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## Market Commentary as of December 31, 2016

### U.S. Investor Sentiment Shifted After November Election Results

The first half of 2016 was characterized by uncertainty, falling interest rates, and flat equity markets. However, stocks, interest rates and the U.S. dollar rose in the second half, especially in the fourth quarter. Optimism and confidence have soared since the U.S. election because investors generally expect 2017 to bring regulatory relief, tax cuts and increased infrastructure spending. However, the specifics of the next administration's policies haven't been determined, and policy changes may take longer than expected. In addition, there is more uncertainty about the path of Federal Reserve (Fed) interest rate increases as well as changes in federal policies, global growth and trade policies.

### Asset Class Recap - Fourth-Quarter 2016

Risk-seeking assets, such as stocks, rallied significantly in the latter half of the quarter in response to the U.S. election results and market expectations of Trump's policies. The rally was pronounced in U.S. stocks, particularly in small-cap stocks, which returned approximately 8.8%. International stocks contracted during the quarter, declining -0.7% for international large cap and -4.2% for emerging markets. Outside of high yield (up 1.9%), all bonds were negative for the quarter as interest rates generally rose, leading to lower bond prices. The full-year 2016 was also driven by U.S. equity markets, particularly small-cap stocks, as well as positive U.S. high-yield returns. International equity markets were positive for the calendar year, but trailed the U.S. markets.

### Research Model Performance

Given the aggregate outperformance of stocks relative to bonds during the quarter, more equity-oriented portfolios outperformed. Diversified portfolios benefited from allocations to the U.S. small cap, while the allocation to international stocks offset a portion of the gains during the quarter. Diversified portfolios with additional allocations to emerging markets, REITs and commodities underperformed those without because commodities rallied during the quarter, but emerging markets and REITs declined.

Over the full year, more equity-oriented portfolios outperformed. Better-diversified portfolios generally lagged U.S. large-cap stocks as U.S. stocks reached record highs at the end of 2016, bond prices fell, and international-stock returns lagged. Although mid-cap and small-cap U.S. stocks outperformed large-cap U.S. stocks, better-diversified portfolios still generally lagged U.S. market headlines.

### Looking Forward

Although proposed changes in government policies dominate the outlook for 2017, the long-term trends that have kept stocks rising and interest rates relatively low are likely to continue. We think the economy is well-positioned to keep growing between 2% and 2.5%, with faster growth in the second half of the year. Modest job growth should continue to support solid consumer spending, helped by some tax relief, a boost to federal spending that may be concentrated on infrastructure, and many deregulatory proposals. However, the list of probable policy changes is long and touches immigration, trade, international relations, the environment, health care and financial services as well as others. We share the more optimistic investment outlook, but we realize that changes take time, and we expect policy changes will be accompanied by rising market volatility.

### Remain Invested Through Market Volatility

The U.S. election results, coupled with the rise of populism in Europe that began last quarter with the U.K. vote to exit the European Union ("Brexit"), weren't predicted by the polls, and they surprised investors. More uncertainty frequently results in higher market volatility. Volatility means both ups and downs, but we think the positive fundamentals of economic and earnings growth remain intact. We think most investors should expect bumpy markets and prepare to stay invested through them. We believe the best way to prepare is to own a broadly diversified portfolio of domestic and international stocks and bonds, which can position you to benefit from positive trends without adding too much risk or counting on favorable policy changes.

Edward Jones Advisory Solutions® is designed to provide a diversified portfolio that helps you to stay patient and disciplined in your investments.

Thank you for allowing us to partner with you as you stay focused on achieving your long-term financial goals.

