Q3 2013

Market Perspectives

Quarterly Review

> "I don't recall stating that we would do any particular thing in this meeting."
>
> *— Chairman Ben Bernanke at September 18 news conference*

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Despite dramatic headlines, decent markets

During the third quarter, some of the most dramatic headlines were geopolitical in nature and market moving, as well. On July 3 Egypt's military threw out the Morsi government which sent stocks down in Egypt and the Middle East, but was received differently in the U.S.

Then on August 21 Syria deployed chemical weapons and the U.S. threatened its response on August 27, triggering a 2% sell-off in the S&P 500® (S&P). At one point in August the S&P had declined more than 4%. After diplomatic progress was made on Syria, markets quickly made up the lost ground and then some.

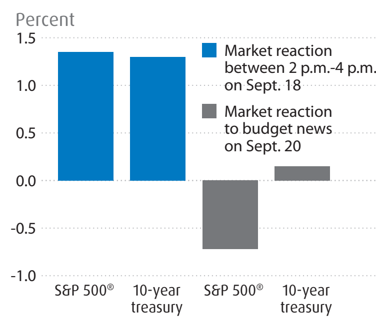
Outside these foreground headlines, there were several background developments of note, for example: the European Union (EU) reported second quarter gross domestic product (GDP) barely positive at 0.3% but welcome news after six consecutive quarters of contraction, and there were several improved economic metrics across the UK, Italy, Spain etc., plus the re-election of Angela Merkel in Germany. China appears en route to a soft landing as their GDP results, plus exports, imports and retail sales stay in solid territory. Emerging markets at last had a few good weeks of performance at quarter end. And here in the U.S. surveys of our key manufacturing and service sectors continue to trend higher.

Notwithstanding all of the above, another major surprise to the markets came on September 18, two hours before the U.S. markets closed. That was when the Federal Reserve (Fed) announced their decision not to "taper" their level of asset purchases. The markets were caught off guard after months of baking in some degree of tapering. Both stock and bond market prices shot up as investors reacted to the news. After a few days of reflection, it appears most investors still expect the Fed to taper sometime in the near term, assuming the economic data supports that move.

Then on September 20, partisan conflict over the budget and funding for the Affordable Care Act triggered a stock decline of nearly 1%. Ultimately, Congress failed to reach a budget agreement and on October 1, the first steps of a government shutdown began.

The following review of the third quarter provides a broader discussion on these and other global developments.

Market reaction



Source: Bloomberg L.P., BMO Global Asset Management

BMO Global Asset Management

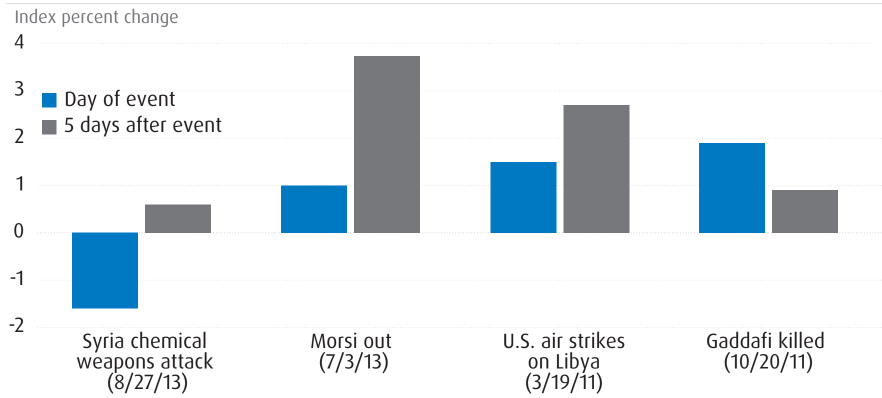
U.S. overview

Middle East/North Africa in the headlines again

Geopolitics roiled global markets during the third quarter as the events in Egypt and Syria unfolded. Markets react poorly to this type of uncertainty, but can and frequently do rebound if positive actions prevail.

- Chemical weapons used in Syria on 8/21/13. U.S. threat on 8/27/13
- Tentative agreement to rid Syria of chemical weapons proposed on 9/9/13
- Egypt military tossed out Morsi government 7/3/13
- U.S. air strikes on Libya 3/19/11
- Gaddafi killed 10/20/11

S&P 500® reaction to Middle East /North Africa military/political events



Source: Bloomberg L.P., BMO Global Asset Management

Let the taper begin — but when? Markets expected the Fed to announce on September 18 a slowdown in the amount of its monthly asset purchases. However, the Fed made no change and alluded to concerns on economic growth, employment and potential fiscal drag as reasons not to act — for now. Most believe it is still a "when" not an "if" action.

Budget impasse: shutdown begins

No budget accord — so on October 1, the wheels of a shutdown started. Markets aren't too disturbed yet, but an extended shutdown can be bad for the markets, economy, etc. in the near term.

The economy and markets are much different now than during the debt ceiling crisis of August 2011 — but apparently not the politics.

