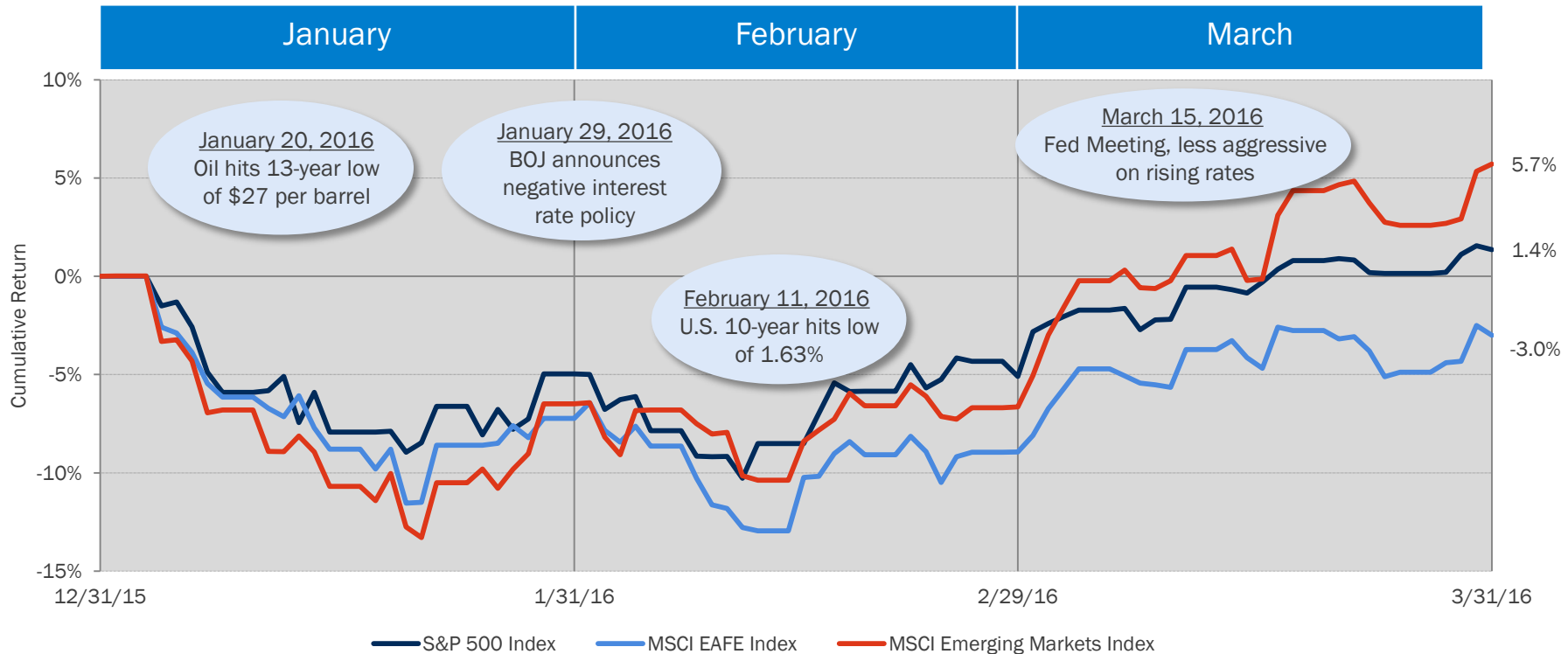


Q1



First Quarter 2016
Capital Markets Exhibits

First Quarter Market Recap

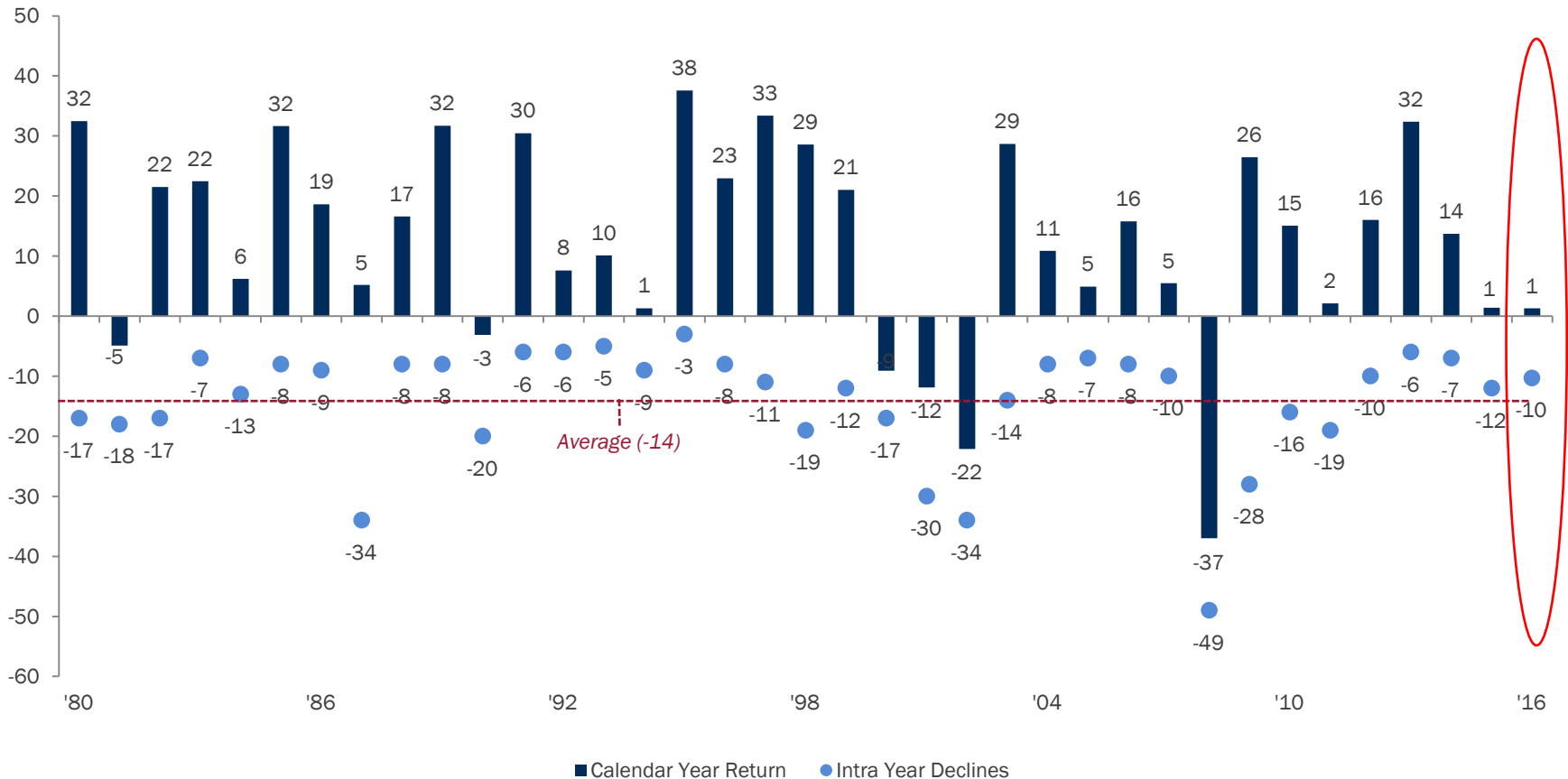


Source: Morningstar Direct, S&P, MSCI

- The S&P 500 Index experienced the worst opening two weeks on record as the markets focused on slowing global growth, weak corporate profits, global monetary policy and bank balance sheets.
- Sentiment shifted in February as equity valuations became more attractive and U.S. economic data was generally positive, alleviating concerns of a U.S. recession.
