

QUARTERLY PORTFOLIO REVIEW

Sept 30, 2016

It looked like the world was covered in a cobbler crust of brown sugar and cinnamon

Sarah Addison Allen

Quarter in Review

Is there a market correlation either positive or negative during a Presidential election year? The evidence points to "No". While people might think that an election as significant as a new President may affect the markets one way or another there is no evidence that can be gathered to discern a pattern.

The Federal Reserve once again held off on raising rates however there is an increased chance in the month of December that they will take some action.

Required Minimum Distributions (RMD): We have sent out RMD forms for those clients needing to take their withdrawals. PLEASE NOTE: Your RMD must account for all IRAs owned not just those held with Charles Schwab/AFA. If you have received a RMD form, we would like it returned no later than 10.18.16 so there is proper time to process your request.

As a reminder, its important to review your Homeowners insurance annually to determine if you are carrying the appropriate level of coverage and if you have deductibles that are in inline with your wishes.

BENCHMARK CENTRAL SEPT. 30, 2016

| | |
|--|--------|
| Citi World Gov't Bond Index 3-7 Yr. Hedged | 3.54% |
| Russell 2000 (US Small Cap index) | 10.19% |
| S&P 500 (US Large Cap index) | 6.08% |
| Wilshire 5000 (US Total Market index) | 6.66% |
| MSCI EAFE (International Stock index) | 0.85% |

YEAR TO DATE:FUND RETURNS

Overall 2016 through 9.30.16 has been a positive year in both the Equity and Bond Markets. We have provided you with the various fund returns below.

| | | <u>1.1.16 thru 9.30.16</u> |
|---------------------------------|--------|----------------------------|
| Five Year Global Bond: | DFGBX | +3.53% |
| US Core Equity: | DFEOX: | +8.60% |
| Intl Core Equity: | DFIEX: | +5.74% |
| Inflation Protected Bond | DIPSX: | +7.88% |
| Intermediate Gov. Bond: | DFIGX: | +5.65% |
| US Small Cap Equity: | DFSTX: | +10.82% |
| Intl Small Cap Equity: | DFISX: | +8.01% |
| US Large Value Equity: | DFLVX: | +9.45% |
| Intl Large Value Equity: | DFIVX: | +3.16% |
| Real Estate Equity: | DFREX: | +11.99% |
| Emerging Markets Equity (Intl): | DFEMX: | +18.02% |

These figures can be compared to the Index returns in the Benchmark central listed above.

All returns listed were from Morningstar or DFAus.com . Client portfolio returns may differ due to fees, time invested, as well as deposits/withdrawals.

QUARTERLY CLIENT WEBINAR

Date: Thursday, October 27th, Starting time: 12:30 pm, Eastern Daylight Time

Meeting Number: 195 226 873

Website link: <https://meetings.webex.com/collabs/#/meetings/detail?uuid=M5EDCKAJPZKKNIT3UUOPHBYTMO-5MWV&rnd=290283.02286&expID=17600>

Join the teleconference only: If you cannot join us for this important webinar, we will post a recording of the entire presentation on our website at www.afadvisors.com.