

FundElert *vs* BUY & HOLD

Which Categories Benefit Most?

1997-2008

Those of you who follow our proprietary FundElert formula to protect your mutual funds against the devastating effects of large losses ask which categories benefit most or least from this anti buy-and-hold strategy. The following chart shows the additional return or the lower return generated in each category by the strategy. While the average benefit was positive in every category, some categories had a better winning percentage than others. The categories that benefited the most and least are:

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| <p><u>Benefited Most</u></p> <ul style="list-style-type: none"> • Equity Income • International Equity • Large Cap Growth • Mid Cap Growth • Small Cap Growth • Technology | <p><u>Benefited Least</u></p> <ul style="list-style-type: none"> • Balanced • Mid Cap Value • Multi Cap Value • S&P 500 • Small Cap Value • Utilities |
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As you can clearly see, the strategy benefits most in aggressive categories and least in conservative categories.

January 1, 1997 through December 31, 2008

	UTIL	BAL	EQ INC	INTL	LCG	LCV	MCG	MCV	MUCG	MUCV	S&P 500	SCG	SCV	TECH
1997	-1.12	-1.32	-3.33	7.52							-2.94			23.93
1998	-8.33	4.21	6.95	10.80							5.28			3.22
1999	9.37	2.23	3.52	-1.63							-1.59			-1.04
2000	-14.80	1.61	2.65	9.06	19.28	-18.57	15.77	-11.26	11.76	2.56	8.55	15.17	-12.38	26.37
2001	20.63	-0.42	2.30	18.94	24.17	3.31	21.53	0.42	22.55	-2.06	11.84	12.77	-0.77	27.51
2002	28.67	9.29	14.80	10.75	23.84	15.51	17.66	17.53	26.11	12.77	17.51	15.30	17.70	41.62
2003	-4.68	-0.03	0.34	2.98	-5.94	1.60	2.35	1.29	-4.35	1.69	-0.94	1.49	1.83	-9.89
2004	-2.99	-0.65	-3.45	-8.07	0.19	-3.90	-0.91	-4.61	-0.95	-5.61	-4.74	5.19	-4.51	0.82
2005	-0.71	0.97	0.44	-0.02	1.16	0.77	0.01	-0.51	0.96	-1.10	0.72	1.48	-0.03	2.43
2006	0.20	0.18	0.81	0.92	5.77	0.77	5.03	1.19	0.65	1.66	2.26	4.62	2.35	4.96
2007	1.32	-6.15	0.56	-13.47	-19.54	-1.25	-23.18	0.79	-14.00	-3.08	-4.90	-5.22	2.58	-6.07
2008	24.40	27.34	32.47	43.76	44.14	35.95	44.36	42.35	39.45	37.65	37.14	41.10	26.91	43.35
Avg Benefit	4.33	3.11	4.84	6.80	10.34	3.80	9.18	5.24	9.13	4.94	5.68	10.21	3.74	13.10
W	6	7	10	8	7	6	7	5	6	5	7	8	5	9
L	6	5	2	4	2	3	2	4	3	4	5	1	4	3

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