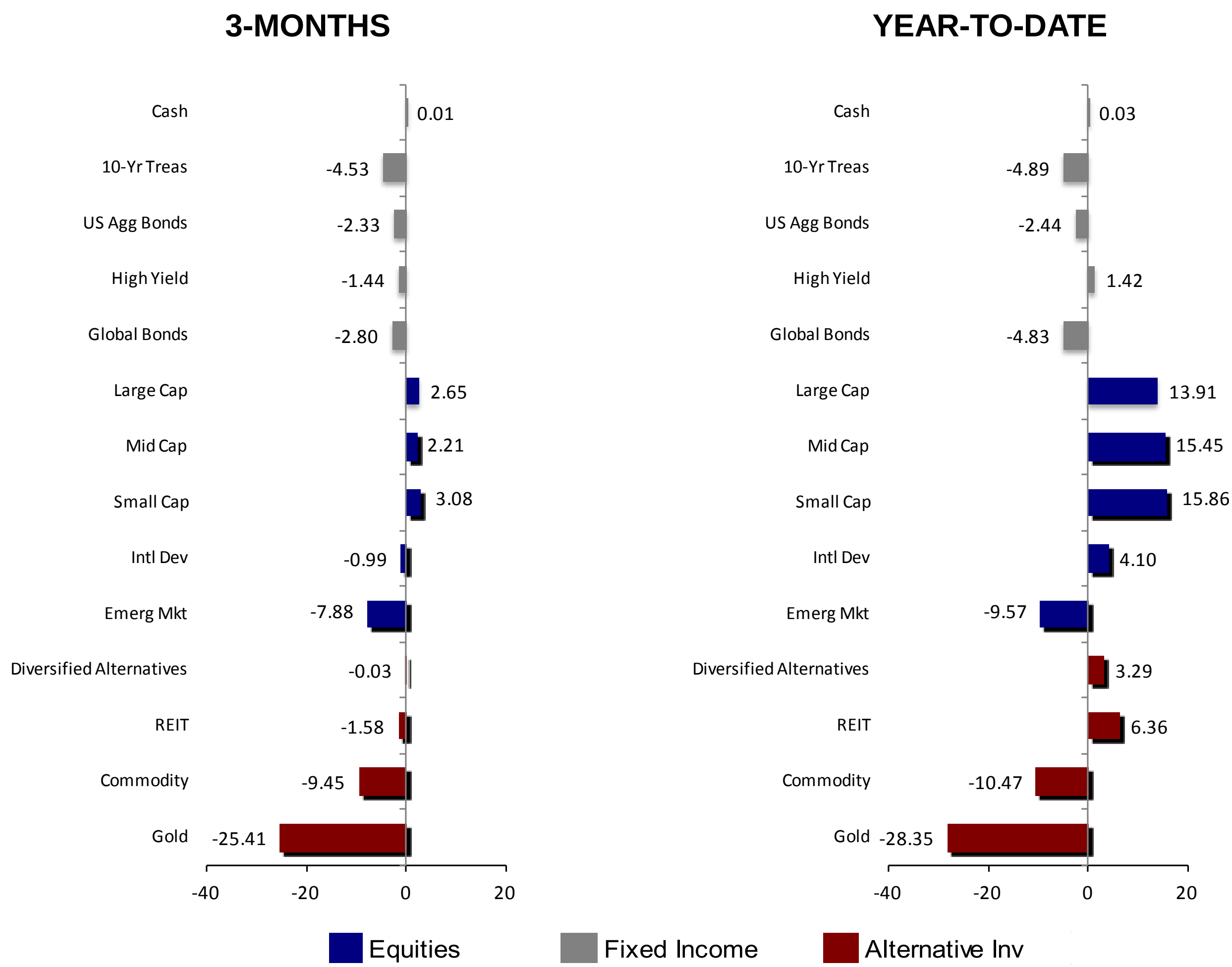
Capital Markets & Economic Review

FOR QUARTER ENDED JUNE 30, 2013

MARKET SUMMARY

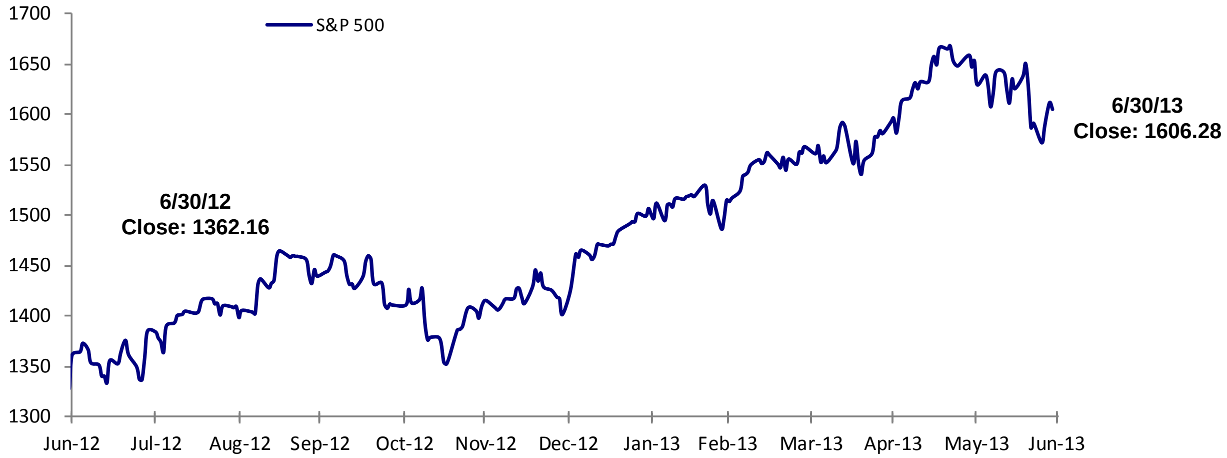


- Global equity markets posted mixed results for the second quarter of 2013. After hitting all-time highs in May, stocks sold off in June following the Federal Reserve's announcement about possible tapering of their quantitative easing program.
- The domestic equity market, as represented by the Russell 1000® Index, rose 2.65% during the quarter while the domestic fixed income market, as represented by the Barclays Aggregate Bond Index, returned -2.33%.
- The 10-year treasury yield rose to 2.49% at the end of June 2013, up from 1.85% at the end of the first quarter.
- While domestic large cap equities slightly outpaced domestic mid cap equities during the second quarter, they both trailed domestic small cap equities. Year-to-date, the Russell 1000® Index underperformed the Russell Midcap® Index and the Russell 2000® Index.
- Domestic equities continued to outperform developed international and emerging market equities by a fairly wide margin in the second quarter due to continued recessionary pressures in Europe and increased concerns regarding China's economic slowdown and tightening credit conditions. For the year-to-date period ending 6/30/13, the Russell 1000® Index outperformed the MSCI EAFE Index by 9.81% and the MSCI Emerging Markets Index by 23.48%
- Commodities posted another quarter of losses with a return of -9.45% during the second quarter. Gold suffered a steep decline of over 25%, falling below $1,200 for the first time since August 2010. REITS experienced the first loss in several quarters but still posted positive results for the year-to-date period.

FOR QUARTER ENDED JUNE 30, 2013

BROAD MARKET OVERVIEW

ONE-YEAR CLOSE OF S&P 500 INDEX



Returns, As of 6/30/13	Last Price	Change 1 Month	Change 3 Month	Change YTD	Change 1 Year	Change 3 Year	Change 5 Year	Change 10 Year
Capital Markets								
Dow Jones Industrial Av	14,909.60	-1.25%	2.92%	15.20%	18.87%	18.23%	8.64%	7.92%
S&P 500 Index	1,606.28	-1.34%	2.91%	13.82%	20.60%	18.45%	7.01%	7.30%
S&P 500 Value Index	751.54	-0.92%	3.36%	15.73%	25.04%	18.10%	6.47%	7.36%
S&P 500 Growth Index	845.37	-1.75%	2.48%	12.04%	16.78%	18.89%	7.57%	7.17%
Russell 1000® Index	890.67	-1.36%	2.65%	13.91%	21.24%	18.63%	7.12%	7.67%
