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INVESTMENT ADVISORS

*Strategic thinking. Customized solutions.*

# Wilton, Town of

## Quarterly Investment Review - Third Quarter 2016

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*Fiduciary Governance Calendar*

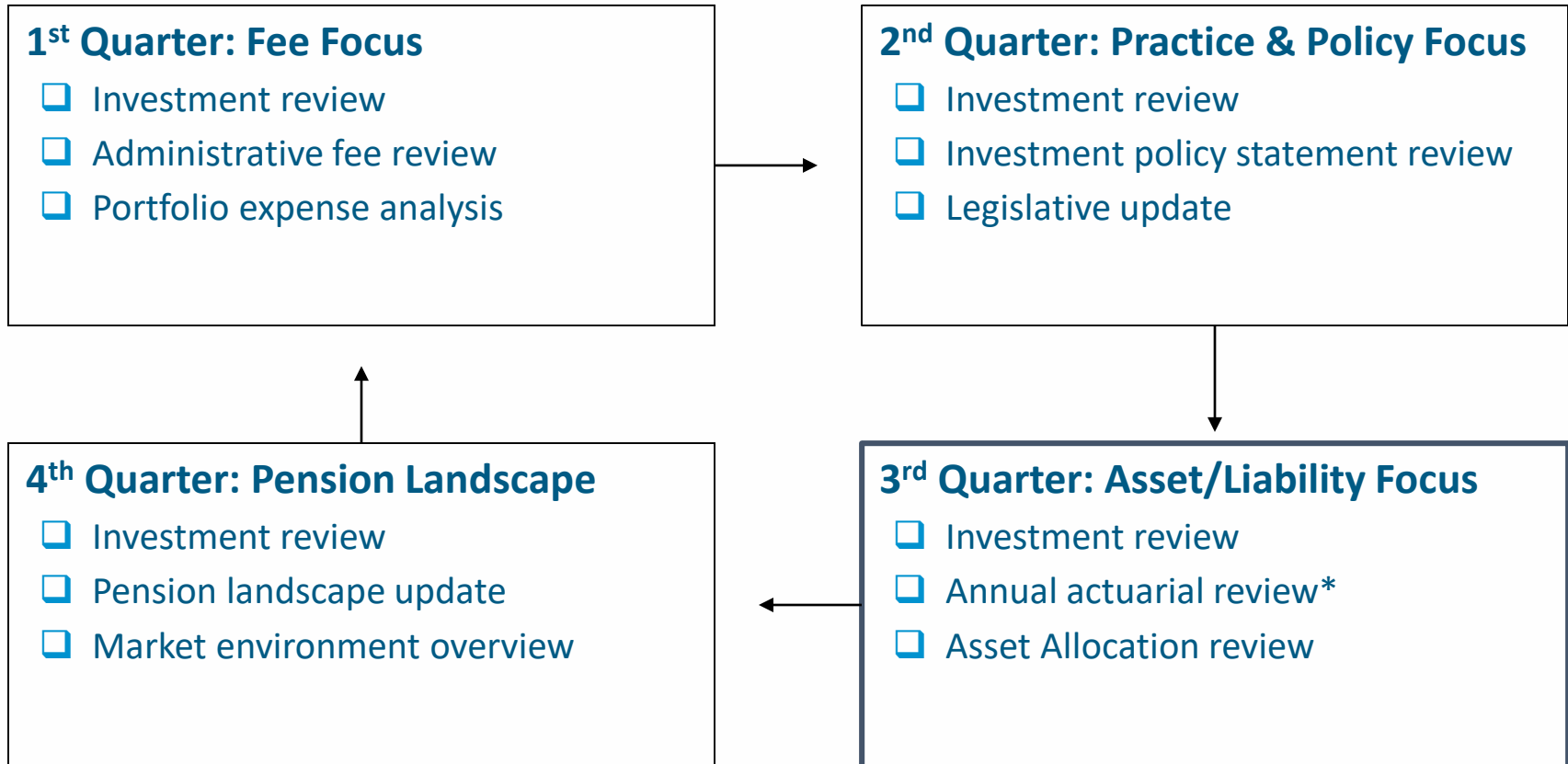
## Section 2

*Capital Markets Overview*

## Section 3

*Portfolio and Manager Review*

# Defined Benefit Fiduciary Governance Calendar



\* Timing of actuarial and liability review dependent on client's individual plan and /or fiscal year and actuarial input.

# Hooker & Holcombe, Inc. Actuarial Review

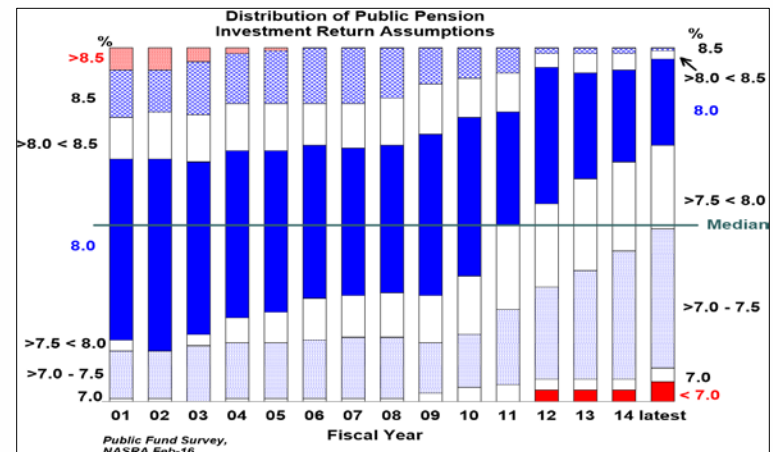
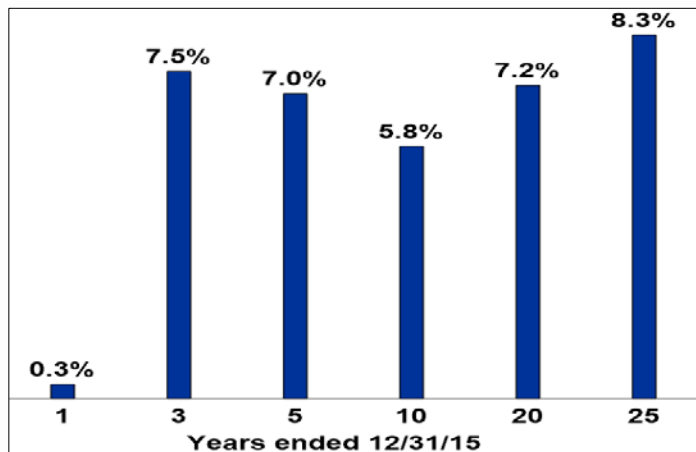
Hooker & Holcombe, Inc. Actuarial Valuation Report July 1, 2014		
	7/1/2014	7/1/2012
Actuarial Value of Assets	4,398,419	2,584,820
Total Accrued Liability	7,665,302	7,426,288
Funded Ratio	57.4%	34.8%
Actuarial Return Assumption	7.13%	7.25%

Source: Hooker & Holcombe, Inc., 2014 Valuation Report

# Public Plans – Investment Return Assumptions

*Consistent with other actuarial assumptions, projecting investment returns for public pension plans requires a focus on the long term.*

- Investment earnings account for a significant portion of revenue for a public pension plan. An investment return that is **set too low** can overstate liabilities and costs, while a rate **set too high** will understate liabilities at the expense of future taxpayers.
- A plan’s actuary and its investment advisor can assist in establishing an investment policy by predicting the cost of future benefits and working collaboratively with the plan sponsor to determine an asset allocation which, when combined with adequate contributions, will generate sufficient growth to meet pension obligations.
- As illustrated below, over the last 25 years ending December 31, 2015, pension fund investment returns have exceeded their assumed rates of return. This time frame spans three economic recessions and four years when median public pension fund investment returns were negative.\*
- Directionally, investment return assumptions for public plans have trended lower, influenced by changes in economic and financial conditions.\*



\*Source: Callan Associates, NASRA. Distribution of Public Pension Investment Return Assumptions among 127 plans measured.

# Asset Allocation Analysis

- **Asset allocation** is the primary determinant of long-term investment results.<sup>1</sup>
- FIA utilizes **mean-variance optimization**, which is augmented by **Monte Carlo simulation**, as the basis for asset allocation analysis. These exercises are conducted via a software package called Stylus.
- The analysis relies heavily on data input. FIA develops **risk and return assumptions** for each major asset class on an annual basis. The annual process is as follows:
  - ✓ The FIA Investment Committee discusses the current economic landscape, reviews the previous year's assumptions, and compares FIA's current thinking with that of other industry thought leaders
  - ✓ FIA gathers survey data of the risk/return assumptions from over 20 investment firms
  - ✓ Standing assumptions are either verified or updated
  - ✓ Assumptions are developed for both a **full market cycle** outlook (7-10 year) and a **long term** outlook (20 year)
- **Correlations** (how asset classes behave in reference to one another) also significantly impact asset allocation analysis.
  - ✓ Correlation information is historical in nature (rather than forward-looking)
- The industry trend has been to lower **actuarial investment return assumptions** based on lower capital market expectations. Given the current market environment, full market cycle (7-10 year) return assumptions are lower than long term (20 year) assumptions.

<sup>1</sup> Brinson, G.P., Singer, B.D. and Beebower, G.I., "Determinants of Portfolio Performance II: An Update", Financial Analysts Journal, May-June 1991.

# Asset Allocation Analysis

## FIA Asset Class Assumptions:

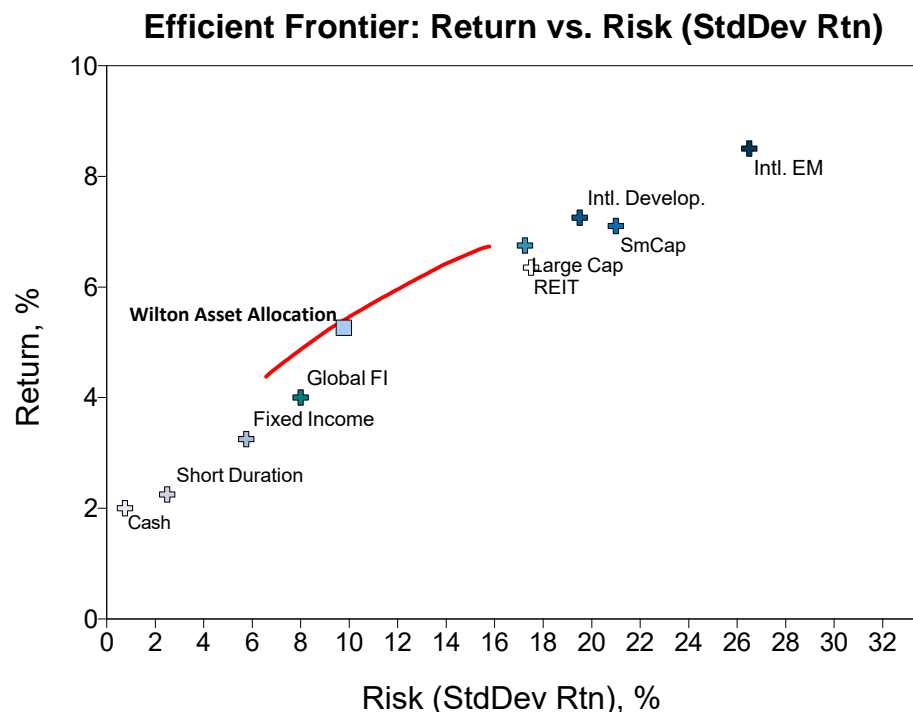
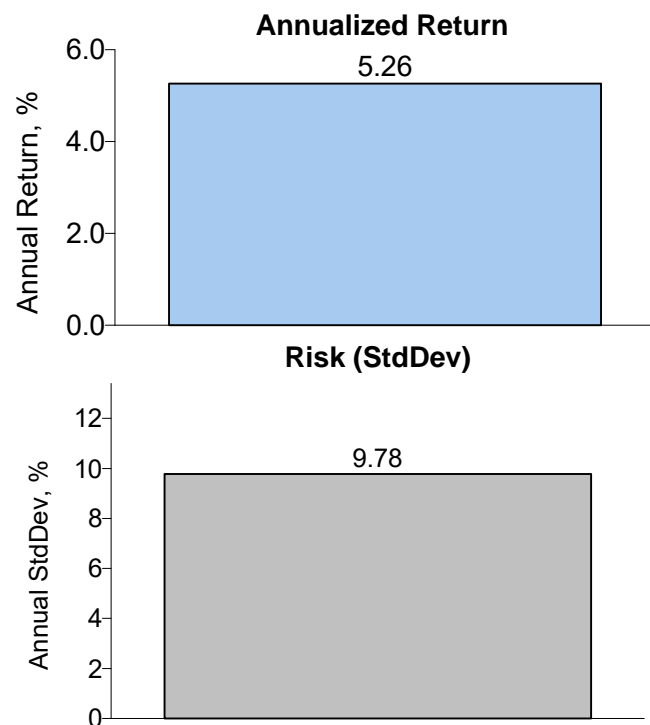
Asset Class	Wilton OPEB Target Allocation	Return Assumption: Full Market Cycle (7-10 Year)	Return Assumption: Long Term (20 Year)	Risk (StdDev)
Cash	5.00	2.00	2.75	0.75
Short Duration Fixed Income	5.00	2.25	2.25	2.50
Core Fixed Income	30.00	3.25	4.00	5.75
Global Fixed Income	5.00	4.00	4.25	8.00
U.S. Large Cap	21.00	6.75	7.85	17.25
U.S. Small Cap	9.00	7.10	8.15	21.00
International Developed	16.00	7.25	8.05	19.50
Emerging Markets	4.00	8.50	9.10	26.50
REITs	5.00	6.35	6.75	17.50

- Risk/return assumptions are developed on an annual basis
- Risk/return assumptions are forward-looking in nature
- Return assumptions are nominal (not real)



# Asset Allocation Analysis

## Portfolio Risk & Return - Full Market Cycle (7-10 Year)



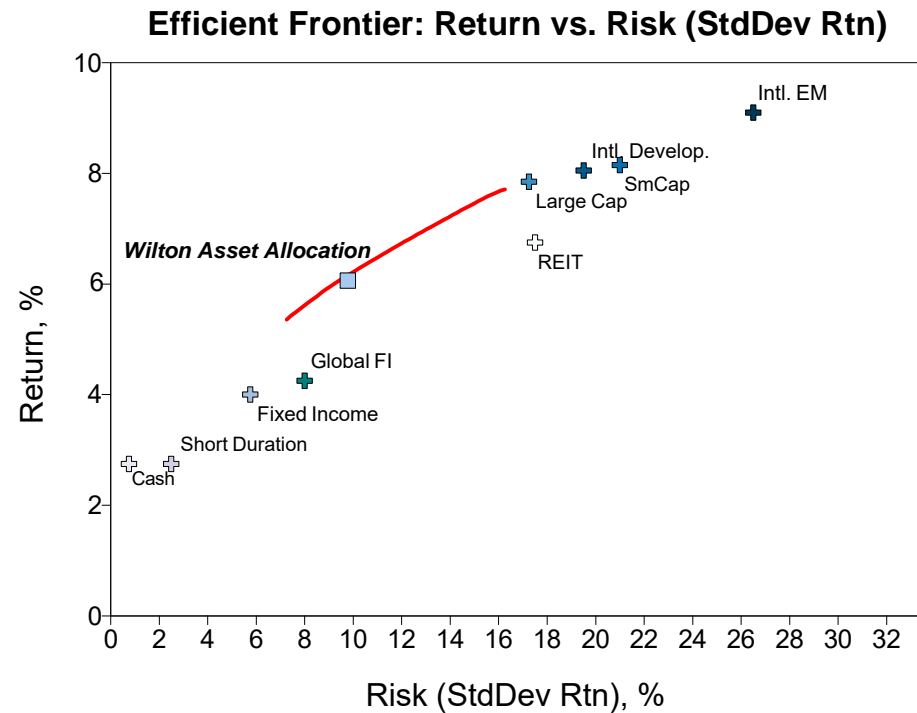
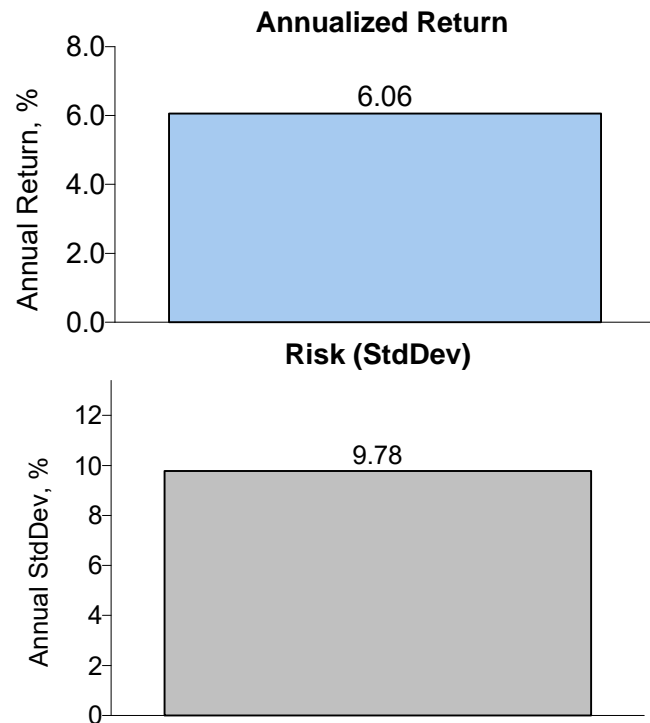
## Portfolio Return Distributions

Annual Return, %

	Wilton Asset Allocation			
	1Y	3Y	5Y	10Y
5th Percentile	-8.8	-3.6	-1.8	0.0
25th Percentile	-0.5	1.5	2.2	3.0
50th Percentile	5.1	4.9	5.0	4.9
75th Percentile	10.9	8.4	7.6	6.9
95th Percentile	19.8	13.4	11.5	9.6

# Asset Allocation Analysis

## Portfolio Risk & Return - Long Term (20 Year)



## Portfolio Return Distributions

Annual Return, %

	Wilton Asset Allocation			
	1Y	3Y	5Y	10Y
5th Percentile	-8.4	-2.9	-1.0	0.7
25th Percentile	0.1	2.3	3.1	3.8
50th Percentile	5.7	5.7	5.8	5.7
75th Percentile	11.8	9.2	8.5	7.6
95th Percentile	21.4	14.2	12.5	10.4

# Market Review

While investor expectations continue to center on December for the next Fed rate hike, attention now shifts to **the campaign's ultimate duration and magnitude**. The deeper scope of policy responses in place overseas, motivated by particularly vexing economic conditions, suggest that **this rate hike campaign may conclude as among the shallowest on record**.

**The U.S. economy continues to advance** but ever so gradually, bracketed by generally favorable data on the consumer front but more constrained business statistics. The Federal Reserve Bank of Atlanta's **latest estimate for Q3 GDP growth stands at an annualized rate of 2.1%**.

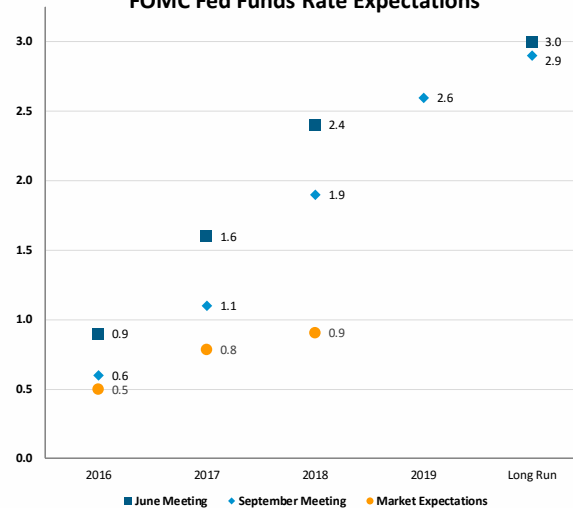
The **macroeconomic backdrop elsewhere is more muddled**. Both the Eurozone and Japan profile with more subdued realizations of (and expectations for) growth in addition to below desired levels of inflation. China continues along its path of moderated growth but at a level meaningfully higher than the developed world, sourcing much of this advantage from robust gains in consumption.

**Equities advanced in a largely universal manner** across the global opportunity set although the **strongest performance was reserved for international equities, particularly emerging market stocks** which mustered support from reasonably stable currency and commodity markets. **Within the U.S., small capitalization names possessed a sizable performance advantage** over their larger cap counterparts as their relative insulation from foreign economic sluggishness united with a buoyant earnings environment. While growth outpaced value across the capitalization spectrum, the differences were largely inconsequential.

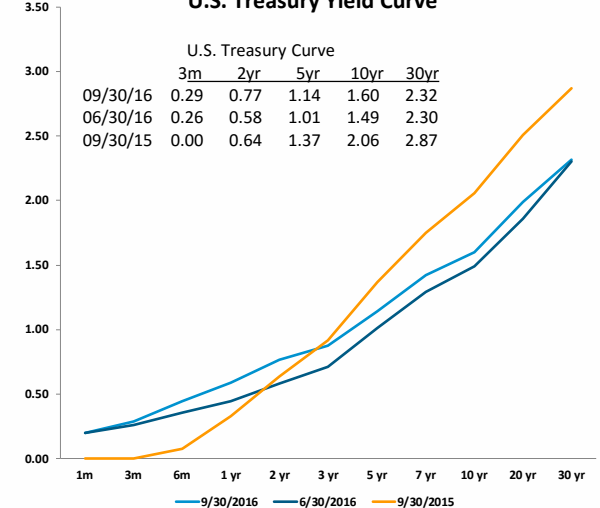
**Fixed income markets collectively delivered positive returns** with the **highest performance once again provided by the yield-advantaged credit segments** (investment grade, high yield, and bank loan). Interest rates spiked marginally higher across the developed markets which stressed government bond returns.

**Commodity prices consolidated marginally** as lingering concerns of excess supply, seasonal adjustments, and the prospects for higher interest rates diminished enthusiasm in the arena. Production cuts announced by OPEC as the quarter ended have lent more recent support to oil prices.

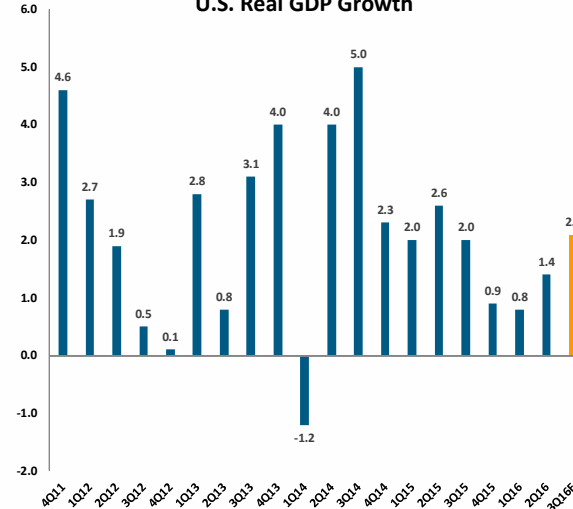
FOMC Fed Funds Rate Expectations



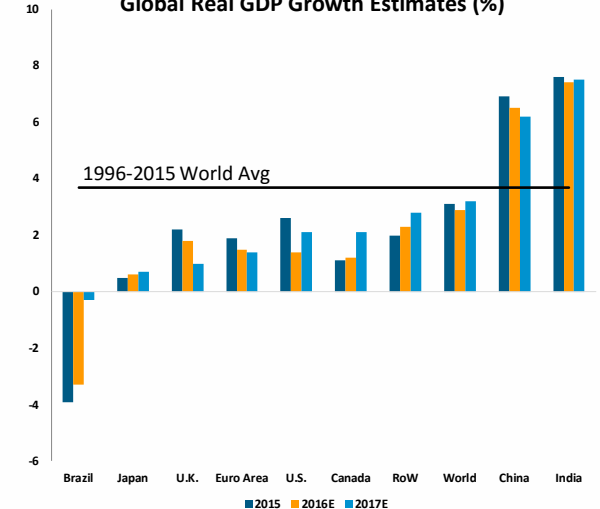
U.S. Treasury Yield Curve



U.S. Real GDP Growth



Global Real GDP Growth Estimates (%)



# Index Results

U.S. EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
S&P 500	3.9	7.8	15.4	11.2	16.4	7.2
Russell 1000	4.0	7.9	14.9	10.8	16.4	7.4
Russell 1000 Value	3.5	10.0	16.2	9.7	16.2	5.9
Russell 1000 Growth	4.6	6.0	13.8	11.8	16.6	8.8
Russell Mid Cap	4.5	10.3	14.2	9.7	16.7	8.3
Russell Mid Cap Value	4.4	13.7	17.3	10.5	17.4	7.9
Russell Mid Cap Growth	4.6	6.8	11.2	8.9	15.8	8.5
Russell 2000	9.0	11.5	15.5	6.7	15.8	7.1
Russell 2000 Value	8.9	15.5	18.8	6.8	15.4	5.8
Russell 2000 Growth	9.2	7.5	12.1	6.6	16.1	8.3
Russell 3000	4.4	8.2	15.0	10.4	16.4	7.4
FTSE NAREIT Equity REITs Index	(1.4)	11.8	19.9	14.2	15.9	6.3
INTERNATIONAL EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
MSCI ACWI ex-US	6.9	5.8	9.3	0.2	6.0	2.2
MSCI EAFE	6.4	1.7	6.5	0.5	7.4	1.8
MSCI EAFE Value	8.0	0.8	3.5	(1.5)	6.0	0.4
MSCI EAFE Growth	5.0	2.6	9.5	2.4	8.7	3.1
MSCI EAFE Small Cap	8.6	5.2	12.3	5.1	11.1	4.4
MSCI EM (Emerging Markets)	9.0	16.0	16.8	(0.6)	3.0	3.9
FIXED INCOME	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Barclays U.S. Aggregate Bond	0.5	5.8	5.2	4.0	3.1	4.8
Barclays U.S. Gov/Credit Bond	0.4	6.7	5.9	4.2	3.2	4.9
Barclays Gov/Credit Long Bond	1.2	15.7	14.7	10.1	6.3	7.8
Barclays U.S. Corp High Yield	5.6	15.1	12.7	5.3	8.3	7.7
Barclays Municipal Bond	(0.3)	4.0	5.6	5.5	4.5	4.7
Barclays U.S. TIPS	1.0	7.3	6.6	2.4	1.9	4.5
BofA Merrill 3-Month T-Bill	0.1	0.2	0.3	0.1	0.1	0.9
NON-TRADITIONAL	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Bloomberg Commodity Index	(3.9)	8.9	(2.6)	(12.3)	(9.4)	(5.3)
HFRI Fund of Funds Index	2.5	(0.1)	0.6	2.2	3.2	1.8
NCREIF Property Index (quarter lag)	2.0	4.3	10.6	11.6	11.5	7.4
CPI (quarter lag)	0.8	0.8	1.1	1.1	1.3	1.8

# Equity & Fixed Income Review

## U.S. Equity Size and Style Returns

QTR				1-Year		
Value	Blend	Growth		Value	Blend	Growth
3.5	4.0	4.6	Large	16.2	14.9	13.8
4.4	4.5	4.6	Mid	17.3	14.2	11.2
8.9	9.0	9.2	Small	18.8	15.5	12.1

Equity markets moved higher on the back of marginally positive economic data and the Fed's decision to hold its policy rate stable. Growth outpaced value during the quarter, led by strong results within the information technology sector. Yield-advantaged areas of the market, such as utilities and REITs, sold off as interest rates moved modestly higher. Smaller capitalization stocks outpaced their larger market capitalization counterparts.

