

# Market Update

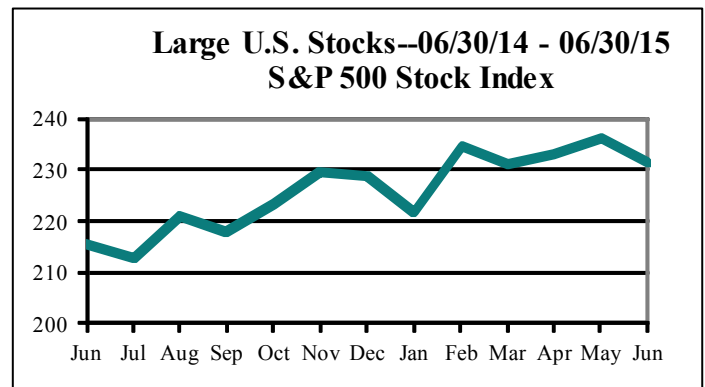
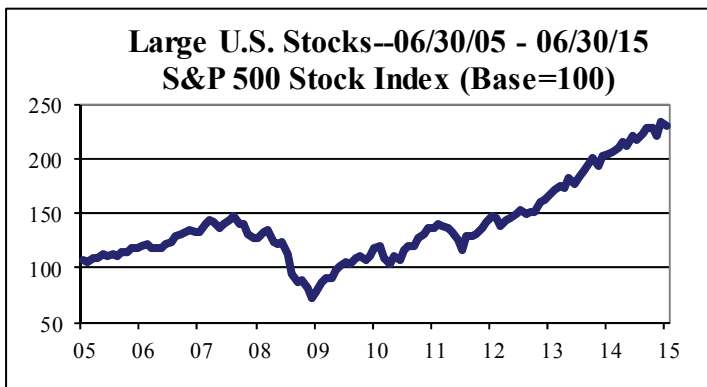
Stoker Ostler

BMO  A part of BMO Financial Group

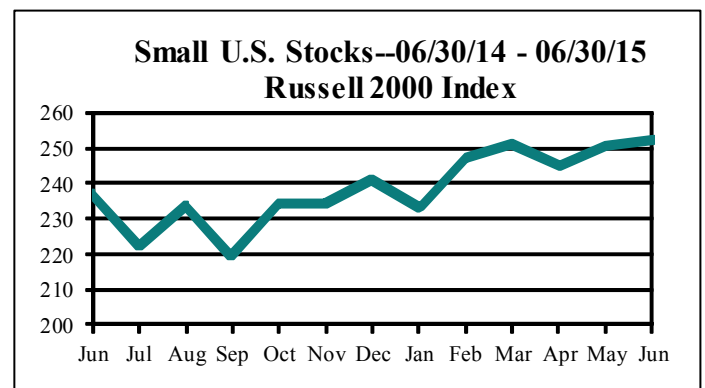
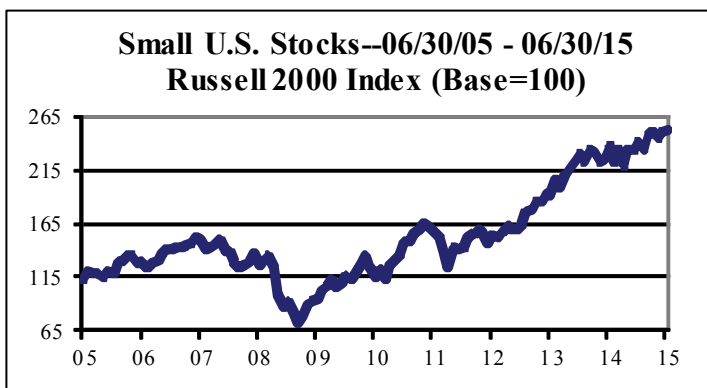
June 2015

## U.S. Markets

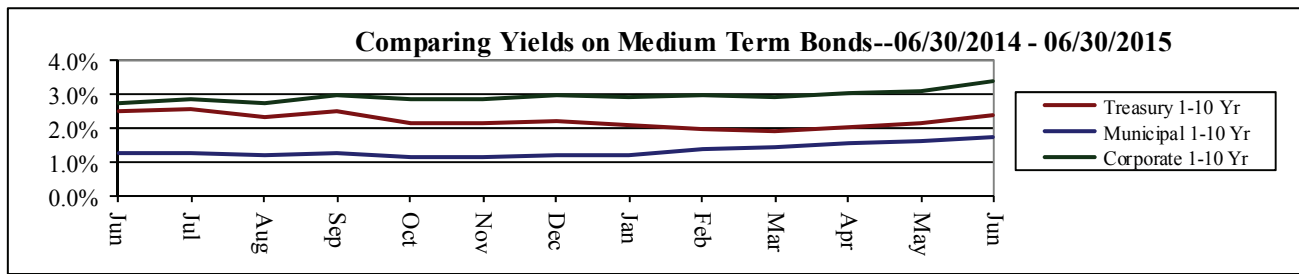
Despite the headwinds of international turmoil, the U.S. economy showed signs of improvement. The unemployment rate continued to decline, ending the quarter at 5.3%, and the U.S. housing market showed further improvement. Oil prices made a sharp rebound during the quarter, although prices began to slide again due to oversupply and storage concerns. Oil finished the quarter at \$62.01 per barrel. The S&P 500 finished the quarter slightly positive, up 0.3%. U.S. small cap stocks fared marginally better with the Russell 2000 up 0.4%. Bond yields rose during the quarter, leading to lower bond prices. Investors continue to watch the Federal Reserve closely for an anticipated increase in interest rates which some expect to come later this year, perhaps as early as September.



