

# Mutual Funds

# Mutual Funds

- Investment companies
  - Financial intermediaries that collect funds from individual investors and invest those funds in a potentially wide range of securities or other assets
- Pooling of assets is the key idea behind investment companies
  - Berkeley Technology
  - Citigroup Capital
  - Goldman Sachs Group
  - Merrill Lynch & Co
  - Morgan Stanley

# Investment Companies

- Collecting funds from individuals
- Investment company forms portfolio
- Sells investors shares in the portfolio
- Investors have claim to the portfolio, proportional to their number of shares
  - Gains correspond with changing value of portfolio

# Investment Companies

- These companies perform several important functions for investors:
  - Administration & record keeping: capital gains, dividends and so on
  - Diversification & divisibility:i.e. by pooling of assets
  - Professional management: security analysts etc.
  - Reduced transaction costs

# Net Asset Value

- Divide claims among investors
- Used as a basis for valuation of investment company shares for
  - Selling new shares
  - Redeeming existing shares( buying back)

Calculation: NAV=

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Market Value of Assets - Liabilities

Shares Outstanding

# Types of Investment Companies

- Investment Company Act 1940:
  - Unit trusts
  - Managed investment companies

# Types of Investment Companies

- **Unit Investment Trusts:**

- pool of money invested in portfolio;
- its portfolio is fixed for the life,
- unmanaged.

-Brokerage firm buys and forms portfolio

-Sells shares in that trust called **units** or **redeemable trust certificates**

-Invest in relatively uniform types of assets: municipal bonds, corporate bonds

-All money from portfolio is distributed to shareholders by trustee, i.e. company which manages portfolio

-Trust bought portfolio for \$ 5 million

-Sells 5,000 shares at \$1,030 per share

-3% premium per share obtained by trustee

trustee – bank or trust company

-Liquidate holdings

sell back to trustee for NAV

Sell enough securities from the asset portfolio to obtain the cash

Sell the shares to new investors

Decline in value: \$105 billion in 1990, \$50 billion in 2007

# Types of Investment Companies

- **Managed Investment Companies**; portfolio is managed (close end or open end)
- Board of directors, elected by shareholders, hires management company for fee of 0.2 to 1.5% of assets value
  - (one management company manages several funds)
- Open-End (called mutual funds)
  - shares redeemed or
  - new shares issued at NAV;
  - shares outstanding change when new shares are issued or old shares are redeemed
  - Cash out shares – sell them back to fund



# Types of Investment Companies

## - Closed-End

Not redeemed, no new share issue

No change in shares outstanding

- Shares traded on organized exchanges and can be sold and bought at market price (unlike open-end mutual funds shares)
- Cash out shares – sell to another investor
- May be priced at Premium or discount to NAV

# Figure 4.1 Closed-End Mutual Funds

FUND	NAV	MKT PRICE	PREM/ DISC %	52-WEEK RETURN %
Adams Express Company (ADX)	17.37	15.01	-13.59	20.80
Advent/Clay Enhcd G & I (LCM)	19.72	17.33	-12.12	3.94
BlackRock S&P 500 Pr Eq (PEFX)	10.35	10.22	-1.26	6.68
BlackRock Str Div Achvr (BDT)	15.50	13.66	-11.87	4.31
Blue Chip Value Fund (BLU)	5.98	6.09	1.84	13.18
Clay/Ray James SB-1 Eqty (RYJ)	22.04	19.79	-10.21	14.51
Cohen & Steers CE Oppty (FOF)	18.32	16.91	-7.70	NS
Dreman/Claymore Div&Inc (DCS)	23.12	20.01	-13.45	3.65
DWS Dreman Val Inc Edge (DHG)	17.75	15.01	-15.44	NS
Eaton Vance T-M D-E Inc (ETY)	19.24	17.63	-8.37	NS
Gabelli Div & Inc Tr (GDV)	25.00	21.69	-13.24	22.76
Gabelli Equity Trust (GAB)	9.68	9.64	-0.41	21.39
General Amer Investors (GAM)	45.90	40.87	-10.96	21.00

**FIGURE 4.1** Closed-end mutual funds

Source: Data compiled from *The Wall Street Journal Online*, September 28, 2007.

