

## Standard & Poor's Indices Versus Active Funds Scorecard, Mid Year 2008

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□ The S&P Indices Versus Active Funds (SPIVA) Scorecard report performance comparisons corrected for survivorship bias, shows equal- and asset-weighted peer averages, and provides measures of style consistency covering actively managed U.S. equity, international equity and fixed income mutual funds.

□ Starting with this report, we reintroduce an enhanced SPIVA with broader asset class coverage. Data for enhanced SPIVA is from the CRSP Survivor-Bias-Free U.S. Mutual Fund Database. To accommodate CRSP release schedules, the new SPIVA will be published semi-annually with a fourteen week lag.

□ Over five years ending June 2008, S&P 500 outperformed 68.6% of actively managed large cap funds, S&P MidCap 400 outperformed 75.9% of mid cap funds and S&P SmallCap 600 outperformed 77.8% of small cap funds.

□ Among global equity funds, five-year results show S&P Global 1200 outperforming 70.1% of global equity funds, S&P 700 outperforming 86.5% of international equity funds, and S&P IFCI Composite outperforming 73.9% of emerging market funds.

□ Among fixed income funds, indices outperformed twelve of thirteen categories over a five-year horizon. Only emerging market bond funds outperformed their benchmark index.

□ Funds disappear at a meaningful rate. Over five years, 26.8% of U.S. equity funds, 22.5% of global equity funds and 24.7% of fixed income funds have been merged or liquidated. This highlights the importance of addressing survivorship bias in mutual fund analysis.

## A Unique Scorecard for the Active Versus Passive Debate

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The Standard & Poor's Indices Versus Active Funds (SPIVA) Scorecard presents the performances of actively managed mutual funds as compared to benchmark indices. It reports cover U.S. equity, international equity and fixed income categories. The popularity of SPIVA stems from a few unique attributes:

- **Survivorship bias correction:** Many funds might be liquidated or merged during a period of study. However, for someone making an investment decision at the beginning of the period, these funds are part of the opportunity set. Unlike commonly available comparison reports, SPIVA removes this survivorship bias.
- **Apples-to-apples comparison:** Fund returns are often compared to popular benchmarks such as the S&P 500, regardless of size or style classification. An appropriate comparison would be to measure a fund's returns against the returns of a benchmark for that particular style and size category. SPIVA reports do this.
- **Asset-weighted returns:** Average returns for a fund group are often calculated using only equal weighting, which results in the returns of a \$10 billion fund affecting the average in the same manner as the returns of a \$10 million fund. An accurate representation of how investors fared in a particular period can be ascertained by calculating weighted-average returns, where each fund's return is weighted by net assets. SPIVA reports show both equal- and asset-weighted averages.
- **Style consistency:** SPIVA reports measure style consistency for each style category across different time horizons. Style consistency is an important metric because style drift (the tendency of funds to move away from their initial investment categorization) can have an impact on asset allocation decisions.
- **Data Cleaning:** SPIVA avoids double counting of multiple share classes in all count based calculations, where only the share class with bigger assets is used. Since this is meant to be a scorecard for active managers, index funds, leveraged and inverse funds and other index-linked products are excluded.

SPIVA reports are the only comprehensive, periodic and publicly available sources of such data. SPIVA reports can be found online at [www.spiva.standardandpoors.com](http://www.spiva.standardandpoors.com).

## Enhancements to SPIVA

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SPIVA has been a popular keeper of statistics on the active versus passive debate for more than five years. Till first quarter of 2007, it was based upon the S&P Mutual Fund database, a continuous, consistent, survivorship-bias free database. In 2007, that database lost much of its continuity and consistency following its sale and restructuring. Therefore, we had to seek alternative data sources to which we could apply the SPIVA methodology.

The Center for Research in Security Prices (CRSP), a research center at the University of Chicago, Graduate School of Business, is well-known for its survivorship bias free databases used in academic research. The CRSP Survivor-Bias-Free U.S. Mutual Fund Database is currently the only complete database of both active and liquidated/merged mutual funds. (That database used the S&P Mutual Fund database as its source data and had to be rebuilt with Lipper data since the sale of the S&P database.)

The data we use in enhanced SPIVA is drawn from the CRSP Survivor-Bias-Free U.S. Mutual Fund Database. The fund categories we use in SPIVA are drawn from Lipper's style classifications. Appendix A explains how the SPIVA categories map into Lipper Classifications. CRSP updates its database with a three-month lag. Therefore, SPIVA reports will be published every six months, with a three month lag, and focus on longer-term metrics.

The new SPIVA offers a few enhancements over its prior incarnation.

- The use of a respected survivorship-bias free database provides a solid foundation for the reports. The CRSP database sets the standard for academic research databases and is widely used by researchers.
- Fund category coverage has been expanded and streamlined to cover almost all mainstream mutual fund categories across U.S. equity, international equity and fixed income.
- The breadth of SPIVA has been expanded to cover more than 3500 unique fund portfolios. (Reports 2, 7 and 12 give precise counts used for each category in each time period.)

## U.S. Equity Funds

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Over longer time horizons, indices continue to outperform active managers. For the three years ending June 30, 2008, the S&P 500 outperformed 57.5% of active large-cap funds, the S&P MidCap 400 led 63.5% of mid-cap funds, the S&P SmallCap 600 outperformed 59.6% of small-cap funds and the S&P Composite 1500 led 53.7% of multi-cap funds. Over the past five years, indices also outperformed active funds. The S&P 500 outperformed 68.6% of active large-cap funds, the S&P MidCap 400 led 75.9% of mid-cap funds, the S&P SmallCap 600 outperformed 77.8% of small-cap funds and the S&P Composite 1500 outperformed 58.2% of multi-cap funds.

For the one-year period ending June 30, 2008, 59.2% of active large-cap funds outperformed the S&P 500 Index and 56.3% of multi-cap funds outperformed the S&P Composite 1500 Index. As the credit crisis unfolded last year, active managers who were overweight in energy and materials and/or underweight financials and holding higher than average cash positions outperformed benchmark indices. The S&P MidCap 400 Index outperformed 63.5% of active mid-cap funds and the S&P SmallCap 600 outperformed 59.5% of active small-cap funds. At a more granular style box level, results were a tie.

