Investment Review

The Episcopal Diocese of Vermont

June 30, 2017

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Raymond James Financial Services, Inc.
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Quarterly Performance Summary

The Episcopal Diocese Unit Fund performed in line with the basic and alternative benchmarks during the second quarter with a gain of 2.54%. Over the three-month period, the portfolio had an investment gain of $672,500. Foreign stocks had a good quarter and the Boston Company account outpaced the MSCI EAFE Index by nearly 1%. Changes were made to the bond portfolio during the second quarter, as we moved from the Reinhart advisors to our direct management. We believe that Reinhart's reliance on government bonds was detrimental to their returns and eliminating this exposure should help over the longer term.

Investment Return Summary

Due to the IPS change in March 2016, periods beginning prior to 3/31/16 do not reflect current investments and are omitted.

Second Quarter 2017

March 31, 2017 Value:	$25,270,191
Net Cash Flows:	($499,917)
Investment Gain:	$672,500
June 30, 2017 Value:	$25,442,774
Second Quarter Return:	2.54%
Basic Benchmark Return:*	2.56%
Alternative Benchmark Return:*	2.54%

Year-to-Date Period (12/31/2016 - 06/30/2017)

Investment Gain:	$1,802,096
Year-to-Date Return:	7.12%
Basic Benchmark Return:*	7.03%
Alternative Benchmark Return:*	7.06%

One-Year Period (06/30/2016 - 06/30/2017)

Investment Gain:	$2,705,152
One-Year Return:	10.79%
Basic Benchmark Return:*	11.62%
Alternative Benchmark Return:*	10.94%

*The Basic Benchmark is weighted to the Standard & Poor's 500 Index and the Barclays US Aggregate Bond Index based on the actual portfolio allocation. The Alternative Benchmark is weighted among the Standard & Poor's 500 Index, the Barclays US Aggregate Bond Index, the Russell 2000 Index, the MSCI EAFE Index, the Barclays US Intermediate Credit Index, the Barclays US 1-3 Year Government/Credit Index, the Citi 1-Month Treasury Bill Index, the S&P GSCI Gold Spot Index, and the PHLX Gold & Silver Index based on the actual portfolio allocation.

Portfolio returns are calculated net of fees. Market valuations are based on information we believe to be reliable, but no guarantees are made as to its accuracy or completeness. This schedule is not intended for tax, lending, legal, or other non-financial planning purposes, and should not be relied upon by third parties. Past performance is not a guarantee of future results. The preceeding data is provided to you for informational purposes only. This report is not a replacement for the client account statements from Raymond James or other custodians. Investors are reminded to compare the findings in this report to their quarterly account statements.

Account Activity Summary

Due to the IPS change in March 2016, periods beginning prior to 3/31/16 do not reflect current investments and are omitted.

	Second Quarter	YTD	One-Year	Three-Year	Five-Year	Ten-Year
Beginning Market Value	**$25,270,191**	**$24,488,075**	**$23,972,231**	**-**	**-**	**-**
Contributions						
Parish Deposits	$54,837	$191,066	$580,167	-	-	-
Withdrawals						
Parish Withdrawals	($246,400)	($421,708)	($560,216)	-	-	-
Parish Dividends	($268,065)	($538,746)	($1,098,875)	-	-	-
Foreign Taxes Withheld	($4,703)	($5,417)	($8,599)	-	-	-
Management Expenses	($35,586)	($72,593)	($147,088)	-	-	-
Net Cash Flows	**($499,917)**	**($847,397)**	**($1,234,610)**	**-**	**-**	**-**
Income						
Interest / Dividends	$139,903	$285,448	$572,968	-	-	-
Gains (Losses)	$532,596	$1,516,649	$2,132,185	-	-	-
Total Earnings	**$672,500**	**$1,802,096**	**$2,705,152**	**-**	**-**	**-**
Ending Market Value	**$25,442,774**	**$25,442,774**	**$25,442,774**	**-**	**-**	**-**
Portfolio Return (Gross of Fees)	2.69%	7.44%	11.46%	-	-	-
Management Expenses	-0.140%	-0.285%	-0.578%	-	-	-
Portfolio Return (Net of Fees)	2.54%	7.12%	10.79%	-	-	-
Basic Benchmark Return	2.56%	7.03%	11.62%	-	-	-
Alternative Benchmark Return	2.54%	7.06%	10.94%	-	-	-

Parish Deposits: The total amount deposited by the parishes for investment into the Unit Fund subaccounts.

Parish Withdrawals: The total principal amount withdrawn by the parishes from the Unit Fund subaccounts.

Parish Dividends: The total Unit Fund dividends paid directly to the parishes and not reinvested or used for loan repayment.

Foreign Taxes Withheld: The total foreign income taxes automatically withheld on dividends paid by non-US companies.

Management Expenses: The total expenses paid by the Unit Fund for investment, accounting, account maintenance, statement preparation, and reporting purposes. The percentage is calculated as the expense amount divided by the beginning value.

Interest / Dividends: The total interest and dividends generated by the investments of the Unit Fund.

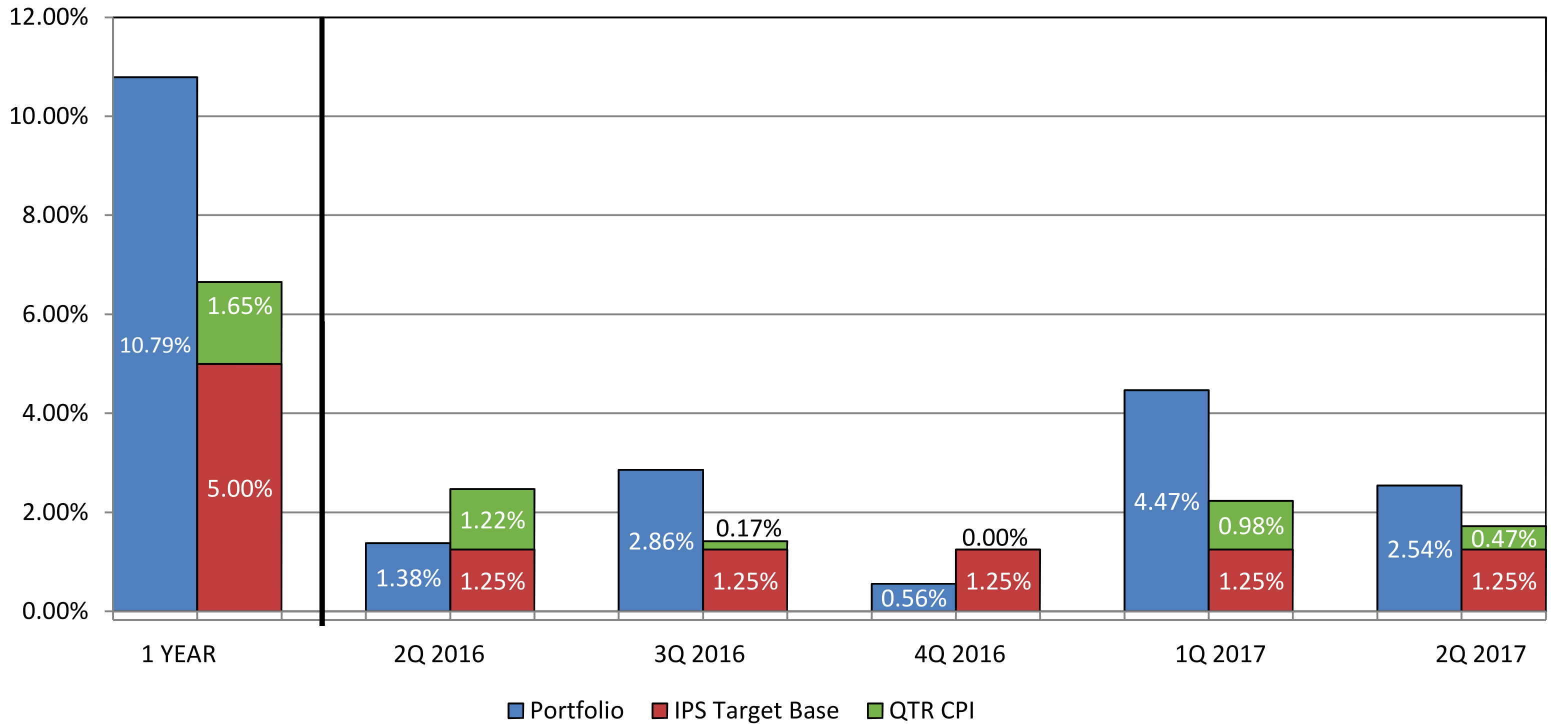
Gains (Losses): The total rise or fall of the market value of the investments in the Unit Fund.

Portfolio Return: The time-weighted rate of return earned by the Unit Fund investments before (gross) and after (net) the management expenses are deducted.

*The Basic Benchmark is weighted to the Standard & Poor's 500 Index and the Barclays US Aggregate Bond Index based on the actual portfolio allocation. The Alternative Benchmark is weighted among the Standard & Poor's 500 Index, the Barclays US Aggregate Bond Index, the Russell 2000 Index, the MSCI EAFE Index, the Barclays US Intermediate Credit Index, the Barclays US 1-3 Year Government/Credit Index, the Citi 1-Month Treasury Bill Index, the S&P GSCI Gold Spot Index, and the PHLX Gold & Silver Index based on the actual portfolio allocation.

Quarterly Portfolio and IPS Target Returns

The IPS changed in March 2016. Periods prior to 3/31/16 reflect the former investment strategy.



The IPS Target Return is comprised of the quarterly non-seasonally-adjusted (NSA) CPI + 1.25%. This equates to an annual target return of CPI + 5%. The CPI figure is not available until the 15th of the month or later. Portfolio returns are calculated net of fees. Market valuations are based on information we believe to be reliable, but no guarantees are made as to its accuracy or completeness. This schedule is not intended for tax, lending, legal, or other non-financial planning pruposes, and should not be relied upon by third parties. Past performance is not a guarantee of future results. The preceeding data is provided to you for informational purposes only. This report is not a replacement for the client account statements from Raymond James or other custodians. Investors are reminded to compare the findings in this report to their quarterly account statements.

Comparative Returns for the Last 10 Quarters

The IPS changed in March 2016. Periods prior to 3/31/16 reflect the former investment strategy.

Black line denotes a change in the investment policy. The Basic Benchmark is weighted to the Standard & Poor's 500 Index and the Barclays US Aggregate Bond Index based on the actual portfolio allocation. The Alternative Benchmark is weighted among the Standard & Poor's 500 Index, the Barclays US Aggregate Bond Index, the Russell 2000 Index, the MSCI EAFE Index, the Barclays US Intermediate Credit Index, the Barclays US 1-3 Year Government/Credit Index, the Citi 1-Month Treasury Bill Index, the S&P GSCI Gold Spot Index, and the PHLX Gold & Silver Index based on the actual portfolio allocation.

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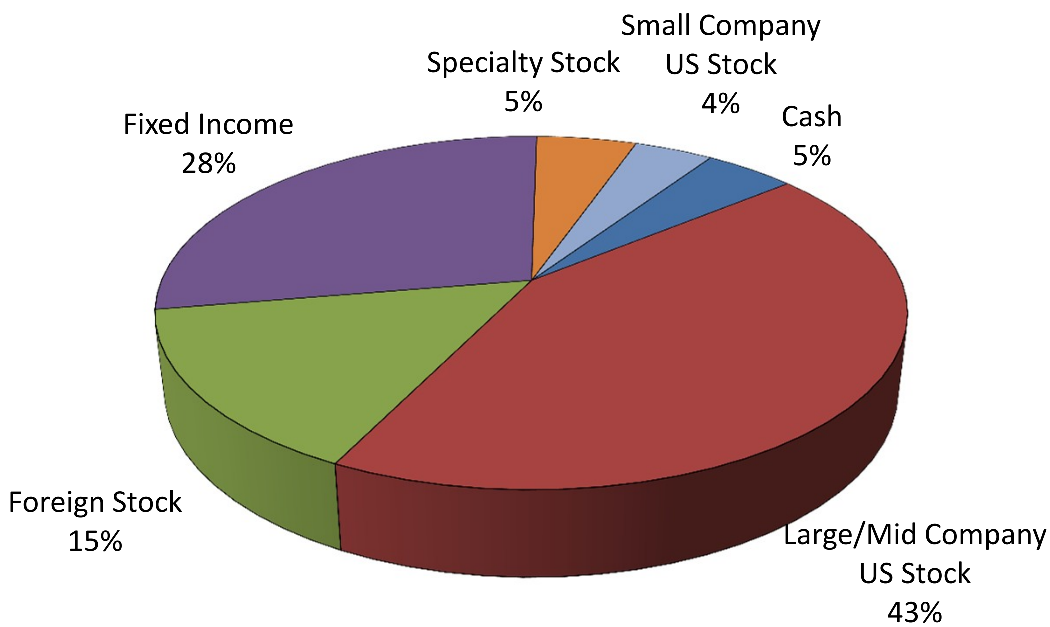
Portfolio Allocation

(67% Equities, 33% Fixed Investments)



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Quarterly Economic & Market Commentary - 2Q 2017

SECOND QUARTER HIGHLIGHTS

U.S. earnings growth, consumer confidence & business confidence remain strong, which continue to drive domestic markets upwards.

Market Momentum, page 3.

Following extended periods of political and economic uncertainty, developed and emerging markets continue to rebound.

Golden Globe, page 4.
BRICs and Milestones, page 5.

Propelled by strong tailwinds, global markets are poised to continue their march higher.

With burgeoning balance sheets and a flattened yield curve, central banks face a challenge when setting interest rates.

To Raise, or Not to Raise, page 6.

Inflation and interest rates remain low. Or are they? The history of long-term inflation and interest rates may tell a different story.

Where Art Thou Inflation? Page 7.

