As of 3/31/2018

Q2 2018
Spectrum Investor® Quarterly Newsletter

SPECTRUM
INVESTMENT ADVISORS

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UPCOMING EVENTS

Spectrum Investor® Coffee House Educational Series
May 9, 2018
Featuring Mark Shiller, Attorney Certus Legal Group

Retirement Plan Investment Seminar
June 20, 2018
Co-Sponsored by the WICPA

IN THE NEWS

Spectrum was named to PLANADVISER's
2018 Top Retirement Plan Adviser's List

Please see important disclosures on page 5 of this newsletter

WEEKLY MARKET UPDATES

Visit our website at ***www.spectruminvestor.com*** *under Resources & Links and click on Investment Resources*

Our ADV Part 2A & 2B and our Privacy Policy can be found on our website

Economic Update

James F. Marshall
President

Jonathan J. Marshall
Chief Investment Officer

Welcome to our "new look" Spectrum Investor® Newsletter. Thanks to the input we received from the newsletter survey we sent out in December, we made a few changes:

1. Ease of access. Now in electronic format, the newsletter is simply a link instead of an attachment, but still provides the ability to download, save and print. **2. Interactive capabilities.** Charts can now be expanded for a closer look by clicking on them. **3. Linking to sources.** We now have the ability to link to our favorite contributing sources throughout. **4. Shareable.** It is now easier to share and distribute our newsletter by simply copying and pasting the link. **5. Two-Page Economic Update.** Our quarterly economic report will now be more in depth, with charts featured throughout. Now on to the economy.

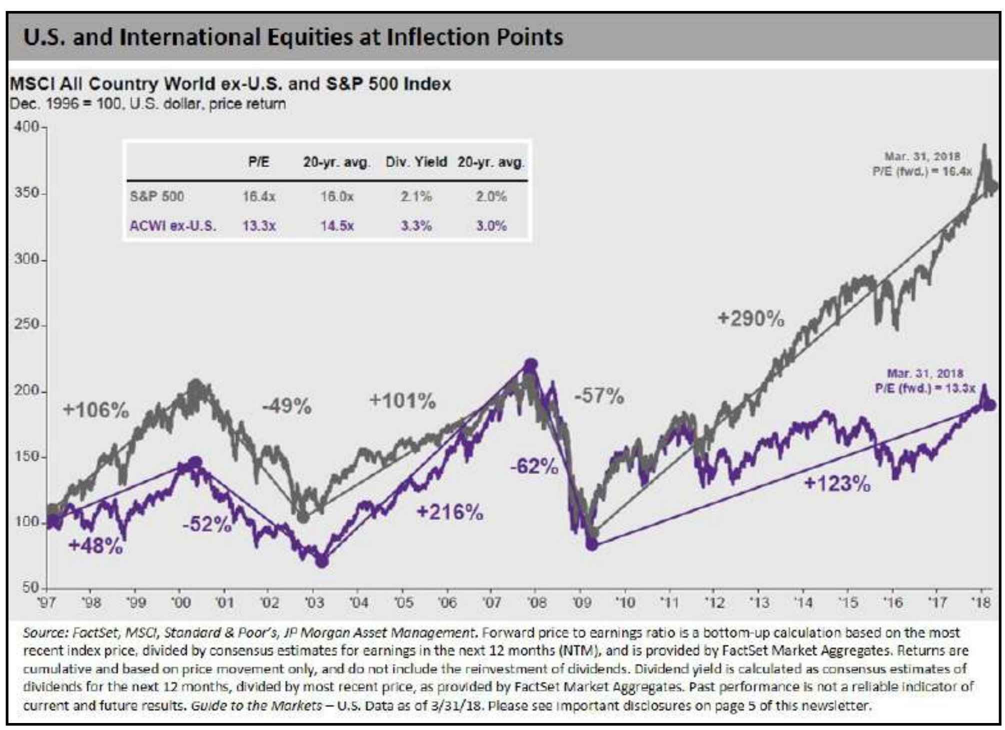
The S&P 500 Index was down -0.76% for its first quarterly loss since 2015, ending a streak of nine consecutive quarters with positive returns (see chart to the left). The Dow Jones Industrial Average (DJIA) slipped -2.5% for the same period, while the Nasdaq rose 2.3%.

The S&P 500 started out with a 7% January gain that was wiped away by a 10% correction caused by fears over rising interest rates and inflation. In March, markets wrestled strong earnings growth against a potential trade war after President Trump proposed new tariffs on imports.

Even after the rocky start in 2018, the major indexes remain up double digits over the past 12 months. In the near term, key positives for stocks continue to be **synchronized global growth and strong corporate earnings.** Both the US and global economies are expected to continue expanding through next year, supported in part by a $1.5 trillion US tax cut package that is expected to boost corporate earnings by double digits in 2018 and help prolong a nine-year economic expansion (*WSJ*, 4/2/18).

