

Co-hér-ent: harmonious

Coherent Quarterly

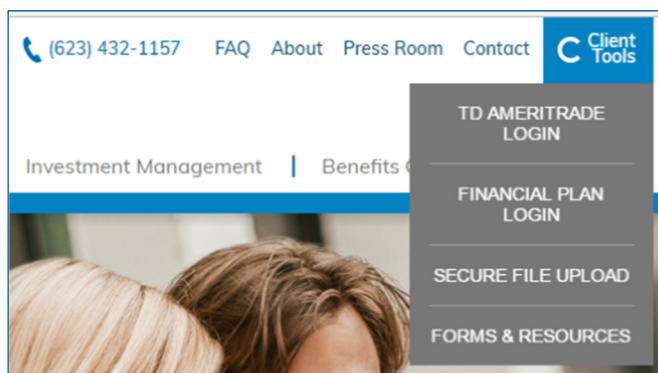
April 2017

Co-her-ent: having a natural agreement of the parts, as in “a coherent plan for action.”

We've got a new look!

We are delighted to announce the completion of our beautifully redesigned website. After months of careful design and development, the new site was activated on Friday, March 31. Let's take a tour!

Our goal always is to provide you with a secure, fast, functional, and easy to use website. The new site improves upon all of these, and it's beautiful to boot!



As with our first design, you'll notice that every page of our website starts with “https”. Some browsers also show a lock next to our URL. This means that your connection to our site is encrypted at all times.

Made in the USA! Like our first website, the new site is...

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Recent Insights

Question: What does a William Shakespeare play have in common with the stock market? Answer: Both are a study in human nature. Our latest [Manager's Letter](#) discusses how investor expectations change in bull and bear markets, and revisit expectations for 2017.

Where's the market now? *“Where most it promises.”* Promises and expectations for 2017 is the theme of this article. Analysts estimate 22% growth. We think lower.

Comparing Three Popular Indices	Russell 3000	S&P 500	Dow Jones Industrial Average
Information As Of	June 30, 2016	February 28, 2017	February 28, 2017
Number of Holdings	2958	505	30
US Equity Coverage	98%	80%	23%
Market Cap (\$Billions)	\$24,100	\$21,352	\$5,757
Top-10 % of Index	15.6%	18.3%	53.1%
Weighting Method	Market Cap	Market Cap	Price
Launch Date	December 31, 1978	March 4, 1957	May 26, 1896
Reconstituted	Annually	Quarterly	"As Needed"
Largest Holding	Apple Inc.	Apple Inc.	Goldman Sachs Grp

In the TV series, Gilligan's Island, Gilligan sets his traps deeper into the lagoon to catch larger lobsters. He secures the traps unwittingly using the Professor's tide measuring stick, leading him to believe the island is sinking.

“That old stick” was the Professor's benchmark!

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“What do William Shakespeare and Gilligan’s Island have in common with the market?”

We’ve got a new look! (continued from page-1)

...designed, developed, hosted, and maintained entirely in America. Thank you Tenth Muse Design!

Multi-level navigation menus might seem sophisticated, but they’re not convenient. We made navigation flat so one click gets you to where you want to be.

You can’t miss the “Client Tools” dropdown in the upper-right corner. It’s one convenient place to access your account, upload files securely, complete forms, and use other frequently needed resources.

We hope you enjoy using your new website. It’s been designed with your convenience in mind. And don’t forget to visit our other social media pages. You’ll find those links in the footer.

Recent Insights (continued from page-1)

Learning a few simple facts about indices, benchmarks, and performance strategies will shed light on many questions. We discuss these in our March [Coherent Investor](#) on Indices, Benchmarks and Performance.

US companies face unrealistically high expectations for 2017 earnings growth, while contending with stock

prices which have jumped ahead to record levels. Markets don’t react well when priced-in expectations disappoint. In February’s [Earnings Insight](#), we review last year’s earnings and introduce 2017 outlook.

Every January you will no doubt hear someone quote the January Barometer – “As January goes, so goes the year.” January was up this year, so 2017 should end positive, right? We vetted this theory and share our findings with you in [Vetting The January Barometer](#).

Read these and other articles on our Insights page.

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 <p>Manager’s Letter 2017 Q1</p> <p>Like Shakespeare’s plays, markets are human nature on display. Expectations become extended with rallies as the best outcomes are priced-in. But in protracted corrections, hope ebbs as the worst outcomes are discounted. Today’s market is where “off expectations fail”.</p> <p>read more</p>	 <p>Coherent Investor: Indices, Benchmarks, & Performance</p> <p>Have you watched The Dow thinking why your stock portfolio is acting differently? Have you wondered what to expect in good markets or bad? Learning simple facts about indices, benchmarks, and performance strategies will shed light on many questions.</p> <p>read more</p>	 <p>COHERENT FINANCIAL ADVISERS</p> <p>Earnings Insight February 2017</p> <p>US companies face unrealistically high expectations for 2017 earnings growth, while contending with stock prices which have jumped ahead to record levels. Markets don’t react well when priced-in expectations disappoint.</p> <p>read more</p>	 <p>COHERENT</p> <p>Vetting The January Barometer</p> <p>As January comes to a close, you will no doubt hear someone quote the January Barometer – “As January goes, so goes the year.” January is looking good so far this year, so 2017 should end positive, right? But...</p> <p>read more</p>
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