



S&P INDICES VERSUS ACTIVE FUNDS (SPIVA®) SCORECARD

Summary

- There is nothing novel about the index versus active debate. It has been a contentious subject for decades, and there are strong opinions on both sides. Over the last decade, the S&P Indices versus Active Funds Scorecard (SPIVA) has served as the de facto scorekeeper of this debate.
- Beyond the SPIVA Scorecard's widely cited headline numbers is a rich data set that addresses issues related to equal- and asset-weighted measurement techniques, universe composition and fund survivorship that are less frequently discussed, but are often far more fascinating. SPIVA's companion, the Persistence Scorecard, tracks another important metric: the probability of active managers repeating top-quartile and top-half performance.
- As we noted previously in the 10th anniversary SPIVA report, one-year figures fluctuate wildly and can favor either active funds or benchmarks depending on the market environment. However, the trend of a large percentage of managers failing to outperform their benchmarks over a longer-term horizon remains consistent.
- Over the last five years, the majority of active equity and bond managers in most categories lagged comparable benchmarks. Within the U.S. equity space, with the exception of large-cap value, the active equity managers in all the categories failed to outperform the corresponding benchmarks. 65.44% of the large-cap active managers lagged behind the S&P 500®, 81.57% of mid-cap funds were outperformed by the S&P MidCap 400® and 77.73% of the small-cap funds were outperformed by the S&P SmallCap 600®.
- On an international equity front, active managers in the international small-cap funds category continue to be an exception, with over 75% outperforming the benchmark.
- The five-year data is unequivocal for fixed income funds. In most bond categories, benchmark indices outperformed a majority of active managers. We do acknowledge that bond benchmarks are not fully replicable. There are fewer index funds in these categories, and the index-based ETFs that are available are heavily optimized with occasionally high tracking errors.
- For proponents of style box driven investing and the asset allocation framework, style consistency matters tremendously. We note that over a five-year horizon, barely half of the funds that survive remain consistent in their original style box.
- Over the last five years, approximately 24% of domestic equity funds, 22% of international equity funds and 15% of fixed income funds merged or liquidated.

Mid-Year 2012

Contributor:

Aye Soe

Director, Global Research & Design

aye_soe@spdji.com

*Introducing a new way to
explore indices*
www.spdji.com/spindices

A UNIQUE SCORECARD FOR THE ACTIVE VERSUS PASSIVE DEBATE

There is nothing novel about the index versus active debate. It has been a contentious subject for decades, and there are a few strong believers on both sides, with the vast majority of investors falling somewhere in between. Since it was first published 10 years ago, the SPIVA Scorecard has served as the de facto scorekeeper of the active versus passive debate. Over the last decade, we have heard passionate arguments from believers in both camps when headline numbers have deviated from their beliefs.

Beyond the SPIVA Scorecard's widely cited headline numbers is a rich data set that addresses issues related to measurement techniques, universe composition and fund survivorship that are far less frequently discussed, but are often far more fascinating. These data sets are rooted in the fundamental principles of the SPIVA Scorecard that regular readers will be familiar with, including:

- **Survivorship bias correction:** Many funds might be liquidated or merged during a period of study. However, for someone making an investment decision at the beginning of the period, these funds are part of the opportunity set. Unlike other commonly available comparison reports, SPIVA Scorecards account for the entire opportunity set – not just the survivors – thereby eliminating survivorship bias.
- **Apples-to-apples comparison:** Fund returns are often compared to popular benchmarks such as the S&P 500®, regardless of size or style classification. SPIVA Scorecards avoid this pitfall by measuring a fund's returns against the returns of a benchmark appropriate for that particular investment category.
- **Asset-weighted returns:** Average returns for a fund group are often calculated using only equal weighting, which results in the returns of a USD 10 billion fund affecting the average in the same manner as the returns of a USD 10 million fund. An accurate representation of how investors fared in a particular period can be ascertained by calculating weighted average returns where each fund's return is weighted by net assets. SPIVA Scorecards show both equal- and asset-weighted averages.
- **Style consistency:** SPIVA Scorecards measure style consistency for each style category across different time horizons. Style consistency is an important metric because style drift (the tendency of funds to diverge from their initial investment categorization) can have an impact on asset allocation decisions.
- **Data Cleaning:** SPIVA Scorecards avoid double counting multiple share classes in all count-based calculations, using only the share class with greater assets. Since this is meant to be a scorecard for active managers, index funds, leveraged and inverse funds, and other index-linked products are excluded.

