

Morningstar Market Commentary

Q4 2015

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Equities Rally in Q4 to Finish 2015 Flat Overall and the Fed Officially Raises Rates

Q4 2015 Morningstar Market Barometer

	Value	Core	Growth
Large	6.85	7.57	7.61
Mid	4.25	4.46	2.47
Small	2.77	2.26	4.30

Q4 2015 Morningstar Index Returns

Stocks

US Market Index	6.33
Global Ex-US Index	5.02
Developed Ex-US Index	4.31
Emerging Markets Index	1.05

Bonds

Core Bond Index	-0.45
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Commodities

Long-Only Commodity Index	-12.76
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The final quarter of 2015 saw U.S. stocks rally to bring an end to a volatile but, when all was said and done, flat 2015. The headliner was the Federal Reserve finally bringing an end to its zero interest rate policy and raising rates a full 25 basis points. Oil prices, after a brief fake-out in early October, continued their relentless downward plunge, with both Brent and West Texas Intermediate finishing below \$40 a barrel. Closely tied to oil prices, high yield made headlines this quarter with one fund freezing redemptions as spreads continued to widen and junk bond prices continued to fall. China issued often mixed signals, but equities finished almost flat on the quarter, despite overall manufacturing PMI staying below 50 and 2016 growth expectations being lowered to 6.8%. The Chinese government tends to have investors' collective back with rate cuts, continued devaluation of the yuan, promises of an even larger budget deficit in 2016, and the ability to shut down trading if things get too out of hand, whatever it takes.

The Morningstar US Market Index rallied 6.33% in the fourth quarter, bringing the year-end total return to 0.69%. The positive performance in the quarter was supported by generally good returns across the board, with the energy sector being the only to finish in the red, dropping 1.02%. This

brought the energy sector year-end return to a lights-out negative 22.69%. Healthcare recovered in the quarter as the effects of Valeant and political tweeting wore off. Healthcare joined tech and basic materials to lead the way upward, with returns of over 8% on the quarter for all three.

Overall, the fourth quarter was relatively positive, especially for the United States, whose market index outperformed global, developed-, and emerging-market indexes. Markets digested the Fed rate rise which, after all the buildup, was anticlimactic. Consumer confidence in the U.S. improved throughout the fourth quarter, spending improved, home prices continued to increase, and CPI remained relatively stable. The job market held steady, with unemployment remaining at 5% for October and November and some predicting it to fall to 4.9% in December. Many signs pointed to a continued, albeit slow, recovery continuing in the fourth quarter. With 2015 over, investors are still debating where we go from here. With the current bull market nearing seven years, unprecedented monetary policy starting to reverse in the U.S., and other question marks remaining globally, the stage is set for 2016.

Sector Indexes

All Morningstar super sectors made a comeback in the fourth quarter, posting positive returns across the board. The Defensive Super Sector once again led the pack, being the only one to outperform the Morningstar US Market Index in the quarter. Healthcare stocks were the main story here. The Defensive Super Sector also led all super sectors for the year, with a year-to-date return of 5.08%, and topped the US Market Index year-to-date return of a paltry 0.69%. The Cyclical Super Sector also finished in the green on the year with a year-to-date return of 1.37%, while the Sensitive Super Sector was a little more, uh, sensitive, finishing at negative 2.7% for the year.

