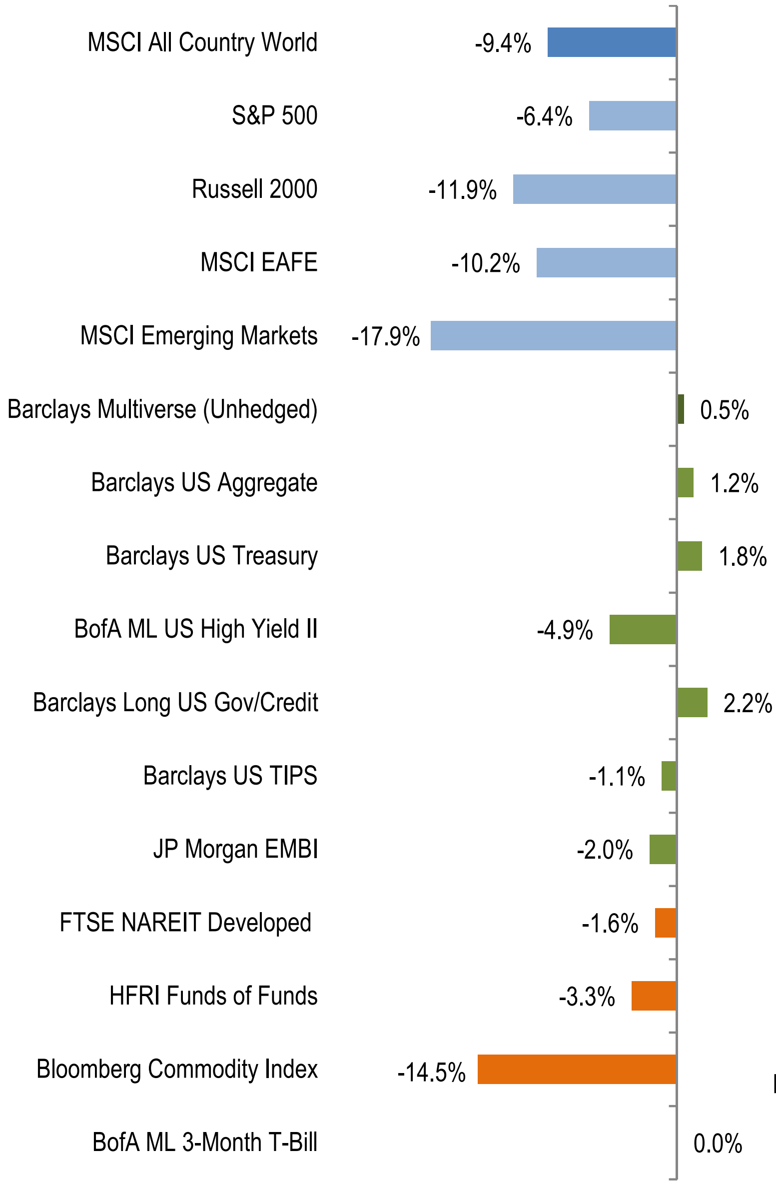
Global Market Overview

As of September 30, 2015

Third Quarter 2015



Third Quarter 2015: China, Commodities, and the Fed

Investors shifted their focus from Greece to China in the third quarter of 2015. Greece, after starting the quarter by being the first developed country in history to miss a payment to the IMF, reached an austerity-for-aid agreement with the European Commission. The calm from the deal was short-lived, however, as China's attempts to curtail its stock market slide grabbed global attention.

The Chinese government, which had already been purchasing stocks outright while banning short-selling, announced a surprise currency devaluation in early August. The move sent world equity prices lower as investors worried about the global reverberations from a Chinese slowdown. Commodities and emerging market stocks were the hardest hit, finishing down 16% and 18% respectively for the quarter while even developed markets declined 10%, in dollar terms.

In the face of this global economic uncertainty, the US dollar continued to climb relative to other world currencies, subtracting from returns to investing in international markets. The decline in commodity prices sent forward inflation expectations downward to levels not seen since the global financial crisis.

The increased market volatility and substantially declining inflation expectations were enough for the Federal Reserve to once again delay raising its key interest rate in September, a hike that seemed certain earlier in the summer. The Fed noted that it believes low inflation readings are transitory and due only to the market decline in commodity prices due to events in China. Both consumer spending and US job growth were strong in the summer months, although wage growth showed no signs of accelerating.

The combination of low energy prices and weak Chinese demand hurt energy and basic material producers in the US as high yield spreads increased substantially. Overall corporate earnings, however, were not materially impacted. The S&P 500 finished the quarter down over 6% and essentially flat over the past year. In the face of global risk re-pricing and the Fed's delayed rate hike, bonds were positive.

