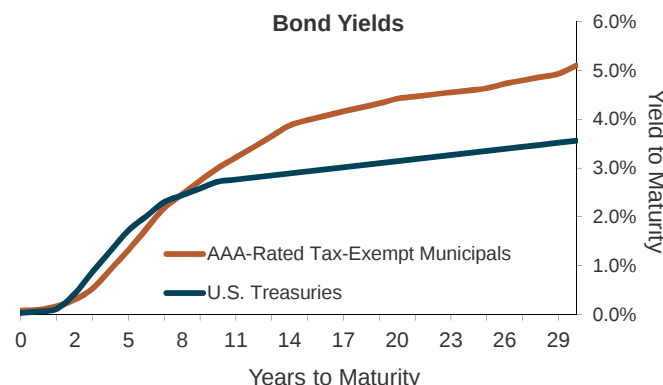
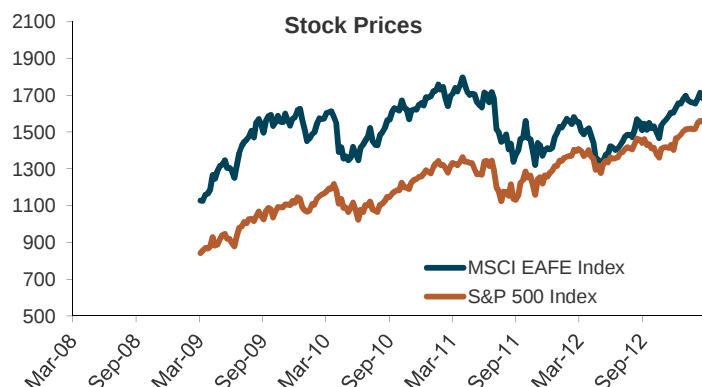


QUARTERLY INVESTMENT UPDATE

WORTH KNOWING™

For the Quarter Ending March 31, 2014



Stock Market Commentary

The S&P 500's strong close on the final day of March accounted for nearly half of the first quarter return of 1.8%. Markets withstood a number of challenges, including a frigid winter, a crisis in Ukraine, and uncertainty over Federal Reserve policy. As investors digested the large gains of 2013, valuations came into focus and leadership shifted. Mid-cap stocks outperformed both large and small cap stocks and value stocks overtook growth. The strongest market sectors included Utilities and Healthcare, gaining 9.9% and 5.8%, respectively. Consumer Discretionary stocks, which had led in 2013, fared the worst in the first quarter, sliding 2.8%.

Strong European stock performance during the quarter evaporated with the onset of the Crimean crisis. The MSCI Developed Markets index finished with a slight gain of 0.8%. Emerging Markets declined early in the quarter, as estimates for China GDP growth were slashed further. A late rebound produced a nearly flat return of -0.4% for the MSCI Emerging Markets index. The DJ Wilshire Real Estate index surged 10.3% as interest rates retreated during the quarter.

STOCK MARKETS 3 Months 1 Year 3 Years*

Large Stocks

S&P 500	1.8%	21.8%	14.6%
Russell 1000	2.0%	22.4%	14.7%
Russell 1000 Growth	1.1%	23.2%	14.6%
Russell 1000 Value	3.0%	21.6%	14.8%

Medium and Small Stocks

S&P 400 Midcap	3.0%	21.2%	13.3%
Russell 2000	1.1%	24.9%	13.2%
Russell 2000 Growth	0.5%	27.2%	13.6%
Russell 2000 Value	1.8%	22.6%	12.7%

International Stocks

MSCI Developed (EAFE)	0.8%	18.3%	7.9%
MSCI Emerging Markets	-0.4%	-1.4%	-2.9%

Real Estate

DJ Wilshire REIT Index	10.3%	4.3%	10.3%
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Bond Market Commentary

Investors waiting for higher interest rates were disappointed in the first quarter. The yield on the 10-Year Treasury fell from 3.0% to 2.7% and some of last year's worst-performing fixed income sectors enjoyed strong gains for the quarter. The Barclays Aggregate index gained 1.8% after losing 2% in 2013, and long-duration municipal bonds rose 3.1% for the quarter after giving up 2.1% in 2013.

Within the municipal bond market, a lower than average level of new supply, combined with high demand due to rising tax rates has led to a steady rise in prices. New municipal bond issuance in January and February is down 29% compared to the same period last year. Some of the riskiest municipal bond issuers, including Puerto Rico and the City of Chicago, have seen strong demand for new bonds. Over the past several weeks, Chicago and Puerto Rico successfully sold general obligation bonds totaling nearly \$4 billion.

