
College of Micronesia FSM Reserve Funds

Comparative Performance Analysis Report

Presented by: Asia Pacific Group of Raymond James

2nd Quarter 2016

RAYMOND JAMES®

THE REPORT IS BASED ON TRANSACTION RECORDS AND PORTFOLIO VALUATIONS SUPPLIED BY THE CLIENT. THE REPORT IS COMPLETE AND ACCURATE TO THE BEST OF OUR KNOWLEDGE.

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QUARTERLY MARKET COMMENTARY

SECOND QUARTER 2016

KEY TAKEAWAYS

- **The U.S. economy shows resiliency in the face of uncertainty.**
- **While market volatility increased globally, equity markets recover.**
- **Fixed income continues to improve, especially with the Federal Reserve's dovish sentiment regarding interest rates.**
- **Commodities rebound as exchange rates and oil prices stabilize.**

The U.S. economy continues to show remarkable resiliency in the face of uncertainty overseas this quarter. Despite ongoing Federal Reserve policy concerns, there was also stronger economic data compared to a softer first quarter, and moderate economic growth is anticipated moving forward, supported by solid consumer spending and job growth.

Even with this period's unique market conditions, many norms were present such as lower-risk investments holding up better than those with higher risk profiles. For example, the stocks of large companies and dividend-paying equities typically fare better than small-cap stocks' steeper decline when markets pull back. More broadly, U.S. markets have historically held up better than international markets. This pattern held true after Brexit, the United Kingdom's vote to leave the European Union, and should ease some concerns for investors with diversified portfolios.

Another normal reaction in this market environment included the rallying of U.S. investment grade bonds. Historically, when stressful equity markets occur and yields decline, investment grade bonds – including U.S. treasury, high-credit-quality corporate and other types of high-quality bonds rally. This “flight to quality” is expected during a declining equity market, and occurred in similar periods during the first quarter of 2016 and the third quarter of 2015. This reaction from high quality bonds and equities reinforces the importance of portfolio diversification as non-correlated

The Brexit Effect

Although many events helped drive capital markets, we believe none were more impactful than the United Kingdom's decision to leave the European Union after four decades. While it's difficult to estimate long-term ramifications of this decision, it has led to an elevated state of volatility as the world attempts to determine its impact.

In the near term, the decision caused the global financial markets to react negatively in regard to equity prices as well as exchange rates. As other countries in the 27-country European Union (EU) consider staying or exiting, such as Scotland potentially voting to leave the UK and remain in the EU, we may see additional ramifications down the road. As we wait to see how things unfold, we reinforce the importance of ensuring that your portfolio is appropriately positioned for the level of risk you're comfortable taking if heightened levels of volatility remain.

Diversification does not ensure a profit or protect against a loss. All investments are subject to risk. There is no assurance that any investment strategy will be successful. Past performance is not a guarantee of future results. Indices 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.

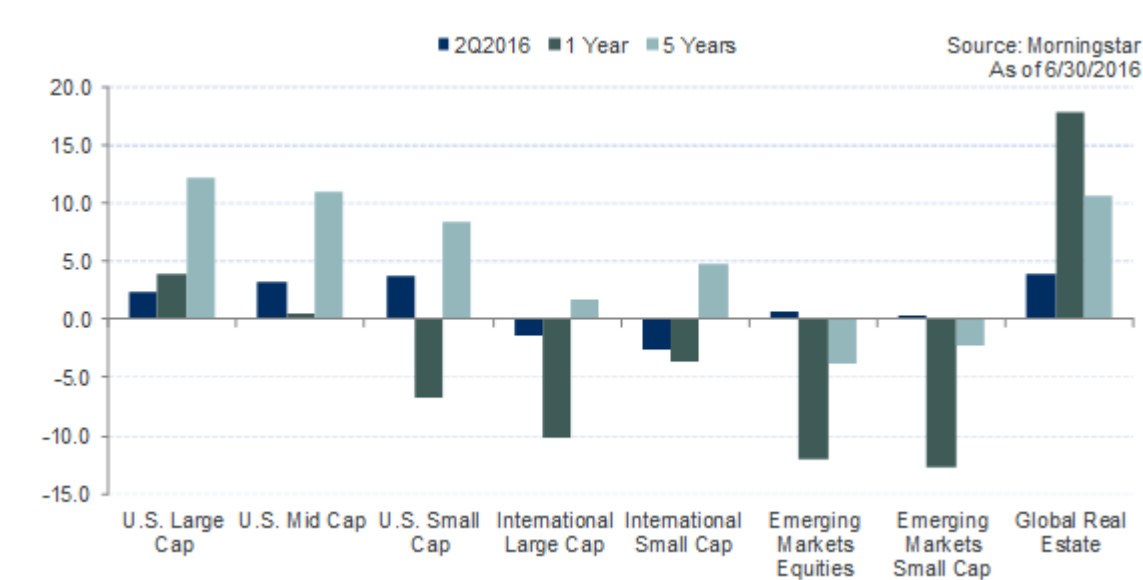
asset classes have the potential to provide benefits during different market environments.

Besides Brexit, other market drivers included the Fed's dovish sentiment, easy global monetary policies, stabilizing commodity prices and earnings. While the Fed did raise interest rates by 25 basis points in December 2015, we believe its statements since have indicated a lack of willingness to increase interest rates in this environment. Ultimately, we see little chance that the Fed raises interest rates this year. With rates being perceived as unlikely to increase in the near future, bond prices have benefitted and some market concerns have been calmed over the headwind this places on the U.S. economy.

Globally, slow economic growth is still a trend with capital spending remaining soft. Currency weakening overseas isn't limited to the British pound, but also includes Chinese and Japanese currencies. In recent years, the slowing Chinese economy has had a noticeable impact across the globe. Although China's deceleration has seemed to taper off in the past few quarters, its economy still isn't growing at the high rate the world has become accustomed to.

Equity Market Returns

While uncertainty remains, U.S. stocks advanced in the final days of the month, bringing the S&P 500 back into positive territory for the year, as collective tension eased within a few days of the referendum vote.



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For both small- and large-cap stocks, energy, materials, healthcare and utilities led both the S&P 500 and Russell 2000 indexes. For the third consecutive quarter, the S&P 500 and Dow Jones indices ended the quarter on a positive note — while the Nasdaq basically ended flat for the three-month period.

Earnings

A first since 2009, U.S. corporate earnings declined last year for the S&P 500. Much of the decline was blamed on falling oil prices, as well as the stronger dollar and other factors hurting foreign revenue. The S&P 500's 12-month reported earnings, ending 3/31/2016 were \$86.41 per share versus a year ago at \$99.25 – accounting for a decrease of approximately 13%, although year-over-year earnings results were flat. Over time, it's believed that the markets will be driven by factors including earnings, inflation and economic growth.

Valuations

Equity investors should also pay attention to valuation, how much the market costs compared to how much it's earning. When markets are cheap, they tend to earn above-average returns as valuations move toward normal values, and when markets are expensive the opposite is true. U.S. large-cap valuations have risen relative to other asset classes such as small-cap and international equities. This factor, coupled with a mild environment for earnings growth, contributes to our cautious view for this asset class. Conversely, small- and mid-cap stocks experienced a large drawdown during recent market pullbacks. Valuations for small caps, previously ahead of fundamentals, have since corrected and we believe are currently more attractive compared to mid-cap or large-cap stocks. However, less expensive markets mean concerns have driven down valuations and investing in higher volatility asset classes brings more potential risk.

We believe this practical approach to asset allocation requires us to exercise some degree of caution as those areas of the market that are “cheaper” may get even “cheaper.” Part of a prudent asset allocation process seeks to identify both expensive and inexpensive markets and deploy capital from one to the other.

International equities

As expected, markets reacted negatively to the Brexit announcement, although international markets were up prior to the June 23 vote with anticipation of a vote to stay. Although European markets such as the German FSE DAX index and France's Euronext Paris CAC 40 index were down in the two days following the Brexit vote, both European markets rebounded in the final days of the month and finished the quarter down 5.3% and 0.6% respectively. In comparison, over the same time periods the S&P 500 index gained 2.5%.

Overall, the performance gap is closing with the S&P 500 returning 2.5% for the quarter, and international equities, represented by the EAFE Small-cap index, down 2.0%. While this relative value of international equities has not produced higher returns compared to the U.S. markets to date, and there will be a minor impact to valuations and prices in the short term, we believe international equities are fundamentally more

attractive than U.S. equities and owning the asset class will benefit investors over time. However, if the market continues to be disruptive, U.S. equities may be more beneficial in the near term.

Developed markets outside the U.S., such as Europe and Japan, remain more accommodative compared to U.S. central bank policies and we believe they are relatively more attractive based on market fundamentals including higher expected earnings growth rates. Developed markets tend not to be as volatile as emerging markets, yet present higher risks compared to the U.S. large cap market.

Overall, as valuations have risen faster than earnings in recent periods, some caution is justified until there is an improvement in earnings and/or prices. High valuations in the U.S. relative to non-U.S. equity investments support our cautious approach. For more conservative investors, we believe limited exposure to non-U.S. assets may be more appropriate.

Emerging markets

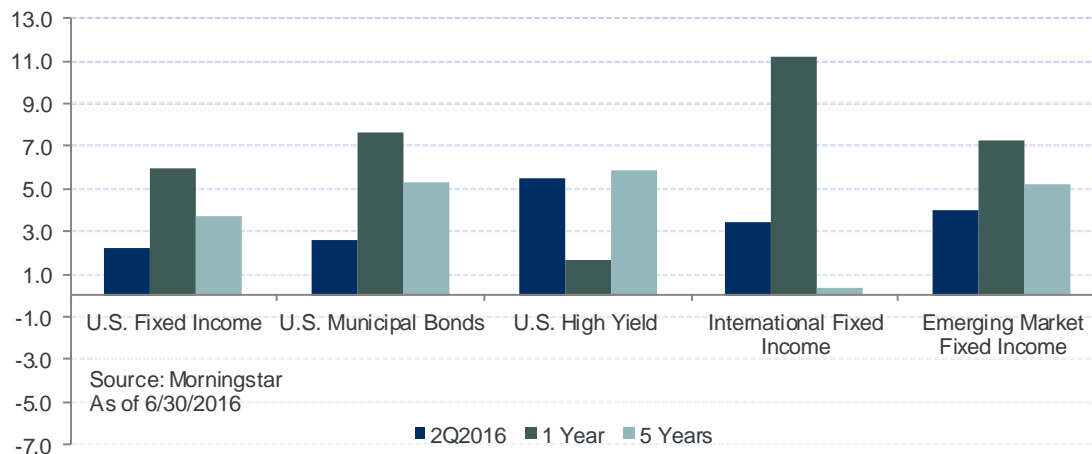
Dovish Fed sentiment has helped improve the emerging markets space. With expectations for an interest rate increase down, so far this year emerging markets have been one of the best performing asset classes. Throughout the second quarter, the potential rate hike was cause for the pull back in emerging market assets as well as lower commodities prices.

We believe much of this uncertainty, coupled with social, economic and political issues in Brazil and other emerging regions, makes investing in this space risky. Although the potential downside is strong for emerging economies, the potential upside is equally as strong in our opinion. We are keeping an eye on emerging markets based on potential risks in slowing areas of the world that are tied to commodity prices and sensitive to the rising U.S. dollar and the potentially adverse influences of softening currencies.

