

Investment Performance



June 30, 2015

by



www.cia-llc.com

Chicago

150 North Wacker Drive, Suite 2660
Chicago, Illinois 60606
(312) 212 4000

Orlando

13506 Summerport Village Parkway #406
Windermere, Florida 34786
(321) 939 1372

Saint Louis

231 South Bemiston Avenue, Suite 200
Clayton, Missouri 63105
(314) 726 9911



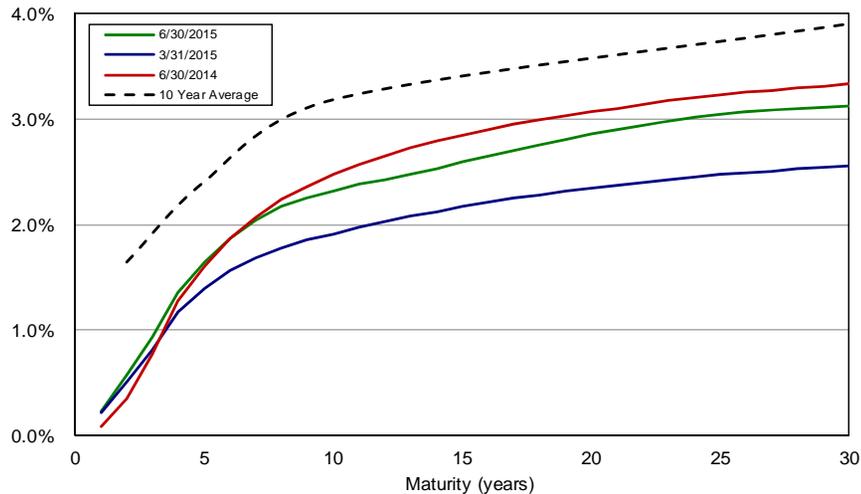
Table of Contents

	<u>Page</u>
Capital Market Summary	2
Executive Summary	3
Company Composite	4
Performance	6
Fixed Income	9
Equity	27
<u>Exhibits</u>	
GR-NEAM	39
JP Morgan	

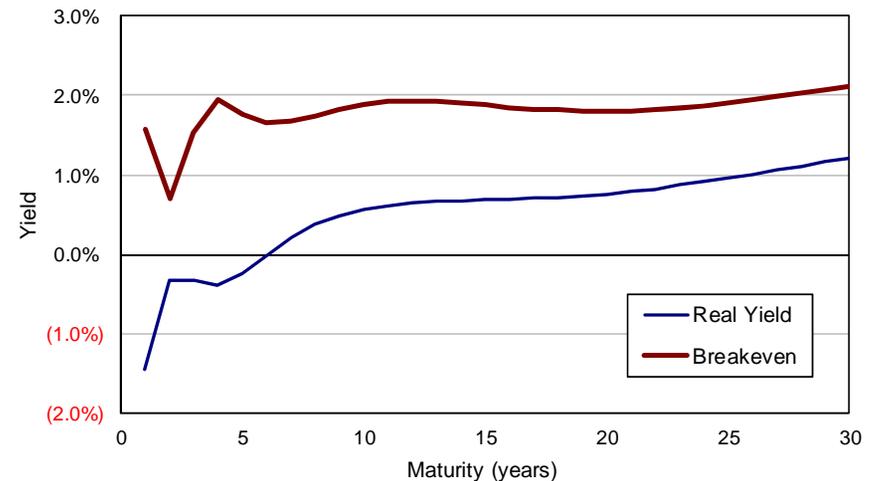


CAPITAL MARKETS SUMMARY 2nd QUARTER 2015

U.S. Treasury Rates



U.S. Breakeven Inflation Rates



Fixed Income Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Cash	ML 91 Day T-bills	0.0%	0.0%	0.0%	0.1%	0.1%	1.4%	2.7%
	Investment Grade							
	Barclays Cap. Aggregate	-1.7%	-0.1%	1.9%	1.8%	3.3%	4.4%	5.6%
	U.S. Treasury	-1.6%	0.0%	2.3%	0.9%	2.7%	4.1%	5.3%
	U.S. Agency	-0.6%	0.6%	1.9%	1.2%	2.1%	3.7%	5.1%
	U.S. Credit	-2.9%	-0.8%	0.9%	3.0%	4.9%	5.1%	6.2%
	ABS	0.2%	1.1%	1.6%	1.4%	2.5%	3.3%	4.9%
	MBS	-0.8%	0.3%	2.3%	1.9%	2.9%	4.6%	5.6%
	CMBS	-1.1%	0.7%	2.0%	3.4%	5.8%	4.9%	NA
	Barclays Cap. U.S. TIPS	-1.1%	0.3%	-1.7%	-0.8%	3.3%	4.1%	NA
	Barclays Cap. Long G/C	-7.6%	-4.5%	1.9%	2.5%	6.7%	6.1%	7.4%
Muni	Barclays Cap. Municipal	-0.9%	0.1%	3.0%	3.1%	4.5%	4.5%	5.4%
	High Yield							
	BC High Yield Bank Loans	0.6%	3.0%	2.0%	5.0%	5.6%	NA	NA
	BC High Yield	0.0%	2.5%	-0.4%	6.8%	8.6%	7.9%	7.4%

Equity Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Large Cap	S&P 500	0.3%	1.2%	7.4%	17.3%	17.3%	7.9%	8.9%
	S&P 500 - Value	0.2%	-0.5%	4.6%	16.8%	16.0%	6.9%	8.5%
	S&P 500 - Growth	0.3%	2.8%	10.1%	17.8%	18.7%	9.0%	NA
Small Cap	Russell 2000	0.4%	4.8%	6.5%	17.8%	17.1%	8.4%	9.2%
	Russell 2000 - Value	-1.2%	0.8%	0.8%	15.5%	14.8%	6.9%	10.3%
	Russell 2000 - Growth	2.0%	8.7%	12.3%	20.1%	19.3%	9.9%	7.5%
International (net)	MSCI EAFE	0.6%	5.5%	-4.2%	12.0%	9.5%	5.1%	5.2%
	MSCI EAFE - Value	0.2%	4.1%	-7.1%	11.8%	8.9%	4.4%	6.0%
	MSCI EAFE - Growth	1.0%	6.9%	-1.3%	12.1%	10.1%	5.8%	4.3%
	MSCI Emerging Markets	0.7%	2.9%	-5.1%	3.7%	3.7%	8.1%	NA



EXECUTIVE SUMMARY

June 30, 2015

Summary

➤ For the quarter:

- Portfolio update:

- ✓ GR-NEAM and JPMorgan were funded by the end of June. Balances for both funds are now over \$345,000,000.

- Capital Markets:

- ✓ The yield curve shifted higher during the second quarter with the prospect of a rate rise on the horizon. The 10-year Treasury, an often used benchmark for rates, rose 43 basis points during the second quarter.
- ✓ Despite optimism over the U.S. economy, equity markets were held captive by headlines out of Greece as the quarter came to a close. Another sovereign debt crisis arose closer to home in Puerto Rico but it quickly subsided. The result was a relatively flat quarter with the S&P 500 gaining 0.3%, which was slightly behind Russell 2000's gain of 0.4%.

- Performance:

- ✓ The PCF's overall portfolio slightly underperformed the benchmark by ~2 basis points (-0.46% v. -0.44%).
- ✓ All composites outperformed core fixed income for the quarter.

➤ For the past year:

- Capital Markets:

- ✓ All investment grade fixed income markets did well except for TIPS for the year.
- ✓ Both U.S. Large and Small Cap did well, while International equities struggled.

- Performance:

- ✓ The PCF's overall portfolio underperformed the benchmark by -0.05%, returning 1.58% vs. 1.63% for the benchmark.
- ✓ Core Fixed Income composite earned over 2% for the year.
- ✓ No asset class did very well, while commodities had a terrible year.



COMPANY COMPOSITE

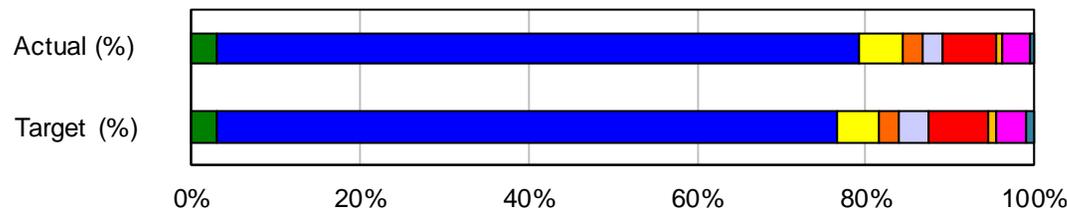
June 30, 2015

Total Company Allocation by Asset Class (\$000s)

	Actual (\$000s)	Actual (%)	Target (%)
■ Cash	27,356	2.9%	3.0%
■ Core Investment-Grade Bonds	716,678	76.4%	73.5%
■ High Yield Bank Loans	46,686	5.0%	5.0%
■ High Yield Bonds	23,328	2.5%	2.5%
■ Commodities	22,544	2.4%	3.5%
■ Domestic Equity	58,552	6.2%	7.0%
■ US Small Cap	6,164	0.7%	1.0%
■ International Equity	31,351	3.3%	3.5%
■ International Small Cap Equity	5,614	<u>0.6%</u>	<u>1.0%</u>
Total	938,274	100.0%	100.0%

➤ The PCF's transition to the approved target asset allocation continues to be a work-in-progress. The PCF gets closer to its target allocations every month. The transition will be completed by year-end.

- The PCF is still building its position in
- Commodities
 - U.S. Value Stocks
 - U.S. Small Cap Stocks
 - Int'l. Small Cap Stocks

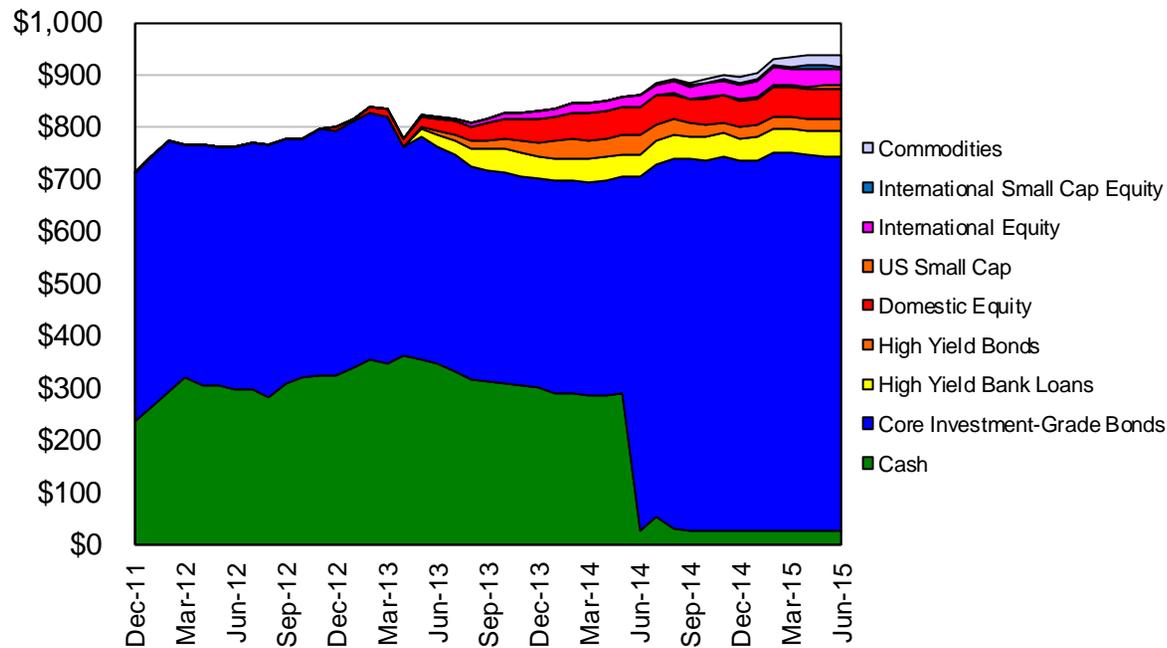




COMPANY COMPOSITE

June 30, 2015

Company Growth by Asset Class (\$MM)



- This chart shows the portfolio's size and composition over time. Each asset class is shown with a different color. This shows that the PCF is becoming more diversified.
- Core Fixed Income continues to be the largest portion of the asset allocation.
- Equities continue to grow through additional investments.



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	For Periods Ending 6/30/2015		One Year	Three Years	Five Years	Since Inception	Inception Date
			Quarter	YTD					
PCF Composite	938,274	100.0%							
Pretax Performance			(0.46%)	0.95%	1.58%	1.72%	NA	1.73%	1/1/2012
¹ Blended Benchmark			(0.44%)	0.83%	1.63%	1.96%	NA	2.11%	
Relative Performance			(0.02%)	0.12%	(0.05%)	(0.24%)	NA	(0.38%)	
Cash	27,356	2.9%							
WF Advantage Fund			0.01%	0.02%	0.02%	0.10%	NA	0.12%	1/1/2012
Merrill 91 Day T-Bill			0.01%	0.01%	0.02%	0.06%	NA	0.07%	
Relative Performance			0.01%	0.01%	0.00%	0.04%	NA	0.05%	
Core Fixed Income Composite	716,678	76.4%	(0.83%)	0.77%	2.24%	1.53%	NA	1.71%	1/1/2012
¹ Blended Benchmark			(0.80%)	0.61%	2.16%	1.93%	NA	2.33%	
Relative Performance			(0.03%)	0.16%	0.08%	(0.40%)	NA	(0.62%)	
High Yield Bank Loan Composite	46,686	5.0%	0.40%	2.14%	0.42%	NA	NA	2.76%	4/1/2013
S&P LSTA Index			0.64%	2.72%	1.62%	NA	NA	3.15%	
Relative Performance			(0.23%)	(0.59%)	(1.20%)	NA	NA	(0.39%)	
High Yield Bond Composite	23,328	2.5%	(0.10%)	2.20%	(1.62%)	NA	NA	2.69%	5/1/2013
¹ Blended Benchmark			(0.06%)	2.44%	(0.60%)	NA	NA	3.36%	
Relative Performance			(0.04%)	(0.24%)	(1.02%)	NA	NA	(0.67%)	
Commodity Composite	22,544	2.4%	4.77%	(1.14%)	(24.62%)	NA	NA	(24.62%)	7/1/2014
¹ Blended Benchmark			4.46%	(1.94%)	(23.40%)	NA	NA	(23.40%)	
Relative Performance			0.31%	0.80%	(1.23%)	NA	NA	(1.23%)	
Total Equity Composite	101,681	10.8%	0.79%	3.24%	2.41%	NA	NA	15.63%	11/1/2012
¹ Blended Benchmark			0.60%	2.81%	2.23%	NA	NA	15.49%	
Relative Performance			0.19%	0.43%	0.18%	NA	NA	0.14%	

➤ The scorecard highlights the low returns earned across asset classes over the past year.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



DOLLAR RECONCILIATION

Latest Quarter (\$000s) - Actual

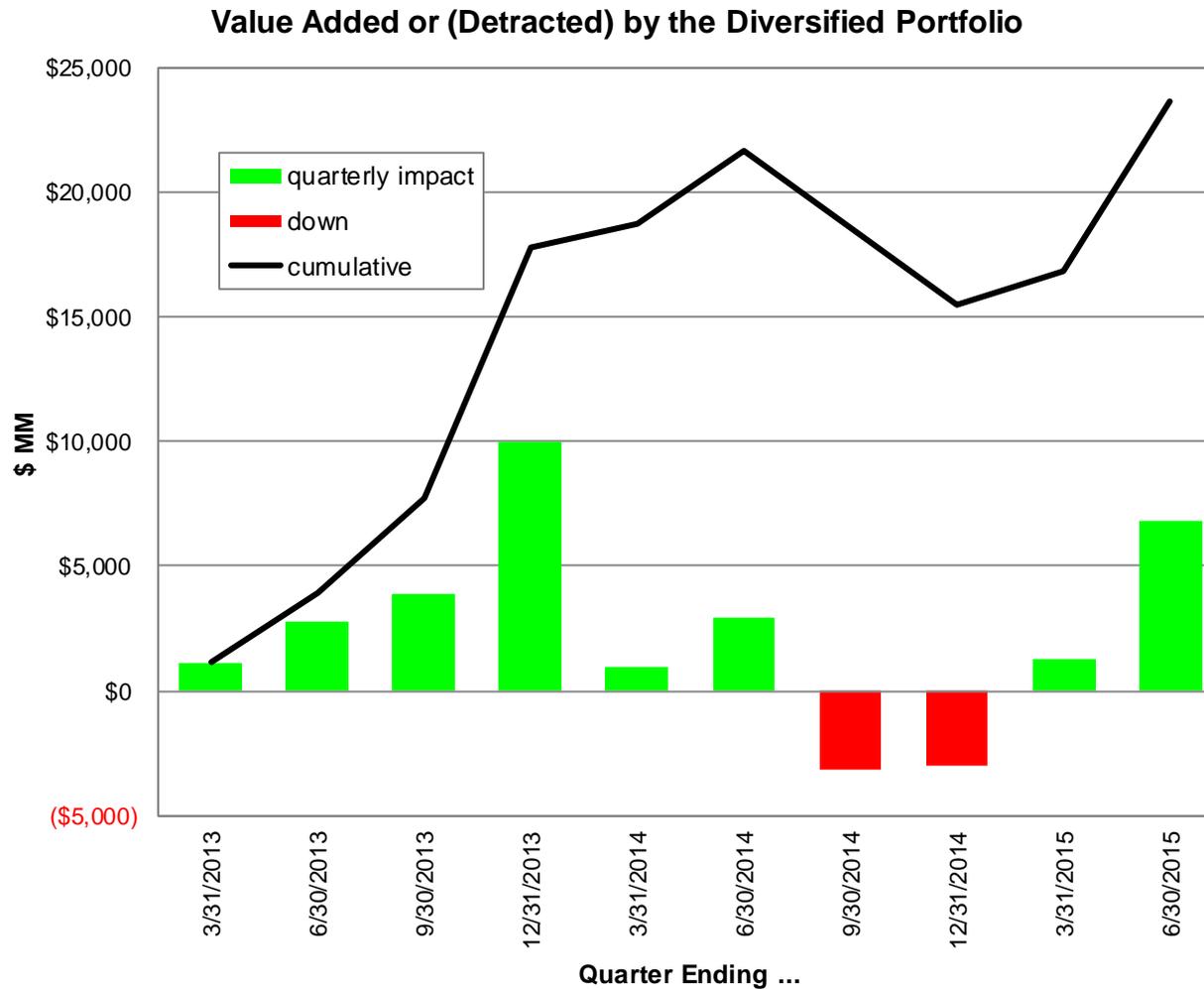
	PCF Composite	Core Fixed	HYBL's	High Yield	Commodity	Equity
Beginning Market Value	\$932,957	\$747,773	\$46,498	\$23,351	\$16,685	\$97,048
Net Contributions/Withdrawals	\$8,530	\$530	\$0	\$0	\$5,000	\$3,900
Investment Income	\$5,464	\$3,913	\$549	\$329	\$84	\$589
Investment Gain/(Loss)	(\$8,676)	(\$8,882)	(\$361)	(\$352)	\$775	\$144
Investment Return	(\$3,213)	(\$4,970)	\$188	(\$23)	\$859	\$733
Ending Market Value	\$938,274	\$743,333	\$46,686	\$23,328	\$22,544	\$101,681

- The portfolio ending market value is over \$938,274,000 for the end of the 2nd quarter.



DOLLAR RECONCILIATION (cont.)

Value Added or (Detracted) by the Diversified Portfolio



➤ The legacy allocation is defined as: 50% Treasury and 50% Agency

Source: Wells Fargo, State of Louisiana, CIA analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	For Periods Ending 6/30/2015			Three Years	Five Years	Since Inception	Inception Date
			Quarter	YTD	One Year				
Core Fixed Income Composite	716,678	76.4%	(0.83%)	0.77%	2.24%	1.53%	NA	1.71%	1/1/2012
<u>Barclays Aggregate</u>			(0.80%)	0.61%	2.16%	1.93%	NA	2.33%	
Relative Performance			(0.03%)	0.16%	0.08%	(0.40%)	NA	(0.62%)	
PIMCO Total Return Fund	2,335	0.2%	(1.84%)	0.36%	1.35%	NA	NA	1.11%	4/1/2013
<u>Barclays Aggregate</u>			(1.68%)	(0.10%)	1.86%	NA	NA	1.69%	
Relative Performance			(0.16%)	0.46%	(0.51%)	NA	NA	(0.58%)	
Lord Abbett Core Bond Fund	6,359	0.7%	(1.61%)	(0.21%)	1.63%	NA	NA	1.70%	4/1/2013
<u>Barclays Aggregate</u>			(1.68%)	(0.10%)	1.86%	NA	NA	1.69%	
Relative Performance			0.07%	(0.11%)	(0.23%)	NA	NA	0.01%	
Wells Fargo Core Bond Fund	5,555	0.6%	(1.76%)	0.06%	1.96%	NA	NA	1.83%	4/1/2013
<u>Barclays Aggregate</u>			(1.68%)	(0.10%)	1.86%	NA	NA	1.69%	
Relative Performance			(0.08%)	0.16%	0.11%	NA	NA	0.14%	
Vanguard Total Bond Fund	9,852	1.0%	(1.78%)	(0.13%)	1.76%	NA	NA	1.56%	4/1/2013
<u>Barclays Aggregate</u>			(1.68%)	(0.10%)	1.86%	NA	NA	1.69%	
Relative Performance			(0.10%)	(0.03%)	(0.10%)	NA	NA	(0.13%)	
GR NEAM	345,624	36.8%	(0.85%)	0.78%	2.10%	NA	NA	1.93%	6/27/2014
<u>Barclays Intermediate Aggregate</u>			(0.68%)	0.61%	1.82%	NA	NA	1.71%	
Relative Performance			(0.17%)	0.17%	0.28%	NA	NA	0.22%	
JP Morgan	346,953	37.0%	(0.59%)	0.81%	1.88%	NA	NA	1.73%	6/27/2014
<u>Barclays Intermediate Aggregate</u>			(0.68%)	0.61%	1.82%	NA	NA	1.71%	
Relative Performance			0.10%	0.20%	0.06%	NA	NA	0.02%	

- The remaining legacy managers' assets will be used to finish funding other asset classes over the next few months.
- Lord Abbett outperformed for the quarter by 0.07%.
- The new managers are roughly 73% of the core fixed income portfolio. Both managers have outperformed their relative benchmark since inception.



PIMCO TOTAL RETURN FUND

Portfolio Characteristics

	PIMCO Total Return as of		BC Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	4.3 years	3.7 years	5.6 years
Effective Maturity	7.5 years	6.6 years	7.9 years
Average Coupon	3.3%	4.2%	3.2%
Average Credit Quality	AA-	AA-	AA

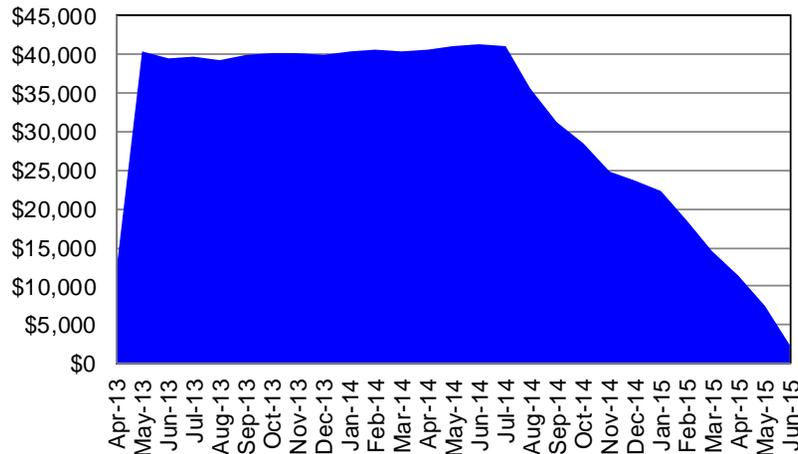
Advisor's Mandate

- Actively managed index fund (PTTRX)
- Inception: April 2013
- Objective: Exceed the performance of the BCAG
- Annual Fee = 0.46%

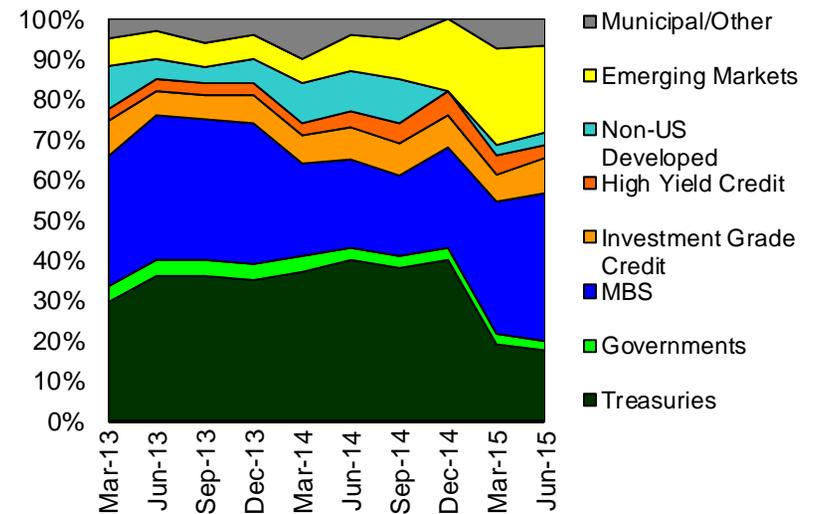
Commentary

- Because of its use of derivatives and leverage, this fund is different than the others.
- PIMCO is the only one of the PCF's managers that takes active duration bets. Over time, they have done very well with this approach.
- PIMCO is increasing its risk by replacing US Treasuries with Emerging Market Debt.

Asset Growth (\$mm)



Historical Sector Distribution



Source: PIMCO, Bloomberg, CIA analysis



LORD ABBETT CORE BOND FUND

Portfolio Characteristics

	Lord Abbett as of		BC Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	5.3 years	5.6 years	5.6 years
Yield to Maturity	2.3%	2.7%	2.3%
Average Coupon	3.3%	3.3%	3.2%
Average Credit Quality	AA1	AA2	AA

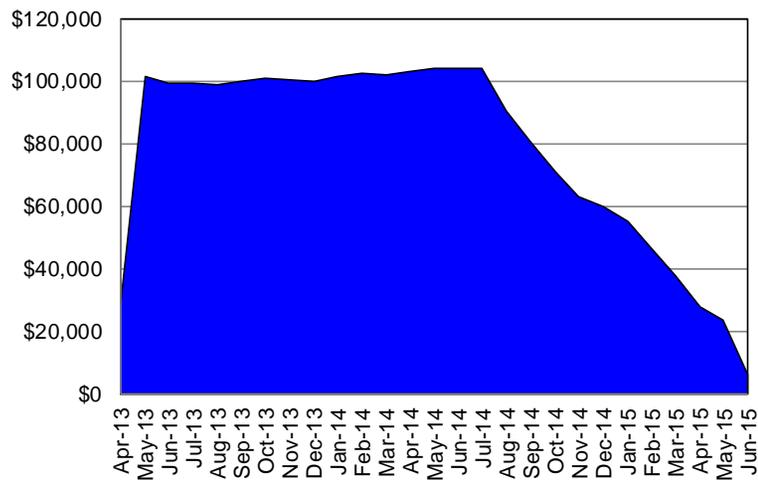
Advisor's Mandate

- Actively managed index fund (LCRYX)
- Inception: April 2013
- Objective: Exceed the performance of the BCAG
- Annual Fee = 0.66%

Commentary

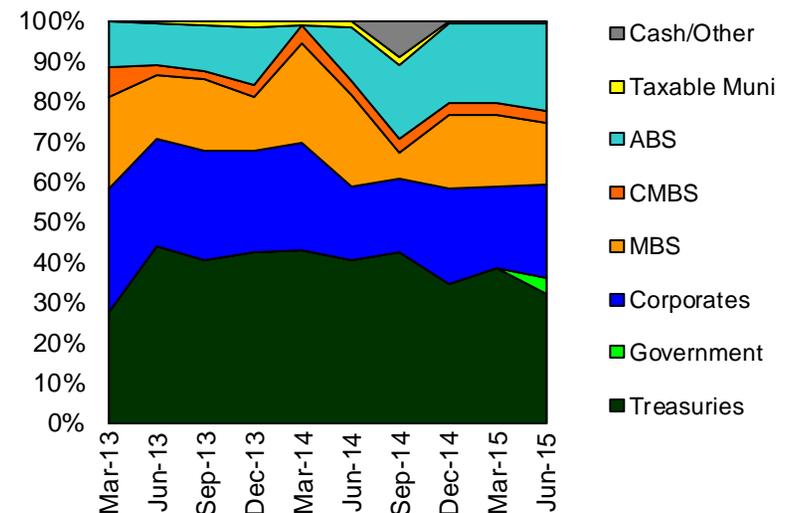
- Lord Abbett outperformed by 7 basis points (0.07%) for the quarter.
- Notice, Lord Abbett has a slight yield advantage of 0.4% compared to the index, despite having similar duration and credit quality.

Asset Growth (\$mm)



Source: Lord Abbett, Bloomberg, CIA analysis

Historical Sector Distribution





WELLS FARGO CORE BOND FUND

Portfolio Characteristics

	Wells as of		BC Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	5.6 years	5.5 years	5.6 years
Average Maturity	7.7%	7.7%	0.1%
Average Coupon	2.7%	2.6%	3.2%
Average Credit Quality	AA	AA	AA

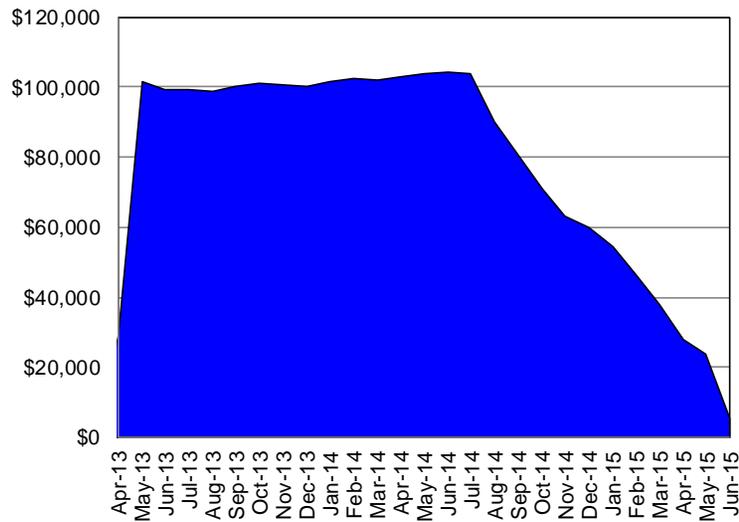
Advisor's Mandate

- Actively managed index fund (MBFIX)
- Inception: April 2013
- Objective: Exceed the performance of the BCAG
- Annual Fee = 0.42%

Commentary

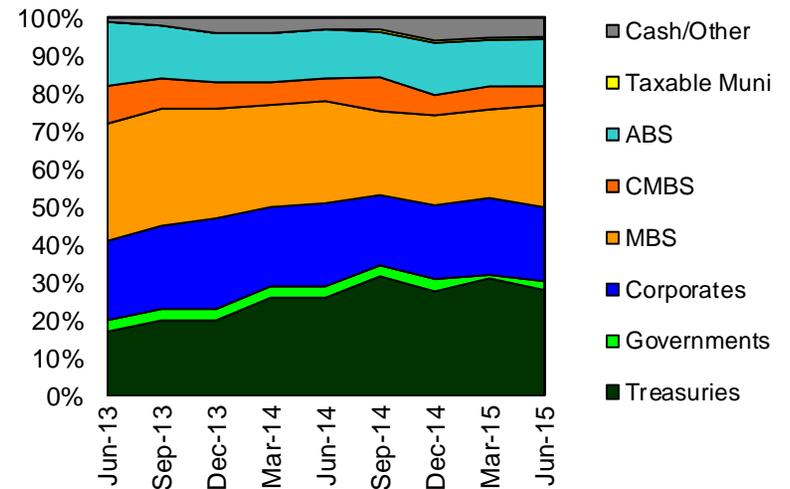
- Wells Fargo underperformed their relative benchmark by 0.08% for the quarter.

Asset Growth (\$mm)



Source: Wells Fargo, Bloomberg, CIA analysis

Historical Sector Distribution





VANGUARD TOTAL BOND FUND

Portfolio Characteristics

	Vanguard as of		BC Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	5.6 years	5.5 years	5.6 years
Average Maturity	7.8 years	7.9 years	7.9 years
Yield to Maturity	2.1%	2.3%	2.3%
Average Coupon	3.3%	3.3%	3.2%

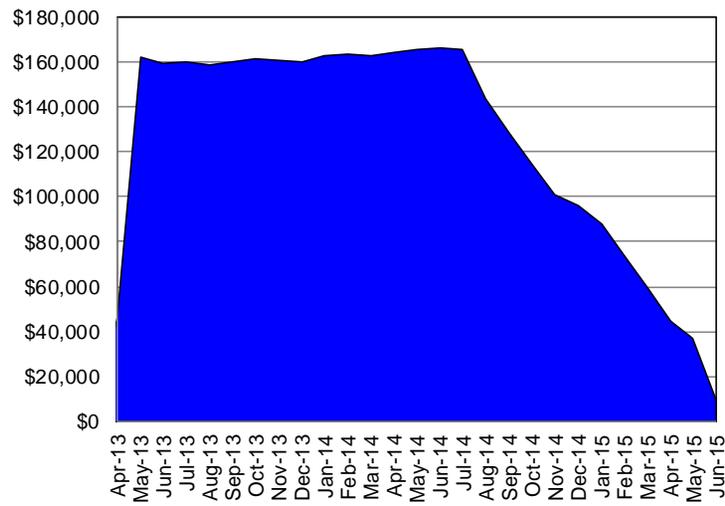
Advisor's Mandate

- Passively managed index fund (VBTIX)
- Inception: April 2013
- Objective: Match the performance of the BCAG
- Annual Fee = 0.07%

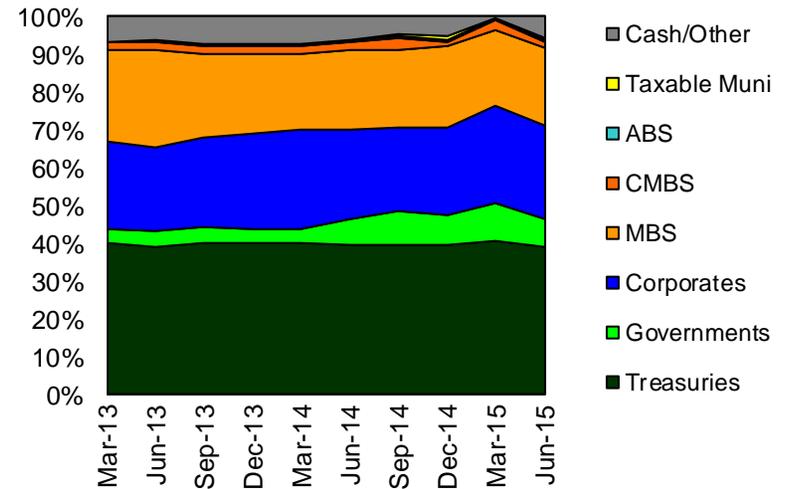
Commentary

- Vanguard underperformed by 0.10% for the quarter.
- This fund is likely to do better than the other managers when risk is doing poorly and Treasuries are doing relatively well.

Asset Growth (\$mm)



Historical Sector Distribution





GR-NEAM BOND FUND

Portfolio Characteristics

	GR NEAM as of		BC Int. Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	3.9 years	4.2 years	4.1 years
Average Maturity	5.2 years	5.4 years	5.0 years
Yield to Maturity	2.1%	2.2%	2.0%
Average Quality	AA	AA	AA

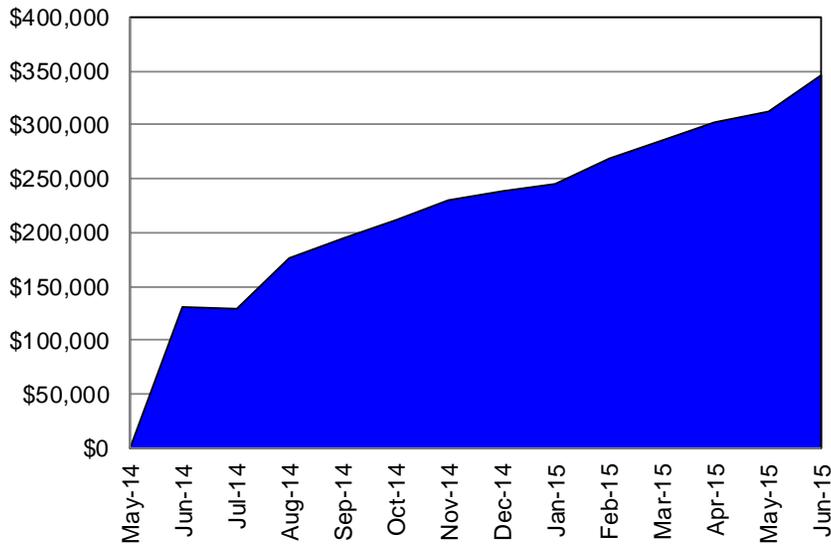
Advisor's Mandate

- Actively managed fixed income separate account.
- Inception: June 2014
- Objective: Exceed total return the Barclays Int. Agg.
- Annual Fee = 0.08% or \$150,000 min. fee.

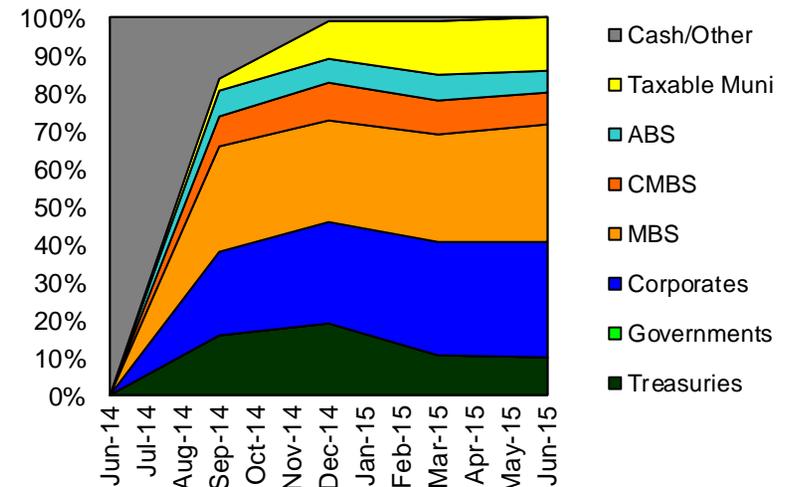
Commentary

- GR-NEAM outperformed the Barclays Intermediate Aggregate except the current quarter.
- GR-NEAM is still going strong, beating the benchmark since inception by 0.22%

Asset Growth (\$mm)



Historical Sector Distribution



Source: GR-NEAM, Bloomberg, CIA analysis, Wells Fargo



JP MORGAN BOND FUND

Portfolio Characteristics

	JP Morgan as of		BC Int. Aggregate as of
	3/31/15	6/30/15	6/30/15
Effective Duration	3.3 years	3.8 years	4.1 years
Average Maturity	4.2 years	4.7 years	5.0 years
Yield to Maturity	1.9%	2.0%	2.0%
Average Quality	AA	AA	AA

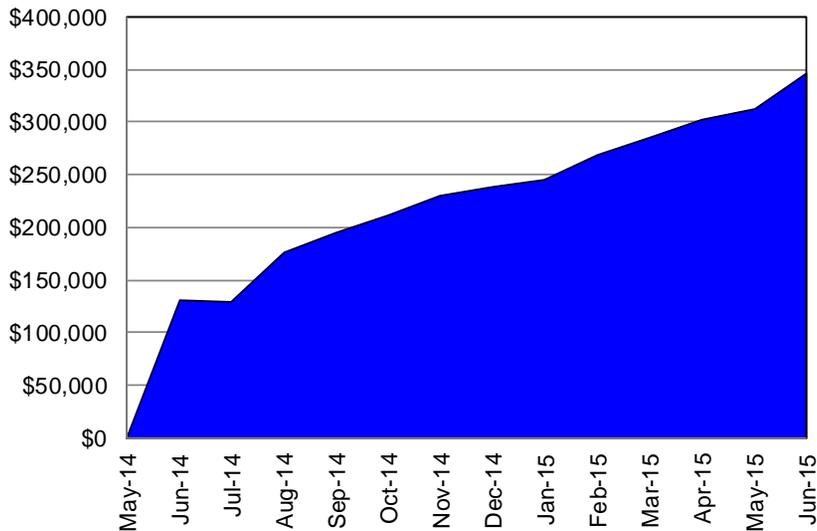
Advisor's Mandate

- Actively managed fixed income separate account
- Inception: June 2014
- Objective: Exceed total return of the Barclays Int. Agg.
- Annual Fee = First \$200mm 0.16%
Next \$200mm 0.13%
Thereafter 0.10%

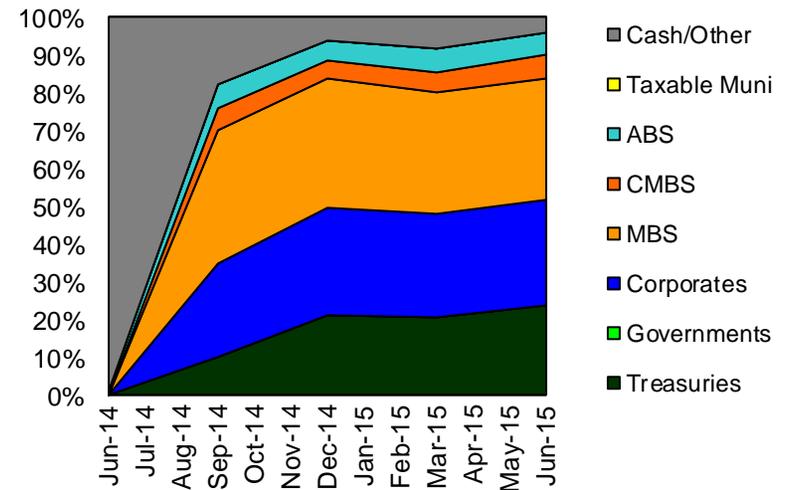
Commentary

- For the quarter, JP Morgan outperformed by 0.10% compared to Barclays Intermediate Aggregate.
- JP Morgan for all reporting time periods shown, has outperformed their relative benchmark.