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	(6.4%)	(5.3%)	(0.6%)	12.4%	13.3%	6.8%
Russell 2000	(11.9%)	(7.7%)	1.2%	11.0%	11.7%	6.5%
MSCI EAFE	(10.2%)	(5.3%)	(8.7%)	5.6%	4.0%	3.0%
MSCI Emerging Markets	(17.9%)	(15.5%)	(19.3%)	(5.3%)	(3.6%)	4.3%
Barclays US Aggregate	1.2%	1.1%	2.9%	1.7%	3.1%	4.6%
FTSE NAREIT Developed	(1.6%)	(4.8%)	2.7%	6.2%	7.5%	4.7%
HFRI Fund of Funds	(3.3%)	(0.7%)	0.3%	4.3%	2.7%	2.4%
BofA ML 3-Month T-Bill	0.0%	0.0%	0.0%	0.1%	0.1%	1.3%

Returns for periods longer than 1 year are annualized.

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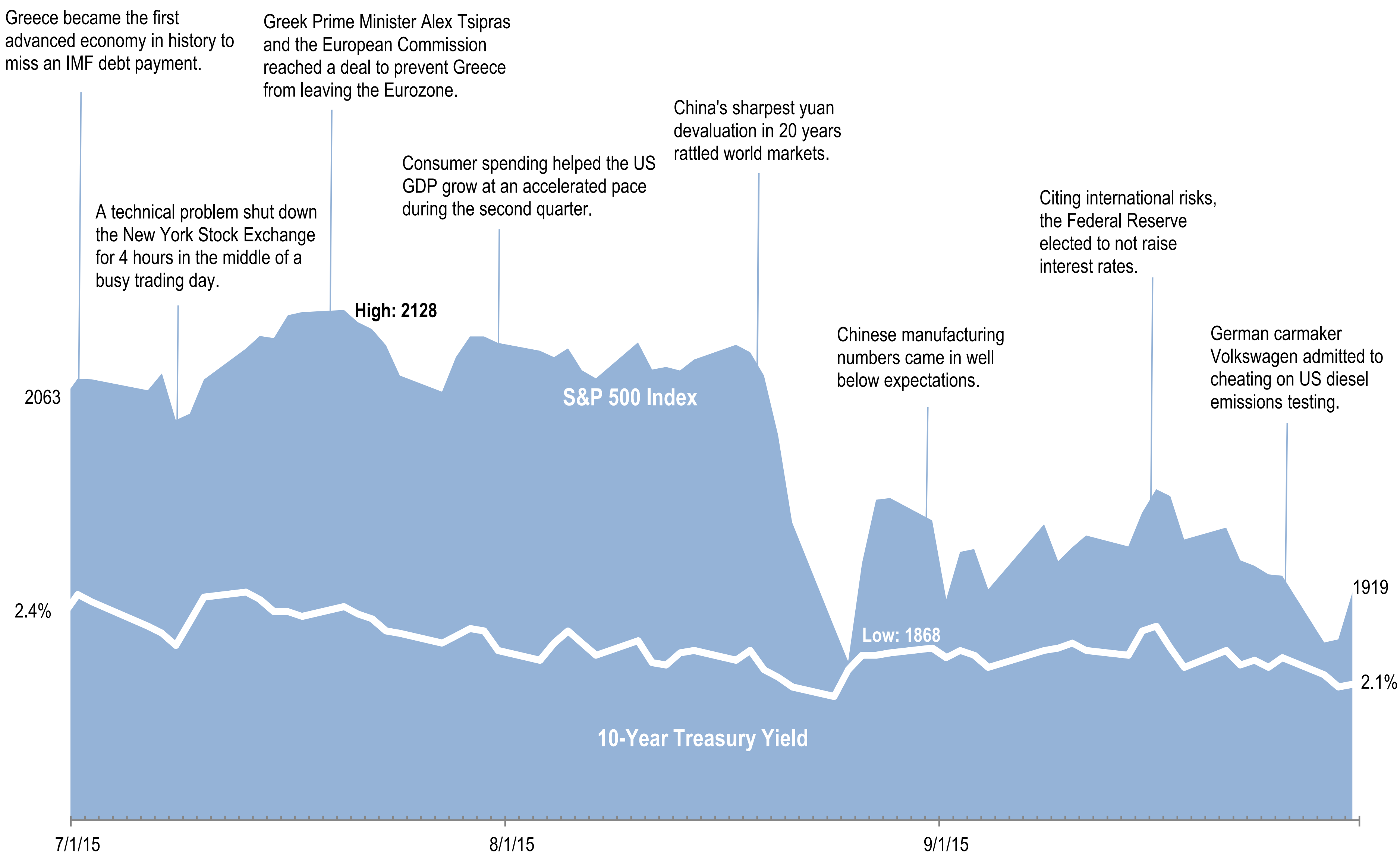
S&P 500 Quarter-End Review

