

Alternative Investments

Topics to be Discussed

Returns on Alternative Investments

Mutual Funds

Money Market Funds

Exchange Traded Funds

Returns on Alternative Investments

2010 Investment Scoreboard

STOCKS (includes price changes and dividends)	TOTAL RETURN ON INVESTMENT		
	2008	2009	2010
Dow Jones Industrial Average	-31.93%	22.68%	14.06%
Standard & Poor's 500 Stock Index	-37.00	26.46	15.06
Russell 2000	-33.79	27.17	26.85
Dow Jones Wilshire 5000	-37.23	28.57	17.62
BONDS (Barclays Capital Indexes)			
Long-Term Treasury Index	24.03%	-12.92%	9.38%
U.S. Credit Index AA-rated segment	2.74	7.60	7.10
Municipal Bond Index	-2.47	12.91	2.38
Intermediate-Term Treasury Index	11.35	-1.41	5.29
Mortgage-Backed Securities Index	8.52	5.75	5.50
MUTUAL FUNDS			
Lipper Growth Fund Index	-42.24%	35.91%	16.22%
Lipper Growth and Income Fund Index	-37.54	29.10	14.22
Lipper Balanced Fund Index	-26.18	23.35	11.90
Lipper International Fund Index	-43.63	35.30	11.03
Lipper Multi-Cap Value Index	-37.65	26.59	14.54
BANK INSTRUMENTS (Bankrate.com National Index)			
One-Year Certificate of Deposit	2.39%	1.16%	0.65%
30-Month Certificate of Deposit	2.46	1.44	0.99
Money-Market Deposit Account	0.72	0.39	0.21
MONEY MARKET FUND			
iMoneyNet/12-month yield on all taxable funds	2.04%	0.18%	a0.04%
PRECIOUS METALS (S&P Goldman Sachs Commodity Index)			
Platinum	-38.75%	r54.03%	19.35%
Gold	5.83	r22.85	28.73
Silver	-23.84	47.64	81.83
RESIDENTIAL REAL ESTATE			
Office of Federal Housing Enterprise Oversight	-8.16%	-rb4.00%	-3.18%
COLLECTIBLES			
Rare Coins, top investment grade	8.80%	-7.90%	10.30%

r - Revised.

a - Estimated.

b - Through third quarter.

Source: http://online.wsj.com/mdc/public/page/2_3024-ye10_scoreboard.html

Mutual Funds

Investment Company

- ☛ a pool of funds belonging to many individuals that is used to acquire a collection of individual investments such as stocks, bonds, and other publicly traded securities

Closed End Fund

- these authorize and issue stock at their inception, after which no more shares are sold
- the company does not redeem its shares
- shares are traded on open market

Open-end Investment Company (Mutual Funds)

- the open-end company may increase its capitalization at any time simply by selling more shares of its capital stock
- these companies do redeem their shares
- mutual funds vary based on a number of factors
 - ⇒ investment objective – such as growth vs. preservation of principal
 - ⇒ investment style – such as rapidly growing vs. undervalued by market
 - ⇒ investment strategy – such as passively managed index vs. actively managed individual company analysis

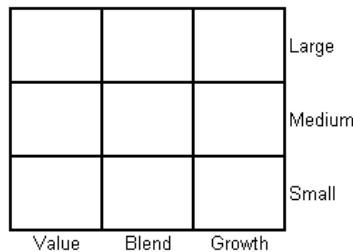
Bond funds

- ☛ municipal bond funds
- ☛ corporate bond funds
- ☛ mortgage-backed securities funds
- ☛ U. S. government bond funds

Stock funds

- ☛ growth funds – invest in stocks believed to be the fastest growing companies
- ☛ value funds – invest in large and mid-sized companies that appear to be undervalued
- ☛ blend funds – invest in a “blend” of growth and value stocks
- ☛ large-cap funds
- ☛ mid-cap funds
- ☛ small-cap funds

Morningstar Style Box™



International funds

- ☛ global funds – invest in both U. S. and international stocks
- ☛ foreign funds – invest primarily outside the U. S.
- ☛ country specific funds
- ☛ emerging markets funds – focus on small developing countries; considered very risky

