Capital Markets Review

Q3 2018

Reviewing the quarter ended June 30, 2018

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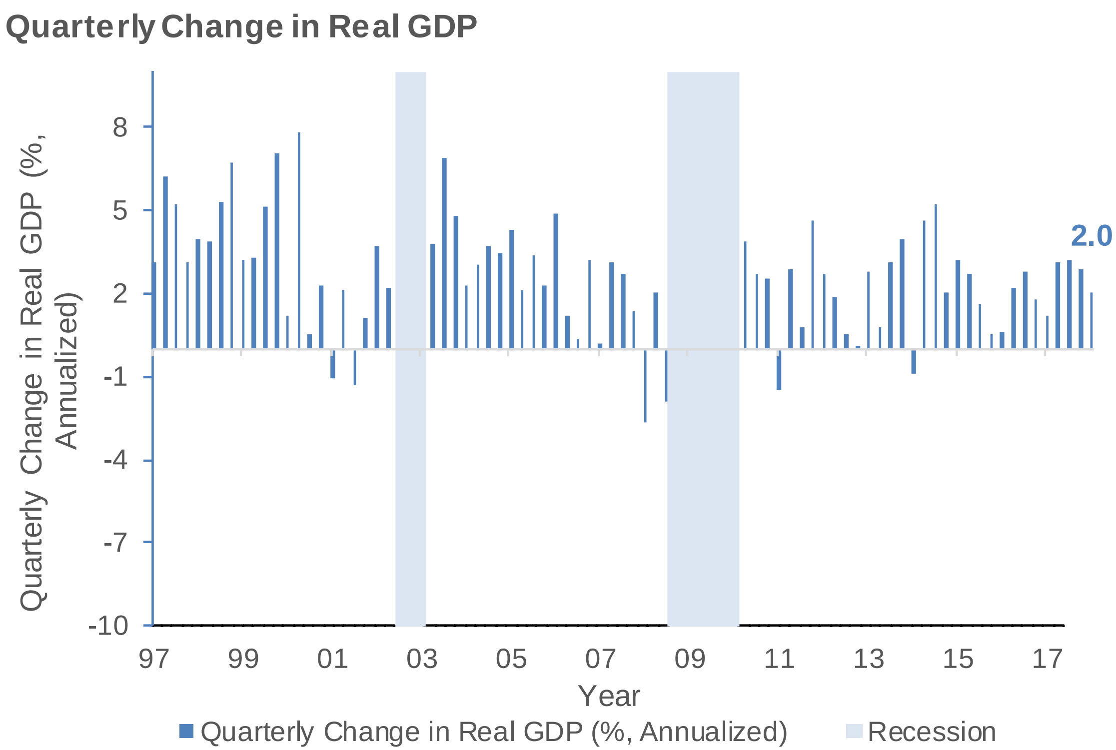
GROSS DOMESTIC PRODUCT

Real gross domestic product (GDP) increased at an annual rate of 2.0% in the first quarter of 2018, according to the "third" estimate released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 2.9%.

With this third estimate for the first quarter, the general picture of economic growth remains the same; private inventory investment and personal consumption expenditures (PCE) were revised down.

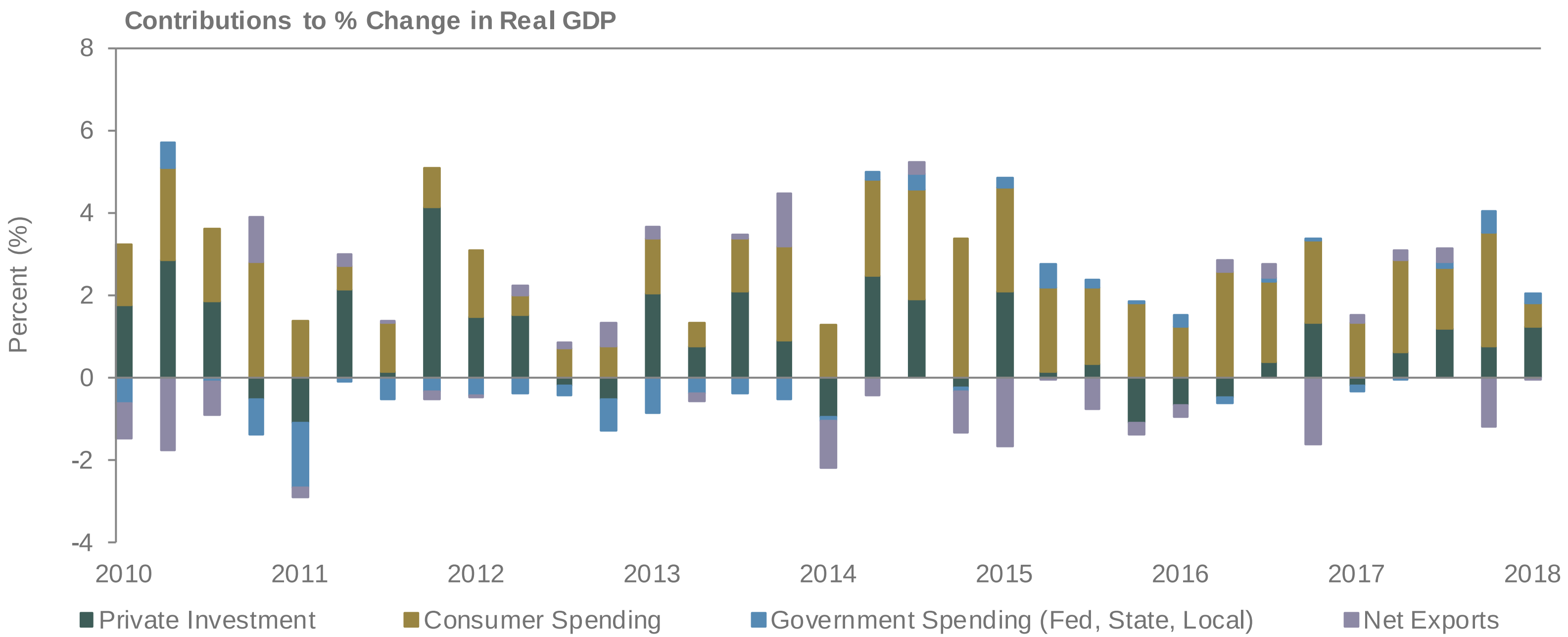


Source: Bloomberg, as of 6/30/2018

CONTRIBUTIONS TO % CHANGE IN REAL GDP

The increase in real GDP in the first quarter reflected positive contributions from nonresidential fixed investment, PCE, exports, federal government spending, and state and local government spending that were partly offset by negative contributions from residential fixed investment and private inventory investment. Imports, which are a subtraction in the calculation of GDP, increased.

The deceleration in real GDP growth in the first quarter reflected decelerations in PCE, exports, state and local government spending, and federal government spending and a downturn in residential fixed investment.

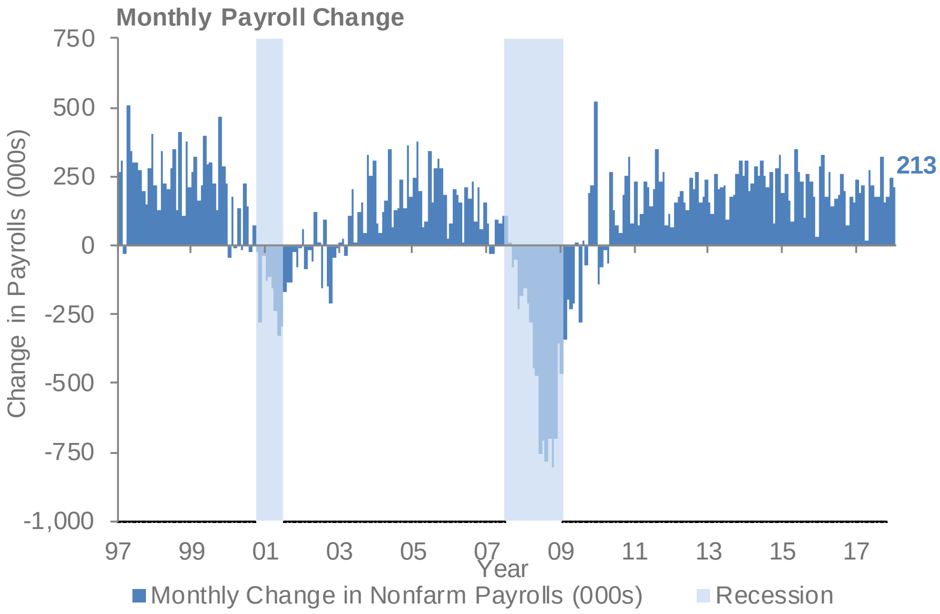


Source: Bloomberg, as of 6/30/2018

EMPLOYMENT

Total nonfarm payroll employment increased by 213,000 in June, and the unemployment rate rose to 4.0%. Job growth occurred in professional and business services, manufacturing, and health care, while retail trade lost jobs.

