Portfolio Analysis Summary

January thru December – 2017

David & Deborah Smith

The appropriate asset allocation for your risk tolerance should be more important than short-term market performance. In order to participate in bull market gains, you must also endure the corrections. Active managed funds typically outperform in flat and bear markets and index funds outperform in bull markets.

Market Summary

S&P 500 Market Cap Weight (SPY) +21.7%, S&P 500 Equal Weight (RSP) +18.5% (Year-to-date total return)
Vanguard Total World Stock Index ETF (VT) +24.5% (Year-to-date total return)
Technology 37.1%, Asia 28.9%, Large Growth 27.7%, International 27.4%, Materials 23.8%, Healthcare 23.3%, Consumer Discretionary 22.8%, Small Growth 21.9%, Mid Cap Growth 21.8%, Industrials 21.5%, Financial 20.0%.
Large Value 17.1%, Mid Cap Value 17.1%.
Utilities 12.5%, Consumer Staples 11.9%, Small Value 11.8%, Real Estate 4.9%, Energy -2.5%, Telco -5.5%.
Bonds: EM Bond 8.4%, HY Bond 6.0%, IT Bond 3.6%, Merger 2.4%, Global Bond 2.4%, ST Bond 2.2%, Bank Loan 2.1%.

Our Strategy in this Market
Tactical Asset Allocation (+), Asset Classes (+), Value Funds (0), Small Cap Funds (0), Sector Funds (+), High Yield Bond Funds (+), Active Funds and Stock Selection. (+).
Our strategy score is Positive at +5. (Range +7 to -7) The higher the score, the better our strategy performs.

Sector performance benchmark data is from Vanguard, iShares and SPDR Exchange Traded Funds.

Portfolio Performance

Joint Taxable portfolio moderate risk +17.9% return year-to-date. (Large Size, Sectors, Active Funds)
*David's IRA portfolio moderate-aggressive risk +20.0% return year-to-date. (Small Size, Passive Funds)

The Fidelity Asset Manager 70% Moderate Risk Benchmark saw a 18.7% return in this period.
The Fidelity Asset Manager 85% Moderate-Aggressive Risk Benchmark saw a 22.3% return in this period.

*Inaccurate portfolio and benchmark comparisons. Portfolios with > 7% cash additions or subtractions, timing not monthly or at the beginning or end of the year. Benchmarks above do not reflect the cash movements in the portfolio. For these portfolio's we will review and use the most appropriate of the following methods; Raw calculation, monthly, average or our model performance.

For performance less portfolio management fee, subtract 0.80%. (0.8% annual fee x 12/12 months).

Portfolio Performance Influences

Our benchmarks are outperforming due to their large positions in large cap growth & international.

Joint Taxable Portfolio Moderate Risk (Score= +4)
Large diversified portfolio (+), Sectors in portfolio (+), Active managed funds (+), No individual stocks (NA)
Portfolio mutual fund variation (+)
Early year rebalancing cost and timing (-)
Aggressive and moderate portfolios are outperforming conservative (+)
Cash additions or subtractions implemented in corrections or at market highs (NA)
One time implementation costs for new portfolios (NA)

David's IRA Portfolio Moderate-Aggressive Risk (Score= 0)
Small less diversified portfolio (-), No sectors in portfolio (-), Passive managed funds (0), No individual stocks (NA)
Portfolio mutual fund variation (+)
Early year rebalancing cost and timing (0)
Aggressive and moderate portfolios are outperforming conservative (+)
Cash additions or subtractions implemented in corrections or at market highs (NA)
One time implementation costs for new portfolios (NA)

The statements above are our opinion based on our research and experience. They may affect your portfolio.

Joint Taxable Portfolio

Account Name	David & Deborah Smith	December 2017
Account Type	Taxable	Scottrade
Account Number	xxxx xxxx	2017 Leaders