Sector funds

- ☛ invest in a particular industry or segment of the market, e.g. automotive, technology, air transportation, biotechnology, utilities

Money market funds

- ☛ funds invest in short-term debt instruments

Index funds

- ☛ funds try to mimic a chosen index such as the S&P 500, Nasdaq or the Russell 2000

Mutual Fund Quotations – Closed-End Funds

CLOSED-END FUNDS

Closed-End Funds: Closing Table

Monday, January 24, 2011

A	Symbol	Open	High	Low	Close	Net Chg	%Chg	Vol	52 Week High	52 Week Low	Div	Yield	YTD %Chg
Aberdeen Asia-Pacific Income Fund	FAX	6.57	6.65	6.52	6.63	0.04	0.61	883,630	7.17	3.13	0.42	6.33	-1.78
Aberdeen Australia Equity Fund	IAF	11.61	11.75	11.61	11.74	0.18	1.56	45,874	13.65	7.33	1.07	9.11	-2.00
Aberdeen Chile Fund	CH	20.16	20.64	20.11	20.36	0.23	1.14	41,138	28.56	14.50	1.67	...	-10.19
Aberdeen Emerging Markets Telecommunications&Infrastructure Fund	ETF	18.90	19.05	18.84	18.91	0.05	0.26	6,914	19.70	14.11	0.53	...	-2.33
Aberdeen Global Income Fund	FCO	12.38	12.64	12.37	12.64	0.32	2.60	22,988	13.12	10.25	0.84	6.65	2.68
Aberdeen Indonesia Fund	IF	11.81	11.99	11.81	11.94	...	0.03	35,868	15.04	8.87	0.97	8.12	-10.29
Aberdeen Israel Fund	ISL	17.47	17.49	17.19	17.47	0.03	0.17	10,132	17.99	13.00	0.30	...	0.40
Aberdeen Latin America Equity Fund	LAQ	37.93	38.19	37.88	38.16	-0.07	-0.18	13,602	43.31	32.61	0.81	2.12	-1.45
ACIG Global Equity&Convertible Income Fund	NGZ	16.52	16.66	16.51	16.66	0.20	1.22	60,522	16.66	12.57	1.20	7.20	5.31
Adams Express	ADX	11.00	11.10	11.00	11.10	0.09	0.82	80,263	11.16	8.00	0.17	1.53	3.35
Advent Claymore Convertible Securities&Income Fund	AVK	18.48	18.58	18.40	18.58	0.08	0.43	82,143	18.58	14.65	1.13	6.08	2.71

Source: The Wall Street Journal Online

http://online.wsj.com/mdc/public/page/2_3024-CEF.html?mod=mdc_h_mfhl

MUTUAL FUND QUOTATIONS

VANGUARD EXPLORER FD

[Add to Portfolio](#)

Net Asset Value:	73.41	Prev Close:	72.88
Trade Time:	Jan 24	YTD Return*:	18.88%
Change:	↑ 0.53 (0.73%)	Net Assets*:	9.48B
		Yield*:	0.14%
			* As of 30-Nov-10

People viewing **VEXPX** also viewed:
VWIGX VFINX VWELX VPMCX VWNFX VBMFX

Quotes delayed, except where indicated otherwise. Currency in USD.



Fund Summary

The investment seeks to provide long-term capital appreciation. The fund invests mainly in the stocks of small companies. These companies tend to be unseasoned but are considered by the advisors to have superior growth potential. These companies often provide little or no dividend income.

Fund Operations	
Last Dividend (Dec 28, 2009) :	0.10
Last Cap Gain (Dec 17, 2007) :	6.78
Annual Holdings Turnover (Oct 6, 2010) :	95.00%
Average for Category:	118.37%

Fees & Expenses		
Expense	VEXPX	Category Avg
Total Expense Ratio:	0.54%	1.55%
Max 12b1 Fee:	N/A	N/A
Max Front End Sales Load:	N/A	5.39%
Max Deferred Sales Load:	N/A	2.60%
3 Yr Expense Projection*:	173	677
5 Yr Expense Projection*:	302	1,084
10 Yr Expense Projection*:	677	2,199

* Per \$10,000 invested

Fund Overview	
Category:	Small Growth
Fund Family:	Vanguard
Net Assets:	9.48B
Year-to-Date Return:	18.88%
Yield:	0.14%
Morningstar Rating:	★★★
Fund Inception Date:	1967-12-11