Fixed Income Market Returns

As yields have come down this year due to a dovish tone from the Fed, bond prices have rallied, with emerging market debt up 14.0% for the year as fears of a stronger dollar diminished and currencies stabilized. With oil price stabilization and lack of interest rate pressure, we have seen a boost to investment grade bonds as well as high yield and emerging market debt.

Fixed Income Returns



The biggest positive impact from commodities was high yield debt which started rebounding in February as oil prices stabilized. Much of the new issuance of high yield debt has been related to the energy industry and the rapid fall in prices put many of these high yield issuers in the threat of default. High yield bonds have been one of the best performing overall investments this year, returning 5.5% in the second quarter and 9.1% year-to-date.

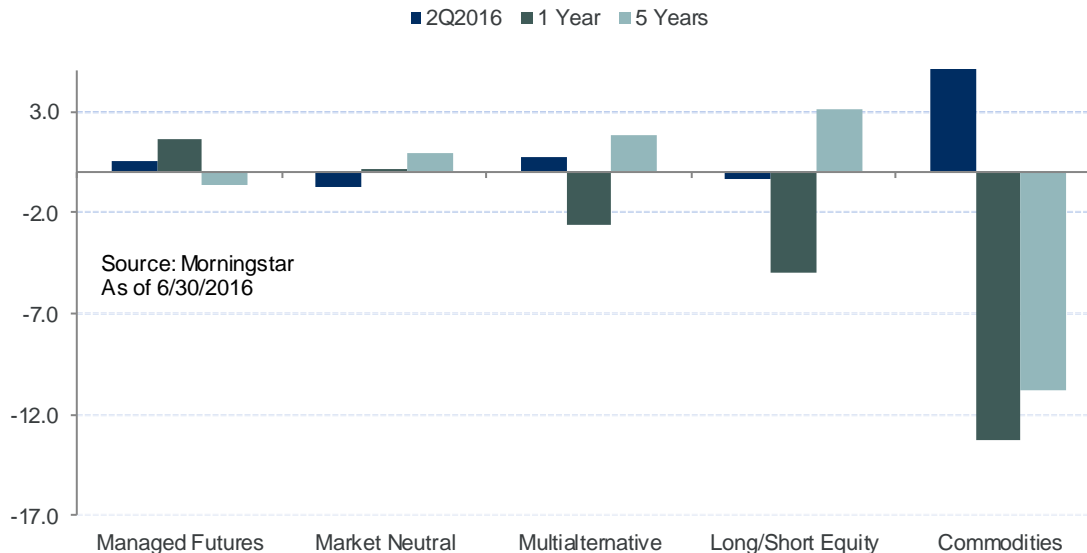
While starting point valuations for high yield are at historically attractive levels, risks remain given late credit cycle dynamics and volatile commodity conditions in the U.S. – we believe diversifying allocations across credit sectors is prudent at this time. Also we maintain an optimistic outlook on non-traditional fixed income with continued downward pressure on rates outside the U.S., giving cause to provide strategies with greater flexibility for risk management.

Historically speaking, when stocks have declined by a large margin, investment grade fixed income has rallied. Low to negative correlations to equities continue to support the benefits of interest-rate-sensitive investments. Historically, such allocations have assisted greatly in managing the downside risk of equity investments. We view investment grade fixed income as a way to hedge or mitigate the inherent risks associated with equity securities. However, with starting yields, continued suppression of return potential and rate normalization, volatility is believed to remain at heightened levels.

Alternative Investments Market Returns

As a difficult earnings environment and growing market volatility have increased the attractiveness of alternative beta sources, we view this asset class as a way to help diversify portfolio risk.

Alternative Investments Returns



We believe non-traditional investments such as managed futures and other types of alternative investments may help investors reduce impact from market volatility, especially in the face of rising valuations and the flattening of the yield curve. Commodities prices are rebounding and oil prices have risen throughout the quarter. This gives a boost to oil-exporting countries and boosted earnings for energy-related companies.

The Morningstar Multialternative peer group, which includes funds of funds, hedge fund replications and global macro strategies, is trending upward and posted 0.7% for the quarter. Managed futures – trend-following funds that invest in a variety of markets: equity, fixed income, currencies and commodities – were up during the last month of the quarter at 3.6%, when markets reacted negatively to news of Brexit. Managed futures tend to react positively during times of market stress.

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Final Thoughts

It's no secret that financial markets react negatively to uncertainty. As expected, prior to the vote of Britain deciding to leave the European Union, market volatility increased during the quarter as the world was waiting for a decision. Time will ultimately sort out the impact, and we expect more near-term volatility as the market looks for its equilibrium point.

In this heightened state of risk awareness, we believe investors should continue to own diversifying assets including a variety of equity as well as high quality bonds, as they tend to perform well when risk increases and equities decline. This is a long-standing building block of asset allocation and risk management.

If investors are concerned about increased risk, they can roll down the risk curve by moving into a more conservative portfolio with less equity exposure for more downside protection, however that could lead to lower overall returns. We have sought to reduce overall equity risk from asset classes deemed to be relatively expensive while rotating to areas that are seemingly less expensive. At the same time, we are striving toward reducing overall volatility and improving the overall risk profile in portfolios compared to the equity markets both in the U.S. and around the world.

Past performance is not a guarantee of future results. Indices are not available for direct investment. Any investor who attempts to mimic the performance of an index would incur fees and expenses that would reduce returns. All investing involves risk. Asset allocation and diversification does not ensure a profit or protect against a loss.

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There is no assurance that any investment strategy will be successful. All investments carry a certain degree of risk and you may incur a profit or a loss.

Risk: It is important to review the investment objectives, risk tolerance, tax objectives and liquidity needs before choosing an investment style or manager. All investments carry a certain degree of risk and no one particular investment style or manager is suitable for all types of investors, you may incur a profit or a loss.

High-yield (below investment grade) bonds are not suitable for all investors and may present greater credit risk than other bonds.

- There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise. Bond and bond fund investors should carefully consider risks such as: interest rate risk, credit risk, liquidity risk and inflation risk.
- International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic instability.
- Investing in emerging markets can be riskier than investing in well-established foreign markets. Emerging and developing markets may be less liquid

and more volatile because they tend to reflect economic structures that are generally less diverse and mature and political systems that may be less stable than those in more developed countries.

- Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Stocks of smaller or newer or mid-sized companies may be more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers.
- Commodities trading is generally considered speculative because of the significant potential for investment loss. Among the factors that could affect the value of the fund's investments in commodities are cyclical economic conditions, sudden political events, changes in sectors affecting a particular industry or commodity, and adverse international monetary policies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.
- Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments.
- Some accounts may invest in Master Limited Partnership ("MLP") units, which may result in unique tax treatment. MLPs may not be appropriate for ERISA or IRA accounts, and cause K-1 tax treatment. Please consult your tax adviser for additional information regarding the tax implications associated with MLP investments.
- Alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternative investments. These risks are potentially greater and substantially different than those associated with traditional equity or fixed income investments. The investment strategies used by certain Funds may require a substantial use of leverage. The investment strategies employed and associated risks are more fully disclosed in each Fund's prospectus, which is available from your financial advisor.
- Changes in the value of a hedging instrument may not match those of the investment being hedged.
- These portfolios may be subject to international, small-cap and sector-focus exposures as well. Accounts may have over weighted sector and issuer positions, and may result in greater volatility and risk.
- Companies in the technology industry are subject to fierce competition, and their products and services may be subject to rapid obsolescence.

Index Descriptions

Barclays U.S. Aggregate Bond Index (U.S. Fixed Income) – This index includes investment grade U.S. Government bonds, corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the index must have at least one year remaining to maturity.

Barclays U.S. Corporate High Yield (U.S. High Yield) – Covers the universe non-investment grade debt which includes and non-corporate sectors. The index also includes Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issuers, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included.

Barclays Municipal e Bond Index (U.S. Municipal Bonds): A rules-based, market-value weighted index that is engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following rating agencies: Moody's, S&P, Fitch. The bonds must be fixed rate, have a dated-date after December 31, 1990, have an outstanding par value of at least \$7 million, and be issued as part of a transaction of at least \$75 million. The four main sectors of the index are: general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prefunded bonds. Remarketed issues, taxable municipal bonds, floating rate bonds, and derivatives, are excluded from the benchmark.

Barclays Global Aggregate ex-U.S. Dollar (International Fixed Income): The index is designed to be a broad based measure of the global investment-grade, fixed rate, fixed income corporate markets outside of the U.S. The major components of this index are the Pan-European Aggregate, and the

Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds, Canadian government, agency and corporate securities.

Barclays Global Emerging Market Debt (Emerging Markets Fixed Income): The Barclays Global Emerging Markets Index represents the union of the USD-denominated U.S. Emerging Markets Index and the predominately EUR-denominated Pan Euro Emerging Markets Index, covering the emerging markets in the following regions: Americas, Europe, Middle East, Africa and Asia

MSCI EAFE Index (International Large Caps) – A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S & Canada. It consists of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI EAFE Small Cap (International Small Caps): The MSCI Developed Markets Small Cap Indices offer an exhaustive representation of this size segment by targeting companies that are in the Investable Market Index but not in the Standard Index in a particular developed market. The indices include Value and Growth style indices and industry indices based on the Global Industry Classification Standard (GICS).

MSCI Emerging Market Index (Emerging Markets Equities) – is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of June 2009 the MSCI Emerging Markets Index consisted of the following 22 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

MSCI Emerging Market Small Cap Index (Emerging Market Small Caps) - The MSCI Emerging Markets Small Cap Index includes small cap representation across 23 Emerging Markets countries. With 1,875 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. The small cap segment tends to capture more local economic and sector characteristics relative to larger Emerging Markets capitalization segments.

Russell 2000 (U.S. Small Caps) – 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 Mid-cap (U.S. Mid Caps) – A subset of the Russell 1000 index, the Russell Midcap index measures the performance of the mid-cap segment of the U.S. equity universe. Based on a combination of their market cap and current index membership, includes approximately 800 of the smallest securities which represents approximately 27% of the total market capitalization of the Russell 1000 companies. The index is created to provide a full and unbiased indicator of the mid-cap segment.

Russell 1000: Based on a combination of their market cap and current index membership, this index consists of approximately 1,000 of the largest securities from the Russell 3000. Representing approximately 92% of the Russell 3000, the index is created to provide a full and unbiased indicator of the large cap segment.

Russell 3000: Representing approximately 98% of the investable U.S. equity market, the Russell 3000 index measures the performance of the largest 3,000 U.S. companies.

S&P 500 Index (U.S. Large Caps) – The index consists of 500 of the largest stocks in the U.S. stock market. A market value weighted index (stock price times number of shares outstanding after float adjustment), with each stock's weight in the index proportionate to its market value.

The Dow Jones Global Select REIT Index (Global Real Estate) - intends to measure the performance of publicly traded real estate securities. The indices are designed to serve as proxies for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate. This index represents equity real estate investment trusts (REITs) and real estate operating companies (REOCs) traded globally.

Bloomberg Commodities Index (Commodities) - Formerly known as Dow Jones UBS Commodity Index (DJUBS). The Bloomberg Commodity Index is calculated on an excess return basis and composed of futures contracts on 22 physical commodities. It reflects the return of underlying commodity futures price movements.

