



**BECKER CAPITAL
MANAGEMENT**



EVERETT SCHOOL EMPLOYEE BENEFIT TRUST

Portland (Main Office)

1211 SW 5th Avenue, Suite 2185
Portland, OR 97204
(503) 223-1720

beckercap.com

Seattle:

1201 Third Avenue, Suite 5030
Seattle, WA 98101
(206) 829-7747

APRIL 19, 2017

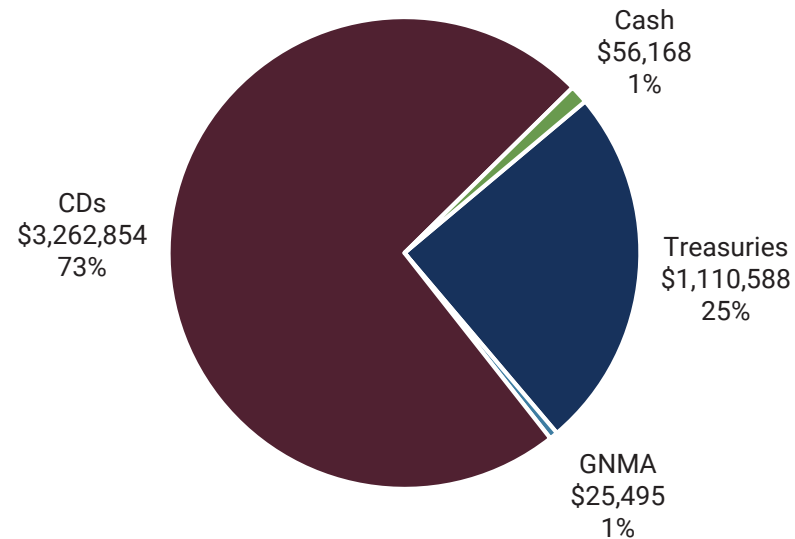
PRESENTED BY: JAY DYER

Account Performance

March 31, 2017

	<u>1Q17</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Since Inception 9/3/09</u>
Everett School Trust	0.13%	0.72%	1.04%	0.82%	1.30%
BAML 1 Yr Treasury Note	0.16%	0.56%	0.39%	0.35%	0.44%
BAML 0-5 Yr Treasury Note	0.32%	0.03%	0.96%	0.78%	1.25%

• Results are presented after the deduction of commissions, but before the deduction of investment advisory fees. This past record is not meant to imply future results. This performance report is intended for use on a one-on-one basis only.



Total \$4,455,105

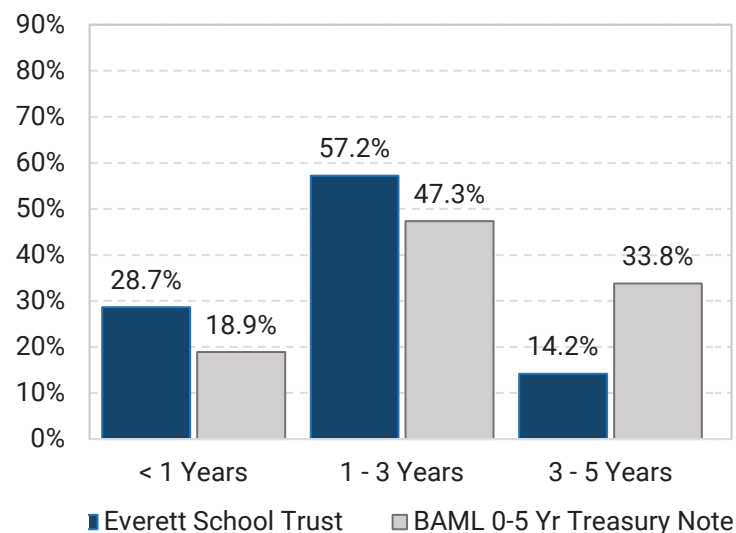
<u>Everett School Trust</u>	<u>Market Value</u>
Market Value - 9/3/2009	\$13,570,149.35
Net Contributions/withdrawals	\$(9,927,855.17)
Market Value - 3/31/2017	\$4,455,105.08
Investment Return	\$812,810.90

Fixed Income Portfolio

March 31, 2017

Characteristics	Everett School Trust	BAML 0-5 Yr Treasury Note
Average Quality	Aaa	Aaa
Effective Duration	1.9 Years	2.3 Years