Asset Growth (\$mm)



Historical Sector Distribution



Source: JP Morgan, Bloomberg, CIA analysis, Wells Fargo



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Three Years	Five Years	Since Inception	Inception Date
High Yield Bank Loan Composite	46,686	5.0%	0.40%	2.14%	0.42%	NA	NA	2.76%	4/1/2013
<u>S&P LSTA Index</u>			0.64%	2.72%	1.62%	NA	NA	3.15%	
Relative Performance			(0.23%)	(0.59%)	(1.20%)	NA	NA	(0.39%)	
John Hancock High Yield Bank Loan	23,419	2.5%	0.43%	2.27%	0.15%	NA	NA	2.36%	4/1/2013
<u>S&P LSTA Index</u>			0.64%	2.72%	1.62%	NA	NA	3.15%	
Relative Performance			(0.20%)	(0.46%)	(1.47%)	NA	NA	(0.80%)	
Oppenheimer High Yield Bank Loan	23,268	2.5%	0.38%	2.01%	0.68%	NA	NA	3.16%	4/1/2013
<u>S&P LSTA Index</u>			0.64%	2.72%	1.62%	NA	NA	3.15%	
Relative Performance			(0.26%)	(0.71%)	(0.93%)	NA	NA	0.00%	

- The High Yield Bank Loan Composite is in line with its 5% target allocation.
- The High Yield Bank Loan Composite underperformed for all reporting periods.
- Since inception, Oppenheimer has matched the S&P LSTA.



JOHN HANCOCK- HIGH YIELD BANK LOAN FUND

Portfolio Characteristics

	John Hancock HYBL		S&P LSTA
	as of 3/31/15	as of 6/30/15	as of 6/30/15
Number of Issues	306	304	1,171
Average Maturity	2.8%	2.7%	NA
Avg Credit Quality	B	B	BB-
Effective Duration	0.5 years	0.5 years	NA

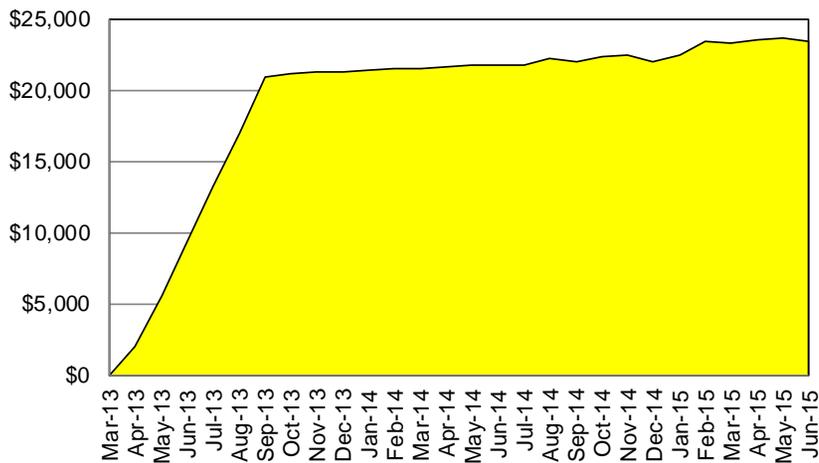
Advisor's Mandate

- Actively-Managed High Yield Bank Loan Fund (JFIRX)
- Inception: April 2013
- Objective: Exceed total return of the S&P LSTA index
- Annual fee 0.50%

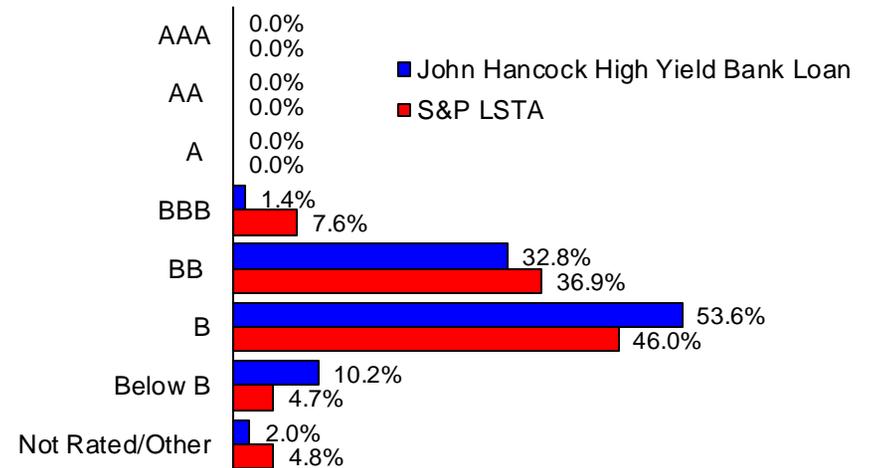
Commentary

- The fund underperformed the index for the quarter, returning -0.20%
- This fund is now taking more credit risk.

Asset Growth (\$000s)



Quarter End Quality Distribution



Source: John Hancock, Bloomberg, CIA analysis



OPPENHEIMER SENIOR FLOATING RATE FUND

Portfolio Characteristics

	Oppenheimer Fund as of		S&P LSTA
	3/31/15	6/30/15	as of 6/30/15
Number of Issues	458	424	1,171
Average Spread	545	544	509
Avg Credit Quality	B	B	BB-
Average Coupon	5.2%	5.1%	4.6%

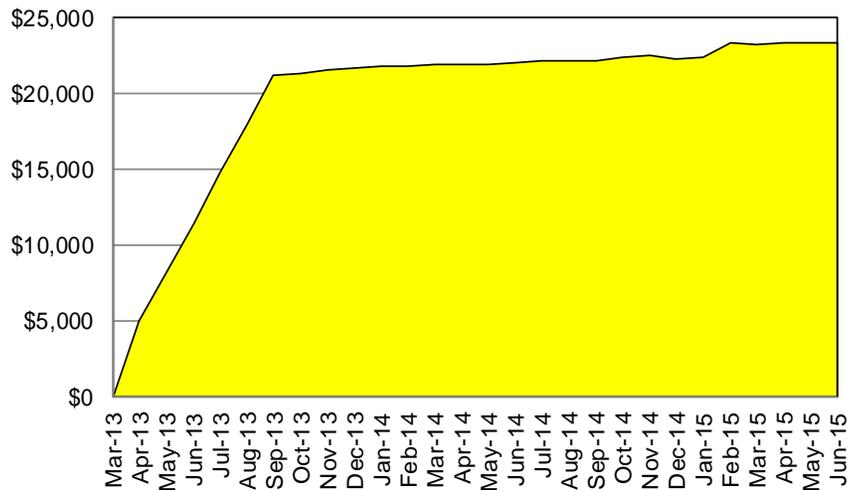
Advisor's Mandate

- Actively-Managed High Yield Bank Loan Fund (OOSIX)
- Inception: April 2013
- Objective: Exceed total return of the S&P LSTA index
- Annual fee 0.68%

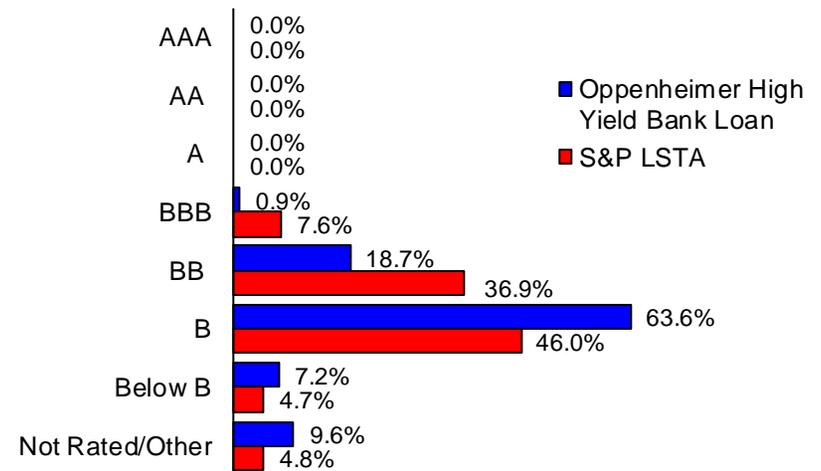
Commentary

- Oppenheimer trailed the index this past quarter, underperforming by 26 basis points.
- Oppenheimer maintains a nice spread advantage to the index.
- Oppenheimer announced that their project manager (Margaret Hui) will be retiring in Oct and will be replaced by David Lukkes.

Asset Growth (\$000s)



Quarter End Quality Distribution



Source: Oppenheimer, Bloomberg, CIA Analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Three Years	Five Years	Since Inception	Inception Date
High Yield Bond Composite	23,328	2.5%	(0.10%)	2.20%	(1.62%)	NA	NA	2.69%	5/1/2013
¹ <u>Blended Benchmark</u>			(0.06%)	2.44%	(0.60%)	NA	NA	3.36%	
Relative Performance			(0.04%)	(0.24%)	(1.02%)	NA	NA	(0.67%)	
Neuberger High Yield	11,650	1.2%	(0.29%)	1.99%	(1.13%)	NA	NA	2.75%	5/1/2013
<u>ML HY Master II Constrained</u>			(0.08%)	2.43%	(0.67%)	NA	NA	3.33%	
Relative Performance			(0.21%)	(0.44%)	(0.46%)	NA	NA	(0.59%)	
Ridgeworth High Yield	11,678	1.2%	0.09%	2.41%	(2.10%)	NA	NA	3.22%	6/1/2013
<u>BC US Corporate High Yield</u>			(0.03%)	2.46%	(0.53%)	NA	NA	3.80%	
Relative Performance			0.12%	(0.05%)	(1.57%)	NA	NA	(0.57%)	

- PCF's High Yield Bond Composite struggled for the all reporting time periods except for the current quarter for Ridgeworth.
- From a sector perspective for Neuberger, security selection in energy, telecommunication services and gas distribution detracted the most from performance. In contrast, selection in gaming, along with underweights in metals & mining and banking, were the largest contributors to performance.
- Ridgeworth's security selection within metals and mining positions contributed positively to returns, as some holdings issued by commodity-linked companies recovered portions of late-2014 underperformance. Security selection within telecommunications holdings was also additive because of the outperformance of long-held fiber optic and wireless positions.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



NEUBERGER BERMAN HIGH INCOME BOND FUND

Portfolio Characteristics

	Neuberger HY as of		ML HY Master II Constr as of
	3/31/15	6/30/15	6/30/15
No. of Holdings	357	395	2,302
Average Duration	3.8 years	3.7 years	4.2 years
Avg. Yield to Maturity	5.1%	6.3%	6.5%
Avg. Credit Quality	BB-	B	B+
Average Coupon	6.3%	6.5%	6.8%

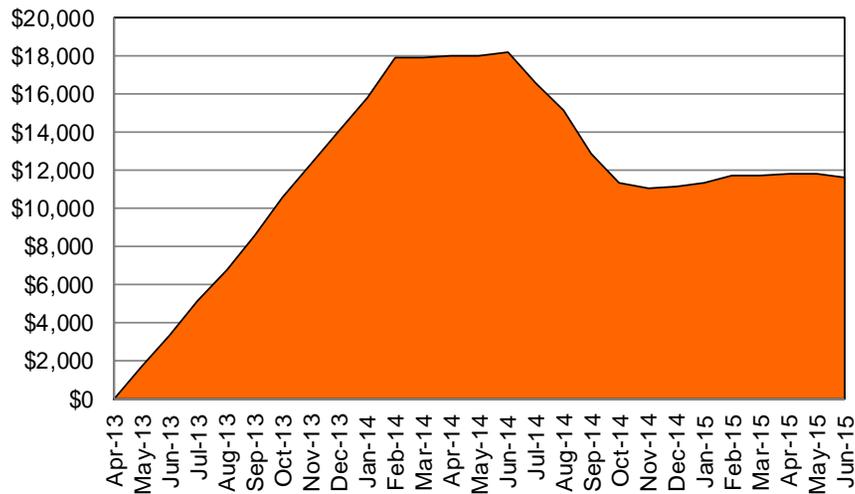
Advisor's Mandate

- Fixed Income – High Yield Bond Fund (NHILX)
- Inception: May 2013
- Objective: Exceed total return of the ML HY Master II Constrained index
- Annual fee 0.70%

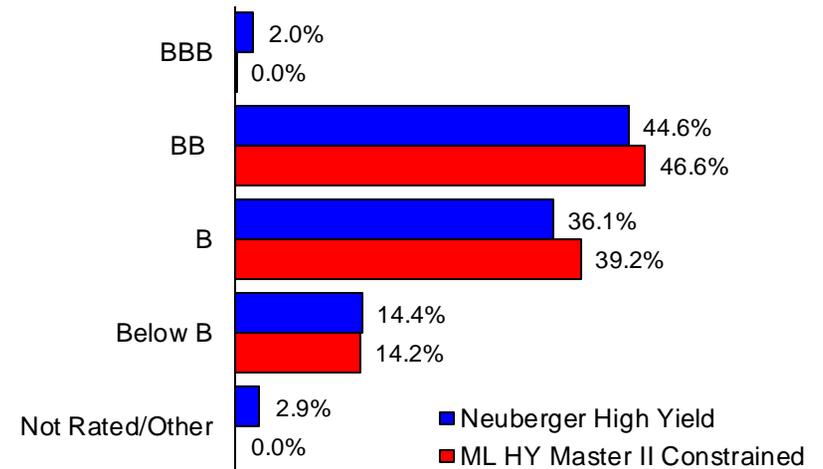
Commentary

- Underweight in metals/mining, along with security selection in support-services and gaming, were the largest contributors to performance.
- Security selection in energy and telecommunications detracted the most from performance.

Asset Growth (\$000s)



Quarter End Quality Distribution



Source: Neuberger Berman, Bloomberg, CIA Analysis



RIDGEWORTH HIGH INCOME BOND FUND

Portfolio Characteristics

	Ridgeworth High Income Bond as of		BC US Corp High Yield as of
	3/31/15	6/30/15	6/30/15
No. of Holdings	243	249	2,238
Duration	3.9 years	3.8 years	4.3 years
Avg Credit Quality	B	B	B+
Yield to Maturity	6.2%	5.8%	6.8%
Average Coupon	6.5%	6.5%	6.7%

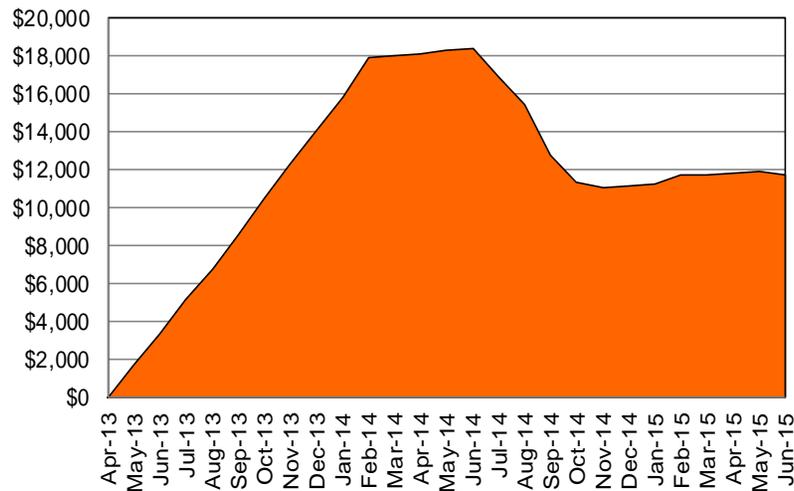
Advisor's Mandate

- Fixed Income – High Yield Bond Fund (STHTX)
- Inception: June 2013
- Objective: Exceed total return of the BC US Corporate High Yield Index
- Annual fee 0.77%

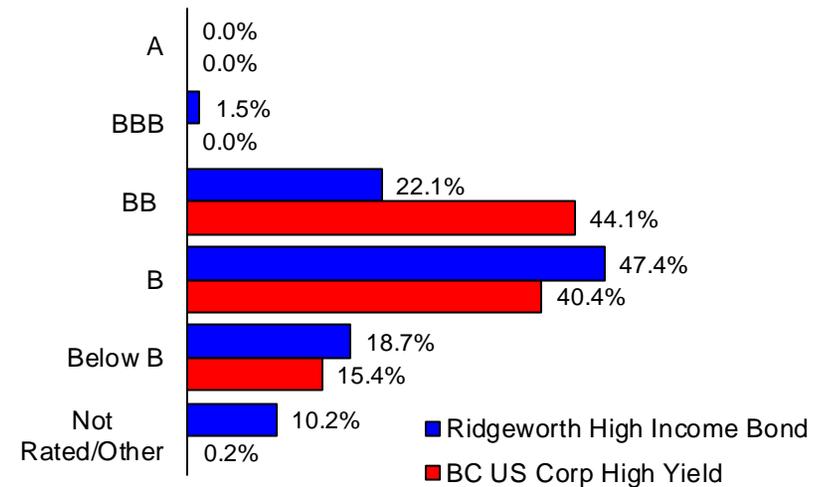
Commentary

- The fund outperformed the benchmark by basis points 0.12% in the second quarter.

Asset Growth (\$000s)



Quarter End Quality Distribution



Source: Ridgeworth, Bloomberg, CIA Analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Three Years	Five Years	Since Inception	Inception Date
Commodity Composite	22,544	2.4%	4.77%	(1.14%)	(24.62%)	NA	NA	(24.62%)	7/1/2014
<u>Dow Jones AIG Commodity</u>			4.46%	(1.94%)	(23.40%)	NA	NA	(23.40%)	
Relative Performance			0.31%	0.80%	(1.23%)	NA	NA	(1.23%)	
DFA Commodity Strategy	8,979	1.0%	4.22%	(1.27%)	(21.55%)	NA	NA	(21.55%)	7/1/2014
<u>Dow Jones AIG Commodity</u>			4.46%	(1.94%)	(24.03%)	NA	NA	(24.03%)	
Relative Performance			(0.24%)	0.67%	2.47%	NA	NA	2.47%	
PIMCO Commodity Real Return	4,524	0.5%	4.76%	(0.61%)	(25.86%)	NA	NA	(25.86%)	7/1/2014
<u>Dow Jones AIG Commodity</u>			4.46%	(1.94%)	(24.07%)	NA	NA	(24.07%)	
Relative Performance			0.30%	1.33%	(1.79%)	NA	NA	(1.79%)	
PIMCO CommoditiesPlus Strategy	4,401	0.5%	6.90%	0.50%	(30.56%)	NA	NA	(30.56%)	7/1/2014
<u>Dow Jones AIG Commodity</u>			4.46%	(1.94%)	(24.07%)	NA	NA	(24.07%)	
Relative Performance			2.44%	2.44%	(6.50%)	NA	NA	(6.50%)	
VAN ECK CM Commodity Index Fund	4,640	0.5%	3.82%	(2.92%)	(24.52%)	NA	NA	(24.52%)	7/1/2014
<u>Dow Jones AIG Commodity</u>			4.46%	(1.94%)	(22.24%)	NA	NA	(22.24%)	
Relative Performance			(0.65%)	(0.98%)	(2.27%)	NA	NA	(2.27%)	

- The Commodity Composite outperformed the Dow Jones AIG Commodity benchmark for the quarter by 0.31% and YTD by 0.80%
- PIMCO funds did very well for the quarter compared to their relative benchmark, while DFA and Van Eck lagged their benchmark.
- DFA since inception has outperformed the Dow Jones AIG benchmark by 2.47%



DFA COMMODITY FUND

Portfolio Characteristics

	DFA Commodity as of	
	3/31/15	6/30/15
Effective Duration	1.9 years	1.7 years
Effective Maturity	1.9 years	1.8 years
Average Coupon	2.0%	2.0%
Avg. Credit Quality	A	A

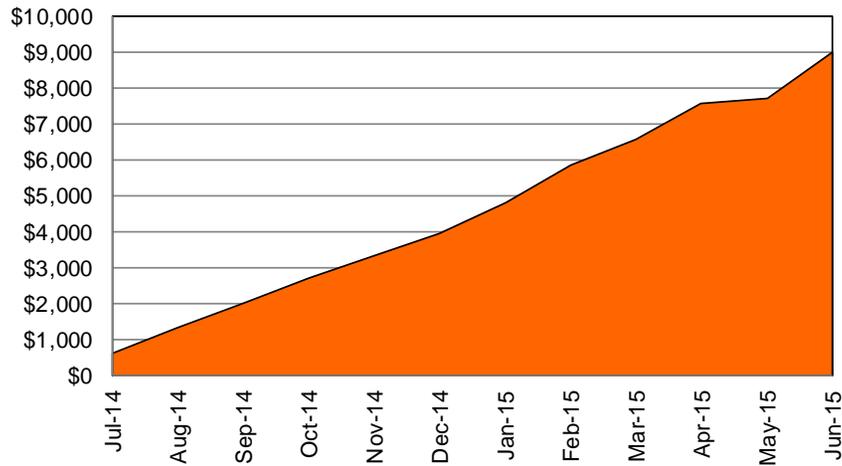
Advisor's Mandate

- Commodity – Commodity Fund (DCMSX)
- Inception: July 2014
- Objective: Exceed total return of the Dow Jones AIG Commodity Index
- Annual fee 0.35%

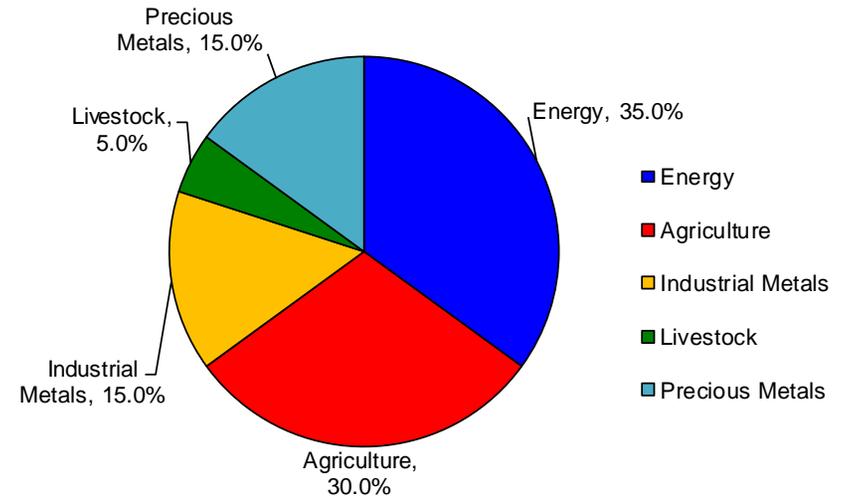
Commentary

- The fund underperformed the benchmark by 24 basis points (0.24%) in the second quarter.

Asset Growth (\$000s)



Quarter End Distribution



Source: DFA, Bloomberg, CIA Analysis



PIMCO REAL RETURN STRATEGY

Portfolio Characteristics

	PIMCO (PCRIX) Commodity as of	
	3/31/15	6/30/15
Effective Duration	1.2 years	1.4 years
Effective Maturity	2.9 years	3.2 years
Average Coupon	1.8%	2.0%
Avg. Credit Quality	NR	NR

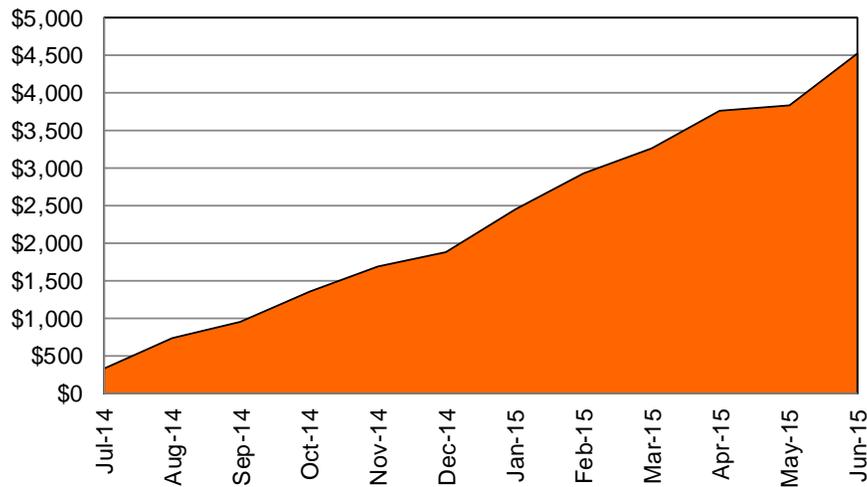
Advisor's Mandate

- Commodity – Real Return Strategy (PCRIX)
- Inception: July 2014
- Objective: Exceed total return of the Dow Jones AIG Commodity Index
- Annual fee 0.74%

Commentary

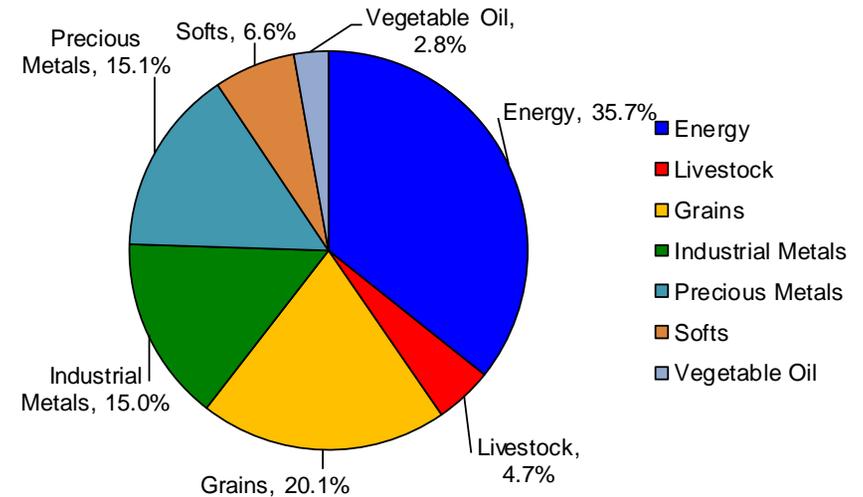
- The fund outperformed their benchmark by 30 basis points (0.30%) in the second quarter.

Asset Growth (\$000s)



Source: PIMCO, Bloomberg, CIA Analysis

Quarter End Distribution





PIMCO COMMODITY PLUS FUND

Portfolio Characteristics

	PIMCO (PCLIX) Commodity as of	
	3/31/15	6/30/15
Effective Duration	0.4 years	-0.2 years
Effective Maturity	1.4 years	0.7 years
Average Coupon	1.4%	1.6%
Avg. Credit Quality	NR	NR

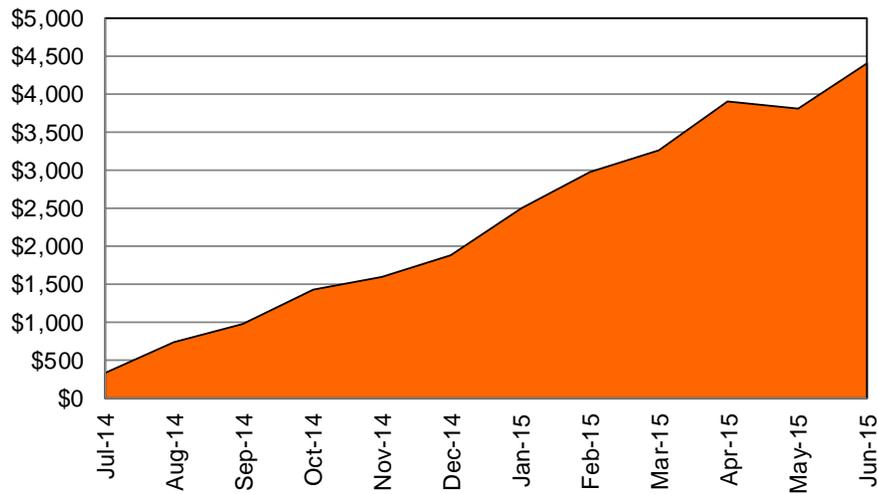
Advisor's Mandate

- Commodity – Commodity Plus Fund (PCLIX)
- Inception: July 2014
- Objective: Exceed total return of the Dow Jones AIG Commodity Index
- Annual fee 0.74%

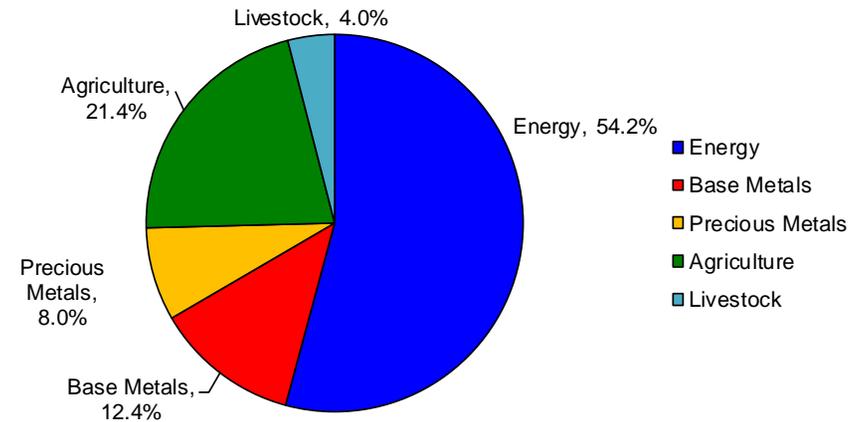
Commentary

- The fund outperformed their benchmark by 244 basis points (2.44%) in the second quarter.

Asset Growth (\$000s)



Quarter End Distribution



Source: PIMCO, Bloomberg, CIA Analysis



VAN ECK COMMODITY FUND

Portfolio Characteristics

	Van Eck Commodity as of	
	3/31/15	6/30/15
Net Assets (\$M)	252.3	252.0
# Components	28	28
Weighted Maturity	6.9 years	6.9 years
Avg. Credit Quality	NR	NR

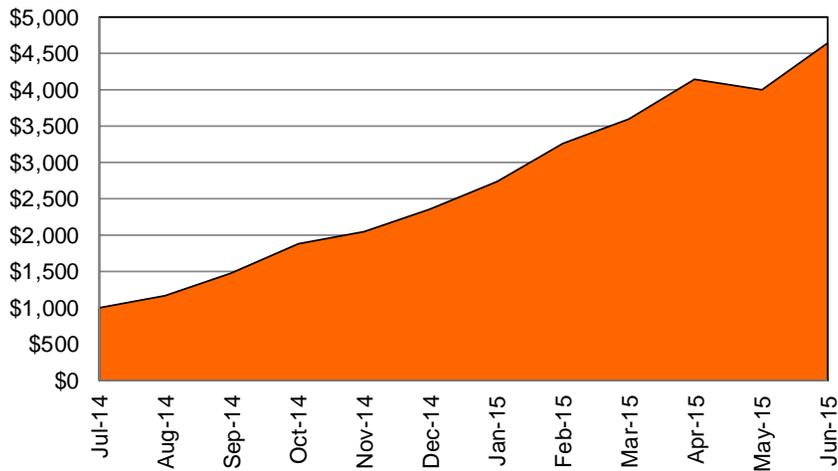
Advisor's Mandate

- Commodity – Commodity Fund (COMIX)
- Inception: July 2014
- Objective: Exceed total return of the Dow Jones AIG Commodity Index
- Annual fee 0.65%

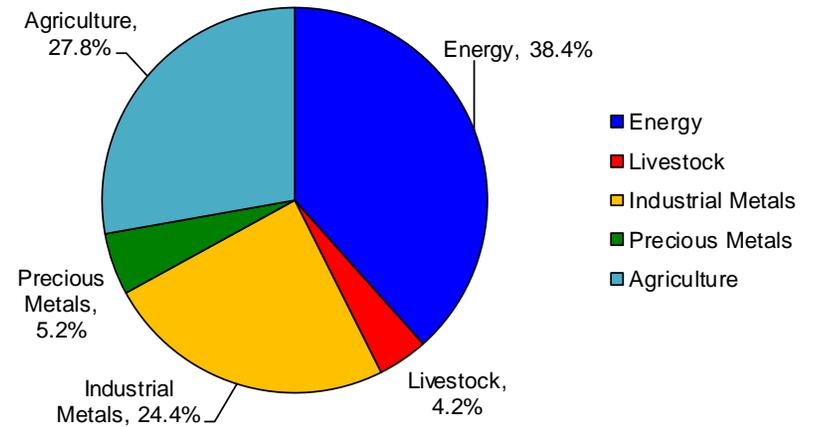
Commentary

- The fund underperformed their benchmark by 65 basis points (0.65%) in the second quarter.

Asset Growth (\$000s)



Quarter End Distribution



Source: VAN ECK, Bloomberg, CIA Analysis



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Three Years	Five Years	Since Inception	Inception Date
Total Equity Composite	101,681	10.8%	0.79%	3.24%	2.41%	NA	NA	15.63%	11/1/2012
¹ Blended Benchmark			0.60%	2.81%	2.23%	NA	NA	15.49%	
Relative Performance			0.19%	0.43%	0.18%	NA	NA	0.14%	
Domestic Equity Composite	64,716	6.9%	0.11%	1.73%	6.91%	NA	NA	18.03%	11/1/2012
¹ Blended Benchmark			0.14%	1.80%	7.11%	NA	NA	18.05%	
Relative Performance			(0.03%)	(0.07%)	(0.20%)	NA	NA	(0.02%)	
Vanguard Russell 1000 Value Fund	12,256	1.3%	0.08%	(0.65%)	4.04%	NA	NA	7.08%	5/1/2014
<u>Russell 1000 Value Index</u>			0.09%	(0.66%)	4.05%	NA	NA	7.09%	
Relative Performance			(0.00%)	0.00%	(0.01%)	NA	NA	(0.00%)	
Vanguard Total Stock Market Fund	46,296	4.9%	0.09%	1.91%	7.24%	NA	NA	18.18%	11/1/2012
<u>CRSP US Total Market Index</u>			0.07%	1.87%	7.16%	NA	NA	18.07%	
Relative Performance			0.01%	0.03%	0.08%	NA	NA	0.10%	
DFA US Small Cap Fund	3,089	0.3%	0.38%	4.39%	5.78%	NA	NA	5.78%	7/1/2014
<u>Russell 2000 Index</u>			0.40%	4.71%	6.41%	NA	NA	6.41%	
Relative Performance			(0.02%)	(0.32%)	(0.63%)	NA	NA	(0.63%)	
Diamond Hill Small Cap Fund	3,075	0.3%	(0.08%)	2.70%	(0.56%)	NA	NA	(0.56%)	7/1/2014
<u>Russell 2000 Index</u>			0.40%	4.71%	6.41%	NA	NA	6.41%	
Relative Performance			(0.48%)	(2.02%)	(6.97%)	NA	NA	(6.97%)	

- Equities performed well for the quarter, except for both small cap funds.
- The index funds have done a nice job matching their respective indices.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



INVESTMENT PERFORMANCE

Pretax, Net of Fees Performance as of June 30, 2015

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Three Years	Five Years	Since Inception	Inception Date
International Equity Composite	36,965	3.9%	1.82%	6.03%	(4.19%)	NA	NA	4.02%	5/1/2013
¹ <u>Blended Benchmark</u>			1.23%	4.87%	(4.49%)	NA	NA	3.99%	
Relative Performance			0.59%	1.17%	0.30%	NA	NA	0.03%	
Vanguard Total International Stock Fund	15,648	1.7%	1.26%	5.37%	(4.59%)	NA	NA	4.13%	5/1/2013
<u>FTSE Global All Cap ex US Index</u>			1.08%	4.77%	(4.61%)	NA	NA	4.09%	
Relative Performance			0.18%	0.60%	0.02%	NA	NA	0.04%	
Allianz NFJ International Value Fund	5,240	0.6%	1.63%	2.43%	(8.04%)	NA	NA	0.82%	5/1/2013
<u>MSCI ACWI ex US</u>			0.50%	3.97%	(5.37%)	NA	NA	3.40%	
Relative Performance			1.13%	(1.54%)	(2.66%)	NA	NA	(2.59%)	
Harbor International Fund	5,239	0.6%	1.58%	7.44%	(4.18%)	NA	NA	5.22%	6/1/2013
<u>MSCI ACWI ex US</u>			0.50%	3.97%	(5.37%)	NA	NA	4.71%	
Relative Performance			1.08%	3.46%	1.19%	NA	NA	0.51%	
PIMCO International StockPLUS	5,224	0.6%	0.38%	5.55%	(4.69%)	NA	NA	6.80%	6/1/2013
<u>MSCI ACWI ex US</u>			0.50%	3.97%	(5.37%)	NA	NA	4.71%	
Relative Performance			(0.11%)	1.58%	0.68%	NA	NA	2.09%	
DFA International Small Cap Fund	2,772	0.3%	5.19%	10.11%	NA	NA	NA	3.57%	8/8/2014
<u>MSCI ACWI ex US Small Cap</u>			4.16%	8.19%	NA	NA	NA	0.87%	
Relative Performance			1.03%	1.92%	NA	NA	NA	2.69%	
Oppenheimer International Small Cap	2,842	0.3%	5.34%	12.32%	NA	NA	NA	11.16%	8/8/2014
<u>MSCI ACWI ex US Small Cap</u>			4.16%	8.19%	NA	NA	NA	0.87%	
Relative Performance			1.18%	4.14%	NA	NA	NA	10.29%	

- The International Equity Composite outperformed for all reporting time periods shown.
- All International portfolios did well for the quarter except PIMCO International fund.

¹The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



VANGUARD RUSSELL 1000 VALUE FUND

Portfolio Characteristics

	Vanguard Russell 1000 Value Fund as of		Russell 1000 Value Index
	3/31/15	6/30/15	6/30/15
No. of Securities	703	681	681
P/E Ratio	17.8x	18.3x	18.3x
Price/Book Ratio	1.9x	1.8x	1.8x
Avg Mkt Cap (billions)	\$57.7	\$57.7	\$57.7
Return on Equity	13.5%	13.3%	13.3%
% in Top 10 Holdings	23.8%	22.8%	22.8%

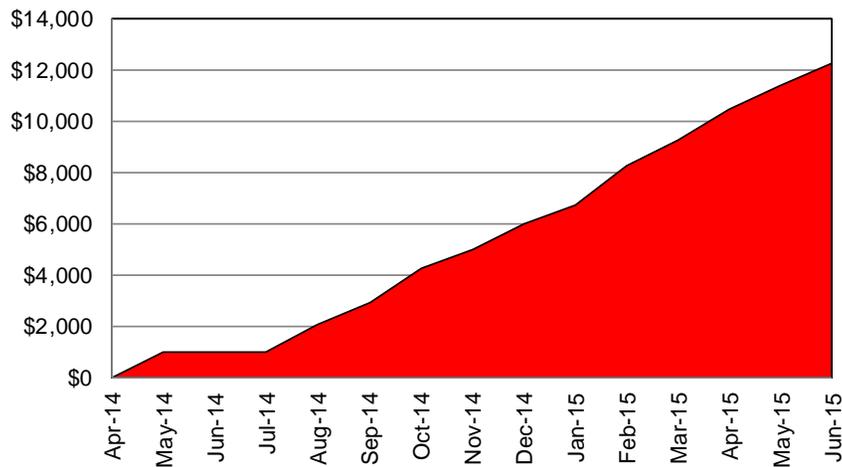
Advisor's Mandate

- Passively managed equity index fund (VRVIX)
- Inception: May 2014
- Objective: Match performance of the Russell 1000 Value Index
- Annual Fee = 0.08%

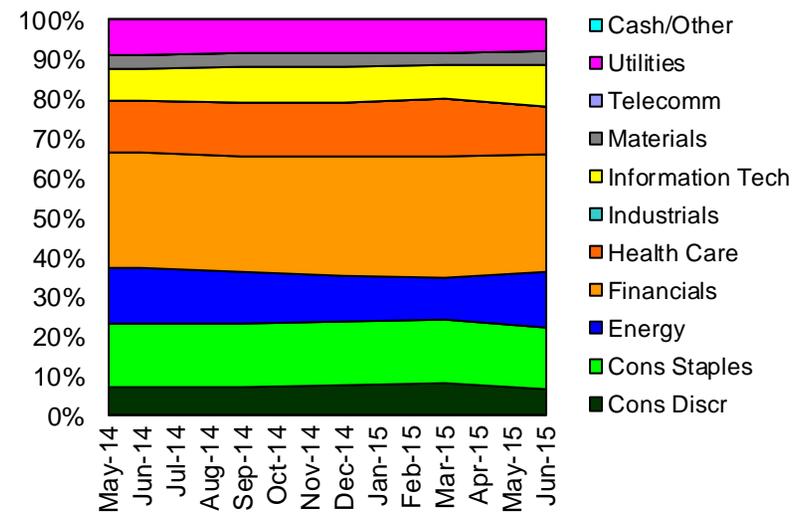
Commentary

- Vanguard is doing a nice job matching the index.