Several conditions of note:

- Current account deficit reduced
- Government spending to GDP is down
- Economic measures improved (a bit)
- Stock markets are higher
- Affordable Care Act — lead issue

Select Metrics One Month Prior to Debt Crises

	Category	Then 7/31/11	Now 8/31/13
Market	S&P 500®	1292.28	1632.97
	10-year treasury note (%)	2.81	2.79
Fiscal	Current account ($B)	-$1,225.0	-$677.2
	Current account (% GDP)	-8.3	-4.2[1]
	Government spending (% GDP)	23.3	20.7[1]
Economic	University of Michigan consumer sentiment	63.7	82.1
	Leading Economic Index (LEIs)	92.3	96.6
	NFIB small business survey	89.9	94.0
	Initial unemployment claims	400K	323K

Aug. 2011
S&P downgrades U.S. credit rating
S&P 500® -5.9%

Nov. 1995 — Jan. 1996
U.S. government shutdown (28 days)
S&P 500® +4.4% in November

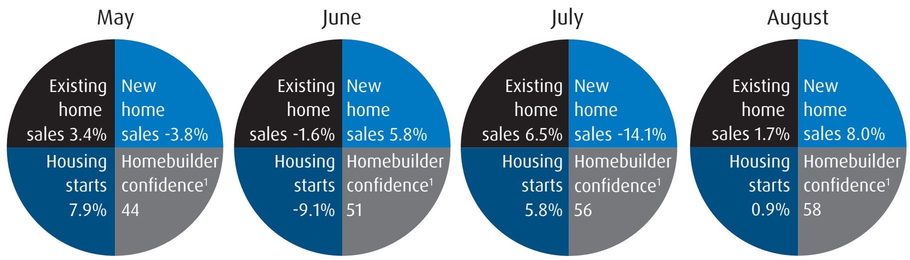
Affordable Care Act
Passed in March 2010
Upheld by Supreme Court in June 2012

[1]As of 7/31/13, NFIB=National Federation of Independent Business
Source: Bloomberg L.P., Strategas Research Partners, BMO Global Asset Management

Taper fear boosted mortgage rates/housing concerns

- Mortgage rates higher but far below pre-recession peak of 6.5%
- Recent mortgage rates flat in July, August and September
- Impact of rates on housing mixed:
  - Existing home sales still good
  - Housing prices strong
  - Construction spending up
  - Recent new homes sales slowed
- Trend positive but with caution

Mortgage and housing overview



	May 13	Jun 13	Jul 13	Aug 13	Current
30-year Fixed Rate (%)	4.10	4.39	4.39	4.46	4.28
15-year Fixed Rate (%)	3.25	3.46	3.44	3.49	3.33

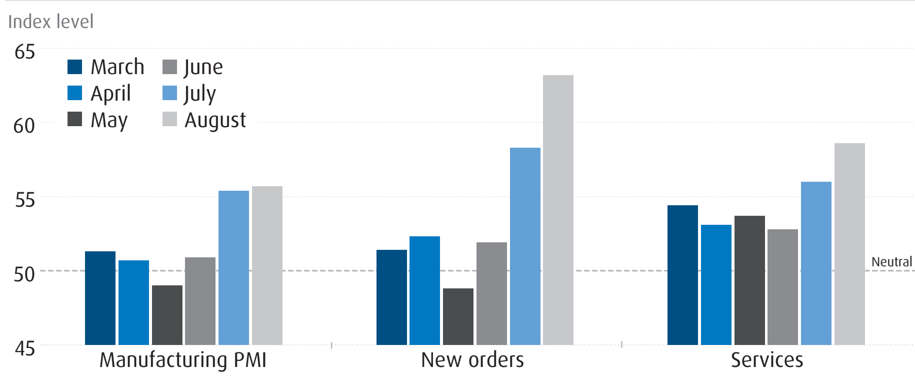
[1]National Association of Home Builders Market Index
Source: Bloomberg L.P., BMO Global Asset Management

Manufacturing and services strong and improving

The Institute for Supply Management (ISM) has been surveying manufacturing and services since 1915. Recent readings indicate:

- U.S. manufacturing and service sectors are on the rise and have persisted for several months
- New orders are strong and improving
- 15 of 16 industries surveyed showed production gains
- European surveys also indicate an improving picture

ISM surveys



Reading above 50 indicates expansion; below 50 indicates contraction
Source: Bloomberg L.P., BMO Global Asset Management

U.S. equities

U.S. stocks — in spite of the Middle East, U.S. monetary (taper) and fiscal issues — still produced solid gains in the third quarter across most market indices. Small companies led the way, but the large multinationals were nipping at their heels, as well. Top line revenue growth in corporate America is still tepid and of concern.

Returns for the quarter and the first nine months are highly differentiated by sector. After the Fed commentary in May alluding to an improving economy and therefore the potential to "taper" the amount of quantitative easing, economically sensitive sectors took over market leadership with Industrials and Consumer Discretionary leading the way. The defensive sectors lagged year-to-date but led early in the year. These sectors, such as Telecommunications, Utilities and Consumer Staples, also carry some of the higher price-to-earnings ratios among the ten sectors.