Russell 1000® Value Index	820.93	-0.88%	3.20%	15.90%	25.32%	18.51%	6.67%	7.79%
Russell 1000® Growth Inde	729.59	-1.88%	2.06%	11.80%	17.07%	18.68%	7.47%	7.40%
Russell Midcap® Index	1,288.23	-1.21%	2.21%	15.45%	25.41%	19.53%	8.28%	10.65%
Russell Midcap® Value Inde	1,327.84	-1.19%	1.65%	16.10%	27.65%	19.53%	8.87%	10.92%
Russell Midcap® Growth Inc	574.00	-1.22%	2.87%	14.70%	22.88%	19.53%	7.61%	9.94%
Russell 2000® Index	977.48	-0.51%	3.08%	15.86%	24.21%	18.67%	8.77%	9.53%
Russell 2000® Value Index	1,281.01	-0.41%	2.47%	14.39%	24.76%	17.33%	8.59%	9.30%
Russell 2000® Growth Inde	565.70	-0.62%	3.74%	17.44%	23.67%	19.97%	8.89%	9.62%
MSCI EAFE Index	1,638.94	-3.55%	-0.99%	4.10%	18.62%	10.04%	-0.63%	7.67%
MSCI EAFE Value Inde	2,607.91	-3.95%	-0.80%	2.74%	18.56%	9.17%	-0.93%	7.64%
MSCI EAFE Growth Inc	1,260.51	-3.16%	-1.17%	5.47%	18.67%	10.85%	-0.38%	7.62%
MSCI Emerging Markets	940.33	-6.37%	-7.88%	-9.57%	2.87%	3.38%	-0.43%	13.66%
MSCI US REIT Index	945.70	-1.96%	-1.58%	6.36%	9.03%	18.28%	7.64%	10.82%
BARCLAYS AGG	1,799.31	-1.55%	-2.33%	-2.44%	-0.69%	3.51%	5.19%	4.52%
High Yield	1,493.40	-2.62%	-1.44%	1.42%	9.49%	10.74%	10.94%	8.91%
HFRI Fund of Funds Index	5,287.87	-1.44%	-0.03%	3.29%	7.19%	2.97%	-0.63%	3.44%

Yields, As of 6/30/13	Last Yield	Prior Month	3 Months Ago	Year-End	1 Year Ago	3 Years Ago	5 Years Ago
Cash & Bond Markets							
Fed Funds Target	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	2.00%
2-Year Treasury	0.36%	0.29%	0.24%	0.25%	0.30%	0.63%	2.62%
10-Year Treasury	2.49%	2.17%	1.85%	1.76%	1.58%	3.02%	3.97%
Municipal	2.73%	2.62%	2.58%	2.65%	2.82%	3.68%	N/A

Prices, As of 6/30/13	Last Price	Prior Month	3 Months Ago	Year-End	1 Year Ago	3 Years Ago	5 Years Ago
Commodities							
Gold	$1,234.57	$1,381.23	$1,596.82	$1,675.35	$1,552.63	$1,238.95	$927.80
Crude Oil	$96.56	$95.01	$97.23	$91.82	$77.69	$78.25	$140.21
Gasoline	$3.65	$3.73	$3.76	$3.37	$3.59	$2.80	$4.13

Source: Lipper (Capital Markets return data)

SIZE AND STYLE

FOR QUARTER ENDED JUNE 30, 2013

3-MONTHS

	Value	Core	Growth
Large	3.2	2.7	2.1
Mid	1.7	2.2	2.9
Small	2.5	3.1	3.7
Int'l	-0.8	-1.0	-1.2

YEAR-TO-DATE

	Value	Core	Growth
Large	15.9	13.9	11.8
Mid	16.1	15.5	14.7
Small	14.4	15.9	17.4
Int'l	2.7	4.1	5.5

1-YEAR

	Value	Core	Growth
Large	25.3	21.2	17.1
Mid	27.7	25.4	22.9
Small	24.8	24.2	23.7
Int'l	18.6	18.6	18.7