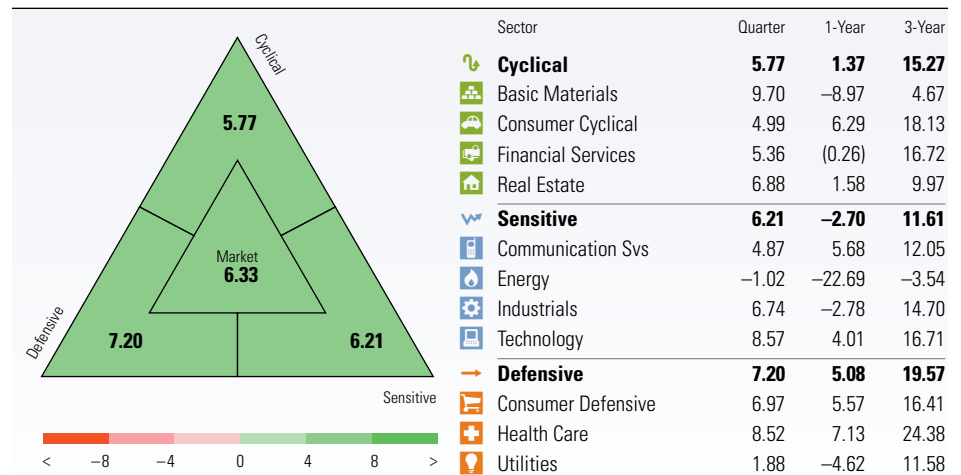
Cyclical Super Sector 5.77 %

The Cyclical Super Sector performed the worst of the three super sectors this quarter, but still came in with positive returns and finished second on the year with a 1.37% yearly return, beating the overall US Market Index. Amazon continued to outdo itself and everyone else, posting a 32% return on the quarter as the top contributor in the sector. A third-quarter earnings beat, record holiday sales, and record Prime membership numbers all pushed Amazon forward. CEO Jeff Bezos even found the time to successfully land his own rocket under Blue Origin. The financial services sector also played a positive role, with a smattering of banks making the top contributors list, including JPMorgan Chase, Wells Fargo, and Bank of America. The main story here was the rate raise, bringing the start of some much-needed relief for net interest margins.




Defensive Super Sector 7.20%

The Defensive Super Sector was the star performer this quarter, posting the highest quarterly return and a 5.08% yearly return. Healthcare was the main story both this quarter and throughout the year. Four of the top five performers were healthcare companies: Johnson & Johnson, Amgen, Bristol-Myers Squibb, and Allergan. Companies associated with pharmaceuticals

Q4 2015 Morningstar Sector Delta and Return %



Morningstar Super Sectors

	P/E	P/B	Yield %	Earnings Growth	Sales Growth
 Cyclical Super Sector	17.89	2.03	2.09	6.32	3.16
 Sensitive Super Sector	20.00	3.09	2.24	4.95	3.96
 Defensive Super Sector	21.29	3.38	2.06	6.25	5.75

recovered in the quarter as strong earnings and guidance were reported and the breakneck pace of drug innovation continued. Allergan pressed ahead with the Pfizer tax inversion deal as politicians continued to complain about fairness and wonder why companies want to avoid the highest corporate taxes in the world. All top five performers in the Defensive Super Sector were wide-moat companies.

Sensitive Super Sector 6.21%

The Sensitive Super Sector reported positive returns on the quarter, coming in second place, but finished the year down 2.7%, coming in last. Tech firms did their part, with Microsoft, Google (now Alphabet Class C and A), and Facebook all posting solid returns of 26%, 25%, 22%, and 16%, respectively. Apple had a down quarter with a negative 4% return, despite continued earnings growth. The bloodbath at Kinder Morgan only got worse in the fourth quarter, with KMI posting a negative 45% return as it finished what investors can only hope is the final dividend cut. With energy prices continuing to struggle,

yield-hungry investors who previously thought the dividend of energy-focused master limited partnerships was sacrosanct are now realizing there is no free lunch, and there is especially no free dividend.

Style & Cap Indexes

All Morningstar style and cap indexes mimicked the overall direction of the U.S. equity markets, with all finishing the year on a positive note. The real standout in the fourth quarter was the Morningstar US Large Cap Index, where returns of 7.35% approximately doubled those of mid and small caps. This same general pattern held for the style indexes as well, with U.S. large growth, core, and value all outperforming the corresponding mid and small cap indexes. The Morningstar US Growth, Core, and Value indexes were all clustered around returns of just over 6% on the quarter.

Morningstar US Growth 6.43%

The Morningstar US Growth Index posted positive returns on the quarter and finished the year at 5.54%, the best yearly return of the three style indexes. The positive performance was balanced among sectors, with technology, healthcare, and consumer cyclical companies all making key contributions in the fourth quarter. Amazon was the top outperformer with Alphabet and Facebook not far behind; Amgen, Bristol-Myers Squibb, and Allergan rounded out the top contributors.

Google finished a very strong year as it continues to innovate with more than just its name. Ad revenue came in strong in the fourth quarter, and announcements of efforts to create self-driving cars spurred investors' imaginations concerning what the future may hold. Kinder Morgan was, along with Apple, the main downer for the index.

Morningstar US Value 6.05%

The Morningstar US Value Index rallied in the last quarter but still finished out the year at a negative 2.16%. General Electric was the top performer for the quarter, posting a 24.4% return. GE has been aggressively restructuring its business mix and refocusing on its industrial businesses. It successfully completed the spin-off of Synchrony Financial in the quarter as GE Capital continues to be unwound.