Returns (%)

Index	Q3 '13	YTD	2012
S&P 500®	5.24	19.79	16.00
Dow Jones	2.12	17.63	10.24
Russell 1000®	6.02	20.78	16.42
Russell 2000®	10.21	27.68	16.35
NASDAQ	11.20	26.12	17.75

Source: Bloomberg L.P., BMO Global Asset Management

Sector weights, returns and valuations

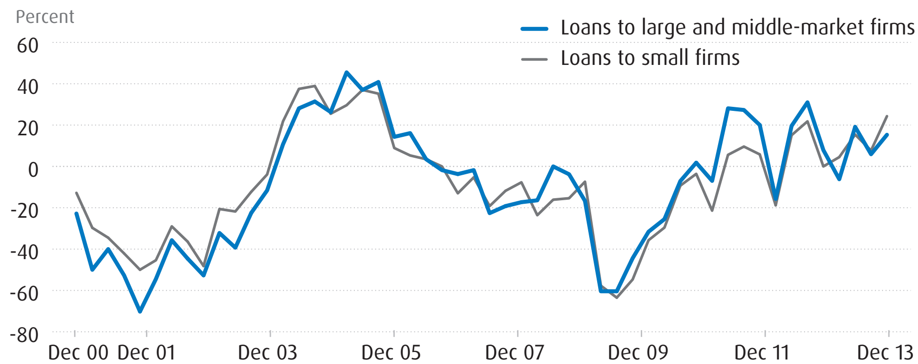
		Returns (%)			
S&P 500® sector	Weight (%)	Q3 '13	YTD	2012	Trailing P/Es
Information technology	17.9	6.62	13.39	14.81	16.0x
Financials	16.3	2.87	22.93	28.74	13.1x
Health care	13.1	6.82	28.45	17.89	17.7x
Consumer discretionary	12.5	7.79	29.12	23.92	19.1x
Energy	10.4	5.15	15.41	4.57	13.0x
Industrials	10.7	8.90	23.91	15.32	16.9x
Consumer staples	10.0	0.80	16.08	10.75	17.7x
Materials	3.5	10.30	13.50	14.97	17.7x
Utilities	3.2	0.19	10.14	1.28	14.8x
Telecommunications	2.4	-4.40	5.69	18.31	16.1x

Source: Bloomberg L.P., BMO Global Asset Management

Loan demand critical to recovery story

- Commercial and industrial loans trend up — an important development
- Senior loan survey — shows banks loosen credit, not tighten
- Auto sales jump 17% y/y in August
- Auto leasing now 26% of new car sales

Net percentage of domestic respondents reporting stronger demand for commercial and industrial loans



Source: U.S. Federal Reserve Senior Loan Survey August 2013, BMO Global Asset Management

Rising rates and stock performance

- Rising rates hurt bonds
- Recent history of rising rates encouraging for stocks
- No supercharged inflation (CPI) in recent rate moves
- In current rate rise, S&P 500® up 24% but unfinished cycle

Returns in periods of rising interest rates (%)

	Period 1 9/30/93 to 11/30/94	Period 2 9/30/98 to 1/31/00	Period 3 5/31/03 to 6/30/06	Period 4 12/31/08 to 12/31/09	Current Period 7/24/12 to 9/30/13
Large-cap Stocks	2.14	28.23	11.32	26.45	23.96
Mid-cap Stocks	-4.62	25.56	19.58	40.37	31.99
Small-cap Stocks	-3.44	27.93	18.77	27.09	34.65

Returns per S&P 500® Index (Large-cap Stocks), Russell Midcap® Index (Mid-cap Stocks) and Russell 2000® Index (Small-cap Stocks)
Source: Bloomberg L.P., Strategas Research Partners, BMO Global Asset Management

U.S. fixed income

The Fed mentioned the taper on May 22 and interest rates quickly moved higher with the yield on the 10-year Treasury hitting 2.995% on September 5. Now, with the taper withheld for the time being, the yield on the 10-year Treasury ended September at 2.61%. Still, the overall theme for the quarter and for the year-to-date has been weak, absolute or negative returns for fixed income.

However, as this panel indicates, the bond features that produced better year-to-date results included: shorter maturities, larger income cushions (high yield) and those with adjustable rate features (bank loans).

Returns (%)

Sector	Q3 '13	YTD	2012
1-year Treasury	0.13	0.25	0.21
10-year Treasury	-0.66	-5.50	4.13
Investment grade	0.57	-1.89	4.22
High yield	2.28	3.73	15.81
Adjustable bank loans	1.22	3.53	9.67

Source: Barclays 1-year Treasury Bellwether Index, Barclays 10-year Treasury Bellwether Index, Barclays U.S. Aggregate Bond Index, Barclays High Yield Index, S&P/LSTA Leveraged Loan Index, BMO Global Asset Management

Short-term rates and CPI unmoved

- Fed committed to low Fed funds into 2015
- Short-term rates seem, therefore, well anchored
- Inflation measure still under 2%
- It is the intermediate and long term rates that have moved
- 10-year Treasury notes hover 1% over inflation measures

Daily yield curve rate (%)

Time period	3/31/13	6/30/13	9/30/13
3-month	0.07	0.04	0.02
1-year	0.14	0.15	0.10
5-year	0.77	1.41	1.39
10-year	1.87	2.52	2.64

Inflation (%)

