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ATLANTA CONSULTING GROUP

## Harbor Branch Oceanographic Institute Foundation, Inc.

March 28, 2014

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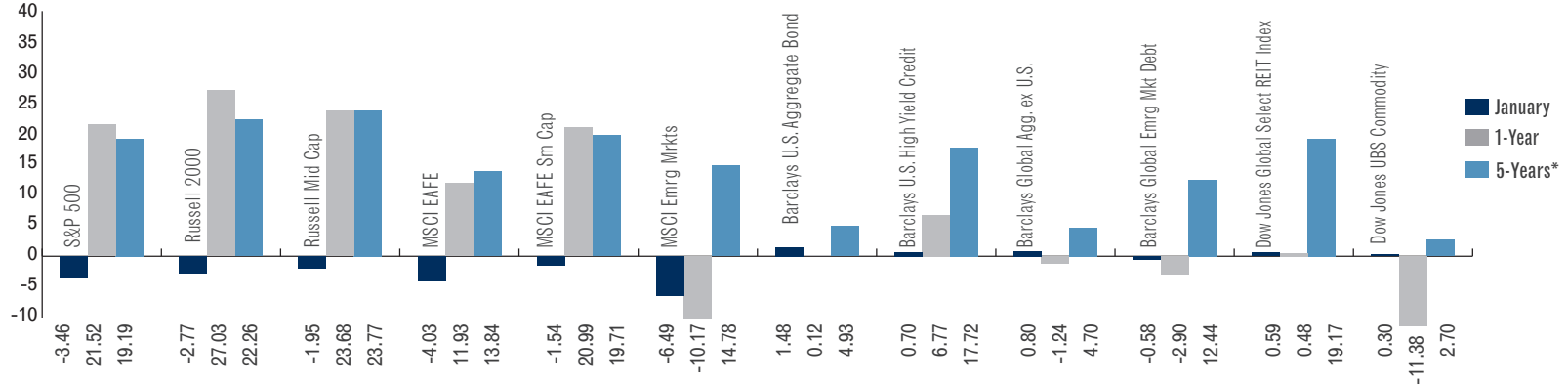
# MONTHLY CAPITAL MARKETS REVIEW

News from Asset Management Services Institutional Research

## JANUARY HIGHLIGHTS

- January was a volatile month for the equity markets, with most major equity indices posting negative returns. Domestic stocks outperformed international stocks according to the S&P 500 and the MSCI EAFE Index. Emerging market equities were hit the hardest, resulting in a -6.49% decline in the MSCI Emerging Markets Index.
- Growth-style stocks were favored over value stocks in the domestic large- and small-cap spaces while value outperformed in the small cap space. International equity markets preferred value to growth as well in January.
- Most of sectors within the S&P 500 earned negative returns in January while utilities and healthcare were the top performers, returning 3.00% and 0.93%, respectively, for the month. Over the past 12 months, healthcare has been the standout sector, returning 32.85%.
- Global fixed income performance was mixed in January with safer asset classes dominating the markets. According to the Barclays indices, domestic aggregate bonds earned 1.48% and high yield bonds gained 0.70% for the month while emerging market debt fell 0.58%.
- U.S. REITs, measured by the Dow Jones Global Select REIT Index, were up 0.59% in January and up 0.45% over the past twelve months.
- The Dow Jones UBS Commodities Index earned 0.30% in January. The 3.86% rise in the price of gold price aided index performance.

