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INVESTMENT ADVISORS

Upcoming Events:

Spectrum Investor® Coffee House Educational Series

Tuesday, January 24, 2017
Global Markets Outlook

Featuring Guest Speaker
Dr. Brian Jacobsen, CFA
Chief Portfolio Strategist
Wells Fargo

12th Annual Retirement Plan Investment Seminar

Wed, June 14, 2017
Co-Sponsored by Spectrum and the WICPA

More information to come

For weekly market updates, visit our website at www.spectruminvestor.com under Resources & Links and click on Investment Resources

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Past performance is not an indication of future results

We appreciate your business

Quarterly Economic Update

James F. Marshall
President

Jonathan J. Marshall
Chief Investment Officer

Fueled by an improving economy and hope for more business friendly policies under a new president, the Dow Jones Industrial Average (DJIA) overcame its worst ever start of a year in 2016 and posted a 16.5% gain, its best performance since 2013. The S&P 500 advanced 12% in 2016 with about half of the gain coming since Donald Trump was elected (*Morningstar*, 12/31/16).

While it was a strong finish for 2016, the year started with oil prices continuing a dramatic slide that began in late 2014. As oil finally bottomed on February 11, 2016 at $26.21 per barrel (US Oil Futures), the Dow also bottomed at 15,660. It was a two-year low for the Dow and the second 10% US equity decline in 12 months. A slow down in oil production allowed prices to stabilize and oil finished up 45% at $53.74 a barrel, its best year since 2009. The US 10-year Treasury yield, which started 2016 at 2.28% and fell to an all time low of 1.37% on July 8 following the UK Brexit vote, rose dramatically in the final six months to finish the year at 2.45% (*WSJ*, 1/1/17).

The rise since the election has been largely fueled by optimism that Trump's plans for tax cuts, regulation roll-backs and infrastructure spending will ignite much faster economic growth. Since the election, there has been a dramatic positive shift in investor sentiment. According to the American Association of Individual Investors weekly sentiment survey taken on November 3, only 23.6% of investors were bullish vs. the historical average of 38.5%. In late December, that figure jumped to 46.6%.

Dr. David Kelly, Chief Market Strategist for JPMorgan, echoed the expectation for big changes but cautioned that markets may be ignoring potential road blocks, like a sharp rise in inflation and interest rates, or a trade war with key US trading partners. If these risks are held in check, he sees the US economy remaining healthy with US unemployment potentially falling to as low as 4.0% by the end of 2017.

Interest rates have been moving higher with the anticipation of faster economic growth and higher inflation. **Mohamed El-Erian,** author of *The Only Game In Town*, and chief economic adviser at Allianz, believes the Fed "Will be more strategic and less data dependent when raising rates" in 2017 (*CNBC*, 12/18/16). Both El-Erian and Dr. Kelly believe we will see at least three rate increases in 2017 as fiscal stimulus will provide the opportunity to normalize interest rates from ultra-low levels of accommodation.

How fast is too fast for interest rates to go up? According to **Jeffrey Gundlach** of DoubleLine Capital, 10-Year Treasury yields above 3% would lead to trouble for stocks, real estate and high yield bonds. Dr. Kelly also stated that our US national debt, at $19 trillion, will become more of a problem as interest rates rise, particularly if growth fails to offset potential tax cuts.

However, as the Fed raises rates, global demand for yield may help keep a lid on US Treasuries if global yields remain low. 10-Year Governments in Germany, Japan and Switzerland are all 2% less than the 2.36% US Treasury yield as of 1/12/17 (*Bloomberg*). Demographics will also play a large role in keeping yields from rising too quickly. Approximately 10,000 baby boomers retire everyday in the US, which means more investors will need fixed income investments including US Treasuries (*Pew Research, Financial Times*, 10/20/16).

The best news for stocks is that the earnings recession ended with 3rd quarter 2016 results. After five straight quarters with negative year over year earnings growth, S&P 500 earnings grew 3.1%. The big difference for 2017 should be the recovery in energy earnings. As long as the price of oil remains around $50 or higher, we can expect this boost from energy to continue. Analysts expect overall S&P 500 earnings to grow 11.5% for the calendar year 2017. However, strategists from Goldman Sachs and Wells Fargo are expecting S&P 500 total return projections closer to 5%, citing valuations and rising rates as headwinds (*Factset,* 1/4/17, *Barron's*, 12/19/16).

Aside from energy, other positives in the market for 2017 look to be financials and small and mid cap stocks. Earnings in the financial sector are expected to rise 14%; doubling growth from the prior quarter. Less regulation, more business activity and higher interest rates are all positives for financials. Earnings for mid and small cap stocks are expected to outpace large cap stocks, particularly if the dollar continues to strengthen (*Yardeni*, 1/12/17).

A strengthening dollar will also favor US stocks over foreign stocks, though valuations are looking more attractive overseas. Emerging markets offer the best long-term potential for growth, but due to rising interest rates and the strengthening dollar, select markets may struggle in the near term. In local currencies, the MSCI EAFE international stock index rose 7% in the 4th quarter but the dollar translation lead to a –1% loss for US investors. Eventually, a strengthening dollar will cycle downward, which will help international stock investing. We continue to suggest investing a portion of your portfolio in international stocks, however, we are underweight international.

Bank of America Merrill Lynch analyst **Stephen Suttmeier, CFA** expects the current secular bull trend will continue, comparing it to the 1950 to 1966 secular bull market. The 10-year yield bottomed in late 1945 and the S&P 500 remained firmly in a secular bull market until 10-year Treasury yields moved to 5-6% in the mid-60s. Something to watch for is an inverted yield curve, where short-term rates exceed 10-Year Treasury rates, which precedes most recessions, likely 2-3 years away.

