PORTFOLIO OF STOCKS AND BONDS

TOTAL SOURCES & USES (June 1, 2017)			
SOURCES			**Interest Rate**
Margin Loan	100,000	50.0%	7.00%
Investor's Cash	100,000	50.0%	
Total Sources	**200,000**	**100.0%**	

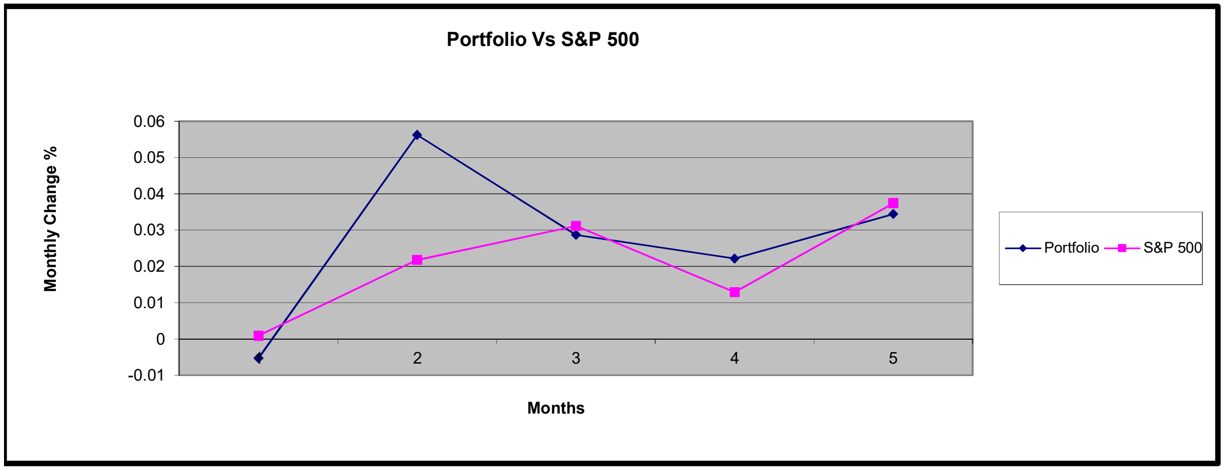
USES	**Amount**	**% Cap**	**Interest Rate**
Stock Purchase	$ 82,600	41.3%	
Bond Purchase	85,304	42.7%	
Accrued Interest	427	0.2%	
Cash	$ 31,669	15.8%	1.50%
Total Uses	**$ 200,000**	**100.0%**	

CASH FLOWS		ENTRY							EXIT
		0	*1*	*2*	*3*	*4*	*5*	*6*	*7*
	MONTHLY IRR	**1-Jun-17**	**2-Jul-17**	**1-Aug-17**	**1-Sep-17**	**2-Oct-17**	**1-Nov-17**	**1-Dec-17**	**2-Jan-18**
Beginning Cash		100,000	31,669	35,472	36,324	41,022	40,971	40,217	40,727
Buy/Sell Stock		$ (82,600)	$ -	$ 1,550	$ 2,300	$ -	$ -	$ -	$ 92,600
Buy/Sell Bonds		$ (85,304)	$ 3,930	$ (302)	$ 2,279	$ -	$ (285)	$ -	$ 82,021
Stock Dividends			$ 93	$ 90	$ 150	$ 245	$ 63	$ -	$ -
Bond Coupon Received			$ 304	$ -	$ 398	$ 236	$ -	$ 1,043	$ -
Acrued Interest (paid)/Received		$ (427)	$ 20	$ 53	$ 110	$ -	$ 1	$ -	$ 332
Loan Principal Increase/Decrease		$ 100,000							$(100,000)
Loan Interest Payment			$ (583)	$ (583)	$ (583)	$ (583)	$ (583)	$ (583)	$ (583)
Cash Balance Interest Income			$ 40	$ 44	$ 45	$ 51	$ 51	$ 50	$ 50
Cash		$ (31,669)							$ 40,727
Total Cash Flows	3.33%	$ (100,000)	$ 3,803	$ 852	$ 4,698	$ (51)	$ (754)	$ 509	$ 115,147
Use of cash		$ 31,669	$ -	$ -	$ -	$ -	$ -	$ -	$ (40,727)
Total Cash Flows		31,669	35,472	36,324	41,022	40,971	40,217	40,727	115,147
% of Cash to total Value		15.1%	16.8%	16.7%	18.0%	17.9%	17.6%	17.7%	