- Market Impact: a reversal of themes from last year as emerging markets, gold and high yield advanced while growth sectors (i.e., biotech) and developed international equities lagged.

U.S. Stock Market: Bull & Bear Markets

S&P 500 Index: Intra-Year Declines vs. Calendar Year Returns (Total Return)

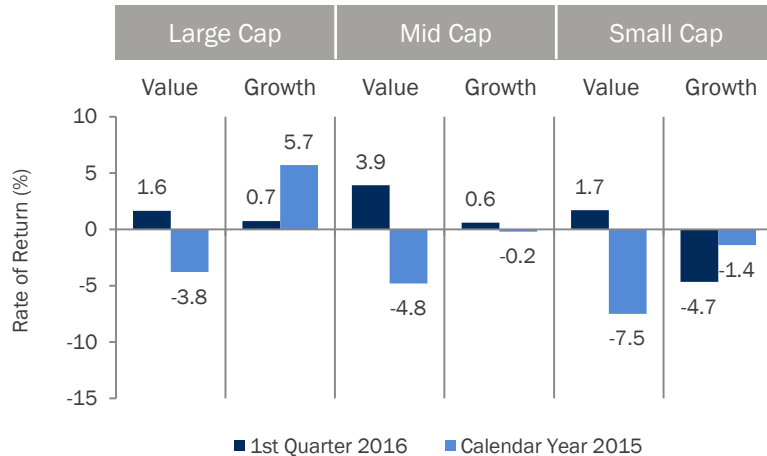


Note: An intra-year decline measures the largest single drop from peak to trough in a given year.