ASSET CLASS	FUND NAME	SYMBOL	# SHARES	$/SHARE	VALUE	TOTAL	ACTION
Large Cap Growth	Pamassus Endeavor (LCB)	PARWX	168.07	37.18	6249	1%	
	Mairs & Power Growth (LCB)	MPGFX	108.99	121.12	13201	2%	
	PRIMECAP Odyssey Gro. (LCG, HC, TEC)	POGRX	764.41	37.25	28474	5%	
	Vanguard Growth ETF (LCG)	VUG	40.00	140.65	5626	1%	
					53550	**9%**	
Large Cap Value	AMG Yacktman Fund	YACKX	401.62	22.85	9177	2%	
	Oakmark Fund (LCB)	OAKMX	181.54	84.33	15310	3%	
	Vanguard Equity Income	VEIRX	66.30	77.95	5168	1%	
	Vanguard Value ETF	VTV	0.00	0.00	0	0%	
					29654	**5%**	
Mid Cap Growth	Eventide Gilead (MCG, TECH, HC)	ETGLX	427.50	34.25	14642	2%	
	Akre Focus (MCG)	AKREX	421.99	32.41	13677	2%	
	Champlain Mid Cap(MCG)	CIPMX	502.51	17.10	8593	1%	
	Vanguard Mid Cap Growth ETF (MCG)	VOT	80.00	127.72	10218	2%	
Mid Cap Value	Diamond Hill Small-Mid Cap (MCV)	DHMIX	463.25	22.45	10400	2%	
	Pamassus Mid Cap (MCV)	PARMX	404.72	32.07	12979	2%	
	Vanguard Mid Cap Value (MCV)	VOE	43.00	111.57	4798	1%	
					75306	**12%**	
Small Cap Growth	Brown Capital Mgr. Small Co. (SCG, M, T)	BCSIX	78.11	89.26	6972	1%	
	Price QM US Small Cap Stock	PRDSX	398.80	34.89	13914	2%	
	Mairs & Power Small Cap (SCB)	MSCFX	507.97	25.32	12862	2%	
	Vanguard Small Cap Growth ETF (SCG)	VBK	25.00	160.85	4021	1%	
					37769	**6%**	
Small Cap Value	Sterling Capital Stratten SCV (SCV,MCG)	STSCX	146.40	86.33	12638	2%	
	Vanguard Strategic Small Cap Equity (SCB)	VSTCX	137.37	35.63	4894	1%	
	Vanguard Small Cap Value ETF (SCV)	VBR	40.00	132.78	5311	1%	
					22844	**4%**	
International	Oakmark International (LCV)	OAKIX	773.31	28.57	22093	4%	
	Harding Loevner International Equity (LCG)	HLMNX	1137.44	22.75	25877	4%	
	FMI International (LCB, Dollar Hedged)	FMIJX	419.73	33.94	14246	2%	
	Price International Disc. (MCG, ASIA)	PRIDX	246.31	71.41	17589	3%	
	Oakmark International Small Cap (MCV)	OAKEX	529.58	17.74	9395	2%	
	Fidelity International Small Cap (MCB, SCV)	FISMX	167.06	29.90	4995	1%	
	Fidelity Pacific Basin	FPBFX	117.61	35.48	4173	1%	
	Matthews Pacific Tiger (ASIA, LCG)	MAPTX	735.57	31.66	23288	4%	
					121655	**20%**	
Technology	Price Global Technology (TECH, LCG)	PRGTX	1408.26	16.83	23701	4%	
	Fidelity Select IT Services (TECH, LCG)	FBSOX	425.93	54.48	23205	4%	
	Vanguard Information Technology (LCG)	VGT	0.00	0.00	0	0%	
					46906	**8%**	
Financial	Price Financial (FIN, MCV)	PRISX	380.46	28.00	10653	2%	
	First Trust Financial AlphaDEX (MCV)	FXO	415.00	31.32	12998	2%	
	Vanguard Financials ETF (FIN, LCG)	VFH	0.00	0.00	0	0%	
					23651	**4%**	
Healthcare	Price Health Sciences (HC, LCG, MCG)	PRHSX	193.75	70.35	13631	2%	
	Fidelity Select Healthcare (HC, LCG, MCG)	FSPHX	40.31	223.76	9020	1%	
	Vanguard Health Care ETF (HC, LCG)	VHT	0.00	0.00	0	0%	
					22651	**4%**	
Other	Fidelity Select Chemicals (MAT)	FSCHX	47.40	178.31	8452	1%	
			0.00	0.00	0	0%	
					8452	**1%**	
Bonds	Fidelity New Markets Income	FNMIX	0.00	0.00	0	0%	
	Vanguard Intermediate Term Inv. Grade	VFICX	1232.03	9.75	12012	2%	
	PIMCO High Yield Bond	PHYDX	1626.81	8.96	14576	2%	
	Fidelity Floating Rate High Income (5% max)	FFRHX	2098.10	9.62	20184	3%	
	Merger Fund	MERFX	1248.18	15.94	19896	3%	
	Vanguard Short Term Inv Grade Bond ADM	VFSUX	4224.03	10.63	44901	7%	
					111570	**19%**	
Cash	Money Market	CASH	48627.15	1.00	48627	8%	
					48627	**8%**	
					2016	**2016%**	

In/Out Flow Activity		
Deposits		$0
		$0
Performance (Excluding Management Fees)		
Start	$511,196	Ave YTD
Current	**$602,636**	17.2%
Increased Year-to-Date	$91,440	Model
Additions/Withdrawls	$0	17.9%
Year-to-Date Gain ($)	$91,440	Monthly Calc.
Year-to-Date Gain (%)	**17.9%**	16.6%
Asset Management Fees (No fees)		
January 2017	Q4 Portfolio Management Fee	$0
April 2017	Q1 Portfolio Management Fee	$0
July 2017	Q2 Portfolio Management Fee	$0
October 2017	Q3 Portfolio Management Fee	$0
SUM		$0
	Extra Cash & Bonds	

Asset Class	**Actual Allocation**	**Target Allocation**	**Passive Allocation**
		Moderate	Moderate
Large Cap Growth	9%	8%	7%
Large Cap Value	5%	7%	7%
Mid Cap	12%	12%	7%
Small Cap Growth	6%	6%	7%
Small Cap Value	4%	5%	7%
International	20%	20%	15%
Technology	8%	6%	7%
Financial	4%	6%	7%
Healthcare	4%	5%	7%
Other	1%	0%	5%
Alternative	0%	0%	0%
Sector (25%)			
Bonds (20%)	19%	20%	15%
Cash (5%)	8%	5%	10%
2%	100%	100%	101%

Risk Level
Moderate
Base Allocation
75% Stocks
25% Bonds & Cash
Strategy
Diversified
Mutual Fund &
Sector Portfolio
Custodian
Scottrade Advisor
Beneficiaries
Primary:
Spouse
Contingent:
Children

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