

# Performance of PIMS Computerized Portfolio Models vs Market Indices

End of Quarter 4, 2011  
Annualized Returns, %

	Global Model#3 All DB Securites GLOBAA	Global Model#3 Stocks+ADRs Only GLOBAA	Global Model#3 Stocks+ADRs +OE MFs GLOBAA	Global Model#3 Index Funds GLOBAA	Global Model#3 Country Indices GLOBAA	20 Stock Model CVRPM	US Treas. Model ZEROC	Dow Jones World INDEX	S&P 500 INDEX
3 mo. **	2.9%	2.2	1.7	4.3	6.8	10.9	1.7	6.4	11.8
1 year	- 6.0%	- 10.5	- 7.7	- 11.0	- 9.2	- 6.3	25.7	- 10.2	2.1
3 yr avg	14.9%	12.4	13.6	9.9	13.1	15.4	9.6	9.5	14.2
5 yr avg	0.5%	1.4	0.6	- 4.3	- 2.3	- 1.1	15.3	- 3.8	- 0.2

## Definitions of PIMS Models:

GLOBAA = Worldwide investment model using common stocks, ADRs, ETFs, open-end mutual funds, and closed-end funds that are designed to mimic or better the 31 developed countries stock markets. Macro economic data from IMF. Risk level set to Moderate. Beginning capital set to \$2million starting 1/1/2000.

\*\* 3 Mo. performance results are for Qtr 4, 2011.

Commissions/fees for GLOBAA Model 3 Portfolios assumed to be 8.75bp per quarter. Global Country Indices performance uses the same distribution of capital as GLOBAA.

CVRPM = Composite Value Rank Portfolio Management (CVRPM) developed in 1992. Stock selections are chosen from our historical library starting March 11, 1991 for printouts of the Top 6 Stocks for 5 different Ranks for all 82 Stock Categories. CVRPM uses a proprietary step-by-step procedure which defines how to choose stocks from the Top 6 printouts.

ZEROC = U.S. Treasuries zero coupon single bond trading model. Trading algorithm developed by API Trust and programmed by PIMS, Inc..

AIMR = Association of Investment Management and Research  
AIMR Guidelines followed for backtesting of PIMS models against market indexes.  
S&P500 performance includes reinvestment of dividends. Model results are hypothetical and do not include subtraction of management fee(s) except for the GLOBAA model\*\*.