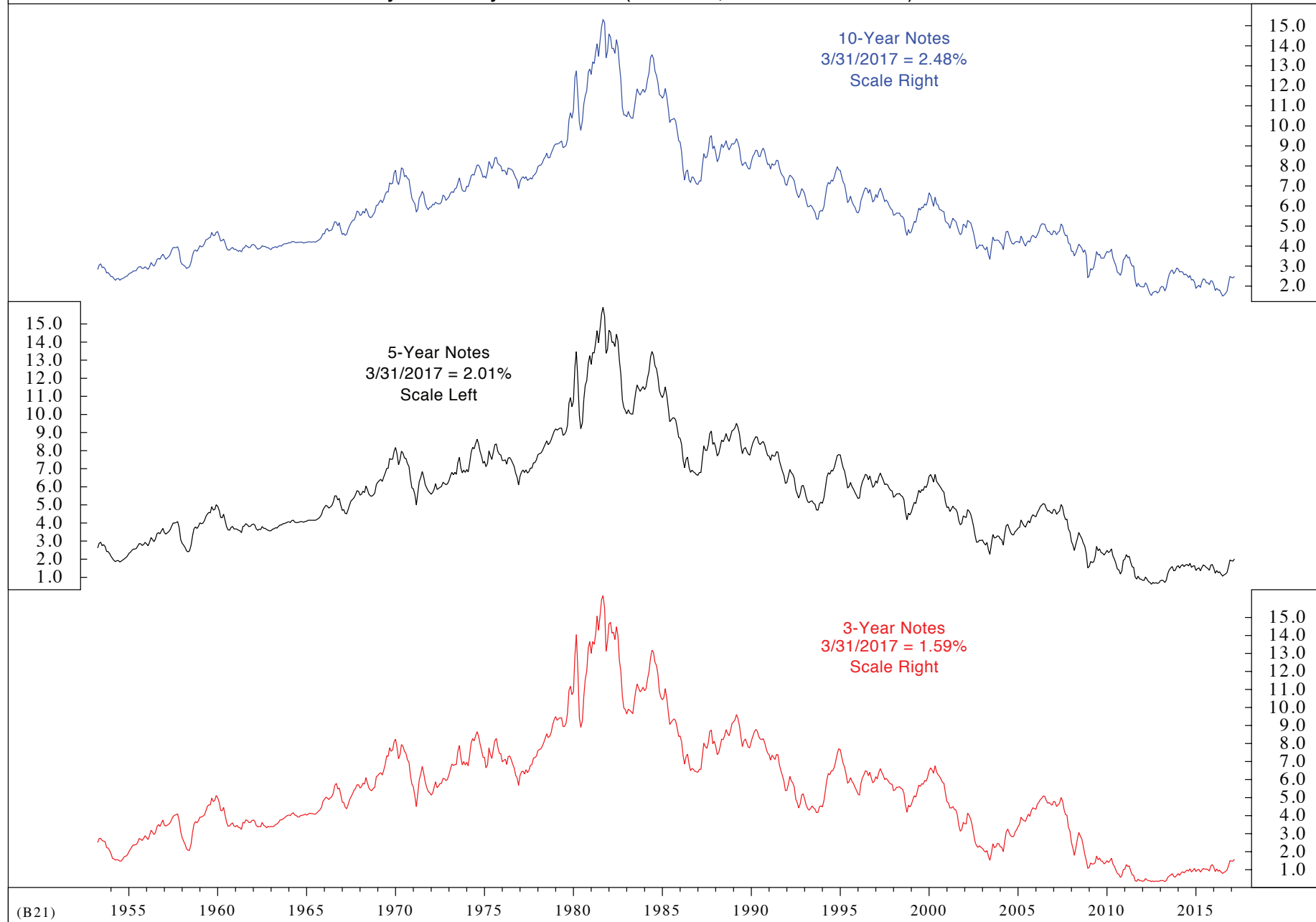
Maturity



- The first quarter of 2107 provided bond investors modest returns
 - Your longer benchmark was up 0.32%, an annualized rate of about 1.3%
- Your portfolio lagged a little in the quarter
 - But is ahead of you benchmarks over longer time periods
- The bond market fell (rates rose) after the presidential election
 - Trump's policies are considered expansionary, perhaps even inflationary
- But bonds rallied in the first quarter of 2017 as these policies appears less likely to be implemented
 - For some perspective, the 10-year benchmark Treasury note rallied from 2.45% at year end to 2.40% at quarter end
- Federal rate hikes in December and March have improved the yields in the short end of the market
 - The Fed has indicated they would like to raise rates twice more this year
- Your portfolio has less cash than you have requested, but with over \$1 million in Treasury notes we will be able to easily raise cash as needed.

Yields on Constant Maturity Treasury Securities (10-Year, 5-Year & 3-Year)

Monthly Data 4/30/1953 - 3/31/2017



© Copyright 2017 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved.