



National ABLE Alliance

Q1 2018 Quarterly Investment Review
May 18, 2018

Presented by:

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For Institutional Investor Use Only –
Prepared at the request of the National
ABLE Alliance



Agenda – Quarterly Investment Review

1. Quarterly Market Commentary

- Markets
- Economy

2. Performance Review and Evaluations

- Portfolio Performance
- Underlying Fund Performance

3. Appendix

- A. Asset Allocation of Risk-Based Portfolios
- B. Fact Sheets of Underlying Funds
- C. Biographies

A hand holding a smartphone over a laptop keyboard, with a blue overlay.

Quarterly Investment Review Economic Review

National ABLE Alliance – Economic Review

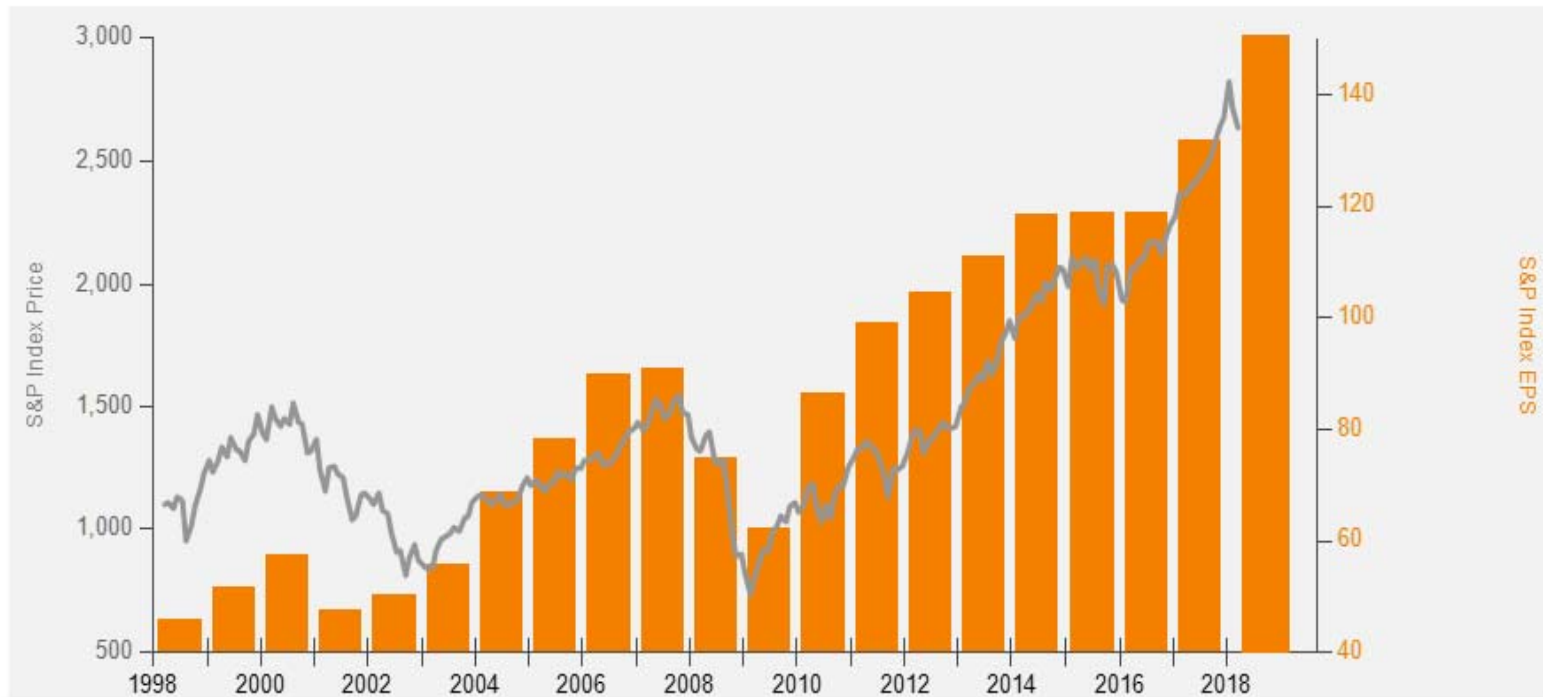
1. Domestic Equity
2. International Equity
3. Fixed Income
4. Economic Review
 - Unemployment
 - Consumer Confidence
 - Leading Indicators