Source: Bloomberg, as of 6/30/18

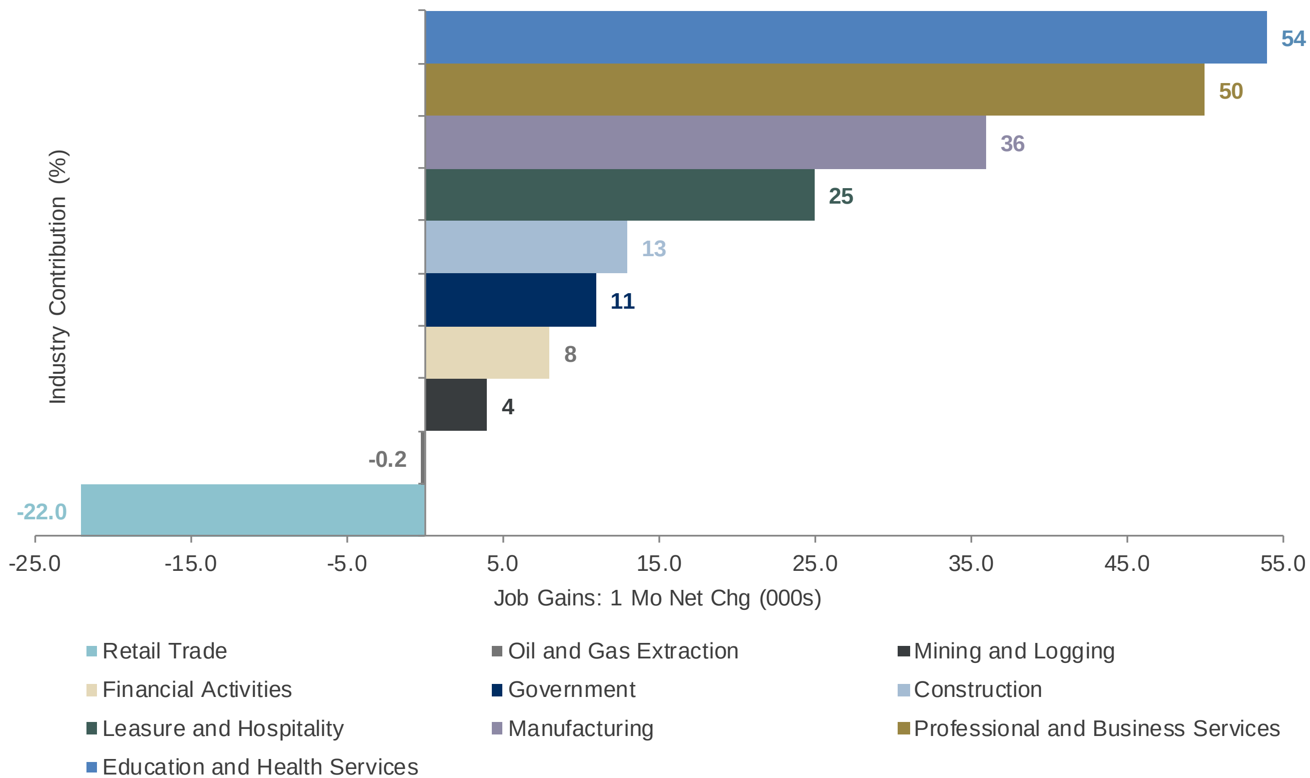


Source: Bloomberg, as of 6/30/18

MAJOR INDUSTRY CONTRIBUTIONS TO JOB GROWTH

Health care employment increased by 25,000 over the month and is up by 309,000 over the year. Hospitals added 11,000 jobs in June, and employment in ambulatory care services continued to trend up (+14,000).

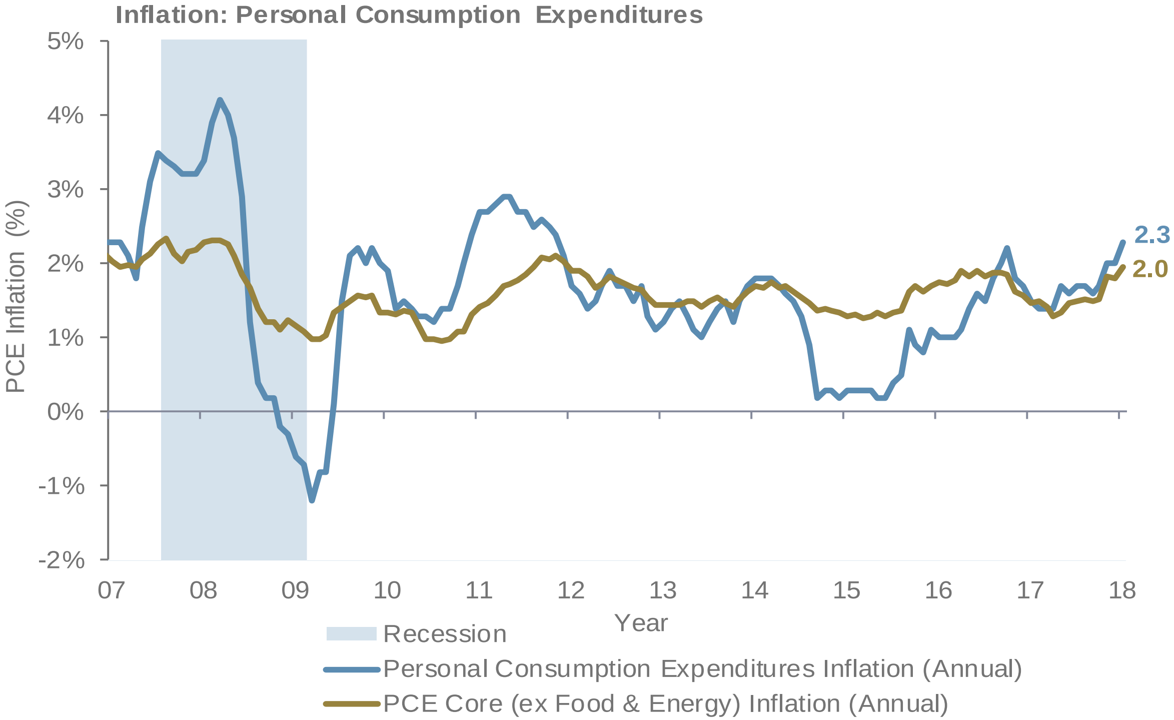
Retail trade employment declined by 22,000 in June, mostly offsetting a gain (+25,000) in the prior month. Employment in the industry has been about unchanged since February.



Source: Bureau of Labor Statistics, as of 6/30/2018, a preliminary estimate of the net number of jobs in the various industries in the latest month.

INFLATION

The percent changes from one year ago for personal consumption expenditure index (PCE) and the PCE Core (ex food & energy) Indices are 2.0% and 1.8% respectively.



Source: Bloomberg, as of 5/312018

"Increased tariffs will add to commodity price pressures. Wage gains are moderate. Inflation is closer to the Fed's goal."

- Dr. Scott Brown, Chief Economist

"We are aware that raising rates too slowly might raise the risk that monetary policy would need to tighten abruptly down the road in response to an unexpectedly sharp increase in inflation or financial excesses, jeopardizing the economic expansion. Conversely, if we raise interest rates too rapidly, the economy could weaken, and inflation could continue to run persistently below our objective."

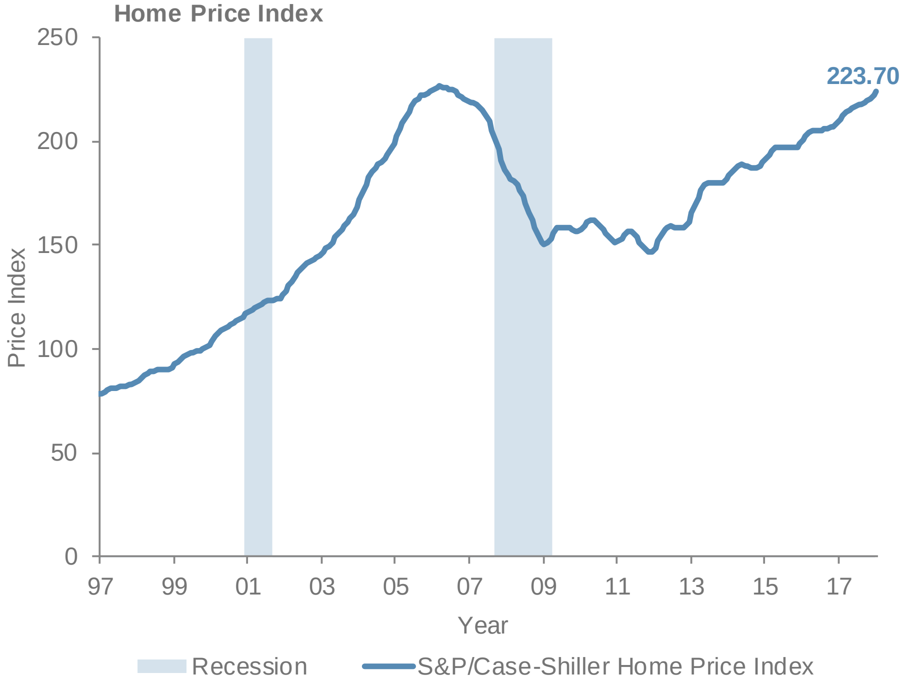
– Fed Chairman Jerome Powell Press Conference (June 13)

Personal Consumption Expenditure (PCE) is the preferred measure of inflation by the Bureau of Economic Analysis.

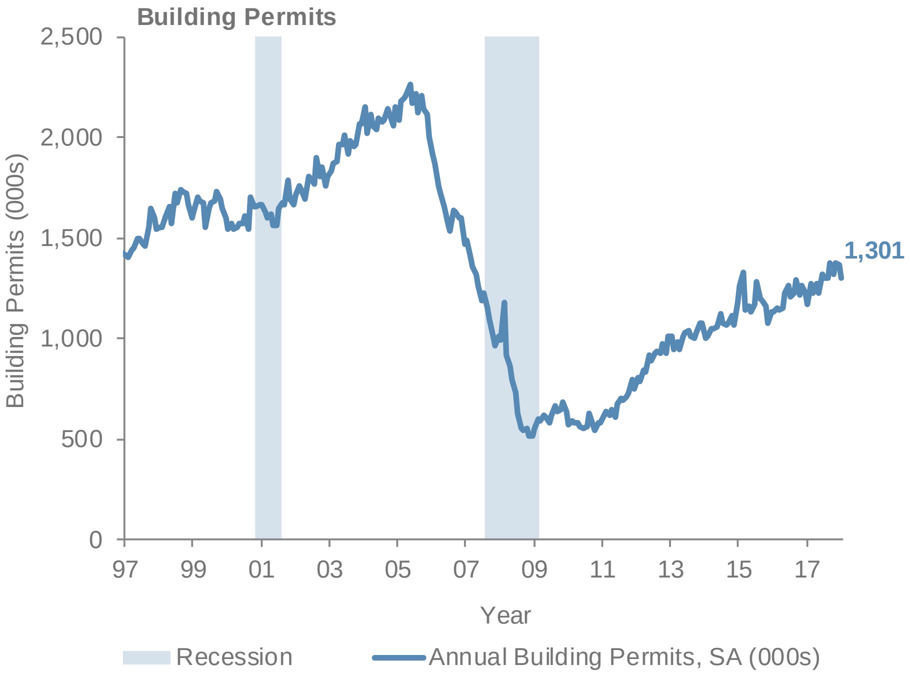
HOUSING MARKET

"Builders continue to note supply constraints (lack of skilled labor, higher costs). Demand remains strong. Home prices have continued to rise, making affordability an important issue."