## INDEX RETURNS (%)



## FOCUS ITEMS

	1/31/14	12/31/13	1-Mth Change	1/31/13
Japanese Yen/U.S. Dollar	102.04	105.31	-3.11%	91.71
Euro to U.S. Dollar	1.35	1.37	-1.87%	1.36
Gold	1251.00	1204.50	3.86%	1664.75
10-Year Treasury Yield	2.64	3.03	-12.69%	1.98
Light Crude Oil	97.49	98.42	-0.94%	97.49

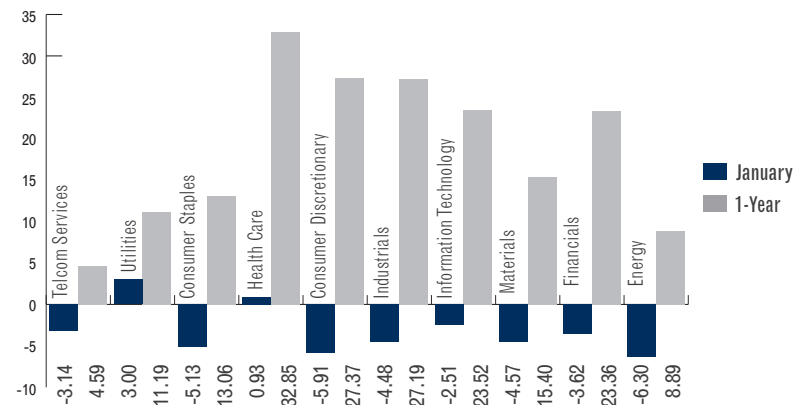
## INTERNATIONAL EQUITY RETURNS (%)

	January	1-Year	5-Years*
MSCI EAFE Growth	-4.48	11.84	13.81
MSCI EAFE	-4.03	11.93	13.84
MSCI EAFE Value	-3.57	11.97	13.83

## FIXED INCOME SECTOR RETURNS (%)

	January	1-Year	5-Years*
Barclays U.S. Aggregate	1.48	0.12	4.93
Barclays U.S. Treasury	1.36	-0.63	3.03
Barclays U.S. Corporate	1.81	1.15	8.92
Barclays U.S. Gov't Related	1.07	-1.07	3.77
Barclays U.S. Securitized	1.51	0.66	4.71
Barclays U.S. Municipal	1.95	-1.07	5.54

## S&P SECTOR RETURNS (%)



## EQUITY STYLE RETURNS (%)

JANUARY		Value			Core			Growth		
		Large	Mid	Small	Large	Mid	Small	Large	Mid	Small
		-3.55	-1.69	-3.87	-3.19	-1.95	-2.77	-2.85	-2.17	-1.73
1-YEAR		Value			Core			Growth		
		Large	Mid	Small	Large	Mid	Small	Large	Mid	Small
		20.02	22.14	22.04	22.23	23.68	27.03	24.35	25.08	32.13

\*5-Year performance number is Annualized. Please see next page for additional information.

Past performance is not a guarantee of future results. Indexes are not available for direct investment. Any investor who attempts to mimic an index will incur fees and expenses which would reduce returns.

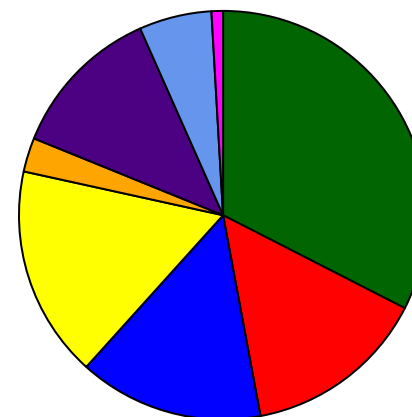
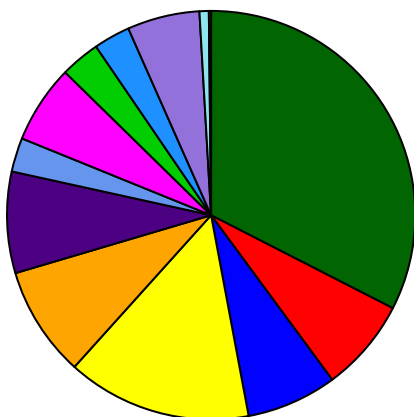
# Harbor Branch Oceanographic Institute Foundation, Inc.

