--	--	--	Oct-17
MSCI Japan	401,364	1.1	-3.1	7.2	3.1	3.1	--	--	--	Dec-17
ISHARES EDGE MSCI MULTIFACTOR EM ETF			-3.1	7.2	3.1	3.1	--	--	--	Dec-17

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

-PowerShares KBW Bank ETF was invested February 21, 2018.

-Payden Emerging Markets Bond Fund was invested February 6, 2018.

-iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017

-iShares MSCI Eurozone ETF was invested December 26, 2017

-DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017

-iShares MSCI Japan ETF was invested October 13, 2017

-Voya Securitized Credit was invested October 10, 2017

-Baird Short Term Bond was liquidated August 10, 2017

-John Hancock International Growth was Invested June 29, 2017

-iShares MSCI Europe Financials ETF was invested May 31, 2017

-Diamond Hill Short Duration was invested in April 21, 2017

-DFA Emerging Markets Core Equity was invested March 21, 2017

-Vanguard Mid Cap Index was invested in March 1, 2017

February 2018

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

INVESTMENT PERFORMANCE REPORT

The logo for CLEARBROOK, featuring the word "CLEARBROOK" in a bold, white, sans-serif font. The text is positioned on the left side of a solid black rectangular background that extends to the right.

CLEARBROOK

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of February 28, 2018

	Market Value (\$)	% of Portfolio	Ending February 28, 2018				Inception			
			1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Return (%)	Since
WEST WARWICK TOTAL PLAN	15,792,866	100.0	-2.9	1.3	0.2	0.2	10.9	--	--	Jan-11
Policy Index										
TOTAL EQUITY	20,910,220	58.8	-4.3	2.7	1.1	1.1	19.7	--	--	
MSCI ACWI			-4.2	2.8	1.2	1.2	18.8	8.3	--	
DOMESTIC EQUITY	11,960,764	33.7	-3.8	3.2	1.5	1.5	17.0	--	--	
Russell 3000			-3.7	2.4	1.4	1.4	16.2	10.6	--	
VANGUARD 500 INDEX ADM	3,698,102	10.4	-3.7	2.9	1.6	1.6	17.0	--	13.7	Nov-15
S&P 500			-3.7	3.0	1.8	1.8	17.1	--	13.8	Nov-15
DODGE & COX LARGE CAP VALUE	2,565,841	7.2	-3.9	4.0	1.5	1.5	14.0	--	15.8	Oct-15
Russell 1000 Value			-4.8	0.4	-1.1	-1.1	7.8	--	11.4	Oct-15
ISHARES RUSSELL 1000 GROWTH ETF	2,801,758	8.2	-2.6	5.1	4.2	4.2	25.9	--	15.8	Oct-15
Spliced Russell 1000 Growth Index			-2.6	5.1	4.3	4.3	26.1	12.8	19.8	Oct-15
VANGUARD MID CAP INDEX FUND	1,464,305	4.1	-4.1	1.1	-0.1	-0.1	12.1	--	12.1	Mar-17
Russell Mid Cap Index			-4.1	0.4	-0.5	-0.5	12.0	--	12.0	Mar-17
AMG SILVERCREST SMALL CAP I	760,334	2.1	-7.2	-6.8	-5.7	-5.7	4.5	--	11.4	Nov-15
Russell 2000 Value			-5.0	-4.7	-3.8	-3.8	3.0	--	12.3	Nov-15
POWERSHARES KBW BANK PORTFOLIO	590,424	1.7	-1.7	--	--	--	--	--	-1.7	Feb-18
KBW NASDAQ BANK			-0.6	--	--	--	--	--	-0.6	Feb-18
INTERNATIONAL EQUITY	8,929,456	25.1	-5.0	2.0	-0.7	-0.7	23.1	--	--	
MSCI ACWI ex USA			-4.7	2.8	0.6	0.6	21.6	6.2	--	
VANGUARD DEVELOPED MARKETS ADM	2,572,331	7.2	-5.2	1.0	-0.6	-0.6	20.0	--	9.6	Oct-15
CAUSEWAY INTERNATIONAL VALUE INV	1,219,503	3.4	-6.9	-1.6	-3.5	-3.5	18.9	--	7.5	Oct-15
MSCI EAFE Value			-4.8	1.9	0.4	0.4	18.2	--	8.7	Oct-15
JOHN HANCOCK INTERNATIONAL GROWTH FUND	1,956,517	5.5	-3.9	3.8	2.9	2.9	--	--	16.0	Jun-17
MSCI EAFE Growth			-4.3	1.8	0.2	0.2	--	--	9.3	Jun-17
CAUSEWAY EMERGING MARKETS	1,122,467	3.2	-5.0	6.8	3.0	3.0	30.5	--	16.2	Nov-15
MSCI Emerging Markets			-4.6	7.0	3.3	3.3	30.5	--	17.6	Nov-15
ISHARES EUROZONE ETF	628,111	1.8	-6.0	-0.8	0.6	0.6	--	--	0.8	Dec-17
ISHARES MSCI EUR FN ETF	287,863	0.8	-5.5	3.7	2.7	2.7	--	--	12.4	May-17
ISHARES MSCI JAPAN ETF	741,512	2.1	-3.0	2.6	1.9	1.9	--	--	8.4	Oct-17
MSCI Japan			-1.5	3.7	3.0	3.0	--	--	9.7	Oct-17
ISHARES EDGE MSCI MULTIFACTOR EM ETF	401,354	1.1	-3.1	7.2	3.1	3.1	--	--	7.2	Dec-17

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of February 28, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

-PowerShares KBW Bank ETF was invested February 21, 2018.

-Payden Emerging Markets Bond Fund was invested February 6, 2018.

-Shares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017

-Shares MSCI Eurozone ETF was invested December 26, 2017

-DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017

-Shares MSCI Japan ETF was invested October 13, 2017

-Voya Securitized Credit was invested October 10, 2017

-Baird Short Term Bond was liquidated August 10, 2017

-John Hancock International Growth was invested June 29, 2017

-Shares MSCI Europe Financials ETF was invested May 31, 2017

-Diamond Hill Short Duration was invested in April 21, 2017

-DFA Emerging Markets Core Equity was invested March 21, 2017

-Vanguard Mid Cap Index was invested in March 1, 2017

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters on a black rectangular background. To the right of this background, the word "BROOK" is written in black, bold, uppercase letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

**The West Warwick Pension Board,
On Behalf of the Town of West Warwick**

March 2018

Market Performance

As of March 31, 2018

Domestic Equity

- US domestic equity markets sold off in March as trade tensions increased, predominantly between the US and China. Concern that tensions could escalate into a trade war caused markets to trade lower. In addition, a number of idiosyncratic events including the unfortunate incident involving Uber's self-driving car and Facebook's data breach caused technology stocks to decline. For the month, the S&P 500 TR lost -2.54%. Financials were the worst performing sector last month as the yield curve flattened. Utilities and Real Estate were the best performing sectors as rates declined making these Value oriented investments more attractive. Value declined less than Growth last month returning -1.76% versus -2.74%.
- Looking forward, the US economy is experiencing strong earnings momentum, underpinned by corporate tax cuts and fiscal stimulus.
- Small Caps had a great month as the White House's protectionist rhetoric prompted companies with less export risk to outperform. Small Caps posted a 1.29% return and is marginally down for the year at -0.08%.
- At the end of March, the 12-month forward P/E ratio stood at 16.1x, down from 18.4x in December. The 5-year average P/E ratio is also 16.1x. (Source: Fact Set)

International Equity

- International developed markets followed US markets downward with the MSCI EAFE NR USD index losing -1.80% as trade tensions engendered worries over the continuation of global growth. In local terms, the MSCI EAFE index was down -2.23%. Adding to the turmoil, Japan's Prime Minister was implicated in a real estate scandal that has adversely affected his cabinet. Additionally during the month, Russian President Putin was re-elected for another 6-year term, Germany was down -1.20, and Russia was down -2.51%, whereas South Korea was up 4.66%.
- Emerging market equities were also lower with the MSCI EM NR losing -1.86% but remains up 1.42% YTD. Markets are already discounting company valuations due to the potential disruption of global supply chains, due to the headline news. However, money flows do not appear to be shifting significantly away from emerging markets. Should a trade war escalate, there could be further de-risking. Conversely, markets may rally should negotiations prevail as this market segment continues to trade at a reasonable valuation.
- The U.S. Dollar fell -0.71% during the month. The increasing U.S. Trade Deficit, debt concerns, and uncertainty in Washington have caused the U.S Dollar to fall against other major currencies.

Fixed Income

- The Barclays US Aggregate index returned 0.64% as equities sold off and there was a flight to quality and Treasury rates declined.
- During the month, the Federal Reserve voted to hike rates at its March meeting, raising the Federal Funds target range a quarter-point, from 1.25-1.50% to 1.50-1.75%. The implied-market probability for at least two and three additional hikes before year-end is 71% and 32%, respectively.
- Investment-grade corporate supply was solid, as issuers priced just over \$110 billion. YTD issuance of \$325 billion is about 10% behind last year's pace; technology issuers have priced only \$2.75 billion, as many firms are repatriating cash rather than issuing debt.
- Geopolitical tensions caused corporate credit spreads to widen and performance was weak. Investment-grade spreads closed at 109bps, 13bps and 16bps wider on the month and year, respectively. High-yield spreads ended February at 354bps, 18bps and 11bps wider on the month and year, respectively.
- Securitized sectors were largely insulated from spread widening and outperformed corporates.

