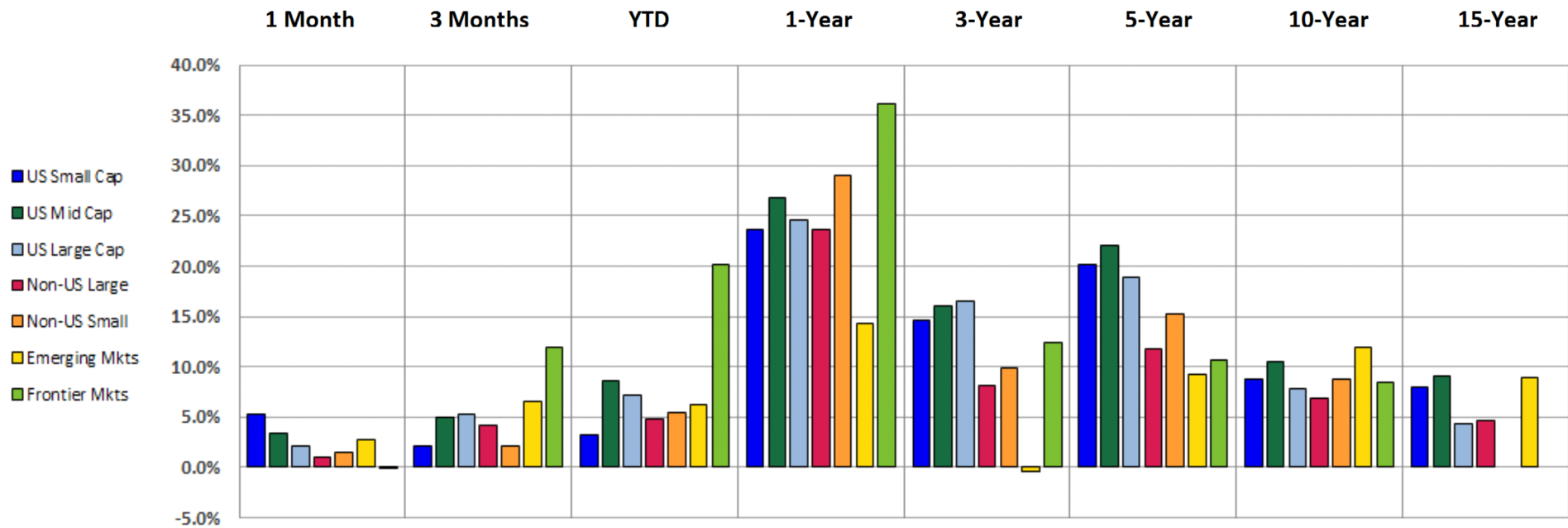


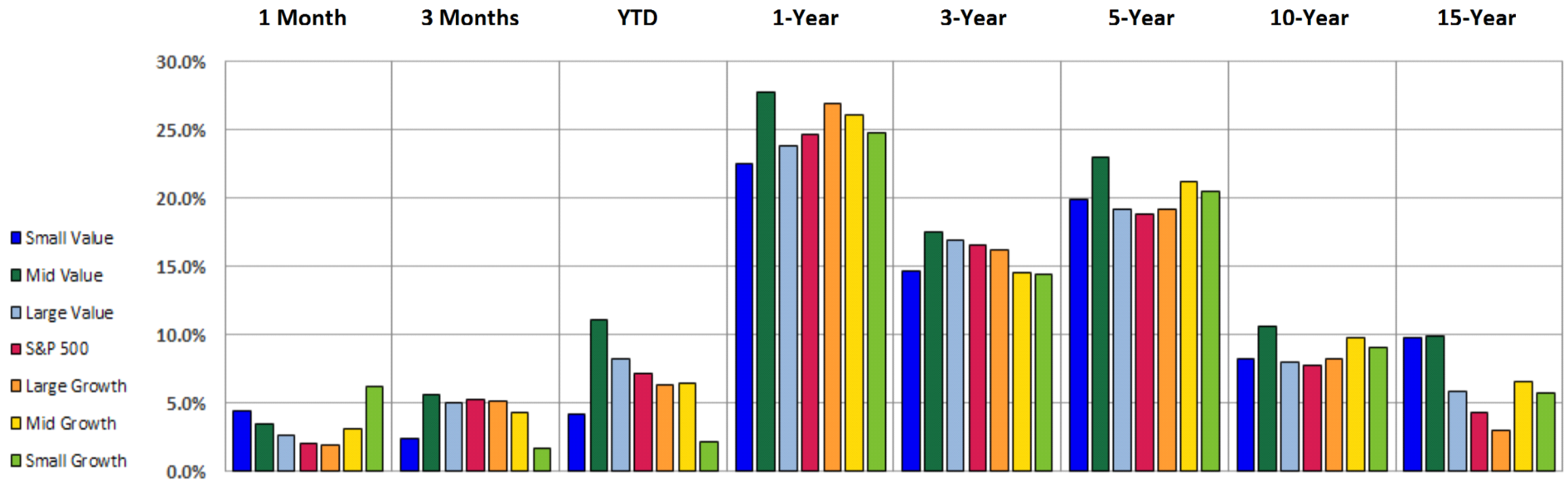
## World Equity Performance



	1 Month	3 Months	YTD	1-Year	3-Year	5-Year	10-Year	15-Year
<b>US Small Cap</b>	5.3%	2.1%	3.2%	23.6%	14.6%	20.2%	8.7%	8.0%
<b>US Mid Cap</b>	3.3%	5.0%	8.7%	26.9%	16.1%	22.1%	10.4%	9.1%
<b>US Large Cap</b>	2.1%	5.2%	7.1%	24.6%	16.6%	18.8%	7.8%	4.4%
<b>Non-US Large</b>	1.0%	4.1%	4.8%	23.6%	8.1%	11.8%	6.9%	4.6%
<b>Non-US Small</b>	1.5%	2.1%	5.5%	29.1%	9.8%	15.2%	8.7%	N/A
<b>Emerging Mkts</b>	2.7%	6.6%	6.1%	14.3%	-0.4%	9.2%	11.9%	8.9%
<b>Frontier Mkts</b>	-0.2%	11.9%	20.2%	36.2%	12.4%	10.7%	8.5%	N/A

Global equity indices saw continued gains during the second quarter of 2014, led by Emerging and Frontier markets. Emerging markets benefitted from strong inflows of capital during the quarter as investors reallocated capital in search of more attractive valuations. US markets fared better than their developed international counterparts as the US economic recovery, while still slow, has outpaced the performance of most Eurozone economies.

## US Equity Style Performance



Style	1 Month	3 Months	YTD	1-Year	3-Year	5-Year	10-Year	15-Year
<b>Small Value</b>	4.4%	2.4%	4.2%	22.5%	14.7%	19.9%	8.2%	9.7%
<b>Mid Value</b>	3.5%	5.6%	11.1%	27.8%	17.6%	23.0%	10.7%	10.0%
<b>Large Value</b>	2.6%	5.1%	8.3%	23.8%	16.9%	19.2%	8.0%	5.9%
<b>S&amp;P 500</b>	2.1%	5.2%	7.1%	24.6%	16.6%	18.8%	7.8%	4.4%
<b>Large Growth</b>	2.0%	5.1%	6.3%	26.9%	16.3%	19.2%	8.2%	3.1%
<b>Mid Growth</b>	3.1%	4.4%	6.5%	26.0%	14.5%	21.2%	9.8%	6.6%
<b>Small Growth</b>	6.2%	1.7%	2.2%	24.7%	14.5%	20.5%	9.0%	5.8%