The scorecard offers the only comprehensive, periodic and publicly available source of such data. Previous reports are available [here](#).

REPORTS

Report 1: Percentage of U.S. Equity Funds Outperformed by Benchmarks

Fund Category	Comparison Index	One Year (%)	Three Years (%)	Five Years (%)
All Domestic Equity Funds	S&P Composite 1500	89.84	73.24	67.72
All Large-Cap Funds	S&P 500	85.51	85.16	65.44
All Mid-Cap Funds	S&P MidCap 400	70.83	85.63	81.57
All Small-Cap Funds	S&P SmallCap 600	90.95	83.89	77.73
All Multi-Cap Funds	S&P Composite 1500	92.21	85.31	76.21
Large-Cap Growth Funds	S&P 500 Growth	94.52	86.08	82.76
Large-Cap Core Funds	S&P 500	85.51	90.6	71.37
Large-Cap Value Funds	S&P 500 Value	72.64	76.57	39.25
Mid-Cap Growth Funds	S&P MidCap 400 Growth	63.74	92.09	89.94
Mid-Cap Core Funds	S&P MidCap 400	73.57	88.89	88.35
Mid-Cap Value Funds	S&P MidCap 400 Value	80.23	80.36	74.71
Small-Cap Growth Funds	S&P SmallCap 600 Growth	91.56	92.77	84.74
Small-Cap Core Funds	S&P SmallCap 600	91.23	89.01	80.18
Small-Cap Value Funds	S&PSmallCap 600 Value	88.07	73.94	64.58
Multi-Cap Growth Funds	S&P Composite 1500 Growth	95.77	80.65	87.97
Multi-Cap Core Funds	S&P Composite 1500	92.34	88.56	77.01
Multi-Cap Value Funds	S&P Composite 1500 Value	86.51	84.76	67.81
Real Estate Funds	S&P BMI United States REIT	85.29	90	72.63

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Outperformance is based upon equal weighted fund counts. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 2: Survivorship and Style Consistency of U.S. Equity Funds**One Year**

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
All Domestic Funds	2914	94.65	86.03
All Large-Cap Funds	1104	93.66	87.50
All Mid-Cap Funds	408	94.85	82.60
All Small-Cap Funds	619	95.96	88.69
All Multi-Cap Funds	783	94.89	83.65
Large-Cap Growth Funds	347	95.1	88.76
Large-Cap Blend Funds	428	92.06	85.98
Large-Cap Value Funds	329	94.22	88.15
Mid-Cap Growth Funds	182	93.96	88.46
Mid-Cap Blend Funds	140	95.71	73.57
Mid-Cap Value Funds	86	95.35	84.88
Small-Cap Growth Funds	225	96.44	90.22
Small-Cap Blend Funds	285	95.09	85.26
Small-Cap Value Funds	109	97.25	94.5
Multi-Cap Growth Funds	213	93.9	85.45
Multi-Cap Core Funds	444	94.82	83.33
Multi-Cap Value Funds	126	96.83	81.75
Real Estate Funds	136	99.26	99.26

Three Years

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
All Domestic Funds	3012	83.73	60.03
All Large-Cap Funds	1085	82.86	67.65
All Mid-Cap Funds	480	82.92	51.88
All Small-Cap Funds	664	85.69	64.31
All Multi-Cap Funds	783	83.78	50.83
Large-Cap Growth Funds	352	84.94	69.89
Large-Cap Blend Funds	383	80.94	67.10
Large-Cap Value Funds	350	82.86	66.00

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 2: Survivorship and Style Consistency of U.S. Equity Funds (continued)**Three Years (continued)**