Economics

- Global economic data is indicating a Q1 deceleration from Q4's unsustainable rate, but some of this decline is temporary according to Street economists. Many economists are still comfortable with above-trend growth this year, backed by corporate profits, the fading drag of rising oil prices and US tax cuts. In addition, the recent reports of tame inflation levels should keep global central banks on course with rate hikes and continued accommodative policies.
- In the US, the University of Michigan's consumer sentiment index hit the highest level since 2004 in March, helped by a record favorable assessment of current economic conditions. The index rose to 102 in March from 99.7 in February, topping the 99.5 economist forecast. All the gain in the sentiment index was among households with incomes in the bottom third, the report said.
- In Europe, consumer prices were just 1.1% higher in February than a year earlier, a lower rate of inflation than the 1.2% it first estimated. That marked the third straight month of decline and brought the rate to its lowest level since December 2016. The European Central Bank targets an inflation rate of just below 2% and continues to provide substantial stimulus to the euro-zone economy in pursuit of that goal.
- In Asia, China's January and February industrial production was up 7.2% on the year after increasing 6.2% in December. The pick-up in headline industrial production growth in the first two months was broad-based. Growth strengthened in the manufacturing sector, with output up 7.0% on the year in January and February after an increase of 6.5% in December, though there was some divergence within the sector.

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of March 31, 2018

			Ending March 31, 2018							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
WEST WARWICK TOTAL PLAN	36,763,699	100.0	-0.8	-0.2	-0.2	-0.2	9.9	5.5	6.5	Jan-11
Policy Index			-1.1	-0.9	-0.9	-0.9	9.1	--	--	Jan-11
MSCI ACWI			-2.1	-1.0	-1.0	-1.0	14.8	8.1	--	
Russell 3000			-2.0	-0.6	-0.6	-0.6	13.8	10.2	--	
VANGUARD 500 INDEX ADM	1,192,093	3.2								Nov-15
S&P 500			-2.5	-0.8	-0.8	-0.8	14.0	--	12.1	Nov-15
DODGE DCOX LARGE CAP VALUE	1,100,000	3.0								
Russell 1000 Value			-1.8	-2.8	-2.8	-2.8	6.9	--	10.3	Oct-15
ISHARES RUSSELL 1000 GROWTH ETF	2,719,074	7.4								
Spliced Russell 1000 Growth Index			-2.7	1.4	1.4	1.4	21.3	12.2	17.8	Oct-15
VANGUARD MID CAP INDEX FUND	1,092,041	3.0								
Russell Mid Cap Index			0.1	-0.5	-0.5	-0.5	12.2	--	11.0	Mar-17
AMG DIVIDEND SMALL CAP	2,921,084	8.0								
Russell 2000 Value			1.2	-2.6	-2.6	-2.6	5.1	--	12.4	Nov-15
POWERSHARE KBW NASDAQ BANK	1,657,362	4.5								
KBW NASDAQ BANK			-5.3	--	--	--	--	--	-5.9	Feb-18
MSCI ACWI ex USA			-1.8	-1.2	-1.2	-1.2	16.5	6.2	--	
VANGUARD DEVELOPED MARKETS ADM	1,100,000	3.0								
Vanguard Developed Custom			-1.4	-1.8	-1.8	-1.8	15.6	--	8.6	Oct-15
DODGE DCOX INTERNATIONAL VALUE INV	1,100,000	3.0								
MSCI EAFE Value			-2.4	-2.0	-2.0	-2.0	12.2	--	7.4	Oct-15
BRIN HANDLER INTERNATIONAL GROWTH FUND	1,100,000	3.0								
MSCI EAFE Growth			-1.2	-1.0	-1.0	-1.0	--	--	8.0	Jun-17
DODGE DCOX EMERGING MARKETS	1,100,000	3.0								
MSCI Emerging Markets			-1.9	1.4	1.4	1.4	24.9	--	16.0	Nov-15
ISHARES EUROZONE 500	1,100,000	3.0								
MSCI EMU Index			-1.3	-0.5	-0.5	-0.5	--	--	-0.3	Dec-17
ISHARES MSCI EURO FIN ETF	1,100,000	3.0								
MSCI Europe/Financials NR USD			-4.5	-1.5	-1.5	-1.5	--	--	8.8	May-17
ISHARES MSCI JAPAN	780,000	2.1								
MSCI Japan			-2.1	0.8	0.8	0.8	--	--	7.4	Oct-17
ISHARES MSCI EM DIVERSIFIED MULTI-FAC	1,100,000	3.0								
MSCI EM Diversified Multi-Factor Index			-1.2	2.5	2.5	2.5	--	--	6.6	Dec-17

WEST WARWICK TOTAL PLAN

As of March 31, 2018

Ending March 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Date
BbgBarc US Universal TR			0.5	-1.4	-1.4	-1.4	1.5	1.7	--	
Barclays U.S. Gov/Credit 5-10 Yr			0.6	-1.9	-1.9	-1.9	0.7	--	1.3	Oct-15
Barclays 1-3 Yr. Gov/Credit			0.2	-0.2	-0.2	-0.2	0.0	--	0.0	Apr-17
Barclays Aggregate			0.6	-1.5	-1.5	-1.5	1.2	--	1.4	Oct-15
BbgBarc US Universal			0.6	-1.4	-1.4	-1.4	--	--	-0.9	Oct-17
JPM GBI EM Global Diversified Custom			1.0	--	--	--	--	--	0.6	Feb-18
HFRX Global Hedge Fund Index			-1.0	-1.0	-1.0	-1.0	3.2	0.5	2.2	Nov-15
HFRX Macro Index			-0.8	-2.0	-2.0	-2.0	1.2	-2.6	-1.1	Jan-16
HFRX Event Driven Index			-2.2	-4.8	-4.8	-4.8	-1.5	1.1	5.4	Jan-16
HFRX Global Hedge Fund Index			-1.0	-1.0	-1.0	-1.0	3.2	0.6	3.3	Jan-16
CIB Smith Treasury Bill										

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017
- Voya Securitized Credit was invested October 10, 2017
- Baird Short Term Bond was liquidated August 10, 2017
- John Hancock International Growth was invested June 29, 2017
- iShares MSCI Europe Financials ETF was invested May 31, 2017
- Diamond Hill Short Duration was invested in April 21, 2017
- DFA Emerging Markets Core Equity was invested March 21, 2017
- Vanguard Mid Cap Index was invested in March 1, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of March 31, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022

(p) 212.359.0273 | (f) 212.359.0291 | tnng@drbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355

(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@drbrk.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters inside a solid black square. To the right of this square, the word "BROOK" is written in black, bold, uppercase letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

April 2018

Domestic Equity

- US equity markets were volatile in April as tariff talks along with the 10-year Treasury yield breaching 3% for the first time since January 2014, drove market volatility higher. The rate rise caused investors to rethink their pricing metrics for risk assets. The rate rise permits investors to earn returns in excess of inflation while taking on much less risk.
- Earnings continue to be robust. As of the end of April, 53% of S&P 500 companies have reported earnings, a record 79% have reported actual EPS above their mean estimate, 6% have reported EPS at the mean estimate and 15% have reported EPS below the mean estimate. Healthcare and Information Technology have seen the highest percentage of companies beating EPS. This data continues to illustrate the strength of the US economy, and how Street analysts may be behind the curve regarding their earnings expectations. Note that these results have been achieved, before the full impact of the new tax legislation has been felt. Looking forward, strong earnings momentum, corporate tax cuts and fiscal stimulus will continue to be a tailwind for the market.
- For the month, the S&P 500 was up 0.38%, cutting the YTD loss to -0.38%. Small Caps outperformed with a 0.66% return and is up 0.78% YTD. This is due, in part, to the protectionist rhetoric out of the White House.
- The Energy sector was the best performer as crude oil rallied 5.59%, due to rising speculation that President Trump would look to pull out of the 2015 Iran nuclear deal. The worst performing sector was the Industrial sector.

International Equity

- International developed markets diverged from US markets with the MSCI EAFE NR LCL index gaining 4.50% and the USD index gaining 2.28% as the US Dollar rallied by 2.08%. Leading the market higher was the Italy that rose 4.42%, followed by the UK at 4.32% and France at 4.08%. The rise in the USD is a tailwind for European exports.
- The European Central Bank left rates unchanged and President Mario Draghi expressed confidence in the euro-zone's solid economic growth but cited escalating trade tensions and the recent softness in economic data as risks. He also stated that the central bank would not raise rates until "well past" the end of its bond-buying program.
- Emerging market equities were also strong performers as the broad EMI index was up 1.05% in local currency, driven in part by rising commodity prices.

Fixed Income

- The Barclays US Aggregate Index was down -74bps in April, bringing its YTD return to -2.19%. Continued upward pressure on rates have been a headwind for the fixed income market as the US Fed continues to raise the Fed Funds rate in order to stay ahead of expected inflation. For the month, 2-year Treasuries rose 22bps, while 10-years rose 21bps and 30-years rose 15bps. Curve flattening continues, as short-end rates rose more than long-end rates.
- Economic data releases during the month were strong, highlighted by first-quarter GDP growth, which came in at an annualized 2.3%, beating expectations of 2.0%. US Consumer Price Index increased by 2.4% on the year, while core CPI advanced by 2.1%.
- April supply broke the monthly record, set in 2008, as investment-grade corporate issuers priced over \$103 billion. Year-to-date investment-grade supply has been skewed toward financials, and over 75% has come from issuers rated BB+ or below.
- During the month, corporate spreads tightened slightly, with IG 1bp tighter to 108bps and HY 16bps tighter to 388bps.
- Securitized credit outperformed corporates, as the short-term nature of the sector protected principal as rates rose.

