Capital Markets Review

Q2 2010

Reviewing the quarter ended March 31, 2010

An independent firm

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CAPITAL MARKETS REVIEW

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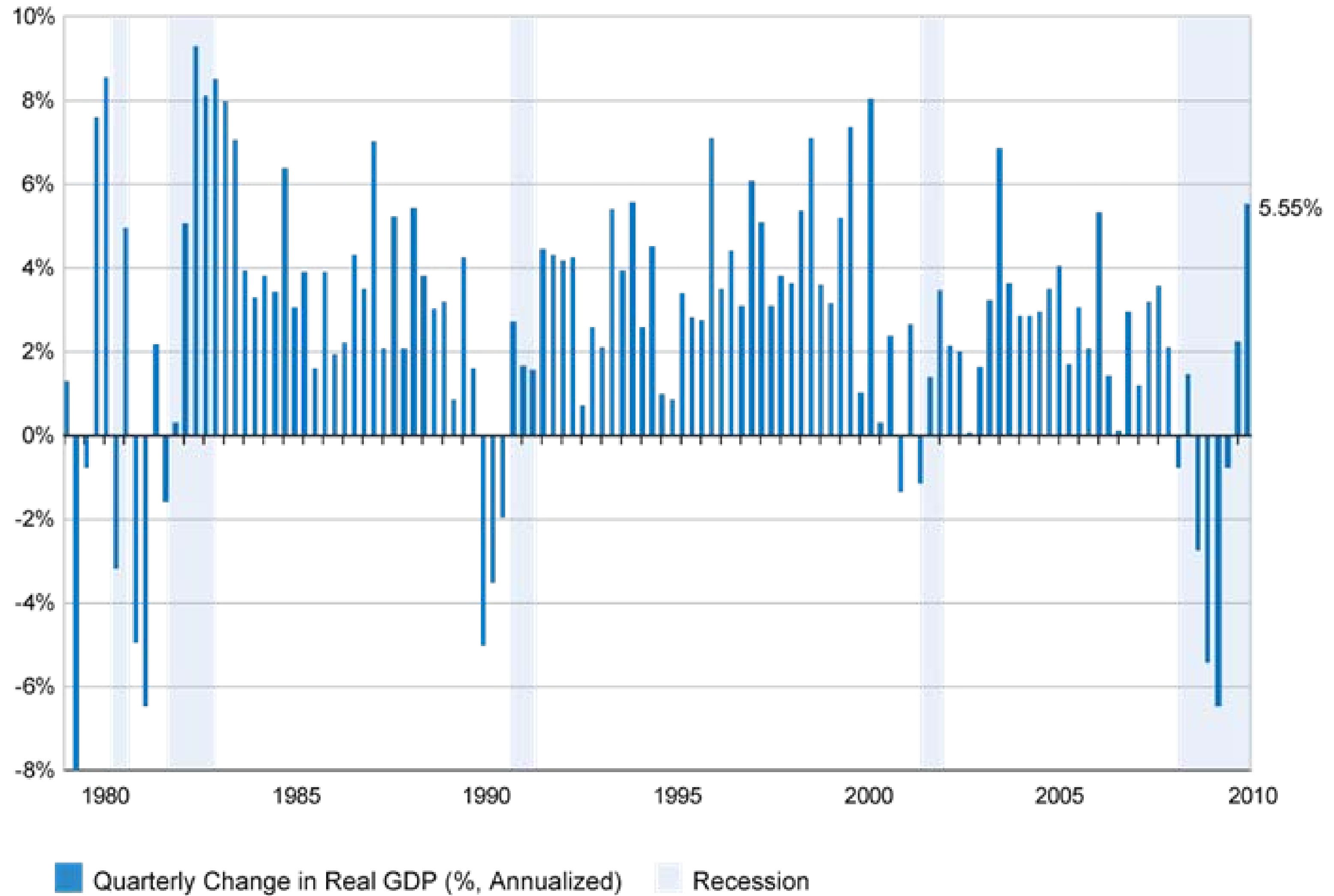
Chief Economist Dr. Scott J. Brown
Chief Investment Strategist Jeffrey Saut

Disclosure

GROSS DOMESTIC PRODUCT

GDP rose at an annualized rate of 5.5% in Q4, its highest pace since September 2003.

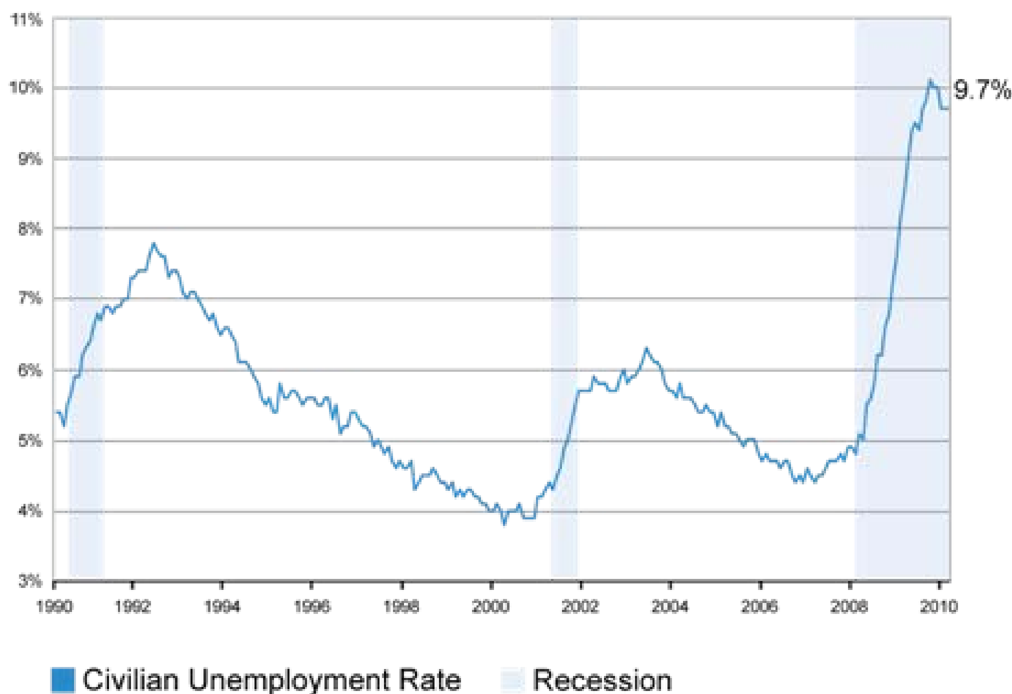


Source: FactSet, as of 12/31/09

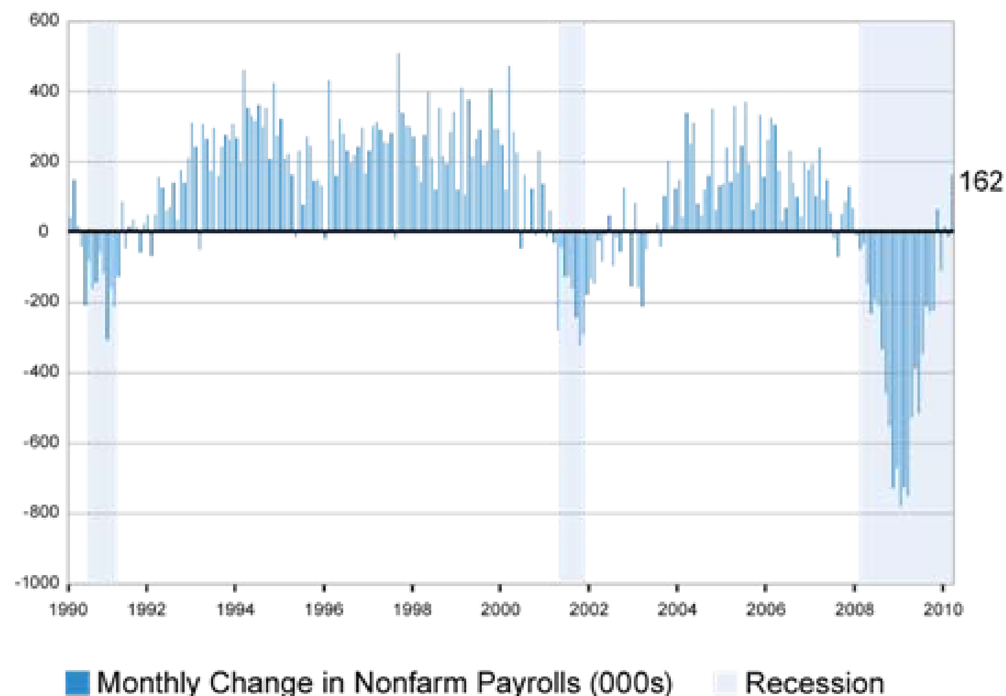
EMPLOYMENT

Unemployment stayed level at 9.7% as job creation began to catch up with job losses.