3-YEAR

	Value	Core	Growth
Large	18.5	18.6	18.7
Mid	19.5	19.5	19.5
Small	17.3	18.7	20.0
Int'l	9.2	10.0	10.9

5-YEAR

	Value	Core	Growth
Large	6.7	7.1	7.5
Mid	8.9	8.3	7.6
Small	8.6	8.8	8.9
Int'l	-0.9	-0.6	-0.4

Represents percent return in Russell indexes and MSCI EAFE Indexes. Boxes shown in red represent returns below 0%. Gray boxes represent returns between 0% and 10%. Returns above 10% are shown in blue. Source: Lipper

- All domestic equity size and style categories posted positive returns for the 3-month period, while international equities posted a loss across all three style categories. All categories were in positive territory for the year-to-date period, with 1-year returns in the double digits across the board.
- International markets underperformed domestic markets in the second quarter and are still underperforming for longer-term periods. Domestic large cap core stocks returned 18.6% for the 3-year period and international core stocks returned only 10.0%, a difference of 8.6%. The only category in which international markets outperformed domestic markets was in the large cap growth space for the 1-year period.
- For the fifth consecutive quarter, domestic large cap growth underperformed its value counterpart for the 3-month period. Domestic growth stocks lagged value stocks for the 1-year period across all market capitalizations. International value stocks posted a smaller loss than international growth stocks during the quarter but continue to lag for longer time periods.
- Small cap stocks outperformed large cap stocks during the quarter by 0.4% and continued to outperform for longer time periods.
- Financials, Consumer Discretionary, and Health Care were among the strongest-performing sectors for the quarter while Utilities, Materials, and Energy posted losses.

ANNUAL TOTAL RETURNS OF KEY ASSET CLASSES

Through 6/30/2013

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD
Mid Cap Blend 17.51%	Bonds 8.44%	Global Bonds 16.52%	Emerging Markets 55.82%	Emerging Markets 25.55%	Emerging Markets 34.00%	Emerging Markets 32.17%	Emerging Markets 39.39%	Bonds 5.24%	Emerging Markets 78.51%	Small Cap Blend 26.86%	Bonds 7.84%	Emerging Markets 18.22%	Large Cap Value 15.90%
Bonds 11.63%	High Yield 5.28%	Bonds 10.25%	Small Cap Blend 47.25%	Foreign Stocks 20.25%	Foreign Stocks 13.54%	Foreign Stocks 26.34%	Large Cap Growth 11.81%	Global Bonds 4.79%	High Yield 58.21%	Mid Cap Blend 26.64%	Global Bonds 5.64%	Mid Cap Blend 17.88%	Small Cap Blend 15.86%
Large Cap Value 7.01%	Alternative 2.80%	Alternative 1.01%	Foreign Stocks 38.59%	Small Cap Blend 18.33%	Mid Cap Blend 12.56%	Large Cap Value 22.25%	Foreign Stocks 11.17%	Alternative -21.39%	Mid Cap Blend 37.38%	Emerging Markets 18.88%	High Yield 4.98%	Large Cap Value 17.51%	Mid Cap Blend 14.60%
Alternative 4.07%	Small Cap Blend 2.49%	High Yield -1.41%	Mid Cap Blend 35.62%	Large Cap Value 16.49%	Alternative 7.50%	Small Cap Blend 18.37%	Alternative 10.26%	High Yield -26.16%	Large Cap Growth 37.21%	Large Cap Growth 16.71%	Large Cap Growth 2.64%	Foreign Stocks 17.32%	S&P 500 13.82%
Global Bonds 3.17%	Global Bonds 1.57%	Emerging Markets -6.17%	Large Cap Value 30.03%	Mid Cap Blend 16.48%	Large Cap Value 7.05%	S&P 500 15.79%	Global Bonds 9.48%.	Small Cap Blend -33.79%	Foreign Stocks 31.78%	Large Cap Value 15.51%	S&P 500 2.11%	Small Cap Blend 16.35%	Large Cap Growth 11.80%
Small Cap Blend -3.02%	Mid Cap Blend -0.61%	Mid Cap Blend -14.51%	S&P 500 28.68%	High Yield 11.13%	Large Cap Growth 5.26%	High Yield 11.85%	Mid Cap Blend 7.98%	Mid Cap Blend -36.23%	S&P 500 26.46%	High Yield 15.12%	Large Cap Value 0.39%	S&P 500 16.00%	Foreign Stocks 4.10%
High Yield -5.86%	Emerging Markets -2.61%	Large Cap Value -15.52%	Large Cap Growth 29.75%	S&P 500 10.88%	S&P 500 4.91%	Alternative 10.39%	Bonds 6.97%	Large Cap Value -36.85%	Small Cap Blend 27.17%	S&P 500 15.06%	Mid Cap Blend -1.73%	High Yield 15.81%	Alternative 3.29%
S&P 500 -9.11%	Large Cap Value -5.59%	Foreign Stocks -15.94 %	High Yield 28.97%	Global Bonds 9.27%	Small Cap Blend 4.55%	Mid Cap Blend 10.32%	S&P 500 5.49%	S&P 500 -37.00%	Large Cap Value 19.69%	Foreign Stocks 7.75%	Small Cap Blend -4.18%	Large Cap Growth 15.26%	High Yield 1.42%
Foreign Stocks -13.96%	S&P 500 -11.88%	Small Cap Blend -20.48%	Global Bonds 12.51%	Alternative 6.87%	High Yield 2.74%	Large Cap Growth 9.07%	High Yield 1.87%	Large Cap Growth -38.44%	Alternative 11.46%	Bonds 6.56%	Alternative -5.72%	Alternative 5.31%	Bonds -2.44%
Large Cap Growth -22.42%	Large Cap Growth -20.42%	S&P 500 -22.10%	Alternative 11.62%	Large Cap Growth 6.30%	Bonds 2.43%	Global Bonds 6.64%	Large Cap Value -0.17%	Foreign Stocks -43.38%	Global Bonds 6.93%	Alternative 5.68%	Foreign Stocks -12.14%	Global Bonds 4.32%	Global Bonds -4.83%.
Emerging Markets -30.61%	Foreign Stocks -21.44%	Large Cap Growth -27.89%	Bonds 4.10%	Bonds 4.34%	Global Bonds -4.49%	Bonds 4.33%	Small Cap Blend -1.57%	Emerging Markets -53.33%	Bonds 5.93%	Global Bonds 5.54%	Emerging Markets -18.42%	Bonds 4.22%	Emerging Markets -9.57%

