

Chart of the Week



Weekly Highlights

- **Domestic stocks traded modestly higher for the week.** Amid a fairly uneventful week, both the Dow Jones Industrial Average and S&P 500 Indices were able reach all-time record highs midweek. Trading was slow for the week, and it looks as if this will be the quietest week for traders since the week including New Year's Day. Volume was also light for Friday's opening due to the market being closed on Monday for Memorial Day.
- **Global markets underperformed U.S. markets.** Broad overseas equity indices were mixed for the week and were outpaced by domestic markets. Notably, Japan's first quarter Gross Domestic Product (GDP) came in higher than expected, and the Nikkei Index hit a 15-year high, but Europe lagged, as did emerging markets.
- **Treasury prices had another volatile week.** Yields on the benchmark 10-year U.S. Treasury rose sharply on Monday and closed at 2.23% from the prior week's close of 2.14%. Yields retreated on Thursday down to 2.19%, only to open higher again on Friday.
- **Commodity indices declined.** Gold traded down after hitting a three-month high last week, and other precious metals followed as U.S. consumer inflation rose more than expected. On Friday, oil traded under \$60 per barrel, and Crude-oil futures fell wiping out gains from earlier in the week. The rebound in the U.S. dollar also contributed to losses.

Talking Points

Among equities, domestic stocks posted better returns than global stocks on a broad basis. On the domestic front, small-caps outperformed large-caps, while both growth-oriented stocks and value-oriented issues posted similar returns.

Treasury yields were mixed.

Following a volatile prior week, treasury prices again had a bumpy ride and fell for the week. Longer maturity instruments suffered the largest losses.

Commodity prices retreated, as

precious metals, oil, and grains all sold off.

The U.S. dollar rebounded strongly

this week versus a basket of currencies.

Among economic data released this

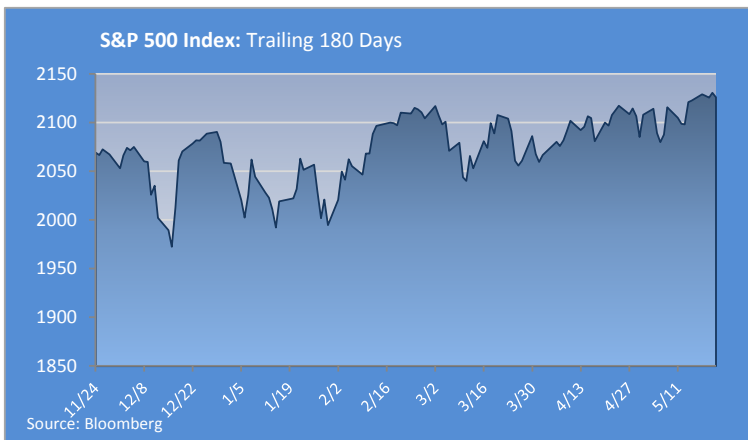
week, U.S. housing starts were very strong at a much higher than expected 20.2% in April. Housing permits also outpaced forecasts. Weekly jobless claims rose slightly by 10,000, but the one-month average is down for a fourth straight week and continuing claims are also improving. Month-over-month the consumer-price index increased 0.1% and core CPI rose 0.3%, which was the largest gain since January 2013. Lastly, the Federal Open Market Committee (FOMC) April minutes revealed little and it is widely anticipated that rate hikes at the June FOMC meeting is unlikely.

MARKET DASHBOARD

	Last Price	Change	% Chg.	YTD %
S&P 500	2,126.06	3.33	0.16%	3.3%
Dow Industrials	18,232.02	-40.54	-0.22%	2.3%
Nasdaq	5,089.36	41.07	0.81%	7.5%
Russell 2000	1,252.22	8.28	0.67%	3.9%
Euro Stoxx Index	407.74	11.29	2.85%	19.0%
Shanghai Composite	4,657.60	348.90	8.10%	44.0%
Russell Global	1,832.64	-4.49	-0.24%	6.1%

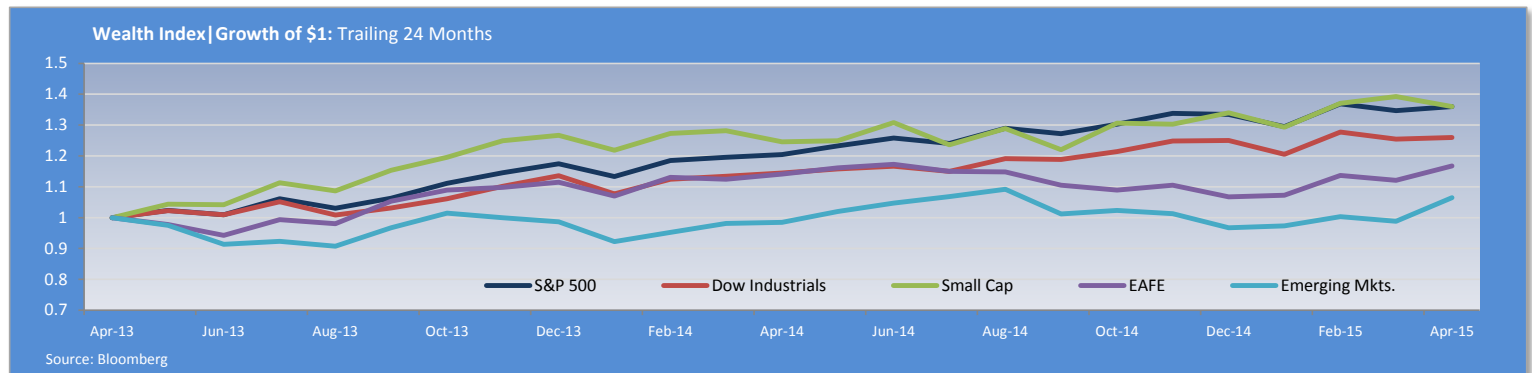
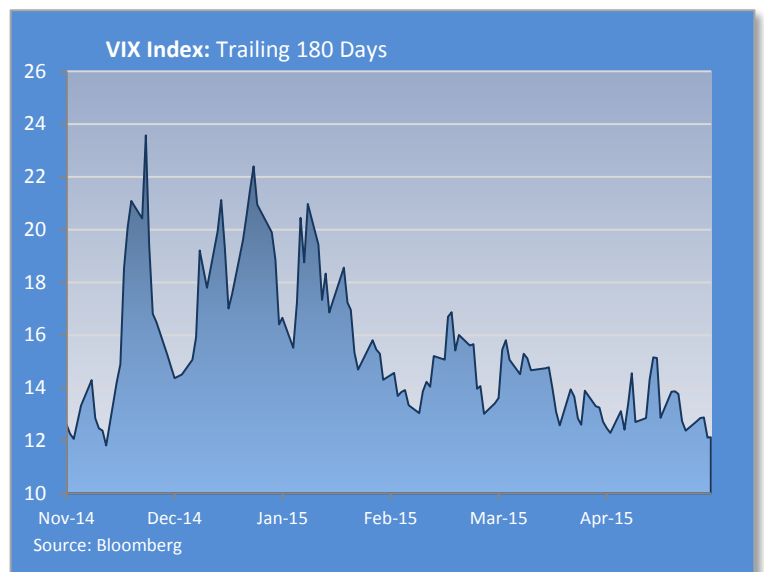
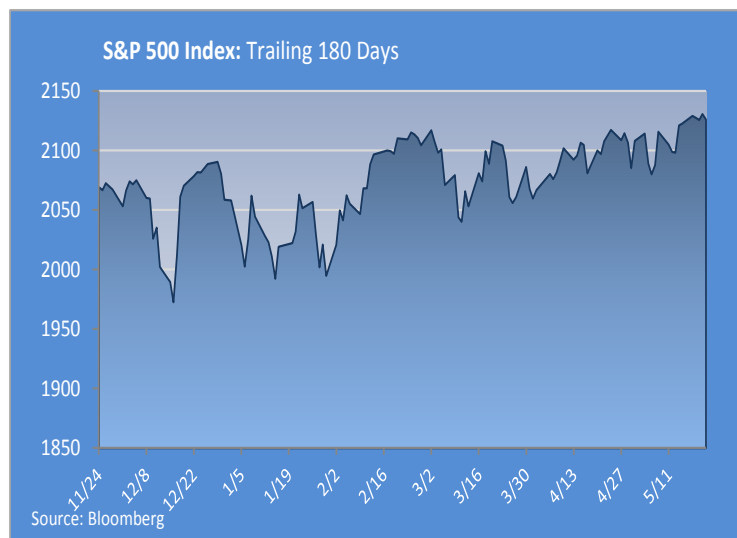
Source: Bloomberg; Index % change is based on price.

	Last Price	Change	% Chg.	YTD %
Russell Global EM	3,233.02	-23.64	-0.73%	8.5%
10-Year US Treas.	2.22	7 bps	NM	NM
DJ UBS Comm. Idx.	102.50	-2.84	-2.70%	-1.7%
Gold	\$1,206.07	-\$18.81	-1.54%	1.8%
Crude Oil	\$59.87	-\$0.67	-1.11%	6.4%
Dollar Index	96.14	3.00	3.22%	6.5%
VIX Index	12.13	-0.25	-2.02%	-36.8%



	One Week			YTD		
	Value	Growth		Value	Growth	
L	0.05%	0.13%	0.20%	0.38%	3.27%	6.12%
	0.40%	0.35%	0.30%	2.86%	4.77%	6.54%
S	0.14%	0.67%	1.16%	0.49%	3.95%	7.38%

Source: Bloomberg



THE ECONOMY AND MARKETS

A Macro View - Japan's GDP Surprise

Japan's first quarter real Gross Domestic Product (GDP) growth was estimated at 0.6% Wednesday, and unexpectedly beat economists' forecasts. On the surface, this week's reading is a welcomed surprise, as the world's third largest economy posted underwhelming GDP data in two of the previous three quarters. The 2.4% annualized figure outpaced the 1.5% consensus expectation by an impressive margin, and contributed to the Nikkei Index reaching its highest level in nearly 15 years.

