

INSTITUTIONAL PLAN SPONSORS ENJOYED ANOTHER POSITIVE QUARTER



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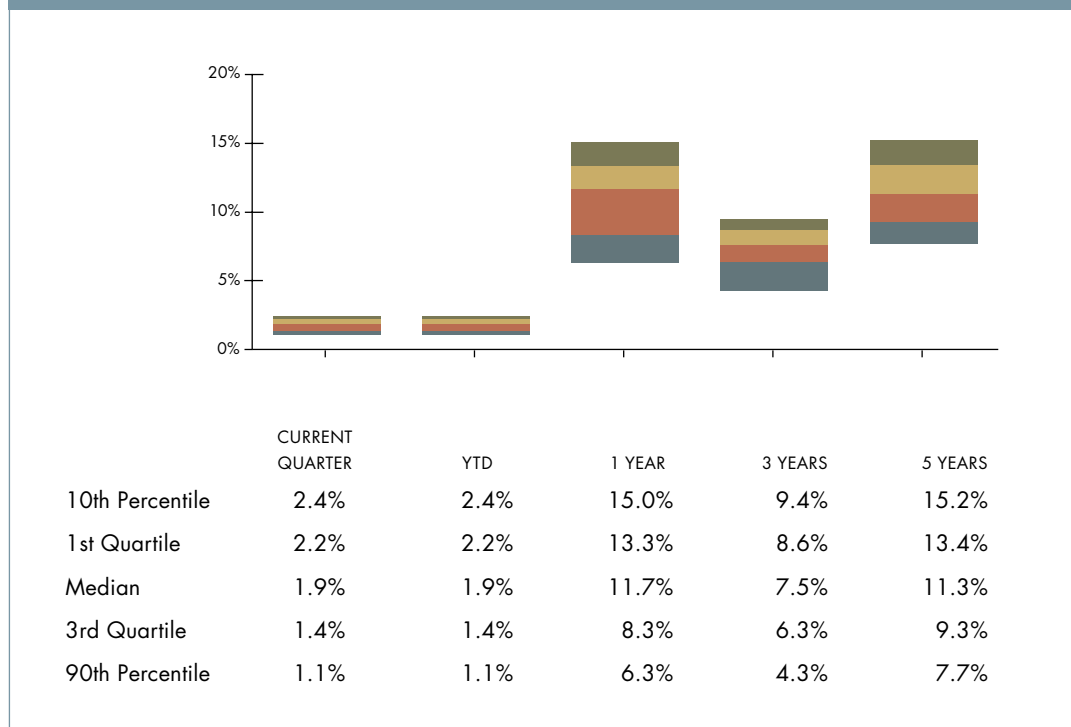
The median Global Family Office (GFO) plan was up 1.9% for the first quarter of 2014. Similarly, the 60% equity (S&P 500) and 40% bonds (Barclays U.S. Aggregate) benchmark returned 1.9% during the quarter. The equity markets gained 1.8% for the first quarter, which was significantly lower than the previous quarter's return of 10.5%. The S&P 500 still posted a 21.9% one-year gain for the first quarter, partly due to the large returns experienced in the third and fourth quarters of 2013. The fixed income market bounced back, with the BC U.S. Aggregate returning 1.8% this quarter compared to -0.1% last quarter.

As of March 31, 2014, the one-year median GFO plan lagged the blended benchmark, returning 11.7% versus 12.7% for the index.

Historically, the median GFO plan has lagged the benchmark – underperforming during the two-, three- and five-year periods. The plan posted annualized returns of 9.6%, 7.5% and 11.2% respectively vs. the 60% equity/40% bonds index returns of 11.3%, 10.4% and 14.6%. The breakpoint return for the top quartile of GFO portfolios for the first quarter was 2.2%. The top decile breakpoint return was 2.4%. The bottom quartile breakpoint was 1.4% and the bottom decile breakpoint return was 1.08%.

Within the GFO composite as of March 31, domestic equity accounted for 24.9% of assets. Broad-based domestic equity indexes such as the S&P 500 and the Russell 3000 had positive quarters, returning 1.8% and 2.0% respectively. The large cap value segment

GLOBAL FAMILY OFFICE PLANS – TOTAL RETURNS MARCH 31, 2014



was the best performing subset in the U.S. equity spectrum. This is visible in the Russell 1000 Value index quarterly return of 3.0%. The small cap growth segment provided the lowest returns of the equity classes, as shown by the Russell 2000 Growth Index quarterly return of 0.5%.

Domestic fixed income comprised 19.1% of the GFO Composite. The Barclays U.S. Aggregate index was up 1.8% for the first quarter and posted a one-year loss of 0.10%.

The median U.S. fixed income program returned 2.2% for the first quarter and 0.5% for a one-year return. The best returning subset of the fixed income market in the first quarter was long-term government bonds. The Barclays Capital U.S. 20+ Year Treasury Bond Index was up 7.7% this quarter. The 90-Day Treasury Bill showed a 0.01% return for the first quarter, and was the lowest performing subset of the fixed income segment.

COMPOSITE ASSET ALLOCATION – GLOBAL FAMILY OFFICE				
	Current	1 Year Ago	3 Years Ago	5 Years Ago
U.S. Equity	25%	23%	–	–
Global/Non-U.S. Equity	14%	14%	–	–
U.S. Fixed Income	19%	21%	–	–
Global/Non-U.S. Bonds	1%	3%	–	–
Private Equity/Hedge Funds	29%	26%	–	–
Cash & Other	12%	14%	–	–

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If you would like to participate in our universe analysis and receive more in-depth information, please contact your relationship manager.

Returns are shown gross of fees. Index returns assume reinvestment of dividends and earnings and do not reflect the deduction of any trading costs or other expenses. It is not possible to invest directly in an index. Periods greater than one year are annualized. Past performance does not indicate future results.