Rinehart Wealth Management
Greater Trust

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Second Quarter 2013 Economic Overview

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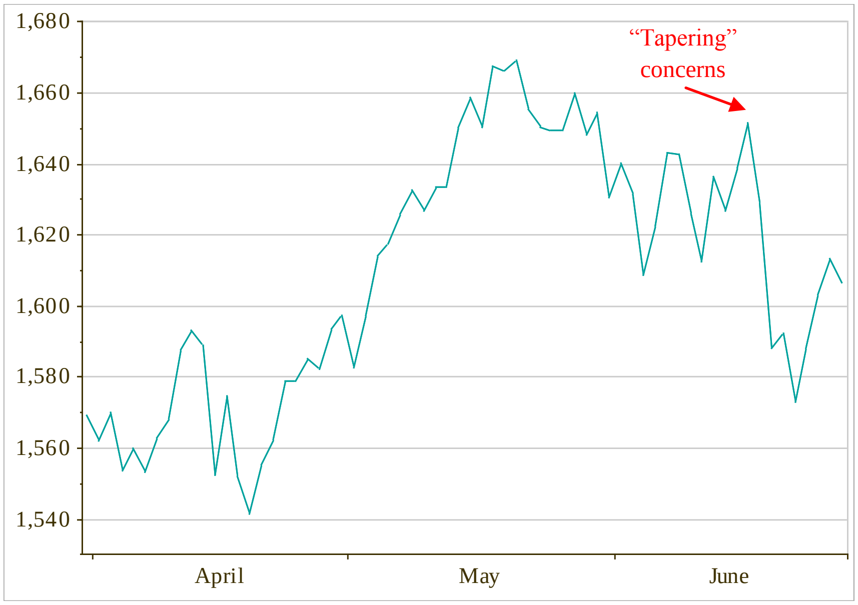
Spurred by improving economic data points and continued accommodative monetary policy, broad US Equity Market Indexes continued their push toward record levels during the second quarter of 2013, with the S&P 500 and Dow Jones Industrial Average climbing an additional 2.9%, reaching new historical highs.

2Q13 Total Return Performance:

S&P 500	**2.91%**
Dow Jones Industrials	**2.92%**
NASDAQ Composite	**4.52%**
Russell 1000	**2.65%**
Russell 2000	**3.08%**
MSCI Emerging Markets	**-4.05%**
MSCI EAFE	**-2.32%**
Barclays US Aggregate	**-2.32%**

Mid-quarter, investor enthusiasm waned as concerns mounted that the Federal Reserve would begin to reduce, or "taper," Quantitative Easing sooner than anticipated. Equity and Fixed Income markets declined simultaneously on the back of 'tapering' concerns. As seen in Chart I, the US Equity Market rebounded ending the quarter on a slightly positive note. The International and Fixed Income Markets failed to regain lost ground and ended the second quarter with moderate losses, significantly underperforming US Equities.

Chart I: S&P 500 Performance



Source: FactSet Research Systems

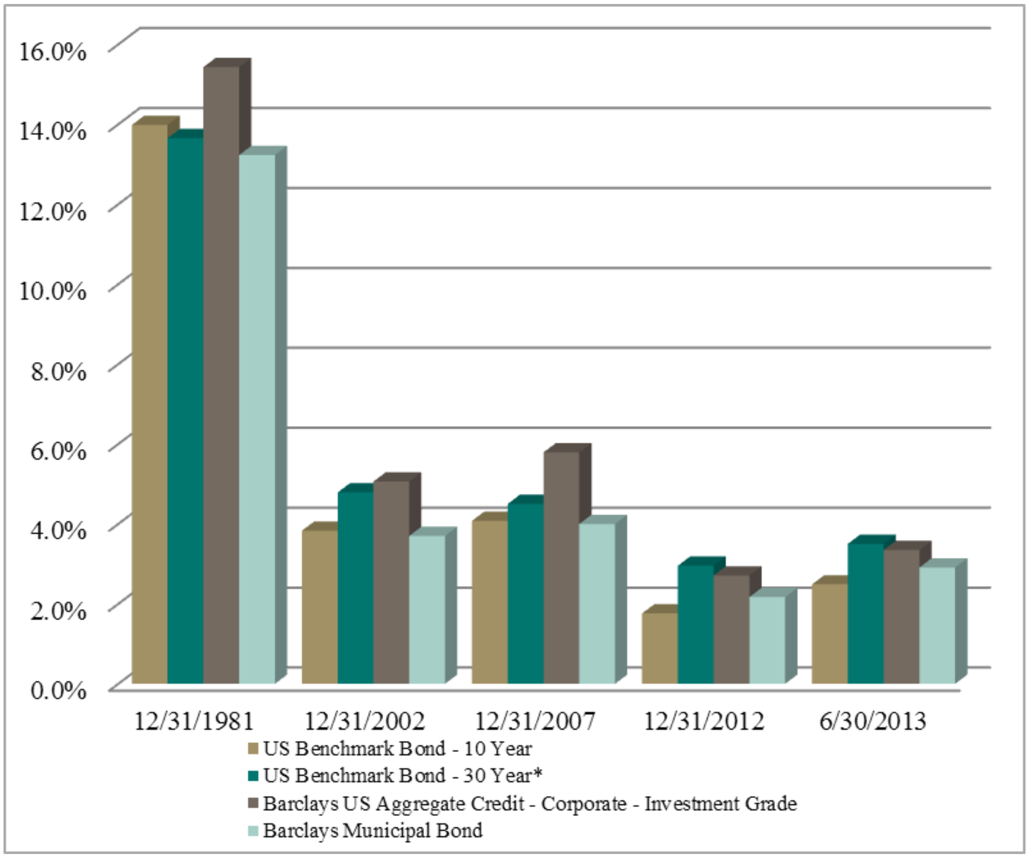
Traditional 'safe-haven' assets incurred most of the volatility triggered by QE-related news. Fixed Income Markets, as measured by the Barclays US Aggregate Index, experienced uncharacteristic losses, and fell 2.68% following Chairman Bernanke's comments. Chart II depicts the dramatic jump in bond yields, leading to the sell-off as well as the apparent inverse relationship between yields and the price of gold. Gold failed to hold up as a store of value, declining 23.3% over the course of the second quarter in the face of historic equity market gains, muted inflation, faltering Emerging Market growth, and increased fears of a rising-rate environment.

