

Custom Report

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Prepared For: **CLAYTON COUNTY****Account No. 795-093453**

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Please review the disclosures and definitions throughout this Document.
 Various sub-sections of this Document may not contain information on all accounts/positions covered in this Document.

ACCOUNT(S) INCLUDED IN THIS REPORT

Account No. 795-093453

Reporting Currency: USD

ACCOUNT(S) DETAIL

Account Name and Address	Account Type/Manager Name	Advisory/ Brokerage	Account Number	Date Opened	Date Closed
CLAYTON COUNTY 112 SMITH STREET JONESBORO	Institutional Consult Srvc - Hard \$\$	Advisory	795-093453	05/16/11	

Important Disclosures:

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GIC Markets Library

From the Global Investment Committee



Market Performance

GIC ChartBook – Markets Library

Capital Markets Overview: 1Q 2016

Introduction

As of 1Q 2016

- Global risk markets were highly volatile in the first quarter of 2016. The worst January in global stock market history gave way to a retracement in February and March, leaving US stockowners about even, and international positions down about 3% to 5% in US dollar terms. Investors grappled with fears of a global recession, ineffective central bank policy, a China-driven currency war and declining oil prices. For the quarter, gold, emerging market equities and REITs posted the strongest returns, while Japanese equities and Master Limited Partnerships (MLPs) registered the weakest performance among major asset classes. For the one-year period ended March 31, 2016, gold and global investment grade bonds were the top-performing asset classes.
- The Dow Jones Industrial Average increased 2.2% in the first quarter. The NASDAQ Composite Index was down 2.4% for the quarter. The S&P 500 Index increased 1.3% for the quarter.
- Eight of the 10 sectors within the S&P 500 generated positive returns in the first quarter of 2016. The top-performing sector was Telecom, which was up 16.6%. Utilities rose 15.6% and was also among the top-performing sectors. The biggest laggards were Health Care, which decreased 5.5%, and Financials, which fell 5.1%.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 1.7% in 2016 and 1.6% in 2017. They forecast global GDP growth to be 3.0% in 2016 and 3.4% in 2017.
- Commodities registered modestly positive returns in the first quarter; the Bloomberg Commodity Index increased 0.4%. For the quarter, gold was one of the top-performing asset classes, registering a total return of 16.5%.
- For the first quarter of 2016, global mergers and acquisitions (M&A) deal volume was \$712 billion, compared to \$797 billion for the first quarter of 2015. Global M&A activity increased to \$4.3 trillion in 2015 from \$3.3 trillion in 2014.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

The US Economy

As of 1Q 2016

The Department of Commerce estimated that Gross Domestic Product increased at an annual rate of 1.4% in the fourth quarter of 2015, in comparison to a 2.0% increase in the third quarter of 2015. Morgan Stanley & Co. economists forecast U.S. Real GDP will be 1.7% in 2016 and 1.6% in 2017.

The seasonally adjusted unemployment rate for March 2016 was 5.0%, showing a 0.1% increase from its February level. Employment gains occurred in retail trade, construction, and health care, while job losses occurred in manufacturing and mining. The number of unemployed persons (8.0 million) was little changed in March. The number of long-term unemployed (those jobless for 27 weeks or more) was essentially unchanged at 2.2 million in March and has shown little movement since June. In March, these individuals accounted for 27.6 percent of the unemployed.

According to the most recent estimate from the Bureau of Economic Analysis, corporate profits decreased 7.8% between the third quarter of 2015 and the fourth quarter of 2015, and fell 11.5% between the fourth quarter of 2014 and the fourth quarter of 2015.

Inflation remained low in the U.S. According to the Bureau of Labor Statistics, the seasonally adjusted Consumer Price Index was flat in January and decreased 0.2% in February. Morgan Stanley & Co. economists forecast a 1.2% inflation rate for 2016 and 1.9% for 2017.

The Census Bureau reported that private-sector housing starts in February 2016 were at a seasonally adjusted annual rate of 1,178,000—31% above February 2015 housing starts. The rise in housing starts over the past several years indicates that despite some intermittent setbacks, the housing market is rebounding.

The Census Bureau also reported that seasonally adjusted retail and food services sales decreased 0.1% between January 2016 and February 2016, and increased 3.1% between February 2015 and February 2016.

In March, the Institute for Supply Management's Purchasing Managers' Index (PMI), a manufacturing sector index, increased as the PMI registered 51.8%, a 2.3 percentage point uptick from the February reading of 49.5%. This indicates an expansion in manufacturing for the third consecutive month, and its highest reading since July 2015 when the PMI registered 51.9%. Overall, PMI has been above 43 for 85 consecutive months. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding.

The NMI increased 1.1 points to 54.5 between February 2016 and March 2016. The index has now been above 50 for 73 consecutive months.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

US Equity Markets

As of 1Q 2016

The Dow Jones Industrial Average increased 2.2% in the first quarter. The NASDAQ Composite Index was down 2.4% for the quarter. The S&P 500 Index increased 1.3% for the quarter.

Eight of the 10 sectors within the S&P 500 generated positive returns in the first quarter of 2016. The top-performing sector was Telecom, which was up 16.6%. Utilities rose 15.6% and was also among the top-performing sectors. The biggest laggards were Health Care, which decreased 5.5%, and Financials, which fell 5.1%.

Growth-style stocks of large-cap companies increased during the first quarter. The large-cap Russell 1000 Growth Index rose 0.7%. The Russell 1000 Index, a large-cap index, increased 1.2% for the quarter.

The Russell 1000 Value Index, also a large-cap index, increased 1.6% for the quarter. The Russell Midcap Growth Index rose 0.6% for the quarter. The Russell Midcap Index also increased 2.2% for the quarter. The Russell Midcap Value Index increased 3.9% for the quarter. The Russell 2000 Growth Index, a small-cap index, decreased 4.7% for the quarter. The small-cap Russell 2000 Index fell 1.5% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 1.7% for the quarter.

Key US Stock Market Index Returns (%) for the Period Ending 3/31/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	1.3%	1.8%	11.6%	17.0%
Dow Jones	2.2%	2.1%	10.3%	15.8%
Russell 2000	-1.5%	-9.8%	7.2%	16.4%
Russell Midcap	2.2%	-4.0%	10.3%	19.1%
Russell 1000	1.2%	0.5%	11.3%	17.1%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

Global Equity Markets

As of 1Q 2016

In the first quarter, emerging markets (EM) generated positive returns while international developed regions were negative. The MSCI EAFE Index (a benchmark for international developed markets) decreased 2.9% for U.S.-currency investors and 6.4% for local-currency investors, as the U.S. dollar weakened in relation to the currencies of many nations in the index. In the fourth quarter of 2015, the MSCI EAFE Index rose 4.8% in U.S. dollar terms and 6.4% in local currency terms.

For the first quarter, the MSCI Emerging Markets Index increased 5.8% for U.S.-currency investors and 2.8% for local-currency investors, as the U.S. dollar weakened in relation to emerging-market currencies. In the previous quarter, the MSCI Emerging Markets Index increased 0.7% for U.S.-dollar-based investors and 1.6% for local-currency investors.

The MSCI Europe Index decreased 2.4% for U.S.-currency investors and 4.8% for local-currency investors during the first quarter of 2016. In the previous quarter, the MSCI Europe Index increased 2.5% for U.S.-dollar-based investors and 5.2% for local-currency investors.

The S&P 500 Index increased 1.3% for the quarter.

Emerging economy equity market indices were also up in the first quarter. The MSCI BRIC (Brazil, Russia, India and China) Index rose 1.4% for the quarter in U.S. dollar terms and fell 1.0% in terms of local currencies. In comparison, for the first quarter, the MSCI EM Asia Index was up 2.0% in U.S. dollar terms and 0.3% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 3/31/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	-2.9%	-7.9%	2.8%	10.2%
MSCI EAFE Growth	-2.0%	-3.3%	4.1%	11.1%
MSCI EAFE Value	-3.8%	-12.4%	1.4%	9.3%
MSCI Europe	-2.4%	-8.0%	2.7%	10.6%
MSCI Japan	-6.4%	-6.8%	4.3%	8.1%
S&P 500	1.3%	1.8%	11.6%	17.0%
MSCI Emerging Markets	5.8%	-11.7%	-3.8%	8.6%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

The US Bond Market

As of 1Q 2016

The bond market registered positive returns during the first quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 3.0% for the quarter.

Interest rates declined during the first quarter, as the yield on the 10-Year U.S. Treasury note fell to a quarter-end 1.77% from 2.27% at the end of the fourth quarter of 2015.

Riskier parts of the bond market such as U.S. High Yield debt increased in the first quarter. The Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, rose 3.4%.

Mortgage-backed securities also posted positive returns during the first quarter. The Barclays Capital Mortgage Backed Index increased 2.0% for the quarter. During the first quarter, the municipal bond market increased. As a result, the Barclays Capital Muni Index generated a 1.7% return for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 3/31/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	3.0%	2.0%	3.8%	4.5%
Barclays Capital High Yield	3.4%	-3.7%	4.9%	12.4%
Barclays Capital Government/Credit	3.4%	1.8%	4.0%	4.7%
Barclays Capital Government	3.2%	2.4%	3.6%	3.0%
Barclays Capital Intermediate Govt/Credit	2.4%	2.1%	3.0%	3.8%
Barclays Capital Long Govt/Credit	7.3%	0.4%	8.5%	8.7%
Barclays Capital Mortgage Backed Securities	2.0%	2.4%	3.2%	3.7%
Barclays Capital Muni	1.7%	4.0%	5.6%	5.6%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

Hedge Funds

As of 1Q 2016

HFRX Equity Hedge Index: 1Q = -2.93%

- Equity Hedge managers posted negative returns for the quarter; managers generally protected capital to start the year in January, but underperformed in February and March, owing to a rebound and rotation in certain sectors of the market
- Managers that were net long sector areas within Technology, Financials and Health Care sectors generated negative performance

HFRX Event-Driven Index: 1Q = -1.23%

- Event Driven strategies started the quarter off poorly but partially recovered in February and March due to reversals in the equity and high yield markets
- A rebound in energy prices and a reversal in sectors related to the decline in oil led to volatility during the quarter

HFRX Macro/CTA Index: 1Q = 0.08%

- Following two months of positive performance, Macro/CTA strategies declined during March ending the quarter flat
- Initially managers benefitted from the trends in oil, equities, and US treasuries; however, reversals in these trends eroded returns

HFRX Relative Value Arbitrage Index: 1Q = -2.76%

- Relative Value managers struggled during the first quarter due to high yield credit spread widening and a rotation between certain sectors in the market leading to a variation in performance among growth and value styles

HFRX Global Hedge Fund Index: 1Q = -1.87%

- Global hedge fund performance showed very wide dispersion among individual managers during the first quarter
- In certain cases, we have seen underperformance of last year's winners in Q1, given the rebound and rotation in the market

Source: HFRX Hedge Fund Indices; Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2015

Private Equity and Real Estate

As of 4Q 2015

Buyout^{1,2}

- In 2015, aggregate deal value reached \$409 billion, the highest level since 2007, which had \$694 in deal value. North American deal value reached a post crisis high of \$255 billion.
- The number and value of exits were down in 2015 year over year. There were 1,704 exits combining for \$421 billion.

Venture Capital³

- Venture Capital reached a post-financial-crisis peak of \$135.8 billion in aggregate deal value in 2015. Simultaneously, the number of deals decreased from a peak of 9,811 in 2014 to 9,202 in 2015.
- The average deal size for a fourth or later round of financing continues to increase, reaching \$94 million in 2015 compared to \$31.8 million in 2013.

Real Estate⁴

- Throughout 2015, 177 Real Estate funds raised \$107 billion in capital. This total is down from \$111 billion in the previous year. However, the fund size is larger as there were 265 funds in 2014.
- At the end of 2015, there was \$252 billion in Real Estate dry powder compared to the previous high of \$197 billion at the end of 2014.

Private Debt⁴

- In 2015, 120 Private Debt funds raised a combined \$85 billion in capital, which is the highest level during the past six years. The number of funds has decreased from a peak of 154 in 2013.

Source: (1) Preqin February, 2016 (2) Preqin "Q4 2015 Private Equity-Backed Buyout Deals and Exits" Jan 2016 (3) Preqin "Q4 2015 Venture Capital Deals and Exits" Jan 2016 (4) Preqin "Preqin 2015 Private Capital Fundraising Update" Jan 2016

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Asset Class Index Performance

Capital Market Returns

As of March 31, 2016; Private Real Estate as of December 31, 2015

ASSET CLASS	INDEX IN USD	1-MONTH	YTD	1-YR	3-YR ANN	5-YR ANN
Global Equity						
Global Equity	MSCI All Country World	7.5%	0.4%	-3.8%	6.1%	5.8%
US Equity	S&P 500	6.8%	1.3%	1.8%	11.8%	11.6%
International Equity	MSCI World ex US	8.2%	-0.3%	-8.8%	0.8%	0.8%
Emerging Markets Equity	MSCI Emerging Markets	13.0%	5.4%	-14.1%	-6.8%	-6.5%
Global Fixed Income						
Investment Grade Fixed Income	Barclays Global Aggregate (H)	0.8%	3.3%	2.4%	3.7%	4.6%
Inflation-Linked Securities	Barclays Universal Govt Inflation-Linked	4.7%	6.0%	0.8%	-1.3%	1.9%
High Yield	Barclays Global High Yield (H)	4.1%	3.5%	-0.1%	3.2%	6.0%
Emerging Markets Fixed Income	JP Morgan EM Bonds (UH in USD)	9.1%	11.0%	-1.6%	-6.7%	-2.0%
Alternative Investments						
Global REITs	FTSE EPRA/NAREIT Global REITs	9.9%	5.1%	0.6%	5.1%	7.5%
Commodities	Bloomberg Commodities	3.8%	0.4%	-19.6%	-16.9%	-14.1%
MLPs	Alerian MLP	8.3%	-4.2%	-31.8%	-10.3%	-0.6%
Hedged Strategies	HFRX Global Hedge Fund Index	1.2%	-1.9%	-7.4%	-0.9%	-1.2%
Managed Futures	HFRX Macro/CTA Index	-1.1%	0.1%	-5.1%	0.5%	-1.2%
Private Real Estate	NCREIF Private Real Estate	-	-	9.4%	11.1%	11.4%
Global Cash						
Cash	Citigroup 3-month Treasury Bill	0.0%	0.1%	0.1%	0.0%	0.1%
Other Fixed Income						
Municipal Fixed Income	Barclays Municipal Bond	0.3%	1.7%	4.0%	3.6%	5.6%

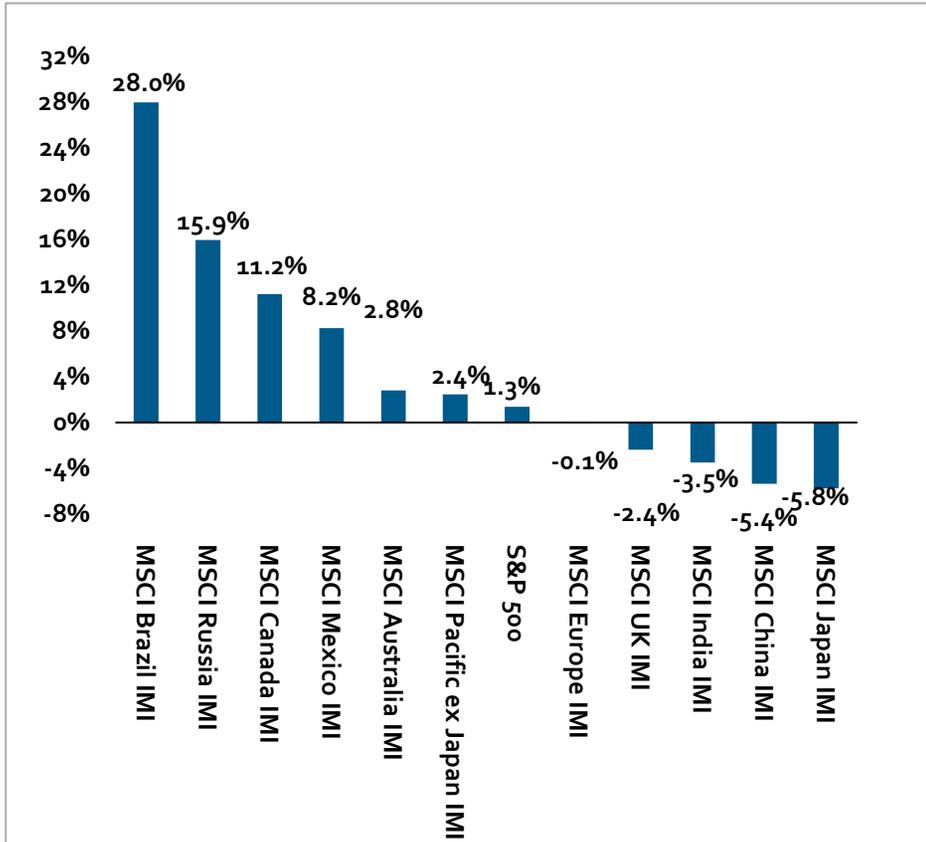
Source: FactSet, Morgan Stanley Wealth Management GIC. For more information about the risks to Master Limited Partnerships (MLPs), please refer to the Risk Considerations section at the end of this material.

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Region and US Sector Year-to-Date Equity Performance

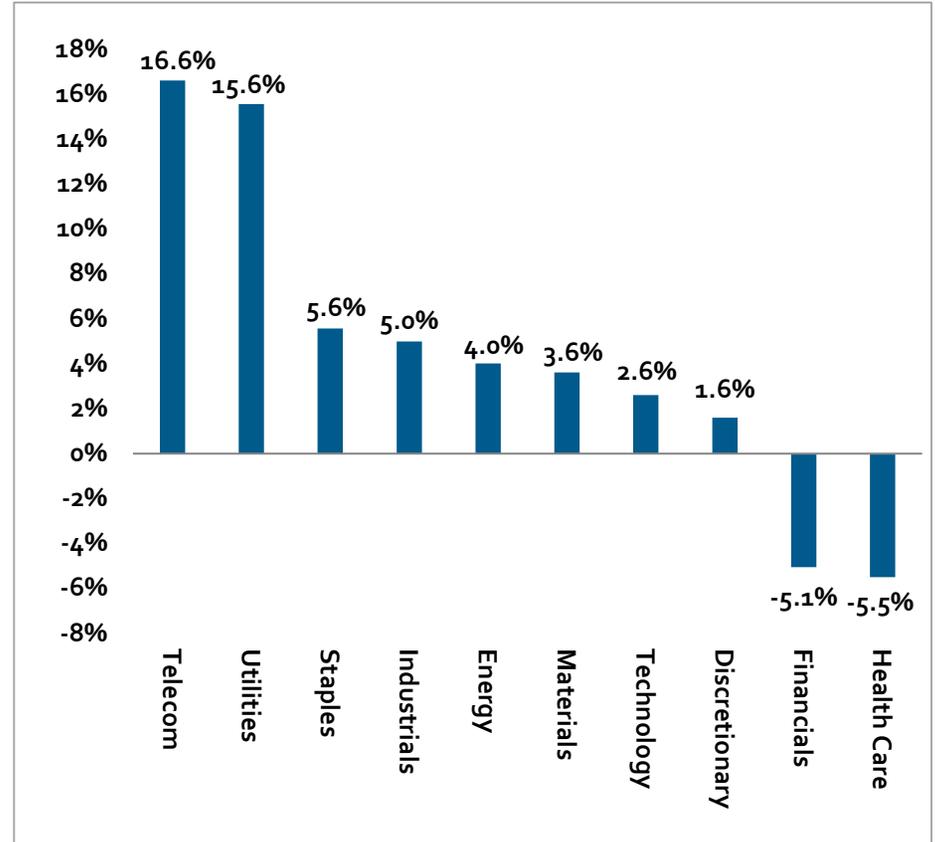
YTD Total Return

As of March 31, 2016



S&P 500 Sectors – YTD Total Returns

As of March 31, 2016



Source: Bloomberg, Morgan Stanley Wealth Management GIC

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US Equities Snapshot and Sector Breakdown

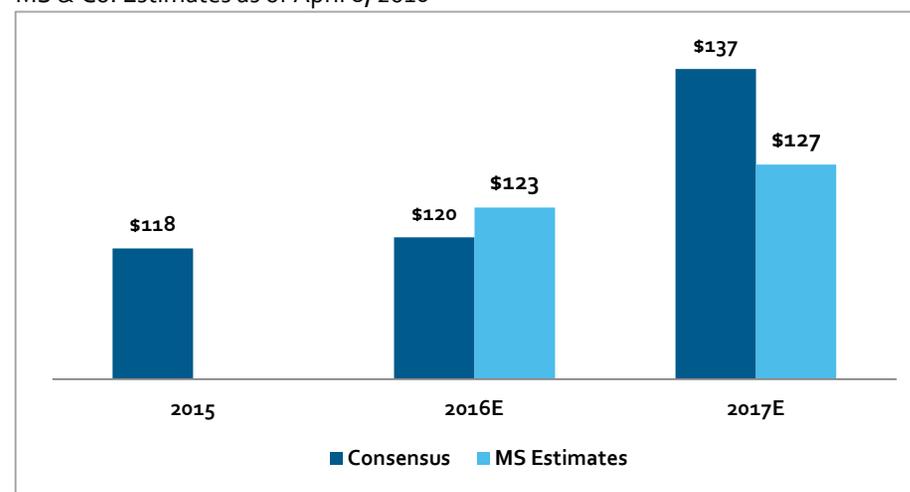
Morgan Stanley & Co. 12-Month S&P 500 Target

Forecasts as of April 8, 2016

EPS Landscape	Probability of Scenario	EPS 2015E	EPS 2016E	EPS 2017E	Multiple	Scenario Target	Upside / (Downside)
Bull Case	20%	118.5	125.1	132.1	16.5x	2200	7.4%
<i>Growth</i>			6%	6%			
Base Case	60%	118.5	122.7	127.1	16.0x	2050	0.1%
<i>Growth</i>			4%	4%			
Bear Case	20%	118.4	110.6	105.5	14.5x	1525	(25.5%)
<i>Growth</i>			-7%	-5%			
Current S&P 500 Price						2048	

Morgan Stanley & Co. and Consensus S&P 500 Earnings Estimates

MS & Co. Estimates as of April 8, 2016



S&P 500 Sector Performance and Valuation¹

As of April 8, 2016

Index Name	Total Return			Div. Yield (%)	Beta	NTM P/E ²
	WTD (%)	YTD (%)	1-Year (%)			
S&P 500	-1.15	0.81	0.06	2.11		16.5
Energy	2.20	4.83	-17.31	3.50	1.24	62.6
Materials	-1.08	3.20	-7.74	2.34	1.06	17.0
Industrials	-1.46	3.62	1.06	2.26	0.95	15.8
Consumer Discretionary	-2.03	0.04	3.64	1.53	0.97	17.7
Consumer Staples	-0.49	6.37	10.55	2.48	0.72	21.1
Health Care	0.90	-3.44	-4.10	1.63	0.99	15.2
Financials	-2.82	-6.98	-7.03	2.15	1.11	12.2
Information Technology	-1.87	1.54	5.87	1.51	1.13	16.1
Telecommunication Services	-1.29	14.88	14.82	4.58	0.70	13.6
Utilities	-1.97	13.73	14.36	3.38	0.52	17.4

Source: Morgan Stanley & Co., FactSet, Thomson Reuters, Morgan Stanley Wealth Management GIC. (1) Green/red text denotes sector total return and dividend yield higher/lower than S&P 500.

(2) Dark blue/light blue/grey fill denotes whether current relative NTM P/E is low/neutral/high relative to history.

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Asset Class Performance Heat Map

As of April 8, 2016

Asset Class	Annualized Returns (%)							Yield	Valuation		Volatility (%)		Correlation to Global Equities	
	YTD	1-Yr	2015	3-Yr*	5-Yr*	10-Yr*	20-Yr*		Current YTM	Avg YTM	30 Days	20 Yrs.*	30 Days	20 Yrs.*
Cash								Current YTM	Current YTM					
90-Day US Treasury Bills	0.1	0.1	0.0	0.0	0.1	1.1	2.4	0.22	0.22	2.33	0.0	0.63	-0.01	-0.01
Global Equities								Current Dividend Yield	Current P/E	Avg. P/E**				
US Large-Cap Growth	-0.2	0.2	5.8	14.0	13.3	8.5	7.4	1.36	18.4	21.5	10.8	18.1	0.68	0.89
US Large-Cap Value	1.1	0.4	-1.7	9.8	10.1	5.8	7.6	3.04	15.5	13.8	10.3	14.6	0.84	0.89
US Mid-Cap Growth	-0.6	-6.9	-0.1	10.5	10.0	6.9	7.6	0.95	20.5	26.6	13.6	23.7	0.76	0.81
US Mid-Cap Value	2.2	-4.8	-4.1	9.9	10.6	6.9	10.0	2.71	16.5	14.1	12.9	16.6	0.81	0.88
US Small-Cap Growth	-2.2	-11.0	-2.2	9.0	8.3	7.6	9.0	0.80	24.8	23.8	17.5	22.8	0.72	0.82
US Small-Cap Value	1.4	-7.0	-5.1	8.1	9.2	7.1	10.1	2.75	19.3	16.6	15.9	17.4	0.78	0.85
Europe Equity	-3.7	-11.3	-2.3	3.3	2.7	2.7	6.5	3.69	14.8	14.8	20.8	18.3	0.92	0.94
Japan Equity	-7.3	-10.4	9.9	4.1	4.3	-0.2	0.2	2.24	12.3	22.0	23.1	18.0	0.35	0.68
Asia Pacific ex Japan Equity	-1.5	-14.9	-8.4	-2.8	0.8	5.9	5.8	4.38	14.3	14.6	20.0	21.7	0.83	0.85
Emerging Markets*****	3.3	-18.3	-14.6	-4.1	-3.8	3.3	5.4	2.80	11.8	11.6	18.7	23.8	0.82	0.86
Global Fixed Income								Current YTM	Current Spread	Avg. Spread**				
Short-Term Fixed Income	1.8	1.7	1.0	1.3	1.9	3.5	4.4	1.24	36.0	31.0	1.5	2.0	-0.08	-0.08
US Fixed Income	3.4	2.3	0.5	2.5	3.8	4.9	5.6	2.13	56.0	54.0	2.8	3.4	-0.24	-0.01
International Fixed Income	8.9	7.5	-5.3	0.0	0.7	4.1	4.3	0.91	52.0	52.0	9.9	8.0	0.51	0.28
Inflation-Protected Securities	5.5	-0.3	-7.2	-1.3	1.5	4.6	6.7	-	-	-	10.8	7.6	0.67	0.44
High Yield	4.4	-0.1	-2.7	2.4	5.1	7.4	8.1	7.70	628.0	499.0	6.0	10.2	0.79	0.76
Emerging Markets Fixed Income	10.2	-4.9	-14.9	-6.7	-2.0	5.0	8.4	6.51	382.0	368.0	16.8	13.1	0.78	0.70
Alternative Investments								Current Dividend Yield						
REITs	4.6	-0.7	-0.4	5.0	7.5	4.3	8.3	3.59	-	-	13.1	18.5	0.87	0.79
Master Limited Partnerships***	-5.0	-33.5	-32.6	-10.3	-0.6	7.7	-	8.61	-	-	31.1	19.0	0.62	0.57
Commodities ex Prec. Metals	-2.2	-23.6	-27.1	-18.2	-15.6	-7.9	-0.3	-	-	-	17.0	16.9	0.61	0.43
Precious Metals	15.7	1.2	-11.5	-11.3	-7.1	5.9	5.7	-	-	-	19.5	19.1	0.27	0.20
Hedged Strategies*****	-2.5	-5.1	-3.6	-0.9	-1.2	-0.5	-	-	-	-	3.4	6.2	0.77	0.64
Managed Futures****	-0.1	-6.0	-2.0	0.5	-1.2	-0.5	-	-	-	-	5.1	8.1	0.47	0.17
S&P 500	0.8	0.1	1.4	11.8	11.6	7.0	8.0	2.11	16.5	17.2	10.5	15.4	0.79	0.95
Russell 2000	-3.0	-11.6	-4.4	6.8	7.2	5.3	7.7	1.51	21.6	20.8	18.8	20.1	0.73	0.82
MSCI EAFE	-4.3	-11.5	-0.4	2.7	2.8	2.3	4.5	3.44	14.0	15.8	18.3	16.8	0.89	0.96
MSCI AC World	-0.6	-6.9	-1.8	6.1	5.8	4.6	6.2	2.68	15.1	15.7	12.1	15.9	1.00	1.00

Cheap
Moderate
Expensive

Low Volatility
High Volatility

Low Correlation
High Correlation

Source: Bloomberg, Morgan Stanley Wealth Management GIC. *March 31, 2016. **20-year average as of March 31, 2016. ***Volatility and Correlation: June 30, 2006 - Present. ****Volatility and Correlation: February 28, 1998 - Present. Hedged strategies consist of hedge funds and managed futures. *****Values calculated using USD. *****Volatility and Correlation: Jan 31, 1998 - Present. Cheap = Below -0.5 standard deviation; Moderate = Between +0.5 standard deviation and -0.5 standard deviation; Expensive = Above +.5 std dev. Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean.

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US Equity Index Performance, Volatility and Valuation

As of March 31, 2016 (performance and volatility in percent form)

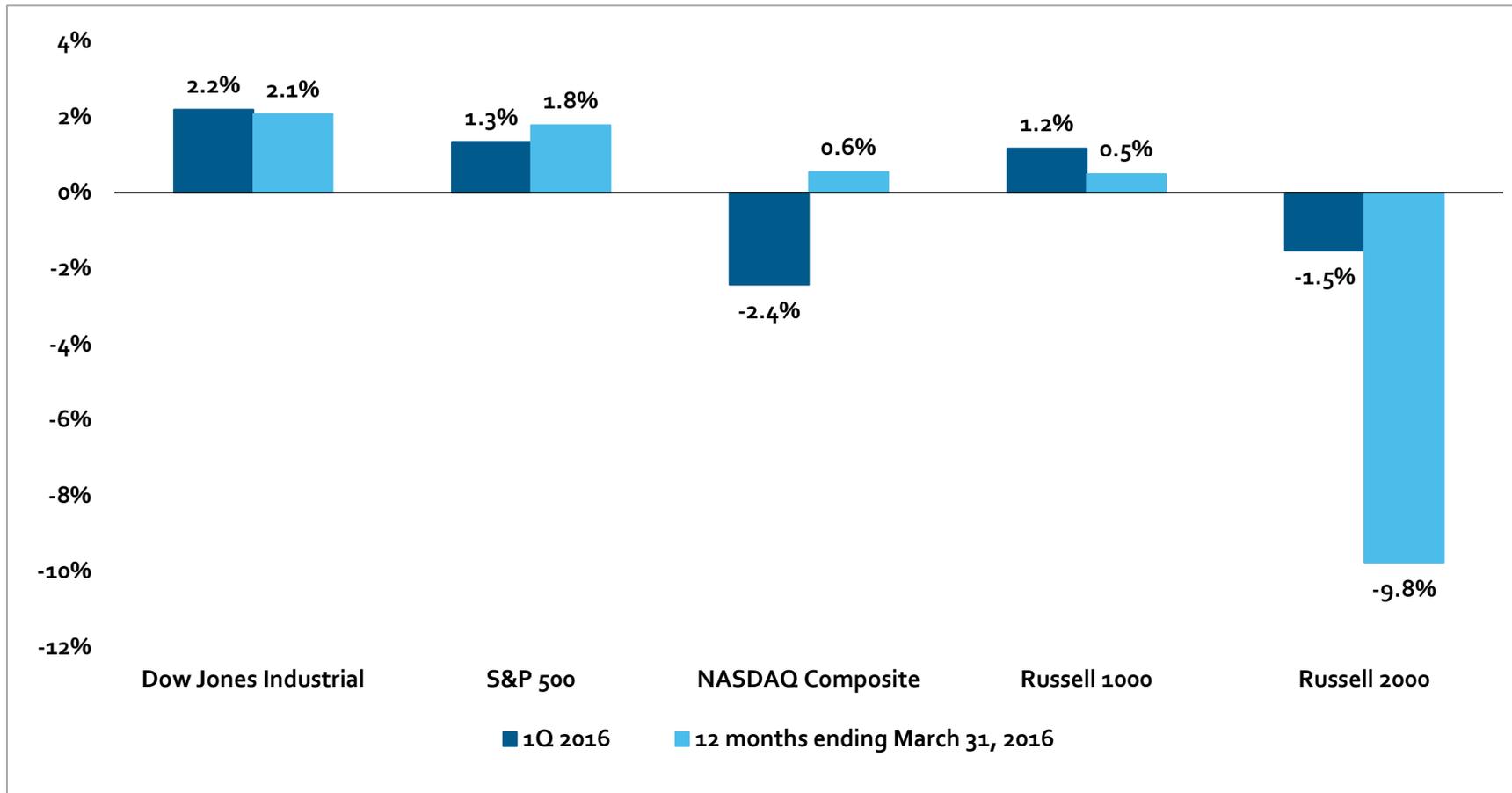
Index in USD	Performance as of 3/31/2016						Volatility ¹			Valuation			
	MTD	3M	YTD	12M	Ann	Ann	12M	3YR	5YR	12M			
					3YR	5YR				P/E	P/B	Div Yld	
All Cap													
Russell 3000	7.0	1.0	1.0	-0.3	11.1	11.0	14.2	11.4	12.6	21.8	2.7	2.1	
Russell 3000 Growth	6.8	0.3	0.3	1.3	13.2	12.0	14.7	11.8	12.8	24.8	5.5	1.5	
Russell 3000 Value	7.3	1.6	1.6	-2.1	9.1	10.0	13.8	11.3	12.7	19.2	1.7	2.6	
Large Cap													
S&P 500	6.8	1.3	1.3	1.8	11.8	11.6	14.0	11.2	12.1	16.5	2.6	2.3	
Russell 1000	7.0	1.2	1.2	0.5	11.5	11.4	14.1	11.3	12.3	21.2	2.7	2.1	
Russell 1000 Growth	6.7	0.7	0.7	2.5	13.6	12.4	14.6	11.6	12.5	23.9	5.6	1.6	
Russell 1000 Value	7.2	1.6	1.6	-1.5	9.4	10.2	13.8	11.2	12.6	18.9	1.8	2.7	
Mid Cap													
Russell Mid	8.2	2.2	2.2	-4.0	10.4	10.3	14.3	11.8	13.7	25.2	2.6	1.8	
Russell Mid Growth	7.1	0.6	0.6	-4.7	11.0	10.0	14.5	12.4	14.3	27.6	5.3	1.2	
Russell Mid Value	9.2	3.9	3.9	-3.4	9.9	10.5	14.4	11.5	13.3	23.0	1.7	2.4	
Small Cap													
Russell 2000	8.0	-1.5	-1.5	-9.8	6.8	7.2	16.7	15.1	16.5	33.5	2.1	1.5	
Russell 2000 Growth	7.7	-4.7	-4.7	-11.8	7.9	7.7	18.9	16.4	17.6	48.2	4.0	0.7	
Russell 2000 Value	8.3	1.7	1.7	-7.7	5.7	6.7	15.1	14.3	15.8	25.4	1.4	2.3	

Source: Bloomberg, S&P, Russell, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns.

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Total Returns on Major US Stock Market Indices

As of March 31, 2016

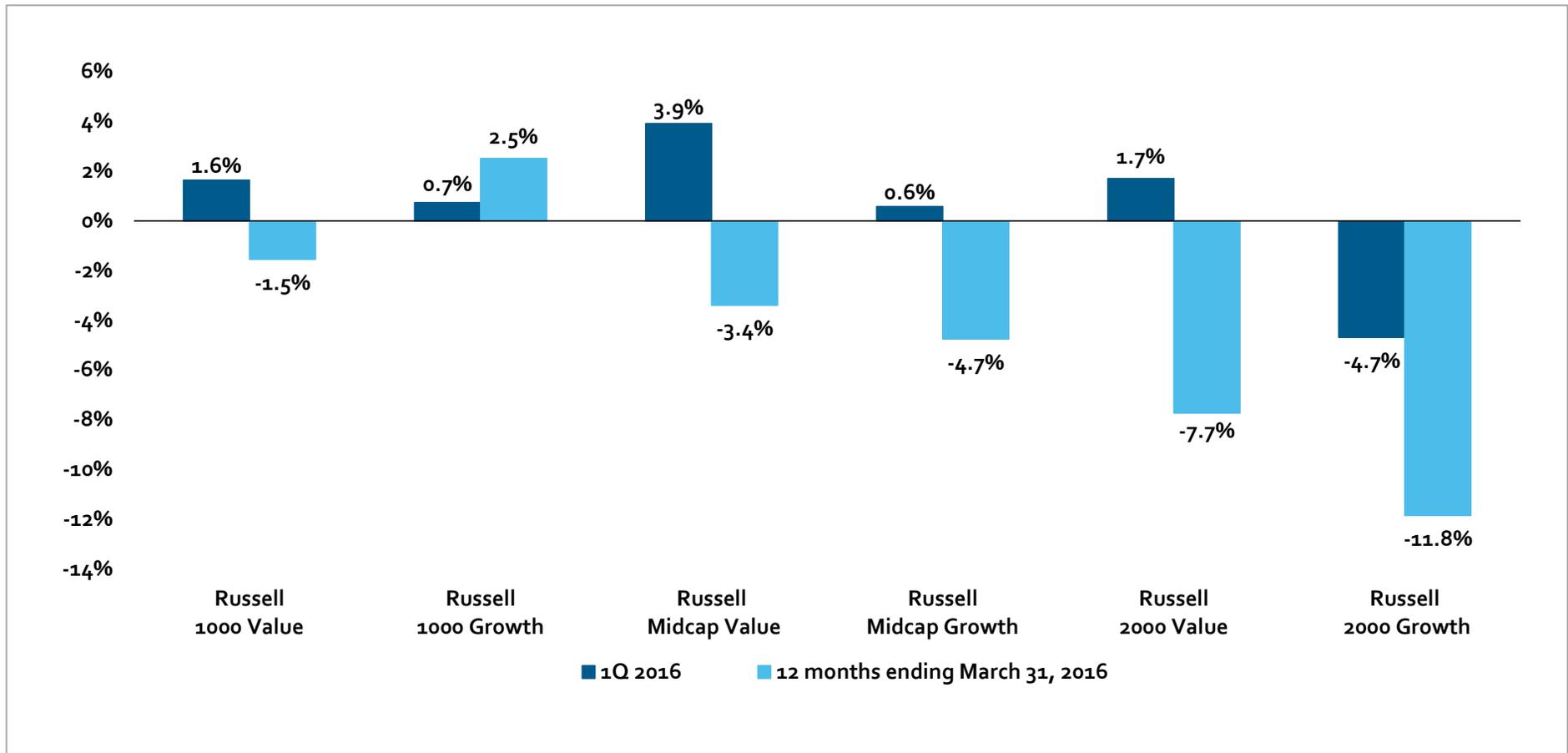


Source: Bloomberg

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Russell Style and Market Capitalization Indices

As of March 31, 2016



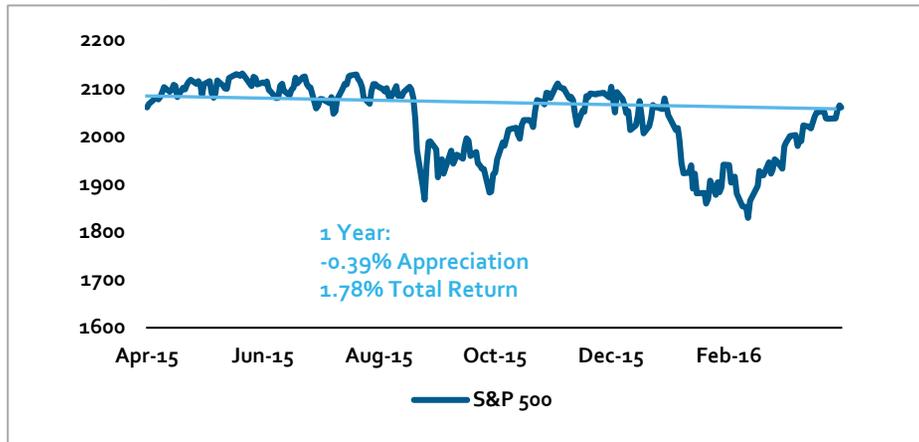
Source: Bloomberg

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US Large-Cap Equity Market Performance and Fundamentals

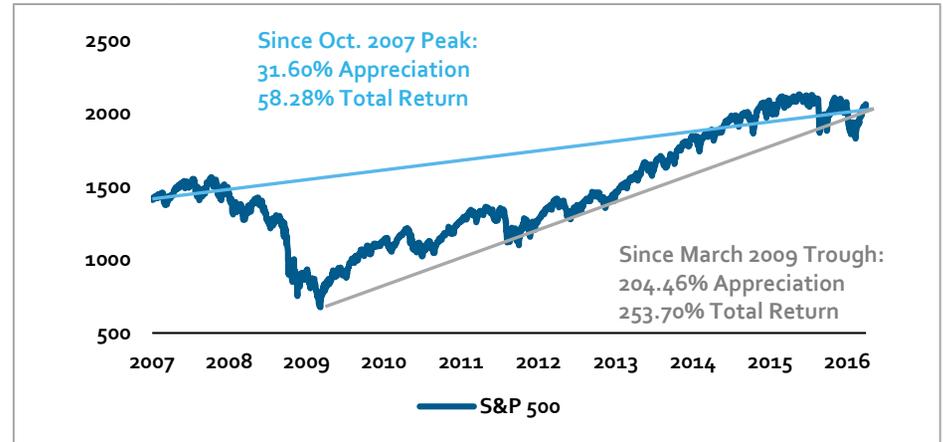
S&P 500 Last 12 Months¹

As of March 31, 2016



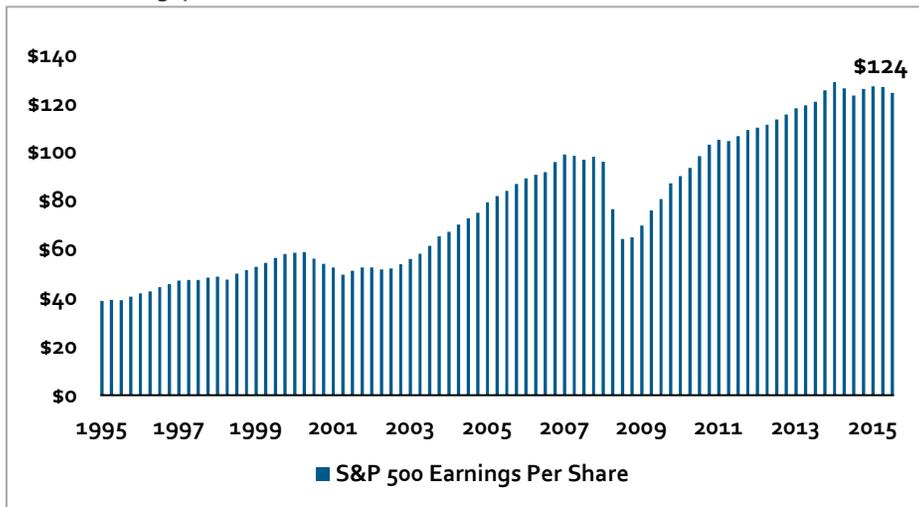
S&P 500 Since Financial Crisis¹

As of March 31, 2016



S&P 500 EPS Estimates

As of March 31, 2016



Implied S&P 500 Index Levels

As of March 31, 2016

Hypothetical Operating Earnings Per Share	Hypothetical P/E							
	12	13	14	15	16	17	18	19
\$70	840	910	980	1050	1120	1190	1260	1330
\$80	960	1040	1120	1200	1280	1360	1440	1520
\$90	1080	1170	1260	1350	1440	1530	1620	1710
\$100	1200	1300	1400	1500	1600	1700	1800	1900
\$110	1320	1430	1540	1650	1760	1870	1980	2090
\$120	1440	1560	1680	1800	1920	2040	2160	2280
\$130	1560	1690	1820	1950	2080	2210	2340	2470
\$140	1680	1820	1960	2100	2240	2380	2520	2660

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC. (1) Represents index level change. For more information about the risks to hypothetical performance please refer to the Risk Considerations section at the end of this material.

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US Equity Size and Style Performance

2016 YTD Performance
As of March 31, 2016

	Value	Blend	Growth
Large	1.9%	0.9%	-0.2%
Mid	3.7%	1.5%	0.1%
Small	3.2%	0.9%	-1.4%

2015 Performance
As of December 31, 2015

	Value	Blend	Growth
Large	-1.7%	1.9%	5.8%
Mid	-4.1%	-1.6%	-0.1%
Small	-5.1%	-3.6%	-2.2%

Current Fwd. P/E Vs. 10-year Avg. P/E
As of March 31, 2016

	Value	Blend	Growth
Large	15.5	16.7	18.4
	<i>Avg.: 12.3</i>	<i>Avg.: 13.7</i>	<i>Avg.: 15.8</i>
Mid	16.5	18.7	20.5
	<i>Avg.: 14.1</i>	<i>Avg.: 16.2</i>	<i>Avg.: 17.8</i>
Small	19.3	21.7	24.8
	<i>Avg.: 18</i>	<i>Avg.: 19.6</i>	<i>Avg.: 21.3</i>
Expensive: Above +1 Std. Dev.			
Neutral			
Cheap: Below -1 Std. Dev.			

Performance Since Market Peak (Oct. 2007)
As of March 31, 2016

	Value	Blend	Growth
Large	35.7%	57.9%	84.1%
Mid	63.1%	63.9%	63.9%
Small	75.3%	72.2%	71.8%

Performance Since Market Low (March 2009)
As of March 31, 2016

	Value	Blend	Growth
Large	226.4%	243.3%	263.2%
Mid	323.0%	302.8%	286.3%
Small	323.5%	313.4%	302.9%

Source: FactSet, Morgan Stanley Wealth Management GIC. Indices used for this analysis include: MSCI US Large Value, MSCI US Large Blend, MSCI US Large Growth, MSCI US Mid Value, MSCI Mid Blend, MSCI Mid Growth, MSCI Small Value, MSCI Small Blend, and MSCI Small Growth. "Blend" indices include both Value and Growth stocks. Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

S&P 500 Sector/Industry Group Overview Part 1 of 2

As of March 31, 2016 (performance and volatility in percent form)

S&P 500 Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Contribution to Return
		MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	12M	Ann 3YR	Ann 5YR	P/E	P/B	Div Yld	MTD
Consumer Discretionary	12.9%	6.7	1.6	1.6	6.7	16.1	17.1	14.9	13.3	13.6	21.9	5.0	1.6	0.86
Automobiles & Components	0.9%	9.6	-3.6	-3.6	-12.7	7.0	2.9	23.4	20.4	23.1	11.1	2.1	3.4	0.09
Cons. Durables & Apparel	1.5%	4.7	5.5	5.5	3.1	12.3	15.5	19.7	12.7	15.7	23.3	4.0	1.5	0.07
Consumer Services	1.9%	5.9	3.5	3.5	13.6	14.2	14.6	15.5	10.6	11.7	28.5	7.9	2.1	0.11
Media	3.1%	6.4	4.4	4.4	-0.7	13.7	17.6	17.1	16.6	16.6	16.5	3.4	1.9	0.20
Retailing	5.4%	7.1	-0.6	-0.6	14.9	21.8	21.2	20.0	15.2	14.7	30.0	8.8	1.0	0.39
Consumer Staples	10.4%	4.8	5.6	5.6	11.4	12.8	15.2	11.2	10.8	10.2	24.1	5.3	2.6	0.51
Food & Staples Retailing	2.4%	4.6	3.9	3.9	-2.8	13.8	16.8	14.9	13.4	12.1	20.9	3.5	1.6	0.11
Food Beverage & Tobacco	5.9%	5.3	6.4	6.4	19.8	14.5	16.1	13.0	11.8	11.1	24.0	6.5	2.9	0.32
Household & Personal Prod.	2.1%	3.4	5.2	5.2	8.0	7.5	11.2	13.4	11.9	11.4	29.9	5.7	2.8	0.07
Energy	6.8%	9.3	4.0	4.0	-15.5	-4.9	-2.4	22.6	17.5	18.9	--	1.5	3.6	0.61
Financials	15.6%	7.3	-5.1	-5.1	-4.5	9.4	8.7	16.0	13.4	16.6	14.0	1.3	2.4	1.14
Banks	5.2%	5.8	-12.8	-12.8	-8.6	8.0	8.7	20.6	16.0	16.1	10.6	0.9	2.4	0.31
Diversified Financials	4.7%	6.8	-3.2	-3.2	-9.4	9.0	7.0	18.1	15.4	21.6	14.8	1.5	1.8	0.32
Insurance	2.6%	7.6	-1.1	-1.1	2.8	11.9	11.1	16.1	14.8	15.7	13.0	1.1	2.2	0.20
Real Estate	3.0%	10.6	4.4	4.4	5.6	10.9	12.0	15.6	14.9	15.9	33.4	3.3	3.5	0.31

Source: S&P, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns.

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S&P 500 Sector/Industry Group Overview Part 2 of 2

As of March 31, 2016 (performance and volatility in percent form)

S&P 500 Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Contribution to Return
		MTD	3M	YTD	12M	Ann	Ann	12M	3YR	5YR	12M		Div Yld	MTD
						3YR	5YR				P/E	P/B		
Health Care	14.3%	2.8	-5.5	-5.5	-5.2	15.6	17.6	15.9	12.4	12.0	23.8	3.7	1.7	0.41
Health Care Equip. & Srvc.	5.0%	4.1	-1.1	-1.1	-2.1	18.5	15.4	14.6	12.2	12.8	25.1	3.3	1.1	0.21
Pharmaceuticals & Biotech.	9.2%	2.1	-7.7	-7.7	-6.7	14.2	18.9	17.3	14.0	12.8	23.1	3.9	2.0	0.20
Industrials	10.1%	7.1	5.0	5.0	3.2	12.6	10.8	15.0	12.8	14.4	20.7	3.8	2.3	0.72
Capital Goods	7.2%	7.2	4.7	4.7	6.8	12.9	10.9	17.4	13.3	15.1	24.1	3.8	2.5	0.52
Consumer Srvs. & Supplies	0.8%	7.5	8.5	8.5	3.6	12.9	11.0	15.0	11.1	11.8	25.9	4.4	2.0	0.06
Transportation	2.1%	6.7	4.6	4.6	-8.3	12.0	10.6	19.1	14.6	15.8	13.2	3.9	1.9	0.14
Information Technology	20.8%	9.2	2.6	2.6	8.1	17.0	13.8	17.1	13.4	14.3	20.9	4.3	1.6	1.87
Software & Services	12.5%	8.3	2.2	2.2	20.0	17.8	16.2	19.8	13.2	13.5	30.9	5.1	1.2	1.02
Technology Hardware	5.6%	11.5	5.0	5.0	-8.0	14.8	10.9	21.7	17.5	18.4	13.7	3.5	2.2	0.67
Semis. & Semi Equipment	2.8%	8.3	-0.5	-0.5	3.0	18.7	11.6	25.5	17.2	18.6	16.7	3.3	2.2	0.19
Materials	2.8%	7.7	3.6	3.6	-6.0	6.7	4.8	23.7	17.0	18.9	34.1	3.3	2.3	0.22
Telecomm. Services	2.8%	6.4	16.6	16.6	18.7	8.1	10.7	13.7	13.7	12.7	29.6	3.1	4.5	0.18
Utilities	3.4%	8.0	15.6	15.6	16.0	12.4	13.7	13.3	14.3	12.4	20.7	1.9	3.4	0.27
S&P 500 Index	100.0%	6.8	1.3	1.3	1.8	11.8	11.6	14.0	11.2	12.1	16.5	2.6	2.3	6.78

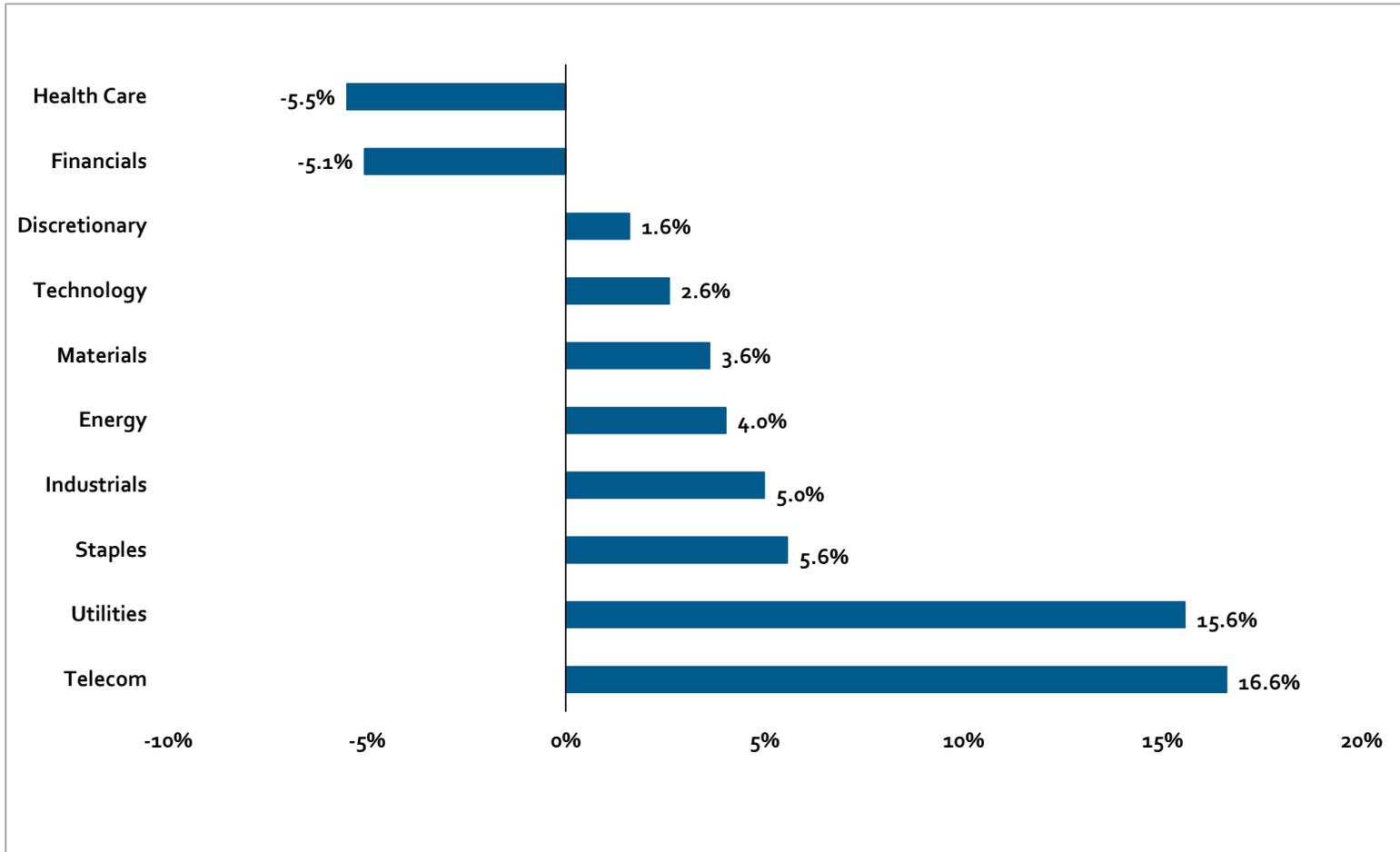
Source: S&P, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns.

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S&P 500 Sectors

1Q 2016 Total Return

As of March 31, 2016



Source: Bloomberg

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S&P 500 Sector Performance and Valuation

As of March 31, 2016

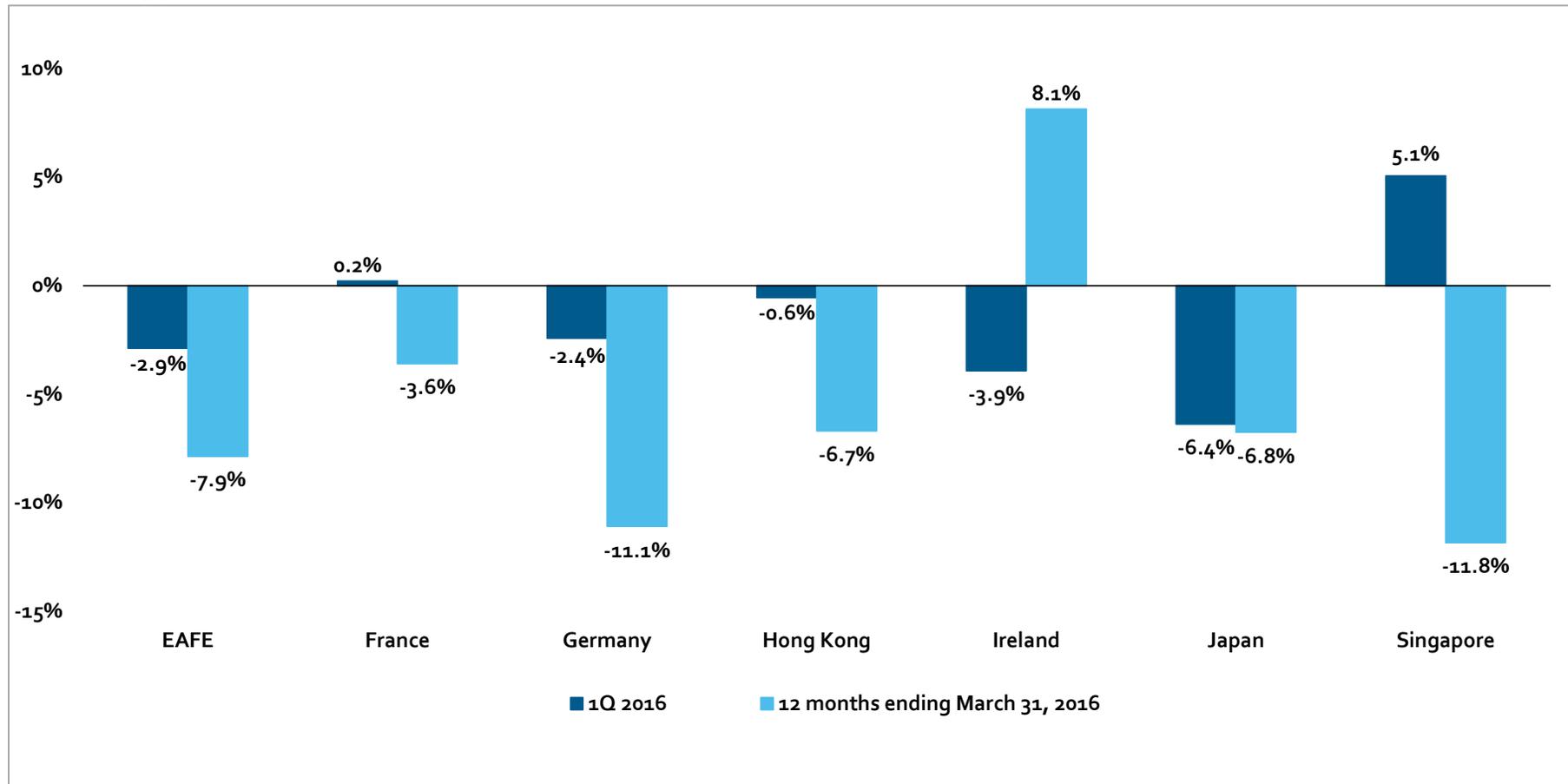
	S&P 500 Index	Financials	Tech.	Healthcare	Industrials	Energy	Consumer Disc.	Consumer Staples	Telecom	Utilities	Materials
S&P Weight	100.0%	15.7%	20.9%	14.4%	10.1%	6.6%	12.9%	10.5%	2.8%	3.4%	2.8%
YTD Return	1.3%	-5.1%	2.6%	-5.5%	5.0%	4.0%	1.6%	5.6%	16.6%	15.6%	3.6%
1Q 2016 Return	1.3%	-5.1%	2.6%	-5.5%	5.0%	4.0%	1.6%	5.6%	16.6%	15.6%	3.6%
Return Since Market Top (October 2007)	58.3	-24.9	94.1	120.9	56.0	-4.1	141.4	138.9	47.7	69.2	26.7
Return Since Market Low (March 2009)	253.7	310.2	306.7	256.2	328.7	75.7	458.8	235.0	182.1	196.2	201.8
Beta to S&P 500	1.00	1.41	1.11	0.72	1.19	1.01	1.12	0.58	0.61	0.47	1.28
Forward P/E Ratio	16.6x	12.4x	16.3x	14.9x	16.0x	52.0x	18.0x	20.9x	13.9x	17.7x	17.1x
10-Yr Average	14.2x	12.0x	15.9x	14.2x	14.7x	14.1x	16.4x	16.7x	14.6x	14.4x	14.8x
Price-to-Book Ratio	2.6	1.1	4.1	3.6	3.8	1.7	4.9	5.2	3.0	1.9	3.3
10-Yr Average	2.4	1.1	3.8	3.3	2.9	2.0	2.7	4.0	2.1	1.6	2.8
Dividend Yield	2.1%	2.4%	1.6%	1.7%	2.3%	3.6%	1.6%	2.6%	4.5%	3.4%	2.3%
10-Yr Average	2.1%	2.2%	1.2%	1.9%	2.3%	2.1%	1.5%	2.8%	4.7%	3.9%	2.3%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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MSCI Developed Market Returns for USD Investors

As of March 31, 2016



Source: Bloomberg. Returns are in USD (unhedged).

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MSCI All Country World Overview – Part 1 of 2

As of March 31, 2016 (performance and volatility in percent form)

Net Official Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Foreign Exchange			Contribution to Return	
		MTD	3M	YTD	12M	3YR	5YR	12M	3YR	5YR	P/E	P/B	Div Yld	Quote	Spot	Return	MTD	
MSCI All Country World	100.00%	7.4	0.2	0.2	-4.3	5.5	5.2	15.2	11.9	13.6	18.5	2.0	2.7					7.41
United States	53.17%	6.8	0.8	0.8	0.2	10.9	10.7	14.1	11.2	12.2	21.2	2.8	2.1					3.64
Canada	3.08%	10.0	11.3	11.3	-10.2	-3.6	-4.4	18.4	15.3	16.0	21.6	1.7	3.1	USD/CAD	1.29	2.13		0.30
Europe	21.72%	6.3	-2.5	-2.5	-8.4	2.7	2.1	15.9	14.3	17.1	18.2	1.7	3.7	EUR/USD	1.14	6.10		1.37
Austria	0.06%	11.3	-0.5	-0.5	-0.2	-4.9	-9.1	22.3	22.0	25.3	10.6	1.0	1.9	EUR/USD	1.14	6.10		0.01
Belgium	0.49%	7.8	-2.4	-2.4	3.2	10.1	11.4	17.3	15.4	17.2	19.8	2.4	3.2	EUR/USD	1.14	6.10		0.04
Denmark	0.67%	6.2	-1.0	-1.0	5.5	16.1	10.4	13.8	15.3	18.7	27.5	4.0	2.0	USD/DKK	6.54	-6.01		0.04
Finland	0.34%	5.3	-5.2	-5.2	-5.6	11.0	1.4	16.1	17.5	21.9	14.7	2.1	4.0	EUR/USD	1.14	6.10		0.02
France	3.35%	6.0	0.1	0.1	-4.5	4.2	0.7	16.6	16.0	19.5	20.7	1.4	3.4	EUR/USD	1.14	6.10		0.20
Germany	3.07%	9.9	-2.5	-2.5	-11.7	4.0	2.4	20.3	17.1	21.9	16.0	1.6	3.1	EUR/USD	1.14	6.10		0.30
Ireland	0.17%	4.6	-4.1	-4.1	7.8	12.7	12.2	14.2	19.5	20.1	23.1	2.2	1.4	EUR/USD	1.14	6.10		0.01
Italy	0.73%	7.8	-11.7	-11.7	-15.4	3.0	-5.6	19.4	20.5	25.1	21.6	0.9	3.5	EUR/USD	1.14	6.10		0.06
Netherlands	1.03%	7.9	3.3	3.3	-0.2	9.0	4.9	16.8	14.8	17.4	19.1	2.0	2.3	EUR/USD	1.14	6.10		0.08
Norway	0.19%	5.7	1.7	1.7	-15.5	-9.8	-5.9	21.7	20.1	22.9	13.5	1.4	4.5	USD/NOK	8.27	2.63		0.01
Portugal	0.06%	14.4	3.2	3.2	-2.9	-10.5	-12.2	24.5	23.3	23.8	13.9	1.5	3.8	EUR/USD	1.14	6.10		0.01
Spain	1.06%	8.0	-4.1	-4.1	-18.6	2.4	-4.2	18.9	20.4	24.6	15.9	1.2	5.3	EUR/USD	1.14	6.10		0.08
Sweden	0.99%	7.0	-0.2	-0.2	-9.9	-0.1	1.2	14.5	14.6	19.8	16.7	2.0	4.1	USD/SEK	8.11	-6.00		0.07
Switzerland	3.06%	4.2	-5.5	-5.5	-9.4	2.6	5.8	14.9	12.4	15.2	18.5	2.4	3.5	USD/CHF	0.96	-1.41		0.13
United Kingdom	6.47%	4.8	-2.3	-2.3	-8.8	0.2	2.2	16.4	14.4	15.7	18.0	1.7	4.4	GBP/USD	1.44	-3.18		0.32
Israel	0.24%	-0.2	-10.2	-10.2	-9.0	8.1	-1.0	20.9	15.7	18.5	17.1	1.7	2.4	USD/ILS	3.76	-5.46		0.00
EM EMEA	1.74%	15.6	12.9	12.9	-11.4	-8.4	-7.7	24.3	19.0	21.4	15.0	1.3	3.5					0.25
Czech Republic	0.02%	17.5	5.1	5.1	-11.5	-5.1	-9.5	24.3	20.8	22.5	13.0	1.3	7.0	USD/CZK	23.74	-7.49		0.00
Egypt	0.02%	7.7	-5.9	-5.9	-29.1	4.1	0.5	29.6	26.1	29.4	15.8	1.9	1.7	USD/EGP	8.88	16.38		0.00
Greece	0.04%	23.9	-12.2	-12.2	-52.0	-35.4	-36.4	54.4	46.1	45.8	-3.1	0.4	1.4	EUR/USD	1.14	6.10		0.01
Hungary	0.03%	18.8	17.3	17.3	40.2	5.4	-5.8	29.1	25.5	32.5	11.3	1.4	2.0	USD/HUF	275.71	-1.25		0.01
Poland	0.14%	17.5	13.9	13.9	-12.4	-5.4	-7.4	26.4	20.9	26.5	12.0	1.2	3.4	USD/PLN	3.72	-1.84		0.02
Russia	0.38%	14.7	15.7	15.7	1.7	-12.3	-12.5	28.0	29.4	30.8	8.8	0.7	4.5	USD/RUB	66.86	15.02		0.05
South Africa	0.75%	17.9	13.8	13.8	-17.8	-2.7	-2.8	27.6	21.1	20.7	19.2	2.5	2.9	USD/ZAR	14.71	21.39		0.12
Turkey	0.16%	15.7	21.6	21.6	-1.6	-12.7	-4.2	25.3	29.4	29.5	10.5	1.4	3.6	USD/TRY	2.82	8.44		0.02
Qatar	0.10%	6.9	3.8	3.8	-13.7	5.4	5.8	21.8	23.4	18.7	13.0	1.7	3.9	USD/QAR	3.64	0.00		0.01
United Arab Emirates	0.09%	5.6	8.6	8.6	-5.9	15.3	16.3	27.6	32.5	28.3	13.1	1.6	4.3	USD/AED	3.67	0.00		0.01

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MSCI All Country World Overview – Part 2 of 2

As of March 31, 2016 (performance and volatility in percent form)

Net Official Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Foreign Exchange			Contribution to Return	
		MTD	3M	YTD	12M	Ann	Ann	12M	3YR	5YR	P/E	P/B	Div Yld	Quote	12M	Spot	Return	MTD
						3YR	5YR											
Japan	7.54%	4.7	-6.5	-6.5	-7.1	3.8	4.0	17.2	14.2	13.9	14.2	1.2	2.2	USD/JPY	112.40	-5.75	0.37	
Pacific Ex. Japan	4.03%	11.8	1.8	1.8	-9.7	-2.9	0.7	21.4	17.7	19.5	15.1	1.5	4.4				0.45	
Australia	2.40%	12.7	2.1	2.1	-10.8	-5.3	-0.8	21.2	19.7	21.2	16.9	1.7	5.0	AUD/USD	0.77	0.69	0.29	
Hong Kong	1.11%	9.8	-0.6	-0.6	-6.7	3.7	4.5	23.0	17.3	19.3	12.6	1.2	3.1	USD/HKD	7.76	0.05	0.10	
Singapore	0.46%	11.7	5.0	5.0	-11.9	-4.2	-0.4	24.4	17.2	19.4	13.3	1.1	4.0	USD/SGD	1.35	-1.83	0.05	
New Zealand	0.06%	15.2	11.6	11.6	6.5	4.2	10.4	27.3	22.4	20.6	21.3	2.0	4.4	NZD/USD	0.69	-7.41	0.01	
EM Asia	7.14%	11.4	1.9	1.9	-12.6	-0.1	-0.7	21.4	15.1	17.5	12.5	1.4	2.6				0.78	
China	2.44%	11.9	-4.8	-4.8	-18.8	0.9	-0.9	31.0	21.3	22.7	10.4	1.3	2.8	USD/CNY	6.47	4.32	0.28	
India	0.83%	13.1	-2.5	-2.5	-13.2	3.8	-1.9	20.6	20.0	23.8	21.4	3.1	1.5	USD/INR	66.22	5.82	0.10	
Indonesia	0.28%	3.1	11.2	11.2	-12.5	-8.5	-1.7	27.2	22.8	21.5	18.5	3.0	2.4	USD/IDR	13260.00	1.41	0.01	
South Korea	1.59%	14.1	5.1	5.1	-5.9	-2.1	-2.1	23.9	17.4	20.1	11.2	1.0	1.8	USD/KRW	1143.60	3.08	0.21	
Malaysia	0.36%	12.7	13.2	13.2	-8.0	-4.2	-0.9	22.9	16.3	16.0	18.4	1.7	3.1	USD/MYR	3.90	5.35	0.04	
Philippines	0.15%	13.0	7.0	7.0	-9.3	0.9	12.8	16.6	16.9	17.6	21.8	2.8	1.7	USD/PHP	46.04	3.01	0.02	
Taiwan	1.27%	8.5	7.7	7.7	-8.5	4.4	1.8	17.4	13.0	15.8	12.8	1.7	4.0	USD/TWD	32.18	2.86	0.11	
Thailand	0.23%	7.5	16.9	16.9	-12.7	-6.9	2.3	17.8	18.6	21.4	15.7	2.0	3.2	USD/THB	35.18	8.11	0.02	
EM Latin America	1.36%	20.4	19.1	19.1	-9.2	-14.8	-11.5	30.3	24.4	24.4	22.1	1.7	2.8				0.25	
Brazil	0.67%	30.5	28.5	28.5	-11.7	-18.2	-16.2	44.8	34.4	31.7	19.7	1.3	3.9	USD/BRL	3.54	10.89	0.17	
Chile	0.13%	10.1	12.9	12.9	-6.9	-15.4	-10.1	18.4	17.2	21.1	25.4	1.6	2.7	USD/CLP	668.86	7.29	0.01	
Colombia	0.05%	19.4	22.5	22.5	-11.9	-21.6	-10.3	37.5	28.8	25.5	19.7	1.2	3.3	USD/COP	3003.27	15.61	0.01	
Mexico	0.46%	11.2	8.5	8.5	-5.3	-7.4	-1.0	16.9	15.7	18.7	26.1	2.7	1.4	USD/MXN	17.14	12.49	0.05	
Peru	0.04%	15.2	27.0	27.0	-7.7	-11.6	-6.0	28.7	22.6	23.3	20.2	1.9	1.4	USD/PEN	3.33	7.46	0.01	

Source: MSCI, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns. Countries are represented by MSCI regional indices. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

MSCI All Country World Sector/Industry Group Overview Part 1 of 2

As of March 31, 2016 (performance and volatility in percent form)

Net Official Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Contribution to Return
		MTD	3M	YTD	12M	3YR	5YR	12M	3YR	5YR	12M			MTD
											P/E	P/B	Div Yld	
Consumer Discretionary	12.91%	7.2	-0.4	-0.4	-1.9	10.3	10.9	15.5	13.0	14.4	17.9	2.8	2.0	0.93
Automobiles & Components	2.71%	9.1	-7.4	-7.4	-15.2	4.5	4.7	21.1	16.1	18.6	9.0	1.3	3.1	0.25
Cons. Durables & Apparel	2.02%	5.8	3.5	3.5	-1.1	7.0	6.6	12.2	12.6	16.3	19.3	2.7	1.9	0.12
Consumer Services	1.73%	6.4	4.0	4.0	5.2	9.7	10.9	15.2	12.0	13.4	25.1	5.5	2.2	0.11
Media	2.80%	7.0	2.7	2.7	-3.4	12.5	14.6	17.5	14.5	15.3	23.8	3.4	1.8	0.20
Retailing	3.64%	7.2	-1.2	-1.2	8.0	15.9	16.1	15.0	13.8	13.7	28.0	5.9	1.3	0.26
Consumer Staples	10.66%	5.9	4.7	4.7	7.4	7.4	11.0	11.7	10.7	10.7	24.3	4.2	2.5	0.63
Food & Staples Retailing	2.18%	6.3	4.8	4.8	-2.8	5.3	8.4	11.3	11.2	11.2	21.0	2.9	2.1	0.14
Food Beverage & Tobacco	6.26%	6.2	4.8	4.8	11.8	8.0	11.8	12.2	11.5	11.5	24.8	4.6	2.7	0.39
Household & Personal Prod.	2.22%	4.8	4.3	4.3	6.2	8.1	11.6	13.3	10.7	10.4	27.5	5.4	2.4	0.11
Energy	6.50%	9.7	6.2	6.2	-14.5	-7.8	-6.6	23.8	18.6	19.8	53.5	1.3	4.1	0.63
Financials	20.37%	8.6	-5.1	-5.1	-10.9	2.0	2.5	17.8	14.0	17.2	12.4	1.1	3.4	1.75
Banks	9.16%	8.4	-8.1	-8.1	-15.7	-2.5	-1.0	19.2	15.5	17.8	10.6	0.9	3.9	0.77
Diversified Financials	3.64%	7.8	-6.2	-6.2	-12.8	5.0	3.2	18.7	15.7	21.0	13.7	1.3	2.2	0.29
Insurance	4.06%	8.4	-4.4	-4.4	-5.9	8.3	7.4	17.6	14.1	16.9	12.5	1.2	3.4	0.34
Real Estate	3.51%	10.1	4.4	4.4	-0.2	4.0	6.6	15.9	14.0	15.7	18.6	1.6	3.3	0.35

Source: MSCI, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns.

