

“Our favorite holding period is forever.”

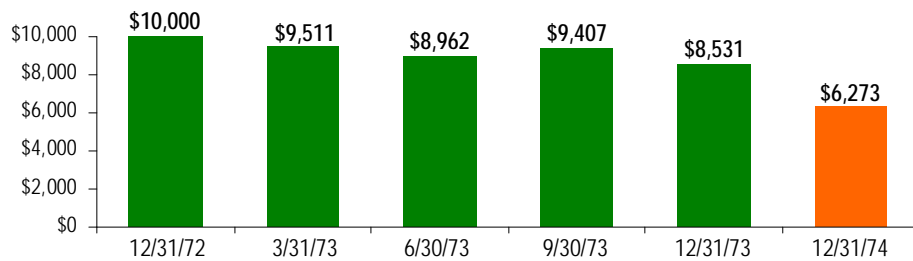
- Warren Buffett

In volatile times like these, we believe it is important to remember one of the fundamental concepts of investing: “staying the course.” Here’s a powerful reminder of the importance of remaining invested through a difficult market environment.

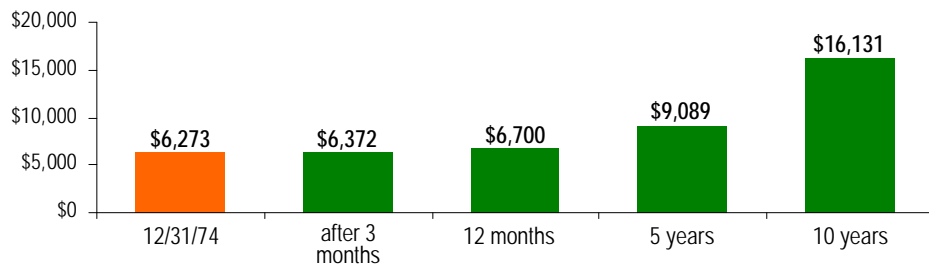
Shown is a hypothetical during a time when the market experienced a prolonged downturn (1973-1974). If you had pulled out of the market after those tough two years instead of staying the course, you would have missed out on the upturn when it finally came. Of course, past performance is no guarantee of future results, but this is one history lesson that could be very valuable in today’s investing environment.

Consider the following hypothetical example:

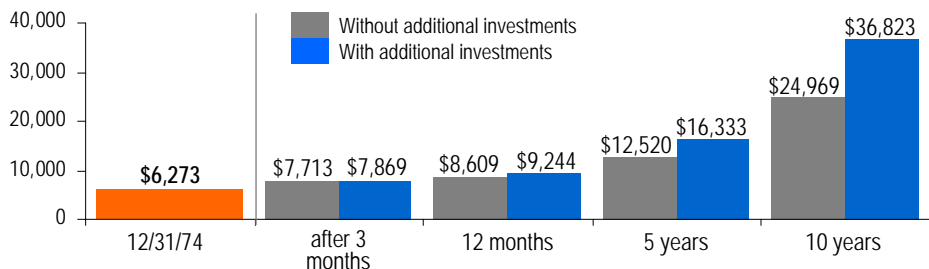
A \$10,000 hypothetical investment in the S&P 500 on December 31, 1972



Let’s assume that when your original investment dropped to \$6,273, you removed it from the market and reinvested it in a 6-month CD at the average 9.90% for this period. (CD’s are FDIC insured and have principal and interest guarantees but offer no opportunity for growth of capital or income. The principal value and return of an investment in mutual funds will fluctuate with changes in market conditions.)



But what if you had kept your \$6,273 invested in the S&P 500 instead of investing in a CD? Or even had gone a step farther and set up a systematic investment plan adding \$50 a month starting on 1/1/1975 for the next 10 years?



An action plan

Be sure to talk with your financial advisor to find out what’s right for you. Consider your investment time horizon, risk tolerance, and your financial ability to continue to invest through periods of low prices. Remember that the use of a systematic investing program does not guarantee a profit or protect against a loss in declining markets.

Before investing in any mutual fund, consider its investment objectives, risks, charges, and expenses. For a prospectus containing this and other information, contact your investment professional or visit the fund company’s web site. Read it carefully.

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