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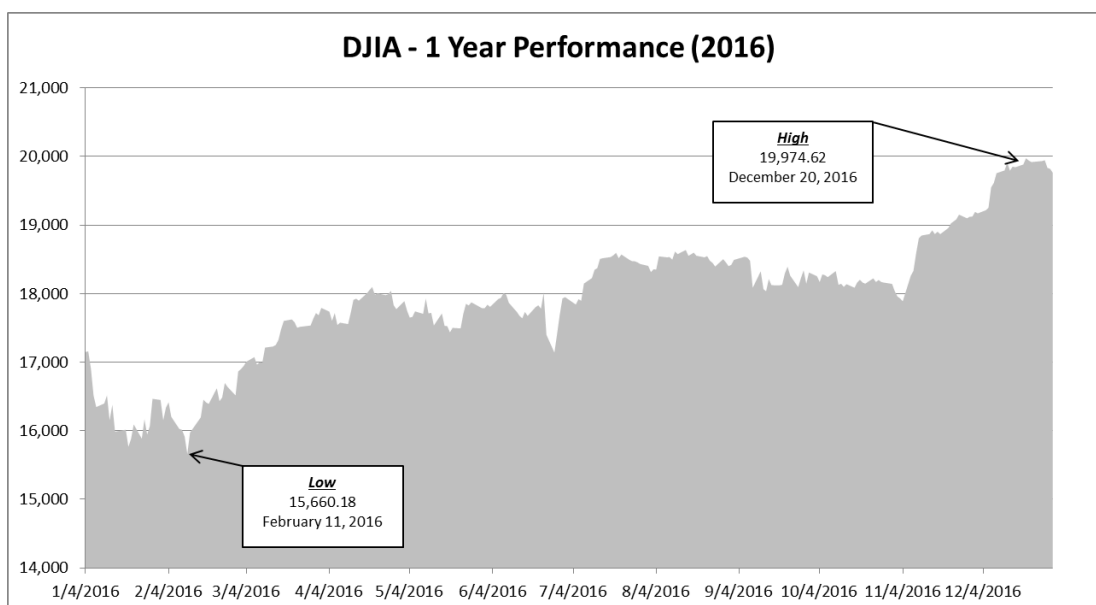
Dow Jones Industrial Average

Report Card – 2016 in Review

AT A GLANCE

The Dow Jones Industrial Average ended 2016 at 19,762.60 – up 2,337.57 points for a 13.42% annual return, the best year since 2013 when the market surged over 26%.

- **Biggest Themes** – markets were driven by the crash (and partial recovery) in oil prices, Fed-watching, China, Brexit and questions regarding the US economy. Oh yeah, there was a Presidential Election too – it was so under-reported I almost forgot to mention it.
- **Leader & Laggard** – Goldman Sachs (GS) contributed the most to the DJIA's advance during the year; Nike (NKE) was the biggest detractor.
- **Sector Performance** – Financials were the best performing sector during 2016; the Consumer Discretionary sector posted the worst performance.
- **Best Day YTD (In Points & Percent)** – January 29th, an otherwise bright spot in a rather tough month.
- **Worst Day YTD (In Points & Percent)** – June 24th, when the UK votes for Brexit.
- **New Highs** – the DJIA posted 26 new highs in 2016, including two separate streaks of 7 straight records in July and December.



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

PERFORMANCE STATISTICS

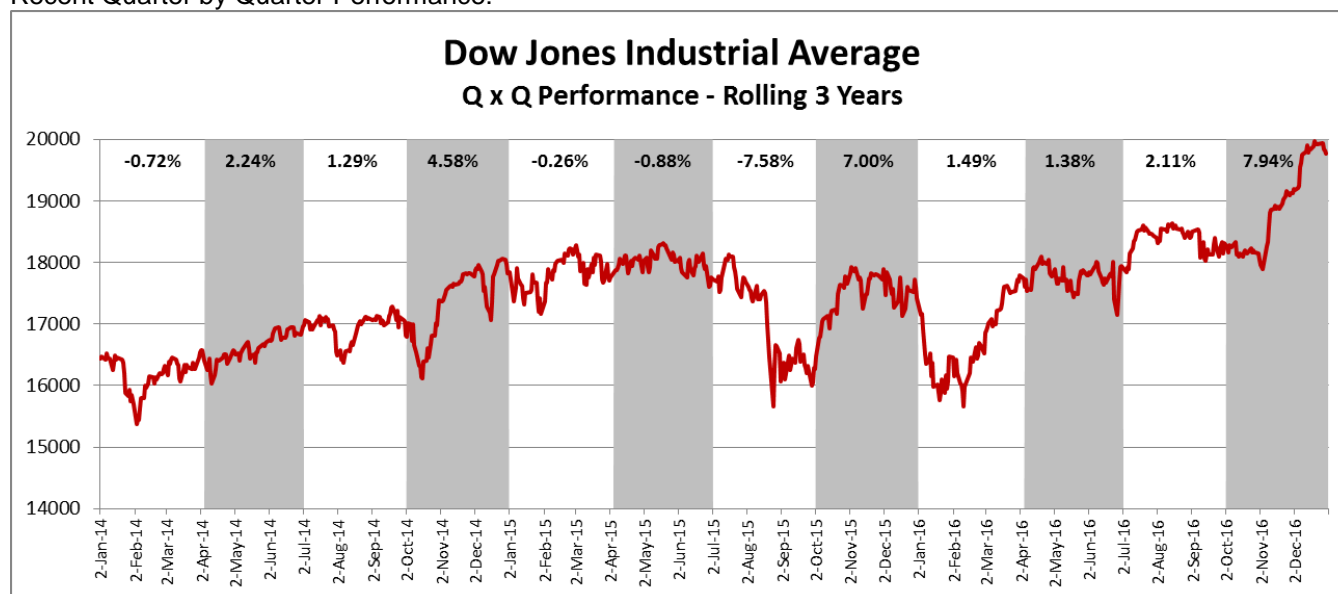
Long Term Performance:

Q4	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
7.94%	13.42%	13.42%	19.22%	61.76%	89.51%	58.57%

Historical Annual Performance:

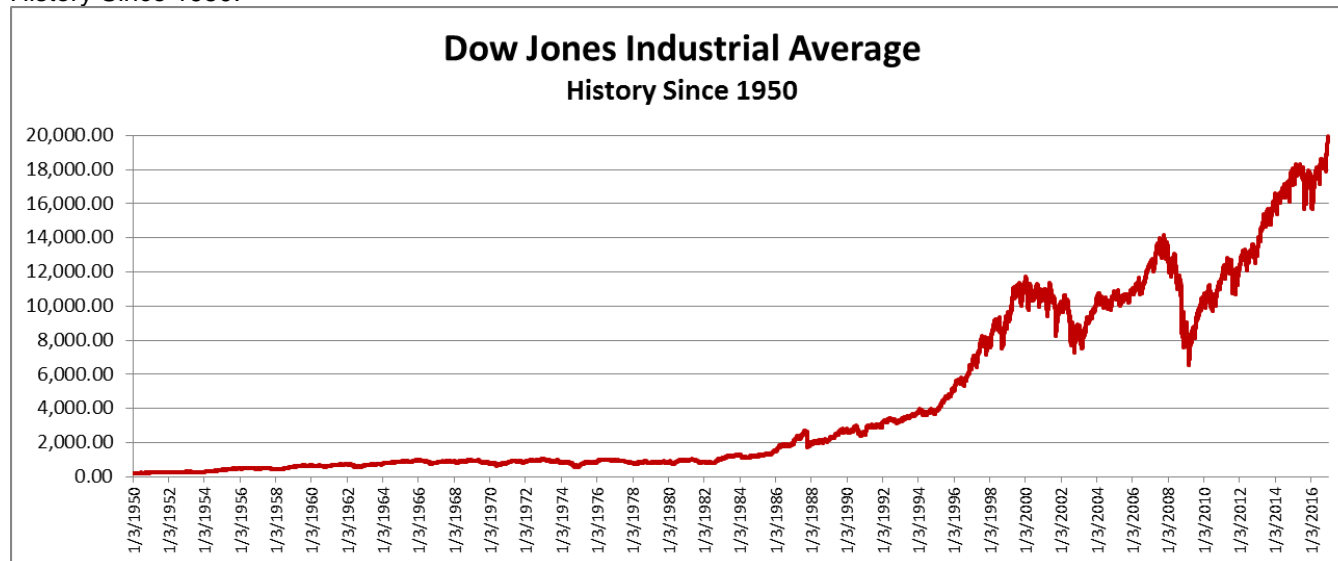
2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
13.42%	-2.23%	7.52%	26.50%	7.26%	5.53%	11.02%	18.82%	-33.84%	6.43%	16.29%