Looking at the real estate fund category, the S&P BMI U.S. REIT Index outperformed a majority of active managers over one, three and five year horizons.

## International Equity Funds

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As in the U.S. equity category, indices led a majority of active funds over longer time horizons. Over three and five year horizons, the S&P Global 1200 outperformed actively managed global funds by 61.5% and 70.1% respectively. Comparable figures for S&P 700 versus international funds were 85.1% and 86.5%. (“Global” funds invest in global equity markets including the U.S., while “International” funds invest in ex-U.S. markets.)

The results for indices leading a majority of active funds persisted in less efficient markets such as international small caps and emerging markets. The S&P Developed Ex-U.S. SmallCap Index outperformed 54.3% and 55.3% of international small cap funds for three- and five-year periods respectively. The S&P IFCI Composite index outperformed 73.0% and 73.9% of active emerging market funds over three and five years respectively.

Over the one-year horizon, the S&P 700 Index outperformed 69.7% of active international funds. With the outperformance of the energy/materials sectors, emerging market funds benefited from overweights in Brazil and Russia. 54.0% of emerging market funds outperformed the S&P/IFCI Composite Index. 52.1% of international small-cap funds outperformed the S&P Developed Ex-U.S. SmallCap Index. At the global funds level, results were a tie.

## Fixed Income Funds

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Over five years, indices outperformed more than three quarters of actively managed funds in all of the domestic bond fund categories. Only active emerging market bond funds outperformed their index. Over three years, indices outperformed a majority of active managers in 11 of 13 fixed income categories. Over a one-year horizon, indices outperformed a majority in all categories.

The degree of outperformance of indices versus active funds over longer time horizons is much higher for fixed income funds compared to equity funds. We theorize that there could be two reasons for this. First, the comparatively lower liquidity and higher transaction costs of fixed income securities increases relative costs for real world portfolio management. Note that index returns do not have any frictional costs. Second, there is lower cross-sectional dispersion which presents fewer active selection opportunities.

## Survivorship

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Over five years, 26.8% of U.S. equity funds, 22.5% of global equity funds and 24.7% of fixed income funds have been merged or liquidated. Over three years, the comparable numbers were 15.3%, 9.3% and 16.0% respectively. This highlights the importance of addressing survivorship bias in mutual fund analysis.

## Acknowledgements

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Special thanks to C. Alan Myers, Director of Database Research and Database Product Management at CRSP and Benjamin Miller, Senior Research Analyst at CRSP for their support during our development efforts. SPIVA could not have been rebuilt without a successful rebuilding of the CRSP database.

**Report 1: Percentage of U.S. Equity Funds Outperformed by Benchmarks**

<b>Fund Category</b>	<b>Comparison Index</b>	<b>One Year</b>	<b>Three Year</b>	<b>Five Year</b>
<b>Domestic Equity</b>				
All Domestic Funds	S&P Composite 1500	48.81	55.53	56.65
All Large Cap Funds	S&P 500	40.80	57.45	68.65
All Mid Cap Funds	S&P MidCap 400	63.48	63.51	75.87
All Small Cap Funds	S&P SmallCap 600	59.51	59.62	77.80
All Multi Cap Funds	S&P Composite 1500	43.74	53.73	58.17
Large Cap Growth Funds	S&P 500 Growth	43.62	61.76	63.76
Large Cap Core Funds	S&P 500	38.40	59.06	74.25
Large Cap Value Funds	S&P 500 Value	24.00	40.82	62.37
Mid Cap Growth Funds	S&P MidCap 400 Growth	73.30	65.68	71.43
Mid Cap Core Funds	S&P MidCap 400	75.00	76.24	78.18
Mid Cap Value Funds	S&P MidCap 400 Value	73.75	61.54	78.41
Small Cap Growth Funds	S&P SmallCap 600 Growth	65.76	67.74	86.96
Small Cap Core Funds	S&P SmallCap 600	66.82	61.84	73.81
Small Cap Value Funds	S&P SmallCap 600 Value	43.18	41.25	63.11
MultiCap Growth Funds	S&P Composite 1500 Growth	57.76	45.07	47.18
MultiCap Core Funds	S&P Composite 1500	43.01	50.72	55.71
MultiCap Value Funds	S&P Composite 1500 Value	40.44	58.60	73.98
<b>Real Estate</b>				
Real Estate Funds	S&P BMI United States REIT	62.35	54.55	56.94

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008. Outperformance is based upon equalweighted fund counts.

**Report 2: Survivorship and Style Consistency of U.S. Equity Funds****One Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
All Domestic Funds	2053	96.10	89.38
All Large Cap Funds	625	95.84	90.24
All Mid Cap Funds	356	97.19	91.57
All Small Cap Funds	489	96.73	92.64
All Multi Cap Funds	583	95.20	84.39
Large Cap Growth Funds	188	93.09	91.49
Large Cap Blend Funds	237	96.62	86.50
Large Cap Value Funds	200	97.50	93.50
Mid Cap Growth Funds	176	97.73	92.61
Mid Cap Blend Funds	100	96.00	88.00
Mid Cap Value Funds	80	97.50	93.75
Small Cap Growth Funds	184	96.20	95.11
Small Cap Blend Funds	217	97.24	89.86
Small Cap Value Funds	88	96.59	94.32
Multi Cap Growth Funds	161	95.03	83.23
Multi Cap Core Funds	286	95.10	84.62
Multi Cap Value Funds	136	95.59	85.29
Real Estate Funds	85	96.47	72.94

**Three Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
All Domestic Funds	2096	84.40	70.99
All Large Cap Funds	698	79.66	67.05
All Mid Cap Funds	348	89.66	79.02
All Small Cap Funds	473	87.74	80.55
All Multi Cap Funds	577	84.23	63.08
Large Cap Growth Funds	204	76.47	69.12
Large Cap Blend Funds	298	75.17	56.38
Large Cap Value Funds	196	89.80	81.12
Mid Cap Growth Funds	169	89.35	83.43
Mid Cap Blend Funds	101	85.15	69.31
Mid Cap Value Funds	78	96.15	82.05
Small Cap Growth Funds	186	81.72	79.57
Small Cap Blend Funds	207	91.30	80.19
Small Cap Value Funds	80	92.50	83.75
Multi Cap Growth Funds	142	78.87	64.08
Multi Cap Core Funds	278	85.97	64.03
Multi Cap Value Funds	157	85.99	60.51
Real Estate Funds	77	92.21	75.32

Data: Standard &amp; Poor's, CRSP. For periods ending June 30, 2008.

