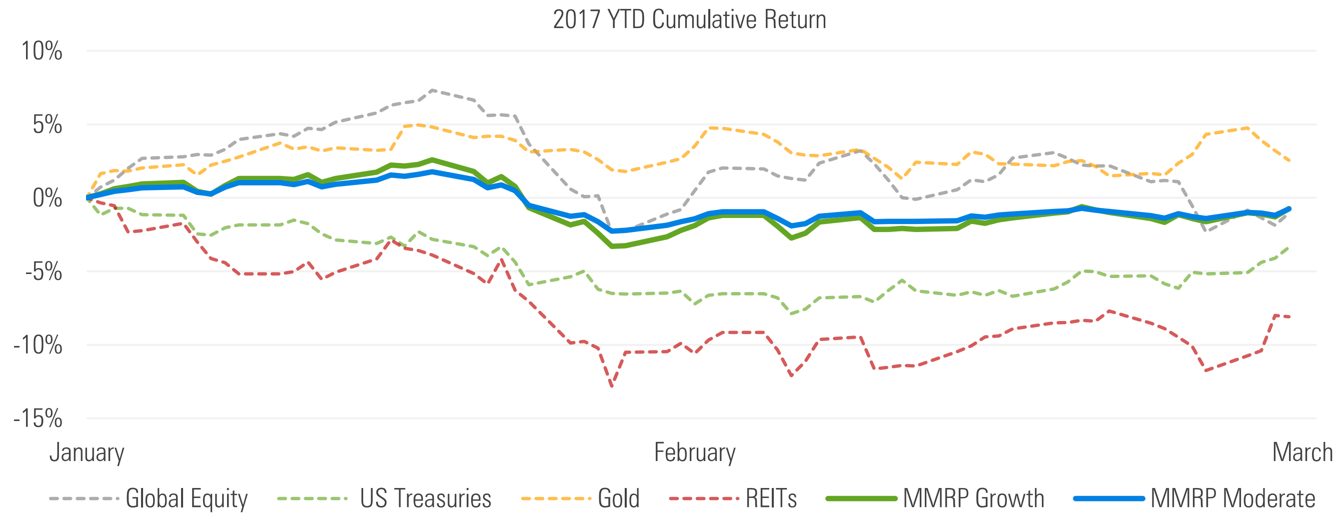
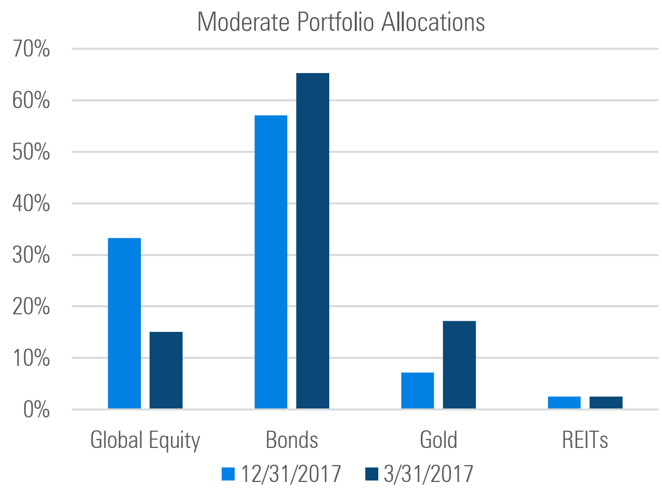
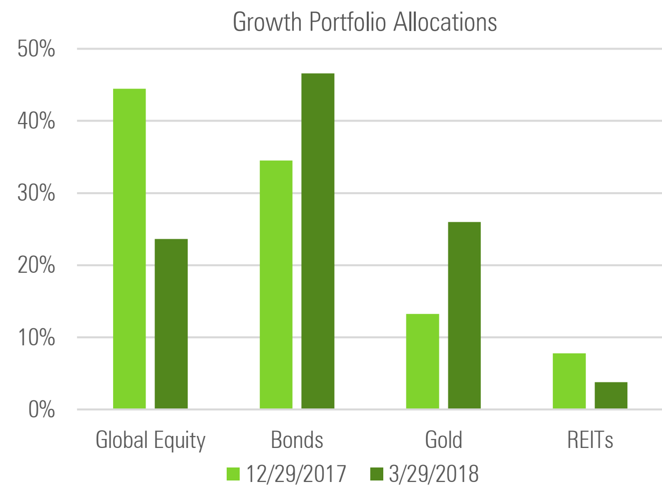
Milliman Managed Risk Parity Strategy

Q1 Performance Review

- The MMRP Growth and Moderate Strategies generated total returns of -0.75% and -0.76% in Q1, while exhibiting low realized volatilities of 5.2% and 7.9%, respectively.
- All but two of the underlying ETFs generated negative total returns (QQQ 3.1% & GLD 2.0%). The average Q1 ETF return was -0.86% with average volatility of 17%.
- Technology led all sectors in Q1, but was also the most volatile; Amazon, Netflix and Microsoft combined contributed 2.9% to QQQ's total return.
- A weakening dollar and rising inflation expectations helped to push gold's price higher.
- Rising interest rates were a drag on bonds, resulting in AGG's & TLT's first negative quarterly returns since 2016.
- Real estate was the most volatile asset class during the quarter, generating its worst quarterly return since Q2 2015.
- Both the Growth and Moderate strategies traded on January 30 and February 5. The biggest shifts were out of global equity and into gold and bonds.