Over the past few years, Japanese Prime Minister Shinzo Abe and Bank of Japan (BOJ) Governor Haruhiko Kuroda have used both monetary and fiscal policies to improve Japan's economic health. The most drastic measure implemented was a policy of quantitative and qualitative monetary easing, which was launched in 2013 and expanded in 2014. This stimulus, more extreme than the programs employed by both the U.S. Federal Reserve and European Central Bank, included the qualitative aspect of BOJ's purchase of exchange-traded funds (ETFs) and real estate investment trusts (REITS) in addition to government bonds. Although this most recent GDP reading is viewed generally as a step in the right direction, and has somewhat vindicated the efforts of Prime Minister Abe and the BOJ, others warn much more work is needed before the Japanese economy is back on track and easing measures can be tapered.

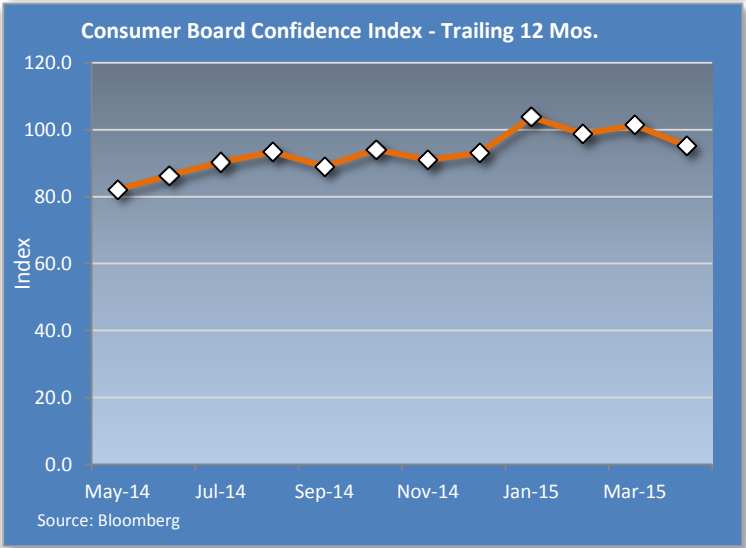
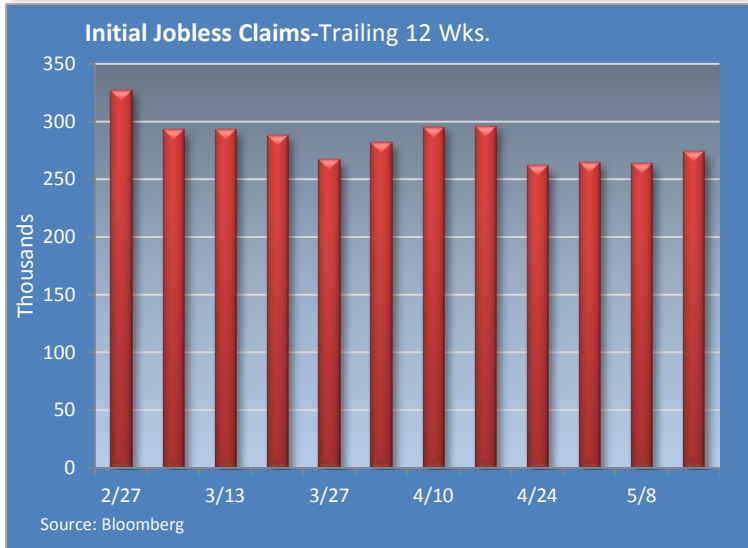
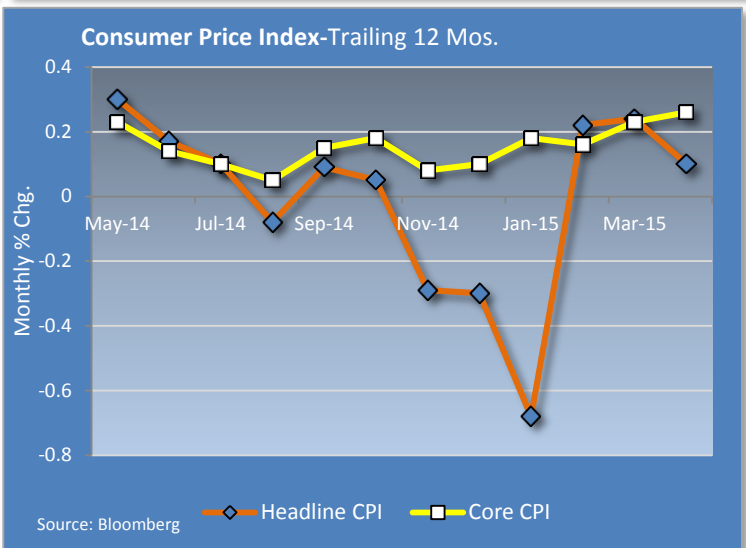
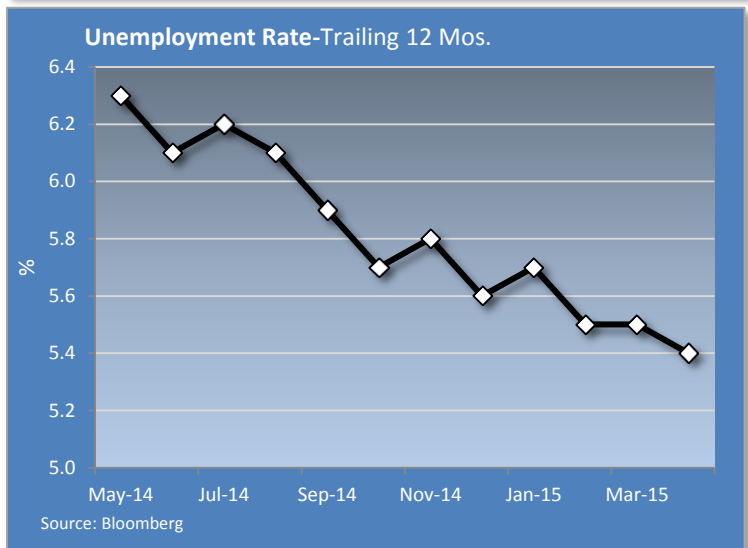
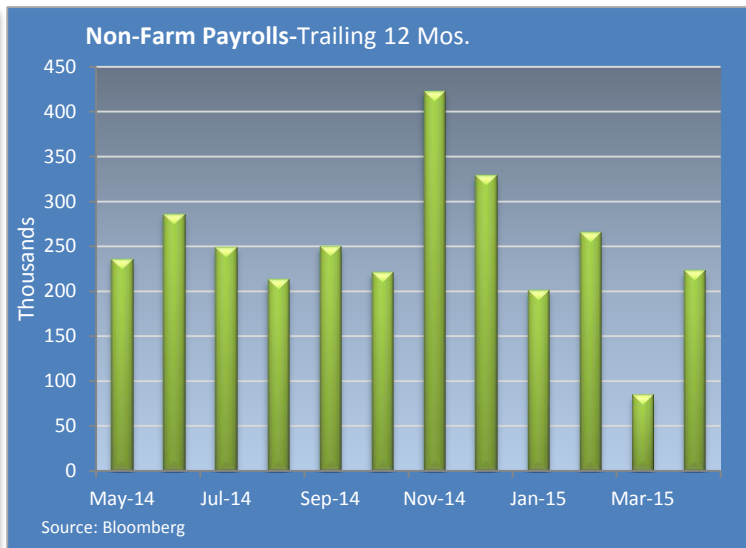
When breaking down the first quarter of Japan's GDP figure, significant inventory buildup was the primary driver of the positive surprise. In fact, it represented .05% of the .06% of quarterly GDP growth—in other words, most of it. The inventory stockpile can be construed as either one of two things: 1) it indicates an expected increase in demand, which is supportive of a growing economy, or 2) the rise in unsold goods could mean weak demand, and production is outpacing consumption. Many support the latter case, due to the minimal real wage growth over the past two years, which could lead to disappointing GDP in subsequent quarters. Furthermore, several recent initial GDP readings were revised downward in the months following their releases (as was the case with fourth quarter 2014 when growth was revised from 2.2% to 1.1% annualized). Over the past few years, Japan's economy has had difficulty sustaining positive momentum, and many contend that demographic dynamics and successfully implementing structural reforms—the 'Third Arrow' of Abenomics—are longer-term headwinds.

Although there are potential pitfalls with the GDP surprise, evidence suggests that the stimulus put in place by the BOJ is having a positive effect on the Japanese economy, and could lead to a healthy and sustainable growth rate moving forward. Most notably, the Japanese yen has depreciated as a result of the aggressive easing policy, providing a meaningful tailwind for exports. Exports had successive quarter-on-quarter increases (rising 3.2% in the fourth quarter and expanding 2.4% in the first quarter), and corporate profits have risen. Another bright spot is growing investment in new housing (up 1.8% in the first quarter over the prior quarter, which was the first increase in a year). In addition, regulatory reforms have promoted the redevelopment of areas with older, unoccupied homes. Lastly, capital spending was another important contributor to the GDP expansion. In recent years Japanese companies had moved production abroad, but the weakness of the yen has made domestic production less expensive, and corporations have begun re-investing at home.