Recent Quarter by Quarter Performance:



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

History Since 1950:

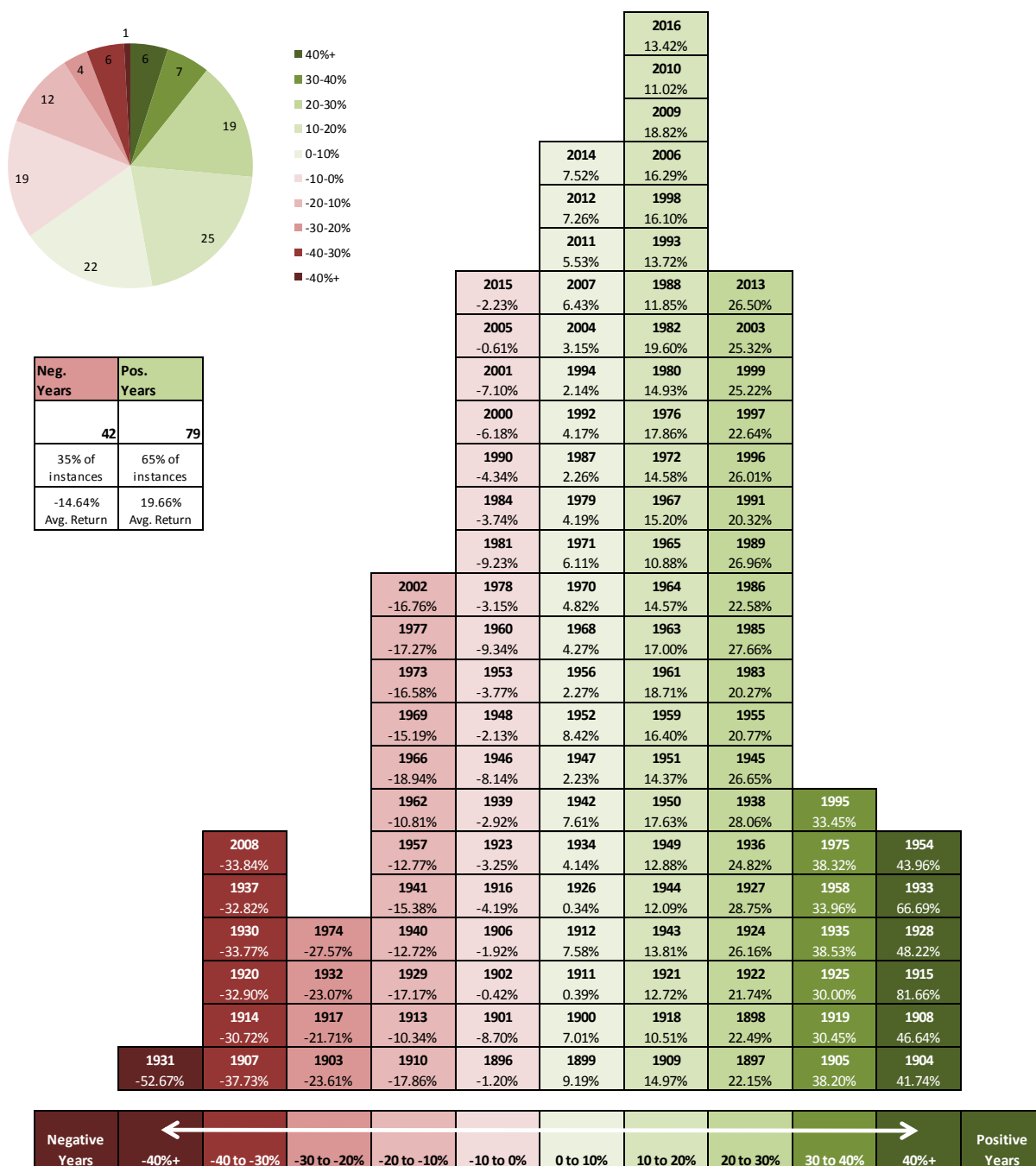


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MARKET COMMENTARY

ANNUAL RETURNS DISTRIBUTION

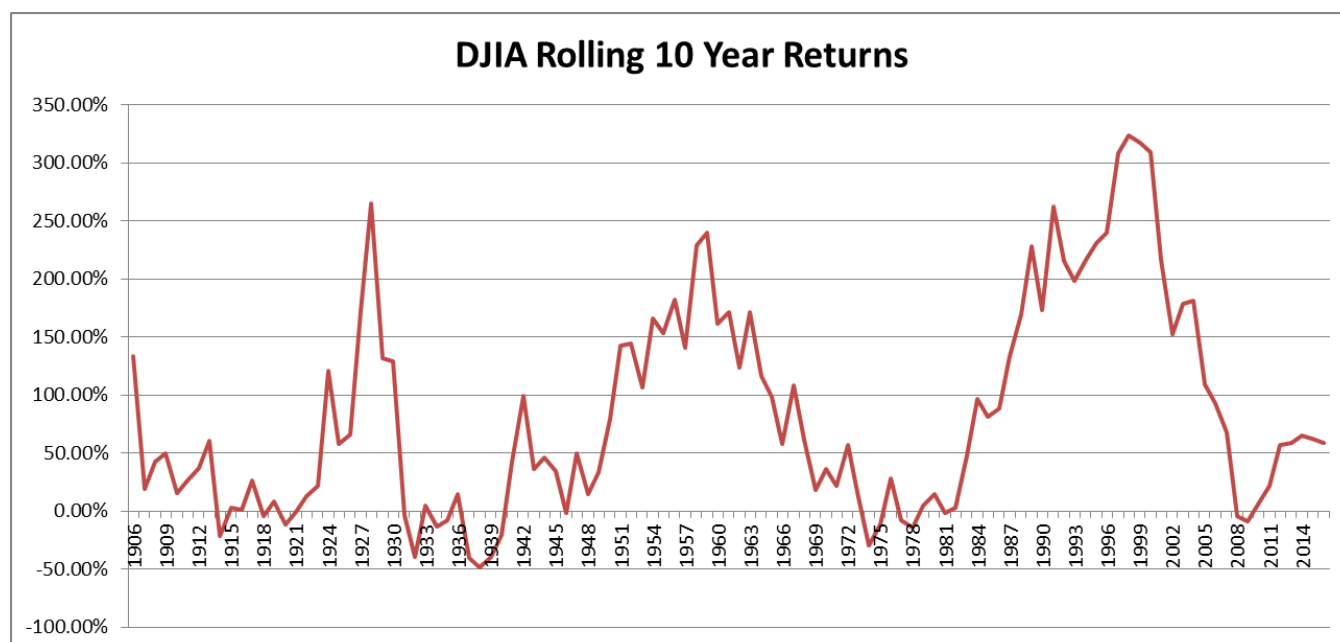
With a 13.24% return in 2016, the DJIA fell within the most frequently occurring performance range of up 10-20%. That range constitutes 25 of 121 years' worth of performance (note that the first such year, marked by the DJIA's inception in May 1896, draws on only ~7 months' worth of activity). In 65% of total observations, the DJIA has posted a positive annual return.



ROLLING 10 YEAR RETURNS

With the close on Friday, December 30 the DJIA logged a 10 year return of 58.57%. How does this compare with past performance? Referencing below the chart of rolling 10 year returns in the Average we can divine the following:

- The most recent 10 year return lags the average which, since the DJIA's inception, has been 83.39%.
- Thus far, there have been 111 total decade-long observations. Of these, 91 have shown positive returns while 20 have experienced declines. In other words, the DJIA has experienced a positive 10 year return in 82% of observed instances. As noted above, the DJIA has posted a positive *annual* return 65% of the time.
- The best performing 10 year period was from 1989-1998 when the DJIA returned 323.39% with the final years of the tech boom driving the markets higher.
- The worst performing period was from 1929-1938 as the US suffered the effects of the 1929 market crash and The Great Depression. During this time, the DJIA fell 48.41%.



LARGE MOVES

Volatility was a prominent theme in the early months of 2016, driven by the crash in crude oil prices, worries of a hard landing in China, uncertainty surrounding the Fed's moves, Brexit and questions on the genuine health of the US economy. Despite the generally tumultuous socio-political nature second half of 2016, the instance of 1% moves lagged that of the average experience in recent years.