Dr. Kelly said the Chinese economy could potentially melt down, but not likely in 2017. He is nervous about Chinese banks because of China's potential real estate bubble. Brexit developments and upcoming European elections are potential risks for the European markets.

In summary, the best case scenario for the markets would be "Trump light" where Trump does not get everything he wants with infrastructure spending, tariffs and tax cuts, which would likely stoke inflation, but enough on his wish list to give investors optimism for the future so the secular bull market can continue. Stay balanced, stay the course.

For more market performance information, please see the Spectrum Investor® Update on page 2. Please see Important Disclosures and Benchmark Disclosures on page 4.

Wealth Management

Retirement Planning

Brian White, CPF®
Wealth Manager

Happy New Year! The year 2017 has arrived and we are each one year older. If you turned 70 in 2016 you celebrated that milestone with 2.5 million other people in the US. According to AARP, there are almost 10,000 people retiring EACH DAY. Chances are pretty good that you know someone planning to retire this year. Maybe that's you. We could fill up an entire newsletter talking about everything from 401(k) savings to Social Security retirement benefits when it comes to retirement. However, for this newsletter we're going to focus on how you view retirement, and what to do with yourself once you've reached your last day.

Change your view. J. Robin Moon, a researcher at Harvard School of Public Health, has been researching retirement and is currently a senior health policy advisor to New York Mayor Michael Bloomberg. She said, "Our results suggest we may need to look at retirement as a process rather than an event." Many of us think about retirement in terms of crossing a line. Let's just call that your "last day." Whether it's your last time punching out on the time clock or a trip to your car with a banker's box of desk tchotchkes, you have a specific moment that you say, "That was my last day." You may eat a piece of your retirement cake, shake some hands and head out the door, or you may get roasted at dinner by your fellow Spectrum employees (we'll miss you Dave!).

The entire retirement process begins with your first job and saving part of your paycheck. Whatever the vehicle, you're planning for your future. After that, you begin to plan for the "last day". What will your income look like? What about health insurance? Do I have enough money?? For some, that planning can be done carefully for a number of years before the "last day." For others, that day may come suddenly or without warning, often against your will. If you haven't thought about retirement planning, today is as good a day as any. If you're wondering where to start, contact Spectrum and we'll point you in the right direction. For starters, try to set your retirement savings at 10% of your income. If it's not there already, make it your New Year's resolution to get to that point.

What to do, what to do. Remember *The Far Side*? It was a comic strip written by Gary Larson and it used to make me laugh hard. It still does. With copyright laws, we can't show it, but there was a cartoon that showed a newly arrived man sitting on a cloud in heaven. The bubble above his head showed him thinking, "Wish I'd brought a magazine." Is that retirement? Absolutely not! Many people will tell you that you're almost busier in retirement than when you were working. That honey-do list is tackled in a matter of weeks (not years) and you are able to do some traveling. For some of you, that will come to an end and you might be wishing that you had brought that magazine.

We have found that the people who enjoy retirement the most are those who have a hobby, part-time job or volunteer position. In other words, get a purpose in life. According to the *Wall Street Journal*, a study by the Rush University Medical Center's Alzheimer's Disease Center shows that having a purpose can help to promote a longer, healthier life. In the study, people who reported having a purpose in life showed a 30% slower rate of cognitive decline and reduced the risk of Alzheimer's.

A purpose in life can look different for everyone. At the end of the day, it boils down to your life having meaning and actively pursuing a goal. Perhaps it's volunteering at the local food pantry or soup kitchen. Maybe it's a part-time job driving a courtesy vehicle. It could be mentoring someone younger or part-time business consulting. Maybe it's starting a hobby like woodworking, welding or crafting. Some people will work to refine skills in a sport like golf or an outdoor activity like cycling.

By pursuing your goals, you can stay mentally sharp and maintain a healthy level of social interaction. It is widely known that social interactions lead to healthier lives. You may be saying to yourself, "If I can retire, that's a HUGE load of stress I don't need to deal with. I'll be healthier when I retire." That may be true for some people, but according to Stress.org, the Holmes-Rahe Stress Inventory lists retirement as #10 on the most stressful life events. Also, #26 is listed as 'Spouse beginning or ceasing work outside the home'. Keep in mind that retirement can be stressful for you AND your spouse/partner.

Bottom line. Irrespective of your past, your life in retirement will carry a daily decision: plop down on the couch to watch TV or actively pursue your goals. Choose wisely!

Below is the 12/31/2016 Spectrum Investor® Update:

Spectrum Investor® Update 12/31/16

Morningstar Category Averages	4th Qtr	1 Year	3 Year
Intermediate-Term Bond	-2.54%	3.23%	2.73%
Allocation: 50%-70% Equity	0.99%	7.34%	3.87%
Large Cap Value	6.34%	14.81%	6.84%
Large Cap Blend	3.86%	10.37%	6.80%
Large Cap Growth	-0.27%	3.23%	5.70%
Mid Cap Value	6.80%	18.06%	6.84%
Mid Cap Blend	5.31%	14.14%	5.89%
Mid Cap Growth	0.75%	6.03%	4.03%
Small Cap Value	**12.19%**	25.99%	6.63%
Small Cap Blend	9.49%	20.78%	5.89%
Small Cap Growth	3.34%	11.20%	3.55%
Foreign Large Blend	-2.22%	**0.79%**	-2.10%
Real Estate	**-2.60%**	6.89%	**11.79%**
Natural Resources	5.16%	**26.69%**	**-4.26%**

Source: Morningstar, 3 yr return is annualized. Morningstar classifies categories by underlying holdings and then calculates the average performance of the category. Past performance is not an indication of future results. Returns in **Blue** = Best, Returns in **Red** = Worst. Please see Important Disclosures and Benchmark Disclosures on page 4.