Asset Growth (\$mm)



Historical Sector Distribution



Source: Vanguard, Bloomberg, CIA analysis



VANGUARD TOTAL STOCK MARKET INDEX FUND

Portfolio Characteristics

	CRSP US		
	Vanguard Total Stock Market Fund as of 3/31/15	6/30/15	Total Market as of 6/30/15
No. of Securities	3,787	3,807	3,803
P/E Ratio	21.4x	21.7x	21.7x
Price/Book Ratio	2.8x	2.7x	2.7x
Avg Mkt Cap (billions)	\$48.8	\$49.0	\$49.0
Return on Equity	17.7%	17.7%	17.7%
% in Top 10 Holdings	14.2%	14.0%	14.0%

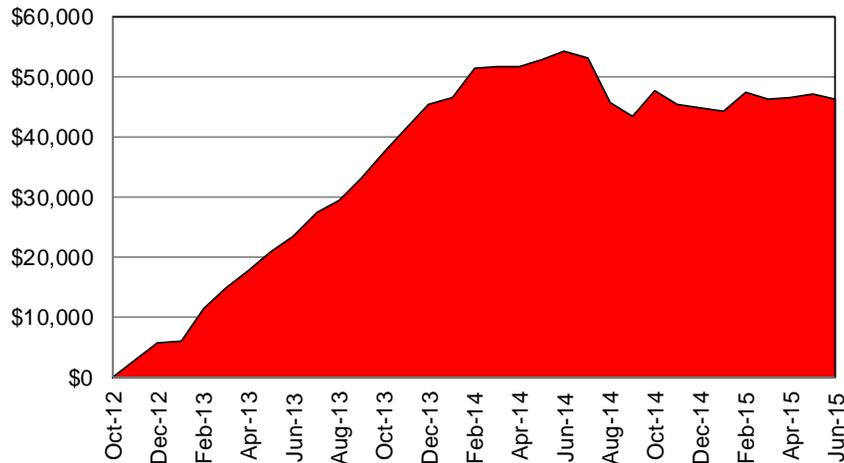
Advisor's Mandate

- Passively managed equity index fund (VIT SX)
- Inception: November 2012
- Objective: Match performance of the CRSP US Total Market Index
- Annual Fee = 0.04%

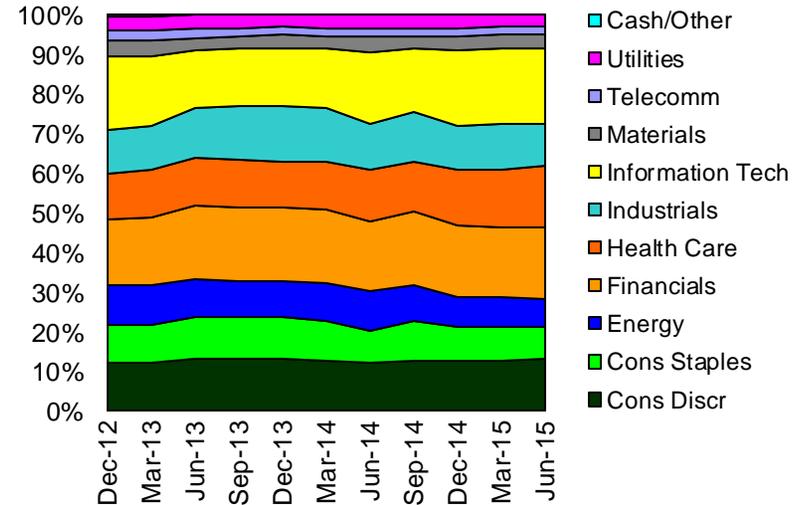
Commentary

- Vanguard is doing a nice job matching the index.

Asset Growth (\$mm)



Historical Sector Distribution



Source: Vanguard, Bloomberg, CIA analysis



DFA US SMALL CAP FUND

Portfolio Characteristics

	DFA US Small Cap as of		Russell 2000 as of
	3/31/15	6/30/15	6/30/15
No. of Securities	2,074	2,066	1,975
P/E Ratio	19.6x	19.8x	22.6x
Price/Book Ratio	2.1x	1.9x	2.3x
Avg Mkt Cap (billions)	\$1.7	\$1.6	\$1.9
% in Top 10 Holdings	3.0%	2.9%	2.5%

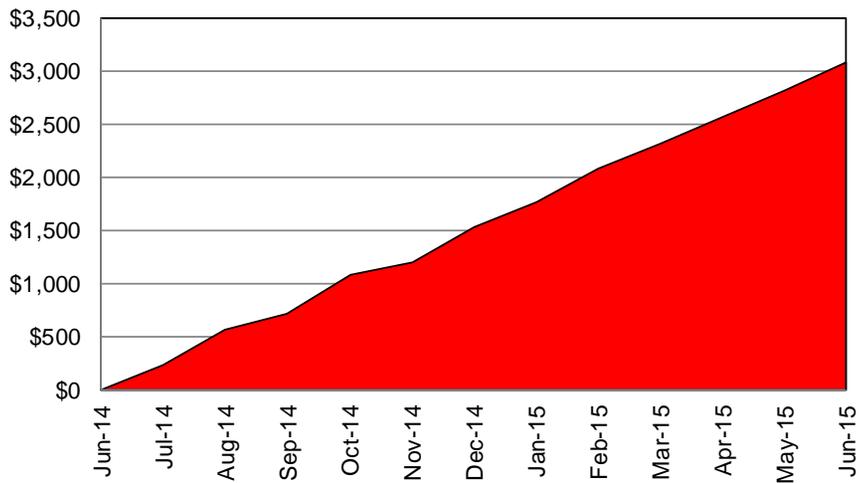
Advisor's Mandate

- Passively managed equity index fund (DFSTX)
- Inception: July 2014
- Objective: Exceed performance of the Russell 2000 Index.
- Annual Fee = 0.37%

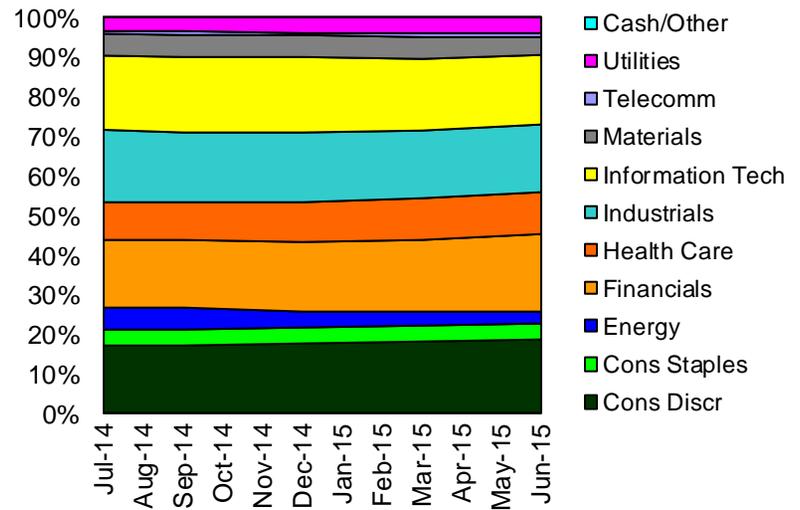
Commentary

- The fund underperformed the benchmark by 2 basis points (0.02%) in the second quarter.

Asset Growth (\$mm)



Historical Sector Distribution



Source: DFA, Bloomberg, CIA analysis

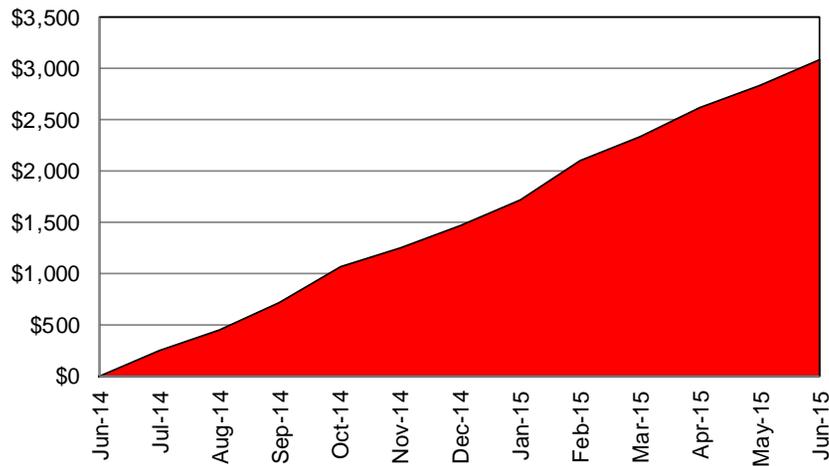


DIAMOND HILL US SMALL CAP FUND

Portfolio Characteristics

	Diamond Hill Small Cap as of		Russell 2000 as of
	3/31/15	6/30/15	6/30/15
No. of Securities	68	70	1,975
P/E Ratio	17.1x	16.7x	22.6x
Price/Book Ratio	1.8x	1.6x	2.3x
Avg Mkt Cap (billions)	\$2.7	\$2.8	\$1.9
Dividend Yield	1.4%	1.3%	1.3%
% in Top 10 Holdings	25.4%	24.7%	2.5%

Asset Growth (\$mm)



Source: Diamond Hill, Bloomberg, CIA analysis

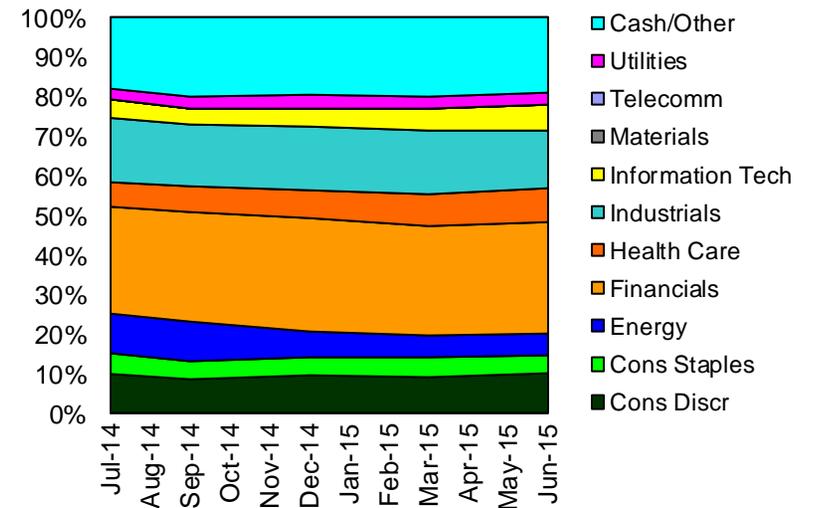
Advisor's Mandate

- Passively managed equity index fund (DHSIX)
- Inception: July 2014
- Objective: Exceed performance of the Russell 2000 Index.
- Annual Fee = 1.08%

Commentary

- The fund underperformed their benchmark by 48 basis points (0.48%) in the second quarter.
- The fund's underperformance for the quarter was primarily the result of security selection in the industrials and health care sectors.

Historical Sector Distribution





VANGUARD TOTAL INTERNATIONAL STOCK FUND

Portfolio Characteristics

	Vanguard Total Intl Stock Fund as of		FTSE Global All Cap ex US Index as of
	3/31/15	6/30/15	6/30/15
No. of Holdings	5,839	5,831	5,643
P/E Ratio	19.0x	18.4x	18.5x
Price/Book Ratio	1.7x	1.7x	1.7x
Avg Mkt Cap (billion)	\$25.2	\$24.8	\$24.7
Dividend Yield	2.7%	2.8%	2.8%
Return on Equity	14.4%	14.4%	14.4%
% in Top 10 Holdings	8.2%	7.7%	7.7%

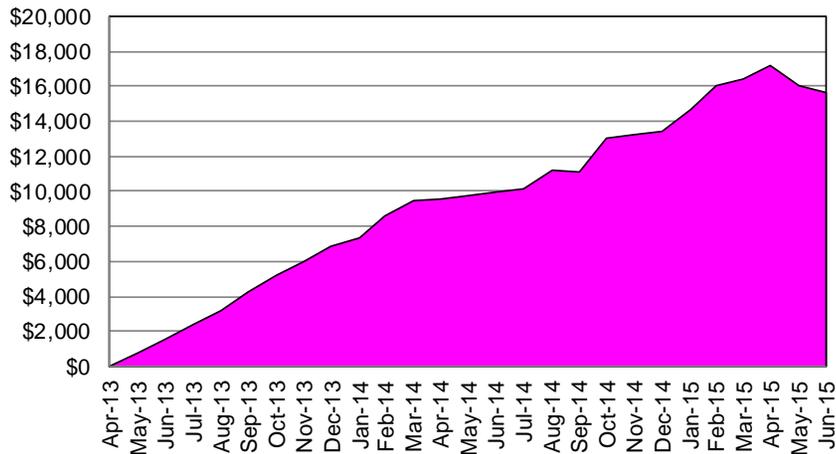
Advisor's Mandate

- Passively-managed equity index fund (VTSNX)
- Inception: May 2013
- Objective: Match performance of the FTSE Global All Cap ex US Index
- Annual Fee = 0.12%

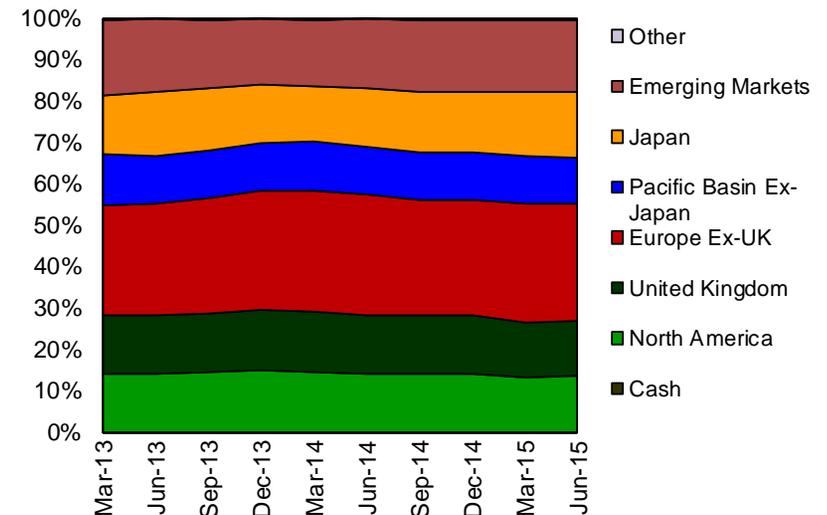
Commentary

- This is a hugely diversified, low-cost fund.

Asset Growth (\$mm)



Historical Country Distribution



Source: Vanguard, Bloomberg, CIA Analysis



ALLIANZ NFJ INTERNATIONAL VALUE FUND

Portfolio Characteristics

	Allianz NFJ as of		MSCI ACWI ex US
	3/31/15	6/30/15	6/30/15
No. of Holdings	60	60	1,841
P/E Ratio	11.5x	10.7x	14.9x
Price/Book Ratio	1.5x	1.3x	1.7x
Avg Mkt Cap (billion)	\$25.8	\$30.0	\$52.2
Dividend Yield	3.4%	3.5%	3.4%
Return on Equity	13.8%	13.5%	16.0%
% in Top 10 Holdings	25.6%	25.9%	9.0%

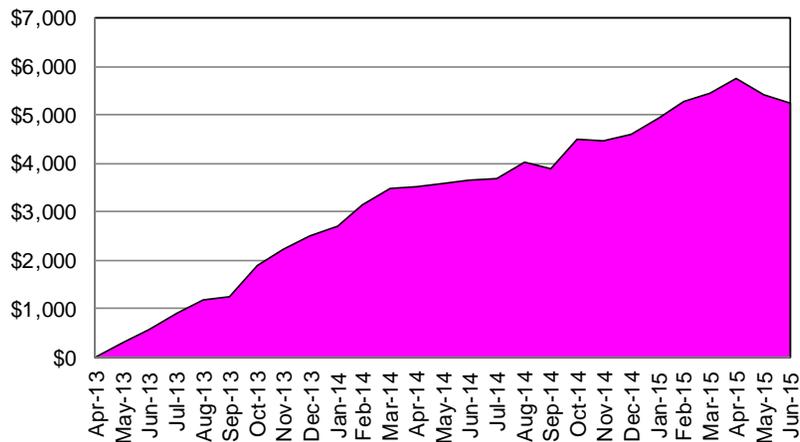
Advisor's Mandate

- Actively-managed equity fund (ANJIX)
- Inception: May 2013
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual fee 0.88%

Commentary

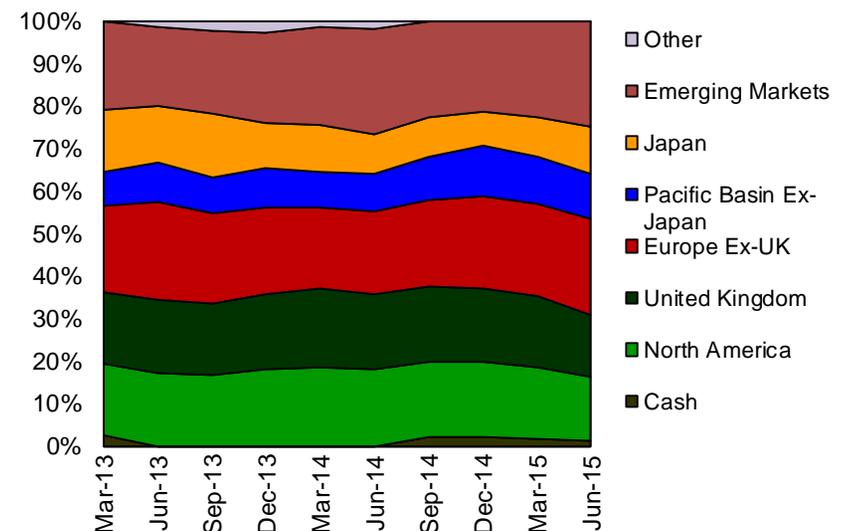
- This is a concentrated fund with just 60 holdings.
- This is demonstrating its value credentials with a PE ratio well below the index's.

Asset Growth (\$mm)



Source: Allianz NFJ, Bloomberg, CIA Analysis

Historical Country Distribution





HARBOR INTERNATIONAL FUND

Portfolio Characteristics

	Harbor as of		MSCI ACWI
	3/31/15	6/30/15	ex US 6/30/15
No. of Holdings	74	75	1,841
P/E Ratio	16.4x	17.3x	14.9x
Price/Book Ratio	2.0x	1.9x	1.7x
Avg Mkt Cap (billion)	\$67.3	\$69.8	\$52.2
Dividend Yield	2.7%	2.7%	3.4%
Return on Equity	12.1%	11.7%	16.0%
% in Top 10 Holdings	26.8%	25.3%	9.0%

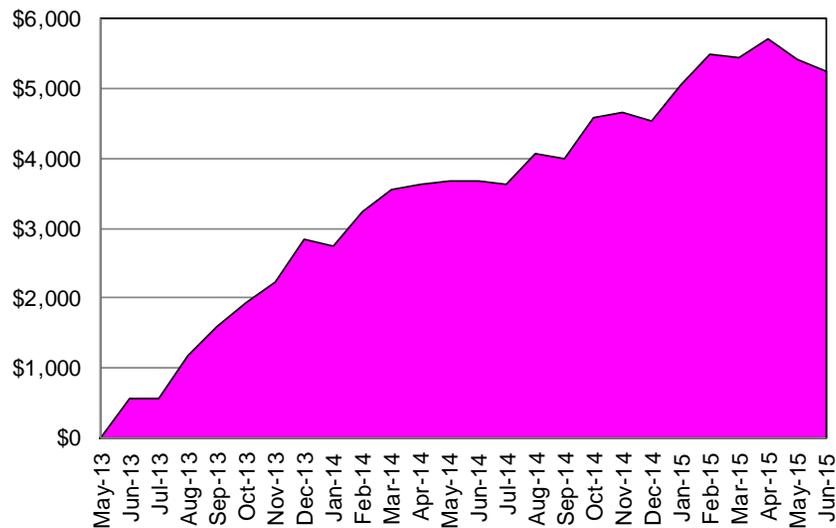
Advisor's Mandate

- Actively-managed equity fund (HAINX)
- Inception: June 2013
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual Fee = 0.74%

Commentary

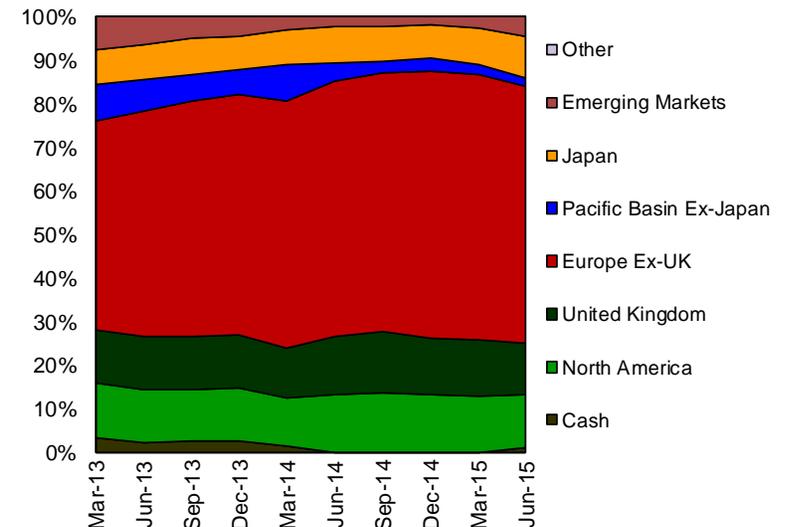
- This is a concentrated fund with just 75 holdings.
- Harbor outperformed their benchmark by 108 basis points for the second quarter.

Asset Growth (\$mm)



Source: Harbor Capital, Bloomberg, CIA Analysis

Historical Country Distribution





PIMCO INTERNATIONAL STOCKSPLUS FUND

Portfolio Characteristics

	PIMCO Intl StocksPLUS as of	
	3/31/15	6/30/15
Fund Assets (\$mm)	\$1,137.0	\$1,237.0
Effective Duration	-1.3 years	-0.5 years
Effective Maturity	3.1 years	3.1 years
Average Coupon	2.5%	2.1%

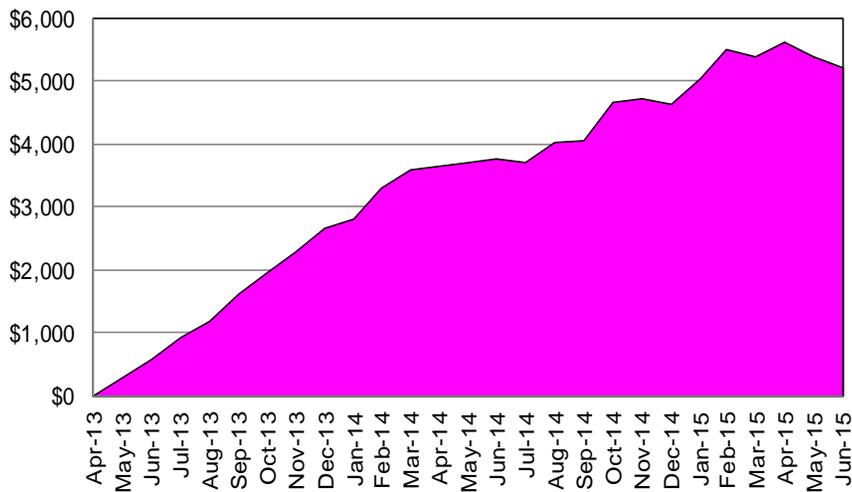
Advisor's Mandate

- Actively managed equity index fund (PSKIX)
- Inception: June 2013
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual Fee = 0.64%

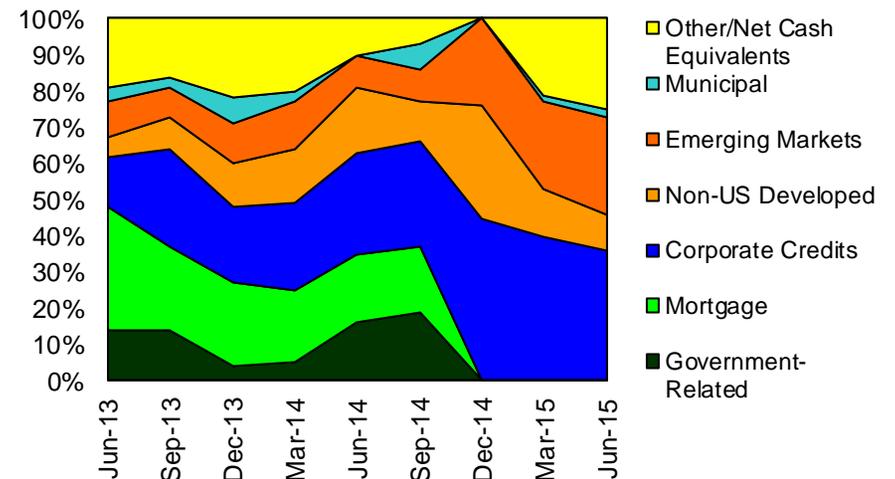
Commentary

- Recall, this fund has a very different strategy. It gets equity exposure through derivatives, then invests the collateral in bonds. This is why we show bond attributes in the "Portfolio Characteristics" section for this fund.

Asset Growth (\$mm)



Historical Bond Sector Distribution



Source: PIMCO, Bloomberg, CIA Analysis



DFA INTERNATIONAL SMALL CAP FUND

Portfolio Characteristics

	DFA Intl Small Cap as of		MSCI ACWI ex US Small Cap as of
	3/31/15	6/30/15	6/30/15
No. of Securities	2,169	2,216	4,267
P/E Ratio	14.2x	12.6x	23.3x
Price/Book Ratio	0.9x	0.9x	1.6x
Avg Mkt Cap (billions)	\$2.5	\$1.4	\$0.6
% in Top 10 Holdings	9.7%	10.0%	7.1%

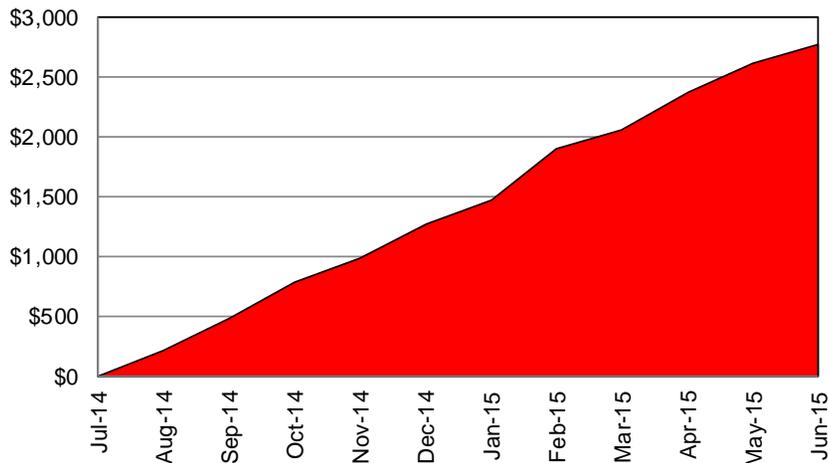
Advisor's Mandate

- Actively managed equity index fund (DISVX)
- Inception: August 2014
- Objective: Exceed total return of the MSCI ACWI ex US Small Cap Fund
- Annual Fee = 0.69%

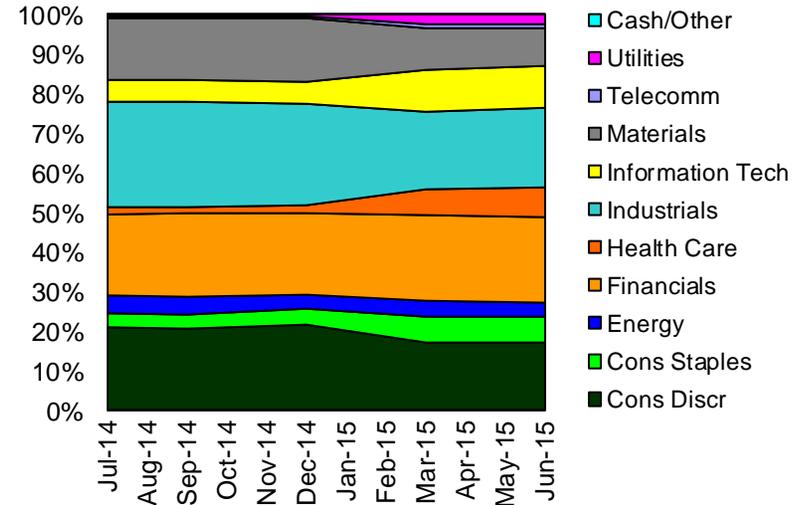
Commentary

- DFA outperformed their benchmark by 103 bps for the second quarter.

Asset Growth (\$mm)



Historical Bond Sector Distribution



Source: DFA, Bloomberg, CIA Analysis



OPPENHEIMER INTERNATIONAL SMALL CAP FUND

Portfolio Characteristics

	Oppenheimer Intl Small Cap as of 3/31/15	Oppenheimer Intl Small Cap as of 6/30/15	MSCI ACWI ex US Small Cap as of 6/30/15
No. of Securities	130	131	4,267
P/E Ratio	20.1x	19.6x	23.3x
Price/Book Ratio	2.9x	2.8x	1.6x
Avg Mkt Cap (billions)	\$3.4	\$3.3	\$0.6
% in Top 10 Holdings	16.4%	16.4%	7.1%

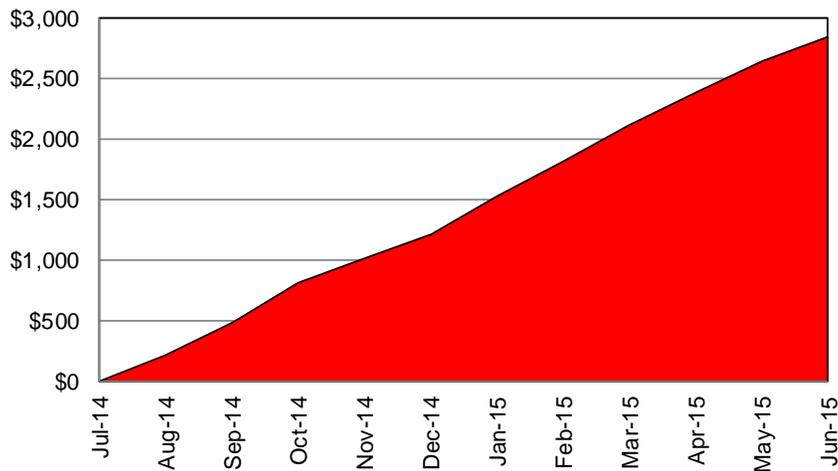
Advisor's Mandate

- Actively managed equity index fund (OSMYX)
- Inception: August 2014
- Objective: Exceed total return of the MSCI ACWI ex US Small Cap Fund
- Annual Fee = 0.95%

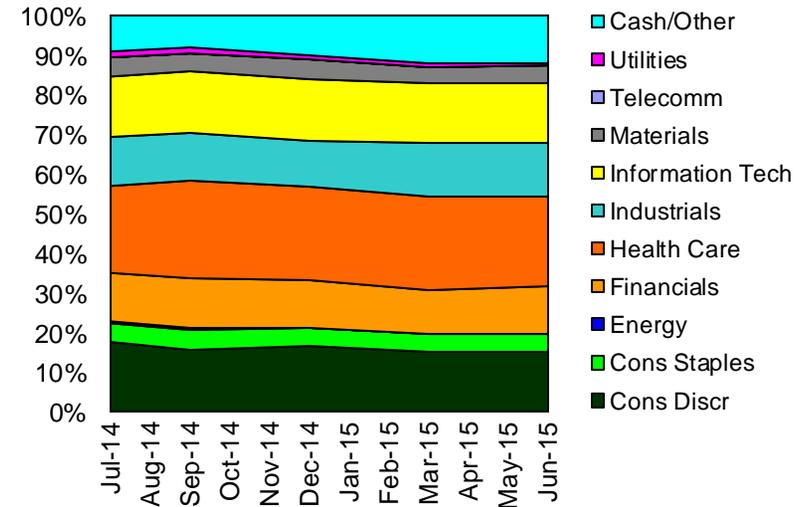
Commentary

- Oppenheimer outperformed their relative benchmark by 118 basis points for the quarter.

Asset Growth (\$mm)



Historical Bond Sector Distribution



Source: Oppenheimer, Bloomberg, CIA Analysis

GR-NEAM®

Louisiana Patient's Compensation Fund

Quarterly Portfolio Review

Data as of June 30, 2015



General Re-New England Asset Management

The material contained in this presentation has been prepared solely for informational purposes by General Re-New England Asset Management, Inc. ("GR-NEAM"), and is not to be distributed outside of the organization to which it is presented. The material is based on sources believed to be reliable and/or from proprietary data developed by GR-NEAM, but we do not represent as to its accuracy or its completeness. This is not an offer to buy or sell any security or financial instrument. Certain assumptions, including tax assumptions, may have been made which have resulted in any returns detailed herein. Past performance results are not necessarily indicative of future performance. Changes to the assumptions, including valuations or cash flows of any instrument, may have a material impact on any results. Please consult with your tax experts before relying on this material. Additional information is available upon request. This document and its contents are proprietary to GR-NEAM. They were prepared for the exclusive use of Louisiana Patient's Compensation Fund. Neither this document nor its contents are to be given or discussed with anyone other than employees, directors, trustees or auditors of Louisiana Patient's Compensation Fund without our prior written consent.

Table of Contents

1. Economic and Capital Market Overview	1
2. Portfolio Review	8
3. Performance Report	19
4. Appendix	23



Economic and Capital Market Overview



Economic & Interest Rate Outlook

Economic Review & Outlook

The story of choking debt levels and aging demographics is not a new one but is the defining aspect of the current economic malaise. The IMF recently confirmed this in their latest World Economic Outlook and justified their anemic 2.2% annual real growth projection for the developed world by citing the aforementioned influences. Specifically, they see no prospect for gross government debt to fall below 100% of GDP (up from 70% pre-crisis). As important, the aging developed world has been a fact of life for both the Japanese (since the mid 90's as their working age population has shrunk) and Western Europe (their contraction began in the late 2000's). Both workforces are forecasted to continue contracting as birth rates decline and immigration remains restrictive. Furthermore, with their populations quickly aging, by 2050 Japan will have 1 retiree for every worker. Western Europe is not much better off (1.6 workers to every retiree in 2050) nor is the U.S. (2.4 workers to every retiree).

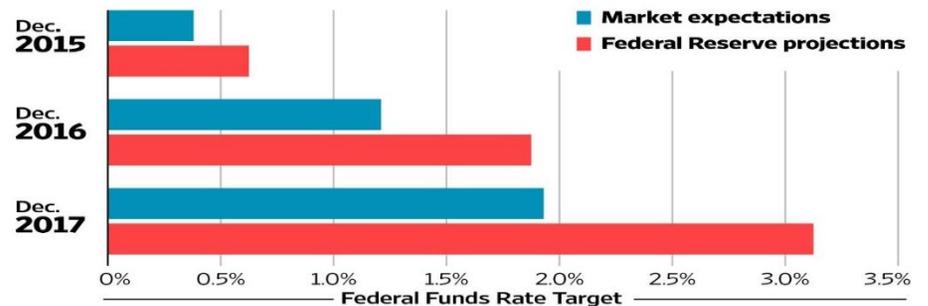
Is it any shock that the Fed came out with yet another dovish statement at their June meeting? Inflation is indeed low and the economy sluggish, but these are the result of the evil twins: debt and demographics. Once again, the Fed finds itself in the uncomfortable position of revising their overly optimistic real economic growth rate to 1.8% from 2.8% at the end of the year. Because of this, the markets simply do not believe the Fed will raise rates anywhere near the pace and path as suggested by the famous dot plots. Yellen wants markets to focus on the data, not the dots, but that has not happened and has perhaps led to the current credibility gap. Our view is the Fed needs to raise rates now and get out of the current negative feedback loop that is keeping their policy much too accommodative.

It should come as no surprise that the world is consumed by the unfolding Greek economic tragedy – it's human nature and it's good TV. Unfortunately, this will end poorly for the Greeks as there is simply no way for them to repay the massive debts they have accumulated. This is not unfamiliar territory for them as they have been here many times during the last century. Their traditional exit strategy – a smile and currency debasement – is currently unavailable to them due to the straitjacket of the common currency. Combine that with a poor demographic situation (they are the world's 5th oldest nation) and their long term outlook is bleak.

The Market Does Not Believe the Fed

Managing Expectations

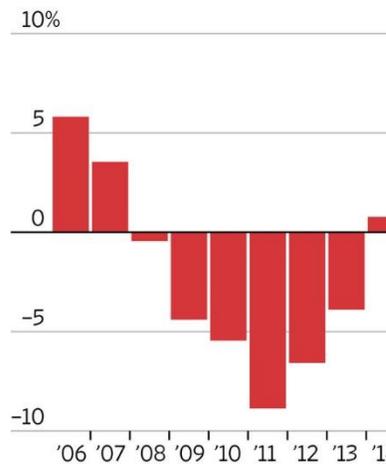
Among the Federal Reserve's biggest challenges is how to communicate its plans for the path of rate increases after the first one is complete.



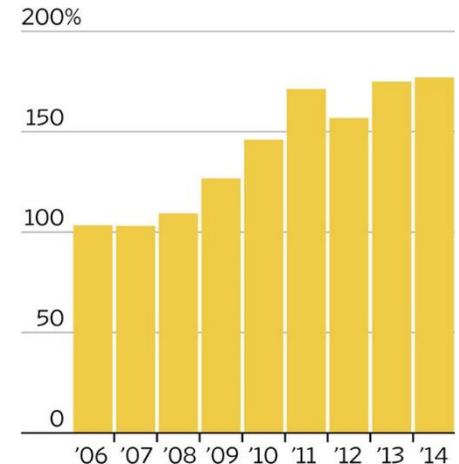
Source: The Wall Street Journal

Greek GDP and Debt Levels

Gross domestic product



Government debt, share of GDP



Source: European Commission, IMF, WSJ

Economic & Interest Rate Outlook

The Greek endgame is upon us as signaled in dramatic fashion by the resounding NO vote in the July 5 anti-austerity referendum. With the ECB's refusal to increase cash to Greek banks, they are currently closed until Thursday, July 9. ATM withdrawals have been limited to €60/day with the banks anticipated to run out of €20 notes in the next few days. Just as many divorces begin amicably only to turn ugly - so too with the Greek crisis. The odds of a "Grexit" increase by the day, but whatever the ultimate outcome, the Eurozone project has suffered irreparable damage.

Capital Market Implications

Economic growth in the U.S. appears strong enough to warrant at least one rate hike by the Fed in 2015. While it remains our base case that we will see the beginning of monetary policy tightening this year, certain outcomes in the Greek crisis could change that. Specifically, if the ECB decides to increase their monthly bond purchase program in an effort to keep peripheral debt yields contained during this crisis, the U.S. dollar will likely appreciate, maybe materially. An appreciating dollar could be a drag on U.S. economic growth and Yellen, as a result, may err on the side of caution and postpone liftoff. Not our base case, but a real possibility.

On a trailing P/E ratio basis, the equity markets are trading at median valuations. However, this is not the case for all sectors. Three sectors stand out as having the widest gap between their median and current P/E ratio: healthcare, technology and telecom. Median valuations for tech and telecom were boosted by the Dot Com period; on a normalized basis, we would expect the gap to be significantly smaller. Healthcare has been going through the throes of high M&A activity and extremely positive investor sentiment for biotech. This has propelled the median and current P/E ratio to widen by about 4 points, the highest of any sector other than technology. On the flip side, the prospect of increasing interest rates has pushed down utilities. This sector had been bid up in the quest for yield. As a result, even after underperforming the rest of the market by approximately 13 points YTD, the utilities sector valuation is just about its median.

Greece Short Term Debt – It's Crunch Time

Date	Payment Type	Amount (€B)
19-Jun	T-Bill Redemption	1.6
30-Jun	IMF Redemption (2010 Loans)	1.5
10-Jul	T-Bill Redemption	2.0
13-Jul	IMF Redemption (2010 Loans)	0.5
17-Jul	GGB Jul17 Interest	0.1
17-Jul	T-Bill Redemption	1.0
20-Jul	ECB SMP Bonds	3.5
01-Aug	IMF Interest (2010+2012 Loans)	0.2
07-Aug	T-Bill Redemption	1.0
14-Aug	T-Bill Redemption	1.4
20-Aug	ECB SMP Bonds	3.2

Source: IMF, ECB, Bloomberg, J.P. Morgan

U.S. Historical Yield Curves

	<u>12/31/11</u>	<u>12/31/12</u>	<u>12/31/13</u>	<u>12/31/14</u>	<u>06/30/15</u>
Fed Funds	0-0.25%	0 - 0.25%	0 - 0.25%	0 - 0.25%	0 - 0.25%
2-Year	0.24%	0.25%	0.38%	0.66%	0.64%
5-Year	0.83%	0.72%	1.74%	1.65%	1.65%
10-Year	1.88%	1.76%	3.03%	2.17%	2.35%
30-Year	2.89%	2.95%	3.97%	2.75%	3.12%

Source: Bloomberg L.P.

Capital Market Outlook

2015 Fixed Income Returns

Strong economic data in the U.S. caused Treasuries to sell-off and the yield curve to steepen, driving absolute returns into negative territory. Despite optimism on the economic front, excess returns in taxable sectors were negative. Most notable was the -61 bps of excess returns in Corporates, hurt by robust new issuance on the heels of record M&A activity. Structured securities did not fare much better as MBS (-21 bps), ABS (-6 bps) and CMBS (-44 bps) all posted negative excess returns. The lone bright spot was Municipals which came back strong in June, posting +66 bps of excess returns and eking out a 0% absolute return.

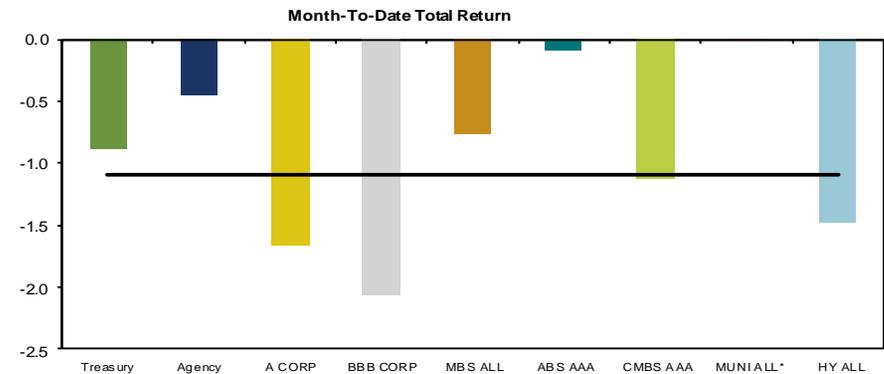
	<u>June</u>	<u>3-Month</u>	<u>YTD</u>
Barclays Capital U.S. Aggregate	-1.09%	-1.68%	-0.10%
Barclays Capital U.S. Munis (Tax Eq)	0.00%	-0.63%	0.59%
Barclays Capital U.S. ABS	-0.06%	0.17%	1.08%
Barclays Capital U.S. Agency	-0.44%	-0.56%	0.60%
Barclays Capital U.S. MBS (Fixed)	-0.77%	-0.75%	0.30%
Barclays Capital U.S. Treasuries	-0.88%	-1.58%	0.03%
Barclays Capital U.S. Corporates	-1.84%	-3.16%	-0.92%

Equity Total Returns

Uncertainty in Europe gave the markets a risk off bias toward the end of the month, helping to drive performance down 1.9% in June. The greatest underperformer was the utilities sector as investors, anticipating the upward trajectory of near term rates, move out of the sector. The drop in gasoline prices finally showed up in a solid retail sales number, which propelled consumer discretionary stocks to outperform the rest of the index; it was the only sector to be in positive territory for the month.

