

Breakthrough ETF Coverage for Wealth Managers

Independent, cross-asset ETF coverage for any investment strategy

ETF COVERAGE FOR

- EQUITIES
- FIXED INCOME
- COMMODITIES
- CURRENCIES

Exchange Traded Funds are one of the most rapidly-growing investments, with over \$1.3 trillion in assets under management as of December 2012 - a 28% increase from the previous year*. With their lower expense ratio, greater liquidity and tax-efficiency than mutual funds, they're the go-to investment for many clients. But with the sheer volume of choices and ETF types available, making recommendations for clients can be a challenge for even the most experienced wealth manager. That's where S&P Capital IQ™ comes in.

IT'S WHAT'S INSIDE THAT COUNTS

The Equity ETF ranking is derived from S&P Capital IQ's proprietary holdings-based methodology, which combines qualitative and quantitative analysis based on 10 factors, six of which are proprietary to S&P Capital IQ.

Detailed ETF reports provide an overall ETF ranking of overweight, marketweight or underweight, and also show value-added content such as peer comparisons and holdings analytics by asset category, sector and top 10 holdings.

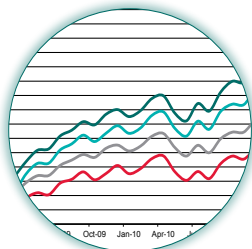
BREADTH OF COVERAGE

In the four years since S&P® initiated coverage of ETFs, the number of ETFs available to investors has grown exponentially. S&P Capital IQ's cover-

age has kept pace and starting in 2013 we will offer wealth managers coverage on over 1,100 Equity, Fixed Income, Commodity and Currency ETFs. Because our analysis goes beyond performance, we can cover ETFs with as little as two months track record, as opposed to other research providers who need at least three years to provide a ranking which still only reflects past performance.

UNIQUE HERITAGE

S&P Capital IQ is a leading provider of research, analysis and fundamental data across a wide range of assets and to a broad range of clients. Our ETF research methodology draws on our experience in equity research, fixed income capabilities and credit research to provide robust insight and rankings that aren't available anywhere else.



ETF MODEL PORTFOLIO

PERFORMANCE CHART ON PAGE 2

EXCHANGE TRADED FUND REPORT™
February 1, 2013

SPDR S&P 500 ETF Trust (SPY)
\$151.24 \$151.26 -0.01%
Category: Equity Type: Large Cap Growth Region: U.S. Domestic

S&P ETF Ranking Details (as of 2/1/13)

1 Performance Analytics:
S&P STARS: 100%
S&P Fair Value: 95%
S&P Technical: 95%

2 ALL S&P ETF RANKING: OVERWEIGHT
S&P ETF Ranking (February 01, 2013): SPY ranks the price performance of the underlying holdings in the S&P 500 Index. Standard & Poor's uses three broad input categories to calculate the overall ranking: 1) the underlying holdings, 2) the underlying holdings' performance relative to the S&P 500 Index, and 3) the underlying holdings' risk. S&P's STARS, Fair Value, and Technical indicators, the below Quality Risk, Risk Assessment, and Credit Rating, along with Standard Deviation, are important risk measures, and we view SPY's Risk Considerations as Overweight compared to other ETFs in the asset class. Finally, our assessment for risk factors such as expense ratio and Price NAV lead to an Overweight ranking. SPY's Top 10 Holdings were 11.15% of total assets. SPY has total assets of \$12.25B. The Total Market Capitalization of SPY's Holdings is \$2.75B.

3 Key ETF Statistics (Valid as of 1/31/13; Performance as of 2/1/13)
12 Month % Return: 18.76 12-Mth % Return: 18.76 100-Day % Return: 18.76
3-Year CAGR (%): 13.95 52-Week Range: \$128.28 - \$151.26
5-Year CAGR (%): 3.85 Average Daily Volume: 113,694,000
Market Cap: \$12,250,000,000
Expense Ratio: 0.40% Assets Under Management: \$12,250,000,000

4 Performance of \$10M Investment (2/29/09 to 2/1/13)
SPY: \$148,000.00
SPY: \$151,260.00

5 Comparison (Ranking) Market Price as of 2/1/13; Performance as of 2/1/13

Ticker	Exchange Traded Fund	S&P Ranking	Market Price	Exp. Ratio (%)	1 Year	3 Year	10 Year	Since Inception
SPY	Standard & Poor's 500 ETF	▲	\$151.26	0.07	30.35	1.01	7.94	1.2
VVO	Vanguard 500 Index Fund: ETF Shares	▲	0.05	30.15	—	—	—	16.3
VOXX	First Trust CDOE S&P 500 VIX Tail Hedge Fund	▲	0.00	—	—	—	—	1.4

Note: Comparison of performance data for SPY and VVO is based on the date of their respective inception. Performance data for VOXX is based on the date of its first trade. For ETFs that are less than one year old, since inception performance is available. Expense performance, average difference and average difference are based on the date of their respective inception. Please read the Required Disclosures on the last page of this report.

