Investor Quarterly

Rising Rates and Macro Risk Limit Returns

Rising Interest Rates and Enhanced Macro Risk Pressure Financial Assets

We have been fairly cautious on the outlook for financial assets this year. This is in part due to the long rally that has fueled valuations above historical means, as well as decelerating earnings growth amid a stronger dollar and lower energy prices. These issues, coupled with heightened macro uncertainty lead to declines in most asset classes save for select commodities. Equities were roughly flat.

Only Slight Changes to Our 2015 Forecast

We reduce our forecasts for gold prices and WTI given bearish supply/demand dynamics; we raise our 10-year Treasury forecast to 2.5% on the prospects for Fed rate hikes later this year due to strong employment figures. We maintain our S&P 500 price target of 2050, but with a slight upward bias on the likelihood of an accelerating economy in 2H15.

2Q15 in Review

After a decent first quarter, most asset prices witnessed slight declines, suffering from a combination of rising interest rates as well as heightened macroeconomic uncertainty, which was focused primarily around unsustainable debt levels in Greece and in Puerto Rico, as well as a fairly sharp decline in Chinese equity prices after a parabolic rise over the last year.

2Q15 Asset Class Performance

Interest-sensitive assets recorded the worst declines, as REITs, Preferreds and Bonds were all negative for the quarter. Stock prices were roughly flat, while Commodities were the sole asset class to post gains, as wet weather in the U.S. Midwest threatened agricultural commodities.

Another Uninspiring Quarter for Rockingstone

We have been overweight Europe and Japan equities, both of which materially underperformed the U.S. during the quarter and YTD, especially on a hedged basis as the dollar weakened throughout 2Q15. Our yield orientation also hampered performance in our Preferreds and REITs, though our bond underweight helped. Stock picking was a net negative.

ROCKINGSTONE ADVISORS LLC

About Us

Rockingstone Advisors LLC is a New York-based boutique asset management and corporate advisory firm founded by Brandt Sakakeeny.

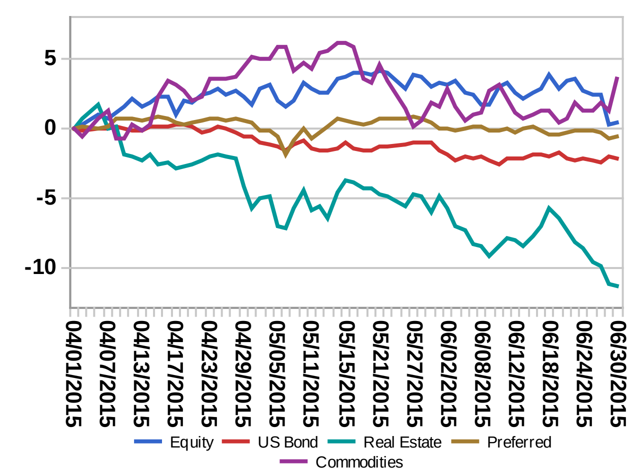
As an SEC-registered investment advisor, we provide multi-asset investment strategies to individuals, families and small institutions through separate accounts.

Our investment strategies attempt to capitalize on pricing inefficiencies across broad asset classes and then across individual securities, with a strong emphasis on fundamental research and analysis.

Thank you for your interest. You can find more information (and some interesting articles) at:

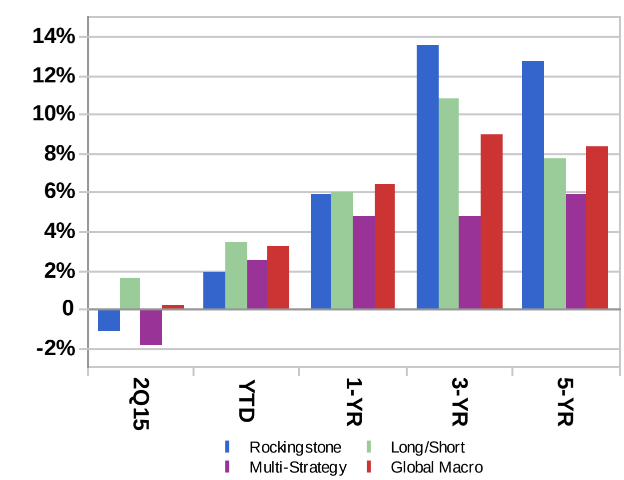
www.rockingstoneadvisors.com

Figure 1: 2Q15 Asset Class Performance[i]



Source: FactSet

Figure 2: Rockingstone's 2Q15 and Historical Returns[ii]



Source: Rockingstone Advisors, Morningstar, DJ Credit Suisse Indices

Please see our End Notes and Disclosures (pages 25-26 of this Investor Quarterly) for important information regarding performance measures. Form ADV available upon request.

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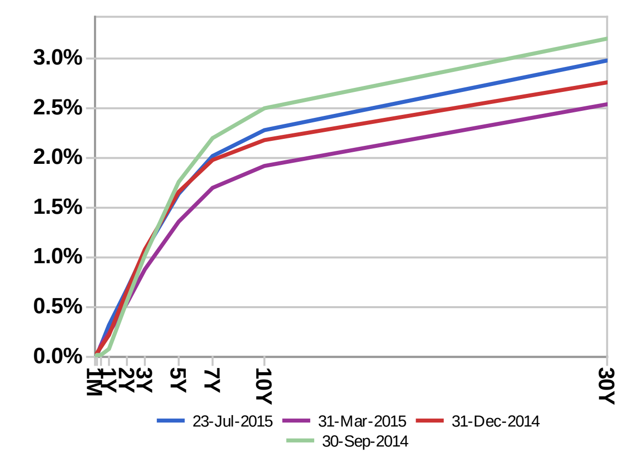
Asset Class Performance Review

Interest-Sensitive Securities Decline

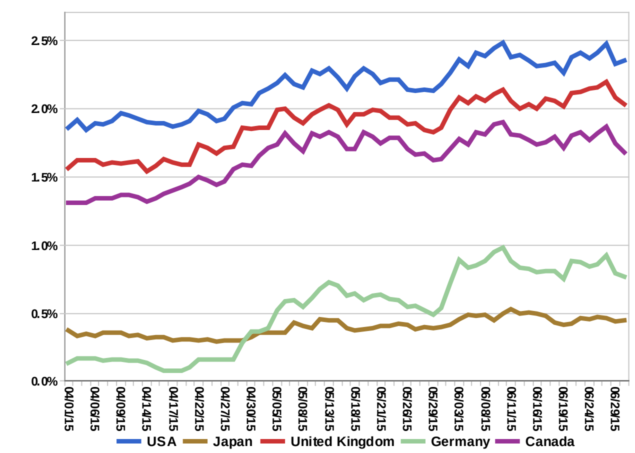
Asset class performance during 2Q15 was driven mainly by a back-up in yields across the globe, as interest-sensitive securities (bonds, REITs, preferreds) all recorded losses as yields rose across the curve and across all geographies. U.S. Treasury 10-year yields rose from 2.0% to 2.4% (Figure 3); UK, Japan, Germany and Canada all witnessed a rising rate environment (Figures 4).

Figure 3: U.S. Yield Curve



Source: FactSet.

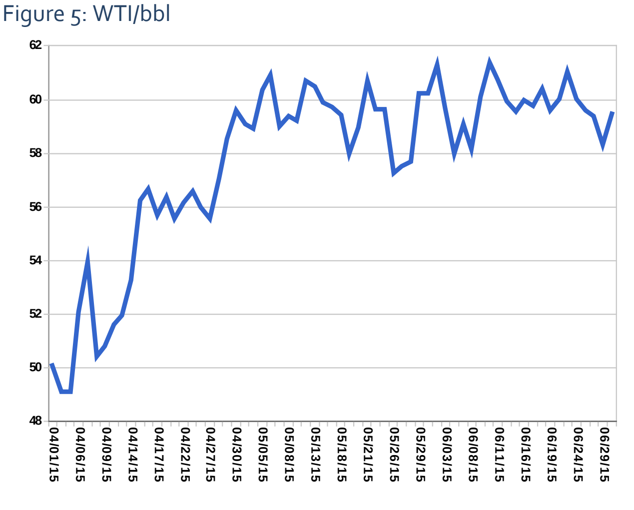
Figure 4: Global Bonds, 10-Year Sovereign Yields



Source: FactSet.

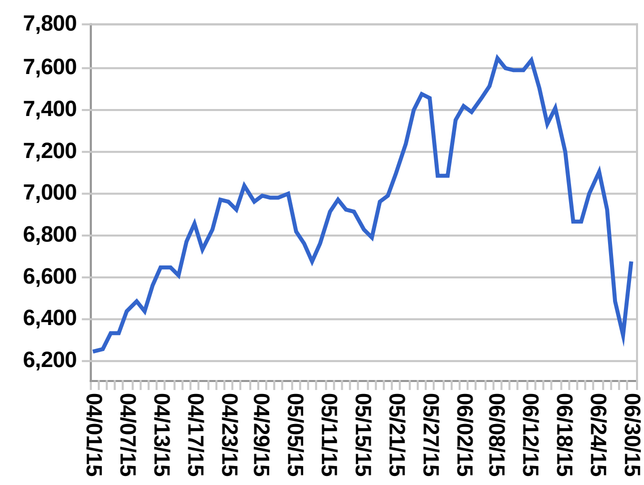
The rise in rates provided a headwind for equities, which were roughly flat during the quarter. First quarter earnings reports, plus stability in the oil markets (Figure 5), helped to provide a bid for equities through May. But as the quarter progressed, sharp declines in Chinese stocks (Figure 6) and looming debt payments by Greece eroded investor appetite for risk-taking, leading to a quarter-end sell-off and tough July.

Figure 5: WTI/bbl



Source: Factset

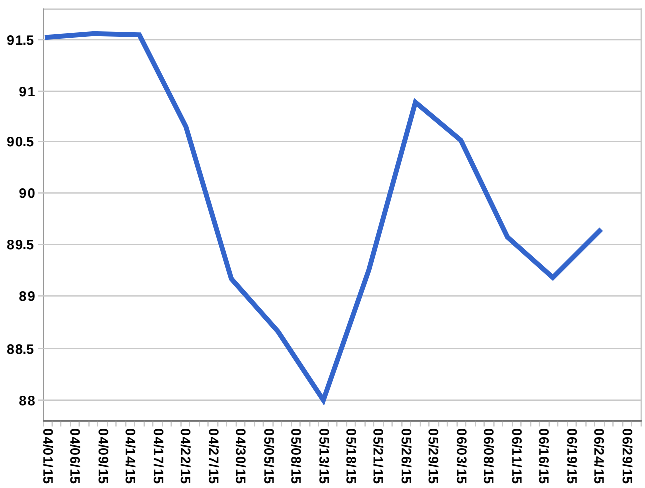
Figure 6: Shanghai Composite



Source: Factset

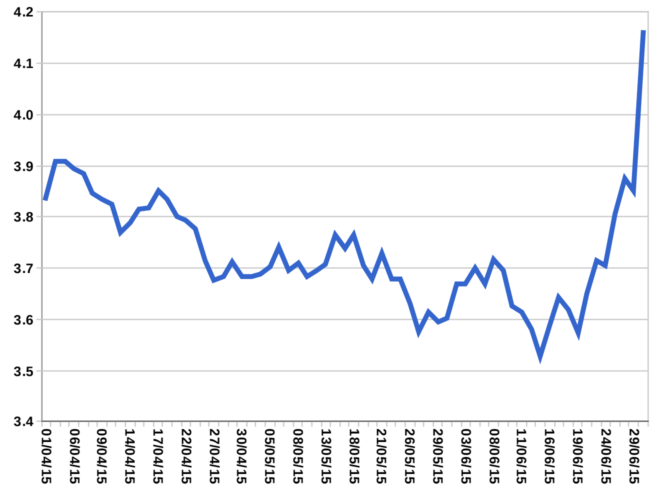
The dollar declined slightly in the quarter (Figure 7), which was one factor behind the strength in commodities. The other factor was poor weather, particularly rain in the Midwest, which raised concerns regarding the health of agricultural commodities (Figure 8).

