

# NEWPORT

September 9, 2008

## Comment on the Recent Emerging Market Equity Decline

With the significant declines in emerging markets and increased volatility since early July it is necessary to offer our assessment of the near-term prospects and to review our long term risk/return projections for emerging markets and other asset categories. After significantly outperforming most asset categories, particularly that represented by the S&P 500 for intervals of one to ten years through the end of June, emerging markets significantly underperformed the S&P 500 since early July. For the year ended June 30, 2008, the MSCI Emerging Market Index had a total return of 4.76% versus a loss of 13.12% for the S&P 500, but for the year ended August 31, 2008 the MSCI Emerging Market Index was down 9.95% versus an 11.14% loss for the S&P 500. For the five years ended June 30, 2008 the emerging market index produced an annualized rate of return of 30.05% versus 7.59% for the S&P 500. For ten years ended June 30, 2008 the emerging market equities index produced an annualized rate of return of 15.32% versus 2.88% for the S&P 500. Such return disparity has been attributable to the earnings growth and increasingly strong financial condition of emerging market companies relative to companies in the S&P 500. It has also been accompanied by much greater volatility than that of the S&P 500.

Unlike a decade ago when emerging market countries were weak financially, the situation today is quite different as such countries now have surpluses of US dollars and on balance are creditor countries, in stark contrast to the US, which, while still the largest single economy in the world has lost global share of GDP due to much slower growth and is a debtor country dependent upon non-US buyers of the debt used to finance government operations. The steep decline of emerging market and other international stocks since early July, especially relative to the S&P 500, appears to be driven by fears that inflation and resulting tighter monetary policies in emerging market countries will impair growth. This coupled with energy and materials that account for 21% and 9% respectively of emerging market capitalization and geopolitical tensions in Russia, Thailand, Malaysia and Korea have contributed to the decline. Since July the bounce in US stocks was largely driven by financial and consumer discretionary stocks, which had significantly underperformed for over a year and while their prices were low, the prospects for significant fundamental improvement appear distant at best. Among the positives over the intermediate and longer term for emerging markets are continued urbanization, moving up the value chain, rising credit penetration and favorable population dynamics. Earnings prospects for emerging market companies remain positive with modest gains in the mid-to-high single digit range over those of 2007, and the steep price decline has produced relatively low valuations compared to historical levels.

We believe that the current emerging equity market level is attractive for long-term investors. The emerging market decline may well continue for the near term, as investors flee recent losses and it is likely that the current, elevated level of volatility will persist in at least the near-term. Emerging market volatility is not surprising in retrospect because, as explained below, rates of return have compensated investors for the relatively high volatility, but in real time is certainly not easy to endure and buy into.

We have attached several graphs of the emerging market equity index, the S&P 500, MSCI EAFE, MSCI World and the MSCI All Country Asia ex-Japan indices from the inception of the MSCI EM index in 1988, which we believe provide perspective on rates of return and volatility. Perhaps this current cycle will be different than those in the past but, odds are that investor behavior will repeat itself and ultimately reward the best combination of valuation and improving fundamental earnings prospects, especially if the assets are available at fire-sale prices. The cumulative annualized rate of return for the interval measured includes the seven lean years for emerging markets, despite which, the MSCI Emerging Market Index produced a 14.42% annualized rate of return while the S&P 500 generated a 10.76% per annum rate of return over the longest interval measurable. The annualized standard deviation of the emerging market index of 22.82% was much higher than that of the S&P 500's 13.62% during the entire interval.

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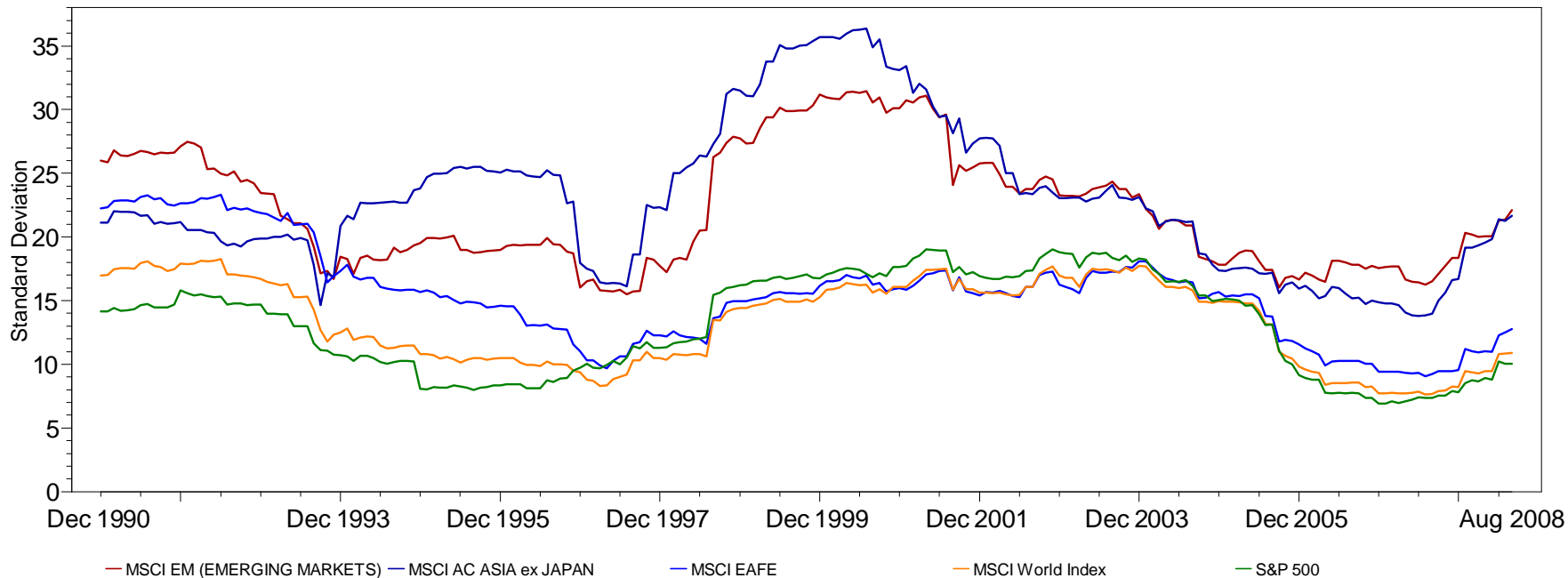
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We should note at this point that our asset category assumptions reflected on page 23 that are used in asset allocation modeling have for many years been held at an 8.0% real annualized rate of return for emerging market equities with a one-year horizon annualized standard deviation of 28%, so the recent downdraft, while quite unpleasant, is within expectations.

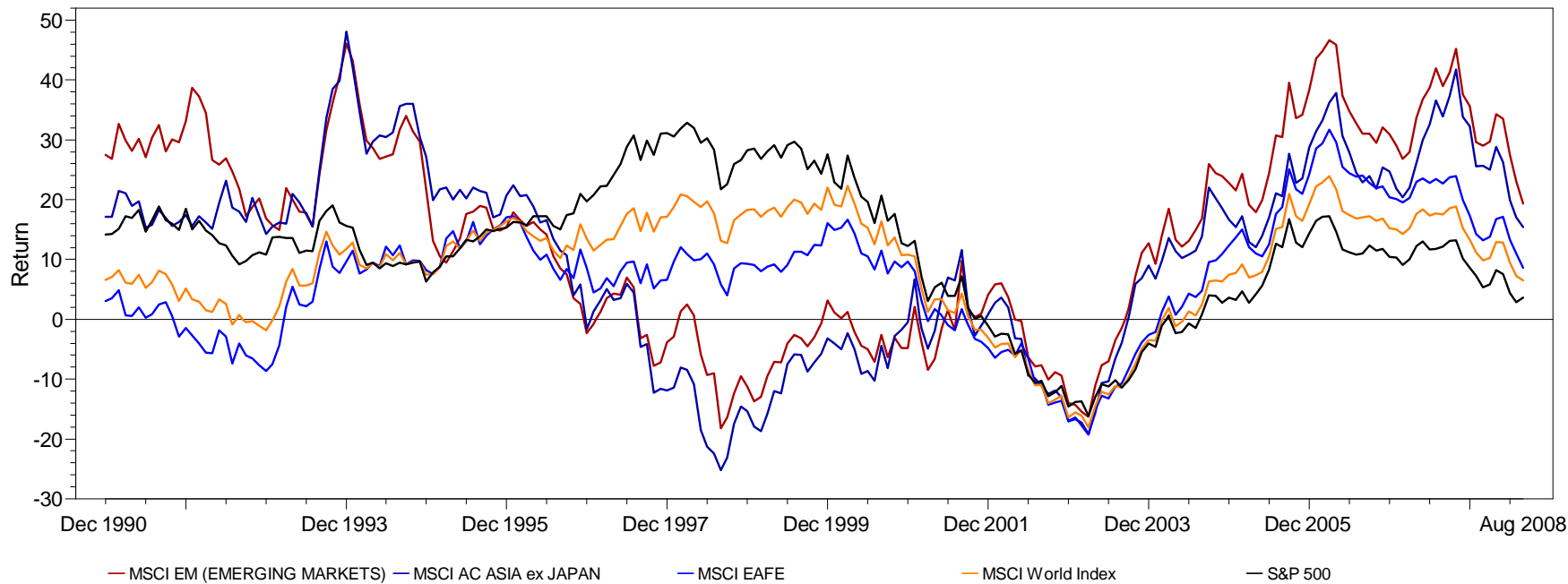
We are certainly not complacent about the steep, recent emerging market decline, but view it as a developing opportunity to rebalance back to target allocation levels for emerging market equities rather than exit after the recent losses with the hope that we can reestablish positions at lower levels. The sharp reversals that have occurred in the past in this most volatile of equity categories are likely to occur in the future. It is also vital to remember that our allocations are predicated on holding periods of at least several years and that unless fundamental earnings prospects and valuation change significantly or the position becomes larger than our target strategic allocation at which time we will reduce it, or smaller when we will increase it to the target level, we will not change the allocation. Our asset allocation assumptions used in our modeling of client portfolios appear at the end of the attachment. They are relatively conservative. Please note from the table on page 14 that the correlation of emerging markets to the S&P 500 is relatively low at 0.59, suggesting that an allocation to them provides reasonable diversification. You may also note from the correlation matrix on page 22 that the emerging market equity correlation to a variety of physical commodities is close to zero over time, despite the fact that certain emerging market countries are natural resource producers and that the financial press often links oil price moves to those of emerging market equities.