Report continues in next page

**Report 2: Survivorship and Style Consistency of U.S. Equity Funds****Five Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
All Domestic Funds	2173	72.85	50.90
All Large Cap Funds	788	64.09	47.34
All Mid Cap Funds	373	79.89	55.76
All Small Cap Funds	455	78.68	61.76
All Multi Cap Funds	557	75.76	43.81
Large Cap Growth Funds	229	57.64	48.91
Large Cap Blend Funds	365	61.37	38.08
Large Cap Value Funds	194	76.80	62.89
Mid Cap Growth Funds	175	77.14	64.00
Mid Cap Blend Funds	110	80.00	43.64
Mid Cap Value Funds	88	85.23	54.55
Small Cap Growth Funds	184	70.11	65.76
Small Cap Blend Funds	168	83.93	63.10
Small Cap Value Funds	103	85.44	52.43
Multi Cap Growth Funds	142	66.90	45.77
Multi Cap Core Funds	219	78.08	47.95
Multi Cap Value Funds	196	79.59	37.76
Real Estate Funds	72	83.33	68.06

Data: Standard & Poor's, CRSP. For periods ending June 30, 2008.

<b>Report 3: Average U.S. Equity Fund Performance (Equal Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
S&P Composite 1500	-12.72	4.65	8.15
All Domestic Funds	-7.68	6.57	9.78
S&P 500	-13.12	4.41	7.58
All LargeCap Funds	-10.73	4.61	7.19
S&P MidCap 400	-7.34	7.45	12.61
All MidCap Funds	-9.38	6.84	11.02
S&P SmallCap 600	-14.67	4.10	11.60
All SmallCap Funds	0.97	10.21	13.80
S&P Composite 1500	-12.72	4.65	8.15
All MultiCap Funds	-11.75	4.94	8.50
<b>Large Cap</b>			
S&P 500 Growth	-5.83	5.63	6.78
LargeCap Growth Funds	-4.36	5.73	7.28
S&P 500	-13.12	4.41	7.58
LargeCap Core Funds	-11.65	4.22	6.62
S&P 500 Value	-20.25	3.03	8.25
LargeCap Value Funds	-15.56	3.97	7.98
<b>Mid Cap</b>			
S&P MidCap 400 Growth	-1.20	9.20	12.34
MidCap Growth Funds	-5.47	8.45	10.99
S&P MidCap 400	-7.34	7.45	12.61
MidCap Core Funds	-11.34	5.38	10.58
S&P MidCap 400 Value	-13.08	5.59	12.73
MidCap Value Funds	-15.54	4.93	11.29
<b>Small Cap</b>			
S&P SmallCap 600 Growth	-9.79	5.77	12.40
SmallCap Growth Funds	-13.54	4.39	8.87
S&P SmallCap 600	-14.67	4.10	11.60
SmallCap Core Funds	21.20	17.28	18.77
S&P SmallCap 600 Value	-19.07	2.50	10.83
SmallCap Value Funds	-18.78	2.72	10.48
<b>Multi Cap</b>			
S&P Composite 1500 Growth	-5.63	5.26	7.14
MultiCap Growth Funds	-6.27	6.90	9.20
S&P Composite 1500	-12.72	4.65	8.15
MultiCap Core Funds	-11.75	4.67	8.02
S&P Composite 1500 Value	-19.59	3.87	9.08
MultiCap Value Funds	-18.26	2.83	8.02
<b>Real Estate</b>			
S&P BMI U.S. REIT	-14.41	4.79	14.14
Real Estate Funds	-17.50	3.74	13.58

Source: Standard &amp; Poor's, CRSP. For periods ending June 30, 2008.

<b>Report 4: Average U.S. Equity Fund Performance (Asset Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
S&P Composite 1500	-12.72	4.65	8.15
All Domestic Funds	-10.93	5.72	9.05
<b>S&amp;P 500</b>	<b>-13.12</b>	<b>4.41</b>	<b>7.58</b>
All LargeCap Funds	-12.34	4.42	7.20
<b>S&amp;P MidCap 400</b>	<b>-7.34</b>	<b>7.45</b>	<b>12.61</b>
All MidCap Funds	-9.02	7.82	12.27
<b>S&amp;P SmallCap 600</b>	<b>-14.67</b>	<b>4.10</b>	<b>11.60</b>
All SmallCap Funds	-12.88	4.96	10.92
<b>S&amp;P Composite 1500</b>	<b>-12.72</b>	<b>4.65</b>	<b>8.15</b>
All MultiCap Funds	-9.32	6.81	9.97
<b>Large Cap</b>			
S&P 500 Growth	-5.83	5.63	6.78
LargeCap Growth Funds	-4.62	5.77	7.45
<b>S&amp;P 500</b>	<b>-13.12</b>	<b>4.41</b>	<b>7.58</b>
LargeCap Core Funds	-12.28	4.01	6.45
<b>S&amp;P 500 Value</b>	<b>-20.25</b>	<b>3.03</b>	<b>8.25</b>
LargeCap Value Funds	-16.11	3.91	7.79
<b>Mid Cap</b>			
S&P MidCap 400 Growth	-1.20	9.20	12.34
MidCap Growth Funds	-3.27	10.42	12.66
<b>S&amp;P MidCap 400</b>	<b>-7.34</b>	<b>7.45</b>	<b>12.61</b>
MidCap Core Funds	-11.06	6.75	11.83
<b>S&amp;P MidCap 400 Value</b>	<b>-13.08</b>	<b>5.59</b>	<b>12.73</b>
MidCap Value Funds	-13.03	6.02	12.30
<b>Small Cap</b>			
S&P SmallCap 600 Growth	-9.79	5.77	12.40
SmallCap Growth Funds	-11.23	5.22	10.03
<b>S&amp;P SmallCap 600</b>	<b>-14.67</b>	<b>4.10</b>	<b>11.60</b>
SmallCap Core Funds	-12.39	5.29	11.54
<b>S&amp;P SmallCap 600 Value</b>	<b>-19.07</b>	<b>2.50</b>	<b>10.83</b>
SmallCap Value Funds	-17.57	3.46	10.69
<b>Multi Cap</b>			
S&P Composite 1500 Growth	-5.63	5.26	7.14
MultiCap Growth Funds	-4.80	8.70	11.01
<b>S&amp;P Composite 1500</b>	<b>-12.72</b>	<b>4.65</b>	<b>8.15</b>
MultiCap Core Funds	-11.14	5.84	9.11
<b>S&amp;P Composite 1500 Value</b>	<b>-19.59</b>	<b>3.87</b>	<b>9.08</b>
MultiCap Value Funds	-19.20	2.78	7.85
<b>Real Estate</b>			
S&P BMI U.S. REIT	-14.41	4.79	14.14
Real Estate Funds	-15.93	4.87	14.36