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MSCI All Country World Sector/Industry Group Overview Part 2 of 2

As of March 31, 2016 (performance and volatility in percent form)

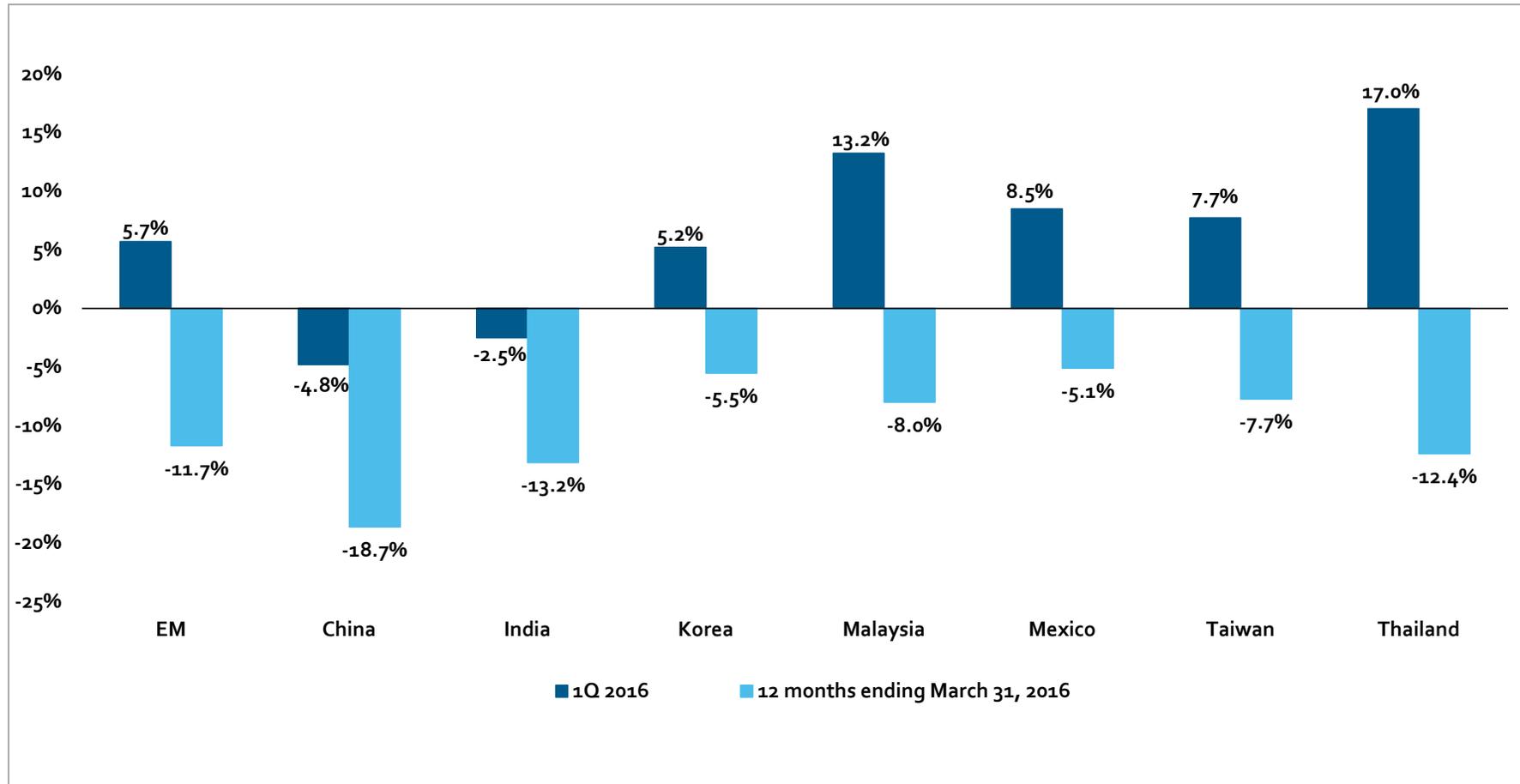
Net Official Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Contribution to Return	
		MTD	3M	YTD	12M	3YR	5YR	12M	3YR	5YR	12M	P/E	P/B	Div Yld	MTD
		Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann	Ann
Health Care	11.71%	2.6	-6.7	-6.7	-8.3	11.8	14.3	14.8	11.8	11.8	23.2	3.6	2.1	0.30	
Health Care Equip. & Srvcs.	3.28%	4.4	-0.8	-0.8	-1.2	16.4	13.9	13.3	11.1	12.0	23.2	3.2	1.1	0.14	
Pharmaceuticals & Biotech.	8.43%	1.9	-8.8	-8.8	-10.8	10.2	14.4	15.7	12.8	12.5	23.0	3.7	2.4	0.16	
Industrials	10.55%	7.7	3.4	3.4	-1.8	6.5	5.0	15.6	12.4	14.7	20.0	2.5	2.5	0.81	
Capital Goods	7.45%	8.0	3.4	3.4	-0.9	6.5	4.3	16.6	13.3	15.8	21.3	2.4	2.6	0.59	
Commercial Srvs. & Supplies	0.90%	7.6	4.1	4.1	2.4	6.8	7.7	13.3	11.7	12.6	21.9	3.7	2.1	0.07	
Transportation	2.19%	6.9	3.2	3.2	-6.5	6.1	6.7	15.2	11.9	13.0	16.1	2.4	2.1	0.15	
Information Technology	15.05%	9.2	1.5	1.5	1.9	13.5	10.6	17.2	12.9	14.1	18.5	3.3	1.7	1.39	
Software & Services	8.24%	8.5	0.9	0.9	13.1	16.3	14.5	17.2	12.8	13.6	29.2	5.1	1.1	0.70	
Technology Hardware	4.55%	10.7	2.2	2.2	-10.2	11.1	6.5	20.0	15.5	16.6	12.0	2.1	2.3	0.49	
Semis. & Semi Equipment	2.26%	8.8	2.2	2.2	-3.6	10.4	8.9	19.7	15.0	16.2	15.0	2.8	2.6	0.20	
Materials	4.81%	10.1	5.9	5.9	-12.4	-5.1	-7.0	23.4	17.3	20.1	25.4	1.7	3.0	0.49	
Telecomm. Services	3.98%	6.0	6.8	6.8	2.8	6.7	5.2	13.9	12.2	11.9	19.0	2.3	4.0	0.24	
Utilities	3.47%	8.1	8.6	8.6	4.9	5.9	3.9	13.4	12.1	11.2	17.5	1.6	3.8	0.28	
MSCI All Country World	100.00%	7.4	0.2	0.2	-4.3	5.5	5.2	15.2	11.9	13.6	18.5	2.0	2.7	7.41	

Source: MSCI, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns.

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MSCI Emerging Markets Returns for USD Investors

As of March 31, 2016



Source: Bloomberg

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MSCI Emerging Markets Country Overview

As of March 31, 2016 (performance and volatility in percent form)

Net Official Index in USD	Weight	Performance as of 3/31/2016						Volatility ¹			Valuation			Foreign Exchange			Contribution to Return	
		MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	12M	Ann 3YR	Ann 5YR	P/E	P/B	Div Yld	12M	Quote	Spot	Return	MTD
Emerging Markets	100.00%	13.2	5.7	5.7	-12.0	-4.5	-4.1	22.4	16.4	18.6	13.7	1.4	2.8					13.23
EM Asia	69.76%	11.4	1.9	1.9	-12.6	-0.1	-0.7	21.4	15.1	17.5	12.5	1.4	2.6					8.11
China	23.89%	11.9	-4.8	-4.8	-18.8	0.9	-0.9	31.0	21.3	22.7	10.4	1.3	2.8	USD/CNY	6.47		4.32	2.89
India	8.10%	13.1	-2.5	-2.5	-13.2	3.8	-1.9	20.6	20.0	23.8	21.4	3.1	1.5	USD/INR	66.22		5.82	1.05
Indonesia	2.70%	3.1	11.2	11.2	-12.5	-8.5	-1.7	27.2	22.8	21.5	18.5	3.0	2.4	USD/IDR	13260.0		1.41	0.09
South Korea	15.56%	14.1	5.1	5.1	-5.9	-2.1	-2.1	23.9	17.4	20.1	11.2	1.0	1.8	USD/KRW	1143.6		3.08	2.17
Malaysia	3.49%	12.7	13.2	13.2	-8.0	-4.2	-0.9	22.9	16.3	16.0	18.4	1.7	3.1	USD/MYR	3.90		5.35	0.45
Philippines	1.44%	13.0	7.0	7.0	-9.3	0.9	12.8	16.6	16.9	17.6	21.8	2.8	1.7	USD/PHP	46.04		3.01	0.19
Taiwan	12.37%	8.5	7.7	7.7	-8.5	4.4	1.8	17.4	13.0	15.8	12.8	1.7	4.0	USD/TWD	32.18		2.86	1.09
Thailand	2.21%	7.5	16.9	16.9	-12.7	-6.9	2.3	17.8	18.6	21.4	15.7	2.0	3.2	USD/THB	35.18		8.11	0.18
EM EMEA	16.98%	15.6	12.9	12.9	-11.4	-8.4	-7.7	24.3	19.0	21.4	15.0	1.3	3.5					2.58
Czech Republic	0.19%	17.5	5.1	5.1	-11.5	-5.1	-9.5	24.3	20.8	22.5	13.0	1.3	7.0	USD/CZK	23.74		-7.49	0.03
Egypt	0.17%	7.7	-5.9	-5.9	-29.1	4.1	0.5	29.6	26.1	29.4	15.8	1.9	1.7	USD/EGP	8.88		16.38	0.01
Hungary	0.30%	18.8	17.3	17.3	40.2	5.4	-5.8	29.1	25.5	32.5	11.3	1.4	2.0	USD/HUF	275.7		-1.25	0.05
Greece	0.42%	23.9	-12.2	-12.2	-52.0	-35.4	-36.4	54.4	46.1	45.8	-3.1	0.4	1.4	USD/EUR	1.14		-5.75	0.09
Poland	1.39%	17.5	13.9	13.9	-12.4	-5.4	-7.4	26.4	20.9	26.5	12.0	1.2	3.4	USD/PLN	3.72		-1.84	0.23
Russia	3.75%	14.7	15.7	15.7	1.7	-12.3	-12.5	28.0	29.4	30.8	8.8	0.7	4.5	USD/RUB	66.86		15.02	0.54
South Africa	7.33%	17.9	13.8	13.8	-17.8	-2.7	-2.8	27.6	21.1	20.7	19.2	2.5	2.9	USD/ZAR	14.71		21.39	1.24
Qatar	0.97%	6.9	3.8	3.8	-13.7	5.4	5.8	21.8	23.4	18.7	13.0	1.7	3.9	USD/QAR	3.64		0.00	0.07
United Arab Emirates	0.91%	5.6	8.6	8.6	-5.9	15.3	16.3	27.6	32.5	28.3	13.1	1.6	4.3	USD/AED	3.67		0.00	0.06
Turkey	1.55%	15.7	21.6	21.6	-1.6	-12.7	-4.2	25.3	29.4	29.5	10.5	1.4	3.6	USD/TRY	2.82		8.44	0.24
EM Latin America	13.26%	20.4	19.1	19.1	-9.2	-14.8	-11.5	30.3	24.4	24.4	22.1	1.7	2.8					2.55
Brazil	6.58%	30.5	28.5	28.5	-11.7	-18.2	-16.2	44.8	34.4	31.7	19.7	1.3	3.9	USD/BRL	3.54		10.89	1.75
Chile	1.27%	10.1	12.9	12.9	-6.9	-15.4	-10.1	18.4	17.2	21.1	25.4	1.6	2.7	USD/CLP	668.86		7.29	0.13
Colombia	0.48%	19.4	22.5	22.5	-11.9	-21.6	-10.3	37.5	28.8	25.5	19.7	1.2	3.3	USD/COP	3003.3		15.61	0.09
Mexico	4.54%	11.2	8.5	8.5	-5.3	-7.4	-1.0	16.9	15.7	18.7	26.1	2.7	1.4	USD/MXN	17.14		12.49	0.52
Peru	0.40%	15.2	27.0	27.0	-7.7	-11.6	-6.0	28.7	22.6	23.3	20.2	1.9	1.4	USD/PEN	3.33		7.46	0.06

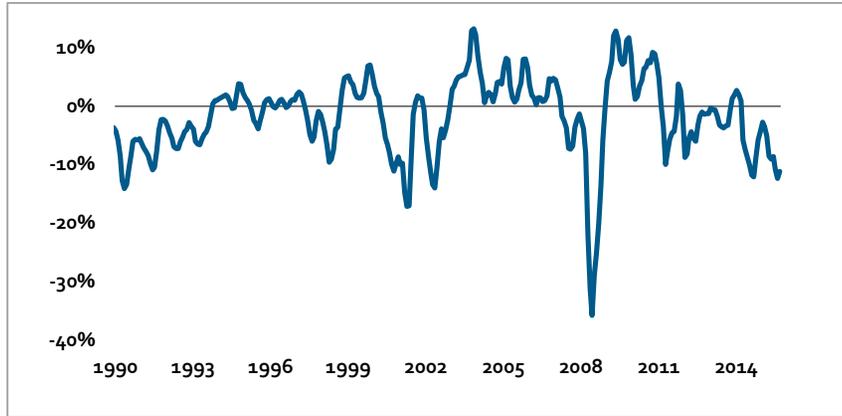
Source: MSCI, FactSet. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns. *The weighted average PE ratio is based on an average of 75% of the constituents due to many of them having a negative EPS. Countries are represented by MSCI regional indices.

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Global Earnings Revisions Breadth¹

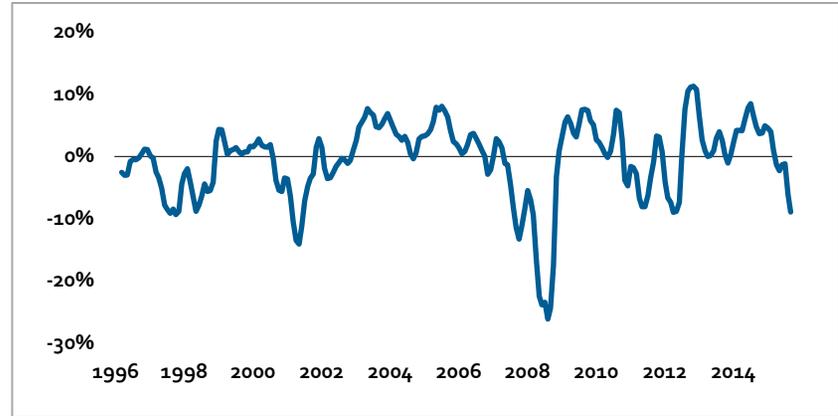
S&P 500

As of March 31, 2016 (Three-Month Average)



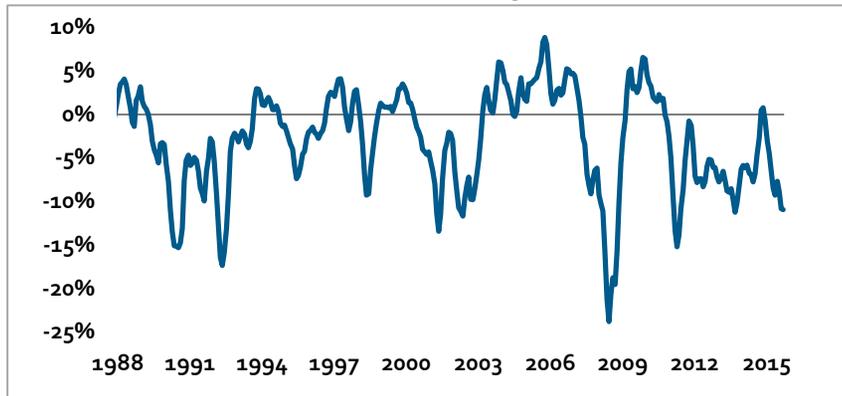
MSCI Japan

As of March 31, 2016 (Three-Month Average)



MSCI Europe

As of March 31, 2016 (Three-Month Average)



MSCI Emerging Markets

As of March 31, 2016 (Three-Month Average)

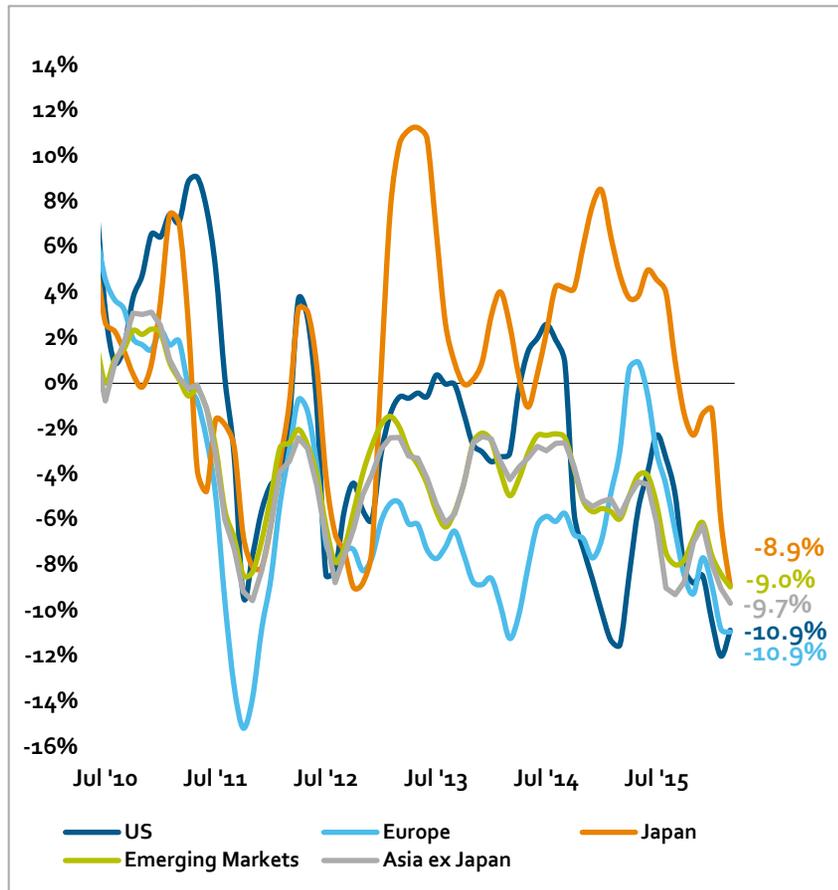


Source: FactSet, Morgan Stanley Wealth Management. (1) Earnings revisions breadth is defined as the number of positive analyst revisions minus the number of negative analyst revisions divided by the total number of revisions.

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Earnings Growth and Revisions

Global Earnings Revisions Breadth¹
3-Month Average as of March 31, 2016



Expected EPS Growth
As of March 31, 2016

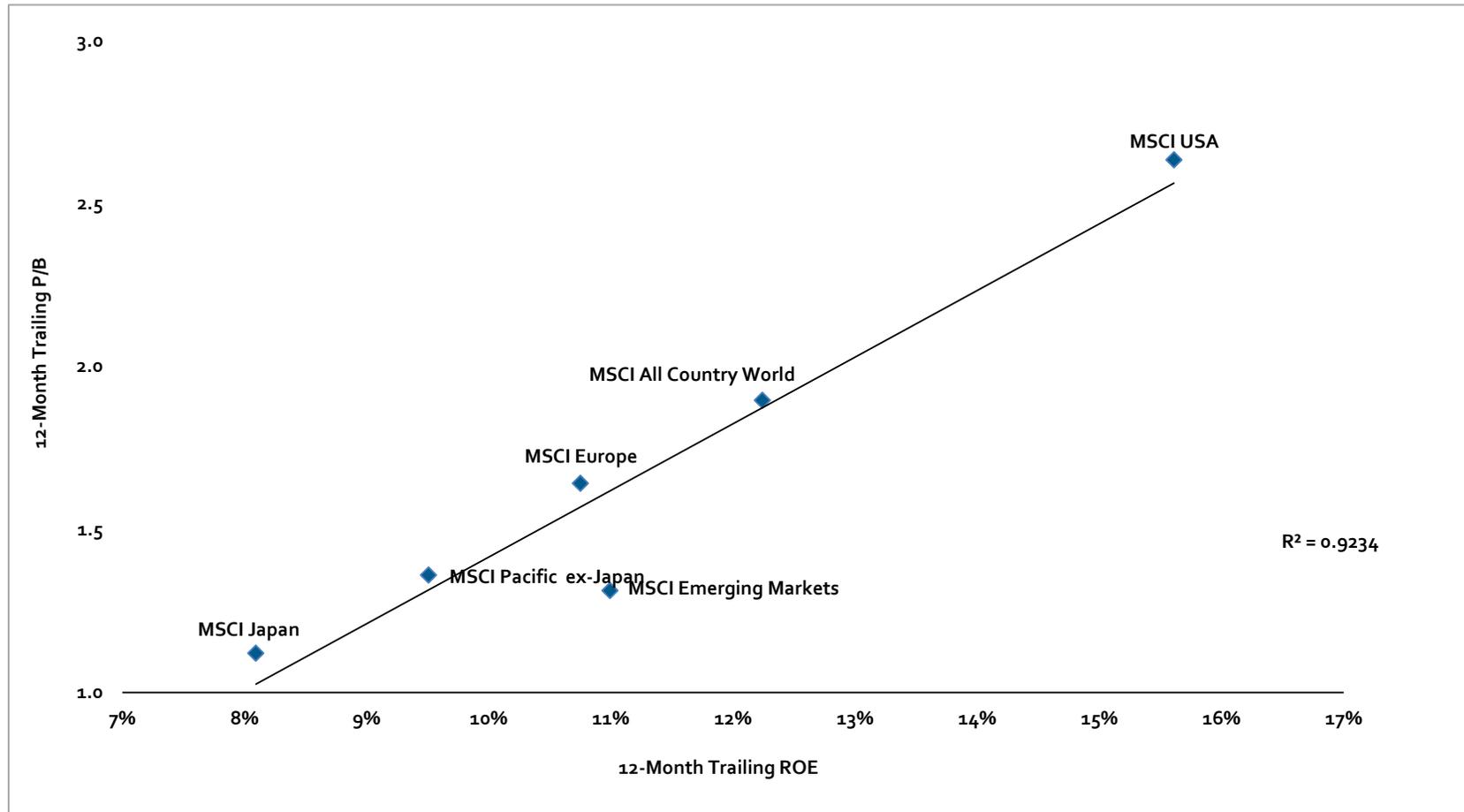
Regional Index	12-month Forward EPS Growth
MSCI Japan	11.3%
MSCI Emerging Markets	8.0%
MSCI All Country World	5.7%
MSCI USA	5.3%
MSCI Europe	4.1%
MSCI Asia ex Japan	3.6%

Source: FactSet, Morgan Stanley Wealth Management GIC. Indices used: MSCI USA for US, MSCI Europe for Europe, MSCI Japan for Japan, MSCI Emerging Markets for Emerging Markets, MSCI Asia ex Japan for Asia ex Japan. (1) Earnings revisions breadth is defined as the number of positive analyst revisions minus the number of negative analyst revisions divided by the total number of revisions.

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Based on ROEs, Global Equity Relative Valuations Are Appropriate

As of March 31, 2016



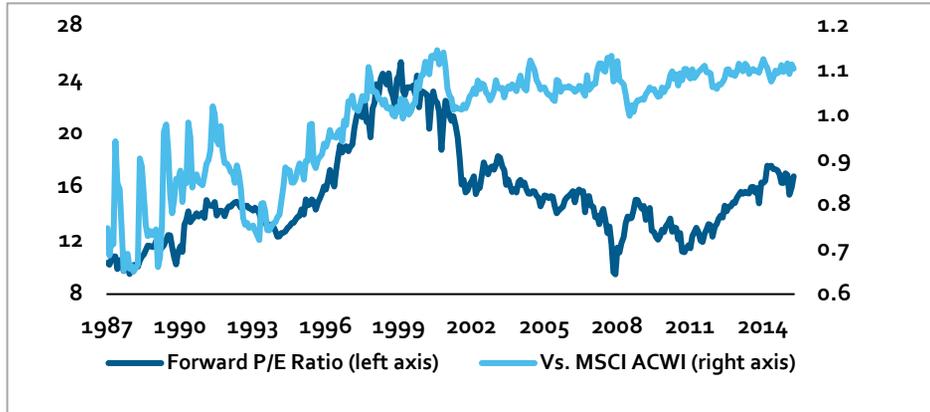
Source: FactSet, Morgan Stanley Wealth Management GIC. Return on Equity (ROE) = amount of net income returned as a percentage of shareholders' equity. Price-to-Book (P/B) = ratio used to compare a stock's market value to its book value.

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Valuation: 12-Month Forward P/E Ratios by Region¹

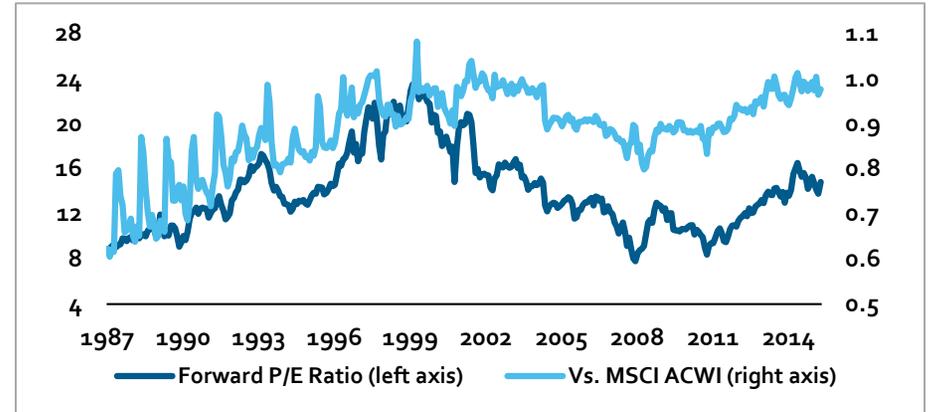
MSCI USA Forward P/E and Relative Valuation

As of March 31, 2016



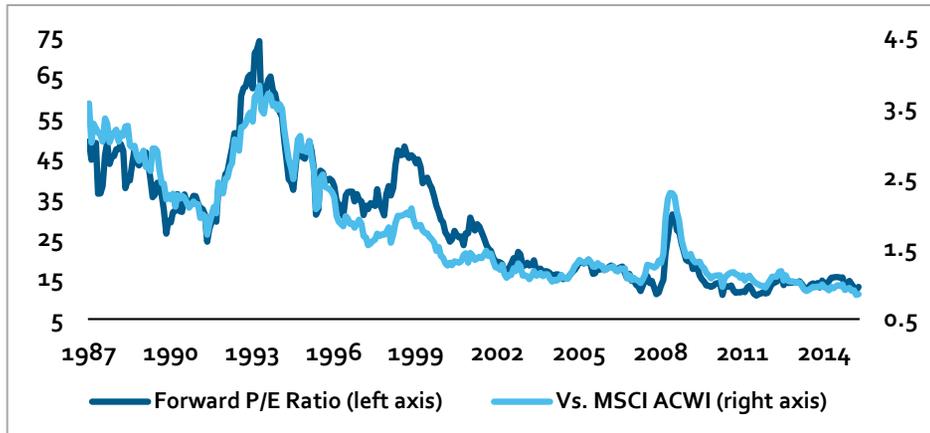
MSCI Europe Forward P/E and Relative Valuation

As of March 31, 2016



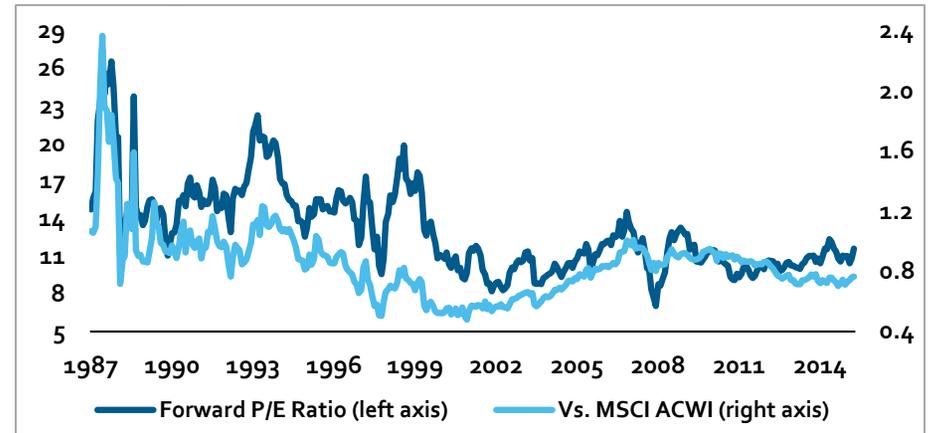
MSCI Japan Forward P/E and Relative Valuation

As of March 31, 2016



MSCI EM Forward P/E and Relative Valuation

As of March 31, 2016



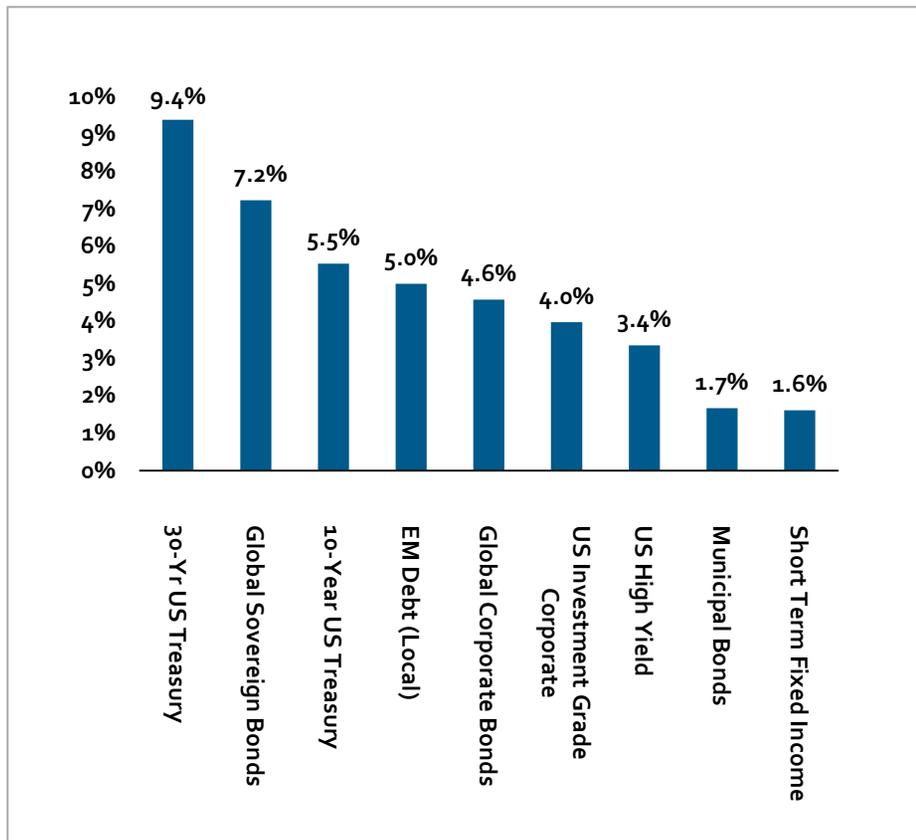
Source: FactSet, Morgan Stanley Wealth Management GIC. (1) Forward P/E = market price per share / expected earnings per share.

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Fixed Income Performance and Spreads

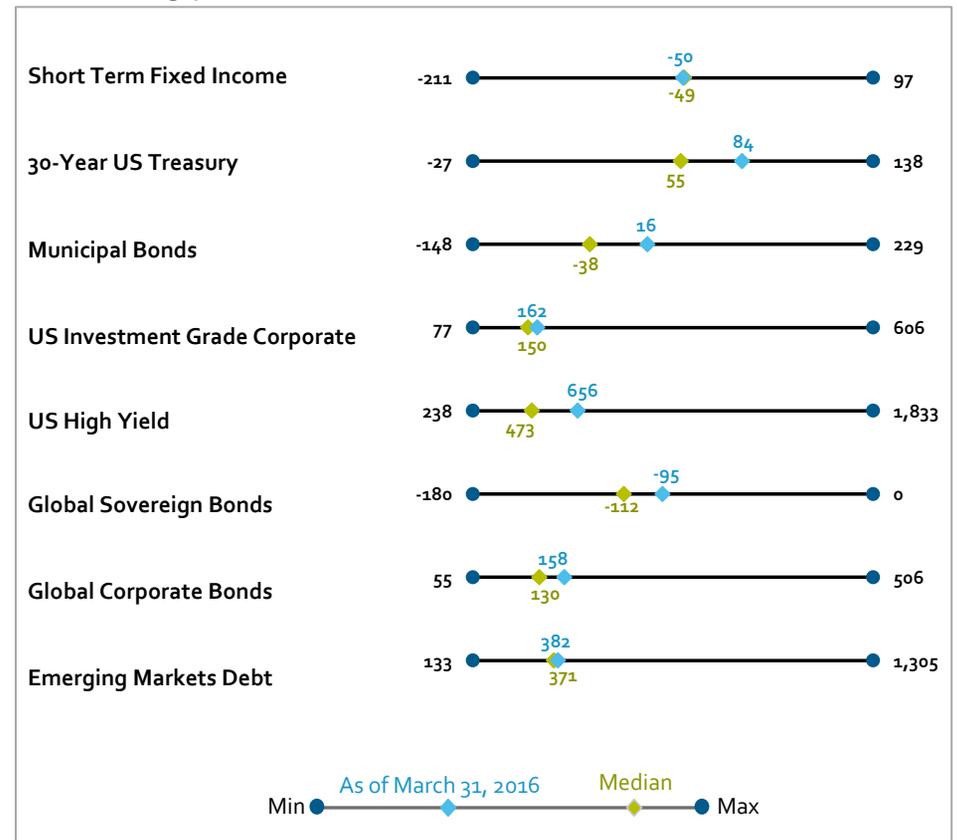
YTD Total Return ¹

As of March 31, 2016



Yield Spreads Vs. Past 20 Years ²

As of March 31, 2016



Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC. (1) Indices used for this analysis include: Barclays US High Yield, Barclays US Gov/Credit Float Adjusted 1-5Y Bond (short duration), Barclays Global Aggregate Credit-Corporate, JP Morgan GBI-EM Global Diversified (EM debt), Barclays US Investment Grade Corporate, Barclays Muni Bond, and Barclays Global Aggregate Government (global sovereign). (2) Yield spread ranges are based on 20 years of data.

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US Fixed Income Overview

As of March 31, 2016 (performance and YTW in percent form)

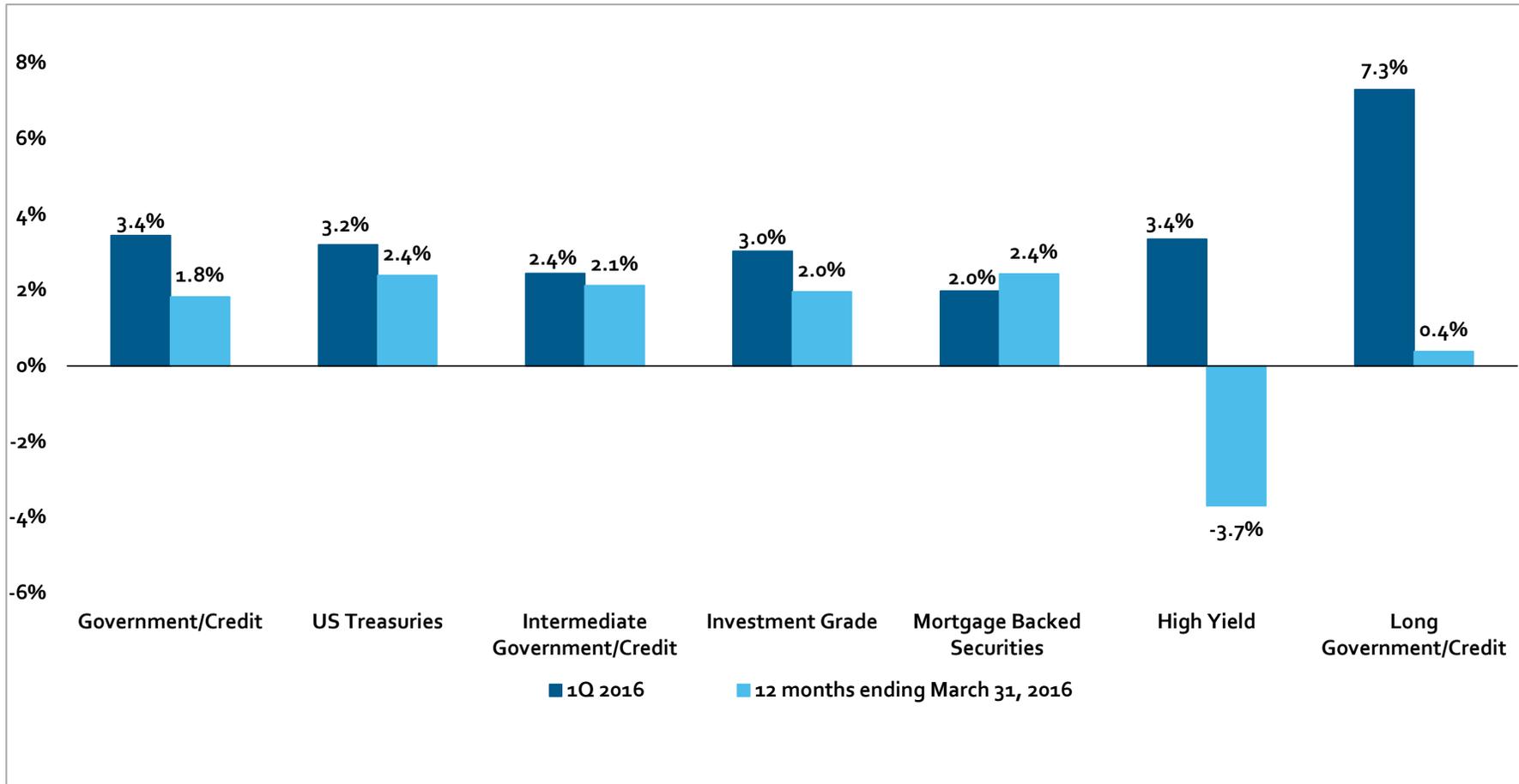
Index in USD	Characteristics			Performance as of 3/31/2016						
	Weight	Duration ¹	YTW ²	MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	
Barclays Capital U.S. Aggregate		5.5	2.2	0.9	3.0	3.0	2.0	2.5	3.8	
	Broken down by Quality	100.00%								
	Aaa	71.52%	4.8	1.8	0.2	2.7	2.7	2.4	2.3	3.3
	Aa	4.32%	6.1	2.2	1.2	3.3	3.3	2.4	2.7	4.1
	A	11.14%	7.4	2.8	2.0	3.9	3.9	2.2	3.4	5.3
	Baa	13.02%	7.4	3.9	3.7	4.3	4.3	-0.8	2.6	5.3
	Broken down by Maturity	100.00%								
	1-3 Yr.	21.55%	1.9	1.1	0.4	1.0	1.0	1.0	1.0	1.2
	3-5 Yr.	25.26%	3.4	1.8	0.5	2.2	2.2	2.2	2.1	2.8
	5-7 Yr.	22.79%	4.1	2.3	0.6	2.6	2.6	2.4	2.3	3.6
	7-10 Yr.	15.25%	6.4	2.6	1.0	3.7	3.7	3.1	2.9	5.0
	10+ Yr.	15.16%	15.2	3.7	2.8	7.3	7.3	0.4	4.4	8.2
	Broken down by Sector	100.00%								
	U.S. Treasury	36.59%	6.1	1.3	0.2	3.2	3.2	2.4	2.1	3.6
	1-3 Yr.	12.18%	1.9	0.8	0.2	0.9	0.9	0.9	0.8	0.9
	Other	24.41%								
	Government-Related	8.13%	5.5	2.2	1.0	3.1	3.1	1.3	2.1	3.4
	Agencies	4.11%	4.0	1.7	0.7	2.4	2.4	0.8	1.4	2.3
	Local Authorities	1.19%	9.7	3.4	0.9	4.6	4.6	2.7	4.4	7.8
	Sovereign	1.25%	8.6	3.7	3.2	5.7	5.7	1.1	2.8	5.1
	Supranational	1.59%	3.7	1.3	0.3	2.0	2.0	1.7	1.6	2.5
	Corporate	24.72%	7.3	3.2	2.8	4.0	4.0	0.9	3.0	5.2
	Industrial	15.24%	7.8	3.3	3.5	4.7	4.7	0.4	2.8	5.0
	Utility	1.86%	9.6	3.4	1.3	5.0	5.0	0.9	3.7	6.2
	Financials	7.63%	5.8	3.0	1.7	2.3	2.3	1.8	3.3	5.3
	Securitized	30.56%	3.2	2.3	0.3	2.1	2.1	2.4	2.7	3.3
Barclays Capital U.S. Corp. High Yield		100.00%	4.2	8.2	4.4	3.4	3.4	-3.7	1.8	4.9
	Industrial	86.18%	4.2	8.4	4.6	3.6	3.6	-4.3	1.5	4.7
	Utility	3.14%	4.7	8.2	5.7	4.9	4.9	-3.5	3.2	5.2
	Financials	10.67%	4.2	6.4	2.6	0.8	0.8	0.8	4.5	7.1
Barclays Capital U.S. Municipal Bond		100.00%	6.2	1.9	0.3	1.7	1.7	4.0	3.6	5.6

Source: Barclays Capital, FactSet. (1) For more information about the risks to Duration please refer to the Risk Considerations section at the end of this material. (2) Yield to worst is the lowest potential yield that can be received on a bond without the issuer actually defaulting.

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US Bond Market Indices¹

As of March 31, 2016



Source: FactSet. (1) Represented by Barclays fixed income indices.

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Fixed Income Total Returns and Spreads

Fixed Income Performance (Total Return in USD)

As of March 31, 2016

Asset Class	Benchmark Index	1-Month	3-Month	6-Month	1-Year	3-Year	5-Year	10-Year
Investment Grade Fixed Income								
Short-Term Fixed Income	Barclays Capital US Gov/Credit Float Adjusted 1-5Y	0.5%	1.6%	1.0%	1.6%	4.1%	9.8%	40.7%
US Fixed Income	Barclays Capital US Aggregate	0.9%	3.0%	2.4%	2.0%	7.7%	20.4%	61.3%
International Fixed Income	Barclays Capital Global Aggregate ex US (H)	3.8%	7.7%	6.5%	6.1%	-0.1%	3.8%	-
Global Inflation-Linked Securities	Barclays Capital Universal Government Inflation Linked (UH)	1.7%	4.4%	4.1%	1.9%	8.8%	32.8%	78.2%
Global High Yield	Barclays Capital Global High Yield (H)	5.0%	4.1%	3.2%	0.6%	7.2%	28.5%	103.7%
Emerging Markets Fixed Income	JP Morgan Emerging Market Index (UH)	3.2%	5.9%	7.8%	5.9%	8.6%	34.3%	99.0%

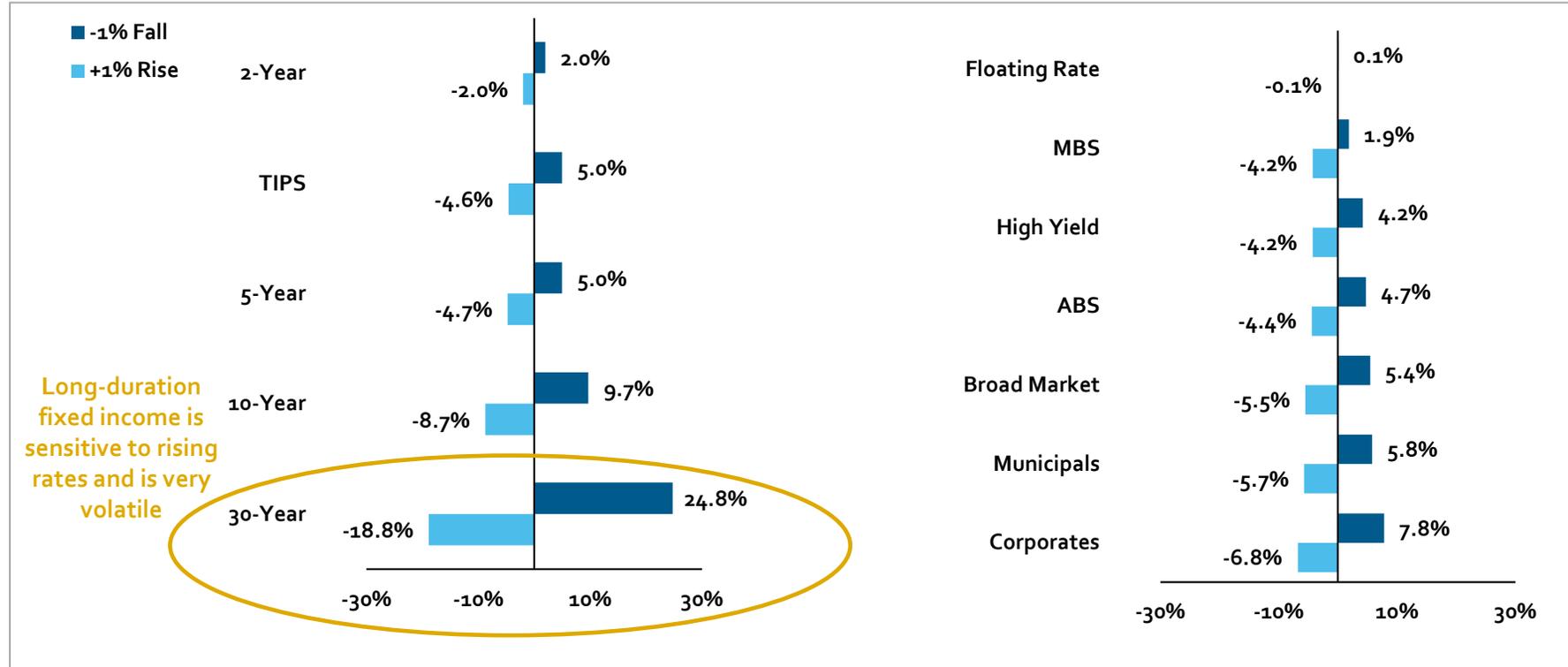
Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Long-Duration¹ Bonds Can Be Risky When Rates Rise

Total Return Impact of a 1% Rise/Fall in Interest Rates

As of March 31, 2016



Source: FactSet, Morgan Stanley Wealth Management GIC. The following Barclays indices were used for the sectors above: US Aggregate for Broad Market, US Aggregate Securitized – MBS Index for MBS, US Corporates for Corporate, Muni Bond 10-year Index for Municipals, Corporate High Yield Index for High Yield, US TIPS Index for TIPS, FRN (BBB) for Floating Rate, US Convertibles Composite for Convertibles and Barclays ABS + CMBS for ABS. Barclays US Treasury benchmark indices used for US Treasury data. (1) For more information about the risks to Duration please refer to the Risk Considerations section at the end of this material.

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Global Fixed Income Overview

As of March 31, 2016 (performance and YTW in percent form)

Index in USD	Characteristics			Performance as of 3/31/2016					
	Weight	Duration ¹	YTW ²	MTD	3M	YTD	12M	Ann 3YR	Ann 5YR
Barclays Capital Global Aggregate	100.00%	6.7	1.4	2.7	5.9	5.9	4.6	0.9	1.8
Global Treasury	54.86%	7.8	0.8	2.7	7.3	7.3	6.1	0.5	1.2
G7 Countries represent 82.45% of Barclays Capital Global Treasury Index									
Canada	0.73%	7.3	1.1	4.5	8.6	8.6	-0.8	-4.8	-1.4
France	3.57%	7.8	0.2	5.3	9.2	9.2	6.7	1.2	1.9
Germany	2.67%	7.7	-0.1	4.6	8.9	8.9	6.6	-0.2	1.1
Italy	3.58%	7.1	0.8	6.0	7.6	7.6	8.0	5.6	3.8
Japan	15.67%	9.4	0.0	1.4	11.6	11.6	13.1	-2.8	-2.8
United Kingdom	3.97%	11.2	1.4	3.0	2.6	2.6	0.0	3.0	4.7
United States	15.05%	6.1	1.3	0.2	3.2	3.2	2.4	2.1	3.6
Other	9.63%								
Government-Related	12.36%	6.0	1.4	3.2	5.7	5.7	3.2	-0.2	1.3
Agencies	5.95%	5.0	1.4	2.7	5.0	5.0	3.4	-0.2	0.9
Local Authorities	2.97%	7.6	1.7	4.2	7.3	7.3	2.6	-1.6	0.7
Sovereign	1.16%	7.2	2.8	3.3	5.2	5.2	2.4	2.0	3.7
Supranational	2.27%	5.7	0.7	3.3	5.6	5.6	3.8	0.5	2.0
Corporates	17.69%	6.5	2.7	3.7	4.6	4.6	2.1	1.8	3.4
Industrials	9.58%	7.1	2.8	4.1	5.3	5.3	1.5	1.9	3.7
Utilities	1.34%	8.0	2.8	3.5	5.1	5.1	2.0	2.5	4.0
Financial	6.77%	5.3	2.5	3.2	3.5	3.5	2.7	1.6	3.1
Securitized	15.09%	3.5	2.0	1.2	2.8	2.8	3.1	2.1	2.9
MBS Passthrough	11.52%	3.1	2.4	0.3	2.0	2.0	2.4	2.7	3.3
Asset Backed	0.21%	4.0	1.9	1.2	1.3	1.3	0.8	1.7	3.2
CMBS	0.42%	5.3	2.3	1.1	3.4	3.4	2.6	2.5	4.3
Covered	2.93%	4.8	0.3	4.7	6.1	6.1	6.1	-0.3	1.1
Barclays Capital Global Inflation-Linked				3.7	4.7	4.7	1.0	0.2	2.8
Barclays Capital Global High Yield	100.00%	4.3	7.6	5.0	4.1	4.1	0.6	2.4	5.1
U.S. Corp. HY	56.35%	4.2	8.2	4.4	3.4	3.4	-3.7	1.8	4.9
Pan-Europe HY	16.90%	3.8	4.7	8.4	5.4	5.4	4.8	2.2	3.4
EM HY	24.17%	4.7	8.5	3.7	4.6	4.6	8.7	3.1	6.9
Pan-Euro EMG HY	2.58%	4.4	6.6	8.3	7.8	7.8	9.3	7.0	4.8
JP Morgan GBI-EM Global Diversified				9.1	11.0	11.0	-1.6	-6.7	-2.0
BBA 3-month USD LIBOR (Cash)				0.1	0.2	0.2	0.4	0.3	0.3

Source: Barclays Capital, Citigroup, FactSet. (1) For more information about the risks to Duration please refer to the Risk Considerations section at the end of this material. (2) Yield to worst is the lowest potential yield that can be received on a bond without the issuer actually defaulting.

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Hedged Strategies: Performance Indicators

As of March 31, 2016

	Relative Value	Event-Driven	Equity Long/Short	Managed Futures	Global Hedge Funds
Last Twelve Months					
Total Return (%)	-7.3%	-9.4%	-7.2%	-5.1%	-7.4%
Annualized Volatility (%) ¹	4.8%	7.1%	7.1%	5.8%	4.7%
Correlation to S&P 500	0.72	0.87	0.91	0.07	0.95
Sharpe Ratio ²	-1.54	-1.33	-1.04	-0.90	-1.60
Max Drawdown (%) ³	-5.6%	-10.5%	-10.1%	-7.7%	-7.5%
15-Year					
Annualized Return (%)	1.6%	2.5%	1.3%	2.3%	1.7%
Annualized Volatility (%)	6.9%	6.3%	7.0%	7.0%	5.4%
Correlation to S&P 500	0.54	0.70	0.71	0.02	0.64
Sharpe Ratio ²	0.03	0.18	-0.01	0.13	0.06
Max Drawdown (%) ³	-18.0%	-24.8%	-30.6%	-13.3%	-22.2%

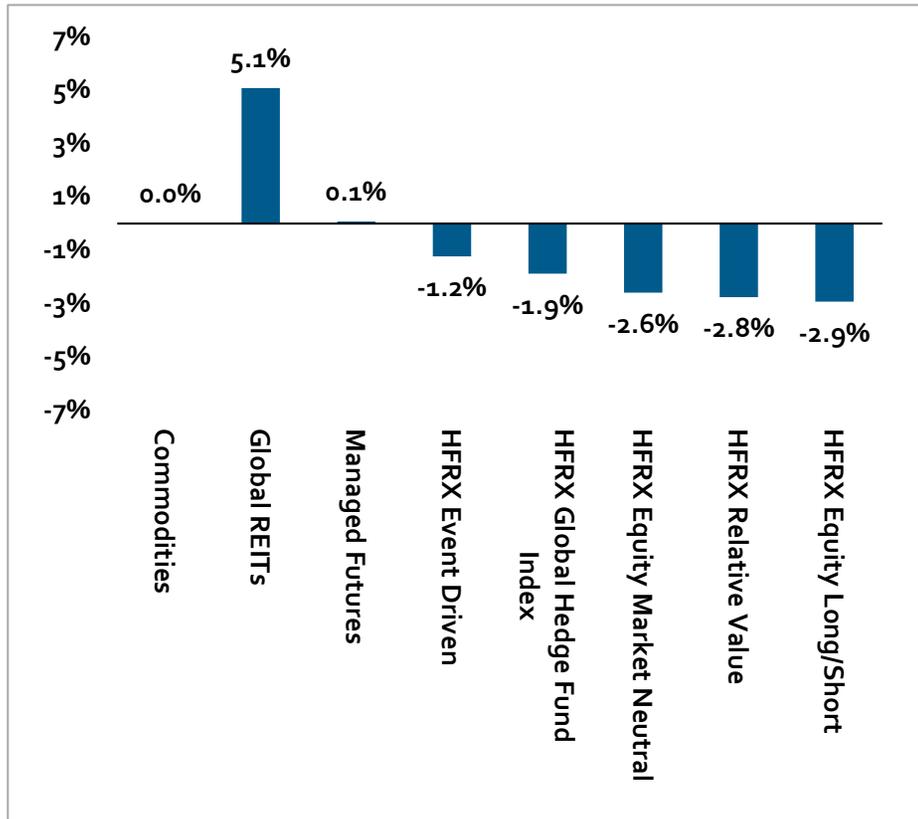
Source: Bloomberg, Morgan Stanley Wealth Management GIC; (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. (2) The Sharpe ratio is calculated by subtracting the risk-free rate - such as that of the 3-month US Treasury bill - from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. (3) Max Drawdown: The peak-to-trough decline during a specific period. Indices used for this analysis include: HFRX Relative Value Index for relative value, HFRX Event-Driven Index for event-driven, HFRX Equity Hedge for equity long/short, HFRX Macro/CTA Index for managed futures and HFRX Global Hedge Fund Index for global hedge funds. Hedged strategies consist of hedge funds and managed futures.

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Alternatives Performance Summary

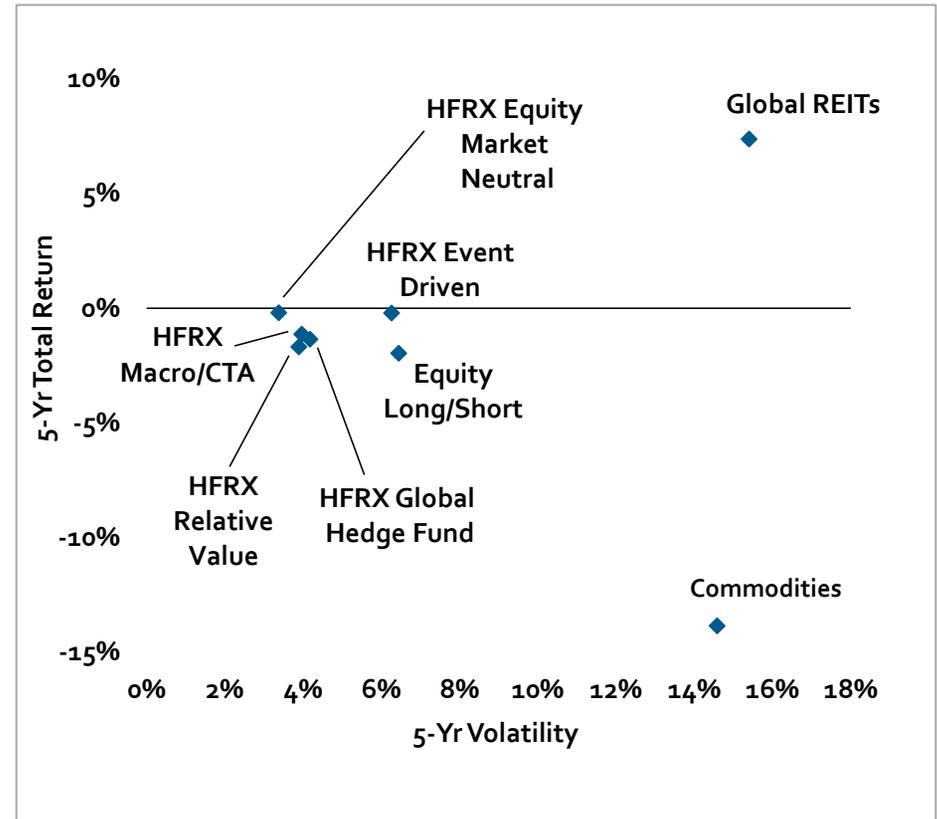
YTD Total Return¹

As of March 31, 2016



5-Year Risk and Return¹

As of March 31, 2016



Source: Bloomberg, Morgan Stanley Wealth Management GIC. (1) Indices for Global REITs, Managed Futures and Commodities are FTSE EPRA/NAREIT Global Index, HFRX Macro/CTA Index, and Bloomberg Commodity Index, respectively. Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean.

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Hedged Strategies: Performance Indicators

As of March 31, 2016; HFRX Corporate Fixed Income as of February 29, 2016 (performance and volatility in percent form)

Index in USD	Performance as of 3/31/2016						Volatility ¹		
	MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	12M	Ann 3YR	Ann 5YR
Hedged Strategies									
HFRX Global Hedge Funds	1.24	-1.87	-1.87	-7.36	-0.92	-1.18	4.65	3.94	4.20
HFRX Equity Hedge	2.79	-2.93	-2.93	-7.24	0.54	-1.33	7.07	5.79	6.36
HFRX Event Driven (ED)	2.63	-1.23	-1.23	-9.38	-1.57	-0.24	7.13	6.66	6.32
HFRX ED: Merger Arbitrage	0.44	1.62	1.62	7.38	5.09	2.65	2.08	1.64	2.40
HFRX ED: Distressed Securities	4.35	-1.50	-1.50	-12.88	-2.95	-3.34	8.26	6.24	6.24
HFRX Relative Value	0.05	-2.76	-2.76	-7.26	-2.59	-1.60	4.79	3.74	3.92
HFRX Fixed Income - Corporate	-1.41	-3.59	-3.59	-4.67	1.16	2.64	2.68	3.04	3.05
Other Alternatives									
HFRX Macro/CTA Index	-1.12	0.08	0.08	-5.11	0.45	-1.21	5.79	4.13	4.00
FTSE EPRA-NAREIT Global	9.86	5.08	5.08	0.59	5.06	7.49	15.15	13.50	15.39
Bloomberg Commodity Index	3.82	0.42	0.42	-19.56	-16.87	-14.15	14.70	12.53	14.52
Alerian MLP	8.32	-4.17	-4.17	-31.83	-10.31	-0.55	25.33	18.35	17.73
Performance as of 12/31/2015									
Index in USD	MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	12M	Ann 3YR	Ann 5YR
NCREIF Property ²	-	0.00	0.00	9.42	10.05	7.97	4.78	4.62	4.36
Performance as of 03/31/2015									
Index in USD	MTD	3M	YTD	12M	Ann 3YR	Ann 5YR	12M	Ann 3YR	Ann 5YR
Venture Econ. Private Equity ³	1.56	1.56	1.56	8.44	12.89	13.66	5.01	6.70	8.27

Source: Morgan Stanley & Co. Research, FactSet, HFR, NCREIF, Venture Economics, Barclay Hedge. (1) Standard deviation (volatility) is a measure of the dispersion of a set of data from its mean. Volatility is measured using price only returns. (2) Represents a three-month lag in reporting. (3) Represents a five-month lag in reporting. Hedged strategies consist of hedge funds and managed futures. Private Equity is represented by the Thomson One Venture Economics Global Private Equity Survey. This survey provides a time-weighted average of internal rates of return on a sample of US private equity funds. The data are updated quarterly with a lag of several months. For more information about the risks to Master Limited Partnerships (MLPs) please see the Risk Considerations section at the end of this material.

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Asset Allocation Models & Insurance Products Disclosures

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS

The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

CLIENTS TO CONSIDER THEIR OWN INVESTMENT NEEDS

The GIC Asset Allocation Models are formulated based on general client characteristics such as investable assets and risk tolerance. This report is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, do not use this report as the sole basis for investment decisions.

Clients should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation(s) results that are materially different from the asset allocation shown in this report. Clients should talk to their Financial Advisor about what would be a suitable asset allocation for them.

HYPOTHETICAL MODEL PERFORMANCE (GROSS)

Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight.

Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated.

Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects.

Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

Fees reduce the performance of actual accounts None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

INSURANCE PRODUCTS AND ETF DISCLOSURES

Morgan Stanley Smith Barney LLC offers **insurance products** in conjunction with its licensed insurance agency affiliates.

An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices.

Variable annuities, mutual funds and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options.

Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract.

If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Asset Class Risk Considerations

For index definitions to the indices referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment.

Investing in foreign markets entails risks not typically associated with domestic markets, such as currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, and the potential for political instability. These risks may be magnified in countries with **emerging markets and frontier markets**, since these countries may have relatively unstable governments and less established markets and economies.

Investing in small- to medium-sized companies entails special risks, such as limited product lines, markets and financial resources, and greater volatility than securities of larger, more established companies.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer.

High yield bonds (bonds rated below investment grade) may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk, price volatility, and limited liquidity in the secondary market. High yield bonds should comprise only a limited portion of a balanced portfolio.

Interest on **municipal bonds** is generally exempt from federal income tax; however, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, if applicable, local tax-exemption applies if securities are issued within one's city of residence.

Treasury Inflation Protection Securities' (TIPS) coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation.

Ultrashort-term fixed income asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Alternative investments may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. The risks of traditional alternative investments may include: can be highly illiquid, speculative and not suitable for all investors, loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than open-end mutual funds, and risks associated with the operations, personnel and processes of the manager. Non-traditional alternative strategy products may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. **Master Limited Partnerships (MLPs)** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions.

Before engaging in the purchase or sale of **options**, potential clients should understand the nature of and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer of the underlying security or instrument. Options investing, like other forms of investing, involves tax considerations, transaction costs and margin requirements that can significantly affect the profit and loss of buying and writing options. The transaction costs of options investing consist primarily of commissions (which are imposed in opening, closing, exercise and assignment transactions), but may also include margin and interest costs in particular transactions. Transaction costs are especially significant in options strategies calling for multiple purchases and sales of options, such as multiple leg strategies, including spreads, straddles and collars. If you are considering options as part of your investment plan, your Morgan Stanley Financial Advisor or Private Wealth Advisor is required to provide you with the "Characteristics and Risks of Standardized Options" booklet from the Options Clearing Corporation. Clients should not enter into options transactions until they have read and understood the Disclosure Document, as options are not suitable for everyone, and discuss transaction costs with their Financial Advisor or Investment Representative. Please ask your Financial Advisor, Private Wealth Advisor for a copy of the Characteristics and Risks of Standardized Options booklet. A copy of the ODD is also available online at: <http://theocc.com/publications/risks/riskchap1.jsp>.

Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage.

Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

Asset Class Risk Considerations (cont'd)

Asset-backed securities generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Floating-rate securities The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision.

Credit ratings are subject to change.

Companies paying **dividends** can reduce or cut payouts at any time.

Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

The **indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment.

The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

Duration, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates.

Besides the general risk of holding securities that may decline in value, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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Monthly Perspectives

From the Global Investment Committee

April 2016



In Search of the Cycle Turn

As of April 11, 2016

- We believe asset markets priced in a 75-80% probability of a US/global recession in February and showed signs of a final capitulation to a correction that began almost two years ago.
- The data strongly suggests that the global manufacturing/industrial recession is ending. Purchasing manager surveys, durable goods and factory orders, inventories and industrial company earnings revisions have all improved. Meanwhile, many asset markets appear to be confirming the industrial reversal with better breadth and new market leadership.
- The Fed's decision to back off on rate hikes combined with very aggressive policy action from the ECB and China has been a game changer for markets. US dollar weakness/stability is the key variable.
- Our global rebalancing thesis may still be on track despite China's unpredictable devaluation path and its signal about growth, oil's relentless decline and impact on financial conditions/banks and investor doubt about the remaining effectiveness of central bank policy. We are monitoring:
 - China currency and balance sheet stabilization (*already happening*)
 - Central banks' response to changing financial conditions (*PBOC, ECB and FED have responded; BOJ next?*)
 - Earnings growth—it needs to follow recent economic data improvement (*US trough in April?*)

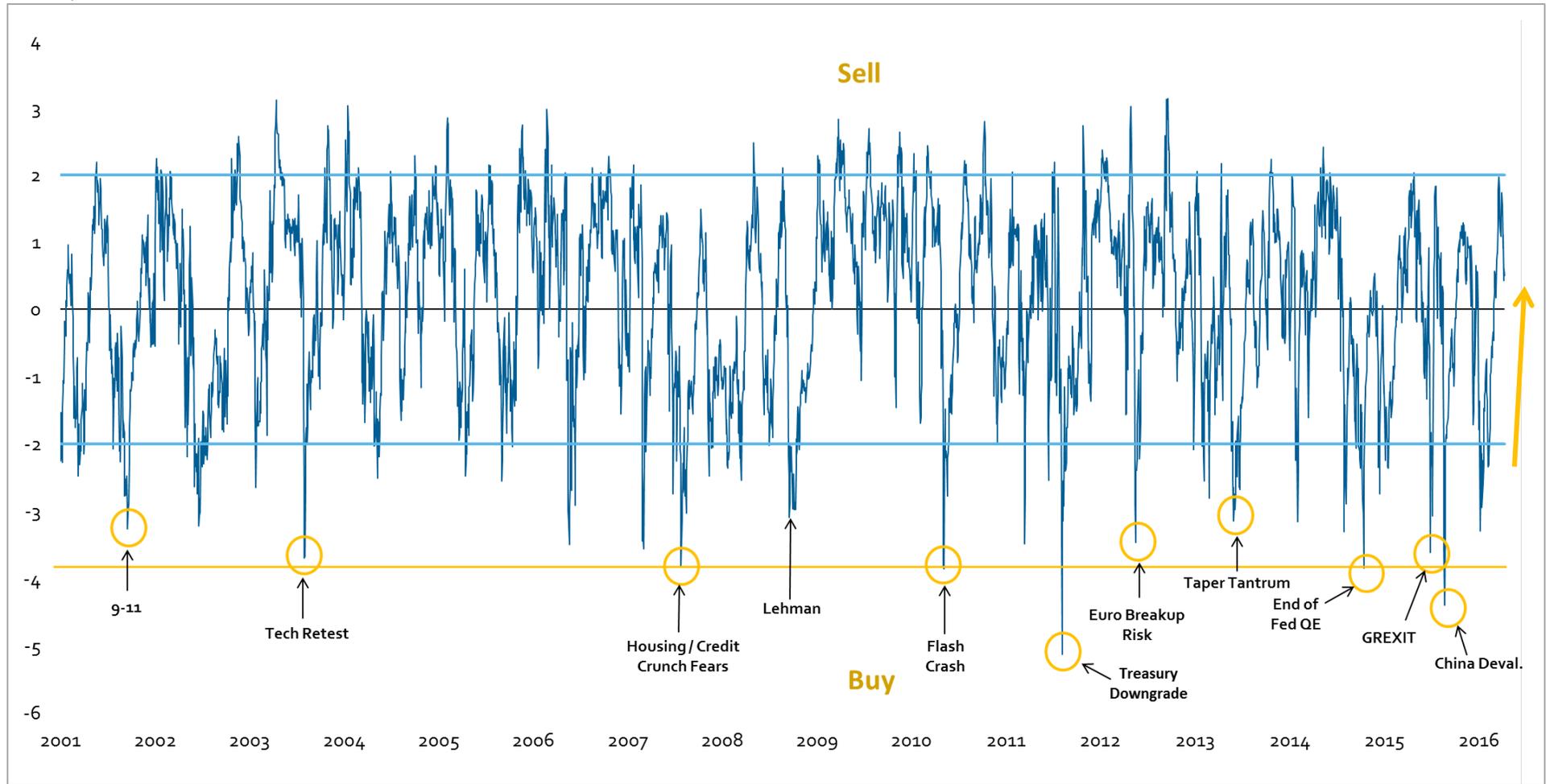
Source: Morgan Stanley Wealth Management GIC

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Global Investor Sentiment Has Rebounded Sharply

Morgan Stanley Standardized Global Risk Demand Index

As of April 11, 2016



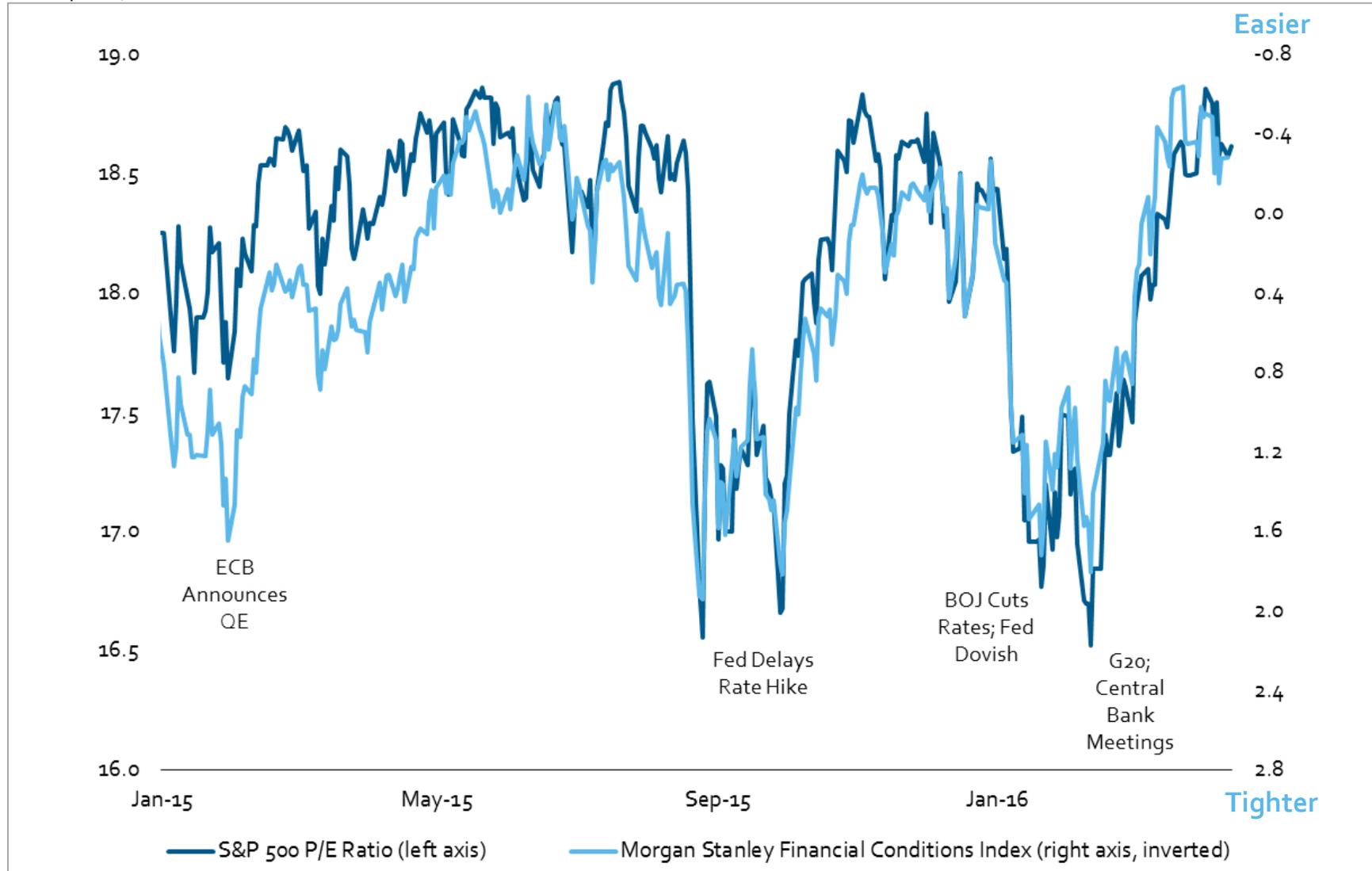
Source: Bloomberg, Morgan Stanley Wealth Management GIC

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Financial Conditions Suggest US Equity Valuation Is "Ok"

S&P 500 P/E Multiple Vs. Financial Conditions Index

As of April 11, 2016

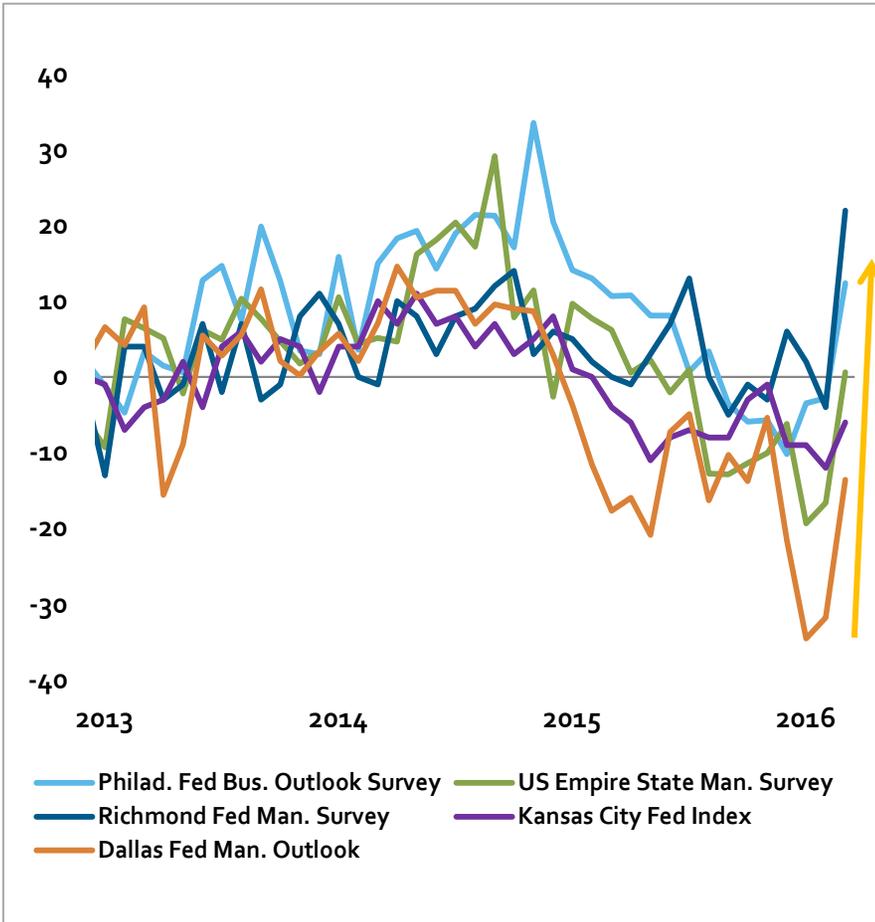


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Global Manufacturing Surveys Inflecting Higher