## Total Composite

Report Period: 01-31-2014

Fiscal Year Ends: June

### Asset Composition By Account and Style



Account	Market Value	% of Total	Target Alloc %	% Diff
Vanguard 500 Index	20,585,170	32.52	30.00	2.52
Southern Sun Asset Management	4,666,721	7.37	6.25	1.12
Kornitzer Capital	4,537,650	7.17	6.25	0.92
<b>EuroPacific Growth F-2</b>	<b>9,259,901</b>	<b>14.63</b>	<b>17.50</b>	<b>(2.87)</b>
Loomis Sayles Bond Institutional	5,534,588	8.74	7.50	1.24
PIMCO Short Term	5,073,145	8.01	7.50	0.51
Legg Mason BW Global Opp Bond Fund	1,706,810	2.70	5.00	(2.30)
Ironwood International Ltd (Class C&D Shares)	3,916,786	6.19	6.00	0.19
Archstone Offshore LTD	1,988,283	3.14	4.50	(1.36)
Collins Div. Offshore II LTD	1,827,589	2.89	4.50	(1.61)
PIMCO Short Term	3,631,225	5.74	5.00	0.74
Cash	461,821	0.73	0.00	0.73
Liongate Holdback	115,501	0.18	0.00	0.18
<b>Total</b>	<b>\$63,305,190</b>	<b>100%</b>	<b>100%</b>	

Manager Style	Market Value	% of Total
Large Cap Equity	20,585,170	32.52
Small Cap Equity	9,204,372	14.54
International Equity	9,259,901	14.63
Fixed Income	10,607,733	16.76
Global Fixed Income	1,706,810	2.70
Alternative Investments	7,732,658	12.21
Cash/Short Term Fixed Income	3,631,225	5.74
Cash & Equivalents	577,322	0.91
<b>Total</b>	<b>\$63,305,190</b>	<b>100%</b>

Items highlighted represent managers on cautionary status.

