

STANDARD  
& POOR'S

# Mutual Fund Reports



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**A powerful analytical tool for evaluating and selecting funds**



Whether you are a broker, portfolio manager, analyst, researcher, or individual investor, you'll find Mutual Fund Reports to be an invaluable analytical tool.

## Standard & Poor's Mutual Fund Reports

### Why Standard & Poor's Mutual Fund Reports?

- Timely, reliable data on over 17,500 U.S. mutual funds, and over 80,000 funds worldwide, drawn from Standard & Poor's comprehensive database
- Comprehensive coverage of performance data, risk characteristics, holdings, fees, and management
- Risk-adjusted, style-based fund classifications and rankings, based on widely accepted methodologies
- Rankings and analysis draw on Standard & Poor's 140-year tradition of quality, objectivity, and independent research
- Flexible format, convenient electronic delivery, fully NASD-filed

The proliferation of mutual funds in recent years has been unprecedented, demanding comprehensive tools for analyzing and reporting fund performance and portfolio data and performance. As a world leader in investment data and analytics, Standard & Poor's is uniquely qualified to meet this need, with in-depth coverage of thousands of funds, backed by the timely and objective research that sets Standard & Poor's apart from its competitors.

#### COMPREHENSIVE DATA AT YOUR FINGERTIPS

Standard & Poor's Mutual Fund Reports draw from an extensive database of over 17,500 U.S. mutual funds across the globe. Data fields include detailed information about each fund's investment objectives, holdings, performance, fees, risk/return characteristics, style behavior, modern portfolio theory key statistics, and a variety of other data you need to make informed investment decisions.

#### STANDARDIZED COMPARISONS

With Standard & Poor's Mutual Fund Reports, you can compare apples to apples. No more searching through fund company reports to see if reported information is calculated on a consistent basis.

#### STYLE-BASED CLASSIFICATIONS AND RANKINGS

Stated investment objectives and fund holdings don't always tell the whole story. So, Standard & Poor's goes a step further, analyzing fund behavior, then classifying funds into 67 different styles, each with its own risk and return characteristics. Standard & Poor's then ranks the funds against their style group peers and broad investment category, based on risk-adjusted returns.

#### FLEXIBLE DELIVERY, TIMELY UPDATES

Mutual Fund Reports are available in HTML and printable PDF formats. They can be accessed through several different platforms, including *Fund Advisor*, available through S&P's *Advisor Insight*; and *Fund Solutions*, our fully customizable mutual fund platform. They can also be delivered directly via Standard & Poor's Mutual Fund Report feeds. You'll also get timely monthly updates as soon as new data becomes available so you can make informed investment decisions on the latest information.

### Did You Know?

We have NASD-filed Mutual Fund Reports on over 16,500 U.S. mutual funds.



## Investment Style: Mapping Fund Categories to Investors' Needs

When selecting funds, the choice of style is critical in matching appropriate funds with specific investment objectives. It is also crucial when analyzing funds, in order to ensure precise and consistent measurement of the fund's relative behavior over time.

With the explosive growth in mutual funds has come a proliferation in fund styles. Whereas 10 or 12 styles once sufficed to categorize all fund types, dozens are now required to embrace the huge variety of funds. Standard & Poor's uses a 67-style classification system to segment funds into styles compatible with the different investing strategies of portfolio managers and investors alike. Since a fund's stated investment objectives and fund holdings don't always tell the whole story, Standard & Poor's style assignments are based on a thorough analysis of the fund's behavior, resulting in an accurate classification.

### DETERMINING INVESTMENT STYLE THROUGH OBJECTIVE ANALYSIS

A fund's investment style is defined by the types of securities in which it typically invests and the method by which the fund manager seeks to achieve the fund's stated objective. Standard & Poor's further identifies investment style by analyzing a fund's total returns over three years and comparing them against a series of benchmarks to determine which one most closely matches the fund's actual returns. Sometimes, this analysis may result in a classification different from a fund's stated investment objective.

Funds are first divided into seven broad categories and then subdivided into 67 separate investment styles, each with its own risk and return characteristics. For each investment style, Standard & Poor's has identified a corresponding "style index" benchmark.