Volatility is back. Nine years into a roaring bull market, the thought of a "Goldilocks Economy" with low interest rates and solid growth, had reduced stock market volatility to historic lows in 2017. The change to this year's ups and downs may seem unusual, but it's actually far more normal than what we saw last year. Since 1990, the S&P 500 has averaged 63 days per year with a change up or down greater than 1%. There were 23 of those days in the first quarter this year, versus only eight in all of 2017.

The good news is that the return of volatility gave earnings a chance to catch up to rising stock prices that were beginning to look expensive. As of 3/31/18, the S&P 500 P/E ratio was 16.4, just over its 20 year average P/E of 16.0 International stock valuations remained below their 20 year average and continue to look attractive, given the backdrop for global growth, and may have more room to improve vs the US (see chart below).



Quarterly Economic Update Continued

Contained volatility. Another positive in the stock market volatility is that it did not spread into corporate bond markets. This is a sign that markets are concerned with corporate valuations, but not with their ability to pay debts. Moody's expects US default rates to remain at historic lows near 2% through 2018 (Moody's Analytics, 4/12/18).

Tariffs and the Trump Administration. Tariffs and trade wars threaten to cause inflation and potentially reduce overall demand. According to **Phil Gramm**, Senior Advisor to US Policy Metrics, the first casualty of a trade war is economic freedom and the second is prosperity. The President's former chief economic advisor Gary Cohn opposed tariffs and resigned after tariffs on steel and aluminum were announced (CNBC, 3/6/18).

So why is President Trump persisting? Studies completed by the Executive office of the President have stated the following:

1. Excess steel production in China is driving US import prices lower, threatening US steel production that is critical to long-term national security for the ability to create military and infrastructure components.

2. Intellectual property theft costs the United States between $255 and $600 billion per year.

President Trump's trade strategy appears to be, make threats, strike deals, and declare victory (*The Economist*, 3/31/18). The tariffs that were implemented on steel and aluminum were softened, with exceptions, and most of the back and forth tariff announcements between the US and China have not yet been implemented. The hope and expectation is that, what started out sounding like a trade war, ends up as trade negotiations.

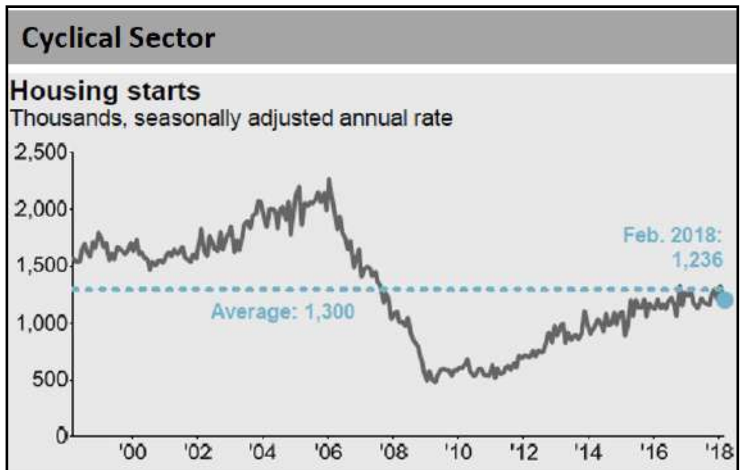
Synchronized global growth. US Real GDP Growth accelerated to 2.9% in the fourth quarter 2017 and is expected to grow over 3% in 2018, with a boost from the new tax law. **Dr. David Kelly**, Chief Global Market Strategist at JPMorgan, doesn't see GDP sustaining a 3% growth rate into 2019-2020 because the US will not have enough workers, as unemployment is expected to go from 4.1% today, down toward 3%. Because of this, Dr. Kelly sees the economy slowing back towards 2% GDP growth as some of the tax cut benefits may also begin to fade (see Unemployment and Wages Chart on Page 3).

The IMF (International Monetary Fund) predicts global growth will be 3.9% in 2018 and 2019, the fastest growth since 2011, lead by emerging markets. The IMF also cautions for slowed growth beyond 2019, not just in the US, but globally, as central banks in Europe and Japan begin to remove accommodation. Both the IMF and Dr. Kelly also acknowledged trade wars as a threat to growth, but have not changed their forecasts based on what has transpired so far.

Gradual rise in interest rates. According to **Larry Hatheway**, Chief Economist at GAM, "The expansion was seen as one that could go on and on without any signs of price inflation and that's being questioned now." The Federal Reserve, with new Fed Chairman **Jerome Powell**, has answered that potential threat of inflation by suggesting they will raise the Fed Funds Rate two or three more times this year, with a likely .25% increase each time. The Fed is also projected to raise interest rates three times in 2019, (see Fed and Interest Rates chart on Page 3). **John Lynch**, Chief Investment Strategist at LPL Financial, stated that the economy typically slips into a recession four years after the first rate hike, which started in the fall of 2015. Four years later, would put the possible start of a recession in late 2019. Historically, the average bear market has typically begun 7½ months prior to the start of the official recession, according to **Sam Stovall**, Chief Investment Strategist of US Equity Strategy at CFRA and author of the book, *The Seven Rules of Wall Street*.