In retrospect, if one had the discipline to rebalance allocations to target levels in emerging market equities as relative performance changed the weightings of the equity categories by reducing positions after sharp increases and increasing them after declines the fortitude would have been rewarded since 1988. Of course, in retrospect it is easy to see, but very difficult to accomplish due to exacerbated fears, as sharp market declines tend to reinforce negative views of fundamental prospects. We must also be mindful that sharp market advances tend to reinforce positive fundamental prospects and that people are inclined to buy the assets with the best recent rates of return. Prudent investors must be neither too greedy nor too fearful.

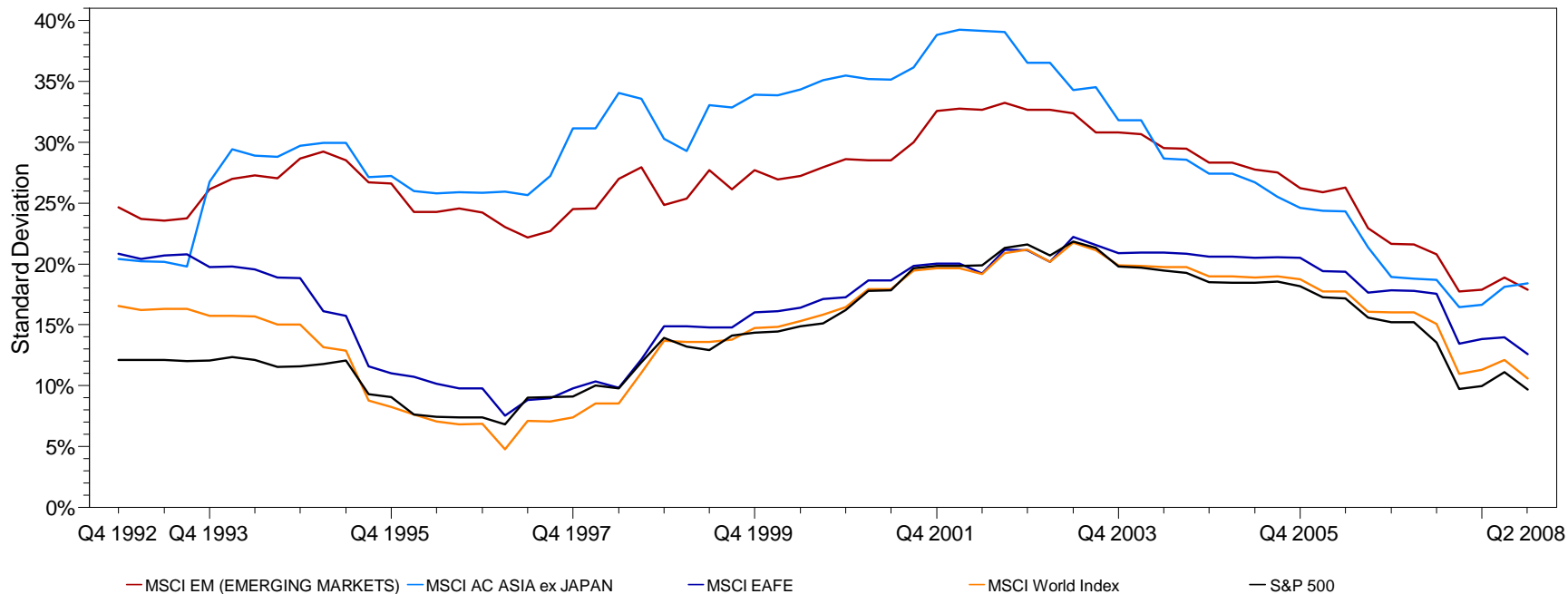
36-Month Moving Windows, Computed Monthly



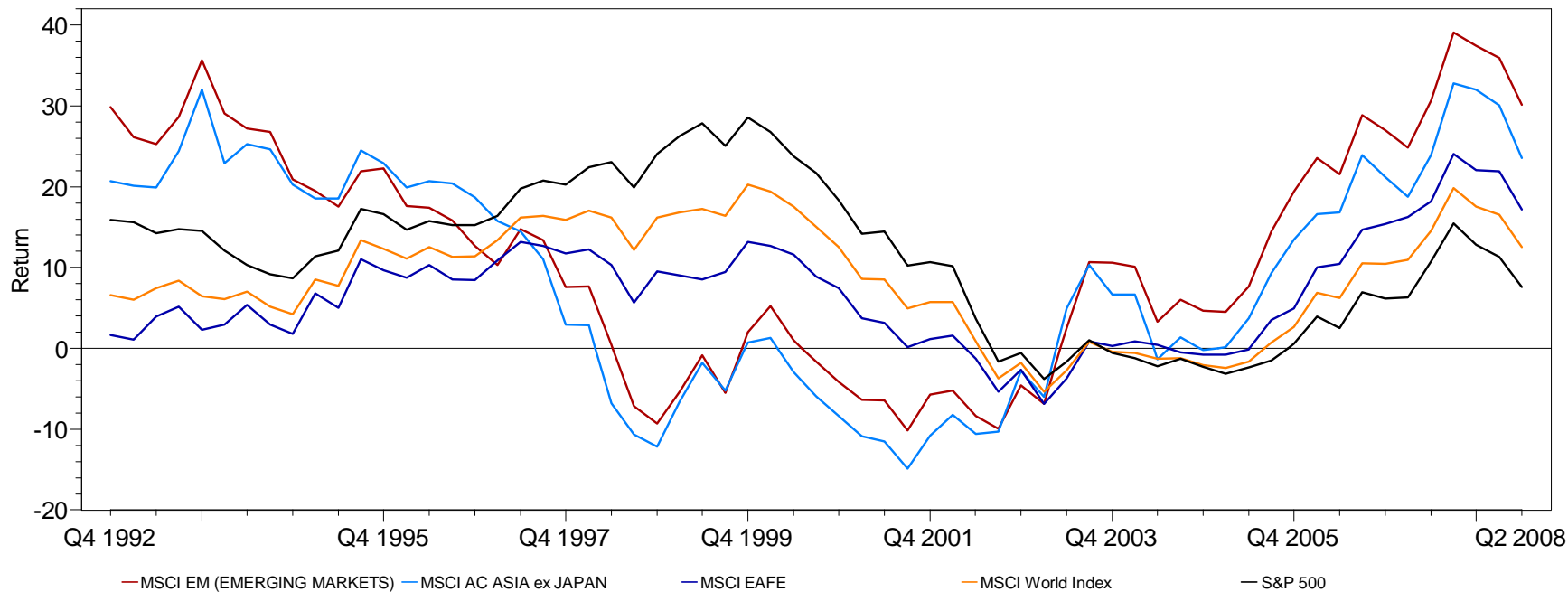
36-Month Moving Windows, Computed Monthly



20-Quarter Moving Windows, Computed Quarterly



20-Quarter Moving Windows, Computed Quarterly



## Performance Table

January 1988 - August 2008. Single Computation

### Portfolio Performance

	Annualized Return (%)	Cumulative Return (%)	Std Dev (%)
MSCI EM (EMERGING MARKETS)	14.42	1516.80	22.82
MSCI AC ASIA ex JAPAN	10.23	648.49	23.41
MSCI EAFE	6.57	272.52	15.98
MSCI World Index	8.20	409.34	13.77
S&P 500	10.76	727.07	13.62

Performance Table  
January 1988 - January 1997. Single Computation

Portfolio Performance

	Annualized Return (%)	Cumulative Return (%)	Std Dev (%)
MSCI EM (EMERGING MARKETS)	22.72	542.19	20.99
MSCI AC ASIA ex JAPAN	19.53	405.44	20.36
MSCI EAFE	6.59	78.54	17.31
MSCI World Index	10.63	150.31	13.15
S&P 500	17.08	318.81	11.65

Performance Table  
January 1999 - August 2008. Single Computation

Portfolio Performance

	Annualized Return (%)	Cumulative Return (%)	Std Dev (%)
MSCI EM (EMERGING MARKETS)	15.64	307.40	21.68
MSCI AC ASIA ex JAPAN	11.01	174.58	21.98
MSCI EAFE	5.25	63.99	14.33
MSCI World Index	3.69	42.01	13.57
S&P 500	2.11	22.36	13.85

## Drawdown Table

### January 1988 - August 2008: Summary Statistics

	Return	Cumulative Return	Upside Deviation	Downside Deviation	Max Drawdown	Max Drawdown Begin Date	Max Drawdown End Date	Max Drawdown Length	Max Drawdown Recovery Date	High Water Mark Date	To High Water Mark
MSCI EM (EMERGING MARKETS)	14.42%	1516.80%	14.89%	15.03%	-55.98%	Aug 1997	Aug 1998	13	Mar 2004	Oct 2007	36.91%
MSCI AC ASIA ex JAPAN	10.23%	648.49%	16.30%	14.91%	-64.55%	Jan 1994	Aug 1998	56	Dec 2005	Oct 2007	50.55%
MSCI EAFE	6.57%	272.52%	10.88%	10.52%	-47.47%	Jan 2000	Mar 2003	39	Aug 2005	Oct 2007	27.29%
MSCI World Index	8.20%	409.34%	9.13%	9.00%	-46.31%	Apr 2000	Sep 2002	30	Jan 2006	Oct 2007	22.17%
S&P 500	10.76%	727.07%	9.06%	8.56%	-44.73%	Sep 2000	Sep 2002	25	Oct 2006	Oct 2007	18.60%

Performance Table  
January 1997 - December 1997. Single Computation

Portfolio Performance

	Annualized Return (%)	Cumulative Return (%)	Std Dev (%)
MSCI EM (EMERGING MARKETS)	-11.58	-11.58	24.75
MSCI AC ASIA ex JAPAN	-40.31	-40.31	28.90
MSCI EAFE	2.06	2.06	16.12
MSCI World Index	16.23	16.23	14.29
S&P 500	33.36	33.36	15.94

