

Chart of the Week



Weekly Highlights

- **Domestic stock prices rallied to another record high this week.** Equity prices gained ground on mixed signs regarding the economy. While first quarter gross domestic product (GDP) growth was estimated to be negative, other economic data continued to improve. The S&P 500 rose to a new all-time high, and has now risen for four consecutive months.
- **Global markets were also stronger for the week.** World markets, both developed and emerging, posted solid gains. European markets rose based on expectations that the European Central Bank would provide additional monetary stimulus next week. Emerging markets indices have rallied four straight months in the longest streak since 2009.
- **Treasury prices were higher this week.** The yield on the benchmark 10-year U.S. Treasury fell this week as inflation remains subdued.
- **Commodity indices were lower on the week.** Most of the commodity complexes eased, with crude oil, precious metals and grains all declining on the week.

Talking Points

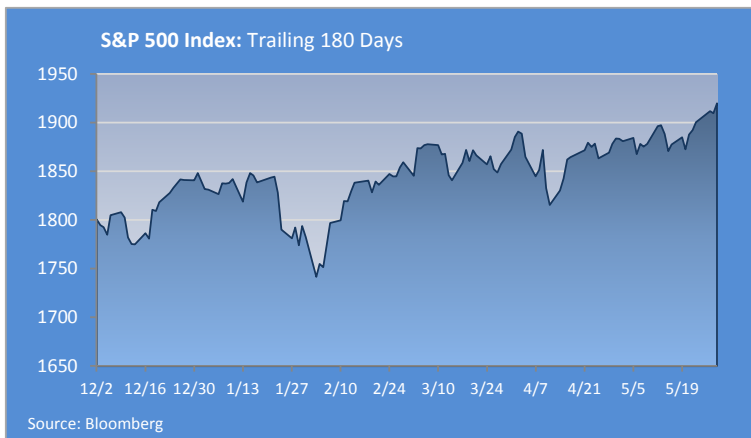
- **Among equities**, large-caps underperformed small-caps, and growth stocks outperformed value-oriented issues. Domestic stocks underperformed international equities. Developed markets outperformed emerging market stocks.
- **Treasury prices were higher on the week.** The yield on the 10-year T-note declined this week.
- **Commodity prices were lower this week.** Crude oil, metals and grains all declined.
- **The dollar** was modestly higher this week against a basket of currencies.
- **Among economic data released this week**, first quarter GDP growth was -1.0%, marking the first time since 2011 the economy has contracted; durable goods orders for April unexpectedly rose; the S&P/Case-Shiller property index rose 10.3% from year-ago levels; and jobless claims declined slightly more than forecast in the latest week.

MARKET DASHBOARD

| | Last Price | Change | % Chg. | YTD % |
|---------------------------|------------|--------|--------|-------|
| S&P 500 | 1,920.03 | 19.50 | 1.03% | 3.9% |
| Dow Industrials | 16,698.74 | 92.47 | 0.56% | 0.7% |
| Nasdaq | 4,247.95 | 62.14 | 1.48% | 1.7% |
| Russell 2000 | 1,140.07 | 13.88 | 1.23% | -2.0% |
| Euro Stoxx Index | 344.47 | 2.49 | 0.73% | 4.9% |
| Shanghai Composite | 2,039.21 | 4.64 | 0.23% | -3.6% |
| Russell Global | 1,747.22 | 13.36 | 0.77% | 3.1% |

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

| | Last Price | Change | % Chg. | YTD % |
|--------------------------|------------|----------|--------|--------|
| Russell Global EM | 3,221.00 | -9.11 | -0.28% | 3.7% |
| 10-Year US Treas. | 2.45 | -9 bps | NM | NM |
| DJ UBS Comm. Idx. | 134.52 | -1.28 | -0.94% | 6.9% |
| Gold | \$1,253.24 | -\$39.59 | -3.06% | 4.3% |
| Crude Oil | \$103.11 | -\$1.11 | -1.06% | 7.0% |
| Dollar Index | 80.44 | 0.06 | 0.07% | 0.5% |
| VIX Index | 11.57 | 0.21 | 1.85% | -15.7% |



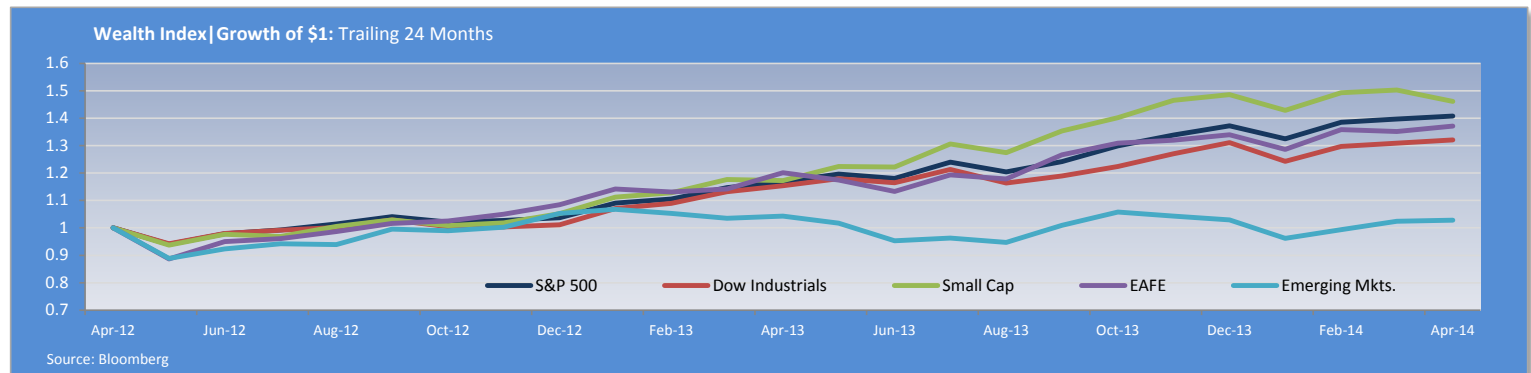
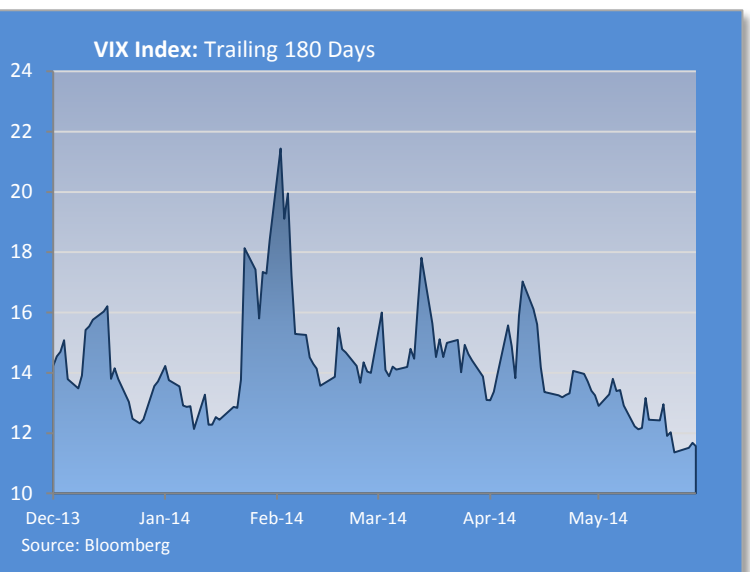
| | One Week | | | YTD | | |
|---|----------|--------|-------|--------|--------|--------|
| | Value | Growth | | Value | Growth | |
| L | 0.88% | 1.00% | 1.12% | 3.51% | 3.59% | 3.69% |
| | 1.02% | 1.04% | 1.06% | 6.55% | 4.56% | 2.81% |
| S | 1.05% | 1.23% | 1.42% | -0.73% | -2.03% | -3.27% |

Source: Bloomberg

Sector Performance: S&P/GICS Sectors

| | % Wgt in S&P 500 | Week % Chg. | YTD % Chg. |
|-------------------------------|------------------|-------------|------------|
| Consumer Discretionary | 11.9 | 0.76% | -2.0% |
| Consumer Staples | 9.7 | 0.99% | 3.6% |
| Energy | 10.5 | 1.07% | 6.5% |
| Financials | 15.9 | 0.96% | 1.5% |
| Health Care | 13.3 | 1.05% | 7.2% |
| Industrials | 10.7 | 0.93% | 2.8% |
| Information Technology | 18.9 | 1.31% | 5.6% |
| Materials | 3.5 | 1.07% | 6.0% |
| Telecom Services | 2.5 | 0.16% | 2.7% |
| Utilities | 3.0 | 1.44% | 10.9% |

Source: Bloomberg



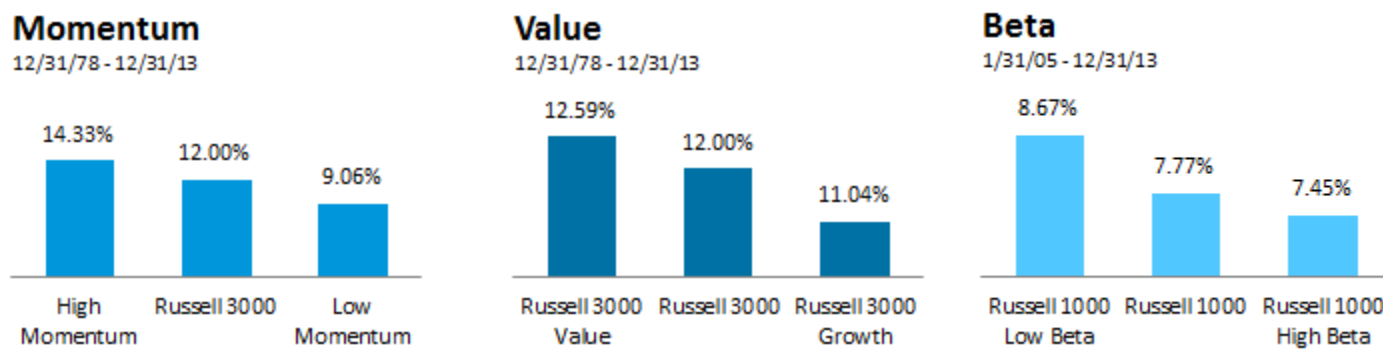
THE ECONOMY AND MARKETS

A Macro View – Factor-Tilted Portfolios

Over the past couple of decades there has been a significant amount of academic and industry research focused on identifying the primary drivers, or factors, determining equity price movements. Professors Eugene Fama and Kenneth French built on earlier research by others in setting forth their famous three-factor model of stock prices in 1993. Fama and French identified three factors – exposures to the market, size (small caps) and value – as being three key drivers that provide anomalous excess returns over time. The size factor holds that in general, smaller cap stocks outperform large cap issues. The value factor thesis is that stocks that exhibit more favorable valuations – such as those having higher Book Value/Price ratios – tend to outperform stocks that are perceived to be more richly valued.