DOW: 19,762	**10 Yr T-Note: 2.45%**
NASDAQ: 5,383	**Inflation Rate: 1.7%** (11/2016)
S&P 500: 2,239	**Unemployment Rate: 4.7%** (12/2016)
Barrel of Oil: $53.72	Source: Morningstar, bls.gov, eia.gov

The Dow Jones Industrial Average is comprised of 30 stocks that are major factors in their industries and widely held by individuals and institutional investors. The Standard & Poor's 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The NASDAQ Composite Index measures all NASDAQ domestic and non-U.S. based common stocks listed on The NASDAQ Stock Market. Barrel of Oil: West Texas Intermediate. Inflation Rate: CPI. The market value, the last sale price multiplied by total shares outstanding, is calculated throughout the trading day, and is related to the total value of the Index. Indices cannot be invested into directly.

IRS Indexed Limits for 2017: 401(k), 403(b), 457 Plan Deferral Limit is $18,000. Catch-up Contribution limit is $6,000. Source: www.irs.gov

In Other Words

New Year's Resolutions

Angie Franzone
Newsletter Editor

Happy New Year! For many of us, the start of a new year means making new year's resolutions and then completely abandoning those resolutions within six months. Sorry for bumming you out within the first couple sentences, but research shows that about 46% of New Year's vows are still in affect by six months and only 8% of those making vows are successful in achieving their resolution each year (*Journal of Clinical Psychology,* 12/11/16). Seems like it's time to get serious about our resolutions!

According to a study done by Fidelity Investments, 36% of Americans are considering a financial resolution for the new year, with the top three resolutions being: save more, pay down/off debt and spend less (*2017 New Year Financial Resolutions Study*). All three are important, but for the purpose of this article we will focus on the top resolution, cited by 50% of those surveyed; save more. Contributing to your company's retirement plan is an excellent way to save more.

The first step in achieving your financial resolution is to set goals for yourself. When you set a goal for yourself you are taking yourself from a passive state to an active state. A well-known goal setting technique, which you may be familiar with, is called **SMART**, meaning; your goals should be Specific, Measurable, Achievable, Realistic and Time-bound.

Let's start with **Specific**. It only makes sense that if you decide to save $10,000 toward retirement this year but don't have a specific plan in mind for how to do it, you will likely fail. Begin by asking yourself what you need to do in order to save more in your retirement plan. If you have not started contributing to your company's retirement plan, make a specific goal to start; even if it's only $25 a month. Starting off small is better than never starting at all. Once you have begun contributing to the retirement plan or have already been doing so, make a specific goal to increase your contribution at least up to the company match. If your company match is 6% and you're contributing 4%, you're missing out on the other 2% of employer contributions and essentially turning down free money. If you're already at the match, consider contributing an extra 1% each year until you reach at least 10%.

Next comes **Measurable**. Setting balance goals is a great way to measure your retirement plan savings progress. One way to determine how much you should be contributing in order to reach your goal is by using a financial calculator. Various financial calculators are available on our website under Resources and Links. Visit www.spectruminvestor.com or contact an advisor at Spectrum to see if you're on track to reach your retirement plan balance goal. Watching your retirement plan grow can be a source of motivation for you to continue to invest and increase your contribution. It provides you with a sense of accomplishment when you reflect back on where you started and where you are. It's important to note, however, that you should not be constantly checking your retirement plan balance because that may result in making emotional investment decisions that are not in your best interest.

Finally, you must be sure that your goal to save more by contributing to your retirement plan is **Achievable, Realistic and Time-bound**. These steps are very important because you can easily become overwhelmed by the thought of saving enough to live comfortably in retirement (most experts say 70% to 80% of your annual income) and end up sabotaging yourself. The last thing you want is to do the calculation, deem it impossible to reach, and give up on investing all together. The key is to determine how much you'll need, how long you have to save and then develop a plan to achieve it. Begin by focusing on what you can control: how much to save and where to invest it. Also, keep in mind that it's not enough to just set a goal, anyone can do that, but you have to maintain it as well. Let's take flowers for example. (Why flowers? Because it's wintertime, it's cold and grey outside, and I miss seeing them).

Let's say you set a goal to plant a flower garden in your backyard in the Spring and when Spring arrives, you do just that and you feel a sense of accomplishment. You did it, you followed through on your goal! Then, as many do in Spring, you decide to take a little time off and go on break for awhile, during which time it rains a great deal. When you get home from vacation you walk out back to admire your flower garden and it's an overgrown bed of weeds and mud splattered flower petals. The flowers were planted, but they weren't maintained. So how does this relate to your retirement plan? You can't just set up initial contributions and then never revisit your plan again. It's important to review your plan on an annual basis to make sure your savings amount is on track to meet your retirement goals. If it's not, you may need to increase your savings, rebalance your investments, or rethink your expectations for living in retirement.

According to the Journal of Clinical Psychology, people who make resolutions are 10 times more likely to attain their goals than people who don't (12/11/16). Remember to be **SMART** and make 2017 the year where you successfully achieve your new year's resolutions. Set goals, have a plan, diversify, rebalance and stay focused so as not to let your emotions drive your investment decisions.

