

Fixed Income Markets Then and Now

March 3, 2015

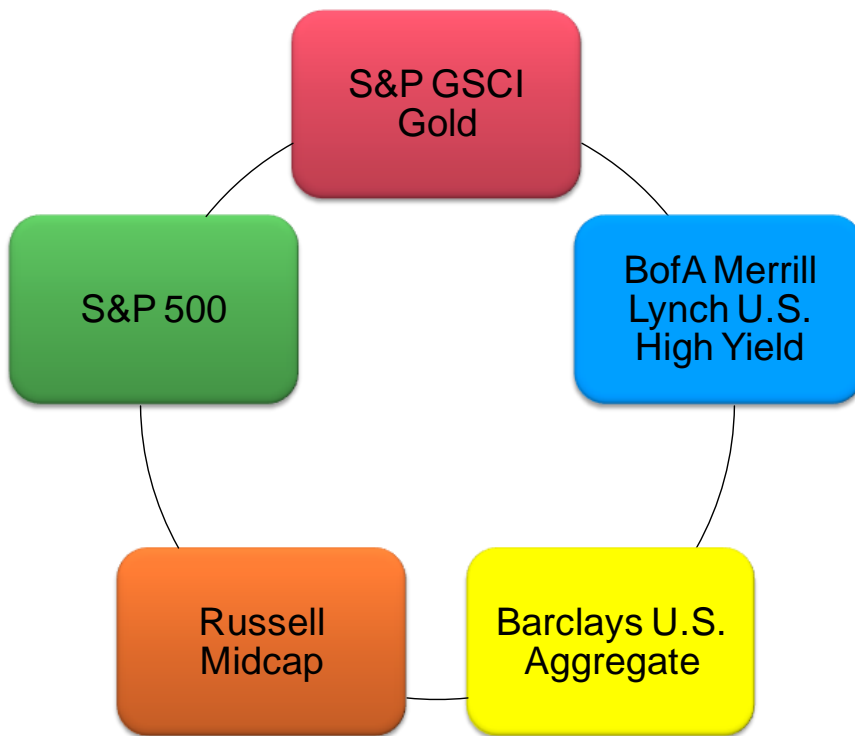
*Gilbert Andrew Garcia, CFA
Garcia Hamilton & Associates, L.P.
Managing Partner*

IMG DUE DILIGENCE DAY MEETING



Nationwide®





10-Year Annualized Returns Ending 1-31-15

10.79%

9.67%

7.69%

7.61%

4.86%

INDEX	10-Year Annualized Returns Ending 1-31-15
S&P GSCI Gold	10.79%
Russell Midcap	9.67%
BofA Merrill Lynch U.S. High Yield	7.69%
S&P 500	7.61%
Barclays U.S. Aggregate	4.86%

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INDEX	10 -Year Annualized Returns Ending 1-31-15	10 -Year Sharpe Ratio Ending 1-31-15
S&P GSCI Gold	10.79%	1.05
Russell Midcap	9.67%	0.60
BofA Merrill Lynch U.S. High Yield	7.69%	0.48
S&P 500	7.61%	0.47
Barclays U.S. Aggregate	4.86%	0.42

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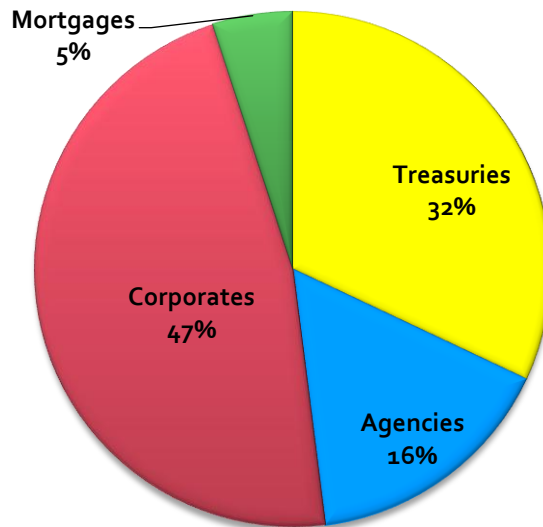
INDEX	10 -Year Annualized Returns Ending 1-31-15	10 -Year Annualized Returns Ending 1-31-08
Russell Midcap	10.79%	11.62%
S&P 500	9.67%	9.38%
S&P GSCI Gold	7.69%	6.01%
BofA Merrill Lynch U.S. High Yield	7.61%	5.20%
Barclays U.S. Aggregate	4.86%	5.14%

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INDEX	10 -Year Sharpe Ratio Ending 1-31-15	10 -Year Sharpe Ratio Ending 1-31-08
Barclays U.S. Aggregate	1.05	0.69
BofA Merrill Lynch U.S. High Yield	0.60	0.54
S&P GSCI Gold	0.48	0.36
Russell Midcap	0.47	0.22
S&P 500	0.42	0.10