German FSE DAX - The DAX Index is the benchmark index for the German equity market. It tracks the performance of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange, which represent around 80 percent of the market capitalization listed in Germany. The Index is free floating.

Euronext Paris CAC 40 - The CAC 40 Index is a benchmark French stock market index. It tracks the performance of 40 companies selected among the top 100 market capitalization and the most active listed equities traded on the NYSE Euronext Paris. The CAC 40 Index is free floating, modified capitalization-weighted index.

Peer Group Definitions

Illustrated peer groups may be subject to specific risks in addition to broad market risks. Peer groups are not available for direct investment.

Morningstar US OE Long/Short (Long/Short) - Long/short equity funds take a net long stock position, meaning the total market risk from the long positions is not completely offset by the market risk of the short positions. Long/short equity funds' total return, therefore, is a combination of the return from market exposure (beta) plus any value-added from stock-picking or market-timing (alpha).

Morningstar U.S. OE Multi-alternative (Multialternative) - These funds will use a combination of alternative strategies such as taking long and short positions in equity and debt, trading futures, or using convertible arbitrage, among others. Funds in this category have a majority of their assets exposed to alternative strategies and include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes.

Morningstar U.S. OE Managed Futures (Managed Futures) - These funds primarily trade liquid global futures, options, swaps, and foreign exchange contracts, both listed and over-the-counter. A majority of these funds follow trend-following, price-momentum strategies. Other strategies included in this category are systematic mean-reversion, discretionary global macro strategies, commodity index tracking, and other futures strategies.

Morningstar US OE Market Neutral (Market Neutral) - These are funds that attempt to eliminate the risks of the market by holding 50% of assets in long positions in stocks and 50% of assets in short positions. Funds in this group match the characteristics of their long and short portfolios, keeping factors such as P/E ratios and industry exposure similar. Stock picking, rather than broad market moves, should drive a market-neutral fund's performance.

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College of Micronesia - FSM Reserves

Report Period Ending June 30, 2016

Fiscal Year Ends: September

	Market Value	Current Allocation	QTD 03/31/2016 06/30/2016	Fiscal YTD	YTD	Latest Year	Inception to Date	Inception Date
Total Relationship	\$2,834,370	100.00%	-0.29%	1.10%	-0.08%	-2.12%	-2.57%	03/31/2015
Policy Index			0.42%	2.30%	0.47%	-0.03%	-0.18%	
5.6% Total Return Index			1.39%	4.17%	2.79%	5.60%	5.62%	
Large Cap Value								
Boston Partners	\$275,687	9.73%	1.58%	6.23%	1.33%	-3.09%	-2.03%	03/31/2015
Russell 1000 Value			4.58%	12.29%	6.30%	2.86%	2.37%	
Large Cap Growth								
Renaissance Large Cap Growth	\$274,597	9.69%	-1.61%	4.22%	-1.19%	-2.93%	-2.55%	03/31/2015
Russell 1000 Growth			0.61%	8.78%	1.36%	3.02%	2.51%	
International Equity								
Brandes International	\$261,621	9.23%	-3.04%	1.05%	-1.14%	-9.25%	-6.54%	03/31/2015
MSCI EAFE			-1.46%	0.08%	-4.42%	-10.16%	-7.77%	
Cash & Equivalents								
Cash Account	\$2,022,464	71.35%	0.01%	N/A	0.03%	N/A	0.03%	10/01/2015
Citi 3 Month T-Bill			0.06%	0.13%	0.12%	0.14%	0.13%	

****All returns are gross of management fees

The Policy Index is comprised of: 10% Russell 1000 Growth, 10% Russell 1000 Value, 10% MSCI EAFE, 70% 3M T-Bill

College of Micronesia - FSM Reserves
 Report Period Ending June 30, 2016
 Fiscal Year Ends: September

	Market Value	Current Allocation	QTD 03/31/2016 06/30/2016	Fiscal YTD	YTD	Latest Year	Inception to Date	Inception Date
Total Relationship Policy Index	\$2,834,370	100.00%	-0.39%	0.82%	-0.32%	-2.38%	-2.78%	03/31/2015
5.6% Total Return Index			0.42%	2.30%	0.47%	-0.03%	-0.18%	
			1.39%	4.17%	2.79%	5.60%	5.62%	
Large Cap Value								
Boston Partners	\$275,687	9.73%	1.21%	5.19%	0.47%	-4.04%	-2.80%	03/31/2015
Russell 1000 Value			4.58%	12.29%	6.30%	2.86%	2.37%	
Large Cap Growth								
Renaissance Large Cap Growth	\$274,597	9.69%	-1.97%	3.23%	-2.01%	-3.86%	-3.30%	03/31/2015
Russell 1000 Growth			0.61%	8.78%	1.36%	3.02%	2.51%	
International Equity								
Brandes International	\$261,621	9.23%	-3.40%	0.08%	-1.96%	-10.12%	-7.26%	03/31/2015
MSCI EAFE			-1.46%	0.08%	-4.42%	-10.16%	-7.77%	
Cash & Equivalents								
Cash Account	\$2,022,464	71.35%	0.01%	N/A	0.03%	N/A	0.03%	10/01/2015
Citi 3 Month T-Bill			0.06%	0.13%	0.12%	0.14%	0.13%	

****All returns are net of management fees

The Policy Index is comprised of: 10% Russell 1000 Growth, 10% Russell 1000 Value, 10% MSCI EAFE, 70% 3M T-Bill

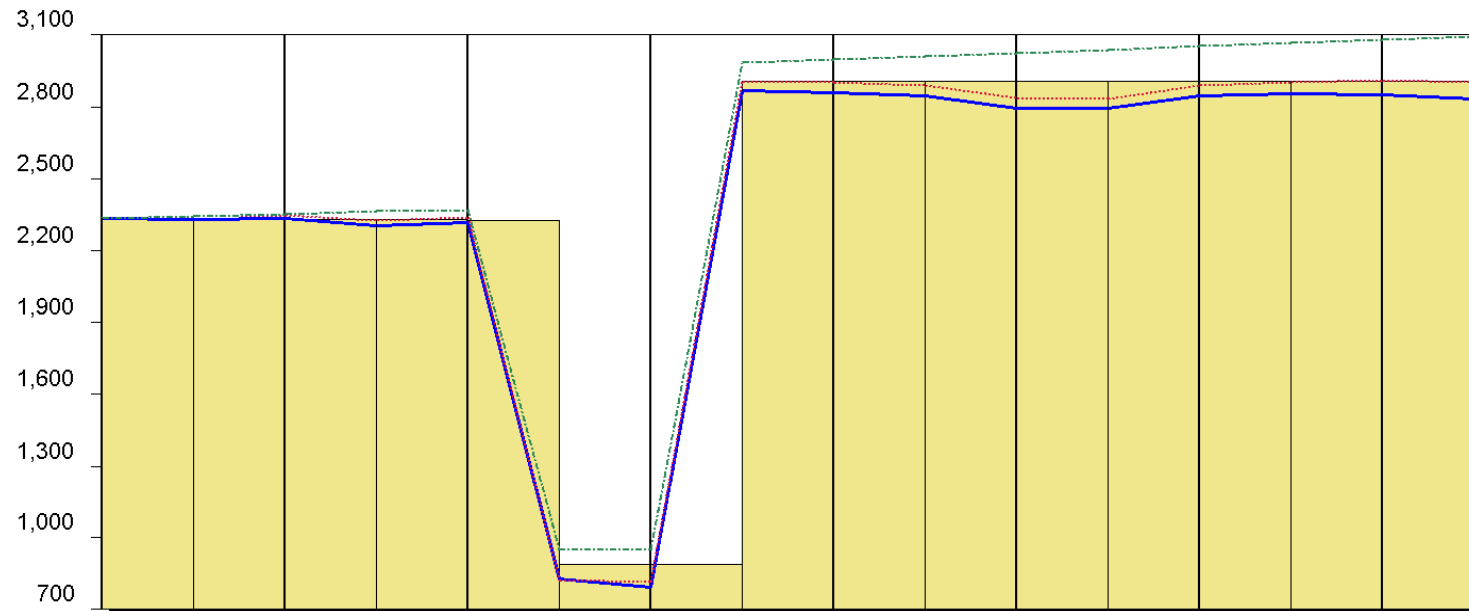
Net of fees returns are only inclusive of fees after the conversion date of 9/30/2015

College of Micronesia - FSM Reserves Total Relationship

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Market Value vs. Invested Capital

Market Value



Ending Value (\$000)

	03/31/15	05/31/15	07/31/15	09/30/15	11/30/15	01/31/16	03/31/16	06/30/16
— College of Micro	2,336	2,336	2,316	791	2,861	2,793	2,846	2,834
■ Invested Capital	2,336	2,330	2,324	884	2,906	2,906	2,906	2,906
Investment Gain/Loss	00	06	-08	-93	-46	-114	-60	-71
Net Contrib. Since Incep.	00	-06	-13	-1,452	570	570	570	569
..... Policy Index	2,336	2,348	2,337	815	2,902	2,836	2,889	2,901
- - - - 5.6% Total Retur	2,336	2,352	2,367	949	2,998	3,024	3,053	3,094

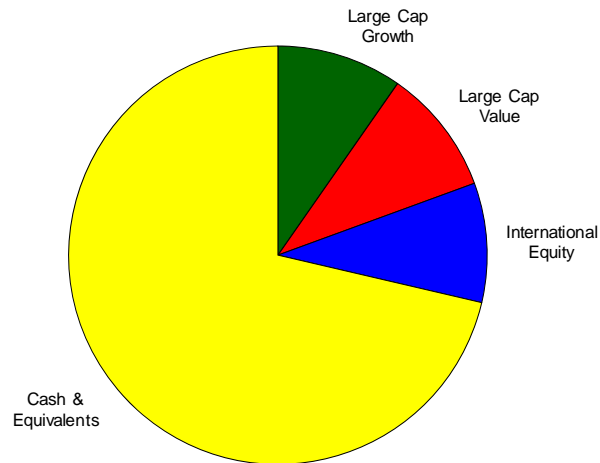
Returns are calculated gross of management fees using trade date positions and including accrued income. Returns for greater than one year are annualized. The independent variable is the Policy Index
The independent variable is the 5.6% Total Return Index

College of Micronesia - FSM Reserves Total Composite

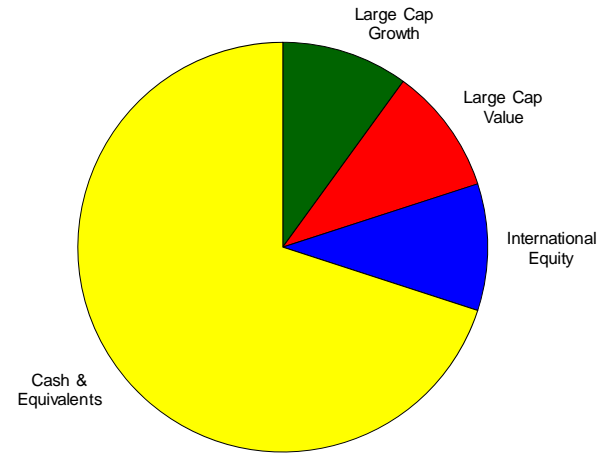
Report Period: 06-30-16
Fiscal Year Ends: September

