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The Top Mutual Funds Over Five Years: Tech Takeover

By Jaclyn N. McClellan

Article Highlights

- Six technology funds are on this year's list of the top funds, led by Fidelity Select Semiconductors.
- Only two non-sector funds made the top-10 list for five-year performance: PRIMECAP Odyssey Aggressive Growth and Fidelity OTC.
- Look beyond five-year performance. Consider factors such as consistency, returns relative to peers, manager tenure and costs.

Being a "top fund" is more than just outperforming in one year.

For a fund to outperform its peers it needs to stand out. Differentiation and being unique for a mutual fund can potentially mean taking on higher risk through industry concentration, few holdings, longer maturities or poorer credit risks. During a bull market, riskier funds tend to outperform. However, during a bear market, differentiation and subsequent outperformance may mean taking on less risk. Either way, investors must take a closer look at the outperforming funds before jumping in. And I'm sure you've heard, "don't chase performance."

On pages 22 through 31, you'll find mutual funds that have outperformed their peers on a five-year annualized return basis.

Five-year performance figures are useful when evaluating fund managers because they balance consistency of performance with changing market and economic conditions. Any fund manager can get lucky over the course of a single year, but talent and a good strategy are required to outperform over a period of several years. A five-year period strikes a balance by offsetting the impact of a single year's performance but not being so long that comparisons between funds become harder because of changes in managers and objectives.

Keep in mind that five-year annualized returns are a function of the years included in the calculation. Five-year annualized performance figures in this year's article added the year 2017 but dropped 2012. Both years are part of the current bull market. Conditions at the start, middle and end of the five-year period will all have an impact on each fund's annualized five-year return. Different categories perform well depending on the state of the economy, market expectations, inflation, etc.

For example, the five-year annualized returns in "top funds" article five years ago painted a different picture than do the data you see in this article. In the March 2013 *AAII Journal*, Charles Rotblut wrote in "The Top Mutual Funds Over Five Years: The Bear's Claw Marks Remain" that the top-performing mutual fund category over the last five years was long-term government bonds, which gained an annualized 10.0%. It was the only category with a double-digit five-year return.

Fast forward to today: Fifteen of the 47 categories have double-digit annualized returns over the last five years. Only five of the 47 category averages displayed in Table 1 have negative annualized return through the end of 2017. This time around, the top-performing categories were sector funds (technology, health care, industrials and financials). Stocks both domestically and abroad have benefited from an increase in global economic growth, strong corporate earnings and elevated investor sentiment.

Don't Chase Performance

An understanding of market and economic history adds context to the numbers. Solely building a portfolio by selecting funds from the categories with the best current five-year performance would result in a portfolio that is