- Dr. Scott Brown, Chief Economist



Source: Bloomberg, as of 4/30/2018

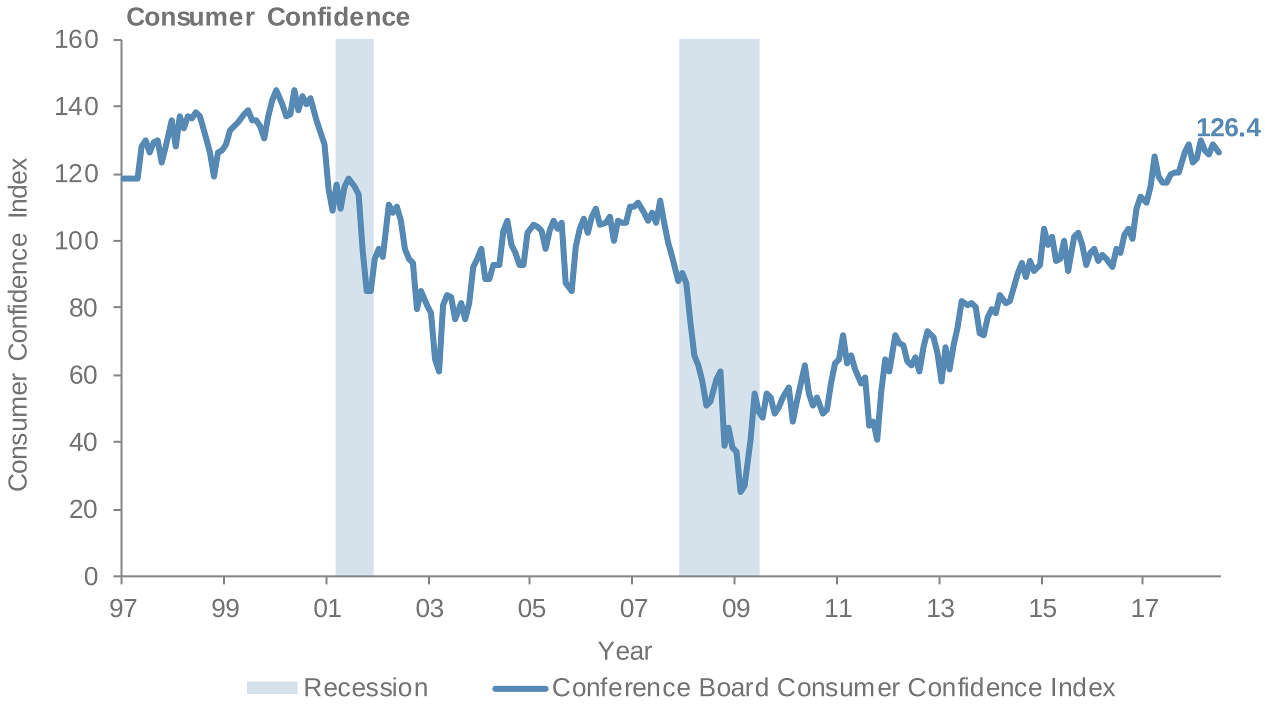


Source: U.S. Census Bureau, as of 5/312018

CONSUMER CONFIDENCE

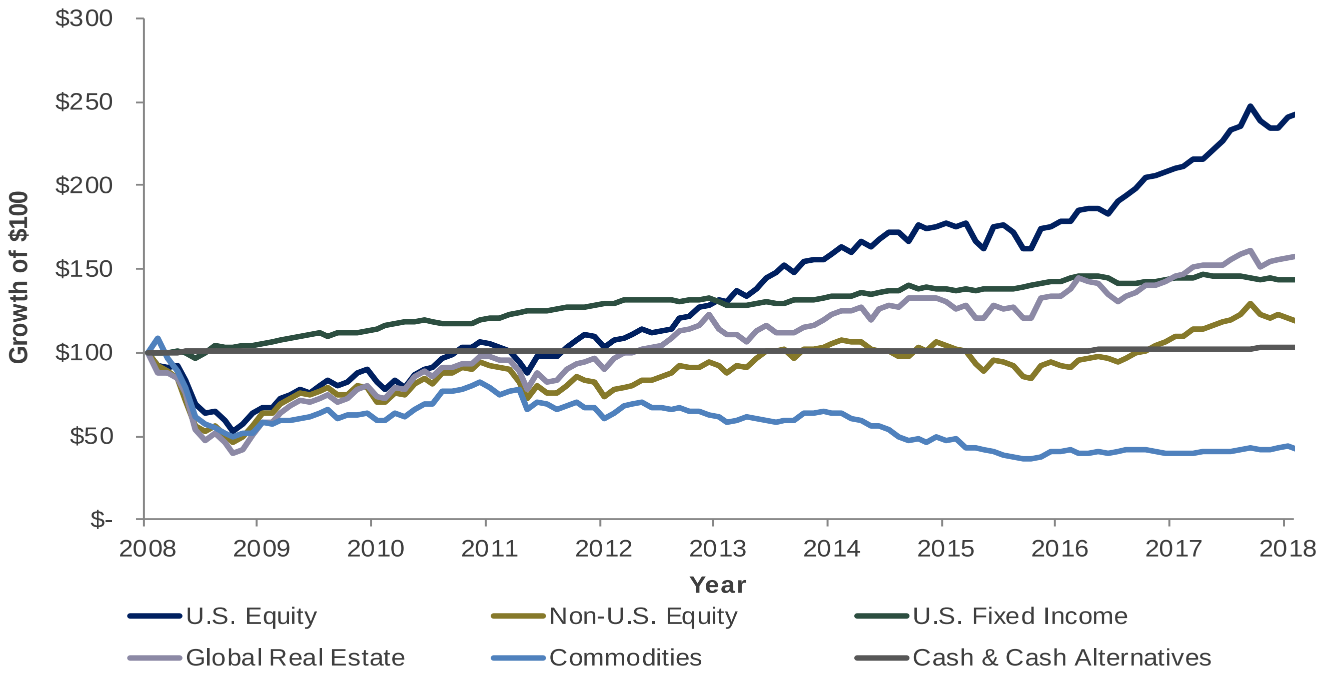
"Consumer confidence declined in June after improving in May. Consumers' assessment of present-day conditions was relatively unchanged, suggesting that the level of economic growth remains strong. While expectations remain high by historical standards, the modest curtailment in optimism suggests that consumers do not foresee the economy gaining much momentum in the months ahead."

\- Lynn Franco, Director of Economic Indicators at The Conference Board



Source: Bloomberg, as of 6/30/2018

ASSET CLASS RETURNS: GROWTH OF A DOLLAR



Source: Morningstar Direct, as of 6/30/2018	QTD	YTD	1-Year	3-Year	5-Year	10-Year
U.S. Equity	3.89%	3.22%	14.78%	11.58%	13.29%	10.23%
Non-U.S. Equity	-2.61%	-3.77%	7.28%	5.07%	5.99%	2.54%
U.S. Fixed Income	-0.16%	-1.62%	-0.40%	1.72%	2.27%	3.72%
Global Real Estate (REITs)	3.15%	-0.52%	6.26%	5.97%	5.92%	6.09%
Commodities	0.40%	0.00%	7.35%	-4.54%	-6.40%	-9.04%
Cash & Cash Alternatives	0.44%	0.79%	1.33%	0.64%	0.39%	0.31%

Source: Morningstar Direct, as of 6/30/2018; Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

ASSET CLASS RETURNS

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD 2018
Non-U.S. Equity 16.7%	Fixed Income 5.2%	Non-U.S. Equity 41.5%	Real Estate 19.3%	Fixed Income 7.8%	Real Estate 29.0%	U.S. Equity 33.6%	Real Estate 13.9%	Fixed Income 0.6%	U.S Equity 12.7%	Non-U.S. Equity 27.2%	U.S Equity 3.2%
Commodities 16.2%	Cash & Cash Alternatives 1.8%	Real Estate 40.2%	U.S. Equity 16.9%	Blended Portfolio 2.1%	Non-U.S. Equity 16.8%	Non-U.S. Equity 15.3%	U.S. Equity 12.6%	U.S. Equity 0.5%	Commodities 11.8%	U.S Equity 21.1%	Cash & Cash Alternatives 0.8%
Blended Portfolio 7.8%	Blended Portfolio -21.7%	U.S. Equity 28.3%	Commodities 16.8%	U.S. Equity 1.0%	U.S. Equity 16.4%	Blended Portfolio 13.9%	Blended Portfolio 7.1%	Cash & Cash Alternatives 0.0%	Blended Portfolio 7.1%	Real Estate 14.0%	Blended Portfolio 0.1%
Fixed Income 7.0%	Commodities -35.7%	Blended Portfolio 20.2%	Blended Portfolio 11.9%	Cash & Cash Alternatives 0.1%	Blended Portfolio 11.0%	Real Estate 1.6%	Fixed Income 6.0%	Blended Portfolio -0.2%	Non-U.S. Equity 4.5%	Blended Portfolio 13.8%	Commodities 0.0%
U.S. Equity 5.1%	U.S. Equity -37.3%	Commodities 18.9%	Non-U.S. Equity 11.2%	Real Estate -8.7%	Fixed Income 4.2%	Cash & Cash Alternatives 0.1%	Cash & Cash Alternatives 0.0%	Real Estate -1.2%	Real Estate 3.8%	Fixed Income 3.5%	Real Estate -0.5%
Cash & Cash Alternatives 4.7%	Non-U.S. Equity -45.5%	Fixed Income 5.9%	Fixed Income 6.5%	Commodities -13.3%	Cash & Cash Alternatives 0.1%	Fixed Income -2.0%	Non-U.S. Equity -3.9%	Non-U.S. Equity -5.7%	Fixed Income 2.7%	Commodities 1.7%	Fixed Income -1.6%
Real Estate -5.0%	Real Estate -50.2%	Cash & Cash Alternatives 0.2%	Cash & Cash Alternatives 0.1%	Non-U.S. Equity -13.7%	Commodities -1.1%	Commodities -9.5%	Commodities -17.0%	Commodities -24.7%	Cash & Cash Alternatives 0.3%	Cash & Cash Alternatives 0.8%	Non-U.S. Equity -3.8%

Blended Portfolio Allocation: 45% U.S. Equity / 15% Non-U.S. Equity / 40% Fixed Income