Source: Standard &amp; Poor's, CRSP. For periods ending June 30, 2008.

## Report 5: Quartile Breakpoints of U.S. Equity Funds

### One Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Large Cap Growth Funds	-7.78	-4.92	-0.71
Large Cap Core Funds	-14.48	-11.43	-7.39
Large Cap Value Funds	-19.41	-15.82	-11.64
Mid Cap Growth Funds	-11.25	-6.18	-0.76
Mid Cap Core Funds	-16.25	-12.24	-6.81
Mid Cap Value Funds	-18.67	-15.62	-12.67
Small Cap Growth Funds	-18.64	-13.42	-7.87
Small Cap Core Funds	-21.46	-18.06	-12.17
Small Cap Value Funds	-22.58	-18.02	-13.00
Multi Cap Growth Funds	-10.68	-7.09	-1.57
Multi Cap Core Funds	-14.93	-11.38	-7.05
Multi Cap Value Funds	-22.39	-17.41	-12.51
Real Estate Funds	-20.42	-15.52	-13.50

### Three Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Large Cap Growth Funds	3.77	5.64	7.58
Large Cap Core Funds	2.85	4.76	6.22
Large Cap Value Funds	2.20	3.97	6.00
Mid Cap Growth Funds	5.77	8.52	10.87
Mid Cap Core Funds	3.49	5.58	7.75
Mid Cap Value Funds	2.94	4.60	6.72
Small Cap Growth Funds	1.59	4.64	7.84
Small Cap Core Funds	0.82	3.12	6.92
Small Cap Value Funds	1.11	3.34	5.59
Multi Cap Growth Funds	4.74	6.64	8.85
Multi Cap Core Funds	3.22	5.32	7.13
Multi Cap Value Funds	1.43	3.61	5.40
Real Estate Funds	2.32	4.76	5.74

### Five Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Large Cap Growth Funds	5.81	7.54	8.64
Large Cap Core Funds	5.83	7.11	8.49
Large Cap Value Funds	6.54	8.19	9.40
Mid Cap Growth Funds	9.26	11.10	13.19
Mid Cap Core Funds	9.38	10.94	13.00
Mid Cap Value Funds	9.02	11.11	12.67
Small Cap Growth Funds	7.53	9.82	11.39
Small Cap Core Funds	8.23	10.18	12.12
Small Cap Value Funds	8.50	10.38	12.09
Multi Cap Growth Funds	7.59	9.29	11.01
Multi Cap Core Funds	7.08	8.47	10.22
Multi Cap Value Funds	6.34	7.88	9.57
Real Estate Funds	12.88	14.46	15.51

Source: Standard & Poor's, CRSP. All data as of June 30, 2008.

**Report 6: Percentage of International Equity Funds Outperformed by Benchmarks**

<b>Fund Category</b>	<b>Comparison Index</b>	<b>One Year</b>	<b>Three Year</b>	<b>Five Year</b>
Global Funds	S&P Global 1200	50.00	61.54	70.10
International Funds	S&P 700	69.71	85.06	86.51
International Small Cap Funds	S&P Developed Ex-U.S. SmallCap	47.92	54.35	55.26
Emerging Markets Funds	S&P/IFCI Composite	45.95	73.02	73.91

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008. Outperformance is based upon equal weighted fund counts.

**Report 7: Survivorship and Style Consistency of International Equity Funds****One Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Global Funds	104	98.08	96.15
International Funds	274	95.99	95.26
International Small Cap Funds	48	100.00	97.92
Emerging Markets Funds	74	97.30	97.30

**Three Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Global Funds	91	91.21	85.71
International Funds	261	88.12	87.36
International Small Cap Funds	46	97.83	89.13
Emerging Markets Funds	63	95.24	95.24

**Five Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Global Funds	97	75.26	65.98
International Funds	289	75.09	71.63
International Small Cap Funds	38	86.84	84.21
Emerging Markets Funds	69	85.51	85.51

Data: Standard & Poor's, CRSP. For periods ending June 30, 2008.

<b>Report 8: Average International Equity Fund Performance (Equal Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
S&P Global 1200	-9.90	9.95	12.68
Global Funds	-9.82	9.56	12.38
S&P 700	-6.76	15.79	18.61
International Funds	-9.25	13.45	16.27
S&P Developed Ex-U.S. SmallCap	-14.47	13.97	20.79
International Small Cap Funds	-13.76	14.24	20.60
S&P/IFCI Composite	3.58	28.15	31.04
Emerging Markets Funds	2.34	26.46	29.40

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008.

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<b>Report 9: Average International Equity Fund Performance (Asset Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
S&P Global 1200	-9.90	9.95	12.68
Global Funds	-9.30	10.59	13.79
S&P 700	-6.76	15.79	18.61
International Funds	-8.01	14.29	17.11
S&P Developed Ex-U.S. SmallCap	-14.47	13.97	20.79
International Small Cap Funds	-10.61	14.71	21.15
S&P/IFCI Composite	3.58	28.15	31.04
Emerging Markets Funds	3.09	25.79	29.63

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008.