As of September 30, 2015



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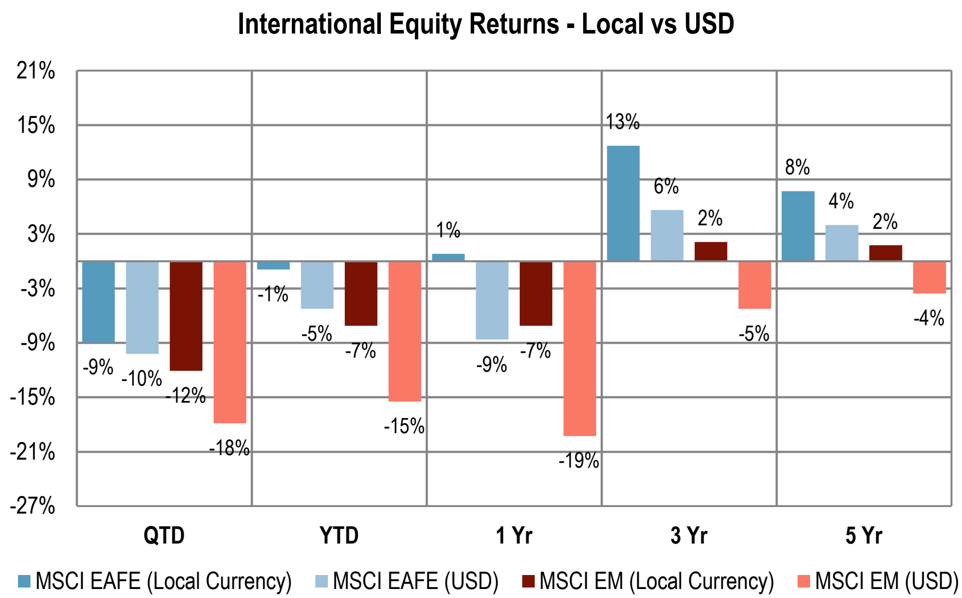
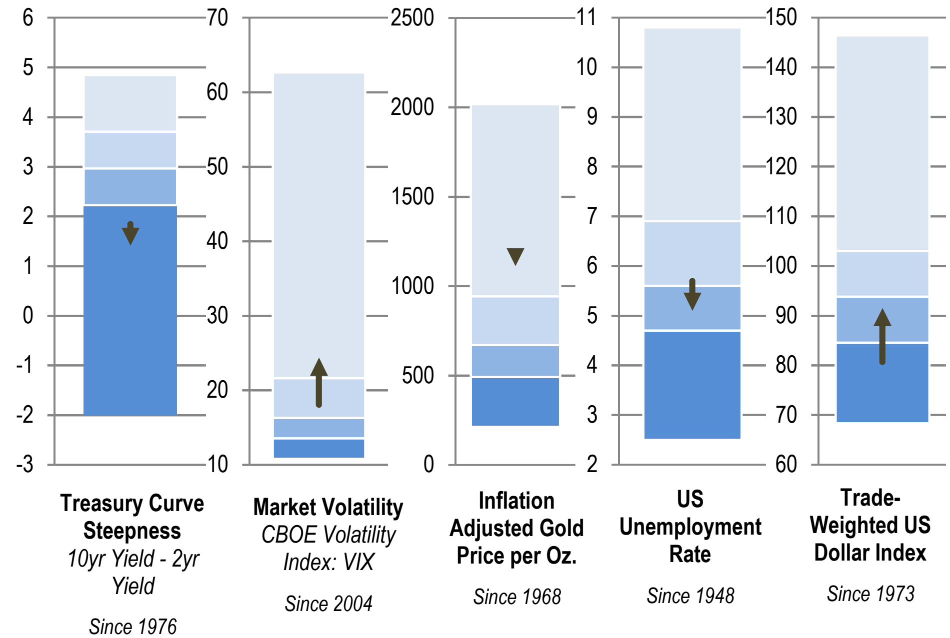
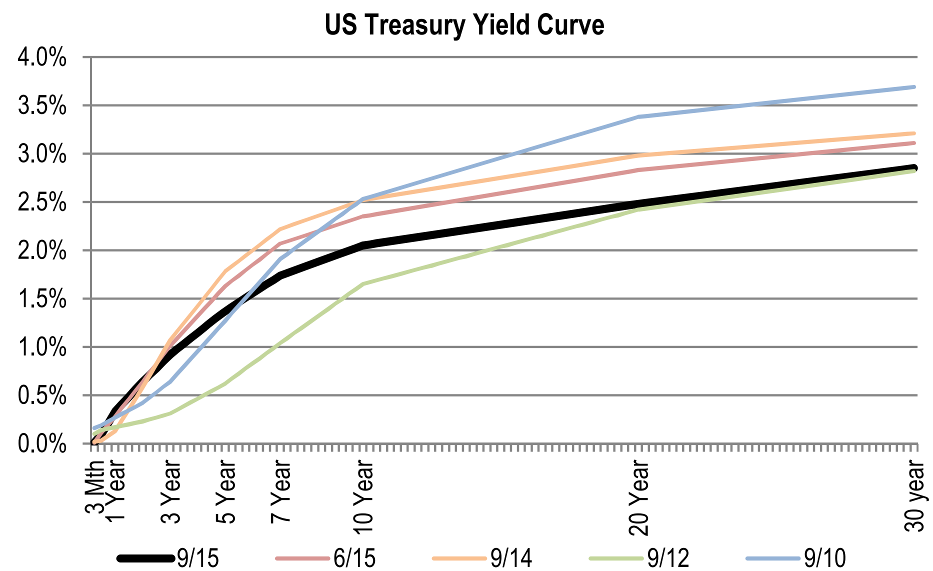
Global Economic Overview