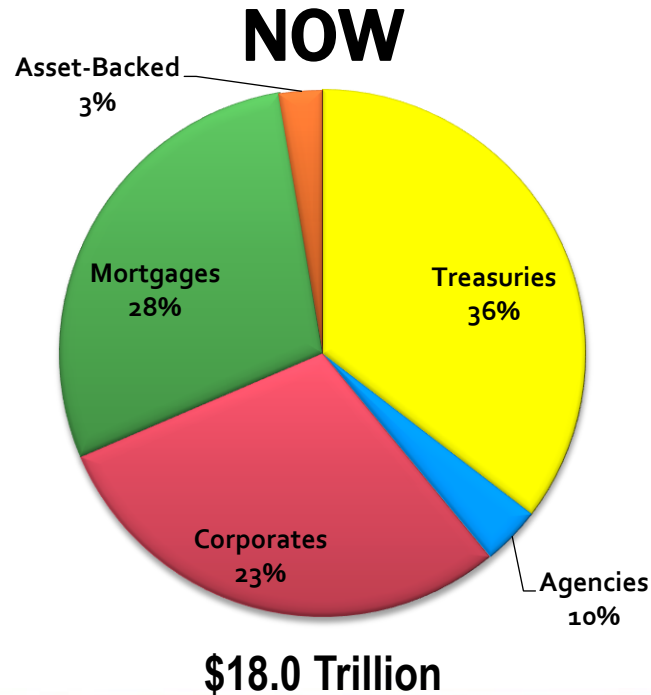
BARCLAYS CAPITAL U.S. AGGREGATE INDEX

1976

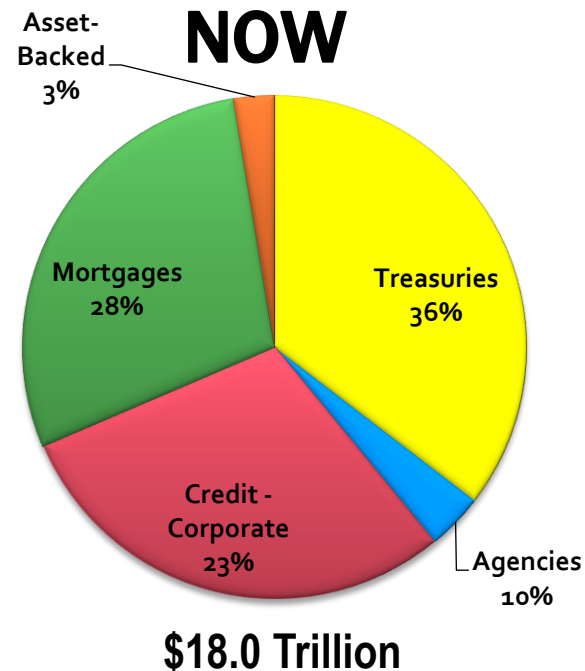
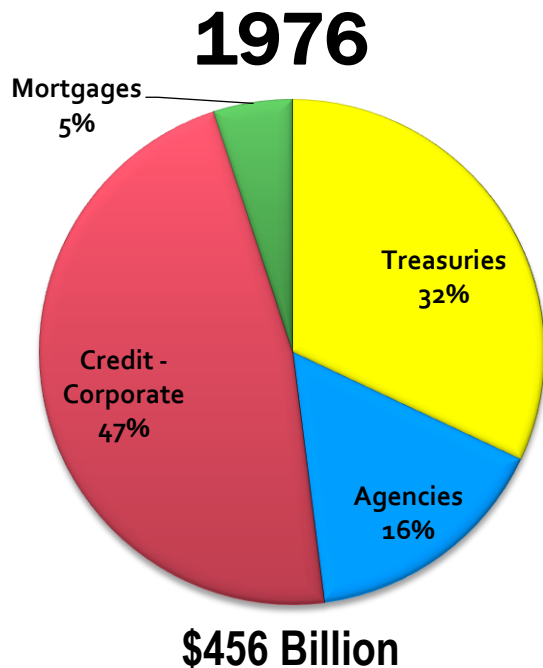