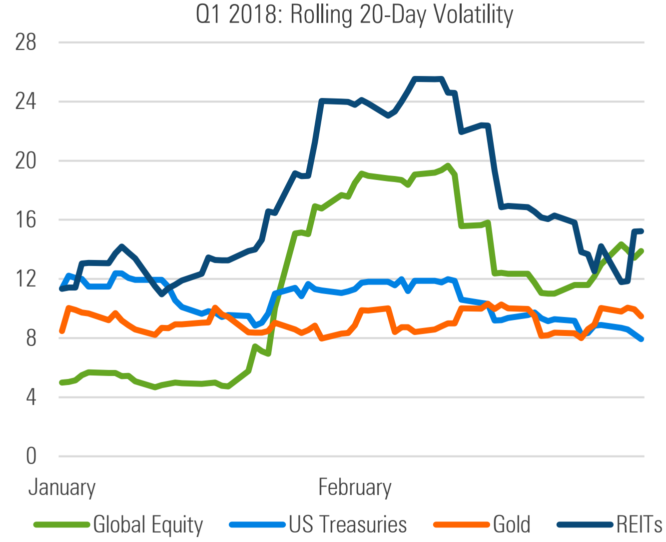


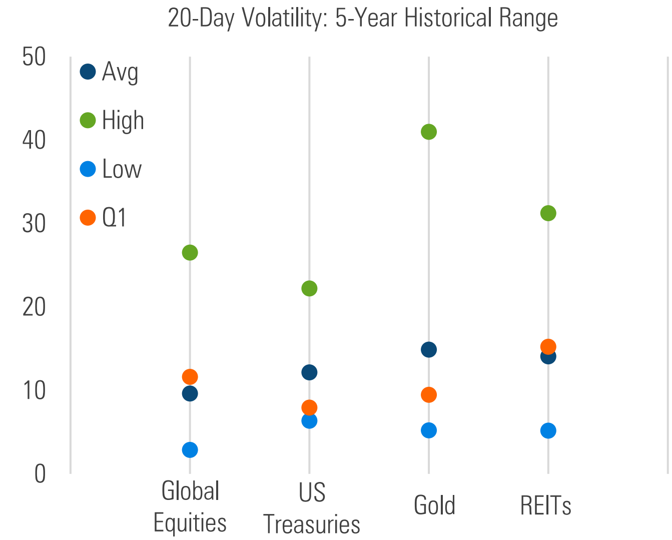




Q1 2018 Market Snapshot

- After a record-setting 2017, the global equity market fell by nearly 1% in Q1, notching both its first quarterly loss and its most volatile quarter since Q3 2015.
- In all of 2017, the MSCI All Country World Index saw just nine daily moves of 1% or more. In Q1 2018 it saw 23.
- The higher equity market volatility began in early February with two economic data surprises; larger-than-expected growth in both payrolls and average hourly earnings triggered fears that the Federal Reserve would begin to tighten policy at a faster rate than expected.
- As the quarter progressed, volatility remained elevated as markets digested the implications of tighter monetary policy, troubles in the technology sector and the threat of a tariff-induced trade war.
- During Q1's higher volatility, the diversification and risk-weighting approach of MMRP proved to be beneficial, as both portfolios generated marginally higher returns than the average return of the underlying ETFs and with much lower volatility.





Total Returns as of March 31, 2018

	Global Equities	US Treasuries	Gold	Real Estate	MMRP Growth	MMRP Moderate
3 Months	-0.9%	-3.4%	2.5%	-8.1%	-0.75%	-0.76%
6 Months	4.9%	-0.9%	3.2%	-6.8%	2.8%	1.8%
1 Year	15.4%	3.9%	6.3%	-4.4%	9.2%	6.3%
Q1 Volatility	14.4%	10.0%	9.2%	18.9%	7.9%	5.2%

ETFs used in MMRP Strategies:

AGG: iShares Core US Agg Bond	TLT: iShares 20+ Year Treasury	VNQ: Vanguard REIT	GLD: SPDR Gold Shares	IVV: iShares Core S&P 500
IJH: iShares Core S&P Midcap	IWM: iShares Russell 2000	QQQ: PowerShares QQQ	VEA: Vanguard FTSE Dev'd	VWO: Vanguard FTSE EM

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