Civilian Unemployment Rate



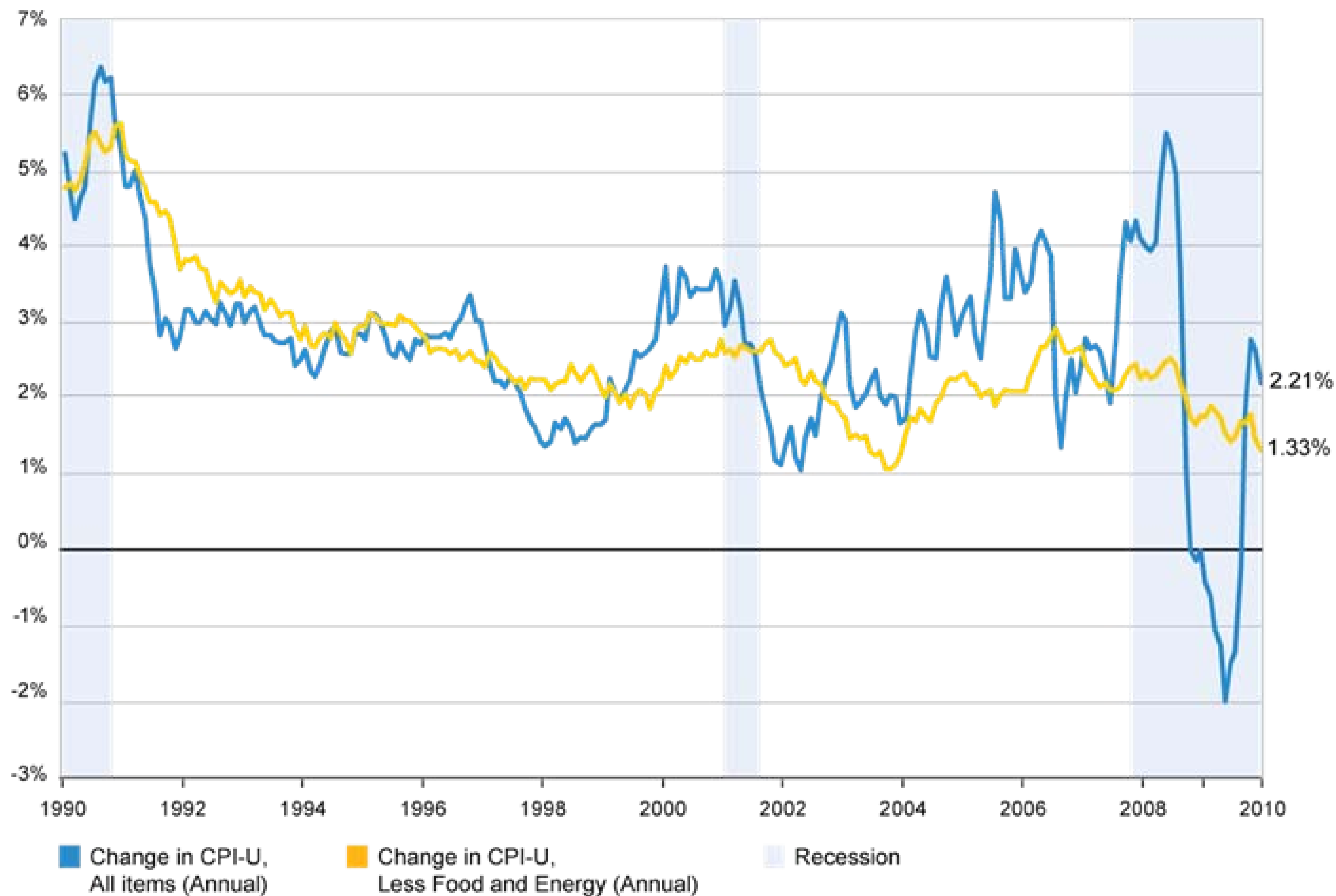
Monthly Payrolls Changes



Source: FactSet and Bureau of Labor Statistics, as of 3/31/10

INFLATION

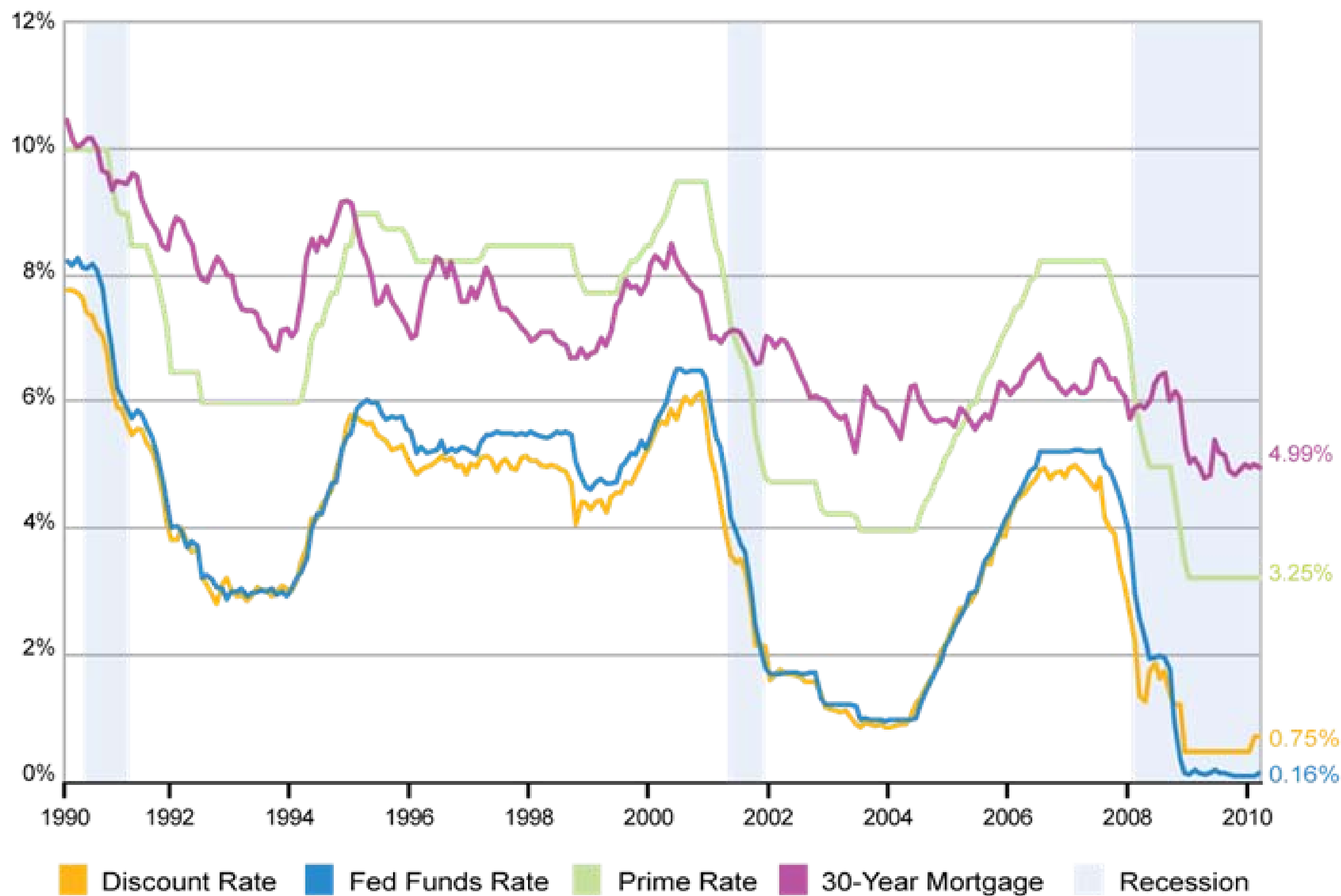
CPI-U, excluding food and energy, remains below historical norms at less than 3%.



Source: FactSet, as of 2/28/10

KEY INTEREST RATES

The Fed hiked the discount rate 25 bps to 0.75%, but most rates remain relatively stable.

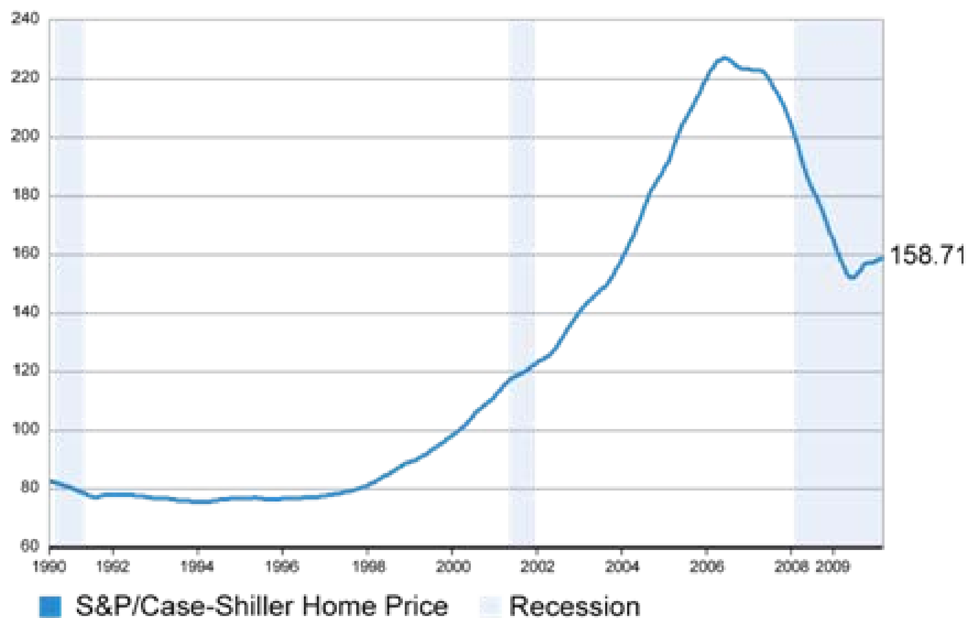


Source: FactSet and Federal Reserve, as of 3/31/10

HOUSING MARKET

Most markets continue to see slightly higher housing prices, but some still struggle.

Home Prices



Source: Standard & Poor's, as of 1/31/10

Home Sales

Source: National Association of Realtors, as of 2/28/10

Top 5 Housing Markets	Quarterly % Change*
Idaho	86.4%
Alaska	42.6%
Minnesota	40.4%
Vermont	32.1%
New Hampshire	31.9%

Bottom 5 Housing Markets	Quarterly % Change*
Virginia	-8.5%
Louisiana	-4.8%
Michigan	0.9%
California	1.4%
Arizona	1.6%

Largest States by Population	Quarterly % Change*
California	1.4%
Texas	10.4%
New York	5.8%
Florida	23.1%
Illinois	20.5%

*Seasonally Adjusted Sales (Annual Rate, Q309 vs. Q409)