Index	3/31/13	6/30/13	Most current[1]
Consumer Price Index (CPI)	1.50	1.80	1.50
CPI Core (ex food and energy)	1.90	1.60	1.80
Personal Consumption Expenditures (PCE)	1.39	1.23	1.23

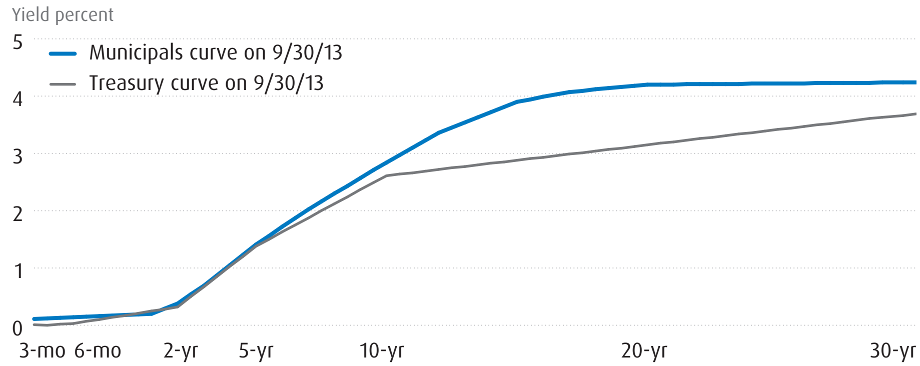
[1]As of 8/31/13

Source: Bloomberg L.P., BMO Global Asset Management

Municipals hit and yields rise above treasurys

- Munis hard hit: mid August to early September yield on 10-year muni rose to 120% of 10-year treasury and muni prices fell about 2.5% in that period
- Fear of Fed taper led list of causes in muni sell-off and then selling pressures accelerated
- High profile problems for the debt of both Detroit and Puerto Rico added to woes
- Partial recovery in munis at quarter-end when Fed announced the "NO taper" decision

AAA municipals and treasury yield curves

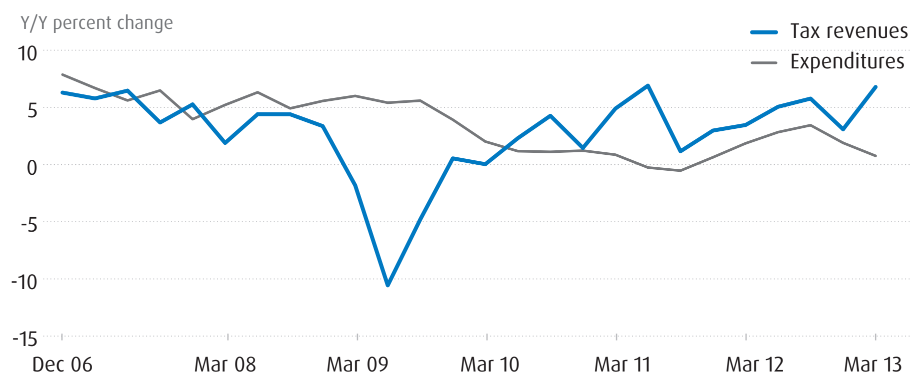


Source: Bloomberg L.P., BMO Global Asset Management

Fiscal conditions improve

- State and local tax receipts up 14 consecutive quarters
- Staff and related program expenditures slashed
- Low default risk in aggregate but credit selection still key

State and local revenues and expenditures



Source: U.S. Census Bureau, Bureau of Economic Analysis, BMO Global Asset Management

Developed world/EAFE

The European Union (EU), after six quarters of contraction, posted a slight but positive 0.3% growth in real domestic output for the second quarter. The UK has been in positive GDP territory for two straight quarters and three of the last four, and Germany remains in positive space, too. The STOXX, a pan-European index, returns are positive, and the broader EAFE index is up, as well.

Returns (%)

Index	Q3 '13	YTD	2012
STOXX	9.49	14.50	19.01
Nikkei	6.26	41.12	25.64
MSCI EAFE	11.56	16.14	17.32

Source: Bloomberg L.P., BMO Global Asset Management

- EU GDP forecast positive for 2013/2014
- Germany: manufacturing and services improve
- UK GDP supplemented by improved retail sales and manufacturing
- Italy: improved retail sales and manufacturing

Quarterly GDP Y/Y

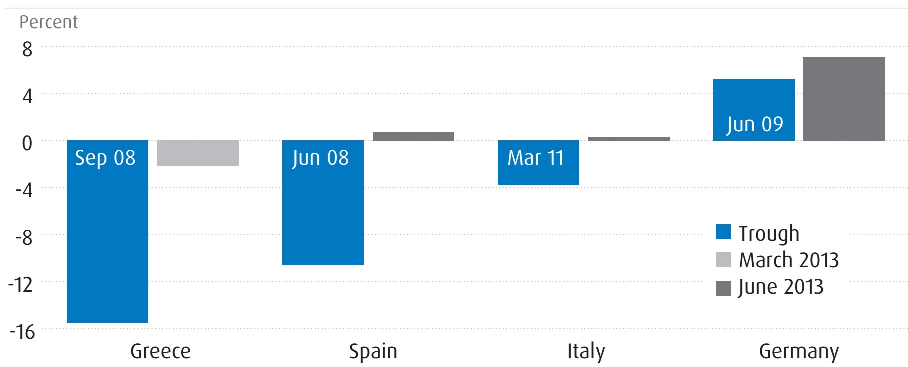
Index	Q4 '12	Q1 '13	Q2 '13	Q3 '13e	Q4 '13e
Europe[1]	-0.6	-0.9	-0.1	0.0	0.8
United Kingdom	-0.2	0.2	1.3	1.3	2.0
Germany	0.3	-0.3	0.5	0.6	1.5
Italy	-2.8	-2.4	-2.1	-1.8	-0.8

