

Morningstar Market Commentary

Q1 2015

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Biotechnology stocks race to new highs amid a flurry of M&As, but the broader U.S. equity market muddles through an up-and-down start to 2015.

Q1 2015 Morningstar Market Barometer

	Value	Core	Growth
Large	-1.43	-1.31	4.88
Mid	1.67	4.39	7.38
Small	2.41	4.16	6.70

Q1 2015 Morningstar Index Returns

Stocks

US Market Index	1.77
Global Ex-US Index	3.65
Developed Ex-US Index	3.95
Emerging Markets Index	2.57

Bonds

Core Bond Index	1.63
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Commodities

Long-Only Commodity Index	-6.03
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The bull market in U.S. equities reached its six-year anniversary in March, but for the most part stocks endured a much quieter quarter than most during this historic run. There was little relief for depressed crude oil and natural gas prices, and energy stocks continue to trade at steep discounts compared with last summer as a result. However, biotechnology stocks surged as a number of companies either fielded legitimate takeover offers or were subject to a bevy of market rumors about an impending acquisition. Still, the market is entering new territory in 2015 after the Federal Reserve in October ended the morphine drip of stimulus that some believe has propped up equities to unsustainable levels.

The Morningstar US Market Index was relatively flat compared with recent quarters, rising 1.77% in the first quarter after posting double-digit gains in 2014. Performances across the broader market were mixed, with seven sectors closing the quarter less than 1% away from where they began the year, while outperformers such as health care and real estate were offset by underperformances from energy, financial services, and utilities. While energy prices rallied at various points in the quarter, energy commodities and stocks remain depressed overall. Economic data remained mixed, as well, capped off by an abysmal March in which just 126,000 jobs were created, suggesting that

layoffs in the oil and gas industry and a U.S. economy that has had its share of fits and starts may be taking its toll on the overall job market.

Currency remained a top concern for internationally exposed companies, with several warning of substantial revenue headwinds stemming primarily from foreign exchange rates in both quarterly and annual forecasts. While the first quarter did not feature any market declines on the scale of those in countries such as Russia in 2014's final quarter, questions continue to swirl about whether equity markets are inching closer to a longer-term top or whether the Federal Reserve will offer a more definitive timeline for moving away from its zero-interest-rate policy. However, interest rates remain at historic lows, and with the U.S. economy remaining on shaky footing, those questions may linger longer than many expect.

Sector Indexes

Though markets reached all-time highs in the first quarter, there was relatively little movement in the individual sectors when all was said and done. Morningstar's Super Sectors all delivered gains in the first quarter, though it was the Defensive Super Sector posting the largest gains once again as investors sought consistent performers over stocks in more volatile industries. The Defensive Super Sector rose 4% in the first quarter and has outperformed by a factor of 2 over the past 12 months. The Cyclical Super Sector finished up 1.4%, and the Sensitive Super Sector was essentially flat, finishing up 0.6%.

Defensive Super Sector 4.02%

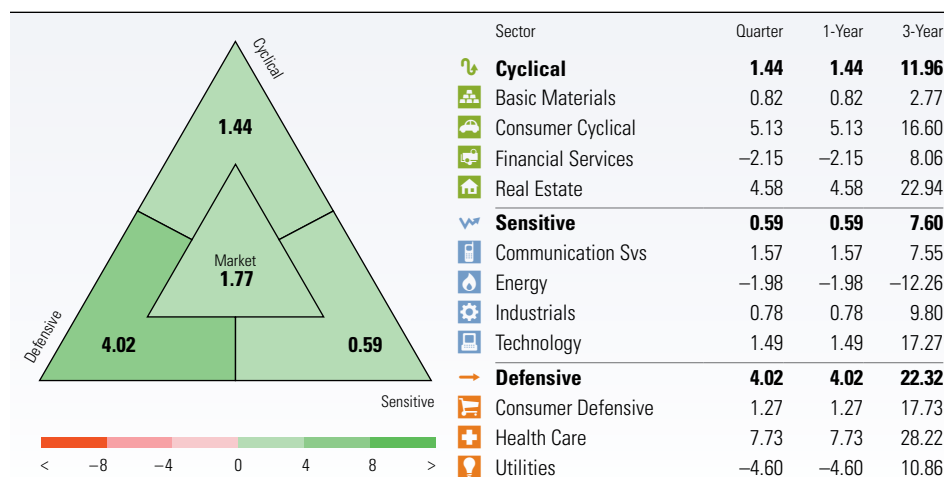
The Defensive Super Sector notched a third straight quarter of leading gains as the performance of health-care stocks more than offset a disappointing quarter from the utilities sector. In fact, health-care stocks represented eight of the top 10 contributors in the Defensive Super Sector. Among them were mega-cap health-care stocks such as number-one contributor Pfizer (up 12.7%), as well as biotech companies such as Biogen (up 24%) and Actavis (up 15.6%). Kraft Foods was also among the top contributors, its stock surging nearly 40% in the first quarter after announcing a merger with fellow consumer staple Heinz.