Contents

RAYMOND JAMES | Asset Class Returns Over Q2 FY17 (%) - Data as of 6/30/2017

Returns for Key Indices Trailing 12 Months and the Second Quarter of Fiscal Year 2017 - Ranked in Order of Performance (Best to Worst)

BROAD ASSET CLASS TOTAL RETURNS

T12	Q2
Non-U.S. Equity 20.85	Non-U.S. Equity 5.78
U.S. Equity 18.51	Global Real Estate 3.43
Blended Portfolio 10.02	U.S. Equity 3.02
Global Real Estate 2.19	Blended Portfolio 2.72
Cash & Cash Alternatives 0.46	U.S. Fixed Income 1.45
U.S. Fixed Income -0.31	Cash & Cash Alternatives 0.18
Commodities -6.50	Commodities -3.00

DOMESTIC EQUITY TOTAL RETURNS

T12	Q2
Small Value 24.86	Large Growth 4.67
Small Blend 24.60	Small Growth 4.39
Small Growth 24.40	Mid Growth 4.21
Large Growth 20.42	Large Blend 3.06
Large Blend 18.03	Mid Blend 2.70
Mid Growth 17.05	Small Blend 2.46
Mid Blend 16.48	Mid Value 1.37
Mid Value 15.93	Large Value 1.34
Large Value 15.53	Small Value 0.67

S&P 500 EQUITY SECTOR TOTAL RETURNS

T12	Q2
Financials 35.37	Health Care 7.10
Info Tech 33.89	Industrials 4.73
Industrials 22.27	Financials 4.25
Materials 18.59	Info Tech 4.14
S&P 500 17.90	Materials 3.17
Cons Disc 16.90	S&P 500 3.09
Health Care 12.47	Real Estate 2.76
Cons Staples 3.06	Cons Disc 2.35
Utilities 2.47	Utilities 2.21
Real Estate -0.42	Cons Staples 1.57
Energy -4.14	Energy -6.36
Telecom -11.71	Telecom -7.05

INTERNATIONAL EQUITY TOTAL RETURNS

T12	Q2
EM Asia 27.86	EM Asia 8.64
Europe ex-UK 24.37	Europe ex-UK 8.40
Emerging Markets 23.75	Emerging Markets 6.27
Developed Markets 20.27	Developed Markets 6.12
Pacific ex-Japan 19.43	Japan 5.19
EM Eastern Europe 19.29	United Kingdom 4.72
Japan 19.18	U.S. Large Cap 3.09
U.S. Large Cap 17.90	Pacific ex-Japan 1.54
EM Latin America 15.01	EM Latin America -1.74
United Kingdom 13.35	EM Eastern Europe -2.63

FIXED INCOME TOTAL RETURNS

T12	Q2
High Yield 12.70	Long-Term Bond 4.39
Emerging Mkt Bond 3.75	Global Bond ex-U.S. 3.55
Credit 1.84	Emerging Mkt Bond 2.40
T-Bill 0.46	Credit 2.35
Short-Term Bond 0.35	High Yield 2.17
MBS -0.06	Municipal 1.96
Agency -0.20	Aggregate Bond 1.45
Aggregate Bond -0.31	Treasury 1.19
Municipal -0.49	Agency 0.90
U.S. Tips -0.63	MBS 0.87
Long-Term Bond -1.07	Short-Term Bond 0.31
Treasury -2.32	T-Bill 0.18
Global Bond ex-U.S. -3.80	U.S. Tips -0.40

BEST ↕ WORST

*Assume all asset classes are U.S. unless otherwise noted.

Past performance is no guarantee of future results. Indices and peer groups are not available for direct investment. Any investor who attempts to mimic the performance of an index would incur fees and expenses which would reduce returns. Index definitions are available upon request.

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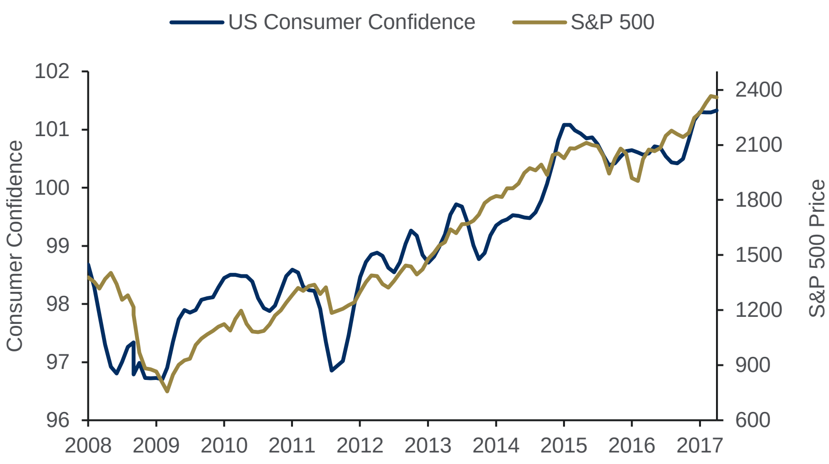
MARKET MOMENTUM: U.S. DOMESTIC EQUITY

Driven by strong and better-than-expected earnings in the first quarter of 2017 (up 13.6% year-over-year in the case of the S&P 500), markets appear poised to continue their trend higher. As of market close on June 30, the S&P 500, Dow Jones Industrial Average, and Russell 2000 indices were at (or very near) all-time highs. These broad measures of stock performance (encompassing both small-, medium-, and large-cap companies) indicate that U.S. equity markets remain robust. This follows an extended period of dulled confidence, as both businesses and consumers deferred expenditures and capital investment in favor of saving and share buy-backs. Following the ascendancy of a unified Republican government that had campaigned on the promise of tax and regulatory reform, infrastructure investment, and economic growth, business and consumer confidence rose to their highest levels in eight and 16 years, respectively.

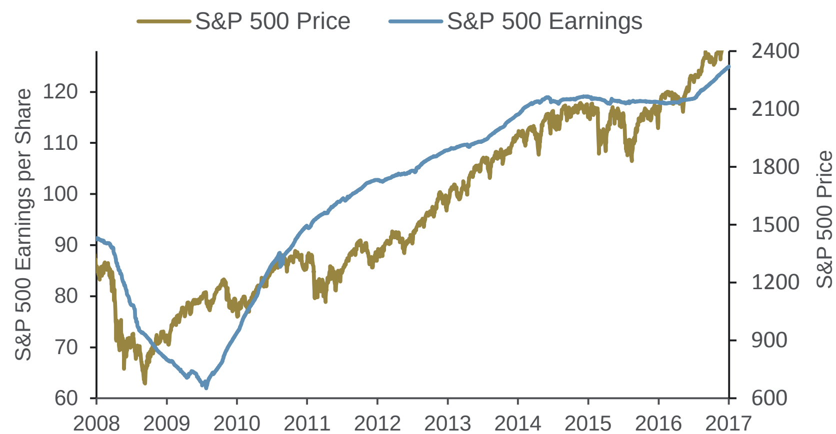
The prospect of regulatory reform (especially in the case of banks and financial firms) and business tax reform has boosted corporate balance sheet estimates, while the prospect of fiscal stimulus and infrastructure investment has helped propel consumer confidence. As John Maynard Keynes might put it, the dormant 'animal spirits' of the American economy have been rekindled. In a word, the shakeup in Washington was the catalyst that got the markets moving, driving up confidence and earnings growth. Barring an unforeseen 'black swan' event, the prevailing consensus is that this robust trend of earnings growth will continue through the end of this year and beyond, which will be the momentum that continues to drive markets higher.

Animal Spirits Rekindled



Source: OECD, Bloomberg, as of 06/30/2017

Earnings Growth



Source: FactSet, as of 06/30/2017

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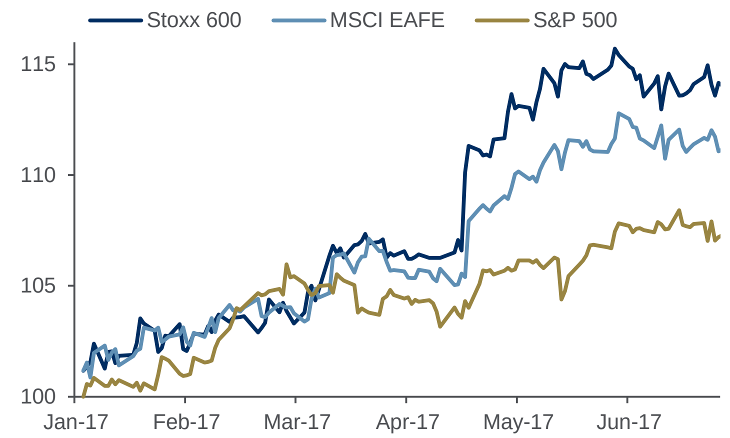
GOLDEN GLOBE: INTERNATIONAL EQUITY

After an extended period of underperformance relative to U.S. equities, developed markets have enjoyed a bounce back. This has especially been the case in European equities. As evinced by the outperformance of the MSCI EAFE (Europe, Australasia, and Far East) and the Stoxx Europe 600 indices relative to the S&P 500, global investors have rediscovered their appetite for European shares (see chart). Recent fund flows show that investors are increasingly flocking toward opportunities around the 'golden globe.' Much of this optimism can be attributed to newfound confidence in the continued existence of the European Union (EU) after a number of troubling setbacks, including Britain's unexpected decision to exit the EU last summer (commonly known as 'Brexit'). Marine Le Pen, a candidate in France's recent presidential campaign, had also threatened to exit the EU. As one of its largest and most crucial members, a 'Frexit' would have further unraveled the EU and thrown its very existence into jeopardy.

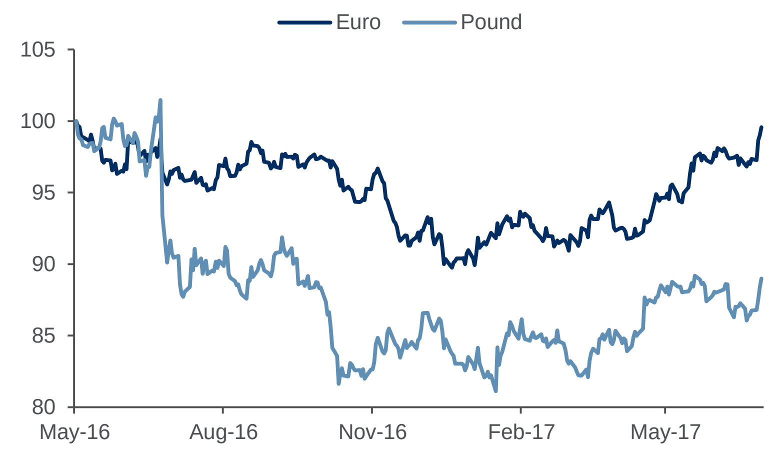
Europe Enlightened



Source: Bloomberg, MSCI, as of 06/30/2017 (100 = 1 Jan. 2017 Index Value)

However, the subsequent victory of President Emmanuel Macron's pro-EU platform has since bolstered investors' confidence in the euro zone. In addition, strong polling numbers by Chancellor Angela Merkel and her pro-EU Democratic Union party (who are up for reelection in late September) are a promising indicator that Germany will retain its status as a bastion for European unity and a bulwark against further EU attrition. Despite looming Brexit negotiations and the recent UK parliamentary election in which Prime Minister Theresa May lost her party's majority (injecting yet more uncertainty into the Brexit process), the recent political developments in France and Germany indicate that the EU remains strong. Moreover, these developments proved to be a bellwether for renewed confidence and the subsequent outperformance of European equities.

Rule, Britannia? The Cost of EU Attrition



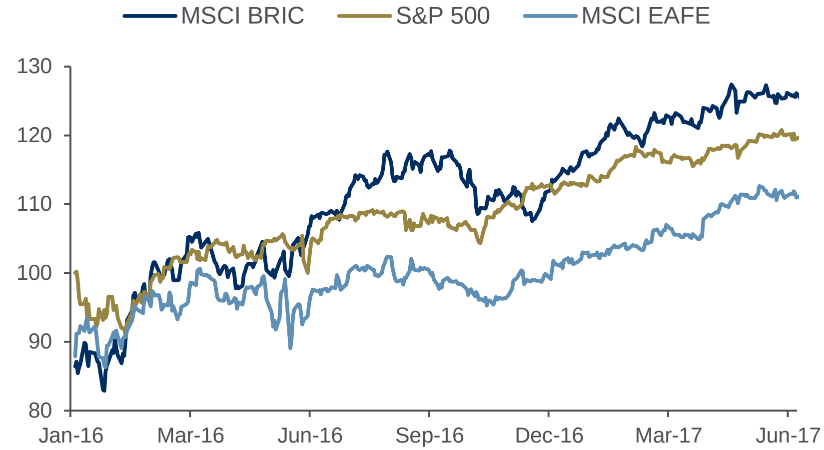
Source: Bloomberg USD Spot, as of 06/30/2017 (100 = 1 May 2016 Spot Value)

BRICs AND MILESTONES: EMERGING EQUITY

Emerging markets have certainly been the victims of a variety of sticks and stones over the past couple of years. Brazil, Russia, India, and China (the 'BRIC' nations) have all seen their fair share of tumult. Brazil remains roiled in political scandal after Dilma Rousseff (the former president) was impeached and ousted from power last summer. Her successor, Michel Temer, has not fared much better and is currently the subject of multiple investigations. This is to say nothing of the global fall in commodity prices, which sparked one of Brazil's longest recessions (the economy has contracted for the last eight quarters) and sent its currency tumbling. Russia's economy was similarly bruised by the sustained fall in oil prices; oil and commodities together account for approximately 72% of total Russian exports. In November, Narendra Modi, India's prime minister, announced that approximately 86% of currency in circulation would become void at the end of the year (in a 90% 'cash reliant' society). The rupee plummeted in response. China, which is by far the largest economy in the BRIC club (accounting fully for two thirds of the group's total GDP), has been the proximate cause of the two largest drops in global markets over the past two years. The devaluation of its currency in August of 2015 and the fall of its stock market in early 2016 made markets quake across the globe.

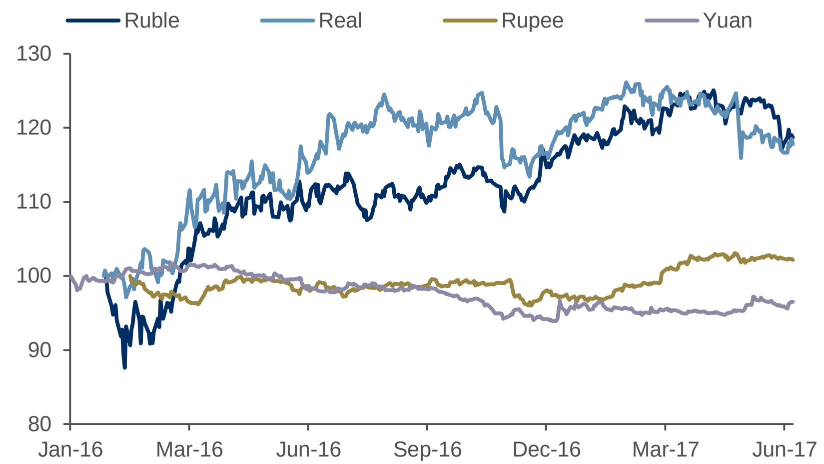
Yet, the 'bones' of the BRIC nations remain surprisingly intact. In fact, the MSCI BRIC index has posted a very respectable 16.92% return YTD (as of 06/30/2017), which follows a 12.37% return in 2016. The ruble, real, and rupee have all rebounded from their previous lows in 2016. With the exception of Russia, each country has also surpassed its GDP forecasts for 2016, which were set by Goldman Sachs in 2003 after christening the BRIC group in 2001. We'd say that's a milestone.

