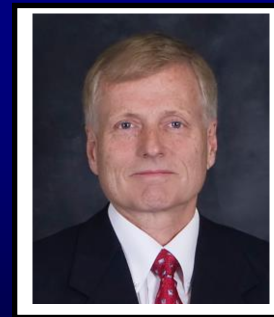
MOULTON WEALTH MANAGEMENT INC.

"MOLTEN HOT" MINUTES



SPECIALIZING IN RETIREMENT AND TAX PLANNING

DONALD J. MOULTON
CFP®, RFC

www.moultonwealth.com

RIAL R. MOULTON
CFP®, CPA/PFS, RFC

Week of April 12, 2021

Per a disaster declaration by Governor Inslee, all gatherings are limited. If you were planning to attend a seminar and don't wish to wait until there is a change in the restrictions please call the office for a free Financial Physical.

Do you believe in buy and hold investing? I'm sure many reading this will say 'yes' and point to long term stock market performance as proof that if you just buy and hold you'll make

FINANCIAL PHYSICAL

Due to the Lock Down, Seminars are on hold. If you'd like a phone based Financial Physical, please call…

509-922-3110

OUR FINANCIAL PHYSICALS REVIEW:

1. PROTECTION
2. ESTATE PLANNING
3. TAXES
4. RETIREMENT
5. INVESTMENTS

money.

It's a good theory, but is it realistic?

Amazon stock *(and this is not a recommendation to buy or sell any security but rather a history lesson)* has been one of the best performers since they went public on May 15, 1997.

If you had put $20,000 into Amazon stock at the closing price of that first day, and held until Friday's close, it would now be worth about $34,000,000.

Not bad and obviously proof that buy and hold works.

But let's explore the journey.

Less than 3 years after buying your $20,000 of Amazon stock, it would have been worth $1,057,449 near the end of 1999.

So far so good, or in fact, so far so 'great'!

But moving another 20 months forward and the value of your Amazon would have dropped from $1,057,449 to ***$61,327***, a decline of about 94%.

How many investors would have just held through that drop?

Buy and hold is great when your investments are rising, but Dalbar research tells us it is problematic for most individual investors when the market falls, even by as little as 10%.

Since last year we have said we thought growth and inflation would rise during the first half of 2021. Last Friday's PPI (Producer Price Index, a measure of producer inflation) report was a 9-1/2 year high and much higher than expected. *(Growth and inflation rising).* We expect earnings and GDP will follow suit.

But what about the second half of 2021 and beyond? Many if not most prognosticators point to the vaccine and an economic reopening as a basis for even more growth and inflation.

We disagree.

It appears to us and our research firm that the second half of the year will more likely show growth and inflation falling, which is generally bad for stocks. That doesn't mean a bear market, it simply points to higher market risks later in the year.

Longer term, we also aren't particularly concerned about inflation going markedly higher, despite all the money printing.

Dr. Lacy Hunt has long been a bull on U.S. Treasury bonds (thinks they'll go higher). To be right (and he has been) it means yields have to fall and as such, inflation can't accelerate

He points to several reasons why he thinks this burst of inflation will be transitory.

- Productivity has historically rebounded and leaped ahead after recessions. Productivity is deflationary as it holds down labor costs.
- As the world reopens, historical supply chains will be restored. Supply chains were disrupted, which was part of the reason for higher producer prices.
- Technology keeps advancing at an accelerating rate. The pandemic actually vaulted this trend even further forward.
- Although GDP will look great, it only accounts for the additions to the economy (i.e. new businesses, etc.) and not costs of those other businesses that failed. He calls it the broken window theory. If a city had people throw rocks through all the windows downtown, there would be a burst of economic activity as store owners were forced to replace all the windows. But in the end, it wasn't really of any economic benefit, except maybe to glass replacement businesses. GDP could give a false sense of just how fast the economy is recovering.

Beyond these reasons are two elephants in the room; debt and demographics. Even before the pandemic, world trade declined in 2019, one of the few yearly declines in the history of the series. Worldwide, governments responded to the pandemic with massive debt financed spending. Debt relative to GDP rose 37% in 2020 alone, which was a record.

In the U.S. there have been five distinct "debt bubbles" since 1800. Each of the first four were followed by deflation or disinflation. We are currently in number five. And logically this should make sense. The more we have to spend to service debt, the less is available to invest in productive uses.