## International Equity Size and Region Returns (USD)

QTR				1-Year		
Small	Mid	Large		Small	Mid	Large
8.6	7.5	6.1	Dev	12.3	9.1	5.8
7.6	7.3	9.4	EM	12.6	12.7	17.6

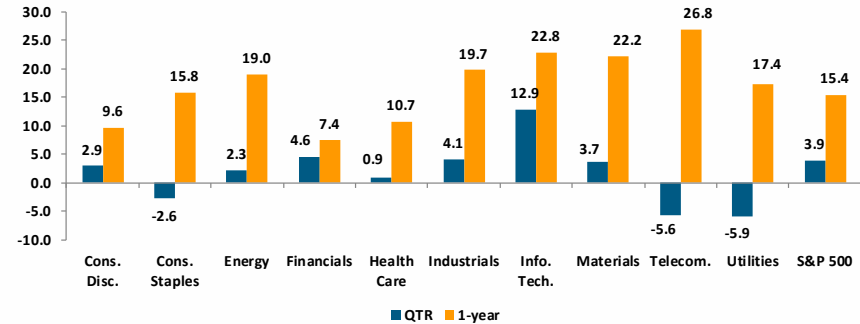
Emerging market equities had another strong quarter, outpacing international developed equities. Commodity exporting countries saw notable strength due to stabilized commodity prices and European stocks rebounded as the "Brexit" vote might have a smaller impact on economic growth than originally expected. The euro and Japanese yen gained ground, while emerging market currencies, such as the Mexican peso and Brazilian real, generally declined against the U.S. dollar.

## Fixed Income Term and Quality Returns (USD)

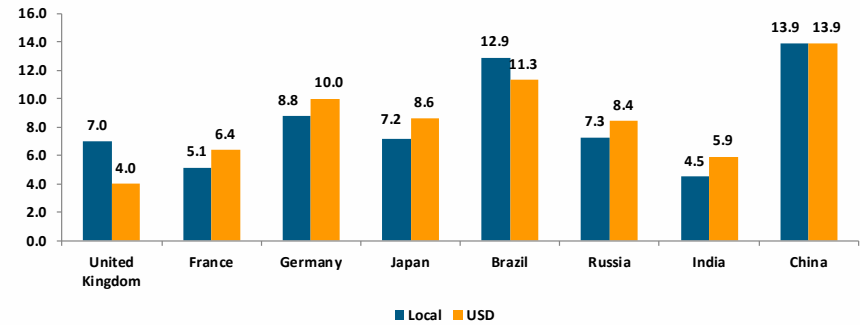
QTR				1-Year		
Short	Interm	Long		Short	Interm	Long
-0.1	-0.2	-0.3	Gov't	0.9	2.4	13.0
0.3	0.9	2.6	Corp	2.4	5.6	15.7

Interest rates rose slightly during the quarter and longer dated government issues underperformed shorter dated bonds as a result. On the other hand, investment grade and high yield corporate spreads, despite declining fundamentals, tightened due to strong demand from abroad as investors continue to search for income in this yield-starved environment.

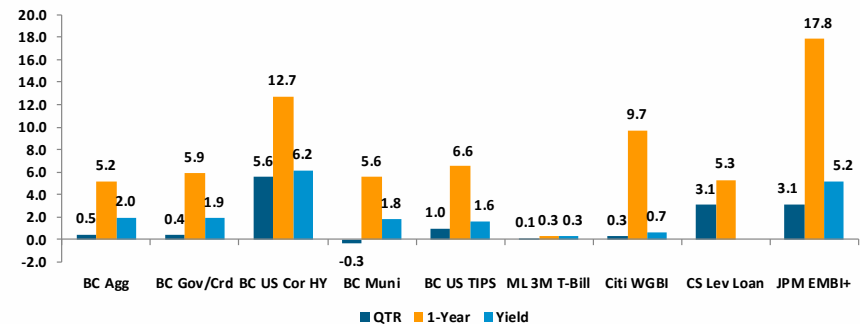
## S&P 500 Sector Returns



## MSCI Country Results 3Q 2016



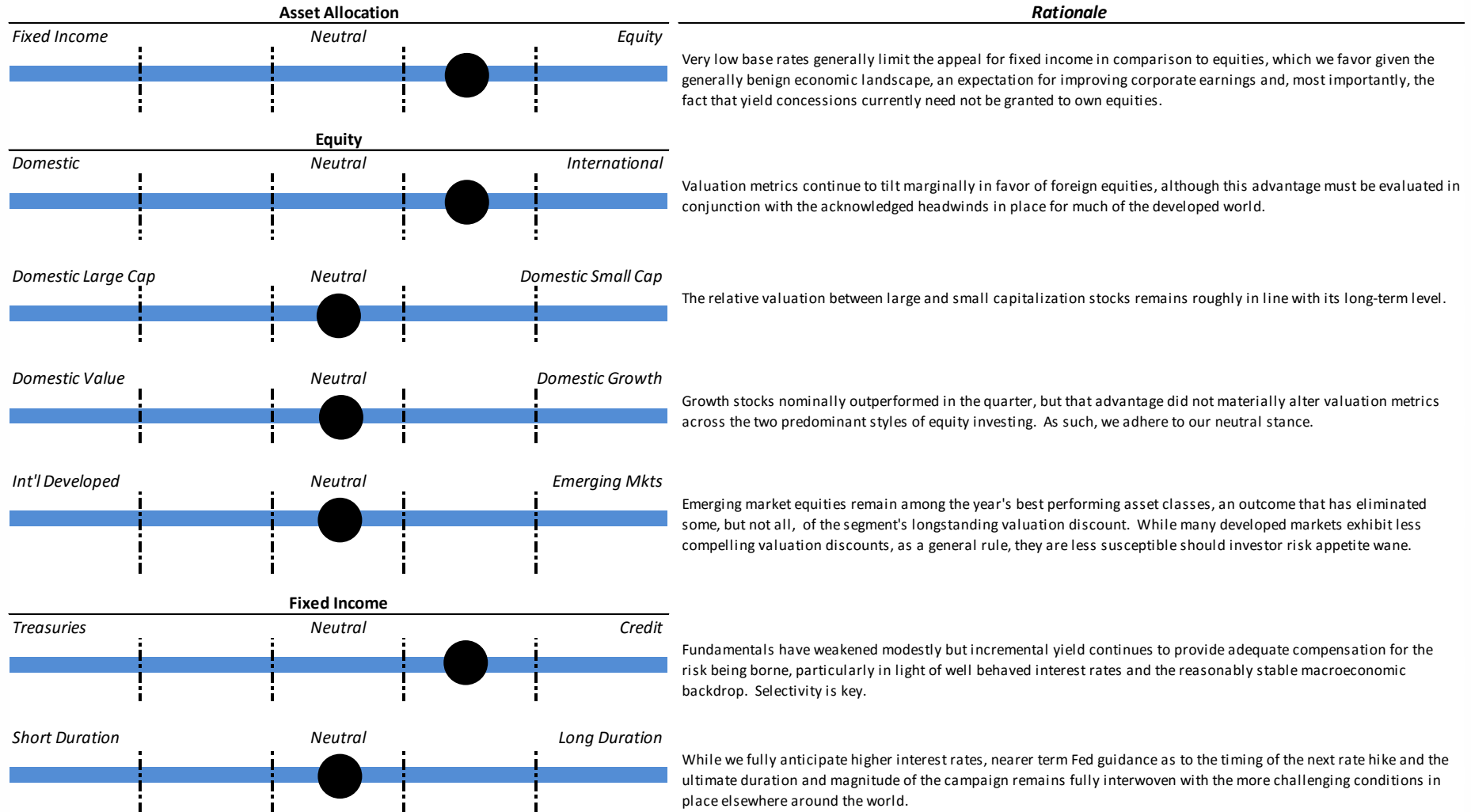
## Fixed Income Returns and Yields (%)



# Macro Themes (End Q3/Start Q4)

- ❑ **Certain “headline” events that may influence investors’ psyche loom as the year draws to an end.**
  - ❖ Geopolitical considerations may figure prominently with forthcoming elections in the U.S. and Italy alongside the ongoing orchestration of Britain’s exit from the European Union.
  - ❖ Consensus centers on a December interest rate hike by the Fed, although the campaign’s ultimate duration and magnitude remain in question. Central banks elsewhere may need to offer additional stimulus over and above the accommodations already granted.
  - ❖ Investors also cast a nervous eye toward the European financial sector.
  
- ❑ **The global economy continues to strike a delicate balance – characterized by somewhat uninspired, but persistent, growth yet likely removed from the immediate possibility of recession.**
  - ❖ The more resilient footprint afforded the U.S. consumer stands in contrast to the somewhat more apathetic corporate profile.
  - ❖ Economic data across developed markets elsewhere reaffirms a tenuous stability whereby pockets of reassurance are countered by less encouraging readings among the segment’s other large constituents.
  - ❖ Emerging markets impart, perhaps, the most encouraging profile; bolstered most directly by stabilizing growth in China but also drawing vigor from well-behaved interest rates across developed economies and solidified commodity prices.
  
- ❑ **Our aggregated investment stance remains modestly constructive but is tempered by valuations that offer little room for error.**
  - ❖ Elevated bouts of capital market volatility in the coming months are likely.
  - ❖ Earnings growth reparation in the U.S. is anticipated and may be needed to sustain current equity market pricing. Larger macroeconomic factors overseas may dictate if further consolidation of existing discounts to “fair” value can be achieved.
  - ❖ Very low base rates and somewhat deteriorated company fundamentals feasibly conspire to restrain bond returns.

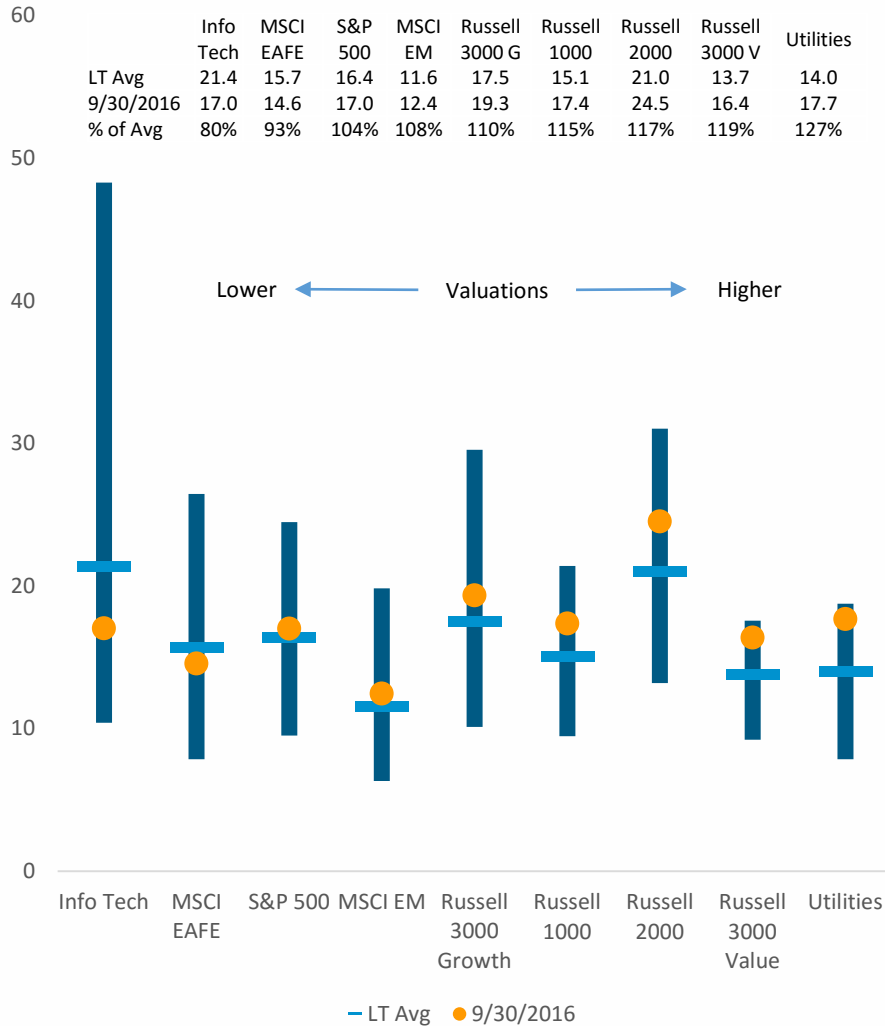
# Market Viewpoints



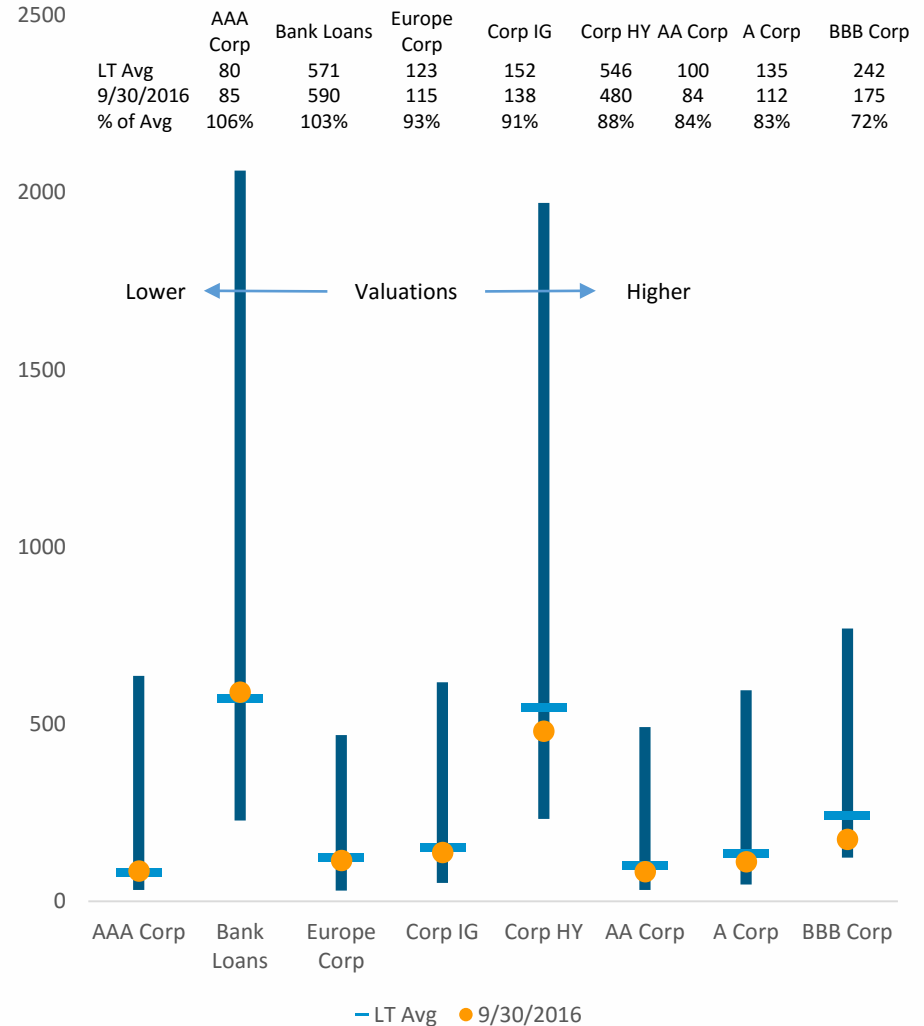
These viewpoints represent FIA's general assessment of the highlighted capital markets comparisons over the next 36 months. These opinions are subject to modification as conditions in the markets change. Clients should utilize these rankings in conjunction with other considerations that may be relevant to their particular circumstances.

# Market Valuations

### Historical 12M Forward P/E Ratios



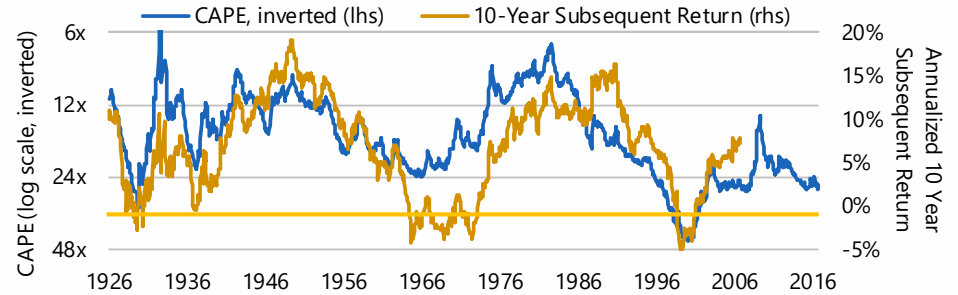
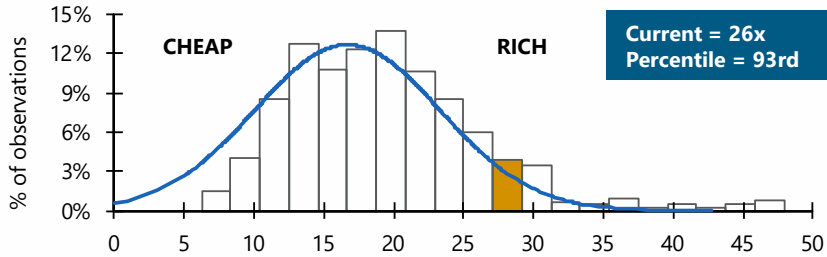
### Historical Option Adjusted Spread



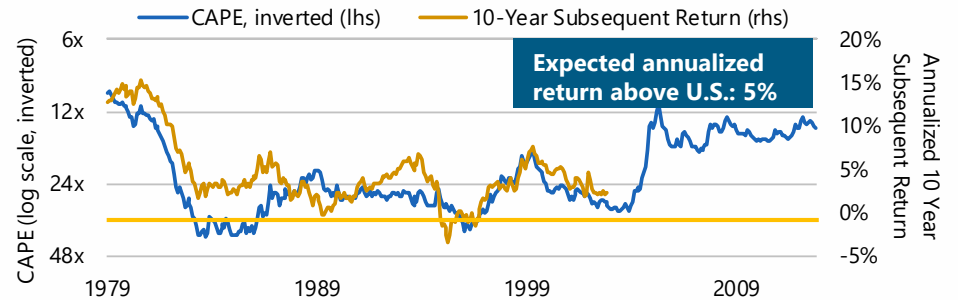
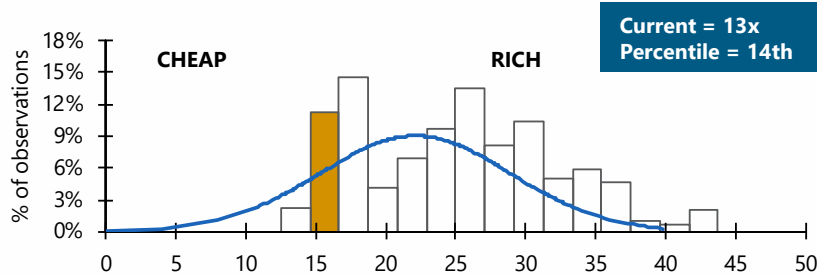


# Equity Valuations

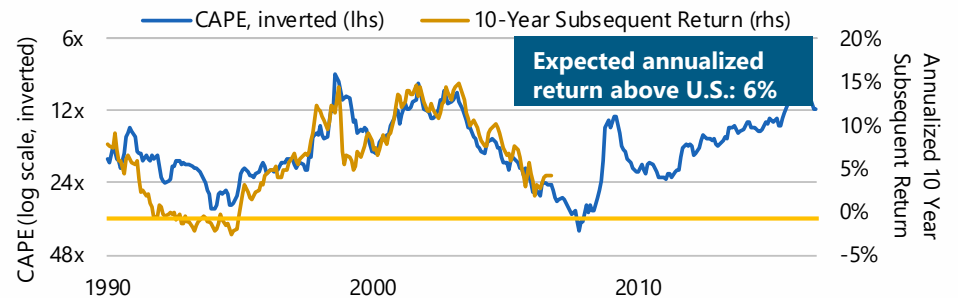
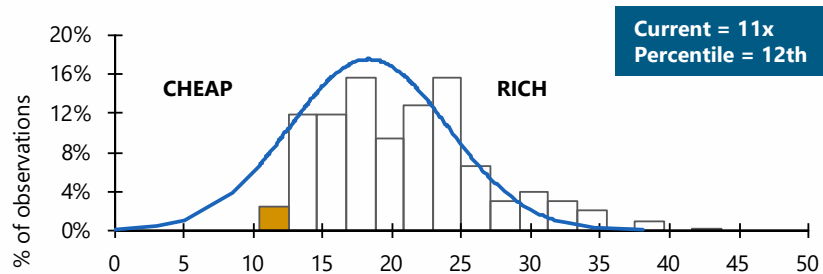
## U.S. valuations: Cyclically-adjusted P/E



## EAFE valuations: Cyclically-adjusted P/E



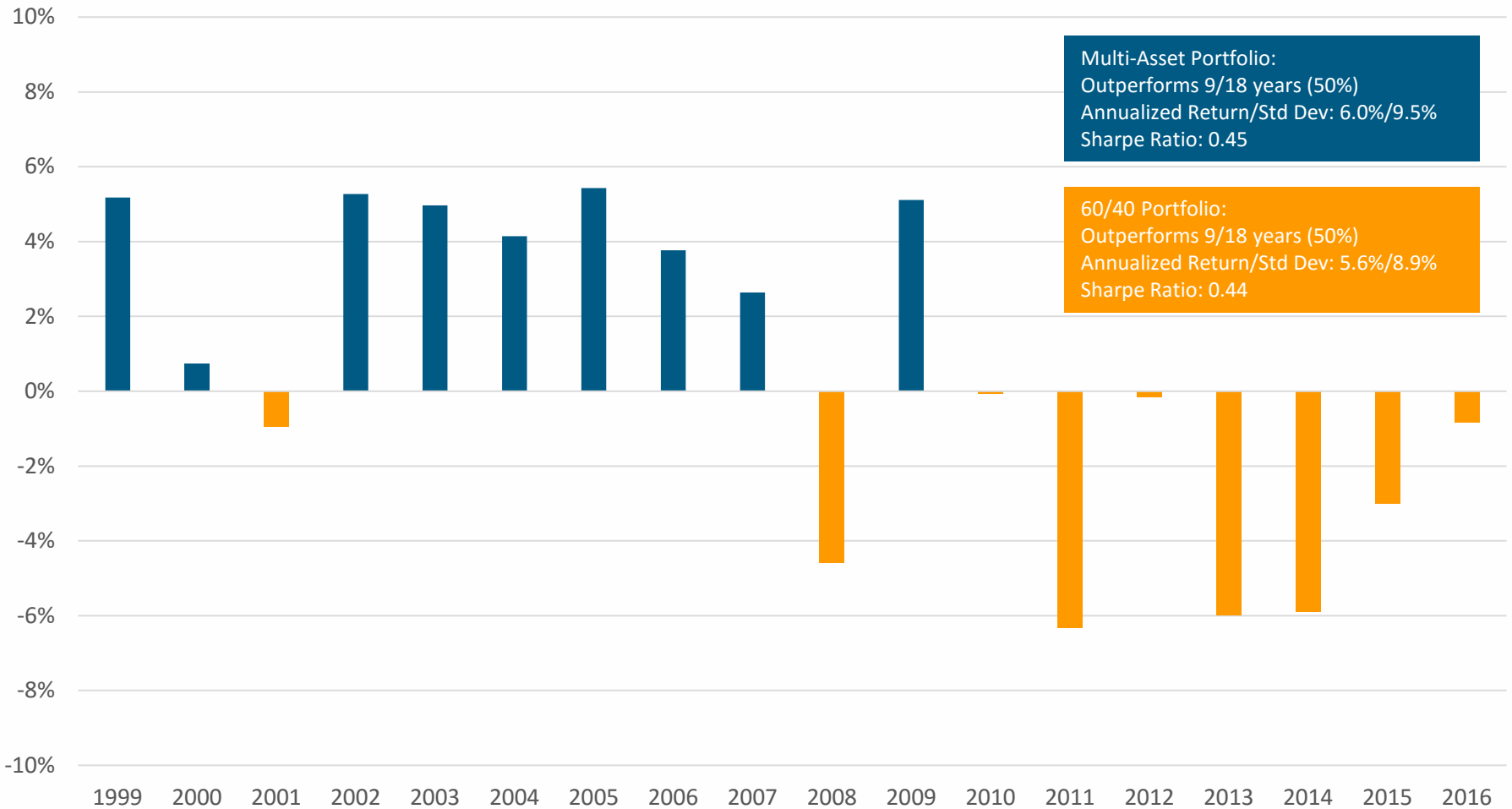
## EM valuations: Cyclically-adjusted P/E



Sources: PIMCO, Research Affiliates; Data as of 9/30/2016; U.S. represented by S&P 500, EAFE/International represented by MSCI EAFE Index, EM represented by MSCI EM Index.

# Diversified Portfolio Performance

Relative Performance of a Multi-Asset Portfolio vs. 60/40 Portfolio (1999 - Sept 2016)



Sources: FIA, MPI Stylus. Data as of 9/30/2016. The "60/40 Portfolio" consists of 60% S&P 500 Index, 40% Barclays U.S. Aggregate Index; rebalanced quarterly. The "Multi-Asset Portfolio" consists of 25% Russell 3000 Index, 18.75% MSCI EAFE Index, 6.25% MSCI EM Index, 10% HFRI Fund of Funds Composite Index, 5% FTSE NAREIT Equity REITS Index, 5% Bloomberg Commodity Index, 30% Barclays U.S. Aggregate Index; rebalanced quarterly.

## Asset Allocation

### OPEB Plan

As of September 30, 2016

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>OPEB Plan</b>	<b>6,502,926</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
<b>Total Short Term Liquidity</b>	<b>372,315</b>	<b>5.7</b>	<b>5.0</b>	<b>0.7</b>
Wells Fargo Government Money Market Fund I	138,689	2.1	0.0	2.1
Webster Cash	233,626	3.6	5.0	-1.4
<b>Fixed Income</b>	<b>2,549,457</b>	<b>39.2</b>	<b>40.0</b>	<b>-0.8</b>
Vanguard Short Term Inflation Protection	318,201	4.9	5.0	-0.1
Blackrock Strategic Income Opportunities Fund	640,874	9.9	10.0	-0.1
Prudential Total Return Bond Q	962,139	14.8	15.0	-0.2
Eaton Vance Floating Rate	322,339	5.0	5.0	0.0
Templeton Global Bond	305,905	4.7	5.0	-0.3
<b>Domestic Equity</b>	<b>1,934,434</b>	<b>29.7</b>	<b>30.0</b>	<b>-0.3</b>
Vanguard Total Stock Mkt Idx	1,934,434	29.7	30.0	-0.3
<b>International Equity</b>	<b>1,315,484</b>	<b>20.2</b>	<b>20.0</b>	<b>0.2</b>
Vanguard Total International Stock	658,938	10.1	10.0	0.1
Europacific Growth R6	656,545	10.1	10.0	0.1
<b>Real Estate</b>	<b>331,236</b>	<b>5.1</b>	<b>5.0</b>	<b>0.1</b>
Vanguard REIT Index	331,236	5.1	5.0	0.1

Investments with a zero balance were held in the plan during the reporting period and will be removed once they no longer impact plan performance.

