CAPITAL MARKETS REVIEW

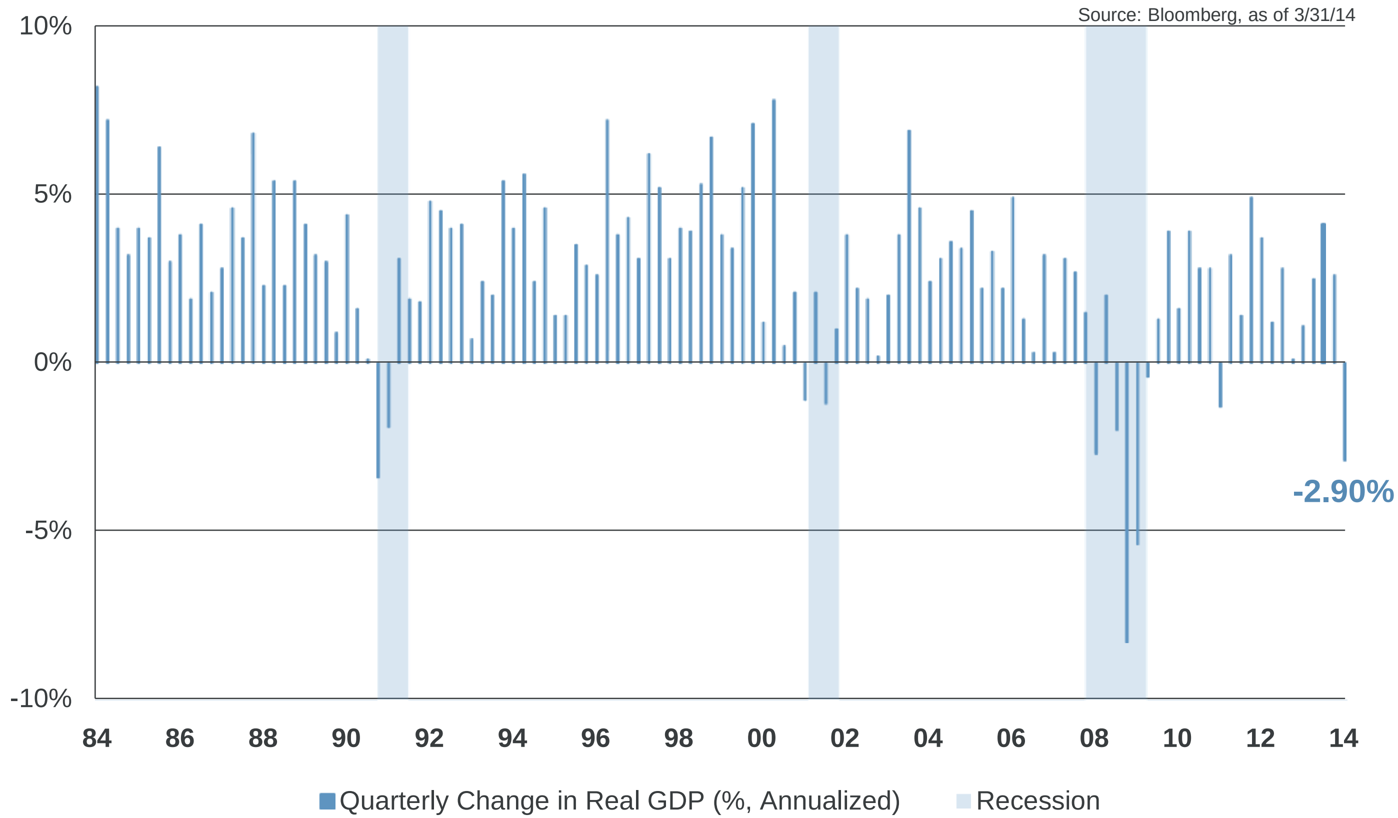
JULY 2014

REVIEWING THE QUARTER ENDED JUNE 30, 2014

RAYMOND JAMES®

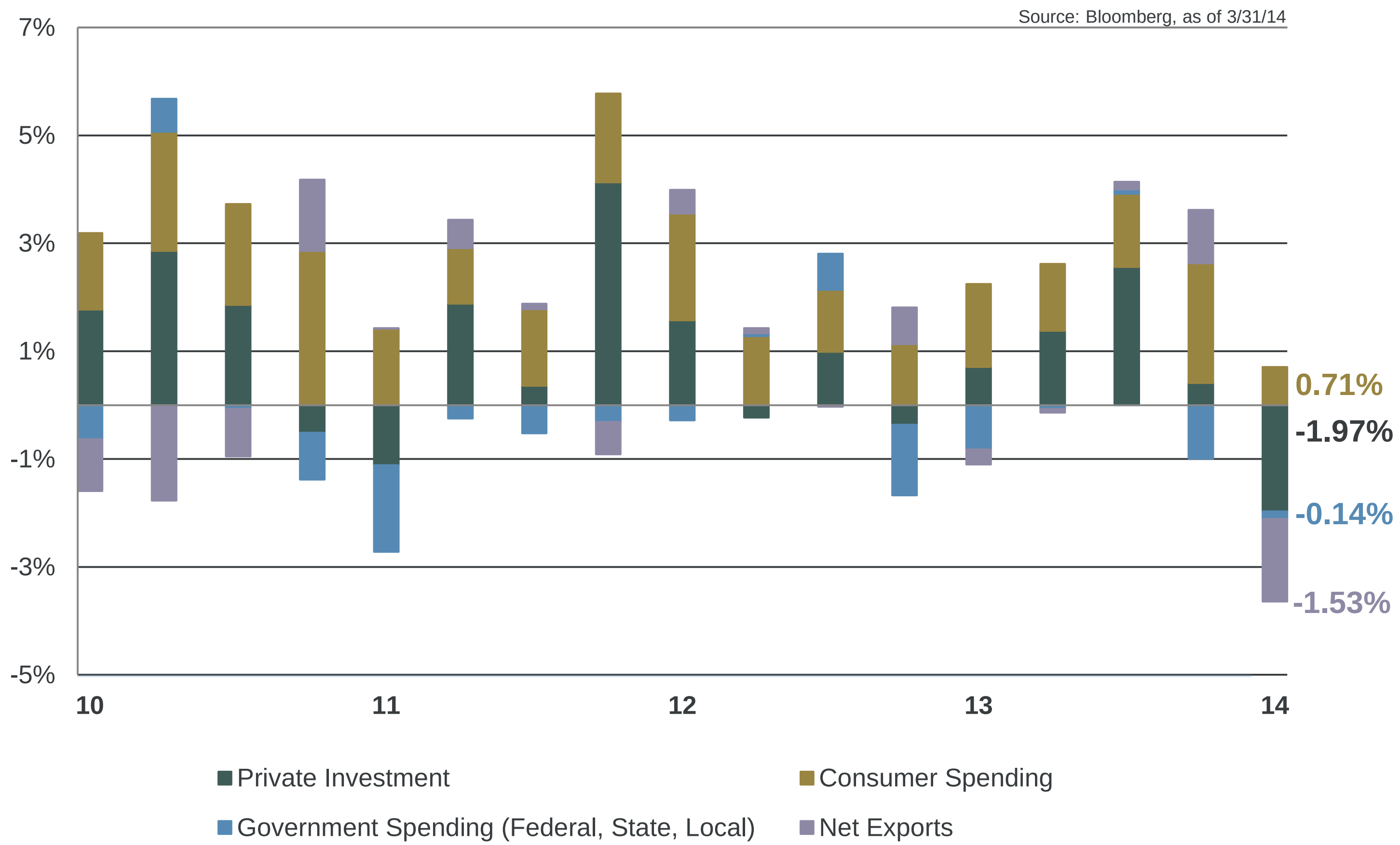
GROSS DOMESTIC PRODUCT

GDP fell 2.9% in the first quarter, which was the worst reading in five years.
Much of the drop was blamed on a brutal winter.



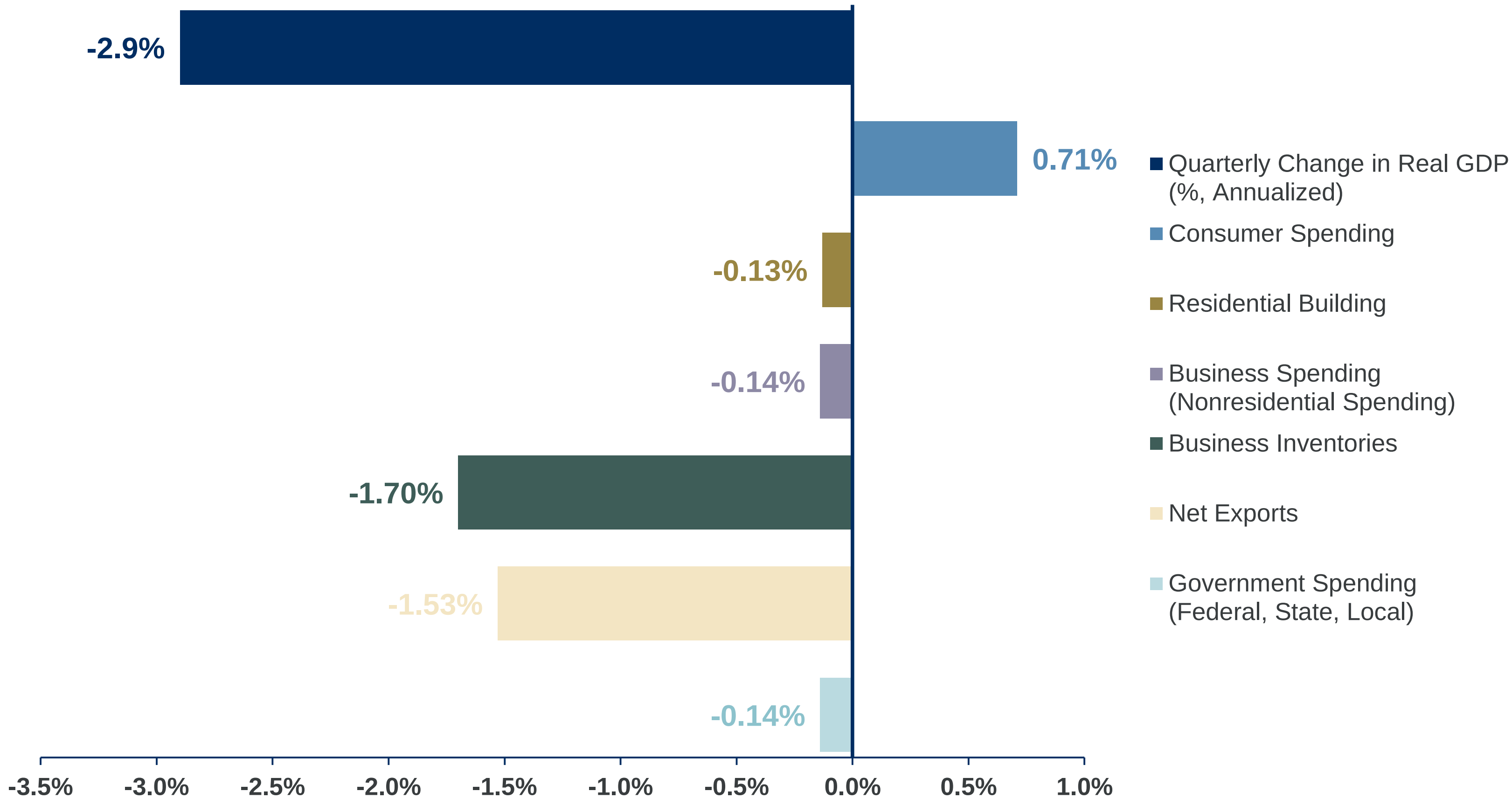
CONTRIBUTIONS TO % CHANGE IN REAL GDP

Private investment and net exports drove the contraction of the economy while consumers continued to spend.



COMPONENTS OF PRIVATE INVESTMENT

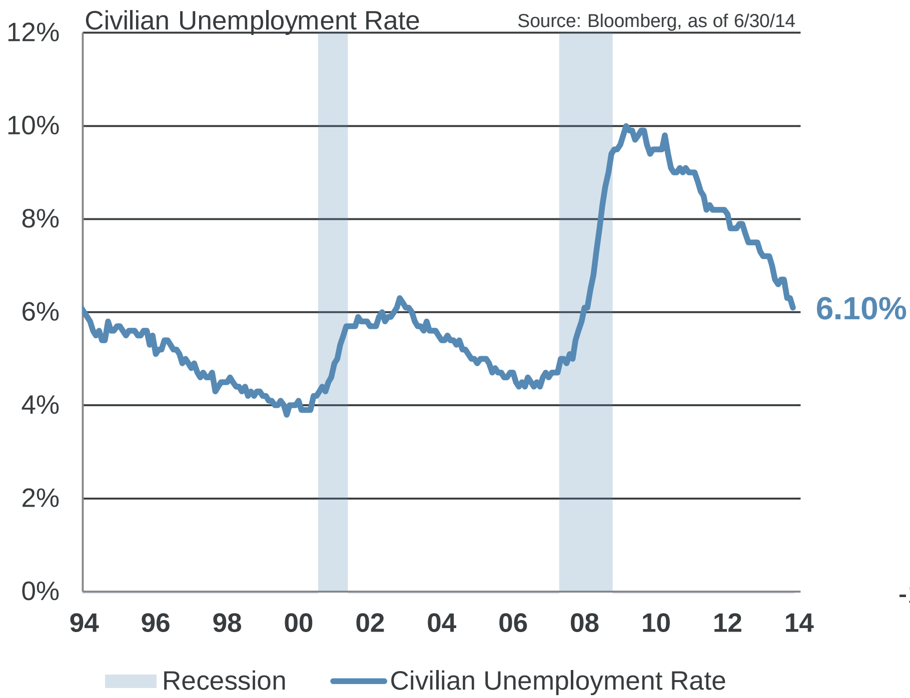
The decline in private investment was dominated by a sharp dip in business inventories, which could be perceived as a positive sign for future demand.

