The Schwab Self-Directed Brokerage Account Indicators™

Quarter Ending March 31, 2016

An industry-leading benchmark on retirement plan participant investment activity within self-directed brokerage accounts.

charles SCHWAB

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Key Schwab Observations for the First Quarter 2016:

Participant Summary

The first quarter was marked by a wild swing in stocks and the worst 10-day start on record, with losses of more than 10% through Feb. 11. However, it was also marked by a turnaround in the trend in oil prices, which rebounded from a low in the mid-$20s to around $40 by the end of the quarter, lifting stocks in the energy sector. And March finished with the best S&P 500 performance since October, with a 6.8% return. The quarter overall finished with a 1.35% gain for the S&P 500.

As a result of a stronger Q1 finish than its start, participant account balances in the Schwab Personal Choice Retirement Account® (PCRA) were up slightly (.6%) from last quarter but down 5.5% from a year ago, with the average participant account balance at $195,214. Participants remained fairly active in Q1 as trading volumes increased by 7.4%, with the majority of trading activity taking place in Mutual Funds and Equities, up 2.2% from last quarter. Apple (AAPL) stock remains as the top overall holding for the 35th quarter in a row in PCRA, at 10.75%, while the number of participants aged 50 and older remains the largest age demographic in PCRA at 54.88%.

Investing Behavior and General Investing Characteristics

Asset Allocation

Mutual Funds remained the top asset allocation at 38%, dropping 2% from last year, while Equities remained at 28%, the same from a year ago. Cash Investments, Exchange-Traded Funds (ETFs) and Fixed Income allocations captured a combined 33% of all asset allocation, the same as last year.

Equities

With Apple (AAPL) stock being the top overall holding in participant accounts since 2007, Information Technology was once again the largest sector holding in participant accounts at 27%, down 1% from a year ago. In addition, Consumer Discretionary (14%) was up 2% from a year ago and Financials (12%) was down 1% from a year ago. These rounded out the top 3 equity sector holdings.

Exchange-Traded Funds (ETFs)

The trend from last year with the ongoing concerns of falling oil prices started to reverse and Commodity holdings (5%) increased by 1%. US Equity ETFs remained strong with 45%. The top four ETF sector holdings for the quarter were US Equity at 45%, International Equity and US FI, both at 14%, and Industry Sector holdings at 13%.

Mutual Funds

Overall, the Mutual Fund allocation remained very similar to a year ago, with Large Cap Funds remaining with the largest percentage at 31%, followed by Taxable Bond Funds at 20%, International at 15%, Hybrid Funds at 14% and Small Cap Funds at 12%. Specialized funds remained the same at 8%.

Asset Flows

For the quarter, net asset flows into Mutual funds were up by 8% to 46.2%, preceded by Equities at 25.1% and ETFs at 21.7%. The top three sectors of net asset flows were Taxable Bond Funds (24.7%), US ETFs (16.6%) and Health Care Equities at 14.1%. This marked quite a difference from last year, when the top three sectors of net asset flows were Large Cap Funds, International ETFs and Taxable Bond Funds.

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PCRA Participants Profile Information - All

Average Age	50
Average PCRA Account Balance	$195,214

Average Positions (per Account)	
Equity	4.00
Mutual Funds	2.74
Cash	1.24
ETF	1.17
Fixed Income	0.18
TOTAL	9.33

Average Trades in Quarter (per Account)	
Mutual Funds	1.72
Equity	1.40
ETF	0.87
Fixed Income	0.02
TOTAL	4.01

**None of the information constitutes a recommendation by Schwab or a solicitation of an offer to buy or sell any securities. Prospectuses containing more information including management fees and expenses are available at Schwab. Please always read the prospectus carefully before investing or sending money. Small cap funds are subject to greater volatility than those in other asset categories. International investments are subject to additional risks such as currency fluctuation, political instability and the potential for illiquid markets. Since sector funds focus investments on companies involved in a particular sector, the funds may involve a greater degree of risk than an investment in other mutual funds with greater diversification.

Figures are based on Schwab's full PCRA participant population with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