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Mid-Cap Growth Funds	215	79.53	58.60
Mid-Cap Blend Funds	153	83.66	45.10
Mid-Cap Value Funds	112	88.39	48.21
Small-Cap Growth Funds	249	86.75	69.48
Small-Cap Blend Funds	273	85.35	64.84
Small-Cap Value Funds	142	84.51	54.23
Multi-Cap Growth Funds	217	82.03	46.08
Multi-Cap Core Funds	402	85.07	60.45
Multi-Cap Value Funds	164	82.93	33.54
Real Estate Funds	140	92.86	92.86

Five Years

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
All Domestic Funds	2162	75.58	50.23
All Large-Cap Funds	651	74.96	60.68
All Mid-Cap Funds	369	74.25	43.36
All Small-Cap Funds	503	77.34	55.27
All Multi-Cap Funds	639	75.59	39.59
Large-Cap Growth Funds	203	70.94	60.10
Large-Cap Blend Funds	234	73.93	56.84
Large-Cap Value Funds	214	79.91	65.42
Mid-Cap Growth Funds	179	67.6	44.13
Mid-Cap Blend Funds	103	79.61	43.69
Mid-Cap Value Funds	87	81.61	41.38
Small-Cap Growth Funds	190	75.26	57.89
Small-Cap Blend Funds	217	79.26	56.22
Small-Cap Value Funds	96	77.08	47.92
Multi-Cap Growth Funds	158	77.22	36.08
Multi-Cap Core Funds	335	76.72	46.27
Multi-Cap Value Funds	146	71.23	28.08
Real Estate Funds	95	83.16	83.16

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 3: Average U.S. Equity Fund Performance (Equal-Weighted)			
Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
S&P Composite 1500	4.62	16.76	0.46
All Domestic Funds	-1.38	15.14	-0.10
S&P 500	5.44	16.39	0.21
All Large-Cap Funds	1.60	14.09	-0.22
S&P MidCap 400	-2.32	19.37	2.56
All Mid-Cap Funds	-4.63	16.67	0.67
S&P SmallCap 600	1.44	19.78	1.84
All Small-Cap Funds	-4.09	17.07	0.21
S&P Composite 1500	4.62	16.76	0.46
All Multi-Cap Funds	-1.72	13.94	-0.68
Large-Cap			
S&P 500 Growth	7.74	17.44	3.04
Large-Cap Growth Funds	1.76	14.78	1.22
S&P 500	5.44	16.39	0.21
Large-Cap Core Funds	1.63	13.66	-0.56
S&P 500 Value	3.02	15.32	-2.68
Large-Cap Value Funds	1.25	13.8	-1.31
Mid-Cap			
S&P MidCap 400 Growth	-3.70	20.34	4.13
Mid-Cap Growth Funds	-4.86	17.44	1.37
S&P MidCap 400	-2.32	19.37	2.56
Mid-Cap Core Funds	-5.12	15.88	-0.06
S&P MidCap 400 Value	-0.87	18.42	0.99
Mid-Cap Value Funds	-3.60	16.09	-0.15

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Funds are equal-weighted, but indices are not. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 3: Average U.S. Equity Fund Performance (Equal-Weighted, continued)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
Small-Cap			
S&P SmallCap 600 Growth	1.19	21.38	3.40
Small-Cap Growth Funds	-5.15	17.26	0.62
<hr/>			
S&P SmallCap 600	1.44	19.78	1.84
Small-Cap Core Funds	-3.6	16.94	-0.09
<hr/>			
S&P SmallCap 600 Value	1.75	18.29	0.27
Small-Cap Value Funds	-3.29	16.65	-0.29
Multi-Cap			
S&P Composite 1500 Growth	6.57	17.84	3.16
Multi-Cap Growth Funds	-1.51	14.78	0.53
<hr/>			
S&P Composite 1500	4.62	16.76	0.46
Multi-Cap Core Funds	-1.78	13.56	-0.60
<hr/>			
S&P Composite 1500 Value	2.61	15.67	-2.28
Multi-Cap Value Funds	-2.12	13.65	-2.39
Real Estate			
S&P BMI U.S. REIT	13.05	32.99	2.44
Real Estate Funds	6.14	25.24	-0.17

