

## Asset Class Returns

September 30, 2015

	YTD 2015	2014	2013	2012	Past 10 yrs.*
<b>Bonds (%)</b>					
One-Year	0.5	0.3	0.3	0.9	2.1
Five-Year	2.1	2.9	-0.4	4.8	3.6
Intermediate	2.8	5.2	-3.5	3.7	4.8
Long-Term	0.1	23.9	-11.4	3.3	7.5
<b>U.S. stocks (%)</b>					
Large Market	-5.3	13.5	32.3	15.8	7.7
Large Value	-8.2	10.1	40.3	22.1	8.1
Small Market	-5.8	4.4	42.2	18.4	8.8
Small Micro	-7.1	2.9	45.1	18.2	7.8
Small Value	-9.5	3.5	42.4	21.7	7.9
Real Estate	-3.7	31.1	1.4	17.5	8.1
<b>International stocks (%)</b>					
Large Market	-5.8	-5.2	20.7	17.8	4.6
Large Value	-8.9	-7.0	23.1	16.6	4.6
Small Market	0.6	-6.3	27.4	18.9	6.7
Small Value	-0.0	-5.0	32.4	22.3	7.1
Emerg. Mkts.	-15.4	-1.7	-3.1	19.2	8.6

All returns except "YTD" (Year to Date) are annualized.

### Descriptions of Indexes

One-Year bonds	DFA One-Year Fixed Income fund
Five-Year bonds	DFA Five-Year Global Fixed
Intermediate bonds	DFA Intermed. Gov't Bond fund
Long-Term bonds	Long-Term Gov't Bond Index
U.S. Large Market	DFA US Large Company fund
U.S. Large Value	DFA US Large Cap Value fund
U.S. Small Market	DFA US Small Cap fund
U.S. Small Micro	DFA US Micro Cap fund
U.S. Small Value	DFA US Small Value fund
Real Estate	DFA Real Estate Securities fund
Int'l Large Market	DFA Large Cap Int'l fund
Int'l Large Value	DFA Int'l Value fund
Int'l Small Market	DFA Int'l Small Company fund
Int'l Small Value	DFA Int'l Small Cap Value fund
Emerging Markets	DFA Emerging Markets fund

"Past 10 yrs." returns are ended 12/31/14.

Equius Partners is an investment advisor registered with the Securities and Exchange Commission. Consider the investment objectives, risks, and charges and expenses of any mutual fund and read the prospectus carefully before investing. Indexes are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. **Past performance is not a guarantee of future results.**

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## Perspective

Jeff Troutner, Equius Partners

"Remember, Jeff, 'Stay the course!'"

This was the simple message a client emailed to me following the recent declines in the stock market. Brilliant.

In five words, he not only conveyed his belief in a core principle we've helped him accept over the course of our relationship, he also expressed understandable anxiety over the current volatility in the stock market.

Market declines are never easy to stomach, but they're an integral part of a long-term process aimed at capturing the rewards a dynamic economy can provide to patient investors.

After staying the course through the financial crisis of 2008-2009, our clients have benefitted from a strong recovery in the markets that started in early March 2009. But it hasn't been smooth sailing. Consider these numbers:

From March 2009 through September of this year, the S&P 500 has compounded at an **annual rate of over 18%**. Yet,

- over the two months May 2010-June 2010, the market dropped almost 13%,
- over the five months May 2011-September 2011, the market dropped over 16% and each month was successively worse,
- over the two months April 2012-May 2012, the market dropped almost 7%, and
- over the two months August 2015-September 2015, the market dropped just over 8%.