60% Stocks/40% Bonds Allocation vs. Indices Ending 12/31/16

15 Yr	10 Yr	5 Yr	3 Yr	1 Yr	Index Definition
Real Est. 10.67%	Mid Cap 9.16%	Mid Cap 15.33%	Real Est. 13.73%	Sm. Value 31.74%	Small Value: Russell 2000 Value TR
Mid Cap 9.73%	Lg. Growth 8.29%	Sm. Value 15.07%	Mid Cap 9.04%	Nat. Res. 30.87%	Natural Res: S&P North Am. Nat. Resources TR
Sm. Value 9.22%	Sm. Growth 7.76%	Lg. Value 14.69%	Lg. Growth 9.03%	Sm. Blend 21.31%	Small Blend: Russell 2000 TR
Sm. Blend 8.49%	Sm. Blend 7.07%	Lg. Blend 14.66%	Lg. Blend 8.87%	Mid Cap 20.74%	Mid Cap Blend: S&P MidCap 400 TR
60/40 7.66%	Lg. Blend 6.95%	Lg. Growth 14.54%	Lg. Value 8.51%	Lg. Value 17.40%	Large Value: S&P 500 Value TR
Nat. Res. 7.64%	60/40 6.38%	Sm. Blend 14.46%	Sm. Value 8.31%	Lg. Blend 11.96%	Large Blend: S&P 500 TR
Sm. Growth 7.48%	Sm. Value 6.26%	Sm. Growth 13.74%	Sm. Blend 6.74%	Sm. Growth 11.32%	Small Growth: Russell 2000 Growth TR
Lg. Blend 6.69%	Lg. Value 5.50%	Real Est. 11.77%	60/40 5.51%	60/40 11.20%	60/40: 60% Diversified Stocks/40% Bond
Lg. Value 6.67%	Real Est. 4.63%	60/40 8.42%	Sm. Growth 5.05%	Lg. Growth 6.89%	Large Growth: S&P 500 Growth TR
Lg. Growth 6.60%	Bonds 4.34%	Intl. 6.53%	Bonds 3.03%	Real Est. 6.68%	Real Estate: DJ US Select REIT Index TR
Intl. 5.28%	Nat. Res. 2.64%	Bonds 2.23%	Intl. -1.60%	Bonds 2.65%	Int.-Term Bonds: Bar-Cap Aggregate Bond
Bonds 4.58%	Intl. 0.75%	Nat. Res. 1.26%	Nat. Res. -3.66%	Intl. 1.00%	International: MSCI EAFE NR

Annualized returns. The above indices are unmanaged and cannot be invested into directly. Past performance is not an indication of future results. Diversification cannot protect from market risk. Source: Morningstar. *60/40 Allocation: 40% Bonds, 6% Lg. Value, Blend, & Growth, 12% Mid Cap, 6% Sm. Value & Blend, 6% Intl., Nat. Res., and Real Est. Allocation, excludes Small Growth. Rebalanced annually on Apr 1. Please see important disclosures on page 4 of this newsletter.

To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and cannot be invested into directly.

Invest In Your Health

Cardiovascular Disease

David Meinz, MS, RD, FADA, CSP
America's Personal Health Improvement Expert

She helped defeat Darth Vader. She out-lived Emperor Palpatine. She even survived Jabba the Hutt. But Carrie Fisher, who played the iconic Princess Leia in the *Star Wars* series, couldn't defeat today's number one killer of women; heart disease. At just age 60, she suffered a heart attack while flying from London to Los Angeles. She died several days later. As you know, her mom, Debbie Reynolds, died the next day. Her official cause of death was listed as a stroke; another form of cardiovascular disease. I think she may have just died from a broken heart. Parents aren't supposed to go to their children's funerals.

Since 1984, the number of cardiovascular deaths has been greater in women than in men. Not only have they achieved "equality" in this area; they have surpassed their male counterparts. **Sixty four percent of women who die suddenly of cardiovascular disease had NO previous symptoms.** Their *first* symptom was that they died. Yes, that's the *first* symptom. It's "only" 50 percent in men. That's why they call it the silent killer.

Women tend to develop coronary artery disease about ten years later than men. Some of this protection probably comes from their higher levels of estrogen that increases the protective good HDL. But when much of that protection goes away after menopause, they start playing by the same rules as the men. By age 55, cardiovascular disease kills more women than breast cancer. By age 75, a woman's risk of cardiovascular disease is the same as a man's.

Women who are diabetic or have insulin resistance are at a greater risk for a heart attack than a man with the same condition. While it helps in men, low dose aspirin doesn't seem to protect a woman much from a heart attack; it does give her protection against stroke, however. Fortunately, the cholesterol-lowering statin drugs seem to work for both men and women. For the most part, much of the advice is the same for females and males; don't smoke, keep blood pressure and blood sugar under control, eat a heart healthy diet, watch your salt, stay active, and maintain a healthy weight.

Cardiovascular disease kills ten times the number of women each year as breast cancer, yet many women (and some physicians!) still think breast cancer is the main concern. After a heart attack, a woman is almost twice as likely to die from it than a man. Fewer women have heart attacks than men, but more of them that do have one, die from it. In the United States every year, heart attacks and strokes combined kills 420,000 women. *All* forms of cancer kills 270,000 women.

One of the reasons atherosclerosis and cardiovascular disease is more deadly for women is because they're often misdiagnosed when they're actually having a heart attack. A woman having a heart attack often doesn't look like she's having one. Symptoms can include shortness of breath, pain in the upper back and [other] parts of the body, unusual fatigue, nausea, and anxiety. You may be a woman reading this and thinking "Oh no, I'm having a heart attack right now!" That's part of the problem. The symptoms of a heart attack in a woman can look a lot like something else.

If you or some woman you care about ends up in an emergency room with these symptoms, and especially if cardiovascular disease runs in the family, you need to be incredibly assertive in demanding quick and appropriate care for this woman. What is often written off as an "anxiety attack," can, in fact, be a life-threatening situation for a woman. Don't let them leave you sitting in the waiting room while more "important" patients are seen. A blood test that includes cardiac enzymes can document whether heart damage has occurred. You need a physician on your side AHEAD OF TIME who understands cardiovascular disease in women. That physician needs to make a phone call to the emergency room and demand that you get priority care.

Princess Leia and The Unsinkable Molly Brown were both strong characters played by actresses who were real-life women. Real women, and men, need to aggressively fight cardiovascular disease.