Economics

- Global economic data indicated a Q1 deceleration from Q4's unsustainable rate, but some of this decline is temporary according to Street economists. The general sense is that global consumers pulled back on spending last quarter, to repair personal balance sheets after a robust holiday spending spree. In addition, consumer spending in early 2018 was adversely affected by severe winter weather. Many economists are still comfortable with above-trend growth this year, backed by corporate profits, the fading drag of rising oil prices and US tax cuts.
- In the US, sales retailers rose 0.6% in March ending a streak of three straight declines, the Commerce Department reported. This highlights the improved financial picture of US households and the resiliency of an economic expansion that could end up the longest on record. Auto dealers posted a 2% rise, their best month since last September. Internet retailers, pharmacies and home furnishing stores were the other big winners.
- In Europe, Germany, the April ZEW survey found analysts notably more cautious about the state of the German economy. Not only has the assessment of the current situation been revised to less bullish, but expectations have also been downgraded significantly. The current conditions index fell a modest 2.8 points to 67.9. However, this was its third decline in as many months and its weakest reading since last October.
- In Asia, China's gross domestic product rose 6.8% in the first quarter of 2018 when compared with a year ago and in line with expectations. China's industrial production and fixed asset investment rose in March, but missed forecasts, while retail sales growth exceeded expectations. Industrial output advanced an annual 6.0% in March and retail sales jumped 10.1% from last year, while fixed asset investment climbed an annual 7.5%.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of April 30, 2018

			Ending April 30, 2018							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
WEST WARWICK TOTAL PLAN	37,484,382	100.0	0.1	-3.5	-0.1	-0.1	8.8	5.3	6.4	Jan-11
<i>Polloy Index</i>			<i>0.3</i>	<i>-3.7</i>	<i>-0.6</i>	<i>-0.6</i>	<i>8.3</i>	<i>--</i>	<i>--</i>	<i>Jan-11</i>
MSCI ACWI			1.0	-5.4	0.0	0.0	14.2	7.4	--	
<i>Russell 3000</i>			<i>0.4</i>	<i>-5.3</i>	<i>-0.3</i>	<i>-0.3</i>	<i>13.0</i>	<i>10.2</i>	<i>--</i>	
<i>S&P 500</i>			<i>0.4</i>	<i>-5.8</i>	<i>-0.4</i>	<i>-0.4</i>	<i>13.3</i>	<i>--</i>	<i>11.8</i>	<i>Nov-15</i>
<i>Russell 1000 Value</i>			<i>0.3</i>	<i>-6.1</i>	<i>-2.5</i>	<i>-2.5</i>	<i>7.5</i>	<i>--</i>	<i>10.1</i>	<i>Oct-15</i>
<i>Spliced Russell 1000 Growth Index</i>			<i>0.3</i>	<i>-5.0</i>	<i>1.8</i>	<i>1.8</i>	<i>19.0</i>	<i>12.4</i>	<i>17.3</i>	<i>Oct-15</i>
<i>Russell Mid Cap Index</i>			<i>-0.2</i>	<i>-4.2</i>	<i>-0.6</i>	<i>-0.6</i>	<i>11.2</i>	<i>--</i>	<i>10.1</i>	<i>Mar-17</i>
<i>KBW NASDAQ BANK</i>			<i>0.6</i>	<i>-5.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-5.4</i>	<i>Feb-18</i>
<i>KBW NASDAQ REGIONAL BANK INDEX</i>			<i>1.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>1.2</i>	<i>Apr-18</i>
<i>RUSSELL 2000 INDEX</i>			<i>0.0</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>0.0</i>	<i>Apr-18</i>
MSCI ACWI ex USA			1.6	-4.9	0.4	0.4	15.9	5.0	--	
<i>Vanguard Developed Custom</i>			<i>2.3</i>	<i>-4.0</i>	<i>0.4</i>	<i>0.4</i>	<i>15.5</i>	<i>--</i>	<i>9.3</i>	<i>Oct-15</i>
<i>MSCI EAFE Growth</i>			<i>1.5</i>	<i>-4.0</i>	<i>0.4</i>	<i>0.4</i>	<i>--</i>	<i>--</i>	<i>9.6</i>	<i>Jun-17</i>
<i>MSCI Emerging Markets</i>			<i>-0.4</i>	<i>-6.8</i>	<i>1.0</i>	<i>1.0</i>	<i>21.7</i>	<i>--</i>	<i>16.9</i>	<i>Nov-15</i>
<i>MSCI EMU Index</i>			<i>3.0</i>	<i>-4.2</i>	<i>2.6</i>	<i>2.6</i>	<i>--</i>	<i>--</i>	<i>2.7</i>	<i>Dec-17</i>
<i>MSCI Europe/Financials NR USD</i>			<i>2.5</i>	<i>-7.0</i>	<i>1.0</i>	<i>1.0</i>	<i>11.5</i>	<i>--</i>	<i>11.5</i>	<i>May-17</i>
<i>MSCI Japan</i>			<i>0.7</i>	<i>-2.9</i>	<i>1.5</i>	<i>1.5</i>	<i>--</i>	<i>--</i>	<i>8.1</i>	<i>Oct-17</i>
<i>MSCI EM Diversified Multi-Factor Index</i>			<i>-1.8</i>	<i>-8.6</i>	<i>0.6</i>	<i>0.6</i>	<i>--</i>	<i>--</i>	<i>4.6</i>	<i>Dec-17</i>

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of April 30, 2018

Ending April 30, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
MSCI EAFE Small Cap		1.4	--	--	--	--	--	--	1.4	Apr-18
MSCI World ex-US Diversified Multi-Factor Index		-0.7	--	--	--	--	--	--	-0.7	Apr-18
BbBarc US Universal TR		-0.7	-1.1	-2.1	-2.1	-2.1	0.0	1.5	--	
Barclays U.S. Gov/Credit 6-10 Yr		-1.0	-1.3	-2.9	-2.9	-2.9	-1.4	--	0.9	Oct-16
Barclays 1-3 Yr. Gov/Credit		-0.1	0.0	-0.3	-0.3	-0.3	-0.1	--	-0.1	Apr-17
Barclays Aggregate		-0.7	-1.1	-2.2	-2.2	-2.2	-0.3	--	1.0	Oct-16
BbBarc US Universal		-0.7	-1.1	-2.1	-2.1	-2.1	--	--	-1.6	Oct-17
JPM GBI EM Global Diversified Custom		-0.1	0.6	--	--	--	--	--	0.5	Feb-18
HFRX Global Hedge Fund Index		0.1	-3.3	-0.9	-0.9	-0.9	2.9	0.5	2.1	Nov-15
HFRX Macro Index		0.5	-5.2	-1.6	-1.6	-1.6	1.7	-1.6	-0.9	Jan-16
HFRX Event Driven Index		0.4	-6.0	-4.4	-4.4	-4.4	-1.8	1.1	5.4	Jan-16
HFRX Global Hedge Fund Index		0.1	-3.3	-0.9	-0.9	-0.9	2.9	0.5	3.2	Jan-16
HFRX Global Hedge Fund Index		0.1	-3.3	-0.9	-0.9	-0.9	2.9	0.5	3.7	Jan-17
Clit Smith Treasury Bill										

As of April 30, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018
- Causeway International Value was liquidated on April 18, 2018
- Powershares KBW Regional Bank ETF was invested in April 6, 2018
- Wasatch Core Growth was invested in April 6, 2018
- AMG Silvercrest was liquidated on April 6, 2018
- Vanguard International Explorer Fund was invested in April 2, 2018
- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017
- Voya Securitized Credit was invested October 10, 2017
- Baird Short Term Bond was liquidated August 10, 2017
- John Hancock International Growth was invested June 29, 2017
- iShares MSCI Europe Financials ETF was invested May 31, 2017
- Diamond Hill Short Duration was invested in April 21, 2017
- DFA Emerging Markets Core Equity was invested March 21, 2017
- Vanguard Mid Cap Index was invested in March 1, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of April 30, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022

(p) 212.359.0273 | (f) 212.359.0291 | tn@clearbrook.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355

(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clearbrook.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters on a black rectangular background. To the right of this background, the word "BROOK" is written in black, bold, uppercase letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

**The West Warwick Pension Board,
On Behalf of the Town of West Warwick**

May 2018

Market Performance

Domestic Equity

- US equity markets were strong in May as consumer-spending rose of 0.6%, well above economist's estimates of 0.4% and was the highest in 5 months. Also, non-farm payrolls increased by 223,000, well above the 188,000 estimate, driving the unemployment rate to an 18-year low of 3.8%, and as hourly earnings growth picked up to an annualized rate of 2.7%, according to the BLS (Bureau of Labor Statistics).
- The strong economic data has helped fuel a robust recovery in US equities with the S&P 500 rising 2.41% for the month. Additionally, continued concerns over tariffs and the potential for a global trade war helped smaller cap companies, with far less exposure to exports outperform as the Russell 2000 index up 6.07%.
- Growth continues to outperform value as top line revenue growth, margin expansion and a positive market outlook drove the Russell 1000 Growth index up 4.38% while the Russell 1000 Value index was up only 0.59%.
- For Q2, the estimated earnings growth rate for the S&P 500 is 18.9%.
- At the end of May, the 12-month forward P/B ratio stood at 16.2x, down from 18.4x in December. The 5-year average P/B ratio is also 16.2x. (Source: Fact Set)

International Equity

- International developed markets diverged from US markets with the MSCI EAFE NR LCL index losing -0.67% and the USD index losing -2.25% as the USD currency rallied. International markets headed lower as a number of geopolitical issues arose in the Eurozone. In particular, Italy came under pressure, as they have been unable to form a government as the Italian president, who is biased towards staying in the EU, has resisted the Populist Party to appoint a prime minister that would consider leaving the EU.
- In addition, concerns over US tariffs being implemented against China, the EU, Mexico and Canada has caused market instability.
- Over the past month, the USD has appreciated an estimated 2.33%. This has caused investors to reassess their exposures, particularly to Emerging Markets, where investors have sought to benefit from a higher interest rate level. As the USD has appreciated, this has caused fund flows to turn negative and caused Emerging Market indices to decline by -2.43% in local currency and -3.54% in USD.

