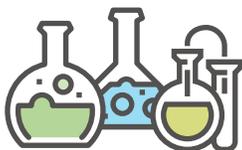


Develop Your Retirement Savings Plan

A mix of investments can help create your personal retirement solution.

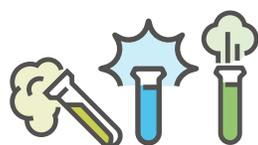


FINANCIAL FYI®



Variety Matters

You likely have several investment choices for your retirement savings plan. The right mix plays an important role in helping you reach your goal. It may also help lessen risk to your savings when the financial markets move up and down.



When choosing investments for retirement savings, it's important to include different types. You want ones that don't react the same way when market conditions change.

For example, when interest rates rise, stocks may perform well but bond prices usually go down. Having all of one kind of investment can mean big wins at times, but also big losses if the market changes.

Mixing it up, or diversifying your account, helps lower your overall risk. It does this by balancing out your investments. However, it cannot protect against loss when the market goes down. Knowing the role each investment type plays can help you make informed choices.

Sample Mixed Portfolio

For presentation only.

				MONEY MARKETS	BONDS	BONDS	BONDS
				Money Markets	U.S. Bonds	Non-U.S. Bonds	Inflation-Protection
				5%	21%	3%	6%
STOCKS	STOCKS	STOCKS	ALTERNATIVES				
U.S. Stocks	Non-U.S. Stocks	Real Estate	Alternatives				
38%	13%	6%	8%				



Stock Funds: Designed to Grow

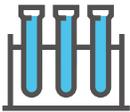
Stock funds may benefit you when individual companies and the economy in general do well. There are several different types of stock funds. They are defined by the types of companies they buy. Some examples are below.

	Market Size	Style	Country	Sector
What It Means	The number of shares a company offers identifies its size.	How investors expect a stock to perform.	Where the companies are located.	Type of industry.
What Are The Choices	<p>Large-cap – >\$12.2B</p> <p>Mid-cap – \$4.2B to \$12.2B</p> <p>Small-cap – < \$4.2B</p>	<p>Growth – high-growth potential.</p> <p>Value – strong but under-valued or out of favor.</p> <p>Index – tracks a benchmark index, like the S&P 500.</p> <p>Growth and income – stocks that do or do not pay dividends.</p>	<p>International – developed markets, such as Europe or Japan.</p> <p>Global – U.S., developed foreign markets; sometimes emerging markets.</p> <p>Emerging – developing markets, such as Russia or South Korea.</p> <p>Regional/single-country – such as Latin America.</p>	<p>Utilities/Technology, etc. – stocks in the specific industry.</p> <p>Real Estate – real estate investment trusts include income-producing properties, such as apartments or shopping centers.</p>



Alternative Funds (Liquid Alternatives): Designed to Manage Volatility

Alternative mutual funds are called liquid alternatives and are not the same as a traditional stock, bond or money market. They can include tangible assets such as precious metals. Liquid alternatives are sometimes used to complement traditional investments with assets and strategies that aim to manage volatility, lessen impacts of severe market swings and improve diversification. They also come with a variety of risks.



Bond Funds: Seek Income or Stability

Bonds are built from money you “loan” to an organization, such as a corporation or a government. The organization agrees to repay the loan with interest within a set timeframe. Bond fund prices typically change less than stock funds. This can potentially add stability to your savings.

Issuer	Type	Description
Federal Government	Treasury bonds	Helps pay for the national debt and government programs.
State and City Governments	Municipal bonds	Helps pay for roads, schools, sewers and other public works projects.
Public and private businesses	Corporate bonds	Helps pay for projects that help their businesses grow.



Money Market Funds: Pursue Preservation

Money markets hold investments, such as U.S. Treasury bills, that mature in less than one year. Their role is to maintain capital.

Pre-mixed Options

You can choose a fund that already includes a mix of stock, bond and money market investments.

Asset allocation funds invest in a mix of individual stocks, bonds and money markets. You choose the fund based on how you feel about risk.

A fund-of-funds invests in stock, bond and money market mutual funds. You select one based on risk, or on how long you have to save for a goal.



The Bottom Line

Select investments by the role each plays. This may give you a better chance of helping you save for the kind of retirement you want.

The investment type and risk level are based on each investment’s investment objective. The investment type and risk level can vary significantly; therefore it is important to explore an investment carefully before investing to ensure its objectives, policies and risk are consistent with your needs.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

Money Market Fund: An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the fund.

Diversification does not ensure against loss in a declining market.

This information is for educational purposes only and is not intended as investment advice.

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