WORLDWIDE DIVIDEND PLUS STRATEGY & OUTLOOK

Strategy Asset Managers

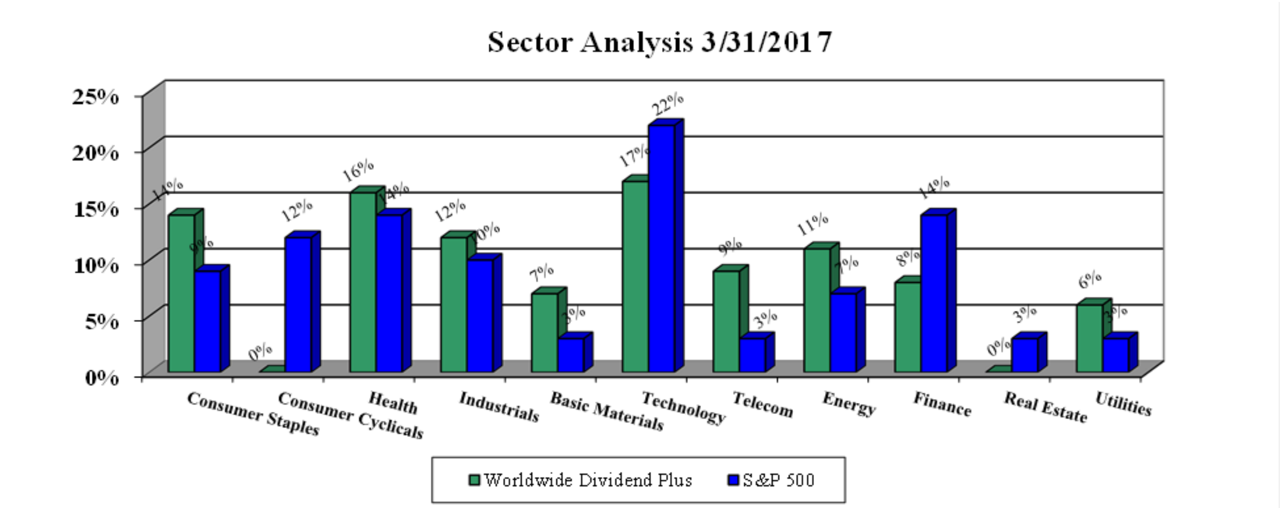
STRATEGY

After earning a return of 15.4% for calendar 2016, substantially outperforming the Global Equity Benchmark's return of 9.9%, our Worldwide Dividend Plus strategy earned a solid return of 4.9% for the 1st quarter of 2017, but lagging the Global Equity Benchmark return of 6.3%. Despite having a dividend return approximately 50% higher than the S&P 500's return (3.4% vs. 2.2%), value based strategies were not rewarded in the first quarter of the year. In the 4th quarter of 2016, it looked as if the market was beginning to turn back to value, but that trend was reversed in the first quarter of 2017. Historically, value and growth have tended to oscillate over multi-year periods. We believe the markets are starting to move toward value and expect that trend to be beneficial to this strategy.

That is not to say that we did not have strong performance from the stocks in our portfolio. We had virtually no significant losers based upon fundamentals, but were primarily negatively impacted by the oil price trends reversing in the first quarter; three of our bottom five performers were oil stocks.

From a sector perspective, we were overweight our top 3 performing sectors in the quarter (Industrials, Healthcare and Materials) and outperformed the benchmark sectors as well. The performance of our top three sectors were Industrials: 23.6%, Healthcare: 17.1% and Materials: 29.4%. It is always an auspicious outcome when the sectors we are overweight are also the best performing sectors of the benchmark; it's a trend that we hope to continue.

Top 5 Performers in the Quarter		Bottom 5 Performers in the Quarter	
Kimberly-Clark	16.2%	Exxon Mobil	-8.3%
Microchip Technology	15.6%	Chevron	-7.9%
Cisco Systems	12.7%	Verizon	-7.6%
Dow Chemical	11.9%	Sysco Corp	-5.6%
GlaxoSmithKline	11.0%	Royal Dutch Shell	-1.3%



This Worldwide Dividend Plus Strategy & Outlook reflects the views of the Investment Advisor only through the date of this report. The Investment Advisor's views are subject to change at any time based on market and other conditions. Please refer to the disclosure at the end of this report. Past performance is no guarantee of future returns. Portfolio characteristics are subject to change, and shown for illustrative purposes only. Data shown is from a representative account. A complete list of securities held in the portfolio for the past year is available upon request. March 31, 2017

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OUTLOOK

The eight year recovery remains intact. Majority party initiatives regarding Obamacare, taxes and infrastructure spending have not materialized as yet. It remains to be seen whether some bi-partisan support can be cobbled together to move these major initiatives forward. At the margin, many of the so called restrictive economic executive orders have been rolled back. Meanwhile, the eight year recovery is still intact. In fact, one can make the case that many economic factors are improving with little help from legislative initiatives. Company earnings (year-over- year) are improving, unemployment is below 5% and consumer confidence is at a 19 year high. Job openings are up as attempts are made to address the skills issue pertaining to the labor mismatch (between old skills and new skills) in this new technological era.

If little else is accomplished with the new administration, we have 2% economic growth, low inflation and slightly improving wages…a "not too hot- not too cold environment"! If we achieve only "more of the same," that has not been a bad place to be for the equity investor over the last 8 years.

We are long overdue for a market correction. One is likely at some point which would be viewed as a correction in an aging bull market.

For now, we remain optimistic that stocks are still the best place to generate investment returns to maintain one's purchasing power.