Fixed Income

- Strong US economic data continued to come in above market expectations with strong payroll figures and consumer spending on the rise. At the same time, inflation data was slightly below the Federal Reserve's target as measured by the Core Personal Consumption Expenditures rate, which grew at 1.8% year-over-year, slightly below the Fed's 2% target.
- Treasury yield volatility increased dramatically during the month, as yields before falling sharply in response to geopolitical tensions in Europe and continued uncertainty related to potential trade tariffs. The US government 10-year yield hit 3.11% on May 17th, only to fall to 2.78% on May 29th and end at 2.86%, down 9bps from April month-end.
- Corporates underperformed Treasuries during the month, as investment-grade spreads widened 7bps to close at 115bps, the widest level this year. High-yield bonds spreads widened 24bps to close at 362bps, underperforming Treasuries by 0.65%.
- Securitized sectors performed well relative to Corporates during the month, as strong demand outweighed interest rate volatility and spread widening.

Economics

- Global demand for goods is rebounding. As anticipated, a bounce back in global goods demand and growth is following last quarter's temporary slowdown. On the consumer side, upbeat April PMI readings point to a second consecutive solid increase in global retail sales volumes, with aggregate estimates seeing a 5% gain over the three month period through April. On the business side, initial reports on capital goods trade and shipments are less decisive but point to a pickup in Capex over this period as well.
- In the US, the year-over-year rate of the core consumer price index held at 2.1% and failed to advance. This reading is closely shadowed by the core PCE price index which is the Federal Reserve's policy measure and which back in late April jumped 0.3% to 1.9%. The latest CPI results do not point to a repeat of another PCE spike, at least not for April.
- In Europe, the first estimate of flash first quarter gross domestic product eased to a quarterly increase of 0.4% after rising 0.6% in the fourth quarter of 2017. The annual rate of expansion eased from 2.8% to 2.5%. National statistics suggest that domestic demand was relatively soft and net exports probably made a smaller contribution too. Another key data point, the April flash harmonized index of consumer prices also disappointed.
- In Asia regarding the US and China trade talks, the US proposal offered an eight-point plan to Beijing and called for China to change its policies within two years. It also said the US was ready to negotiate on the proposals. The first US request in the plan was for China to reduce the bilateral trade deficit by at least \$200 billion by the end of 2020. The US-China bilateral deficit in goods was \$375 billion last year. President Donald Trump has repeatedly said he wants China to reduce the figure by \$100 billion a year.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of May 31, 2018

	Market Value (\$)	% of Portfolio	Ending May 31, 2018							Inception (%)	Inception Date
			1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)			
WEST WARWICK TOTAL PLAN	36,006,397	100.0	0.5	-0.2	0.3	0.3	7.8	5.2	6.4	Jan-11	
<i>Policy Index</i>			<i>0.6</i>	<i>-0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>7.6</i>	<i>--</i>	<i>--</i>	<i>Jan-11</i>	
<i>MSCI ACWI</i>			<i>0.1</i>	<i>-1.1</i>	<i>0.1</i>	<i>0.1</i>	<i>11.8</i>	<i>7.5</i>	<i>--</i>		
<i>Russell 3000</i>			<i>2.8</i>	<i>1.1</i>	<i>2.5</i>	<i>2.5</i>	<i>15.1</i>	<i>10.7</i>	<i>--</i>		
<i>S&P 500</i>			<i>2.4</i>	<i>0.2</i>	<i>2.0</i>	<i>2.0</i>	<i>14.4</i>	<i>--</i>	<i>12.4</i>	<i>Nov-15</i>	
<i>Russell 1000 Value</i>			<i>0.6</i>	<i>-0.8</i>	<i>-1.9</i>	<i>-1.9</i>	<i>8.2</i>	<i>--</i>	<i>10.0</i>	<i>Oct-15</i>	
<i>Spliced Russell 1000 Growth Index</i>			<i>4.4</i>	<i>1.9</i>	<i>6.2</i>	<i>6.2</i>	<i>21.0</i>	<i>13.4</i>	<i>18.6</i>	<i>Oct-15</i>	
<i>Russell Mid Cap Index</i>			<i>2.3</i>	<i>2.2</i>	<i>1.6</i>	<i>1.6</i>	<i>12.7</i>	<i>--</i>	<i>11.4</i>	<i>Mar-17</i>	
<i>KBW NASDAQ BANK</i>			<i>-0.7</i>	<i>-5.5</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-6.0</i>	<i>Feb-18</i>	
<i>KBW NASDAQ REGIONAL BANK INDEX</i>			<i>3.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>4.9</i>	<i>Apr-18</i>	
<i>RUSSELL 2000 INDEX</i>			<i>6.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>6.0</i>	<i>Apr-18</i>	
<i>MSCI ACWI ex USA</i>			<i>-2.3</i>	<i>-2.5</i>	<i>-1.9</i>	<i>-1.9</i>	<i>9.7</i>	<i>4.7</i>	<i>--</i>		
<i>Vanguard Developed Custom</i>			<i>-1.8</i>	<i>-1.0</i>	<i>-1.4</i>	<i>-1.4</i>	<i>9.5</i>	<i>--</i>	<i>8.2</i>	<i>Oct-15</i>	
<i>MSCI EAFE Growth</i>			<i>-0.2</i>	<i>0.1</i>	<i>0.2</i>	<i>0.2</i>	<i>9.4</i>	<i>--</i>	<i>9.4</i>	<i>Jun-17</i>	
<i>MSCI Emerging Markets</i>			<i>-3.5</i>	<i>-5.8</i>	<i>-2.6</i>	<i>-2.6</i>	<i>14.0</i>	<i>--</i>	<i>13.1</i>	<i>Nov-15</i>	
<i>MSCI EMU Index</i>			<i>-4.8</i>	<i>-3.1</i>	<i>-2.3</i>	<i>-2.3</i>	<i>--</i>	<i>--</i>	<i>-2.2</i>	<i>Dec-17</i>	
<i>MSCI Japan</i>			<i>-1.0</i>	<i>-2.4</i>	<i>0.5</i>	<i>0.5</i>	<i>--</i>	<i>--</i>	<i>7.1</i>	<i>Oct-17</i>	
<i>MSCI EM Diversified Multi-Factor Index</i>			<i>-0.4</i>	<i>-3.3</i>	<i>0.2</i>	<i>0.2</i>	<i>--</i>	<i>--</i>	<i>4.2</i>	<i>Dec-17</i>	
<i>MSCI EAFE Small Cap</i>			<i>-1.0</i>	<i>0.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>0.4</i>	<i>Apr-18</i>	

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of May 31, 2018

Ending May 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
MSCI World ex-US Diversified Multi-Factor Index	-1.0	--	--	--	--	--	--	--	-1.6	Apr-18
BbgBarc US Universal TR	0.5	0.4	-1.5	-1.5	-0.2	1.8	--	--	--	
Barclays U.S. Gov/Credit 5-10 Yr	0.8	0.4	-2.0	-2.0	-1.6	--	--	--	1.1	Oct-16
Barclays 1-3 Yr. Gov/Credit	0.4	0.4	0.1	0.1	0.2	--	--	--	0.2	Apr-17
Barclays Aggregate	0.7	0.6	-1.5	-1.5	-0.4	--	--	--	1.3	Oct-16
BbgBarc US Universal	0.6	0.4	-1.6	-1.6	-1.0	--	--	--	-1.0	Oct-17
JPM GBI EM Global Diversified Custom	-5.0	-6.8	--	--	--	--	--	--	-7.1	Feb-18
HFRX Global Hedge Fund Index	0.3	-0.6	-0.7	-0.7	2.9	0.6	2.2	0.5	2.2	Nov-16
HFRX Macro Index	-0.4	-0.7	-1.9	-1.9	0.9	-1.9	-1.0	0.8	-1.0	Jan-16
HFRX Event Driven Index	0.4	-1.4	-4.1	-4.1	-2.4	1.0	5.4	1.0	5.4	Jan-16
HFRX Global Hedge Fund Index	0.3	-0.6	-0.7	-0.7	2.9	0.5	3.7	0.5	3.7	Jan-17
Citi Smith Treasury Bill										

As of May 31, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

-iShares European Financials ETF was liquidated on May 18, 2018

-iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018

-Causeway International Value was liquidated on April 18, 2018

-Powershares KBW Regional Bank ETF was invested in April 6, 2018

-Wasatch Core Growth was invested in April 6, 2018

-AMG Silvercrest was liquidated on April 6, 2018

-Vanguard International Explorer Fund was invested in April 2, 2018

-PowerShares KBW Bank ETF was invested February 21, 2018.

-Payden Emerging Markets Bond Fund was invested February 6, 2018.

-iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017

-iShares MSCI Eurozone ETF was invested December 26, 2017

-DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017

-iShares MSCI Japan ETF was invested October 13, 2017

-Voya Securitized Credit was invested October 10, 2017

-Baird Short Term Bond was liquidated August 10, 2017

-John Hancock International Growth was invested June 29, 2017

-iShares MSCI Europe Financials ETF was invested May 31, 2017

-Diamond Hill Short Duration was invested in April 21, 2017

-DFA Emerging Markets Core Equity was invested March 21, 2017

-Vanguard Mid Cap Index was invested in March 1, 2017

As of May 31, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director
CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022
(p) 212.359.0273 | (f) 212.359.0291 | tng@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director
CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355
(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clbrk.com

The logo for CLEARBROOK, featuring the word "CLEAR" in white on a black square background, followed by "BROOK" in black on a white background.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

June 2018

WEST WARWICK TOTAL PLAN

As of June 30, 2018

Market Performance

Domestic Equity

- US equity markets were volatile in June as relief, then concern over tariffs and a possible trade war drove markets up and down. By month end, the S&P 500 TR index was up 0.62% bringing its YTD return to 2.65%. Growth continued to drive markets higher as the Russell 1000 Growth index was up 0.96%, and is up 7.25% for the year, whereas the Russell 1000 Value index was up only 0.25% keeping it in negative territory for the year at -1.69%. Financials and Consumer Staples continue to lag the broader market while Consumer Discretionary and Technology sectors have lead. Small Caps slightly outperformed Large Caps as protectionist rhetoric continues to favor those companies with less international exposure.
- Second quarter financial results are starting to be released, and with high expectations. The estimated earnings growth rate for the S&P 500 is 20%, which is up from Q1's revised earnings growth rate of 18.9%.
- At the end of June, the 12-month forward P/E ratio stood at 16.1x, down from 18.4x in December. The 5-year average P/E ratio is 16.2x and the 10-year average is 14.4x. (Source: Factset)

International Equity

- International developed markets diverged from US markets with the MSCI EAFE NR LCL index losing -0.67% and the USD index losing -2.25% as the USD currency rallied. International markets headed lower as a number of geopolitical issues arose in the Eurozone. In particular, Italy came under pressure, as they have been unable to form a government as the Italian president, who is biased towards staying in the EU, has resisted the Populist Party to appoint a prime minister that would consider leaving the EU.
- In addition, concerns over US tariffs being implemented against China, the EU, Mexico and Canada has caused market instability.
- Over the past month, the USD has appreciated an estimated 2.33%. This has caused investors to reassess their exposures, particularly to Emerging Markets, where investors have sought to benefit from a higher interest rate level. As the USD has appreciated, this has caused fund flows to turn negative and caused Emerging Market indices to decline by -2.43% in local currency and -3.54% in USD.

Fixed Income

- Strong US economic data continued to come in above market expectations with strong payroll figures and consumer spending on the rise. At the same time, inflation data was slightly below the Federal Reserve's target as measured by the Core Personal Consumption Expenditures rate, which grew at 2.0% year-over-year, the same as the Fed's 2% target.
- Treasury yield volatility increased early on this month, but began to decline intermittently in response to geopolitical tensions in Europe and continued uncertainty related to potential trade tariffs. The US government 10-year yield hit 2.99% on June 13th and eventually fell to 2.63% by the end of June. Consequently, the 2-10 curve flattened by 10bps month over month to 33.2bps.
- Rising short term rates and heavy supply of investment grade corporates drove spreads wider by 8bps to 123bps, the widest since late 2016.
- Securitized (MBS/ABS) sectors were insulated from trade tension-related weakness, and fared better than corporates during the month. They were up 3bps and 1bps respectively.

Economics

- Global demand for goods is rebounding. As anticipated, a bounce back in global goods demand growth is following last quarter's temporary slowdown. On the consumer side, upbeat April DMI readings point to a second consecutive solid increase in global retail sales volumes, with aggregate estimates seeing a 5% gain over the three month period through April. On the business side, initial reports on capital goods trade and shipments are less decisive but point to a pickup in Capex over this period as well.
- In the US, the year-over-year rate of the core consumer price index held at 2.1% and failed to advance. This reading is closely shadowed by the core PCE price index which is the Federal Reserve's policy measure and which back in late April jumped 0.3% to 1.9%. The latest CPI results do not point to a repeat of another PCE spike, at least not for April.
- In Europe, the first estimate of flash first quarter gross domestic product eased to a quarterly increase of 0.4% after rising 0.6% in the fourth quarter of 2017. The annual rate of expansion eased from 2.8% to 2.5%. National statistics suggest that domestic demand was relatively soft and net exports probably made a smaller contribution too. Another key data point, the April flash harmonized index of consumer prices also disappointed.
- In Asia regarding the US and China trade talks, the US proposal offered an eight-point plan to Beijing and called for China to change its policies within two years. It also said the US was ready to negotiate on the proposals. The first US request in the plan was for China to reduce the bilateral trade deficit by at least \$200 billion by the end of 2020. The U.S.-China bilateral deficit in goods was \$375 billion last year. President Donald Trump has repeatedly said he wants China to reduce the figure by \$100 billion a year.

WEST WARWICK TOTAL PLAN Performance

As of June 30, 2018

Ending June 30, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
WEST WARWICK TOTAL PLAN	35,168,808	100.0	-0.4	0.2	-0.1	-0.1	7.4	5.5	6.3	Jan-11
Policy Index			-0.3	0.7	-0.2	-0.2	6.9	--	--	Jan-11
MSCI ACWI			-0.5	0.5	-0.4	-0.4	10.7	8.2	--	
Russell 3000			0.7	3.9	3.2	3.2	14.8	11.6	--	
S&P 500			0.6	3.4	2.6	2.6	14.4	--	12.3	Nov-15
Russell 1000 Value			0.2	1.2	-1.7	-1.7	6.8	--	9.8	Oct-15
Spliced Russell 1000 Growth Index			1.0	5.8	7.3	7.3	22.5	14.4	18.4	Oct-16
Russell Mid Cap Index			0.7	2.8	2.3	2.3	12.3	--	11.2	Mar-17
KBW NASDAQ BANK			-1.8	-1.9	--	--	--	--	-7.7	Feb-18
KBW NASDAQ REGIONAL BANK INDEX			-2.9	1.9	--	--	--	--	1.9	Apr-18
RUSSELL 2000 INDEX			0.7	6.8	--	--	--	--	6.8	Apr-18
MSCI ACWI ex USA			-1.9	-2.6	-3.8	-3.8	7.3	5.1	--	
Vanguard Developed Custom			-1.5	-1.1	-2.8	-2.8	7.7	--	7.4	Oct-16
MSCI EAFE Growth			-1.2	0.1	-0.9	-0.9	9.4	--	7.4	Jun-17
MSCI Emerging Markets			-4.2	-8.0	-6.7	-6.7	8.2	--	10.9	Nov-15
MSCI EM Diversified Multi-Factor Index			-6.3	-8.4	-6.1	-6.1	--	--	-2.4	Dec-17
MSCI EAFE Small Cap			-1.9	-1.6	--	--	--	--	-1.6	Apr-18
MSCI World ex-US Diversified Multi-Factor Index			-3.1	-4.7	--	--	--	--	-4.7	Apr-18
MSCI JAPAN SMALL CAP			-3.6	--	--	--	--	--	-3.6	Jun-18

As of June 30, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, JWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- Payden Emerging Markets Bond Fund was liquidated on June 15, 2018
- DFA Japanese Small Company was invested on June 15, 2018
- iShares MSCI Japan was liquidated on June 15, 2018
- iShares MSCI Eurozone was liquidated on May 31, 2018
- iShares European Financials ETF was liquidated on May 18, 2018
- iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018
- Causeway International Value was liquidated on April 18, 2018
- Powershares KBW Regional Bank ETF was invested in April 6, 2018
- Wasatch Core Growth was invested in April 6, 2018
- AMG Silvercrest was liquidated on April 6, 2018
- Vanguard International Explorer Fund was invested in April 2, 2018
- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017
- Voya Securitized Credit was invested October 10, 2017
- Baird Short Term Bond was liquidated August 10, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of June 30, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc, is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc, are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022
(p) 212.359.0273 | (f) 212.359.0291 | tng@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355
(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clbrk.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters on a black rectangular background. To the right of this background, the word "BROOK" is written in black, bold, uppercase letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,

On Behalf of the Town of West Warwick

July 2018

Domestic Equity

- July's US equity indices were driven higher by strong economic data and corporate fundamentals, overcoming concerns related to the potential expansion of global tariffs. Second-quarter US GDP growth came in at a solid 4.1%. In addition, unemployment declined to 4.0%. At present, 400 companies out of the S&P 500 have reported and 85% of those companies have beaten analyst earnings expectations. This strong earnings momentum, combined with positive macroeconomic tailwinds, and the corporate tax cut has helped drive the S&P 500 TR index up 3.72% in July, bringing its YTD return to 6.47%.
- Large cap companies outperformed small cap during the month with the Russell 1000 returning 3.45%, while the Russell 2000 returned 1.74%. However, on a year-to-date basis, tariff concerns have weighed heavily on larger cap companies that have export risk. Similarly, while Value outperformed Growth during the month, driven by Financials and Industrials, Growth has outpaced Value since the beginning of the year. Companies such as Apple and Amazon have driven the majority of the growth and price appreciation in the market.
- For Q2 2018, the blended earnings growth rate for the S&P 500 is estimated to be 24.0%, which would be the second highest earnings growth since Q3 2010 (34.1%).
- At the end of July, the 12-month forward P/B ratio stood at 16.5x, down from 18.4x in December. The 5-year average P/B ratio is 16.2x and the 10-year average is 14.4x. (Source: Factset)

International Equity

- International equity markets rallied in July with the ACWI-ex US index up 2.31% on a local currency basis. For the year, that index is up 1.04%. However, for USD investors, YTD returns are -1.46% as the US Dollar has rallied as interest rates have risen in the US.
- International markets have been challenged by muted earnings growth, weak economic momentum and heightened political risks, such as Brexit. Further, international market performance has lagged, as growth sectors in the US, such as technology and healthcare, have been big drivers of the US economy and US equity markets.
- Emerging Markets rebounded last month as valuation became cheap relative to developed markets and as tariff concerns abated, which have since resurfaced. The MSCI EM Local currency index rallied 1.18% last month but remains down -4.13% for the year. Support for a long-term EM recovery include broad economic reforms and improving corporate fundamentals. However, near term headwinds include the strength of the US dollar, negative fund flows, and global trade tensions.