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Funds are equal-weighted, but indices are not. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 4: Average U.S. Equity Fund Performance (Asset-Weighted)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
S&P Composite 1500	4.62	16.76	0.46
All Domestic Funds	0.24	14.84	0.00
<hr/>			
S&P 500	5.44	16.39	0.21
All Large-Cap Funds	2.13	14.27	-0.39
<hr/>			
S&P MidCap 400	-2.32	19.37	2.56
All Mid-Cap Funds	-3.45	16.69	0.83
<hr/>			
S&P SmallCap 600	1.44	19.78	1.84
All Small-Cap Funds	-3.43	17.32	0.95
<hr/>			
S&P Composite 1500	4.62	16.76	0.46
All Multi-Cap Funds	-0.87	14.04	-0.19

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 4: Average U.S. Equity Fund Performance (Asset-Weighted, continued)			
Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
Large-Cap			
S&P 500 Growth	7.74	17.44	3.04
Large-Cap Growth Funds	2.27	15.06	0.80
<hr/>			
S&P 500	5.44	16.39	0.21
Large-Cap Core Funds	1.73	13.48	-1.08
<hr/>			
S&P 500 Value	3.02	15.32	-2.68
Large-Cap Value Funds	2.25	14.01	-0.86
<hr/>			
Mid-Cap			
S&P MidCap 400 Growth	-3.7	20.34	4.13
Mid-Cap Growth Funds	-3.43	17.55	1.88
<hr/>			
S&P MidCap 400	-2.32	19.37	2.56
Mid-Cap Core Funds	-4.27	16.22	0.45
<hr/>			
S&P MidCap 400 Value	-0.87	18.42	0.99
Mid-Cap Value Funds	-2.8	15.46	-0.26
<hr/>			
Small-Cap			
S&P SmallCap 600 Growth	1.19	21.38	3.40
Small-Cap Growth Funds	-3.18	18.5	2.00
<hr/>			
S&P SmallCap 600	1.44	19.78	1.84
Small-Cap Core Funds	-3.76	16.68	0.49
<hr/>			
S&P SmallCap 600 Value	1.75	18.29	0.27
Small-Cap Value Funds	-3.47	16.62	-0.01
<hr/>			
Multi-Cap			
S&P Composite 1500 Growth	6.57	17.84	3.16
Multi-Cap Growth Funds	0.22	16.1	1.49
<hr/>			
S&P Composite 1500	4.62	16.76	0.46
Multi-Cap Core Funds	-1.47	13.82	-0.30
<hr/>			
S&P Composite 1500 Value	2.61	15.67	-2.28
Multi-Cap Value Funds	-1.38	12.38	-2.80
<hr/>			
Real Estate			
S&P BMI U.S. REIT	13.05	32.99	2.44
Real Estate Funds	7.16	25.82	0.44

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 5: Quartile Breakpoints of U.S. Equity Funds**One Year**

Fund Category	Third Quartile	Second Quartile	First Quartile
Large-Cap Growth Funds	-0.52	2.34	4.27
Large-Cap Core Funds	-0.60	1.55	4.04
Large-Cap Value Funds	-1.19	1.17	3.70
Mid-Cap Growth Funds	-7.91	-4.81	-1.01
Mid-Cap Core Funds	-7.32	-4.31	-2.01
Mid-Cap Value Funds	-5.39	-3.51	-1.44
Small-Cap Growth Funds	-7.73	-4.68	-2.66
Small-Cap Core Funds	-6.04	-3.37	-1.10
Small-Cap Value Funds	-5.56	-3.25	-0.42
Multi-Cap Growth Funds	-4.90	-0.76	1.95
Multi-Cap Core Funds	-4.15	-1.65	1.17
Multi-Cap Value Funds	-4.89	-2.11	0.44
Real Estate Funds	0.71	9.44	12.21

Three Years

Fund Category	Third Quartile	Second Quartile	First Quartile
Large-Cap Growth Funds	13.00	15.05	16.53
Large-Cap Core Funds	12.28	13.72	15.26
Large-Cap Value Funds	12.21	13.82	15.40
Mid-Cap Growth Funds	15.53	17.58	19.22
Mid-Cap Core Funds	14.74	16.55	18.02
Mid-Cap Value Funds	14.54	16.39	18.16
Small-Cap Growth Funds	15.94	17.88	19.93
Small-Cap Core Funds	15.20	17.00	18.48
Small-Cap Value Funds	15.67	17.48	18.57
Multi-Cap Growth Funds	12.63	15.14	17.42
Multi-Cap Core Funds	11.50	12.99	15.38
Multi-Cap Value Funds	11.83	13.37	14.95
Real Estate Funds	17.57	28.92	31.80

