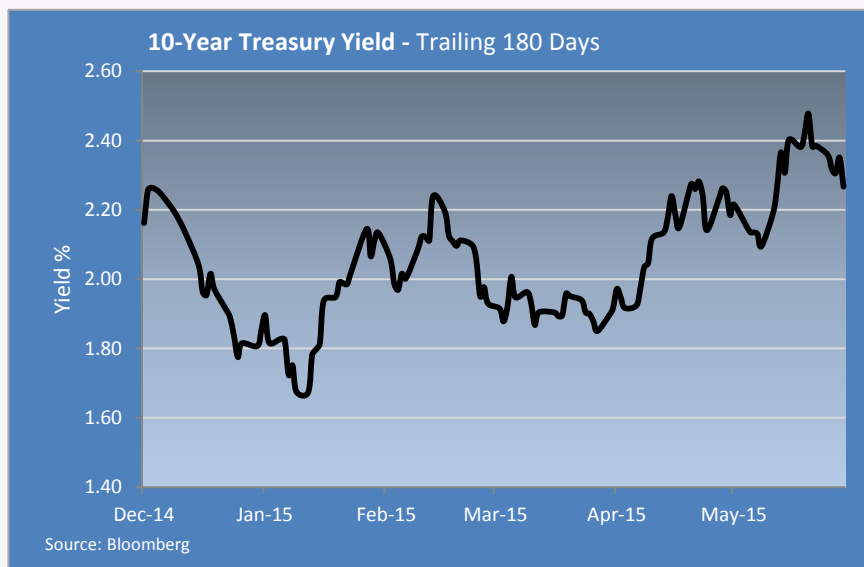




Chart of the Week



Weekly Highlights

- **Domestic stocks were higher during the week**, with the Russell 2000 reaching a new all-time intraday high. The S&P 500 also moved higher. The market was encouraged by Janet Yellen's emphasis on the importance of rate hikes, albeit at a more dovish than expected pace. Underlying economic indicators inched positively on the margin, with jobless claims falling to 267,000 and an increase in new building permits.
- **Global bond yields continued to decline** amongst concerns over a Greek default. The German 10-year government bond yield fell to 0.76%. The U.S. 10-year Treasury yield fell 12 basis points to 2.27%.
- **Commodity indices were lower**, as crude oil prices receded slightly during the week. Grains were flat.

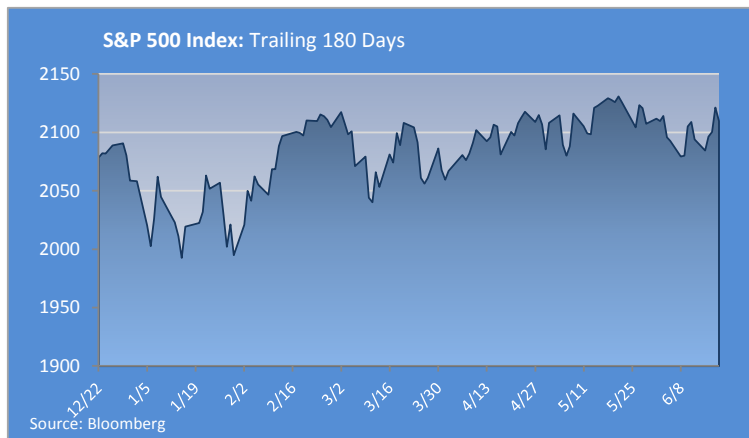
Talking Points

- **Among equities**, small caps outperformed large caps—with the Russell 2000 posting a new intra-day high driven in part by increased merger activity and renewed investor appetite for growth. Growth stocks outperformed value stocks, and domestic stocks outperformed international equities. Developed markets underperformed emerging markets.
- **Treasury prices rose during the week.** The yield on the 10-year T-note declined slightly over concerns of a Greek default.
- **Commodity indices were slightly lower**, driven by a decrease in Energy prices. Metals were higher and grains were relatively flat.
- **The dollar fell slightly** this week in response to the Federal Reserve's more dovish than expected path toward monetary tightening.
- **Among economic data released this week**, jobless claims fell to 267,000 signaling employment growth. Housing starts disappointed but new building permits increased by 11.8% over last month. Inflation registered at 0.4%.

MARKET DASHBOARD

	Last Price	Change	% Chg.	YTD %
S&P 500	2,109.76	15.65	0.75%	2.5%
Dow Industrials	18,014.28	115.44	0.64%	1.1%
Nasdaq	5,117.00	65.90	1.30%	8.0%
Russell 2000	1,284.66	19.64	1.55%	6.6%
Euro Stoxx Index	385.59	-3.79	-0.97%	12.6%
Shanghai Composite	4,478.36	-687.99	-13.32%	38.4%
Russell Global	1,799.06	4.19	0.23%	4.1%

Source: Bloomberg; Index % change is based on price.



	Last Price	Change	% Chg.	YTD %
Russell Global EM	3,082.91	-0.11	0.00%	3.4%
10-Year US Treas.	2.27	-12 bps	NM	NM
DJ UBS Comm. Idx.	99.84	-0.75	-0.74%	-4.3%
Gold	\$1,200.71	\$18.93	1.60%	1.4%
Crude Oil	\$59.46	-\$0.48	-0.80%	5.7%
Dollar Index	94.11	-0.84	-0.89%	4.3%
VIX Index	13.96	0.18	1.31%	-27.3%

One Week			YTD		
	Value	Growth	Value	Growth	
L	0.46%	0.72%	0.96%	-0.18%	2.46%
	0.66%	0.87%	1.06%	2.15%	4.38%
S	1.09%	1.55%	1.98%	2.34%	6.64%
				10.91%	

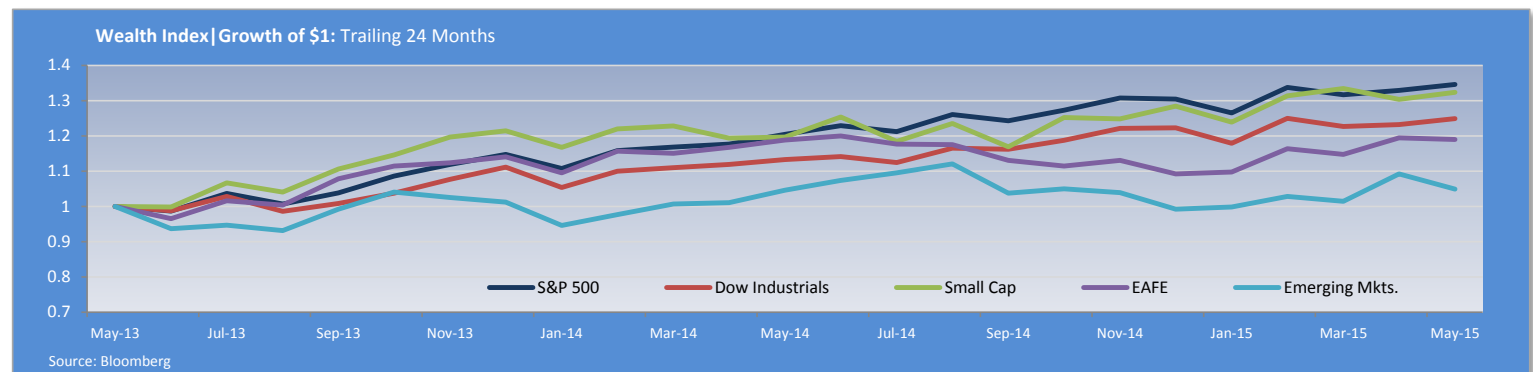
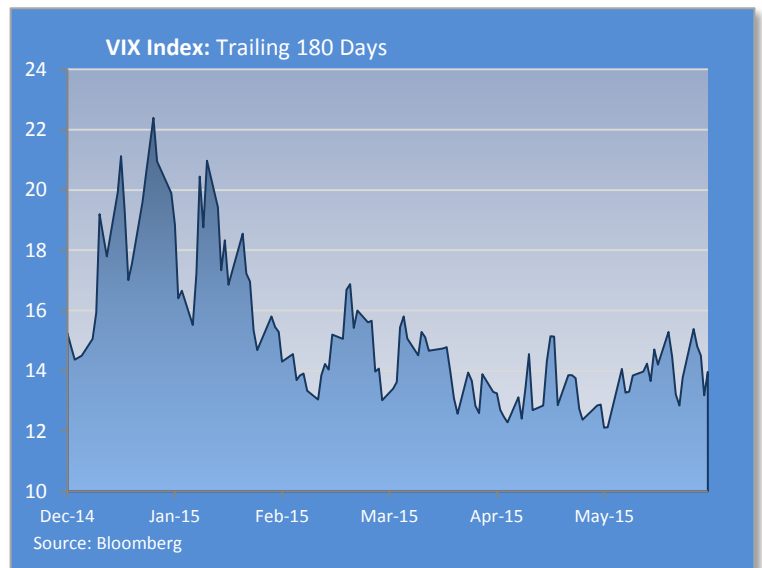
Source: Bloomberg

Sector Performance:

S&P/Global Industry Classification Sectors (GICS)

	% Wgt in S&P 500	Week % Chg.	YTD % Chg.
Consumer Discretionary	12.7	1.57%	7.5%
Consumer Staples	9.4	1.92%	0.2%
Energy	7.8	-0.46%	-4.9%
Financials	16.5	-0.09%	0.8%
Health Care	15.3	2.01%	10.6%
Industrials	10.2	0.01%	-1.2%
Information Technology	19.9	0.27%	3.1%
Materials	3.2	0.60%	3.5%
Telecom Services	2.2	0.64%	1.4%
Utilities	2.9	1.47%	-9.4%

Source: Bloomberg



THE ECONOMY AND MARKETS

A Macro View – The end of ambiguity

At the Federal Open Market Committee meeting earlier this week, the Federal Reserve (Fed) signaled that it was poised to begin raising interest rates incrementally. Following nine years of rate reductions as status quo, market participants ostensibly could begin to breathe a sigh of relief.