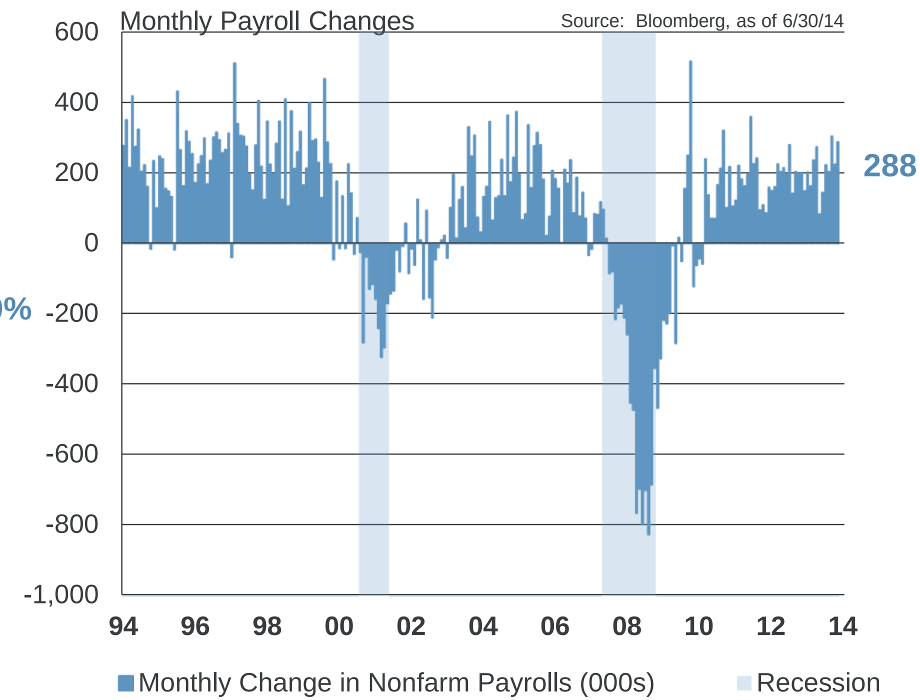


Source: Bloomberg, as of 3/31/14

EMPLOYMENT

The unemployment rate fell to 6.1% in Q2 2014 amid strong hiring from the private sector.

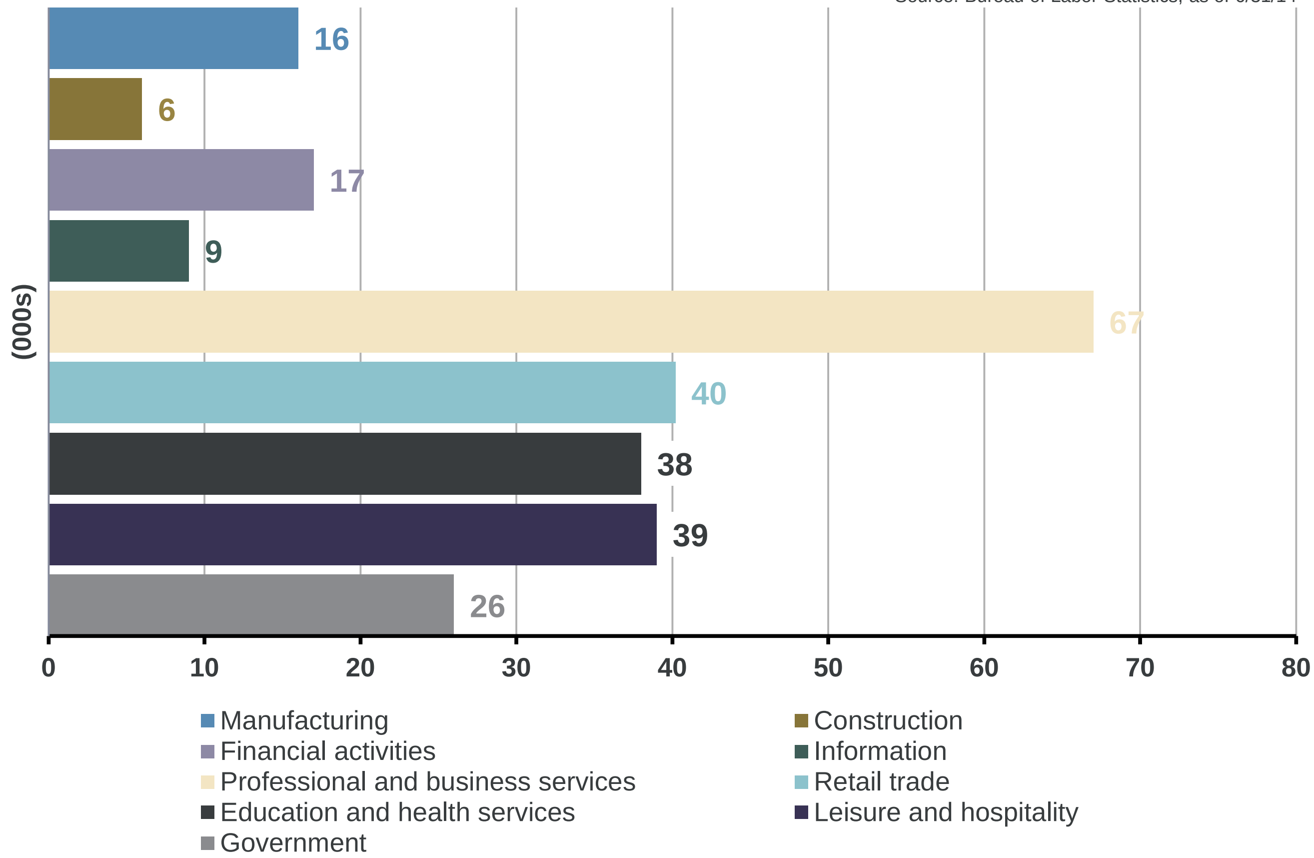




MAJOR INDUSTRY HIGHLIGHTS OF MONTHLY JOBS

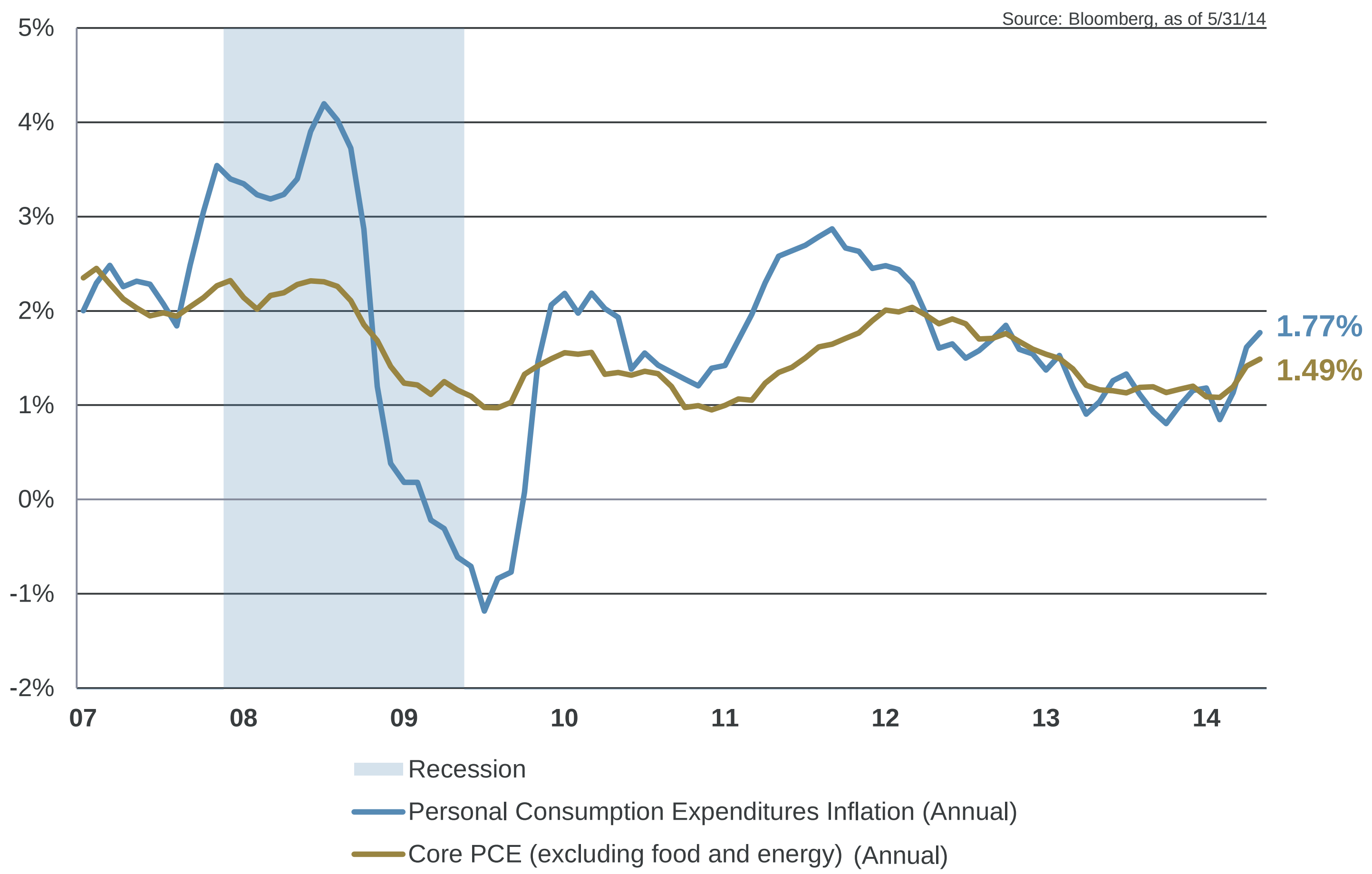
Monthly jobs report shows the emergence of a strong trend.
June was the fifth consecutive month of 200,000+ jobs, something that had not been seen since early 2000.

Source: Bureau of Labor Statistics, as of 6/31/14



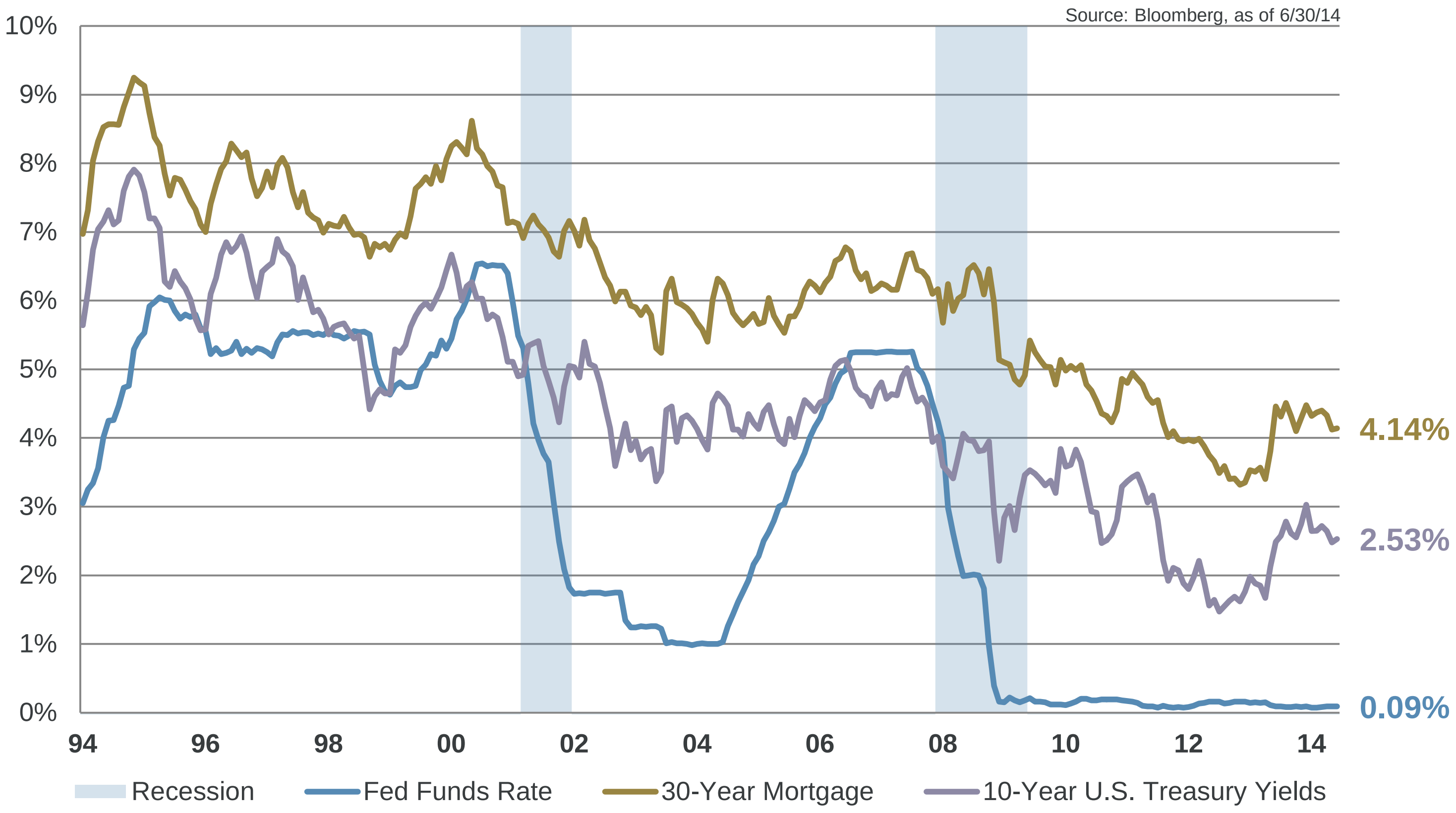
INFLATION

Inflation ticked up for the quarter after hovering around extremely low levels for several years.



