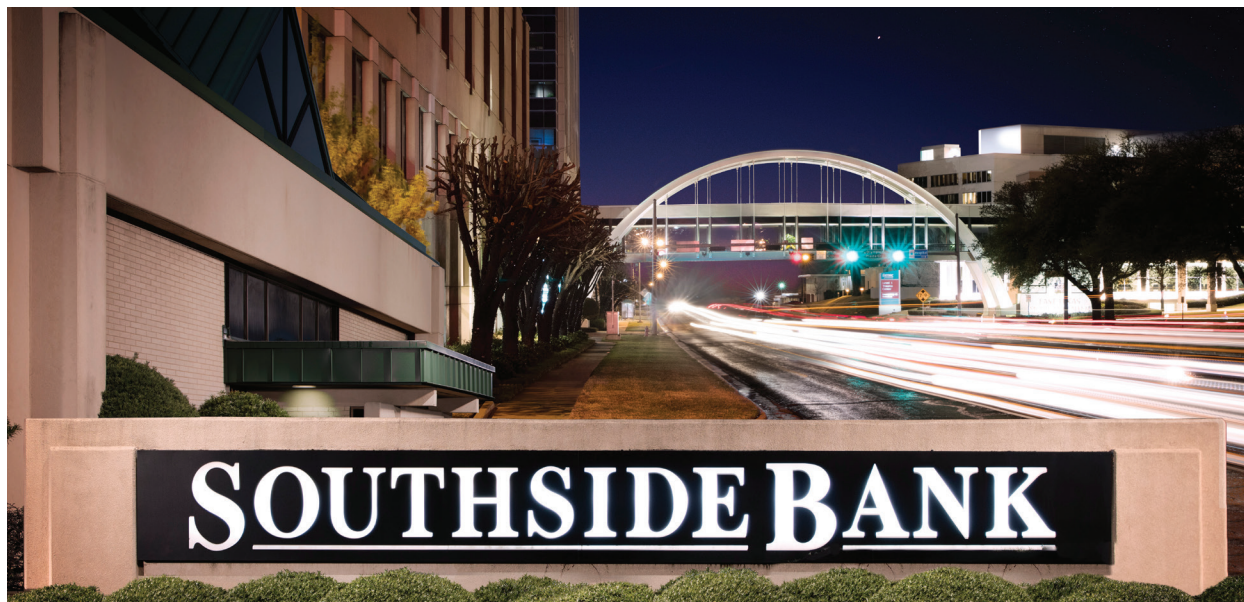


EXECUTIVE INSIGHTS

FINANCIAL INSTITUTIONS DIVISION



Southside Bank Investment Services: Checking (and balancing) needs for continued success

With close to a 20-year history with Southside Bank, Joel Adams has had his finger on the pulse of what clients need and how to serve them for quite some time. As executive vice president and program manager for Southside Bank Investment Services, Joel was tasked by the bank in 2005 to do due diligence on broker/dealers to find a firm that was the best fit for the evolving needs of the bank and its customers.

Joel jumped at the chance to find such a firm for Southside Bank, a community-focused organization headquartered in Tyler, Texas, since 1960. The ninth-largest Texas-based bank by deposits, it operates 64 banking

(continued on page 2)

Raymond James Financial Services, Inc.
Financial Institutions Division
880 Carillon Parkway
Tower 3, 8th Floor
St. Petersburg, FL 33716
T 727.567.5899
T 800.752.2657
F 727.567.8271
rjfid.com
rjfs-fid@raymondjames.com

Southside Bank Investment Services: Checking (and balancing) needs for continued success *(continued from page 1)*

facilities in East, North and Central Texas – including two of the fastest-growing regional markets.

After a rigorous search, Raymond James was chosen as the partner, and a successful conversion was completed in 2006. “We continue to do our due diligence every few years to be sure we’re still pleased,” Joel stated with a smile. “With two additional rounds of due diligence since 2005, we continue to enjoy our partnership with Raymond James.”

Southside’s most recent due diligence occurred as a result of its acquisition of OmniAmerican Bank (Ft. Worth, TX) in December of 2014. The addition of Omni created Southside’s North Texas Region and added 14 bank branches across the Ft. Worth market along with investment assets of \$130 million and several financial advisors.