Biotech stocks were far and away the leaders in terms of performance, making up the entire top five. The biggest winners were Pharmacyclics and Horizon Pharma, each of which enjoyed gains of more than 100% in the first quarter. Pharmacyclics' stock soared higher after receiving a takeover offer from AbbVie at a price tag north of \$20 billion.

Cyclical Super Sector 1.44%

It was a much quieter quarter for the other two Super Sectors, and the Cyclical Super Sector saw pockets of strength, such as consumer cyclical and real estate stocks, and areas of weakness,

Q1 2015 Morningstar Sector Delta and Return %



Morningstar Super Sectors

	P/E	P/B	Yield %	Earnings Growth	Sales Growth
Cyclical Super Sector	18.80	2.07	1.98	6.13	3.26
Sensitive Super Sector	18.32	3.14	2.12	5.95	3.38
Defensive Super Sector	24.02	3.78	1.98	2.14	6.60

including financial-services companies. Performance from the Super Sector's top contributors was very mixed, with both double-digit gainers and decliners. Among the biggest winners were e-commerce giant Amazon (up nearly 20%), Starbucks (up 15.8%), and Walt Disney (up 11%), while the biggest laggards featured major banks such as Bank of America (down 13.7%) and credit card companies, including American Express (down 15.5%).

The underperformance was not limited to financial services, however. Lumber Liquidators came under fire in late February after major media outlets reported that some of the firm's products contained potentially toxic levels of formaldehyde. This triggered an abrupt sell-off that led to Lumber Liquidators losing half its value in roughly one week, falling more than 70% for the quarter overall.

Sensitive Super Sector 0.59%

The Sensitive Super Sector was the laggard for a third straight quarter, ending the first quarter

essentially flat as energy stocks endured further volatility. Energy heavyweights Exxon Mobil (down 7.4%) and Chevron (down 5.5%) landed among the top contributors, while a pair of technology top contributors also endured a challenging quarter, with Microsoft down 11.9% and Hewlett-Packard down 21.9%. These declines were offset by the likes of Apple, which formally introduced the Apple Watch in the quarter and helped trigger a rally of more than 13% in its shares.

Style & Cap Indexes

When it comes to the style indexes, only the US Growth Index delivered a notable performance in the first quarter, ending up more than 5% on the back of a strong health-care sector. However, the US Core and US Value indexes were stuck in their tracks for much of the quarter, ending essentially flat at up 0.21% and down 0.51%, respectively. The performance distribution in the size indexes was slightly more notable, as both the Mid Cap and Small Cap indexes posted gains of over 4%, though the Large Cap index was also relatively flat, delivering a gain of less than 1% to start the year.

Morningstar US Growth 5.48%

The US Growth Index was lifted primarily by strength in the health-care sector, though the technology and consumer cyclical sectors had their fair share of outperformers, as well. Among the best-performing contributors was Biogen, whose stock surged more than 24% in the quarter. The Massachusetts-based biotech company enjoyed a boost in its shares after the firm reported positive progress with its potentially groundbreaking Alzheimer's treatment. Other big biotech gainers included Abiomed (up 88% in the quarter) and Intercept Pharmaceuticals (up 80%).

Perhaps the most beloved initial public offering of 2014 suffered a challenging start to 2015, as shares of GoPro fell more than 30% after roughly tripling at one point following its June debut. Concerns about the firm's long-term growth prospects, its limited product line, and general questions about the company's market valuation helped trigger the sell-off. Shares of semiconductor firm SanDisk also took a substantial hit in the quarter, falling more than 34% after the firm offered a cautious outlook.