Building BRICs



Source: Bloomberg, MSCI, as of 06/30/2017 (100 = 1 Jan. 2016 Index Value)

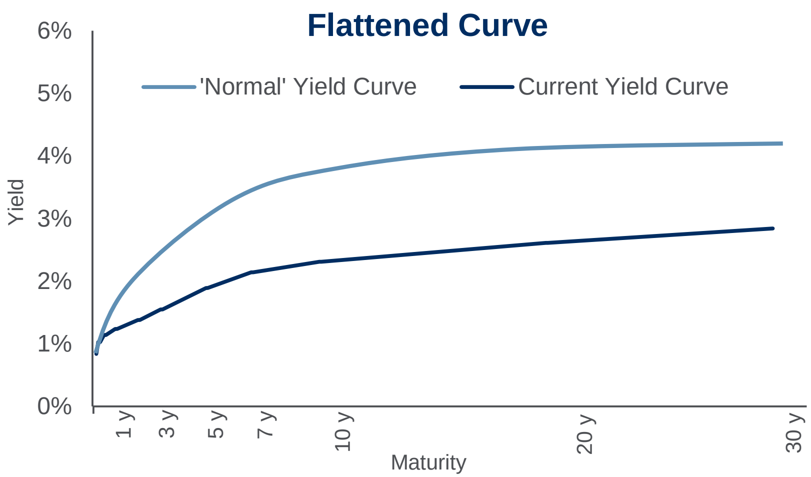
Back in Business



Source: Bloomberg USD Spot, as of 06/30/2017 (100 = 1 Jan. 2016 Spot Value)

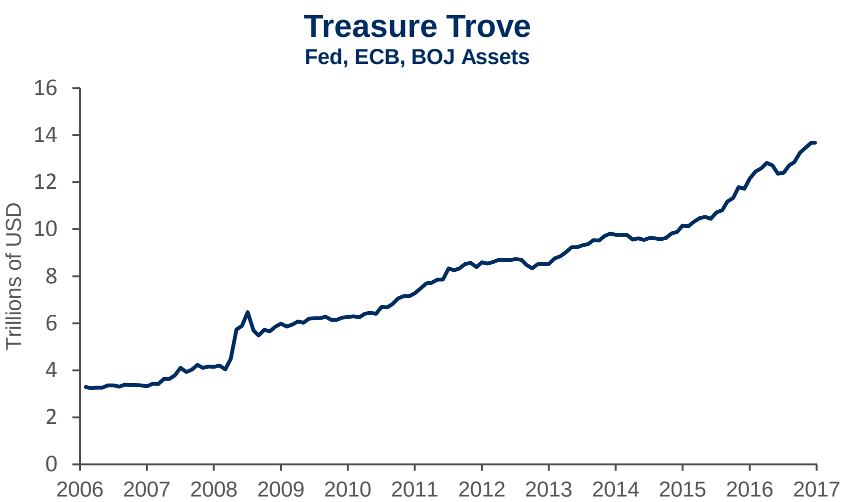
TO RAISE, OR NOT TO RAISE? FIXED INCOME

Raise. At least that is what the Federal Reserve (Fed) decided when it hiked the federal funds rate by 0.25% to 1.00-1.25% on June 14. However, across the pond, the Bank of England (BOE) and the European Central Bank (ECB) both opted to leave their rates unchanged, at 0.25% and 0% respectively. The Bank of Japan (BOJ) kept its interest rate at -0.10% (you read that correctly; in Japan, investors continue to pay the government for the privilege of holding their funds). With the United States being an ever so slight exception, central bank policy remains incredibly loose around the globe. Accommodative rates, high demand for government securities, sluggish GDP figures, and quiescent inflation (see: "Inflation, Where Art Thou Inflation?") have all continued to place downward pressure on the long end of the yield curve, which remains considerably flatter than a 'typical' curve seen in economic textbooks (see chart).



Source: Federal Reserve, as of 06/30/2017; Hypothetical Illustration of a 'Normal' Yield Curve

Additionally, central bank balance sheets and national debts have swelled to unprecedented levels (see chart). At its June 14 press conference, Fed Chair Janet Yellen announced that the Fed would begin the process of 'unwinding' its burgeoning balance sheet of government and mortgage-backed securities. However, such action will have a tightening effect upon the economy and the money supply (especially when made in conjunction with periodic interest rate hikes). If the Fed moves too quickly or aggressively, it risks inverting the fragile yield curve. This is to say nothing of the impact that increased interest rates will have on servicing government debts, which will only exacerbate an ever-increasing fiscal budget deficit that is already burdened by ballooning entitlement payments (Social Security and Medicare amongst them). Central banks are certainly in an unprecedented debacle.



Source: Bloomberg, as of 06/30/2017

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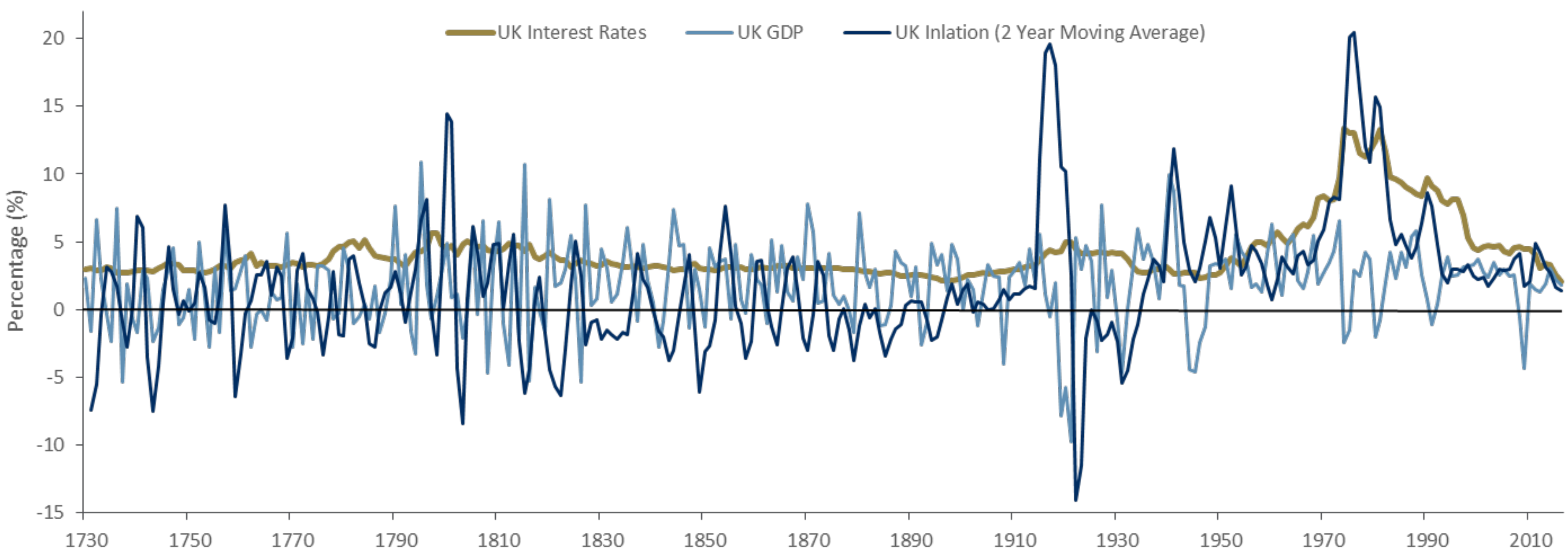
INFLATION, WHERE ART THOU INFLATION? A STUDY OF HISTORICAL INTEREST RATES

Encouraged by improving economic conditions and a tightening labor market, Fed Chair Janet Yellen stated that the "ongoing strength of the economy will warrant gradual increases in the federal funds rate to sustain a healthy labor market and stabilize inflation around our 2% longer-run objective." Yet, inflation has consistently lagged behind the Fed's 2% target. With an unprecedented trifecta consisting of 0% benchmark interest rates, a vast quantitative easing (QE) program, and broad-based support of hemorrhaging financial firms, conventional Keynesian economic wisdom held that employment, growth, and inflation should have rebounded by now. While the former measure has improved markedly (the Fed's most recent estimate holds U.S. unemployment at 4.3% as of its June 14 press conference), the latter two measures have lagged considerably. Both GDP and inflation in the U.S. (and across much of the developed world) have been lackluster at best. Or have they?

The historical record holds a more holistic representation of GDP, inflation, and interest rates over time. When assessed in terms of the past few decades (which witnessed soaring GDP, inflation, and interest rates), these economic measures do indeed seem low. However, when assessed in terms of the past few centuries, history paints a completely different picture.

UK Long Term Interest Rates & Inflation - 1729-2017

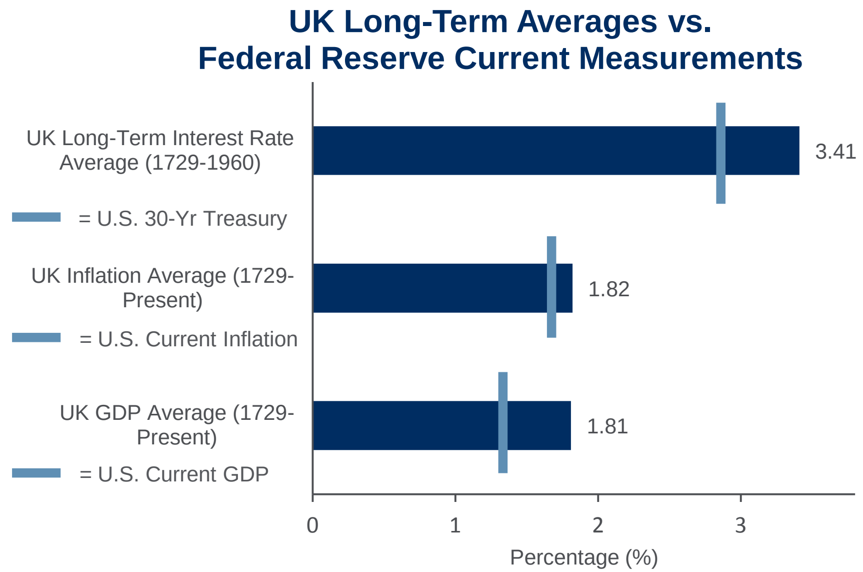


Source: MeasuringWorth, Samuel H. Williamson; Gregory Clark, University of California, Davis, as of 06/30/2017

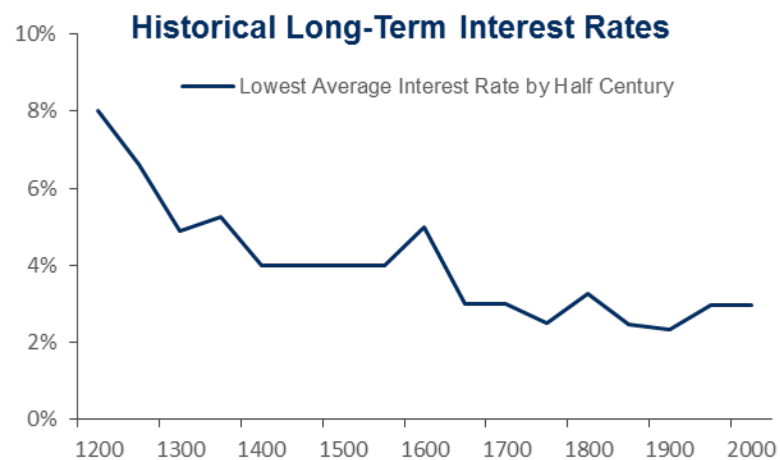
According to extensive research compiled by Drs. Greg Clark and Richard Sylla, current rates are actually not that far from their historic averages. For our assessment, we will rely upon economic data from England, which offers a far more extensive and reliable record than our brief historical record in America. From 1729 to the present, GDP and inflation in the United Kingdom (UK) averaged 1.81% and 1.82% respectively; long-term interest rates over the same period averaged 4.17%. When we measure the long-term interest rates from 1729 to 1960 (excluding the period of exceptionally high interest rates beginning in the 1970s and the exceptionally low interest rates of today), long-term interest rates averaged 3.41% (see chart).

These numbers become even more striking when the period is extended as far back as the 13th century. According to Dr. Clark's research at the University of California, Davis, the average annualized inflation rate in the UK was only 0.91% from 1265-2016. According to Dr. Sylla's research at the New York University Stern School of Business, average interest rates peaked at 8% in the 13th century across western Europe and have since followed a steady decline to an average of 2-3% in the 20th century (see chart).

This certainly begs the question of whether current GDP, inflation, and interest rates are simply 'converging' on their long-term averages after a period of unusual circumstances in the latter half of the 20th century (which included a technological revolution, a global oil embargo by OPEC, and unprecedented attempts by central banks to combat inflation with high interest rates). Furthermore, it begs the question whether economic forces like inflation ebb and flow by virtue of their own volition, irrespective of central bank monetary policy. Indeed, when overlaid upon a historical timeline, inflation rates correlate quite closely with major world events, including wars, financial market crashes, and embargos (see chart).



Source: Federal Reserve; MeasuringWorth, Samuel H. Williamson, Gregory Clark, as of 06/30/2017



Source: Richard Sylla, New York University

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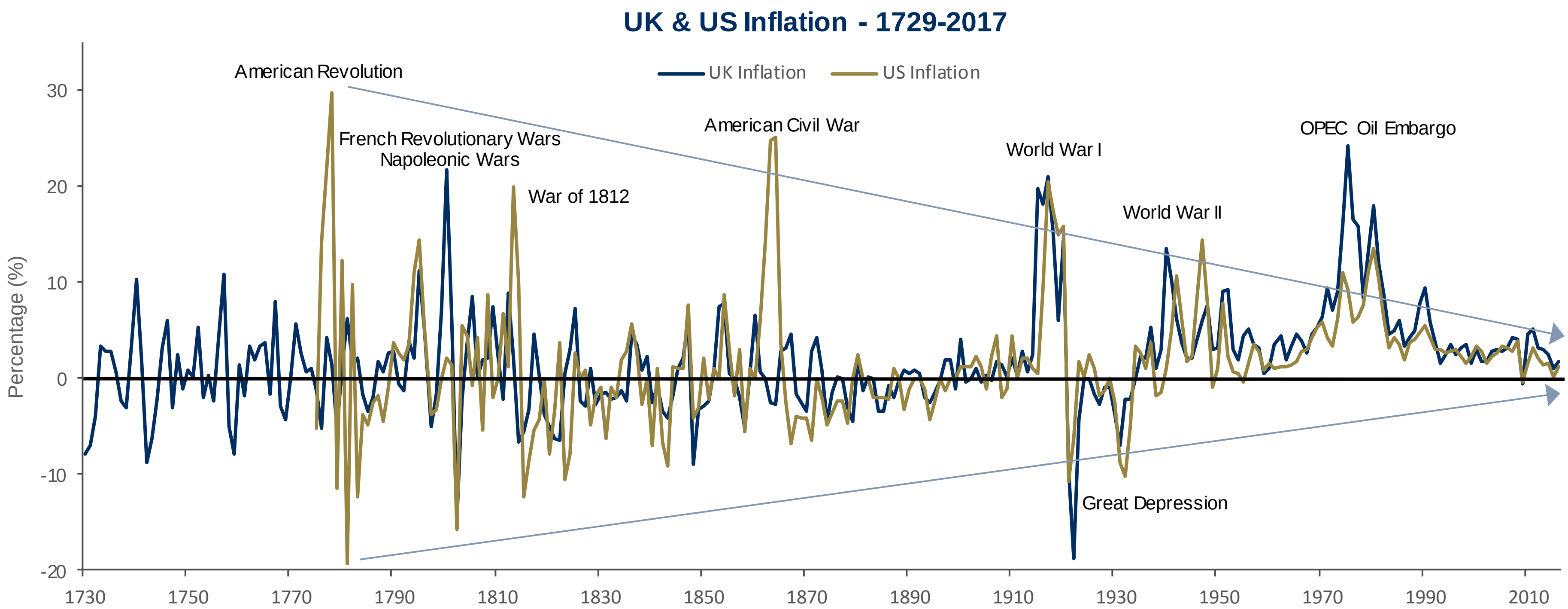
This lends credence to the belief that inflation has a mind of its own and responds in tandem to major world events. Herbert Stein, a prominent economist in the administrations of Richard Nixon and Gerald Ford, dubbed inflation a "hydra-headed monster," which had diverse origins and resisted external control. Stein suggested that, just like the mythical creature, inflation would generate more 'heads' in the place of each one that had been 'cut off.' Under our own modern circumstances, low interest rates set by central banks appear to have had trouble 'regenerating' the heads of the 'inflation hydra.' Furthermore, in a world in which the occurrence of global wars and the powers of major price-setting cartels (such as OPEC) have declined considerably, the rate of inflation appears to be far less volatile, converging toward its longer term average (see chart).

Interest rates have served not only to provide lenders a return on their capital, but also to protect the purchasing power of their capital (which inflation erodes). Without significant inflation, we may continue to see interest rates remain at current levels.



