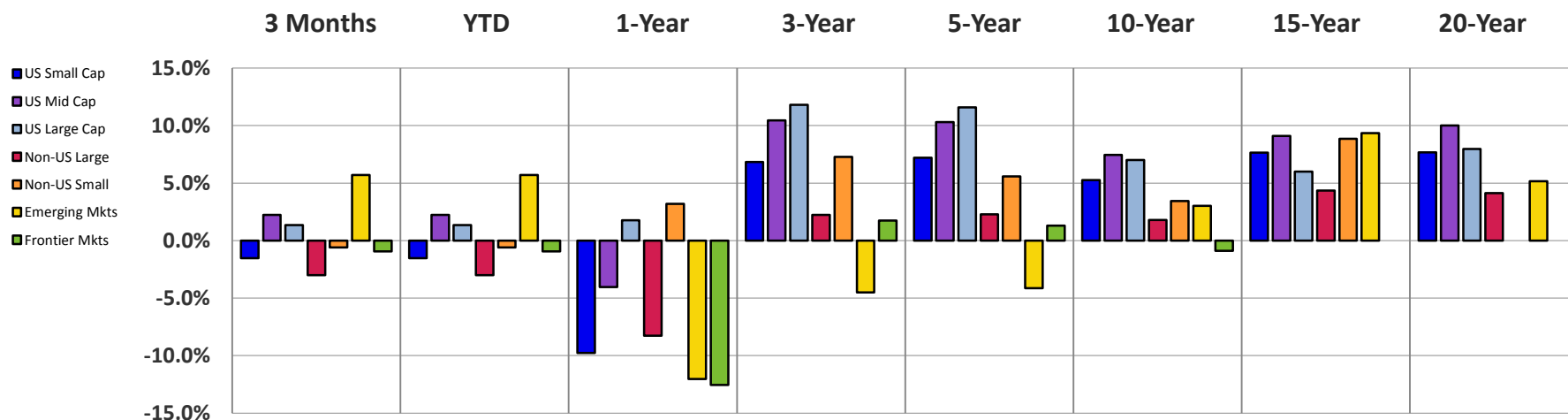


## World Equity Performance

Quarter Ending March 31, 2016

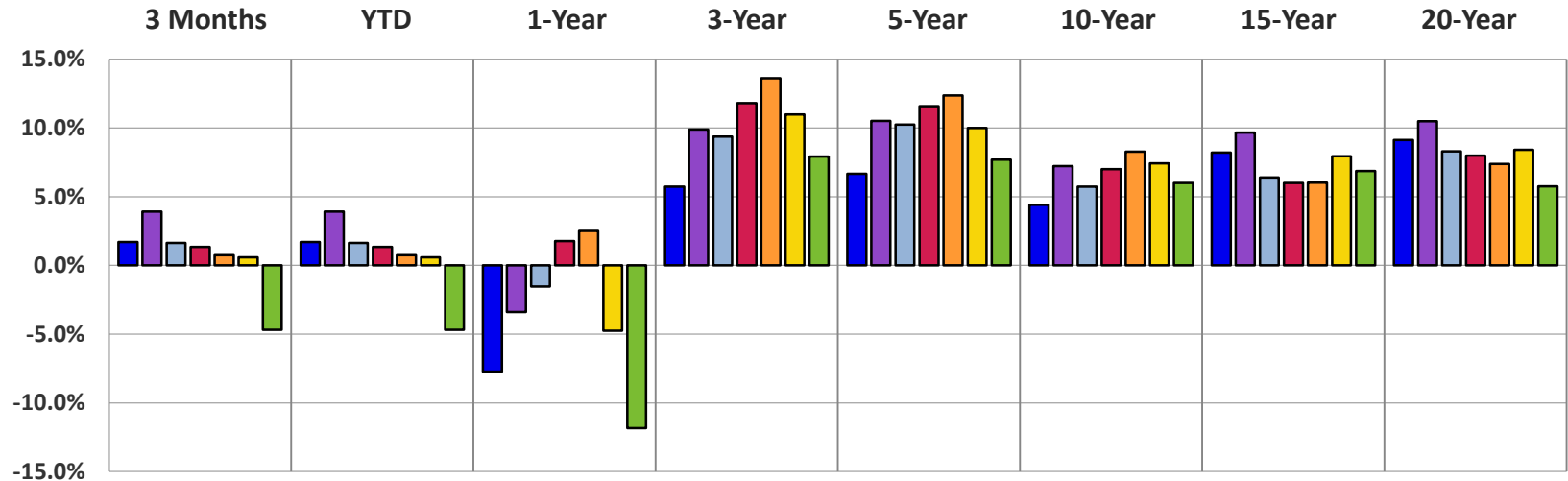


<b>US Small Cap</b>	<b>-1.5%</b>	<b>-1.5%</b>	<b>-9.8%</b>	6.8%	7.2%	5.3%	7.7%	7.7%
<b>US Mid Cap</b>	2.2%	2.2%	<b>-4.0%</b>	10.5%	10.3%	7.5%	9.1%	10.0%
<b>US Large Cap</b>	1.4%	1.4%	1.8%	11.8%	11.6%	7.0%	6.0%	8.0%
<b>Non-US Large</b>	<b>-3.0%</b>	<b>-3.0%</b>	<b>-8.3%</b>	2.2%	2.3%	1.8%	4.4%	4.1%
<b>Non-US Small</b>	<b>-0.6%</b>	<b>-0.6%</b>	3.2%	7.3%	5.6%	3.4%	8.9%	
<b>Emerging Mkts</b>	5.7%	5.7%	<b>-12.0%</b>	<b>-4.5%</b>	<b>-4.1%</b>	3.0%	9.4%	5.2%
<b>Frontier Mkts</b>	<b>-0.9%</b>	<b>-0.9%</b>	<b>-12.5%</b>	1.8%	1.3%	<b>-0.9%</b>		

The first quarter of 2016 ended as one of the more volatile quarters of stock market performance in recent memory. The S&P 500 ended the quarter up 1.4%, marking the first quarter since