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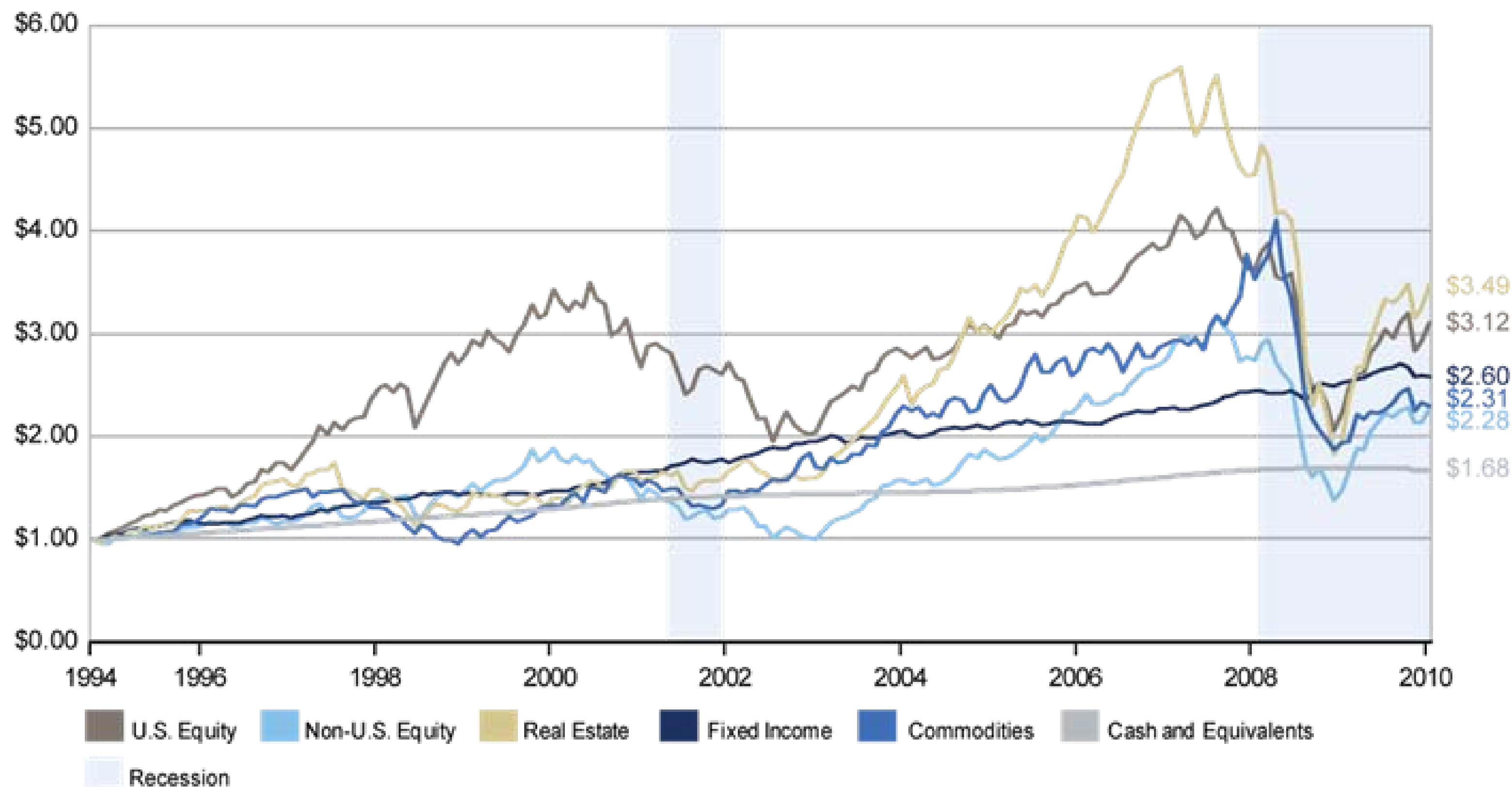
INDEX RETURNS Growth of a Dollar



	YTD	1-Year	3-Year	5-Year	10-Year
U.S. Equity	5.95	52.44	-3.99	2.39	-0.07
Non-U.S. Equity	1.42	56.75	-5.67	4.83	2.12
Fixed Income	1.78	7.69	6.14	5.44	6.28
Real Estate	3.96	84.50	-13.01	3.84	9.91
Cash and Equivalents	0.01	0.13	1.80	2.76	2.70
Commodities	-5.06	20.50	-6.89	-1.36	5.73

Source: Callan, as of 3/31/10. Investors cannot invest directly in an index. Past performance is not indicative of future results. **See asset class benchmarks on slide 30.**

ASSET CLASS RETURNS

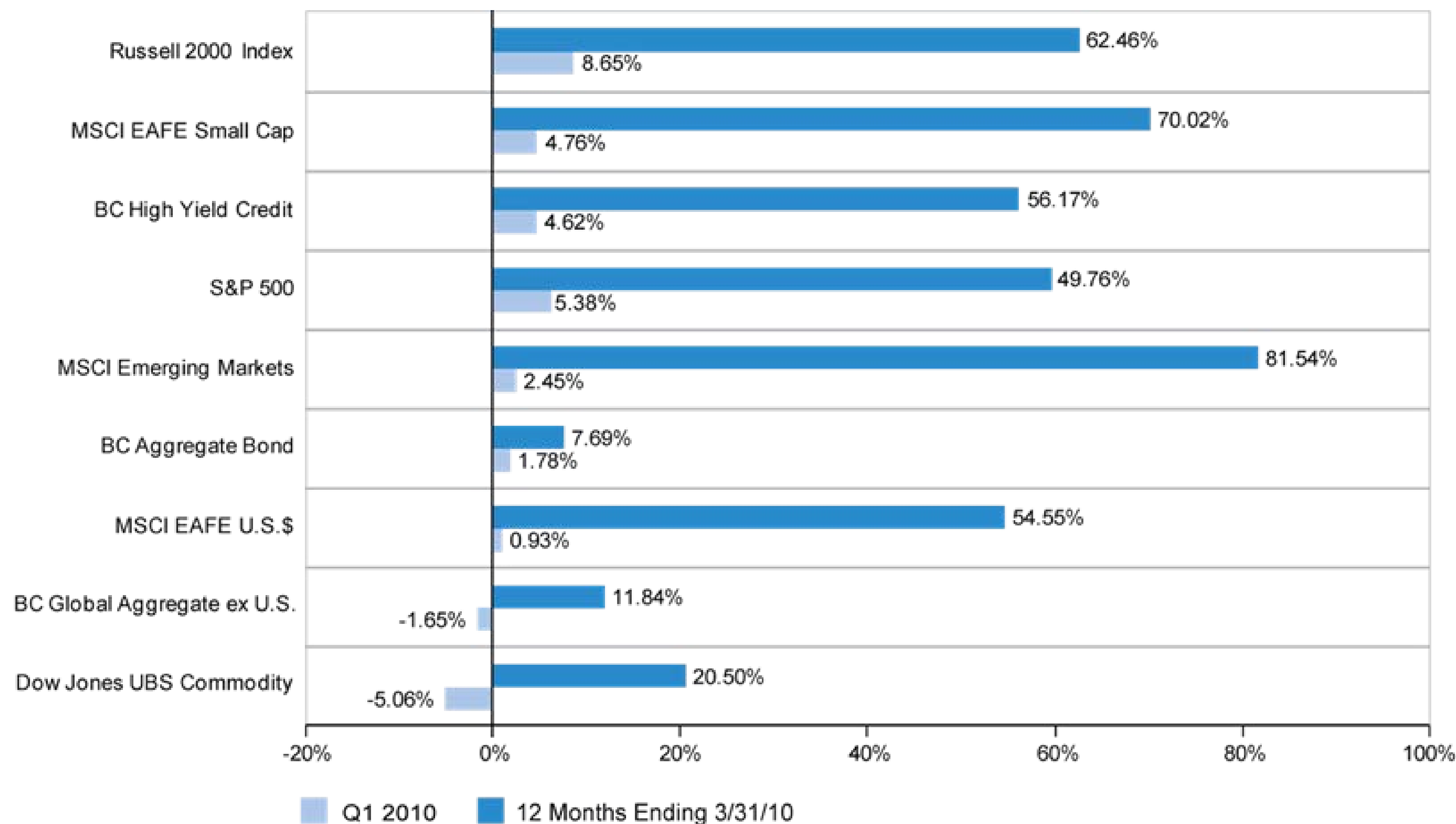
U.S. equities led most markets in Q1, in part, due to a stronger dollar.

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Q1 2010
Commodities 31.8%	Fixed Income 8.4%	Commodities 25.9%	Real Estate 40.7%	Real Estate 38.0%	Commodities 21.4%	Real Estate 42.3%	Commodities 16.2%	Fixed Income 5.2%	Real Estate 38.3%	U.S. Equity 5.95%
Real Estate 13.8%	Cash and Equivalents 4.1%	Fixed Income 10.3%	Non-U.S. Equity 40.0%	Non-U.S. Equity 20.8%	Real Estate 15.4%	Non-U.S. Equity 26.2%	Non-U.S. Equity 12.9%	Cash and Equivalents 1.8%	Non-U.S. Equity 34.4%	Real Estate 3.96%
Fixed Income 11.6%	Real Estate (3.8%)	Real Estate 2.8%	U.S. Equity 31.1%	U.S. Equity 11.9%	Non-U.S. Equity 15.0%	U.S. Equity 15.7%	Fixed Income 7.0%	Commodities (35.6%)	U.S. Equity 27.6%	Fixed Income 1.78%
Cash and Equivalents 6.0%	U.S. Equity (11.5%)	Cash and Equivalents 1.7%	Commodities 23.9%	Commodities 9.1%	U.S. Equity 6.1%	Cash and Equivalents 4.8%	U.S. Equity 5.1%	U.S. Equity (37.3%)	Commodities 18.9%	Non-U.S. Equity 1.42%
U.S. Equity (7.5%)	Commodities (19.5%)	Non-U.S. Equity (15.5%)	Fixed Income 4.1%	Fixed Income 4.3%	Cash and Equivalents 3.0%	Fixed Income 4.3%	Cash and Equivalents 4.7%	Non-U.S. Equity (43.2%)	Fixed Income 5.9%	Cash and Equivalents 0.01%
Non-U.S. Equity (13.2%)	Non-U.S. Equity (21.2%)	U.S. Equity (21.5%)	Cash and Equivalents 1.1%	Cash and Equivalents 1.2%	Fixed Income 2.4%	Commodities 2.1%	Real Estate (6.9%)	Real Estate (47.7%)	Cash and Equivalents .02%	Commodities -5.06%

Source: Callan, as of 3/31/10. Annual Returns for Key Asset Classes (2000-2010). **See asset class benchmarks listed on slide 30.**