[1]Europe=Euro Area plus the UK, Switzerland, Denmark, Sweden, and Norway
Source: Bloomberg L.P., BMO Global Asset Management

Current account deficits shrinking

- Austerity takes hold
- Sovereign spending is down
- Growth now the challenge

Current account balances as % GDP

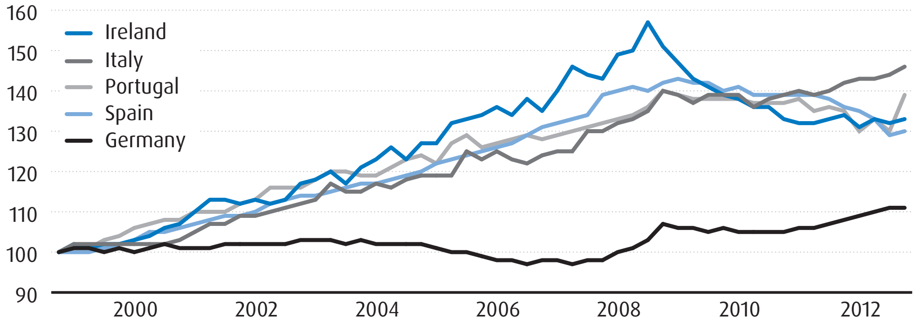


Source: Bloomberg L.P., Eurostat, BMO Global Asset Management

Structural hurdles remain

- German labor profile
- Other EU countries not competitive
- Long haul for labor/union government reforms

Unit labor cost (SA, 1Q 1999 = 100)



Source: Strategas Research Partners, Eurostat, Haver Analytics, BMO Global Asset Management

Japan: yen and exports

Markets continue higher in Japan and economic news is generally improving: exports and industrial production are up. Consumer confidence is rising and the recent selection for Summer Olympics 2020 is a big psychological and perhaps economic win.

Yen on 9/30/12 77.49

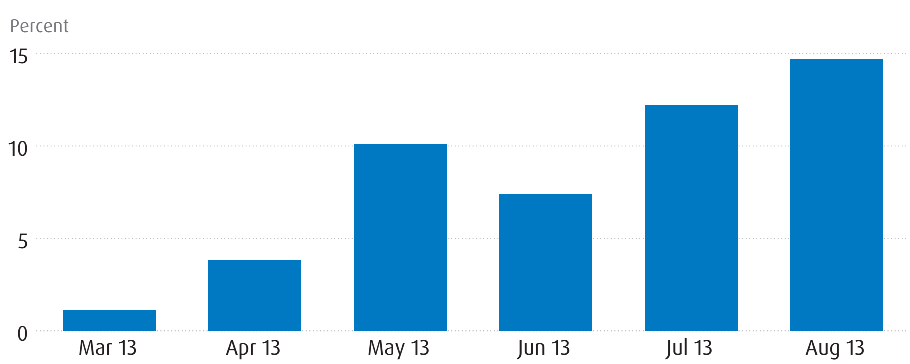
As of 9/30/13 98.27

- Bank of Japan pushing monetary expansion
- Yen down 27% from 77.5 per dollar in September 2012
- Exports rising

Yen spot rate

Source: Bloomberg L.P., BMO Global Asset Management

Japanese exports Y/Y



Source: Bloomberg L.P., BMO Global Asset Management

China

The managed "soft landing" seems to be happening in China with GDP consistently running at 7-8% for several quarters, retail sales steady at 13% annual growth, very recent stock market returns have improved and valuations remain attractive. China now represents roughly 10% of global GDP and 14% of world purchasing power. So outcomes here matter.

Returns (%)

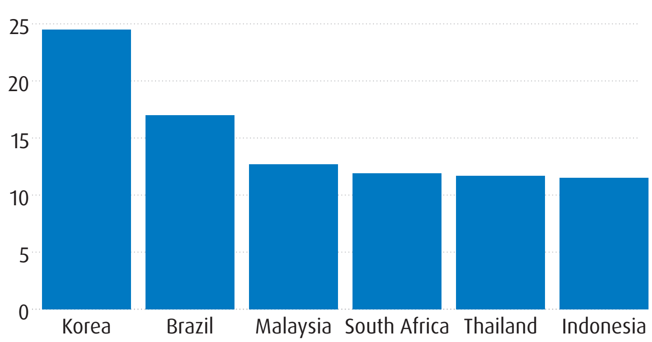
Index	Q3 '13	YTD	2012
Shanghai SE Composite	11.06	-1.23	5.83
Hang Seng	10.70	4.27	27.44