\$456 Billion

BARCLAYS CAPITAL U.S. AGGREGATE INDEX

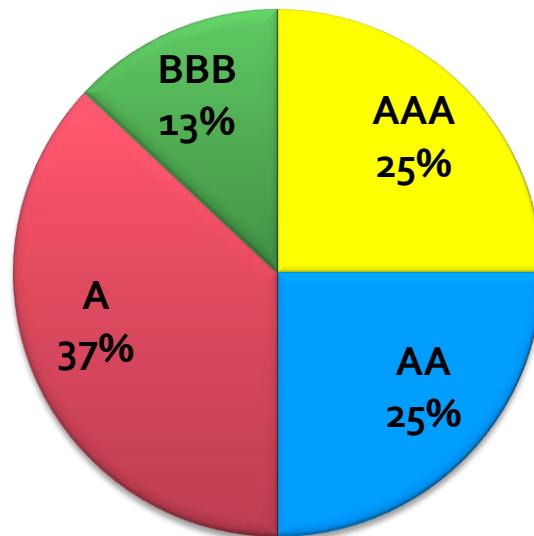


BARCLAYS CAPITAL U.S. AGGREGATE INDEX



CORPORATE CREDIT QUALITY DISTRIBUTION

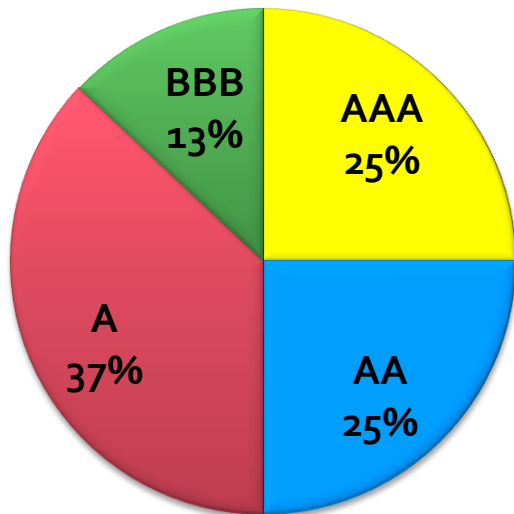
1980



\$178 Billion

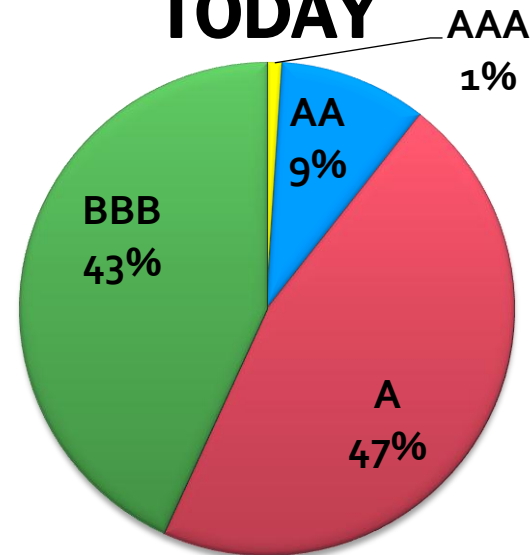
CORPORATE CREDIT QUALITY DISTRIBUTION

1980



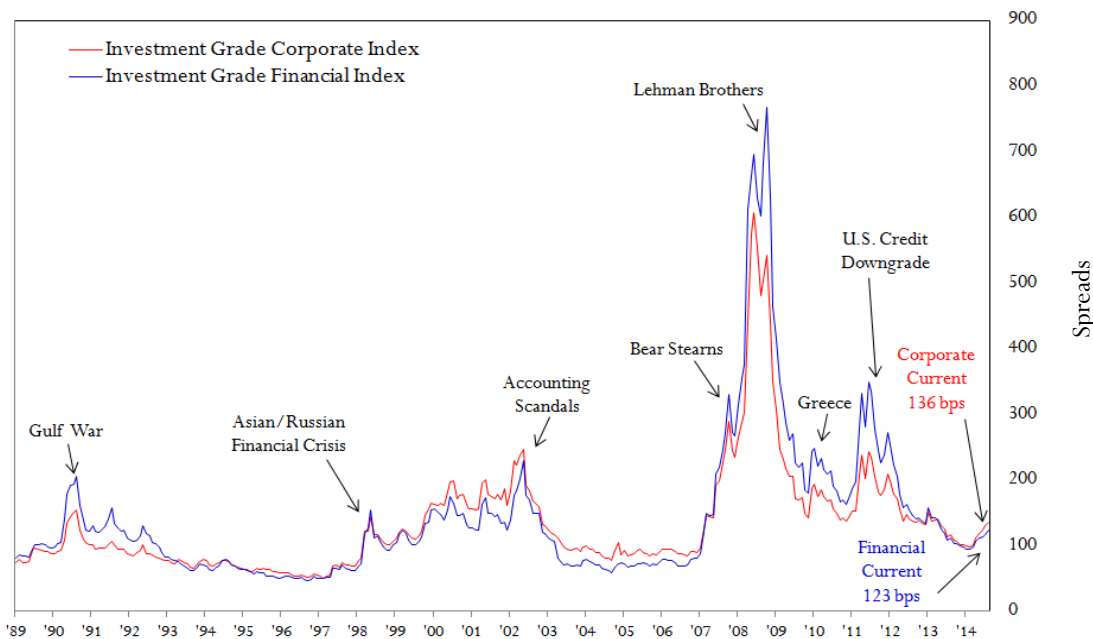
\$178 Billion

TODAY



\$4.2 Trillion

OPTION ADJUSTED SPREADS (OAS)



BREAKEVEN SPREADS

6 Month Horizon

Initial Spreads	2 Year	5 Year	10 Year	30 Year
50	18	6	3	1
100	34	12	6	3
200	69	24	12	6
600	208	72	39	25

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Disclosures:

The information contained in this presentation was provided by Garcia Hamilton, L.P.

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