ASSET CLASS RETURNS

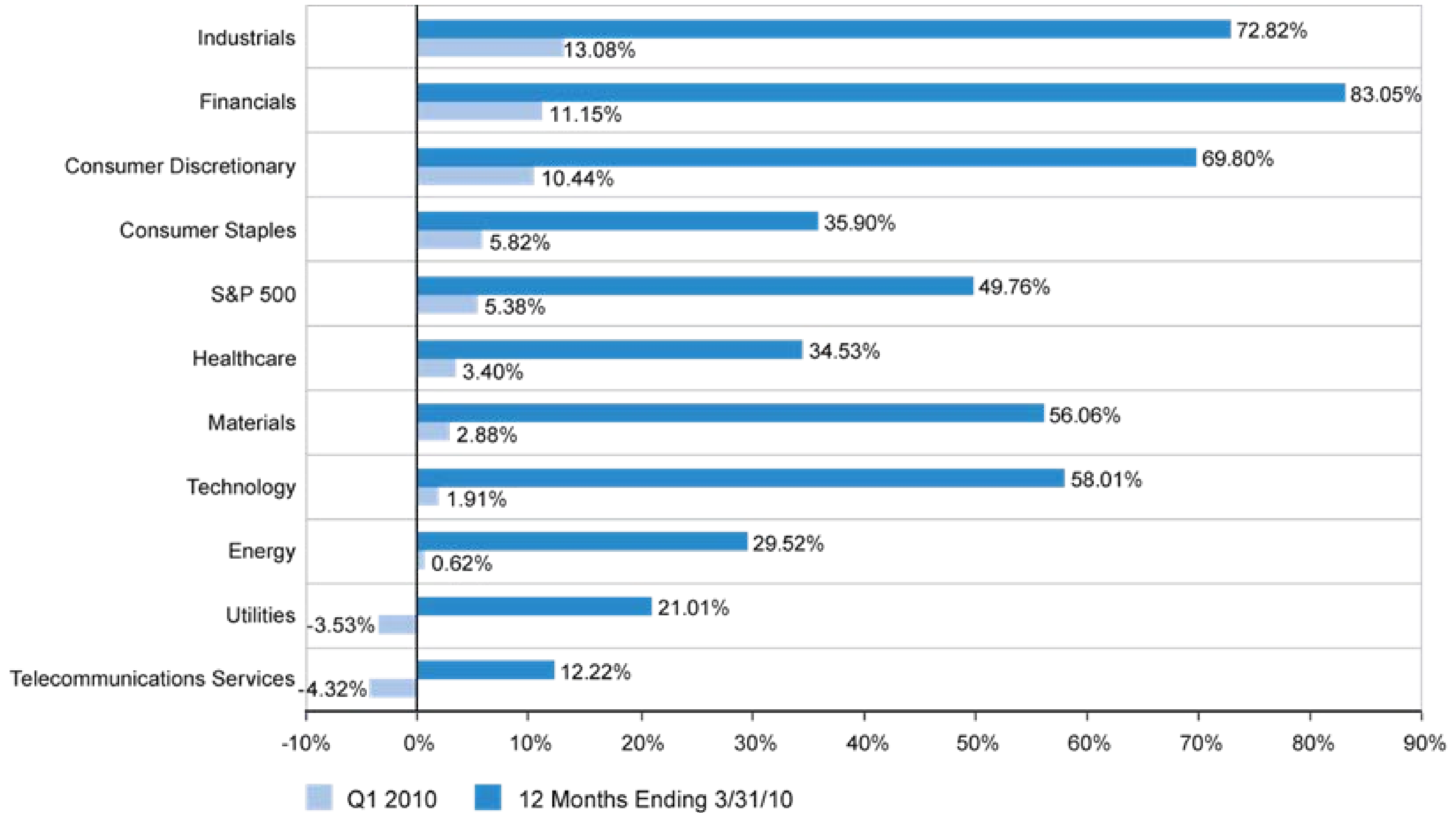
U.S. small caps were one of only a few broad indices to outperform the S&P 500 in Q1.



Source: Russell, Barclays Capital, Dow Jones, JP Morgan, Callan and Associates. Past performance is not indicative of future results.

S&P 500 SECTOR RETURNS

Industrials and financials led Q1 and the trailing 12 months; telecom and utilities lagged.



Source: Callan. Returns are based on the GICS Classification model. Returns are cumulative total return for stated period, including reinvestment of dividends.
Past performance is not indicative of future results.

EQUITY STYLES

Value continues to lead growth for the quarter and the year by a slim margin.

Q110

	Value	Blend	Growth
Large	6.8%	5.7%	4.6%
Mid	9.6%	8.7%	7.7%
Small	10.0%	8.6%	7.6%

12 Months ending 3/31/10

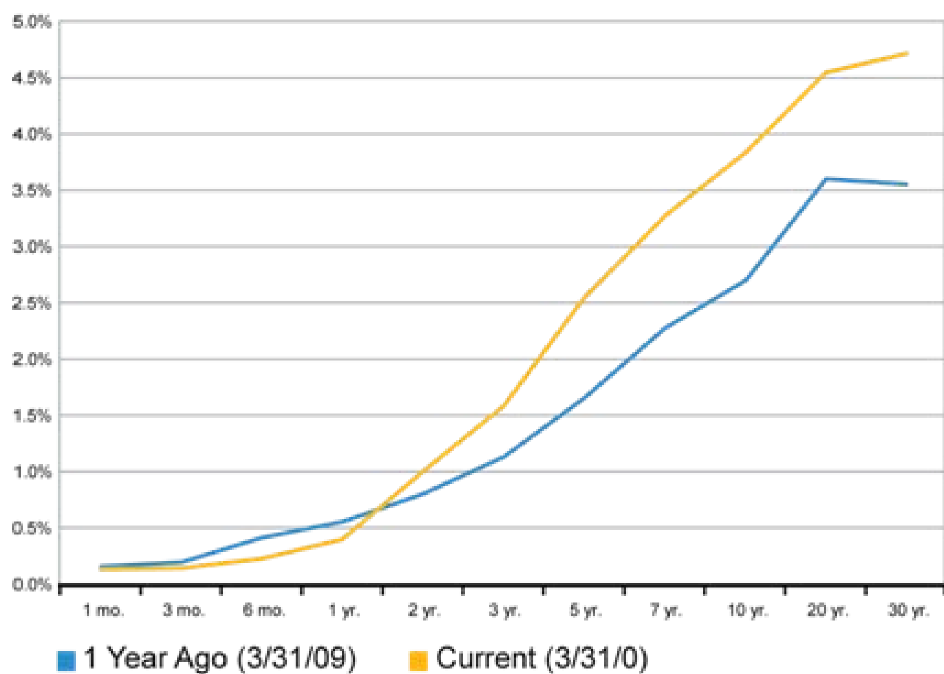
	Value	Blend	Growth
Large	53.6%	51.6%	49.8%
Mid	72.4%	67.7%	63.0%
Small	65.1%	62.5%	60.3%

Style box returns based on the GICS Classification model. All values are cumulative total return for stated period including reinvestment of dividends. The Indices used from left to right, top to bottom are: Russell 1000 Value Index, Russell 1000 Index, Russell 1000 Growth Index, Russell Mid-cap Value Index, Russell Mid-cap Blend Index, Russell Mid-cap Growth Index, Russell 2000 Value Index, Russell 2000 Index and Russell 2000 Growth Index. Past performance is not indicative of future results.

U. S. TREASURIES

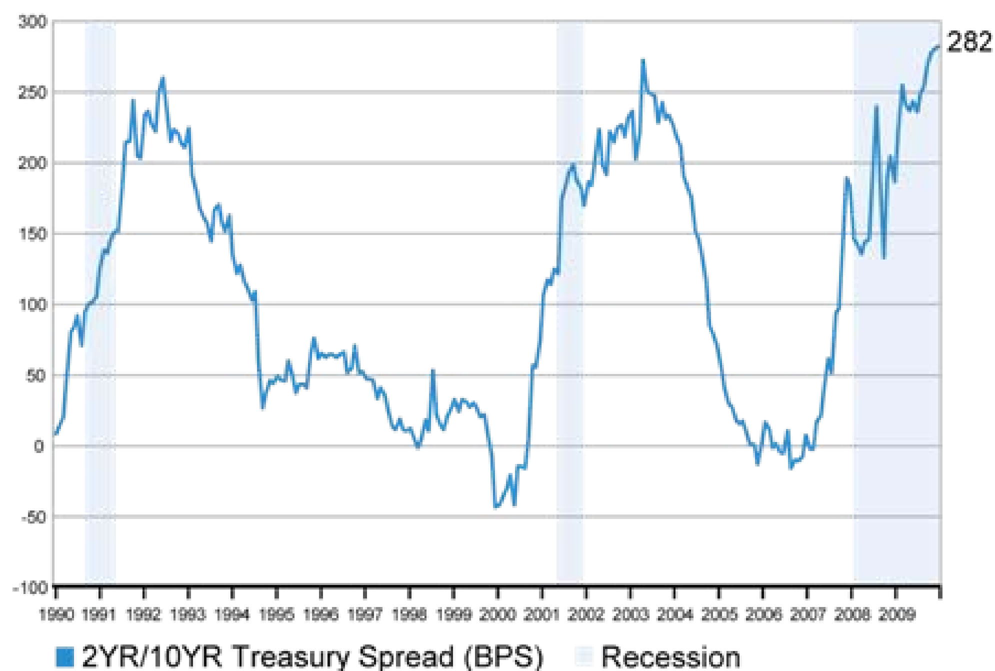
The 2- and 10-year Treasury spread reached at least a 30-year high, indicating expansion.