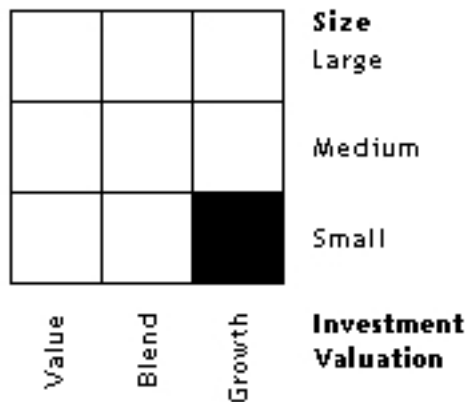
Morningstar Style Box

Small Growth

[\[View Category Definition\]](#)

[View Top Small Growth Funds](#)

[About the Morningstar Style Box](#)



Source: finance.yahoo.com














Mutual fund prices are quoted as “bid” and “ask”

- ☛ bid is price at which fund will redeem shares
 - same as NAV - net asset value
- ☛ ask or “offer” is price investor must pay to purchase shares
 - no-load funds are sold directly by the fund and some, but not all, are also sold by stockbrokers
 - ⇒ no commission or “load”
 - load funds are sold by stockbrokers or financial planners who charged a commission or “load”
 - low-load funds
 - no evidence that load funds perform better than no-loads
 - may be additional fees such as redemption fees

Mutual Fund Yardsticks

Monday, January 24, 2011

Mutual-fund categories and their benchmarks ranked by one-year total return. Yardsticks are based on categories compiled by The Wall Street Journal, based on Lipper, Inc. fund investment objectives. Performance for Yardsticks is based on an arithmetic average of all the mutual funds in the category.

Investment Objective	DAILY		TOTAL RETURN (%)					
	Chg	% Chg	4-wk	YTD	Annualized			
					1-yr	3-yr	5-yr	
Small-Cap Growth Funds	0.13	0.64	-0.67	0.04	 30.17	4.62	3.08	
Mid-Cap Growth Funds	0.15	0.68	0.61	0.92	 29.95	3.75	3.90	
Vanguard Small Co. Index	0.29	0.84	-0.34	0.37	 29.56	7.26	4.32	
Science & Technology	0.33	1.08	2.83	3.14	 29.38	6.36	4.56	
Small-Cap Value Funds	0.19	0.83	-0.46	0.25	 26.61	6.63	3.02	
Small-Cap Core Funds	0.14	0.75	-0.62	0.05	 26.38	5.51	3.00	
Mid-Cap Core Funds	0.17	0.74	1.16	1.35	 25.65	4.11	3.48	
Mid-Cap Value Funds	0.19	0.71	1.48	1.56	 24.83	4.81	3.60	
Multi-Cap Growth Funds	0.19	0.68	1.42	1.53	 23.77	2.26	3.07	
Dow Jones Ind Dly Reinv	196.59	0.92	3.84	3.62	 20.98	1.84	5.03	
S & P 500 Daily Reinv	12.60	0.58	2.76	2.73	 20.63	0.72	2.52	
Large-Cap Growth Funds	0.16	0.71	1.88	1.96	 20.48	1.52	2.44	
Multi-Cap Value Funds	0.15	0.52	2.50	2.44	 20.31	0.38	1.34	

Advantages of Mutual Funds

- ☛ professional investment management
- ☛ diversification
- ☛ freedom from housekeeping/recordkeeping
- ☛ freedom from emotional involvement

Performance of Mutual Funds (from finance.yahoo.com)

Performance Overview as of Nov 30, 2010

Performance Overview	
Morningstar Return Rating:	3.00
Year-to-Date Return:	18.88%
5-Year Average Return:	2.26%
Number of Years Up:	32
Number of Years Down:	10
Best 1 Yr Total Return (2003-12-31):	44.25%
Worst 1 Yr Total Return (2008-12-31):	-40.40%
Best 3-Yr Total Return (N/A):	21.49%
Worst 3-Yr Total Return (N/A):	-11.77%