National ABLE Alliance – Domestic Equity

Past Performance is not indicative of future results

Index	Mar-18	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year	10 Year
Broad Market															
DJ Industrial Average TR USD	-1.96	-1.96	28.11	16.50	0.21	10.04	29.65	10.24	8.38	14.06	22.68	19.39	13.48	13.32	9.86
S&P 500 TR USD	-0.76	-0.76	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	13.99	10.78	13.31	9.49
NASDAQ Composite TR USD	2.59	2.59	29.64	8.87	6.96	14.75	40.12	17.45	-0.83	18.02	45.32	20.76	14.27	18.07	13.23
Large Cap															
Russell 1000 TR USD	-0.69	-0.69	21.69	12.05	0.92	13.24	33.11	16.42	1.50	16.10	28.43	13.98	10.39	13.17	9.61
Russell 1000 Value TR USD	-2.83	-2.83	13.66	17.34	-3.83	13.45	32.53	17.51	0.39	15.51	19.69	6.95	7.88	10.78	7.78
Russell 1000 Growth TR USD	1.42	1.42	30.21	7.08	5.67	13.05	33.48	15.26	2.64	16.71	37.21	21.25	12.90	15.53	11.34
Mid Cap															
Russell Mid Cap TR USD	-0.46	-0.46	18.52	13.80	-2.44	13.22	34.76	17.28	-1.55	25.48	40.48	12.20	8.01	12.09	10.21
Russell Mid Cap Value TR USD	-2.50	-2.50	13.34	20.00	-4.78	14.75	33.46	18.51	-1.38	24.75	34.21	6.50	7.23	11.11	9.81
Russell Mid Cap Growth TR USD	2.17	2.17	25.27	7.33	-0.20	11.90	35.74	15.81	-1.65	26.38	46.29	19.74	9.17	13.31	10.61
Small Cap															
Russell 2000 TR USD	-0.08	-0.08	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.17	11.79	8.39	11.47	9.84
Russell 2000 Value TR USD	-2.64	-2.64	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50	20.58	5.13	7.87	9.96	8.61
Russell 2000 Growth TR USD	2.30	2.30	22.17	11.32	-1.38	5.60	43.30	14.59	-2.91	29.09	34.47	18.63	8.77	12.90	10.95

National ABLE Alliance – S&P 500



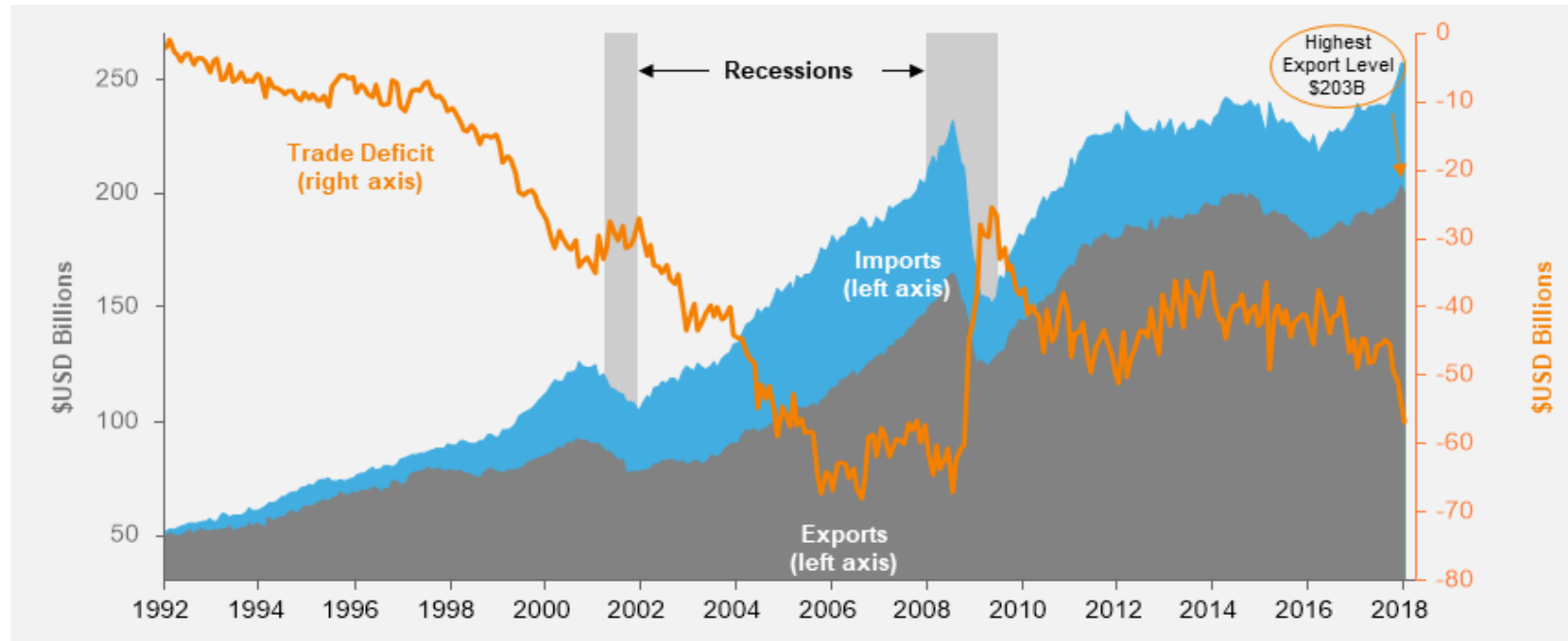
Source: FactSet as of 03/31/18. Note: Earnings Per Share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock.
Past performance is no guarantee of future results. S&P 500 Index is a gauge of the U.S. stock market, which includes 500 leading companies in major industries of the U.S. economy.

