

# Quarterly Considerations December 31, 2018



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# QUARTERLY CONSIDERATIONS

## GENERAL

***Stop the Block*** – We want to keep you informed during periods of heightened market volatility, but our emails may end up in your Spam folder. Please be sure to add [mail@dimeoschneider.com](mailto:mail@dimeoschneider.com) to your safe list to receive our market updates, timely research and flash alerts.

***A New Year*** – We've issued three new publications to help you prosper this year: DiMeo Schneider Annual Firm Update, 2019 Market Outlook and 2019 Financial Planning Considerations. All are available on our website or ask us for your copy.

***E- Reports & Fiduciary Lockbox*** – If you're looking for a paperless way to securely store and share materials, let us know. We can upload reports to your Fiduciary Lockbox, which can be accessed through our website.

## PLAN SPONSORS

***Breaking Records*** – Employers are contributing an average of 5.1% of pay to 401(k)s, the highest level ever recorded in PSCA's annual survey. Combined with an average participant savings rate of 7.1% in the survey, total savings rates are now more than 12%.

## NONPROFITS

***DSA at Your Service*** – We're allowing paid time off for Associates to serve DiMeo Schneider's nonprofit clients. Let us know how we can lend a helping hand to support your organization's charitable efforts.

## The Wealth Office™

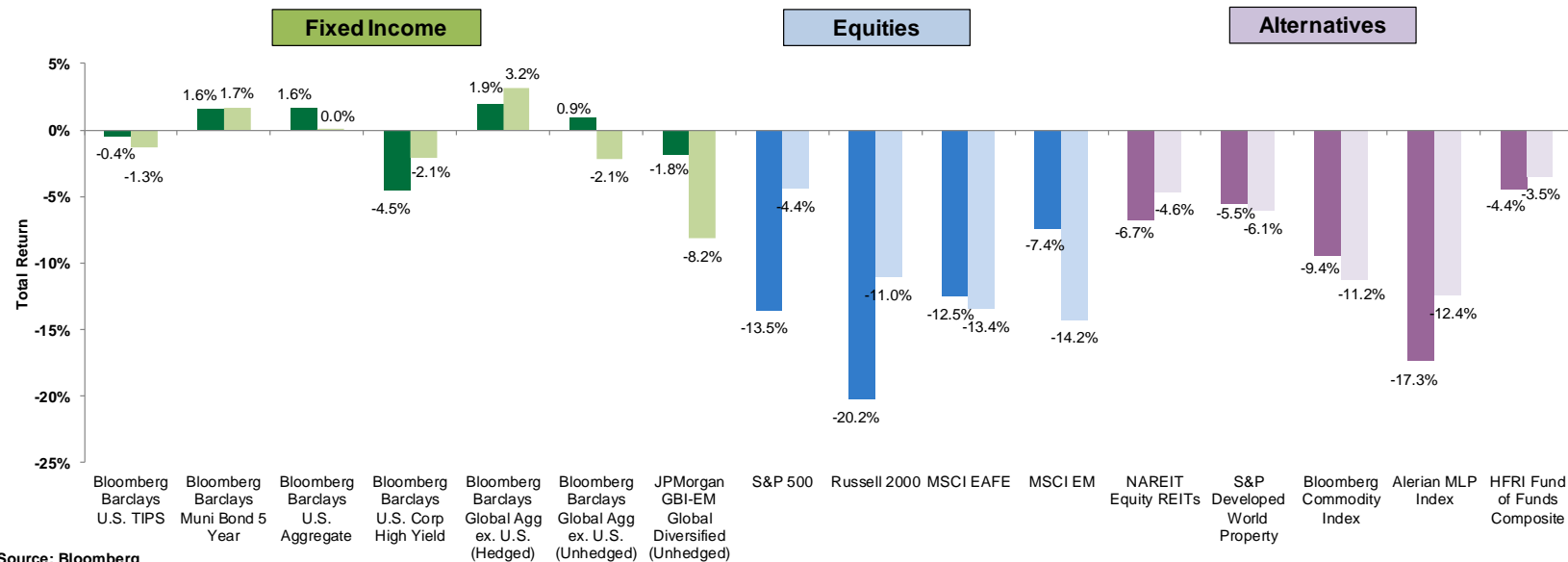
***Let Us Be Your Guide*** – The 2019 Financial Planning Guide is now available! Download your copy today from our website for helpful tips regarding tax planning, retirement planning, college planning and many other holistic financial planning topics.

***Tidy Your Estate*** – Are you taking on the January purge? Consider reviewing your estate plan, especially if you experienced major life changes since the estate plan was last updated. Good initial steps include reviewing the beneficiaries of your 401(k)s, IRAs, and life insurance policies. The Wealth Office™ can help you review the components of your estate plan and suggest worthwhile updates.

***We Are Here*** – Do you receive questions about investing or financial planning from family, friends, colleagues or your network? Please feel free to direct any connections to The Wealth Office™ for an initial consultation.

*Please reference the disclosures at the end of this presentation for additional information related to the material presented.*

# MARKET SNAPSHOT



Source: Bloomberg  
Total return as of 12/31/2018

Key: Left Bar: Recent Quarter Returns  
Right Bar: Year-To-Date Returns

## Fixed Income

- The yield curve inverted for the first time since the financial crisis driven by rising short-term rates controlled by the Fed and falling long-term rates influenced by bearish investors.
- Fixed income posted mixed results in the fourth quarter as equity volatility rose.
- Non-investment grade bonds lagged as concerns around credit quality and the drop in oil prices impacted most high yield issuers.

## Equities

- Equity markets globally were under pressure as trade negotiations continued to stay in focus and fresh concerns that economic growth may slow amidst tighter monetary and fiscal policy.
- To the surprise of many investors, emerging markets held up better in the risk-off environment during the fourth quarter. A weaker U.S. dollar in December, lower valuations, and company specific news contributed to outperformance.

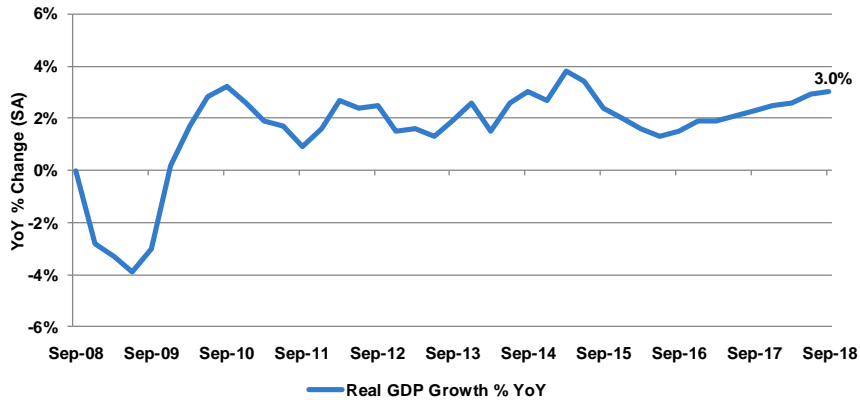
## Real Assets

- Commodity indexes were influenced heavily by the drop in oil prices. The market was surprised by the additional supply resulting from the lifting of sanctions on Iran.
- MLPs retreated in the fourth quarter amidst souring energy-related investor sentiment and a number of corporate actions taking place in the space.
- Real estate fared the best among real assets, but was not immune to the risk-off move in markets over the fourth quarter.