A potential rate hike comes as a positive sign for the economy, because it means that for the first time in nearly a decade, the Fed is comfortable enough with the health of the economy to set a path forward toward monetary tightening. The size or pace of the increase itself is not as important as the direction of the trajectory, and ongoing quantitative easing in Europe and Japan will mean that the Fed has the leeway to do so in a gradual fashion. The last time the Fed raised rates was in June 2006, and the market has operated in a near zero interest rate environment since December 2008.

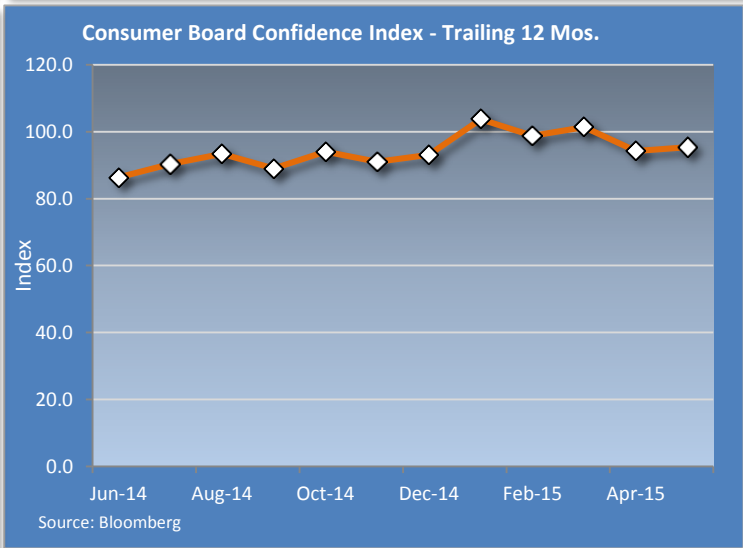
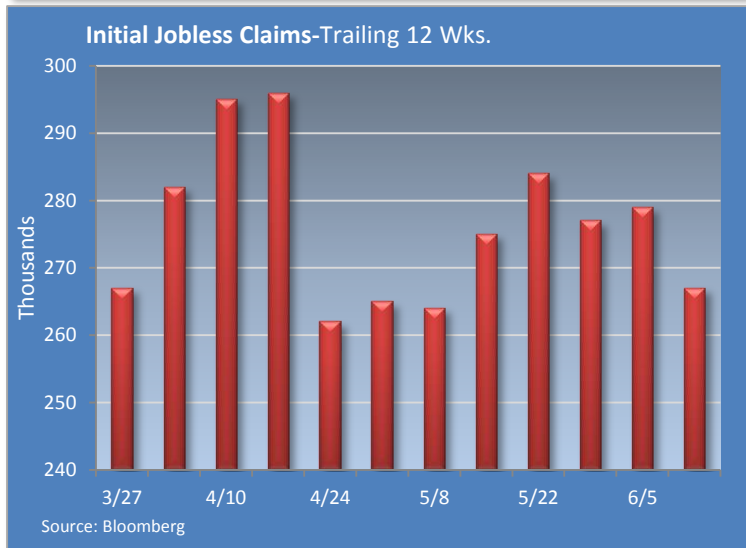
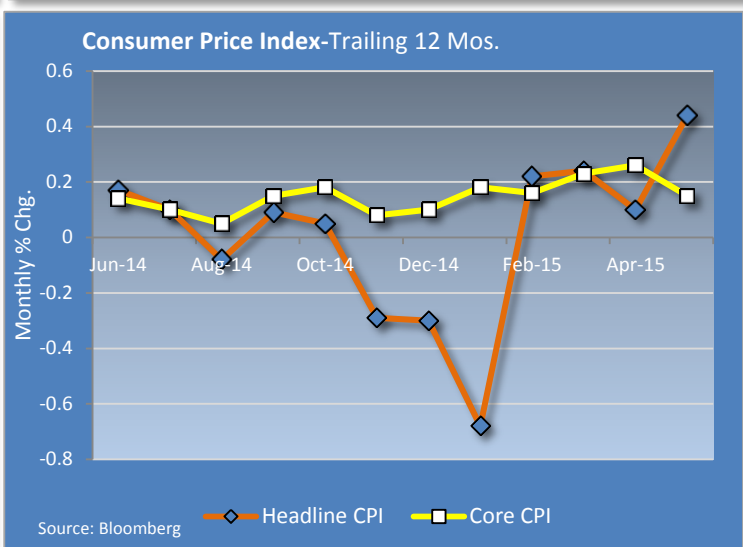
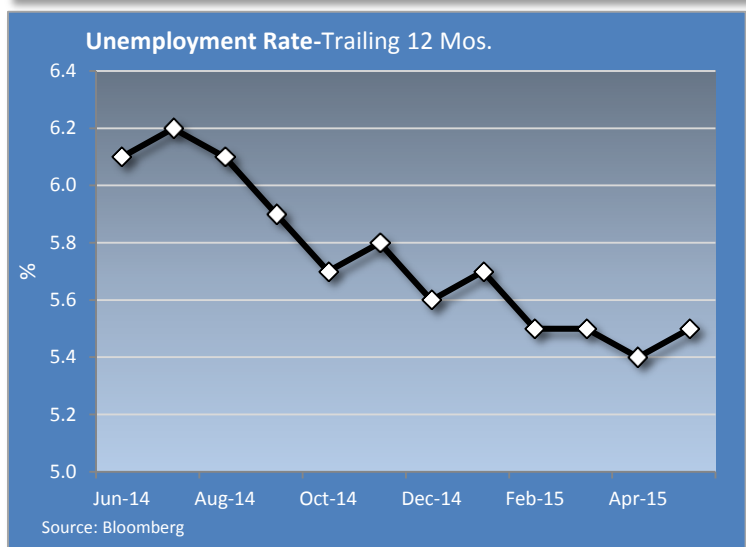
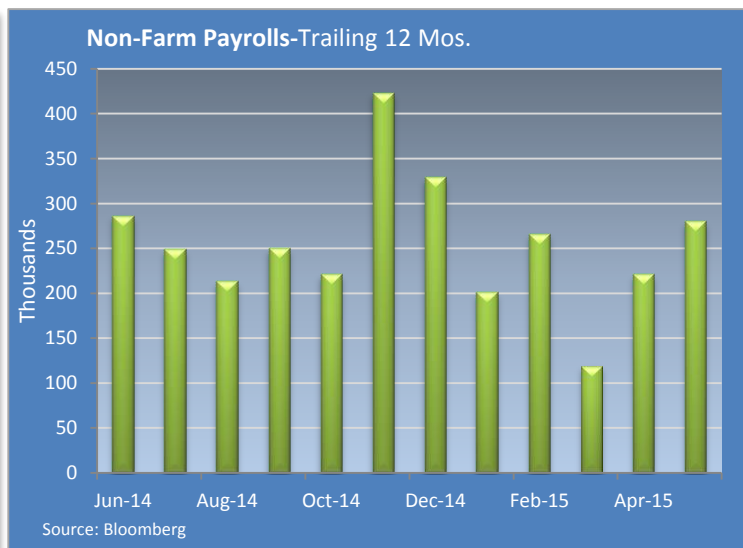
Following a contraction in first quarter data, economic indicators generally are improving – with a marked increase in consumer, employment, and housing data. Weekly jobless claims came in lower than expected on Thursday: 267,000, hovering near 15-year lows reached earlier in the quarter. Consumer spending, a critical component that drives GDP growth, is rising—demonstrating that consumers are showing increased confidence in improved housing conditions and a strengthening labor market even with higher oil prices. Employers added 280,000 jobs in May, and building permits, signaling homebuilder confidence, hit a new 8-year high despite an 11.1% decrease in housing starts.

Macroeconomic data aside, underlying market fundamentals also support our thesis of an improving economy: the Nasdaq hit an all-time high on the heels of a strong biotechnology sector, and IPO activity is resoundingly strong. The Nasdaq soared to an intraday record of 5,143 on Thursday, edging out its previous peak of 5,132 achieved more than 15-years ago, in March 2000, during the dot-com boom. Notably, the Russell 2000, favoring small caps over large cap stocks, also reached an intraday high this week. Yesterday's successful public debut of Fitbit also reinforced investors' appetite for growth, reinvigorating the IPO market which, hampered by low energy prices, had a soft beginning to the year. New US IPOs in 2014 were the highest since 2000, and second-half activity appears to be re-accelerating as 32 new deals are expected to price in June alone.

So, is the perceived rate hike set in stone? No, not exactly. Conceivably, scenarios like a Greek contagion or deceleration in US economic activity certainly could prompt regulators to shift course. However, the US has learned from Japan's experience, and is finally lifting its foot off the gas pedal on accommodative monetary policy. As we are aware, quantitative easing is not sustainable, and central banks must raise rates to prevent deflation. So, whether the Fed decides to increase rates once or twice this year, we can see a gradual path toward rising US treasury rates and a strong US dollar.