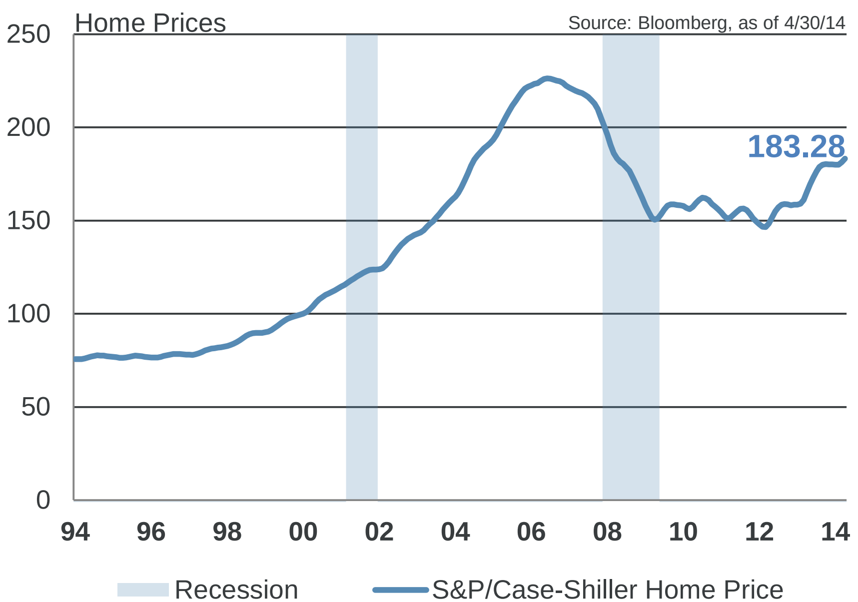
KEY INTEREST RATES

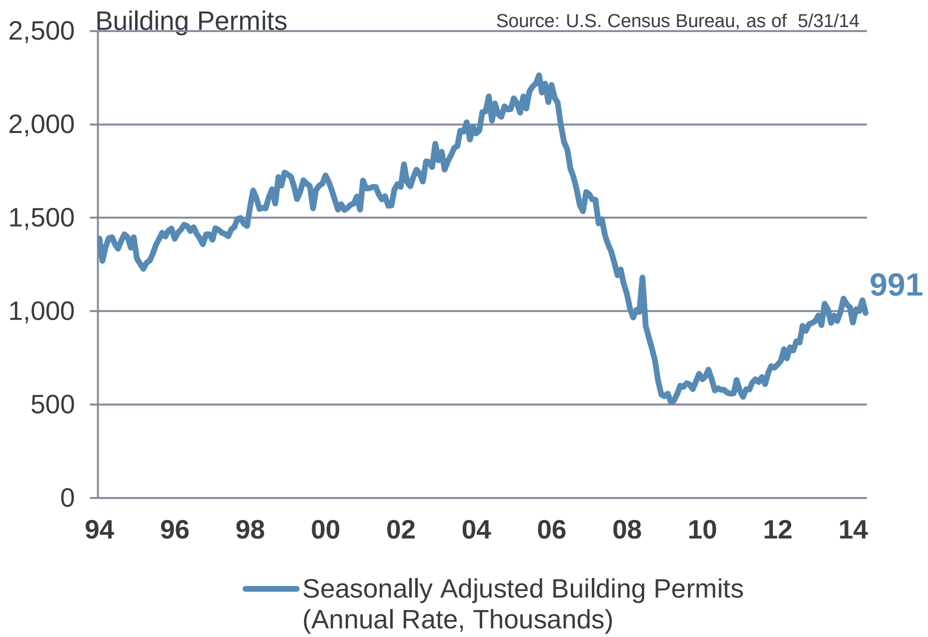
Interest rates continued to hover around historic lows.



HOUSING MARKET

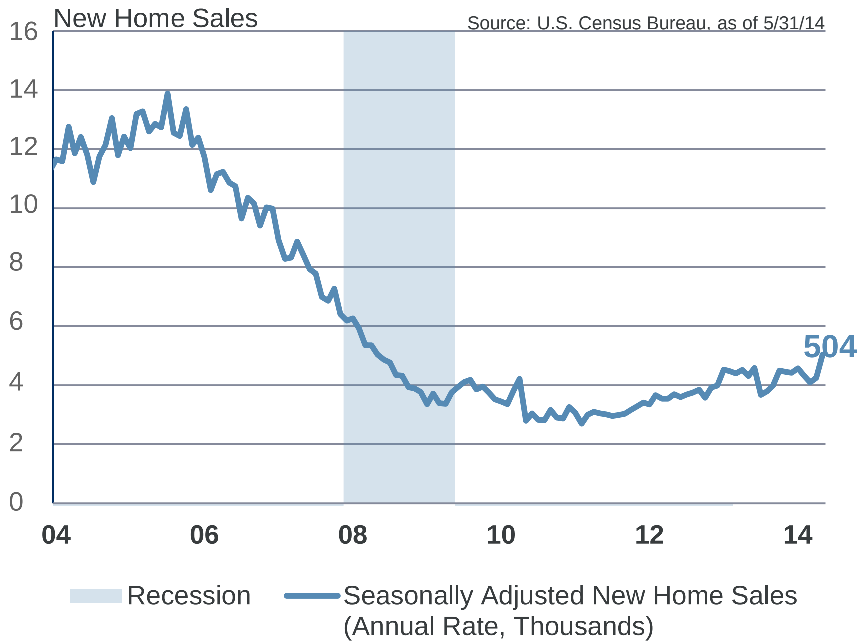
Housing prices resumed their upward trend in the second quarter.

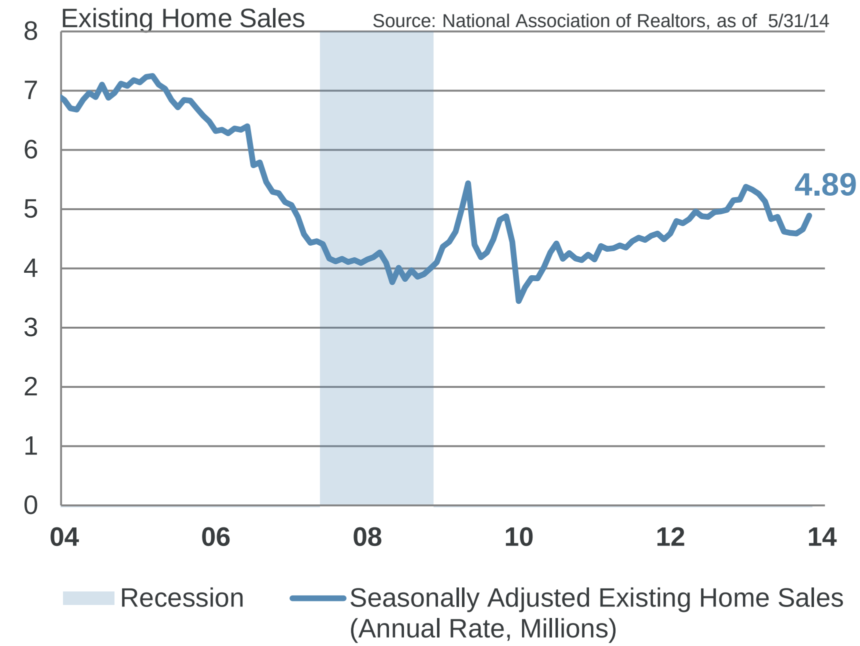




HOUSING MARKET

Housing sales followed the same upward trend in the second quarter.



