



## Portfolio Shift Commentary: May 21, 2013

Following our May 2<sup>nd</sup> note – “The Rising Tide,” we continue to believe worldwide central bank easing is in effect right now and little can stand in its way. Global stocks advanced in April and early May as investors focused on positive economic news, upbeat earnings reports and central banks’ continued accommodative monetary policies.

Some might argue the recent market move seems overdone. We feel through economic growth, developed markets’ low inflation and accommodative monetary policies this rally has room and should continue to support risk assets. Despite recent market moves most traditional valuation metrics still suggest that global stocks appear reasonably priced relative to historical valuations and cheap compared to cash and bonds.

Within the equity allocations, we closed out our gold position following a small 2.5% rally on Monday. Gold has been a laggard most of 2013 and we feel there are better opportunities for growth in other equity sectors. We used these funds to continue to add to our U.S. equity positions in the mid cap and large cap space. We also slightly increased our international and emerging market exposure.

We will continue to monitor the macro backdrop, but as previously stated, given where we stand today economically, we feel more comfortable adding to our equity positions.

As always, we thank you all for your continued support and look forward to discussing any or all of our thoughts at your convenience.

Sincerely,

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