Inverted Yield Curve around the corner? If the yield on the two-year treasury (2.27% as of 3/31/18) moves above the yield on the 10-year treasury (2.74% as of 3/31/18), it is generally accepted as a predictor of an upcoming recession (*Barrons*, 2/5/18). With the Fed raising short-term rates two or three more times in 2018, the long-end will have to rise to avoid an inverted yield curve. **Rick Rieder**, BlackRock's Global CIO of Fixed Income believes we will avoid any inverted yields as he expects the Treasury Department to ramp up debt supply to finance the Federal deficit, which should raise yields on the longer dated issues (see Yield Curve chart on Page 4).

Housing Starts. According to **Sam Stovall**, every recession since 1960 has been preceded by double digit declines in housing starts. Real estate construction has been a good indicator because it takes months to construct a new home. The good news is that housing starts in March, 2018 jumped above the 1.3 million long-term annualized average, a 10.9% increase year-over-year through March 2018 (*Bloomberg*, 4/17/18, Federal Reserve Bank of St. Louis).



Source: JPMorgan Asset Management, Census Bureau, FactSet. SA – seasonally adjusted. Past performance is not a reliable indicator of current and future results. *Guide to the Markets* – U.S. Data as of 3/31/18.

Be Proactive. It is important to understand that the Federal Reserve has now raised rates six times since December of 2015. While rates are still low, the Federal Reserve is midway through removing the ultra-low rate policies set forth in response to the financial crisis. Other central banks are expected to follow suit later this year. The good news is that the corporate tax cuts provide a big tailwind for stocks as the Fed becomes a headwind.

While there is no reason to abandon a long-term investing strategy, the return of volatility serves as a reminder for investors to review their portfolio, particularly those approaching retirement, as we may see challenges facing the economy in 2019-2020. **If you are within 15 years of retirement and are invested in over 60% stocks, you may want to review your portfolio and confirm that it aligns with your risk tolerance** heading into 2019. For help **rebalancing**, please call our office at 800-242-4735 and speak with an advisor. Stay balanced and stay diversified.

For more on the markets go to, **www.spectruminvestor.com** and click on 'Resources & Links' to get weekly and/or monthly updates from **Brian Wesbury, John Lynch**, **Dr. David Kelly** and **Brian Jacobsen.**

Unemployment and Wages - Wage growth in the month of January 2018 spiked to 2.8%, which was the primary reason for the late January 10% correction. If wage growth or inflation connect, the Fed has to accelerate raising interest rates.

Unemployment and wages

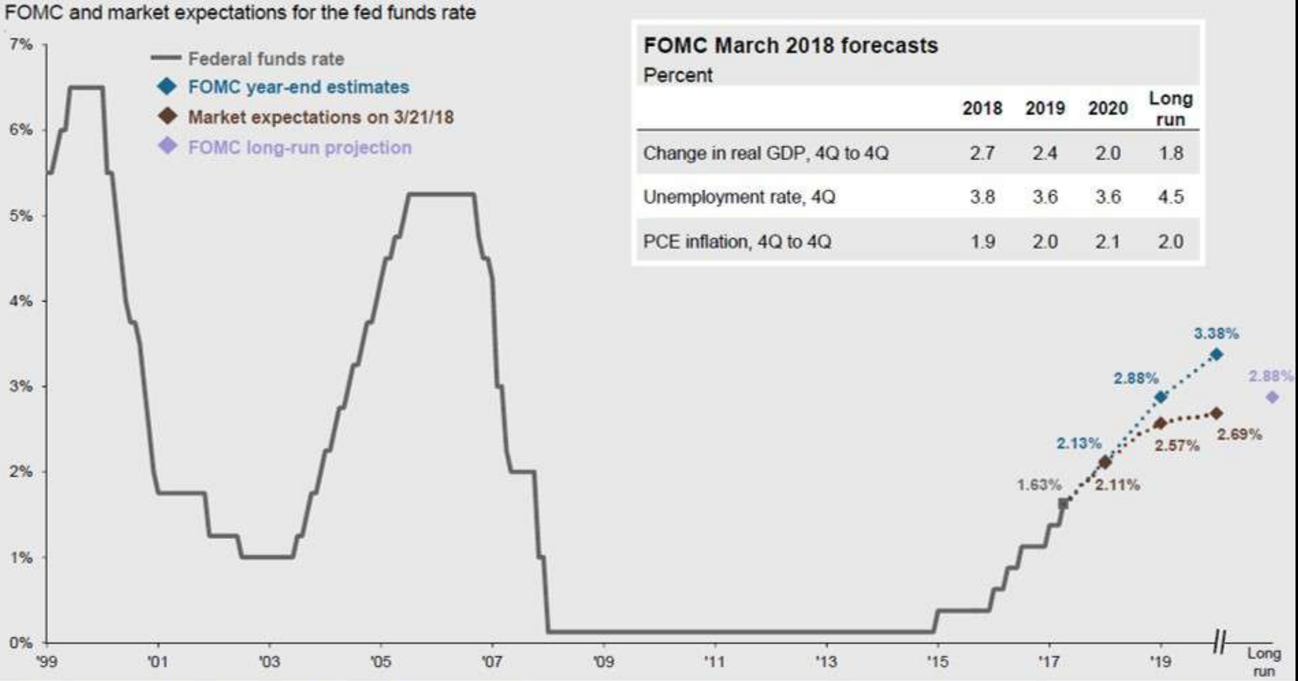
Civilian unemployment rate and year-over-year wage growth for private production and non-supervisory workers
Seasonally adjusted, percent