Source: Bloomberg L.P., BMO Global Asset Management

China consumption critical to global economy

- For many emerging market countries, exports to China are 25-50% of their total exports
- Emerging countries rely on China imports (e.g., Korea, Brazil, Thailand, Indonesia)

Exports to China as % total exports (2012)



Source: Bloomberg L.P., BMO Global Asset Management

Chinese share of world commodity consumption (2011)

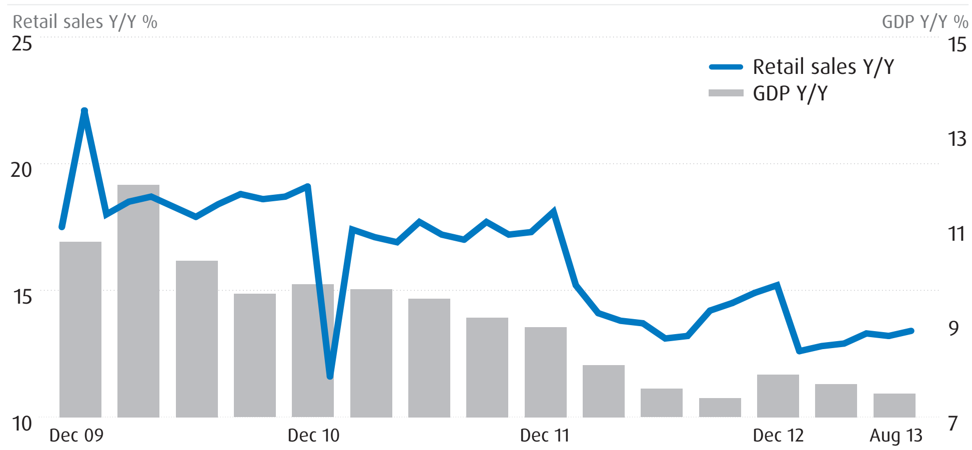
Commodity	% of world consumption
Cement	53.2
Iron Ore	47.7
Coal	46.9
Pork	46.4
Steel	45.4
Lead	44.6
Aluminum	40.6
Copper	38.9
Eggs	37.2
Rice	28.1
Wheat	16.6
Oil	10.3
Cattle	9.5

Source: GMO LLC, BMO Global Asset Management

Urban explosion fuels consumption growth

- Consumption to GDP to rise
- 150 cities with pop. over 1 million
- Retail sales trump GDP growth
- More wheat and corn in diet
- Strong auto sales and other discretionary spending

GDP and retail sales growth



Source: Bloomberg L.P., BMO Global Asset Management

Emerging markets

Returns have disappointed year-to-date, albeit with some relief in the last couple of months. BRIC countries were the major drag on Emerging Markets (EM) stock results; the U.S. taper impact leaked into the EM countries, as well, and hurt their markets, currencies, etc.

Returns (%)

Index	Q3 '13	YTD	2012
MSCI EM	5.77	-4.35	18.22
MSCI BRIC	8.58	-5.11	14.54

Source: Bloomberg L.P., BMO Global Asset Management

Two EM highlights: India and Brazil

Several countries are facing challenges in GDP growth, inflation, currency, etc.

India:

- Rupee down 15% since March 31
- Inflation rising 9.5% y/y in August
- GDP slowed to 4.4% from 4.8%
- Reserve Bank of India just raised rates
- National elections in spring 2014

Brazil:

- Currency falls 10% since March 31
- Need to get economic growth on track

India

	12/31/12	3/31/13	6/30/13	9/30/13
Inflation (%)	10.56	10.39	9.87	9.52[1]
Interest rates (%)	8.00	7.50	7.25	7.50
Currency spot rate	55.00	54.28	59.39	62.62
Stock market (YTD)				1.19

[1] As of 8/31/13
(Currency has depreciated 15% from 3/31/13-9/30/13)

Brazil

	12/31/12	3/31/13	6/30/13	9/30/13
Inflation (%)	5.84	6.59	6.70	6.09[1]
Interest rates (%)	7.25	7.25	8.00	9.00
Currency spot rate	2.05	2.02	2.23	2.22
Stock market (% YTD)				-14.13

[1] As of 8/31/13
(Currency has depreciated 10% from 3/31/13-9/30/13)
Source: Bloomberg L.P., BMO Global Asset Management

Other countries in the mix

The Emerging Markets are much broader than the BRICs. Several of those additional countries are frequently included in EM portfolios and include attractive traits.

