ICON REALLOCATION COMMENTARY

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Last year in our Global Growth portfolio, we over-weighted international equites and under-weighted U.S. equities relative to their respective weightings in the MSCI All Country World Index, as international equities appeared to offer better value according to our system. With that valuation advantage now gone, we are reducing exposure to international equities and increasing exposure to four domestic sectors: Information Technology, Financials, Consumer Discretionary, and Health Care. For all four sectors, we are not seeking broad sector-wide positions but are instead targeting our favorite industries within those sectors. While only 194 of the companies in the S&P 1500 Index have reported second quarter earnings, companies in those four sectors are generally beating estimates and showing growth over a year ago. Information Technology is the most impressive, where the 22 reporting companies have posted 34.81% year-over-year earnings growth. Close behind is Consumer Discretionary, where the 24 reporting companies are showing, on average, 33.12% growth. (Source: Bloomberg).

Past performance does not guarantee future results.

Opinions and forecasts regarding sectors, industries, companies, countries and/or themes, and portfolio composition and holdings, are all subject to change at any time, based on market and other conditions, and should not be construed as a recommendation of any specific security, industry, or sector.

The Global Growth Portfolio strives to increase the value of your account through a rise in the market price of securities or NAV of funds (capital appreciation) invested in U.S. diversified and sector, bond, and international mutual funds.

Investing in securities involves inherent risks, including the risk that you can lose the value of your investment. An investment concentrated in sectors and industries may involve greater risk and volatility than a more diversified investment. Investments in international securities may entail unique risks, including political, market, regulatory and currency risks. In general, there is less governmental supervision of foreign stock exchanges and securities brokers and issuers.

ICON's value-based investing model is an analytical, quantitative approach to investing that employs various factors, including projected earnings growth estimates and bond yields, in an effort to determine whether securities are over- or underpriced relative to ICON's estimates of their intrinsic value. ICON's value approach involves forward-looking statements and assumptions based on judgments and projections that are neither predictive nor guarantees of future results. Value readings are contingent on several variables including, without limitation, earnings, growth estimates, interest rates and overall market conditions. Although valuation readings serve as guidelines for our investment decisions, we retain the discretion to buy and sell securities that fall beyond these guidelines as needed. Value investing involves risks and uncertainties and does not guarantee better performance or lower costs than other investment methodologies.

The Morgan Stanley Capital International (MSCI) All Country World Index (MSCI ACWI) is a leading unmanaged benchmark of world equity market performance. The capitalization-weighted index is representative of the performance of securities of companies located in developed and emerging markets including those of the United States.

The unmanaged Standard & Poor's Composite 1500 (S&P 1500) Index is a broad-based capitalization-weighted index comprising 1,500 stocks of Large-cap, Mid-cap, and Small-cap U.S. companies.

Total return for the unmanaged indexes includes the reinvestment of dividends and capital gain distributions but do not reflect deductions for commissions, management fees, and expenses. The Portfolios' composition may differ significantly from the indexes. Individuals cannot invest directly in an index.

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