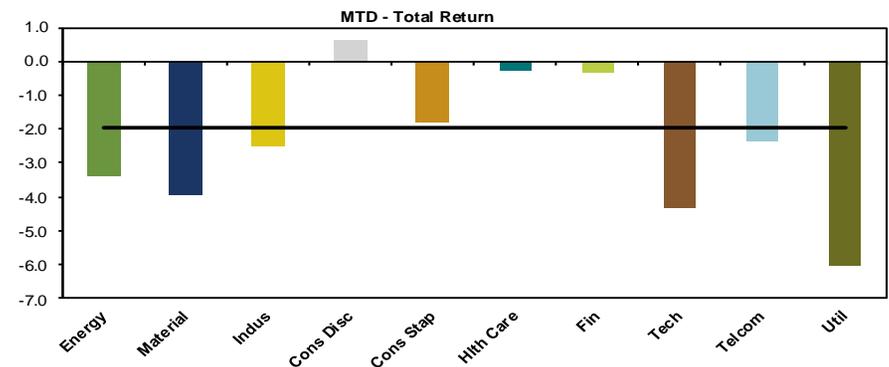
	<u>June</u>	<u>3-Month</u>	<u>YTD</u>
S&P 500	-1.94%	0.28%	1.23%
NASDAQ	-1.56%	2.06%	5.99%

Domestic Fixed Income Sector Returns (6/30/15)



*Taxable Equivalent
Source: Barclays Capital, GR-NEAM

Domestic Equity Returns (6/30/15)



Source: Barclays Capital, GR-NEAM

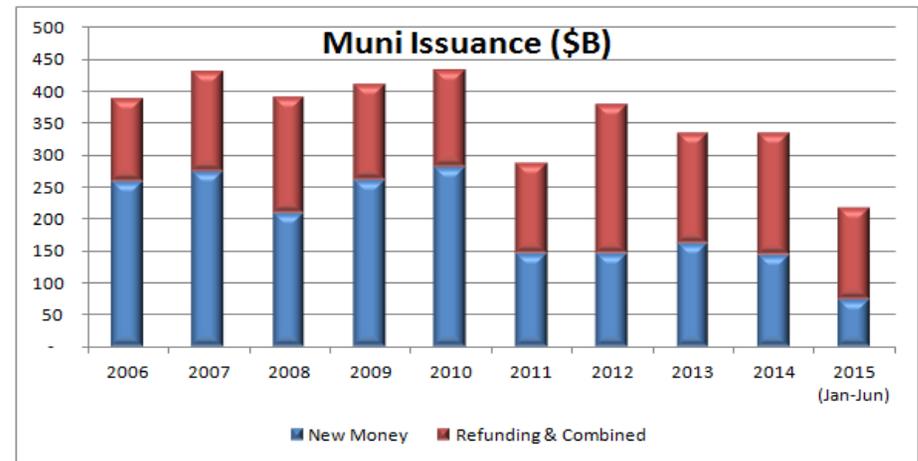
Fixed Income Capital Market Outlook

Municipal Bond Market – June 2015

Tax-exempts posted slightly negative returns in June while handily outperforming the broad taxable market. The Barclays Municipal Bond Index beat the U.S. Aggregate by 100 bps last month, despite the increasingly negative news flow emanating from Puerto Rico. General market conditions have improved following several months of torrid issuance and heavy dealer balance sheets. Refinancing activity remains elevated, but the pace has slowed as interest rates move higher. It remains to be seen if and/or when new money issuance will return to the levels of last decade.

Turning to Puerto Rico, prices on Commonwealth bonds hit all-time lows in June following an admission from Governor Padilla that “the debt is not payable.” While this should not come as a great surprise to anyone given the downward trajectory of bond prices and credit ratings over the past two years, the increased media coverage is a risk to the overall muni market. However, mitigating this is the fact that the Puerto Rico ownership base has been shifting from traditional muni investors to hedge funds since 2013. Losses on certain Puerto Rico credits seem inevitable, as a near-term workout is unlikely given the fragmented nature of the Commonwealth’s debt complex.

Despite the recent outperformance, we continue to favor municipals for long curve exposure. The muni yield curve is steep, and taxable-equivalent yield spreads are attractive relative to other asset classes. While the latest Puerto Rico firestorm has not meaningfully impacted the general market, we remain poised to take advantage should an opportunity arise.



Source: The Bond Buyer

Price History: Puerto Rico General Obligation Bond 8% 7/1/2035 (2014 vintage)



Source: Bloomberg

Fixed Income Capital Market Outlook

Corporate Bond Market – June 2015

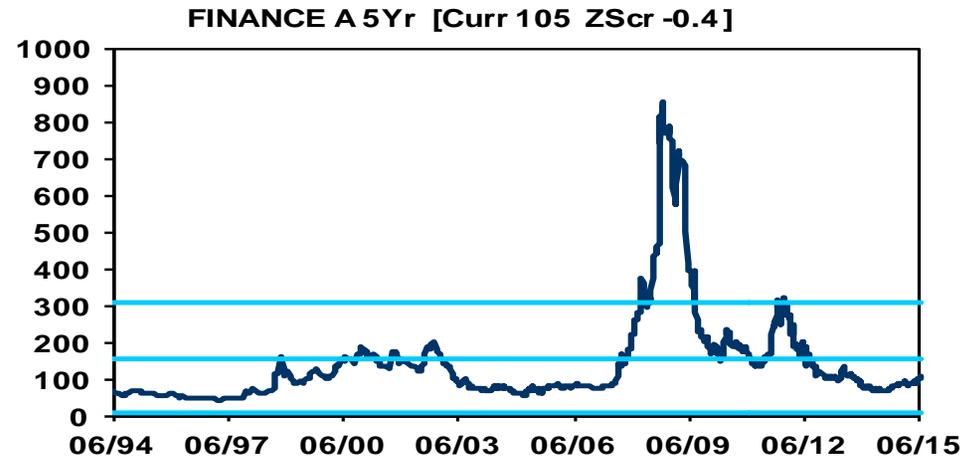
The average spread of the Barclays Capital Corporate Index widened by 12 bps in June to end the month at 145 bps. Corporate bonds underperformed Treasuries with comparable maturities, posting an excess return of -0.61% for the month.

The ongoing negotiations between Greek government officials and creditor institutions, as well as Chinese equity volatility, garnered some attention from corporate bond market participants over the course of the month. However, spreads were little changed in response to the various headlines. After a brief bout of volatility as the corporate market opened on June 29 (following the Greek government decision to call a referendum), corporate spreads quickly settled at roughly unchanged levels.

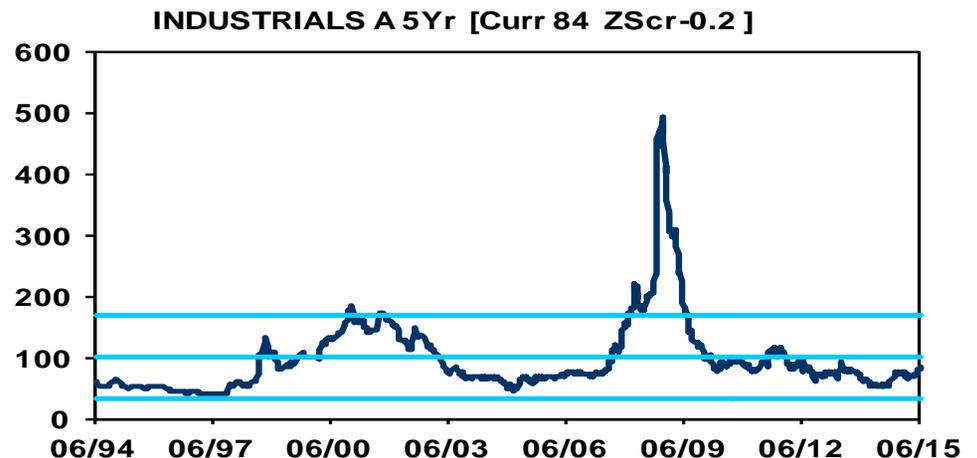
Significant corporate issuance and M&A activity remained important (and associated) themes. A material portion of June supply was issued to fund a merger or put in place a capital structure at a newly spun-off entity.

With heavy supply and some concession offered on many of the new deals, investors have naturally been focused on adding corporate bonds via the primary market in recent weeks. Over the course of June, investor apathy toward secondary market offerings, as well as some selling to fund new issue purchases, pushed spreads a bit wider. Shorter maturity corporate bonds, in particular, saw some modest selling pressure. Conversely, following recent underperformance, we did see some demand for higher quality, longer maturity corporate bonds as 30-year Treasury yields moved above 3%.

We believe we have found select opportunities to add corporate bonds at reasonable valuations in recent weeks. However, we still consider corporate bonds to be fully valued in general and, with credit quality weakening at the margin in many sectors, we have remained selective in our purchases and cautious in adding generic credit risk.



Source: GR-NEAM, Barclays Capital



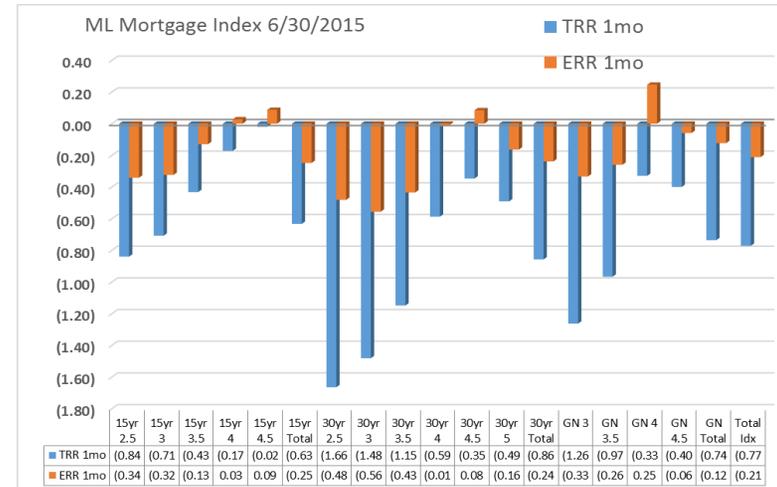
Source: GR-NEAM, Barclays Capital

Fixed Income Capital Market Outlook

Mortgage Backed Securities – June 2015

MBS underperformed Treasuries in June, but performed in line with the BofA ML Broad Market Index at negative 21 bps in excess return. Given the volatility in the rates market during the month, MBS stability was reassuring as we move towards an increase in the Fed Funds rate and an eventual removal of reinvestment into MBS. Rate increases were significant enough to take pressure off the 4% coupon, which performed well for the month. Continued outperformance is likely given the reduced ability to refinance the coupon, along with likely renewed interest from the Fed as they reinvest in current production coupons and fewer lower coupons (i.e. 3%).

We continue to recommend investments in lower cost specified pools while maintaining a neutral overall MBS benchmark allocation. CMO valuations remain modestly rich in the front end (2-year to 7-year) while longer CMOS (10+ years) look attractive on a nominal and OAS basis.

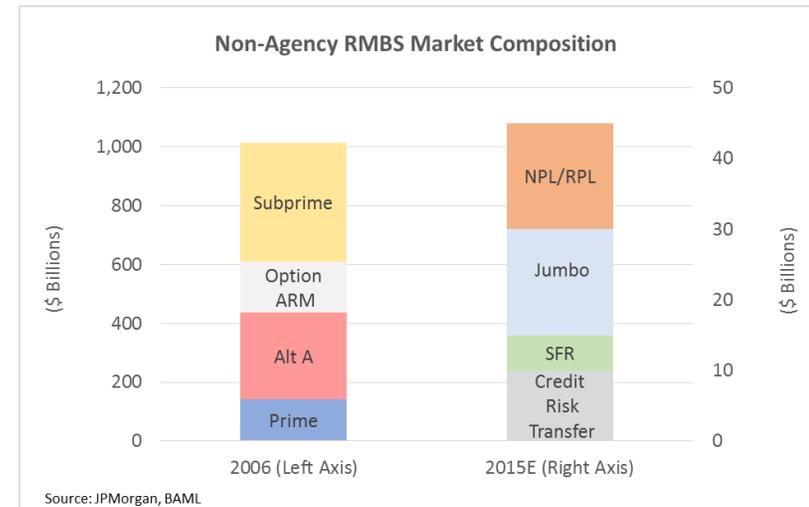


Source: Bank of America Merrill Lynch, GR-NEAM

Asset Backed and Commercial Mortgage Backed Securities

The structured securities markets reacted to the overall market volatility and risk-off tenor by underperforming the index. Within CMBS, a large issuance calendar (YTD up by 32%) and wider corporate spreads conspired to push new issue senior tranche spreads wider by 10 to 15 bps, and subordinated spreads up to 50 bps wider. Consumer ABS, on the other hand, was stable over the month, posting flat excess returns.

The composition of the non-agency RMBS has shifted dramatically since issuance peaked at \$1 trillion in 2006. The current market, at just 5% of the peak level, consists of novel asset types that emerged from the financial crisis. Opportunities in these emerging asset types, including single-family rental homes, non-performing and re-performing loans, and credit risk transfer, provide the potential to earn incremental yield.



Source: JPMorgan, BAML

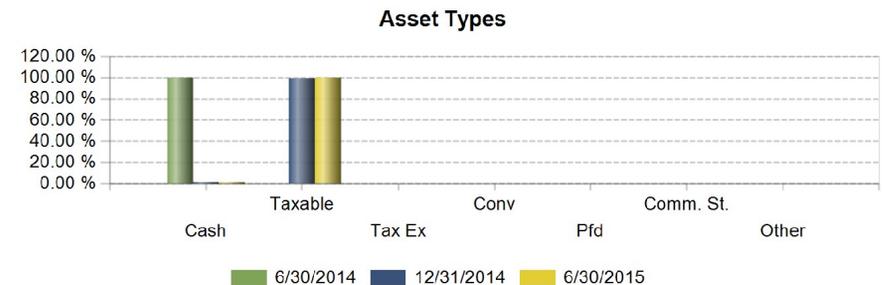
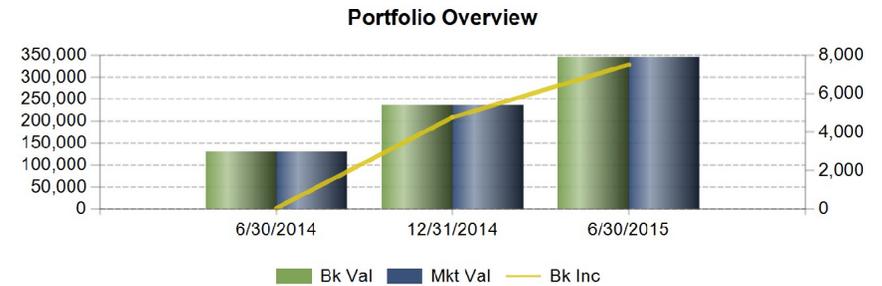


Portfolio Review



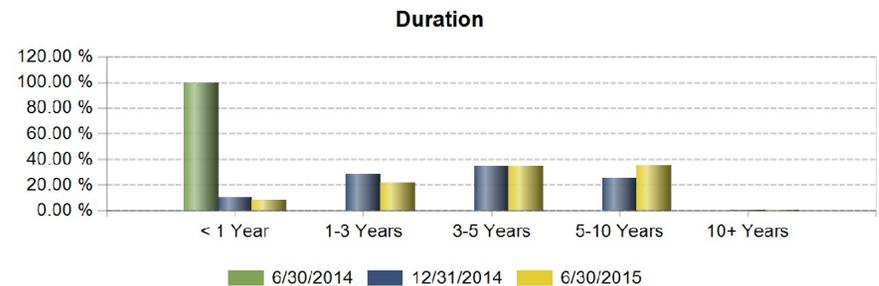
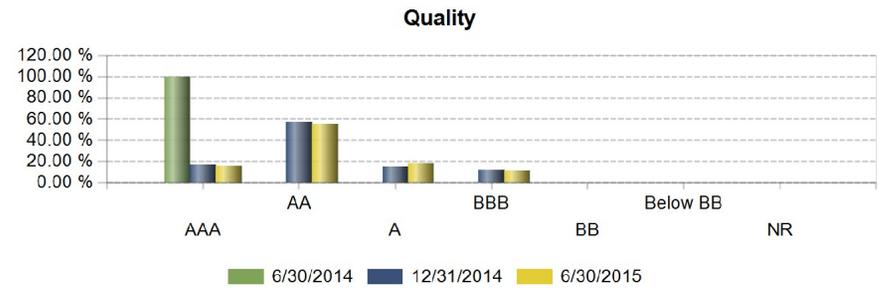
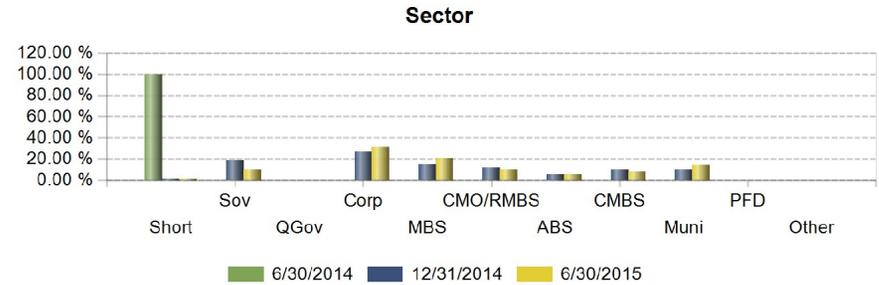
Louisiana Patient's Compensation Fund - Portfolio Multi-Period Summary - Comparative Overview

	6/30/2014	12/31/2014	6/30/2015	Change since 12/31/2014
Portfolio Overview (000's Omitted)				
Book Value	130,000	235,576	345,383	109,807
Market Value	130,000	236,706	344,722	108,016
Total Unrealized Gain/Loss	-	1,130	(660)	(1,791)
Gross Gains	-	1,521	1,021	(500)
Gross Losses	-	(391)	(1,681)	(1,290)
Annualized Book Income	52	4,773	7,514	2,741
Asset Types				
Cash / Cash Equivalents	100.0%	0.9%	0.4%	(0.4%)
Taxable Fixed Income	-	99.1%	99.6%	0.4%
Fixed Income Analytics				
Book Yield	0.04%	2.03%	2.18%	0.15%
Market Yield	0.02%	1.94%	2.19%	0.25%
Average OAD	0.09	3.96	4.20	0.25
Average Life	0.09	5.04	5.39	0.35
Average OAC	0.01	(31.23)	(16.38)	14.85
Average Quality	AAA	AA	AA	
5 Year US Govt On The Run	1.63%	1.65%	1.65%	-



Louisiana Patient's Compensation Fund - Portfolio Multi-Period Summary - Fixed Income Summary

	6/30/2014	12/31/2014	6/30/2015	Change since 12/31/2014
Sector				
Short Term	100%	1%	< 1%	(1%)
Sovereign	-	19%	10%	(9%)
Corporate	-	27%	31%	4%
MBS	-	15%	21%	6%
CMO / RMBS	-	12%	10%	(2%)
ABS	-	6%	6%	-
CMBS	-	10%	8%	(2%)
Municipal	-	10%	14%	4%
Fixed Income	100%	100%	100%	
Quality				
AAA	100.0%	16.6%	15.4%	(1.2%)
AA	-	57.1%	55.0%	(2.1%)
A	-	14.7%	18.5%	3.8%
BBB	-	11.6%	11.1%	(0.5%)
Average Quality	AAA	AA	AA	
Duration				
< 1 Year	100.0%	10.4%	8.2%	(2.2%)
1-3 Years	-	28.7%	21.6%	(7.1%)
3-5 Years	-	34.6%	34.6%	-
5-10 Years	-	25.4%	35.3%	9.9%
10+ Years	-	0.9%	0.3%	(0.6%)
Average Duration	0.09	3.96	4.20	0.25



Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Summary

(000's Omitted)

Long Term Purchases	Market Value	%	Spread (Bp)	Yield	Rating	Duration
Sovereign	4,983	7.1	-	1.12	AA+	2.87
Corporate	22,465	31.9	93	2.41	A-	4.94
MBS	23,693	33.6	70	2.80	AA+	6.23
CMO / RMBS	7,266	10.3	59	1.83	AA+	3.99
ABS	2,000	2.8	54	1.65	AAA	3.34
CMBS	1,718	2.4	81	2.86	AAA	7.56
Municipal	8,385	11.9	112	3.04	AA+	6.53
Total Long Term Purchases	70,510	100.0	76	2.45	AA-	5.34
Other Transactions	Market Value	%	Realized G/L	Yield	Rating	Duration
Paydowns	3,409	96.8	-	2.51	AA+	4.49
Sinking Funds	112	3.2	-	2.99	AA+	7.76
Total Other Transactions	3,521	100.0	-	2.52	AA+	4.59

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
SOVEREIGN												
06/10/2015 06/11/2015	UNITED STATES TREASURY NOTE 912828XA3	1.00	05/15/2018	AA+	5,000	4,983	99.66	-	2.93	2.87	1.12	
Total Sovereign					5,000	4,983		-	2.93	2.87	1.12	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
CORPORATE												
04/07/2015 04/10/2015	IBM CORP 459200GJ4	5.70	09/14/2017	A+	1,000	1,112	111.20	35	2.43	2.29	1.02	
04/15/2015 04/20/2015	BRANCH BANKING & TRUST 07330NAD7	2.30	10/15/2018	A	1,500	1,541	102.71	54	3.49	3.35	1.50	
04/21/2015 04/24/2015	CITIGROUP INC 172967JJ1	2.40	02/18/2020	BBB	1,500	1,511	100.72	93	4.82	4.51	2.24	
04/21/2015 04/24/2015	JPMORGAN CHASE & CO 46625HKA7	2.25	01/23/2020	A-	750	753	100.37	89	4.75	4.46	2.17	
04/21/2015 04/24/2015	MERCK & CO INC 58933YAH8	0.62	05/18/2018	A	1,000	1,005	100.53	19	3.07	0.07	0.45	
04/23/2015 04/28/2015	CSX CORP 126408GT4	3.70	10/30/2020	BBB+	1,500	1,616	107.74	72	5.51	4.71	2.14	
04/23/2015 04/28/2015	MCKESSON CORP 581557BB0	1.29	03/10/2017	BBB	1,000	1,004	100.37	57	1.87	1.84	1.09	
04/28/2015 05/01/2015	AMGEN INC 031162BW9	2.13	05/01/2020	BBB	1,250	1,249	99.92	72	5.00	4.72	2.14	
04/28/2015 05/01/2015	GENERAL ELEC CAP CORP 36962G4J0	5.50	01/08/2020	A+	1,800	2,094	116.36	55	4.69	4.14	1.84	
04/28/2015 05/01/2015	KOHL'S CORPORATION 500255AP9	6.25	12/15/2017	BBB	500	559	111.79	87	2.62	2.40	1.64	
04/28/2015 05/01/2015	WELLS FARGO & COMPANY 94974BGF1	2.15	01/30/2020	A	1,000	1,005	100.49	71	4.75	4.47	2.04	
04/29/2015 05/04/2015	GOLDMAN SACHS GROUP INC 38148LAA4	2.60	04/23/2020	BBB+	1,000	1,006	100.56	105	4.97	4.63	2.48	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
CORPORATE												
05/20/2015 05/26/2015	AMERICAN EXPRESS CREDIT 0258M0DT3	2.38	05/26/2020	A-	1,250	1,249	99.90	85	5.00	4.69	2.40	
06/01/2015 06/10/2015	MARATHON OIL CORP 565849AL0	3.85	06/01/2025	BBB	750	748	99.77	170	9.98	8.22	3.88	
06/16/2015 06/19/2015	BANK OF AMERICA CORP 06051GFB0	4.13	01/22/2024	BBB+	1,500	1,544	102.90	150	8.59	7.09	3.73	
06/16/2015 06/19/2015	GOLDMAN SACHS GROUP INC 38148LAE6	3.75	05/22/2025	A-	2,000	1,978	98.88	154	9.93	8.19	3.89	
06/16/2015 06/19/2015	MORGAN STANLEY 61761JVLO	3.70	10/23/2024	A-	2,500	2,493	99.71	144	9.34	7.79	3.74	
Total Corporate					21,800	22,465		93	5.79	4.94	2.41	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
MBS												
04/30/2015 05/18/2015	FEDERAL NATIONAL MTG ASSOC #AL4319 3138ELYR8	3.00	11/01/2028	AA+	1,964	2,061	104.94	41	5.08	4.68	1.92	
05/15/2015 06/16/2015	FEDERAL HOME LN MTG CORP #G15363 3128MEFC0	3.00	03/01/2030	AA+	1,979	2,074	104.81	45	5.43	4.95	2.02	
05/26/2015 06/11/2015	FEDERAL NATIONAL MTG ASSOC #AS5081 3138WEUF4	3.50	06/01/2045	AA+	1,997	2,093	104.83	78	8.57	7.08	2.80	
05/26/2015 06/18/2015	GOVERNMENT NATL MTG ASSOC II #MA2892 36179RF95	3.50	06/20/2045	AA+	2,000	2,097	104.84	78	7.30	6.18	2.71	
06/10/2015 06/15/2015	FEDERAL HOME LN MTG CORP #Q34069 3132QQQX3	3.50	06/01/2045	AA+	3,740	3,836	102.59	79	8.55	6.93	3.13	
06/10/2015 07/14/2015	FEDERAL NATIONAL MTG ASSOC #AS3377 3138WCXF5	3.50	09/01/2044	AA+	3,697	3,785	102.38	79	8.46	6.88	3.14	
06/10/2015 06/18/2015	GOVERNMENT NATL MTG ASSOC II #MA2892 36179RF95	3.50	06/20/2045	AA+	7,500	7,747	103.29	70	7.30	6.11	2.95	
Total MBS					22,877	23,693		70	7.44	6.23	2.80	
CMO / RMBS												
04/15/2015 04/20/2015	FREDDIE MAC -4449 PA 3137BGMY2	3.00	11/15/2043	AA+	3,985	4,190	105.16	56	5.20	4.79	1.92	
06/24/2015 06/29/2015	FREDDIE MAC -3640 GM 31398VH66	4.00	03/15/2025	AA+	2,885	3,075	106.59	63	3.05	2.89	1.70	
Total CMO / RMBS					6,870	7,266		59	4.29	3.99	1.83	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
ABS												
05/06/2015 05/13/2015	CARMAX AUTO OWNER TRUST 15-2 A4 143127AD0	1.80	03/15/2021	AAA	1,000	1,000	99.97	57	3.84	3.71	1.81	
05/13/2015 05/20/2015	HONDA AUTO RECEIVABLES OWNER T 15-2 A4 43813NAD8	1.47	08/23/2021	AAA	1,000	1,000	99.99	52	3.04	2.97	1.48	
Total ABS					2,000	2,000		54	3.44	3.34	1.65	
CMBS												
05/15/2015 05/20/2015	COMM MORTGAGE TRUST 14-LC17 A4 12592MBJ8	3.65	10/10/2047	AAA	1,500	1,590	105.99	82	9.20	7.85	2.91	
06/23/2015 06/26/2015	COMM MORTGAGE TRUST 14-CR20 A2 12592LBF8	2.80	11/10/2047	AAA	125	128	102.48	72	4.22	3.98	2.18	
Total CMBS					1,625	1,718		81	8.83	7.56	2.86	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Long Term Purchases

Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Cost	Price	Spread	At Purchase			
									Average Life	Duration	Book Yield	
MUNICIPAL												
04/23/2015 04/28/2015	UNIV OF MASSACHUSETTS MA BLDG 914440LC4	4.55	11/01/2025	AA	1,000	1,131	113.13	109	10.51	8.32	3.08	
04/24/2015 05/06/2015	ENERGY N W WA ELEC REVENUE 29270CL37	2.81	07/01/2024	AA-	1,000	1,000	100.00	108	7.69	6.85	2.81	
06/02/2015 06/05/2015	JEFFERSON CNTY CO & JEFFERSON 472719AH6	5.90	12/01/2025	AA+	1,000	1,139	113.85	114	4.49	3.99	2.61	
06/05/2015 06/10/2015	NEW YORK CITY NY TRANSITIONALF 64971WTE0	3.30	02/01/2029	AA+	1,000	927	92.69	148	13.64	10.71	4.00	
06/18/2015 06/22/2015	BALTIMORE CNTY MD 05914FEA4	5.00	11/01/2023	AAA	1,750	1,930	110.31	103	4.36	3.92	2.49	
06/23/2015 06/26/2015	MISSOURI ST HIGHWAYS & TRANSIT 60636WNR2	5.00	05/01/2024	AA-	1,500	1,692	112.82	103	8.85	7.20	3.32	
06/26/2015 07/01/2015	NEW YORK ST DORM AUTH ST PERSO 649902ZP1	5.29	03/15/2025	AA+	500	566	113.21	120	9.71	7.61	3.66	
Total Municipal					7,750	8,385		112	7.90	6.53	3.04	
Total Long Term Purchases					67,922	70,510		76	6.25	5.34	2.45	

Louisiana Patient's Compensation Fund - Portfolio Transaction Analysis - 4/1/2015 thru 6/30/2015 - Transaction Detail

(000's Omitted)

Other Transactions

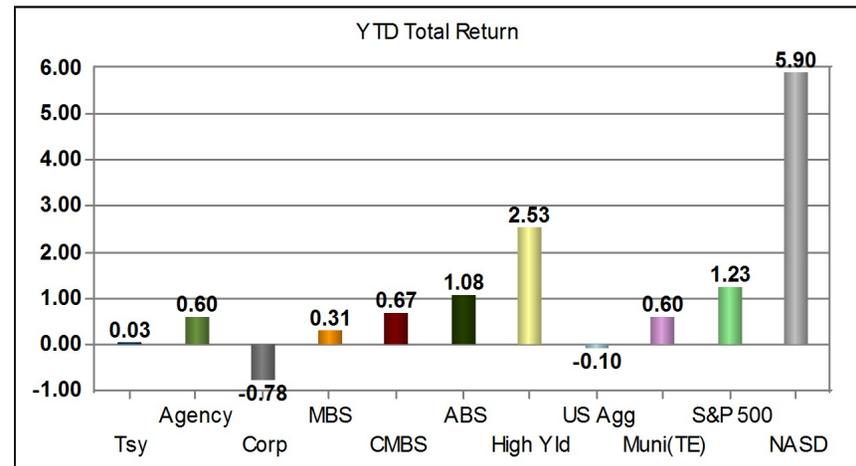
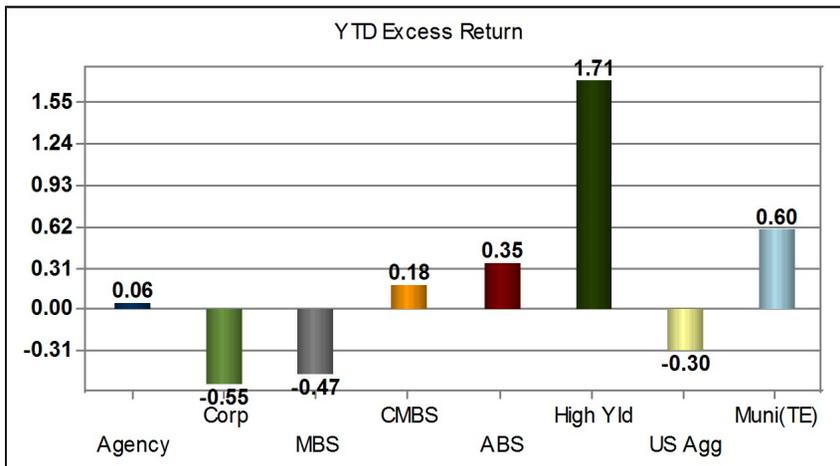
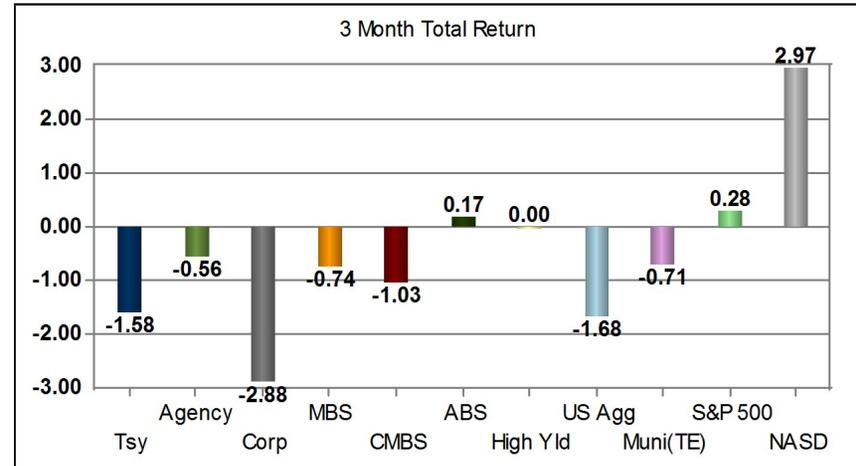
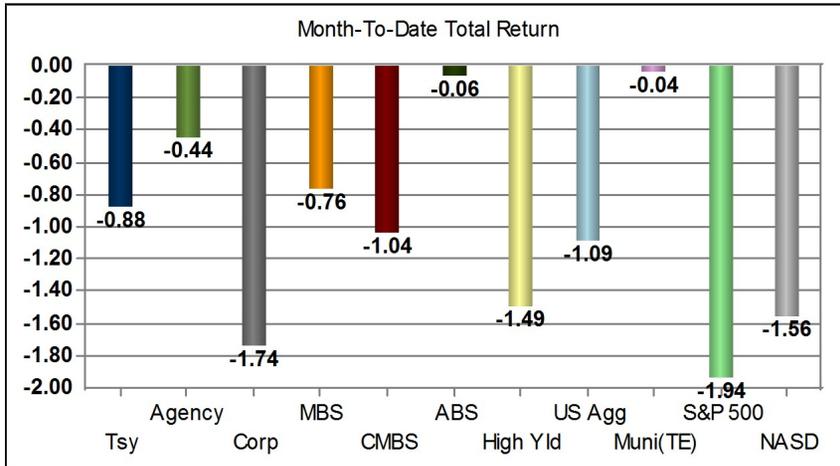
Trade Date Settle Date	Description CUSIP	Cpn	Maturity	Rating	Quantity	Book Value	Principal Proceeds	Price	Realized G/L	Most Recent		Tran Type
										Duration	Book Yield	
SINKING FUNDS												
04/01/2015 04/01/2015	MISSOURI ST HSG DEV COMMISSION 60637BFA3	2.97	08/01/2036	AA+	38	38	38	100.00	-	7.83	2.99	SINK
05/01/2015 05/01/2015	MISSOURI ST HSG DEV COMMISSION 60637BFA3	2.97	08/01/2036	AA+	25	25	25	100.00	-	7.76	2.99	SINK
06/01/2015 06/01/2015	MISSOURI ST HSG DEV COMMISSION 60637BFA3	2.97	08/01/2036	AA+	50	50	50	100.00	-	7.70	2.99	SINK
Total Sinking Funds					112	112	112		-	7.76	2.99	
Total Other Transactions					112	112	112		-	7.76	2.99	



Performance Report



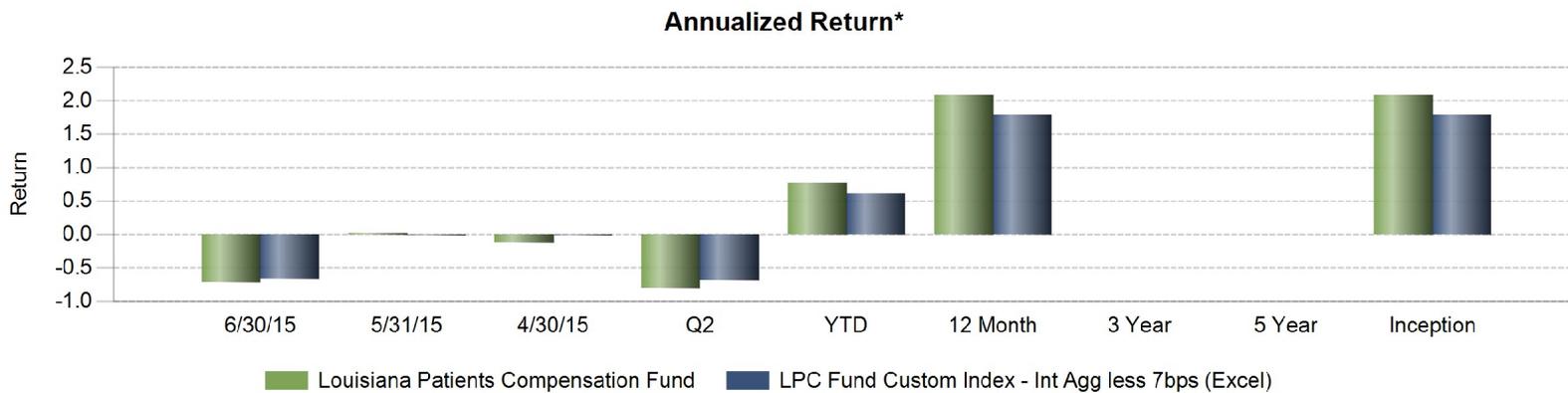
Capital Market Performance Review as of June 2015



Sources: Barclays, BofA Merrill, Bloomberg

Performance

	6/30/2015	5/31/2015	4/30/2015	Q2	YTD	12 Month	Annualized		Inception	Inc Date
Louisiana Patients Compensation Fund - Net of Fee	(0.72)	0.01	(0.12)	(0.83)	0.74	2.01	3 Year	5 Year	2.01	07/01/2014
Louisiana Patients Compensation Fund	(0.71)	0.02	(0.12)	(0.81)	0.77	2.08			2.08	07/01/2014
LPC Fund Custom Index - Int Agg less 7bps (Excel)	(0.66)	(0.01)	(0.02)	(0.68)	0.61	1.79			1.79	07/01/2014
Difference	(0.05)	0.02	(0.10)	(0.12)	0.17	0.30			0.30	



* Periods less than one year are not annualized

Please see the accompanying Disclosure Page for important information regarding this Performance Exhibit.

Performance

Disclosures

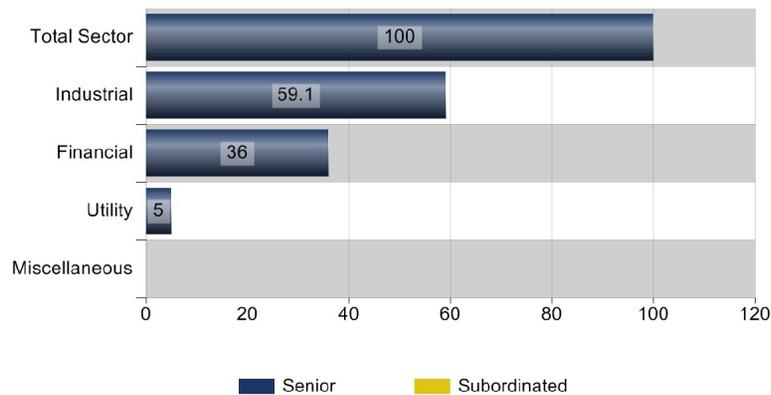
The performance results reflect Louisiana Patients Compensation Fund's portfolio managed by GR-NEAM. A Daily Valuation Methodology that adjusts for cash flows is utilized to calculate portfolio performance. Portfolio returns are calculated daily and geometrically linked to create monthly gross of fee rates of return. Performance results are reported gross of management fees and of custody fees and other charges by the custodian for your account and net of commissions, mark-ups or mark-downs, spreads, discounts or commission equivalents. The performance results for your account are shown in comparison to an index that has been chosen by you. The securities comprising this index are not identical to those in your account. The index is comprised of securities that are not actively managed and does not reflect the deduction of any management or other fees or expenses. Past performance is not indicative of future performance.

