

The value of asset allocation

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Best	Large-Cap Stocks 37.6%	Real Estate Securities 35.9%	Large-Cap Stocks 33.4%	Large-Cap Stocks 28.6%	Emerg-Mkt Stocks 66.4%	Real Estate Securities 26.8%	Real Estate Securities 12.8%	Commodities 23.9%	Emerg-Mkt Stocks 56.3%	Real Estate Securities 31.5%	Emerg-Mkt Stocks 34.5%	Emerg-Mkt Stocks 32.6%	Emerg-Mkt Stocks 39.8%	Inv-Grade Bonds 5.0%	Emerg-Mkt Stocks 79.0%
	Mid-Cap Stocks 30.9%	Large-Cap Stocks 23.0%	Mid-Cap Stocks 32.2%	Intl Stocks 20.3%	Intl Stocks 27.3%	Commodities 24.2%	Inv-Grade Bonds 8.5%	Emerg-Mkt Bonds 12.2%	Intl Stocks 39.2%	Emerg-Mkt Stocks 26.0%	Commodities 17.5%	Real Estate Securities 30.2%	Intl Stocks 11.6%	Cash 1.8%	High-Yield Bonds 46.1%
	Small-Cap Stocks 30.0%	Small-Cap Stocks 21.3%	Small-Cap Stocks 25.6%	Mid-Cap Stocks 19.1%	Emerg-Mkt Bonds 26.9%	Mid-Cap Stocks 17.5%	Small-Cap Stocks 6.5%	Inv-Grade Bonds 10.9%	Small-Cap Stocks 38.8%	Small-Cap Stocks 22.6%	Intl Stocks 14.0%	Intl Stocks 26.9%	Commodities 11.1%	Emerg-Mkt Bonds -15.4%	Mid-Cap Stocks 37.4%
	Asset Class Blend 20.1%	Mid-Cap Stocks 19.2%	Real Estate Securities 18.6%	Inv-Grade Bonds 9.5%	Large-Cap Stocks 21.0%	Emerg-Mkt Bonds 14.9%	High-Yield Bonds 5.5%	Real Estate Securities 3.6%	Real Estate Securities 36.7%	Intl Stocks 20.7%	Emerg-Mkt Bonds 12.9%	Large-Cap Stocks 15.8%	Mid-Cap Stocks 8.0%	High-Yield Bonds -23.3%	Emerg-Mkt Bonds 34.8%
	Inv-Grade Bonds 19.2%	Asset Class Blend 15.0%	Emerg-Mkt Bonds 15.8%	Cash 5.1%	Asset Class Blend 16.9%	Inv-Grade Bonds 11.9%	Cash 4.1%	Cash 1.7%	Mid-Cap Stocks 35.6%	Mid-Cap Stocks 16.5%	Mid-Cap Stocks 12.6%	Small-Cap Stocks 15.1%	Inv-Grade Bonds 7.3%	Asset Class Blend -28.2%	Intl Stocks 32.5%
	Intl Stocks 11.6%	Intl Stocks 6.4%	Asset Class Blend 14.4%	High-Yield Bonds 3.9%	Mid-Cap Stocks 14.7%	Small-Cap Stocks 11.8%	Emerg-Mkt Bonds 3.5%	High-Yield Bonds 1.1%	Emerg-Mkt Bonds 34.1%	Asset Class Blend 14.9%	Asset Class Blend 11.1%	Asset Class Blend 14.4%	Asset Class Blend 7.0%	Small-Cap Stocks -31.1%	Asset Class Blend 29.7%
	Cash 5.9%	Emerg-Mkt Stocks 6.0%	High-Yield Bonds 12.8%	Asset Class Blend 2.5%	Small-Cap Stocks 12.4%	Cash 6.1%	Mid-Cap Stocks -0.6%	Asset Class Blend -1.8%	Asset Class Blend 29.1%	Emerg-Mkt Bonds 12.9%	Real Estate Securities 8.9%	Emerg-Mkt Bonds 12.7%	Emerg-Mkt Bonds 6.2%	Mid-Cap Stocks -36.2%	Large-Cap Stocks 26.5%
	Emerg-Mkt Stocks -5.2%	Cash 5.3%	Inv-Grade Bonds 9.8%	Small-Cap Stocks -1.3%	Cash 4.8%	Asset Class Blend 5.0%	Asset Class Blend -1.6%	Emerg-Mkt Stocks -6.0%	Large-Cap Stocks 28.7%	Large-Cap Stocks 10.9%	Small-Cap Stocks 7.7%	Mid-Cap Stocks 10.3%	Large-Cap Stocks 5.5%	Commodities -36.6%	Small-Cap Stocks 25.6%
		Inv-Grade Bonds 2.9%	Cash 5.3%	Real Estate Securities -16.9%	High-Yield Bonds 2.5%	High-Yield Bonds -4.0%	Emerg-Mkt Stocks -2.4%	Mid-Cap Stocks -14.5%	High-Yield Bonds 22.9%	High-Yield Bonds 9.9%	Large-Cap Stocks 4.9%	High-Yield Bonds 9.3%	Cash 4.8%	Large-Cap Stocks -37.0%	Real Estate Securities 21.0%
			Intl Stocks 2.1%	Emerg-Mkt Bonds -17.6%	Inv-Grade Bonds -2.1%	Large-Cap Stocks -9.1%	Large-Cap Stocks -11.9%	Small-Cap Stocks -14.6%	Commodities 22.7%	Commodities 7.6%	High-Yield Bonds 3.4%	Cash 4.8%	High-Yield Bonds 3.2%	Real Estate Securities -41.5%	Commodities 18.7%
			Emerg-Mkt Stocks -11.6%	Emerg-Mkt Stocks -25.3%	Real Estate Securities -4.6%	Intl Stocks -14.0%	Intl Stocks -21.2%	Intl Stocks -15.7%	Inv-Grade Bonds 4.5%	Inv-Grade Bonds 4.2%	Cash 3.0%	Inv-Grade Bonds 3.8%	Small-Cap Stocks -0.3%	Intl Stocks -43.1%	Inv-Grade Bonds 4.8%
						Emerg-Mkt Stocks -30.6%	Commodities -22.3%	Large-Cap Stocks -22.1%	Cash 1.0%	Cash 1.2%	Inv-Grade Bonds 2.5%	Commodities -2.7%	Real Estate Securities -20.2%	Emerg-Mkt Stocks -53.2%	Cash 0.2%
Worst															