Finally demographics point to deflation. Since 1980 global population growth has dropped dramatically and the average age of the world has increased sharply. As we age we simply don't spend or invest as much. The time of most spending is when we're starting and raising families. If you look at the most recent time that inflation was a problem in the U.S. it coincides with population growth during the 1960s, 1970s and 1980s.

Unless this time is different than all of recorded economic history (and common sense) there will come a point that money printing won't be able mask what is happening in the real world and it's then that stocks might have a dramatically negative response. Since we've never pushed it as far as we have today, there's no precedent to use for comparison.

But when it happens, we expect it to happen with a bang, not a whimper.

Maybe it won't just be Amazon stock that sees crazy swings to "buy and hold" through.

Participate but protect.

Does the investment plan include a sell strategy to protect your downside?

Where are you getting your advice?

Are they fiduciaries?

Are they a Certified Financial Planner™?

Do they have a background in accounting, tax, finance?

Do they review all areas of your financial life (like income taxes, risk management, estate planning) or just talk about stocks?

Who benefits most from their "advice"?

If you're not a client, what is your advisor telling you about our current situation? If your advisor is not discussing these issues with you, shouldn't (s)he be? How much work do you think it takes to keep up on all of this as we try to do, and how much easier do you think it would be to simply repeat over and over…

- Never sell
- You can't time the market
- You're a long term investor
- The market always comes back
- Etc., etc., etc.

Are you being told to stay invested after thoughtful analysis of world events, stock valuations, economic considerations, etc.? Or are you being told to stay invested due to a lack of thoughtful analysis of world events, stock valuations, economic considerations, etc.?

It's your money and it's your retirement.

Being told after the fact that 'everyone lost money' may make you feel better but it won't help pay your utilities.

If you didn't like what happened to your portfolio in the dot.com bubble or the financial crisis bubble, but you've made no moves to change the way you invest, now may be the time to seriously consider your process – NOT after the market, and your portfolio, have crashed.

Break the cycle and make your portfolio decision based on where we are likely headed, not on where we've recently been.

If we can help, call our office now and set up a no obligation review.

We think investing today must include a defensive strategy and system. It's this system that helps us decide when "enough is enough" and that it is time to protect your portfolio. If you don't have a system you should consider it now. Regardless of what happens over the next week, month or several months, stocks are overvalued in our opinion and eventually they will reset with a significant market decline.

Remember, we have a feature on our website: www.Moultonwealth.com to help you measure your risk tolerance. The problem with trying to decide how much risk to take is we all want to be aggressive when the market is going up, but conservative when it's going down. That's why a sell discipline is important. However, the first line of defense is always our allocation. This approach to measuring risk gives a number by making investors trade off gains and losses. Just click the button to see where you stand.

What's Your Risk Number?

On to this week's data…

U.S. Markets: Most of the major U.S. benchmarks moved steadily to new record highs this week, although the small-cap Russell 2000 index recorded a modest loss. The Dow Jones Industrial Average rose 2% to finish the week at 33,801, while the technology-heavy NASDAQ Composite rallied 3.1% to close at 13,900. By market cap, the large cap S&P 500 finished up 2.7%, while the mid-cap S&P 400 added 0.9%. The small-cap Russell 2000 finished down -0.5%.

International Markets: Canada's TSX rose 1.3%, while the United Kingdom's FTSE 100 gained 2.6%. On Europe's mainland, France's CAC 40 and Germany's DAX added 1.1% and 0.8%, respectively. In Asia, China's Shanghai Composite retreated -0.5%. Japan's Nikkei finished the week up 1.3%. As grouped by Morgan Stanley Capital International, developed markets closed the week up 1.5%, emerging markets retreated -0.6%.

Commodities: Precious metals found firm footing while trading in a narrow range for a fourth consecutive week. Gold rose $16.40 to $1744.80 an ounce, while Silver finished the week up 1.5% to $25.33 per ounce. Energy declined for a fourth time in five weeks. West Texas Intermediate crude oil fell -3.5% to $59.32 per barrel. Copper, viewed by some analysts as a barometer of world economic health due to its wide variety of industrial uses, ended the week up 1.2%.

