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DiMEO SCHNEIDER
& ASSOCIATES, L.L.C.

Market Commentary

February 2017

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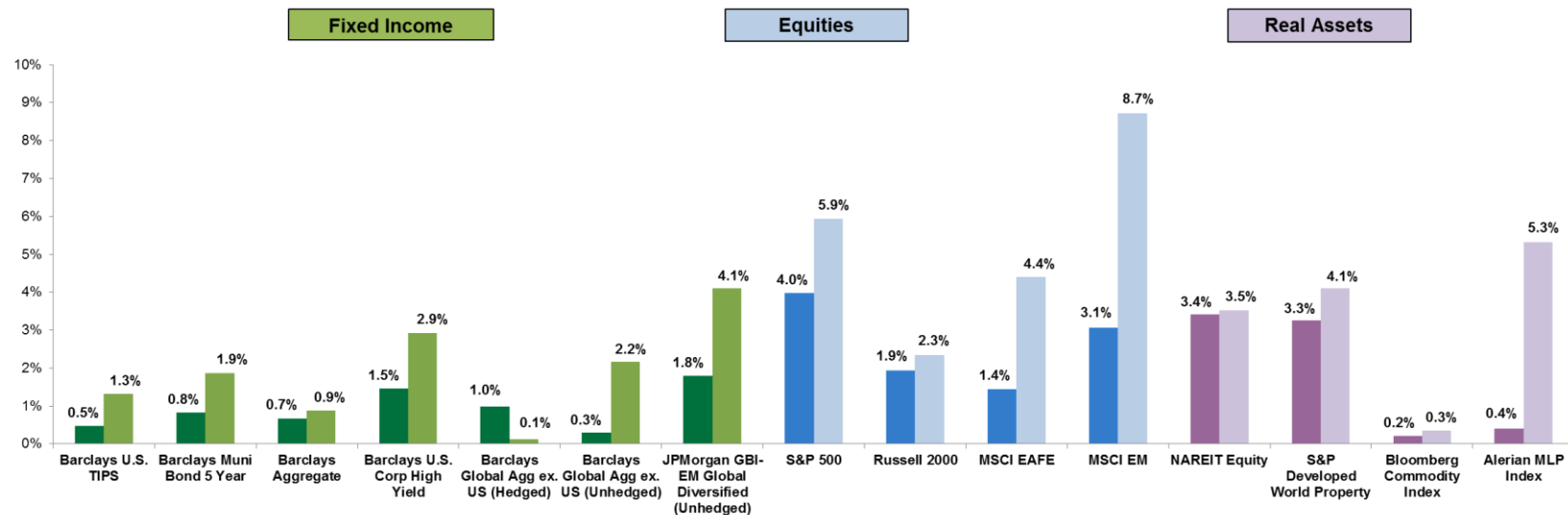


Global Markets Summary

February 2017

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Asset Class Returns



Source: Bloomberg

Key: Left Bar: Recent Month
Right Bar: Year-To-Date

Fixed Income

- High yield continued to perform well, outpacing most fixed income markets.
- The yield on the 10-Year U.S. Treasury was marginally lower for the month as the market digested various announcements from Fed members.
- Despite the headwind of a stronger dollar, emerging markets debt was still the best performing fixed income asset class.

Equities

- Positive returns were led by healthcare which experienced strong gains despite rhetoric surrounding the potential changes to the Affordable Care Act.
- Within developed international markets, Europe broadly underperformed developed Asia and Latin America.
- Emerging markets continued to move higher as performance outside of Russia was strong.