Throughout the whole of 2016 the DJIA posted 51 moves of 1% or more (nearly evenly split at 24 to the downside and 27 to the upside). That count is below the annual average since 1985 of 62 such moves. The first quarter of the year experienced 26 1% days, well above average for the last few decades and the most Q1 1% moves since 2009. The last quarter was the least active – in 1% terms – since 2006. In 2008, during the height of the Financial Crisis, the DJIA experienced 134 daily moves of 1% or greater.

	Q1	Q2	Q3	Q4	Annual
2016	26	14	6	5	51
2015	20	10	23	19	72
2014	11	4	4	17	36
2013	4	10	4	6	24
2012	5	17	6	11	39
2011	11	12	34	32	89
2010	14	28	18	9	69
2009	42	30	17	19	108
2008	29	18	37	50	134
2007	4	9	24	19	56
2006	4	11	7	2	24
2005	5	13	3	6	27
2004	15	9	10	11	45
2003	29	19	13	10	71
2002	21	29	42	36	128
2001	24	21	28	24	97
2000	28	32	14	27	101
1999	24	22	18	19	83
1998	16	16	30	23	85
1997	19	17	18	26	80
1996	15	7	12	9	43
1995	5	4	3	5	17
1994	7	10	4	10	31
1993	8	3	3	1	15
1992	6	9	10	6	31
1991	17	17	10	12	56
1990	15	13	26	19	73
1989	14	12	10	10	46
1988	24	20	15	11	70
1987	17	18	19	42	96
1986	14	17	15	10	56
1985	11	6	3	11	31
Average	16	15	15	16	62

BEST & WORST DAYS IN 2016

The 10 Best Days (Points)

DATE	CLOSE	POINTS	RETURN	CONTEXT
1/29/2016	16,466.30	396.65	2.47%	Moderated recession fears pushed stocks higher, though January in total was a brutal month for US stocks.
11/7/2016	18,259.60	371.32	2.08%	For the 2nd time FBI Director Comey sent a letter to Congress clearing Hillary Clinton in her email case.
3/1/2016	16,865.08	348.58	2.11%	Advancing oil prices, better economic sentiment and a dovish Fed drove stocks higher this Super Tuesday.
2/12/2016	15,973.84	313.65	2.00%	Investors bought on surging oil, strong bank results & the belief that recent weakness had left stocks oversold.
12/7/2016	19,549.62	297.83	1.55%	Post-election confidence continued to reign as investors made bets that a Trump admin will be good for business.
6/29/2016	17,694.68	284.96	1.64%	Stocks gained ground as investors came to terms with Brexit and were further heartened by oil price gains.
1/26/2016	16,167.23	282.01	1.78%	Earnings led DJIA components P&G and 3M higher while oil price gains boosted energy stocks.
6/28/2016	17,409.72	269.48	1.57%	After two Brexit-induced market routs, stocks turned higher; investor fears of a broader Euro crash moderated.
2/17/2016	16,453.83	257.43	1.59%	The third straight day of gains - during which the DJIA added ~800 points - helped recover half of the '16 YTD losses.
11/9/2016	18,589.69	256.95	1.40%	Trump's official win - in defiance of plummeting election night futures markets - was greeted with enthusiasm.

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12/7/2016	19,549.62	297.83	1.55%	Post-election confidence continued to reign as investors made bets that a Trump admin will be good for business.
1/14/2016	16,379.05	227.64	1.41%	Easing fears of Chinese market weakness, slight oil gains and hopes of delayed interest rate increases drove gains.

The 10 Worst Days (Points)

DATE	CLOSE	POINTS	RETURN	CONTEXT
6/24/2016	17,400.75	(610.32)	-3.39%	Stocks plunged after UK citizens voted in favor of Brexit, a bold repudiation of the European Union.
09/09/16	18,085.45	(394.46)	-2.13%	Every DJIA stock was down on heightened expectations of Fed rate increases.
1/7/2016	16,514.10	(392.41)	-2.32%	Plunging oil prices, Chinese economic woes & a North Korean hydrogen bomb test spooked markets.
1/15/2016	15,988.08	(390.97)	-2.39%	Fear reigned, again driven by cheap oil and China's stock market slipping into bear status.
1/13/2016	16,151.41	(364.81)	-2.21%	The major indices - DJIA, S&P 500 & NASDAQ - were in correction. The culprits? Yep - still oil & China.
2/2/2016	16,153.54	(295.64)	-1.80%	Excessive oil supply, no action on production cuts and general economic anxiety weighed on markets.
1/4/2016	17,148.94	(276.09)	-1.58%	Markets kicked off 2016 inauspiciously, stoked by fears of a hard landing for the Chinese economy.
6/27/2016	17,140.24	(260.51)	-1.50%	Now what? Questions surrounding Brexit logistics and UK leadership drove stocks lower.
09/13/16	18,066.75	(258.32)	-1.41%	Fed policy & a weak energy sector weighed on markets. Apple was the sole DJIA stock to gain on the day.
2/11/2016	15,660.18	(254.55)	-1.60%	Down over 400 points earlier in the session, the DJIA clawed back but was still hampered by the oil crash.

The 10 Worst Days (Return)

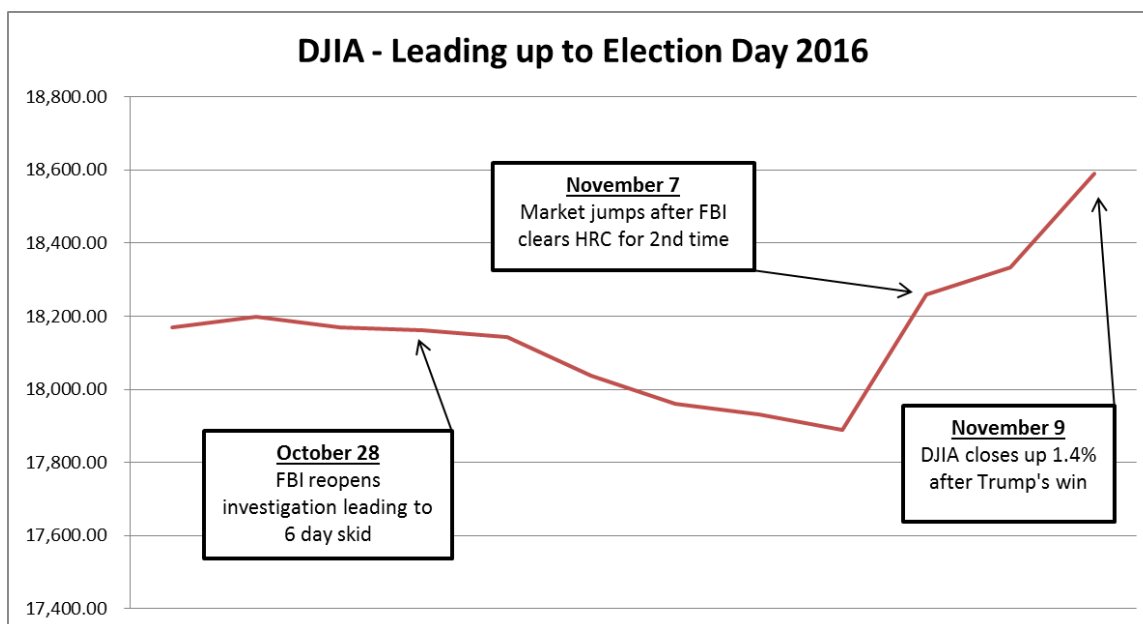
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1/4/2016	17,148.94	(276.09)	-1.58%	Markets kicked off 2016 inauspiciously, stoked by fears of a hard landing for the Chinese economy.
1/20/2016	15,766.74	(249.28)	-1.56%	Bad, but could have been worse. The DJIA was down 560+ points during trading. Again, oil.
6/27/2016	17,140.24	(260.51)	-1.50%	Now what? Questions surrounding Brexit logistics and UK leadership drove stocks lower.

Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

PRESIDENTIAL ELECTION IMPACT

Certainly, the 2016 Presidential campaign and election dominated the news cycle, transfixed observers and had a genuine – albeit sometimes contradictory - impact on the markets.

For example, as indicated in the chart below, the markets reacted negatively to the October Surprise that FBI Director Comey had reopened the investigation into Hillary Clinton's email. The news led to 6 losing sessions before reversing when he again cleared her over the weekend before Election Day. Next, equity futures on the DJIA, traded on the CME Group, plunged ~800 points during overnight trading as election returns, against conventional wisdom, indicated a surging Donald Trump. Yet regular trading the following day ended with a 1.40% gain as investors clearly found reasons to be cheered.



And that optimism wasn't short-lived. Consider below the tables which list the last 20 Presidential Elections and the DJIA's performance from Election Day through the end of that year. The current year – with a nearly 8% gain from November 9 to December 30 - posted the second best performing period since Eisenhower won his first term in 1952.

