



Endowment Index® Gains 7.19% in 2016: Domestic and Private Equity Lead the Way

APPLETON, WI, January 6, 2017--The Endowment Index® calculated by Nasdaq OMX® (Symbol: ENDOW) gained 7.19% (on a total return basis) for the year ended December 31, 2016. This compares to the S&P 500, which gained 11.96% for the same period. For the 4th quarter, the Index was mostly unchanged, gaining 0.03% (vs. 3.82% for the S&P 500) as global assets reacted less enthusiastically than domestic markets to the U.S. presidential election.

After starting the year at 1,000.17, the Index declined steadily in early 2016, as a deepened correction in energy prices expanded to global financial markets. The Index marked its low for the year on February 11th, at 909.70. However, by March 17th the Index was back to breakeven. The Index powered mostly higher during much of the remainder of the year, interrupted by a sharp 5.2% decline over two days caused by the Brexit scare in late June. The Index marked its high for the year, as well as an all-time closing high on December 9th at 1,088.42 before ending 2016 at 1,072.11.

Sixteen of the nineteen of the Index's components posted gains in 2016. Natural resources-metals & mining (+57.16%), natural resources-oil & gas (+25.09%), U.S. equities (+12.68%), private equity-distressed debt (+12.29%), and private equity (+10.32%) all posted double-digit gains. Three components fell for the year: emerging market equity- China (-15.06%), real assets-commodities (-1.22%), and real assets-managed futures (-1.01%).

On an attribution basis, domestic equity (28.1%), private equity (21.5%) and natural resources-metals and mining (15.2%) provided the greatest share of the index's 2016 gain.

Endowment Index® Constituents: Winners & Losers for 2016

Asset Class	2016 Change (%)	Asset Class	2016 Change (%)
Commodity-Met/Mining	+57.1	Intl Developed Fixed Inc	+4.7
Commodity-Oil & Gas	+25.1	Domestic Fixed Inc	+2.5
US Equity	+12.7	Intl Real Estate	+1.8
Private Eq-Distressed Debt	+12.3	Intl Developed Equity	+1.4
Private Equity/VC	+10.3	Hedge Funds	+0.7
Emerging Mkt Equity	+9.9	Liquidity-TBills	+0.0
Emerging Mkt Fixed Inc	+9.4	Managed Futures	-1.0
Gold	+8.9	Commdty/Div-Futures	-1.2
Domestic Real Estate	+8.5	Em. Markets- China	-15.0
Commodity-Timber	+7.1		

The Endowment index® represents the investable opportunity for managers of portfolios utilizing the Endowment Investment Philosophy® or who otherwise incorporate alternative investments within a comprehensive asset allocation. The Endowment Index® provides an objective tool used for portfolio comparison, investment analysis, and research and

benchmarking by fiduciaries, trustees, portfolio managers, consultants and advisers to endowments, foundations, trusts, defined benefit/contribution plans and individual investors. The 2016 target allocation for the Index is 35% equity, 52% alternatives, 9% fixed income and 4% cash. The Index is annually rebalanced based on updated data during the first quarter each year.

Visit EndowmentIndex.com to download an Index fact sheet containing longer term performance and statistical information or a spreadsheet containing historical index price data.

[ETF Model Solutions, LLC](http://ETFModelSolutions.com) designs ETF-based investment solutions for advisers, institutions, retirement plans and individual investors based upon the Endowment Investment Philosophy®. The Firm creates and manages ETF-based diversified target-risk models and asset class models for use by investment advisers and retirement plans. The firm is the investment manager for the [Endowment Multi Asset ETF Collective Investment Fund](http://EndowmentMultiAssetETFCollectiveInvestmentFund.com), a Collective Investment Trust (CUSIP 26923F105) available for use in 401(k) Plans. ETF Model Solutions also provides digital investment services to individual investors through the website, www.MyRoboAdviser.com.

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