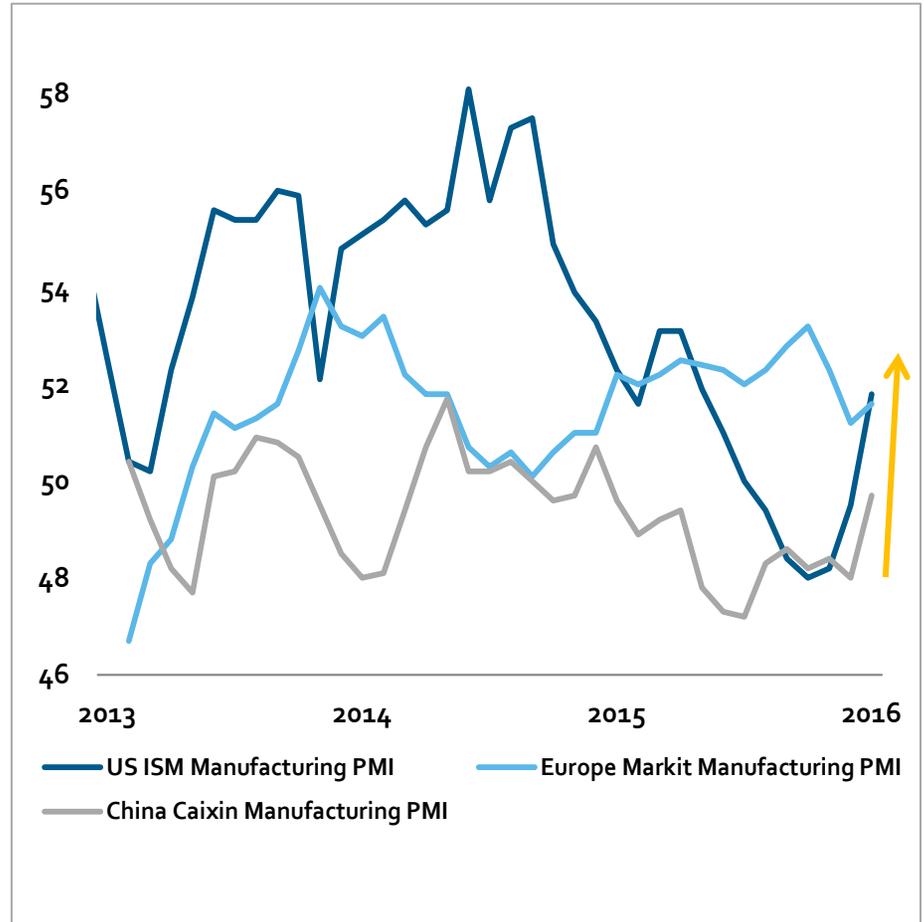
US Regional Fed Manufacturing Surveys

As of March 31, 2016



Global Manufacturing PMIs

As of March 31, 2016

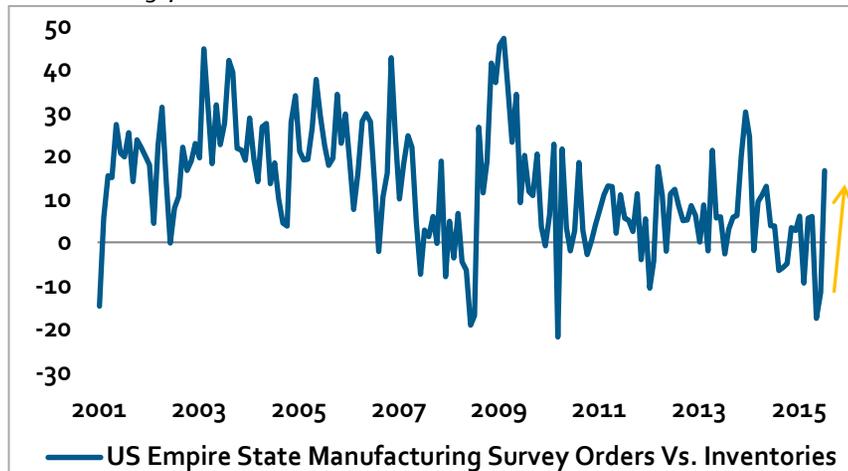


Source: Bloomberg, Morgan Stanley Wealth Management GIC
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Manufacturing Survey Orders—Inventories Rebounding Strongly, Too

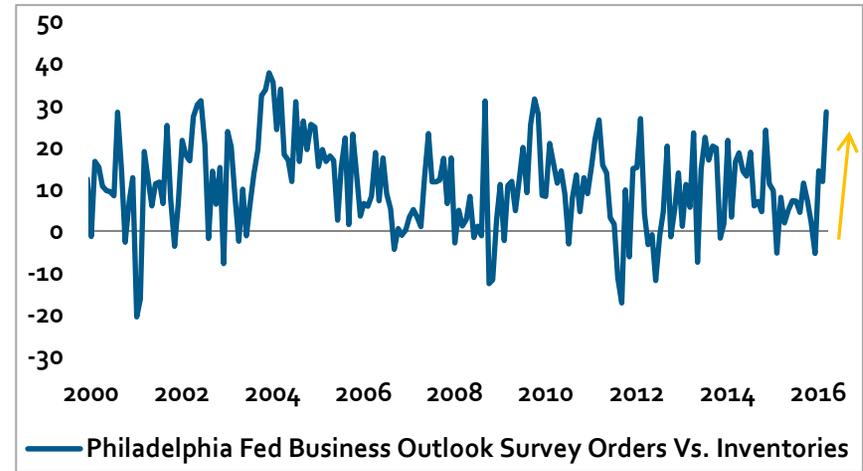
Empire State Manufacturing Orders-Inventories

As of March 31, 2016



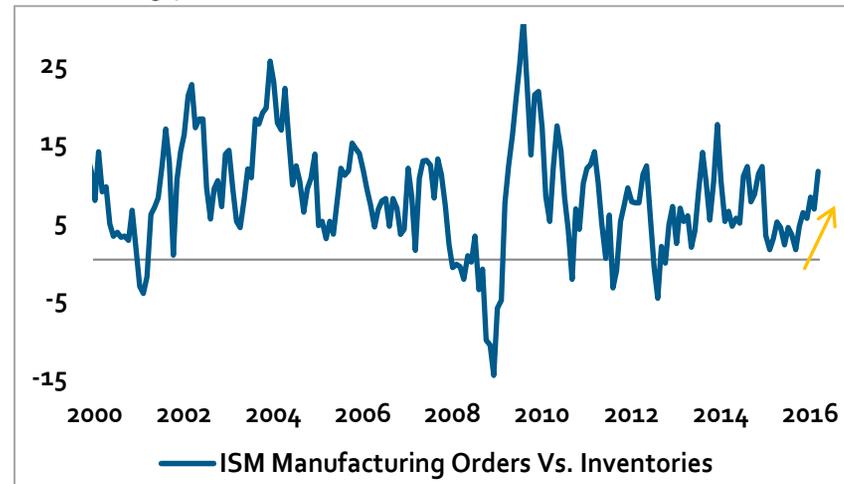
Philadelphia Fed Orders-Inventories

As of March 31, 2016



ISM Orders-Inventories

As of March 31, 2016

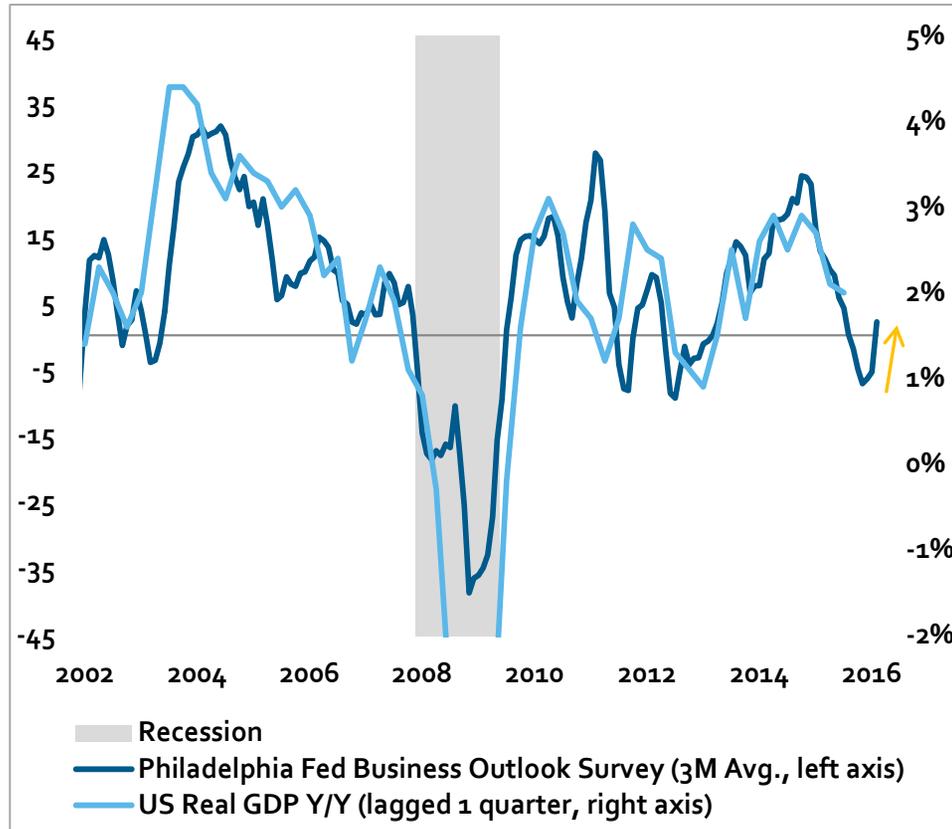


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Philadelphia Fed Survey Leads GDP *and* Industrial Earnings

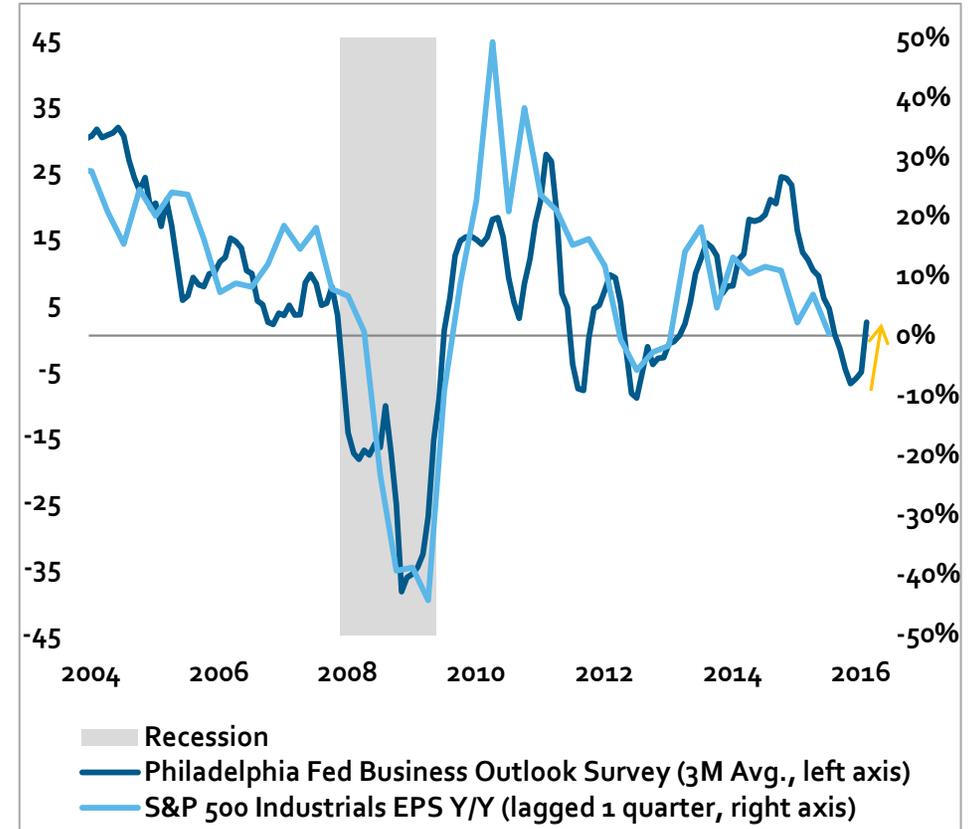
Philadelphia Fed Bus. Outlook Survey Vs. Real GDP Growth

As of March 31, 2016 (GDP as of 4Q 2015)



Philadelphia Fed Bus. Outlook Survey Vs. Industrials EPS Growth

As of March 31, 2016 (EPS as of 4Q 2015)



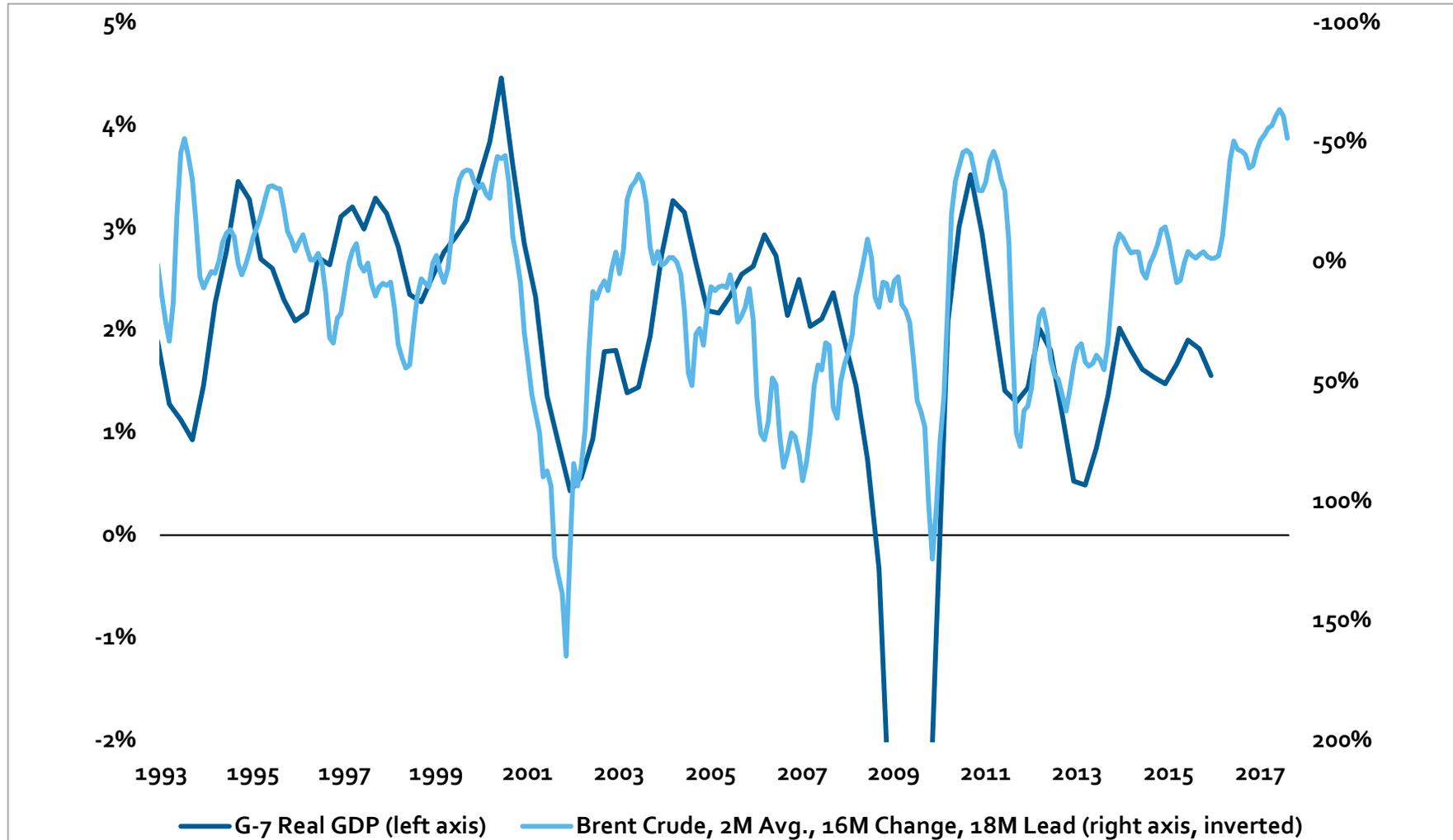
Source: Bloomberg, Haver Analytics, Morgan Stanley Wealth Management GIC

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Is the Good Side of Low Oil Finally Going to Kick In?

G-7 Real GDP Vs. Y/Y Change in Oil Prices (Inverted)

As of March 31, 2016

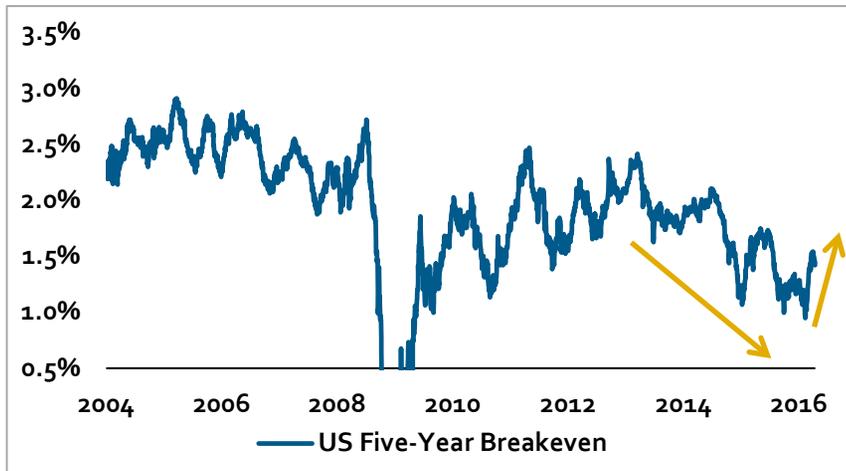


Source: Bloomberg, Haver Analytics, Morgan Stanley Wealth Management GIC
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Inflation Rebound May Have Implications for Most Financial Assets

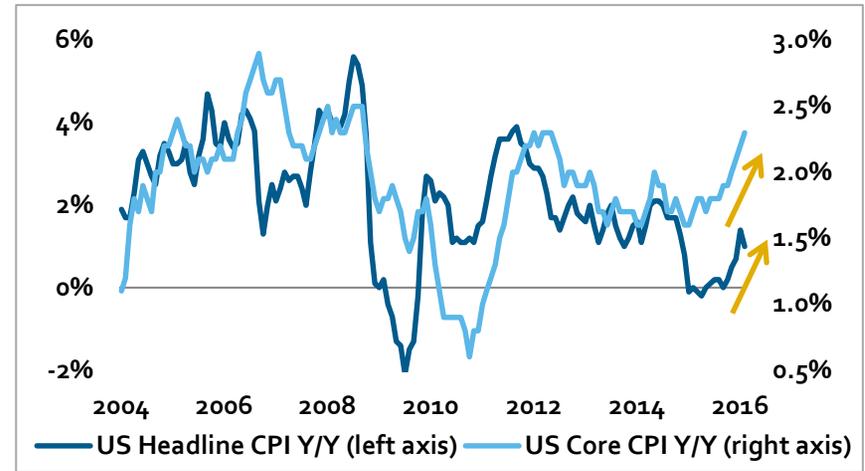
US Inflation Expectations

As of April 11, 2016



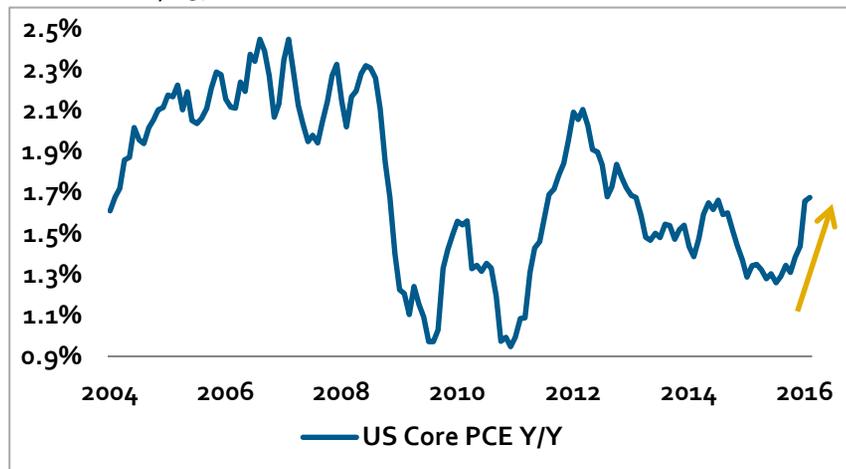
US CPI Y/Y

As of February 29, 2016



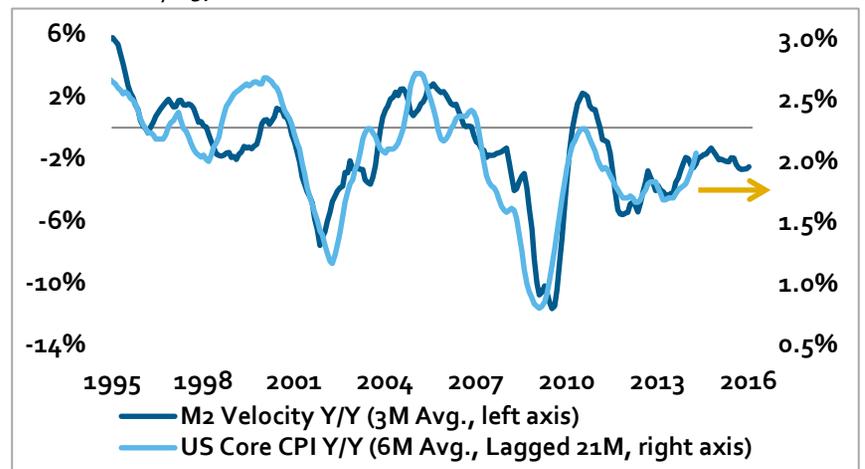
US Core PCE Y/Y

As of February 29, 2016



M2 Velocity Growth Leads Core CPI

As of February 29, 2016

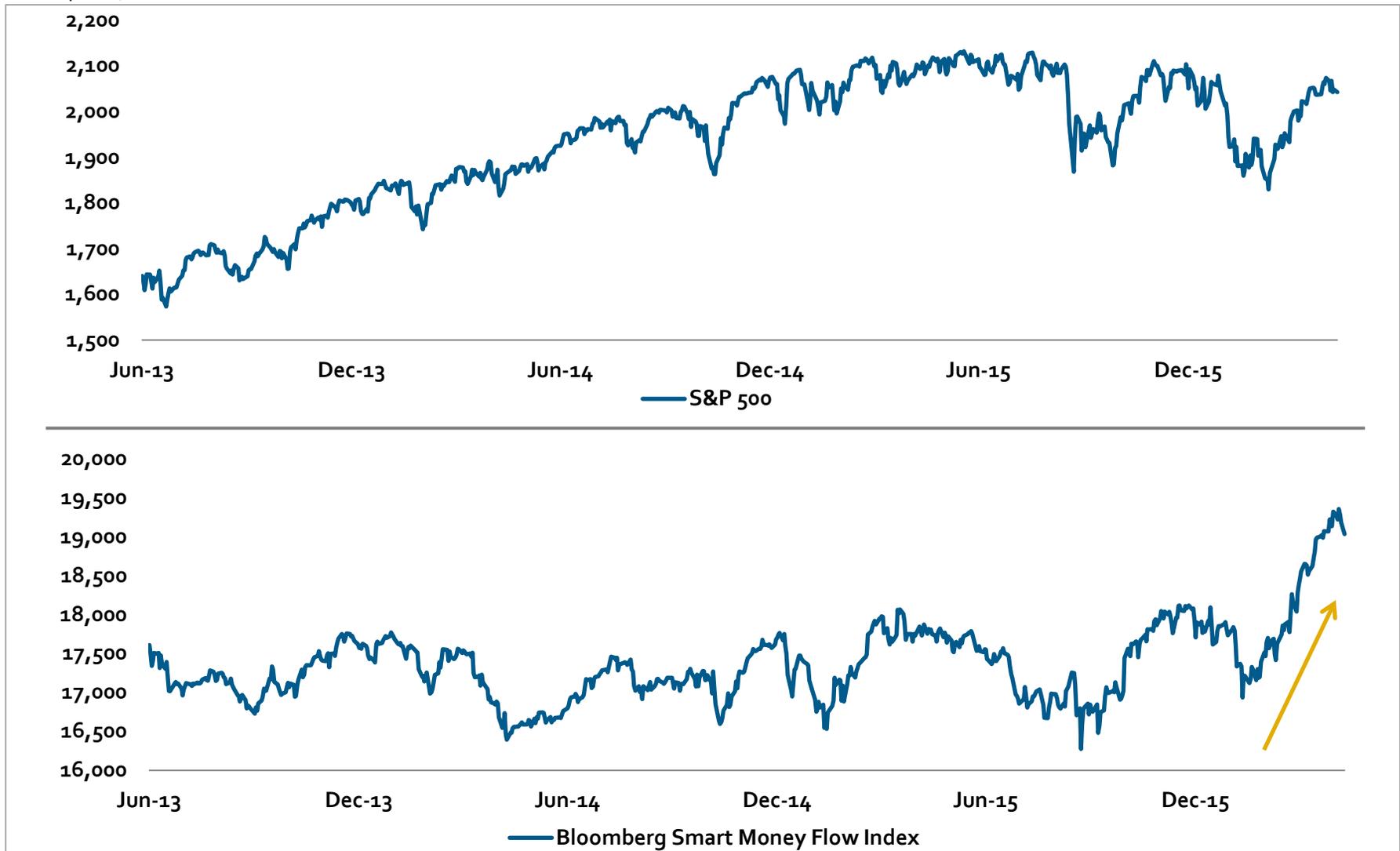


Source: Bloomberg, Haver Analytics, Morgan Stanley Wealth Management GIC
 Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

“Smart” Money Continues to Move Back Into Equities

S&P 500 Vs. Bloomberg Smart Money Flow Index

As of April 11, 2016

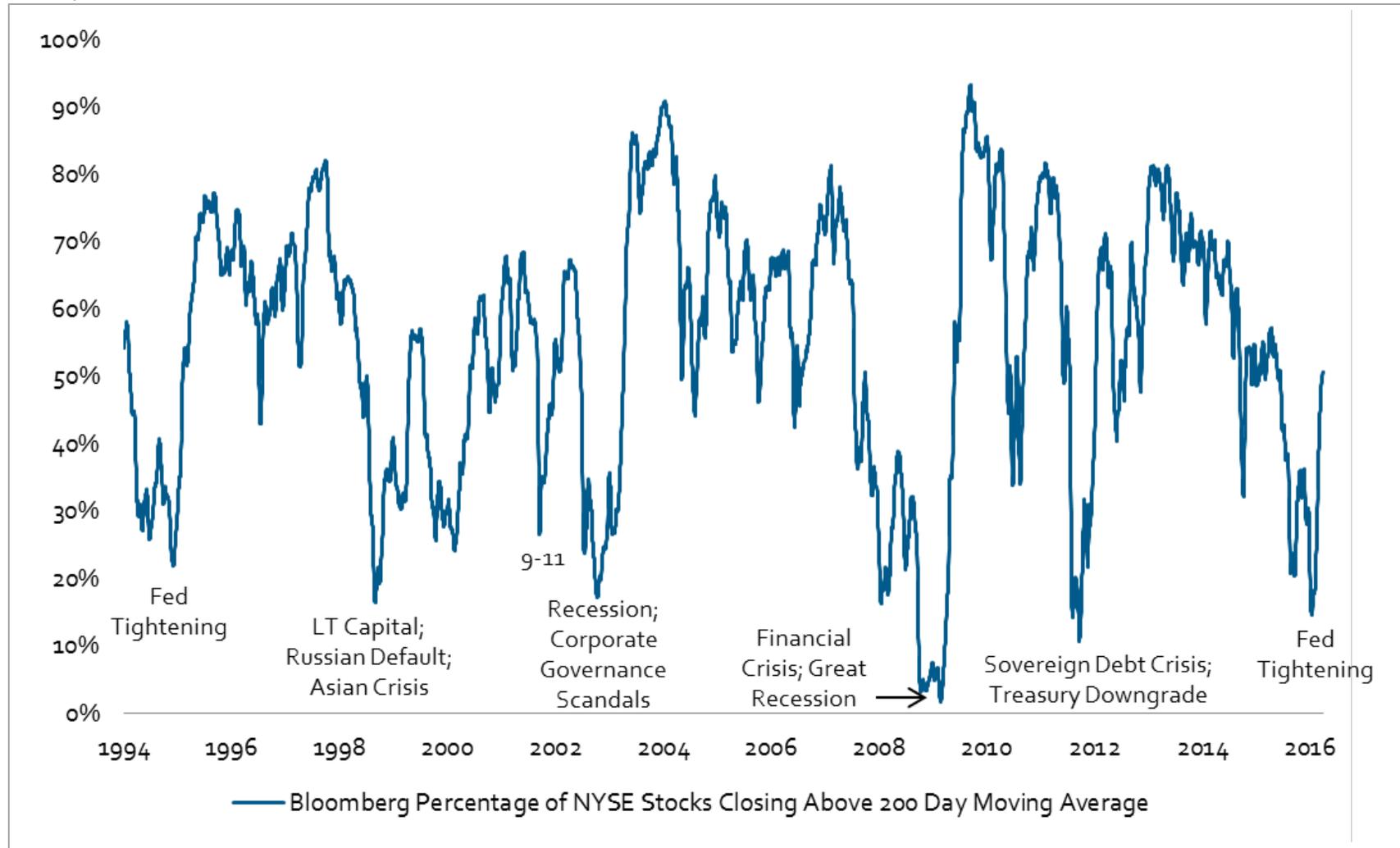


Source: Bloomberg, Morgan Stanley Wealth Management GIC. The Bloomberg Smart Money Flow Index (SMFI) tracks the Dow Jones Industrial Average minus the first 30 minutes of trading each day. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Other “Technical” Look Supportive of a Durable Low in Asset Prices

Percentage of Stocks Trading Above 200-Day Moving Average¹

As of April 11, 2016



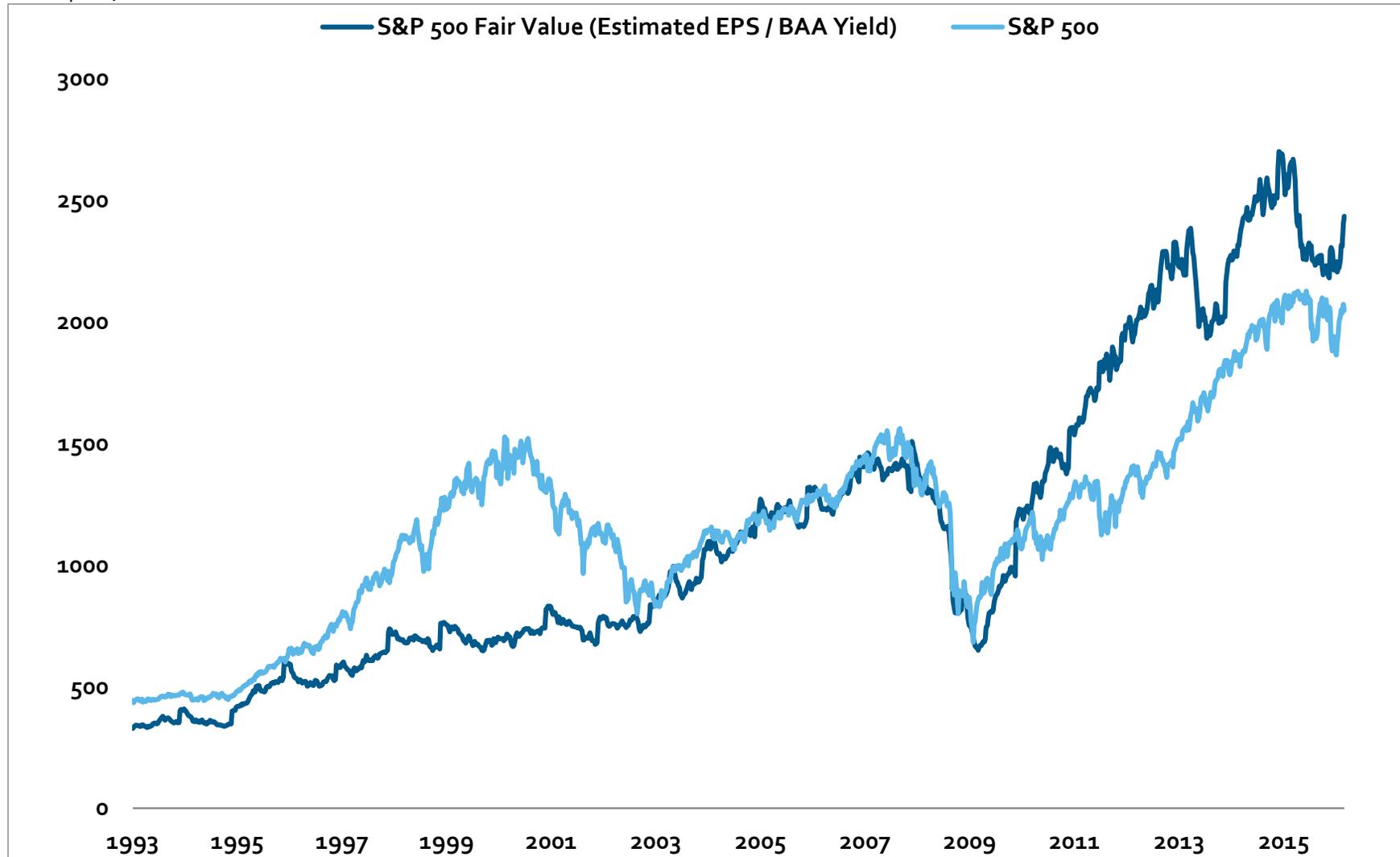
Source: Bloomberg, Morgan Stanley Wealth Management GIC. (1) Rolling 10-day avg.

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Earnings and Rates Support Base-Case Forecast for S&P 500

S&P 500 Vs. S&P 500 "Fair Value"

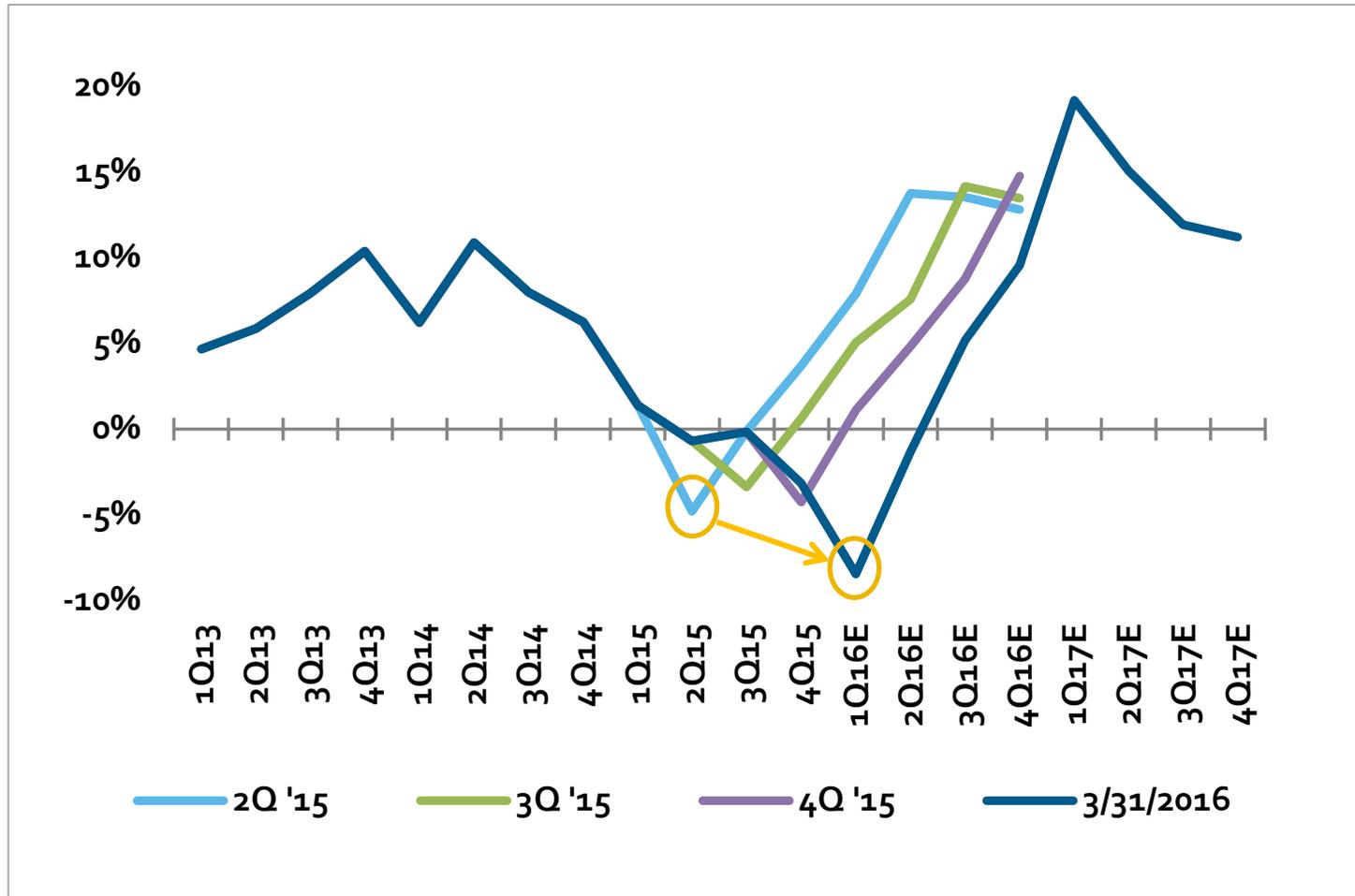
As of April 8, 2016



Source: Bloomberg, Morgan Stanley Wealth Management GIC
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It's "Show Me the Money" Time for US Earnings

S&P 500 Actual and Estimated EPS Y/Y
As of March 31, 2016

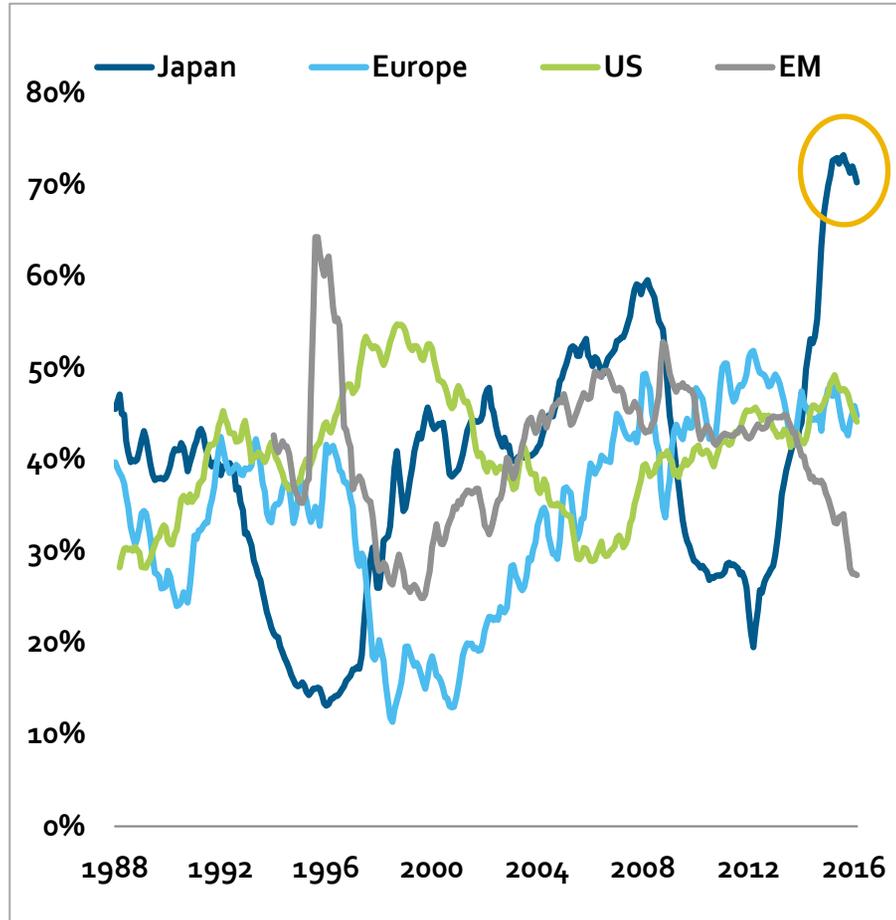


Source: Thomson Financial, S&P

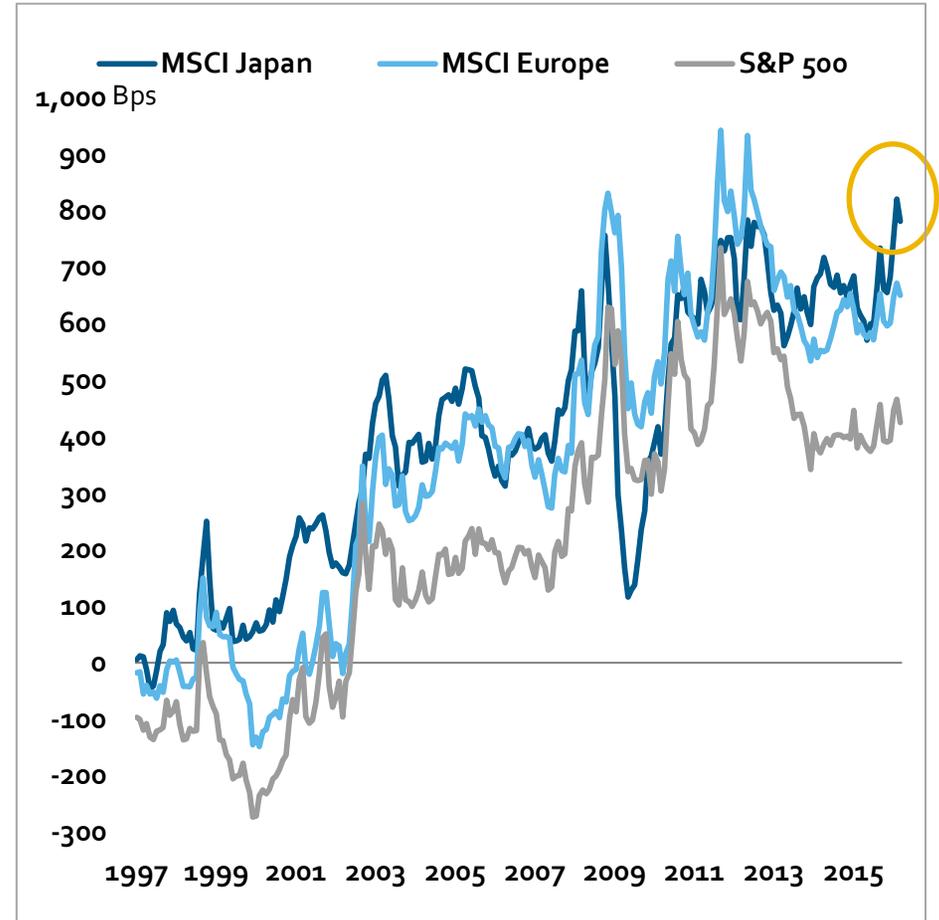
Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Japanese Equities Appear High Quality and Attractively Valued

Global High Quality Companies: Percent of Market Cap by Region¹
As of March 31, 2016



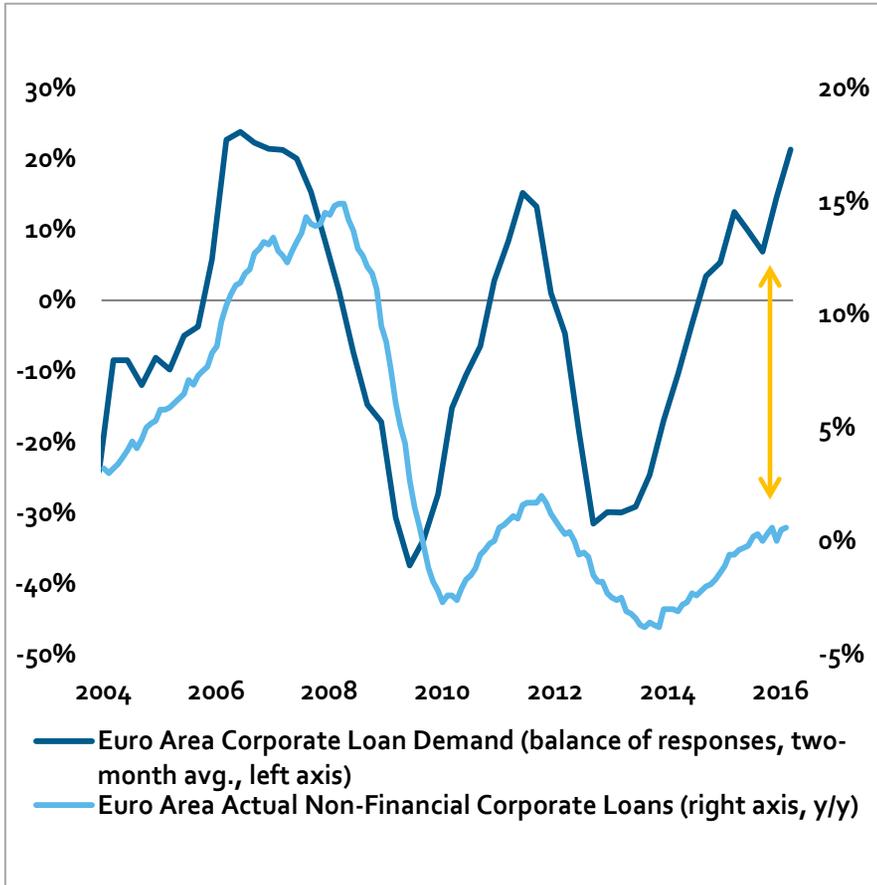
Global Forward Equity Risk Premiums
As of March 31, 2016



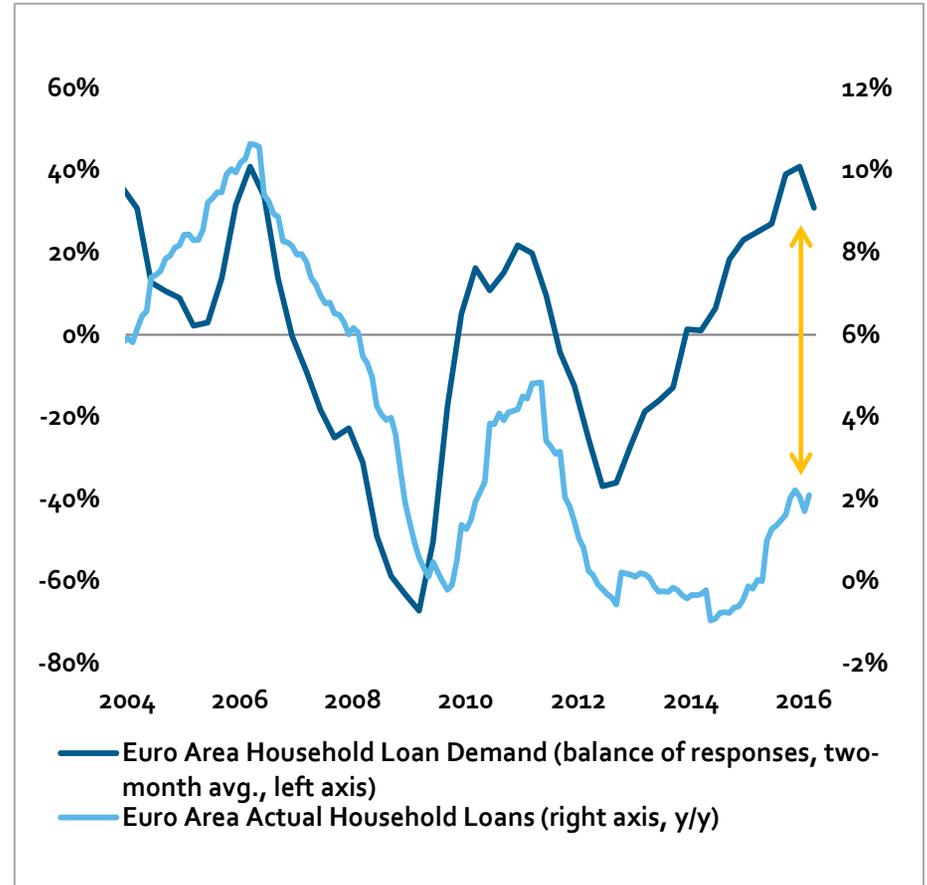
Source: FactSet, Morgan Stanley Wealth Management GIC. (1) Universe is top third of high-quality companies for each region. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Actual European Credit Growth Significantly Lagging Loan Demand

Euro Area Corporate Loan Demand Vs. Actual Loan Growth¹
As of March 31, 2016



Euro Area Household Loan Demand Vs. Actual Loan Growth¹
As of March 31, 2016



Source: Haver Analytics, Morgan Stanley Wealth Management GIC. (1) Based on the ECB Bank Lending Survey. Balance of responses is the difference between higher loan demand and lower loan demand responses. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Bottom Line: Our Recommendations

As of April 11, 2016

- The correction that started almost two years ago is likely over, but markets may need to consolidate recent gains. Watch for clarity on China currency/economic stability, the referendum on “Brexit,” a definitive bottom for oil, the US corporate earnings trough and additional fiscal policy support.
- We continue to recommend equities over fixed income given our constructive 12-month view that is based on avoidance of US/global recession, strong central bank policy support around the world, and lower risk of financial contagion in the global banking system than what was feared in February. We also favor alternatives and illiquid strategies as a way to mitigate the higher volatility and lower returns we foresee.
- 15% downside to *global* equities in our “bear” case scenario of recession (20% probability). 10% upside in our base case scenario (60-70% probability). We prefer a barbell of positioning within equity portfolios—consider large-cap value stocks, quality and reasonably priced growth stocks. We expect high momentum (high growth/high valuation) and ultra-defensive equities to underperform.
- We think Japan is still in a relatively new secular bull market—skepticism is high/valuations low. We prefer “active” strategies that continue to offer opportunity. PM Abe will likely respond to recent weakness.
- Significant stresses in EM are improving with weaker US dollar. Europe is tied to EM via its exports and banking system, and has strong long-term valuation support. Near-term risks center on German/British politics and banking stability. Don’t fight the ECB—Draghi “gets it” and has acted accordingly.
- Within fixed income, we recommend US-only positioning with some exposure to high yield and TIPS as inflation expectations should recover further with weaker dollar, stabilizing oil prices and tighter labor market.

Source: Morgan Stanley Wealth Management GIC. *For more information about the risks to Duration and Master Limited Partnerships (MLPs), please refer to the Risk Considerations section at the end of this material. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Asset Allocation Models & Insurance Products Disclosures

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS

The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

CLIENTS TO CONSIDER THEIR OWN INVESTMENT NEEDS

The GIC Asset Allocation Models are formulated based on general client characteristics such as investable assets and risk tolerance. This report is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, do not use this report as the sole basis for investment decisions.

Clients should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation(s) results that are materially different from the asset allocation shown in this report. Clients should talk to their Financial Advisor about what would be a suitable asset allocation for them.

HYPOTHETICAL MODEL PERFORMANCE (GROSS)

Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight.

Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated.

Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects.

Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

Fees reduce the performance of actual accounts None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

INSURANCE PRODUCTS AND ETF DISCLOSURES

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An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices.

Variable annuities, mutual funds and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options.

Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract.

If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Asset Class Risk Considerations

For index definitions to the indices referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment.

Investing in foreign markets entails risks not typically associated with domestic markets, such as currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, and the potential for political instability. These risks may be magnified in countries with **emerging markets and frontier markets**, since these countries may have relatively unstable governments and less established markets and economies.

Investing in small- to medium-sized companies entails special risks, such as limited product lines, markets and financial resources, and greater volatility than securities of larger, more established companies.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer.

High yield bonds (bonds rated below investment grade) may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk, price volatility, and limited liquidity in the secondary market. High yield bonds should comprise only a limited portion of a balanced portfolio.

Interest on **municipal bonds** is generally exempt from federal income tax; however, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, if applicable, local tax-exemption applies if securities are issued within one's city of residence.

Treasury Inflation Protection Securities' (TIPS) coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation.

Ultrashort-term fixed income asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Alternative investments may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. The risks of traditional alternative investments may include: can be highly illiquid, speculative and not suitable for all investors, loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than open-end mutual funds, and risks associated with the operations, personnel and processes of the manager. Non-traditional alternative strategy products may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. **Master Limited Partnerships (MLPs)** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions.

Before engaging in the purchase or sale of **options**, potential clients should understand the nature of and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer of the underlying security or instrument. Options investing, like other forms of investing, involves tax considerations, transaction costs and margin requirements that can significantly affect the profit and loss of buying and writing options. The transaction costs of options investing consist primarily of commissions (which are imposed in opening, closing, exercise and assignment transactions), but may also include margin and interest costs in particular transactions. Transaction costs are especially significant in options strategies calling for multiple purchases and sales of options, such as multiple leg strategies, including spreads, straddles and collars. If you are considering options as part of your investment plan, your Morgan Stanley Financial Advisor or Private Wealth Advisor is required to provide you with the "Characteristics and Risks of Standardized Options" booklet from the Options Clearing Corporation. Clients should not enter into options transactions until they have read and understood the Disclosure Document, as options are not suitable for everyone, and discuss transaction costs with their Financial Advisor or Investment Representative. Please ask your Financial Advisor, Private Wealth Advisor for a copy of the Characteristics and Risks of Standardized Options booklet. A copy of the ODD is also available online at: <http://theocc.com/publications/risks/riskchap1.jsp>.

Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage.

Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

Asset Class Risk Considerations (cont'd)

Asset-backed securities generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Floating-rate securities The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision.

Credit ratings are subject to change.

Companies paying **dividends** can reduce or cut payouts at any time.

Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

The **indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment.

The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

Duration, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates.

Besides the general risk of holding securities that may decline in value, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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To: Clayton County Public Employees Retirement System
From: Morgan Stanley
Date: May 12, 2016
Subject: First Quarter 2016 Plan Review

Capital Markets Overview Q116:

Global risk markets were highly volatile in the first quarter of 2016. The worst January in global stock market history gave way to a retracement in February and March, leaving US stockowners about even, and international positions down about 3% to 5% in US dollar terms. Investors grappled with fears of a global recession, ineffective central bank policy, a China-driven currency war and declining oil prices. For the quarter, gold, emerging market equities and REITs posted the strongest returns, while Japanese equities and Master Limited Partnerships (MLPs) registered the weakest performance among major asset classes. For the one-year period ended March 31, 2016, gold and global investment grade bonds were the top-performing asset classes.

The Dow Jones Industrial Average increased 2.2% in the first quarter. The NASDAQ Composite Index was down 2.4% for the quarter. The S&P 500 Index increased 1.3% for the quarter.

Eight of the 10 sectors within the S&P 500 generated positive returns in the first quarter of 2016. The top-performing sector was Telecom, which was up 16.6%. Utilities rose 15.6% and was also among the top-performing sectors. The biggest laggards were Health Care, which decreased 5.5%, and Financials, which fell 5.1%.

Morgan Stanley & Co. economists expect U.S. real GDP will be 1.7% in 2016 and 1.6% in 2017. They forecast global GDP growth to be 3.0% in 2016 and 3.4% in 2017.

Commodities registered modestly positive returns in the first quarter; the Bloomberg Commodity Index increased 0.4%. For the quarter, gold was one of the top-performing asset classes, registering a total return of 16.5%.

For the first quarter of 2016, global mergers and acquisitions (M&A) deal volume was \$712 billion, compared to \$797 billion for the first quarter of 2015. Global M&A activity increased to \$4.3 trillion in 2015 from \$3.3 trillion in 2014.

Clayton County Defined Benefit Plan 1st Quarter 2016 Review:

The Clayton County portfolio outperformed its custom benchmark during the fourth quarter, increasing 3.44% compared to the custom benchmark increase of 2.75%. The custom benchmark is composed of 10% Russell 1000 Growth Index, 7% Russell 1000 Index, 13% Russell 1000 Value Index, 4% Russell Midcap Growth Index, 6% Russell Midcap Value Index, 5% Russell 2000 Growth Index, 5% Russell 2000 Value Index, 7% MSCI EAFE Index, 3% MSCI Emerging Markets Index, 1% Citigroup 3-month T-bill Index, 32% Barclay's US Aggregate Index, and 7% Citigroup World Government Bond Index.

Table 1 shows the composition of the portfolio, reflecting the plan's allocation of 32.41% fixed income and cash equivalents, 57.17% domestic equities and 10.19% international equities. Most asset categories posted gains during the 1st quarter, with the exception of Small Cap equities.

On a 1 year trailing basis through March 31, 2016, the plan underperformed its benchmark, decreasing -3.50% versus the benchmark's decline of -0.89%. However, from a longer-term perspective, over the 5 year trailing period the plan is outperforming the benchmark, posting a 7.22% annualized return versus the benchmark's return of 6.77%.

Table 1
Defined Benefit Plan Composition

<i>As of March 31st, 2016</i>		<i>% of Portfolio</i>	<i>Defined Benefit Plan Performance</i>				<i>Benchmarks</i>			
<i>Investment Category</i>	<i>\$ Value</i>		<i>1st Q</i>	<i>1 yr</i>	<i>3 yrs</i>	<i>5 yrs</i>	<i>1st Q</i>	<i>1 yr</i>	<i>3 yrs</i>	<i>5 yrs</i>
Money Market	\$ 822,135.30	0.23%	0.09%	0.14%	0.06%	0.05%	0.05%	0.08%	0.05%	0.06%
Fixed Income	\$ 118,116,743.14	32.41%	2.08%	-0.06%	2.32%	4.22%	3.61%	2.49%	2.17%	3.38%
<i>Large Cap</i>	\$ 127,488,879.79	34.98%	0.50%	-1.86%	10.28%	11.07%	1.22%	0.32%	11.32%	11.23%
<i>Mid Cap</i>	\$ 42,417,393.32	11.64%	0.19%	-7.06%	8.92%	10.39%	2.69%	-3.89%	10.29%	10.33%
<i>Small Cap</i>	\$ 38,460,673.67	10.55%	-1.91%	-11.19%	6.58%	8.05%	-1.46%	-9.76%	6.81%	7.18%
Domestic Equities Total	\$ 208,366,946.78	57.17%	-0.01%	-4.64%	9.32%	10.38%	1.03%	-2.40%	10.28%	10.30%
International/Global	\$ 37,154,909.36	10.19%	0.96%	-4.38%	4.31%	6.04%	1.21%	-11.35%	-1.70%	-1.47%
Total	\$ 364,460,734.58	100.00%	0.66%	-3.50%	5.56%	7.22%				
Clayton County Custom Benchmark			2.06%	-0.89%	6.20%	6.77%				

Table 2 shows the fund holdings in the Clayton County Portfolio. The largest holdings were the John Hancock Bond R6 Fund followed by the Metropolitan West Total Return Bond Plan Fund and the JPMorgan Mid Cap Value fund.

Table 2
Clayton County Defined Benefit Plan Fund Holdings

<i>As of March 31st, 2016</i>		<u>Clayton County DB Portfolio</u>					<u>Benchmark Performance</u>				
Investment Category	\$ Value	% of Portfolio	1st Q	1 yr	3 yrs	5 yrs	1st Q	1 yr	3 yrs	5 yrs	Benchmark
JHancock Bond R6	\$ 45,037,343.32	12.36%	2.42%	0.66%	2.95%	5.03%	3.03%	1.96%	2.50%	3.78%	Barclays Capital U.S. Aggregate
Metropolitan West Total Return Bond Plan	\$ 44,674,513.43	12.26%	2.74%	1.19%	3.04%	4.45%	3.03%	1.96%	2.50%	3.78%	Barclays Capital U.S. Aggregate
JPMorgan Mid Cap Value Instl	\$ 26,841,139.39	7.36%	3.92%	-2.14%	11.05%	12.37%	3.92%	-3.39%	9.88%	10.52%	Russell Midcap Value
Templeton Global Bond R6	\$ 23,890,204.53	6.55%	0.13%	-4.02%	-0.30%	2.14%	5.90%	4.57%	0.87%	1.81%	Barclays Global Aggregate
Fidelity Focused Stock	\$ 21,422,917.36	5.88%	-0.28%	-3.46%	9.80%	9.61%	0.74%	2.52%	13.61%	12.38%	Russell 1000 Growth
Delaware US Growth Instl	\$ 21,408,156.84	5.87%	-6.40%	-4.24%	10.59%	11.96%	0.74%	2.52%	13.61%	12.38%	Russell 1000 Growth
Paradigm Large Val	\$ 19,884,585.35	5.46%	1.02%	-0.94%	11.43%	12.19%	1.64%	-1.54%	9.38%	10.25%	Russell 1000 Value
JPMorgan Small Cap Value R6	\$ 19,409,338.81	5.33%	3.15%	-6.93%	6.58%	8.29%	1.70%	-7.72%	5.73%	6.66%	Russell 2000 Value
Glenmede Large Cap Core	\$ 19,296,218.75	5.29%	1.22%	-0.71%	13.27%	12.87%	1.17%	0.50%	11.52%	11.35%	Russell 1000
Franklin Small Cap Growth R6	\$ 19,051,334.86	5.23%	-7.06%	-15.54%	6.57%	7.81%	-4.68%	-11.84%	7.91%	7.70%	Russell 2000 Growth
DRZ Large Cap Value	\$ 17,349,150.70	4.76%	5.02%	-3.52%	6.44%	8.26%	1.64%	-1.54%	9.38%	10.25%	Russell 1000 Value
MFS International Value R5	\$ 16,843,633.42	4.62%	2.66%	2.81%	9.61%	9.69%	-0.42%	-12.31%	-1.34%	-1.03%	MSCI ACWI ex USA VALUE (Net)
TCW Relative Value Dividend Appreciation I	\$ 16,537,062.06	4.54%	2.35%	-1.80%	8.17%	9.87%	1.64%	-1.54%	9.38%	10.25%	Russell 1000 Value
HSBC Opportunity I	\$ 15,576,253.93	4.27%	-6.24%	-15.54%	5.25%	6.97%	0.58%	-4.75%	10.99%	9.99%	Russell Midcap Growth
Atlanta Capital Large Cap Core	\$ 11,590,788.73	3.18%	3.23%	4.44%	12.44%	13.16%	1.17%	0.50%	11.52%	11.35%	Russell 1000
Oakmark International	\$ 10,525,570.56	2.89%	-2.95%	-12.37%	2.72%	4.40%	-0.38%	-9.19%	0.32%	0.31%	MSCI ACWI ex USA (Net)
Virtus Emerging Markets Opportunities I	\$ 9,785,705.38	2.68%	2.23%	-8.18%	-3.09%	1.52%	5.71%	-12.03%	-4.50%	-4.13%	MSCI EM (EMERGING MARKETS) (Net)
JPMorgan Core Plus Bond R6	\$ 4,514,681.86	1.24%	2.48%	1.33%	2.73%	4.81%	3.03%	1.96%	2.50%	3.78%	Barclays Capital U.S. Aggregate
Vanguard Prime Money Market Inv	\$ 822,135.30	0.23%	0.09%	0.14%	0.06%	0.05%	0.05%	0.08%	0.05%	0.06%	Citigroup 3-month T-bill

Table 3 shows the performance of the individual funds / managers relative to their benchmarks. The funds are ranked by the highest outperformers to the lowest based on their performance during the latest quarter. For the quarter, seven funds outperformed their benchmark, eleven underperformed, and one performed in-line with their benchmark.

Table 3
Performance vs. Benchmark

<i>As of March 31st, 2016</i>	<i>% of</i>	<i>Relative Performance vs. Benchmarks</i>				
		<i>1st Q</i>	<i>1 yr</i>	<i>3 yrs</i>	<i>5 yrs</i>	
Investment Category	\$ Value	Portfolio				
DRZ Large Cap Value	\$ 17,349,150.70	4.76%	3.38%	-1.98%	-2.94%	-1.99%
MFS International Value R5	\$ 16,843,633.42	4.62%	3.08%	15.12%	10.95%	10.72%
Atlanta Capital Large Cap Core	\$ 11,590,788.73	3.18%	2.06%	3.94%	0.92%	1.81%
JPMorgan Small Cap Value R6	\$ 19,409,338.81	5.33%	1.45%	0.79%	0.85%	1.63%
TCW Relative Value Dividend Appreciation I	\$ 16,537,062.06	4.54%	0.71%	-0.26%	-1.21%	-0.38%
Glenmede Large Cap Core	\$ 19,296,218.75	5.29%	0.05%	-1.21%	1.75%	1.52%
Vanguard Prime Money Market Inv	\$ 822,135.30	0.23%	0.04%	0.06%	0.01%	-0.01%
JPMorgan Mid Cap Value Instl	\$ 26,841,139.39	7.36%	0.00%	1.25%	1.17%	1.85%
Metropolitan West Total Return Bond Plan	\$ 44,674,513.43	12.26%	-0.29%	-0.77%	0.54%	0.67%
JPMorgan Core Plus Bond R6	\$ 4,514,681.86	1.24%	-0.55%	-0.63%	0.23%	1.03%
JHancock Bond R6	\$ 45,037,343.32	12.36%	-0.61%	-1.30%	0.45%	1.25%
Paradigm Large Val	\$ 19,884,585.35	5.46%	-0.62%	0.60%	2.05%	1.94%
Fidelity Focused Stock	\$ 21,422,917.36	5.88%	-1.02%	-5.98%	-3.81%	-2.77%
Franklin Small Cap Growth R6	\$ 19,051,334.86	5.23%	-2.38%	-3.70%	-1.34%	0.11%
Oakmark International	\$ 10,525,570.56	2.89%	-2.57%	-3.18%	2.40%	4.09%
Virtus Emerging Markets Opportunities I	\$ 9,785,705.38	2.68%	-3.48%	3.85%	1.41%	5.65%
Templeton Global Bond R6	\$ 23,890,204.53	6.55%	-5.77%	-8.59%	-1.17%	0.33%
HSBC Opportunity I	\$ 15,576,253.93	4.27%	-6.82%	-10.79%	-5.74%	-3.02%
Delaware US Growth Instl	\$ 21,408,156.84	5.87%	-7.14%	-6.76%	-3.02%	-0.42%

Table 4 below shows the performance of the funds in the Clayton County Defined Benefit Plan relative to their peer group on a rolling five-year basis. The IPS targets fund performance that places them in the top quartile of their peer group. Until recently the target was performance in the top half of the peer group. The figures shown in red indicate that the fund performance was not in the top 25%. The figures in yellow are those that would not have met the less stringent standard of being in the top half.