Source: Morningstar Direct, S&P

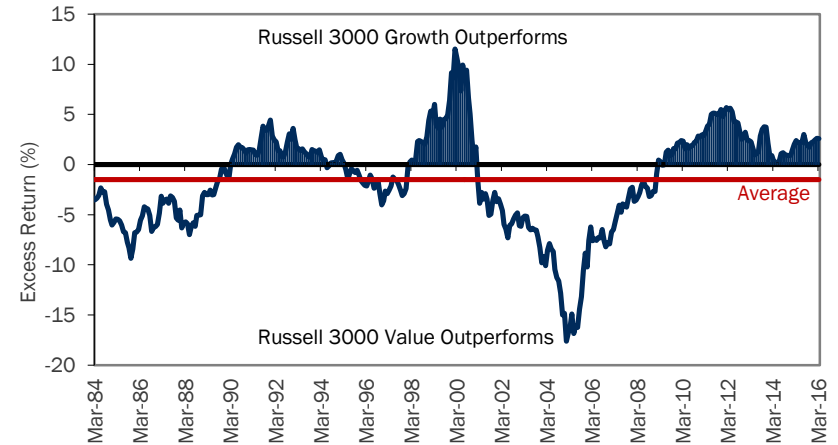
Value Outperforms Growth to Start 2016

U.S. Value vs. Growth



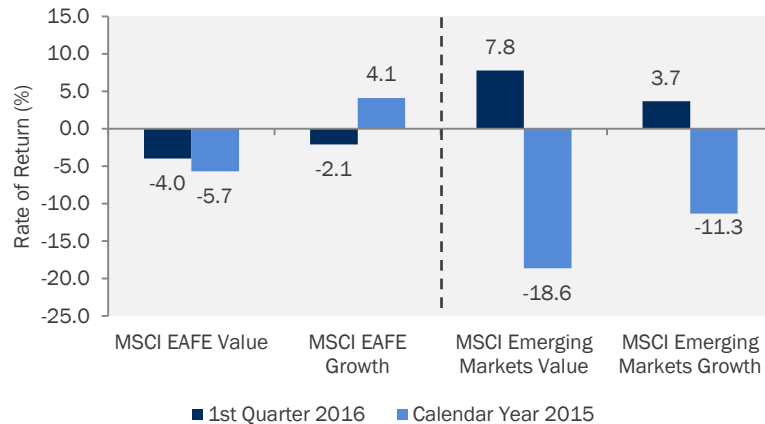
Source: Morningstar Direct, Russell

U.S. Value vs. Growth: 5 Year Rolling Excess Returns



Source: Morningstar Direct, Russell

Non U.S. Value vs. Growth



Source: Morningstar Direct, MSCI

“FANG” Stocks Reversal in 2016

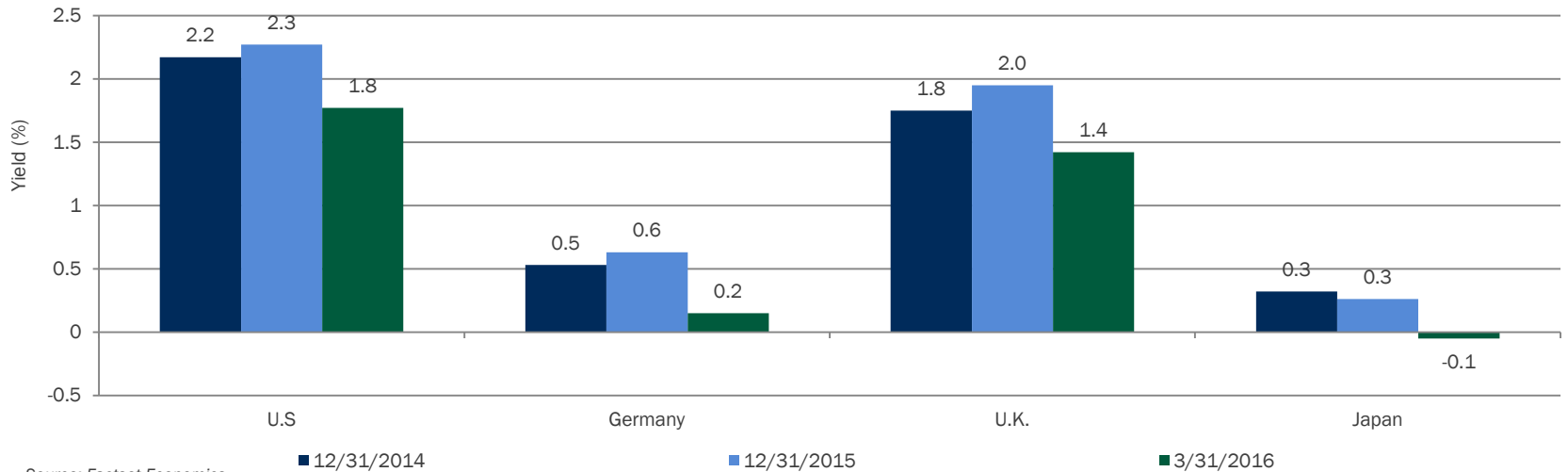
	S&P 500 Weight	2015 Return	YTD 2016 Return
Facebook, Inc.	1.5%	34.1%	9.0%
Amazon, Inc.	1.3%	117.8%	-12.2%
Netflix, Inc.	0.2%	134.4%	-10.6%
Alphabet, Inc. (Google)	2.5%	46.6%	-1.8%
S&P 500 Index		1.4%	1.3%

Source: Morningstar Direct, S&P

Note: Russell Style Indices shown in upper left chart; Russell 1000® Value, Russell 1000® Growth, Russell Mid Cap® Value, Russell Mid Cap® Growth, Russell 2000® Value, and Russell 2000® Growth.