It CAN be defeated.

International speaker **David Meinz** presents keynotes and workshops on health and human performance. He is the author of ***Ten Bonus Years: How To Add Ten Healthy Years To Your Life***, and a number of other books. His first program open to the general public will be offered in Orlando, Florida this year. For more details visit: **www.TheHealthyLifeSummit.com**

Spectrum's tagline is Colors Simplify Investing®. Since 2003, we have been using colors to communicate investments. The advantages of using colors in our Historical Analysis Chart are: 1. It helps identify market cycles, 2. Shows a need for proper diversification and 3. Highlights consistency and volatility. As can be seen in the chart, it would be difficult to select only three colors or investment styles, indicating a need for diversification. The JPMorgan chart below also confirms the importance of diversification. Since 1996 a 60/40 (stocks/bonds) model outperforms six out of eight specific investment styles. Diversification provides a "sleep-at-night" portfolio.

Spectrum Investor® Historical Analysis

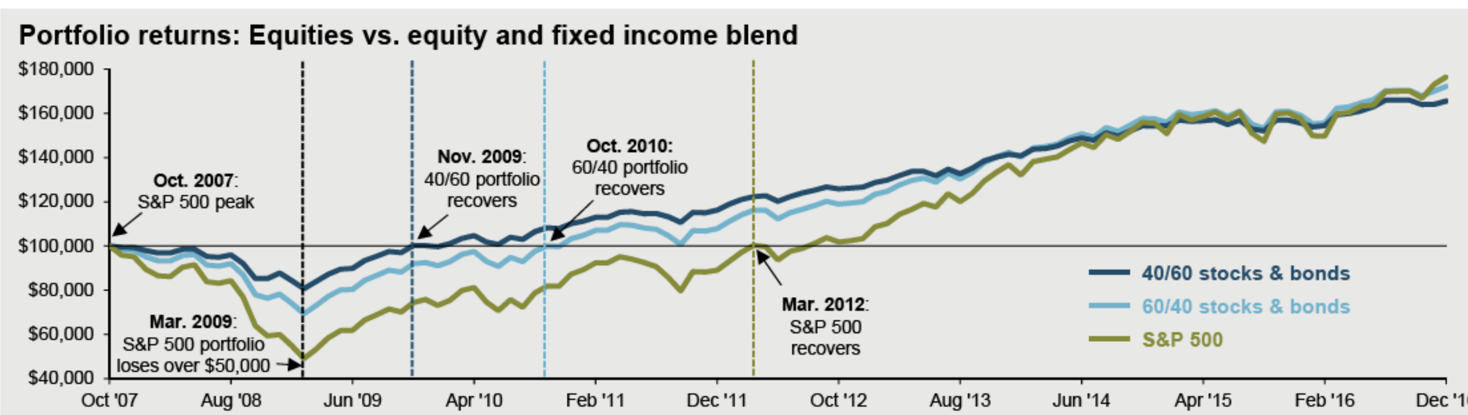
25 ANNUAL RETURNS for key indices (1992–December 31, 2016) ranked in order of performance (Best to Worst)