Bryan Luebbert, CFA, Principal, Investment Advisory

(continued on next page)

## **Market Commentary as of December 31, 2016**

Source: Morningstar Direct. Developed international large cap, U.S. large cap, U.S. mid cap, U.S. small cap, international small cap, U.S. taxable bonds, international fixed income, U.S. high-yield bonds, emerging markets, commodities, and REITs are referring to the following indexes, respectively: MSCI EAFE, S&P 500, Russell Mid Cap, Russell 2000, MSCI EAFE Small Cap, Barclays Aggregate Bond Index, Barclays Global Agg ex USD, Barclays US High Yield, MSCI EM, Dow Jones Commodity, and FTSE EPRA/NAREIT. These indexes are unmanaged and unavailable for direct investment. Past performance of the markets is not a guarantee of future performance.

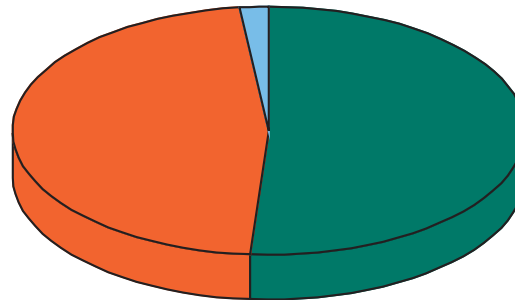
Investing in equities involves risks. The value of your shares will fluctuate and you may lose principal.




Before investing in bonds, you should understand the risks involved, including credit risk and market risk. Bond investments are also subject to interest rate risk such that when interest rates rise, the prices of bonds can decrease, and the investor can lose principal value if the investment is sold prior to maturity.

Special risks are inherent to international investing, including those related to currency fluctuations and foreign political and economic events.

**Account Summary as of December 31, 2016**

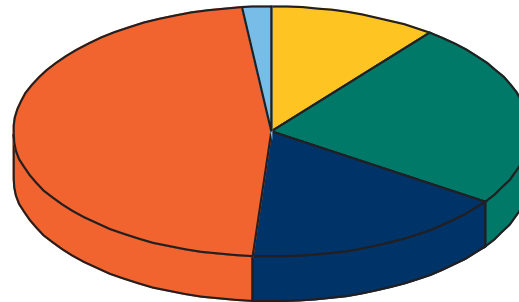
**Asset Categories as of 12/31/16**








<b>Asset Category</b>	<b>Market Value</b>	<b>% of Total Model Portfolio</b>
 Equities	\$98,712	51.2%
 Fixed Income	90,646	47.0
 Cash and Money Market	3,533	1.8
<b>Your Total Portfolio</b>	<b>\$192,891</b>	<b>100.0%</b>

**Actual vs. Target Allocation as of December 31, 2016**

**Your Asset Class Allocation as of 12/31/16**



<b>Asset Class</b>	<b>Market Value</b>	<b>Actual</b>	<b>Target</b>	<b>Difference</b>
 Growth	\$20,238	10.5%	10.0%	0.5%
 Growth and Income	46,306	24.0	23.0	1.0
 International Equity	32,169	16.7	17.0	(0.3)
 Income	90,646	47.0	48.0	(1.0)
 Cash and Money Market	3,533	1.8	2.0	(0.2)
<b>Your Total Portfolio</b>	<b>\$192,891</b>	<b>100.0%</b>	<b>100.0%</b>	