National ABE Alliance – International Equity

Past Performance is not indicative of future results

Index	Mar-18	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year	10 Year
Global Markets															
MSCI EAFE Free GR USD	-1.41	-1.41	25.62	1.51	-0.39	-4.48	23.29	17.90	-11.73	8.21	32.46	15.32	6.05	6.98	3.23
MSCI EM GR USD	1.47	1.47	37.75	11.60	-14.60	-1.82	-2.27	18.63	-18.17	19.20	79.02	25.37	9.21	5.37	3.36
Regions															
MSCI Europe Ex UK GR USD	-1.08	-1.08	27.81	0.31	0.07	-5.84	28.74	22.54	-14.49	2.44	33.94	16.38	6.29	8.35	2.79
MSCI UK All Cap NR USD	-3.47	-3.47	23.81	-1.67	-5.35	-5.45	22.90	17.39	-3.85	10.96	46.01	13.53	3.82	4.68	2.92
MSCI Pacific Ex Japan GR USD	-3.71	-3.71	26.04	8.00	-8.35	-0.34	5.62	24.74	-12.67	17.07	73.04	8.57	5.20	3.39	4.80
MSCI Japan GR USD	0.98	0.98	24.39	2.73	9.90	-3.72	27.35	8.36	-14.19	15.59	6.39	20.04	8.72	9.25	4.33
MSCI China GR USD	1.82	1.82	54.33	1.11	-7.62	8.26	3.96	23.10	-18.24	4.83	62.63	39.15	10.72	11.59	6.21
S&P 500 TR USD	-0.76	-0.76	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	13.99	10.78	13.31	9.49

National ABLE Alliance – Global Trade



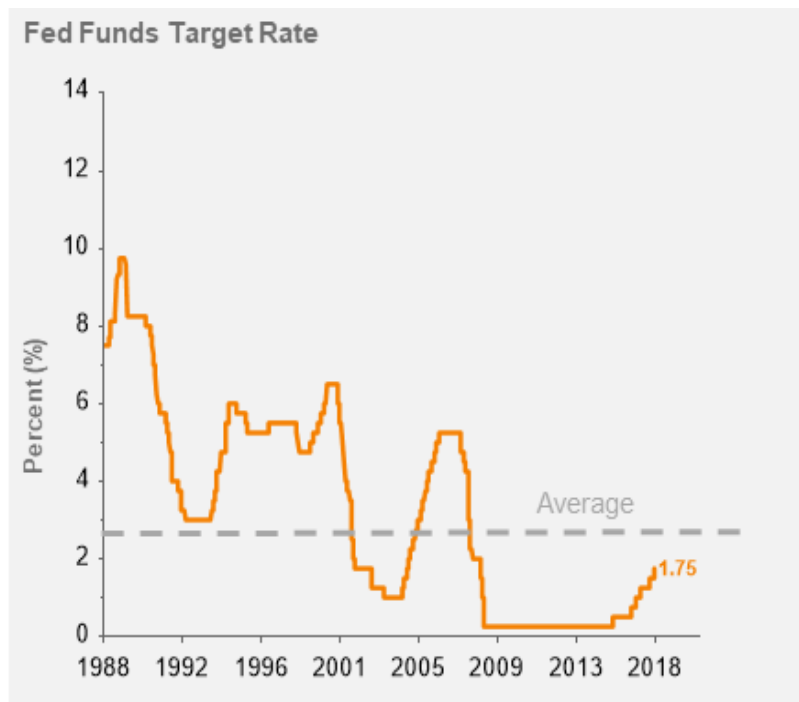
Source: FactSet. Data as of 01/31/18. Past performance is no guarantee of future results. An investment cannot be made in an index. Please review important disclosures in the back of this book.

National ABLE Alliance – Fixed Income

Past Performance is not indicative of future results

Index	Mar-18	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3Year	5Year	10 Year
U.S. Investment Grade															
BBgBarc Aggregate Bond Treasury TR	-1.18	-1.18	2.31	1.04	0.84	5.05	-2.75	1.99	9.81	5.87	-3.57	0.43	0.45	1.07	2.74
BBgBarc 1-3 Yr US Treasury TR USD	-0.16	-0.16	0.42	0.86	0.56	0.63	0.36	0.43	1.55	2.40	0.80	0.00	0.38	0.51	1.13
BBgBarc US Treasury 20+ Yr TR USD	-3.36	-3.36	8.98	1.43	-1.59	27.48	-13.88	3.36	33.84	9.38	-21.40	3.85	0.30	3.51	5.89
BBgBarc US Agg Govt Reltd TR USD	-1.03	-1.03	4.18	2.73	-0.39	6.14	-2.71	4.90	6.67	5.02	2.48	1.71	1.32	1.77	3.26
BBgBarc US Corp Bond TR USD	-2.32	-2.32	6.42	6.11	-0.68	7.46	-1.53	9.82	8.15	9.00	18.68	2.70	2.30	3.02	5.42
BBgBarc US Agency Fixed Rate MBS TR USD	-1.19	-1.19	2.48	1.67	1.51	6.15	-1.45	2.60	6.32	5.50	5.75	0.78	1.12	1.81	3.49
BBgBarc US Agg Bond TR USD	-1.46	-1.46	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	6.54	5.93	1.20	1.20	1.82	3.63
High Yield and Global															
BBgBarc High Yield Corporate TR USD	-0.86	-0.86	7.50	17.13	-4.47	2.45	7.44	15.81	4.98	15.12	58.21	3.78	5.17	4.99	8.27
BBgBarc Global Aggregate TR USD	1.36	1.36	7.39	2.09	-3.15	0.59	-2.60	4.32	5.64	5.54	6.93	6.97	3.14	1.49	2.57
BBgBarc EM USD Aggregate TR USD	-1.48	-1.48	8.17	9.88	1.29	4.76	-4.12	17.95	6.97	12.84	34.23	3.18	5.05	3.87	6.83