Fixed Income

- Fixed income markets were relatively flat in July with the Barclays US Aggregate up 2bps. However, its YTD return is -1.59% as the yield curve has risen commiserate with the Federal Reserve's increase of the Fed Funds rate.
- The market is expecting the Fed to further increase the Fed Funds rate by 25-50 bps year-end, with a 90% implied probability that the next 25bps rate hike will happen in September. Further, the implied probabilities of a 50bps hike by the end of the year is 70%. Strong US economic growth and the Fed's interest in mitigating inflation has led to their continued monetary action.
- Since the beginning of the year, investment grade corporates have seen spreads widen out as issuance has been strong and as short-term treasury rates have risen, thereby competing for capital. Interestingly, High Yield spreads have tightened over the same period, as default rates continue to be exceptionally low.
- Securitized credit outperformed Treasuries but lagged against corporates as a heavy supply entered the market weighing on spreads.

Economics

- Global economic growth during the first half of the year came with few surprises, but the outlook for the second half is muddled. On balance, global GDP came in at a strong 3.4% annualized gain for the first half of 2018, but the divergence particularly between developed economies was more than expected. The US posted a strong 4.1% GDP growth rate for Q2, which brings the year to date gain about 1% higher than projected in December. The Euro-zone disappointed calls for above trend line growth, but still grew a solid 1.75%. The outlook for the rest of 2018 is still robust global growth, but risk is prevalent due to the potential for a US driven trade war, though this risk should abate.
- In the US, strength in the economy is nowhere more apparent than in the labor market. Initial jobless claims fell 8,000 in the July 14 week to a 207,000 level that is the lowest since December 1969. Continuing claims, where data lag by a week, edged 8,000 higher to 1.751 million, which is just off a low last seen in 1972.
- In Europe, the ECB kept interest rates on hold last week and confirmed plans to halt bond purchases in December. The bank's governing council left main interest rates unchanged. Monthly net asset purchases are scheduled to continue at €30 billion through September before being halved to €15 billion and ending by December. The banker also expected to keep rates on hold at record low levels "at least through the summer of 2019".
- In Asia, Chinese economic data showed economic growth slowed in the second quarter, as the government's efforts to rein in debt-dampened activity, while production slowed adding fuel to concerns over an escalating trade war with the United States. Cross domestic product expanded 6.7% on the year in the three months to June as expected after growing 6.8% in the first quarter.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of July 31, 2018

	Market Value (\$)	% of Portfolio	Ending July 31, 2018						Inception (%)	Inception Date
			1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)		
WEST WARWICK TOTAL PLAN	35,699,659	100.0	1.8	1.9	1.7	1.7	7.2	5.9	6.4	Jan-11
<i>Policy Index</i>			1.6	2.0	1.4	1.4	6.8	6.1	--	Jan-11
<i>MSCI ACWI</i>			3.0	2.6	2.6	2.6	11.0	8.9	--	
<i>Russell 3000</i>			3.3	6.9	6.6	6.6	16.4	12.2	--	
<i>S&P 500</i>			3.7	6.9	6.5	6.5	16.2	--	13.4	Nov-15
<i>Russell 1000 Value</i>			4.0	4.8	2.2	2.2	9.5	--	11.0	Oct-15
<i>Spliced Russell 1000 Growth Index</i>			2.9	8.5	10.4	10.4	22.8	14.3	19.1	Oct-15
<i>Russell Mid Cap Index</i>			2.5	5.5	4.9	4.9	13.5	--	12.4	Mar-17
<i>KBW NASDAQ BANK</i>			5.0	2.4	--	--	--	--	-3.1	Feb-18
<i>KBW NASDAQ REGIONAL BANK INDEX</i>			0.5	1.2	--	--	--	--	2.4	Apr-18
<i>RUSSELL 2000 INDEX</i>			1.7	8.7	--	--	--	--	8.7	Apr-18
<i>MSCI ACWI ex USA</i>			2.4	-1.9	-1.5	-1.5	5.9	6.0	--	
<i>Vanguard Developed Custom</i>			2.0	-1.3	-0.9	-0.9	6.7	--	7.9	Oct-15
<i>MSCI EAFE Growth</i>			2.1	0.7	1.1	1.1	9.0	--	8.8	Jun-17
<i>MSCI Emerging Markets</i>			2.2	-5.5	-4.6	-4.6	4.4	--	11.5	Nov-15
<i>MSCI EM Diversified Multi-Factor Index</i>			-0.3	-6.9	-6.4	-6.4	--	--	-2.6	Dec-17
<i>MSCI EAFE Small Cap</i>			0.7	-2.3	--	--	--	--	-0.9	Apr-18
<i>MSCI World ex-US Diversified Multi-Factor Index</i>			2.2	-1.9	--	--	--	--	-2.5	Apr-18
<i>MSCI JAPAN SMALL CAP</i>			-0.9	--	--	--	--	--	-4.4	Jun-18

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of July 31, 2018

Ending July 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
BbgBarc US Universal TR	0.2	0.6	-1.6	-1.6	-1.6	-1.6	-0.6	2.0	--	
Barclays U.S. Gov/Credit 5-10 Yr	0.0	0.7	-2.1	-2.1	-2.1	-2.1	-1.9	--	1.0	Oct-16
Barclays 1-3 Yr. Gov/Credit	0.1	0.4	0.1	0.1	0.1	0.1	0.0	--	0.3	Apr-17
Barclays Aggregate	0.0	0.8	-1.8	-1.8	-1.8	-1.8	-0.8	--	1.2	Oct-15
BbgBarc US Universal	0.2	0.6	-1.5	-1.5	-1.5	-1.5	--	--	-1.0	Oct-17
HFRX Global Hedge Fund Index	-0.1	-0.1	-1.0	-1.0	-1.0	-1.0	1.4	0.8	1.9	Nov-15
HFRX Macro Index	-1.1	-1.3	-2.9	-2.9	-2.9	-2.9	-0.6	-2.1	-1.3	Jan-16
HFRX Event Driven Index	-0.5	-0.6	-5.0	-5.0	-5.0	-5.0	-4.3	1.6	4.6	Jan-16
HFRX Global Hedge Fund Index	-0.1	-0.1	-1.0	-1.0	-1.0	-1.0	1.4	0.8	3.1	Jan-17
Citi Smith Treasury Bill										

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

As of July 31, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- Payden Emerging Markets Bond Fund was liquidated on June 15, 2018
- DFA Japanese Small Company was invested on June 15, 2018
- iShares MSCI Japan was liquidated on June 15, 2018
- iShares MSCI Eurozone was liquidated on May 31, 2018
- iShares European Financials ETF was liquidated on May 18, 2018
- iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018
- Causeway International Value was liquidated on April 18, 2018
- Powershares KBW Regional Bank ETF was invested in April 6, 2018
- Wasatch Core Growth was invested in April 6, 2018
- AMG Silvercrest was liquidated on April 6, 2018
- Vanguard International Explorer Fund was invested in April 2, 2018
- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017
- Voya Securitized Credit was Invested October 10, 2017
- Baird Short Term Bond was liquidated August 10, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of July 31, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director
CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022
(p) 212.359.0273 | (f) 212.359.0291 | tng@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director
CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355
(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clbrk.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters inside a solid black square. To the right of the square, the word "BROOK" is written in black, bold, uppercase letters.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

**The West Warwick Pension Board,
On Behalf of the Town of West Warwick**

August 2018

Market Performance

Domestic Equity

- The US expansion that has led to the rally in US equities continued in August. Strong corporate results from the second quarter earnings season were further supported by positive business and consumer sentiment. This drove the market higher despite Fed interest rate hikes, which is starting to cool the housing and auto sectors.
- The US is outpacing all other developed countries in terms of year-over-year revenue and earnings growth. On an YTD basis, the S&P 500 TR index is up 9.94% led by Growth oriented sectors including Technology and Consumer Discretionary sectors. While positive, Value oriented sectors such as Financials and Energy have lagged the broader market. Weighing on the Financial sector has been flattening of the yield curve, with 2yr vs 10yr treasuries converging by 28.9bps since the beginning of the year.
- Large cap companies have lagged small caps this year due to tariff concerns and the rising US Dollar. As measured by the DXY index, the US Dollar has risen 3.27% since the beginning of the year, making US goods and services more expensive for international buyers.
- Since the start of Q2 2018 earnings season, 80% of the S&P 500 companies have reported and the blended earnings growth rate has further increased 24.0% at the end of July to 25.0% at the end of August.
- At the end of August, the 12-month forward P/E ratio stood at 16.8x, down from 18.4x in December. The 5-year average P/E ratio is 16.3x and the 10-year average is 14.4x. (Source: Factset)

International Equity

- International equity markets are facing a number of idiosyncratic issues. These include the US's ongoing negotiations with Mexico and Canada in restructuring NAFTA, Italy's interest in fiscal expansion versus the Eurozone's interest in forcing fiscal constraint, Argentina's issues with runaway inflation, and tariffs levied on China and Turkey, to name a few. The ACWI-ex US index down -1.38% on a local currency basis in August and is now negative for the year (-0.36%). With the rising USD, US investors are now down -3.53% for the year.
- In Europe, muted earnings growth and heightened political risk and slowed economic growth. In Japan, the Bank of Japan has supported stock buying. In Emerging Markets, cheap valuations make certain countries appealing. However, negative fund flows, rising tariff risks, a tightening US monetary policy and rapidly declining currency valuations continue to be headwinds for those countries.
- US Fixed income markets rallied last month with the Treasury yield curve declining across the board between 2yrs to 30yrs, driven by geopolitical tensions raising concerns for global growth. US Barclays Aggregate was up 0.64% for the month but remains in negative territory (-0.96%) for the year as overall interest rates have risen with the tightening of the Fed's monetary policy.
- Economic data released in August showed the unemployment rate fell to 3.9%, the US Core Consumer Price Index (CPI) tick up to 2.4%, and second-quarter GDP was revised upward from 4.1% to 4.2%. These figures support the market's expectation of another 25bp rate increase during the Fed's September meeting.
- For the month, securitized credit outperformed corporates, and ABS and CMBs outperformed Treasuries, whereas corporates lagged.
- Emerging Market Debt declined significantly as concerns over Argentina, Brazil and Turkey weighed on markets. The decline in the value of the currencies from these countries, have sparked increases in inflation, which has compelled their respective central banks to raise interest rates.