# Types of Investment Companies

- Puzzle of divergence of share price and NAV (only for close end mutual funds)
- Discount represents increase in the wealth of the fund's investor
  - 20 % discount an expected 12-month return more than 6 % greater than funds selling at the NAV
- Puzzle of issue price of share above NAV
  - Tend to fall to a discount shortly after the issue

# Other Investment Organization

- Not organized or regulated as investment companies
  - Functions similar
    - Commingled Funds
    - Real Estate Investment Trusts
    - Hedge Funds

# Types of Invest. Companies Continued

-Commingled funds:

- Partnerships of investors that pool their funds
- Management firm that organizes the partnership (bank, insurance company) for fee
  - Large portfolio but still can not be managed in separate basis
- units are issued (like shares).
- Like open-end, they're trades at NAV.

e.g. money market fund, bond fund, common stock fund often offered by a bank or an insurance company

# Types of Invest. Companies Continued

- Real estate investment trusts (REITs):
- Similar to closed-end fund
- Invest in real estate or loans secured by real estate
- Beside issuing shares
  - Raise capital by borrowing from banks and issuing bonds or mortgages
  - Highly leveraged
    - Debt ration of 70%
- Equity trust – directly in real estates
- Mortgages trust – mortgages and construction loans
- Established
  - Banks, insurance companies, mortgage companies for fee

# Types of Invest. Companies Continued

-Hedge funds

-Like mutual funds but private partnership

- pool assets to be invested by hedge manager

- under minimal SEC regulation

- For wealthy and institutional investors

- Lock-ups

- Allows: invest in illiquid assets

- Strategies

- Use of derivatives, short sales, leveraged

# Mutual Funds—Investment Policies

- Common name for open-end investment companies
- Dominant investment company
  - 90% of invested assets
- Each mutual fund
  - Specified investment policy
    - Fund prospectus
- Management companies manage a family or complex of mutual funds
- They organize an entire collection of funds and then collect a management fees for operating them
  - Make it easy for investor to allocate assets across market sectors and to switch assets across funds



# Mutual Funds—Investment Policies

- Money Market Funds
  - Commercial papers, certificates of deposits, etc.
  - Maturity a bit more than 1 month
- Equity Funds
  - Primary in stocks, fixed-income securities or other types of securities
  - About 4% to 5% of total assets in money market securities
  - Income or Growth Fund
  - Emphasis on capital appreciation or current income
    - Income funds – dividend yields
    - Growth funds – capital gains
      - Growth stocks are riskier and respond dramatically to changes in economic conditions
- Sector Funds
  - Concentrated on a particular industry
    - Biotechnology, utilities, metals, telecommunications...

# Mutual Funds—Investment Policies

- Bond Funds,
  - often specializing by fixed income sector
    - Specialization:
      - Corporate bonds, Treasury bonds, etc.
      - Maturity of securities
        - » Short-term
        - » Intermediate
        - » Long-term
      - Credit risk
        - » Very safe to junk bonds
- Balanced Funds, across all securities
  - Equities or fixed income securities
  - Life-cycle funds
    - Mixed from aggressive (primarily marketed by younger investors) to conservative
    - Stable mix across stocks and bonds
  - Targeted-maturity funds
    - Become more conservative as the investor ages

# Mutual Funds—Investment Policies

- International (global, regional, emerging market)
- Asset Allocation and Flexible;
  - like balanced but vary much in portfolios
    - According to manager forecast of the performance of each sector
    - Market timing
    - Not for low-risk investors
- Index
  - forms portfolio of index
  - Kind and proportion of securities in index
  - Low-cost way for investors to pursue a passive investment strategy

# Table 4.1 U.S. Mutual Funds by Investment Classification

**TABLE 4.1**

U.S. mutual funds by investment classification

	Assets (\$ billion)	% of Total Assets	Number of Funds
<b>Equity funds</b>			
Capital appreciation focus	\$ 2,701.0	25.9%	3,070
World/international	1,314.1	12.6	915
Total return	1,896.5	18.2	785
<i>Total equity funds</i>	\$ 5,911.6	56.8%	4,770
<b>Bond funds</b>			
Corporate	\$ 272.2	2.6%	289
High yield	156.2	1.5	207
World	59.4	0.6	113
Government	193.0	1.9	309
Strategic income	448.6	4.3	364
Single-state municipal	154.9	1.5	481
National municipal	210.0	2.0	230
<i>Total bond funds</i>	\$ 1,494.4	14.4%	1,993
<b>Hybrid (bond/stock) funds</b>	\$ 653.1	6.3%	508
<b>Money market funds</b>			
Taxable	\$ 1,988.1	19.1%	576
Tax-exempt	366.4	3.5	273
<i>Total money market funds</i>	\$ 2,354.5	22.6%	849
<b>Total</b>	\$10,413.6	100.0%	8,120

Note: Column sums subject to rounding error.