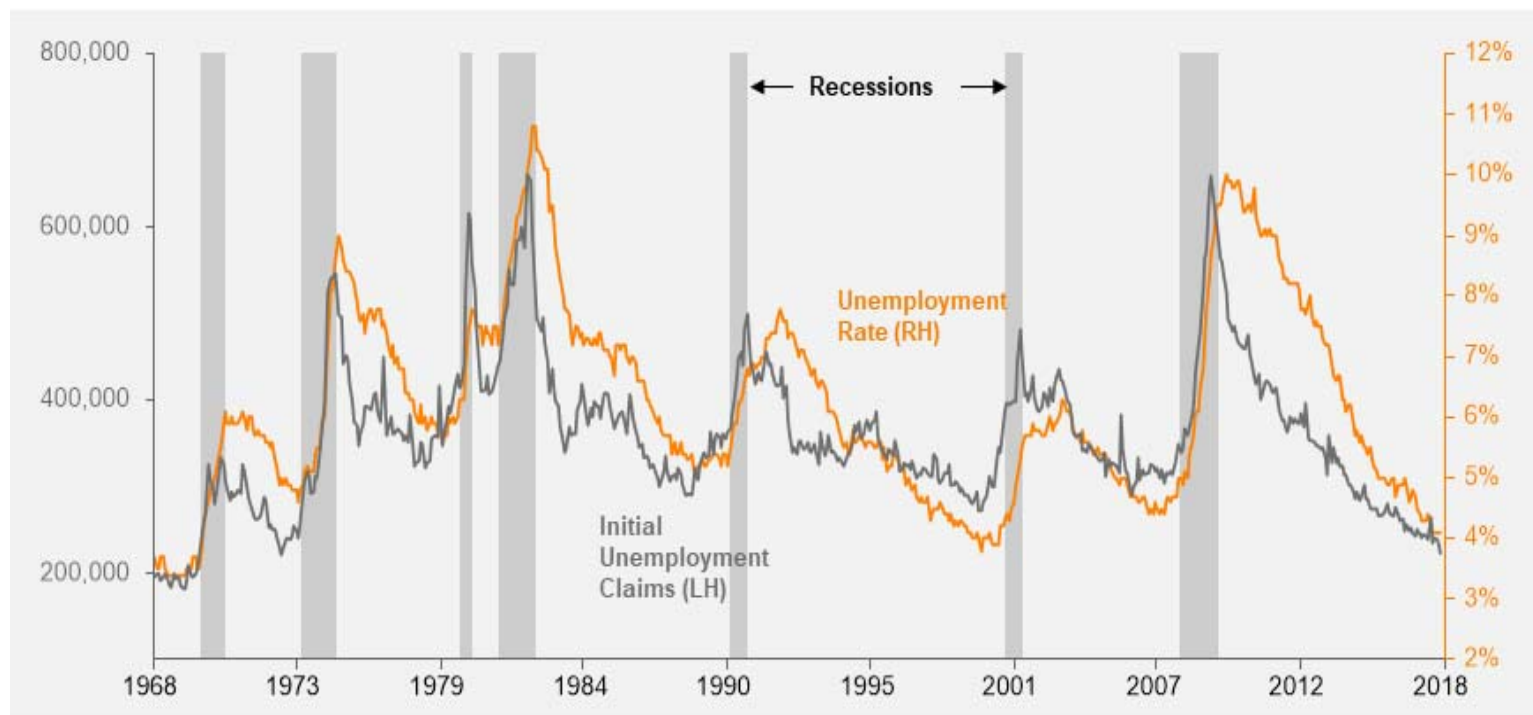
National ABLE Alliance – Treasury Yields



