

Balancing Risk and Return

Equity portion is 50% US/50% International

	Fixed Income	10% Equity	20% Equity	30% Equity	40% Equity	50% Equity	60% Equity	70% Equity	80% Equity	90% Equity	100% Equity	S&P 500 Index
1970	10.7	9.3	7.9	6.5	5.0	3.6	2.1	0.7	(0.8)	(2.2)	(3.7)	4.0
1971	6.5	8.8	11.2	13.6	16.0	18.4	20.9	23.4	25.9	28.4	31.0	14.3
1972	2.2	4.6	7.0	9.4	11.9	14.4	17.0	19.6	22.3	24.9	27.7	19.0
1973	5.3	2.7	0.1	(2.5)	(5.0)	(7.5)	(10.0)	(12.4)	(14.8)	(17.1)	(19.5)	(14.7)
1974	8.3	4.5	0.9	(2.6)	(6.0)	(9.4)	(12.6)	(15.8)	(18.9)	(21.9)	(24.8)	(26.5)
1975	6.8	10.8	14.8	19.0	23.2	27.5	31.9	36.3	40.9	45.5	50.2	37.2
1976	10.1	11.7	13.2	14.7	16.3	17.8	19.2	20.7	22.1	23.5	24.9	23.8
1977	2.0	4.2	6.3	8.6	10.8	13.1	15.4	17.8	20.2	22.7	25.2	(7.2)
1978	4.5	7.0	9.6	12.1	14.8	17.4	20.1	22.9	25.6	28.5	31.3	6.6
1979	9.6	10.2	10.7	11.2	11.7	12.1	12.6	13.0	13.4	13.8	14.1	18.4
1980	10.0	11.7	13.4	15.0	16.7	18.3	19.9	21.5	23.1	24.7	26.3	32.4
1981	19.2	17.7	16.1	14.6	13.0	11.5	10.0	8.4	6.9	5.4	3.9	(4.9)
1982	24.2	23.0	21.9	20.7	19.5	18.3	17.1	15.9	14.7	13.5	12.3	21.4
1983	7.0	9.3	11.7	14.1	16.5	19.0	21.5	24.1	26.7	29.4	32.1	22.5
1984	10.0	9.6	9.1	8.7	8.2	7.7	7.2	6.7	6.2	5.6	5.1	6.3
1985	17.3	19.7	22.1	24.6	27.2	29.8	32.4	35.1	37.8	40.5	43.3	32.2
1986	13.4	15.4	17.4	19.4	21.4	23.5	25.5	27.6	29.6	31.7	33.8	18.5
1987	3.7	5.5	7.2	8.8	10.4	12.0	13.5	14.9	16.2	17.4	18.6	5.2
1988	5.2	7.2	9.3	11.4	13.6	15.7	18.0	20.2	22.5	24.8	27.1	16.8
1989	8.1	9.7	11.3	12.9	14.6	16.2	17.9	19.5	21.2	22.9	24.6	31.5
1990	8.9	6.4	3.9	1.5	(0.9)	(3.3)	(5.7)	(8.1)	(10.4)	(12.6)	(14.9)	(3.2)
1991	10.8	12.5	14.2	16.0	17.7	19.4	21.2	22.9	24.7	26.4	28.1	30.5
1992	5.2	5.0	4.9	4.7	4.5	4.4	4.2	4.0	3.8	3.6	3.4	7.7
1993	7.3	9.3	11.4	13.4	15.5	17.6	19.7	21.9	24.1	26.3	28.6	10.0
1994	(2.8)	(2.2)	(1.5)	(0.9)	(0.2)	0.4	1.1	1.7	2.3	3.0	3.6	1.3
1995	11.0	11.7	12.3	13.0	13.7	14.4	15.0	15.7	16.4	17.0	17.7	37.4
1996	7.9	8.4	8.8	9.2	9.6	10.0	10.3	10.7	11.1	11.4	11.8	23.1
1997	6.0	6.1	6.1	6.2	6.2	6.2	6.2	6.1	6.1	6.1	6.0	33.4
1998	6.4	6.5	6.7	6.7	6.8	6.7	6.7	6.5	6.3	6.1	5.8	28.6
1999	3.1	5.1	7.0	9.0	11.0	13.0	15.0	17.1	19.2	21.2	23.3	21.0
2000	5.5	4.5	3.4	2.3	1.3	0.2	(0.9)	(1.9)	(3.0)	(4.1)	(5.2)	(9.1)
2001	4.9	4.4	3.7	3.1	2.4	1.7	0.9	0.1	(0.7)	(1.5)	(2.4)	(11.9)
2002	6.7	5.1	3.4	1.7	0.1	(1.7)	(3.4)	(5.1)	(6.8)	(8.5)	(10.3)	(22.1)
2003	1.4	5.6	9.8	14.2	18.8	23.5	28.3	33.3	38.4	43.7	49.2	28.7
2004	0.8	2.9	4.9	7.0	9.1	11.3	13.5	15.7	17.9	20.1	22.4	10.9
Annual Return	7.5	8.3	9.0	9.7	10.4	11.1	11.8	12.4	13.0	13.6	14.2	11.3
Standard Deviation	3.4	3.6	4.4	5.6	7.0	8.5	10.1	11.7	13.4	15.1	16.8	17.4
Worst Month	(2.9)	(2.4)	(3.0)	(4.4)	(6.1)	(8.1)	(10.2)	(12.3)	(14.5)	(16.6)	(18.7)	(21.5)
Worst 3 Months	(4.2)	(3.5)	(3.5)	(5.3)	(7.8)	(10.2)	(12.6)	(15.0)	(17.4)	(19.8)	(22.1)	(29.5)
Worst 12 Months	(2.8)	(2.7)	(2.8)	(6.3)	(10.9)	(15.4)	(19.7)	(23.8)	(27.7)	(31.5)	(35.1)	(38.9)
Worst 36 Months	8.6	12.2	8.0	3.9	(0.1)	(4.1)	(7.9)	(11.9)	(15.8)	(19.6)	(23.3)	(40.9)
Worst 60 Months	20.4	23.2	21.1	17.4	13.7	10.0	6.2	2.3	(1.5)	(5.4)	(9.3)	(17.5)

A global equity portfolio ideally consists of the following allocation: 12.5% each: US large, US large value, US small, US small value 10% each: Int'l large, Int'l large value, Int'l small, Int'l small value, emerging markets.