A STANDOUT SELECTION FOR SUCCESS

Citing both the Financial Institutions Division and Raymond

James overall, Joel shared that the company’s huge home office resources and support have been the key differentiators in continuing Southside’s partnership and

continues to drive the program’s success. “Having a specific division that handles financial institutions was a big determining factor for us. Right from the start, we felt confident that when we called with bank-related issues, the firm was familiar and could provide best practices and a plan,” Joel explained.

In addition to money management and holistic financial planning, a key alignment with the firm is an overall cultural focus on the client. “It may sound hokey

or cliché, but it’s all about the customers. A lot of people say they put the client first, so you cross your fingers and hope it’s true. Raymond James has been a cultural fit from the start and from the top,

“Do the right thing from day one, regardless if it means anything monetarily to you. Be honest and provide unbiased advice, even if it means turning business away. When discomfort is experienced, you’ll be top of mind because of your honesty and genuine desire to help.” – Joel Adams

which is important to us as the largest community bank in our area,” said Joel.

As the industry changes, Joel has seen Raymond James proactively prepared every step of the way, which helps the Southside team stay on top of client needs.

The direct connection to robust resources is transparent through the authentic, focused attention that continues to fuel Southside’s investment growth. With the initial success Joel and his team experienced in their partnership with Raymond James well-documented, Southside felt they had the blueprints to lead their new Ft. Worth team to similar achievements.

BY THE NUMBERS



ELECTION YEAR 2016

16 of the last 18 presidential election years have produced a positive total return for the S&P 500 stock index. The only “down election years” dating back to 1944 were in 2000 and 2008 (source: BTN Research).

STAYING PUT

85% of Americans have not moved in the last 12 months (source: Census Bureau).

CREATING INTENTIONAL PARTNERSHIPS

The best programs and advisors have to continually sharpen the saw and work on their business rather than in it. During one such strategic focus, Joel attended a Practice Intelligence Workshop that included sessions on incorporating fee-based business into your practice and client segmentation. Working on both of these activities, it became clear that not only could clients benefit deeply from more comprehensive wealth management but also Joel's time could be freed up to better serve his relationships and overall revenue would increase and become more consistent.

"This was a huge step up from a plateau in production to the next step of council level, and our percentage [of fee-based assets] has continued to grow each year," Joel shared.

The other strategy Joel implemented was finding ways to get closer to clients and deepen banker relationships. This included incorporating Goal Planning & Monitoring into the program to help clients visualize their future. Joel believes the software is a differentiator

for bank clients – and a tool that can bring together the bank's services and relationships. "If I'm managing the personal wealth of a business owner, I can look at Goal Planning & Monitoring and see that there is a business loan at the bank across the street. That allows me to be proactive and ask if the client would like an introduction to a business banker and go from there."

Joel has seen introductions reciprocated: "The seeds continue to be sown, and in the last few months we're seeing the fruits of our labor." In fact, referrals have doubled since last year. Lynn Davis, senior vice president and program manager for the North Texas region, has also started to see traction with the two-way street of referrals. "Staying in front of bankers on a periodic basis makes it easy to see how we can help and what we can do to enhance relationships throughout the bank."

With the software adoption, Lynn said that he has seen a huge difference in how the team addresses business and



Joel Adams
Executive Vice President
and Program Manager
Southside Bank
Investment Services



Lynn Davis
Senior Vice President
and Program Manager
for the North Texas
Region

(continued on page 4)

DON'T TRUST THEM

Only 20% of 1,027 adults surveyed in early June 2016 have "quite a lot" of confidence or "a great deal" of confidence in newspapers and the accuracy of the information they print, the lowest level recorded on a statistic that has been tracked annually for 24 years (source: Gallup).

SHOW ME THE MONEY

64% of 4,000 people surveyed said that if given the choice they would select having "more money" as opposed to having "more time" (source: Social Psychological and Personality Science).

BUSINESS OR PLEASURE?

79% of airplane trips taken by Americans are for leisure purposes (source: US Travel Association).

IT'S WHY YOU HAVE INSURANCE

The average cost of care on an annual basis for someone hospitalized during the year is \$25,000, including expenses for the cost of surgery, doctor care, hospital stay, nursing care, drugs and rehabilitation (source: Center for Retirement Research at Boston College).

Southside Bank Investment Services: Checking (and balancing) needs for continued success *(continued from page 3)*



The Southside Bank Team

is perceived in the bank. “When you get into a plan, you see how customers open up and share information, which helps the clients and their advisor focus on their financial goals.” Advisors were encouraged to attend the Goal Planning & Monitoring sessions at the national conference, participate in online training when they returned to their respective offices and have been working to implement the software not only to enhance higher net worth relationships, but to help those with smaller balances too.