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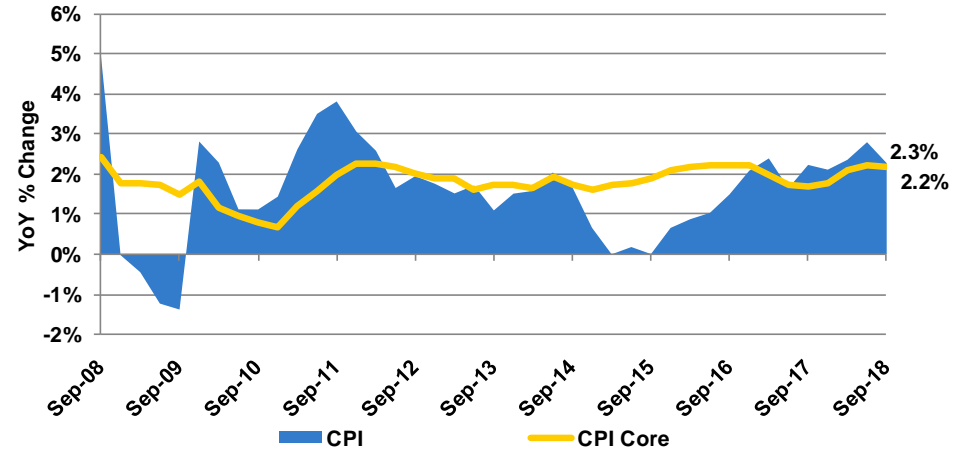
# U.S. ECONOMIC UPDATE

## U.S. Real GDP Growth (Seasonally Adjusted - YoY % Change)



Sources: Bloomberg & Bureau of Economic Analysis

## U.S. Inflation (YoY % Change)



Sources: Bloomberg & The Bureau of Labor

Unemployment Rate			Consumer Confidence		
31-Dec	↑	% Chg MoM	31-Dec	↓	% Chg MoM
3.9%		0.2%	128.1		-6.1%

Leading Indicators			Consumer Spending		
30-Nov	↑	% Chg MoM	30-Nov	↑	% Chg MoM
111.8		0.2%	\$14.2T		0.4%

Housing Starts			U.S. Personal Income		
30-Nov	↑	% Chg MoM	30-Nov	↑	% Chg MoM
1.26M		3.2%	\$17.8T		0.2%

ISM Manufacturing PMI			Retail Sales		
31-Dec	↓	% Chg MoM	30-Nov	↑	% Chg MoM
54.1		-8.8%	\$514B		0.2%

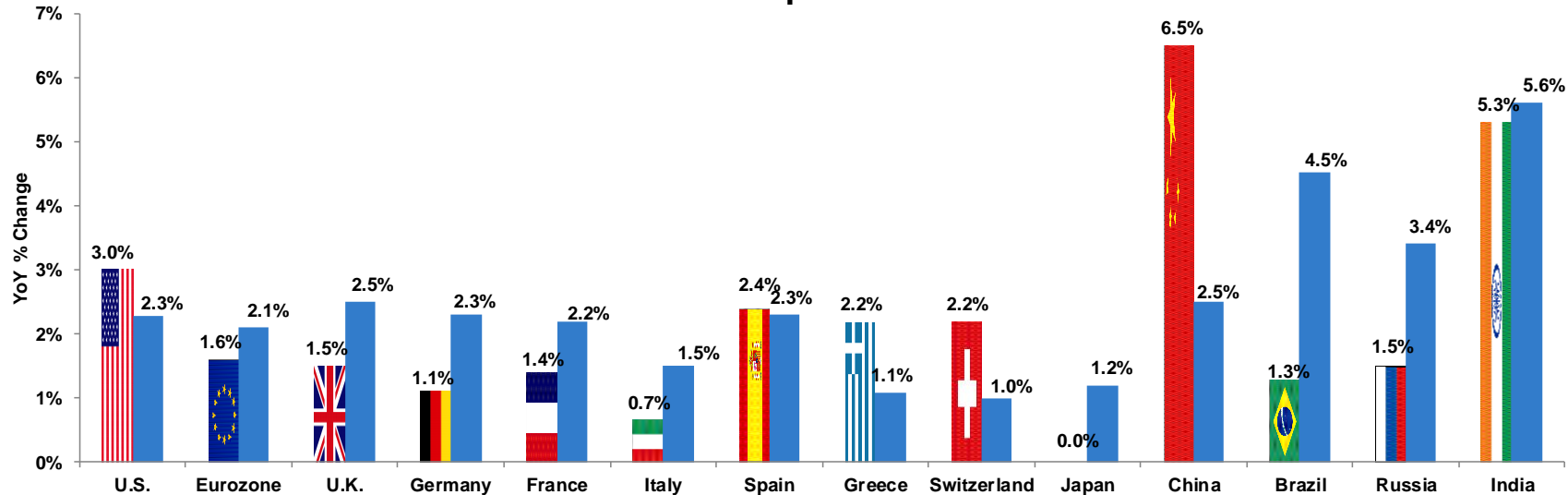
Source: Bloomberg

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- Third quarter real GDP came in at an annual rate of 3.4% according to the Bureau of Economic Analysis, a decrease from the rate of 4.2% during the second quarter. Aside from last quarter, this was the strongest quarter-over-quarter growth since the third quarter of 2014.
- The Federal Open Market Committee ("Fed") voted to increase its benchmark rate by 25 bps to a range of 2.25 - 2.50% during its December meeting. This was the fourth interest rate hike in 2018; the Fed reduced its forecast for 2019 rate increases to two from three.
- Core CPI rose 2.2% (YoY, seasonally-adjusted) in November while Core PCE, the Fed's preferred measure of inflation, increased 1.9% (YoY, seasonally-adjusted), falling short of the Fed's 2% target.