Fixed Income

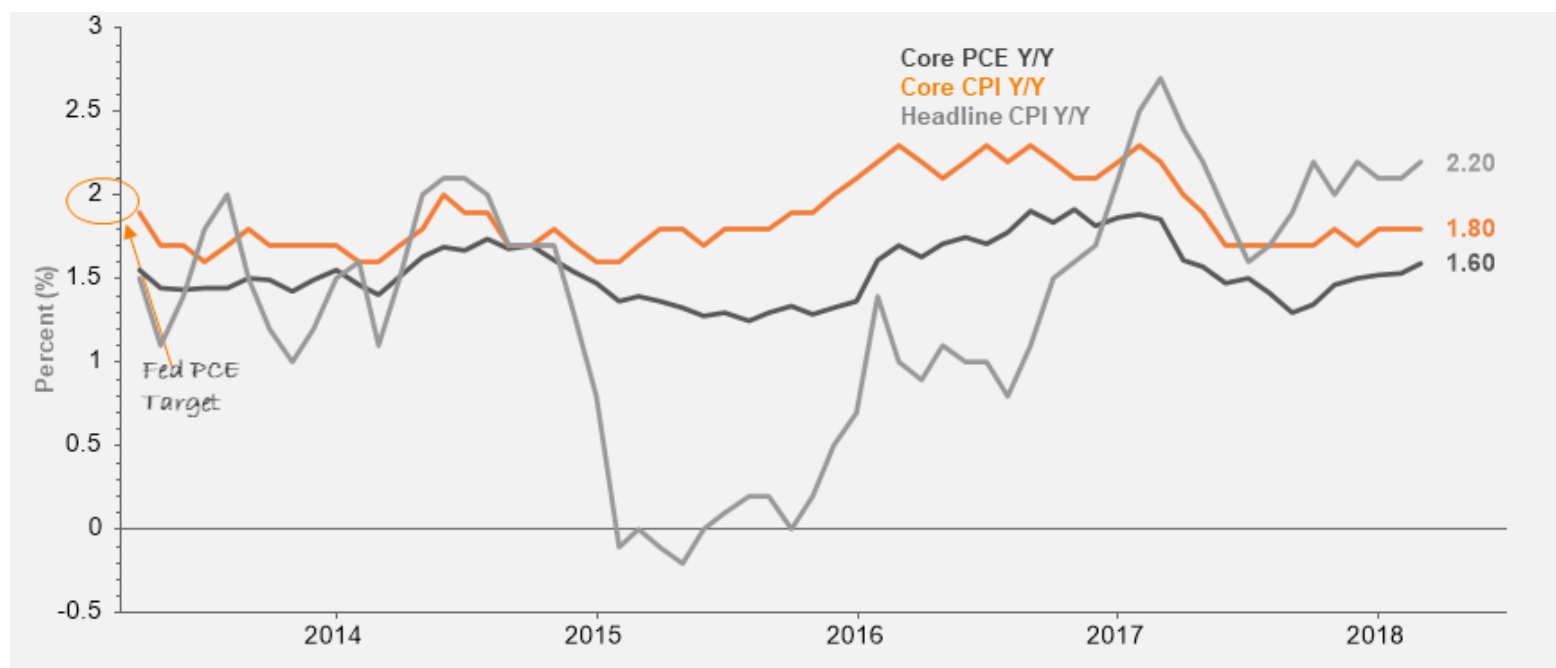
Source: FactSet. Note: Three-month T-bill yield is annualized based on purchase at a discount and holding to maturity. Two- and ten-year Treasury rates are annualized. **Past performance is no guarantee of future results. An investment cannot be made in an index.**

National ABLE Alliance – Unemployment Rate



Source: Bureau of Labor Statistics, FactSet. Initial unemployment claims as of 02/28/18 and unemployment rate as of 02/28/18.

National ABLE Alliance – Inflation



Economy

Source: FactSet. Data as of 02/28/18. Note: The "core" PCE price index is defined as personal consumption expenditure (PCE) prices excluding food and energy prices. The index uses data from business surveys, which are considered more comprehensive than the consumer surveys used by the Consumer Price index (CPI). Core CPI reflects the Consumer Price index but excludes food and energy prices.

National ABLE Alliance – Leading Indicators



Economy

Source: FactSet. Data as of 02/28/18. The Conference Board U.S. Leading Index consists of the weighted average of the following indexes:

- | | | |
|--|--|--|
| 1. Average weekly hours, manufacturing | 2. Average weekly initial jobless claims | 3. Manufacturers' new orders, consumer |
| 4. Vendor performance, slower deliveries | 5. Manufacturers' new orders, capital | 6. Building permits, new private housing units |
| 7. Stock prices, 500 common stocks | 8. Money supply, M2 | 9. Interest rate spreads |
| 10. Index of consumer expectations | | |

A woman with glasses and a man are in an office. The woman is pointing at a laptop screen. The background shows bookshelves filled with books.

Quarterly Investment Review Plan Review

National ABLE Alliance – Plan Review

As of March 31, 2018

Past Performance is not indicative of future results

<u>Fund Name</u>	<u>Market Value</u>	<u>% of Plan</u>	<u>1 Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Inception</u>	<u>Inception Date</u>
Aggressive Option	\$2,446,673.55	14.45%	(0.43)	(0.85)	(0.85)	11.27				12.54	12/15/16
ABLE Aggressive Custom Benchmark			(0.72)	(1.03)	(1.03)	11.53					
Variance			0.29	0.18	0.18	(0.26)					
Moderately Aggressive Option	\$2,227,476.88	13.16%	(0.26)	(0.78)	(0.78)	9.51				10.66	12/15/16
ABLE Moderately Aggressive Custom Benchmark			(0.51)	(0.93)	(0.93)	9.72					
Variance			0.25	0.15	0.15	(0.21)					
Growth Option	\$2,643,311.62	15.61%	(0.09)	(0.71)	(0.71)	7.63				8.71	12/15/16
ABLE Growth Custom Benchmark			(0.30)	(0.82)	(0.82)	7.92					
Variance			0.21	0.11	0.11	(0.29)					
Moderate Option	\$1,871,505.77	11.06%	0.09	(0.64)	(0.64)	5.82				6.97	12/15/16
ABLE Moderate Custom Benchmark			(0.09)	(0.72)	(0.72)	6.14					
Variance			0.18	0.08	0.08	(0.32)					
Moderately Conservative Option	\$1,244,329.41	7.35%	0.09	(0.37)	(0.37)	4.11				4.91	12/15/16
ABLE Moderately Conservative Custom Benchmark			0.02	(0.42)	(0.42)	4.42					
Variance			0.07	0.05	0.05	(0.31)					
Conservative Option	\$2,046,347.54	12.09%	0.19	0.00	0.00	1.98				2.31	12/15/16
ABLE Conservative Custom Benchmark			0.16	(0.02)	(0.02)	2.16					
Variance			0.03	0.02	0.02	(0.18)					
Plan Total	\$16,982,972	100.00%									