The Fama-French findings have since spurred additional research attempting to better understand factors resulting in superior excess returns. Mark Carhart introduced the momentum factor in 1997. He showed that stocks that have performed well over the past tend to continue to perform well for a period of time. Specifically, he looked at performance over the past 12 months as being an indicator of performance over the next month. Along with value, momentum has been shown to be pervasive in most asset classes. The momentum factor is often included with the original Fama-French factors in a “four-factor model.”

Other market premia that researchers have identified include liquidity (i.e., stocks with lower liquidity outperform more highly liquid names); quality (i.e., higher quality outperforms lower quality); and defensive (i.e., lower beta stocks outperform higher beta names).



Data source: Morningstar, Inc. and Ken French Data Library

Momentum - The rate of acceleration of the price or volume of a security.

Value - A stock that tends to trade at a lower price relative to its fundamentals (i.e. dividends, earnings, sales, etc.) and thus considered undervalued by a value investor.

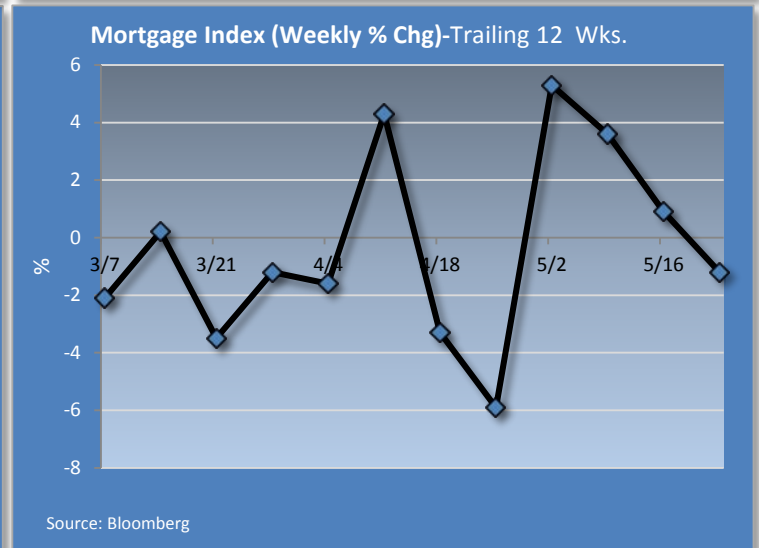
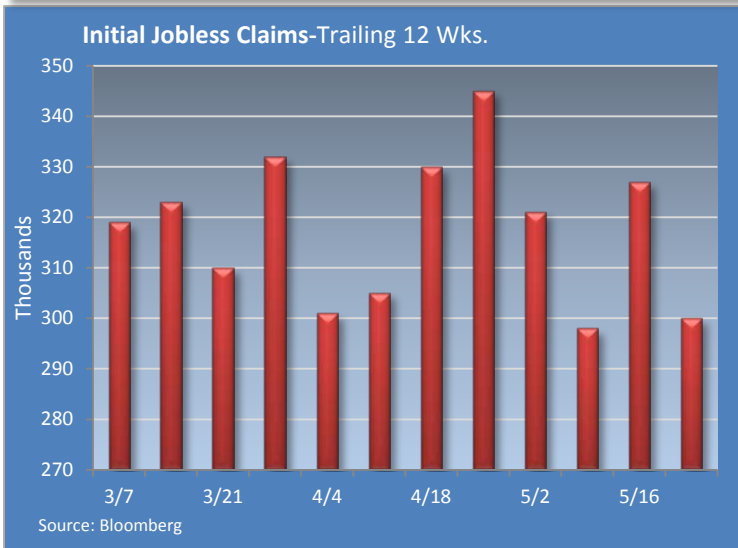
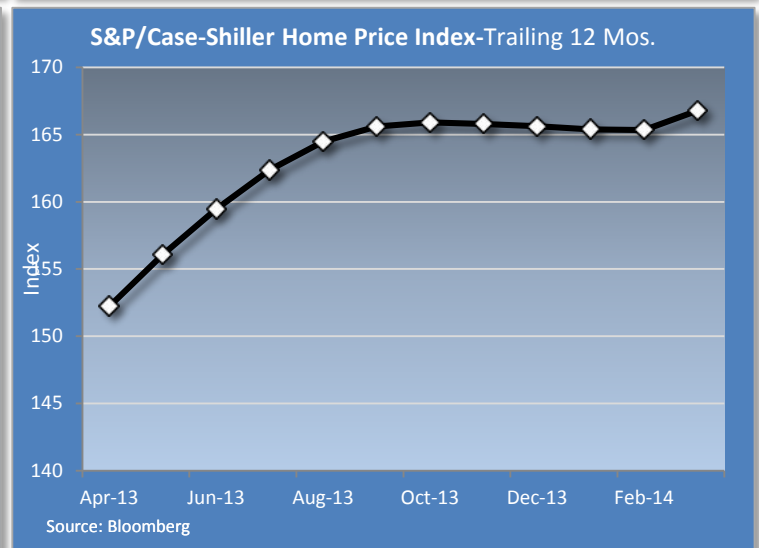
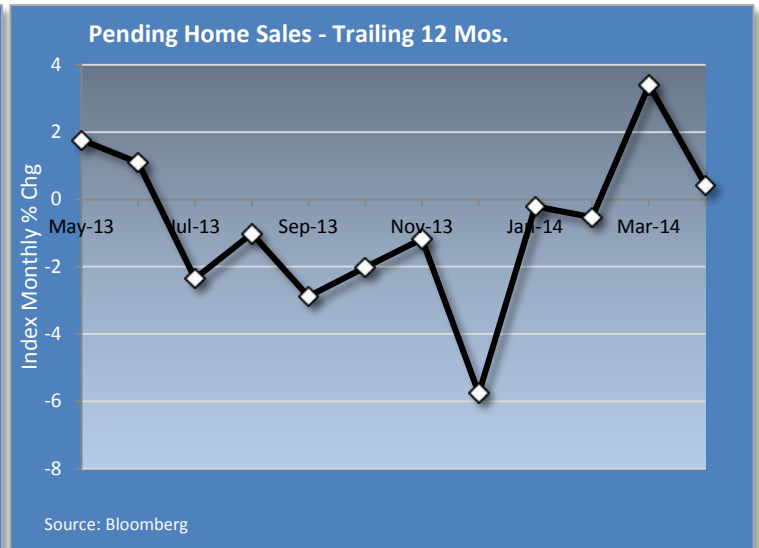
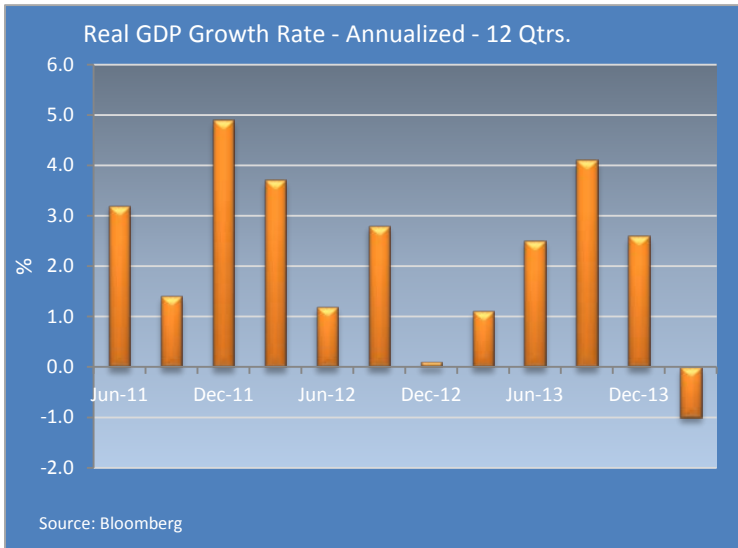
Beta - A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

Various theories have been posited as to why these asset pricing anomalies are experienced. Since the efficient market hypothesis holds that all information is contained in stock prices, and that no such premia are exploitable, academics have suggested that behavioral issues are the likely explanation.

A significant implication of this research is that exposure to these factors is increasingly being made available in a portfolio context. Investment managers are able to construct portfolios that have “tilts” toward one or more of these factors in an effort to outperform the benchmark. In the mutual fund world, Dimensional Fund Advisors (DFA) and AQR Capital Management have been at the forefront of the research and implementation of such strategies. In terms of separate accounts, PMC will be building upon its recent introduction of Quantitative Portfolios by introducing factor-tilted versions of the QPs. Finally, there are also several factor-tilted indices with associated exchange-traded funds (ETFs).