# Harbor Branch Oceanographic Institute Foundation, Inc.

Report Period Ending January 31, 2014

Fiscal Year Ends: June

	Market Value	Current Allocation	Latest Month	QTD 12/31/2013 01/31/2014	Fiscal YTD	YTD	Latest Year	Latest 3 Years	Latest 5 Years	Inception to Date	Inception Date
<b>Total Composite</b>	<b>\$63,305,190</b>	<b>100.00%</b>	<b>-2.25%</b>	<b>-2.25%</b>	<b>8.88%</b>	<b>-2.25%</b>	<b>12.47%</b>	<b>8.22%</b>	<b>13.09%</b>	<b>5.80%</b>	<b>12/31/2005</b>
<b>Balanced Index</b>			<b>-1.89%</b>	<b>-1.89%</b>	<b>8.63%</b>	<b>-1.89%</b>	<b>11.87%</b>	<b>7.70%</b>	<b>11.32%</b>	<b>5.62%</b>	
<b>Large Cap Equity</b>											
Vanguard 500 Index	\$20,585,170	32.52%	-3.46%	-3.46%	12.10%	-3.46%	21.30%	N/A	N/A	21.70%	08/23/2011
S&P 500			-3.46%	-3.46%	12.29%	-3.46%	21.52%	N/A	N/A	21.78%	
<b>Small Cap Equity</b>											
Southern Sun Asset Management Russell 2000	\$4,666,721	7.37%	-4.03%	-4.03%	15.99%	-4.03%	26.60%	19.38%	29.21%	11.16%	12/31/2005
			-2.77%	-2.77%	16.50%	-2.77%	27.03%	14.69%	22.26%	8.07%	
Kornitzer Capital Russell 2000	\$4,537,650	7.17%	-3.62%	-3.62%	15.90%	-3.62%	31.53%	16.01%	21.28%	8.60%	12/31/2005
			-2.77%	-2.77%	16.50%	-2.77%	27.03%	14.69%	22.26%	8.07%	
<b>International Equity</b>											
EuroPacific Growth F-2	\$9,259,901	14.63%	-4.04%	-4.04%	13.19%	-4.04%	11.38%	6.03%	14.80%	5.96%	12/31/2005
MSCI EAFE - Net			-4.03%	-4.03%	13.19%	-4.03%	11.93%	5.87%	13.84%	3.98%	
<b>Fixed Income</b>											
Loomis Sayles Bond Institutional Barclays Gov/Credit	\$5,534,588	8.74%	-0.02%	-0.02%	4.97%	-0.02%	4.24%	7.75%	14.21%	7.69%	07/31/2007
			1.46%	1.46%	1.80%	1.46%	-0.12%	4.11%	5.02%	5.29%	
PIMCO Short Term Citi 3 Month T-Bill	\$5,073,145	8.01%	0.28%	0.28%	N/A	0.28%	N/A	N/A	N/A	0.21%	11/15/2013
			0.00%	0.00%	N/A	0.00%	N/A	N/A	N/A	0.01%	
<b>Global Fixed Income</b>											
Legg Mason BW Global Opp Bond Fund	\$1,706,810	2.70%	-0.53%	-0.53%	-0.99%	-0.53%	N/A	N/A	N/A	-5.34%	02/01/2013
Citi World Govt Bond			1.31%	1.31%	3.10%	1.31%	N/A	N/A	N/A	-1.29%	
<b>Alternative Investments</b>											
Ironwood International Ltd (Class C&D Shares)	\$3,916,786	6.19%	0.92%	0.92%	7.39%	0.92%	11.11%	7.66%	9.89%	4.61%	12/31/2005
HFRI FOF Conservative			0.41%	0.41%	4.34%	0.41%	6.36%	2.59%	4.37%	2.06%	
Archstone Offshore LTD HFRI Fund of Funds	\$1,988,283	3.14%	-0.99%	-0.99%	7.18%	-0.99%	11.53%	5.62%	8.44%	4.84%	12/31/2005
			-0.45%	-0.45%	4.71%	-0.45%	5.98%	2.21%	4.58%	2.34%	
Collins Div. Offshore II LTD HFRI Fund of Funds	\$1,827,589	2.89%	0.27%	0.27%	4.80%	0.27%	5.93%	4.15%	6.74%	3.18%	12/31/2005
			-0.45%	-0.45%	4.71%	-0.45%	5.98%	2.21%	4.58%	2.34%	
<b>Cash/Short Term Fixed Income</b>											
PIMCO Short Term Citi 3 Month T-Bill	\$3,631,225	5.74%	0.29%	0.29%	1.19%	0.29%	1.03%	1.53%	N/A	1.55%	08/12/2010
			0.00%	0.00%	0.02%	0.00%	0.05%	0.06%	N/A	0.08%	
<b>Cash &amp; Equivalents</b>											
Cash	\$461,821	0.73%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12/31/2005
Citi 1 Month T-Bill			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Liongate Holdback	\$115,501	0.18%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12/31/2013

# Harbor Branch Oceanographic Institute Foundation, Inc.

Report Period Ending January 31, 2014

Fiscal Year Ends: June

	<b>Market Value</b>	<b>Current Allocation</b>	<b>Latest Month</b>	<b>QTD 12/31/2013 01/31/2014</b>	<b>Fiscal YTD</b>	<b>YTD</b>	<b>Latest Year</b>	<b>Latest 3 Years</b>	<b>Latest 5 Years</b>	<b>Inception to Date</b>	<b>Inception Date</b>
Citi 1 Month T-Bill			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Balanced Index is calculated using composite market values by asset class, assigning these weights to the appropriate index for comparison. These weights are adjusted historically based on month by month changes in your asset allocation. The Balanced Index weights as of 01/31/14 are: 1% Citi 1 Month T-Bill, 14% Citi 3 Month T-Bill, 3% Citi World Govt Bond, 15% MSCI EAFE - Net, 6% HFRI FOF Conservative, 6% HFRI Fund of Funds, 14% Russell 2000, 32% S&P 500, 9% Barclays Gov/Credit

\*\*items highlighted represent managers on cautionary status.