Table 1. Five-Year Returns for Category Averages

	5-Yr Annual Avg Return (%)	Total Risk Index (X)	Bull Market* Return (%)	Bear Market* Return (%)
Technology Sector	20.8	1.55	541.0	(54.5)
Health Sector	18.8	1.71	411.5	(35.6)
Industrials Sector	17.5	1.39	464.3	(57.5)
Financial Sector	16.4	1.75	349.6	(66.6)
Consumer Discretionary Sector	15.9	1.33	544.3	(54.4)
Large-Cap Stock	14.7	1.11	339.6	(50.7)
Mid-Cap Stock	13.6	1.15	332.1	(51.2)
Small-Cap Stock	13.0	1.40	346.7	(52.1)
Consumer Staples Sector	11.7	0.87	266.8	(38.7)
Utilities Sector	11.5	1.19	213.1	(42.5)
Communications Sector	11.4	1.42	285.1	(55.7)
Global Stock	11.1	1.08	247.4	(52.1)
Target Date: 2050-2059	11.1	0.89	244.9	(50.1)
Target Date: 2040-2049	10.9	0.87	235.8	(48.4)
Target Date: 2030-2039	10.0	0.78	214.1	(46.8)
Real Estate Sector	9.5	1.30	397.6	(64.3)
Foreign Stock	8.5	1.16	205.7	(58.0)
Regional/Country Stock	8.5	1.68	230.2	(61.1)
Target Date: 2020-2029	8.2	0.62	175.7	(41.5)
Balanced: Domestic	7.8	0.65	155.3	(31.3)
Target Date: 2010-2019	7.2	0.52	151.6	(37.0)
Convertible Bond	7.1	0.78	193.5	(43.6)
Balanced: Global	6.1	0.70	145.0	(36.3)
Real Estate Global Sector	6.0	1.10	254.0	(68.6)
Target Date: In Retirement	5.6	0.42	112.2	(29.0)
Corporate High-Yield Bond	4.7	0.50	132.7	(20.6)
Emerging Stock	4.2	1.53	193.4	(66.7)
General Bond: Long-Term	4.1	0.51	102.1	(7.2)
Muni National: High-Yield Bond	4.1	0.38	86.1	(15.4)
Natural Resources/Commodities Sector	4.0	1.73	217.4	(56.3)
International Bond: Emerging	3.1	0.57	119.8	(18.6)
Muni National: Long-Term Bond	3.0	0.33	54.8	(0.3)
Long-Short	2.8	0.59	35.0	(13.1)
Government: Long-Term Bond	2.5	1.09	60.4	24.9
General Bond: Intermediate-Term	2.2	0.28	56.4	0.1
International Bond: General	2.2	0.46	65.0	(8.9)
Muni National: Intermediate-Term Bond	2.1	0.29	41.0	3.4
Mortgage-Backed Bond	1.3	0.15	33.3	6.0
General Bond: Short-Term	1.1	0.09	32.3	(2.6)
Government: Intermediate-Term Bond	0.9	0.31	25.2	12.2
Muni National: Short-Term Bond	0.8	0.13	16.6	5.3
Government: Short-Term Bond	0.3	0.10	9.0	7.7
Inflation-Protected Bond	(0.3)	0.31	39.5	0.1
International Bond: Currency	(1.4)	0.92	(4.2)	(5.5)
Energy Sector	(2.0)	2.47	60.9	(58.1)
Precious Metals Sector	(11.1)	4.01	(9.7)	(43.9)
Contra Stock Market	(18.7)	1.62	(84.5)	72.9
All Funds Average	**8.9**	**1.01**	**227.8**	**(36.8)**

**Bear market is defined as 11/1/2007 through 2/28/2009; bull market is defined as 3/1/2009 through 12/31/2017.*
Source: "The Individual Investor's Guide to the Top Mutual Funds 2018," February 2018 AAII Journal. *Data from Morningstar Inc. is through 12/31/2017.*

heavily skewed toward domestic sector funds, particularly technology.

Fidelity Select Semiconductors (FSELX) was the top-performing fund over the last five years, and it also held the top spot last year. Joining it are five other technology funds in this year's top 10 list of the best five-year performers. More connected devices, continued investments in digital networks, economic growth and cyclical strength in semiconductors have boosted technology sector returns. The technology sector, and other growth-oriented funds, have also benefited from a "risk-on" environment over the last several years.

Realize that not only is Fidelity Select Semiconductors a sector-specific technology fund, it is also industry specific to semiconductor companies. Sector funds that focus on a specific industry can be riskier than their sector-wide counterparts due to greater concentration. If the industry falls out of favor, so does the fund.

The only health care fund to make it to the top-performing list this year was Fidelity Select Medical Technology & Devices (FSMEX), compared to last year where four of the top 10 funds were health care sector funds. One industrial fund held its spot on the top-performing list: Fidelity Select Air Transportation (FSAIX). It is the only fund on the top list with a slight value-oriented investment approach.

Only two non-sector funds made it to the top list: PRIMECAP Odyssey Aggressive Growth (POAGX), a mid-cap stock fund, and Fidelity OTC (FOCPX), a large-cap stock fund, both of which are growth-oriented funds. PRIMECAP Odyssey Aggressive Growth is closed to new investors.

Be sure to take the extra step of looking at how long the current manager has been running the fund. If a fund has been a consistent performer over the last several years but recently changed portfolio managers, the historical track record reflects decisions made by the *old* manager and is less indicative of the fund's future returns or strategy.

For example, Fidelity OTC is new to the top-performing list. The fund has been within the top 25% performers in the domestic large-cap stock fund category over the last year, three-, five- and 10-year periods. While the fund has an impressive track record, a new manager recently took over (as of September 2017).

Year-by-Year Returns

Consistency of performance matters. Fidelity Select IT Services (FBSOX) is among the top-performing funds, but if you look at year-by-year performance, you'll see that the fund underperformed its category (technology sector) in 2014, 2016 and 2017. The fund's outperformance in 2013 and 2015 is what led to its top five-year annualized return.