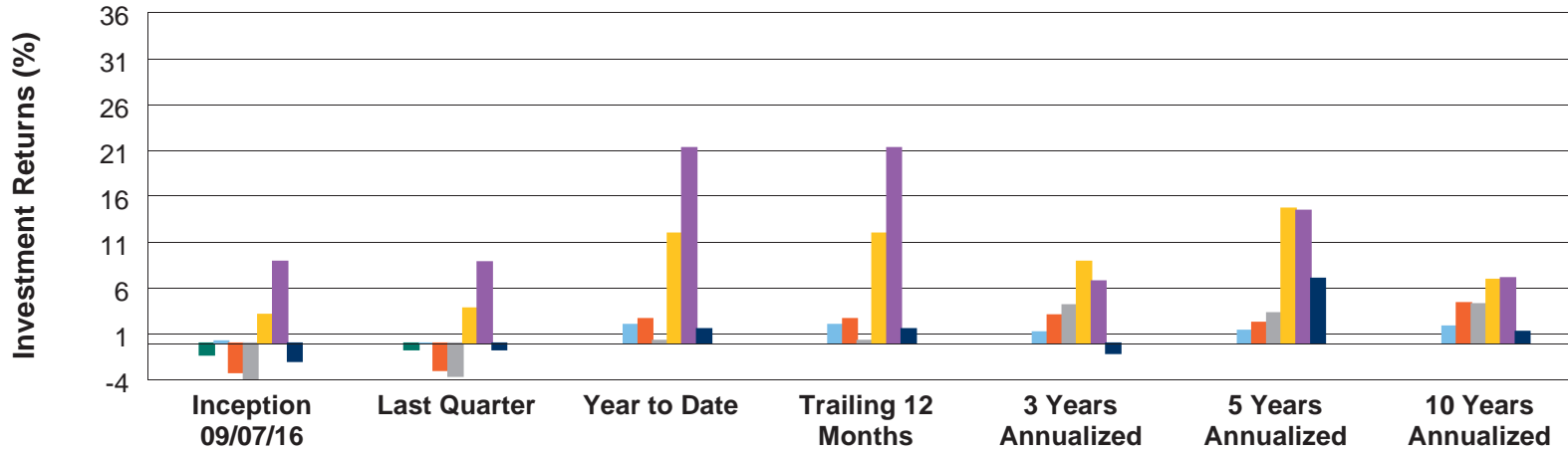
**Asset Class Performance through December 31, 2016**

<b>Your Asset Class</b>	<b>Inception Date</b>	<b>Since Inception Annualized*</b>	<b>Last Quarter</b>	<b>Year to Date</b>	<b>Trailing 12 Months</b>	<b>3 Years Annualized</b>	<b>5 Years Annualized</b>	<b>10 Years Annualized</b>
Growth	09/07/16	4.35%	4.97%	n/a	n/a	n/a	n/a	n/a
Growth and Income	09/07/16	3.80	4.50	n/a	n/a	n/a	n/a	n/a
International Equity	09/07/16	(3.12)	(1.77)	n/a	n/a	n/a	n/a	n/a
Income	09/07/16	(3.73)	(3.36)	n/a	n/a	n/a	n/a	n/a
Cash and Money Market	09/07/16	0.00	0.00	n/a	n/a	n/a	n/a	n/a
<b>Your Total Portfolio</b>	<b>09/07/16</b>	<b>(1.34)</b>	<b>(0.71)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

Your Asset Class performance is illustrated gross of the Advisory Solutions Fee. Your Total Portfolio performance is illustrated net of the net Advisory Solutions Fee and internal mutual fund fees and expenses.

\* Returns of less than 12 months are not annualized.