BOND MARKETS 3 Months 1 Year 3 Years*

Taxable Bonds

Aggregate	1.8%	-0.1%	3.8%
Intermediate Govt./Credit	1.0%	-0.1%	3.1%
U.S. Government	1.3%	-1.2%	3.2%
U.S. Credit	2.9%	1.0%	5.8%
High-Yield Bonds	3.0%	7.5%	9.0%

Tax-Free Bonds

3-Year Municipal	0.3%	1.1%	2.1%
5-Year Municipal	1.0%	1.0%	3.7%
10-Year Municipal	3.1%	0.5%	5.9%

Sources: Bloomberg, Municipal Market Data, Vanguard, Lipper.

The bond indexes above are produced by Barclays Capital.

Returns include the reinvestment of interest and dividends.

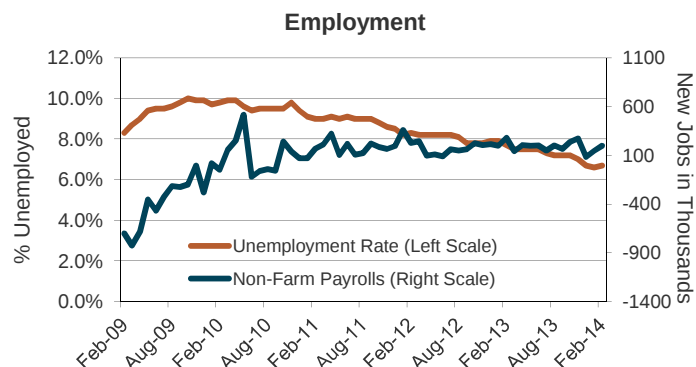
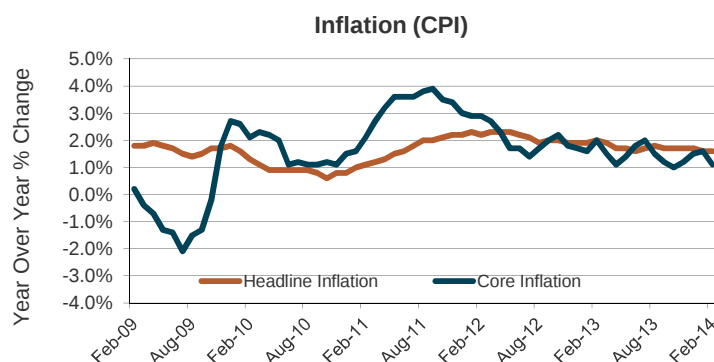
*Returns are annualized.

To receive this Quarterly Investment Update by email, request our composite performance history, or request descriptions of the indexes and other information included in this report, please contact us at investmentnewsletters@perkinscoie.com.

QUARTERLY INVESTMENT UPDATE

WORTH KNOWING™

For the Quarter Ending March 31, 2014



Economic Commentary

Economic conditions illustrate the balance between slow and steady growth in the US and persistent worries about political and economic stability in emerging markets. Some of the slow growth experienced over the past several months has been weather-related. Other causes include the impact of the government shutdown and budget settlement, major inventory buildups and higher interest rates. Positive factors include accelerating oil and gas production, a strengthening housing market, and a reduction in government austerity measures.

The US economy generated 192,000 jobs in March, in line with expectations and indicative of a slowly growing economy. The March total was a little better than the six-month average of 182,000 and should give the Federal Reserve room to continue its tapering program. The latest employment report also included upward revisions for the January and February totals. The economy appears to be emerging from a weather-related setback in the first part of the year when freezing temperatures and mountains of snow kept shoppers indoors, grounded flights, and made it harder for shippers to fill product orders.

Key Economic Releases

EMPLOYMENT	As of	Expected	Actual	Prior
Unit Labor Costs (4Q)	MAR	-0.5%	-0.1%	-2.0%
Unemployment Rate	MAR	6.60%	6.70%	6.70%
Average Hourly Earnings (YoY)	MAR	2.3%	2.1%	2.2%
Change in Manuf. Payrolls	MAR	7K	-1K	19K
Change in Non-Farm Payrolls	MAR	200K	192K	197K

INFLATION (year over year)	As of	Expected	Actual	Prior
Consumer Price Index	FEB	1.2%	1.1%	1.6%
CPI Ex Food & Energy	FEB	1.6%	1.6%	1.6%
Producer Price Index	FEB	1.1%	1.2%	0.7%
PPI Ex Food & Energy	FEB	1.3%	1.4%	1.3%

HOME PRICES (year over year)	As of	Expected	Actual	Prior
S&P/Case Shiller Top 20 Mkts.	JAN	13.3%	13.2%	13.4%

MANUFACTURING ACTIVITY	As of	Expected	Actual	Prior
Capacity Utilization	FEB	78.6%	78.8%	78.5%
Leading Indicators	FEB	0.2%	0.5%	0.1%
GDP Annualized (4Q)	MAR	2.7%	2.6%	4.1%

PRODUCTIVITY	As of	Expected	Actual	Prior
Non-Farm Productivity (4Q)	MAR	2.2%	1.8%	3.6%
Industrial Production	FEB	0.2%	0.6%	-0.2%

Source: Bloomberg.

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