Portfolio Benchmark Allocation Review

ABLE Consortium Custom Benchmarks

	Aggressive Custom Benchmark	Moderately Aggressive Custom Benchmark	Growth Custom Benchmark	Moderate Custom Benchmark	Moderately Conservative Custom Benchmark	Conservative Custom Benchmark
S&P 500 TR USD	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
S&P Completion TR USD	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
MSCI EAFE IMI NR USD	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
FTSE Emerging NR USD	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
DJ US Select REIT TR USD	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
Vanguard Spliced BBgBarc US Aggregate Index	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
Vanguard Spliced BBgBarc US 1-5 Yr Index	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
BBgBarc U.S. Treasury TIPS 0-5Y TR USD	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Citi Treasury Bill 3 Mon USD	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

A family consisting of a man, a woman, and a young child are walking through a grassy field. In the background, there is a calm body of water, possibly a lake or a wide river, under a clear sky. The entire image is covered with a dark blue, semi-transparent filter, which makes the colors appear muted and gives it a serene, monochromatic feel. The family is positioned in the middle ground, with the man on the left, the child in the center, and the woman on the right. They are all looking towards the right side of the frame.

Underlying Investment Product Review

Underlying Product Investment Review As of March 31, 2018

Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Institutional Index Instl Pl	0.02%	-0.77	-0.77	13.97	10.77	13.30	9.52
S&P 500 TR USD		-0.76	-0.76	13.99	10.78	13.31	9.49
Variance		-0.01	-0.01	-0.02	-0.01	-0.01	0.02
Vanguard Extended Market Index InstlPlus	0.05%	0.16	0.16	13.15	8.10	11.90	10.39
S&P Completion TR USD		0.12	0.12	13.09	7.97	11.77	10.29
Variance		0.04	0.04	0.06	0.13	0.13	0.09
iShares Core MSCI EAFE ETF	0.08%	-1.39	-1.39	16.06	6.56	7.22	
MSCI EAFE IMI NR USD		-1.27	-1.27	16.03	6.45	7.11	
Variance		-0.12	-0.12	0.02	0.11	0.11	
Schwab Emerging Markets Equity ETF™	0.13%	1.43	1.43	21.40	7.81	4.73	
FTSE Emerging NR USD		1.43	1.43	21.58	7.92	4.85	
Variance		0.00	0.00	-0.18	-0.11	-0.12	
Schwab US REIT ETF™	0.07%	-7.39	-7.39	-3.70	0.63	5.86	
DJ US Select REIT TR USD		-7.43	-7.43	-3.68	0.74	5.97	
Variance		0.04	0.04	-0.02	-0.12	-0.11	

Past Performance is not indicative of future results

Underlying Product Investment Review As of March 31, 2018

Underlying Fund Name	Underlying Fund Expense	Total Ret 3 Mo	Total Ret YTD	Total Ret 1 Yr	Total Ret Annlzd 3 Yr	Total Ret Annlzd 5 Yr	Total Ret Annlzd 10 Yr
Vanguard Total Bond Market Idx InstIPs	0.03%	-1.47	-1.47	1.14	1.14	1.76	3.57
Vanguard Spliced BBgBarc US Aggregate Index		-1.48	-1.48	1.24	1.20	1.82	3.65
Variance		0.01	0.01	-0.09	-0.06	-0.07	-0.08
Vanguard Short-Term Bond Idx InstIPs	0.04%	-0.51	-0.51	0.20	0.72	0.90	2.03
Vanguard Spliced BBgBarc US 1-5 Yr Index		-0.50	-0.50	0.19	0.78	0.95	2.12
Variance		0.00	0.00	0.02	-0.05	-0.05	-0.09
Vanguard Shrt-Term Infl-Prot Sec Idx Adm	0.06%	0.20	0.20	0.34	1.08	0.06	
BBgBarc U.S. Treasury TIPS 0-5Y TR USD		0.21	0.21	0.39	1.16	0.14	
Variance		-0.01	-0.01	-0.05	-0.08	-0.09	
iShares Core International Aggt Bd ETF	0.09%	0.90	0.90	3.42			
BBgBarc Gbl Agg xUSD 10% IC TR Hdg USD		0.95	0.95	3.53			
Variance		-0.04	-0.04	-0.11			