U.S. Economic News: The number of Americans filing first-time unemployment benefits rose by 16,000 to 744,000 last week, according to the Labor Department. Economists had expected claims would fall to 694,000. New claims rose sharply in California and New York. There were more modest declines in Ohio and Texas. Continuing claims, which counts the number of people already receiving benefits, declined by 16,000 to a seasonally-adjusted 3.09 million. That's the lowest level for continuing claims in a year. Despite the recent tick-up, claims are expected to continue to trend lower as the economy re-opens and more Americans are vaccinated.

The number of job openings in the U.S. hit their highest level in more than two years as the economy continued to reopen. The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) showed that job openings jumped to 7.37 million from 7.1 million in January. Job openings rose the most in February in health care, hotels, restaurants, theaters, museums and parks and recreation. The so-called 'quits rate', rumored to be closely watched by the Federal Reserve as it is assumed a worker would only quit a position in favor of a more lucrative one, remained unchanged at 2.6% among private-sector employees and is back to pre-crisis levels. At the height of the coronavirus crisis, the quits rate had fallen to a seven-year low of 1.8%.

Activity in the services side of the U.S. economy, which makes up more than two-thirds of U.S. economic output, soared in March as governments lifted businesses restrictions and rising vaccinations gave Americans more confidence to go out and shop, travel or take a vacation. A survey of business leaders at service-oriented firms such as banks, retailers and restaurants jumped to 63.7 last month from 55.3 in February, the Institute for Supply Management (ISM) reported. The month-over-month jump was the highest on record since ISM began the survey in 1997. All 18 services industries tracked by the ISM expanded in March. In the details of the report, new orders and production made big leaps as each sub-index also hit their highest levels on record.

Orders for U.S. manufactured goods fell -0.8% in February, the Commerce Department reported. This was the first decline since the depths of the coronavirus recession last April. Economists were expecting just a -0.6% decline. Orders for so-called 'durable goods'—items expected to last at least three years—fell a revised -1.2% in February. Orders for 'non-durable goods' were down -0.4% for the month. Economists blamed the weakness in February on cold weather. Analysts also suggested the lack of key supplies may also have played a role.

According to minutes of their March meeting released this week, Federal Reserve officials seemed divided almost evenly over their outlook for inflation. "Several" Fed officials said that supply bottlenecks and strong demand would push up price inflation "more than anticipated," the minutes said. At the same time, "several" other Fed officials expressed belief that the factors that had contributed to low inflation over the past decade "could again exert more downward pressure on inflation than expected." The Fed upgraded its forecast for growth and employment and forecast that headline inflation would rise to 2.4% rate this year — above the

2% target — but then settle down to 2.1% by 2023. Despite these changes, the Fed's median forecast was for no liftoff in interest rates through 2023.

International Economic News: Canada's economy added more than 300,000 jobs in March, once again outpacing expectations and putting the labor market on track to recoup all that was lost one year ago. Statistics Canada reported the economy added 303,000 jobs in March as restrictions were rolled back. Retail gained 95,000 jobs to fully recoup losses sustained in January lockdowns, while employment jumped 21,000 in the accommodation and food services sector. Notable gains were also seen in health care, construction and educational services. The March increase puts overall employment 296,000 shy of the pre-COVID level in February 2020. Furthermore, the unemployment rate was 7.5%, a pandemic-era low.

Across the Atlantic, United Kingdom Prime Minister Boris Johnson stated he's "hopeful" that foreign travel can resume in mid-May. Johnson also confirmed that shops, hairdressers, gyms and outdoor hospitality venues like pubs could open beginning April 12 as planned. Johnson said a task force this week will set out a "reasonable" plan on nonessential travel abroad. England has been in lockdown mode since late December as a result of the coronavirus pandemic, with international travel restricted. Once traveling abroad is allowed, quarantine rules will depend on a "traffic light system" – meaning that those traveling to countries on a "green" list will not be required to isolate upon their return to the U.K. Johnson said it was too soon to say which countries would be on which list.