Load Adjusted Returns	
1-Year:	27.52%
3-Year:	-1.36%
5-Year:	2.26%
10-Year:	5.25%

Performance of Mutual Funds (continued)

Annual Total Return (%) History ()					
Year			VEXPX	Category	Diff
2010			N/A	N/A	N/A
2009			36.21	N/A	N/A
2008			-40.40	N/A	N/A
2007			5.06	N/A	N/A
2006			9.70	N/A	N/A
2005			9.28	N/A	N/A
2004			13.75	N/A	N/A
2003			44.25	N/A	N/A
2002			-24.58	N/A	N/A
2001			0.56	N/A	N/A
2000			9.22	N/A	N/A
1999			37.26	N/A	N/A
Past Quarterly Returns (%) For VEXPX					
	Q1	Q2	Q3	Q4	
2010	8.52	-9.89	13.39	N/A	
2009	-7.57	19.79	17.62	4.59	
2008	-12.26	2.95	-10.64	-26.16	
2007	3.75	6.70	-1.06	-4.07	
2006	11.45	-6.64	-1.64	7.18	
2005	-3.16	3.79	5.42	3.14	
2004	5.01	-0.01	-5.18	14.26	
2003	-4.35	22.39	9.00	13.06	
2002	1.33	-14.05	-18.47	6.22	
2001	-10.30	14.42	-21.73	25.18	
2000	15.97	-1.14	1.74	-6.37	
1999	-6.98	18.18	-3.95	29.99	
1998	9.89	-6.30	-18.46	23.29	
1997	-7.51	14.26	14.84	-5.59	
1996	6.11	5.68	1.16	0.54	
Rank In Category (By Total Return)					
Period	Rank	Funds in Category	% Rank		
Year To Date	46		N/A		
1-Month	75		N/A		
3-Month	65		N/A		
6-Month	52		N/A		
1-Year	50		N/A		
3-Year	46		N/A		
5-Year	58		N/A		

Money Market Funds

Money Market Funds			
TAXABLE FUNDS			
GO TO: Tax Exempt Funds			
Monday, January 24, 2011			
The following quotations, collected by the National Association of Securities Dealers Inc., represent the average of annualized yields and dollar-weighted portfolio maturities. Yields don't include capital gains or losses. Assets are in millions.			
	Avg. maturity	7-day yield	Assets
AARP MM06	21
AIM MMCshRes	37	.04	n.a.
AIMMMInv	37	.04	n.a.
AZMunCTIns	7	.01	n.a.
AccUSGov	35	.05	n.a.
ActAsInsGv	36	.04	n.a.
ActAsInst	25	.17	n.a.
ActiveAstGv	38	.01	n.a.
ActiveAstMny	25	.01	n.a.
AlgerMM	11	.01	35
ABGovMMSel	3	.11	283
ABMMktMile	24	.01	27
Ambassador	37	.07	310
AB MMktSel	24	.18	635
AmC CapPr	51	.01	2,974
AmCPrMM	47	.01	958
AmC Prime	48	.01	2,222
AmCPrime t	48	.01	101
American A	50	...	n.a.
AMF MM Pt	1	.10	19

Source: http://online.wsj.com/mdc/public/page/2_3020-moneymktfund.html?mod=topnav_2_3023

Exchange Traded Funds

- ☛ type of investment company whose objective is to achieve the same return as a particular market index
- ☛ similar to an index fund
- ☛ ETF will invest in all or a representative sample of the securities included in the index
 - one type of ETF, known as Spiders or SPDRs, invests in all of the stocks contained in the S&P 500 Index
- ☛ because the ETF trades like a stock:
 - it's price fluctuates daily; it can be traded during a day
 - it does **not** have a Net Asset Value calculated daily like a mutual fund
 - it can be sold short, bought on margin
 - one can purchase as little as one share
 - the expense ratios for most ETFs are lower than the average mutual fund
 - you pay a commission to your broker when you buy or sell an ETF

BROWSE ETFs

Click on a category below for a list of related ETFs; scroll down to see results.