**Portfolio Performance vs. Market Indices through December 31, 2016**

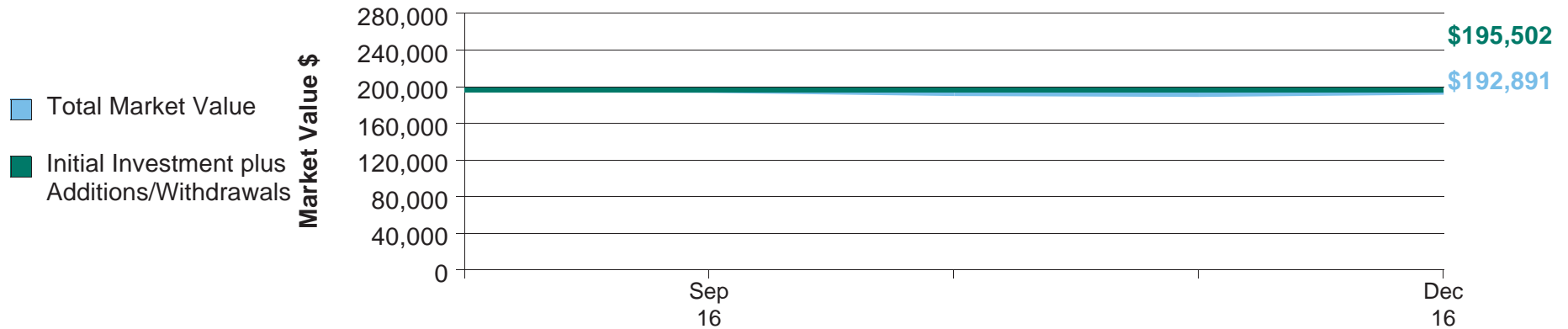


	Since Inception Annualized**	Last Quarter	Year to Date	Trailing 12 Months	3 Years Annualized	5 Years Annualized	10 Years Annualized
<span style="color: green;">■</span> Your Portfolio	(1.34%)	(0.71%)	n/a	n/a	n/a	n/a	n/a
<span style="color: lightblue;">■</span> US CPI (Inflation)*	0.21	(0.03)	2.03%	2.03%	1.17%	1.36%	1.80%
<span style="color: orange;">■</span> BarCap Aggregate (Tax Fixed Inc)	(3.17)	(2.98)	2.64	2.64	3.03	2.23	4.34
<span style="color: grey;">■</span> BarCap Municipal (Muni Fix Inc)	(3.98)	(3.62)	0.25	0.25	4.13	3.28	4.24
<span style="color: yellow;">■</span> S&P 500 (Large U.S. Equities)	3.10	3.82	11.93	11.93	8.86	14.64	6.94
<span style="color: purple;">■</span> Russell 2000 (Sm U.S. Equities)	8.85	8.83	21.24	21.24	6.74	14.44	7.09
<span style="color: darkblue;">■</span> MSCI EAFE (International Equity)	(1.99)	(0.68)	1.51	1.51	(1.15)	7.01	1.22

\*The rate of inflation includes an estimated rate for the last month in the reporting periods. \*\*Returns of less than 12 months are not annualized.

**Portfolio Growth through December 31, 2016**

Inception Date 09/07/16  
Inception Value \$195,502



	Since Inception	Last Quarter	Year to Date	Trailing 12 Months	3 Years	5 Years	10 Years
<b>Beginning Market Value</b>	\$195,502	\$194,268	n/a	n/a	n/a	n/a	n/a
<b>Additions/Withdrawals</b>	0	0	n/a	n/a	n/a	n/a	n/a
<b>*Gain/Loss - Net of Fees</b>	(2,611)	(1,377)	n/a	n/a	n/a	n/a	n/a
<b>Ending Market Value</b>	192,891	192,891	n/a	n/a	n/a	n/a	n/a
<b>Advisory Solutions Fee</b>		616	n/a	n/a			

\*Gain/Loss is shown net of any internal expenses of mutual funds and ETFs held in the account and net of fees paid from this account to Edward Jones including the Advisory Solutions Fee. See "Fee Information" in the Disclosures for further information.



**Account Holdings as of December 31, 2016**

<b>Fund Description</b>	<b>Fund Style</b>	<b>Current Shares</b>	<b>Current Price</b>	<b>Market Value</b>	<b>% of Total Portfolio</b>
<b><u>Growth</u></b>					
Vanguard Mid Cap ETF	Mid Cap Core	45	\$131.63	\$5,923	3.1%
Vanguard Small Cap ETF	Small Cap Core	111	128.96	14,315	7.4
<b>Total Growth</b>				<b>20,238</b>	<b>10.5</b>
<b><u>Growth and Income</u></b>					
iShares S&P 100 ETF	Large Cap Core	101	99.30	10,029	5.2
Vanguard Growth ETF	Large Cap Growth	121	111.48	13,489	7.0
Vanguard Value ETF	Large Cap Value	245	93.01	22,787	11.8
<b>Total Growth and Income</b>				<b>46,306</b>	<b>24.0</b>
<b><u>International Equity</u></b>					
iShares MSCI EAFE ETF	Foreign Large Cap Core	331	57.73	19,109	9.9
iShares MSCI EAFE Small Cap Et	Foreign Small/Mid Core	75	49.84	3,738	1.9
Vangrd FTSE All-Wrld exUS ETF	Foreign Large Cap Core	211	44.18	9,322	4.8
<b>Total International Equity</b>				<b>32,169</b>	<b>16.7</b>
<b><u>Income</u></b>					
AB Intermediate Diversif Muni	Short Term Muni Bond	668	14.18	9,479	4.9
Blackrock National Municipal	Long Term Muni Bond	529	10.71	5,666	2.9
Bridge Builder Muni Bond Cl I	Interm Term Muni Bond	7,603	9.93	75,501	39.1
<b>Total Income</b>				<b>90,646</b>	<b>47.0</b>