As of September 30, 2015





	9/2015	6/2015	9/2014	9/2012	9/2010
Market Inflation Expectations					
5 Year	1.0	1.6	1.6	2.1	1.3
10 Year	1.4	1.9	2.0	2.4	1.8
20 Year	1.4	2.0	2.1	2.4	1.9
CPI Year-over-Year	---	0.2	1.6	2.0	1.1
West Texas Crude Oil	44.4	59.5	91.2	92.2	80.0
Trade Wtd Dollar Index	91.5	89.2	79.9	72.5	73.8
Consumer Sentiment Index	87.2	96.1	84.6	78.3	68.2
US Corp Profits (% of GDP)	---	10%	10%	10%	10%
Real GDP Growth YoY	---	3.9	4.3	0.5	2.7
Federal Funds Rate	0.14	0.13	0.09	0.14	0.19
US Govt Debt (% of GDP)	---	101%	102%	99%	90%



Arrows represent year on year change.

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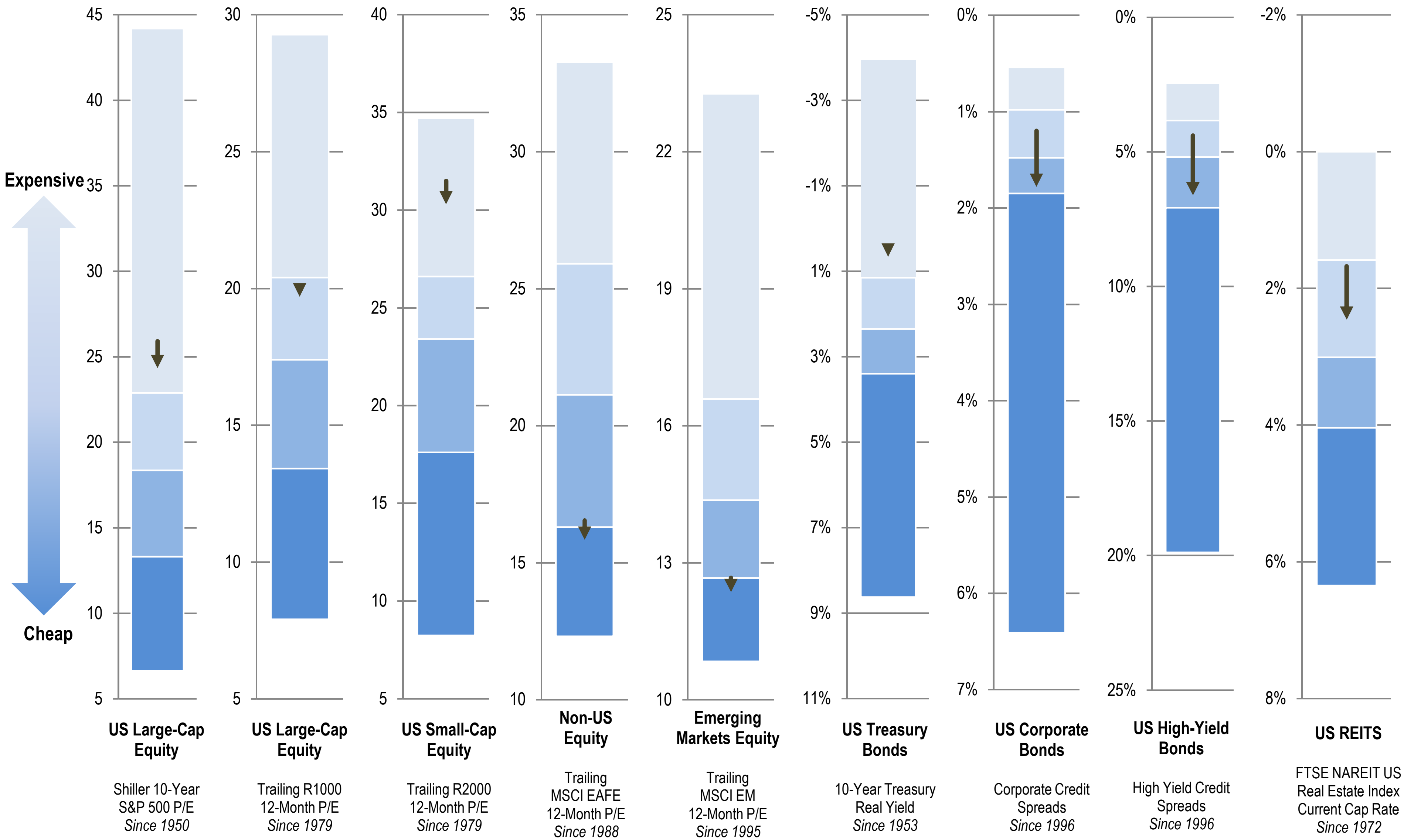
Global Market Valuations - One Year Change