# Total Plan Performance Summary - Wilton, Town of

As of September 30, 2016

## Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
<b>OPEB Plan</b>				<b>05/01/2012</b>
Beginning Market Value	5,604,083	5,421,380	2,652,035	
Net Contributions	710,909	723,950	2,750,792	
Total Gain/Loss	187,934	357,597	1,100,100	
Ending Market Value	6,502,926	6,502,926	6,502,926	

## Wilton OPEB Plan Benchmark Composition

Allocation Mandate	Weight (%)
90 Day U.S. Treasury Bill	5.0
Blmbg. Barc. U.S. Aggregate	35.0
Bloomberg Barclays U.S. TIPS Index	5.0
CRSP U.S. Total Market TR Index	30.0
MSCI AC World ex USA (Net)	10.0
FTSE Global ex USA All Cap Index (Net)	10.0
MSCI U.S. REIT Index	5.0

## Trailing Performance Summary

	QTR	YTD	Jul-2016 To Sep-2016	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
<b>OPEB Plan</b>	<b>3.2</b>	<b>6.5</b>	<b>3.2</b>	<b>9.2</b>	<b>5.3</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.5</b>	<b>05/01/2012</b>
Wilton OPEB Plan Benchmark	2.8	6.8	2.8	9.8	5.5	8.2	N/A	N/A	6.3	
Difference	0.4	-0.3	0.4	-0.6	-0.2	N/A	N/A	N/A	0.2	

## Calendar Year Performance Summary

	2015	2014	2013	2012	2011	2010	2009	2008
<b>OPEB Plan</b>	<b>-0.5</b>	<b>6.4</b>	<b>11.9</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Wilton OPEB Plan Benchmark	-0.3	6.3	11.5	10.9	1.4	N/A	N/A	N/A
Difference	-0.2	0.1	0.4	N/A	N/A	N/A	N/A	N/A

## Benchmark Composition - Wilton OPEB Plan Benchmark

### OPEB Plan

Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Dec-2015		May-2012	
90 Day U.S. Treasury Bill	5.0	90 Day U.S. Treasury Bill	15.0
Blmbg. Barc. U.S. Aggregate	35.0	Blmbg. Barc. U.S. Aggregate	25.0
Bloomberg Barclays U.S. TIPS Index	5.0	Bloomberg Barclays U.S. TIPS Index	5.0
CRSP U.S. Total Market TR Index	30.0	MSCI US Broad Market Index	30.0
MSCI AC World ex USA (Net)	10.0	MSCI AC World ex USA (Net)	20.0
FTSE Global ex USA All Cap Index (Net)	10.0	MSCI U.S. REIT Index	5.0
MSCI U.S. REIT Index	5.0		
Aug-2014		Feb-2011	
90 Day U.S. Treasury Bill	5.0	Blmbg. Barc. U.S. Aggregate Float Adjusted	45.0
Blmbg. Barc. U.S. Aggregate	20.0	MSCI US Broad Market Index	30.0
Blmbg. Barc. U.S. Credit 5-10 Year Index	15.0	FTSE All World - Ex US	20.0
Bloomberg Barclays U.S. TIPS Index	5.0	MSCI U.S. REIT Index	5.0
CRSP U.S. Total Market TR Index	30.0		
MSCI AC World ex USA (Net)	10.0	Nov-2010	
FTSE Global ex USA All Cap Index (Net)	10.0	Blmbg. Barc. U.S. Aggregate Float Adjusted	40.0
MSCI U.S. REIT Index	5.0	MSCI US Broad Market Index	32.0
		FTSE All World - Ex US	20.0
Jun-2013		Blmbg. Barc. 20-30 Year Treasury Strips	5.0
90 Day U.S. Treasury Bill	15.0	MSCI U.S. REIT Index	3.0
Blmbg. Barc. U.S. Aggregate	25.0		
Bloomberg Barclays U.S. TIPS Index	5.0	Sep-2010	
CRSP U.S. Total Market TR Index	30.0	Blmbg. Barc. U.S. Aggregate Float Adjusted	40.0
FTSE Global ex USA All Cap Index (Net)	20.0	MSCI US Broad Market Index	33.0
MSCI U.S. REIT Index	5.0	FTSE All World - Ex US	20.0
		MSCI U.S. REIT Index	2.0
		Blmbg. Barc. 20-30 Year Treasury Strips	5.0
		Feb-2010	
		Blmbg. Barc. U.S. Aggregate Float Adjusted	45.0
		MSCI US Broad Market Index	35.0
		FTSE All World - Ex US	20.0

# Manager Performance Overview

## OPEB Plan

As of September 30, 2016

	QTD	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
<u>Short Term Liquidity</u>							
<b>Wells Fargo Government Money Market Fund I</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>N/A</b>	<b>0.1</b>	<b>05/01/2012</b>
90 Day U.S. Treasury Bill	0.1	0.2	0.2	0.1	0.1	0.1	
<u>Fixed Income</u>							
<b>Vanguard Short Term Inflation Protection</b>	<b>0.2 (97)</b>	<b>2.9 (93)</b>	<b>2.5 (94)</b>	<b>N/A</b>	<b>N/A</b>	<b>0.4 (84)</b>	<b>03/01/2014</b>
Bloomberg Barclays US TIPS 0-5 Year Index	0.3	3.0	2.6	0.5	0.7	0.5	
IM U.S. TIPS (MF) Median	1.0	6.7	5.8	1.4	1.2	1.5	
<b>Blackrock Strategic Income Opportunities Fund</b>	<b>1.6 (74)</b>	<b>2.5 (76)</b>	<b>2.3 (72)</b>	<b>N/A</b>	<b>N/A</b>	<b>1.9 (27)</b>	<b>03/01/2014</b>
Blmbg. Barc. U.S. Aggregate	0.5	5.8	5.2	4.0	3.1	3.9	
Libor (3 month)	0.2	0.5	0.6	0.4	0.4	0.4	
IM Alternative Credit Focus (MF) Median	2.2	4.5	4.0	1.7	2.9	1.1	
<b>Prudential Total Return Bond Q</b>	<b>1.4 (42)</b>	<b>8.1 (14)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.4 (13)</b>	<b>12/01/2015</b>
Blmbg. Barc. U.S. Aggregate	0.5	5.8	5.2	4.0	3.1	5.5	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	1.3	6.7	6.0	4.0	3.9	5.9	
<b>Eaton Vance Floating Rate</b>	<b>3.1 (38)</b>	<b>8.3 (22)</b>	<b>5.9 (21)</b>	<b>N/A</b>	<b>N/A</b>	<b>2.6 (31)</b>	<b>03/01/2014</b>
S&P/LSTA Leveraged Loan Index	3.1	7.7	5.5	3.4	5.2	2.9	
IM U.S. Bank Loans (MF) Median	2.8	7.0	5.0	2.7	4.6	2.3	
<b>Templeton Global Bond</b>	<b>-1.3 (100)</b>	<b>-1.5 (100)</b>	<b>0.7 (100)</b>	<b>N/A</b>	<b>N/A</b>	<b>-1.2 (99)</b>	<b>03/01/2014</b>
Citigroup World Government Bond Index	0.3	11.1	9.7	1.8	0.8	1.4	
IM Global Fixed Income (MF) Median	1.5	7.7	7.1	2.3	2.6	1.7	
<u>Domestic Equity</u>							
<b>Vanguard Total Stock Mkt Idx</b>	<b>4.4 (57)</b>	<b>8.2 (26)</b>	<b>15.0 (12)</b>	<b>10.4 (14)</b>	<b>N/A</b>	<b>N/A</b>	<b>06/01/2010</b>
CRSP US Total Market Spliced Index^	4.4	8.2	15.0	10.4	16.3	13.7	
IM U.S. Multi-Cap Core Equity (MF) Median	4.6	6.2	11.3	8.4	14.9	12.0	

Returns for periods less than one year are not annualized.

^More information on custom indexes, which may be used in this report, can be found on the Custom Index Description page in the back of your report.

## Manager Performance Overview

### OPEB Plan

As of September 30, 2016

	QTD	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
<u>International Equity</u>							
<b>Vanguard Total International Stock</b>	<b>6.6 (40)</b>	<b>6.7 (12)</b>	<b>9.7 (13)</b>	<b>0.9 (17)</b>	<b>N/A</b>	<b>4.5 (44)</b>	<b>05/01/2012</b>
FTSE Global All Cap ex US Spliced Index^	6.9	6.1	9.9	0.9	6.5	4.4	
IM International Large Cap Core Equity (MF) Median	6.0	1.8	5.5	-0.7	6.6	4.2	
<b>Europacific Growth R6</b>	<b>8.2 (5)</b>	<b>5.4 (16)</b>	<b>8.5 (17)</b>	<b>N/A</b>	<b>N/A</b>	<b>0.1 (1)</b>	<b>09/01/2014</b>
MSCI AC World ex USA (Net)	6.9	5.8	9.3	0.2	6.0	-4.3	
IM International Large Cap Core Equity (MF) Median	6.0	1.8	5.5	-0.7	6.6	-3.6	
<u>Real Estate</u>							
<b>Vanguard REIT Index</b>	<b>-1.5 (60)</b>	<b>11.8 (13)</b>	<b>19.7 (11)</b>	<b>14.0 (23)</b>	<b>N/A</b>	<b>N/A</b>	<b>06/01/2010</b>
MSCI U.S. REIT Index	-1.4	11.9	19.8	14.1	15.8	13.7	
IM Real Estate Sector (MF) Median	-1.4	9.5	16.9	13.2	14.8	12.8	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Your performance may differ slightly if the fund was purchased during the previous month. Actual performance is captured at the total plan level.

Mutual fund performance stated above may differ slightly from the current share class's historical performance due to share class exchanges.

Returns for periods less than one year are not annualized.

^More information on custom indexes, which may be used in this report, can be found on the Custom Index Description page in the back of your report.

## Manager Commentary

OPEB Plan

As of September 30, 2016

Manager	Manager Status
<b>Fixed Income</b>	
Vanguard ST InPS Idx;Adm (VTAPX)	Maintain
BlackRock:Str Inc Opp;I (BSIIX)	Maintain
Pru Tot Rtn Bond;Q (PTRQX)	Maintain
Eaton Vance Flt Rt;Ins (EIBLX)	Maintain
Templeton Gl Bond;Adv (TGBAX)	Maintain
<b>Domestic Equity</b>	
Vanguard TSM Idx;Adm (VTSAX)	Maintain
<b>International Equity</b>	
American Funds EuPc;R-6 (RERGX)	Maintain
Vanguard Tot I Stk;Adm (VTIAX)	Maintain
<b>Real Estate</b>	
Vanguard REIT Idx;Adm (VGSLX)	Maintain



## Manager Gain/Loss Summary

### OPEB Plan

	Market Value As of 07/01/2016	Net Flows	Return On Investment	Market Value As of 09/30/2016
<u>Short Term Liquidity</u>				
Wells Fargo Government Money Market Fund I	88,977	49,614	98	138,689
Webster Cash	132,259	101,295	73	233,626
<b>Total Short Term Liquidity</b>	<b>221,236</b>	<b>150,909</b>	<b>171</b>	<b>372,315</b>
<u>Fixed Income</u>				
Vanguard Short Term Inflation Protection	267,251	50,000	949	318,201
Prudential Total Return Bond Q	834,743	115,000	12,396	962,139
Blackrock Strategic Income Opportunities Fund	531,315	100,000	9,559	640,874
Eaton Vance Floating Rate	283,137	30,000	9,202	322,339
Templeton Global Bond	275,250	35,000	-4,345	305,905
<b>Total Fixed Income</b>	<b>2,191,696</b>	<b>330,000</b>	<b>27,762</b>	<b>2,549,457</b>
<u>Domestic Equity</u>				
Vanguard Total Stock Mkt Idx	1,732,294	125,000	77,140	1,934,434
<b>Total Domestic Equity</b>	<b>1,732,294</b>	<b>125,000</b>	<b>77,140</b>	<b>1,934,434</b>
<u>International Equity</u>				
Vanguard Total International Stock	564,246	55,000	39,692	658,938
Europacific Growth R6	558,426	50,000	48,120	656,545
<b>Total International Equity</b>	<b>1,122,672</b>	<b>105,000</b>	<b>87,812</b>	<b>1,315,484</b>
<u>Real Estate</u>				
Vanguard REIT Index	336,186	-	-4,950	331,236
<b>Total Real Estate</b>	<b>336,186</b>	<b>-</b>	<b>-4,950</b>	<b>331,236</b>
<b>Total OPEB Plan</b>	<b>5,604,083</b>	<b>710,909</b>	<b>187,934</b>	<b>6,502,926</b>

## Market Values & Flow Summary

### OPEB Plan

Since Inception Ending September 30, 2016

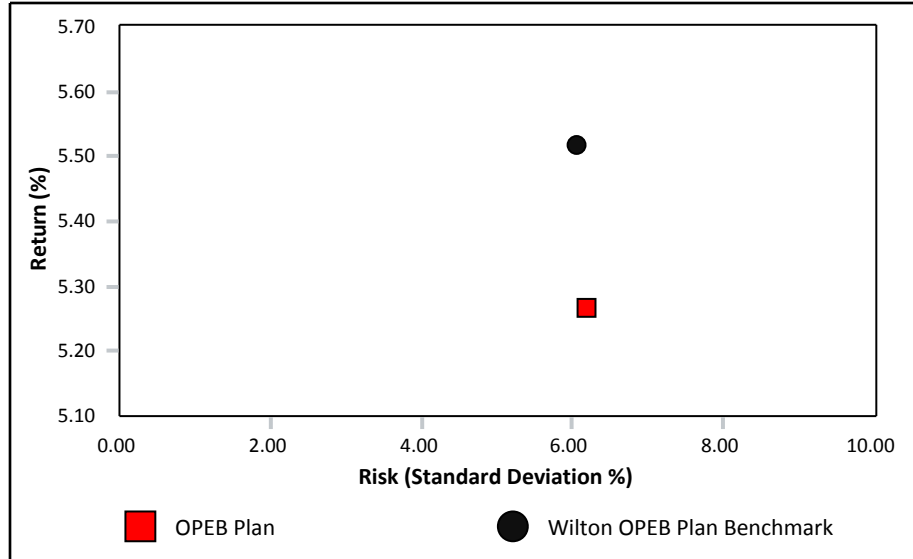
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
Jun-2012	-	-	-	2,584,821	N/A
Sep-2012	2,584,821	52,505	108,286	2,745,613	4.4
Dec-2012	2,745,613	-28,346	48,881	2,766,147	1.8
Mar-2013	2,766,147	-42,296	122,759	2,846,610	4.5
Jun-2013	2,846,610	-112,997	-27,166	2,706,447	-0.8
Sep-2013	2,706,447	1,184,916	132,639	4,024,003	4.4
Dec-2013	4,024,003	48,525	138,167	4,210,695	3.4
Mar-2014	4,210,695	-38,329	92,501	4,264,867	2.1
Jun-2014	4,264,867	-7,625	143,450	4,400,692	3.4
Sep-2014	4,400,692	646,970	-41,679	5,005,983	-0.9
Dec-2014	5,005,983	-78,067	88,383	5,016,299	1.8
Mar-2015	5,016,299	-59,602	117,531	5,074,228	2.3
Jun-2015	5,074,228	-101,963	-26,965	4,945,300	-0.6
Sep-2015	4,945,300	541,244	-248,601	5,237,943	-4.6
Dec-2015	5,237,943	46,709	136,727	5,421,380	2.6
Mar-2016	5,421,380	-2,820	59,982	5,478,542	1.1
Jun-2016	5,478,542	15,860	109,680	5,604,083	2.0
Sep-2016	5,604,083	710,909	187,934	6,502,926	3.2

# Town of Wilton - Pension

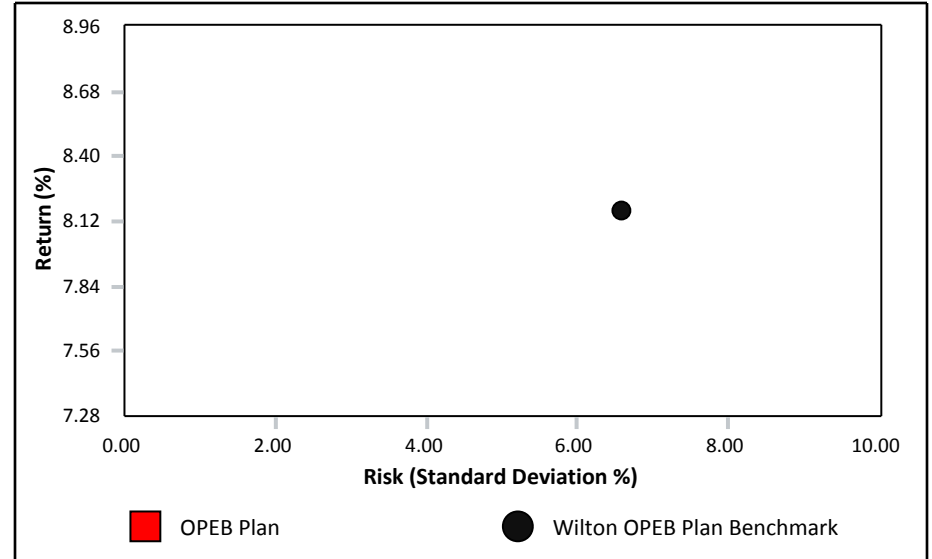
## Risk vs. Return

As of September 30, 2016

### 3 Year Risk and Return



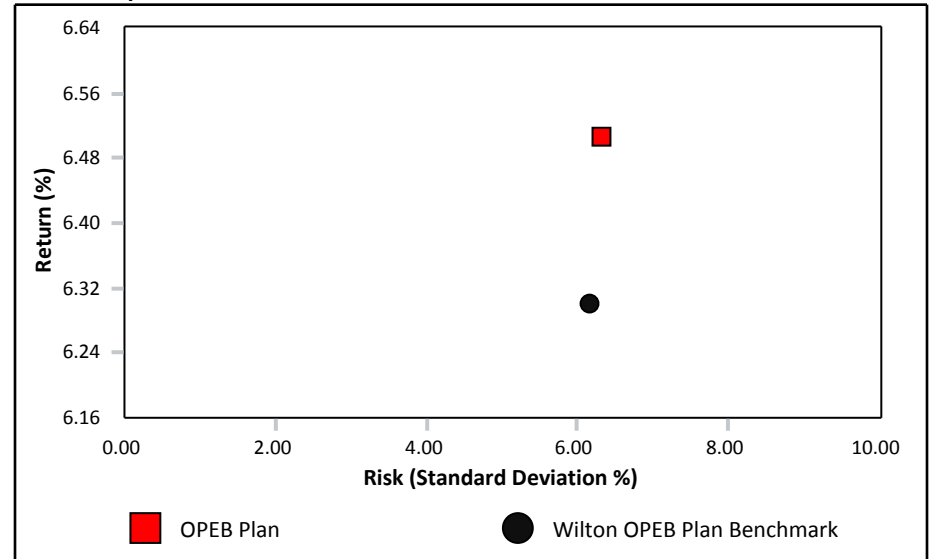
### 5 Year Risk and Return



### 7 Year Risk and Return

Not Enough Data.

### Since Inception Risk and Return



# Town of Wilton - Pension

## MPT Statistical Data

As of September 30, 2016

### 3 Year Historical MPT Statistics

	Return	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Tracking Error	R-Squared	Beta	Alpha
OPEB Plan	5.27	6.20	3.58	0.85	-0.29	0.79	0.98	1.01	-0.31
Wilton OPEB Plan Benchmark	5.52	6.06	3.46	0.90	N/A	0.00	1.00	1.00	0.00
90 Day U.S. Treasury Bill	0.09	0.05	0.02	N/A	-0.90	6.06	0.01	0.00	0.08

### 5 Year Historical MPT Statistics

	Return	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Tracking Error	R-Squared	Beta	Alpha
OPEB Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wilton OPEB Plan Benchmark	8.16	6.60	3.50	1.21	N/A	0.00	1.00	1.00	0.00
90 Day U.S. Treasury Bill	0.08	0.04	0.01	N/A	-1.21	6.60	0.00	0.00	0.08

### 7 Year Historical MPT Statistics

	Return	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Tracking Error	R-Squared	Beta	Alpha
OPEB Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wilton OPEB Plan Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
90 Day U.S. Treasury Bill	0.09	0.04	0.01	N/A	N/A	N/A	N/A	N/A	N/A

### Since Inception Historical MPT Statistics

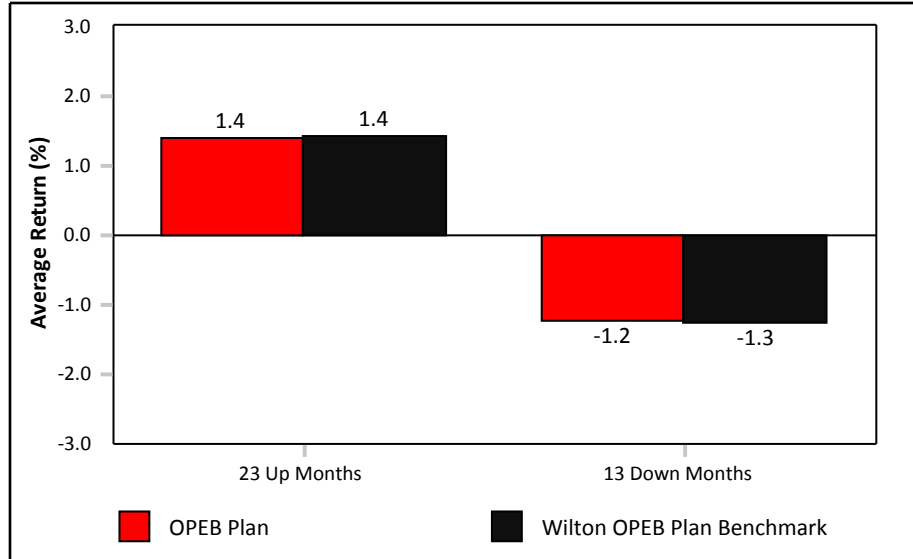
	Return	Standard Deviation	Downside Risk	Sharpe Ratio	Information Ratio	Tracking Error	R-Squared	Beta	Alpha	Inception Date
OPEB Plan	6.51	6.33	3.76	1.02	0.26	0.78	0.99	1.02	0.09	05/01/2012
Wilton OPEB Plan Benchmark	6.30	6.16	3.67	1.01	N/A	0.00	1.00	1.00	0.00	05/01/2012
90 Day U.S. Treasury Bill	0.08	0.04	0.01	N/A	-1.01	6.16	0.00	0.00	0.08	05/01/2012

# Town of Wilton - Pension

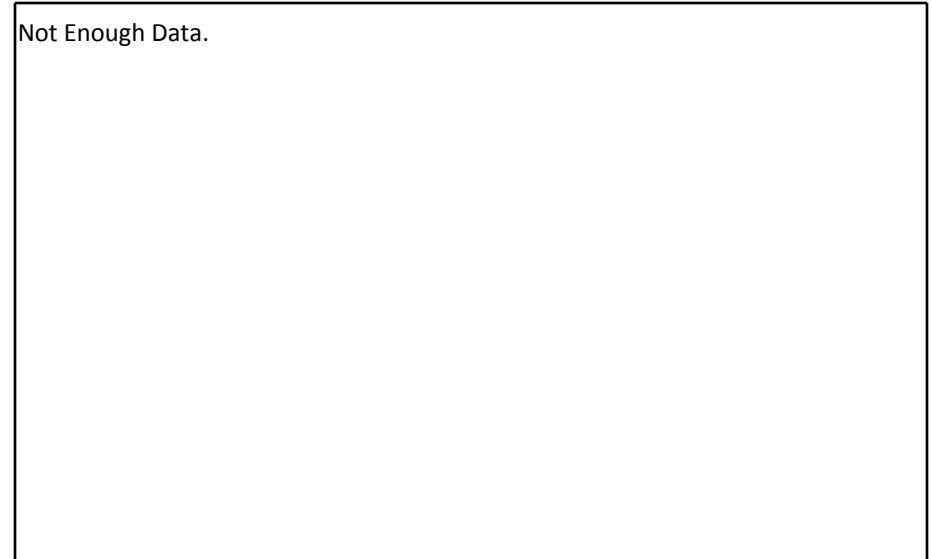
## Market Capture Report

As of September 30, 2016

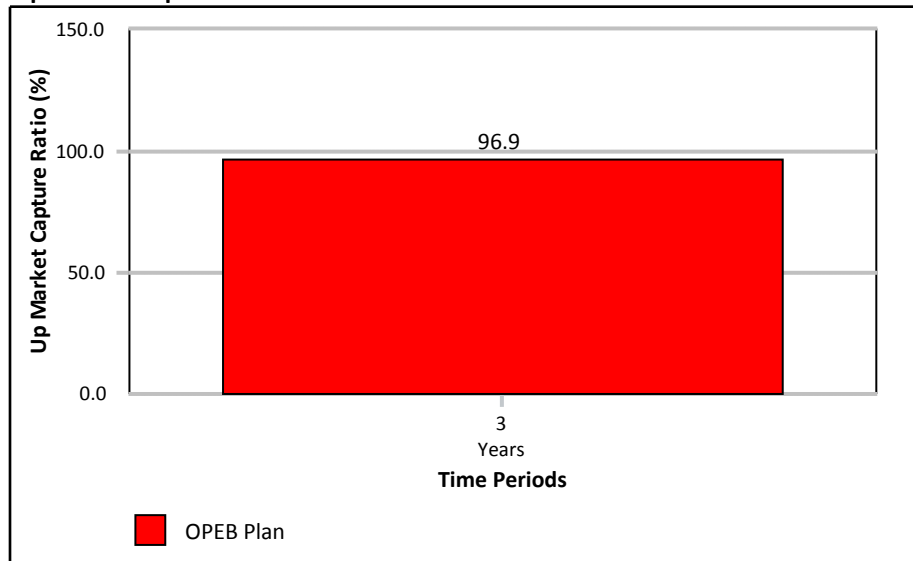
### Up/Down Markets - 3 Years



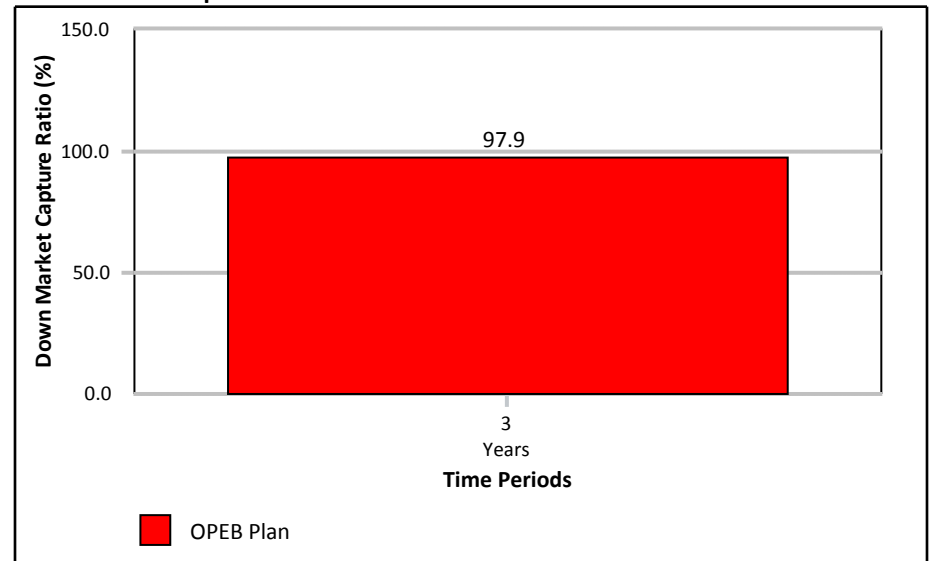
### Up/Down Markets - 5 Years



### Up Market Capture Ratio



### Down Market Capture Ratio



## Estimated Fee Analysis - OPEB Plan

As of September 30, 2016

MANAGER	TARGET ALLOCATION	FEE SCHEDULE
Vanguard Short Term Inflation Protection	5.0%	0.08%
BlackRock Strategic Income Opportunities Fund	10.0%	0.61%
Prudential Total Return Bond Q	15.0%	0.43%
Eaton Vance Floating Rate Fund	5.0%	0.78%
Templeton Global Bond Fund	5.0%	0.64%
Vanguard Total Stock Mkt Idx Adm	30.0%	0.05%
Vanguard Total International Stock	10.0%	0.12%
American Funds EuroPacific Growth R6 Fund	10.0%	0.50%
Vanguard REIT Index	5.0%	0.12%
<b>AVERAGE WEIGHTED FEE</b>		<b>0.28%</b>