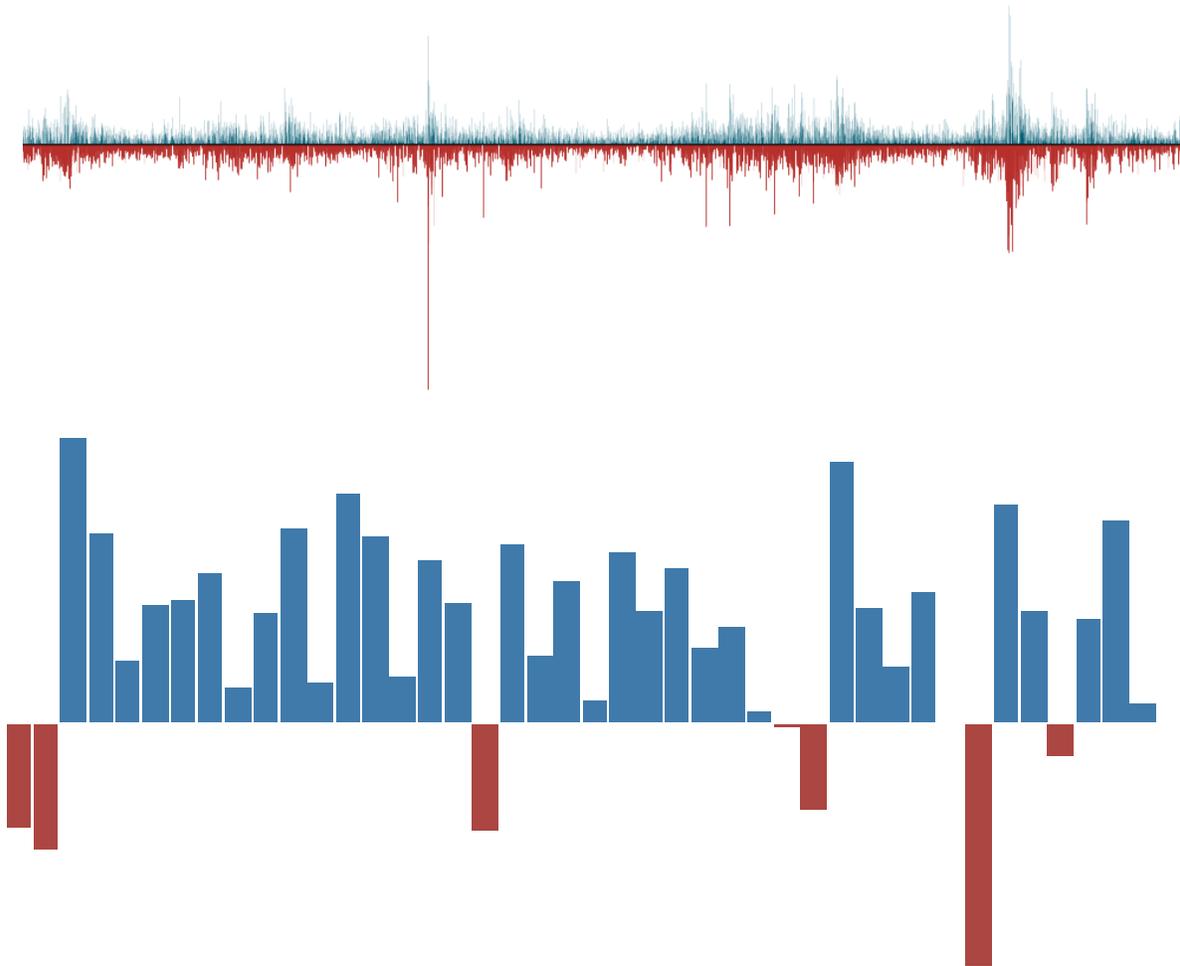
In between, there have been an additional 14 separate months of market declines.

We can't know, of course, if this current period of market decline is over. What we do know is that these kinds of declines are expected.

Remember, stay the course.

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# What's your perspective?



At first glance, the top graphic might appear to you to be a voice recording. Perhaps screams of joy or sorrow from an investor reacting to daily price changes in the stock market? Well, you wouldn't be far off. The chart represents the daily price changes in the S&P 500 index from 1973 to 2014.

The bottom chart represents the calendar-year performance of a globally balanced stock index portfolio over the same period. Less sorrow and more joy from this perspective perhaps?

The question is, which chart most influences your long-term view of stock market risk and return? FYI, the annual return for the S&P 500 from 1973 to 2014 was 10.4%.

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Top chart: Source is S&P Dow Jones Indices LLC. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Daily closing values are not adjusted for dividends.

Bottom chart: Source is Dimensional Fund Advisors. Portfolio mix is 21% S&P 500 index, 21% Dimensional US Large Value index, 28% Dimensional US Small Value index, and 30% MSCI EAFE index. All performance results of the globally balanced index portfolio are based on performance of indices with model/back-tested asset allocations; the performance was achieved with the benefit of hindsight; it does not represent actual investment strategies. The model's performance does not reflect advisory fees or other expenses associated with the management of an actual portfolio. There are limitations inherent in model allocations. In particular, model performance may not reflect the impact that economic and market factors may have had on the advisor's decision-making if the advisor were actually managing client money. Past performance is not a guarantee of future results.