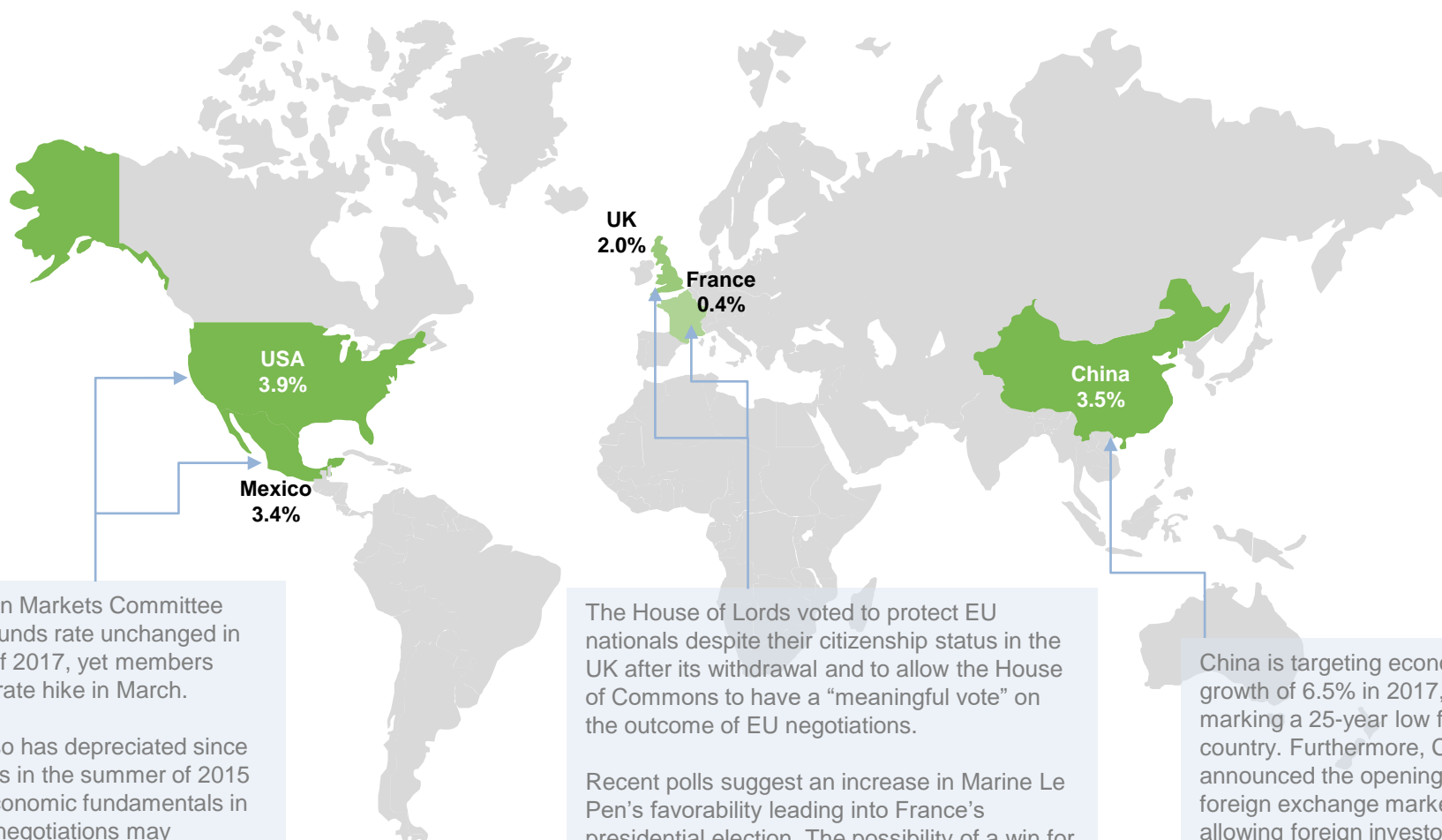
Real Assets

- Both domestic and global REITs performed well against the backdrop of higher global growth.
- Commodities remained relatively flat for the year as slightly positive metals markets balanced slightly negative energy markets.
- MLPs maintained a strong start to the year despite a relatively muted return during the month of February.



Global Highlights

February 2017



The Federal Open Markets Committee kept the federal funds rate unchanged in its first meeting of 2017, yet members have hinted at a rate hike in March.

The Mexican peso has depreciated since the U.S. primaries in the summer of 2015 despite strong economic fundamentals in Mexico. NAFTA negotiations may significantly affect the country's growth prospects due to negative implications surrounding trade.

The House of Lords voted to protect EU nationals despite their citizenship status in the UK after its withdrawal and to allow the House of Commons to have a "meaningful vote" on the outcome of EU negotiations.

Recent polls suggest an increase in Marine Le Pen's favorability leading into France's presidential election. The possibility of a win for Ms. Le Pen has increased fears of a potential "Frexit". Ms. Le Pen is a French protectionist whose agenda embraces French Nationalist values.

China is targeting economic growth of 6.5% in 2017, marking a 25-year low for the country. Furthermore, China announced the opening of its foreign exchange markets, allowing foreign investors to trade derivatives in order to manage currency risk in China's interbank lending market.