- 1 S&P Capital IQ's unique holdings-based methodology is based on a weighted-average computation of data from Performance Analytics, Risk Considerations and Cost Factors.
- 2 Details on the ETF ranking and the Index it tracks.
- 3 S&P Capital IQ can rank equity and fixed income funds which are less than three years old, as opposed to most other firms which need at least three years of performance to rank these ETFs.
- 4 Reports provide a breakdown of assets based on Market Capitalization.
- 5 Advisors find the performance and cost factor comparison of one ETF to another helpful when talking to clients.

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ETF RESEARCH FROM S&P CAPITAL IQ

DETAILED AND INSIGHTFUL ETF REPORTS

S&P Capital IQ’s proprietary ETF ranking is based on a number of unique elements:

- Performance Analytics based on S&P STARS, Fair Value and Technical Indicators.
- Risk Considerations based on S&P Quality Rank, S&P Risk Assessment, Standard & Poor’s Credit Rating and standard deviation.
- Cost Factors based on expense ratio, price to NAV & bid/ask spread.

Reports also include in-depth analysis of holdings by asset type, region and sector, and ETF Comparisons provide comparable ETFs with returns and expense ratio information.

ETF REPORTS HELP YOU MAKE INFORMED INVESTMENT DECISIONS

S&P Capital IQ ETF reports provide in-depth analysis on the underlying holdings such as sector

representation and sub-industry exposure, as well as rankings of the top 10 underlying securities.

S&P Capital IQ’s ETF Market Perspective, written by S&P Capital IQ ETF analysts provides details on the ETF market place. Reports also include the Global Industry Classification Standard (GICS®) sector breakdown and top 5 sub-industry equity holdings, as well as Top 10 ETF holdings chart including S&P STARS, Fair Value and Quality Rank of the underlying securities.

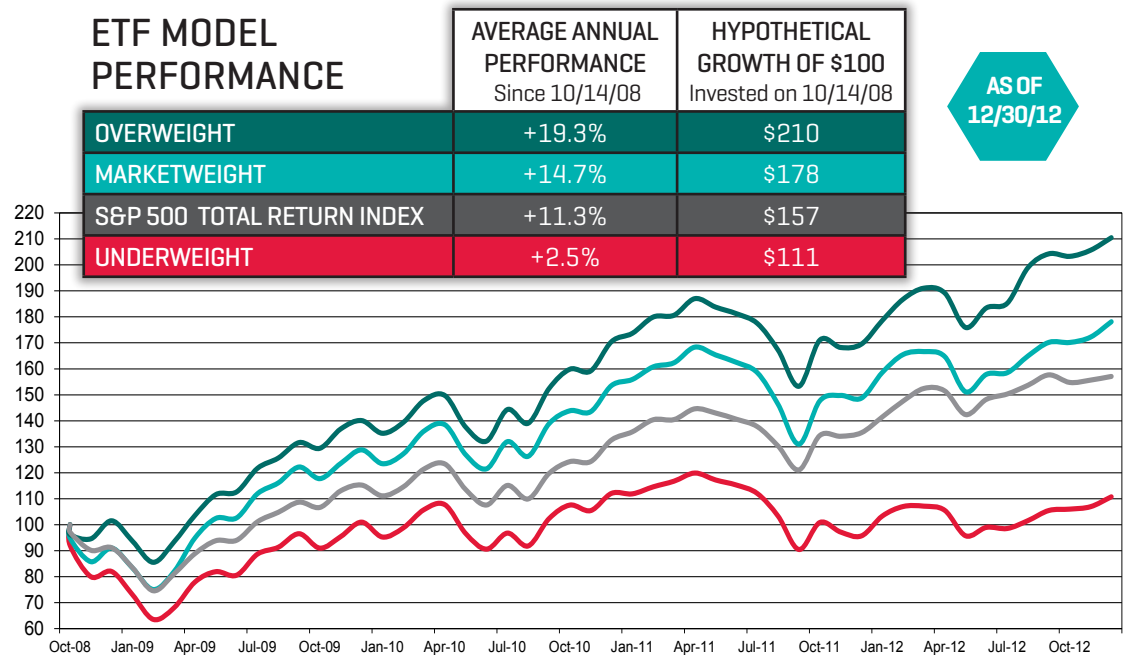
RECOMMENDED ASSET ALLOCATIONS AND HIGHEST SCORING ETFS IN EACH ASSET CLASS

Report shows top three highest scoring ETFs in various ETF styles and regions.