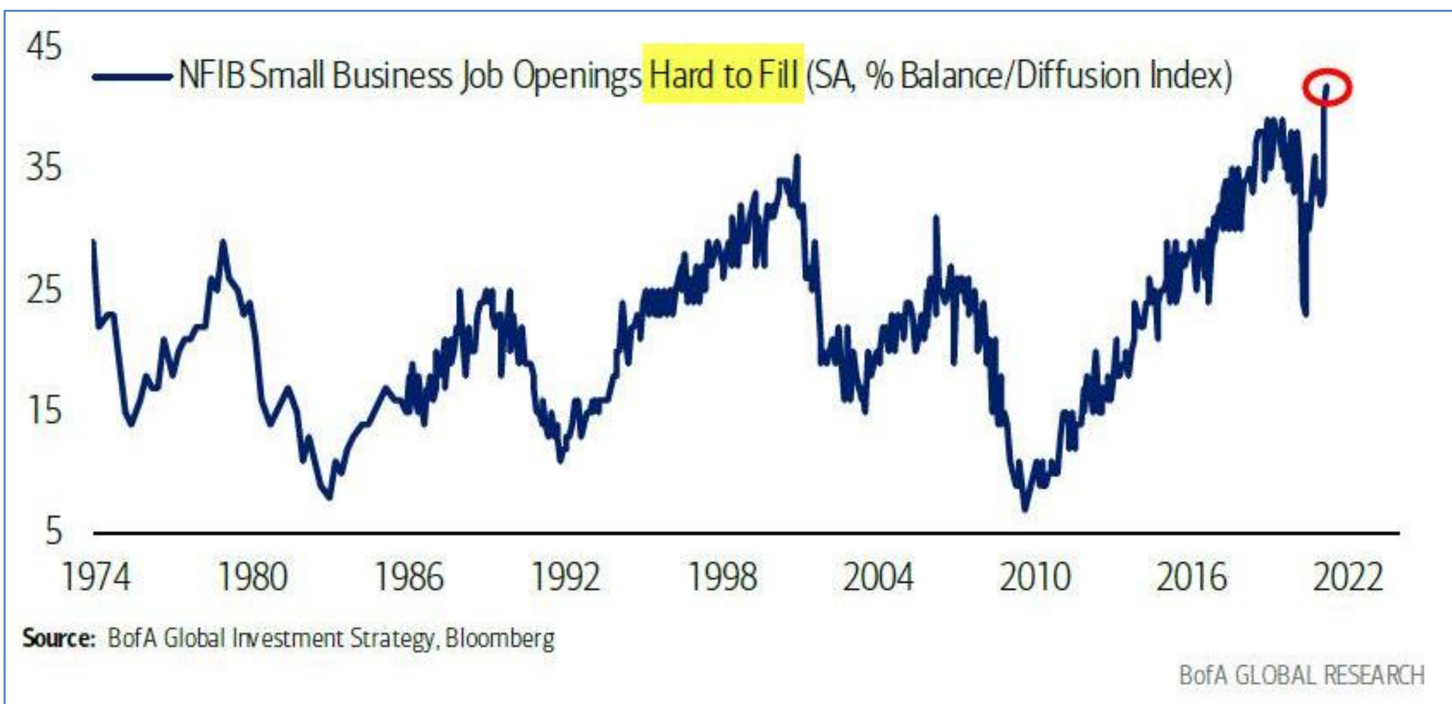
On Europe's mainland, French Economy Minister Bruno LeMaire said the French economy will expand by 5% in 2021, as a third lockdown to combat a resurgence of coronavirus cases prompted a downward revision in the previous forecast for 6% growth. The new forecast was prudent, LeMaire said in comments published in Le Journal Du Dimanche (JDD). "Our fundamentals are sound; we will be able to bounce back," LeMaire said. French schools and non-essential stores such as clothing chain stores will now be shut for four weeks, after COVID-19 cases surged in recent weeks.

Industrial production in Germany dropped for a second consecutive month in February, official data showed. The Economy Ministry said that production was down 2% compared with the previous month. The unexpected decline followed a 1.6% drop in January. Analysts suggested a bout of harsh winter weather that weighed on construction may have been a factor. ING economist Carsten Brzeski wrote in a research note, "It is hard to see how the German economy could escape a contraction in the first quarter." However, the ministry said that increasing business confidence and increases in factory orders point to "a positive outlook for industrial activity in the coming months."