As of September 30, 2015



Trailing 12 month P/E and cap rate metrics exclude the top and bottom 5%.

10-Year Treasury real yields are based on the constant maturity TIPS yields calculated by the Federal Reserve. Prior to 2003, real yields are calculated by adjusting the nominal yield with the prior 12-month change in core CPI-U.

Real cap rates are inflation adjusted using the applicable 10-year TIPS breakeven inflation rate. Prior to 2003, real cap rates are calculated by adjusting the cap rate with the prior 12-month change in the core CPI-U.

P/E metrics calculated by InvestorForce use different methodology.

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Asset Class Returns

As of September 30, 2015

2006	2007	2008	2009	2010	2011	2012	2013	2014	YTD 2015	1/1/2006 - 09/30/2015	Legend
42%	39%	14%	79%	27%	22%	29%	39%	19%	11%	4%	MSCI All Country World
32%	16%	8%	58%	20%	15%	19%	32%	15%	2%	7%	S&P 500
26%	15%	5%	38%	19%	14%	18%	23%	14%	1%	7%	Russell 2000
21%	12%	4%	35%	17%	10%	17%	23%	11%	0%	3%	MSCI EAFE
18%	12%	2%	32%	15%	8%	16%	13%	6%	0%	4%	MSCI Emerging Markets
16%	11%	-2%	28%	15%	8%	16%	9%	6%	-1%	4%	Barclays Multiverse
15%	10%	-11%	27%	15%	6%	16%	7%	5%	-1%	5%	Barclays US Aggregate
12%	9%	-11%	26%	13%	4%	16%	4%	5%	-2%	4%	Barclays US Treasury
10%	9%	-21%	19%	12%	2%	10%	0%	4%	-2%	7%	BofA ML US High Yield II
10%	7%	-26%	11%	10%	0%	9%	-2%	4%	-3%	7%	Barclays Long US Gov/Credit
7%	7%	-34%	11%	8%	-4%	7%	-2%	3%	-5%	4%	Barclays US TIPS
5%	6%	-36%	8%	7%	-6%	5%	-3%	3%	-5%	7%	JP Morgan EMBI
4%	5%	-37%	6%	6%	-6%	5%	-3%	0%	-5%	5%	NCREIF-ODCE AWA
3%	5%	-42%	2%	6%	-7%	4%	-7%	0%	-7%	5%	FTSE NAREIT Developed
3%	2%	-43%	0%	6%	-12%	2%	-9%	-2%	-8%	2%	HFRI Funds of Funds
2%	-2%	-48%	-4%	6%	-13%	0%	-9%	-5%	-15%	-6%	Bloomberg Commodity Index
0%	-7%	-53%	-30%	0%	-18%	-1%	-10%	-17%	-16%	1%	BofA ML 91-Day T-Bill

Returns for the period from 1/1/2006 - 09/30/2015 are annualized.