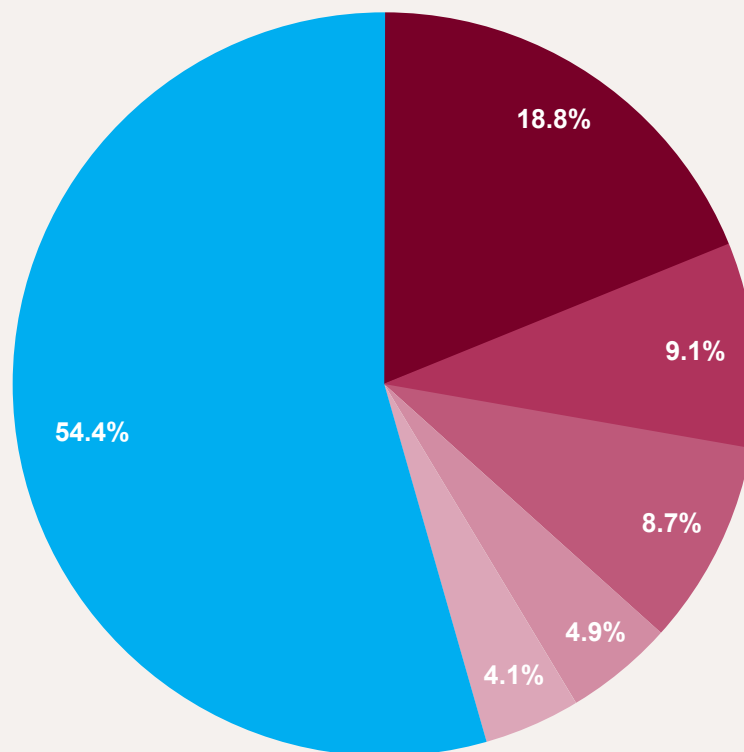

Global Investing



World Stock Market Capitalization

Year-end 2013

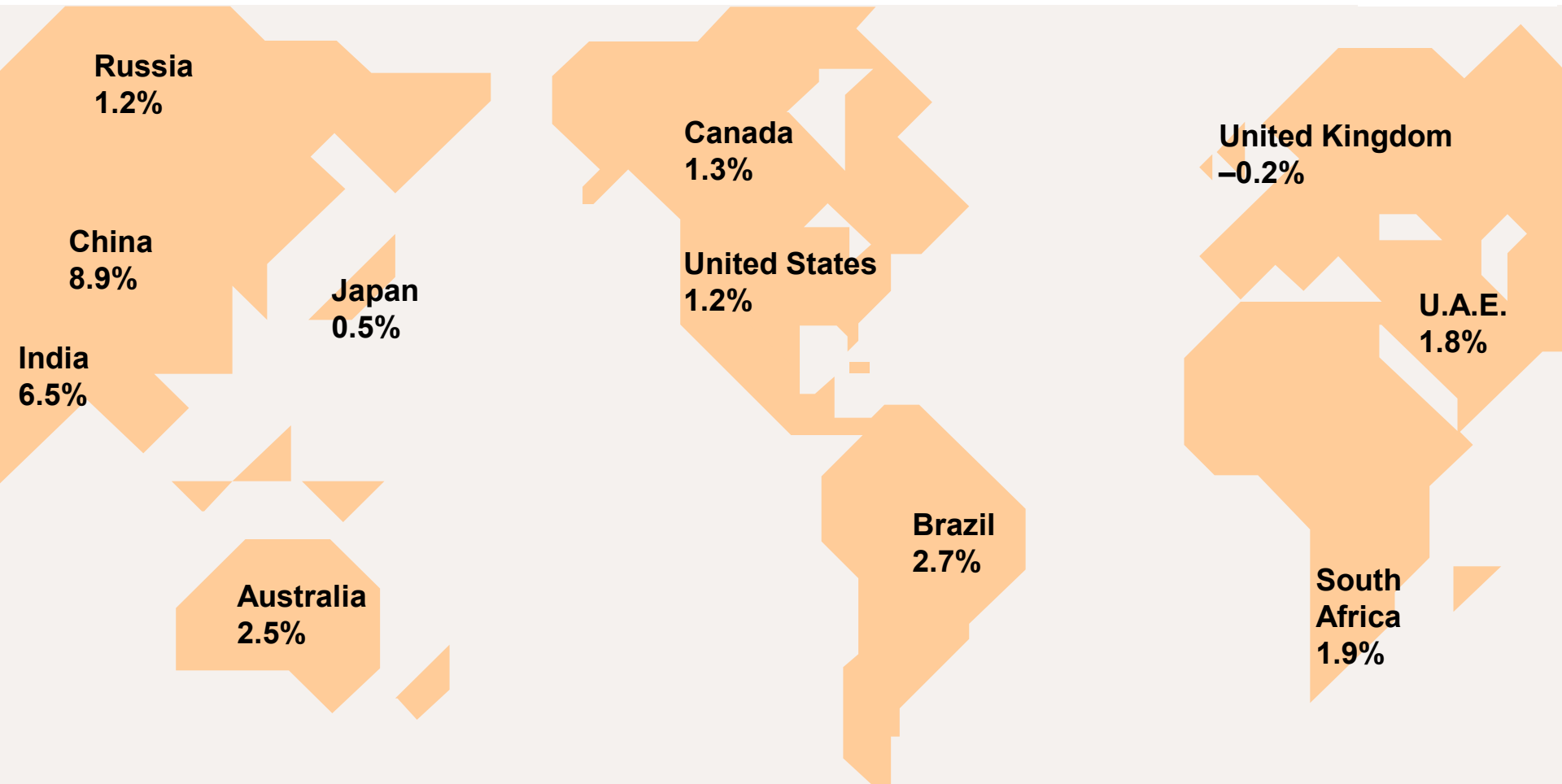


- United States
- International:**
- Other Europe
- United Kingdom
- Japan
- Other Pacific
- Canada