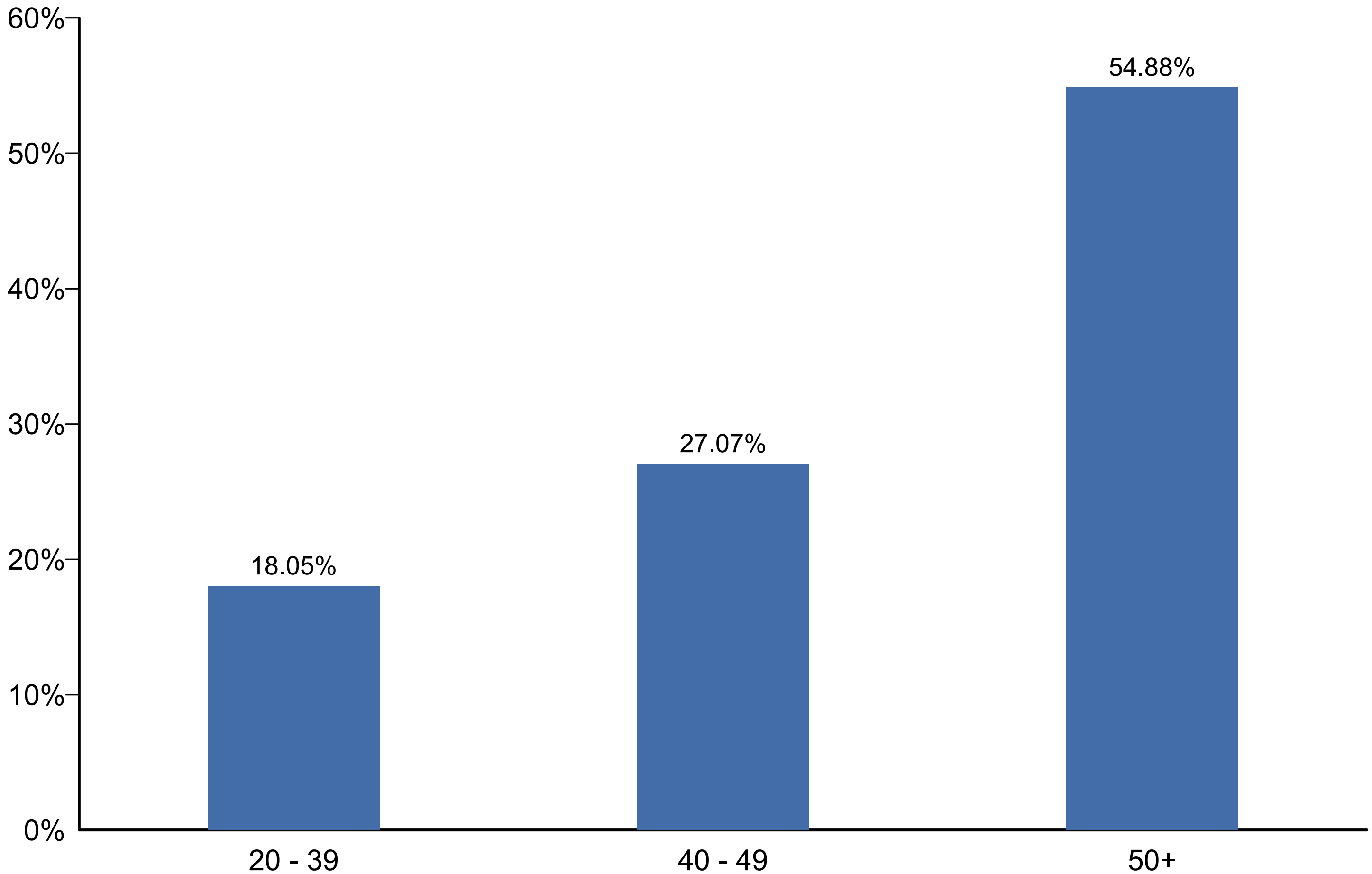
Top 10 Equity Holdings**	% of Equity Assets
APPLE INC	10.75%
FACEBOOK INC CLASS	2.36%
BERKSHIRE HATHAWAY CLASS	2.29%
GENERAL ELECTRIC CO	1.55%
AMAZON COM INC	1.52%
BANK OF AMERICA CORP	1.20%
MICROSOFT CORP	1.17%
WALT DISNEY CO	1.14%
ALPHABET INC. CLASS	1.12%
A T & T INC	0.99%

Top 10 ETF Holdings**	% of ETF Assets
SPDR S&P 500 ETF IV	4.72%
VANGUARD TOTAL STOCK MARKET	3.92%
SCHWAB US BROAD MARKET ETF	2.86%
POWERSHARES QQQ TRUST SRS 1	2.72%
SCHWAB US AGGREGATE BONDETF	2.49%
SPDR GOLD SHARES ETF	2.44%
SCHWAB US LARGE CAP ETF	2.14%
SCHWAB INTERNATIONAL EQUITY	1.99%
SCHWAB US LARGE CAP VALUE	1.77%
VANGUARD REIT ETF IV	1.50%

Top 10 Mutual Fund Holdings**	% of MF Assets
SCHWAB S&P 500 INDEX FD	2.97%
SCHWAB TOTAL STOCK MKT INDEX	1.51%
PIMCO INCM CL D	0.97%
METROPOLITAN WEST TOTAL RETURN	0.83%
VANGUARD 500 INDEX FD INVEST	0.77%
DOUBLELINE TOTAL RETURN BD FD	0.73%
PARNASSUS CORE EQTY FD INV	0.71%
DFA US CORE EQTY 2 PORT INSTL	0.68%
VANGUARD TOTAL STOCK MKT INDEX	0.66%
OAKMARK INTL FD CLASS I	0.65%