Performance Table  
January 1997 - December 1998. Single Computation

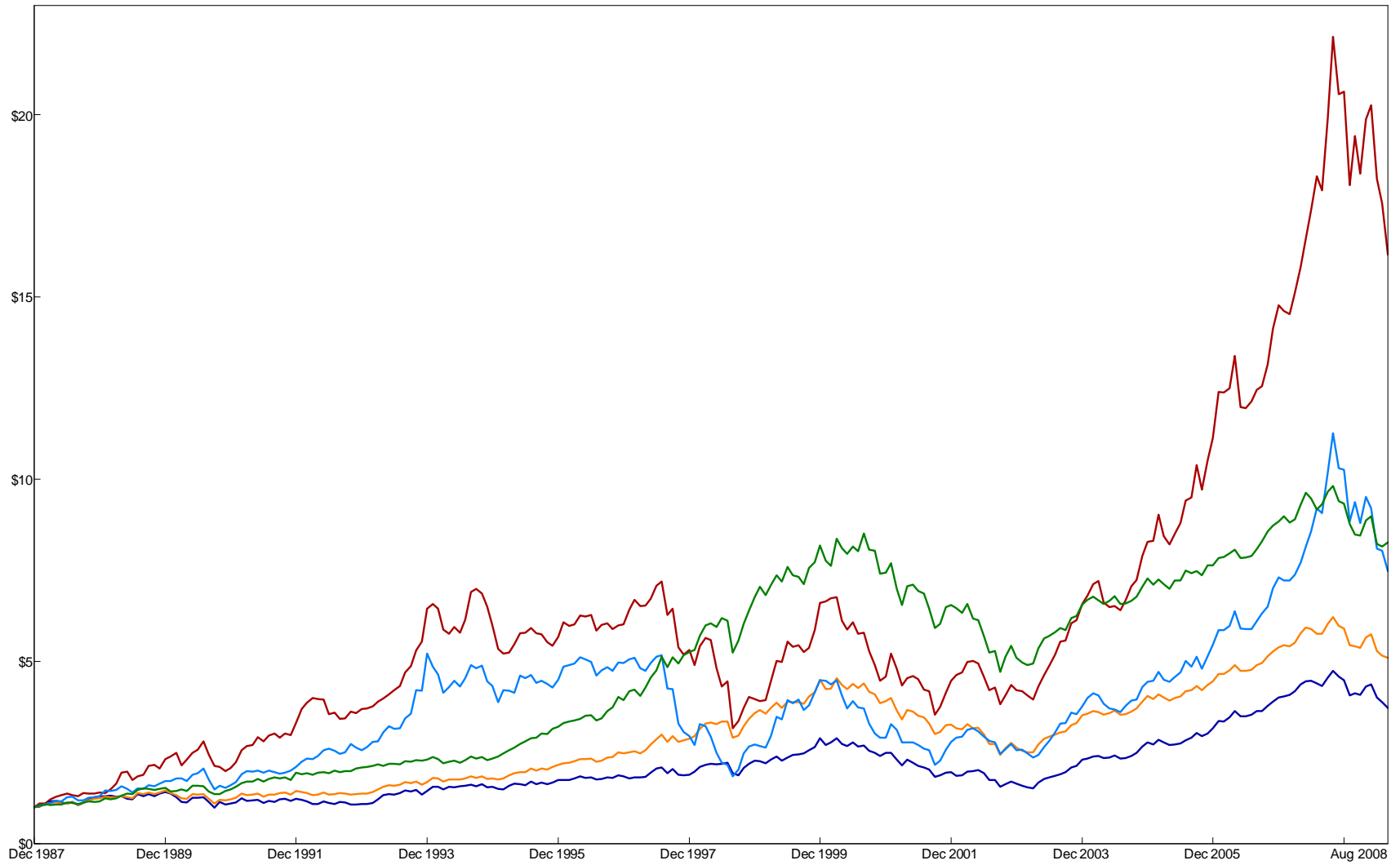
Portfolio Performance

	Annualized Return (%)	Cumulative Return (%)	Std Dev (%)
MSCI EM (EMERGING MARKETS)	-18.75	-33.99	33.02
MSCI AC ASIA ex JAPAN	-25.81	-44.95	37.35
MSCI EAFE	10.82	22.81	17.75
MSCI World Index	20.43	45.04	16.84
S&P 500	30.95	71.47	18.51

# Manager Performance

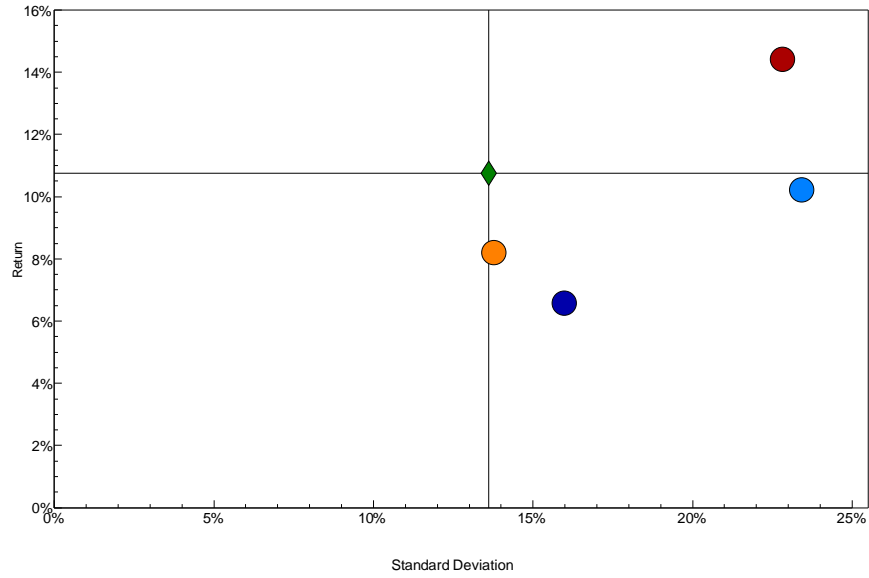
## Single Computation

January 1988 - August 2008

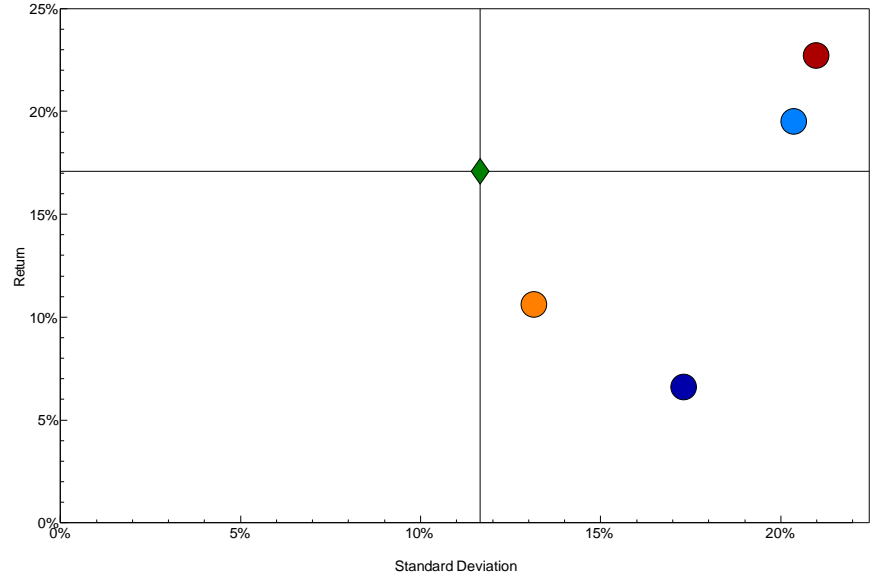


— MSCI EM (EMERGING MARKETS) — MSCI EAFE — MSCI World Index  
— MSCI AC ASIA ex JAPAN — S&P 500

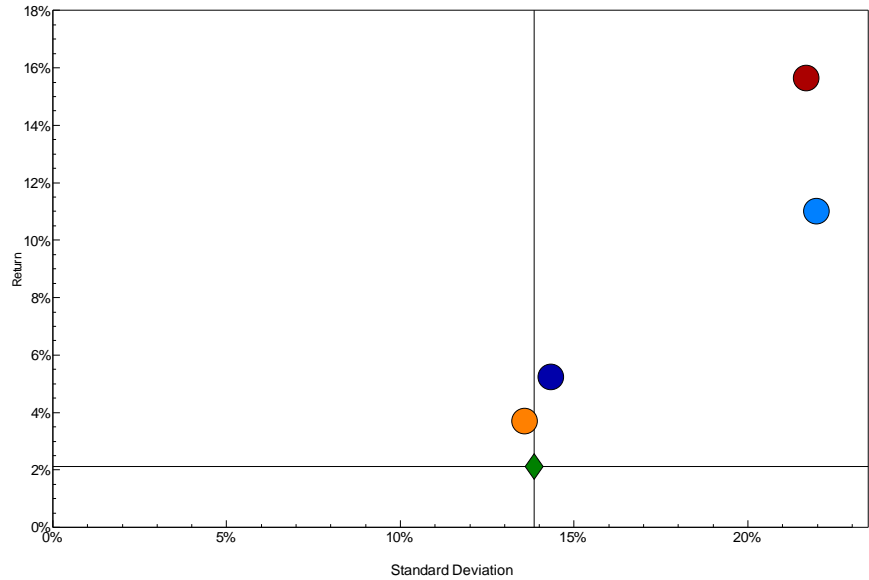
Manager Risk/Return  
January 1988 - August 2008



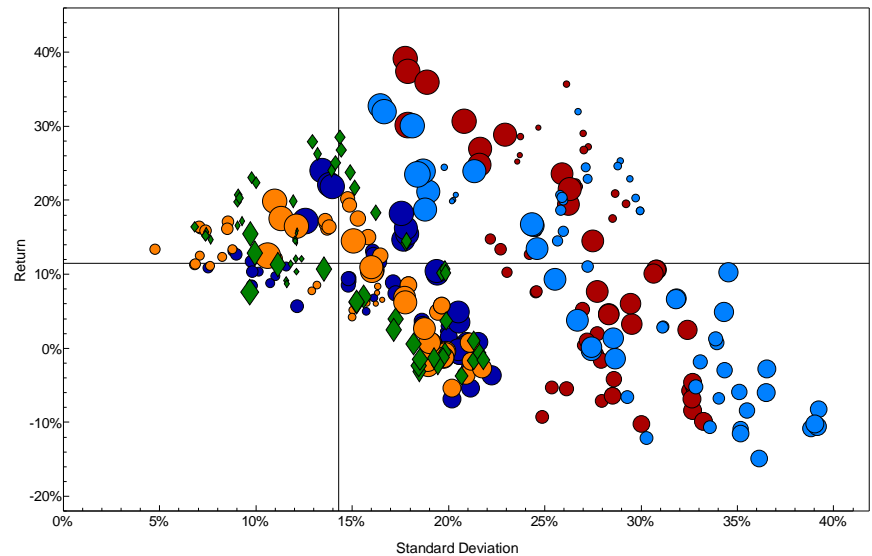
Manager Risk/Return  
January 1988 - January 1997