Source: MeasuringWorth, Samuel H. Williamson; Gregory Clark, University of California, Davis, as of 06/30/2017

ECONOMIC SNAPSHOT

DR.SCOTT BROWN
Chief Economist,
Equity Research

The economy continued to expand in the second quarter, although the pace of the rebound from a "soft" first quarter appears somewhat disappointing. Consumer spending growth picked up, but with some softening in May. Business fixed investment surged in 1Q17, reflecting improved business confidence and a partial recovery in oil and gas well drilling, but the pace appears to have slowed in 2Q17. The mild winter likely shifted some homebuilding activity forward. The fundamentals of the economy appear sound, but labor market constraints are expected to restrain GDP growth in the quarters ahead.

	ECONOMIC INDICATOR	COMMENTARY
FAVORABLE	GROWTH	The economy appears to have been mixed, but generally strong, in 2Q17, with consumer spending growth falling a bit short of expectations.
FAVORABLE	EMPLOYMENT	Job growth has remained strong, but the pace should slow over time as the labor market tightens further.
FAVORABLE	BUSINESS INVESTMENT	Post-election optimism has continued to support capital spending, but we'll need to see consumer demand pick up. An improved global economy and the turnaround in energy exploration should also add to investment.
FAVORABLE	HOUSING AND CONSTRUCTION	Supply constraints and affordability issues should continue at the low end, and lumber tariffs won't help, but household fundamentals are sound.
FAVORABLE	MONETARY POLICY	The Fed believes that inflation will move toward the 2% goal and fears that wages will accelerate if the unemployment rate continues to fall. Balance sheet reduction will start slow, and should not be unsettling for the markets.
FAVORABLE	FISCAL POLICY	State and local government budgets are in better shape and spending should add a bit to GDP growth. A large infrastructure spending program is unlikely. Tax cuts are likely, but expectations have been scaled back.
FAVORABLE	REST OF THE WORLD	Brexit and China's economic transition remain important concerns, but the broader global outlook appears brighter.
NEUTRAL	CONSUMER SPENDING	Job gains and wage growth are supportive. Higher gasoline prices reduced purchasing power in 1H17, but lower prices ought to help in 2H17.
NEUTRAL	MANUFACTURING	Mixed, but moderate improvement in orders and production. Some concerns about a possible trade war. Auto sales are post-peak.
NEUTRAL	INFLATION	The March plunge in wireless telecom prices is seen as "a one-off." Wage pressures are moderate, but should pick up.
NEUTRAL	LONG-TERM INTEREST RATES	The inflation outlook remains benign and low bond yields abroad are a factor. However, the bond market seems to doubt the Fed's resolve to continue normalizing monetary policy in the quarters ahead.
NEUTRAL	THE DOLLAR	The dollar is likely to remain range-bound, with gradual Fed tightening already priced in. The possibility of a misstep on foreign trade policy remains the biggest risk.

TACTICAL ASSET ALLOCATION OUTLOOK

For investors who choose to be more active in their portfolios and make adjustments based on a shorter-term outlook, the tactical asset allocation outlook below reflects the Raymond James Investment Strategy Committee's recommendations for current positioning.

	ASSET ALLOCATION	TACTICAL COMMENTS
FAVORABLE	NON-U.S. DEVELOPED MARKET EQUITY	This space is benefiting from an uptick in global growth and inflation, particularly in Europe. Strong near-term momentum combined with relatively attractive valuations compared to U.S. equities justifies a favorable position. Strong earnings growth and positive revisions are tailwinds for this space in the near term.
FAVORABLE	NON-U.S. EMERGING MARKET EQUITY	Rising or stable commodity markets should help emerging economies going forward. Earnings growth is also likely to pick up in these economies after lagging for several years, particularly for technology companies. Potential protectionist policies from the U.S. and other developed nations are headwinds, but we remain constructive. Selectivity is key and active management is recommended in this space.
FAVORABLE	ALTERNATIVE INVESTMENTS	Lower intra-stock correlations and heightened equity valuations present attractive opportunities in this space, particularly for short sellers. Elevated equity valuations and rising interest rates should bode well for alternative strategies if investors are looking for diversification. Arbitrage strategies benefit from a rising interest-rate environment and private equity continues to show attractive fundamentals and investor demand, particularly in Europe and Asia.
NEUTRAL	OVERALL EQUITY	Equity valuations may not be as elevated as some suggest yet they are not cheap. Strong earnings revisions and positive near-term and long-term momentum should serve as tailwinds for the time being absent an unforeseen market event.
NEUTRAL	U.S. LARGE CAP EQUITY	Fundamentals suggest this market is still expensive relative to its own history and against other asset classes. Positive expected earnings suggest that prices may have room left to grow despite tempered investor sentiment.
NEUTRAL	U.S. MID CAP EQUITY	Valuations have cheapened compared to large and small caps, making this area slightly more attractive. Momentum has slipped in recent months as the "Trump Trade" fades, leaving us neutral at this time.
NEUTRAL	U.S. SMALL CAP EQUITY	Similar to large caps, small caps are relatively expensive compared to other areas of the market. While small caps stand to benefit from potential fiscal reform, weaker momentum warrants a neutral position.
NEUTRAL	REAL ESTATE	International REITs are favorable relative to other asset classes from a valuation standpoint. U.S. REITs are still favorable to a lesser extent and pockets of opportunity in industrial and multifamily assets should offset less attractive pricing in office and retail assets.

TACTICAL ASSET ALLOCATION OUTLOOK (CONTINUED)

For investors who choose to be more active in their portfolios and make adjustments based on a shorter-term outlook, the tactical asset allocation outlook below reflects the Raymond James Investment Strategy Committee's recommendations for current positioning.

	ASSET ALLOCATION	TACTICAL COMMENTS
NEUTRAL	**INVESTMENT GRADE INTERMEDIATE MATURITY FIXED INCOME**	The intermediate portion of the curve provides the best "bang for the buck," especially when paired with quality investment-grade credits. Low inflation should help stabilize intermediate yields with "carry" likely to provide most of the return instead of spread tightening.
NEUTRAL	**GLOBAL (NON-U.S.) FIXED INCOME**	Global fixed income has shown positive momentum. Emerging market (local) debt looks attractive, especially with a recently weakened USD. Active management is highly recommended in this space.
NEUTRAL	**CASH AND CASH ALTERNATIVES**	Cash is a potential buffer against many market risks and provides funding for buying opportunities, leaving us with a neutral recommendation at this time.
UNFAVORABLE	**OVERALL FIXED INCOME**	Longer-term yields have declined in the face of rising short-term rates in the U.S. resulting in a flatter yield curve. Global rate disparities continue, making the U.S. a favored area compared to other developed economies. While we are unfavorable in this space in the short run, long-term strategic allocations are still warranted given the proven hedge against equity risks.
UNFAVORABLE	**INVESTMENT GRADE LONG MATURITY FIXED INCOME**	While inflation appears to be in check (supportive of the longer-end of curve), yields continue to fall making this space less attractive and increasing the potential for reversal with rising short-term rates.
UNFAVORABLE	**INVESTMENT GRADE SHORT MATURITY FIXED INCOME**	This area is highly susceptible to the potential for more aggressive central bank policy than what the market is currently pricing in.
UNFAVORABLE	**NON-INVESTMENT GRADE FIXED INCOME (HIGH YIELD)**	Spreads are historically tight, leaving little margin for error. We prefer equity-like risk elsewhere where upside is more likely and we continue to strongly recommend active management/credit research in this space.
UNFAVORABLE	**MULTI-SECTOR BOND STRATEGIES**	Non-traditional or multi-sector bonds tend to perform well in credit tightening events and changing slopes. With spreads tight across most credit bonds, risk is not being compensated unless opportunities are sought in non-conventional areas or outside the U.S. which introduces more risks and potential returns. The USD has slipped already and may provide less return opportunity in the near term.

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SECTOR SNAPSHOT

This report is intended to highlight the dynamics underlying the 11 S&P 500 sectors, with a goal of providing a timely assessment to be used in developing your personal portfolio strategy. Our time horizon for the sector weightings is not meant to be short-term oriented. Our goal is to look for trends that can be sustainable for several quarters; yet, given the dynamic nature of financial markets, our opinion could change as market conditions dictate. Most investors should seek diversity to balance risk versus reward. For this reason, even the least-favored sectors may be appropriate for portfolios seeking a more balanced equity allocation. Those investors seeking a more aggressive investment style may choose to overweight the preferred sectors and entirely avoid the least favored sectors.

J. MICHAEL GIBBS
Managing Director of Equity Portfolio & Technical Strategy

	SECTOR	S&P WEIGHT	TACTICAL COMMENTS
OVERWEIGHT	INFORMATION TECHNOLOGY	22.7%	Despite the recent retreat in the large-cap tech names, we are not wavering from our Overweight opinion. Fundamental trends remain healthy and are supportive of the current elevated valuation.
OVERWEIGHT	HEALTH CARE	14.7%	Earnings estimate trends have finally turned slightly higher and relative strength has gained momentum. Combining these factors with low valuation improves the risk/reward profile. Politics remains a wild card for this sector.
OVERWEIGHT	FINANCIALS	14.1%	Several factors should contribute to relative outperformance in the months ahead, including the potential for reduced regulatory constraints, healthy earnings growth, potential increases in longer-duration yields and attractive relative valuations.
OVERWEIGHT	INDUSTRIALS	10.2%	We believe that the recovery in manufacturing will continue. Despite the rollover in ISM and PMI data, both indicators remain at levels supportive of growth. Valuation is at a slight discount and the odds favor outperformance from this sector.
OVERWEIGHT	ENERGY	5.9%	Given an intermediate term outlook with our ratings, we feel the risk vs. reward is skewed in favor of share accumulation. Despite downward revisions to 2017 estimates, earnings remain impressive and we expect the earnings recovery to continue in this space.
EQUAL WEIGHT	CONSUMER DISCRETIONARY	12.2%	Despite a healthy job market, lower fuel prices and a rebound in consumption in 2Q, the industry is in flux as rapidly growing ecommerce channels disrupt traditional models.
EQUAL WEIGHT	MATERIALS	2.8%	Valuations are attractive, as is expected earnings growth. Still, with relative technical momentum lagging, we are comfortable with an Equal Weight opinion.
UNDERWEIGHT	CONSUMER STAPLES	9.1%	Lackluster relative earnings growth, valuations in line with longer-term averages, and interest-rate sensitivity keeps us Underweight. The lack of meaningful relative strength gains during the recent price rally reinforces our opinion.
UNDERWEIGHT	UTILITIES	3.2%	Interest-rate sensitivity keeps us Underweight. Despite recent declines in rates, we are reluctant to believe that this trend will continue. Additionally, slow expected earnings growth in 2017 and fair (to elevated) valuations further support our opinion.
UNDERWEIGHT	REAL ESTATE	2.9%	Interest-rate sensitivity keeps us Underweight as stock market cash flows are likely to channel elsewhere if rates rise. Additionally, rising rates should pressure valuations in real estate as cap rates increase.
UNDERWEIGHT	TELECOM	2.2%	We moved from Equal back to Underweight due to lack of momentum in the political agenda. Fundamental trends remain sluggish and interest-rate sensitivity remains a concern.

ALTERNATIVE INVESTMENTS SNAPSHOT

This report is intended to highlight the dynamics underlying major categories of the alternatives market, with the goal of providing a timely assessment based on current economic and capital market environments. Our goal is to look for trends that can be sustainable for several quarters; yet, given the dynamic nature of financial markets, our opinion could change as market conditions dictate.

JENNIFER SUDEN
Director of Alternative Investments Research

ALTERNATIVE INVESTMENTS	
EQUITY LONG/SHORT	Long/short equity managers are typically long-biased; so they will generally participate in appreciating markets, albeit to a more limited degree, but also have the potential to protect on the downside. Recently, we see more alpha generated on the short side of the portfolio, as stocks are not moving in lock-step as they seemingly had been for some time.
MULTI-MANAGER/ MULTI-STRATEGY	For investors seeking a lower volatility, lower beta strategy, a broadly diversified multi-manager strategy could be a relevant option.
MANAGED FUTURES	Divergence in economic policy, uncertainty in the global markets, and elevated levels of volatility are tailwinds for the strategy. Additionally, the ability to go both long and short the various asset classes (fixed income, commodities, currency, and equities) allows the strategy to benefit even in times of financial distress. Finally, increasing rates can be advantageous for this strategy due to a higher rate earned on its large cash allocation and the ability for the fund to profit from the trend.
EVENT DRIVEN	Event-driven managers are finding numerous opportunities across the spectrum. M&A transactions are recording larger spreads, and managers with an expertise in this space have the ability to underwrite and understand the regulatory complexities that have contributed to the spread widening. While the opportunities in distressed are not widespread, these managers have been able to take advantage of pockets of opportunities within energy, infrastructure, and ongoing European bank deleveraging. Finally, activists continue to drive change at companies, which have become more receptive than ever before to the suggestions set forth by activist managers.
EQUITY MARKET NEUTRAL	As intra-stock correlations have decreased, managers have the potential to benefit from both the long and short exposure within the portfolio. For an investor who is bearish on equities, this could be a suitable option given its lack of dependence on market movements. However, if equity markets continue on an upward trend, equity market neutral managers are likely to underperform strategies with a long bias.
GLOBAL MACRO	Divergence in economic policy, uncertainty in the global markets, and elevated levels of volatility are tailwinds for the strategy, similar to managed futures. Additionally, the ability to go both long and short across the various asset classes (fixed income, commodities, currency, and equities) allows the strategy to benefit even in times of financial distress and/or rising rates.

BROAD ASSET CLASS RETURNS INDEX DECRIPTIONS

U.S. EQUITY | Russell 3000 Total Return Index: This index represents 3000 large U.S. companies, ranked by market capitalization. It represents approximately 98% of the U.S. equity market. This index includes the effects of reinvested dividends.

NON-U.S. EQUITY | MSCI ACWI Ex USA Net Return Index: The index is a market-capitalization-weighted index maintained by Morgan Stanley Capital International (MSCI) and designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The index includes both developed and emerging markets.

GLOBAL REAL ESTATE | FTSE EPRA/NAREIT Global Net Return Index: This index is designed to track the performance of listed real estate companies and REITs in both developed and emerging markets. By making the index constituents free-float adjusted, liquidity, size and revenue screened, the series is suitable for use as the basis for investment products. Prior to 2009, this asset class was represented by the NASDAQ Global Real Estate Index.

CASH & CASH ALTERNATIVES | Citigroup 3 Month U.S. Treasury-Bill Total Return Index: This index is a measurement of the movement of 3-month T-Bills. The income used to calculate the monthly return is derived by subtracting the original amount invested from the maturity value.

FIXED INCOME | Bloomberg Barclays Capital Aggregate Bond Total Return Index: This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

COMMODITIES | Bloomberg Commodity Total Return Index: The index tracks prices of futures contracts on physical commodities on the commodity markets. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components). The weightings for each commodity included in the Bloomberg Commodity Index are calculated in accordance with rules that ensure that the relative proportion of each of the underlying individual commodities reflects its global economic significance and market liquidity. Annual rebalancing and reweighting ensure that diversity is maintained over time.

DOMESTIC EQUITY RETURNS INDEX DESCRIPTIONS

LARGE GROWTH | Russell 1000 Growth Total Return Index: This index represents a segment of the Russell 1000 Index with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values. This index includes the effects of reinvested dividends.