Current Allocation versus Target Allocation

Current Allocation



Target Allocation



	Market Value	Current Allocation%	Target Allocation%	% Difference
Large Cap Growth	\$274,597	9.69	10.00	-0.31
Large Cap Value	275,687	9.73	10.00	-0.27
International Equity	261,621	9.23	10.00	-0.77
Cash & Equivalents	2,022,464	71.35	70.00	1.35
TOTAL	\$2,834,370	100.00	100.00	

College of Micronesia - FSM Reserves Total Relationship

Report Period: 03-31-15 to 06-30-16

Fiscal Year Ends: September

Account Activity Summary

	Latest Quarter	Fiscal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	From 03-31-15
Beginning Mkt Value	2,846,000	790,072	2,304,770	N/A	N/A	N/A	2,336,246
Contributions	0	2,021,790	2,021,790	N/A	N/A	N/A	2,021,790
Withdrawals	477	704	1,446,614	N/A	N/A	N/A	1,452,454
Management Fees	3,035	7,759	7,759	N/A	N/A	N/A	7,759
Net Flows	-3,513	2,013,328	567,418	N/A	N/A	N/A	561,578
Interest/Dividend Income	6,210	13,612	31,773	N/A	N/A	N/A	41,500
Gains/Losses	-14,327	17,358	-69,590	N/A	N/A	N/A	-104,953
Total Earnings	-8,117	30,970	-37,818	N/A	N/A	N/A	-63,454
As of 06-30-16							
Ending Mkt Value	2,834,370	2,834,370	2,834,370	N/A	N/A	N/A	2,834,370
Time-Weighted Return	-0.29	1.10	-2.12	N/A	N/A	N/A	-2.57
Policy Index	0.42	2.30	-0.03	N/A	N/A	N/A	-0.18
5.6% Total Return Index	1.39	4.17	5.60	N/A	N/A	N/A	5.62

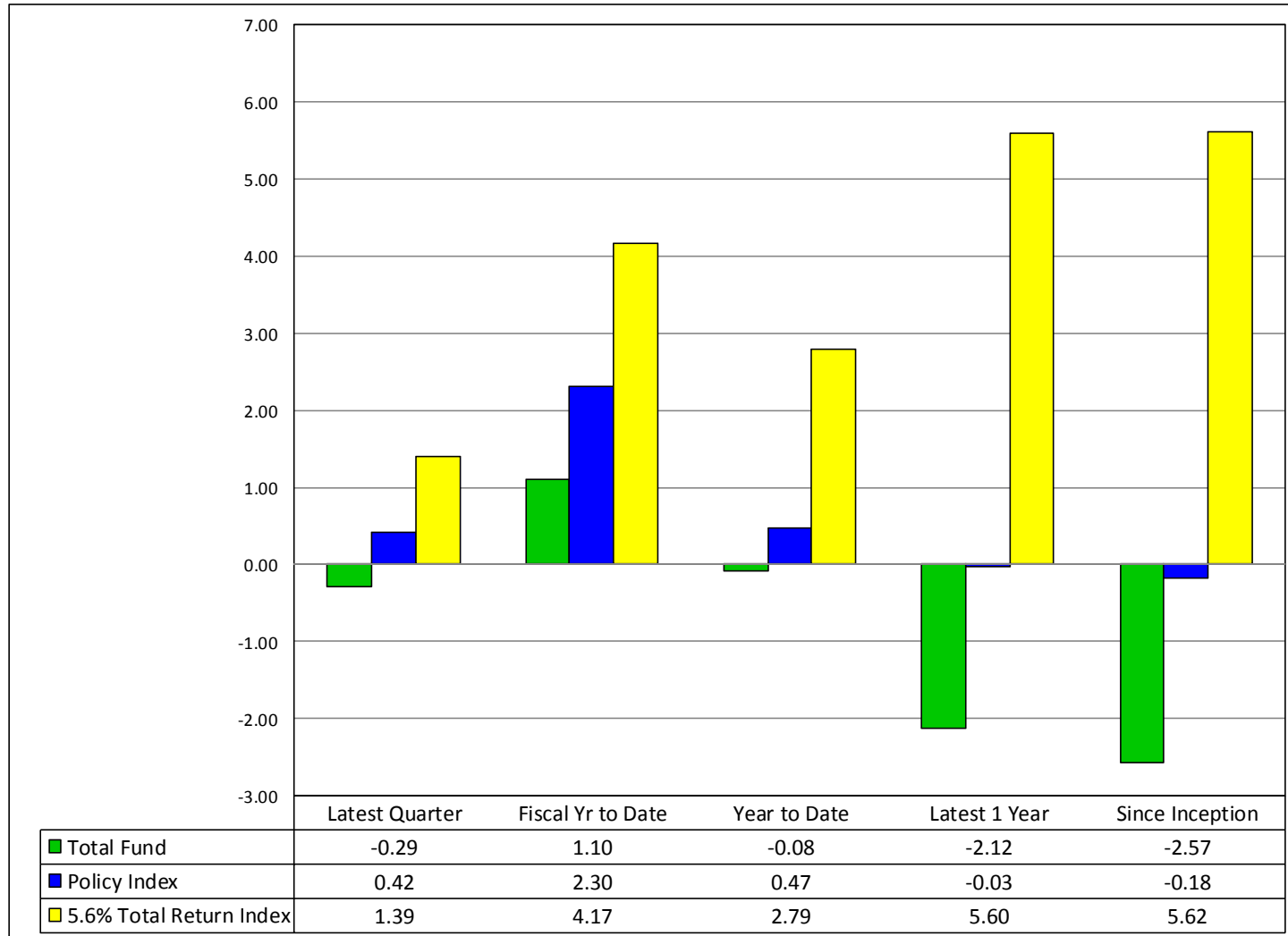
Returns are calculated gross of management fees using trade date positions and including accrued income.
Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Total Relationship