What does all this mean? In dissecting the data, some elements signal the economy is on its way to recovery, while others suggest more work is required before Japan is out of the weeds. One thing that is definitive—Japan is the third largest economy in the world, and its impact on global markets is significant. A growing Japan would benefit other Asian economies, particularly in light of China's slowdown. The central bank policy board's multi-day meeting concludes at the end of this week, but many economists anticipate there will be little or no immediate material action taken. Disputes about how to infer economic data are common in the investment world, and are particularly so now, with divided interpretations of Japan's first quarter GDP report. However, there is widespread consensus that second quarter numbers will shed light on whether Japan is in a state of recovery or continues to lack the necessary core strength to generate forward momentum.

Michael Gebhardt
Investment Analyst

ECONOMIC DATA



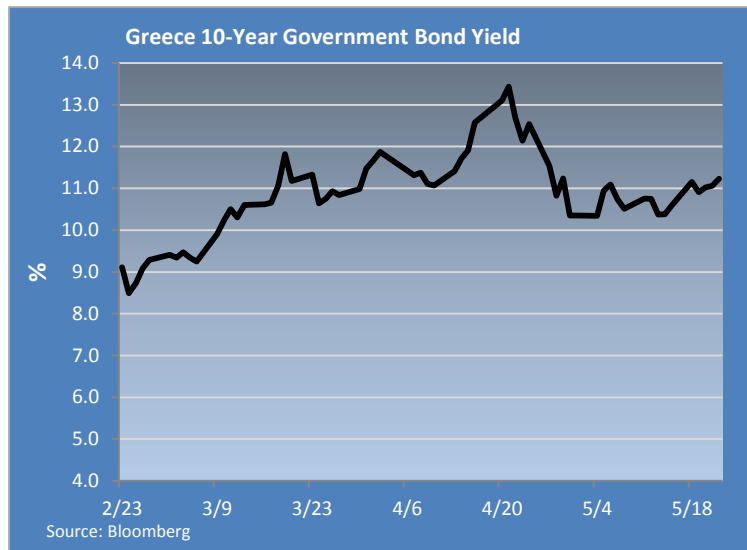
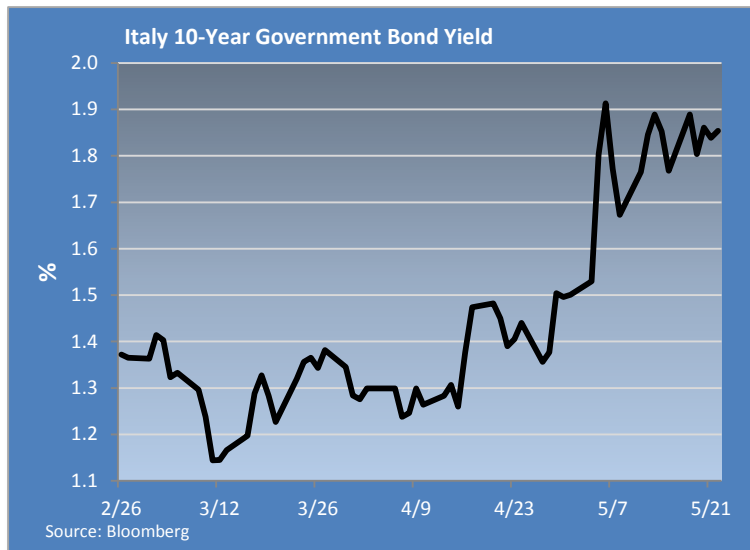
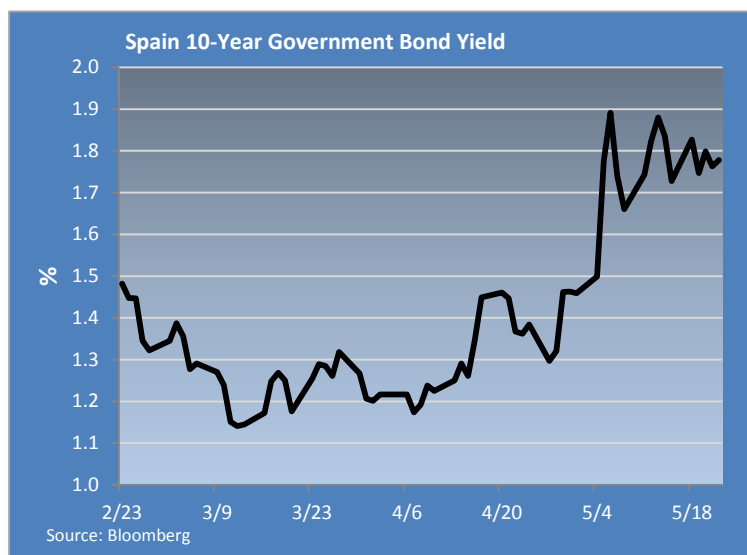
EUROZONE

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

	Last	Change	% Chg.	YTD %
Germany 10-Yr. Govt.	0.60	2 bps	NM	NM
Greece 10-Yr. Govt.	11.23	-26 bps	NM	NM
Italy 10-Yr. Govt.	1.85	-8 bps	NM	NM
Spain 10-Yr. Govt.	1.78	-4 bps	NM	NM
Belgium 10-Yr. Govt.	0.90	1 bps	NM	NM

	Last	Change	% Chg.	YTD %
France 10-Yr. Govt.	0.89	1 bps	NM	NM
Ireland 10-Yr. Govt.	1.27	-4 bps	NM	NM
Portugal 10-Yr. Govt.	2.42	-13 bps	NM	NM
Netherlands 10-Yr. Govt.	0.79	0 bps	NM	NM
U.K. 10-Yr. Govt.	1.93	-5 bps	NM	NM

Source: Bloomberg
Basis points (bps)



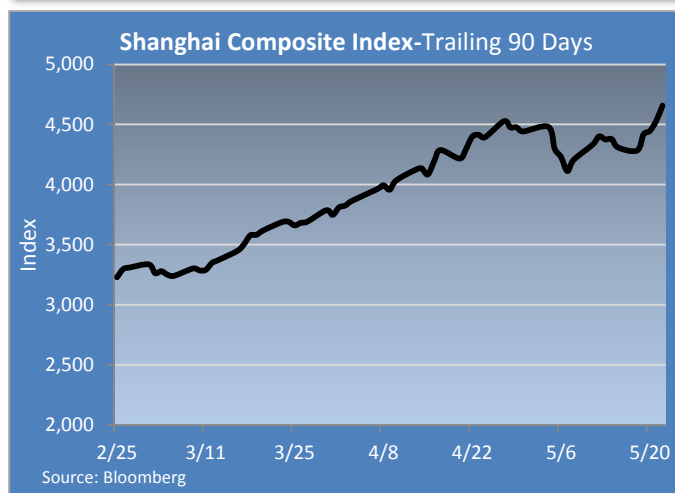
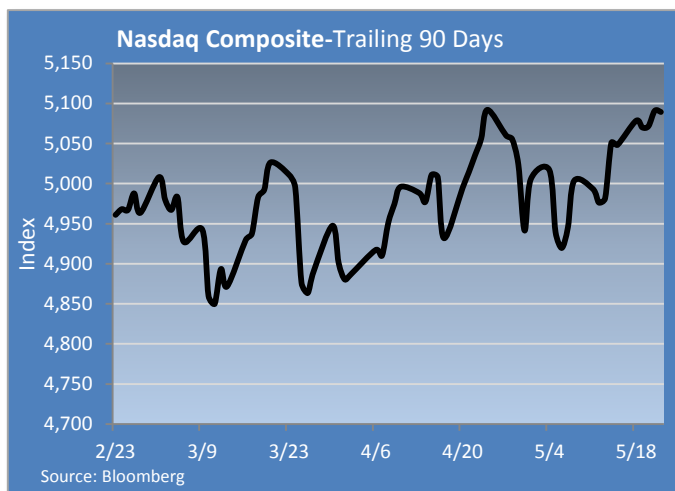
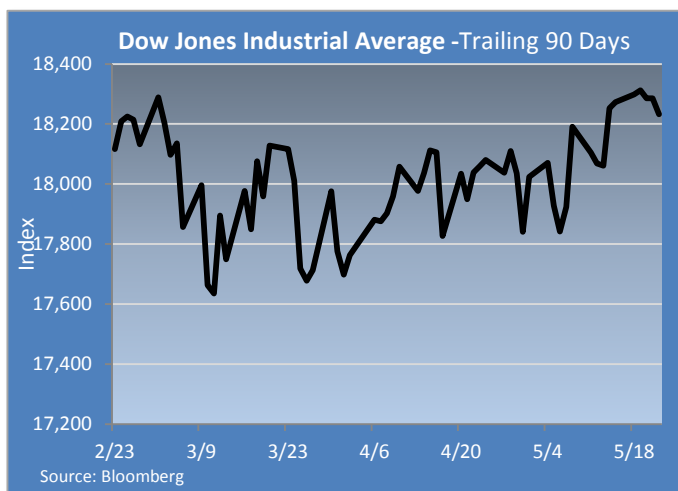
EQUITIES