Chronological Order:

Election Year	Winner	Party	C/I	Loser(s)	Party	Election Day Close	Year Close	Return*
1940	Franklin D. Roosevelt	D	Incumbent	Wendell Wilkie	R	135.21	131.13	-3.02%
1944	Franklin D. Roosevelt	D	Incumbent	Thomas Dewey	R	147.92	152.32	2.97%
1948	Harry Truman	D	Incumbent	Thomas Dewey, Henry Wallace, Strom Thurmond	R, P, D*	189.76	177.30	-6.57%
1952	Dwight Eisenhower	R	Challenger	Adlai Stevenson	D	270.23	291.90	8.02%
1956	Dwight Eisenhower	R	Incumbent	Adlai Stevenson	D	495.37	499.47	0.83%
1960	John F. Kennedy	D	Challenger	Richard Nixon	R	597.63	615.89	3.06%
1964	Lyndon B. Johnson	D	Incumbent	Barry Goldwater	R	875.51	874.13	-0.16%
1968	Richard Nixon	R	Challenger	Hubert Humphrey, George Wallace	D, AI	946.23	943.75	-0.26%
1972	Richard Nixon	R	Incumbent	George McGovern	D	984.80	1,020.02	3.58%
1976	Jimmy Carter	D	Challenger	Gerald Ford	R	966.09	1,004.65	3.99%
1980	Ronald Reagan	R	Challenger	Jimmy Carter, John D. Anderson	D, I	937.20	963.99	2.86%
1984	Ronald Reagan	R	Incumbent	Walter Mondale	D	1,244.15	1,211.57	-2.62%
1988	George H.W. Bush	R	Incumbent	Michael Dukakis	D	2,127.49	2,168.57	1.93%
1992	Bill Clinton	D	Challenger	George H.W. Bush, Ross Perot	R, I	3,252.48	3,301.11	1.50%
1996	Bill Clinton	D	Incumbent	Bob Dole, Ross Perot	R, R*	6,081.18	6,448.26	6.04%
2000	George W. Bush	R	Challenger	Al Gore, Ralph Nader	D, G	10,952.18	10,786.85	-1.51%
2004	George W. Bush	R	Incumbent	John Kerry	D	10,035.73	10,783.01	7.45%
2008	Barack Obama	D	Challenger	John McCain	R	9,625.28	8,776.39	-8.82%
2012	Barack Obama	D	Incumbent	Mitt Romney	R	13,245.68	13,104.14	-1.07%
2016	Donald Trump	R	Challenger	Hillary Clinton, Gary Johnson, Jill Stein	D, L, G	18,332.74	19,762.60	7.80%

Decreasing Order of Return:

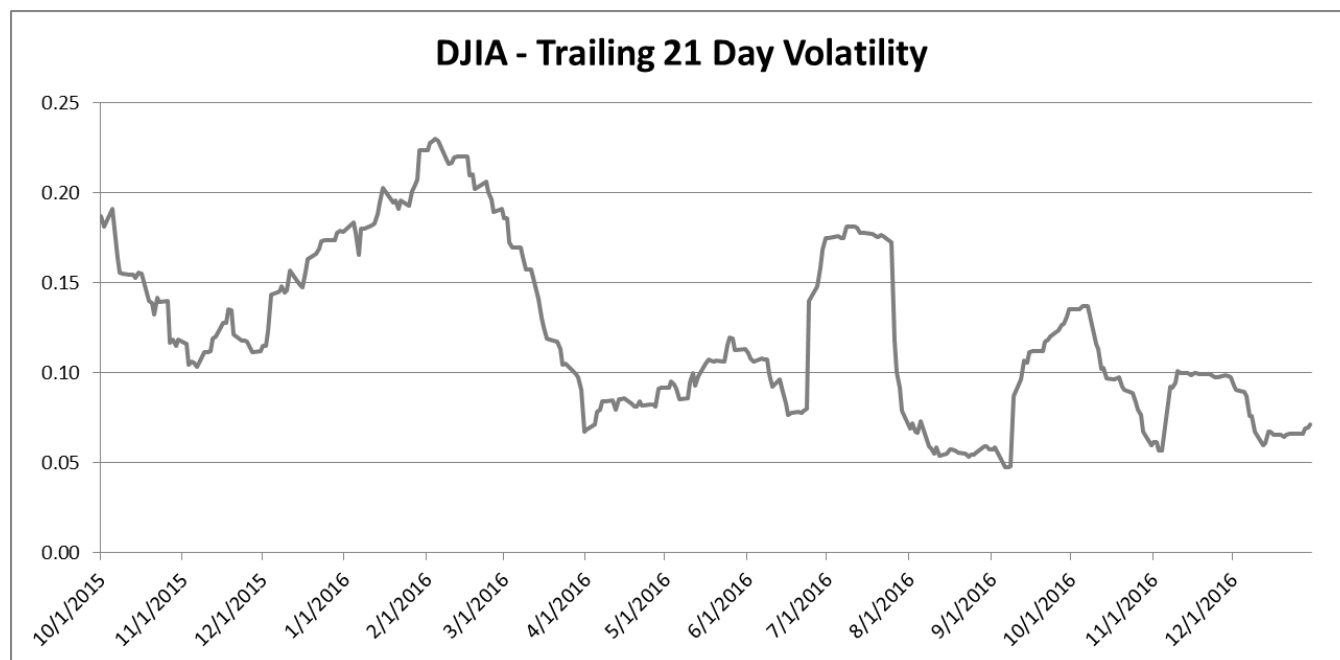
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2008	Barack Obama	D	Challenger	John McCain	R	9,625.28	8,776.39	-8.82%

R= Republican; D= Democrat; AI = American Independent; P = Progressive; D* = Dixiecrat; I = Independent; R* = Reform; G = Green; L = Libertarian

VOLATILITY

As noted earlier, volatility was a prominent theme in the first months of 2016, stoked by the crash in crude oil prices, worries of a hard landing in China, uncertainty surrounding the Fed's moves, Brexit and questions on the genuine health of the US economy.

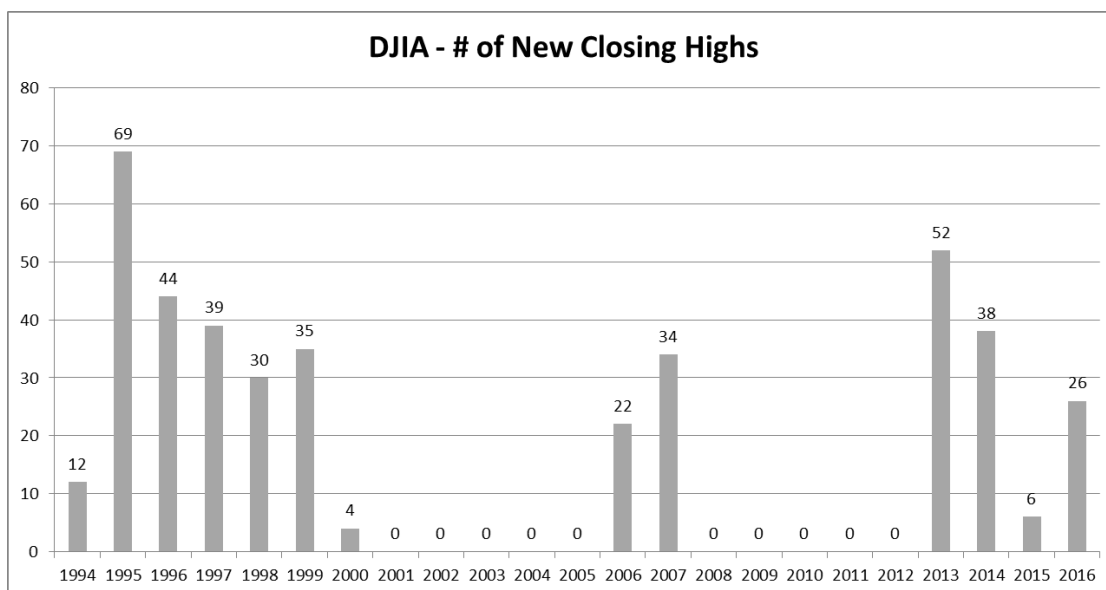
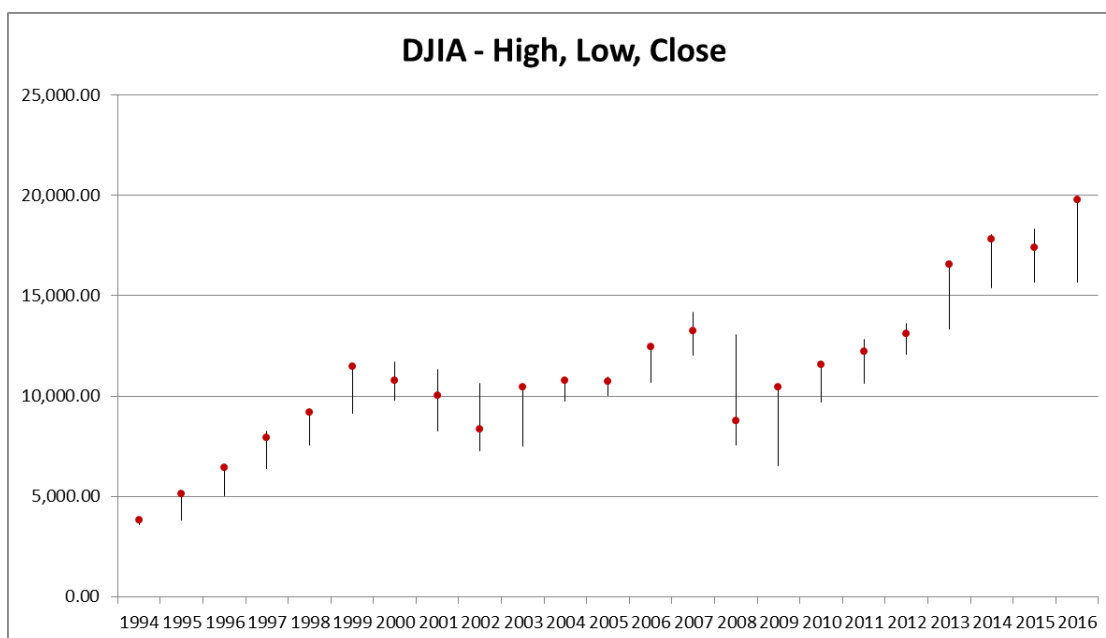
The trailing 21 day realized volatility of the DJIA ended 2016 at 7.13, well below the average of 11.63 for the entire year. After a spike during the first quarter – again, driven by oil, China, etc. - volatility gradually fell into the single digits. Brexit sent levels higher during the summer months, a short-lived spell during which investors' worst fears of a resulting contagion appeared to go unrealized. The pop at the end of the third quarter was driven in part by expectations that the Fed would raise interest rates while uptick in November was driven by election tumult.



