



## The Scorecard

*Your Personal CFO*

Date: February 28, 2015

### Tips From the Pro

To combat income tax fraud, the IRS and state tax agencies across the country are stepping up their security. Taxpayers expecting a refund may be asked to confirm their identity via a quiz on the department of taxation homepage, so be prepared.

### Hazards - Warren Buffett Edition

Confusing short-term volatility for long-term risk  
Transaction fee-driven financial advice  
Market timing, inadequate diversification, and buying stocks with borrowed money

### Front Nine: Market Update

	Annualized				
	1-Month	1-Year	3-Year	5-Year	10-Year
Barclays US Aggregate	-0.94%	5.05%	2.76%	4.29%	4.82%
Barclays US Municipal	-1.03%	6.49%	3.73%	5.00%	4.75%
Barclays US TIPS	-1.20%	3.11%	0.42%	4.42%	4.61%
S&P 500	5.75%	15.51%	18.00%	16.18%	7.99%
S&P 1000	5.39%	10.13%	17.43%	17.22%	9.77%
MSCI EAFE	5.98%	-0.03%	9.41%	7.78%	4.84%
MSCI Emerging Markets	3.10%	5.01%	-0.34%	3.64%	7.89%
Wilshire Real Estate	-3.41%	24.20%	15.51%	17.90%	9.07%
Bloomberg Commodities	2.58%	-22.77%	-11.21%	-4.95%	-2.71%

### Back Nine: Data From Your CFO

	Most Recent	Previous Month	Start of Year	YTD Change
S&P500 P/E Ratio(Fwd)	18.4	15.7	15.3	3.1
S&P500 P/E Ratio(TTM)	20.4	19.1	18.8	1.6
6 Month CD	0.40%	0.41%	0.40%	0.00%
10-Year Treasury	2.03%	1.67%	2.17%	-0.14%
S&P 500 Yield	1.91%	1.99%	1.92%	-0.01%
Fed Funds Rate	0-0.25%	0-0.25%	0-0.25%	0.00%
WTI Oil	\$49.76	\$47.55	\$53.45	-\$3.69
Unemployment	5.70%	5.60%	5.60%	0.10%
CPI	-0.10%	0.80%	0.80%	-0.90%

### At the Turn

Warren Buffett released his 50th annual letter to Berkshire Hathaway shareholders. As usual, the letter is full of folksy one-liners like, "Market forecasters will fill your ear but will never fill your wallet" and "Don't ask your barber whether you need a haircut."

### 19th Hole: Cocktail Party Trivia

According to Berkshire Hathaway's annual shareholder letter, the S&P 500 has returned a whopping 11,196% total return since 1965. Not to be outdone, they report that Berkshire Hathaway gained 1,826,163% over the same time period.

Please see important disclosures on the next page.



# 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; Price of WTI provided by Bloomberg; 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.

### At the Turn

Source: 2014 Berkshire Hathaway Annual Shareholder Letter

### 19th Hole: Cocktail Party Trivia:

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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 February 28, 2015 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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