Source: Investment Company Institute, 2007 *Mutual Fund Fact Book*.

# How Funds Are Sold

- Underwriters
    - Distribute shares to investors
  - Directly by underwriter
  - Indirectly by brokers actions on behalf of the underwriter
  - Sales force distributed: brokers, advisers on commission
- Revenue sharing on sales force
- Potential conflicts of interest
    - Fund companies pay the brokerage firm for potential treatment when making investment recommendation
  - Financial Supermarkets; sell shares of many funds
    - Instead of charging customers a sales commission, the broker splits management fees with the mutual fund company

# Costs of Investing in Mutual Funds

- Fee Structure
  - Operating expenses; cost of operating portfolio, inc. administration and advisory cost
  - Front-end load:when you buy a share
  - Back-end load:when you redeem a share

# Operating expenses

- Expressed as a percentage of total assets under management
  - 0,2% to 2%
- No an explicit bill for these expenses
- Deducted from the assets of the fund
  - Reduced value of the portfolio
- Marketing and distribution costs
  - Pay to brokers and financial advisors who sell the funds to the public
  - Avoid by buying directly from the fund sponsor

# Front-End Load

- Commission or sales charged paid when you purchase the shares
- May exceed 8,5% but usually about 6%
- Reduces money invested
  - Each \$1.000 paid for fund with a 6% load resulted in a sale charge of \$60 and fund invested only \$940



# Back-End Load

- A redemption or exit
- Fee for selling shares
- Between 5% to 6%

# 12b-1 Charge

- For managers of so called 12b-1 funds
  - For paying distributional costs such as advertising, promotional literature, annual reports, prospectuses, etc.
  - Limited to 1% of fund's average net asset value

# Fees and Mutual Fund Returns:

- Measured by increase or decrease in NAV plus income distributions (dividends, capital gains) expressed as a fraction of NAV at the beginning of the investment period
- Ignore any commissions

# Fees and Mutual Fund Returns: An Example

**Initial NAV = \$20**

**Income distributions of \$.15**

**Capital gain distributions of \$.05**

**Ending NAV = \$20.10:**

$$\text{Rate of Return} = \frac{\$20.10 - \$20.00 + \$0.15 + \$0.05}{\$20.00} = 1.5\%$$

# Table 4.2 Impacts of Costs on Investment Performance

**TABLE 4.2**

Impact of costs on investment performance

	Cumulative Proceeds (All Dividends Reinvested)		
	Fund A	Fund B	Fund C
Initial investment*	\$10,000	\$10,000	\$ 9,200
5 years	17,234	16,474	15,502
10 years	29,699	27,141	26,123
15 years	51,183	44,713	44,018
20 years	88,206	73,662	74,173

\*After front-end load, if any.

Notes:

1. Fund A is no-load with .5% expense ratio.
2. Fund B is no-load with 1.5% expense ratio.
3. Fund C has an 8% load on purchases and a 1% expense ratio.
4. Gross return on all funds is 12% per year before expenses.

# Late Trading and Market Timing

- NAV calculated at the end of each trading day
- All sell and buy orders are executed at the NAV following the market close at 4:00 p.m.
- Allowing some favored investor to buy shares in the fund below NAV or redeem their shares for more than NAV
  - Benefit those investors but at the expense of the remaining shareholders

# Late trading

- Accepting sell or buy orders after the market closes and NAV is determined
- Based on the market closing prices at 4:00, a fund's NAV equals \$100
- At 4:30 some positive information is announced
- While NAV already has been fixed, it is clear that the fair market value of each share exceeds \$100
- If they are able to submit a later order, investors can buy shares at the now-stale NAV and redeem them the next day after price and NAV have adjusted to reflect the information