Table 4
5 Year Rolling Peer Group Ranking

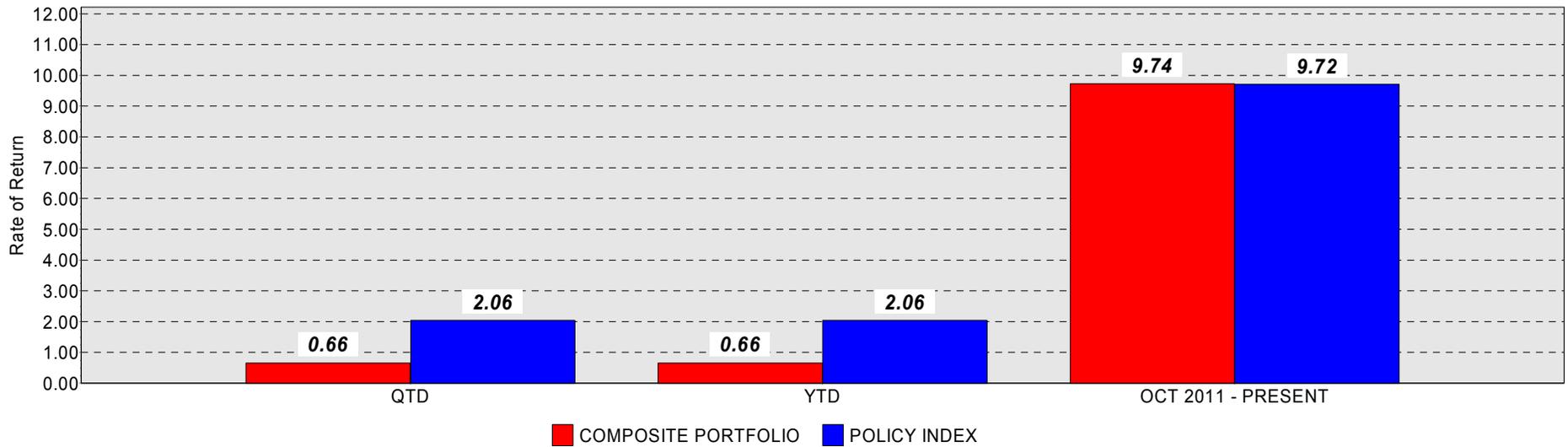
Peer Group Ranking (5yr Trailing Thru 3/31/16)									
5 Years Ended 3/31/16	DePrince, Race: Large Cap Value (gross)	TCW Dividend Focused I	Glenmede Large Cap 100	Atlanta Capital: HQ Select Equity (Gross)	Delaware US Growth Instl	Fidelity Focused Stock	JPMorgan Mid Cap Value Instl	HSBC Opportunity I	JPMorgan Small Cap Value R6
2016	63.38	29.87	1.29	0.78	12.88	61.11	0.00	60.15	17.14
2015	50.57	10.72	1.09	3.33	6.04	13.24	0.69	9.68	22.78
2014	2.95	7.04	5.58	9.64	14.80	9.99	36.76	5.66	34.97
2013	5.20	25.00	4.90	0.82	14.28	9.05	13.32	8.19	31.27
2012	18.80	47.18	21.09	0.28	20.06	15.16	18.40	5.35	54.45
2011	13.54	43.04	24.81	n/a	74.91	9.21	34.47	1.98	64.75
5 Years Ended 3/31/16	Franklin Small Cap Growth R6	MFS International Value I	Oakmark International I	Virtus Emerging Markets Opportunities I	JPMorgan Core Plus Bond R6	JHancock Bond R6	Metropolitan West Total Return Bond Plan	Templeton Global Bond R6	Paradigm Asset: Large Cap Value (Gross)
2016	25.33	0.00	24.12	3.23	10.19	2.93	4.74	38.73	3.60
2015	0.00	0.00	6.67	1.34	8.86	0.90	4.38	25.54	4.92
2014	7.00	2.31	0.00	14.32	22.03	2.56	9.93	22.78	13.99
2013	4.08	0.18	0.00	2.41	13.34	1.06	2.59	0.73	62.74
2012	6.96	2.24	30.19	0.00	12.86	8.67	6.34	1.18	63.47
2011	33.37	9.64	10.79	20.16	13.61	8.56	2.43	0.87	1.04

CLAYTON COUNTY
COMPOSITE PORTFOLIO
PERIOD ENDING March 31, 2016

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**CLAYTON COUNTY
COMPOSITE PORTFOLIO
March 31, 2016 Performance Review**

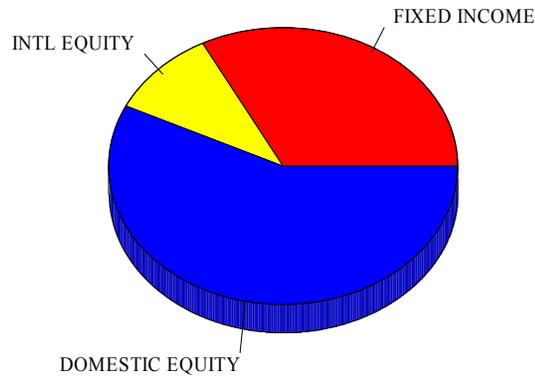


	<u>QTD</u>	<u>YTD</u>	<u>OCT 2011 - PRESENT</u>
Beginning Mkt Value	365,289,860.01	365,289,860.01	270,546,045.06
Net Contributions	(3,071,902.00)	(3,071,902.00)	(43,325,046.47)
Interest And Dividend Income	938,044.09	938,044.09	39,799,128.91
Investment Earnings	2,242,776.57	2,242,776.57	137,239,735.99
Ending Mkt Value	364,460,734.58	364,460,734.58	364,460,734.58
Gross Time Weighted Return	0.66	0.66	9.74
Policy Index	2.06	2.06	9.72

*Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: August 30, 1989*

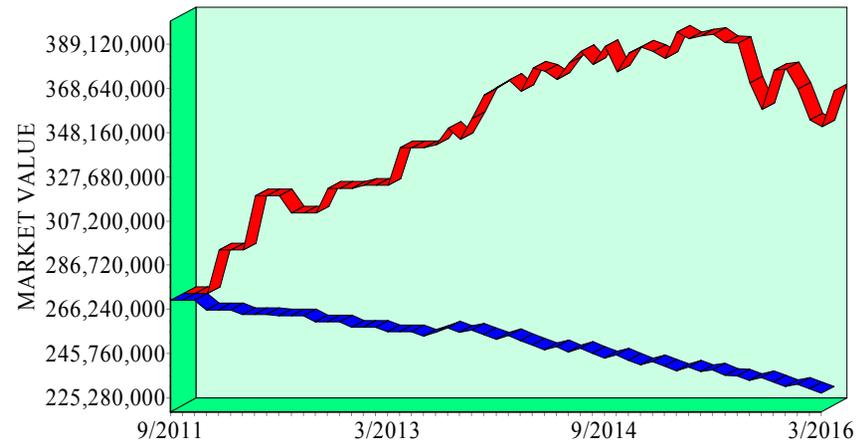
CLAYTON COUNTY COMPOSITE PORTFOLIO SOURCE OF GROWTH ANALYSIS PERIOD ENDING MARCH 31, 2016

-- ASSET ALLOCATION --



	VALUE	PERCENT
■ FIXED INCOME	118,938,878	32.63
■ DOMESTIC EQUITY	208,366,947	57.17
■ INTL EQUITY	37,154,909	10.20
TOTAL	364,460,735	100.00

-- SOURCE OF PORTFOLIO GROWTH --

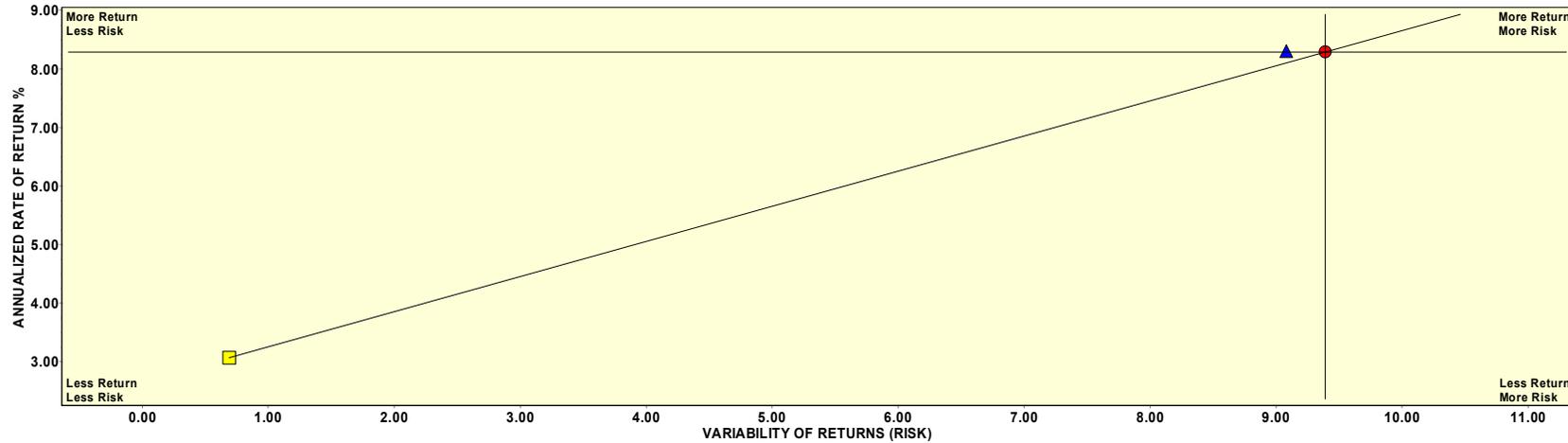


■ PORTFOLIO MARKET VALUE
■ BEGINNING MARKET VALUE & NET CONTRIBUTIONS

	DOLLARS	
	12/2015-3/2016	10/2011-PRESENT
BEGINNING VALUE	365,289,860	270,546,045
NET CONTRIBUTION	-3,071,902	-43,325,046
INVESTMENT RETURN	2,242,777	137,239,736
ENDING VALUE	364,460,735	364,460,735

CLAYTON COUNTY COMPOSITE PORTFOLIO

March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	8.31	9.08	0.58	0.52	2.56	29.33
● Policy Index	8.29	9.39	0.56	1.00	0.00	100.00
■ 90 DAY US TBILL	3.06	0.69	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-3.50	10.24	-2.44	1.15	-0.25	-2.61	-13.34	118.81	97.52	11.36
3/2013-3/2016	5.56	8.13	-1.05	1.08	0.48	-0.64	-18.00	105.88	98.89	23.95
3/2011-3/2016	7.22	9.45	2.54	0.71	0.62	0.45	-14.53	78.85	89.45	23.45
3/2009-3/2016	10.80	9.32	2.75	0.70	0.89	-0.77	-14.59	74.67	83.24	27.09
8/1989-3/2016	8.31	9.08	2.56	0.52	0.70	0.02	-11.15	45.75	66.40	19.36

gross time weighted return

Portfolio Risk Index: Policy Index Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 8/30/1989

**CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF MARCH 31, 2016
GROSS TIME WEIGHTED RETURN**

Name	Quarter 12/31/2015 03/31/2016	1 YEAR 03/31/2015 03/31/2016	3 YEARS 03/31/2013 03/31/2016	5 YEARS 03/31/2011 03/31/2016	10 YEARS 03/31/2006 03/31/2016	Since Inception	Inception Date
TOTAL FUND							
DOMESTIC EQUITY							
795-000021 ATLANTA CAPITAL LARGE CAP CORE	3.07%					8.22%	10/1/2011
RUSSELL 1000	1.18%	0.51%	11.52%	11.35%	7.06%	7.76%	
795-000021 DRZ LARGE CAP VALUE	5.04%	-3.44%				5.13%	10/1/2011
RUSSELL 1000 VALUE	1.63%	-1.56%	9.38%	10.24%	5.72%	9.02%	
795-000021 DELAWARE US GROWTH INSTL	-6.35%	-3.99%				3.50%	10/1/2011
RUSSELL 1000 GROWTH	0.74%	2.52%	13.62%	12.38%	8.29%	7.57%	
795-000021 FIDELITY FOC STK	-0.22%	-3.22%				9.31%	10/1/2011
RUSSELL 1000 GROWTH	0.74%	2.52%	13.62%	12.38%	8.29%	14.10%	
795-000021 FRANKLIN SMALL CAP GR	-7.06%	-15.54%				4.73%	10/1/2011
RUSSELL 2000 GROWTH	-4.68%	-11.86%	7.91%	7.70%	6.00%	7.23%	
795-000021 GLENMEDE LARGE CAP	1.35%	-0.31%				14.13%	10/1/2011
RUSSELL 1000	1.18%	0.51%	11.52%	11.35%	7.06%	11.57%	
795-000021 HSBC OPP I	-6.22%	-15.46%				5.59%	10/1/2011
RUSSELL MIDCAP GR	0.58%	-4.74%	11.00%	10.00%	7.44%	10.92%	
795-000021 JP MORGAN MIDCAP VAL	3.94%	-2.04%				11.04%	10/1/2011
RUSSELL MIDCAP VALUE	3.91%	-3.41%	9.88%	10.51%	7.23%	10.16%	
795-000021 JP MORGAN SMALL CAP VALUE	3.15%	-6.93%				5.47%	10/1/2011
RUSSELL 2000 VALUE	1.70%	-7.73%	5.72%	6.66%	4.42%	5.32%	
795-000021 PARADIGM LARGE VAL	0.93%	-1.05%				10.49%	10/1/2011
RUSSELL 1000 VALUE	1.63%	-1.56%	9.38%	10.24%	5.72%	9.02%	
795-000021 TCW DIV FOCUS	2.02%	-1.54%				7.89%	10/1/2011
RUSSELL 1000 VALUE	1.63%	-1.56%	9.38%	10.24%	5.72%	9.02%	
Total DOMESTIC EQUITY	-0.20%	-5.31%	8.93%			12.77%	
Equity Policy Index	0.95%	-2.59%	10.27%	10.29%	6.73%	13.71%	

gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF MARCH 31, 2016
GROSS TIME WEIGHTED RETURN**

Name	Quarter 12/31/2015 03/31/2016	1 YEAR 03/31/2015 03/31/2016	3 YEARS 03/31/2013 03/31/2016	5 YEARS 03/31/2011 03/31/2016	10 YEARS 03/31/2006 03/31/2016	Since Inception	Inception Date
<u>INTERNATIONAL EQUITY</u>							
795-000029 MFS INTL VAL	2.66%	2.81%				8.61%	10/1/2011
MSCI EAFE	-2.89%	-7.87%	2.67%	2.76%	2.27%	3.19%	
795-000029 OAKMARK INTL	-2.79%	-12.63%				1.67%	10/1/2011
MSCI EAFE	-2.89%	-7.87%	2.67%	2.76%	2.27%	3.19%	
795-000029 VIRTUS EMERGING MKT	2.28%	-8.00%				-1.07%	10/1/2011
MSCI EMERGING MARKET	5.76%	-11.68%	-4.20%	-3.83%	3.32%	-1.62%	
Total INTERNATIONAL EQUITY	<u>0.96%</u>	<u>-4.89%</u>	<u>3.01%</u>			<u>7.78%</u>	
<i>Intl Equity Policy Index</i>	-0.33%	-8.88%	0.67%	0.83%	2.72%	5.83%	
<u>FIXED INCOME</u>							
795-000021 JOHN HANCOCK	2.42%	0.66%				4.19%	10/1/2011
BC AGGREGATE BOND	3.04%	1.99%	2.51%	3.78%	4.90%	3.62%	
795-000021 METROWEST TOTAL RET	2.48%	1.33%				3.85%	10/1/2011
BC AGGREGATE BOND	3.04%	1.99%	2.51%	3.78%	4.90%	3.62%	
795-000021 TEMPLETON GLOBAL	0.13%	-4.02%				0.58%	10/1/2011
CG WGBI	7.08%	5.93%	0.49%	1.17%	4.19%	1.64%	
795-000021 VANGUARD PRIME MMKT	0.10%	0.26%				0.11%	10/1/2011
90 DAY US TBILL	0.05%	0.06%	0.03%	0.04%	1.06%	0.02%	
795-000000 JPMORGAN CORE PLUS BOND R6	2.63%	1.16%				2.44%	12/17/2014
BC AGGREGATE BOND	3.04%	1.99%	2.51%	3.78%	4.90%	2.89%	
Total FIXED INCOME	<u>1.98%</u>	<u>0.01%</u>	<u>1.81%</u>			<u>3.34%</u>	
<i>Fixed Income Policy Index</i>	3.67%	2.64%	2.10%	3.24%	4.70%	2.27%	
<u>CASH</u>							

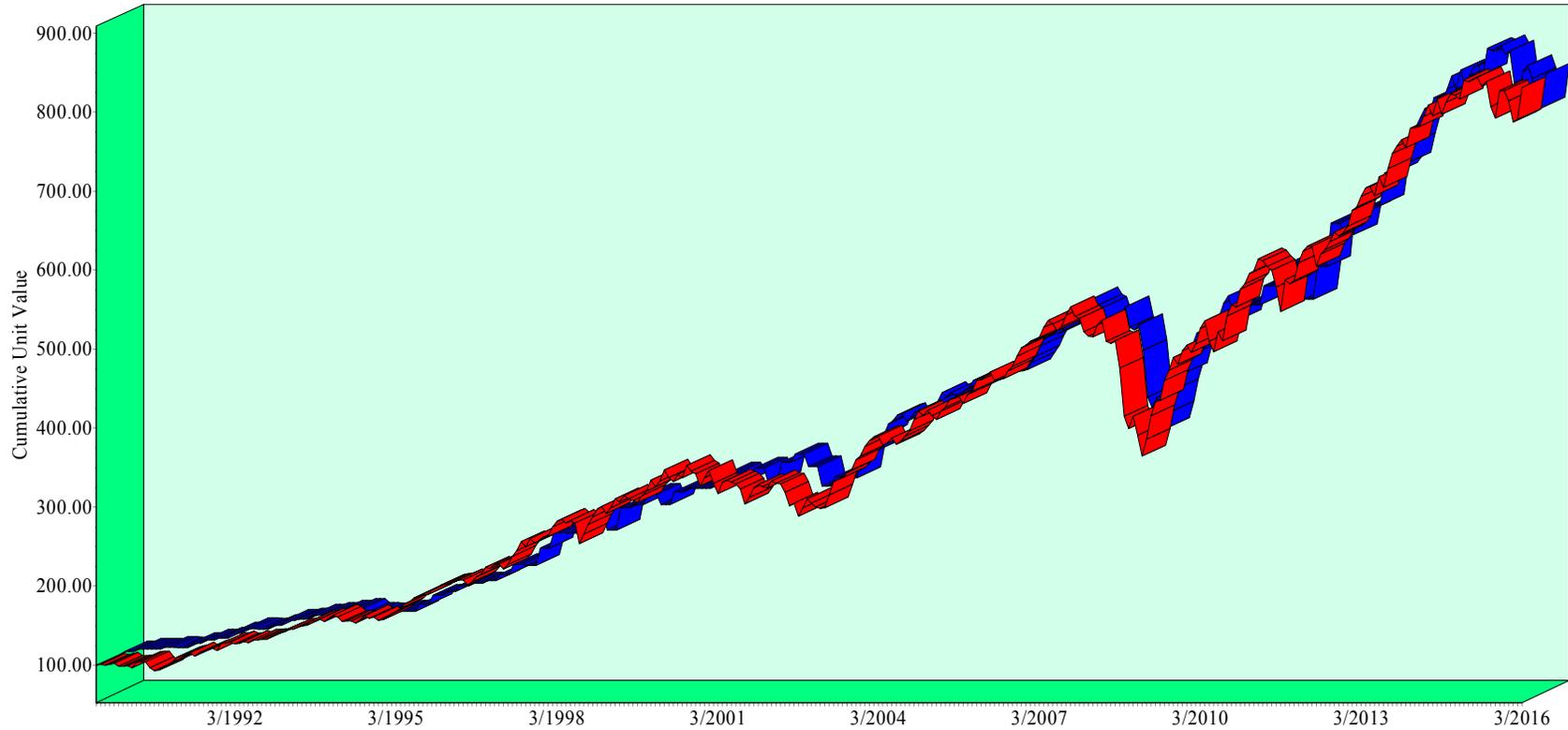
gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF MARCH 31, 2016
GROSS TIME WEIGHTED RETURN**

Name	Quarter 12/31/2015 03/31/2016	1 YEAR 03/31/2015 03/31/2016	3 YEARS 03/31/2013 03/31/2016	5 YEARS 03/31/2011 03/31/2016	10 YEARS 03/31/2006 03/31/2016	Since Inception	Inception Date
<u>Total CASH</u>							
TOTAL:	0.66%	-3.50%	5.56%	7.22%	6.05%	8.31%	
Policy Index	2.06%	-0.89%	6.20%	6.77%	5.96%	8.29%	

gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO
CUMULATIVE PERFORMANCE
PERIODS ENDING MARCH 31, 2016**



	QUARTER TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS	SINCE INCEPTION MONTH
COMPOSITE PORTFOLIO	0.66	-3.50	5.56	7.22	8.31
POLICY INDEX	2.06	-0.89	6.20	6.77	8.29

gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 2.56 percent per Year

Since 8/31/1989 , your fund has averaged 2.56 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.52

The volatility coefficient is known as Beta.

Since 8/31/1989 , your fund has been 0.52 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(MSCI EAFE, BARCLAYS AGGREGATE BOND, MSCI EMERGING MARKETS)

RUSSELL 1000 LARGE CAP, RUSSELL 1000 LARGE CAP GROWTH, RUSSELL 1000 LARGE CAP VALUE)

DIVERSIFICATION: 29.33 percent

Since 8/31/1989 , your fund has been 29.33 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager		
3/2015-3/2016	-0.89		0.06		-0.95		1.15		-1.09		-3.50		0.06		-3.56		-1.09		-2.47
3/2013-3/2016	6.20		0.03		6.17		1.08		6.68		5.56		0.03		5.53		6.68		-1.15
3/2011-3/2016	6.77		0.04		6.73		0.71		4.77		7.22		0.04		7.18		4.77		2.41
8/1989-3/2016	8.29		3.06		5.23		0.52		2.73		8.31		3.06		5.24		2.73		2.51

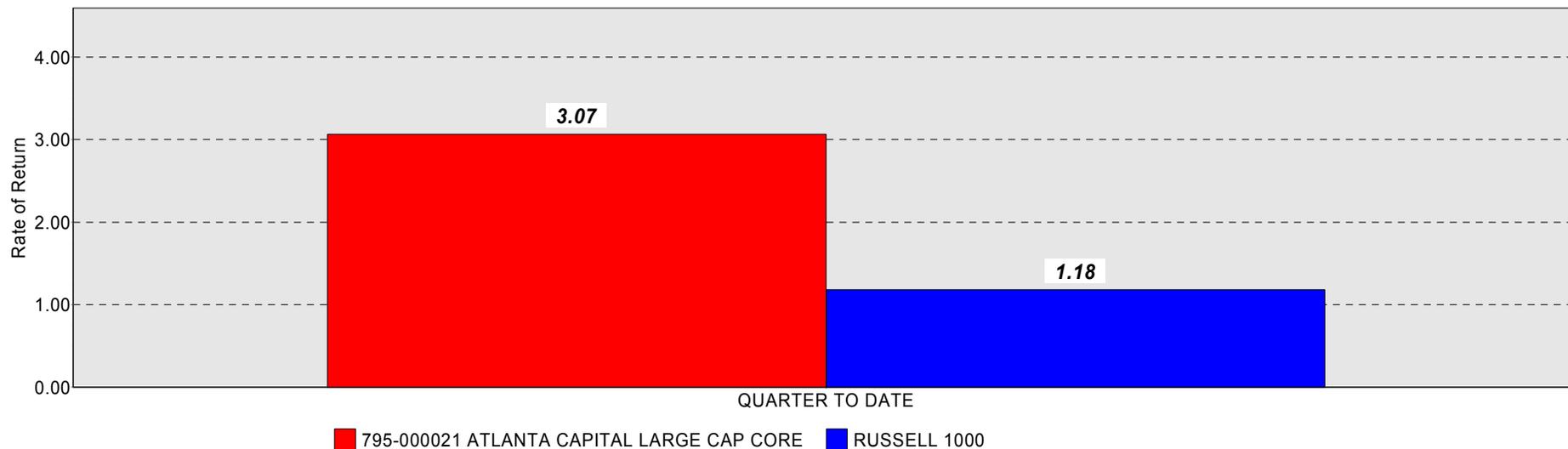
**CLAYTON COUNTY
COMPOSITE PORTFOLIO
INVESTMENT EARNINGS
12/2015 THRU 3/2016**

MANAGER AND ASSET CLASS	BEGINNING MARKET VALUE	NEW MONEY	INTEREST AND DIVIDENDS	NET CAPITAL APPRECIATION	ENDING MARKET VALUE	TOTAL INVESTMENT EARNINGS	RATE OF RETURN
795-000021 ATLANTA CAPITAL LARGE CAP CORE	11,245,858			344,930	11,590,789	344,930	3.07
795-000021 DRZ LARGE CAP VALUE	16,517,206			831,944	17,349,151	831,944	5.04
795-000021 DELAWARE US GROWTH INSTL	22,858,711		13,228	-1,463,782	21,408,157	-1,450,554	-6.35
795-000021 FIDELITY FOC STK	21,469,560		12,593	-59,236	21,422,917	-46,643	-0.22
795-000021 FRANKLIN SMALL CAP GR	20,498,698			-1,447,363	19,051,335	-1,447,363	-7.06
795-000021 GLENMEDE LARGE CAP	19,039,572		18,138	238,508	19,296,219	256,646	1.35
795-000021 HSBC OPP I	16,608,946		3,646	-1,036,338	15,576,254	-1,032,692	-6.22
795-000021 JOHN HANCOCK	43,972,970		407,524	656,850	45,037,343	1,064,373	2.42
795-000021 JP MORGAN MIDCAP VAL	25,823,526		6,215	1,011,399	26,841,139	1,017,613	3.94
795-000000 JPMORGAN CORE PLUS BOND R6	7,640,196	-3,261,407	38,255	97,638	4,514,682	135,893	2.63
795-000021 JP MORGAN SMALL CAP VALUE	18,817,450			591,889	19,409,339	591,889	3.15
795-000029 MFS INTL VAL	16,407,568			436,066	16,843,633	436,066	2.66
795-000021 METROWEST TOTAL RET	43,593,301		208,336	872,877	44,674,513	1,081,213	2.48
795-000029 OAKMARK INTL	10,827,973			-302,403	10,525,571	-302,403	-2.79
795-000021 PARADIGM LARGE VAL	19,700,784			183,802	19,884,585	183,802	0.93
795-000021 TCW DIV FOCUS	16,209,960		13,534	313,569	16,537,062	327,102	2.02
795-000021 TEMPLETON GLOBAL	23,858,944		210,636	-179,375	23,890,205	31,261	0.13
795-000021 VANGUARD PRIME MMKT	631,304	189,505	1,327		822,135	1,327	0.10
795-000029 VIRTUS EMERGING MKT	9,567,333		4,616	213,757	9,785,705	218,373	2.28
COMPOSITE PORTFOLIO	365,289,860	-3,071,902	938,044	1,304,732	364,460,735	2,242,777	0.66

gross time weighted return

CLAYTON COUNTY
795-000021 ATLANTA CAPITAL LARGE CAP CORE
PERIOD ENDING March 31, 2016

CLAYTON COUNTY
795-000021 ATLANTA CAPITAL LARGE CAP CORE
March 31, 2016 Performance Review

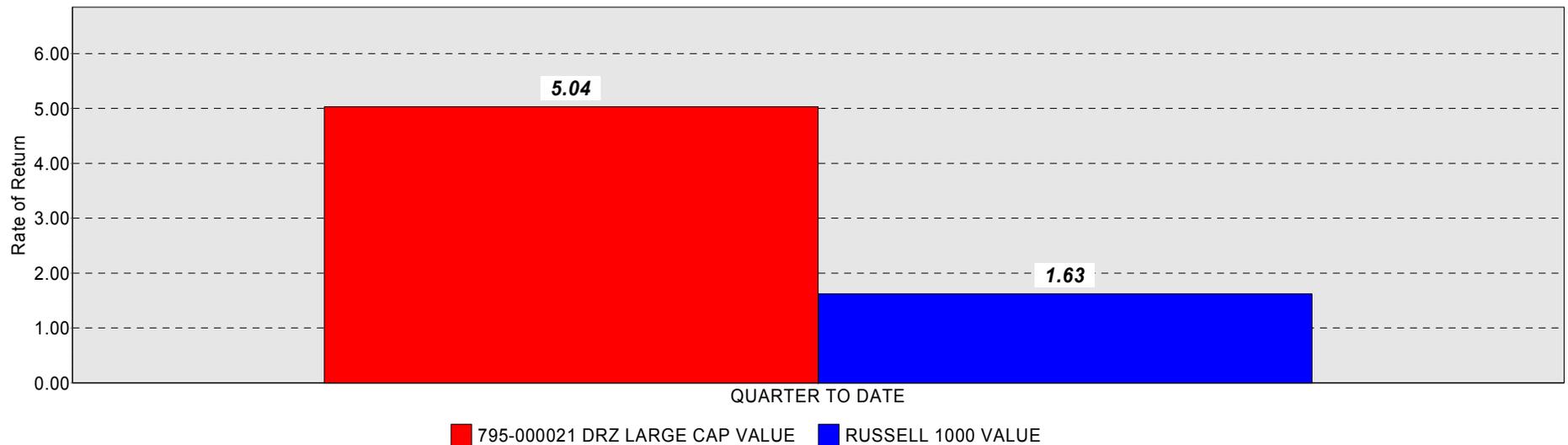


	<u>QUARTER TO DATE</u>
Beginning Mkt Value	11,245,858.37
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	344,930.36
Ending Mkt Value	11,590,788.73
Gross Time Weighted Return	3.07
RUSSELL 1000	1.18

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: September 30, 2015

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
PERIOD ENDING March 31, 2016

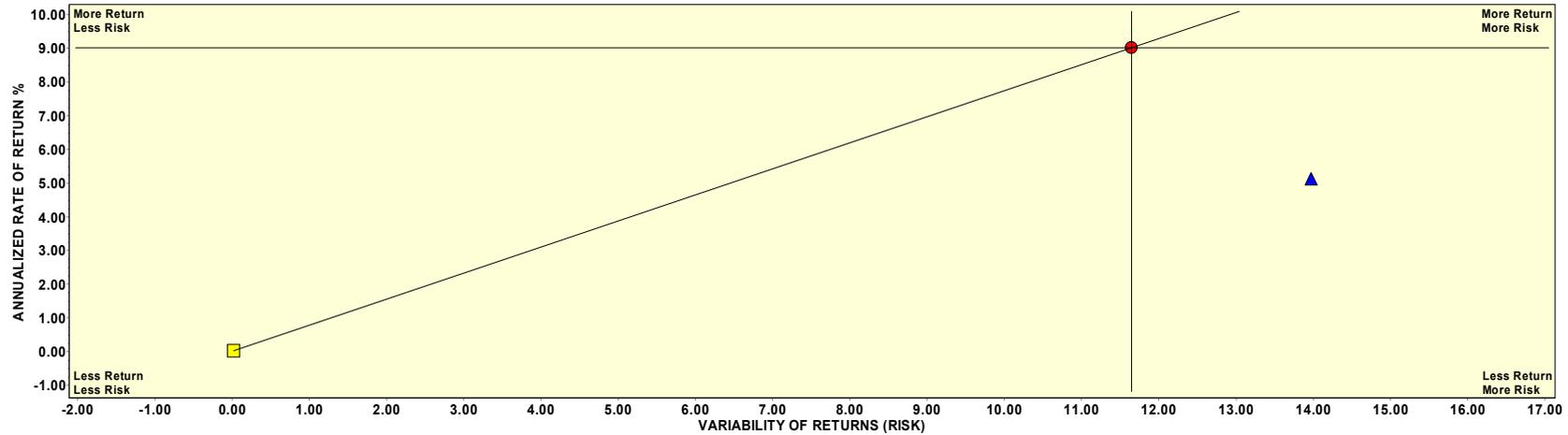
CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	16,517,206.48
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	831,944.22
Ending Mkt Value	17,349,150.70
Gross Time Weighted Return	5.04
RUSSELL 1000 VALUE	1.63

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	5.13	13.98	0.37	1.14	-4.71	91.02
● RUSSELL 1000 VALUE	9.02	11.65	0.77	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-3.44	17.57	-1.20	1.20	-0.16	-1.87	-19.77	115.70	108.73	20.36
6/2013-3/2016	5.13	13.98	-4.71	1.14	0.50	-3.89	-35.61	119.25	97.15	39.11

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -4.71 percent per Year

Since 6/30/2013 , your fund has averaged -4.71 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.14

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.14 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

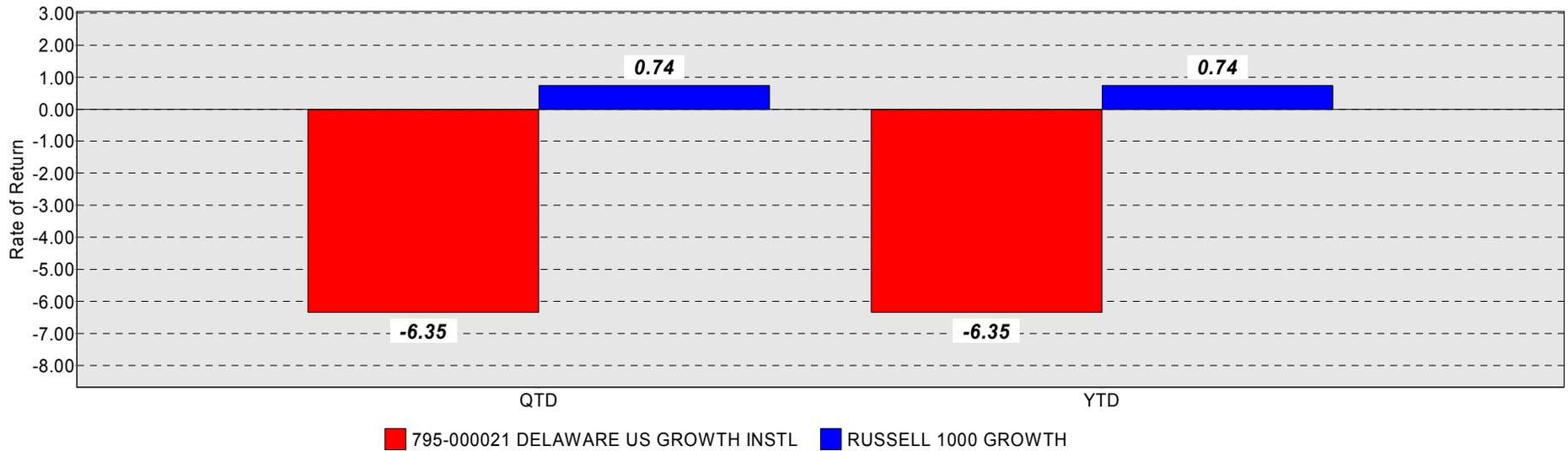
DIVERSIFICATION: 91.02 percent

Since 6/30/2013 , your fund has been 91.02 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-1.56		0.06		-1.62		1.20		-1.96		0.06		-3.50		-1.96		-1.54
6/2013-3/2016	9.02		0.02		8.99		1.14		10.29		0.02		5.10		10.29		-5.19

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
PERIOD ENDING March 31, 2016

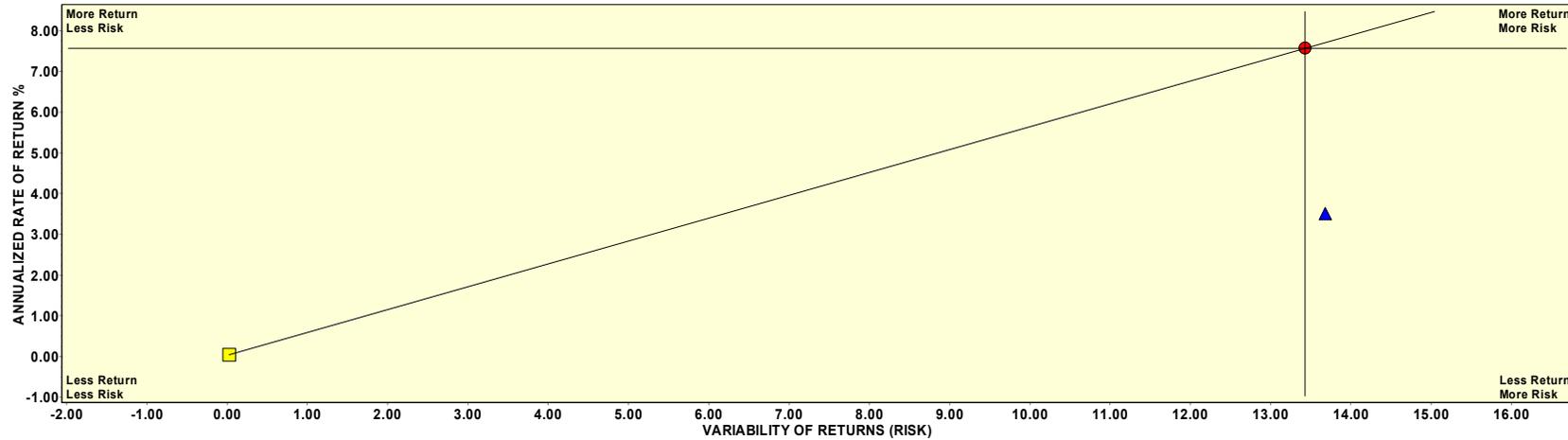
CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
March 31, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>
Beginning Mkt Value	22,858,711.05	22,858,711.05
Net Contributions	0.00	0.00
Interest And Dividend Income	13,227.67	13,227.67
Investment Earnings	(1,450,554.21)	(1,450,554.21)
Ending Mkt Value	21,408,156.84	21,408,156.84
Gross Time Weighted Return	(6.35)	(6.35)
RUSSELL 1000 GROWTH	0.74	0.74

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: September 8, 2014

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	3.50	13.68	0.25	0.94	-3.31	84.61
● RUSSELL 1000 GROWTH	7.57	13.43	0.56	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-3.99	13.88	-6.18	0.87	-0.26	-6.52	-17.90	109.78	75.29	16.94
9/2014-3/2016	3.50	13.68	-3.31	0.94	0.36	-4.06	-21.63	111.64	89.56	34.37

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 9/8/2014

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -3.31 percent per Year

Since 9/30/2014 , your fund has averaged -3.31 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.94

The volatility coefficient is known as Beta.

Since 9/30/2014 , your fund has been 0.94 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 GROWTH)

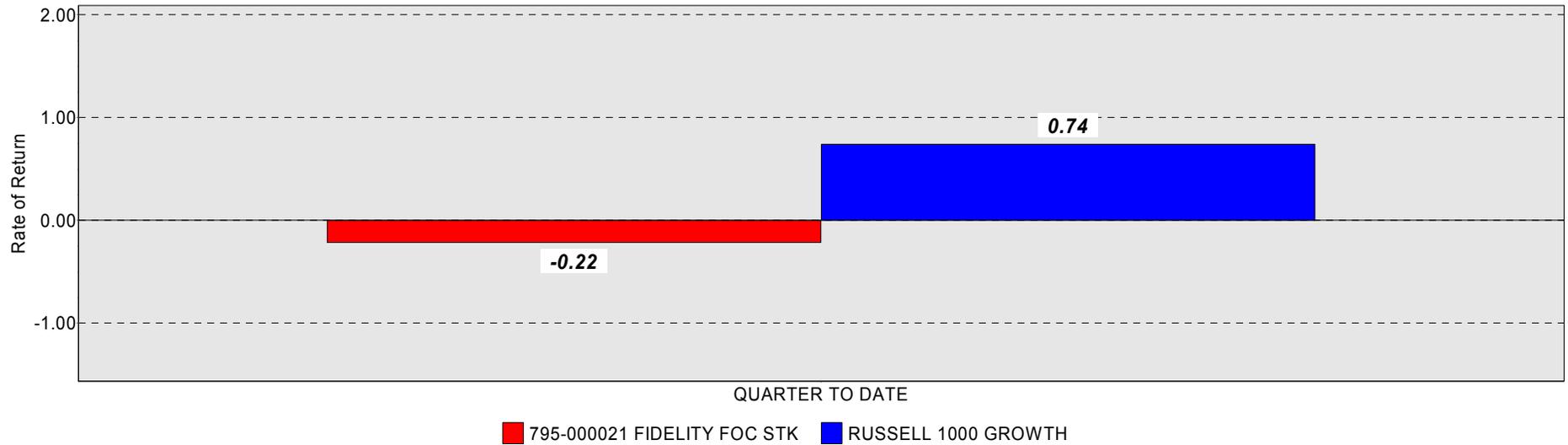
DIVERSIFICATION: 84.61 percent

Since 9/30/2014 , your fund has been 84.61 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	2.52		0.06		2.46		0.87		2.13		-3.99		0.06		-4.05		2.13		-6.19
9/2014-3/2016	7.57		0.04		7.53		0.94		7.06		3.50		0.04		3.46		7.06		-3.59

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
PERIOD ENDING March 31, 2016

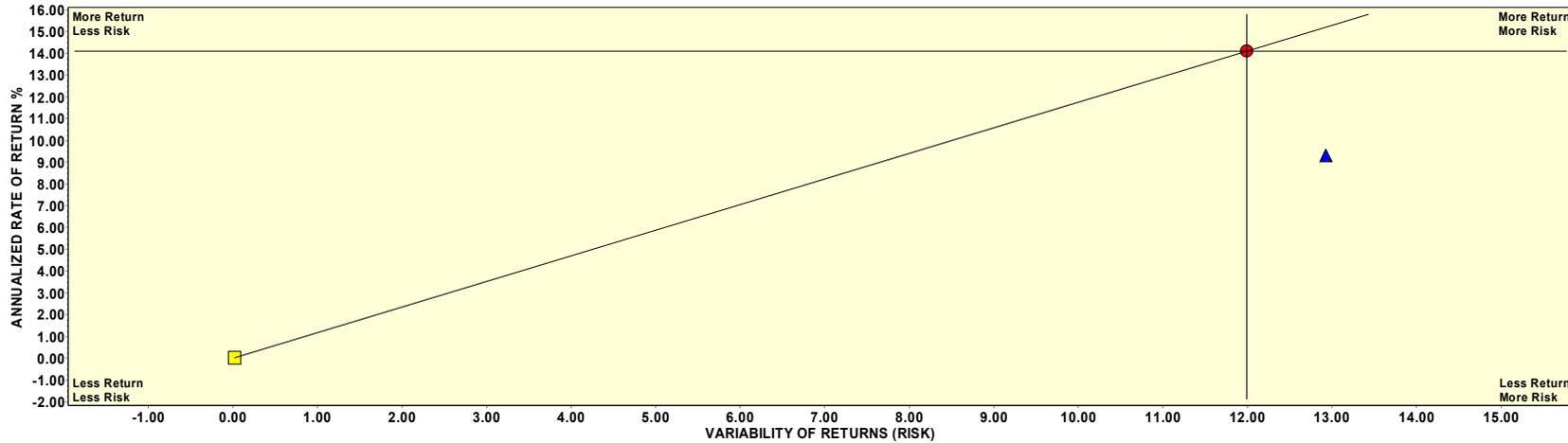
CLAYTON COUNTY
795-000021 FIDELITY FOC STK
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	21,469,560.38
Net Contributions	0.00
Interest And Dividend Income	12,592.69
Investment Earnings	(46,643.02)
Ending Mkt Value	21,422,917.36
Gross Time Weighted Return	(0.22)
RUSSELL 1000 GROWTH	0.74

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	9.31	12.93	0.72	0.98	-3.96	83.10
● RUSSELL 1000 GROWTH	14.10	11.99	1.17	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-3.22	14.60	-5.54	0.94	-0.18	-5.74	-18.23	111.80	81.59	18.36
6/2013-3/2016	9.31	12.93	-3.96	0.98	0.81	-4.79	-26.04	114.27	87.79	45.77

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -3.96 percent per Year

Since 6/30/2013 , your fund has averaged -3.96 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.98

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.98 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(RUSSELL 1000 GROWTH)

DIVERSIFICATION: 83.10 percent

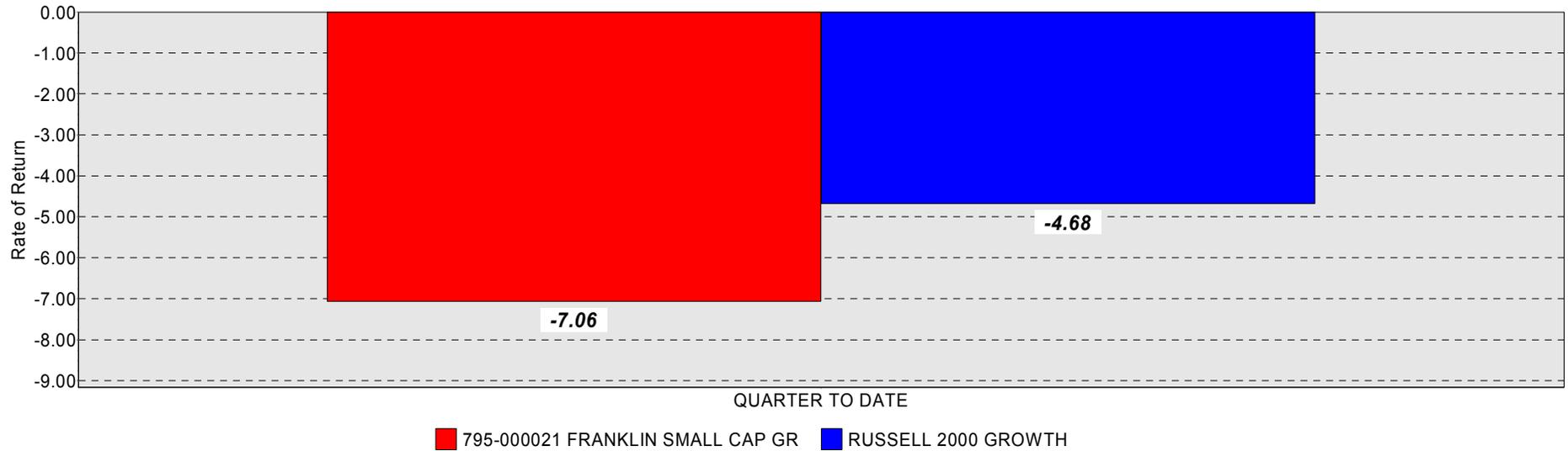
Since 6/30/2013 , your fund has been 83.10 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	2.52		0.06		2.46		0.94		2.33	-3.22		0.06		-3.28		2.33		-5.61
6/2013-3/2016	14.10		0.02		14.07		0.98		13.84	9.31		0.02		9.29		13.84		-4.55

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
PERIOD ENDING March 31, 2016

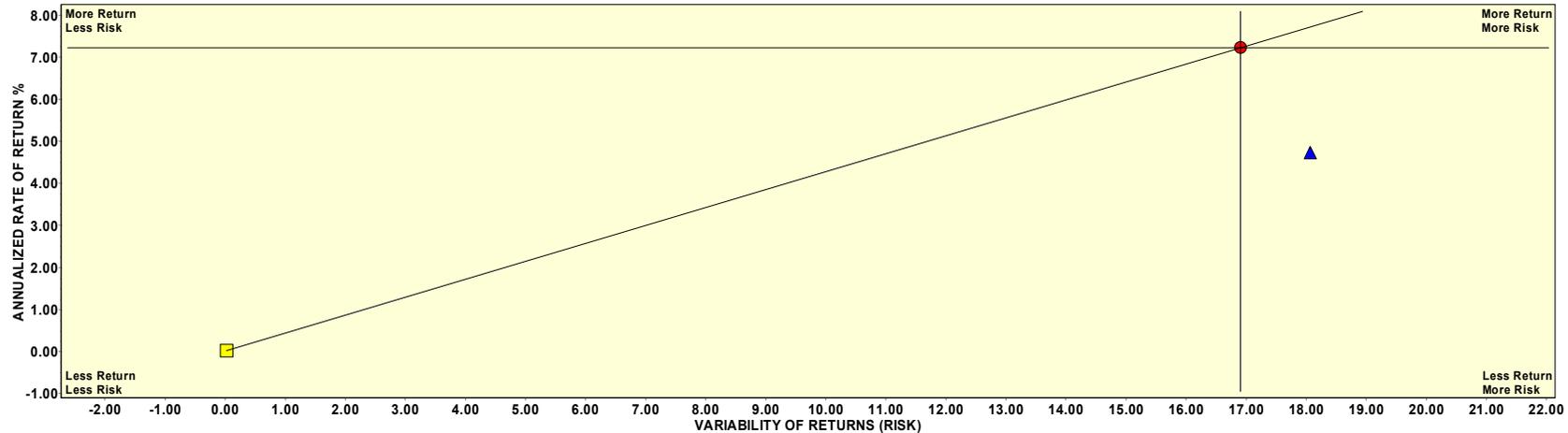
CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	20,498,697.75
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	(1,447,362.89)
Ending Mkt Value	19,051,334.86
Gross Time Weighted Return	(7.06)
RUSSELL 2000 GROWTH	(4.68)

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	4.73	18.06	0.26	1.02	-2.27	90.40
● RUSSELL 2000 GROWTH	7.23	16.91	0.43	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-15.54	21.12	-2.93	1.07	-1.21	-3.68	-31.08	106.63	92.41	22.55
6/2013-3/2016	4.73	18.06	-2.27	1.02	0.53	-2.49	-43.46	102.21	92.68	56.35

gross time weighted return

Portfolio Risk Index: RUSSELL 2000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -2.27 percent per Year

Since 6/30/2013 , your fund has averaged -2.27 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.02

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.02 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(RUSSELL 2000 GROWTH)

DIVERSIFICATION: 90.40 percent

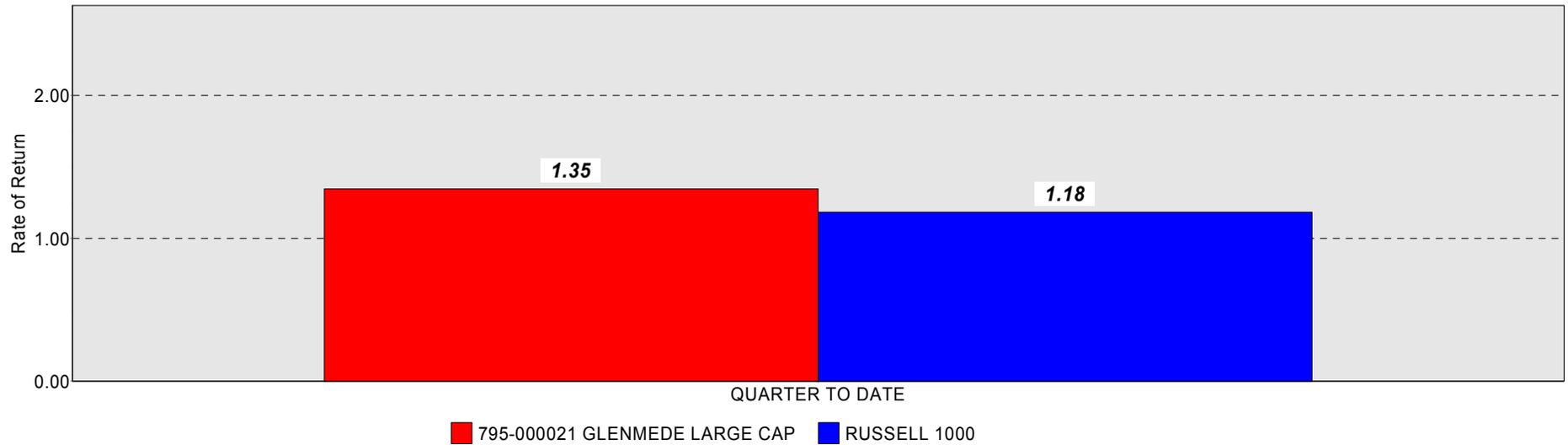
Since 6/30/2013 , your fund has been 90.40 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-11.86		0.06		-11.92		1.07		-12.79		-15.54		0.06		-15.60		-12.79		-2.81
6/2013-3/2016	7.23		0.02		7.20		1.02		7.32		4.73		0.02		4.71		7.32		-2.60

CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
PERIOD ENDING March 31, 2016

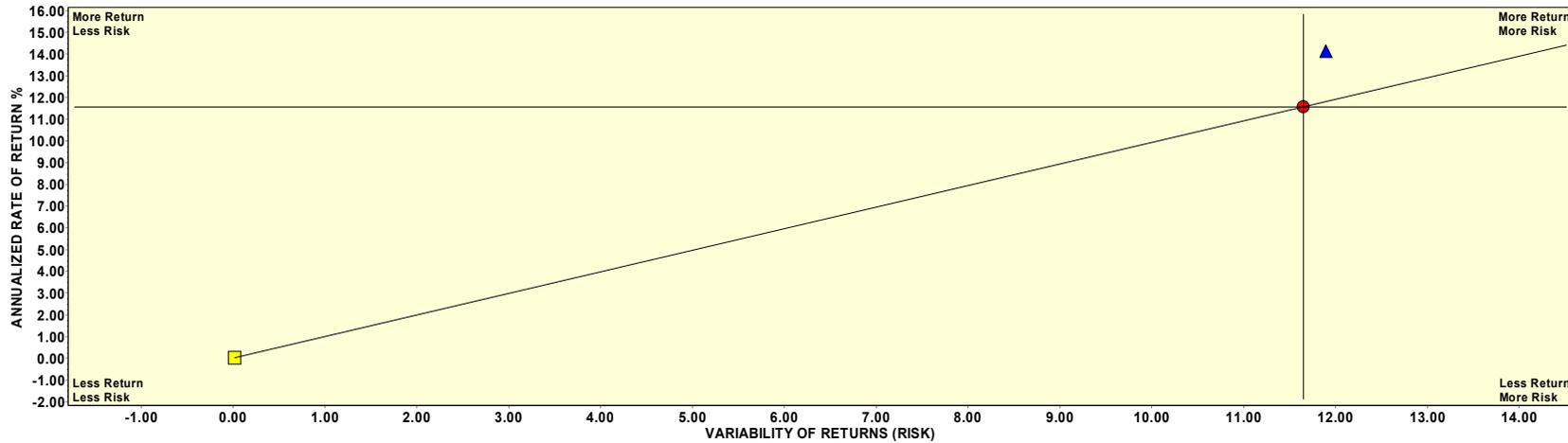
CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	19,039,572.39
Net Contributions	0.00
Interest And Dividend Income	18,137.96
Investment Earnings	256,646.36
Ending Mkt Value	19,296,218.75
Gross Time Weighted Return	1.35
RUSSELL 1000	1.18

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	14.13	11.90	1.19	1.00	2.27	96.72
● RUSSELL 1000	11.57	11.65	0.99	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-0.31	14.03	-0.79	0.98	0.06	-0.81	-16.19	96.98	91.77	18.94
6/2013-3/2016	14.13	11.90	2.27	1.00	1.17	2.57	-23.27	91.04	105.78	47.74

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 2.27 percent per Year

Since 6/30/2013 , your fund has averaged 2.27 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.00

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.00 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000)

DIVERSIFICATION: 96.72 percent

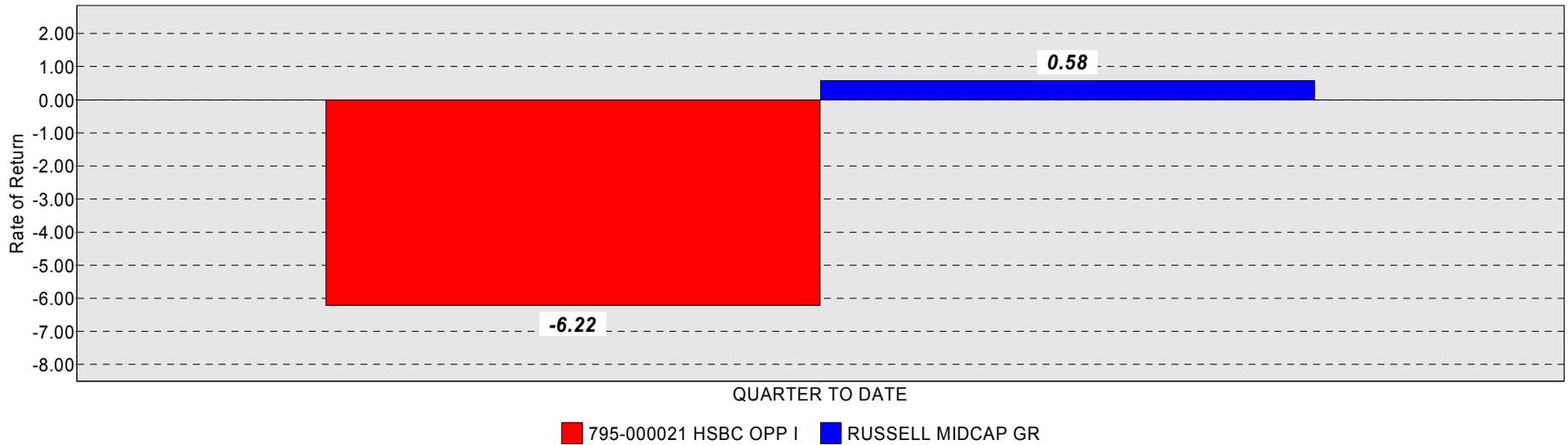
Since 6/30/2013 , your fund has been 96.72 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	0.51		0.06		0.45		0.98		0.44		-0.31		0.06		-0.37		0.44		-0.81
6/2013-3/2016	11.57		0.02		11.55		1.00		11.60		14.13		0.02		14.11		11.60		2.51

CLAYTON COUNTY
795-000021 HSBC OPP I
PERIOD ENDING March 31, 2016

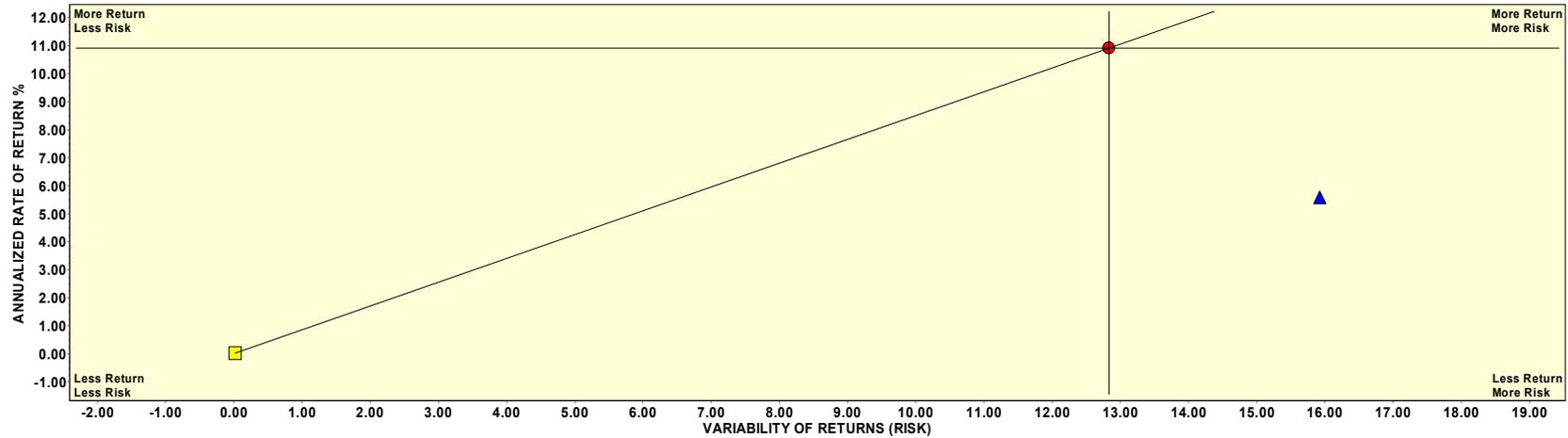
**CLAYTON COUNTY
795-000021 HSBC OPP I
March 31, 2016 Performance Review**



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	16,608,946.08
Net Contributions	0.00
Interest And Dividend Income	3,645.63
Investment Earnings	(1,032,692.15)
Ending Mkt Value	15,576,253.93
Gross Time Weighted Return	(6.22)
RUSSELL MIDCAP GR	0.58

*Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013*

CLAYTON COUNTY
795-000021 HSBC OPP I
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	5.59	15.93	0.35	1.18	-6.50	90.21
● RUSSELL MIDCAP GR	10.92	12.84	0.85	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-15.46	19.59	-9.84	1.28	-1.23	-10.72	-28.81	143.45	97.66	18.75
6/2013-3/2016	5.59	15.93	-6.50	1.18	0.56	-5.33	-34.94	126.17	97.77	50.87

gross time weighted return

Portfolio Risk Index: RUSSELL MIDCAP GR Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

**CLAYTON COUNTY
795-000021 HSBC OPP I
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -6.50 percent per Year

Since 6/30/2013 , your fund has averaged -6.50 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.18

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.18 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(RUSSELL MIDCAP GR)

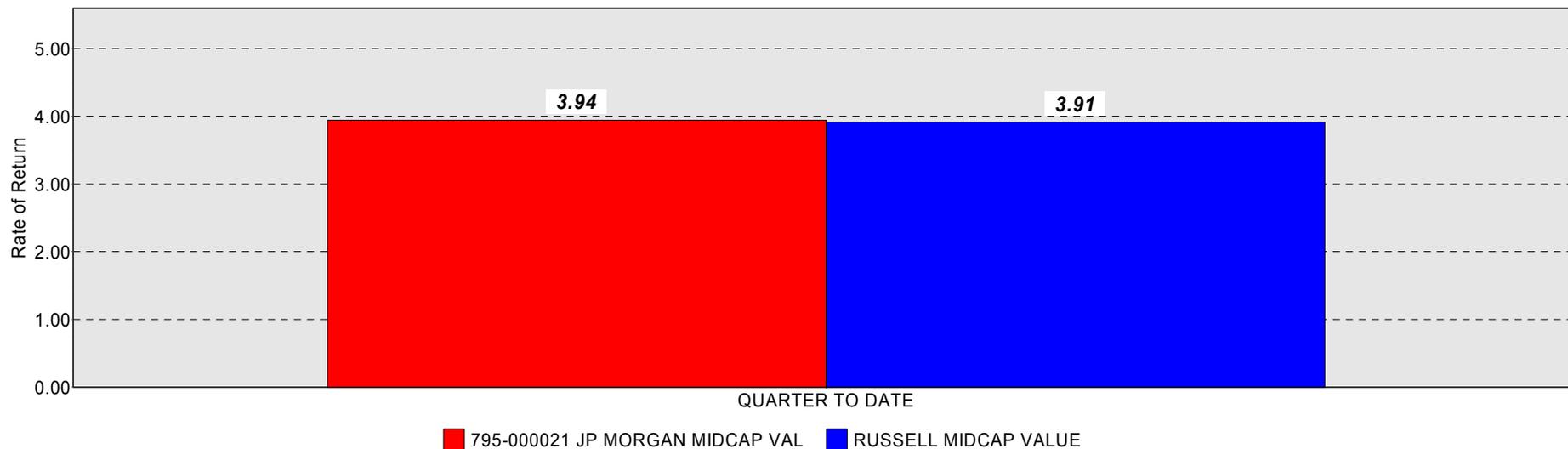
DIVERSIFICATION: 90.21 percent

Since 6/30/2013 , your fund has been 90.21 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-4.74		0.06		-4.80		1.28		-6.15		0.06		-15.52		-6.15		-9.37
6/2013-3/2016	10.92		0.02		10.89		1.18		12.84		0.02		5.57		12.84		-7.27

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
PERIOD ENDING March 31, 2016

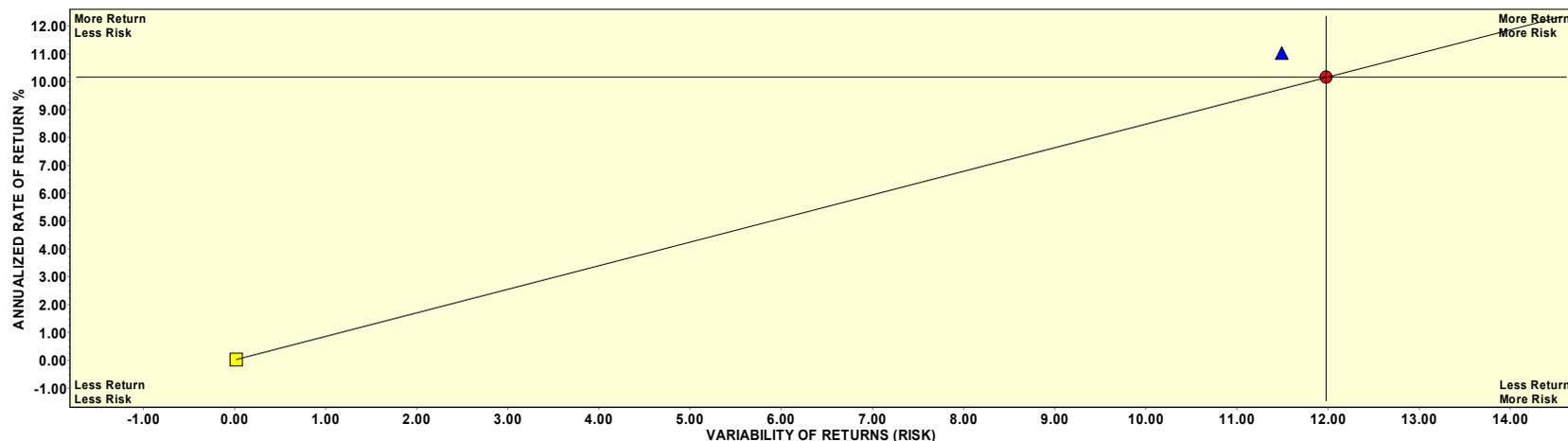
CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	25,823,525.92
Net Contributions	0.00
Interest And Dividend Income	6,214.56
Investment Earnings	1,017,613.47
Ending Mkt Value	26,841,139.39
Gross Time Weighted Return	3.94
RUSSELL MIDCAP VALUE	3.91

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	11.04	11.50	0.96	0.94	1.39	95.63
● RUSSELL MIDCAP VALUE	10.16	11.98	0.85	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-2.04	13.38	1.07	0.92	-0.10	1.37	-16.71	88.36	92.14	17.61
6/2013-3/2016	11.04	11.50	1.39	0.94	0.93	0.87	-25.44	92.87	98.63	43.84

gross time weighted return

Portfolio Risk Index: RUSSELL MIDCAP VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 1.39 percent per Year

Since 6/30/2013 , your fund has averaged 1.39 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.94

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.94 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL MIDCAP VALUE)

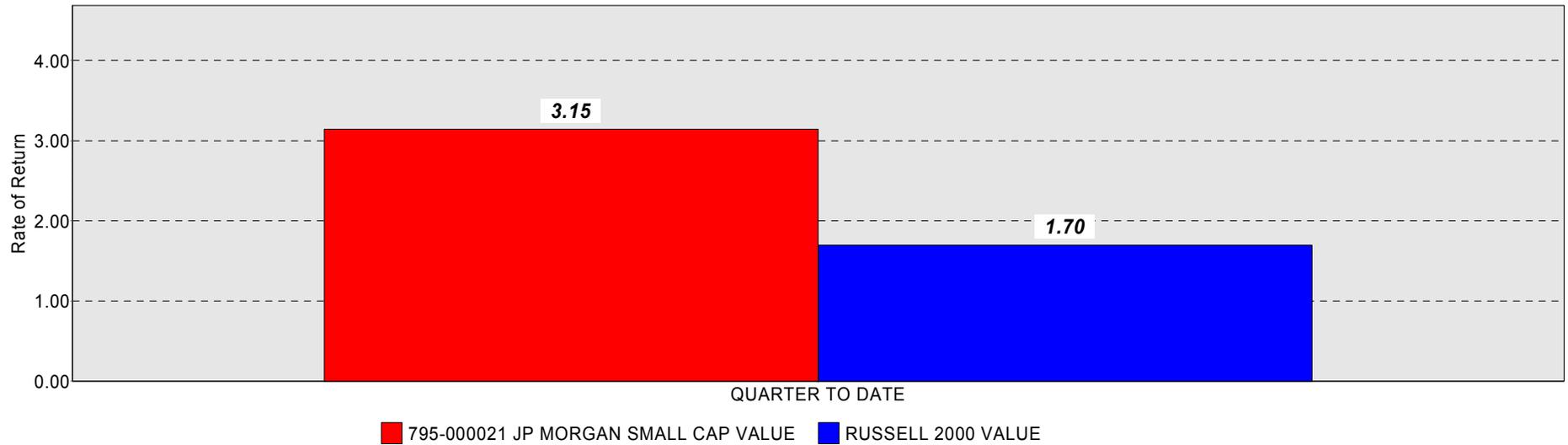
DIVERSIFICATION: 95.63 percent

Since 6/30/2013 , your fund has been 95.63 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	=	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-3.41		0.06		-3.47		0.92		-3.19		-2.04		0.06		-2.10		-3.19		1.09
6/2013-3/2016	10.16		0.02		10.14		0.94		9.51		11.04		0.02		11.01		9.51		1.50

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
PERIOD ENDING March 31, 2016

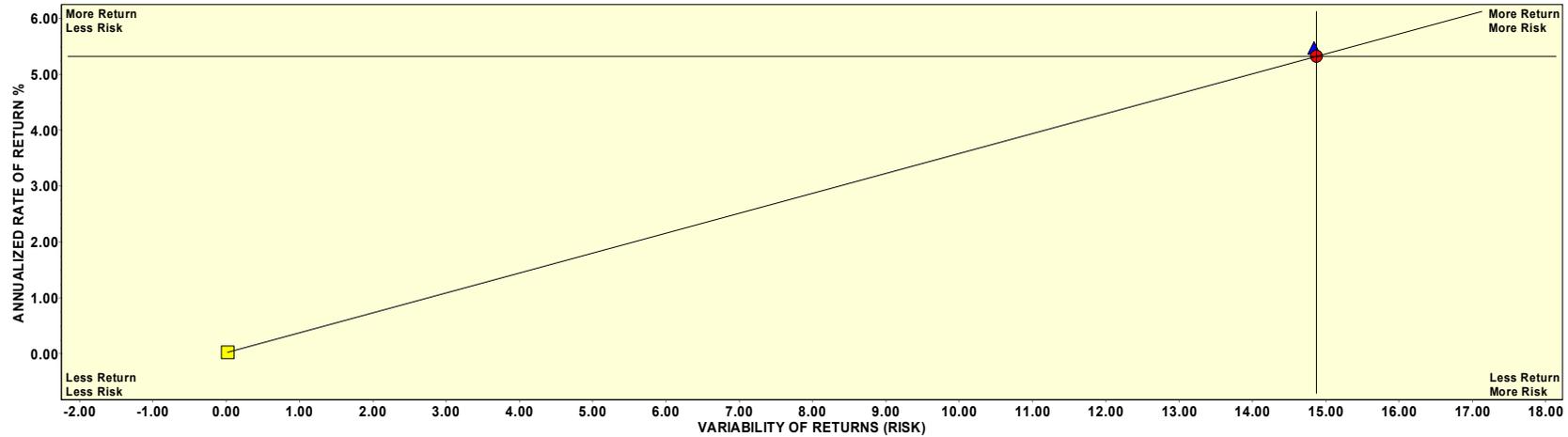
CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	18,817,450.06
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	591,888.75
Ending Mkt Value	19,409,338.81
Gross Time Weighted Return	3.15
RUSSELL 2000 VALUE	1.70

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	5.47	14.84	0.37	0.99	0.20	98.60
● RUSSELL 2000 VALUE	5.32	14.87	0.36	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-6.93	15.27	0.93	1.01	-0.50	0.80	-22.64	99.27	103.96	20.31
6/2013-3/2016	5.47	14.84	0.20	0.99	0.54	0.15	-39.27	98.78	99.16	51.00

gross time weighted return

Portfolio Risk Index: RUSSELL 2000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.20 percent per Year

Since 6/30/2013 , your fund has averaged 0.20 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.99

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.99 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 2000 VALUE)

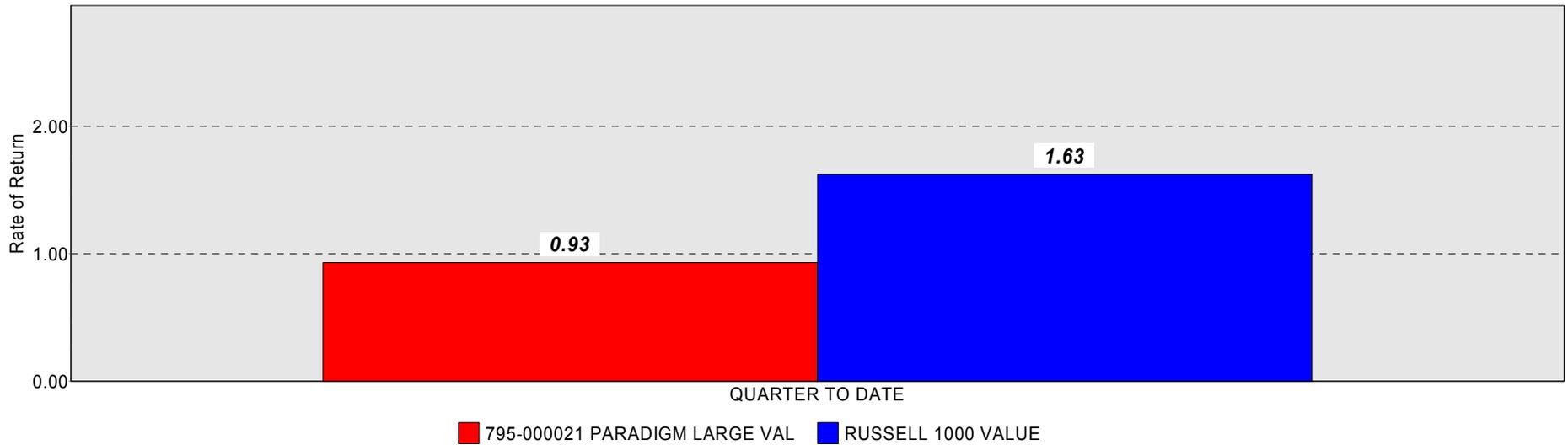
DIVERSIFICATION: 98.60 percent

Since 6/30/2013 , your fund has been 98.60 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-7.73		0.06		-7.79		1.01		-7.84		-6.93		0.06		-6.99		-7.84		0.85
6/2013-3/2016	5.32		0.02		5.30		0.99		5.25		5.47		0.02		5.45		5.25		0.20

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
PERIOD ENDING March 31, 2016

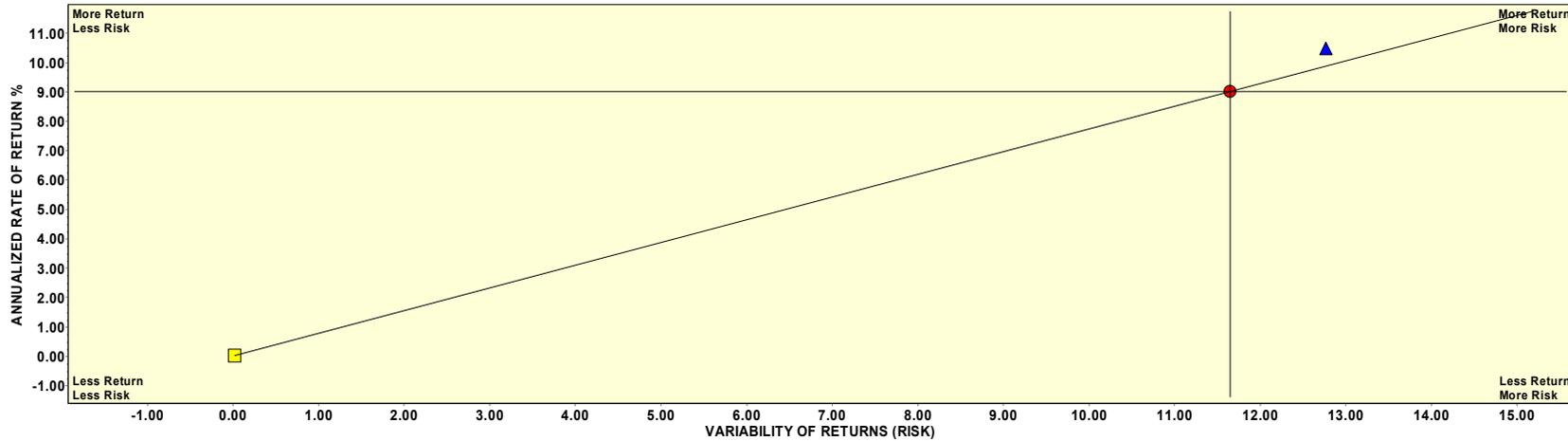
CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	19,700,783.73
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	183,801.62
Ending Mkt Value	19,884,585.35
Gross Time Weighted Return	0.93
RUSSELL 1000 VALUE	1.63

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	10.49	12.77	0.82	1.05	0.99	92.35
● RUSSELL 1000 VALUE	9.02	11.65	0.77	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-1.05	14.51	0.64	1.04	0.00	0.51	-17.61	103.03	107.28	20.09
6/2013-3/2016	10.49	12.77	0.99	1.05	0.90	1.47	-31.30	104.83	111.65	44.95

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.99 percent per Year

Since 6/30/2013 , your fund has averaged 0.99 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.05

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.05 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

DIVERSIFICATION: 92.35 percent

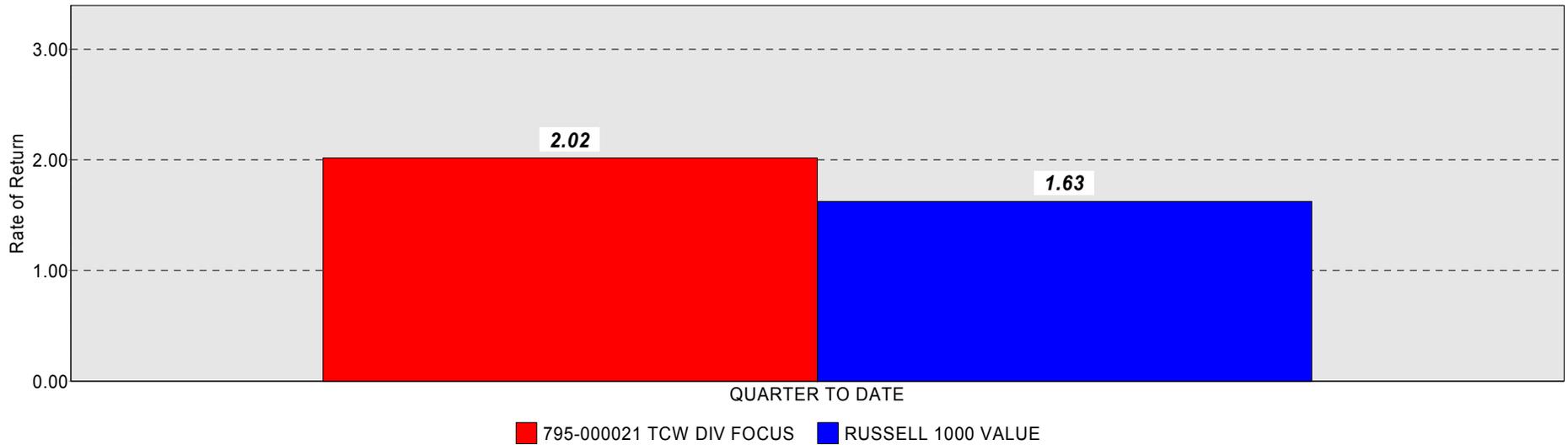
Since 6/30/2013 , your fund has been 92.35 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-1.56		0.06		-1.62		1.04		-1.69		0.06		-1.11		-1.69		0.57
6/2013-3/2016	9.02		0.02		8.99		1.05		9.47		0.02		10.46		9.47		0.99

CLAYTON COUNTY
795-000021 TCW DIV FOCUS
PERIOD ENDING March 31, 2016

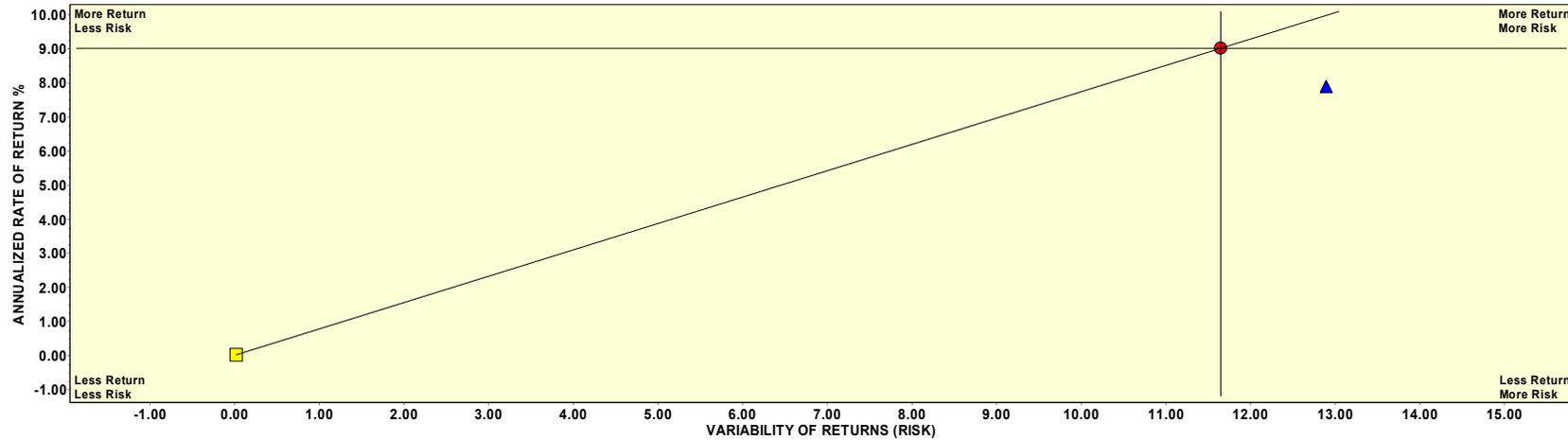
CLAYTON COUNTY
795-000021 TCW DIV FOCUS
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	16,209,959.91
Net Contributions	0.00
Interest And Dividend Income	13,533.57
Investment Earnings	327,102.15
Ending Mkt Value	16,537,062.06
Gross Time Weighted Return	2.02
RUSSELL 1000 VALUE	1.63

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00021 TCW DIV FOCUS
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	7.89	12.90	0.61	1.09	-1.75	97.23
● RUSSELL 1000 VALUE	9.02	11.65	0.77	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-1.54	15.54	0.35	1.11	-0.03	0.02	-18.95	110.90	114.70	21.48
6/2013-3/2016	7.89	12.90	-1.75	1.09	0.70	-1.13	-33.36	111.72	104.53	42.08

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 TCW DIV FOCUS
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -1.75 percent per Year

Since 6/30/2013 , your fund has averaged -1.75 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.09

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.09 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