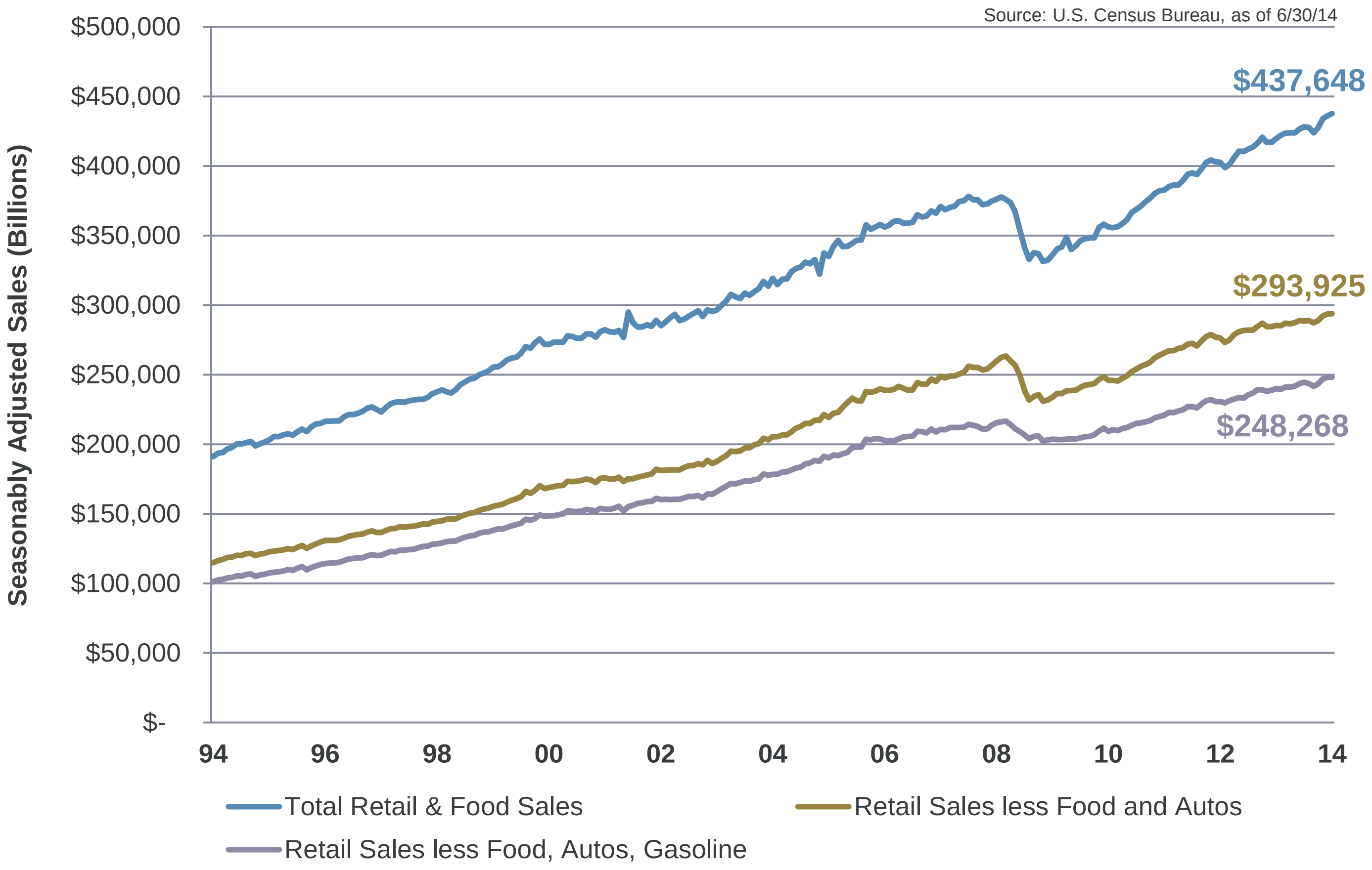


CONSUMER CONFIDENCE

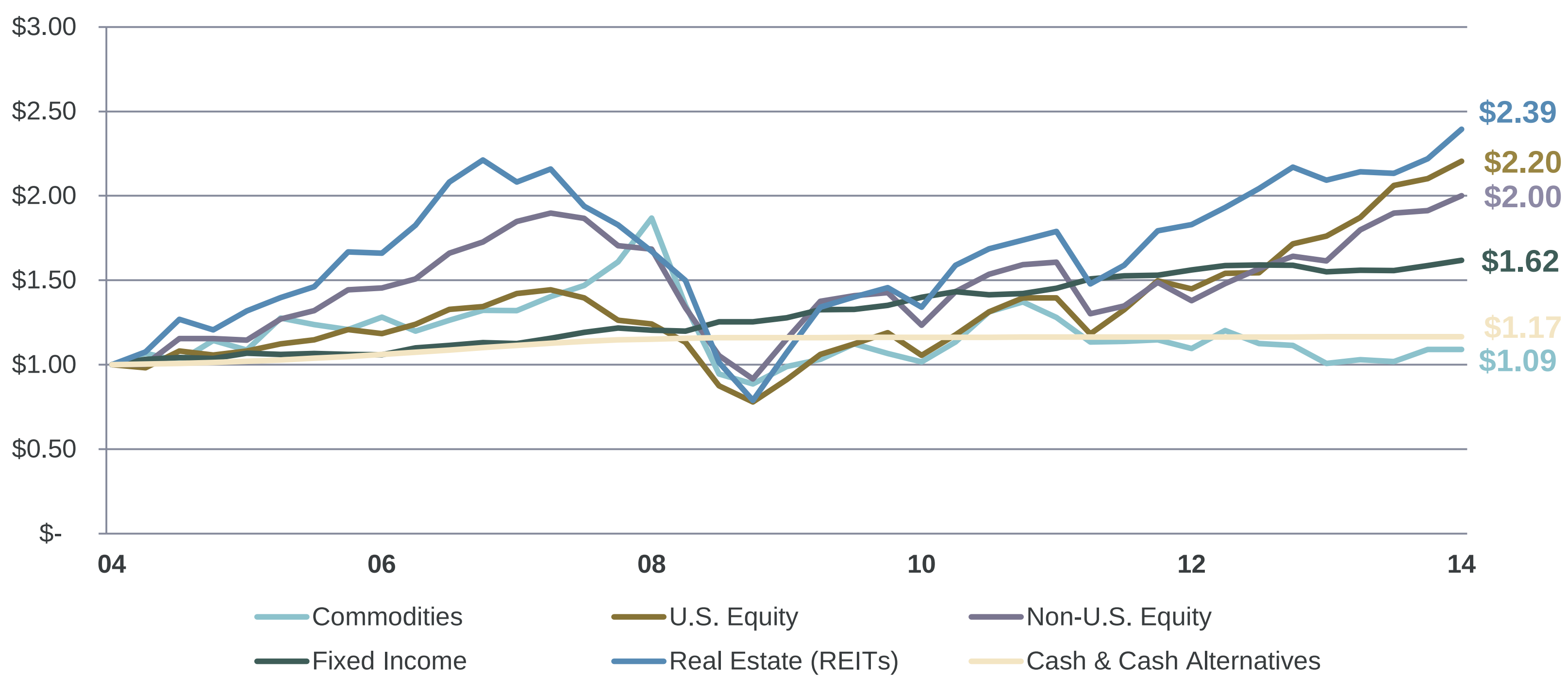
The final consumer sentiment figure for June rose to above 85 from 83.9 at the end of the first quarter, marking the highest level since early 2008. Consumer sentiment was driven by healthy job growth.

RETAIL SALES

Retail sales continued to trend higher after a brief pause at the end of 2013 and early 2014. This is a good indicator of a recovering economy.



INDEX RETURNS GROWTH OF A DOLLAR



	YTD	1-Year	3-Year	5-Year	10-Year
U.S. Equity	6.94	25.22	16.46	19.33	8.23
Non-U.S. Equity	5.40	23.83	7.58	11.67	7.18
Real Estate (REITs)	12.21	14.43	10.21	17.42	9.12
Cash & Cash Alternatives	0.02	0.04	0.05	0.08	1.54
Fixed Income	3.93	4.37	3.66	4.85	4.93
Commodities	7.08	8.21	-5.17	1.99	0.87

Source: Morningstar, as of 6/30/14
Investors cannot invest directly in an index. Past performance is not indicative of future results. **See asset class benchmarks on slide 31.**

ASSET CLASS RETURNS

2014 has been a solid year for investors with all major asset classes in positive territory; real estate has led the rally.

Source: Morningstar, as of 6/30/14

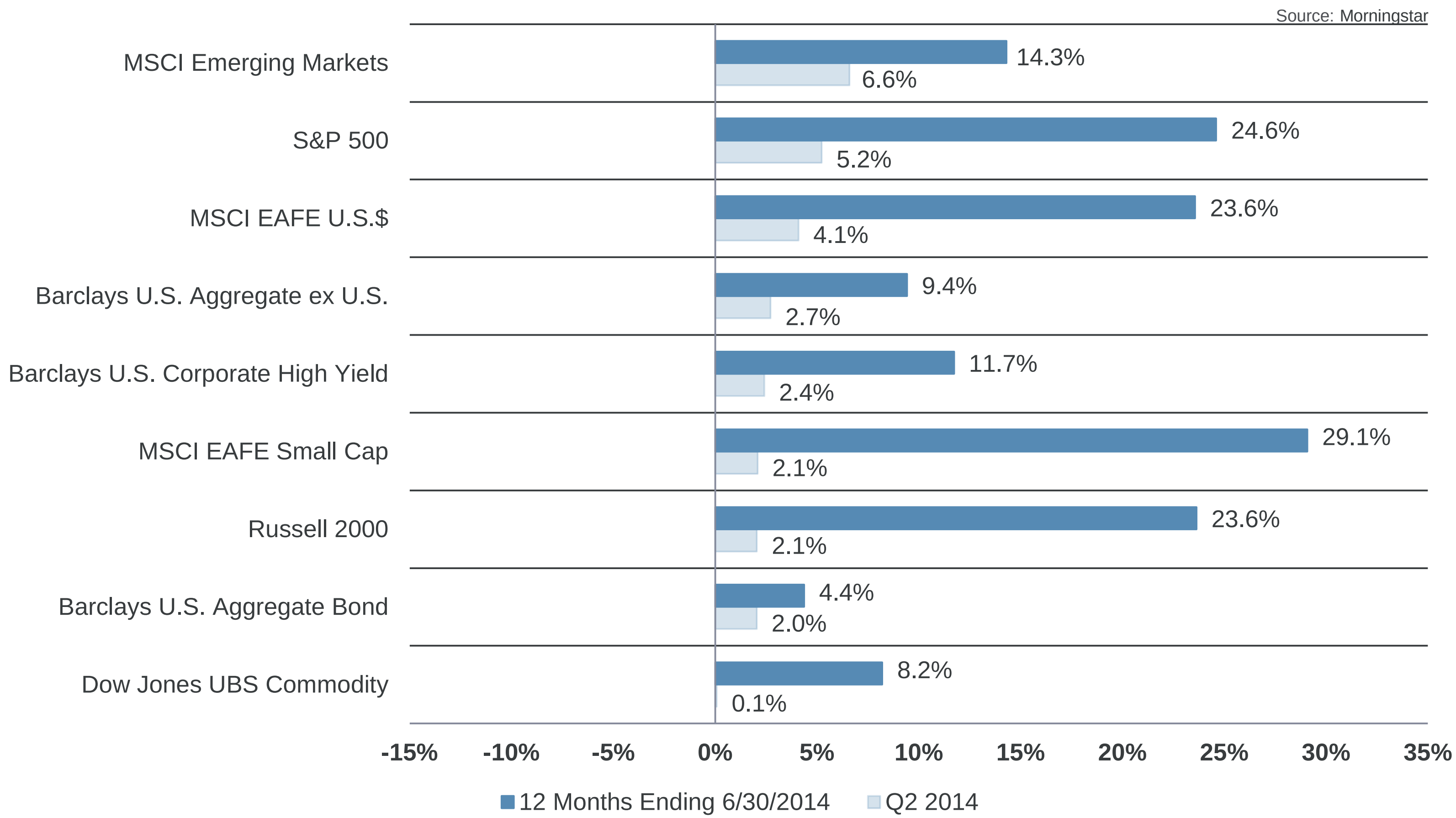
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 YTD
Best	Real Estate 40.7%	Real Estate 38.0%	Commodities 21.4%	Real Estate 42.3%	Commodities 16.2%	Fixed Income 5.2%	Real Estate 38.3%	Real Estate 20.4%	Fixed Income 7.8%	Real Estate 28.7%	U.S. Equity 33.6%	Real Estate 12.2%
	Non-U.S. Equity 39.4%	Non-U.S. Equity 20.4%	Real Estate 15.4%	Non-U.S. Equity 25.7%	Non-U.S. Equity 12.4%	Cash & Cash Alternatives 1.8%	Non-U.S. Equity 33.7%	U.S. Equity 16.9%	Portfolio 4.0%	U.S. Equity 16.4%	Non-U.S. Equity 21%	Commodities 7.2%
	U.S. Equity 31.1%	U.S. Equity 11.9%	Non-U.S. Equity 14.5%	U.S. Equity 15.7%	Fixed Income 7.0%	Portfolio -22.1%	U.S. Equity 28.3%	Commodities 16.8%	U.S. Equity 1.0%	Non-U.S. Equity 16.4%	Portfolio 17.6%	U.S. Equity 6.9%
	Commodities 23.9%	Commodities 9.1%	U.S. Equity 6.1%	Portfolio 11.1%	Portfolio 6.0%	Commodities -35.6%	Commodities 18.9%	Portfolio 12.1%	Cash & Cash Alternatives 0.1%	Portfolio 11.3%	Real Estate 4.4%	Portfolio 5.9%
	Portfolio 18.5%	Portfolio 8.3%	Portfolio 4.0%	Cash & Cash Alternatives 4.8%	U.S. Equity 5.1%	U.S. Equity -37.3%	Portfolio 18.4%	Non-U.S. Equity 9.0%	Real Estate -5.8%	Fixed Income 4.2%	Cash & Cash Alternatives 0.1%	Non-U.S. Equity 5.4%
	Fixed Income 4.1%	Fixed Income 4.3%	Cash & Cash Alternatives 3.0%	Fixed Income 4.3%	Cash & Cash Alternatives 4.7%	Non-U.S. Equity -43.6%	Fixed Income 5.9%	Fixed Income 6.5%	Non-U.S. Equity -12.2%	Cash & Cash Alternatives 0.1%	Fixed Income -2.0%	Fixed Income 3.9%
Worst	Cash & Cash Alternatives 1.1%	Cash & Cash Alternatives 1.2%	Fixed Income 2.4%	Commodities 2.1%	Real Estate -6.9%	Real Estate -47.7%	Cash & Cash Alternatives 0.2%	Cash & Cash Alternatives 0.1%	Commodities -13.3%	Commodities -1.1%	Commodities -9.5%	Cash & Cash Alternatives 0.0%

U.S. Equity | Non-U.S. Equity | Portfolio (60% Stocks 40% Bonds) | Fixed Income | Real Estate (REITs) | Commodities | Cash & Cash Alternatives

Past performance is not indicative of future results. Annual Returns for Key Asset Classes (2002-2Q2014). **See asset class benchmarks listed on slide 31.**

ASSET CLASS RETURNS

Global equities continued to rally in the 2nd quarter with emerging markets posting the largest gain.



Past performance is not indicative of future results.