Trailing Returns



Morningstar Style & Cap Indexes

	P/E	P/B	Yield %	Earnings Growth	Sales Growth
Morningstar Value	15.70	1.73	3.28	0.73	0.37
Morningstar Core	19.53	2.87	2.14	3.84	5.50
Morningstar Growth	25.08	4.62	1.14	19.10	12.62
Morningstar Large Cap	19.17	2.80	2.24	5.32	3.83
Morningstar Mid Cap	20.61	2.45	1.83	8.71	5.63
Morningstar Small Cap	20.27	2.12	1.94	2.03	3.13

Exxon and Chevron both made valiant comebacks, posting positive returns this quarter despite continually lower oil prices, as investors realized they may have overreacted last quarter. However, the energy space remains an area of much debate.

Morningstar US Core 6.51%

The Morningstar US Core Index had the strongest quarter, narrowly beating out the Growth Index, but still finished negative on the year at -1.43%. Top performers for the quarter included many well-known blue chips, with Microsoft leading the pack. The company has posted several strong quarterly reports with the Azure platform being the star performer, growing significantly and announcing more key partnerships with HP Enterprise and Red Hat as Microsoft has shifted focus to the cloud.

McDonald's also posted a strong quarter with a 20.8% return. Growth was stagnant for the first three quarters of the year as same-store sales have been flat to down in the hypercompetitive quick-service restaurant industry. McDonald's has attempted several new initiatives, such as all-day

breakfast, to revitalize the brand. New data from the fourth quarter suggest it may be working, and the share price has responded thus.

Morningstar Large Cap 7.35%

The Morningstar US Large Cap Index was the best performer for the quarter and year. In a year where new market highs were driven by some of the biggest names, this comes as no surprise. Many of the top contributors have already been mentioned, including Amazon, Microsoft, and GE. Keurig was a particularly interesting highflier during the quarter. It had been on a steady decline for the whole year and was notable for being a battleground stock in previous years as David Einhorn of Greenlight Capital publicized his original short thesis for the stock in 2011, exited it in 2014, conceding defeat to the bulls, but then re-entered his short earlier this year. As if the previous roller coaster weren't enough, the stock had lost more than half its value through 2015, but then a buyout at a 78% premium by JAB Holding was announced in December. Chipotle was another interesting story from the quarter, being particularly hard hit by an E. coli outbreak and

food safety concerns. The stock was down 33% for the quarter.

Morningstar Mid Cap 3.74%

While it couldn't keep up with the Large Cap Index, the Morningstar US Mid Cap Index still turned in a positive quarter but finished with a negative full-year return of (1.53)%. Tech companies were the top contributors, with SanDisk, Nvidia, and Autodesk all recording gains of over 30% in the quarter. Airgas was the top performer, with a solid gain of 55.5% on the quarter. This occurred after Air Liquide announced it would buy Airgas for a boiling-hot \$143 per share, over a 50% premium.

GoPro continued to struggle in the quarter, posting a return of negative 42%, as investors continue to struggle rationalizing high valuations with the difficulty of defending sales and prices in a market where you are essentially selling small cameras.

Morningstar Small Cap 3.10%

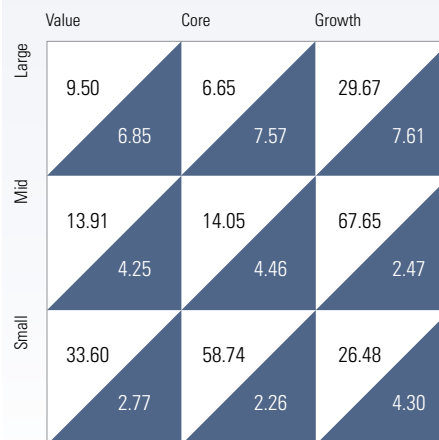
The Morningstar US Small Cap Index posted positive fourth-quarter returns but was negative on the year as small caps struggled the most out of all the market cap categories, posting a negative 4.88% yearly return. There were again two notable stocks this quarter: Dyax and Clovis Oncology. Dyax posted returns of 97% for the quarter. It is a small biotech company with one key asset, DX-2930, which was granted orphan drug status by both the U.S. Food and Drug Administration and Europe's Committee for Orphan Medicinal Products. The key catalyst came when Shire announced it would buy Dyax for \$37.30 per share.

Clovis came out on the wrong end of things in the fourth quarter; its shares fell off a cliff after the firm announced that the results from ongoing clinical trials for its drug rociletinib were not showing the needed response rates. As is the case with many of these small biotech firms, the results are often binary.