Often a fund will rise to the top of its peer group due to one or two spectacular annual performances. This performance tends to attract new investments into the fund; the danger lies in the portfolio manager's ability to deploy these new money flows successfully, which at times can be a daunting task. Additionally, a high annual return outdistancing peers followed by a disappointing annual return below the category average or a significantly negative return can shake long-term investors from their financial plan, often to their detriment. Ideally, individual-year returns should show consistent and superior relative performance against the peer mutual fund group. One-year stars often flame out because of large holdings that do well in one year but drag the portfolio down the next.

Portfolio Composition and Turnover

This brings us to our next point about analyzing portfolio composition.

An example of a sector fund with portfolio concentration is runner-up on the top-performing list: T. Rowe Price Global Technology (PRGTX), which has returned an annualized 26.9% over the last five years. This fund is a holdover from last year's top-performing list.

While T. Rowe Price Global Technology is consistently a top-performer, its lead manager (Joshua Spencer) is making large bets on a small number of stocks. The fund has 36 holdings, and 55.4% of the fund's assets are invested in the top 10 holdings. Concentration in a small number of holdings gives a fund added risk. Be sure to look at the "% of Port in Top 10 Holdings" column as well as the "Portfolio Turnover Ratio" and "Number of Holdings" columns to get an idea of a fund's portfolio concentration.

The fund managers' goal is to identify overarching themes within technology and select winners at attractive price points. While this has apparently worked (as demonstrated by its consistent outperformance), it has also caused the fund to place more trades: T. Rowe Price Global Technology has the highest turnover ratio (171%) of the top 10 funds on the list this year. The technology sector fund average turnover ratio is 122%. A turnover ratio of 171% means that the fund's average holding period is 0.58 years, or roughly seven months. [To calculate this, convert the turnover ratio into a decimal (divide it by 100), and then divide the decimal ratio into one (1 ÷ 1.71). This gives you an annual number that you can convert into months.] Higher turnover levels indicate more active trading by the fund manager, and subsequently more costs for the investors holding the fund and possibly a greater tax burden. Investors seeking lower costs and/or less tax exposure may want to opt for funds with lower portfolio turnover ratios.

T. Rowe Price Global Technology has 28.7% of its portfolio invested in foreign firms, above the technology category average of 18.2%. Foreign holdings can increase diversification, but at the cost of increased currency risk. In this particular case, foreign allocation helped the fund's performance, but that may not always be the case. Although the fund is a technology-oriented fund, fund manager Spencer will also invest in other sectors (mostly consumer cyclicals) if he sees companies benefiting from disruptive technology. This proves that even if a fund is considered a sector-specific fund, that doesn't necessarily mean that it is 100% invested in technology stocks.

Analyzing Risk

Aside from analyzing a fund's turnover and portfolio composition, there are other measures of risk to take into consideration.

The total risk index measures the risk of a fund against all other funds across all categories. The category risk index indicates how much risk the fund carries relative to similar funds, where risk is measured by variation of return (standard deviation). A value of 1.00 denotes average risk. Values above 1.00 indicate greater than average risk, while values below 1.00 indicate less than average risk.

Thompson Bond (THOPX) is among the top-performing short-term general bonds over the last five years. The fund has a total risk index of 0.38, meaning that it has less risk than all other funds, on average. However, the fund's category risk index of 4.22 shows it incurs over four times the risk of the average short-term bond. Thompson Bond takes on significantly more corporate credit risk than many of its peers. Additionally, the fund may invest up to 10% of its net assets in bonds rated below investment grade. Higher credit risk leads to a higher yield, but also a greater risk of a bond issuer defaulting.

Another example is Fidelity Select Energy (FSENX). While the fund has a category risk index of 0.89, meaning it is slightly less risky than the average energy fund, its total risk index of 2.19 means the fund is over twice as risky as the average fund (all other funds, not just energy sector funds).

