

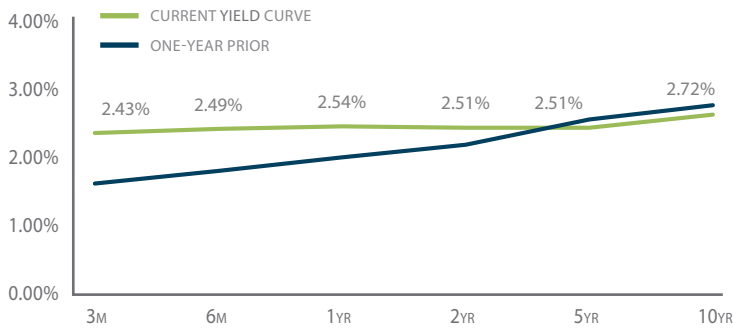


SD FIT MARKET UPDATE

Prepared by Prudent Man Advisors, Inc.

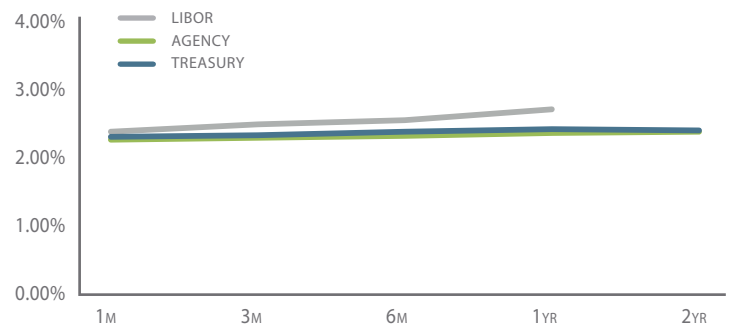
MARCH 2019

Historical Yield Curve



Source: Bloomberg Finance L.P. 2/28/19

Indicative Rates



Source: Bloomberg Finance L.P. 2/28/19
Rates do not reflect transaction fees.

FEATURED MARKET DATA

Manufacturing Still Matters

Growth declined at U.S. manufacturing firms in February. The ISM manufacturing index fell to 54.2 in February, a two-year low and below market expectations of 55.8. Four of the five primary components: orders, employment, production and deliveries, all declined. The weakness was attributed to colder than usual weather and policy uncertainty over trade. While the strength of the manufacturing sector may serve as a good proxy for the health of the economy, it is important to note that the pace of growth has ebbed in line with overall economic activity.

Source: Wall Street Journal, Bloomberg

ISM Composite & GDP Growth



Source: Bloomberg

RECENT NEWS

Economic Growth Slows

GDP rose 2.6% in the 4th quarter and exceeded the 2.2% growth expected by economists. The pace of growth remained solid, though fell short of robust growth rates of 3.4% and 4.2% in the 3rd and 2nd quarters, respectively. Growth slowed compared to prior quarters as consumers slowed spending and the housing sector detracted from growth for the 4th consecutive quarter. Business investment and exports contributed positively, while imports detracted from growth. Longer term our outlook is for somewhat slower GDP growth through 2019 as trade uncertainty evolves along with the impact of 2018 tax cuts wanes.

Source: Wall Street Journal, Bloomberg

U.S. Economic Indicators

| Event | Event Date | Period | Survey | Actual | Prior / Revised (R) |
|---|------------|--------|--------|--------|---------------------|
| Retail Sales Ex. Auto and Gas | 02/14/19 | DEC | 0.4% | -1.4% | 0.5% |
| Durable Goods Orders Ex. Transportation (MoM) | 02/21/19 | DEC | 0.3% | 0.1% | -0.2% (R) |
| Existing Home Sales | 02/21/19 | JAN | 5.00m | 4.94m | 5.00m (R) |
| Building Permits | 02/26/19 | DEC | 1290K | 1326K | 1322K (R) |
| Consumer Confidence | 02/26/19 | FEB | 124.9 | 131.4 | 121.7 (R) |
| Initial Jobless Claims | 02/28/19 | Feb 23 | 220K | 225K | 217K (R) |
| PCE (YoY) | 03/01/19 | DEC | 1.7% | 1.7% | 1.8% |
| Core PCE (YoY) | 03/01/19 | DEC | 1.9% | 1.9% | 1.9% |
| ISM Manufacturing | 03/01/19 | FEB | 55.8 | 54.2 | 56.6 |

Source: Bloomberg Finance L.P. 3/1/19

Contact Information

KENT D. JOHNSON

Senior Vice President, Director-
Minnesota Office

Tel: 763.497.1490 Ext. 1300
kjohnson@pmanetwork.com

ANGIE STILLWELL

Senior Portfolio Advisor

Tel: 612-509-2562
astillwell@pmanetwork.com

PMA Financial Network | 5301 Kyler Ave. NE, 2nd Floor, Albertville, MN 55301

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