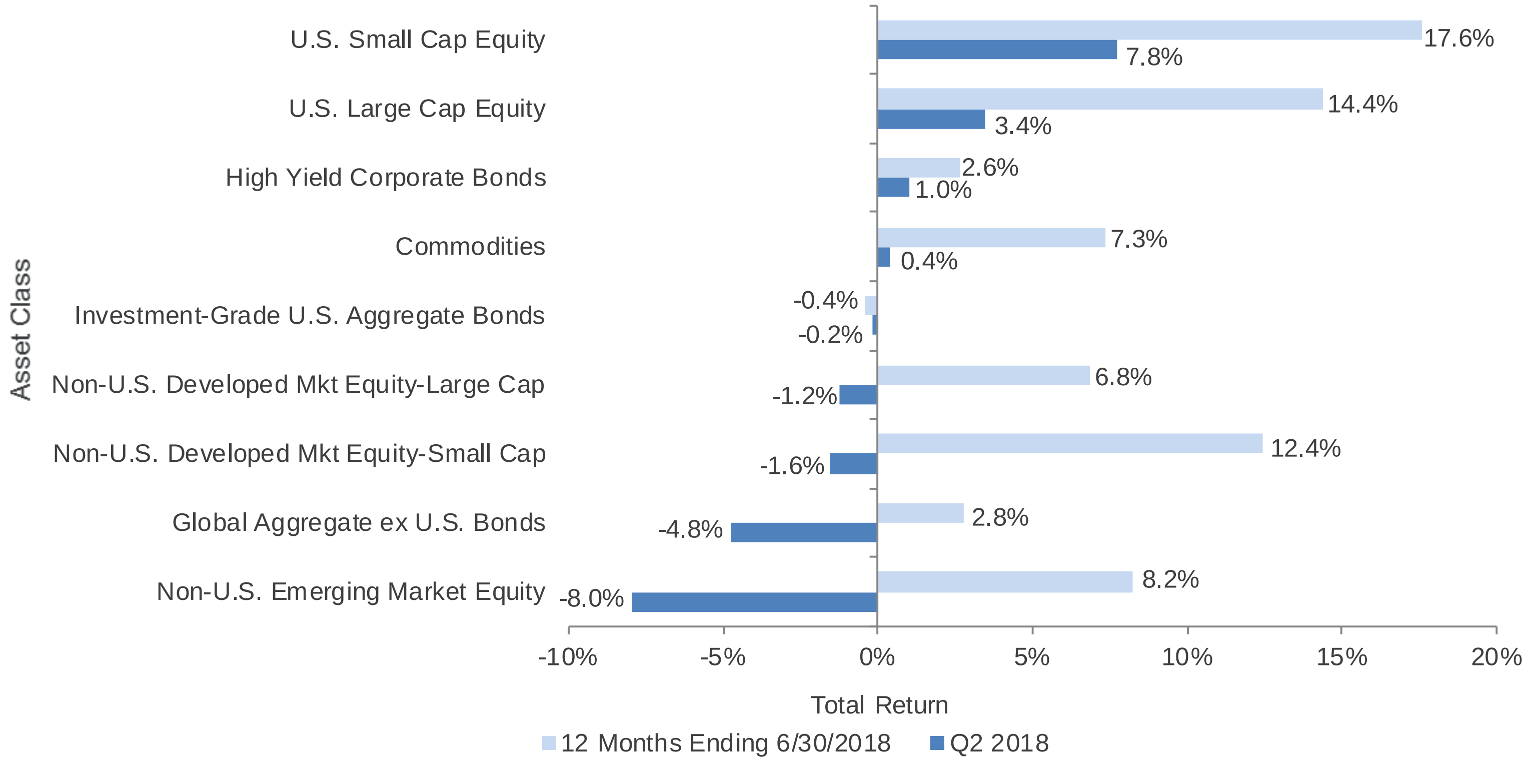
Source: Morningstar Direct, as of 6/30/2018

Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

ASSET CLASS RETURNS

Small caps continue to produce excess returns relative to the broad market, supported by a strong U.S. dollar and tax reform. Sentiment is strong as investors look for opportunity down the market-cap spectrum.

Emerging market equities faced several major headwinds in the second quarter including rising oil prices, a strong U.S. dollar, negative investor sentiment, and rising rates in some peripheral countries.



Source: Morningstar Direct, as of 6/30/2018

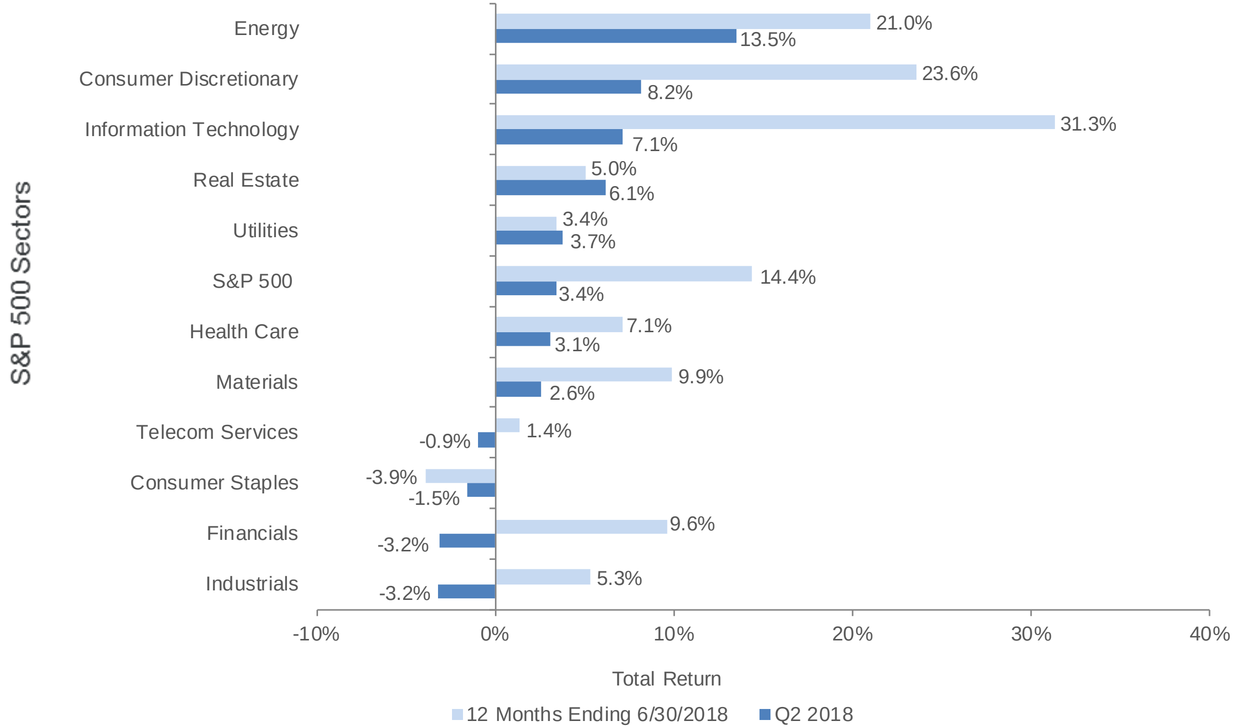
Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

S&P 500 SECTOR RETURNS

"Crude prices rallied on the news of OPEC settling on production increases below levels feared by the market. Fundamentals remain healthy, while valuation allows for upside."

"Information technology was the top performing sector for both the second quarter and over the last 12 months. Healthy fundamentals are expected to continue."

- Joey Madere, Senior Portfolio Strategist, Equity Portfolio & Technical Strategy



Returns are based on the GICS Classification model. Returns are cumulative total return for stated period, including reinvestment of dividends. Past performance is not indicative of future results. Please see slides 27-29 for sector definitions. Source: Morningstar Direct, as of 6/30/2018

EQUITY STYLES

Growth stocks continue to outperform value based in most spaces on near-term and longer-term momentum. We are inching closer to a value trade in the mid- and small-cap space, yet growth companies should further benefit from higher earnings estimates in the short run. Rising interest rates remain a headwind for value stocks.

Q2 2018 Total Return

	Value	Blend	Growth
Large	1.2%	3.6%	5.8%
Mid	2.4%	2.8%	3.2%
Small	8.3%	7.8%	7.2%

Source: Morningstar Direct, as of 6/30/2018

12-Month Total Return

	Value	Blend	Growth
Large	6.8%	14.5%	22.5%
Mid	7.6%	12.3%	18.5%
Small	13.1%	17.6%	21.9%

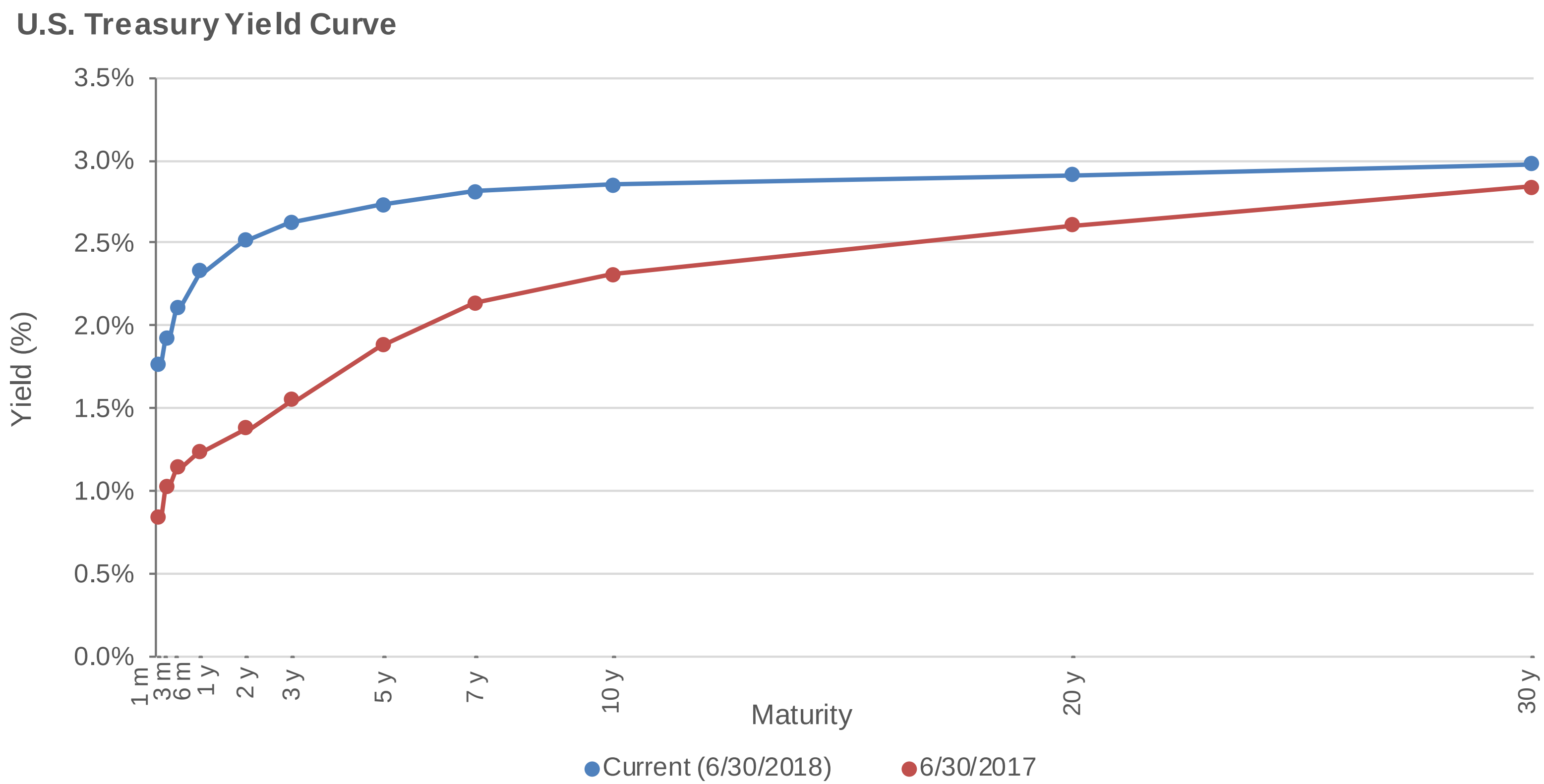
Source: Morningstar Direct, as of 6/30/2018

