

# MARKET MICROSCOPE – Facts and Figures from 2014

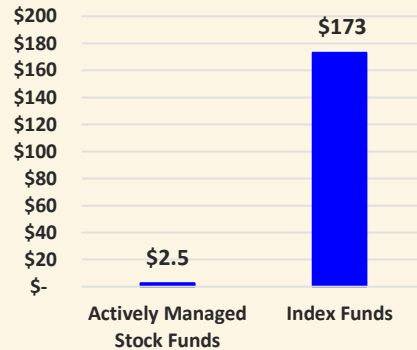
*In the US, mid and large cap stocks greatly outperformed small cap stocks.*

2014 US Stock Returns (Russell Indices)

	Value	Core	Growth
Large	13.5%	13.2%	13.1%
Mid	14.8%	13.2%	11.9%
Small	4.2%	4.9%	5.6%

*Passive strategies dominated new asset flows.*

New Assets (\$ billions)  
Jan '14 - Sept '14



*Best and Worst Markets*

### Developed Markets

Top 3	2014	Bottom 3	2014
Israel	22.8%	Portugal	-38.2%
U.S.	13.7%	Austria	-29.8%
N. Zealand	7.3%	Norway	-22.0%

### Emerging Markets

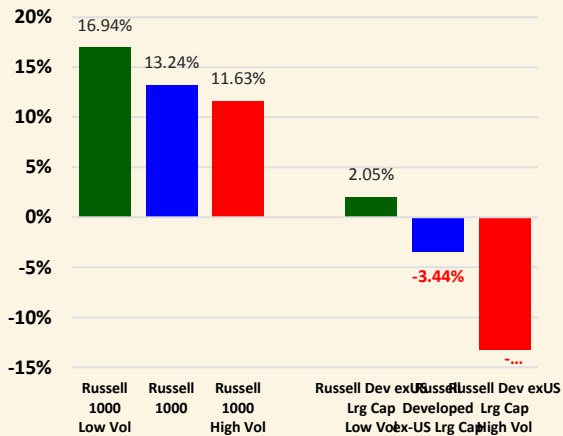
Top 3	2014	Bottom 3	2014
Egypt	29.3%	Russia	-46.3%
Indonesia	26.6%	Greece	-40.0%
Philippines	25.6%	Hungary	-27.4%

### Frontier Markets

Top 3	2014	Bottom 3	2014
Bangladesh	50.7%	Bahrain	-33.0%
Kenya	23.4%	Estonia	-30.1%
Argentina	19.0%	Ghana	-27.3%

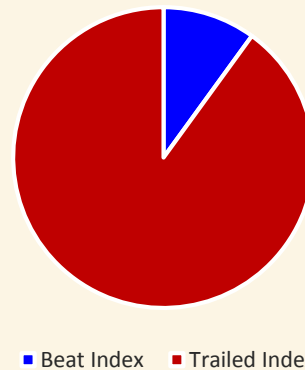
*Within asset classes, lower volatility stocks tended to outperform their more volatile peers.*

2014 Return

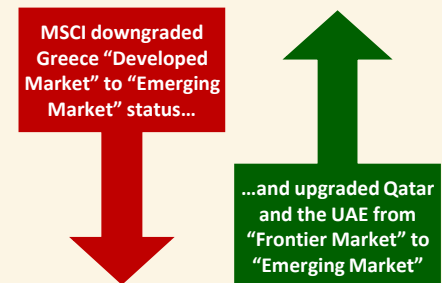


*... as active management performed poorly.*

The Financial Times estimates that as few as 10% of active managers beat their benchmark in 2014



Returns are those of the MSCI Country Index in USD terms, except for the US (S&P 500 Index)



Sources: Morningstar Advisor Workstation, MarketWatch.com, MSCI.com