



First Quarter, 2016 Insights

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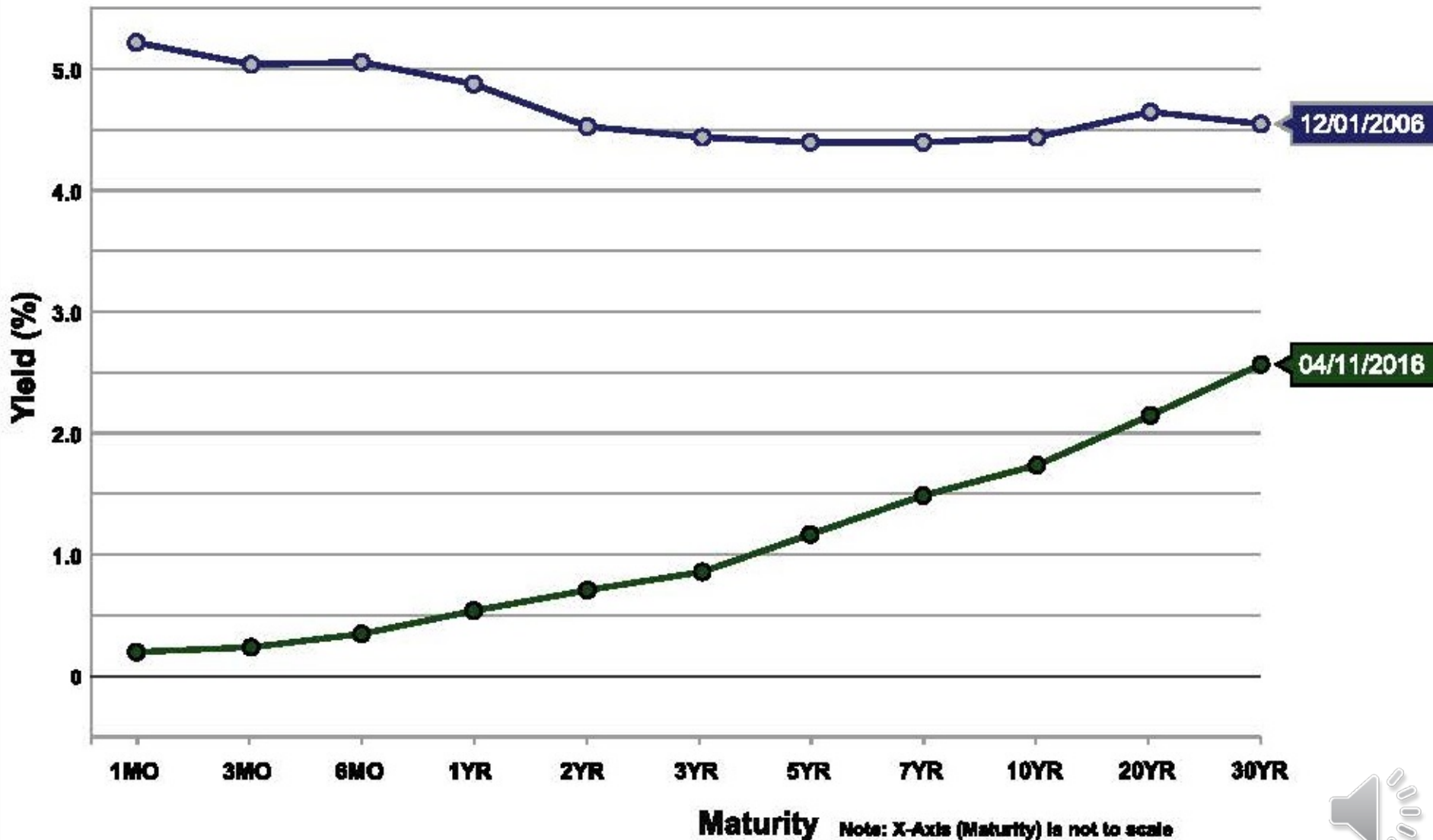
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First Quarter, 2016 Insights

- Leading Economic Indicators
- The Shape of the Yield Curve
- Elections and the Stock Market
- Perils of Index Funds
- *invest right, live right™*



The Shape of the Yield Curve



Elections and the Markets

- No meaningful performance difference in election years – unless in recession like 2008
- Performance stronger during the second half of the year
- S&P 500 Returns under:
 - Democratic Presidents = 9.7%
 - Republican Presidents = 6.7%



The Perils of Index Funds

- Big marketing dollars towards “low cost” funds
- S&P 500 Index has good, average and bad stocks
- Index performance = *average* of the market
- S&P 500 currently has:
 - 87 stocks with NEGATIVE 5 year earnings growth
 - 54 stocks with 5 year earnings growth OVER 25%
- Own some of the good 54 stocks and avoid the bad 87 to work towards better performance!



“Do what you can to show you care about other people, and you will make our world a better place.”

- Rosalynn Carter



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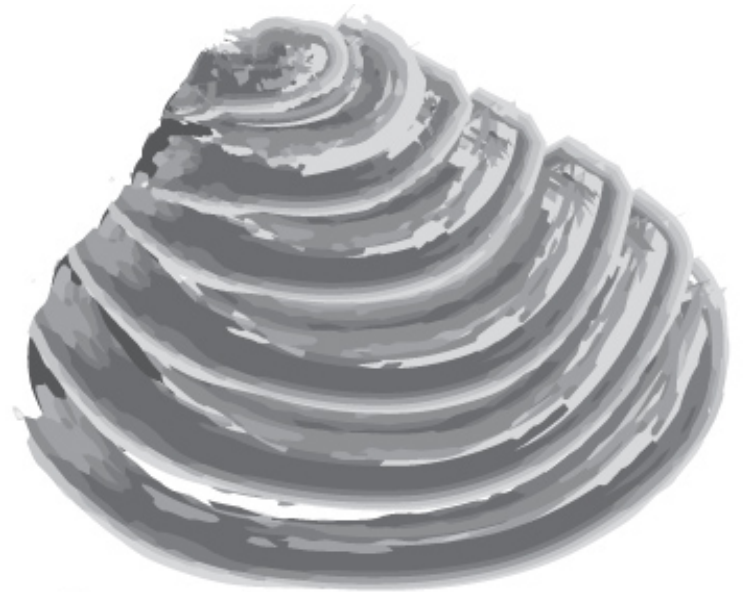
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