ASSET CLASS	SECTOR	MARKET CAP
Equity	Financial Services	Large-Cap
Fixed Income	Health/Biotechnology	Mid-Cap
	Natural Resources	Multi-Cap
	Real Estate	Small-Cap
REGION	S&P 500 Index Objective	STYLE
China Region	Science/Technology	Core
Emerging Markets	Specialty/Misc.	Growth
European Region	Telecommunication	Value
Global	Utility	
International		
Japanese		
Latin American		
Pacific Ex Japan		

Source: WSJOnline.com

Source: http://online.wsj.com/public/quotes/browse_etfs.html?mod=topnav_2_3021

Equity ETFs						
Name	Symbol	Last	Change	% Change		Volume
Alps Alerian MLP ETF		AMLP	16.16	0.12	0.75%	656,811
Alps Equal Sect Wght ETF		EQL	36.10	0.19	0.53%	5,816
Alps Jeff TR/J CRB GI Ag		CRBA	54.30	0.80	1.50%	6,899
Alps Jeff TR/J CRB GI Cm		CRBQ	50.16	0.31	0.62%	11,016
Alps Jeff TR/J CRB GI IM		CRBI	48.70	0.74	1.54%	3,392
Alps Jeff TR/J CRB WE&PE		WCAT	49.76	0.34	0.69%	2,166
B2B Internet HOLDERS Tr		BHH	0.92	0.02	1.70%	131,091
Barclays ETN+ LB S&P		BXUB	77.27	0.82	1.07%	14,936
Barclays ETN+ LC S&P		BXUC	136.71	1.10	0.81%	31,400
Barclays ETN+ S&P500 VIX		XXV	34.06	0.16	0.46%	16,807
Barclays ETN+ SB Inv S&P		BXDB	80.55	-0.53	-0.65%	9,600
Barclays ETN+ SC Inv S&P		BXDC	40.79	-0.53	-1.28%	32,000
Barclays ETN+ SD Inv S&P		BXDD	20.95	-1.07	-4.86%	45,697
Barclays ETN+ VEQTOR		VQT	110.55	0.59	0.54%	100
Biotech HOLDERS Trust		BBH	102.89	0.27	0.26%	10,000
BLDRS:Asia 50 ADR		ADRA	28.70	0.30	1.06%	10,639
BLDRS:Dev Mkts 100 ADR		ARDR	22.36	0.17	0.77%	12,609
BLDRS:Em Mkts 50 ADR		ADRE	47.57	0.48	1.02%	74,379
BLDRS:Europe 100 ADR		ADRU	21.87	0.18	0.85%	1,009

ETF SNAPSHOT [Sign up for Price & Volume Alerts](#)

SPDR Dow Jones Indus Avg (DIA)
 4:00 pm ET 1/24/11
 Price: \$119.56 Change: 1.10 % Change: 0.93% Volume: 12,307,600 52 Week High: 118.80 52 Week Low: 96.17

Performance (%) total return, cumulative through prior close.

	DIA	SP500
1 Day	0.41	0.24
1 Week	0.77	-0.75
4 Weeks	2.72	2.19
13 Weeks	7.29	8.87
1 Year	17.21	16.61
3 Years	6.68	2.15
5 Years	25.95	10.33

Compare to Index:
 Period: 1D | 1W | 4W | 13W | 1Y | 3Y | 5Y Custom
[Go to Interactive Charting](#)

Note: Comparisons show price change only; not total return.

Investment Information		Detailed Information	
Market Cap	\$9,078,774,400	Style	Core
Net Assets	\$8,721,100,000	Market Cap Classification	Large-Cap
NAV	\$118.46	Asset Class	Equity
Prem/Discount	0.00%	Inception Date	01/14/1998
Shares Outstanding	76,640,000	Primary Exchange	NYSE ARCA
Avg Daily Vol	6,374,800	Mgmt Co	State Street Bank and Trust Company
Dividend Yield %	1.46	Administrator	State Street Bank and Trust Company
Latest Dividend	\$0.14 - 01/21/2011	Turnover	5.00
The Trust seeks to provide investment results that, before expenses, generally corresponds to the price and yield performance of the component stocks of the DJIA. Dividend yield is based on regular and irregular dividends and may not reflect an established regular annual rate. Initial monthly and quarterly dividends are annualized and presented as an annual yield.		Beta	.89
		P/E	15.74
		P/B	3.88
		Expense Ratio *	0.17

* expense ratio updated annually from fund's year-end report