Quint ii investments & insurance

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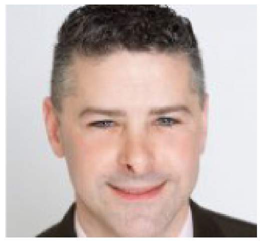


May 2017

Market Update
(all values as of 04.28.2017)

Stock Indices:

Dow Jones	20,940
S&P 500	2,384
Nasdaq	6,047

Bond Sector Yields:

2 Yr Treasury	1.28%
10 Yr Treasury	2.29%
10 Yr Municipal	2.16%
High Yield	5.65%

YTD Market Returns:

Dow Jones	5.96%
S&P 500	6.49%
Nasdaq	12.34%
MSCI-EAFE	8.89%
MSCI-Europe	10.06%
MSCI-Pacific	6.89%
MSCI-Emg Mkt	13.42%
US Agg Bond	1.57%
US Corp Bond	2.30%
US Gov't Bond	1.78%

Commodity Prices:

Gold	1,269
Silver	17.19
Oil (WTI)	49.18

Currencies:

Dollar / Euro	1.08
Dollar / Pound	1.28
Yen / Dollar	111.26
Dollar / Canadian	0.73

Macro Overview – May 2017

Fiscal policy has taken center stage as President Trump's tax proposals will begin a drawn out process for legislative approval. Individuals, small businesses, and large corporations are expected to benefit from the various proposals.

Geopolitical risks weighed on global financial markets during early April as investors sought fixed income. Regardless, global equity markets achieved higher levels as confidence returned.

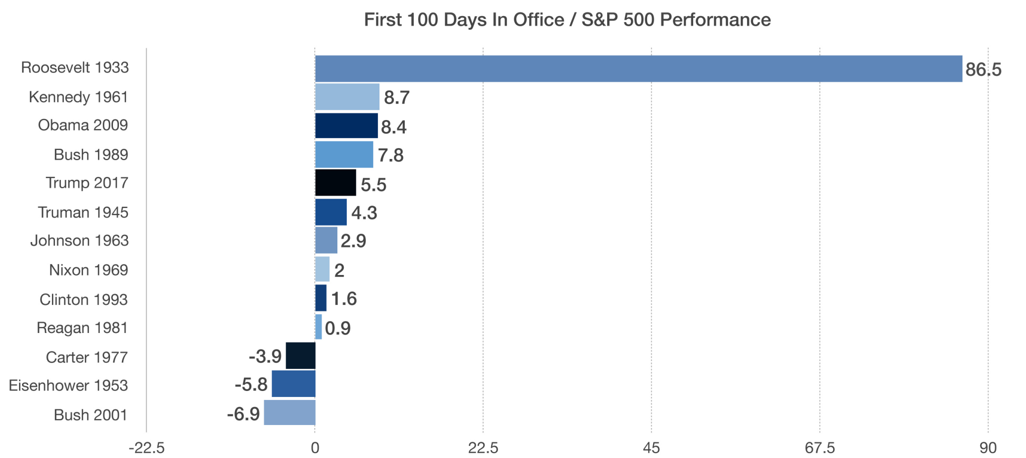
French voters are a focal point in the international markets as they decide the probable fate of the European Union (EU) and the euro's acceptance. A leading candidate, Marine Le Pen, is an advocate of France exiting the EU, which the British voted for last year.

Mexico and Canada breathed a sigh of relief as President Trump suggested that perhaps the U.S. could renegotiate NAFTA rather than abandoning it. Trade has been a leading agenda item for the President as suggestions to impose tariffs on imports has raised anger among U.S. trading partners.

Contrary to popular belief, the U.S. dollar has actually fallen after recent Fed rate hikes. Some economists see this as a signal that rates may actually stay close to where they are and not rise much until stronger economic numbers are in.

The Fed gave no indication of slowing tightening plans this year, even though U.S. economic growth slowed to 0.7% in the first quarter of 2017, the slowest quarter in three years. Consumer sentiment, though, remained at elevated levels in April as the University of Michigan's Consumer Sentiment Index rose again. It is up 9% from April 2016 to April 2017.

The S&P 500 Index finished up 5.5% during President Trump's first 100 days in office. Timing has become a must when achieving an attractive first 100 days. Roosevelt began his term in the midst of the depression with a rebounding market from collapse in 1933, while Bush saw his first 100 days during the middle of the dot-com bust. (Sources: Eurostat, S&P, Bloomberg, Fed, Univ. of Michigan)



THE U.S. EXPORTED OVER $3.5 BILLION OF WINE, BEER & DISTILLED ALCOHOLS IN 2016

Equity Overview – Domestic Stock Markets

The three major equity indices all ended positive in April, with the technology heavy Nasdaq reaching a milestone. The Nasdaq Composite Index passed through 6000 in April, taking it 17 years to move from 5000 to 6000. The index has hit 25 new records so far in 2017, the most of any year since 1999.