# Market timing

- Based on time-zone differences
  - National market closes several hours before trading end other national market
  - NAV is set based on the closing price of the first national market
  - If second national market jump significantly while first market is closed, it is likely that first national market prices will be rise when the market open next day
  - A market timer will buy fund in the second national market and at NAV and redeem those shares the next day for a profit



- While late trading clearly violates securities law, market timing does not
- Management fees
  - Impact in profit of shareholders not fund sponsor
- By mid-2004 more \$1.64 billion in penalties to settle allegations of improper trading

# Potential Reforms

- Strict 4:00 PM hard cutoff with late orders executed the following trading day
- Fair value pricing: in NAV, adjust prices of securities of closed markets to reflect impact of prices of securities in still open markets
- Imposition of redemption fees of more than 2% for shares sold within a week of buy, paid directly to funds not to management company

VTSMX US \$ NAV 44.24 -.01 Purch Prc 44.24

On 21 Oct

VTSMX US Equity	98 Report	99 Feedback	Page 1/4	Description: Profile
1) Profile	2) Performance	3) Holdings	4) Organizational	

VANGUARD TOT STK MKT IND-INV Objective Blend Large Cap

Vanguard Total Stock Market Index Fund is an open-end fund incorporated in the USA. The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The Fund employs an indexing investment approach designed to track the performance of the CRSP U.S. Total Market Index. [BBGID BBG000BGS0K8]

6) Current Data (COMP)



Bloomberg Classification

Fund Type	Open-End Fund
Asset Class	Equity
Market Cap	Large-cap
Strategy	Blend
Geo. Focus Country	U.S.
General Attribute	Index Fund

7) NAV (GP) USD 44.240  
 Assets 09/30/13 USD 238.97B

Performance	Return	Percentile
1 Month	2.45%	68
YTD	25.78%	69
1 Year	26.57%	72
3 Year	16.80%	78
5 Year	16.16%	79
Px Source	NASDAQ	

Fund Info		Fees	
Inception Date	03/16/92	Front Load	.00%
Share Class	Investor	Back Load	.00%
Min Investment	USD 3.00k	Early Withdrawal	.00%
Min Subsequent	USD 100.00	Current Mgmt Fee	.15%
Min IRA	USD 3000	Performance Fee	N.A.
Expense Ratio	.17%	12b1 Fee	.00%

VTSMX US \$ NAV 44.24 -.01 Purch Prc 44.24

On 21 Oct

VTSMX US Equity 98 Report 99 Feedback Page 2/4 Description: Performance

1) Profile 2) Performance 3) Holdings 4) Organizational

VTSMX Returns 10/21/13 CRSPTM1 Returns As Of 10/21/13

Return	Fund	Index	Peers	Pct	Relative %-1Yr vs Index		Absolute% 1Yr	Fund	Index	Peers
1 Wk	2.08	2.07	2.04	64	Excess Return	0.13	Sharpe Ratio	2.41	2.38	2.23
1 Mo	2.45	2.47	2.30	68	BETA	1.00	Volatility	11.33	11.37	11.54
3 Mo	4.37	4.41	4.26	62	Alpha	0.00	Sortino Ratio	2.36	2.33	2.20
YTD	25.78	26.05	24.68	69	Correlation	1.00	Downside Risk	7.93	7.99	8.03
1 Yr	26.57	26.41	25.08	72	Treynor	0.27	5) Peer Group (FSRC)			
3 Yr	16.80	N.A	15.71	78	R-Stat	1.00	1 Yr	Rtn %	Vol %	
5 Yr	16.16	N.A	15.24	79	Information Ratio	0.59	Average	25.08	11.54	
2012	16.25	13.87	15.51	65	Tracking Error	0.19	Standard Devia	5.12	2.01	
2011	.96	N.A	.40	51	6) DVD Curr Income Cap. Gain		Median	24.54	11.32	
2010	17.09	N.A	14.48	85	YTD	USD .538000 .000000	Dividend Statistics			
2009	28.70	N.A	29.57	62	2012	USD .720000 .000000	12 Month Yield	1.79%		
2008	-37.04	N.A	-38.77	62	2011	USD .562000 .000000	Indicated Yield	1.77%		
2007	5.87	N.A	7.08	52	2010	USD .530000 .000000	1 Yr Dividend Growth	25.47%		
2006	15.51	N.A	14.03	73	2009	USD .515000 .000000	3 Yr Dividend Growth	14.02%		
2005	5.98	N.A	5.49	62	2008	USD .586000 .000000	5 Yr Dividend Growth	5.35%		
2004	12.52	N.A	10.24	83			Dividend Frequency	Quarter		
2003	31.35	N.A	28.54	88						

