$60 per issue. Published 4 times per year: March, June, September and December.	**Indexing Advice** by Robert Gephart	1912 Cambridge Drive Saint Charles, IL 60174 630-492-0720 rob@robertgephart.com http://robertgephart.com/indexing-advice/

For a comfortable retirement, spend less than you earn and invest the difference.

DJIA: 16,322	**S&P 500: 1859**	**NASDAQ: 4308**	**10-yr Treasury: 2.66%**	**March 2014**

Indexing Advice is a newsletter that recommends how to diversify your investments across different market sectors based on current market news and trends. It does so by recommending that you invest a specific percentage of your assets in specific market sector funds (see the table below for current recommendations). This allows you to apply this advice in your company retirement plan or in your own brokerage account. If timed properly, this approach will likely achieve above average returns while mitigating risk with diversified holdings. This newsletter is published 4 times per year. It is recommended that you re-balance your portfolio to the current recommended percentages at least annually (if not more frequently) in order to take advantage of changing market conditions. If the preferred ETFs are not available in your retirement plan/401k, select the closest match available. If you have any questions about your specific plan or any other financial matter, do not hesitate to call me at the number listed above.

Sector:	**Prev.**	**Current**	**Preferred Exchange Traded-Fund (ETF) Name**	**Symbol**
Large Cap Stocks	35%	35%	Vanguard S&P 500 ETF	VOO
Small Cap Stocks	20%	20%	Vanguard Russell 2000 ETF	VTWO
International Stocks	30%	30%	Vanguard MSCI Europe, Australia, & Far East ETF	VEA
Intermediate Corp Bonds	15%	15%	Vanguard Intermediate-Term Corporate Bond ETF	VCIT

Economic Outlook:

What was that?!?! The stock market hit an air-pocket in January. After being up over 30% for 2013, the stock market started 2014 with a 7% decline. It has since recovered and is now pushing all time highs again. So what happened? It was a combination of events that eroded investor confidence and caused short-term investors to panic.

1) As holdings from last year became eligible for the long-term capital gains tax rate, investors started to exit positions, putting pressure on stocks.

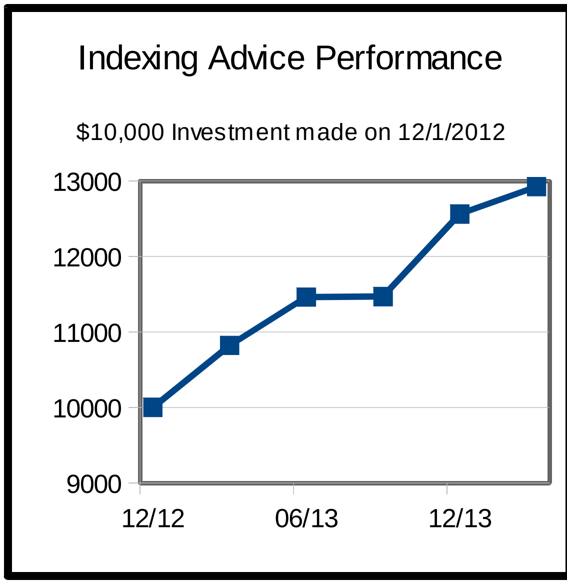
2) The Christmas season wasn't up to snuff. As retailers started to report their results from Christmas, investors became concerned about the economy and sold some positions.

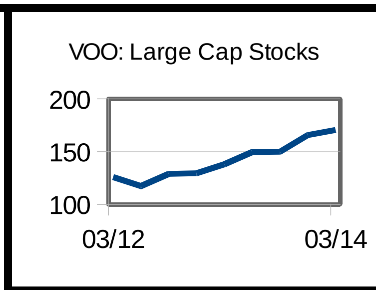
3) The market has not "corrected" since April 2011. A correction is defined as a market decline of 10%. Since the market corrects every 20 months on average, some investors are trying to time the next correction, making them very twitchy in regards to market downturns.

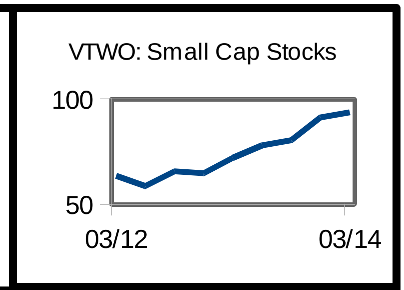
Looking forward, the economy is continuing to mend. We are still "muddling through". On Friday, the U.S. 4th Quarter Gross Domestic Product was revised downward from a previously estimated gain of 3.2% to a smaller gain of 2.4%. While downward revisions are not good news, it is good news that the economy continues to grow. While robust growth would be great news, the muddle through economy is keeping investors and companies anxious about the future. It is this anxiousness that creates a good market environment and keeps valuations fair.

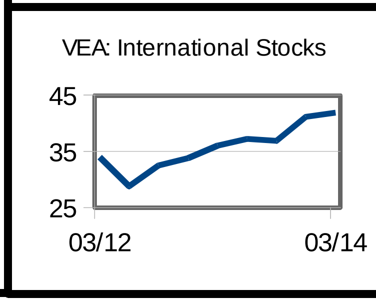
The current economic concern is how the cold weather is affecting the economy. There is no doubt that it will be a drag on GDP. However, it is just a small stumbling block that the economy is capable of overcoming. While there may be more air-pockets ahead, I believe that the stock markets around the world will be up for the year. I am not changing the allocations this quarter. Stay fully invested.

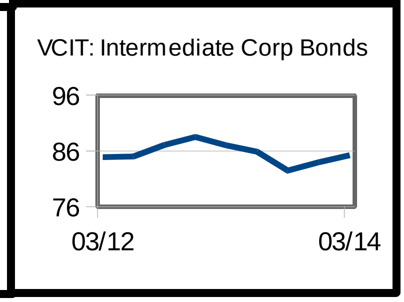
Yours truly, Robert Gephart











Learn Something New: What is in an International Fund's Name?

It is sometimes hard to decipher what something really is. Just this morning my son was eating Crispix brand cereal, but was calling in Chex. Are they really the same?

While there is a lot of financial industry jargon, when looking at international funds or ETFs, there are some key words to look for so that you can quickly understand what it is.

Global: If you see the word Global in a fund name, that means that the fund holds securities from all over the world, including the United States. If you invest in a Global fund in order to diversify your predominately U.S. portfolio, you may not be getting the diversity you are looking for.

International: When the word International is used, it means that the fund invests in securities outside of the United States. If you are looking to diversify your U.S. portfolio with an investment in international companies, these are the funds for you.

EAFE or Developed Markets: EAFE stands for Europe, Australia and Far East. It is an index that includes a selection of stocks from 21 developed markets/countries. This index includes countries like: Germany, Norway, Switzerland, Israel, Singapore, and Japan. This is the international fund that is currently recommended by this newsletter. This fund has been selected because developed markets have the assets, the tools and the experience to recover from recessions quicker than emerging economies. As such, the EAFE has done very well compared to Emerging Markets funds over the past couple of years.

Emerging Markets: Funds that are labeled with the Emerging Markets tag invest in countries that have been identified to have the potential to graduate into a developed market. The primary source of investment for the emerging markets comes from developed markets. Once the developed markets are attaining solid growth rates, it may be time to look at shifting funds from the Developed Markets to the Emerging Markets. Historically, Emerging Markets have generated out-sized returns, but with out-sized returns come volatility and risk. Some countries currently labeled as Emerging Markets are: Brazil, Russia, India, China, South Africa (also known as the BRICS), Poland, Turkey, and Thailand.