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

HIGH, LOW, CLOSE

- The spread between the 2016 High and Low is 4,314.44 points, the widest such gulf since the Financial Crisis in 2008 when the spread was 5,505.92 points.
- The DJIA posted 26 new highs throughout 2016, all of which occurred in the second half of the year. No new highs were posted during the 1st half of 2016 as the markets suffered from a range of macro-economic factors.
- A string of 7 consecutive new highs occurred in July – over that period the DJIA increased 368 points or 2.02%. A second 7 day streak occurred in December when the DJIA gained 740.78 points.
- The last new high of the year occurred on December 20 when the DJIA peaked at 19,974.62, not quite 26 points from the vaunted (though arbitrary) 20,000 level.



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MARKET COMMENTARY

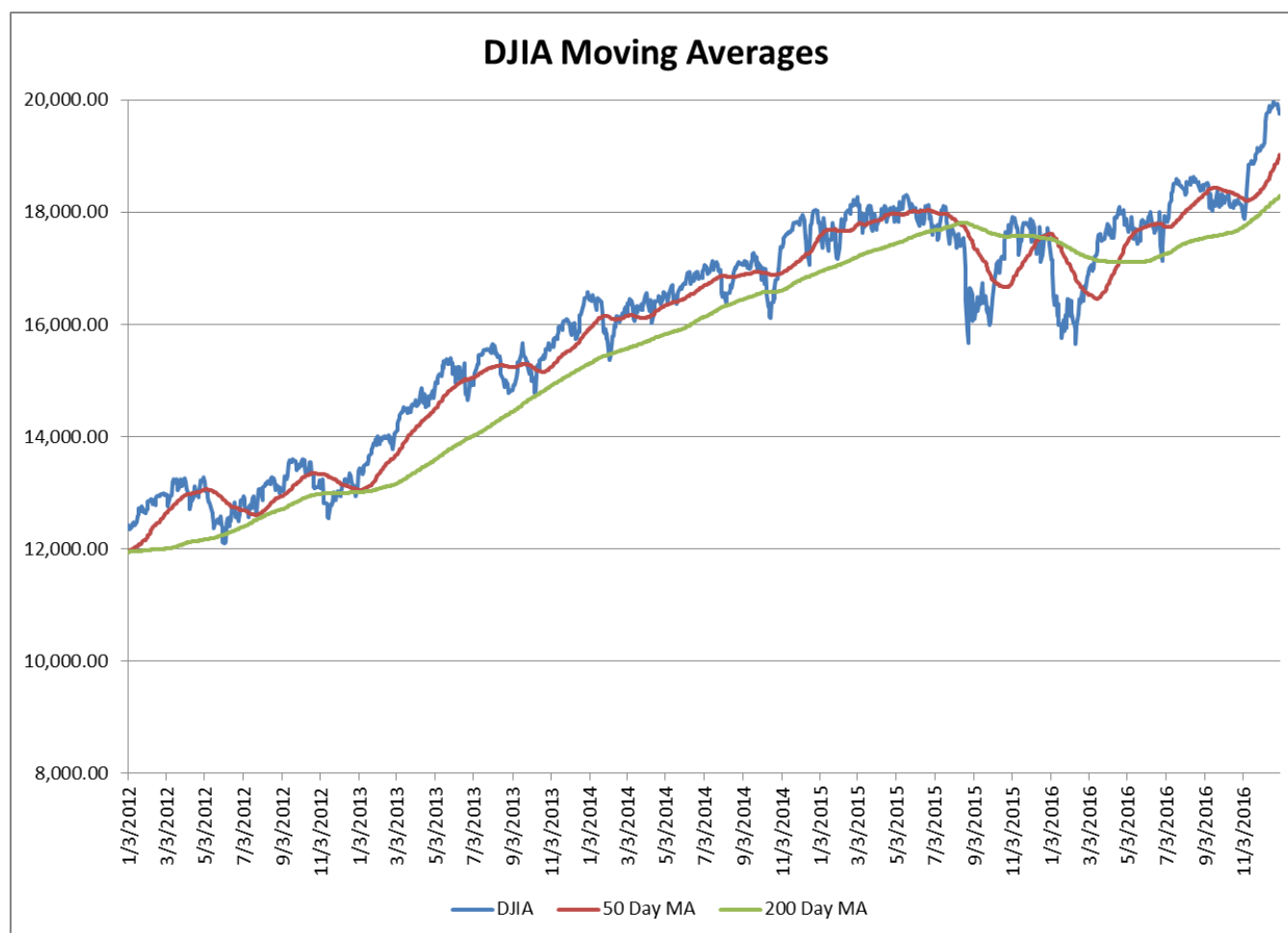
QUARTERLY PERFORMANCE

Despite a decidedly tumultuous start to the year the DJIA posted a gain for each quarter; 2013 was the last year to enjoy such a streak. Similarly, the 7.94% gain in Q4 2016 was the best closing quarter since 2013 when the DJIA was up 9.56%. Quarters 1 and 2 both lagged their averages since 1985 while Q3 and Q4 surpassed those levels.