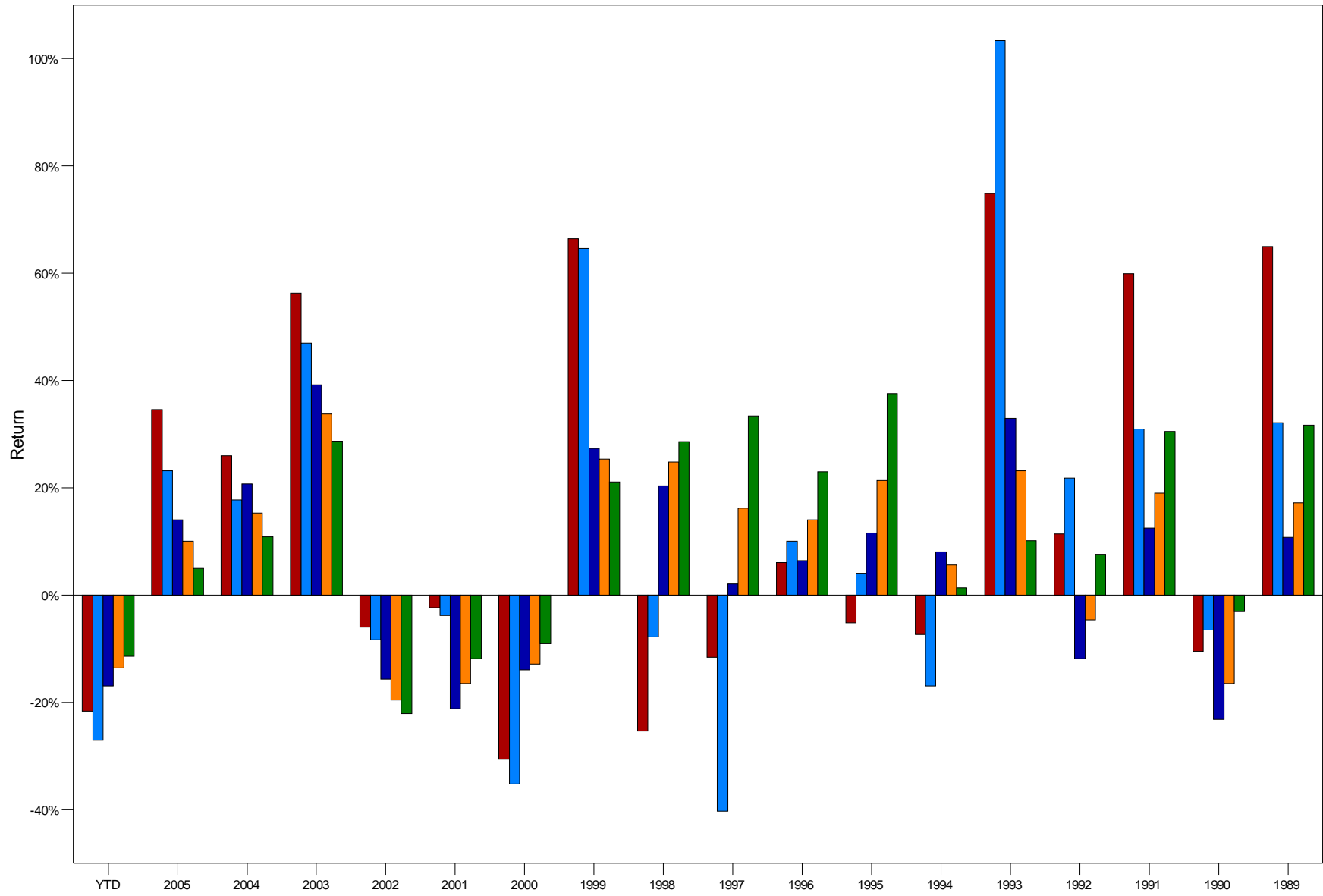
Manager Risk/Return  
January 1999 - August 2008



Manager Risk/Return  
20-Quarter Moving Windows, Computed Quarterly  
January 1988 - June 2008