Figure 7: Trade-Weighted Dollar



Source: FactSet

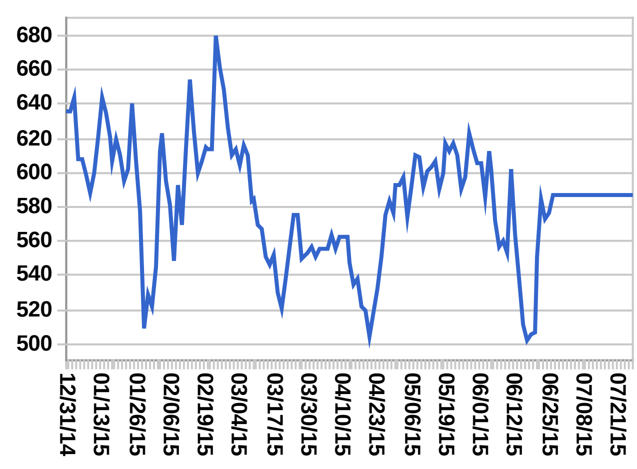
Figure 8: Corn Prices



Source: FactSet

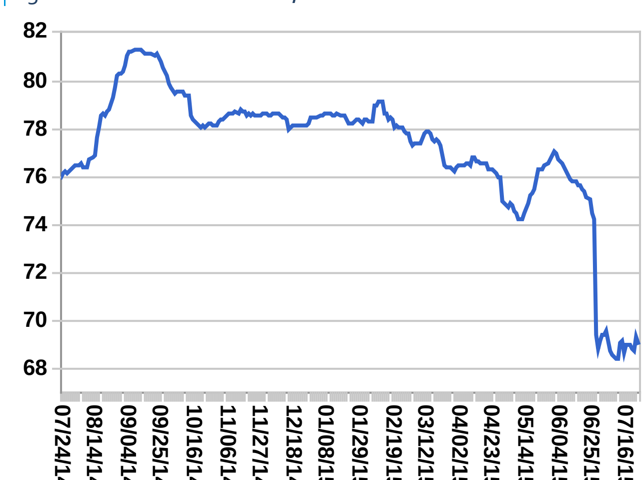
In general, it was a quarter characterized by a firming macroeconomic outlook, which helped to fuel higher interest rates despite some growing uncertainty around Greece (Figure 9) and China. But it was also a quarter where investors were again reminded of the potentially unsustainble debt levels that persist. On June 30th, the governor of Puerto Rico announced that the island's debt was unpayable (Figure 10).

Figure 9: FTSE Greece/Athex 140



Source: FactSet

Figure 10: Puerto Rican Debt, GO



Source: FactSet

Equity Performance

U.S. Beats International and Emerging in 2Q15 Equity Performance

U.S. equities were the best performing equity asset class in the quarter (Figure 11), and specifically U.S. large- and small-cap stocks, which finished the quarter basically flat.

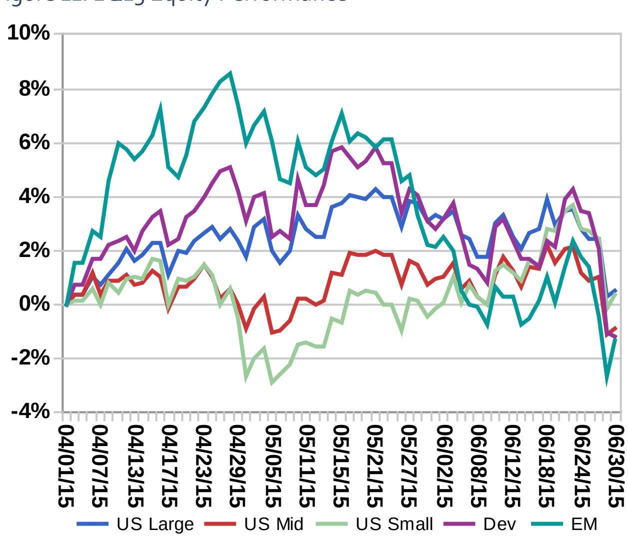
U.S. mid-cap stocks posted single digit declines, as did International Developed. Emerging stocks also recorded declines in the quarter, falling roughly 1.5%. The spring equity rally seemed to lose steam on global growth concerns and some risk aversion as Greece, China and Puerto Rico dominated the headlines, and valuations leave little room for error.

2015 YTD Performance

After substantially outperforming through mid-May, International Developed and Emerging stocks declined fairly sharply at the end of the quarter as events in Greece, China and Puerto Rico seized the headlines. International gave up YTD gains of over 12% to end the first half up about 5%, whereas EM stocks gave up YTD gains of 10% to end the first half up only 2%.

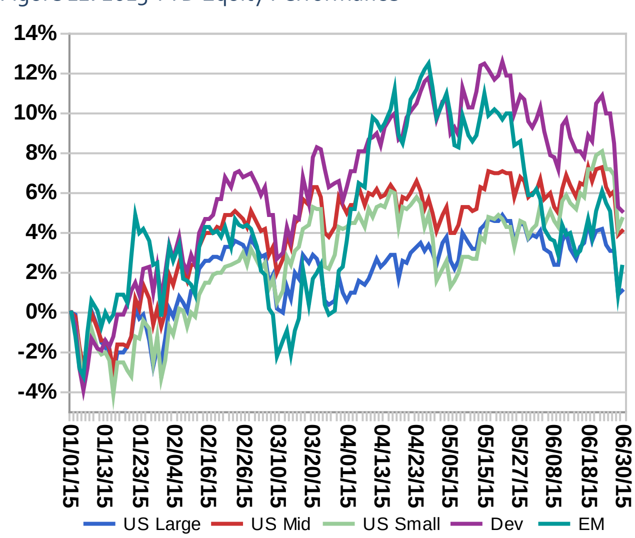
U.S. small and mid-cap outperformed U.S. large-cap YTD, but all three indices were below their May highs. As the dollar declined, international returns were actually better in dollar terms than they were in local currency.

Figure 11: 2Q15 Equity Performance[iii]



Source: FactSet

Figure 12: 2015 YTD Equity Performance



Source: FactSet

Fixed Income Performance

Bonds Falls as Rates Rise

As in 1Q15, speculative bonds outperformed higher quality bonds during the second quarter, although it was of little consolation as all fixed income securities posted declines during the quarter amid rising rates.

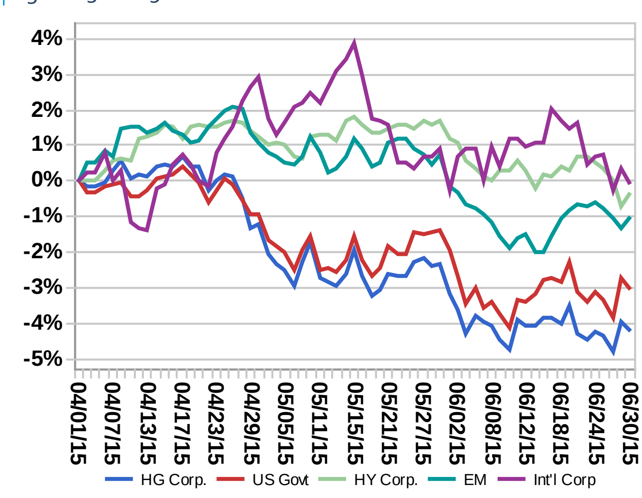
International Corporates posted only very slight declines in dollar terms (mainly given the weaker dollar), and were the best performing fixed income security. U.S. High Yield was next, posting losses of just under 1% while Emerging Markets bonds posted losses of just over 1%. Treasuries and High Grade corporates were the worst performing securities, declining 3% and 4%, respectively.

2015 YTD Performance

Year-to-date only U.S. High Yield and Emerging Markets bonds posted gains, each of around 2%. Within high yield, both BBB and CCC spreads widened slightly through the first half of 2015. U.S. Treasuries are roughly flat while High Grade corporates have declined around 2%.

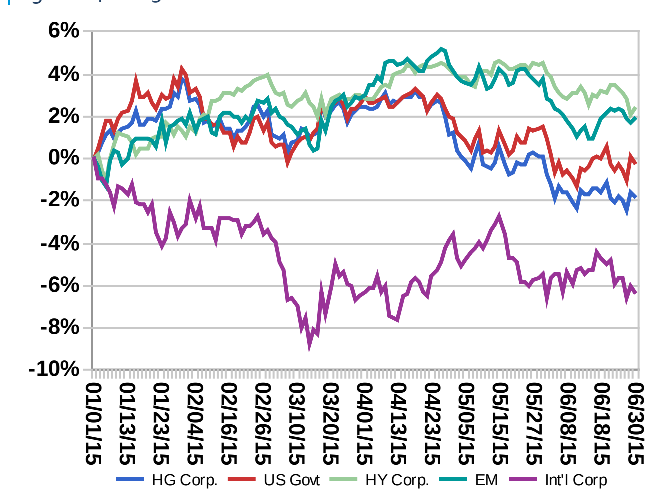
The dollar's strength during 1Q15 drove declines in International Developed bond prices, which fell as much as 8% in March, before clawing back some losses to be down 6% in the first half of 2015.

Figure 13: 2Q15 Fixed Income Performance[iv]



Source: FactSet

Figure 14: 2015 YTD Fixed Income Performance



Source: FactSet

Commodity Performance

Oil and Ag Rally

The second quarter witnessed a reversal in several key commodities, specifically oil and agriculture.

The weaker dollar no doubt created a tailwind for commodity prices, but oil was helped by generally firming economic data and a sharp reduction in rig counts that investors perceived to be bullish. Agriculture, on the other hand, was aided by severe storms in the Midwest, which raised the risk of a poor harvest, especially for wheat and corn.

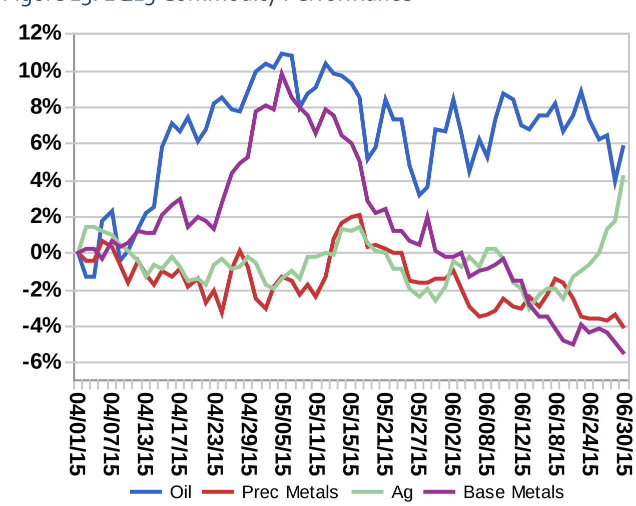
Despite gains in those commodities, precious metals and base metals both recorded declines in the quarter, as prospects for higher interest rates put pressure on precious metals, while the prospect of slower global growth, especially in China, put downward pressure on the entire industrial metals complex.

2015 YTD Performance

Commodities continue to suffer a headwind from a tough combination of slowing global growth, uncertainty around China, a stronger U.S. dollar, rising U.S. interest rates and decent supply levels.

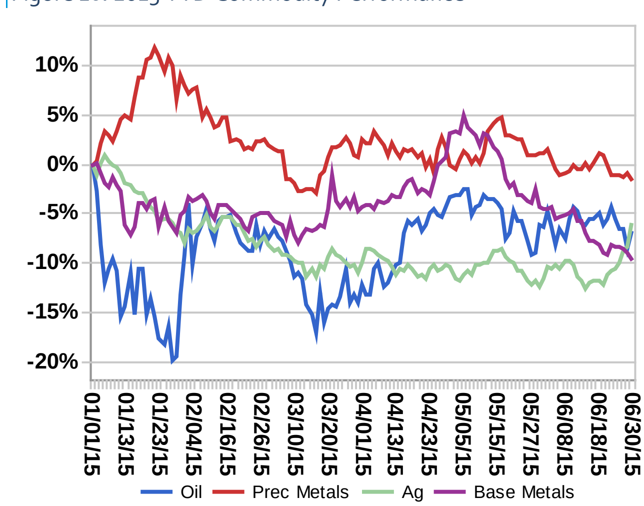
The entire commodity complex is down for the first half of the year, with precious metals roughly flat, Oil and Ag off of their lows but down for the year, and base metals showing no signs of stabilization (Figure 16).

Figure 15: 2Q15 Commodity Performance[v]



Source: FactSet

Figure 16: 2015 YTD Commodity Performance



Source: FactSet

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2015 Forecast

Some Tweaks, But No Major Changes

We have reviewed our Key Metrics forecast for 2015, and while we make some revisions "around the edges" to our forecast, we have no major changes.

