

# HISTORICAL BOND MARKET RETURNS

as of 12/31/11

## Annual Returns for Barclays Capital Indices – Ranked in order of performance (best to worst)

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
CMBS 13.47%	U.S. Corporate 10.40%	CMBS 15.32%	U.S. Corp HY 28.97%	U.S. Corp HY 11.13%	Municipal 3.51%	U.S. Corp HY 11.85%	Int. Aggregate 7.02%	U.S. MBS 8.34%	U.S. Corp HY 58.21%	CMBS 20.40%	Municipal 10.70%
Municipal 11.68%	ABS 9.81%	U.S. Corporate 10.52%	U.S. Corporate 7.70%	U.S. Corporate 5.24%	U.S. Corp HY 2.73%	U.S. MBS 5.22%	U.S. Aggregate 6.97%	U.S. Aggregate 5.24%	CMBS 28.45%	U.S. Corp HY 15.12%	U.S. Corporate 8.15%
U.S. Aggregate 11.63%	CMBS 9.44%	U.S. Aggregate 10.26%	Municipal 5.31%	U.S. MBS 4.70%	U.S. MBS 2.61%	Municipal 4.84%	U.S. MBS 6.90%	Int. Aggregate 4.86%	ABS 24.72%	U.S. Corporate 9.00%	U.S. Aggregate 7.84%
U.S. MBS 11.16%	Int. Aggregate 8.68%	Municipal 9.60%	CMBS 4.66%	Municipal 4.48%	U.S. Aggregate 2.43%	CMBS 4.73%	CMBS 5.57%	Municipal -2.47%	U.S. Corporate 18.68%	U.S. Aggregate 6.54%	U.S. MBS 6.23%
ABS 10.84%	U.S. Aggregate 8.44%	Int. Aggregate 9.49%	U.S. Aggregate 4.10%	U.S. Aggregate 4.34%	ABS 2.09%	ABS 4.70%	U.S. Corporate 4.56%	U.S. Corporate -4.94%	Municipal 12.91%	Int. Aggregate 6.15%	CMBS 6.02%
Int. Aggregate 10.63%	U.S. MBS 8.22%	U.S. MBS 8.75%	ABS 4.01%	CMBS 4.10%	Int. Aggregate 2.01%	Int. Aggregate 4.58%	Municipal 3.36%	ABS -12.72%	Int. Aggregate 6.46%	ABS 5.85%	Int. Aggregate 5.97%
U.S. Corporate 11.68%	U.S. Corp HY 5.28%	ABS 8.55%	Int. Aggregate 3.81%	Int. Aggregate 3.74%	U.S. Corporate 1.96%	U.S. Aggregate 4.33%	ABS 2.21%	CMBS -20.52%	U.S. Aggregate 5.93%	U.S. MBS 5.37%	ABS 5.14%
U.S. Corp HY 11.68%	Municipal 5.13%	U.S. Corp HY -1.41%	U.S. MBS 3.07%	ABS 3.00%	CMBS 1.82%	U.S. Corporate 4.26%	U.S. Corp HY 1.87%	U.S. Corp HY -26.16%	U.S. MBS 5.89%	Municipal 2.38%	U.S. Corp HY 4.98%

**The U.S. Aggregate Bond Index** is a comprehensive benchmark for U.S. investment-grade fixed income investments. It incorporates securities rated “BBB” or higher from the U.S. Government, Corporate, Mortgage-Backed, Commercial Mortgage-Backed and Asset-Backed markets. This index typically has a duration between 4.0 and 5.0 years.

**The Intermediate Aggregate Bond Index** is a comprehensive benchmark for intermediate-duration U.S. investment-grade fixed income investments. It incorporates securities rated “BBB” or higher from the U.S. Government, Corporate, Mortgage-Backed, Commercial Mortgage-Backed, and Asset-Backed markets. This index typically has a duration between 2.7 and 3.7 years.

**The ABS Index** is the ABS component of the U.S. Aggregate Bond Index and includes pass-through, bullet, and controlled amortization structures. The ABS Index includes only the senior class of each ABS issue and the ERISA-eligible B and C tranche.

**The CMBS Index** is the CMBS component of the U.S. Aggregate Bond Index and includes investment grade CMBS securities that are ERISA eligible.

**The U.S. MBS Index** covers agency mortgage-backed pass through securities issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**The U.S. Corporate Index** includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet certain maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-Registered.

**The U.S. Corporate High Yield Bond Index** 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.

**The Municipal Index** covers the USD-denominated long term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded.

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## Annual Returns for Key Treasury & Money Fund Indices – Ranked in order of performance (best to worst)