Style box returns based on the GICS Classification model. All values are cumulative total return for stated period including reinvestment of dividends. The indices used from left to right, top to bottom are: Russell 1000 Value Index, Russell 1000 Index, Russell 1000 Growth Index, Russell Mid-Cap Value Index, Russell Mid-Cap Blend Index, Russell Mid-Cap Growth Index, Russell 2000 Value Index, Russell 2000 Index and Russell 2000 Growth Index. Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

U.S. TREASURIES

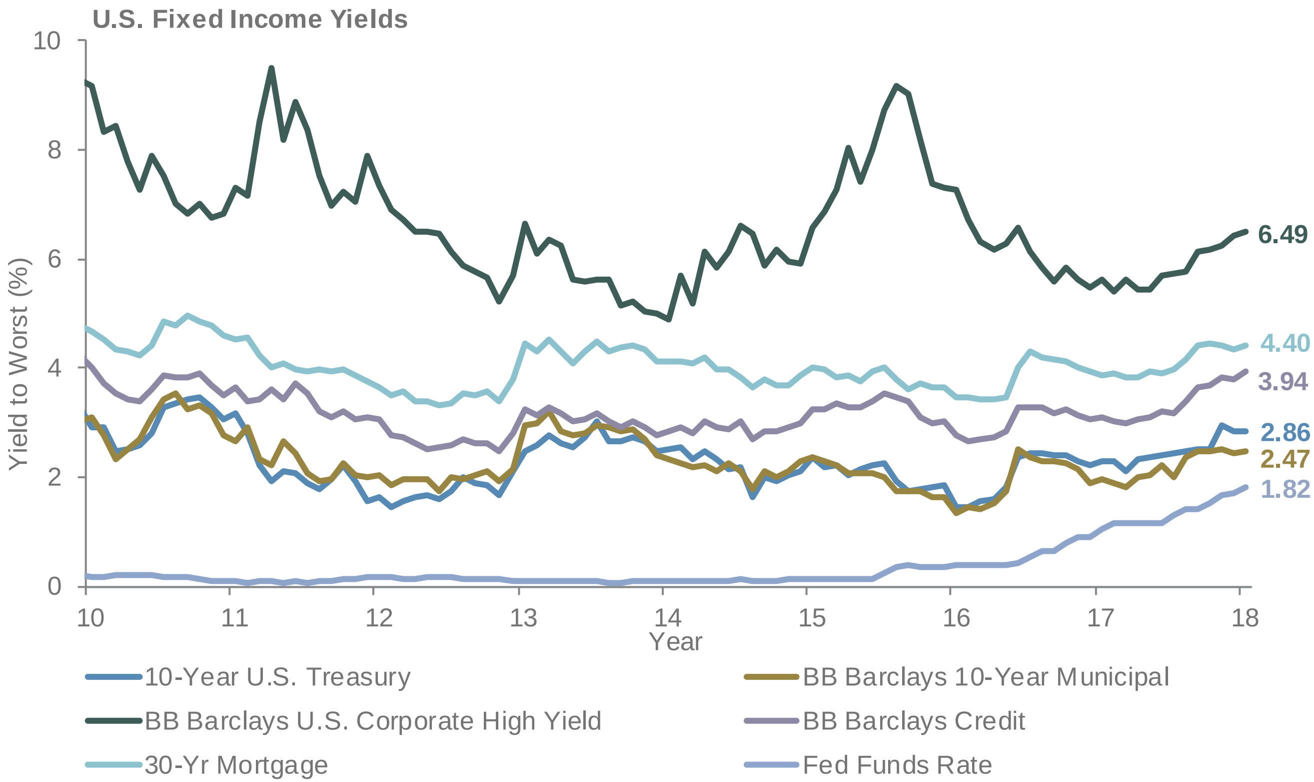
"We still have this interesting phenomenon where the Fed is moving in the opposite direction of most central banks around the world. It's also moving in the opposite direction of the administration, which is doing everything it can to promote growth, while you have the Fed calming growth with steady rate hikes."

– Doug Drabik, Senior Strategist, Fixed Income



Source: Federal Reserve, as of 6/30/2018

FIXED INCOME YIELDS



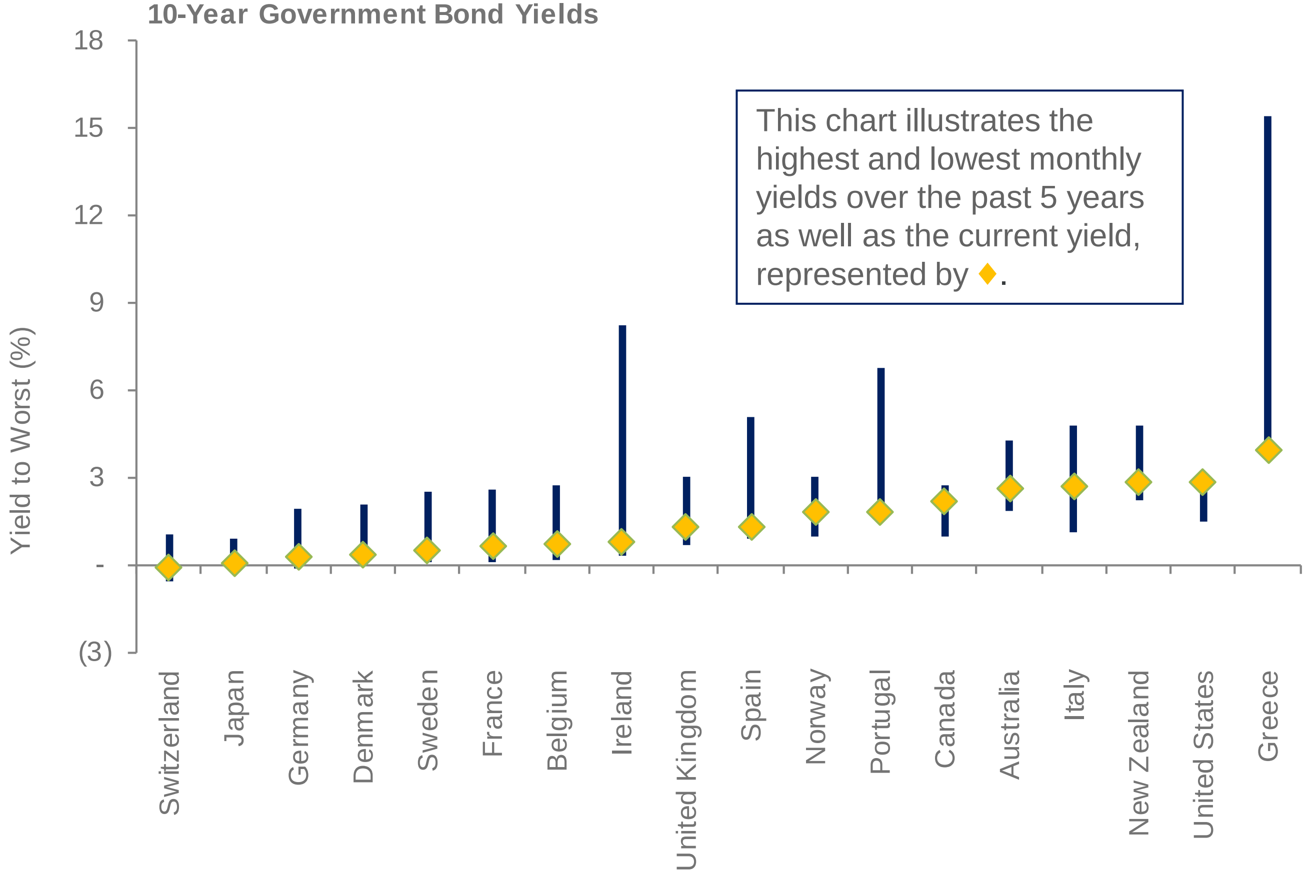
Source: Bloomberg, as of 6/30/2018

Past performance is not indicative of future results. Please see slides 27-29 for index definitions.

GLOBAL SOVEREIGN DEBT YIELDS

"As long as we have strong demand for our Treasury bonds and global rate disparity continues, we expect long-term rates to stay range bound - maybe creep up - but at a very slow pace."