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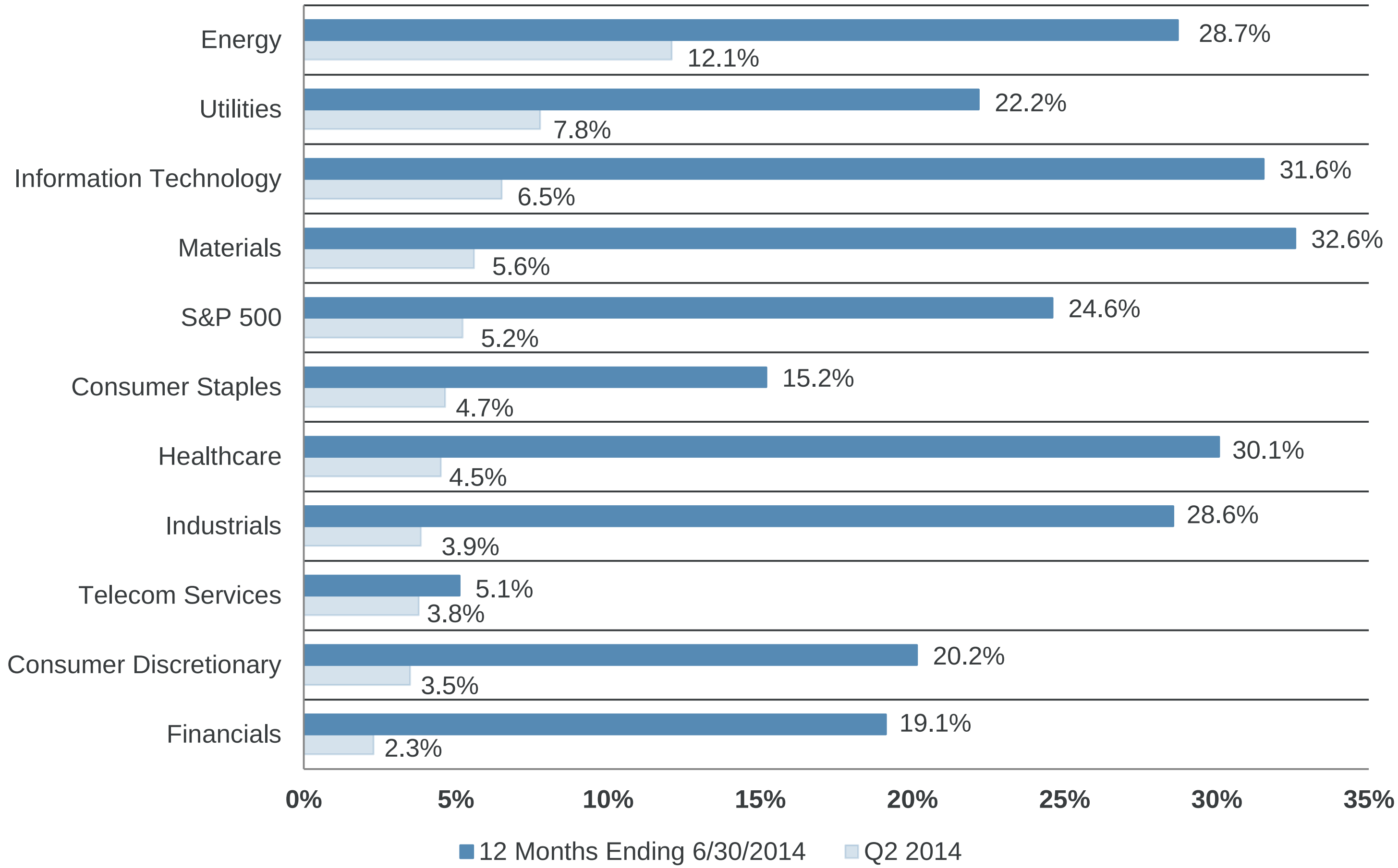
S&P 500 SECTOR RETURNS

All sectors were positive for the quarter with Energy and Utilities leading the pack.



Returns are based on the GICS Classification model. Returns are cumulative total return for stated period, including reinvestment of dividends. Past performance is not indicative of future results.

EQUITY STYLES

Large-cap equities significantly outperformed small caps for the quarter; value continued to lead growth.

Q2 2014

	Value	Blend	Growth
Large	5.1%	5.1%	5.1%
Mid	5.6%	5.0%	4.4%
Small	2.4%	2.1%	1.7%

12 Months Ending 6/30/14

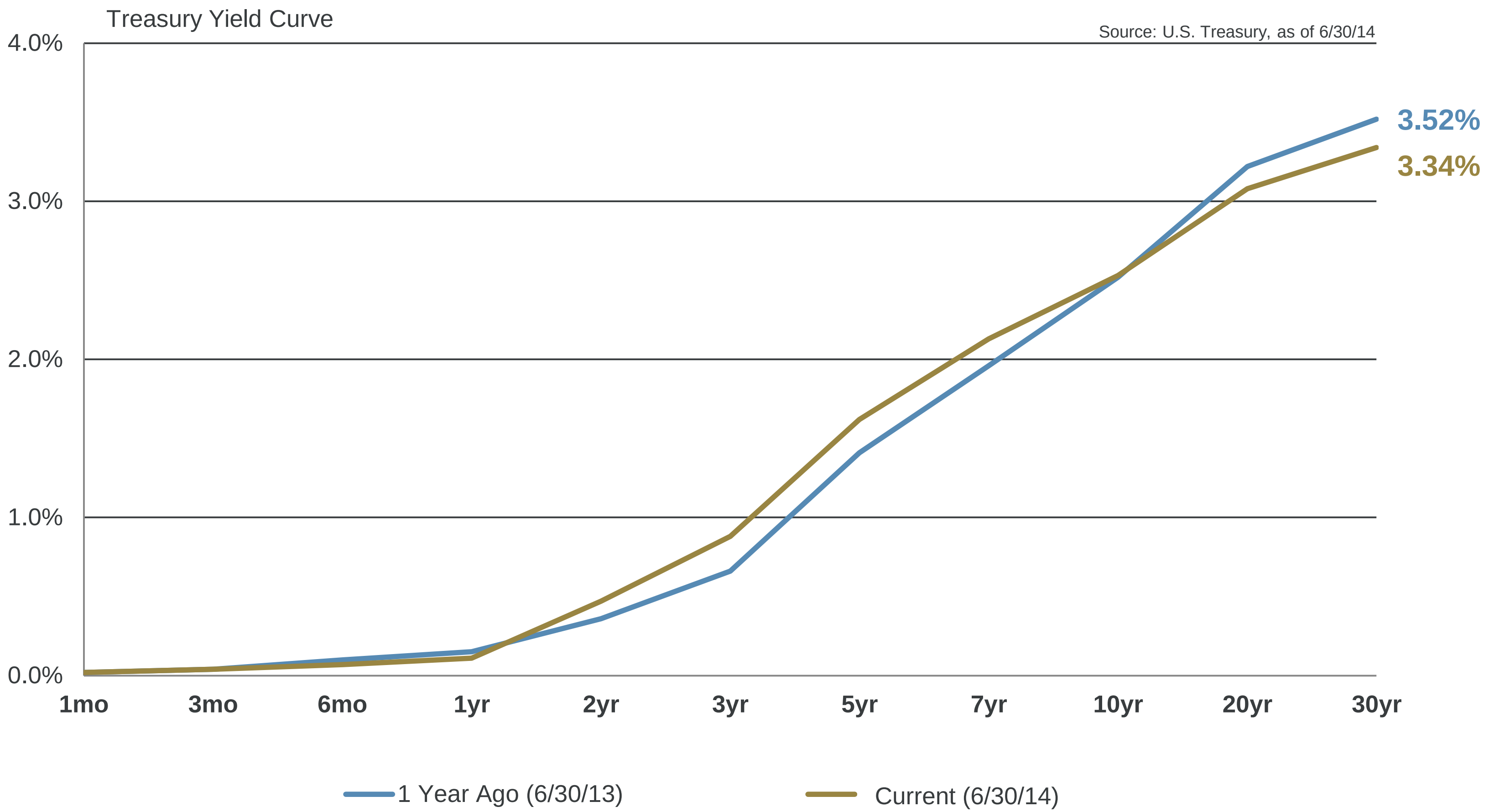
	Value	Blend	Growth
Large	23.8%	25.4%	26.9%
Mid	27.8%	26.9%	26.0%
Small	22.5%	23.6%	24.7%

Source: Morningstar

Style box returns based on the GICS Classification model. All values are cumulative total return for stated period including reinvestment of dividends. The Indices used from left to right, top to bottom are: Russell 1000 Value Index, Russell 1000 Index, Russell 1000 Growth Index, Russell Mid-cap Value Index, Russell Mid-cap Blend Index, Russell Mid-cap Growth Index, Russell 2000 Value Index, Russell 2000 Index and Russell 2000 Growth Index. Past performance is not indicative of future results.

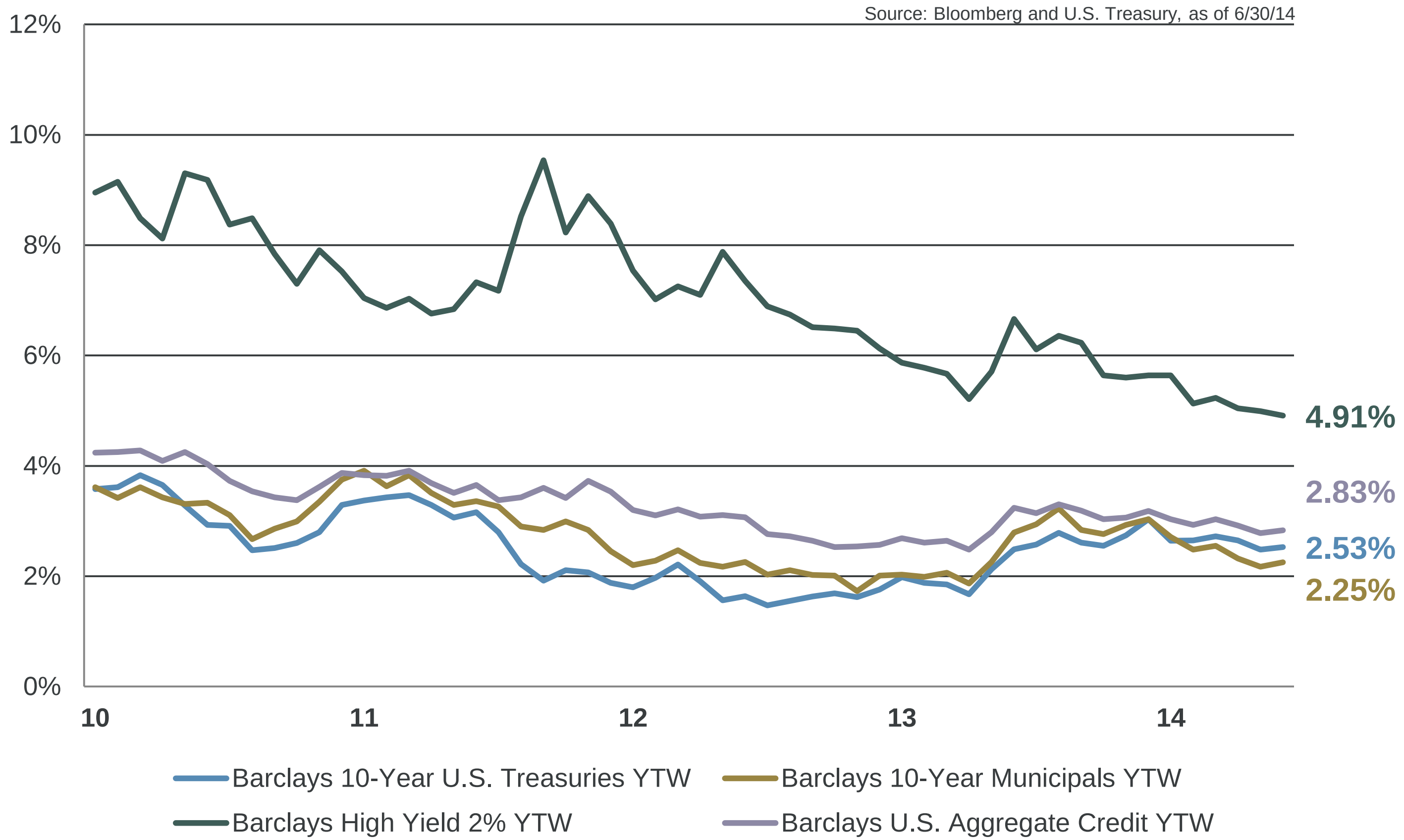
U.S. TREASURIES

The yield curve was little changed from 12 months ago.