GDP Growth by Region

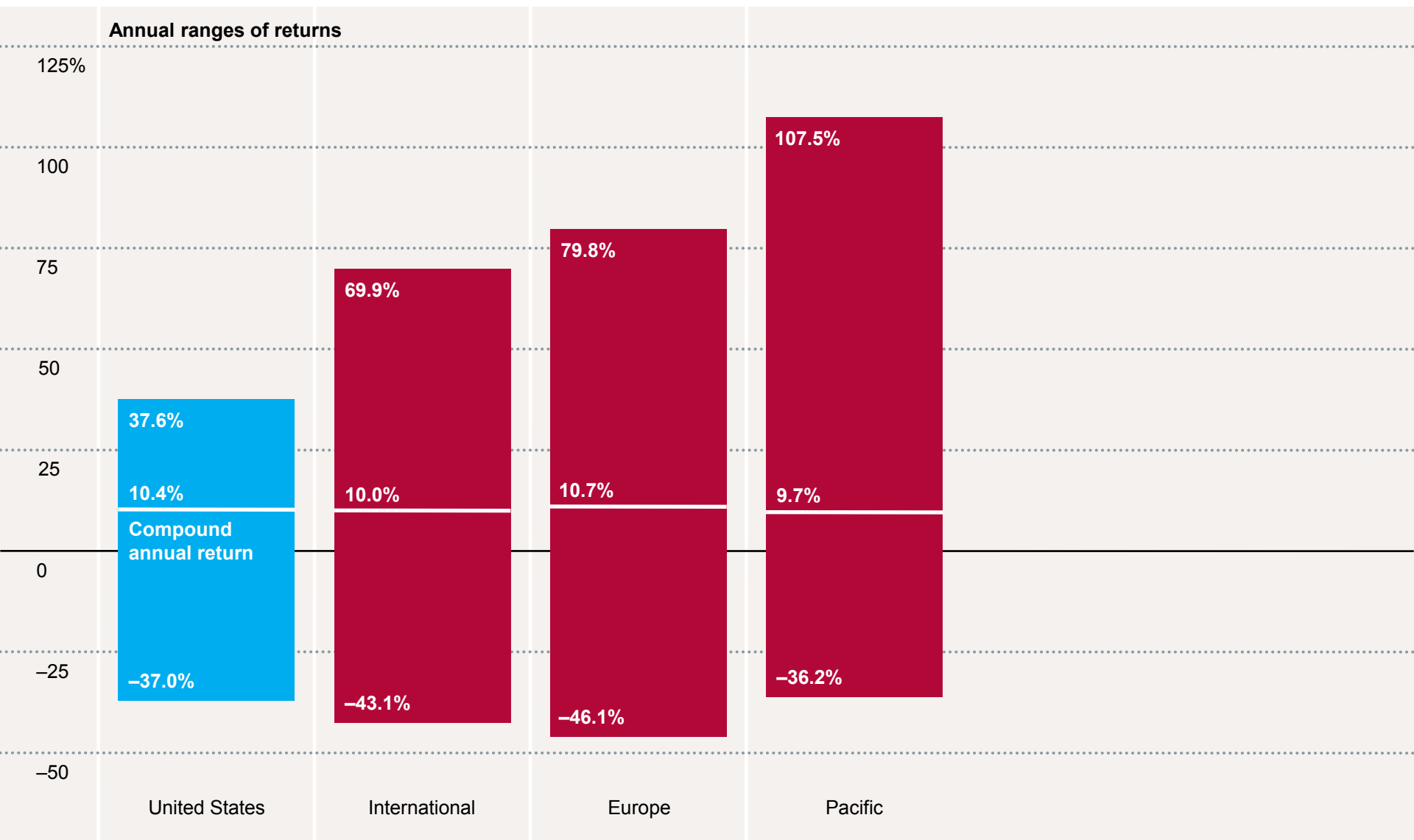
Five-year average annual percentage change 2009–2013