the Great Depression that the benchmark index fell more than 10% and still rallied to finish positive, according to LPL Financial. Emerging Markets, aided in part by an uptick in oil prices as OPEC producers considered limiting production, reversed course after an extended period of underperformance finishing the quarter up 5.7%.

## U.S. Equity Style Performance

Quarter Ending March 31, 2016

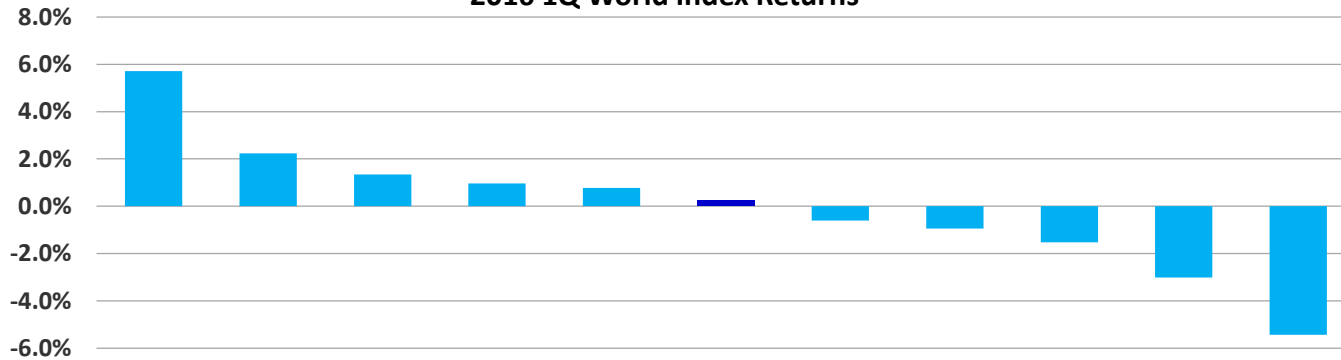


<b>Small Value</b>	1.7%	1.7%	-7.7%	5.7%	6.7%	4.4%	8.2%	9.1%
<b>Mid Value</b>	3.9%	3.9%	-3.4%	9.9%	10.5%	7.2%	9.7%	10.5%
<b>Large Value</b>	1.6%	1.6%	-1.5%	9.4%	10.3%	5.7%	6.4%	8.3%
<b>S&amp;P 500</b>	1.4%	1.4%	1.8%	11.8%	11.6%	7.0%	6.0%	8.0%
<b>Large Growth</b>	0.7%	0.7%	2.5%	13.6%	12.4%	8.3%	6.0%	7.4%
<b>Mid Growth</b>	0.6%	0.6%	-4.8%	11.0%	10.0%	7.4%	8.0%	8.4%
<b>Small Growth</b>	-4.7%	-4.7%	-11.8%	7.9%	7.7%	6.0%	6.9%	5.8%