Brandon Thomas
 Chief Investment Officer

THIS WEEK IN THE ECONOMY AND MARKETS



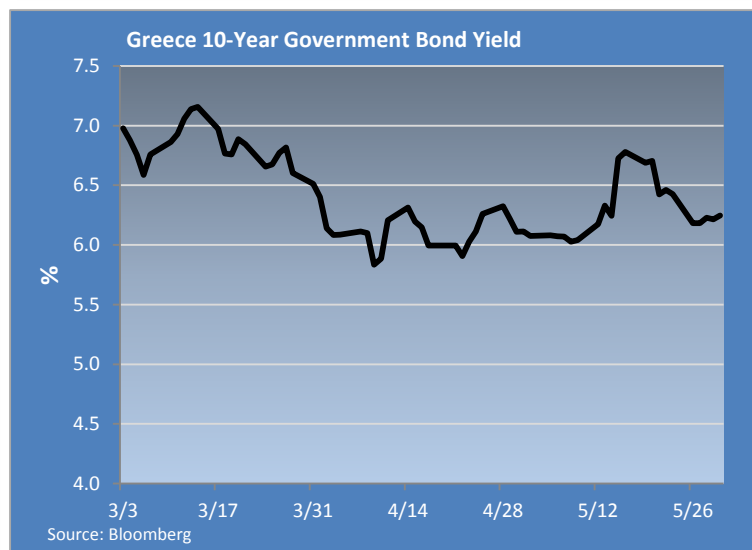
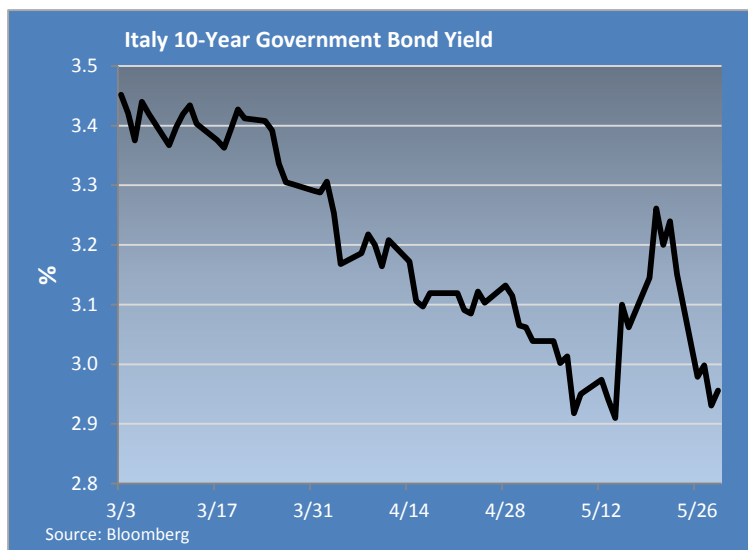
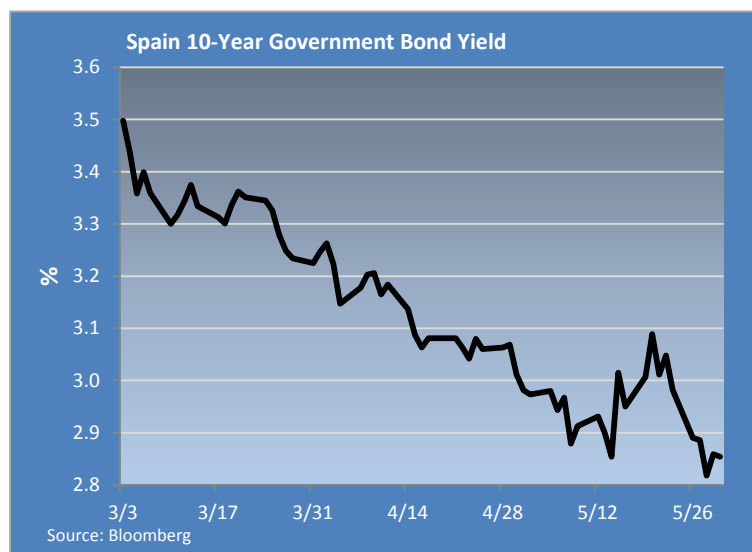
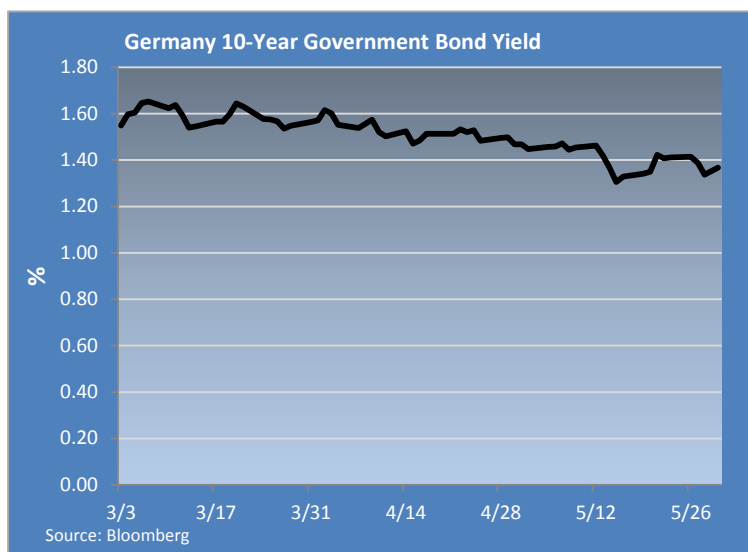
EUROZONE

SELECTED EUROPEAN SOVEREIGN YIELD PERFORMANCE

| | Last | Change | % Chg. | YTD % |
|----------------------|------|--------|--------|-------|
| Germany 10-Yr. Govt. | 1.37 | 4 bps | NM | NM |
| Greece 10-Yr. Govt. | 6.25 | 12 bps | NM | NM |
| Italy 10-Yr. Govt. | 2.96 | 17 bps | NM | NM |
| Spain 10-Yr. Govt. | 2.85 | 11 bps | NM | NM |
| Belgium 10-Yr. Govt. | 1.90 | 7 bps | NM | NM |

| | Last | Change | % Chg. | YTD % |
|--------------------------|------|--------|--------|-------|
| France 10-Yr. Govt. | 1.77 | 4 bps | NM | NM |
| Ireland 10-Yr. Govt. | 2.61 | 14 bps | NM | NM |
| Portugal 10-Yr. Govt. | 3.60 | 13 bps | NM | NM |
| Netherlands 10-Yr. Govt. | 1.64 | 4 bps | NM | NM |
| U.K. 10-Yr. Govt. | 2.57 | 5 bps | NM | NM |

Source: Bloomberg



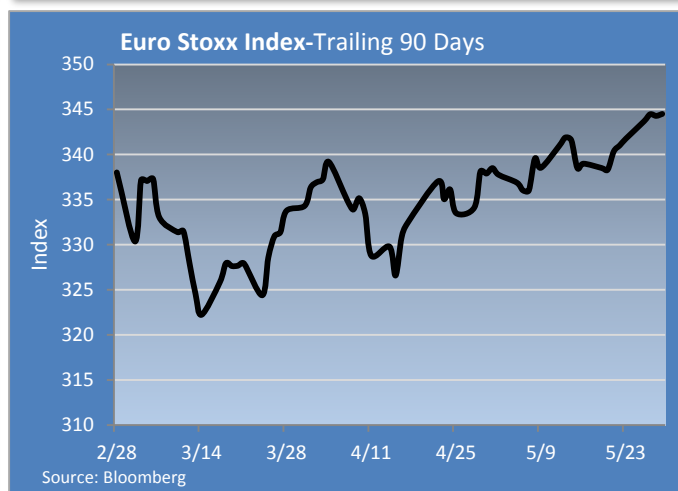
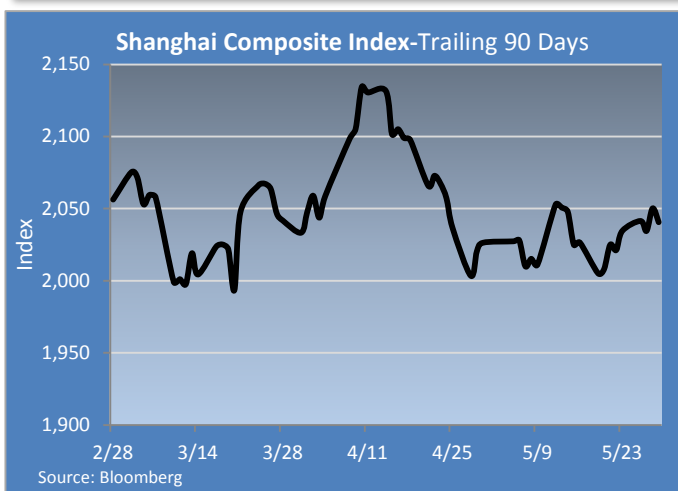
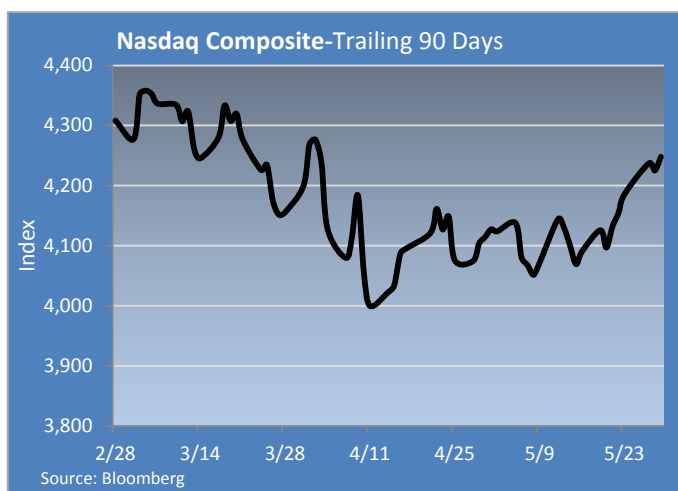
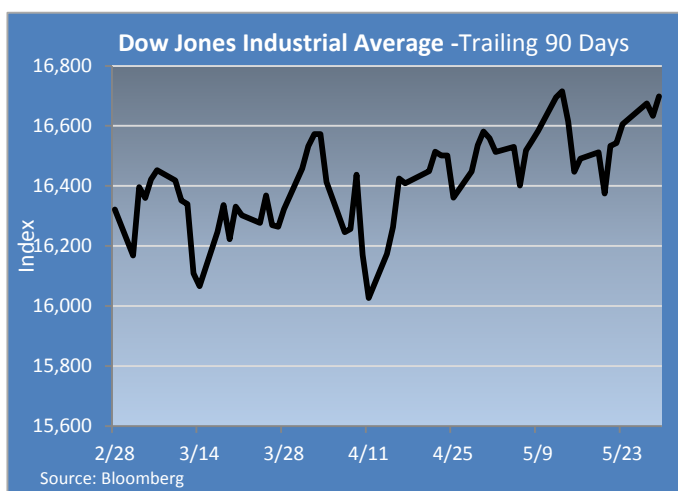
EQUITIES