\*\*\*\*All returns are net of management fees

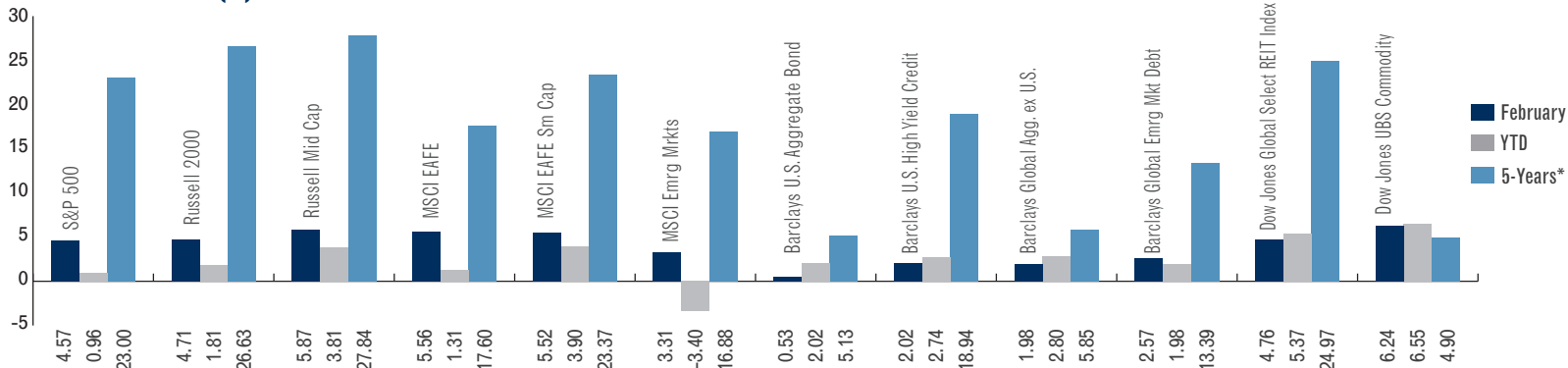
# MONTHLY CAPITAL MARKETS REVIEW

News from Asset Management Services Institutional Research

## FEBRUARY HIGHLIGHTS

- February was a strong month for equity market performance. Domestic mid-cap equities were the top performing segment, returning 5.87% according to the Russell Mid Cap Index. Large and small caps led the international equity markets, earning 5.56% and 5.52% for the month according to the MSCI EAFE Indices, respectively. Emerging market equities (EM) rose 3.31% in February but the MSCI EM Index is down -3.40% year to date.
- From a style standpoint, growth stocks outperformed value stocks domestically, while the international equity markets preferred value to growth in February.
- Most sectors within the S&P 500 earned positive returns in February with the exception of S&P Telecommunications Index (-1.04%). The S&P Materials and Consumer Discretionary Indices were the top performers, gaining 6.92% and 6.24%, respectively, for the month.
- The price of gold and crude oil rose in February, ending the month up 6.04% and 5.23%, respectively. This helped the Dow Jones UBS Commodities Index appreciate by 6.34% for the month but the index is still down -1.84% over the past twelve months.
- Global REITs, measured by the Dow Jones Global Select REIT Index, jumped 4.78% in February and it has risen 5.37% on a year-to-date basis.
- Global fixed income performance was positive in February with riskier asset classes dominating the markets. According to the Barclays fixed income indices, emerging market debt (+2.51%) headed the global fixed income markets this month, followed by U.S. high yield bonds (+2.02%).