FIXED INCOME YIELDS

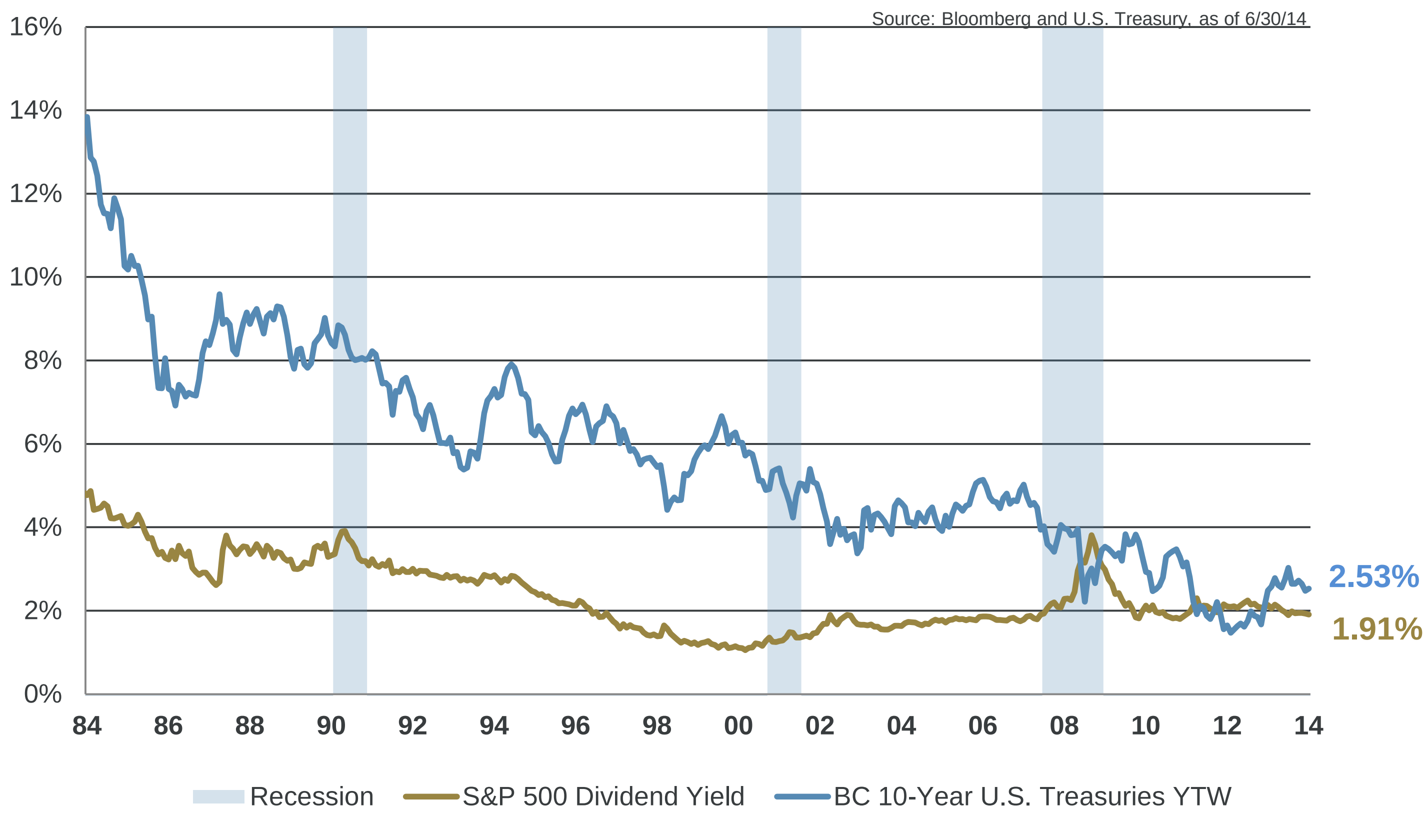
Fixed income yields continued to dip last quarter and are back to near historic lows.



Past performance is not indicative of future results.

S&P 500 YIELD VS. TREASURY YIELD

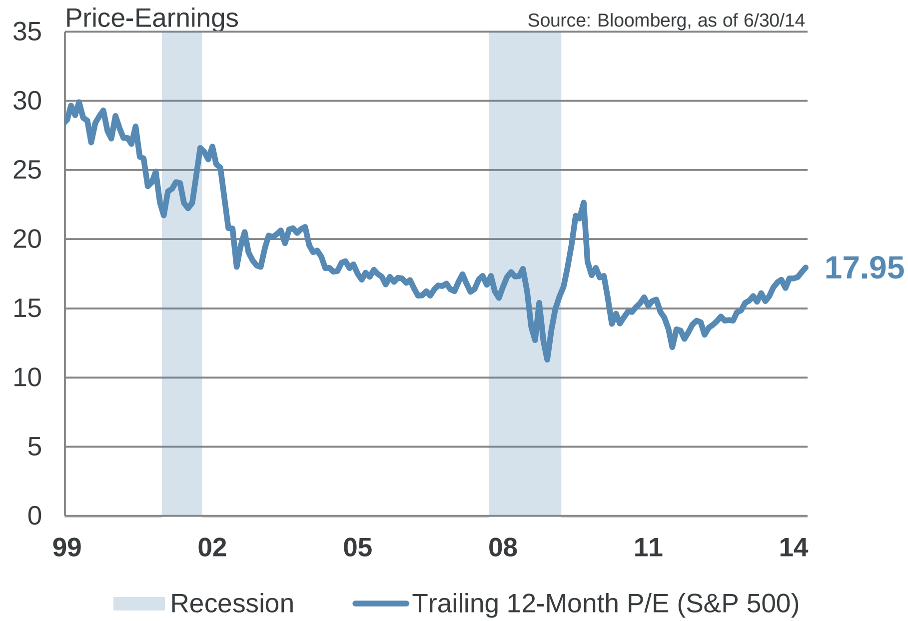
With fixed income yields hovering at historic lows, dividend yields look attractive by comparison.

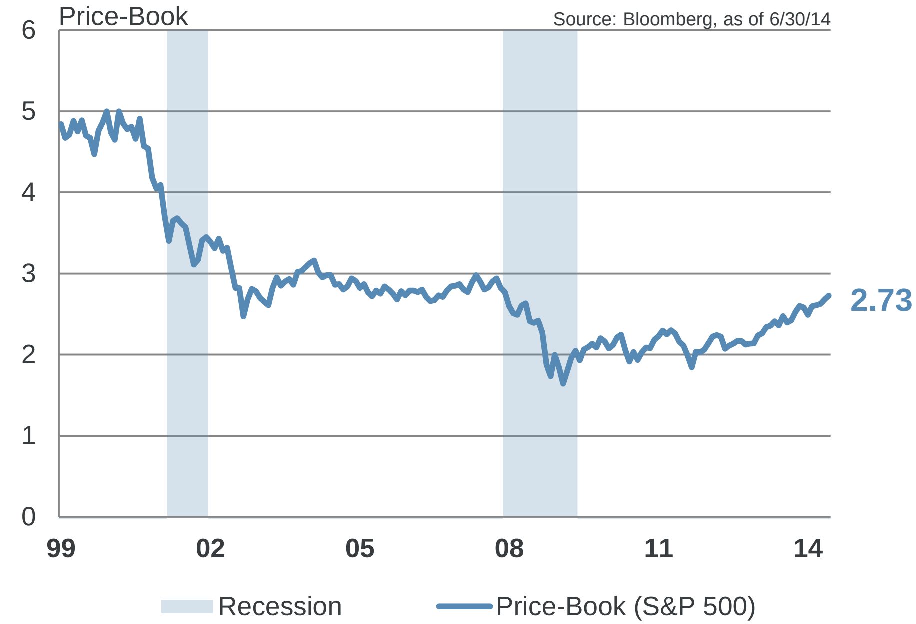


Past performance is not indicative of future results.

PRICE-EARNINGS AND PRICE-BOOK RATIOS

Price multiples expanded as investors continued to drive market prices higher.





The price-earnings ratio, or P/E, is a common measure of the value of stocks. It shows the relationship between a stock's price and the underlying company's earnings (or profits) per share of stock. In essence, it calculates how many dollars you pay for each dollar of a company's earnings. In very general terms, the higher the P/E ratio, the more likely the stock is to be overpriced.

Price-to-book is a relative measure based on most recent price/accounting (book) value (quarterly, semiannual or annual data). Both price-to-earnings and price-to-book are accounting-based relative value measures.

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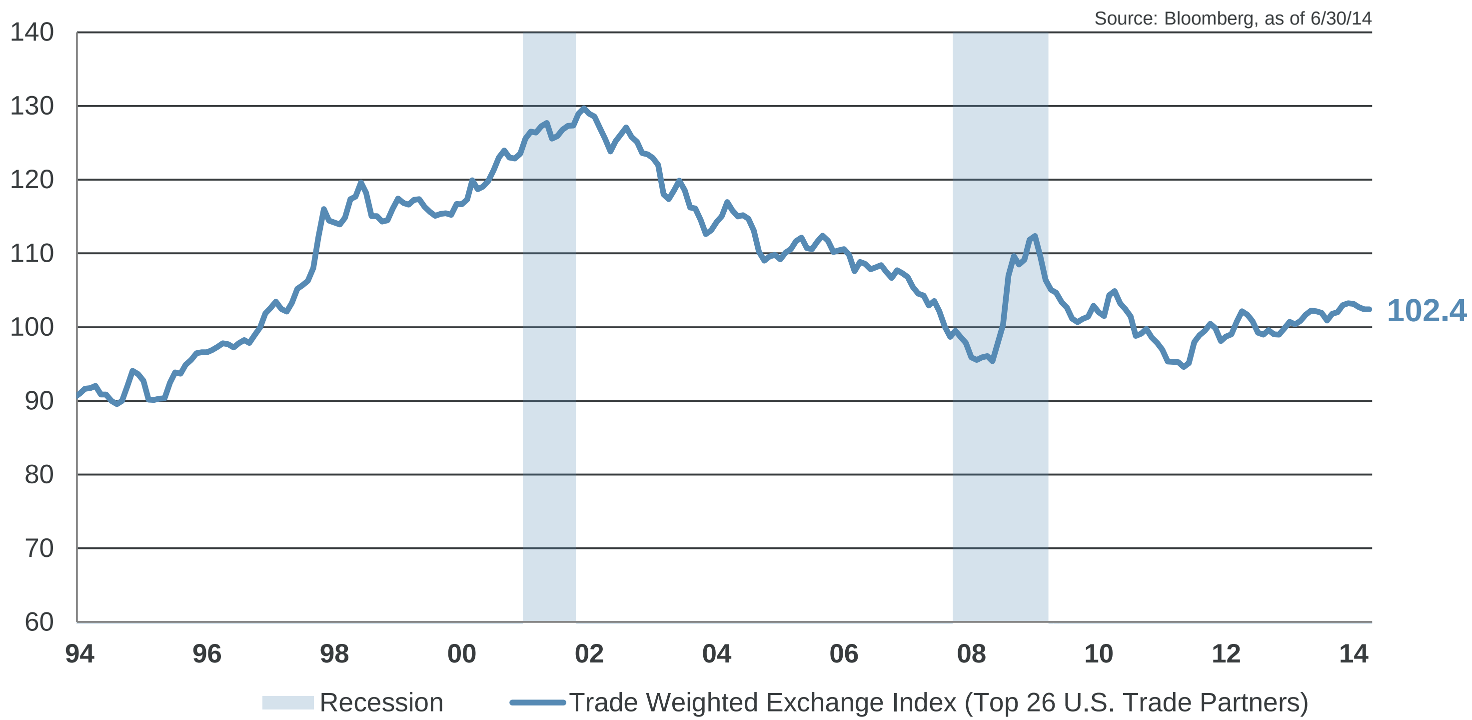
FOREIGN EXCHANGE RATES

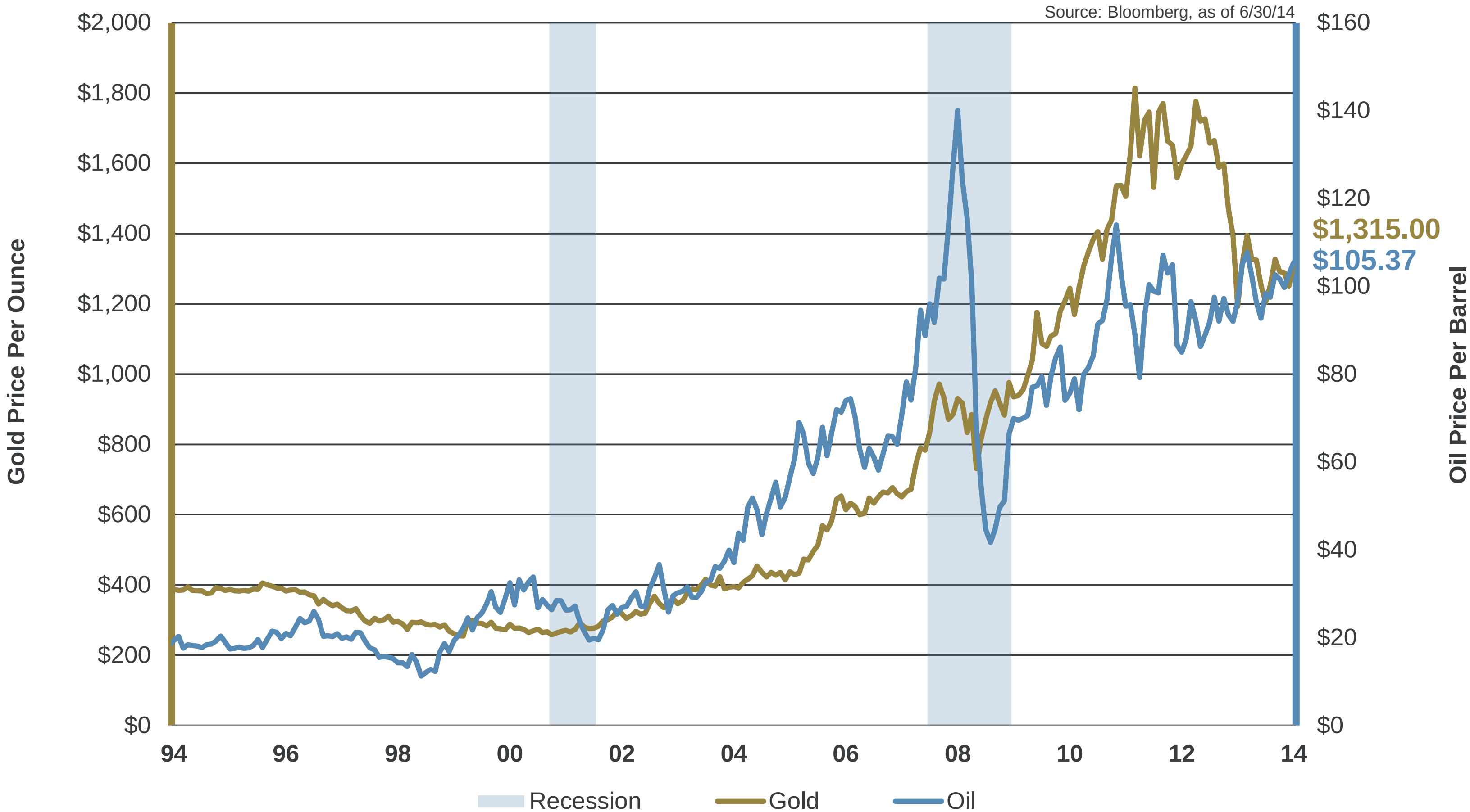
The U.S. dollar weakened slightly against a broad basket of currencies in the second quarter.