At the beginning of the year our view was that the severe dislocation in commodities, currencies and interest rates witnessed over the past several months may put near-term pressure on financial assets as companies adjust to an economic environment that appears quite different from the one they faced this time last year. It takes time for companies to re-position assets, streamline operations and adjust their sales resources to target segments that may differ materially today from where they were focused last year. Over time, companies do make these adjustments, and lower commodity prices and lower interest rates are generally a good thing as we believe they are more disinflationary than deflationary for most consumers and businesses. Our potential concern arises from the fact that the impact of market dislocation is immediate whereas the benefits somewhat deferred. Hence, we expect earnings growth rates to decelerate most notably in the first half and then improving somewhat in the second half.

Given asset price performance— generally flattish in the U.S. and slight gains overseas— it seems that most investors are looking through the 1H15 earnings decline with the anticipation that the second half will witness re-accelerating profit and earnings growth.

It is somewhat surprising that the market has held up reasonably well in the face of substantially lower earnings, which is no doubt a bullish sign. While Fed interest rate policy has much to do with sustaining bullish sentiment in risk assets, we still believe that this is a market in which investors should play defense, not offense.

Figure 17: 2015 Key Metric Forecast

	Year Ended December 31, 2015		
Metric	**Directional**	**Band**	**Point**
US GDP	**Flat**	**2.3-2.6%**	**2.4%**
2015 S&P 500 EPS (RSA/Street	**Up**	**\$115.00/\$115.27**	**\$115.00/\$115.27**
S&P 500	**Flat**	**1975 - 2125**	**2050**
10-Yr. U.S. Treasury Yield	**Up**	**1.8% - 2.75%**	**2.50%**
Euro/USD	**Down**	**1.15 - 1.00**	**1.05**
USD/Yen	**Up**	**120 - 130**	**125**
Oil (WTI)	**Up**	**\$45 - \$65**	**\$50**
Gold	**Down**	**\$1,050 - \$1,250**	**\$1,095**
Inflation	**Flat**	**1.5% - 1.7%**	**1.6%**

Source: Rockingstone Advisors, The Economist, Standard and Poor's, NYSE Arca, St. Louis Federal Reserve

2015 GDP Forecast

Our original forecast for GDP was +3.3% in 2015, but in light of the very tough first quarter, we revised that to +2.4%. We remain comfortable with that figure, so there are no revisions this quarter.

2015 S&P 500 Earnings Estimates

Companies in the S&P 500 posted earnings of $113 in 2014, yielding a growth rate of just 5.3% from 2013. This figure was slightly below our estimate and materially below the Street's. As 2014 actual earnings sets the base for forward growth estimates, last quarter we issued a new 2015 forecast of $115, below the Street's $118.02, implying 4.4% growth from 2014. Since publishing last quarter, the Street's numbers have steadily been revised lower, and are presently $115.27, which is now in line with our forecast. The Street's 2016 estimate is $132.05, which implies an earnings growth rate of 14%. We would be surprised to see 2016 S&P 500 earnings in excess of $125, and believe a more appropriate forecast is roughly $120, implying a growth rate of about 4%.

2015 S&P 500 Price Target

We maintain our forecast for a potential range of the S&P 500 by year end of 1975 – 2125, and leave our target unchanged at 2050, implying flat returns for 2015.

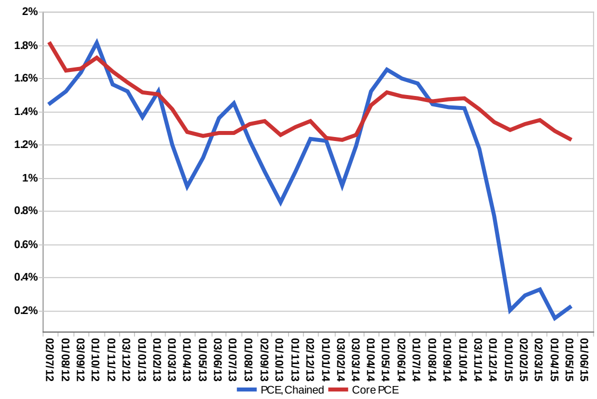
We are assuming a marginal de-rating in P/E multiple: roughly half of a multiple point due to slightly higher interest rates and decelerating EPS growth rates. Note that even our forward P/E assumption of 17.8x 2015 is well above the market's traditional multiple of approximately 15x. But we think that is fair given the abnormally low interest rate environment coupled with the fact that earnings have probably troughed and the next revisions, in our view, will most likely be positive. But it does worry us to apply a premium multiple to what we perceive to be mid- to late-cycle earnings.

U.S. 10-Year Treasury

Based on flat to declining inflationary pressures, anemic global growth, new regulatory rules on the holding of risk-free assets, and exceptionally low European sovereign rates, we continue to expect 10-year U.S. Treasury yields to remain abnormally low in 2015, although perhaps not as low as we had originally forecast. We had expected a range of 1.8%-2.2%, but now expect the range to be between 1.8% and 2.75%, ending the year around 2.5%.

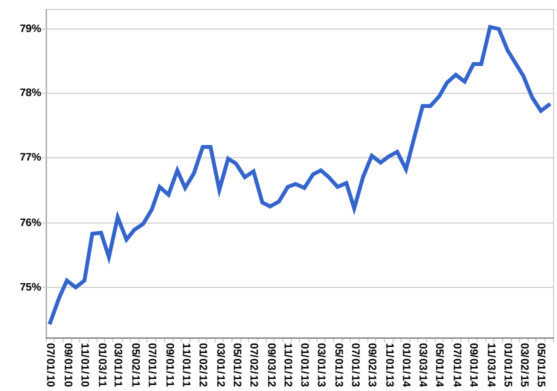
The factors that would endanger our forecast would be (i) a correction or reversal of recent dollar strength (but this would most likely be the result of slower U.S. growth), (ii) a correction or reversal in the price of oil (certainly logical given the likelihood of an overshoot, but given the current supply glut it's unlikely oil makes a major move back into the $70s), or (iii) a rapidly accelerating economy, of which presently there is little evidence.

Figure 18: Chained PCE



Source: FactSet

Figure 19: Capacity Utilization (Percentage)



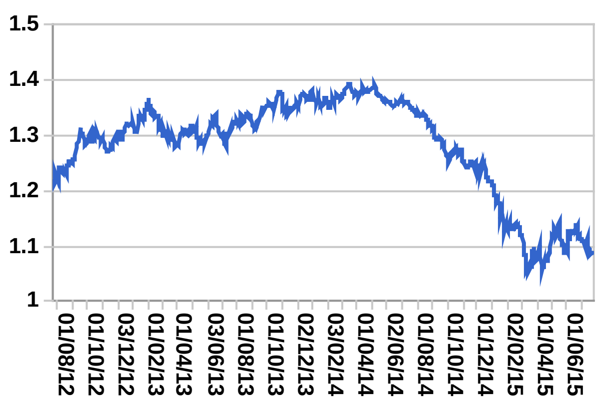
Source: FactSet

2015 Euro/Yen Forecast

The dollar rally lost some steam in the second quarter. While fundamentals for a stronger dollar are in place, the trade continues to be a little "crowded" and we expect minor incremental gains from current levels in the next quarter or so.

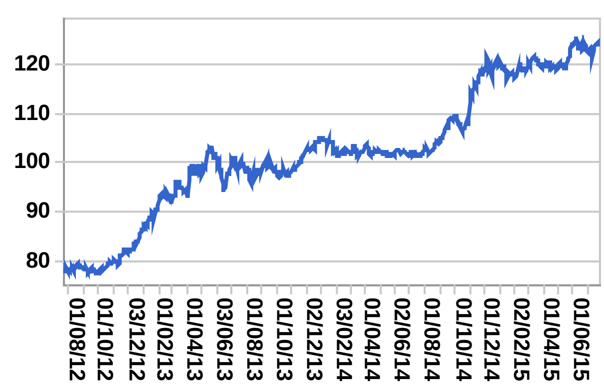
By year end, however, we are forecasting Euro/USD of $1.05 and Yen/USD of 125. We would view a Greek exit as bullish for the Euro.

Figure 20: Euro/USD



Source: FactSet

Figure 21: USD/Yen



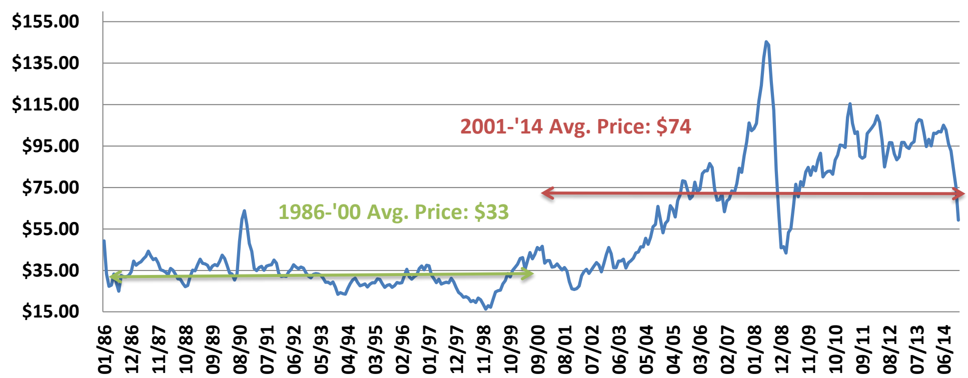
Source: FactSet

2015 Oil Forecast

Oil prices remained excessively volatile during the first half of 2015, with WTI bouncing off of its $44 low in the first quarter, rising through $60 during the second quarter, and then declining once again to below $50.

We continue to believe that oil's $44 low will be the low of the year, but now expect oil to end the year closer to $50 than to $60. This is a revision from our original forecast of $57, which is attributable to the recent agreement struck with the Iran, ongoing dollar strength, as well as ample supplies.

Figure 22: Inflation-Adjusted WTI Price/Barrel (2014 Prices)



Source: St. Louis Federal Reserve, FRED Database, Rockingstone Advisors

2015 Gold Prices

Gold rallied at the beginning of the year, rising more than 10% during January. As the dollar continued to strengthen, however, gold began to slip, and ended the second quarter well below its January highs. Despite the dollar's recent weakness, gold prices have continued to decline. Moreover, this decline has occurred in the face of geopolitical uncertainty, especially in Greece, which is a bearish indicator.

Given the poor price action, we are revising downward our expectation for gold prices, and we now forecast a year-end range of between $1,050/oz to $1,250/oz with a point forecast of $1,095/oz.

Figure 23: Gold Prices (USD/London Close)

Source: FactSet

2015 Inflation

There is no change to our inflation forecast within a range of 1.5% to 1.7% with a point estimate of 1.6% for CPI.

Five Year Asset Value Forecast[vi]

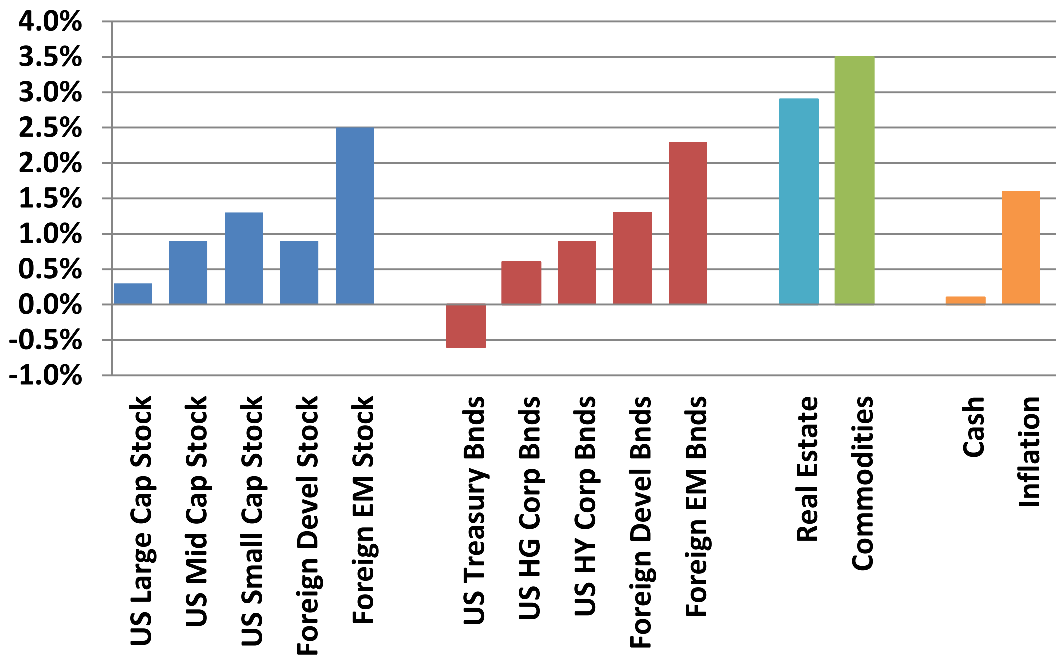
Future Real Returns Appear Limited

We present our five-year asset value forecast below (Figure 24). We are forecasting limited real long-term returns on financial assets as we believe the discount rates applied to these assets is abnormally low due to central bank intervention.