Source: BLS, FactSet, MSCI, JP Morgan Asset Management. Past performance is not a reliable indicator of current and future results. *Guide to the Markets* – U.S. Data as of 3/31/18.

The Fed and Interest Rates - The Fed anticipates raising interest rates three times in 2018 and three times in 2019 to 3.38%, which will put pressure on stocks.

The Fed and Interest Rates

Federal funds rate expectations
FOMC and market expectations for the fed funds rate



FOMC March 2018 forecasts
Percent

	2018	2019	2020	Long run
Change in real GDP, 4Q to 4Q	2.7	2.4	2.0	1.8
Unemployment rate, 4Q	3.8	3.6	3.6	4.5
PCE inflation, 4Q to 4Q	1.9	2.0	2.1	2.0

Source: FactSet, Federal Reserve, Bloomberg, JP Morgan Asset Management. Market expectations are the federal funds rates priced into the fed futures markets as of the date of the March 2018 FOMC meeting. *Guide to the Markets* – U.S. Data as of 3/31/18.

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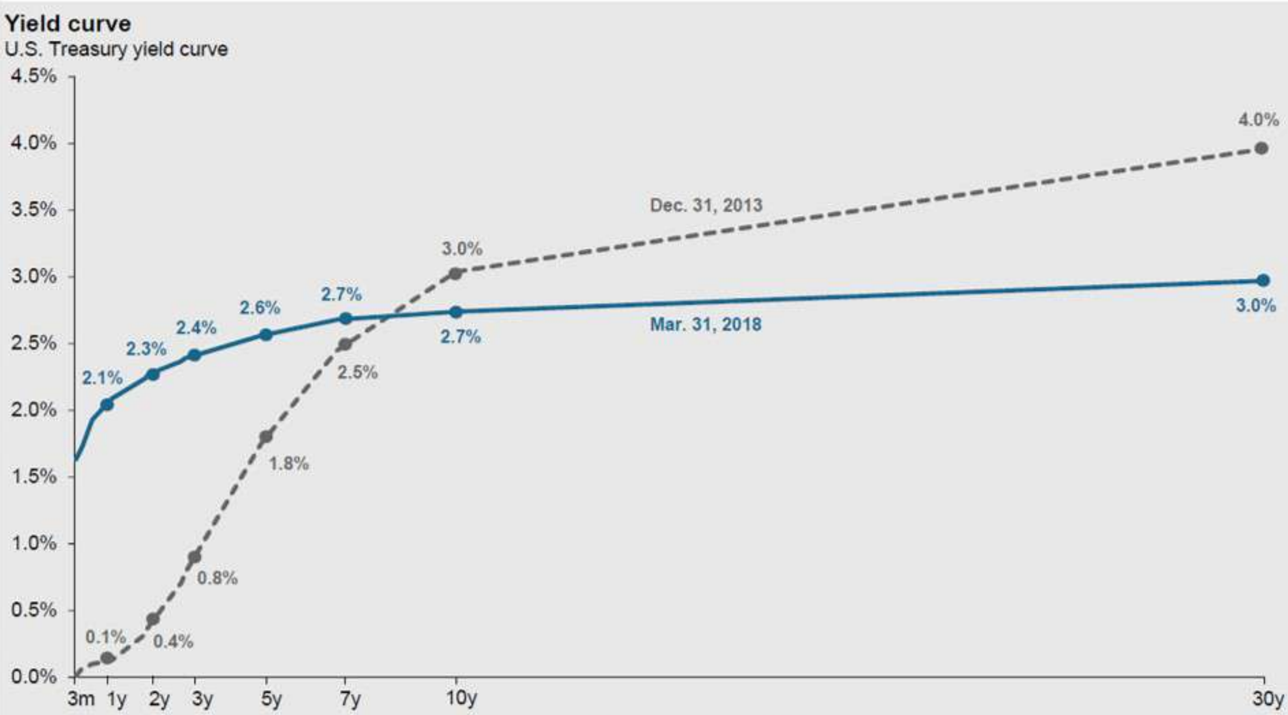
Yield Curve - The Fed has raised short-term rates six times since 2015. Long-term rates should rise this fall, avoiding an inverted yield curve.