Global Stock Market Returns

Highest and lowest historical annual returns for each region 1970–2013

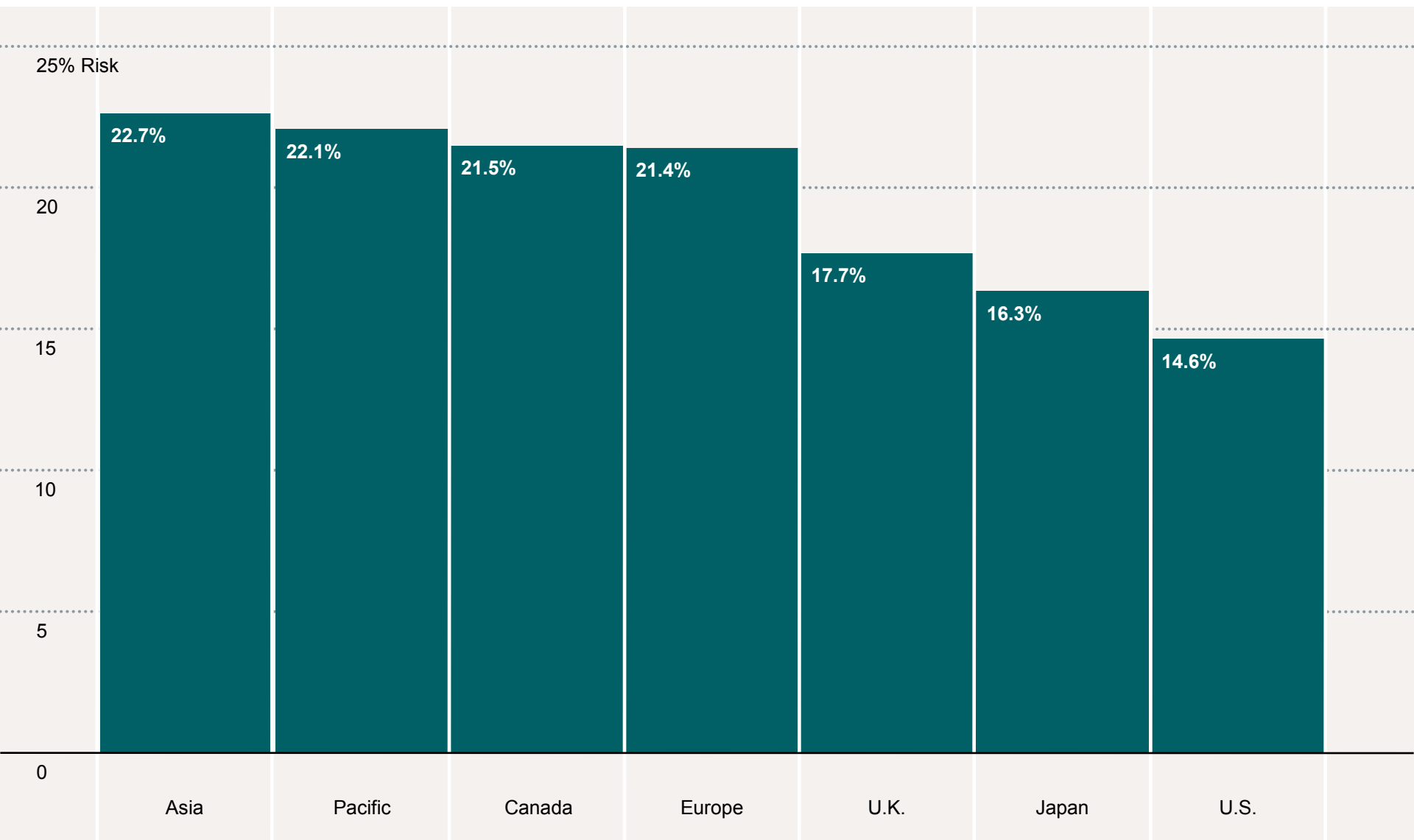


Past performance is no guarantee of future results. Each bar shows the range of annual total returns for each region over the time period analyzed. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.

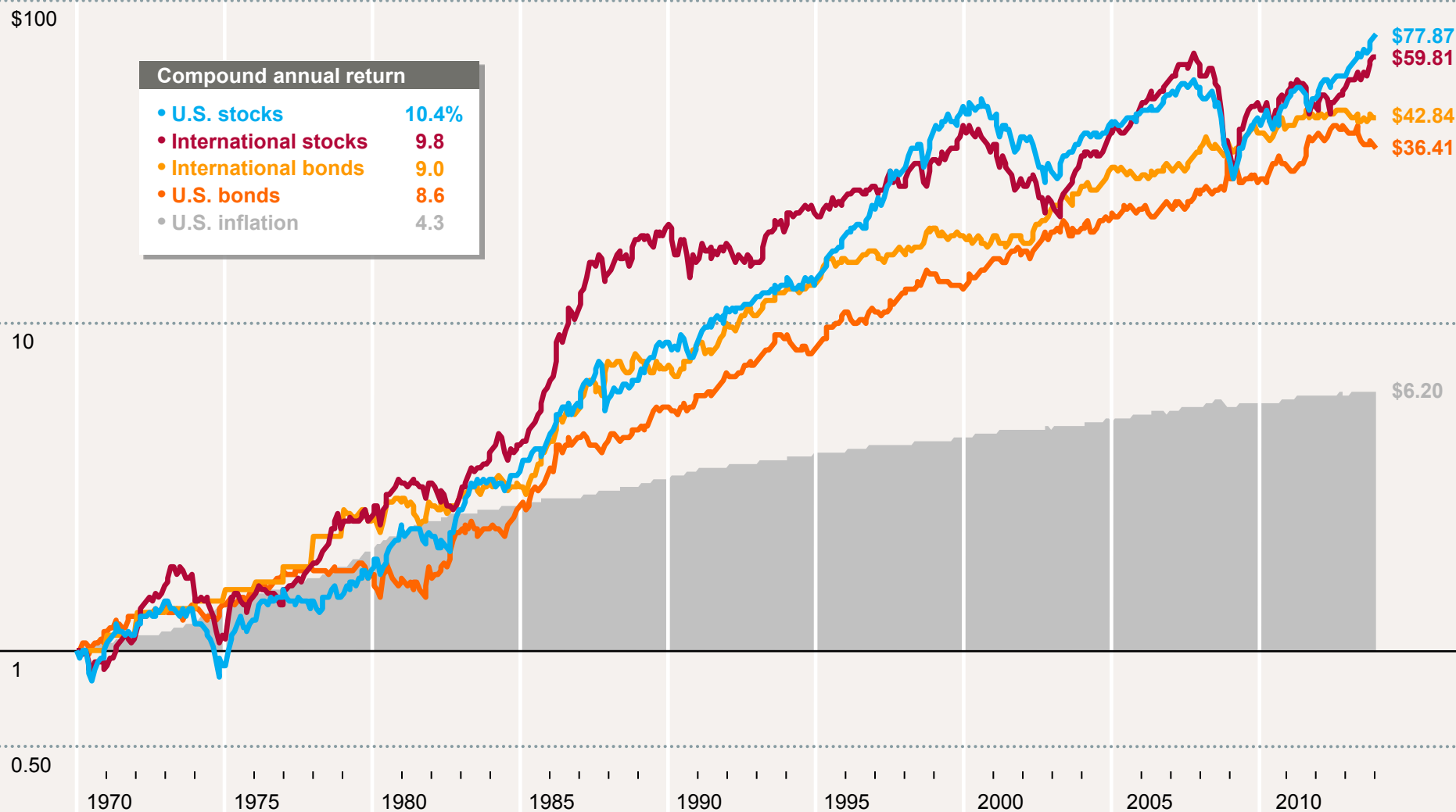


Risk Level by Region

Annual standard deviation 2004–2013



Global Investing 1970–2013
















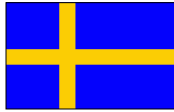






Past performance is no guarantee of future results. Hypothetical value of \$1 invested at the beginning of 1970. All values in U.S. dollars. Assumes reinvestment of income and no transaction costs or taxes. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Growth Through Global Investing

