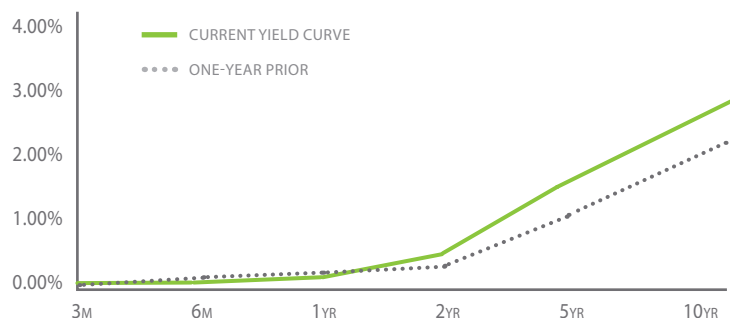


Historical Yield Curve



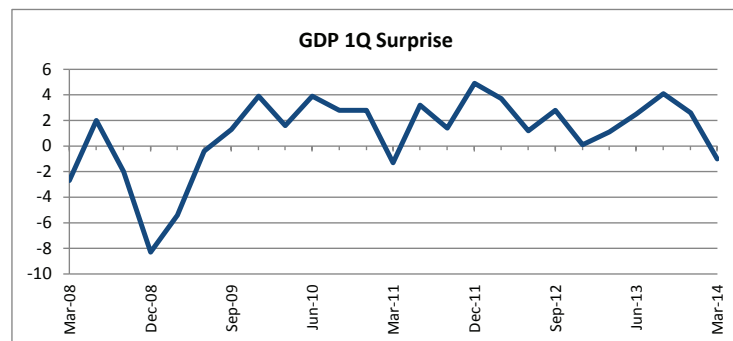
Source: Bloomberg Finance L.P., 5/1/14

FEATURED ECONOMIC INDICATOR

First Quarter GDP Revised Down

Real gross domestic product decreased at an annual rate of 1.0% in the first quarter according to the "second" estimate released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 2.6 percent. The second GDP estimate is based on more complete source data than were available for the "advance" estimate which showed an increase of 0.1%. The decrease in the second estimate was caused by lower inventories partly offset by a revision up in final private domestic demand due to less negative business investment. Many economists believe that unusual weather contributed to the weak first quarter, but some data such as housing investment may not have been entirely weather related.

Source: Bureau of Economic Analysis



Source: Bloomberg

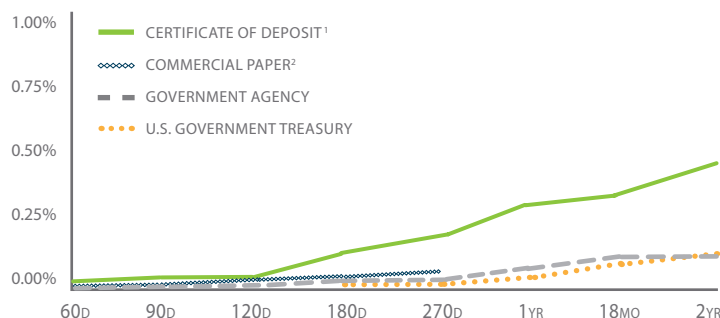
RECENT NEWS

U.S. Treasury Rates Rise in Early June

U.S. Treasury yields rose in the past few weeks after the 10yr Treasury touched 2014 lows in late May. The sell-off continued the first week of June as strong U.S. economic data, including excellent May auto sales and a strong ISM manufacturing report, pushed Treasury prices lower. All of the largest auto companies saw strong sales in May that beat consensus expectations. The recent increase in Treasury yields follow a period of declining Treasury yields that was marked by rising investor expectations of further monetary stimulus by the European Central Bank (ECB). With Europe's recovery lagging the rest of the developed world and inflation running below target, the ECB unveiled new measures on June 5th to take one of its main interest rates below zero. Despite the unprecedented action, U.S. Treasury yields have resisted moving back to their previous lows seen in May.

Source: Bloomberg

Indicative Rates



¹ Average of top ten banks; ² General Electric Capital Corp.

Source: PMA Financial Network, Inc., Bloomberg Finance L.P., 5/1/14

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Core CPI (MoM)	05/15/14	APR	0.1%	0.2%	0.2%
Core CPI (YoY)	05/15/14	APR	1.7%	1.8%	1.7%
New Home Sales	05/23/14	APR	425K	433K	407K (R)
Personal Spending	05/30/14	APR	0.2%	-0.1%	1.0% (R)
ISM Manufacturing	06/02/14	MAY	55.5	55.4	54.9
Domestic Vehicle Sales	06/03/14	MAY	12.67M	13.11M	12.65M
Initial Jobless Claims	06/05/14	31-May	310K	-	300K
Change in Nonfarm Payrolls	06/06/14	MAY	215K	-	288K
Unemployment Rate	06/06/14	MAY	6.4%	-	6.3%

Source: Bloomberg Finance L.P., 5/2/14

Contact Information

JOHN H. HUBER, CFA

Senior Vice President, Chief Investment Officer

Prudent Man Advisors, Inc.
2135 CityGate Lane, 7th Floor
Naperville, IL 60563

Tel: 630.657.6510

Fax: 630.718.8701

Email: jhuber@pmanetwork.com

This document was prepared by Prudent Man Advisors, Inc. It is being provided for informational and/or educational purposes only without regard to any particular user's investment objectives, financial situation or means. The content of this document is not to be construed as a recommendation, solicitation or offer to buy or sell any security, financial product or instrument, or to participate in any particular trading strategy in any jurisdiction in which such an offer or solicitation, or trading strategy would be illegal. Nor does it constitute any legal, tax, accounting or investment advice of services regarding the suitability or profitability of any security or investment. Although the information contained in this Investment Advisory Report has been obtained from third-party sources believed to be reliable, PMA cannot guarantee the accuracy or completeness of such information. It is understood that PMA is not responsible for any errors or omissions in the content in this document and the information is being provided to you on an "as is" basis without warranties or representations of any kind.

Securities, public finance services and institutional brokerage services are offered through PMA Securities, Inc. PMA Securities, Inc. is a broker-dealer and municipal advisor registered with the SEC and MSRB, and is a member of FINRA and SIPC. Prudent Man Advisors, Inc., an SEC registered investment adviser, provides investment advisory services to local government investment pools. All other products and services are provided by PMA Financial Network, Inc. PMA Financial Network, Inc., PMA Securities, Inc. and Prudent Man Advisors (collectively "PMA") are under common ownership.

Securities and public finance services offered through PMA Securities, Inc. are available in CA, CO, FL, GA, IL, IN, IA, KS, MI, MN, MO, NE, OH, OK, PA, SD, TX and WI. This document is not an offer of services available in any state other than those listed above, has been prepared for informational and educational purposes and does not constitute a solicitation to purchase or sell securities, which may be done only after client suitability is reviewed and determined. All investments mentioned herein may have varying levels of risk, and may not be suitable for every investor. PMA and its employees do not offer tax or legal advice. Individuals and organizations should consult with their own tax and/or legal advisors before making any tax or legal related investment decisions. Additional information is available upon request.