Best Performing

Worst Performing

- Large Cap Blend: S&P 500 Index
- Large Cap Growth: Russell 1000® Growth Index
- Large Cap Value: Russell 1000® Value Index
- Mid Cap Blend: S&P MidCap 400 Index
- Small Cap Blend: Russell 2000® Index
- Foreign Stocks: MSCI EAFE Index
- Global Bonds: Barclays Global Aggregate Bond Index
- High Yield: Barclays Corporate High Yield Index
- Bonds: Barclays Capital U.S. Aggregate Bond Index
- Alternatives: HFRI Fund of Fund Composite Index
- Emerging Markets: MSCI Emerging Mkts

Past performance is no guarantee of future results. Chart performance is derived from various unmanaged indices, is illustrative in nature and not representative of any specific fund.

Source: Lipper, Zephyr, Bloomberg

ANNUAL TOTAL RETURNS OF KEY ECONOMIC SECTORS

Through 6/30/2013

Best Performing

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD
Utilities 55.82%	Materials 1.02%	Con Staples -4.92%	Info Tech 46.18%	Energy 30.68%	Energy 30.12%	Telecom Services 37.21%	Energy 34.93%	Con Staples -15.62%	Info Tech 61.37%	Cons Discret. 30.40%	Utilities 19.58%	Financials 28.28%	Health Care 20.3%
Health Care 36.20%	Cons Discret. -1.94%	Materials -7.78%	Cons Discret. 40.29%	Telecom Services 27.94%	Utilities 17.87%	Energy 24.27%	Materials 29.60%	Health Care -22.16%	Materials 51.46%	Industrials 27.65%	Con Staples 12.90%	Cons Discret. 24.49%	Cons Discret. 19.8%
Financials 25.99%	Con Staples -6.30%	Energy -12.10%	Materials 36.41%	Utilities 24.17%	Health Care 7.31%	Utilities 20.58%	Utilities 20.06%	Utilities -29.67%	Cons Discret. 43.65%	Materials 23.44%	Health Care 12.07%	Health Care 19.06%	Financials 19.5%
Con Staples 17.66%	Industrials -7.61%	Financials -14.31%	Industrials 32.81%	Industrials 18.01%	Financials 6.14%	Cons Discret. 19.82%	Info Tech 16.75%	Cons Discret. -34.30%	S&P 500 26.46%	Energy 20.64%	Cons Discret. 5.33%	Telecom Services 18.77%	Con Staples 15.2%
Energy 16.69%	Energy -8.52%	Health Care -20.45%	Financials 30.23%	Cons Discret. 15.09%	S&P 500 4.91%	Financials 19.73%	Con Staples 14.51%	Energy -35.66%	Industrials 22.26%	Telecom Services 18.77%	Telecom Services 4.27%	S&P 500 16.00%	S&P 500 13.8%
Industrials 5.44%	Financials -9.01%	S&P 500 -22.10%	S&P 500 28.68%	Materials 12.11%	Con Staples 4.85%	S&P 500 15.79%	Industrials 12.82%	Telecom Services -36.02%	Health Care 20.20%	S&P 500 15.06%	Energy 2.96%	Industrials 15.69%	Industrials 13.8%
S&P 500 -9.11%	S&P 500 -11.88%	Industrials -27.69%	Energy 25.88%	Financials 11.09%	Materials 4.13%	Materials 15.60%	Telecom Services 8.39%	S&P 500 -37.00%	Financials 17.13%	Con Staples 14.19%	Info Tech 2.57%	Materials 15.24%	Telecom Services 10.6%
Materials -12.87%	Health Care -14.37%	Cons Discret. -29.51%	Utilities 24.11%	S&P 500 10.88%	Info Tech 3.01%	Con Staples 14.61%	Health Care 6.53%	Industrials -41.10%	Telecom Services 16.58%	Financials 13.39%	S&P 500 2.11%	Info Tech 14.96%	Utilities 9.9%
Cons Discret. -24.47%	Telecom Services -18.52%	Utilities -31.65%	Telecom Services 18.83%	Con Staples 8.70%	Industrials 2.47%	Industrials 14.04%	S&P 500 5.49%	Info Tech -42.45%	Energy 16.38%	Info Tech 10.14%	Industrials -.47%	Con Staples 10.65%	Energy 9.8%
Info Tech -39.29%	Info Tech -28.55%	Info Tech -37.76%	Health Care 15.45%	Health Care 1.77%	Telecom Services -2.09%	Info Tech 7.91%	Cons Discret. -10.97%	Materials -46.58%	Con Staples 14.74%	Utilities 5.34%	Materials -9.27%	Energy 4.60%	Info Tech 6.4%
Telecom Services -41.84%	Utilities -35.06%	Telecom Services -38.55%	Con Staples 13.02%	Info Tech 1.63%	Cons Discret. -6.92%	Health Care 7.77%	Financials -16.59%	Financials -53.38%	Utilities 12.60%	Health Care 2.95%	Financials -16.38%	Utilities 1.41%	Materials 2.9%

Worst Performing

Consumer Discretionary
Information Technology
Telecommunication Services
S&P 500 Benchmark
Financials
Industrials
Energy
Materials
Consumer Staples
Health Care
Utilities

2Q 2013

	Early Cyclicals				Late Cyclicals		Defensive			
Weights	Cons Discr	Financials	Technology	Industrials	Materials	Telecom	Energy	Health Care	Cons Stap	Utilities
S&P 500	12.2%	16.7%	17.8%	10.2%	3.3%	2.8%	10.5%	12.7%	10.5%	3.3%
Russell 1000® Grow th	17.7%	4.9%	28.2%	13.0%	3.9%	2.3%	4.1%	13.1%	12.6%	0.2%
Russell 1000® Value	8.6%	28.7%	7.0%	9.0%	3.3%	3.0%	15.3%	11.8%	7.1%	6.3%

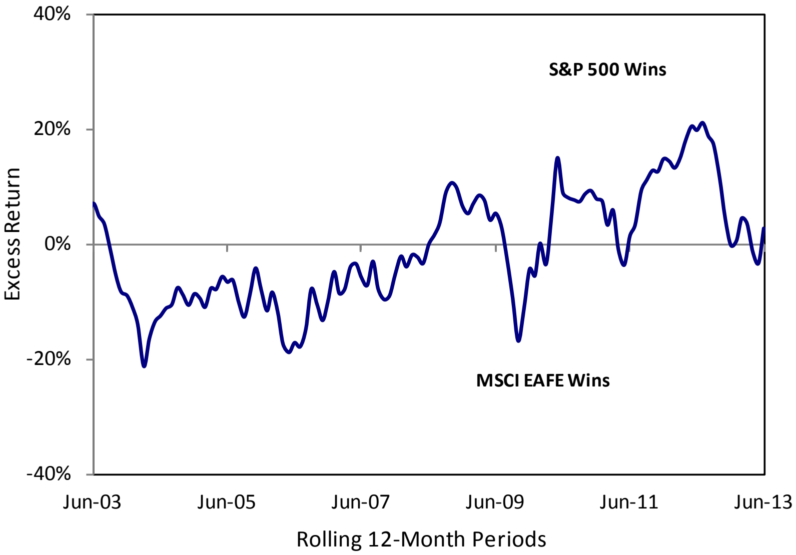
Past performance is no guarantee of future results. Chart performance is derived from various unmanaged indices, is illustrative in nature and not representative of any specific fund.

Source: Lipper, Zephyr, Bloomberg

INTERNATIONAL EQUITY

FOR QUARTER ENDED JUNE 30, 2013

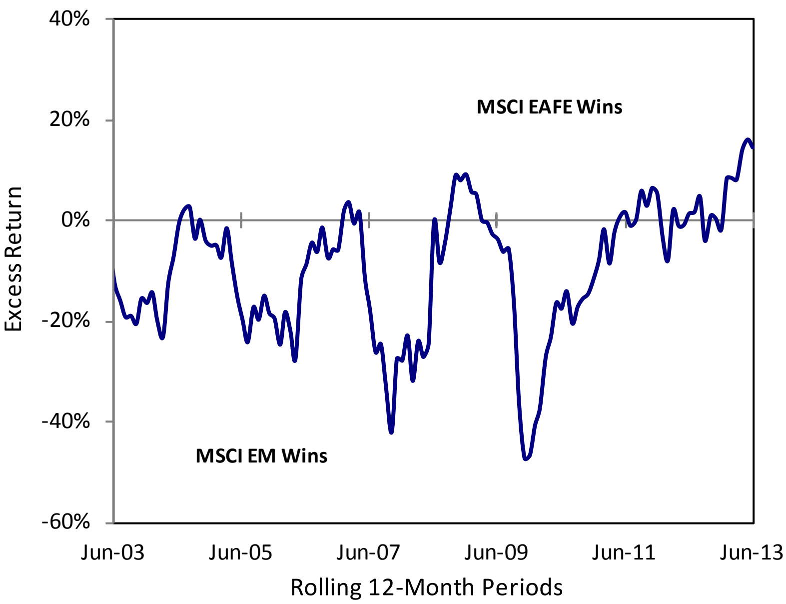
U.S. VERSUS INTERNATIONAL



- The spread in returns between domestic equity and international equity continued to increase during the second quarter of 2013. The S&P 500 Index outperformed the MSCI EAFE Index over the one-year period ending 6/30/13 with a gain of 20.6% versus 18.6% for the MSCI EAFE Index.
- International markets trailed as Europe remained in a recession amidst fiscal austerity measures and European Union banks' weak balance sheets. Weaker economic growth in China and geopolitical concerns in the Middle East weighed heavily on emerging markets.
- Economic data remained stronger in the United States with continued improvements in housing, consumer confidence and employment.

DEVELOPED VERSUS EMERGING MARKETS

- The MSCI Emerging Markets (EM) Index posted a loss of -7.9% for the second quarter, bringing the 1-year return to just 2.9%.
- The MSCI EAFE Index, representing international developed markets, outperformed the MSCI Emerging Markets Index over the one-year rolling period ended 6/30/2013.
- The MSCI Emerging Markets Index has outperformed the MSCI EAFE Index in 8 of the past 10 calendar years.
- Over the past 12 months, the MSCI EAFE Index and MSCI Emerging Markets Index have traded the lead 4 times based on rolling one-year returns.
- We believe the emerging markets still offer attractive long-term investment opportunities but recognize that slower economic growth could cause these markets to extend their weak performance in the short-term.