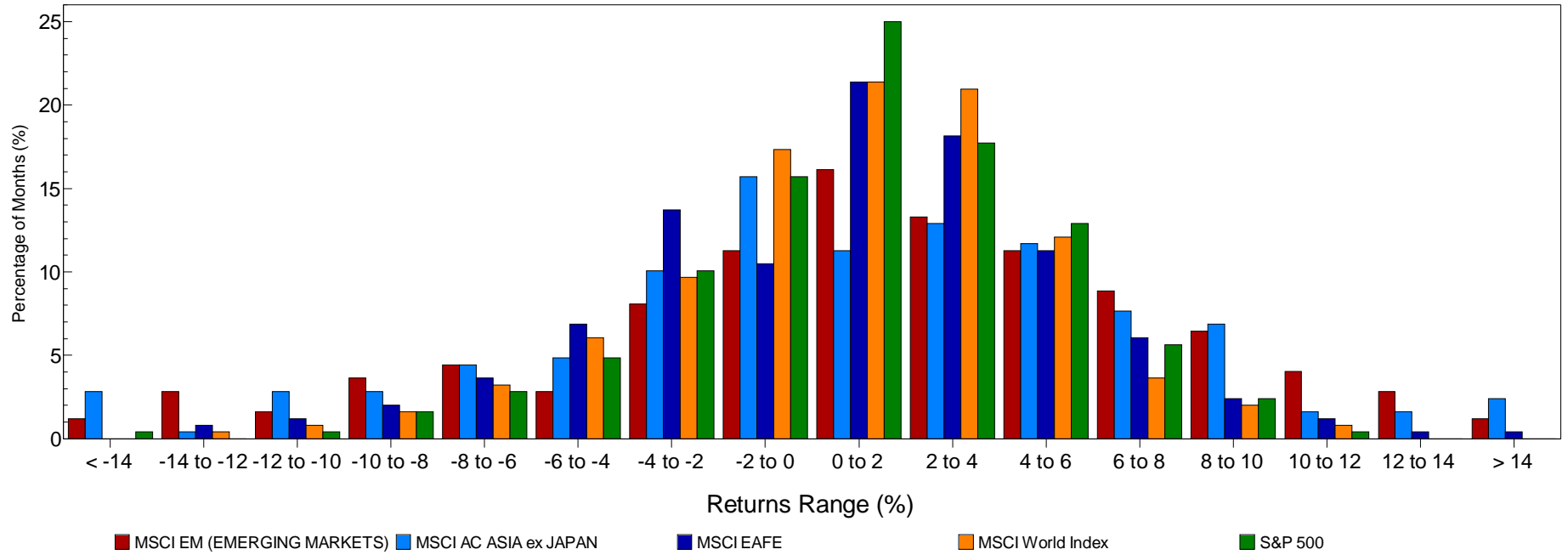


# Calendar Year Return

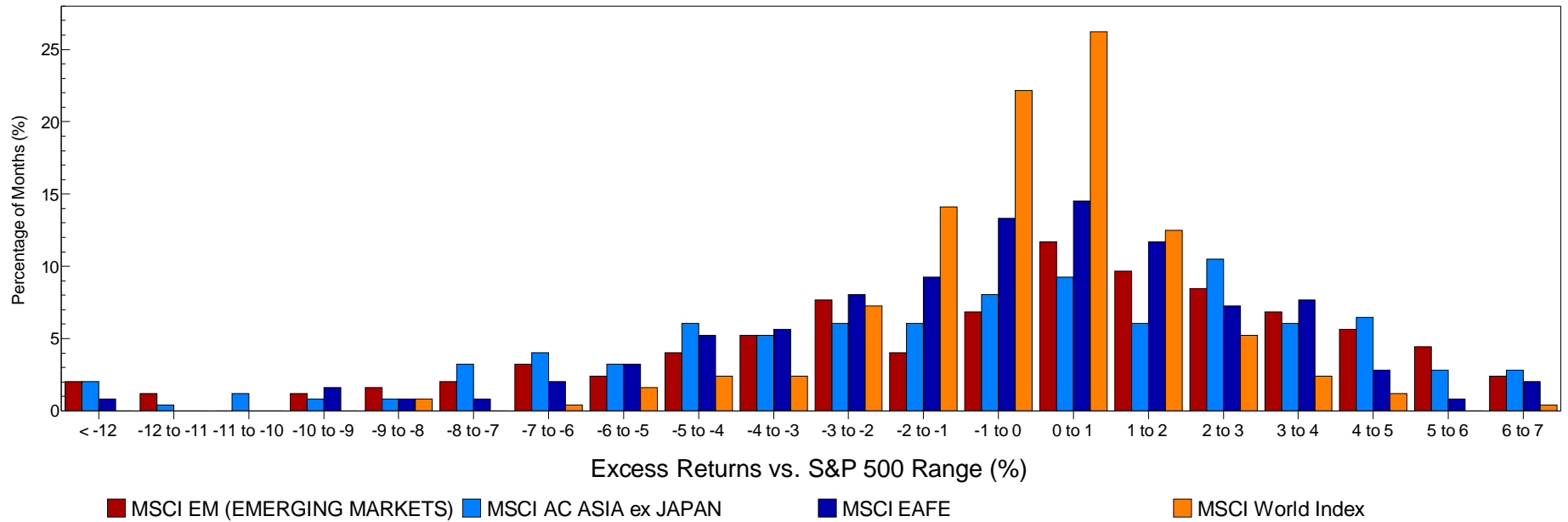


■ MSCI EM (EMERGING MARKETS)
 ■ MSCI AC ASIA ex JAPAN
 ■ MSCI EAFE  
■ MSCI World Index
 ■ S&P 500

Histogram of Returns  
January 1988 - August 2008



Histogram of Excess Returns vs. S&P 500  
January 1988 - August 2008



## Up/Down Table

January 1988 - August 2008. Single Computation

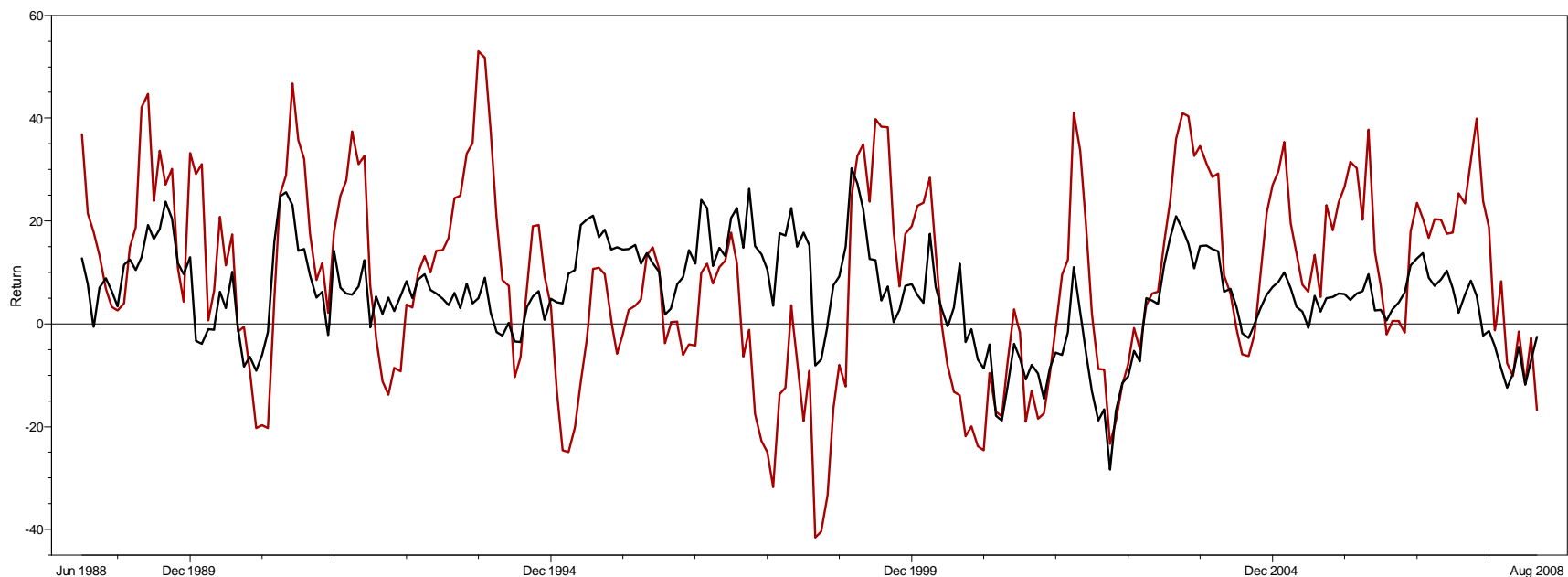
	# of Months		Average Return (%)		Month (%)		1-Year (%)	
	Up	Down	Up	Down	Best	Worst	Best	Worst
MSCI EM (EMERGING MARKETS)	159	89	5.11	-5.38	18.98	-28.91	82.16	-49.56
MSCI AC ASIA ex JAPAN	139	109	5.56	-4.72	24.31	-22.23	113.90	-58.32
MSCI EAFE	152	96	3.52	-3.93	15.61	-13.91	58.15	-28.27
MSCI World Index	151	97	3.24	-3.15	11.32	-13.32	45.05	-27.87
S&P 500	159	89	3.22	-3.16	11.44	-14.46	52.14	-26.62

Correlation Matrix

January 1988 - August 2008

	(1)	(2)	(3)	(4)	(5)
1) MSCI EM (EMERGING MARKETS)	1.00				
2) MSCI AC ASIA ex JAPAN	0.83	1.00			
3) MSCI EAFE	0.60	0.61	1.00		
4) MSCI World Index	0.66	0.65	0.94	1.00	
5) S&P 500	0.59	0.58	0.63	0.85	1.00

Manager vs Benchmark: Return  
6-Month Moving Windows, Computed Monthly



— MSCI EM (EMERGING MARKETS) — S&P 500

Manager vs Benchmark: Return  
6-Month Moving Windows, Computed Monthly

Feb 1990 Oct 1991 Jun 1993 Feb 1995 Nov 1996 Jul 1998 Mar 2000 Nov 2001 Aug 2003 Apr 2005 Dec 2006 Aug 2008

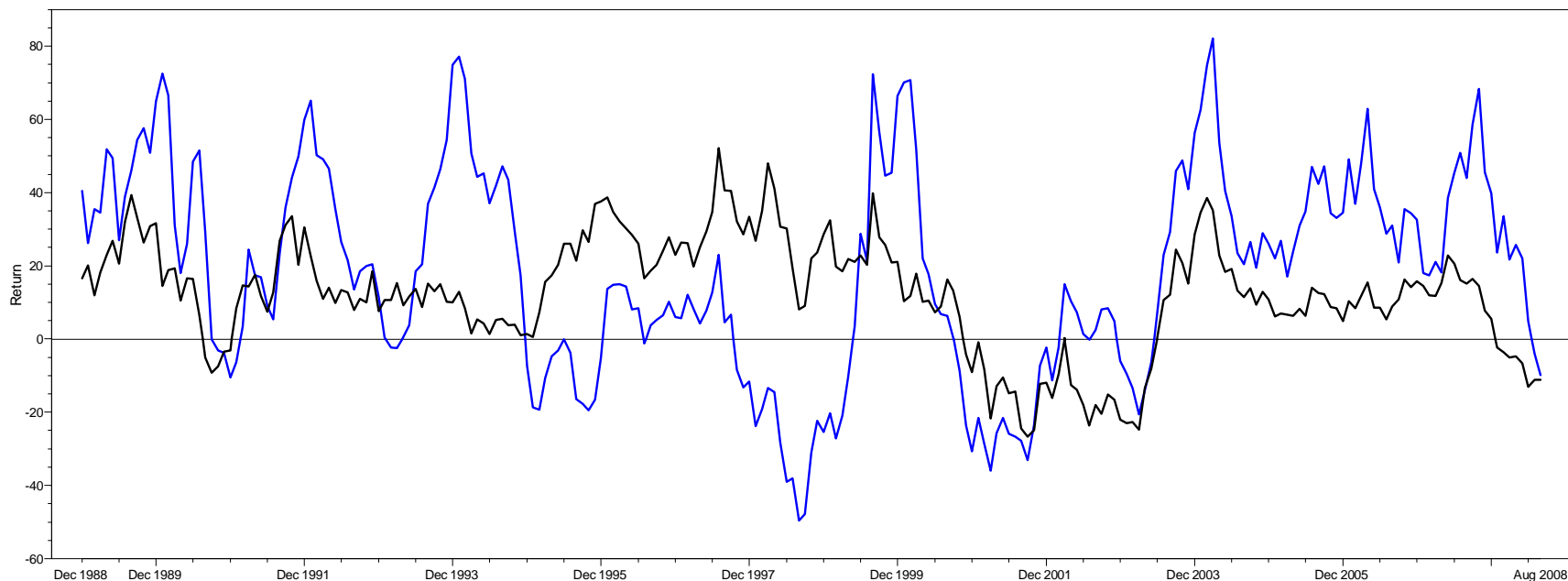
MSCI EM	31.11%	11.79%	14.27%	-24.61%	-4.02%	-9.17%	28.48%	-9.93%	35.94%	13.63%	23.53%	-16.71%
S&P 500	-3.94%	6.27%	4.88%	3.97%	14.38%	15.18%	17.51%	-8.66%	20.88%	3.28%	12.74%	-2.57%

Manager vs Benchmark: Excess Return  
6-Month Moving Windows, Computed Monthly

Feb 1990 Oct 1991 Jun 1993 Feb 1995 Nov 1996 Jul 1998 Mar 2000 Nov 2001 Aug 2003 Apr 2005 Dec 2006 Aug 2008

MSCI EM	35.06%	5.52%	9.40%	-28.58%	-18.40%	-24.35%	10.96%	-1.27%	15.06%	10.35%	10.78%	-14.14%
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Manager vs Benchmark: Return  
12-Month Moving Windows, Computed Monthly



— MSCI EM (EMERGING MARKETS) — S&P 500

Manager vs Benchmark: Return  
12-Month Moving Windows, Computed Monthly

Jul 1990 Mar 1992 Nov 1993 Jun 1995 Feb 1997 Oct 1998 Jun 2000 Jan 2002 Sep 2003 May 2005 Jan 2007 Aug 2008

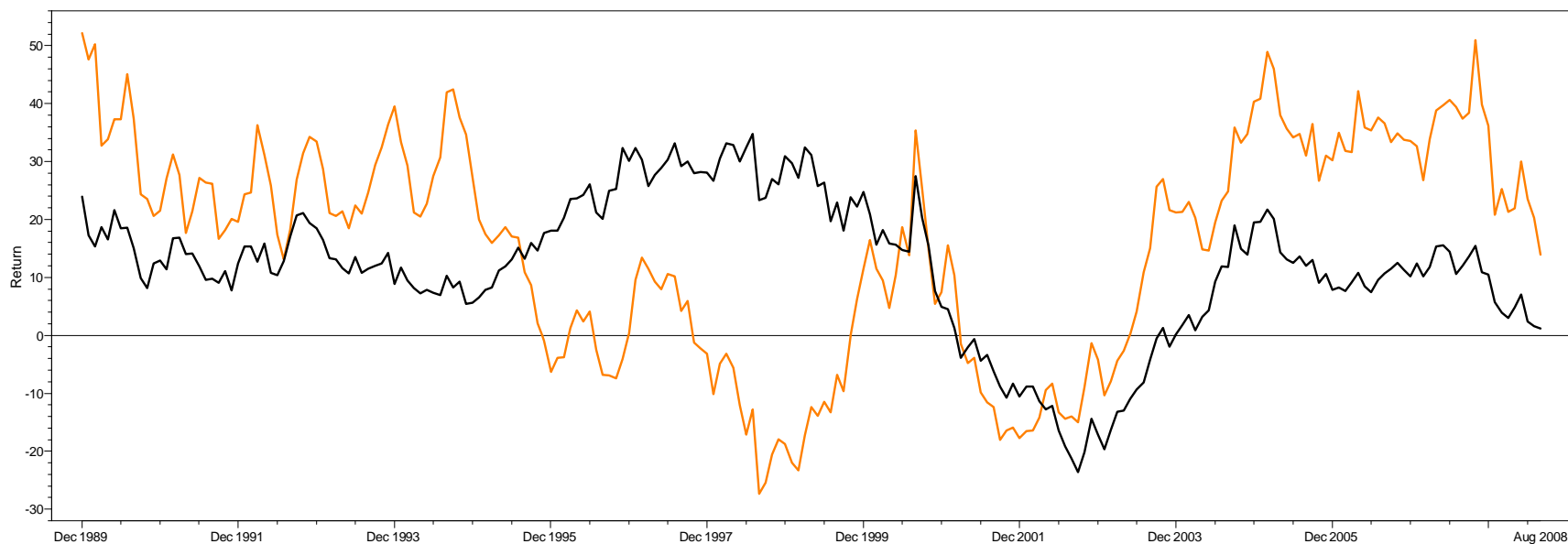
MSCI EM	51.52%	49.15%	54.45%	-0.02%	12.06%	-30.99%	9.47%	-11.28%	45.97%	30.99%	17.97%	-9.83%
S&P 500	6.50%	11.04%	10.10%	26.07%	26.16%	21.99%	7.24%	-16.15%	24.40%	8.24%	14.51%	-11.14%