DIVERSIFICATION: 97.23 percent

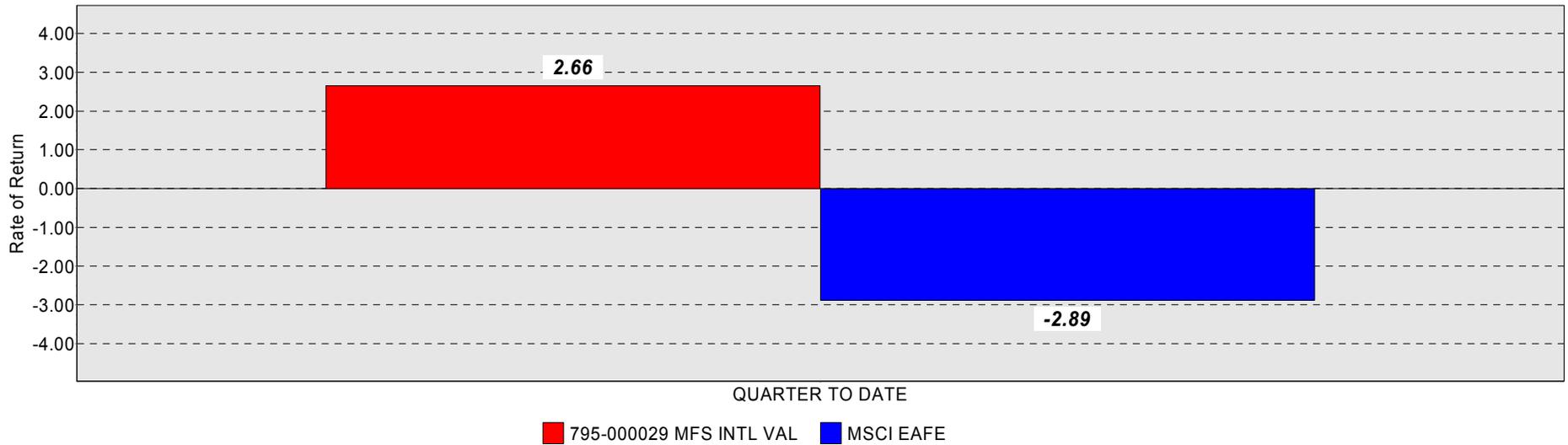
Since 6/30/2013 , your fund has been 97.23 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-1.56		0.06		-1.62		1.11		-1.81		-1.54		0.06		-1.60		-1.81		0.20
6/2013-3/2016	9.02		0.02		8.99		1.09		9.82		7.89		0.02		7.87		9.82		-1.95

CLAYTON COUNTY
795-00029 MFS INTL VAL
PERIOD ENDING March 31, 2016

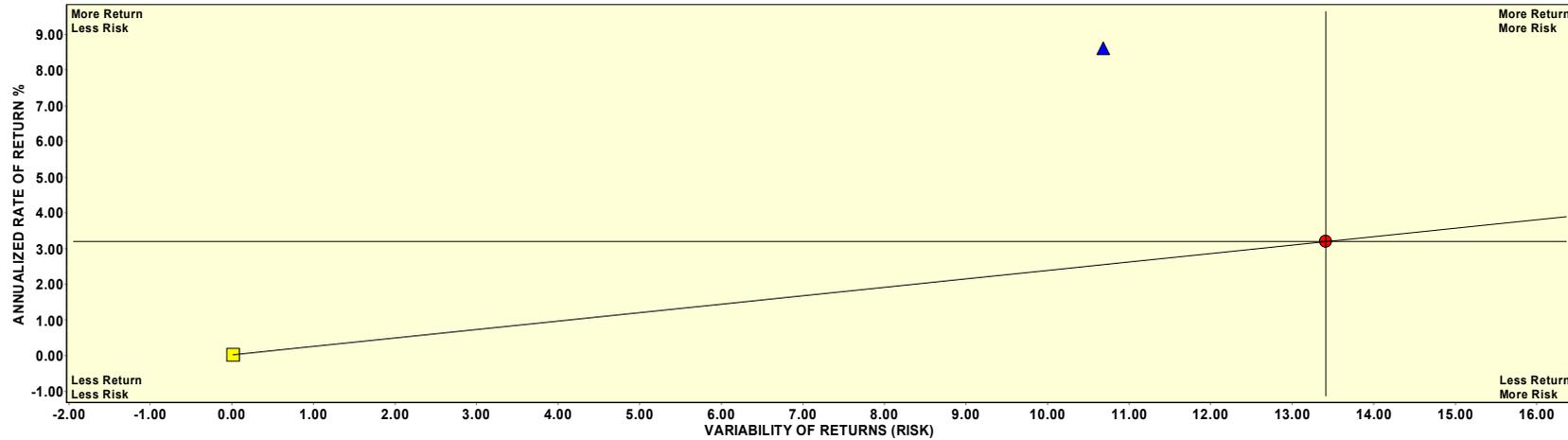
CLAYTON COUNTY
795-00029 MFS INTL VAL
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	16,407,567.81
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	436,065.61
Ending Mkt Value	16,843,633.42
Gross Time Weighted Return	2.66
MSCI EAFE	(2.89)

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00029 MFS INTL VAL
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	8.61	10.68	0.80	0.75	5.82	88.44
● MSCI EAFE	3.19	13.41	0.24	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	2.81	12.23	8.35	0.71	0.29	10.68	-13.92	56.58	87.58	19.44
6/2013-3/2016	8.61	10.68	5.82	0.75	0.74	5.41	-18.24	65.00	91.14	46.84

gross time weighted return

Portfolio Risk Index: MSCI EAFE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000029 MFS INTL VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 5.82 percent per Year

Since 6/30/2013 , your fund has averaged 5.82 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.75

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.75 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(MSCI EAFE)

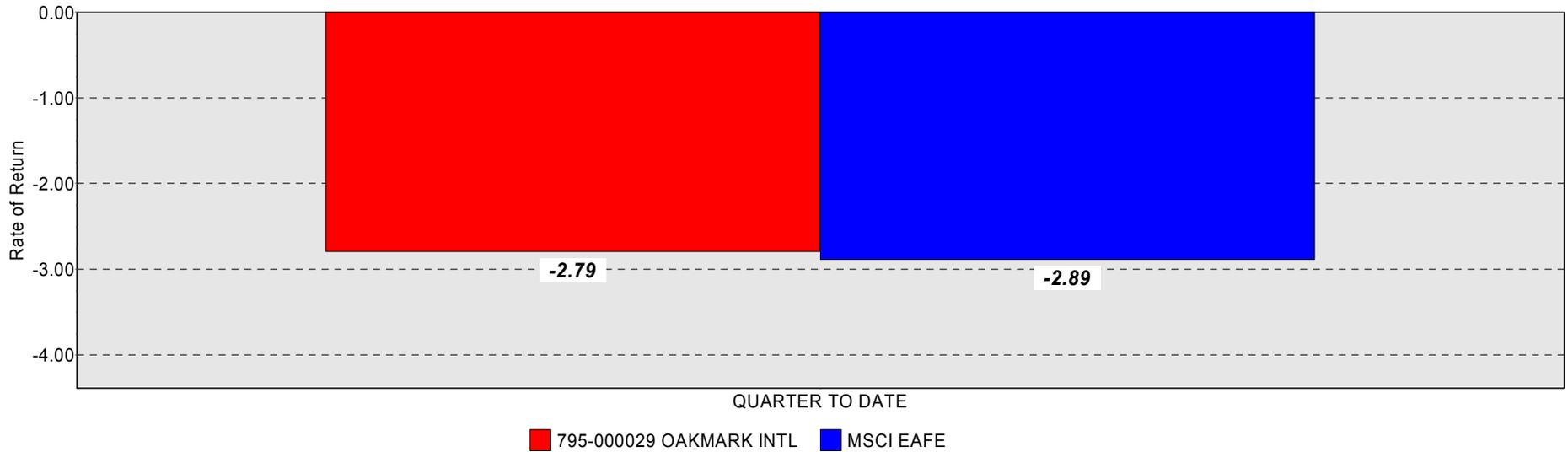
DIVERSIFICATION: 88.44 percent

Since 6/30/2013 , your fund has been 88.44 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-7.87		0.06		-7.93		0.71		-5.64		2.81		0.06		2.75		-5.64		8.39
6/2013-3/2016	3.19		0.02		3.17		0.75		2.37		8.61		0.02		8.58		2.37		6.21

CLAYTON COUNTY
795-000029 OAKMARK INTL
PERIOD ENDING March 31, 2016

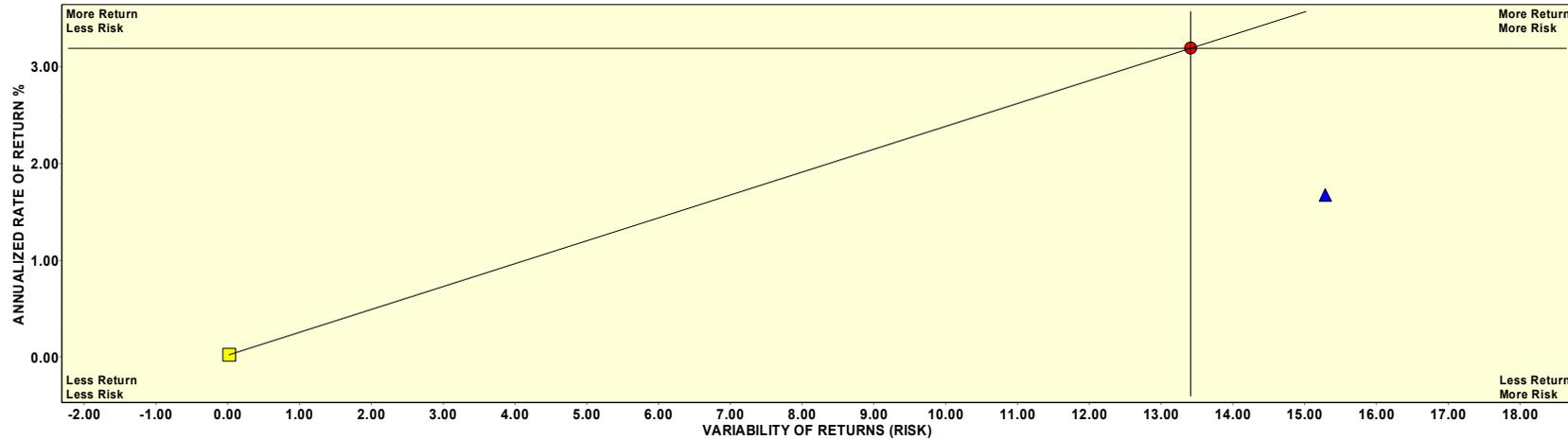
CLAYTON COUNTY
795-00029 OAKMARK INTL
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	10,827,973.42
Net Contributions	0.00
Interest And Dividend Income	0.00
Investment Earnings	(302,402.86)
Ending Mkt Value	10,525,570.56
Gross Time Weighted Return	(2.79)
MSCI EAFE	(2.89)

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

**CLAYTON COUNTY
795-00029 OAKMARK INTL
March 31, 2016 Risk Statistics**



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	1.67	15.29	0.11	1.11	-1.65	94.35
● MSCI EAFE	3.19	13.41	0.24	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-12.63	19.55	-3.54	1.17	-0.96	-4.76	-28.90	117.45	103.11	22.89
6/2013-3/2016	1.67	15.29	-1.65	1.11	0.24	-1.52	-30.25	107.82	100.69	51.75

gross time weighted return

Portfolio Risk Index: MSCI EAFE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

**CLAYTON COUNTY
795-00029 OAKMARK INTL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -1.65 percent per Year

Since 6/30/2013 , your fund has averaged -1.65 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.11

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.11 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(MSCI EAFE)

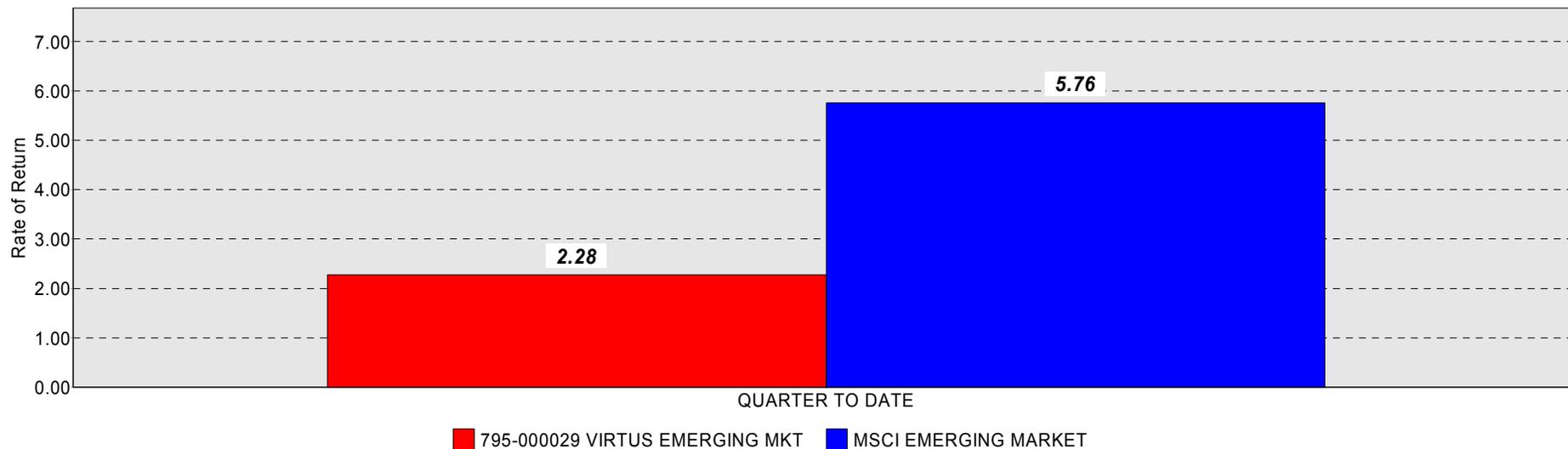
DIVERSIFICATION: 94.35 percent

Since 6/30/2013 , your fund has been 94.35 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-7.87		0.06		-7.93		1.17		-9.27		-12.63		0.06		-12.69		-9.27		-3.42
6/2013-3/2016	3.19		0.02		3.17		1.11		3.51		1.67		0.02		1.65		3.51		-1.86

CLAYTON COUNTY
795-000029 VIRTUS EMERGING MKT
PERIOD ENDING March 31, 2016

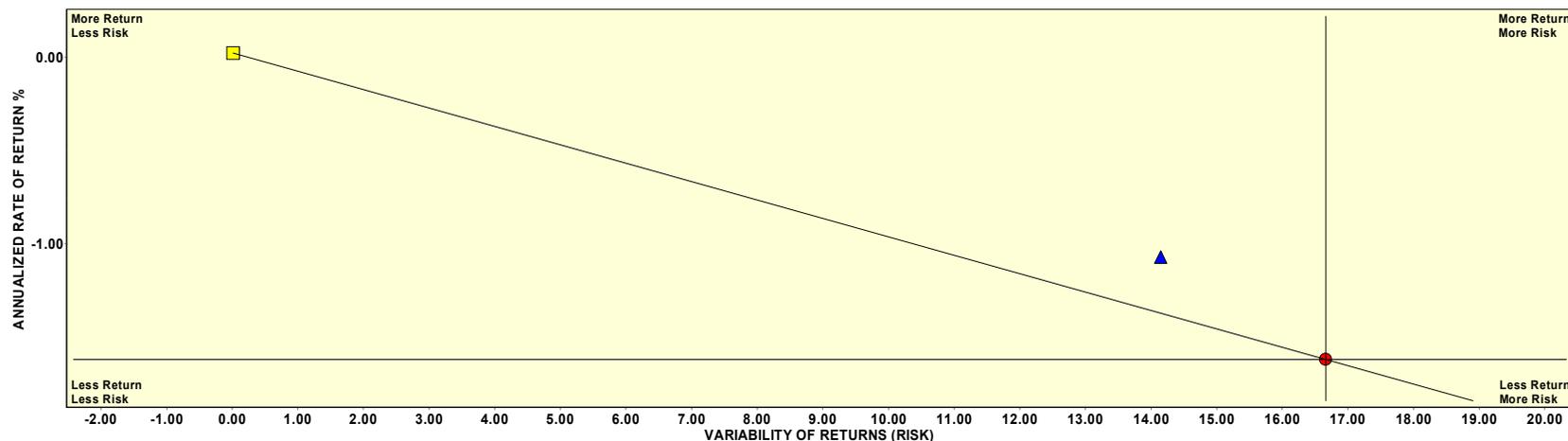
CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	9,567,332.60
Net Contributions	0.00
Interest And Dividend Income	4,615.76
Investment Earnings	218,372.78
Ending Mkt Value	9,785,705.38
Gross Time Weighted Return	2.28
MSCI EMERGING MARKET	5.76

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	-1.07	14.15	-0.08	0.72	0.11	71.40
● MSCI EMERGING MARKET	-1.62	16.66	-0.10	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-8.00	14.15	-1.80	0.56	-0.61	3.69	-20.53	63.30	51.36	15.78
6/2013-3/2016	-1.07	14.15	0.11	0.72	-0.01	0.55	-32.58	88.21	84.24	48.70

gross time weighted return

Portfolio Risk Index: MSCI EMERGING MARKET Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.11 percent per Year

Since 6/30/2013 , your fund has averaged 0.11 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.72

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.72 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(MSCI EMERGING MARKET)

DIVERSIFICATION: 71.40 percent

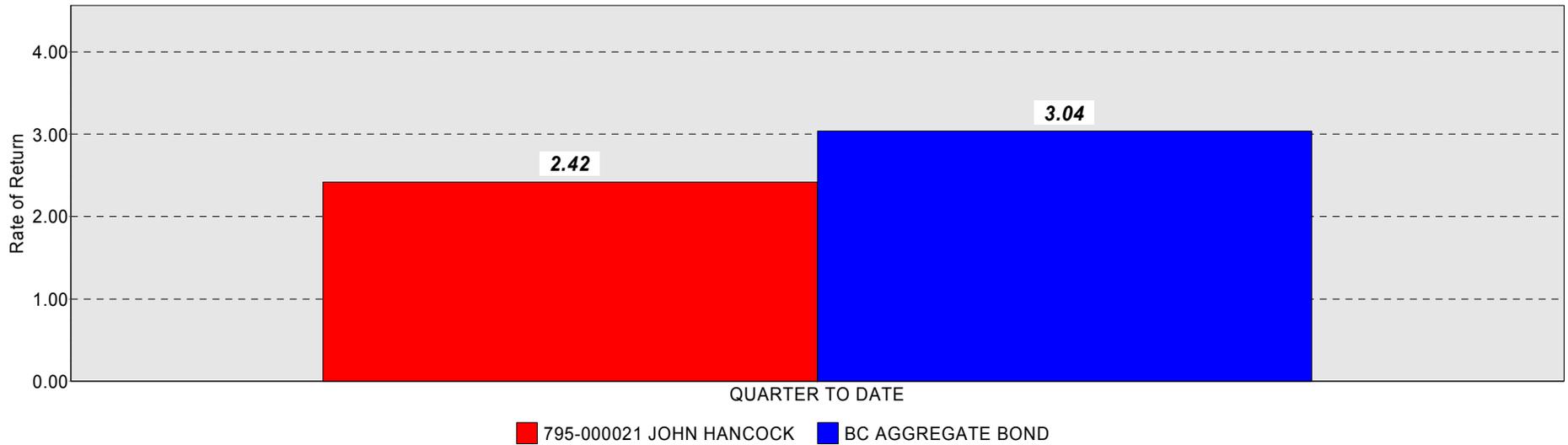
Since 6/30/2013 , your fund has been 71.40 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	-11.68		0.06		-11.74		0.56		-6.55		-8.00		0.06		-8.06		-6.55		-1.50
6/2013-3/2016	-1.62		0.02		-1.64		0.72		-1.18		-1.07		0.02		-1.09		-1.18		0.08

CLAYTON COUNTY
795-000021 JOHN HANCOCK
PERIOD ENDING March 31, 2016

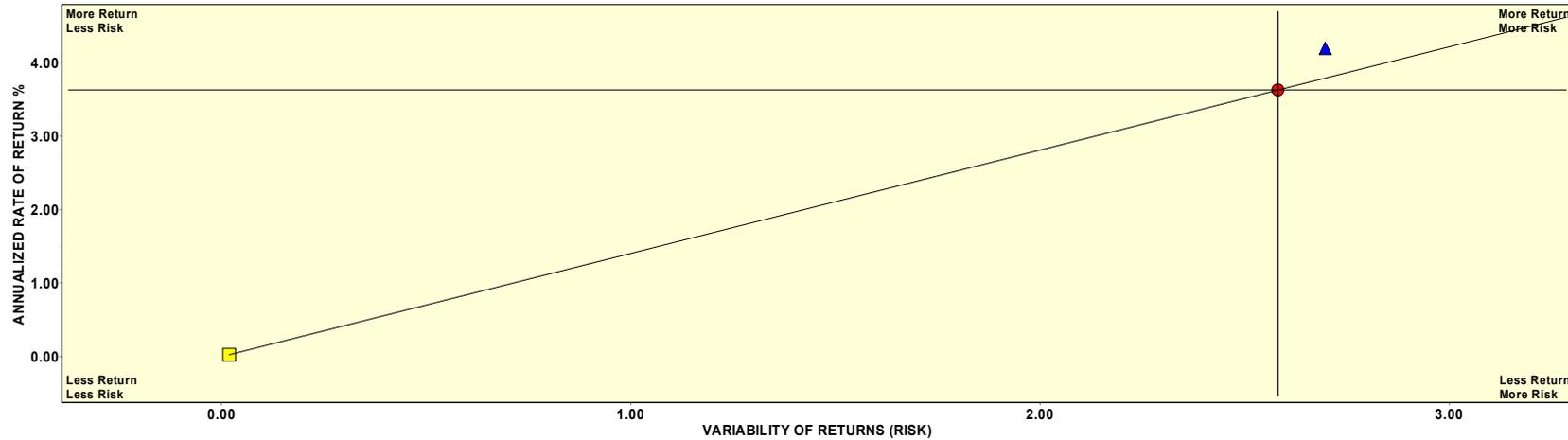
CLAYTON COUNTY
795-000021 JOHN HANCOCK
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	43,972,970.07
Net Contributions	0.00
Interest And Dividend Income	407,523.70
Investment Earnings	1,064,373.25
Ending Mkt Value	45,037,343.32
Gross Time Weighted Return	2.42
BC AGGREGATE BOND	3.04

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JOHN HANCOCK
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	4.19	2.70	1.55	0.91	0.88	75.57
● BC AGGREGATE BOND	3.62	2.58	1.39	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	0.66	2.39	-0.94	0.81	0.06	-1.33	-2.81	117.75	79.64	3.57
6/2013-3/2016	4.19	2.70	0.88	0.91	0.35	0.57	-4.71	88.66	105.50	10.42

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JOHN HANCOCK
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.88 percent per Year

Since 6/30/2013 , your fund has averaged 0.88 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.91

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.91 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (BC AGGREGATE BOND)

DIVERSIFICATION: 75.57 percent

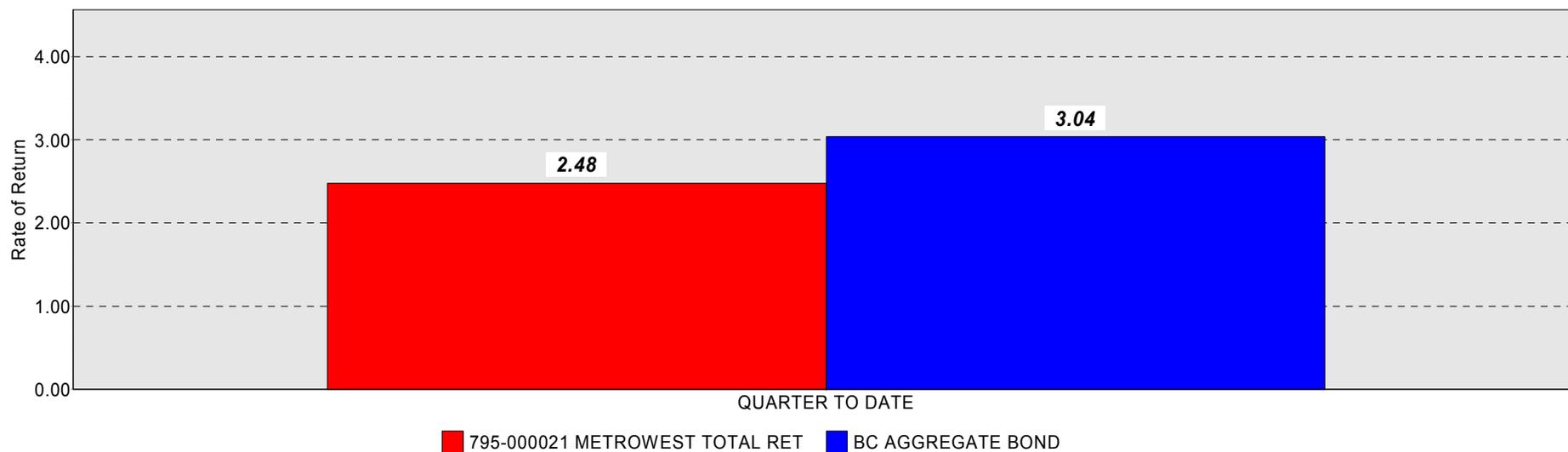
Since 6/30/2013 , your fund has been 75.57 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	1.99		0.06		1.93		0.81		1.56	0.66		0.06		0.60		1.56		-0.96
6/2013-3/2016	3.62		0.02		3.60		0.91		3.27	4.19		0.02		4.17		3.27		0.90

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
PERIOD ENDING March 31, 2016

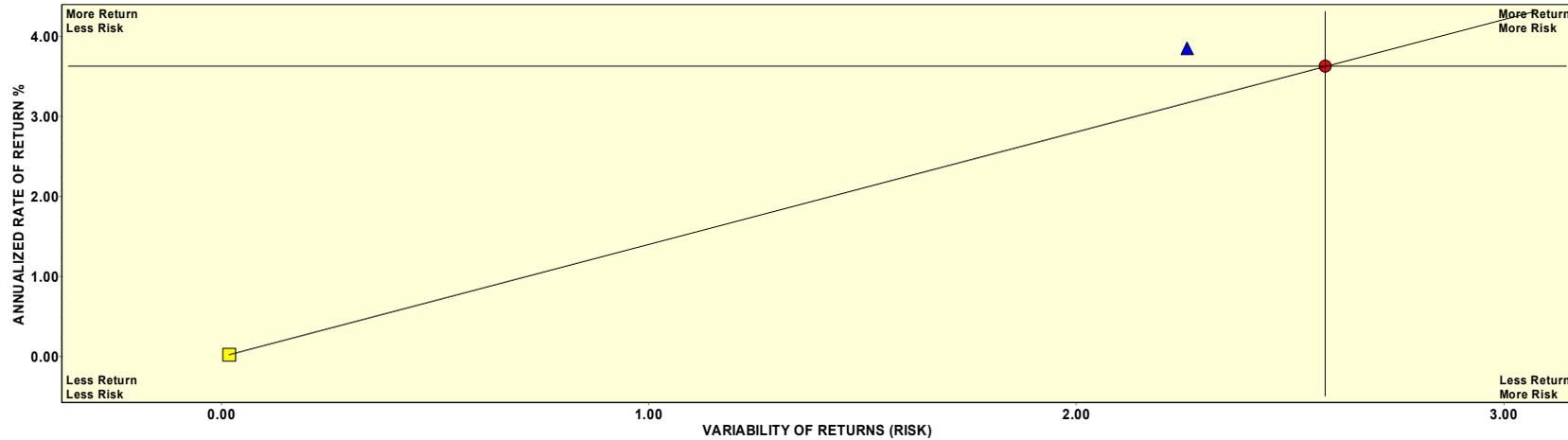
CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	43,593,300.84
Net Contributions	0.00
Interest And Dividend Income	208,335.66
Investment Earnings	1,081,212.59
Ending Mkt Value	44,674,513.43
Gross Time Weighted Return	2.48
BC AGGREGATE BOND	3.04

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	3.85	2.26	1.69	0.85	0.73	95.30
● BC AGGREGATE BOND	3.62	2.58	1.39	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	1.33	1.90	-0.28	0.81	0.11	-0.66	-2.06	86.21	77.20	3.46
6/2013-3/2016	3.85	2.26	0.73	0.85	0.32	0.23	-3.95	74.28	93.67	9.25

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.73 percent per Year

Since 6/30/2013 , your fund has averaged 0.73 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.85

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.85 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (BC AGGREGATE BOND)

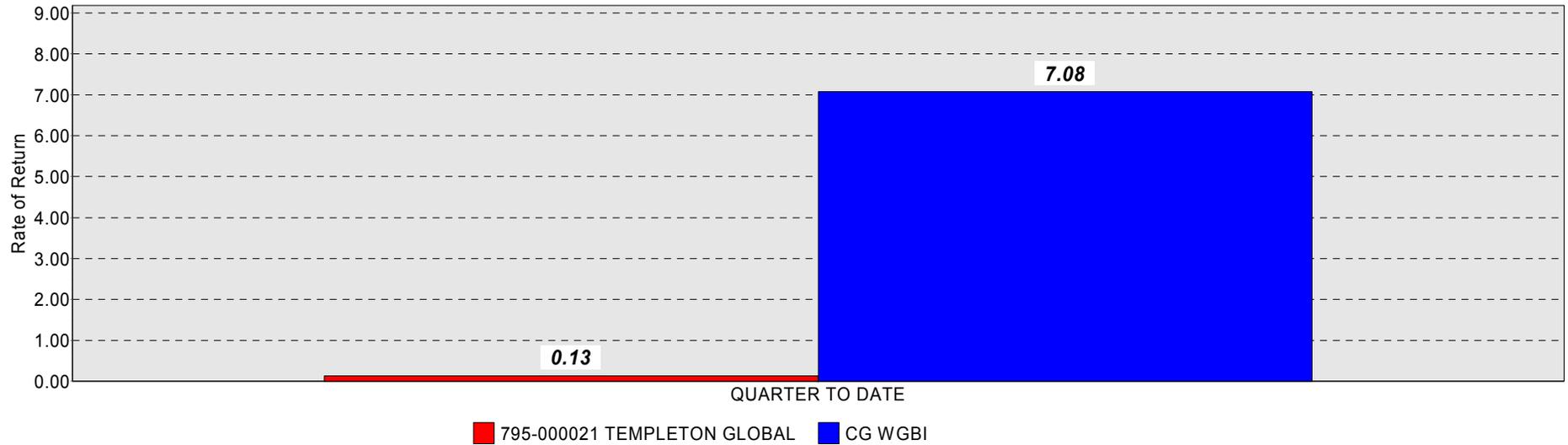
DIVERSIFICATION: 95.30 percent

Since 6/30/2013 , your fund has been 95.30 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	1.99		0.06		1.93		0.81		1.56	1.33		0.06		1.27		1.56		-0.28
6/2013-3/2016	3.62		0.02		3.60		0.85		3.07	3.85		0.02		3.83		3.07		0.75

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
PERIOD ENDING March 31, 2016

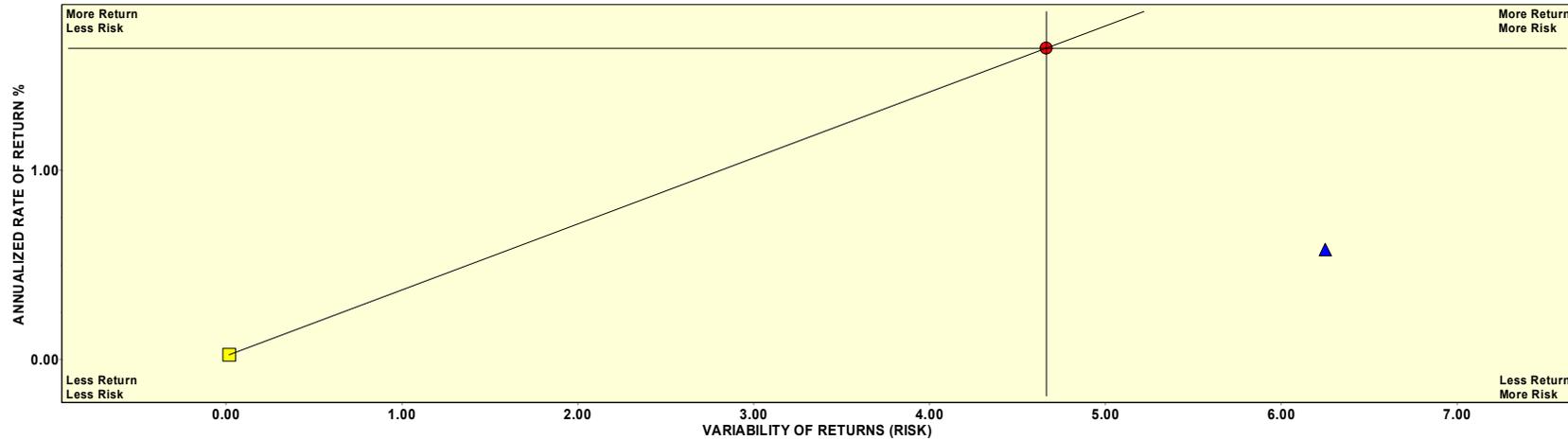
CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	23,858,943.65
Net Contributions	0.00
Interest And Dividend Income	210,635.69
Investment Earnings	31,260.88
Ending Mkt Value	23,890,204.53
Gross Time Weighted Return	0.13
CG WGBI	7.08

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	0.58	6.25	0.09	0.03	0.71	0.04
● CG WGBI	1.64	4.66	0.35	1.00	0.00	100.00
■ 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	-4.02	8.26	-2.35	-0.25	-0.31	-9.95	4.24	-90.59	-71.23	-7.93
6/2013-3/2016	0.58	6.25	0.71	0.03	0.06	-1.06	2.20	-19.75	-6.01	-0.92

gross time weighted return

Portfolio Risk Index: CG WGBI Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.71 percent per Year

Since 6/30/2013 , your fund has averaged 0.71 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.03

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.03 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (CG WGBI)

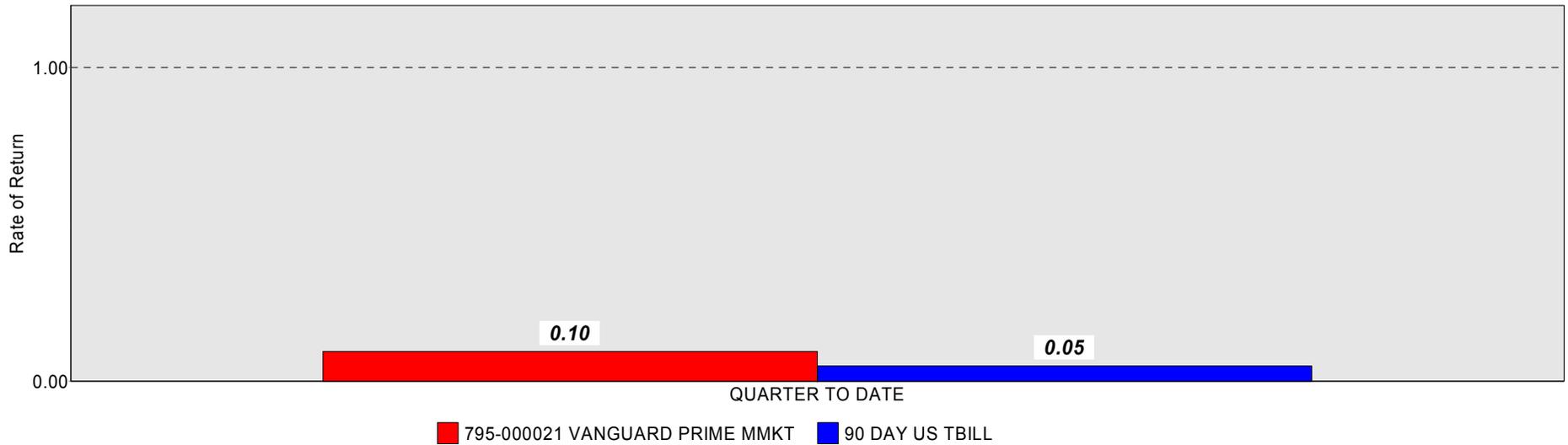
DIVERSIFICATION: 0.04 percent

Since 6/30/2013 , your fund has been 0.04 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	5.93		0.06		5.87		-0.25		-1.47		-4.02		0.06		-4.08		-1.47		-2.61
6/2013-3/2016	1.64		0.02		1.62		0.03		0.04		0.58		0.02		0.56		0.04		0.51

CLAYTON COUNTY
795-00021 VANGUARD PRIME MMKT
PERIOD ENDING March 31, 2016

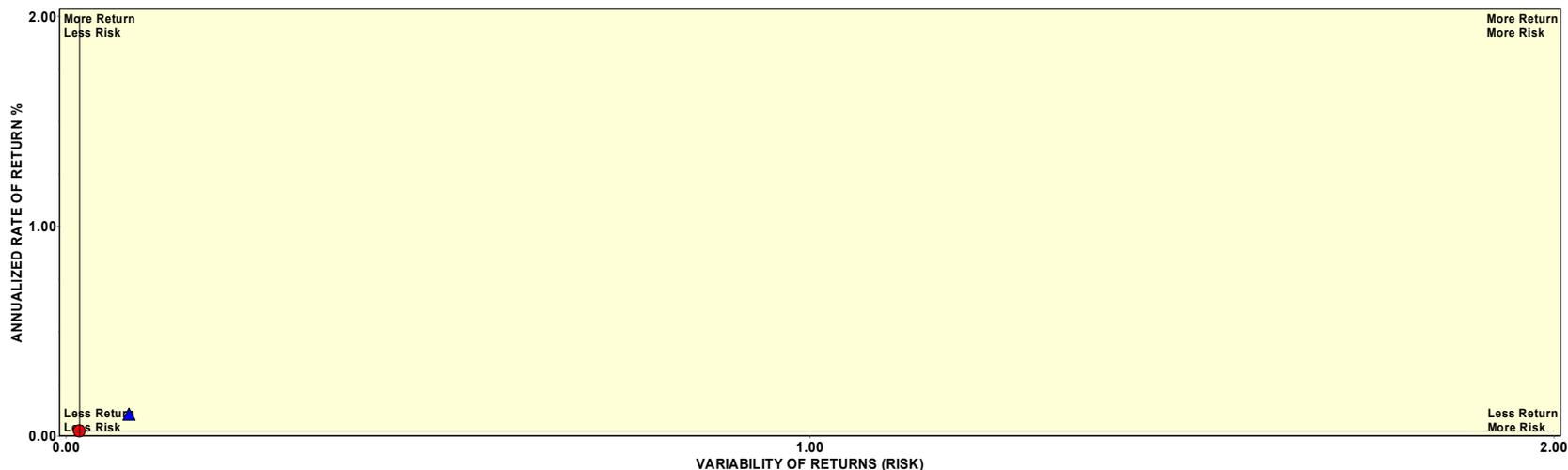
CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
March 31, 2016 Performance Review



	<u>QUARTER TO DATE</u>
Beginning Mkt Value	631,303.87
Net Contributions	189,504.84
Interest And Dividend Income	1,326.59
Investment Earnings	1,326.59
Ending Mkt Value	822,135.30
Gross Time Weighted Return	0.10
90 DAY US TBILL	0.05

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	0.11	0.08	0.97	N/A	N/A	N/A
● 90 DAY US TBILL	0.02	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	0.26	0.13	0.00	0.00	0.02	0.20			439.58	0.26
6/2013-3/2016	0.11	0.08	0.00	0.00	0.01	0.08			455.79	0.11

gross time weighted return

Portfolio Risk Index: 90 DAY US TBILL Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.00 percent per Year

Since 6/30/2013 , your fund has averaged 0.00 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.00

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.00 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (90 DAY US TBILL)

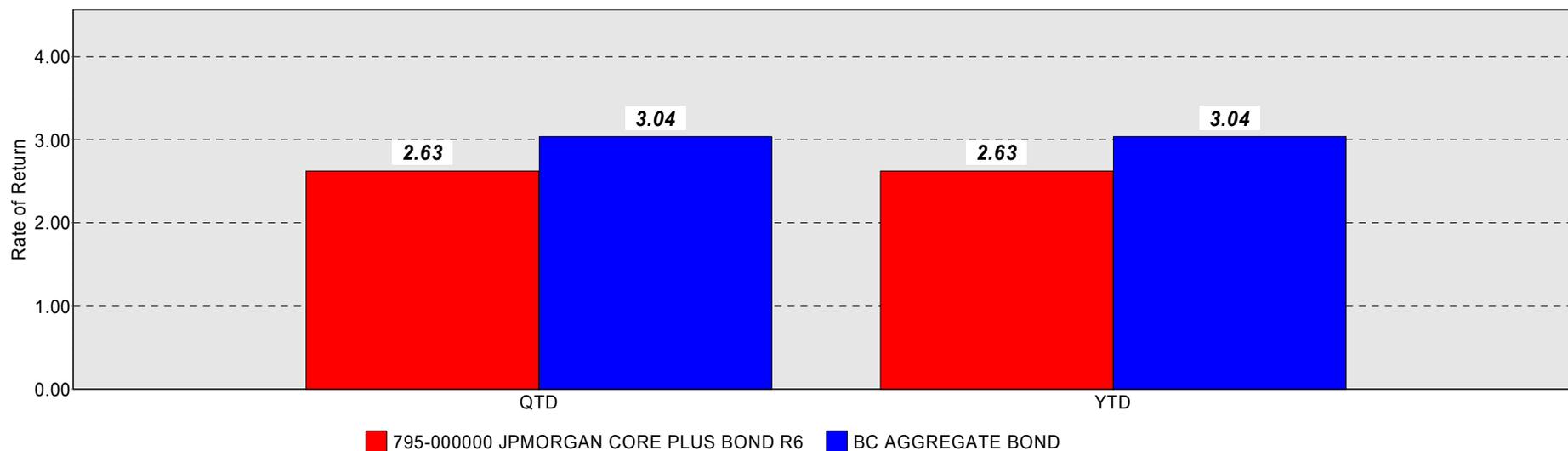
DIVERSIFICATION: 0.00 percent

Since 6/30/2013 , your fund has been 0.00 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	0.06		0.06		0.00		N/A		N/A	0.26		0.06		0.20		N/A		0.20
6/2013-3/2016	0.02		0.02		0.00		N/A		N/A	0.11		0.02		0.08		N/A		0.08

795-000000 JPMORGAN CORE PLUS BOND R6
PERIOD ENDING March 31, 2016

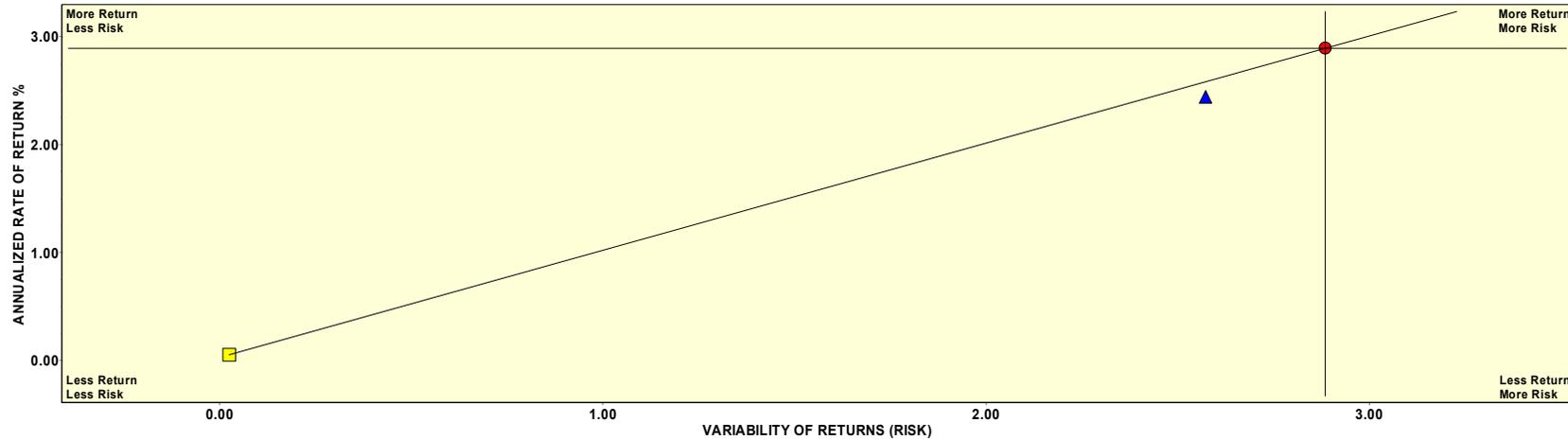
795-000000 JPMORGAN CORE PLUS BOND R6
March 31, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>
Beginning Mkt Value	7,640,195.63	7,640,195.63
Net Contributions	(3,261,406.84)	(3,261,406.84)
Interest And Dividend Income	38,254.61	38,254.61
Investment Earnings	135,893.07	135,893.07
Ending Mkt Value	4,514,681.86	4,514,681.86
Gross Time Weighted Return	2.63	2.63
BC AGGREGATE BOND	3.04	3.04

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: December 17, 2014

795-000000 JPMORGAN CORE PLUS BOND R6
March 31, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	2.44	2.57	0.93	0.84	0.00	89.62
● BC AGGREGATE BOND	2.89	2.89	0.99	1.00	0.00	100.00
■ 90 DAY US TBILL	0.05	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
3/2015-3/2016	1.16	2.22	-0.60	0.89	0.10	-0.83	-2.72	113.73	88.87	3.99
12/2014-3/2016	2.44	2.57	0.00	0.84	0.20	-0.45	-3.07	92.96	88.23	6.33

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 12/17/2014

**795-000000 JPMORGAN CORE PLUS BOND R6
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING MARCH 31, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.00 percent per Year

Since 12/31/2014 , your fund has averaged 0.00 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.84

The volatility coefficient is known as Beta.

Since 12/31/2014 , your fund has been 0.84 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(BC AGGREGATE BOND)

DIVERSIFICATION: 89.62 percent

Since 12/31/2014 , your fund has been 89.62 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
3/2015-3/2016	1.99		0.06		1.93		0.89		1.71		1.16		0.06		1.10		1.71		-0.61
12/2014-3/2016	2.89		0.05		2.84		0.84		2.40		2.44		0.05		2.39		2.40		-0.01

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Clayton County Defined Benefit Plan

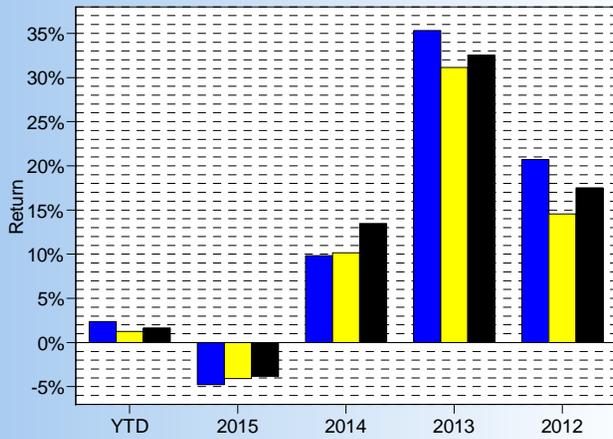
Correlation Matrix: Returns vs. S&P 500

April 2011 - March 2016

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
1) JPMorgan Core Plus Bond R6	1.00																		
2) JHancock Bond R6	0.90	1.00																	
3) Metropolitan West Total Return Bond Plan	0.87	0.89	1.00																
4) Templeton Global Bond R6	0.28	0.61	0.37	1.00															
5) TCW Dividend Focused I	0.11	0.40	0.09	0.77	1.00														
6) DePrince, Race: Large Cap Value (Gross)	0.10	0.37	0.06	0.82	0.96	1.00													
7) Paradigm Asset: Large Cap Value (Gross)	0.10	0.37	0.06	0.75	0.99	0.94	1.00												
8) Glenmede Large Cap 100	0.15	0.41	0.09	0.77	0.97	0.93	0.98	1.00											
9) Atlanta Capital: HQ Select Equity (Gross)	0.15	0.37	0.13	0.66	0.95	0.87	0.94	0.94	1.00										
10) Delaware US Growth Instl	0.02	0.28	0.03	0.72	0.88	0.83	0.90	0.91	0.88	1.00									
11) Fidelity Focused Stock	0.09	0.37	0.07	0.79	0.92	0.91	0.93	0.95	0.90	0.92	1.00								
12) JPMorgan Mid Cap Value Instl	0.24	0.47	0.15	0.73	0.96	0.93	0.97	0.97	0.95	0.84	0.91	1.00							
13) HSBC Opportunity I	0.11	0.39	0.08	0.81	0.92	0.91	0.94	0.97	0.88	0.92	0.96	0.92	1.00						
14) JPMorgan Small Cap Value R6	0.19	0.40	0.09	0.69	0.93	0.92	0.94	0.94	0.94	0.83	0.91	0.98	0.91	1.00					
15) Franklin Small Cap Growth R6	-0.01	0.23	-0.09	0.65	0.88	0.87	0.90	0.91	0.86	0.89	0.93	0.90	0.94	0.92	1.00				
16) MFS International Value R5	0.11	0.39	0.12	0.78	0.83	0.86	0.83	0.87	0.78	0.78	0.93	0.84	0.89	0.85	0.85	1.00			
17) Oakmark International I	0.05	0.35	0.10	0.83	0.75	0.83	0.76	0.81	0.71	0.77	0.87	0.76	0.89	0.80	0.81	0.90	1.00		
18) Virtus Emerging Markets Opportunities I	0.45	0.69	0.39	0.92	0.73	0.79	0.71	0.74	0.63	0.65	0.72	0.73	0.76	0.69	0.62	0.73	0.74	1.00	
19) S&P 500	0.08	0.35	0.04	0.76	0.99	0.94	0.99	0.98	0.95	0.93	0.94	0.95	0.93	0.92	0.89	0.83	0.75	0.72	1.00

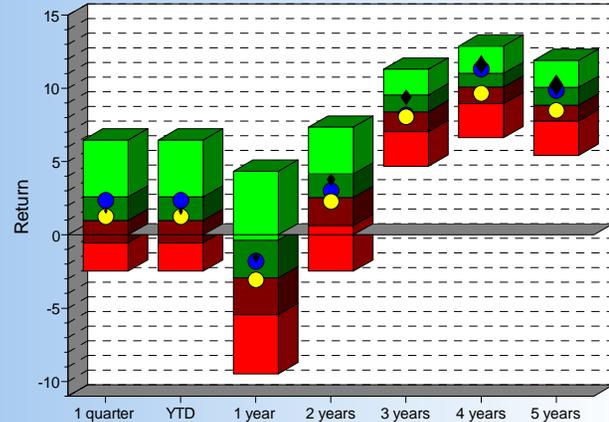
Large Cap Value

Calendar Year Return
As of March 2016



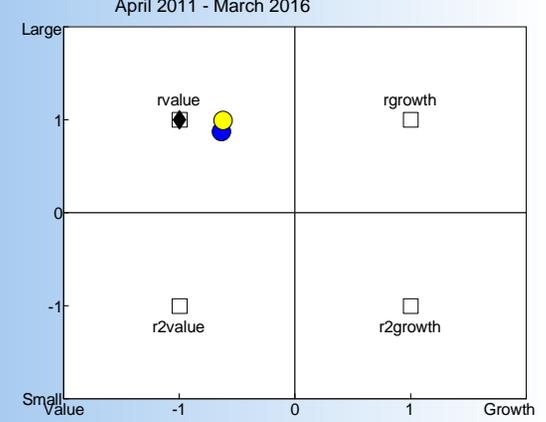
- TCW Dividend Focused I
- Morningstar Large Value
- Russell 1000 Value

Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Large Value

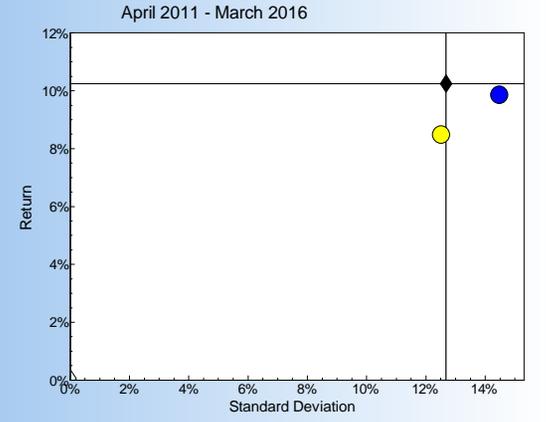


- ◆ TCW Dividend Focused I
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

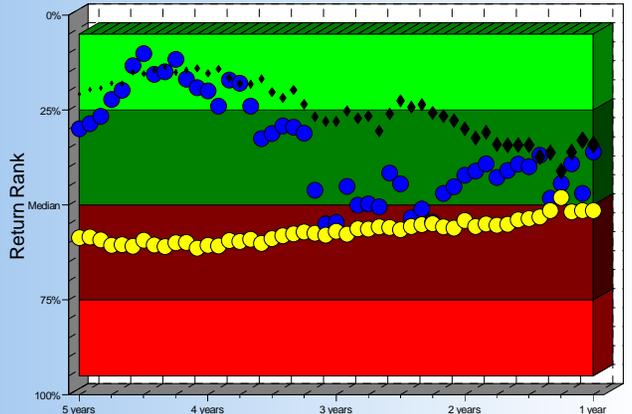
Manager Style
Single Computation



Manager Risk/Return
Single Computation



Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Large Value



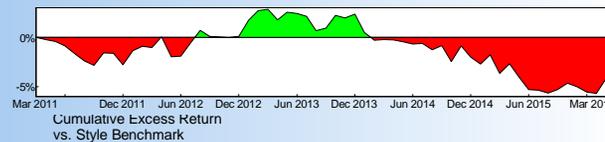
- TCW Dividend Focused I
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

April 2011 - March 2016



- TCW Dividend Focused I
- Russell 1000 Value



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
TCW Dividend Focused	14.47%	-0.38%	107.80%	111.40%
Morningstar Large Value	12.50%	-1.76%	92.77%	101.35%
Russell 1000 Value	12.68%	0.00%	100.00%	100.00%

Large Cap Value

Calendar Year Return

As of March 2016



- DePrince, Race: Large Cap Value (gross)
- Morningstar Large Value
- Russell 1000 Value

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Value

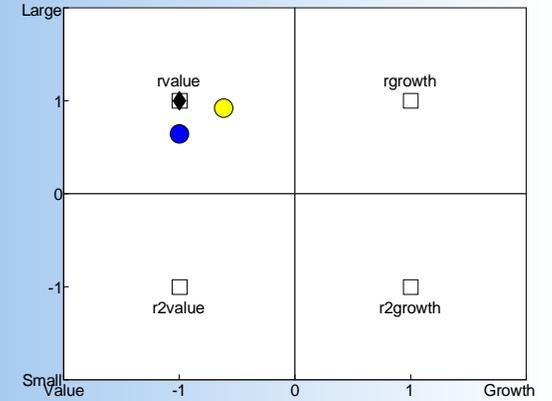


- DePrince, Race: Large Cap Value (gross)
- Morningstar Large Value
- ◆ Russell 1000 Value
- 25th Percentile to Median
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

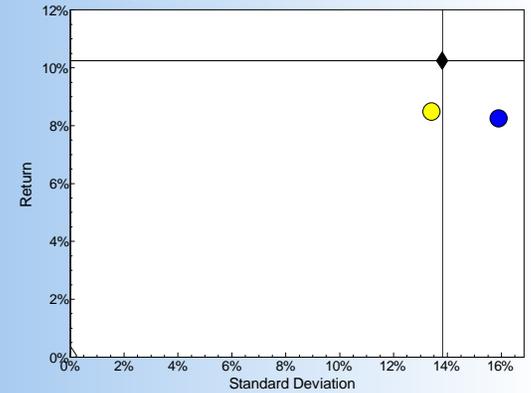
April 2011 - March 2016



Manager Risk/Return

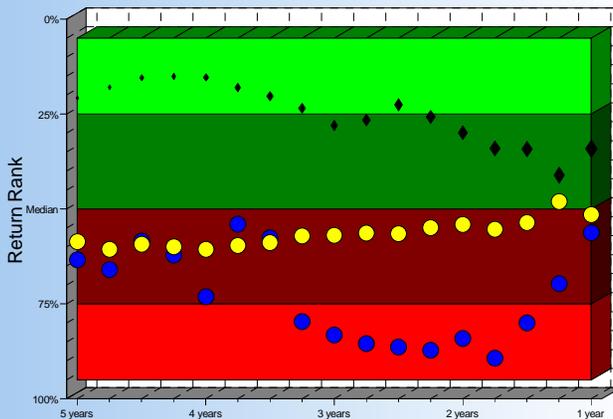
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Value



- DePrince, Race: Large Cap Value (gross)
- Morningstar Large Value
- ◆ Russell 1000 Value
- 25th Percentile to Median
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- DePrince, Race: Large Cap Value (gross)
- Russell 1000 Value



Up/Down Capture

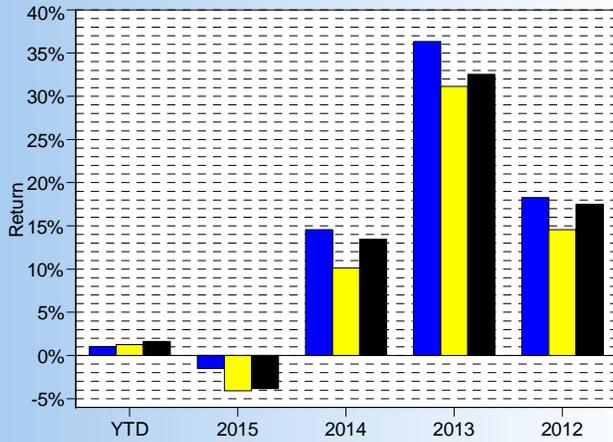
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
DePrince, Race: Large C	15.89%	-1.99%	107.76%	141.57%
Morningstar Large Valu	13.40%	-1.76%	89.89%	102.45%
Russell 1000 Value	13.80%	0.00%	100.00%	100.00%

Large Cap Value

Calendar Year Return

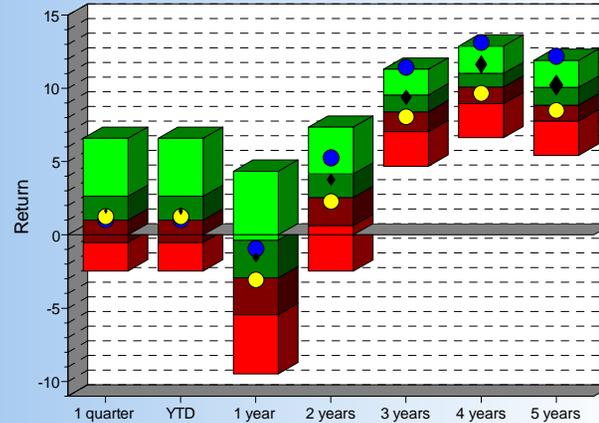
As of March 2016



- Paradigm Asset: Large Cap Value (gross)
- Morningstar Large Value
- Russell 1000 Value

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Value

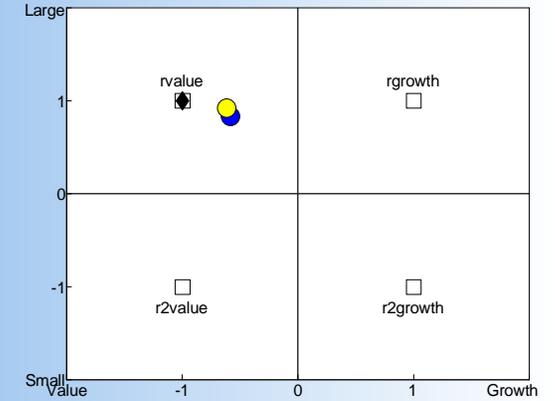


- Paradigm Asset: Large Cap Value (gross)
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Style

Single Computation

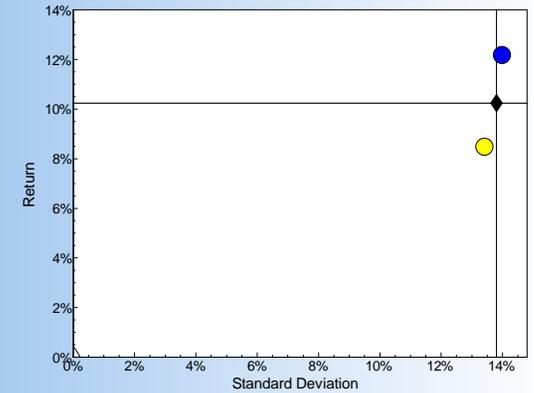
April 2011 - March 2016



Manager Risk/Return

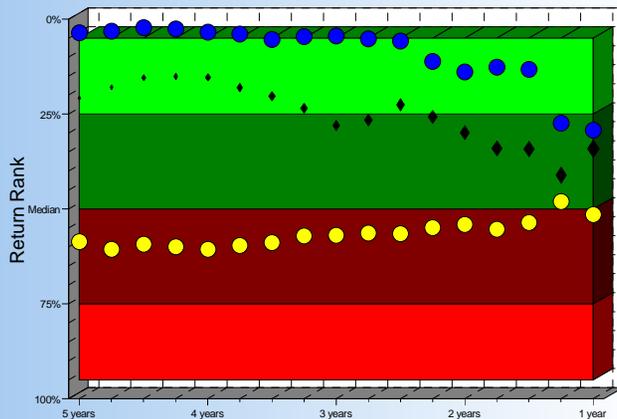
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Value



- Paradigm Asset: Large Cap Value (gross)
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Paradigm Asset: Large Cap Value (gross)
- Russell 1000 Value



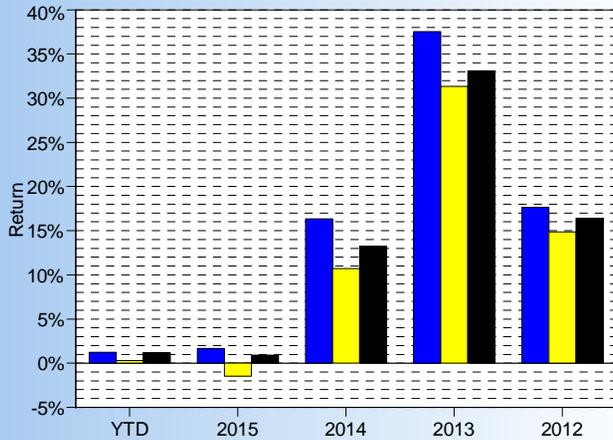
Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Paradigm Asset: Large	13.98%	1.95%	105.73%	85.57%
Morningstar Large Value	13.40%	-1.76%	89.89%	102.45%
Russell 1000 Value	13.80%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return
As of March 2016



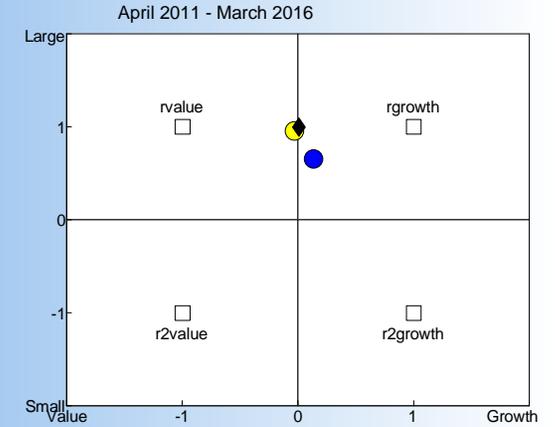
- Glenmede Large Cap 100
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth

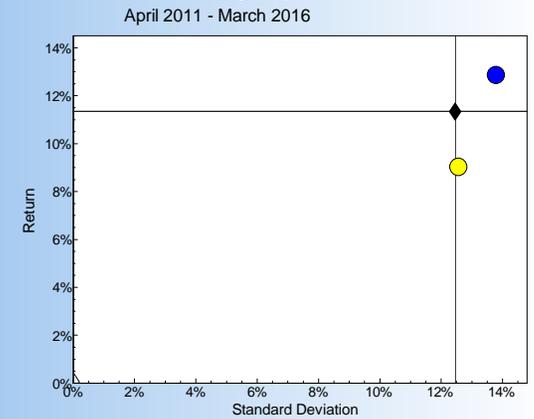


- Glenmede Large Cap 100
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

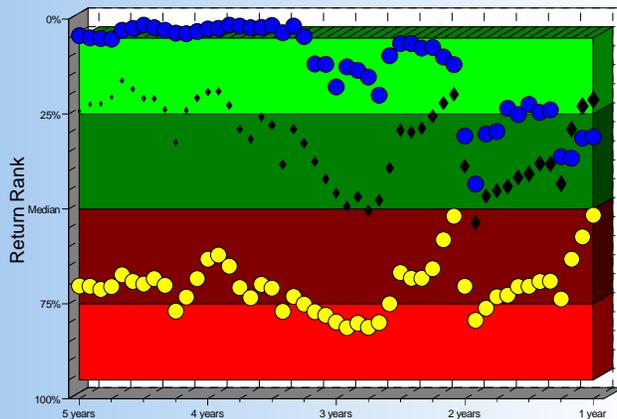
Manager Style
Single Computation



Manager Risk/Return
Single Computation



Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth



- Glenmede Large Cap 100
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

April 2011 - March 2016



- Glenmede Large Cap 100
- Russell 1000



Up/Down Capture

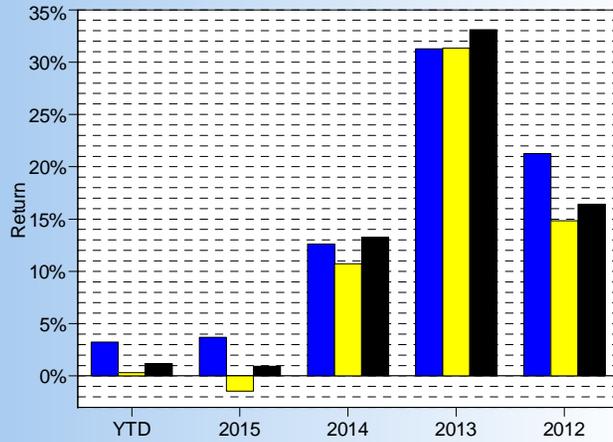
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Glenmede Large Cap 100	13.78%	1.52%	108.63%	101.90%
Morningstar Large Blend	12.56%	-2.32%	94.10%	106.62%
Russell 1000	12.45%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return

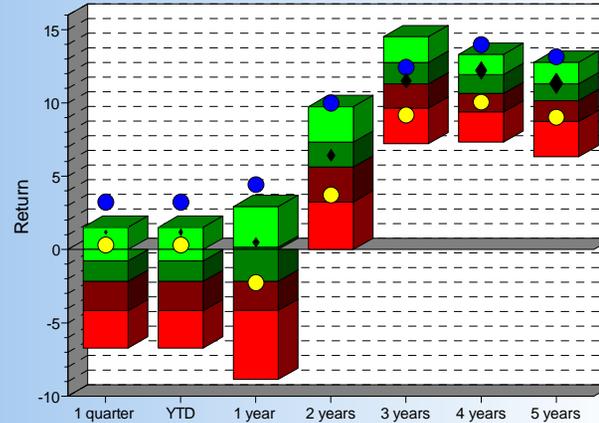
As of March 2016



- Atlanta Capital: HQ Select Equity (Gross)
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth

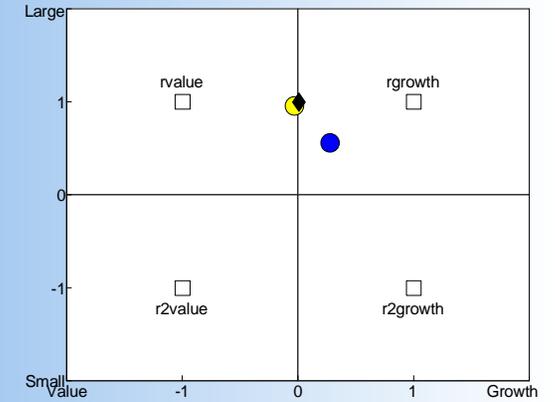


- Atlanta Capital: HQ Select Equity (Gross)
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

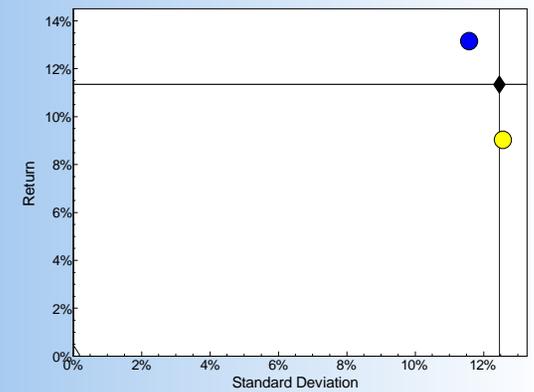
April 2011 - March 2016



Manager Risk/Return

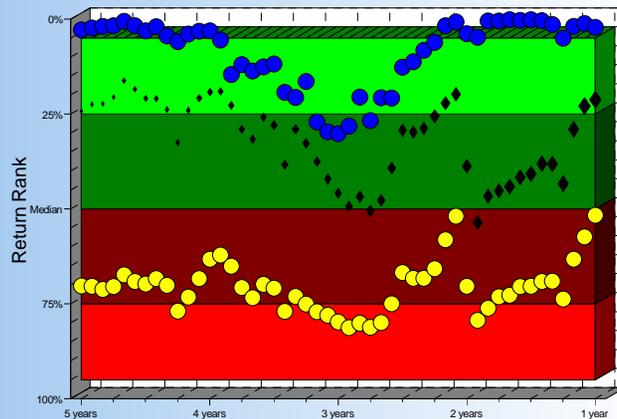
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- Atlanta Capital: HQ Select Equity (Gross)
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Atlanta Capital: HQ Select Equity (Gross)
- Russell 1000



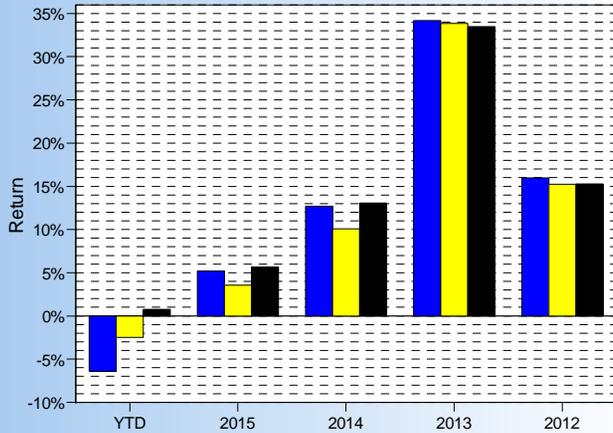
Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Atlanta Capital: HQ Se	11.57%	1.81%	91.96%	76.98%
Morningstar Large Blen	12.56%	-2.32%	94.10%	106.62%
Russell 1000	12.45%	0.00%	100.00%	100.00%

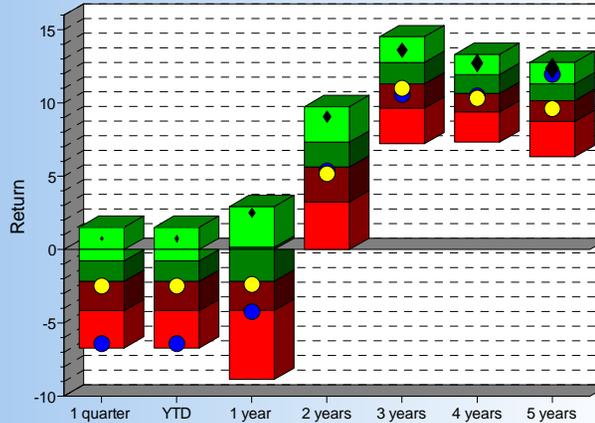
Large Cap Growth

Calendar Year Return
As of March 2016



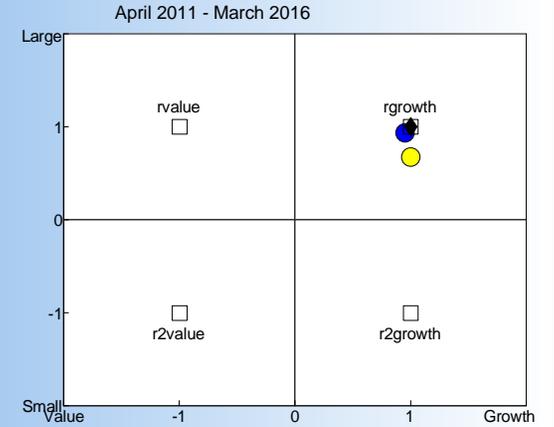
- Delaware US Growth Instl
- Morningstar Large Growth
- Russell 1000 Growth

Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth

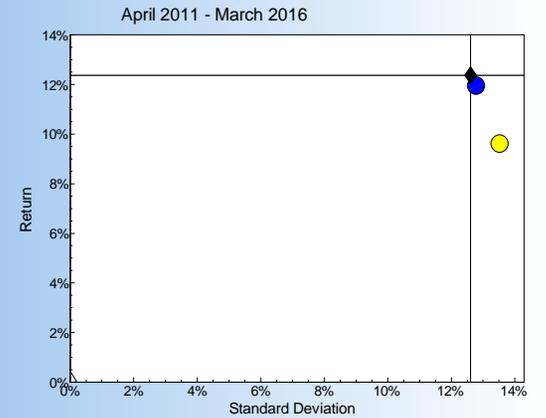


- Delaware US Growth Instl
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

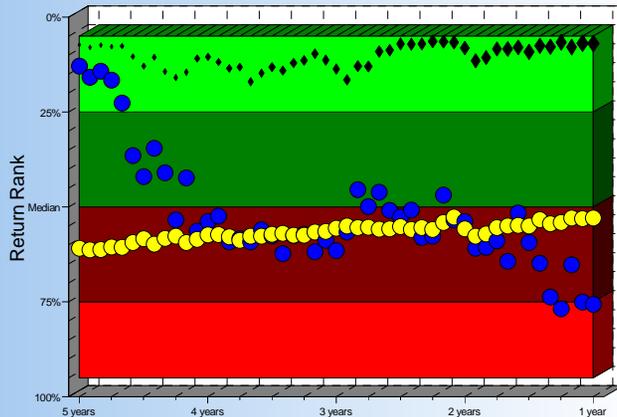
Manager Style
Single Computation



Manager Risk/Return
Single Computation



Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth



- Delaware US Growth Instl
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation



Up/Down Capture

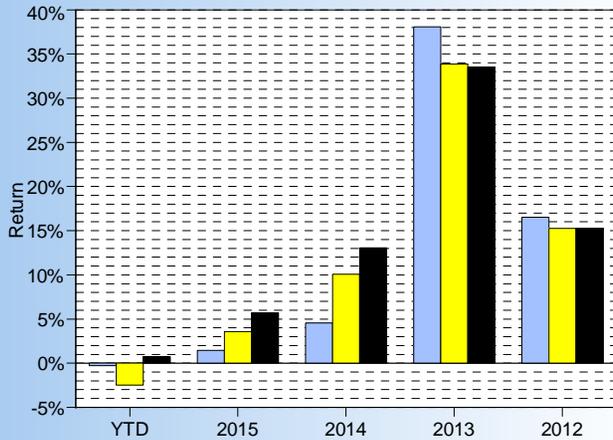
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Delaware US Growth Instl	12.77%	-0.41%	94.83%	95.30%
Morningstar Large Growth	13.51%	-2.75%	97.96%	115.09%
Russell 1000 Growth	12.60%	0.00%	100.00%	100.00%