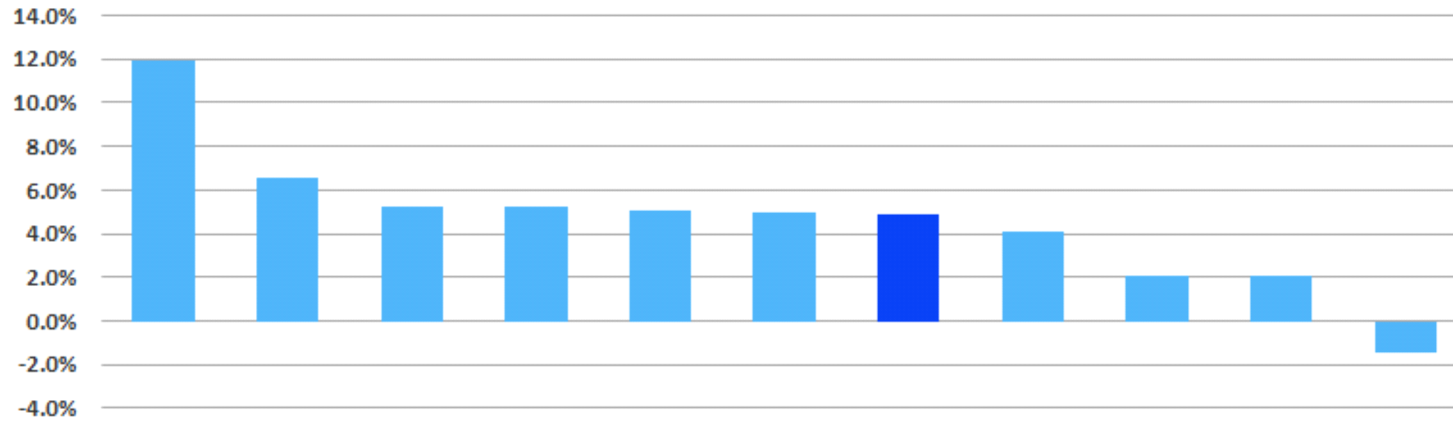
On the domestic front, the second quarter saw the continuation of two trends from the first quarter. First, Small Cap stocks continued to trail both Mid and Large after posting impressive outperformance during 2013. Second, Value again outperformed Growth during the quarter -- another stark reversal from 2013 where growth stocks solidly outperformed their value counterparts.

Mid Cap Value led the way during the quarter with a return of 5.6% and Small Cap Growth brought up the rear for the second consecutive quarter, returning 1.7%.

Source: Morningstar Advisor Workstation

## Equity Performance Breakdown

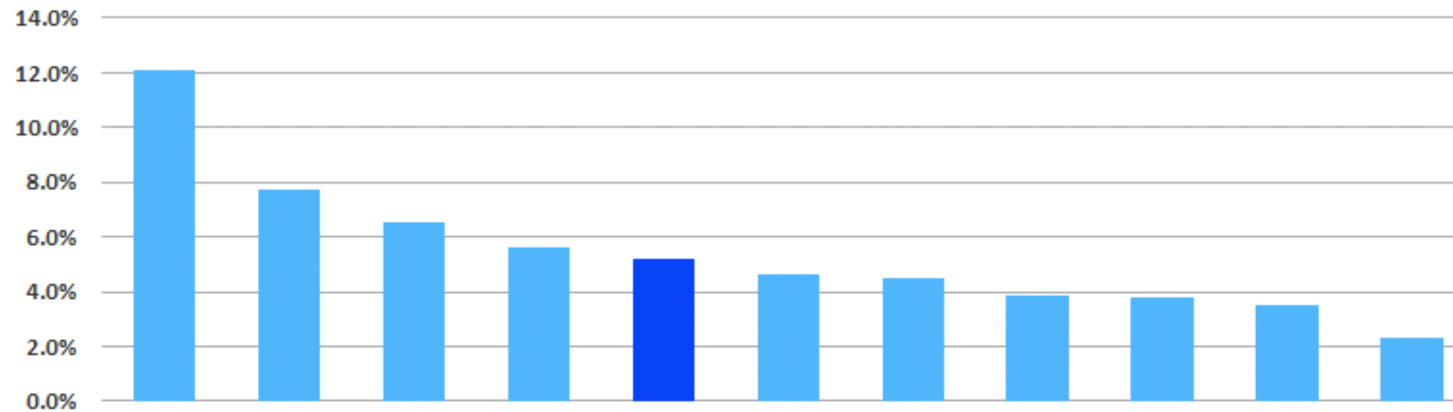
### 2014 2Q World Index Returns



Equity returns were positive across the board for the quarter with the lone exception of Micro Cap. In general, equities saw strong inflows of capital from investors during the second quarter.