Manager vs Benchmark: Excess Return  
12-Month Moving Windows, Computed Monthly

Jul 1990 Mar 1992 Nov 1993 Jun 1995 Feb 1997 Oct 1998 Jun 2000 Jan 2002 Sep 2003 May 2005 Jan 2007 Aug 2008

MSCI EM	45.02%	38.10%	44.34%	-26.09%	-14.11%	-52.98%	2.23%	4.87%	21.58%	22.75%	3.45%	1.31%
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Manager vs Benchmark: Return  
24-Month Moving Windows, Computed Monthly



— MSCI EM (EMERGING MARKETS) — S&P 500

Manager vs Benchmark: Return  
24-Month Moving Windows, Computed Monthly

Jun 1991 Jan 1993 Aug 1994 Feb 1996 Sep 1997 Apr 1999 Nov 2000 May 2002 Dec 2003 Jul 2005 Feb 2007 Aug 2008

MSCI EM

27.18% 28.69% 41.94% -3.77% 5.89% -12.39% 5.41% -8.29% 21.20% 34.71% 26.82% 13.97%

S&P 500

11.85% 16.48% 10.24% 20.26% 30.00% 31.09% 7.61% -12.22% 0.12% 13.61% 10.17% 1.15%

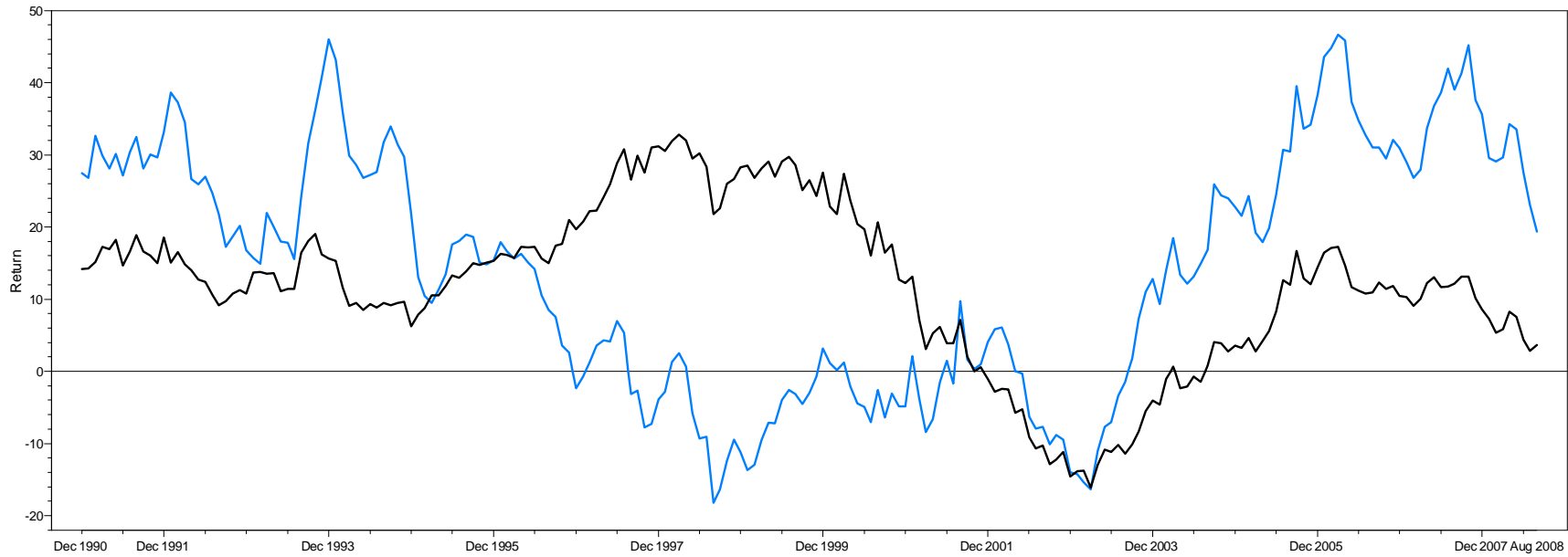
Manager vs Benchmark: Excess Return  
24-Month Moving Windows, Computed Monthly

Jun 1991 Jan 1993 Aug 1994 Feb 1996 Sep 1997 Apr 1999 Nov 2000 May 2002 Dec 2003 Jul 2005 Feb 2007 Aug 2008

MSCI EM

15.33% 12.22% 31.70% -24.03% -24.12% -43.48% -2.19% 3.92% 21.08% 21.10% 16.65% 12.82%

Manager vs Benchmark: Return  
36-Month Moving Windows, Computed Monthly



— MSCI EM (EMERGING MARKETS) — S&P 500

Manager vs Benchmark: Return  
36-Month Moving Windows, Computed Monthly

May 1992 Nov 1993 May 1995 Oct 1996 Apr 1998 Oct 1999 Apr 2001 Sep 2002 Mar 2004 Sep 2005 Mar 2007 Aug 2008

MSCI EM

25.90% 40.71% 13.45% 3.54% 0.65% -2.97% -6.61% -10.13% 18.50% 39.56% 27.97% 19.38%

S&P 500

12.72% 16.22% 11.83% 17.68% 31.97% 26.52% 5.30% -12.89% 0.63% 16.72% 10.06% 3.66%

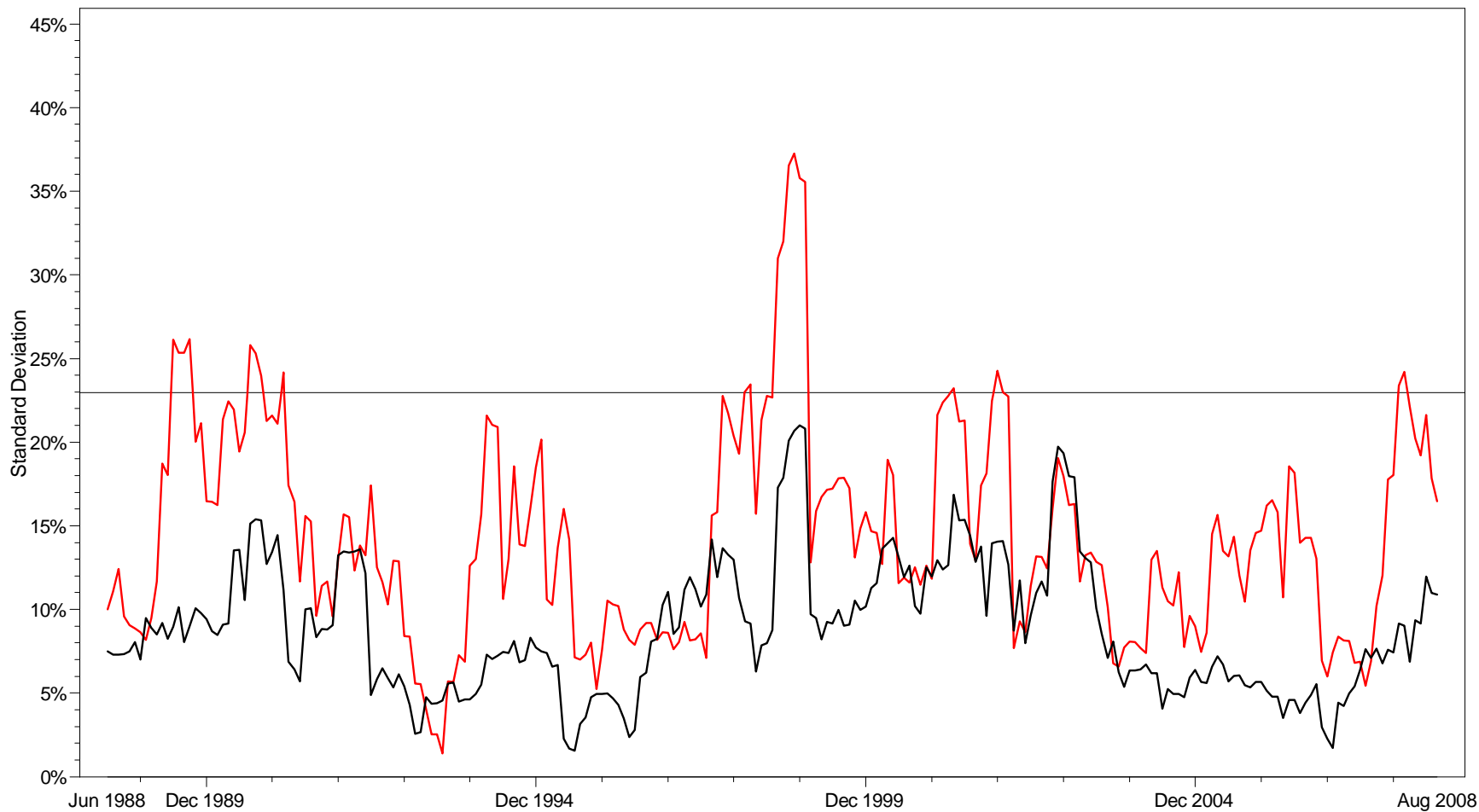
Manager vs Benchmark: Excess Return  
36-Month Moving Windows, Computed Monthly

May 1992 Nov 1993 May 1995 Oct 1996 Apr 1998 Oct 1999 Apr 2001 Sep 2002 Mar 2004 Sep 2005 Mar 2007 Aug 2008

