

Alternative Investments

Topics to be Discussed

Returns on Alternative Investments

Mutual Funds

Money Market Funds

Exchange Traded Funds

Returns on Alternative Investments

2011 Investment Scoreboard

	TOTAL RETURN ON INVESTMENT		
	2009	2010	2011
STOCKS (includes price changes and dividends)			
Dow Jones Industrial Average	22.68%	14.06%	8.38%
Standard & Poor's 500 Stock Index	26.46	15.06	2.11
Russell 2000	27.17	26.85	-4.18
Dow Jones U.S. Total Stock Market Index	28.57	r17.49	1.08
BONDS (Barclays Capital Indexes)			
Long-Term Treasury Index	-12.92%	9.38%	29.93%
U.S. Credit Index AA-rated segment	7.60	7.10	7.82
Municipal Bond Index	12.91	2.38	10.70
Intermediate-Term Treasury Index	-1.41	5.29	6.57
Mortgage-Backed Securities Index	5.75	5.50	6.32
MUTUAL FUNDS			
Lipper Growth Fund Index	35.91%	16.22%	-3.02%
Lipper Growth and Income Fund Index	29.10	14.22	-1.82
Lipper Balanced Fund Index	23.35	11.90	0.74
Lipper International Fund Index	35.30	11.03	-14.48
Lipper Multi-Cap Value Index	26.59	14.54	-4.12
BANK INSTRUMENTS (Bankrate.com National Index)			
One-Year Certificate of Deposit	1.16%	0.65%	0.43%
30-Month Certificate of Deposit	1.44	0.99	0.67
Money-Market Deposit Account	0.39	0.21	0.16
MONEY MARKET FUND			
iMoneyNet/12-month yield on all taxable funds	0.18%	0.04%	-0.02%
PRECIOUS METALS (DJ UBS Commodity Index)			
Platinum	54.03%	19.35%	-21.84%
Gold	22.85	28.73	9.63
Silver	47.64	81.83	-10.50
RESIDENTIAL REAL ESTATE			
Office of Federal Housing Enterprise Oversight*	-r4.67%	-r2.98%	-3.74%
COLLECTIBLES			
Rare Coins, top investment grade	-7.90%	10.30%	4.98%

r - Revised.

a - Estimated.

* all figures are 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

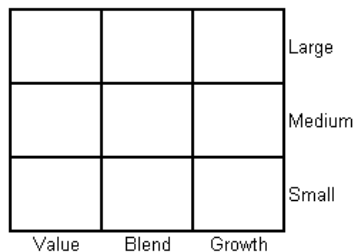
Bond funds

- ☛ 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

Tuesday, January 10, 2012

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	7.44	7.45	7.37	7.42	773,202	7.84	6.10	0.42	5.66	1.23
Aberdeen Australia Equity Fund	IAF	9.53	9.69	9.53	9.64	0.22	2.34	82,488	12.88	8.46	1.15	11.93	6.52
Aberdeen Chile Fund	CH	15.54	16.00	15.42	15.83	0.50	3.26	90,708	22.84	12.34	1.56	9.85	5.25
Aberdeen Emerging Markets Telecommunications&Infrastructure Fund	ETF	17.94	18.16	17.88	18.13	0.28	1.55	4,502	19.55	16.12	0.57	...	3.40
Aberdeen Global Income Fund	FCO	13.98	13.98	13.79	13.80	-0.15	-1.08	21,326	14.86	11.16	0.84	...	-0.72
Aberdeen Indonesia Fund	IF	12.18	12.35	12.10	12.23	0.21	1.75	24,006	14.47	10.83	0.93	7.60	3.82
Aberdeen Israel Fund	ISL	12.98	13.87	12.98	13.50	0.57	4.41	20,817	18.22	12.46	1.06	...	5.88
Aberdeen Latin America Equity Fund	LAQ	31.57	31.70	30.97	31.65	0.65	2.10	67,827	39.98	27.62	1.92	6.07	5.15
ACIG Global Equity&Convertible Income Fund	NGZ	13.40	13.49	13.40	13.40	0.11	0.83	23,852	17.52	11.98	1.20	8.96	4.20
Adams Express	ADX	10.09	10.12	10.06	10.11	0.14	1.40	211,561	11.70	8.63	0.65	6.43	4.88
Advent Claymore Convertible Securities&Income Fund	AVK	15.94	15.94	15.77	15.94	0.16	1.01	150,265	20.47	13.16	1.13	7.09	8.21

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:	73.82	Prev Close:	73.82
Trade Time:	Jan 10	YTD Return*:	-1.89%
Change:	↑0.86 (1.18%)	Net Assets*:	8.82B
		Yield*:	0.13%
		* As of 31-Dec-11	