	MSCI Frontier Markets	MSCI Emerging Markets	MSCI Emrg Small Cap	S&P 500	S&P 100	Russell Mid Cap	MSCI World	MSCI EAFE	MSCI EAFE Small Cap	Russell 2000	Russell Micro Cap
2014 2Q Return	11.9%	6.6%	5.3%	5.2%	5.1%	5.0%	4.9%	4.1%	2.1%	2.1%	-1.4%

### 2014 2Q Sector Returns for the S&P 500 Index

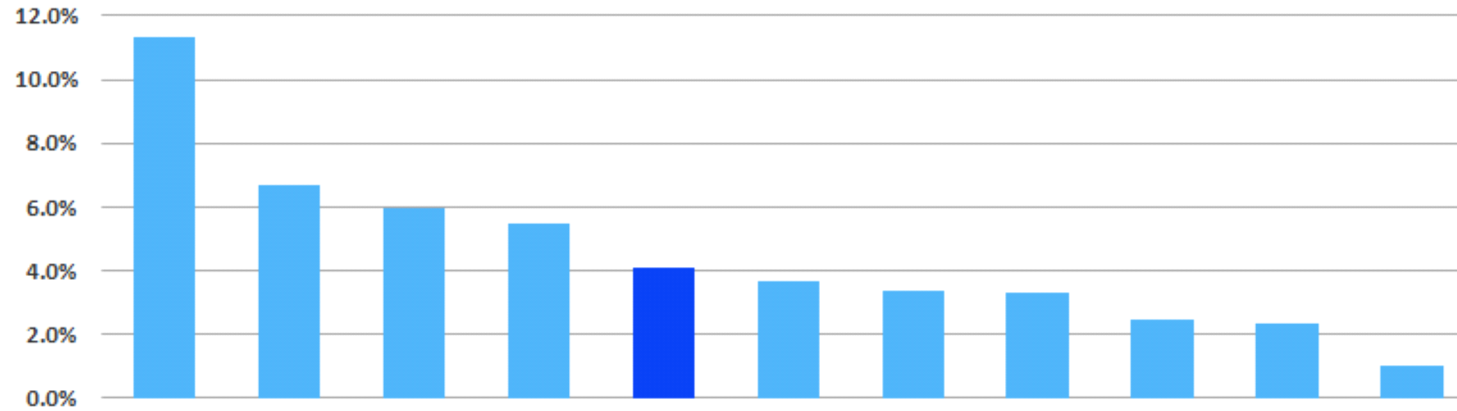


All 10 sectors of the S&P 500 saw positive returns during the second quarter. On the heels of turmoil in the Middle East, Energy and Utilities led the way (returning 12.1% and 7.8% respectively) as oil topped \$107 a barrel.

	Energy	Utilities	Technology	Materials	S&P 500 Index	Consumer Staples	Health Care	Industrials	Telecomm	Consumer Discretionary	Financials
2014 2Q Return	12.1%	7.8%	6.5%	5.6%	5.2%	4.7%	4.5%	3.9%	3.8%	3.5%	2.3%
Weight in S&P	10.9%	3.2%	18.8%	3.5%	-	9.5%	13.3%	10.5%	2.4%	11.8%	16.1%

## Equity Performance Breakdown

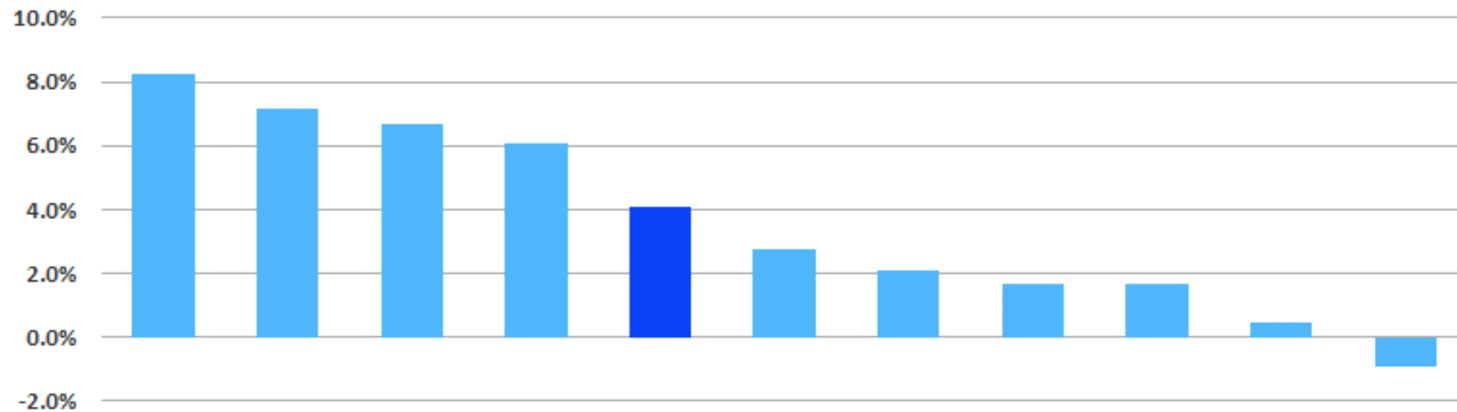
### 2014 2Q Sector Returns for the MSCI EAFE Index