**Report 10: Quartile Breakpoints of International Equity Funds****One Year**

<b>Fund Category</b>	<b>Third Quartile</b>	<b>Second Quartile</b>	<b>First Quartile</b>
Global Funds	-14.18	-9.8	-5.18
International Funds	-12.64	-9.06	-6.08
International Small Cap Funds	-19.7	-14.03	-11.22
Emerging Markets Funds	0.32	3.87	6.65

**Three Year**

<b>Fund Category</b>	<b>Third Quartile</b>	<b>Second Quartile</b>	<b>First Quartile</b>
Global Funds	6.19	8.93	11.36
International Funds	11.25	13.21	15.21
International Small Cap Funds	10.45	13.67	18.08
Emerging Markets Funds	24.46	26.79	28.88

**Five Year**

<b>Fund Category</b>	<b>Third Quartile</b>	<b>Second Quartile</b>	<b>First Quartile</b>
Global Funds	9.68	12.24	14.67
International Funds	14.65	16.24	17.79
International Small Cap Funds	16.61	21.07	24.04
Emerging Markets Funds	27.52	30.23	31.48

Source: Standard & Poor's, CRSP. All data as of June 30, 2008.

**Report 11: Percentage of Fixed Income Funds Outperformed by Benchmarks**

<b>Fund Category</b>	<b>Comparison Index</b>	<b>One Year</b>	<b>Three Year</b>	<b>Five Year</b>
Government Long Funds	Lehman Brothers Long Government	83.67	71.93	98.39
Government Intermediate Funds	Lehman Brothers Intermediate Government	88.46	94.83	86.76
Government Short Funds	Lehman Brothers 1-3 Year Government	85.71	93.33	91.49
Investment-Grade Long Funds	Lehman Brothers Long Government/Credit	86.73	37.50	89.26
Investment-Grade Intermediate Funds	Lehman Brothers Intermediate Government/Credit	91.96	93.36	81.90
Investment-Grade Short Funds	Lehman Brothers 1-3 Year Government/Credit	95.95	98.63	96.67
High Yield Funds	Lehman Brothers High Yield	50.36	69.57	75.56
Mortgage-Backed Securities Funds	Lehman Brothers Mortgage-Backed Securities	83.33	94.55	96.55
Global Income Funds	Lehman Brothers Global Aggregate	68.85	74.00	64.71
Emerging Markets Debt Funds	Lehman Brothers Emerging Markets	75.00	38.89	35.00
General Municipal Debt Funds	S&P National Municipal Bond	75.00	93.81	90.00
California Municipal Debt Funds	S&P California Municipal Bond	87.18	95.45	91.30
New York Municipal Debt Funds	S&P New York Municipal Bond	87.50	97.30	89.74

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008. Outperformance is based upon equal weighted fund counts.

**Report 12: Survivorship and Style Consistency of Fixed Income Funds****One Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Government Long Funds	49	95.92	89.80
Government Intermediate Funds	52	94.23	88.46
Government Short Funds	42	97.62	97.62
Investment-Grade Long Funds	98	93.88	83.67
Investment-Grade Intermediate Funds	199	92.96	91.46
Investment-Grade Short Funds	74	95.95	95.95
High Yield Funds	137	97.08	94.16
Mortgage-Backed Securities Funds	48	100.00	100.00
Global Income Funds	61	95.08	88.52
Emerging Markets Debt Funds	20	95.00	95.00
General Municipal Debt Funds	80	95.00	92.50
California Municipal Debt Funds	39	97.44	94.87
New York Municipal Debt Funds	32	100.00	100.00

**Three Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Government Long Funds	57	80.70	68.42
Government Intermediate Funds	58	81.03	70.69
Government Short Funds	45	86.67	80.00
Investment-Grade Long Funds	120	80.83	66.67
Investment-Grade Intermediate Funds	211	81.52	79.62
Investment-Grade Short Funds	73	87.67	83.56
High Yield Funds	138	88.41	85.51
Mortgage-Backed Securities Funds	55	89.09	83.64
Global Income Funds	50	92.00	86.00
Emerging Markets Debt Funds	18	88.89	88.89
General Municipal Debt Funds	97	77.32	73.20
California Municipal Debt Funds	44	84.09	79.55
New York Municipal Debt Funds	37	89.19	86.49

**Five Year**

<b>Fund Category</b>	<b>No. of Funds at Start</b>	<b>Survivorship (%)</b>	<b>Style Consistency (%)</b>
Government Long Funds	62	67.74	58.06
Government Intermediate Funds	68	73.53	61.76
Government Short Funds	47	82.98	74.47
Investment-Grade Long Funds	149	67.79	50.34
Investment-Grade Intermediate Funds	221	71.49	65.61
Investment-Grade Short Funds	60	81.67	80.00
High Yield Funds	135	81.48	79.26
Mortgage-Backed Securities Funds	58	82.76	77.59
Global Income Funds	51	88.24	82.35
Emerging Markets Debt Funds	20	80.00	80.00
General Municipal Debt Funds	110	67.27	62.73
California Municipal Debt Funds	46	80.43	76.09
New York Municipal Debt Funds	39	87.18	82.05

Data: Standard &amp; Poor's, CRSP. For periods ending June 30, 2008.