Tax Efficiency

If costs or tax efficiency are among the key mutual fund characteristics you examine, consider an index fund. Since index funds don't rely on the skills of an active manager, their costs tend to be lower. Some actively managed funds do a good job of controlling costs, however. For example, Baron Partners Retail Shares' (BPTRX) turnover ratio

(continued on page 30)

Table 2. Top Funds Over Five Years

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Bull Market* Return (%) Fund	Cat +/-
		Overall Five-Year Top Performers														
		Fidelity Sel Semiconduct (FSELX)	28.6	7.8	35.0	32.3	2.2	38.3	39.1	3.5	(8.5)	16.8	84.9	(49.9)	673.2	132.2
	C	T. Rowe Price Glb Tech (PRGTX)	26.9	6.1	47.0	6.6	21.0	23.9	39.9	19.2	(1.7)	22.6	80.2	(44.1)	818.8	277.8
	C	PRIMECAP Odys Agg Gr (POAGX)	23.0	9.4	33.5	11.7	4.5	16.5	54.8	21.2	(0.5)	21.5	50.4	(34.6)	616.4	284.3
		Fidelity Sel Software & IT (FSCSX)	22.5	1.7	38.5	10.3	10.4	8.2	51.1	18.0	2.1	18.9	61.5	(42.2)	577.5	36.5
		T. Rowe Price SciTech (PRSCX)	22.2	1.4	39.2	11.8	8.6	12.5	43.7	6.2	(4.6)	21.2	67.8	(43.8)	495.4	(45.6)
		Fidelity OTC (FOCPX)	22.0	7.3	38.5	3.1	10.9	16.4	46.5	11.2	(0.5)	20.1	62.2	(46.0)	531.8	192.2
		Fidelity Sel Med Tech & Dev (FSMEX)	21.4	2.6	26.5	8.6	7.1	26.7	41.2	15.6	(3.5)	12.7	32.6	(23.4)	369.5	(42.0)
		Fidelity Sel Air Transport (FSAIX)	21.3	3.8	24.3	20.0	(8.7)	28.0	50.6	19.1	(6.1)	33.3	22.2	(32.6)	621.0	156.7
		Fidelity Sel Technology (FSPTX)	21.3	0.5	49.8	11.9	7.4	10.6	31.7	17.1	(9.6)	26.6	90.2	(51.1)	616.9	75.9
		Fidelity Sel IT Services (FBSOX)	21.0	0.2	34.2	5.1	13.1	6.2	53.1	19.8	2.2	18.4	59.0	(33.0)	533.4	(7.6)
		Large-Cap Stock Category Average	14.7	0.0	22.0	10.4	(0.4)	11.4	33.7	15.5	0.0	15.7	32.5	(38.3)	339.6	0.0
		Fidelity OTC (FOCPX)	22.0	7.3	38.5	3.1	10.9	16.4	46.5	11.2	(0.5)	20.1	62.2	(46.0)	531.8	192.2
I		USAA NASDAQ-100 Idx (USNQX)	19.9	5.2	32.2	6.6	9.0	18.7	36.0	17.4	2.9	19.1	53.4	(42.1)	495.6	156.0
	C	Vanguard Cap Opprt Inv (VHCOX)	19.9	5.2	29.1	10.5	2.5	18.8	42.6	18.3	(6.2)	11.0	48.9	(39.1)	407.6	68.0
	C	Fidelity Grth Company (FDGRX)	19.7	5.0	36.7	6.0	7.8	14.4	37.6	18.5	0.6	20.5	41.1	(41.0)	460.1	120.5
	C	Vanguard PRIMECAP Inv (VPMCX)	19.5	4.8	29.5	10.6	2.5	18.7	39.7	15.2	(1.9)	12.8	34.4	(32.5)	389.2	49.6
		PRIMECAP Odys Grth (POGRX)	19.2	4.5	32.0	8.4	6.1	13.9	39.2	16.7	(2.3)	15.3	40.9	(34.3)	419.4	79.8
		Mid-Cap Stock Category Average	13.6	0.0	19.4	11.5	(2.4)	8.6	35.2	15.8	(3.1)	23.4	36.7	(39.4)	332.1	0.0
	C	PRIMECAP Odys Agg Gr (POAGX)	23.0	9.4	33.5	11.7	4.5	16.5	54.8	21.2	(0.5)	21.5	50.4	(34.6)	616.4	284.3
	C	T. Rowe Price Mid Gr (RPMGX)	16.9	3.3	24.8	6.3	6.5	13.1	36.8	13.9	(1.3)	28.0	45.4	(39.7)	411.8	79.7
		Baron Partners Ret (BPTRX)	16.7	3.1	31.5	4.0	(2.8)	10.2	47.6	16.3	(5.8)	31.5	28.2	(46.7)	396.0	63.9
		Carillon Scout Mid Cap I (UMBMX)	16.3	2.7	24.0	18.3	1.4	4.0	37.6	9.8	0.3	27.8	47.1	(35.1)	418.0	85.9
	C	Janus Henderson Enterprise T (JAENX)	16.3	2.7	26.3	11.8	3.3	11.9	30.6	17.6	(1.9)	25.8	42.9	(43.2)	411.6	79.5