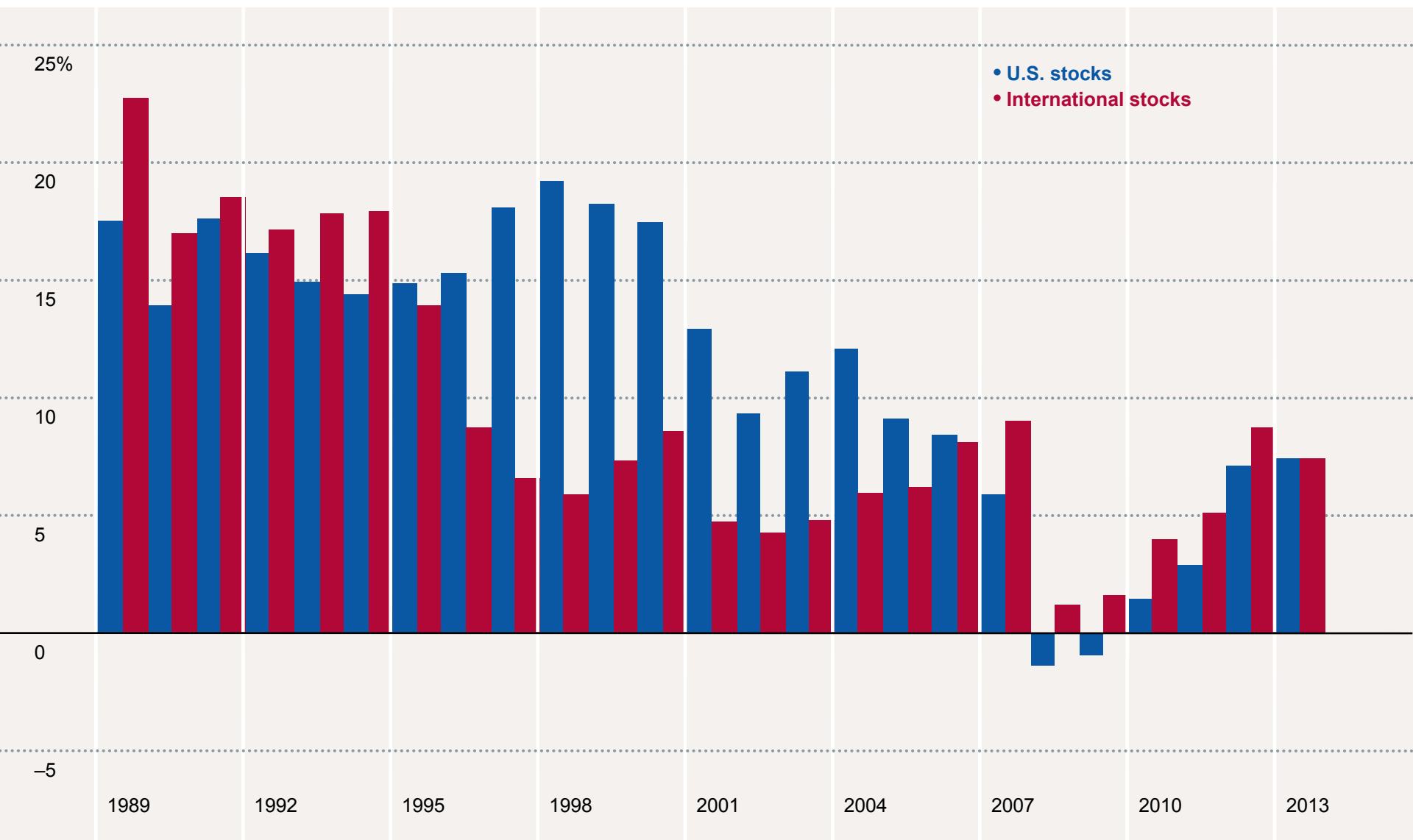
Annual returns of top-performing developed global stock markets

2013	Greece 53% 	Finland 48% 	Ireland 42% 	Germany 32% 	United States 32% 
2012	Belgium 41% 	Germany 32% 	Denmark 32% 	Singapore 31% 	United States 16% 
2011	Ireland 14% 	New Zealand 6% 	United States 2% 	UK -3% 	United States 2% 
2010	Sweden 35% 	Denmark 31% 	Hong Kong 23% 	Singapore 22% 	United States 15% 



Comparing U.S. and International Stock Performance

Average returns over 10-year holding periods

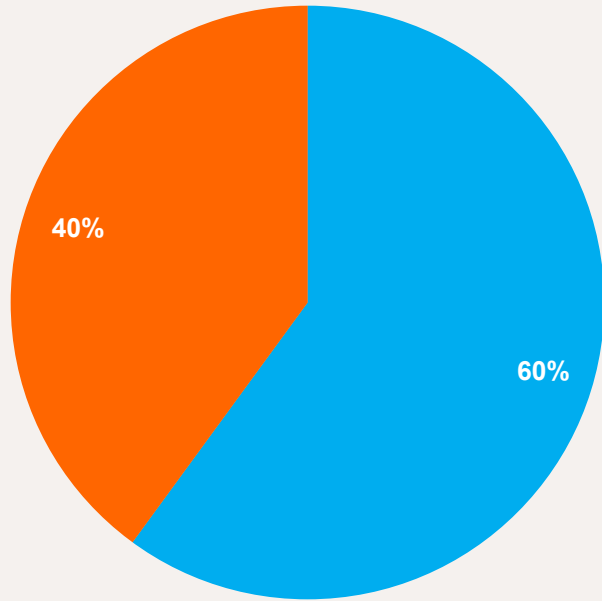


Past performance is no guarantee of future results. Calculated using rolling 10-year average returns. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