PCRA Participants within Age Bands - All

As of March 31, 2016

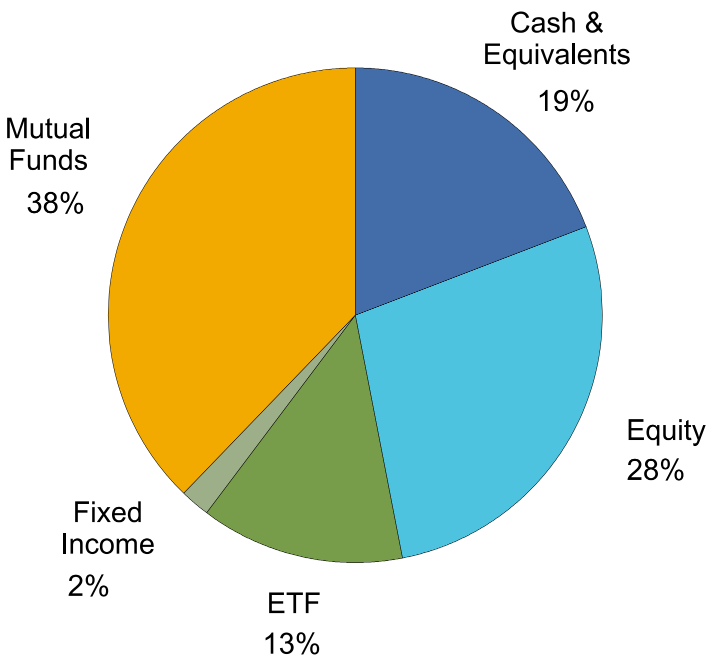


Figures are based on PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

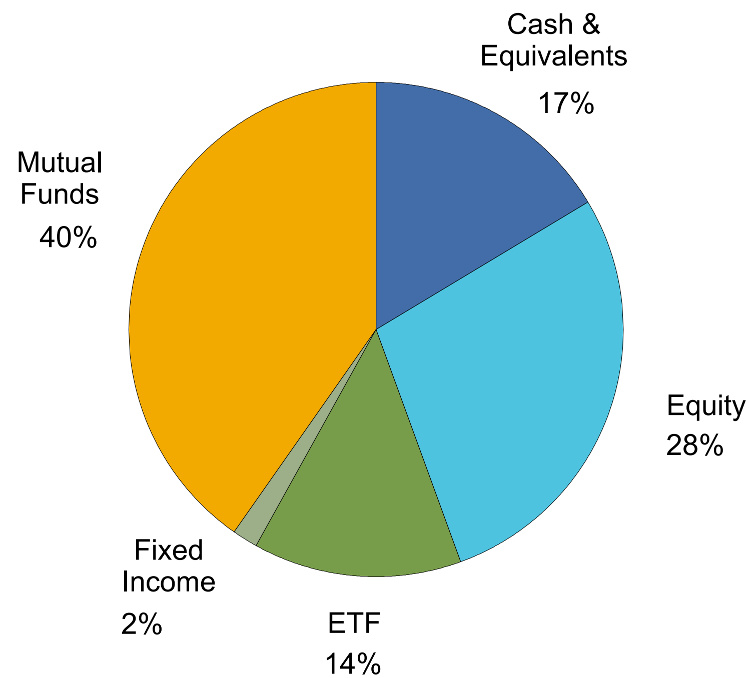
Market Value Allocation - Asset Classes - All

(Year over Year)

As of March 31, 2016



As of March 31, 2015



This chart illustrates the percentage of PCRA participant assets in each noted asset class as a percentage of total PCRA assets. Percentages are calculated as of month end, and the percentages may not add up to 100% due to rounding. Money market mutual funds are classified under Cash & Equivalents. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

