

2016: The Shake-Up

2016 was the year of the wake-up call—on the global political stage, many people spoke up and voted down the status quo, confounding investor expectations and jolting financial markets along the way. U.S. economic conditions showed stronger improvement especially late in the year, as GDP growth picked up, personal income grew and the job market remained robust. U.S. stock markets recovered from early declines on growing economic strength, but it took until the end of the election season for the major equity indexes to break out and reach new highs late in the year.

1 China devalues currency
 2016 starts on a down note as weakness in the Chinese yuan rattles global markets.



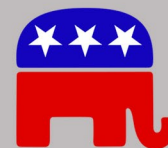
January, 2016

2 Central banks go negative
 The Bank of Japan joins European central banks in dropping government bond yields below zero.



Quarter 1, 2016

3 Trump secures GOP nomination
 The business man beats the field of traditional Republican presidential candidates.



May, 2016

4 Britain votes to leave
 UK voters defy the polls and politicians to approve the “Brexit” from the European Union.



Late June, 2016

5 U.S. economy wakes up
 Gross Domestic Product estimates for Q3 are the strongest in two years.



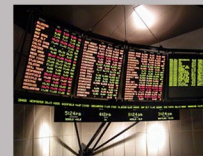
Quarter 3, 2016

6 Trump wins the White House
 Stock markets move higher after a contentious election is decided.



Early November, 2016

7 Stocks hit record highs
 Investors show confidence in Trump’s proposals with a surge in optimism.



Late November, 2016

8 Federal Reserve hikes rates
 The Fed makes its first move in a year and signals more rate hikes for 2017.



December, 2016