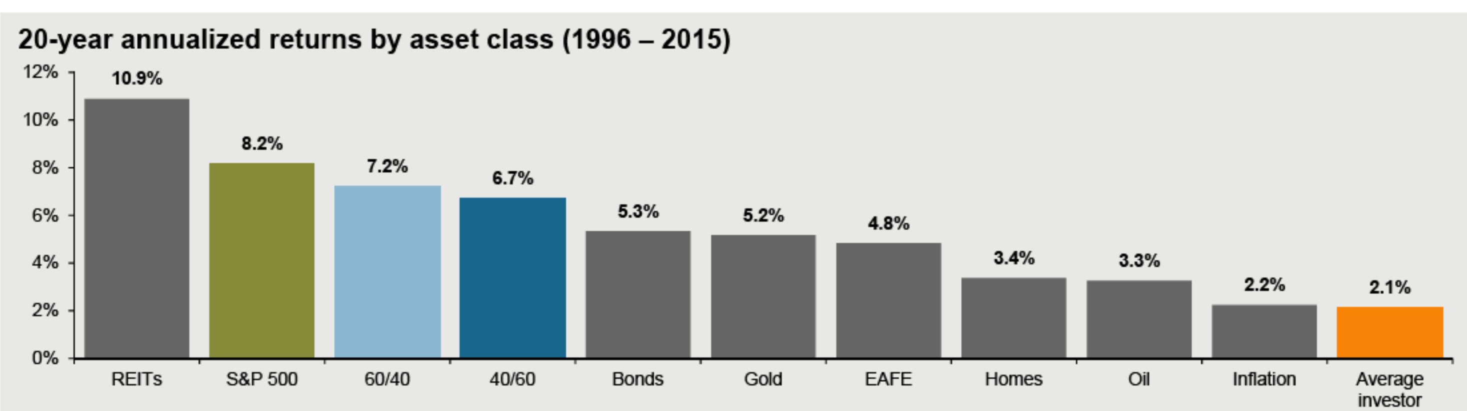
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
BEST	Small Cap Value 29.14%	Inter-national 32.56%	Inter-national 7.78%	Large Cap Growth 38.13%	Real Estate 37.05%	Large Cap Growth 36.53%	Large Cap Growth 42.16%	Small Cap Growth 43.09%	Real Estate 31.04%	Small Cap Value 14.02%	Int.-Term Bonds 10.25%	Small Cap Growth 48.54%
	Small Cap Blend 18.41%	Small Cap Value 23.77%	Large Cap Growth 3.13%	Large Cap Blend 37.58%	Large Cap Growth 23.97%	Large Cap Blend 33.36%	Large Cap Blend 28.58%	Large Cap Growth 28.25%	Small Cap Value 22.83%	Real Estate 12.35%	Real Estate 3.58%	Small Cap Blend 47.25%
	Real Estate 15.13%	Small Cap Blend 18.88%	Real Estate 2.66%	Large Cap Value 36.99%	Large Cap Blend 22.96%	Mid Cap Blend 32.25%	Inter-national 20.00%	Natural Resources 27.23%	Mid Cap Blend 17.51%	Int.-Term Bonds 8.44%	Small Cap Value -11.43%	Small Cap Value 46.03%
	Mid Cap Blend 11.91%	Large Cap Value 18.61%	Large Cap Blend 1.32%	Small Cap Growth 31.04%	Large Cap Value 22.00%	Small Cap Value 31.78%	Mid Cap Blend 19.12%	Inter-national 26.97%	Natural Resources 15.79%	Small Cap Blend 2.49%	Natural Resources -12.99%	Inter-national 38.59%
	Large Cap Value 10.52%	Real Estate 15.14%	Large Cap Value -0.64%	Mid Cap Blend 30.93%	Small Cap Value 21.37%	Large Cap Value 29.98%	Large Cap Value 14.67%	Small Cap Blend 21.26%	Int.-Term Bonds 11.63%	Mid Cap Blend -0.61%	Mid Cap Blend -14.53%	Real Estate 36.18%
	Small Cap Growth 7.77%	Mid Cap Blend 13.96%	Small Cap Value -1.54%	Small Cap Blend 28.45%	Mid Cap Blend 19.25%	Small Cap Blend 22.36%	Int.-Term Bonds 8.69%	Large Cap Blend 21.04%	Large Cap Value 6.08%	Small Cap Growth -9.23%	Inter-national -15.94%	Mid Cap Blend 35.62%
	Large Cap Blend 7.62%	Small Cap Growth 13.37%	Small Cap Blend -1.82%	Small Cap Value 25.75%	Small Cap Blend 16.49%	Real Estate 19.66%	Small Cap Growth 1.23%	Mid Cap Blend 14.72%	Small Cap Blend -3.02%	Large Cap Value -11.71%	Small Cap Blend -20.48%	Natural Resources 34.40%
	Int.-Term Bonds 7.40%	Large Cap Blend 10.08%	Small Cap Growth -2.43%	Int.-Term Bonds 18.47%	Small Cap Growth 11.26%	Natural Resources 16.94%	Small Cap Blend -2.55%	Large Cap Value 12.72%	Large Cap Blend -9.10%	Large Cap Blend -11.89%	Large Cap Value -20.85%	Large Cap Value 31.79%
	Large Cap Growth 5.07%	Int.-Term Bonds 9.75%	Int.-Term Bonds -2.92%	Real Estate 12.24%	Inter-national 6.05%	Small Cap Growth 12.95%	Small Cap Value -6.45%	Int.-Term Bonds -0.82%	Inter-national -14.17%	Large Cap Growth -12.73%	Large Cap Blend -22.10%	Large Cap Blend 28.68%
WORST	Inter-national -12.17%	Large Cap Growth -1.68%	Mid Cap Blend -3.56%	Inter-national 11.21%	Int.-Term Bonds 3.63%	Int.-Term Bonds 9.65%	Natural Resources -14.19%	Small Cap Value -1.49%	Large Cap Growth -22.08%	Natural Resources -15.59%	Large Cap Growth -23.59%	Large Cap Growth 25.66%
						Inter-national 1.78%	Real Estate -17.01%	Real Estate -2.58%	Small Cap Growth -22.43%	Inter-national -21.44%	Small Cap Growth -30.26%	Int.-Term Bonds 4.10%