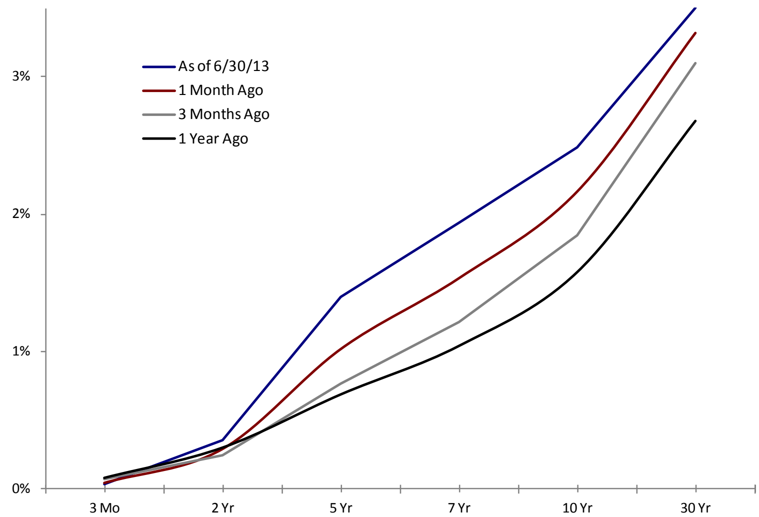
FIXED INCOME

FOR QUARTER ENDED JUNE 30, 2013

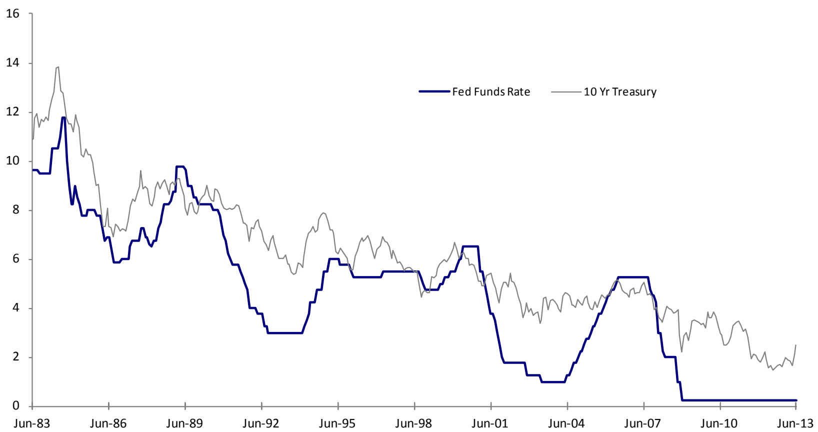
Yields, As of 6/30/13	Last Yield	Prior Month	3 Months Ago	Year-End	1 Year Ago	3 Years Ago	5 Years Ago
Cash & Bond Markets							
Fed Funds Target	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	2.00%
2-Year Treasury	0.36%	0.29%	0.24%	0.25%	0.30%	0.63%	2.62%
10-Year Treasury	2.49%	2.17%	1.85%	1.76%	1.58%	3.02%	3.97%
Municipal	2.73%	2.62%	2.58%	2.65%	2.82%	3.68%	N/A

- Bond prices declined across the board as interest rates spiked near the end of the second quarter, resulting in negative quarterly returns for the bond market.
- The 10-year Treasury returned -4.5% during the second quarter while high yield bonds posted a smaller decline of -1.4%. For the year-to-date period, high yield bonds gained 1.4% compared to the 10-year Treasury return of -4.9%.
- The Barclays Aggregate Bond Index posted a -2.3% return for the quarter, bringing the year-to-date return to -2.4%.
- Despite the increase in interest rates, yields remain low relative to historical periods.

TREASURY YIELD CURVES



HISTORICAL FED FUNDS RATE VERSUS 10-YEAR TREASURY



- In June the Federal Reserve announced it will likely begin reducing the size of its monthly asset purchases, currently $85 billion in U.S. government securities, later this year.
- The Fed set a 7% unemployment rate threshold for terminating any further asset purchases, which could be reached by mid 2014.
- The Federal Reserve reiterated they could begin to raise the Fed Funds rate when the unemployment rate reaches 6.5%, which could be reached by mid 2015.
- The Fed appears to be more optimistic about the economy but will focus on GDP growth, unemployment and inflation as key indicators for the health of the domestic economy.
- Currently, the Fed Funds rate remains pegged at 0.0 to 0.25%.

TACTICAL ASSET ALLOCATION

FOR QUARTER ENDED JUNE 30, 2013

Bonds vs Stocks **NEUTRAL**	We are neutral between stocks and bonds. While we believe stocks could outperform bonds over longer periods, the short-term risks still evident in the economy restrain our call to increase the allocation to equities. We are maintaining our neutral position between stocks and bonds at this time but are looking for opportunities to overweight equities.
U.S. vs Intl **NEUTRAL**	After maintaining an overweight to domestic equities for an extended period, we are currently positioned with a neutral allocation between domestic and international equities. While the U.S. growth outlook is more favorable, developed international appears attractive from a valuation standpoint.
Developed vs Emerging ✔ (Emerging)	Emerging markets still offer better long-term investment opportunities than developed international markets, but slower economic growth could cause these markets to extend their weak performance in the short-term. From a valuation standpoint, emerging markets appear more attractive.
Active vs Passive **NEUTRAL**	The past few years have proved to be difficult for active managers as equity markets have been highly correlated and largely driven by macro events. We favor a combination of active and passive strategies but recognize that the environment may be improving for active managers in general.
Growth vs Value **NEUTRAL**	We believe a neutral allocation between growth and value is appropriate given an uncertain economic environment and potential impact on the various market sectors.
Treasury vs Spread ✔ (Spread)	While the Federal Reserve is expected to keep short-term rates low for the next few years, market movements could send rates higher and pressure bond prices. In this environment, we favor shorter durations and spread sectors over Treasury securities.

OTHER INVESTMENT THEMES

- We continue to recommend the implementation of alternative investment strategies as a risk management tool to diversify portfolios and reduce the volatility of returns.

RISKS TO OUR OUTLOOK

- Resurgence of sovereign debt problems in Europe could impact both domestic and international markets as Europe remains a potential source of negative economic news around the globe.
- Congress will have to address the debt limit again in the fall, and the U.S. will face another round of sequestration spending cuts in early 2014.
- While the removal of monetary stimulus is a longer-term necessity, the impact of less accommodation from the Federal Reserve and higher interest rates could present a headwind for the markets.
- Faster economic growth than anticipated, higher inflation or a faster decline in unemployment could push the Federal Reserve to act earlier than expected with monetary tightening.
- Conflict in the middle east and other geopolitical issues in that region could contribute to global macro uncertainties.
- The implementation of new regulation mandated by the Dodd-Frank Act may have an unforeseen impact on the financial markets.

KEY ECONOMIC INDICATORS[1]

GROSS DOMESTIC PRODUCT (GDP)

Actual	Previous	Frequency	Next Release
1.80%	0.40%	Quarterly	7/31/2013

- The recent estimate for first quarter 2013 GDP showed growth of 1.8%, up from a 0.4% pace during the fourth quarter of 2012.
- We expect the overall GDP growth rate to be roughly 2-2.25% in 2013. GDP should improve in the second half of 2013 and into 2014.

