

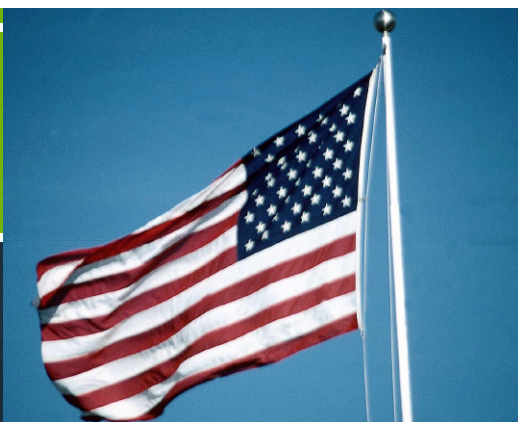
Q1
2017

Points of Interest

P1 Dow closes up 900 points in 1Q 2017.
S&P 500 closes up 106 points in 1Q 2017

P2 Largest tidal Coastline's
Alaska 31,383
Florida 5,095
Maine 3,478
Louisiana 7,721
Pennsylvania 89

P3 There are over 87,000 flights per day in the U.S. 5,000 are in the skies at any one time. 30,000 are commercial



"Helping your Investments reach their peak"



Pension Fund Evaluations, Inc.

First Quarter Market Update

Trump Rally gets a little shaky at quarter end, markets positive though

March 1, 2017, was a great opening day for the month, as the indices posted their first gains of 1% or more for the year. The S&P 500 was up 1.37% for the day and crossed 2,400 for the first time (but did not close there), while The Dow was up 1.46% for the day and crossed 21,000 for the first time. Both indices closed with new highs for the day. Unfortunately, the month did not end on the first day, and the recent highs caught up with the realization that policy (income tax) may not move as quickly or easily as expected. Yet, the initial pullback was not a correction (10%), and the S&P 500 recovered to post a mild 0.04% decline for the month, leaving it up 10.43% since the U.S. election (11.35% with dividends), with a good showing for Q1 2017, up 5.53% (6.07% with dividends). Not entering a correction, but approaching it (intra-month), was the financials sector, which also recovered late in the month, leaving it off 2.91% in March and up 2.08% for the quarter. Within the S&P 500, it was a good month, even if the results did not show it. After a post-election run-up of 10.47%, March traded through the politics, interest rate increase, EU notifications (with more votes coming), and global tensions to hold its ground, posting a minor 0.04% decline, when many expected some consolidation and profit taking (which still could happen).

In sectors, return varied, as only three of the eleven sectors gained for the month, compared to nine of the eleven last month. Financials did the worst, off 2.91% in March, after being down 6.48% in February, as economic concerns caused some profit taking. The sector closed the quarter up 2.08% and was up 18.94% from the November election; it will be the first group to report earnings (starting April 13, 2017). Real estate, which is seen as interest sensitive, fell 1.50% in March after its 4.42% February gain, and the sector was up 2.73% YTD. Utilities (also sensitive) declined 0.52% in March to end the quarter up 5.43%. Energy posted a 1.10% decline in March, as oil spent most of the month under USD 50, with both energy and oil recovering some of their declines at month's end; the sector was down 7.30% YTD—the worst sector in the index. Information technology did the best, up 2.51% for the month, as Apple (AAPL; up 4.87% for the month) set new highs; the sector was up 12.16% YTD—the best of any sector.

So there you have it. The recovery from the 2015-16 EPS recession continues, as the S&P 500 is expected to report the first in a series of near-double-digit gains. Financials, information technology and materials sectors are expected to show the greatest growth, while consumer discretionary, industrials, telecom services and utilities post year-over-year declines. However, history implies that the final tally will be even better, as in each of the last 20 quarters actual EPS exceeded initial estimates and have done

P4

Florida has the lowest highest point of any state at 345 feet in Walton County. The lowest low point is in Death Valley at -282 feet. Highest point Mt. McKinley Alaska 20,320 feet

P5

A baby octopus is the size of a flea when it is born

P6

Recycling one glass jar saves enough energy to watch TV for 3 hours.

	QTR	1 Year
Utilities	-0.52%	3.30%
Materials	0.18%	16.65
Consumer Stap	-0.71%	3.35%
Financials	-2.90%	29.92%
Consumer Discr	1.90%	11.43%

so by an average of 3.5 percentage points.

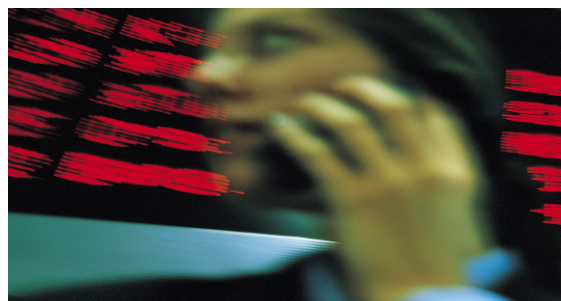
Therefore, Q1 EPS growth may actually post a near-13.5% gain, which should assist in validating postelection optimism, which has pushed valuations to lofty levels.

World Wide

It was not an easy month for global markets, but most pulled through with positive returns.

Political issues were widespread, as the Dutch (center-right) incumbent beat his far-right contender, in what was seen as an indication on populist and refugee issues. French elections, scheduled for April 23, 2017, (with a potential run-off on May 7, 2017) will deal with many of the same issues. German elections are scheduled for Sept. 27, 2017.

The head of the Scottish National Party, Scotland's governing body within the UK, said she would ask for a vote to leave the UK, potentially in 2018 (which was not well received by Prime Minister May), and the UK gave official notice to separate from the EU. North Korea tested another missile, which exploded within seconds of its liftoff, and the U.S. dialog became more aggressive.



Emerging markets did much better than developed, posting a 1.93% return for the month, with 15 of the 22 posting gains. For the quarter, emerging markets broke into double-digits, with a 10.74% gain, and the one-year return was 15.23%. Mexico did the best, rebounding 9.78% for the month, as tensions with the U.S. took a back seat; the country was up 15.45% YTD but was still in the red from the U.S. election, off 2.05%. Chile added 7.02% for the month and was up 15.45% for the quarter, and India posted the third-best return in March, up 6.33% for the month and 19.35% YTD.

3/31/17	QTR	YTD
S&P 500	6.07	6.07%
R 1000 G	8.91%	8.91%
R 1000 V	3.27%	3.27%
R Mid Cap	5.15%	5.15%
R 2000 G	5.35%	5.35%
R 2000 V	-0.13%	-0.13%
MSCI EAFE	7.25%	7.75%

Sources: S&P 500