Investment Report for CMA – Prepared by John Howle

Good morning all and a Happy 4th to everyone: The market volatility continues and seems to come from different sources each quarter but non the less continues. We have tried to make the most of that volatility and use it to the investors advantage by reducing the overall risk profile of equities, the utilization of lower volatility alternatives and the overweighting in bonds. The continued push to lower rates benefits us currently however my biggest fear are those historically low rates. Zero and negative rates will most likely have a negative affect at some point in the future we just don't know how or when. I feel that one of the effects zero and negative rates is to cause people to hold cash rather than spend it because they fear running out of money when they can't see much of a return on their capital. I think this is why we have seen consumer stocks earnings come in lower than expected even though everyone has the benefit of lower energy prices. A good bit of that energy savings is going to higher healthcare cost in my opinion. For now we will ride the wave of higher asset prices with the wind at our backs in the bond markets.

1. Portfolio Value:*

06/30/16:	01/01/16:
$704,023	$662,381

2. 2016 Income:

Income for the Month of June: $4,120.76
June Distribution: $2,789.09
Income YTD: $19,597
Distribution YTD: $21,769
Fees YTD: $3,339.70

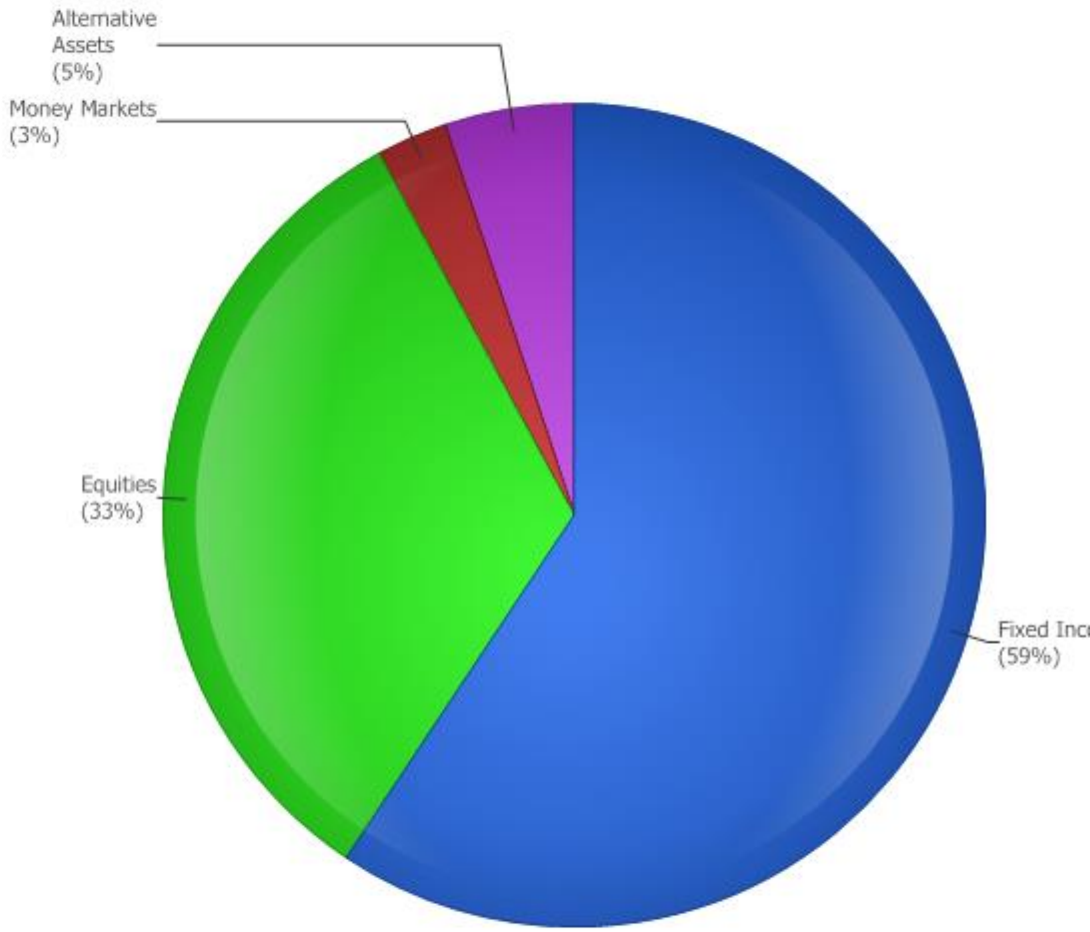
Current Projected Annual Income: $42,733 before fees.
Estimated Annual Income After Fees: $35,773 after fees.

3. Performance: YTD as of 04/29/16

	2016 YTD:	2015:	2014:	2013:	2012:
CMA	8.01%	<10.80%>	8.72%	12.61%	9.14%
S&P 500:	3.83%	1.37%	13.67%	32.37%	15.98%
Barclays Aggregate Bond Index:	5.50%	1.42%	6.37%	<1.78%>	3.00%

4. Allocation:

Fixed Income:	Equities:	Alternatives:	Money Markets:
59%	33%	5%	3%



5. Activity:

   · Buys: No buys for the month
   · Sells: No sells for the month

6. Strategy:

   I wrote last month that I did not see any near term changes to the positions or allocations and that is exactly what happened with no buys or sells for the month. I continue to struggle with trying to find the right balance of returns and risk both from an allocation standpoint and within the equity and bond sectors. A reduced risk profile could potentially reduce overall returns and income going forward but we could lock in the gains we have made YTD. This is not to say that I plan on making any near term dramatic changes just something I am always thinking about when it comes to returns and risk. The current portfolio has an expected standard deviation of around 9.00% or a little more than half the standard deviation of the S&P 500 which is around 15%.

Please let me know of any questions you may have.

Thanks once again,

John A Howle
Managing Director