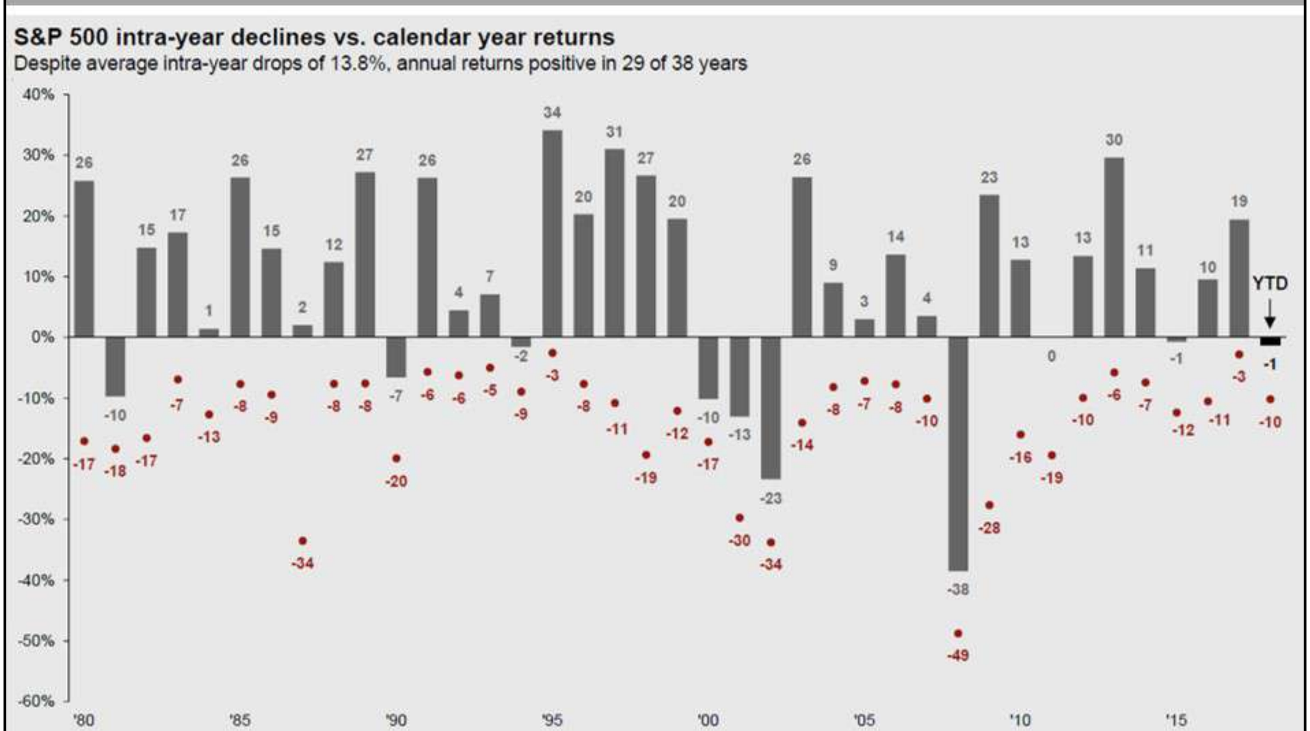
Yield Curve



Source: FactSet, Federal Reserve, JP Morgan Asset Management. Guide to the Markets – U.S. Data as of 3/31/18.

Annual Returns and Intra-Year Declines - The S&P 500 in this chart posts a positive return 76% of the time. The average intra-year drop in the market is 13.1%.

Annual Returns and Intra-Year Declines



Source: FactSet, Standard & Poor's, University of Michigan, JP Morgan Asset Management. Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1980 to 2017, over which time period the average annual return was 8.8%. *Guide to the Markets* – U.S. Data as of 3/31/18.