# GLOBAL ECONOMIC UPDATE

## Global Real GDP & Inflation Rates (YoY) As of: Sep-18



Source: Bloomberg

Key: Flagged bars: YoY Real GDP growth  
Blue bars: YoY CPI change

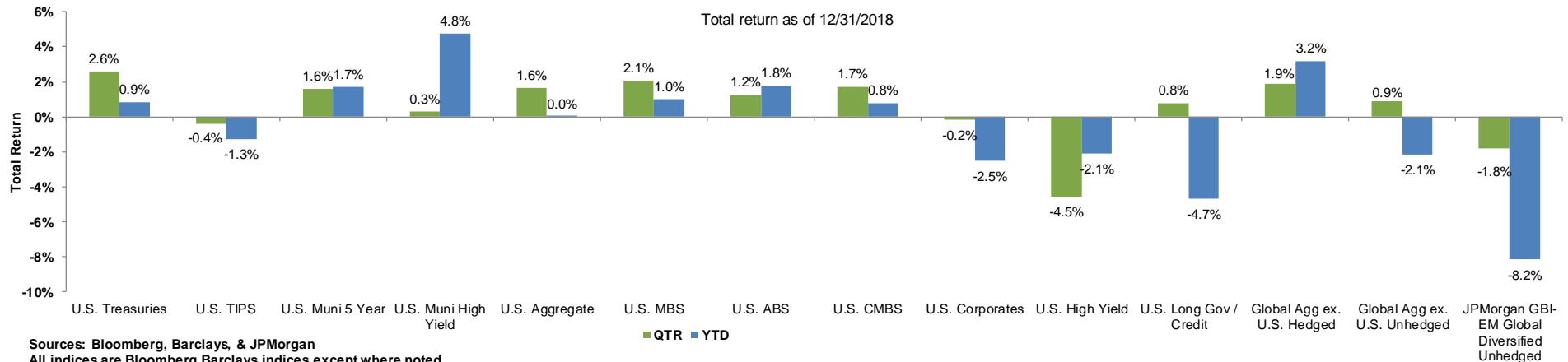
- China's official Manufacturing Purchasing Managers' Index (PMI) declined in December to 49.4. This level is indicative of contraction and is the lowest level since February 2016. The unofficial Caixin/Markit PMI, a private survey focused more on small- and medium-sized businesses, also declined to 49.7 in December from 50.2 in November. The World Bank reduced its forecast for 2019 global GDP growth to 2.9% and cited increased trade tensions as a factor that could further negatively impact the economic outlook.
- Germany, the largest Eurozone economy, is at risk of falling into recession as real GDP declined 0.2% in the third quarter. German industrial production declined 1.9% month-over-month in November, its third consecutive monthly decline, increasing the chances of another quarterly decline in real GDP in the fourth quarter.
- Further compounding fears of an economic slowdown in the Eurozone, French real GDP growth in the third quarter fell short of expectations and only increased 0.3% quarter-over-quarter.

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# GLOBAL FIXED INCOME

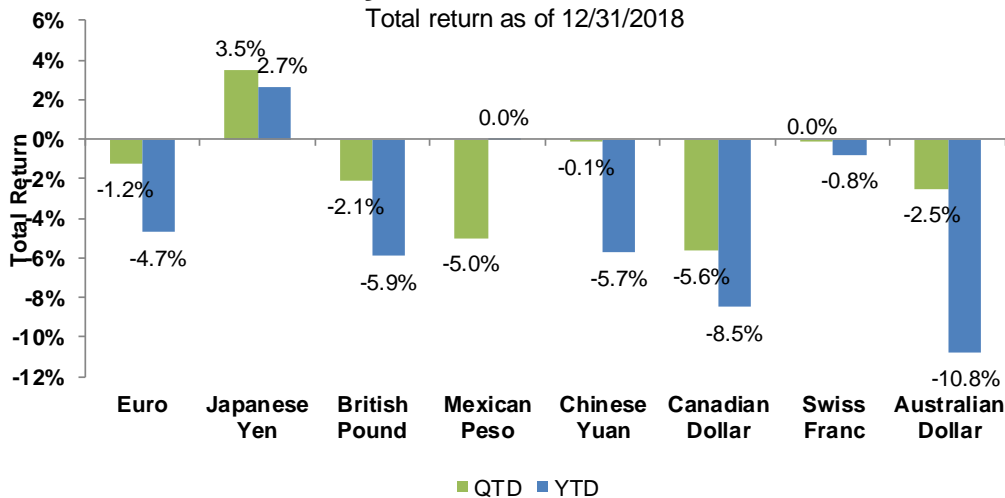
## Fixed Income Sector Returns

Total return as of 12/31/2018



## Currency Returns vs. U.S. Dollar

Total return as of 12/31/2018

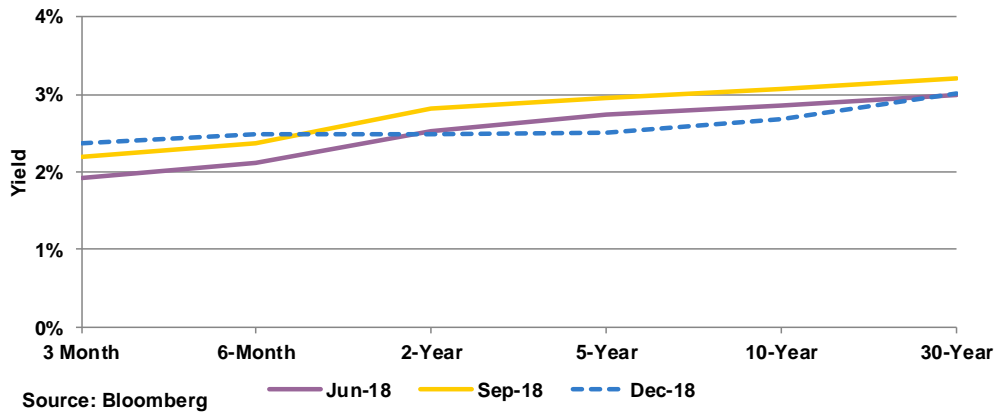


- Interest rates continued to exhibit heightened levels of volatility. Treasuries rallied as the 10-year fell nearly 40 bps to finish the quarter at 2.68%.
- Riskier parts of the fixed income universe such as emerging markets bonds and the U.S. high yield fell. Given the route in equity markets, investors placed an emphasis on upgrading the quality of their portfolio.
- The U.S. dollar continued to appreciate relative to most global currencies. As a result, hedged strategies within non-U.S. fixed income outperformed unhedged and emerging strategies.