Five Years

Fund Category	Third Quartile	Second Quartile	First Quartile
Large-Cap Growth Funds	0.52	1.68	2.94
Large-Cap Core Funds	-1.39	-0.25	0.76
Large-Cap Value Funds	-2.62	-1.10	0.43
Mid-Cap Growth Funds	-0.50	1.76	3.44
Mid-Cap Core Funds	-1.19	0.34	1.74
Mid-Cap Value Funds	-1.87	-0.40	1.35
Small-Cap Growth Funds	-0.77	0.98	2.77
Small-Cap Core Funds	-1.36	0.51	1.83
Small-Cap Value Funds	-1.33	0.18	1.60
Multi-Cap Growth Funds	-1.19	0.36	2.30
Multi-Cap Core Funds	-2.00	-0.63	0.84
Multi-Cap Value Funds	-3.72	-2.40	-0.50
Real Estate Funds	-2.96	1.41	2.80

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 6: Percentage of International Equity Funds Outperformed by Benchmarks

Fund Category	Comparison Index	One Year (%)	Three Years (%)	Five Years (%)
Global Funds	S&P Global 1200	66.02	73.13	61.61
International Funds	S&P 700	54.29	66.08	73.65
International Small-Cap Funds	S&P Developed Ex-U.S. SmallCap	17.24	21.05	24.49
Emerging Markets Funds	S&P/IFCI Composite	50.27	66.44	83.72

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Outperformance is based upon equal weighted fund counts. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 7: Survivorship and Style Consistency of International Equity Funds**One Year**

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Global Funds	206	93.69	93.2
International Funds	350	93.14	92.29
International Small-Cap Funds	58	98.28	96.55
Emerging Markets Funds	183	97.81	97.81

Three Years

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Global Funds	160	78.13	77.5
International Funds	339	83.78	82.6
International Small-Cap Funds	57	92.98	82.46
Emerging Markets Funds	149	89.93	89.93

Five Years

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Global Funds	112	74.11	72.32
International Funds	296	76.35	75
International Small-Cap Funds	49	85.71	75.51
Emerging Markets Funds	86	83.72	83.72

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 8: Average International Equity Fund Performance (Equal-Weighted)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
S&P Global 1200	-4.54	11.69	-2.22
Global Funds	-7.2	10.56	-2.13
S&P 700	-13.80	7.17	-4.56
International Funds	-13.55	6.99	-5.30
S&P Developed Ex-U.S. SmallCap	-18.03	7.36	-7.24
International Small-Cap Funds	-13.67	11.6	-3.64
S&P/IFCI Composite	-16.0	10.26	0.17
Emerging Markets Funds	-15.85	9.37	-1.90

Source: S&P Dow Jones Indices, CRSP. June 30, 2012. All index returns used are total returns. Funds are equal-weighted, but indices are not. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 9: Average International Equity Fund Performance (Asset-Weighted)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
S&P Global 1200	-4.54	11.69	-2.22
Global Funds	-5.59	10.55	-1.25
S&P 700	-13.8	7.17	-4.56
International Funds	-13.04	7.48	-4.51
S&P Developed Ex-U.S. SmallCap	-18.03	7.36	-7.24
International Small-Cap Funds	-11.5	11.53	-1.99
S&P/IFCI Composite	-16.0	10.26	0.17
Emerging Markets Funds	-13.35	10.96	-0.35

Report 10: Quartile Breakpoints of International Equity Funds

One Year			
Fund Category	Third Quartile	Second Quartile	First Quartile
Global Funds	-9.72	-5.93	-2.99
International Funds	-15.84	-13.83	-11.09
International Small-Cap Funds	-17.45	-14.06	-10.81
Emerging Markets Funds	-19.84	-15.92	-12.42
Three Years			
Fund Category	Third Quartile	Second Quartile	First Quartile
Global Funds	9.25	10.6	12.79
International Funds	5.22	6.72	8.85
International Small-Cap Funds	8.94	11.5	13.77
Emerging Markets Funds	7.14	9.66	11.17