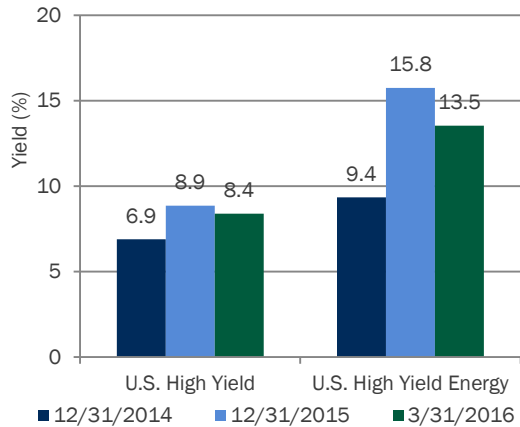
Global Yields and Credit Spreads

10 Year Treasury Yield



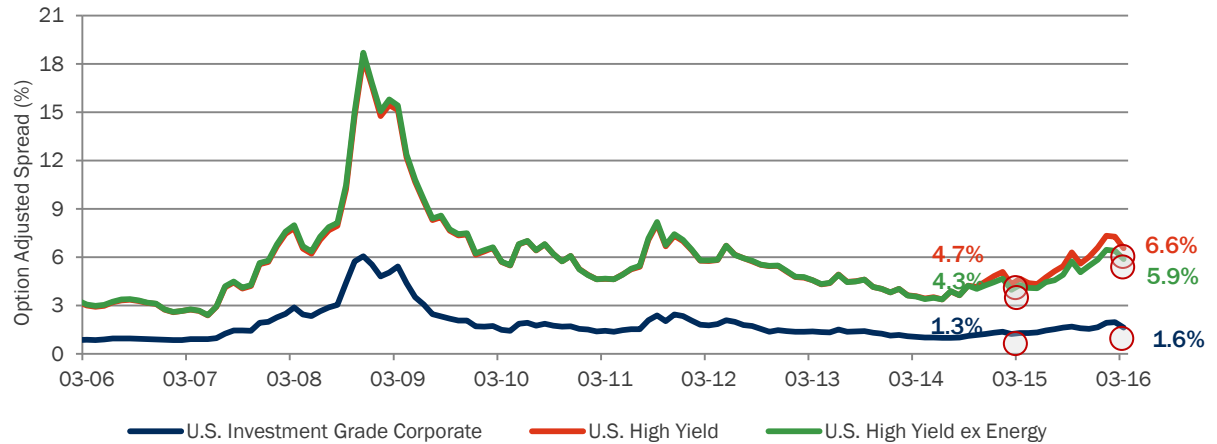
Source: Factset Economics

High Yield



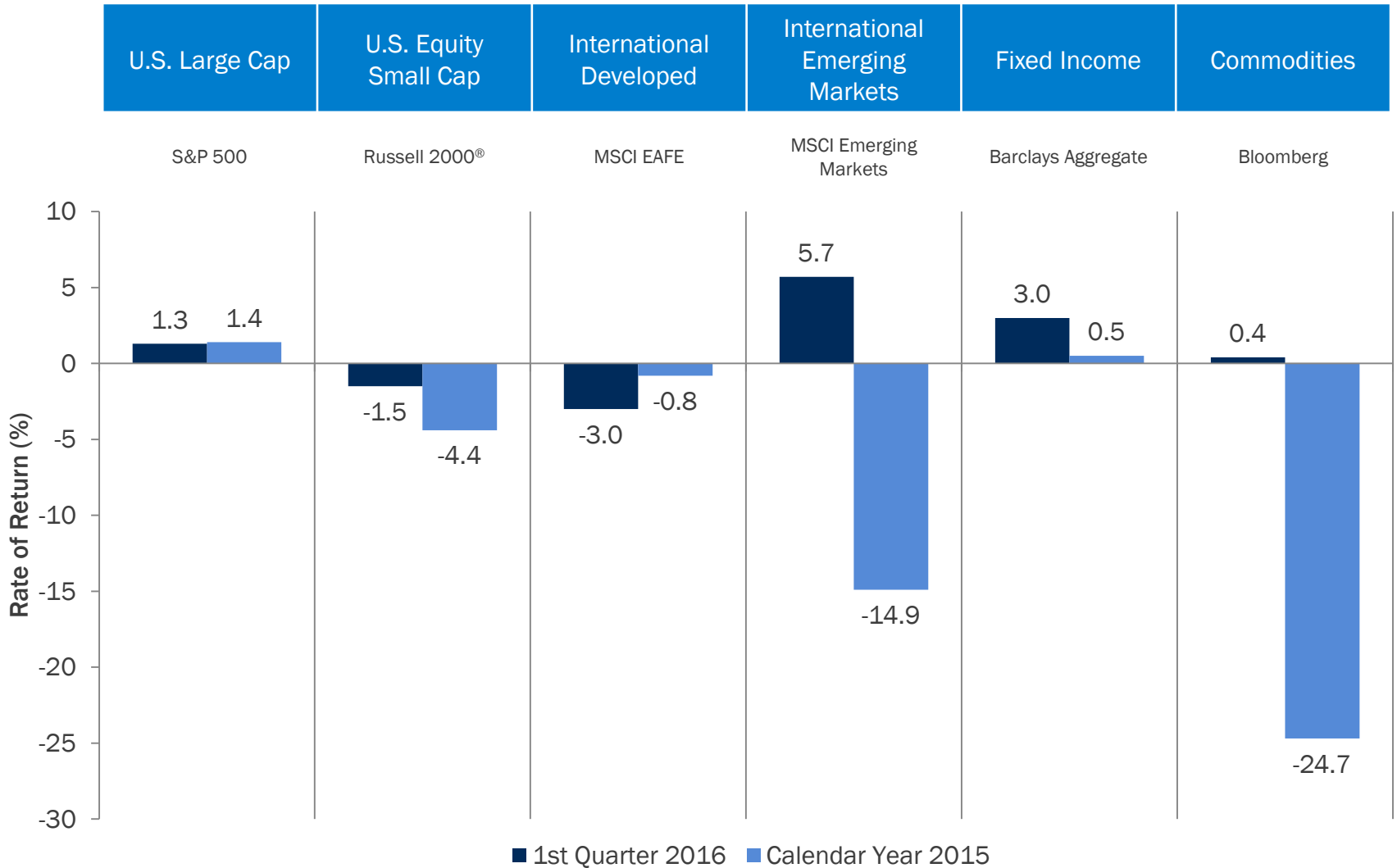
Source: Barclays

Credit Spreads



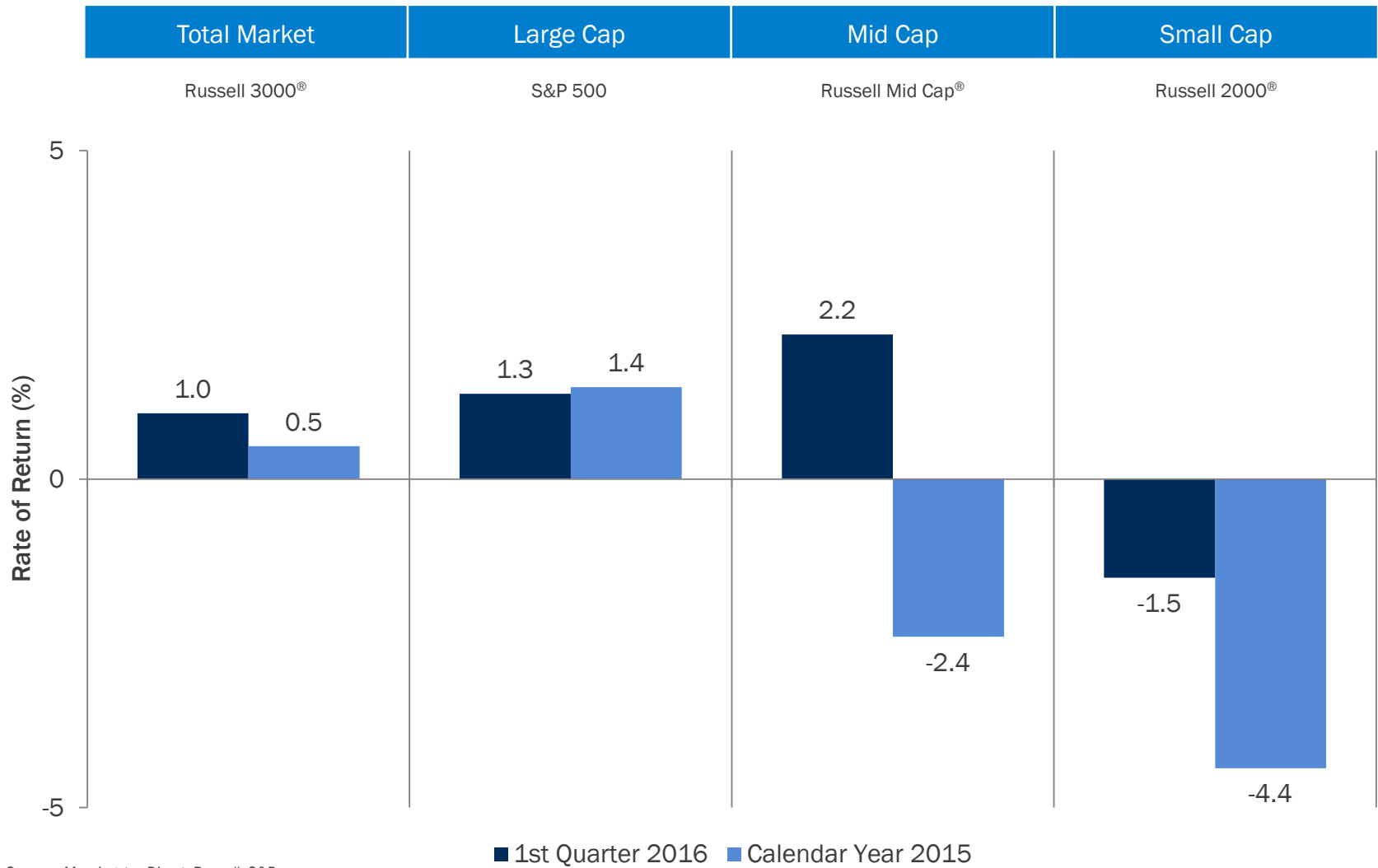
Source: Barclays

First Quarter Market Overview



Source: Morningstar Direct, S&P, Russell, MSCI, Barclays, Bloomberg

U.S. Equity Market Performance



Source: Morningstar Direct, Russell, S&P

Note: Russell Style Indices shown; Russell 3000®, Russell Mid Cap®, Russell 2000®.