Fund Categories and Benchmarks

The Active vs. Passive chart shows the percentage of actively managed open-end mutual funds that outperformed their corresponding Morningstar Indexes benchmark. In the most recent quarter, Mid Growth and Small Core were the sole categories where the majority of active managers outperformed (68% and 59% respectively). Those were also the two Style Boxes with the weakest returns, implying that active managers succeeded by straying from their style. Conversely, active managers struggled in strong-performing large-cap territory. Less than one third of managers in Large Growth bested the index's 7.6% return. In Large Value and Large Core, fewer than 10% of managers beat their corresponding Morningstar indexes.

Active vs. Passive



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

▲ Index Returns (%), Q4 2015

¹Includes the oldest share class for all U.S. diversified mutual funds with at least a one-year history. As of December 31, 2015 there were 2,003 eligible funds. Morningstar classifies funds into style categories based on the average style score (using the same 10-factor methodology as underlying benchmarks) of all available portfolio holdings over a three-year period.

Fixed-Income Indexes

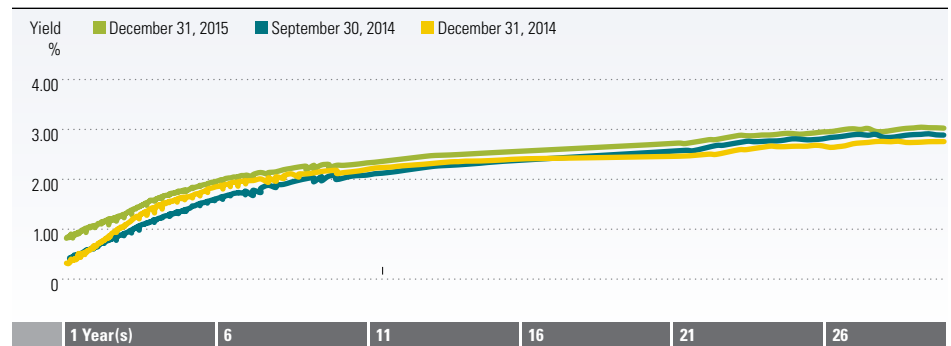
Fourth-quarter fixed-income returns in the United States were plagued by rising interest rates as the Federal Reserve finally began to tighten monetary policy and the yield curve flattened. Fixed-income returns fared better in the eurozone as the European Central Bank eased its monetary policy further and the yield curve steepened slightly. Meanwhile, emerging markets bounced back in the fourth quarter after China continued to ease its monetary policy in order to stimulate its economy.

2015 Fixed-Income Returns Constrained by Rising Rates and Widening Spreads

The Morningstar Core Bond Index, our broadest measure of the fixed-income universe, declined 0.45% last quarter, bringing the return for 2015 down to 0.98%. The loss was driven by rising interest rates in response to the tightening of the Fed's monetary policy. The rise in rates pushed down bond prices more rapidly than the underlying yield carry could offset. The yield curve flattened during the fourth quarter as interest rates increased more on short-term bonds than long-term bonds. Over the course of the fourth quarter, the yield on the 2-year Treasury bond rose 42 basis points to end the year at 1.06%, the 5-year Treasury bond rose 38 bps to 1.76%, the 10-year bond rose 21 bps to 2.27%, and the 30-year bond rose 14 bps to 3.02%. Our Short Term Core, Intermediate Core, and Long Term Core indexes suffered losses of 0.40%, 0.32%, and 0.84%, respectively, in the fourth quarter. For the year, thanks to their lower duration, the Short Term Core and Intermediate Core indexes were able to post modest gains of 0.79% and 1.96%; however, based on its long duration, the Long Term Core Bond Index suffered a 1.55% loss.

The Morningstar Corporate Bond Index declined 0.37% in the fourth quarter as rising interest rates more than offset tightening credit spreads. In the fourth quarter, the average credit spread of the Morningstar Corporate Bond Index (our proxy for