Our forecasts are predicated on the assumption that asset values mean-revert over time. In essence for equities, corporate profit margins and P/Es should theoretically decline (if currently above their historical mean) or expand (if currently below their historical mean) over the longer-term. Given our expectations of flattish total returns, we expect the "give" of earnings and dividends to be exceeded by the "take" of mean-reverting margins and multiples, both of which are above their historical mean. In fixed income we expect the "give" of coupons will be exceeded by the "take" of mean-reverting inflation and real rates, both of which are below their historical mean.

Of course short-term returns may not necessarily match our longer-term return predictions; markets are significantly more random over the short-run than the long-run.

Figure 24: Five-Year Asset Class Forecast



Source: Rockingstone Advisors

2015 Portfolio Positioning - Equities

As we see limited gains in the indices, our priorities are on (i) capitalizing on relative value across the various indices (large vs. small, Japan vs. Europe); (ii) capitalizing on relative value across sectors (financials vs. utilities); (iii) finding relative value in individual securities; and (iv) shorting indices, sectors and names that appear materially over-valued with operational or structural challenges (we rarely short value alone).

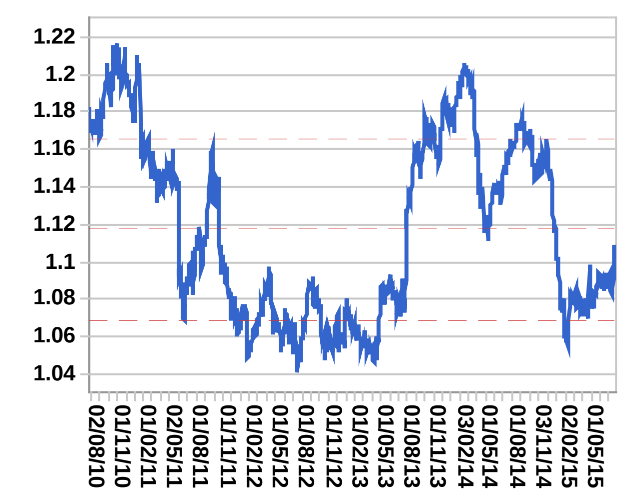
From an index standpoint, we now think there is still some value in the Nasdaq 100 and in small caps vs. large caps, which is a change relative to prior positioning. This change is due in large part to erosion in the S&P earnings outlook due in part to the strong dollar but also due to the role of energy. We are mostly neutral- to under-weight the U.S., over-weight Europe and over-weight Japan. While we like Emerging Markets longer-term, we believe there are some short-term struggles adjusting to lower commodity prices and a stronger dollar, so are currently under-weight EM. That said, we maintain our positions in India and in Russia.

Across sectors, we are over-weight Financials, Technology and Industrials, where we think some value exists, though Industrials has been a really frustrating sector to own. We continue to believe Financials are the longer-term winner as margins remain constrained and values still generally below book. We continue to be under-weight Energy, and have increased our underweight in the last few weeks. We continue to be neutral-weight Discretionary and Healthcare, and under-weight Staples and Utilities. Healthcare has been the place to be; unfortunately we are now neutral, though we have owned the biotech ETF for some time. Utilities and Staples are quite expensive in our view given their role as bond proxies and yield substitutes.

2015 Relative Equity Values - US

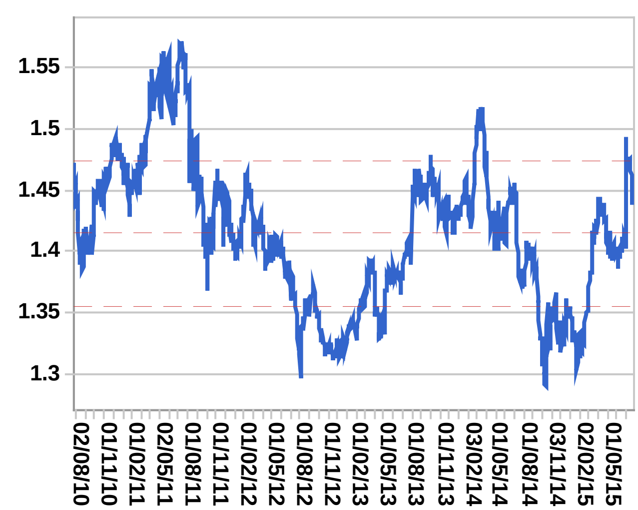
In a rich market our emphasis is on finding relative value where we can. We think the Nasdaq 100 is reasonably attractive against the S&P 500 (see Figure 25). The Russell 2K is still relatively expensive, but we like the earnings growth there relative to large caps.

Figure 25: Nasdaq 100 P/E vs. S&P 500 P/E (NTM)



Source: FactSet

Figure 26: Russell 2K P/E vs. S&P 500 PE (NTM)



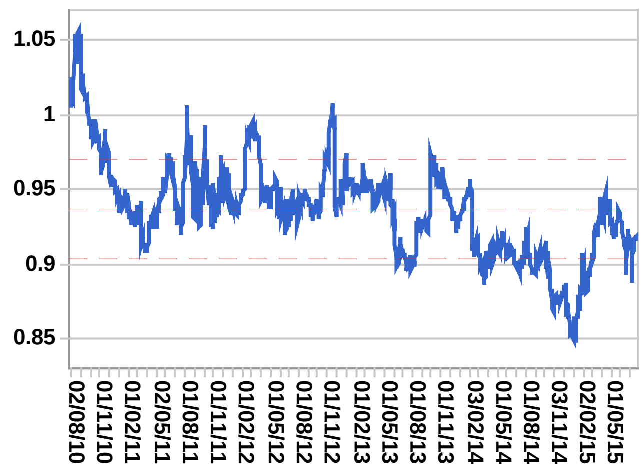
Source: FactSet

2015 Relative Equity Values – International and Emerging

We remain over-weight most international markets, as we like the relative value and the current liquidity cycle, especially in Europe and in Japan. We have about half of our exposure hedged against local currency declines overseas.

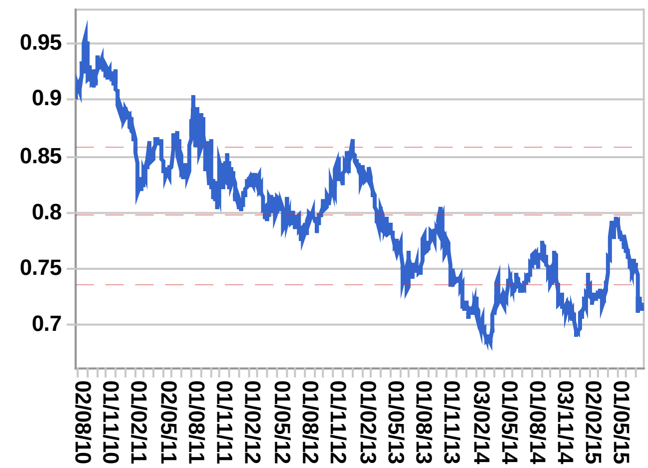
Foreign Developed appears relatively cheap against the U.S. (Figure 27), while Emerging Markets appear very cheap, trading below one standard deviation of its 5-year relative value (Figure 28).

Figure 27: International Developed P/E vs. S&P 500 P/E (NTM)



Source: FactSet

Figure 28: Emerging Markets P/E vs. S&P 500 PE (NTM)



Source: FactSet

2015 Portfolio Positioning – Individual Equities

Our largest individual holdings are The Advisory Board Company, Delta, General Dynamics, Home Depot, JetBlue, KKR, Kraft, Morgan Stanley, New Mountain Capital, Northstar Asset, Northstar Realty, Precision Cast Parts and Walmart.

2015 Portfolio Positioning – Fixed Income

For 2015 we maintain our Treasury position (more of a trade than a long-term commitment), continue to reduce some of our high yield exposure (especially in light of the issues in energy), but generally maintain our fixed income orientation to one of slightly higher yields by the end of the year.

We are long (intermediate) Treasuries, agencies, high grade corporates, high yield, floating rate debt, bank debt and emerging markets debt.

We continue to be long converts and preferreds for hybrids. We prefer mortgages and asset-backed over high grade corporates.

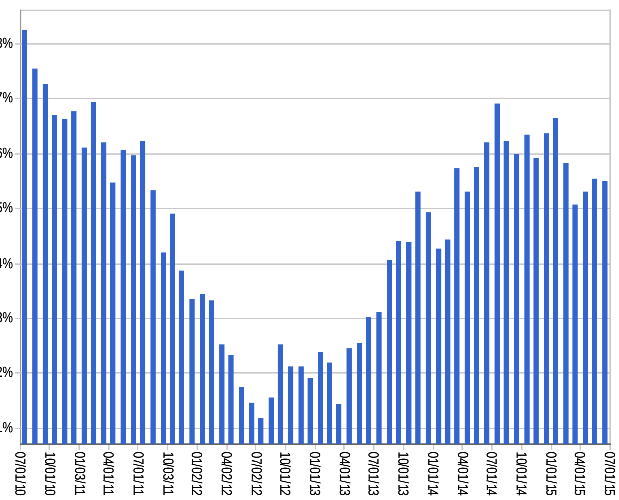
2015 Portfolio Positioning – Commodities

We added to our silver holdings during the first quarter, but have not yet entered a new position in gold. While central bank actions, we believe, should continue to add price support for both metals in the long-term, over the short-run the outlook appears much more muted.

Chart Book

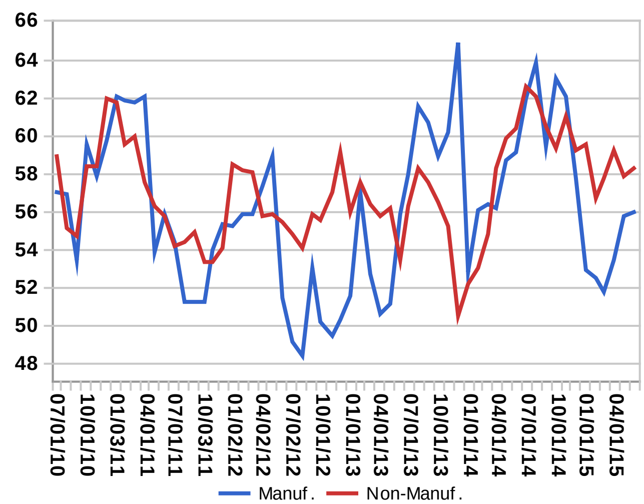
Leading Indicators

Figure 29: Index of Leading Economic Indicators



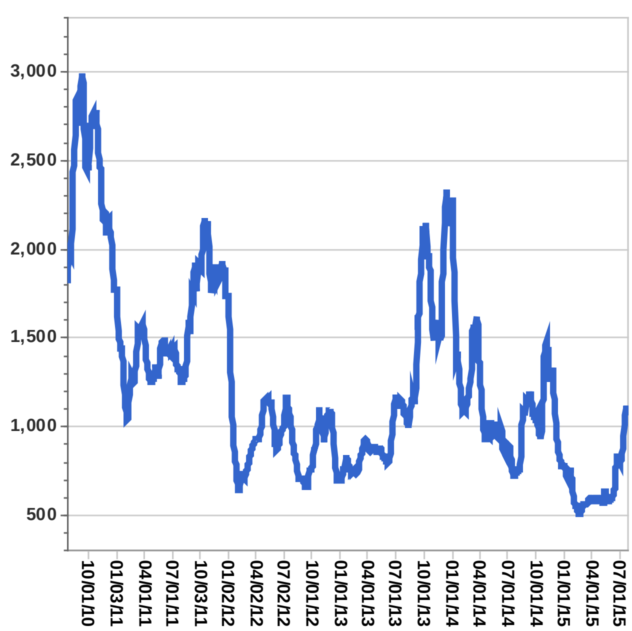
Source: FactSet

Figure 30: ISM New Orders



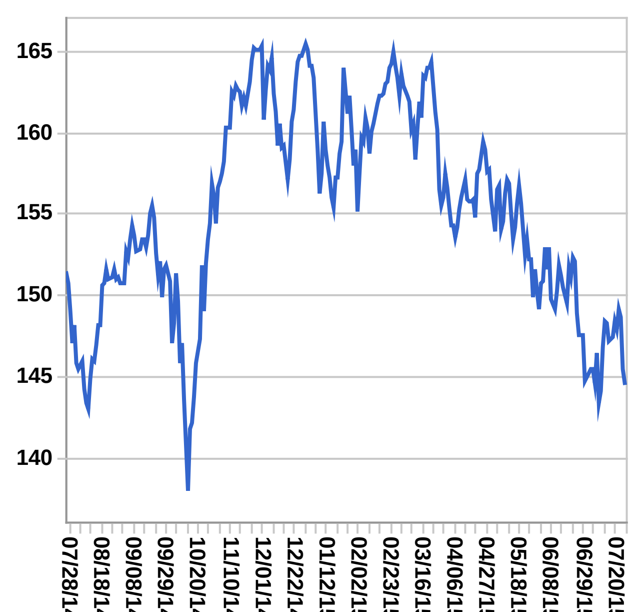
Source: St. Louis Federal Reserve, FRED Database

