

Smart Diversification Can Help You Stay on Track

Asset Class Performance 2002-2016

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Annualized Returns / Standard Deviations Since 2002
U.S. Short Term Bond 6.1%	EM Value 62.3%	U.S. REIT 33.2%	EM Value 33.0%	U.S. REIT 36.0%	EM Value 42.2%	Global Short Term Bond 6.6%	EM Value 79.1%	U.S. REIT 28.1%	U.S. REIT 9.4%	U.S. Large Value 17.5%	U.S. Small Cap 38.8%	U.S. REIT 32.0%	Intl. Small Cap 5.5%	U.S. Small Cap 21.3%	U.S. REIT 10.7% / 23.3%
Global Short Term Bond 5.1%	Intl. Small Cap 61.8%	EM Value 30.7%	Intl. Small Cap 25.0%	EM Value 32.0%	Intl. Large Value 7.0%	U.S. Short Term Bond 4.7%	Intl. Small Cap 50.8%	U.S. Small Cap 26.9%	Global Short Term Bond 2.3%	Intl. Small Cap 17.5%	U.S. Large Value 32.5%	U.S. Large 13.7%	U.S. REIT 4.5%	U.S. Large Value 17.3%	EM Value 10.2% / 22.2%
U.S. REIT 3.6%	U.S. Small Cap 47.3%	Intl. Small Cap 29.4%	Intl. Large Value 14.5%	Intl. Large Value 29.3%	U.S. Short Term Bond 6.9%	Cash 2.2%	Intl. Large Value 36.8%	Intl. Small Cap 24.5%	U.S. Large 2.1%	Intl. Large Value 17.3%	U.S. Large 32.4%	U.S. Large Value 13.5%	U.S. Large 1.4%	EM Value 14.9%	Intl. Small Cap 9.3% / 18.4%
Cash 1.8%	Intl. Large Value 46.0%	Intl. Large Value 24.5%	U.S. REIT 13.8%	U.S. Large Value 22.2%	Global Short Term Bond 6.3%	U.S. Small Cap -33.8%	U.S. REIT 28.5%	EM Value 18.4%	U.S. Short Term Bond 1.6%	U.S. REIT 17.1%	Intl. Small Cap 25.6%	U.S. Small Cap 4.9%	Global Short Term Bond 1.0%	U.S. Large 12.0%	U.S. Small Cap 8.5% / 19.2%
EM Value -4.5%	U.S. REIT 36.2%	U.S. Small Cap 18.3%	U.S. Large Value 7.0%	Intl. Small Cap 19.5%	U.S. Large 5.5%	U.S. Large Value -36.8%	U.S. Small Cap 27.2%	U.S. Large Value 15.5%	U.S. Large Value 0.4%	U.S. Small Cap 16.4%	Intl. Large Value 21.5%	Global Short Term Bond 1.9%	U.S. Short Term Bond 0.7%	Intl. Large Value 7.4%	U.S. Large Value 7.4% / 14.9%
Intl. Small Cap -7.4%	U.S. Large Value 30.0%	U.S. Large Value 16.5%	U.S. Large 4.9%	U.S. Small Cap 18.4%	Cash 4.9%	U.S. Large -37.0%	U.S. Large 26.5%	U.S. Large 15.1%	Cash 0.1%	U.S. Large 16.0%	U.S. REIT 1.2%	U.S. Short Term Bond 0.8%	Cash 0.1%	U.S. REIT 6.7%	U.S. Large 6.7% / 14.4%
U.S. Large Value -15.5%	U.S. Large 28.7%	U.S. Large 10.9%	U.S. Small Cap 4.6%	U.S. Large 15.8%	Intl. Small Cap 3.3%	U.S. REIT -39.2%	U.S. Large Value 19.7%	Intl. Large Value 4.8%	U.S. Small Cap -4.2%	EM Value 15.9%	U.S. Short Term Bond 0.7%	Cash 0.0%	U.S. Large Value -3.8%	Intl. Small Cap 4.3%	Intl. Large Value 5.6% / 18.1%
Intl. Large Value -15.9%	U.S. Short Term Bond 2.8%	Global Short Term Bond 2.7%	Global Short Term Bond 3.1%	Cash 4.8%	U.S. Large Value -0.2%	Intl. Large Value -44.3%	U.S. Short Term Bond 3.8%	U.S. Short Term Bond 2.8%	Intl. Large Value -11.7%	Global Short Term Bond 2.1%	Global Short Term Bond 0.6%	EM Value -4.1%	U.S. Small Cap -4.4%	Global Short Term Bond 1.5%	Global Short Term Bond 2.9% / 1.3%
U.S. Small Cap -20.5%	Global Short Term Bond 1.9%	Cash 1.3%	Cash 3.0%	U.S. Short Term Bond 4.3%	U.S. Small Cap -1.6%	Intl. Small Cap -48.0%	Global Short Term Bond 2.3%	Global Short Term Bond 2.0%	Intl. Small Cap -15.8%	U.S. Short Term Bond 1.5%	Cash 0.1%	Intl. Small Cap -5.4%	Intl. Large Value -7.7%	U.S. Short Term Bond 1.3%	U.S. Short Term Bond 2.7% / 1.3%
U.S. Large -22.1%	Cash 1.1%	U.S. Short Term Bond 1.2%	U.S. Short Term Bond 1.8%	Global Short Term Bond 4.1%	U.S. REIT -17.6%	EM Value -50.3%	Cash 0.2%	Cash 0.2%	EM Value -17.9%	Cash 0.1%	EM Value -5.1%	Intl. Large Value -5.4%	EM Value -18.6%	Cash 0.3%	Cash 1.3% / 0.5%

Diversification does not guarantee a profit or protect against a loss.

Source: Morningstar Direct 2017. Index representation as follows: U.S. Large Cap (S&P 500 Index), U.S. Large Value Stocks (Russell 1000 Value Index), U.S. Small Cap (Russell 2000 Index), U.S. REIT (Dow Jones U.S. Select REIT Index), International Large Value (MSCI World Ex USA Value Index (net div.)), International Small Cap (MSCI World Ex USA Small (net div.)), EM Value (MSCI Emerging Markets Value Index (net div.)), Global Short-Term Bonds (Citi WGBI 1-5Yr Hdg USD), U.S. Short-Term Bonds (BofA ML Corp & Govt 1-3 Yr TR). Indexes are unmanaged baskets of securities that are not available for direct investment by investors. Index performance does not reflect the expenses associated with the management of an actual portfolio. All investments involve risk, including the loss of principal and cannot be guaranteed against loss by a bank, custodian, or any other financial institution. The risks associated with investing in stocks and overweighting small company and value stocks potentially include increased volatility (up and down movement in the value of your assets) and loss of principal.

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