## INDEX RETURNS (%)



## FOCUS ITEMS

	2/28/14	1/31/14	1-Mth Change	2/28/13
Japanese Yen/U.S. Dollar	101.77	102.04	-0.26%	92.56
Euro to U.S. Dollar	1.38	1.35	2.33%	1.31
Gold	1326.50	1251.00	6.04%	1588.50
10-Year Treasury Yield	2.65	2.64	0.23%	1.88
Light Crude Oil	102.59	97.49	5.23%	92.05

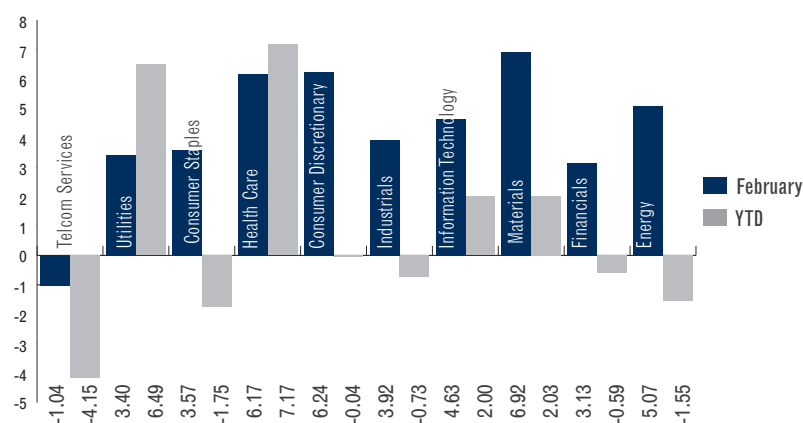
## INTERNATIONAL EQUITY RETURNS (%)

	February	Year to Date	5-Years*
MSCI EAFE Growth	5.49	0.76	17.31
MSCI EAFE	5.56	1.31	17.60
MSCI EAFE Value	5.63	1.86	17.86

## FIXED INCOME SECTOR RETURNS (%)

	February	Year to Date	5-Years*
Barclays U.S. Aggregate	0.53	2.02	5.13
Barclays U.S. Treasury	0.27	1.63	3.20
Barclays U.S. Corporate	1.04	2.87	9.58
Barclays U.S. Gov't Related	0.88	1.96	3.93
Barclays U.S. Securitized	0.35	1.87	4.74
Barclays U.S. Municipal	1.17	3.14	5.68

## S&P SECTOR RETURNS (%)



## EQUITY STYLE RETURNS (%)

FEBRUARY		Value			Core			Growth		
		Large	Mid	Small	Large	Mid	Small	Large	Mid	Small
		4.32	5.40	4.58	4.75	5.87	4.71	5.15	6.28	4.83
YEAR TO DATE		Value			Core			Growth		
		Large	Mid	Small	Large	Mid	Small	Large	Mid	Small
		0.62	3.62	0.53	1.40	3.81	1.81	2.15	3.97	3.02

\*5-Year performance number is Annualized. Please see next page for additional information.

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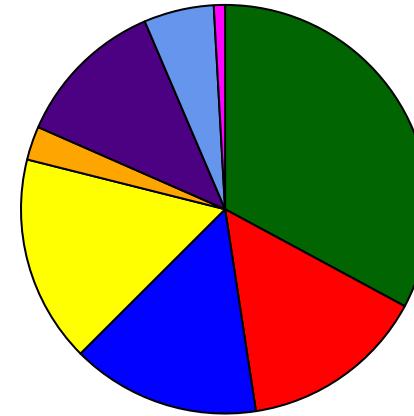
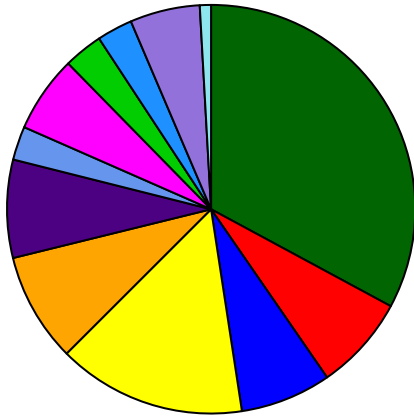
# Harbor Branch Oceanographic Institute Foundation, Inc.