WORLD MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
S&P 500	2,126.06	3.33	0.16%	3.26%
Dow Industrials	18,232.02	-40.54	-0.22%	2.29%
Nasdaq Composite	5,089.36	41.07	0.81%	7.46%
Russell Global	1,832.64	-4.49	-0.24%	6.1%
Russell Global EM	3,233.02	-23.64	-0.73%	8.5%
S&P/TSX (Canada)	15,200.76	92.64	0.61%	3.88%
Mexico IPC	44,874.04	-458.76	-1.01%	4.01%
Brazil Bovespa	54,377.29	-2871.34	-5.02%	8.74%
Euro Stoxx 600	407.74	11.29	2.85%	19.03%
FTSE 100	7,031.72	71.23	1.02%	7.09%
IBEX 35 (Spain)	11,554.20	236.90	2.09%	12.40%

	Last	Change	% Chg.	YTD %
Swiss Market Index	9,353.30	243.38	2.67%	4.12%
CAC 40 Index (France)	5,142.89	149.07	2.99%	20.36%
DAX Index (Germany)	11,815.01	367.98	3.21%	20.49%
Irish Overall Index	6,273.56	87.59	1.42%	20.08%
Nikkei 225	20,264.41	531.49	2.69%	16.12%
Hang Seng Index	27,992.83	170.55	0.61%	18.59%
Shanghai Composite	4,657.60	348.90	8.10%	43.99%
Kospi Index (S. Korea)	2,146.10	39.60	1.88%	12.03%
Taiwan Taiex Index	9,638.80	59.32	0.62%	3.56%
Tel Aviv 25 Index	1,715.58	56.89	3.43%	17.11%
MICEX Index (Russia)	1,665.66	-25.80	-1.53%	19.26%

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



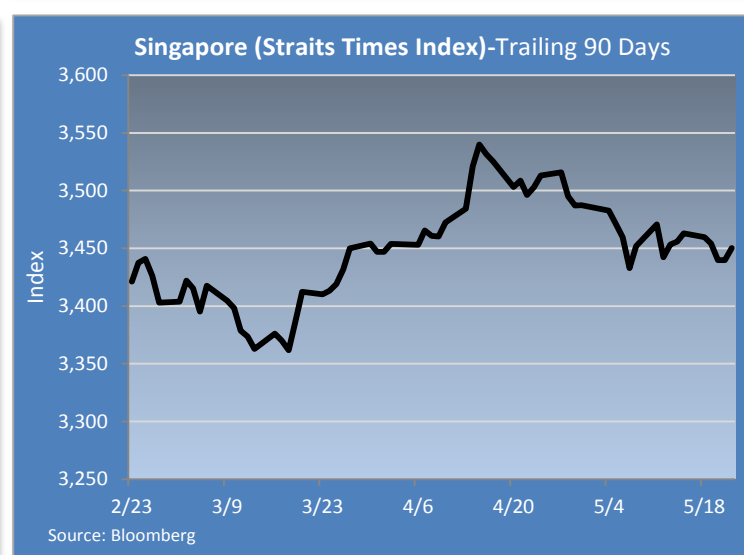
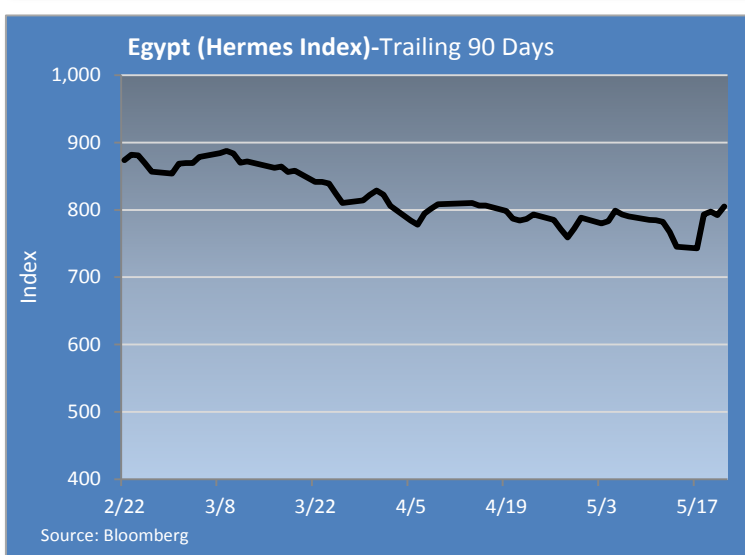
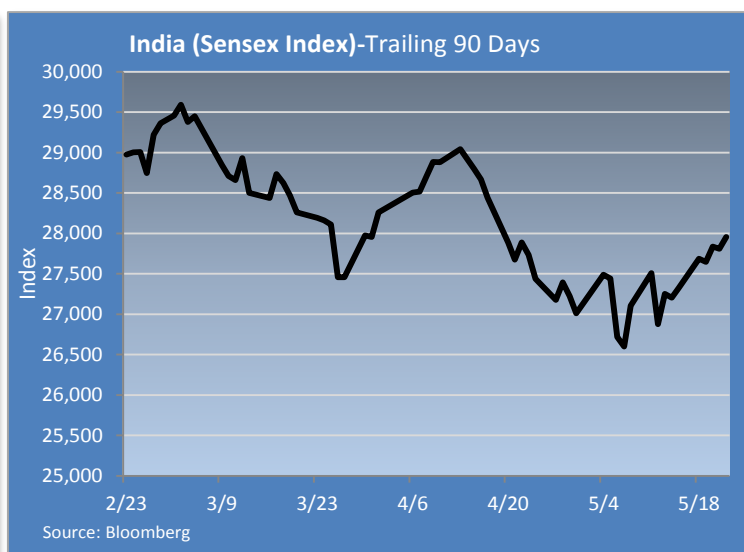
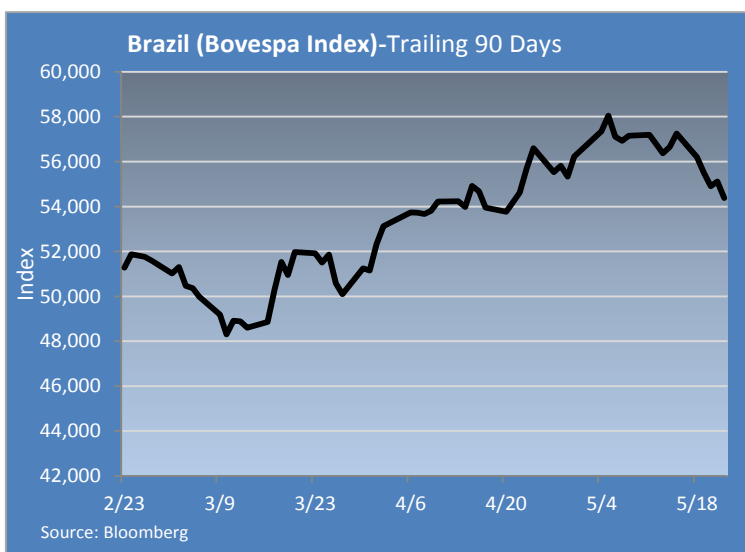
EQUITIES – EMERGING AND FRONTIER MARKETS

EMERGING AND FRONTIER MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %
Mexico IPC	44,874.04	-458.76	-1.0%	4.0%
Brazil (Bovespa Index)	54,377.29	-2871.34	-5.0%	8.7%
MICEX Index (Russia)	1,665.66	-25.80	-1.5%	19.3%
Czech Republic (Prague)	1,030.02	4.08	0.4%	8.8%
Turkey (Istanbul)	85,803.92	-1800.97	-2.1%	0.1%
Egypt (Hermes Index)	804.92	59.76	8.0%	-3.5%
Kenya (Nairobi 20 Index)	4,879.95	-100.76	-2.0%	-4.6%
Saudi Arabia (TASI Index)	9,768.09	36.56	0.4%	17.2%
Lebanon (Beirut BLOM Index)	1,191.57	-12.95	-1.1%	1.8%
Palestine	487.50	3.22	0.7%	-3.0%

	Last	Change	% Chg.	YTD %
Hang Seng Index	27,992.83	170.55	0.6%	18.6%
India (Sensex 30)	27,957.50	633.50	2.3%	1.7%
Malaysia (KLCI Index)	1,787.50	-24.42	-1.3%	1.5%
Singapore (Straits Times Index)	3,450.18	-12.92	-0.4%	2.5%
Thailand (SET Index)	1,523.86	11.67	0.8%	1.7%
Indonesia (Jakarta)	5,315.15	88.06	1.7%	1.7%
Pakistan (Karachi KSE 100)	32,605.62	-433.57	-1.3%	1.5%
Vietnam (Ho Chi Minh)	561.82	24.38	4.5%	3.0%
Sri Lanka (Colombo)	7,288.74	30.07	0.4%	-0.1%
Cambodia (Laos)	1,411.10	-32.50	-2.3%	-0.2%