Treasury Yield Curve



Morningstar Bond Indexes

		Returns		Statistics			
		QTR	YTD	Market Value (\$Mil)	Credit Quality	Yield to Maturity	Average Duration
Broad Market	Core Bond	-0.45	0.98	15,854.00	AA	2.47	5.30
Sector	US Government	-0.89	0.91	6,769.00	AAA	1.71	5.64
	Corporate	-0.37	-0.46	4,073.00	A-	3.58	6.58
	Mortgage	0.05	2.23	4,932.00	AAA	2.56	3.76
Maturity	Short-Term Core	-0.40	0.79	4,366.00	AA	1.48	2.19
	Intermediate Core	-0.32	1.96	7,895.00	AA+	2.48	4.14
	Long-Term Core	-0.84	-1.55	3,593.00	AA-	3.66	11.62
Inflation Prot. Secs.	TIPS	-0.65	-1.60	910.00	AAA	0.60	7.63
Global Sovereign	Global Govt USD	-1.24	-3.31	20,361.00	AA-	1.08	7.22
	Global Govt ex-US USD	-1.34	-4.99	13,667.00	A+	0.77	7.93
	Eurozone EUR	0.54	1.78	6,295.00	A+	0.73	6.81
	Swiss CHF	0.04	3.08	89.00	AAA	-0.15	9.66
	UK GBP	-1.41	0.35	1,786.00	AA+	1.90	10.63
	Australasian USD	3.56	-8.66	316.00	AAA	2.54	5.54
	Canadian CAD	0.70	3.67	303.00	AAA	1.12	7.14
Japanese JPY	1.03	1.22	4,877.00	A	0.30	8.56	
Europe	Eurobond Corp EUR	1.15	-0.59	1,410.00	A-	1.22	4.92
	European Bank Capital EUR	1.17	0.54	476.00	BBB+	1.61	3.90
	European Covered EUR	0.00	0.47	770.00	AA	0.46	4.49
	UK Eurobond Corp GBP	0.89	0.11	244.00	A-	3.46	8.49
	UK Bank Capital GBP	1.98	3.28	54.00	BBB+	3.56	6.78
Emerging Market	Composite USD	0.88	0.62	121,495.00	BBB	5.85	5.63
	Sovereign USD	1.31	1.15	44,976.00	BB+	5.58	6.73
	Corporate USD	0.62	0.08	75,587.00	BBB	6.34	4.89

Data as of 9-30-2015

the investment-grade corporate bond market) tightened 20 bps. However, for the full year, credit spreads ended the year 28 bps wider than at the end of 2014, resulting in a loss for the year of 0.47%. As commodity prices plummeted across the board in 2015, the basic materials industry was the worst-performing sector as the average spread widened 174 bps. Within the basic

materials sector, the metals and mining sub-sector widened 271 bps as it was hit by multiple downgrades and investors began to price in heightened default risk.

While consumers (and thus the overall economy) should eventually benefit from lower oil prices and cheaper commodities, inflation expectations

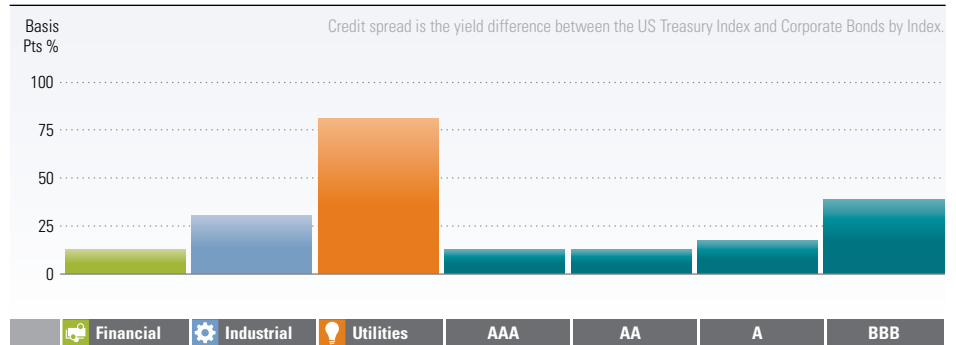
have continued to adjust downward as a result of the deflationary impact of lower commodity prices. This lowered demand for Treasury Inflation-Protected Securities, and the Morningstar TIPS Index fell 0.65% in the fourth quarter, resulting in a 1.60% loss for that index in 2015.