<b>Report 13: Average Fixed Income Fund Performance (Equal Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
Lehman Brothers Long Government	12.30	3.74	4.68
Government Long Funds	8.12	3.60	3.25
Lehman Brothers Intermediate Government	9.17	4.82	3.60
Government Intermediate Funds	6.95	3.92	3.00
Lehman Brothers 1-3 Year Government	7.07	4.69	3.32
Government Short Funds	5.37	3.97	2.81
Lehman Brothers Long Government/Credit	6.78	2.24	3.98
Investment-Grade Long Funds	3.71	3.08	3.32
Lehman Brothers Intermediate Government/Credit	7.38	4.27	3.49
Investment-Grade Intermediate Funds	3.40	2.86	2.87
Lehman Brothers 1-3 Year Government/Credit	6.71	4.64	3.36
Investment-Grade Short Funds	1.57	2.97	2.41
Lehman Brothers High Yield	-2.26	4.55	6.93
High Yield Funds	-3.35	3.96	6.13
Lehman Brothers Mortgage-Backed Securities	7.84	4.82	4.55
Mortgage-Backed Securities Funds	4.94	3.53	3.41
Lehman Brothers Global Aggregate	12.88	5.82	5.91
Global Income Funds	8.76	4.50	5.30
Lehman Brothers Emerging Markets	3.89	7.21	9.23
Emerging Markets Debt Funds	2.49	7.54	10.04
S&P National Municipal Bond	2.75	2.83	3.59
General Municipal Debt Funds	0.95	2.03	2.79
S&P California Municipal Bond	2.75	2.90	3.78
California Municipal Debt Funds	0.00	1.85	2.91
S&P New York Municipal Bond	3.35	2.99	3.66
New York Municipal Debt Funds	1.39	2.21	2.96

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008.

<b>Report 14: Average Fixed Income Fund Performance (Asset Weighted)</b>			
<b>Category</b>	<b>One Year (%)</b>	<b>Three Year (Annualized %)</b>	<b>Five Year (Annualized %)</b>
Lehman Brothers Long Government	12.30	3.74	4.68
Government Long Funds	8.46	3.81	3.45
Lehman Brothers Intermediate Government	9.17	4.82	3.60
Government Intermediate Funds	7.01	3.97	3.24
Lehman Brothers 1-3 Year Government	7.07	4.69	3.32
Government Short Funds	6.48	4.31	3.01
Lehman Brothers Long Government/Credit	6.78	2.24	3.98
Investment-Grade Long Funds	2.80	3.15	3.70
Lehman Brothers Intermediate Government/Credit	7.38	4.27	3.49
Investment-Grade Intermediate Funds	5.74	3.50	3.56
Lehman Brothers 1-3 Year Government/Credit	6.71	4.64	3.36
Investment-Grade Short Funds	2.71	3.28	2.64
Lehman Brothers High Yield	-2.26	4.55	6.93
High Yield Funds	-2.91	4.33	6.40
Lehman Brothers Mortgage-Backed Securities	7.84	4.82	4.55
Mortgage-Backed Securities Funds	6.09	3.88	3.63
Lehman Brothers Global Aggregate	12.88	5.82	5.91
Global Income Funds	8.89	5.67	6.18
Lehman Brothers Emerging Markets	3.89	7.21	9.23
Emerging Markets Debt Funds	4.49	8.48	11.13
S&P National Municipal Bond	2.75	2.83	3.59
General Municipal Debt Funds	0.49	2.16	3.11
S&P California Municipal Bond	2.75	2.90	3.78
California Municipal Debt Funds	-0.23	2.01	3.18
S&P New York Municipal Bond	3.35	2.99	3.66
New York Municipal Debt Funds	-0.72	2.04	3.41

Source: Standard & Poor's, CRSP. For periods ending June 30, 2008.

## Report 15: Quartile Breakpoints of Fixed Income Funds

### One Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	6.63	7.64	9.05
Government Intermediate Funds	6.34	7.25	7.88
Government Short Funds	4.77	6.03	6.59
Investment-Grade Long Funds	2.00	4.05	5.71
Investment-Grade Intermediate Funds	3.09	4.66	6.26
Investment-Grade Short Funds	0.03	3.38	5.05
High Yield Funds	-3.60	-2.23	-0.75
Mortgage-Backed Securities Funds	5.36	6.79	7.55
Global Income Funds	4.33	9.17	14.58
Emerging Markets Debt Funds	0.47	2.48	3.63
General Municipal Debt Funds	0.36	1.59	2.78
California Municipal Debt Funds	-0.52	1.04	2.09
New York Municipal Debt Funds	-0.50	1.97	2.83

### Three Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	2.81	3.58	3.94
Government Intermediate Funds	3.78	4.04	4.43
Government Short Funds	3.79	4.05	4.34
Investment-Grade Long Funds	2.36	3.19	3.52
Investment-Grade Intermediate Funds	2.80	3.38	3.77
Investment-Grade Short Funds	2.79	3.62	4.14
High Yield Funds	3.39	4.16	4.74
Mortgage-Backed Securities Funds	3.31	4.02	4.26
Global Income Funds	3.71	4.86	5.89
Emerging Markets Debt Funds	7.18	7.59	7.83
General Municipal Debt Funds	1.86	2.28	2.59
California Municipal Debt Funds	1.92	2.15	2.40
New York Municipal Debt Funds	1.92	2.21	2.65

### Five Year

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	2.64	3.15	3.68
Government Intermediate Funds	2.71	3.11	3.40
Government Short Funds	2.68	2.80	3.15
Investment-Grade Long Funds	2.93	3.26	3.77
Investment-Grade Intermediate Funds	2.68	3.12	3.50
Investment-Grade Short Funds	2.16	2.77	3.12
High Yield Funds	5.54	6.29	7.03
Mortgage-Backed Securities Funds	3.15	3.65	4.01
Global Income Funds	3.87	5.30	6.24
Emerging Markets Debt Funds	9.55	9.99	10.38
General Municipal Debt Funds	2.52	3.04	3.33
California Municipal Debt Funds	2.85	3.06	3.34
New York Municipal Debt Funds	2.64	2.97	3.22

Source: Standard & Poor's, CRSP. All data as of June 30, 2008.

## Appendix A

### SPIVA Styles and Lipper Fund Classifications

The CRSP Survivor-Bias-Free US Mutual Fund Database is the only complete database of both active and liquidated/merged mutual funds. It was created in 1995 and contains fund data from December 1961. Current and historical data from August 1998 has been supplied by Lipper and Thomson Reuters. The fund classifications are based upon the Lipper fund classification system. The SPIVA reports cover domestic equity, global equity and global fixed income categories.

#### U.S. Equity

SPIVA covers major capitalization levels (large-, mid-, small-, and multi-cap funds) and investment styles (growth, core and value). S&P uses the Lipper fund classifications, which determines a fund portfolio's capitalization and investment style assignments.