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 10: Quartile Breakpoints of International Equity Funds (continued)

Five Years			
Fund Category	Third Quartile	Second Quartile	First Quartile
Global Funds	-4.47	-2.13	-0.28
International Funds	-6.83	-5.40	-3.81
International Small-Cap Funds	-5.52	-4.12	-1.93
Emerging Markets Funds	-3.78	-1.97	-0.12

Report 11: Percentage of Fixed Income Funds Outperformed by Benchmarks

Fund Category	Comparison Index	One Year (%)	Three Years (%)	Five Years (%)
Government Long Funds	Barclays Long Government	95.56	96.47	93.62
Government Intermediate Funds	Barclays Intermediate Government	55	58.54	65.22
Government Short Funds	Barclays 1-3 Year Government	41.46	41.86	62.22
Investment-Grade Long Funds	Barclays Long Government/Credit	99.26	95.74	96.88
Investment-Grade Intermediate Funds	Barclays Intermediate Government/Credit	37.59	35.51	51.9
Investment-Grade Short Funds	Barclays 1-3 Year Government/Credit	59.76	65.00	93.83
High Yield Funds	Barclays High Yield	83.1	90.50	94.78
Mortgage-Backed Securities Funds	Barclays Mortgage-Backed Securities	44.44	31.15	68.75
Global Income Funds	Barclays Global Aggregate	61.19	46.79	65.08
Emerging Markets Debt Funds	Barclays Emerging Markets	86.54	57.14	71.43
General Municipal Debt Funds	S&P National AMT-Free Municipal Bond	38.71	50.57	83.13
California Municipal Debt Funds	S&P California AMT-Free Municipal Bond	14.29	55.00	97.56
New York Municipal Debt Funds	S&P New York AMT-Free Municipal Bond	34.38	52.94	91.43

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Outperformance is based upon equal weighted fund counts. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 12: Survivorship and Style Consistency of Fixed Income Funds**One Year**

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Government Long Funds	90	94.44	94.44
Government Intermediate Funds	40	97.5	87.5
Government Short Funds	41	100	97.56
Investment-Grade Long Funds	135	95.56	88.15
Investment-Grade Intermediate Funds	282	96.45	94.68
Investment-Grade Short Funds	82	96.34	95.12
High Yield Funds	213	97.65	97.65
Mortgage-Backed Securities Funds	63	100	100
Global Income Funds	134	97.76	96.27
Emerging Markets Debt Funds	52	100	100
General Municipal Debt Funds	93	94.62	94.62
California Municipal Debt Funds	35	97.14	97.14
New York Municipal Debt Funds	32	96.88	96.88

Three Years

Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Government Long Funds	85	80.00	77.65
Government Intermediate Funds	41	95.12	85.37
Government Short Funds	43	90.70	88.37
Investment-Grade Long Funds	141	88.65	78.72
Investment-Grade Intermediate Funds	276	83.70	81.52
Investment-Grade Short Funds	80	88.75	86.25
High Yield Funds	200	92	91.50
Mortgage-Backed Securities Funds	61	95.08	95.08
Global Income Funds	109	88.07	85.32
Emerging Markets Debt Funds	28	100	100
General Municipal Debt Funds	87	88.51	88.51
California Municipal Debt Funds	40	85	85.00
New York Municipal Debt Funds	34	82.35	82.35

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 12: Survivorship and Style Consistency of Fixed Income Funds (continued)

Five Year			
Fund Category	No. of Funds at Start	Survivorship (%)	Style Consistency (%)
Government Long Funds	47	80.85	74.47
Government Intermediate Funds	46	91.30	73.91
Government Short Funds	45	84.44	82.22
Investment-Grade Long Funds	96	77.08	66.67
Investment-Grade Intermediate Funds	210	79.52	76.67
Investment-Grade Short Funds	81	82.72	81.48
High Yield Funds	134	88.06	86.57
Mortgage-Backed Securities Funds	48	93.75	93.75
Global Income Funds	63	92.06	87.30
Emerging Markets Debt Funds	21	100.00	95.24
General Municipal Debt Funds	83	84.34	84.34
California Municipal Debt Funds	41	80.49	80.49
New York Municipal Debt Funds	35	80	80