Report Period: 03-31-15 to 06-30-16

Fiscal Year Ends: September

Comparative Returns for Fiscal Periods: Total Fund : Gross of Fees

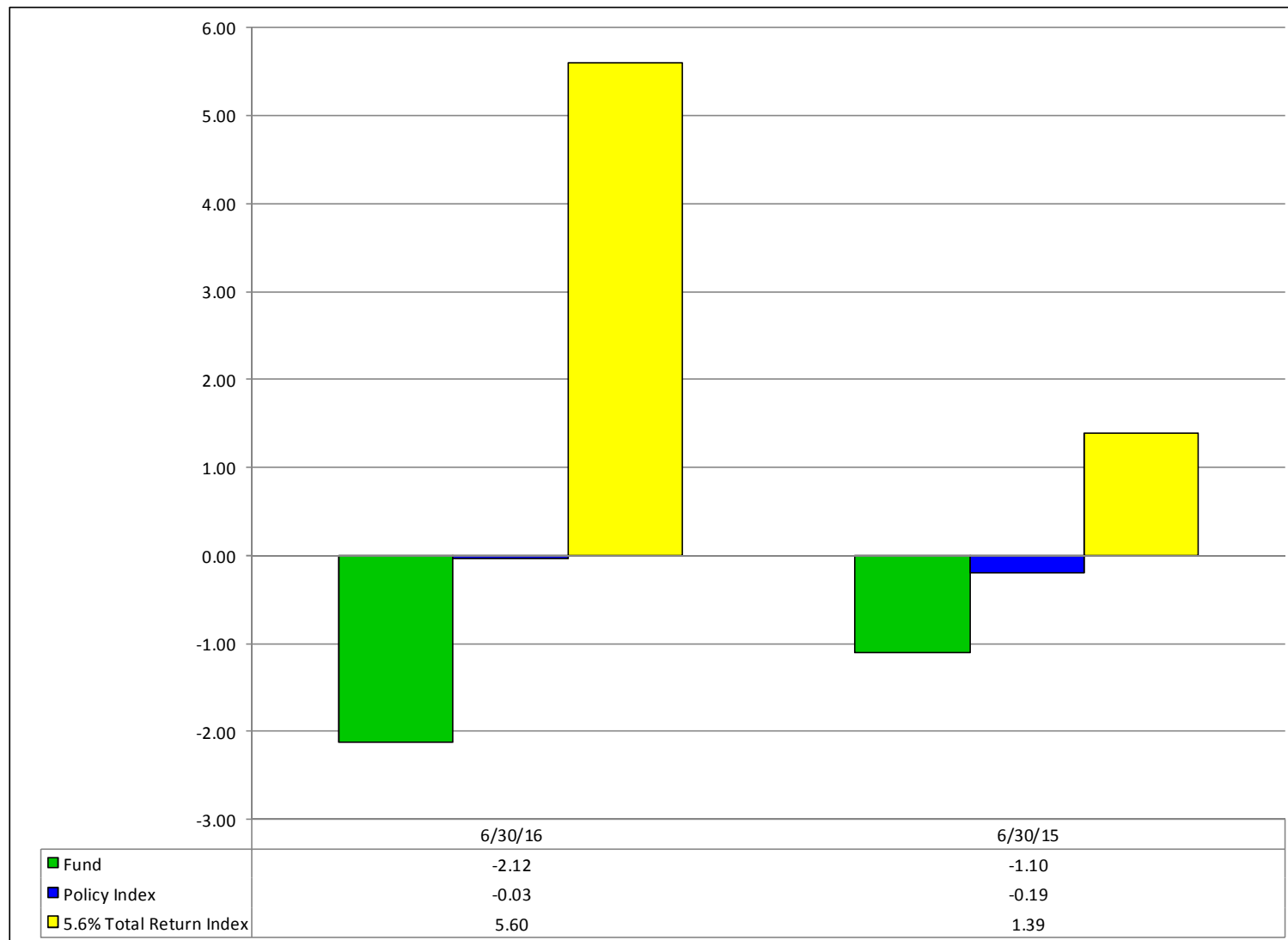


Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Total Relationship

Report Period: 06-30-16
Fiscal Year Ends: September

Comparative Returns for Last 10 Years : Gross of Fees

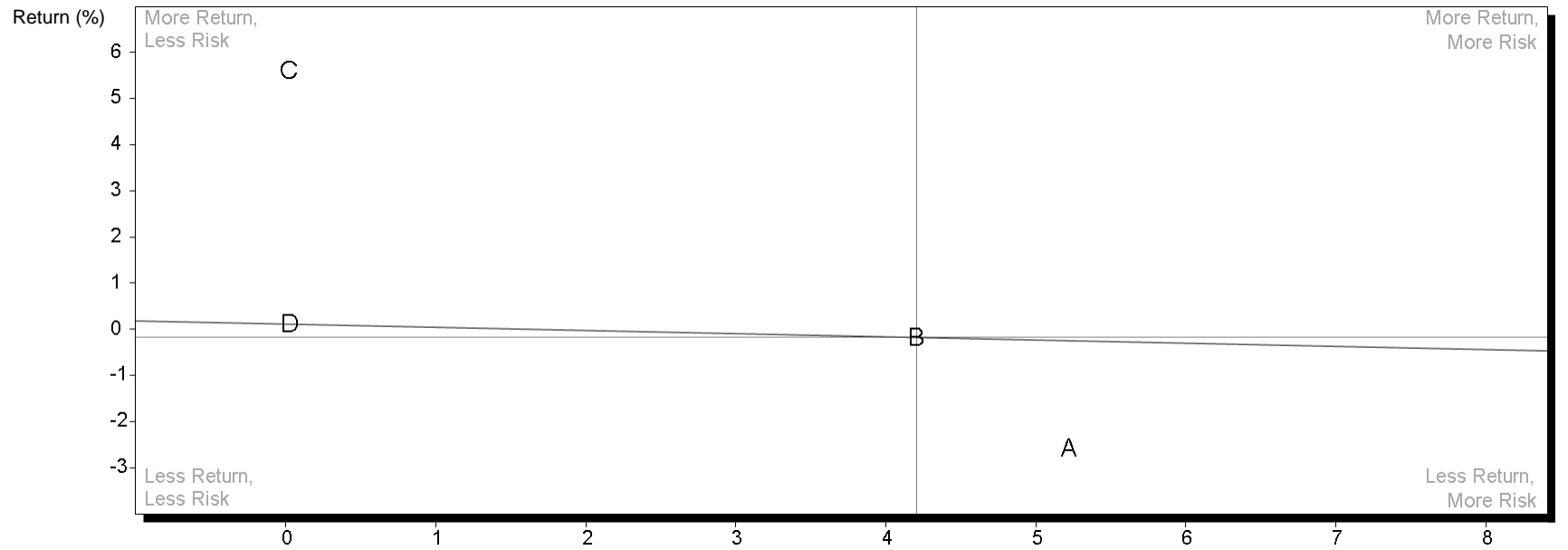


Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Total Relationship

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Risk/Return Analysis



Description	Annual Return	Standard Deviation	Alpha	Beta	R-Squared	Sharpe Ratio	Available Data	
							Beg Date	End Date
A Total Relationship	-2.57	5.23	-2.40	0.88	0.71	-14.03	03/31/15	06/30/16
B Policy Index	-0.18	4.21	0.00	1.00	1.00	-1.22	03/31/15	06/30/16
C 5.6% Total Return Index	5.62	0.02	5.36	0.00	0.36	227.12	03/31/15	06/30/16
D Citi 3 Month T-Bill	0.11	0.03	0.00	0.00	0.00	0.00	03/31/15	06/30/16

Returns are calculated gross of management fees using trade date positions and including accrued income. Returns for greater than one year are annualized.
The independent variable is the Policy Index

College of Micronesia - FSM Reserves Boston Partners

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Account Activity Summary

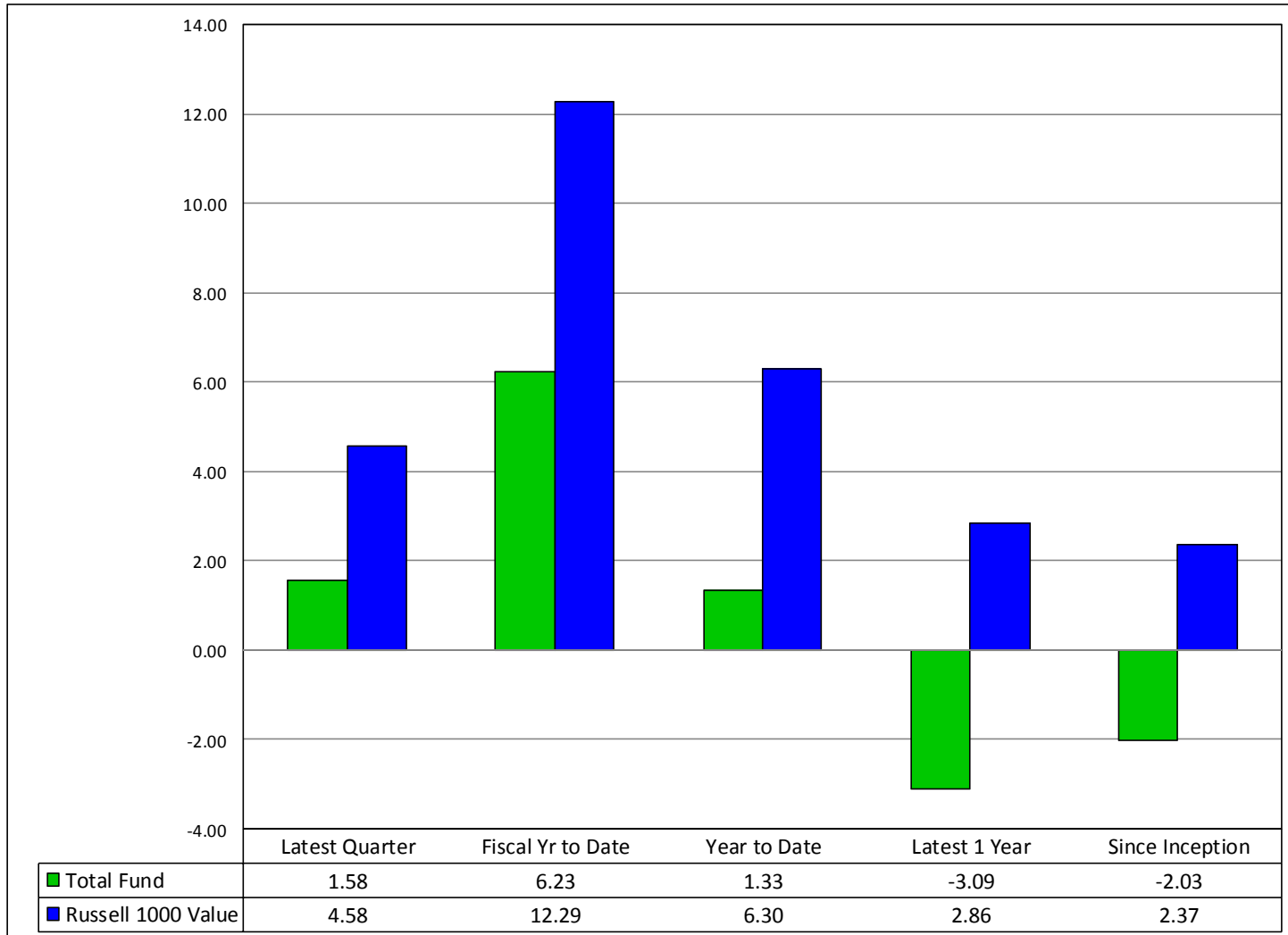
	Latest Quarter	Fiscal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	From 03-31-15
Beginning Mkt Value	272,407	262,102	288,554	N/A	N/A	N/A	287,785
Contributions	0	0	0	N/A	N/A	N/A	0
Withdrawals	11	27	965	N/A	N/A	N/A	1,872
Management Fees	1,011	2,617	2,617	N/A	N/A	N/A	2,617
Net Flows	-1,021	-2,645	-3,583	N/A	N/A	N/A	-4,490
Interest/Dividend Income	1,320	4,006	5,326	N/A	N/A	N/A	6,593
Gains/Losses	2,982	12,224	-14,610	N/A	N/A	N/A	-14,201
Total Earnings	4,302	16,231	-9,284	N/A	N/A	N/A	-7,608
As of 06-30-16							
Ending Mkt Value	275,687	275,687	275,687	N/A	N/A	N/A	275,687
Time-Weighted Return	1.58	6.23	-3.09	N/A	N/A	N/A	-2.03
Russell 1000 Value	4.58	12.29	2.86	N/A	N/A	N/A	2.37

Returns are calculated gross of management fees using trade date positions and including accrued income.
Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Boston Partners

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Comparative Returns for Fiscal Periods: Total Fund : Gross of Fees

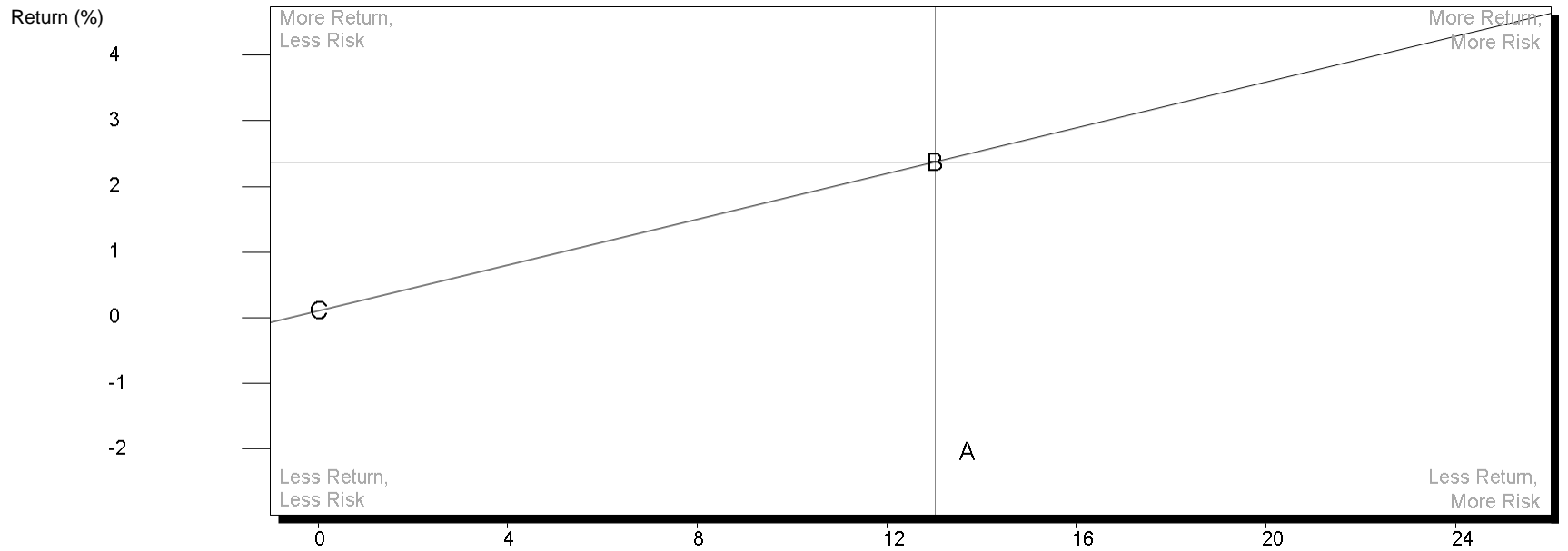


Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Boston Partners

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Risk/Return Analysis



Description	Annual Return	Standard Deviation	Alpha	Beta	R-Squared	Sharpe Ratio	Available Data	
							Beg Date	End Date
A Boston Partners	-2.03	13.71	-4.40	1.03	0.98	-29.41	03/31/15	06/30/16
B Russell 1000 Value	2.37	13.01	0.00	1.00	1.00	0.17	03/31/15	06/30/16
C Citi 3 Month T-Bill	0.11	0.03	0.00	0.00	0.00	0.00	03/31/15	06/30/16

Returns are calculated gross of management fees using trade date positions and including accrued income. Returns for greater than one year are annualized. The independent variable is the Russell 1000 Value