MSCI EM

13.19% 24.49% 1.62% -14.15% -31.33% -29.49% -11.91% 2.76% 17.87% 22.85% 17.92% 15.72%

Manager vs Benchmark: Standard Deviation  
 6-Month Moving Windows, Computed Monthly

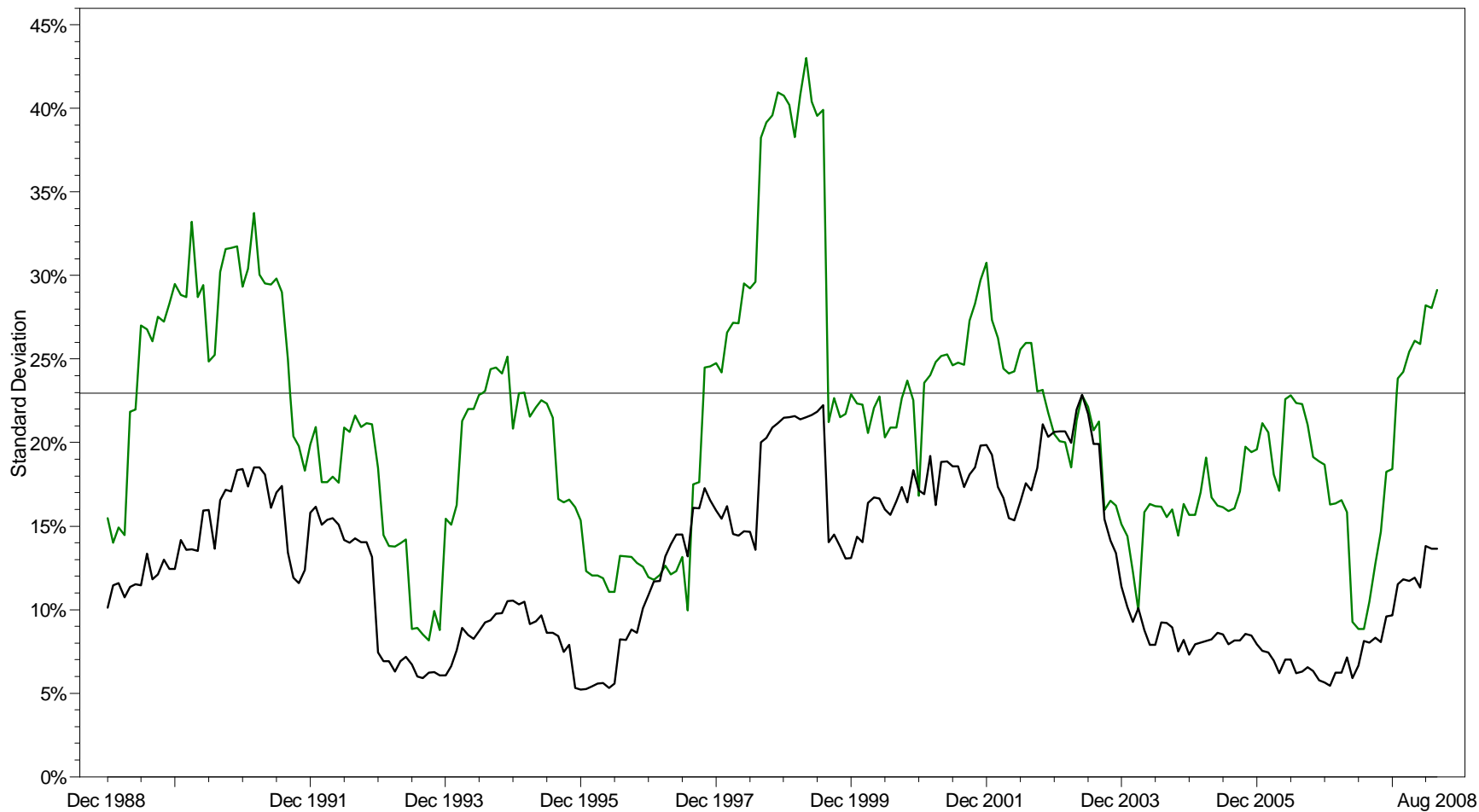


— MSCI EM (EMERGING MARKETS) — S&P 500

Feb 1990 Oct 1991 Jun 1993 Feb 1995 Nov 1996 Jul 1998 Mar 2000 Nov 2001 Aug 2003 Apr 2005 Dec 2006 Aug 2008

MSCI EM (EMERGING MARKETS)	16.24%	11.68%	2.54%	10.59%	8.62%	22.66%	12.70%	22.48%	10.15%	15.66%	6.00%	16.47%
S&P 500	8.48%	8.81%	4.40%	7.39%	10.26%	8.78%	13.62%	13.97%	7.09%	7.19%	2.28%	10.88%

Manager vs Benchmark: Standard Deviation  
 12-Month Moving Windows, Computed Monthly



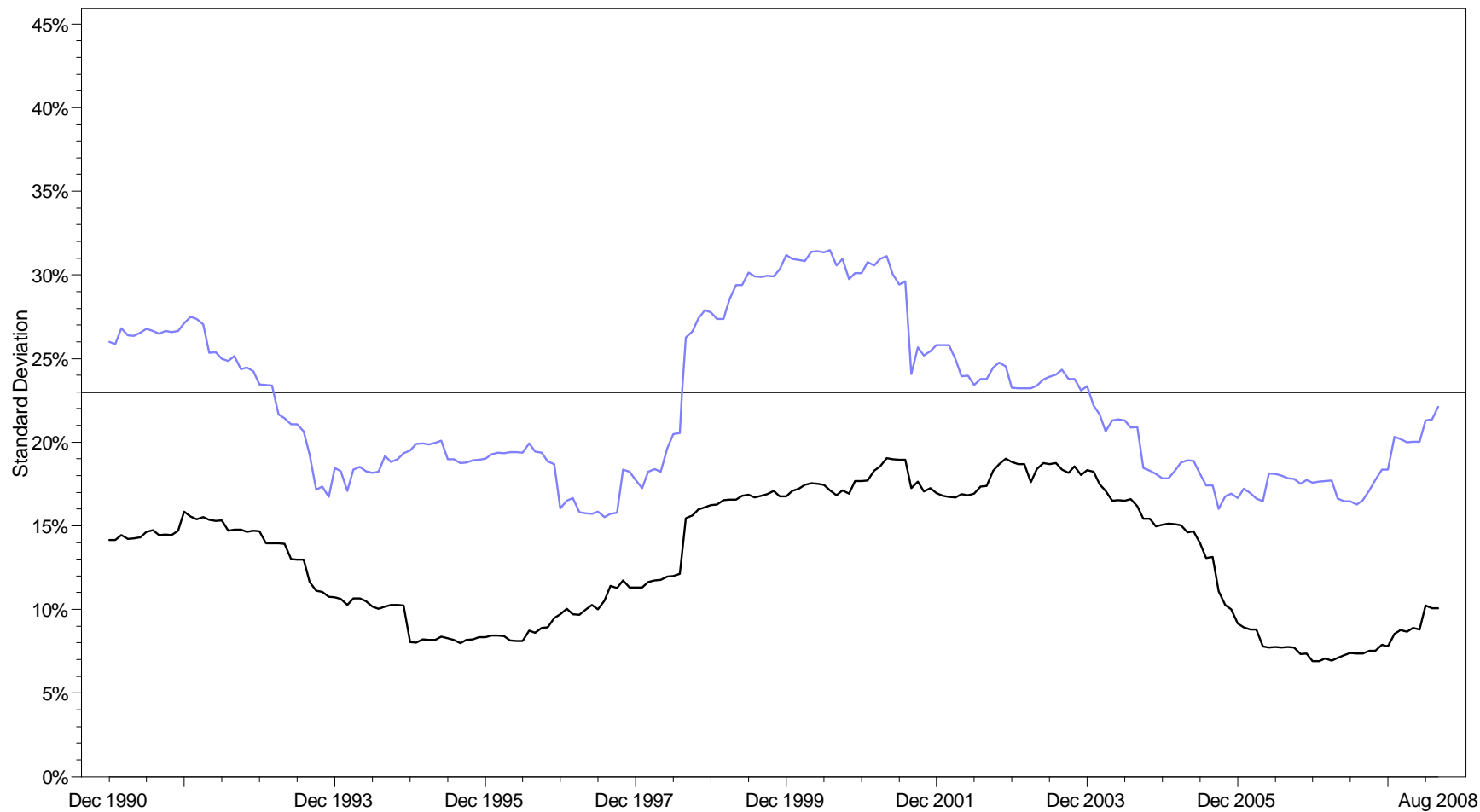
— MSCI EM (EMERGING MARKETS) — S&P 500

Jul 1990 Mar 1992 Nov 1993 Jun 1995 Feb 1997 Oct 1998 Jun 2000 Jan 2002 Sep 2003 May 2005 Jan 2007 Aug 2008

MSCI EM (EMERGING MARKETS) 25.26% 17.62% 8.77% 22.33% 12.09% 39.60% 20.31% 27.33% 15.97% 16.23% 16.30% 29.12%

S&P 500 13.64% 15.37% 6.08% 8.60% 11.70% 20.91% 16.00% 19.26% 15.40% 8.60% 5.44% 13.64%

Manager vs Benchmark: Standard Deviation  
 36-Month Moving Windows, Computed Monthly



— MSCI EM (EMERGING MARKETS) — S&P 500

May 1992 Nov 1993 May 1995 Oct 1996 Apr 1998 Oct 1999 Apr 2001 Sep 2002 Mar 2004 Sep 2005 Mar 2007 Aug 2008