		Vanguard Strategic Eq Inv (VSEQX)	16.3	2.7	13.7	17.9	(1.5)	13.6	41.5	18.8	1.1	21.3	32.0	(41.6)	407.8	75.7
		Small-Cap Stock Category Average	13.0	0.0	15.1	19.7	(5.2)	2.3	39.1	16.0	(3.7)	26.8	37.2	(37.4)	346.7	0.0
		Oberweis Micro-Cap (OBMCX)	20.8	7.8	27.8	24.6	6.3	(7.8)	64.8	8.5	(8.1)	17.1	49.6	(53.0)	436.2	89.5
		Hodges Retail (HDPMX)	18.9	5.9	13.8	39.7	(11.5)	7.3	57.2	16.0	(13.5)	21.0	36.2	(49.5)	419.2	72.5
	C	T. Rowe Price New Horiz (PRNHX)	18.5	5.5	31.4	7.7	4.5	6.0	49.1	16.2	6.6	34.6	43.8	(38.8)	545.2	198.5
	C	Brown Cap'l Mgmt SmCo Inv (BCSIX)	18.2	5.2	28.8	8.3	8.7	2.1	48.9	17.4	0.1	22.5	45.5	(30.2)	451.6	104.9
		Fidelity Small Cap Grth (FCPGX)	17.8	4.8	29.0	10.9	5.7	3.8	44.5	13.0	(2.9)	26.5	42.9	(45.0)	427.5	80.8
		Conestoga Small Cap Inv (CCASX)	16.7	3.7	28.4	14.0	8.0	(8.1)	49.2	11.0	4.5	23.9	29.0	(27.4)	375.7	29.0
		Wasatch MicroCap Val (WAMVX)	16.7	3.7	26.4	12.4	7.1	(0.8)	43.2	22.1	(10.5)	20.0	70.3	(47.3)	437.6	90.9
		Communications Sector Cat Average	11.4	0.0	13.4	16.0	0.0	4.1	26.9	16.6	(4.5)	20.2	48.9	(47.3)	285.1	0.0
		T. Rowe Price Med & Tele (PRMTX)	18.6	7.2	32.9	7.4	12.0	4.1	40.7	22.6	(0.1)	26.7	68.5	(46.5)	570.9	285.8
		Fidelity Sel Comm Equip (FSDCX)	12.1	0.7	11.6	19.8	(10.2)	14.9	28.1	5.9	(16.7)	27.7	80.6	(48.5)	287.7	2.6
		Fidelity Sel Wireless (FWRLX)	11.9	0.5	25.0	10.0	(3.1)	2.9	28.2	16.2	(1.0)	15.1	59.0	(49.7)	259.0	(26.1)
		Consumer Discretionary Sector Cat Avg	15.9	0.0	22.1	4.4	4.9	10.3	42.8	26.0	0.4	30.9	51.7	(38.9)	544.3	0.0
		Fidelity Sel Retailing (FSRPX)	20.2	4.3	25.8	4.4	18.4	12.0	43.9	24.8	3.3	28.0	57.8	(29.6)	606.7	62.4
		Fidelity Sel Leisure (FDLSX)	16.8	0.9	29.0	6.3	3.3	8.3	41.7	11.3	5.8	37.8	24.2	(29.1)	412.3	(132.0)
		Fidelity Sel Consumer Disc (FSCPX)	15.8	(0.1)	22.0	4.3	5.4	10.2	41.0	21.1	(1.7)	31.2	38.1	(34.7)	427.1	(117.2)
		Consumer Staples Sector Cat Average	11.7	0.0	11.8	4.8	4.7	14.2	23.9	11.9	10.5	16.1	24.1	(27.3)	266.8	0.0
		Rydex Consumer Prod Inv (RYCIX)	12.9	1.2	11.9	5.7	6.5	12.8	28.9	9.7	14.0	17.5	19.3	(23.1)	273.0	6.2
		Fidelity Sel Consum Stpls (FDFAX)	10.4	(1.3)	12.0	3.0	1.8	14.9	21.6	15.3	8.8	15.1	20.9	(22.3)	232.4	(34.4)
		Energy Sector Category Average	(2.0)	0.0	(5.7)	29.1	(27.7)	(18.0)	28.5	1.0	(10.6)	17.3	48.0	(53.8)	60.9	0.0
		Fidelity Sel Energy (FSENX)	2.3	4.3	(2.7)	33.8	(20.6)	(12.7)	24.2	4.6	(4.9)	18.9	47.0	(54.0)	114.7	53.8
		Vanguard Energy Inv (VGENX)	1.7	3.7	3.1	33.0	(21.5)	(14.3)	18.1	2.6	(1.8)	13.4	38.3	(42.9)	94.4	33.5
		Fidelity Sel Natural Res (FNARX)	0.9	2.9	(0.2)	30.2	(21.7)	(12.3)	17.4	3.3	(9.3)	23.0	51.7	(52.4)	101.0	40.1
		Financial Sector Category Average	16.4	0.0	21.2	21.1	(2.3)	7.2	40.2	28.0	(16.9)	12.7	15.7	(48.5)	349.6	0.0
		Kinetis Mkt Opprt (KMKNX)	17.4	1.0	47.2	20.4	(9.2)	(5.6)	46.7	17.5	(7.9)	11.3	50.2	(54.9)	368.1	18.5
		Fidelity Sel Banking (FSRBX)	16.6	0.2	12.6	26.8	0.6	7.5	39.3	22.4	(13.4)	21.4	5.0	(37.5)	376.8	27.2