Treasury Yield Curve



Source: U.S. Treasury, as of 3/31/10

2YR/10YR Treasury Spreads

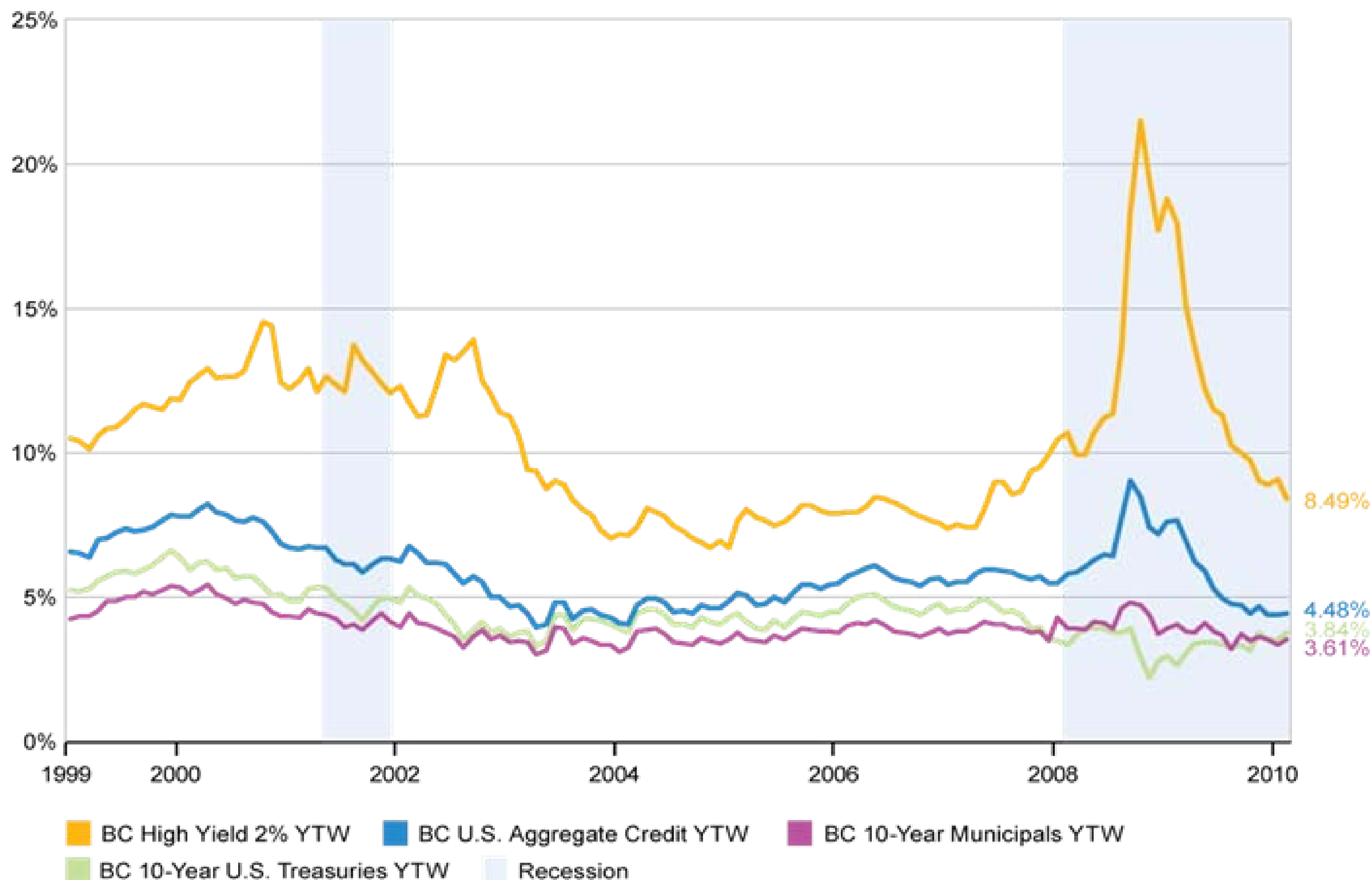


Source: FactSet, as of 3/31/10

Capital Markets

FIXED INCOME YIELDS

Bond yields, little changed from Q4, seem likely to continue gaining from a year earlier.



Past performance is not indicative of future results.

Source: FactSet, as of 3/31/10

PRICE-EARNINGS RATIO

With trailing P/E ratios at or near historical norms, higher earnings could spur gains.

Source: Bloomberg, as of 3/31/10

FOREIGN EXCHANGE RATES

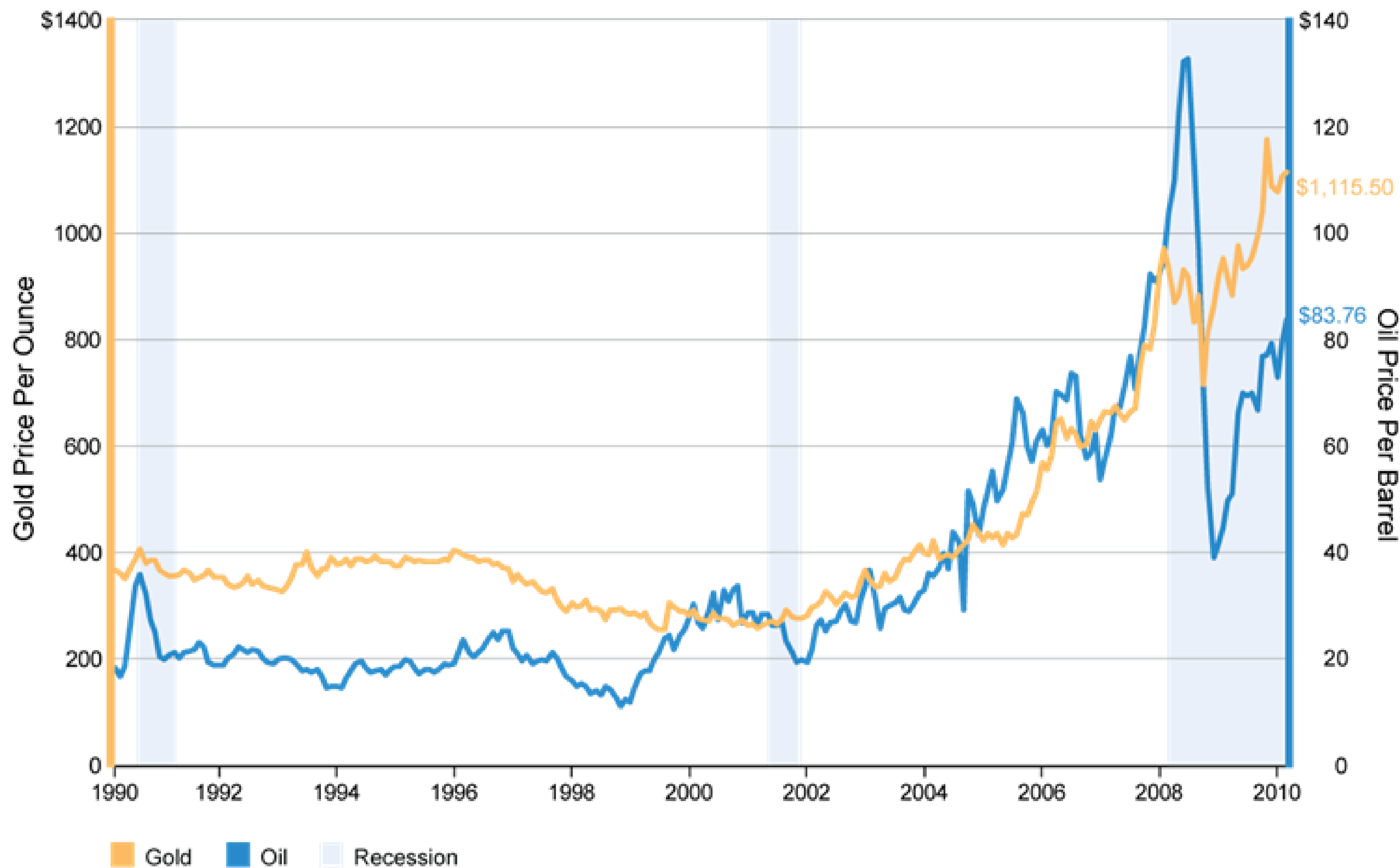
In Q1, the dollar rose against many major developed markets but is off its 2008 highs.

Source: Federal Reserve, as of 3/31/10

Source: FactSet as of 3/31/10	3/31/09	3/31/10
Japanese Yen (¥) / U.S. Dollar ($)	99.01	93.44
Euro (€) / U.S. Dollar ($)	0.75	0.74
British Pound (£) / U.S. Dollar ($)	0.70	0.66

COMMODITY PRICES

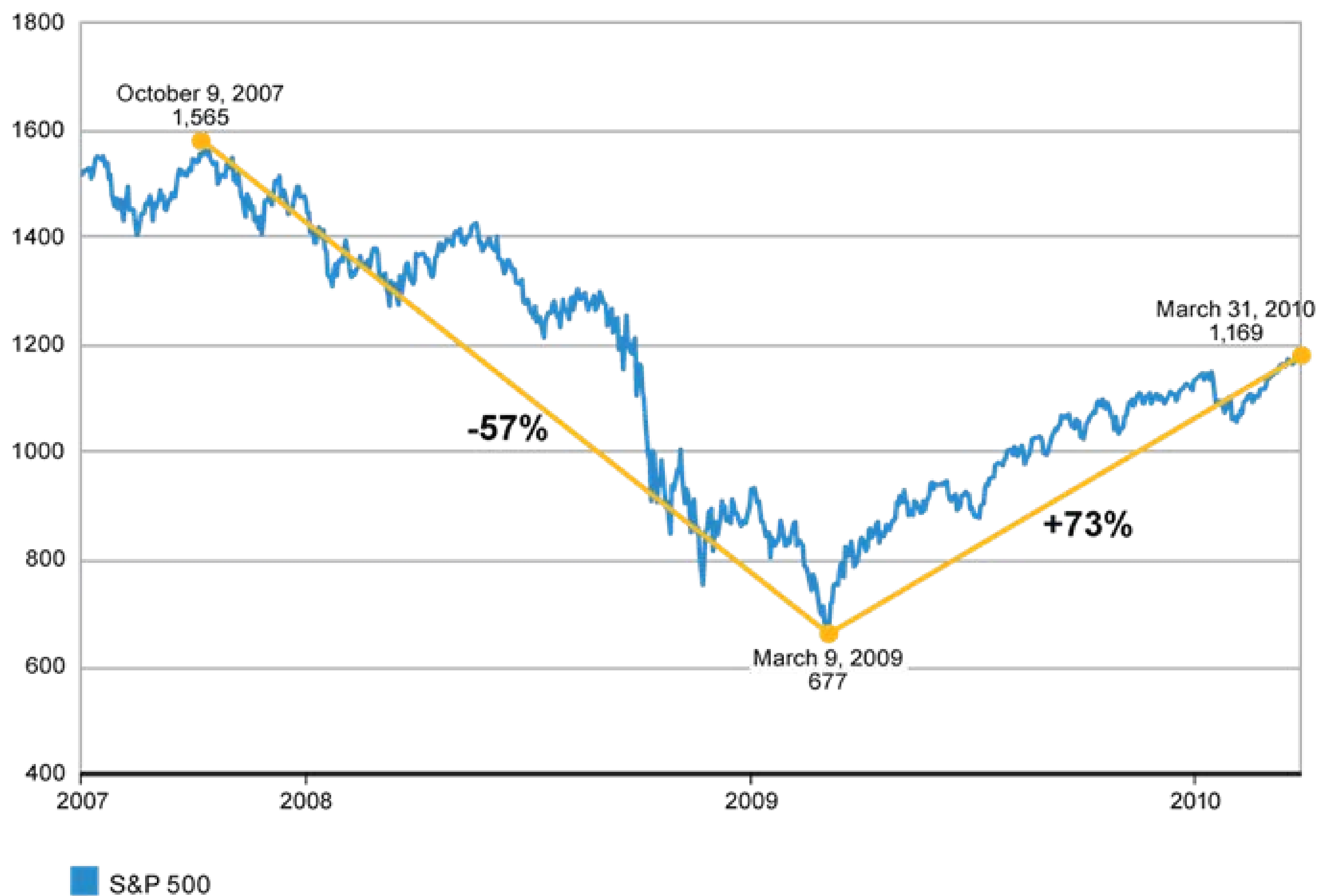
Both gold and oil finished the quarter higher. Gold was up 3%, oil rose 6%.



