

PRIM Asset Class Valuation Model					As of 9/30/2015			9/30/2015		
Large Cap US Equities										
Legend										

PRIM Asset Class Valuation Model					As of		9/30/2015		
Developed International Equities					9/30/2015				
Legend									
Negative									
Neutral									
Positive									

PRIM Asset Class Valuation Model					As of 9/30/2015			
Interest Rate Model					9/30/2015			
Legend <div> <div>Negative</div> <div>Neutral</div> <div>Positive</div> </div>								
					<div>Signs</div> <div> <div>More than 1σ Above Average</div> <div>Between -1σ and +1σ From Average</div> <div>Less than -1σ Below Average</div> </div>			
Interest Rate Model					Signal			
OVERALL INTEREST RATE MODEL SIGNAL					0.81			
Weight					5-Yr Raw Score (-2 -> -1 = negative, -1 -> 1 = neutral, 1 -> 2 = positive)			
Z-Score¹					5-Yr average value			
25%	Macro Signal	1.0	Current Value ²	5-yr average value	1.0			
	Liquidity Signal							
	Inflation Expectations (5yr5yr Fwd Break-even 12m change)	-1.2	1.8	-0.1	2.0	Negative	Neutral	Positive
	2's 10's spread (level, 12-mo avg)	-1.3	1.4%	2.0%	2.0	Negative	Neutral	Positive
	FF6 Expectations - taylor rule (12m change)	0.6	-1.8	-2.7	0.0	Positive	Neutral	Negative
	GDP Growth (12-mo Change)	-0.3	HN/A	0.0	0.0	Negative	Neutral	Positive
50%	Valuation Signal	0.4	Current Value ²	5-yr average value	0.4			
	10yr - GDP YoY (Factset) Level	-1.0	HN/A	0.3	2.0	Negative	Neutral	Positive
	Real Yields (10yr TIPS Yield) Level	0.9	0.5	0.2	0.0	Positive	Neutral	Negative
	Global Relative Value (US-Europe from FactSet)	1.2	1.5	0.7	1.0	Positive	Neutral	Negative
	Global Relative Value (US-Japan from FactSet)	0.3	1.7	1.6	0.0	Positive	Neutral	Negative
	Domestic Relative Value (IG Spreads from FactSet)	0.7	160	140	0.0	Negative	Neutral	Positive
	Fed Model (Inverse to equity model)	-0.4	4.5	5.0	0.0	Negative	Neutral	Positive
	2-10's spot vs FWD Curve (change from Bloomberg)	-0.7	-0.3	-0.1	0.0	Positive	Neutral	Negative
10%	Sentiment Signal	0.5	Current Value ²	5-yr average value	0.5			
	Move Index	0.3	82.2	77.0	0.0	Positive	Neutral	Negative
	JPM Duration survey	0.1	-2.0	-3.4	0.0	Negative	Neutral	Positive
	CFTC Positioning	0.3	-8,529	-36,309	0.0	Negative	Neutral	Positive
	Consumer Confidence	1.8	103.0	74.7	2.0	Positive	Neutral	Negative
15%	Momentum Signal	2.0	Current Value ²		2.0			
	200 DMA: 10 year yield (Change from Prior Month: rising = negative, falling = positive)		0.00		2.0			
	50 DMA: 10 year yield (Change from Prior Month: rising = negative, falling = positive)		-0.08		2.0			
	50 DMA - 200 DMA (If 50 DMA > 200 DMA, negative)		-0.07		2.0			

Data released immediate following month-end, with the exception of LEI (19th), GDP Growth (2 months after quarter), Consumer Confidence Index (24th), AAII Bull-Bear Spread (24th). In data series with a lag, the model looks to the latest available data.

1. Z-scores based on 5-year historical average. Z-score = measure of standard deviations from mean ((Value today - mean)/σ). 2/3 of time, z-score will be between +/-1.

2. Current value reflects actual data point as of the most recent period, which may differ from the data calculation used for the z-score. For example, the current 2's 10's spread may differ from the 12 month average.

PRIM Asset Class Valuation Model					As of		9/30/2015				
Credit Model					9/30/2015						
Legend											
<div><div></div> Negative</div> <div><div></div> Neutral</div> <div><div></div> Positive</div>											
							Signs				
							More than 1σ Above Average				
							Between -1σ and +1σ From Average				
							Less than -1σ Below Average				
Credit Model					Signal		5-Yr Signal Score (-2 -> -0.5 = negative, -0.5 -> 0.5 = neutral, 0.5 -> 2 = positive)				
OVERALL CREDIT MODEL SIGNAL					-0.2		-0.17				
							5-Yr Raw Score (-2 -> -1 = negative, -1 -> 1 = neutral, 1 -> 2 = positive)				
Weight					Z-Score ¹						
25%	Macro Signal				Current Value ²	5-yr average value					
	Inflation Expectations (5yr5yr Fwd Break-even)				-1.2	1.8	2.5	-2.0	Positive	Neutral	Negative
	2's 10's spread (level, 12-mo avg)				-1.3	1.4%	1.9%	-2.0	Positive	Neutral	Negative
	Corporate profitability, S&P 500 Index Net Margin (12-mo Change)				-1.2	10.6	10.2	-2.0	Positive	Neutral	Negative
	Debt/EBITDA (12M Change)				1.3	3.5	3.5	-2.0	Negative	Neutral	Positive
	GDP Growth (12-mo Change)				-0.3	3.9	2.1	0.0	Positive	Neutral	Negative
50%	Valuation Signal				Current Value ²	5-yr average value					
	BBB Spreads (Current Level)				1.1	229.0	189.9	2.0	Positive	Neutral	Negative
	IG-HY spreads (Current Level)				1.5	502.0	384.9	2.0	Positive	Neutral	Negative
	12m forward Earnings Growth, Russell 2000 Index (level, 12-mo avg)				-0.9	25.5	34.4	0.0	Positive	Neutral	Negative
	Earnings yield Russell 2000 Index - UST 10 yield (level, 12-mo avg)				-0.5	2.4%	2.9%	0.0	Positive	Neutral	Negative
10%	Sentiment Signal				Current Value ²	5-yr average value					
	VIX (level, 12-mo avg)				-0.3	24.5	17.9	0.0	Positive	Neutral	Negative
	Consumer Confidence Index (level, 12-mo avg)				2.0	103.0	74.7	-2.0	Negative	Neutral	Positive
	CCC Ratio (12m Average)				-1.8	14.4%	16.4%	2.0	Negative	Neutral	Positive
	Distressed Ratio (12m Average)				0.0	6.7%	6.6%	0.0	Positive	Neutral	Negative
	HY Spread Vol (12m Std Dev)				0.0	227.5	223.7	0.0	Negative	Neutral	Positive
	Distressed Trading Activity (12m Average)				3.1	269.4	149.3	2.0	Positive	Neutral	Negative
	C&I Loan Demand (senior loan officer survey, 4q average)				-0.1	10.0	12.6	0.0	Positive	Neutral	Negative
15%	Momentum Signal				Current Value ²			-2.0			
	200 DMA: IG Credit spread (Change from Prior Month: rising = negative, falling = positive)				-0.03			-2.0			
	50 DMA: IG Credit spread (Change from Prior Month: rising = negative, falling = positive)				-0.06			-2.0			
	50 DMA - 200 DMA (if 50 DMA>200 DMA, negative)				-0.03			-2.0			
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