- Nick Goetze, Managing Director, Fixed Income

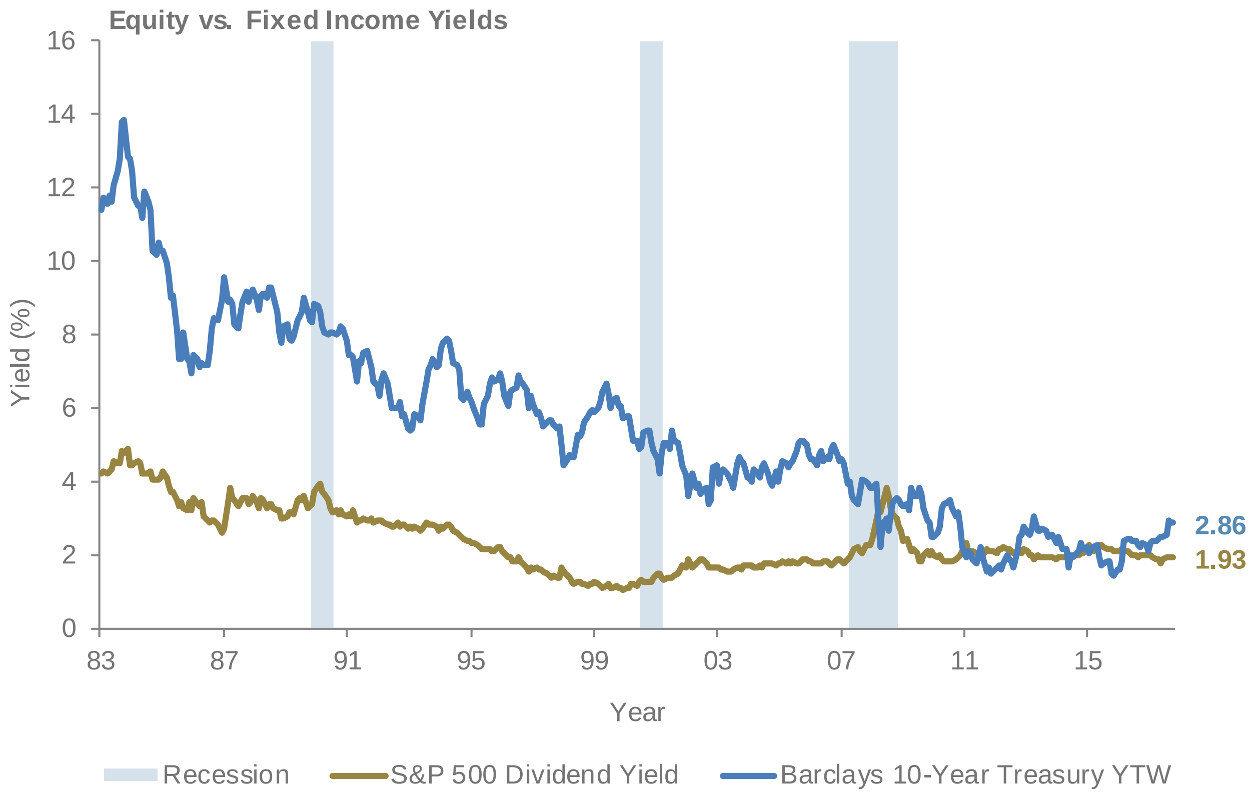


Source: Bloomberg, as of 6/30/2018

S&P 500 YIELDS VS. TREASURY YIELD

"Short to intermediate bonds, including Treasuries, now yield more than the broad equity market. These are the best options in pure fixed income investment."

– James Camp, CFA, Managing Director of Fixed Income, Eagle Asset Management*



Source: Bloomberg, as of 6/30/2018

Past performance is not indicative of future results. Please see slides 27-29 for index definitions.

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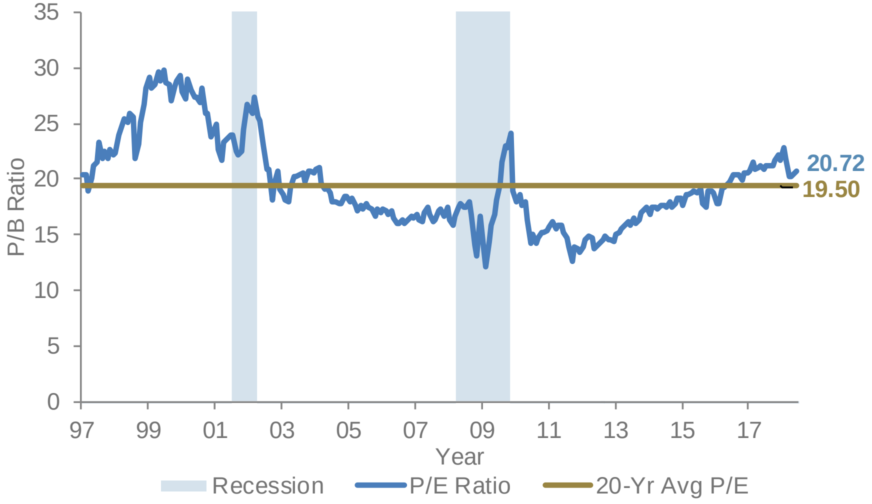
PRICE-EARNINGS RATIO AND PRICE-BOOK RATIOS

"Earnings growth this quarter was stellar by all accounts: 9.5% sales growth and 25% earnings growth. Late cycle, it is highly unlikely we will get stronger earnings growth than this, but 'peak earnings growth' should not be confused with 'peak earnings.' Fundamental momentum is attractive, and earnings growth next year is expected to be ~10% (which would be better than the 2012-2016 period)."

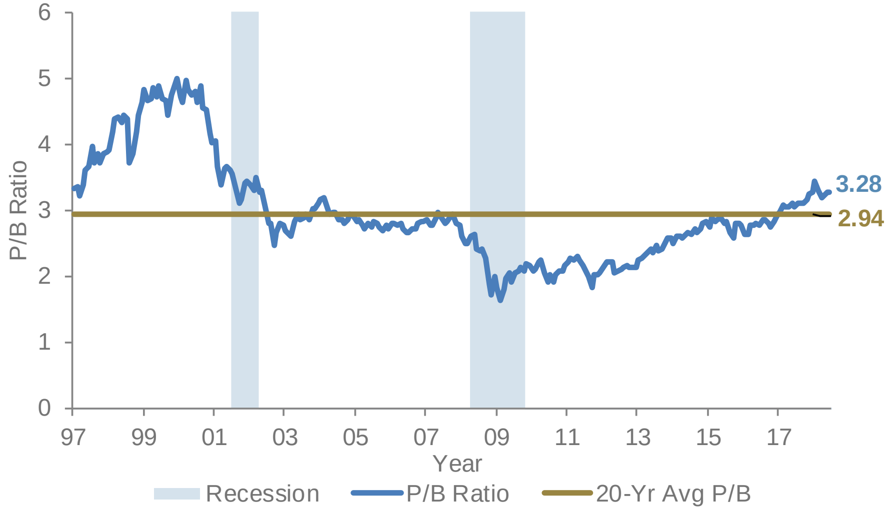
- Joey Madere, Senior Portfolio Strategist, Equity Portfolio & Technical Strategy

S&P 500 Price-to-Earnings



The price-to-earnings ratio, or P/E, is a common measure of the value of stocks. It shows the relationship between a stock's price and the underlying company's earnings (or profits) per share of stock. In essence, it calculates how many dollars you pay for each dollar of a company's earnings. In very general terms, the higher the P/E ratio, the more likely the stock is to be overpriced.

S&P 500 Price-to-Book



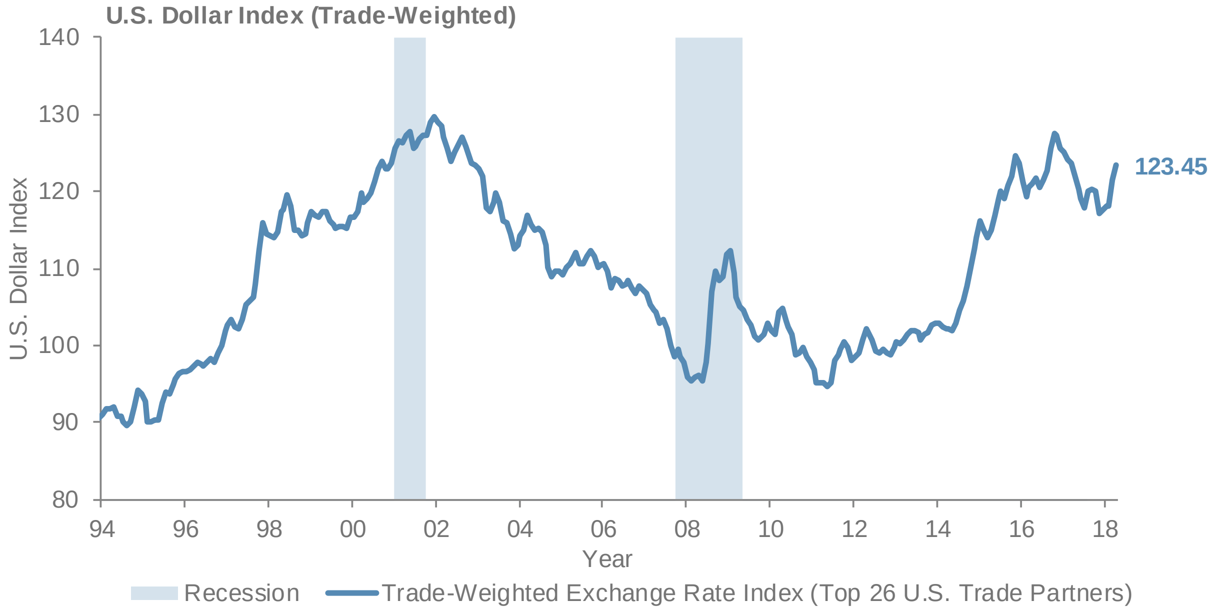
The price-to-book ratio, or P/B, is a relative measure based on most recent price/accounting (book) value (quarterly, semiannual or annual data). Both price-to-earnings and price-to-book are accounting-based relative value measures.

Source: Bloomberg, as of 6/30/2018 Past performance is not indicative of future results. Please see slides 27-29 for index definitions.

FOREIGN EXCHANGE RATES

"With the dollar expected to continue on an upward trend, (despite the possibility of a near-term pullback) international returns would be eroded by the subsequent depreciation of foreign currencies against the dollar. Exchange rates can be extremely difficult to predict, so the path of the dollar remains a wild card for international investments going forward."