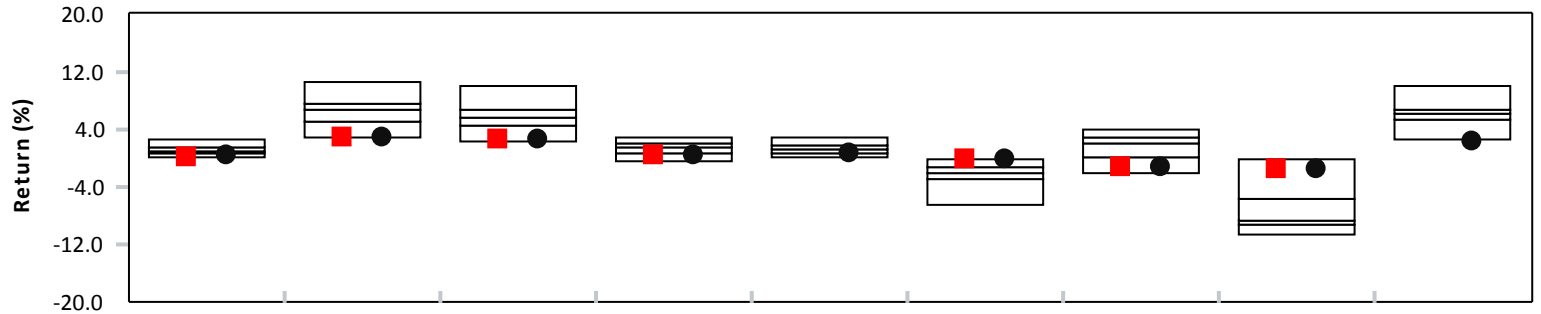
*DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable. FIA has not independently verified this information.*

# Manager Evaluation

## Vanguard Short-Term Inflation Protection Adm

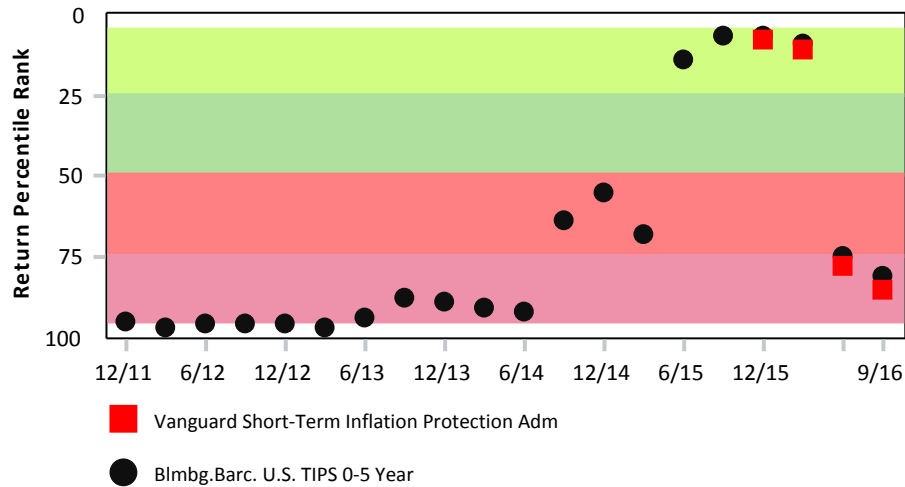
As of September 30, 2016

### Peer Group Analysis vs. IM U.S. TIPS (MF)

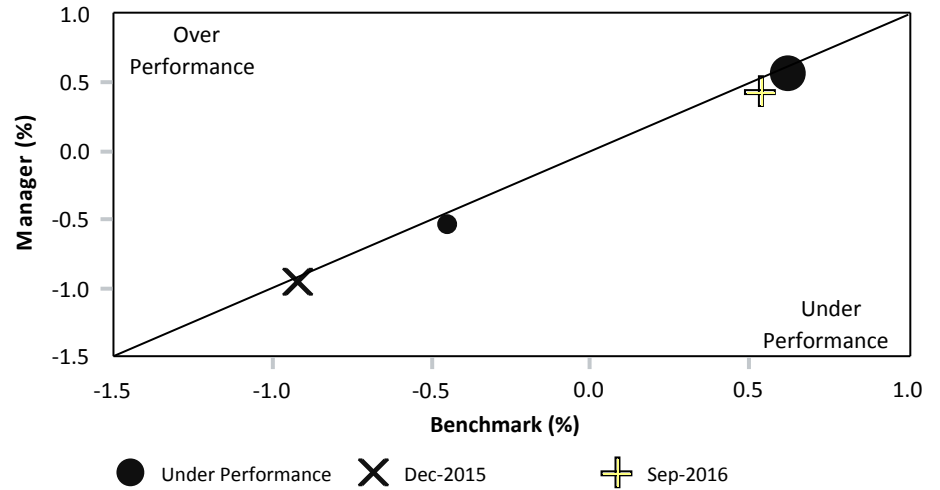


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Vanguard Short-Term Inflation Protection Adm	0.2 (97)	2.9 (93)	2.5 (94)	0.4 (85)	N/A	-0.2 (9)	-1.2 (88)	-1.5 (10)	N/A
● Blmbg.Bar. U.S. TIPS 0-5 Year	0.3 (93)	3.0 (92)	2.6 (91)	0.5 (81)	0.7 (79)	0.0 (4)	-1.1 (87)	-1.6 (10)	2.4 (96)
5th Percentile	2.6	10.6	10.2	2.8	3.0	-0.1	4.1	-0.3	10.0
1st Quartile	1.4	7.5	6.7	2.0	1.7	-1.3	3.0	-5.7	6.9
Median	1.0	6.7	5.8	1.4	1.2	-2.1	2.1	-8.7	6.3
3rd Quartile	0.7	5.2	4.5	0.8	0.8	-2.9	0.2	-9.3	5.4
95th Percentile	0.3	2.8	2.3	-0.5	0.2	-6.6	-2.2	-10.7	2.5

### 3 Year Rolling Percentile Ranking vs. IM U.S. TIPS (MF)



### 3 Year Rolling Under/Over Performance vs. Blmbg.Bar. U.S. TIPS 0-5 Year



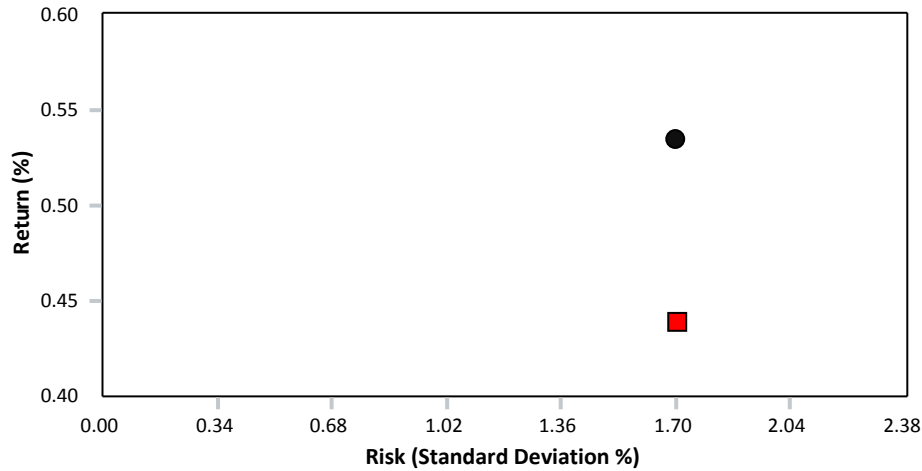
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Short-Term Inflation Protection Adm

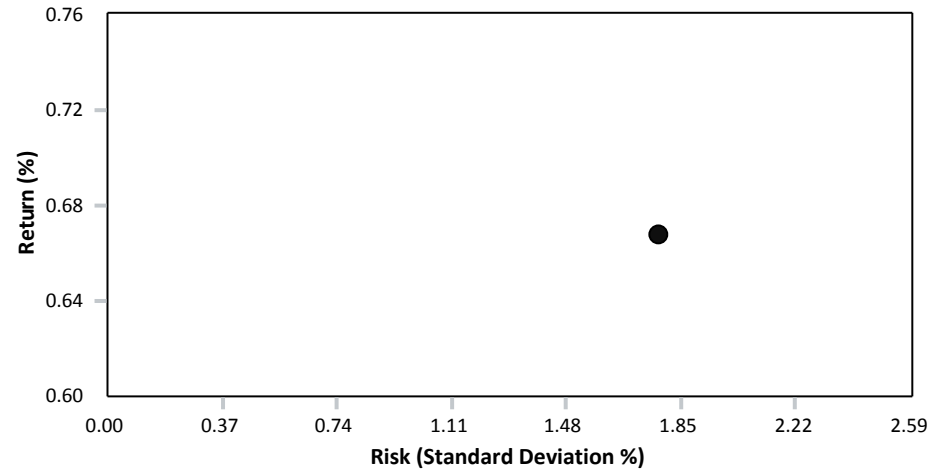
As of September 30, 2016

### 3 Year Risk and Return



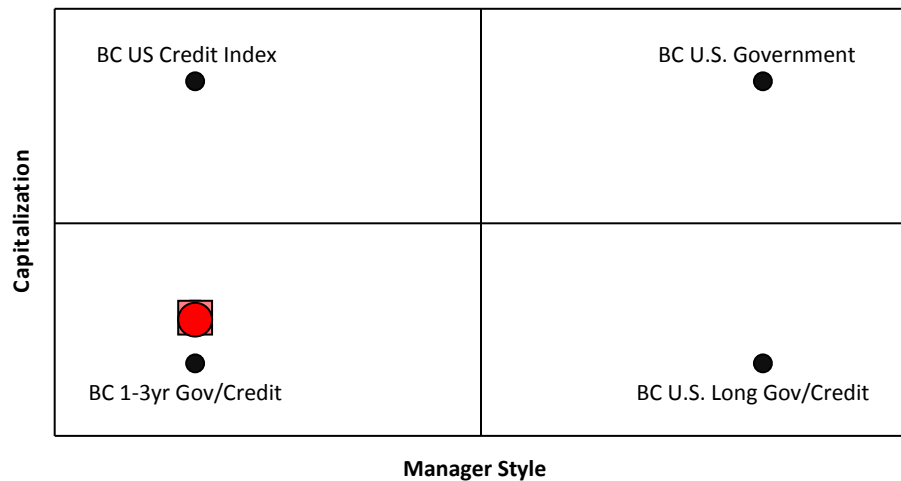
- Vanguard Short-Term Inflation Protection Adm
- Blmbg.Bar. U.S. TIPS 0-5 Year

### 5 Year Risk and Return



- Vanguard Short-Term Inflation Protection Adm
- Blmbg.Bar. U.S. TIPS 0-5 Year

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. Blmbg.Bar. U.S. TIPS 0-5 Year

	3 Years	5 Years
Return	0.4	N/A
Standard Deviation	1.7	N/A
vs. Blmbg.Bar. U.S. TIPS 0-5 Year		
Alpha	-0.1	N/A
Beta	1.0	N/A
R-Squared	1.0	N/A
Consistency	36.1	N/A
Up Market Capture	97.9	N/A
Down Market Capture	102.1	N/A
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.2	N/A

Mutual fund data sourced from Lipper Analytical Services.



# Manager Evaluation

## Vanguard Short-Term Inflation Protection Adm

As of September 30, 2016

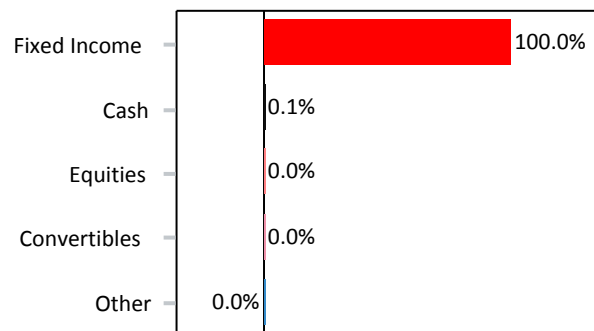
### Mutual Fund Information

Fund Name :	Vanguard Malvern Funds: Vanguard Short-Term Inflation-Protected Securities Index Fund; Admiral Class Shares	Portfolio Assets :	\$15,467 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$3,140 Million
Ticker :	VTAPX	Portfolio Manager :	Barrickman/Wright-Casparius
Inception Date :	10/16/2012	PM Tenure :	2012--2012
Portfolio Turnover :	26%		

### Fund Investment Policy

The Fund seeks to track the performance of a benchmark index, Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index, that measures the investment return of inflation-protected public obligations of the U.S. Treasury with remaining maturities of less than five years.

### Asset Allocation as of 03/31/16



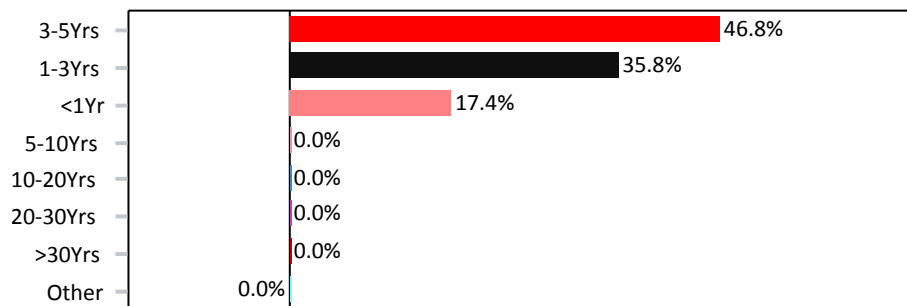
### Top 10 Securities as of 03/31/16

Treasury Notes/Bonds	100.0 %
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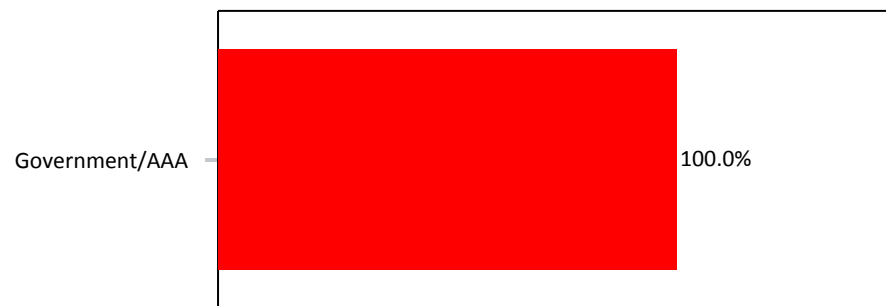
### Fixed Income Characteristics as of 03/31/16

Avg. Coupon	0.85 %
Nominal Maturity	N/A
Effective Maturity	2.49 Years
Duration	2.45 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	AAA

### Maturity Distribution as of 03/31/16



### Quality Allocation as of 03/31/16



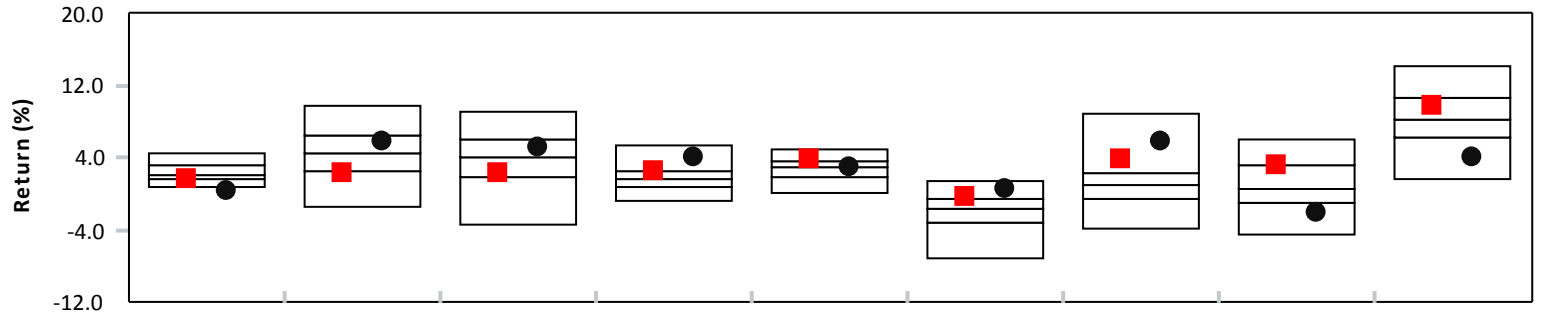
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## BlackRock Strategic Income Opportunities Instl

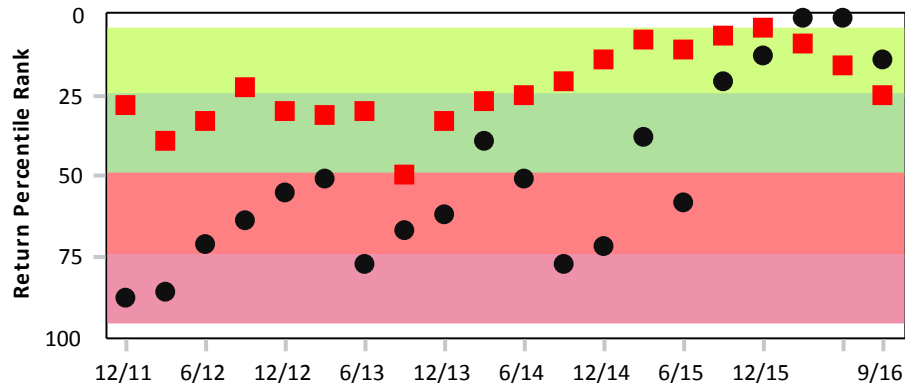
As of September 30, 2016

### Peer Group Analysis vs. IM Alternative Credit Focus (MF)



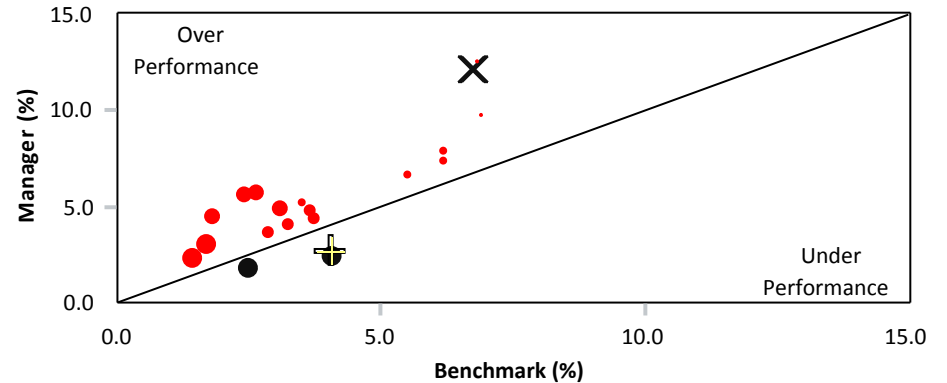
	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ BlackRock Strategic Income Opportunities Instl	1.6 (73)	2.4 (77)	2.3 (72)	2.7 (25)	3.9 (17)	-0.3 (22)	3.9 (13)	3.3 (24)	9.9 (34)
● Blmbg. Barc. U.S. Aggregate	0.5 (99)	5.8 (36)	5.2 (40)	4.0 (14)	3.1 (45)	0.5 (12)	6.0 (10)	-2.0 (90)	4.2 (87)
5th Percentile	4.6	9.9	9.3	5.5	5.0	1.6	9.1	6.1	14.3
1st Quartile	3.3	6.6	6.1	2.6	3.6	-0.5	2.2	3.2	10.8
Median	2.2	4.5	4.0	1.7	2.9	-1.6	1.0	0.6	8.4
3rd Quartile	1.6	2.6	1.9	0.8	1.9	-3.1	-0.5	-1.0	6.4
95th Percentile	0.8	-1.5	-3.4	-0.7	0.1	-7.0	-3.8	-4.5	1.6

### 3 Year Rolling Percentile Ranking vs. IM Alternative Credit Focus (MF)



■ BlackRock Strategic Income Opportunities Instl  
● Blmbg. Barc. U.S. Aggregate

### 3 Year Rolling Under/Over Performance vs. Blmbg. Barc. U.S. Aggregate



● Over Performance    ● Under Performance  
X Dec-2011    + Sep-2016

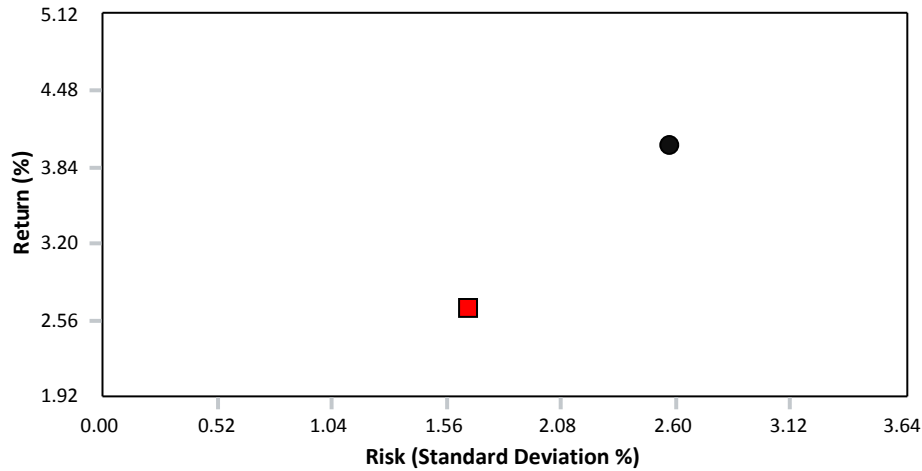
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## BlackRock Strategic Income Opportunities Instl

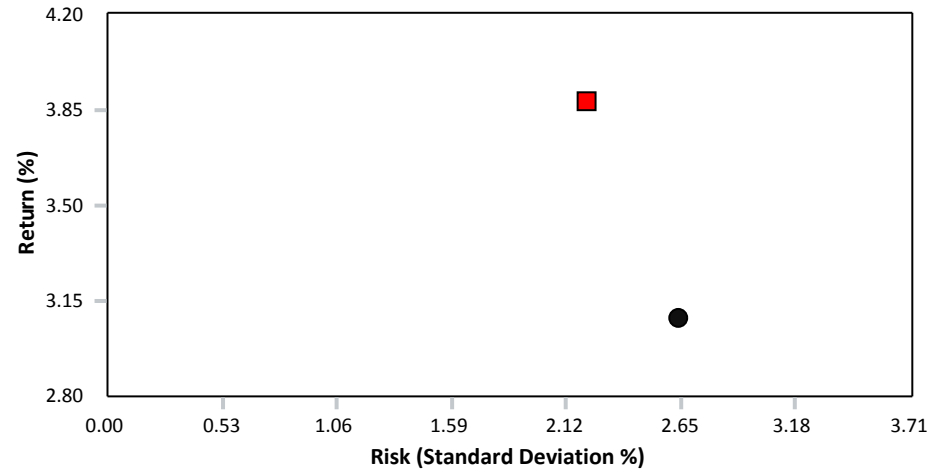
As of September 30, 2016

### 3 Year Risk and Return



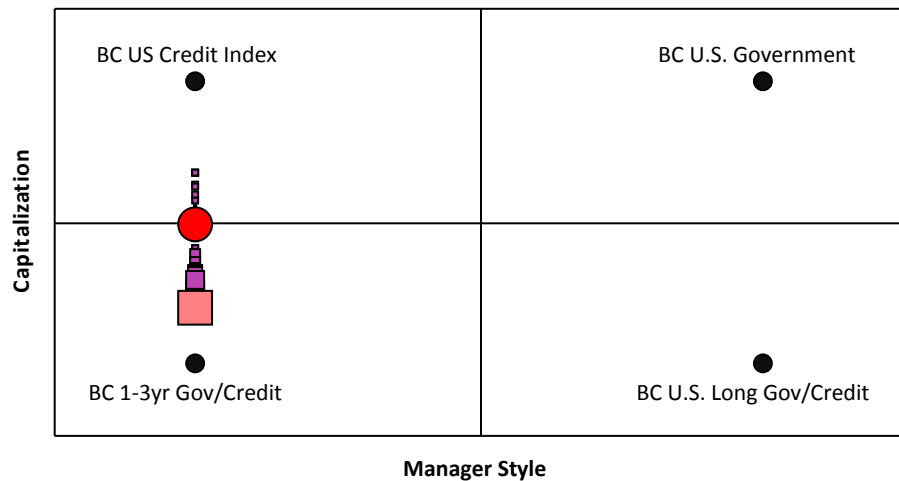
- BlackRock Strategic Income Opportunities Instl
- Blmbg. Barc. U.S. Aggregate

### 5 Year Risk and Return



- BlackRock Strategic Income Opportunities Instl
- Blmbg. Barc. U.S. Aggregate

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. Blmbg. Barc. U.S. Aggregate

	3 Years	5 Years
Return	2.7	3.9
Standard Deviation	1.7	2.2
vs. Blmbg. Barc. U.S. Aggregate		
Alpha	2.0	3.0
Beta	0.2	0.3
R-Squared	0.1	0.1
Consistency	50.0	55.0
Up Market Capture	41.3	71.2
Down Market Capture	-12.0	-4.3
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.5	1.7

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## BlackRock Strategic Income Opportunities Instl

Report Date September 30, 2016

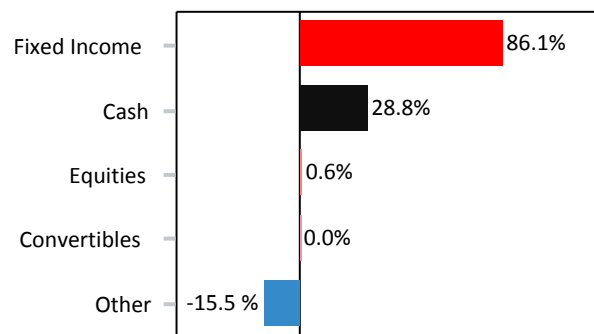
### Mutual Fund Information

Fund Name :	BlackRock Funds II: BlackRock Strategic Income Opportunities Portfolio; Institutional Shares	Portfolio Assets :	\$28,883 Million
Fund Family :	BlackRock Inc	Fund Assets :	\$19,665 Million
Ticker :	BSIIX	Portfolio Manager :	Rieder/Miller
Inception Date :	02/05/2008	PM Tenure :	2010--2011
Portfolio Turnover :	1,856%		

### Fund Investment Policy

The Fund seeks total return as is consistent with the preservation of capital. The Fund will invest opportunistically across the spectrum of fixed income sectors and securities. Allocations to all sectors are unconstrained and the fund may invest in non-investment-grade, non-dollar-denominated and emerging markets.