### Standard & Poor's Style Classifications

#### EQUITY STYLES

##### Domestic Equity

Equity Large Cap Growth  
Equity Large Cap Blend  
Equity Large Cap Value  
Equity Mid Cap Growth  
Equity Mid Cap Blend  
Equity Mid Cap Value  
Equity Small Cap Growth  
Equity Small Cap Blend  
Equity Small Cap Value  
Equity All Cap Growth  
Equity All Cap Value  
Equity Energy Sector  
Equity Financials Sector  
Equity Healthcare Sector  
Equity Information  
Technology Sector

Equity Materials Sector  
Equity Telecom Sector  
Equity Utilities Sector  
Equity U.S. Real Estate Sector  
Equity Sector

##### Global Equity

Equity Global  
Equity Global Small Company  
Equity International  
Equity International Small Company  
Equity Europe  
Equity Japan  
Equity China

Equity Asia Pacific  
Equity Asia Pacific (Ex Japan)  
Equity Latin America  
Equity Emerging Markets  
Equity Developed Single Country  
Equity Emerging Single Country  
Equity Regional  
Hybrid Global

##### Asset Allocation

Hybrid U.S. Balanced  
Hybrid U.S. Aggressive  
Hybrid U.S. Income  
Hybrid U.S. Flexible

#### FIXED INCOME STYLES

##### Domestic Taxable Fixed Income

Fixed Income General Long  
Fixed Income General Intermediate  
Fixed Income General Short  
Fixed Income High Yield  
Fixed Income Government Long  
Fixed Income Government Intermediate  
Fixed Income Government Short  
Fixed Income Mortgage-Backed  
Fixed Income Adjustable Rate

##### Domestic Tax-Exempt Fixed Income

Municipal National Long  
Municipal National Intermediate  
Municipal National Short  
Municipal National High Yield  
Municipal Single State Long  
Municipal Single State Intermediate  
Municipal Single State Short  
Municipal California  
Municipal New York

##### Global Fixed Income

Fixed Income Global  
Fixed Income Emerging Markets  
Fixed Income Global Multisector

#### MONEY MARKET STYLES

##### Money Market

Money Market Taxable Government and Repos Funds  
Money Market Taxable Government Only  
Money Market Taxable General  
Money Market Taxable International  
Money Market Tax-Exempt National  
Money Market Tax-Exempt Single State

**Mutual Fund Reports provide what you need to know to make informed decisions.**

## For Quick Reference...

### “What type of fund is it?”

**Style Drift** — Indicates a fund’s tendency to stray from its investment style over the past three years; identified as low, medium, or high, based on its deviation from its style benchmark index.

### “What does the portfolio look like?”

**Modern Portfolio Theory Statistics** — Indicates a fund’s sensitivity to market fluctuations and the degree to which its behavior relates to external benchmarks, and compares those statistics to its peers. Also provides performance evaluations through alpha and Sharpe ratios.

### “How has this fund performed?”

**Performance of \$10,000 Investment** — Illustrates how an initial \$10,000 investment in the fund would have grown in the past five years (or since inception), compared with its style and category benchmark indices. The total return calculation assumes that all dividends and income have been reinvested.

### “How has the fund done versus its peers?”

**Total Return Rank. For more details, see the section entitled**

*Fund Rankings: Objective, Focused, Based on Risk-Adjusted Returns*

- Standard & Poor’s database covers more than 80,000 investment funds.
- We have NASD-filed Mutual Fund Reports on over 16,500 U.S. mutual funds.
- You can search S&P Mutual Fund Reports on over 150 screening criteria.
- Standard & Poor’s has over 45 mutual fund analysts located in six offices worldwide.

**Did You Know?**

FLEXIBLE

MUTUAL FUNDS

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EQUITIES  
DATA ANALYSIS

# Standard & Poor's Style Classifications

## EQUITY STYLES

### Domestic Equity

Equity Large Cap Growth  
Equity Large Cap Blend  
Equity Large Cap Value  
Equity Mid Cap Growth  
Equity Mid Cap Blend  
Equity Mid Cap Value  
Equity Small Cap Growth  
Equity Small Cap Blend  
Equity Small Cap Value  
Equity All Cap Growth  
Equity All Cap Value  
Equity Energy Sector  
Equity Financials Sector  
Equity Healthcare Sector

Equity Information  
Technology Sector  
Equity Materials Sector  
Equity Telecom Sector  
Equity Utilities Sector  
Equity U.S. Real Estate Sector  
Equity Sector

### Global Equity

Equity Global  
Equity Global Small Company  
Equity International  
Equity International Small  
Company  
Equity Europe  
Equity Japan