Diverging Monetary Policy: While the Fed Tightens, Europe Loosens

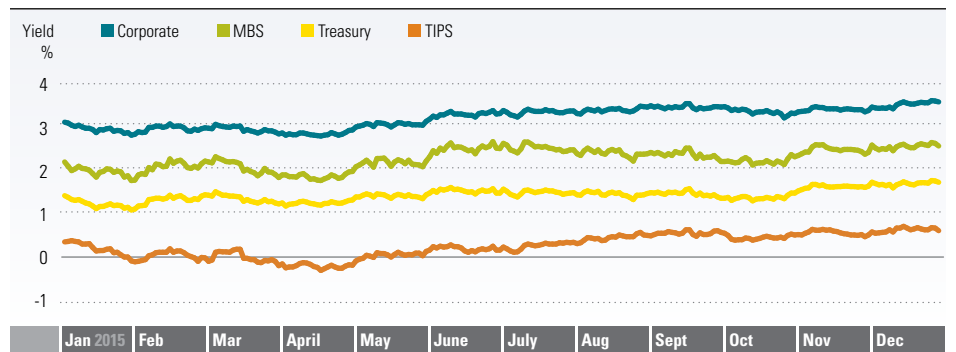
In Europe, the Morningstar Eurozone Government Bond Index rose 0.54% in the fourth quarter, resulting in a total return of 1.78% for 2015. In the fourth quarter, the yield on short-term German bonds decreased as the ECB eased its monetary policy further following its December 2015 meeting. Policymakers lowered the already negative deposit rate to (0.30)% from (0.20)% and announced that the ECB would extend its EUR 60 billion per month asset-purchase program by six months to March 2017. As such, investors have been willing to purchase short-term bonds at such high prices that investors who hold the bonds to maturity will realize losses. The yield curve for German bonds is negative through the 5-year maturity, which ended the year at a yield of negative 0.05%. The Morningstar Switzerland Government Bond Index registered the greatest individual gains in 2015. As investors sought refuge in the safety of the Swiss franc, bond prices rose so high that the yield curve is negative through the 10-year maturity.

The ECB's intent of the greater negative rate is to spur banks into lending excess reserves, as opposed to leaving those reserves on deposit with the central bank. This in turn should stimulate economic activity. The extension of the asset-purchase program will result in an additional EUR 360 billion worth of bond purchases on top of the program's original EUR 1.1 trillion target. Following this action, long-term interest rates rose very modestly in the eurozone as investors remain concerned about continued deflationary pressures, the economic divergence among member countries, and the potential economic impact from the influx of immigrants. While off its intra-year lows, Germany's 10-year bond ended the year at 0.63%.

Credit Spread Change by Sector and Quality



US Bond Indexes: Average Yields



Similar to its U.S. counterpart, the Morningstar Eurobond Corporate Index registered a loss in 2015, falling 0.59%, as credit spreads widened. The average credit spread of the index rose 36 bps and ended the year at +120 bps over sovereign bonds.

For 2015, the Morningstar Emerging Market Sovereign Bond Index rose a total of 1.15% and the Morningstar Emerging Market Corporate Bond Index rose 0.08%.

Emerging Markets Bounce Back

Emerging-markets fixed-income indexes rebounded in the fourth quarter after falling in the third quarter. This turnaround brought returns back into positive territory for the full year. In the fourth quarter, China eased its monetary policy further by cutting its benchmark rates in an effort to stimulate its economy. The Morningstar Emerging Market Composite Bond Index rose 0.88% in the fourth quarter, bringing the return up to 0.62% for 2015. Within the composite index, the Morningstar Emerging Market Sovereign Bond Index outperformed in the fourth quarter, rising 1.31%, whereas the Morningstar Emerging Market Corporate Bond Index rose only 0.62%.

Commodities Indexes

Morningstar’s commodity indexes ended the year fittingly on a down note, with all four commodity indexes showing declines. The Morningstar Energy Commodity Index took “top” honors with a decline of 23.74% as gas and oil prices falls to lows not seen in a decade. No other index saw nearly the declines the energy index experienced, with the Morningstar Metals Commodity Index recording a decline of 5.38% and the Morningstar Agriculture Commodity and Livestock Commodity indexes recording declines of just over 2%. 2015 was not the year for commodities.

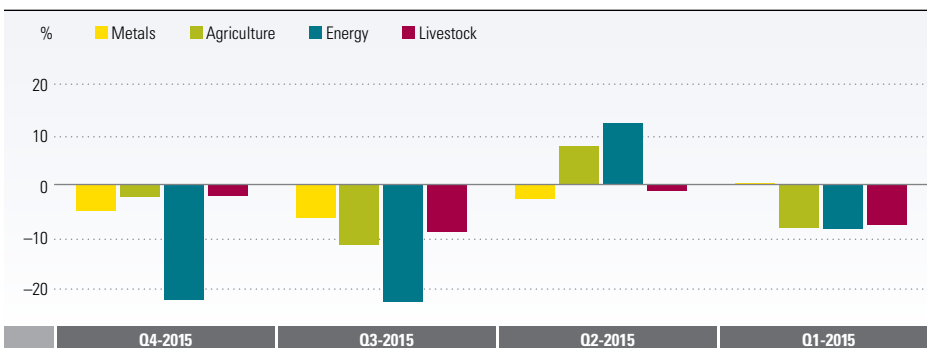
Oil continued its seemingly endless descent as WTI and Brent both closed the quarter below \$40 per barrel. Meanwhile, Saudi Arabia and other major producers are still pumping out new crude supply at high rates, with no sign of abatement.