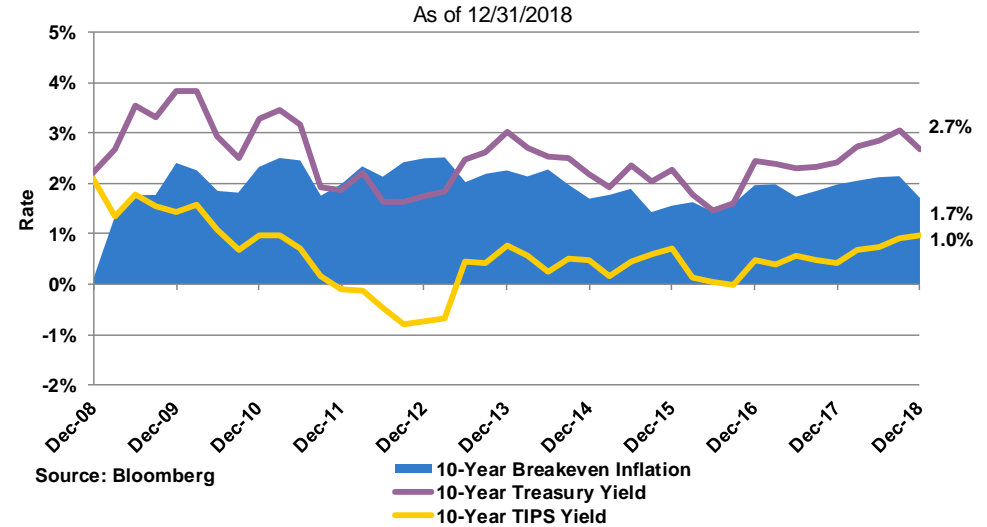
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# U.S. FIXED INCOME

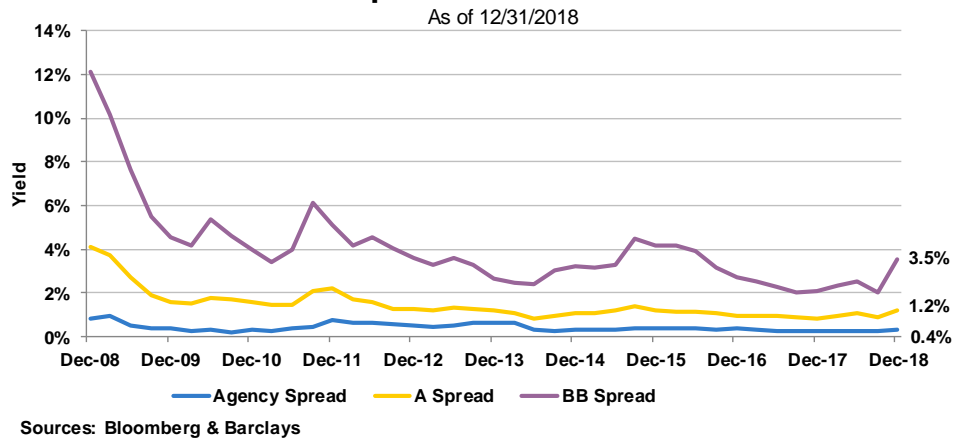
## U.S. Yield Curve



## 10-Year Breakeven Inflation Rate



## Credit Spreads Above Treasuries



- Despite political rhetoric from the White House, the Federal Reserve increased its target rate again by 25 bps to 2.25-2.50% following the Fed's December meeting.
- Recession signals flashed during the quarter as the yield curve inverted between the 2- and 5-year Treasuries. Following the intermediate term inversion, a sell off in risk assets resulted in spread widening within high yield.
- Breakeven inflation fell to 1.7% as TIPS vastly underperformed Treasuries for the quarter.

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# GLOBAL EQUITY MARKETS

U.S. Equities:

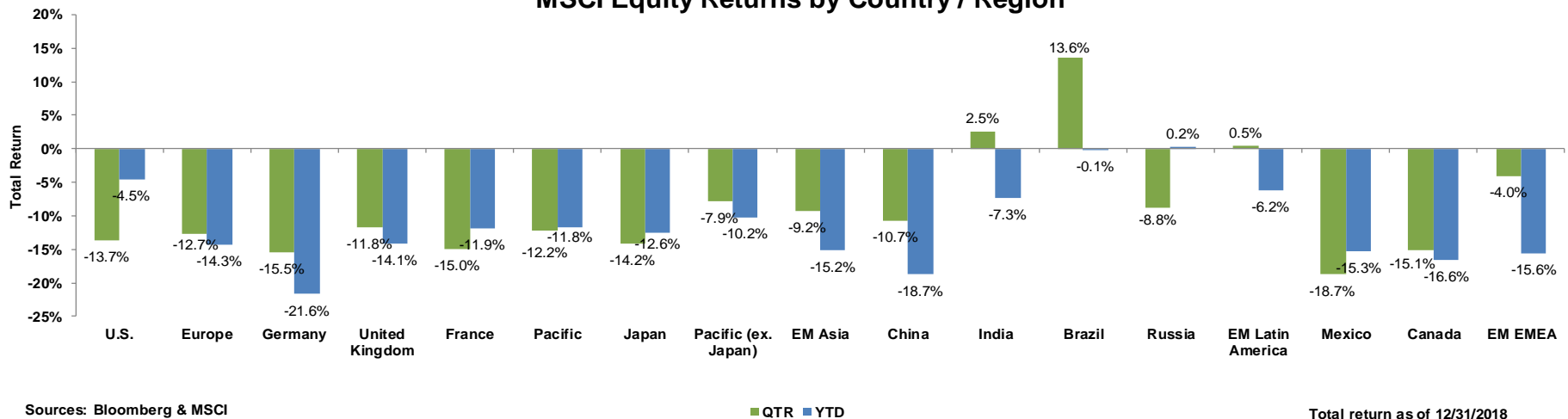
	Value		Core		Growth	
	QTR	YTD	QTR	YTD	QTR	YTD
	Large	-11.7	-8.3	-13.8	-4.8	-15.9
Mid	-15.0	-12.3	-15.4	-9.1	-16.0	-4.8
Small	-18.7	-12.9	-20.2	-11.0	-21.7	-9.3

Source: Bloomberg

Total return as of 12/31/2018

- Within U.S. equities, value stocks held up better than growth and large capitalization stocks better than small cap during the volatile fourth quarter. Energy was the worst performing sector as oil prices slid. Utilities outperformed as investors rotated into less cyclical sectors.
- Similar to domestic equities, international equities fell. Developed markets fared worse than emerging as political developments in Brazil and positive returns in India boosted index returns in the quarter.
- The risk-off mentality was seen across all international developed markets. Similar to domestic markets, utilities outperformed while energy, technology and industrials lagged. Investors will be keeping an eye toward Brexit developments and upcoming election cycles among a number of other European countries.