Cynthia Crandall
VP, Senior Investment Analyst

ECONOMIC DATA



EUROZONE

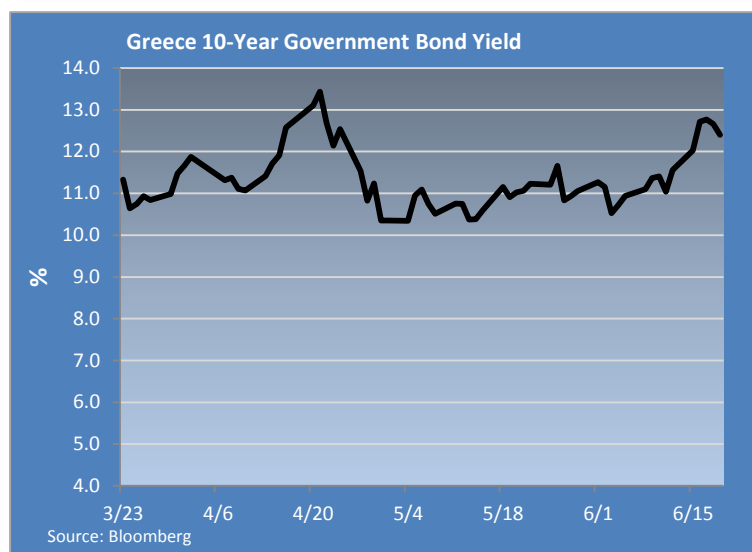
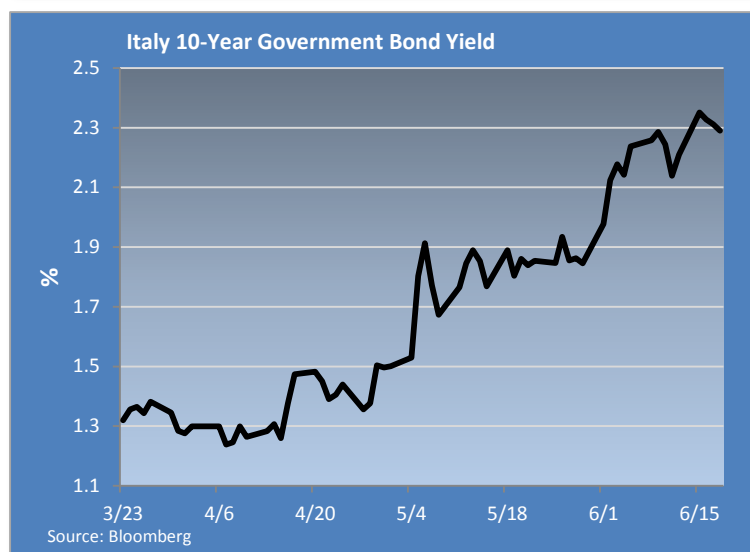
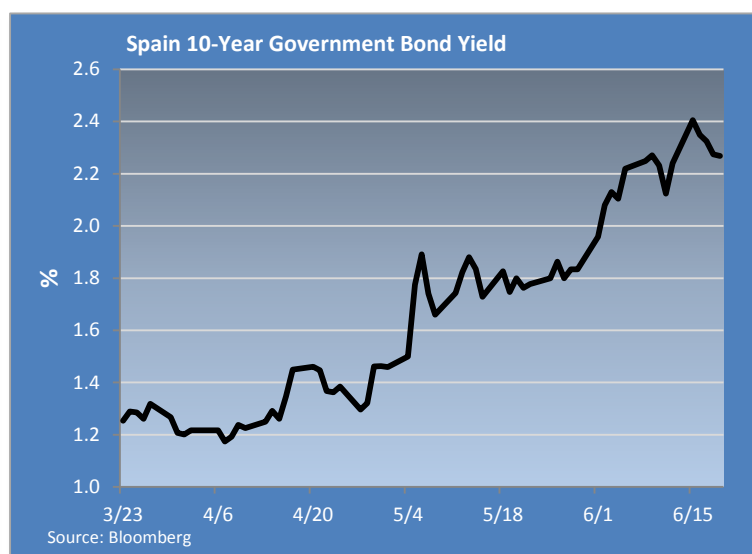
SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.75	8 bps	NM	NM
Greece 10-Yr. Govt.	12.40	-31 bps	NM	NM
Italy 10-Yr. Govt.	2.28	-6 bps	NM	NM
Spain 10-Yr. Govt.	2.27	-2 bps	NM	NM
Belgium 10-Yr. Govt.	1.19	3 bps	NM	NM

Source: Bloomberg

Basis points (bps)

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	1.16	5 bps	NM	NM
Ireland 10-Yr. Govt.	1.61	6 bps	NM	NM
Portugal 10-Yr. Govt.	3.03	-1 bps	NM	NM
Netherlands 10-Yr. Govt.	1.00	6 bps	NM	NM
U.K. 10-Yr. Govt.	2.00	-2 bps	NM	NM



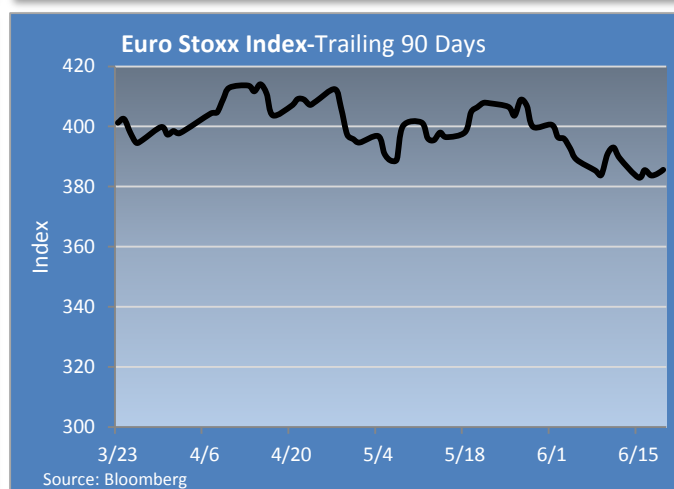
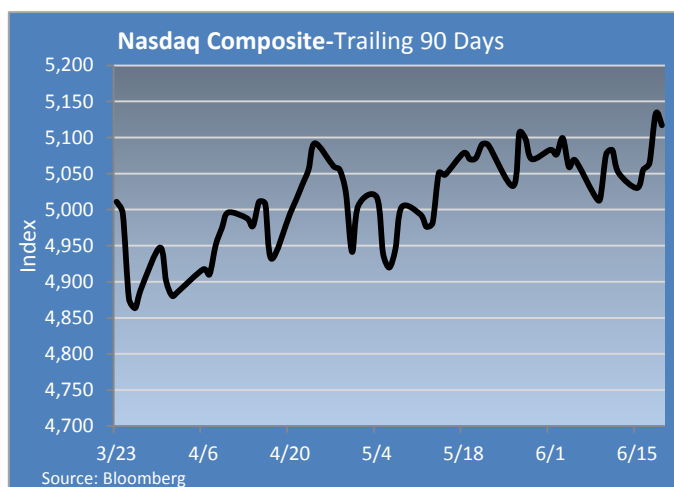
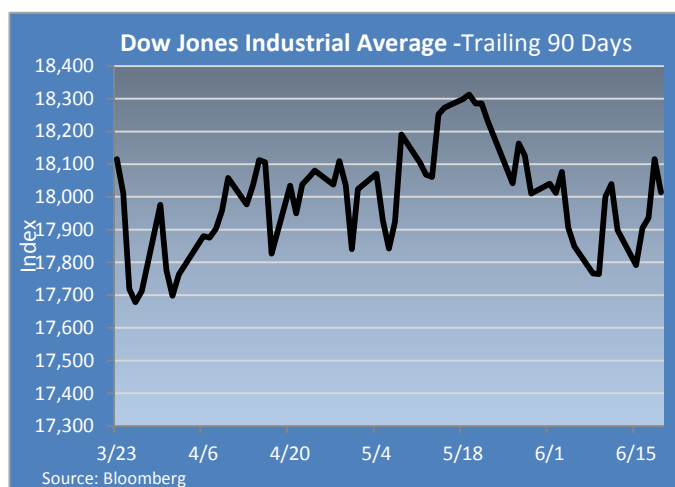
EQUITIES

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,109.76	15.65	0.75%	2.47%
Dow Industrials	18,014.28	115.44	0.64%	1.07%
Nasdaq Composite	5,117.00	65.90	1.30%	8.04%
Russell Global	1,799.06	4.19	0.23%	4.1%
Russell Global EM	3,082.91	-0.11	0.00%	3.4%
S&P/TSX (Canada)	14,653.12	-88.03	-0.60%	0.14%
Mexico IPC	44,973.41	280.91	0.63%	4.24%
Brazil Bovespa	53,749.41	401.88	0.75%	7.48%
Euro Stoxx 600	385.59	-3.79	-0.97%	12.57%
FTSE 100	6,710.45	-74.47	-1.10%	2.20%
IBEX 35 (Spain)	10,944.30	-86.20	-0.78%	6.47%

Source: Bloomberg; Index % change is based on price.

	Last	Change	% Chg.	YTD %
Swiss Market Index	8,867.32	-159.11	-1.76%	-1.29%
CAC 40 Index (France)	4,815.37	-85.82	-1.75%	12.70%
DAX Index (Germany)	11,040.10	-156.39	-1.40%	12.59%
Irish Overall Index	6,270.90	60.82	0.98%	20.03%
Nikkei 225	20,174.24	-232.84	-1.14%	15.61%
Hang Seng Index	26,760.53	-520.01	-1.91%	13.37%
Shanghai Composite	4,478.36	-687.99	-13.32%	38.45%
Kospi Index (S. Korea)	2,046.96	-5.21	-0.25%	6.86%
Taiwan Taiex Index	9,218.37	-83.56	-0.90%	-0.96%
Tel Aviv 25 Index	1,684.90	-12.23	-0.72%	15.01%
MICEX Index (Russia)	1,663.03	10.79	0.65%	19.08%