In Other Words

Tax Cut Savings and your Retirement Plan

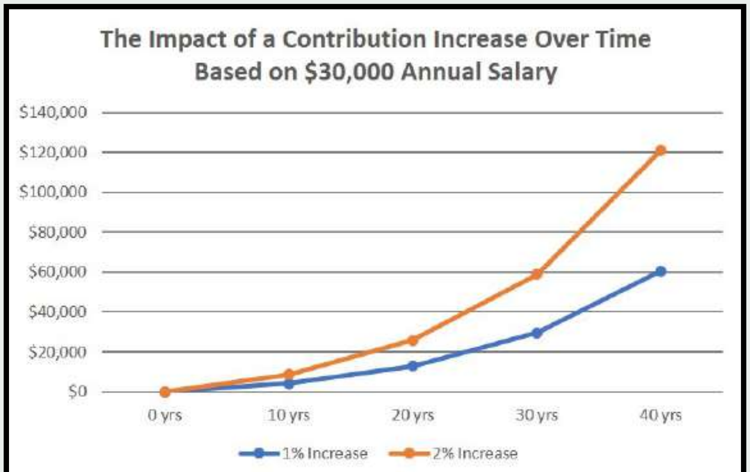
Angie Franzone | Newsletter Editor

There's nothing quite like Springtime in Wisconsin. Birds are chirping, buds are forming, and snow is falling. You can have a picnic one day and build a snowman the next, how fun! (Sense the sarcasm). Much like the weather so far this Spring, the stock market has been experiencing some volatility. I'm guessing that all this market volatility isn't making you think, 'Hey, I should invest more of my money in the stock market!' That's exactly what this article is about though.

The Tax Cuts and Jobs Act, which was signed into law on December 22, 2017, has resulted in an increase in paychecks for about 90% of Americans, according to the Department of Treasury. The amount of extra take-home pay varies depending on your income, deductions and other circumstances, but the Tax Policy Center estimates that the average household will save about $133 per month, or $1,600 per year. The question is, what are you going to do with that extra money?

You can keep the extra money in your paycheck, forget what you spent it on and have nothing left at the end of the year, or, because the tax savings is income you probably didn't expect or factor in to your budget, you can invest the money and give your retirement account a healthy boost without experiencing any strains to your budget.

As the chart below illustrates, using your tax savings to increase your contribution 1-2% can have a substantial impact on your retirement plan savings. Essentially, it gives you the ability to help solve long-term financial challenges with money you didn't previously have, and therefore wouldn't miss in your paycheck.



Calculations represent hypothetical situations and do not guarantee a specific return or outcome. Calculations assume the following: 6% rate of investment return, $30,000 annual salary with 2% salary increase. This illustration is for informational purposes only. Personal circumstances vary. Consider speaking with your tax and investment advisor prior to making any changes. Spectrum Investment Advisors is not in the tax advisory business.

Also, take in to consideration that according to the Social Security Administration, a man and a woman reaching age 65 today can expect to live, on average, until age 84 and 86 respectively. And those are just averages. About one out of every four 65 year-olds today will live past age 90 and one out of 10 will live past age 95. Pair that with the data compiled by the U.S. Census Bureau showing that the national average retirement age is 63, and you're looking at 20 to 30 years you'll need to fund in retirement! Putting that extra 1-2% from your paycheck in your retirement plan doesn't seem like such a bad idea now, does it?

Something to keep in mind, whether you choose to invest any tax savings you may have received or not, is to annually review your investments to make sure they are still in line with your long-term goals or to make any necessary adjustments due to changing life events.

As I mentioned in last quarter's newsletter, while you can't control the stock market, you can control your risk level by rebalancing, which is the act of restoring your portfolio to your originally intended balance of stocks and bonds. The below colored chart shows how a diversified mix of stocks and bonds can help provide stability over the course of several years. Many recordkeeper provider websites offer an automatic rebalance feature that can be set up to rebalance your investments for you on an annual basis. If you haven't reviewed your investment portfolio in awhile, please call our office and speak with an advisor.