Gold and silver also had a rough go of it in 2015, and the fourth quarter was no exception. As the dollar has strengthened, so has the price of gold proportionally weakened. The Fed rate hike put additional negative pressure on the price of gold, and plans for further rate hikes spelled bad news for gold in the future. As the cost of holding a zero-yield asset has increased, the threat of inflation has not materialized, and the general collapse of fiat currency and the world has not materialized, the price of gold has suffered.

Conclusion

2015 ended on a high note, bringing a volatile yet, in the end, flat year to a close. The Fed finally completed the ceremonial rise in rates while Europe continued to ease its own economies with quantitative easing and rates so low that at times even negative interest rates popped up. While the drama was often frantic, the winter of early 2015 eventually ended, nobody walked off a fiscal cliff, and Greece is still in the eurozone, among other near calamities.

Quarterly Commodity Sector Returns



Morningstar Commodity Index Returns %

	Quarter	1-Year	3-Year	5-Year	10-Year	YTD
Long-Only	-12.76	-26.29	-18.74	-12.04	-3.71	-26.29
Long/Flat	0.02	-2.37	-3.48	-3.33	2.67	-2.37
Long/Short	1.44	2.42	0.63	-1.72	2.68	2.42
Short/Flat	1.49	4.85	4.20	1.59	1.13	4.85
Short-Only	16.19	29.47	19.83	9.81	2.92	29.47
Agriculture	-2.45	-15.89	-10.48	-6.67	2.39	-15.89
Energy	-23.74	-40.85	-28.55	-18.39	-15.31	-40.85
Livestock	-2.34	-20.20	-1.79	-2.24	-3.74	-20.20
Metals	-5.38	-14.15	-16.68	-8.91	6.44	-14.15

It was a tough year for small cap and value investors, as both indexes fared the worst, while large cap growth investors did the best. The energy sector saw some of the worst returns as low oil prices wiped out the profits of many firms that were dependent on selling at the old prices.

Focus in the future is likely to be on interest rates, as the U.S. continues to balance low rates and stimulus against higher rates and trying to contain inflation and speculative bubbles. The deflationary effects of commodity prices and the strengthening dollar have played a large role here. The good news for oil is that prices are very likely not to perform any worse than they did in 2015. As some of the deflationary pressures from commodities wear off and the job market tightens, this could lead to inflationary pressures, which would provide a nice backdrop for the continued raising of rates.

Questions still remain for China, as it continues to show signs of a slowdown in economic growth,

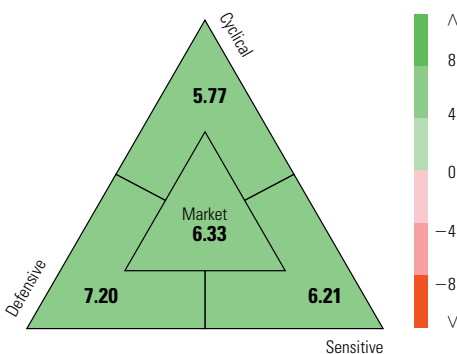
and Europe, as it navigates its own monetary policies, economic recovery, and political unrest. The debate also goes on between bears and bulls as the current bull market is reaching the completion of its seventh year and many valuation measurements are not cheap, but the argument can also be made that there are no obvious bubbles either. As has always been the case, timing any such change in the market will be nearly impossible, but this will not keep pundits from openly speculating. To 2015, we bid adieu, and for 2016, the stage is set.