10-YEAR TREASURY RATE

Prev Close	1 Mo Ago	6 Mos Ago	2013 Consensus Estimate
2.49%	2.17%	1.70%	2.00%

- The Federal Reserve could begin to raise the Fed Funds rate when the unemployment rate reaches 6.5%, which could be reached by mid 2015.

CORE INFLATION

Actual	Previous	Frequency	Next Release
1.70%	1.70%	Monthly	7/16/2013

- We do not expect core inflation to move materially higher in an environment where unemployment is above the long-term average, and spare capacity is plentiful.
- Food and energy prices are excluded from core inflation due to the volatile nature of their respective prices. At 1.7%, core inflation has fallen below the 2% lower-end of the Federal Reserve's targeted range and remains well below the long-term average of roughly 4%.

UNEMPLOYMENT

Actual	Previous	Frequency	Next Release
7.60%	7.60%	Monthly	8/2/2013

- Employment data released on 7/5/13 showed the unemployment rate unchanged from the previous month at 7.6%. While the unemployment rate has decreased from the 10% level witnessed in the fall of 2009, much of the decline in the unemployment rate has largely been driven by a reduction in the labor force.
- Private sector job creation has averaged 194,000 per month in 2013, in line with the average of 189,000 per month seen throughout 2012.

CONSUMER CONFIDENCE (UNIV OF MICHIGAN)

Actual	Previous	Frequency	Next Release
84.10	84.50	Monthly	7/12/2013

- Consumer confidence decreased from 84.5 in May to 84.1 in June, but is up 15.4% from the most recent low in August 2011 and almost back to the historical average of around 85.3.

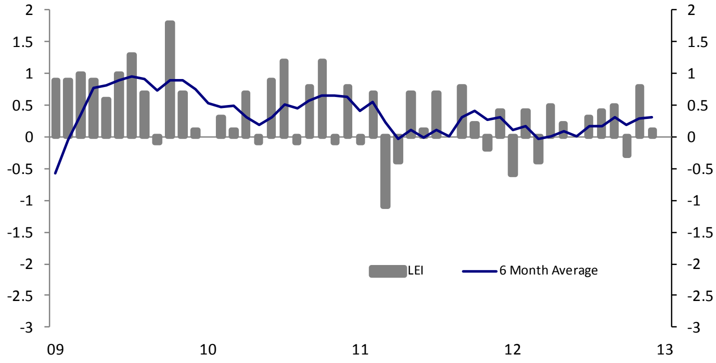
CRUDE OIL

Prev Close	3 Mos Ago	6 Mos Ago	1 Yr Ago
$96.56	$97.23	$90.80	$77.69

- Oil prices decreased slightly in the second quarter of 2013 but are still up from year-end 2012.

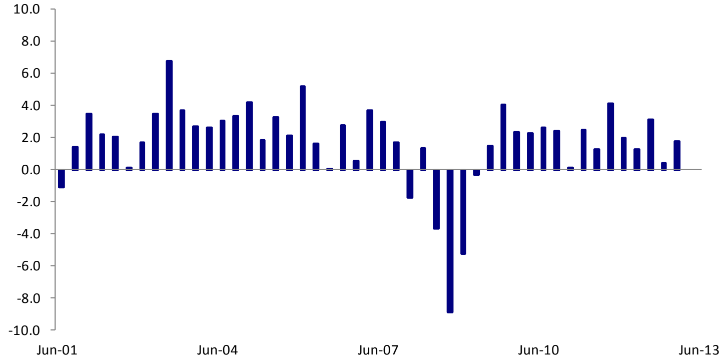
A LOOK AT KEY ECONOMIC INDICATORS OVER TIME

LEADING INDICATORS



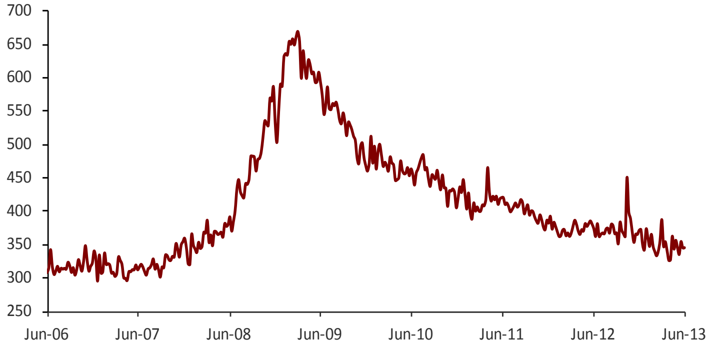
Source: Bloomberg

REAL GDP



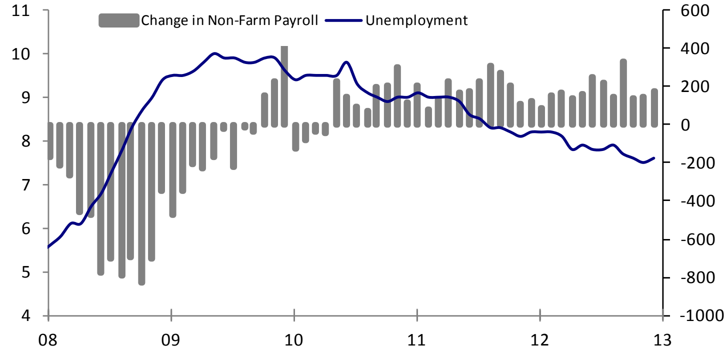
Source: U.S. Department of Commerce: Bureau of Economic Analysis/FRED

WEEKLY JOBLESS CLAIMS (In 000s)