Source: FactSet, as of 3/31/10

S&P 500 Inflection Points

Although rallying significantly since March '08, the S&P is far below its October '07 high.



Past performance is not indicative of future results.

Source: Yahoo, as of 3/31/10

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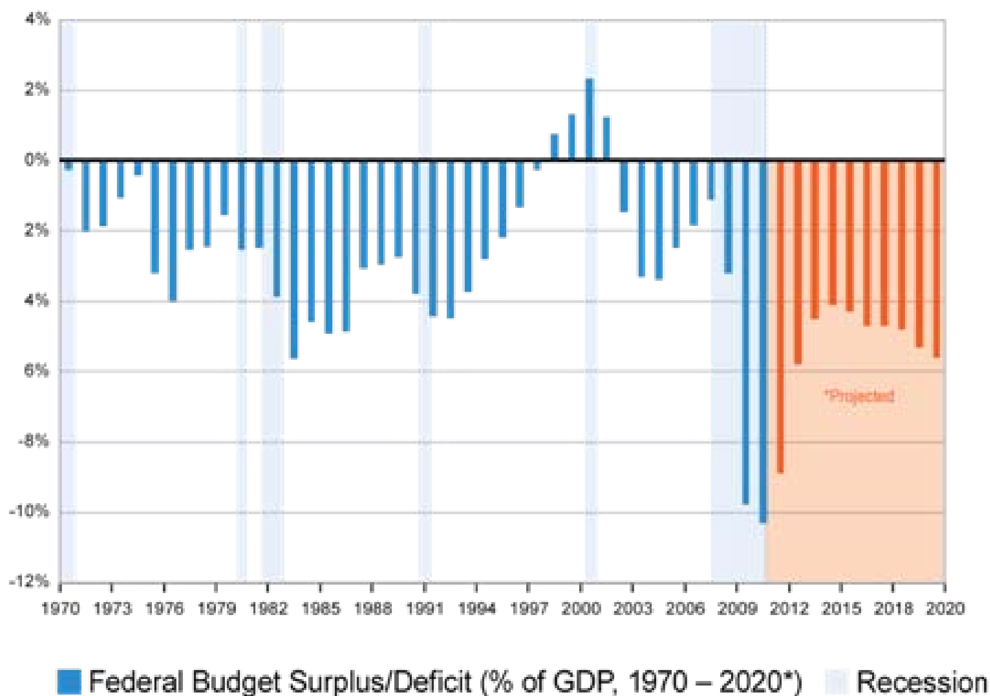
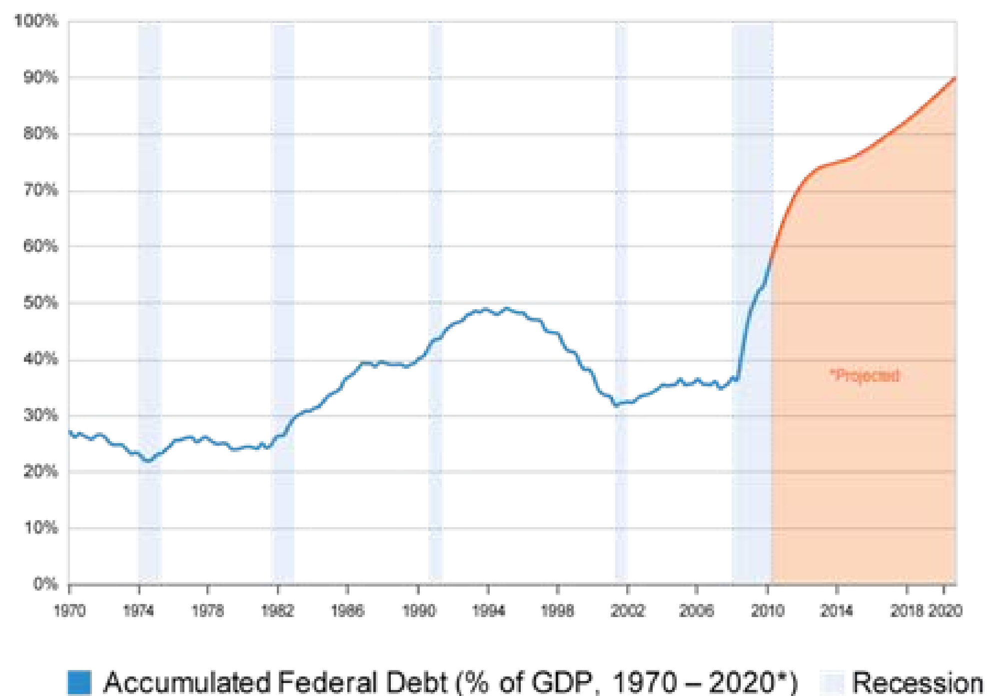
GOVERNMENT SPENDING

Over the last 30 years, government debt has reached new highs as a percent of real GDP.