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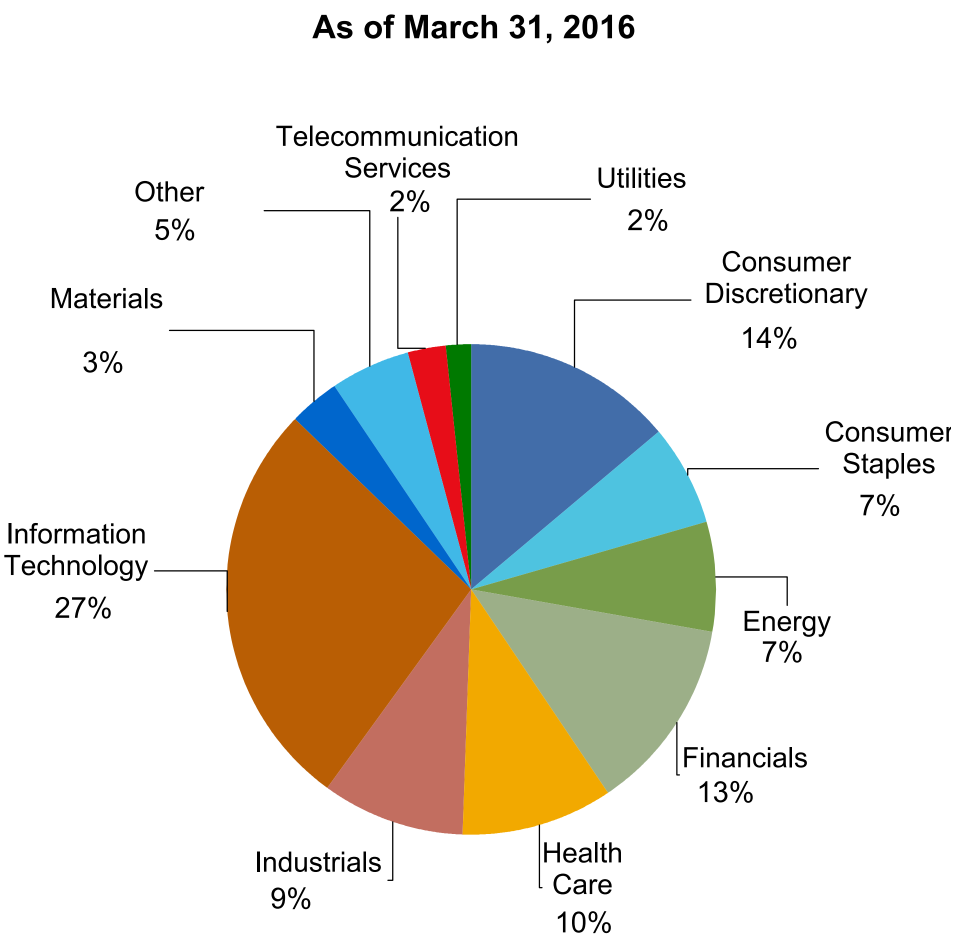
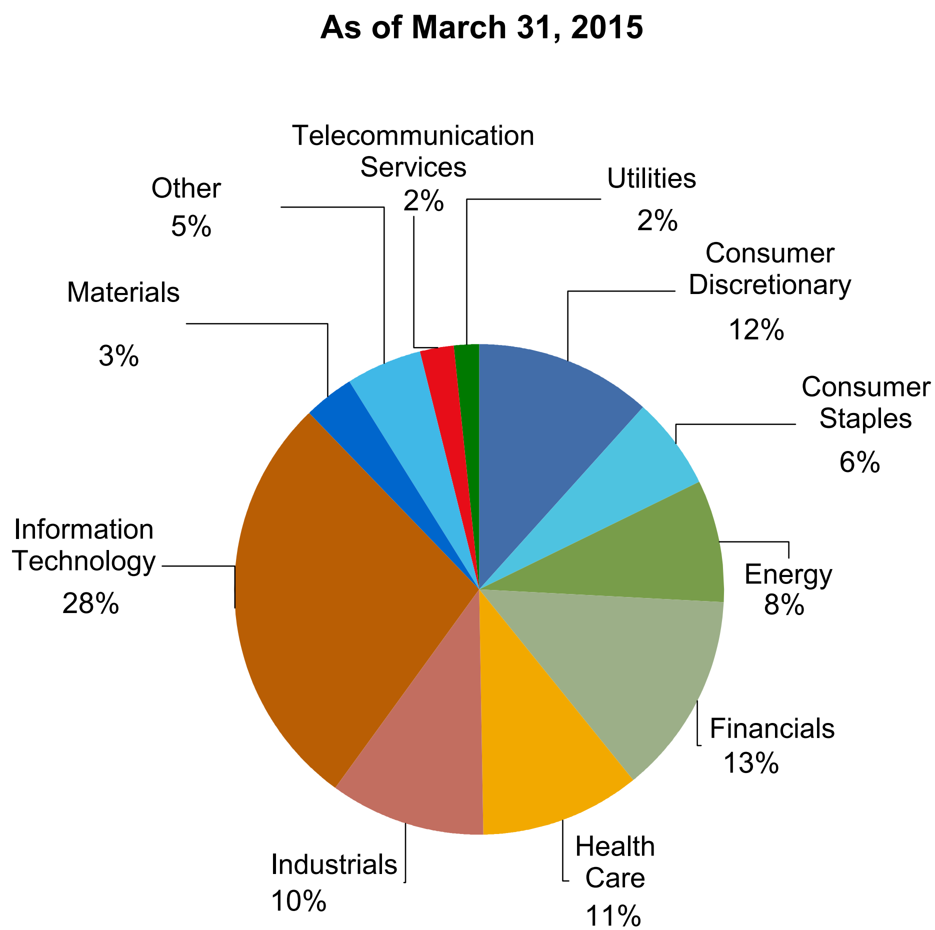
Market Value Allocation - Equity Sectors - All

(Year over Year)