	Q1	Q2	Q3	Q4	Annual
2016	1.49%	1.38%	2.11%	7.94%	13.42%
2015	-0.26%	-0.88%	-7.58%	7.00%	-2.23%
2014	-0.72%	2.24%	1.29%	4.58%	7.52%
2013	11.25%	2.27%	1.48%	9.56%	26.50%
2012	8.14%	-2.51%	4.32%	-2.48%	7.26%
2011	6.41%	0.77%	-12.09%	11.95%	5.53%
2010	4.11%	-9.97%	10.37%	7.32%	11.02%
2009	-13.30%	11.01%	14.98%	7.37%	18.82%
2008	-7.55%	-7.44%	-4.40%	-19.12%	-33.84%
2007	-0.87%	8.53%	3.63%	-4.54%	6.43%
2006	3.66%	0.37%	4.74%	6.71%	16.29%
2005	-2.59%	-2.18%	2.86%	1.41%	-0.61%
2004	-0.92%	0.75%	-3.40%	6.97%	3.15%
2003	-4.19%	12.43%	3.22%	12.71%	25.32%
2002	3.82%	-11.16%	-17.87%	9.87%	-16.76%
2001	-8.42%	6.31%	-15.76%	13.27%	-7.10%
2000	-5.00%	-4.34%	1.94%	1.28%	-6.18%
1999	6.59%	12.11%	-5.78%	11.22%	25.22%
1998	11.27%	1.73%	-12.39%	17.07%	16.10%
1997	2.10%	16.55%	3.55%	-0.47%	22.64%
1996	9.19%	1.21%	4.02%	9.62%	26.01%
1995	8.43%	9.58%	5.11%	6.85%	33.45%
1994	-3.15%	-0.30%	6.02%	-0.23%	2.14%
1993	4.06%	2.36%	1.11%	5.60%	13.72%
1992	2.10%	2.57%	-1.41%	0.90%	4.17%
1991	10.64%	-0.24%	3.78%	5.04%	20.32%
1990	-1.67%	6.41%	-14.86%	7.39%	-4.34%
1989	5.77%	6.38%	10.36%	2.24%	26.96%
1988	2.54%	7.73%	-1.34%	2.63%	11.85%
1987	21.56%	4.94%	7.35%	-25.32%	2.26%
1986	17.58%	4.08%	-6.61%	7.26%	22.58%
1985	4.56%	5.42%	-0.51%	16.41%	27.66%
Average	3.02%	2.75%	-0.37%	4.63%	10.17%

MOVING AVERAGES

- The DJIA ended 2016 above the 50 day and above the 200 day moving averages.
- Weakness in September – caused in part by investor expectations of interest rate increases – brought the DJIA below the 50 day level; that trend, with further headwinds stemming from the Presidential election, continued into early November. At no point during the second half of the year did the DJIA fall below its 200 day MA.
- Strong performance in July helped reverse the effects of the Brexit vote, which briefly (i.e. for a single day on June 27) brought the DJIA below both the 50 and 200 day levels.
- The market closed the year well above both averages as the passing of election uncertainty led to optimism, expectations of a more pro-business administration, investor catharsis and/or other generally positive animal spirits.



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MARKET COMMENTARY

1000 POINT MILESTONES

- The DJIA reached one new milestone – the 19,000 level - in 2016. A total of 483 trading days had elapsed since the prior milestone of 18,000 recorded late in 2014.
- Further, it came within less than 26 points of the 20,000 level. And while the march to that hotly-anticipated 20k level generated more than a few exclamations and press citation, it is important to recognize - as my [colleague Dr. David Blitzler recently noted](#) - that these round numbers have no more significance or import than any other level.
- That said, the last such levels were achieved in 2014, when the DJIA passed through both the 17,000 & 18,000 levels:
 - On July 3rd the Average closed at 17,068.28, 153 trading days after the DJIA passed through the 16,000 level.
 - On December 23rd, the Average closed at 18,024.17, just 120 trading days after passing through the 17,000 level.
- In 2013, the DJIA experienced two major milestones eclipsing both 15,000 and 16,000 about 6.5 months apart. The first milestone, reached 1,460 days after the Average breached 14,000, took much longer than the second – a mere 139 days later, the DJIA passed 16,000.
- 2007, 1999, 1997 and 1995 each saw two 1000 point milestones.
- The climb from inception to the first 1000 points – clocking in at 21,653 trading days - took more than twice as long to reach as all of the subsequent milestones.

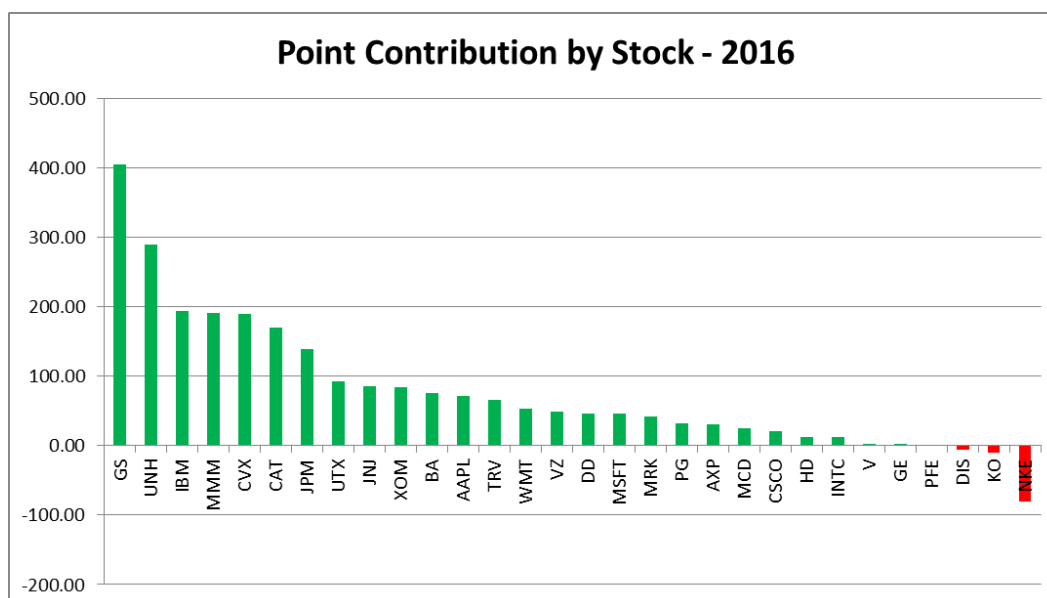
Following are the dates when the DJIA first passed through major 1000 point levels:

Milestone	Date	DJIA Level	Trading Days from Prior Milestone
Inception	5/16/1896	40.04	
1,000	11/14/1972	1,003.16	21,653
2,000	1/8/1987	2,002.25	3,573
3,000	4/17/1991	3,004.46	1,077
4,000	2/23/1995	4,003.33	971
5,000	11/21/1995	5,023.55	187
6,000	10/14/1996	6,010.00	226
7,000	2/13/1997	7,022.43	84
8,000	7/16/1997	8,038.99	105
9,000	4/6/1998	9,033.22	182
10,000	3/29/1999	10,006.78	245
11,000	5/3/1999	11,014.69	24
12,000	10/19/2006	12,011.73	1,879
13,000	4/25/2007	13,089.89	127
14,000	7/19/2007	14,000.41	59
15,000	5/7/2013	15,056.20	1,460
16,000	11/21/2013	16,009.99	139
17,000	7/3/2014	17,068.26	153
18,000	12/23/2014	18,024.17	120
19,000	11/22/2016	19,023.87	483
20,000	???	???	???

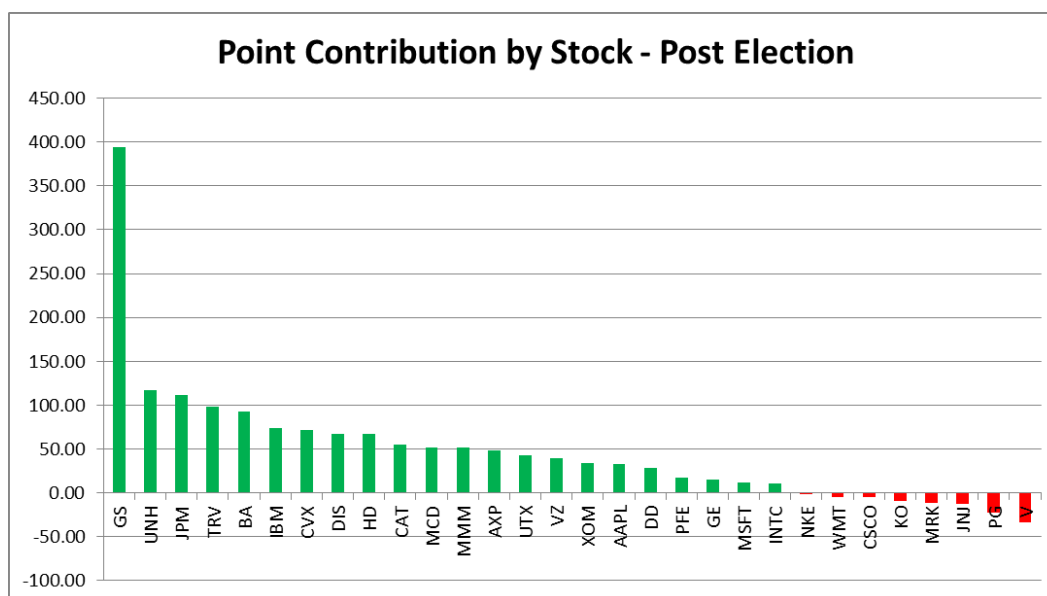
POINT CONTRIBUTION

BY STOCK

- Goldman Sachs (GS) contributed the most to the DJIA's advance during the 4th quarter which, in turn, led to the stock being the largest contributor for the whole of 2016. GS was followed by UnitedHealth Group (UNH) and International Business Machines (IBM) in the 2nd and 3rd slots respectively.
- Nike (NKE), Coke (KO) and Disney (DIS) – three leading consumer stocks – were the only 3 stocks to detract from the DJIA's advance during 2016. In other words, 90% of the DJIA's components – 27 of 30 – made positive contributions to the DJIA.
- The post-election contributions are even more starkly concentrated with GS acting as the standout contributor.