Lipper assigns a market-capitalization for each fund based upon the percentages of a fund's three-year weighted equity assets that fall into each of Lipper's three defined market-capitalization slices. The market capitalization breakpoints are calculated using all common stocks, excluding all non-US domiciled stocks and ADRs, trading on the NYSE, AMEX and NASDAQ. Funds are assigned to the capitalization level in which they have a 75% or higher weighting. Any fund that has less than 75% of their three-year weighted allocation in any of the three market capitalization ranges is classified as a multi-cap fund.

For investment style selection, the Lipper classification system uses three-year fundamental portfolio characteristics (price/earnings, price/book, and three-year sales-per-share growth) and, if necessary, confirming secondary characteristics (price-to-sales and price-to-operating cash flow). Fund statistics are compared to their relevant S&P capitalization-level index to determine the growth, core or value style.

In some cases, S&P combines closely-related Lipper fund classifications in one SPIVA category. Exhibit 1 maps the SPIVA U.S. Equity fund categories to Lipper classifications.

**Exhibit 1****U.S. Equity Category Mappings**

<b>SPIVA Category</b>	<b>Lipper Fund Classification</b>
Large-Cap Growth Funds	Large-Cap Growth Funds
Large-Cap Core Funds	Large-Cap Core Funds
Large-Cap Value Funds	Large-Cap Value Funds Equity Income Funds
Mid-Cap Growth Funds	Mid-Cap Growth Funds
Mid-Cap Core Funds	Mid-Cap Core Funds
Mid-Cap Value Funds	Mid-Cap Value Funds
Small-Cap Growth Funds	Small-Cap Growth Funds
Small-Cap Core Funds	Small-Cap Core Funds
Small-Cap Value Funds	Small-Cap Value Funds
Multi-Cap Growth Funds	Multi-Cap Growth Funds
Multi-Cap Core Funds	Multi-Cap Core Funds
Multi-Cap Value Funds	Multi-Cap Value Funds
Real Estate Funds	Real Estate Funds

**International Equity**

For International Equity, SPIVA reports on four major categories (Global, International, International Small Cap and Emerging Markets funds) of interest to global asset allocators. These categories also include multiple Lipper capitalization/style classifications.

**Exhibit 2**

**Global Equity Category Mappings**

<b>SPIVA Category</b>	<b>Lipper Fund Classification</b>
Global Funds	Global Large-Cap Growth Funds Global Large-Cap Core Funds Global Large-Cap Value Funds Global Multi-Cap Growth Funds Global Multi-Cap Core Funds Global Multi-Cap Value Funds
International Funds	International Large-Cap Growth Funds International Large-Cap Core Funds International Large-Cap Value Funds International Multi-Cap Growth Funds International Multi-Cap Core Funds International Multi-Cap Value Funds
International Small-Cap Funds	International Small/Mid-Cap Growth Funds International Small/Mid-Cap Core Funds International Small/Mid-Cap Value Funds
Emerging Markets Funds	Emerging Markets Funds

## Fixed Income

SPIVA reports on eight domestic, two global and three municipal fixed income categories. The Lipper domestic fixed income classifications are based upon maturity and credit quality. For maturity, long is 10+ years, intermediate is 5-10 years, short/intermediate is 1-5 years and short is 1-3.5 years. For credit quality, bonds are assigned to the U.S. Treasury, U.S. Government (includes Government and agency issues), A- or BBB-rated and High Yield classifications. Lipper also includes U.S. Mortgages and GNMA classifications.

In global fixed income, Lipper differentiates between global (including the U.S.) and international (excluding the U.S.) objectives. For municipal debt funds, we include the general (invests in the top four credit ratings) classification plus two state funds (California and New York).

### Exhibit 3

#### Fixed Income Category Mappings

<b>SPIVA Category</b>	<b>Lipper Fund Classification</b>
Government Long Funds	General U.S. Government Funds General U.S. Treasury Funds
Government Intermediate Funds	Intermediate U.S. Government Short-Intermediate U.S. Government
Government Short Funds	Short U.S. Government Funds Short U.S. Treasury
Investment-Grade Long Funds	Corporate Debt Funds A Rated Corporate Debt Funds BBB-Rated
Investment-Grade Intermediate Funds	Intermediate Investment-Grade Debt Funds Short-Intermediate Investment-Grade Debt Funds
Investment-Grade Short Funds	Short Investment-Grade Debt Funds
High Yield Funds	High Current Yield Funds
Mortgage-Backed Securities Funds	U.S. Mortgage Funds GNMA Funds
Global Income Funds	Global Income Funds International Income Funds
Emerging Market Debt Funds	Emerging Markets Debt Funds
General Municipal Debt Funds	General Municipal Debt Funds
California Municipal Debt Funds	California Municipal Debt Funds
New York Municipal Debt Funds	New York Municipal Debt Funds

## Appendix B Glossary - Reports

### **Percentage of Funds Outperformed by the Index**

To correct for survivorship bias, we use the opportunity set available at the beginning of the period as the denominator. We determine the count of funds that have survived and beat the index. We then report the index outperformance percentage.

### **Survivorship (%)**

This measure calculates the percentage of funds that are still active at the end of the time period as at the beginning of the time period.

### **Style Consistency (%)**

This calculation shows the percentage of funds that had the same style classification at the end of the time period as at the beginning of the time period.

### **Equal-Weighted Fund Performance**

Equal-weighted returns for a particular style category in a month are determined by calculating a simple average return of all active funds in that category in that particular month.

### **Asset-Weighted Fund Performance**

Asset-weighted returns for a particular style category in a month are determined by calculating a weighted average return of all funds in that category in that particular month, with each fund's return being weighted by its total net assets. Asset weighted returns are a better indicator of fund category performance measurement because they more accurately reflect the returns of the total money invested in that particular style category.

### **Quartiles Breakpoints**

The  $p$ th -percentile for a set of data is the value which is greater than or equal to  $p\%$  of the data, but is less than or equal to  $(100 - p)\%$  of the data. So, it is a value that divides the data into two parts: the lower  $p\%$  of the values and the upper  $(100-p)\%$  of the values. The first quartile is the 75th percentile, the value separating the elements of a population into the lower 75% and the upper 25%. The second quartile is the 50th percentile and the third quartile is the 25th percentile. For fund category quartiles in a particular time horizon, the data used is the return of the largest share class of the fund net of fees, but excluding loads.