People viewing **VEXPX** also viewed:
[VWIGX](#) [VWNFX](#) [VFINX](#) [VPMCX](#) [VWELX](#)

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 27, 2011) :	0.00
Last Cap Gain :	0.00
Annual Holdings Turnover (Jan 5, 2012) :	89.00%
Average for Category:	90.55%

Fees & Expenses		
Expense	VEXPX	Category Avg
Annual Report Expense Ratio (net):	0.50%	1.48%
Prospectus Net Expense Ratio:	0.49%	N/A
Prospectus Gross Expense Ratio:	0.49%	N/A
Max 12b1 Fee:	N/A	N/A
Max Front End Sales Load:	N/A	5.32%
Max Deferred Sales Load:	N/A	2.50%
3 Yr Expense Projection*:	157	635
5 Yr Expense Projection*:	274	1,009
10 Yr Expense Projection*:	616	2,049

* Per \$10,000 invested

Fund Overview	
Category:	Small Growth
Fund Family:	Vanguard
Net Assets:	8.82B
Year-to-Date Return:	-1.89%
Yield:	0.13%
Morningstar Rating:	★★★
Fund Inception Date:	1967-12-11

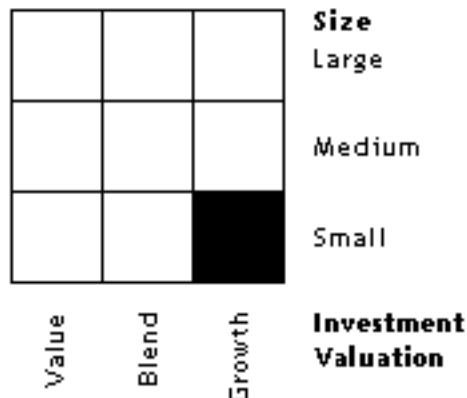
Morningstar Style Box

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

Tuesday, January 10, 2012

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	
General Municipal Debt	0.04	0.25	2.11	1.16	 12.30	8.79	3.91	
Single State Municipal Debt	0.04	0.24	2.08	1.17	 12.04	8.61	3.92	
Dow Jones Ind Dly Reinv	129.58	0.56	4.41	2.09	 10.00	16.41	2.81	
Intermediate Term US Treasury/Govt Bond	-0.02	-0.15	0.17	0.25	 9.66	7.79	6.41	
Health & Biotechnology	0.36	1.11	8.71	4.06	 9.52	15.29	4.50	
Long Term US Treasury/Govt Bond	unch.	-0.03	0.25	-0.34	 9.30	5.29	5.84	
Intermediate Term Municipal Debt	0.01	0.10	1.37	0.64	 9.25	6.13	4.50	
Utility	0.10	0.42	2.74	-1.02	 9.13	11.72	2.42	
Lipper L-T Govt Bond Index	-0.29	-0.05	0.04	-0.34	 8.65	5.91	5.98	
Long Term Investment Grade Corporate Bond	0.01	0.07	0.87	0.10	 7.06	10.57	6.08	
Intmdt Investment Grade Corporate Bond	unch.	0.02	0.62	0.11	 6.13	8.69	5.60	
Mortgage	unch.	-0.01	0.33	0.15	 6.09	6.49	5.79	
Equity Income	0.26	0.79	5.28	2.14	 4.85	14.51	1.12	

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 Dec 31, 2011

Performance Overview	
Morningstar Return Rating:	3.00
Year-to-Date Return:	-1.89%
5-Year Average Return:	1.29%
Number of Years Up:	33
Number of Years Down:	11
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:	-1.89%
3-Year:	19.42%
5-Year:	1.29%
10-Year:	4.69%

Performance of Mutual Funds (continued)

Annual Total Return (%) History ()					
Year			VEXPX	Category	Diff
2010			27.43	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

Past Quarterly Returns (%) For VEXPX				
	Q1	Q2	Q3	Q4
2010	8.52	-9.89	13.39	14.93
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

Rank In Category (By Total Return)			
Period	Rank	Funds in Category	% Rank
Year To Date	37		N/A
1-Month	53		N/A
3-Month	53		N/A
6-Month	33		N/A
1-Year	37		N/A
3-Year	41		N/A
5-Year	53		N/A

Money Market Funds			
TAXABLE FUNDS			
GO TO: Tax Exempt Funds			
Tuesday, January 10, 2012			
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
AIM MMCshRes	31	.02	755
AIMMMInv	31	.02	208
AZMunCTIns01	7
AccUSGov	50	.01	189
ActAsInsGv	8	.01	1,412
ActAsInst	17	.04	1,229
ActiveAstGv	14	.01	164
ActiveAstMny	18	.01	6,493
AdvGovtLiqd	49	.01	905
AdvPrimLqd	25	.02	1,626
ABGovMMSel	15	.03	244
ABMMktMile	24	.01	15
Ambassador	15	.05	242
AB MMktSel	27	.16	696
AmC CapPr	53	.01	2,881
AmCPrMM	34	.01	960
AmC Prime	47	.01	2,423