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.



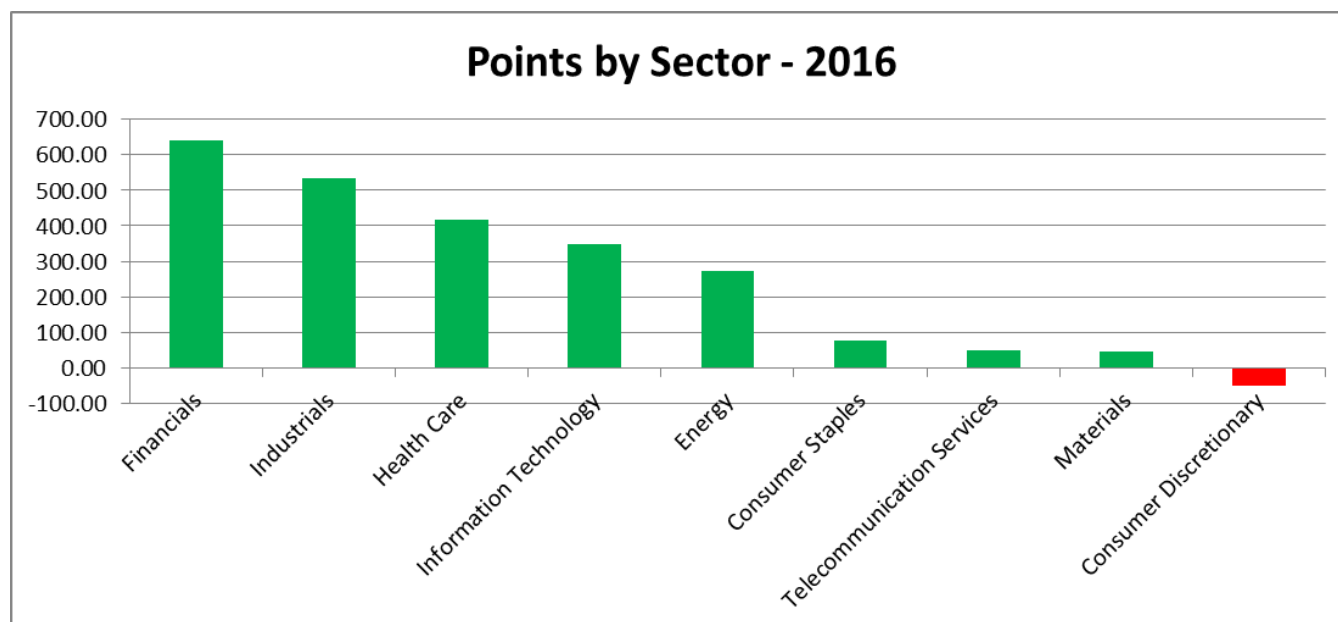
Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

SYMBOL	NAME	SECTOR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD POINTS
GS	Goldman Sachs Group Inc	Financials	-127.86	62.39	51.02	48.83	-31.71	-74.66	70.06	72.83	-56.09	116.22	281.12	138.06	406.68
UNH	UnitedHealth Group Inc	Health Care	-16.98	26.98	67.11	19.04	13.63	51.57	13.70	-48.97	27.05	9.11	116.35	11.78	290.37
IBM	Intl Business Machines Corp	Information Technology	-87.66	42.73	139.84	-37.73	53.42	-13.42	60.54	-11.92	-0.21	-35.34	56.42	25.82	194.28
MMM	3M Co	Industrials	2.47	40.20	66.84	5.14	6.44	46.57	22.19	6.03	-20.61	-74.86	44.10	46.77	191.27
CUX	Chexon Corp	Energy	-23.90	-20.76	81.91	46.43	-8.08	28.23	-16.08	-13.01	16.03	12.53	46.64	42.05	189.57
CAT	Caterpillar Inc	Industrials	-39.17	37.39	60.54	8.08	-35.68	22.60	-47.60	-5.55	46.71	-36.36	62.86	-19.93	169.76
JPM	JP Morgan Chase & Co	Financials	-44.12	-21.91	20.00	27.26	14.18	-21.44	12.53	24.17	-6.23	18.29	74.72	41.91	138.78
UTX	United Technologies Corp	Industrials	-57.39	61.16	23.83	29.24	-25.96	13.49	34.93	-8.35	-33.08	4.11	37.80	13.01	92.78
JNJ	Johnson & Johnson	Health Care	11.78	5.27	20.48	26.57	4.18	59.36	26.91	-40.34	-8.29	-14.06	-32.12	26.78	85.54
XOM	Exxon Mobil Corp	Energy	-0.68	15.75	23.56	32.94	4.25	32.32	-32.86	-12.40	0.96	-27.12	27.26	20.27	84.30
BA	Boeing Co	Industrials	-13.35	59.99	84.23	63.83	-59.24	25.48	25.96	-28.83	15.68	73.21	55.68	35.06	75.95
AAPL	Apple Inc.	Information Technology	-54.24	4.45	84.23	-104.44	41.91	-25.17	58.96	12.94	47.60	3.36	-20.68	36.30	72.32
TRV	Travelers Cos Inc	Financials	-39.86	3.29	62.94	-46.64	29.04	33.56	-19.31	17.05	-28.49	-43.62	35.41	65.47	65.47
WMT	WalMart Stores	Consumer Staples	34.65	-0.14	14.72	-11.09	26.78	15.34	-0.34	-10.48	4.66	-14.38	2.81	-8.97	53.55
VZ	Verizon Communications Inc	Telecommunication Services	25.68	5.20	22.94	-21.50	-0.27	33.83	-2.94	-21.09	-2.40	-26.57	12.33	23.83	49.03
DD	E. I. du Pont de Nemours and Company	Materials	94.78	55.54	16.78	17.74	-3.42	-4.16	29.93	2.94	-18.01	12.46	33.01	-1.44	46.57
MSFT	Microsoft Corp	Information Technology	-2.67	-28.83	29.79	-36.71	21.44	-12.53	37.73	5.34	0.96	15.89	2.33	12.87	45.61
MRK	Merck & Co Inc	Health Care	-14.72	-3.15	18.49	13.22	9.72	9.25	7.19	28.28	-2.60	-25.27	16.92	-15.89	41.43
PG	Procter & Gamble	Consumer Staples	15.61	-9.59	13.83	-15.00	6.30	24.86	6.30	11.78	10.55	-20.20	-29.72	11.09	31.98
AXP	American Express Co	Financials	-109.92	14.24	39.86	27.60	2.26	-34.24	25.34	7.67	-10.55	16.30	38.49	13.97	31.02
MCD	McDonald's Corp	Consumer Discretionary	38.62	-46.13	58.14	5.55	-30.34	-12.78	-18.42	-13.63	-2.05	-19.11	-46.88	16.78	24.52
CSCO	Cisco Systems Inc	Information Technology	-23.04	16.37	15.68	-6.71	10.68	-2.47	12.60	6.23	1.92	-7.12	-5.89	2.74	20.99
HD	Home Depot Inc	Consumer Discretionary	-44.45	-11.23	63.76	3.15	-12.12	-30.34	72.25	-28.22	-37.25	-45.68	50.61	32.05	12.53
INTC	Intel Corp	Information Technology	-23.49	-9.79	18.90	-14.18	8.97	8.29	14.11	7.05	12.74	-19.72	-1.16	10.75	12.48
V	Visa Inc	Information Technology	-20.96	-14.38	28.01	5.20	11.64	-32.67	26.57	19.52	12.33	-1.30	-39.54	4.78	3.22
GE	General Electric Co	Industrials	-14.04	0.27	18.13	-7.12	3.56	8.56	-2.33	0.68	-11.09	-3.56	11.37	5.78	3.05
PFE	Pfizer Inc	Health Care	-12.26	-5.62	-0.21	21.02	13.63	3.49	11.51	-14.31	-6.37	-14.79	2.94	2.33	1.37
DIS	Walt Disney Co	Consumer Discretionary	43.42	-2.05	25.96	27.05	-27.67	-9.59	-12.81	-10.20	-10.96	-1.16	44.03	34.93	-5.89
KO	Coca-Cola Co	Consumer Staples	-0.27	1.44	22.33	-10.89	-1.37	5.00	-11.64	-1.37	-7.60	0.55	-14.04	7.60	-10.27
NKE	Nike Inc B	Consumer Discretionary	-3.36	-2.88	-0.82	-17.33	-25.48	-0.14	2.05	14.66	-34.17	-16.92	-0.75	5.20	-79.32
TOTAL			-958.73	50.20	1168.60	88.55	13.56	142.79	502.26	-31.37	-92.73	-165.73	981.16	639.02	2337.57