Bear Market* Return (%) Fund	Cat +/-	Tax-Cost Ratio (%)	Yield (%)	Risk Index (X) Cat	Total	Total Assets ($ Mil)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
(57.1)	(2.6)	2.3	0.9	1.12	1.74	3,547	95.3	0.0	0.1	4.5	17.4	110	68	64.6	**0.77**	—	—
(52.9)	1.6	4.8	0.0	1.02	1.58	6,279	99.9	0.0	0.1	0.0	28.7	171	36	55.4	0.90	—	0.00
(49.3)	1.9	1.0	0.0	1.24	1.43	9,562	96.4	0.0	1.0	2.7	11.7	9	146	29.4	**0.64**	—	—
(47.6)	**6.9**	1.7	0.0	0.94	1.45	5,029	96.9	0.0	0.0	3.1	0.9	44	60	65.1	**0.76**	—	—
(51.6)	**2.9**	3.0	0.0	0.92	1.43	5,439	89.8	0.5	9.7	0.0	18.1	81	55	50.6	0.83	—	—
(53.5)	(2.8)	2.3	0.0	1.35	1.50	17,764	97.2	0.0	2.4	0.4	8.1	71	279	46.9	0.81	—	—
(27.9)	**7.7**	2.7	0.2	0.82	1.40	3,864	98.6	0.0	0.5	0.9	5.2	55	50	63.6	0.76	—	—
(61.2)	(3.7)	1.1	0.4	0.96	1.34	407	96.5	0.0	0.0	3.5	2.4	106	39	63.8	0.85	—	—
(59.2)	(4.7)	2.4	0.0	0.97	1.51	6,380	95.9	0.0	1.1	3.1	26.3	82	140	42.8	**0.77**	—	—
(38.7)	**15.8**	0.9	0.0	**0.82**	1.27	2,094	99.2	0.0	0.0	0.9	5.4	27	50	66.8	**0.79**	—	—
(50.7)	**0.0**	**1.5**	**0.9**	**1.00**	**1.11**	**12,661**	**95.2**	**0.5**	**0.7**	**3.5**	**5.8**	**58**	**221**	**35.9**	**0.89**	**—**	**—**
(53.5)	(2.8)	2.3	0.0	1.35	1.50	17,764	97.2	0.0	2.4	0.4	8.1	71	279	46.9	0.81	—	—
(50.2)	0.5	0.3	0.5	1.21	1.34	1,629	95.6	0.0	0.0	4.4	4.5	4	110	51.5	**0.54**	—	—
(49.2)	1.5	1.1	0.7	1.11	1.23	16,515	96.6	0.0	0.0	3.4	12.7	9	135	32.2	**0.45**	—	—
(50.2)	0.5	1.1	0.0	1.19	1.32	41,896	98.1	0.0	1.7	0.2	8.4	25	390	35.3	0.77	—	—
(44.3)	**6.4**	1.4	1.0	1.00	1.11	62,227	94.3	0.0	0.0	5.7	12.1	8	135	36.1	**0.39**	—	—
(47.3)	3.4	0.6	0.3	1.18	1.31	10,605	96.2	0.0	1.3	2.5	12.6	5	133	27.1	**0.66**	—	—
(51.2)	**0.0**	**1.7**	**0.4**	**1.00**	**1.15**	**5,936**	**95.2**	**0.1**	**0.3**	**4.5**	**4.4**	**61**	**245**	**26.4**	**0.98**	**—**	**—**