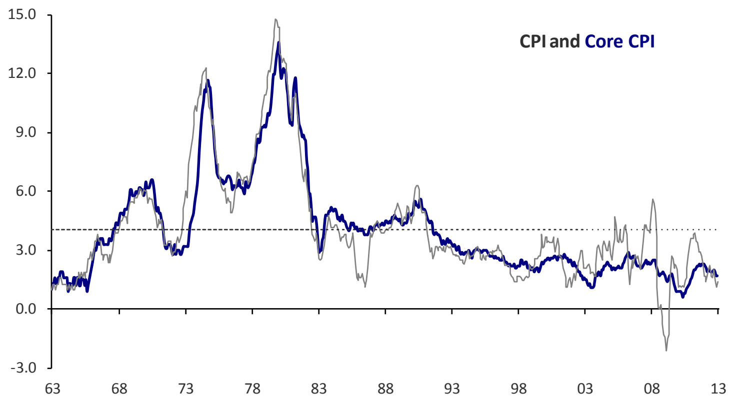
Source: Bloomberg

LABOR MARKET & UNEMPLOYMENT



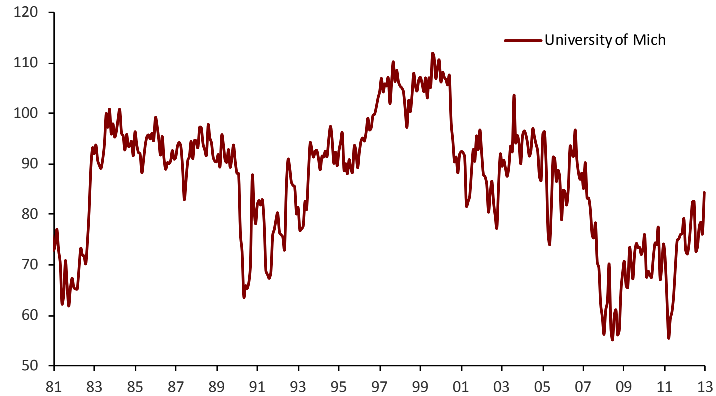
Source: Bloomberg

HEADLINE VS CORE INFLATION



Source: Bloomberg

CONSUMER CONFIDENCE



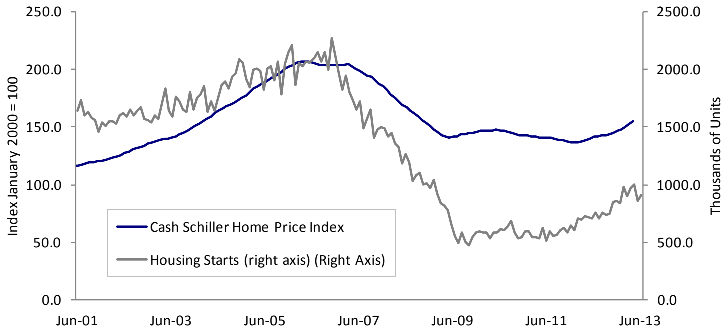
Source: Bloomberg

A LOOK AT VARIOUS ECONOMIC DATA POINTS

OIL PRICES (WTI)

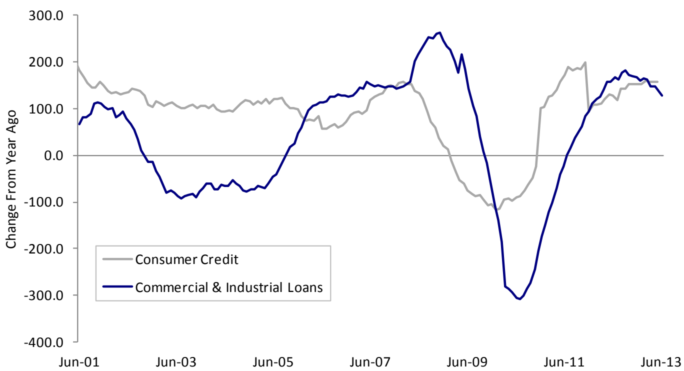
Source: U.S. Department of Energy: Energy Information Administration/FRED

HOUSING



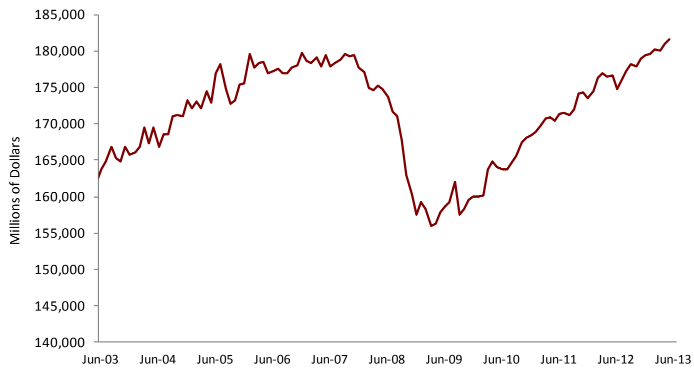
Source: Standard and Poor's/U.S. Department of Commerce: Census Bureau/FRED

CONSUMER & COMMERCIAL CREDIT



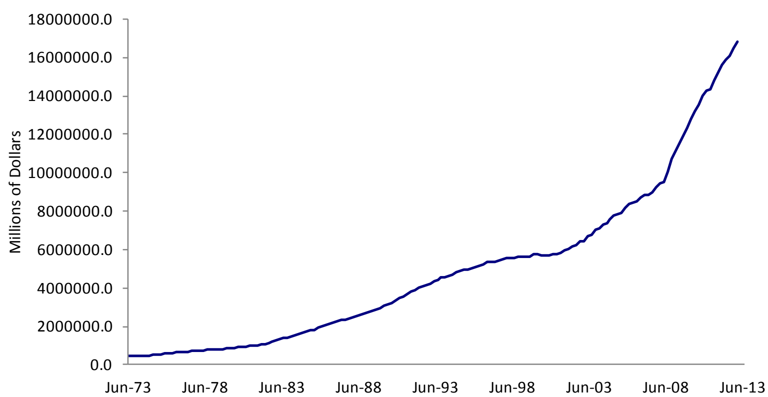
Source: Board of Governors of the Federal Reserve System/FRED

RETAIL SALES



Source: Federal Reserve Bank of St. Louis/FRED

FEDERAL DEFICIT



Source: U.S. Department of the Treasury: Financial Management Service/FRED

BOK FINANCIAL® WEALTH MANAGEMENT

IMPORTANT INFORMATION

Unless otherwise indicated, Bloomberg was the data source for all data points presented herein.

The HFRI Fund of Funds Composite has been included to represent performance of diversified alternative investments. Performance is pulled from HFRI and may include preliminary returns.

[1]Key economic indicators reflect information available as of July 8, 2013.

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