Large Cap Growth

Calendar Year Return

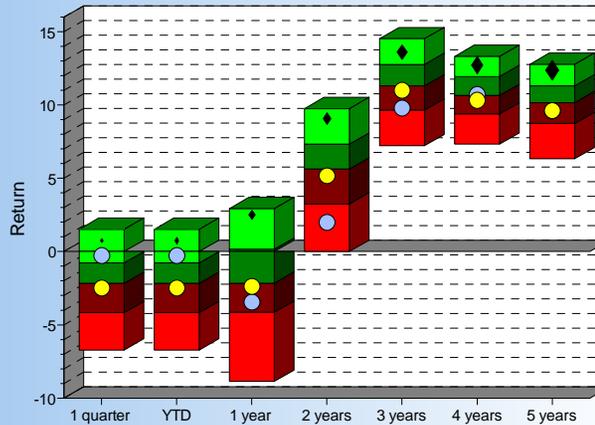
As of March 2016



- Fidelity Focused Stock
- Morningstar Large Growth
- Russell 1000 Growth

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth

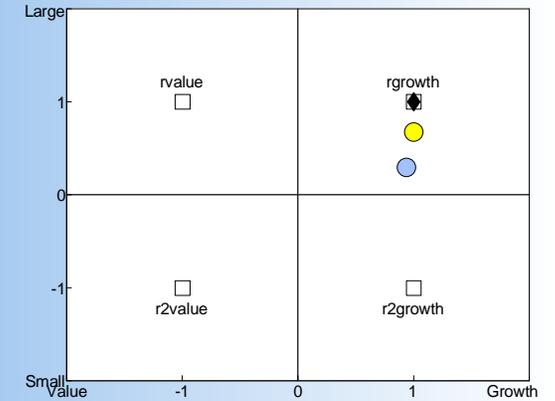


- Fidelity Focused Stock
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

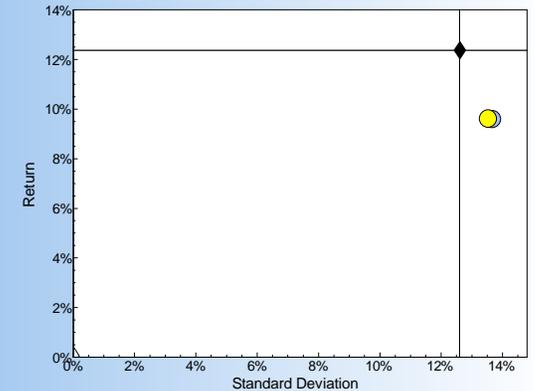
April 2011 - March 2016



Manager Risk/Return

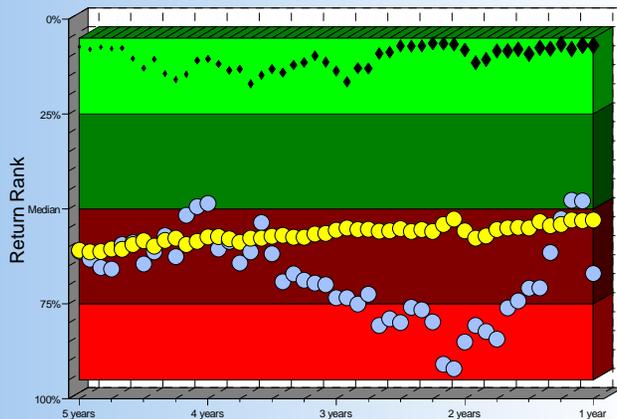
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- Fidelity Focused Stock
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Fidelity Focused Stock
- Russell 1000 Growth



Up/Down Capture

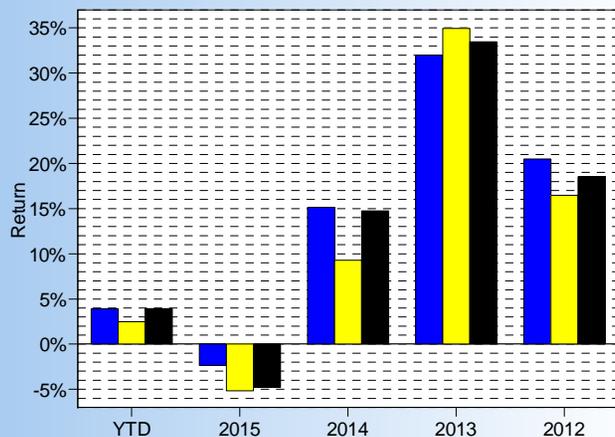
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Fidelity Focused Stock	13.66%	-2.77%	94.87%	110.91%
Morningstar Large Growth	13.51%	-2.75%	97.96%	115.09%
Russell 1000 Growth	12.60%	0.00%	100.00%	100.00%

Mid Cap Value

Calendar Year Return

As of March 2016

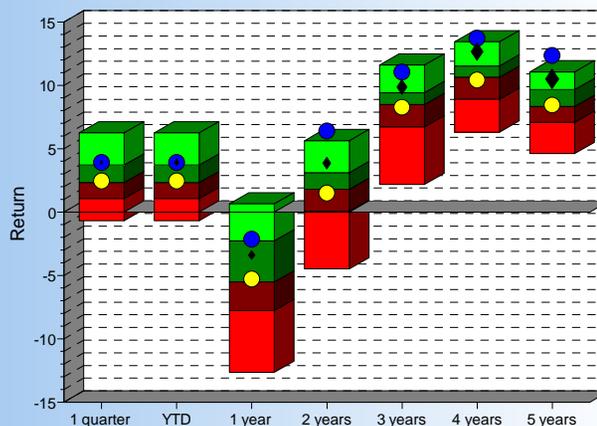


- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- Russell Midcap Value

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)

Morningstar Mid-Cap Value

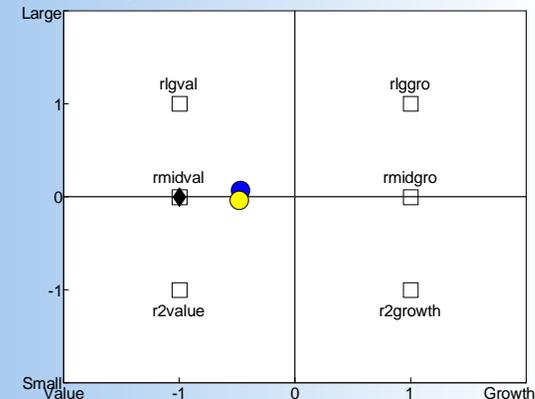


- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- ◆ Russell Midcap Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

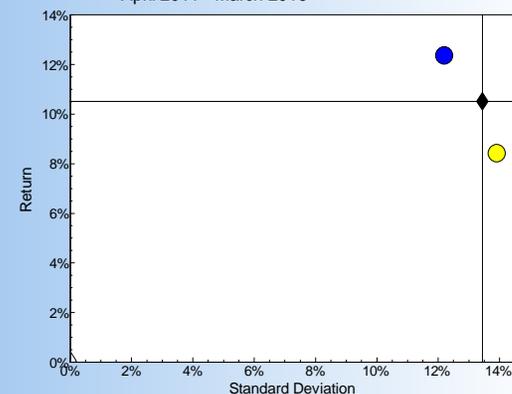
April 2011 - March 2016



Manager Risk/Return

Single Computation

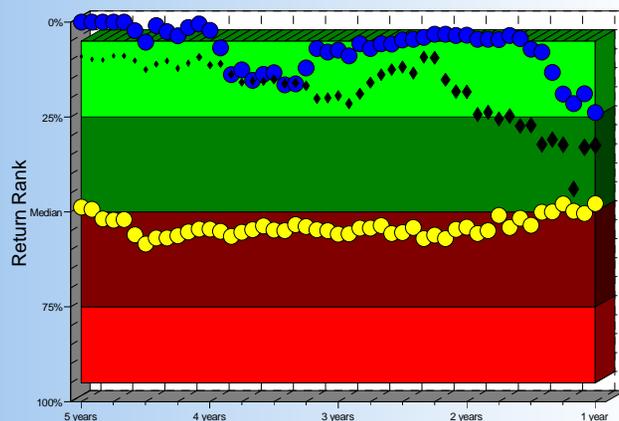
April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)

Morningstar Mid-Cap Value



- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- ◆ Russell Midcap Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- JPMorgan Mid Cap Value Instl
- Russell Midcap Value



Up/Down Capture

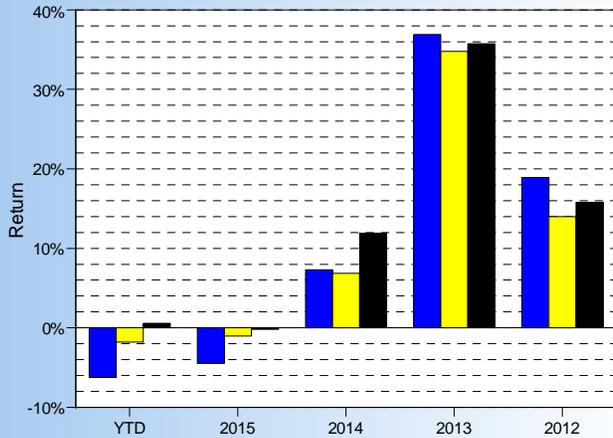
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Mid Cap Val	12.19%	1.85%	95.96%	84.24%
Morningstar Mid-Cap V	13.90%	-2.08%	96.47%	107.38%
Russell Midcap Value	13.44%	0.00%	100.00%	100.00%

Mid Cap Growth

Calendar Year Return

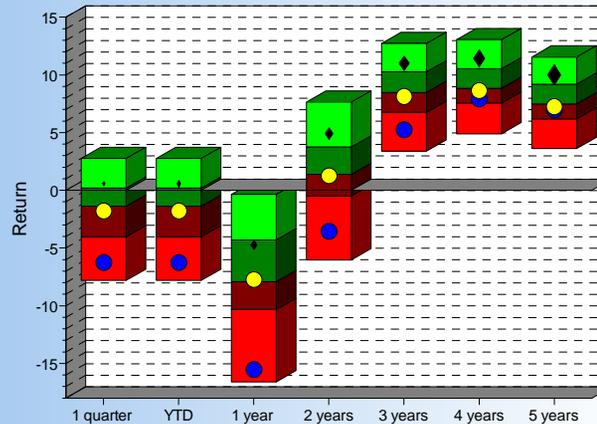
As of March 2016



- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- Russell Midcap Growth

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth

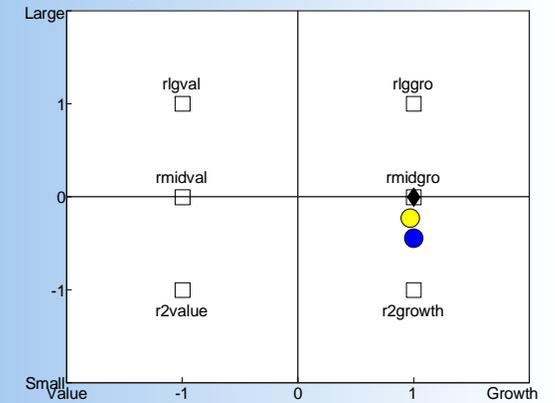


- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- ◆ Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

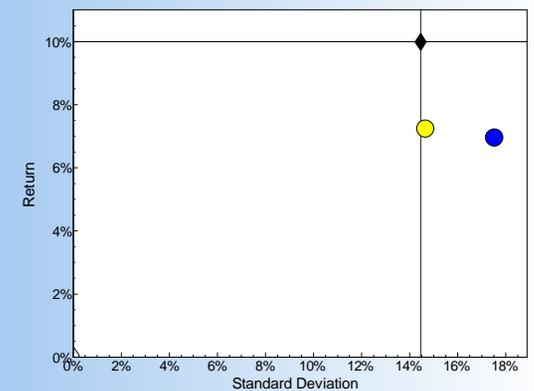
April 2011 - March 2016



Manager Risk/Return

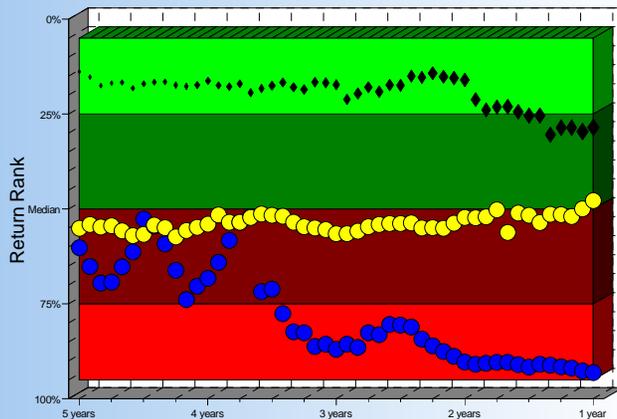
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth



- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- ◆ Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

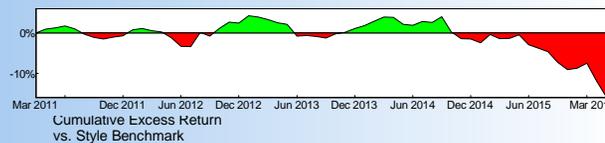
Manager Performance

Single Computation

April 2011 - March 2016



- HSBC Opportunity I
- Russell Midcap Growth



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
HSBC Opportunity I	17.51%	-3.03%	106.14%	121.45%
Morningstar Mid-Cap G	14.63%	-2.75%	94.42%	107.80%
Russell Midcap Growth	14.45%	0.00%	100.00%	100.00%

Small Cap Value

Calendar Year Return

As of March 2016



- JPMorgan Small Cap Value R6
- Morningstar Small Value
- Russell 2000 Value

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)

Morningstar Small Value

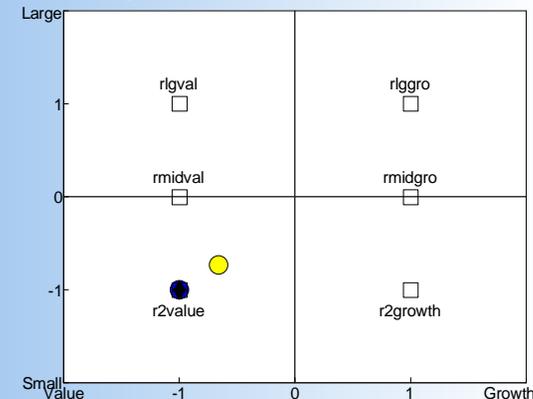


- JPMorgan Small Cap Value R6
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Style

Single Computation

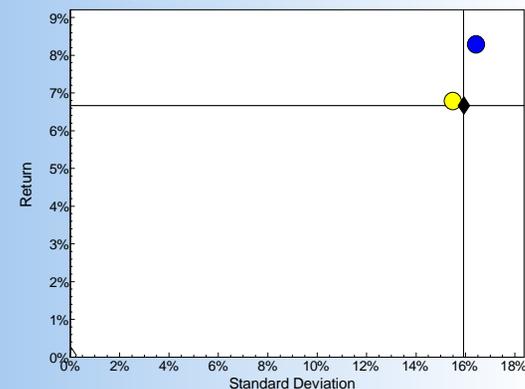
April 2011 - March 2016



Manager Risk/Return

Single Computation

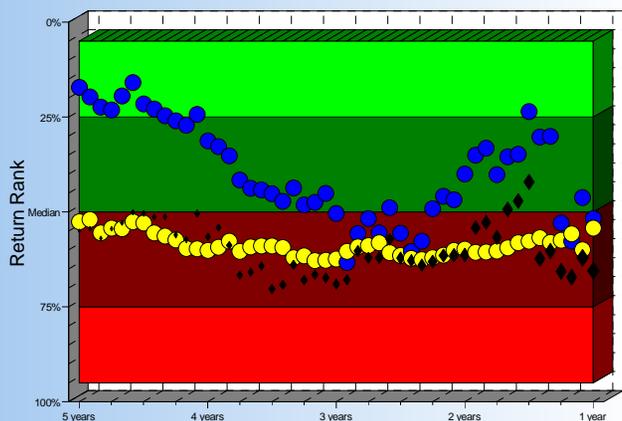
April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)

Morningstar Small Value



- JPMorgan Small Cap Value R6
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- JPMorgan Small Cap Value R6
- Russell 2000 Value



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Small Cap Value	16.42%	1.63%	105.08%	97.97%
Morningstar Small Value	15.48%	0.12%	95.83%	95.87%
Russell 2000 Value	15.93%	0.00%	100.00%	100.00%

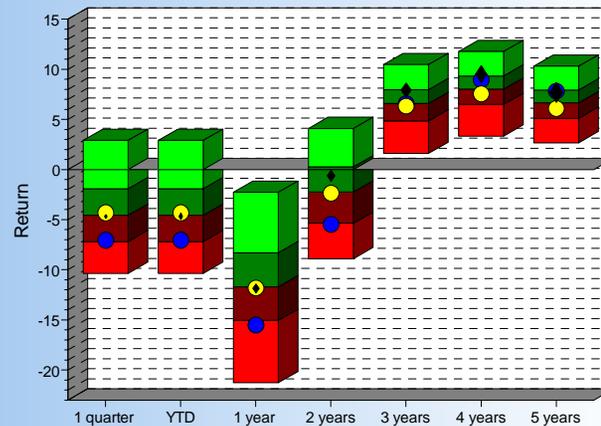
Small Cap Growth

Calendar Year Return
As of March 2016

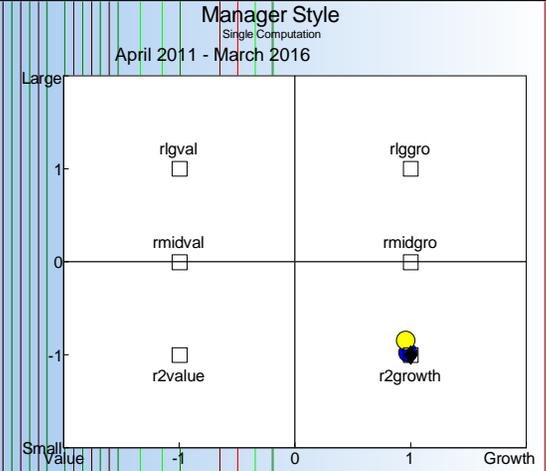


- Franklin Small Cap Growth R6
- Morningstar Small Growth
- Russell 2000 Growth

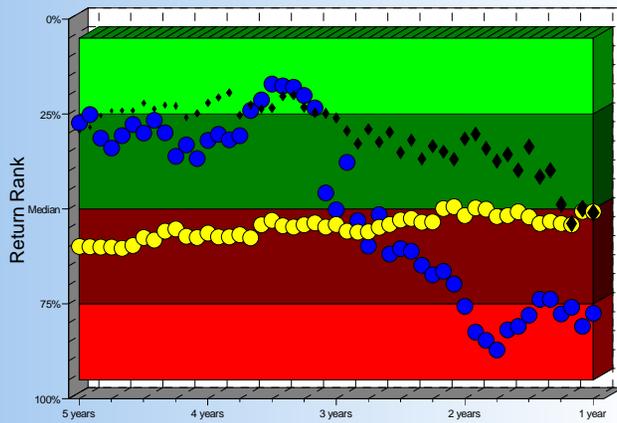
Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Small Growth



- Franklin Small Cap Growth R6
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile
- Morningstar Small Growth
- Median to 75th Percentile

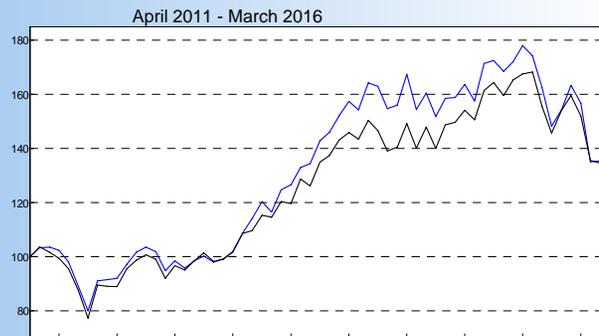


Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Small Growth

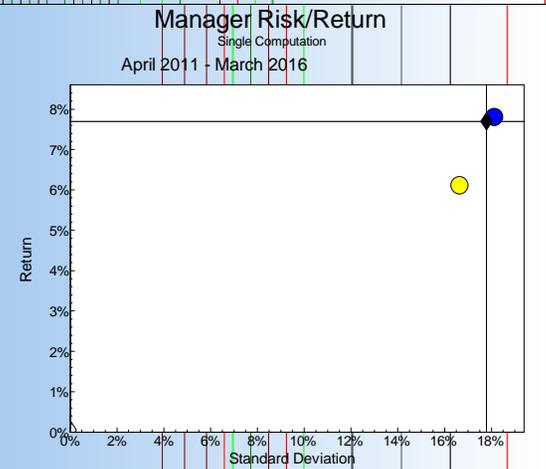


- Franklin Small Cap Growth R6
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile
- Morningstar Small Growth
- Median to 75th Percentile

Manager Performance
Single Computation
April 2011 - March 2016



- Franklin Small Cap Growth R6
- Russell 2000 Growth



Up/Down Capture

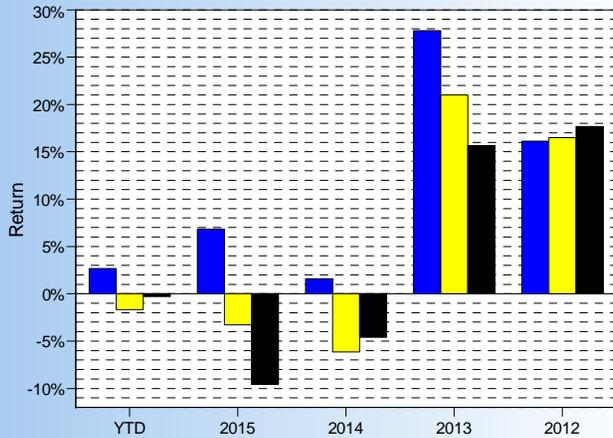
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Franklin Small Cap Gro	18.10%	0.12%	97.40%	97.42%
Morningstar Small Gro	16.62%	-1.58%	88.43%	95.63%
Russell 2000 Growth	17.78%	0.00%	100.00%	100.00%

Foreign Large Value

Calendar Year Return

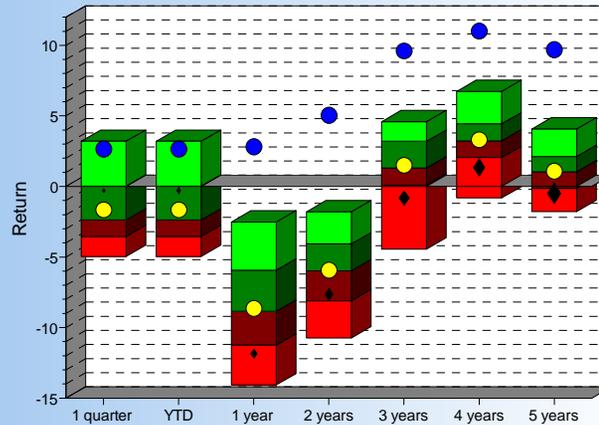
As of March 2016



- MFS International Value R5
- Morningstar Foreign Large Value
- MSCI ACWI ex USA VALUE

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Value

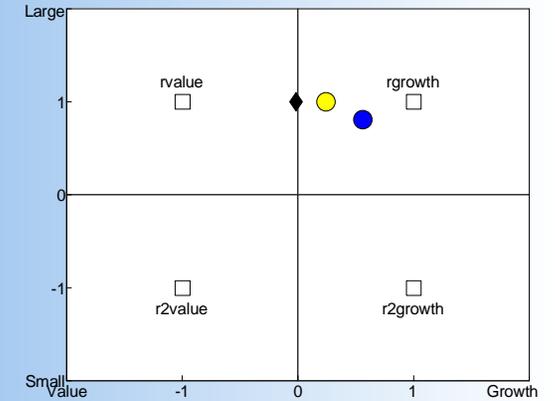


- MFS International Value R5
- Morningstar Foreign Large Value
- ◆ MSCI ACWI ex USA VALUE
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

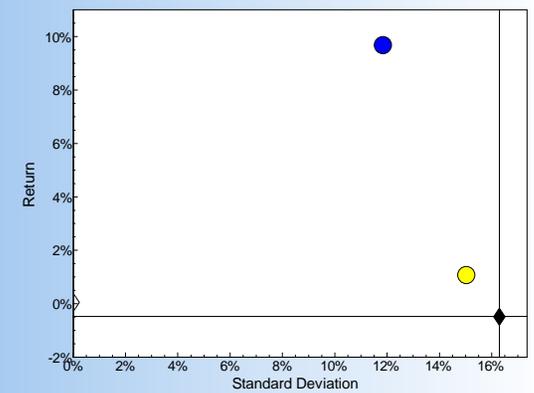
April 2011 - March 2016



Manager Risk/Return

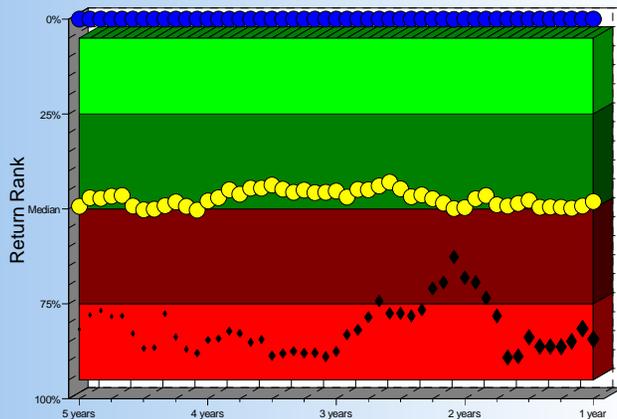
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Value

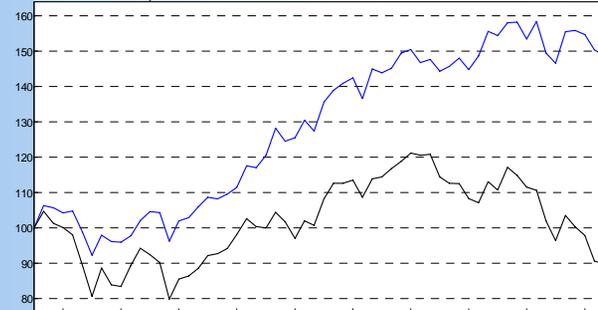


- MFS International Value R5
- ◆ MSCI ACWI ex USA VALUE
- Morningstar Foreign Large Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- MFS International Value R5
- MSCI ACWI ex USA VALUE



Up/Down Capture

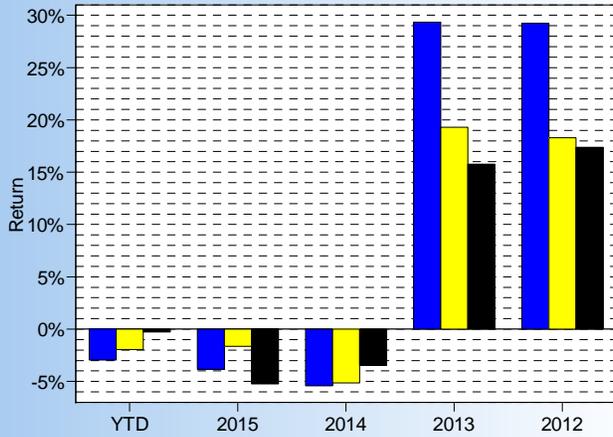
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
MFS International Value	11.83%	10.17%	76.70%	42.89%
Morningstar Foreign Large Value	15.03%	1.56%	91.70%	88.88%
MSCI ACWI ex USA VALUE	16.29%	0.00%	100.00%	100.00%

Foreign Large Blend

Calendar Year Return

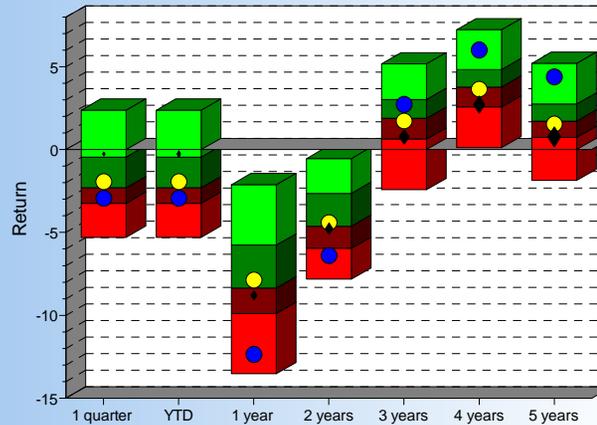
As of March 2016



- Oakmark International I
- Morningstar Foreign Large Blend
- MSCI ACWI ex USA

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend

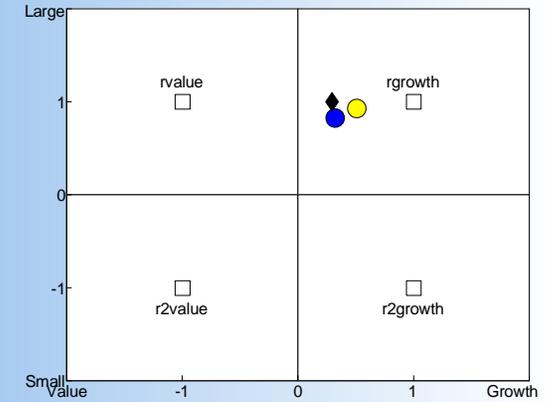


- Oakmark International I
- Morningstar Foreign Large Blend
- ◆ MSCI ACWI ex USA
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

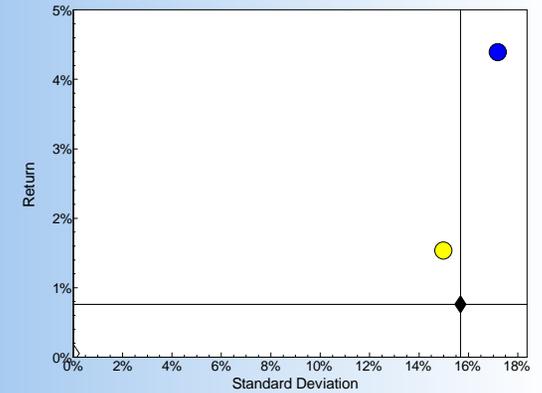
April 2011 - March 2016



Manager Risk/Return

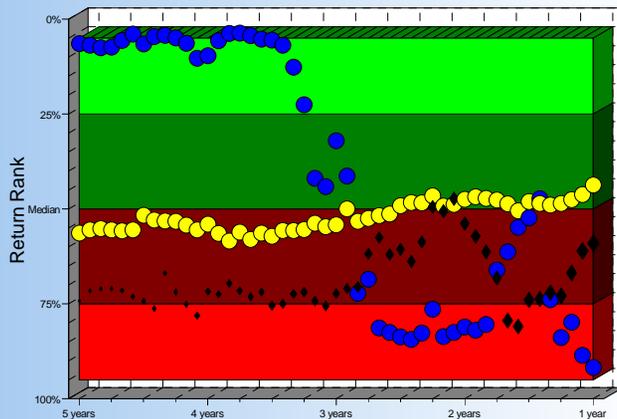
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend

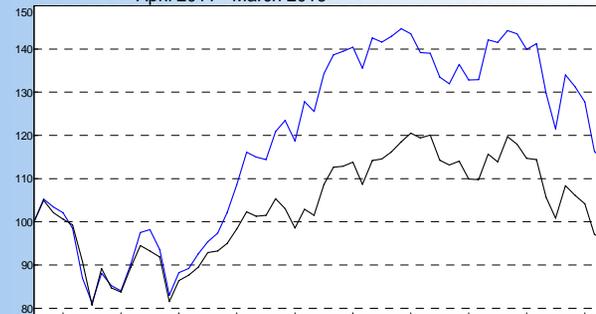


- Oakmark International I
- Morningstar Foreign Large Blend
- ◆ MSCI ACWI ex USA
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

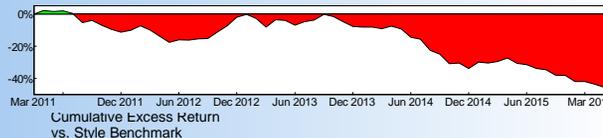
Manager Performance

Single Computation

April 2011 - March 2016



- Oakmark International I
- MSCI ACWI ex USA



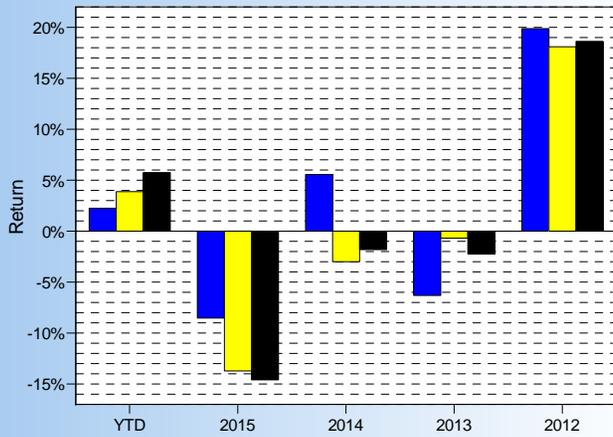
Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Oakmark International	17.17%	3.63%	117.45%	97.59%
Morningstar Foreign Large Blend	14.97%	0.77%	95.18%	93.56%
MSCI ACWI ex USA	15.67%	0.00%	100.00%	100.00%

Emerging Markets

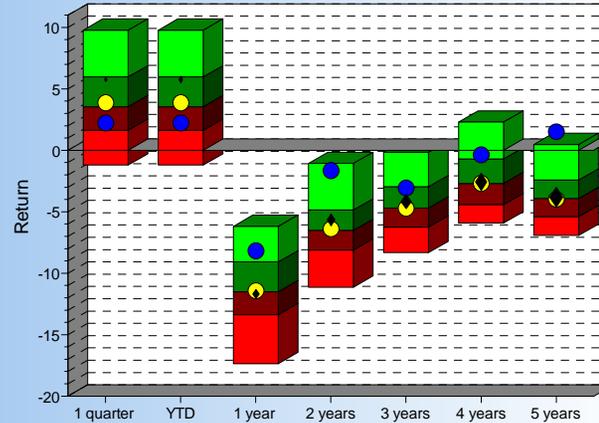
Calendar Year Return
As of March 2016



- Virtus Emerging Markets Opportunities I
- Morningstar Diversified Emerging Mkts
- MSCI EM (EMERGING MARKETS)

Manager vs Universe: Return through March 2016

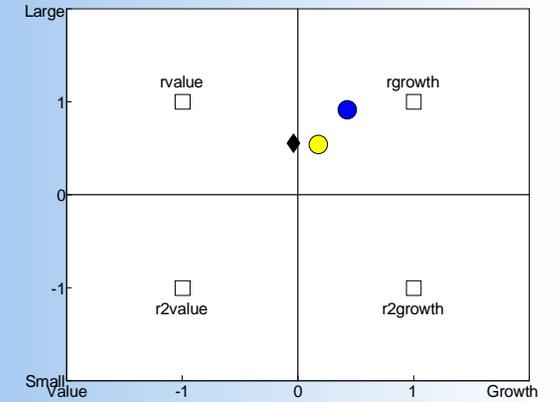
(not annualized if less than 1 year)
Morningstar Diversified Emerging Mkts



- Virtus Emerging Markets Opportunities I
- Morningstar Diversified Emerging Mkts
- ◆ MSCI EM (EMERGING MARKETS)
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

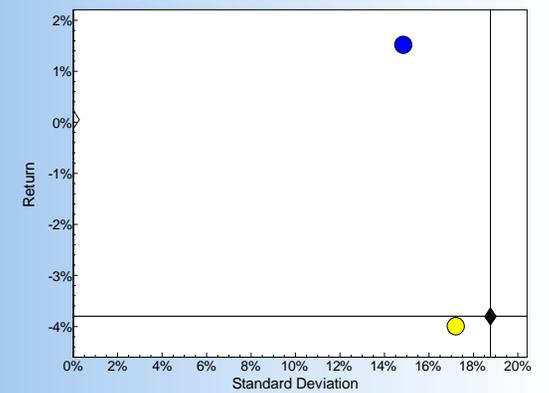
Manager Style
Single Computation

April 2011 - March 2016



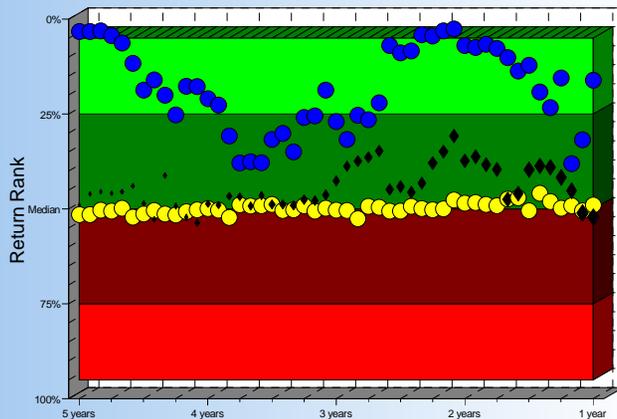
Manager Risk/Return
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Diversified Emerging Mkts



- Virtus Emerging Markets Opportunities I
- Morningstar Diversified Emerging Mkts
- ◆ MSCI EM (EMERGING MARKETS)
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

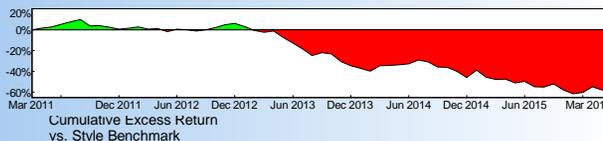
Manager Performance

Single Computation

April 2011 - March 2016



- Virtus Emerging Markets Opportunities I
- MSCI EM (EMERGING MARKETS)



Up/Down Capture

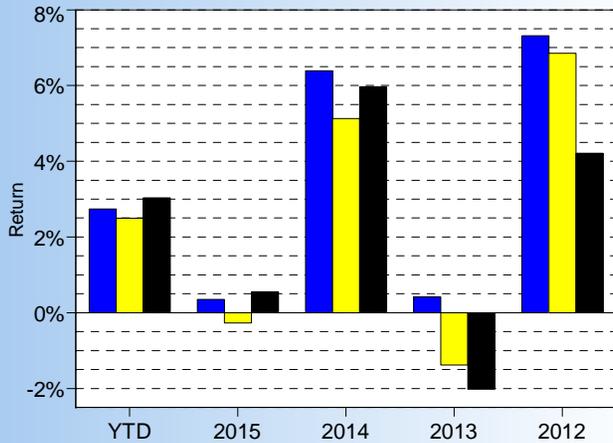
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Virtus Emerging Market	14.84%	5.32%	82.38%	72.54%
Morningstar Diversified	17.19%	-0.19%	86.69%	93.31%
MSCI EM (EMERGING M	18.76%	0.00%	100.00%	100.00%

Core Fixed Income

Calendar Year Return

As of March 2016



- JPMorgan Core Plus Bond R6
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond

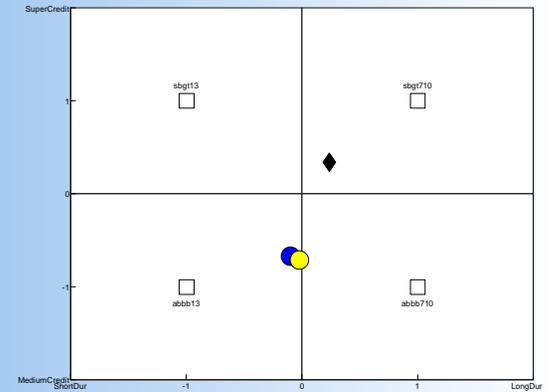


- JPMorgan Core Plus Bond R6
- ◆ Barclays Capital U.S. Aggregate
- Morningstar Intermediate-Term Bond
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

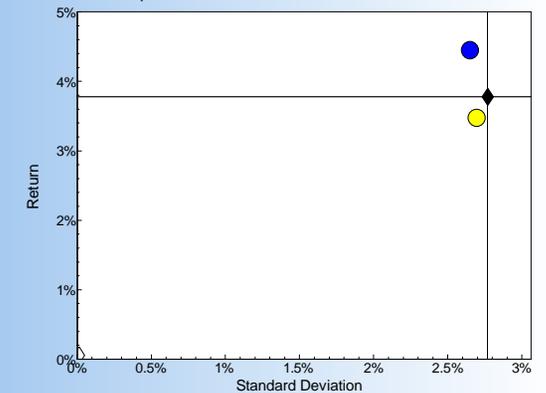
April 2011 - March 2016



Manager Risk/Return

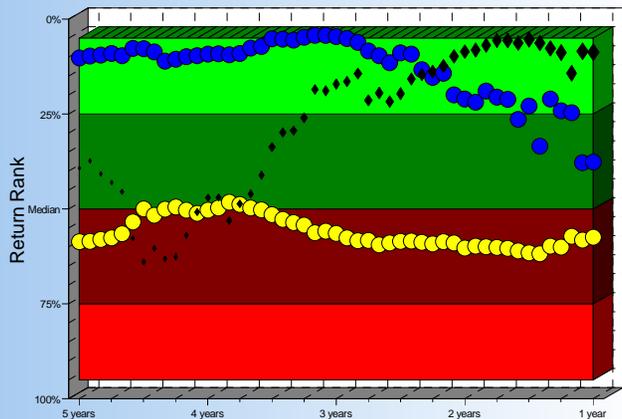
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JPMorgan Core Plus Bond R6
- ◆ Barclays Capital U.S. Aggregate
- Morningstar Intermediate-Term Bond
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- JPMorgan Core Plus Bond R6
- Barclays Capital U.S. Aggregate



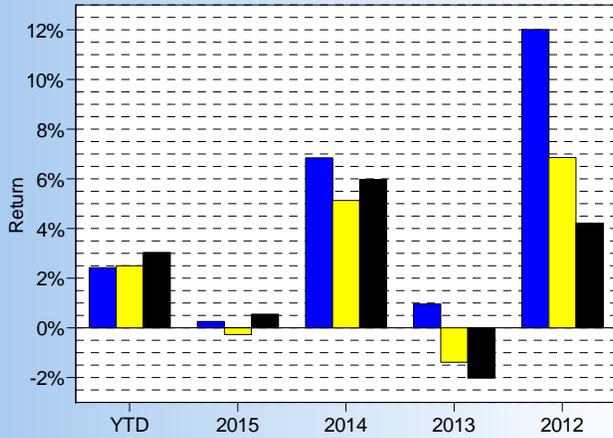
Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Core Plus Bond R6	2.65%	0.67%	102.58%	78.07%
Morningstar Intermediate-Term Bond	2.69%	-0.30%	94.13%	98.11%
Barclays Capital U.S. Aggregate	2.77%	0.00%	100.00%	100.00%

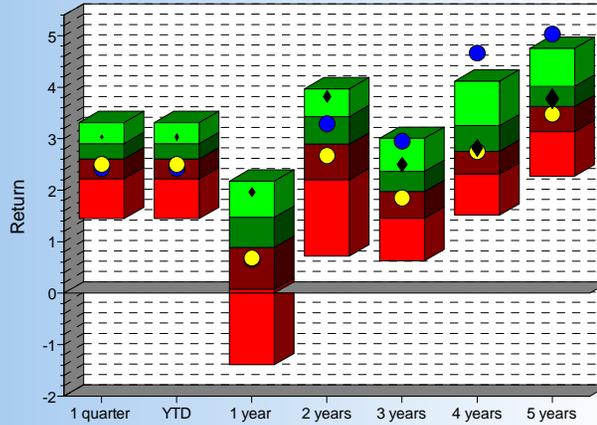
Core Fixed Income

Calendar Year Return
As of March 2016



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

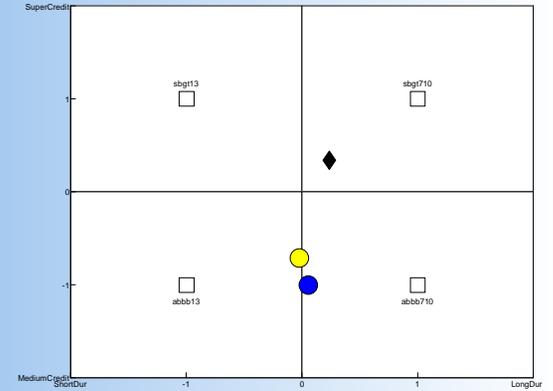
Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

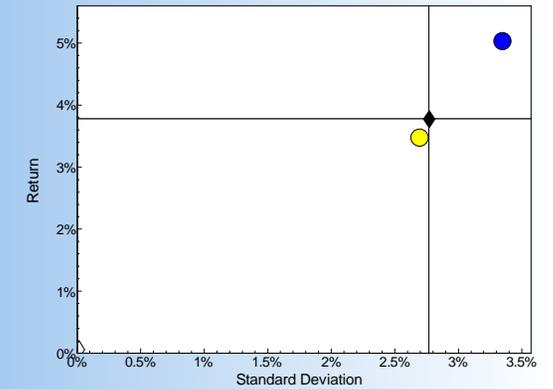
Manager Style
Single Computation

April 2011 - March 2016



Manager Risk/Return
Single Computation

April 2011 - March 2016

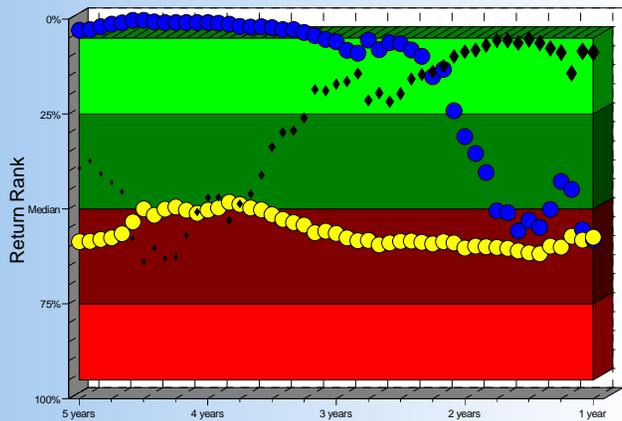


Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JHancock Bond R6	3.35%	1.26%	114.74%	83.62%
Morningstar Intermedia	2.69%	-0.30%	94.13%	98.11%
Barclays Capital U.S. Ag	2.77%	0.00%	100.00%	100.00%

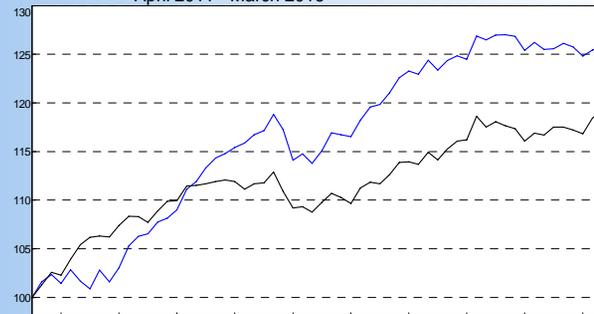
Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

April 2011 - March 2016



- JHancock Bond R6
- Barclays Capital U.S. Aggregate



Core Fixed Income

Calendar Year Return

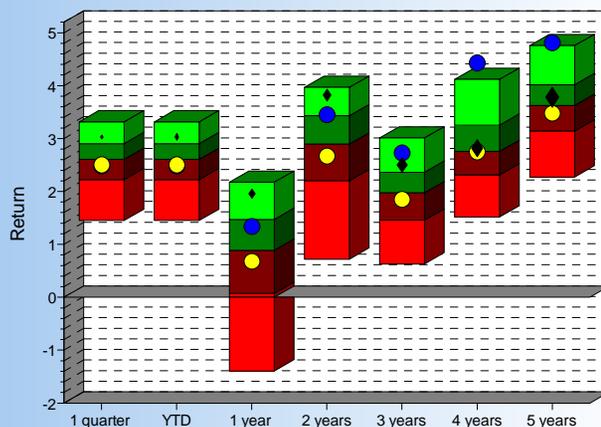
As of March 2016



- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond

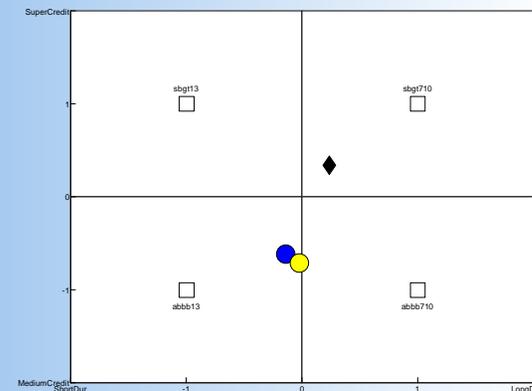


- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

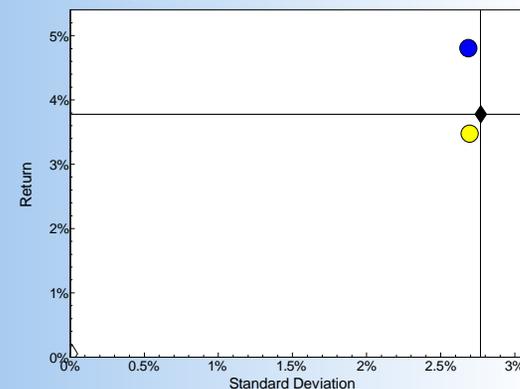
April 2011 - March 2016



Manager Risk/Return

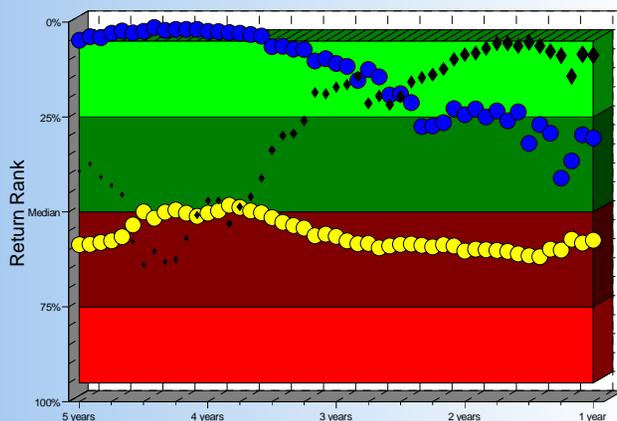
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond

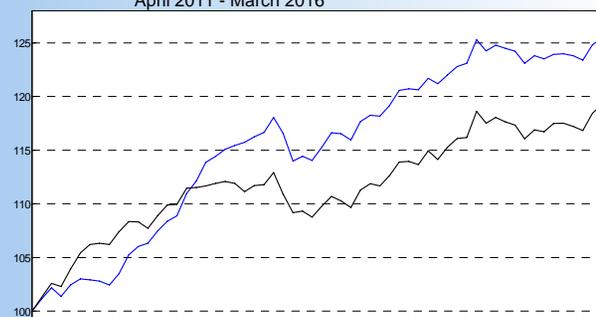


- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Metropolitan West Total Return Bond Plan
- Barclays Capital U.S. Aggregate



Up/Down Capture

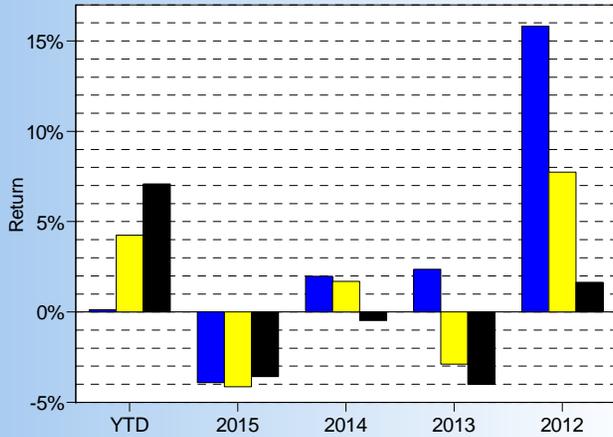
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Metropolitan West Total Return Bond Plan	2.68%	1.03%	104.53%	67.81%
Morningstar Intermediate-Term Bond	2.69%	-0.30%	94.13%	98.11%
Barclays Capital U.S. Aggregate	2.77%	0.00%	100.00%	100.00%

Global Bond

Calendar Year Return

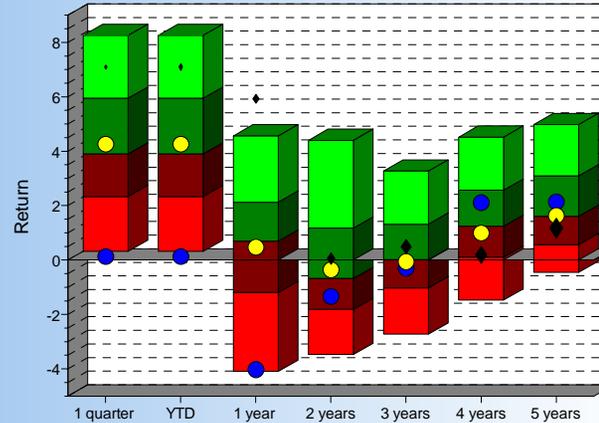
As of March 2016



- Templeton Global Bond R6
- Morningstar World Bond
- Citigroup World Government Bond Index

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar World Bond

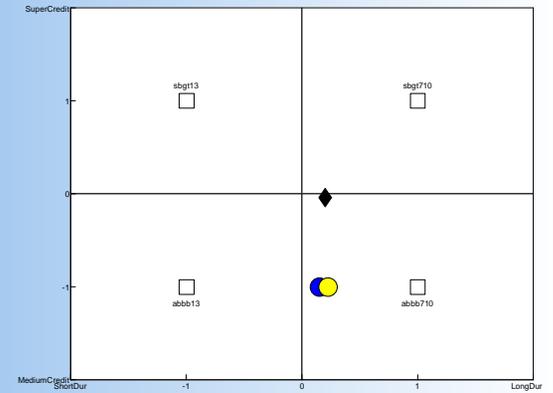


- Templeton Global Bond R6
- ◆ Citigroup World Government Bond Index
- Morningstar World Bond
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

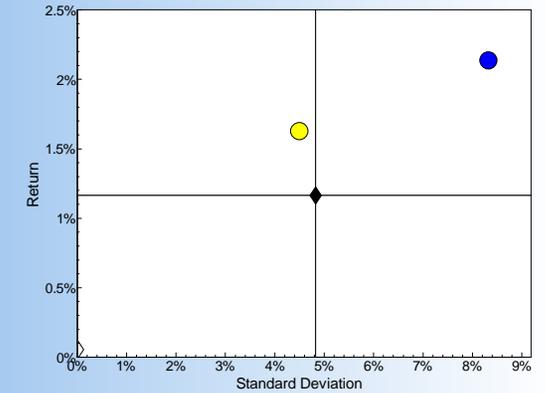
April 2011 - March 2016



Manager Risk/Return

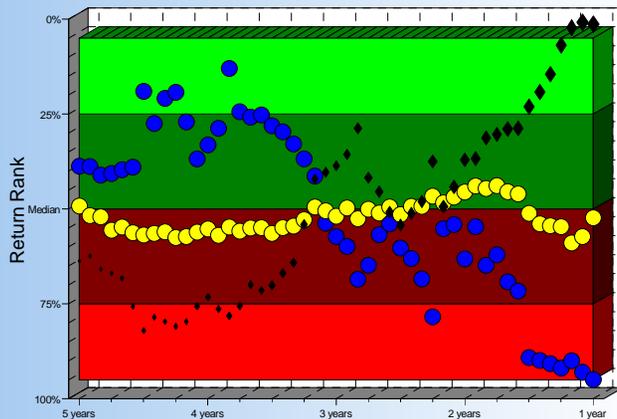
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar World Bond



- Templeton Global Bond R6
- ◆ Citigroup World Government Bond Index
- Morningstar World Bond
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Templeton Global Bond R6
- Citigroup World Government Bond Index



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Templeton Global Bond	8.32%	0.97%	63.43%	44.30%
Morningstar World Bond	4.50%	0.46%	79.05%	70.26%
Citigroup World Govern	4.83%	0.00%	100.00%	100.00%

Scorecard – First Quarter 2016

Clayton County Defined Benefit Plan - Q1 16													
	Style			Risk/Return			Peer Group			Period			
	Style	Style Drift	R ²	Risk / Return	Up / Down	Info Ratio	Return Rank	Info Ratio Rank	Qual.	Score Q1 16	Score Q4 15	Score Q3 15	Score Q2 15
Large Cap Value													
TCW Dividend Focused I	1	1	1	0	0	0	0	1	2	6	5	7	8
DePrince, Race: Large Cap Value (gross)	1	1	1	0	0	0	0	0	2	5	5	5	6
Paradigm Asset: Large Cap Value (gross)	1	1	1	1	1	1	1	1	2	10	10	10	10
Large Cap Core													
Glenmede Large Cap 100	1	1	1	1	1	1	1	1	2	10	10	10	10
Atlanta Capital: HQ Select Equity (Gross)	1	1	1	1	1	1	1	1	2	10	10	10	10
Large Cap Growth													
Fidelity Focused Stock	1	1	1	0	0	0	0	1	2	6	5	5	7
Delaware US Growth Instl	1	1	1	0	1	1	0	1	2	8	9	9	10
Mid Cap Value													
JPMorgan Mid Cap Value Instl	1	1	1	1	1	1	1	1	2	10	10	10	10
Mid Cap Growth													
HSBC Opportunity I	0	1	1	0	0	0	0	0	2	4	4	6	9
Small Cap Value													
JPMorgan Small Cap Value R6	1	1	1	1	1	1	0	1	2	9	9	9	9
Small Cap Growth													
Franklin Small Cap Growth R6	1	1	1	1	1	1	0	1	2	9	10	9	10
International Large Value													
MFS International Value R5	0	1	1	1	1	1	1	1	2	9	9	9	9
International Large Core													
Oakmark International I	0	0	1	1	1	1	0	0	2	6	7	8	9
Emerging Markets													
Virtus Emerging Markets Opportunities I	1	1	0	1	1	1	1	1	2	9	9	9	8
Core Fixed Income													
JPMorgan Core Plus Bond R6	1	1	1	1	1	1	1	1	1	9	9	9	9
JHancock Bond R6	1	1	1	1	1	1	1	1	2	10	10	10	10
Metropolitan West Total Return Bond Plan	1	1	1	1	1	1	1	1	2	10	10	10	10
International Fixed Income													
Templeton Global Bond R6	1	0	0	1	0	0	1	1	2	6	8	8	8

Watchlist Activity

First Quarter 2016

Going into the first quarter of 2016 there were four funds / managers on the Clayton County Defined Benefit Plan Watchlist. DRZ and Fidelity Focused Stock fund had already been on the watchlist, and at the last board meeting the decision was made to add TCW Relative Value Dividend Appreciation fund and the HSBC Opportunity Fund to the watchlist as well. The updated data for all of these managers is listed below.

Clayton County Defined Benefit Plan - Current Watchlist as of Q1'16									
	Relative Performance vs. Benchmarks				Morningstar Rating	Score			
	Q1 16	1Yr	3Yr	5 yr		Q1 16	Q4 15	Q3 15	Q2 15
Large Cap Growth									
Fidelity Focused Stock	-1.02%	-5.98%	-3.81%	-2.77%	***	6	5	5	7
Large Cap Value									
DRZ Large Cap Value	3.38%	-1.98%	-2.94%	-1.99%	n/a	5	5	5	5
TCW Relative Value Dividend Appreciation I	0.71%	-0.26%	-1.21%	-0.38%	***	6	5	7	8
Mid Cap Growth									
HSBC Opportunity I	-6.82%	-10.79%	-5.74%	-3.02%	***	4	4	6	9

DRZ Large Cap Value: As we discussed at the last board meeting, we have been concerned about the underperformance of DRZ over the previous two quarters. However, while DRZ has been on the watchlist we have given a greater weight to the firm's long-term track record and success, and their adherence to a disciplined value approach. We are happy to report that DRZ has turned the corner and produced considerable out-performance for the quarter. We believe the market trends and dynamics that have taken shape recently should continue to favor their style of stock selection. We recommend keeping DRZ on the Watchlist and giving the firm more time to course correct.

TCW Relative Value Dividend Appreciation: This fund made progress during Q1 in relative performance, and has been a consistent performer over the long-term. We recommend keeping this fund on the watchlist for signs of further improvement.

Fidelity Focused Stock: As we highlighted last quarter, we do believe it is time to consider a replacement for the Fidelity Focused Fund. Part of the decision process for this fund replacement relates not only to the deterioration in relative performance, peer ranking, and scorecard, but also the positioning and style of the fund relative to the market environment. Accordingly, we are recommending the board consider one of the two following managers: AB Large Cap Growth fund (CIT structure) or ClearBridge Large Cap Growth (SMA structure). These are outlined on the following page.

HSBC Opportunity: Given the recent on-going performance issues with this fund, combined with the further deterioration in the scorecard rank, we are recommending a replacement of the fund, with one of the recommended mid-cap growth managers highlighted in the section on the following pages.

Fidelity Focused Fund Replacement Idea:

Our analysis process for identifying a replacement manager for the Fidelity Focused Stock fund has led to the following two recommendations for the board's consideration:

Clayton County Defined Benefit Plan - Recommended New Fund								
	Performance thru 3/31/16				Morningstar	Score	Expected	
	1st Qtr	1Yr	3Yr	5 yr	Rating	Q116	Structure	Mgmt. Fee
Large Cap Growth								
AB Large Cap Growth I	-1.21%	3.41%	16.25%	13.02%	*****	9	CIT	0.60%
ClearBridge Inv: ClearBridge Large Cap Growth (gross)	-0.89%	5.81%	16.02%	15.42%	n/a	9	SMA	0.50%
<i>Russell 1000 Growth Index (Benchmark)</i>	<i>0.74%</i>	<i>2.52%</i>	<i>13.61%</i>	<i>12.38%</i>				

Both of these funds reflect the output of our analysis process wherein we screen for the best in class funds / managers based on multiple metrics, ranging from relative performance, risk-adjusted performance, peer comparisons, up / down capture, style purity and consistency, and manager quality and tenure.

Alliance Bernstein has a long heritage as a growth stock manager, and this fund in particular has a strong track record over the long-term and in the recent environment. The AB Large Cap Growth Fund is available in a collective investment trust (CIT) structure, which will allow the plan to benefit from a lower fee rate we have been able to negotiate on its behalf. This fund / manager has demonstrated a short and long-term track record of producing considerable alpha over its benchmark, and has done so with an even lower beta coefficient (meaning less average volatility) than its benchmark. Past results are no guarantee of future results.

The ClearBridge Large Cap Growth portfolio has likewise produced attractive results versus its peer group and benchmark on a short-term and long-term basis, with similar overall standard deviation. The returns of the ClearBridge strategy have exceeded AB's over the 1 yr and 5 yr trailing periods, but have lagged AB's over the 3 yr and 10 yr periods.

One caveat with regard to the ClearBridge strategy is they have experienced a modest degree of portfolio manager turnover on the team. However, one of the portfolio management team members has been with the firm for a number of years, either in a co-PM or analyst capacity. In contrast, AB has not experienced these issues.

The applicable data is outlined on the table below and in the Zephyr and Morningstar reports contained herein.

HSBC Opportunity Fund Replacement Idea:

Our analysis process for identifying a replacement manager for the HSBC Opportunity fund has led to the following two recommendations for the board's consideration:

Clayton County Defined Benefit Plan - Recommended New Fund								
	Performance thru 3/31/16				Morningstar	Score	Structure	Expected Mgmt. Fee
	1st Qtr	1Yr	3Yr	5 yr	Rating	Q116		
Mid Cap Growth								
Congress Asset: Mid Cap Growth (gross)	3.66%	0.31%	14.49%	12.83%	n/a	10	SMA	0.50%
Victory Capital - Munder Mid-Cap Core Growth (gross)	1.37%	-7.88%	9.22%	9.87%	n/a	9	SMA	0.50%
<i>Russell Midcap Growth Index (Benchmark)</i>	<i>0.58%</i>	<i>-4.75%</i>	<i>10.99%</i>	<i>9.99%</i>				

Both of these funds reflect the output of our analysis process wherein we screen for the best in class funds / managers based on multiple metrics, ranging from relative performance, risk-adjusted performance, peer comparisons, up / down capture, style purity and consistency, and manager quality and tenure.

Each of these strategies is available in a separately managed account structure, which provides a considerably lower management fee than the current HSBC Opportunity fund. Both portfolios have produced attractive results versus their peer group and benchmark on a short-term and long-term basis, with similar overall standard deviation.

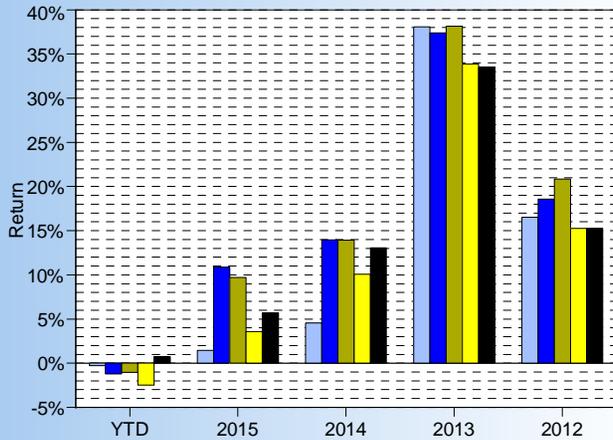
Given a number of factors, including relative performance and lower standard deviation and down capture statistics, we would favor recommending Congress Asset Mid Cap Growth.

The applicable data is outlined on the table below and in the Zephyr and Morningstar reports contained herein.

Large Cap Growth

Calendar Year Return

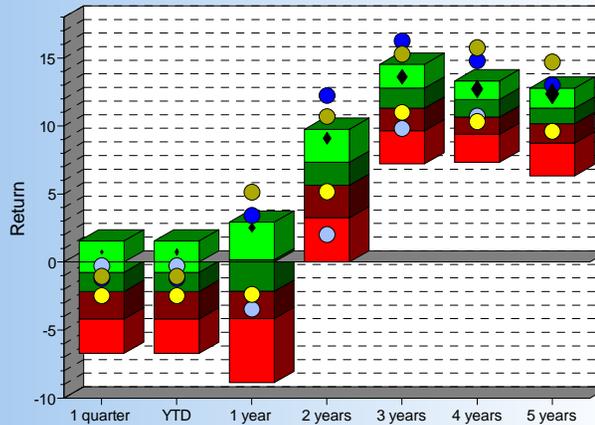
As of March 2016



- Fidelity Focused Stock
- AB Large Cap Growth I
- ClearBridge Inv: ClearBridge Large Cap Growth (net)
- Morningstar Large Growth
- Russell 1000 Growth

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth

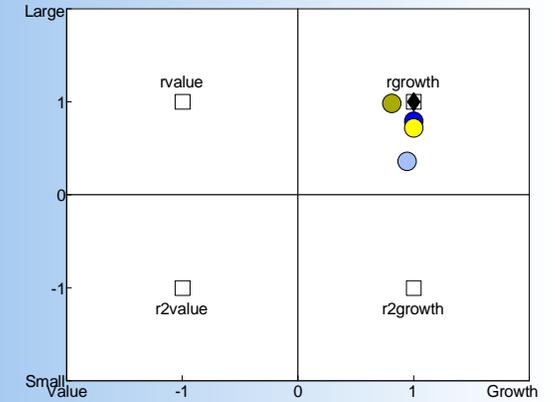


- Fidelity Focused Stock
- ClearBridge Inv: ClearBridge Large Cap Growth (net)
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- AB Large Cap Growth I
- 5th to 25th Percentile

Manager Style

Single Computation

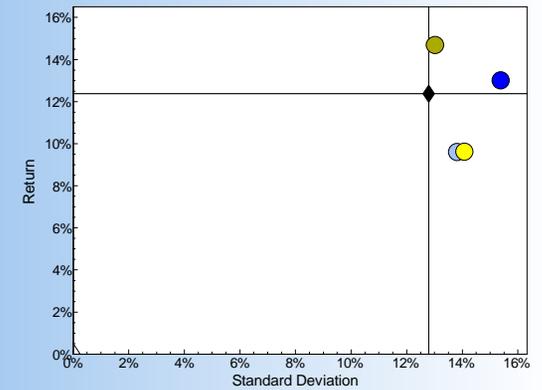
April 2011 - March 2016



Manager Risk/Return

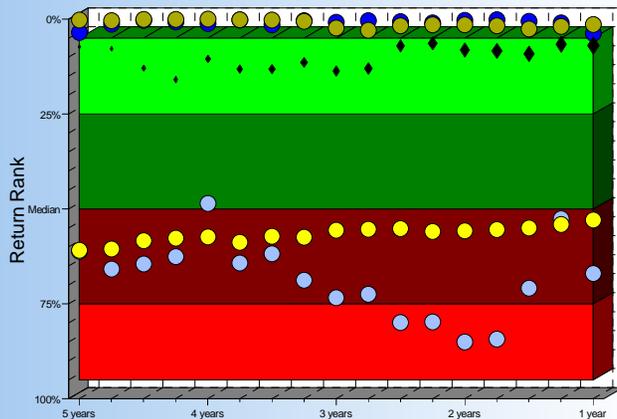
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth

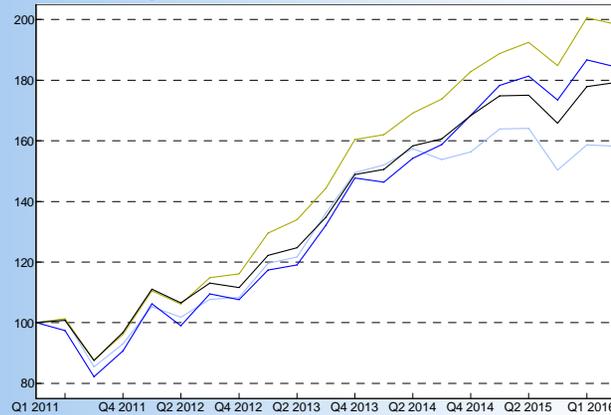


- Fidelity Focused Stock
- ClearBridge Inv: ClearBridge Large Cap Growth (net)
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- AB Large Cap Growth I
- 5th to 25th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Fidelity Focused Stock
- ClearBridge Inv: ClearBridge Large Cap Growth (net)
- AB Large Cap Growth I
- Russell 1000 Growth

Up/Down Capture

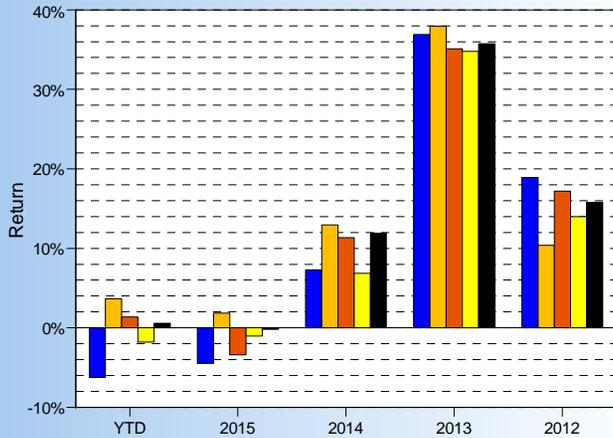
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Fidelity Focused Stock	13.81%	-2.77%	88.04%	111.67%
AB Large Cap Growth I	15.37%	0.64%	110.94%	118.18%
ClearBridge Inv: ClearB	13.01%	2.31%	109.09%	87.77%
Morningstar Large Grov	14.06%	-2.75%	90.76%	118.53%
Russell 1000 Growth	12.79%	0.00%	100.00%	100.00%

Mid Cap Growth

Calendar Year Return

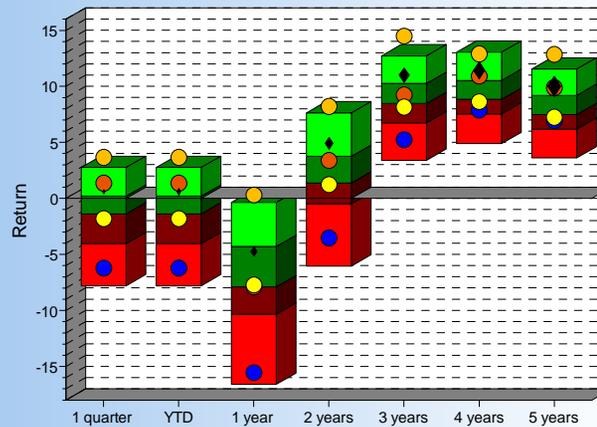
As of March 2016



- HSBC Opportunity I
- Congress Asset: Mid Cap Growth (Gross)
- Victory Cap Mgmt: Munder Mid-Capitalization Core Grow (gross)
- Morningstar Mid-Cap Growth
- Russell Midcap Growth

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth

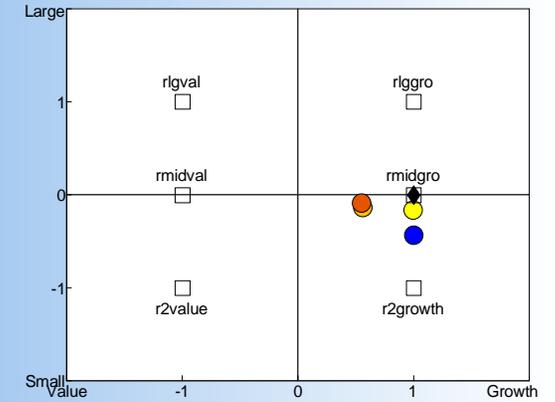


- HSBC Opportunity I
- Congress Asset: Mid Cap Growth (Gross)
- Victory Cap Mgmt: Munder Mid-Capitalization Core Grow (gross)
- Morningstar Mid-Cap Growth
- Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

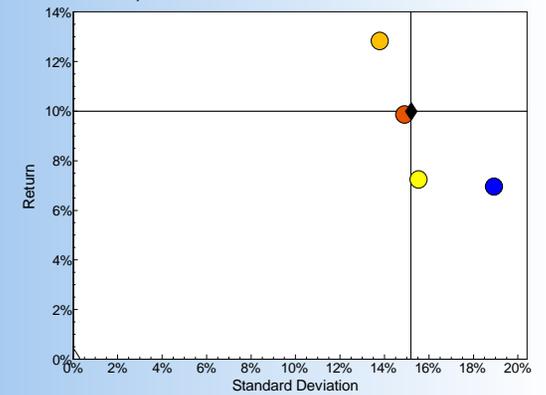
April 2011 - March 2016



Manager Risk/Return

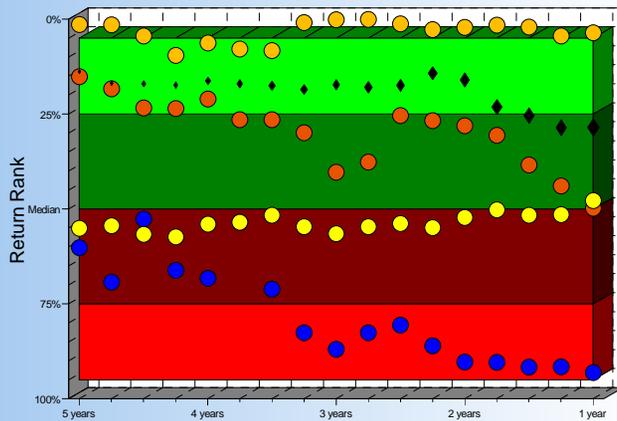
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth

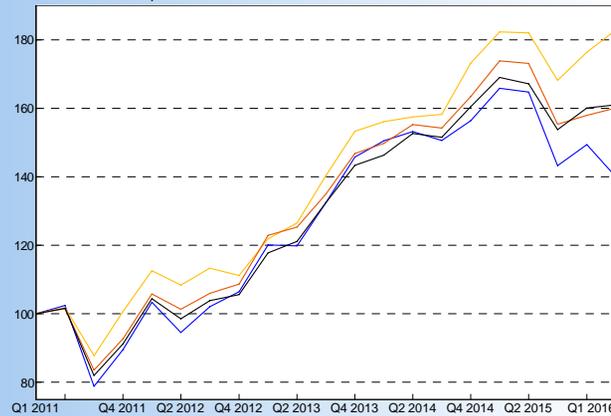


- HSBC Opportunity I
- Congress Asset: Mid Cap Growth (Gross)
- Victory Cap Mgmt: Munder Mid-Capitalization Core Grow (gross)
- Morningstar Mid-Cap Growth
- Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- HSBC Opportunity I
- Congress Asset: Mid Cap Growth (Gross)
- Victory Cap Mgmt: Munder Mid-Capitalization Core Grow (gross)
- Russell Midcap Growth

Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
HSBC Opportunity I	18.91%	-3.03%	100.19%	130.55%
Congress Asset: Mid Cap	13.77%	2.83%	101.89%	72.98%
Victory Cap Mgmt: Mur	14.90%	-0.13%	96.91%	95.87%
Morningstar Mid-Cap G	15.53%	-2.75%	86.88%	105.74%
Russell Midcap Growth	15.19%	0.00%	100.00%	100.00%

GLOBAL INVESTMENT MANAGER ANALYSIS

ClearBridge Large Cap Growth

Benchmark: Russell 1000 Growth

Status: Approved

March 31, 2016 (Q1)

Analyst: Bill Bridge Phone: 212-296-1177 Email: Bill.Bridge@morganstanley.com

Trailing Returns

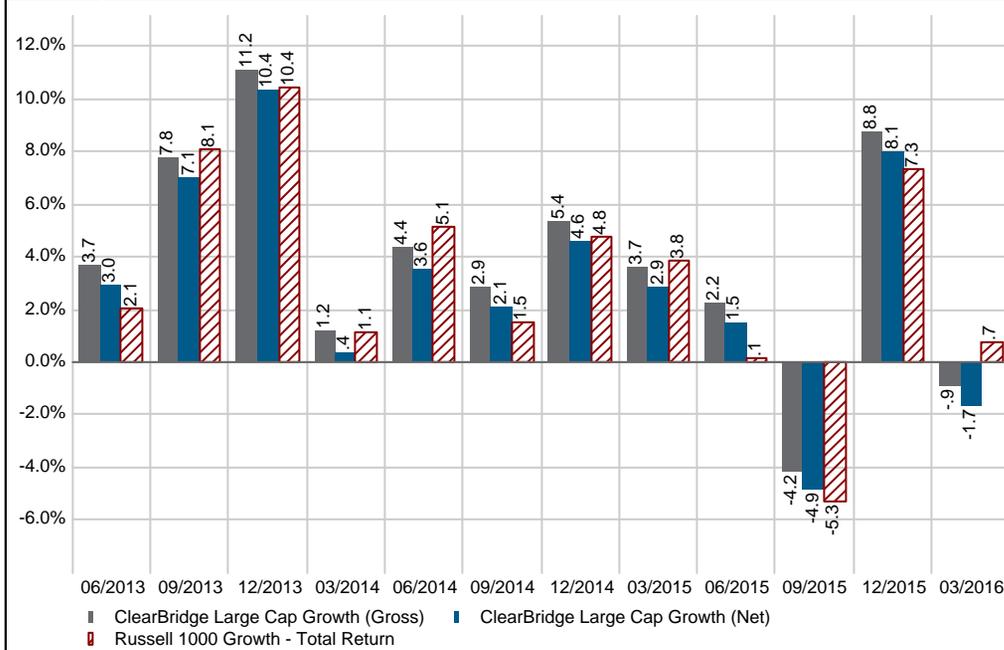
	QTR	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	2015	2014	2013	2012	2011	2010
ClearBridge Large Cap Growth (Gross)	-0.91%	-0.91%	5.64%	15.96%	15.72%	18.56%	8.44%	10.52%	14.52%	38.83%	21.32%	1.14%	10.62%
ClearBridge Large Cap Growth (Net)	-1.70%	-1.70%	2.56%	12.54%	12.34%	15.11%	5.25%	7.32%	11.10%	34.86%	17.75%	-1.76%	7.41%
Russell 1000 Growth	0.74%	0.74%	2.52%	13.61%	12.38%	17.94%	8.28%	5.67%	13.05%	33.48%	15.26%	2.64%	16.71%
Excess Return (Gross)	-1.65%	-1.65%	3.12%	2.35%	3.34%	0.62%	0.15%	4.85%	1.47%	5.35%	6.06%	-1.50%	-6.09%

Past performance is no guarantee of future results. This report is not complete without pages 5, 6 and 7, which contain important notes, including disclosures about the Focus List and the Approved List, index descriptions and a glossary of terms. Information shown is as of the date of most recent quarter end unless otherwise noted. All data are subject to change.