Appendix

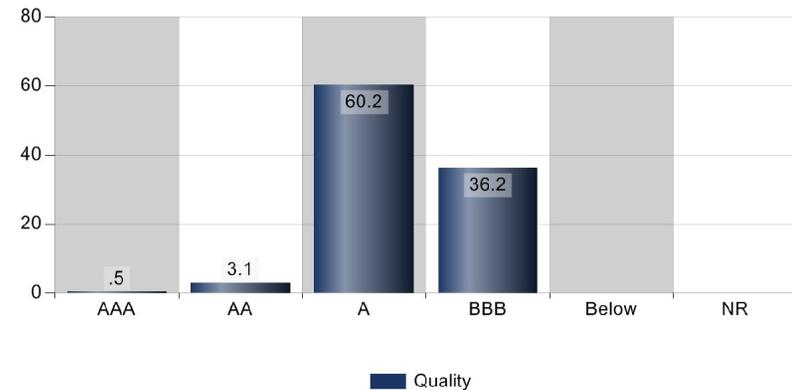


Louisiana Patient's Compensation Fund - Corporate Sector Analysis

Sub-Sector Distribution (% of Corporate Sector)



Quality Distribution (% of Corporate Sector)



Top Issuer Distribution (% of Market Value)

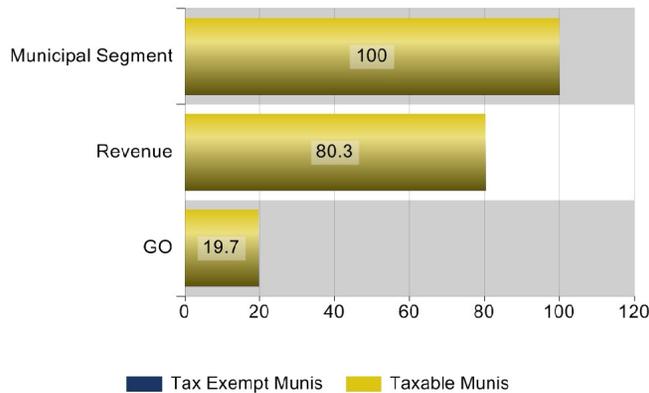
	Qty	Book	Market	Yld	OAD	G/L	%
GOLDMAN SACHS GRO ...	4,500,000	4,500,881	4,491,475	2.90	5.41	(9,406)	4.24
MORGAN STANLEY	4,250,000	4,260,955	4,256,958	2.86	5.43	(3,997)	4.02
JPMORGAN CHASE & CO	4,250,000	4,346,592	4,237,700	2.38	5.01	(108,892)	4.00
GENERAL ELECTRIC CO	3,800,000	4,143,466	4,099,536	1.39	2.73	(43,930)	3.87
WELLS FARGO & CO	4,000,000	4,028,784	3,974,189	1.75	3.54	(54,596)	3.76
CISCO SYSTEMS INC	3,000,000	3,006,091	3,015,239	1.53	2.40	9,148	2.85
PFIZER INC	3,000,000	2,999,407	3,000,531	0.44	0.13	1,124	2.84
INTEL CORP	3,000,000	2,994,026	2,998,920	1.43	2.42	4,894	2.83
CITIGROUP INC	3,000,000	3,009,827	2,978,775	1.91	3.21	(31,052)	2.81
ABBOTT LABORATORIES	3,000,000	3,016,663	2,977,110	1.88	4.46	(39,553)	2.81
Top Issuer Total	35,800,000	36,306,691	36,030,432	1.93	3.65	(276,259)	34.05
Total	104,370,000	106,426,076	105,829,782	1.98	3.55	(596,294)	100.00
Portfolio Total	336,420,303	345,382,666	344,722,315	2.18	4.20	(660,351)	100.00

Top Industry Distribution (% of Market Value)

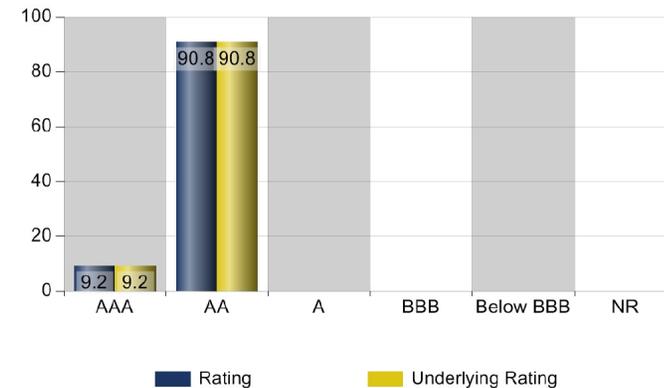
	Qty	Book	Market	Yld	OAD	G/L	%
DIVERSIFIED FINAN SEI ...	18,000,000	18,125,314	17,964,580	2.52	4.80	(160,734)	16.98
BANKS	16,000,000	16,200,978	16,010,698	1.95	3.88	(190,280)	15.13
PHARMACEUTICALS	8,750,000	8,769,537	8,732,710	1.23	2.16	(36,827)	8.25
MEDIA	7,250,000	7,574,680	7,558,163	2.17	3.47	(16,518)	7.14
RETAIL	6,500,000	6,589,763	6,620,295	2.11	3.52	30,532	6.26
ELECTRIC	5,000,000	5,239,783	5,236,985	1.73	3.00	(2,798)	4.95
OIL&GAS	5,000,000	5,207,008	5,233,014	2.69	3.94	26,006	4.94
COMPUTERS	4,500,000	4,617,083	4,605,793	1.01	1.56	(11,290)	4.35
MISCELLANEOUS MANL ...	3,800,000	4,143,466	4,099,536	1.39	2.73	(43,930)	3.87
FOOD	4,000,000	4,022,729	4,007,032	1.88	3.08	(15,696)	3.79
Top Industry Total	78,800,000	80,490,341	80,068,807	1.98	3.54	(421,534)	75.66
Total	104,370,000	106,426,076	105,829,782	1.98	3.55	(596,294)	100.00
Portfolio Total	336,420,303	345,382,666	344,722,315	2.18	4.20	(660,351)	100.00

Louisiana Patient's Compensation Fund - Municipal Sector Analysis

Sub-Sector Distribution (% of Municipal Segment)



Quality Distribution (% of Municipal Segment)



Top Revenue Distribution (% of Municipal Segment)

	Qty	Book	Market	Bk Yld	OAD	G/L	%
College Revenue	8,680,000	8,988,563	8,884,255	2.84	6.88	(104,308)	18.53
Sewer Revenue	5,060,000	5,007,488	5,019,523	2.88	6.36	12,035	10.47
Water Revenue	4,180,000	4,538,826	4,489,442	2.82	6.63	(49,384)	9.36
Income Tax Rev.	4,390,000	4,501,131	4,481,084	2.76	5.94	(20,047)	9.35
Housing	3,790,496	3,790,496	3,799,403	2.92	5.15	8,906	7.93
Electric Rev.	2,660,000	3,079,344	3,033,027	3.02	7.42	(46,317)	6.33
Fuel Sales Tax	1,500,000	1,692,086	1,693,290	3.32	7.20	1,204	3.53
Highway Tolls	1,500,000	1,500,000	1,538,715	2.93	7.42	38,715	3.21
Lease (Abate)	1,000,000	1,136,386	1,132,300	2.61	5.14	(4,086)	2.36
Misc. Revenue	1,000,000	1,089,141	1,081,360	2.23	4.73	(7,781)	2.26
Top Rev. Total	33,760,496	35,323,462	35,152,399	2.86	6.43	(171,063)	73.33
Municipal Total	46,245,496	48,139,993	47,939,628	2.80	6.29	(200,365)	13.91
Portfolio Total	336,420,303	345,382,666	344,722,315	2.18	4.20	(660,351)	100.00

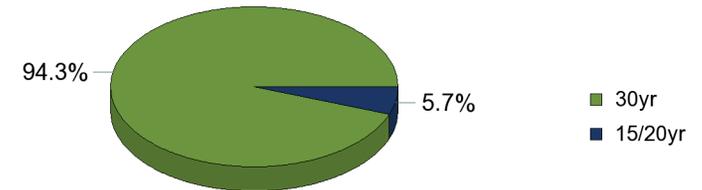
Top State Distribution (% of Municipal Segment)

	Qty	Book	Market	Bk Yld	OAD	G/L	%
California	8,650,000	8,954,448	8,907,152	2.95	6.77	(47,297)	18.58
New York	6,990,000	7,176,241	7,137,884	2.90	6.49	(38,357)	14.89
Virginia	4,500,000	4,433,348	4,459,285	2.65	5.68	25,937	9.30
Missouri	3,290,496	3,482,582	3,478,093	3.15	5.80	(4,490)	7.26
Massachusetts	2,720,000	2,891,435	2,841,786	2.57	6.75	(49,650)	5.93
Indiana	2,090,000	2,090,000	2,088,145	2.71	6.00	(1,855)	4.36
Georgia	2,000,000	2,000,000	2,007,900	1.78	3.31	7,900	4.19
Florida	1,750,000	2,028,262	1,995,175	3.13	7.48	(33,087)	4.16
Maryland	1,750,000	1,929,427	1,930,478	2.49	5.19	1,051	4.03
Colorado	1,500,000	1,636,386	1,619,030	2.55	5.50	(17,356)	3.38
Top State Total	35,240,496	36,622,130	36,464,926	2.78	6.15	(157,204)	76.06
Municipal Total	46,245,496	48,139,993	47,939,628	2.80	6.29	(200,365)	13.91
Portfolio Total	336,420,303	345,382,666	344,722,315	2.18	4.20	(660,351)	100.00

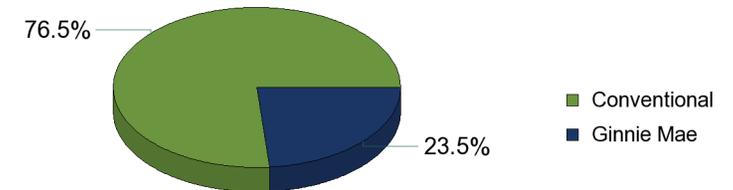
Louisiana Patient's Compensation Fund - MBS Surveillance

Pools - Term by Coupon	Book	Market	Market %	Unreal G/L	Book Yield	OAD	Avg Life	Market Yield
Conventional								
15/20yr - 3	4,123	4,082	5.7	(41)	2.0	3.8	4.3	2.0
<i>15/20yr Total</i>	<i>4,123</i>	<i>4,082</i>	<i>5.7</i>	<i>(41)</i>	<i>2.0</i>	<i>3.8</i>	<i>4.3</i>	<i>2.0</i>
30yr - 3	3,394	3,453	4.8	59	3.3	6.4	8.8	3.0
30yr - 3.5	25,969	25,846	36.0	(123)	2.9	6.0	7.8	3.0
30yr - 4	21,429	21,567	30.0	138	2.9	4.7	6.1	2.7
<i>30yr Total</i>	<i>50,793</i>	<i>50,867</i>	<i>70.8</i>	<i>74</i>	<i>2.9</i>	<i>5.5</i>	<i>7.2</i>	<i>2.9</i>
Conventional Total	54,916	54,949	76.5	33	2.9	5.4	6.9	2.8
Ginnie Mae								
30yr - 3	2,045	2,004	2.8	(41)	2.5	5.5	6.9	2.6
30yr - 3.5	14,887	14,887	20.7	0	2.8	5.0	6.7	2.6
<i>30yr Total</i>	<i>16,932</i>	<i>16,891</i>	<i>23.5</i>	<i>(41)</i>	<i>2.7</i>	<i>5.0</i>	<i>6.7</i>	<i>2.6</i>
Ginnie Mae Total	16,932	16,891	23.5	(41)	2.7	5.0	6.7	2.6
Grand Total	71,847	71,840	100.0	(8)	2.8	5.3	6.9	2.8

MBS Portfolio by Mortgage Type

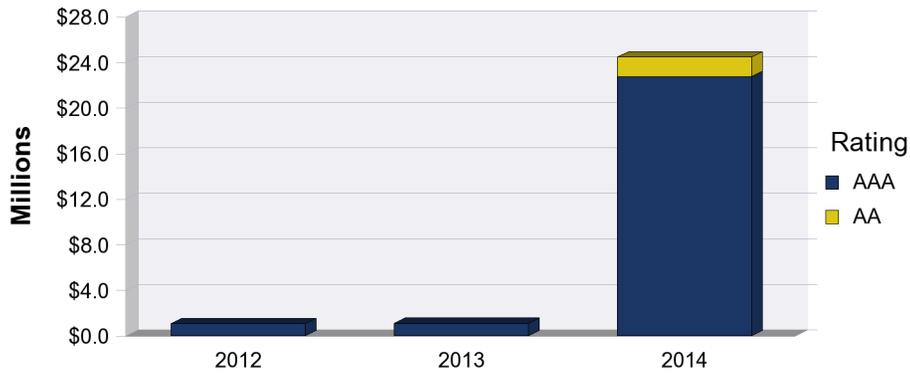


MBS Portfolio by Issuer

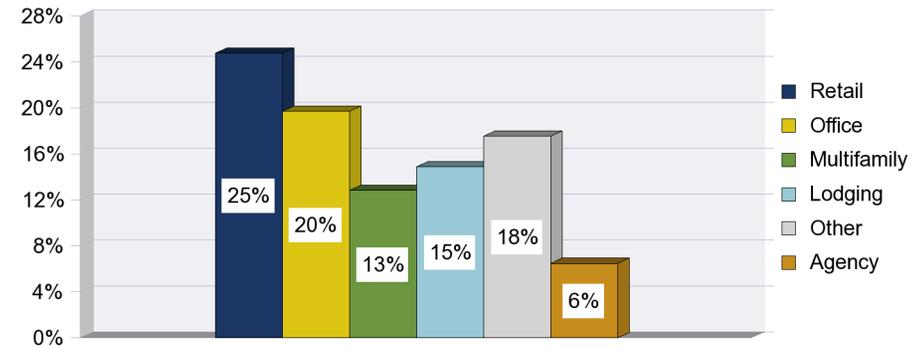


Louisiana Patient's Compensation Fund - CMBS Surveillance

Ratings by Vintage (BV)



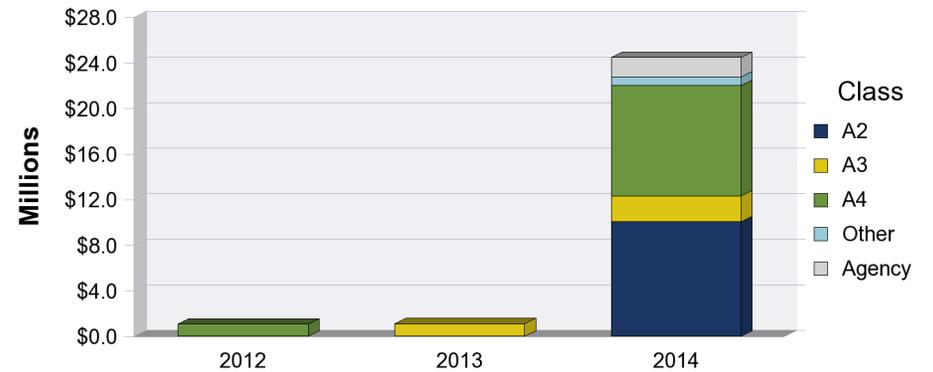
Exposure by Property Type (BV)



Vintage	Book %	Par	Book	Market	Unreal G/L
2012	3.94	1.00	1.05	1.03	(0.02)
2013	4.07	1.00	1.08	1.05	(0.03)
2014	91.99	23.99	24.47	24.60	0.13
	100.00	25.99	26.60	26.68	0.07

Rating	Book %	Par	Book	Market	Unreal G/L
AAA	93.55	24.28	24.89	24.96	0.07
AA	6.45	1.71	1.72	1.72	0.00
A	-	-	-	-	-
BBB	-	-	-	-	-
BELOW BBB	-	-	-	-	-

Class by Vintage (BV)



Louisiana Patient's Compensation Fund - CMBS Surveillance

Asset ID	Asset Description	Factor	Qty	Book	Market	Unreal G/L	Price	Rating	Avg Life	Orig Supp %	Curr Supp %	Total Delinq % (1)	Weighted Avg DSCR (2)	Debt Service Coverage % <1 (3)	Fully Defeased %
CMBS															
12591KAD7	COMM 2013-CR12 A3	1.00	1,000,000	1,081,942	1,051,440	(30,502)	105.14	AAA	8.13	30.00	30.35	0.00	1.67	2.56	-
12591QAQ5	COMM 2014-UBS4 A4	1.00	2,000,000	2,018,113	2,026,440	8,327	101.32	AAA	8.83	30.00	30.18	0.25	1.75	0.00	-
12592GAZ6	COMM 2014-CR19 A2	1.00	1,000,000	1,024,881	1,033,230	8,349	103.32	AAA	4.10	30.00	30.2	0.00	1.91	0.23	-
12592LBF8	COMM 2014-CR20 A2	1.00	1,375,000	1,410,549	1,410,846	297	102.61	AAA	4.21	30.00	30.15	0.00	1.80	0.00	-
12592LBH4	COMM 2014-CR20 A3	1.00	1,250,000	1,261,665	1,257,975	(3,690)	100.64	AAA	9.12	30.00	30.15	0.00	1.80	0.00	-
12592MBJ8	COMM 2014-LC17 A4	1.00	1,500,000	1,588,840	1,554,900	(33,940)	103.66	AAA	9.09	30.00	30.18	0.42	1.72	0.81	-
12632QAW3	COMM 2014-CR18 A4	1.00	2,000,000	2,021,529	2,053,780	32,251	102.69	AAA	8.75	30.00	30.18	0.00	1.71	0.31	-
36253GAB8	GSMS 2014-GC24 A2	1.00	1,750,000	1,794,478	1,815,153	20,674	103.72	AAA	4.11	30.00	30.14	0.00	1.80	0.00	-
36253GAD4	GSMS 2014-GC24 A4	1.00	1,000,000	1,009,219	1,028,550	19,331	102.86	AAA	9.08	30.00	30.14	0.00	1.80	0.00	-
46643GAB6	JPMBB 2014-C24 A2	1.00	2,000,000	2,051,712	2,062,700	10,988	103.14	AAA	4.26	30.00	30.07	0.00	1.80	0.00	-
46643GAE0	JPMBB 2014-C24 A5	1.00	750,000	771,096	768,923	(2,174)	102.52	AAA	9.24	30.00	30.07	0.00	1.80	0.00	-
61760VAP8	MSC 2012-C4 A4	1.00	1,000,000	1,047,974	1,025,360	(22,614)	102.54	AAA	6.46	30.00	31.3	10.98	1.83	4.16	-
61763KAZ7	MSBAM 2014-C15 A3	1.00	1,000,000	1,036,982	1,045,450	8,468	104.54	AAA	8.49	30.00	30.26	0.00	-	-	-
61763UAV4	MSBAM 2014-C17 A2	1.00	2,900,000	2,971,461	3,007,387	35,927	103.70	AAA	4.01	30.00	30.15	0.00	1.61	0.00	-
92890KAX3	WFRBS 2014-C22 A2	1.00	750,000	769,056	775,268	6,212	103.37	AAA	4.13	30.00	30.13	0.00	2.26	3.32	-
92939FAT6	WFRBS 2014-C21 A4	1.00	3,000,000	3,027,293	3,041,130	13,837	101.37	AAA	8.92	30.00	30.19	0.00	2.73	0.17	-
			24,275,000	24,886,792	24,958,531	71,739		AAA	6.85	30.00	30.21	0.51	1.81	0.50	-
Agency CMBS															
38378XXN6	GNR 2014-159 PH	0.98	1,712,616	1,715,883	1,717,634	1,751	100.29	AA+	5.47	100.00	100	0.00	-	-	-
			1,712,616	1,715,883	1,717,634	1,751		AA+	5.47	100.00	100.00	0.00	-	-	-
Grand Total:			25,987,616	26,602,675	26,676,165	73,490		AAA	6.76	34.52	34.72	0.48	1.70	0.46	-

(1) Total Delinquency includes specially serviced loans

(2) Pool weighted average ratio of net property cash flow (NOI) to actual debt service payment

(3) Percent of loans in pool with actual debt service payment greater than net property cash flow (NOI)

Louisiana Patient's Compensation Fund

J.P. Morgan Asset Management
Global Insurance Solutions

2nd Quarter 2015 Portfolio Review

Joseph W. Walden, CFA, Senior Portfolio Manager
614.213.9158, joseph.w.walden@jpmorgan.com

Dawn Silvia, Client Portfolio Manager
614-213-8838, dawn.s.silvia@jpmorgan.com

This Page Intentionally Left Blank

Agenda

- **Portfolio Performance and Review**
- **Transactions**
- **Holdings**
- **Watchlist**
- **Economic and Market Outlook**

Risk assets sell off as lower oil prices, and Greece/China concerns weigh on markets

OAS	12/31/14	3/31/15	6/30/15	QTD Change	YTD Change
Barclays Intermediate Agency	11	12	13	1	2
Barclays Intermediate Government	1	1	1	0	0
Barclays MBS Index	27	20	26	6	-1
Barclays CMBS Index	98	95	101	7	3
Barclays ABS Index	58	62	62	0	3
Barclays Intermediate Credit Index	98	97	110	13	12
BB Index (2% issuer constrained)	326	319	333	15	7

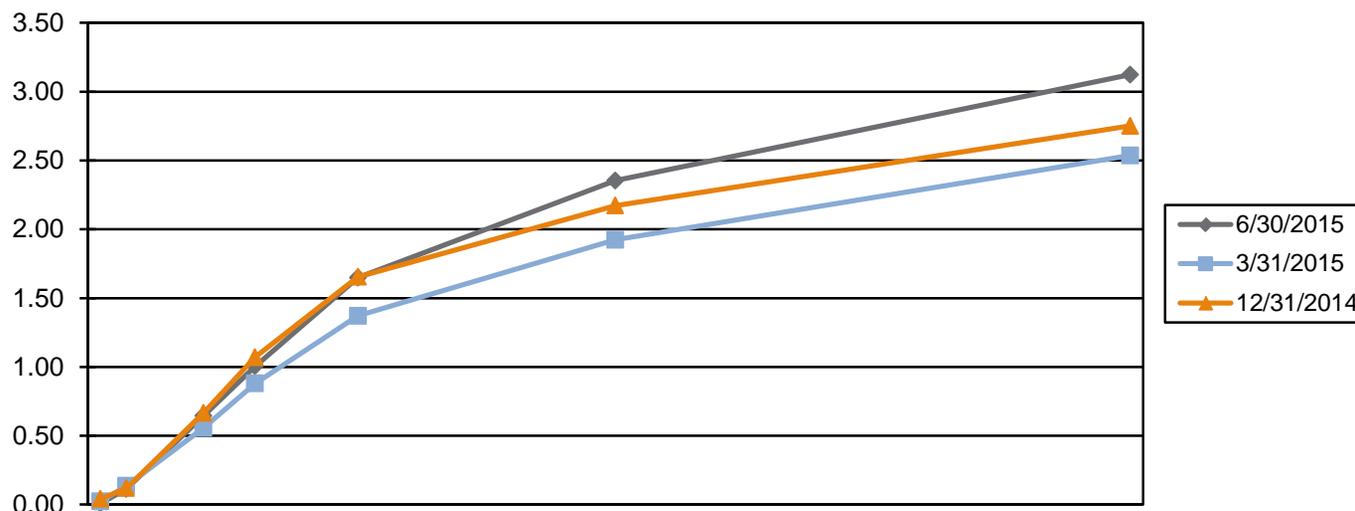
Market Returns	1 Month	3 Month	YTD 2015	Excess Return QTD	Excess Return YTD
Barclays Intermediate Agency	-0.17	-0.04	0.91	0.04	0.10
Barclays Intermediate Government	-0.39	-0.43	0.82	0.00	0.01
Barclays MBS Index	-0.76	-0.74	0.31	0.05	-0.45
Barclays CMBS Index	-1.02	-1.06	0.69	-0.31	0.05
Barclays ABS Index	-0.06	0.17	1.08	0.21	0.35
Barclays Intermediate Credit Index	-0.93	-0.94	0.82	-0.34	-0.01
BB Index (2% issuer constrained)	-1.49	-0.37	2.35	0.57	1.69

Source: Barclays Capital Inc.

Past performance is not indicative of future returns.

Rates higher, curve steeper on rate hike anticipation

Treasury Yield Curve



As of	Yield							Spread				
	3 Mo	6 Mo	2 Yr	3 Yr	5 Yr	10 Yr	30 Yr	3 Mo - 2 Yr	3 Mo - 5 Yr	3 Mo - 30 Yr	2 Yr - 10 Yr	10 Yr - 30 Yr
6/30/2015	0.01	0.11	0.65	1.01	1.65	2.35	3.12	0.64	1.64	3.12	1.71	0.77
3/31/2015	0.02	0.14	0.56	0.88	1.37	1.92	2.54	0.53	1.35	2.51	1.37	0.61
12/31/2014	0.04	0.12	0.67	1.07	1.65	2.17	2.75	0.63	1.61	2.71	1.51	0.58
Difference												
QTD	-0.02	-0.02	0.09	0.13	0.28	0.43	0.59	0.10	0.29	0.60	0.34	0.16
YTD	-0.03	0.00	-0.02	-0.07	0.00	0.18	0.37	0.01	0.03	0.41	0.20	0.19

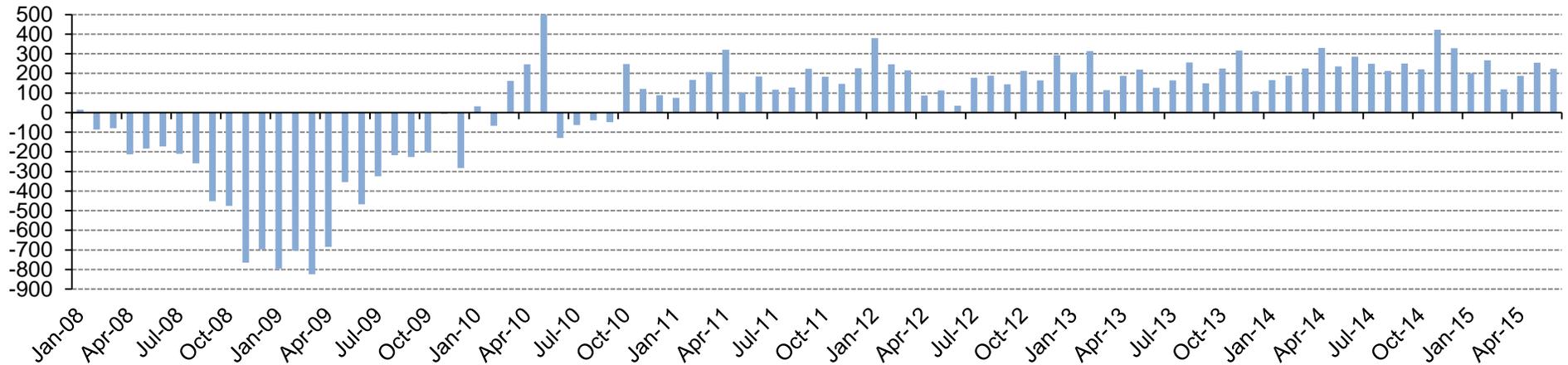
- After grinding lower since 2012, inflation stabilized in 2014. Consumer prices increased 0.3% m/m in June 2015, and .1% y/y, with the core CPI up 1.8% y/y.

Source: Bloomberg

Employment Update

As of June 30th, 2015

Monthly Changes in Non-farm Payroll Employment



Source: JPMorgan Investment Advisors Inc. using data from the Bureau of Economic Analysis, U.S. Department of Commerce.

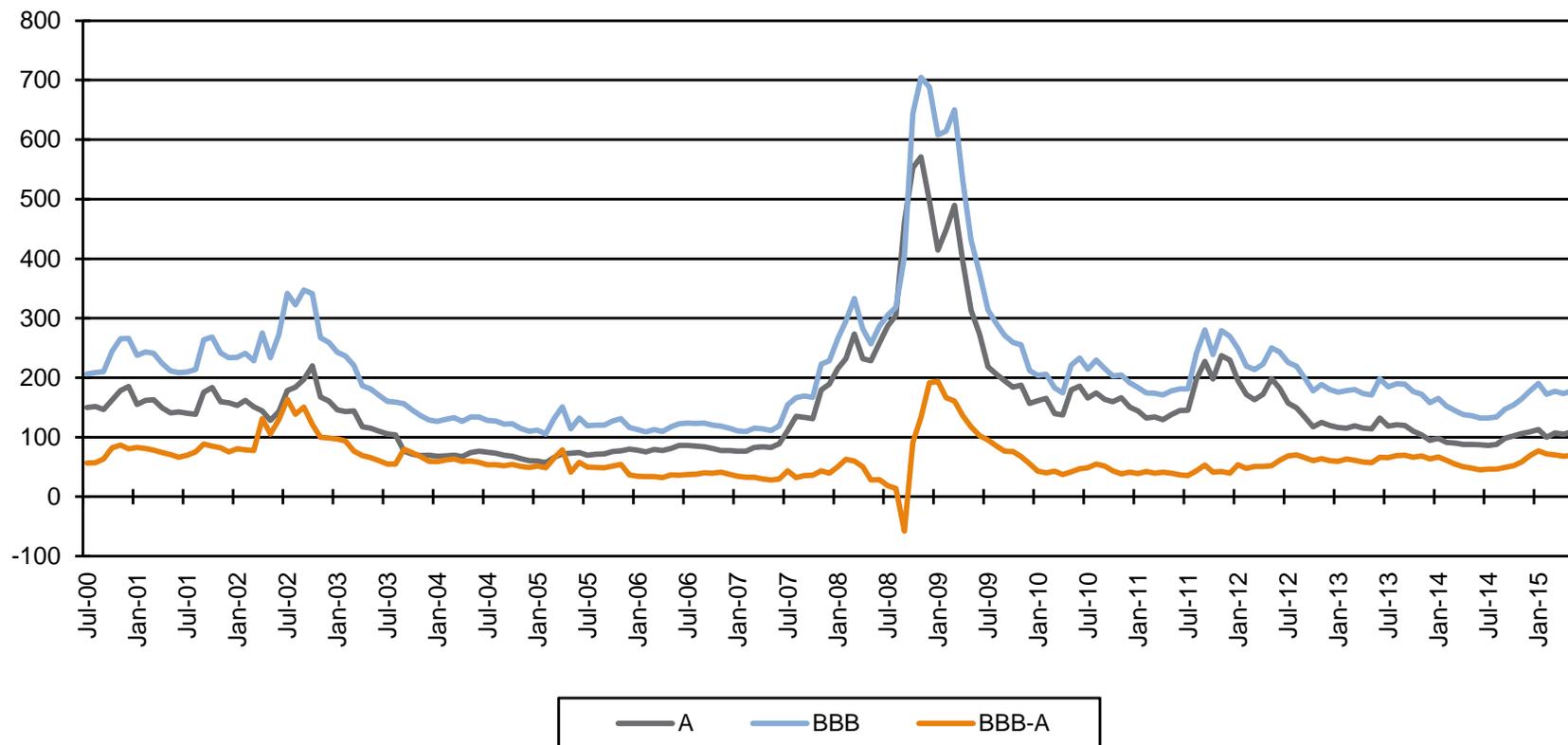
- The U.S. payroll increased 223k in June, below the consensus of 233K.
- The unemployment rate continues its downward march. At 5.3% in June, joblessness stands more than a full percentage point below its 6.7% end-2013 level. The labor force participation rate (the share of the working-age population actively engaged in the job market) ticked down from 62.9% in May to 62.6% in June.
- Average hourly earnings were unchanged M/M in June.

Historical Index OAS Comparison

July 2000 through June 2015

Historical Credit OAS

15 Year History - Monthly



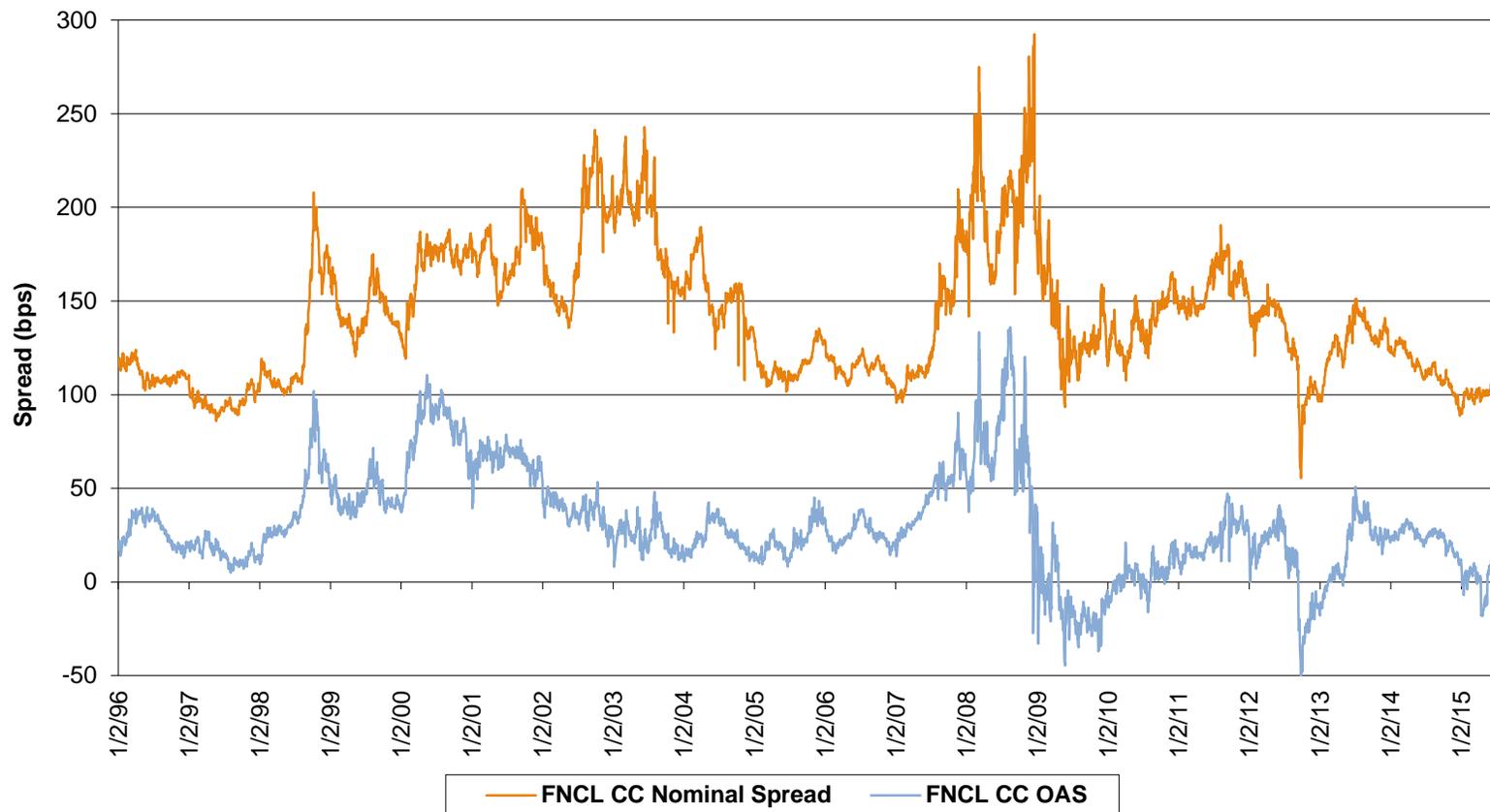
	Min	Min Date	Max	Max Date	Avg	Median	StDev	4/30/2015	5/31/2015	6/30/2015	Percentile
A	48	2/28/1997	571	11/28/2008	123	102	81	105	109	120	45%
BBB	72	7/31/1997	705	11/28/2008	178	154	98	173	178	190	53%
BBB-A	-58	9/30/2008	193	1/30/2009	56	50	29	68	69	70	74%

Source: Barclays. Chart is a 15yr history. Data ranges (max, min, etc.) are since inception.

Historical Mortgage Spreads

January 1996 through June 2015

Current Coupon Spreads



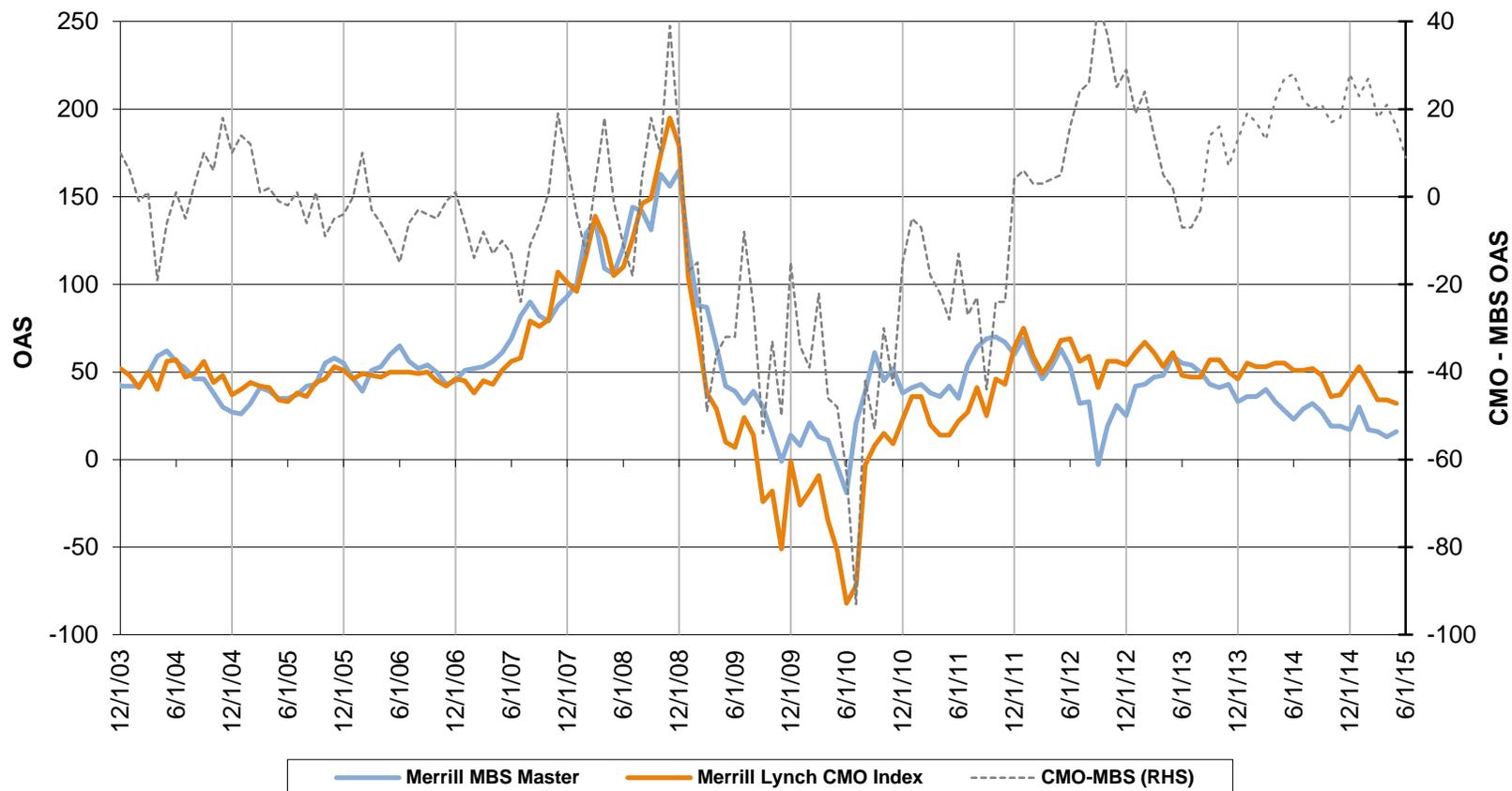
	Min	Min Date	Max	Max Date	Avg	Median	StDev	12/31/14	3/31/15	6/30/15	Percentile
FNCL CC Spread	55	9/25/12	292	12/18/08	142	138	35	92	100	110	15%
FNCL CC OAS	-50	9/25/12	136	8/14/08	30	26	27	12	2	12	18%

Source: YieldBook. Data ranges (min, max, etc.) since January 2nd, 1996.

Agency CMOs

December 2003 through June 2015

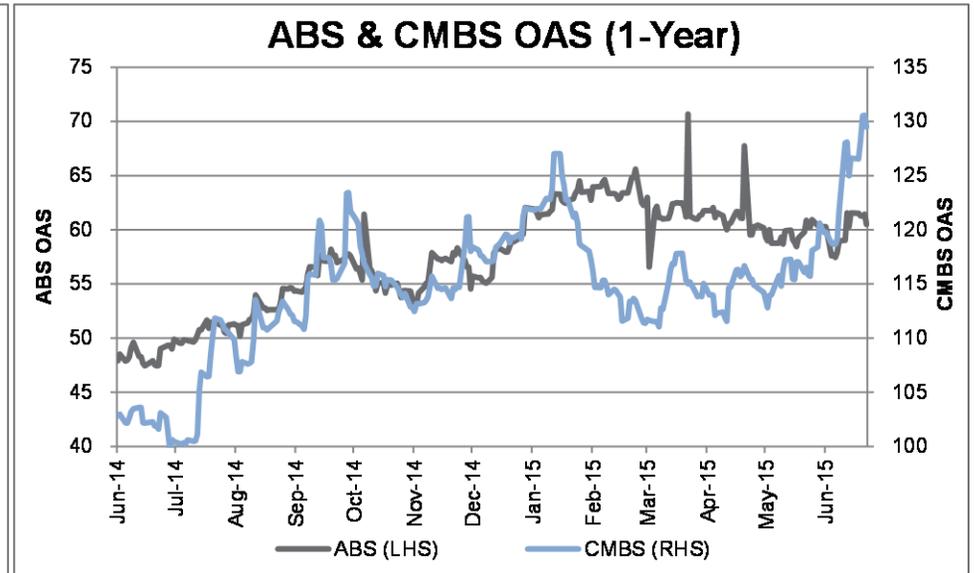
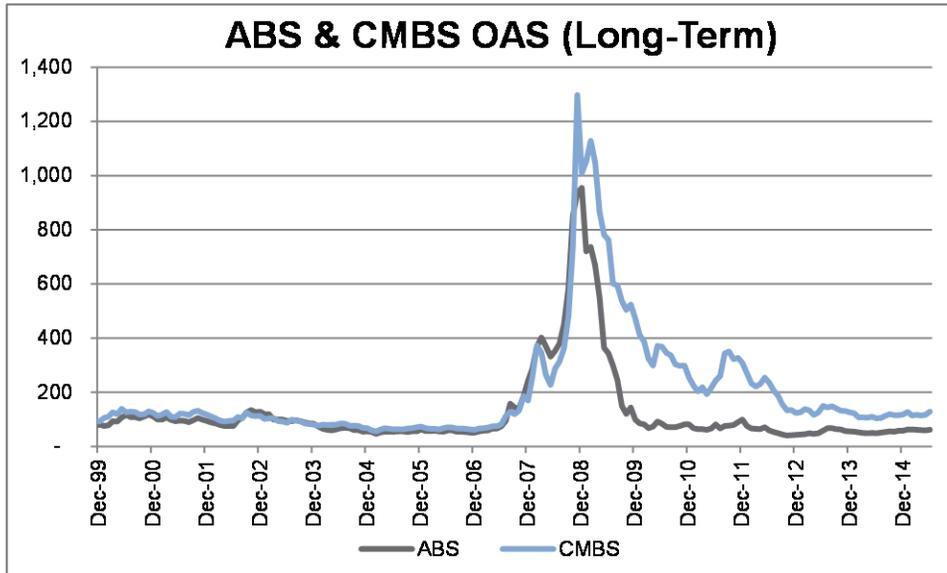
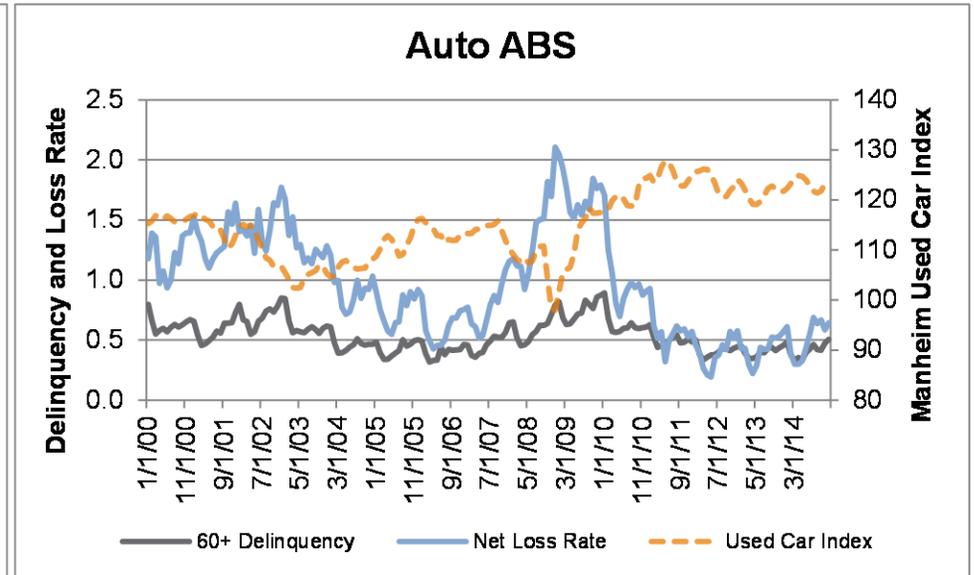
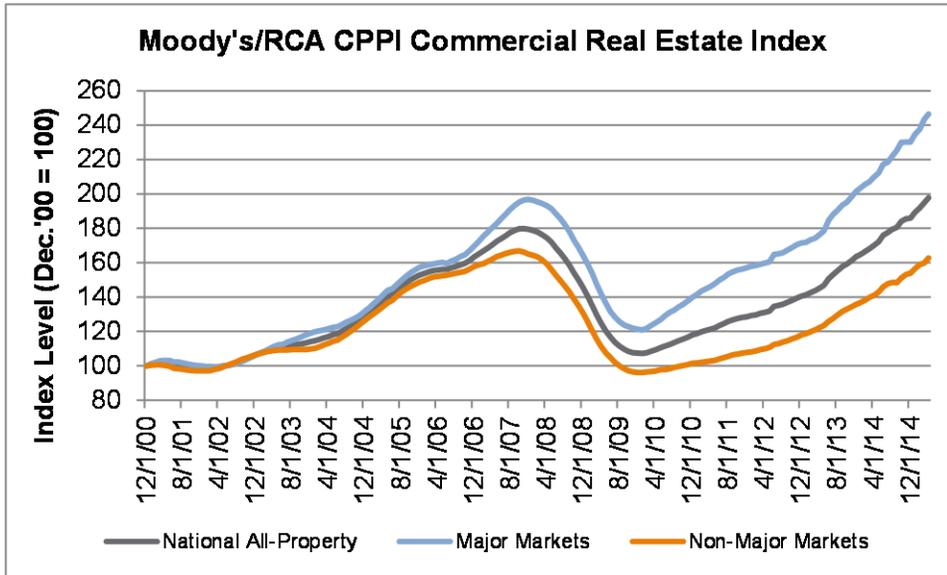
Agency Mortgage OAS



	Min	Min Date	Max	Max Date	Avg	Median	StDev	12/31/2014	3/31/2015	6/30/2015	Percentile
MBS Master	-19	6/30/10	165	12/31/08	55	51	31	17	16	25	13%
Agency CMO	-82	6/30/10	195	11/30/08	52	49	38	45	34	34	22%
CMO-Passthrough	-93	7/31/10	44	9/30/12	-3	0	21	28	18	9	69%

Source: Merrill Lynch. Data ranges (min, mex, etc.) since December 31st, 1996.