Economics

- The narrative for global economic growth has shifted, from seeing coordinated global growth, to one favoring developed versus emerging markets. The downgrade in emerging markets stems from the geo-political and currencies issues confronting Argentina and Turkey, as well as the decline in global liquidity prompted by the halt and reversal of central bank easing policies. China is attempting to jump start growth through bank stimulus, in an effort to offset the potential negative effects of a trade war with the US. Developed market growth is led by the US, which is estimated to grow above 3% in Q3, supported by increases in capital expenditures and consumer spending.
- In the US, the August retail sales report showed a strong monthly gain that easily topped high-end expectations. However, it is not the monthly gain that's key, but the year-on-year rate. At 6.4%, July matches May as the strongest showing since early 2012 and compares well with the very highest rates of the 2001-2007 expansion. The strength of the labor market is pushing growth. The month-to-month gain was 0.5%.
- In Europe, second quarter gross domestic product was up a quarterly 0.4% rate, up from the first estimate of 0.3%. Annual growth was nudged 0.1% higher to 2.2%, a 0.3% drop from its first quarter mark. The headline revision was essentially attributable to Germany where quarterly growth weighed in at an unexpected strong 0.5%. This outpaced the sluggish 0.2% rate posted by both France and Italy.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of August 31, 2018

Ending August 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
WEST WARWICK TOTAL PLAN	36,153,568	100.0	1.2	2.6	2.9	2.9	7.7	7.8	6.5	Jan-11
<i>Policy Index</i>			0.9	2.3	2.3	2.3	7.3	7.9	--	Jan-11
<i>MSCI ACWI</i>			0.8	3.3	3.4	3.4	11.4	11.8	--	
<i>Russell 3000</i>			3.5	7.6	10.4	10.4	20.2	15.9	--	
<i>S&P 500</i>			3.3	7.8	9.9	9.9	19.7	--	14.3	Nov-15
<i>Russell 1000 Value</i>			1.5	5.8	3.7	3.7	12.5	--	11.2	Oct-16
<i>Spliced Russell 1000 Growth Index</i>			5.5	9.6	16.4	16.4	27.2	18.9	20.7	Oct-15
<i>Russell Mid Cap Index</i>			3.1	6.4	8.2	8.2	17.9	--	14.0	Mar-17
<i>KBW NASDAQ BANK</i>			1.4	4.6	--	--	--	--	-1.8	Feb-18
<i>KBW NASDAQ REGIONAL BANK INDEX</i>			2.7	0.3	--	--	--	--	5.2	Apr-18
<i>RUSSELL 2000 INDEX</i>			4.3	6.9	--	--	--	--	13.3	Apr-18
<i>MSCI ACWI ex USA</i>			-2.1	-1.6	-3.5	-3.5	3.2	8.1	--	
<i>Vanguard Developed Custom</i>			-1.8	-1.1	-2.5	-2.5	5.0	--	7.1	Oct-16
<i>MSCI EAFE Growth</i>			-0.3	0.6	0.8	0.8	8.1	--	7.9	Jun-17
<i>MSCI EAFE Small Cap</i>			-0.8	-2.1	--	--	--	--	-1.7	Apr-18
<i>MSCI World ex-US Diversified Multi-Factor Index</i>			-2.0	-3.0	--	--	--	--	-4.5	Apr-18
<i>MSCI JAPAN SMALL CAP</i>			-0.6	-5.0	--	--	--	--	-5.0	Jun-18
<i>MSCI EM</i>			-2.0	--	--	--	--	--	-2.0	Aug-18
<i>BBgBarc US Universal TR</i>			0.5	0.6	-1.0	-1.0	-0.9	2.3	--	

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of August 31, 2018

Ending August 31, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Date
Barclays U.S. Gov/Credit 5-10 Yr	0.9	0.8	-1.3	-1.3	-1.3	-2.1	--	--	1.3	Oct-15
Barclays 1-3 Yr. Gov/Credit	0.4	0.4	0.4	0.5	0.5	0.2	--	--	0.6	Apr-17
BbgBarc US Universal	0.5	0.6	-1.0	-1.0	-1.0	--	--	--	-0.5	Oct-17
HFRX Global Hedge Fund Index	0.6	0.1	-0.6	-0.6	-0.6	1.5	1.7	2.0		Nov-15
HFRX Macro Index	2.4	1.4	-0.6	-0.6	-0.6	1.0	-0.7	-0.4		Jan-16
HFRX Event Driven Index	0.0	-1.0	-5.0	-5.0	-4.4	2.6	4.5			Jan-16
HFRX Global Hedge Fund Index	0.6	0.1	-0.6	-0.6	-0.6	1.5	1.7	3.2		Jan-17
Chf 3mth Treasury Bill										

- Policy Index = OCIO Custom Index
- S&P 500 = S&P 500
- Russell 1000 Value = Russell 1000 Value
- Spliced Russell 1000 Growth Index = Russell 1000 Growth
- Russell Mid Cap Index = Russell MidCap
- KBW NASDAQ BANK = KBW NASDAQ BANK
- RUSSELL 2000 INDEX = Russell 2000
- Vanguard Developed Custom = Vanguard Developed Custom
- MSCI EAFE Growth = MSCI EAFE Growth
- MSCI EAFE Small Cap = MSCI EAFE Small Cap
- MSCI EM = MSCI Emerging Markets
- Barclays U.S. Gov/Credit 5-10 Yr = BbgBarc US Gov/Credit 5-10 Yr TR
- Barclays 1-3 Yr. Gov/Credit = BbgBarc US Gov/Credit 1-3 Yr. TR
- BbgBarc US Universal = BbgBarc US Universal TR
- HFRX Global Hedge Fund Index = HFRX Global Hedge Fund Index

As of August 31, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- Doubleline Total Return Bond Fund-I was liquidated on August 28, 2018
- iShares Edge MSCI Multifactor EM ETF was liquidated on August 8, 2018
- Causway EM Fund was liquidated on August 1, 2018
- Payden Emerging Markets Bond Fund was liquidated on June 15, 2018
- DFA Japanese Small Company was invested on June 15, 2018
- iShares MSCI Japan was liquidated on June 15, 2018
- iShares MSCI Eurozone was liquidated on May 31, 2018
- iShares European Financials ETF was liquidated on May 18, 2018
- iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018
- Causeway International Value was liquidated on April 18, 2018
- Powershares KBW Regional Bank ETF was invested in April 6, 2018
- Wasatch Core Growth was invested in April 6, 2018
- AMG Silvercrest was liquidated on April 6, 2018
- Vanguard International Explorer Fund was invested in April 2, 2018
- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017
- Voya Securitized Credit was invested October 10, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of August 31, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022

(p) 212.359.0273 | (f) 212.359.0291 | tng@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 Country View Rd., Suite 130 | Malvern, PA 19355

(p) 610.225.6072 | (c) 484.802.5434 | (f) 610.225.6066 | jchesshire@clbrk.com

The logo for CLEARBROOK features the word "CLEAR" in white, bold, uppercase letters on a black rectangular background. To the right of this background, the word "BROOK" is written in black, bold, uppercase letters on the white background of the page.

CLEARBROOK

INVESTMENT PERFORMANCE REPORT

The West Warwick Pension Board,
On Behalf of the Town of West Warwick

September 2018

WEST WARWICK TOTAL PLAN

As of September 30, 2018

Market Performance

Domestic Equity

- US Equity markets continued to rally in September, boosted by strong economic data and consumer confidence levels not seen since the early 2000's, including greater than expected non-farm payroll figures indicating strong job growth and improving ISM non-manufacturing figures, indicating robust service sector growth.
- The Federal Reserve did not surprise anyone by raising rates again at the end of September, further indicating their confidence in the strength of the US economy.
- The end of September brought the creation of a new sector, the Communications sector, which is a combination of stocks from Technology, all of the Telecom sector, and Consumer Discretionary. The new sector boasts names such as Facebook, Google, Comcast, and Disney.
- Much of the gains made in the domestic indexes for the month came from the large caps, particularly the DJIA (+1.97% in September). The Dow hit record highs during the month of September, matching similar records that were achieved by the S&P 500 and NASDAQ earlier in the year. Contrary to what has played out for most of the year, the NASDAQ and Small Caps were jagged for the month. Growth and Value continue to diverge in performance, although both were up for the month of September. Growth outperformed Value 0.56% to 0.20%.
- The S&P 500 finished September up 0.57% and YTD was up 10.51%. DJIA up 1.97% for the month and 8.83% YTD, the NASDAQ was down -0.70% for September and is up 17.48% for the year.
- The Russell 2000 was down -2.41% for the month and remains up 11.51% for the year, the Russell 1000 Growth was up 0.56% for the month and was up 17.09% YTD, while the Russell 1000 Value was up 0.20% for the month and is only up 3.92% for the year.

International Equity

- International markets followed the momentum of US markets by posting gains in September, though soft economic data, the potential negative effects of increased tariffs and a hard "Brexit" continued to weigh on investor minds.
- China's economic growth has been slowing, creating a drag on BAI markets that posted another negative month (-0.53%, -1.09% for the QTR) despite attractive valuations and fundamentals. Japanese markets ended the quarter on a high note posting gains on 3.04% for September and 3.68% for the quarter. Much of the gains in Japan can be attributed to increased job growth and positive inflation numbers.
- While Japanese and US economic outlook remains positive, the Eurozone is facing further headwinds from the lowest levels of business and consumer confidence in over a year. Despite this, European indexes finished the month and quarter positive (+0.36% and +0.80%) getting a strong boost from the UK for the month but gaining in the rest of Europe for the quarter.

