

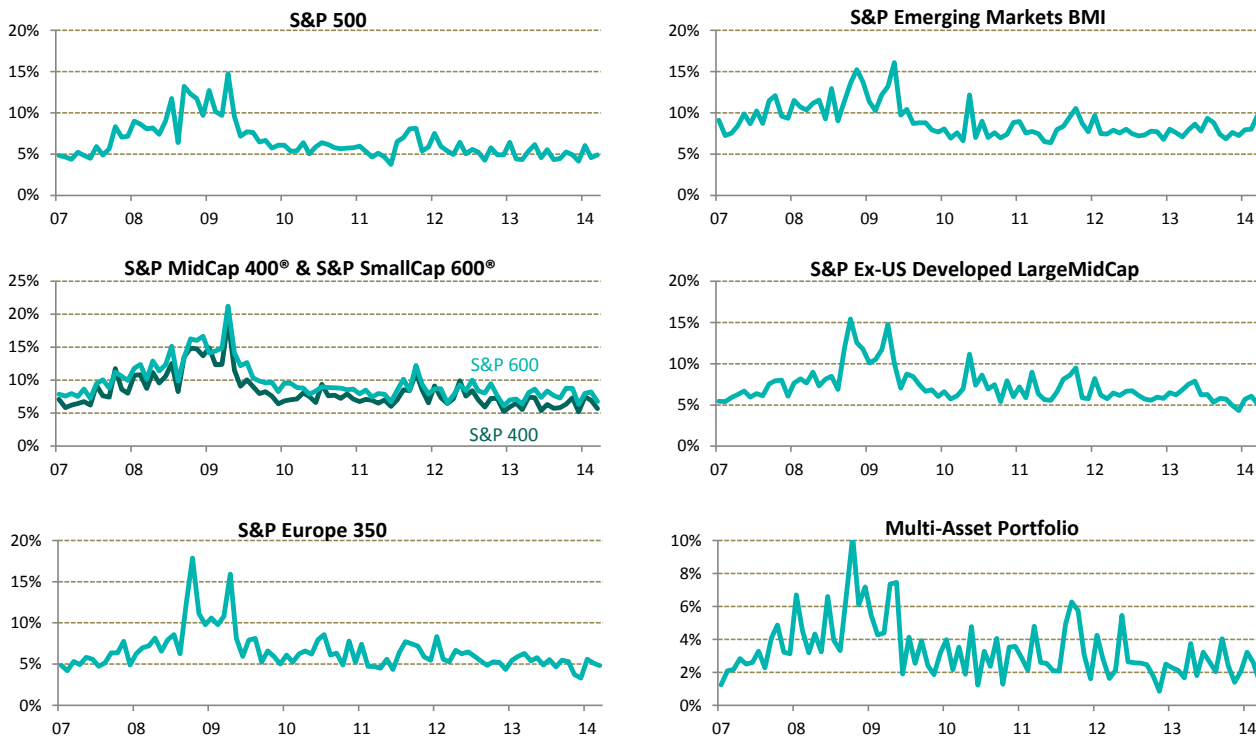
Index Investment Strategy

DISPERSION

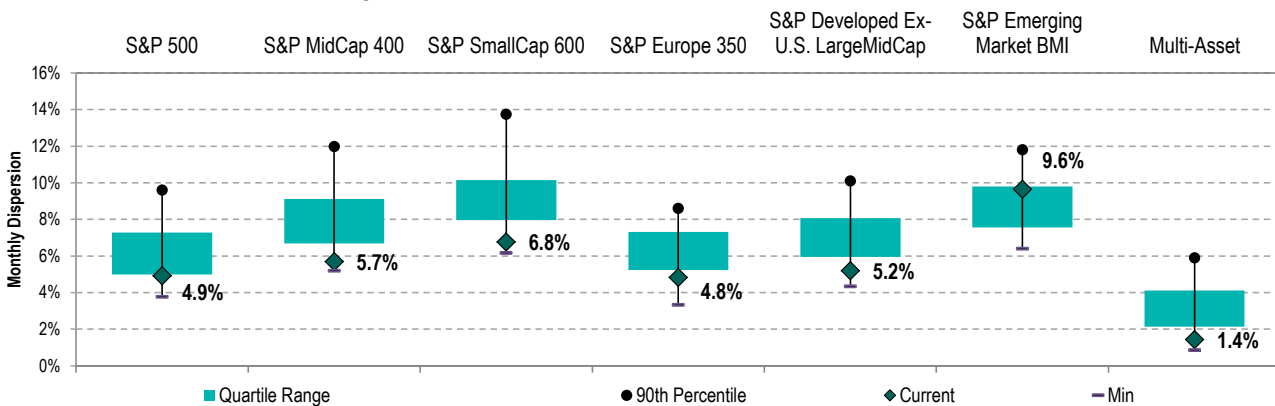
Commentary

- The story of March was in several respects a "reversion to the mean": emerging market equities outperformed developed markets for the first time since October 2013, the S&P 500® stayed within its tightest monthly range since January 2007 and ended the month more or less flat.
- In further evidence of mean reversion, many of the worst performing U.S. stocks by March end were those ending February with strongly positive momentum. As might be expected in such an environment, dispersion for U.S. equities indices fell, as did the dispersion of the S&P Europe 350®.
- However, dispersion increased considerably within emerging markets, now at the highest level for the past two years.

Monthly Dispersion Jan. 2007 - Mar. 2014



Current Levels and Historical Range



Source: S&P Dow Jones Indices LLC and/or its affiliates as of March 31, 2014. Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results. For more information, please visit our website at www.spdji.com

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NOTES AND DISCLAIMER

Notes

- Source: S&P Dow Jones Indices as of March 31, 2014.
- Dispersion shown based on calendar month stock level index dispersion. See the paper "[Dispersion: Measuring Market Opportunity](#)" for the definition of index dispersion and more information on the uses of dispersion.
- Dispersions are calculated in each case on a monthly basis at the stock level using index weights from January 2007 to March 2014 inclusive. All calculations based total return indices in USD unhedged except in the case of the S&P Europe 350, the latter provided in EUR total returns.
- The Multi-Asset Portfolio comprises equal weights in each of: the S&P 500, S&P Europe 350, S&P Emerging Market BMI, S&P GSCI[®], S&P TOPIX 150, Barclays Aggregate U.S. Corporate High Yield, Barclays Aggregate U.S. Bond and S&P / Citigroup International Treasury Bond Ex-US Indices. All returns are total returns in USD unhedged.

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