DAILY REPORT

Date	2015-07-28
Time (Eastern)	12:32 AM
Next Refit in	5 days
Last Refit Date	2015-07-07

MODEL INDICATORS

Variables in Order of Frequency of Inclusion	Value	Mean	Direction
Proprietary Variable X	–	–	Bullish
Variance Risk Premium (VRP)	0.00	0.61	Bearish
PCA of Price Indicators (PCA.price)	1.26	1.72	Bullish
Default Spread (DEF)	1.09	0.95	Not currently in model
New Orders/Shipments (NOS)	-0.01	0.01	Not currently in model
Baltic Dry Index (BDI)	0.24	0.00	Bullish
Moving Average (MA)	1.00	0.77	Bullish
Implied Correlation (IC)	-7.21	0.98	Not currently in model
Proprietary Variable Y	–	–	Not currently in model
Short Interest (SI)	0.09	0.00	Not currently in model
Consumption vs Wealth and Income (CAY)	-0.04	0.00	Bearish

EQUITY RISK PREMIUM CALCULATION (ANNUALIZED)

	Estimate	Historical [1]
Total Return	1.89%	10.96%
3-Month Treasury Bill Rate	0.05%	4.64%
Equity Risk Premium	1.84%	6.32%
Current Optimal Equity Exposure:	40%	

[1] Calculated using S&P 500 and 3-Month Treasury Bill Rate between 1954 and present.