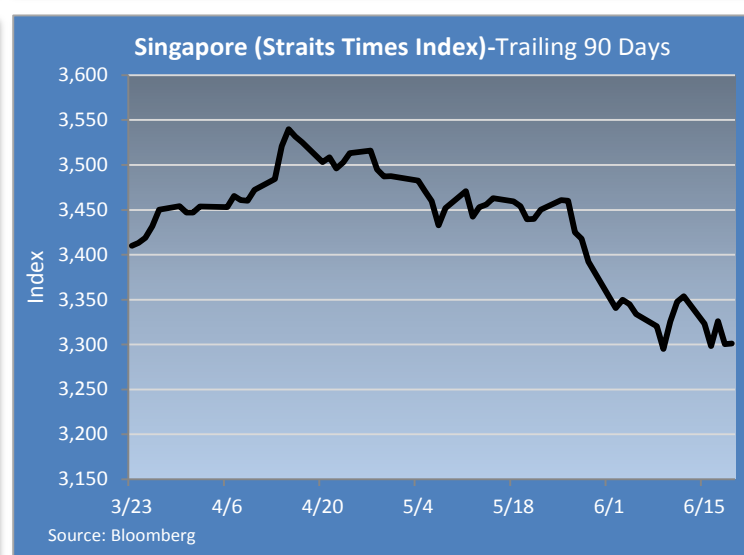
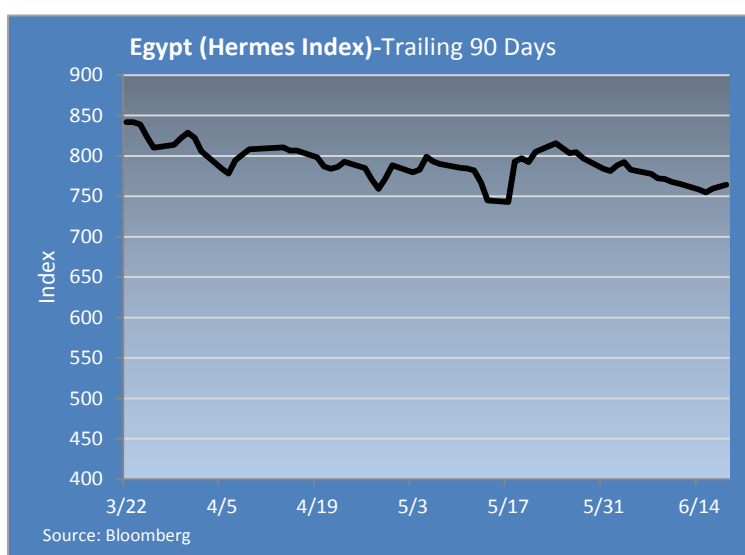
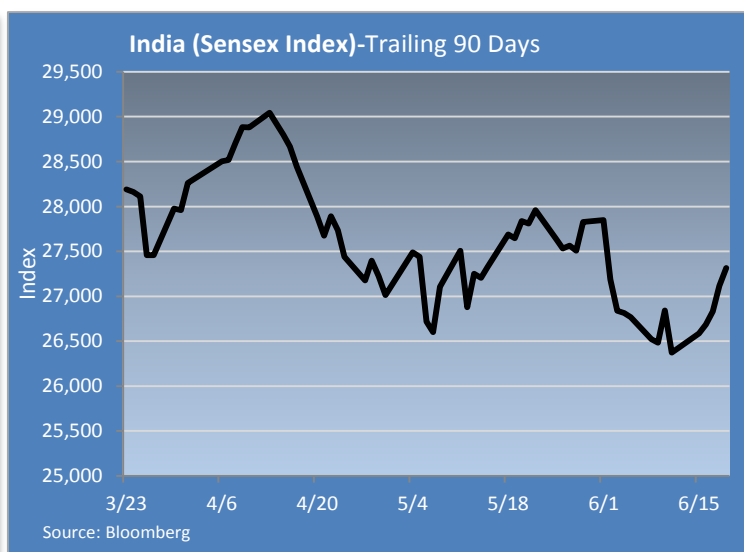
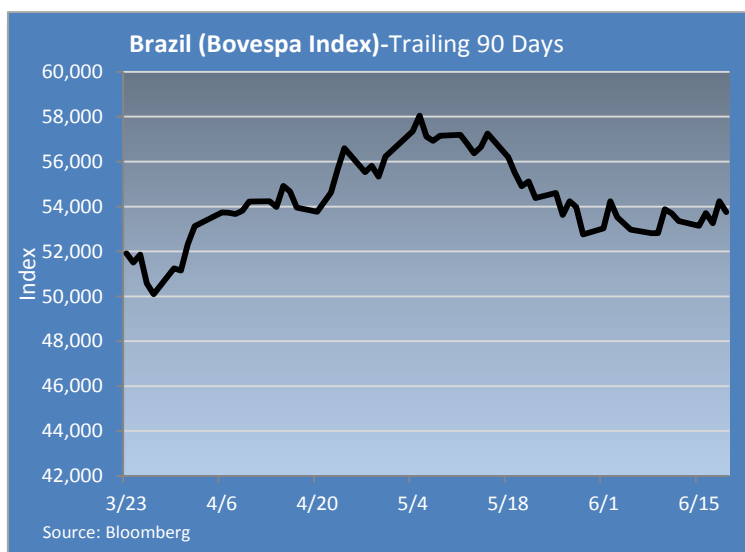
EQUITIES – EMERGING AND FRONTIER MARKETS

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	44,973.41	280.91	0.6%	4.2%
Brazil (Bovespa Index)	53,749.41	401.88	0.8%	7.5%
MICEX Index (Russia)	1,663.03	10.79	0.7%	19.1%
Czech Republic (Prague)	975.50	-15.63	-1.6%	3.0%
Turkey (Istanbul)	82,454.38	1921.88	2.4%	-3.8%
Egypt (Hermes Index)	764.56	-1.56	-0.2%	-8.3%
Kenya (Nairobi 20 Index)	4,778.63	13.61	0.3%	-6.5%
Saudi Arabia (TASI Index)	9,505.74	-12.64	-0.1%	14.1%
Lebanon (Beirut BLOM Index)	1,186.89	-1.99	-0.2%	1.4%
Palestine	478.00	-0.91	-0.2%	-4.9%

Source: Bloomberg; Index % change is based on price.

	Last	Change	% Chg.	YTD %
Hang Seng Index	26,760.53	-520.01	-1.9%	13.4%
India (Sensex 30)	27,316.17	890.87	3.4%	-0.7%
Malaysia (KLCI Index)	1,721.77	-12.60	-0.7%	-2.2%
Singapore (Straits Times Index)	3,300.96	-52.89	-1.6%	-1.9%
Thailand (SET Index)	1,491.46	-16.77	-1.1%	-0.4%
Indonesia (Jakarta)	4,985.01	49.19	1.0%	-4.6%
Pakistan (Karachi KSE 100)	34,526.70	-124.59	-0.4%	7.5%
Vietnam (Ho Chi Minh)	584.70	1.97	0.3%	7.2%
Sri Lanka (Colombo)	7,035.15	-26.13	-0.4%	-3.6%
Cambodia (Laos)	1,375.39	0.51	0.0%	-2.7%

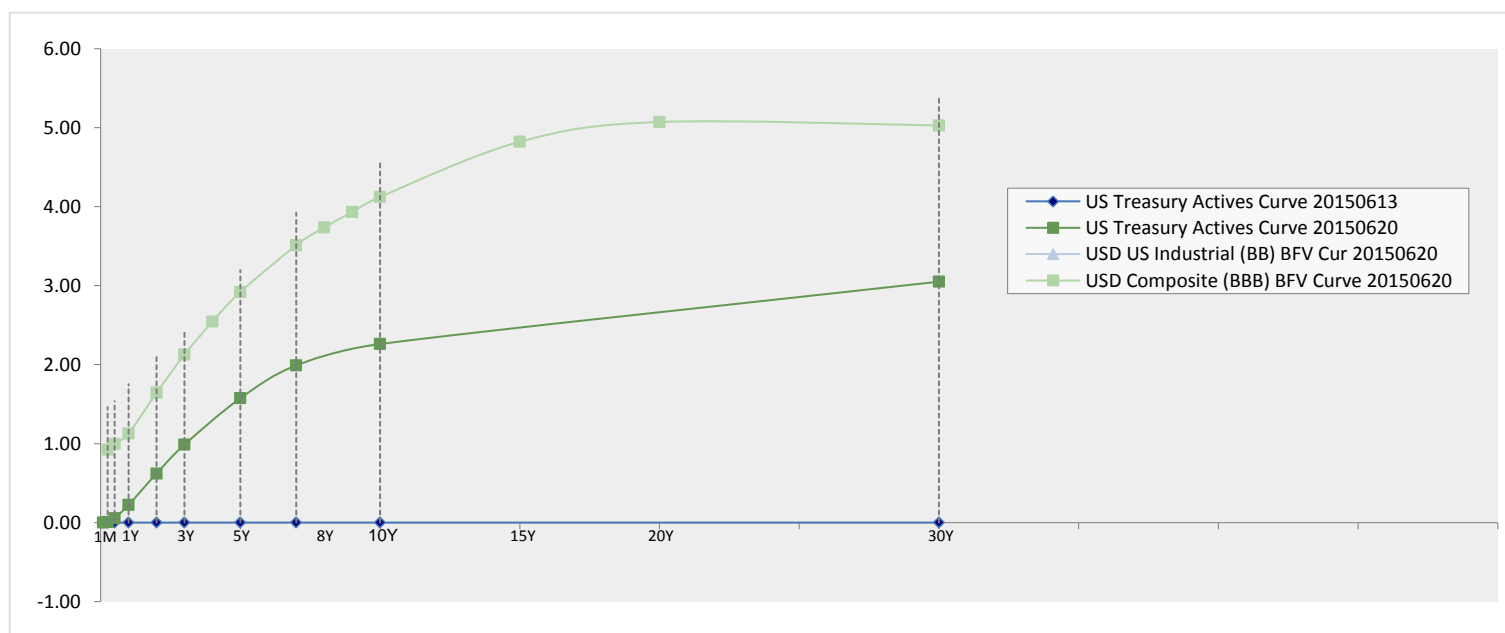


INTEREST RATES

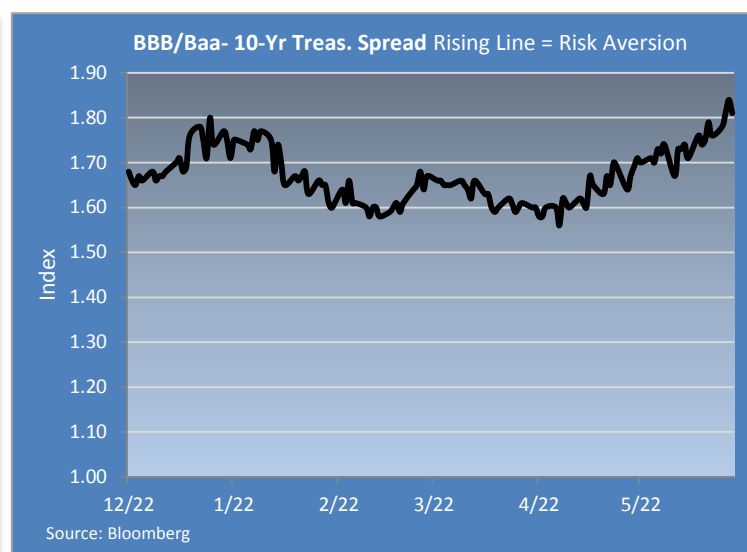
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.62%	2 bps	NM	NM	Prime Rate	3.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.58%	-16 bps	NM	NM	Fed Funds Rate	0.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.27%	-12 bps	NM	NM	Discount Rate	0.75%	0.00	NM	NM
30-Yr. U.S. Treasury	3.06%	-4 bps	NM	NM	LIBOR (3 Mo.)	0.28%	-1 bps	NM	NM
German 10-Yr. Govt.	0.75%	8 bps	NM	NM	Bond Buyer 40 Muni	4.22%	0 bps	NM	NM
France 10-Yr.	1.16%	5 bps	NM	NM	Bond Buyer 40 G.O.	3.79%	NA	NM	NM
Italy 10-Yr.	2.28%	-6 bps	NM	NM	Bond Buyer 40 Rev.	4.26%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.10%	6 bps	NM	NM					