VTSMX US \$ NAV 44.24 -.01 Purch Prc 44.24

On 21 Oct

VTSMX US Equity		98 Report	99 Feedback	Page 3/4	Description: Holdings
1) Profile		2) Performance		3) Holdings	
4) Organizational					

Holdings As Of 6/30/13 Portfolio Stats As Of 6/30/13 Alloc As Of 6/30/13

6) Top Holdings (MHD)				Top Asset Allocation	
	Position	% Net	Value		
Exxon Mobil Corp	63.13M	2.254%	5.70B	Equity	99.57%
Apple Inc	13.33M	2.086%	5.28B	Cash and Other	.40%
Microsoft Corp	106.72M	1.456%	3.68B	Government	.03%
Johnson & Johnson	39.88M	1.353%	3.42B		
General Electric Co	146.80M	1.345%	3.40B		
Google Inc	3.85M	1.339%	3.39B		
Chevron Corp	27.54M	1.288%	3.26B		
Wells Fargo & Co	75.19M	1.226%	3.10B	Top Sector Allocation	
International Business Machine	15.74M	1.189%	3.01B	Oil&Gas	7.43%
Procter & Gamble Co/The	38.91M	1.184%	3.00B	Banks	7.15%
				Pharmaceutical	6.35%
				Retail	6.34%
				Computers	5.10%
				Insurance	4.29%

7) Port Stats (PORT)				Top Geo. Allocation	
Top 10 Hldings % Port	14.72	Average P/C	9.14	U.S.	96.84%
Median Mkt Cap	38.65B	Average P/S	1.38	Ireland	.89%
Avg Wtd Mkt Cap	87.08B	Average P/E	19.56	Switzerland	.57%
Avg Div Yield	2.08	Average P/B	2.37	U.K.	.45%

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000  
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2013 Bloomberg Finance L.P.  
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VTSMX US \$ NAV 44.24 -.01 Purch Prc 44.24

On 21 Oct

VTSMX US Equity 90 Report 99 Feedback Page 4/4 Description: Organizational

1) Profile

2) Performance

3) Holdings

4) Organizational

5) Management (MGMT)

6) Gerard C O'Reilly

Fund Manager

1994 - Present

Contact Information

Vanguard Group Inc/The

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The Vanguard Group  
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Identifiers

Sedol

2486028 US

Valor

N.A.

WPK

N.A.

Sicovam

N.A.

CUSIP

922908306

ISIN

US9229083061

Notes

\*As of June 2013 the benchmark was changed from MSCI US Broad Market Index, {MSCIBM Index GIP<GO>} to CRSP US Total Market Index {CRSPTM1 Index GIP<GO>}

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Enter all fields and press <Go>, <Page> to view table