Morningstar US Core 0.21%

Beyond the Growth index, the style indexes muddled through a lackluster first quarter. In terms of the Core index, outperformance in the health-care and consumer cyclical sectors was

Trailing Returns



Morningstar Style & Cap Indexes

	P/E	P/B	Yield %	Earnings Growth	Sales Growth
Morningstar Value	14.96	1.75	3.15	0.84	-0.11
Morningstar Core	20.70	3.00	2.15	6.69	5.98
Morningstar Growth	24.62	4.75	1.17	16.91	12.51
Morningstar Large Cap	18.92	2.83	2.28	5.97	3.78
Morningstar Mid Cap	21.11	2.66	1.64	8.53	5.57
Morningstar Small Cap	20.70	2.33	1.71	2.30	2.88

offset by underperformers in energy and financial services. The index was bogged down, as eight of the top 10 contributors finished the quarter in the red. Only UnitedHealth Group (up 17%) and Boeing (up 16%) were able to crack the top contributor list and deliver gains to start the year.

Casino operator Pinnacle Entertainment managed one of the best performances of the quarter, rising 62% on the back of an acquisition offer from Gaming and Leisure Properties in a period when many major gaming companies such as Wynn Resorts and Las Vegas Sands posted lackluster returns. Ocwen Financial and Altisource Portfolio Solutions were once again on the bottom-performer list, shedding 45% and 62%, respectively, as each firm continues to be mired in controversy over mortgage lending practices.

Morningstar US Value -0.51%

The US Value Index continued its string of underperformances among the style indexes, weighed down by mega-cap energy and technology companies, including Exxon (down 7.4%), Chevron (down 5.5%), Intel (down 13%),

and Hewlett-Packard (down 21.9%). However, a pair of energy companies helped offset these poor performances: Valero Energy and Delek US Holdings delivered gains of 29% and 47%, respectively, in 2015's first quarter.

Unlike the Core index, one of the Value index's worst performances came from the gaming industry, with Caesars Entertainment shares falling nearly 33% to start the year. Joining Caesars on the list of underperformers was Apollo Education Group. Shares of the for-profit education firm known for the University of Phoenix fell nearly 45% in the first quarter as the company posted yet another quarter of declining enrollment and revenue.

Morningstar Mid Cap 4.50%

The Mid-Cap index was able to outperform the broader market thanks in large part to extreme outperformance of its largest contributors. Nine of the index's top 10 contributors delivered gains of over 25% in the quarter. Five of those nine delivered gains exceeding 35%, with health care and technology companies leading the way. Salix Pharmaceuticals landed in the top performers, its shares gaining roughly 50% after receiving a takeover offer from Valeant Pharmaceuticals of \$158 per share in late February.

Consumer companies endured a mixed performance, with shares of Monster Beverage continuing their ascent. The Coca-Cola-backed energy-drink maker rose nearly 28%, and speculation continues to swirl that Coke will eventually acquire the firm outright. Video game maker Electronic Arts surged 25% after delivering another solid holiday quarter. Conversely, retailer Ralph Lauren declined just under 30% as retail proved to be among the most hit-or-miss industries in the first quarter.

Morningstar Small Cap 4.38%

The performance distribution among small-cap stocks was similar to mid-cap stocks. Six health-care stocks landed in the top-contributor list, each delivering gains of 30% or more. Neurocrine Biosciences was among the biggest winners in the quarter, rising more than 75%. The firm is working with AbbVie on an endometriosis treatment, and the drug earned a positive result from its Phase III trial in early January, meeting its intended endpoints. Other health-care winners included Opko Health (up 41%) and Receptos (up 34%).

The Small Cap index's underperformers mostly suffered from poor quarterly results or challenging news, including Lumber Liquidators, Ocwen Financial, and Apollo Education. Nu-Skin Enterprises, a nutrition company that has seen its fair share of controversy, rose 38% after offering an upbeat revenue and profit outlook. The multilevel marketing model has come under fire in recent years, leading to increased volatility for Nu-Skin and its peers such as Herbalife and USANA Health Sciences.

Morningstar Large Cap 0.78%

The Large Cap index led the way among the size indexes in 2014, but got off to a mediocre start in 2015. Large-cap technology stocks proved to be among the most polarizing in the quarter. A pair of semiconductor companies landed in the bottom-performer list, as SanDisk (down 34%) and Micron Technology (down 22.5%) each offered warnings about future results, signaling that the semiconductor industry could soon be facing a cyclical downturn. Storage firm Seagate Technology also got off to a rocky start, sinking 21% in the first quarter.

Not all semiconductor companies struggled in the quarter. Avago Technology's stock continued to reach new highs, finishing up over 26%. In the social media space, shares of the micro-blogging site Twitter rose nearly 40% after the company delivered impressive quarterly results, although user growth and engagement continues to be subpar.