WORLD MARKET PERFORMANCE

| | Last | Change | % Chg. | YTD % |
|-----------------------------|------------------|----------------|---------------|---------------|
| S&P 500 | 1,920.03 | 19.50 | 1.03% | 3.88% |
| Dow Industrials | 16,698.74 | 92.47 | 0.56% | 0.74% |
| Nasdaq Composite | 4,247.95 | 62.14 | 1.48% | 1.71% |
| Russell Global | 1,747.22 | 13.36 | 0.77% | 3.1% |
| Russell Global EM | 3,221.00 | -9.11 | -0.28% | 3.7% |
| S&P/TSX (Canada) | 14,588.95 | -119.15 | -0.81% | 7.10% |
| Mexico IPC | 42,009.92 | 92.00 | 0.22% | -1.68% |
| Brazil Bovespa | 52,239.34 | -387.07 | -0.74% | 1.42% |
| Euro Stoxx 600 | 344.47 | 2.49 | 0.73% | 4.87% |
| FTSE 100 | 6,860.75 | 44.40 | 0.65% | 1.65% |
| IBEX 35 (Spain) | 10,764.00 | 207.00 | 1.96% | 8.56% |

| | Last | Change | % Chg. | YTD % |
|-------------------------------|------------------|---------------|---------------|----------------|
| Swiss Market Index | 8,684.82 | -27.71 | -0.32% | 5.77% |
| CAC 40 Index (France) | 4,510.33 | 8.05 | 0.18% | 4.78% |
| DAX Index (Germany) | 9,940.65 | 169.74 | 1.74% | 4.04% |
| Irish Overall Index | 4,921.62 | 84.50 | 1.75% | 8.40% |
| Nikkei 225 | 14,632.38 | 170.21 | 1.18% | -10.18% |
| Hang Seng Index | 23,081.65 | 115.79 | 0.50% | -0.96% |
| Shanghai Composite | 2,039.21 | 4.64 | 0.23% | -3.63% |
| Kospi Index (S. Korea) | 1,994.96 | -22.21 | -1.10% | -0.81% |
| Taiwan Taiex Index | 9,075.91 | 67.69 | 0.75% | 5.39% |
| Tel Aviv 25 Index | 1,393.42 | 4.11 | 0.30% | 4.82% |
| MICEX Index (Russia) | 1,437.77 | -1.60 | -0.11% | -4.43% |

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



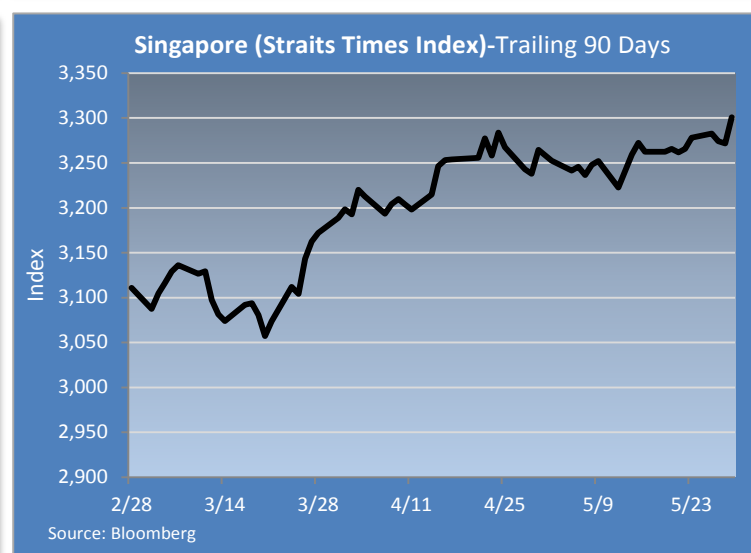
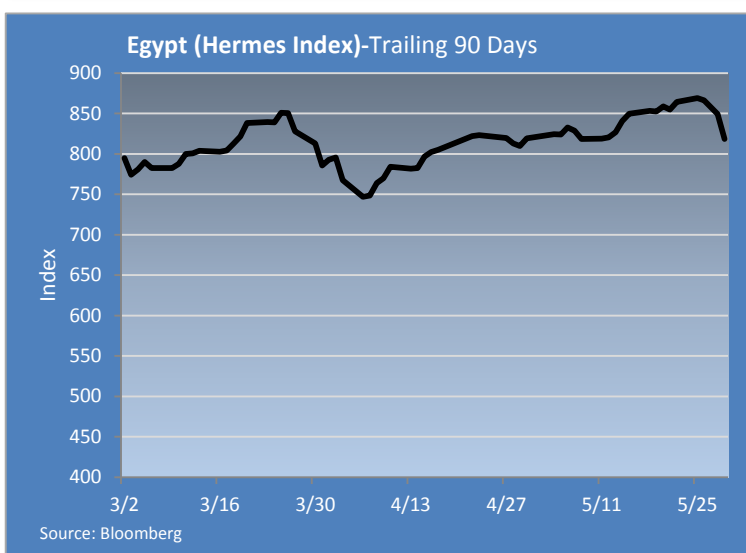
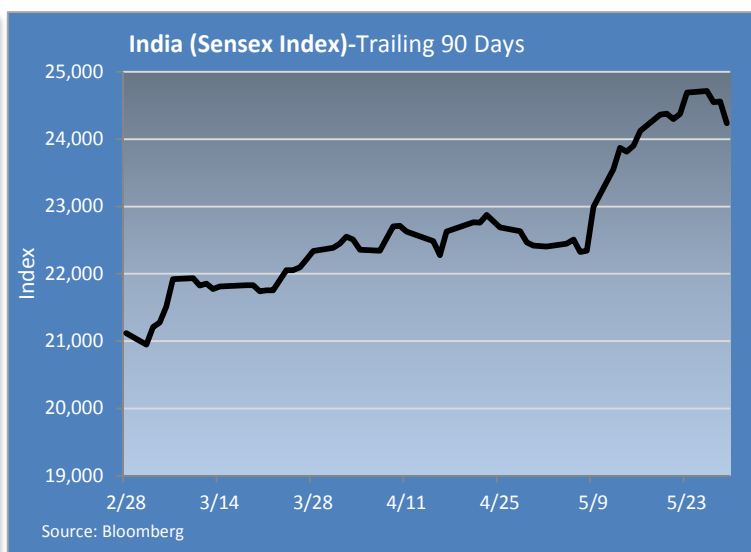
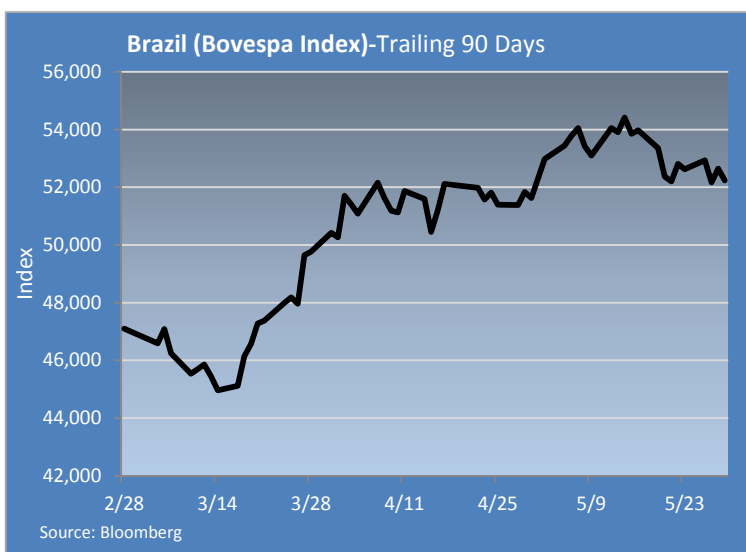
EQUITIES – EMERGING AND FRONTIER MARKETS