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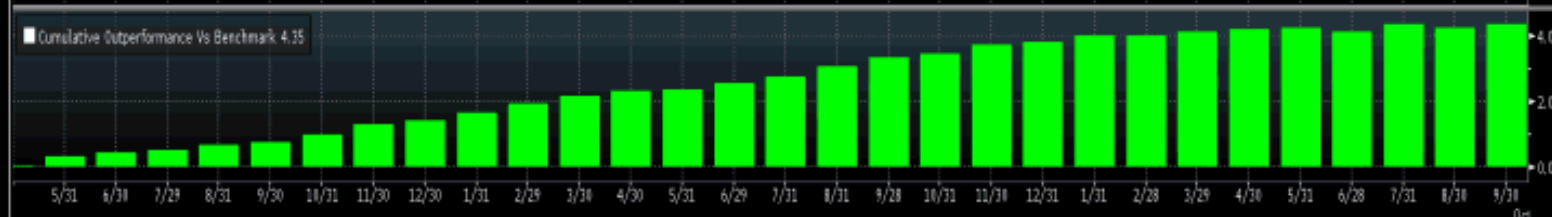
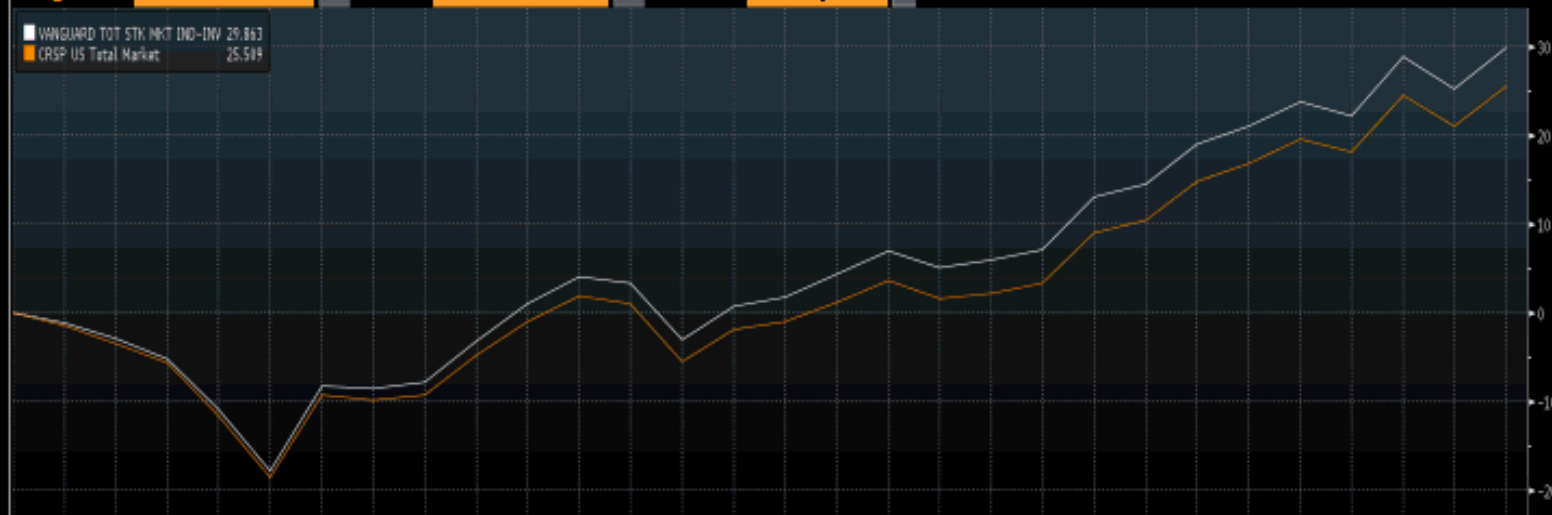
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Historical Fund Analysis

Total Return Performance Tracking Stats Seasonality

Source Single Fund VTSMX US Equity Benchmark Primary Benchmark CRSPTM1 Index  
Week Portfolio Default Hist Sim Currency USD

Range 04/29/2011 - 09/30/2013 Monthly



Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000  
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# Exchange Traded Funds

- First introduced in 1993
- Mutual funds that allow investor to trade index portfolio as a share of stocks
- Spider SPDR – S&P's depository receipt
  - Can be traded throughout the day
  - Diamonds
  - Cubes
  - WEBS



# Exchange Traded Funds

- Potential advantages
  - Trade continuously
  - Short or traded in margin
  - Lower taxes; redeem many → fund sells securities → capital gain tax
  - Lower costs; for fund doesn't market to investors, who buy from brokers. So low management fees
- Potential disadvantages
  - Prices can depart by small amounts from NAV

SPY US \$ Market T174.39 / 174.39P 5x1  
 Prev 175.41 Vol 208,360

SPY US Equity 98) Report 99) Feedback Page 1/5 Description: Profile  
 1) Profile 2) Performance 3) Holdings 4) Allocations 5) Organizational

**SPDR S&P 500 ETF TRUST** Objective Large-cap  
 SPDR S&P 500 ETF Trust is a unit investment trust incorporated in the United States. The Trust consists of a portfolio representing all 500 stocks in the S&P 500 Index. [BBGID BBG000BDTBL9]



Bloomberg Classification	
Fund Type	ETF
Asset Class	Equity
Market Cap	Large-cap
Strategy	Blend
Geo. Focus Co	U.S.