**Account Holdings as of December 31, 2016**

<b>Fund Description</b>	<b>Fund Style</b>	<b>Current Shares</b>	<b>Current Price</b>	<b>Market Value</b>	<b>% of Total Portfolio</b>
<b><u>Cash and Money Market</u></b>					
Cash	Cash/Money Market			346	0.2
JP Morgan Fed Money Mkt	Money Market	3,186	1.00	3,186	1.7
<b>Total Cash and Money Market</b>				<b>3,533</b>	<b>1.8</b>
<b>Your Total Portfolio</b>				<b>\$192,891</b>	<b>100.0%</b>

## Disclosures and Definitions as of December 31, 2016

### IMPORTANT INFORMATION REGARDING EDWARD JONES ADVISORY SOLUTIONS®

#### **DISCLOSURES:**

If there have been changes in your financial situation or investment objectives, or if you wish to restrict certain mutual funds or ETFs, or modify existing restrictions, in your Advisory Solutions Fund Models account (Advisory Solutions), please notify your Edward Jones financial advisor.

The Edward Jones Advisory Solutions® Fund Models Brochure (Brochure) provides important information about the qualifications and business practices of Edward Jones. The Brochure is provided to Clients before or at account opening, and annual or interim updates are provided to Clients as applicable. The Brochures are also available from your financial advisor or through [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

- Depending on your account type or your selected Model, your Advisory Solutions account may be invested in one or more mutual funds that are advised by affiliates of Edward Jones (affiliated mutual funds). You should refer to the Brochure for information about the differences between affiliated mutual funds and unaffiliated mutual funds, including any additional conflicts of interest that Edward Jones may be subject to in connection with offering affiliated mutual funds to Clients participating in Advisory Solutions and how such conflicts are addressed. Additionally, as with other Program Funds, investing in affiliated mutual funds involves risk. Please refer to the particular fund's prospectus for important information about the fund's objectives, risks, charges, and expenses. You may obtain an affiliated mutual fund prospectus at [www.edwardjones.com/advisoryprospectus](http://www.edwardjones.com/advisoryprospectus) or by calling 1-855-823-3611.
- The investments in Advisory Solutions, including affiliated and unaffiliated mutual funds, money market funds and ETFs, are offered by prospectus. You should consider the investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other information. Your Edward Jones financial advisor can provide a prospectus that should be read carefully before investing. Money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the fund is managed to preserve your investment at \$1 per share, it is possible to lose money by investing in the fund.
- This Quarterly Performance Report is not a brokerage statement and is only intended for illustrative purposes. To review your Edward Jones investment holdings, please refer to your brokerage statement. As described in the Brochure, Edward Jones and the Edward Jones Trust Company may serve as custodian of Client assets, depending on the type of account.
- Clients participating in Advisory Solutions pay certain fees to Edward Jones as described below. In addition, Clients indirectly bear the internal fees and expenses of affiliated and unaffiliated mutual funds, ETFs and money market funds. These internal fees vary depending on the investment and share class.