Performance reflects MSCI Country Index Gross returns USD

Financial Markets Performance

As of February 28, 2017

Periods greater than one year are annualized

All returns are in U.S. dollar terms



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Global Fixed Income Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.0%	0.1%	0.1%	0.3%	0.1%	0.1%	0.1%	0.7%	1.2%
Bloomberg Barclays US TIPS	0.5%	1.2%	1.3%	3.4%	1.9%	0.8%	3.5%	4.3%	5.2%
Bloomberg Barclays Municipal Bond (5 Year)	0.8%	2.4%	1.9%	(0.1%)	1.7%	1.9%	2.8%	3.9%	3.8%
Bloomberg Barclays US Aggregate	0.7%	1.0%	0.9%	1.4%	2.6%	2.2%	3.5%	4.3%	4.5%
Bloomberg Barclays U.S. Corporate High Yield	1.5%	4.8%	2.9%	21.8%	4.7%	6.8%	8.3%	7.5%	8.6%
Bloomberg Barclays Global Aggregate ex-US Hedged	1.0%	0.5%	0.1%	2.2%	4.4%	4.2%	4.1%	4.3%	4.5%
Bloomberg Barclays Global Aggregate ex-US Unhedged	0.3%	1.2%	2.2%	(0.3%)	(2.8%)	(1.4%)	0.7%	2.6%	5.3%
Bloomberg Barclays U.S. Long Gov / Credit	1.8%	2.9%	2.1%	4.4%	5.9%	4.3%	7.4%	6.8%	7.0%
JPMorgan GBI-EM Global Diversified	1.8%	6.0%	4.1%	12.4%	(2.5%)	(2.5%)	1.3%	4.2%	–
Global Equity Markets	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	4.0%	8.0%	5.9%	25.0%	10.6%	14.0%	13.9%	7.6%	7.3%
Dow Jones Industrial Average	5.2%	9.5%	5.8%	29.3%	11.2%	12.8%	13.4%	8.3%	7.6%
NASDAQ Composite	3.9%	9.7%	8.4%	29.4%	11.9%	15.9%	16.0%	10.4%	9.4%
Russell 3000	3.7%	7.7%	5.7%	26.3%	9.9%	13.9%	13.9%	7.6%	7.7%
Russell 1000	3.9%	8.0%	6.0%	25.5%	10.2%	13.9%	13.9%	7.7%	7.6%
Russell 1000 Growth	4.2%	9.0%	7.7%	22.2%	10.5%	13.8%	14.4%	9.1%	7.4%
Russell 1000 Value	3.6%	6.9%	4.3%	29.1%	9.9%	14.0%	13.4%	6.2%	7.8%
Russell Mid Cap	2.8%	6.5%	5.3%	26.8%	8.4%	13.6%	14.3%	8.0%	10.0%
Russell Mid Cap Growth	2.9%	6.7%	6.3%	21.5%	7.0%	12.3%	13.8%	8.1%	9.1%
Russell Mid Cap Value	2.8%	6.4%	4.5%	31.8%	9.8%	14.7%	14.7%	7.7%	10.4%
Russell 2000	1.9%	5.2%	2.3%	36.1%	6.9%	12.9%	13.5%	7.2%	8.9%
Russell 2000 Growth	2.5%	5.5%	4.1%	30.9%	5.4%	12.3%	13.9%	8.0%	8.5%
Russell 2000 Value	1.4%	4.9%	0.7%	41.3%	8.4%	13.4%	13.0%	6.3%	9.1%
MSCI ACWI ex. U.S.	1.6%	7.9%	5.2%	19.9%	0.3%	4.0%	4.9%	1.8%	7.0%
MSCI EAFE	1.4%	8.0%	4.4%	16.3%	(0.2%)	5.6%	5.7%	1.5%	6.4%
MSCI EAFE Growth	2.2%	8.0%	5.7%	11.7%	0.8%	5.9%	6.4%	2.4%	6.1%
MSCI EAFE Value	0.7%	7.9%	3.2%	21.0%	(1.2%)	5.3%	4.9%	0.5%	6.6%
MSCI EAFE Small Cap	2.3%	8.9%	5.9%	18.0%	3.1%	9.1%	9.4%	3.5%	10.4%
MSCI Emerging Markets	3.1%	9.0%	8.7%	29.9%	1.7%	(0.0%)	2.8%	3.2%	10.1%
Alternatives	1 MO	3 MO	YTD	1YR	3YR	5YR	7YR	10YR	15YR
FTSE NAREIT Equity REITs	3.4%	8.4%	3.5%	16.7%	11.3%	11.6%	14.2%	4.8%	10.9%
S&P Developed World Property ex-US	2.7%	5.7%	4.9%	11.1%	3.8%	7.5%	8.2%	0.7%	9.8%
S&P Developed World Property	3.3%	6.9%	4.1%	13.9%	7.2%	9.4%	10.8%	2.4%	10.1%
Bloomberg Commodity Total Return	(0.5%)	1.4%	(0.4%)	15.1%	(13.2%)	(9.9%)	(5.8%)	(5.9%)	1.0%
Alerian MLP	0.4%	9.9%	5.3%	40.8%	(4.3%)	2.1%	8.1%	7.8%	12.0%