### Asset Allocation as of 03/31/16



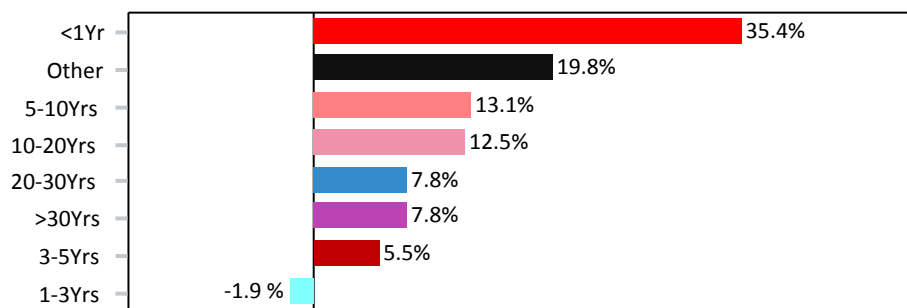
### Top 10 Securities as of 03/31/16

BlackRock Liquidity TempFund;Institutional	14.3 %
iShares iBoxx \$ High Yield Corporate Bond ETF	1.4 %
SPDR Gold Shares	0.9 %
SPDR Barclays High Yield Bond ETF	0.7 %
iShares JPMorgan USD Emerging Markets Bond ETF	0.4 %
GMAC Capital Trust I PFD	0.2 %
Apple Inc ORD	0.1 %
RBS Capital Funding Trust V PFD	0.1 %
AbbVie Inc ORD	0.0 %
United Continental Holdings Inc ORD	0.0 %

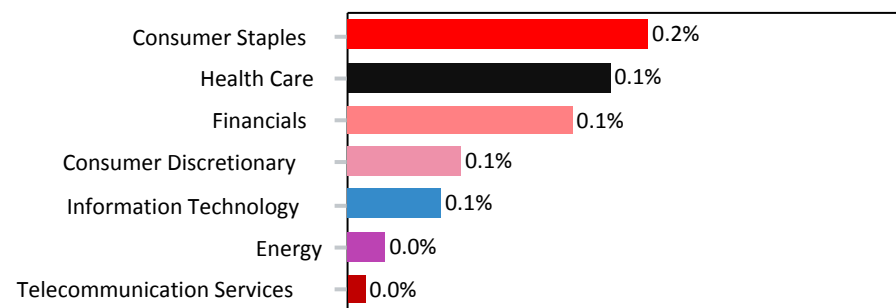
### Fixed Income Characteristics as of 03/31/16

Avg. Coupon	N/A
Nominal Maturity	N/A
Effective Maturity	5.06 Years
Duration	1.28 Years
SEC 30 Day Yield	4.4
Avg. Credit Quality	AA

### Maturity Distribution as of 03/31/16



### Quality Allocation as of 03/31/16



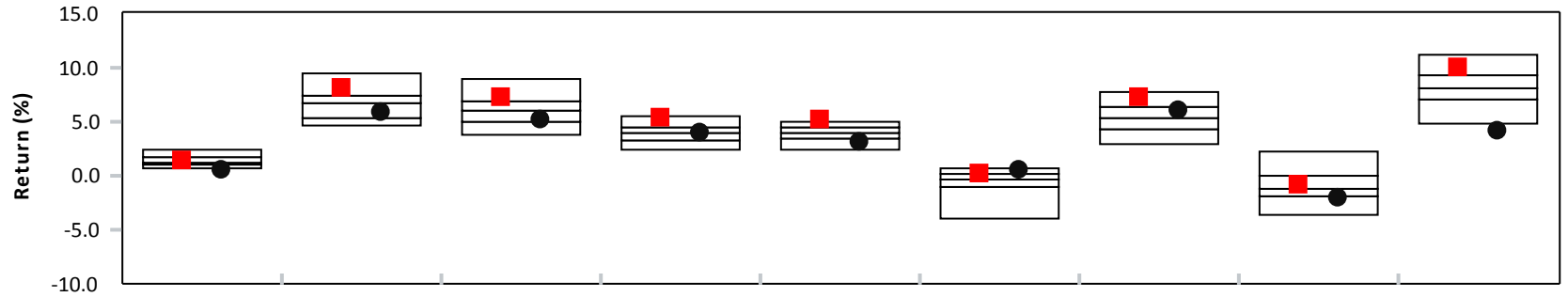
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Prudential Total Return Bond Q

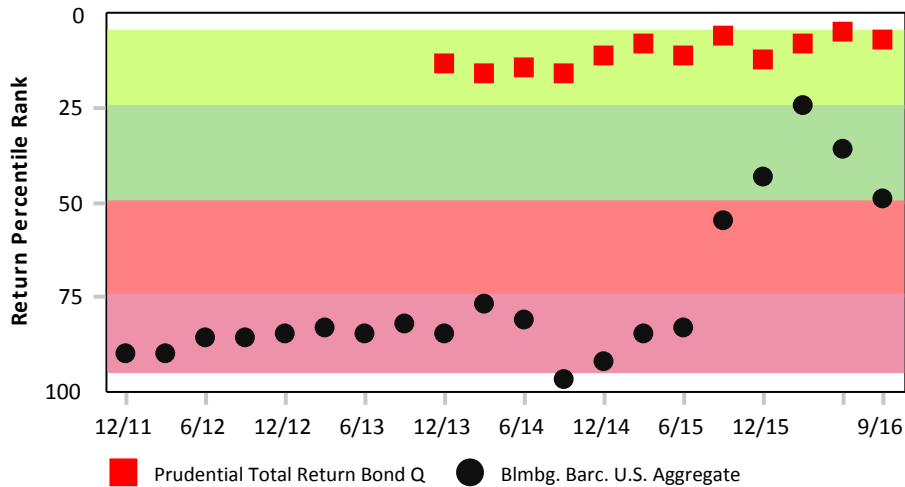
As of September 30, 2016

### Peer Group Analysis vs. IM U.S. Broad Market Core+ Fixed Income (MF)

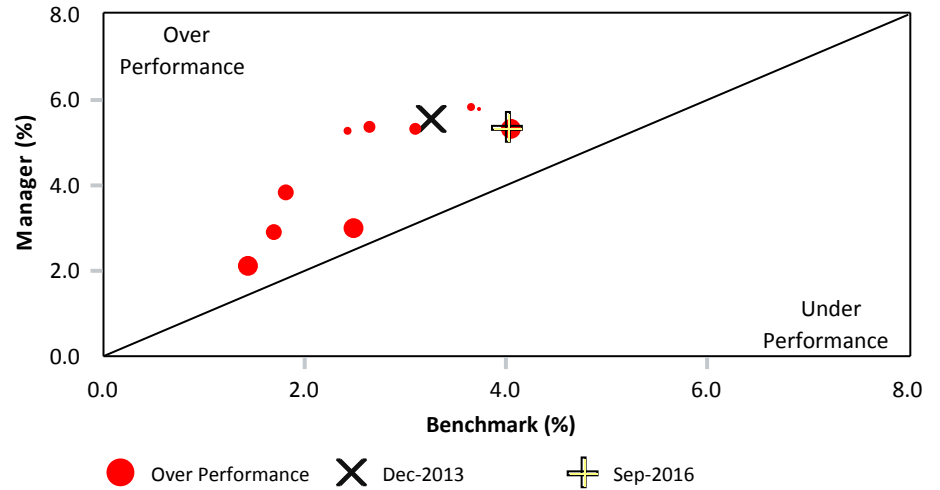


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Prudential Total Return Bond Q	1.4 (42)	8.1 (14)	7.3 (17)	5.3 (7)	5.1 (5)	0.1 (33)	7.3 (11)	-0.9 (44)	10.0 (15)
● Blmbg. Barc. U.S. Aggregate	0.5 (100)	5.8 (66)	5.2 (72)	4.0 (49)	3.1 (88)	0.5 (12)	6.0 (34)	-2.0 (77)	4.2 (98)
5th Percentile	2.4	9.4	8.9	5.6	5.1	0.8	7.7	2.2	11.2
1st Quartile	1.7	7.5	6.9	4.5	4.5	0.2	6.3	-0.1	9.3
Median	1.3	6.7	6.0	4.0	3.9	-0.4	5.3	-1.1	8.2
3rd Quartile	1.0	5.4	5.0	3.3	3.5	-1.1	4.3	-1.9	7.0
95th Percentile	0.6	4.7	3.7	2.4	2.5	-3.9	2.9	-3.6	4.8

### 3 Year Rolling Percentile Ranking vs. IM U.S. Broad Market Core+ Fixed Income



### 3 Year Rolling Under/Over Performance vs. Blmbg. Barc. U.S. Aggregate



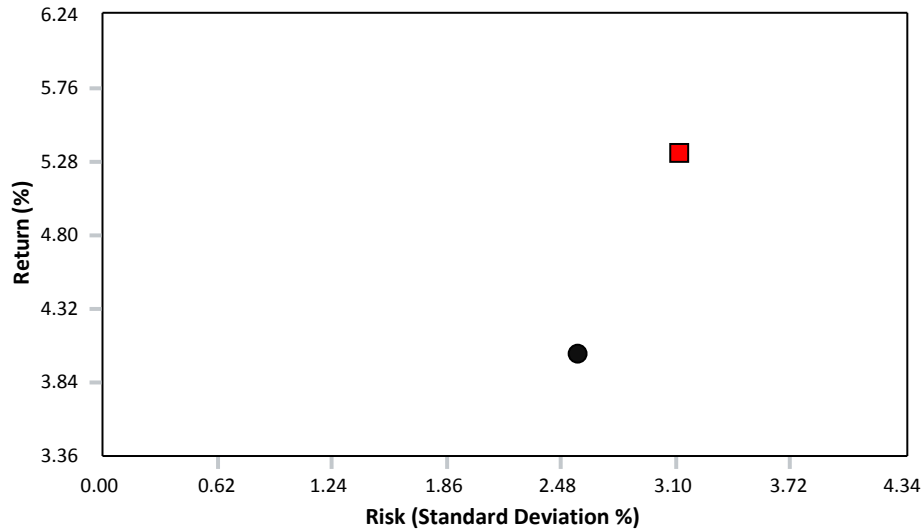
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Prudential Total Return Bond Q

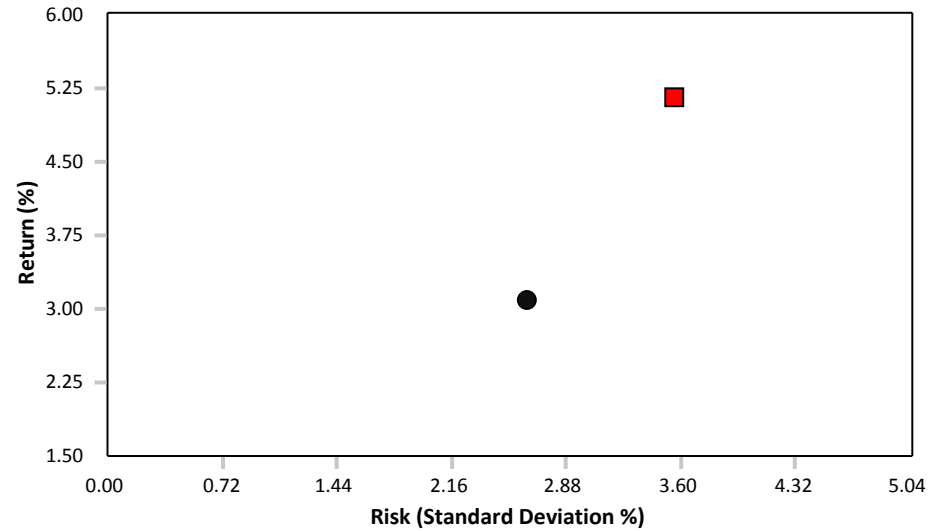
As of September 30, 2016

### 3 Year Risk and Return



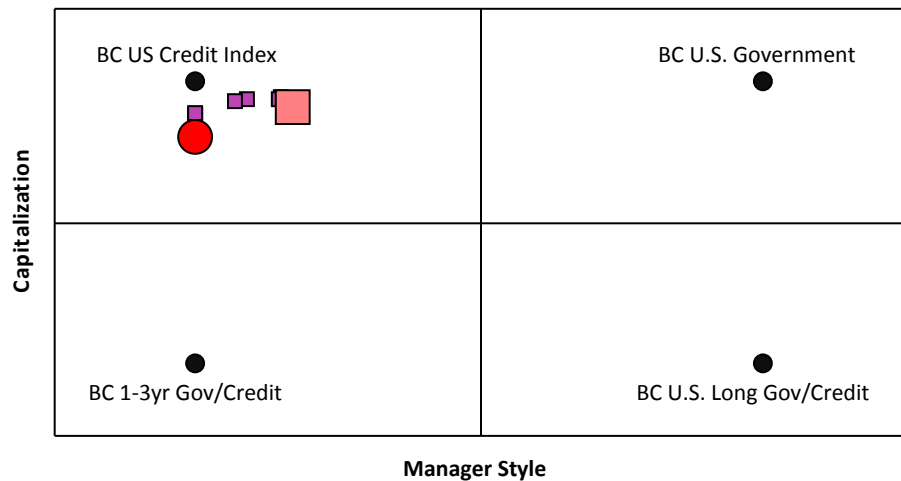
■ Prudential Total Return Bond Q ● Blmbg. Barc. U.S. Aggregate

### 5 Year Risk and Return



■ Prudential Total Return Bond Q ● Blmbg. Barc. U.S. Aggregate

### Style Map - 3 Years



■ Style History ■ Sep-2016 ● Average Style Exposure

### MPT Statistics vs. Blmbg. Barc. U.S. Aggregate

	3 Years	5 Years
Return	5.3	5.1
Standard Deviation	3.1	3.6
vs. Blmbg. Barc. U.S. Aggregate		
Alpha	0.7	1.4
Beta	1.1	1.2
R-Squared	0.9	0.8
Consistency	63.9	66.7
Up Market Capture	124.5	144.7
Down Market Capture	109.1	115.4
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.7	1.4

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Prudential Total Return Bond Q

Report Date September 30, 2016

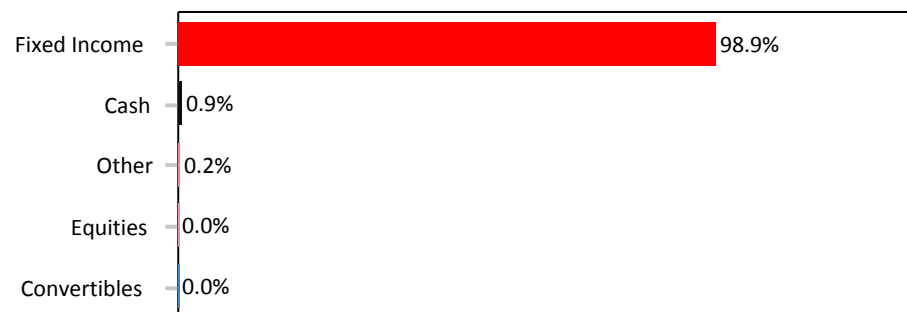
### Mutual Fund Information

Fund Name :	Prudential Investment Portfolios, Inc 17: Prudential Total Return Bond Fund; Class Q Shares	Portfolio Assets :	\$15,559 Million
Fund Family :	Prudential Investments LLC	Fund Assets :	\$3,096 Million
Ticker :	PTRQX	Portfolio Manager :	Team Managed
Inception Date :	12/27/2010	PM Tenure :	
Portfolio Turnover :	114%		

### Fund Investment Policy

The Fund seeks current income and capital appreciation by allocating its assets primarily among U.S. Government, mortgage backed, corporate debt, and foreign securities.

### Asset Allocation as of 03/31/16



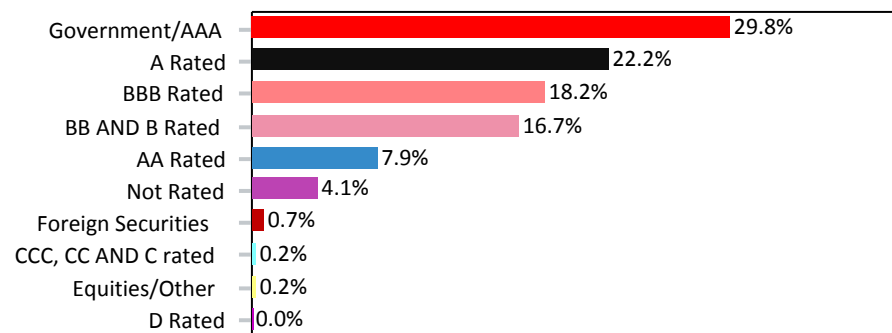
### Top 10 Securities as of 03/31/16

Corporate Notes/Bonds	47.6 %
Asset Backed Securities	26.5 %
GNMA and Other Mtg Backed	9.2 %
US\$ Denominated Fgn. Gvt.	8.5 %
Treasury Notes/Bonds	4.3 %
Government Agency Securities	2.2 %
Fgn. Currency Denominated Bonds	0.7 %

### Equity Characteristics as of 03/31/16

Avg. Coupon	3.36 %
Nominal Maturity	7.54 Years
Effective Maturity	N/A
Duration	6.03 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	A

### Sector Allocation as of 03/31/16



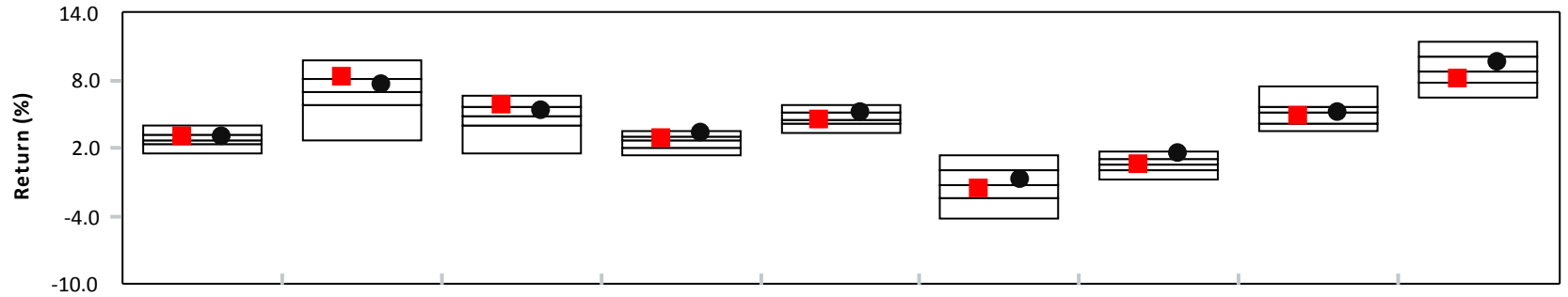
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Eaton Vance Floating Rate Instl

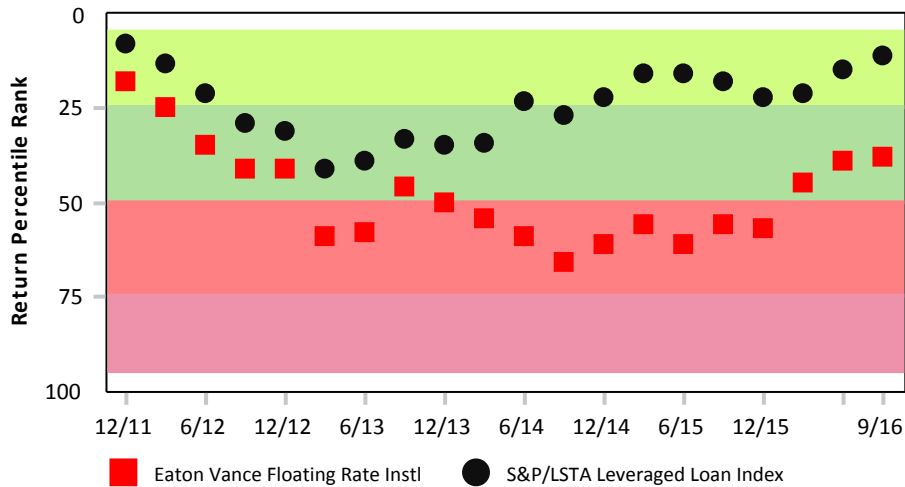
As of September 30, 2016

### Peer Group Analysis vs. IM U.S. Bank Loans (MF)

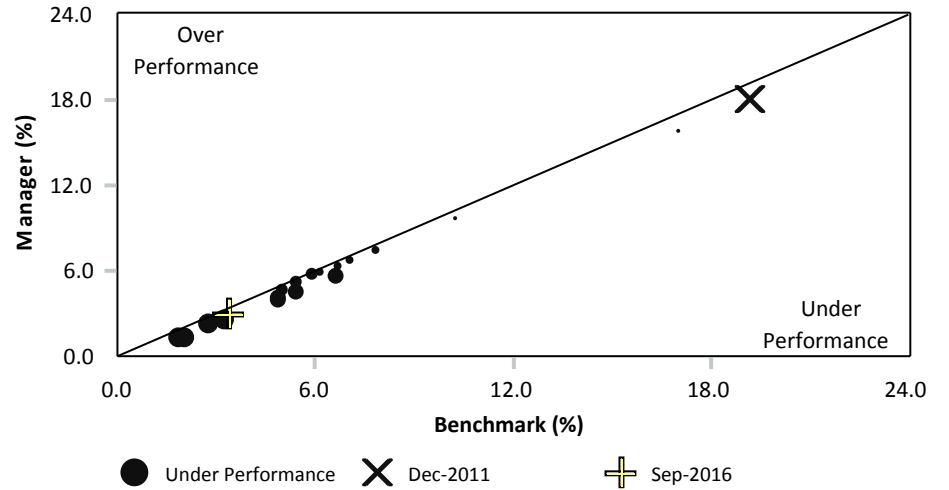


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Eaton Vance Floating Rate Instl	3.1 (38)	8.3 (22)	5.9 (21)	2.9 (38)	4.6 (53)	-1.6 (58)	0.6 (47)	4.8 (62)	8.3 (66)
● S&P/LSTA Leveraged Loan Index	3.1 (37)	7.7 (35)	5.5 (35)	3.4 (11)	5.2 (21)	-0.7 (40)	1.6 (7)	5.3 (43)	9.7 (31)
5th Percentile	4.1	9.8	6.8	3.6	5.8	1.5	1.7	7.5	11.5
1st Quartile	3.3	8.2	5.7	3.1	5.2	0.0	1.1	5.8	10.1
Median	2.8	7.0	5.0	2.7	4.6	-1.2	0.5	5.1	8.9
3rd Quartile	2.4	5.9	4.1	2.1	4.2	-2.4	0.0	4.3	7.9
95th Percentile	1.5	2.8	1.5	1.5	3.4	-4.2	-0.8	3.6	6.6

### 3 Year Rolling Percentile Ranking vs. IM U.S. Bank Loans (MF)



### 3 Year Rolling Under/Over Performance vs. S&P/LSTA Leveraged Loan Index



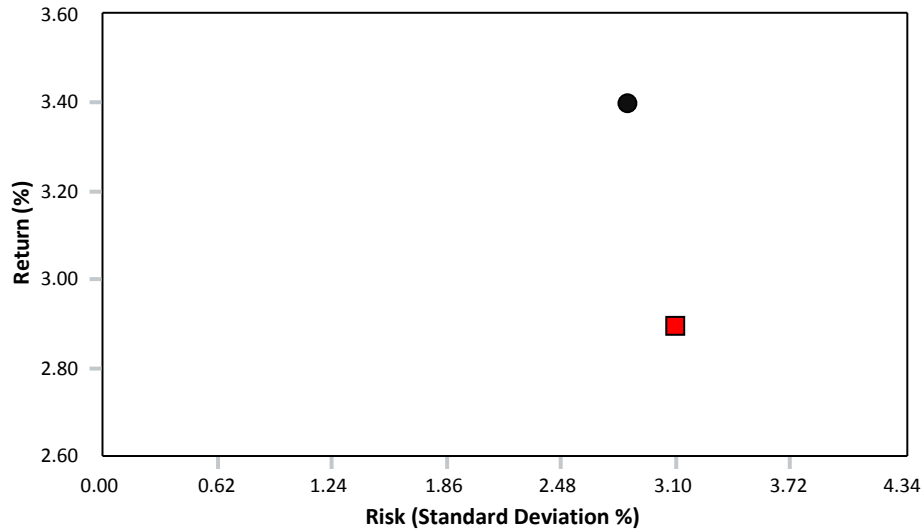
Mutual fund data sourced from Lipper Analytical Services.



# Manager Evaluation

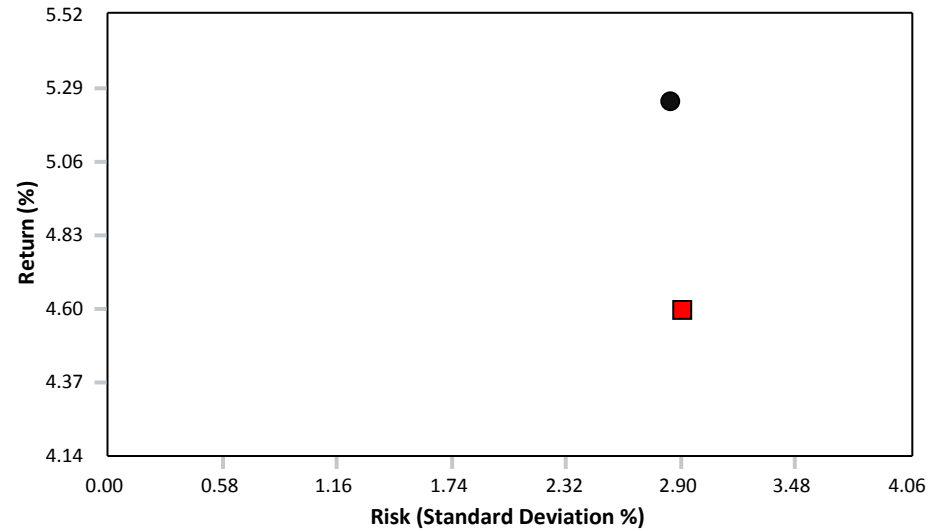
Eaton Vance Floating Rate Instl  
As of September 30, 2016

## 3 Year Risk and Return



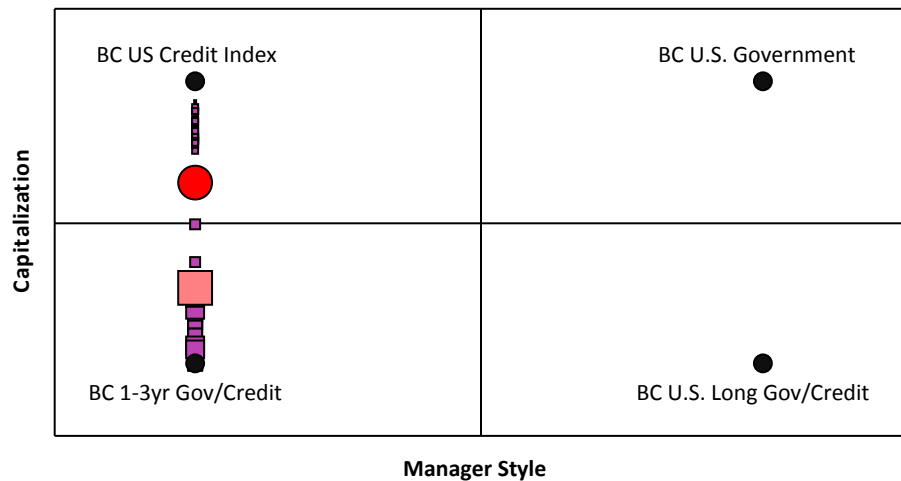
■ Eaton Vance Floating Rate Instl    ● S&P/LSTA Leveraged Loan Index

## 5 Year Risk and Return



■ Eaton Vance Floating Rate Instl    ● S&P/LSTA Leveraged Loan Index

## Style Map - 3 Years



■ Style History    ■ Sep-2016    ● Average Style Exposure

## MPT Statistics vs. S&P/LSTA Leveraged Loan Index

	3 Years	5 Years
Return	2.9	4.6
Standard Deviation	3.1	2.9
vs. S&P/LSTA Leveraged Loan Index		
Alpha	-0.7	-0.6
Beta	1.1	1.0
R-Squared	0.9	0.9
Consistency	30.6	33.3
Up Market Capture	91.6	90.8
Down Market Capture	100.1	99.5
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.9	1.5

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Eaton Vance Floating Rate Instl

Report Date September 30, 2016

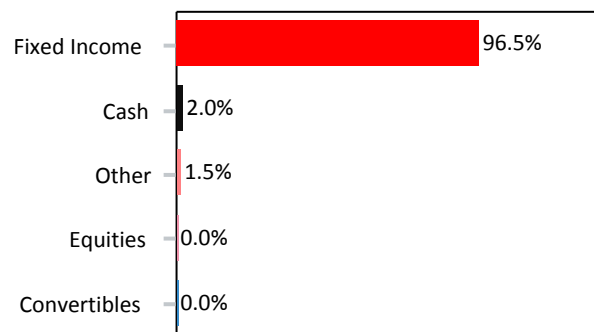
### Mutual Fund Information

Fund Name :	Eaton Vance Mutual Funds Trust: Eaton Vance Floating-Rate Fund; Institutional Shares	Portfolio Assets :	\$7,071 Million
Fund Family :	Eaton Vance Management	Fund Assets :	\$4,979 Million
Ticker :	EIBLX	Portfolio Manager :	Page/Russ
Inception Date :	01/30/2001	PM Tenure :	2001--2007
Portfolio Turnover :	19%		

### Fund Investment Policy

The Fund seeks to provide a high level of current income. To do so, the Fund invests primarily in senior secured floating rate loans and high yield, high risk corporate bonds. The Fund invests at least 65% of its assets in debt obligations issued in connection with corporations who are restructuring.