Source: Bloomberg



Source: Bloomberg



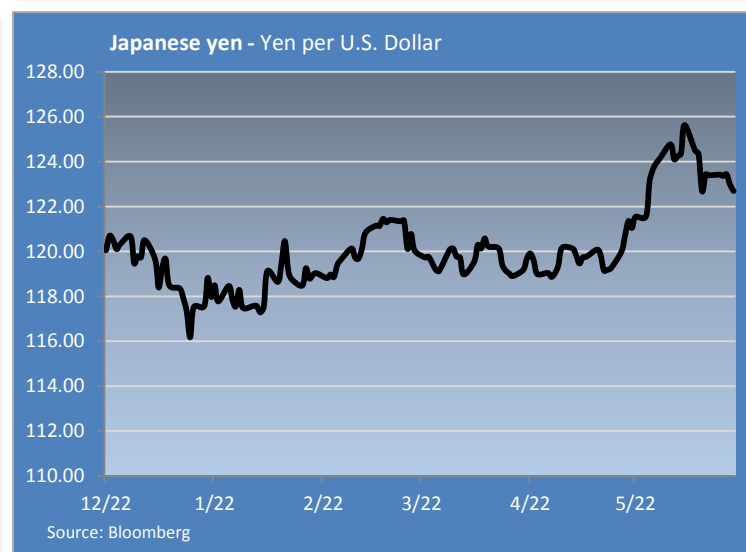
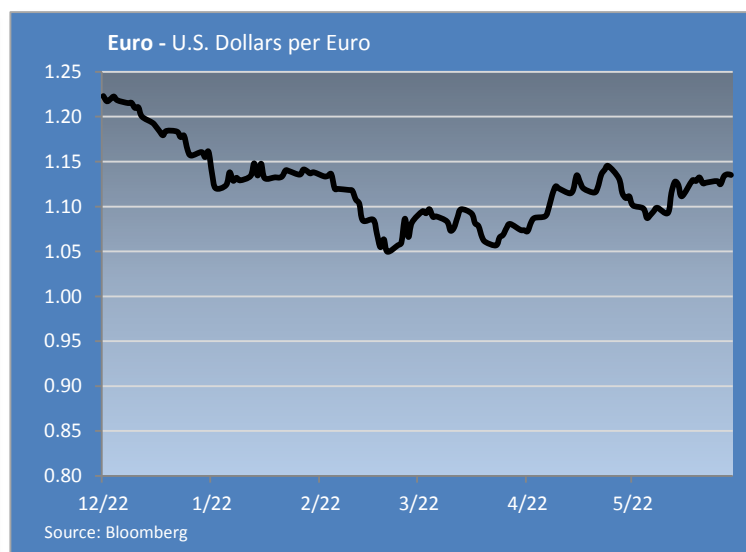
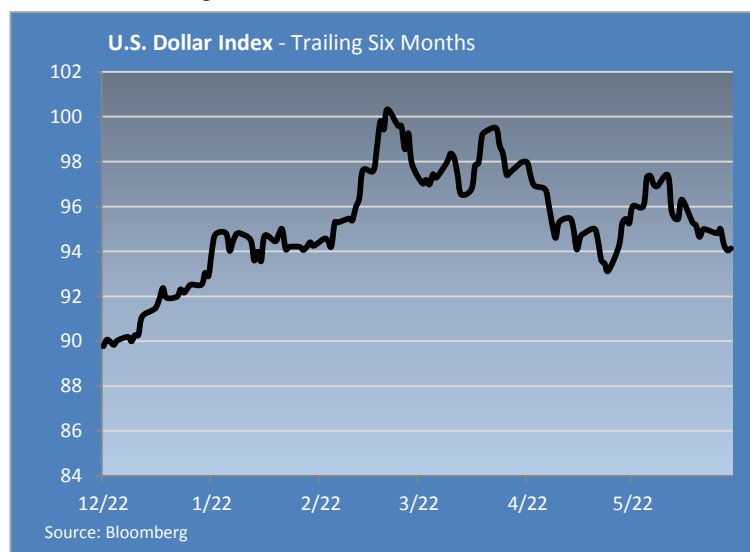
CURRENCIES

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	94.11	-0.841	-0.89%	4.28%
Euro	1.14	0.009	0.75%	-6.17%
Japanese Yen	122.69	-0.700	0.57%	-2.37%
British Pound	1.59	0.031	2.01%	1.91%
Canadian Dollar	1.23	-0.005	0.44%	-5.27%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.21	0.001	-0.02%	-0.06%
Swiss Franc	0.92	-0.011	1.18%	8.31%
New Zealand Dollar	0.69	-0.008	-1.12%	-11.43%
Brazilian Real	3.10	-0.023	0.73%	-14.19%
Mexican Peso	15.34	-0.060	0.39%	-3.85%

Source: Bloomberg

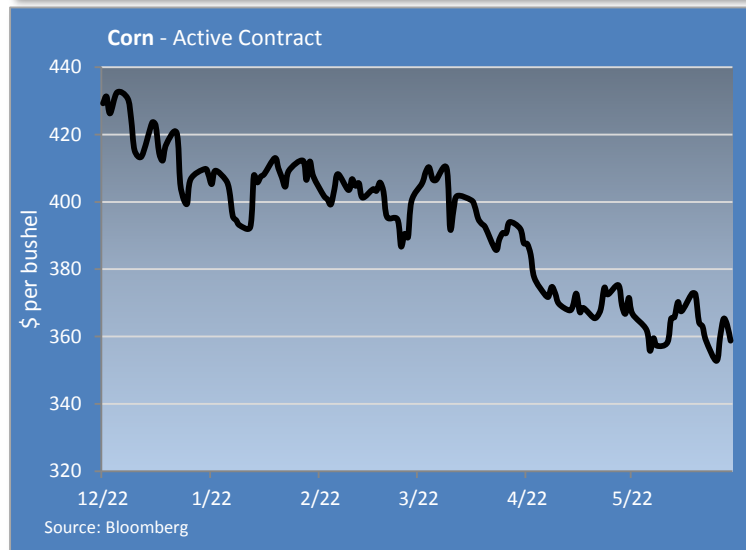
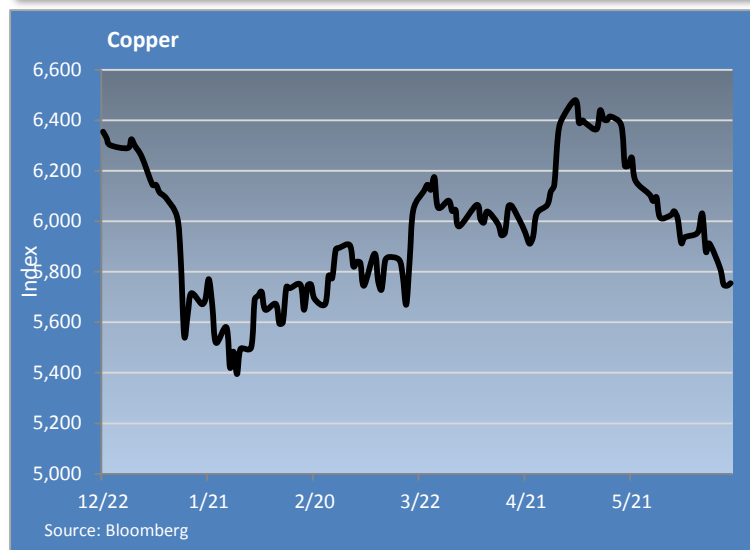
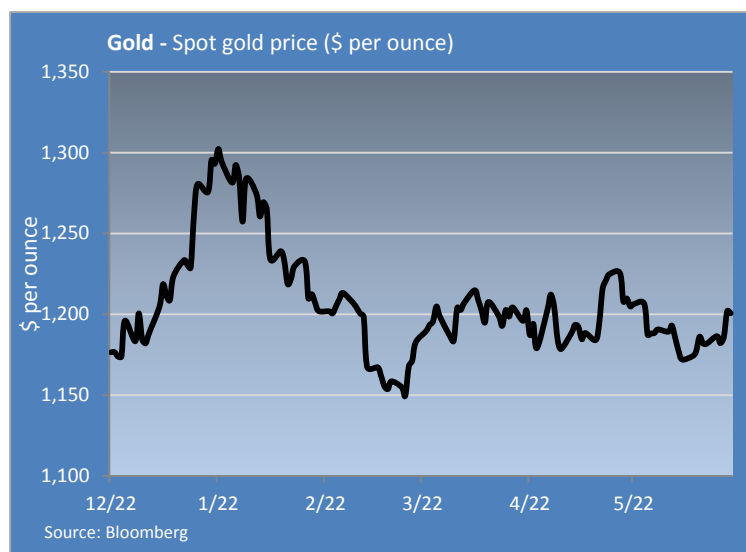
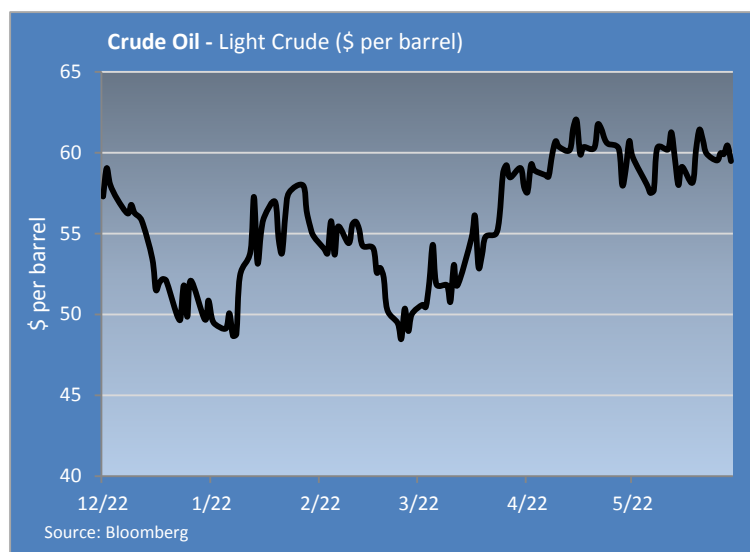


COMMODITIES

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
DJ UBS Comm. Idx.	99.84	-0.75	-0.74%	-4.31%	Platinum Spot	\$1,085.18	-\$9.90	-0.90%	-10.17%
Rogers Int. Comm. Idx.	2674.22	-24.13	-0.89%	-4.24%	Corn	358.75	0.00	0.00%	-13.61%
Crude Oil	\$59.46	-\$0.48	-0.80%	5.72%	Wheat	492.50	-18.00	-3.53%	-18.56%
Natural Gas	\$2.82	\$0.06	2.36%	-6.54%	Soybeans	939.75	35.50	3.93%	-6.54%
Gasoline (\$/Gal.)	\$2.80	\$0.00	0.04%	24.96%	Sugar	11.55	-0.52	-4.31%	-26.29%
Heating Oil	186.24	-2.63	-1.39%	1.67%	Orange Juice	121.80	-1.10	-0.90%	-14.47%
Gold Spot	\$1,200.71	\$18.93	1.60%	1.37%	Aluminum	1,701.00	-38.00	-2.19%	-8.18%
Silver Spot	\$16.12	\$0.14	0.86%	2.57%	Copper	5,755.00	-157.00	-2.66%	-8.65%

Source: Bloomberg; % change is based on price.



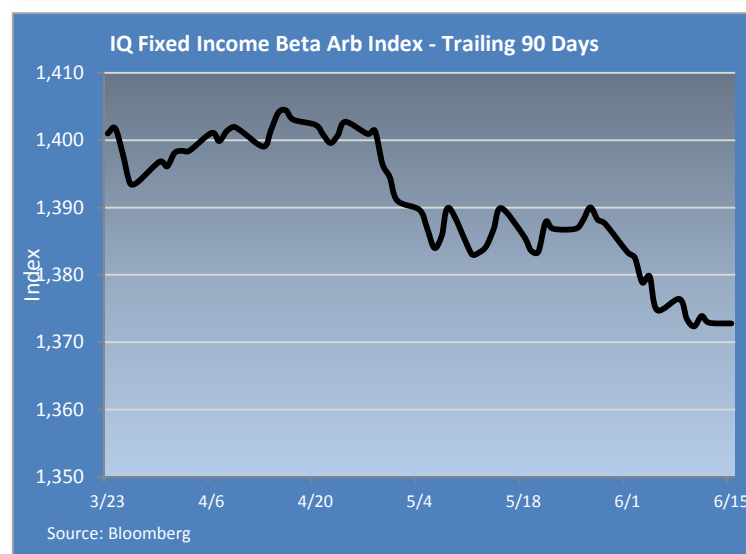
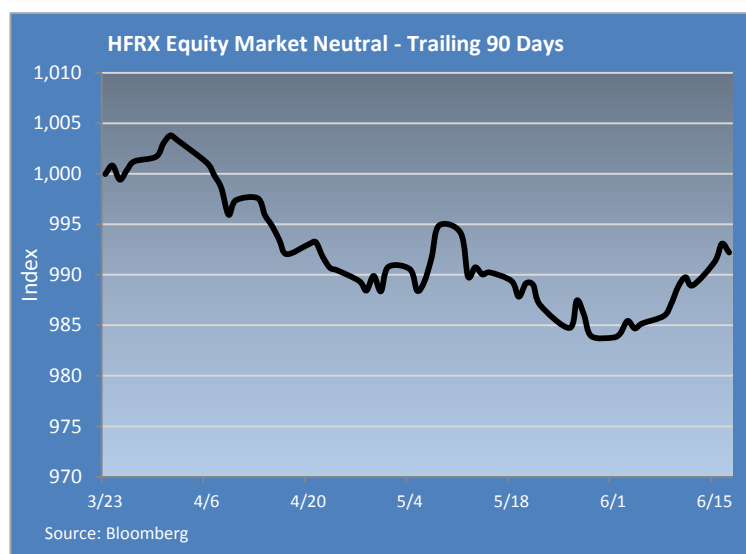
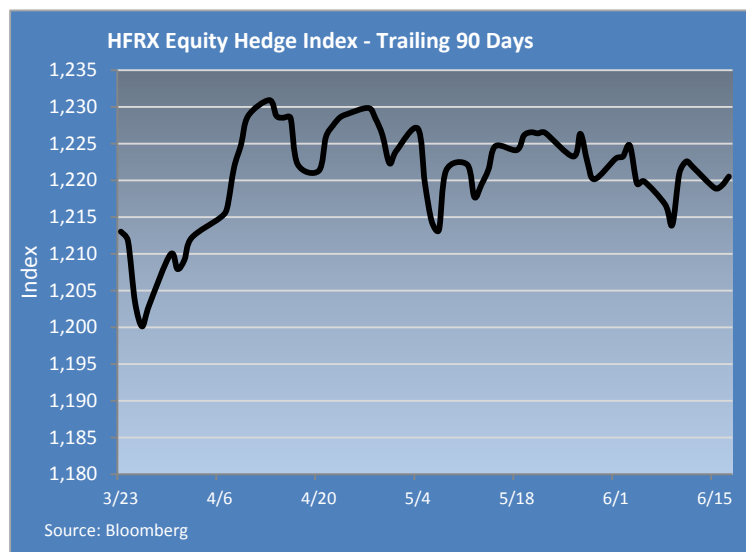
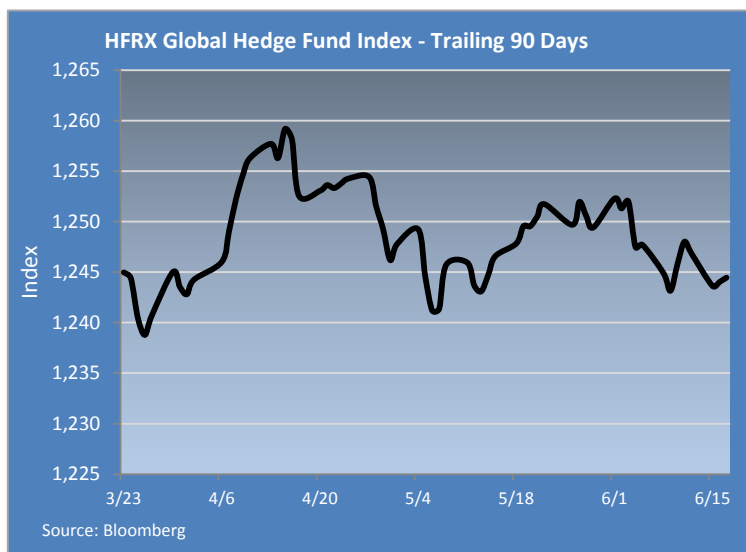
ALTERNATIVE INVESTMENTS

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

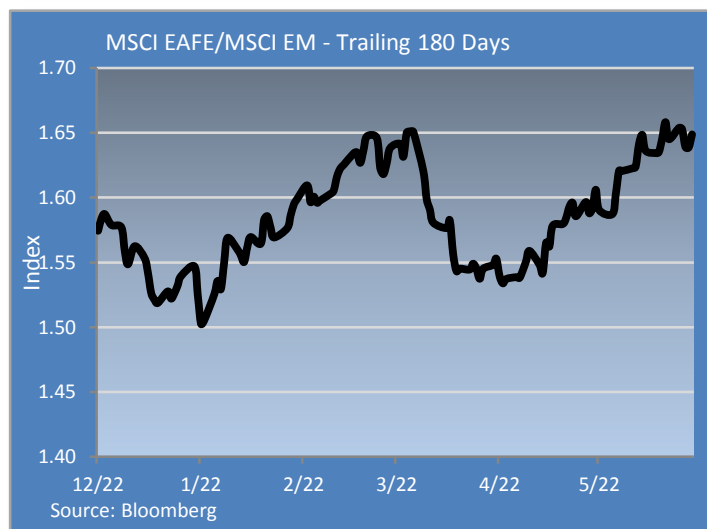
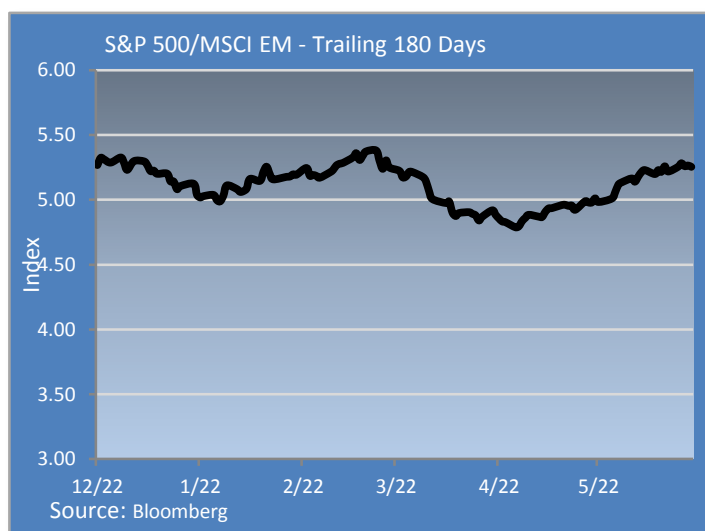
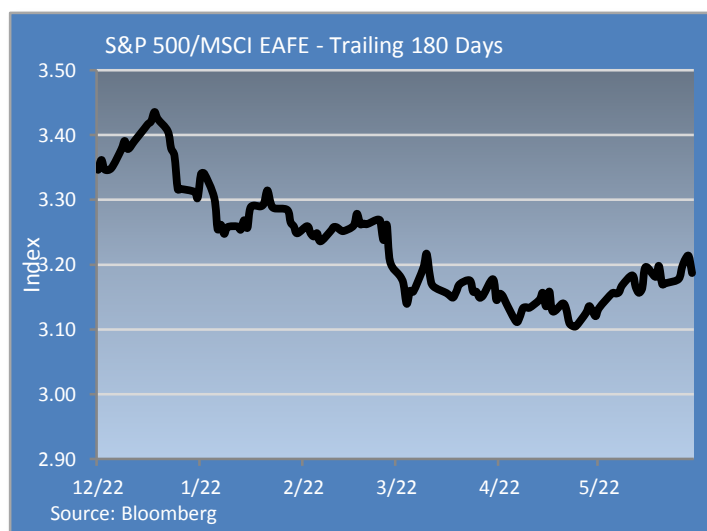
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1243.63	-0.92	-0.07%	2.26%
HFRX Equity Market Neutral	989.76	2.14	0.22%	0.48%
HFRX Equity Hedge Index	1219.28	1.26	0.10%	3.48%
HFRX Event-Driven Index	1553.83	-1.98	-0.13%	2.55%
HFRX Absolute Return Index	1022.15	-0.81	-0.08%	2.42%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1025.41	-0.39	-0.04%	1.67%
HFRX Merger Arbitrage Index	1674.12	3.15	0.19%	4.38%
HFRX Convertible Arbitrage Index	723.79	-0.72	-0.10%	2.96%
HFRX Macro CTA Index	1194.81	-3.35	-0.28%	-0.13%
IQ Fixed Income Beta Arb Index	1375.65	2.76	0.20%	-0.86%