Within six months, the team went from having zero to 70 plans developed, and they’re seeing their average account size increase as new assets are being uncovered using the software, which Lynn attributes to no longer being perceived as product pushers. “Goal Planning & Monitoring helps illustrate that we are about helping the client, making a plan and in it for their long-term welfare.”

TRANSFORMING TRANSACTIONAL BUSINESS TO ADVISORY

Not long after the transition to Raymond James, Joel began to reassess the whole investment program at Southside. At the time, Joel had approximately \$70 million in assets and revenues of \$600,000. “Long term, it doesn’t work out well for the top producer of a program to also handle compliance, operations, sales, and all that entails,” he shared. In a few years, Joel helped bring on additional advisors by showing them how the partnership with Raymond James offered resources and capabilities they could provide customers. With Joel’s individual practice growing rapidly leading up to the Omni acquisition, he felt it necessary to add a strategic partner to assist the North Texas Region grow.

Lynn was brought in not only as a program manager, but as an experienced partner to help

delegate responsibility. This evolved into specializations where Lynn primarily handles sales and supervision for the program and Joel focuses on helping advisors grow their business. The headquarters team in Tyler also had two integral professionals come on board and put processes in place to help with financial planning and client service scalability.

It didn’t take long for Lynn’s North Texas team to start taking advantage of other new tools available to them through Raymond James in addition to Goal Planning & Monitoring. They put a lot of training in place, including visits from the home office’s Asset Management Services and Eagle Asset Management groups, in order to grow the bank’s advisory business. The Southside Bank Investment Services team placed a lot of emphasis on building that part of its book.

When Omni joined Southside, fee-based revenue was 2% of their product mix and total recurring revenue accounted for only 10% (well below the industry averages). Through these training efforts, fee-based business is now 26% for the North Texas team. As a firm, now 40% of the business is in advisory, which has helped in all areas – not just on the brokerage side.

INVESTMENT SERVICES: PART OF THE BIG PICTURE

By developing awareness regarding how Southside Bank Investment Services can help clients reach their personal goals and with bankers allowing the team to work in alignment with long-term clients, investment services is now a big part of Southside Bank’s strategic plan moving forward. “By working to change how we are perceived, we’re no longer just a department in the bank but an integral

part of its future and focus as they look to strategically increase revenue and better serve clients," Joel said.

Lynn stressed how a good cultural fit between an institution and broker/dealer helps smooth out the path for success. "We've gotten this far because of similarities between Southside and Raymond James and their mutual desire to build long-term client relationships."

The investment team, along with Raymond James, shares an overarching theme with the bank that their goal together is to help strengthen the relationship between the bankers and their

customers. "Our objective isn't to make revenue and move on, but to create stronger ties through increasing wallet share to make bank relationships stickier," Joel elaborated, "and we wouldn't be where we are without the support of the bank's executive management – it's a big difference to have their support when partnering with bankers."

Southside Bank is where they are today with approximately \$4.9 billion in assets, and close to 40% of the market share in Tyler, because they've put clients first. With an attitude that the business is about helping people, they believe that with deep customer

and community relationships come confidence, trust, and slow and steady growth. "Do the right thing from day one, regardless if it means anything monetarily to you. Be honest and provide unbiased advice, even if it means turning business away. When a prospect is looking for a new advisor, you'll be top of mind because of your honesty and genuine desire to help," Joel expressed.

In 2015, business results reflected the team's labor of love with strong financial performance, a realization of numerous synergies and operational efficiencies, as well as strong year-end loan growth. This sets the tone for the rest of 2016 with even bigger goals connecting quality clients to the holistic services they need. ■

Spotlight on: Goal Planning & Monitoring

Revolutionizing how advisors develop plans, Raymond James' financial planning software engages clients in a collaborative process. This tool was built on the philosophy that financial plans can be both comprehensive and flexible, with immediate output that is easily understood – motivating clients to identify their financial goals.

More and more, advisors are helping clients visualize their retirement with this interactive and visual tool. Highly integrated, the tool blends ease of use with powerful "what if" analysis to answer clients' key questions around retirement, education funding and other wealth management issues.

