

**Mission  
Statement**

To provide independent and objective investment consulting services to not-for-profit organizations.

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The broad based post-election rally continued through December, with virtually all asset classes posting gains, which ranged from minimal to moderate. Equities, both domestic and international, were dominant, although the top position belonged to global real estate, which has had a rather volatile year. Hedge funds continued their anemic performance, while investment grade bonds, in response to the Fed rate hike, were essentially flat. Developed market bonds, reflecting the continued strength of the U.S. Dollar vs. the Euro, were the only asset class to post a loss. Overall, 2016 ended far better than anyone would have anticipated last January. All 12 of the major asset classes that we track were positive for the year, with an eclectic group of five posting double-digit gains. Domestic equities trounced the international developed markets, with small cap stocks easily outpacing all other asset classes.

Major Asset Classes	Total Return	
	December	YTD
<b>GLOBAL REAL ESTATE</b>	3.93	5.77
<b>INTERNATIONAL LARGE CAP STOCKS</b>	3.42	1.00
<b>SMALL CAP STOCKS</b>	2.80	21.31
<b>INTERNATIONAL SMALL CAP STOCKS</b>	2.77	4.32
<b>LARGE CAP STOCKS</b>	1.98	11.96
<b>HIGH YIELD BONDS</b>	1.95	17.34
<b>COMMODITIES</b>	1.80	11.77
<b>EMERGING MARKET BONDS</b>	1.03	9.00
<b>MULTI-STRATEGY HEDGE FUNDS</b>	0.71	1.38
<b>EMERGING MARKET STOCKS</b>	0.22	11.19
<b>INVESTMENT GRADE BONDS</b>	0.14	2.65
<b>DEVELOPED MARKET BONDS</b>	-0.96	1.49

IPEX is a boutique investment consulting firm that specializes in working with not for profit organizations.

IPEX offers a full range of investment consulting services. IPEX advises clients in structuring, implementing and evaluating their investment programs. IPEX helps clients develop investment policy statements, conduct money manager searches, prepare asset allocation studies and monitor investment performance.

IPEX is not affiliated with any money manager or brokerage firm. Our only source of compensation is the fees we receive from our clients. IPEX can work with a client's existing managers and financial institutions or we can help clients to replace their service providers.

Our independent structure enables IPEX to provide objective advice and recommendations, thereby ensuring that our clients make informed decisions and fulfill fiduciary responsibilities.

Indices utilized: Commodities, Bloomberg Commodity Index; Developed Market Bonds, Barclays Global Agg Ex US Index; Emerging Market Bonds, Barclays EM Hard Currency Index; Emerging Market Stocks, MSCI EM NR USD Index; Global Real Estate, S&P Global Reit Index; High Yield Bonds, B of A ML US HY Index; International Large Cap Stocks, MSCI EAFE NR USD Index; International Small Cap Stocks, MSCI World ex US Small Cap NR Index; Investment Grade Bonds, Barclays US Agg Bond Index; Large Cap Stocks, S&P 500 Index; Multi-Strategy Hedge Funds, Morningstar US OE Multi-alternative Category; Small Cap Stocks, Russell 2000 Index.

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