## MSCI Equity Returns by Country / Region



Sources: Bloomberg & MSCI

■ QTR ■ YTD

Total return as of 12/31/2018

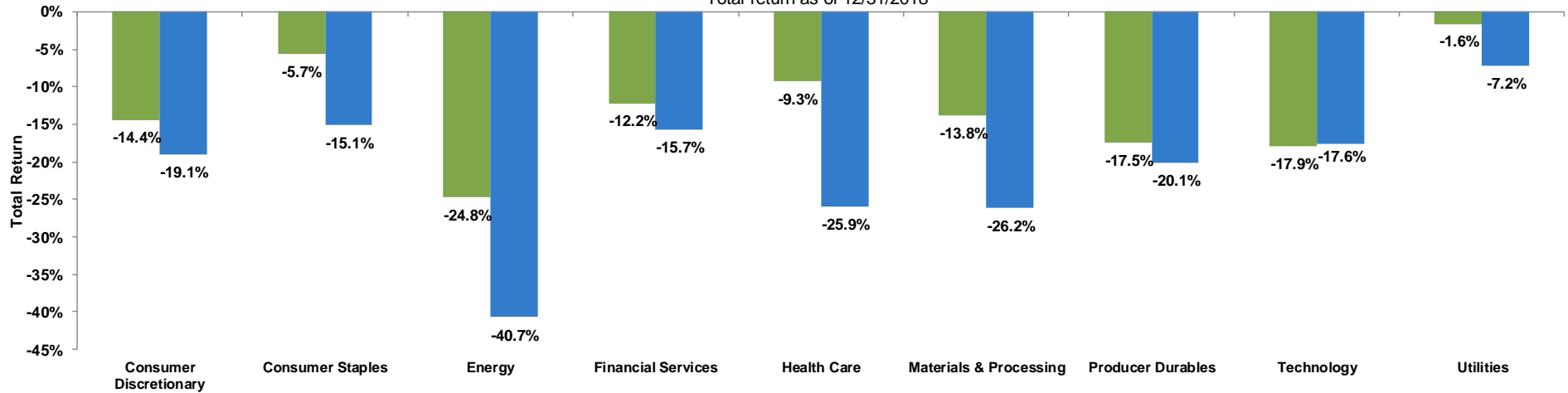
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# QUARTERLY EQUITY SECTOR RETURNS