College of Micronesia - FSM Reserves Renaissance Large Cap Growth

Report Period: 03-31-15 to 06-30-16

Fiscal Year Ends: September

Account Activity Summary

	Latest Quarter	Fiscal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	From 03-31-15
Beginning Mkt Value	280,121	266,017	286,738	N/A	N/A	N/A	288,382
Contributions	0	0	0	N/A	N/A	N/A	0
Withdrawals	0	0	936	N/A	N/A	N/A	1,846
Management Fees	1,019	2,590	2,590	N/A	N/A	N/A	2,590
Net Flows	-1,019	-2,590	-3,526	N/A	N/A	N/A	-4,436
Interest/Dividend Income	1,128	3,095	4,041	N/A	N/A	N/A	4,834
Gains/Losses	-5,633	8,075	-12,656	N/A	N/A	N/A	-14,183
Total Earnings	-4,506	11,170	-8,615	N/A	N/A	N/A	-9,349
As of 06-30-16							
Ending Mkt Value	274,597	274,597	274,597	N/A	N/A	N/A	274,597
Time-Weighted Return	-1.61	4.22	-2.93	N/A	N/A	N/A	-2.55
Russell 1000 Growth	0.61	8.78	3.02	N/A	N/A	N/A	2.51

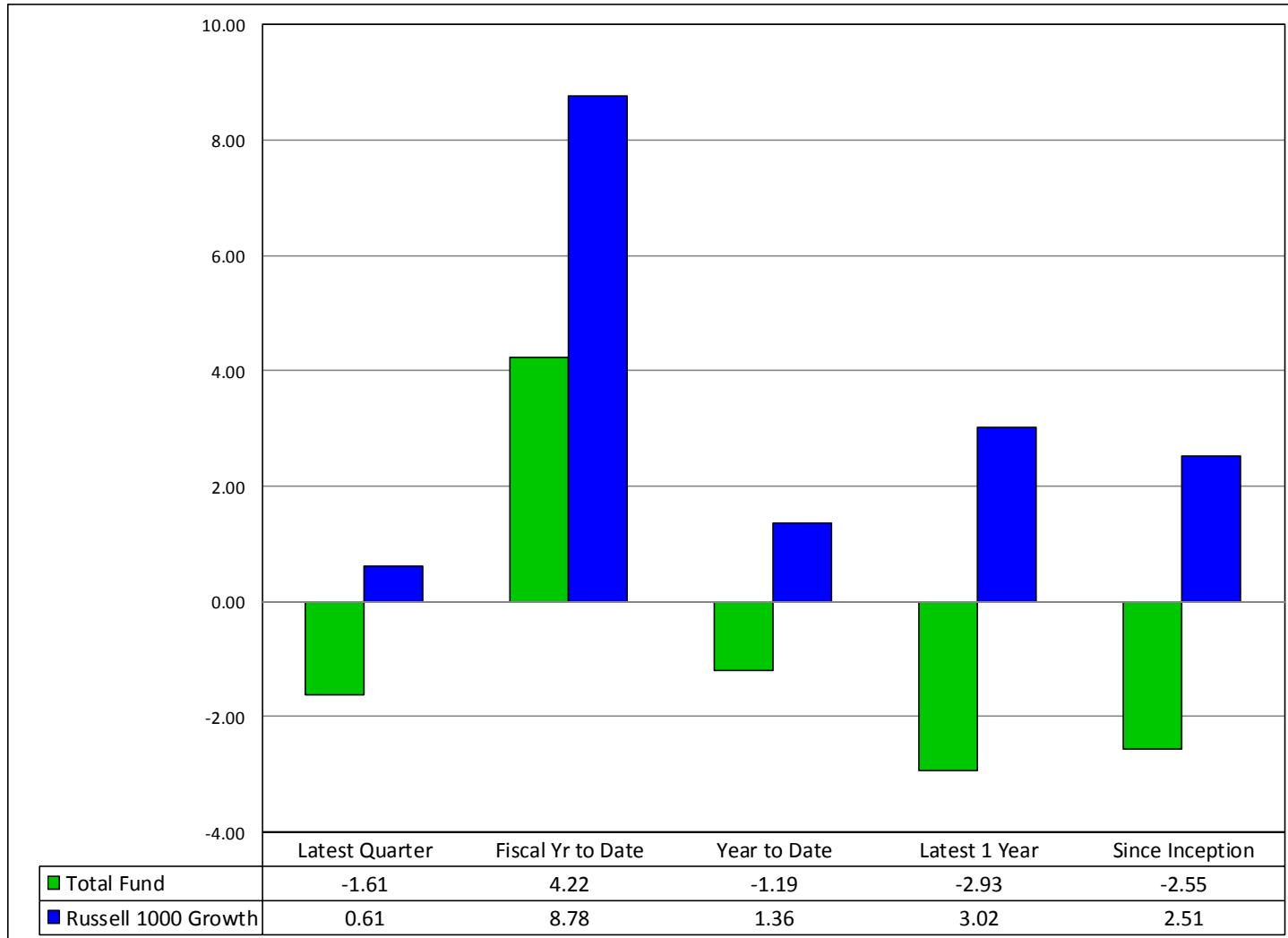
Returns are calculated gross of management fees using trade date positions and including accrued income.
Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Renaissance Large Cap Growth

Report Period: 03-31-15 to 06-30-16

Fiscal Year Ends: September

Comparative Returns for Fiscal Periods: Total Fund : Gross of Fees

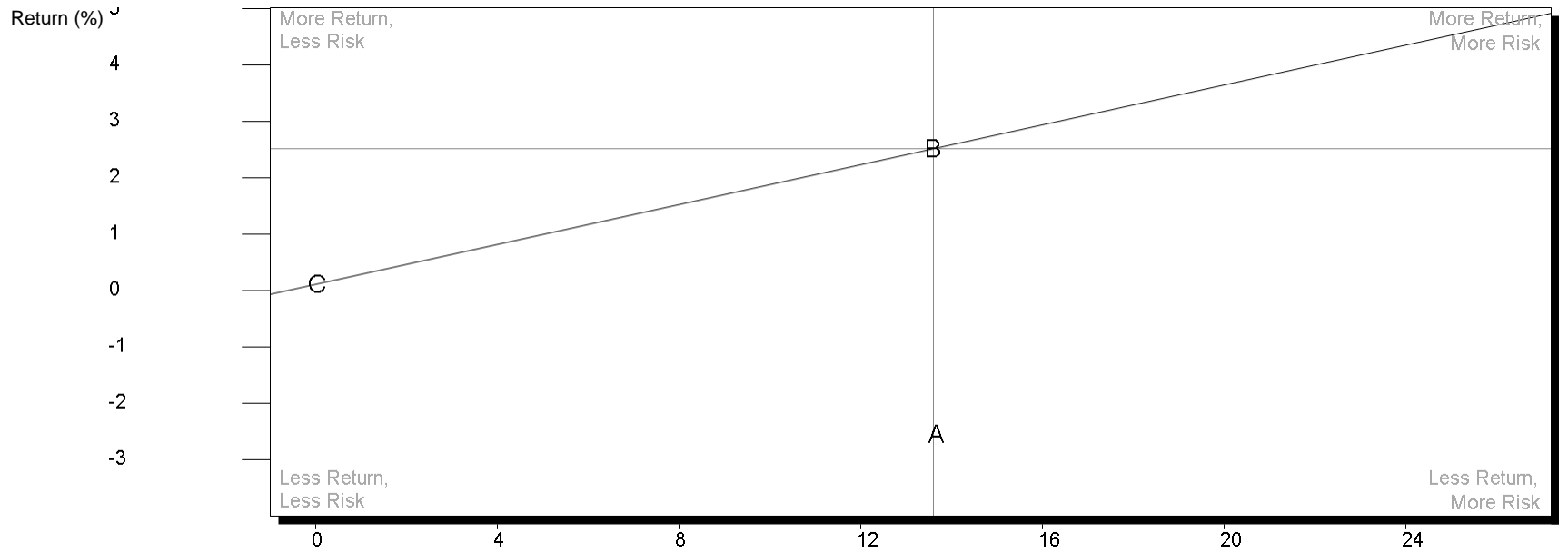


Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Renaissance Large Cap Growth

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Risk/Return Analysis



Description	Annual Return	Standard Deviation	Alpha	Beta	R-Squared	Sharpe Ratio	Available Data	
							Beg Date	End Date
A Renaissance Large Cap Gro	-2.55	13.67	-4.92	0.96	0.96	-36.51	03/31/15	06/30/16
B Russell 1000 Growth	2.51	13.61	0.00	1.00	1.00	0.18	03/31/15	06/30/16
C Citi 3 Month T-Bill	0.11	0.03	0.00	0.00	0.00	0.00	03/31/15	06/30/16

Returns are calculated gross of management fees using trade date positions and including accrued income. Returns for greater than one year are annualized. The independent variable is the Russell 1000 Growth

College of Micronesia - FSM Reserves Brandes International

Report Period: 03-31-15 to 06-30-16

Fiscal Year Ends: September

Account Activity Summary

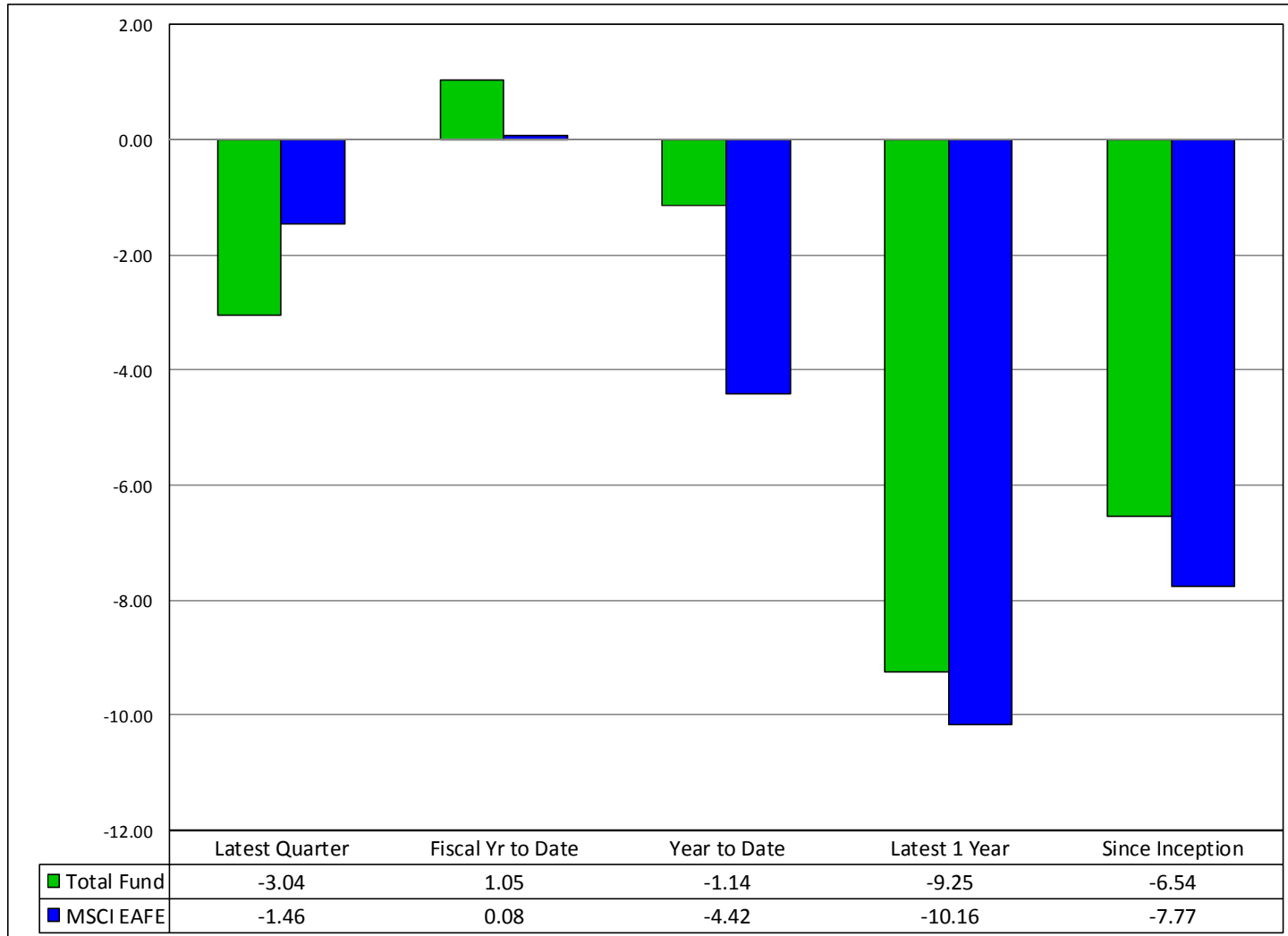
	Latest Quarter	Fiscal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	From 03-31-15
Beginning Mkt Value	271,288	261,954	293,503	N/A	N/A	N/A	289,805
Contributions	0	0	0	N/A	N/A	N/A	0
Withdrawals	467	677	1,512	N/A	N/A	N/A	1,512
Management Fees	1,006	2,551	2,551	N/A	N/A	N/A	2,551
Net Flows	-1,473	-3,228	-4,063	N/A	N/A	N/A	-4,063
Interest/Dividend Income	3,482	5,837	8,036	N/A	N/A	N/A	9,804
Gains/Losses	-11,675	-2,941	-35,854	N/A	N/A	N/A	-33,924
Total Earnings	-8,194	2,896	-27,819	N/A	N/A	N/A	-24,121
As of 06-30-16							
Ending Mkt Value	261,621	261,621	261,621	N/A	N/A	N/A	261,621
Time-Weighted Return	-3.04	1.05	-9.25	N/A	N/A	N/A	-6.54
MSCI ACWI ex-US	-0.64	2.19	-10.24	N/A	N/A	N/A	-7.91