EMERGING AND FRONTIER MARKET PERFORMANCE

| | Last | Change | % Chg. | YTD % |
|-----------------------------|-----------|---------|--------|-------|
| Mexico IPC | 42,009.92 | 92.00 | 0.2% | -1.7% |
| Brazil (Bovespa Index) | 52,239.34 | -387.07 | -0.7% | 1.4% |
| MICEX Index (Russia) | 1,437.77 | -1.60 | -0.1% | -4.4% |
| Czech Republic (Prague) | 1,025.24 | 26.41 | 2.6% | 3.5% |
| Turkey (Istanbul) | 79,604.88 | 1385.12 | 1.8% | 17.2% |
| Egypt (Hermes Index) | 818.52 | -46.06 | -5.3% | 21.2% |
| Kenya (Nairobi 20 Index) | 4,895.13 | -30.45 | -0.6% | -0.6% |
| Saudi Arabia (TASI Index) | 9,823.40 | 72.49 | 0.7% | 15.1% |
| Lebanon (Beirut BLOM Index) | 1,220.63 | 20.23 | 1.7% | 6.1% |
| Palestine | 523.07 | 16.90 | 3.3% | -3.4% |

| | Last | Change | % Chg. | YTD % |
|---------------------------------|-----------|---------|--------|-------|
| Hang Seng Index | 23,081.65 | 115.79 | 0.5% | -1.0% |
| India (Sensex 30) | 24,217.34 | -476.01 | -1.9% | 14.4% |
| Malaysia (KLCI Index) | 1,873.38 | 4.16 | 0.2% | 0.3% |
| Singapore (Straits Times Index) | 3,295.85 | 17.83 | 0.5% | 4.1% |
| Thailand (SET Index) | 1,415.73 | 18.89 | 1.4% | 9.0% |
| Indonesia (Jakarta) | 4,893.91 | -16.38 | -0.3% | 14.5% |
| Pakistan (Karachi KSE 100) | 29,745.29 | 958.46 | 3.3% | 17.6% |
| Vietnam (Ho Chi Minh) | 562.02 | 20.53 | 3.8% | 11.4% |
| Sri Lanka (Colombo) | 6,263.46 | -16.85 | -0.3% | 5.9% |
| Cambodia (Laos) | 1,286.06 | -18.38 | -1.4% | 2.6% |

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

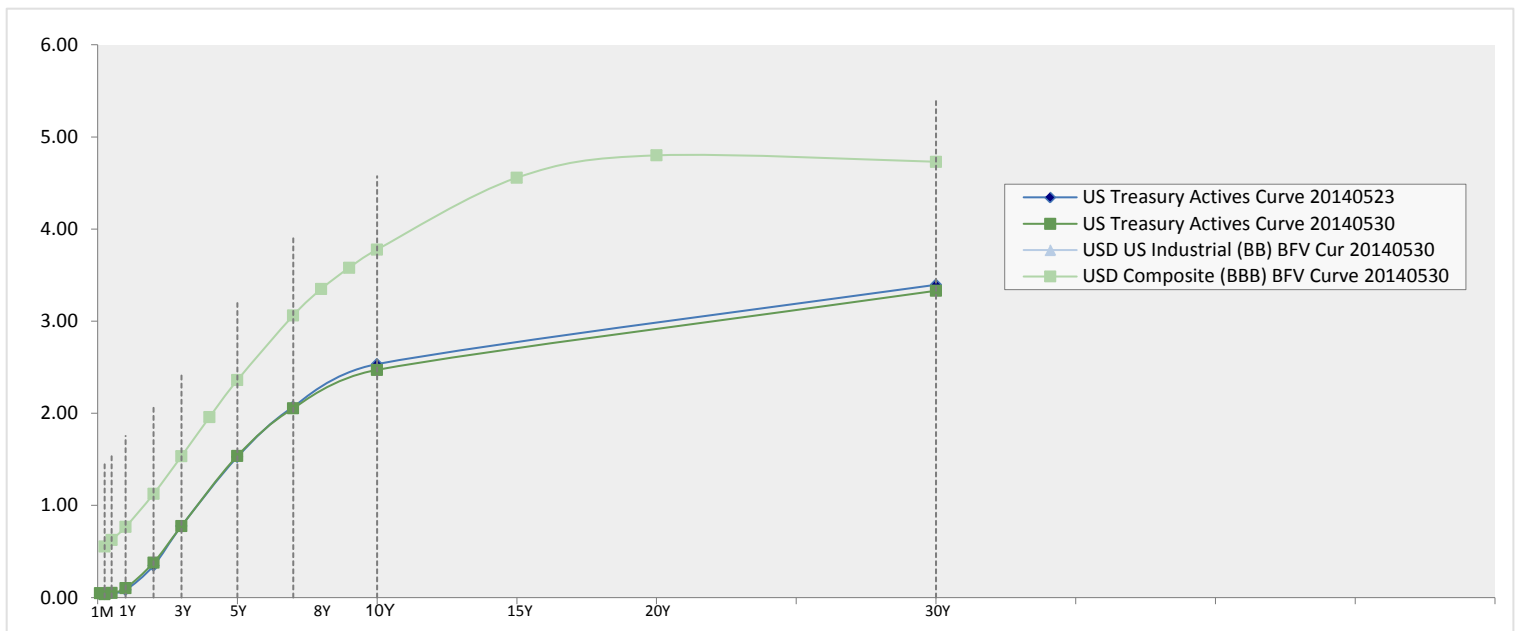


INTEREST RATES

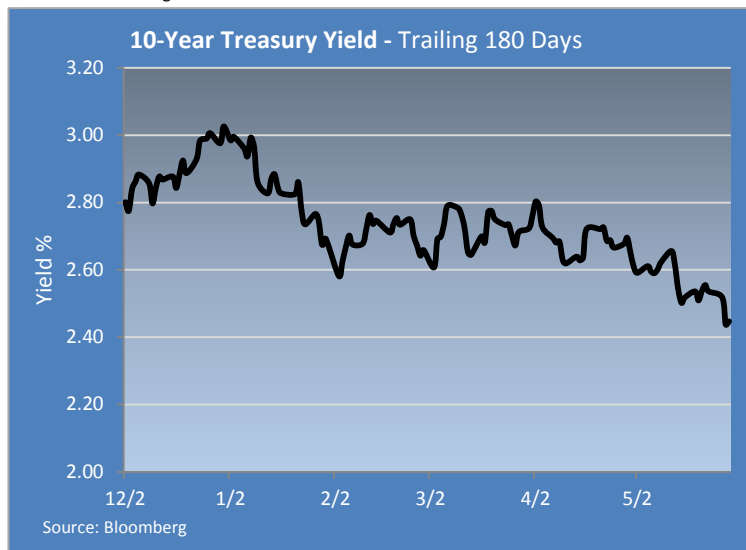
SELECTED INTEREST RATES

| | Last | Change | % Chg. | YTD % | | Last | Change | % Chg. | YTD % |
|----------------------|-------|--------|--------|-------|--------------------|-------|--------|--------|-------|
| 2-Yr. U.S. Treasury | 0.38% | 0 bps | NM | NM | Prime Rate | 3.25% | 0.00 | NM | NM |
| 5-Yr. U.S. Treasury | 1.51% | -2 bps | NM | NM | Fed Funds Rate | 0.25% | 0.00 | NM | NM |
| 10-Yr. U.S. Treasury | 2.45% | -9 bps | NM | NM | Discount Rate | 0.75% | 0.00 | NM | NM |
| 30-Yr. U.S. Treasury | 3.30% | -9 bps | NM | NM | LIBOR (3 Mo.) | 0.23% | 0 bps | NM | NM |
| German 10-Yr. Govt. | 1.37% | 4 bps | NM | NM | Bond Buyer 40 Muni | 4.00% | -6 bps | NM | NM |
| France 10-Yr. | 1.77% | 4 bps | NM | NM | Bond Buyer 40 G.O. | 4.26% | NA | NM | NM |
| Italy 10-Yr. | 2.96% | 17 bps | NM | NM | Bond Buyer 40 Rev. | 4.79% | NA | NM | NM |
| Fed 5-Yr Fwd BE Inf. | 2.46% | -1 bps | NM | NM | | | | | |