Joel Adams, executive vice president and program manager for Southside Bank Investment Services and a power user of the tool from the start, began educating bank stakeholders by sharing a sample plan. This would spark interest about how he could help, and it took the focus from fees and rates of return to goal-oriented conversations. Whether helping clients manage their own retirement or plan for unique goals, the software has become a point of

differentiation for how bankers perceive what the investment team does. "There was this realization of, 'Oh, they don't only trade stocks over there.' This is about coordinating and consolidating the client's overall financial picture," Joel said.

Joel has also found that clients like the Goal Planning & Monitoring experience since they can see exactly what will impact them in five or 20 years, and how to make changes now. "It gives a lot of peace of mind and can open another conversation with opportunities for growth. This software was a big part of our catalyst for growth."

- Easily create interactive financial plans, build actionable recommendations and monitor those plans to help keep clients on track or adjust in real time together with your clients.
- Engaging graphics and clear results enable you to work with your client to achieve their needs, wants and wishes.

FINANCIAL INSTITUTION SUCCESS STORIES



AARON SCHMIT:

Attracting prospects by partnering with specialists

Around a decade ago, Aaron made the decision to be a financial advisor at American State Bank & Trust Company (ASBT), a decision he now considers the first key component in helping him grow his business. During the decade prior, he had

already built a great reputation and connections among both specialists in the industry as well as successful professionals and high-net-worth families within his Williston, North Dakota, community.

For Aaron, success was about taking care of clients over time in the right order, in a way that's right for them and by partnering with specialists that fit him and his clients.

When the area participated in a large economic expansion as a result of oil exploration work in the Bakken formation, Aaron was in the position to help a prospect with a large liquidity event from the sale of their oil-related business. Familiar with the family, he spent a lot of time at the hockey rink where their children played on the same team, and there were other social circles in common. Aaron also knew that they were long-time bank customers.

While Aaron had prospected them many years prior, he never pushed them into doing business. When the liquidity event occurred, the prospect came in for an

initial consultation, but nothing materialized. However, the environment Aaron created of familiarity rather than promotion eventually led the prospects to email him for help. After a series of discovery meetings, they divulged a substantial net worth and acknowledged that they needed serious planning.

Aaron and his team of experts, which included an estate planning attorney and Kevin Mooney from PenFacs Group (a Raymond James-approved insurance point-of-sale partner), met several times with the clients over the course of a year. Working together on collaborative planning, they created revocable living trusts, several LLCs and other entities to hold investments. The clients eventually consolidated all of their investment holdings with Aaron and moved cash into ASBT.

The final piece was implementing second-to-die universal life insurance. Previously, the client had overfunded a large, personally owned life insurance policy for only one spouse, which could have caused estate problems or the policy's inability to pay out. The solution was gifting the policy into an irrevocable life insurance trust and setting up second-to-die universal life insurance policies. Through Aaron's comprehensive, consultative approach, the clients clearly saw the value of the plan.

"Kevin and I knew that the clients wanted to invest the money conservatively and add assets that will appreciate, but they also wanted assets they could enjoy today with an eye on gifting down the road. We didn't rush the process, and did the appropriate amount – not less because it wasn't enough or more because we'll make more money," Aaron said. In the end, total gross production for the two new life insurance policies resulted in a 35% increase above his previous trailing 12-month revenues. His production is \$1,776,751, with assets under administration at \$241,521,055. Even looking beyond Aaron's career in the business, the successor trustee of most of these plans is ASBT's trust department – so assets will remain within the bank.

This quarter's featured advisors have found success by making the most of available firm resources, from conferences that promote professional development to mentorships and home office support.

But for Aaron, success was about taking care of clients over time in the right order, in a way that's right for them and by partnering with specialists that fit him and his clients. "Take the lead in reaching out to your clients to review their life insurance plans and wills, and consider revocable living trusts, powers of attorney and health care directives," Aaron stressed.

In its fourth year, the relationship between Aaron and Kevin has helped increase the higher net worth clientele overall. Since Kevin helps with both Aaron's clients' estate planning and life insurance needs, he takes a two-day trip every month to Williston to meet with Aaron and his clients, and they stay in close communication between onsite appointments. Without this relationship, training and support, Aaron doesn't believe he would have received the same result with his high-net-worth clients. Now that insurance and estate planning is incorporated into his practice, he continues to do this kind of business every year ... in Williston.