The quarter ended with Value outpacing Growth across the cap spectrum, reversing the trend that has seen Growth outperforming for the better part of five years. Mid Cap Value, paced by strong Utilities performance, returned 3.9% to lead all US Domestic Equity asset classes. Small Cap Growth trailed for the quarter, returning -4.7%, as investors sought safe havens during the volatile quarter.

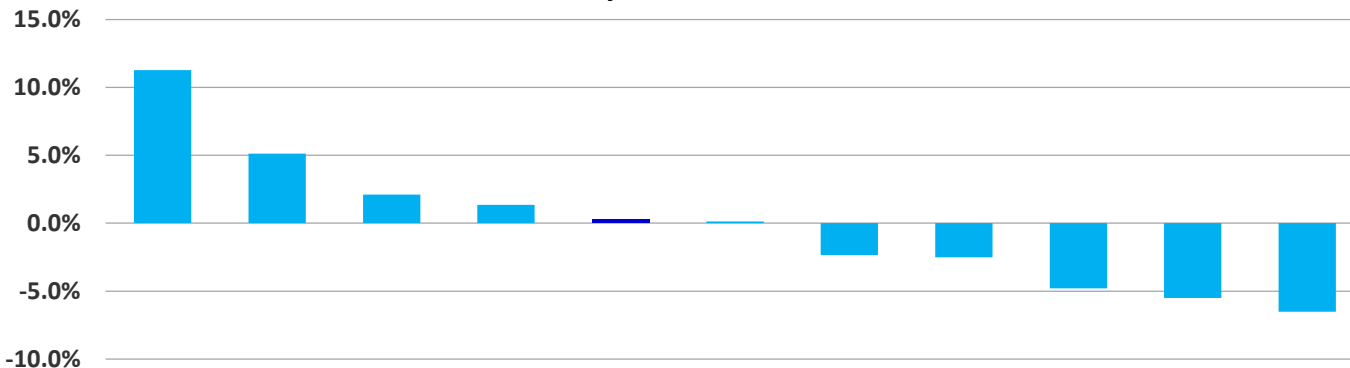
## Equity Performance Breakdown

### 2016 1Q World Index Returns



	MSCI Emerging Markets	Russell Mid Cap	S&P 500	MSCI Emrg Small Cap	S&P 100	MSCI ACWI	MSCI EAFE Small Cap	MSCI Frontier Markets	Russell 2000	MSCI EAFE	Russell Micro Cap
<b>2016 1Q Return</b>	5.7%	2.2%	1.4%	1.0%	0.8%	0.2%	-0.6%	-0.9%	-1.5%	-3.0%	-5.4%