Figure 31: Baltic Freight Index



Source: FactSet

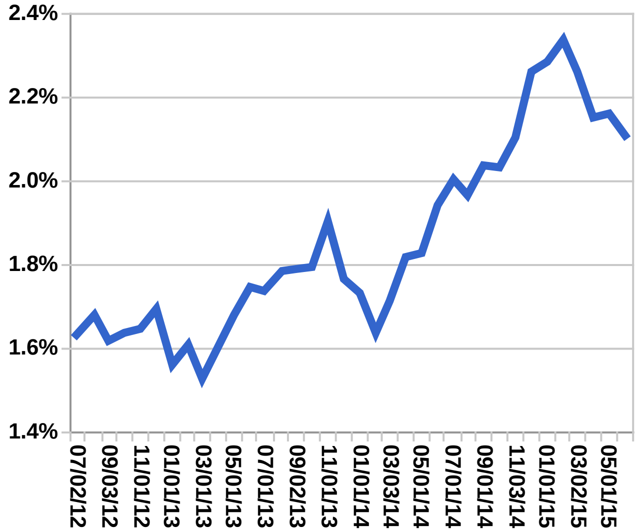
Figure 32: DJ Transports



Source: FactSet

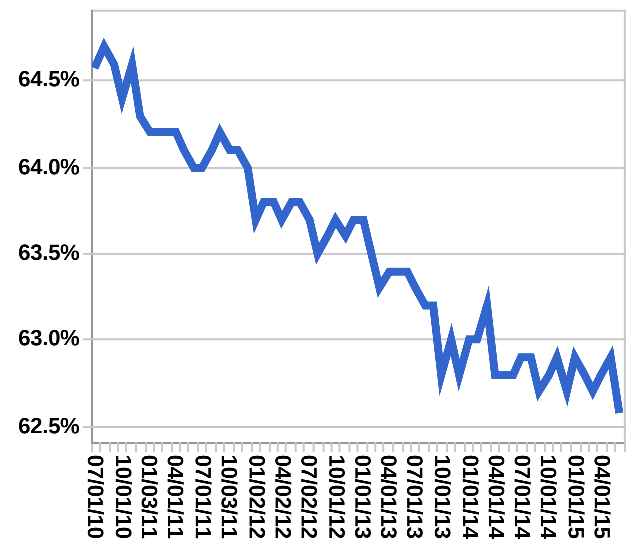
Labor Market Indicators

Figure 33: Payroll Growth (Establishment Survey, % Chg YoY)



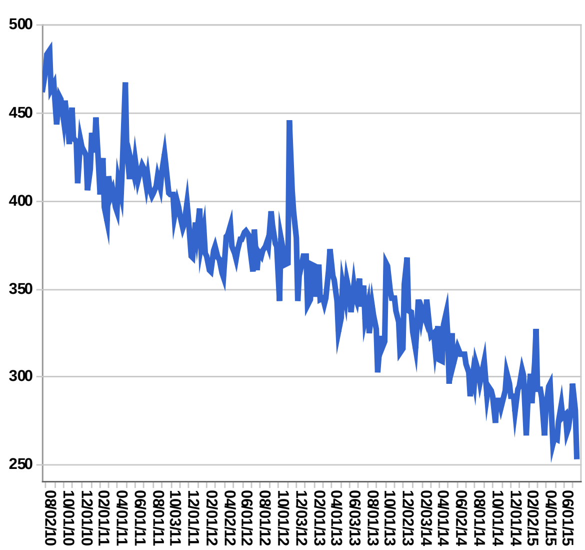
Source: FactSet

Figure 34: Labor Participation Rate (% of Workforce)



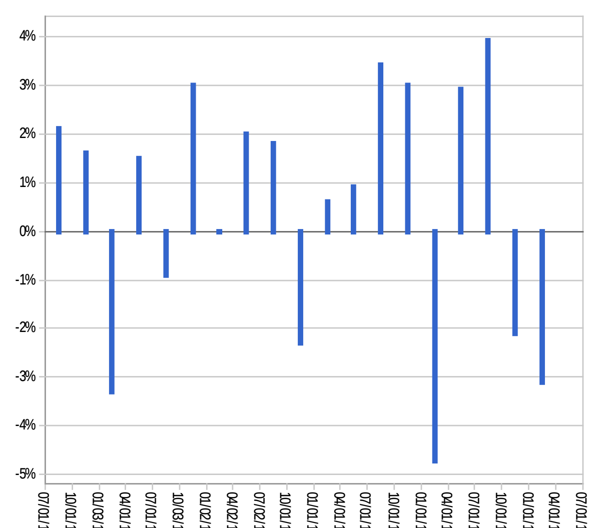
Source: FactSet

Figure 35: Initial Unemployment Claims



Source: FactSet

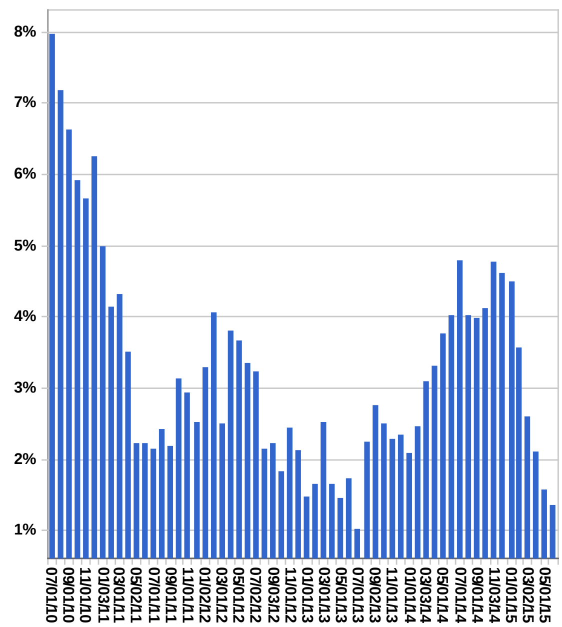
Figure 36: Non-Farm Productivity (% Chg YoY)



Source: FactSet

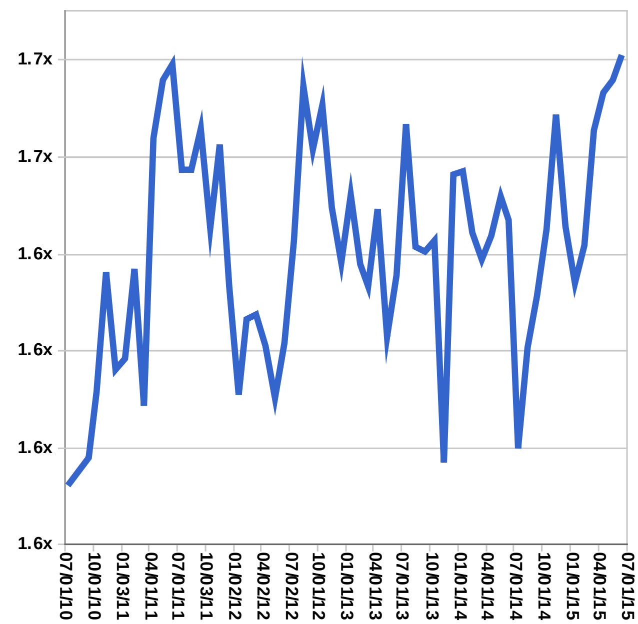
Production and Business Activity Indicators

Figure 37: Industrial Production (% Chg YoY)



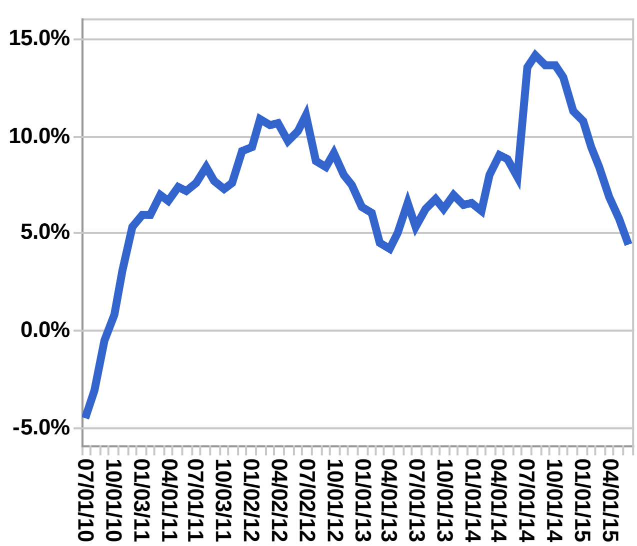
Source: FactSet

Figure 38: US Inventory to Shipment Ratio



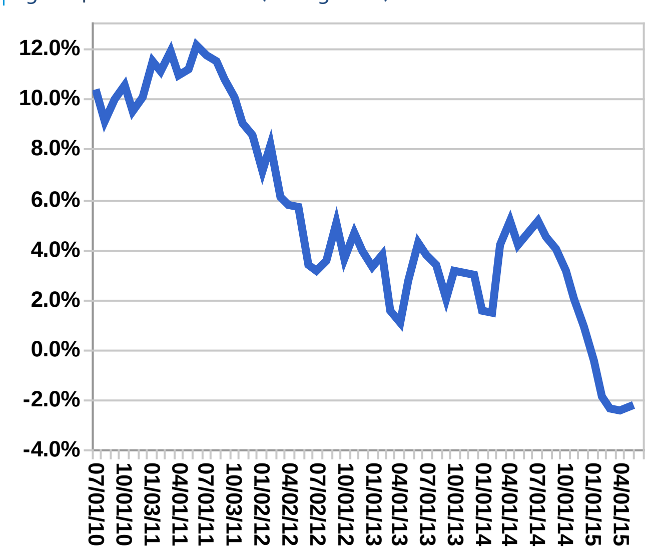
Source: FactSet

Figure 39: Unfilled Orders (% Chg. YoY)



Source: FactSet

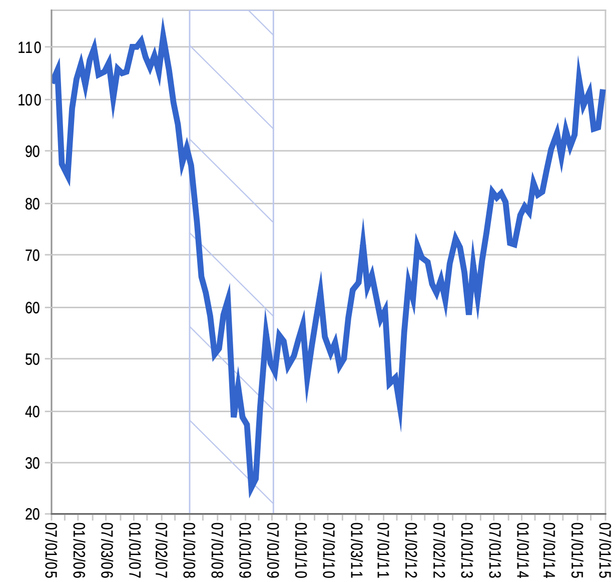
Figure 40: Business Sales (% Chg. YoY)