MID GROWTH | Russell Mid Cap Growth Total Return Index: This index contains stocks from the Russell Midcap Index with a greater-than-average growth orientation. The stocks are also members of the Russell 1000 Growth Index. This index includes the effects of reinvested dividends.

SMALL GROWTH | Russell 2000 Growth Total Return Index: This index represents a segment of the Russell 2000 Index with a greater-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

LARGE BLEND | Russell 1000 Total Return Index: This index represents the 1000 largest companies in the Russell 3000 Index. This index is highly correlated with the S&P 500 Index. This index includes the effects of reinvested dividends.

MID BLEND | Russell Mid Cap Total Return Index: This index consists of the bottom 800 securities in the Russell 1000 Index as ranked by total market capitalization. This index includes the effects of reinvested dividends.

SMALL BLEND | Russell 2000 Total Return Index: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest U.S. companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

LARGE VALUE | Russell 1000 Value Total Return Index: This index represents a segment of the Russell 1000 Index with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values. This index includes the effects of reinvested dividends.

MID VALUE | Russell Mid Cap Value Total Return Index: This index contains stocks from the Russell Midcap Index with a less-than-average growth orientation. The stocks are also members of the Russell 1000 Value Index. This index includes the effects of reinvested dividends.

SMALL VALUE | Russell 2000 Value Total Return Index: This index represents a segment of the Russell 2000 Index with a less-than-average growth orientation. The combined market capitalization of the Russell 2000 Growth and Value Indices will add up to the total market cap of the Russell 2000. This index includes the effects of reinvested dividends.

FIXED INCOME RETURNS INDEX DESCRIPTIONS

AGGREGATE BOND | Bloomberg Barclays US Agg Bond Total Return Index: The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

HIGH YIELD | Bloomberg Barclays US Corporate High Yield Total Return Index: The index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | Bloomberg Barclays U.S. Credit Total Return Index: The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

SHORT-TERM BOND | Bloomberg Barclays US Govt/Credit 1-3 Yr Total Return Index: The index is the 1-3 year component of the Bloomberg Barclays U.S. Government/Credit Index. The Bloomberg Barclays U.S. Government/Credit Index covers treasuries, agencies, publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

LONG-TERM BOND | Bloomberg Barclays US Govt/Credit Long Total Return Index: The index is a measure of domestic fixed income securities, including Treasury issues and corporate debt issues, that are rated investment grade (Baa by Moody's Investors Service and BBB by Standard and Poor's) and with maturities of ten years or greater.

MBS | Bloomberg Barclays US MBS Total Return Index: The index tracks agency mortgage backed pass-through securities (both fixed-rate and hybrid ARM) guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is constructed by grouping individual TBA-deliverable MBS pools into aggregates or generics based on program, coupon and vintage.

TREASURY | Bloomberg Barclays US Treasury Total Return Index: The index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index.

U.S. TIPS | Bloomberg Barclays US Treasury US TIPS Total Return Index: The index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have $250 million or more of outstanding face value.

GLOBAL BOND EX U.S. | Bloomberg Barclays Gbl Agg Ex USD Total Return Index: The index provides a broad-based measure of the global investment grade fixed-rate debt markets, excluding the United States. Currency exposure is hedged to the US dollar.

T-BILLS | Citi Treasury Bill 3 Mon Total Return Index: This index is a measurement of the movement of 3-month T-Bills. The income used to calculate the monthly return is derived by subtracting the original amount invested from the maturity value.

EMERGING MKT BOND | J.P. Morgan EMBI Plus Total Return Index: The index tracks total returns for traded external debt instruments (external meaning foreign currency denominated fixed income) in the emerging markets.

AGENCY | Bloomberg Barclays US Agency Total Return Index: The index includes native currency agency debentures from issuers such as Fannie Mae, Freddie Mac, and Federal Home Loan Bank. It is a subcomponent of the Government-Related Index (which also includes non-native currency agency bonds, sovereigns, supranationals, and local authority debt) and the U.S. Government Index (which also includes U.S. Treasury debt). The index includes callable and non-callable agency securities that are publicly issued by U.S. government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. government (such as USAID securities).

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MUNICIPAL | Bloomberg Barclays Municipal Total Return Index: The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

INTERNATIONAL EQUITY RETURNS INDEX DESCRIPTIONS

EMERGING MARKETS EASTERN EUROPE | MSCI EM Eastern Europe Net Return Index: The index captures large and mid cap representation across 4 Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS ASIA | MSCI EM Asia Net Return Index: The index captures large and mid cap representation across 8 Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | MSCI EM Latin America Net Return Index: The index captures large and mid cap representation across 5 Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | MSCI Emerging Markets Net Return Index: This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | MSCI Pacific Ex Japan Net Return Index: The index captures large and mid cap representation across 4 of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

UNITED KINGDOM | MSCI United Kingdom Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the UK market. With 109 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the UK.

U.S. LARGE CAP | S&P 500 Total Return Index: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

JAPAN | MSCI Japan Net Return Index: The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

FOREIGN DEVELOPED MARKETS | MSCI EAFE Net Return Index: This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

EUROPE EX UK | MSCI Europe Ex UK Net Return Index: The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

EQUITY SECTOR RETURNS INDEX DESCRIPTIONS

ENERGY | S&P 500 Sec/Energy Total Return Index: The S&P 500® Energy Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Energy sector.

MATERIALS | S&P 500 Sec/Materials Total Return Index: The S&P 500® Materials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Materials sector.

UTILITIES | S&P 500 Sec/Utilities Total Return Index: The S&P 500® Utilities Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Utilities sector.

INFO TECH | S&P 500 Sec/Information Technology Total Return Index: The S&P 500® Info Tech Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Info Tech sector.

CONS STAPLES | S&P 500 Sec/Cons Staples Total Return Index: The S&P 500® Consumer Staples Index comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

INDUSTRIALS | S&P 500 Sec/Industrials Total Return Index: The S&P 500® Industrials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Industrials sector.

TELECOM | S&P 500 Sec/Telecom Services Total Return Index: The S&P 500® Telecom Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Telecom sector.

HEALTH CARE | S&P 500 Sec/Health Care Total Return Index: The S&P 500® Health Care Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Health Care sector.

S&P 500 | S&P 500 Total Return Index: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

CONS DISC | S&P 500 Sec/Cons Disc Total Return Index: The S&P 500® Consumer Discretionary Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Consumer Discretionary sector.

REAL ESTATE | S&P 500 Sec/Real Estate Total Return Index: The S&P 500® Real Estate Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Real Estate sector.

FINANCIALS | S&P 500 Sec/Financials Total Return Index: The S&P 500® Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® Financials sector.

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Appendix

Portfolio and Individual Account Investment Returns

Due to the IPS change in March 2016, periods beginning prior to 3/31/16 do not reflect current investments and are omitted.

Information as of: 6/30/2017

	Market Value	Current Allocation	One-Month	Three-Month	Six-Month	YTD	One-Year	Two-Year	Three-Year	Five-Year	Seven-Year	Inception
Overall Portfolio	$25,442,774		0.53%	2.54%	7.12%	7.12%	10.79%	-	-	-	-	-
Basic Benchmark*			***0.39%***	***2.56%***	***7.03%***	**7.03%**	***11.62%***	**-**	**-**	**-**	**-**	**-**
Alternative Benchmark*			***0.22%***	***2.54%***	***7.06%***	**7.06%**	***10.94%***	**-**	**-**	**-**	**-**	**-**
Individual Stock Account	$13,155,372	52%	0.75%	2.90%	9.83%	9.83%	15.00%	-	-	-	-	-
Index: S&P 500			***0.62%***	***3.09%***	***9.34%***	**9.34%**	***17.90%***	**-**	**-**	**-**	**-**	**-**
Clarkston SMID-Cap Equity	$3,087,122	12%	1.22%	3.94%	7.12%	7.12%	10.79%	-	-	-	-	-
Index: Russell 2000			***3.46%***	***2.46%***	***4.99%***	**4.99%**	***24.60%***	**-**	**-**	**-**	**-**	**-**
Boston Company Int'l Equity	$2,609,133	10%	0.97%	7.19%	14.18%	14.18%	20.09%	-	-	-	-	-
Index: MSCI EAFE			***-0.18%***	***6.12%***	***13.81%***	**13.81%**	***20.27%***	**-**	**-**	**-**	**-**	**-**
Individual Bond Account	$6,591,147	26%	-0.10%	0.78%	1.25%	1.25%	-1.25%	-	-	-	-	-
Index: Barclays Int Credit			***-0.06%***	***1.38%***	***2.54%***	**2.54%**	***1.36%***	**-**	**-**	**-**	**-**	**-**

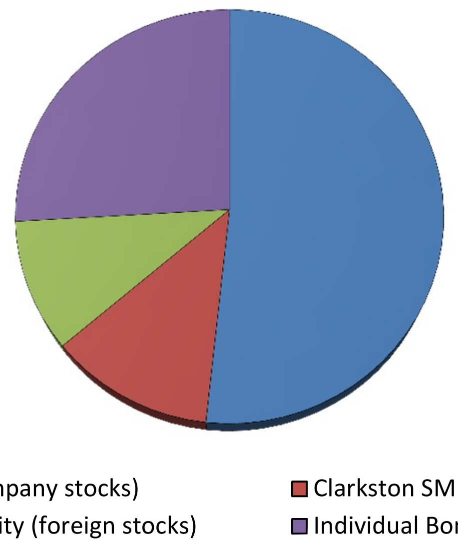
*The Basic Benchmark is weighted to the Standard & Poor's 500 Index and the Barclays US Aggregate Bond Index based on the actual portfolio allocation. The Alternative Benchmark is weighted among the Standard & Poor's 500 Index, the Barclays US Aggregate Bond Index, the Russell 2000 Index, the MSCI EAFE Index, the Barclays US Intermediate Credit Index, the Barclays US 1-3 Year Government/Credit Index, the Citi 1-Month Treasury Bill Index, the S&P GSCI Gold Spot Index, and the PHLX Gold & Silver Index based on the actual portfolio allocation.

Investment Returns By Account

Due to the IPS change in March 2016, periods beginning prior to 3/31/16 do not reflect current investments and are omitted.

Account	Value	Weighting	Contribution to Overall Portfolio Return: Second Quarter	Year-to-Date	One-Year
Individual Stock Account (large company stocks)	$13,155,372	52%	1.50%	5.08%	7.76%
Clarkston SMID-Cap Equity (small/mid company stocks)	$3,087,122	12%	0.48%	0.86%	1.31%
Boston Company International Equity (foreign stocks)	$2,609,133	10%	0.74%	1.45%	2.06%
Individual Bond Account (fixed income)	$6,591,147	26%	0.20%	0.32%	-0.32%
Overall Portfolio	**$25,442,774**		**2.54%**	**7.12%**	**10.79%**

Composition by Account



Portfolio returns are calculated net of fees. Market valuations are based on information we believe to be reliable, but no guarantees are made as to its accuracy or completeness. This schedule is not intended for tax, lending, legal, or other non-financial planning pruposes, and should not be relied upon by third parties. Past performance is not a guarantee of future results. The preceeding data is provided to you for informational purposes only. This report is not a replacement for the client account statements from Raymond James or other custodians. Investors are reminded to compare the findings in this report to their quarterly account statements.

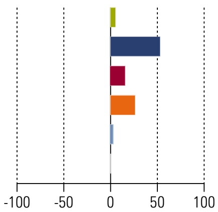
The Episcopal Diocese of Vermont : Unit Fund

Portfolio Snapshot

Portfolio Value	Benchmark	Account Number	Report Currency
25,479,168.71	Episcopal Diocese Alt. Benchmark		USD

Analysis

Asset Allocation



	Portfolio Long	Portfolio Short	Portfolio Net	Bmark Net
Cash	4.65	0.00	4.65	6.00
US Stock	52.38	0.00	52.38	43.82
Non US Stock	15.07	0.00	15.07	17.16
Bond	25.63	0.00	25.63	0.00
Other	2.55	0.28	2.26	0.02
Not Classified	0.00	0.00	0.00	33.00
Total	100.28	0.28	100.00	100.00

Equity Investment Style %

	Value	Core	Growth
Large	24	25	32
Mid	1	5	8
Small	1	3	1

Total Stock Holdings 1061

Not Classified % 0.00

0-10 10-25 25-50 >50

Fixed-Income Investment Style %

	Ltd	Mod	Ext
High	53	0	0
Med	47	0	0
Low	0	0	0

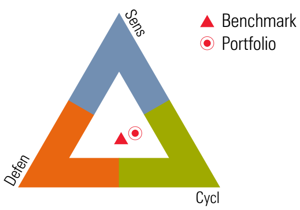
Total Bond Holdings 3

Not Classified % 0.00

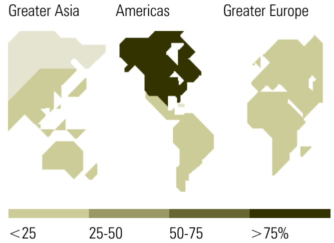
0-10 10-25 25-50 >50

Stock Analysis

Stock Sectors



Stock Regions



	Portfolio %	Bmark %
Defen	**18.26**	**26.01**
Cons Defensive	6.38	9.19
Healthcare	11.43	13.53
Utilities	0.45	3.29
Sens	**40.61**	**36.76**
Comm Svcs	2.02	3.77
Energy	6.91	5.32
Industrials	15.22	11.73
Technology	16.46	15.94
Cycl	**41.13**	**37.22**
Basic Matls	6.78	4.67
Cons Cyclical	12.40	11.27
Financial Svcs	21.62	17.89
Real Estate	0.33	3.39
Not Classified	0.00	0.01

	Portfolio %	Bmark %
Americas	**80.23**	**71.89**
North America	80.23	71.87
Central/Latin	0.00	0.02
Greater Asia	**7.83**	**10.28**
Japan	3.21	6.54
Australasia	1.05	1.99
Asia Developed	0.51	1.31
Asia emerging	3.06	0.44
Greater Europe	**11.95**	**17.84**
United Kingdom	2.75	4.86
Europe Developed	9.20	12.80
Europe Emerging	0.00	0.00
Africa/Middle East	0.00	0.18
Not Classified	0.00	0.00

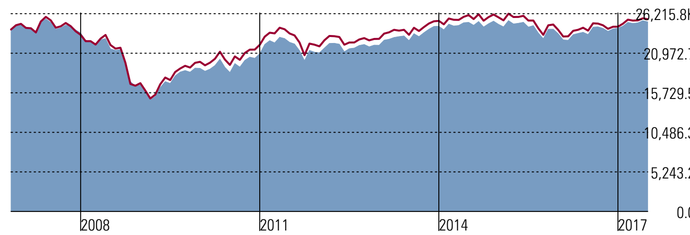
Performance

Investment Activity Graph

Portfolio — Benchmark

Initial Mkt Value: 239,239.35

Final Mkt Value: 25,479,168.71



Trailing Returns	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	2.71	11.44	4.48	8.23	5.15
Benchmark Return	2.71	11.72	5.09	8.58	4.99
+/- Benchmark Return	0.00	-0.28	-0.60	-0.34	0.16

Time Period Return	Best %	Worst %
3 Months	34.57 (10/06-12/06)	-21.70 (09/08-11/08)
1 Year	45.66 (10/06-09/07)	-29.27 (03/08-02/09)
3 Years	18.63 (03/09-02/12)	-2.52 (07/07-06/10)

Portfolio Yield	Yield %
Trailing 12 Month	2.40

Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For information current to the most recent month-end, please visit http://www.morningstaradvisor.com/familyinfo.asp