This chart illustrates the percentage of PCRA participant assets in each equity sector, as classified by Standard & Poor's, as a percentage of total PCRA assets within equity securities. Percentages are calculated as of month end, and the percentages may not add up to 100% due to rounding. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

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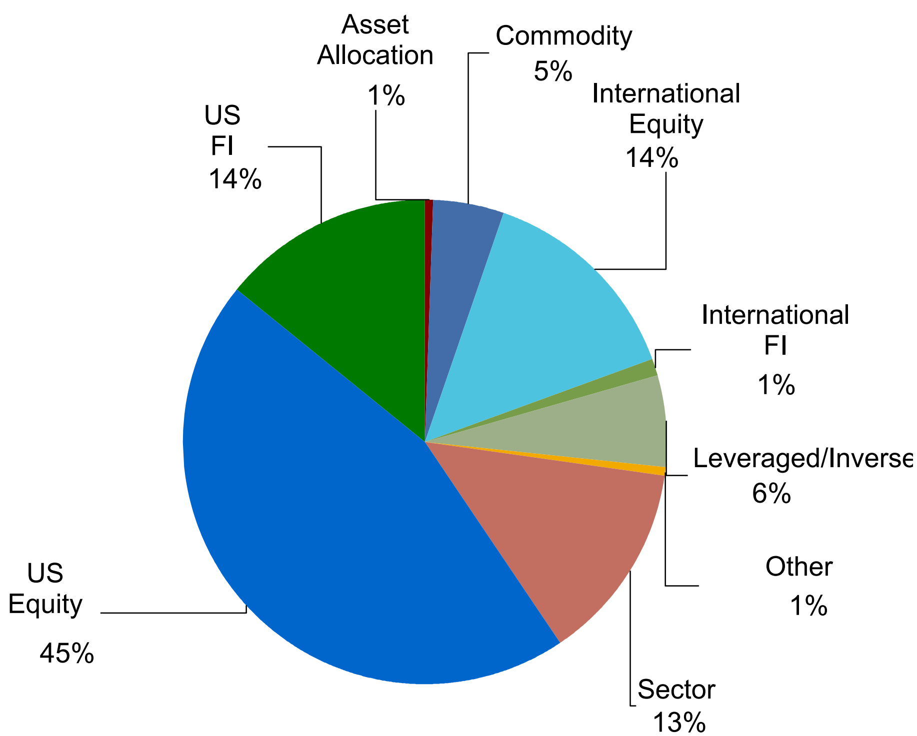
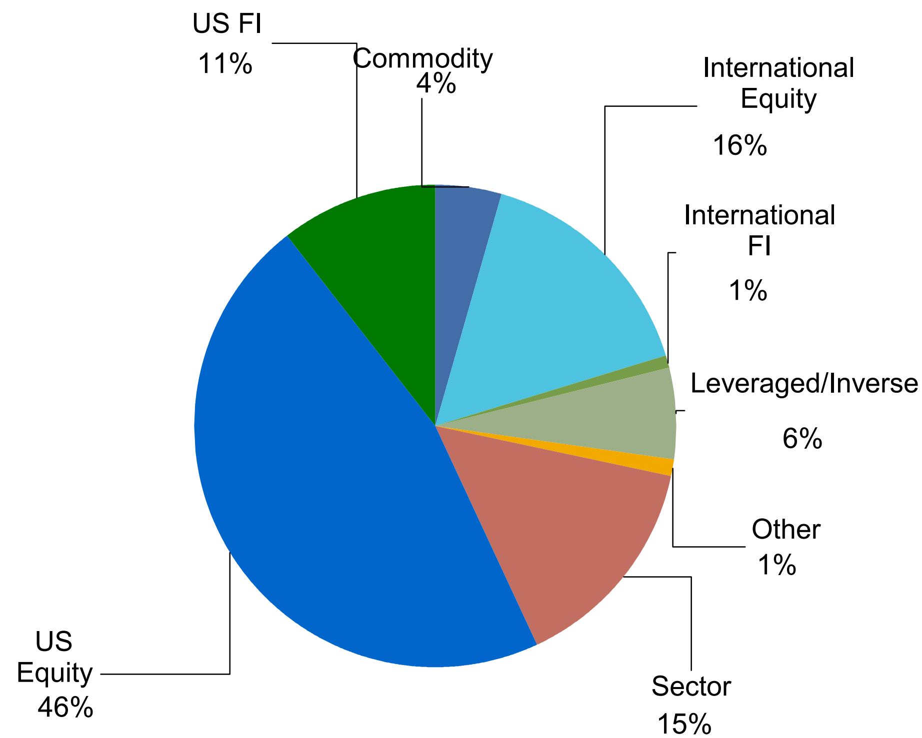
Market Value Allocation - ETFs - All

(Year over Year)