Source: Bloomberg	6/30/2014	6/30/2013
Japanese Yen (¥) / U.S. Dollar ($)	101.33	99.14
Euro (€) / U.S. Dollar ($)	1.37	1.30
British Pound (£) / U.S. Dollar ($)	1.71	1.52

COMMODITY PRICES

Oil prices spiked in the quarter on geopolitical fears surrounding the oil supply while gold trended slightly higher.



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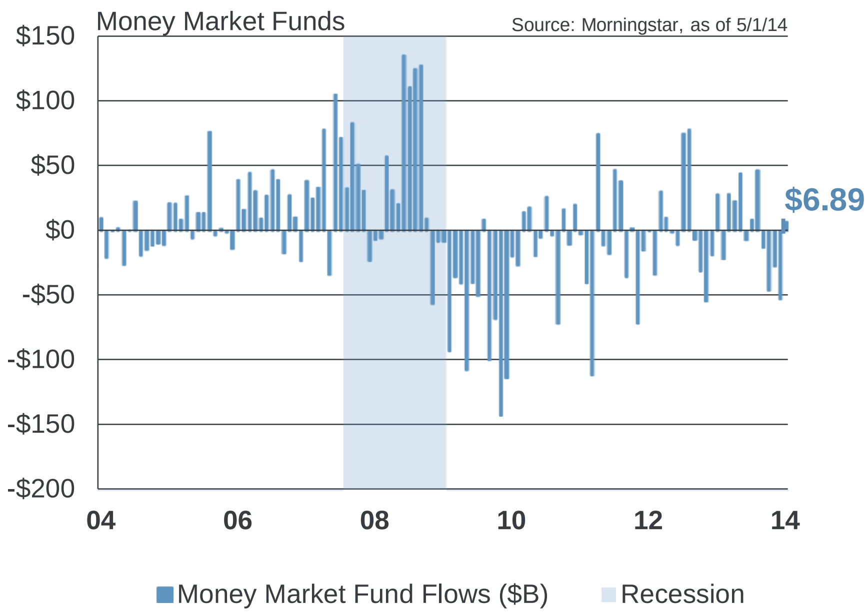
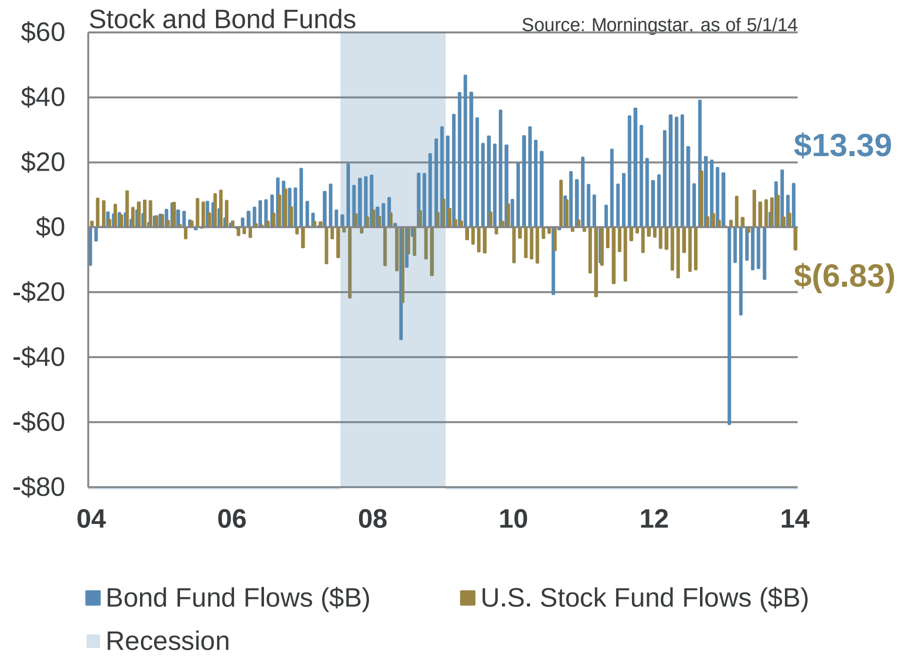
MUTUAL FUND FLOWS

Assets poured out of money market funds last quarter with bond fund flows increasing significantly faster than stock fund flows.





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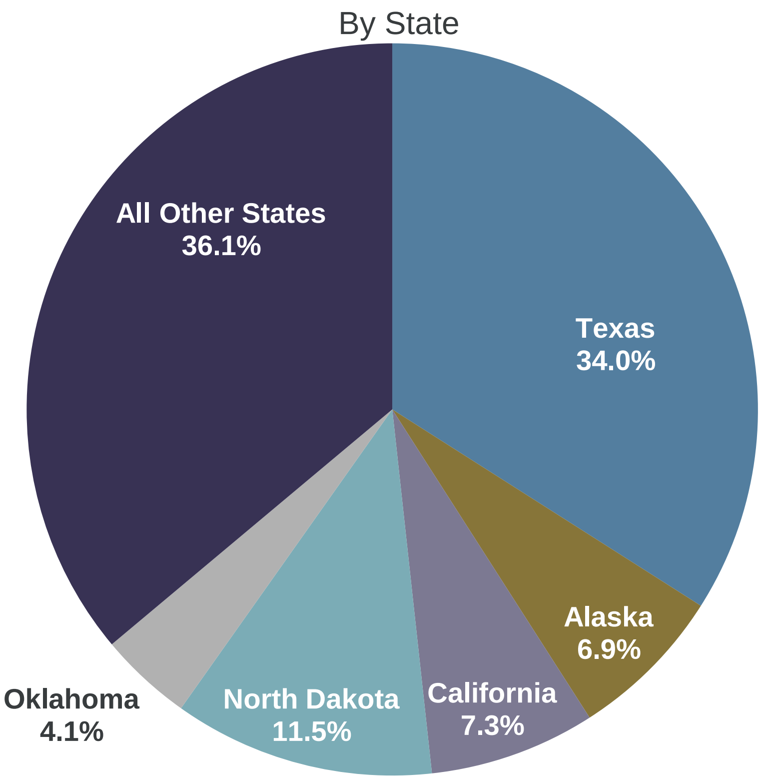
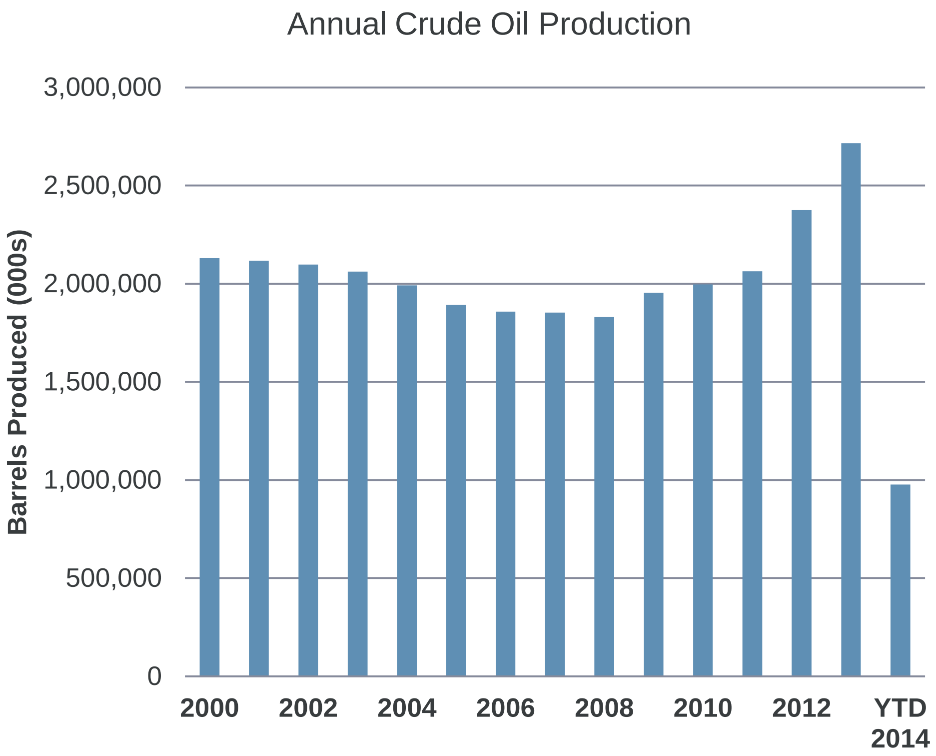
THE BULLISH CASE FOR THE U.S.

Crude Oil Production



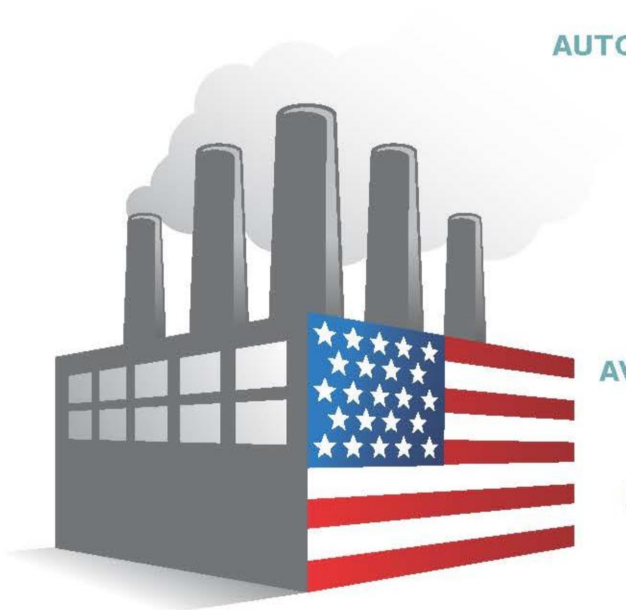
Source: EIA, as of 12/31/13



Source: EIA

THE BULLISH CASE FOR THE U.S.