## Domestic Equity Sector Quarterly Returns

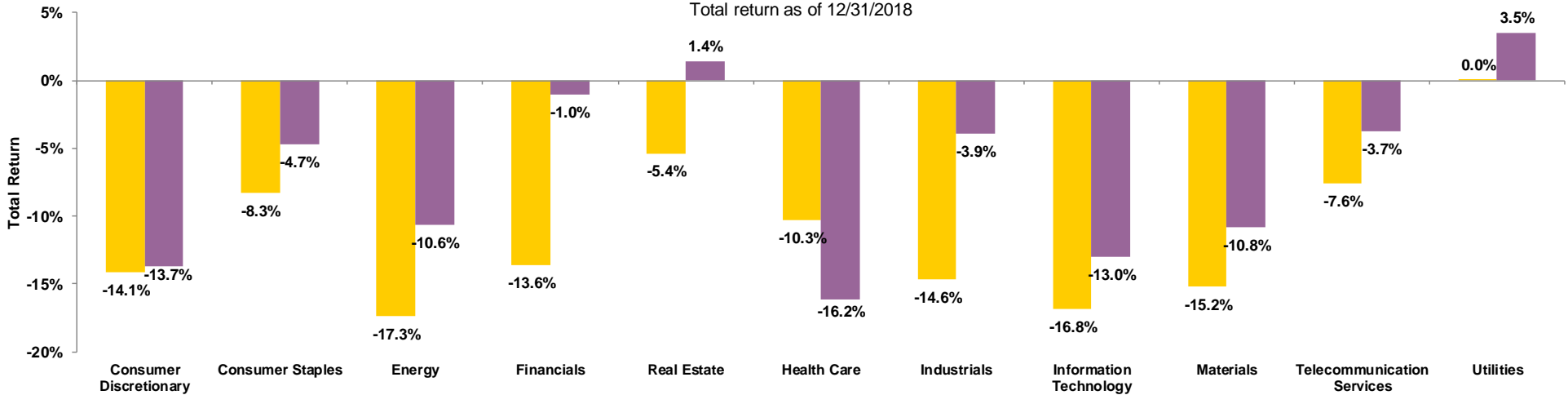
Total return as of 12/31/2018



Sources: Bloomberg & Russell

## International Equity Sector Quarterly Returns

Total return as of 12/31/2018



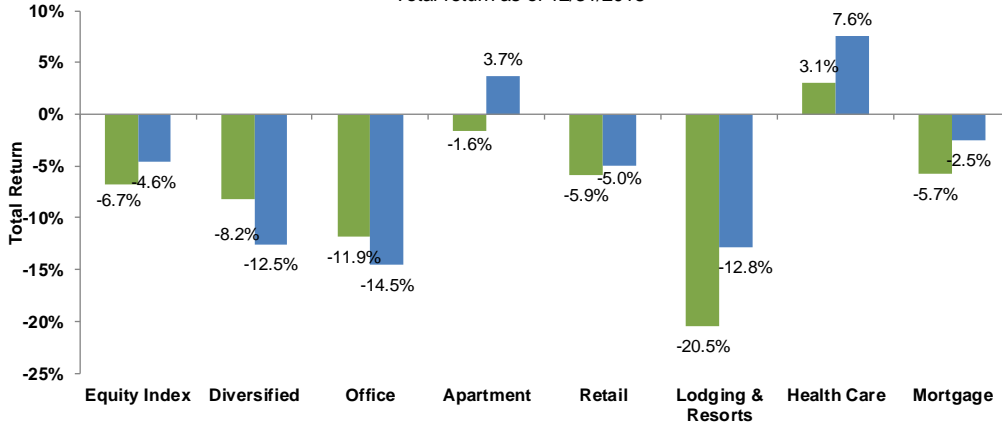
Sources: Bloomberg & MSCI

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# REAL ASSETS

## Domestic REIT Sector Returns

Total return as of 12/31/2018

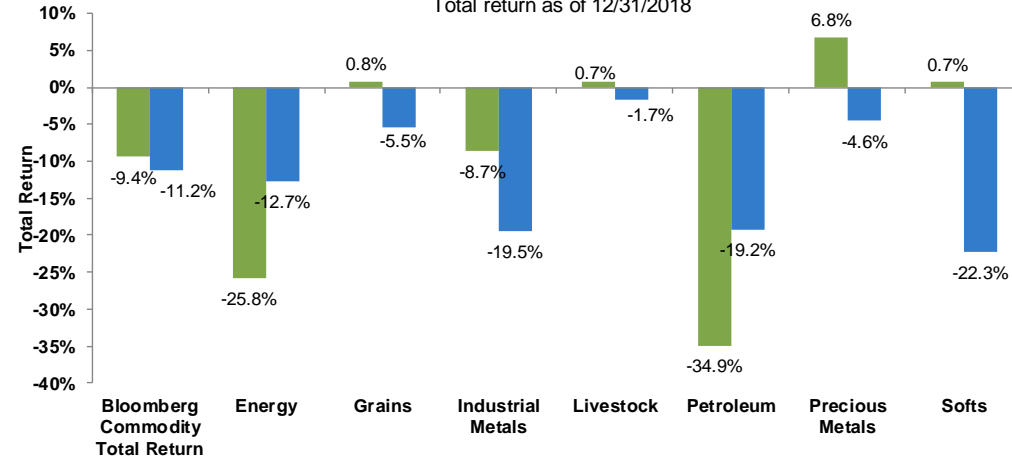


Sources: Bloomberg & NAREIT

■ QTR ■ YTD

## Bloomberg Commodity Returns

Total return as of 12/31/2018

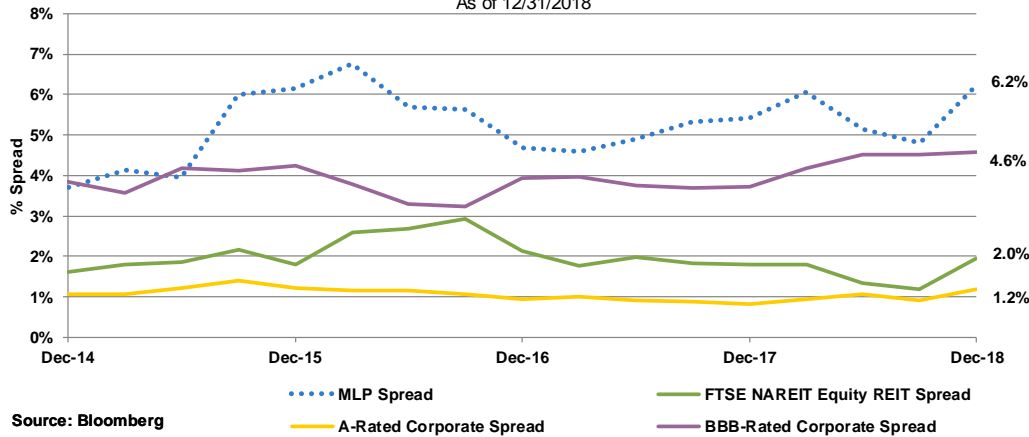


Source: Bloomberg

■ QTR ■ YTD

## MLP Yield Spreads over 10-Year Treasury

As of 12/31/2018



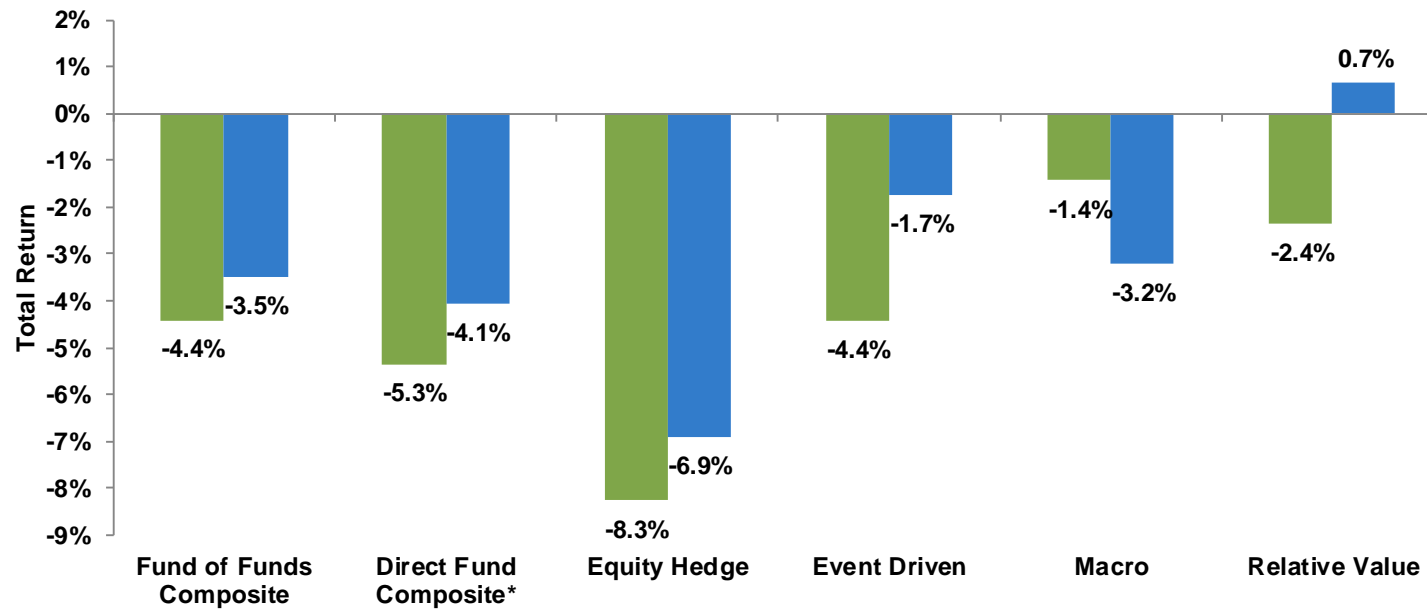
Source: Bloomberg

●●● MLP Spread  
 — FTSE NAREIT Equity REIT Spread  
 — A-Rated Corporate Spread  
 — BBB-Rated Corporate Spread

- Real assets were broadly negative in the fourth quarter as risk aversion took hold within financial markets. REITs outperformed other assets classes as multifamily REITs and healthcare REITs proved resilient. Hospitality underperformed as the sector is generally more sensitive to economic and equity market sentiment.
- Energy fell sharply during the quarter, stemming from a decline in crude prices. Additional supply resulting from sanctions being lifted on Iran surprised the market. Natural gas, which was flat for the quarter, helped offset a portion of the decline. The same is true of precious metals which were higher in the fourth quarter.
- MLPs declined as a combination of tax loss harvesting, corporate transactions and risk aversion negatively affected the asset class. Despite the equity market reaction, pipeline volumes, cash flow growth and balance sheets continue to strengthen in the space.

Please reference the disclosures at the end of this presentation for additional information related to the material presented.

# HEDGE FUNDS



Sources: Bloomberg & Hedge Fund Research

\*Methodology is fund weighted

■ QTR ■ YTD

Total return as of 12/31/2018

- The HFRI Fund Weighted Composite Index was down during the fourth quarter, but protected capital better than the S&P 500, MSCI EAFE, and most risk assets.
- As expected, Equity Hedge strategies underperformed the broader hedge fund universe, with losses concentrated in the energy and materials-oriented strategies.
- Event Driven strategies modestly outperformed the broader hedge fund universe, with activist managers trailing the broader group while Multi-Strategy funds within Event Driven fared well.
- Macro strategies were the strongest performer during the fourth quarter amongst the broader hedge fund universe as systematic strategies exhibited strong downside protection.
- Relative Value also outperformed the broader hedge fund universe, led by relative-value multi-strategy managers and volatility trading strategies.