S&P 500 Scorecard

Sector Returns

	P/E Ratio ⁽¹⁾	15-Yr Avg. ⁽²⁾		
Telecom	13.7x	20.5x	16.6%	3.4%
Utilities	20.2x	15.6x	15.6%	-4.8%
Consumer Staples	23.4x	19.2x	5.6%	6.6%
Industrials	19.3x	18.4x	5.0%	-2.5%
Energy	22.9x	13.9x	4.0%	-21.1%
Materials	18.4x	18.7x	3.6%	-8.4%
Technology	20.4x	22.8x	2.6%	5.9%
Consumer Discretionary	22.0x	19.7x	1.6%	10.1%
S&P 500	19.3x	17.6x	1.3%	1.4%
Financials	13.9x	14.8x	-5.1%	-1.5%
Health Care	22.9x	21.5x	-5.5%	6.9%

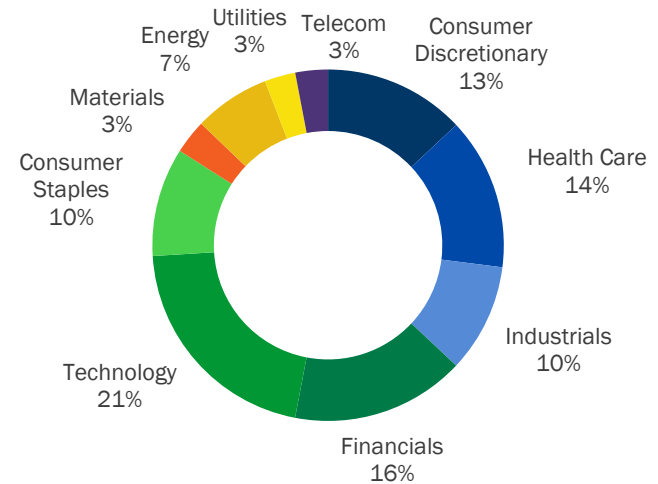
■ 1st Quarter 2016 ■ Calendar Year 2015

Source: Morningstar Direct, S&P

⁽¹⁾Trailing 12 month P/E as of 3/31/2016.

⁽²⁾15-year average trailing 12 month P/E as of 3/31/2016.