5 Performance information represents past performance and is not an indication of future results. The account value is subject to market fluctuations such that it may be worth more or less than its original value. Current performance may be lower or higher than the performance figures quoted. Performance information is derived from unaffiliated third parties and is believed to be accurate but is not independently verified by Edward Jones.

- There are additional risks inherent in certain investments. Equity investments generally involve greater risk than fixed-income investments and are subject to market fluctuation. There are greater than average risks involved with investing in small and mid-capitalization and emerging growth companies. Small company stocks can fluctuate in price more than larger company stocks and may have limited marketability. International stocks contain additional risks that are not associated with U.S. domestic issues, including currency exchange rates and different governmental regulations, economic conditions, and accounting standards. Fixed-income investments, or bonds, are subject to interest rate risk, credit risk and market risk. High-yield bond funds invest in fixed-income securities that, at the time of purchase, are non-investment grade, involve greater price volatility and present greater risks than higher rated fixed-income securities. Some mutual funds or ETFs categorized as niche assets may include real estate investment trusts (REITs), natural resources (such as gold or commodities), emerging markets and alternative investments registered under the Investment Company Act of 1940. Niche assets may be less liquid and contain a higher risk of loss of principal than other forms of equity investments. There are additional risks (including currency, political, social and economic risks) and the potential for greater price swings associated with niche assets. All investments involve risk, including loss of principal amount invested. Diversification does not ensure a profit or protect against loss.
- For some investors, income may be subject to the Alternative Minimum Tax. Income may be subject to the state and local taxes. Edward Jones, its employees and financial advisors, are not estate planners and cannot provide tax or legal advice. Please consult your estate-planning attorney or qualified tax advisor regarding your situation.
- Accrued income, if applicable, will be included in the total market value of your account.
- Some of the information in this report has been provided by third parties. If you believe any of the information is inaccurate, contact Client Relations at (800) 441-2357.

#### **FEE INFORMATION:**

**Advisory Solutions fee** - Clients pay certain fees for participating in Advisory Solutions (Advisory Solutions Fee). Clients who own taxable accounts and individual retirement accounts (IRAs), other than tax-qualified accounts and accounts subject to the Employee Retirement Income Security Act of 1974, amended ("ERISA"), will be comprised of a Program Fee and an Administrative Fee, as set forth in the Advisory Solutions Client Agreement (Client Agreement) and Brochure, plus the internal expenses of mutual funds and ETFs held in the Client's account. Clients who own employee benefit plans subject to ERISA pay only the Program Fee as set forth in the Client Agreement and Brochure, plus the internal expenses of any mutual funds and ETFs held in the Account will reduce the overall performance of the Account.

## Disclosures and Definitions as of December 31, 2016

**Fee Offset** - Compensation may be received by Edward Jones from mutual fund companies, such as payments for marketing and distribution (referred to as Rule 12b-1 fees) and for shareholding accounting services. Compensation received from the Rule 12b-1 fees will be applied as a Fee Offset against a Client's Advisory Solutions fee equal to the amount of Rule 12b-1 fees received by Edward Jones with respect to the Account's actual investments. Compensation for shareholder accounting services received by Edward Jones on taxable accounts and IRAs that are not subject to ERISA will be collected and then allocated as a Fee Offset proportionately to all taxable accounts and IRAs based upon the value of the account's holding of Program Funds. Compensation for shareholder accounting services received by Edward Jones on tax qualified accounts (other than IRAs) and IRAs subject to ERISA, will be applied against the account equal to the amount of shareholder accounting fees received by Edward Jones with respect to the Account's actual investments. Any Fee Offset applied by Edward Jones will be shown on the Client's brokerage statement. Edward Jones has 49.5% partnership interest in the Edward Jones Money Market Fund (the Fund) and Edward Jones receives various revenues related to the Fund (collectively, Money Market Revenue); however, the Fund is not an available Program Fund for Advisory Solutions. Any client assets invested in the Fund will not be included in the Advisory Solutions fee.

### REPORT INFORMATION:

**Market Commentary** - Brief analysis of some of the factors impacting the performance of Your Portfolio during the quarter.