Holdings

Top 10 holdings out of 200	Ticker	Type	Holding Value	% Assets
Rj Bank Deposit Program Money Market Fund	RDP-RJ	FM	1,162,945.63	4.56
JPMorgan Chase & Co	JPM	ST	660,822.00	2.59
SPDR® Gold Shares	GLD	ETF	648,873.96	2.55
Microsoft Corp	MSFT	ST	557,574.77	2.19
COX COMMUNICATIONS, INC. MTN IUS22404QAG38	US22404QAG38	CD	489,589.39	1.92
FANNIE MAE POOL #BC6358FNMA CONV INTERMEDIATE TERM 15	FNBC6358	MBS	457,394.45	1.80
Microchip Technology Inc	MCHP	ST	385,745.64	1.51
Apple Inc	AAPL	ST	338,158.96	1.33
Marathon Petroleum Corp	MPC	ST	335,330.64	1.32
Carnival Corp	CCL	ST	335,062.70	1.32

The Episcopal Diocese of Vermont : Unit Fund

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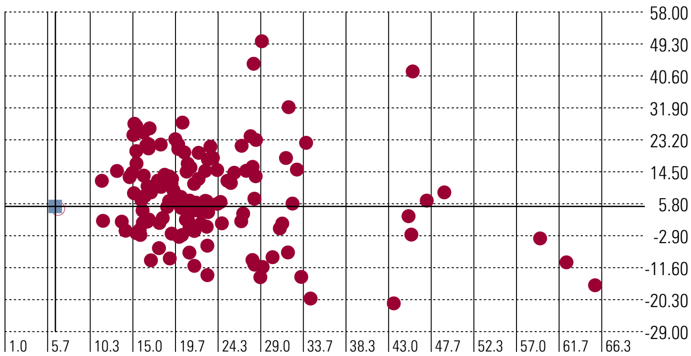
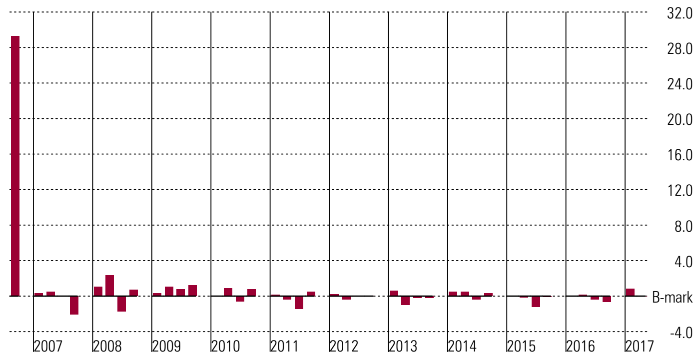
Risk Analysis

Risk/Reward Scatterplot



Performance History Graph



Risk and Return Statistics

	3 Yr Portfolio	3 Yr B-mark	5 Yr Portfolio	5 Yr B-mark	10 Yr Portfolio	10 Yr B-mark
Standard Deviation	6.81	6.52	6.30	6.07	10.68	10.08
Mean	4.48	5.09	8.23	8.58	5.15	4.99
Sharpe Ratio	0.64	0.75	1.26	1.36	0.48	0.49

MPT Statistics

	3 Yr	5 Yr	10 Yr
Alpha	-0.72	-0.50	0.00
Beta	1.03	1.02	1.04
R-squared	97.86	97.43	97.26

Fundamental Analysis

Market Maturity

% of Stocks		
Developed Markets	96.93	99.36
Emerging Markets	3.07	0.64
Not Available	0.00	0.00

Geometric Avg Capitalization (Mil)

Portfolio	50,697.90
Benchmark	43,015.88

Valuation Multiples

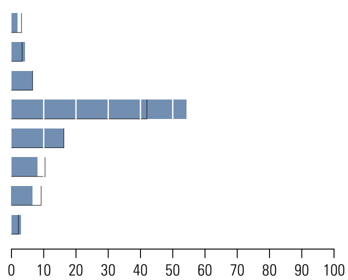
	Portfolio	B-mark
Price/Earnings	22.48	20.27
Price/Book	2.66	2.36
Price/Sales	1.92	1.63
Price/Cash Flow	11.71	11.08

Credit Quality

	% of Bonds
AAA	0.00
AA	1.36
A	1.19
BBB	0.00
BB	0.00
B	0.00
Below B	0.00
NR/NA	97.45

Type Weightings

% of Stocks	Portfolio	B-mark
High Yield	1.80	3.11
Distressed	4.12	3.29
Hard Asset	6.43	6.56
Cyclical	54.18	41.99
Slow Growth	16.17	16.25
Classic Growth	7.94	10.41
Aggressive Growth	6.53	9.20
Speculative Growth	2.83	2.16
Not Available	0.00	7.03



Profitability

% of Stocks	2015	Portfolio 2016	B-mark 2016
Net Margin	11.38	12.01	11.75
ROE	19.41	17.47	16.89
ROA	5.65	4.94	5.48
Debt/Capital	39.72	39.52	40.59

Fund Statistics

Potential Cap Gains Exposure	-1.41
Avg Net Exp Ratio	0.39
Avg Gross Exp Ratio	0.39

Interest Rate Risk

	Portfolio
Maturity	5.71
Duration (total portfolio)	4.71
Avg Credit Quality	B

The Episcopal Diocese of Vermont : Unit Fund

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Non-Load Adjustment Returns

Total 200 holdings as of 6/30/2017	Type	Holdings Date	% of Assets	Holding Value	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %	Max Front Load %	Max Back Load %
Rj Bank Deposit Program Money Market Fu...	FM		4.56	1,162,945.63	—	—	—	—	—	—	—
JPMorgan Chase & Co	ST	6/30/2017	2.59	660,822.00	0.00	50.93	19.79	24.00	9.19	—	—
SPDR® Gold Shares	ETF	6/30/2017	2.55	648,873.96	0.00	-6.68	-2.68	-5.33	6.26	—	—
Microsoft Corp	ST	6/30/2017	2.19	557,574.77	0.00	38.03	21.36	20.89	11.58	—	—
COX COMMUNICATIONS, INC. MTN IUS22...	CD		1.92	489,589.39	0.00	—	—	—	—	—	—
FANNIE MAE POOL #BC6358FNMA CONV...	MBS		1.80	457,394.45	0.00	—	—	—	—	—	—
Microchip Technology Inc	ST	6/30/2017	1.51	385,745.64	0.00	55.20	19.67	22.16	11.86	—	—
Apple Inc	ST	6/30/2017	1.33	338,158.96	0.00	53.50	17.86	13.77	24.74	—	—
Marathon Petroleum Corp	ST	6/30/2017	1.32	335,330.64	0.00	42.08	13.30	21.38	—	—	—
Carnival Corp	ST	6/30/2017	1.32	335,062.70	0.00	52.34	23.37	17.17	5.76	—	—
BANC ONE CORPORATION NTS ISINUS059...	CD		1.31	334,027.04	0.00	—	—	—	—	—	—
Amazon.com Inc	ST	6/30/2017	1.29	328,152.00	—	35.27	43.91	33.49	30.34	—	—
Union Pacific Corp	ST	6/30/2017	1.27	322,700.33	0.00	27.70	5.34	15.25	16.52	—	—
Oracle Corp	ST	6/30/2017	1.25	317,787.32	0.00	24.41	8.91	12.64	10.86	—	—
CME Group Inc Class A	ST	6/30/2017	1.24	316,731.96	0.00	35.09	26.96	24.81	5.41	—	—
Eaton Corp PLC	ST	6/30/2017	1.24	315,211.50	0.00	34.65	3.68	18.06	8.59	—	—
Time Warner Inc	ST	6/30/2017	1.19	301,932.87	0.00	38.97	14.73	24.20	11.14	—	—
Chubb Ltd	ST	6/30/2017	1.15	293,086.08	0.00	13.54	14.73	17.27	11.33	—	—
General Dynamics Corp	ST	6/30/2017	1.12	285,264.00	0.00	44.21	21.69	27.45	12.26	—	—
PepsiCo Inc	ST	6/30/2017	1.10	279,947.76	0.00	12.12	12.05	13.50	9.00	—	—
The Priceline Group Inc	ST	6/30/2017	1.08	274,966.44	—	49.83	15.85	23.00	39.15	—	—
Intercontinental Exchange Inc	ST	6/30/2017	1.07	272,249.60	0.00	30.39	21.92	20.51	8.86	—	—
NXP Semiconductors NV	ST	6/30/2017	1.06	270,998.20	—	39.71	18.26	36.34	—	—	—
Pfizer Inc	ST	6/30/2017	1.05	268,216.15	0.00	-1.01	7.97	11.69	7.21	—	—
Chevron Corp	ST	6/30/2017	1.05	266,876.14	0.00	3.60	-3.20	3.69	5.88	—	—
Ingersoll-Rand PLC	ST	6/30/2017	1.04	265,944.90	0.00	46.31	15.68	24.33	9.54	—	—
The Kraft Heinz Co	ST	6/30/2017	1.04	265,398.36	0.00	-0.55	—	—	—	—	—
Allstate Corp	ST	6/30/2017	1.02	260,367.36	0.00	28.75	16.76	22.66	6.36	—	—
Broadcom Ltd	ST	6/30/2017	1.00	254,723.65	0.00	52.65	50.04	47.79	—	—	—
GOLDMAN SACHS BANK USA FDIC #CER...	CD		0.99	253,489.51	0.00	—	—	—	—	—	—
Visa Inc Class A	ST	6/30/2017	0.99	252,080.64	0.00	27.39	22.08	25.79	—	—	—
Becton, Dickinson and Co	ST	6/30/2017	0.99	251,887.01	0.00	16.88	20.15	23.39	12.16	—	—
Alphabet Inc A	ST	6/30/2017	0.95	242,646.48	—	32.15	16.72	26.90	13.82	—	—
CAPITAL ONE BK USA NA GLEN ALLFDIC ...	CD		0.95	240,985.26	0.00	—	—	—	—	—	—
Kansas City Southern	ST	6/30/2017	0.94	238,288.05	0.00	17.85	0.48	9.81	11.51	—	—
Air Products & Chemicals Inc	ST	6/30/2017	0.92	235,476.76	0.00	10.89	8.68	16.69	9.44	—	—
Halliburton Co	ST	6/30/2017	0.92	233,922.67	0.00	-4.28	-14.18	10.07	3.49	—	—
SEAGATE HDD CAYMAN DEB ISIN US	CD		0.91	231,729.03	0.00	—	—	—	—	—	—
The Home Depot Inc	ST	6/30/2017	0.91	231,173.80	0.00	22.84	26.34	26.29	17.42	—	—
AbbVie Inc	ST	6/30/2017	0.91	231,161.88	0.00	21.76	12.57	—	—	—	—
Pioneer Natural Resources Co	ST	6/30/2017	0.90	229,156.88	0.00	5.58	-11.40	12.65	12.80	—	—
Synchrony Financial	ST	6/30/2017	0.80	204,684.48	0.00	19.96	—	—	—	—	—
CENTERPOINT ENGY RES BD 2009-1	CD		0.80	203,436.34	0.00	—	—	—	—	—	—
Verizon Communications Inc	ST	6/30/2017	0.80	202,622.42	0.00	-16.23	1.51	4.67	6.02	—	—
Merck & Co Inc	ST	6/30/2017	0.79	201,178.51	0.00	14.63	6.81	12.65	6.55	—	—

The Episcopal Diocese of Vermont : Unit Fund

Portfolio Snapshot

Portfolio Value	Benchmark	Account Number	Report Currency
25,479,168.71	Episcopal Diocese Alt. Benchmark		USD

Non-Load Adjustment Returns

Total 200 holdings as of 6/30/2017	Type	Holdings Date	% of Assets	Holding Value	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %	Max Front Load %	Max Back Load %
Celgene Corp	ST	6/30/2017	0.78	198,051.75	—	31.67	14.78	32.27	16.31	—	—
The Estee Lauder Companies Inc Class A	ST	6/30/2017	0.78	197,718.80	0.00	7.09	10.39	13.69	16.81	—	—
Salesforce.com Inc	ST	6/30/2017	0.77	195,109.80	—	9.05	14.24	20.16	23.24	—	—
The Western Union Co	ST	6/30/2017	0.74	188,137.80	0.00	2.62	6.54	5.72	1.17	—	—
LEAR CORPORATION NTS ISIN US52	CD		0.69	175,353.00	0.00	—	—	—	—	—	—
Express Scripts Holding Co	ST	6/30/2017	0.68	174,347.04	—	-15.78	-2.71	2.72	9.83	—	—
JEFFERIES GROUP, INC. NTS ISINUS47231...	CD		0.65	165,640.08	0.00	—	—	—	—	—	—
Allergan PLC	ST	6/30/2017	0.62	159,223.95	0.00	5.82	3.11	27.01	22.35	—	—
LPL Financial Holdings Inc	ST	6/30/2017	0.62	158,036.12	0.00	93.63	-2.59	7.12	—	—	—
O'Reilly Automotive Inc	ST	6/30/2017	0.62	156,836.58	—	-19.31	13.25	21.16	19.59	—	—
Broadridge Financial Solutions Inc	ST	6/30/2017	0.61	155,729.16	0.00	18.12	24.53	31.83	17.36	—	—
AT&T INC. NTS ISIN US00206RCE0	CD		0.61	155,378.10	0.00	—	—	—	—	—	—
Brown & Brown Inc	ST	6/30/2017	0.60	152,424.73	0.00	16.47	13.47	11.03	7.01	—	—
Willis Towers Watson PLC	ST	6/30/2017	0.60	152,151.16	0.00	18.81	10.58	11.15	5.15	—	—
CVS Health Corp	ST	6/30/2017	0.60	152,069.40	0.00	-14.09	3.96	13.31	9.70	—	—
SLM STUDENT LOAN TR 2008-5 A-4RATE ...	CD		0.59	150,502.34	0.00	—	—	—	—	—	—
JPMORGAN CHASE BANK NA COLUMBU...	CD		0.58	147,994.61	0.00	—	—	—	—	—	—
Legg Mason Inc	ST	6/30/2017	0.58	147,488.40	0.00	33.12	-7.45	9.68	-7.51	—	—
John Wiley & Sons Inc Class A	ST	6/30/2017	0.56	141,633.75	0.00	4.05	-2.33	3.86	2.79	—	—
iShares MSCI EAFE ETF	ETF	7/3/2017	0.52	131,834.40	0.00	19.94	1.15	8.58	0.98	—	—
COMERICA BANK DEBENTURE ISINUS200...	CD		0.52	131,537.05	0.00	—	—	—	—	—	—
U.S. BANK NATIONAL ASSOCIATIONUS90...	CD		0.51	130,426.22	0.00	—	—	—	—	—	—
DISCOVER CARD EXE TR 2012-5-6CREDIT ...	CD		0.51	128,916.99	0.00	—	—	—	—	—	—
BB&T CORPORATION MTN ISIN US05	CD		0.49	125,371.52	0.00	—	—	—	—	—	—
PUBLIC SERVICE ELECTRIC AND GAMTN IS...	CD		0.48	122,631.72	0.00	—	—	—	—	—	—
Hillenbrand Inc	ST	6/30/2017	0.48	122,487.30	0.00	22.98	6.09	17.63	—	—	—
Alamos Gold Inc	ST	6/30/2017	0.48	122,088.72	0.00	-16.29	-10.14	-13.33	—	—	—
Newmont Mining Corp	ST	6/30/2017	0.47	120,879.48	0.00	-16.78	8.90	-6.37	-0.51	—	—
PEPSICO CAPITAL RESOURCES, INCUS713...	CD		0.47	119,389.27	0.00	—	—	—	—	—	—
Matthews International Corp Class A	ST	6/30/2017	0.47	118,886.25	0.00	11.18	14.99	14.76	4.42	—	—
Agnico Eagle Mines Ltd	ST	6/30/2017	0.46	118,214.40	0.00	-14.92	6.66	3.65	3.17	—	—
EXXON MOBIL CORPORATION NTS ISUS30...	CD		0.45	115,452.86	0.00	—	—	—	—	—	—
THE WALT DISNEY COMPANY MTN ISUS2...	CD		0.45	113,709.83	0.00	—	—	—	—	—	—
UNITED TECHNOLOGIES CORPORATIOUS9...	CD		0.44	113,048.89	0.00	—	—	—	—	—	—
TARGET CORPORATION NTS ISIN US	CD		0.44	112,795.25	0.00	—	—	—	—	—	—
AT&T INC. NTS ISIN US00206RAJ1	CD		0.44	111,728.79	0.00	—	—	—	—	—	—
METLIFE INC. DEBENTURE PAYS QTUS591...	CD		0.44	111,186.90	0.00	—	—	—	—	—	—
UNITED PARCEL SERVICE, INC. NTUS9113...	CD		0.43	108,727.16	0.00	—	—	—	—	—	—
Barrick Gold Corp	ST	6/30/2017	0.43	108,601.66	0.00	-25.04	-3.63	-14.65	-4.71	—	—
JOHNSON & JOHNSON NTS ISIN US4	CD		0.43	108,385.64	0.00	—	—	—	—	—	—
THE PROCTER & GAMBLE COMPANY NUS...	CD		0.42	107,200.27	0.00	—	—	—	—	—	—
AMERICAN EXPRESS COMPANY NTS IUS0...	CD		0.42	106,414.52	0.00	—	—	—	—	—	—
CIT BANK FDIC # 35575 CERTIFICDEPOSIT...	CD		0.40	102,649.39	0.00	—	—	—	—	—	—
Randgold Resources Ltd ADR	ST	6/30/2017	0.39	98,455.98	0.00	-20.14	2.42	0.46	15.45	—	—
BERKSHIRE HATHAWAY INC. NTS ISUS08...	CD		0.38	97,487.53	0.00	—	—	—	—	—	—