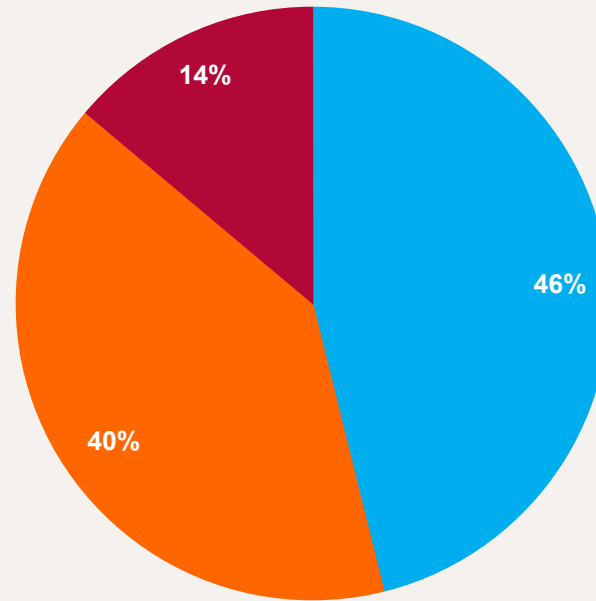
Domestic Versus Global 1970–2013

Domestic portfolio



Return	9.8%
Risk	11.0%

Global portfolio



Return	9.8%
Risk	10.7%

- U.S. stocks
- U.S. bonds
- International stocks



Key Differences Between Developed and Emerging Markets

Developed countries

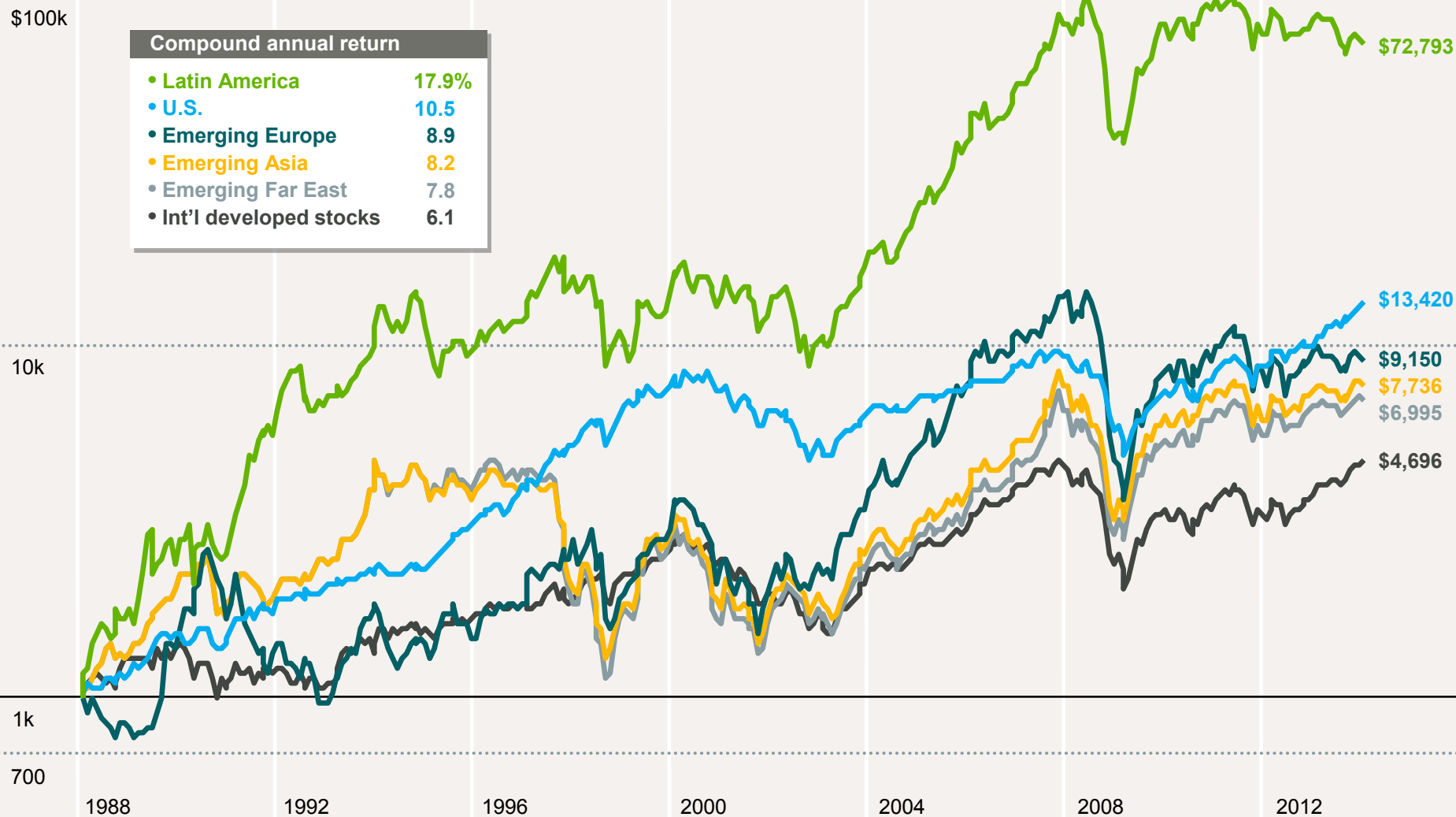
- ▶ Established and stable economies with strong consumption activities and ample resources.
 - ▶ Ex. Australia, Canada, Japan, Germany, U.K., U.S.

Emerging countries

- ▶ Countries that are starting to participate globally by implementing reform programs and undergoing economic improvement.
 - ▶ Ex. Brazil, China, Mexico, Thailand, Russia, India