Equity China  
Equity Asia Pacific  
Equity Asia Pacific (Ex Japan)  
Equity Latin America  
Equity Emerging Markets  
Equity Developed Single Country  
Equity Emerging Single Country  
Equity Regional  
Hybrid Global

### Asset Allocation

Hybrid U.S. Balanced  
Hybrid U.S. Aggressive  
Hybrid U.S. Income  
Hybrid U.S. Flexible

## FIXED INCOME STYLES

### Domestic Taxable

#### Fixed Income

Fixed Income General Long  
Fixed Income General Intermediate  
Fixed Income General Short  
Fixed Income High Yield  
Convertibles  
Fixed Income Government Long  
Fixed Income Government  
Intermediate  
Fixed Income Government Short  
Fixed Income Mortgage-Backed  
Fixed Income Adjustable Rate

### Domestic Tax-Exempt

#### Fixed Income

Municipal National Long  
Municipal National Intermediate  
Municipal National Short  
Municipal National High Yield  
Municipal Single State Long  
Municipal Single State  
Intermediate  
Municipal Single State Short  
Municipal California  
Municipal New York

### Global Fixed Income

Fixed Income Global  
Fixed Income Emerging Markets  
Fixed Income Global Multisector

## MONEY MARKET STYLES

### Money Market

Money Market Taxable  
Government and  
Repos Funds  
Money Market Taxable  
Government Only  
Money Market Taxable General  
Money Market Taxable  
International  
Money Market Tax-Exempt  
National  
Money Market Tax-Exempt  
Single State

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# Standard & Poor's Mutual Fund Report

**Category** — Identifies which of the Standard & Poor's broad category designations applies to the fund: Domestic Equity, Global Equity, Asset Allocation, Domestic Taxable Fixed Income, Domestic Tax-Exempt Fixed Income, Global Fixed Income, or Money Market.

**Style** — Identifies which of 67 investment styles best explains a fund's pattern of investing, using returns-based style analysis. This analysis helps to identify funds that are most appropriate for a given investment objective or risk profile and may result in a classification different from a fund's stated investment objective.

**Style Drift** — Indicates a fund's tendency to stray from its investment style over the past three years; identified as low, medium, or high, based on its deviation from its style benchmark index.

**Recent Trading Data** — Displays a fund's latest month-end net asset value (NAV), current assets, and SEC yield, a standardized statistic that provides a uniform method of comparing yields.

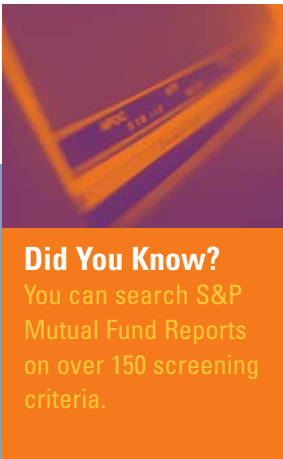
**Modern Portfolio Theory Statistics** — Indicates a fund's sensitivity to market fluctuations and the degree to which its behavior relates to external benchmarks, and compares those statistics to its peers. Also provides performance evaluations through alpha and Sharpe ratios.

**Other Key Statistics** — Highlights important statistics about a fund's holdings and compares them to those of its style peers. For equity funds, these include the average price-to-earnings and price-to-book ratios, average market capitalization, and dividend yield. For fixed-income funds, these include average duration, weighted average maturity, average coupon, and average credit quality. For all funds, the total number of holdings and portfolio turnover is indicated.

**Investment Minimum** — Shows the dollar minimum investment required for making an initial investment, to buy additional shares, and for IRA purchases.

**Fees & Expenses** — Includes a detailed analysis of a fund's various fees and expenses, including maximum front-end sales load, back-end sales load if shares are redeemed after the first year, management fee, and 12b-1 fee. Also included are the fund's expense ratio and that of its style peers.

**Highlights** — Spotlights recent developments that investors should know, including any changes to a fund's ranking, investment management, objective, or style classification.