PORTFOLIO OF STOCKS AND BONDS	1-Jun-17	2-Jul-17	1-Aug-17	1-Sep-17	2-Oct-17	1-Nov-17	1-Dec-17	2-Jan-18
Stock Portfolio								
Portfolio Value	$ 82,600	$ 82,200	$ 84,050	$ 85,000	$ 85,450	$ 87,300	$ 92,275	$ -
% Increase / Decrease		-0.484%	2.251%	1.130%	0.529%	2.165%	5.699%	
% Cummulative Increase		-0.484%	1.766%	2.897%	3.426%	5.591%	11.290%	
Bench Mark: S&P 500	**2,430.06**	**2,429.01**	**2,476.35**	**2,476.55**	**2,529.12**	**2,579.36**	**2,644.22**	**2,644.22**
% Increase / Decrease		**-0.043%**	**1.949%**	**0.008%**	**2.123%**	**1.986%**	**2.515%**	
Bond Portfolio								
Portfolio Value	$ 85,304	$ 81,584	$ 82,344	$ 80,351	$ 80,456	$ 81,187	$ 81,496	$ -
% Increase / Decrease		-4.361%	0.931%	-2.420%	0.130%	0.909%	0.380%	
% Cummulative Increase		-4.361%	-3.430%	-5.850%	-5.720%	-4.810%	-4.430%	
Bench Mark: Bloomberg Barclays US Aggreagate Bond Index (Aka Lehman Bond Index)	**2,021.55**	**2,017.40**	**2,034.75**	**2,044.52**	**2,039.48**	**2,039.51**	**2,042.83**	**2,042.83**
% Increase / Decrease		**-0.205%**	**0.860%**	**0.480%**	**-0.247%**	**0.001%**	**0.163%**	
Total Risky Portfolio (Bonds & Stocks								
Portfolio Value	$ 167,904	$ 163,784	$ 166,394	$ 165,351	$ 165,906	$ 168,487	$ 173,771	$ -
% Increase / Decrease		-2.454%	1.593%	-0.627%	0.335%	1.556%	3.136%	
% Cummulative Increase		-2.454%	-0.861%	-1.487%	-1.152%	0.404%	3.540%	
Total Portfolio including Cash								
Portfolio Value	$ 199,573	$ 199,256	$ 202,717	$ 206,373	$ 206,877	$ 208,704	$ 214,497	$ 115,147
% Increase / Decrease		-0.159%	1.737%	1.803%	0.244%	0.883%	2.776%	
% Cummulative Increase		-0.159%	1.578%	3.382%	3.626%	4.509%	7.285%	

PORTFOLIO OF STOCKS AND BONDS

STOCK PORTFOLIO PERFORMANCE MEASURMENTS



Beta Coefficient

P	M	P x M	M^2
(Y - Avg Y)	(X - Avg X)		
(0.02366)	(0.01466)	0.00034687	0.000214955
0.00369	0.00526	0.00001941	0.000027669
(0.00751)	(0.01415)	0.00010630	0.000200180
(0.01352)	0.00700	(0.00009463)	0.000048970
0.00283	0.00564	0.00001597	0%
0.03817	0.01092	0.00041669	0.000119170
		0.00081062	0.00064270
		Beta=	**1.261275058**

Statistics	**Stock Portfolio**	**Stock Benchmark: S&P Index**	**Outperform / Underperform**	**Positive / Negative Vs Benchmark**
HPR (Levered) - Incl. Trading Gains / Dividends	17.542%	1.708%	15.83%	+
Average Monthly Returns (N-1)	2.258%	1.708%	0.55%	+
Standard Deviation	2.134%	1.134%		
Beta Coeficient	1.2613	1.0000		
Annual Risk Free Rate (182 Day T-Bill)	1.480%	1.480%		
Risk Free Rate Adjusted	0.740%	0.740%		
Market Premium (P)	16.802%	0.968%	15.83%	+
CAPM	1.960%	1.708%		
Sharpe's Ratio (adjusting for monthly)	**1.254275**	**0.853368**	0.40091	+
Sharpe's Ratio (based on Monthly Avg Ret.)	**0.711204**	**0.853368**	(0.14216)	-
Treynor's Ratio	**0.021225**	**0.017075**	0.00415	+
Treynor's Ratio(based on Monthly Avg Ret.)	**0.012035**	**0.017075**	(0.00504)	-
Jensen's Alpha	**15.5821%**	**0.0000%**	15.582%	+
Jensen's Alpha (based on Monthly Avg Ret.)	**0.2977%**	**0.0000%**	0.298%	+

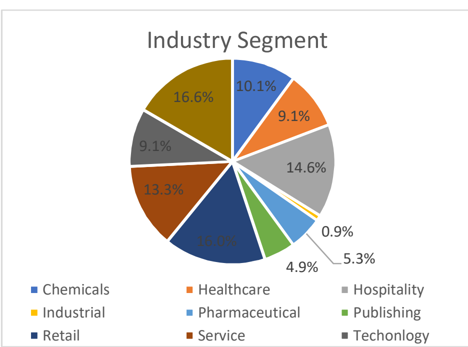
Regression Analysis Statistics	
Multiple R	0.669983327
R Square	**0.448877658**
Adjusted R Square	0.33865319
Standard Error	0.015844902
Observations	7