Source: FactSet

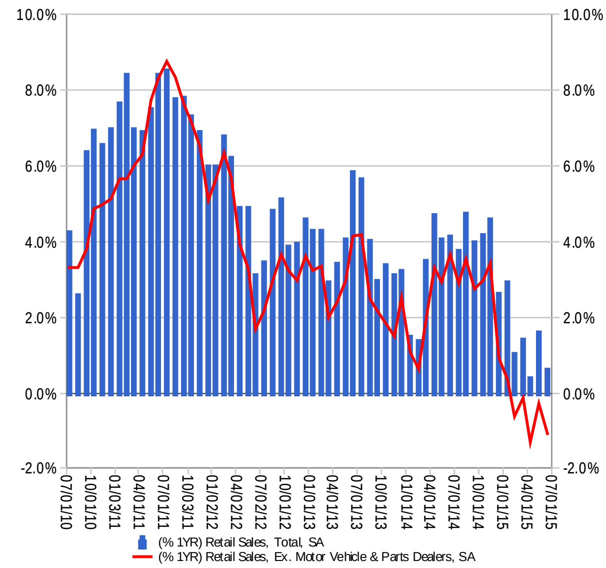
Consumer and Household Activity Indicators

Figure 41: University of Michigan Consumer Sentiment



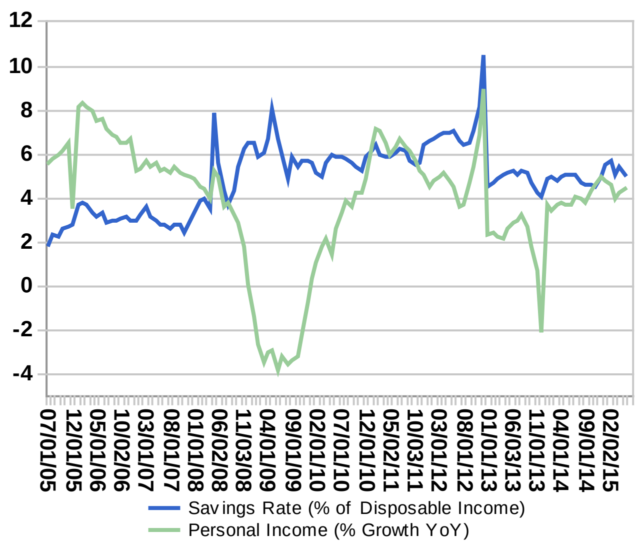
Source: FactSet

Figure 42: Retail Sales



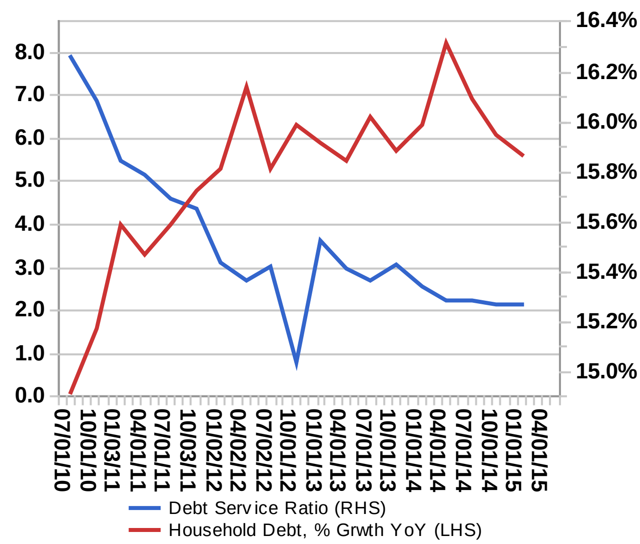
Source: FactSet

Figure 43: Personal Income and Savings Rate



Source: FactSet

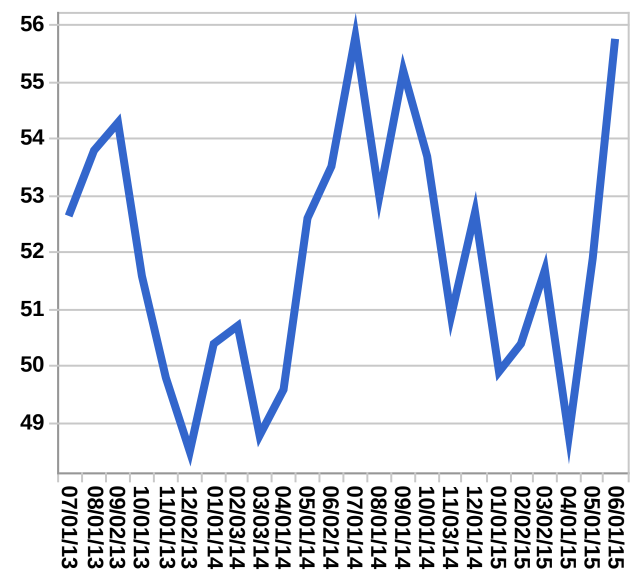
Figure 44: Household Debt



Source: FactSet

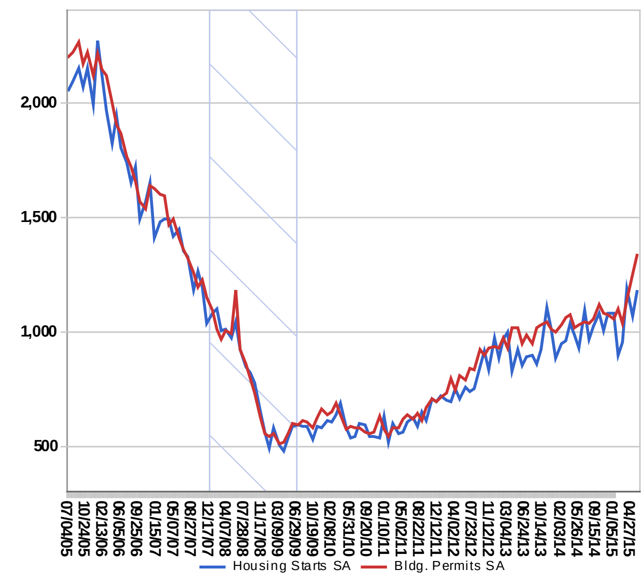
Housing and Construction Indicators

Figure 45: Architecture Billings Index



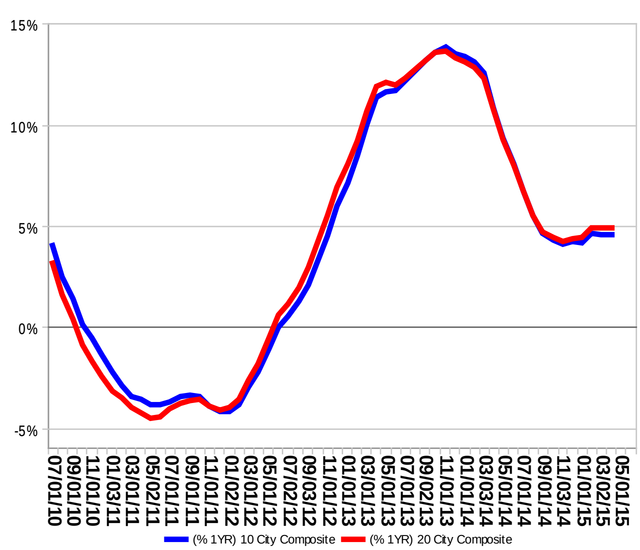
Source: FactSet

Figure 46: Housing Starts and Building Permits



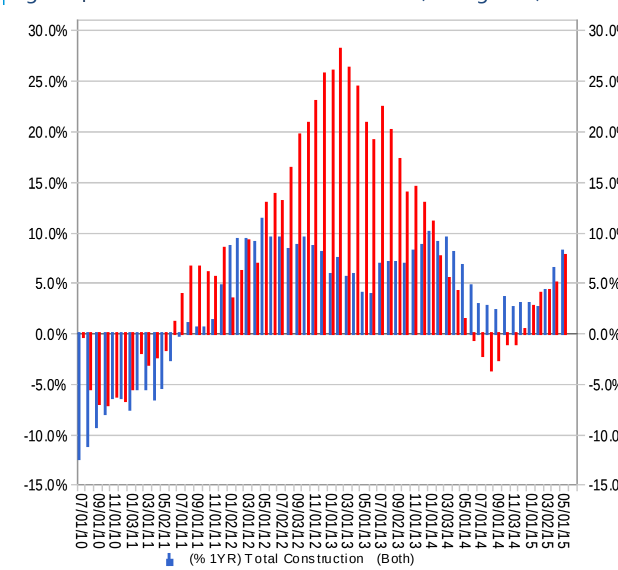
Source: FactSet

Figure 47: Case-Shiller 20-City & 10-City Index, % Chg YoY



Source: FactSet

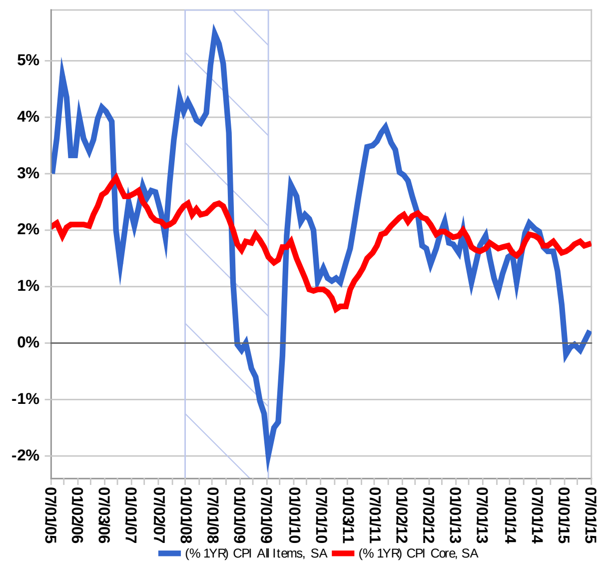
Figure 48: Private and Total Construction (% Chg YoY)