Past Performance is not indicative of future results

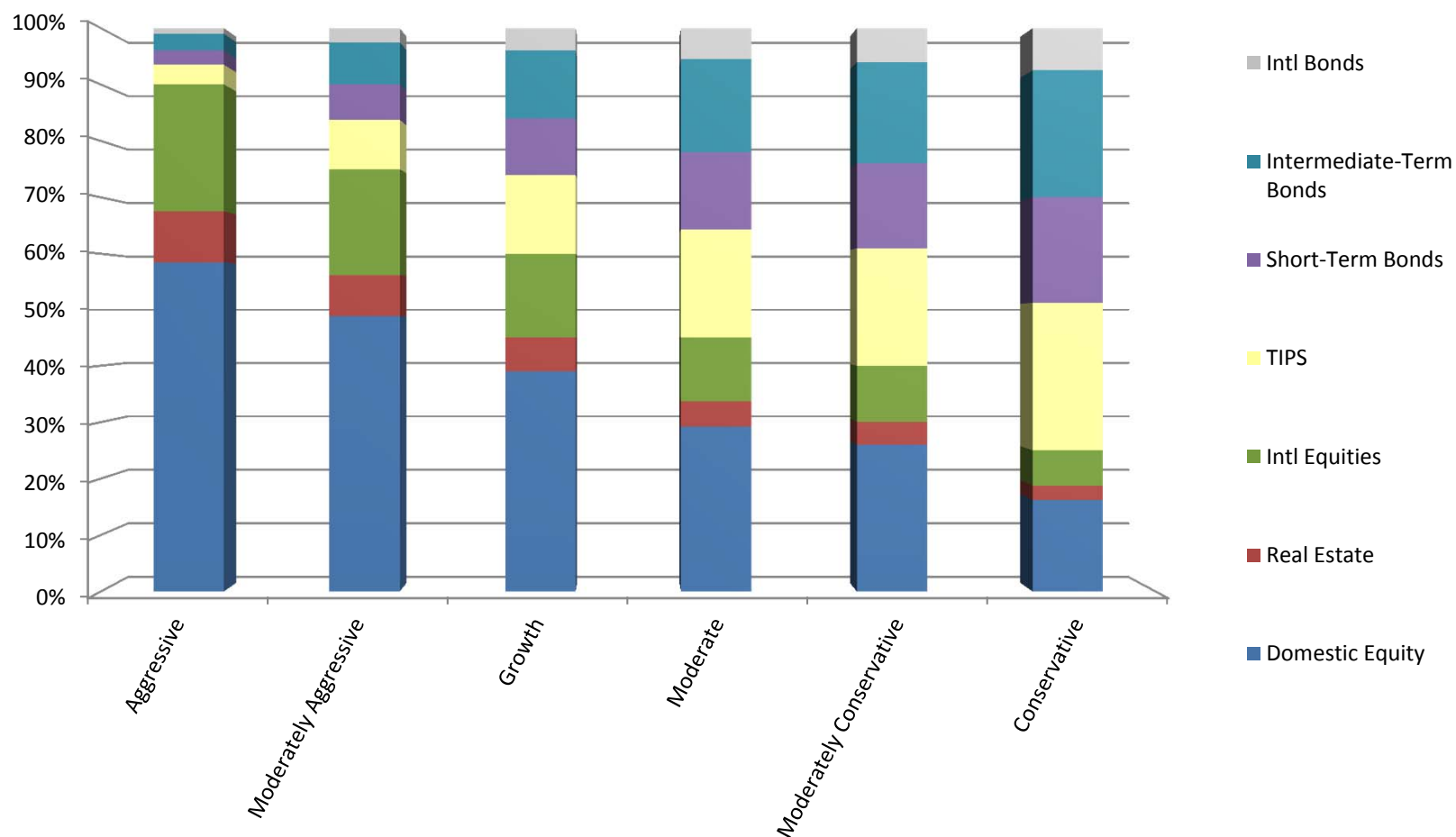


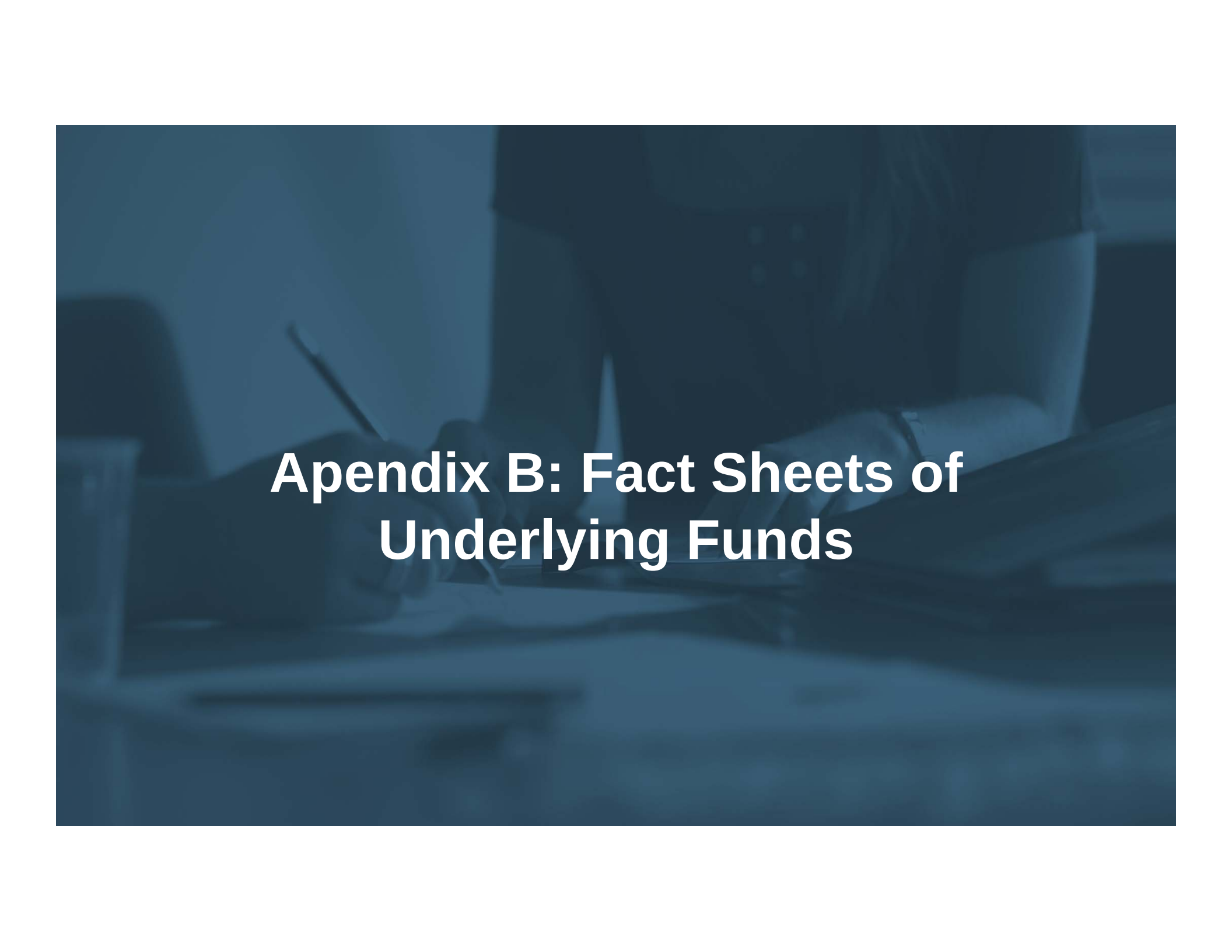
Apendix A: Asset Allocation of Risk Based Portfolios