Earnings remain upbeat for most sectors of the S&P 500 index, instilling confidence into markets. The technology sector excelled in April as improving earnings helped propel the sector. The recent drop in oil prices to below $50 affected the energy sector as tighter margins placed pressure on future earnings prospects. (Sources: S&P, Bloomberg)

Fixed Income Update – Global Bond Markets

Analysts believe that demographical factors are increasingly influencing the direction of fixed income markets. Even after the fed raised rates this past quarter, along with a series of rate increase expectations, bond yields have reversed and headed lower. The 10-year U.S. Treasury Bond yield fell in April to 2.29%, levels last reached in November 2016.

Volume of investment grade bonds has surpassed the volume of high yield bonds for the first time since 2008, suggesting that sentiment about risk factors in the bond markets may be changing.

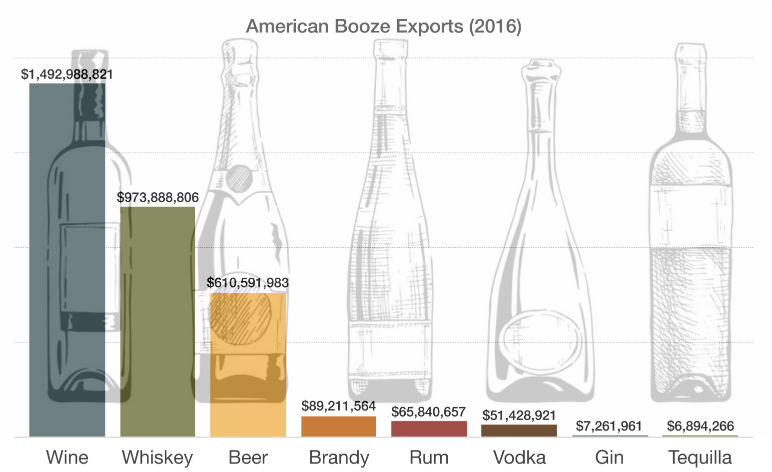
An exit from any one of the EU member countries is expected to cause additional negative sentiment and market repercussions in European credit markets as the euro becomes that much more susceptible.

Government bonds from Venezuela reached yields in excess of 20%, as the country bristles with political and economic chaos. It is estimated that Venezuela has roughly $10 billion left in reserves, which is expected to be exhausted fairly soon. (Sources: Reuters, Bloomberg, U.S. Treasury)

A Favorite U.S. Export For Foreigners – International Trade

As foreign imports come into question with possible tariffs, certain US exports continue to be in big demand worldwide.

As much as Americans enjoy inexpensive foreign imports, many foreigners enjoy expensive American made products.



U.S. wine makes its way primarily to the UK, Canada, Japan, and Italy, while American beer is most popular in Chile, Australia, Canada, Sweden, and Mexico. U.S. whiskey has become an absolute favorite in Japan, Spain, Australia, and Germany. (Sources: Census Bureau, Distilled Spirits Council of the US)

THE NATIONAL PARKS COVER 84 MILLION ACRES OF LAND & WATER THROUGHOUT THE U.S.

Trump Tax Proposals – Fiscal Policy

The administration of President Trump released its tax proposals in late April. The proposals did vary somewhat from initial proposals presented during the campaign, but adhered to the basic principals of tax reform of broadening the tax base while lowering tax rates.

Markets are anxious because it may take months before there is an indication whether any portion of the tax proposals actually convert into tax legislative law.

Administration officials stated that the reduction in tax revenue generated by the tax cut propels would be offset through a combination of anticipated economic growth and various broadening measures.

Once the Budget Proposal for Fiscal Year 2018 is submitted by the White House in mid-May, then Congress will begin the deliberation process of the tax proposals.

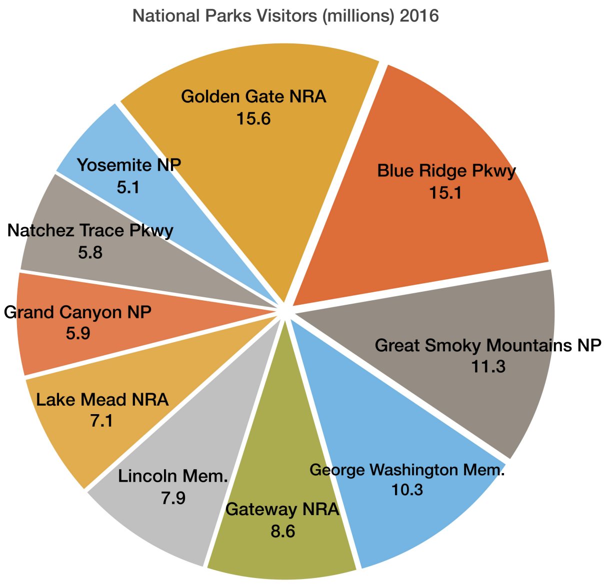
Affecting most every taxpayer in the country is the standard deduction. The proposal essentially doubles the standard deductions from its current levels, thus simplifying the entire tax process for many tax filers. This is so because the standard deduction is used instead of itemizing expenses in various categories. The Tax Policy Center estimates that those who itemize would fall from 30% to 5%, hence spending less time on identifying expenses to deduct and less of a burden on the IRS.