**Account Summary** - Basic representation of Your Portfolio, divided between Equities, Fixed Income, and Cash Equivalents.

**Non-model Assets** - As a result of changes to your model or transfer of investments, there are assets held in the account that are not included in the updated model. As such, these assets are pending alignment with your model.

**Actual vs. Target Allocation** - Comparison by Asset Class of the Actual Asset Allocation against its Target Allocation. Target Allocation is based upon the Portfolio Objective selected. The actual and target asset allocation weightings are based on the overarching mandate of the mutual funds/ETFs and may not be representative of the actual underlying holdings of the funds, as the underlying holdings may vary on a daily basis.

**Asset Class Performance** - This page illustrates performance returns for each Asset Class (gross of the Advisory Solutions Fee and net of associated fund fees) along with that of Your Portfolio (net of the Advisory Solutions Fee and associated fund fees). Please note that if you are enrolled in Alternate Account Billing, Your Portfolio will reflect performance gross of the Advisory Solutions Fee for any period in which you have chosen to utilize Alternate Account Billing. Asset Class performance is calculated on Program List funds only. Performance is calculated on a time-weighted rate of return basis.

**Portfolio Performance vs. Market Indices** - This page discloses the performance returns for Your Portfolio and multiple benchmarks. Performance is calculated on a time-weighted rate of return basis.

**Portfolio Growth** - Tracks the change in value of Your Portfolio on an ongoing basis and discloses net additions/withdrawals, Advisory Solutions Fees paid and the gain/loss of the account. The gain/loss and market value figures are illustrated net of the Advisory Solutions Fee and associated fund fees and expenses. If you have chosen Alternate Account Billing for your account, your market value and gain/loss figures are shown gross of the Advisory Solutions Fee for any period in

which you have chosen to utilize Alternate Account Billing. You will need to refer to the alternate billed account for the Fee amounts.

**Account Holdings** - List of the securities, cash and accrued income in the account as of quarter end. Other details provided include fund style, market value and percentage of total portfolio. The individual security and asset class values only include income paid. The Total Accrued Income displayed is the aggregation of income earned but not yet paid across all securities and asset classes.

### INDEX INFORMATION:

Indices listed are used as a general measure of market performance for a particular asset class or type. Securities indices assume reinvestment of all distributions and interest payments and do not take into account brokerage fees, taxes or investment management fees. If such fees and taxes were taken into account, they would have the effect of reducing performance. Securities in Your Total Portfolio will not be identical to those in the indices, and performance of Your Total Portfolio will differ. An index is not managed and is unavailable for direct investment.

The following indices are used as benchmarks. Below you will find an explanation for each benchmark.

**Consumer Price Index (CPI)** - Measure of the average change in prices of a fixed "basket" of goods and services. The CPI is calculated monthly by the government to give insight on inflationary or deflationary trends. The rate of inflation (U.S. CPI) includes an estimate for the last month in the reporting period.

**BarCap Aggregate Bond Index** - Measures the performance of government, mortgage-backed, asset-backed and corporate securities with at least one year to maturity. Returns are calculated using the index value performance calculation methodology. Prior to 2013, returns were calculated using the since inception index return methodology.

**BarCap Municipal Bond Index** - This market-cap-weighted index includes investment-grade, tax-exempt bonds and is classified into four main sectors: General Obligation, Revenue, Insured and Pre-refunded. Bonds with floating rates (including derivative and residual interest securities) are excluded.

**MSCI EAFE** - A market weighted index maintained by Morgan Stanley Capital International comprised of foreign stocks from developed markets (excluding US & Canada). Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

**Russell 2000 Index** - Following the Russell 1000 measurement of the 1,000 largest U.S. companies, this index measures the performance of the next 2,000 largest U.S. companies based on total market capitalization.

**S&P 500 Total Index** - A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. While many of the stocks are among the largest, this index also includes many relatively small companies. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividends reinvested.