In a new report by the U.S. intelligence community, China is said to be on track to surpass the United States as the world's largest economy and advance down a path toward reclaiming a global power role within the next two decades. In its report entitled, "Global Trends 2040: A More Contested World", the Office of the Director of National Intelligence (ODNI) forecasted future trends that would transform the international community nearly 20 years down the road. Among the central factors used to weigh how the world would change was that of the relationship between its top two powers: Washington and Beijing. Among the most sizable shifts foreseen in the global order was the transfer of the economic balance power from West to East, with Asian economies gaining more ground. The report forecast that China would be at the top, increasing its share of the world's Gross Domestic Product (GDP) from 17.9% in 2020 to 22.8% in 2040.

Japan's household spending dropped for a third straight month in February, suggesting the effects of COVID-19 are still weighing on Japan's economy. Emergency curbs to prevent the spread of the coronavirus weighed on consumption and raised the risk of a more prolonged and bumpier economic recovery, analysts say. Analysts are forecasting an economic contraction in the first quarter as a state of emergency in Tokyo and some other areas to contain a renewed spike in coronavirus cases pressures businesses, especially the service sector such as restaurants and hotels. Household spending dropped 6.6% in February from a year earlier—economists had expected just a 5.3% decline. However, analysts are optimistic about the future. Toru Suehiro, senior economist at Daiwa Securities stated, "Consumer spending is expected to pick up in March and April due to pent-up demand after the government's lifting a state of emergency and hopes for the coronavirus vaccine."

Finally: "Signs, signs, everywhere a sign" sang the 70's Canadian rock group Five Man Electrical Band. The sign that is everywhere now is "Help Wanted"! The latest data from the Bureau of Labor Statistics shows there are over 100 million Americans who are currently out of the labor force. But of that group, just 6.85 million people are currently looking for a job. Why are less than 7% of available workers looking for a job? Consensus seems to agree the prevailing attitude is: it pays darn well to not work! The trillions of dollars in government stimulus are now incentivizing potential workers not to seek gainful employment, but to sit



back and collect the next “stimmy check” for not working. But some studies show it’s a combination of stimulus and health concerns, as well as stock market performance. As the vaccine gets rolled out to younger ages we’ll know more. The previous chart, from Bank of America’s Global Research department, plots the National Federation of Independent Business (NFIB) “Hard to Fill” job openings category. As can be seen, the current level of 40 is the highest in the history of the index.

GET A PHYSICAL! We invite you to attend a seminar and come in for a “financial physical”, even if you think your current approach is fine. Much like going to the doctor for a physical despite feeling great, you want to make sure any negative issues you may not be aware of are caught early and addressed. For example…

- Do you need a process to help manage losses during the next bear market?
- Have you addressed your investment process and adjusted it for what is going on in the world?
- If not, what are you waiting for?

At the bottom of the 2007 - 2009 bear market the S&P-500 index returned to levels last seen in 1996.

The drop didn’t retrace only a few months or even a couple years.

We discuss many of these issues on the weekly radio show and invite you to listen.

WEEKLY FOCUS – THINK ABOUT IT

“We can ignore reality, but we cannot ignore the consequences of ignoring reality.”

Ayn Rand – Novelist

Yours truly,

Rial R. Moulton, CFP®, CPA / PFS, RFC
Certified Financial Planner™

Donald J. Moulton, CFP®, RFC
Certified Financial Planner™

P.S. Please feel free to forward this commentary to family, friends, or colleagues. If you would like us to add them to the list, please reply to this e-mail with their e-mail address and we will ask for their permission to be added.

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The Barclays Capital Credit Index *is an unmanaged index composed of U.S. investment-grade corporate bonds.*

The Barclays Global Aggregate Bond Index *(formerly Lehman Brothers Global Aggregate Index), an unmanaged market-capitalization-weighted benchmark, tracks the performance of investment-grade fixed income securities denominated in 13 currencies. The index reflects reinvestment of all distributions and changes in market prices.*

The Barclays U.S. 1-10 Year TIPS Index *is an unmanaged index composed of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of one to ten years.*

The Barclays U.S. Aggregate Bond Index *is an unmanaged benchmark index composed of U.S. securities in Treasury, Government-Related, Corporate, and Securitized sectors. It includes securities that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $250 million.*

The Barclays U.S. TIPS Index *is an unmanaged index composed of all U.S. Treasury Inflation- Protected Securities rated investment grade, have at least one year to final maturity, and at least $250 million par amount outstanding.*