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## Financial Markets Performance

Source: Bloomberg

Total return as of December 31, 2018  
 Periods greater than one year are annualized  
 All returns are in U.S. dollar terms

Global Fixed Income Markets	QTR	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.6%	1.8%	1.8%	1.0%	0.6%	0.4%	0.3%	1.3%
Bloomberg Barclays U.S. TIPS	-0.4%	-1.3%	-1.3%	2.1%	1.7%	0.9%	3.6%	3.8%
Bloomberg Barclays Municipal Bond (5 Year)	1.6%	1.7%	1.7%	1.5%	2.0%	2.0%	3.1%	3.3%
Bloomberg Barclays High Yield Municipal Bond	0.3%	4.8%	4.8%	5.8%	6.5%	6.3%	9.1%	6.1%
Bloomberg Barclays U.S. Aggregate	1.6%	0.0%	0.0%	2.1%	2.5%	2.1%	3.5%	3.9%
Bloomberg Barclays U.S. Corporate High Yield	-4.5%	-2.1%	-2.1%	7.2%	3.8%	6.0%	11.1%	7.0%
Bloomberg Barclays Global Aggregate ex-U.S. Hedged	1.9%	3.2%	3.2%	3.5%	4.1%	4.0%	4.0%	4.2%
Bloomberg Barclays Global Aggregate ex-U.S. Unhedged	0.9%	-2.1%	-2.1%	3.1%	0.0%	0.1%	1.7%	2.9%
Bloomberg Barclays U.S. Long Gov / Credit	0.8%	-4.7%	-4.7%	4.0%	5.4%	3.7%	5.9%	6.0%
JPMorgan GBI-EM Global Diversified	-1.8%	-8.2%	-7.7%	5.2%	-1.7%	-0.1%	2.7%	6.0%
Global Equity Markets	QTR	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	-13.5%	-4.4%	-4.4%	9.2%	8.5%	12.7%	13.1%	7.8%
Dow Jones Industrial Average	-11.3%	-3.5%	-3.5%	12.9%	9.7%	12.4%	13.2%	8.2%
NASDAQ Composite	-17.3%	-2.8%	-2.8%	11.2%	11.1%	15.8%	16.9%	9.6%
Russell 3000	-14.3%	-5.2%	-5.2%	9.0%	7.9%	12.4%	13.2%	7.9%
Russell 1000	-13.8%	-4.8%	-4.8%	9.1%	8.2%	12.6%	13.3%	7.9%
Russell 1000 Growth	-15.9%	-1.5%	-1.5%	11.1%	10.4%	14.1%	15.3%	8.7%
Russell 1000 Value	-11.7%	-8.3%	-8.3%	6.9%	5.9%	11.0%	11.2%	7.0%
Russell Mid Cap	-15.4%	-9.1%	-9.1%	7.0%	6.2%	11.5%	14.0%	8.8%
Russell Mid Cap Growth	-16.0%	-4.8%	-4.8%	8.6%	7.4%	12.3%	15.1%	8.9%
Russell Mid Cap Value	-15.0%	-12.3%	-12.3%	6.0%	5.4%	10.9%	13.0%	8.6%
Russell 2000	-20.2%	-11.0%	-11.0%	7.3%	4.4%	10.4%	12.0%	7.5%
Russell 2000 Growth	-21.7%	-9.3%	-9.3%	7.2%	5.1%	11.2%	13.5%	7.9%
Russell 2000 Value	-18.7%	-12.9%	-12.9%	7.4%	3.6%	9.6%	10.4%	6.9%
MSCI ACWI	-12.7%	-8.9%	-8.9%	7.2%	4.8%	9.0%	10.0%	6.7%
MSCI ACWI ex. U.S.	-11.4%	-13.8%	-13.8%	5.0%	1.1%	5.3%	7.1%	5.7%
MSCI EAFE	-12.5%	-13.4%	-13.4%	3.4%	1.0%	6.2%	6.8%	5.2%
MSCI EAFE Growth	-13.3%	-12.5%	-12.5%	3.3%	2.0%	6.9%	7.5%	5.5%
MSCI EAFE Value	-11.6%	-14.3%	-14.3%	3.4%	-0.1%	5.6%	6.1%	4.8%
MSCI EAFE Small Cap	-16.0%	-17.6%	-17.6%	4.1%	3.4%	9.2%	10.9%	7.7%
MSCI Emerging Markets	-7.4%	-14.2%	-14.2%	9.7%	2.0%	3.6%	8.4%	8.3%
Alternatives	QTR	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.4%	2.0%	2.0%	2.1%	1.5%	1.5%	1.8%	2.1%
FTSE NAREIT Equity REITs	-6.7%	-4.6%	-4.6%	2.9%	7.9%	8.5%	12.1%	8.2%
S&P Developed World Property x U.S.	-4.8%	-8.1%	-8.1%	4.9%	3.6%	8.6%	9.9%	7.4%
S&P Developed World Property	-5.5%	-6.1%	-6.1%	3.9%	5.4%	8.6%	10.9%	7.6%
Bloomberg Commodity Total Return	-9.4%	-11.2%	-11.2%	0.3%	-8.8%	-7.8%	-3.8%	-2.5%
HFRI Fund of Funds Composite	-4.4%	-3.5%	-3.5%	1.5%	1.5%	3.0%	3.2%	2.8%
HFRI Fund Weighted Composite	-5.3%	-4.1%	-4.1%	3.2%	2.3%	3.8%	5.0%	4.5%
Alerian MLP	-17.3%	-12.4%	-12.4%	-1.1%	-7.3%	-1.3%	9.6%	7.0%

\*One month lag

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# WHY DIVERSIFY?

