

The Case for Diversification

Annual Returns for Key Indexes (1993-2007) Ranked by Performance (Best to Worst)



	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
HIGHEST	International 32.9%	International 8.1%	Large Cap Value 38.4%	Large Cap Growth 23.1%	Large Cap Value 35.2%	Large Cap Growth 38.7%	Mid Cap Growth 51.3%	Small Cap Value 22.8%	Small Cap Value 14.0%	Bonds 9.8%	Small Cap Growth 48.5%	Mid Cap Value 23.7%	International 14.0%	International 26.90%	Large Cap Growth 11.8%
	Small Cap Value 23.8%	Large Cap Growth 2.7%	S&P 500 37.6%	S&P 500 23.0%	Mid Cap Value 34.4%	S&P 500 28.6%	Small Cap Growth 43.1%	Mid Cap Value 19.2%	Bonds 9.0%	Mid Cap Value -9.6%	Small Cap Value 46.0%	Small Cap Value 22.3%	Mid Cap Value 12.7%	Small Cap Value 23.5%	International 11.6%
	Large Cap Value 18.1%	S&P 500 1.3%	Large Cap Growth 37.2%	Large Cap Value 21.6%	S&P 500 33.4%	International 20.3%	Large Cap Growth 33.1%	Bonds 10.1%	Mid Cap Value 2.3%	Small Cap Value -11.4%	Mid Cap Growth 42.7%	International 20.7%	Mid Cap Growth 12.1%	Large Cap Value 22.3%	Mid Cap Growth 11.4%
	Mid Cap Value 15.6%	Small Cap Value -1.6%	Mid Cap Value 34.9%	Small Cap Value 21.4%	Small Cap Value 31.8%	Mid Cap Growth 17.9%	International 27.3%	Large Cap Value 7.0%	Large Cap Value -5.6%	Large Cap Value -15.5%	International 39.2%	Large Cap Value 16.5%	Large Cap Value 7.1%	Mid Cap Value 20.2%	Bonds 7.4%
	Small Cap Growth 13.4%	Bonds -1.9%	Mid Cap Growth 34.0%	Mid Cap Value 20.3%	Large Cap Value 30.5%	Large Cap Value 15.6%	S&P 500 21.0%	S&P 500 -9.1%	Small Cap Growth -9.2%	International -15.7%	Mid Cap Value 38.1%	Mid Cap Growth 15.5%	Large Cap Growth 5.3%	S&P 500 15.8%	Small Cap Growth 7.1%
	Mid Cap Growth 11.2%	Large Cap Value -2.0%	Small Cap Growth 31.0%	Mid Cap Growth 17.5%	Mid Cap Growth 22.5%	Bonds 8.4%	Large Cap Value 7.3%	Mid Cap Growth -11.8%	S&P 500 -11.9%	S&P 500 -22.1%	Large Cap Value 30.0%	Small Cap Growth 14.3%	S&P 500 4.9%	Small Cap Growth 13.4%	S&P 500 5.5%
	S&P 500 10.1%	Mid Cap Value -2.1%	Small Cap Value 25.8%	Small Cap Growth 11.3%	Small Cap Growth 13.0%	Mid Cap Value 5.1%	Bonds 0.4%	International -14.0%	Mid Cap Growth -20.2%	Mid Cap Growth -27.4%	Large Cap Growth 29.8%	S&P 500 10.9%	Small Cap Value 4.7%	Mid Cap Growth 10.7%	Large Cap Value -0.2%
	Bonds 8.8%	Mid Cap Growth -2.2%	Bonds 15.3%	International 6.3%	Bonds 7.9%	Small Cap Growth 1.2%	Mid Cap Value -0.1%	Large Cap Growth -22.4%	Large Cap Growth -20.4%	Large Cap Growth -27.9%	S&P 500 28.7%	Large Cap Growth 6.3%	Small Cap Growth 4.2%	Large Cap Growth 9.1%	Mid Cap Value -1.4%
LOWEST	Large Cap Growth 2.9%	Small Cap Growth -2.4%	International 11.6%	Bonds 4.1%	International 2.1%	Small Cap Value -6.5%	Small Cap Value -1.5%	Small Cap Growth -22.4%	International -21.2%	Small Cap Growth -30.3%	Bonds 4.3%	Bonds 3.0%	Bonds 1.6%	Bonds 4.1%	Small Cap Value -9.8%

S&P 500 Index measures the performance of large-capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX and Nasdaq. The weightings make each company's influence on the Index performance directly proportional to that company's market value.

International is represented by the MSCI EAFE Index (Europe, Australasia, Far East), which is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of April 2002 the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

Russell 1000 Index measures the performance of the 1000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. Large Cap Value is represented by the Russell 1000 Value, which measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 1000 Index measures the performance of the 1000 largest companies in the Russell 3000 Index, which represent approximately 92% of the total market capitalization of the Russell 3000 Index. Large Cap Growth is represented by the Russell 1000 Growth, which measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell MidCap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 74% of the total market capitalization of the Russell 3000 Index. Mid Cap Value is represented by the Russell MidCap Value, which measures the performance of those Russell MidCap companies with lower price-to-book ratios and lower forecasted growth values.

Russell MidCap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represents approximately 74% of the total market capitalization of the Russell 3000 Index. Mid Cap Growth is represented by the Russell MidCap Growth, which measures the performance of those Russell MidCap companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Index measures the performance of small-capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks in the broad market Russell 3000 Index. Small Cap Value is represented by The Russell 2000 Value, which measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Index measures the performance of small-capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks in the broad market Russell 3000 Index. Small Cap Growth is represented by Russell 2000 Growth, which measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Bonds are represented by the Lehman Brothers U.S. Intermediate Government/Credit Bond Index which is the intermediate component of the Lehman Brothers U.S. Government/Credit Index and is a widely recognized index which features a blend of U.S. Treasury, government-sponsored (U.S. Agency and supranational), mortgage and corporate securities limited to a maturity of no more than ten years.

This chart is provided for illustrative purposes only and is not indicative of any specific investment; individual investment results will vary. Information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. The data assumes the reinvestment of all income and dividends and does not account for taxes and transaction costs. Investment manager performance relative to the different asset class indexes has varied widely across the asset classes during the past 15 years.

Asset allocation/investment timing cannot eliminate the risk of fluctuating prices and uncertain returns. Past performance is no guarantee of future results.

Please note that all indexes are unmanaged and do not take into account any fees or expenses of investing in the individual securities they track, and that individuals cannot invest directly in an index. Investments in stocks and bonds are subject to risk, including market and interest-rate fluctuations. Stocks of mid-cap and small-cap companies are typically more volatile than stocks of larger companies. They often involve higher risks as they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. Global/international investing involves risks not typically associated with U.S. investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

Bonds are represented by the Lehman Brothers Government/Corporate Intermediate Bond Index, an index based on all publicly issued intermediate government and corporate debt securities with average maturity of 4-5 years.

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