DOUG MACCORMACK:



Showing how a long-term focus pays off

For seven years, Doug has been a financial advisor at Fulton Bank in Kennett Square, Pennsylvania, where last year the bank wanted to turn its attention to segmenting clients. Working with the Raymond James home office and the Financial Institutions Division, Doug was able

to do just that – and create an opportunity to bring a junior advisor into his practice.

Once his practice was segmented, Doug was able to

focus on his top-tier clients and provide them with an additional level of service. He noticed his referral stream start to increase more from this part of his high-net-worth clientele, resulting in five clients each investing more than \$1 million during 2015 and increased revenue for the bank.

However, this referral stream success didn't happen overnight. The book segmenting started more than one year before they saw results. During that time, Doug took a financial and estate planning approach with these clients, utilizing Goal Planning & Monitoring to develop custom plans. He also teamed up with a junior advisor, Wendy Hutchinson, who had completed the Fulton Bank management trainee program.

They held a team workshop to help Wendy learn how Doug works. Now Wendy is creating her own success with the bank partnership. "Having a junior advisor that

"Having a junior advisor that can help work my book and begin to accept bank referrals creates capacity for me to take on more challenging cases for high-net-worth clients."
– Doug MacCormack

can help work my book and begin to accept bank referrals creates capacity for me to take on more challenging cases for high-net-worth clients," Doug shared.

While it was a long-term process to take this part of his practice to the next level, Doug's commitment has started paying off. And, an even larger connection with high-net-worth clients is conceivable in the future. ■



ALL THE WAY UP

Whether on the road to success or selected for ongoing career accomplishment, these Raymond James advisors and program managers were recently recognized by *Bank Investment Consultant* for being some of the best in the business.

Rising Stars

Among the elite eight chosen to represent top young advisors are two Raymond James-affiliated advisors in the bank channel.



Nathan Bosek, 27

Bremer Bank
St. Cloud, Minnesota
AUM as of 1/2016: \$18.8 million
2015 production: \$174,000
2014 production: \$35,000

Nathan helps market-focused clients refocus on controlling portfolio risk, saving and spending. He does this with both an investment policy statement and financial planning tools to show them the track to achieve their goals in all phases of their lives. "After our first couple of appointments, the conversation shifts from worrying about what the market is doing to focusing on their own plan and making sure they are on track." He also works with bankers to create a joint planning appointment, client willing, to discuss loans, deposits or whether they should be refinancing some of their debt to lower rates.

When he was 21 years old, and just starting out, Nathan was concerned with clients questioning his experience. A colleague said, "If you look the part and act the part, no one will question your age. They are all just looking for guidance and help with their finances, and if you're able to provide them with that advice in a professional and effective way, you won't get asked your age." Nathan says he has followed that advice and, in the four times he has been asked, has never lost a client because of his age.



Andy Rivenbark, 30

TowneBank
Suffolk, Virginia
AUM as of 1/2016: \$26.6 million
2015 production: \$183,000
2014 production: \$105,000

Clients often have a hard time understanding how their investments are allocated in a way to reach their goals. Regardless of where Andy's clients are in their lives or with their goal planning, the same question always comes up in conversation: What next? As their advisor, he's able to guide them through those tough decisions. By getting to know his clients on a personal level and understand each of their financial wants and needs, he can make the best, and most individualized, financial planning recommendations for their life stage.

The media environment for financial markets can overwhelm clients these days. Not only is there television coverage from the moment the market opens until it closes, but online coverage and social media can be accessed any hour of the day – along with commentary and recommendations. With this, it's important for clients to understand generalized financial advice may not meet the needs of more complex and personal situations. "The best advice I received was to do what is best for the client, not what is best for you," Andy shared. Since Raymond James doesn't require advisors to invest client assets in proprietary investment funds or products, he's able to make recommendations based on the client's needs.

Program Managers

Congratulations to the six Raymond James FID-affiliated program managers named among the top in the nation – more than any other firm. Making it onto the publication's prestigious annual list of the Top 20 Program Managers, these pros were selected using six factors: total team AUM, percentage growth of team AUM, percentage increase in team production, average production per advisor, number of advisors under the manager's direct supervision and the number of licensed branch employees under the manager's direct supervision. Even better? This year's honorees have all received this recognition in the past.