	Energy	Utilities	Consumer Staples	Health Care	MSCI EAFE Index	Telecomm	Materials	Consumer Discretionary	Financials	Industrials	Technology
2014 2Q Return	11.3%	6.7%	6.0%	5.5%	4.1%	3.7%	3.4%	3.3%	2.5%	2.3%	1.0%
Weight in EAFE	7.3%	3.9%	11.1%	10.5%	-	4.9%	8.0%	11.9%	25.3%	12.7%	4.4%

The MSCI EAFE Index also experienced positive returns in all 10 sectors during the quarter and, like the S&P 500, Energy and Utilities led the way. The largest differential from domestic stocks was Technology which was the bottom sector internationally and was the third best performer in the S&P 500.

### 2014 2Q Country Returns for the MSCI EAFE Index



	Hong Kong	Spain	Japan	United Kingdom	MSCI EAFE Index	Australia	Switzerland	France	Germany	Netherlands	Sweden
2014 2Q Return	8.3%	7.2%	6.7%	6.1%	4.1%	2.8%	2.1%	1.7%	1.7%	0.5%	-0.9%
Weight in EAFE	2.8%	3.7%	20.3%	21.4%	-	7.7%	9.0%	10.1%	9.3%	2.7%	3.0%

Of the top ten weighted countries in the MSCI EAFE Index, only Sweden saw negative returns during the second quarter. The Eurozone experienced an interesting dichotomy as Spanish manufacturing numbers impressed investors while French and German manufacturing continued to falter.

## Fixed Income Market Environment

Fixed Income Rates of Return		2014 2Q	YTD	1 Year	3 Year	5 Year	10 Year
<b>Broad Market Indices</b>	Barclays Aggregate Bond	2.04%	3.93%	4.37%	3.66%	4.85%	4.93%
	Barclays Government/Credit	1.92%	3.94%	4.28%	4.08%	5.09%	4.94%
<b>Intermediate Indices</b>	Barclays Intermediate Aggregate	1.62%	2.85%	3.48%	2.86%	4.23%	4.57%
	Barclays Intermediate Govt/Credit	1.23%	2.25%	2.86%	2.83%	4.09%	4.33%
<b>Government Only Indices</b>	Citi 3 Month Treasury	0.01%	0.02%	0.04%	0.05%	0.08%	1.54%
	Barclays 1-3 Year Government	0.27%	0.42%	0.77%	0.66%	1.24%	2.71%
	Barclays Intermediate Government	0.91%	1.55%	1.53%	1.96%	2.83%	3.91%
	Barclays US TIPS	3.81%	5.83%	4.44%	3.54%	5.55%	5.25%
	Barclays Long Term Government	4.73%	12.08%	6.44%	8.70%	7.41%	7.17%
<b>Municipal Indices</b>	Barclays Municipal	2.59%	6.00%	6.14%	5.35%	5.81%	4.97%
	Barclays 1 Year Municipal	0.22%	0.47%	0.96%	0.89%	1.28%	2.27%
	Barclays 10 Year Municipal	2.49%	5.69%	6.34%	5.49%	6.10%	5.31%
	Barclays 20 Year Municipal	3.50%	8.41%	8.06%	7.01%	7.27%	5.76%
<b>Mortgage Backed Indices</b>	Barclays Mortgage Backed Securities	2.41%	4.03%	4.66%	2.81%	3.92%	4.94%
<b>Corporate Bond Indices</b>	Barclays Credit	2.71%	5.70%	7.44%	5.88%	7.65%	5.85%
	Barclays High Yield US Corporate	2.41%	5.46%	11.73%	9.48%	13.98%	9.05%
<b>World Bond Indices</b>	Citi World Government Bond	2.27%	5.00%	6.85%	1.57%	3.59%	4.82%
	Citi Global Emerging Market Sovereign	5.24%	8.98%	10.89%	7.59%	10.66%	9.72%

Source: PSN Enterprise

