Supplemental Information

Capital Market Assumptions

Historically high stock market returns over the past 30 years can distort and overestimate your account balance at retirement. For this reason we focus on forecasted future market returns; typically lower than even the recent historical market averages.

Our ongoing engagement, specifically the Retirement Readiness Assessment, relies on these forecast and is updated annually.

Asset Class	Expected Return %	Expected Risk %
Inflation: U.S.	2.50	1.52
Cash, Bonds & Fixed Income		
Benchmark: World ex-U.S. Govt Bonds (hedged)	4.00	3.71
U.S. Cash	2.90	0.59
U.S. Short Duration Govt/Credit	3.90	1.58
U.S. Intermediate Treasuries	3.90	3.27
World ex-U.S. Govt. Bonds (USD Hedged)	4.00	3.71
U.S. Aggregate Bond	5.10	4.28
Equities / Stocks		
Benchmark: World Equity	7.80	16.80
Global Convertible Bonds (USD Hedged)	7.90	11.78
U.S. Large Cap	7.00	16.19
EAFE Equity	9.20	17.64
U.S. Mid Cap	7.60	18.13
U.S. Small Cap	7.20	20.44
Emerging Markets Equity	8.80	21.20
Euro Area Large Cap	9.70	22.15

The Coefficient of Variation (COV) is the ratio of the standard deviation of a data set to the expected mean. Investors use it to determine whether the expected return of the investment is worth the degree of volatility, or the downside risk, that it may experience over time. Higher expected COV indicates the expected return is commensurate with the expected risk.