Recessions

See page 2 for asset class definitions and important disclosures.

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Asset class definitions

□ Asset Class Blend

Return on an equal blend of all indexes.

■ Cash

Barclays Capital US Treasury Bills (1-3M) – An index that is representative of money markets.

■ Commodities

Dow Jones-UBS Commodity Index – Reflects the return of underlying commodity futures for commodities traded on the U.S. exchanges and London Metal Exchange.

■ Investment-Grade Bonds

(1995-1996) Barclays Govt./Credit Bond Index – Based on all publicly issued intermediate- and long-term government and corporate debt securities.

(1997-2009) Merrill U.S. Government/Corporate Master Index – A statistical composite tracking the performance of the entire U.S. corporate bond market over time.

■ High-Yield Bonds

Merrill U.S. High-Yield Constrained (BB-B) – A broad measure of the high-yield fixed-income market that caps the allocation of any one issuer at 2%.

■ Emerging Market Bonds

Merrill Emerging Market Sovereigns – Tracks the performance of sovereign debt issued and backed by over 20 emerging market countries.

■ Emerging Market Stocks

MSCI Emerging Markets Index – Designed to measure equity market performance of 22 emerging markets.

■ International Stocks

MSCI EAFE – Represents all of the MSCI developed markets outside of North America.

■ Real Estate Securities

MSCI REIT Index – Represents equity real estate investment trusts (REITs) that generate the majority of their revenue and income from real estate rental and leasing. The index represents approximately 85% of the U.S. REIT universe.

■ Large-Cap Stocks

S&P 500 – Covers 500 industrial, utility, transportation and financial companies in the U.S. markets.

■ Mid-Cap Stocks

S&P MidCap 400 – The 400 U.S. companies on the S&P Composite 1500 index with market capitalization that is greater than that of companies on the S&P SmallCap 600 and less than that of companies on the S&P 500.

■ Small-Cap Stocks

S&P SmallCap 600 – The 600 smallest U.S. companies on the S&P Composite 1500 index as measured by market capitalization.

■ Recessions

As defined by the National Bureau of Economic Research.

This chart is provided for illustrative purposes only and is not indicative of any specific investment; individual investment results will vary. Information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. The data assumes the reinvestment of all income and dividends and does not account for taxes and transaction costs. Investment manager performance relative to the different asset class indexes has varied widely across the asset classes during the past 15 years. Returns for asset classes shown reflect inception of benchmarks used.

Asset allocation/investment timing cannot eliminate the risk of fluctuating prices and uncertain returns. Past performance is no guarantee of future results.

Please note that all indexes are unmanaged and do not take into account any fees or expenses of investing in the individual securities they track, and that individuals cannot invest directly in an index. Investments in stocks and bonds are subject to risk, including market and interest-rate fluctuations.

Stocks of mid-cap and small-cap companies are typically more volatile than stocks of larger companies. They often involve higher risks as they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions.

Global/international investing involves risks not typically associated with U.S. investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

High-yield bonds, commonly known as junk bonds, are subject to greater risk of loss of principal and interest, including default risk, than higher rated bonds. The prices of these bonds may be volatile, and they are generally only suitable for aggressive investors.

There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of varied economic conditions.

Buying commodities allows for a source of diversification for those sophisticated persons who wish to add commodities to their portfolios and who are prepared to assume the risks inherent in the commodities market. Any purchase represents a transaction in a non-income-producing commodity and is highly speculative. Therefore, commodities should not represent a significant portion of an individual's portfolio.

Investment and Insurance Products: ► NOT FDIC Insured ► NO Bank Guarantee ► MAY Lose Value

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