Returns are calculated gross of management fees using trade date positions and including accrued income.
Returns for greater than one year are annualized.

**College of Micronesia - FSM Reserves
Brandes International**

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Comparative Returns for Fiscal Periods: Total Fund : Gross of Fees

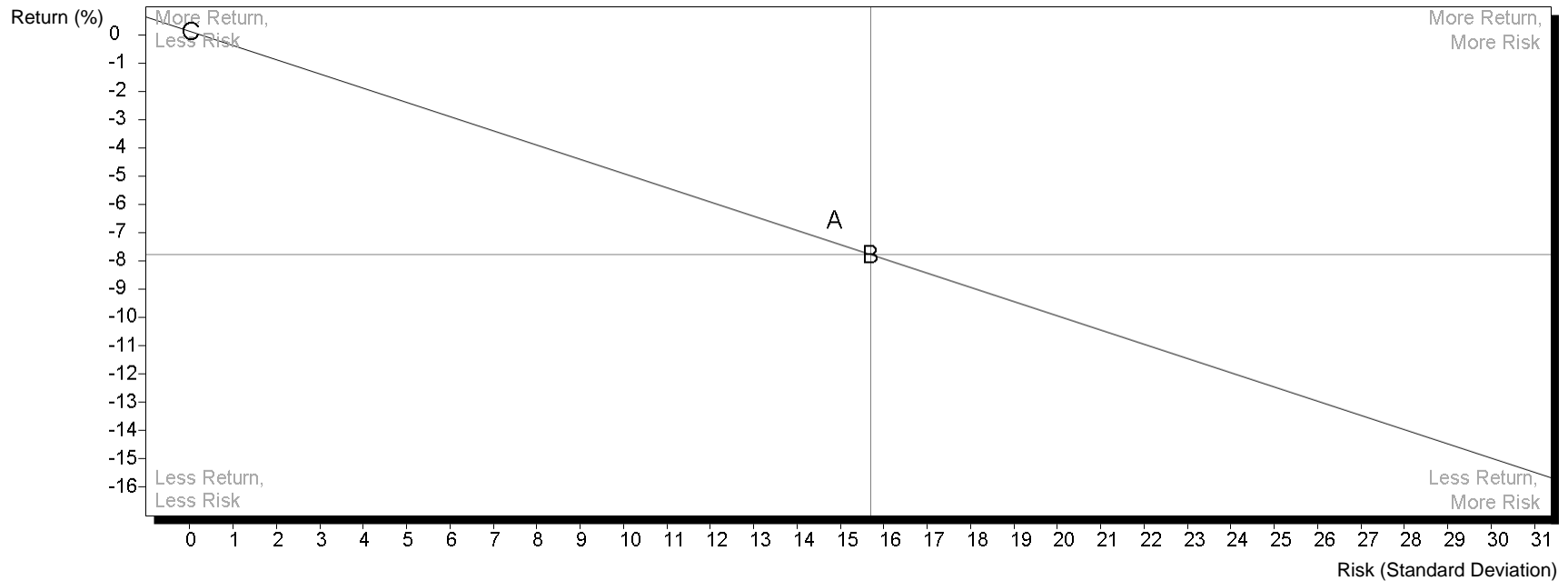


Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Brandes International

Report Period: 03-31-15 to 06-30-16
Fiscal Year Ends: September

Risk/Return Analysis



Description	Annual Return	Standard Deviation	Alpha	Beta	R-Squared	Sharpe Ratio	Available Data	
							Beg Date	End Date
A Brandes International	-6.54	14.89	0.50	0.90	0.95	-99.13	03/31/15	06/30/16
B MSCI EAFE	-7.77	15.70	0.00	1.00	1.00	-123.93	03/31/15	06/30/16
C Citi 3 Month T-Bill	0.11	0.03	0.00	0.00	0.00	0.00	03/31/15	06/30/16

Returns are calculated gross of management fees using trade date positions and including accrued income. Returns for greater than one year are annualized. The independent variable is the MSCI EAFE

College of Micronesia - FSM Reserves Cash Account

Report Period: 10-01-15 to 06-30-16

Fiscal Year Ends: September

Account Activity Summary

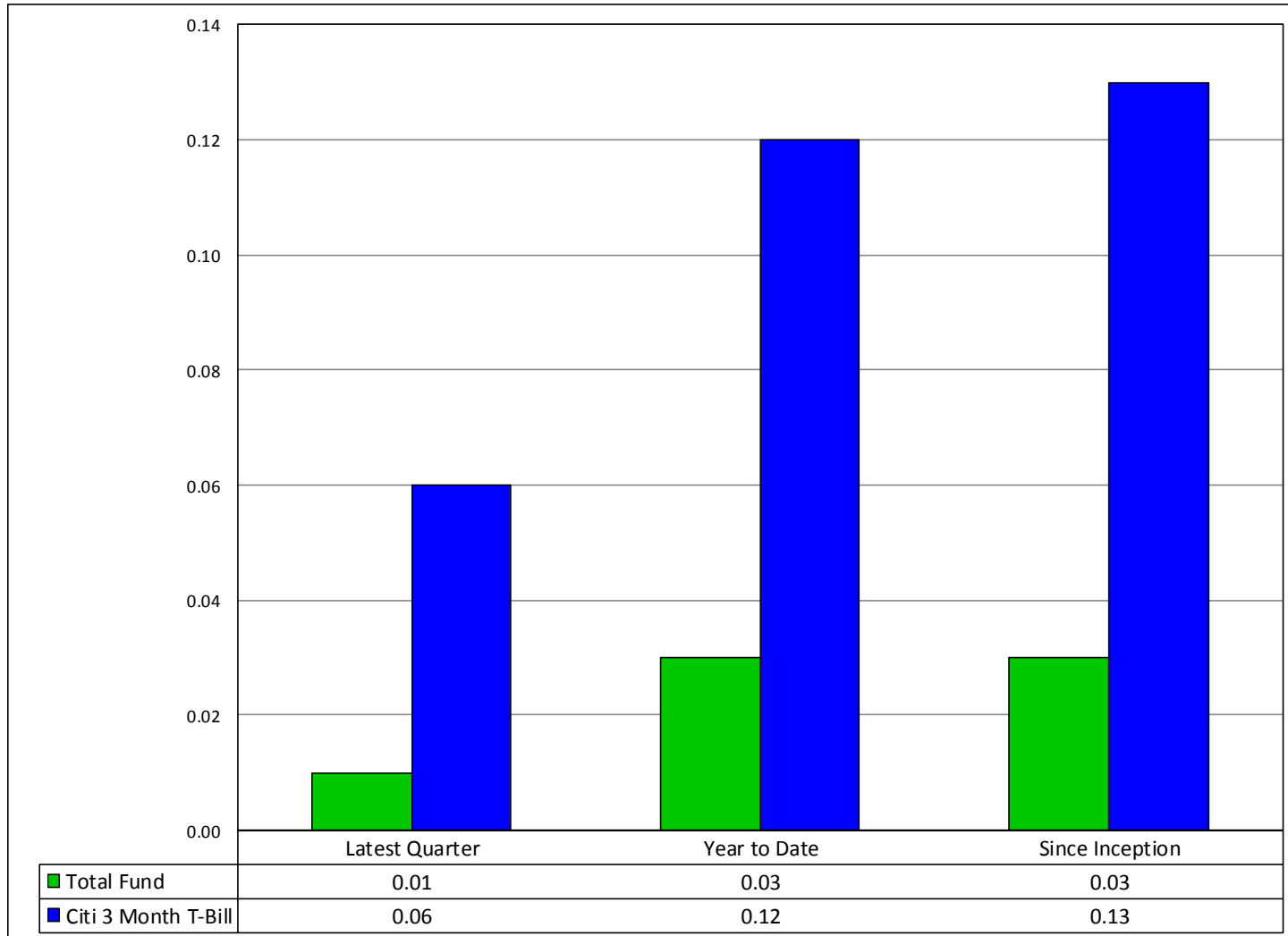
	Latest Quarter	Fiscal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	From 10-01-15
Beginning Mkt Value	2,022,184	N/A	N/A	N/A	N/A	N/A	2,021,790
Contributions	0	N/A	N/A	N/A	N/A	N/A	0
Withdrawals	0	N/A	N/A	N/A	N/A	N/A	0
Management Fees	0	N/A	N/A	N/A	N/A	N/A	0
Net Flows	0	N/A	N/A	N/A	N/A	N/A	0
Interest/Dividend Income	280	N/A	N/A	N/A	N/A	N/A	674
Gains/Losses	0	N/A	N/A	N/A	N/A	N/A	0
Total Earnings	280	N/A	N/A	N/A	N/A	N/A	674
As of 06-30-16							
Ending Mkt Value	2,022,464	N/A	N/A	N/A	N/A	N/A	2,022,464
Time-Weighted Return	0.01	N/A	N/A	N/A	N/A	N/A	0.03
Citi 3 Month T-Bill	0.06	N/A	N/A	N/A	N/A	N/A	0.13

Returns are calculated gross of management fees using trade date positions and including accrued income.
Returns for greater than one year are annualized.