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.001022419	0.001022419	4.072395762	0.0996219
Residual	5	0.001255305	0.000251061		
Total	6	0.002277724			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*
Intercept	0.00086929	0.010721857	0.081076705	0.938526278	-0.026692
X Variable 1	**1.26127506**	0.625006911	2.01801778	0.099621872	-0.345356

	Upper 95%	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.028430705	-0.026692119	0.0284307
X Variable 1	2.86790647	-0.345356353	2.8679065



PORTFOLIO OF STOCKS AND BONDS

BOND PORTFOLIO PERFORMANCE

Statistics	Bond Portfolio	Bond Benchmark: Barclays Bond Index	Outperform / Underperform	Positive / Negative Vs Benchmark
HPR (Levered)	5.167%	0.211%	4.957%	+
Average Monthly Returns (N-1)		0.211%	-0.211%	-
Standard Deviation	2.166%	0.428%		
Annual Risk Free Rate (182 Day T-Bill)	0.740%	0.740%		
Average Premium	4.427%	-0.529%	4.957%	+
Sharpe Ratio	2.04	-1.24	3.28	+
Weighted Average Yield	6.81%			
Weighted Average Coupon Rate	5.00%			
Portfolio Duration	4.66 years			

TOTAL PORTFOLIO PERFORMANCE MEASUREMENTS

Statistics	Bond Portfolio
HPR (Levered)	24.205%
Average Monthly Return (N-1)	1.457%
Standard Deviation	1.095%
Annual Risk Free Rate (182 Day T-Bill)	0.740%
Average Premium	23.465%

At Value Date (1/2/2018)		Weights
Stock Value	92,600	53.0%
Bond Value	82,021	47.0%
Total Risky Val	174,621	100.0%
Portfolio Variable (σ^{2})		1.04%
Portfolio Standard Deviation (σ)		10.22%
Stock/Bond Correlation (ρ)		60.618%

BENCHMARKING USING WEIGHTED AVERAGES

Capital Invested		Amount	% Weight	Return %	WA Return	Benchmark Weight	Active or Excess Weight	Index Return	Contribution to Performance
Stock Purchase	$	82,600	41.4%	17.542%	7.2605%	60.0000%	-18.612%	1.7075%	-0.3178%
Bond Purchase	$	85,304	42.7%	5.167%	2.2087%	30.0000%	12.743%	0.2105%	0.0268%
Cash	$	31,669	15.9%	0.750%	0.1190%	10.0000%	5.868%	0.7500%	0.0440%
Total Uses	**$**	**199,573**	**100.0%**		**9.5883%**	100.0000%			**-0.2470%**

Capital at Risk Invested	Return %	Index Return	Excess Performance	Portfolio Weight	Contribution
Stock Purchase	17.542%	1.7075%	15.8349%	41.4%	6.6%
Bond Purchase	5.167%	0.2105%	4.9569%	42.7%	2.1%
Total Uses					**8.67%**

PORTFOLIO OF STOCKS AND BONDS

Sector Selection within the Equity MarketS - Return Comparison to Market Benchmark

				DIVERSIFICATION DESCEPLINE						
INDUSTRY	**Portfolio WA**	**Bench Market Return**	**Over / Under Perform**	**1-Jun-17**	**2-Jul-17**	**1-Aug-17**	**1-Sep-17**	**2-Oct-17**	**1-Nov-17**	**1-Dec-17**
Chemicals	8.7%	6.20%	2.463%	11.1%	11.7%	2.7%	2.9%	10.1%	10.7%	11.5%
Healthcare	9.1%	8.10%	1.024%	9.1%	9.5%	9.3%	9.2%	9.1%	8.9%	8.8%
Hospitality	15.1%	3.00%	12.106%	14.5%	15.3%	19.2%	14.5%	14.6%	14.0%	13.7%
Industrial	2.0%	2.50%	-0.539%	5.1%	4.3%	0.7%	0.7%	0.9%	1.0%	1.1%
Pharmaceutical	5.4%	6.40%	-0.968%	5.4%	4.7%	4.3%	4.9%	5.3%	6.2%	7.2%
Publishing	5.1%	1.50%	3.620%	6.5%	6.9%	4.3%	4.5%	4.9%	4.6%	4.1%
Retail	14.2%	2.20%	11.975%	9.7%	11.6%	12.5%	15.5%	16.0%	16.3%	17.7%
Service	12.2%	5.60%	6.617%	10.9%	11.7%	12.1%	12.7%	13.3%	13.1%	11.7%
Techonlogy	12.8%	10.90%	1.873%	15.0%	9.7%	18.4%	18.8%	9.1%	9.3%	9.0%
TV/Cable	15.4%	5.20%	10.229%	12.6%	14.6%	16.5%	16.2%	16.6%	16.0%	15.4%
	100.00%			**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Equity Value				$ 82,600	$ 82,200	$ 84,050	$ 85,000	$ 85,450	$ 87,300	$ 92,275