Source: FactSet

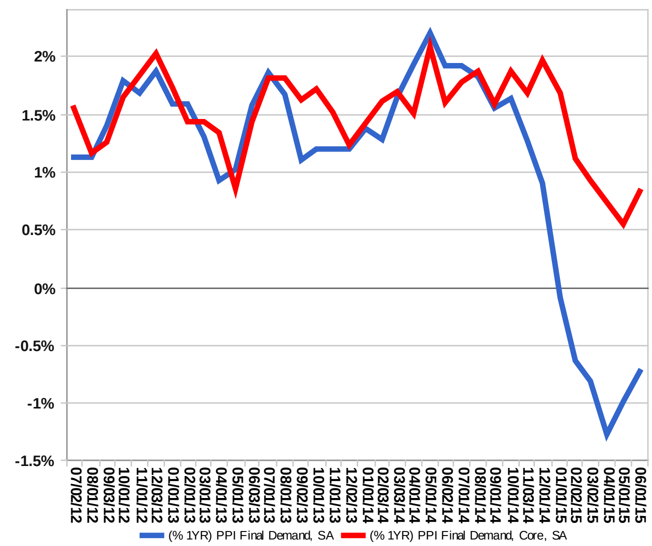
Price Indicators

Figure 49: Consumer Price Index



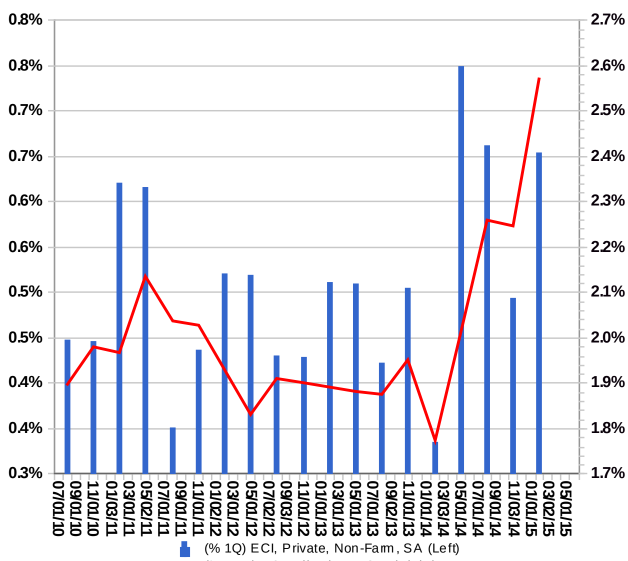
Source: FactSet

Figure 50: Producer Price Index



Source: FactSet

Figure 51: Employment Cost Index



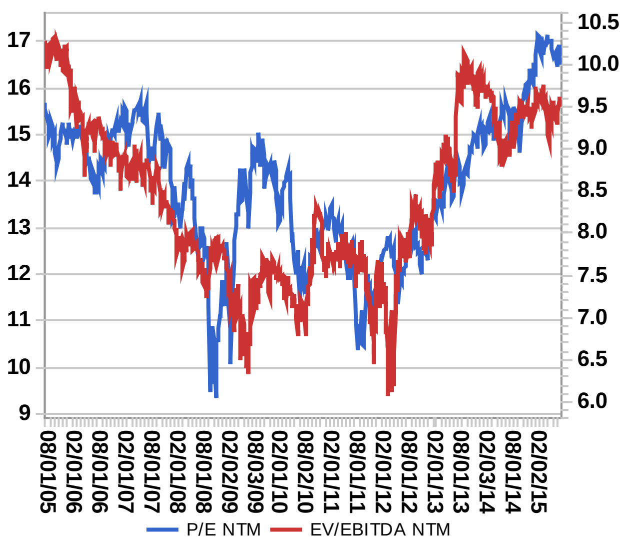
Source: FactSet

Figure 52: 10-Year, 5-Year Forward Inflation Expectations

Source: FactSet

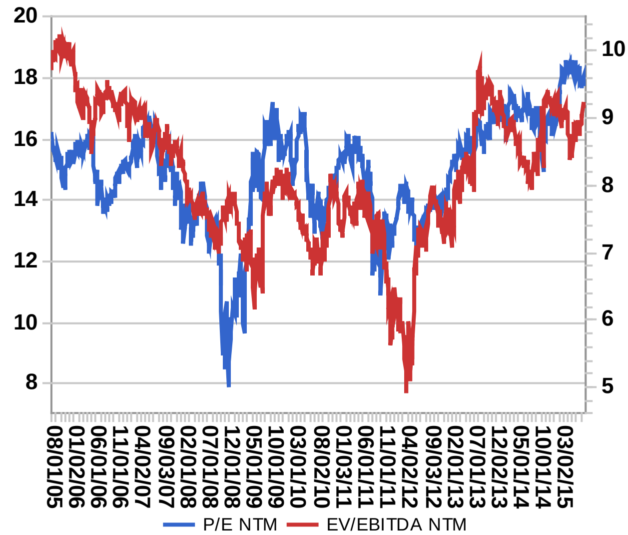
Valuation Indicators

Figure 53: S&P 500 P/E (LHS) & EV/EBITDA (RHS)



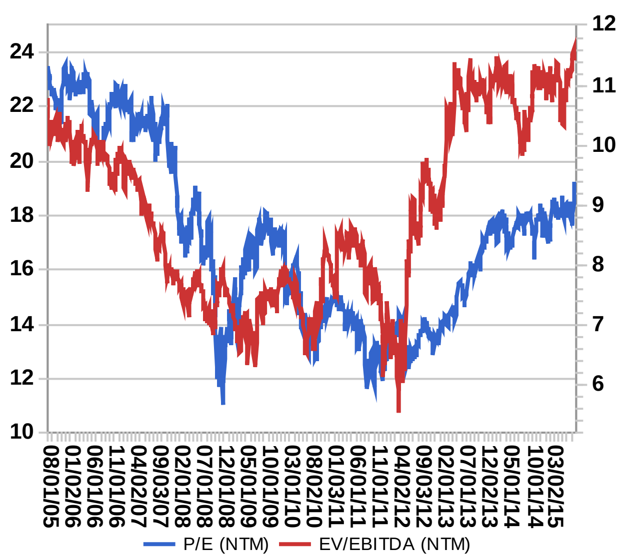
Source: FactSet

Figure 54: S&P Midcap 400 P/E (LHS) & EV/EBITDA (RHS)



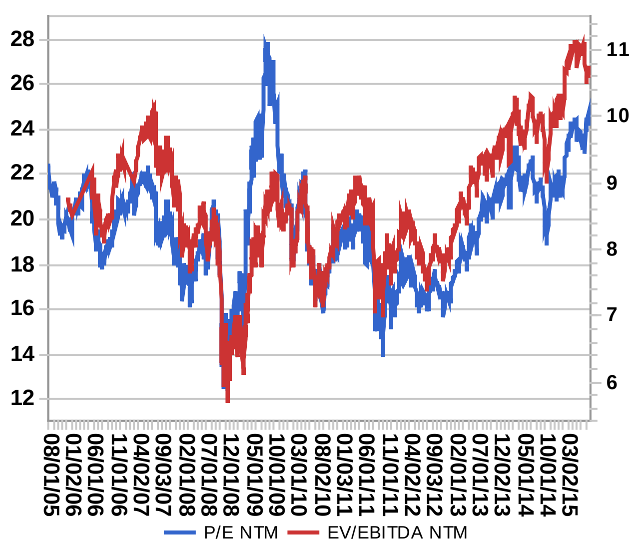
Source: FactSet

Figure 55: Nasdaq 100 P/E (LHS) & EV/EBITDA (RHS)



Source: St. Louis Federal Reserve, FRED Database

Figure 56: Russell 2000 P/E (LHS) & EV/EBITDA (RHS)



Source: St. Louis Federal Reserve, FRED Database

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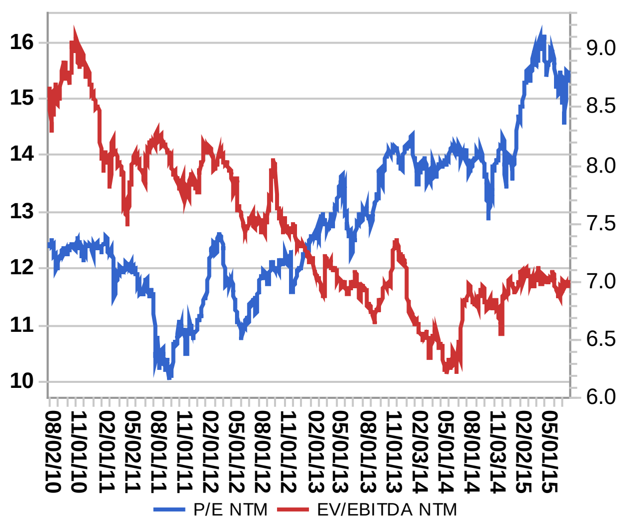
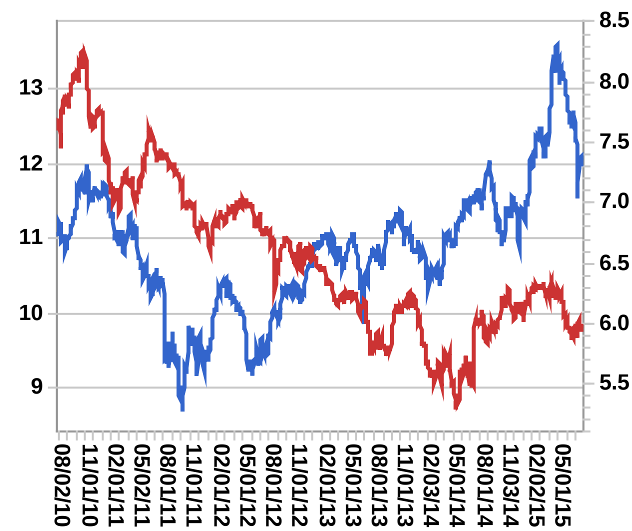
Valuation and Volatility Indicators

Figure 57: International Developed P/E (LHS) & EV/EBITDA (RHS)



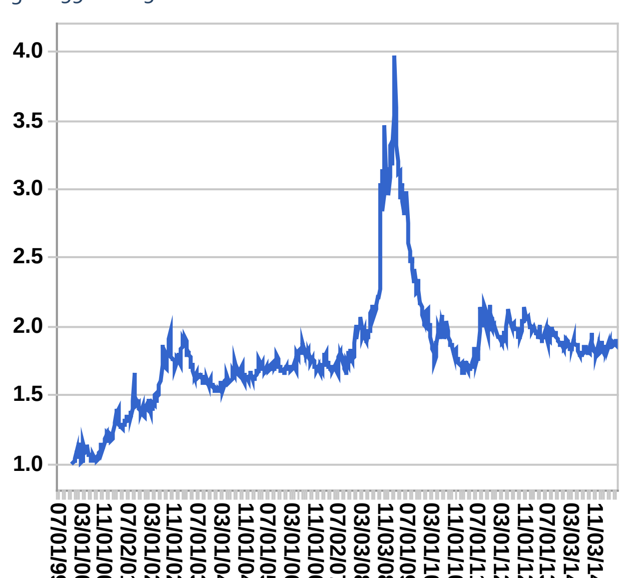
Source: Robert Shiller, Yale University, Rockingstone Advisors, Standard & Poor's

Figure 58: Emerging Markets P/E (LHS) & EV/EBITDA (RHS)



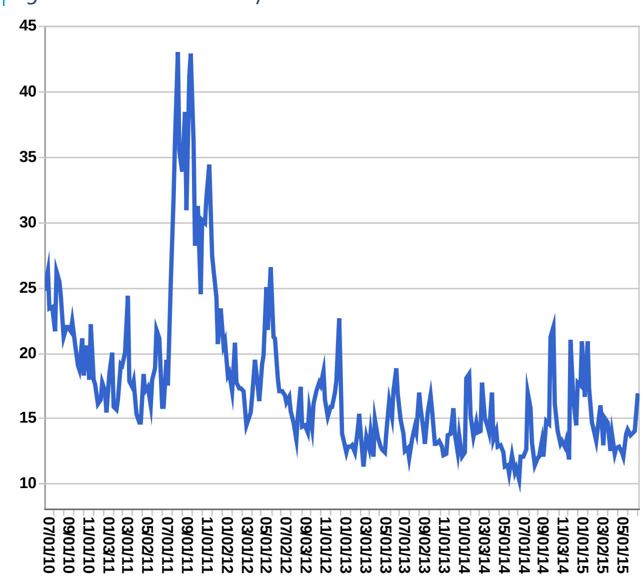
Source: Robert Shiller, Yale University, Rockingstone Advisors, Standard & Poor's

Figure 59: S&P 500 Dividend Yield



Source: FactSet

Figure 60: CBOE Volatility Index



Source: FactSet

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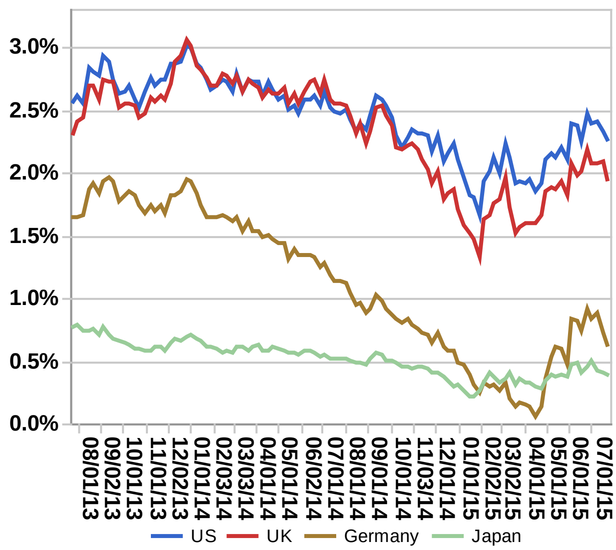
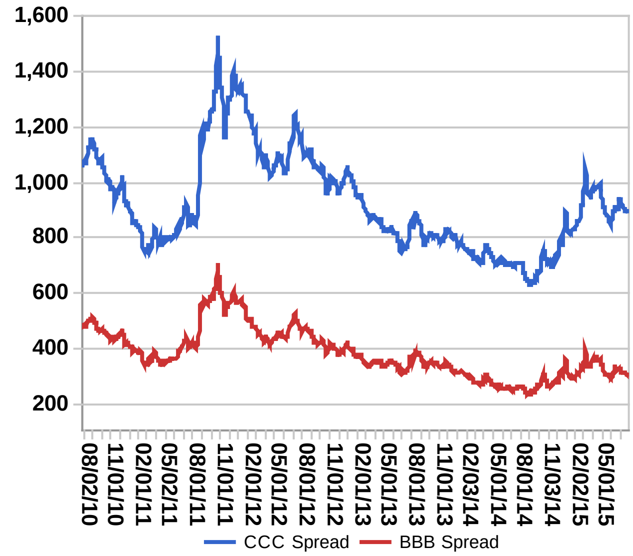
Bond Market Indicators