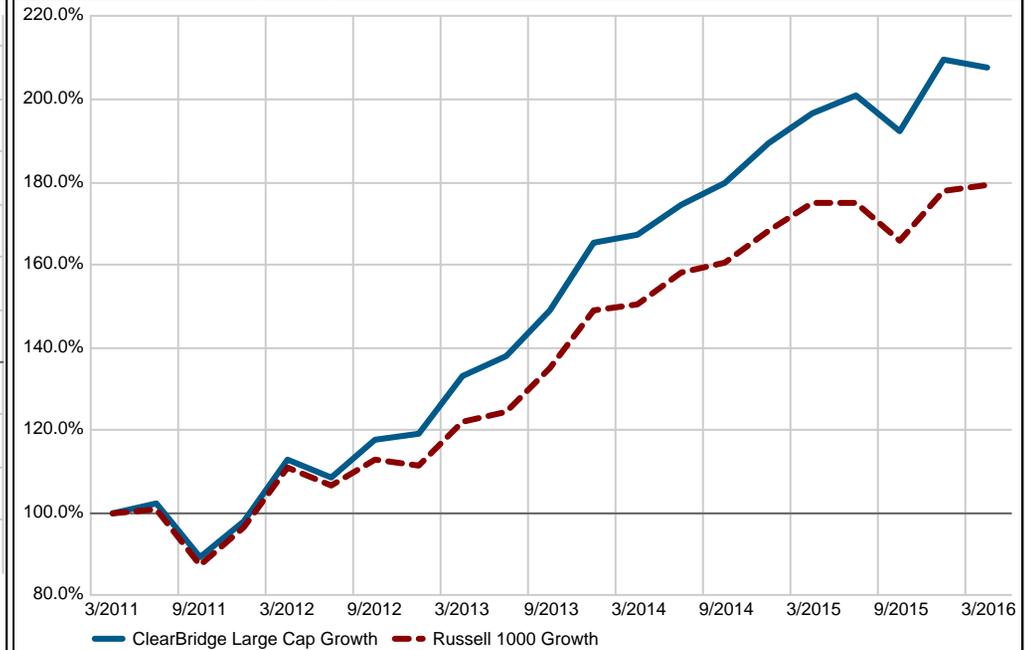
Strategy Description

ClearBridge Large Cap Growth seeks high-quality, large-cap stocks that can provide the potential for long-term performance. The bottom-up, fundamental process focuses on consistent growth of capital while seeking to minimize volatility, to outperform the benchmark over a full market cycle with less risk; and to perform well in rising markets and to outperform in declining markets.

Quarterly Returns



Investment Growth - (Gross)

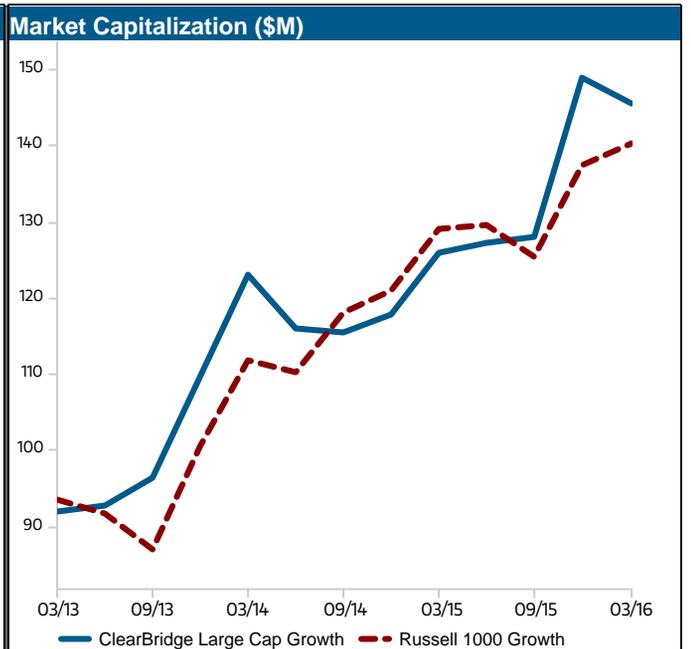
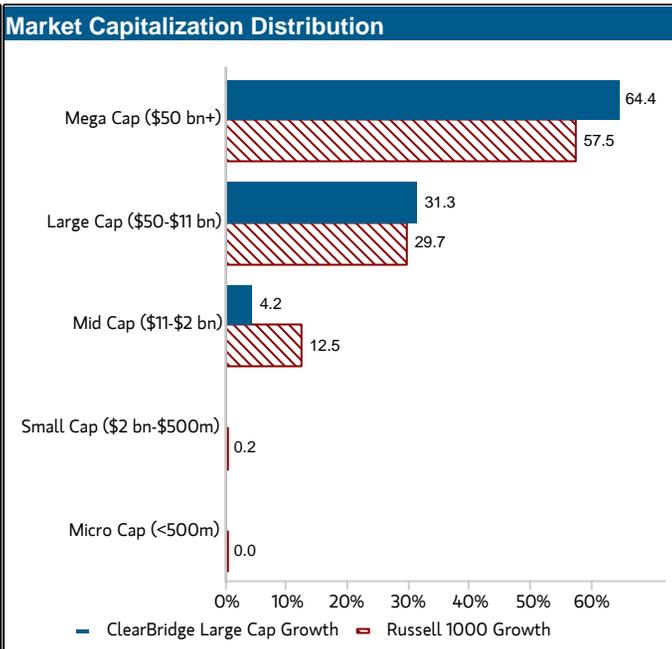
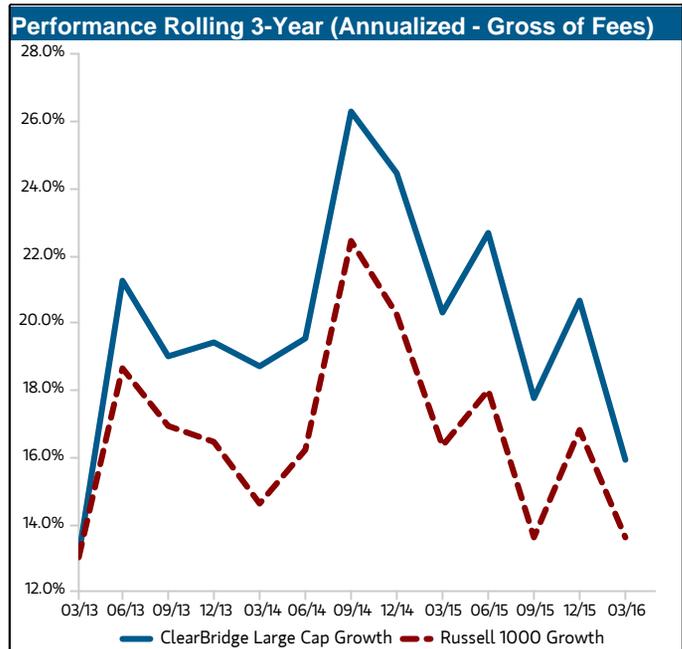


INVESTMENT PRODUCTS: NOT FDIC INSURED * NO BANK GUARANTEE * MAY LOSE VALUE

This report is only to be used in connection with investment advisory programs and not brokerage accounts

Portfolio Characteristics

Portfolio Characteristics			Economic Sector Allocation				Top 10 Holdings	
	Strategy	Bmk		Strategy	Bmk	Rel.		% of Equity
# of Securities	48	635	Consumer Discretionary	15.85	21.35	-5.49	Amazon.com, Inc.	4.01
Market Cap (\$M)	145,490	140,394	Consumer Staples	8.10	11.73	-3.63	CVS Health Corporation	3.60
P/E - Trailing 12-Mo.	27.4	21.5	Energy	3.38	0.50	2.89	Home Depot, Inc.	3.59
Adj. P/E - trailing 12-Mo.	25.0	20.3	Financials	7.29	5.61	1.68	Microsoft Corporation	3.52
P/E - Forecast FY1	20.6	18.6	Health Care	20.49	15.57	4.92	Visa Inc. Class A	3.02
Price-to- Book	4.5	5.3	Industrials	8.94	11.07	-2.13	UnitedHealth Group Incorporated	3.01
Dividend Yield	1.28	1.57	Information Technology	32.22	28.24	3.98	Comcast Corporation Class A	2.92
Return on Equity	20.0	24.7	Materials	3.73	3.50	0.23	Alphabet Inc. Class C	2.86
EPS Growth - Forecast	14.4	13.5	Telecommunication Services	--	2.38	-2.38	Celgene Corporation	2.85
EPS Growth - Hist. 5 Year	9.6	14.0	Utilities	--	0.05	-0.05	Akamai Technologies, Inc.	2.72
Quality	B+	B+					Total	32.08
Active Share	68.52	--						



Portfolio Attribution (Gross of Fees)

Economic Sector Attribution - Current Quarter				
	Relative Weights	Allocation Effect	Stock Selection	Total Effect
Consumer Discretionary	-5.49	-0.04	-0.39	-0.43
Consumer Staples	-3.63	-0.17	-0.03	-0.20
Energy	2.89	-0.17	0.42	0.26
Financials	1.68	-0.03	-0.10	-0.13
Health Care	4.92	-0.37	0.61	0.24
Industrials	-2.13	-0.08	0.39	0.31
Information Technology	3.98	0.05	-1.16	-1.11
Materials	0.23	0.01	-0.34	-0.33
Telecommunication Services	-2.38	-0.34	--	-0.34
Utilities	-0.05	-0.00	--	-0.00
[Unassigned]	--	0.00	--	0.00
Total	--	-1.15	-0.59	-1.74

Economic Sector Attribution - Year to Date				
	Relative Weight	Allocation Effect	Stock Selection	Total Effect
Consumer Discretionary	-5.49	-0.04	-0.39	-0.43
Consumer Staples	-3.63	-0.17	-0.03	-0.20
Energy	2.89	-0.17	0.42	0.26
Financials	1.68	-0.03	-0.10	-0.13
Health Care	4.92	-0.37	0.61	0.24
Industrials	-2.13	-0.08	0.39	0.31
Information Technology	3.98	0.05	-1.16	-1.11
Materials	0.23	0.01	-0.34	-0.33
Telecommunication Services	-2.38	-0.34	--	-0.34
Utilities	-0.05	-0.00	--	-0.00
[Unassigned]	--	0.00	--	0.00
Total	--	-1.15	-0.59	-1.74

Top Contributors to Performance

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
UnitedHealth Group Incorp...	2.90	0.32	Industrials	8.54	0.89	UnitedHealth Group Incorp...	2.90
Eaton Corp. Plc	1.45	0.31	Consumer Staples	8.11	0.46	Eaton Corp. Plc	1.45
W.W. Grainger, Inc.	1.79	0.30	Energy	3.40	0.27	W.W. Grainger, Inc.	1.79
CVS Health Corporation	3.56	0.26	Financials	7.86	-0.19	CVS Health Corporation	3.56
Comcast Corporation Class A	2.87	0.26	Materials	3.84	-0.23	Comcast Corporation Class A	2.87

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
UnitedHealth Group Incorp...	2.90	0.32	Industrials	8.54	0.89	UnitedHealth Group Incorp...	2.90
Eaton Corp. Plc	1.45	0.31	Consumer Staples	8.11	0.46	Eaton Corp. Plc	1.45
W.W. Grainger, Inc.	1.79	0.30	Energy	3.40	0.27	W.W. Grainger, Inc.	1.79
CVS Health Corporation	3.56	0.26	Financials	7.86	-0.19	CVS Health Corporation	3.56
Comcast Corporation Class A	2.87	0.26	Materials	3.84	-0.23	Comcast Corporation Class A	2.87

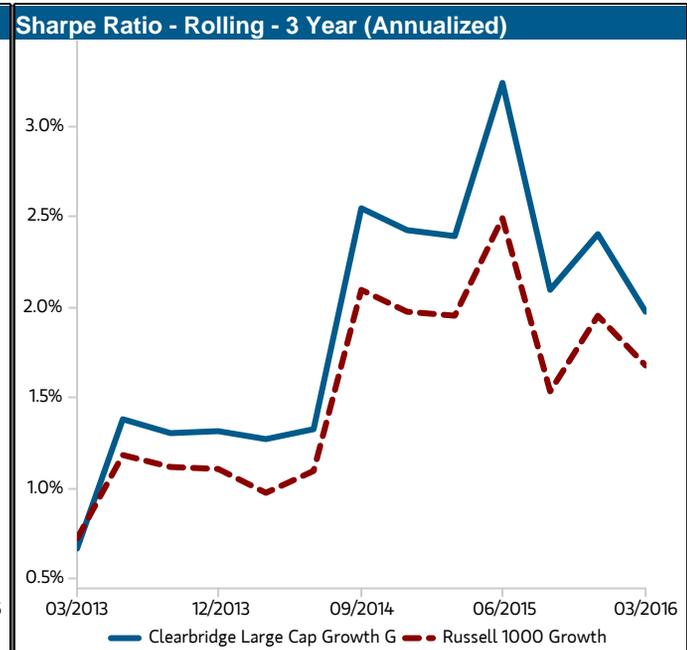
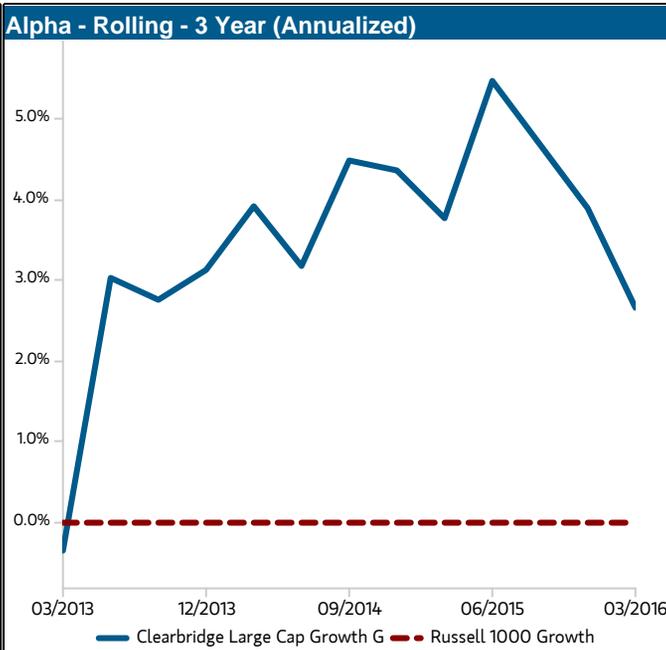
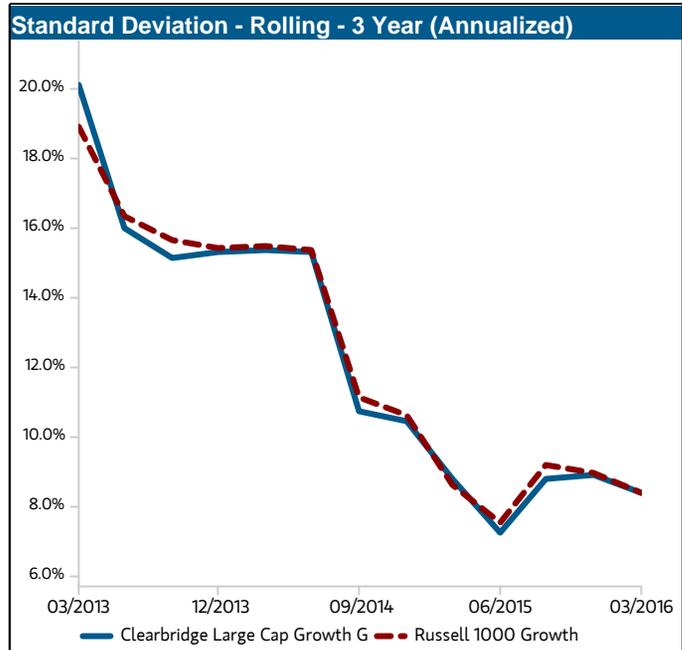
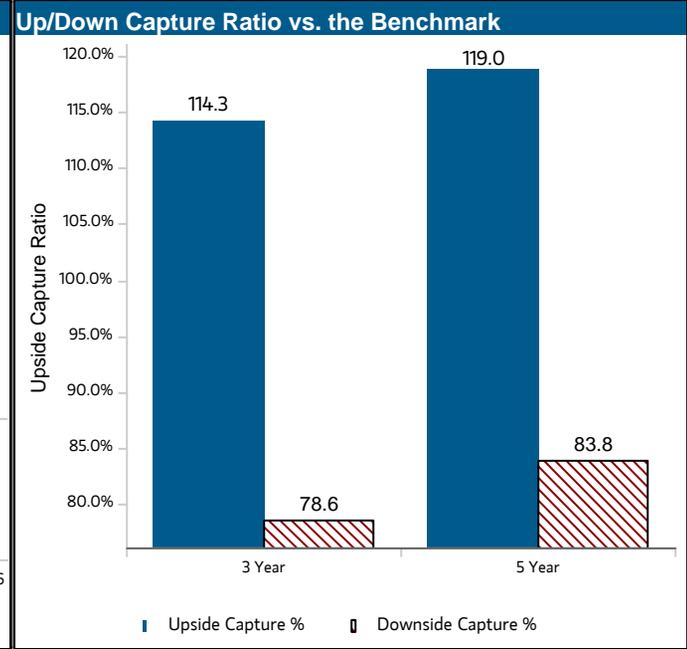
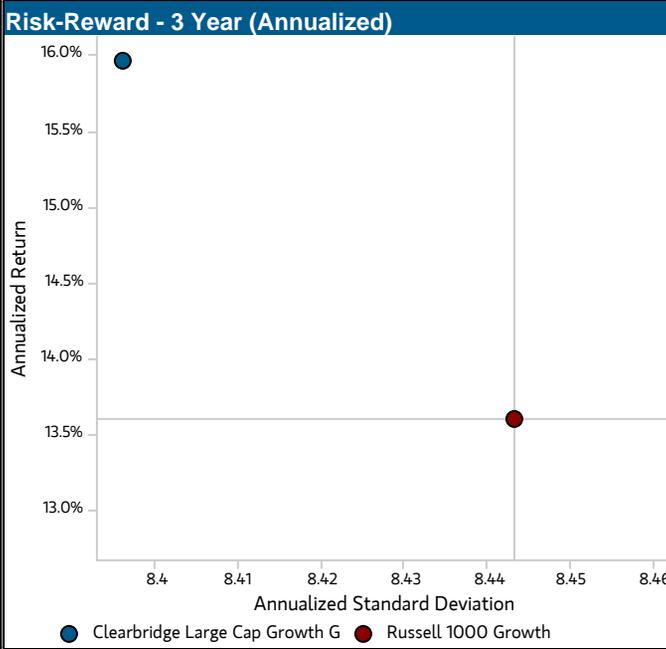
Bottom Contributors to Performance

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
LinkedIn Corporation Class A	1.11	-0.92	Health Care	20.22	-1.30	LinkedIn Corporation Class A	1.11
Celgene Corporation	3.10	-0.60	Information Technology	31.97	-0.64	Celgene Corporation	3.10
Amazon.com, Inc.	4.07	-0.59	Consumer Discretionary	16.06	-0.26	Amazon.com, Inc.	4.07
Regeneron Pharmaceuticals...	1.00	-0.44	Materials	3.84	-0.23	Regeneron Pharmaceuticals...	1.00
Biogen Inc.	2.30	-0.43	Financials	7.86	-0.19	Biogen Inc.	2.30

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
LinkedIn Corporation Class A	1.11	-0.92	Health Care	20.22	-1.30	LinkedIn Corporation Class A	1.11
Celgene Corporation	3.10	-0.60	Information Technology	31.97	-0.64	Celgene Corporation	3.10
Amazon.com, Inc.	4.07	-0.59	Consumer Discretionary	16.06	-0.26	Amazon.com, Inc.	4.07
Regeneron Pharmaceuticals...	1.00	-0.44	Materials	3.84	-0.23	Regeneron Pharmaceuticals...	1.00
Biogen Inc.	2.30	-0.43	Financials	7.86	-0.19	Biogen Inc.	2.30

Portfolio Performance and Risk Statistics (Gross of Fees)

Risk Statistics vs. Benchmark	3-Year	5-Year
Alpha	2.7%	3.3%
Beta	1.0	1.0
R2	93.1%	97.0%
Tracking Error	2.2%	2.2%
Information Ratio	1.1	1.5
Batting Average	66.7%	75.0%
Up Capture Ratio	114.3%	119.0%
Down Capture Ratio	78.6%	83.8%
Standard Deviation	8.4	12.8
Standard Deviation (Bmk)	8.4	12.8
Sharpe Ratio	2.0	1.3



Glossary of Terms

Active Share - is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

Adjusted P/E - Trailing 12 Mo. - is a P/E calculation that excludes outliers (both high and low) from an aggregate P/E calculation. If a company's P/E falls outside the range, that P/E is considered NA. The weighted average is then calculated including only the P/E's of the companies within the range. P/E ratios that are exceedingly high or low (even negative) may potentially distort an unadjusted P/E ratio.

ADRs - American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market.

Allocation Effect - is the portion of portfolio excess return attributed to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the weight of the portfolio's group minus the weight of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark in aggregate.

Alpha - measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. A positive Alpha figure indicates the portfolio has performed better than its Beta would predict. A negative Alpha indicates the portfolio's underperformance given the expectations established by the Beta. The accuracy of the Alpha is therefore dependent on the accuracy of the Beta. Alpha is often viewed as a measurement of the value added or subtracted by a portfolio's manager.

Batting Average - measures how frequently a portfolio outperforms its benchmark on a quarterly basis. The statistic is obtained by dividing the number of quarters in which the portfolio outperformed the total return of the benchmark by the total number of quarters. For example, a portfolio with a batting average of 60% has outperformed the index more than it has underperformed.

Beta - measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Dividend Yield - annual dividend per share divided by price per share. Dividend Yield for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Down Capture Ratio - the ratio of the portfolio's overall performance to the benchmark's overall performance, considering only periods that are negative in the benchmark. A Down Capture Ratio of less than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's negative quarters and preserves more of the portfolio's value during down markets.

Excess Return - represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Information Ratio - represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's overperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Market Cap (\$M) - the average portfolio market capitalization (market price multiplied by shares outstanding), weighted by the proportion of the portfolio's assets invested in each stock.

P/E - Trailing 12-Mo. - the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book - price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Quality Rank Based upon per-share earnings and dividend records of the most recent 10 years, this ranking system attempts to capture the growth and stability of earnings and dividends for individual stocks. For a portfolio, the quality ranking is a weighted average. The quality rankings classification is as follows: A+ (highest), A (high), A- (above avg.), B+ (average), B (below avg.), B- (lower), C (lowest), D (in reorganization), and LIQ (liquidation).

R-Squared (R²) - represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of "co-movement" between portfolio returns and benchmark returns. The closer the portfolio's R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Return on Equity (ROE) - is another profitability ratio which gauges return on investment by measuring how effectively stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Rolling Annualized Performance - measures the consistency of a portfolio's performance. For example, with three-year annualized returns rolled annually, the return shown for a given period is actually an annualized return for a particular year and the previous two years. Since performance is assessed over longer periods, the returns rolled annually give a better indication of trends.

Stock Selection Effect - is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's selection effect equals the weight of the benchmark's group multiplied by the total return of the portfolio's group minus the total return of the benchmark's group.

Sharpe Ratio - measures a portfolio's rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation - quantifies the volatility associated with a portfolio's returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio's return.

Total Effect - is the sum of all effects.

Tracking Error - represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio's returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Up Capture Ratio - measures the portfolio's overall performance to the benchmark's overall performance, considering only periods that are positive in the benchmark. An Up Capture Ratio of more than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's positive quarters.

Index Descriptions and Disclosures

Depending on the composition of your account and your investment objectives any indices shown in this report may not be an appropriate measure for comparison purposes and are presented for illustration only. The strategy shown in this report does not necessarily seek to track the index, is not restricted to securities in the index and may be more volatile than the index.

Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Important Disclosures

Report for Use Only in Investment Advisory Programs

This report is only to be used in Morgan Stanley Wealth Management investment advisory programs and not in connection with brokerage accounts.

The Global Investment Manager Analysis (GIMA) Services Only Apply to Certain Investment Advisory Programs

Global Investment Manager Analysis (GIMA) evaluates certain investment products for the purposes of some - but not all - of Morgan Stanley Wealth Management investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA status changes even though it may give notice to clients in other programs.

Focus List, Approved List and Tactical Opportunities List; Watch Policy

GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).

GIMA has a "Watch" policy and may describe a Focus List or Approved List investment product as being on "Watch" if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming "Not Approved." The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a "W" or "Watch" next to the "Status" on the cover page.

Certain investment products on either the Focus List or Approved List may also be recommended for the Tactical Opportunities List based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time.

For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled "Manager Selection Process."

No Obligation to Update

Morgan Stanley Wealth Management has no obligation to update you when any information or opinion in this report changes.

Strategy May Be Available as a Separately Managed Account or Mutual Fund

Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account ("SMA") and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program.

Consider Your Own Investment Needs

This report is not intended to be a client-specific suitability analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley, and/or their affiliates if shown in this report). Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Performance and Other Portfolio Information**General**

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance shown in this report.

Performance results are time weighted and include all cash and cash equivalents, realized and unrealized capital gains and losses, and reinvestment of dividends, interest and other income. Performance results are annualized for periods greater than one year. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Performance results may be presented in a currency other than the currency of the country in which you live. Your actual return on this investment product may increase or decrease with fluctuations between currencies.

Data used in performance composite

For periods for which sufficient data is available, the profile shows a composite of client accounts managed by the investment manager in the Fiduciary Services program. This is a separately managed account program sponsored by Morgan Stanley Wealth Management. Performance and other data for the Fiduciary Services composite may vary from composites in other Morgan Stanley Wealth Management programs due to differences such as the availability and weighting of securities, trading implementation or client objectives.

For periods before Morgan Stanley Wealth Management calculates an applicable performance composite for actual Morgan Stanley Wealth Management program accounts, the performance composite and certain other information for this strategy are based on the investment manager's own composite and data. This composite includes accounts managed by the investment manager according to the same or a substantially similar investment strategy. To provide maximum information to you, the investment manager's own composite is linked to the Morgan Stanley Wealth Management composite to create a simulated continuous track record of performance information for the investment strategy.

The investment manager's own composite may include separately managed accounts, institutional accounts and/or mutual funds. Performance and other data for the investment manager's composite may vary from that for Morgan Stanley Wealth Management accounts due to differences such as the availability and weighting of securities, trading implementation or client objectives. Morgan Stanley Wealth Management does not verify composite and other data provided by the investment manager and therefore does not guarantee its accuracy. Some of the accounts in the investment manager's composite may have invested in the initial public offering ("IPO") market, whereas accounts held in Morgan Stanley Wealth Management programs do not do so. Since investment managers may use different methods of selecting accounts to be included in their composites and for calculating performance, returns of different investment managers may not be comparable.

Net performance information

The net performance shown in this report reflects a deduction of a 0.75% quarterly fee (equivalent to a 3% annual fee). The maximum fee chargeable in a Morgan Stanley Wealth Management investment advisory program is generally no more than 3%. If you invest through a program in which your program fee is higher than 3%, then the net results would be lower.

Benchmark index

Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only. Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product.

Other data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

Economic Sector Allocations and 10 Largest Holdings are accurate as of the most recent quarter end for which information was available when this report was prepared, and are subject to change at any time. 10 Largest Holdings lists indicate the largest security holdings in the portfolio, and Economic Sector Allocations are based on industry standard sector identification codes. Both are measured as a percentage of the total portfolio in terms of asset value as of the date indicated above.

Other data in this report is accurate as of the date this report was prepared unless stated otherwise. Data in this report may be calculated by the fund's investment manager, Morgan Stanley Wealth Management or a third party service provider.

Securities holdings

Holdings are subject to change daily, so any securities discussed in this report may or may not be included in the portfolio's holdings if you invest in this investment product. The portfolio may also hold other securities in addition to or instead of any securities discussed in this report. Do not assume that any holdings mentioned were, or will be, profitable.

Sources of Data

Material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data.

Important Disclosures

Asset Class and Other Risks

Investing in **stocks**, **mutual funds** and **exchange-traded funds ("ETFs")** entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Value and **growth investing** also carry risks. Value investing involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

International securities may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in **emerging markets**.

Small- and mid- capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which allows the issuer to retain the right to redeem the debt, fully or partially, before the scheduled maturity date. Proceeds from sales prior to maturity may be more or less than originally invested due to changes in market conditions or changes in the credit quality of the issuer.

Ultra-short bond funds generally invest in fixed income securities with very short maturities, typically less than one year. They are not money market funds. While money market funds attempt to maintain a stable net asset value, an ultra-short bond fund's net asset value will fluctuate, which may result in the loss of the principal amount invested. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

High yield bonds are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. **Real estate investments:** property values can fall due to environmental, economic or other reasons, and changes in interest rates can negatively impact the performance of real estate companies.

Derivatives, in general, involve special risks and costs that may result in losses. The successful use of derivatives requires sophisticated management, in order to manage and analyze derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of the manager may not be what the investment manager expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses. Other risks include the potential inability to terminate or sell derivative positions, as a result of counterparty failure to settle or other reasons.

Mortgage-backed securities ("MBS"), which include collateralized mortgage obligations ("CMOs"), also referred to as real estate mortgage investment conduits ("REMICs"), may not be suitable for all investors. There is the possibility of early return of principal due to mortgage prepayments, which can reduce expected yield and result in reinvestment risk. Conversely, return of principal may be slower than initial prepayment speed assumptions, extending the average life of the security up to its listed maturity date (also referred to as extension risk). Additionally, the underlying collateral supporting MBS may default on principal and interest payments. Investments in subordinated MBS involve greater credit risk of default than the senior classes of the same issue. MBS are also sensitive to interest rate changes which can negatively impact the market value of the security. During times of heightened volatility, MBS can experience greater levels of illiquidity and larger price movements.

Commodities: The commodities markets may fluctuate widely based on a variety of factors including, but not limited to, changes in supply and demand relationships; governmental programs and policies; national and international political and economic events, war and terrorist events; changes in interest and exchange rates; trading activities in commodities and related contracts; pestilence, technological change and weather; and the price volatility of a commodity.

Alternative/hedged strategies may use various investment strategies and techniques for both hedging and more speculative purposes such as short selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. Alternative/hedged strategies are not appropriate for all investors. A short sales strategy includes the risk of loss due to an increase in the market value of borrowed securities. Such a strategy may be combined with purchasing long positions in an attempt to improve portfolio performance. A short sales strategy may result in greater losses or lower positive returns than if the portfolio held only long positions, and the portfolio's loss on a short sale is potentially unlimited. The use of leverage can magnify the impact of adverse issuer, political, regulatory, market, or economic developments on a company. A decrease in the credit quality of a highly leveraged company can lead to a significant decrease in the value of the company's securities. In a liquidation or bankruptcy, a company's creditors take precedence over the company's stockholders.

MLPs involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs. The potential return of MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the portfolio's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment.

The current yield of **preferred securities** is calculated by multiplying the coupon by par value divided by the market price. The majority of \$25 and \$1000 par preferred securities are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per \$25 or \$1,000 share, unless otherwise specified. The initial rate on a floating rate or index-linked preferred security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating/linked index. However, there can be no assurance that these increases will occur.

Convertible securities are convertible to equity at the option of the holder. The market value of the securities, and the underlying common stock into which they are convertible, will fluctuate. In particular, securities whose value depends on the performance of an underlying security entail potentially higher volatility and risk of loss compared to traditional bond investments. You should be aware that the market value of convertible bonds may not correspond directly to increases or decreases in the underlying stock.

No Tax Advice

Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors do not provide legal or tax advice. Each client should always consult his/her personal tax and/or legal advisor for information concerning his/her individual situation and to learn about any potential tax or other implications that may result from acting on a particular recommendation.

If any investments in this report are described as "tax free", the income from these investments may be subject to state and local taxes and (if applicable) the federal Alternative Minimum Tax. Realized capital gains on these investments may be subject to federal, state and local capital gains tax.

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GLOBAL INVESTMENT MANAGER ANALYSIS

Congress Mid Cap Growth

Benchmark: Russell Midcap Growth

Status: Approved

March 31, 2016 (Q1)

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Trailing Returns

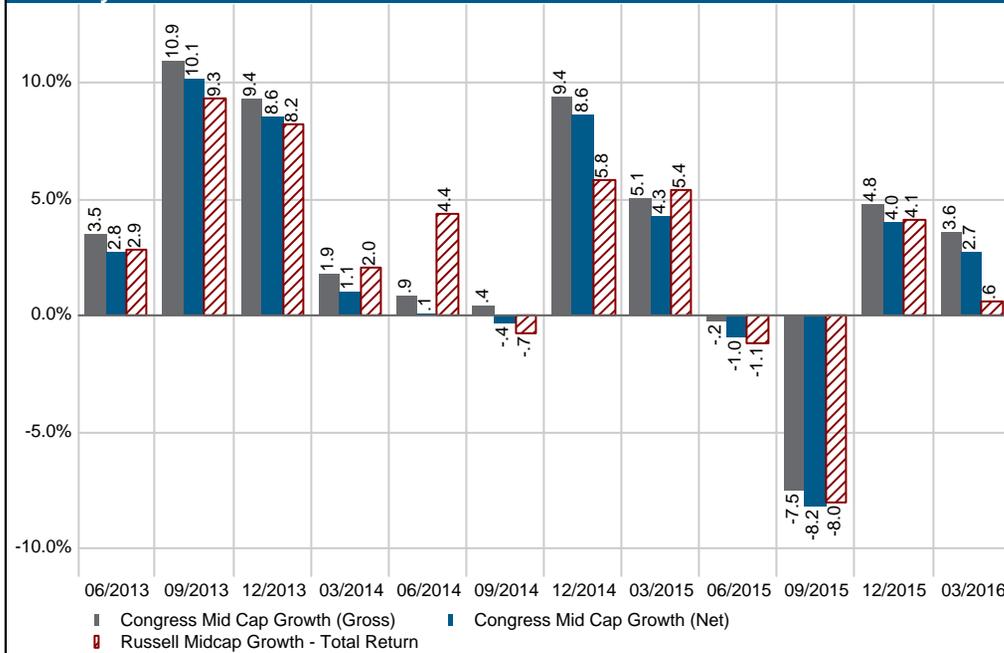
	QTR	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	2015	2014	2013	2012	2011	2010
Congress Mid Cap Growth (Gross)	3.56%	3.56%	0.19%	14.28%	12.87%	21.16%	9.69%	1.67%	12.89%	37.61%	11.13%	12.58%	39.69%
Congress Mid Cap Growth (Net)	2.74%	2.74%	-2.77%	10.91%	9.65%	17.75%	6.51%	-1.31%	9.51%	33.72%	7.85%	9.83%	35.86%
Russell Midcap Growth	0.58%	0.58%	-4.75%	10.99%	9.99%	18.71%	7.43%	-0.20%	11.90%	35.74%	15.81%	-1.65%	26.38%
Excess Return (Gross)	2.98%	2.98%	4.94%	3.28%	2.87%	2.45%	2.25%	1.87%	0.99%	1.87%	-4.67%	14.23%	13.31%

Past performance is no guarantee of future results. This report is not complete without pages 5, 6 and 7, which contain important notes, including disclosures about the Focus List and the Approved List, index descriptions and a glossary of terms. Information shown is as of the date of most recent quarter end unless otherwise noted. All data are subject to change.

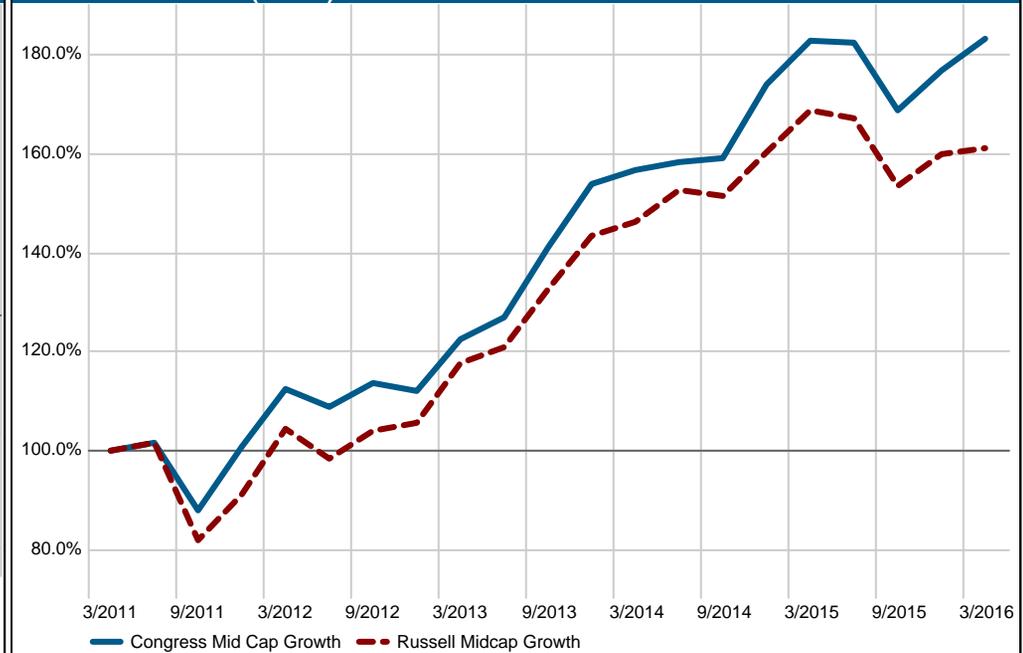
Strategy Description

Congress uses a process-driven committee-based approach to growth investing. The investment process emphasizes quality growth businesses with a demonstrated history of stable & consistent earnings growth and balance sheet strength. The process generally falls within the description of "GARP" investing (Growth At a Reasonable Price).

Quarterly Returns



Investment Growth - (Gross)

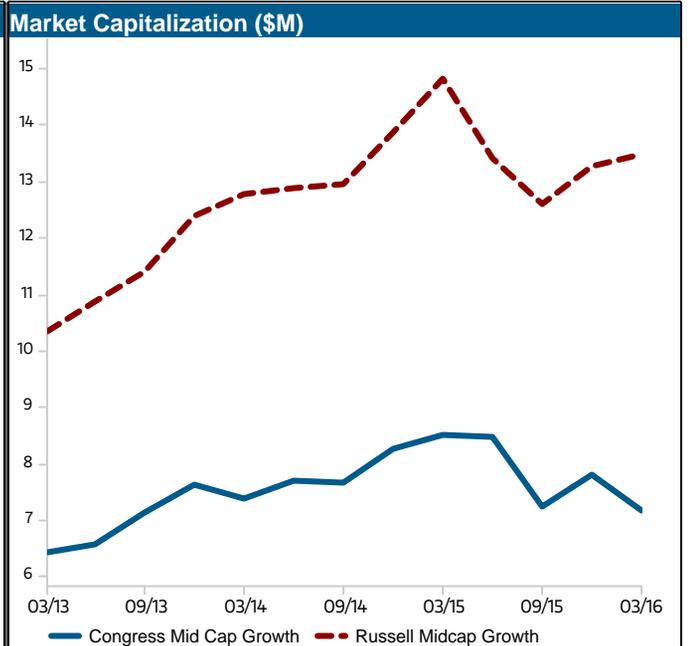
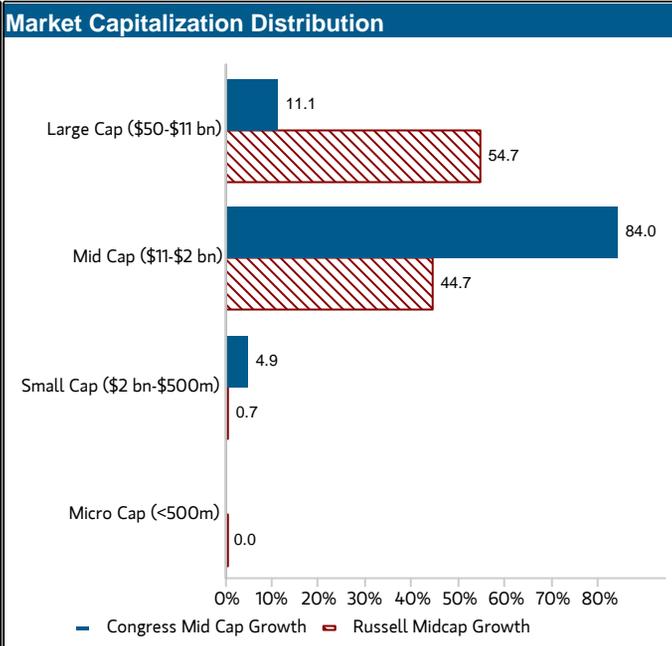
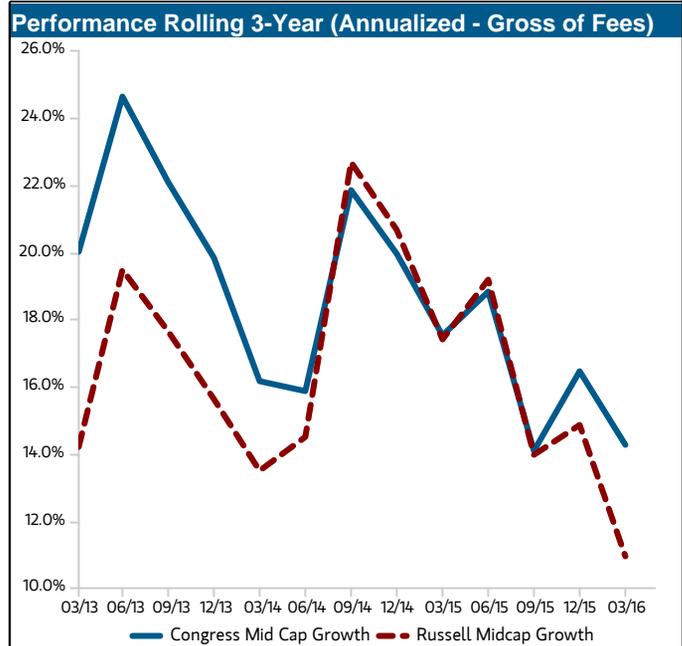


INVESTMENT PRODUCTS: NOT FDIC INSURED * NO BANK GUARANTEE * MAY LOSE VALUE

This report is only to be used in connection with investment advisory programs and not brokerage accounts

Portfolio Characteristics

Portfolio Characteristics			Economic Sector Allocation				Top 10 Holdings	
	Strategy	Bmk		Strategy	Bmk	Rel.		% of Equity
# of Securities	40	498	Consumer Discretionary	18.03	25.15	-7.12	IDEXX Laboratories, Inc.	3.78
Market Cap (\$M)	7,179	13,478	Consumer Staples	4.56	8.31	-3.75	Henry Schein, Inc.	3.59
P/E - Trailing 12-Mo.	24.4	22.0	Energy	1.87	0.81	1.06	Cintas Corporation	3.55
Adj. P/E - trailing 12-Mo.	24.4	21.4	Financials	8.19	12.17	-3.97	Lennox International Inc.	3.38
P/E - Forecast FY1	20.7	19.3	Health Care	19.77	12.50	7.28	Texas Roadhouse, Inc.	2.99
Price-to- Book	4.5	4.7	Industrials	26.56	16.41	10.15	Jack Henry & Associates, Inc.	2.99
Dividend Yield	0.81	1.16	Information Technology	18.83	19.07	-0.24	Snap-on Incorporated	2.88
Return on Equity	22.7	21.0	Materials	2.18	5.10	-2.92	Carter's, Inc.	2.85
EPS Growth - Forecast	13.0	13.0	Telecommunication Services	--	0.38	-0.38	Synopsys, Inc.	2.82
EPS Growth - Hist. 5 Year	17.4	14.4	Utilities	--	0.11	-0.11	Dorman Products, Inc.	2.81
Quality	B	B					Total	31.66
Active Share	92.38	--						



Portfolio Attribution (Gross of Fees)

Economic Sector Attribution - Current Quarter					Economic Sector Attribution - Year to Date				
	Relative Weights	Allocation Effect	Stock Selection	Total Effect		Relative Weight	Allocation Effect	Stock Selection	Total Effect
Consumer Discretionary	-7.12	-0.30	1.27	0.97	Consumer Discretionary	-7.12	-0.30	1.27	0.97
Consumer Staples	-3.75	-0.15	0.10	-0.04	Consumer Staples	-3.75	-0.15	0.10	-0.04
Energy	1.06	0.10	-0.10	-0.01	Energy	1.06	0.10	-0.10	-0.01
Financials	-3.97	0.03	-0.76	-0.73	Financials	-3.97	0.03	-0.76	-0.73
Health Care	7.28	-0.52	2.73	2.21	Health Care	7.28	-0.52	2.73	2.21
Industrials	10.15	0.56	-0.80	-0.24	Industrials	10.15	0.56	-0.80	-0.24
Information Technology	-0.24	0.02	1.07	1.09	Information Technology	-0.24	0.02	1.07	1.09
Materials	-2.92	-0.10	-0.25	-0.35	Materials	-2.92	-0.10	-0.25	-0.35
Telecommunication Services	-0.38	0.02	--	0.02	Telecommunication Services	-0.38	0.02	--	0.02
Utilities	-0.11	-0.02	--	-0.02	Utilities	-0.11	-0.02	--	-0.02
[Unassigned]	--	-0.01	--	-0.01	[Unassigned]	--	-0.01	--	-0.01
Total	--	-0.37	3.27	2.90	Total	--	-0.37	3.27	2.90

Top Contributors to Performance

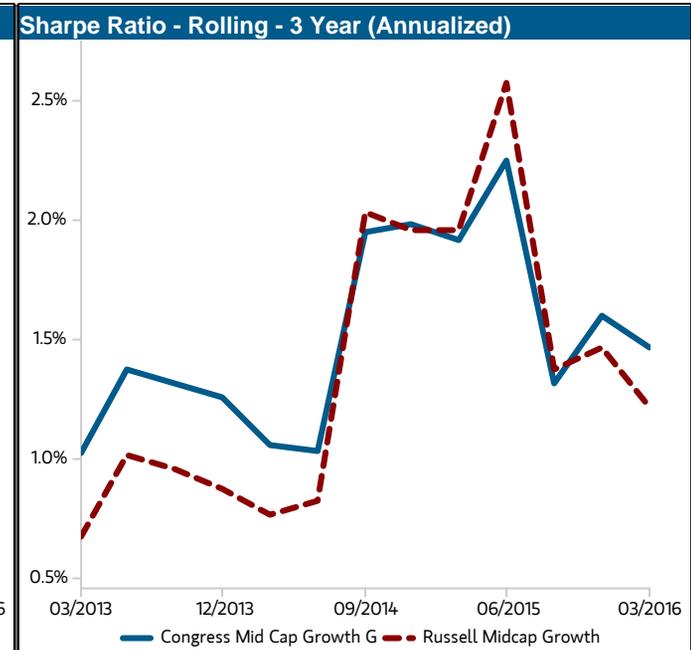
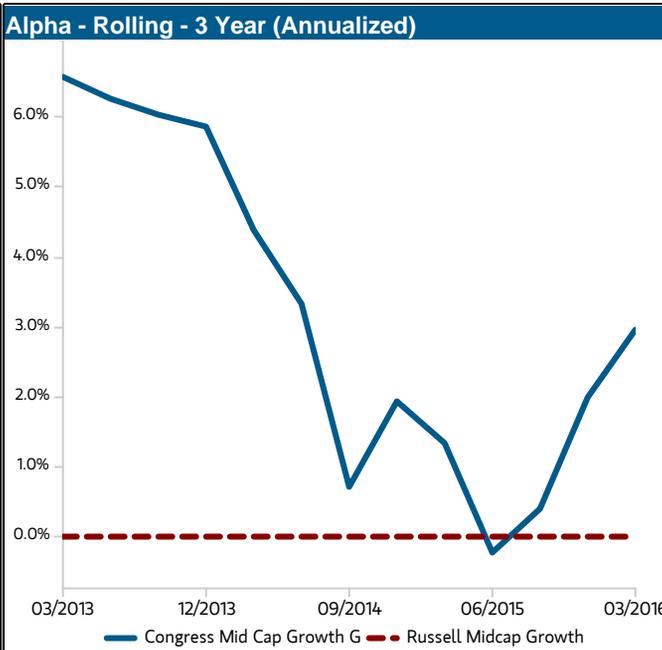
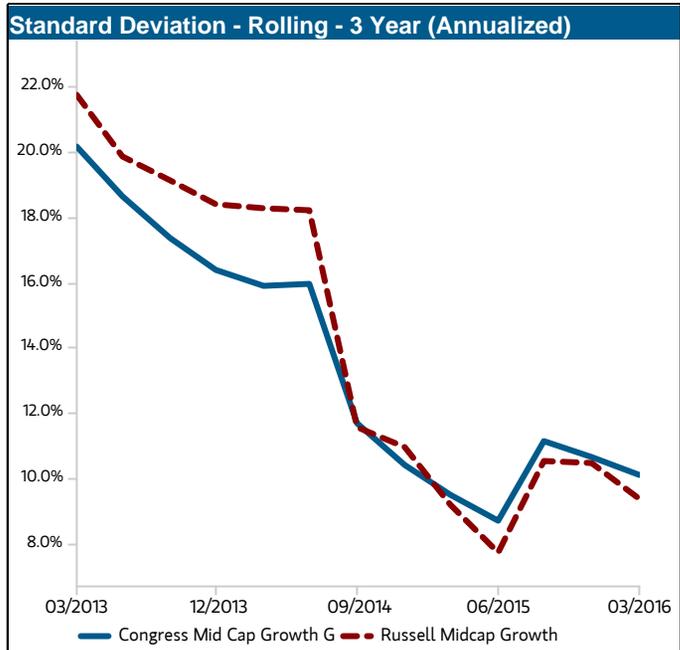
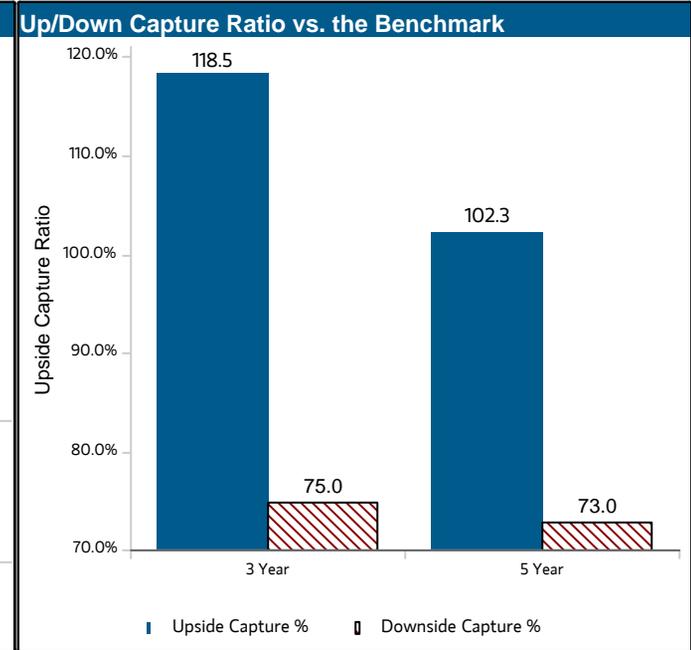
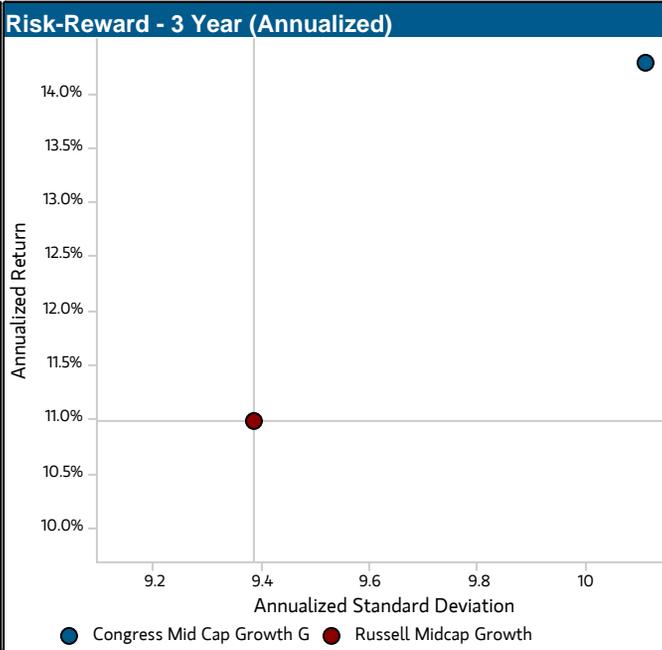
Current Quarter			Current Quarter			Year to Date			Year to Date		
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.
Texas Roadhouse, Inc.	2.92	0.66	Consumer Discretionary	16.74	2.00	Texas Roadhouse, Inc.	2.92	0.66	Consumer Discretionary	16.74	2.00
Helen of Troy Limited	2.51	0.51	Health Care	18.09	1.16	Helen of Troy Limited	2.51	0.51	Health Care	18.09	1.16
Carter's, Inc.	2.84	0.50	Industrials	27.97	0.57	Carter's, Inc.	2.84	0.50	Industrials	27.97	0.57
Graco Inc.	2.40	0.44	Information Technology	19.40	0.43	Graco Inc.	2.40	0.44	Information Technology	19.40	0.43
Dorman Products, Inc.	2.69	0.43	Consumer Staples	4.71	0.31	Dorman Products, Inc.	2.69	0.43	Consumer Staples	4.71	0.31

Bottom Contributors to Performance

Current Quarter			Current Quarter			Year to Date			Year to Date		
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.
Alliance Data Systems Cor...	2.54	-0.78	Financials	8.80	-0.91	Alliance Data Systems Cor...	2.54	-0.78	Financials	8.80	-0.91
Raymond James Financial, ...	2.03	-0.52	Materials	2.38	-0.18	Raymond James Financial, ...	2.03	-0.52	Materials	2.38	-0.18
Signature Bank	2.96	-0.41	Energy	1.92	0.09	Signature Bank	2.96	-0.41	Energy	1.92	0.09
Snap-on Incorporated	3.11	-0.33	Consumer Staples	4.71	0.31	Snap-on Incorporated	3.11	-0.33	Consumer Staples	4.71	0.31
Polaris Industries Inc.	0.42	-0.31	Information Technology	19.40	0.43	Polaris Industries Inc.	0.42	-0.31	Information Technology	19.40	0.43

Portfolio Performance and Risk Statistics (Gross of Fees)

Risk Statistics vs. Benchmark	3-Year	5-Year
Alpha	3.0%	4.0%
Beta	1.0	0.9
R2	88.0%	90.8%
Tracking Error	3.5%	4.7%
Information Ratio	1.0	0.6
Batting Average	75.0%	65.0%
Up Capture Ratio	118.5%	102.3%
Down Capture Ratio	75.0%	73.0%
Standard Deviation	10.1	13.7
Standard Deviation (Bmk)	9.4	15.2
Sharpe Ratio	1.5	1.0



Glossary of Terms

Active Share - is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

Adjusted P/E - Trailing 12 Mo. - is a P/E calculation that excludes outliers (both high and low) from an aggregate P/E calculation. If a company's P/E falls outside the range, that P/E is considered NA. The weighted average is then calculated including only the P/E's of the companies within the range. P/E ratios that are exceedingly high or low (even negative) may potentially distort an unadjusted P/E ratio.

ADRs - American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market.

Allocation Effect - is the portion of portfolio excess return attributed to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the weight of the portfolio's group minus the weight of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark in aggregate.

Alpha - measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. A positive Alpha figure indicates the portfolio has performed better than its Beta would predict. A negative Alpha indicates the portfolio's underperformance given the expectations established by the Beta. The accuracy of the Alpha is therefore dependent on the accuracy of the Beta. Alpha is often viewed as a measurement of the value added or subtracted by a portfolio's manager.

Batting Average - measures how frequently a portfolio outperforms its benchmark on a quarterly basis. The statistic is obtained by dividing the number of quarters in which the portfolio outperformed the total return of the benchmark by the total number of quarters. For example, a portfolio with a batting average of 60% has outperformed the index more than it has underperformed.

Beta - measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Dividend Yield - annual dividend per share divided by price per share. Dividend Yield for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Down Capture Ratio - the ratio of the portfolio's overall performance to the benchmark's overall performance, considering only periods that are negative in the benchmark. A Down Capture Ratio of less than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's negative quarters and preserves more of the portfolio's value during down markets.

Excess Return - represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Information Ratio - represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's overperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Market Cap (\$M) - the average portfolio market capitalization (market price multiplied by shares outstanding), weighted by the proportion of the portfolio's assets invested in each stock.

P/E - Trailing 12-Mo. - the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book - price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Quality Rank Based upon per-share earnings and dividend records of the most recent 10 years, this ranking system attempts to capture the growth and stability of earnings and dividends for individual stocks. For a portfolio, the quality ranking is a weighted average. The quality rankings classification is as follows: A+ (highest), A (high), A- (above avg.), B+ (average), B (below avg.), B- (lower), C (lowest), D (in reorganization), and LIQ (liquidation).

R-Squared (R²) - represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of "co-movement" between portfolio returns and benchmark returns. The closer the portfolio's R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Return on Equity (ROE) - is another profitability ratio which gauges return on investment by measuring how effectively stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Rolling Annualized Performance - measures the consistency of a portfolio's performance. For example, with three-year annualized returns rolled annually, the return shown for a given period is actually an annualized return for a particular year and the previous two years. Since performance is assessed over longer periods, the returns rolled annually give a better indication of trends.

Stock Selection Effect - is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's selection effect equals the weight of the benchmark's group multiplied by the total return of the portfolio's group minus the total return of the benchmark's group.

Sharpe Ratio - measures a portfolio's rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation - quantifies the volatility associated with a portfolio's returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio's return.

Total Effect - is the sum of all effects.

Tracking Error - represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio's returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Up Capture Ratio - measures the portfolio's overall performance to the benchmark's overall performance, considering only periods that are positive in the benchmark. An Up Capture Ratio of more than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's positive quarters.

Index Descriptions and Disclosures

Depending on the composition of your account and your investment objectives any indices shown in this report may not be an appropriate measure for comparison purposes and are presented for illustration only. The strategy shown in this report does not necessarily seek to track the index, is not restricted to securities in the index and may be more volatile than the index.

Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

Important Disclosures

Report for Use Only in Investment Advisory Programs

This report is only to be used in Morgan Stanley Wealth Management investment advisory programs and not in connection with brokerage accounts.

The Global Investment Manager Analysis (GIMA) Services Only Apply to Certain Investment Advisory Programs

Global Investment Manager Analysis (GIMA) evaluates certain investment products for the purposes of some - but not all - of Morgan Stanley Wealth Management investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA status changes even though it may give notice to clients in other programs.

Focus List, Approved List and Tactical Opportunities List; Watch Policy

GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).

GIMA has a "Watch" policy and may describe a Focus List or Approved List investment product as being on "Watch" if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming "Not Approved." The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a "W" or "Watch" next to the "Status" on the cover page.

Certain investment products on either the Focus List or Approved List may also be recommended for the Tactical Opportunities List based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time.

For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled "Manager Selection Process."

No Obligation to Update

Morgan Stanley Wealth Management has no obligation to update you when any information or opinion in this report changes.

Strategy May Be Available as a Separately Managed Account or Mutual Fund

Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account ("SMA") and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program.

Consider Your Own Investment Needs

This report is not intended to be a client-specific suitability analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley, and/or their affiliates if shown in this report). Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Performance and Other Portfolio Information**General**

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance shown in this report.

Performance results are time weighted and include all cash and cash equivalents, realized and unrealized capital gains and losses, and reinvestment of dividends, interest and other income. Performance results are annualized for periods greater than one year. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Performance results may be presented in a currency other than the currency of the country in which you live. Your actual return on this investment product may increase or decrease with fluctuations between currencies.

Data used in performance composite

For periods for which sufficient data is available, the profile shows a composite of client accounts managed by the investment manager in the Fiduciary Services program. This is a separately managed account program sponsored by Morgan Stanley Wealth Management. Performance and other data for the Fiduciary Services composite may vary from composites in other Morgan Stanley Wealth Management programs due to differences such as the availability and weighting of securities, trading implementation or client objectives.

For periods before Morgan Stanley Wealth Management calculates an applicable performance composite for actual Morgan Stanley Wealth Management program accounts, the performance composite and certain other information for this strategy are based on the investment manager's own composite and data. This composite includes accounts managed by the investment manager according to the same or a substantially similar investment strategy. To provide maximum information to you, the investment manager's own composite is linked to the Morgan Stanley Wealth Management composite to create a simulated continuous track record of performance information for the investment strategy.

The investment manager's own composite may include separately managed accounts, institutional accounts and/or mutual funds. Performance and other data for the investment manager's composite may vary from that for Morgan Stanley Wealth Management accounts due to differences such as the availability and weighting of securities, trading implementation or client objectives. Morgan Stanley Wealth Management does not verify composite and other data provided by the investment manager and therefore does not guarantee its accuracy. Some of the accounts in the investment manager's composite may have invested in the initial public offering ("IPO") market, whereas accounts held in Morgan Stanley Wealth Management programs do not do so. Since investment managers may use different methods of selecting accounts to be included in their composites and for calculating performance, returns of different investment managers may not be comparable.

Net performance information

The net performance shown in this report reflects a deduction of a 0.75% quarterly fee (equivalent to a 3% annual fee). The maximum fee chargeable in a Morgan Stanley Wealth Management investment advisory program is generally no more than 3%. If you invest through a program in which your program fee is higher than 3%, then the net results would be lower.

Benchmark index

Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only. Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product.

Other data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

Economic Sector Allocations and 10 Largest Holdings are accurate as of the most recent quarter end for which information was available when this report was prepared, and are subject to change at any time. 10 Largest Holdings lists indicate the largest security holdings in the portfolio, and Economic Sector Allocations are based on industry standard sector identification codes. Both are measured as a percentage of the total portfolio in terms of asset value as of the date indicated above.

Other data in this report is accurate as of the date this report was prepared unless stated otherwise. Data in this report may be calculated by the fund's investment manager, Morgan Stanley Wealth Management or a third party service provider.

Securities holdings

Holdings are subject to change daily, so any securities discussed in this report may or may not be included in the portfolio's holdings if you invest in this investment product. The portfolio may also hold other securities in addition to or instead of any securities discussed in this report. Do not assume that any holdings mentioned were, or will be, profitable.

Sources of Data

Material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data.

Important Disclosures

Asset Class and Other Risks

Investing in **stocks**, **mutual funds** and **exchange-traded funds ("ETFs")** entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Value and **growth investing** also carry risks. Value investing involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

International securities may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in **emerging markets**.

Small- and mid- capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which allows the issuer to retain the right to redeem the debt, fully or partially, before the scheduled maturity date. Proceeds from sales prior to maturity may be more or less than originally invested due to changes in market conditions or changes in the credit quality of the issuer.

Ultra-short bond funds generally invest in fixed income securities with very short maturities, typically less than one year. They are not money market funds. While money market funds attempt to maintain a stable net asset value, an ultra-short bond fund's net asset value will fluctuate, which may result in the loss of the principal amount invested. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

High yield bonds are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. **Real estate investments:** property values can fall due to environmental, economic or other reasons, and changes in interest rates can negatively impact the performance of real estate companies.

Derivatives, in general, involve special risks and costs that may result in losses. The successful use of derivatives requires sophisticated management, in order to manage and analyze derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of the manager may not be what the investment manager expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses. Other risks include the potential inability to terminate or sell derivative positions, as a result of counterparty failure to settle or other reasons.

Mortgage-backed securities ("MBS"), which include collateralized mortgage obligations ("CMOs"), also referred to as real estate mortgage investment conduits ("REMICs"), may not be suitable for all investors. There is the possibility of early return of principal due to mortgage prepayments, which can reduce expected yield and result in reinvestment risk. Conversely, return of principal may be slower than initial prepayment speed assumptions, extending the average life of the security up to its listed maturity date (also referred to as extension risk). Additionally, the underlying collateral supporting MBS may default on principal and interest payments. Investments in subordinated MBS involve greater credit risk of default than the senior classes of the same issue. MBS are also sensitive to interest rate changes which can negatively impact the market value of the security. During times of heightened volatility, MBS can experience greater levels of illiquidity and larger price movements.

Commodities: The commodities markets may fluctuate widely based on a variety of factors including, but not limited to, changes in supply and demand relationships; governmental programs and policies; national and international political and economic events, war and terrorist events; changes in interest and exchange rates; trading activities in commodities and related contracts; pestilence, technological change and weather; and the price volatility of a commodity.

Alternative/hedged strategies may use various investment strategies and techniques for both hedging and more speculative purposes such as short selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. Alternative/hedged strategies are not appropriate for all investors. A short sales strategy includes the risk of loss due to an increase in the market value of borrowed securities. Such a strategy may be combined with purchasing long positions in an attempt to improve portfolio performance. A short sales strategy may result in greater losses or lower positive returns than if the portfolio held only long positions, and the portfolio's loss on a short sale is potentially unlimited. The use of leverage can magnify the impact of adverse issuer, political, regulatory, market, or economic developments on a company. A decrease in the credit quality of a highly leveraged company can lead to a significant decrease in the value of the company's securities. In a liquidation or bankruptcy, a company's creditors take precedence over the company's stockholders.

MLPs involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs. The potential return of MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the portfolio's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment.

The current yield of **preferred securities** is calculated by multiplying the coupon by par value divided by the market price. The majority of \$25 and \$1000 par preferred securities are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per \$25 or \$1,000 share, unless otherwise specified. The initial rate on a floating rate or index-linked preferred security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating/linked index. However, there can be no assurance that these increases will occur.

Convertible securities are convertible to equity at the option of the holder. The market value of the securities, and the underlying common stock into which they are convertible, will fluctuate. In particular, securities whose value depends on the performance of an underlying security entail potentially higher volatility and risk of loss compared to traditional bond investments. You should be aware that the market value of convertible bonds may not correspond directly to increases or decreases in the underlying stock.

No Tax Advice

Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors do not provide legal or tax advice. Each client should always consult his/her personal tax and/or legal advisor for information concerning his/her individual situation and to learn about any potential tax or other implications that may result from acting on a particular recommendation.

If any investments in this report are described as "tax free", the income from these investments may be subject to state and local taxes and (if applicable) the federal Alternative Minimum Tax. Realized capital gains on these investments may be subject to federal, state and local capital gains tax.

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GLOBAL INVESTMENT MANAGER ANALYSIS

Munder Mid Cap Core Growth Equity

Benchmark: Russell Midcap Growth

Status: Approved

March 31, 2016 (Q1)

Analyst: Bill Bridge Phone: 212-296-1177 Email: Bill.Bridge@morganstanley.com

Trailing Returns

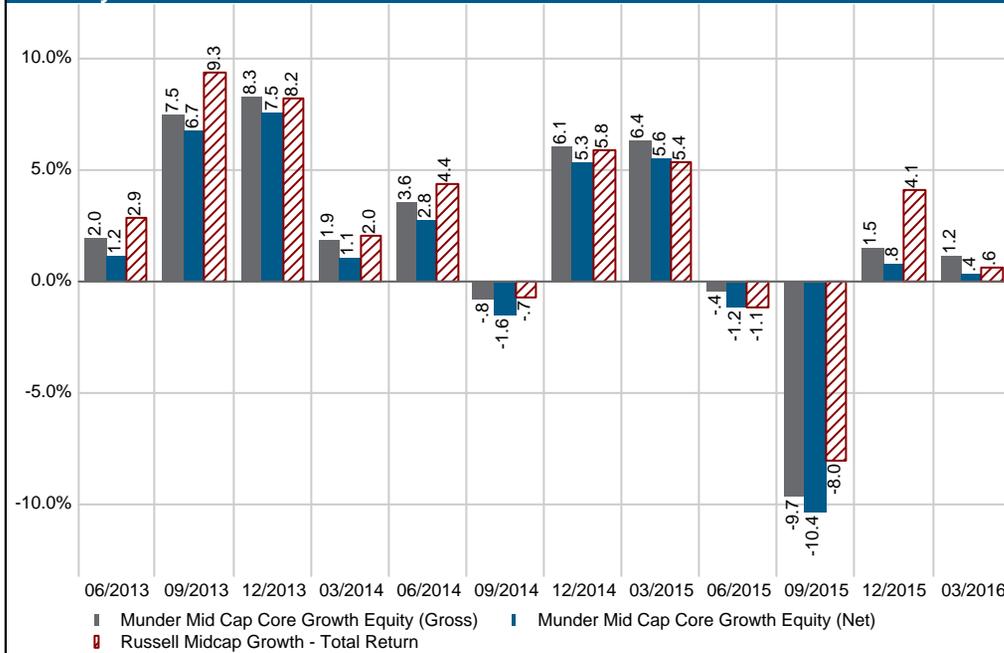
	QTR	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	2015	2014	2013	2012	2011	2010
Munder Mid Cap Core Growth Equity (Gross)	1.18%	1.18%	-7.61%	9.00%	9.47%	17.23%	7.53%	-2.88%	11.01%	33.66%	16.54%	-0.32%	26.24%
Munder Mid Cap Core Growth Equity (Net)	0.37%	0.37%	-10.36%	5.77%	6.26%	13.85%	4.37%	-5.73%	7.68%	29.84%	13.15%	-3.15%	22.70%
Russell Midcap Growth	0.58%	0.58%	-4.75%	10.99%	9.99%	18.71%	7.43%	-0.20%	11.90%	35.74%	15.81%	-1.65%	26.38%
Excess Return (Gross)	0.60%	0.60%	-2.86%	-1.99%	-0.52%	-1.49%	0.10%	-2.68%	-0.90%	-2.08%	0.73%	1.33%	-0.14%

Past performance is no guarantee of future results. This report is not complete without pages 5, 6 and 7, which contain important notes, including disclosures about the Focus List and the Approved List, index descriptions and a glossary of terms. Information shown is as of the date of most recent quarter end unless otherwise noted. All data are subject to change.

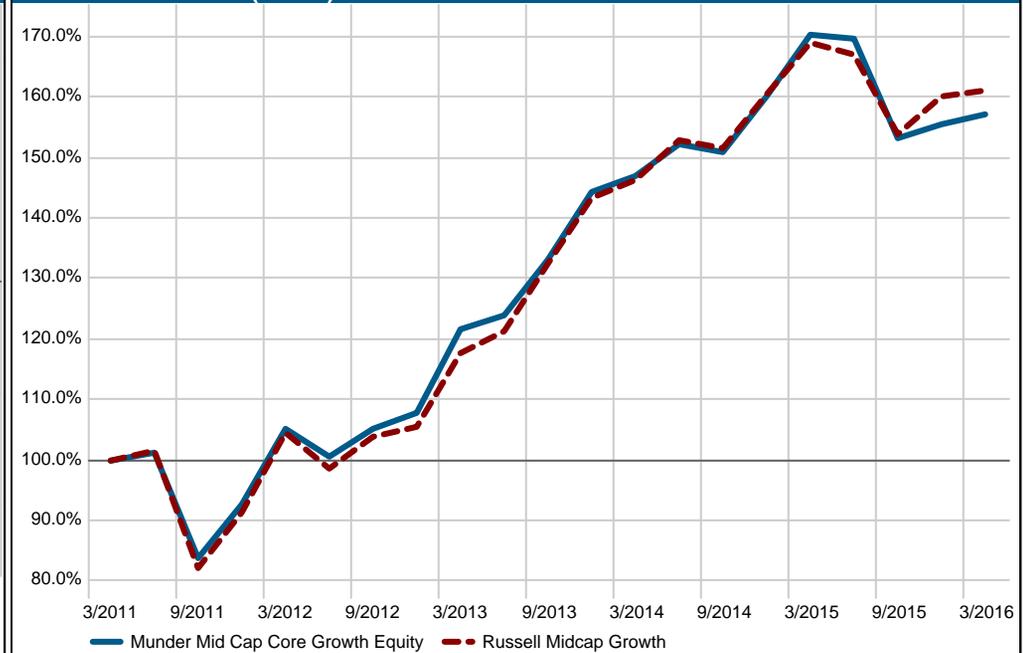
Strategy Description

The Mid-Capitalization Core Growth strategy utilizes a bottom-up stock selection process to find the most attractive growth candidates from the mid-cap segment of the market.