Sector Weights



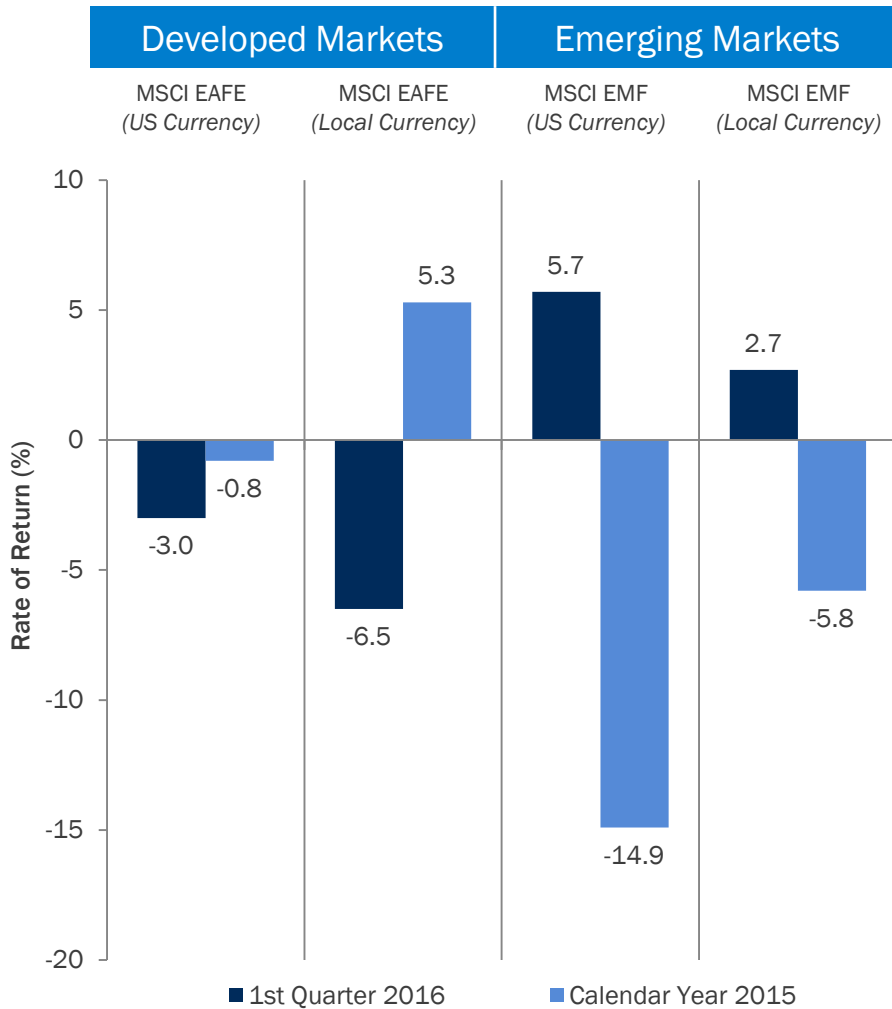
Source: Morningstar Direct, S&P

Top Five S&P 500 Index Holdings

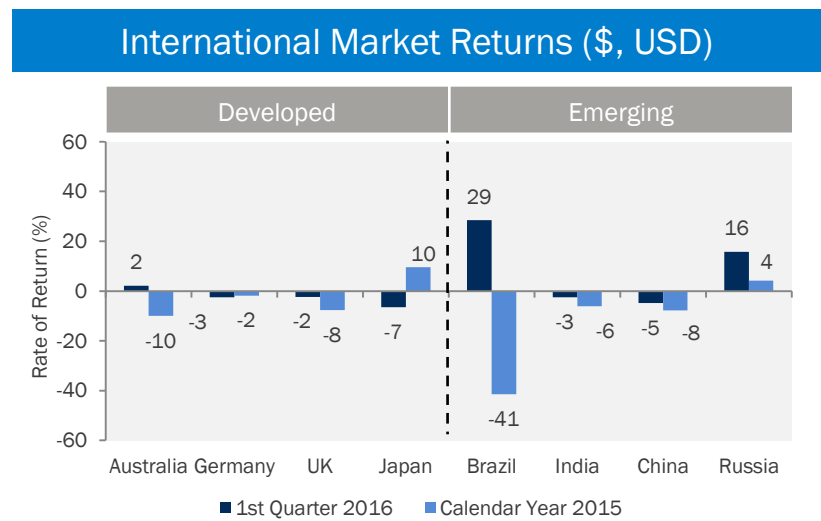
Name	Sector	% of S&P	YTD 2016 Return	YTD 2016 Contribution to Return
1. Apple, Inc.	Technology	3.4%	4.0%	+0.13%
2. Microsoft Corp.	Technology	2.4%	0.2%	+0.1%
3. Exxon Mobil Corp.	Energy	1.9%	8.2%	+0.15%
4. Johnson & Johnson	Health Care	1.7%	6.1%	+0.10%
5. General Electric Co.	Industrials	1.7%	2.8%	+0.05%

Source: Morningstar Direct, S&P

Non-U.S. Equity Market Performance



Source: Morningstar Direct, MSCI



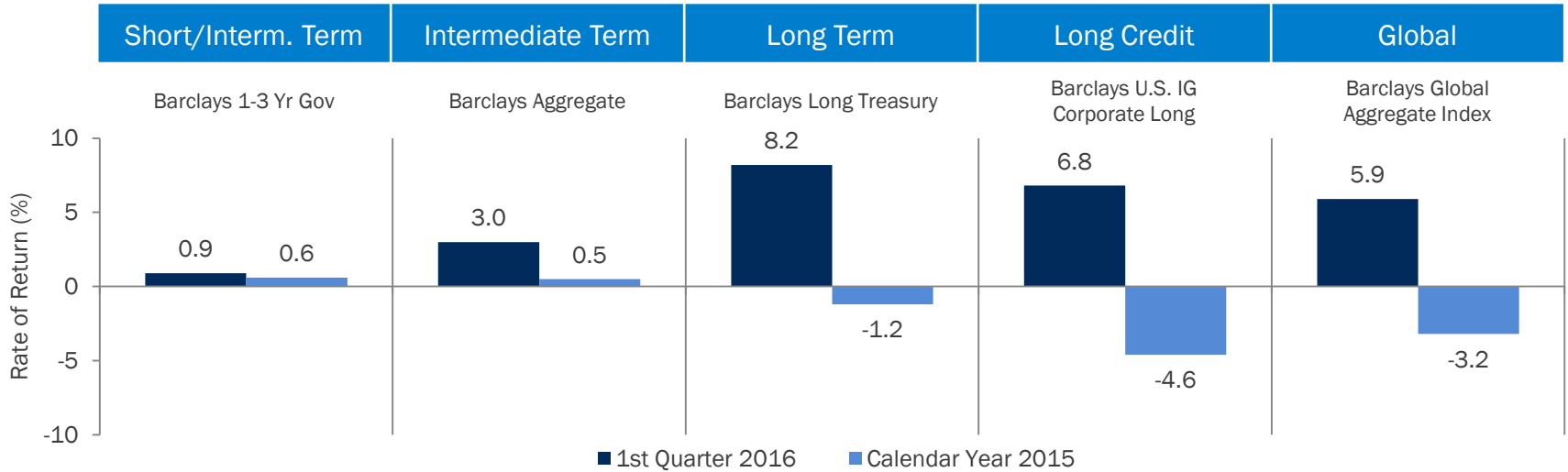
Source: Morningstar Direct, MSCI

U.S. Dollar vs. Major Currencies



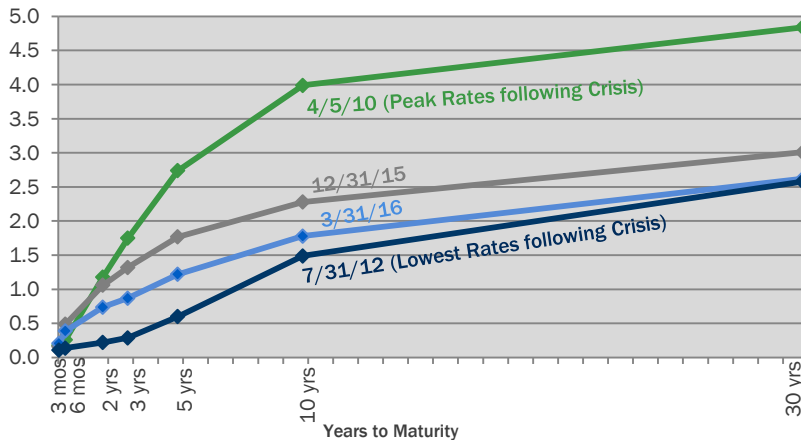
Source: Federal Reserve Board; US trade-weighted index.

