



S&P Sector Index Performance

A look at recent performance

Diversification among equities, bonds and cash equivalents may help to potentially reduce volatility. It may also be a good idea to diversify not only by asset class, but also across the range of equity sectors.

The natural tendency of investors is to put their money in last year's best performing investment categories. However, this strategy may cause them to miss potential upside in of lagging sectors that might be poised for a rebound. Proper diversification among equity sectors may help reduce the overall portfolio impact of dramatic shifts in performance of any individual equity sector.

The chart below illustrates, from a historical perspective, which of the S&P sectors have outperformed or underperformed the S&P 500 Index since 2003. Of course, past performance is no guarantee of future results. This may be helpful to review when talking to your financial advisor about a diversified portfolio.

S&P 500 Index Performance by Sector¹ (%)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 10-Year Compound Annual Growth Rate ² |
|----------------------------|-------|-------|-------|-------|--------|--------|-------|-------|--------|-------|--|
| Energy | 25.63 | 31.54 | 31.37 | 24.21 | 34.40 | -34.87 | 13.82 | 20.46 | 4.71 | 2.33 | 15.36 |
| Materials | 38.19 | 13.19 | 4.42 | 18.63 | 22.53 | -45.66 | 48.59 | 22.34 | -9.65 | 12.24 | 12.48 |
| Industrials | 32.20 | 18.03 | 2.32 | 13.29 | 12.03 | -39.92 | 20.93 | 26.74 | -0.59 | 12.46 | 9.75 |
| Consumer Discretionary | 37.41 | 13.24 | -6.36 | 18.64 | -13.21 | -33.49 | 41.30 | 27.84 | 6.23 | 21.87 | 11.35 |
| Consumer Staples | 11.57 | 8.16 | 3.58 | 14.36 | 14.18 | -15.43 | 14.89 | 14.12 | 13.99 | 7.52 | 8.69 |
| Health Care | 15.06 | 1.68 | 6.46 | 7.53 | 7.15 | -22.81 | 19.70 | 2.90 | 12.73 | 15.19 | 6.56 |
| Financials | 31.03 | 10.89 | 6.48 | 19.19 | -18.63 | -55.32 | 17.24 | 12.18 | -17.02 | 26.26 | 3.23 |
| Information Technology | 47.23 | 2.56 | 0.99 | 8.42 | 16.31 | -43.14 | 61.72 | 10.22 | 2.43 | 13.15 | 11.99 |
| Telecommunication Services | 7.08 | 19.85 | -5.63 | 36.80 | 11.94 | -30.49 | 8.93 | 18.96 | 6.31 | 12.50 | 8.63 |
| Utilities | 26.26 | 24.28 | 16.84 | 20.99 | 19.38 | -28.98 | 11.91 | 5.46 | 19.96 | -2.91 | 11.32 |
| S&P 500 Index | 28.68 | 10.88 | 4.91 | 15.79 | 5.49 | -37.00 | 26.46 | 15.06 | 2.11 | 16.00 | 7.10 |

■ Outperformed S&P 500 Index ■ Underperformed S&P 500 Index

Diversification does not guarantee a profit or eliminate the risk of loss.

¹ Source: FactSet Research Systems, Inc.

² Ten-Year Compound Annual Growth Rate is for the period 12/31/02 through 12/31/12 and is the year-over-year growth rate of an investment over a specified period of time including price and dividend returns.

About risk

This material has been prepared using sources of information generally believed to be reliable. No representation can be made as to its accuracy. The S&P 500 Index is an unmanaged index generally representative of the U.S. stock market. Each sector index is a subset of the S&P 500 Index and is generally representative a particular sector of the U.S. stock market. Indices are statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in any index. The historical performance of these indices is shown for illustrative purposes only; it is not meant to forecast, imply or guarantee the future performance of any particular investment, sector, or index, which will vary.

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