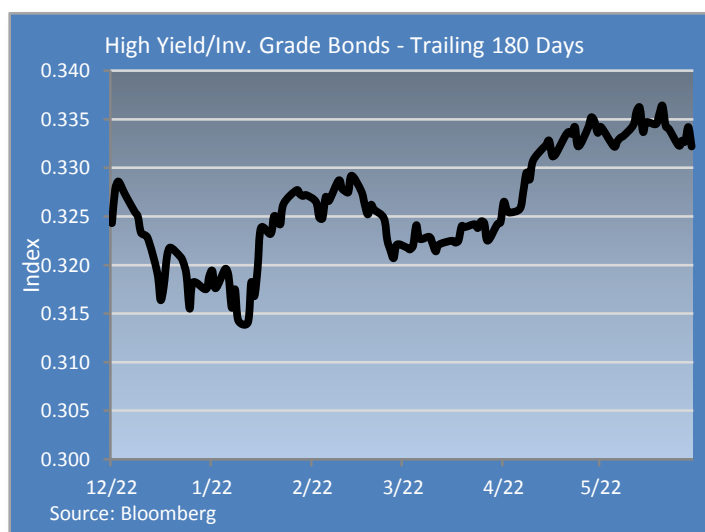
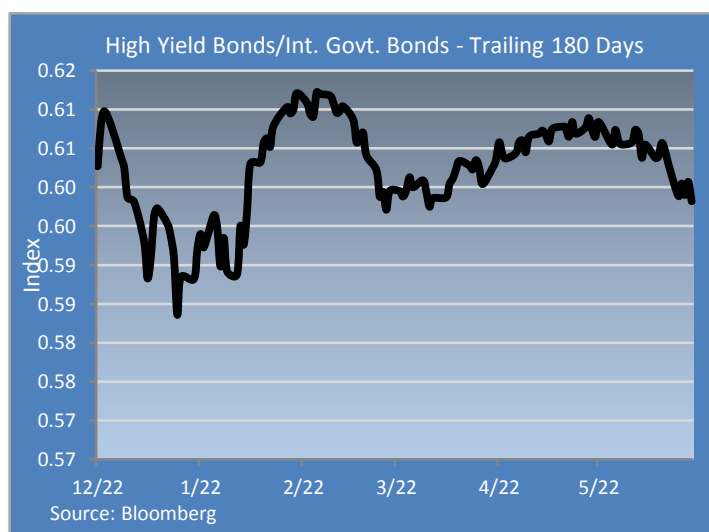
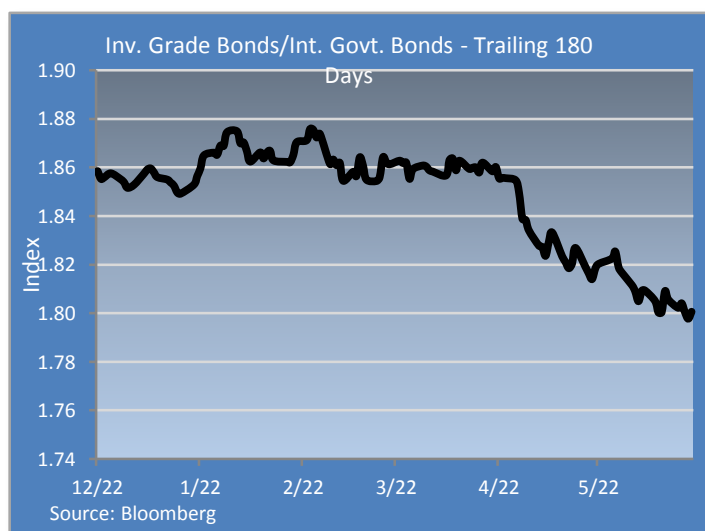
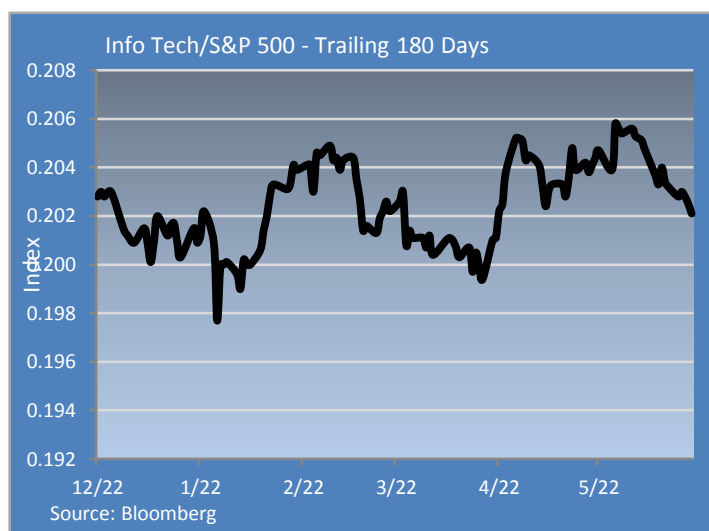
Source: Bloomberg; Index % change is based on price.



PORTFOLIO CONSTRUCTION



PORTFOLIO CONSTRUCTION (cont'd.)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			4/2	4/9	4/16	4/23	4/30	5/7	5/14	5/21	5/28	6/4	6/11	6/18
Equity	Domestic Equity	Large Cap (R200)	0.33%	1.24%	0.80%	0.42%	-1.01%	0.08%	1.65%	0.43%	-0.49%	-1.18%	0.66%	0.56%
		Small Cap (R2000)	1.92%	0.27%	1.10%	-0.11%	-4.04%	0.44%	1.60%	0.93%	-0.29%	-0.14%	1.41%	1.24%
	Int'l. Equity	MSCI EAFE	-0.22%	1.36%	0.87%	0.21%	0.11%	-1.32%	2.61%	0.31%	-1.79%	-0.52%	-0.42%	-0.75%
		MSCI Em. Mkts.	3.16%	3.60%	2.30%	0.16%	-0.58%	-2.18%	1.06%	-0.30%	-2.24%	-2.13%	-1.14%	0.08%
Fixed Income		BarCap Agg. (AGG)	0.36%	-0.16%	0.30%	-0.24%	-0.40%	-0.84%	-0.17%	0.15%	0.20%	-1.00%	-0.29%	0.15%
		High Yield (JNK)	0.00%	0.54%	0.43%	0.00%	-0.23%	-0.63%	0.56%	-0.20%	0.13%	-1.24%	-0.26%	-0.15%
Commodities		DJ UBS Index	-1.34%	-0.89%	3.56%	-0.68%	2.10%	-0.62%	2.32%	-1.65%	-3.46%	-0.10%	1.44%	-0.88%
Alternatives		Hedge Funds (HFRX Global)	0.44%	0.84%	0.27%	-0.34%	-0.60%	-0.39%	0.27%	0.47%	0.00%	-0.24%	0.04%	-0.17%
Asset Allocation		60/40*	0.54%	0.75%	0.72%	0.07%	-0.87%	-0.57%	1.07%	0.30%	-0.48%	-0.96%	0.10%	0.23%
		48/32/20 (w/Alts.)**	0.52%	0.77%	0.63%	-0.01%	-0.82%	-0.53%	0.91%	0.33%	-0.39%	-0.82%	0.09%	0.15%

Source: Bloomberg; *60/40 portfolio = 30% Large Cap/10% Small Cap/15% EAFE/5% Emerging Markets/35% BarCap Agg./5% High Yield.

**48/32/20 portfolio = 24% Large Cap/8% Small Cap/12% EAFE/4% Emerging Markets/28% BarCap Agg./4% High Yield/20% HFRX Global Index.