Q4 2015 Style Indexes



	Total Returns %					Price/ Earnings	Price/ Book	Yield %	5-Yr Earn Growth
	3-Month	1-Year	3-Year	5-Year	10-Year				
Morningstar US Market	6.33	0.69	14.8	12.31	7.54	19.49	2.67	2.14	10.04
Large Cap	7.35	1.84	15.09	12.66	7.31	19.17	2.80	2.24	9.85
Mid Cap	3.74	-1.53	14.65	11.85	8.09	20.61	2.45	1.83	10.34
Small Cap	3.1	-4.88	11.93	9.74	7.66	20.27	2.12	1.94	11.55
US Value	6.05	-2.16	12.34	10.32	5.80	15.70	1.73	3.28	7.66
US Core	6.51	-1.43	15.43	13.18	8.46	19.53	2.87	2.14	9.62
US Growth	6.43	5.54	16.6	13.37	8.15	25.08	4.62	1.14	13.89
Large Value	6.85	-1.43	11.55	9.88	5.05	15.85	1.82	3.44	7.55
Large Core	7.57	-0.93	15.99	13.67	8.40	18.58	2.94	2.15	9.24
Large Growth	7.61	7.71	17.73	14.35	8.20	24.44	4.81	1.29	13.55
Mid Value	4.25	-2.57	15.58	12.07	7.63	15.52	1.55	2.77	8.18
Mid Core	4.46	-1.40	14.93	12.85	8.71	22.98	2.88	2.12	10.57
Mid Growth	2.47	-0.71	13.48	10.58	7.77	26.53	4.23	0.61	13.65
Small Value	2.77	-8.65	10.91	9.64	7.75	14.51	1.40	3.05	7.28
Small Core	2.26	-5.46	11.72	9.16	7.32	21.38	2.26	2.01	10.97
Small Growth	4.30	-0.18	13.21	10.45	7.74	31.38	3.78	0.78	20.92

Q4 2015 Sector Indexes



Index	Total Returns %					Price/ Earnings	Price/ Book	Yield %	5-Yr Earn Growth
	3-Month	1-Year	3-Year	5-Year	10-Year				
Cyclical	5.77	1.37	15.27	12.07	3.26	17.89	2.03	2.09	10.66
Basic Materials	9.70	-8.97	4.67	2.78	5.28	19.79	3.00	2.58	9.35
Consumer Cyclical	4.99	6.29	18.13	16.4	9.66	20.79	4.50	1.55	12.98
Financial Services	5.36	-0.26	16.72	11.37	0.30	14.63	1.34	1.86	10.08
Real Estate	6.88	1.58	9.97	11.02	6.40	30.86	2.22	4.42	6.52
Sensitive	6.21	-2.7	11.61	9.75	7.12	20.00	3.09	2.24	10.12
Communication Svs	4.87	5.68	12.05	13.4	10.47	23.8	2.71	4.14	8.63
Energy	-1.02	-22.69	-3.54	-0.33	4.77	17.97	1.63	3.47	9.45
Industrials	6.74	-2.78	14.7	11.55	7.61	19.40	3.63	2.06	9.75
Technology	8.57	4.01	16.71	12.40	9.46	20.23	3.99	1.66	10.67
Defensive	7.20	5.08	19.57	16.99	9.33	21.29	3.38	2.06	8.89
Consumer Defensive	6.97	5.57	16.41	14.51	10.98	21.59	4.28	2.59	8.4
Health Care	8.52	7.13	24.38	20.77	11.18	22.26	3.77	1.40	10.3
Utilities	1.88	-4.62	11.58	10.96	7.54	17.25	1.64	3.80	5.20

Bond Indexes

	3-Month	1-Year	3-Year	5-Year
Core	-0.45	0.98	1.66	3.45
US Government	-0.89	0.91	1.03	2.84
Corporate	-0.37	-0.46	1.674	4.49
Mortgage	0.05	2.23	2.581	3.49
Short-Term	-0.40	0.79	0.80	1.28
Intermediate Term	-0.32	1.96	2.116	3.51
Long-Term	-0.84	-1.55	1.808	6.12
Global Government ex. US	-1.34	-4.99	-3.748	-0.93
Emerging Markets Composite	0.88	0.62	0.345	4.70

Commodity Indexes

	3-Month	1-Year	3-Year	5-Year	10-Year	15-Year
Long-Only	-12.76	-26.29	-18.74	-12.04	-3.71	1.77
Long/Flat	0.02	-2.37	-3.48	-3.33	2.67	5.30
Long/Short	1.44	2.42	0.63	-1.72	2.68	4.98
Short/Flat	1.49	4.85	4.20	1.59	1.13	0.97
Short-Only	16.19	29.47	19.83	9.81	2.92	-2.00
Agriculture	-2.45	-15.89	-10.48	-6.67	2.39	2.61
Energy	-23.74	-40.85	-28.55	-18.39	-15.31	-5.34
Livestock	-2.34	-20.20	-1.79	-2.24	-3.74	1.03
Metals	-5.38	-14.15	-16.68	-8.91	6.44	9.87

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