As of March 31, 2016



As of March 31, 2015

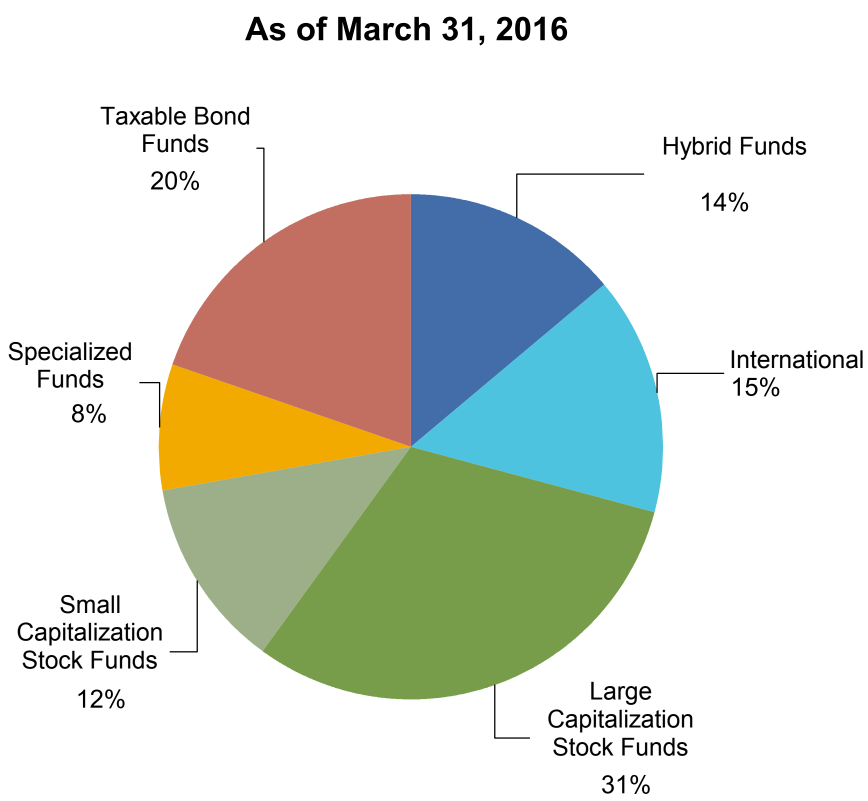


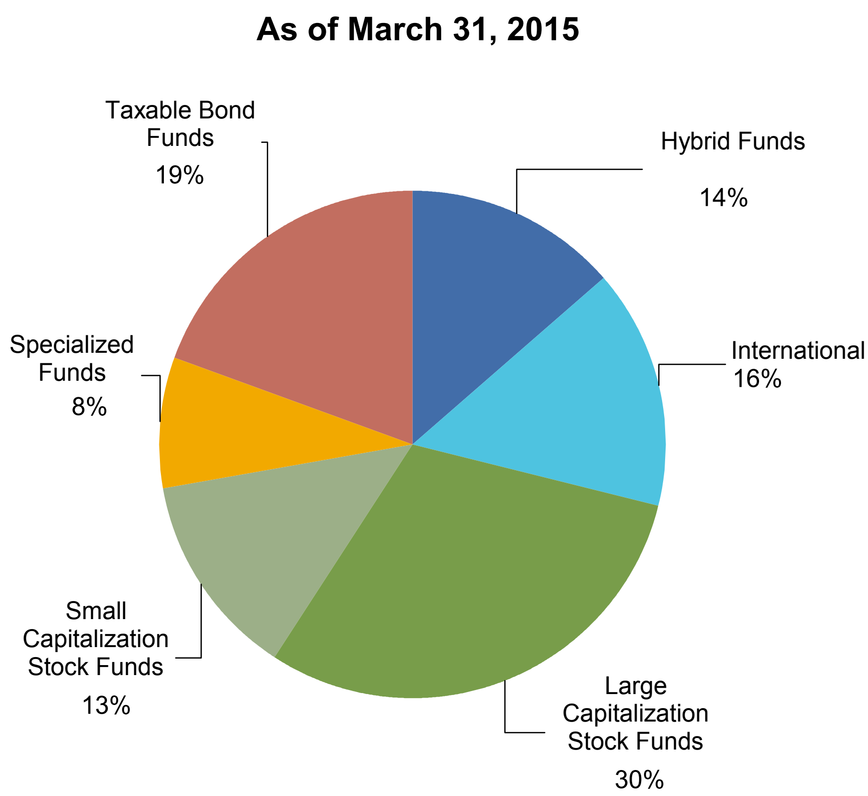
This chart illustrates the percent of PCRA participant assets in each ETF sector, as classified by Morningstar, as a percentage of total PCRA assets within ETF securities. Percentages are calculated as of month end, and the percentages may not add up to 100% due to rounding. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

The Schwab Self-Directed Brokerage Account Indicators™

Market Value Allocation - Mutual Funds - All

(Year over Year)





This chart illustrates the percentage of PCRA participant assets in each mutual fund category, as classified by Morningstar Inc., as a percentage of total PCRA long-term mutual fund assets. Percentages are calculated as of month end, and the percentages may not add up to 100% due to rounding. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). Small cap funds are subject to greater volatility than those in other asset categories. International investments are subject to additional risks such as currency fluctuation, political instability and the potential for illiquid markets. Since sector funds focus investments on companies involved in a particular sector, the funds may involve a greater degree of risk than an investment in other mutual funds with greater diversification. All data is for informational purposes only. Schwab does not guarantee the accuracy, tineliness or completeness of the information.