Recommended asset allocations displayed by investment style – conservative, moderate and aggressive – from S&P Capital IQ’s Investment Policy Committee.

ETF MODEL PERFORMANCE

Since its inception in 2008, our ETF research has ranked ETFs with “Overweight,” “Marketweight” or “Underweight” based on a detailed analysis of their holdings. If rankings are grouped into categories and their performance tracked alongside their benchmark - in this case the S&P 500 Total Return Index - it becomes clear that Overweight-ranked ETFs outperformed the index, Marketweight ETFs tracked it more closely and Underweight-ranked ETFs underperformed the index.



ETF ranking categories are models only. Please see the next page for additional important disclosures regarding the inherent limitations of model performance. Model performance is gross of all investor level fees and expenses. The S&P 500 index is the benchmark for the ETF model portfolios. The S&P 500 index assumes reinvestment of dividends. Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. It is not possible to invest directly in an index. Inclusion of fees and expenses in the model or S&P 500 index would lower performance. Past performance of the models or S&P 500 index is no indication of future results.

PERFORMANCE DISCLOSURE

The exchange-traded fund (“ETF”) model performance chart on the prior page is only an illustration of S&P Capital ETF research; it shows how all ETF’s that received a particular Overall ETF ranking of Overweight, Marketweight or Underweight performed. The Overall ETF rankings in the above chart are model portfolios only; they are not collective investment funds. [The ETF model portfolios are also collectively referred to as “model” or “model portfolio”.] Model performance has inherent limitations. The ETF model performance does not show how any actual portfolio has performed. ETF model performance does not represent the results of actual trading of investor assets. S&P Capital IQ maintains the model and calculates the model performance shown or discussed, but does not manage actual assets. Thus, the performance shown or discussed does not reflect the impact that material economic and market factors had or might have had on decision-making if actual investor money had been managed. Performance of an investor’s actual portfolio will not necessarily match the performance of the model portfolio due to differences in the weightings of the individual securities. In addition, the model results do not take into account timing differences between the selections by S&P Capital IQ and purchases that were or would have been made based on those selections by any advisor or by actual investors. While model performance for some or all ETF ranking categories may have performed better than the illustrative reference point for the period shown, the performance during any shorter period may not have, and there is no assurance that the model will perform better than the illustrative reference point in the future. The model does not take into account any particular investment objective, financial situation or need and are not intended as an investment recommendation or strategy. Investments based on the ETF methodology may lose money. Past performance of the ETF model is no guarantee of future results.

Performance is calculated daily using a time-weighted rate of return. The model performance calculation takes into account dividends and distributions but does not take into account reinvestment of dividends. ETF’s in each model will change over time, and some or all of the ETF’s that received rankings during the time period shown may not have maintained their ranking during the entire period.

For model performance calculation purposes, the ETF’s within each model at October 14, 2008 were equally weighted. Thereafter, additions to the composition of the ETF’s in

each model are made at the average market value of the ETF model at the preceding month end with no rebalancing. The average market value of the ETF equals the total market value of the ETF model at the prior month-end divided by the number of ETFs in the ETF model at the prior month-end. The number of shares of the new ETF added equals the average value of an ETF in the ETF model at the preceding month-end divided by the price of the added ETF at the close of the day it was added. The number of shares remains fixed unless there is a subsequent distribution. Subsequent to the addition of the equity, the performance calculation is based on the number of shares and the daily closing prices. An ETF is deleted in its entirety, and the deletion is made at the closing price of the day that the deletion is made.

ETF model performance reflects the fees and expenses of the underlying ETFs. The model performance does not consider taxes and brokerage commissions, nor does it reflect the deduction of any advisory or other fees charged by advisors or other parties that investors will incur when their accounts are managed in accordance with the model. The imposition of these fees and charges would cause actual performance to be lower than the performance shown. For example, if the model returned 10 percent on a \$100,000 investment for a 12-month period [or \$10,000] and an annual asset-based fee of 1.5 percent were imposed at the end of the period [or \$1,650], the net return would be 8.35 percent [or \$8,350] for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.1%, a total fee of \$5,375 and a cumulative net return of 27.2% [or \$27,200].

An investment based upon any of the models should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor’s shares may be worth more or less than their original cost.

BENCHMARK DISCLOSURE

The S&P 500 index is the benchmark for the ETF model portfolios. Indexes are unmanaged, statistical composites and their returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index. The methodology for calculating the return of the S&P 500 index differs from

the methodology for calculating returns for the ETF ranking categories. The S&P 500 index has different risk characteristics than the ETF model portfolios, and its performance calculation takes into account reinvestment of dividends and distributions. Past performance of the S&P 500 Index is no guarantee of future results.

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