College of Micronesia - FSM Reserves Cash Account

Report Period: 10-01-15 to 06-30-16
Fiscal Year Ends: September

Comparative Returns for Fiscal Periods: Total Fund : Gross of Fees



Returns are calculated using trade date positions and including accrued income. Returns for greater than one year are annualized.

IMPORTANT DISCLOSURES

This information is provided for your convenience, but should not be used as a substitute for your account's monthly statements and trade confirmations. Material is provided for informational purposes only and does not constitute a recommendation. It has been gathered in a manner which we believe to be reliable, but accuracy is not guaranteed. It is not intended as tax advice. Past performance does not guarantee future results.

Diversification and strategic asset allocation does not ensure a profit or protect against a loss. No investment strategy can guarantee success. Investments are subject to market risk, including possible loss of principal.

Investing in small and mid-cap stocks are riskier investments which include price volatility, less liquidity and the threat of competition. International investing involves additional risks such as currency fluctuations, differing financial accounting standards and possible political and economic instability. These risks are greater in emerging markets. Alternative investment strategies involve greater risks and are only appropriate for the most sophisticated, knowledgeable and wealthiest of investors. Managed futures involve specific risks that maybe greater than those associated with traditional investments and may be offered only to clients who meet specific suitability requirements, including minimum net worth tests. You should consider the special risks with alternative investments including limited liquidity, tax considerations, incentive fee structures, potentially speculative investment strategies, and different regulatory and reporting requirements. Commodities are generally considered speculative because of the significant potential for investment loss. REITs are financial vehicles that pool investors' capital to purchase or finance real estate. REITs involve risks such as refinancing, economic conditions in the real estate industry, changes in property values and dependency on real estate management.

Beta compares volatility of a security with an index, such as the S&P 500. A beta of one means the security has volatility equal to that of an index. Alpha compares a fund's actual returns with those that would be expected by its beta. A positive alpha means that for the given amount of volatility, the fund returned more than expected when compared to the benchmark index. Alpha and beta measures are historical.

Index Descriptions:

It is not possible to invest directly in an index.

Barclays Municipal Bond: 1-10 Year Blend - A component of the Barclays Capital Municipal Bond Index with municipal bonds in the 1-10 year blend (1-12) maturity range.

Barclays 1-5 Government/Credit - Barclays 1-5 Year Government/Credit Index: Includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

Barclays 1-5 Year Government - An inclusion of securities within the Barclays Government Index that have a maturity range from 1 up to (but not including) 5 years.

Barclays 1-5 yr Treasury - The 1-5 year component of the Barclays Capital U.S. Treasury Index with securities in the maturity range from 1 year (but not including) 5 years.

Barclays Credit 1-3 Year - Barclays 1-5 Year Credit Index: Includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 3 years and are publicly issued.

Barclays U.S. Government/Credit (BCGC) - The Government/Credit component of the U.S. Aggregate. The government portion includes treasuries (public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (publicly issued debt of the U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The credit portion includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements. Must be a publicly issued, dollar-denominated and non-convertible, U.S. Government or Investment Grade Credit security. Must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following rating agencies: Moody's, S&P, Fitch; regardless of call features, have at least one year to final maturity, and have an outstanding par value amount of at least \$250 million.

Barclays Intermediate U.S. Government/Credit (BCIGC) - The intermediate component of the Barclays Capital Government/Credit Index with securities in the maturity range from 1 up to (but not including) 10 years.

Barclays Global Aggregate - The index is designed to be a broad based measure of the global investment-grade, fixed rate, fixed income corporate markets. The major components of this index are the US Aggregate, Pan-European Aggregate, and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds, Canadian government, agency and corporate securities.

Barclays Global Aggregate Intermediate - The intermediate component of the Barclays Global Aggregate index with securities in the maturity range from 1 up to (but not including) 10 years.

Barclays U.S. Government: Intermediate - The intermediate component of the Barclays Capital U.S. Government Index with securities in the maturity range from 1 up to (but not including) 10 years.

Barclays U.S. Government: Long - The long component of the Barclays Capital U.S. Government Index with securities in the maturity range from 10 years or more.

Barclays LT Muni - A component of the Barclays Capital Municipal Bond Index with municipal bonds with a maturity range greater than 20 years.

Barclays Municipal Bond Index - A rules-based, market-value weighted index that is engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following rating agencies: Moody's, S&P, Fitch. The bonds must be fixed rate, have a dated-date after December 31, 1990, have an outstanding par value of at least \$7

million, and be issued as part of a transaction of at least \$75 million. The four main sectors of the index are: general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prefunded bonds. Remarketed issues, taxable municipal bonds, floating rate bonds, and derivatives, are excluded from the benchmark.

Barclays U.S. Treasury - A component of the U.S. Government Index. Must be publicly issued, dollar-denominated and non-convertible, fixed rate (although it may carry a coupon that steps up or changes according to a predetermined schedule) U.S. Treasury security. Must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following rating agencies: Moody's, S&P, Fitch; regardless of call features, have at least one year to final maturity, and have an outstanding par value amount of at least \$250 million.

Barclays U.S. Treasury: Intermediate (BCIT) - The intermediate component of the Barclays Capital U.S. Treasury Index with securities in the maturity range from 1 year (but not including) 10 years.

Barclays U.S. Treasury: Long - The long component of the Barclays Capital U.S. Treasury Index with securities in the maturity range from 10 years or more.

Barclays U.S. Treasury: U.S. TIPS - Comprised of Inflation-Protection securities issued by the U.S. Treasury. Must be a fixed rate, publicly issued U.S. Treasury Inflation Note that is dollar-denominated and non-convertible. Must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following rating agencies: Moody's, S&P, Fitch; have at least one year to final maturity, and have an outstanding par value amount of at least \$250 million.

Barclays High Yield Composite BB - A component of the Barclays U.S. Corporate High Yield Bond Index with bonds in the BB or better.

Citigroup 1-3 Year U.S. Treasury - Component of the Citigroup U.S. Treasury that measures total returns for U.S. Treasuries with a maturity between 1-3 years.

Citigroup 3 Month U.S. Treasury Bill - This index measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indices consist of the last three three-month Treasury bill issues.

Citigroup World Government Bond - Citi World Gov't Bond (CWGB) – Citigroup World Government Bond Index, includes the most significant and liquid government bond markets globally that carry at least an investment grade rating.

Consumer Price Index - All Urban Consumers (CPI-U) - As an economic indicator, and as the most widely used measure of inflation, the Consumer Price Index (CPI) is an indicator of the effectiveness of government policy, and as a guide in making economic decisions for business executives, labor leaders, and other private citizens. Published on a monthly basis by the U.S. Bureau of Labor Statistics (BLS), the CPI is a measure of the average change in prices over time of goods and services purchased by households. CPI for All Urban Consumers (CPI-U) encompasses approximately 87 percent of the total U.S. population which includes, in addition to wage earner and clerical worker households, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

Dow Jones UBS Commodity - Provides a diversified representation of commodity markets as an asset class. The index is comprised of exchange-traded futures on physical commodities; representing 19 commodities which are weighted for economic significance and market liquidity. To promote diversification, weighting restrictions are placed on individual commodities and commodity groups.

FTSE NAREIT U.S. Real Estate - All REITs - The index is designed to represent a comprehensive performance of publicly traded REITs which covers the commercial real estate space across the US economy, offering exposure to all investment and property sectors. It is not free float adjusted, and constituents are not required to meet minimum size and liquidity criteria.

HFRI Equity Hedge Fund Index - The index is designed to represent strategies which maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities - both long and short.

HFRI (Hedge Fund Research, Inc.) Fund of Funds Composite Index (1) - The index only contains fund of funds, which invest with multiple managers through funds or managed accounts. It is an equal-weighted index, which includes over 650 domestic and offshore funds that have at least \$50 Million under management or have been actively trading for at least 12 months. All funds report assets in US Dollar, and Net of All Fees returns which are on a monthly basis.

MSCI EAFE - A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. As of December 31, 2010 the MSCI EAFE Index consists of 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI EAFE Value -Net Dividend - A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. Value attribute for index construction is defined using: book value to price ratio, 12-months forward earnings to price ratio, and dividend yield. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

MSCI EAFE Growth -Net Dividend - A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. Growth attribute for index construction is defined using: long-term forward earnings per share (EPS) growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, long-term historical sales per share growth trend. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

MSCI Emerging Markets - A free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of December 31, 2010, the MSCI Emerging Markets Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

MSCI World - A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. As of December 31, 2010, the MSCI World Index consists of the following 24 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

NCREIF - The index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. Information on this index is available at ncreif.com.

Russell 1000 - Based on a combination of their market cap and current index membership, this index is comprised of approximately 1,000 of the largest securities from the Russell 3000. Representing approximately 92% of the Russell 3000, the index is created to provide a full and unbiased indicator of the large cap segment.

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

Russell 1000 Value - Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.

Russell 2000 - Based on a combination of their market cap and current index membership, this index is comprised of approximately 2,000 of the smaller securities from the Russell 3000. Representing approximately 8% of the Russell 3000, the index is created to provide a full and unbiased indicator of the small cap segment.

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

Russell 2000 Value - Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower expected growth values.

Russell 2500 - Based on a combination of their market cap and current index membership, this index is comprised of approximately 2,500 of the smallest securities from the Russell 3000. Measures the performance of the small to mid-cap (smid) segment of the U.S. equity universe.

Russell 2500 Growth - Measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2500 Value - Measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower expected growth values.

Russell 3000 - Representing approximately 98% of the investable U.S. equity market, the Russell 3000 index measures the performance of the largest 3,000 U.S. companies.

Russell 3000 Growth - Measures the performance of the broad growth segment of the U.S. equity universe which includes Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000 Value - Measures the performance of the broad growth segment of the U.S. equity universe which includes Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell Midcap - A subset of the Russell 1000 index, the Russell Midcap index measures the performance of the mid-cap segment of the U.S. equity universe. Based on a combination of their market cap and current index membership, includes approximately 800 of the smallest securities which represents approximately 27% of the total market capitalization of the Russell 1000 companies. The index is created to provide a full and unbiased indicator of the mid-cap segment.

Russell Midcap Growth - Measures the performance of those Russell Mid-cap companies with higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Value - Measures the performance of those Russell Mid-cap companies with lower price-to-book ratios and lower expected growth values.

Standard & Poor's 400 MidCap - Comprised of 400 domestic stocks that are chosen based upon market capitalization, liquidity and industry representation. The medium size US firms range with a market capitalization between \$2 billion to \$10 billion, and are between the S&P 500 Index and the S&P Smallcap 600 Index. It is a market-weighted index, which represents approximately 7% of the aggregate market value of US companies.

Standard & Poor's 500 - Representing approximately 75% of the investable US equity market, the S&P 500 measures changes in stock market conditions based on the average performance of 500 widely held common stocks. It is a market-weighted index calculated on a total return basis with dividend reinvested.

Stark 300 Trader - The Stark 300 index tracks the performance of the top-300 futures and forex traders. The index is calculated monthly using an equity-weighted formula to determine performance.

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