### 2016 1Q Country Returns for the MSCI ACWI



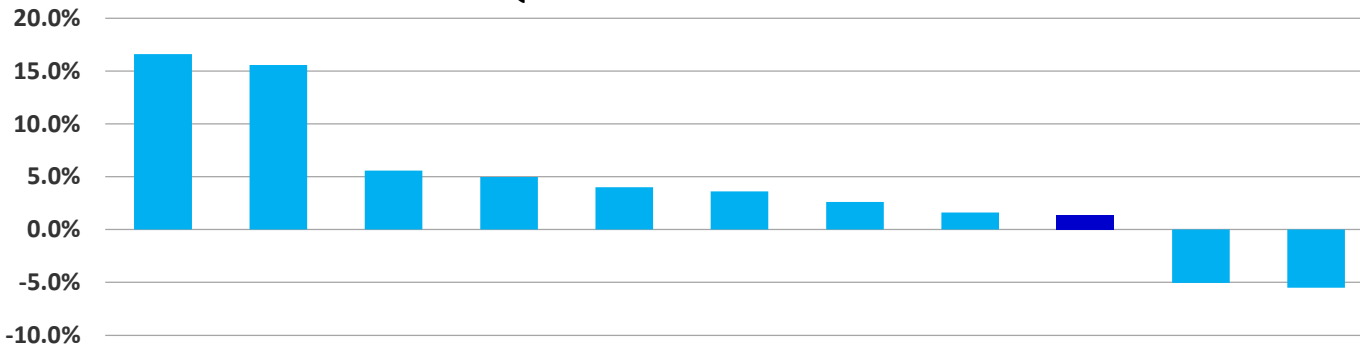
	Canada	South Korea	Australia	U.S.	MSCI ACWI Index	France	United Kingdom	Germany	China	Switzerland	Japan
<b>2016 1Q Return</b>	11.3%	5.1%	2.1%	1.4%	0.2%	0.1%	-2.3%	-2.5%	-4.8%	-5.5%	-6.5%
<b>Weight in ACWI</b>	3.1%	1.6%	2.4%	53.2%	-	3.4%	6.5%	3.1%	2.4%	3.1%	7.5%

Central banks around the world continued to favor dovish monetary policy in an attempt to stabilize the global economy. The Bank of Japan introduced negative interest rates for the first time in January while the European Central Bank pushed their own rates even further into negative territory. The Federal Reserve walked back on their plan which originally called for four more rate hikes in 2016.

Canada's natural resource-laden economy led the way during the quarter, returning a robust 11.3%. Of note here is the United Kingdom (-2.3%) which faces intense scrutiny over a June referendum for a possible exit from the European Union. The British Pound fell to multi-year lows against the dollar.

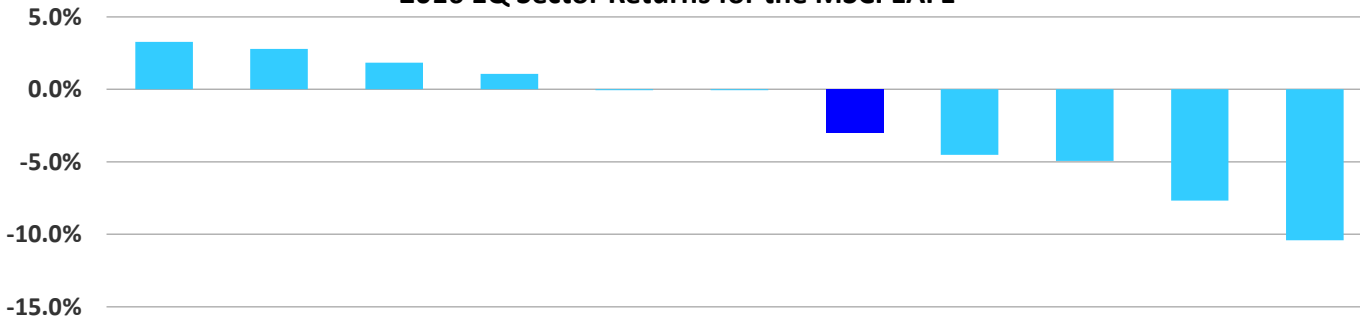
## Equity Performance Breakdown

### 2016 1Q Sector Returns for the S&P 500



	Telecomm	Utilities	Consumer Staples	Industrials	Energy	Materials	Technology	Consumer Discretionary	S&P 500 Index	Financials	Health Care
<b>2016 1Q Return</b>	16.6%	15.6%	5.6%	5.0%	4.0%	3.6%	2.6%	1.6%	1.4%	-5.1%	-5.5%
<b>Weight in S&amp;P</b>	2.8%	3.4%	10.4%	10.1%	6.8%	2.8%	20.8%	12.9%	-	15.6%	14.3%

### 2016 1Q Sector Returns for the MSCI EAFE



	Energy	Consumer Staples	Materials	Industrials	Utilities	Telecomm	MSCI EAFE Index	Technology	Consumer Discretionary	Health Care	Financials
<b>2016 1Q Return</b>	3.3%	2.8%	1.8%	1.1%	-0.1%	-0.1%	-3.0%	-4.5%	-4.9%	-7.7%	-10.4%
<b>Weight in EAFE</b>	4.7%	12.7%	6.7%	13.3%	3.9%	5.1%	-	5.3%	13.2%	11.5%	23.8%

Only two sectors ended the quarter in negative territory: Financials and Health Care. The Financial sector was dragged down by poor performance in bank stocks caused by worries over losses from loans to the Energy sector. Health Care continues to struggle as political pressure mounts regarding prescription drug prices.