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

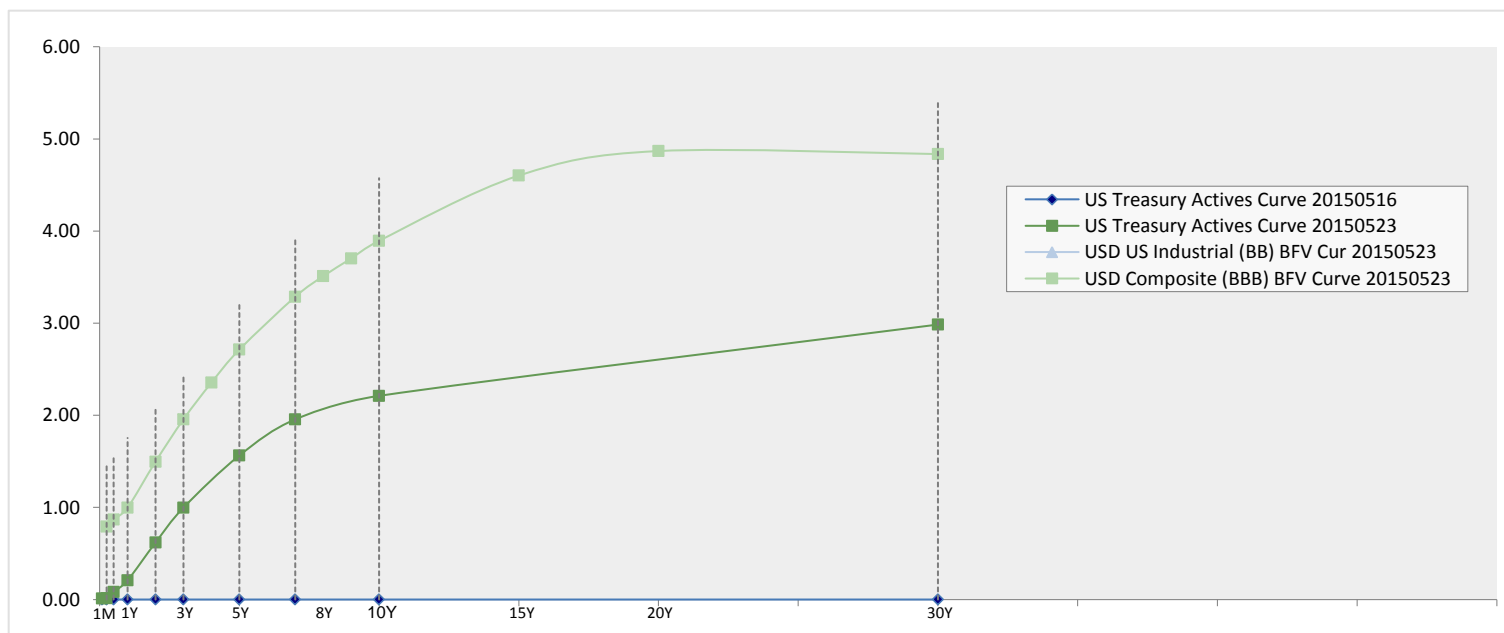


INTEREST RATES

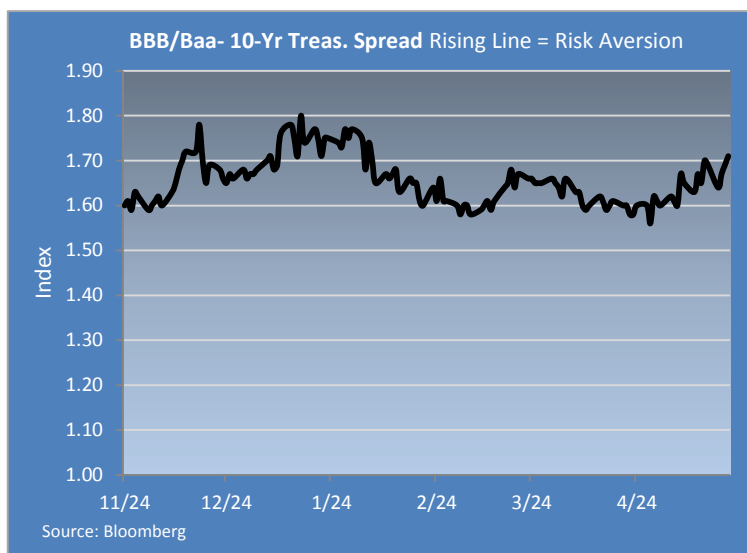
SELECTED INTEREST RATES

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
2-Yr. U.S. Treasury	0.62%	-1 bps	NM	NM	Prime Rate	3.25%	0.00	NM	NM
5-Yr. U.S. Treasury	1.56%	10 bps	NM	NM	Fed Funds Rate	0.25%	0.00	NM	NM
10-Yr. U.S. Treasury	2.22%	7 bps	NM	NM	Discount Rate	0.75%	0.00	NM	NM
30-Yr. U.S. Treasury	2.99%	6 bps	NM	NM	LIBOR (3 Mo.)	0.28%	1 bps	NM	NM
German 10-Yr. Govt.	0.60%	2 bps	NM	NM	Bond Buyer 40 Muni	4.19%	6 bps	NM	NM
France 10-Yr.	0.89%	1 bps	NM	NM	Bond Buyer 40 G.O.	3.81%	NA	NM	NM
Italy 10-Yr.	1.85%	-8 bps	NM	NM	Bond Buyer 40 Rev.	4.56%	NA	NM	NM
Fed 5-Yr Fwd BE Inf.	2.10%	5 bps	NM	NM					

Source: Bloomberg



Source: Bloomberg



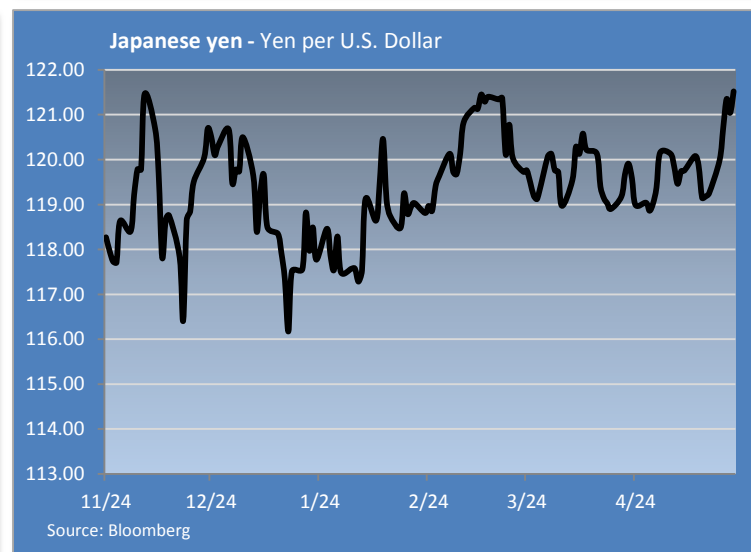
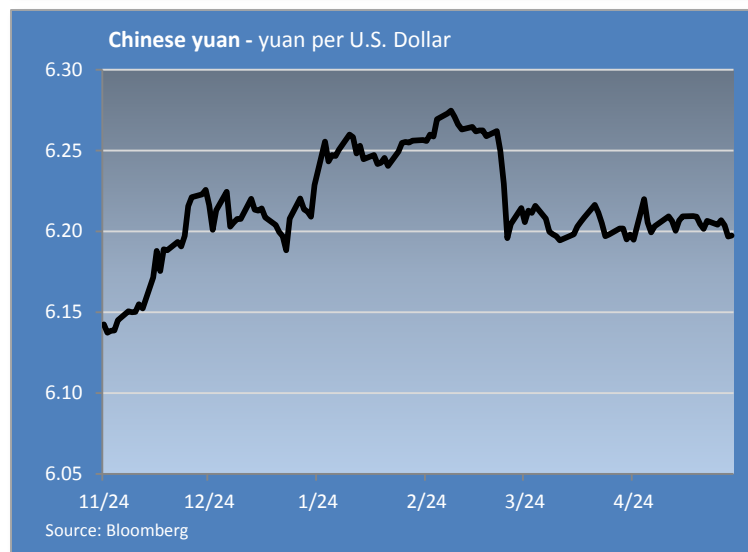
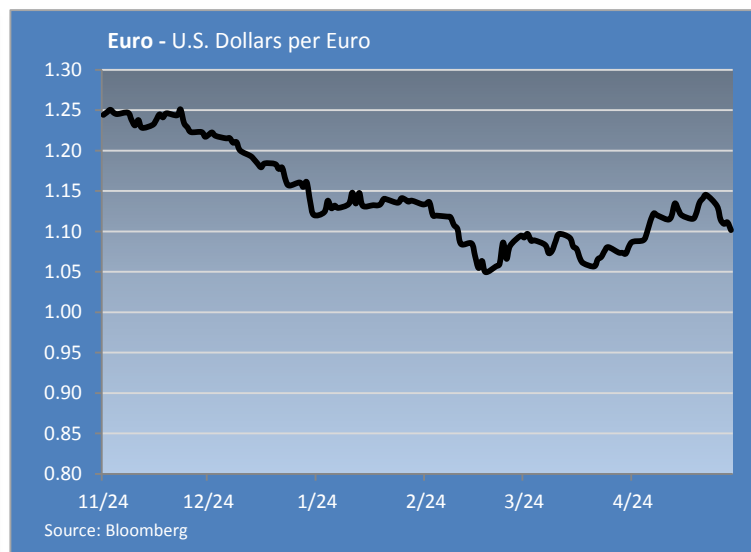
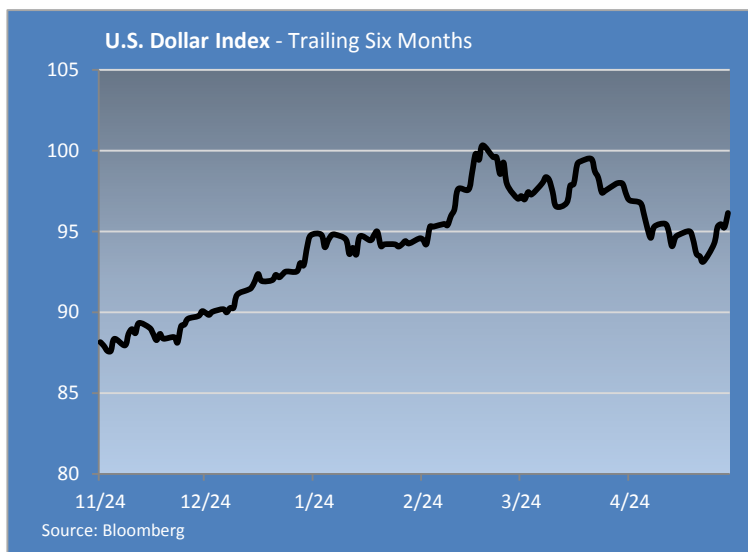
CURRENCIES