## Total Composite

Report Period: 02-28-2014

Fiscal Year Ends: June

### Asset Composition By Account and Style



Account	Market Value	% of Total	Target Alloc %	% Diff
Vanguard 500 Index	21,526,127	32.86	30.00	2.86
Southern Sun Asset Management	4,928,036	7.52	6.25	1.27
Kornitzer Capital	4,711,891	7.19	6.25	0.94
<b>EuroPacific Growth F-2</b>	<b>9,789,883</b>	<b>14.95</b>	<b>17.50</b>	<b>(2.55)</b>
Loomis Sayles Bond Institutional	5,661,904	8.64	7.50	1.14
PIMCO Short Term	5,077,477	7.75	7.50	0.25
Legg Mason BW Global Opp Bond Fund	1,748,130	2.67	5.00	(2.33)
Ironwood International Ltd (Class C&D Shares)	3,967,704	6.06	6.00	0.06
Archstone Offshore LTD	2,033,325	3.10	4.50	(1.40)
Collins Div. Offshore II LTD	1,845,640	2.82	4.50	(1.68)
PIMCO Short Term	3,634,326	5.55	5.00	0.55
Cash	579,541	0.88	0.00	0.88
<b>Total</b>	<b>\$65,503,983</b>	<b>100%</b>	<b>100%</b>	

Manager Style	Market Value	% of Total
Large Cap Equity	21,526,127	32.86
Small Cap Equity	9,639,927	14.72
International Equity	9,789,883	14.95
Fixed Income	10,739,381	16.40
Global Fixed Income	1,748,130	2.67
Alternative Investments	7,846,669	11.98
Cash/Short Term Fixed Income	3,634,326	5.55
Cash & Equivalents	579,541	0.88
<b>Total</b>	<b>\$65,503,983</b>	<b>100%</b>

Items highlighted represent managers on cautionary status.