### Asset Allocation as of 03/31/16



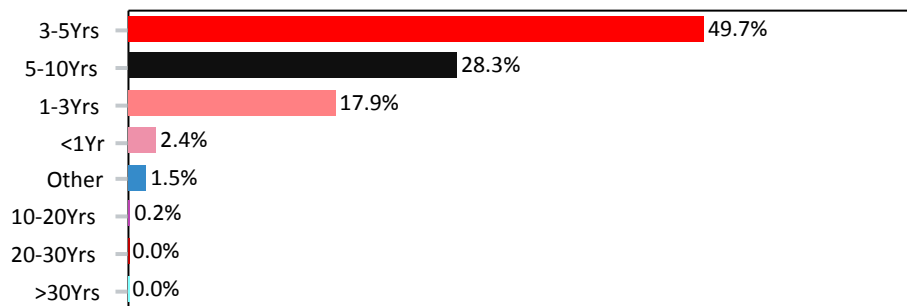
### Top 10 Securities as of 03/31/16

Corporate Notes/Bonds	96.5 %
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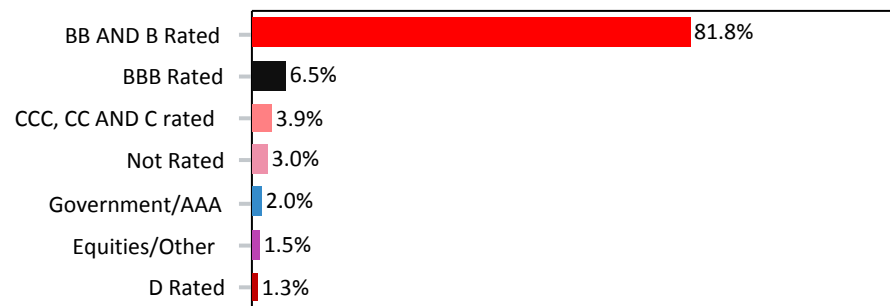
### Fixed Income Characteristics as of 03/31/16

Avg. Coupon	4.61 %
Nominal Maturity	N/A
Effective Maturity	4.26 Years
Duration	0.33 Years
SEC 30 Day Yield	3.8
Avg. Credit Quality	B

### Maturity Distribution as of 03/31/16



### Quality Allocation as of 03/31/16



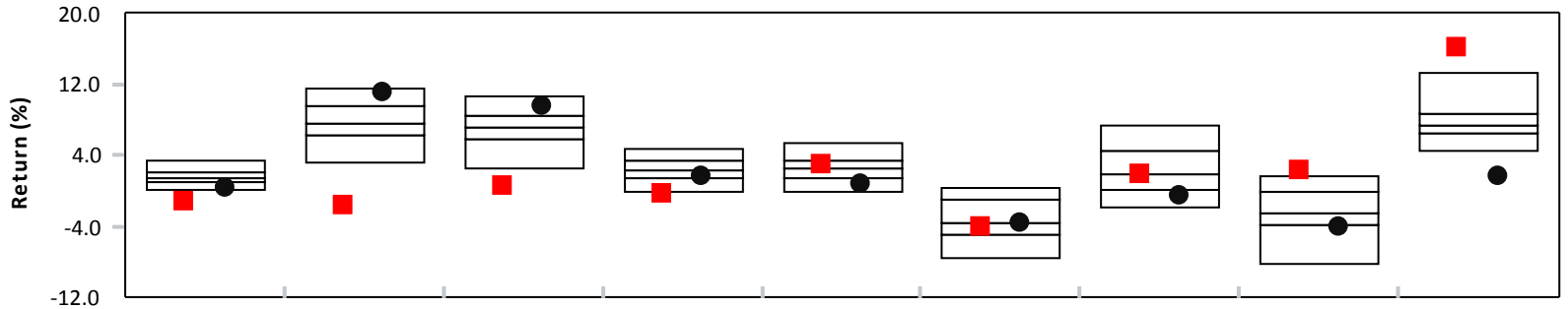
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Templeton Global Bond Adv

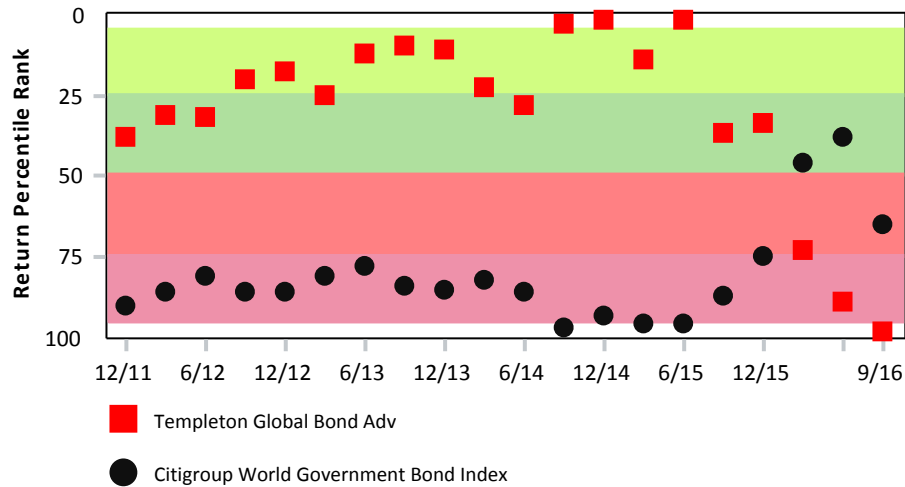
As of September 30, 2016

### Peer Group Analysis vs. IM Global Fixed Income (MF)

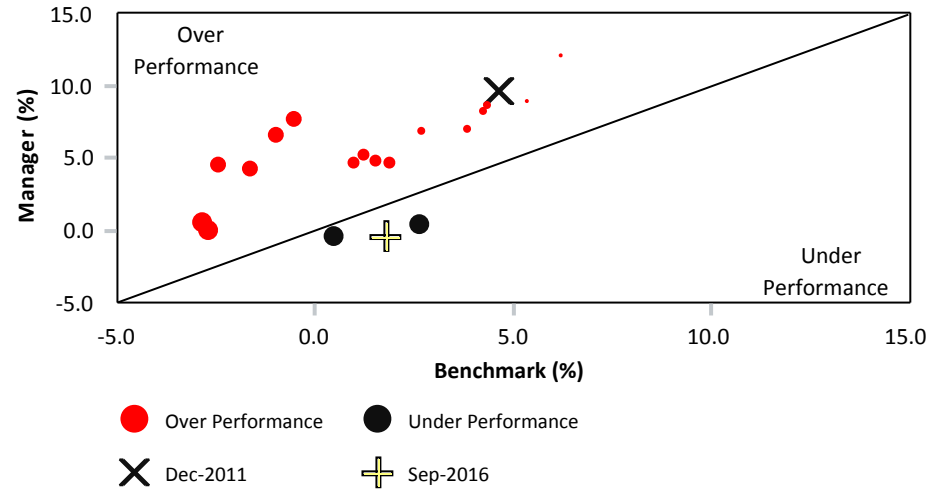


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Templeton Global Bond Adv	-1.3 (100)	-1.5 (100)	0.7 (100)	-0.4 (98)	3.0 (37)	-4.0 (57)	1.8 (53)	2.4 (3)	16.2 (3)
● Citigroup World Government Bond Index	0.3 (95)	11.1 (10)	9.7 (13)	1.8 (65)	0.8 (88)	-3.6 (48)	-0.5 (83)	-4.0 (80)	1.6 (100)
5th Percentile	3.4	11.7	10.7	4.8	5.3	0.3	7.4	1.7	13.4
1st Quartile	2.0	9.6	8.5	3.4	3.4	-0.9	4.6	-0.1	8.8
Median	1.5	7.7	7.1	2.3	2.6	-3.7	2.0	-2.5	7.4
3rd Quartile	0.9	6.4	5.8	1.4	1.6	-4.9	0.1	-3.8	6.6
95th Percentile	0.2	3.3	2.6	-0.1	0.0	-7.5	-1.9	-8.2	4.5

### 3 Year Rolling Percentile Ranking vs. IM Global Fixed Income (MF)



### 3 Year Rolling Under/Over Performance vs. Citigroup World Government Bond



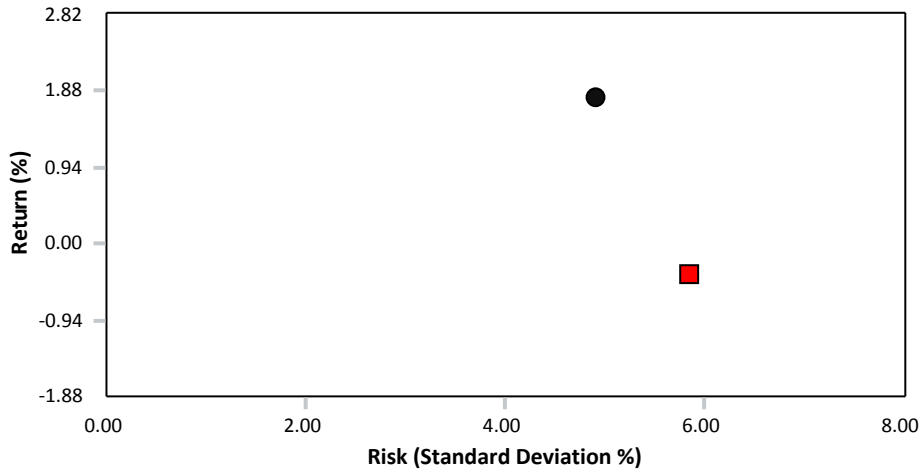
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Templeton Global Bond Adv

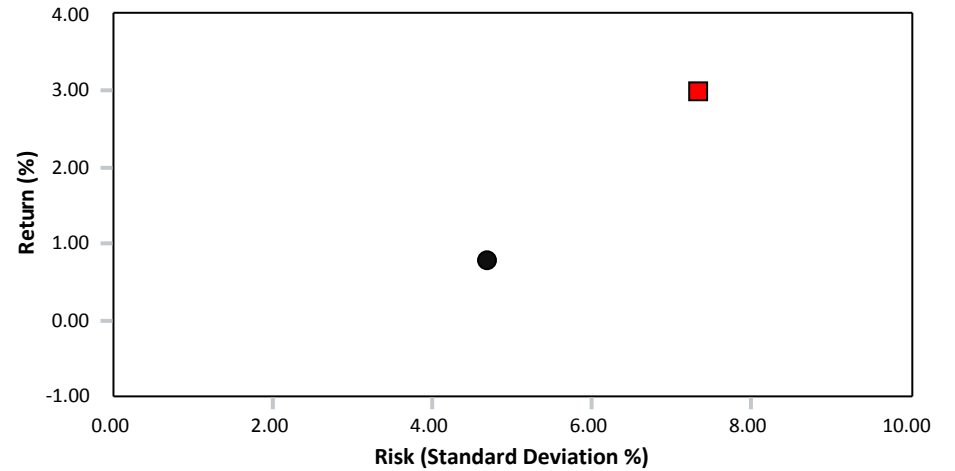
As of September 30, 2016

### 3 Year Risk and Return



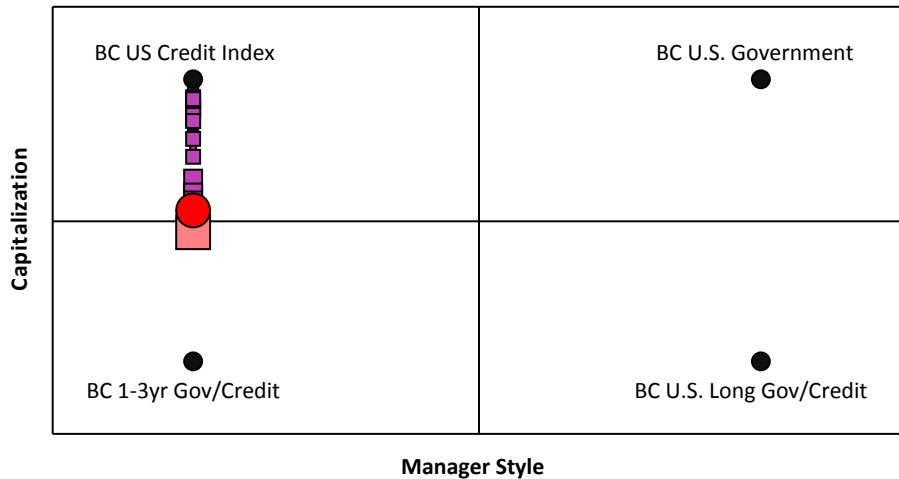
- Templeton Global Bond Adv
- Citigroup World Government Bond Index

### 5 Year Risk and Return



- Templeton Global Bond Adv
- Citigroup World Government Bond Index

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. Citigroup World Government Bond Index

	3 Years	5 Years
Return	-0.4	3.0
Standard Deviation	5.9	7.3
vs. Citigroup World Government Bond Index		
Alpha	-0.2	3.0
Beta	0.0	0.3
R-Squared	0.0	0.0
Consistency	52.8	58.3
Up Market Capture	-21.3	57.9
Down Market Capture	-24.4	13.6
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	-0.1	0.4

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Templeton Global Bond Adv

Report Date September 30, 2016

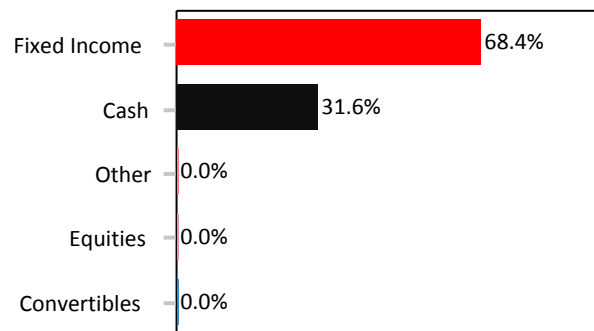
### Mutual Fund Information

Fund Name :	Templeton Income Trust: Templeton Global Bond Fund; Advisor Class Shares	Portfolio Assets :	\$47,217 Million
Fund Family :	Franklin Templeton Investments	Fund Assets :	\$23,788 Million
Ticker :	TGBAX	Portfolio Manager :	Hasenstab/Desai
Inception Date :	01/02/1997	PM Tenure :	2001--2011
Portfolio Turnover :	43%		

### Fund Investment Policy

The Fund seeks current income with capital appreciation and growth of income by investing at least 80% of its net assets in "bonds." In addition, the Fund's assets will be invested in issuers located in at least three countries including the U.S.

### Asset Allocation as of 09/30/15



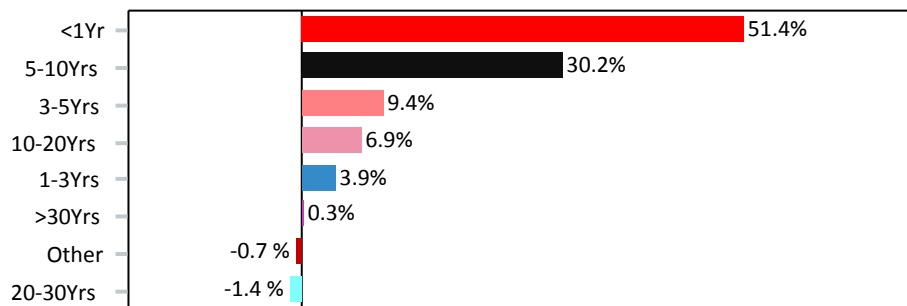
### Top 10 Securities as of 09/30/15

Fgn. Currency Denominated Bonds	65.0 %
US\$ Denominated Fgn. Gvt.	12.9 %
Government Agency Securities	0.9 %

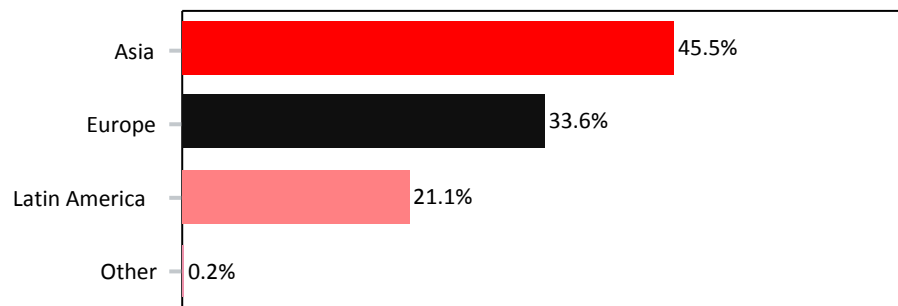
### Fixed Income Characteristics as of 03/31/16

Avg. Coupon	5.02 %
Nominal Maturity	3.09 Years
Effective Maturity	N/A
Duration	0.18 Years
SEC 30 Day Yield	3.9
Avg. Credit Quality	N/A

### Maturity Distribution as of 03/31/15



### Quality Allocation as of 09/30/15



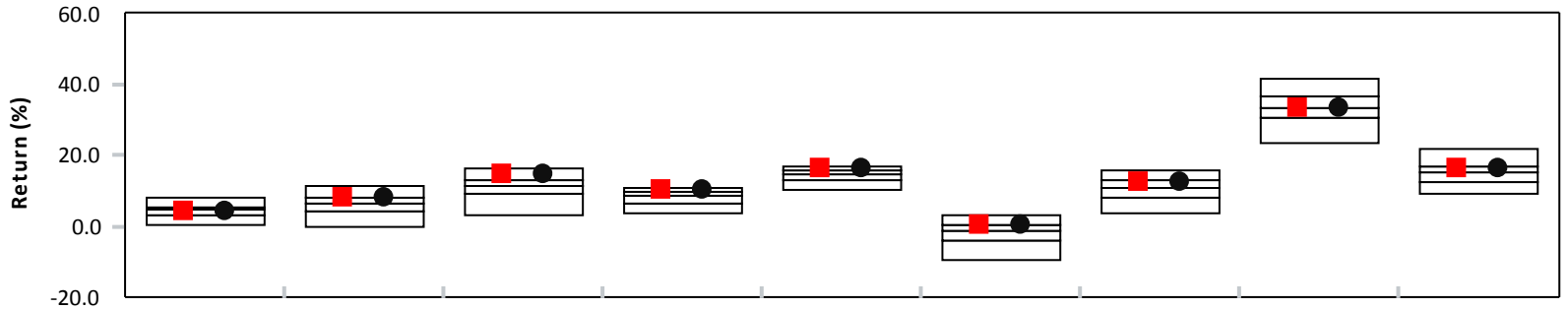
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Total Stock Market Index Adm

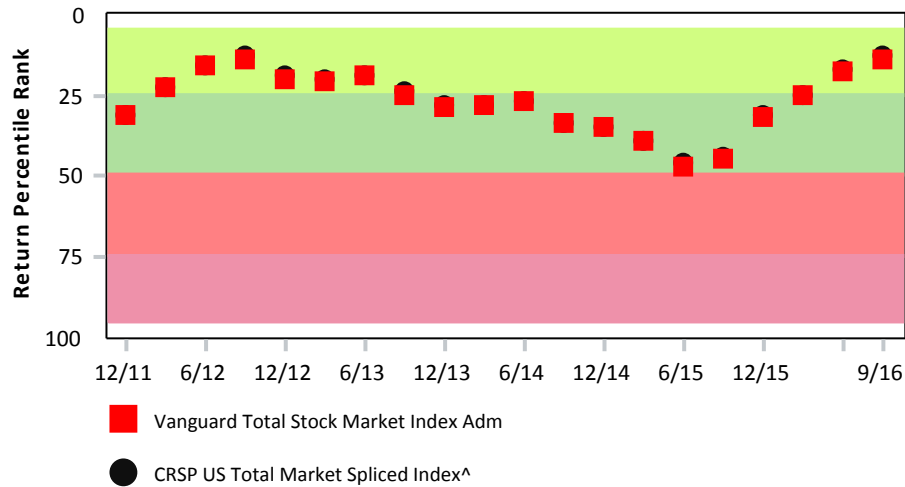
As of September 30, 2016

### Peer Group Analysis vs. IM U.S. Multi-Cap Core Equity (MF)

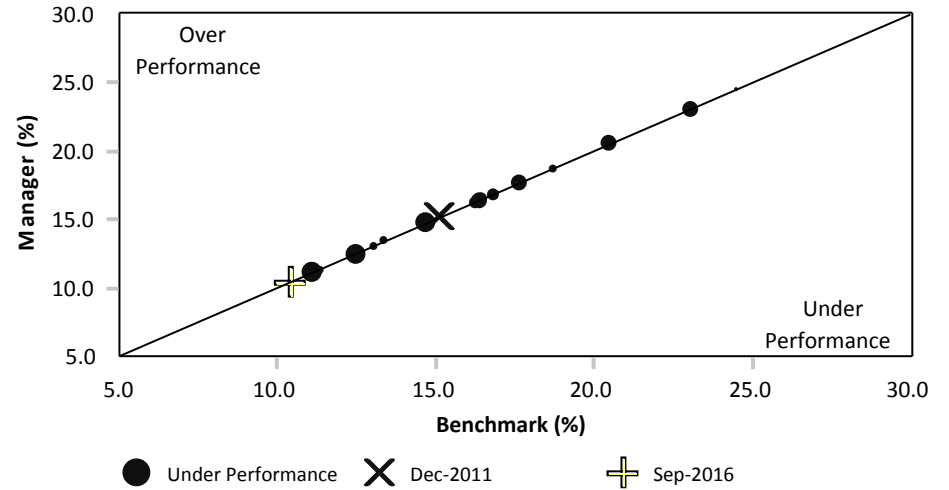


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Vanguard Total Stock Market Index Adm	4.4 (57)	8.2 (26)	15.0 (12)	10.4 (14)	16.3 (14)	0.4 (28)	12.6 (29)	33.5 (51)	16.4 (34)
● CRSP US Total Market Spliced Index^	4.4 (56)	8.2 (25)	15.0 (12)	10.4 (13)	16.3 (14)	0.4 (27)	12.6 (29)	33.5 (52)	16.4 (33)
5th Percentile	8.4	11.6	16.6	11.1	17.2	3.1	16.1	42.0	21.7
1st Quartile	5.6	8.2	13.3	9.7	15.9	0.5	12.9	36.6	17.2
Median	4.6	6.2	11.3	8.4	14.9	-1.3	10.9	33.6	15.4
3rd Quartile	3.3	4.1	9.0	6.7	13.3	-3.8	7.9	30.6	12.8
95th Percentile	0.4	-0.3	3.3	3.6	10.4	-9.3	3.6	23.3	9.4

### 3 Year Rolling Percentile Ranking vs. IM U.S. Multi-Cap Core Equity (MF)



### 3 Year Rolling Under/Over Performance vs. CRSP US Total Market Spliced Index^



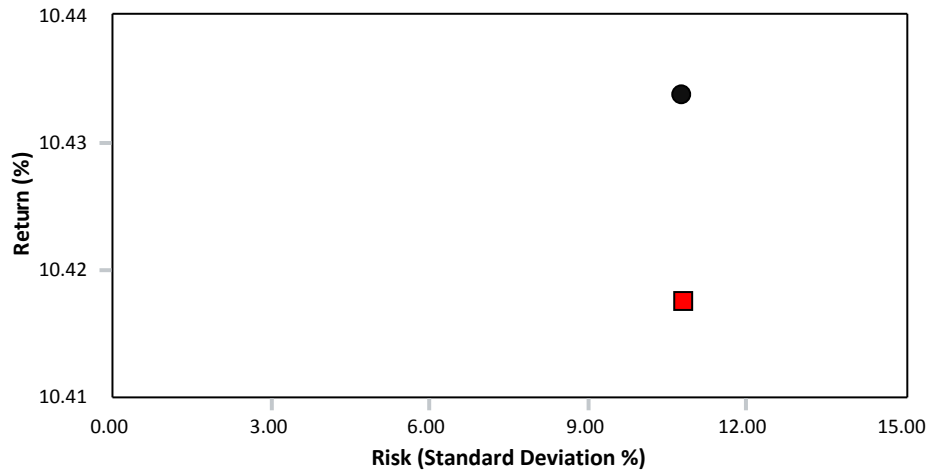
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Total Stock Market Index Adm

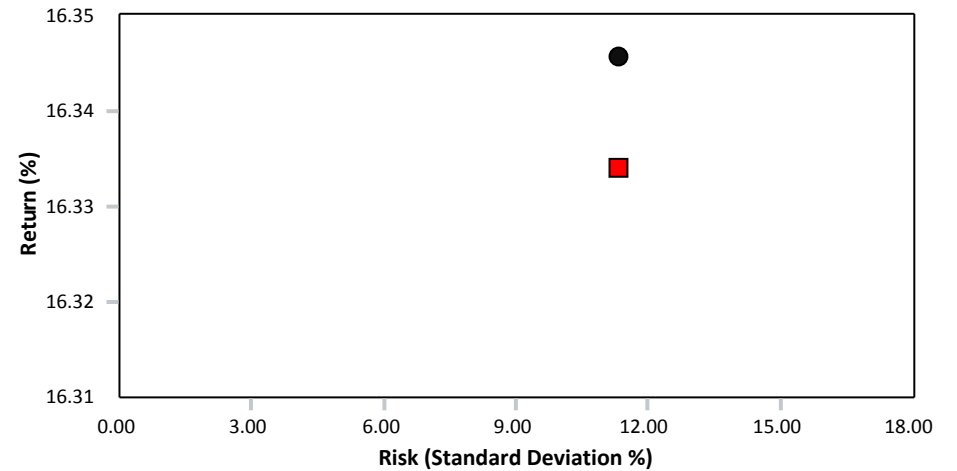
As of September 30, 2016

### 3 Year Risk and Return



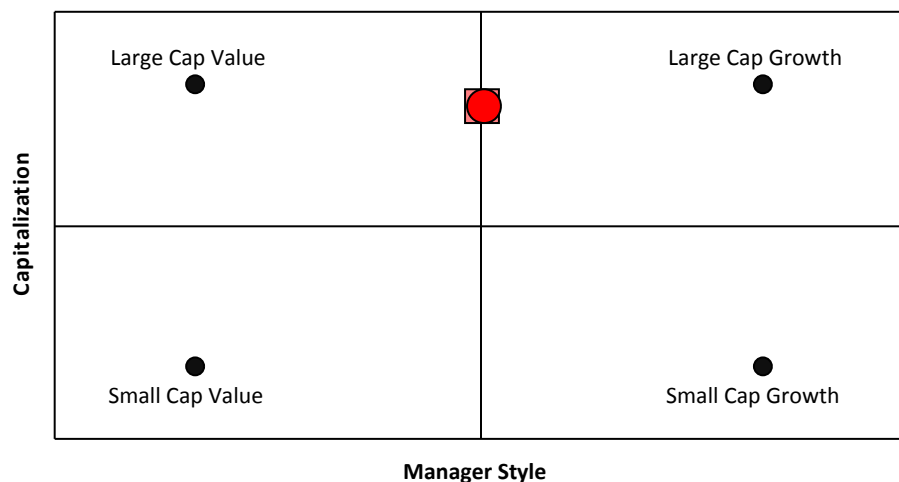
- Vanguard Total Stock Market Index Adm
- CRSP US Total Market Spliced Index^

### 5 Year Risk and Return



- Vanguard Total Stock Market Index Adm
- CRSP US Total Market Spliced Index^

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. CRSP US Total Market Spliced Index^

	3 Years	5 Years
Return	10.4	16.3
Standard Deviation	10.8	11.3
vs. CRSP US Total Market Spliced Index^		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	52.8	55.0
Up Market Capture	100.0	100.0
Down Market Capture	100.2	100.1
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.0	1.4

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Total Stock Market Index Adm

Report Date September 30, 2016

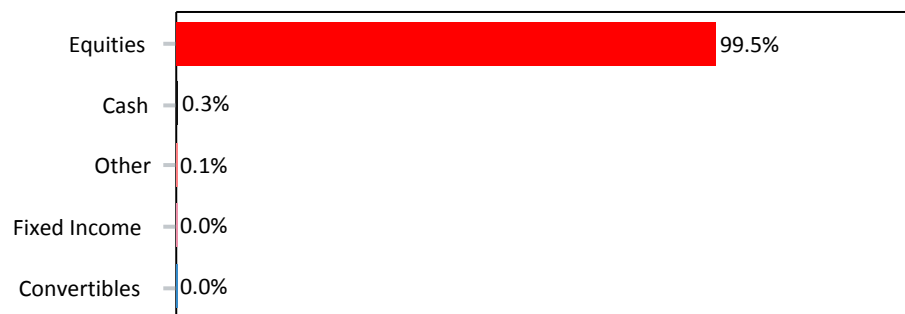
### Mutual Fund Information

Fund Name :	Vanguard Index Funds: Vanguard Total Stock Market Index Fund; Admiral Class Shares	Portfolio Assets :	\$446,280 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$136,132 Million
Ticker :	VTSAX	Portfolio Manager :	O'Reilly/Nejman
Inception Date :	11/13/2000	PM Tenure :	2016--2016
Portfolio Turnover :	3%		

### Fund Investment Policy

The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The Fund employs a "passive management" approach designed to track the performance of the CRSP US Total Market Index.