No. 4 Steve Kruchten

Bremer Bank
St. Paul, Minnesota
Number of advisors on team: 28
2015 team AUM: \$1.7 billion
2015 team production: \$13.8 million
2015 average production
per advisor: \$495,300



No. 12 Scott Jenner

Addison Avenue Investment Services
Rocklin, California
Number of advisors on team: 30
2015 team AUM: \$2.9 billion
2015 team production: \$20.4 million
2015 average production
per advisor: \$682,800



No. 6 Ken Wren, Jr.

TowneBank
Suffolk, Virginia
Number of advisors on team: 14
2015 team AUM: \$1.4 billion
2015 team production: \$7.6 million
2015 average production
per advisor: \$543,200



No. 15 Denise Togger

Union Investment Services
Henrico, Virginia
Number of advisors on team: 21
2015 team AUM: \$1.0 billion
2015 team production: \$7.0 million
2015 average production
per advisor: \$337,924



No. 10 Gary Collier

Pinnacle Bank
Nashville, Tennessee
Number of advisors on team: 18
2015 team AUM: \$1.7 billion
2015 team production: \$11.9 million
2015 average production
per advisor: \$629,600

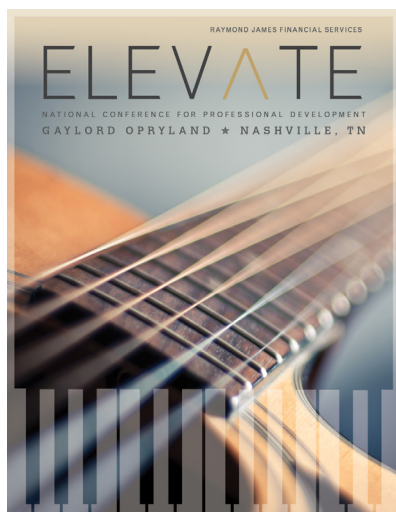


No. 19 Michael George

Fulton Financial Advisors
Lancaster, Pennsylvania
Number of advisors on team: 44
2015 team AUM: \$2.8 billion
2015 team production: \$22.1 million
2015 average production
per advisor: \$492,200

“We are honored to be affiliated with these exceptional program managers. This recognition is awarded to some of the very best in the industry. We are proud of the fact that Raymond James had more honorees than any other firm, and we congratulate our long-standing partners on being named, once again, to this esteemed list.”

– John W. Houston, managing director of the Financial Institutions Division



This year's conference was held at the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee, with the theme "Elevate" providing advisors the impetus to focus on expertise and professional development strategies to raise the overall client experience.

In addition to education sessions and presentations centered on enhancing client service and business strategy, the conference also gave advisors the chance to catch up on the latest industry standards and regulatory changes as well as subjects of universal interest.

THE FID TRACK'S POWERFUL OPPORTUNITY FOR GROWTH

From successful women to powerful teams, the speakers and sessions from this year's FID track provided relevant, actionable information and ideas designed to help you elevate yourself and your investment program.

Matt Mehlretter, regional manager of FID's Western Division, described the process of developing the FID track for 2016. "We get a lot of feedback from our advisors on what they are looking for, and the track really evolves from that," Matt said.

ELEVATE: 2016 RJFS National Conference for Professional Development

The FID sessions kicked off with John Houston, home office staff and nationwide peers at breakfast on Tuesday, which helped foster FID's collegial atmosphere. "Everyone heard what's new, what's happening out there in the financial institution environment, and then had time to just sit down and talk to their friends and meet new people," Matt shared.

After some sustenance, it was time to take in the first of two professional development sessions on this year's track: Redefining Success as a Woman Financial Advisor, which featured three of FID's top women advisors. "There has been overwhelming interest in this topic this year," Matt says. "Firm- and industry-wide, we're hearing a lot more conversations about women advisors and investors, and this session dove into the advisory side from a woman's perspective."

Next up were Top Advisor sessions that covered two of FID's hottest topics and hearing from peers – top

advisors and top program managers who consistently raise their game. Program managers spilled the secrets to their success at Tried and True – Top Program Managers Tell All. And during Taking It to the Next Council Level, attendees heard how three Chairman's Council advisors challenged themselves to meet new milestones – and succeeded.

Rounding out this year's lineup was The Power of Teams, a session that explored how businesses can transform when like-minded individuals come together, and the forms those teams can take – from father-son to multi-specialist.