Figure 61: 10-Year Global Bond Yields



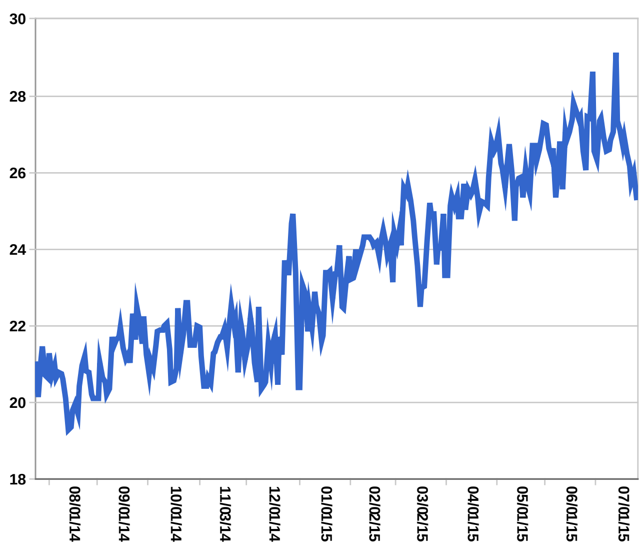
Source: FactSet

Figure 62: CCC and BBB Spreads (Option Adjusted)



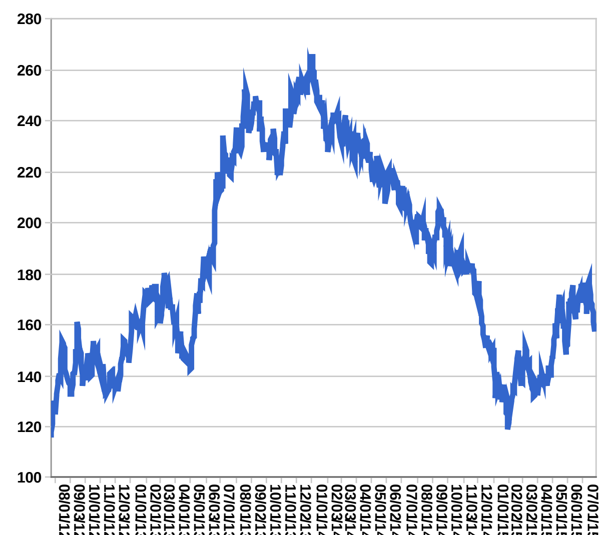
Source: FactSet

Figure 63: TED Spread (bps)



Source: FactSet

Figure 64: 10-Year Minus 2-Year Treasury



Source: FactSet

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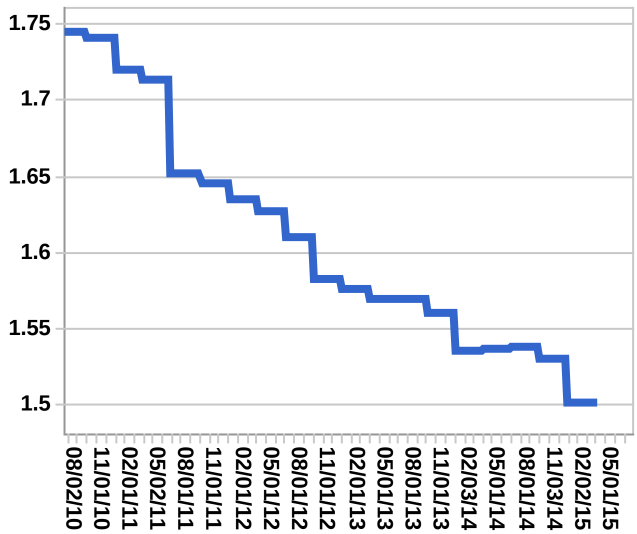
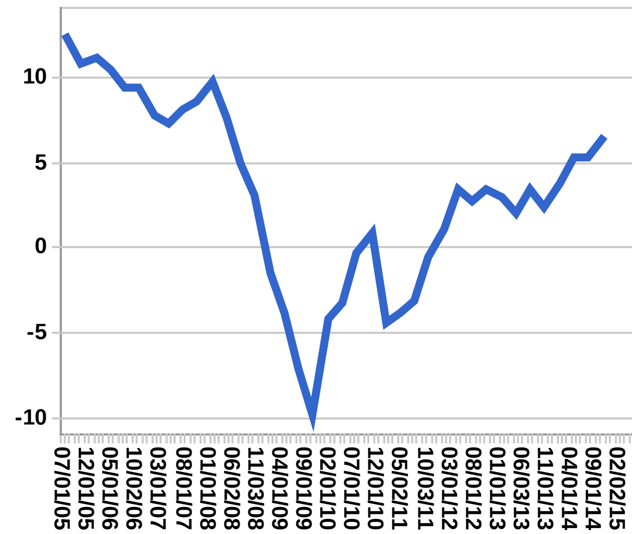
Liquidity and Other Indicators

Figure 65: Velocity of M2 Money Stock



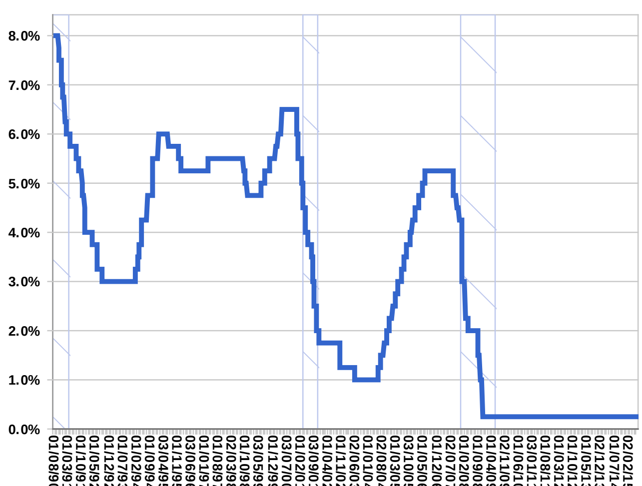
Source: FactSet

Figure 66: Loan Growth (Non-Financial, Private Sector)



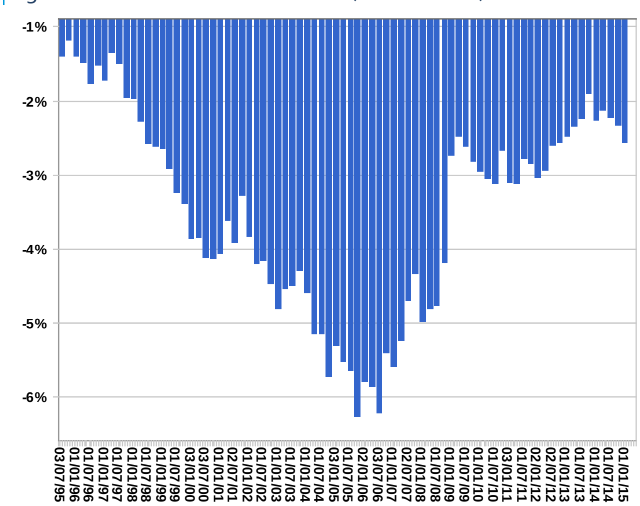
Source: FactSet

Figure 67: Fed Funds Target Rate



Source: St. Louis Federal Reserve, FRED Database

Figure 68: Current Account Deficit (as % of GDP)



Source: St. Louis Federal Reserve, FRED Database

Appendix

Important Regulatory Disclosures and End Notes

Form ADV available upon request.

This quarterly is only for informational purposes and not a solicitation to buy or sell securities or as a source of specific investment, legal or tax recommendations.

Rockingstone Advisors is solely responsible for the content of this Quarterly. The information and statistical data contained herein have been obtained from sources we believe are reliable but cannot guarantee.

Rockingstone Advisors performance charts depict the mean aggregate return of all accounts invested with a similar objective and risk tolerance during the entire return period; individual account performance may materially differ according to strategy and portfolio composition. Returns are calculated using time-weighted method (TWM) and are weighted by portfolio assets. Returns can be influenced not only by the actual performance of the underlying portfolios, but by the mix (composition) of portfolios in any given year. Public equity returns are calculated by Morningstar based on information received from our custodian(s). Other investment returns, including private equity and real estate investments are calculated based on valuation data from parties other than Rockingstone Advisors. Fixed income returns generated by private notes are recognized when the cash coupon is paid, rather than on an accrued interest basis. Annualized return is based on portfolios invested as of June 1, 2009. The sample set of portfolios within each annual cohort has increased over time and the mix changes every year. Our investment returns may reflect investment opportunities that are unavailable to all of our clients, for reasons including: (i) certain funds in which we have invested are now closed to new investors, (ii) certain clients may not meet "accredited investor" standards, (iii) certain investments are available only to officers or directors of a business, and /or (iv) we may believe that historical returns most likely will not be generated by a specific security or strategy and thus are no longer allocating new capital to a specific security or strategy. Past performance is not indicative or a predictor of future performance. Mean reversion is a powerful force, meaning periods of outperformance are typically followed by periods of underperformance. All figures are net of fees and expenses. Rockingstone's performance must be assessed in light of not just how we performed relative to the benchmarks, but how much risk we assumed in generating portfolio returns.

Quarterly Data prices are as of June 30, 2015; most other prices and yields are as of July 24, 2015.

We are happy to provide the raw data and source links for any of the charts or tables in this Quarterly. We are also happy to provide individual account performance data by annual cohort or by IRR (instead of TWM) so you can better understand the range of portfolio returns. We thank you for your interest and always appreciate any feedback.

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[i] Asset class performance charts depict Equity (SPY ETF), Bonds (BND ETF), Commodities (DBC ETF), Preferred (PFF ETF) and Real Estate (VNQ ETF) price change plus dividends and interest during the selected period.

[ii] Rockingstone Advisors performance charts depict the mean aggregate return of all accounts invested with a similar objective and risk tolerance during the entire return period; individual account performance may materially differ according to strategy and portfolio composition. Returns are calculated using time-weighted method (TWM) and are weighted by portfolio assets. Returns can be influenced not only by the actual performance of the underlying portfolios, but by the mix of portfolios in any given year. Public equity returns are calculated by Morningstar based on information received from our custodian(s). Other investment returns, including private equity and real estate investments are calculated based on valuation data from parties other than Rockingstone Advisors. Fixed income returns generated by private notes are recognized when the cash coupon is paid, rather than on an accrued interest basis. Annualized return is based on portfolios invested as of June 1, 2009. The sample set of portfolios within each annual cohort has increased over time. Our investment returns may reflect investment opportunities that are unavailable to all of our clients, for reasons including: (i) certain funds in which we have invested are now closed to new investors, (ii) certain clients may not meet "accredited investor" standards, (iii) certain investments are available only to officers or directors of a business, and /or (iv) we may believe that historical returns most likely will not be generated by a specific security or strategy and thus are no longer allocating new capital to a specific security or strategy. Past performance is not indicative or a predictor of future performance. Mean reversion is a powerful force, meaning periods of outperformance are typically followed by periods of underperformance. All figures are net of fees and expenses. Rockingstone's performance must be assessed in light of not just how we performed relative to the benchmarks, but how much risk we assumed in generating portfolio returns.

[iii] Equity performance charts depict U.S. large-cap (SPY ETF), U.S. mid-cap (VO ETF), U.S. small-cap (IWM ETF), International Developed (VEA ETF), and Emerging Markets (VWO ETF) price change plus dividends and interest during the selected period. We note that Vanguard highlighted a trading glitch in the shares of VO during March 31, 2015 that led to prices materially higher than underlying NAV. Hence you should assume VO's valuation and total return was inflated as of the end of the first quarter.

[iv] Fixed income performance charts depict Intermediate Government (IEF ETF), High Yield Corporates (JNK ETF), High Grade Corporates (LQD ETF), International Corporates (PICB), and Emerging Markets bonds (EMB ETF) price change plus interest income earned over the selected period.

[v] Commodity performance charts depict Precious Metals (DBP ETF), Base Metals (DBB ETF), Oil (DBO ETF), and Agriculture (DBA ETF) price change.

[vi] Our Five-Year Forecast is updated quarterly and reflects our best judgment on future performance based on current valuations relative to historical valuations, as well as our outlook for earnings and macroeconomic conditions. We caution that predicting outcomes is inherently risky and subject to change.