### **Survivorship Bias**

Many funds might liquidate or merge during a period of study. Most of these occur because of continued poor performance by the fund. Therefore, if index returns are compared to fund returns using only surviving funds, the comparison would be biased in favor of the fund category. These reports remove this bias by (a) taking all available funds in that particular category as the investment opportunity set as the denominator for outperformance calculations, (b) explicitly showing the survivorship rate in each category, and (c) constructing peer average return series for each category based on all available funds at that period of time.

### **Fees**

The fund returns used are net of fees, excluding loads.

## Appendix B Glossary – Indices

### Indices<sup>1</sup>

A benchmark index provides an investment vehicle to compare and assess fund performance.

### U.S. Equity:

#### *S&P 500 Index*

Widely regarded as the best single gauge of the U.S. equities market, this market capitalization-weighted index includes a representative sample of 500 leading companies in leading industries of the U.S. economy and provides over 80% coverage of U.S. equities.

#### *S&P MidCap 400 Index*

This index consists of 400 mid-sized companies and covers approximately 7% of the U.S. equities market.

#### *S&P SmallCap 600 Index*

This index consists of 600 small-cap stocks and covers approximately 3% of the U.S. equities market.

#### *S&P Composite 1500 Index*

This is a broad market, capitalization-weighted index of 1500 stocks. This index is comprised of three size-based indices: the S&P 500 Index, the S&P MidCap 400 Index, and the S&P SmallCap 600 Index, which measures the performance of large-, mid- and small-cap stocks respectively. This index represents 90% of U.S. equities.

#### *S&P 500 Growth and Value Indices*

These indices are an exhaustive, multi-factor style series covering the entire market capitalization of the S&P 500. Constituents, weighted according to market cap, are classified as growth, value or a mix of growth and value.

#### *S&P MidCap 400 Growth and Value Indices*

These indices are an exhaustive, multi-factor style series covering the entire market capitalization of the S&P MidCap 400.

#### *S&P SmallCap 600 Growth and Value Indices*

These indices are an exhaustive, multi-factor style series covering the entire market capitalization of the S&P SmallCap 600.

#### *S&P Composite 1500 Growth and Value Indices*

These indices are an exhaustive, multi-factor style series covering the entire market capitalization of the S&P Composite 1500.

#### *S&P United States REIT Index*

This index measures the investable universe of publicly traded real estate investment trusts.

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<sup>1</sup> For more information on Standard & Poor's indices, please visit the Indices section of [www.indices.standardandpoors.com](http://www.indices.standardandpoors.com).

## Appendix B Glossary Indices (Cont'd)

### International Equity

#### *S&P Global 1200*

This index captures approximately 70% of the world's capital markets, the S&P Global 1200 is a composite of seven headline indices, many of which are accepted leaders in their regions. It includes the S&P 500 (United States), S&P Europe 350 (Europe), S&P/Topix 150 (Japan), S&P/TSX 60 (Canada), S&P/ASX All Australian 50 (Australia), S&P Asia 50 (Asia Ex-Japan) and the S&P Latin America 40 (Latin America).

#### *S&P 700*

This index measures the non-United States component of the global equity markets. The index covers all of the regions included in the S&P Global 1200 except for the United States (S&P 500).

#### *S&P Developed Ex-U.S. Small Cap*

This index represents the small-capitalization segment, the bottom 15% of the world's universe of institutionally investable securities excluding the U.S.

#### *S&P/IFCI Composite Index*

This index is widely recognized as a comprehensive and reliable measure of the world's emerging markets. It measures the returns of stocks that are legally and practically available to foreign investors.

### Fixed Income

#### *Lehman Brothers Long Government Bond Index*

This index consists of U.S. Treasury and U.S. Government agency bonds with maturities greater than 10 years.

#### *Lehman Brothers Intermediate Government Bond Index*

This index consists of U.S. Treasury and U.S. Government agency bonds with maturities from one to 10 years.

#### *Lehman Brothers 1-3 Year Government Bond Index*

This index consists of U.S. Treasury and U.S. Government agency bonds with maturities from one to three years.

#### *Lehman Brothers Long Government/Credit Bond Index*

This index covers corporate and non-corporate fixed-income securities that are rated investment grade and have maturities greater than 10 years.

#### *Lehman Brothers Intermediate Government/Credit Bond Index*

This index covers corporate and non-corporate fixed-income securities that are rated investment grade with maturities from one to 10 years.

## Appendix B Glossary Indices (Cont'd)

### Fixed Income (Cont'd)

#### *Lehman Brothers 1-3 Year*

#### *Government/Credit Bond Index*

This index covers corporate and non-corporate fixed-income securities that are rated investment grade and have 1-3 years to final maturity.

#### *Lehman Brothers High Yield Bond Index*

This index includes all fixed income securities with a maximum quality rating of Ba1/BB+ (including defaulted issues), a minimum amount outstanding of \$100 million and at least 1 year to maturity.

#### *Lehman Brothers Mortgage-Backed Securities Index*

This index includes 15- and 30-year fixed-rate securities backed by Mortgage pools of the Government National Mortgage Association (GNMA), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA).

#### *Lehman Brothers Global Aggregate Bond Index*

This index covers the most liquid portion of the global investment grade fixed-rate bond market, including government, credit and collateralized securities.

#### *Lehman Brothers Emerging Markets Index*

This index includes fixed and floating rate USD-denominated debt from emerging markets.

#### *S&P National Municipal Bond Index*

This index is a broad, comprehensive, market value-weighted index designed to measure the performance of the investment –grade U.S. municipal bond market.

#### *S&P California Municipal Bond Index*

This index is designed to measure the performance of the investment –grade California municipal bond market

#### *S&P New York Municipal Bond Index*

This index is designed to measure the performance of the investment –grade New York municipal bond market.

For more information, please go to [www.spiva.standardandpoors.com](http://www.spiva.standardandpoors.com).

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