Asset Allocation Review - Current Target Allocations

Asset Class	Underlying Investment	Ticker	Underlying Expense	National ABL Alliance Target Asset Allocation					
				Aggressive	Moderately Aggressive	Growth	Moderate	Moderately Conservative	Conservative
U.S. Large Cap	Vanguard Institutional Index Fund - Institutional Plus	VIIIX	0.02%	31.50%	26.25%	21.00%	15.75%	10.50%	3.50%
U.S. Small & Mid Cap	Vanguard Extended Market Index Fund - Instl Plus Shares	VEMPX	0.05%	27.00%	22.50%	18.00%	13.50%	9.00%	3.00%
Non - U.S. Multi Cap	iShares Core MSCI EAFE ETF	IEFA	0.08%	16.20%	13.50%	10.80%	8.10%	5.40%	1.80%
Emerging Markets	Schwab Emerging Markets Equity ETF	SCHE	0.13%	6.30%	5.25%	4.20%	3.15%	2.10%	0.70%
REITs	Schwab U.S. REIT ETF	SCHH	0.07%	9.00%	7.50%	6.00%	4.50%	3.00%	1.00%
U.S. Core Bond	Vanguard Total Bond Market Index Fund - Institutional Plus Shares	VBMPX	0.03%	3.00%	7.50%	12.00%	16.50%	13.50%	9.00%
Short - Term Inv Grade	Vanguard Short-Term Bond Index Fund - Institutional Plus Shares	VBIPX	0.04%	2.50%	6.25%	10.00%	13.75%	11.25%	7.50%
Short - Term TIPS	Vanguard Short-Term Inflation-Protected Securities Index Fund - Admiral	VTAPX	0.07%	3.50%	8.75%	14.00%	19.25%	15.75%	10.50%
International Bond	iShares® Core International Aggregate Bond ETF	IAGG	0.09%	1.00%	2.50%	4.00%	5.50%	4.50%	3.00%
Cash	Sallie Mae High Yield FDIC		0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
Equity Allocation				90.00%	75.00%	60.00%	45.00%	30.00%	10.00%
Fixed Income Allocation				10.00%	25.00%	40.00%	55.00%	45.00%	30.00%
Cash Equivalent Allocation				0.00%	0.00%	0.00%	0.00%	25.00%	60.00%
Total Allocation				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Underlying Expense				0.05%	0.05%	0.05%	0.05%	0.04%	0.02%

National ABLÉ Alliance – Asset Allocation of Risk Based Portfolios



A person is shown from the chest down, wearing a dark shirt, sitting at a desk and writing on a document with a pen. The image is heavily tinted with a dark blue color. Overlaid on the center of the image is the text "Apendix B: Fact Sheets of Underlying Funds" in a bold, white, sans-serif font. The text is split into two lines: "Apendix B: Fact Sheets of" on the top line and "Underlying Funds" on the bottom line.

Apendix B: Fact Sheets of Underlying Funds

A photograph of a person's hands writing on a document with a pen. The image is heavily tinted with a dark blue color. The text 'Appendix C: Biographies' is overlaid in white, bold, sans-serif font in the center of the image.

Appendix C: Biographies

Biographies

Ascensus Investment Advisors, LLC



Steve Dombrower, CFA, SVP Investment Management and Advisor Strategy

Previously Steve served as VP & Director of College Savings for Oppenheimer Funds. Steve has over 20 years of experience in Financial Services and Investment Management. Steve earned an M.B.A. in Corporate Finance & Investments from Adelphi University and a B.S. in Finance from the State University of New York at Albany. He is a Chartered Financial Analyst charter holder and a member of the CFA Institute, the New York Society of Securities Analysts, and the Financial Planning Association. Steve also holds the FINRA Series 7, 24, 50, and 63 licenses.



Paul Souppa, ChFC, Analyst, Investment Management

Previously Paul served as Investment Specialist at Voya Financial. Paul has over 20 years of experience in Investment Management Services. He earned his M.B.A. from Bentley University and a B.A. in Finance from University of Massachusetts – Amherst. Paul is a Chartered Financial Consultant and holds the FINRA Series 6 license.



Questions?

National ABLE Alliance

For Institutional Investor Use Only
Prepared at the request of the National ABLE Alliance Oversight Committee