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	10yr Annualized
Emerging 79.0%	MLP 35.9%	MLP 13.9%	Emerging 18.6%	Small Growth 43.3%	REITs 30.1%	Large Growth 5.7%	Small Value 31.7%	Emerging 37.8%	Cash 1.9%	Large Growth 15.3%
MLP 76.4%	Small Growth 29.1%	TIPS 13.6%	REITs 18.1%	Small Blend 38.8%	Large Blend 13.7%	REITs 3.2%	Small Blend 21.3%	Large Growth 30.2%	Aggregate Bond 0.0%	Small Growth 13.5%
High Yield 58.2%	REITs 27.9%	REITs 8.3%	Small Value 18.1%	Small Value 34.5%	Large Value 13.5%	Large Blend 1.4%	MLP 18.3%	International 25.6%	TIPS -1.3%	Large Blend 13.1%
Large Growth 37.2%	Small Blend 26.9%	Aggregate Bond 7.8%	International 17.9%	Large Growth 33.5%	Large Growth 13.1%	Aggregate Bond 0.5%	Large Value 17.3%	Small Growth 22.2%	Large Growth -1.5%	REITs 12.1%
Small Growth 34.5%	Small Value 24.5%	High Yield 5.0%	Large Value 17.5%	Large Value 32.5%	Aggregate Bond 6.0%	Cash 0.0%	High Yield 17.1%	Large Blend 21.8%	High Yield -2.1%	Small Blend 12.0%
International 32.5%	Emerging 19.2%	Foreign Bond 4.4%	Emerging Debt 16.8%	Large Blend 32.4%	Small Growth 5.6%	Hedge Funds -0.3%	Large Blend 12.0%	Emerging Debt 15.2%	Foreign Bond -2.1%	Large Value 11.2%
REITs 28.0%	Commodities 16.8%	Large Growth 2.6%	Small Blend 16.3%	MLP 27.6%	Small Blend 4.9%	International -0.4%	Commodities 11.7%	Small Blend 14.6%	Hedge Funds -3.5%	High Yield 11.1%
Small Blend 27.2%	Large Growth 16.7%	Large Blend 2.1%	Large Blend 16.0%	International 23.3%	MLP 4.8%	Small Growth -1.4%	Emerging 11.6%	Large Value 13.7%	Large Blend -4.4%	Small Value 10.4%
<b>Balanced</b> <b>26.8%</b>	Emerging Debt 15.7%	<b>Balanced</b> <b>1.0%</b>	High Yield 15.8%	Hedge Funds 9.0%	Small Value 4.2%	TIPS -1.4%	Small Growth 11.3%	<b>Balanced</b> <b>12.6%</b>	REITs -4.6%	MLP 9.6%
Large Blend 26.5%	Large Value 15.5%	Large Value 0.4%	Large Growth 15.3%	High Yield 7.4%	TIPS 3.6%	Large Value -3.8%	Emerging Debt 9.9%	Foreign Bond 10.5%	<b>Balanced</b> <b>-5.2%</b>	Emerging 8.4%
Emerging Debt 22.0%	High Yield 15.1%	Cash 0.1%	Small Growth 14.6%	<b>Balanced</b> <b>7.1%</b>	Hedge Funds 3.4%	Small Blend -4.4%	REITs 8.5%	Small Value 7.8%	Emerging Debt -6.2%	<b>Balanced</b> <b>6.8%</b>
Small Value 20.6%	Large Blend 15.1%	Emerging Debt -1.8%	<b>Balanced</b> <b>10.7%</b>	REITs 2.5%	<b>Balanced</b> <b>3.3%</b>	High Yield -4.5%	<b>Balanced</b> <b>8.3%</b>	Hedge Funds 7.8%	Large Value -8.3%	International 6.8%
Large Value 19.7%	<b>Balanced</b> <b>13.9%</b>	Small Growth -2.9%	TIPS 7.0%	Cash 0.1%	High Yield 2.5%	Foreign Bond -6.0%	Large Growth 7.1%	High Yield 7.5%	Small Growth -9.3%	TIPS 3.6%
Commodities 18.9%	International 8.2%	Small Blend -4.2%	MLP 4.8%	Aggregate Bond -2.0%	Cash 0.0%	<b>Balanced</b> <b>-6.1%</b>	TIPS 4.7%	REITs 5.2%	Small Blend -11.0%	Aggregate Bond 3.5%
Hedge Funds 11.5%	Aggregate Bond 6.5%	Small Value -5.5%	Hedge Funds 4.8%	Emerging -2.3%	Emerging -1.8%	Small Value -7.5%	Aggregate Bond 2.6%	Aggregate Bond 3.5%	Commodities -11.2%	Emerging Debt 3.5%
TIPS 11.4%	TIPS 6.3%	Hedge Funds -5.7%	Aggregate Bond 4.2%	Foreign Bond -3.1%	Foreign Bond -3.1%	Emerging -14.6%	International 1.5%	TIPS 3.0%	MLP -12.4%	Hedge Funds 3.2%
Foreign Bond 7.5%	Hedge Funds 5.7%	International -11.7%	Foreign Bond 4.1%	TIPS -8.6%	International -4.5%	Emerging Debt -14.9%	Foreign Bond 1.5%	Commodities 1.7%	Small Value -12.9%	Foreign Bond 1.7%
Aggregate Bond 5.9%	Foreign Bond 4.9%	Commodities -13.3%	Cash 0.1%	Emerging Debt -9.0%	Emerging Debt -5.7%	Commodities -24.7%	Hedge Funds 0.5%	Cash 0.8%	International -13.4%	Cash 0.4%
Cash 0.2%	Cash 0.1%	Emerging -18.2%	Commodities -1.1%	Commodities -9.5%	Commodities -17.0%	MLP -32.6%	Cash 0.3%	MLP -6.5%	Emerging -14.2%	Commodities -3.8%

Total returns as of 12/31/2018

Source: Morningstar and Lipper

Please reference the disclosures at the end of this presentation for additional information related to the material presented.

# DISCLOSURES

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When referencing asset class returns or statistics, the following indices are used to represent those asset classes. Each index is unmanaged and investors can not actually invest directly into an index: Cash - Citigroup 90 Day T-Bill; TIPS - Bloomberg Barclays US Treasury TIPS; Municipals - Bloomberg Barclays Muni Bond 5-Year; High Yield Municipals - Bloomberg Barclays High Yield Muni Bond; Aggregate Bond - Bloomberg Barclays US Aggregate Bond Index; High Yield - Bloomberg Barclays US Corporate High Yield; Foreign Bond - Bloomberg Barclays Global Aggregate Ex USD; Emerging Debt - JPMorgan GBI-EM Global Diversified Unhedged Index; Large Value - Russell 1000 Value; Large Blend - S&P 500; Large Growth - Russell 1000 Growth; Small Value - Russell 2000 Value; Small Blend - Russell 2000; Small Growth - Russell 2000 Growth; International - MSCI EAFE; Emerging Markets - MSCI EM; Domestic REITs - FTSE NAREIT Equity REITs; Global REITs - S&P Developed World Property; Commodities - Bloomberg Commodity Index; MLP - Alerian MLP; Hedge Funds - HFRI Fund of Funds Composite Index; Balanced^ - 3% Bloomberg Barclays US Treasury TIPS, 31% Bloomberg Barclays US Aggregate Bond Index, 1.5% Bloomberg Barclays Global Aggregate Ex USD, 1.5% Bloomberg Barclays Global Aggregate Ex SD (Hedged), 4% Bloomberg Barclays US Corporate High Yield, 2% JPMorgan GBI-EM Global Diversified Unhedged Index, 17% S&P 500, 6% Russell 2000, 15% MSCI EAFE, 7% MSCI EM, 3% FTSE NAREIT Equity REITs, 2% Bloomberg Commodity Index, 5% Alerian MLP, 2% Citigroup 3 Month T-Bill

*^Represents current allocation of the DSA Balanced DPA Model Portfolio and historically tracks allocation changes to that Model. Returns are hypothetical and do not represent the actual returns earned by clients invested in the DSA Balanced DPA Model Portfolio. Please contact us for additional information on the historical allocation of this Model.*