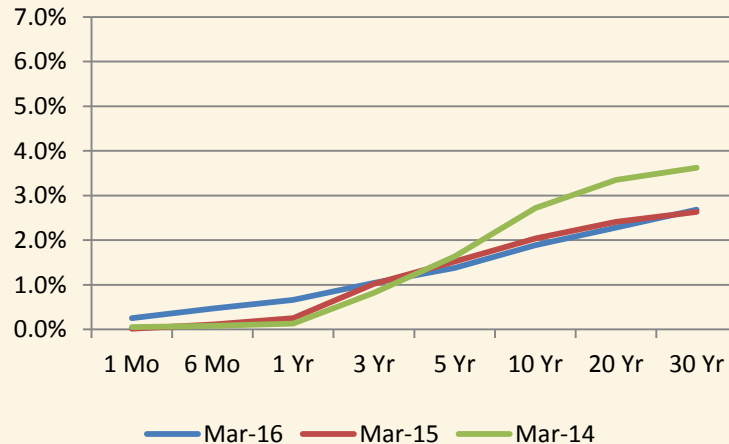
Performance was more widely dispersed in the international markets, although Financials and Health Care again performed the worst for the quarter. The Energy (3.3%) and Materials (1.8%) sectors posted strong quarters as March brought stabilization to global commodity prices.

## Fixed Income Performance

Fixed Income Rates of Return		2016 1Q	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Market Indices</b>	Barclays Aggregate Bond	3.03%	3.03%	1.96%	2.50%	3.78%	4.89%
	Barclays Government/Credit	3.47%	3.47%	1.75%	2.42%	4.04%	4.94%
<b>Intermediate Indices</b>	Barclays Intermediate Aggregate	2.31%	2.31%	2.20%	2.14%	3.11%	4.53%
	Barclays Intermediate Govt/Credit	2.45%	2.45%	2.06%	1.83%	3.01%	4.34%
<b>Government Only Indices</b>	Citi 3 Month Treasury	0.05%	0.05%	0.08%	0.05%	0.06%	1.07%
	Barclays 1-3 Year Government	0.89%	0.89%	0.93%	0.79%	0.90%	2.56%
	Barclays Intermediate Government	2.28%	2.28%	2.21%	1.52%	2.48%	3.97%
	Barclays US TIPS	4.46%	4.46%	1.51%	-0.71%	3.02%	4.63%
	Barclays Long Term Government	8.06%	8.06%	2.80%	6.04%	9.52%	7.89%
<b>Municipal Indices</b>	Barclays Municipal	1.67%	1.67%	3.98%	3.63%	5.59%	4.86%
	Barclays 1 Year Municipal	0.32%	0.32%	0.71%	0.68%	0.84%	2.10%
	Barclays 10 Year Municipal	1.90%	1.90%	4.42%	3.87%	5.79%	5.41%
	Barclays 20 Year Municipal	1.95%	1.95%	4.91%	4.61%	7.28%	5.54%
<b>Mortgage Backed Indices</b>	Barclays Mortgage Backed Securities	1.98%	1.98%	2.43%	2.70%	3.24%	4.85%
<b>Corporate Bond Indices</b>	Barclays Credit	3.92%	3.92%	0.93%	2.86%	5.00%	5.71%
	Barclays High Yield US Corporate	3.35%	3.35%	-3.69%	1.84%	4.93%	7.01%
<b>World Bond Indices</b>	Citi World Government Bond	7.09%	7.09%	5.93%	0.49%	1.16%	4.19%
	Citi Global Emerging Market Sovereign	5.27%	5.27%	4.01%	2.85%	6.14%	7.34%

Source: PSN Enterprise

### United States Yield Curve



Source: United States Federal

### 10 Yr Risk vs Return - Selected Indices