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
BEST	Real Estate 33.16%	Natural Resources 36.61%	Real Estate 35.97%	Natural Resources 34.44%	Int.-Term Bonds 5.24%	Natural Resources 37.54%	Small Cap Growth 29.03%	Real Estate 9.37%	Small Cap Value 18.05%	Small Cap Growth 43.30%	Real Estate 32.00%	Large Cap Growth 5.52%	Small Cap Value 31.74%
	Natural Resources 24.59%	Real Estate 13.82%	Inter-national 26.34%	Inter-national 11.17%	Small Cap Value -28.92%	Mid Cap Blend 37.38%	Real Estate 28.07%	Int.-Term Bonds 7.84%	Mid Cap Blend 17.88%	Small Cap Blend 38.82%	Large Cap Growth 14.89%	Real Estate 4.48%	Natural Resources 30.87%
	Small Cap Value 22.25%	Inter-national 13.54%	Small Cap Value 23.48%	Large Cap Growth 9.13%	Small Cap Blend -33.79%	Small Cap Growth 34.47%	Small Cap Blend 26.85%	Large Cap Growth 4.65%	Large Cap Value 17.68%	Small Cap Value 34.52%	Large Cap Blend 13.69%	Large Cap Blend 1.38%	Small Cap Blend 21.31%
	Inter-national 20.25%	Mid Cap Blend 12.56%	Large Cap Value 20.80%	Mid Cap Blend 7.98%	Large Cap Growth -34.92%	Inter-national 31.78%	Mid Cap Blend 26.64%	Large Cap Blend 2.11%	Inter-national 17.32%	Mid Cap Blend 33.50%	Large Cap Value 12.36%	Int.-Term Bonds 0.55%	Mid Cap Blend 20.74%
	Small Cap Blend 18.33%	Large Cap Value 6.33%	Small Cap Blend 18.37%	Small Cap Growth 7.05%	Mid Cap Blend -36.23%	Large Cap Growth 31.57%	Small Cap Value 24.50%	Large Cap Value -0.48%	Real Estate 17.12%	Large Cap Growth 32.75%	Mid Cap Blend 9.77%	Inter-national -0.81%	Large Cap Value 17.40%
	Mid Cap Blend 16.48%	Large Cap Blend 4.91%	Natural Resources 16.85%	Int.-Term Bonds 6.97%	Large Cap Blend -37.00%	Real Estate 28.46%	Natural Resources 23.88%	Mid Cap Blend -1.73%	Small Cap Blend 16.35%	Large Cap Blend 32.39%	Int.-Term Bonds 5.97%	Small Cap Growth -1.38%	Large Cap Blend 11.96%
	Large Cap Value 15.71%	Small Cap Value 4.71%	Large Cap Blend 15.79%	Large Cap Blend 5.49%	Small Cap Growth -38.54%	Small Cap Blend 27.17%	Large Cap Value 15.10%	Small Cap Growth -2.91%	Large Cap Blend 16.00%	Large Cap Value 31.99%	Small Cap Growth 5.60%	Mid Cap Blend -2.18%	Small Cap Growth 11.32%
	Small Cap Growth 14.31%	Small Cap Blend 4.55%	Small Cap Growth 13.35%	Large Cap Value 1.99%	Real Estate -39.20%	Large Cap Blend 26.46%	Large Cap Blend 15.06%	Small Cap Blend -4.18%	Large Cap Growth 14.61%	Inter-national 22.78%	Small Cap Blend 4.89%	Large Cap Value -3.13%	Large Cap Growth 6.89%
	Large Cap Blend 10.88%	Small Cap Growth 4.15%	Large Cap Growth 11.01%	Small Cap Blend -1.57%	Large Cap Value -39.22%	Large Cap Value 21.18%	Large Cap Growth 15.05%	Small Cap Value -5.50%	Small Cap Growth 14.59%	Natural Resources 16.49%	Small Cap Value 4.22%	Small Cap Blend -4.41%	Real Estate 6.68%
WORST	Large Cap Growth 6.13%	Large Cap Growth 3.46%	Mid Cap Blend 10.32%	Small Cap Value -9.78%	Natural Resources -42.55%	Small Cap Value 20.58%	Inter-national 7.75%	Natural Resources -7.35%	Int.-Term Bonds 4.21%	Real Estate 1.22%	Inter-national -4.90%	Small Cap Value -7.47%	Int.-Term Bonds 2.65%
	Int.-Term Bonds 4.34%	Int.-Term Bonds 2.43%	Int.-Term Bonds 4.33%	Real Estate -17.56%	Inter-national -43.38%	Int.-Term Bonds 5.93%	Int.-Term Bonds 6.54%	Inter-national -12.14%	Natural Resources 2.20%	Int.-Term Bonds -2.02%	Natural Resources -9.77%	Natural Resources -24.28%	Inter-national 1.00%

Investment Style	Intermediate-Term Bonds	Large Cap Value	Large Cap Blend	Large Cap Growth	Mid Cap Blend	Small Cap Value	Small Cap Blend	Small Cap Growth	International	Real Estate	Natural Resources
Representative Index	Barclays Capital Aggregate Bond Index	S&P Value Index	S&P 500 Index	S&P Growth Index	S&P MidCap 400 Index	Russell 2000 Value Index	Russell 2000 Index	Russell 2000 Growth Index	MSCI EAFE Index	DJ US Select REIT Index	S&P North American Natural Resources

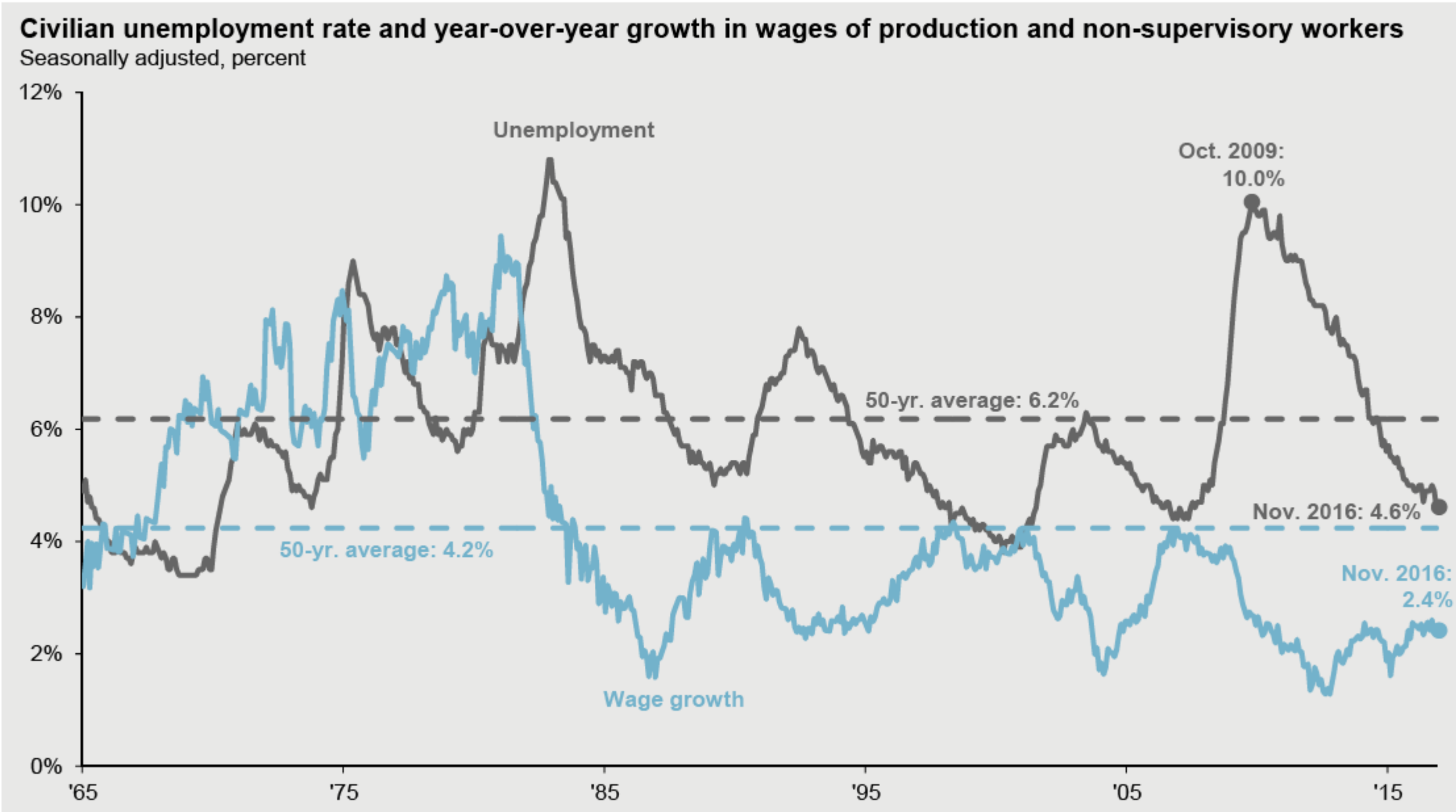
Past Performance is not necessarily an indication of future results. You cannot invest directly in an index. Source Fidelity Investments/Morningstar The returns on this page represent returns of indices and do not represent the results of any model or actual performance results derived from SIA, Inc. services. SIA, Inc. does not manage models or actual accounts, except for those clients who have elected to use SIA, Inc.'s management by entering into a separate service agreement with the firm. Please see Important Disclosures and Benchmark Disclosures on page 4.