Quarterly Returns



Investment Growth - (Gross)

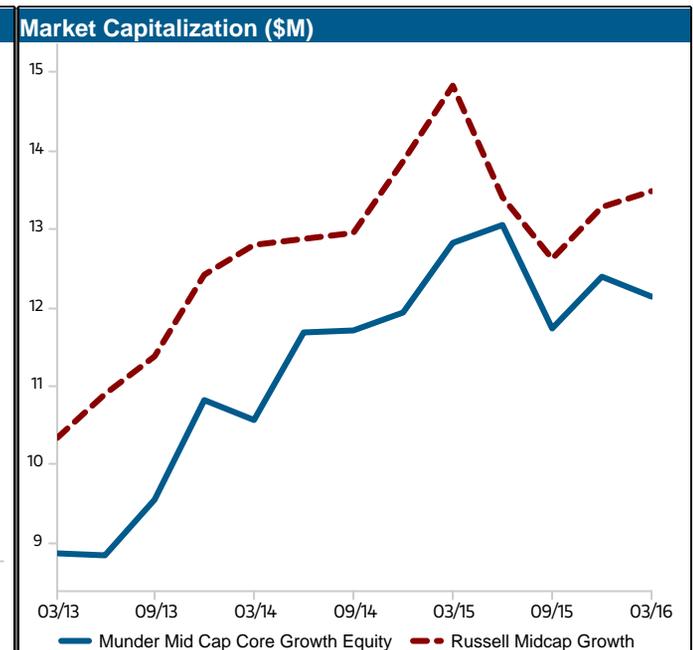
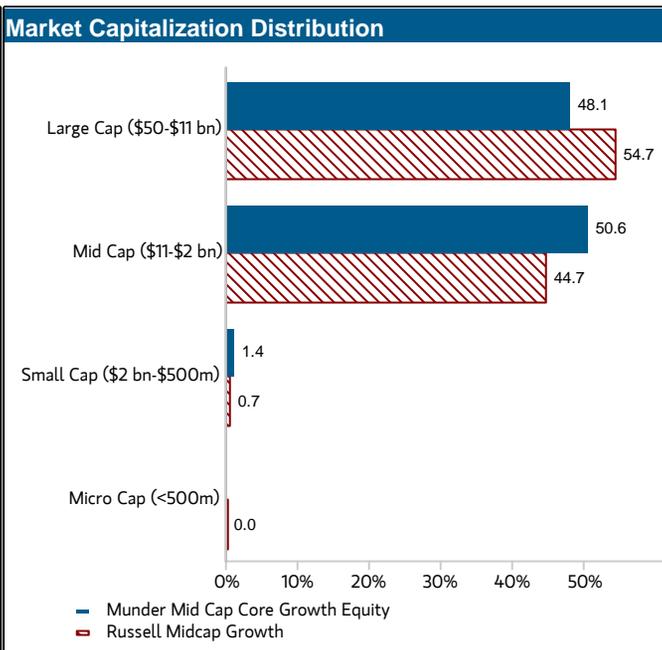
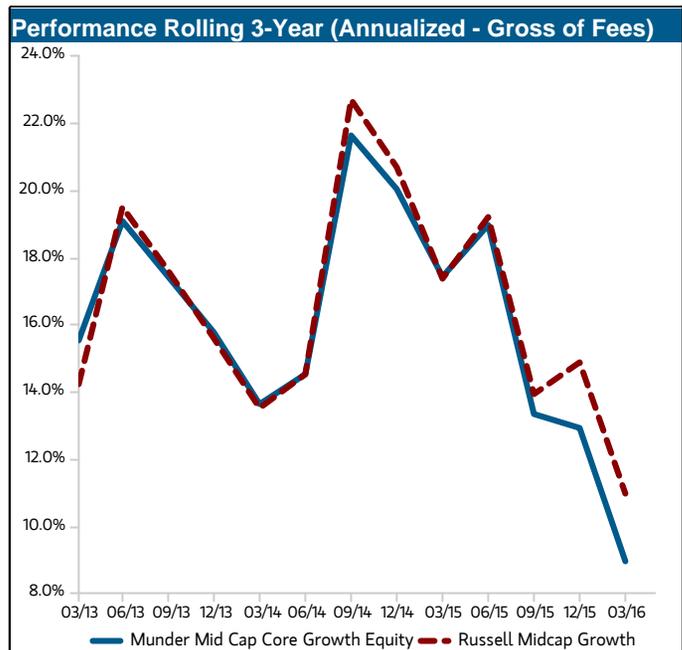


INVESTMENT PRODUCTS: NOT FDIC INSURED * NO BANK GUARANTEE * MAY LOSE VALUE

This report is only to be used in connection with investment advisory programs and not brokerage accounts

Portfolio Characteristics

Portfolio Characteristics			Economic Sector Allocation				Top 10 Holdings	
	Strategy	Bmk		Strategy	Bmk	Rel.		% of Equity
# of Securities	81	498	Consumer Discretionary	17.95	25.15	-7.20	Ross Stores, Inc.	2.17
Market Cap (\$M)	12,128	13,478	Consumer Staples	6.72	8.31	-1.59	Reinsurance Group of America, Incorporated	1.87
P/E - Trailing 12-Mo.	22.7	22.0	Energy	3.44	0.81	2.63	Carter's, Inc.	1.87
Adj. P/E - trailing 12-Mo.	20.8	21.4	Financials	22.69	12.17	10.53	Macerich Company	1.86
P/E - Forecast FY1	18.2	19.3	Health Care	8.95	12.50	-3.55	Dollar General Corporation	1.84
Price-to- Book	2.8	4.7	Industrials	11.94	16.41	-4.48	Broadcom Limited	1.81
Dividend Yield	1.08	1.16	Information Technology	16.77	19.07	-2.30	IPG Photonics Corporation	1.80
Return on Equity	15.7	21.0	Materials	5.69	5.10	0.59	Affiliated Managers Group, Inc.	1.78
EPS Growth - Forecast	11.9	13.0	Telecommunication Services	1.57	0.38	1.19	Signature Bank	1.73
EPS Growth - Hist. 5 Year	15.5	14.4	Utilities	4.28	0.11	4.18	Church & Dwight Co., Inc.	1.72
Quality	B	B					Total	18.44
Active Share	85.79	--						



Portfolio Attribution (Gross of Fees)

Economic Sector Attribution - Current Quarter				
	Relative Weights	Allocation Effect	Stock Selection	Total Effect
Consumer Discretionary	-7.20	-0.24	0.20	-0.04
Consumer Staples	-1.59	-0.03	-0.08	-0.12
Energy	2.63	0.23	0.01	0.24
Financials	10.53	-0.08	-0.47	-0.55
Health Care	-3.55	0.39	0.19	0.58
Industrials	-4.48	-0.24	-0.49	-0.73
Information Technology	-2.30	0.08	0.82	0.90
Materials	0.59	0.01	-0.22	-0.21
Telecommunication Services	1.19	-0.08	0.02	-0.07
Utilities	4.18	0.36	0.35	0.71
[Unassigned]	--	-0.00	--	-0.00
Total	--	0.38	0.31	0.69

Economic Sector Attribution - Year to Date				
	Relative Weight	Allocation Effect	Stock Selection	Total Effect
Consumer Discretionary	-7.20	-0.24	0.20	-0.04
Consumer Staples	-1.59	-0.03	-0.08	-0.12
Energy	2.63	0.23	0.01	0.24
Financials	10.53	-0.08	-0.47	-0.55
Health Care	-3.55	0.39	0.19	0.58
Industrials	-4.48	-0.24	-0.49	-0.73
Information Technology	-2.30	0.08	0.82	0.90
Materials	0.59	0.01	-0.22	-0.21
Telecommunication Services	1.19	-0.08	0.02	-0.07
Utilities	4.18	0.36	0.35	0.71
[Unassigned]	--	-0.00	--	-0.00
Total	--	0.38	0.31	0.69

Top Contributors to Performance

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
Dollar General Corporation	1.72	0.33	Consumer Discretionary	18.57	1.19	Dollar General Corporation	1.72
Carter's, Inc.	1.77	0.31	Utilities	4.47	0.70	Carter's, Inc.	1.77
Reinsurance Group of Amer...	1.79	0.26	Energy	3.34	0.37	Reinsurance Group of Amer...	1.79
Cracker Barrel Old Countr...	1.11	0.25	Information Technology	17.39	0.24	Cracker Barrel Old Countr...	1.11
NiSource Inc.	1.15	0.24	Consumer Staples	6.87	0.18	NiSource Inc.	1.15

Year to Date		Year to Date		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
Dollar General Corporation	1.72	0.33	Consumer Discretionary	18.57	1.19	Dollar General Corporation	1.72
Carter's, Inc.	1.77	0.31	Utilities	4.47	0.70	Carter's, Inc.	1.77
Reinsurance Group of Amer...	1.79	0.26	Energy	3.34	0.37	Reinsurance Group of Amer...	1.79
Cracker Barrel Old Countr...	1.11	0.25	Information Technology	17.39	0.24	Cracker Barrel Old Countr...	1.11
NiSource Inc.	1.15	0.24	Consumer Staples	6.87	0.18	NiSource Inc.	1.15

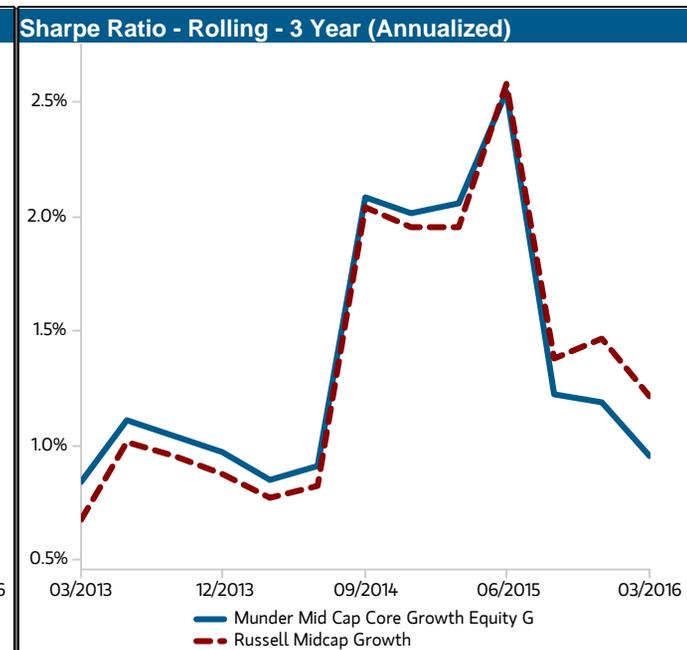
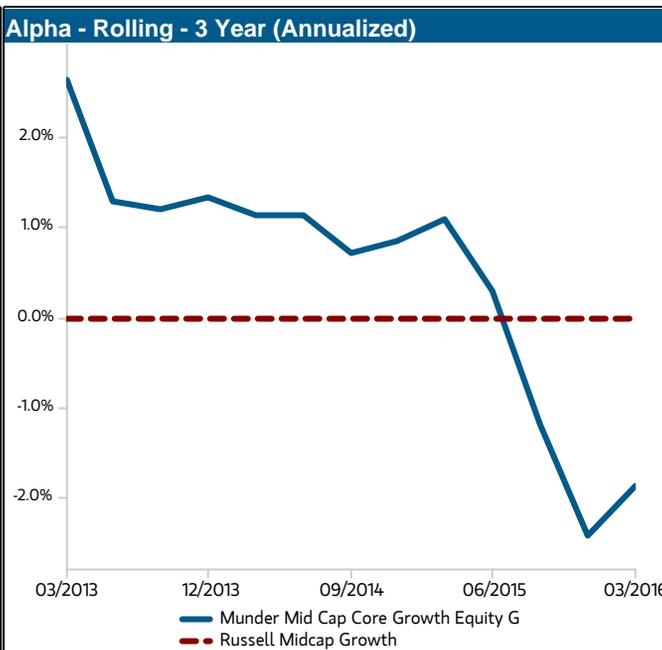
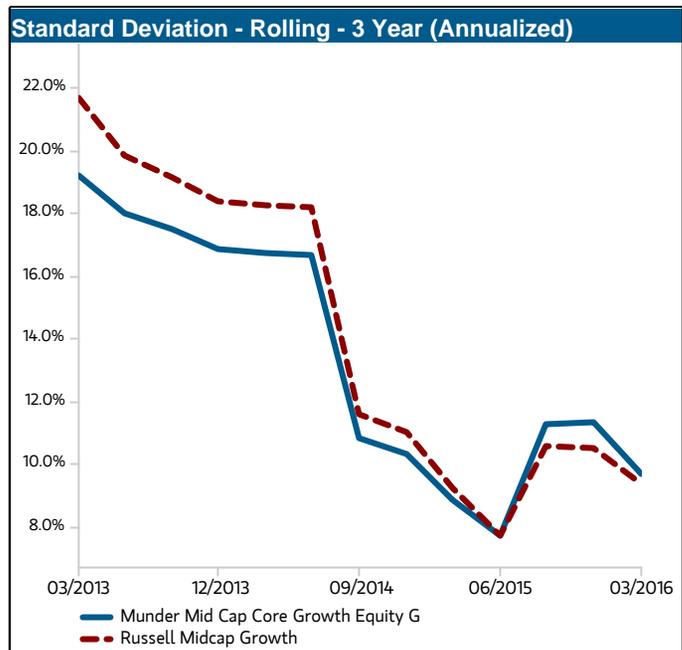
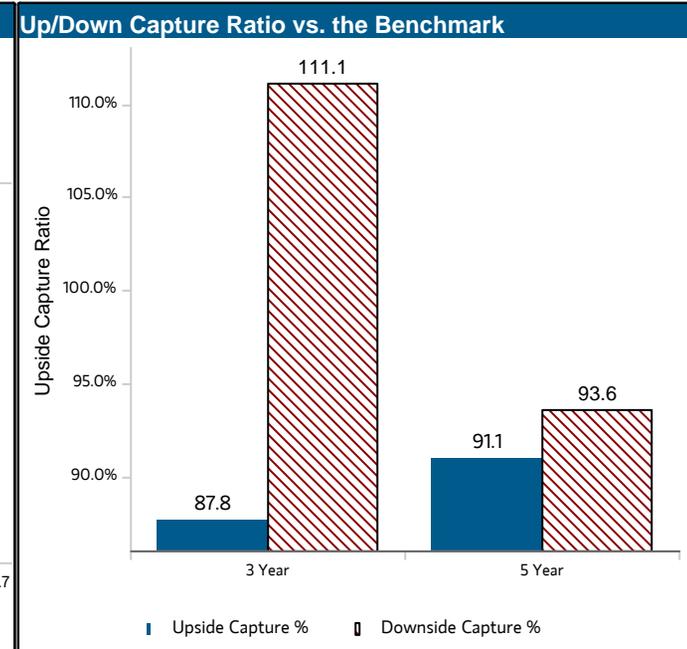
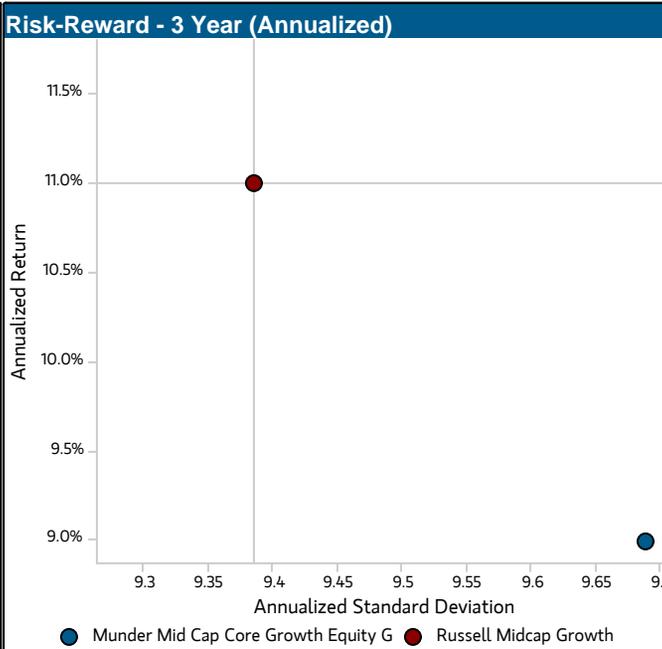
Bottom Contributors to Performance

Current Quarter		Current Quarter		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
BioMarin Pharmaceutical Inc.	1.69	-0.49	Health Care	9.28	-0.82	BioMarin Pharmaceutical Inc.	1.69
j2 Global, Inc.	1.02	-0.25	Financials	21.37	-0.42	j2 Global, Inc.	1.02
Signature Bank	1.84	-0.25	Telecommunication Services	1.59	-0.11	Signature Bank	1.84
Monster Beverage Corporation	1.71	-0.22	Industrials	11.91	-0.08	Monster Beverage Corporation	1.71
Red Hat, Inc.	1.61	-0.22	Materials	5.22	0.01	Red Hat, Inc.	1.61

Year to Date		Year to Date		Year to Date		Year to Date	
	Avg. Weight	Wtd. Contrib.		Avg. Weight	Wtd. Contrib.		Avg. Weight
BioMarin Pharmaceutical Inc.	1.69	-0.49	Health Care	9.28	-0.82	BioMarin Pharmaceutical Inc.	1.69
j2 Global, Inc.	1.02	-0.25	Financials	21.37	-0.42	j2 Global, Inc.	1.02
Signature Bank	1.84	-0.25	Telecommunication Services	1.59	-0.11	Signature Bank	1.84
Monster Beverage Corporation	1.71	-0.22	Industrials	11.91	-0.08	Monster Beverage Corporation	1.71
Red Hat, Inc.	1.61	-0.22	Materials	5.22	0.01	Red Hat, Inc.	1.61

Portfolio Performance and Risk Statistics (Gross of Fees)

Risk Statistics vs. Benchmark	3-Year	5-Year
Alpha	-1.9%	0.1%
Beta	1.0	0.9
R2	94.6%	97.7%
Tracking Error	2.2%	2.4%
Information Ratio	-0.9	-0.2
Batting Average	41.7%	45.0%
Up Capture Ratio	87.8%	91.1%
Down Capture Ratio	111.1%	93.6%
Standard Deviation	9.7	14.4
Standard Deviation (Bmk)	9.4	15.2
Sharpe Ratio	1.0	0.7



Glossary of Terms

Active Share - is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

Adjusted P/E - Trailing 12 Mo. - is a P/E calculation that excludes outliers (both high and low) from an aggregate P/E calculation. If a company's P/E falls outside the range, that P/E is considered NA. The weighted average is then calculated including only the P/E's of the companies within the range. P/E ratios that are exceedingly high or low (even negative) may potentially distort an unadjusted P/E ratio.

ADRs - American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market.

Allocation Effect - is the portion of portfolio excess return attributed to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the weight of the portfolio's group minus the weight of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark in aggregate.

Alpha - measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. A positive Alpha figure indicates the portfolio has performed better than its Beta would predict. A negative Alpha indicates the portfolio's underperformance given the expectations established by the Beta. The accuracy of the Alpha is therefore dependent on the accuracy of the Beta. Alpha is often viewed as a measurement of the value added or subtracted by a portfolio's manager.

Batting Average - measures how frequently a portfolio outperforms its benchmark on a quarterly basis. The statistic is obtained by dividing the number of quarters in which the portfolio outperformed the total return of the benchmark by the total number of quarters. For example, a portfolio with a batting average of 60% has outperformed the index more than it has underperformed.

Beta - measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Dividend Yield - annual dividend per share divided by price per share. Dividend Yield for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Down Capture Ratio - the ratio of the portfolio's overall performance to the benchmark's overall performance, considering only periods that are negative in the benchmark. A Down Capture Ratio of less than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's negative quarters and preserves more of the portfolio's value during down markets.

Excess Return - represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Information Ratio - represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's overperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Market Cap (\$M) - the average portfolio market capitalization (market price multiplied by shares outstanding), weighted by the proportion of the portfolio's assets invested in each stock.

P/E - Trailing 12-Mo. - the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book - price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Quality Rank Based upon per-share earnings and dividend records of the most recent 10 years, this ranking system attempts to capture the growth and stability of earnings and dividends for individual stocks. For a portfolio, the quality ranking is a weighted average. The quality rankings classification is as follows: A+ (highest), A (high), A- (above avg.), B+ (average), B (below avg.), B- (lower), C (lowest), D (in reorganization), and LIQ (liquidation).

R-Squared (R²) - represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of "co-movement" between portfolio returns and benchmark returns. The closer the portfolio's R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Return on Equity (ROE) - is another profitability ratio which gauges return on investment by measuring how effectively stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Rolling Annualized Performance - measures the consistency of a portfolio's performance. For example, with three-year annualized returns rolled annually, the return shown for a given period is actually an annualized return for a particular year and the previous two years. Since performance is assessed over longer periods, the returns rolled annually give a better indication of trends.

Stock Selection Effect - is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's selection effect equals the weight of the benchmark's group multiplied by the total return of the portfolio's group minus the total return of the benchmark's group.

Sharpe Ratio - measures a portfolio's rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation - quantifies the volatility associated with a portfolio's returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio's return.

Total Effect - is the sum of all effects.

Tracking Error - represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio's returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Up Capture Ratio - measures the portfolio's overall performance to the benchmark's overall performance, considering only periods that are positive in the benchmark. An Up Capture Ratio of more than 1.0 indicates a portfolio that outperforms the relative benchmark in the benchmark's positive quarters.

Index Descriptions and Disclosures

Depending on the composition of your account and your investment objectives any indices shown in this report may not be an appropriate measure for comparison purposes and are presented for illustration only. The strategy shown in this report does not necessarily seek to track the index, is not restricted to securities in the index and may be more volatile than the index.

Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

Important Disclosures

Report for Use Only in Investment Advisory Programs

This report is only to be used in Morgan Stanley Wealth Management investment advisory programs and not in connection with brokerage accounts.

The Global Investment Manager Analysis (GIMA) Services Only Apply to Certain Investment Advisory Programs

Global Investment Manager Analysis (GIMA) evaluates certain investment products for the purposes of some - but not all - of Morgan Stanley Wealth Management investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA status changes even though it may give notice to clients in other programs.

Focus List, Approved List and Tactical Opportunities List; Watch Policy

GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).

GIMA has a "Watch" policy and may describe a Focus List or Approved List investment product as being on "Watch" if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming "Not Approved." The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a "W" or "Watch" next to the "Status" on the cover page.

Certain investment products on either the Focus List or Approved List may also be recommended for the Tactical Opportunities List based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time.

For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled "Manager Selection Process."

No Obligation to Update

Morgan Stanley Wealth Management has no obligation to update you when any information or opinion in this report changes.

Strategy May Be Available as a Separately Managed Account or Mutual Fund

Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account ("SMA") and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program.

Consider Your Own Investment Needs

This report is not intended to be a client-specific suitability analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley, and/or their affiliates if shown in this report). Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Performance and Other Portfolio Information**General**

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance shown in this report.

Performance results are time weighted and include all cash and cash equivalents, realized and unrealized capital gains and losses, and reinvestment of dividends, interest and other income. Performance results are annualized for periods greater than one year. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Performance results may be presented in a currency other than the currency of the country in which you live. Your actual return on this investment product may increase or decrease with fluctuations between currencies.

Data used in performance composite

For periods for which sufficient data is available, the profile shows a composite of client accounts managed by the investment manager in the Fiduciary Services program. This is a separately managed account program sponsored by Morgan Stanley Wealth Management. Performance and other data for the Fiduciary Services composite may vary from composites in other Morgan Stanley Wealth Management programs due to differences such as the availability and weighting of securities, trading implementation or client objectives.

For periods before Morgan Stanley Wealth Management calculates an applicable performance composite for actual Morgan Stanley Wealth Management program accounts, the performance composite and certain other information for this strategy are based on the investment manager's own composite and data. This composite includes accounts managed by the investment manager according to the same or a substantially similar investment strategy. To provide maximum information to you, the investment manager's own composite is linked to the Morgan Stanley Wealth Management composite to create a simulated continuous track record of performance information for the investment strategy.

The investment manager's own composite may include separately managed accounts, institutional accounts and/or mutual funds. Performance and other data for the investment manager's composite may vary from that for Morgan Stanley Wealth Management accounts due to differences such as the availability and weighting of securities, trading implementation or client objectives. Morgan Stanley Wealth Management does not verify composite and other data provided by the investment manager and therefore does not guarantee its accuracy. Some of the accounts in the investment manager's composite may have invested in the initial public offering ("IPO") market, whereas accounts held in Morgan Stanley Wealth Management programs do not do so. Since investment managers may use different methods of selecting accounts to be included in their composites and for calculating performance, returns of different investment managers may not be comparable.

Net performance information

The net performance shown in this report reflects a deduction of a 0.75% quarterly fee (equivalent to a 3% annual fee). The maximum fee chargeable in a Morgan Stanley Wealth Management investment advisory program is generally no more than 3%. If you invest through a program in which your program fee is higher than 3%, then the net results would be lower.

Benchmark index

Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only. Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product.

Other data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

Economic Sector Allocations and 10 Largest Holdings are accurate as of the most recent quarter end for which information was available when this report was prepared, and are subject to change at any time. 10 Largest Holdings lists indicate the largest security holdings in the portfolio, and Economic Sector Allocations are based on industry standard sector identification codes. Both are measured as a percentage of the total portfolio in terms of asset value as of the date indicated above.

Other data in this report is accurate as of the date this report was prepared unless stated otherwise. Data in this report may be calculated by the fund's investment manager, Morgan Stanley Wealth Management or a third party service provider.

Securities holdings

Holdings are subject to change daily, so any securities discussed in this report may or may not be included in the portfolio's holdings if you invest in this investment product. The portfolio may also hold other securities in addition to or instead of any securities discussed in this report. Do not assume that any holdings mentioned were, or will be, profitable.

Sources of Data

Material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data.

Important Disclosures

Asset Class and Other Risks

Investing in **stocks**, **mutual funds** and **exchange-traded funds ("ETFs")** entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Value and **growth investing** also carry risks. Value investing involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

International securities may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in **emerging markets**.

Small- and mid- capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which allows the issuer to retain the right to redeem the debt, fully or partially, before the scheduled maturity date. Proceeds from sales prior to maturity may be more or less than originally invested due to changes in market conditions or changes in the credit quality of the issuer.

Ultra-short bond funds generally invest in fixed income securities with very short maturities, typically less than one year. They are not money market funds. While money market funds attempt to maintain a stable net asset value, an ultra-short bond fund's net asset value will fluctuate, which may result in the loss of the principal amount invested. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

High yield bonds are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. **Real estate investments:** property values can fall due to environmental, economic or other reasons, and changes in interest rates can negatively impact the performance of real estate companies.

Derivatives, in general, involve special risks and costs that may result in losses. The successful use of derivatives requires sophisticated management, in order to manage and analyze derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of the manager may not be what the investment manager expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses. Other risks include the potential inability to terminate or sell derivative positions, as a result of counterparty failure to settle or other reasons.

Mortgage-backed securities ("MBS"), which include collateralized mortgage obligations ("CMOs"), also referred to as real estate mortgage investment conduits ("REMICs"), may not be suitable for all investors. There is the possibility of early return of principal due to mortgage prepayments, which can reduce expected yield and result in reinvestment risk. Conversely, return of principal may be slower than initial prepayment speed assumptions, extending the average life of the security up to its listed maturity date (also referred to as extension risk). Additionally, the underlying collateral supporting MBS may default on principal and interest payments. Investments in subordinated MBS involve greater credit risk of default than the senior classes of the same issue. MBS are also sensitive to interest rate changes which can negatively impact the market value of the security. During times of heightened volatility, MBS can experience greater levels of illiquidity and larger price movements.

Commodities: The commodities markets may fluctuate widely based on a variety of factors including, but not limited to, changes in supply and demand relationships; governmental programs and policies; national and international political and economic events, war and terrorist events; changes in interest and exchange rates; trading activities in commodities and related contracts; pestilence, technological change and weather; and the price volatility of a commodity.

Alternative/hedged strategies may use various investment strategies and techniques for both hedging and more speculative purposes such as short selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. Alternative/hedged strategies are not appropriate for all investors. A short sales strategy includes the risk of loss due to an increase in the market value of borrowed securities. Such a strategy may be combined with purchasing long positions in an attempt to improve portfolio performance. A short sales strategy may result in greater losses or lower positive returns than if the portfolio held only long positions, and the portfolio's loss on a short sale is potentially unlimited. The use of leverage can magnify the impact of adverse issuer, political, regulatory, market, or economic developments on a company. A decrease in the credit quality of a highly leveraged company can lead to a significant decrease in the value of the company's securities. In a liquidation or bankruptcy, a company's creditors take precedence over the company's stockholders.

MLPs involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs. The potential return of MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the portfolio's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment.

The current yield of **preferred securities** is calculated by multiplying the coupon by par value divided by the market price. The majority of \$25 and \$1000 par preferred securities are "callable" meaning that the issuer may retire the securities at specific prices and dates prior to maturity. Interest/dividend payments on certain preferred issues may be deferred by the issuer for periods of up to 5 to 10 years, depending on the particular issue. The investor would still have income tax liability even though payments would not have been received. Price quoted is per \$25 or \$1,000 share, unless otherwise specified. The initial rate on a floating rate or index-linked preferred security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating/linked index. However, there can be no assurance that these increases will occur.

Convertible securities are convertible to equity at the option of the holder. The market value of the securities, and the underlying common stock into which they are convertible, will fluctuate. In particular, securities whose value depends on the performance of an underlying security entail potentially higher volatility and risk of loss compared to traditional bond investments. You should be aware that the market value of convertible bonds may not correspond directly to increases or decreases in the underlying stock.

No Tax Advice

Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors do not provide legal or tax advice. Each client should always consult his/her personal tax and/or legal advisor for information concerning his/her individual situation and to learn about any potential tax or other implications that may result from acting on a particular recommendation.

If any investments in this report are described as "tax free", the income from these investments may be subject to state and local taxes and (if applicable) the federal Alternative Minimum Tax. Realized capital gains on these investments may be subject to federal, state and local capital gains tax.

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To: Clayton County Public Employees Retirement System
From: Morgan Stanley
Date: May 12, 2016
Re: 1st Quarter 2016 - 457 Deferred Compensation Plan Review

1st Quarter 2016 Report:

The funds that comprise the Clayton County 457 Deferred Compensation Pension VOYA portfolio are displayed in the two tables on the following pages. Performance within the actively managed line-up of funds was mixed for the quarter, with three funds outperforming their respective benchmarks, while four funds underperformed. Meanwhile, as expected the index fund options in the plan performed in line with the benchmarks, and all posted gains for the quarter.

Overall, the SSgA target date retirement series of funds all posted gains for the quarter and all performed in-line to slightly better than their respective benchmarks. The performance of the target date funds is of particular note as the majority of the 457 Plan participant assets are within these investment options.

Clayton County Public Employees 457(B) Plan - Active and Passive Funds									
Performance and Assets as of 3/31/2016									
Fund / Index	Net Expense	3 months	YTD	1 Year	3 Years	5 Years	10 Years	Balance	% Weighting
MetLife Stable Value CL 75 Fund	1.13%	0.40	0.40	1.66	1.56	1.75	2.81	\$ 808,376	11.32%
91 Day Treasury Bill		0.07	0.07	0.12	0.07	0.08	1.15		
Variance 91 Day Treasury Bill		0.33	0.33	1.54	1.49	1.67	1.66		
State Street U.S. Bond Index SL Fund - Class XII	0.06%	3.03	3.03	1.96	2.51	3.76	4.90	\$ 258,127	3.62%
Barclays U.S. Aggregate Bond Index		3.03	3.03	1.96	2.50	3.78	4.90		
Morningstar Intermediate-Term Bond		2.50	2.50	0.68	1.85	3.48	4.29		
Variance Barclays U.S. Aggregate Bond Index		(0.00)	(0.00)	(0.00)	0.01	(0.02)	0.00		
Variance Morningstar Intermediate-Term Bond		0.53	0.53	1.28	0.66	0.28	0.61		
American Beacon Lg Cap Value Inv	0.94%	(0.79)	(0.79)	(7.55)	7.33	8.60	4.99	\$ 48,218	0.68%
Russell 1000 Value Index		1.64	1.64	(1.54)	9.38	10.25	5.72		
Morningstar Large Value		1.26	1.26	(3.06)	8.06	8.49	4.86		
Variance Russell 1000 Value Index		(2.43)	(2.43)	(6.01)	(2.05)	(1.65)	(0.73)		
Variance Morningstar Large Value		(2.05)	(2.05)	(4.49)	(0.73)	0.11	0.13		
State Street S&P 500 Index SL Fund - Class IV	0.13%	1.33	1.33	1.68	11.69	11.45	6.91	\$ 797,071	11.16%
S&P 500 Index		1.35	1.35	1.78	11.82	11.58	7.01		
Morningstar Large Blend		0.30	0.30	(2.27)	9.19	9.03	5.50		
Variance S&P 500 Index		(0.02)	(0.02)	(0.10)	(0.13)	(0.13)	(0.10)		
Variance Morningstar Large Blend		1.03	1.03	3.95	2.50	2.42	1.41		
Touchstone Sands Capital Select Growth Y	0.83%	(10.27)	(10.27)	(10.34)	8.62	10.55	7.91	\$ 296,675	4.16%
Russell 1000 Growth Index		0.74	0.74	2.52	13.61	12.38	8.28		
Morningstar Large Growth		(2.48)	(2.48)	(2.37)	11.01	9.62	6.04		
Variance Russell 1000 Growth Index		(11.01)	(11.01)	(12.86)	(4.99)	(1.83)	(0.37)		
Variance Morningstar Large Growth		(7.79)	(7.79)	(7.97)	(2.39)	0.93	1.87		
State Street Midcap Index SL Fund - Class XII	0.06%	3.81	3.81	(3.57)	9.46	9.55	7.89	\$ 355,195	4.98%
S&P 400 Index		3.78	3.78	(3.60)	9.46	9.52	7.78		
Morningstar Mid-Cap Blend		1.30	1.30	(6.34)	7.67	7.60	5.76		
Variance S&P 400 Index		0.03	0.03	0.03	0.00	0.03	0.11		
Variance Morningstar Mid-Cap Blend		2.51	2.51	2.77	1.79	1.95	2.13		
Goldman Sachs Small Cap Value Inst	0.94%	0.36	0.36	(7.77)	7.88	9.06	7.03	\$ 171,246	2.40%
Russell 2000 Value Index		1.70	1.70	(7.72)	5.73	6.67	4.42		
Morningstar Small Value		2.20	2.20	(7.04)	6.00	6.78	4.89		
Variance Russell 2000 Value Index		(1.34)	(1.34)	(0.05)	2.15	2.39	2.61		
Variance Morningstar Small Value		(1.84)	(1.84)	(0.73)	1.88	2.28	2.14		
ClearBridge Small Cap Growth A	1.24%	(8.80)	(8.80)	(14.24)	4.37	7.50	5.83	\$ 130,462	1.83%
Russell 2000 Growth Index		(4.68)	(4.68)	(11.84)	7.91	7.70	6.00		
Morningstar Small Growth		(4.33)	(4.33)	(11.82)	6.33	6.11	4.46		
Variance Russell 2000 Growth Index		(4.12)	(4.12)	(2.40)	(3.54)	(0.20)	(0.17)		
Variance Morningstar Small Growth		(4.47)	(4.47)	(2.42)	(1.96)	1.39	1.37		
MFS International Value R3	1.03%	2.56	2.56	2.43	9.24	9.36	6.25	\$ 442	0.01%
MSCI EAFE Index - Net Div		(3.01)	(3.01)	(8.27)	2.23	2.29	1.80		
Morningstar Foreign Large Blend		(1.94)	(1.94)	(7.87)	1.72	1.54	1.43		
Variance MSCI EAFE Index - Net Div		5.57	5.57	10.70	7.01	7.07	4.45		
Variance Morningstar Foreign Large Blend		4.50	4.50	10.30	7.52	7.82	4.82		
Manning & Napier World Opportunity A	1.08%	3.69	3.69	(3.75)	(0.14)	(0.13)	2.67	\$ 121,264	1.70%
MSCI EAFE Index - Net Div		(3.01)	(3.01)	(8.27)	2.23	2.29	1.80		
Morningstar Foreign Large Blend		(1.94)	(1.94)	(7.87)	1.72	1.54	1.43		
Variance MSCI EAFE Index - Net Div		6.70	6.70	4.52	(2.37)	(2.42)	0.87		
Variance Morningstar Foreign Large Blend		5.63	5.63	4.12	(1.86)	(1.67)	1.24		

Clayton County Public Employees 457(B) Plan - Target Date Investments									
Performance and Assets as of 3/31/16									
Fund / Index	Net Expense	3 months	YTD	1 Year	3 Years	5 Years	10 Years	Balance	% Weigthing
State Street Target Retirement Income SL Fund CL VI	0.47%	2.10	2.10	(1.08)	1.97	3.87	4.24	\$ 523,846	7.34%
State Street Income Custom Index		2.15	2.15	(0.69)	2.39	4.30	4.66		
Morningstar Target Retirement Income		1.74	1.74	(1.38)	2.77	3.88	3.80		
Variance State Street Income Custom Index		(0.05)	(0.05)	(0.39)	(0.42)	(0.43)	(0.42)		
Variance Morningstar Target Retirement Income		0.36	0.36	0.30	(0.80)	(0.01)	0.44		
State Street Target Retirement 2015 SL Fund CL VI	0.47%	2.19	2.19	(1.50)	3.27	5.82	N/A	\$ 481,664	6.75%
State Street 2015 Custom Index		2.21	2.21	(1.13)	3.65	6.21	N/A		
Morningstar Target-Date 2011-2015		1.63	1.63	(1.57)	3.48	4.20	N/A		
Variance State Street 2015 Custom Index		(0.02)	(0.02)	(0.37)	(0.38)	(0.39)	N/A		
Variance Morningstar Target-Date 2011-2015		0.56	0.56	0.07	(0.21)	1.62	N/A		
State Street Target Retirement 2020 SL Fund CL VI	0.47%	2.12	2.12	(2.17)	4.36	6.55	5.40	\$ 308,218	4.32%
State Street 2020 Custom Index		2.12	2.12	(1.82)	4.74	6.93	5.64		
Morningstar Target-Date 2016-2020		1.43	1.43	(2.17)	3.85	4.64	3.93		
Variance State Street 2020 Custom Index		0.00	0.00	(0.35)	(0.38)	(0.38)	(0.24)		
Variance Morningstar Target-Date 2016-2020		0.69	0.69	0.00	0.51	1.91	1.47		
State Street Target Retirement 2025 SL Fund CL VI	0.47%	1.92	1.92	(2.71)	5.01	6.90	N/A	\$ 439,460	6.16%
State Street 2025 Custom Index		1.89	1.89	(2.37)	5.38	7.28	N/A		
Morningstar Target-Date 2021-2025		1.18	1.18	(2.61)	4.68	5.15	N/A		
Variance State Street 2025 Custom Index		0.03	0.03	(0.34)	(0.37)	(0.38)	N/A		
Variance Morningstar Target-Date 2021-2025		0.74	0.74	(0.10)	0.33	1.75	N/A		
State Street Target Retirement 2030 SL Fund CL VI	0.47%	1.70	1.70	(3.03)	5.42	7.05	5.43	\$ 1,267,639	17.76%
State Street 2030 Custom Index		1.64	1.64	(2.70)	5.79	7.41	5.67		
Morningstar Target-Date 2026-2030		0.91	0.91	(3.24)	4.79	5.27	3.89		
Variance State Street 2030 Custom Index		0.06	0.06	(0.33)	(0.37)	(0.36)	(0.24)		
Variance Morningstar Target-Date 2026-2030		0.79	0.79	0.21	0.63	1.78	1.54		
State Street Target Retirement 2035 SL Fund CL VI	0.47%	1.50	1.50	(3.44)	5.63	6.87	N/A	\$ 286,433	4.01%
State Street 2035 Custom Index		1.41	1.41	(3.11)	5.98	7.23	N/A		
Morningstar Target-Date 2031-2035		0.61	0.61	(3.62)	5.46	5.73	N/A		
Variance State Street 2035 Custom Index		0.09	0.09	(0.33)	(0.35)	(0.36)	N/A		
Variance Morningstar Target-Date 2031-2035		0.89	0.89	0.18	0.17	1.14	N/A		
State Street Target Retirement 2040 SL Fund CL VI	0.47%	1.35	1.35	(3.89)	5.78	6.79	5.30	\$ 644,455	9.03%
State Street 2040 Custom Index		1.25	1.25	(3.58)	6.12	7.14	5.57		
Morningstar Target-Date 2036-2040		0.50	0.50	(4.03)	5.34	5.62	4.00		
Variance State Street 2040 Custom Index		0.10	0.10	(0.31)	(0.34)	(0.35)	(0.27)		
Variance Morningstar Target-Date 2036-2040		0.85	0.85	0.14	0.44	1.17	1.30		
State Street Target Retirement 2045 SL Fund CL VI	0.47%	1.26	1.26	(4.13)	5.74	6.77	N/A	\$ 200,632	2.81%
State Street 2045 Custom Index		1.15	1.15	(3.82)	6.07	7.11	N/A		
Morningstar Target-Date 2041-2045		0.36	0.36	(4.07)	5.82	5.99	N/A		
Variance State Street 2045 Custom Index		0.11	0.11	(0.31)	(0.33)	(0.34)	N/A		
Variance Morningstar Target-Date 2041-2045		0.90	0.90	(0.06)	(0.08)	0.78	N/A		
								\$ 7,139,422	

Table 3
457 Plan Scorecard

Clayton County 457 Plan - Q1 16													
	Style			Risk/Return			Peer Group			Period			
	Style	Style Drift	R ²	Risk / Return	Up / Down	Info Ratio	Return Rank	Ratio Rank	Info Qual.	Score Q1 16	Score Q4 15	Score Q3 15	Score Q2 15
Large Cap Value													
American Beacon Lg Cap Value Inv	1	1	1	0	0	0	0	0	2	5	5	5	7
Large Cap Core													
SSgA S&P 500 Index Instl	1	1	1	1	1	1	1	1	2	10	9	8	8
Large Cap Growth													
Touchstone Sands Capital Select Growth Y	1	1	1	0	0	0	0	0	2	5	8	8	9
Small Cap Value													
Goldman Sachs Small Cap Value Inst	1	1	1	1	1	1	1	1	2	10	10	10	10
Small Cap Core													
Legg Mason ClearBridge Small Cap Gr A	1	1	1	1	0	0	0	0	2	6	10	5	6
International													
Manning & Napier World Opportunities A	1	1	1	0	0	0	0	0	2	5	5	5	5
MFS International Value R3	1	1	1	1	1	1	1	1	2	10	10	10	10

Watchlist Activity
First Quarter 2016

At the start of the first quarter the following funds were on the watchlist:

Clayton County 457 Plan - Current Watchlist as of Q1'16								
	Balance as of Q115	Relative Performance vs. Benchmarks				Morningstar Rating	Score	
		1st Qtr	1Yr	3Yr	5 yr		Q1 16	Q4 15
International Core								
Manning & Napier World Opportunity A	\$ 121,263.52	6.70%	4.52%	-2.37%	-2.42%	***	5	5
Large Cap Value								
American Beacon Large Cap Value	\$ 48,217.82	-2.43%	-6.01%	-2.05%	-1.65%	***	5	5

The Manning & Napier World Opportunities Fund had been on the Watchlist for a few quarters, and continued to post a score of 5 in the first quarter. As articulated last quarter, the newly added MFS International Value fund (R3 share class) was scheduled to fully replace the Manning & Napier World Opportunity fund at the end of the fourth quarter. We have contacted Voya about this transition, and they have informed us that it was delayed, but was completed at the end of April. Fortunately, the fund did post an impressive gain during the 1st quarter, and outpaced its respective benchmark.

Finally, last quarter the American Beacon Large Cap Value fund was added to the watchlist as its score fell to a 5, and has remained at that level through the end of Q116. The fund's relative performance has continued to struggle versus its peer group and its relevant benchmark. Hence, we recommend keeping American Beacon Large Cap Value fund on the watchlist, and will be prepared to recommend a replacement fund from the Voya platform as a replacement for this fund if no improvement occurs by the end of Q216.

Finally, we recommend adding the Touchstone Sands Capital Select Growth fund to the watchlist, based its significant underperformance this quarter combined with its scorecard ranking dropping to a 5 this quarter. This fund is a fairly aggressive large-cap growth fund that historically produced solid outperformance. But, given its portfolio make-up and overall strategy, the performance has suffered in the face of a pronounced shift in the market environment away from favoring momentum growth companies. We will be keeping a close eye on this fund to identify if its recent underperformance develops into more of a trend.

New Fund additions for consideration to 457 Plan Line-up:

Last quarter the board asked us to provide recommendations for new funds to be considered for adding to the 457 Plan Voya line-up. This was after an on-going discussion regarding the desire among participants to have a few more options available in additional asset classes. Given this dialogue, combined with our assessment of the line-up already available to the participants as compared to other defined contribution plan options typical in the marketplace, we are recommending the board consider adding in two additional asset classes to the line-up, with a couple of funds to consider within each category.

Our process of analyzing potential funds to be considered for each category started with identify all the funds available on the Voya platform within each asset class, then distilling that candidate list down through our Morgan Stanley Global Investment Management Analysis team screens, and then further evaluation based on our team analysis process. These funds, along with relevant data, are outlined in the table below. Additionally, we have included Morningstar reports for each fund separately within the report.

Clayton County 457 Plan - New Fund Additions					
	Relative Performance vs. Benchmarks				Morningstar Rating
	1st Qtr	1Yr	3Yr	5 yr	
Real Estate					
Voya Real Estate I	5.10%	3.82%	10.43%	11.38%	****
Cohen & Steers Real Estate Securities Z	4.81%	6.82%	12.87%	12.73%	*****
Deutsche Real Estate Securities Instl	6.09%	4.71%	10.74%	11.52%	***
<i>Dow Jones U.S. Select Real Estate Securities</i>	<i>5.09%</i>	<i>4.74%</i>	<i>11.06%</i>	<i>11.88%</i>	
Precious Metals					
Gabelli Gold AAA	42.35%	19.63%	-11.06%	-14.19%	****
Tocqueville Gold	31.89%	5.56%	-15.57%	-17.59%	****
<i>S&P GSCI Precious Metals</i>	<i>16.00%</i>	<i>2.70%</i>	<i>-9.83%</i>	<i>-5.49%</i>	

Clayton County 457 Plan

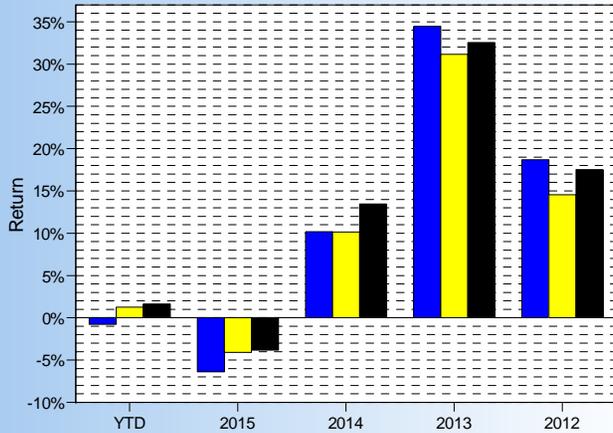
Correlation Matrix: Returns vs. S&P 500

April 2011 - March 2016

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1) American Beacon Lg Cap Value Inv	1.00							
2) SSgA S&P 500 Index Instl	0.98	1.00						
3) Touchstone Sands Capital Select Growth Y	0.82	0.86	1.00					
4) Goldman Sachs Small Cap Value Inst	0.91	0.90	0.80	1.00				
5) Legg Mason ClearBridge Small Cap Gr A	0.87	0.87	0.87	0.92	1.00			
6) Manning & Napier World Opportunities A	0.89	0.88	0.78	0.79	0.75	1.00		
7) MFS International Value R3	0.83	0.85	0.76	0.73	0.69	0.89	1.00	
8) S&P 500	0.98	1.00	0.86	0.90	0.87	0.88	0.85	1.00

Large Cap Value

Calendar Year Return
As of March 2016



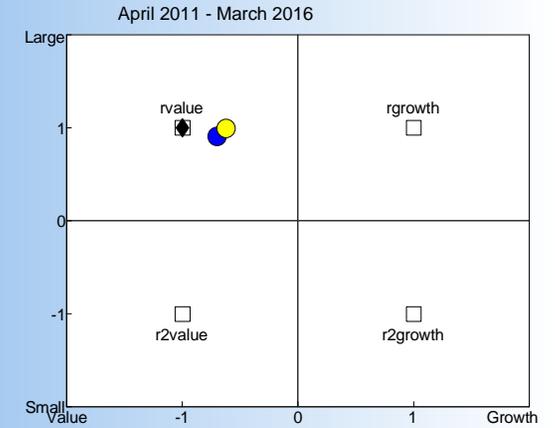
- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- Russell 1000 Value

Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Large Value

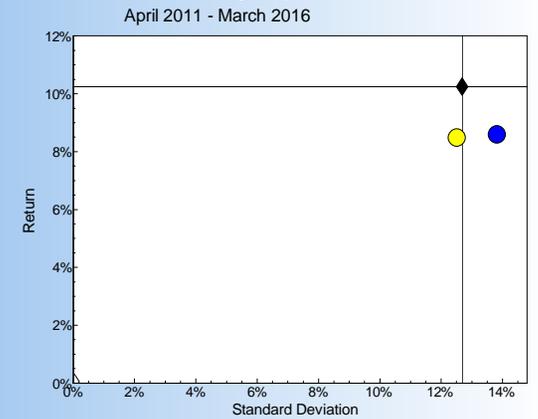


- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

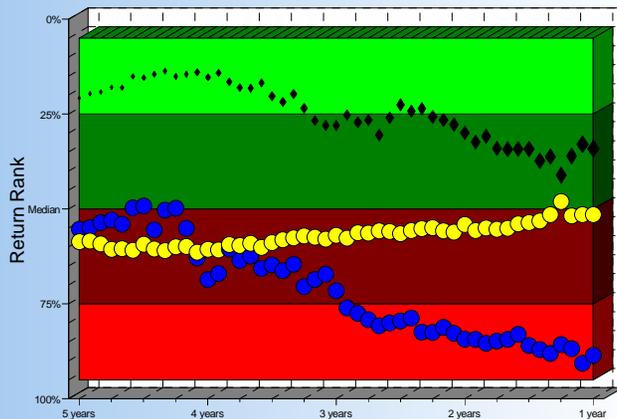
Manager Style
Single Computation



Manager Risk/Return
Single Computation

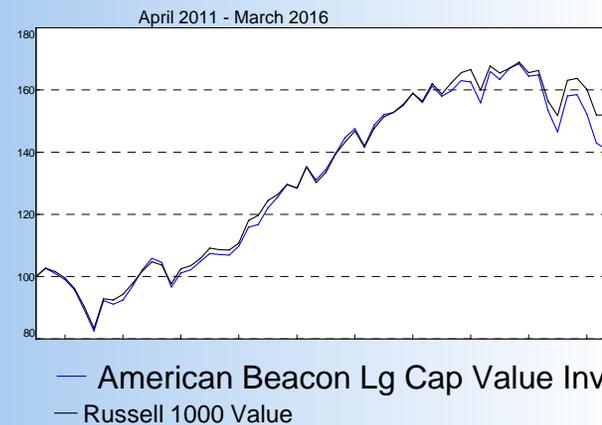


Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Large Value



- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Performance
Single Computation



Up/Down Capture

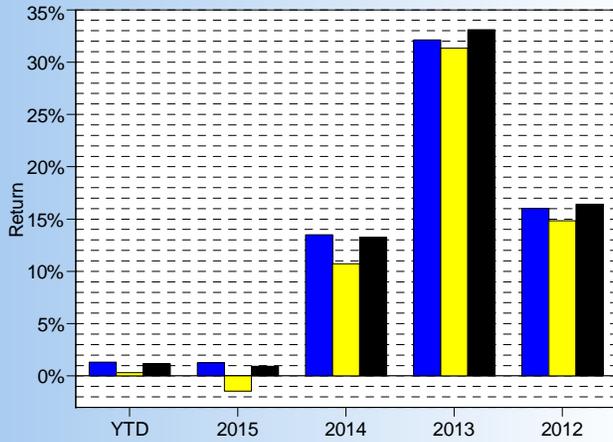
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
American Beacon Lg Cap Value Inv	13.80%	-1.65%	103.75%	113.84%
Morningstar Large Value	12.50%	-1.76%	92.77%	101.35%
Russell 1000 Value	12.68%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return

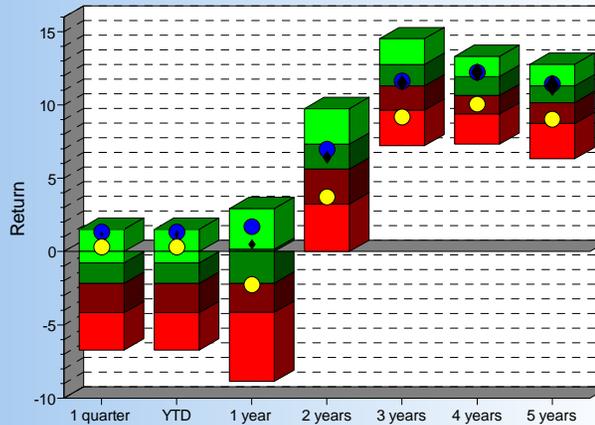
As of March 2016



- SSgA S&P 500 Index Instl
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth

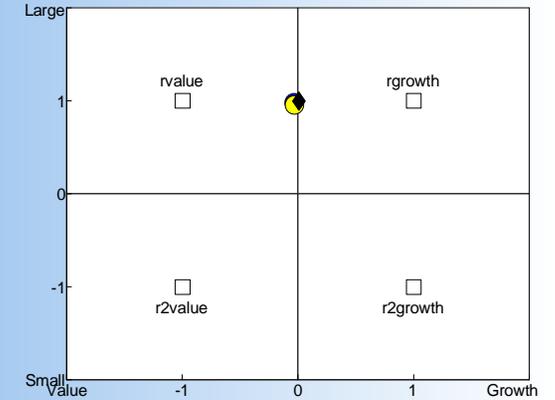


- ◆ SSgA S&P 500 Index Instl
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

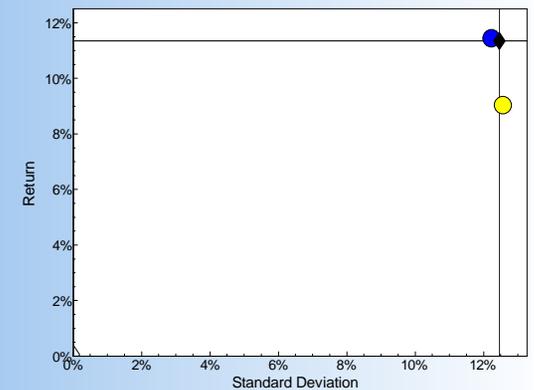
April 2011 - March 2016



Manager Risk/Return

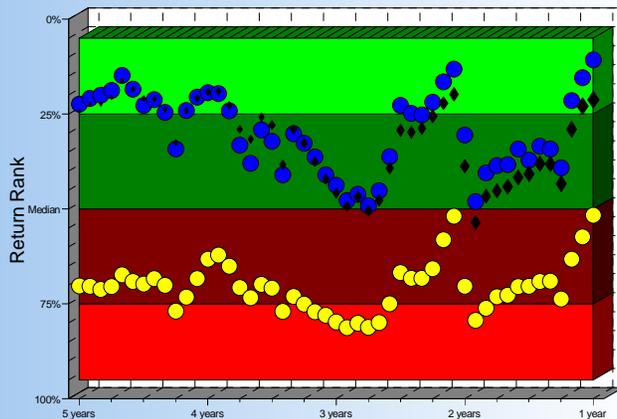
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- SSgA S&P 500 Index Instl
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- SSgA S&P 500 Index Instl
- Russell 1000



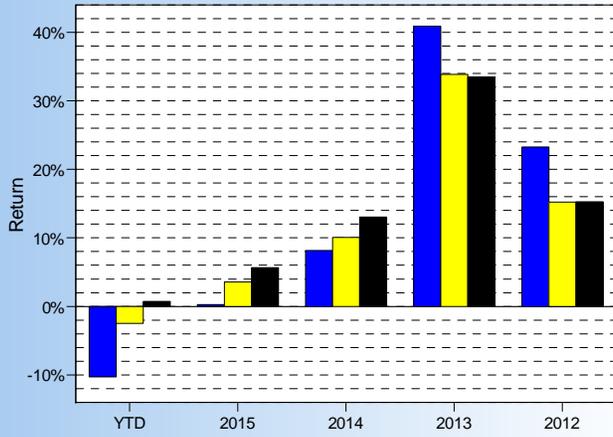
Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
SSgA S&P 500 Index Instl	12.22%	0.09%	99.13%	98.27%
Morningstar Large Blend	12.56%	-2.32%	94.10%	106.62%
Russell 1000	12.45%	0.00%	100.00%	100.00%

Large Cap Growth

Calendar Year Return
As of March 2016



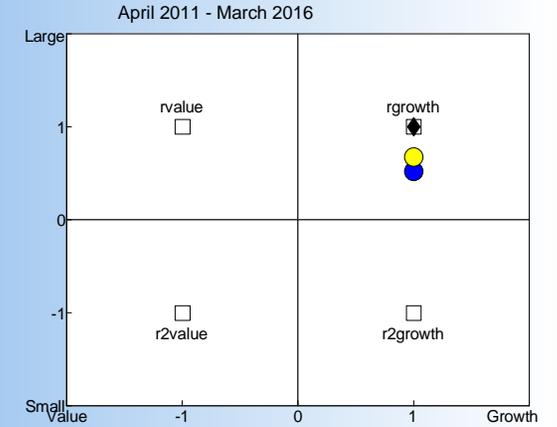
■ Touchstone Sands Capital Select Growth Y
■ Morningstar Large Growth
■ Russell 1000 Growth

Manager vs Universe: Return through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth

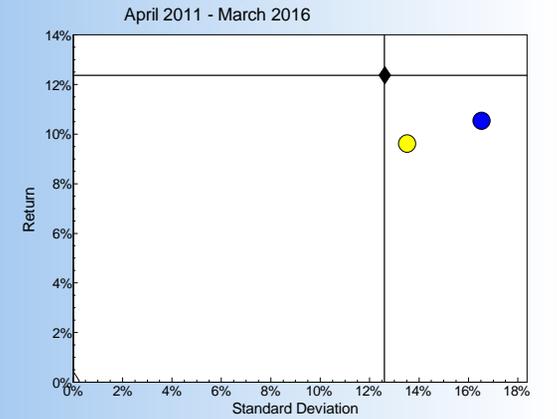


● Touchstone Sands Capital Select Growth Y
● Morningstar Large Growth
◆ Russell 1000 Growth
■ 5th to 25th Percentile
■ 25th Percentile to Median
■ Median to 75th Percentile
■ 75th to 95th Percentile

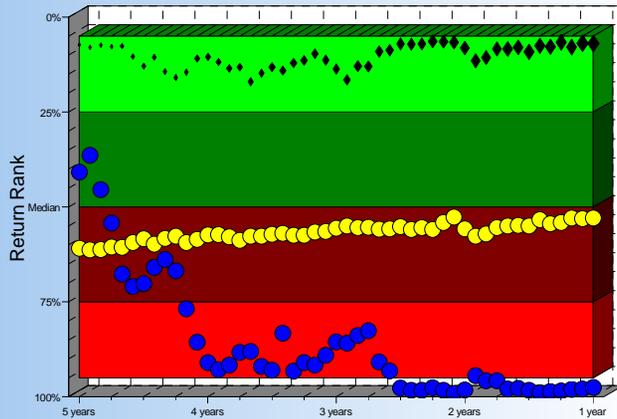
Manager Style
Single Computation



Manager Risk/Return
Single Computation

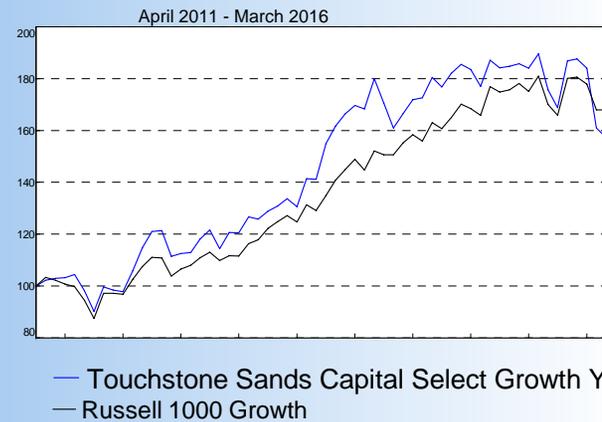


Manager vs Universe: Return Rank through March 2016
(not annualized if less than 1 year)
Morningstar Large Growth



● Touchstone Sands Capital Select Growth Y
● Morningstar Large Growth
◆ Russell 1000 Growth
■ 5th to 25th Percentile
■ 25th Percentile to Median
■ Median to 75th Percentile
■ 75th to 95th Percentile

Manager Performance
Single Computation



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Touchstone Sands Capit	16.52%	-1.83%	109.17%	124.02%
Morningstar Large Gro	13.51%	-2.75%	97.96%	115.09%
Russell 1000 Growth	12.60%	0.00%	100.00%	100.00%

Small Cap Value

Calendar Year Return

As of March 2016

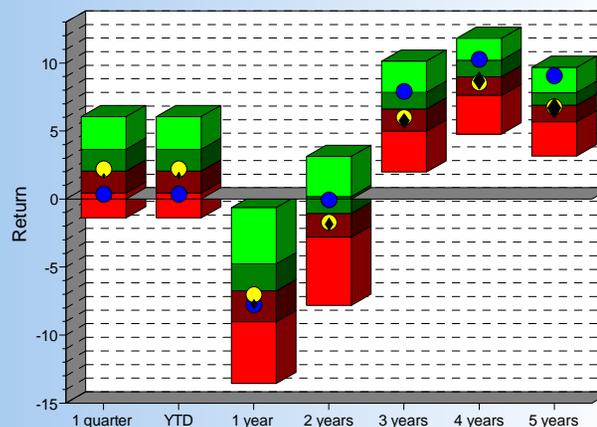


- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- Russell 2000 Value

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)

Morningstar Small Value

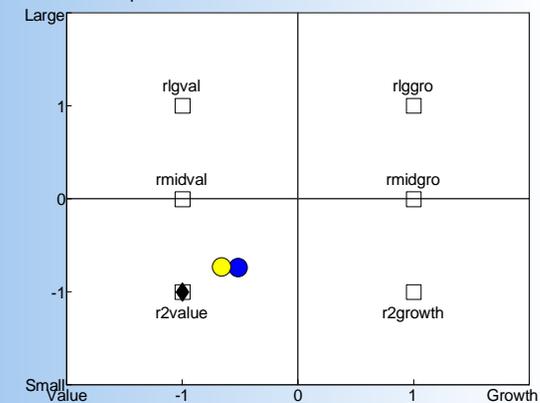


- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

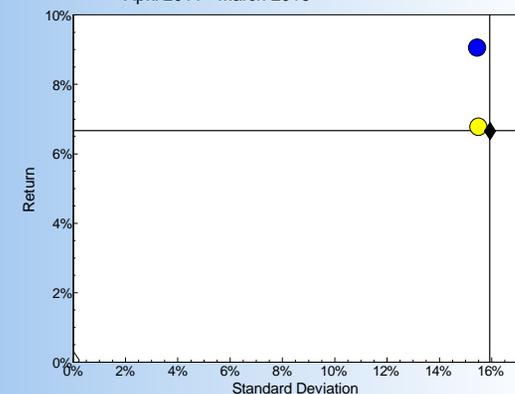
April 2011 - March 2016



Manager Risk/Return

Single Computation

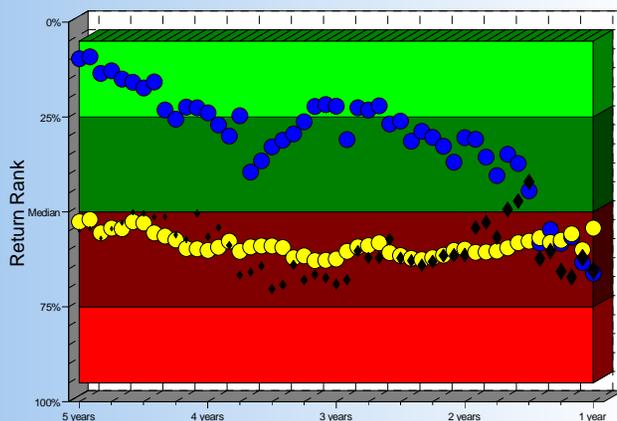
April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)

Morningstar Small Value



- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Goldman Sachs Small Cap Value Inst
- Russell 2000 Value



Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Goldman Sachs Small C	15.43%	2.40%	97.90%	88.48%
Morningstar Small Valu	15.48%	0.12%	95.83%	95.87%
Russell 2000 Value	15.93%	0.00%	100.00%	100.00%

Small Cap Growth

Calendar Year Return

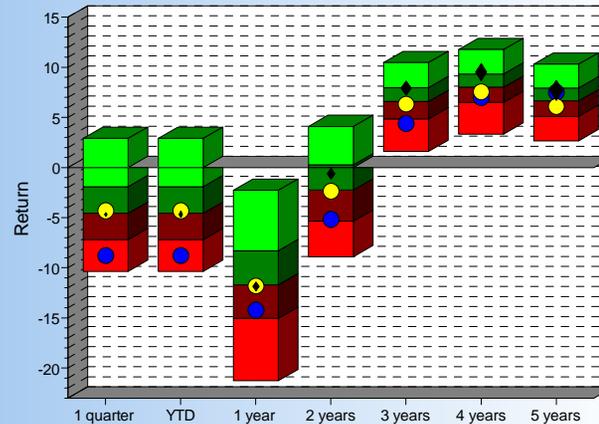
As of March 2016



- Legg Mason ClearBridge Small Cap Gr A
- Morningstar Small Growth
- Russell 2000 Growth

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Small Growth

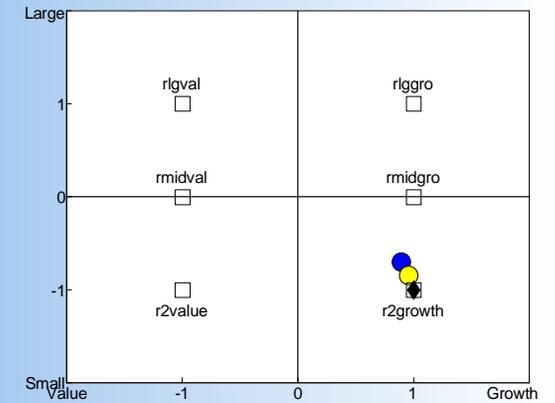


- Legg Mason ClearBridge Small Cap Gr A
- Morningstar Small Growth
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

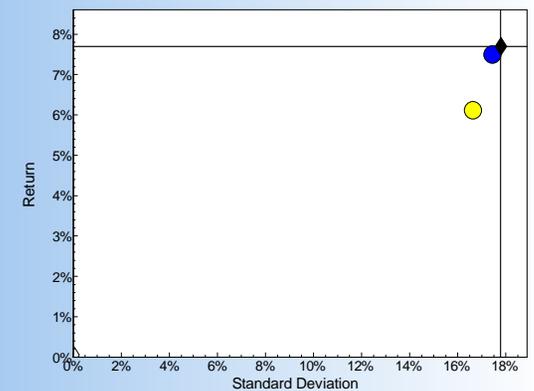
April 2011 - March 2016



Manager Risk/Return

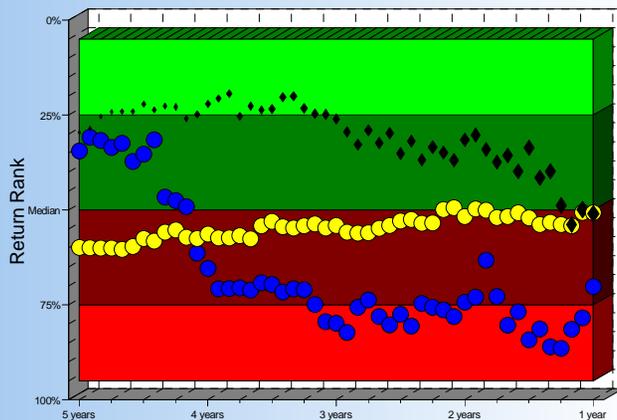
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Small Growth

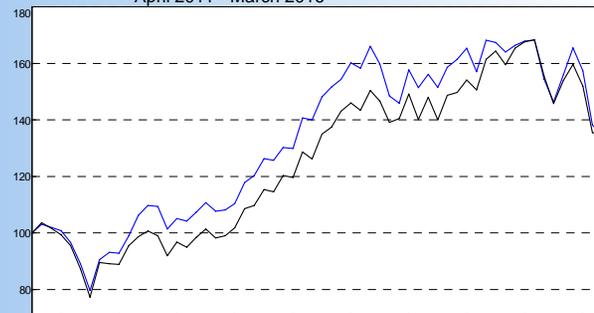


- Legg Mason ClearBridge Small Cap Gr A
- Morningstar Small Growth
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Legg Mason ClearBridge Small Cap Gr A
- Russell 2000 Growth



Up/Down Capture

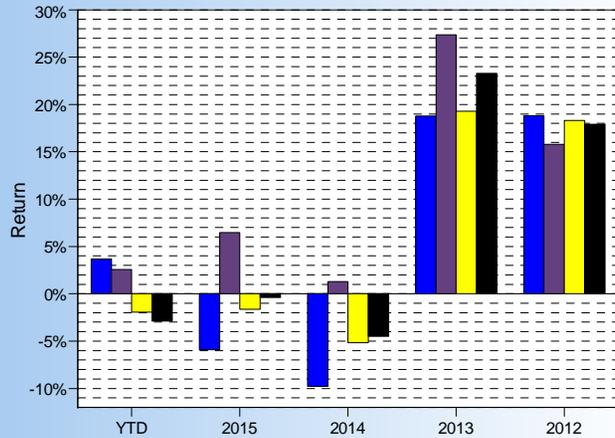
April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Legg Mason ClearBridge	17.43%	-0.20%	92.29%	94.11%
Morningstar Small Growth	16.62%	-1.58%	88.43%	95.63%
Russell 2000 Growth	17.78%	0.00%	100.00%	100.00%

Foreign Large Blend

Calendar Year Return

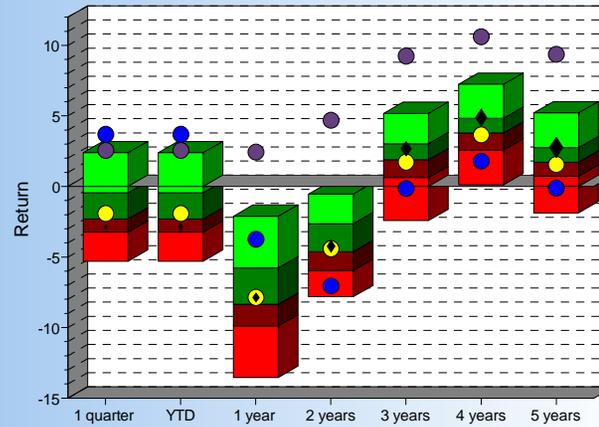
As of March 2016



- Manning & Napier World Opportunities A
- MFS International Value R3
- Morningstar Foreign Large Blend
- MSCI EAFE

Manager vs Universe: Return through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend

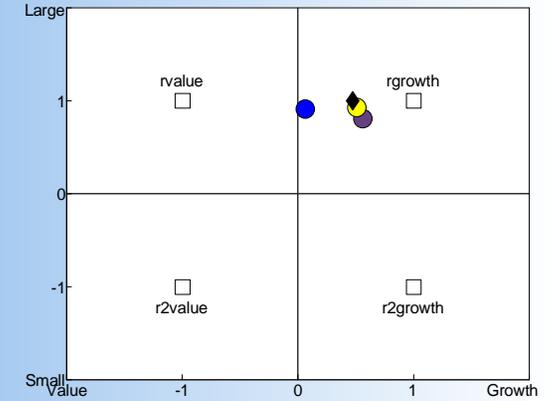


- Manning & Napier World Opportunities A
- MFS International Value R3
- Morningstar Foreign Large Blend
- MSCI EAFE
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

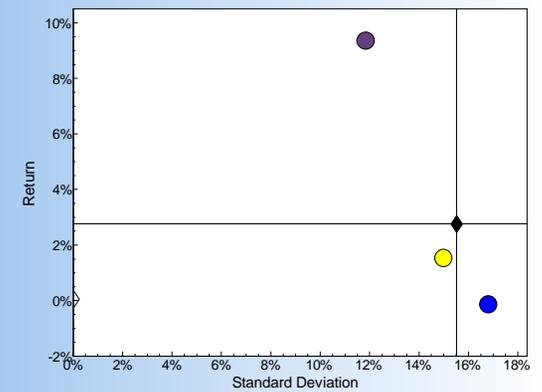
April 2011 - March 2016



Manager Risk/Return

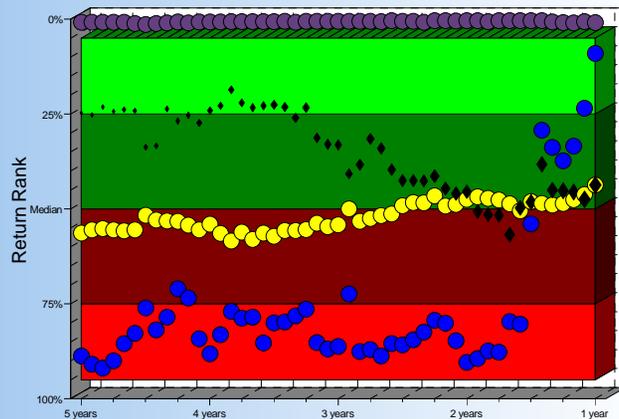
Single Computation

April 2011 - March 2016



Manager vs Universe: Return Rank through March 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend



- Manning & Napier World Opportunities A
- MFS International Value R3
- Morningstar Foreign Large Blend
- MSCI EAFE
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

April 2011 - March 2016



- Manning & Napier World Opportunities A
- MFS International Value R3
- MSCI EAFE

Up/Down Capture

April 2011 - March 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Manning & Napier Wor	16.80%	-2.89%	94.47%	107.48%
MFS International Valu	11.84%	6.60%	85.08%	59.29%
Morningstar Foreign La	14.97%	-1.23%	90.14%	97.44%
MSCIEAFE	15.52%	0.00%	100.00%	100.00%

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