**Did You Know?**  
You can search S&P Mutual Fund Reports on over 150 screening criteria.

STANDARD & POOR'S Growth Fund of		
Mutual Fund Reports		
<b>CATEGORY</b>		
Domestic Equity	✓	
Domestic Taxable Fixed Income		
Domestic Tax-Exempt Fixed Income		
Money Market		
Global Equity		
Global Fixed Income		
Asset Allocation		
<b>STYLE</b>		
Growth	Blend	
Value		
Large Cap	✓	
Mid Cap		
Small Cap		
All Cap		
Style Drift	Low	
Style Index	S&P 500/BARRA Growth Index	
<b>RECENT TRADING DATA</b>		
NAV (8/31/04)	\$24.43	
Total Net Assets (Mil.)	\$52,537.07	
SEC Yield	NA	
<b>MODERN PORTFOLIO THEORY STATISTICS (8/31/04)</b>		
	Fund	Peers
Beta	1.07	1.01
Alpha	0.10	-0.30
R <sup>2</sup>	0.92	0.88
Standard Deviation	18.15	18.15
Sharpe Ratio	0.02	-0.26
<b>OTHER KEY STATISTICS</b>		
	Fund	Peers
Average P/E	24.00	26.04
Average P/B	4.37	5.28
Avg. Market Cap (Mil.)	72,684	77,563
Dividend Yield	0.02	0.14
Portfolio Turnover	25.00%	93.87%
No. of Holdings	380	NA
<b>INVESTMENT MINIMUM</b>		
Initial	\$250	
IRA	\$250	
Subsequent	\$50	
<b>FEES &amp; EXPENSES (%)</b>		
Maximum Front End Sales Load	5.75	
1st Year Red. Fee	0.00	
Management Fee	0.31	
12b-1 Fee	0.25	
Fund Expense Ratio:	0.76	
Peers Expense Ratio:	1.50	

# ts Defined

**Growth Fund of America/A**  
(Today's Date)  
Fund Symbol: **AGTHX**

**OVERALL S&P RANKING \*\*\*\*\***

**Overall Style Ranking**  
Equity Large Cap Growth  
1-Year Rank: \*\*\*\*\*  
3-Year Rank: \*\*\*\*\*  
5-Year Rank: \*\*\*\*\*  
10-Year Rank: \*\*\*\*\*

**Overall Category Ranking**  
Domestic Equity: \*\*\*\*  
3-Year Risk Rank: Moderate

Initial Investment at 8/31/1999: \$10,000  
Value at 8/31/04 of Fund: \$12,118  
S&P 500/BARRA Growth Index: \$7,499  
S&P 500 Composite Index: \$9,010

**Performance of \$10,000 Investment**

**TOTAL RETURN OVERVIEW & TAX ANALYSIS (%) (8/31/04, except as noted)**

	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
	-0.45	8.65	1.85	3.92	13.09	--
	-4.10	3.60	-3.16	-5.69	7.45	NM
BARRA Growth Index	-2.42	6.94	-0.40	-5.59	10.42	NM
S&P 500 Composite Index	0.42	11.45	0.80	-2.06	10.69	NM
As of 8/30/04	NM	14.59	-1.62	3.34	13.92	--
Taxes on Distributions	-6.17	2.40	-0.19	1.64	10.66	--
Taxes on Distr. & Sale	-4.01	2.04	-0.15	2.04	9.90	--
Efficiency Ratio on Distributions	NM	99.62	NM	59.59	78.80	--
Efficiency Ratio on Distr. & Sale	NM	84.77	NM	74.66	70.63	--

**TOTAL RETURN RANK (8/31/04)**

	1 Yr	3 Yr	5 Yr	10 Yr
in Style	154	62	5	2
in Style	1263	1048	756	264
in Category	3779	2223	1323	137
in Category	7080	5702	3959	1330

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The McGraw-Hill Companies

**Overall S&P Ranking** — Indicates the overall fund ranking, based on 3-year risk-adjusted return (Sharpe ratio), relative to other funds within the same investment style group. Funds must also outperform the 3-month T-bill over 3 years to receive a STARS ranking of 4 or 5 from Standard & Poor's (see description on back page). (All S&P rankings do not take into account sales loads or other sales charges.)

**Overall Style Ranking** — Shows a fund's rank relative to its style peers, based on risk-adjusted return for the latest trailing 1-year, 3-year, 5-year, and 10-year periods.

**Overall Category Ranking** — Shows a fund's rank relative to other funds in its investment category based on its 3-year risk-adjusted return. The 3-Year Risk Rank, based on standard deviation, indicates whether the variability in the fund's returns is high, moderately high, moderate, moderately low, or low relative to other funds within the same category.