Fund Categories and Benchmarks

The Active vs. Passive chart shows the percentage of actively managed open-end mutual funds that were able to outperform their corresponding Morningstar Indexes benchmark. In the first quarter of 2015, Growth managers had the hardest time outpacing their benchmarks, with only 21.14% of Large Growth and only 13.36% of Mid Growth managers beating their respective benchmarks. Across the Small Market Cap band, managers posted an outperformance rate of 35%-47%, placing them in the middle of the pack. Large Core and Large Value managers excelled, with 89.94% of Large Value and 94.15% of Large Core managers beating the negative benchmark returns for their respective Indexes.

Active vs. Passive

	Value	Core	Growth
Large	89.94 -1.43	94.15 -1.31	21.14 4.88
Mid	72.81 1.67	31.13 4.39	13.36 7.38
Small	47.54 2.41	41.23 4.16	35.00 6.70

☑ Actively managed mutual funds outperforming their respective benchmark (%)¹

▲ Index Returns (%), Q4

¹ Includes the oldest share class for all U.S. diversified mutual funds with at least a one-year history. As of March 31, 2015 there were 2,161 eligible funds. Morningstar classifies funds into style categories based on the average style score (using the same 10-factor methodology as underlying benchmarks) of all available portfolio holdings over a three-year period.

Fixed-Income Indexes

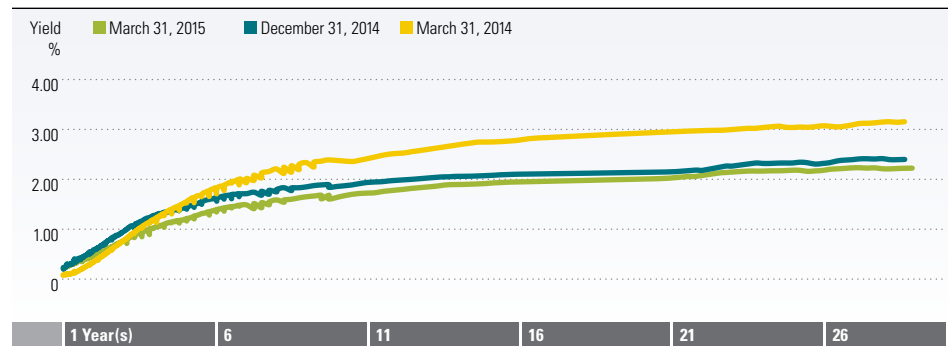
Declining interest rates across the world have driven strong returns among fixed income securities in the first quarter. The ECB began its long awaited QE program in early March, which has pushed bond prices up so high that yields have not only reached new all-time lows in the euro zone but, in some cases, have driven interest rates into negative territory. Considering interest rates on sovereign bonds in developed markets are near their historically lowest levels, we think corporate bonds should perform well on a relative basis.

Declining Interest Rates Drive First-Quarter Fixed Income Returns

In the first quarter of 2015, fixed income returns were driven predominantly by the flattening yield curve. On the shorter end of the curve, interest rates tightened modestly as indicated by the two-year Treasury bond, which only tightened 11 basis points to 0.56%. The Federal Open Market Committee released its meeting statement and updated economic projections on March 19; based on the changes in the FOMC's language and revisions to its economic forecasts, many investors are betting that the Fed will keep short-term interest rates lower for longer.

On the longer end of the curve, the five-year Treasury bond tightened 27 basis points to 1.38%, the 10-year Treasury tightened 24 basis points to 1.93%, and the 30-year Treasury bond tightened 21 basis points to 2.54%. In our view, the decline in long-term interest rates was driven by a combination of softening economic conditions in the U.S. as well as heightened demand from global investors. Compared to the miniscule interest rates in Europe and Japan, foreign investors have been attracted to U.S.-denominated fixed income securities in order to pick up the higher yield that U.S. corporate bonds offer and invest in the safety of the strengthening dollar. Highlighting this differential in yields, the spread between the 10-year U.S. Treasury and 10-year German Bund has risen to +175 basis