- Nicholas Lacy, CFA, Chief Portfolio Strategist, Asset Management Services



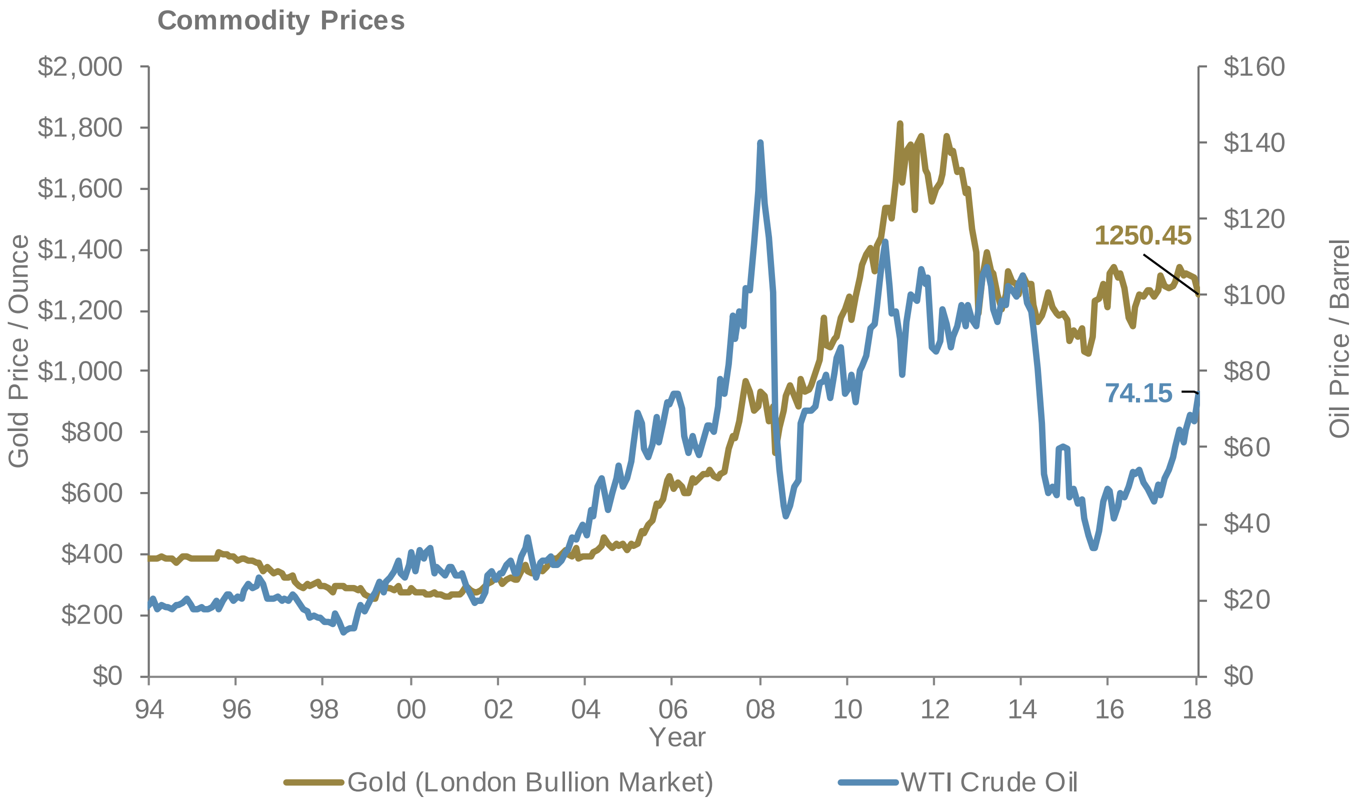
	6/30/2018	6/30/2017
Source: Bloomberg, as of 6/30/2018		
U.S. Dollar ($) / Japanese Yen (¥)	110.76	112.39
Euro (€) / U.S. Dollar ($)	1.1684	1.1426
British Pound (£) / U.S. Dollar ($)	1.3207	1.3025

Source: Bloomberg, as of 6/30/2018; Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

COMMODITY PRICES

"It is worth underscoring that the oil futures curve is suggesting that the commodity market is signaling a sharp drop in oil prices from current levels over the next three years. To the contrary, our view is that prices still have room to move higher over the next several years."

- Pavel Molchanov, Energy Analyst, Equity Research



Source: Bloomberg, as of 6/30/2018. Commodities are generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. There may be sharp price fluctuations even during periods when process overcall are rising. Past performance is not indicative of future results. Please see slides 27-29 for asset class definitions.

GLOBAL AFFAIRS: A HIGH-STAKES GLOBAL GAME

"As nations vie for supremacy around the world, the U.S. continues to lead with China close behind in lockstep."

\- Chris Bailey, European Strategist, Raymond James Euro Equities*

KEY TAKEAWAYS:

• China's singular focus on economic development over the past generation has achieved huge success. In more recent years, the Chinese have made efforts to broaden their global influence as well as their diplomatic and political roles.

• America has to finance its fiscal deficit in order to keep the economic show on the road, and China needs relative global economic stability in order to continue its fairly seamless rapid development.

• In Europe, planning for a lengthy Brexit transition period and measures to make the entire European economy more dynamic should continue to be top priorities. Despite all the negative headlines, this is still within the grasp of Europe's policymakers.

• It is far better to keep full interaction with the world's number one economy today whilst pushing domestic change and reform initiatives.

For full theme articles, ask for a copy of the July 2018 Investment Strategy Quarterly.
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CORPORATE EARNINGS: FUEL THAT POWERS THE STOCK MARKET

"Since the end of the financial crisis, economic growth in the U.S. has largely been attributed to additions in the labor market, as the unemployment rate has steadily decreased since 2008."

- Andrew Adams, CFA, CMT, Senior Research Associate, Equity Research

KEY TAKEAWAYS:

- The pace of earnings growth should slow down in future quarters, but we believe the market understands this and does not expect 20% earnings growth to continue indefinitely.
- It is unlikely that the U.S. will continue to add workers at the same pace of the past few years, which means companies will have to focus instead on productivity growth to keep the wheels turning.
- Investors are still gathering evidence of what companies are doing with their excess cash, but preliminary signs show some pickup in both business investment and wages.
- Investing in the future and improving productivity will increase the chances of continued economic expansion while helping the stock market combat rising input costs and higher expectations of today's investors.

For full theme articles, ask for a copy of the July 2018 Investment Strategy Quarterly.

FEDERAL RESERVE POLICY: THE FED’S BALANCING ACT

“The U.S. economy continued to expand at a moderate rate in the first half of 2018, although growth was a bit uneven across sectors. The underlying fundamentals of the economy remain sound.”

- Scott Brown, Ph.D., Chief Economist, Equity Research

KEY TAKEAWAYS:

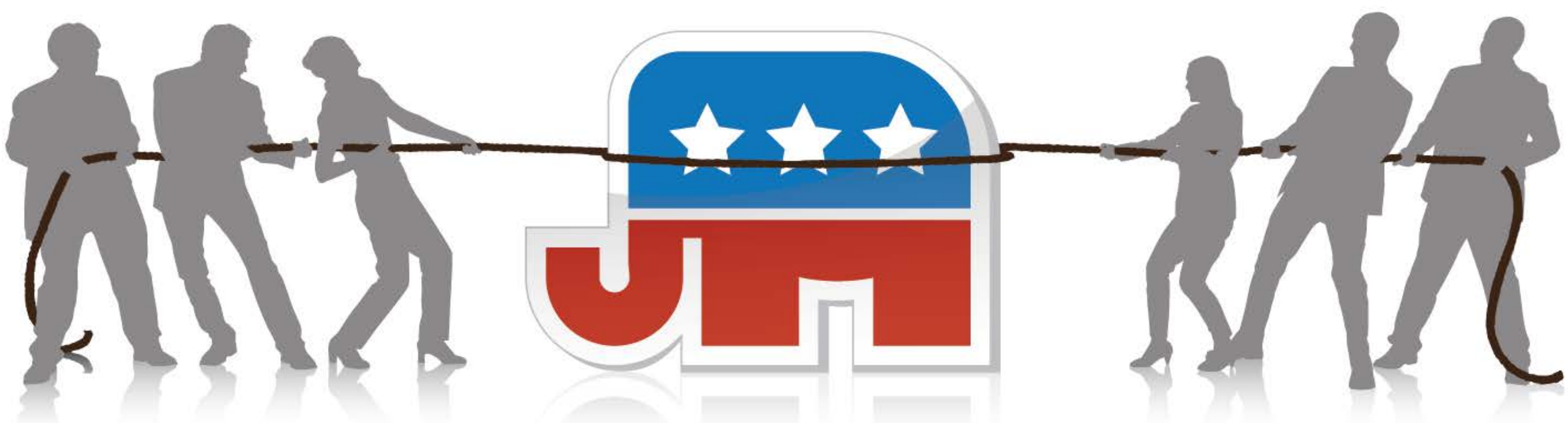
• The key to our outlook is the Fed’s balancing act, as it attempts ‘a soft landing,’ where growth slows to a long-term sustainable pace.

• The expansion is now the second longest on record and there are no signs of a recession on the immediate horizon. However, there are some challenges for the second half of the year.

• There is little risk of the U.S. economy entering a recession this year, but the odds are higher as we look to next year, reflecting the possibility of a monetary policy error.

• Weighing all these uncertainties will make the Fed’s task of achieving a soft landing even more difficult, and the risks of a policy error are rising. However, the near-term economic outlook remains optimistic.