MSCI EM (EMERGING MARKETS) 25.38% 16.72% 20.08% 18.84% 18.23% 29.92% 31.11% 24.47% 20.63% 16.02% 17.70% 22.11%

S&P 500 15.28% 10.75% 8.36% 8.93% 11.76% 17.08% 19.04% 18.30% 17.09% 11.08% 6.95% 10.06%

January 1988 - August 2008

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)						
1) MSCI EM (EMERGING MARKETS)	1.00																																															
2) MSCI AC ASIA ex JAPAN	0.83	1.00																																														
3) MSCI EM EUROPE & MIDDLE EAST	0.62	0.45	1.00																																													
4) MSCI EM LATIN AMERICA	0.87	0.54	0.45	1.00																																												
5) MSCI ARGENTINA	0.38	0.23	0.30	0.41	1.00																																											
6) MSCI BRAZIL	0.70	0.34	0.41	0.87	0.22	1.00																																										
7) MSCI CHILE	0.61	0.53	0.33	0.56	0.25	0.39	1.00																																									
8) MSCI HONG KONG	0.67	0.88	0.36	0.48	0.20	0.31	0.45	1.00																																								
9) MSCI INDONESIA	0.40	0.47	0.25	0.26	0.16	0.17	0.26	0.37	1.00																																							
10) MSCI JORDAN	0.10	0.09	0.08	0.07	-0.03	0.06	0.13	0.06	-0.02	1.00																																						
11) MSCI KOREA	0.45	0.51	0.19	0.28	0.09	0.14	0.25	0.32	0.31	0.06	1.00																																					
12) MSCI MALAYSIA	0.58	0.73	0.31	0.32	0.13	0.18	0.35	0.56	0.43	0.08	0.30	1.00																																				
13) MSCI MEXICO	0.64	0.47	0.29	0.67	0.40	0.34	0.40	0.42	0.23	0.03	0.28	0.28	1.00																																			
14) MSCI PHILIPPINES	0.53	0.66	0.26	0.33	0.22	0.21	0.37	0.56	0.47	0.07	0.26	0.53	0.30	1.00																																		
15) MSCI SINGAPORE	0.70	0.84	0.42	0.48	0.21	0.30	0.46	0.72	0.47	0.07	0.38	0.67	0.46	0.61	1.00																																	
16) MSCI TAIWAN	0.50	0.53	0.22	0.36	0.23	0.22	0.34	0.39	0.16	0.07	0.30	0.39	0.35	0.39	0.44	1.00																																
17) MSCI THAILAND	0.60	0.72	0.27	0.37	0.21	0.23	0.38	0.54	0.42	0.10	0.50	0.53	0.37	0.60	0.63	0.41	1.00																															
18) MSCI TURKEY	0.43	0.29	0.78	0.32	0.22	0.27	0.26	0.19	0.12	0.06	0.14	0.19	0.23	0.16	0.28	0.19	0.19	1.00																														
19) S&P GSCI	0.09	0.03	0.07	0.09	0.17	0.05	0.02	0.03	0.02	-0.05	0.07	-0.01	0.03	-0.10	0.01	-0.04	0.04	0.03	1.00																													
20) S&P GSCI Agriculture	0.16	0.15	0.08	0.08	0.09	0.06	0.09	0.09	0.07	-0.10	0.11	0.07	0.07	0.05	0.09	0.13	0.16	-0.03	0.18	1.00																												
21) S&P GSCI Cocoa	-0.03	-0.00	-0.03	-0.04	-0.05	-0.00	-0.09	-0.03	-0.03	-0.01	0.06	-0.06	-0.07	-0.05	-0.08	-0.03	-0.04	-0.06	0.08	0.15	1.00																											
22) S&P GSCI Coffee	0.17	0.11	0.08	0.17	0.08	0.15	0.04	0.08	0.14	-0.01	0.14	0.06	0.10	-0.01	0.08	0.06	0.07	0.11	0.01	0.25	0.09	1.00																										
23) S&P GSCI Copper	0.19	0.22	0.09	0.11	0.06	0.04	0.18	0.18	0.23	-0.06	0.20	0.11	0.06	0.11	0.16	0.05	0.17	-0.03	0.22	0.15	0.09	0.10	1.00																									
24) S&P GSCI Corn	0.10	0.11	0.03	0.05	0.05	0.02	0.12	0.08	0.07	-0.10	0.02	0.12	0.09	0.04	0.08	0.08	0.14	-0.06	0.09	0.80	0.06	0.07	0.07	1.00																								
25) S&P GSCI Cotton	0.07	0.09	0.05	0.02	-0.02	0.05	0.09	0.07	-0.03	0.00	0.03	0.04	-0.07	0.06	0.02	0.08	0.07	-0.00	0.11	0.36	0.19	0.06	0.19	0.17	1.00																							
26) S&P GSCI Crude Oil	0.05	-0.00	0.02	0.06	0.12	0.01	-0.01	-0.03	0.01	-0.04	0.09	-0.03	0.02	-0.11	-0.01	-0.03	0.00	0.05	0.88	-0.02	0.10	0.01	0.10	-0.09	0.05	1.00																						
27) S&P GSCI Energy	0.04	-0.02	0.03	0.07	0.14	0.03	-0.00	-0.01	-0.01	-0.07	0.05	-0.05	0.01	-0.13	-0.02	-0.09	-0.03	0.02	0.96	0.00	0.06	-0.02	0.14	-0.06	0.05	0.92	1.00																					
28) S&P GSCI Gold	0.10	0.08	0.09	0.08	-0.03	0.09	-0.06	0.08	0.03	0.09	0.07	0.07	-0.01	0.04	0.04	-0.04	0.12	0.02	0.26	0.13	0.13	0.04	0.24	0.02	0.06	0.21	0.20	1.00																				
29) S&P GSCI Heating Oil	0.04	-0.01	0.03	0.08	0.16	0.05	0.02	0.00	0.01	-0.05	0.05	-0.06	0.02	-0.13	-0.00	-0.09	-0.00	0.02	0.90	-0.02	0.04	-0.06	0.15	-0.09	0.02	0.87	0.93	0.18	1.00																			
30) S&P GSCI Industrial Metals	0.21	0.23	0.12	0.13	0.06	0.08	0.19	0.17	0.24	-0.09	0.19	0.11	0.06	0.12	0.17	0.02	0.17	0.01	0.19	0.14	0.04	0.10	0.92	0.10	0.17	0.08	0.11	0.22	0.12	1.00																		
31) S&P GSCI Lean Hogs	-0.02	-0.04	0.01	-0.02	0.07	-0.03	-0.05	-0.00	-0.06	0.04	-0.02	-0.05	0.01	-0.01	-0.07	-0.03	0.02	0.05	0.09	-0.01	-0.05	-0.05	-0.04	-0.01	-0.01	0.01	0.03	-0.00	0.04	-0.07	1.00																	
32) S&P GSCI Live Cattle	0.02	0.05	0.03	-0.01	-0.06	-0.00	-0.04	0.07	-0.02	0.06	-0.03	0.01	0.01	-0.02	0.06	0.08	0.02	0.02	0.05	0.03	-0.02	-0.04	-0.01	0.01	-0.01	-0.02	-0.02	-0.06	0.00	-0.01	0.36	1.00																
33) S&P GSCI Livestock	0.00	0.01	0.03	-0.01	0.01	-0.00	-0.05	0.05	-0.03	0.06	-0.02	-0.02	0.02	-0.02	0.00	0.03	0.02	0.04	0.08	0.02	-0.04	-0.05	-0.03	-0.01	-0.02	-0.01	-0.00	-0.04	0.03	-0.05	0.80	0.84	1.00															
34) S&P GSCI Non-Energy	0.22	0.21	0.14	0.14	0.12	0.11	0.11	0.13	0.12	-0.02	0.16	0.10	0.10	0.07	0.14	0.17	0.23	0.03	0.29	0.82	0.12	0.21	0.41	0.62	0.33	0.05	0.08	0.29	0.07	0.40	0.29	0.33	0.38	1.00														
35) S&P GSCI Petroleum	0.06	0.01	0.02	0.09	0.14	0.03	-0.00	-0.01	-0.01	-0.05	0.08	-0.04	0.04	-0.12	-0.00	-0.06	0.00	0.02	0.92	-0.01	0.10	-0.01	0.15	-0.09	0.05	0.97	0.96	0.20	0.93	0.12	0.02	-0.01	0.00	0.06	1.00													
36) S&P GSCI Platinum	0.19	0.16	0.17	0.15	0.00	0.12	0.00	0.13	-0.03	0.06	0.16	0.15	0.08	-0.03	0.08	0.13	0.10	0.06	0.20	0.17	0.15	0.11	0.33	0.03	0.23	0.10	0.12	0.55	0.10	0.33	-0.08	0.05	-0.01	0.33	0.11	1.00												
37) S&P GSCI Precious Metals	0.15	0.12	0.13	0.12	-0.01	0.11	-0.04	0.11	0.02	0.09	0.09	0.10	0.03	0.05	0.08	0.00	0.13	0.04	0.24	0.14	0.14	0.06	0.27	0.03	0.08	0.18	0.17	0.98	0.15	0.25	0.00	-0.05	-0.04	0.31	0.17	0.64	1.00											
38) S&P GSCI Silver	0.22	0.19	0.16	0.19	0.10	0.13	0.04	0.15	0.04	0.10	0.11	0.15	0.16	0.08	0.17	0.08	0.15	0.09	0.11	0.13	0.15	0.10	0.24	0.08	0.04	0.07	0.05	0.65	0.05	0.23	0.01	-0.08	-0.05	0.26	0.06	0.50	0.75	1.00										
39) S&P GSCI Soybeans	0.10	0.09	0.06	0.08	0.05	0.05	0.11	0.05	0.15	-0.08	0.04	0.04	0.05	0.04	0.05	0.04	0.13	-0.02	0.15	0.75	0.09	0.13	0.12	0.68	0.30	-0.02	0.02	0.11	0.02	0.12	0.02	0.03	0.03	0.61	-0.01	0.09	0.12	0.10	1.00									

## Real Risk / Return Assumptions

	Return	Risk (Annualized Standard Deviation)			
		1 Year	3 Years	5 Years	10 Years
US Domestic Equity	6.50%	18.00%	10.00%	8.00%	6.00%
Small Cap Equity	7.50%	21.00%	10.00%	8.00%	4.00%
Int'l Equity	6.50%	22.00%	14.00%	10.00%	6.00%
Emerging Markets Equity	8.00%	28.00%	12.00%	10.00%	6.00%
US Invest Grade Bonds	3.00%	9.00%	5.00%	4.00%	3.00%
US Non Invest Grade Bonds	6.50%	9.00%	6.00%	4.00%	2.00%
Global Invest Grade Bonds	5.50%	9.00%	5.00%	3.00%	2.00%
Emerging Mkt Debt	7.00%	17.00%	7.00%	5.00%	4.00%
Inflation Linked Bond	2.00%	0.00%	0.00%	0.00%	0.00%
Less-Correlated	7.50%	12.00%	6.00%	4.00%	3.00%
Private Equity	10.00%	28.00%	15.00%	11.00%	5.00%
Real Estate	5.50%	12.00%	7.00%	4.00%	3.00%
Cash	0.80%	2.50%	1.50%	1.00%	1.00%