60% Stocks/40% Bonds Allocation vs. Indices Ending 3/31/18

15 Yr	10 Yr	5 Yr	3 Yr	1 Yr	Index Definition
Mid Cap 12.29%	Lg. Grth 11.35%	Lg. Grth 15.37%	Lg. Grth 12.66%	Lg. Grth 19.69%	Large Growth: S&P 500 Growth TR
Sm. Grth 12.04%	Sm. Grth 10.95%	Lg. Blend 13.31%	Lg. Blend 10.78%	Sm. Grth 18.63%	Small Growth: Russell 2000 Growth TR
Sm. Blend 11.50%	Mid Cap 10.90%	Sm. Grth 12.90%	Mid Cap 8.96%	Intl. 14.80%	International: MSCI EAFE NR
Sm. Value 10.85%	Sm. Blend 9.84%	Mid Cap 11.97%	Sm. Grth 8.77%	Lg. Blend 13.99%	Large Blend: S&P 500 TR
Lg. Grth 10.50%	Lg. Blend 9.49%	Sm. Blend 11.47%	Lg. Value 8.40%	Sm. Blend 11.79%	Small Blend: Russell 2000 TR
Lg. Blend 10.10%	Sm. Value 8.61%	Lg. Value 10.87%	Sm. Blend 8.39%	Mid Cap 10.97%	Mid Cap Blend: S&P 400 MidCap 400 TR
Real Est. 10.02%	Lg. Value 7.42%	Sm. Value 9.96%	Sm. Value 7.87%	Lg. Value 7.69%	Large Value: S&P 500 Value TR
Lg. Value 9.53%	60/40 7.01%	60/40 6.69%	Intl. 5.55%	60/40 5.92%	60/40: 60% Diversified Stocks/40% Bond
60/40 8.67%	Real Est. 6.02%	Intl. 6.50%	60/40 4.93%	Sm. Value 5.13%	Small Value: Russell 2000 Value TR
Int'l 8.62%	Bonds 3.63%	Real Est. 5.97%	Bonds 1.20%	Bonds 1.20%	Int-Term Bonds: BarCap Aggregate
Nat. Res. 8.41%	Int'l 2.74%	Bonds 1.82%	Real Est. 0.74%	Nat. Res. -0.66%	Natural Res: S&P North Am. Nat. Resources TR
Bonds 3.95%	Nat. Res. -0.35%	Nat. Res. -1.56%	Nat. Res. -1.45%	Real Est. -3.68%	Real Estate: DJ US Select REIT Index TR

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 benchmark disclosures below.

Important Disclosures: *Spectrum Investment Advisors was named to PLANADVISER's 2018 Top 100 Retirement Plan Advisers List. The list is compiled from responses to the PLANADVISER Retirement Plan Adviser Survey. The list is drawn solely from a set of quantitative variables and information in the survey supplied by the advisers themselves. For an adviser to be eligible for recognition in the Top 100, he or she had to submit a completed entry to the 2017 Retirement Plan Adviser Survey. A sub-segment of the questions was used to determine eligibility for the Top 100. Respondents are allocated into a category in which they are evaluated—these categories are defined by the number of advisers, plus support staff, in the practice. Spectrum is one of 29 advisers in the Large Teams category. A large team is a practice with 11-35 advisers and support staff, and at least 150 plans, or at least $3.5 billion in AUA.* ***Benchmark Disclosures: Morningstar Category Averages:*** *Morningstar classifies mutual funds into peer groups based on their holdings. The Category Average calculates the average return of mutual funds that fall within the category during the given time period. The following indexes and their definitions provide an approximate description of the type of investments help by mutual funds in each respective Morningstar Category. One cannot invest directly in an index or category average.* ***Large Cap Growth: S&P 500 Growth Index****– Measures the performance of growth stocks drawn from the S&P 500 index by dividing it into growth and value segments by using three factors: sales growth, the ratio of earnings change to price and momentum.* ***Intermediate-Term Bonds: Barclays US Agg Bond Index****– Measures the performance of investment grade, US dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS, ABS and CMBS.* ***Large Cap Blend: S&P 500 Index****– A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenue are based in the US.* ***Large Cap Value: S&P 500 Value Index****– Measures the performance of value stocks of the S&P 500 index by dividing into growth and value segments by using three factors: sales growth, the ratio of earnings change to price and momentum.* ***Mid Cap Blend: S&P MidCap 400 Index****– Measures the performance of mid-sized US companies, reflecting the distinctive risk and return characteristics of this market segment.* ***Small Cap Blend: Russell 2000 Index****– Measures the performance of the small-cap segment of the US equity universe. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.* ***Small Cap Value: Russell 2000 Value Index****– Measures the performance of small-cap value segment of Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.* ***Small Cap Growth: Russell 2000 Growth Index****– Measures the performance of small-cap growth segment of Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.* ***Foreign Large Cap Blend: MSCI EAFE NR Index****–This Europe, Australasia, and Far East index is a market-capitalization-weighted index of 21 non-US, developed country indexes.* ***Real Estate: DJ US Select REIT Index****– Measures the performance of publicly traded real estate trusts (REITs) and REIT-like securities to serve as proxy for direct real estate investment.* ***Natural Resources: S&P North American Natural Resources Index****– Measures the performance of US traded securities classified by the Global Industry Classification Standard (GICS) as energy and materials excluding the chemicals industry and steel but including energy companies, forestry services, producers of pulp and paper and plantations.* ***MSCI ACWI Ex-US*** *is a market-capitalization weighted index maintained by Morgan Stanley Capital International and designed to provide a broad measure of stock performance throughout the world, with the exception of US-based companies.* ***The Dow Jones Industrial Average (DJIA)*** *is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq.* ***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.*

Spectrum Wealth Management

Estate Planning Update

Brian White, CFP® | Wealth Manager

As we transition from winter to spring, several activities begin to gain traction. We think about the maintenance of our lawn and gardens. Baseball has begun and we look forward to the thrill of a game-winning home run. The road salt and dirt from winter can finally be cleaned from the garage floor. We can all firm up our estate plans and designate proper beneficiaries.