Regional Performance

Growth of \$1,000 from 1988–2013

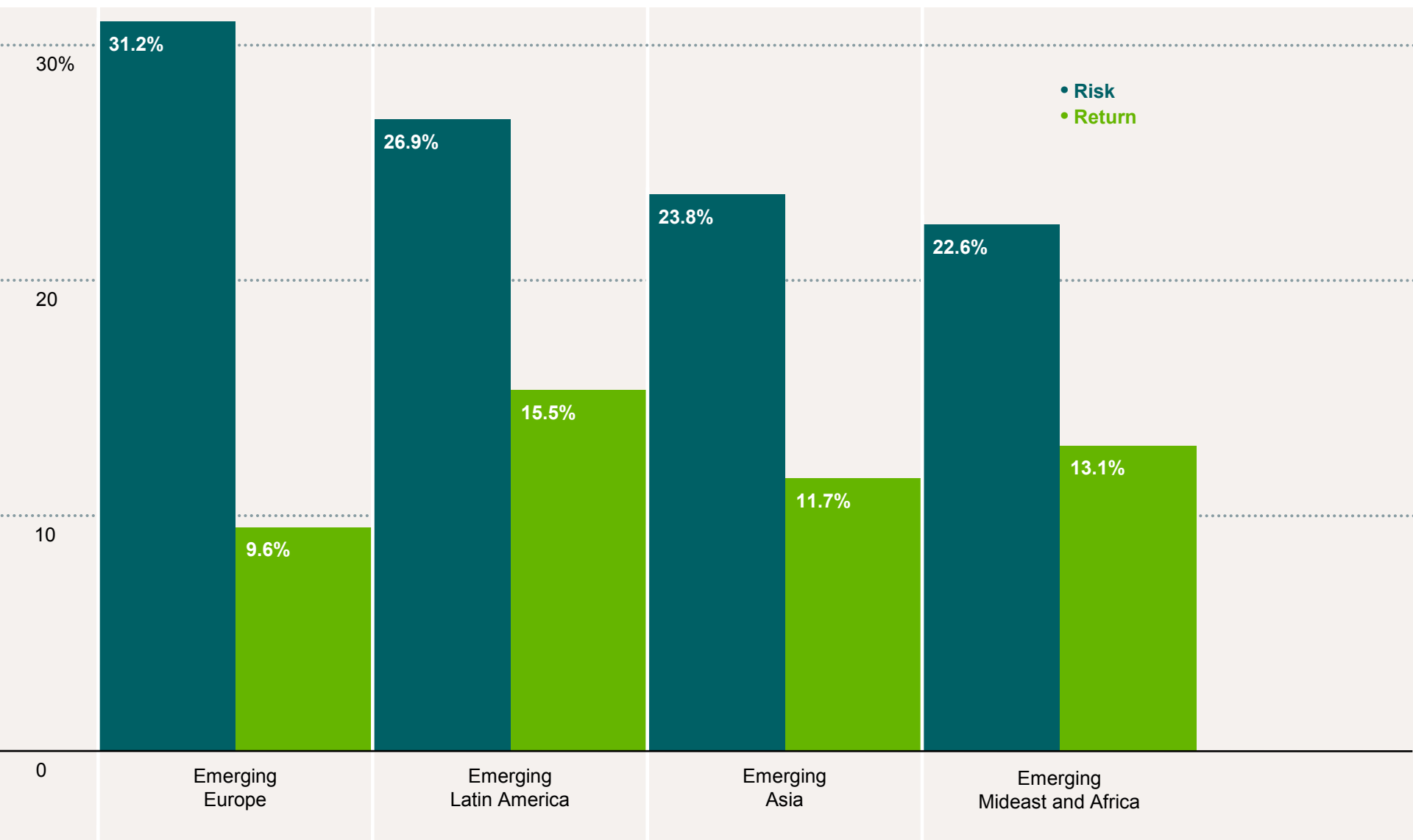


Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Emerging Market Performance

Risk and return 2004–2013

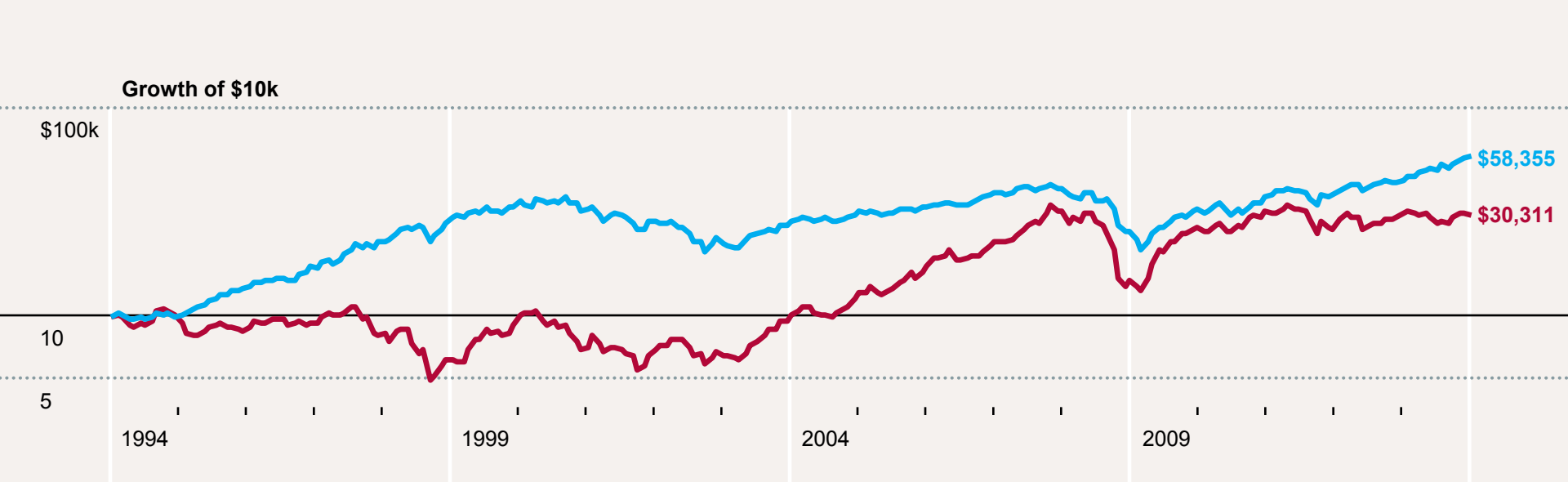
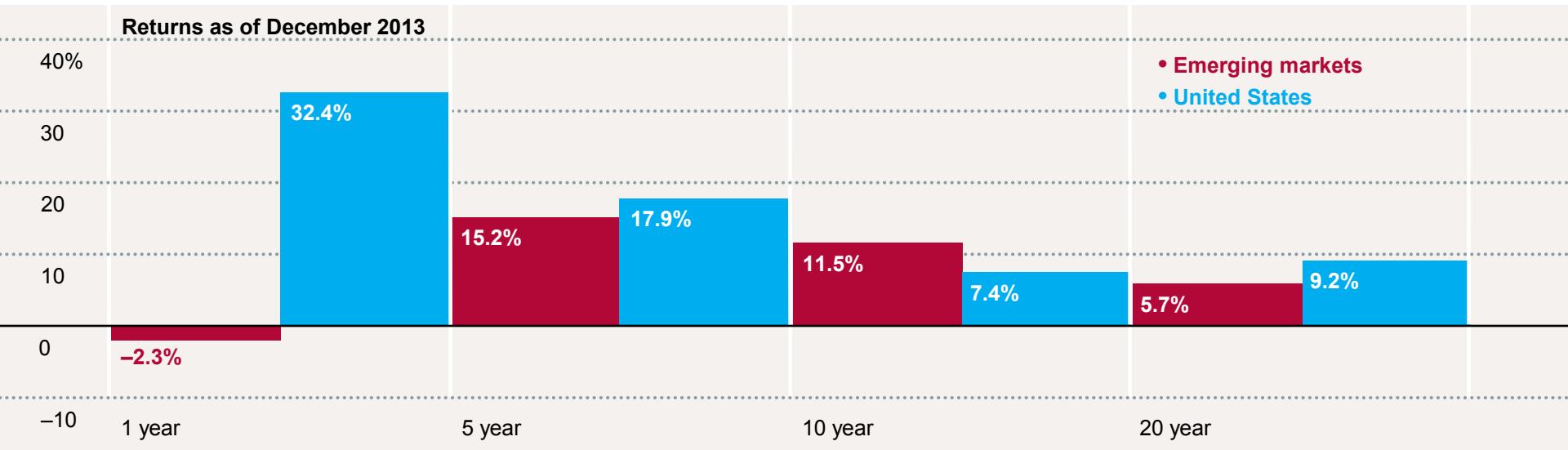


Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Undeveloped Opportunities

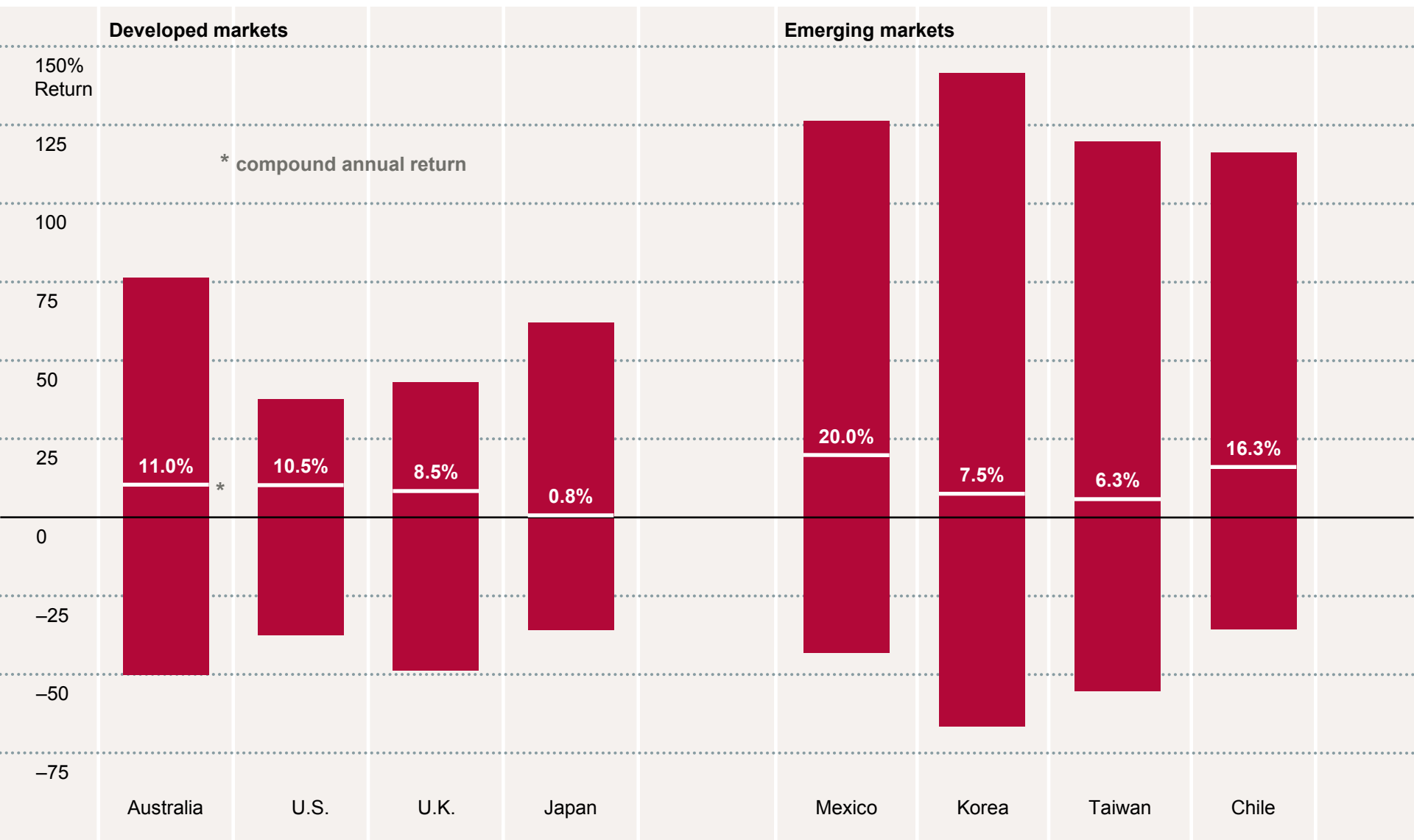
1994–2013



Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Emerging Markets Experience a Wider Range of Returns 1988–2013



Past performance is no guarantee of future results. All values are expressed in U.S. dollars. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Global Market Downturns and Recoveries

Periods of turbulence, 1988–2013



		Number of downturns	Greatest decline	Average decline	Average decline duration in months	Average recovery duration in months*
Emerging markets	Asia	3	-73%	-57%	25	64
	Europe	5	-75%	-53%	15	27
	Far East	3	-76%	-58%	25	67
	Latin America	7	-61%	-37%	5	19
Developed markets	International stocks	3	-56%	-45%	21	32

Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. *Calculations do not include recovery from the 2007–2009 downturn, as the recovery duration is still unknown for all regions except the U.S. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.