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Actuant Corp Class A	ST	6/30/2017	0.37	95,226.60	0.00	8.99	-10.57	-1.81	-2.47	—	—
Goldcorp Inc	ST	6/30/2017	0.36	92,461.42	0.00	-32.14	-21.31	-17.73	-4.70	—	—
C.H. Robinson Worldwide Inc	ST	6/30/2017	0.36	92,237.24	0.00	-5.18	4.93	5.71	4.83	—	—
Landstar System Inc	ST	6/30/2017	0.36	91,506.40	0.00	25.24	11.25	11.69	6.65	—	—
HEWLETT PACKARD ENTERPRISE COMISI...	CD		0.35	89,813.77	0.00	—	—	—	—	—	—
General Electric Capital Corpo Isin Us3696...	FI		0.35	88,879.13	0.00	—	—	—	—	—	—
CHASE ISSUANCE TR 2012-4A A CCARDS	CD		0.33	83,796.43	0.00	—	—	—	—	—	—
Carolina Power & Light Company Isin Us14...	FI		0.30	77,647.50	0.00	—	—	—	—	—	—
NORTHERN STATES POWER COMPANY	CD		0.30	77,078.59	0.00	—	—	—	—	—	—
PPL ELECTRIC UTILITIES CORPORAMTG ISI...	CD		0.30	75,523.40	0.00	—	—	—	—	—	—
Banco Santander SA ADR	ST	6/30/2017	0.29	73,777.32	0.00	78.37	-8.74	7.96	-3.03	—	—
NELNET ST LN TR 2008-4 A-4 ACT	CD		0.29	73,726.76	0.00	—	—	—	—	—	—
LAZARD GROUP LLC NTS OID ISINUS5210...	CD		0.27	69,973.96	0.00	—	—	—	—	—	—
KIMBERLY-CLARK CORPORATION NTSUS4...	CD		0.27	68,350.17	0.00	—	—	—	—	—	—
Novartis AG ADR	ST	6/30/2017	0.26	67,276.82	0.00	4.87	0.63	12.07	7.95	—	—
Roche Holding AG ADR	ST	6/30/2017	0.26	67,161.60	0.00	-0.39	-2.19	11.42	7.13	—	—
Nintendo Co Ltd ADR	ST	6/30/2017	0.26	65,741.04	—	135.21	41.82	24.25	0.94	—	—
BNP Paribas ADR	ST	6/30/2017	0.25	64,793.52	0.00	67.92	6.29	17.61	-1.14	—	—
Northern Tr 3.45% 2020-11-04	FI		0.25	63,913.16	0.00	—	—	—	—	—	—
Markel Corp	ST	6/30/2017	0.25	62,455.04	—	2.42	14.18	17.18	7.25	—	—
Waters Corp	ST	6/30/2017	0.24	61,954.08	—	30.71	20.74	18.26	11.97	—	—
Post Holdings Inc	ST	6/30/2017	0.24	61,887.05	—	-6.10	15.11	20.35	—	—	—
SUNTRUST BANKS, INC. NTS ISINUS8679...	CD		0.24	61,474.73	0.00	—	—	—	—	—	—
Fastenal Co	ST	6/30/2017	0.24	61,116.12	0.00	0.87	-1.60	4.15	10.05	—	—
Stericycle Inc	ST	6/30/2017	0.24	60,674.40	—	-26.70	-13.62	-3.60	5.55	—	—
Graco Inc	ST	6/30/2017	0.24	60,431.84	0.00	40.60	13.69	20.80	12.69	—	—
Cintas Corp	ST	6/30/2017	0.24	60,247.12	0.00	29.93	27.59	28.61	14.23	—	—
McCormick & Co Inc Non-Voting	ST	6/30/2017	0.23	59,871.14	0.00	-6.89	13.05	12.17	12.34	—	—
Equifax Inc	ST	6/30/2017	0.23	59,777.70	0.00	8.22	25.16	25.73	13.21	—	—
Sumitomo Mitsui Financial Group Inc ADR	ST	6/30/2017	0.23	58,910.70	0.00	42.67	1.05	7.08	-5.20	—	—
TRAVELERS COMPANIES, INC. NTSUS894...	CD		0.23	58,421.75	0.00	—	—	—	—	—	—
IHS Markit Ltd A	ST	6/30/2017	0.23	57,736.44	—	35.48	4.91	7.77	13.03	—	—
ING Groep NV ADR	ST	6/30/2017	0.22	56,534.89	0.00	76.54	11.47	23.79	-7.02	—	—
Unilever PLC ADR	ST	6/30/2017	0.22	56,338.92	0.00	16.42	9.46	13.54	8.98	—	—
Seiko Epson Corp ADR	ST	6/30/2017	0.22	56,272.26	0.00	41.73	4.06	39.85	6.73	—	—
AIA Group Ltd ADR	ST	6/30/2017	0.22	55,043.86	0.00	22.61	14.56	17.49	—	—	—
Allianz SE ADR	ST	6/30/2017	0.21	54,073.25	0.00	48.97	12.09	20.71	3.12	—	—
Diageo PLC ADR	ST	6/30/2017	0.21	52,845.03	0.00	9.02	0.93	5.94	6.97	—	—
ASSURED GUARANTY US HOLDINGS IISIN...	CD		0.20	51,556.74	0.00	—	—	—	—	—	—
CONSOLIDATED EDISON COMPANY OFINC...	CD		0.20	51,390.26	0.00	—	—	—	—	—	—
Orange SA ADR	ST	6/30/2017	0.20	51,183.94	0.00	1.56	4.70	10.23	1.38	—	—
ALABAMA POWER COMPANY NTS ISINUS...	CD		0.20	51,127.24	0.00	—	—	—	—	—	—
NORTHERN STATES POWER COMPANYISI...	CD		0.19	49,525.77	0.00	—	—	—	—	—	—
Prudential PLC ADR	ST	6/30/2017	0.19	49,322.72	0.00	36.95	3.53	19.16	10.01	—	—
STATE STREET CORPORATION NTS IUS85...	CD		0.19	48,861.33	0.00	—	—	—	—	—	—

The Episcopal Diocese of Vermont : Unit Fund

Portfolio Snapshot

Portfolio Value	Benchmark	Account Number	Report Currency
25,479,168.71	Episcopal Diocese Alt. Benchmark		USD

Non-Load Adjustment Returns

Total 200 holdings as of 6/30/2017	Type	Holdings Date	% of Assets	Holding Value	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %	Max Front Load %	Max Back Load %
Seven & i Holdings Co Ltd ADR	ST	6/30/2017	0.18	45,576.74	0.00	0.63	0.94	8.77	—	—	—
TEXTRON INC. NTS ISIN US883203	CD		0.18	45,299.52	0.00	—	—	—	—	—	—
Sony Corp ADR	ST	6/30/2017	0.18	45,255.15	0.00	30.82	32.10	22.94	-1.88	—	—
Toyota Motor Corp ADR	ST	6/30/2017	0.18	44,948.56	0.00	8.56	-1.32	8.41	0.56	—	—
Vestas Wind Systems A/S ADR	ST	6/30/2017	0.18	44,622.86	0.00	37.58	24.19	78.20	—	—	—
Fresenius SE & Co KGaA ADR	ST	6/30/2017	0.17	44,409.15	0.00	18.42	20.87	21.43	—	—	—
PNC BANK, NATIONAL ASSOCIATIONUS6...	CD		0.17	43,968.21	0.00	—	—	—	—	—	—
KIMBERLY-CLARK CORPORATION NTSUS4...	CD		0.17	43,461.54	0.00	—	—	—	—	—	—
BHP Billiton Ltd ADR	ST	6/30/2017	0.17	43,241.85	0.00	28.55	-14.11	-6.60	-1.24	—	—
Vinci SA ADR	ST	6/30/2017	0.16	41,721.06	0.00	22.23	7.66	16.33	—	—	—
BROOKFIELD FINANCE LLC NTS ISIUS1127...	CD		0.16	41,529.19	0.00	—	—	—	—	—	—
E.ON SE ADR	ST	6/30/2017	0.16	41,501.00	0.00	-4.62	-19.99	-11.02	-12.03	—	—
Royal Dutch Shell PLC ADR Class A	ST	6/30/2017	0.16	40,956.30	0.00	3.55	-7.49	1.40	1.44	—	—
Woodside Petroleum Ltd ADR	ST	6/30/2017	0.16	39,775.23	0.00	19.73	-11.10	-1.83	-1.45	—	—
Shire PLC ADR	ST	6/30/2017	0.16	39,664.80	0.00	-9.76	-10.76	14.36	8.88	—	—
NATIONAL RURAL UTILITIES COOPEFINAN...	CD		0.15	39,435.18	0.00	—	—	—	—	—	—
WPP PLC ADR	ST	6/30/2017	0.15	39,317.93	0.00	4.17	1.93	14.88	6.53	—	—
BANK OF NEW YORK MELLON CORPORISI...	CD		0.15	39,123.06	0.00	—	—	—	—	—	—
Chr. Hansen Holding A/S ADR	ST	6/30/2017	0.15	39,114.49	0.00	12.22	21.97	—	—	—	—
KDDI Corp ADR	ST	6/30/2017	0.15	38,739.03	0.00	-11.96	11.17	22.22	—	—	—
Julius Baer Gruppe AG ADR	ST	6/30/2017	0.15	37,813.70	0.00	35.52	11.22	10.04	—	—	—
Panasonic Corp ADR	ST	6/30/2017	0.15	37,676.27	0.00	60.86	5.79	12.50	-2.46	—	—
Macquarie Group Ltd ADR	ST	6/30/2017	0.14	36,453.71	0.00	41.06	12.06	25.10	—	—	—
Galp Energia SGPS SA ADR	ST	6/30/2017	0.14	34,809.20	0.00	13.94	-0.91	—	—	—	—
Astellas Pharma Inc ADR	ST	6/30/2017	0.13	33,995.51	0.00	-20.75	-0.83	8.45	—	—	—
Carrefour ADR	ST	6/30/2017	0.13	33,886.82	0.00	6.74	-9.08	10.53	—	—	—
Compagnie de Saint-Gobain SA ADR	ST	6/30/2017	0.13	33,517.61	0.00	44.99	1.41	—	—	—	—
Arkema SA ADR	ST	6/30/2017	0.13	32,927.66	0.00	43.98	7.18	14.14	7.97	—	—
Cie Generale des Etablissements Michelin ...	ST	6/30/2017	0.13	32,366.89	0.00	44.03	6.67	18.77	—	—	—
Smiths Group PLC ADR	ST	6/30/2017	0.13	32,319.15	0.00	38.53	1.49	9.81	—	—	—
Continental AG ADR	ST	6/30/2017	0.12	31,291.33	0.00	16.71	-0.44	25.17	6.29	—	—
Enel SpA ADR	ST	6/30/2017	0.12	30,753.38	0.00	24.35	0.58	15.21	—	—	—
FORD MOTOR COMPANY DEBENTURE IUS...	CD		0.12	29,714.10	0.00	—	—	—	—	—	—
Renault SA ADR	ST	6/30/2017	0.11	29,268.28	0.00	23.54	—	—	—	—	—
Lonza Group Ltd ADR	ST	6/30/2017	0.11	28,617.33	0.00	32.25	27.89	42.88	—	—	—
Heineken NV ADR	ST	6/30/2017	0.11	28,601.58	0.00	6.94	12.59	15.01	6.82	—	—
ACS Actividades de Construccion y Servici...	ST	6/30/2017	0.11	28,518.34	—	41.93	0.42	—	—	—	—
Clariant AG ADR	ST	6/30/2017	0.11	28,008.58	0.00	35.01	6.47	14.23	—	—	—
HSBC Holdings PLC ADR	ST	6/30/2017	0.11	27,741.22	0.00	57.91	3.36	6.86	-1.74	—	—
Daiwa Securities Group Inc ADR	ST	6/30/2017	0.11	27,573.68	0.00	16.13	-9.59	12.93	-3.64	—	—
Telecom Italia SpA ADR	ST	6/30/2017	0.10	26,647.50	—	14.44	-9.51	-0.43	-7.80	—	—
Atos SE ADR	ST	6/30/2017	0.10	26,633.25	0.00	71.65	—	—	—	—	—
Anglo American PLC ADR	ST	6/30/2017	0.10	26,528.18	—	37.44	-16.38	-14.44	-12.96	—	—
Westfield Corp ADR	ST	6/30/2017	0.10	26,510.49	0.00	-19.73	-1.53	3.34	—	—	—
Nitto Denko Corp ADR	ST	6/30/2017	0.10	26,233.28	0.00	33.04	23.18	16.89	6.77	—	—

The Episcopal Diocese of Vermont : Unit Fund

Portfolio Snapshot

Portfolio Value	Benchmark	Account Number	Report Currency
25,479,168.71	Episcopal Diocese Alt. Benchmark		USD