Fixed Income Markets



Source: Barclays

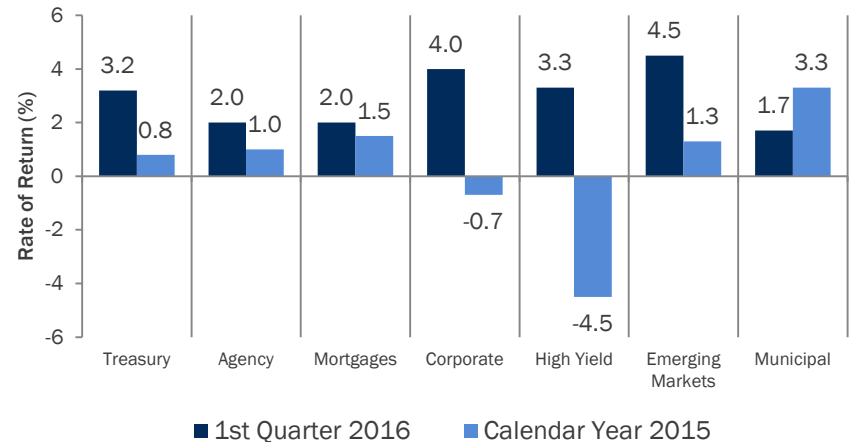
U.S. Treasury Yield Curve



Source: Barclays



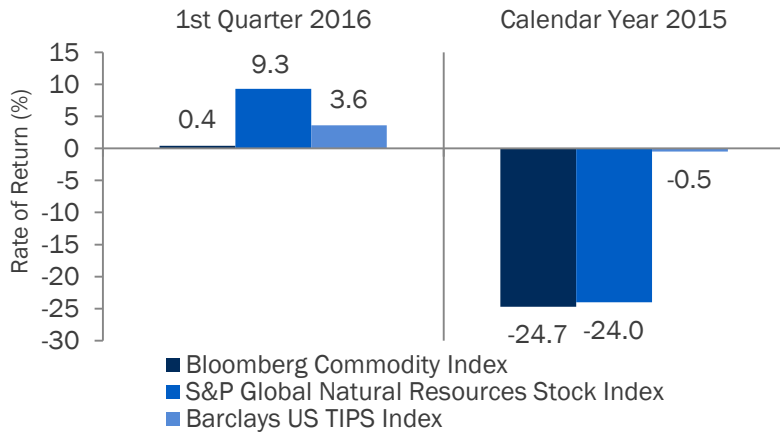
Sector Returns



Source: Barclays

Real Assets Performance

Asset Class Performance



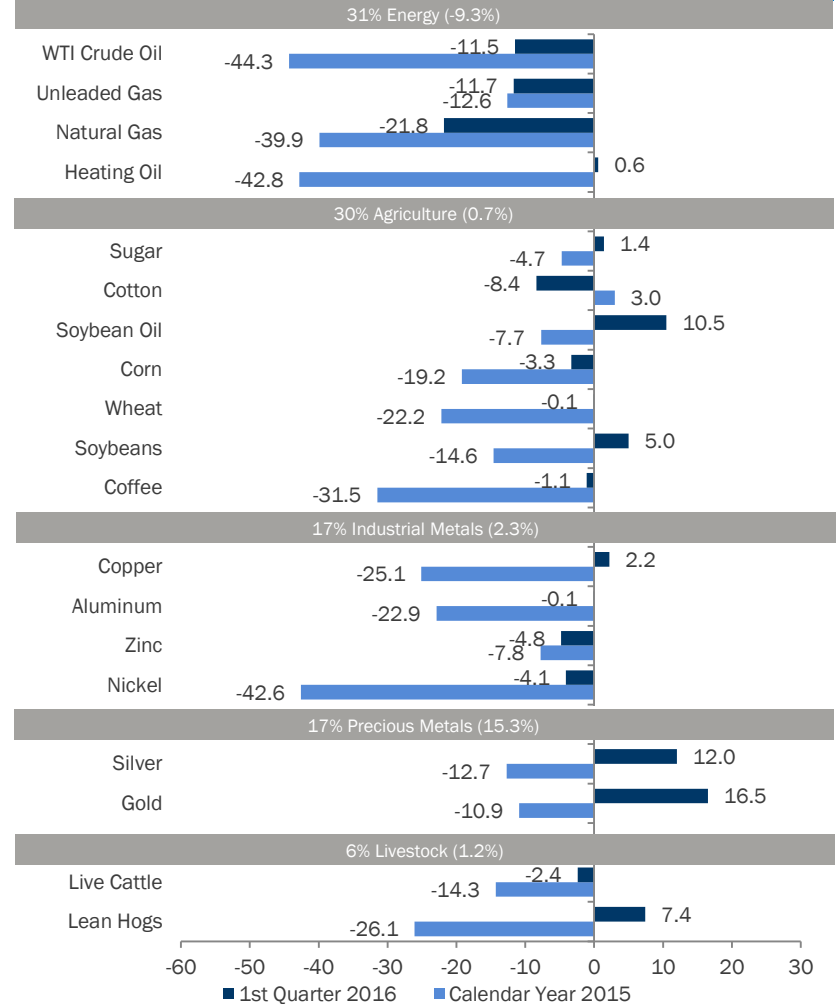
Source: Morningstar Direct, Bloomberg, S&P, Barclays

Historical WTI Crude Oil Prices



Source: St. Louis Federal Reserve

Commodity Sector Performance



Source: Morningstar Direct, Bloomberg

Endnotes

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- Investments in emerging markets may be less liquid and more volatile. Additional risks include currency fluctuations, and political instability.
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