# Harbor Branch Oceanographic Institute Foundation, Inc.

Report Period Ending February 28, 2014

Fiscal Year Ends: June

	Market Value	Current Allocation	Latest Month	QTD 12/31/2013 02/28/2014	Fiscal YTD	YTD	Latest Year	Latest 3 Years	Latest 5 Years	Inception to Date	Inception Date
<b>Total Composite Balanced Index</b>	<b>\$65,503,983</b>	<b>100.00%</b>	<b>3.47%</b>	<b>1.14%</b>	<b>12.65%</b>	<b>1.14%</b>	<b>16.05%</b>	<b>8.62%</b>	<b>14.80%</b>	<b>6.18%</b>	<b>12/31/2005</b>
			<b>3.24%</b>	<b>1.29%</b>	<b>12.14%</b>	<b>1.29%</b>	<b>14.92%</b>	<b>8.03%</b>	<b>12.98%</b>	<b>5.98%</b>	
<b>Large Cap Equity</b>											
Vanguard 500 Index	\$21,526,127	32.86%	4.57%	0.95%	17.23%	0.95%	25.15%	N/A	N/A	23.14%	08/23/2011
S&P 500			4.57%	0.96%	17.42%	0.96%	25.37%	N/A	N/A	23.22%	
<b>Small Cap Equity</b>											
Southern Sun Asset Management Russell 2000	\$4,928,036	7.52%	5.60%	1.34%	22.49%	1.34%	32.69%	19.49%	35.73%	11.80%	12/31/2005
			4.71%	1.81%	21.99%	1.81%	31.56%	14.41%	26.63%	8.60%	
Kornitzer Capital Russell 2000	\$4,711,891	7.19%	3.84%	0.08%	20.35%	0.08%	36.07%	16.16%	23.70%	9.02%	12/31/2005
			4.71%	1.81%	21.99%	1.81%	31.56%	14.41%	26.63%	8.60%	
<b>International Equity</b>											
EuroPacific Growth F-2	\$9,789,883	14.95%	5.72%	1.46%	19.66%	1.46%	19.41%	7.11%	17.49%	6.63%	12/31/2005
MSCI EAFE - Net			5.56%	1.31%	19.48%	1.31%	19.28%	6.63%	17.60%	4.64%	
<b>Fixed Income</b>											
Loomis Sayles Bond Institutional Barclays Gov/Credit	\$5,661,904	8.64%	2.30%	2.28%	7.38%	2.28%	7.19%	7.94%	15.49%	7.97%	07/31/2007
			0.61%	2.09%	2.42%	2.09%	-0.09%	4.24%	5.33%	5.32%	
PIMCO Short Term Citi 3 Month T-Bill	\$5,077,477	7.75%	0.09%	0.37%	N/A	0.37%	N/A	N/A	N/A	0.30%	11/15/2013
			0.00%	0.00%	N/A	0.00%	N/A	N/A	N/A	0.01%	
<b>Global Fixed Income</b>											
Legg Mason BW Global Opp Bond Fund	\$1,748,130	2.67%	2.42%	1.88%	1.41%	1.88%	-1.39%	N/A	N/A	-2.84%	02/01/2013
Citi World Govt Bond			1.43%	2.76%	4.57%	2.76%	1.15%	N/A	N/A	0.12%	
<b>Alternative Investments</b>											
Ironwood International Ltd (Class C&D Shares)	\$3,967,704	6.06%	1.30%	2.23%	8.78%	2.23%	11.84%	7.60%	10.16%	4.73%	12/31/2005
HFRI FOF Conservative			1.26%	1.67%	5.65%	1.67%	7.31%	2.75%	4.65%	2.20%	
Archstone Offshore LTD	\$2,033,325	3.10%	2.27%	1.26%	9.61%	1.26%	13.30%	5.99%	9.16%	5.08%	12/31/2005
HFRI Fund of Funds			1.75%	1.29%	6.54%	1.29%	7.53%	2.52%	5.02%	2.54%	
Collins Div. Offshore II LTD	\$1,845,640	2.82%	0.99%	1.26%	5.83%	1.26%	6.73%	4.25%	7.06%	3.27%	12/31/2005
HFRI Fund of Funds			1.75%	1.29%	6.54%	1.29%	7.53%	2.52%	5.02%	2.54%	
<b>Cash/Short Term Fixed Income</b>											
PIMCO Short Term Citi 3 Month T-Bill	\$3,634,326	5.55%	0.09%	0.37%	1.28%	0.37%	0.92%	1.49%	N/A	1.54%	08/12/2010
			0.00%	0.00%	0.02%	0.00%	0.04%	0.06%	N/A	0.08%	
<b>Cash &amp; Equivalents</b>											
Cash	\$579,541	0.88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12/31/2005
Citi 1 Month T-Bill			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

# Harbor Branch Oceanographic Institute Foundation, Inc.

Report Period Ending February 28, 2014

Fiscal Year Ends: June

	<b>Market Value</b>	<b>Current Allocation</b>	<b>Latest Month</b>	<b>QTD 12/31/2013 02/28/2014</b>	<b>Fiscal YTD</b>	<b>YTD</b>	<b>Latest Year</b>	<b>Latest 3 Years</b>	<b>Latest 5 Years</b>	<b>Inception to Date</b>	<b>Inception Date</b>
<p>The Balanced Index is calculated using composite market values by asset class, assigning these weights to the appropriate index for comparison. These weights are adjusted historically based on month by month changes in your asset allocation. The Balanced Index weights as of 02/28/14 are: 1% Citi 1 Month T-Bill, 14% Citi 3 Month T-Bill, 3% Citi World Govt Bond, 15% MSCI EAFE - Net, 6% HFRI FOF Conservative, 6% HFRI Fund of Funds, 15% Russell 2000, 31% S&amp;P 500, 9% Barclays Gov/Credit</p>											

\*\*items highlighted represent managers on cautionary status.

\*\*\*\*All returns are net of management fees