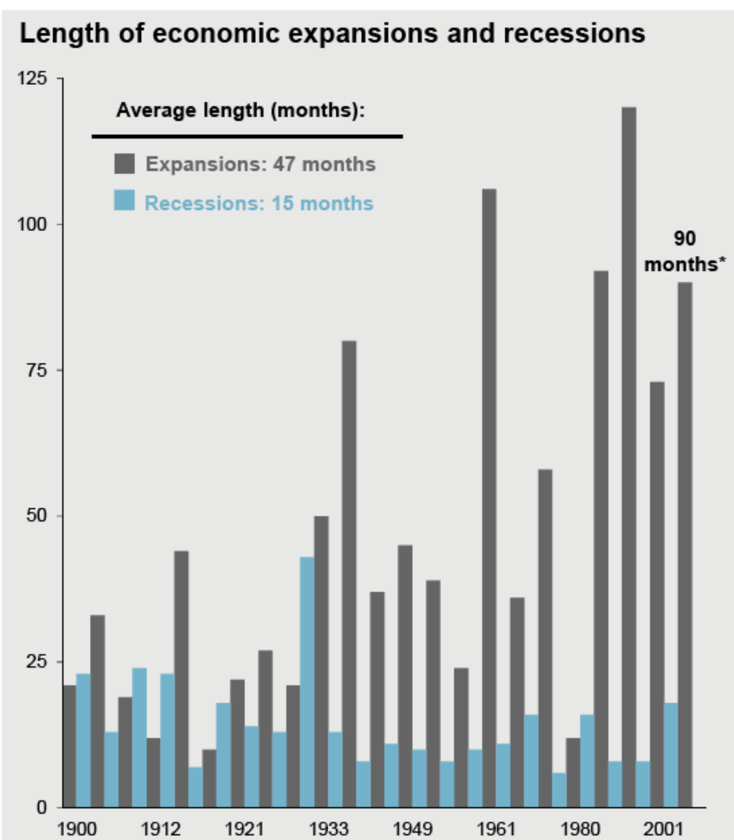


Source: JPMorgan Asset Management; (Top) Barclays, FactSet, Standard & Poor's; (Bottom) Dalbar Inc. Indexes used are as follows: REITS: NAREIT Equity REIT Index, EAFE: MSCI EAFE, Oil: WTI Index, Bonds: Barclays US Aggregate Index, Homes: median sale price of existing single-family homes, Gold: USD/troy oz, Inflation: CPI 60/40: A balanced portfolio with 60% invested in S&P 500 Index and 40% invested in high quality US fixed income, represented by the Barclays US Aggregate Index. The portfolio is rebalanced annually. Average asset allocation investor return is based on an analysis by Dalbar Inc., which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior. Returns are annualized (and total return where applicable) and represent the 20-year period ending 12/31/15 to match Dalbar's most recent analysis. *Guide to the Markets—US.* Data are as of December 31, 2016. Please see Important Disclosures and Benchmark Disclosures on page 4.

The Fed is suggesting three rate increases in 2017, but the pace of the rate increases should be relatively slow until the rate of wage growth at 2.4% gets closer to the unemployment rate of 4.6%. Historically, when the lines come close to meeting is when the Fed puts the pedal to the metal making it difficult for stocks as well as bonds. The below chart shows our current economic expansion is in the 90th month, representing the 4th longest market cycle since 1900. Oil rising to $53.59/barrel allows oil companies to once again be profitable.



Source: Bureau of Labor Statistics (BLS) FactSet, JPMorgan Asset Management. *Guide to the Markets—US* Data are as of December 31, 2016.



Source: JPMorgan Asset Management; (Left) Bureau of Economic Analysis (BEA), National Bureau of Economic Research (NBER). *Chart assumes current expansion started in July 2009 and continued through December 2016, lasting 90 months so far. Data for length of economic expansions and recessions obtained from NBER. These data can be found at www.nber.org/cycles/ and reflect information through December 2016. (Right) FactSet. Brent crude prices are monthly averages in USD using global spot Intercontinental Exchange (ICE) prices. *Guide to the Markets—US.*