Treasury Yield Curve



Morningstar Bond Indexes

		Returns		Statistics			
		QTR	YTD	Market Value (\$Mil)	Credit Quality	Yield to Maturity	Average Duration
Broad Market	Core Bond	1.63	1.63	15,422	AA	1.85	4.96
Sector	US Government	1.50	1.50	6,686	AAA	1.24	5.51
	Corporate	2.25	2.25	3,831	A-	2.88	6.77
	Mortgage	1.30	1.30	4,858	AAA	1.90	2.78
Maturity	Short-Term Core	0.71	0.71	4,444	AA	0.89	2.18
	Intermediate Core	1.49	1.49	7,670	AA+	1.88	3.54
	Long-Term Core	2.72	2.72	3,251	AA-	3.09	12.09
Inflation Prot. Secs.	TIPS	1.26	1.26	897	AAA	-0.11	7.88
Global Sovereign	Global Govt USD	-2.47	-2.47	20,700	AA	0.84	7.38
	Global Govt ex-US USD	-4.20	-4.20	14,069	AA-	0.66	8.18
	Eurozone EUR	4.29	4.29	6,619	A+	0.50	7.35
	Swiss CHF	3.99	3.99	98	AAA	-0.16	10.20
	UK GBP	2.53	2.53	1,886	AA+	1.57	10.83
	Australasian USD	-3.27	-3.27	312	AAA	2.22	5.53
	Canadian CAD	3.39	3.39	346	AAA	1.02	6.94
	Japanese JPY	-0.53	-0.53	4,803	A+	0.40	8.50
Europe	Eurobond Corp EUR	1.19	1.19	1,379	BBB+	0.78	5.05
	European Bank Capital EUR	1.01	1.01	480	BBB+	1.25	4.23
	European Covered EUR	1.45	1.45	793	AA	0.24	4.55
	UK Eurobond Corp GBP	3.69	3.69	257	BBB+	2.79	9.08
	UK Bank Capital GBP	3.51	3.51	58	BBB+	3.13	6.28
Emerging Market	Composite USD	2.32	2.32	121,086	BBB	5.15	6.12
	Sovereign USD	5.63	5.63	45,598	BBB-	5.17	7.48
	Corporate USD	2.25	2.25	74,968	BBB	5.39	5.29

Data as of 6-30-2014

points, which is near the widest spread that Treasuries have ever offered over Bunds.

The Morningstar Core Bond Index, our broadest measure of the fixed income universe, rose 1.63% in the first quarter. The return was driven predominantly by the long end of the curve. In the first quarter, our Long-Term Core Bond Index rose

2.72%, which substantially outpaced the 0.71% gain in the Short-Term Core Index and 1.49% in the Intermediate Term Core Index. Due to its longer duration, the Morningstar Corporate Index outperformed both the Core Index as well as our U.S. Government Index. Our Corporate Bond Index rose 2.25% in the first quarter, whereas Morningstar's U.S. Government

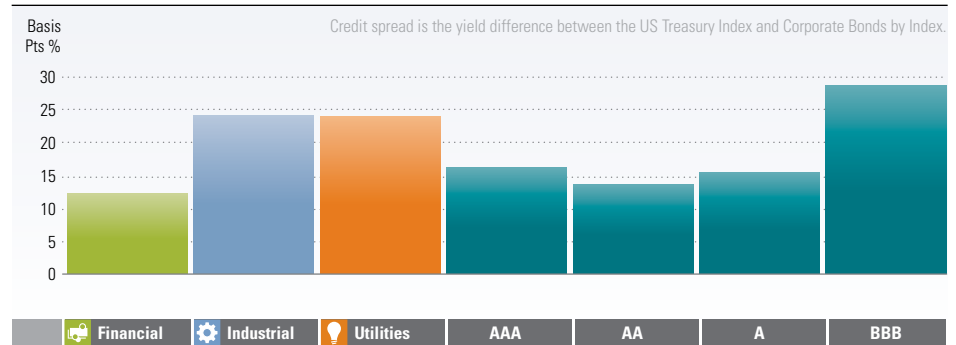
Index returned 1.50%. Corporate credit spreads were almost unchanged for the quarter, tightening only two basis points since the end of last year to +138 bps.

As has been the case for the past several years, TIPs lagged the other fixed income classes and rose only 1.26%, as inflation expectations remained in check as oil prices traded in a range around \$50 per barrel. With its intermediate duration, the Morningstar Mortgage Index also performed in line as it rose 1.30% in the first quarter.