BACK IN BUSINESS: Reinvesting in American manufacturing



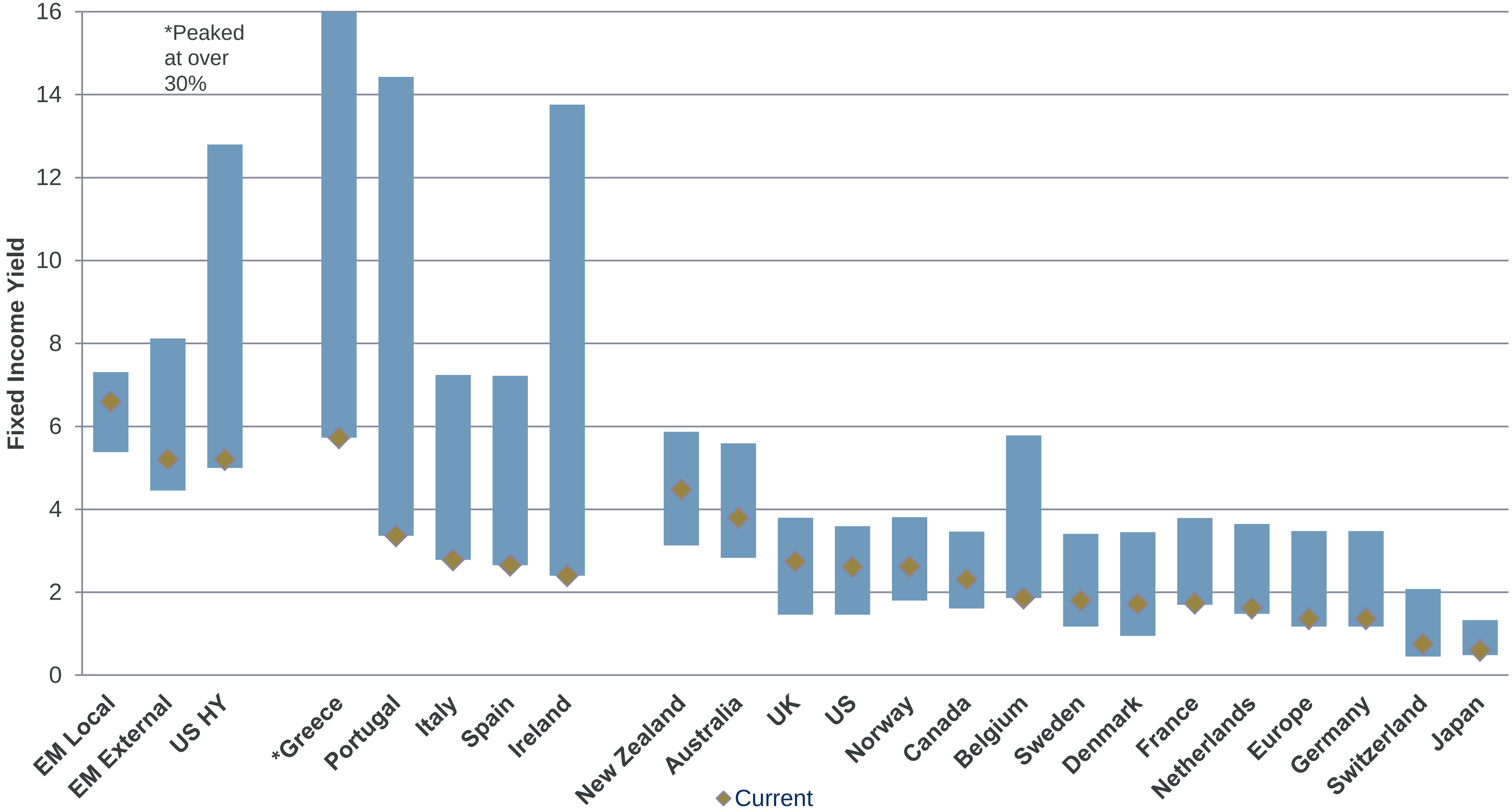
ELECTRONICS	Investments in electronics manufacturing surged, thanks to Samsung and Apple.	**$4.4 billion**
AUTO PARTS & TIRES	Manufacturing of auto parts and tires is also on a roll with investments from the likes of Michelin, Denso and NGK Ceramics.	**$1.6 billion**
CARS	BMW, Toyota, Rolls-Royce, General Motors, Ford and Chrysler collectively are driving a resurgence in car manufacturing by investing around the country.	**$3 billion**
AVIATION	Aviation is taking off, too. Airbus and GE Aviation are spending.	**$1.2 billion**
METALS	Companies like Behr Iron & Metal, Heidtman Steel and Timken have committed to strengthen metals manufacturing.	**$274 million**

Sources: areadevelopment.com, FT Advisors, BAC Merrill Lynch Manufacturing Renaissance, "A Manufacturing Renaissance" by consulting firm IHS, Raymond James research

Source: Bloomberg, and IMF

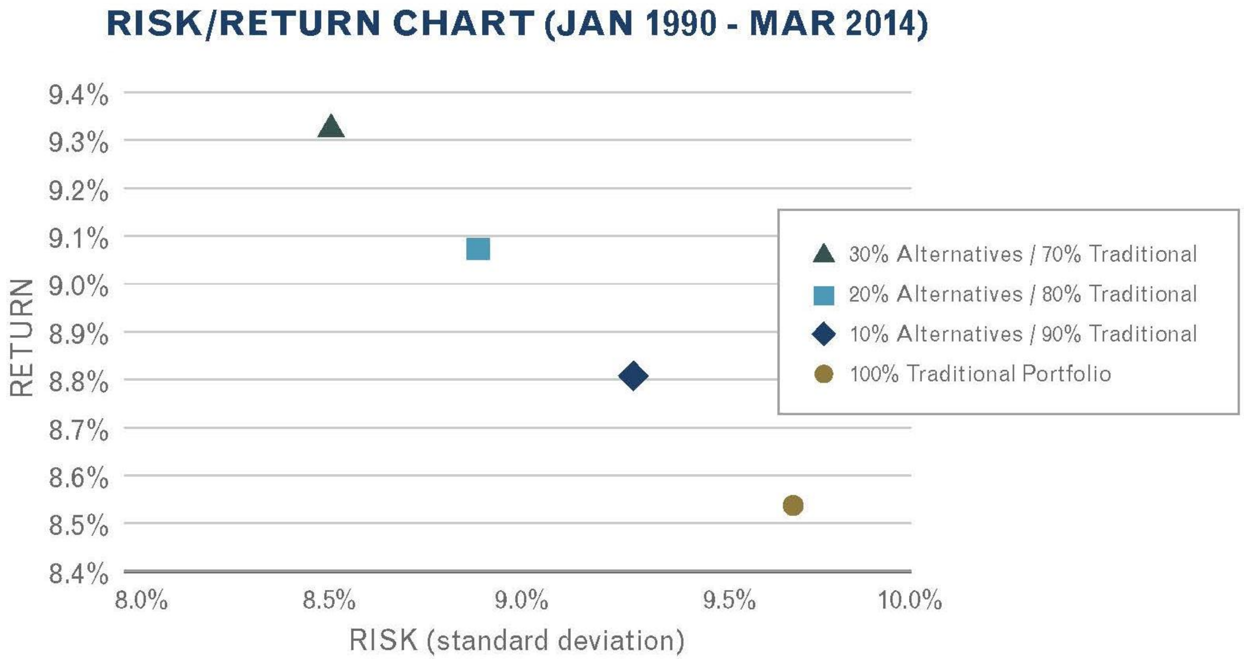
FIXED INCOME UPDATE

Current rates are near five year lows with many countries offering negative spreads to U.S. Treasury rates.



Source: Factset, as of 6/30/2014

ALTERNATIVE INVESTMENTS



Past performance is not indicative of future results. It is not possible to invest directly in an index. There are inherent limitations to indices that are designed to track the alternative investments universe. Index data is not designed to represent any specific investment. Specific investment statistics could differ materially from those shown above.

Data source: PerTrac Financial Solutions, LLC

The above chart represents the overall risk (as measured by standard deviation) and return of a traditional investment portfolio (as measured by a 60% weighting to "Stocks" and a 40% weighting to "Bonds") and an alternative investment portfolio (as measured by a 60% weighting to "Hedge Funds," a 20% weighting to "Private Real Estate," and a 20% weighting to "Private Equity"). These allocations are meant as a generalized proxy of a traditional investment portfolio and an alternative investment portfolio, are hypothetical in nature, and are not designed to represent an individual's actual portfolio. The chart takes a 100% allocation to a traditional investment portfolio and gradually incorporates the alternative investment portfolio by decreasing the weighting to the traditional investment portfolio and incrementally increasing the weighting of the alternative investment portfolio. It is important to note that this is not a recommendation to purchase a particular portfolio and it is shown for illustrative purposes only. Actual allocations to alternative investments and traditional investments will vary based on an investor's risk profile, time horizon, and objectives. While the data in this chart is being rebalanced monthly, investors should be aware that certain alternative investments may have limited or no liquidity thus making monthly rebalancing in an actual portfolio difficult. "Stocks" are represented by the S&P 500 TR Index, "Bonds" are represented by the Barclays U.S. Aggregate Bond Index, "Hedge Funds" are represented by the HFRI Fund Weighted Index, "Private Real Estate" is represented by the National Council of Real Estate Investment Fiduciaries ("NCREIF"), and "Private Equity" is represented by the Cambridge Associates LLC U.S. Private Equity Index® ("Cambridge Associates"). The majority of the indices report performance on a monthly basis with the exception of the NCREIF and the Cambridge Associates indices which are reported quarterly.

DISCLOSURE

Data provided by Raymond James Asset Management Services.

This material is for informational purposes only and should not be used or construed as a recommendation regarding any security outside of a managed account.

There is no assurance that any investment strategy will be successful or that any securities transaction, holdings, sectors or allocations discussed will be profitable. It should not be assumed that any investment recommendation or decisions made in the future will be profitable or will equal any investment performance discussed herein.

Please note that all indices are unmanaged and investors cannot invest directly in an index. An investor who purchases an investment product that attempts to mimic the performance of an index will incur expenses that would reduce returns. Past performance is not indicative of future results. The performance noted in this presentation does not include fees and costs, which would reduce an investor's returns.

Fixed income securities are subject to interest rate risk. Generally, when interest rates rise, bond prices fall, and vice versa. Specific-sector investing can be subject to different and greater risks than more diversified investments.

The Consumer Price Index (CPI) is a measure of inflation.

Gross Domestic Product (GDP) is the annual total market value of all final goods and services produced domestically by the United States.

Investing in small-cap and mid-cap stocks generally involves greater risks, and, therefore, may not be appropriate for every investor. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility.

High-yield bonds are not suitable for all investors. The risk of default may increase due to changes in the issuer's credit quality. Price changes may occur due to changes in interest rates and the liquidity of the bond. When appropriate, these bonds should only comprise a modest portion of your portfolio.

Commodities trading is generally considered speculative because of the significant potential for investment loss.

U.S. government bonds and Treasury bills are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and guaranteed principal value. U.S. government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. Treasury bills are certificates reflecting short-term (less than one year) obligations of the U.S. government.

Fixed Income Sectors: Returns based on the four sectors of Lehman Global Sector Classification Scheme: Securitized (consisting of U.S. MBS Index, the ERISA-Eligible CMBS Index and the fixed-rate ABS Index), Government Related (consisting of U.S. Agencies and non-corporate debts with four sub sectors: Agencies, Local Authorities, Sovereign and Supranational), Corporate (dollar-denominated debt from U.S. and non-U.S. industrial, utility, and financial institutions issuers), and Treasuries (includes public obligations of the U.S. Treasury that have remaining maturities of one year or more).

Diversification does not guarantee a profit nor protect against loss. Dividends are not guaranteed and will fluctuate.

INDEX DESCRIPTIONS

Asset class and reference benchmarks:

ASSET CLASS	BENCHMARK USED
U.S. Equity	Russell 3000
Non-U.S. Equity	MSCI World, Ex-U.S.
Fixed Income	BC Aggregate
Real Estate	FTSE EPRA NAREIT Global Real Estate
Commodities	DJ UBS Commodity Index
Cash & Cash Alternatives	Citi 3-Month T-Bill

The Dow Jones AIG Commodity Index: Composed of futures contracts on 19 physical commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc, which trade on the London Metal Exchange. The index serves as a diversified and highly liquid benchmark for the commodity futures market.

The Dow Jones-UBS Commodity Indexes℠: Composed of exchange-traded commodity futures contracts rather than physical commodities.

Barclays Capital Aggregate Index: Measures changes in the fixed-rate debt issues rated investment grade or higher by Moody's Investors Service, Standard & Poor's, or Fitch Investor's Service, in that order. The Aggregate Index is comprised of the Government/Corporate, the Mortgage-Backed Securities and the Asset-Backed Securities indices.

Barclays Capital U.S. Aggregate Index: Represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

BC Global Aggregate ex-U.S. Dollar Bond Index: Tracks an international basket of bonds that currently contains 65% government, 14% corporate, 13% agency and 8% mortgage-related bonds.

BC High Yield: Covers the universe of fixed-rate, non-investment grade debt. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC-registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures and 144-As are also included.

Citigroup 3-Month T-Bill Index: This is an unmanaged index of three-month Treasury bills.

FTSE EPRA/NAREIT Global Real Estate Index Series: Designed to represent general trends in eligible listed real estate stocks worldwide. Relevant real estate activities are defined as the ownership, trading and development of income producing real estate.

MSCI All Country World Index Ex-U.S.: A market-capitalization-weighted index maintained by Morgan Stanley Capital International (MSCI) and designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. It includes both developed and emerging markets.

INDEX DESCRIPTIONS (continued)

MSCI EAFE (Europe, Australasia, Far East): A free-float adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States and Canada. The EAFE consists of the country indices of 21 developed nations.

MSCI EAFE Growth: Represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the growth style.

MSCI EAFE Small-Cap Index: An unmanaged, market-weighted index of small companies in developed markets, excluding the U.S. and Canada.

MSCI EAFE U.S. Dollar: An unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East.

MSCI EAFE Value: Represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the value style.

MSCI Emerging Markets: Designed to measure equity market performance in 25 emerging market indexes. The three largest industries are materials, energy and banks.

MSCI Local Currency: A special currency perspective that approximates the return of an index as if there were no currency valuation changes from one day to the next.

Russell 1000: Measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the investible U.S. equity market.

Russell 1000 Value Index: Measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 1000 Growth Index: Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell Mid-cap: Measures the performance of the 800 smallest companies of the Russell 1000 Index, which represent approximately 30% of the total market capitalization of the Russell 1000 Index.

Russell Mid-cap Value Index: Measures the performance of those Russell Mid-cap companies with lower price-to-book ratios and lower forecasted growth values.

Russell Mid-cap Growth Index: Measures the performance of those Russell Mid-cap companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represent approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Value Index: Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index: Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000® Index: measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

Standard & Poor's 500 (S&P 500): Measures changes in stock market conditions based on the average performance of 500 widely held common stocks. Represents approximately 68% of the investable U.S. equity market.

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