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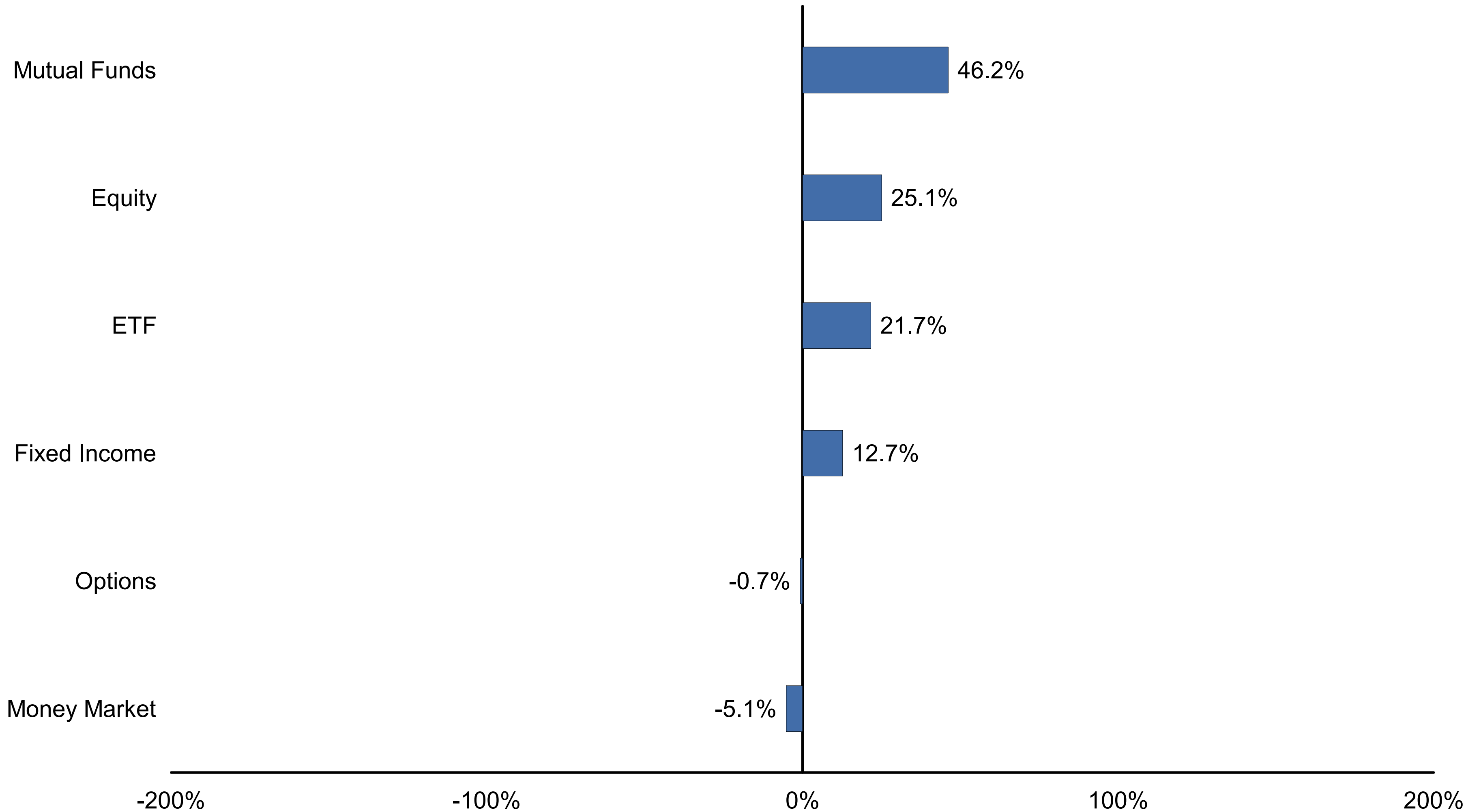
Net Asset Flow - Asset Class - All