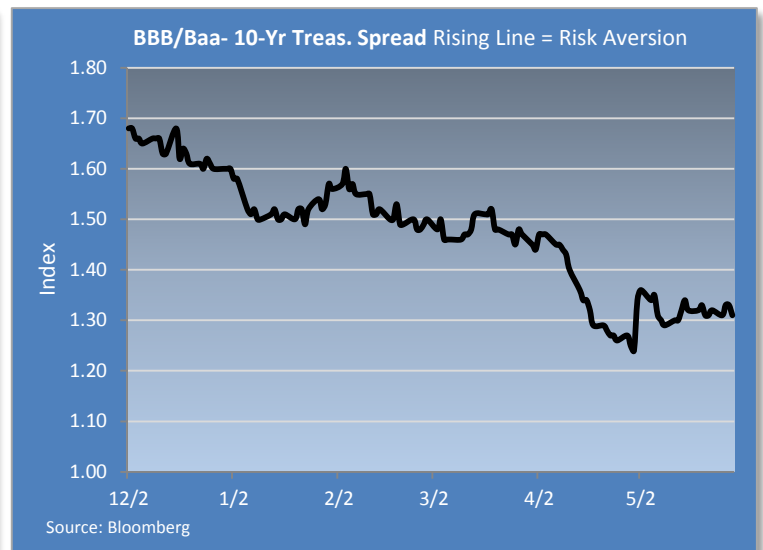
Source: Bloomberg



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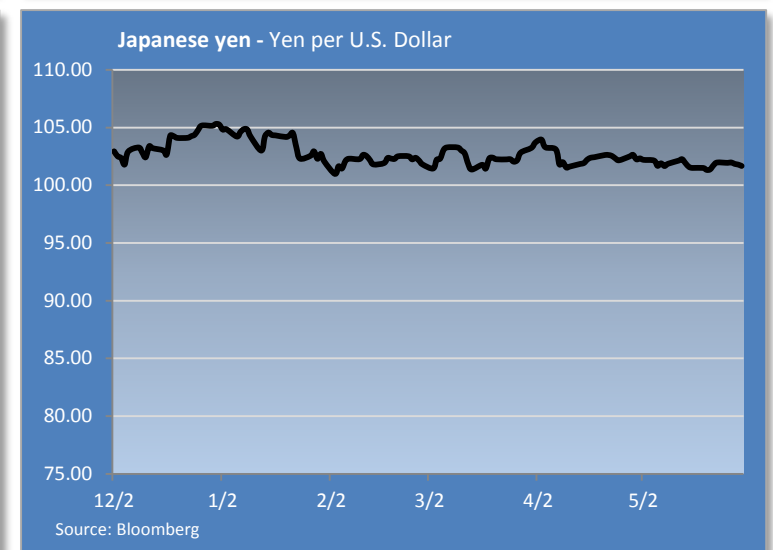
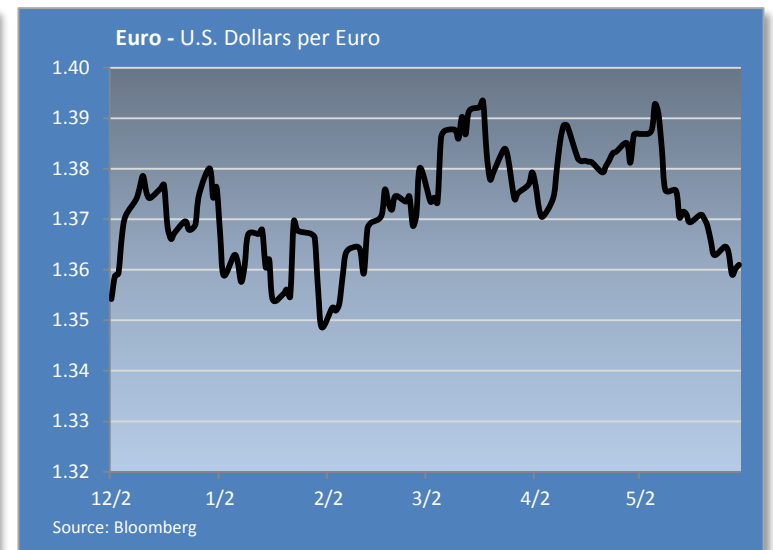
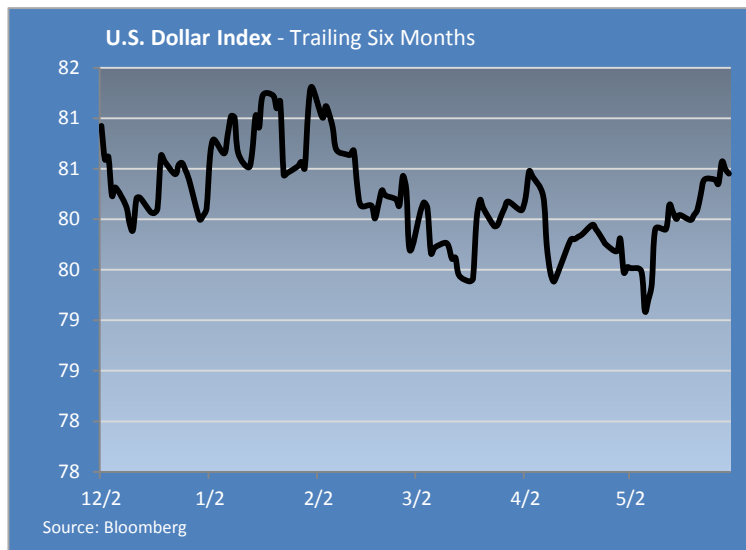
CURRENCIES

SELECTED CURRENCY PERFORMANCE

| | Last | Change | % Chg. | YTD % |
|-----------------|--------|--------|--------|--------|
| Dollar Index | 80.44 | 0.059 | 0.07% | 0.52% |
| Euro | 1.36 | -0.002 | -0.14% | -0.97% |
| Japanese Yen | 101.66 | -0.300 | 0.30% | 3.58% |
| British Pound | 1.67 | -0.010 | -0.62% | 1.03% |
| Canadian Dollar | 1.08 | -0.003 | 0.31% | -1.88% |

| | Last | Change | % Chg. | YTD % |
|--------------------|-------|--------|--------|--------|
| Chinese Yuan | 6.25 | 0.011 | -0.18% | -3.09% |
| Swiss Franc | 0.90 | 0.001 | -0.11% | -0.43% |
| New Zealand Dollar | 0.85 | -0.007 | -0.77% | 3.29% |
| Brazilian Real | 2.22 | 0.001 | -0.04% | 6.20% |
| Mexican Peso | 12.84 | -0.011 | 0.08% | 1.49% |

Source: Bloomberg



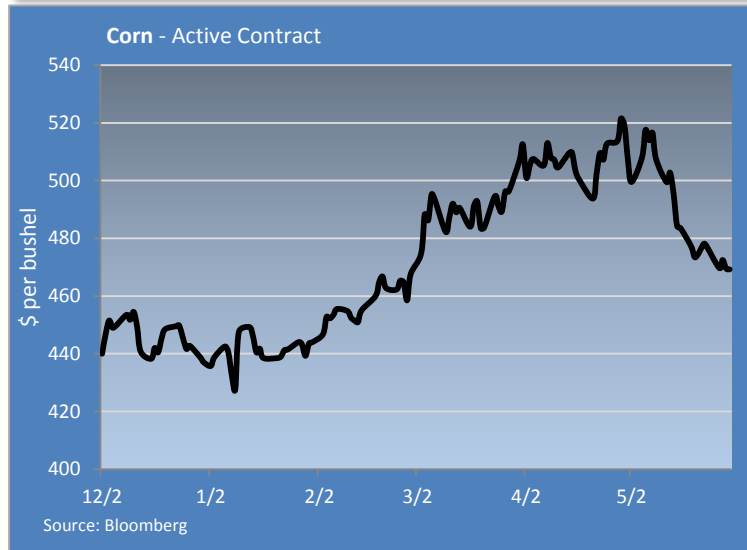
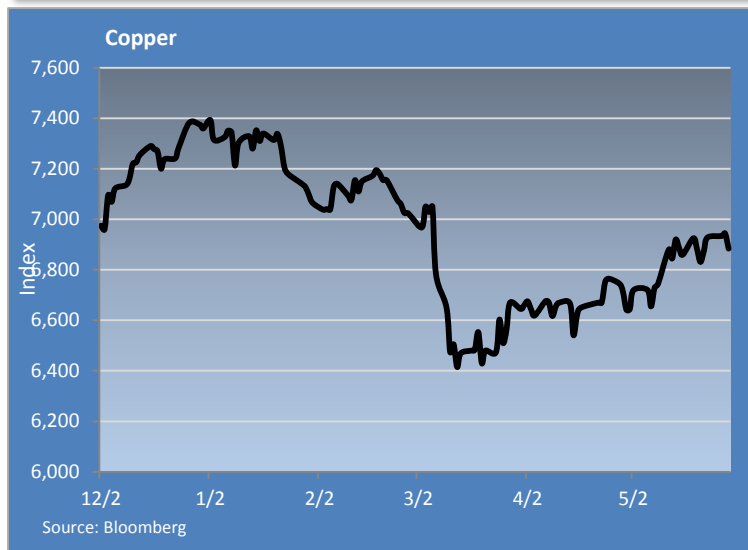
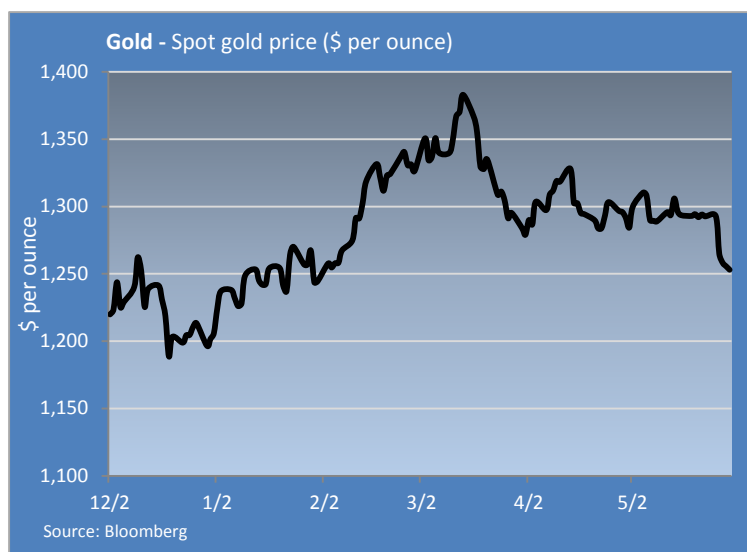
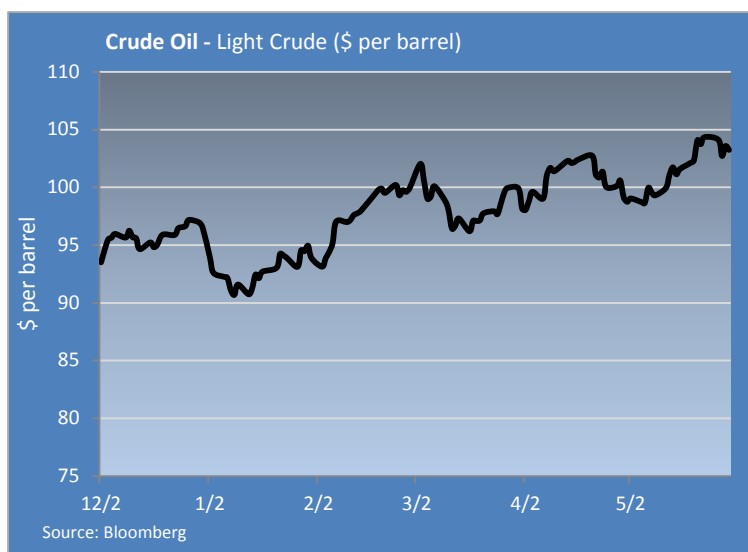
COMMODITIES

SELECTED COMMODITY MARKET PERFORMANCE

| | Last | Change | % Chg. | YTD % |
|------------------------|------------|----------|--------|--------|
| DJ UBS Comm. Idx. | 134.52 | -1.28 | -0.94% | 6.90% |
| Rogers Int. Comm. Idx. | 3710.14 | -27.84 | -0.74% | 4.33% |
| Crude Oil | \$103.11 | -\$1.11 | -1.06% | 7.04% |
| Natural Gas | \$4.56 | \$0.17 | 3.77% | 10.28% |
| Gasoline (\$/Gal.) | \$3.65 | -\$0.01 | -0.14% | 9.87% |
| Heating Oil | 291.00 | -4.04 | -1.37% | -3.64% |
| Gold Spot | \$1,253.24 | -\$39.59 | -3.06% | 4.28% |
| Silver Spot | \$18.99 | -\$0.46 | -2.38% | -2.44% |

| | Last | Change | % Chg. | YTD % |
|---------------|------------|----------|--------|--------|
| Platinum Spot | \$1,460.63 | -\$13.58 | -0.92% | 6.44% |
| Corn | 469.75 | -7.50 | -1.57% | 7.38% |
| Wheat | 630.50 | -29.75 | -4.51% | 2.07% |
| Soybeans | 1,497.50 | -21.25 | -1.40% | 18.43% |
| Sugar | 17.37 | 0.00 | 0.00% | 3.83% |
| Orange Juice | 156.10 | -2.30 | -1.45% | 9.81% |
| Aluminum | 1,845.00 | 30.50 | 1.68% | 2.49% |
| Copper | 6,884.00 | -44.00 | -0.64% | -6.47% |

Source: Bloomberg; % change is based on price.