**Performance of \$10,000 Investment** — Illustrates how an initial \$10,000 investment in the fund would have grown in the past five years (or since inception), compared with its style and category benchmark indices. The total return calculation assumes that all dividends and income have been reinvested.

**Total Return Overview & Tax Analysis** — This section allows users to view fund performance over various time periods and to analyze the fund's tax efficiency. It compares the fund's total return over various periods (year-to-date, trailing 1-year, 3-year, 5-year, 10-year, and since inception) relative to that of its peer group and style and category benchmarks. After-tax return calculations assume that the top tax rates are applied to income and capital gains during the periods they are realized. Tax efficiency ratios compare pre- and post-tax returns using the same assumptions.

**Total Return Rank** — Shows how a fund ranks against its style and category peers over various periods, as measured by total return. Also indicated are the number of funds in its style group and category.



Each Mutual Fund Report features three pages of fund data and a glossary with detailed definitions. In the pages shown below, we outline — point by point — the valuable information available in each Mutual Fund Report.

**Calendar Year History** — Provides key statistics of a fund and relative ranking information for each of the past 10 calendar years (or since inception), allowing readers to analyze the fund's growth and performance relative to its style and category peers, and to track its risk-adjusted ranking over the years.

**Quarterly Performance** — Features a fund's quarter-by-quarter performance, based on total return, plus its annual return for the past five years (or since inception).

**Performance Review** — Offers an easy-to-read text summary of a fund's performance relative to its category and style peers, including relative rankings and outperformance statistics.

**Market Cycle Performance** — Highlights a fund's performance during recent bull and bear market cycles, and compares it with its style and investment category peers.

**Best/Worst Historical Performance During Past 10 Years** — Graphically illustrates the date and total returns of the best and worst month, quarter, year, 3-year, and 5-year periods for both a fund and its appropriate category benchmark index.

(Today's Date)  
Fund Symbol: **AGTHX**

## STANDARD & POOR'S Growth Fund of America/A

### Mutual Fund Reports

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#### CALENDAR YEAR HISTORY

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	Aug '04		
25.53	30.54	16.57	18.78	22.40	29.14	27.08	23.71	18.47	24.54	24.43	NAV	
0.02	29.80	14.84	26.86	31.78	45.70	7.49	-12.28	-22.02	32.90	-0.45	Total Return %	
1.32	37.53	22.95	33.35	28.58	21.04	-9.10	-11.88	-22.09	28.67	0.42	Total Return % (Category)	
--	--	--	--	--	--	--	--	--	--	--	47	Total Return % Rank (Style)
--	--	--	--	--	--	--	--	--	--	--	88	Total Return % Rank (Style)
0.93	1.04	0.81	0.65	0.29	--	--	--	--	--	--	--	SEC Dividend Yield
0.17	0.29	0.11	0.13	0.09	0.05	0.14	0.05	0.02	NM	--	--	Dividends
1.04	2.27	0.86	2.06	2.21	3.19	4.09	--	--	--	--	--	Capital Gains
5.274	7,891	9,675	12,248	16,247	27,407	37,006	36,347	31,104	48,074	52,537	--	Total Net Assets (Mil. \$)
--	--	--	--	--	--	--	--	--	--	7,080	--	Total Funds in Category
--	--	--	--	--	--	--	--	--	--	1,263	--	Total Funds in Style

#### QUARTERLY PERFORMANCE (%)

	1stQ	2ndQ	3rdQ	4thQ	Total
2004	3.46	1.06	--	--	NM
2003	-2.49	17.21	3.65	12.19	32.90
2002	-1.27	-14.48	-13.64	6.93	-22.02
2001	-14.11	9.54	-20.60	17.43	-12.28
2000	17.64	-1.34	1.89	-9.11	7.49
1999	6.03	12.29	-2.17	25.09	45.70

#### MARKET CYCLE PERFORMANCE (%)

Market Type	Dates	Fund	Style Index	Category Index
Bull	10/02-present	41.5	31.3	40.1
Bear	3/00-10/02	-41.6	-53.4	-43.7

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#### PERFORMANCE REVIEW

##### Market Comparison

For the ten-year period ended August 31, 2004, Growth Fund of America/A had an average annualized total return of 13.1%, versus a total return of 10.7% for the S&P 500 Composite Index. On a total return basis, this fund ranked 137 within the entire universe of 1,330 funds in the Domestic Equity category. On a one-year total return basis, this fund ranked 3,779 within the entire universe of 7,080 funds in the Domestic Equity category. The fund has outperformed the S&P 500 Composite Index in 3 of the last 5 years.

