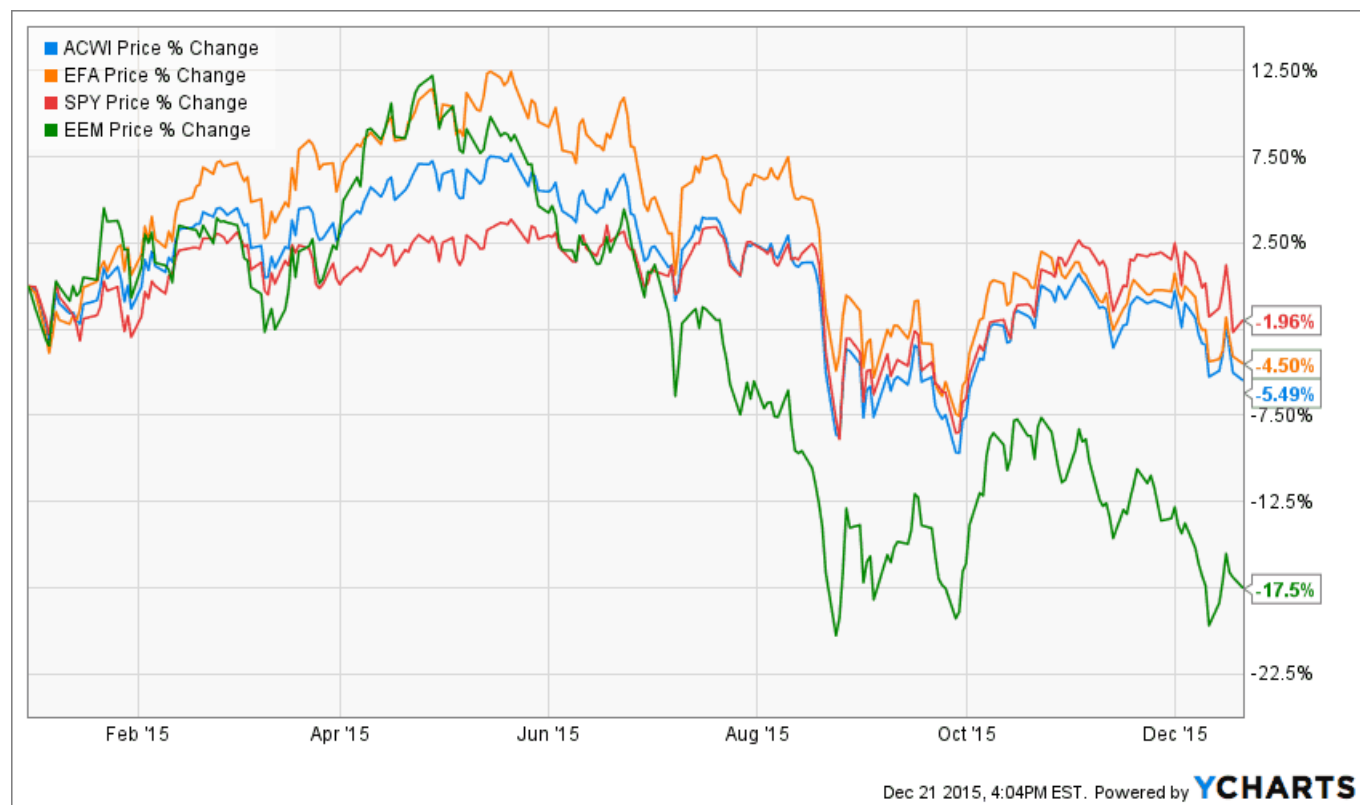


Global Markets in 2015 have been a dud. What does it mean for 2016?

As far as the markets are concerned . . . 2015 has been a dud! All global market indexes are down for the year. Our common benchmark for global investing, the MSCI All World Country Index is down -5.49%. You can see the returns below.

- ACWI = All World Country Index -5.49%
- EFA = Developed Non-US countries -4.50%
- SPY = S&P 500 -1.96%
- EEM = Emerging Markets -17.5%



So what does this mean for 2016?

The only thing we can really look at is history. Meaning, when the last few times that the market has done what it's doing now, what happened the following year?

Historically since World War II there have 10 years that the S&P 500 rose or fell by 3%. (Most people would call that a flat year). In the subsequent year, the S&P 500 gained an average of 15% and rose in price 80% of the time. Only one time, 1947-48 was one flat year followed by another flat year.

The important thing is that you have a process in place that you follow knowing that if you do the returns will ultimately come.