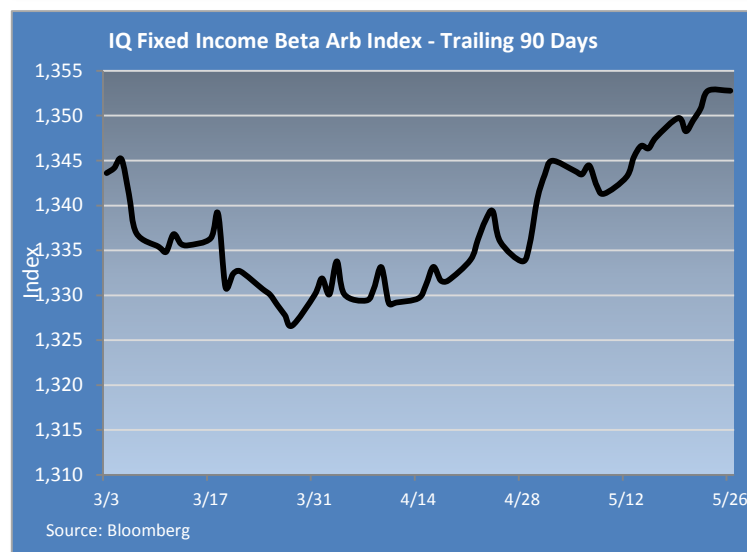
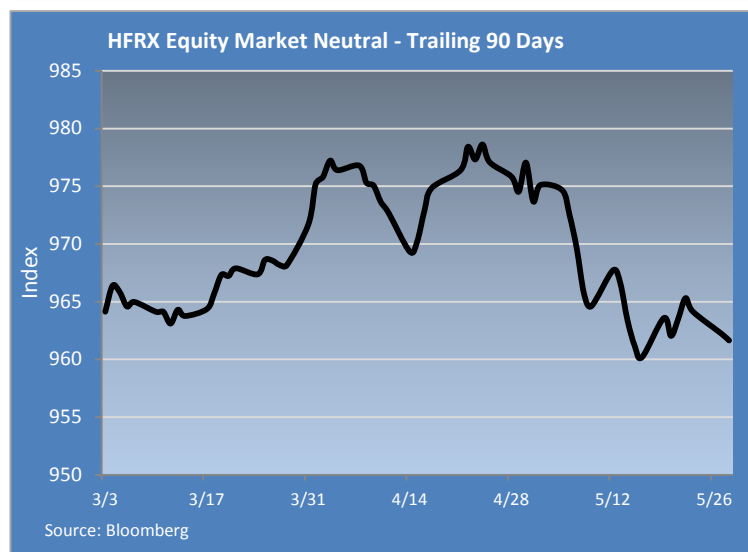
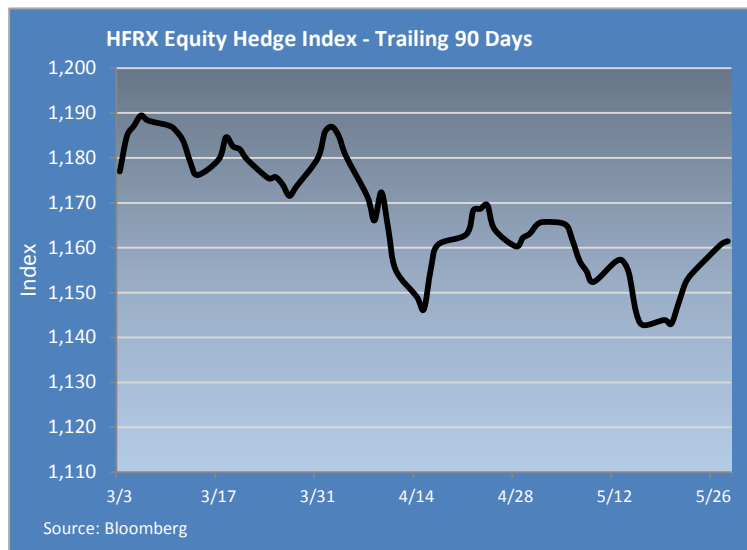
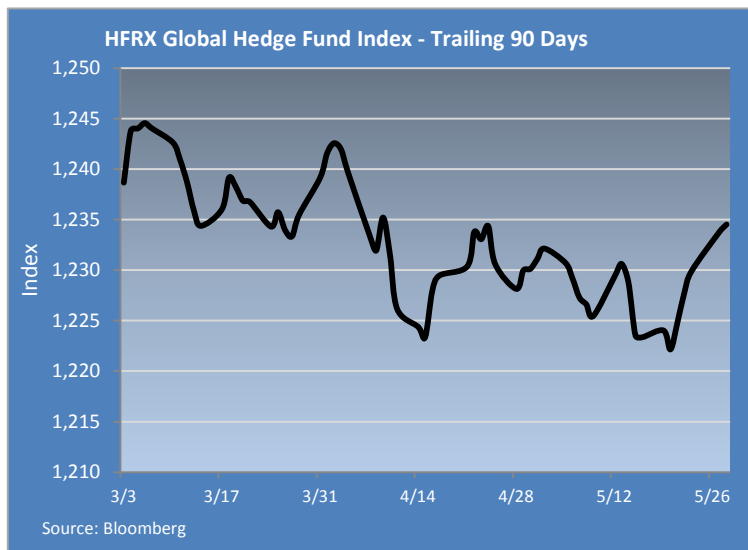
ALTERNATIVE INVESTMENTS

SELECTED ALTERNATIVE INVESTMENT INDEX PERFORMANCE

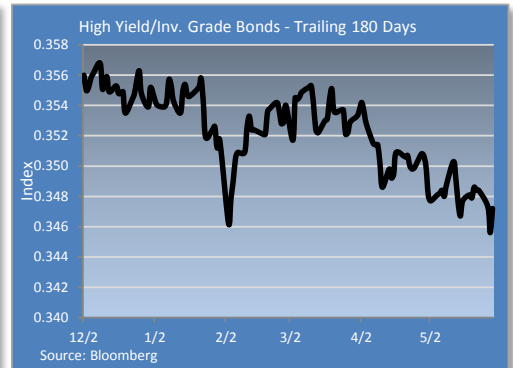
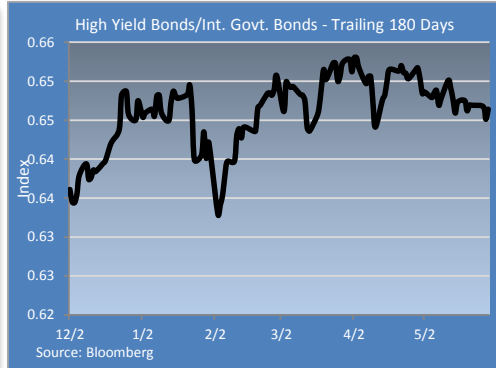
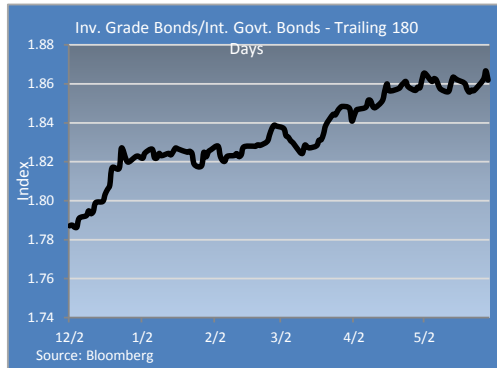
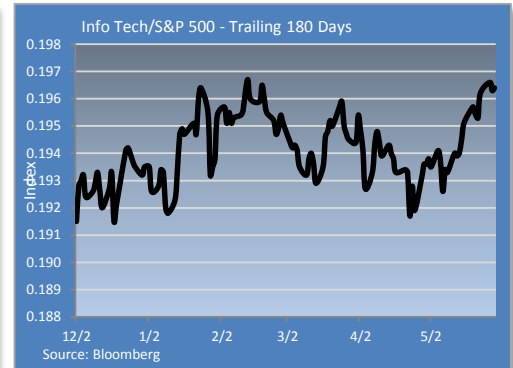
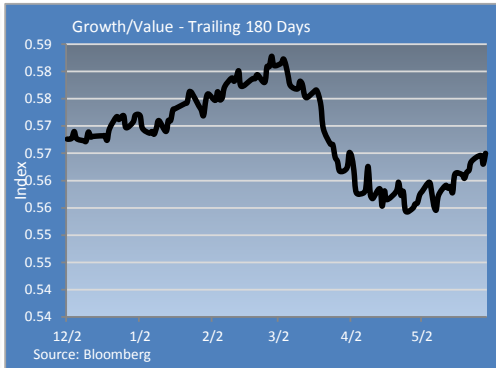
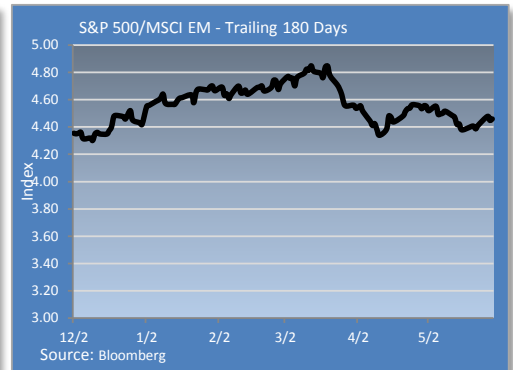
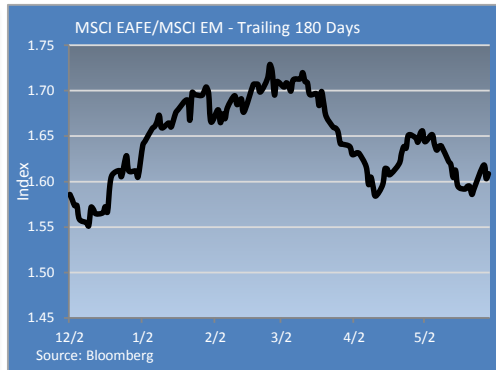
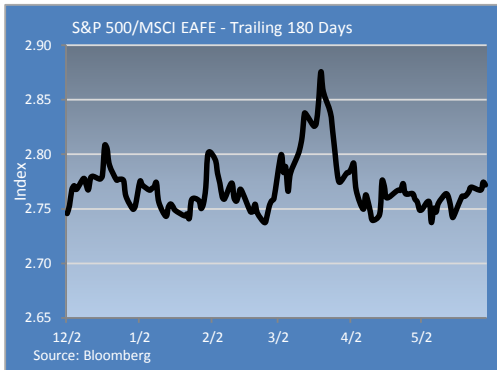
| | Last | Change | % Chg. | YTD % |
|------------------------------|---------|--------|--------|--------|
| HFRX Global Hedge Fund Index | 1227.82 | 4.63 | 0.38% | 0.74% |
| HFRX Equity Market Neutral | 964.15 | -2.51 | -0.26% | 1.03% |
| HFRX Equity Hedge Index | 1152.11 | 7.10 | 0.62% | -0.34% |
| HFRX Event-Driven Index | 1613.04 | 3.29 | 0.20% | 2.61% |
| HFRX Absolute Return Index | 999.83 | 1.18 | 0.12% | 1.10% |