Report 13: Average Fixed Income Fund Performance (Equal-Weighted)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
Barclays Long Government	31.40	13.51	11.92
Government Long Funds	9.28	6.80	6.85
Barclays Intermediate Government	5.01	4.43	5.76
Government Intermediate Funds	4.88	4.53	5.37
Barclays 1-3 Year Government	0.86	1.69	3.40
Government Short Funds	1.55	2.33	3.32
Barclays Long Government/Credit	24.58	14.41	11.00
Investment-Grade Long Funds	8.02	9.47	6.61
Barclays Intermediate Government/Credit	5.42	5.81	6.01
Investment-Grade Intermediate Funds	5.41	7.18	5.70
Barclays 1-3 Year Government/Credit	1.96	4.07	4.60
Investment-Grade Short Funds	1.92	4.13	3.05
Barclays High Yield	7.28	16.28	8.44
High Yield Funds	5.18	13.91	6.17

Source: S&P Dow Jones Indices, CRSP. June 30, 2012. All index returns used are total returns. Funds are equal-weighted, but indices are not. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 13: Average Fixed Income Fund Performance (Equal-Weighted, continued)			
Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
Barclays Mortgage-Backed Securities	4.99	5.40	6.67
Mortgage-Backed Securities Funds	5.06	6.31	5.71
Barclays Global Aggregate	2.71	6.03	6.70
Global Income Funds	2.39	7.46	6.24
Barclays Emerging Markets	8.95	13.74	8.98
Emerging Markets Debt Funds	2.62	11.96	7.01
S&P National AMT-Free Municipal Bond	9.74	7.63	5.73
General Municipal Debt Funds	9.88	7.65	4.80
S&P California AMT-Free Municipal Bond	10.50	8.79	5.90
California Municipal Debt Funds	12.76	9.11	5.06
S&P New York AMT-Free Municipal Bond	9.16	7.20	5.77
New York Municipal Debt Funds	9.84	7.71	5.05

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Funds are equal-weighted, but indices are not. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 14: Average Fixed Income Fund Performance (Asset-Weighted)

Category	One Year (%)	Three Years (Annualized %)	Five Years (Annualized %)
Barclays Long Government	31.4	13.51	11.92
Government Long Funds	8.98	7.17	7.14
Barclays Intermediate Government	5.01	4.43	5.76
Government Intermediate Funds	6.35	5.96	6.13
Barclays 1-3 Year Government	0.86	1.69	3.40
Government Short Funds	4.97	5.09	5.36
Barclays Long Government/Credit	24.58	14.41	11.00
Investment-Grade Long Funds	8.23	10.05	6.11
Barclays Intermediate Government/Credit	5.42	5.81	6.01
Investment-Grade Intermediate Funds	6.31	8.26	7.06
Barclays 1-3 Year Government/Credit	1.96	4.07	4.6
Investment-Grade Short Funds	2.40	4.75	3.41
Barclays High Yield	7.28	16.28	8.44
High Yield Funds	4.90	14.07	5.76
Barclays Mortgage-Backed Securities	4.99	5.40	6.67
Mortgage-Backed Securities Funds	5.89	6.65	6.69
Barclays Global Aggregate	2.71	6.03	6.70
Global Income Funds	1.07	7.51	6.76
Barclays Emerging Markets	8.95	13.74	8.98
Emerging Markets Debt Funds	3.25	12.34	7.14
S&P National Municipal Bond	9.74	7.63	5.73
General Municipal Debt Funds	11.10	8.30	4.96
S&P California Municipal Bond	10.50	8.79	5.9
California Municipal Debt Funds	13.22	9.43	5.03
S&P New York Municipal Bond	9.16	7.20	5.77
New York Municipal Debt Funds	11.03	9.11	4.70

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. All index returns used are total returns. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Report 15: Quartile Breakpoints of Fixed Income Funds**One Year**