### Asset Allocation as of 05/31/16



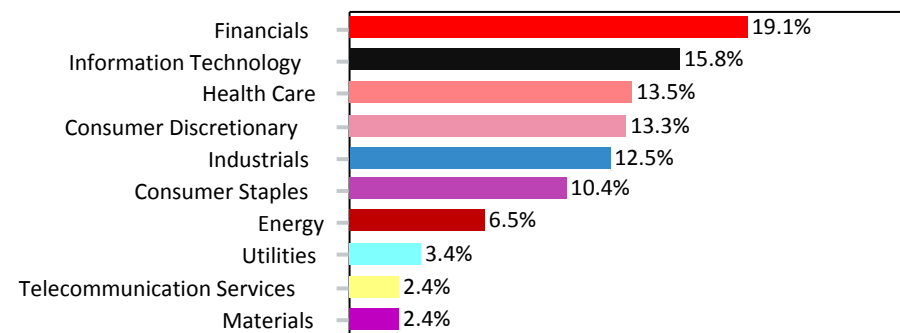
### Top 10 Securities as of 05/31/16

Apple Inc ORD	2.4 %
Microsoft Corp ORD	1.8 %
Exxon Mobil Corp ORD	1.7 %
Johnson & Johnson ORD	1.4 %
General Electric Co ORD	1.3 %
Amazon.com Inc ORD	1.2 %
Berkshire Hathaway Inc ORD	1.2 %
Facebook Inc ORD	1.2 %
AT&T Inc ORD	1.1 %
JPMorgan Chase & Co ORD	1.1 %

### Equity Characteristics as of 05/31/16

Total Securities	3,650
Avg. Market Cap	\$107,747 Million
P/E	26.7
P/B	5.5
Div. Yield	2.6%
Annual EPS	9.1
5Yr EPS	9.4
3Yr EPS Growth	11.7

### Sector Allocation as of 05/31/16



Mutual fund data sourced from Lipper Analytical Services.

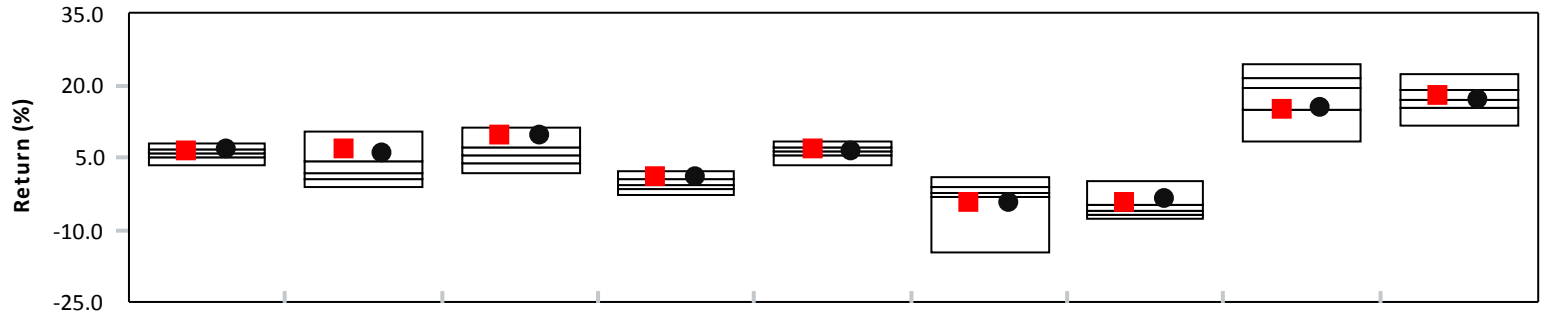


# Manager Evaluation

## Vanguard Total International Stock Index Adm

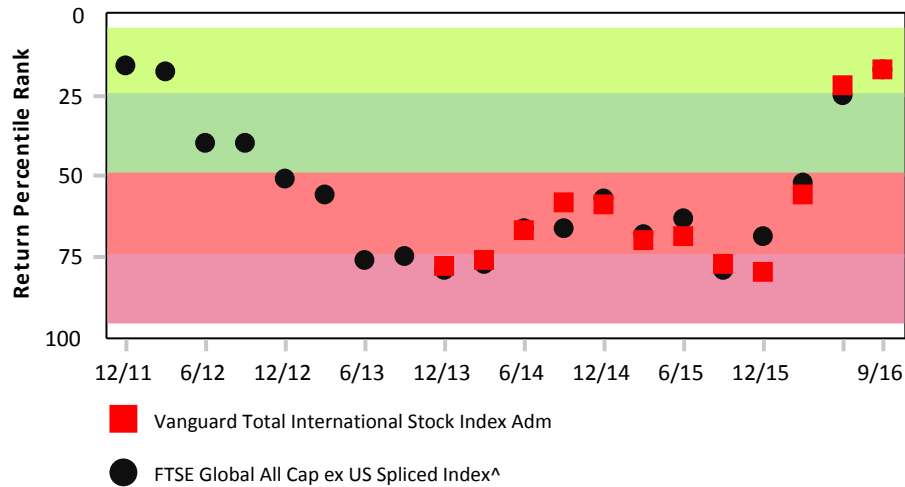
As of September 30, 2016

### Peer Group Analysis vs. IM International Large Cap Core Equity (MF)

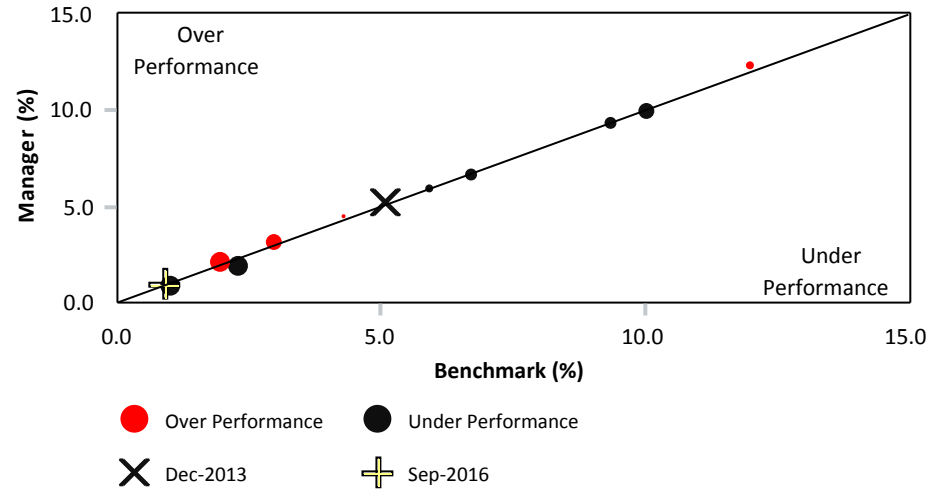


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Vanguard Total International Stock Index Adm	6.6 (40)	6.7 (12)	9.7 (13)	0.9 (17)	6.8 (46)	-4.3 (81)	-4.2 (18)	15.1 (75)	18.2 (41)
● FTSE Global All Cap ex US Spliced Index^	6.9 (28)	6.1 (14)	9.9 (11)	0.9 (17)	6.5 (53)	-4.3 (81)	-3.4 (15)	15.8 (73)	17.0 (51)
5th Percentile	8.2	10.6	11.2	2.3	8.6	0.9	0.3	24.5	22.7
1st Quartile	7.0	4.2	7.4	0.5	7.4	-0.8	-4.9	21.8	19.3
Median	6.0	1.8	5.5	-0.7	6.6	-2.3	-6.1	19.5	17.1
3rd Quartile	5.3	0.7	4.1	-1.4	5.6	-3.2	-6.9	15.0	15.4
95th Percentile	3.5	-1.1	1.7	-2.6	3.4	-14.5	-7.7	8.5	11.7

### 3 Year Rolling Percentile Ranking vs. IM International Large Cap Core Equity (MF)



### 3 Year Rolling Under/Over Performance vs. FTSE Global All Cap ex US Spliced



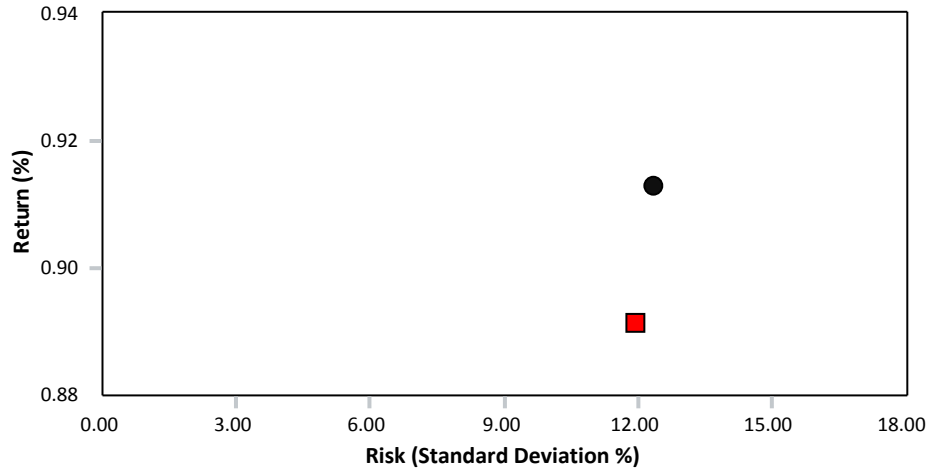
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Total International Stock Index Adm

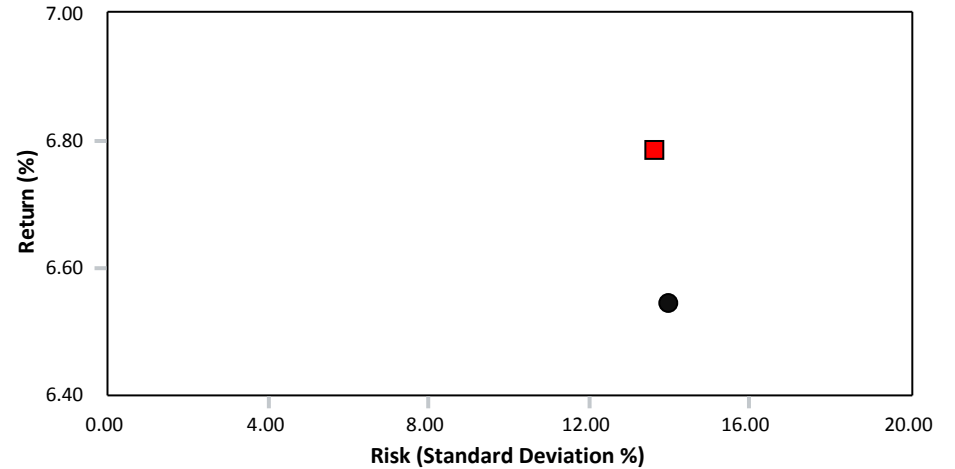
As of September 30, 2016

### 3 Year Risk and Return



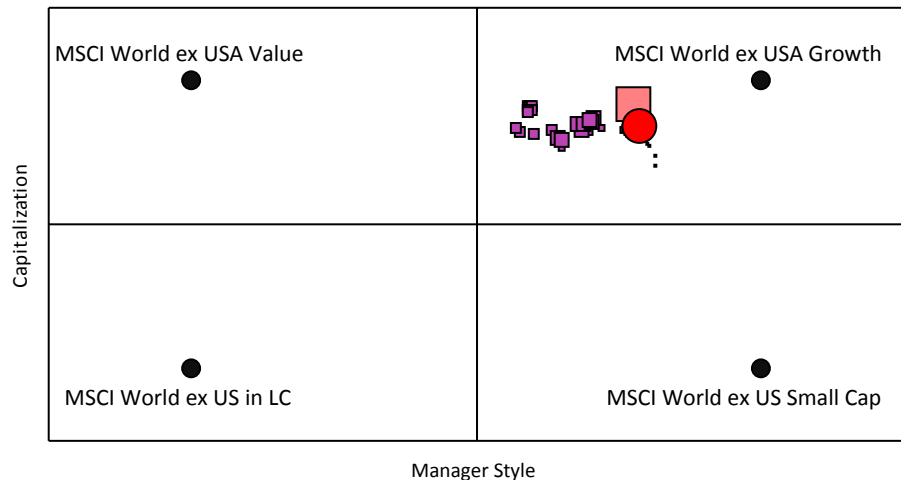
- Vanguard Total International Stock Index Adm
- FTSE Global All Cap ex US Spliced Index^

### 5 Year Risk and Return



- Vanguard Total International Stock Index Adm
- FTSE Global All Cap ex US Spliced Index^

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. FTSE Global All Cap ex US Spliced Index^

	3 Years	5 Years
Return	0.9	6.8
Standard Deviation	12.0	13.7
vs. FTSE Global All Cap ex US Spliced Index^		
Alpha	0.0	0.4
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	47.2	51.7
Up Market Capture	96.8	98.9
Down Market Capture	96.9	97.1
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.1	0.5

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard Total International Stock Index Adm

Report Date September 30, 2016

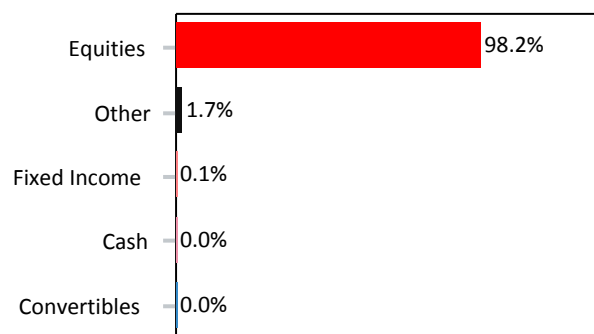
### Mutual Fund Information

Fund Name :	Vanguard STAR Funds: Vanguard Total International Stock Index Fund; Admiral Shares	Portfolio Assets :	\$209,939 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$41,073 Million
Ticker :	VTIAX	Portfolio Manager :	Michael Perre
Inception Date :	11/29/2010	PM Tenure :	2010
Portfolio Turnover :	3%		

### Fund Investment Policy

The Fund seeks to track the performance of the FTSE Global All Cap ex US Index, a free-float-adjusted market capitalization weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States.

#### Asset Allocation as of 04/30/16



#### Top 10 Securities as of 04/30/16

Nestle SA ORD	1.2 %
Roche Holding AG Par	0.9 %
Novartis AG ORD	0.8 %
Toyota Motor Corp ORD	0.7 %
HSBC Holdings PLC ORD	0.7 %
British American Tobacco PLC ORD	0.6 %
Samsung Electronics Co Ltd ORD	0.6 %
Royal Dutch Shell PLC ORD	0.6 %
Tencent Holdings Ltd ORD	0.6 %
Total SA ORD	0.5 %

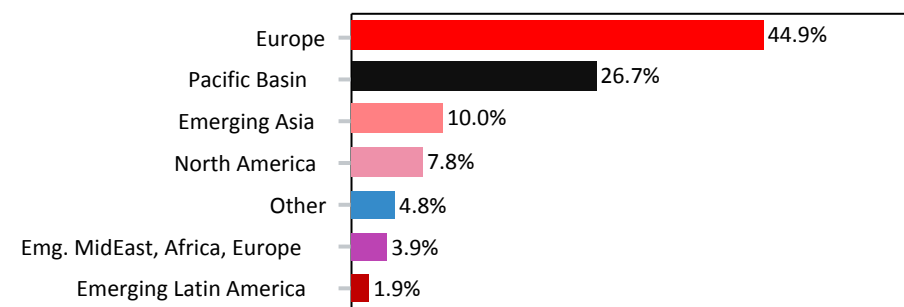
#### Top 5 Countries as of 04/30/16

Japan	16.7 %
United Kingdom	12.1 %
Canada	6.7 %
Switzerland	6.2 %
France	6.1 %

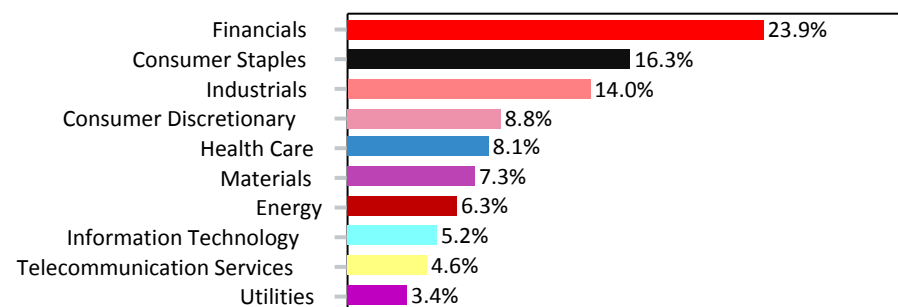
#### Equity Characteristics as of 04/30/16

Total Securities	5,984
Avg. Market Cap	\$44,217 Million
P/E	21.0
P/B	3.1
Div. Yield	3.2%
Annual EPS	8.0

#### Region Allocation as of 04/30/16



#### Sector Allocation as of 04/30/16



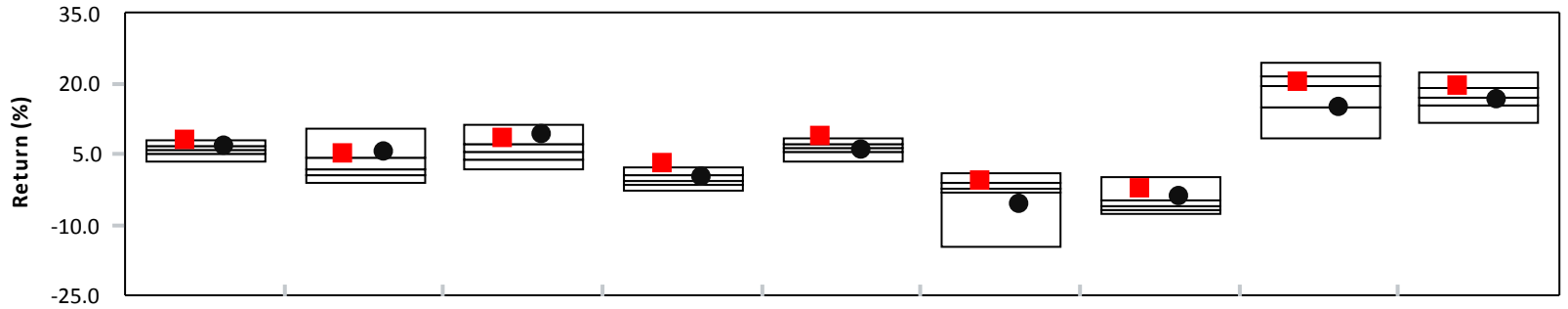
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## American Funds Europacific Growth R6

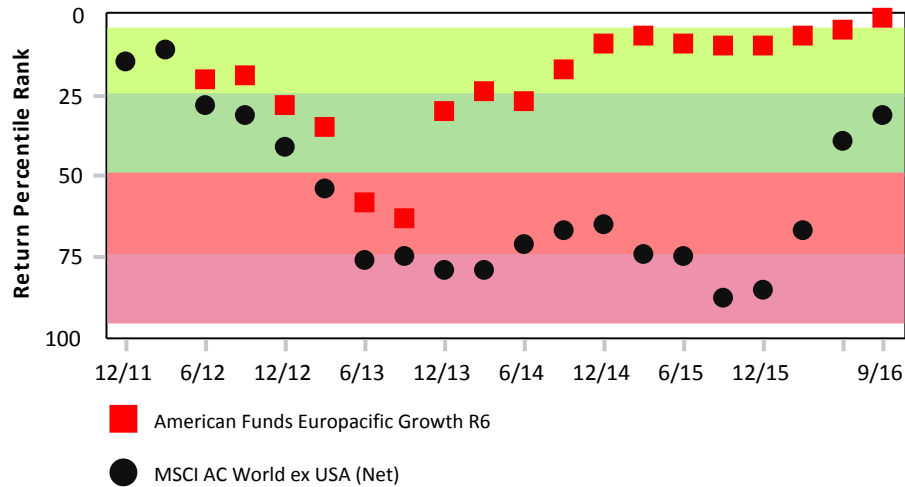
As of September 30, 2016

### Peer Group Analysis vs. IM International Large Cap Core Equity (MF)

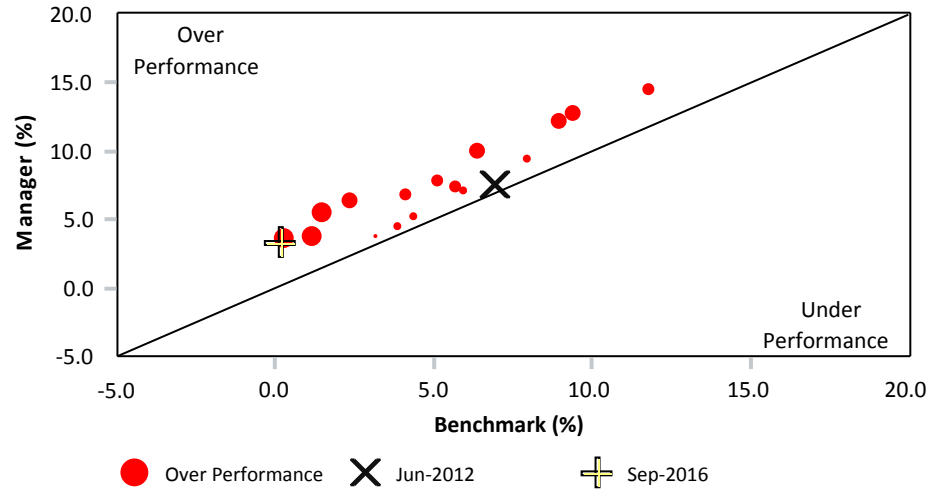


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ American Funds Europacific Growth R6	8.2 (5)	5.4 (16)	8.5 (17)	3.3 (1)	9.1 (4)	-0.5 (23)	-2.3 (14)	20.6 (37)	19.6 (21)
● MSCI AC World ex USA (Net)	6.9 (28)	5.8 (15)	9.3 (16)	0.2 (31)	6.0 (63)	-5.7 (87)	-3.9 (17)	15.3 (75)	16.8 (54)
5th Percentile	8.2	10.6	11.2	2.3	8.6	0.9	0.3	24.5	22.7
1st Quartile	7.0	4.2	7.4	0.5	7.4	-0.8	-4.9	21.8	19.3
Median	6.0	1.8	5.5	-0.7	6.6	-2.3	-6.1	19.5	17.1
3rd Quartile	5.3	0.7	4.1	-1.4	5.6	-3.2	-6.9	15.0	15.4
95th Percentile	3.5	-1.1	1.7	-2.6	3.4	-14.5	-7.7	8.5	11.7

### 3 Year Rolling Percentile Ranking vs. IM International Large Cap Core Equity (MF)



### 3 Year Rolling Under/Over Performance vs. MSCI AC World ex USA (Net)



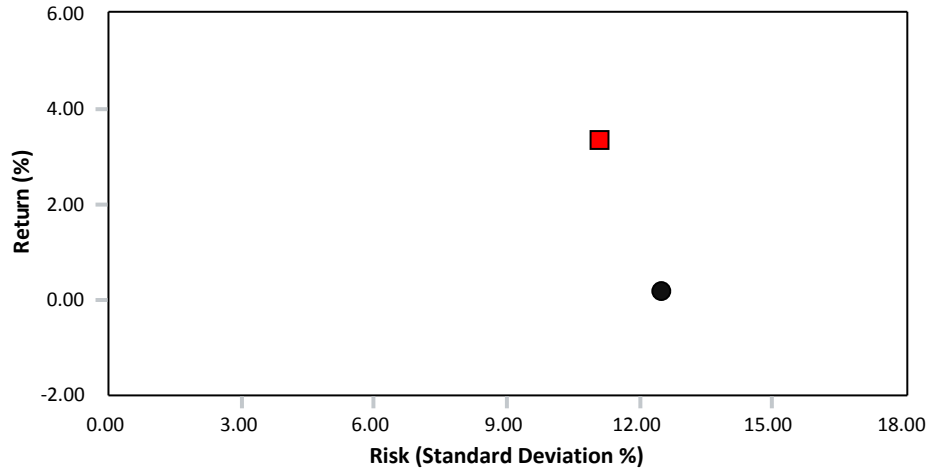
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## American Funds Europacific Growth R6