Annual Deficit/Surplus



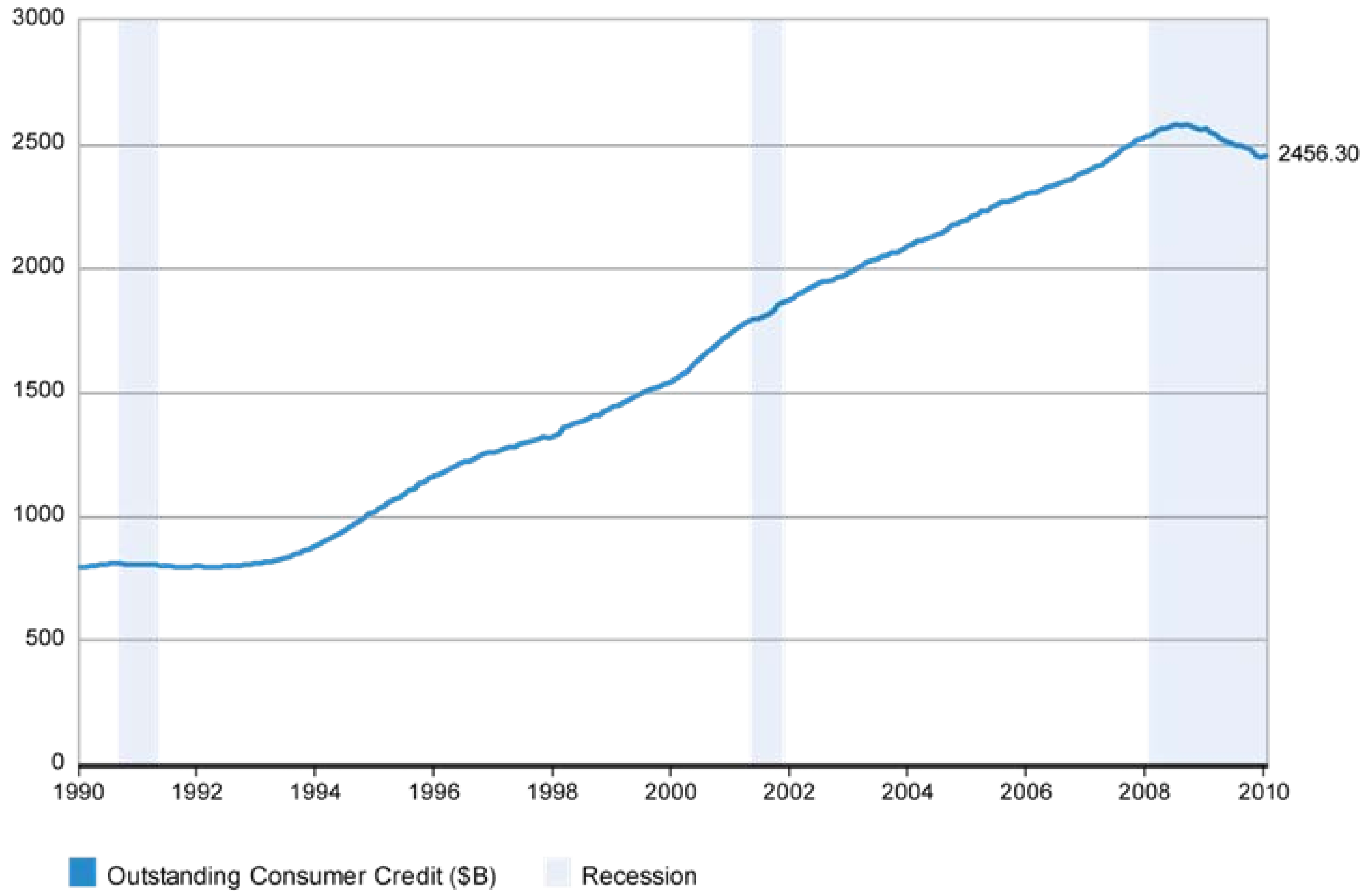
Outstanding Debt



Source: Congressional Budget Office and Federal Reserve, as of 3/31/10

CONSUMER CREDIT

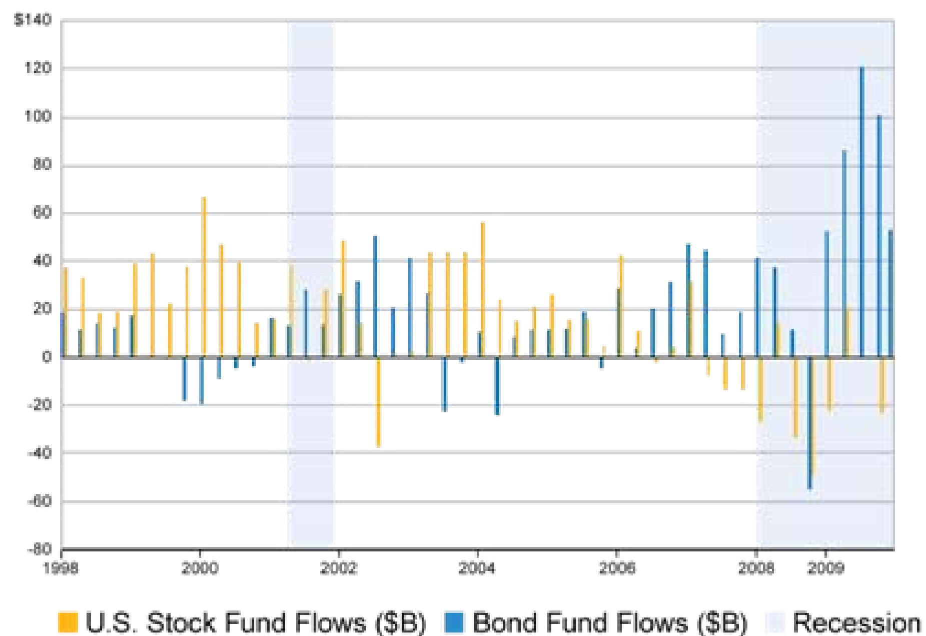
Consumer credit shows signs of stabilizing, moving slightly higher as borrowing picks up.

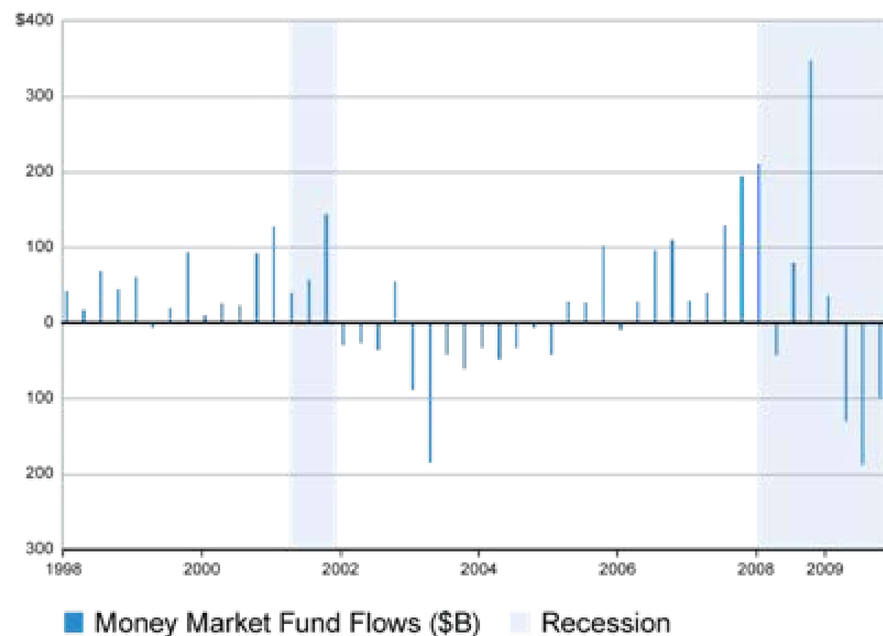


Source: FactSet, as of 1/31/10

MUTUAL FUND FLOWS

Money still flows into bonds from stocks despite 12 months of favorable equity returns.





Source: Morningstar, as of 12/31/09

27-WEEK UNEMPLOYMENT

A record number of workers have been jobless for over six months – and could slow real GDP growth.

Source: Federal Reserve, as of 3/1/10

ECONOMIC COMMENTARY

By Chief Economist Dr. Scott J. Brown

Chief Economist Scott Brown, Ph.D., joined the Raymond James Equity Research Department in July 1995 following two years as an economist in the firm's Fixed Income Research Department. Earlier, he was manager of economic research at Pacific First Bank in Seattle, director of economic research at San Diego-based First Imperial Advisor, and an economist with San Diego Gas & Electric Company.

He earned his doctorate in economics in March 1986 from the University of California, San Diego, where he studied time series analysis and forecasting under Nobel Laureates Robert F. Engle and Clive W.J. Granger. He also holds a Master of Science in statistics from the University of Illinois.

He has served on the Economic Advisory Committee of the American Bankers Association and is a member of the Bond Market Association's Economic Advisory Committee and the Governor's Council of Economic Advisors for the state of Florida.

Published April 1, 2010

The economic outlook is largely the same as it was three months ago. That is, we're still in a gradual economic recovery. The manufacturing sector appears to be in good shape, helped by the completion of an inventory correction and a rebound in global trade. Shifting from a moderate decline to a moderate increase, inventories will make a significant contribution to 1Q10 GDP growth. However, from here, inventories are more likely to rise in line with the pace of sales, so the contribution to GDP growth will decrease over the next few quarters. Consumer spending, roughly 70%, of gross domestic product, appears to be tracking at about a 3.5% annual rate in the first quarter. Business spending on equipment and software appears to be advancing, but spending on business structures continues to weaken. Private-sector job growth has returned, although we still have a very long way to go before we see a full recovery in the labor market.

The economy should continue to improve in the months ahead, although there are some concerns about the pace of activity toward the end of this year and into 2011. Fiscal stimulus is peaking about now, but will decrease into next year, effectively acting as a drag on overall GDP growth. The Bush tax cuts are set to sunset at the end of this year. Congress may wait until after the November mid-term elections to attempt any action on taxes, in which case the uncertainty may be a negative for the stock market in the second half of the year. Bank credit for consumers and small businesses is still tight, but is likely to loosen up gradually over time. Residential housing problems will linger, but while mortgage delinquencies and foreclosures are expected to remain elevated, they should decrease over time. Nonresidential real estate problems are

ECONOMIC COMMENTARY (continued)

By Chief Economist Dr. Scott J. Brown

going to be an issue for many small to medium-sized banks around the country, but the magnitude of the problem will be much less severe for the overall economy than the residential real estate collapse. State and local government budgets remain under considerable strain, leading to higher taxes and cuts in services (both of which are contractionary). While these are all important headwinds, they are likely to only dampen the pace of growth into early 2011, not send the economy into a double dip.

As usual, the price of oil is a key wildcard in the economic outlook. Oil had been range-bound for the last several months, but has now broken through the upper end of its recent range. While higher energy costs would put some upward pressure on inflation in the short term, it would have a more significant negative impact on growth. There may be further upward pressure on commodity prices in general, but (with the exception of oil) these usually do not have much of an impact on inflation at the consumer level. There is still a considerable amount of slack in the economy, which should keep inflationary pressures in check. Core inflation measures have been trending lower in recent months, now at the low end of the Fed's comfort range, pushed down by weakness in rents.

While many market participants are concerned about the size of the federal government's near-term budget deficits, that shouldn't be a problem. This is perfectly normal in a recession – especially in the worst downturn since the Great Depression. Higher federal budget deficits are not inflationary. The increase in the deficit has been due to the recession and two big spending programs. Tax revenues should rebound as the economy recovers and government transfer payments will decrease. Government spending on the bank rescue and the fiscal stimulus will not last forever. As a percentage of GDP, the budget deficit will decrease over the next few years. However, the bigger problem is what happens 10 to 20 years out, as the baby-boom generation retires and Medicare expenditures surge. The nonpartisan Congressional Budget Office expects that healthcare reform will improve the budget outlook over that timeframe. However, the CBO cautions that budget projections are very uncertain.

ECONOMIC COMMENTARY (continued)

By Chief Economist Dr. Scott J. Brown

The Fed has unwound many of the special liquidity and lending programs set up during the economic crisis. On February 19, the Fed's Board of Governors approved a 25-basis-point increase in the discount rate (the rate that the Fed charges banks to borrow) and returned the maturity of discount window borrowing to an overnight basis (after extending it during the crisis). The discount rate increase is part of the normalization of monetary policy and is not expected to lead to tighter credit for consumers and businesses. When the Fed eventually does start to tighten credit (and that's still a long way off), it will use the interest rate it pays on excess reserves as the main policy tool. It will also employ reverse repos and offer term deposits to depository institutions. Reducing the size of the Fed's balance sheet is a long-term goal, but selling assets (Treasuries and mortgage-backed securities) will come much later. The Fed seems unlikely to start tightening monetary policy anytime soon (most likely, not until 2011). The Fed stopped buying mortgage-backed securities at the end of March, but that's not expected to lead to much of an increase in mortgage rates. While some have cited debt worries as a factor likely to drive long-term interest rates higher, bond yields normally grind higher in an economic recovery.

The stock market is a forward-looking indicator and may have gotten ahead of itself in the near term, based on the economic fundamentals – but that doesn't mean that it can't go higher. The bond market outlook is more precarious; its course will depend on the pace of economic growth into the second half of the year.

There is no assurance any of the trends mentioned will continue in the future.

By Chief Investment Strategist Jeffrey Saut

Chief Investment Strategist Jeffrey Saut joined Raymond James in September 1999, as managing director of research. Earlier, he held at the same position at Roney & Co., later acquired by Raymond James. Prior to his tenure at Roney, he served as managing director of equity capital markets at Sterne, Agee & Leech, Inc.

In 1973, Saut joined E.F. Hutton, and subsequently worked as a securities analyst for Wheat First Securities as well as Branch Cabell, where he also served as director of research and portfolio manager for the firm's affiliate, Exeter Capital Management. As director of research, he built the research and institutional sales departments for the regional brokerage firm Ferris, Baker, Watts, Inc.

Jeff appears frequently on Wall Street Week, CNBC, Bloomberg TV, USA Networks, Fox TV, NPR, and other electronic and print media outlets.