Appropriations	
Leverage	No
Actively Managed	No
Swap Based	No
Derivatives Based	No
Currency Hedged	No
Replication Strategy	Full
Securities Lending	No

7) Price (GP)	USD 175.41
8) NAV 10/22/13	USD 175.43
INAV	USD 175.33
Fund Percent Premium	0.063%
52 Wk H 10/22/13	USD 175.93
52 Wk L 11/16/12	USD 134.70
9) Options(OMON)	Yes

Trading Data	
Bid Ask Spread	0.030
30D Avg Volume	125.9M
Implied Liquidity	46.9M
Market Cap	USD 158.06B
Shares Out	901.1M
Total Assets	USD 158.07B

Characteristics	
Und. Index	10) SPX
Index Weight	Market Cap
Px Track. Error	.298
NAV Track. Error	.038
Inception Date	01/29/93
Expense Ratio	.095%

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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2013 Bloomberg Finance L.P.  
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SPY US \$ **Market**  T174.39 / 174.39P 5x1  
 Prev 175.41 Vol 208,360

SPY US Equity **98 Report** **99 Feedback** Page 2/5 Description: Performance  
 1) Profile **2) Performance** 3) Holdings 4) Allocations 5) Organizational

SPY Returns 10/22/13 **Inception Date** 01/29/93 **Index Returns** 10/22/13

Return	SPY	SPTR	Absolute Measure - 1Yr	SPY	SPTR
1 Month	+2.75%	+2.77%	Max Return	4.53	4.59
3 Month	+3.99%	+4.04%	Min Return	-2.40	-2.32
YTD	+24.98%	+25.14%	Sharpe Ratio	2.27	2.27
1 Year	+25.00%	+25.11%	Downside Risk	7.67	7.72
3 Year	+16.40%	+16.51%	Periods Up(%)	63.46	63.46
5 Year	+16.59%	+16.93%	Periods Down(%)	36.54	36.54

Rel. Measure	7) BETA	Dividend Information	10) DVD	Period	Curr	Income	Cap. Gain
Benchmark	8) SPX	12 Month Yield	1.93%	YTD	USD	2.37	0.00
Raw Beta 6M	.997	Net Indicated Yield	1.91%	2012	USD	3.10	0.00
Adjusted Beta 6M	.998	1 Yr Dividend Growth	18.97%	2011	USD	2.58	0.00
Raw Beta 1Yr	1.003	3 Yr Dividend Growth	15.46%	2010	USD	2.27	0.00
Adjusted Beta 1Yr	1.002	5 Yr Dividend Growth	4.08%	2009	USD	2.18	0.00
Correlation	.994	Dividend Frequency	Quarter	2008	USD	2.72	0.00
Standard Deviation	9.110						
Volatility 30 Day	12.733						

**9) Historical Fund Analysis**

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000  
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2013 Bloomberg Finance L.P.  
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SPY US \$

Market

T174.40 /174.41P

1 x 3

Prev 175.41

Vol 208,460

SPY US Equity

Report

Feedback

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Description: Allocations

1) Profile

2) Performance

3) Holdings

4) Allocations

5) Organizational

Allocations as of 10/22/13

Top Sector Allocation

Oil&Gas	8.21%
Banks	7.51%
Pharmaceuticals	7.06%
Retail	6.42%
Computers	5.86%
Insurance	4.40%
Internet	3.93%
Software	3.65%
Media	3.61%
Telecommunications	3.60%

Top Geographic Allocation

U.S.	97.50%
Ireland	.98%
Switzerland	.64%
U.K.	.34%
Bermuda	.03%

Top Asset Allocation

Equity	99.49%
Cash and Other	.51%

Port Stats (PORT)

10/22/13

Top 10 Hldgs % Port	17.86
Median Mkt Cap	USD 66.15B
Avg Wtd Mkt Cap	USD 112.37B
Avg Div Yield	2.01
Average P/B	2.42
Average P/E	18.03
Average P/S	1.69
Average P/C	11.63

Shares Outstanding (GP)



Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000  
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000  
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Thank you for your attention