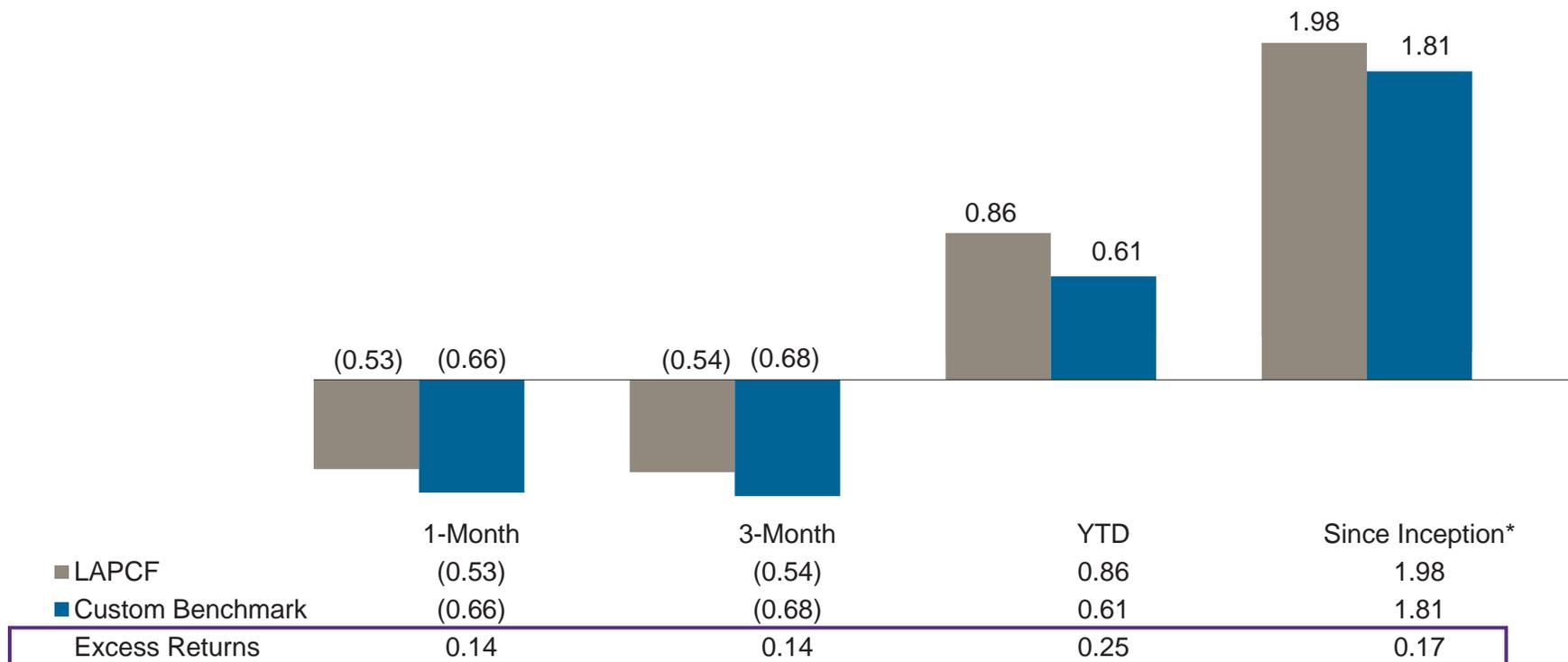
Market Environment: Securitized



Source: Barclays, Moody's, Manheim Auctions

Investment Performance

Period ending June 30, 2015 – Gross of fees (%)



*Past performance is not indicative of future returns. Performance includes the reinvestment of income. Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Inception Date: 6/30/2014; Custom Benchmark: Barclays Intermediate Aggregate less 7bps

LAPCF Asset Class Returns

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD 2015
Treasury	1.25%	-0.65%	0.44%	-0.09%	0.07%	-0.26%	0.76%
Barclays Int Treasury	1.65%	-0.90%	0.54%	-0.10%	0.05%	-0.41%	0.81%
Diff	-0.40%	0.25%	-0.10%	0.01%	0.03%	0.15%	-0.05%
Agency	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Barclays Int Agency	1.00%	-0.43%	0.38%	0.03%	0.10%	-0.17%	0.91%
Diff	-1.00%	0.43%	-0.38%	-0.03%	-0.10%	0.17%	-0.91%
MBS/CMO	1.24%	-0.35%	0.67%	0.01%	0.08%	-0.55%	1.09%
Barclays MBS	0.85%	-0.16%	0.37%	0.04%	-0.02%	-0.76%	0.31%
Diff	0.40%	-0.19%	0.30%	-0.04%	0.10%	0.21%	0.78%
Credit	2.14%	-0.59%	0.48%	-0.04%	-0.14%	-0.86%	0.97%
Barclays Int Credit	1.78%	-0.42%	0.42%	0.05%	-0.06%	-0.93%	0.82%
Diff	0.37%	-0.17%	0.06%	-0.09%	-0.08%	0.08%	0.15%
ABS	0.34%	-0.06%	0.17%	0.09%	0.13%	0.01%	0.69%
Barclays ABS	0.87%	-0.38%	0.41%	0.08%	0.15%	-0.06%	1.08%
Diff	-0.53%	0.32%	-0.25%	0.01%	-0.02%	0.07%	-0.39%
CMBS	1.93%	-0.86%	0.53%	-0.14%	0.04%	-0.80%	0.68%
Barclays CMBS	1.78%	-0.64%	0.63%	-0.08%	0.04%	-1.02%	0.69%
Diff	0.14%	-0.22%	-0.10%	-0.06%	0.01%	0.22%	-0.01%
Muni	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Barclays 1-15yr Muni	1.52%	-0.87%	0.21%	-0.37%	-0.28%	-0.01%	0.17%
Diff	-1.52%	0.87%	-0.21%	0.37%	0.28%	0.01%	-0.17%
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD 2015
Total Account	1.40%	-0.46%	0.48%	-0.03%	0.02%	-0.53%	0.86%
Barclays Int Agg Less 7bps	1.38%	-0.52%	0.45%	-0.02%	-0.01%	-0.66%	0.61%
Barclays Int Agg	1.39%	-0.52%	0.45%	-0.01%	0.00%	-0.66%	0.64%
Diff	0.01%	0.07%	0.03%	-0.02%	0.02%	0.14%	0.26%

*Past performance is not indicative of future returns. Performance includes the reinvestment of income. Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Inception Date: 6/30/2014; Benchmark for return attribution purposes: Barclays Intermediate Aggregate

Return Attribution

2nd Quarter 2015

Sector	Index				Account						Total Over/(Under) Performance
	Sector Total Return	Sector Excess Return	Average Allocation	Average Duration	Sector Return	Average Allocation	Average Duration	Allocation Effect	Duration Effect	Selection Effect	
Treasury	-0.47%	0.00%	36.35%	5.66	-0.27%	24.17%	3.24	-0.01%	0.00%	0.03%	0.02%
Agency	-0.04%	0.04%	3.44%	3.50	0.00%	0.00%	0.00	0.00%	-0.02%	0.00%	-0.02%
Mtge	-0.74%	0.05%	32.94%	3.85	-0.48%	32.16%	4.13	0.00%	0.00%	0.09%	0.09%
MBS	-0.74%	0.05%	32.94%	3.85	-0.73%	18.67%	4.47	-0.02%	0.02%	0.01%	0.02%
CMO Agcy	-0.74%	0.05%	0.00%	3.85	-0.13%	13.49%	3.67	0.02%	-0.02%	0.07%	0.07%
CMO WL	-0.74%	0.05%	0.00%	3.85	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Credit	-0.94%	-0.34%	24.32%	7.07	-1.03%	27.81%	4.50	-0.01%	-0.01%	-0.01%	-0.04%
ABS	0.17%	0.21%	0.65%	2.48	0.24%	6.15%	1.39	0.02%	0.03%	0.01%	0.05%
CMBS	-1.06%	-0.31%	2.29%	4.54	-0.89%	5.87%	4.07	-0.01%	0.00%	0.01%	0.00%
Muni	-0.66%	0.64%	0.00%	4.87	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	0.00%	0.00%	0.00	0.00%	3.84%	0.00	0.00%	0.02%	0.00%	0.03%
	-0.67%	-0.07%	100.00%	5.28	-0.54%	100.00%	3.69	-0.01%	0.02%	0.12%	0.13%

Notes:

Treasury, Agency and Credit sector data is per Barclays Capital Intermediate Aggregate

MBS Index duration is based on Barclays Capital MBS constituents run through the YieldBook mortgage model

CMO Agcy and CMO WL uses the Barclays Capital MBS index for comparison purposes b/c they do not produce an agency or non-agency CMO index

Muni is per Barclays Capital 1-15yr Muni Index

Muni Excess Return = Muni Index Return - Duration Neutral Treasury Return. All other excess return figures are per Barclays Capital

Cash is per Barclays Capital 3 month t-bill

Inception 7/1/14

*Past performance is not indicative of future returns. Performance includes the reinvestment of income. Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Inception Date: 6/30/2014; Benchmark for return attribution purposes: Barclays Intermediate Aggregate

Return Attribution

2015 YTD

Sector	Index				Account						Total Over/(Under) Performance
	Sector Total Return	Sector Excess Return	Average Allocation	Average Duration	Sector Return	Average Allocation	Average Duration	Allocation Effect	Duration Effect	Selection Effect	
Treasury	0.81%	0.00%	36.26%	5.70	0.76%	22.57%	3.09	-0.02%	-0.03%	0.03%	-0.02%
Agency	0.91%	0.10%	3.48%	3.53	0.00%	0.00%	0.00	-0.01%	0.00%	0.00%	-0.01%
Mtge	0.31%	-0.45%	33.16%	3.39	1.08%	32.16%	3.80	0.00%	0.06%	0.19%	0.25%
MBS	0.31%	-0.45%	33.16%	3.39	0.61%	19.11%	4.22	0.04%	0.07%	-0.01%	0.11%
CMO Agcy	0.31%	-0.45%	0.00%	3.39	1.77%	13.06%	3.19	-0.04%	-0.01%	0.19%	0.15%
CMO WL	0.31%	-0.45%	0.00%	3.39	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Credit	0.82%	-0.01%	24.15%	7.15	0.97%	27.49%	4.56	0.01%	0.03%	0.02%	0.05%
ABS	1.08%	0.35%	0.63%	2.49	0.69%	6.02%	1.46	0.03%	-0.02%	0.00%	0.01%
CMBS	0.69%	0.05%	2.31%	4.46	0.68%	5.65%	4.14	0.00%	0.00%	0.00%	0.00%
Muni	0.17%	0.11%	0.00%	4.80	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00	0.00%	0.00%	0.00	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	0.00%	0.00%	0.00	0.00%	6.11%	0.00	0.00%	-0.06%	0.00%	-0.06%
	0.64%	-0.15%	100.00%	5.16	0.86%	100.00%	3.50	0.01%	-0.03%	0.23%	0.22%

Notes:

Treasury, Agency and Credit sector data is per Barclays Capital Intermediate Aggregate

MBS Index duration is based on Barclays Capital MBS constituents run through the YieldBook mortgage model

CMO Agcy and CMO WL uses the Barclays Capital MBS index for comparison purposes b/c they do not produce an agency or non-agency CMO index

Muni is per Barclays Capital 1-15yr Muni Index

Muni Excess Return = Muni Index Return - Duration Neutral Treasury Return. All other excess return figures are per Barclays Capital

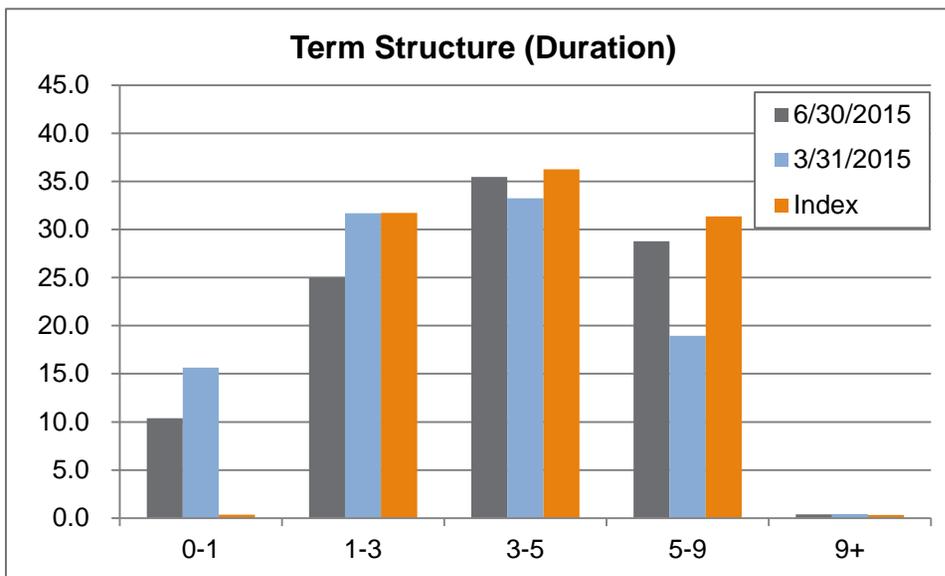
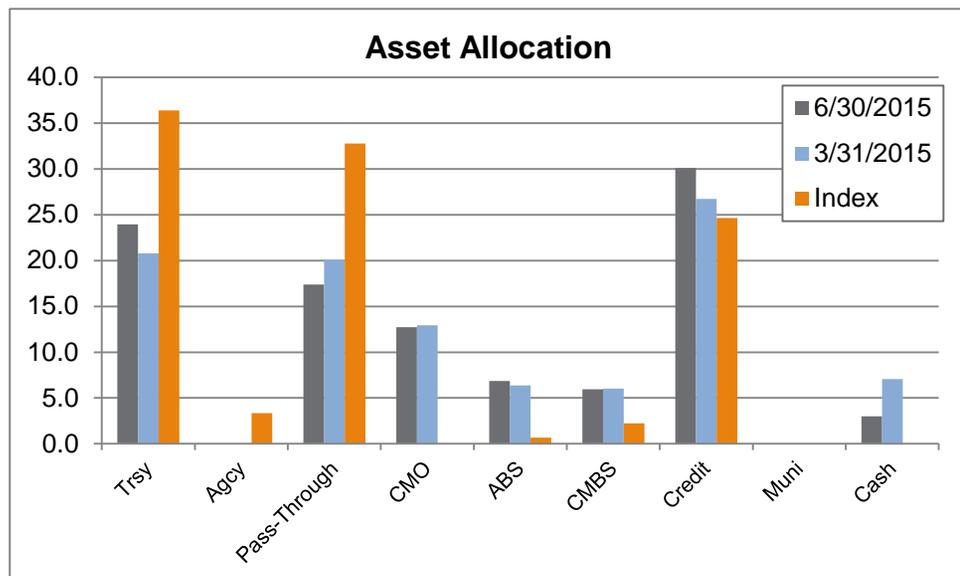
Cash is per Barclays Capital 3 month t-bill

Inception 7/1/14

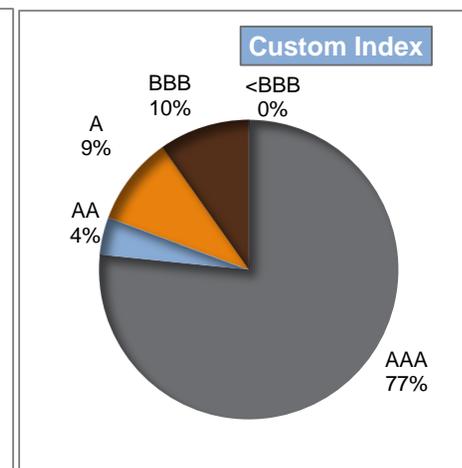
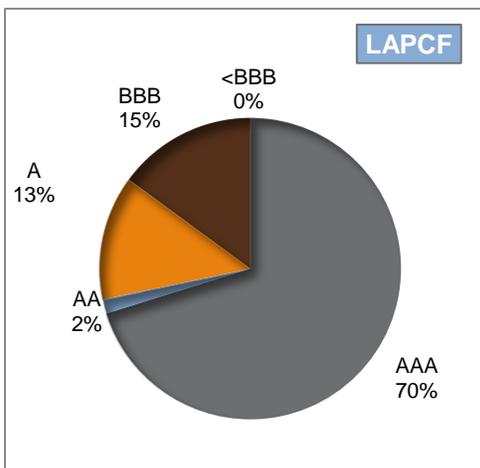
*Past performance is not indicative of future returns. Performance includes the reinvestment of income. Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Inception Date: 6/30/2014; Benchmark for return attribution purposes: Barclays Intermediate Aggregate

Portfolio Statistics

As of June 30, 2015



Portfolio Statistics	3/31/2015	6/30/2015	Index
Mkt Val (000s)	284,404	345,242	-
Book Val (000s)	282,460	346,748	-
Yield to Mat (%)	2.07	2.03	2.03
Yield to Worst (%)	1.58	2.02	2.03
Book Yield (%)	2.31	2.40	-
Annual Income	6,525	8,336	-
Duration	3.31	3.83	4.08
WAL	4.21	4.66	4.98
Convexity	-0.23	-0.21	-0.42
OAS (bps)	41	52	36
Average Qual	AA1/AA2	AA1/AA2	AA1/AA2



Index statistics are compiled by running vendor data through J.P. Morgan's internal analytic models.

Asset Allocation, Curve Positioning & Duration Contribution Summary

As of June 30, 2015

Portfolio	Mkt Val	Duration Buckets					Total	Dur	CTD	SprdDur	WAL	Convx	OAS	Yield
		0-1	1-3	3-5	5-9	9+								
Treasury	81,953	3.18%	7.84%	7.02%	5.70%	23.74%	3.23	0.77	0.00	3.35	0.15	0	1.10	
Agency	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
Mortgage	106,283	1.11%	3.27%	16.36%	10.04%	30.78%	4.42	1.36	5.26	6.42	-1.06	29	2.45	
MBS	59,498			9.50%	7.73%	17.23%	4.74	0.82	5.47	6.81	-1.18	30	2.66	
CMO	46,785	1.11%	3.27%	6.86%	2.31%	13.55%	4.02	0.54	4.99	5.92	-0.92	28	2.18	
Agency	46,785	1.11%	3.27%	6.86%	2.31%	13.55%	4.02	0.54	4.99	5.92	-0.92	28	2.18	
Non-Agency	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
Prime	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
AltA	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
ABS	23,437	1.78%	5.01%			6.79%	1.43	0.10	1.43	1.45	0.03	60	1.10	
Non-HEQ	23,437	1.78%	5.01%			6.79%	1.43	0.10	1.43	1.45	0.03	60	1.10	
HEQ	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
CMBS	20,331	1.01%	1.93%		2.57%	5.89%	4.27	0.25	4.19	4.78	0.34	105	2.33	
Credit	102,947	0.23%	6.69%	11.75%	11.14%	29.82%	4.55	1.36	4.49	5.06	0.20	111	2.63	
Finance	29,448		1.54%	4.10%	2.89%	8.53%	4.66	0.40	4.59	5.24	0.23	113	2.67	
Industrial	60,753	0.23%	4.42%	6.36%	6.59%	17.60%	4.45	0.78	4.39	4.93	0.19	115	2.65	
Utility	10,886		0.72%	0.76%	1.67%	3.15%	4.74	0.15	4.68	5.22	0.11	90	2.48	
Non-Corp	1,860			0.54%		0.54%	4.99	0.03	4.92	5.36	0.29	67	2.41	
Muni	0					0.00%	0.00	0.00	0.00	0.00	0.00	-	0.00	
Other	0					0.00%	0.00	0.00	0.00	0.00	0.00	0	0.00	
Cash	10,291	2.98%				2.98%	0.00	0.00	0.00	0.00	0.00	0	0.25	
	345,242	10.30%	24.74%	35.14%	29.45%	100.00%		3.83	3.30	4.66	-0.21	52	2.02	

Index	Duration Buckets					Total	Dur	CTD	Rel CTD	WAL	Convx	OAS	Yield
	0-1	1-3	3-5	5-9	9+								
Treasury		16.08%	10.21%	9.81%	0.29%	36.38%	3.81	1.39	0.55	4.01	0.22	0	1.24
Agency	0.17%	2.16%	0.74%	0.28%		3.34%	2.61	0.09	0.00	3.06	-0.35	13	1.16
Mortgage	0.06%	3.78%	17.60%	11.28%		32.72%	4.35	1.42	0.96	6.41	-1.72	16	2.57
ABS	0.01%	0.53%	0.10%	0.03%	0.01%	0.67%	2.46	0.02	5.87	2.63	0.11	62	1.45
CMBS	0.01%	0.76%	0.36%	1.12%	0.00%	2.25%	4.61	0.10	2.42	5.14	0.30	101	2.49
Credit	0.09%	8.43%	7.25%	8.84%	0.02%	24.63%	4.32	1.06	1.28	4.84	0.26	110	2.56
Muni						0.00%	0.00	0.00	-	0.00	0.00	-	0.00
Cash						0.00%	0.00	0.00	-	0.00	0.00	0	0.00
		0.34%	31.73%	36.25%	31.36%	100.00%		4.08	0.94	4.98	-0.42	36	2.03

Ratings	AAA	AA	A	BBB	<BBB	NR	Avg
Portfolio	70.18	1.54	13.35	14.92	0.00	0.00	AA+/AA
Index	76.62	4.06	9.55	9.78	0.00	0.00	AA+/AA

*WA OAS based on taxable securities only

Index statistics are compiled by running vendor data through J.P. Morgan's internal analytic models.

Credit Sector Exposure

As of June 30, 2015

	LAPCF Bench Diff			LAPCF Bench Diff			
CREDIT	29.94	24.62	5.33	INDUSTRIAL - CON'T			
CORPORATE	29.40	19.56	9.85	INDEPENDENT	0.30	0.43	-0.13
INDUSTRIAL	17.67	11.13	6.54	INTEGRATED	0.61	0.63	-0.02
BASIC_INDUSTRY	2.18	0.89	1.30	MIDSTREAM	1.99	0.70	1.29
CHEMICALS	1.20	0.40	0.80	OIL_FIELD_SERVICES	0.63	0.21	0.43
METALS_AND_MINING	0.98	0.39	0.59	REFINING		0.06	-0.06
PAPER		0.09	-0.09	TECHNOLOGY	1.43	1.34	0.09
CAPITAL_GOODS	1.00	0.93	0.07	TRANSPORTATION	1.03	0.33	0.70
AEROSPACE/DEFENSE		0.22	-0.22	AIRLINES		0.06	-0.06
BUILDING_MATERIALS		0.04	-0.04	RAILROADS	0.79	0.18	0.61
CONSTRUCTION_MACHINERY	0.33	0.23	0.11	TRANSPORTATION_SERVICES	0.23	0.09	0.15
DIVERSIFIED_MANUFACTURING	0.27	0.38	-0.11	INDUSTRIAL_OTHER		0.05	-0.05
ENVIRONMENTAL	0.40	0.06	0.34	UTILITY	3.16	1.01	2.15
PACKAGING		0.01	-0.01	ELECTRIC	2.06	0.95	1.12
COMMUNICATIONS	2.92	1.47	1.46	NATURAL_GAS	1.09	0.05	1.04
CABLE_SATELLITE	0.73	0.28	0.45	UTILITY_OTHER		0.01	-0.01
MEDIA_ENTERTAINMENT	0.38	0.39	-0.01	FINANCIAL	8.57	7.41	1.16
WIRELESS	0.57	0.20	0.38	BANKING	6.13	5.33	0.81
WIRELINES	1.24	0.61	0.64	BROKERAGE_ASSETMANAGERS_E.	0.26	0.21	0.05
CONSUMER_CYCLICAL	2.50	1.33	1.17	FINANCE_COMPANIES	0.36	0.43	-0.07
AUTOMOTIVE	1.18	0.50	0.69	INSURANCE	0.64	0.80	-0.17
CONSUMER_CYCLICAL_SERVICES	0.49	0.18	0.31	LIFE		0.29	-0.29
GAMING				P&C	0.44	0.34	0.10
HOME_CONSTRUCTION		0.00	0.00	HEALTH_INSURANCE	0.19	0.18	0.02
LEISURE		0.01	-0.01	REITS	1.18	0.63	0.56
LODGING		0.06	-0.06	APARTMENT_REITS	0.23	0.09	0.14
RESTAURANTS	0.32	0.08	0.24	HEALTHCARE_REITS	0.23	0.16	0.06
RETAILERS	0.51	0.51	0.00	OFFICE_REITS	0.49	0.09	0.40
CONSUMER_NON_CYCLICAL	3.08	2.77	0.31	RETAIL_REITS	0.23	0.17	0.07
CONSUMER_PRODUCTS	0.16	0.21	-0.05	OTHER_REITS		0.12	-0.12
FOOD_AND_BEVERAGE	0.52	0.73	-0.21	FINANCIAL_OTHER		0.01	-0.01
HEALTHCARE	0.42	0.64	-0.23	NON-CORPORATE	0.54	5.06	-4.52
PHARMACEUTICALS	1.75	0.95	0.81	FOREIGN_AGENCIES	0.54	1.75	-1.21
SUPERMARKETS	0.23	0.04	0.19	FOREIGN_LOCAL_GOVERNMENTS		0.45	-0.45
TOBACCO		0.20	-0.20	SOVEREIGNS		0.98	-0.98
ENERGY	3.53	2.03	1.51	SUPRANATIONALS		1.88	-1.88

Index statistics are compiled by running vendor data through J.P. Morgan's internal analytic models.

Credit Issuer Exposure

As of June 30, 2015

Company	Relative					Company	Absolute				
	Moody's	S&P	Port	Index	O/U		Moody's	S&P	Port	Index	O/U
PLAINS ALL AMERN PIPELINE L P / PAA FIN CO	Baa2	BBB+	0.50%	0.04%	0.46%	Bank of America Corporation	Baa1	A-	0.98%	0.59%	0.40%
eBay Inc.	A2	A	0.49%	0.03%	0.46%	The Goldman Sachs Group, Inc.	A3	A-	0.80%	0.39%	0.41%
Sunoco Logistics Partners Operations L.P.	Baa3	BBB	0.47%	0.01%	0.46%	Verizon Communications, Inc.	Baa1	BBB+	0.68%	0.27%	0.41%
DIRECTV HLDGS LLC / DIRECTV FING INC	Baa2	BBB	0.53%	0.07%	0.46%	Morgan Stanley	A3	A-	0.63%	0.38%	0.24%
AGL Capital Corporation	A3	BBB+	0.46%	0.01%	0.46%	Ford Motor Credit Company LLC	Baa3	BBB-	0.59%	0.18%	0.41%
CMS Energy Corporation	Baa2	BBB	0.49%	0.03%	0.45%	Actavis Funding SCS	Baa3	BBB-	0.59%	0.14%	0.45%
The Mosaic Company	Baa1	BBB	0.46%	0.01%	0.45%	AT&T Inc.	Baa1	BBB+	0.56%	0.21%	0.35%
Actavis Funding SCS	Baa3	BBB-	0.59%	0.14%	0.45%	HSBC USA Inc.	A2	A	0.54%	0.15%	0.39%
Boston Properties Limited Partnership	Baa2	A-	0.49%	0.04%	0.45%	Oracle Corporation	A1	AA-	0.54%	0.15%	0.39%
Public Service Electric and Gas Company	Aa3	A	0.49%	0.03%	0.45%	PNC Funding Corp.	A3	A-	0.54%	0.15%	0.39%
Burlington Northern Santa FE, LLC	A3	BBB+	0.50%	0.05%	0.45%	Wells Fargo & Company	A2	A+	0.54%	0.27%	0.26%
Ecolab Inc.	Baa1	BBB+	0.48%	0.02%	0.45%	Statoil ASA	Aa2	AA-	0.54%	0.09%	0.45%
DTE Energy Company	A3	BBB	0.47%	0.02%	0.45%	DIRECTV HLDGS LLC / DIRECTV FING INC	Baa2	BBB	0.53%	0.07%	0.46%
BHP Billiton Finance (USA) Limited	A1	A+	0.51%	0.06%	0.45%	Enterprise Products Operating LLC	Baa1	BBB+	0.52%	0.07%	0.45%
Walgreens Boots Alliance, Inc.	Baa2	BBB	0.51%	0.06%	0.45%	BHP Billiton Finance (USA) Limited	A1	A+	0.51%	0.06%	0.45%
Enterprise Products Operating LLC	Baa1	BBB+	0.52%	0.07%	0.45%	Walgreens Boots Alliance, Inc.	Baa2	BBB	0.51%	0.06%	0.45%
Statoil ASA	Aa2	AA-	0.54%	0.09%	0.45%	Burlington Northern Santa FE, LLC	A3	BBB+	0.50%	0.05%	0.45%
State Street Corporation	A2	A	0.49%	0.04%	0.45%	PLAINS ALL AMERN PIPELINE L P / PAA FIN CO	Baa2	BBB+	0.50%	0.04%	0.46%
Ford Motor Credit Company LLC	Baa3	BBB-	0.59%	0.18%	0.41%	Citigroup Inc.	Baa1	A-	0.49%	0.34%	0.15%
Verizon Communications, Inc.	Baa1	BBB+	0.68%	0.27%	0.41%	eBay Inc.	A2	A	0.49%	0.03%	0.46%
The Goldman Sachs Group, Inc.	A3	A-	0.80%	0.39%	0.41%	Boston Properties Limited Partnership	Baa2	A-	0.49%	0.04%	0.45%
Bank of America Corporation	Baa1	A-	0.98%	0.59%	0.40%	State Street Corporation	A2	A	0.49%	0.04%	0.45%
HSBC USA Inc.	A2	A	0.54%	0.15%	0.39%	CMS Energy Corporation	Baa2	BBB	0.49%	0.03%	0.45%
Oracle Corporation	A1	AA-	0.54%	0.15%	0.39%	Public Service Electric and Gas Company	Aa3	A	0.49%	0.03%	0.45%
PNC Funding Corp.	A3	A-	0.54%	0.15%	0.39%	Ecolab Inc.	Baa1	BBB+	0.48%	0.02%	0.45%
AT&T Inc.	Baa1	BBB+	0.56%	0.21%	0.35%	DTE Energy Company	A3	BBB	0.47%	0.02%	0.45%
Atmos Energy Corporation	A2	A-	0.34%	0.01%	0.34%	Sunoco Logistics Partners Operations L.P.	Baa3	BBB	0.47%	0.01%	0.46%
Starbucks Corporation	A3	A-	0.32%	0.02%	0.30%	AGL Capital Corporation	A3	BBB+	0.46%	0.01%	0.46%
Noble Holding International Ltd	Baa3	BBB	0.29%	0.01%	0.27%	The Mosaic Company	Baa1	BBB	0.46%	0.01%	0.45%
Wells Fargo & Company	A2	A+	0.54%	0.27%	0.26%	AbbVie Inc.	Baa1	A	0.38%	0.13%	0.26%

Index statistics are compiled by running vendor data through J.P. Morgan's internal analytic models.

Structured Products by Vintage

As of July 21, 2015

		2003	2004	2005	2006	2007	2009	2010	2011	2012	2013	2014	2015	Grand Total
Agency MBS	Agency MBS	0.30%				0.34%		1.98%	3.00%	3.76%	5.76%	1.96%	0.82%	17.92%
Agency MBS Total		0.30%				0.34%		1.98%	3.00%	3.76%	5.76%	1.96%	0.82%	17.92%
Agency CMO	Agency CMO	1.71%	0.77%	1.23%	0.34%	0.77%	0.44%	0.78%	3.07%	1.87%	0.84%	1.52%		13.35%
Agency CMO Total		1.71%	0.77%	1.23%	0.34%	0.77%	0.44%	0.78%	3.07%	1.87%	0.84%	1.52%		13.35%
ABS	Auto ABS									1.81%	1.63%	2.32%	1.26%	7.02%
ABS Total										1.81%	1.63%	2.32%	1.26%	7.02%
CMBS	Conduit/Fusion		0.35%	0.34%	1.90%			0.31%		0.37%	0.28%	0.53%		4.07%
	Agency CMBS						0.44%			0.57%		0.75%		1.77%
CMBS Total			0.35%	0.34%	1.90%		0.44%	0.31%		0.94%	0.28%	1.28%		5.84%
Grand Total		2.01%	1.13%	1.57%	2.25%	1.12%	0.88%	3.07%	6.08%	8.37%	8.50%	7.08%	2.07%	44.13%

Agenda

- **Portfolio Performance and Review**
- **Transactions**
- **Holdings**
- **Watchlist**
- **Economic and Market Outlook**

Transaction Summary

2nd Quarter 2015

BUYS	Count	Par Value	Mkt Val	Duration	Yield	Avg Rating
Treasury	7	22,760,000	23,275,143	4.64	1.39	Aaa/AA+
Agency	--	--	--	--	--	--
MBS	3	4,989,151	5,395,402	4.54	2.54	Aaa/AA+
CMO	4	10,820,629	11,677,462	5.01	2.29	Aaa/AA+
Credit	38	28,900,000	30,055,104	5.07	2.71	A3/A-
ABS	5	5,429,000	5,428,524	2.00	1.48	Aaa/AAA
CMBS	6	3,788,187	3,865,499	6.08	2.53	Aaa/AAA
Municipal	--	--	--	--	--	--
	63	76,686,967	79,697,134	4.74	2.16	

SALES	Count	Par Value	Mkt Val	Duration	Yield	Avg Rating
Treasury	--	--	--	--	--	--
Agency	--	--	--	--	--	--
MBS	--	--	--	--	--	--
CMO	--	--	--	--	--	--
Credit	1	805,000	797,200	3.98	2.37	A3/A-
ABS	--	--	--	--	--	--
CMBS	--	--	--	--	--	--
Municipal	--	--	--	--	--	--
	1	805,000	797,200	3.98	2.37	

Transaction Detail: Buys

2nd Quarter 2015

Treasury

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
912828RH5	US TREASURY N/B 1.375 30 SEP 2018	Aaa	AA+	2,450,000	101.180	2,478,903	3.43	1.03	---	4/1/2015	4/2/2015
912828VP2	US TREASURY N/B 2.0 31 JUL 2020	Aaa	AA+	4,200,000	102.719	4,314,190	5.07	1.47	---	4/9/2015	4/10/2015
912828RR3	US TREASURY N/B 2.0 15 NOV 2021	Aaa	AA+	3,880,000	102.520	3,977,757	6.19	1.60	---	4/15/2015	4/16/2015
912828QX1	US TREASURY N/B 1.5 31 JUL 2016	Aaa	AA+	3,055,000	101.492	3,100,587	1.28	0.34	---	4/15/2015	4/16/2015
912828WN6	US TREASURY N/B 2.0 31 MAY 2021	Aaa	AA+	3,900,000	102.105	3,982,115	5.76	1.64	---	4/23/2015	4/24/2015
912828C57	US TREASURY N/B 2.25 31 MAR 2021	Aaa	AA+	3,550,000	101.719	3,611,017	5.47	1.94	---	6/12/2015	6/15/2015
912828KD1	US TREASURY N/B 2.75 15 FEB 2019	Aaa	AA+	1,725,000	104.961	1,810,576	3.49	1.36	---	6/12/2015	6/15/2015
				22,760,000		23,275,143	4.64	1.39			

MBS

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
3138ELJW4	FN AL3876 2.764 01 JUN 2023	Aaa	AA+	1,463,600	103.953	1,521,458	6.65	2.30	I+59	4/16/2015	4/21/2015
36200KQT7	GN 603566 5.5 15 APR 2033	Aaa	AA+	938,005	114.125	1,070,498	3.79	2.59	I+75	6/15/2015	6/18/2015
3138ENAA7	FN AL5400 4.5 01 JAN 2043	Aaa	AA+	2,587,546	108.344	2,803,446	3.68	2.64	I+86	6/15/2015	7/14/2015
				4,989,151		5,395,402	4.54	2.54			

CMO

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
3137AF2R2	FHR 3920 AC 2.5 15 SEP 2041	Aaa	AA+	2,120,830	100.484	2,131,103	5.53	2.36	I+117	4/15/2015	4/20/2015
3137B4HD1	FHR 4247 AK 4.5 15 DEC 2042	Aaa	AA+	3,209,938	110.625	3,550,994	3.61	1.52	I+44	4/15/2015	4/20/2015
3137BDHG4	FHR 4384 BM 4.0 15 AUG 2043	Aaa	AA+	3,000,000	108.188	3,245,625	8.02	3.10	I+61	6/11/2015	6/16/2015
31394NGR3	FHR 2739 PG 5.0 15 JAN 2034	Aaa	AA+	2,489,861	110.438	2,749,740	2.86	2.29	I+71	6/11/2015	6/16/2015
				10,820,629		11,677,462	5.01	2.29			

Credit

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
61945CAA1	MOSAIC CO 3.75 15 NOV 2021	Baa1	BBB	865,000	106.553	921,683	5.79	2.62	+130/5yr	4/1/2015	4/7/2015
008916AK4	AGRIUM INC 3.15 01 OCT 2022	Baa2	BBB	930,000	100.659	936,129	6.67	3.05	+115/10yr	4/2/2015	4/8/2015
12572QAE5	CME GROUP INC 3.0 15 SEP 2022	Aa3	AA-	885,000	104.307	923,117	6.71	2.36	+47/10Yr	4/16/2015	4/21/2015
032511AX5	ANADARKO PETROLEUM CORP 5.95 15 SEP 2016	Baa2	BBB	500,000	106.658	533,290	1.35	1.11	+60/2Yr	4/21/2015	4/24/2015
40434CAC9	HSBC USA INC 2.25 23 JUN 2019	A2	A	385,000	101.542	390,937	3.96	1.86	+53/5Yr	4/21/2015	4/24/2015
29379VAZ6	ENTERPRISE PRODUCTS OPER 3.35 15 MAR 2023	Baa1	BBB+	375,000	102.148	383,055	6.93	3.03	+112/10Yr	4/21/2015	4/24/2015
00206RAM4	AT&T INC 5.6 15 MAY 2018	Baa1	BBB+	475,000	111.516	529,701	2.78	1.70	+59/3Yr	4/24/2015	4/29/2015
345397WT6	FORD MOTOR CREDIT CO LLC 1.684 08 SEP 2017 SE	Baa3	BBB-	510,000	100.218	511,112	2.31	1.59	+71/2Yr	4/24/2015	4/29/2015
40434CAC9	HSBC USA INC 2.25 23 JUN 2019	A2	A	515,000	101.425	522,339	3.95	1.89	+56/5Yr	4/24/2015	4/29/2015
060505DH4	BANK OF AMERICA CORP 6.0 01 SEP 2017	Baa2	A-	1,070,000	110.025	1,177,268	2.20	1.61	+111/2Yr	4/24/2015	4/29/2015
00287YAT6	ABBVIE INC 2.5 14 MAY 2020	Baa1	A	603,000	99.590	600,528	4.71	2.59	+103/5Yr	5/5/2015	5/14/2015
00287YAT6	ABBVIE INC 2.5 14 MAY 2020	Baa1	A	740,000	99.879	739,105	4.72	2.53	+94/5Yr	5/6/2015	5/14/2015
92343VBR4	VERIZON COMMUNICATIONS 5.15 15 SEP 2023	Baa1	BBB+	330,000	112.049	369,751	6.92	3.47	+121/10Yr	5/14/2015	5/19/2015
38141GFM1	GOLDMAN SACHS GROUP INC 6.15 01 APR 2018	Baa1	A-	870,000	112.035	974,705	2.66	1.82	+90/3Yr	5/14/2015	5/19/2015
92343VBP8	VERIZON COMMUNICATIONS 3.65 14 SEP 2018	Baa1	BBB+	485,000	106.184	514,992	3.14	1.72	+83/3Yr	5/15/2015	5/20/2015
693476BN2	PNC FUNDING CORP 3.3 08 MAR 2022	A3	A-	865,000	103.423	894,609	6.12	2.74	+58/10Yr	5/15/2015	5/20/2015
68389XBA2	ORACLE CORP 2.8 08 JUL 2021 SER:NOTE	A1	AA-	860,000	102.290	879,694	5.65	2.40	+93/5Yr	5/15/2015	5/20/2015