BY SECTOR

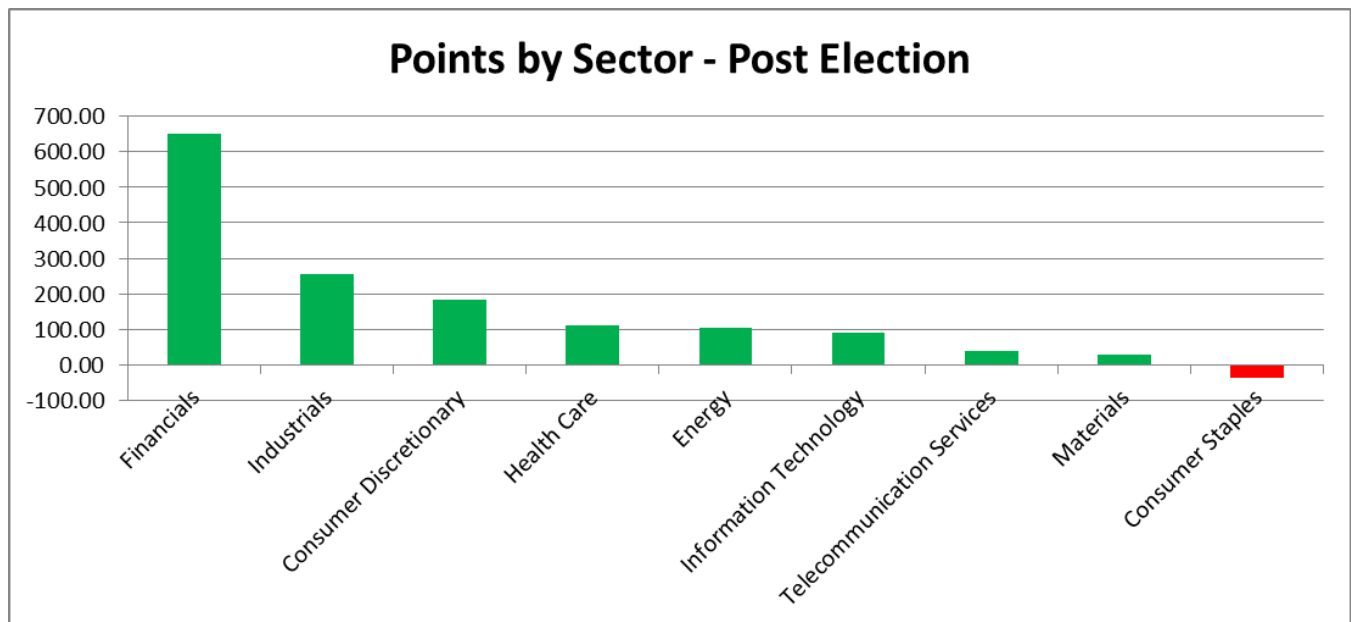
- For the year, Financials (again, led by GS) contributed the most to the DJIA's advance followed by Industrials and Healthcare. Consumer Discretionary posted the worst performance after being drawn down during Q2 and Q3. Further, the sector was the only one to detract from the DJIA in 2016. Materials and Telecommunications rounded out the year's worst three sectors.
- Similarly, Financials led the way since the election followed by Industrials. Consumer Discretionary, despite being the worst contributor for the year, was the second best sector since November 8th. Consumer Staples was the only sector negatively performing sector from Election Day to the close of trading.

SECTOR	Q1 POINTS	Q2 POINTS	Q3 POINTS	Q4 POINTS	YTD POINTS
Financials	-235.31	-25.96	109.09	792.97	640.80
Industrials	79.37	87.86	89.92	275.64	532.80
Health Care	97.18	244.28	-6.23	83.48	418.71
Information Technology	105.84	-128.47	325.02	46.50	348.89
Energy	75.88	134.09	-57.32	121.63	274.28
Consumer Staples	92.59	39.93	8.01	-65.26	75.26
Telecommunication Services	53.83	12.05	-26.43	9.59	49.03
Materials	-22.46	10.14	14.86	44.03	46.57
Consumer Discretionary	13.15	-129.02	-78.76	145.87	-48.76
Grand Total	260.06	244.90	378.16	1454.45	2337.57



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

MARKET COMMENTARY



Source: S&P Dow Jones Indices. Past performance is not an indication of future results.

BY SECTOR, BY YEAR COLOR MATRIX

2007	2008	2009	2010	2011
<i>Industrials</i> 376.82	<i>Consumer Discretionary</i> -254.95	<i>Information Technology</i> 637.36	<i>Industrials</i> 483.61	<i>Consumer Discretionary</i> 231.14
<i>Consumer Staples</i> 286.68	<i>Telecommunication Services</i> -184.29	<i>Industrials</i> 484.01	<i>Consumer Discretionary</i> 194.55	<i>Energy</i> 202.76
<i>Information Technology</i> 264.08	<i>Energy</i> -188.74	<i>Financials</i> 273.30	<i>Energy</i> 145.47	<i>Information Technology</i> 150.53
<i>Energy</i> 138.80	<i>Consumer Staples</i> -241.98	<i>Consumer Discretionary</i> 100.65	<i>Consumer Staples</i> 130.91	<i>Consumer Staples</i> 138.20
<i>Telecommunication Services</i> 99.14	<i>Health Care</i> -320.02	<i>Materials</i> 100.55	<i>Materials</i> 117.21	<i>Health Care</i> 72.05
<i>Health Care</i> 98.38	<i>Materials</i> -352.13	<i>Health Care</i> 79.99	<i>Financials</i> 55.19	<i>Telecommunication Services</i> 39.36
<i>Materials</i> 15.05	<i>Information Technology</i> -529.36	<i>Consumer Staples</i> 58.48	<i>Telecommunication Services</i> 44.34	<i>Industrials</i> -42.00
<i>Consumer Discretionary</i> -48.59	<i>Industrials</i> -1197.91	<i>Telecommunication Services</i> -12.87	<i>Information Technology</i> 6.36	<i>Financials</i> -69.93
<i>Financials</i> -428.68	<i>Financials</i> -1219.06	<i>Energy</i> -69.81	<i>Health Care</i> -28.18	<i>Materials</i> -82.04
2012	2013	2014	2015	2016
<i>Financials</i> 303.63	<i>Industrials</i> 1072.69	<i>Financials</i> 499.69	<i>Consumer Discretionary</i> 615.06	<i>Financials</i> 640.80
<i>Industrials</i> 183.42	<i>Financials</i> 704.10	<i>Consumer Discretionary</i> 350.64	<i>Health Care</i> 73.74	<i>Industrials</i> 532.80
<i>Consumer Discretionary</i> 153.16	<i>Consumer Discretionary</i> 467.77	<i>Health Care</i> 295.60	<i>Telecommunication Services</i> -4.55	<i>Health Care</i> 418.71
<i>Consumer Staples</i> 147.96	<i>Health Care</i> 426.34	<i>Consumer Staples</i> 114.19	<i>Materials</i> -28.00	<i>Information Technology</i> 348.89
<i>Health Care</i> 69.84	<i>Energy</i> 225.53	<i>Industrials</i> 107.38	<i>Financials</i> -70.12	<i>Energy</i> 274.28
<i>Telecommunication Services</i> 49.64	<i>Consumer Staples</i> 214.47	<i>Materials</i> 57.60	<i>Consumer Staples</i> -234.14	<i>Consumer Staples</i> 75.26
<i>Energy</i> 26.40	<i>Information Technology</i> 164.55	<i>Information Technology</i> -15.51	<i>Energy</i> -243.17	<i>Telecommunication Services</i> 49.03
<i>Materials</i> -6.56	<i>Materials</i> 143.62	<i>Telecommunication Services</i> -25.24	<i>Industrials</i> -244.55	<i>Materials</i> 46.57
<i>Information Technology</i> -40.90	<i>Telecommunication Services</i> 53.45	<i>Energy</i> -137.94	<i>Information Technology</i> -262.31	<i>Consumer Discretionary</i> -48.76

MARKET COMMENTARY

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