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	4.92	7.18	10.88
Government Intermediate Funds	2.69	4.3	6.94
Government Short Funds	0.52	1.24	1.85
Investment-Grade Long Funds	6.23	7.2	7.96
Investment-Grade Intermediate Funds	4.31	6.31	7.65
Investment-Grade Short Funds	1.15	1.77	2.42
High Yield Funds	4.19	5.63	6.8
Mortgage-Backed Securities Funds	4.33	5.1	5.7
Global Income Funds	0.17	2.11	4.88
Emerging Markets Debt Funds	-2.46	3.24	7.28
General Municipal Debt Funds	8.36	10.64	12.14
California Municipal Debt Funds	11.33	12.93	13.6
New York Municipal Debt Funds	9.04	10.01	10.99

Three Years

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	4.74	5.76	8.18
Government Intermediate Funds	3.42	4.35	5.44
Government Short Funds	1.29	1.89	2.56
Investment-Grade Long Funds	7.32	9.05	11.45
Investment-Grade Intermediate Funds	6.11	7.77	9.02
Investment-Grade Short Funds	2.94	3.62	4.93
High Yield Funds	13.3	14.27	15.29
Mortgage-Backed Securities Funds	5.31	5.99	7.00
Global Income Funds	5.27	6.51	9.67
Emerging Markets Debt Funds	11.03	13.33	14.67
General Municipal Debt Funds	6.93	7.78	9.01
California Municipal Debt Funds	8.28	8.97	9.67
New York Municipal Debt Funds	6.94	7.45	8.61

Five Years

Fund Category	Third Quartile	Second Quartile	First Quartile
Government Long Funds	5.78	6.55	8.08
Government Intermediate Funds	4.75	5.56	6.28
Government Short Funds	2.71	3.17	3.96
Investment-Grade Long Funds	5.60	6.54	7.52
Investment-Grade Intermediate Funds	5.38	6.35	7.21
Investment-Grade Short Funds	2.33	3.45	3.85
High Yield Funds	5.81	6.58	7.24
Mortgage-Backed Securities Funds	5.62	6.42	6.96
Global Income Funds	4.85	6.09	7.78
Emerging Markets Debt Funds	7.74	8.42	9.00
General Municipal Debt Funds	4.67	5.16	5.60
California Municipal Debt Funds	4.98	5.23	5.45
New York Municipal Debt Funds	4.78	5.21	5.40

Source: S&P Dow Jones Indices, CRSP. For periods ending June 30, 2012. Charts are provided for illustrative purposes. Past performance is not a guarantee of future results.

Index Research & Design Contact Information

Global Head		
Frank Luo	+1 212-438-5057	frank_luo@spdji.com
New York		
Berlinda Liu	+1 212-438-7834	berlinda_liu@spdji.com
Aye Soe	+1 212-438-1677	aye_soe@spdji.com
Peter Tsui	+1 212-438-1493	peter_tsui@spdji.com
Beijing		
Liyu Zeng	+86 10-6569-2947	liyu_zeng@spdji.com
Hong Kong		
Priscilla Luk	+852 2532-8050	priscilla_luk@spdji.com
London		
Xiaowei Kang	+020 7176-8443	xiaowei_kang@spdji.com
Daniel Ung	+44 (0) 207 176 8340	daniel_ung@spdji.com
Sydney		
Simon Karaban	+ 61 2 9255 9847	simon_karaban@spdji.com

Introducing a new way to explore indices
www.spdji.com/spindices



S&P DOW JONES
INDICES

Disclaimer

Copyright © 2012 by S&P Dow Jones Indices LLC, a subsidiary of The McGraw-Hill Companies, Inc., and/or its affiliates. All rights reserved. Standard & Poor's, S&P and SPIVA are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"), a subsidiary of The McGraw-Hill Companies, Inc. Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). Trademarks have been licensed to S&P Dow Jones Indices LLC. Redistribution, reproduction and/or photocopying in whole or in part are prohibited without written permission. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, Dow Jones, S&P or their respective affiliates (collectively "S&P Dow Jones Indices") do not have the necessary licenses. All information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties. Past performance of an index is not a guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor, and S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other vehicle. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse-engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively "S&P Dow Jones Indices Parties") do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN "AS IS" BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Dow Jones Indices keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P Dow Jones Indices may have information that is not available to other business units. S&P Dow Jones Indices has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.