Transaction Detail: Buys

2nd Quarter 2015

Credit

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
855244AG4	STARBUCKS CORP 2.7 15 JUN 2022	A3	A-	652,000	99.981	651,876	6.43	2.70	+78/7Yr	6/1/2015	6/10/2015
855244AG4	STARBUCKS CORP 2.7 15 JUN 2022	A3	N.A.	460,000	100.032	460,147	6.44	2.70	+77/7Yr	6/1/2015	6/10/2015
85771PAP7	STATOIL ASA 2.9 08 NOV 2020	Aa2	AA-	945,000	102.651	970,052	5.03	2.37	+65/5Yr	6/12/2015	6/17/2015
25459HAT2	DIRECTV HOLDINGS/FING 5.2 15 MAR 2020	Baa2	BBB	650,000	109.977	714,851	4.23	2.93	+120/5Yr	6/12/2015	6/17/2015
172967FF3	CITIGROUP INC 5.375 09 AUG 2020	Baa1	A-	1,500,000	111.908	1,678,620	4.52	2.87	+118/5Yr	6/12/2015	6/17/2015
00507UAP6	ACTAVIS FUNDING SCS 3.0 12 MAR 2020	Baa3	BBB-	720,000	100.344	722,477	4.38	2.92	+117/5Yr	6/12/2015	6/17/2015
931427AA6	WALGREENS BOOTS ALLIANCE 2.7 18 NOV 2019	Baa2	BBB	660,000	100.440	662,904	4.16	2.59	+89/5Yr	6/15/2015	6/18/2015
29379VAZ6	ENTERPRISE PRODUCTS OPER 3.35 15 MAR 2023	Baa1	BBB+	730,000	98.307	717,641	6.77	3.60	+123/10Yr	6/15/2015	6/18/2015
055451AQ1	BHP BILLITON FIN USA LTD 2.875 24 FEB 2022	A1	A+	1,025,000	98.133	1,005,863	6.08	3.19	+83/10Yr	6/15/2015	6/18/2015
857477AL7	STATE STREET CORP 3.1 15 MAY 2023	A2	A	865,000	98.781	854,456	7.06	3.28	+95/10Yr	6/16/2015	6/19/2015
12189LAM3	BURLINGTN NORTH SANTA FE 3.0 15 MAR 2023	A3	BBB+	915,000	98.325	899,674	6.87	3.25	+91/10Yr	6/16/2015	6/19/2015
72650RAY8	PLAINS ALL AMER PIPELINE 5.0 01 FEB 2021	Baa2	BBB+	825,000	108.889	898,334	4.80	3.19	+153/5Yr	6/16/2015	6/19/2015
10112RAR5	BOSTON PROPERTIES LP 5.625 15 NOV 2020	Baa2	A-	765,000	114.316	874,517	4.62	2.63	+96/5yr	6/17/2015	6/22/2015
278642AE3	EBAY INC 2.6 15 JUL 2022	A2	A	975,000	92.696	903,786	6.38	3.79	+143/10yr	6/17/2015	6/22/2015
86765BAG4	SUNOCO LOGISTICS PARTNER 5.5 15 FEB 2020	Baa3	BBB	1,440,000	110.642	1,593,245	4.10	3.03	+137/5yr	6/17/2015	6/22/2015
278865AL4	ECOLAB INC 4.35 08 DEC 2021	Baa1	BBB+	790,000	107.555	849,685	5.73	3.05	+142/5Yr	6/18/2015	6/23/2015
125896BK5	CMS ENERGY CORP 5.05 15 MAR 2022	Baa2	BBB	750,000	110.046	825,345	5.68	3.31	+93/10Yr	6/23/2015	6/26/2015
001192AJ2	AGL CAPITAL CORP 3.5 15 SEP 2021	A3	BBB+	695,000	103.527	719,513	5.55	2.85	+115/5Yr	6/25/2015	6/30/2015
61945CAA1	MOSAIC CO 3.75 15 NOV 2021	Baa1	BBB	685,000	103.015	705,653	5.67	3.20	+150/5Yr	6/25/2015	6/30/2015
74456QBC9	PUB SVC ELEC & GAS 2.375 15 MAY 2023 SER:MTN	Aa3	A	905,000	94.946	859,261	7.19	3.10	+70/10Yr	6/25/2015	6/30/2015
233331AT4	DTE ENERGY COMPANY 2.4 01 DEC 2019	A3	BBB	685,000	100.028	685,192	4.18	2.39	+73/5Yr	6/30/2015	7/6/2015
				28,900,000		30,055,104	5.07	2.71			

ABS

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
38013GAC3	GMALT 2015-2 A3 1.68 20 DEC 2018	Aaa	AAA	1,873,000	99.995	1,872,903	2.48	1.69	N+52	6/11/2015	6/17/2015
92867VAD2	VWALT 2015-A A3 1.25 20 DEC 2017	Aaa	N.A.	160,000	99.875	159,800	1.78	1.32	E+37	6/11/2015	6/16/2015
41284AAD0	HDMOT 2014-1 A3 1.1 15 SEP 2019	Aaa	AAA	600,000	99.859	599,156	1.50	1.20	E+38	6/15/2015	6/18/2015
13975JAC6	AFIN 2014-3 A3 1.48 20 NOV 2018	Aaa	N.A.	796,000	100.125	796,995	1.68	1.41	E+53	6/17/2015	6/22/2015
65473DAD4	NALT 2015-A A3 1.43 15 JUN 2018	Aaa	N.A.	2,000,000	99.984	1,999,670	1.85	1.41	E+45	6/17/2015	6/24/2015
				5,429,000		5,428,524	2.00	1.48			

CMBS

CUSIP	Description	Moody's	S&P	Par	Price	Market Value	Dur	Yield	Spread	Trade Date	Settle Date
3136AMKZ1	FNA 2015-M1 A2 2.532 25 SEP 2024	Aaa	AA+	500,000	100.859	504,297	8.28	2.42	N+49	4/15/2015	4/20/2015
61749MAV1	MSC 2006-T23 A4 FRN 12 AUG 2041	NA	AAA	449,187	104.406	468,979	0.98	1.38	E+92	4/15/2015	4/20/2015
07388PAE1	BSCMS 2006-PW14 A4 5.201 11 DEC 2038	NA	AAA	200,000	104.547	209,094	1.27	1.62	E+90	6/11/2015	6/16/2015
3136AN6U6	FNA 2015-M10 A2 FRN 25 APR 2027	Aaa	AA+	1,314,000	98.998	1,300,835	9.53	3.20	N+65	6/12/2015	6/30/2015
92939FAU3	WFRBS 2014-C21 A5 3.678 15 AUG 2047	Aaa	N.A.	675,000	104.215	703,450	7.63	3.15	N+80	6/15/2015	6/18/2015
50180CAD2	LBUBS 2006-C7 A3 5.347 15 NOV 2038	NA	AAA	650,000	104.438	678,844	1.23	1.80	E+111	6/17/2015	6/22/2015
				3,788,187		3,865,499	6.08	2.53			

Transaction Detail: Sales

2nd Quarter 2015

Credit

CUSIP	Description	Moody's	S&P	Par	Price	Mkt Val	Bk Val	Bk Yld	Gain/Loss	Dur	Yield	Spread	Trade Date	Settle Date
61166WAS0	MONSANTO CO 2.125 15 JUL 2019	A3	BBB+	805,000	99.031	797,200	805,145	2.12	(7,945)	3.98	2.37	+77/5Yr	5/11/2015	5/14/2015
				805,000		797,200	805,145	2.12	(7,945)	3.98	2.37			

This Page Intentionally Left Blank

Agenda

- **Portfolio Performance and Review**
- **Transactions**
- **Holdings**
- **Watchlist**
- **Economic and Market Outlook**

Holdings

Cash

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
USD	10,290,748	CASH	6/30/2015	-	-	Aaa	AAA	1.000	-	-	10,290,748	10,290,748	-	-
	10,290,748					Aaa	AAA	1.000	-	-	10,290,748	10,290,748	-	-

Trsy

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
912828PS3	5,400,000	US TREASURY N/B	1/31/2016	2.00	0.58	Aaa	AA+	101.063	0.18	0.59	5,457,375	5,533,523	0.28	(76,148)
912828KT6	5,445,000	US TREASURY N/B	3/31/2016	2.38	0.75	Aaa	AA+	101.594	0.25	0.75	5,531,782	5,613,455	0.37	(81,672)
912828QX1	3,055,000	US TREASURY N/B	7/31/2016	1.50	1.07	Aaa	AA+	101.219	0.37	1.09	3,092,234	3,100,586	0.34	(8,352)
912828MK3	5,280,000	US TREASURY N/B	1/31/2017	3.13	1.54	Aaa	AA+	104.109	0.52	1.59	5,496,976	5,567,925	0.78	(70,949)
912828TG5	3,040,000	US TREASURY N/B	7/31/2017	0.50	2.07	Aaa	AA+	99.648	0.67	2.08	3,029,311	3,026,700	0.68	2,611
912828TM2	6,000,000	US TREASURY N/B	8/31/2017	0.63	2.15	Aaa	AA+	99.828	0.70	2.17	5,989,686	5,954,531	0.91	35,155
912828TV0	5,950,000	US TREASURY N/B	10/31/2017	0.75	2.31	Aaa	AA+	99.914	0.79	2.34	5,944,889	5,901,014	1.03	43,875
912828VE7	3,500,000	US TREASURY N/B	5/31/2018	1.00	2.88	Aaa	AA+	100.031	0.99	2.92	3,501,092	3,473,750	1.21	27,342
912828RH5	2,450,000	US TREASURY N/B	9/30/2018	1.38	3.18	Aaa	AA+	100.828	1.12	3.25	2,470,288	2,478,902	1.03	(8,614)
912828RP7	3,715,000	US TREASURY N/B	10/31/2018	1.75	3.25	Aaa	AA+	102.008	1.13	3.33	3,789,590	3,773,192	1.35	16,398
912828KD1	1,725,000	US TREASURY N/B	2/15/2019	2.75	3.45	Aaa	AA+	105.313	1.25	3.63	1,816,641	1,810,576	1.36	6,064
912828SH4	3,780,000	US TREASURY N/B	2/28/2019	1.38	3.58	Aaa	AA+	100.352	1.28	3.67	3,793,290	3,773,651	1.41	19,640
912828ST8	4,100,000	US TREASURY N/B	4/30/2019	1.25	3.76	Aaa	AA+	99.773	1.31	3.83	4,090,709	4,049,230	1.54	41,479
912828VJ6	3,970,000	US TREASURY N/B	6/30/2020	1.88	4.82	Aaa	AA+	101.156	1.63	5.00	4,015,901	3,991,401	1.77	24,500
912828VP2	4,200,000	US TREASURY N/B	7/31/2020	2.00	4.85	Aaa	AA+	101.680	1.65	5.09	4,270,547	4,314,188	1.47	(43,640)
912828VZ0	3,950,000	US TREASURY N/B	9/30/2020	2.00	5.02	Aaa	AA+	101.453	1.71	5.25	4,007,397	3,980,551	1.86	26,847
912828A42	4,165,000	US TREASURY N/B	11/30/2020	2.00	5.19	Aaa	AA+	101.250	1.76	5.42	4,217,063	4,277,097	1.50	(60,035)
912828C57	3,550,000	US TREASURY N/B	3/31/2021	2.25	5.44	Aaa	AA+	102.156	1.85	5.75	3,626,545	3,611,016	1.93	15,529
912828WN6	3,900,000	US TREASURY N/B	5/31/2021	2.00	5.64	Aaa	AA+	100.633	1.89	5.92	3,924,679	3,982,113	1.64	(57,434)
912828RR3	3,880,000	US TREASURY N/B	11/15/2021	2.00	6.05	Aaa	AA+	100.180	1.97	6.38	3,886,972	3,977,758	1.60	(90,785)
	81,055,000				3.23	Aaa	AA+	101.108	1.10	3.35	81,952,970	82,191,159	1.16	(238,189)

Data as of June 30, 2015

Holdings (Cont.)

MBS

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
36179QGG0	1,078,877	G2 MA1999	6/20/2044	5.50	3.16	Aaa	AA+	113.434	2.33	5.56	1,223,815	1,194,856	4.82	28,959
36179QD32	636,999	G2 MA1922	5/20/2044	5.00	3.16	Aaa	AA+	109.763	2.41	5.14	699,191	700,699	4.40	(1,507)
36179QWH0	1,812,252	G2 MA2448	12/20/2044	5.00	3.17	Aaa	AA+	109.174	2.46	4.31	1,978,509	1,985,143	4.42	(6,634)
31418BFS0	1,766,669	FN MA1976	6/1/2034	4.50	3.44	Aaa	AA+	109.141	2.26	5.49	1,928,160	1,921,252	3.87	6,907
3138ANNB5	2,014,497	FN A18485	7/1/2041	5.00	3.61	Aaa	AA+	111.144	2.44	6.25	2,238,985	2,244,905	4.28	(5,920)
312946PK6	1,760,601	FG A97626	3/1/2041	5.00	3.67	Aaa	AA+	110.592	2.61	6.50	1,947,083	1,947,665	4.33	(582)
3138ENAA7	2,659,868	FN AL5400	1/1/2043	4.50	3.74	Aaa	AA+	108.336	2.65	6.71	2,881,582	2,881,800	4.00	(219)
36200KQT7	938,004	GN 603566	4/15/2033	5.50	3.75	Aaa	AA+	115.010	2.41	5.77	1,078,795	1,070,498	4.36	8,297
31418BGP5	2,627,858	FN MA2005	8/1/2044	4.50	3.92	Aaa	AA+	108.351	2.57	6.74	2,847,314	2,841,075	4.03	6,238
31419JSV1	1,642,558	FN AE7731	11/1/2040	4.50	4.03	Aaa	AA+	108.352	2.77	6.86	1,779,748	1,773,449	4.01	6,299
3132L5R62	1,986,248	FG V80509	10/1/2043	4.00	4.06	Aaa	AA+	105.990	2.78	7.08	2,105,223	2,111,009	3.65	(5,786)
3132JMYC7	2,514,953	FG Q20707	8/1/2043	4.00	4.09	Aaa	AA+	106.554	2.71	7.12	2,679,795	2,655,895	3.68	23,900
31416XU81	1,428,870	FN AB2406	3/1/2041	4.50	4.17	Aaa	AA+	108.142	2.70	6.13	1,545,214	1,544,296	4.00	918
3128P8AV3	2,733,448	FG C91820	4/1/2035	3.50	4.65	Aaa	AA+	104.392	2.62	6.49	2,853,490	2,891,048	3.11	(37,558)
3138NJAY4	2,764,002	FN FN0022	12/1/2020	3.52	4.76	Aaa	AA+	106.389	2.15	5.13	2,940,595	2,952,300	2.35	(11,705)
3138Y4QS1	1,935,059	FN AX3164	10/1/2044	4.00	4.95	Aaa	AA+	107.185	2.81	7.76	2,074,097	2,072,932	3.61	1,165
31417BGE1	1,404,330	FN AB4696	3/1/2042	4.00	5.02	Aaa	AA+	106.559	2.87	7.39	1,496,446	1,486,834	3.66	9,612
3138EL5N9	2,189,971	FN AL4452	11/1/2043	4.00	5.12	Aaa	AA+	106.532	2.88	7.60	2,333,022	2,310,762	3.69	22,261
36178WHJ1	1,632,426	G2 AB9233	11/20/2042	4.00	5.30	Aaa	AA+	107.315	2.77	7.72	1,751,837	1,744,655	3.61	7,182
3138VWZP9	2,528,870	FN AT7949	7/1/2043	4.00	5.30	Aaa	AA+	106.532	2.89	7.76	2,694,055	2,680,602	3.66	13,452
3132J8UR9	2,771,227	FG Q17391	4/1/2043	4.00	5.51	Aaa	AA+	106.340	2.95	7.81	2,946,912	2,933,171	3.67	13,741
3138EJFZ6	1,937,333	FN AL1983	5/1/2022	3.16	5.53	Aaa	AA+	104.726	2.46	6.19	2,028,891	2,032,308	2.46	(3,417)
3138MLKY9	2,024,366	FN AQ4810	11/1/2042	3.50	5.70	Aaa	AA+	103.450	2.89	7.81	2,094,197	2,075,608	3.36	18,589
3132L5P31	2,176,444	FG V80442	9/1/2043	3.50	5.78	Aaa	AA+	103.217	3.01	8.27	2,246,459	2,222,354	3.39	24,105
3132JA2S3	1,378,113	FG Q19384	6/1/2043	3.50	5.93	Aaa	AA+	103.124	2.97	8.04	1,421,160	1,409,551	3.38	11,609
3138EKJK2	1,991,989	FN AL2965	12/1/2022	2.67	6.01	Aaa	AA+	101.120	2.60	6.53	2,014,295	2,004,439	2.62	9,856
36230TZ47	2,242,207	GN 758863	3/15/2033	3.00	6.02	Aaa	AA+	102.162	2.63	7.06	2,290,693	2,294,058	2.84	(3,364)
3138EKQW8	1,911,030	FN AL3168	2/1/2023	2.41	6.36	Aaa	AA+	99.731	2.47	6.90	1,905,891	1,950,744	2.16	(44,853)
3138ELJW4	1,459,550	FN AL3876	6/1/2023	2.76	6.50	Aaa	AA+	100.905	2.75	7.15	1,472,759	1,517,248	2.27	(44,488)
3136AN6U6	1,314,000	FNA 2015-M10 A2	4/25/2027	3.09	9.77	Aaa	AA+	98.995	3.20	11.51	1,300,794	1,300,836	3.19	(41)
	57,262,618				4.85	Aaa	AA+	106.176	2.67	6.90	60,799,009	60,751,990	3.52	47,019

Data as of June 30, 2015

Holdings (Cont.)

CMO

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
3137ARZ82	1,219,479	FHR 4083 CF	12/15/2038	0.54	0.35	Aaa	AA+	100.116	0.50	3.94	1,220,898	1,219,860	0.53	1,038
31396VMF2	1,193,192	FNR 2007-35 PF	4/25/2037	0.44	0.49	Aaa	AA+	99.991	0.44	4.74	1,193,085	1,187,598	0.46	5,487
3136A4NJ4	1,408,419	FNR 2012-19 EF	3/25/2042	0.74	0.49	Aaa	AA+	101.288	0.48	6.46	1,426,559	1,418,542	0.71	8,016
31394NGR3	2,489,861	FHR 2739 PG	1/15/2034	5.00	2.77	Aaa	AA+	111.152	1.71	5.06	2,767,525	2,749,740	4.19	17,785
31396JVJ1	3,000,000	FHR 3143 NE	4/15/2036	5.50	2.88	Aaa	AA+	113.361	2.04	5.40	3,400,836	3,401,719	4.51	(883)
38375LUZ1	1,641,752	GNR 2007-57 ZA	10/20/2037	5.75	2.90	Aaa	AA+	111.898	2.20	4.71	1,837,079	1,826,449	4.93	10,630
31396QRH4	1,518,459	FNR 2009-59 HB	8/25/2039	5.00	2.96	Aaa	AA+	110.838	2.21	5.17	1,683,029	1,657,018	4.40	26,011
31396W4F0	1,453,631	FNR 2007-82 ZA	8/25/2037	5.00	2.99	Aaa	AA+	110.973	2.24	5.20	1,613,132	1,605,907	4.26	7,225
31396NX27	838,324	FHR 3158 NE	5/15/2036	5.50	3.03	Aaa	AA+	108.636	2.57	4.89	910,723	919,537	4.78	(8,813)
38376CAG4	1,465,341	GNR 2009-83 EB	9/20/2039	4.50	3.14	Aaa	AA+	108.045	2.43	5.54	1,583,221	1,593,559	3.95	(10,338)
31396QLS6	2,428,232	FNR 2009-50 AZ	7/25/2039	5.00	3.35	Aaa	AA+	110.135	2.51	5.54	2,674,333	2,682,603	4.29	(8,269)
3137B4HD1	3,128,036	FHR 4247 AK	12/15/2042	4.50	3.61	Aaa	AA+	109.874	1.65	3.68	3,436,908	3,460,390	3.87	(23,482)
3137BAR53	1,843,913	FHR 4335 VP	7/15/2025	4.25	4.23	Aaa	AA+	109.621	2.21	5.31	2,021,321	2,023,118	3.20	(1,797)
3136AFDT8	835,977	FNR 2013-72 HG	4/25/2033	3.00	4.24	Aaa	AA+	103.737	2.11	4.73	867,214	858,966	2.81	8,248
3136A4JE0	1,292,563	FNR 2012-20 CG	2/25/2032	3.00	4.39	Aaa	AA+	102.490	2.43	5.37	1,324,751	1,311,750	2.89	13,001
3136ACU58	911,380	FNR 2013-15 EP	8/25/2042	3.50	4.40	Aaa	AA+	106.329	2.06	5.18	969,064	965,778	3.17	3,286
31398FDQ1	827,163	FNR 2009-85 J	10/25/2039	4.50	4.43	Aaa	AA+	107.452	2.82	4.81	888,800	891,785	4.01	(2,985)
3136ACZ20	1,966,298	FNR 2013-22 JP	3/25/2043	3.50	4.54	Aaa	AA+	104.965	2.50	6.28	2,063,920	2,039,727	3.30	24,194
3137AY3V1	2,325,736	FHR 4150 GE	1/15/2033	2.00	4.73	Aaa	AA+	98.991	2.22	5.08	2,302,263	2,280,675	2.13	21,587
3137BCLM8	1,889,131	FHR 4367 MV	6/15/2027	4.00	4.73	Aaa	AA+	109.330	2.28	6.06	2,065,383	2,056,201	3.13	9,182
3137A6L67	2,500,000	FHR 3814 B	2/15/2026	3.00	4.99	Aaa	AA+	102.867	2.44	5.63	2,571,683	2,548,438	2.80	23,245
3137AF2R2	2,033,469	FHR 3920 AC	9/15/2041	2.50	6.07	Aaa	AA+	98.370	2.89	5.97	2,000,317	2,043,318	2.47	(43,001)
31398QXZ5	2,509,000	FHR 3741 PC	7/15/2039	4.00	6.40	Aaa	AA+	107.735	2.82	8.76	2,703,061	2,715,993	3.50	(12,931)
3137BDHG4	3,000,000	FHR 4384 BM	8/15/2043	4.00	8.01	Aaa	AA+	108.650	3.05	11.71	3,259,500	3,245,625	3.54	13,875
	43,719,354				4.02	Aaa	AA+	107.011	2.18	5.88	46,784,605	46,704,294	3.39	80,311

Data as of June 30, 2015

Holdings (Cont.)

Credit

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
98978VAE3	800,000	ZOETIS INC	2/1/2016	1.15	0.58	Baa2	BBB-	100.022	1.11	0.59	800,176	804,632	0.77	(4,456)
94106LAX7	550,000	WASTE MANAGEMENT INC	9/1/2016	2.60	1.14	Baa2	A-	101.754	1.09	1.17	559,645	566,770	1.02	(7,124)
756109AJ3	760,000	REALTY INCOME CORP	9/15/2016	5.95	1.16	Baa1	BBB+	105.301	1.50	1.21	800,290	829,411	1.17	(29,121)
032511AX5	980,000	ANADARKO PETROLEUM CORP	9/15/2016	5.95	1.16	Baa2	BBB	105.491	1.35	1.21	1,033,816	1,056,072	1.12	(22,257)
06406HCA5	640,000	BANK OF NEW YORK MELLON	1/17/2017	2.40	1.44	A1	A+	101.971	1.04	1.55	652,614	661,261	0.85	(8,646)
26442CAL8	715,000	DUKE ENERGY CAROLINAS	12/15/2016	1.75	1.44	Aa2	A	101.232	0.90	1.46	723,807	730,008	0.76	(6,201)
501044CP4	765,000	KROGER CO/THE	1/15/2017	2.20	1.50	Baa2	BBB	101.395	1.28	1.54	775,674	785,678	1.06	(10,004)
30219GAD0	690,000	EXPRESS SCRIPTS HOLDING	2/15/2017	2.65	1.58	Baa3	BBB+	101.791	1.53	1.63	702,359	712,722	1.19	(10,362)
461202AB9	345,000	INTUIT INC	3/15/2017	5.75	1.62	Baa1	BBB+	106.995	1.58	1.71	369,133	378,951	1.42	(9,819)
17275RA T9	685,000	CISCO SYSTEMS INC	3/3/2017	1.10	1.65	A1	AA-	100.353	0.89	1.68	687,421	688,713	0.87	(1,292)
24422EQF9	500,000	JOHN DEERE CAPITAL CORP	4/13/2017	5.50	1.71	A2	A	108.022	0.96	1.79	540,111	554,025	1.12	(13,914)
00037BAA0	935,000	ABB FINANCE USA INC	5/8/2017	1.63	1.82	A2	A	100.626	1.28	1.86	940,851	943,144	1.27	(2,293)
031162BQ2	690,000	AMGEN INC	5/15/2017	2.13	1.84	Baa1	A	101.577	1.27	1.88	700,879	703,338	1.35	(2,458)
049560AH8	1,080,000	ATMOS ENERGY CORP	6/15/2017	6.35	1.86	A2	A-	109.736	1.30	1.96	1,185,143	1,223,165	1.30	(38,021)
060505DH4	1,635,000	BANK OF AMERICA CORP	9/1/2017	6.00	2.02	Baa1	A-	108.816	1.84	2.17	1,779,148	1,802,141	1.67	(22,992)
927804FC3	540,000	VIRGINIA ELEC & POWER CO	9/15/2017	5.95	2.07	A2	A-	109.866	1.40	2.21	593,276	614,336	1.09	(21,061)
822582AR3	645,000	SHELL INTERNATIONAL FIN	8/21/2017	1.13	2.11	Aa1	AA	99.875	1.18	2.14	644,192	646,967	1.02	(2,775)
345397WT6	2,050,000	FORD MOTOR CREDIT CO LLC	9/8/2017	1.68	2.13	Baa3	BBB-	99.711	1.82	2.19	2,044,076	2,051,197	1.66	(7,122)
02364WAN5	960,000	AMERICA MOVIL SAB DE CV	11/15/2017	5.63	2.24	A2	A-	109.380	1.58	2.38	1,050,048	1,068,346	1.48	(18,298)
05531FAM5	510,000	BB&T CORPORATION	1/12/2018	1.45	2.46	A2	A-	99.580	1.62	2.53	507,859	507,221	1.61	638
38141GFM1	1,425,000	GOLDMAN SACHS GROUP INC	4/1/2018	6.15	2.54	A3	A-	111.188	1.95	2.75	1,584,429	1,601,688	1.86	(17,259)
92343VAM6	385,000	VERIZON COMMUNICATIONS	4/15/2018	6.10	2.58	Baa1	BBB+	111.338	1.91	2.79	428,651	437,676	1.68	(9,025)
205887BG6	460,000	CONAGRA FOODS INC	3/15/2018	2.10	2.61	Baa2	BBB-	99.025	2.47	2.71	455,517	459,085	2.16	(3,568)
00206RAM4	1,070,000	AT&T INC	5/15/2018	5.60	2.67	Baa1	BBB+	110.109	1.97	2.88	1,178,165	1,191,406	1.80	(13,241)
86722TAA0	690,000	SUNCOR ENERGY INC	6/1/2018	6.10	2.70	A3	A-	111.517	2.02	2.92	769,465	798,641	1.84	(29,176)
670346AK1	700,000	NUCOR CORP	6/1/2018	5.85	2.71	Baa1	A	111.430	1.81	2.92	780,008	802,102	1.92	(22,094)
775109AK7	800,000	ROGERS COMMUNICATIONS IN	8/15/2018	6.80	2.81	Baa1	BBB+	114.179	2.09	3.13	913,430	940,184	2.04	(26,754)
151020AK0	680,000	CELGENE CORP	8/15/2018	2.30	3.00	Baa1	BBB+	101.509	1.80	3.13	690,258	691,655	1.86	(1,397)
92343VBP8	485,000	VERIZON COMMUNICATIONS	9/14/2018	3.65	3.02	Baa1	BBB+	105.179	1.97	3.21	510,117	514,992	1.72	(4,876)
571748AT9	725,000	MARSH & MCLENNAN COS INC	10/15/2018	2.55	3.12	Baa1	A-	101.798	1.97	3.29	738,033	744,445	1.86	(6,412)
055451AT5	745,000	BHP BILLITON FIN USA LTD	9/30/2018	2.05	3.14	A1	A+	101.448	1.59	3.25	755,788	754,931	1.72	857
02665WAC5	785,000	AMERICAN HONDA FINANCE	10/10/2018	2.13	3.16	A1	A+	101.514	1.65	3.28	796,885	796,916	1.75	(31)
38141EA25	980,000	GOLDMAN SACHS GROUP INC	2/15/2019	7.50	3.18	A3	A-	117.461	2.44	3.63	1,151,117	1,192,915	2.46	(41,798)

Data as of June 30, 2015

Holdings (Cont.)

Credit

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
035242AE6	890,000	ANHEUSER-BUSCH INBEV FIN	2/1/2019	2.15	3.43	A2	A	100.285	2.07	3.59	892,535	896,168	1.98	(3,633)
25271CAK8	340,000	DIAMOND OFFSHORE DRILL	5/1/2019	5.88	3.47	A3	BBB+	111.909	2.59	3.84	380,491	379,807	3.04	684
00206RCC4	745,000	AT&T INC	3/11/2019	2.30	3.53	Baa1	BBB+	100.081	2.28	3.70	745,600	751,012	2.12	(5,412)
0258M0DK2	690,000	AMERICAN EXPRESS CREDIT	3/18/2019	2.13	3.57	A2	A-	100.206	2.07	3.72	691,419	690,904	2.10	515
375558AV5	485,000	GILEAD SCIENCES INC	4/1/2019	2.05	3.61	A3	A-	100.568	1.89	3.75	487,752	485,650	2.02	2,102
14040HBE4	560,000	CAPITAL ONE FINANCIAL CO	4/24/2019	2.45	3.61	Baa1	BBB	100.010	2.45	3.73	560,058	563,791	2.30	(3,733)
36962G4D3	1,070,000	GENERAL ELEC CAP CORP	8/7/2019	6.00	3.64	A1	AA+	114.309	2.32	4.10	1,223,105	1,264,152	2.18	(41,046)
91159HHH6	530,000	US BANCORP	4/25/2019	2.20	3.64	A1	A+	101.048	1.91	3.74	535,554	533,917	2.03	1,638
10112RAQ7	715,000	BOSTON PROPERTIES LP	10/15/2019	5.88	3.66	Baa2	A-	113.535	2.35	4.11	811,773	832,274	2.51	(20,501)
94974BFU9	685,000	WELLS FARGO & COMPANY	4/22/2019	2.13	3.66	A2	A+	100.393	2.02	3.81	687,690	691,549	1.88	(3,859)
200340AP2	930,000	COMERICA INC	5/23/2019	2.13	3.72	A3	A-	99.309	2.31	3.90	923,576	932,995	2.05	(9,419)
40434CAC9	1,900,000	HSBC USA INC	6/23/2019	2.25	3.82	A2	A	99.224	2.46	3.98	1,885,248	1,916,245	2.04	(30,997)
78355HJX8	805,000	RYDER SYSTEM INC	9/3/2019	2.45	3.92	Baa1	BBB	99.795	2.50	4.18	803,352	806,296	2.42	(2,944)
69371RM29	420,000	PACCAR FINANCIAL CORP	9/15/2019	2.20	4.02	A1	A+	100.697	2.03	4.21	422,928	422,352	2.08	576
871829AS6	439,000	SYSCO CORPORATION	10/2/2019	2.35	4.03	A2	A-	101.000	2.10	4.17	443,390	438,403	2.38	4,987
61747YCM5	710,000	MORGAN STANLEY	1/26/2020	5.50	4.03	A3	A-	111.600	2.78	4.57	792,356	807,469	2.46	(15,112)
86765BAG4	1,440,000	SUNOCO LOGISTICS PARTNER	2/15/2020	5.50	4.08	Baa3	BBB	110.567	3.03	4.63	1,592,159	1,593,245	3.03	(1,086)
931427AA6	1,748,000	WALGREENS BOOTS ALLIANCE	11/18/2019	2.70	4.11	Baa2	BBB	100.134	2.67	4.30	1,750,335	1,756,312	2.59	(5,976)
20030NBA8	590,000	COMCAST CORP	3/1/2020	5.15	4.18	A3	A-	112.567	2.30	4.67	664,147	674,671	2.40	(10,524)
742718EG0	562,000	PROCTER & GAMBLE CO/THE	11/1/2019	1.90	4.18	Aa3	AA-	100.240	1.84	4.34	563,349	561,760	1.91	1,589
233331AT4	1,636,000	DTE ENERGY COMPANY	12/1/2019	2.40	4.18	A3	BBB	99.992	2.40	4.42	1,635,866	1,636,598	2.39	(732)
25459HAT2	1,650,000	DIRECTV HOLDINGS/FING	3/15/2020	5.20	4.19	Baa2	BBB	110.292	2.85	4.71	1,819,811	1,840,848	2.74	(21,036)
68268NAN3	935,000	ONEOK PARTNERS LP	3/15/2020	3.80	4.27	Baa2	BBB	102.114	3.30	4.63	954,763	934,832	3.80	19,931
40414LAH2	785,000	HCP INC	2/1/2020	2.63	4.27	Baa1	BBB+	98.991	2.86	4.59	777,080	783,485	2.66	(6,405)
00507UAP6	2,030,000	ACTAVIS FUNDING SCS	3/12/2020	3.00	4.34	Baa3	BBB-	100.227	2.95	4.62	2,034,604	2,046,327	2.82	(11,723)
26884AAY9	735,000	ERP OPERATING LP	7/15/2020	4.75	4.40	Baa1	A-	110.163	2.49	4.87	809,697	817,996	2.62	(8,299)
816851AW9	1,000,000	SEMPRA ENERGY	3/15/2020	2.40	4.42	Baa1	BBB+	99.222	2.58	4.71	992,222	1,012,310	2.13	(20,088)
65504LAC1	955,000	NOBLE HOLDING INTL LTD	8/1/2020	4.90	4.44	Baa3	BBB	102.811	4.28	5.09	981,846	927,649	5.53	54,197
172967FF3	1,500,000	CITIGROUP INC	8/9/2020	5.38	4.48	Baa1	A-	111.802	2.87	5.11	1,677,033	1,678,620	2.87	(1,587)
10112RAR5	765,000	BOSTON PROPERTIES LP	11/15/2020	5.63	4.53	Baa2	A-	114.254	2.63	5.14	874,040	874,517	2.63	(477)
00287YAT6	1,343,000	ABBVIE INC	5/14/2020	2.50	4.57	Baa1	A	98.974	2.73	4.87	1,329,222	1,339,632	2.55	(10,410)
268648AQ5	870,000	EMC CORP	6/1/2020	2.65	4.64	A1	A	101.025	2.43	4.92	878,921	871,627	2.61	7,294
05565QBP2	620,000	BP CAPITAL MARKETS PLC	10/1/2020	4.50	4.72	A2	A	109.387	2.58	5.25	678,199	685,472	2.64	(7,273)
72650RAY8	1,560,000	PLAINS ALL AMER PIPELINE	2/1/2021	5.00	4.76	Baa2	BBB+	108.789	3.20	5.34	1,697,113	1,725,327	3.01	(28,214)

Data as of June 30, 2015

Holdings (Cont.)

Credit

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
55907RAA6	725,000	MAGELLAN MIDSTREAM PARTN	2/1/2021	4.25	4.97	Baa1	BBB+	106.396	3.00	5.59	771,370	790,903	2.71	(19,533)
85771PAP7	1,815,000	STATOIL ASA	11/8/2020	2.90	4.99	Aa2	AA-	102.456	2.41	5.36	1,859,578	1,862,333	2.41	(2,754)
883556AZ5	710,000	THERMO FISHER SCIENTIFIC	8/15/2021	3.60	5.45	Baa3	BBB	101.792	3.26	6.10	722,724	734,516	3.04	(11,792)
68389XBA2	1,835,000	ORACLE CORP	7/8/2021	2.80	5.53	A1	AA-	101.218	2.58	6.02	1,857,348	1,852,169	2.63	5,180
001192AJ2	1,530,000	AGL CAPITAL CORP	9/15/2021	3.50	5.54	A3	BBB+	104.266	2.72	6.15	1,595,273	1,604,805	2.63	(9,532)
125896BK5	1,510,000	CMS ENERGY CORP	3/15/2022	5.05	5.60	Baa2	BBB	110.046	3.31	6.46	1,661,699	1,685,308	3.18	(23,609)
61945CAA1	1,550,000	MOSAIC CO	11/15/2021	3.75	5.67	Baa1	BBB	103.134	3.18	6.33	1,598,574	1,627,336	2.88	(28,762)
278865AL4	1,530,000	ECOLAB INC	12/8/2021	4.35	5.71	Baa1	BBB+	107.884	2.99	6.44	1,650,630	1,660,229	2.98	(9,599)
124857AG8	805,000	CBS CORP	3/1/2022	3.38	5.92	Baa2	BBB	98.784	3.58	6.67	795,213	807,818	3.32	(12,605)
693476BN2	1,820,000	PNC FUNDING CORP	3/8/2022	3.30	5.99	A3	A-	101.704	3.01	6.60	1,851,011	1,866,923	2.89	(15,912)
055451AQ1	1,025,000	BHP BILLITON FIN USA LTD	2/24/2022	2.88	6.04	A1	A+	98.002	3.21	6.65	1,004,519	1,005,863	3.19	(1,344)
760759AP5	795,000	REPUBLIC SERVICES INC	6/1/2022	3.55	6.15	Baa3	BBB+	101.296	3.33	6.90	805,303	824,518	3.00	(19,215)
278642AE3	1,815,000	EBAY INC	7/15/2022	2.60	6.36	A2	A	92.887	3.76	7.04	1,685,906	1,708,195	3.52	(22,289)
855244AG4	1,112,000	STARBUCKS CORP	6/15/2022	2.70	6.38	A3	A-	99.716	2.74	6.95	1,108,845	1,112,023	2.70	(3,178)
149123BX8	625,000	CA TERPILLAR INC	6/26/2022	2.60	6.42	A2	A	97.790	2.95	6.99	611,186	612,456	2.89	(1,270)
008916AK4	930,000	AGRIUM INC	10/1/2022	3.15	6.45	Baa2	BBB	96.957	3.63	7.25	901,698	936,129	3.05	(34,430)
12572QAE5	885,000	CME GROUP INC	9/15/2022	3.00	6.51	Aa3	AA-	100.568	2.91	7.21	890,029	923,117	2.36	(33,088)
35671DAZ8	915,000	FREEMPORT-MCMORAN C & G	3/15/2023	3.88	6.52	Baa3	BBB-	90.843	5.34	7.71	831,211	915,961	3.86	(84,750)
29379VAZ6	1,835,000	ENTERPRISE PRODUCTS OPER	3/15/2023	3.35	6.75	Baa1	BBB+	97.662	3.70	7.71	1,792,105	1,829,258	3.40	(37,153)
92343VBR4	1,285,000	VERIZON COMMUNICATIONS	9/15/2023	5.15	6.77	Baa1	BBB+	109.484	3.79	8.21	1,406,871	1,435,418	3.60	(28,547)
458140AM2	485,000	INTEL CORP	12/15/2022	2.70	6.82	A1	A+	97.773	3.04	7.46	474,199	471,401	3.08	2,798
12189LAM3	1,770,000	BURLINGTN NORTH SANTA FE	3/15/2023	3.00	6.86	A3	BBB+	97.698	3.34	7.71	1,729,251	1,741,934	3.22	(12,683)
744448CH2	855,000	PUBLIC SERVICE COLORADO	3/15/2023	2.50	6.98	A1	A	96.043	3.08	7.71	821,166	824,682	2.97	(3,516)
406216BD2	790,000	HALLIBURTON COMPANY	8/1/2023	3.50	6.99	A2	A	101.015	3.35	8.04	798,022	815,667	3.07	(17,645)
857477AL7	1,720,000	STATE STREET CORP	5/15/2023	3.10	7.03	A2	A	97.968	3.40	7.88	1,685,043	1,696,246	3.29	(11,203)
00185AAD6	765,000	AON PLC	11/27/2023	4.00	7.16	Baa2	A-	102.906	3.59	8.33	787,230	803,296	3.36	(16,066)
74456QBC9	1,760,000	PUB SVC ELEC & GAS	5/15/2023	2.38	7.20	Aa3	A	95.303	3.05	7.87	1,677,336	1,677,770	3.02	(434)
06051GFF1	1,550,000	BANK OF AMERICA CORP	4/1/2024	4.00	7.42	Baa1	A-	101.758	3.76	8.75	1,577,241	1,577,962	3.78	(721)
61746BDQ6	1,340,000	MORGAN STANLEY	4/29/2024	3.88	7.53	A3	A-	101.066	3.73	8.83	1,354,278	1,354,124	3.74	154
478373AC7	805,000	JOHNSON CONTROLS INC	7/2/2024	3.63	7.63	Baa2	BBB+	100.178	3.60	8.98	806,430	807,922	3.58	(1,492)
887317AV7	530,000	TIME WARNER INC	6/1/2024	3.55	7.66	Baa2	BBB	97.522	3.88	8.92	516,868	525,193	3.66	(8,325)
037833AS9	635,000	APPLE INC	5/6/2024	3.45	7.71	Aa1	AA+	101.973	3.19	8.85	647,531	645,230	3.26	2,301
94973VBJ5	694,000	ANTHEM INC	8/15/2024	3.50	7.73	Baa2	A	96.053	4.02	9.13	666,606	690,516	3.56	(23,910)
907818DY1	1,000,000	UNION PACIFIC CORP	1/15/2025	3.25	8.17	A3	A	99.017	3.37	9.52	990,168	996,690	3.29	(6,522)
94974BFY1	1,170,000	WELLS FARGO & COMPANY	6/3/2026	4.10	8.91	A3	A	100.422	4.05	10.93	1,174,932	1,181,618	3.99	(6,687)
	99,964,000				4.55	A3	A-	102.984	2.63	5.05	102,947,012	104,034,467	2.53	(1,087,455)

Data as of June 30, 2015

Holdings (Cont.)

