Summary 2013 Commentary

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Tapering? Maybe Not Just Yet.

Unprecedented interest rate movements capture the markets' attention when talk of Federal Reserve tapering causes concern.

We believe that at the slow rate the economy is improving, the Federal Reserve may not be able to start tapering its Quantitative Easing program until well into 2014.

The rapid rise of the 10-year Treasury rate from 1.75% less than six weeks ago to a high of over 2.70% in early July, caught the markets' attention. Indeed the velocity of volatility and rate of change in the market overall continues to add rationale for the importance of having a long-term plan. Having a plan and strategy in place is the most effective way for investors to navigate market turmoil and stay on track with long-term goals. Otherwise, emotions may take over and bad decisions may be made in the heat of the moment.

With regards to the Federal Reserve's tapering of Quantitative Easing—their Treasury and mortgage-backed securities purchasing program—Chairman Ben Bernanke continues to reiterate that any policy actions they may take will be informed by a close analysis of economic indicators.

Regardless of the timing of the tapering, concerns about its potential impact on the markets continues. The question is, what happens once this artificial fiscal support is withdrawn?

Federal Reserve Talks of Tapering As Economic Conditions Merit

"The Committee is prepared to increase or reduce the pace of its purchases to maintain appropriate policy accommodation as the outlook for the labor market or inflation changes.

In determining the size, pace, and composition of its asset purchases, the Committee will continue to take appropriate account of the likely efficacy and costs of such purchases as well as the extent of progress toward its economic objectives."

Excerpted from the Federal Reserve Press Release, June 19, 2013

Interest Rates Bear Watching

The Federal Reserve's zero interest rate policy has artificially suppressed interest rates. Investors have been arm-twisted into buying extended maturities for their bonds, or turning to lower-quality, higher-risk bonds to capture higher yield. The biggest threat to investors may be the spike in interest rates that occurs once the Fed removes its forceful constraint.

Positioning A Portfolio For The Long-Term

Now is a good time for investors to evaluate the composition of their bond portfolios. Even in a rising rate environment there are a number of actions investors can consider to effectively position their fixed income portfolios. These actions include:

1) Buying individual bonds and keeping maturities on the short end of the yield curve.

2) Investing in a laddered portfolio of bonds. If rates rise it is not an issue as the bonds are held to maturity, so falling bond prices are not a concern. Additionally, as each bond matures, an investor may be able to take advantage of new issues that may offer higher rates.

3) Investing in actively managed funds like GAMTX that have the flexibility to reallocate their portfolios and hedge against potential interest rate hikes.

A Word About Equities

In terms of participation in the equity market, it all comes down to an investor's risk tolerance, goals and time horizon. We believe valuations in the equity market are currently high and there may be a significant sell off when the Federal Reserve withdraws its Quantitative Easing support. However, we simply do not know when this will occur. For some investors, the increased risk due to high valuations is offset by the Fed's actions. For these investors, the potential reward is worth it as the Fed's actions may drive the equity market substantially higher over the next year. Again, matching your expectations with your goals through a well thought out plan is essential for investors.

We Remain Cautious Internationally

From a risk perspective, we remain cautious regarding investing internationally. The global economy is now so inter-related and there are many fiscal policies underway that bear watching.

Yet, there are also opportunities for those investors looking to allocate a portion of their portfolios internationally, investing in a well-diversified international mutual fund is appropriate.

Hard Assets Are Riding The Cycle

Many investors are concerned about the performance of hard assets and commodities, in particularly gold which has dropped significantly in value.

We believe this is a cyclical trend and investors who have purposefully diversified their portfolios with these asset classes should be prepared to be patient.

Keeping a Long-Term Perspective

Now more then ever, in the current environment of increased volatility where interest rates are so unpredictable, it is important to have a long-term plan. Markets are moving very quickly. In addition, the enormous increase in alarmist headlines flowing from the media can cause anxiety if paid attention to. With volatility comes opportunity.

At Geier Asset Management we will continue to work with you to ensure your financial plan stays on track with your goals, while helping you to identify opportunities and manage risk along the way.

Geier Asset Management Models

Strategic and Diversified Strategies are used to create the optimal portfolio based on the client's objectives, risk tolerance and time horizon, as well as our overall assessment of market risk.

These strategies can be complemented by the inclusion of Institutional Separate Account Managers in a Portfolio for comprehensive diversification.

STRATEGIC STRATEGIES:
Strategic Income
Strategic Capital Preservation

DIVERSIFIED STRATEGIES:
Diversified Balanced
Diversified Growth
Diversified Aggressive Growth
Diversified International

INSTITUTIONAL SEPARATE ACCOUNT MANAGERS

Geier Asset Management offers two primary investment strategies: Strategic and Diversified. These strategies can be carefully calibrated in an investor's portfolio to complete a comprehensive investment plan. Together, the optimal balance of these strategies seeks to maximize capital appreciation while mitigating potential downside risks and near-term volatility.