Wait…what??

While it may not be the first thing that comes to your mind during spring, the issue of estate planning is just as important as planting those tulip bulbs. No one wants to think about death, but we all know it is coming. There are several steps we can take to improve upon our estate plan, no matter how simple or complex it is.

Define your legacy

What's the 'big picture' plan for your money when you're not around or not able to make financial decisions? This is as unique as you can imagine. Your goal could be to provide a nest egg so that your grandchildren don't have to lift a finger, or you could choose to give everything to charity and give each grandchild $1, or maybe your plan is a bit more reasonable and you want to leave enough to send someone through college. If you're younger and have a family, perhaps it involves a life insurance policy to take care of your minor children. Whatever it is, write it down.

Once you have your legacy in writing, decide who is going to be involved. In a perfect world, you die first and your spouse takes over your estate, then your oldest child (who happens to be the world's most responsible child) takes over the family estate and everyone lives happily ever after with an annual trek to Walt Disney World. Right? As we all know, this is not a perfect world and that doesn't always happen. Keep in mind that your job in deciding who is involved only goes so far.

Have a conversation

Now that you've decided your legacy and who is involved, it's time to talk. While it can be a mistake to have the wrong type of trust or power of attorney document, the biggest mistake we can make is to stay silent. Does your spouse or significant other know what happens to your money after you die? If you're not married, do your kids or heirs know? Maybe it's just you, and your money all goes to charity. Does your attorney know?

It's not critical for you to create a detailed spreadsheet listing your net worth to the penny, or even give the code to your safe. It can be as simple as, saying, "Sally, when I die, you're going to be in charge. Here's the name of my attorney…"

Let's be honest. This isn't a fun topic of conversation. Obviously, you have to choose the proper time and place to say something. The bottom line is that you do have to say *something* to someone.

Update beneficiaries

One of the easiest ways to be proactive in your estate planning is to update your beneficiaries on your retirement plan accounts. This can involve IRAs, Roth IRAs and corporate retirement plans (401(k), 457, etc.). Many beneficiary designations can be changed online or through a simple form. This is important to stay on top of, especially if there is a significant change in your life or in the life of your family. Did you have another child? Go through a divorce? Lose a spouse? Have a grandchild? All of these are reasons to be sure to update your beneficiaries.

For non-retirement accounts, consider adding a Payable On Death (for bank accounts) or Transfer On Death (for brokerage/investment accounts) to your account. This is an easy way to avoid probate on those taxable accounts by designating beneficiaries.

Find a good attorney

As a reminder, Spectrum is not a law firm and we don't have any attorneys on staff. We are happy to work with any estate planning attorney you may already work with. If you don't have an attorney for your estate plan, we can certainly help you find one. The most important attribute in an attorney is that they focus ONLY on estate planning.

We have an Estate Planning Coffee House Seminar coming up on May 9th at 9:30 a.m. and 12 p.m. and we would love for you to join us. It's a great opportunity to get educated, without the sales pitch. If you are interested in attending, please contact our office with your preferred time at 800-242-4735, or at sia@spectruminvestor.com.

IRS Indexed Limits for 2018:

401(k), 403(b), 457 Plan Deferral Limit is $18,500.

Catch-up Contribution limit is $6,000. Source: www.irs.gov

Spectrum Investor® Update

Morningstar Category Averages	1st Qtr	1 Year	3 Year
Intermediate-Term Bond	-1.33%	1.32%	1.29%
Allocation 50%-70% Equity	-1.27%	7.82%	4.92%
Large Cap Value	-2.52%	9.13%	7.67%
Large Cap Blend	-1.00%	12.78%	8.89%
Large Cap Growth	**2.32%**	**20.42%**	**10.62%**
Mid Cap Value	-2.26%	7.13%	6.73%
Mid Cap Blend	-1.03%	10.22%	6.58%
Mid Cap Growth	2.13%	18.25%	8.34%
Small Cap Value	-2.75%	5.73%	6.65%
Small Cap Blend	-0.96%	9.63%	7.19%
Small Cap Growth	2.30%	18.11%	8.74%
Foreign Large Blend	-0.85%	15.19%	5.77%
Real Estate	**-6.94%**	**-2.33%**	**1.15%**
Natural Resources	-4.39%	8.50%	3.54%

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 Benchmark Disclosures on page 5.

DOW: 24,103 | **10 Yr T-Note: 2.74%**

NASDAQ: 7,063 | **Inflation Rate: 2.4%** (3/2018)

S&P 500: 2,641 | **Unemployment Rate: 4.1%** (3/2018)

Barrel of Oil: $64.94 | Source: Yahoo Finance, bls.gov, eia.gov

Data as of 3/31/18 unless otherwise noted. 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,

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.