Ironically, one of the proposals actually hinders homeowners that have expensive homes, primarily in Democratic California and New York. Senators from both states are expected to rebuff the elimination of the state and local property tax deduction, seen as a significant deduction for residents of these expensive coastal states. (Sources: whitehouse.gov, Tax Policy Center)

National Parks Contribute Over $34 Billion To Economy – Federal Programs

As the summer months approach, the National Parks are a destination for tourists all over the United States. National Parks are part of the National Park Service, which was established in 1916 by President Woodrow Wilson. Beginning with Yellowstone National Park in Montana and Wyoming, there are 417 parks today covering 84 million acres.

On a recent visit to California's National Parks, newly appointed Interior Secretary Ryan Zinke made mention of the tremendous activity and economic output the National Park Service is generating. The parks operate under the exclusive control of the Secretary of the Interior. The 417 parks saw a record 331 million visitors in 2016, contributing $34.9 billion to the U.S. economy. The economic output is derived from various jobs and industries including lodging, hospitality, retail, transportation, food, fuel, camping fees, and recreational activities. (Sources: U.S. National Park Service)

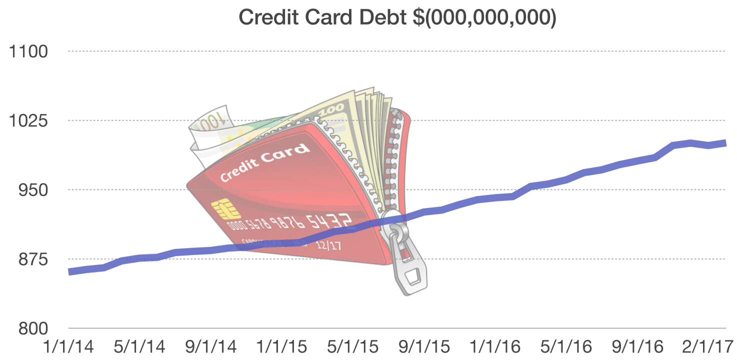


CREDIT CARD DEBT GREW 6.2% IN THE PAST YEAR…..TO OVER ONE TRILLION DOLLARS

Consumer Credit Card Debt Hits $1 Trillion – Consumer Finance

As consumer confidence has risen over the past couple of years, so has the appeal to hold debt. Federal Reserve data shows that U.S. consumers now have over $1 trillion on credit cards alone, up 6.2% from a year ago, and is currently the highest amount of consumer credit card debt since January 2009.

The recent data makes credit card debt the third largest consumer lending category in the industry following auto loans and student loans.



Two variables that economists look at closely are employment and interest rates, which directly affect the ability for consumers to borrow. Economists believe that loosening underwriting standards in various loan categories along with a strengthening employment market could very well offset any interest rate increases.

The credit card business remains among the most profitable in banking as banks can charge much higher interest rates than other loan types, with average credit card rates between 12% and 14%.

Yet, as credit card debt levels have risen, so have reserves for losses as banks anticipate delinquencies to rise. Financially savvy consumers that pay their balances down each month avoid hefty interest charges, but those that don't, known as "revolvers," pay average rates of between 12% to 14% and significantly more if they are considered higher risk. (Sources: Federal Reserve)

The Tax Benefits Of Homeownership May Change – Tax Planning

As President Trump's tax proposals are being unveiled, homeowners are carefully following the possible effects on home ownership. The current tax code provides a number of benefits for taxpayers that own their homes rather than rent. Homeowners have the ability to deduct both mortgage interest and property tax payments from their federal income tax. The possibility of eliminating the deduction of property tax payments may alter the benefits of home ownership for some.

The tax code also allows for the exclusion of capital gains on home sales. Currently the exclusion from taxable income on the appreciation of homes when sold is $250,000 for individuals and $500,000 for joint filers. In order for the exclusion to be effective, the homeowner must live in the home as their principal residence for two of the preceding five years. In addition, homeowners may not have claimed the capital gains exclusion for the sale of another home during the previous two years.

The benefit of property tax and mortgage interest deductions as well as capital gains exclusions tend to benefit higher income earners more. The deductions and exclusions available to all homeowners are essentially worth more to taxpayers in the higher income tax brackets than those in lower income tax brackets. (Sources: Tax Policy Center, IRS)