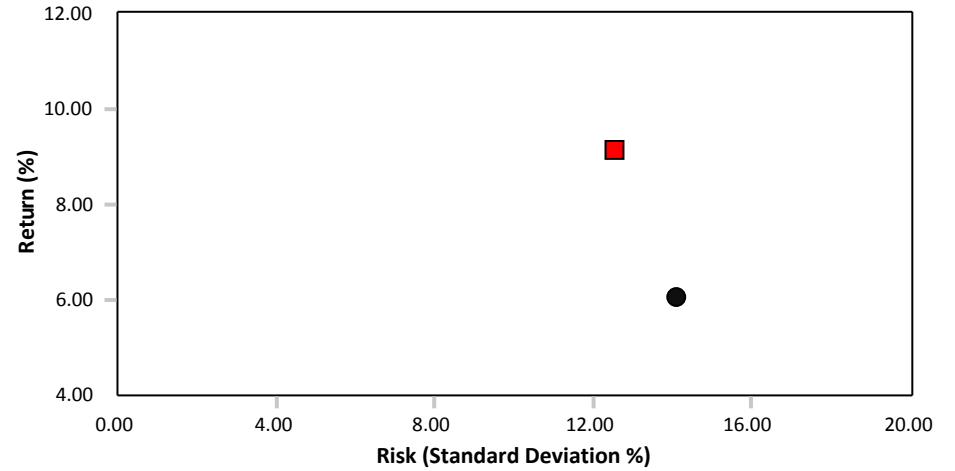
As of September 30, 2016

### 3 Year Risk and Return



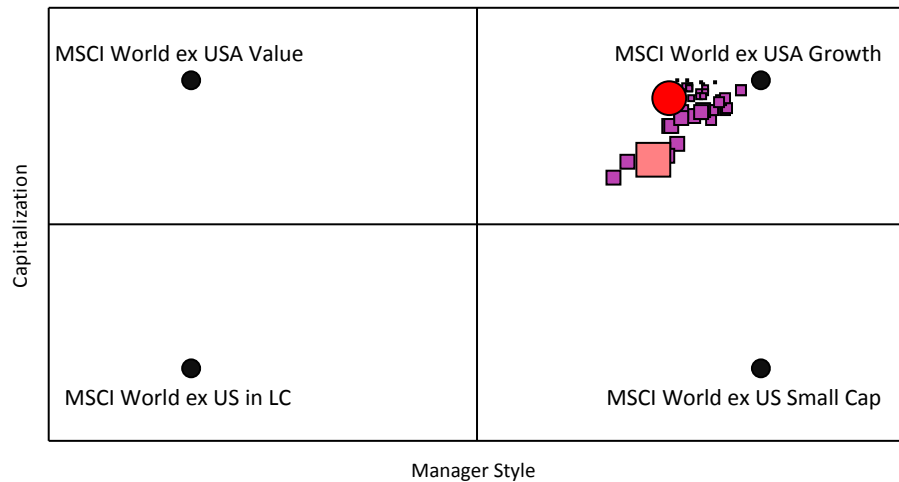
- American Funds Europacific Growth R6
- MSCI AC World ex USA (Net)

### 5 Year Risk and Return



- American Funds Europacific Growth R6
- MSCI AC World ex USA (Net)

### Style Map - 3 Years



- Style History
- Sep-2016
- Average Style Exposure

### MPT Statistics vs. MSCI AC World ex USA (Net)

	3 Years	5 Years
Return	3.3	9.1
Standard Deviation	11.1	12.6
vs. MSCI AC World ex USA (Net)		
Alpha	3.1	3.7
Beta	0.8	0.9
R-Squared	0.9	0.9
Consistency	61.1	53.3
Up Market Capture	92.9	94.5
Down Market Capture	74.3	75.2
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.3	0.8

Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## American Funds Europacific Growth R6

Report Date September 30, 2016

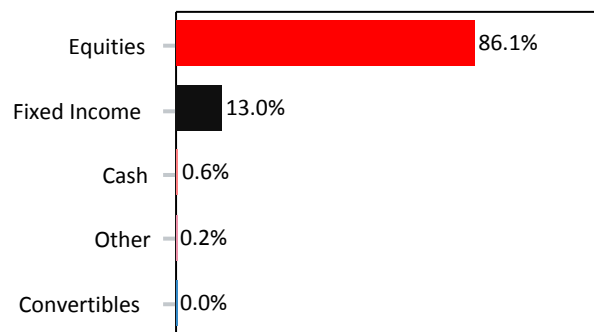
### Mutual Fund Information

Fund Name :	EuroPacific Growth Fund; Class R-6 Shares	Portfolio Assets :	\$120,021 Million
Fund Family :	American Funds	Fund Assets :	\$43,147 Million
Ticker :	RERGX	Portfolio Manager :	Team Managed
Inception Date :	05/01/2009	PM Tenure :	
Portfolio Turnover :	30%		

### Fund Investment Policy

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

### Asset Allocation as of 03/31/16



### Top 10 Securities as of 03/31/16

Novo Nordisk A/S ORD	4.5 %
Novartis AG ORD	2.1 %
Prudential PLC ORD	1.7 %
Baidu Inc DR	1.7 %
Associated British Foods PLC ORD	1.7 %
AIA Group Ltd ORD	1.7 %
HDFC Bank Ltd ORD	1.6 %
Alibaba Group Holding Ltd DR	1.6 %
Taiwan Semiconductor Manufacturing Co Ltd ORD	1.6 %
British American Tobacco PLC ORD	1.5 %

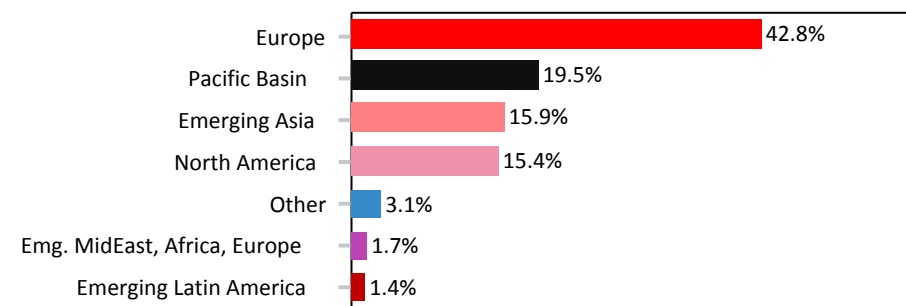
### Top 5 Countries as of 03/31/16

United Kingdom	12.7 %
Japan	11.9 %
United States	11.4 %
India	7.1 %
Hong Kong	6.5 %

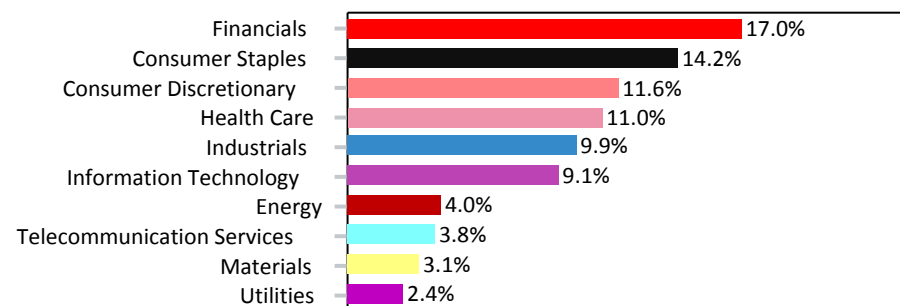
### Equity Characteristics as of 03/31/16

Total Securities	481
Avg. Market Cap	\$56,501 Million
P/E	25.0
P/B	4.7
Div. Yield	2.3%
Annual EPS	13.1

### Region Allocation as of 03/31/16



### Sector Allocation as of 03/31/16



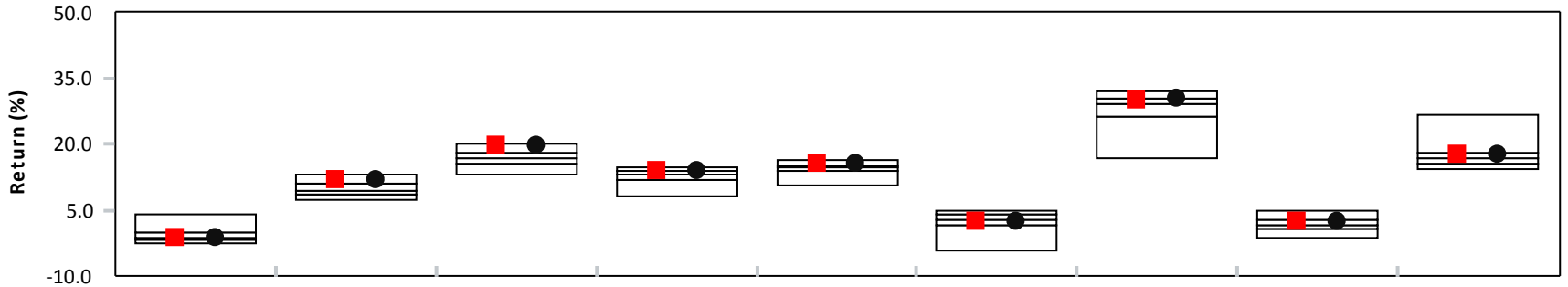
Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

## Vanguard REIT Index Adm

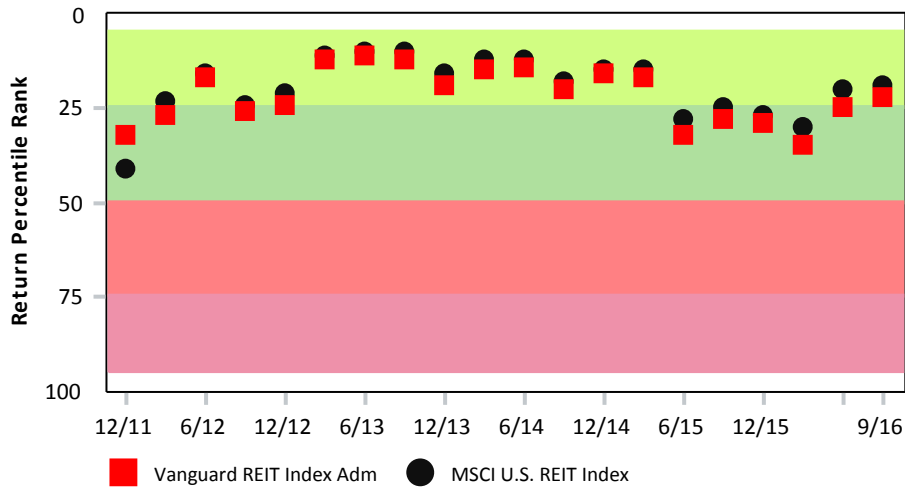
As of September 30, 2016

### Peer Group Analysis vs. IM Real Estate Sector (MF)

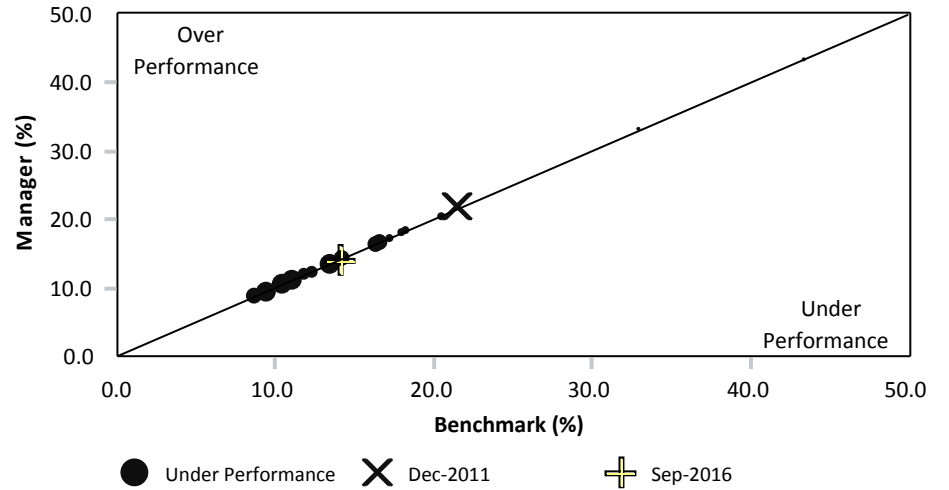


	QTR	YTD	1 Year	3 Years	5 Years	2015	2014	2013	2012
■ Vanguard REIT Index Adm	-1.5 (60)	11.8 (13)	19.7 (11)	14.0 (22)	15.7 (15)	2.4 (61)	30.3 (32)	2.4 (30)	17.7 (30)
● MSCI U.S. REIT Index	-1.4 (57)	11.9 (12)	19.8 (9)	14.1 (19)	15.8 (14)	2.5 (57)	30.4 (30)	2.5 (28)	17.8 (29)
5th Percentile	4.0	13.2	20.3	14.8	16.5	5.1	32.1	4.9	26.8
1st Quartile	-0.3	11.0	18.0	13.9	15.4	4.0	30.7	2.6	18.1
Median	-1.4	9.5	16.9	13.2	14.8	2.9	29.4	1.6	16.9
3rd Quartile	-1.8	8.5	15.8	12.0	14.0	1.6	26.6	0.7	15.9
95th Percentile	-2.5	7.3	13.2	8.2	10.8	-4.4	16.7	-1.4	14.4

### 3 Year Rolling Percentile Ranking vs. IM Real Estate Sector (MF)



### 3 Year Rolling Under/Over Performance vs. MSCI U.S. REIT Index

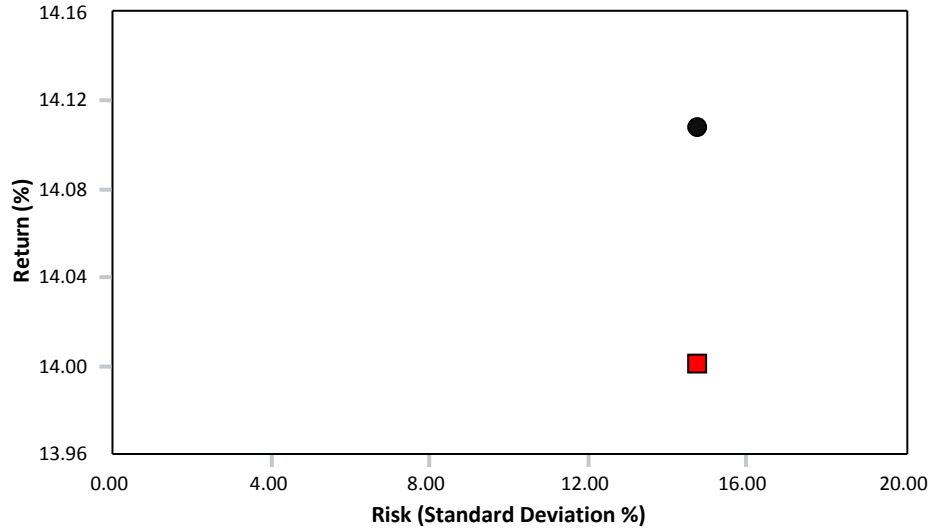


Mutual fund data sourced from Lipper Analytical Services.

# Manager Evaluation

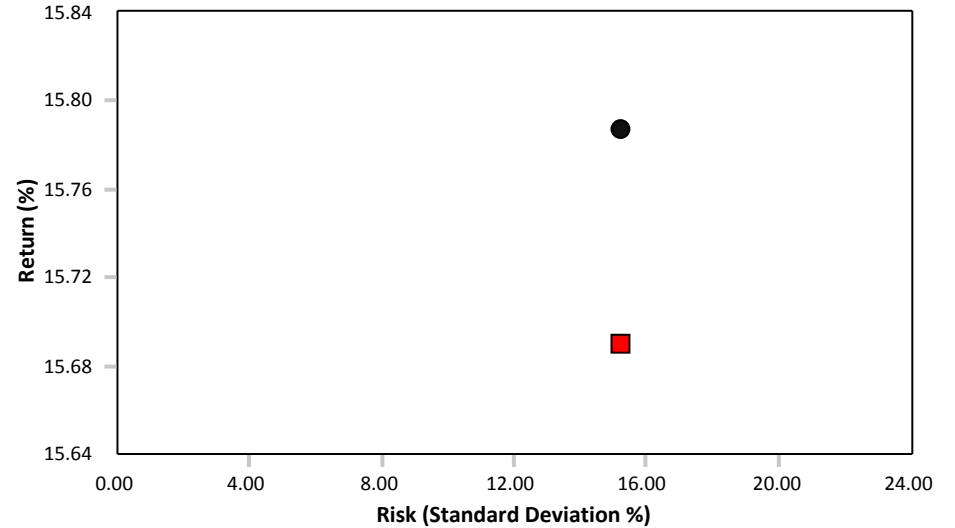
Vanguard REIT Index Adm  
As of September 30, 2016

## 3 Year Risk and Return



■ Vanguard REIT Index Adm ● MSCI U.S. REIT Index

## 5 Year Risk and Return



■ Vanguard REIT Index Adm ● MSCI U.S. REIT Index

## Style Map - 3 Years



■ Style History ■ Sep-2016 ● Average Style Exposure

## MPT Statistics vs. MSCI U.S. REIT Index

	3 Years	5 Years
Return	14.0	15.7
Standard Deviation	14.8	15.3
vs. MSCI U.S. REIT Index		
Alpha	-0.1	-0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	8.3	18.3
Up Market Capture	99.8	99.8
Down Market Capture	100.3	100.2
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.0	1.0

Mutual fund data sourced from Lipper Analytical Services.



# Manager Evaluation

## Vanguard REIT Index Adm

Report Date September 30, 2016

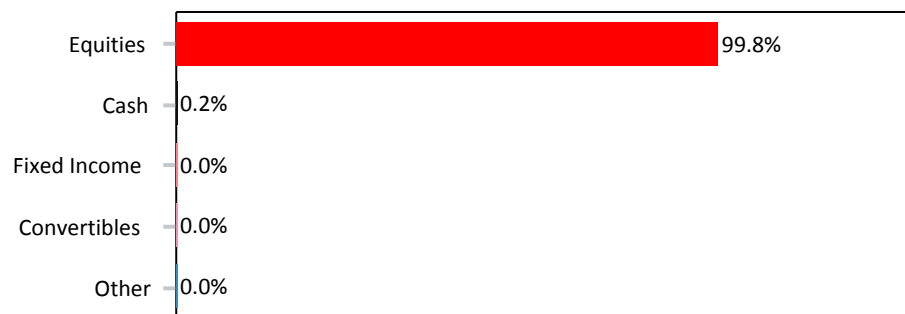
### Mutual Fund Information

Fund Name :	Vanguard Specialized Funds: Vanguard REIT Index Fund; Admiral Shares	Portfolio Assets :	\$65,163 Million
Fund Family :	Vanguard Group Inc	Fund Assets :	\$18,358 Million
Ticker :	VGSLX	Portfolio Manager :	O'Reilly/Nejman
Inception Date :	11/12/2001	PM Tenure :	2001--2016
Portfolio Turnover :	11%		

### Fund Investment Policy

The Fund seeks to track the investment performance of the Morgan Stanley REIT Index by investing at least 98% of its assets in stocks issued by real estate investment trusts.

### Asset Allocation as of 04/30/16



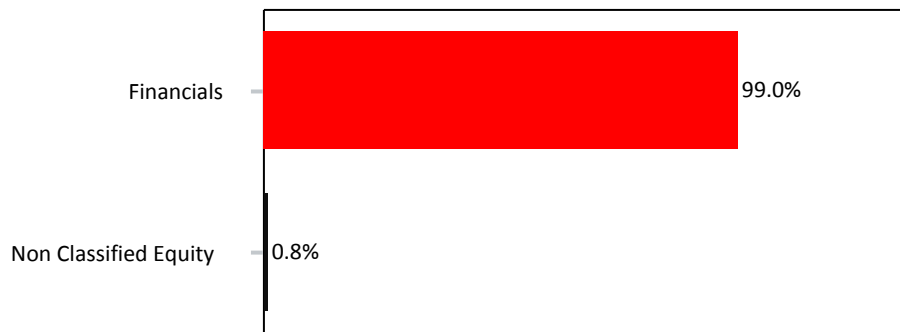
### Top 10 Securities as of 04/30/16

Simon Property Group Inc ORD	8.1 %
Public Storage ORD	4.7 %
Equity Residential ORD	3.2 %
Welltower Inc ORD	3.2 %
AvalonBay Communities Inc ORD	3.2 %
Prologis Inc ORD	3.1 %
Equinix Inc ORD	2.9 %
Ventas Inc ORD	2.7 %
Boston Properties Inc ORD	2.6 %
Vornado Realty Trust ORD	2.1 %

### Equity Characteristics as of 04/30/16

Total Securities	153
Avg. Market Cap	\$16,890 Million
P/E	37.8
P/B	4.1
Div. Yield	4.0%
Annual EPS	31.5
5Yr EPS	23.4
3Yr EPS Growth	26.0

### Sector Allocation as of 04/30/16



## Prospectus Links

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As of September 30, 2016

<b><u>FUND FAMILY</u></b>	<b><u>WEB SITE</u></b>
Blackrock	<a href="http://www.blackrock.com">www.blackrock.com</a>
American Funds	<a href="http://www.americanfunds.com">www.americanfunds.com</a>
Eaton Vance	<a href="http://www.eatonvance.com">www.eatonvance.com</a>
Templeton	<a href="http://www.franklintempleton.com">www.franklintempleton.com</a>
Prudential	<a href="http://www.prudential.com">www.prudential.com</a>
Vanguard	<a href="http://www.vanguard.com">www.vanguard.com</a>

## Custom Index Descriptions

**CRSP U.S. Large Cap Growth Spliced Index** – Following May 1, 2013: CRSP U.S. Large Cap Growth TR. Periods prior to May 1, 2013: MSCI U.S. Prime Market Growth.

**CRSP U.S. Large Cap Spliced Index** – Following February 1, 2013: CRSP U.S. Large Cap TR. Periods prior to February 1, 2013: MSCI U.S. Prime Market 750.

**CRSP U.S. Large Cap Value Spliced Index** – Following May 1, 2013: CRSP U.S. Large Cap Value TR. Periods prior to May 1, 2013: MSCI U.S. Prime Market Value.

**CRSP U.S. Mid Cap Growth Spliced Index** – Following May 1, 2013: CRSP U.S. Mid Cap Growth TR. Periods prior to May 1, 2013: MSCI U.S. Mid Cap Growth.

**CRSP U.S. Mid Cap Spliced Index** – Following February 1, 2013: CRSP U.S. Mid Cap TR. Periods prior to February 1, 2013: MSCI U.S. Mid Cap 450.

**CRSP U.S. Small Cap Growth Spliced Index** – Following May 1, 2013: CRSP U.S. Small Cap Growth TR. Periods prior to May 1, 2013: MSCI U.S. Small Cap Growth.

**CRSP U.S. Small Cap Spliced Index** – Following February 1, 2013: CRSP U.S. Small Cap TR. Periods prior to February 1, 2013: MSCI U.S. Small Cap 1750.

**CRSP U.S. Small Cap Value Spliced Index** – Following May 1, 2013: CRSP U.S. Small Cap Value TR. Periods prior to May 1, 2013: MSCI U.S. Small Cap Value.

**CRSP U.S. Total Market Spliced Index** – Following June 1, 2013: CRSP U.S. Total Market TR. Periods prior to June 1, 2003: MSCI U.S. Broad Market.

**FTSE Developed Asia Pacific Spliced Index** – Following April 1, 2013: FTSE Developed Asia Pacific. Periods prior to April 1, 2013: MSCI Pacific.

**FTSE Developed Europe Spliced Index** – Following April 1, 2013: FTSE Developed Europe. Periods prior to April 1, 2013: MSCI Europe.

**FTSE Developed ex US Spliced Index** – Following December 1, 2015: FTSE Developed All Cap Ex US Transition Index. Periods between May 1, 2013 and December 1, 2015: FTSE Developed ex NA Index. Periods before May 1, 2013: MSCI EAFE (net).

**FTSE Emerging Markets All Cap China A Inclusion Spliced Index** – Following November 1, 2015: FTSE Emerging Markets All Cap China A Inclusion Transition Index. Periods between July 1, 2013 and November 1, 2015: FTSE Emerging Markets (net). Periods between February 1, 2013 and July 1, 2013: FTSE Emerging Markets Transition. Periods Prior to February 1, 2013: MSCI Emerging Markets.

**FTSE Global All Cap ex U.S. Spliced Index** – Following June 1, 2013: FTSE Global ex USA All Cap. Periods between January 1, 2011 and July 1, 2013: MSCI ACWI ex USA IMI ND. Periods prior to January 1, 2011: MSCI EAFE + EM ND USD.

**MSCI AC World ex USA (net) Spliced Index** – Following January 1, 2001: MSCI AC World ex USA (net). Prior to January 1, 2001: MSCI AC World ex USA.

**MSCI AC World ex USA Growth (net) Spliced Index** – Following January 1, 2001: MSCI AC World ex USA Growth (net). Periods between January 1, 1997 and January 1, 2001: MSCI AC World ex USA Growth. Periods prior to January 1, 1997: MSCI AC World ex USA.

**MSCI AC World ex USA Value (net) Spliced Index** – Following January 1, 2001: MSCI AC World ex USA Value (net). Periods between January 1, 1997 and January 1, 2001: MSCI AC World ex USA Value. Periods prior to January 1, 1997: MSCI AC World ex USA.

## Statistics Definitions

Statistics	Description
Sharpe Ratio	-- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Alpha	-- A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Beta	-- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
R-Squared	-- The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.
Treynor Ratio	-- Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Tracking Error	-- A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Information Ratio	-- Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Consistency	-- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Excess Return	-- Arithmetic difference between the manager's return and the risk-free return over a specified time period.
Active Return	-- Arithmetic difference between the manager's return and the benchmark return over a specified time period.
Excess Risk	-- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Up Market Capture	-- The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.
Down Market Capture	-- The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.
Internal Rate of Return (IRR)	-- The IRR is the discount rate (effective compound rate) that makes the present value of the since inception paid-in capital associated with an investment equal to zero.
Investment Multiple (TVPI)	-- Also known as the total value paid-in. Calculated by dividing the fund's cumulative distributions and residual value by the paid-in capital. Gives an investor the ability to see the fund's total value as a multiple of its cost basis.
Realization Multiple (DPI)	-- Also known as the distributions to paid-in multiple. This is calculated by dividing the total accumulation of distributions by paid-in capital. This gives investors insight into how much of the fund's return has been paid out to investors.
RVPI Multiple	-- Calculated by dividing paid-in capital by committed capital, it allows the investor see how much of the fund's return is unrealized and dependent on the market value of its investments.
PIC Multiple	-- Calculated by dividing paid-in capital by committed capital. This ratio allows a potential investor to see the percentage of a fund's committed capital that has actually been drawn down.