| | Last | Change | % Chg. | YTD % |
|----------------------------------|---------|--------|--------|--------|
| HFRX Distressed Index | 1043.64 | 2.41 | 0.23% | 3.98% |
| HFRX Merger Arbitrage Index | 1579.62 | 2.61 | 0.17% | 0.65% |
| HFRX Convertible Arbitrage Index | 781.28 | 1.02 | 0.13% | 0.74% |
| HFRX Macro CTA Index | 1112.25 | 7.65 | 0.69% | -0.84% |
| IQ Fixed Income Beta Arb Index | 1360.01 | 7.23 | 0.53% | 4.72% |

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



PORTFOLIO CONSTRUCTION



WEEKLY ASSET CLASS PERFORMANCE (Prior 12 weeks ending Thursday)

| | | | 3/13 | 3/20 | 3/27 | 4/3 | 4/10 | 4/17 | 4/24 | 5/1 | 5/8 | 5/15 | 5/22 | 5/29 |
|------------------|---------------------------|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Equity | Domestic Equity | Large Cap (R200) | -1.58% | 1.37% | -1.04% | 2.02% | -2.82% | 1.77% | 0.69% | 0.38% | -0.41% | 0.24% | 1.19% | 1.37% |
| | | Small Cap (R2000) | -2.31% | 1.89% | -3.96% | 2.58% | -4.53% | 0.91% | 0.57% | -1.61% | -2.54% | -0.13% | 1.63% | 2.35% |
| | Int'l. Equity | MSCI EAFE | -2.62% | -1.35% | 1.55% | 1.66% | -0.23% | -0.30% | 0.59% | 0.84% | 0.06% | 0.36% | -0.16% | 1.09% |
| | | MSCI Em. Mkts. | -2.79% | -0.26% | 3.68% | 2.55% | 2.16% | -1.23% | -0.47% | -0.84% | 1.29% | 2.01% | 1.17% | 0.24% |
| Fixed Income | BarCap Agg. (AGG) | 0.19% | -0.50% | 0.58% | -0.57% | 0.83% | -0.13% | 0.17% | 0.17% | 0.22% | 0.49% | -0.18% | 0.41% | |
| | High Yield (JNK) | -0.41% | 0.27% | 0.15% | -0.17% | 0.12% | 0.05% | 0.10% | -0.19% | 0.15% | 0.32% | 0.05% | 0.29% | |
| Commodities | DJ UBS Index | -1.60% | -0.98% | 1.00% | -0.24% | 2.01% | 0.51% | 0.34% | -1.36% | 0.00% | 0.36% | -0.14% | -0.63% | |
| Alternatives | Hedge Funds (HFRX Global) | -0.70% | 0.08% | -0.28% | 0.70% | -0.85% | -0.16% | 0.40% | -0.26% | -0.37% | 0.25% | 0.35% | 0.55% | |
| Asset Allocation | 60/40* | -1.19% | 0.22% | -0.08% | 1.03% | -0.93% | 0.47% | 0.41% | 0.09% | -0.22% | 0.15% | 0.49% | 0.96% | |
| | 48/32/20 (w/Alts.)** | -1.09% | 0.19% | -0.12% | 0.96% | -0.91% | 0.35% | 0.41% | 0.02% | -0.25% | 0.07% | 0.46% | 0.87% | |

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 | 1.01 | 1.04 | 1.07 | 1.02 | 1.16 | 1.17 | 1.15 | 1.03 | 0.96 | 0.96 | 1.21 | 0.91 | 1.01 |
| Large Cap Growth | 1.00 | 1.00 | 1.01 | 1.04 | 1.07 | 1.02 | 1.16 | 1.17 | 1.15 | 1.03 | 0.96 | 0.96 | 1.21 | 0.91 | 1.01 |
| Large Cap Value | 0.99 | 0.99 | 1.00 | 1.04 | 1.06 | 1.01 | 1.15 | 1.17 | 1.14 | 1.03 | 0.95 | 0.95 | 1.20 | 0.91 | 1.00 |
| Mid Cap Core | 0.96 | 0.96 | 0.96 | 1.00 | 1.02 | 0.98 | 1.11 | 1.12 | 1.10 | 0.99 | 0.92 | 0.92 | 1.16 | 0.87 | 0.96 |
| Mid Cap Growth | 0.94 | 0.94 | 0.94 | 0.98 | 1.00 | 0.96 | 1.09 | 1.10 | 1.08 | 0.97 | 0.90 | 0.90 | 1.14 | 0.86 | 0.95 |
| Mid Cap Value | 0.98 | 0.98 | 0.99 | 1.02 | 1.04 | 1.00 | 1.14 | 1.15 | 1.13 | 1.01 | 0.94 | 0.94 | 1.18 | 0.89 | 0.99 |
| Small Cap Core | 0.86 | 0.86 | 0.87 | 0.90 | 0.92 | 0.88 | 1.00 | 1.01 | 0.99 | 0.89 | 0.83 | 0.82 | 1.04 | 0.78 | 0.87 |
| Small Cap Growth | 0.85 | 0.85 | 0.86 | 0.89 | 0.91 | 0.87 | 0.99 | 1.00 | 0.98 | 0.88 | 0.82 | 0.82 | 1.03 | 0.78 | 0.86 |
| Small Cap Value | 0.87 | 0.87 | 0.88 | 0.91 | 0.93 | 0.89 | 1.01 | 1.02 | 1.00 | 0.90 | 0.84 | 0.83 | 1.05 | 0.79 | 0.88 |
| Int'l. Developed | 0.97 | 0.97 | 0.97 | 1.01 | 1.03 | 0.99 | 1.13 | 1.14 | 1.11 | 1.00 | 0.93 | 0.93 | 1.17 | 0.88 | 0.97 |
| Emerging Markets | 1.04 | 1.04 | 1.05 | 1.09 | 1.11 | 1.06 | 1.21 | 1.22 | 1.20 | 1.08 | 1.00 | 1.00 | 1.26 | 0.95 | 1.05 |
| REITs | 1.04 | 1.04 | 1.05 | 1.09 | 1.11 | 1.07 | 1.21 | 1.23 | 1.20 | 1.08 | 1.00 | 1.00 | 1.26 | 0.95 | 1.05 |
| Commodities | 0.83 | 0.83 | 0.83 | 0.86 | 0.88 | 0.84 | 0.96 | 0.97 | 0.95 | 0.85 | 0.79 | 0.79 | 1.00 | 0.75 | 0.83 |
| Int. Bond | 1.10 | 1.10 | 1.10 | 1.14 | 1.17 | 1.12 | 1.27 | 1.29 | 1.26 | 1.13 | 1.05 | 1.05 | 1.33 | 1.00 | 1.10 |
| High Yield | 0.99 | 0.99 | 1.00 | 1.04 | 1.06 | 1.01 | 1.15 | 1.17 | 1.14 | 1.03 | 0.95 | 0.95 | 1.20 | 0.91 | 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

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 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 ReturnSM 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 CBOE Volatility Index[®] (VIX[®]) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. Quantitative Easing (QE) - A government monetary policy occasionally used to increase the money supply by buying government securities or other securities from the market. 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. PMC's Quantitative Portfolios are a series of SMA portfolios that each seek to track an underlying index. These portfolios provide access to a concentrated version of a well-known market index for core market exposure, as well as optional tax management to help manage the client's tax exposure. In addition, elements of the portfolios can be adjusted to meet a client's social convictions or complement other holdings in their portfolio.

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