##### Peer Comparison

For the ten-year period ended August 31, 2004, Growth Fund of America/A had an average annualized total return of 13.1% compared with a total return of 7.5% for all Equity Large Cap Growth funds. This fund ranked 2 within the entire universe of 264 funds in this peer group. The fund has outperformed its peer group index (S&P 500/BARRA Growth Index) in 4 of the last 5 years.

#### BEST/WORST HISTORICAL PERFORMANCE DURING PAST 10 YEARS (%)

PERIOD	Fund (%)	S&P 500 Composite Index (%)
Best Month (Mar '00)	61.7%	52.1%
Worst Month (Mar '03)	-3.8%	-3.8%
Best Quarter (Q4 '98)	27.2%	21.3%
Worst Quarter (Q3 '01)	-20.6%	-17.3%
Best 1 Year (Mar '00)	41.8%	32.8%
Worst 1 Year (Sep '01)	-26.6%	-32.1%
Best 3 Year (Mar '00)	31.4%	28.5%
Worst 3 Year (Mar '03)	-15.2%	-16.1%
Best 5 Year (Mar '00)	31.4%	28.5%
Worst 5 Year (Mar '03)	-3.8%	-3.8%

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**Family:** American Funds  
**Inception:** 11/30/1973  
**Manager:** Team Managed (Since 12/1973)

**Telephone:** (800)421-0180  
**Website:** www.americanfunds.com  
**Address:** 333 S. Hope Street  
Los Angeles, CA 90071

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### Did You Know?

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## Did You Know?

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# STANDARD & POOR'S Growth Fund of America/A

## Mutual Fund Reports

(Today's Date)  
Fund Symbol: **AGTHX**

### Investment Objective

Part of the American Funds family, Growth Fund of America/A has been managed since December, 1973 by Team Managed. Based on an evaluation of the fund's risk and return characteristics displayed over the past 36 months, Standard & Poor's classifies Growth Fund of America/A as an Equity Large Cap Growth fund. Equity Large Cap Growth Funds seek capital appreciation by investing primarily in stocks of large companies with above-average prospects for earnings growth. Most companies will have market capitalizations of \$10 billion or more. Growth fund managers sometimes pay relatively high prices for stocks they deem to have superior growth potential. Large-cap funds tend to be less volatile than those that invest in smaller companies.

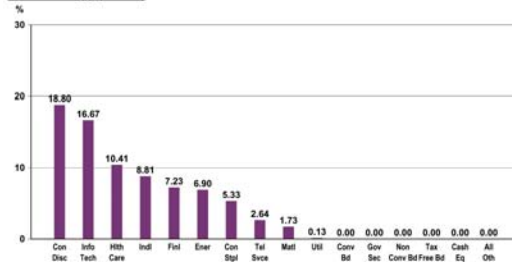
Asset under management as of July 30, 2004, totaled \$52.5 billion, up from \$48.1 billion as of December 31, 2003. As of June 30, 2004, the fund's top holding(s) as a percent of the total portfolio were Time Warner Inc New Com (2.9%), American Intl Group Inc Com (2.7%) and Microsoft Corp Com (2.4%). The portfolio breakdown by asset type as of June 30, 2004, was: common stock (88.9%), cash and equivalents (10.9%) and preferred stock (0.2%).

Based on the last thirty-six months, Standard & Poor's has assigned the fund a Ranking of 5 STARS (5 Highest; 1 Lowest). Additionally, an evaluation of the consistency of the fund's investment style indicates that it has exhibited low style drift over the past three years.

Investors should consider investment objectives, risks, charges and expenses of the investment company carefully before investing. Information on these items and other information about the investment company can be found in prospectus from the Fund company, which should precede or accompany this report or is also available by phone or Web site, listed under General Information. Prospectus should be read carefully before investing.