Correlations by Region

2004–2013

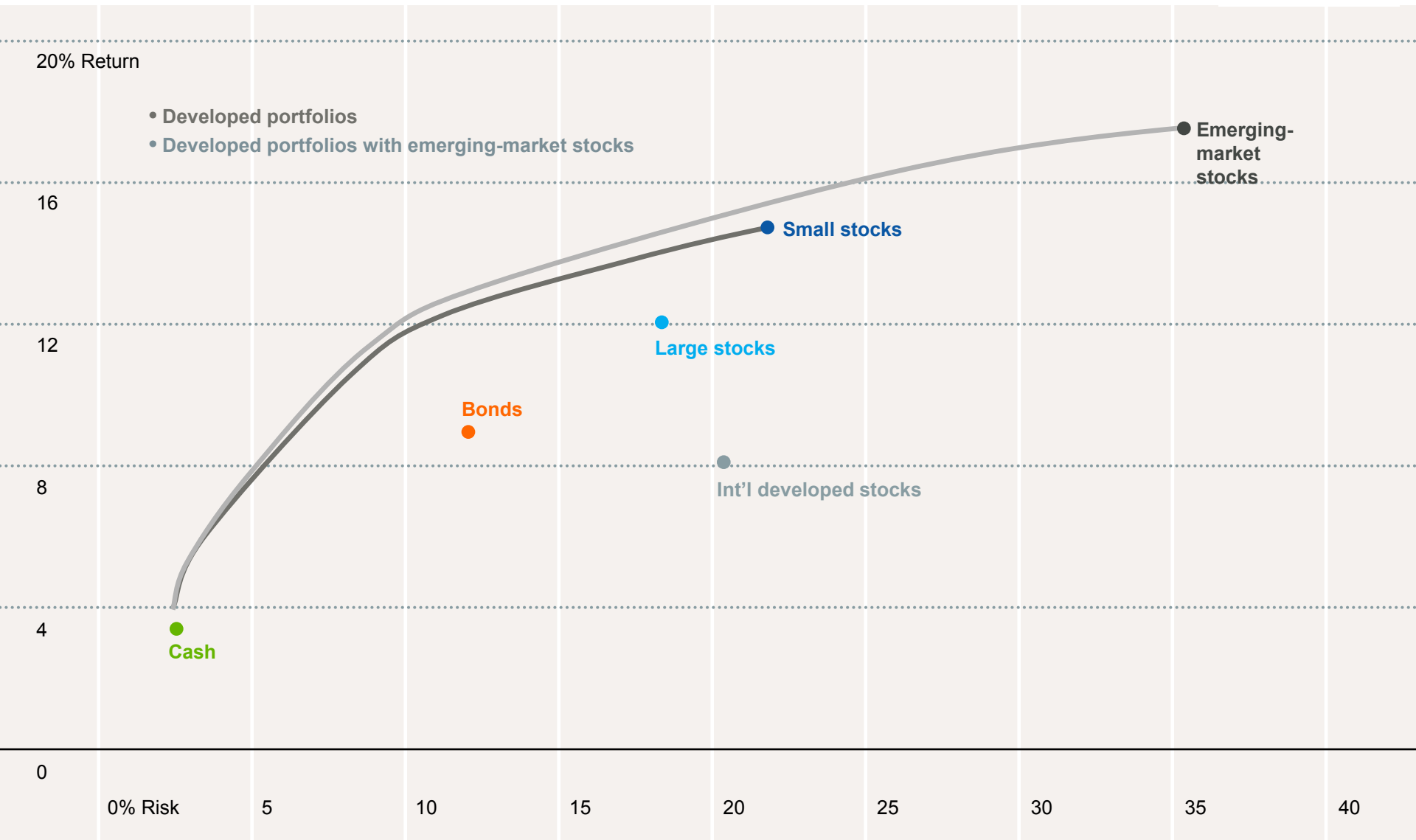
		Emerging				Developed	
		Asia	Europe	Far East	Latin America	U.S. stocks	International stocks
Emerging	Asia	1.00					
	Europe	0.83	1.00				
	Far East	0.99	0.83	1.00			
	Latin America	0.86	0.89	0.84	1.00		
Developed	U.S. stocks	0.77	0.73	0.76	0.73	1.00	
	International stocks	0.85	0.86	0.85	0.83	0.89	1.00

Past performance is no guarantee of future results. Correlation ranges from -1 to 1 , with -1 indicating that the returns move perfectly opposite to one another, 0 indicating no relationship, and 1 indicating that the asset classes react exactly the same. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2014 Consilium Wealth Advisory, LLC. All Rights Reserved.



Emerging Markets Can Improve Developed Portfolios

1988–2013



Global Winners and Losers

1999–2013

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Highest returns	66.4	21.5	3.7	24.8	56.3	26.0	34.5	32.6	39.8	25.9	79.0	19.2	28.2	18.6	32.4
	27.3	15.7	-0.8	17.8	39.2	20.7	14.0	26.9	11.6	10.3	32.5	15.1	9.2	18.0	23.3
	26.0	-1.3	-2.4	14.2	28.8	14.6	11.9	15.8	10.8	-9.7	26.5	11.8	6.9	17.9	-2.3
	21.0	-9.1	-3.0	-6.0	28.7	11.8	7.8	10.5	9.9	-37.0	25.9	10.1	2.1	16.0	-4.5
	-5.3	-14.0	-11.9	-15.7	18.7	10.9	4.9	6.8	6.5	-43.1	4.2	8.2	-11.7	3.5	-8.3
Lowest returns	-9.0	-30.6	-21.2	-22.1	1.4	8.5	-7.3	1.2	5.5	-53.2	-14.9	5.8	-18.2	3.3	-11.4

• U.S. stocks
• U.S. bonds
• International stocks
• International bonds
• Emerging-market stocks
• Emerging-market bonds

The Case for Emerging-Market Bonds

2004–2013