GDP growth:

- Demographics younger
- Fiscal deficits lower
- Valuations generally attractive

Select ASEAN country profiles

Index	GDP ($B)[1]	GDP % change[1]	Population (M)	P/Es[1]
Philippines	457	7.5	97	17.8x
Indonesia	1314	5.8	247	14.6x
Thailand	701	2.8	65	13.6x

[1]P/Es trailing 12 months. GDP based on purchasing power parity. GDP change y/y as of 6/30/13
Source: IMF, Bloomberg L.P., BMO Global Asset Management

Global returns

Equities

- U.S. stocks solid rise in Q3 in spite of Syria, the budget and Fed
- Housing, manufacturing/services still edging up in U.S. economy
- Developed markets (EAFE) up in a major way with improved results in Europe and Japan
- At last, a decent quarter for emerging markets and BRICs — in part due to "NO taper" in U.S., plus upticks in China

Equities (% returns)

	QTD	YTD	1-yr	3-yr
S&P 500® Index	5.24	19.79	19.34	16.26
Dow Jones Industrial Average Index	2.12	17.63	15.59	14.94
NASDAQ Composite Index	11.20	26.12	23.00	18.29
MSCI EAFE Index (Developed Markets)	11.56	16.14	23.77	8.47
MSCI Emerging Markets Index	5.77	-4.35	0.98	-0.33
MSCI BRIC Index	8.58	-5.11	1.22	-4.53

Source: Bloomberg L.P., BMO Global Asset Management

Fixed income

- With a "NO taper" decision by the Fed, bonds had positive quarter
- High yield and corporate bonds (e.g., credit risk) led the way as rates declined during the quarter
- Taper impact still has year-to-date results in negative territory across the board (ex High Yield)

Fixed income (% returns)

	QTD	YTD	1-yr	3-yr
Barclays U.S. Aggregate Index	0.57	-1.89	-1.68	2.86
Barclays U.S. Treasury Index	0.10	-2.01	-2.09	2.24
Barclays U.S. Corporate Index	0.82	-2.62	-1.58	4.40
Barclays High Yield Index	2.28	3.73	7.14	9.19
Barclays Global Aggregate Bond Index	2.80	-2.15	-2.62	2.09
Barclays Emerging Markets Index	1.38	-5.24	-2.12	5.70

Source: Barclays, BMO Global Asset Management

Other assets

- Commodity index had a bit of a bounce in Q3 as circumstances turned for the better in Europe and China, but tough numbers year-to-date
- REITs struggled in Q3 and while year-to-date are up nearly 6%, they lag well behind major equity indices
- Hedge fund-of-funds still trail long only equity results
- Yen weakens to U.S. dollar adding to recent export growth trend
- Euro stays in trading range around 1.30 to the dollar
- U.S. dollar mostly stable to stronger in past year; initial taper announcement additive to dollar

Other assets (% returns)

	QTD	YTD	1-yr	3-yr
FTSE NAREIT All Eq REITs Index	-2.61	3.03	6.32	12.81
Dow Jones-UBS Commodity Index	2.12	-8.6	-14.41	-3.23
HFRI FOF Diversified Index[1]	0.12	3.56	5.44	2.28
HFRI Equity Hedge (Total) Index[1]	1.43	6.39	9.13	3.85

[1]HFRI indices reporting lagged. Returns as of 8/31/13
Source: Bloomberg L.P., BMO Global Asset Management

Currency panel

	12/31/12	3/31/13	6/30/13	9/30/13
Yen/USD	86.75	94.22	99.14	98.27
Euro/USD	1.32	1.28	1.30	1.35
USDX	79.77	82.98	83.14	80.22

The USDX (US Dollar Index) indicates the general international value of the USD. The Index does this by averaging the USD and major world currencies.
Source: Bloomberg L.P., BMO Global Asset Management

Themes, headwinds and tailwinds

The panel below lists several themes that we feel are key across major regions and countries of the world. A shorthand list of headwinds and tailwinds are shown for each.

Region	Economic/market themes	Headwinds	Tailwinds
U.S.	Monetary: Fed, QE slowdown	Interest rate risk; "taper" talk of asset purchases — w/ FOMC meeting of 9/18	Low interest rates — reversal seems underway
	Inflation tame for now	New Fed Chairman	Improving housing and auto profile
	Fiscal challenges: budget, debt ceiling, entitlements, tax reform — possible issues late 2013	Mortgage rates: long term rise a potential negative	Improving industrial production
	Unemployment	Regulatory uncertainty	Natural gas
	Slow GDP growth	Continued economic slack exists	Financial repression - wealth effect
	Strong corporate balance sheets	Nonfarm payrolls	Shift by retail investors from bonds to stocks
	Housing market improvement	Tax and entitlement reform	Mortgage rates: short term rate hike could trigger increased activity
	Consumer steady: watch housing, auto sales	Debt ceiling/budget impasse	Less fiscal drag post Q2
	Stock valuations reasonable	Corporate caution	ISM manufacturing, new orders, production and services readings up
	Search for income continues	Earnings growth trend a concern	
		Will the "Great Rotation" materialize?	
		Contradictions on real estate: mortgage apps and refi activity down	
		Middle East and Syria	
Developed (ex U.S.)	Japan: monetary, fiscal stimulus and structural reforms	Japan: deflation, consumer confidence and exports; volatile currency and markets	Japan: new leadership - PM and BOJ; fiscal and monetary plans
	Europe: austerity/recession; ECB, German, French resolve and lowered interest rates	Europe: employment, mfg and service growth; weakened banking sector, Euro challenge	Europe: lowered European Central Bank (ECB) rate and falling yields (Italy and Spain)
	Global Fed easing pushing investors into riskier assets		EU: select upticks in mfg, service, cons conf
			UK: potential uptick - GDP and mfg
			Accommodative Central Banks
China	Export and GDP uptrend	Housing crisis	Stabilizing economic profile
	Growing consumer base	Demand from Europe	New leadership initiatives
	Move away from fossil fuels	Export/consumption balance	Lending activity
	Aging population	China/U.S.	Retail sales
EM	General relative GDP strength	Developed market demand	Attractive valuations but stocks weak
	Politics: So. Korea, No. Korea, China, Russia, Japan	Russia/China relations	Urbanization
	Brazil upturn efforts	Exports/imports	Cheap labor
	India slowed GDP growth	Brazil growth trend, inflation, rate hike	Resource-rich

ASEAN is defined as the Association of Southeast Asian Nations.