SELECTED CURRENCY PERFORMANCE

	Last	Change	% Chg.	YTD %
Dollar Index	96.14	2.999	3.22%	6.50%
Euro	1.10	-0.044	-3.80%	-8.94%
Japanese Yen	121.53	2.270	-1.87%	-1.43%
British Pound	1.55	-0.024	-1.51%	-0.56%
Canadian Dollar	1.23	0.027	-2.22%	-5.42%

	Last	Change	% Chg.	YTD %
Chinese Yuan	6.20	-0.009	0.15%	0.13%
Swiss Franc	0.94	0.027	-2.87%	5.41%
New Zealand Dollar	0.73	-0.017	-2.26%	-6.31%
Brazilian Real	3.09	0.097	-3.14%	-14.11%
Mexican Peso	15.26	0.256	-1.68%	-3.36%

Source: Bloomberg

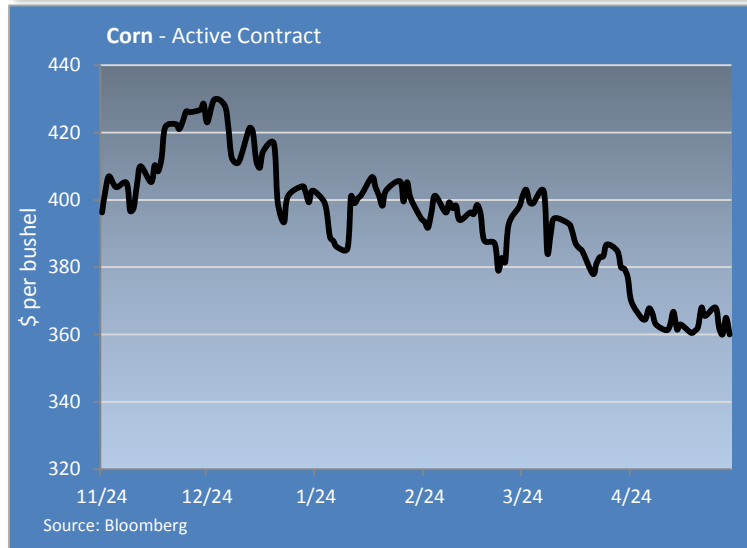
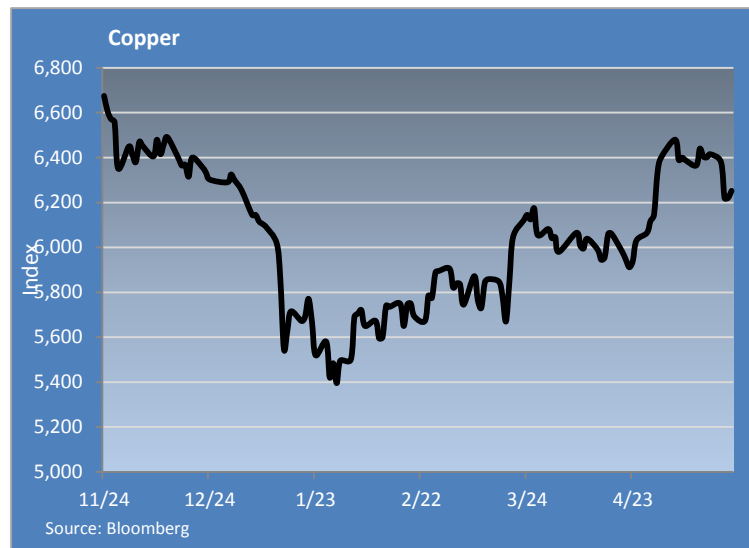
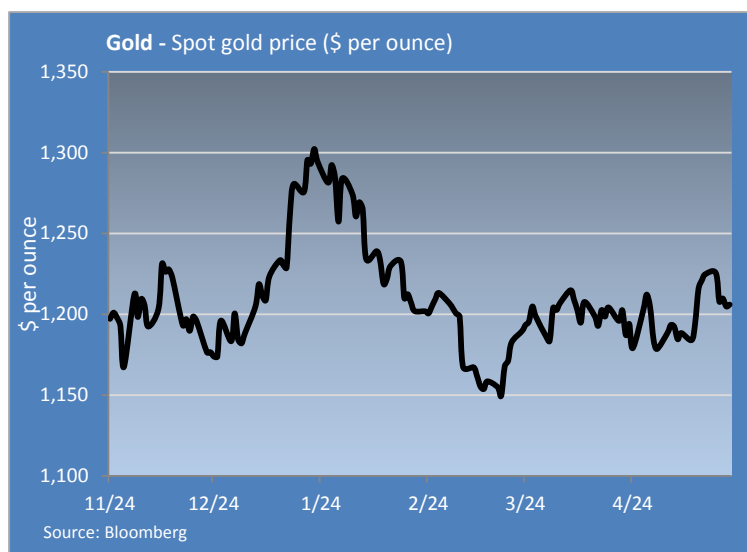
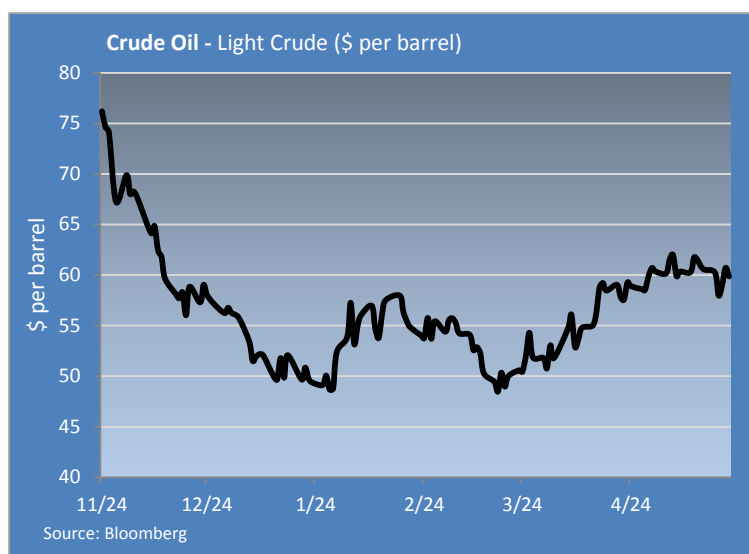


COMMODITIES

SELECTED COMMODITY MARKET PERFORMANCE

	Last	Change	% Chg.	YTD %		Last	Change	% Chg.	YTD %
DJ UBS Comm. Idx.	102.50	-2.84	-2.70%	-1.75%	Platinum Spot	\$1,146.43	-\$21.72	-1.86%	-5.12%
Rogers Int. Comm. Idx.	2744.62	-31.86	-1.15%	-1.72%	Corn	360.00	-5.50	-1.50%	-12.73%
Crude Oil	\$59.87	-\$0.67	-1.11%	6.42%	Wheat	515.25	4.25	0.83%	-13.77%
Natural Gas	\$2.89	-\$0.13	-4.34%	-2.30%	Soybeans	924.25	-29.00	-3.04%	-10.87%
Gasoline (\$/Gal.)	\$2.74	\$0.04	1.33%	22.10%	Sugar	12.31	-0.58	-4.50%	-19.28%
Heating Oil	195.25	0.00	0.00%	7.61%	Orange Juice	118.55	7.10	6.37%	-16.48%
Gold Spot	\$1,206.07	-\$18.81	-1.54%	1.83%	Aluminum	1,773.00	-80.00	-4.32%	-4.29%
Silver Spot	\$17.11	-\$0.40	-2.26%	8.91%	Copper	6,252.00	-163.00	-2.54%	-0.76%

Source: Bloomberg; % change is based on price.