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Citigroup 5-Yr. U.S. Treasury 12.16%	Merrill Lynch 1-3 Yr. Treasury 8.30%	Citigroup 5-Yr. U.S. Treasury 12.54%	5-Yr U.S. Treasury (Rolling CMT) 4.70%	5-Yr U.S. Treasury (Rolling CMT) 4.33%	5-Yr U.S. Treasury (Rolling CMT) 3.85%	Merrill Lynch 90-Day U.S. T-Bill 4.85%	Citigroup 5-Yr. U.S. Treasury 10.13%	Citigroup 5-Yr. U.S. Treasury 14.31%	5-Yr U.S. Treasury (Rolling CMT) 3.73%	Citigroup 5-Yr. U.S. Treasury 6.98%	Citigroup 5-Yr. U.S. Treasury 9.37%
Merrill Lynch 1-3 Yr. Treasury 8.00%	Citigroup 2-Yr. U.S. Treasury 8.04%	Citigroup 2-Yr. U.S. Treasury 6.70%	Citigroup 2-Yr. U.S. Treasury 2.21%	Citigroup 5-Yr. U.S. Treasury 2.67%	Merrill Lynch 90-Day U.S. T-Bill 3.07%	MFR Money Market 4.50%	Citigroup 2-Yr. U.S. Treasury 7.58%	Citigroup 2-Yr. U.S. Treasury 7.93%	Citigroup 2-Yr. U.S. Treasury 1.07%	5-Yr U.S. Treasury (Rolling CMT) 3.41%	5-Yr U.S. Treasury (Rolling CMT) 2.86%
Citigroup 2-Yr. U.S. Treasury 7.84%	Citigroup 5-Yr. U.S. Treasury 6.86%	Merrill Lynch 1-3 Yr. Treasury 5.76%	Citigroup 5-Yr. U.S. Treasury 1.98%	Merrill Lynch 90-Day U.S. T-Bill 1.33%	MFR Money Market 2.66%	Merrill Lynch 1-3 Yr. Treasury 3.96%	Merrill Lynch 1-3 Yr. Treasury 7.32%	Merrill Lynch 1-3 Yr. Treasury 6.61%	Merrill Lynch 1-3 Yr. Treasury 0.78%	Citigroup 2-Yr. U.S. Treasury 2.45%	Citigroup 2-Yr. U.S. Treasury 1.60%
Merrill Lynch 90-Day U.S. T-Bill 6.18%	5-Yr U.S. Treasury (Rolling CMT) 5.66%	5-Yr U.S. Treasury (Rolling CMT) 5.23%	Merrill Lynch 1-3 Yr. Treasury 1.90%	Merrill Lynch 1-3 Yr. Treasury 0.91%	Merrill Lynch 1-3 Yr. Treasury 1.67%	Citigroup 2-Yr. U.S. Treasury 3.72%	Merrill Lynch 90-Day U.S. T-Bill 5.00%	5-Yr U.S. Treasury (Rolling CMT) 3.90%	Merrill Lynch 90-Day U.S. T-Bill 0.21%	Merrill Lynch 1-3 Yr. Treasury 2.35%	Merrill Lynch 1-3 Yr. Treasury 1.55%
MFR Money Market 5.88%	Merrill Lynch 90-Day U.S. T-Bill 4.42%	Merrill Lynch 90-Day U.S. T-Bill 1.78%	Merrill Lynch 90-Day U.S. T-Bill 1.15%	Citigroup 2-Yr. U.S. Treasury 0.91%	Citigroup 2-Yr. U.S. Treasury 1.31%	5-Yr U.S. Treasury (Rolling CMT) 3.72%	MFR Money Market 4.69%	Merrill Lynch 90-Day U.S. T-Bill 2.06%	MFR Money Market 0.17%	Merrill Lynch 90-Day U.S. T-Bill 0.13%	Merrill Lynch 90-Day U.S. T-Bill 0.10%
5-Yr U.S. Treasury (Rolling CMT) 5.84%	MFR Money Market 3.66%	MFR Money Market 1.28%	MFR Money Market 0.63%	MFR Money Market 0.82%	Citigroup 5-Yr. U.S. Treasury 0.34%	Citigroup 5-Yr. U.S. Treasury 2.31%	5-Yr U.S. Treasury (Rolling CMT) 3.82%	MFR Money Market 2.04%	Citigroup 5-Yr. U.S. Treasury -1.90%	MFR Money Market 0.04%	MFR Money Market 0.02%

The Citigroup 2-Year U.S. Treasury is a hypothetical 2-year duration Treasury representing a blend of the return of the Citigroup 2-Year and 5-Year U.S. Treasury Indices. The Citigroup 2-Year and 5-Year U.S. Treasury Indices are the return of the 2- and 5-Year U.S. Treasury securities, respectively, issued during the pertinent period, assuming that the return of the most recently issued 2- or 5-Year U.S. Treasury security is in place until replaced by the next succeeding issue of such securities.

The Citigroup 5-Year U.S. Treasury is a hypothetical 5-year duration Treasury representing a blend of the return of the Citigroup 5-Year and 10-Year U.S. Treasury Indices. The Citigroup 5-Year and 10-Year U.S. Treasury Indices are the return of the 5- and 10-Year U.S. Treasury securities, respectively, issued during the pertinent period, assuming that the return of the most recently issued 5- or 10-Year U.S. Treasury security is in place until replaced by the next succeeding issue of such securities.

The 5-Year U.S. Treasury (Rolling CMT) represents the average monthly yield for the most current 5-Year Treasury Notes over the trailing 60 months.

The Merrill Lynch 90-Day U.S. Treasury Bill Index is composed of a single 90-Day Treasury bill issue that is replaced on a monthly basis.

The Merrill 1-3 Year Treasury Index is composed of U.S. Treasury securities with maturities between one and three years. This index typically has a duration of between 1.5 and 2.0 years.

The MFR Money Market Index is the all-taxable money fund report average, a product of iMoneyNet, Inc., and is presented net of certain fees and expenses.