Non-Load Adjustment Returns

Total 200 holdings as of 6/30/2017	Type	Holdings Date	% of Assets	Holding Value	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %	Max Front Load %	Max Back Load %
Adecco Group AG ADR	ST	6/30/2017	0.10	26,224.72	0.00	55.08	0.36	14.86	—	—	—
NATIONAL RURAL UTILITIES COOPEFINAN...	CD		0.10	26,127.26	0.00	—	—	—	—	—	—
Sun Hung Kai Properties Ltd ADR	ST	6/30/2017	0.10	25,889.07	0.00	26.77	5.86	7.55	4.56	—	—
Kering SA ADR	ST	6/30/2017	0.10	25,474.24	0.00	111.22	18.29	21.19	—	—	—
Fiat Chrysler Automobiles NV	ST	6/30/2017	0.10	25,459.63	—	73.69	22.39	—	—	—	—
Australia and New Zealand Banking Group ...	ST	6/30/2017	0.10	25,163.46	0.00	29.71	-5.61	5.49	6.11	—	—
Infineon Technologies AG ADR	ST	6/30/2017	0.10	24,603.86	0.00	48.60	21.59	28.08	3.74	—	—
Telenor ASA ADR	ST	6/30/2017	0.09	21,874.48	0.00	5.56	-6.28	4.50	1.86	—	—
CASH	CSH		0.09	21,813.20	—	—	—	—	—	—	—
Japan Airlines Co Ltd ADR	ST	6/30/2017	0.08	20,931.49	0.00	-0.78	6.60	—	—	—	—
Volvo AB ADR	ST	6/30/2017	0.08	20,136.05	0.00	79.15	—	—	—	—	—
Wolseley PLC ADR	ST	6/30/2017	0.08	19,449.59	0.00	22.42	6.53	12.79	-3.84	—	—
Park24 Co Ltd ADR	ST	6/30/2017	0.08	19,114.34	0.00	-24.07	—	—	—	—	—
THE PROCTER & GAMBLE COMPANY NUS...	CD		0.03	8,906.20	0.00	—	—	—	—	—	—
CALL: HALLIBURTON COMPANYJAN 62.5...	OP		0.00	-378.00	—	—	—	—	—	—	—
CALL: SALESFORCE COM INCJAN 92.50 E...	OP		-0.04	-9,812.00	—	—	—	—	—	—	—
CALL: MARATHON PETE CORPJAN 57.50 ...	OP		-0.05	-12,160.00	—	—	—	—	—	—	—
CALL: BROADCOM LIMITED SHSJAN 250 ...	OP		-0.06	-14,540.00	—	—	—	—	—	—	—
CALL: APPLE INCORPORATEDJUN 160 EXP...	OP		-0.06	-16,215.00	—	—	—	—	—	—	—
CALL: ORACLE CORPORATIONJAN 50 EXP ...	OP		-0.08	-19,215.00	—	—	—	—	—	—	—

Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For information current to the most recent month-end, please visit http://advisor.morningstar.com/familyinfo.asp.

Hickok&Boardman
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Advisors in Financial Planning
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Burlington, VT 05402-1064

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What this means for you: When you become a client of Advisors in Financial Planning, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

INDEX DEFINITIONS

S&P 500 - an index that includes 500 leading companies in leading industries of the U.S. economy. Although the S&P 500® focuses on the large cap segment of the market, with approximately 75% coverage of U.S. equities, it is generally considered representative of the U.S. stock market.

MSCI EAFE - an index comprised of stocks in Europe, Australasia, and the Far East and is generally considered representative of the international stock market.. International investing involves special risks including currency fluctuations, differing financial accounting standards, and possible political and economic volatility.

Russell 2000 - an index comprised of approximately 2,000 of the smallest companies of the Russell 3000 index (which represents the largest 3,000 companies). Small cap stocks generally involve greater risks, and therefore, may not be appropriate for every investor.

Balanced Index - a weighted index comprised of 60% S&P 500 Index and 40% Barclays Capital Aggregate Bond Index.

NASDAQ Composite - a market value weighted index of all common stocks listed on the NASDAQ system.

Barclays Capital Aggregate Bond - an index comprised of approximately 6,000 publicly traded investment grade or higher bonds including US Government, corporate, mortgage-backed, and asset backed bonds with an approximate average maturity of 10 years.

S&P MidCap 400 - a market capitalization-weighted index composed of 400 stocks, including reinvestment of dividends, that is generally considered representative of mid-sized US companies.

S&P SmallCap 600 - a market capitalization-weighted index composed of 600 stocks, including reinvestment of dividends, that is generally considered representative of small-sized US companies.

PHLX Gold & Silver – an index comprised of sixteen precious metal mining companies that are traded on the Philadelphia Stock Exchange. Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

Inclusion of indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results will vary. Past performance does not guarantee future results.

SECURITIES DEFINITIONS

U.S. Government Bonds and Treasury Bills - Debt obligations issued and guaranteed by the U.S. government which, if held to maturity, offer a fixed rate of interest and guaranteed principal value. U.S. government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. Treasury bills are certificates reflecting short-term (less than one-year) obligations of the U. S. government.

CDs - Time deposits offering FDIC insurance and a fixed rate of interest. Both principal and yield of investment securities will fluctuate with changes in market conditions. The current FDIC deposit insurance amount is $250,000 per depositor, per insured bank, for each account ownership category.

Corporate Bonds - Debt obligations of the issuing corporation offering a fixed rate of interest. Both principal and yield of investment securities will fluctuate with changes in market conditions. There is an inverse relationship between interest rate movements and bond prices. Generally, when interest rates rise, bond prices fall and when interest rates fall, bond prices generally rise.

INVESTMENT STYLE DESCRIPTIONS

Growth Investing - A style of investment strategy. Those who follow this style, known as *growth investors*, invest in companies that exhibit signs of above-average growth, even if the share price appears expensive in terms of metrics such as price-to-earning or price-to-book ratios.

Value Investing - A style of investment strategy from the so-called "Graham & Dodd" School. Followers of this style, known as *value investors*, generally invest in companies whose shares appear underpriced by some forms of fundamental analysis

Blend Investing - Some mutual funds invest in stocks from both the growth and the value styles. This may provide style diversification within one fund.

Portfolio Snapshot Report Disclosure Statement

General

Investment portfolios illustrated in this report can be scheduled or unscheduled. With an "unscheduled" portfolio, the user inputs only the portfolio holdings and their current allocations. Morningstar calculates returns using the given allocations assuming monthly rebalancing. Taxes, loads, and sales charges are not taken into account.

With "scheduled" portfolios, users input the date and amount for all investments into and withdrawals from each holding, as well as tax rates, loads, and other factors that would have affected portfolio performance. A hypothetical illustration is one type of scheduled portfolio.

Both scheduled and unscheduled portfolios are theoretical, for illustrative purposes only, and are not reflective of an investor's actual experience. For both scheduled and unscheduled portfolios, the performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return of stocks, mutual funds, and variable annuity/life products will fluctuate, and an investor's shares/units when redeemed will be worth more or less than the original investment. Stocks, mutual funds, and variable annuity/life products are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution. Portfolio statistics change over time.

Used as supplemental sales literature, the Portfolio Snapshot report must be preceded or accompanied by the fund/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Portfolio Snapshot report. Morningstar is not itself an FINRA-member firm.

The underlying holdings of the portfolio are not federally or FDIC-insured and are not deposits or obligations of, or guaranteed by, any financial institution. Investment in securities involve investment risks including possible loss of principal and fluctuation in value.

The information contained in this report is from the most recent information available to Morningstar as of the release date, and may or may not be an accurate reflection of the current composition of the securities included in the portfolio. There is no assurance that the weightings, composition and ratios will remain the same.

Items to Note Regarding Certain Underlying Securities

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market such as the New York Stock Exchange. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

An exchange-traded fund (ETF) is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, ETFs can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

A money market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution. Although the money market seeks to preserve a stable per share value (i.e. $1.00 per share), it is possible to lose money by investment in the fund.

Unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units.

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. If the variable annuity subaccount is invested in a money-market fund, although it seeks to preserve a stable per share value (i.e. $1.00 per share), it is possible to lose money by investment in the fund.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. If the variable life subaccount is invested in a money-market fund, although it seeks to preserve a stable per share value (i.e. $1.00 per share), it is possible to lose money by investment in the fund.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's list of holdings and again on the standardized returns page. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures between a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

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Scheduled Portfolio Trailing Returns
Scheduled Portfolios are customized by the user to account for loads, taxes, cash flows, and specific investment dates. Scheduled portfolios use the portfolio's investment history to calculate final market values and returns. For scheduled portfolios,both individual holding and portfolio returns are internal-rate-of-return calculations that reflect the timing and dollar size of all purchases and sales. For stocks and mutual funds, sales charges and tax rates are taken into account as specified by the user (except in the pre-tax returns, which reflect the impact of sales charges but not taxes). Note that in some scheduled portfolio illustrations, dividends and capital gains distributions, if applicable, are reinvested at the end of the month in which they are made at the month-end closing price. This can cause discrepancies between calculated returns and actual investor experience.

Scheduled Portfolio Returns-Based Performance Data
For scheduled portfolios, the monthly returns used to calculate alphas, betas, R-squareds, standard deviations, Sharpe ratios, and best/worst time-period data are internal rates of return.

Important VA Disclosure for Scheduled Portfolios
For variable annuity products, policy level charges (other than front-end loads, if input by the advisor) are not factored into returns. When withdrawals and liquidations are made, increases in value over the purchase price are taxed at the capital gains rate that currently is in effect. This is not reflective of the actual tax treatment for these products, which requires the entire withdrawal to be taxed at the income tax rate. If adjusted for sales charges and the effects of taxation, the subaccount returns would be reduced.

Scheduled Portfolio Investment Activity Graph
The historic portfolio values that are graphed are those used to track the portfolio when calculating returns.

Unscheduled Portfolio Returns
Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. Due to it not being in existence during the historical period being reported), the remaining portfolio holdings are re-weighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if adjusted for, would reduce the returns stated. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund level expenses.

Unscheduled Portfolio Investment Activity Graph
The historic performance data graphed is extrapolated from the ending portfolio value based on the monthly returns.

Benchmark Returns
Benchmark returns may or may not be adjusted to reflect ongoing expenses such as sales charges. An investment's portfolio may differ significantly from the securities in the benchmark.

Returns for custom benchmarks are calculated by applying user-supplied weightings to each benchmark's returns every month. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Custom benchmark returns thus assume monthly rebalancing.

Standardized Returns
For mutual funds, standardized return is total return adjusted for sales charges, and reflects all ongoing fund expenses. Following this disclosure statement, standardized returns for each portfolio holding are shown.

For money market mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Current 7-day yield more closely reflects the current earnings of the money market fund than the total return quotation.

For VA subaccounts, standardized return is total return based on its inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees, and actual ongoing fund-level expenses.

For ETFs, the standardized returns reflect performance, both at market price and NAV price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing ETF expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

The charges and expenses used in the standardized returns are obtained from the most recent prospectus and/or shareholder report available to Morningstar. For mutual funds and VAs, all dividends and capital gains are assumed to be reinvested. For stocks, stock acquired via divestitures is assumed to be liquidated and reinvested in the original holding.

Non-Standardized Returns
For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

For money market funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the money market returns would be reduced.

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administrative fees and underlying fund-level expenses for various time periods. Non-Standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the subaccount returns would be significantly reduced. Please note that these returns can include pre-incpetion data and if included, this data will be represented in italics.

Investment Advisory Fees
The investment(s) returns do not necessarily reflect the deduction of all investment advisory fees. Client investment returns will be reduced if additional advisory fees are incurred such as deferred loads, redemption fees, wrap fees, or other account charges.

Portfolio Snapshot Report
Disclosure Statement (continued)

Investment Style
The Morningstar Style Box combines the various funds investment strategies. For the equity style box, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend, or growth). For the fixed-income style box, the vertical axis shows the average credit quality of the bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's duration (short, intermediate, or long).

Risk and Return
Standard deviation is a statistical measure of the volatility of a portfolio's returns around its mean.

Sharpe ratio uses a portfolio's standard deviation and total return to determine reward per unit of risk.

Alpha measures the difference between a portfolio's actual returns and its expected performance, given its beta and the actual returns of the benchmark index. Alpha is often seen as a measurement of the value added or subtracted by a portfolio's manager.

Beta is a measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index.

R-squared reflects the percentage of a portfolio's movements that are explained by movements in its benchmark index, showing the degree of correlation between the portfolio and a benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Fundamental Analysis
The below referenced data elements are a weighted average of the equity holdings in the portfolio.

The median market capitalization of a subaccount's equity portfolio gives you a measure of the size of the companies in which the subaccount invests.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccount's portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The Price/Earnings ratio is a weighted average of the price/earnings ratios of the stocks in the underlying fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' earnings per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The Price/Sales ratio is a weighted average of the price/sales ratios of the stocks in the underlying fund's portfolio. The P/S ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' revenues per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The return on assets (ROA) is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets, multiplied by 100.

The Return on Equity (ROE) is the percentage a company earns on its shareholders' equity in a given year. The calculation is net income divided by end-of-year net worth, multiplied by 100.

Market Maturity shows the percentage of a holding's common stocks that are domiciled in developed and emerging markets.

The below referenced data elements listed below are a weighted average of the fixed income holdings in the portfolio.

The average credit quality is derived by taking the weighted average of the credit rating for each bond in the portfolio.

Average maturity is used for holdings in the taxable fixed-income category, this is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.
Credit quality breakdowns are shown for corporate-bond holdings and depicts the quality of bonds in the underlying portfolio. The analysis reveals the percentage of fixed-income securities that fall within each credit-quality rating as assigned by Standard & Poor's or Moody's.
debt). This figure is not provided for financial companies.

Debt as a percentage of capital is calculated by dividing long-term debt by total capitalization (the sum of common equity plus preferred equity plus long-term debt). This figure is not provided for financial companies.

Duration is a time measure of a bond's interest-rate sensitivity.

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Type Weightings divide the stocks in a given holding's portfolio into eight type designations each of which defines a broad category of investment characteristics. Not all stocks in a given holding's portfolio are assigned a type. These stocks are grouped under NA.

The below referenced data elements listed below are a weighted average of the total holdings in the portfolio.

The average expense ratio is the percentage of assets deducted each year for operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees. Please note for mutual funds, variable annuities/life, ETF and closed-end funds we use the gross prospectus ratio as provided in the prospectus. For separate accounts and stocks we pull the audited expense ratio from the annual report.

Potential capital gains exposure is the percentage of a holding's total assets that represent capital appreciation.

Investment Risk
Market Price Risk: The market price of ETF's traded on the secondary market is subject to the forces of supply and demand and thus independent of the ETF's NAV. This can result in the market price trading at a premium or discount to the NAV which will affect an investors value.

Market Risk: The market prices of ETF's can fluctuate as to the result of several factors such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the ETF market price.

Portfolio Snapshot Report
Disclosure Statement (continued)

International Emerging Market Funds/Subaccounts: The investor should note that funds and subaccounts that invest in international securities take on special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets normally accentuates these risks.

Sector Funds/Subaccounts: The investor should note that funds and subaccounts that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

Non-Diversified Funds/Subaccounts: The investor should note that funds or subaccounts that invest more of their assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Funds/Subaccounts: The investor should note that funds and subaccounts that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller-company stocks have experienced a greater degree of price volatility than the overall market average.

Mid Cap Funds/Subaccounts: The investor should note that funds and subaccounts that invest in companies with market capitalizations below $10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bond Funds/Subaccounts: The investor should note that funds and subaccounts that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility and increased risk of default.

Tax-Free Municipal Bond Funds: The investor should note that the income from tax-free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.