Bangkok SET Index is a capitalization-weighted index of stocks traded on the Stock Exchange of Thailand.

Barclays 1-10 yr Municipals Index is a market value-weighted index which covers the short and intermediate components of the Barclays Municipal Bond Index — an unmanaged, market value-weighted index which covers the U.S. investment-grade tax-exempt bond market.

Barclays Emerging Markets Corporate Index is a component of the Barclays U.S. Emerging Markets Index which is made up of debt issued by corporations.

Barclays Global Aggregate Bond Index is an index of global government, government-related agencies, corporate and securitized fixed-income investments.

Barclays U.S. Aggregate Bond Index covers the U.S. investment-grade fixed rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-based securities. To qualify for inclusion, a bond or security must have at least one year to final maturity, rated investment grade Baa3 or better, dollar denominated, non-convertible, fixed rate and be publicly issued.

Barclays U.S. Corporate Index is designed to measure the performance of the U.S. corporate bond market.

Barclays U.S. Corporate High-Yield Bond Index is an unmanaged index that covers the USD-denominated, non-investment-grade, fixed-rate, taxable corporate bond market.

Barclays U.S. Treasury Bellwether Indices are a series of benchmarks tracking the performance and attributes of six on-the-run U.S. Treasuries that reflect the most recently issued 3m, 6m, 2y, 3y, 5y, 10y, and 30y securities. The bellwether indices follow Barclays Capital's index monthly rebalancing conventions. The U.S. Treasury Bellwether Indices contain index history starting January 1, 1981.

Barclays U.S. Treasury Index is an unmanaged index that includes a broad range of U.S. Treasury obligations and is considered representative of U.S. Treasury bond performance overall.

BRICs are defined as the acronym for Brazil, Russia, India and China.

Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and NASDAQ.

Dow Jones–UBS Commodity Index is composed of commodities traded on U.S. exchanges.

FTSE NAREIT All Eq REITs Index contains all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

Hang Seng Index is a free-float capitalization-weighted index of selection of companies from Stock Exchange of Hong Kong. The components of the index are divided into four subindexes: Commerce and Industry, Finance, Utilities, and Properties.

HFRI Equity Hedge (Total) Index is a fund-weighted index of select hedge funds focusing on Equity Hedge strategies. Equity Hedge investing consists of a core holding of long equities hedged at all times with short sales of stocks and/or stock index options.

HFRI FOF Diversified Index invests in a variety of strategies among multiple hedge funds managers. A fund in the HFRI FOF Diversified Index tends to show minimal loss in down markets while achieving superior returns in up markets.

Jakarta Stock Price Index is a modified capitalization-weighted index of all stocks listed on the regular board of the Indonesia Stock Exchange.

MSCI BRIC Index is a free float weighted equity index designed to measure performance of the following four emerging market country indices: Brazil, Russia, India and China.

MSCI EAFE Index (Developed Markets) is a standard unmanaged foreign securities index representing major non-U.S. stock markets, as monitored by Morgan Stanley Capital International.

MSCI Emerging Markets Index is a market capitalization weighted index comprised of over 800 companies representative of the market structure of the emerging countries in Europe, Latin America, Africa, Middle East and Asia. Prior to January 1, 2002, the returns of the MSCI Emerging Markets Index were presented before application of withholding taxes.

NASDAQ Composite Index is a broad-based capitalization-weighted index of all NASDAQ National Market & Small Cap stocks.

Nikkei-225 Stock Average is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.

Philippine Stock Exchange PSEi Index is a capitalization-weighted index composed of stocks representative of the Industrial, Properties, Services, Holding Firms, Financial and Mining & Oil Sectors of the PSE.

Russell 1000® Index measures the performance of the large-cap segment of the U.S. equity universe.

Russell 2000® Index is a subset of the Russell 3000® Index, including approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

Russell Midcap® Index measures the performance of the smallest 800 U.S. companies in the Russell 1000 Index.

Shanghai Stock Exchange Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

S&P 500® Index is an unmanaged index of large-cap common stocks.

S&P/LSTA Leveraged Loan Index is a daily index that uses LSTA/LPC Mark-to-Market Pricing to calculate market value change. On a real-time basis, the LLI tracks the current outstanding balance and spread over LIBOR for fully funded term loans.

STOXX Europe 600 Index represents 600 large, mid, and small capitalization companies across 18 countries of the European Region.

Investments cannot be made in an index.

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Past performance is not necessarily a guide to future performance.

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