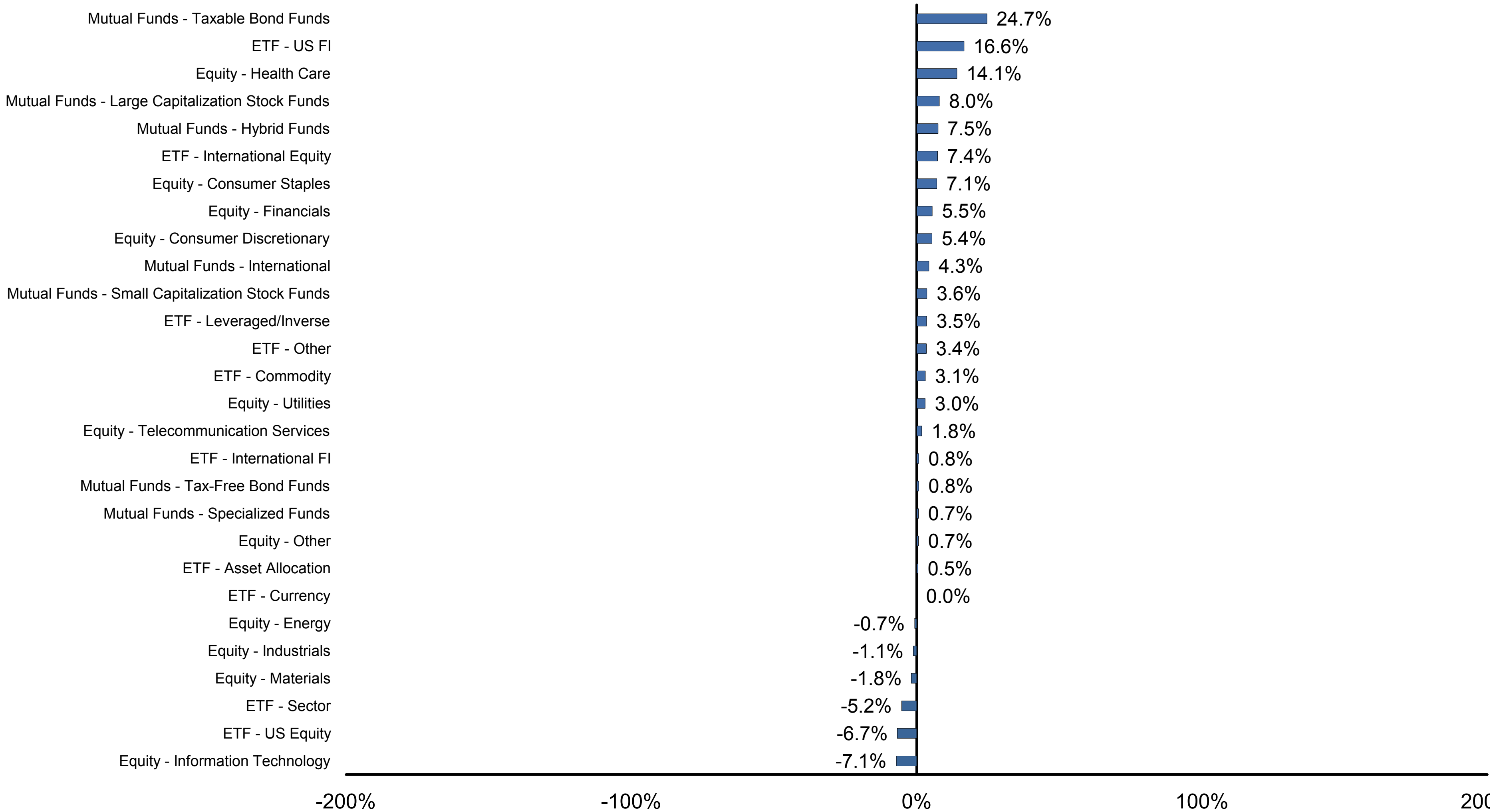
As of March 31, 2016



This chart illustrates the percentage of total net flows within each asset class over the three month period ending March 31, 2016.
Net flow percentages are calculated by adding the purchases and sales amounts within each respective asset class and dividing by the total net flow over the period. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). All data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

Net Asset Flow - All Categories - All

As of March 31, 2016



This chart illustrates the percentage of total net flows within each investment category, as classified by Standard & Poor's and Morningstar Inc., over the three month period ending March 31, 2016.
Net flow percentages are calculated by adding the purchases and sales amounts within each respective investment category and dividing by the total net flows over the period. Figures are based on all PCRA participants with a minimum balance of $5,000 in their PCRA account (approximately 125,000 accounts). Small cap funds are subject to greater volatility than those in other asset categories. International investments are subject to additional risks such as currency fluctuation, political instability and the potential for illiquid markets. Since sector funds focus investments on companies involved in a particular sector, the funds may involve a greater degree of risk than an investment in other mutual funds with greater diversification. Data is for informational purposes only. Schwab does not guarantee the accuracy, timeliness or completeness of the information.

Disclosures

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges, and expenses. You can request a prospectus by calling 800-435-4000. Please read the prospectus carefully before investing.

Money Market funds are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds see to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund.

Investment returns will fluctuate and are subject to the market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Share are bought and sold at market price, which may be higher or lower than the net asset value (NAV).