Fixed Income

- US Fixed income markets rallied last month with the Treasury yield curve declining for 2yr to 30yr durations. US Barclays Aggregate was up 0.64% for the month but remains in negative territory (-0.96%) for the year as overall interest rates have risen with the tightening of the Fed's monetary policy.
- The Federal Reserve voted to raise rates by another 0.25% to a new range of 2.00-2.25%. Market-implied probabilities indicate a 70% chance that the next rate increase will occur in December 2018.
- US Treasury yields rose up the curve as 10-year yield reached 3.06%, while the 5-year rate reached 2.98%, a post-crisis peak before settling at 2.95% for the close of the month. The 20 year closed at 3.13% and the 30 year rate ended the month at 3.19%.
- Investment-grade corporate issuance for September priced over \$126 billion. Spreads performed well in spite of heavy supply as investment-grade corporate spreads tightened 8bps to close at 106bps--the tightest level since April 2018. High-yield spreads tightened 22bps to close at 316bps.

Economics

- The synchronized growth from last year provided a basis of hope in 2018 for a rebound in productivity due to an increase in capital expenditures (cap-ex). After seeing a solid rise in capex in 2017 of 7.4% according to JPMorgan, the hope for this year was a continuation of that trend. Unfortunately, capex has grown by 5.0% during the first half of 2018, and is predicted to slide to 4% in Q3. Most of the deceleration is coming from BAI. But with recent positive data coming out of countries such as the US and Japan, we are looking for a rebound heading into the end of the year.
- In the US, four key readings in the jobless claims hit historic lows. Initial claims fell 3,000 in the September 15 week to 201,000 with the four-week average down 20,000 to 1.692 million. Both readings are at new 46-year lows. Continuing claims in lagging data for the September 8 week fell a very sharp 55,000 to 1.645 million with this four-week average down 20,000 to 1.7% in 2020. At the same time, inflation is seen at 1.7% over the entire forecast horizon, matching last time's prediction. Economic risks are still thought to be broadly balanced, but ECB President Draghi did acknowledge increasing downside global risks due to heightened volatility in emerging markets and, in particular, the rise in protectionism.
- In Asia, several Chinese economic reports released in September, portend a potential slowdown. Industrial output and retail sales for August were higher than expected but real estate investment slowed and growth in fixed asset investment dropped to a historic low, raising risks to China's economic outlook as the trade conflict with the U.S. escalates.

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of September 30, 2018

	Market Value (\$)	% of Portfolio	Ending September 30, 2018							
			1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Inception Date
WEST WARWICK TOTAL PLAN	35,354,943	100.0	-0.3	2.7	2.6	2.6	6.4	8.4	6.4	Jan-11
<i>Policy Index</i>			-0.1	2.5	2.3	2.3	5.9	8.6	--	Jan-11
<i>MSCI ACWI</i>			0.4	4.3	3.8	3.8	9.8	13.4	--	
<i>Russell 3000</i>			0.2	7.1	10.6	10.6	17.6	17.1	--	
<i>S&P 500</i>			0.6	7.7	10.6	10.6	17.9	--	14.0	Nov-15
<i>Russell 1000 Value</i>			0.2	5.7	3.9	3.9	9.5	10.9	10.9	Oct-15
<i>Spliced Russell 1000 Growth Index</i>			0.6	9.2	17.1	17.1	26.3	20.3	20.3	Oct-15
<i>Russell Mid Cap Index</i>			-0.6	5.0	7.5	7.5	14.0	--	12.8	Mar-17
<i>KBW NASDAQ BANK</i>			-4.6	1.6	--	--	--	--	-6.3	Feb-18
<i>KBW NASDAQ REGIONAL BANK INDEX</i>			-5.3	-2.2	--	--	--	--	-0.4	Apr-18
<i>RUSSELL 2000 INDEX</i>			-2.4	3.6	--	--	--	--	10.6	Apr-18
<i>MSCI ACWI ex USA</i>			0.5	0.7	-3.1	-3.1	1.8	10.0	--	
<i>Vanguard Developed Custom</i>			0.7	1.1	-1.8	-1.8	3.0	7.1	7.1	Oct-15
<i>MSCI EAFE Growth</i>			-0.2	1.5	0.6	0.6	5.8	--	7.2	Jun-17
<i>MSCI EAFE Small Cap</i>			-0.7	-0.9	--	--	--	--	-2.4	Apr-18
<i>MSCI World ex-US Diversified Multi-Factor Index</i>			1.3	1.5	--	--	--	--	-3.3	Apr-18
<i>MSCI JAPAN SMALL CAP</i>			1.4	-0.1	--	--	--	--	-3.7	Jun-18
<i>MSCI EM</i>			-0.5	--	--	--	--	--	-2.5	Aug-18
<i>BBgBarc US Universal TR</i>			-0.4	0.3	-1.4	-1.4	-1.0	2.0	--	

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN Performance

As of September 30, 2018

Ending September 30, 2018

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	Inception (%)	Date
Barclays U.S. Gov/Credit 6-10 Yr			-0.8	0.1	-2.1	-2.1	-2.1	1.0	1.0	Oct-15
Barclays 1-3 Yr. Gov/Credit			-0.1	0.3	0.4	0.4	0.2	--	0.4	Apr-17
BbgBarc US Universal			-0.4	0.3	-1.4	-1.4	-0.9	--	-0.9	Oct-17
91 Day T-Bills			0.2	0.5	1.3	1.3	1.6	0.9	0.2	Sep-18
HFRX Global Hedge Fund Index			-0.7	-0.4	-1.2	-1.2	0.2	2.2	1.7	Nov-15
HFRX Macro Index			-0.6	0.6	-1.2	-1.2	1.4	-0.7	-0.6	Jan-16
HFRX Event Driven Index			-0.6	-1.1	-5.5	-5.5	-5.6	3.6	4.1	Jan-16
HFRX Global Hedge Fund Index			-0.7	-0.4	-1.2	-1.2	0.2	2.2	2.7	Jan-17
FTSE T-Bill 3 Months TR										

WEST WARWICK TOTAL PLAN
WEST WARWICK TOTAL PLAN

As of September 30, 2018

Policy Index: 33% Russell 3000/ 22% MSCI ACWI Ex USA/ 22.5% Barclays U.S. Universal/ 18.5% HFRX Global Hedge Fund Index/ 4% 91 Day T-Bills

Shares Russell 1000 Growth ETF= VIGAX until 12/29/2015, IWF going forward

Spliced Russell 1000 Growth Index= CRSP Large Growth Index until 12/31/2015, Russell 1000 Growth going forward

Footnotes:

- ClearShares Ultra Short Maturity was invested on September 18, 2018
- Doubleline Total Return Bond Fund-I was liquidated on August 28, 2018
- iShares Edge MSCI Multifactor EM ETF was liquidated on August 8, 2018
- Causway EM Fund was liquidated on August 1, 2018
- Payden Emerging Markets Bond Fund was liquidated on June 15, 2018
- DFA Japanese Small Company was invested on June 15, 2018
- iShares MSCI Japan was liquidated on June 15, 2018
- iShares MSCI Eurozone was liquidated on May 31, 2018
- iShares European Financials ETF was liquidated on May 18, 2018
- iShares EDGE MSCI Multifactor International ETF was invested in April 18, 2018
- Causeway International Value was liquidated on April 18, 2018
- Powershares KBW Regional Bank ETF was invested in April 6, 2018
- Wasatch Core Growth was invested in April 6, 2018
- AMG Silvercrest was liquidated on April 6, 2018
- Vanguard International Explorer Fund was invested in April 2, 2018
- PowerShares KBW Bank ETF was invested February 21, 2018.
- Payden Emerging Markets Bond Fund was invested February 6, 2018.
- iShares Edge MSCI Multifactor Emerging Markets ETF was invested December 13, 2017
- iShares MSCI Eurozone ETF was invested December 26, 2017
- DFA Emerging Markets Core Equity Fund was liquidated December 12, 2017
- iShares MSCI Japan ETF was invested October 13, 2017

WEST WARWICK TOTAL PLAN

WEST WARWICK TOTAL PLAN

As of September 30, 2018

Clearbrook Investment Consulting, LLC (Clearbrook) has exercised reasonable professional care in the preparation of this performance report. However, certain information in this report, such as market indices, security characteristics, etc. is received from sources external to Clearbrook. These sources, including pricing and rating services, issuer reports or communications, etc. are believed to be reliable. While efforts are made to ensure that this data is accurate, Clearbrook cannot accept responsibility for any errors that may occur. All rates of return for periods longer than one year have been annualized. All rates of return are gross of management fees and net of commissions unless otherwise noted. Past performance is not an indication of future results.

A copy of Clearbrook's Form ADV, Part 2A, is available, without charge, upon request. The Form ADV, Part 2A, is the SEC disclosure document Clearbrook is required to file as a registered investment advisor. If you would like to receive a copy, please send a written request to the address noted below.

Timothy C. Ng | Managing Director

CLEARBROOK | 825 Third Avenue, 31st Floor | New York, NY 10022

(P) 212.359.0273 | (F) 212.359.0291 | tmg@clbrk.com

Jonathan M. Chesshire, CIMA® | Managing Director

CLEARBROOK | 2 County View Rd., Suite 130 | Malvern, PA 19355

(P) 610.225.6072 | (C) 484.802.5434 | (F) 610.225.6066 | jchesshire@clbrk.com