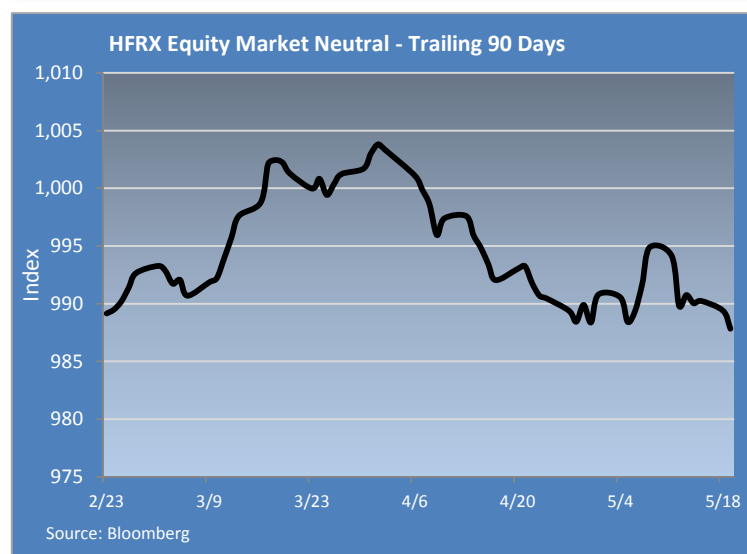
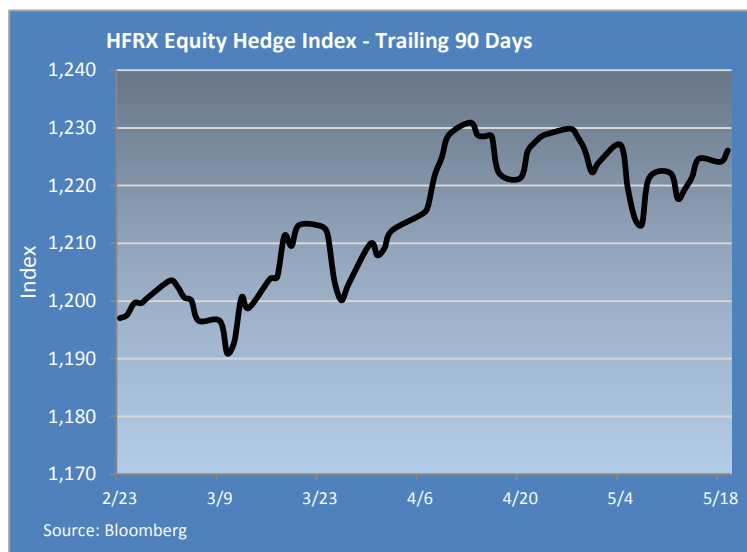
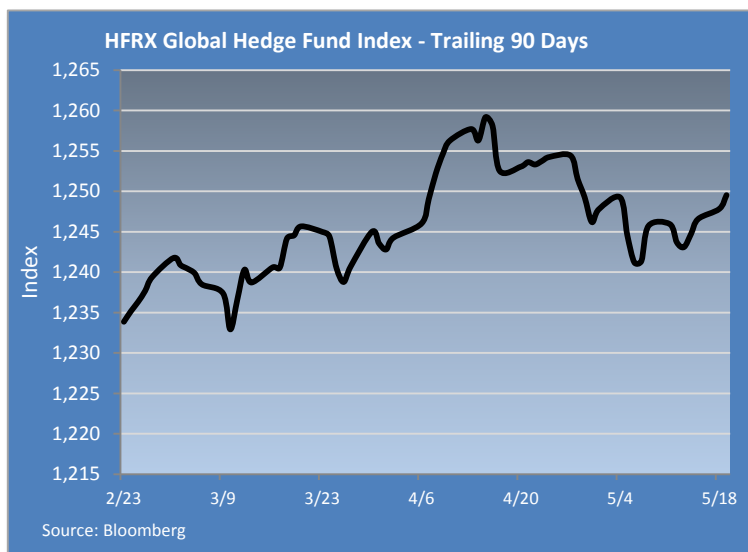
ALTERNATIVE INVESTMENTS

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

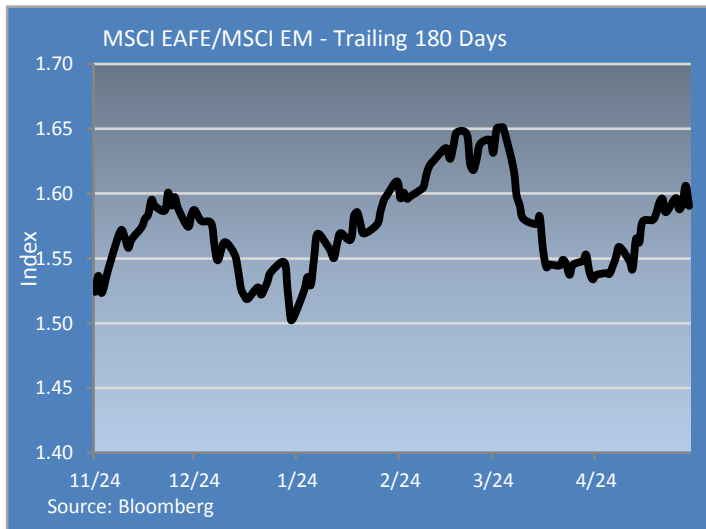
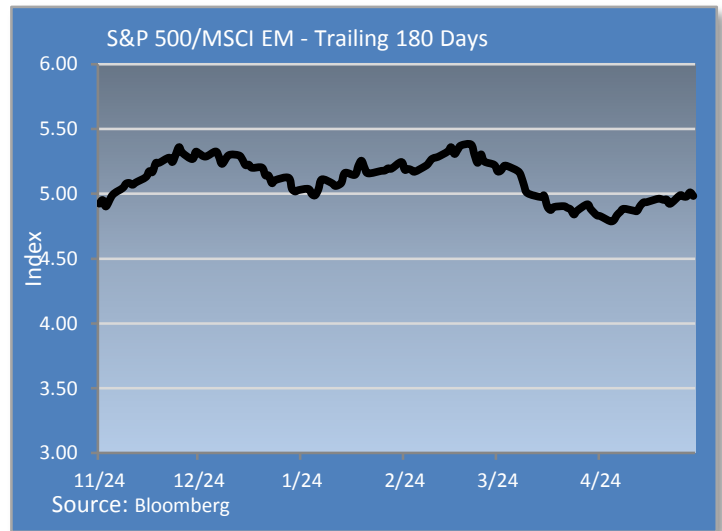
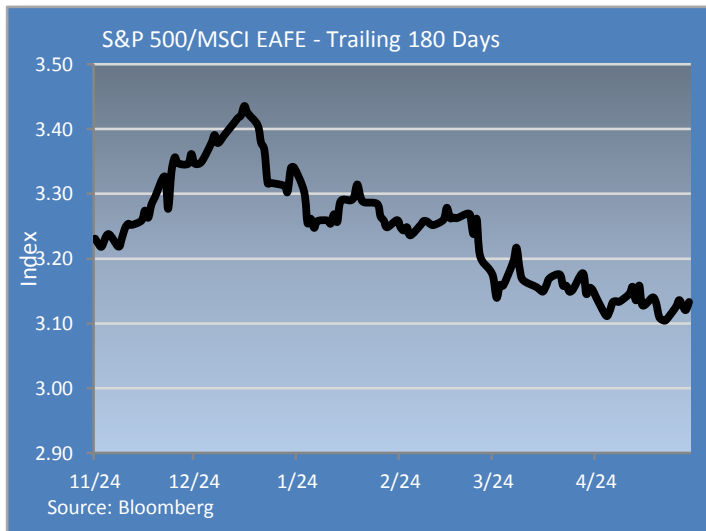
	Last	Change	% Chg.	YTD %
HFRX Global Hedge Fund Index	1244.74	3.95	0.32%	2.64%
HFRX Equity Market Neutral	990.03	-1.25	-0.13%	0.27%
HFRX Equity Hedge Index	1221.49	1.71	0.14%	3.77%
HFRX Event-Driven Index	1548.71	7.10	0.46%	3.00%
HFRX Absolute Return Index	1020.08	-0.19	-0.02%	2.34%

	Last	Change	% Chg.	YTD %
HFRX Distressed Index	1033.30	-1.56	-0.15%	2.45%
HFRX Merger Arbitrage Index	1664.09	0.43	0.03%	3.80%
HFRX Convertible Arbitrage Index	723.61	-1.53	-0.21%	2.93%
HFRX Macro CTA Index	1187.41	9.57	0.81%	0.39%
IQ Fixed Income Beta Arb Index	1386.84	-3.08	-0.22%	-0.06%