The Barclays U.S. Treasury Index *is an unmanaged index composed of U.S. Treasuries.*

The CDX IG 12 *is a benchmark high-grade derivatives index, which measures the cost of insuring a basket of U.S. investment-grade corporate debt against defaults.*

The Chicago Board Options Exchange Volatility Index (VIX) *tracks the expected volatility in the S&P 500 over the next 30 days. A higher number indicates greater expected volatility. Common usage: The Chicago Board Options Exchange Volatility Index (VIX), a barometer of market volatility.*

The Dow Jones Industrial Average *is a widely followed market indicator based on a price-weighted average of 30 blue-chip stocks that trade on the New York Stock Exchange which are selected by editors of The Wall Street Journal.*

The Dow Jones Wilshire Real Estate Securities Index (RESI) *is used to measure the U.S. real estate market and includes both real estate investment trusts (REITs) and real estate operating companies (REOCs). It is weighted by float-adjusted market capitalization.*

The JP Morgan Emerging Market Bond Index *is a total-return, unmanaged trade-weighted index for U.S. dollar-denominated emerging-market bonds, including sovereign debt, quasi-sovereign debt, Brady bonds, loans, and Eurobonds.*

The JP Morgan EMBI Global Diversified Index *tracks the performance of external debt instruments (including U.S.-dollar-denominated and other external-currency-denominated Brady bonds, loans, Eurobonds and local market instruments) in the emerging markets.*

The JP Morgan GBI-EM Global Diversified Index *tracks the performance of local-currency bonds issued by emerging market governments.*

The MSCI World Index *is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index represents 23 developed market countries.*

The MSCI All Country World Index *is a market-capitalization-weighted index composed of over 2,400 companies, and is representative of the market structure of 46 developed and emerging market countries. The index is calculated with net dividends reinvested in U.S. dollars.*

The MSCI EAFE Index *is an unmanaged, market-capitalization-weighted equity index that represents the developed world outside North America.*

The MSCI Emerging Markets Index *is a free float-adjusted market-capitalization-weighted index designed to measure the performance of global emerging market equities.*

The NASDAQ Composite Index *is a market-value-weighted index of all common stocks listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) system.*

The Russell 1000 Index *includes 1000 of the largest U.S. equity securities based on market cap and current index membership; it is used to measure the activity of the U.S. large-cap equity market.*

The Russell 2000 Index *includes 2000 small-cap U.S. equity names and is used to measure the activity of the U.S. small-cap equity market.*

The S&P 500 Index *is a capitalization-weighted index made up of 500 widely held large-cap U.S. stocks in the Industrials, Transportation, Utilities and Financials sectors.*

Investing Terminology

Alpha *is a measure of a portfolio's return above a certain benchmarked return.*

Alternative Investments *are investments that are not one of the three traditional asset types (stocks, bonds and cash). Alternative investments include hedge funds, managed futures, real estate, commodities, and derivatives contracts.*

Asset-Backed Securities (ABS) *are bonds backed by a pool of loans or accounts receivable and commonly include payments from credit cards, auto loans and mortgage loans.*

Austerity *refers to measures taken by a country's government in an effort to reduce expenditures and a budget deficit.*

Beta *is a measure of the volatility or systematic risk of a security or a portfolio in comparison to the market as a whole.*

Book-to-Price Ratio *is the inverse of the price-to-book ratio, which is calculated as the market value of a security divided by its book value. A lower the price-to-book ratio for a security may mean the security is undervalued, and vice versa (the higher the book-to-price ratio, the better the value).*

Commercial Mortgage-Backed Securities (CMBS) *are pools of commercial mortgage loans that are packaged together and sold to the public. They are usually structured in tranches, or classes of risk, so that investors can determine how much risk they want to take on. In general, CMBS carry less prepayment risk than loans backed by residential mortgages.*

Corporate Bonds *are debt securities issued by corporations to raise money; these bonds usually pay higher coupon rates than government or municipal bonds.*

Correlation Risk *refers to the change in the marked to market value of an asset when the correlation between the underlying assets changes over time.*

Credit Ratings *are an assessment of the risk of default of a company or country. The higher the credit quality (or rating), the lower the perceived risk of default.*