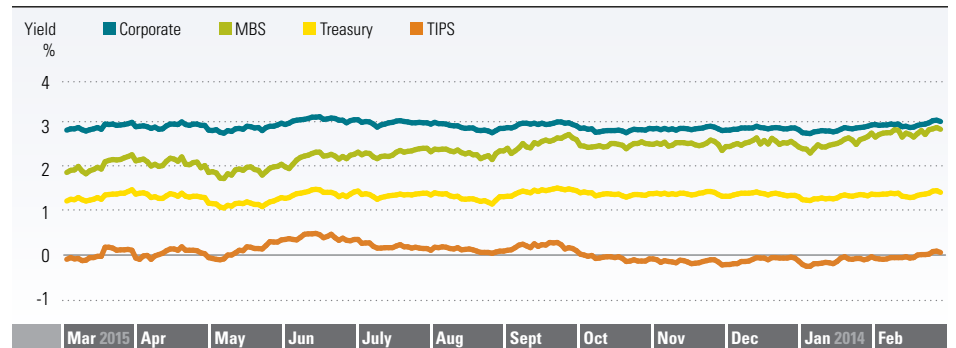
As the ECB began its OET program in early March, interest rates across Europe hit new all-time lows. The yield on Germany's benchmark 10-year Bund had dropped to 0.18% at the end of the quarter and even the lower-rated peripheral euro zone countries such as Italy and Spain had declined in March to heretofore unprecedented levels of 1.13% and 1.15%, respectively. Investors looking to reduce their exposure to the plummeting euro were even willing to lock in negative interest rates in Swiss bonds, whose 10-year traded at a negative yield of 0.06% at the end of the quarter. There is reportedly over EUR 2 trillion of euro area government bonds that are currently trading at negative yields. Most of these bonds are issued from the core European governments with maturities of up to seven years. Among other developed markets, Japanese 10-year government bonds don't provide much additional yield either, as they currently yield only 0.34%.

The U.S. dollar strengthened against the euro, rising over 11%, which in turn led to losses in those indexes denominated in U.S. dollars but invested in foreign-denominated securities. For example, the Morningstar Global Government Bond Index declined 2.47% and excluding U.S. government bonds, the Morningstar Global Ex U.S. Government Bond Index fell 4.20%. For those European indexes both denominated and invested in the euro, returns were boosted by declining interest rates across the euro zone. The Morningstar Eurozone Index jumped 4.29%.

Credit Spread Change by Sector and Quality



US Bond Indexes: Average Yields



Elsewhere across the globe, the Morningstar Emerging Market Composite Bond Index rose 2.32% based on the combined 5.63% increase in the Emerging Market Sovereign Bond Index and 2.25% increase in the Emerging Market Corporate Bond Index.

Considering interest rates on sovereign bonds in developed markets are near their historically lowest levels, we think corporate bonds should perform well on a relative basis. The proceeds from the ECB's purchases of sovereign debt and asset-backed securities will need to be reinvested somewhere, and the path of least resistance will be the corporate bond market. This demand will likely drive corporate credit spreads tighter. As corporate credit spreads in Europe contract, we think this will also pull credit spreads tighter in the U.S. Over the past year, the differential in yield between the Morningstar Corporate Bond Index and the Morningstar Eurobond Corporate Index has doubled. Currently the average yield of our U.S.

corporate bond index is 2.88%, compared to our European corporate bond index at 0.78%. Even after adjusting for the longer duration of the U.S. index, investors are picking up significantly more yield in the U.S. Among those global fixed income investors that can purchase debt denominated across multiple currencies, the higher all-in yields and the rising value of the U.S. dollar have driven up demand for U.S. corporate bonds.

Commodities Indexes

It's easy to contextualize the challenges facing the commodities markets when a gain of 0.27% represents relative outperformance in a given quarter, which is exactly what the Morningstar Metals Commodity Index delivered in the first quarter. The Morningstar Energy Commodity Index continued its precipitous decline, falling more than 9% after sinking nearly 40% in the fourth quarter while crude oil and natural gas prices plummeted to generational lows. The Morningstar Agriculture and Livestock Commodity indexes also withstood heavy losses, falling 8.8 and 8.3% in 2015's first stanza, respectively.

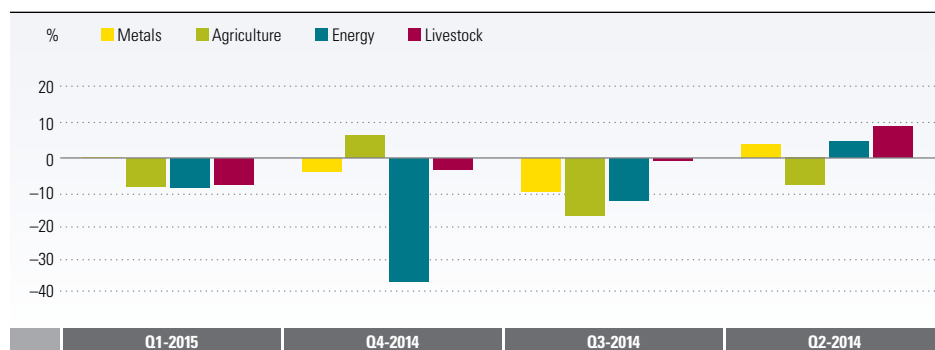
Although gold and silver both staged significant rallies in mid- to late January, gold prices rapidly sold off through February and March before closing the quarter up marginally. Silver prices were able to hold on to a portion of the gains, finishing the first quarter up 6.5% and serving as the primary reason the Morningstar Metals Index was able to finish the quarter in the black. Copper prices closed the quarter essentially flat.