### PORTFOLIO COMPOSITION

#### Sector Strategy (6/30/04)



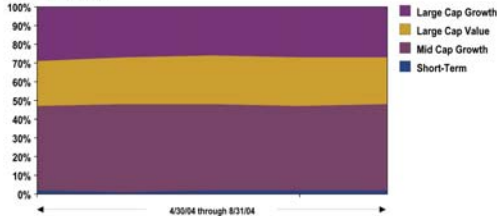
#### Top 10 Holdings (6/30/04)

Company	Percentage (%)
Time Warner Inc New Com	2.93
American Intl Group Inc Com	2.66
Microsoft Corp Com	2.40
Target Corp Com	1.87
Lowe's Cos Inc Com	1.85
Altria Group Inc Com	1.81
Iac / Interactivecorp Com	1.54
Forest Labs Inc Com	1.48
Tyco Intl Ltd New Com	1.47
Biogen IDEC Inc Com	1.36
<b>Total</b>	<b>19.37</b>

#### Asset Type (6/30/04)

Asset Type	Percentage (%)
U.S. Stocks	74.50
U.S. Cash	10.90
U.S. Preferreds	0.20
<b>U.S. Total</b>	<b>85.60</b>
Foreign Stocks	14.40
<b>Foreign Total</b>	<b>14.40</b>

#### Style Composition



Mix of investment styles that best explains the fund's behavior over the last 3 years. May be representative, but not indicative of actual holdings.

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**Investment Objective** — Identifies a fund's overall objective, as determined by Standard & Poor's, including current and historical information about the fund manager and tenure, total assets under management, style classification, portfolio composition, top holdings, and S&P rankings. This investment objective may differ from the fund's stated objective.

**Portfolio Composition** — Includes an in-depth analysis of a fund's portfolio, including its sector distribution, style composition, top 10 holdings, and asset type. For global and international funds, holdings are also broken down by country. This section permits detailed comparisons of different fund holdings and exposure.

**Sector Strategy** — Fund holdings are broken down here by sector, using S&P's Global Industry Classification Standard (GICS®), as well as by type of security, permitting comparisons of balanced or fixed-income funds with equity funds.

**Asset Type** — Reveals a fund's exposure to foreign vs. U.S. investments by asset type.

**Style Composition** — Graphically illustrates a fund's mix of investment styles over the past three years.

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## Fund Rankings: Objective, Focused, Based on Risk-Adjusted Returns

Standard & Poor's ranks funds using its well-known STARS ranking system, based on risk-adjusted returns. Funds are ranked within their overall category and style group; within the style ranking, funds are ranked according to their 1-year,\* 3-year, 5-year, and 10-year risk-adjusted returns. A fund's overall ranking is the same as its 3-year style ranking.

To determine these rankings, Standard & Poor's looks at comparative risk-adjusted returns — or the Sharpe ratio. A widely accepted statistical measurement of risk-adjusted return, the Sharpe ratio nets out the portion of a fund's return comparable to the 3-month Treasury bill, which is the proxy for a "risk-free" investment. It then adjusts the return for the fund's variability, as measured by its 3-year annualized standard deviation. Standard deviation measures how widely the return of an investment varies over a period of time. The greater the deviation from the mean or average return, the greater the volatility, and hence the risk, of an investment. Sharpe ratios are calculated for all funds with at least 36 months of reported returns data.

To summarize, the Sharpe ratio compares return with the risk taken to achieve the return. If two funds achieve the same returns, but one takes on a larger amount of risk, then that one will receive a lower ranking from Standard & Poor's.

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### STARS RANKINGS

A fund's S&P STARS ranking is based on its relative Sharpe ratio. For overall style and category rankings, funds with at least 36 months of operating history are ranked according to how their Sharpe ratio compares to peer funds within the style or category. For a fund to be ranked higher than 3 STARS, its 3-year annualized total return must exceed that of the 3-month Treasury bill. For a fund to be ranked 5 STARS, its annualized 3-year total return must exceed that of its style benchmark, and it must outperform the 3-month T-bill over three years.

### STYLE DRIFT

Style drift measures how closely a fund tracks its investment style. If a fund's performance deviates significantly and repeatedly from its historical norm, it could signal that the behavior of the fund has changed. As a consequence, it may no longer be an appropriate vehicle to meet specific investment objectives. Style drift is calculated based on a fund's deviation from its style benchmark index.

### RISK RANK

Standard & Poor's Risk Rank is based on standard deviation, using 36 monthly observations. It tells you whether the variability in a fund's returns is "high," "moderately low," or "low" relative to similar funds within the same investment style. Funds with high standard deviations exhibit relatively more volatility than those with low standard deviations.

\*One-year rankings are not risk adjusted.