



The CompleatAdvisor Update

FOR THE WEEK OF FEBRUARY 22ND – FEBRUARY 26TH, 2016

PORTFOLIO MANAGER'S COMMENTARY

So far this year, equity investments as measured by the performance of the S&P 500 index have not impressed, with a number of individual stocks spending time in bear market territory and the index itself spending time in correction territory.

Though, despite continued negative pressure on oil prices, the worst performing sector so far this year is not energy. Financials, in fact, have seen the worst returns. After having rebounded from the August decline, equities once more began to fall beginning in December seemingly sparked by concerns of China's slowing growth. Though equities have fallen broadly, this has been particularly negative on financials. As of now, the reasons are primarily two-fold. First, with the price of oil remaining low lenders have been increasing their loan-loss reserves to accommodate for the increased risk of principal loss stemming from their loans to energy firms. Second, forecasts of global growth have been revised lower by the IMF, World Bank, and most recently Citi. This has caused interest rates to fall in developed economies, with some rates in negative territory in several European countries. Lenders had been viewed as a good place to invest when the consensus view in the near term was that interest rates would begin rising. This thinking has reversed, and financials have broadly sold off.

In the DIAS portfolios, financials have been reduced for the time being, until there is further clarity on interest rates, and the adjustments to loan-loss reserves stabilize.

PORTFOLIO ALLOCATION UPDATE

Conservative	Purchased Southern Co, and made an addition to AT&T. In the conservative models sales were made in international equities and high yield fixed income. Additional purchases were made into energy, utilities, and multi-sector unconstrained fixed income (NFLT).
Moderate	Sales have been made out of high yield fixed income, financial services equities, as well as international equities. Purchases have been made into a number of individual stocks representing telecommunications, energy, industrials and technology. Several ETFs representing preferred stock, multi-sector unconstrained fixed income, transport industry equities, and the Nasdaq-100 index have been purchased.
Growth	Cash has been taken down significantly, and individual names representing technology, consumers, and energy have been made.



Allocation Summary		Conservative Income	Conservative Income with Growth	Moderate Growth with Income	Focused Growth
Fixed Income Allocation	Base	70.00%	60.00%	30.00%	0.00%
	Current	79.00%	60.00%	33.00%	8.00%
Equity Allocation	Base	30.00%	40.00%	70.00%	100.00%
	Current	21.00%	40.00%	67.00%	86.00%
Alternative Allocation	Base	0.00%	0.00%	0.00%	0.00%
	Current	0.00%	0.00%	0.00%	6.00%

Market Activity Update:	02/17/2016 – 02/24/2016	YTD as of 02/24/2016
S&P 500 Total Return:	+0.19%	-5.25%
Russell 1000 Value Total Return:	+0.17%	-5.53%
U.S. 10 Year Treasury Yield:	-7.00bps	-52.00bps
Crude Oil WTI:	+4.86%	-13.20%
Gold XAU:	+1.68%	+15.80%

Data Source: Bloomberg as of 02/25/2016

This commentary is not intended as investment advice or an investment recommendation. It is solely the opinion of our investment managers at the time of writing. Nothing in the commentary should be construed as a solicitation to buy or sell securities. Past performance is no indication of future performance. Liquid securities, such as those held within DIAS portfolios, can fall in value. Global Financial Private Capital is an SEC Registered Investment Adviser.

S&P 500 Index Total Return: The Standard and Poor's 500 index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Total return includes interest, capital gains, dividends and distributions realized over a given period of time.

Russell 1000 Value Index Total Return: The Russell 1000 Value index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. Total return includes interest, capital gains, dividends and distributions realized over a given period of time.

U.S. 10 Year Treasury Yield: The on-the-run aggregate yield of 10 year U.S. Treasury bonds.

Crude Oil WTI: Crude Oil WTI refers to the front month futures for West Texas Intermediate crude oil. WTI crude oil is the underlying commodity of the New York Mercantile Exchange's oil futures contracts.

Gold XAU: Gold XAU is the spot price of 1 troy ounce of gold used for international trade and is denominated in USD.

You cannot invest directly in an index.

Consult your financial professional before making any investment decision.