RELATIVE STRENGTH MATRIX (BASED ON 30-DAY RSI)

	Large Cap Core	Large Cap Growth	Large Cap Value	Mid Cap Core	Mid Cap Growth	Mid Cap Value	Small Cap Core	Small Cap Growth	Small Cap Value	Int'l. Developed	Emerging Markets	REITs	Comm.	Int. Bond	High Yield
Large Cap Core	1.00	1.00	1.00	1.00	0.99	1.02	0.93	0.89	0.97	1.12	1.29	1.10	1.15	1.27	1.28
Large Cap Growth	1.00	1.00	0.99	1.00	0.98	1.02	0.92	0.89	0.97	1.11	1.29	1.10	1.15	1.26	1.28
Large Cap Value	1.00	1.01	1.00	1.01	0.99	1.03	0.93	0.90	0.98	1.12	1.30	1.11	1.15	1.27	1.29
Mid Cap Core	1.00	1.00	0.99	1.00	0.99	1.02	0.92	0.89	0.97	1.12	1.29	1.10	1.15	1.26	1.28
Mid Cap Growth	1.01	1.02	1.01	1.01	1.00	1.03	0.94	0.90	0.99	1.13	1.31	1.12	1.16	1.28	1.30
Mid Cap Value	0.98	0.98	0.97	0.98	0.97	1.00	0.91	0.87	0.95	1.09	1.26	1.08	1.13	1.24	1.26
Small Cap Core	1.08	1.08	1.08	1.08	1.07	1.10	1.00	0.97	1.05	1.21	1.39	1.19	1.24	1.37	1.39
Small Cap Growth	1.12	1.12	1.11	1.12	1.10	1.14	1.04	1.00	1.09	1.25	1.44	1.23	1.29	1.42	1.44
Small Cap Value	1.03	1.03	1.02	1.03	1.01	1.05	0.95	0.92	1.00	1.15	1.33	1.13	1.18	1.30	1.32
Int'l. Developed	0.89	0.90	0.89	0.90	0.88	0.91	0.83	0.80	0.87	1.00	1.15	0.99	1.03	1.13	1.15
Emerging Markets	0.78	0.78	0.77	0.78	0.77	0.79	0.72	0.69	0.75	0.87	1.00	0.85	0.89	0.98	1.00
REITs	0.91	0.91	0.90	0.91	0.90	0.93	0.84	0.81	0.88	1.01	1.17	1.00	1.04	1.15	1.17
Commodities	0.87	0.87	0.87	0.87	0.86	0.89	0.81	0.78	0.85	0.97	1.12	0.96	1.00	1.10	1.12
Int. Bond	0.79	0.79	0.79	0.79	0.78	0.81	0.73	0.71	0.77	0.88	1.02	0.87	0.91	1.00	1.01
High Yield	0.78	0.78	0.78	0.78	0.77	0.80	0.72	0.70	0.76	0.87	1.00	0.86	0.90	0.99	1.00

Source: Bloomberg

The Relative Strength Matrix provides an indication of how the various asset classes have performed relative to one another over the past 30 days. A number greater than 1.0 indicates that the asset class in the far left column has outperformed the corresponding asset class in the top row over the past 30 days. A number below 1.0 means the asset class on the left has underperformed the asset class at the top. The green shading indicates outperformance, and the red shading indicates underperformance.

INDEX OVERVIEW & KEY DEFINITIONS

Fed, The Fed or FED refers to the Federal Reserve System, the central bank of the United States. The **Federal Open Market Committee (FOMC)** is the monetary policymaking body of the Federal Reserve System. **Fed Funds Rate**, the interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight. The **European Central Bank (ECB)** is the central bank for Europe's single currency, the euro. The ECB's main task is to maintain the euro's purchasing power and thus price stability in the euro area. The euro area comprises the 19 European Union countries that have introduced the euro since 1999. The **Gross Domestic Product (GDP)** rate is a measurement of the output of goods and services produced by labor and property located in the United States. **Basis Point(s)** is a unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. A **separately managed account (SMA)** is an individual managed investment account offered typically by a brokerage firm through one of their brokers or financial consultants and managed by independent investment management firms (often called money managers for short) and have varying fee structures. An **open-end index fund** continuously issues and redeems shares based on investor demand. As an index fund, its investment objective is to duplicate the performance of the index it uses as a benchmark. The **Consumer Price Index (CPI)** measures the change in the cost of a fixed basket of products and services.

The **Dow Jones Industrial Average (DOW or DJIA)** is an unmanaged index of 30 common stocks comprised of 30 actively traded blue chip stocks, primarily industrials and assumes reinvestment of dividends. The **S&P 500 Index** is an unmanaged index comprised of 500 widely held securities considered to be representative of the stock market in general. The **S&P/Case-Shiller Home Price Indices** measure the residential housing market, tracking changes in the value of the residential real estate market in 20 metropolitan regions across the United States. The **Nasdaq Composite Index** is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The **US Dollar Index** is a measure of the value of the United States dollar relative to a basket of foreign currencies. It is a weighted geometric mean of the dollar's value relative to other select currencies (Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona (SEK) & Swiss franc). The **Nikkei Index (Nikkei 225 or Nikkei)** is a stock market index for the Tokyo Stock Exchange calculated daily by the Nihon Keizai Shimbun (Nikkei) newspaper since 1950. It is a price-weighted index (the unit is yen), and the components are reviewed once a year. The **FTSE 100 Index (FTSE 100)** is a share index of the 100 companies listed on the London Stock Exchange (LSE) with the highest market capitalization. FTSE stands for Financial Times Stock Exchange. The **Bloomberg Commodity Index** (formerly the **Dow Jones-UBS Commodity Index**) tracks prices of futures contracts on physical commodities on the commodity markets and is designed to minimize concentration in any one commodity or sector (currently 22 commodity futures in seven sectors). The **Barclays Capital US Credit Index** is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. The **Barclays Capital US Aggregate Bond Index** is a market capitalization-weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year. The **Barclays Capital US Corporate High Yield Index** covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The index may include emerging market debt. The **Barclays Capital Municipal Bond Index** is an unmanaged index comprised of investment-grade, fixed-rate municipal securities representative of the tax-exempt bond market in general. The **Barclays Capital US Treasury Total Return Index** is an unmanaged index of public obligations of the US Treasury with a remaining maturity of one year or more. The **Barclays Capital Global Aggregate ex-U.S. Index** is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S. traded investment grade bonds are represented. Municipal bonds, and Treasury Inflation-Protected Securities are excluded, due to tax treatment issues. The index includes Treasury securities, Government agency bonds, Mortgage-backed bonds, Corporate bonds, and a small amount of foreign bonds traded in U.S. The **Barclays Capital U.S. 5-10 Year Corporate Bond Index** measures the investment return of U.S. dollar denominated, investment-grade, fixed rate, taxable securities issued by industrial, utility, and financial companies with maturities between 5 and 10 years. Treasury securities, mortgage-backed securities (MBS) foreign bonds, government agency bonds and corporate bonds are some of the categories included in the index. The **Barclays Capital U.S. Corporate High-Yield Index** is composed of fixed-rate, publicly issued, non-investment grade debt. The **Barclays Capital U.S. Corporate 5-10 Year Index** includes U.S. dollar-denominated, investment-grade, fixed-rate, taxable securities issued by industrial, utility, & financial companies, with maturities between 5 & 10 years. The **Citigroup World Government Bond Index** is a market capitalization weighted bond index consisting of the government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The **DJ-UBS Commodity Index Total Return SM** measures the collateralized returns from a basket of 19 commodity futures contracts representing the energy, precious metals, industrial metals, grains, softs and livestock sectors. The **Russell 1000 Index** is a market capitalization-weighted benchmark index made up of the 1000 largest U.S. companies in the Russell 3000 Index. The **Russell 1000 Growth Index** is an unmanaged index considered representative of large-cap growth stocks. The **Russell 1000 Value Index** is an unmanaged index considered representative of large-cap value stocks. The **Russell 2000 Index** is an unmanaged index considered representative of small-cap stocks. The **Russell 2000 Growth Index** is an unmanaged index considered representative of small-cap growth stocks. The **Russell 2000 Value Index** is an unmanaged index considered representative of small-cap value stocks. The **Russell 3000 Index** is an unmanaged index considered representative of the US stock market. The **Russell Midcap Index** is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The **Russell Midcap Growth Index** is an unmanaged index considered representative of mid-cap growth stocks. The **Russell Midcap Value Index** is an unmanaged index considered representative of mid-cap value stocks. The **HFRX Indices** are a series of benchmarks of hedge fund industry performance which are engineered to achieve representative performance of a larger universe of hedge fund strategies. Hedge Fund Research, Inc. employs the HFRX Methodology (UCITS compliant), a proprietary and highly quantitative process by which hedge funds are selected as constituents for the HFRX Indices. The **University of Michigan Consumer Sentiment Index (MCSI)** is a survey of consumer confidence conducted by the University of Michigan using telephone surveys to gather information on consumer expectations regarding the overall economy. The **ISM Non-Manufacturing Index** is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM). The **ISM Non-Manufacturing Index** tracks economic data, like the ISM Non-Manufacturing Business Activity Index. A composite diffusion index is created based on the data from these surveys that monitors economic conditions of the nation. The **ISM Manufacturing Index** is an index based on surveys of more than 300 manufacturing firms by the Institute of Supply Management – the index monitors employment, production inventories, new orders and supplier deliveries. A composite diffusion index is created that monitors conditions in national manufacturing based on the data from these surveys. The **CBOE Volatility Index (VIX)** is an up-to-the-minute market estimate of expected volatility that is calculated by using real-time S&P 500 Index option bid/ask quotes. The Index uses nearby and second nearby options with at least 8 days left to expiration and then weights them to yield a constant, 30-day measure of the expected volatility of the S&P 500 Index. The **MSCI EAFE Index** is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. The **MSCI EAFE Growth Index** is an unmanaged index considered representative of growth stocks of Europe, Australasia and the Far East. The **MSCI EAFE Value Index** is an unmanaged index considered representative of value stocks of Europe, Australasia and the Far East. The **MSCI EM (Emerging Markets) Latin America Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of emerging markets in Latin America. The **MSCI World ex-U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries - excluding the US. With 1,002 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. (DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.) The **MSCI Japan Index** is designed to measure the performance of the large and mid-cap segments of the Japanese market. With 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The **MSCI Europe Index** is an unmanaged index considered representative of stocks of developed European countries. The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region.

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