Chart II: Gold Prices vs. US 10-Year Treasury Bond Yield YTD

Source: FactSet Research Systems

Please join us for our quarterly webinar on August 6th at 10:00am as we review the second quarter and discuss our thoughts for the rest of 2013.

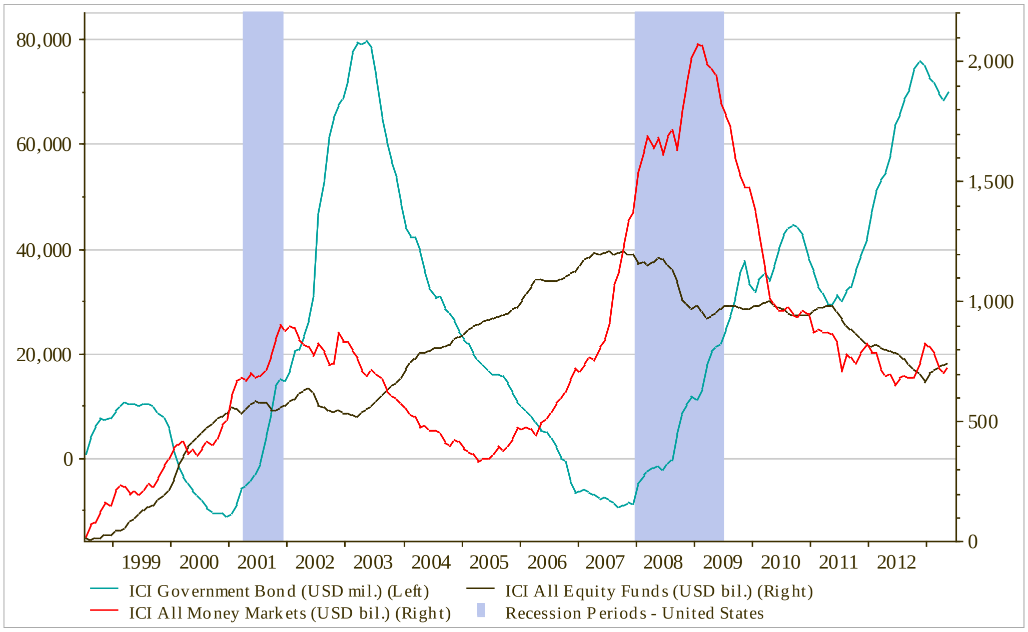
Chart III: Historical Yields of Fixed Income Securities & Indexes



**12/31/1981 US Benchmark Bond – 30 Year uses US Treasury Constant Maturity – 30 Year Yield*
Source: FactSet Research Systems

Despite the rapid jump experienced during the second quarter, yields across all high-quality fixed income assets remain depressed. When compared to the historically high yields in the 1980s, the potential for further yield expansion and associated price declines is high.

Chart IV: Cumulative Monthly Mutual Fund Net New Cash Flows



Source: FactSet Research Systems

Supporting the move lower in bond prices is the extremely high ownership of fixed income. The potential for a rotation out of fixed income and cash into equities remains a tailwind for equities, despite equity outperformance year-to-date.

This newsletter is not intended to provide tax, legal, accounting, financial or professional advice, and readers are advised to seek out qualified professionals that provide advice on these issues for specific client circumstances.