Energy prices remained volatile for a third straight quarter, as crude oil and natural gas supplies continue to outstrip global demand. WTI crude oil continued to cascade lower in January before rallying briefly in February and finally hitting a new low of less than \$42 per barrel in mid-March. WTI crude oil closed the quarter down roughly \$5 at \$47.50 per barrel.

Conclusion

The bull market in U.S. equities is beginning its seventh year, but the lingering questions about the market remain roughly unchanged from this time last year. While we now know when quantitative easing will end, it is too early to say how the economy and, subsequently, the stock market will behave without the constant influx of asset purchases from the Federal Reserve. Each minor

Quarterly Commodity Sector Returns



Morningstar Commodity Index Returns %

	Quarter	1-Year	3-Year	5-Year	10-Year	YTD
Long-Only	-6.03	-33.16	-12.08	-2.79	-0.63	-6.03
Long/Flat	-0.14	-5.90	-5.48	0.58	3.38	-0.14
Long/Short	2.74	0.63	-3.96	0.53	2.94	2.74
Short/Flat	2.89	6.78	1.47	-0.19	0.86	2.89
Short-Only	4.30	44.23	9.28	-0.33	0.17	4.30
Agriculture	-8.84	-26.69	-5.48	4.67	2.87	-8.84
Energy	-9.19	-48.65	-19.65	-10.72	-10.92	-9.19
Livestock	-8.34	-3.97	2.98	2.35	-1.79	-8.34
Metals	0.27	-10.27	-12.96	-0.48	11.04	0.27

pullback in the market continues to be met with speculation over whether "this is it" or not, and to this point that answer has been a resounding "no" in every instance.

The ongoing zero-interest-rate policy remains a huge concern for many investors, since rising interest rates could pressure stock valuations, not only as yields rise but as access to capital becomes more expensive for corporations. The minutes of each Federal Reserve meeting continue to be pored over for clues about when interest rates will finally rise, but conclusions have been difficult to come by.

Perhaps the most interesting development in the first quarter is the latest speculation about whether we are in a biotech bubble. The valuations of a growing number of smaller, prerevenue companies are surging, mostly as a result of larger, more experienced counterparts being able to push so-called wonder drugs through

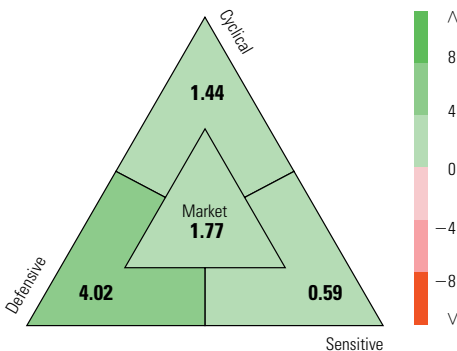
the regulatory process. However, with so many one-trick ponies trying to cash in on the unbridled optimism surrounding the biotech industry, it is easy for investors to forget that many of these drugs will never reach the market, let alone become a multibillion-dollar success. As valuations creep higher with every acquisition or rumored buyout, the bubble talk will only grow louder. The energy sector has already withstood a major correction without dealing a real blow to the broader market—could a biotech collapse finally trigger a significant broader market correction?