Wednesday marked the 2016 Director's/Leaders Council Dinner, where qualified advisors and their guests wrapped up the trip. "The focus of the FID track has always been to provide people the opportunity to spend time together and learn from their peer group," Matt says. "You're going to form new relationships, solidify existing ones and share really good ideas." ■

Point of discussion: Market volatility

Volatile markets present both a challenge and an opportunity to prove your worth – to current clients and to new ones. A hot topic at the conference, market volatility was addressed during many sessions to help clients navigate fluctuations.

Nearly 40 of Raymond James' most successful advisors provided insights on what they are doing to keep their offices stable, their clients calm and use the current market as an opportunity to grow their net new assets. Staying in contact with clients, and doing so with clear, confident messaging, can help them stay focused and look past any current financial tension to their long-term goals. Turbulent or down-markets can also provide the opportunity to demonstrate your investment program's value to COIs and prospective clients. The "Practice Intelligence market volatility campaign" on RJnet provides resources, webinars and coaching opportunities with a number of ideas for how to help clients.

ECONOMIC SNAPSHOT

The Brexit vote caught the financial markets by surprise. The UK's disentanglement from the European Union will be a long and uncertain process, but the impact on the U.S. economy should be small. Recent data suggest a pickup in U.S. economic growth in the second quarter, led by a rebound in consumer spending. The contraction in energy exploration should be near an end (no longer a drag on overall growth), but soft global growth and election-year uncertainty may restrain business investment in the near term. The Fed remains in tightening mode, but should be in no hurry to raise short-term interest rates.

SCOTT BROWN
Chief Economist,
Equity Research

	ECONOMIC INDICATOR	COMMENTARY
POSITIVE OUTLOOK	GROWTH	GDP growth is expected to have picked up in 2Q16, but likely only to a moderate pace. Upside potential (in the near term) appears to be somewhat limited.
	EMPLOYMENT	Nonfarm payrolls were slower in May, reflecting the Verizon strike. A tighter job market should result in moderate job gains in the months ahead.
	CONSUMER SPENDING	Wage income growth has been supportive. Lower gasoline prices are still helping, but the positive impact is expected to fade over time.
	HOUSING AND CONSTRUCTION	Still a gradual recovery, with scope for further improvement. First-time buyers are still facing restraints, but strains should ease over time.
	MONETARY POLICY	With labor market slack being reduced, the Fed remains in tightening mode, looking to resume the process of policy normalization, but officials will proceed cautiously, aware of the potential downside risks from global economic and financial developments.
	FISCAL POLICY	State and local government budgets are in better shape and spending should add to GDP growth (but not by a lot). Congress has yet to complete a budget for the current fiscal year (which started in October).
	THE DOLLAR	The dollar appears to have overshot on the way up and has reversed somewhat, but changes to the perceived Fed policy path are likely to continue having an oversized impact.
NEUTRAL OUTLOOK	BUSINESS INVESTMENT	The weakness in recent quarters has been concentrated in energy. However, capital spending has been on a soft trend worldwide.
	MANUFACTURING	Strength in autos should fade as we approach a sustainable pace of sales. Ex-autos, factory output has been mixed, but generally flat (consistent with a "soft patch," not a recession).
	INFLATION	No pressure in goods. Some pressure in rents. However, core inflation figures have been more moderate following sharper gains in January and February.
	LONG-TERM INTEREST RATES	Long-term interest rates should drift gradually higher as the economy improves and the Fed raises short-term rates. However, we should see limited concern about inflation and a continued flight to safety (lower bond yields) due to global concerns.
	REST OF THE WORLD	The global outlook remains relatively soft by historical standards, with a number of downside risks. The Brexit vote adds uncertainty.

**THIRD QUARTER
FISCAL YEAR 2016
(ENDING JUNE 30)**

Top 25 Financial Advisors	Average per Financial Advisor
Trailing 12-Month Production	\$1,651,740
Trailing 12-Month Increase	1.0%
Account Size	\$393,066
Assets under Administration	\$251,089,365

Top 25 Financial Institutions	Average per Financial Institution
Trailing 12-Month Production	\$6,153,002
Trailing 12-Month Increase	4.1%

FID STATISTICS

\$46,231,910,080

7.3%

23.8%

Total Assets as of June 30, 2016

Percentage Increase in Assets
(June 2015 – June 2016)

Percentage Increase in Fee-Based Assets
(June 2015 – June 2016)

**TOP 25 FINANCIAL
INSTITUTIONS –
PRODUCT MIX
BY REVENUE**