Thru 06/30/15	Year to Date	1 Year	5 Years	10 Years
S&P 500	+1.2%	+7.4%	+17.3%	+7.9%



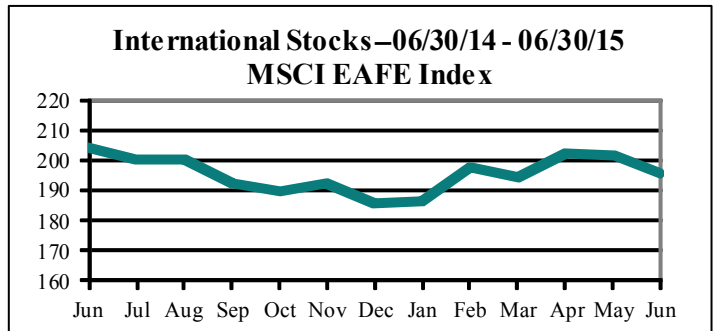
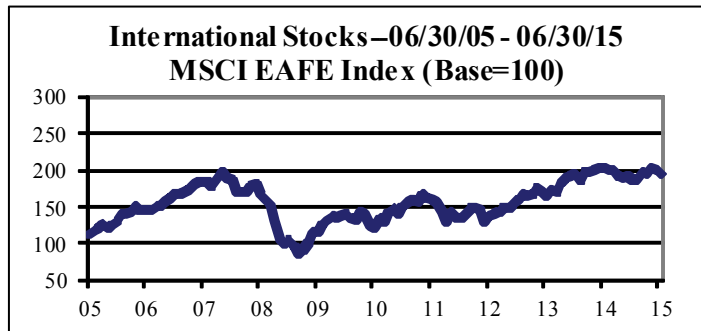
Thru 06/30/15	Year to Date	1 Year	5 Years	10 Years
Russell 2000	+4.8%	+6.5%	+17.1%	+8.4%



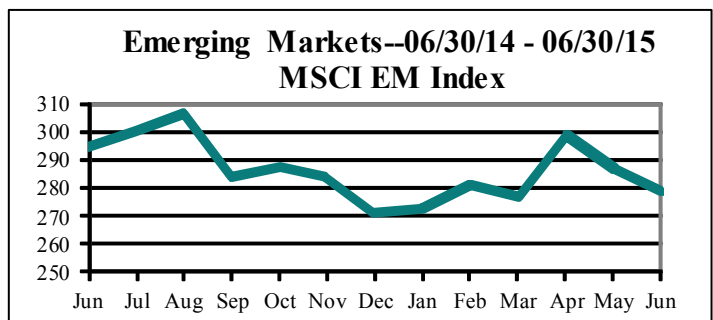
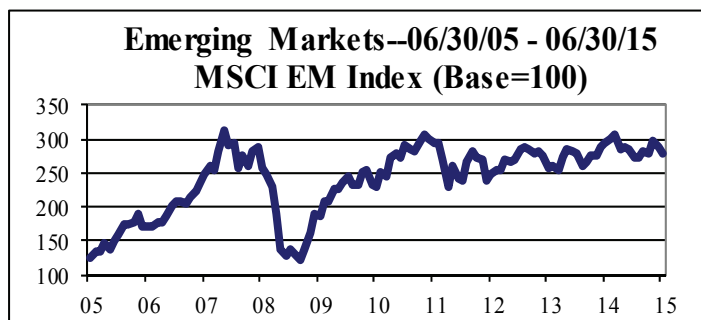
## International Markets

Drama in Greece dominated headlines as Greece's continued membership in the European Union (EU) remains highly uncertain. In early July, Greece held a referendum in which Greek voters rejected the terms of a proposed loan by the European Central Bank (ECB) and International Monetary Fund (IMF). Talks are still being held to renegotiate loan terms, though Greece has now defaulted on previous loans made by the IMF. Greece accounts for less than 2% of the EU's GDP, meaning a Greek exit from the EU would likely have minimal impact on the overall health of the European economy. Prior to these recent anxieties there had been a modest uptick in EU economic conditions; the German economy was holding up, consumer confidence had been increasing, and hints of inflation were detected. The MSCI EAFE Index finished the quarter up 0.6%, and is up 5.5% year-to-date.

Chinese markets also took center stage during the quarter as Chinese indexes plunged more than 20% from their high in mid-June. The Chinese government responded by repeatedly cutting interest rates and increasing government spending in order to stimulate the economy. In the face of China's drop, the MSCI Emerging Markets Index rose 0.7% during the quarter and has gained 3% in 2015.



Thru 06/30/15	Year to Date	1 Year	5 Years	10 Years
MSCI EAFE	+5.5%	-4.2%	+9.9%	+5.5%



Thru 06/30/15	Year to Date	1 Year	5 Years	10 Years
MSCI EM	+3.0%	-5.1%	+3.9%	+8.4%

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