Published April 1, 2010

'Taxman'

"Let me tell you how it will be. There's one for you, nineteen for me 'cause I'm the taxman, yeah, I'm the taxman. Should five per cent appear too small, be thankful I don't take it all 'cause I'm the taxman, yeah, I'm the taxman."

. . . The Beatles

Well, it's that time of year again when, as the Beatles state, "There's one for you, nineteen for me 'cause I'm the taxman." For the record, mandatory tax withholding began in 1943 and as one of the crafters of that event said – *I wish we had never allowed the government to automatically withhold the tax from people's paychecks because by doing so folks just don't realize how much they are actually paying*! To be sure, taxes are going up, especially on the alleged "rich." However, we don't have a tax shortfall problem; we have a government spending problem. As the *Washington Times* writes, "For the first time since the Great Depression Americans took more aid from their government than they paid in taxes." Manifestly, our government is becoming an increasing "spender" in the economy and that should worry you. If past is prelude when the government becomes an increased "spend" in the economy, that economy's structural economic growth rate declines and PE multiples compress.

INVESTMENT STRATEGY (continued)

By Chief Investment Strategist Jeffrey Saut

Now, although I consider myself fortunate to have forgotten most of the economics I learned at university, the current $12.2 trillion national debt, plus the other commitments and contingencies that bring the total to $13.5 trillion, is alarming. Let me size that for you. If you spent $1 million per day since the founding of Rome (~2700 years ago), as of today you would have accumulated "only" $1 trillion in debt. Now take that $13.5 trillion debt figure, and add the ~$42.9 trillion in unfunded obligations figure and you have a $56.4 trillion "debt hole." And that hole is only getting deeper! As Ray DeVoe writes:

"'In conclusion, Columnist Thomas Friedman had an article in the *New York Times* titled 'Never Heard that before' that I found rather disturbing. He was attending the World Economic Forum in Davos and had discussions with many of those attending. As he wrote 'I heard a phrase being bandied about by non-Americans – about the United States – that I can say I have never heard before: *political instability'*."

Nevertheless, while the bond market seems to be reflect some of these concerns (read: higher rates), the equity markets are not sensing the degree of fiscal tightening that is going to be needed, given that last week, the S&P 500 (SPX/1178.10) tacked on another 0.99%. That "weekly win" left the SPX's three-week skein at +2.4% and us with egg on our face. Obviously we have been wrong-footed (on a short-term basis) for the fourth time since our "bottom call" of March 2, 2009, having turned cautious, but not bearish, three weeks ago with the SPX in the 1150 – 1160 zone. That "cautionary counsel" was driven by numerous indicators we have come to trust over the years. Yet, those indicators have been trumped by the near-term upside momentum. Fortunately, while trading accounts are not fully engaged, investment accounts are. That strategy is based on the simple thesis that booming corporate profits are fostering an economic recovery, which is leading to an inventory rebuild and a capital expenditure cycle. In turn, said sequence should promote a hiring cycle, and then, a pickup in consumption. We think, in the intermediate term, such a sequence should bolster stocks into mid-summer, even though we remain cautious as the second quarter begins.

INVESTMENT STRATEGY (continued)

By Chief Investment Strategist Jeffrey Saut

In any case, despite our near-term caution, the aforementioned “virtuous cycle” should persist until the markets begin to discount the 2010 mid-term elections in November. Through our lens, those elections may well serve as a referendum on the liberals’ versus conservatives’ agendas. If the liberals prevail, it could spell a pretty tough year for stocks in 2011. If, however, there is a conservative backlash (read: no tax increases combined with spending cuts), it could provide the footings for a decent 2010 yearend rally. Meanwhile, our “call” for the return of inflation is playing with crude oil and copper breaking out to 20-month price highs. To put it simply, the U.S. has only three options: sovereign default (unimaginable); severe economic contraction (unlikely); or currency debasement, which has been the preferred political strategy for decades. Inasmuch, we choose door number three and have/are positioning accounts for inflation. Further, our long-standing recommendation of “buying” Japan is finally bearing fruit with many Japanese-centric closed-end funds tagging fresh reaction highs last week as Japan’s new export orders hit a six-year high. We also think technology stocks should continue to outperform. Most tech companies don’t have significant retiree healthcare obligations, nor do they have a lot of debt on their balance sheets. Verily, tech companies tend to be cash rich because they retain their earnings.

In summary, for 13 months we have heard the bears growl that this is just a rally in an ongoing bear market with a double-dip recession surely in the cards. Meanwhile, we have clung to our belief in the aforementioned “virtuous cycle.” Plainly, the data suggests that growth in factory orders, shipments, production, payrolls and capital spending is likely to stay perky in the months ahead. That is the way profit recoveries work and why the stock market continues to rise. Accordingly, while we have been too cautious for the past three weeks, we have never abandoned our belief the equity markets would trade higher in the intermediate to longer term.

Companies engaged in the technology sector are subject to fierce competition and their products may be subject to rapid obsolescence.

DISCLOSURE

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There is no assurance that any investment strategy will be successful or that any securities transaction, holdings, sectors or allocations discussed will be profitable. It should not be assumed that any investment recommendation or decisions made in the future will be profitable or will equal any investment performance discussed herein.

Please note that all indices are unmanaged and investors cannot invest directly in an index. An investor who purchases an investment product that attempts to mimic the performance of an index will incur expenses that would reduce returns. Past performance is not indicative of future results.

Fixed income securities are subject to interest rate risk. Generally, when interest rates rise, bond prices fall, and vice versa. Specific-sector investing can be subject to different and greater risks than more diversified investments.

The Consumer Price Index (CPI) is a measure of inflation.

Gross Domestic Product (GDP) is the annual total market value of all final goods and services produced domestically by the United States.

Investing in small-cap and mid-cap stocks generally involves greater risks, and, therefore, may not be appropriate for every investor. International investing also involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic volatility.

High-yield bonds are not suitable for all investors. The risk of default may increase due to changes in the issuer's credit quality. Price changes may occur due to changes in interest rates and the liquidity of the bond. When appropriate, these bonds should only comprise a modest portion of your portfolio.

Commodities trading is generally considered speculative because of the significant potential for investment loss.

U.S. government bonds and Treasury bills are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and guaranteed principal value. U.S. government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. Treasury bills are certificates reflecting short-term (less than one year) obligations of the U.S. government.

Fixed Income Sectors: Returns based on the four sectors of Lehman Global Sector Classification Scheme: Securitized (consisting of U.S. MBS Index, the ERISA-Eligible CMBS Index and the fixed-rate ABS Index), Government Related (consisting of U.S. Agencies and non-corporate debts with four sub sectors: Agencies, Local Authorities, Sovereign and Supranational), Corporate (dollar-denominated debt from U.S. and non-U.S. industrial, utility, and financial institutions issuers), and Treasuries (includes public obligations of the U.S. Treasury that have remaining maturities of one year or more).

INDEX DESCRIPTIONS

Asset class and reference benchmarks:

Asset Class	Benchmark Used
Cash and Cash Equivalents	Citi 3-month T-Bill
Fixed Income	BC Aggregate
U.S. Equity	Russell 3000
Non-U.S. Equity	MSCI World, Ex-U.S.
Real Estate	FTSE EPRA NAREIT Global Real Estate
Commodities	DJ UBS Commodity Index

The Dow Jones AIG Commodity Index: Composed of futures contracts on 19 physical commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc, which trade on the London Metal Exchange. The index serves as a diversified and highly liquid benchmark for the commodity futures market.

The Dow Jones-UBS Commodity Indexes℠: Composed of exchange-traded commodity futures contracts rather than physical commodities.

Barclays Capital Aggregate Index: Measures changes in the fixed-rate debt issues rated investment grade or higher by Moody's Investors Service, Standard & Poor's, or Fitch Investor's Service, in that order. The Aggregate Index is comprised of the Government/Corporate, the Mortgage-Backed Securities and the Asset-Backed Securities indices.

Barclays Capital U.S. Aggregate Index: Represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

BC Global Aggregate ex-U.S. Dollar Bond Index: Tracks an international basket of bonds that currently contains 65% government, 14% corporate, 13% agency and 8% mortgage-related bonds.

BC High Yield: Covers the universe of fixed-rate, non-investment grade debt. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC-registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures and 144-As are also included.

Citigroup 3-Month T-Bill Index: This is an unmanaged index of three-month Treasury bills.

FTSE EPRA/NAREIT Global Real Estate Index Series: Designed to represent general trends in eligible listed real estate stocks worldwide. Relevant real estate activities are defined as the ownership, trading and development of income producing real estate.

MSCI All Country World Index Ex-U.S.: A market-capitalization-weighted index maintained by Morgan Stanley Capital International (MSCI) and designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. It includes both developed and emerging markets.

INDEX DESCRIPTIONS (continued)

MSCI EAFE (Europe, Australasia, Far East): A free-float adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States and Canada. The EAFE consists of the country indices of 21 developed nations.

MSCI EAFE Growth: Represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the growth style.

MSCI EAFE U.S. Dollar: An unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East.

MSCI EAFE Value: Represents approximately 50% of the free-float adjusted market capitalization of the MSCI EAFE index, and consists of those securities classified by MSCI as most representing the value style.

MSCI Emerging Markets: Designed to measure equity market performance in 25 emerging market indexes. The three largest industries are materials, energy and banks.

MSCI Local Currency: A special currency perspective that approximates the return of an index as if there were no currency valuation changes from one day to the next.

Russell 1000: Measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the investible U.S. equity market.

Russell 1000 Value Index: Measures the performance of those Russell 1000 companies with higher price-to-book ratios and lower forecasted growth values.

Russell 1000 Growth Index: Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell Mid-cap: Measures the performance of the 800 smallest companies of the Russell 1000 Index, which represent approximately 30% of the total market capitalization of the Russell 1000 Index.

Russell Mid-cap Value Index: Measures the performance of those Russell Mid-cap companies with lower price-to-book ratios and lower forecasted growth values.

Russell Mid-cap Growth Index: Measures the performance of those Russell Mid-cap companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represent approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 2000 Value Index: Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index: Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000® Index: measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

Standard & Poor's 500 (S&P 500): Measures changes in stock market conditions based on the average performance of 500 widely held common stocks. Represents approximately 68% of the investable U.S. equity market.

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