PROTECTIONISM: A POLITICAL PREDICAMENT



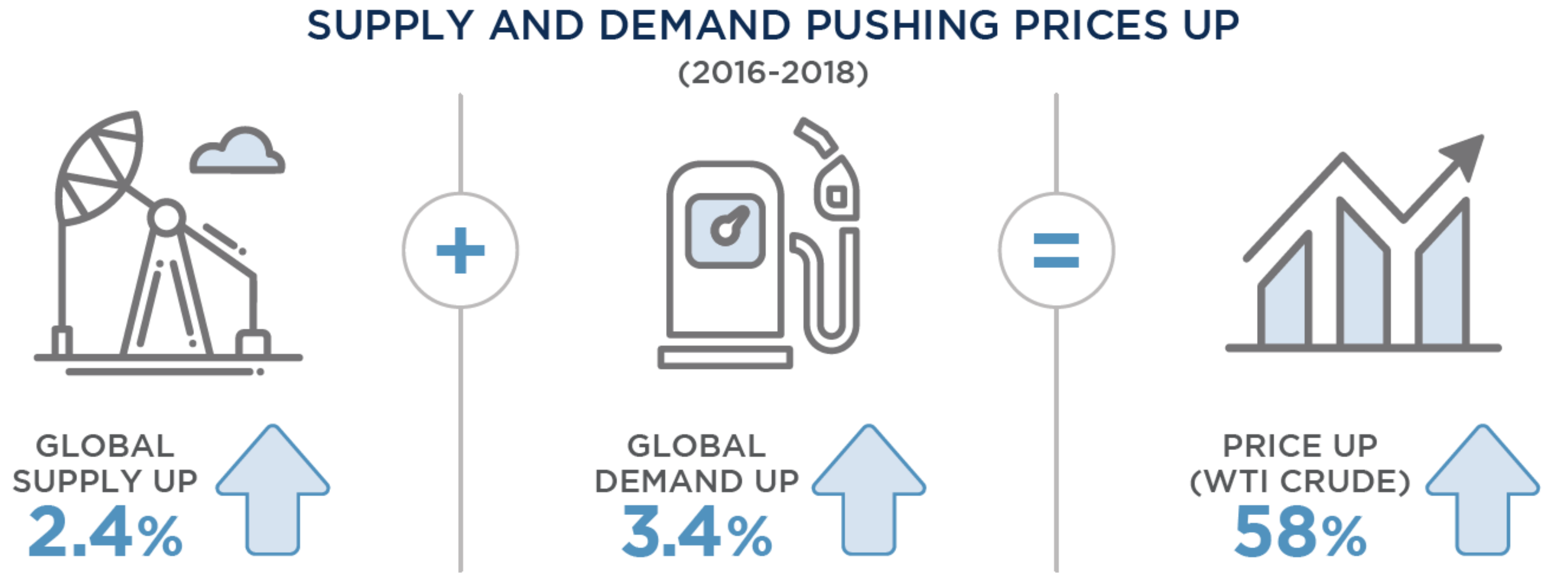
For full theme articles, ask for a copy of the July 2018 Investment Strategy Quarterly.

Q&A: OIL PRICES AT FOUR-YEAR HIGHS: WHAT IT MEANS FOR ENERGY INVESTORS

- Pavel Molchanov, Energy Analyst, Equity Research

KEY TAKEAWAYS:

- For the fourth consecutive year, global demand is set to grow faster than its long-term average of 1.4% per year, with emerging markets continuing to drive the bulk of the increase. Supply is also up, but is limited by several factors.
- It is worth underscoring that the oil futures curve is suggesting that the commodity market is signaling a sharp drop in oil prices from current levels over the next three years. To the contrary, our view is that prices still have room to move higher over the next several years.
- Higher oil prices are not ideal for the world's major economies since most of them are net oil importers (especially Japan, India, and most of Europe). The U.S. and China present more of a mixed picture, since they produce a sizable portion of their oil consumption.



Source: International Energy Agency and Raymond James research as of 06/18/2018

DISCLOSURE

Data provided by Morningstar Direct, Bloomberg.

This material is for informational purposes only and should not be used or construed as a recommendation regarding any security outside of a managed account.

There is no assurance that any investment strategy will be successful or that any securities transaction, holdings, sectors or allocations discussed will be profitable. It should not be assumed that any investment recommendation or decisions made in the future will be profitable or will equal any investment performance discussed herein.

Please note that all indices are unmanaged and investors cannot invest directly in an index. An investor who purchases an investment product that attempts to mimic the performance of an index will incur expenses that would reduce returns. Past performance is not indicative of future results. The performance noted in this presentation does not include fees and costs, which would reduce an investor's returns.

Fixed Income: subject to credit risk and interest rate risk. An issuer's ability to pay the promised income and return of principal upon maturity may impact the issuer's credit rating. Generally, when interest rates rise, bond prices fall, and vice versa. Specific-sector investing can be subject to different and greater risks than more diversified investments.
Personal Consumption Expenditure Index (PCE): a measure of inflation, this index measures the price changes in consumer goods and services. Personal consumption expenditures consist of the actual and imputed expenditures of households; the measure includes data pertaining to durables, non-durables and services.
Gross Domestic Product (GDP): a broad measurement of a nation's overall economic activity. It is the monetary value of all the finished goods and services produced within a country's borders in a specific time period, including all private and public consumption, government outlays, investments and net exports that occur within a defined territory.
Price-to-Earnings Ratio (P/E): a ratio for valuing a company that measures its current share price relative to its per-share earnings.
Price-to-Book Ratio (P/B): A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.
Small-cap and Mid-Cap Equity: generally involve greater risks, and may not be appropriate for every investor. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility.
High-Yield Fixed Income: not suitable for all investors. Risk of default may increase due to changes in the issuer's credit quality. Price changes may occur due to changes in interest rates and the liquidity of the bond. When appropriate, these bonds should only comprise a modest portion of your portfolio.
Commodities: trading is generally considered speculative because of the significant potential for investment loss.
U.S. Government Fixed Income: guaranteed timely payment of principal and interest by the federal government. U.S. Treasury Bills: A short-term debt obligation backed by the U.S. government with a maturity of less than one year.
Fixed Income Sectors: Returns based on the four sectors of Barclays Global Sector Classification Scheme: Securitized (consisting of U.S. MBS Index, the ERISA-Eligible CMBS Index and the fixed-rate ABS Index), Government Related (consisting of U.S. Agencies and non-corporate debts with four sub sectors: Agencies, Local Authorities, Sovereign and Supranational), Corporate (dollar-denominated debt from U.S. and non-U.S. industrial, utility, and financial institutions issuers), and Treasuries (includes public obligations of the U.S. Treasury that have remaining maturities of one year or more).

Asset allocation and diversification does not guarantee a profit nor protect against loss. Dividends are not guaranteed and will fluctuate.

Past performance is not indicative of future results. Investing in international securities involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

The values of real estate investments may be adversely affected by several factors, including supply and demand, rising interest rates, property taxes, and changes in the national, state and local economic climate. Companies engaged in business related to a specific sector are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector including limited diversification.

INDEX DESCRIPTIONS

Asset class and reference benchmarks:

ASSET CLASS	BENCHMARK
U.S. Equity	Russell 3000 TR
Non-U.S. Equity	MSCI ACWI ex US NR
U.S. Fixed Income	Barclays U.S. Aggregate Bond TR
Global Real Estate (prior to 2008)	NASDAQ Global Real Estate NR
Global Real Estate (2008-present)	FTSE EPRA/NAREIT Global Real Estate NR
Commodities	Bloomberg Commodity TR USD
Cash & Cash Alternatives	Citi Treasury Bill 3 Mon USD

Bloomberg Commodity Total Return Index: Formerly the Dow Jones-UBS Commodity Index TR (DJUBSTR),is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 3 Month U.S. Treasury Bills.

Barclays 10-Year Municipal Bond Index: A rules-based, market-value weighted index engineered for the long-term tax-exempt bond market. This index is the 10 year (8-12) component of the Municipal Bond Index.

Barclays 10-Year U.S. Treasury Index: Measures the performance of U.S. Treasury securities that have a remaining maturity of 10 years.

Barclays U.S. Aggregate Bond 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.

Barclays Global Aggregate ex-U.S. Bond Index: Tracks an international basket of bonds that currently contains 65% government, 14% corporate, 13% agency and 8% mortgage-related bonds.

Barclays High Yield Bond Index: Covers the universe of fixed-rate, non-investment grade debt. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC-registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures and 144-As are also included.

Barclays U.S. Credit Index: an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).

Citi 3-Month Treasury-Bill Index: This is an unmanaged index of three-month Treasury bills.

INDEX DESCRIPTIONS (continued)

FTSE EPRA/NAREIT Global Real Estate Index : designed to represent general trends in eligible listed real estate stocks worldwide. Relevant real estate activities are defined as the ownership, trading and development of income producing real estate.

MSCI All Country World Index Ex-U.S Index (ACWI ex U.S.): 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. It includes both developed and emerging markets.

MSCI EAFE Index (Europe, Australasia, Far East): a free-float adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States and Canada. The EAFE consists of the country indices of 21 developed nations.

MSCI EAFE Growth Index: represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the growth style.

MSCI EAFE Small-Cap Index: an unmanaged, market-weighted index of small companies in developed markets, excluding the U.S. and Canada.

MSCI EAFE Value: represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the value style.

MSCI Emerging Markets Index: designed to measure equity market performance in 25 emerging market indexes. The three largest industries are materials, energy and banks.

MSCI Local Currency Index: a special currency perspective that approximates the return of an index as if there were no currency valuation changes from one day to the next.

NASDAQ Global Real Estate Index: the index measures the performance of real estate stocks which listed on an Index Eligible Global Stock Exchange. The index is market-capitalization weighted.

Russell 1000 Index: measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the investible U.S. equity market.

Russell 1000 Value Index: measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 1000 Growth Index: measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell Mid-Cap Index: measures the performance of the 800 smallest companies of the Russell 1000 Index, which represent approximately 30% of the total market capitalization of the Russell 1000 Index.

Russell Mid-cap Value Index: measures the performance of those Russell Mid-cap companies with lower price-to-book ratios and lower forecasted growth values.

Russell Mid-Cap Growth Index: measures the performance of those Russell Mid-cap companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Index: measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represent approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Value Index: measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index: measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000 Index: measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

INDEX DESCRIPTIONS (continued)

Standard & Poor's 500 (S&P 500): measures changes in stock market conditions based on the average performance of 500 widely held common stocks. Represents approximately 68% of the investable U.S. equity market.

S&P 500 Consumer Discretionary: comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector.

S&P 500 Consumer Staples: comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

S&P 500 Energy: comprises those companies included in the S&P 500 that are classified as members of the GICS® energy sector.

S&P 500 Financials: comprises those companies included in the S&P 500 that are classified as members of the GICS® financials sector

S&P 500 Health Care: comprises those companies included in the S&P 500 that are classified as members of the GICS® health care sector.

S&P 500 Industrials: comprises those companies included in the S&P 500 that are classified as members of the GICS® industrials sector.

S&P 500 Information Technology: comprises those companies included in the S&P 500 that are classified as members of the GICS® information technology sector.

S&P 500 Materials: comprises those companies included in the S&P 500 that are classified as members of the GICS® materials sector.

S&P 500 Telecom Services: comprises those companies included in the S&P 500 that are classified as members of the GICS® telecommunication services sector.

S&P 500 Utilities: comprises those companies included in the S&P 500 that are classified as members of the GICS® utilities sector.