Sector Selection within the Equity Market - Weights Comparison to Market Benchmark

				DIVERSIFICATION DESCEPLINE						
INDUSTRY	**Portfolio WA**	**Bench Market Weights**	**Over / Under Weight**	**1-Jun-17**	**2-Jul-17**	**1-Aug-17**	**1-Sep-17**	**2-Oct-17**	**1-Nov-17**	**1-Dec-17**
Chemicals	8.7%	8.00%	0.663%	11.1%	11.7%	2.7%	2.9%	10.1%	10.7%	11.5%
Healthcare	9.1%	13.00%	-3.876%	9.1%	9.5%	9.3%	9.2%	9.1%	8.9%	8.8%
Hospitality	15.1%	8.00%	7.106%	14.5%	15.3%	19.2%	14.5%	14.6%	14.0%	13.7%
Industrial	2.0%	10.00%	-8.039%	5.1%	4.3%	0.7%	0.7%	0.9%	1.0%	1.1%
Pharmaceutical	5.4%	15.00%	-9.568%	5.4%	4.7%	4.3%	4.9%	5.3%	6.2%	7.2%
Publishing	5.1%	7.00%	-1.880%	6.5%	6.9%	4.3%	4.5%	4.9%	4.6%	4.1%
Retail	14.2%	8.00%	6.175%	9.7%	11.6%	12.5%	15.5%	16.0%	16.3%	17.7%
Service	12.2%	12.00%	0.217%	10.9%	11.7%	12.1%	12.7%	13.3%	13.1%	11.7%
Techonlogy	12.8%	14.00%	-1.227%	15.0%	9.7%	18.4%	18.8%	9.1%	9.3%	9.0%
TV/Cable	15.4%	5.00%	10.429%	12.6%	14.6%	16.5%	16.2%	16.6%	16.0%	15.4%
	100.00%	**100.00%**		**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Equity Value				$ -	$ -	$ -	$ -	$ -	$ -	$ -

Symbol	**Company Name**	**Industry**	**1-Jun-17**	**2-Jul-17**	**1-Aug-17**	**1-Sep-17**	**2-Oct-17**	**1-Nov-17**	**1-Dec-17**
ABC	ABC Chem Inc	Chemicals	11.1%	11.7%	2.7%	2.9%	3.0%	3.1%	3.0%
BCD	BCD Precision Inc	Industrial	5.1%	4.3%	0.7%	0.7%	0.9%	1.0%	1.1%
CDE	CDE Inc	Publishing	6.5%	6.9%	4.3%	4.5%	4.9%	4.6%	4.1%
DEF	DEF Inc	Hospitality	14.5%	15.3%	15.3%	10.6%	10.5%	10.3%	10.0%
EFG	Effective Inc	TV/Cable	12.6%	14.6%	14.3%	14.1%	14.5%	14.2%	13.2%
FGH	FGH Inc	Techonlogy	15.0%	9.7%	11.9%	12.2%	2.3%	2.5%	2.6%
GHI	General HI	Service	10.9%	11.7%	12.1%	12.7%	13.3%	13.1%	11.7%
HIK	Hicks Kental Inc	Retail	9.7%	11.6%	12.5%	12.9%	13.5%	13.7%	15.2%
IKL	IKL Inc	Pharmaceutical	5.4%	4.7%	4.3%	4.9%	5.3%	6.2%	7.2%
KLM	KLM Health	Healthcare	9.1%	9.5%	9.3%	9.2%	9.1%	8.9%	8.8%
LMN	LMN Hotel & Resorts	Hospitality	0.0%	0.0%	3.8%	3.9%	4.1%	3.7%	3.7%
MNO	MNO Cable Inc	TV/Cable	0.0%	0.0%	2.3%	2.1%	2.1%	1.8%	2.2%
NOP	Norton Optimum	Techonlogy	0.0%	0.0%	6.5%	6.6%	6.8%	6.8%	6.4%
OPQ	Odyssea PQ Inc	Retail	0.0%	0.0%	0.0%	2.6%	2.6%	2.5%	2.5%
PQR	PQR Chemicals	Chemicals	0.0%	0.0%	0.0%	0.0%	7.0%	7.6%	8.5%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%