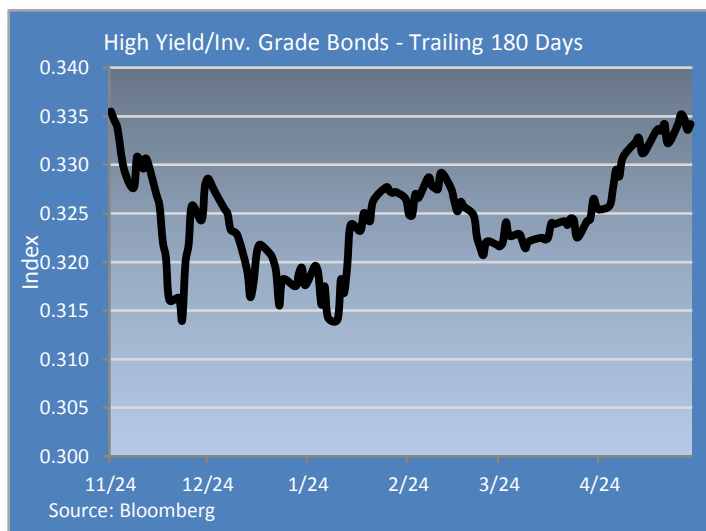
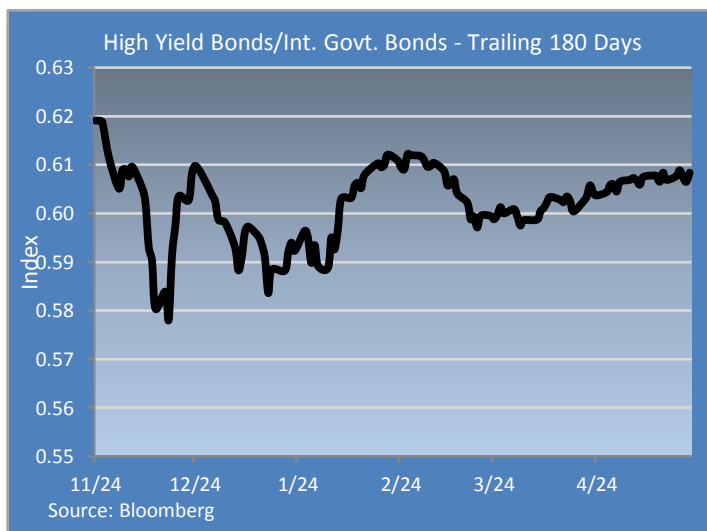
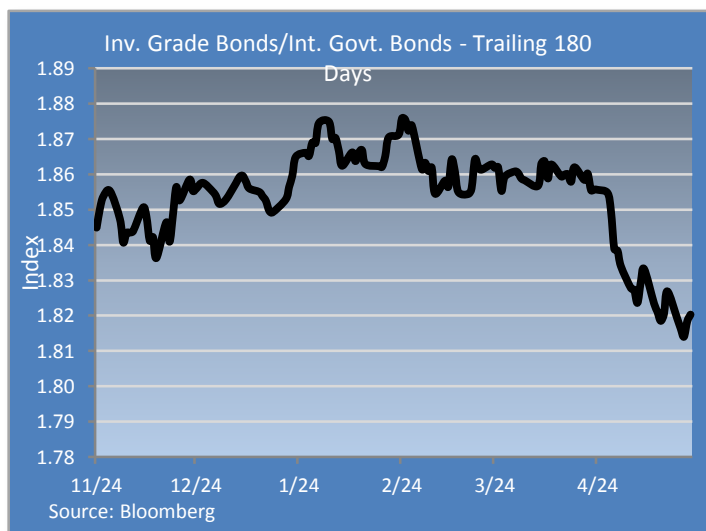
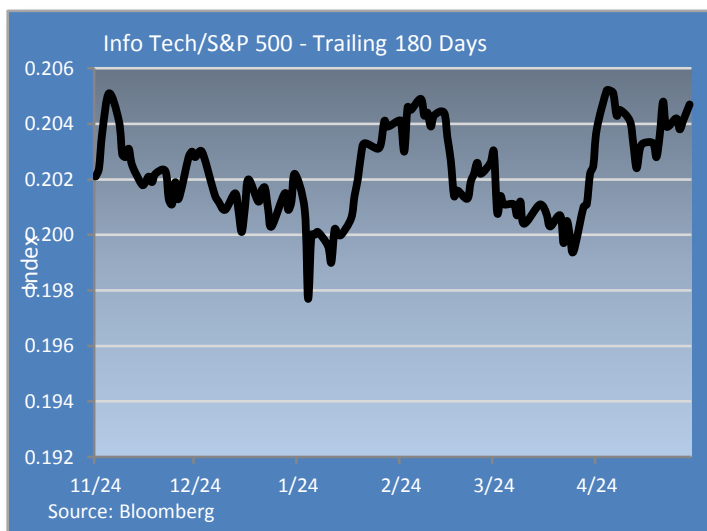
Source: Bloomberg; Index % change is based on price.



PORTFOLIO CONSTRUCTION



PORTFOLIO CONSTRUCTION (cont'd.)



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

			3/5	3/12	3/19	3/26	4/2	4/9	4/16	4/23	4/30	5/7	5/14	5/21
Equity	Domestic Equity	Large Cap (R200)	-0.49%	-1.79%	1.07%	-1.53%	0.33%	1.24%	0.80%	0.42%	-1.01%	0.08%	1.65%	0.43%
		Small Cap (R2000)	-0.39%	0.19%	1.47%	-1.82%	1.92%	0.27%	1.10%	-0.11%	-4.04%	0.44%	1.60%	0.93%
	Int'l. Equity	MSCI EAFE	-0.81%	-2.34%	1.50%	1.27%	-0.22%	1.36%	0.87%	0.21%	0.11%	-1.32%	2.61%	0.31%
		MSCI Em. Mkts.	-1.94%	-2.67%	1.73%	-0.26%	3.16%	3.60%	2.30%	0.16%	-0.58%	-2.18%	1.06%	-0.30%
Fixed Income	BarCap Agg. (AGG)	-0.45%	0.12%	0.39%	0.05%	0.36%	-0.16%	0.30%	-0.24%	-0.40%	-0.84%	-0.17%	0.15%	
	High Yield (JNK)	-0.73%	-0.48%	-1.02%	0.77%	0.00%	0.54%	0.43%	0.00%	-0.23%	-0.63%	0.56%	-0.20%	
Commodities	DJ UBS Index	-0.40%	-2.66%	-1.02%	3.12%	-1.34%	-0.89%	3.56%	-0.68%	2.10%	-0.62%	2.32%	-1.65%	
Alternatives	Hedge Funds (HFRX Global)	0.18%	0.04%	0.34%	-0.46%	0.44%	0.84%	0.27%	-0.34%	-0.60%	-0.39%	0.27%	0.39%	
Asset Allocation	60/40*	-0.60%	-0.99%	0.88%	-0.41%	0.54%	0.75%	0.72%	0.07%	-0.87%	-0.57%	1.07%	0.30%	
	48/32/20 (w/Alts.)**	-0.44%	-0.78%	0.77%	-0.42%	0.52%	0.77%	0.63%	-0.01%	-0.82%	-0.53%	0.91%	0.32%	

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	0.99	1.01	1.03	1.02	1.04	1.04	1.01	1.08	0.94	1.04	1.23	1.07	1.25	1.12
Large Cap Growth	1.01	1.00	1.03	1.04	1.03	1.05	1.05	1.02	1.10	0.96	1.05	1.24	1.08	1.27	1.14
Large Cap Value	0.99	0.98	1.00	1.01	1.01	1.03	1.03	1.00	1.07	0.93	1.02	1.21	1.05	1.23	1.11
Mid Cap Core	0.97	0.96	0.99	1.00	0.99	1.01	1.01	0.99	1.05	0.92	1.01	1.19	1.04	1.22	1.09
Mid Cap Growth	0.98	0.97	0.99	1.01	1.00	1.02	1.02	0.99	1.06	0.92	1.02	1.20	1.05	1.22	1.10
Mid Cap Value	0.96	0.95	0.97	0.99	0.98	1.00	1.00	0.97	1.04	0.91	1.00	1.18	1.03	1.20	1.08
Small Cap Core	0.96	0.95	0.97	0.99	0.98	1.00	1.00	0.97	1.04	0.91	1.00	1.18	1.03	1.20	1.08
Small Cap Growth	0.99	0.98	1.00	1.01	1.01	1.03	1.03	1.00	1.07	0.93	1.02	1.21	1.06	1.24	1.11
Small Cap Value	0.92	0.91	0.94	0.95	0.94	0.96	0.96	0.93	1.00	0.87	0.96	1.13	0.99	1.15	1.04
Int'l. Developed	1.06	1.05	1.07	1.09	1.08	1.10	1.10	1.07	1.15	1.00	1.10	1.30	1.13	1.32	1.19
Emerging Markets	0.96	0.95	0.98	0.99	0.98	1.00	1.00	0.98	1.04	0.91	1.00	1.18	1.03	1.21	1.08
REITs	0.82	0.81	0.83	0.84	0.83	0.85	0.85	0.83	0.88	0.77	0.85	1.00	0.87	1.02	0.92
Commodities	0.93	0.92	0.95	0.96	0.96	0.97	0.97	0.95	1.01	0.88	0.97	1.15	1.00	1.17	1.05
Int. Bond	0.80	0.79	0.81	0.82	0.82	0.83	0.83	0.81	0.87	0.75	0.83	0.98	0.85	1.00	0.90
High Yield	0.89	0.88	0.90	0.92	0.91	0.93	0.93	0.90	0.97	0.84	0.92	1.09	0.95	1.11	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 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.

Dow or DJIA (Dow Jones Industrial Average) 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 is a stock market index of the common stocks and similar securities listed on the NASDAQ stock market. The US Dollar Index is an index (or 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 225, more commonly called the Nikkei or the Nikkei index, is a stock market index for the Tokyo Stock Exchange. It has been 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, also called FTSE 100, is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization. FTSE stands for Financial Times Stock Exchange. The DAX (German stock index) is a blue chip stock market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange. DAX measures the performance of the Prime Standard's 30 largest German companies in terms of order book volume and market capitalization. The MSCI EAFE Index represents 21 developed markets outside of North America. 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 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. The Barclays 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 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 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 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 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 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 ISM Manufacturing 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 Consumer Price Index (CPI) measures the change in the cost of a fixed basket of products and services. 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. 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 World ex-U.S. Index - captures large and mid-cap representation across 22 of 23 Developed Markets DM countries*--excluding the United States. 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 Barclays 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 University of Michigan Consumer Sentiment Index (MCSI) is a survey of consumer confidence conducted by the University of Michigan. The Michigan Consumer Sentiment Index (MCSI) uses telephone surveys to gather information on consumer expectations regarding the overall economy. 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 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 Barclays 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. Barclays U.S. Corporate High-Yield Index is composed of fixed-rate, publicly issued, non-investment grade debt. Barclays U.S. Corporate 5-10 Year Index includes U.S. dollar-denominated, investment-grade, fixed-rate, taxable securities issued by industrial, utility, and financial companies, with maturities between 5 and 10 years.

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