



The Scorecard

Your Personal CFO

Date: December 31, 2014

Tips From the Pro

Make sure your W-4 is updated for the correct amount of withholding exemptions if you made adjustments prior to year end. Also, 401(k) limits were increased to \$18,000, plus a \$6,000 catch-up for those 50 and older.

Hazards

Basing expectations off of the last 12 months
Treating market forecasts as advice rather than entertainment
Mistaking an investment product collection for a diversified portfolio

Front Nine: Market Update

	Annualized				
	1-Month	1-Year	3-Year	5-Year	10-Year
Barclays US Aggregate	0.09%	5.97%	2.66%	4.45%	4.71%
Barclays US Municipal	0.50%	9.05%	4.30%	5.16%	4.74%
Barclays US TIPS	-1.13%	3.64%	0.44%	4.11%	4.37%
S&P 500	-0.25%	13.69%	20.41%	15.45%	7.67%
S&P 1000	1.43%	8.54%	20.08%	16.77%	9.47%
MSCI EAFE	-3.46%	-4.90%	11.06%	5.33%	4.43%
MSCI Emerging Markets	-4.61%	-2.19%	4.04%	1.78%	8.43%
Wilshire Real Estate	1.87%	31.53%	16.46%	17.23%	8.15%
Bloomberg Commodities	-7.63%	-17.01%	-9.43%	-5.53%	-1.86%

Back Nine: Data From Your CFO

	Most Recent	Previous Month	Start of Year	YTD Change
S&P500 P/E Ratio(Fwd)	15.3	15.3	15.4	-0.1
S&P500 P/E Ratio(TTM)	18.8	18.9	17.3	1.5
6 Month CD	0.40%	0.40%	0.42%	-0.02%
10-Year Treasury	2.17%	2.18%	3.02%	-0.85%
S&P 500 Yield	1.92%	1.89%	1.90%	0.02%
Fed Funds Rate	0-0.25%	0-0.25%	0-0.25%	0.00%
QE (per month)	\$0	\$0	\$75B	-\$75B
Unemployment	5.80%	5.80%	6.70%	-0.90%
CPI	1.30%	1.70%	1.50%	-0.20%

At the Turn

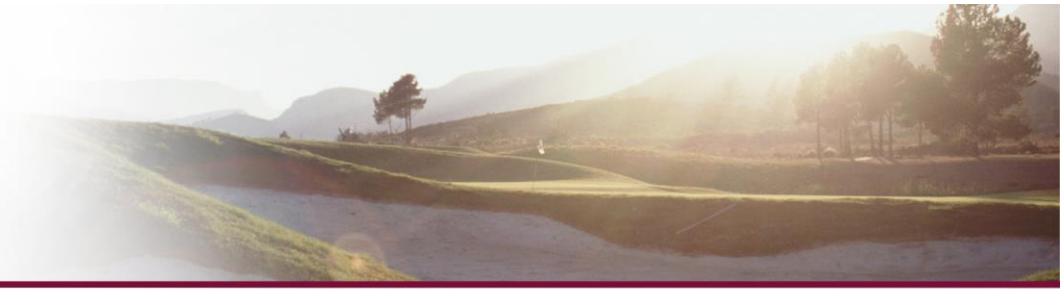
Those who owned actively managed US Large cap stock mutual funds this year may be in for a surprise come tax time. Many funds paid huge capital gains at the end of the year while S&P 500 ETFs did not. These huge gains look nice at first, but Uncle Sam will be keeping a chunk of them for himself.

19th Hole: Cocktail Party Trivia

An appreciating US Dollar had a big impact on foreign investments in 2014. The MSCI EAFE lost 4.90% this year in US Dollar terms, but actually posted a positive return of 5.92% in local currency. Similarly, the MSCI Emerging Markets Index was down 2.19% in US Dollars, but was up 5.17% in local currency.



FAIRWAY
Wealth Management LLC



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Front Nine: Market Update:

Bond Returns: All returns represent total return. Bond Index: Barclays US Aggregate provided by Barclays Capital; Barclays US Municipal provided by Barclays Capital; Barclays US TIPS provided by Barclays Capital.

Equity Price Levels and Returns: All returns represent total return for state period. Equity Index: S&P 500 provided by Standard & Poor's; S&P 1000 provided by Standard & Poor's; MSCI EAFE provided by MSCI – gross official pricing; MSCI Emerging Markets provided by MSCI – gross official pricing; Wilshire Real Estate Securities Index provided by Wilshire Associates Inc; Commodity Index: Bloomberg Commodity provided by Bloomberg Professional® Service. No index mentioned on the Front Nine Report includes any trading expenses, management fees or other costs.

Back Nine: Data from your CFO:

S&P 500 P/E Ratio (Forward 12 Month) provided by S&P 500 Earnings and Estimate Report; S&P 500 P/E Ratio (Trailing Twelve Month) provided by S&P 500 Earnings and Estimate Report; 6 Month CD Rate provided by Bankrate.com; 10-Year Treasury Rate provided by Bloomberg; S&P 500 Yield provided by S&P 500 Earnings and Estimate Report; Federal Funds Rate provided by Federal Reserve Bank of New York; Quantitative Easing (per month) provided by Federal Open Market Committee Press Release 10/29/2014; Unemployment Rate provided by Bureau of Labor Statistics; Consumer Price Index provided by Bureau of Labor Statistics; Certain information on the Back Nine Report are economic trends and do not necessarily reflect account or market performance.

19th Hole: Cocktail Party Trivia:

Source: Morningstar Direct

All Indexes, where applicable, include the reinvestment of dividends and other earnings but do not include any trading expenses, management fees or other costs. Unless otherwise stated, all data is as of December 31, 2014 or as of most recently available. *Past performance does not guarantee future results. Diversification does not guarantee investment returns and does not eliminate the risk of loss.*

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