Cyclical Sectors or Stocks *are those whose performance is closely tied to the economic environment and business cycle. Managers with a pro-cyclical market view tend to favor stocks that are more sensitive to movements in the broad market and therefore tend to have more volatile performance.*

Debt-to-Equity Ratio *is calculated as long-term debt divided by common shareholders' equity, and measures the amount of a firm's leverage, or debt.*

Donor Advised Funds *are private funds administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family, or individual.*

Duration *is a measure of a security's price sensitivity to changes in interest rates. Specifically, duration measures the potential change in value of a bond that would result from a 1% change in interest rates. The shorter the duration of a bond, the less its price will potentially change as interest rates go up or down; conversely, the longer the duration of a bond, the more its price will potentially change.*

Excess Returns *are investment returns from a security or portfolio that exceed a benchmark or index with a similar level of risk.*

Grantor Retained Annuity Trust *is an estate planning technique that minimizes the tax liability existing when intergenerational transfers of estate assets occur. An irrevocable trust is created for a certain term or period of time. The individual establishing the trust pays a tax when the trust is established. Assets are placed under the trust and then an annuity is paid out every year. When the trust expires, the beneficiary receives the assets estate and gift tax free.*

High Yield Debt *is rated below investment grade and is considered to be riskier.*

Managed Futures *strategies use futures contracts as part of their overall investment strategy. They provide portfolio diversification among various types of investment styles and asset classes to help mitigate portfolio risk in a way that is not possible in direct equity investments.*

Market Capitalization *is calculated as the number of company shares outstanding multiplied by the share price, and is used to determine the total market value of a company.*

Momentum *is the rate of acceleration for an economic, price or volume movement; it is used to locate trends within the market.*

Mortgage-Backed Securities (MBS) *are pools of mortgage loans that are packaged together and sold to the public. They are usually structured in tranches, or classes of risk, so that investors can determine how much risk they want to take on.*

Option-adjusted spreads *estimate the difference in yield between a security or collection of securities and comparable Treasuries after removing the effects of any special features, such as provisions that allow an issuer to call a security before maturity.*

Peripheral Eurozone Countries *are those countries in the Eurozone with the smallest economies.*

Price-to-Book Ratio *is calculated as the market value of a security divided by its book value. A lower the price-to-book ratio for a security may mean the security is undervalued.*

Private Foundations *are charitable organizations that do not qualify as public charities by government standards. A private foundation is a nonprofit organization which is usually created via a single primary donation from an individual or a business and whose funds and programs are managed by its own trustees or directors.*

Quantitative Easing *refers to expansionary efforts by central banks to help increase the supply of money in the economy.*

Recapitalized/recapitalization *refers to injecting fresh equity into a company or a bank, which can be used to absorb future losses. This generally takes place through the company issuing new shares. In the case of a government or organization recapitalizing a bank, it usually results in the government or organization owning a stake in the bank.*

Spreads*: Yield spreads represents the difference in yields offered between corporate and government bonds. If they tighten, this means that the difference has decreased. If they widen, this means the difference has increased.*

Standard Deviation*: Statistical measure of historical volatility. A statistical measure of the distance a quantity is likely to lie from its average value. It is applied to the annual rate of return of an investment, to measure the investment's volatility (risk). Standard deviation is synonymous with volatility, in that the greater the standard deviation the more volatile an investment's return will be. A standard deviation of zero would mean an investment has a return rate that never varies.*

Treasuries *are U.S. government debt obligations that are backed by the full faith and credit of the government. Often, they are used as a proxy for a risk-free asset when comparing other risky assets.*

Yield Curves *illustrate the relationship between the interest rate, or cost of borrowing, and the time to maturity. Yields move inversely to prices. The Barclays Capital 1-10 Year US TIPS Index: Barclays Capital 1-10 Year US TIPS Index measures the performance of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of one to ten years.*

(Other Sources: All index- and returns-data from Yahoo Finance; news from Reuters, Barron's, Wall St. Journal, Bloomberg.com, ft.com, guggenheimpartners.com, zerohedge.com, ritholtz.com, markit.com, financialpost.com, Eurostat, Statistics Canada, Yahoo! Finance, stocksandnews.com, marketwatch.com, wantchinatimes.com, BBC, 361capital.com, pensionpartners.com, cnbc.com, FactSet.)