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		

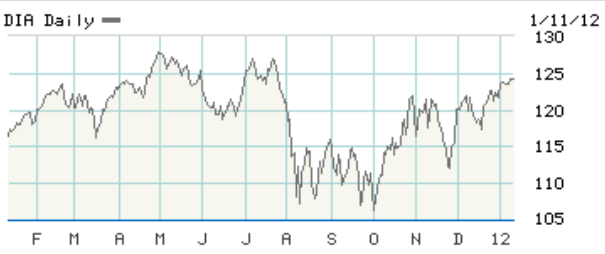
Source: WSJOnline.com

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

Equity ETFs					
Name	Symbol	Last	Change	% Change	Volume
2x Levered CS Mrg Arb Lq	CSMB	19.76	-0.18	-0.90%	1,000
Accuvest GI Long Sht ETF	GRV	n/a	n/a	n/a%	n/a
Active Bear ETF	HDGE	23.76	-0.14	-0.59%	307,737
Alps Alerian MLP ETF	AMLPE	16.51	-0.07	-0.42%	3,005,592
Alps Equal Sect Wght ETF	EQL	36.55	-0.01	-0.04%	24,664
Alps Jeff TR/J CRB GA	CRBA	42.07	-0.04	-0.09%	5,600
Alps Jeff TR/J CRB GI Cm	CRBQ	44.80	-0.08	-0.18%	10,813
Alps Jeff TR/J CRB GM	CRBI	29.91	-1.08	-3.48%	1,200
Alps Jeff TR/J CRB WE&PE	WCAT	42.03	0.00	0.00%	0
B2B Internet HOLDERS Tr	BHH	0.95	0.00	0.00%	0
Barclays ETN+ LB S&P	BXUB	80.37	-0.15	-0.19%	5,200
Barclays ETN+ LC S&P	BXUC	141.47	0.18	0.13%	9,100
Barclays ETN+ S&P500 VIX	XXV	33.83	-0.06	-0.18%	9,241
Barclays ETN+ SB Inv S&P	BXDB	77.23	-1.15	-1.47%	400
Barclays ETN+ SC Inv S&P	BXDC	36.41	-0.16	-0.45%	5,300
Barclays ETN+ VEQTOR	VQT	127.84	0.05	0.04%	10,429
Barclays ETN+S&P500VIXII	IVOP	24.74	-0.28	-1.12%	3,040
Mrkt Vctrs:Biotech ETF	BBH	119.10	1.48	1.26%	7,163
BLDRS:Asia 50 ADR	ADRA	23.44	-0.17	-0.72%	705
BLDRS:Dev Mkts 100 ADR	ARDR	18.87	-0.09	-0.47%	5,079

ETF SNAPSHOT

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SPDR Dow Jones Indus Avg (DIA)		
4:00 pm ET 1/11/12		
Price: \$124.29	Change: -0.09	% Change: -0.07% Volume: 4,877,080 52 Week High: 128.63 52 Week Low: 103.84
Performance (%) total return, cumulative through prior close.		
	DIA	SP500
1 Day	0.56	0.89
1 Week	0.61	1.23
4 Weeks	4.39	5.54
13 Weeks	9.90	8.54
1 Year	9.82	3.32
3 Years	57.13	52.33
5 Years	14.07	-0.91
 <p>DIA Daily — 1/11/12</p> <p>Compare to Index: <input type="text" value="Select"/></p> <p>Period: 1D 1W 4W 13W 1Y 3Y 5Y Custom</p> <p>Go to Interactive Charting</p> <p>Note: Comparisons show price change only; not total return.</p>		
Investment Information		Detailed Information
Market Cap	\$10,987,729,200	Style Core
Net Assets	\$10,842,400,000	Market Cap Classification Large-Cap
NAV	\$124.45	Asset Class Equity
Prem/Discount	-0.06%	Inception Date 01/14/1998
Shares Outstanding	88,340,000	Primary Exchange NYSE ARCA
Avg Daily Vol	7,779,000	Mgmt Co State Street Bank and Trust Company
Dividend Yield %	3.43	Administrator State Street Bank and Trust Company
Latest Dividend	\$0.36 - 12/16/2011	Turnover n/a
<p>The Trust seeks to provide investment results that, before expenses, generally correspond to the price and yield performance of the component stocks of the DJIA.</p> <p>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.</p>		Beta .92 P/E 13.94 P/B 4.10 Net Expense Ratio * 0.16 * expense ratio updated annually from fund's year-end report