

RESULTS FOR THE FIRST QUARTER OF 2015

Regardless of your view on the Federal Reserve's policy of zero interest rates and quantitative easing, it has been effective in staving off deflation and propping up asset prices thus far. In fact, the Fed has been so successful at the latter that we face a universe in which almost all asset classes are more expensive than normal.

Such an environment is a challenge for diversified value investors. Market momentum remains strong yet traditional valuation measures call for caution. The best course of action in times like these is to look for areas of relative value and reduce expenses wherever possible.

Master Limited Partnerships, or MLP's, are one type of investment now offering relative value. MLP's are publically traded partnerships that invest mainly in energy intermediaries such as pipelines. We have been interested in this asset class for some time, particularly in light of the shale oil boom. Our problem has been a point of entry--MLP's shot up after the end of the credit crisis, posting double digit returns. Then, last year, oil prices fell dramatically causing MLP's to post negative returns for the fourth quarter of 2014 as well as the first quarter of 2015. Bad news for MLP's but good news for value investors!

In addition to being attractively priced right now, MLP's are also considered an inflation hedge since the contracts to move crude oil along pipelines include inflation kickers, where usage fees rise with CPI. Therefore, we felt this was a good time to institute a position in the Tortoise MLP & Pipeline Fund, reallocating a piece of our alternatives sector.

Also new to the portfolio is the JP Morgan Core Bond Fund, which we added to diversify our bond portfolio, and the John Hancock Global Absolute Return Strategy, an addition to further diversify our alternative sector. The goal of the Global Absolute Return Strategy is to provide a rate of return of the cash rate plus 5%. It consists of investments in stocks, bonds and currencies with an expected volatility of 4-8%—significantly lower than the overall stock market. The fund targets 35-55 investment themes that are based on the firm's longer term views, with the goal of capturing opportunities by exploiting market inefficiencies. Though the fund is branded by John Hancock, it is run by Standard Life, an insurance firm based in Scotland that has a big presence in the hedge fund world.

Finally, we closed out our position in Templeton Foreign Equity Fund as last year's addition of the DFA Core International Fund had rendered it redundant. All told, these combined changes allowed us to shave a few more points of internal expenses from our portfolios, a key goal in a world of overpriced assets

And so it goes for the diversified value investor—a search for relative value and a cheaper, more tax efficient portfolio. Your relationship manager will be happy to discuss these recent changes in your portfolio along with any other questions you might have.

NEWS BRIEFS

TCI CONTINUES TO PLAY AN ACTIVE ROLE IN OUR COMMUNITY

event sponsors

Marklund Top Hat Ball, Jan. 2015

Family Shelter Service Gala, April 17th, 2015

Spectrios Annual Benefit Gala April 25th, 2015

NW Suburban Estate Planning Council Meeting, June 18th, 2015

attended

Debbie Gregorash

– FIS User Advisory Council, Amelia Island, FL

Dave Fisher

– RANDUG (Relius Administration National Daily Users Group) Annual Meeting, Las Vegas, NV

Brandy Harrington and Ericka Broaden

– Zonta International Women's Day breakfast celebration

UPCOMING EVENTS

April 30th, 2015

Breakfast With An Expert

8:30 am at TCI

RSVP to Ericka at 630-545-4824

May 14th, 2015

Spring Conference

Northern Illinois University—Naperville Campus

Featured guest speakers from Federal Reserve Bank of Chicago and Vanguard

Meet & Greet: 2:45 pm

Program: 3:30 pm

Cocktail Reception: 5:00 pm

RSVP to Paula by May 18th 630-545-2200 or email rsvp@trustcoil.com

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EMPLOYEE SPOTLIGHT



Grounded Energy in the Relationship Business

How Nancy T. Bell approaches life and work.

"It takes a lot of energy to be me," Nancy Bell says tongue-in-cheek.

When Nancy walks into a room, however, you can't help but be drawn in by her verve for life. She sources her energy from just about everywhere, the dirt she digs as a master gardener, the novels that spark her imagination, and the knowledge she tracks down on the Internet to satisfy her endless curiosity.

"I need to complete the thoughts zooming in my head," she says.

And the energy pours from her: "I get so filled up with thoughts and ideas, it's got to go somewhere. I have to tell somebody 'This is great information. You need to know it.'" But she's no know-it-all. With family, friends, and clients, Nancy calmly listens while seeking to understand their unique needs. She is especially passionate about helping people whose lives have been upended by a traumatic event, such as divorce, which motivated her to get her Certified Divorced Financial Analyst™ designation.

"Divorce is a huge transition period," says Nancy, "and I guide clients through it with pre- and post-divorce planning." With first-hand experience of divorce and a strong financial planning background as a Certified Financial Planner™ professional, Nancy comes alongside to calm fears, provide insights, and clarify options. "You shouldn't emerge from divorce feeling beaten, broken, and fearful of the future," she says, "I believe there is hope for a new future post-divorce." When she helps a person journey through rough waters, she feels she has made

an important contribution beyond the scope of traditional financial planning.

Nancy's financial knowledge runs deep. She began her career in her early twenties with a discount brokerage firm and then worked at several financial firms including Northern Trust, where over the course of 12 years she helped develop their full service brokerage platform and subsequently moved into managing investments for clients. She came to realize, though, that the brokerage business did not kindle her passion. She needed something more. "I wanted to be in the relationship business," she says.

Nancy took a brief hiatus from the financial world to focus on her primary relationships—her teenage daughter and aging parents. During this time she enrolled in the University of Illinois' Master Gardener Program, where her thumb turned green. Naturally, she thought a job with a landscaping company would match her newfound passion with a career. But it was not the garden oasis she anticipated. "It was about hardscape and pavers," she laughs. "So I returned to finance."

After a successful six-year stint with Harris Private Bank, Nancy was still missing that key ingredient: relationships. She went on a quest to find it, and that's when a friend introduced her to TCI. "I finally found the right blend. TCI is more than a financial institution. People's needs drive every financial decision. It's a synergy of business development, money management and relationships. After 25 years, personal finance has become a true passion."

"I love my work. I put my whole self into it."

But that can take its toll, Nancy concedes. To renew her energy, she returns to what she loves most: the garden with its quiet but prolific energy. "I look at all my growing things, and I marvel at the silent miracles emerging from the dirt," she says. "Gardening grounds me in something essential, taking me far away from the noise and chaos around me."



But it's in the chaos where she knows she can have a positive influence. She says, "At this stage of my career, making a difference is more important than anything else."