ABS

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
80283NAD1	1,000,000	SDART 2014-1 A3	1/16/2018	0.87	0.42	NA	AAA	100.019	0.83	0.37	1,000,188	1,002,344	0.80	(2,156)
43814FAC6	1,239,419	HAROT 2013-4 A3	9/18/2017	0.69	0.63	NA	AAA	99.928	0.81	0.63	1,238,524	1,239,806	0.68	(1,282)
02006MAC5	1,394,920	ALLYA 2013-2 A3	1/15/2018	0.79	0.63	Aaa	NA	100.050	0.71	0.65	1,395,620	1,396,227	0.76	(607)
13975DAC9	1,665,000	AFIN 2013-3 A3	12/20/2017	1.31	0.83	Aaa	AAA	100.313	0.94	0.67	1,670,215	1,678,008	1.08	(7,793)
34530LAD3	835,000	FORDL 2014-B A3	9/15/2017	0.89	0.99	NA	AAA	100.120	0.77	0.99	836,003	834,948	0.89	1,055
89231RAC8	1,000,000	TAOT 2014-B A3	3/15/2018	0.76	1.12	Aaa	AAA	99.885	0.86	1.13	998,847	998,125	0.81	722
98158QAD8	735,000	WOART 2012-B A4	1/15/2019	0.81	1.14	NA	AAA	99.890	0.91	1.16	734,194	736,148	0.77	(1,955)
13056LAC3	1,037,000	CRART 2014-3 A3	11/15/2018	1.09	1.14	NA	AAA	99.999	1.09	1.16	1,036,992	1,036,847	1.09	145
587729AC8	856,000	MBART 2014-1 A3	10/15/2018	0.87	1.36	Aaa	NA	99.868	0.97	1.38	854,873	855,859	0.87	(986)
02006XAD9	477,000	ALLYL 2015-SN1 A3	3/20/2017	1.21	1.40	Aaa	NA	100.163	1.10	1.43	477,777	476,959	1.22	818
80284CAD4	429,000	SDART 2015-1 A3	2/15/2019	1.27	1.53	NA	AAA	100.017	1.26	1.44	429,075	428,941	1.27	134
41284AAD0	2,000,000	HDMOT 2014-1 A3	9/15/2019	1.10	1.55	Aaa	AAA	99.961	1.13	1.45	1,999,216	1,999,195	1.11	21
14313TAC3	1,000,000	CARMX 2014-3 A3	6/17/2019	1.16	1.65	Aaa	AAA	100.223	1.03	1.51	1,002,234	999,921	1.16	2,313
05580PAD3	1,300,000	BMWLT 2015-1 A3	12/20/2017	1.24	1.67	Aaa	NA	100.229	1.11	1.58	1,302,981	1,299,746	1.25	3,235
65477LAD2	1,435,000	NAROT 2013-B A4	10/15/2019	1.31	1.69	Aaa	NA	100.192	1.20	1.72	1,437,760	1,444,305	1.18	(6,546)
92867VAD2	764,000	VWALT 2015-A A3	12/20/2017	1.25	1.83	Aaa	NA	100.121	1.19	1.76	764,921	763,766	1.26	1,155
13975JAC6	796,000	AFIN 2014-3 A3	11/20/2018	1.48	1.84	Aaa	NA	100.421	1.25	1.67	799,354	796,995	1.44	2,359
65473DAD4	2,000,000	NALT 2015-A A3	6/15/2018	1.40	1.84	Aaa	NA	99.987	1.41	2.00	1,999,731	1,999,671	1.41	60
03062AAD8	1,015,000	AMCAR 2014-3 A3	6/10/2019	1.15	1.86	Aaa	AAA	100.080	1.11	1.89	1,015,813	1,013,811	1.18	2,002
44890WAC4	570,000	HART 2015-A A3	4/15/2019	1.05	2.07	NA	AAA	100.015	1.44	1.78	570,088	569,917	1.05	171
38013GAC3	1,873,000	GMALT 2015-2 A3	12/20/2018	1.68	2.43	Aaa	AAA	99.998	1.69	2.49	1,872,959	1,872,903	1.68	56
	23,421,338				1.43	Aaa	AAA	100.068	1.10	1.40	23,437,362	23,444,442	1.12	(7,080)

Data as of June 30, 2015

Holdings (Cont.)

CMBS

CUSIP	Quantity	Description	Maturity	Coupon	Dur	Moody's	S&P	Mkt Price	YTW	WAL	Mkt Val	Book Val	Book Yld	Unreal. G/L
07387MAE9	667,718	BSCMS 2006-PW11 A4	3/11/2039	5.60	0.36	NA	AAA	101.269	1.73	0.37	676,192	706,399	5.17	(30,207)
07387BFS7	512,564	BSCMS 2006-T22 A4	4/12/2038	5.77	0.53	Aaa	NA	101.912	1.89	0.55	522,363	543,959	5.30	(21,596)
61749MAV1	1,181,507	MSC 2006-T23 A4	8/12/2041	6.01	0.80	NA	AAA	103.222	1.78	0.82	1,219,577	1,237,496	5.66	(17,919)
23305YBB4	1,048,362	DBUBS 2011-LC3A A2	8/10/2044	3.64	0.85	Aaa	NA	101.779	1.48	0.87	1,067,015	1,095,661	3.40	(28,646)
07388NAE6	1,175,456	BSCMS 2006-T24 A4	10/12/2041	5.54	1.07	Aaa	NA	103.910	1.84	1.11	1,221,413	1,262,287	5.04	(40,874)
55312VAD0	809,290	MLCFC 2006-4 A3	12/12/2049	5.17	1.13	Aaa	AAA	103.925	1.64	1.17	841,057	849,502	4.87	(8,445)
61750WAX1	1,331,793	MSC 2006-IQ12 A4	12/15/2043	5.33	1.17	NA	AAA	104.018	1.84	1.22	1,385,298	1,431,261	4.85	(45,964)
50180CAD2	1,950,000	LBUBS 2006-C7 A3	11/15/2038	5.35	1.21	NA	AAA	104.409	1.77	1.26	2,035,966	2,075,266	4.89	(39,301)
07388PAE1	1,141,000	BSCMS 2006-PW14 A4	12/11/2038	5.20	1.23	NA	AAA	104.308	1.68	1.28	1,190,155	1,200,779	4.83	(10,624)
90269CAD2	1,218,400	UBSBB 2012-C2 A4	5/10/2063	3.53	6.24	Aaa	NA	103.613	2.93	6.91	1,262,422	1,301,784	3.24	(39,362)
3137ATR4	2,000,000	FHMS K020 A2	5/25/2022	2.37	6.29	Aaa	AA+	99.706	2.41	6.76	1,994,122	1,972,500	2.57	21,622
90349GBF1	945,000	UBSBB 2013-C6 A4	4/10/2046	3.24	6.82	Aaa	NA	101.167	3.08	7.67	956,031	948,322	3.23	7,709
92939FAU3	1,365,000	WFRBS 2014-C21 A5	8/15/2047	3.68	7.74	Aaa	NA	103.310	3.26	9.03	1,410,187	1,414,108	3.49	(3,921)
17322VAT3	400,000	CGCMT 14GC23 A-4	7/10/2047	3.62	7.75	Aaa	NA	102.611	3.30	9.03	410,444	411,983	3.47	(1,539)
3136AKQM8	1,500,000	FNA 2014-M8 A2	6/25/2024	3.06	7.85	Aaa	AA+	101.739	2.83	8.88	1,526,084	1,515,022	2.93	11,061
3136AMKZ1	1,350,000	FNA 2015-M1 A2	9/25/2024	2.53	8.26	Aaa	AA+	97.204	2.87	9.21	1,312,254	1,364,125	2.41	(51,871)
	18,596,091				3.89	Aaa	AAA	102.336	2.27	4.32	19,030,579	19,330,455	3.99	(299,875)
TOTALS:	334,309,149				3.83	Aa2	AA		2.01	4.65	345,242,285	346,747,555	2.40	(1,505,270)

Data as of June 30, 2015

This Page Intentionally Left Blank

Agenda

- **Portfolio Performance and Review**
- **Transactions**
- **Holdings**
- **Watchlist**
- **Economic and Market Outlook**

Watchlist

There were no items on the watchlist as of June 30, 2015.

Agenda

- **Portfolio Performance and Review**
- **Transactions**
- **Holdings**
- **Watchlist**
- **Economic and Market Outlook**

GFICC scenario probabilities and investment expectations: 3Q15

EXPANSION	CONTRACTION
<p>Above Trend Growth (50%; +5%) Global GDP >4%; Global Inflation >2%</p> <ul style="list-style-type: none"> The effects of the prolonged period of highly expansionary and coordinated global monetary policy are taking hold US growth continues to rise as the labor market strengthens; lower energy prices should add a tailwind to consumer spending; wage growth has turned up Eurozone growth has also improved as the combination of the weaker Euro and structural reform have restored competitiveness; the fall in unemployment is material Japan has also benefitted from a weaker currency as their trade balance has substantially improved <p>Strategy Implications:</p> <ul style="list-style-type: none"> The Federal Reserve will likely begin the normalization process, but with as little disruption as possible The US yield curve should flatten as the Federal Reserve moves toward Chair Yellen's "1.75% by the end of 2016" target The long end of the curve will be supported by demand from pensions and insurance companies Credit will likely benefit from improved economic conditions and still-accommodative global monetary policy; High Yield and Leveraged Loans in particular are attractive The USD rally should resume, albeit at a less torrid pace, as US monetary policy diverges from the rest The transition to a different monetary regime creates uncertainty, reducing our conviction; volatility likely increases 	<p>Crisis (5%; -5%) A disorderly movement in markets causes systemic impact and tail risk</p> <ul style="list-style-type: none"> There are few monetary and policy tools left to deploy should the global economy roll over The first increase in the Federal Funds rate since 2006 may have an unknown impact on the markets; as the Fed approaches Yellen's 1.75% target, money market funds become a reasonable alternative to bonds and other longer term assets The slowdown in the emerging markets and China's ability to engineer a soft-landing are challenges Significantly reduced market liquidity results in a liquidity crisis
<p>Sub Trend Growth (45%; unchanged) Global GDP 2-4%; Global Inflation 0-2%</p> <ul style="list-style-type: none"> While the Developed Markets are accelerating, the Emerging Markets are struggling with weak domestic demand and falling nominal GDP/trade The sovereign 'debt overhang' remains a significant headwind to global growth The global output gap will prevent wages from running too far ahead of productivity; the combination of a flexible global labor pool and constant technology innovation lead to sustained efficiency and higher productivity <p>Strategy Implications:</p> <ul style="list-style-type: none"> The combined QE from the ECB and BOJ create a global bond-friendly environment; a shallow path of rates normalization by the Fed will not be disruptive Credit, in general, looks cheap and financials in particular should benefit (European banks and insurance companies) Peripheral European yields are attractive after the ~125bps rise, given the expected support from ongoing QE 	<p>Recession (0%; unchanged) Global GDP <2%; Global Inflation <0%</p> <ul style="list-style-type: none"> Global macro policy continues to be coordinated and effective in preventing a return to recession

Source: GFICC Investment Quarterly. As of June 18, 2015. Opinions, estimates, forecasts, projections and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

Economic data released in the second quarter generally improved following a slow first quarter

U.S. Forecast	% Q/Q, saar			%y/y		
	2Q15	3Q15	4Q15	2014	2015	2016
Real GDP	2.5	2.5	2.5	2.4	2.2	2.5
Consumer spending	2.9	2.8	2.8	2.5	3.0	2.7
Business investment	1.0	5.4	4.6	6.3	3.2	4.7
Consumer price index	3.0	2.6	2.1	1.6	0.4	2.2
Core CPI	2.5	2.2	2.1	1.7	1.9	2.1

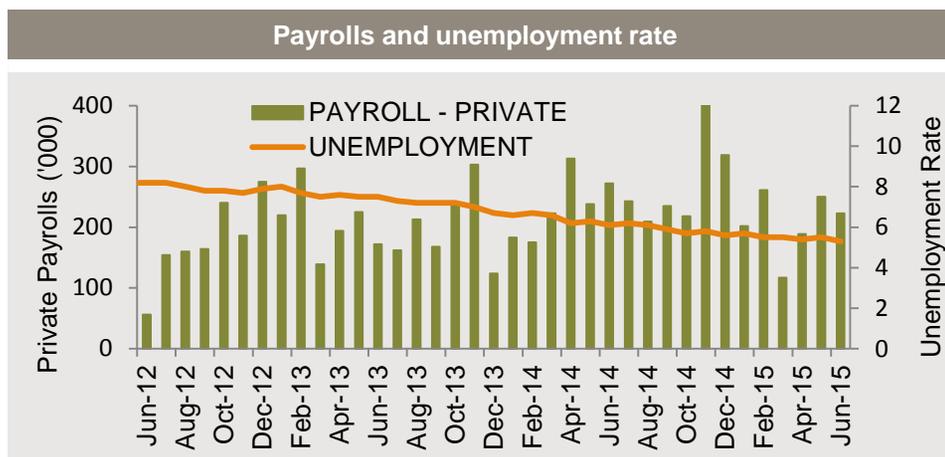
- After a -0.2% decline in GDP during the first quarter, data released for April and May suggest GDP potentially grew about 3% in the second quarter.
- 10-year US Treasuries traded in a wide 70 basis point (bp) range for the 3-month period as the impact of external forces on US fixed income markets grew considerably.
- European bond yields, Greek and Puerto Rican debt negotiations and conditions in China all influenced sentiment during the quarter, alongside the ongoing evolution of global central bank policy.

1 Source: J.P. Morgan. Forecasts as of July 2, 2015.

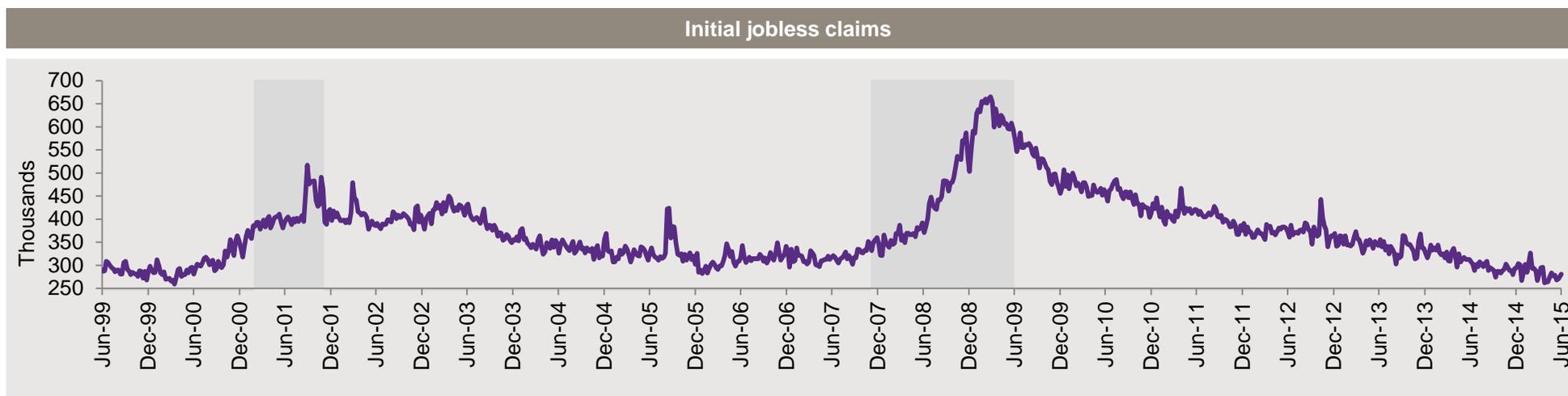
2 Opinions, estimates, forecasts, projections and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice.

3 There can be no guarantee they will be met. The charts and/or graphs shown above and throughout the presentation are for illustration and discussion purposes only.

Overall, labor statistics continue to provide a healthy backdrop for US economic conditions



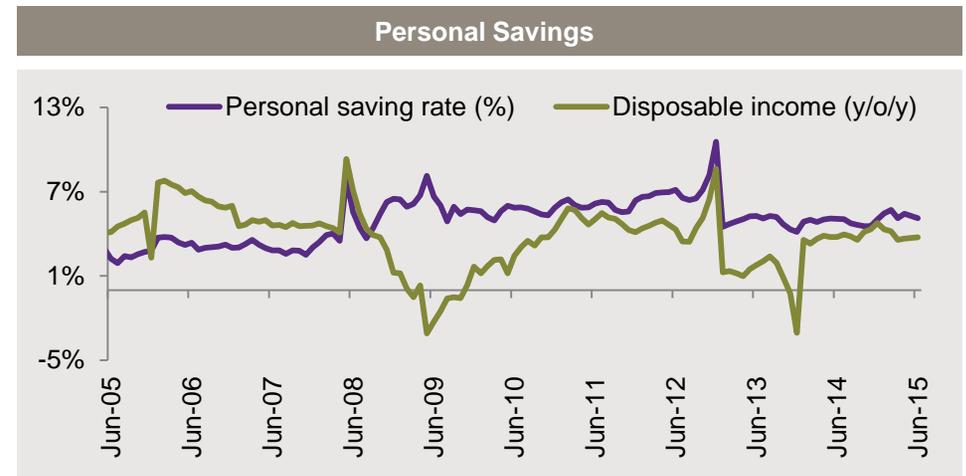
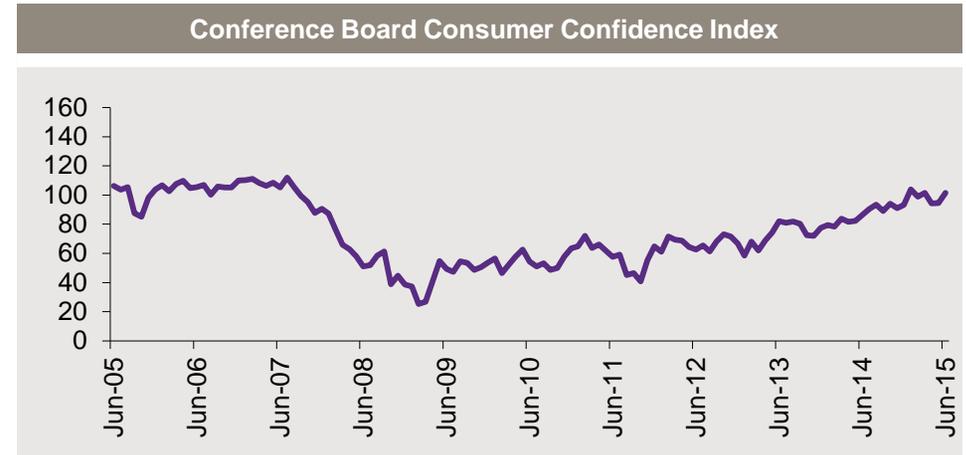
- Labor market improvements were broad-based, with gains in service sector and healthcare jobs more than offsetting declines in mining.
- In total, 664,000 Non-Farm Payroll positions were reported during the quarter (reflecting data for the months of March, April and May), marking an average monthly increase of +221,000.
- Headline unemployment continued to decline, reaching 5.3% in May (data reported in June).
- Though average hourly earnings trailed the first quarter's robust pace, monthly increases during the second quarter still totaled +0.4%.



1 Source: Bloomberg, Bureau of Labor Statistics, NBER and J.P. Morgan Asset Management. Latest available data as of June 30, 2015. Opinions, estimates, forecasts, projections and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

Measures of consumer confidence were slightly lower in the second quarter

- Personal income rose 0.5% per month in April and May, above the 0.3% monthly pace during the first quarter, as interest income rebounded.
- Similarly, personal consumption rose 0.5% per month in April and May, above the 0.2% monthly pace of the prior quarter, though a large portion of improvement was attributable to the change in oil prices.
- The savings rate was 5.1% in May, unchanged from its March level.

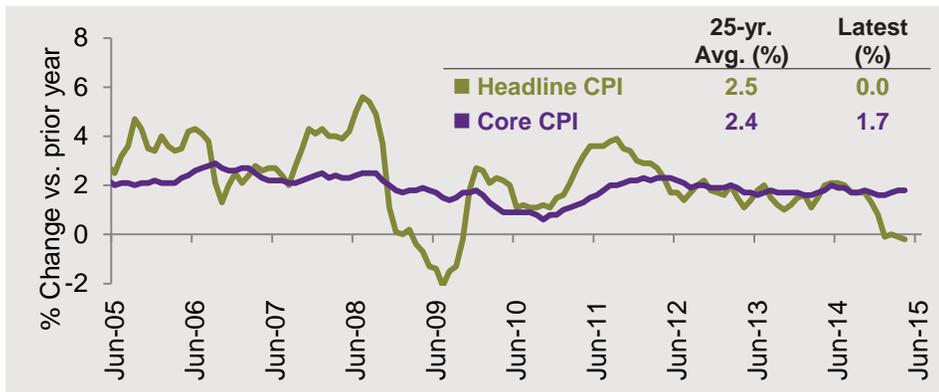


1 Source: Bloomberg and J.P. Morgan Asset Management. Latest available data as of June 30, 2015.

2 Opinions, estimates, forecasts, projections and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

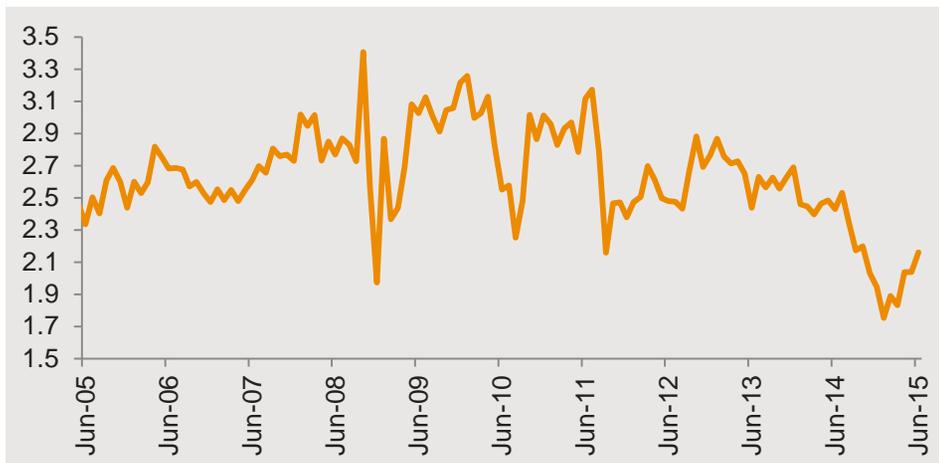
Inflation measures rebounded in the second quarter as oil prices stabilized at higher levels

CPI: A measure of inflation

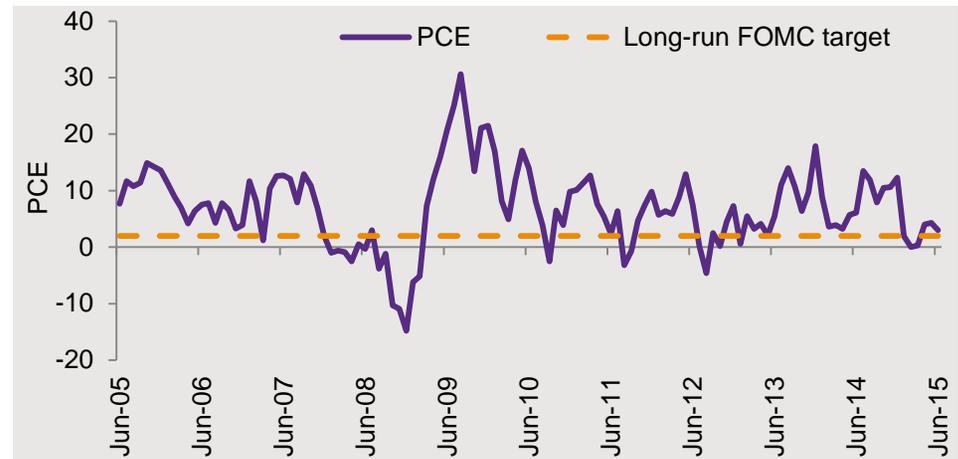


- The Consumer Price Index (CPI) rose 0.3% per month on average in April and May after falling -0.1% per month in the first quarter.
- However, core CPI rose 0.2% per month in April and May, identical to its first quarter pace.
- The Personal Consumption Expenditures (PCE) price index rose 0.2% per month on average in April and May after being unchanged in the first quarter.
- Core PCE rose 0.1% per month in April and May, unchanged from its first quarter pace.

Fed's five-year forward breakeven inflation rate



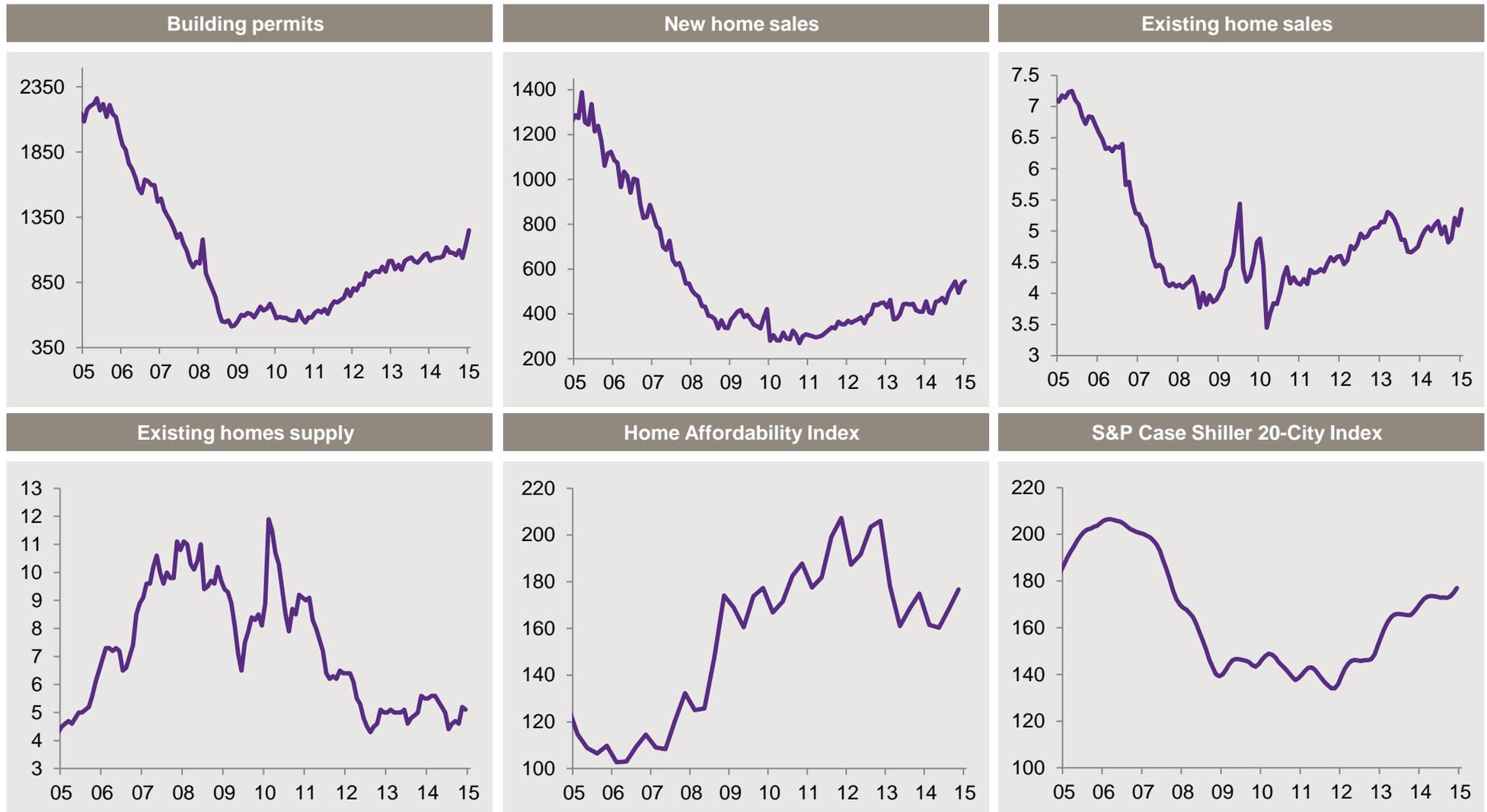
PCE price Index



1 Source: Bloomberg and J.P. Morgan Asset Management. Latest available data as of June 30, 2015.

2 Opinions, estimates, forecasts, projections and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

Housing data released during the month continued to paint a positive picture for both home prices and sales activity



1 Source: Bloomberg. Latest available data as of June 30, 2015. The above information is shown for illustrative purposes only.

High Grade Credit Market Update – 2Q 2015

Spreads moved wider during the quarter on macro concerns and heavy new issuance

■ Supply/Demand

- U.S. investment grade corporate bond supply continued to be very strong in the second quarter of 2015.
- The strong supply in the second quarter was partly driven by issuance from debt raised to fund the heavy merger and acquisition activity recently. Some of this debt was raised even before the merge deals had received all the required approvals indicating a desire of companies to lock in current interest rates.
- While new issuance continues to be absorbed by the market it produced more of a headwind to spreads in the second quarter.
- While turning a bit more choppy, funds flowing into investment grade taxable bond funds continued to be positive during the second quarter but still provided a support to the market.

■ Fundamentals

- The fundamentals for most investment grade industrial corporate issuers have begun to move past their peak, in our opinion.
- Balance sheets are beginning to show the impact of stock buybacks and debt-financed merger activity. Earnings and revenue growth continues to be challenging for many companies as a result of moderate US growth being offset by anemic economic conditions in Europe and a slower rate of growth coming out of China and other emerging markets.
- The strong dollar has continues to act as an additional headwind to many U.S.-based companies.
- Many industrial companies continue to embrace M&A as a path to revenue growth, as well as, other shareholder-friendly activities and are returning the bulk of free cash flow to shareholders.
- Oil prices rebounded during the quarter but have now drifted back towards the low end of the range. If oil prices remain at current levels throughout 2015 it is expected that fundamentals for many energy and energy-related companies will deteriorate. In addition, other commodity prices fell which will impact the results of those companies, as well.
- Most financial companies have written down non-performing assets, raised capital levels and improved short term liquidity thereby repairing their balance sheets.
- Actions taken by the European Central Bank continue to support the liquidity situation for European banks and reduce tail risk. As evidenced by the situation with Greece, the fundamental issues facing Europe are only slowly being addressed, however.
- Actions taken by other global central banks, including the US Federal Reserve, injected liquidity into financial systems which boosted asset prices. The US Fed and the Bank of England are in the process of removing this liquidity adding to volatility.

Opinions, estimates, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice.

High Grade Credit Market Update – 2Q 2015

Spreads moved wider during the quarter on macro concerns and heavy new issuance

■ Relative Value

- Spreads on U.S. investment grade corporate bonds moved wider during the quarter. They ended the quarter 16 basis points wider than where they began at the index level.
- Spreads of energy and metals & mining names have generally been more volatile reflecting the moves in oil/commodity prices. Companies bringing large debt issues to fund mergers pushed spreads wider for those companies.
- Dispersion between BBB-rated and A-rated corporate bonds widened with commodity and telecom names leading the way.
- Once again longer duration credit to underperform based on excess return.
- Generally speaking in the second quarter spreads widened along with a move higher in U.S. Treasury rates resulting in U.S. credit posting a negative total return for the quarter coupled with negative excess returns.

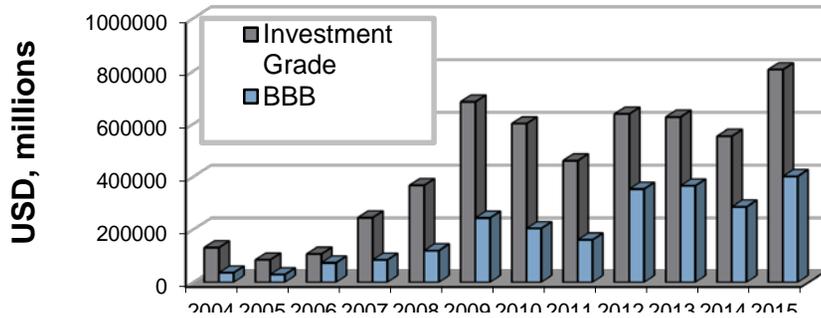
■ Recommendation

- Our base case expectation remains for moderate economic growth in the US. However, high levels of government debt globally raises the potential for global economic growth to fall short; this coupled with reduced market liquidity raises the chances for bouts of volatility to continue.
- Fundamentals for many industrial companies have moved past their peak but default rates remain low. However, if oil prices remain at current low levels energy companies will see their fundamentals deteriorate and defaults could start to increase in 2016, especially among high yield names.
- Select names in the energy and metals & mining sectors that can withstand lower commodity prices provide attractive opportunities in our opinion, but will remain volatile.
- Event risk and shareholder activism is expected to continue for industrial companies. Our model is underweight many industrial sectors due to concerns around event risk. We look to get involved in these industrial names once the event risk has crystallized, taking advantage of large new issuance surrounding the funding of these deals.
- We have maintained our neutral weight to financials in our model as tight spreads are offset by improved fundamentals.
- Our model has also maintained a neutral weight to the utility sector reflecting their stable profile but tight spreads.

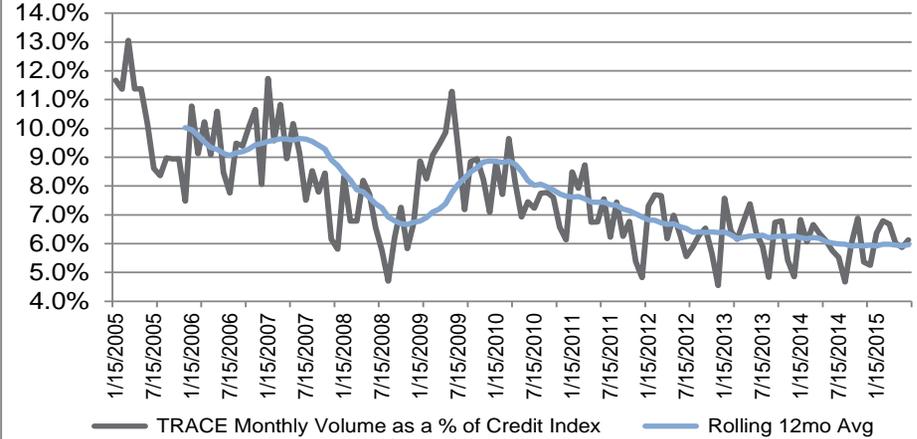
Opinions, estimates, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice.

Credit Market Technicals & Fundamentals

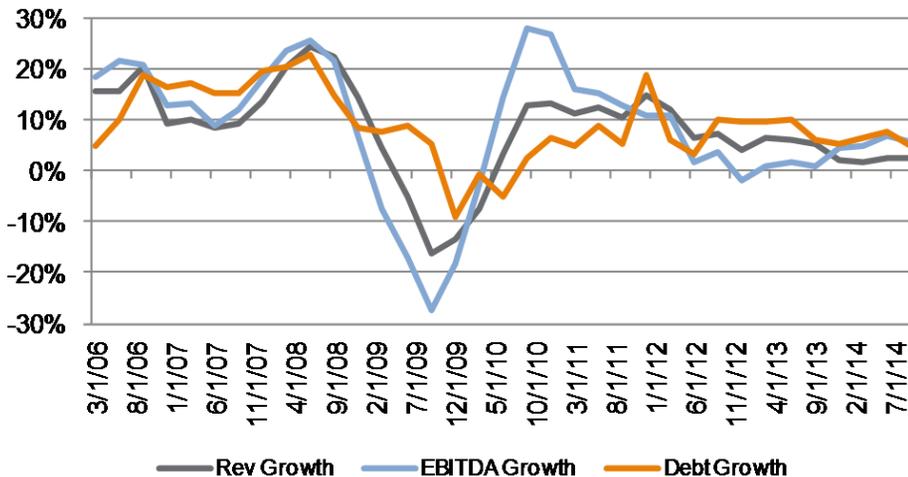
Net Investment Grade and BBB Fixed Rate Supply (annualized)



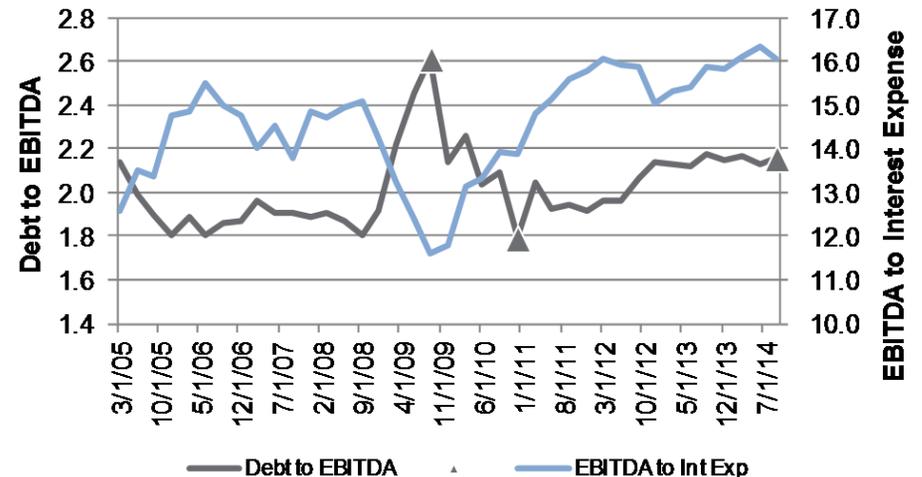
TRACE Volumes



Revenue, EBITDA and Debt Growth



Leverage and Interest Coverage



Source: Bloomberg, Moody's, Barclays, Capital IQ. "Revenue, EBITDA and Debt Growth" and "Leverage and Interest Coverage" metrics represent Barclays Corporate Index ex Financials.

This Page Intentionally Left Blank

J.P. Morgan Asset Management

This document is intended solely to report on various investment views held by J.P. Morgan Asset Management. Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable but should not be assumed to be accurate or complete. The views and strategies described may not be suitable for all investors. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations. Indices do not include fees or operating expenses and are not available for actual investment. The information contained herein employs proprietary projections of expected returns as well as estimates of their future volatility. The relative relationships and forecasts contained herein are based upon proprietary research and are developed through analysis of historical data and capital markets theory. These estimates have certain inherent limitations, and unlike an actual performance record, they do not reflect actual trading, liquidity constraints, fees or other costs. References to future net returns are not promises or even estimates of actual returns a client portfolio may achieve. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation.

Selected Risks

Interest Rate Risk. The Strategy mainly invests in bonds and other debt securities. These securities will increase or decrease in value based on changes in interest rates. If rates increase, the value of the Strategy's investments generally declines. On the other hand, if rates fall, the value of the investments generally increases. Your investment will decline in value if the value of the investments decreases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Usually, the changes in the value of fixed income securities will not affect cash income generated, but may affect the value of your investment.

Mortgage-related and asset-backed securities are subject to certain other risks. The value of these securities will be influenced by the factors affecting the housing market and the assets underlying such securities. As a result, during periods of declining asset value, difficult or frozen credit markets, swings in interest rates, or deteriorating economic conditions, mortgage-related and asset-backed securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. Additionally, during such periods and also under normal conditions, these securities are also subject to prepayment and call risk. When mortgages and other obligations are prepaid and when securities are called, the strategy may have to reinvest in securities with a lower yield or fail to recover additional amounts (i.e., premiums) paid for securities with higher interest rates, resulting in an unexpected capital loss. Some of these securities may receive little or no collateral protection from the underlying assets and are thus subject to the risk of default described under "Credit Risk". The risk of such defaults is generally higher in the case of mortgage-backed investments that include so-called "sub-prime" mortgages. The structure of some of these securities may be complex and there may be less available information than other types of debt securities.

Credit Risk. There is a risk that issuers and counterparties will not make payments on securities and investments held by the portfolio. Such default could result in losses to an investment in the portfolio. In addition, the credit quality of securities held by a portfolio may be lowered if an issuer's financial condition changes. Lower credit quality may lead to greater volatility in the price of a security. Lower credit quality also may affect liquidity and make it difficult for the portfolio to sell the security. The portfolio may invest in securities that are rated in the lowest investment grade category. Such securities are considered to have speculative characteristics similar to high yield securities, and issuers of such securities are more vulnerable to changes in economic conditions than issuers of higher grade securities.

Quality Rating Methodology. J.P. Morgan Investment Management Inc. (JPMIM) receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies – S&P, Moody's and Fitch. When calculating the credit quality breakdown, JPMIM selects the middle rating of the agencies when all three agencies rate a security. JPMIM will use the lower of the two ratings if only two agencies rate a security and JPMIM will use one rating if that is all that is provided. We will use the DBRS rating for securities that are not rated by SP, Moody's, or Fitch. Securities that are not rated by all four agencies are reflected as such.

There can be no assurance that the professionals currently employed by J.P. Morgan Asset Management will continue to be employed by J.P. Morgan Asset Management or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success.

The Barclays U.S. Aggregate Index (formerly Lehman Brothers U.S. Aggregate Index) is an unmanaged index that represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The performance of the index does not reflect the deduction of expenses associated with a mutual fund, such as investment management fees. By contrast, the performance of the Fund reflects the deduction of the mutual fund expenses, including sales charges if applicable. An individual cannot invest directly in an index.

The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Fees are available upon request.

The following is an example of the effect of compounded advisory fees over a period of time on the value of a client's portfolio: A portfolio with a beginning value of \$100 million, gaining an annual return of 10% per annum would grow to \$259 million after 10 years, assuming no fees have been paid out. Conversely, a portfolio with a beginning value of \$100 million, gaining an annual return of 10% per annum, but paying a fee of 1% per annum, would only grow to \$235 million after 10 years. The annualized returns over the 10 year time period are 10.00% (gross of fees) and 8.91% (net of fees). If the fee in the above example was 0.25% per annum, the portfolio would grow to \$253 million after 10 years and return 9.73% net of fees. The fees were calculated on a monthly basis, which shows the maximum effect of compounding.

The value of investments and the income from them may fluctuate and your investment is not guaranteed. Past performance is no guarantee of future results. Please note current performance may be higher or lower than the performance data shown. Please note that investments in foreign markets are subject to special currency, political, and economic risks. Exchange rates may cause the value of underlying overseas investments to go down or up. Investments in emerging markets may be more volatile than other markets and the risk to your capital is therefore greater. Also, the economic and political situations may be more volatile than in established economies and these may adversely influence the value of investments made.

All case studies are shown for illustrative purposes only and should not be relied upon as advice or interpreted as a recommendation. They are based on current market conditions that constitute our judgment and are subject to change. Results shown are not meant to be representative of actual investment results. Past performance is not necessarily indicative of the likely future performance of an investment.

Any securities mentioned throughout the presentation are shown for illustrative purposes only and should not be interpreted as recommendations to buy or sell. A full list of firm recommendations for the past year is available upon request.

J.P. Morgan Asset Management is the marketing name for the asset management business of JPMorgan Chase & Co. Those businesses include, but are not limited to, J.P. Morgan Investment Management Inc., Security Capital Research & Management Incorporated and J.P. Morgan Alternative Asset Management, Inc.