Geier Asset Management Model Performance as of June 30, 2013

In our Strategic portfolios, we target smaller, but positive returns over a typical ten year cycle. We strive to avoid losses, knowing that losses require an even higher percentage gain just to get back to break even. Our portfolios are actively managed. When we determine that a specific investment in a portfolio is no longer valid, it is abandoned as soon as possible. In addition, a portion of the portfolio is reserved for the purchase of "portfolio insurance." When we deem that the market is in danger of a substantial decline, we purchase inverse investments to counteract this risk. Our Strategic portfolios are a good example of the "slow and steady" approach.

STRATEGIC STRATEGIES

Strategic Income as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	(2.77%)	(0.60%)	2.78%	3.22%	2.92%
Net of Fee Return	(3.27%)	(1.60%)	1.78	2.22%	1.92%

Strategic Capital Preservation as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	(6.80%)	(6.15%)	0.98%	1.91%	4.51%
Net of Fee Return	(7.35%)	(7.15%)	(0.02%)	0.91%	3.51%

Our Diversified portfolios consist of various mutual funds that we have selected based on their history of consistent, year over year performance in beating the market indexes. The funds included in these portfolios have long-tenured managers and low expenses. The Diversified portfolios are well allocated across large, medium and small companies, as well as value, core and growth sectors. Additional diversification is attained by including both U.S. and International markets. Clients invested in these Diversified portfolios should expect potentially higher returns than our Strategic portfolios, but also the inherent volatility of a higher risk investment.

DIVERSIFIED STRATEGIES

Diversified Aggressive Growth as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	9.10%	23.18%	17.88%	9.90%	13.52%
Net of Fee Return	8.60%	22.18%	16.88%	8.90%	12.52%

Diversified Growth as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	12.74%	22.01%	19.29%	10.06%	9.56%
Net of Fee Return	12.24%	21.01%	18.29%	9.06%	8.56%

Diversified Balanced as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	6.96%	13.51%	13.36%	8.00%	8.84%
Net of Fee Return	6.46%	12.51%	12.36%	7.00%	7.84%

Diversified International as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
Gross Return	3.60%	18.12%	12.52%	3.21%	11.53%
Net of Fee Return	3.10%	17.12%	11.52%	2.21%	10.53%

Major Index Returns as of 6/30/13					
	Current YTD	1 Year	3 Year	5 Year	10 Year
DOW	13.78%	15.70%	15.10%	5.62%	5.20%
S&P 500	13.83%	20.60%	18.45%	7.01%	7.30%
Lipper Balanced	5.52%	11.71%	11.00%	5.29%	6.08%
Barclays U.S. Aggregate Bond	(2.44%)	(0.68%)	3.52%	5.19%	4.55%
EAFE	2.18%	15.14 %	6.73%	(3.58%)	4.80%

About Geier Asset Management, Inc.

Geier Asset Management, Inc. is a registered investment advisory firm offering comprehensive financial services including investment planning, financial planning, and portfolio management. Our firm is committed to helping you improve your long-term financial success.

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You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of any investment before investing. Every Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. Past performance is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

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Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 877-747-4268.

Investments in real estate investment trusts (REITs) and real estate related securities involve special risks associated with an investment in real estate, such as limited liquidity and interest rate risks and may be more volatile than other securities. In addition, the value of REITs and other real estate related investments is sensitive to changes in real estate values, extended vacancies of properties and other environmental and economic factors.

Investments in international markets present special risks including currently fluctuation, the potential for diplomatic political instability, regulatory and liquidity risks, foreign taxation and differences in auditing and other financial standards. Risks of foreign investing are generally intensified for investments in emerging markets.

An investment in an exchange-traded fund (ETF) generally presents the same primary risks as an investment in a conventional fund (i.e., one that is not exchange traded) that has the same investment objectives, strategies, and policies. The price of an ETF can fluctuate up or down, and the Fund could lose money investing in an ETF if the prices of the securities owned by the ETF go down. In addition, ETFs may be subject to the following risks that do not apply to conventional funds: (i) the market price of an ETF's shares may trade above or below their net asset value; (ii) an active trading market for an ETF's shares may not develop or be maintained; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tired to large decreases in stock prices) halts stock trading generally.

The Fund may use derivative instruments. Derivatives are investments the value of which is "derived" from the value of an underlying asset (including an underlying security), reference rate or index. The value of derivatives may rise or fall more rapidly than other investments. For some derivatives, it is possible to lose more than the amount invested in the derivative. Derivatives may be used to create synthetic exposure to an underlying asset or to hedge a portfolio risk. If the Fun uses derivatives to "hedge" the overall risk of its portfolio, it is possible that the hedge may not succeed. This may happen for various reasons, including unexpected changes in the value of the rest of the Fund's portfolio. Over the counter derivatives are also subject to counterparty risk, which is the risk that the other party to the contract will not fulfill its contractual obligation to complete the transaction with the Fund.

The Fund may engage in short selling activities, which are significantly different from the investment activities commonly associated with conservative stock funds. Positions in shorted securities are speculative and more risky than "long" positions (purchases) because the cost of the replacement security is unknown.