Q1 2015 Style Indexes



	Total Returns %					Price/ Earnings	Price/ Book	Yield %	5-Yr Earn Growth
	3-Month	1-Year	3-Year	5-Year	10-Year				
Morningstar US Market	1.77	12.60	16.33	14.79	8.56	19.42	2.75	2.11	10.42
Large Cap	0.78	12.59	15.78	14.24	14.24	18.92	2.83	2.28	10.20
Mid Cap	4.50	13.48	18.11	16.41	10.17	21.11	2.66	1.64	10.90
Small Cap	4.38	9.74	16.82	15.40	9.78	20.70	2.33	1.71	11.69
US Value	-0.51	6.62	14.64	12.65	6.76	14.96	1.75	3.15	7.94
US Core	0.21	12.56	17.62	15.70	9.42	20.70	3.00	2.15	9.73
US Growth	5.48	18.54	16.75	16.02	9.33	24.62	4.75	1.17	14.79
Large Value	-1.43	5.59	13.11	11.70	5.73	14.66	1.80	3.34	7.65
Large Core	-1.31	12.03	17.44	15.14	8.98	20.34	3.07	2.30	9.23
Large Growth	4.88	20.05	16.83	15.87	8.89	23.30	4.81	1.38	14.73
Mid Value	1.67	9.23	19.14	15.19	9.23	16.10	1.67	2.62	8.67
Mid Core	4.39	15.42	18.59	17.77	10.65	21.71	2.99	1.83	11.12
Mid Growth	7.38	15.73	16.60	16.20	10.44	29.21	4.80	0.54	14.44
Small Value	2.41	9.27	17.44	15.00	10.00	14.95	1.59	2.78	8.69
Small Core	4.16	9.41	16.61	14.95	9.37	22.04	2.44	1.55	12.31
Small Growth	6.70	10.54	16.40	16.22	9.80	31.55	4.05	0.75	17.32

Q1 2015 Sector Indexes



Index	Total Returns %					Price/ Earnings	Price/ Book	Yield %	5-Yr Earn Growth
	3-Month	1-Year	3-Year	5-Year	10-Year				
Cyclical	1.44	11.96	17.52	13.87	4.01	18.80	2.07	1.98	10.70
Basic Materials	0.82	2.77	10.03	8.88	6.81	19.98	3.21	2.26	11.82
Consumer Cyclical	5.13	16.60	20.24	19.94	9.85	22.08	4.41	1.35	13.43
Financial Services	-2.15	8.06	18.06	10.94	1.34	15.37	1.33	1.87	9.49
Real Estate	4.58	22.94	13.47	15.16	8.77	31.10	2.38	4.15	7.01
Sensitive	0.59	7.60	12.61	13.16	8.35	18.32	3.14	2.12	9.93
Communication Svs	1.57	7.55	17.25	16.54	10.01	24.31	3.23	2.80	9.42
Energy	-1.98	-12.26	4.18	8.66	9.33	13.24	1.73	2.92	6.94
Industrials	0.78	9.80	17.41	14.98	8.82	20.06	3.65	1.89	10.55
Technology	1.49	17.27	13.02	14.20	10.42	19.33	4.01	1.70	11.29
Defensive	4.02	22.32	21.44	17.36	9.79	24.02	3.78	1.98	8.32
Consumer Defensive	1.27	17.73	16.25	15.20	10.84	23.96	4.68	2.61	7.00
Health Care	7.73	28.22	27.95	21.06	12.20	25.93	4.31	1.30	10.22
Utilities	-4.60	10.86	12.96	13.11	8.55	18.21	1.79	3.45	5.26

Bond Indexes

	3-Month	1-Year	3-Year	5-Year
Core	1.63	5.85	3.27	4.54
US Government	1.50	5.21	2.28	3.89
Corporate	2.25	6.51	5.16	6.32
Mortgage	1.30	5.98	3.13	4.14
Short-Term	0.71	1.44	1.19	1.75
Intermediate Term	1.49	5.53	3.12	4.33
Long-Term	2.72	12.71	6.46	8.75
Global Government ex. US	-4.20	-9.44	-2.57	0.59
Emerging Markets Composite	2.32	4.35	4.45	6.63

Commodity Indexes

	3-Month	1-Year	3-Year	5-Year	10-Year	15-Year
Long-Only	-6.03	-33.16	-12.08	-2.79	-0.63	5.24
Long/Flat	-0.14	-5.90	-5.48	0.58	3.38	7.42
Long/Short	2.74	0.63	-3.96	0.53	2.94	7.12
Short/Flat	2.89	6.78	1.47	-0.19	0.86	1.35
Short-Only	4.30	44.23	9.28	-0.33	0.17	-3.81
Agriculture	-8.84	-26.69	-5.48	4.67	2.87	2.87
Energy	-9.19	-48.65	-19.65	-10.72	-10.92	1.16
Livestock	-8.34	-3.97	2.98	2.35	-1.79	2.56
Metals	0.27	-10.27	-12.96	-0.48	11.04	10.97

All data in this issue as of 3-31-2015