(49.3)	1.9	1.0	0.0	1.24	1.43	9,562	96.4	0.0	1.0	2.7	11.7	9	146	29.4	**0.64**	—	—
(48.2)	3.0	1.7	0.0	0.93	1.07	30,424	93.9	0.0	6.1	0.0	2.2	29	134	22.5	0.77	—	—
(60.7)	(9.5)	0.0	0.0	1.37	1.58	1,972	120.7	0.0	0.2	(20.9)	6.1	16	28	91.8	1.35	—	0.25
(46.0)	**5.2**	2.2	0.3	**0.89**	1.02	1,822	99.6	0.0	(0.2)	0.6	0.5	87	146	18.6	1.03	—	—
(52.0)	(0.8)	0.9	0.0	**0.87**	1.00	16,122	92.4	0.0	0.3	7.2	10.4	10	88	19.4	0.93	—	—
(56.1)	(4.9)	1.5	1.3	1.05	1.21	7,337	98.8	0.0	0.0	1.2	1.0	81	335	9.9	**0.18**	—	—
(52.1)	**0.0**	**1.7**	**0.2**	**1.00**	**1.40**	**3,134**	**93.7**	**0.5**	**0.7**	**5.2**	**4.4**	**71**	**297**	**21.7**	**1.13**	**—**	**—**
(64.6)	(12.5)	1.1	0.0	0.98	1.37	101	94.6	0.0	5.4	0.0	0.0	102	89	20.0	1.65	1.00R	0.25
(64.3)	(12.2)	0.4	0.0	1.36	1.91	282	100.0	0.0	0.0	0.0	2.8	145	42	41.1	1.18	1.00R	0.25
(49.9)	2.2	1.9	0.0	**0.86**	1.20	22,021	94.9	0.1	5.0	0.0	6.2	42	189	22.3	**0.79**	—	—
(40.9)	**11.2**	1.2	0.0	1.01	1.42	4,183	96.3	0.0	0.0	3.7	0.0	14	42	48.9	1.29	—	0.20
(55.1)	(3.0)	1.9	0.0	**0.87**	1.22	3,894	97.4	0.0	0.0	2.7	3.6	140	171	18.3	1.09	—	—
(42.3)	**9.8**	0.4	0.0	0.98	1.37	1,591	93.1	0.0	0.0	6.9	2.8	24	49	29.9	1.10	—	0.25
(56.6)	(4.5)	2.4	0.0	**0.72**	1.01	240	91.3	0.0	2.0	6.7	23.4	57	105	15.3	1.84	2.00R	—
(55.7)	**0.0**	**1.3**	**1.4**	**1.00**	**1.42**	**966**	**93.8**	**0.0**	**0.2**	**6.0**	**23.7**	**138**	**61**	**59.5**	**1.12**	**—**	**—**
(53.9)	1.8	1.4	0.0	0.90	1.28	4,829	99.1	0.0	0.9	0.0	23.5	16	56	57.5	**0.79**	—	—
(58.4)	(2.7)	0.8	0.9	1.11	1.58	187	99.8	0.0	0.0	0.3	14.4	38	57	67.5	0.88	—	—
(53.3)	2.4	2.0	1.3	0.86	1.22	277	98.6	0.0	0.0	1.4	40.6	98	58	62.4	0.87	—	—
(54.4)	**0.0**	**1.5**	**0.2**	**1.00**	**1.33**	**542**	**95.5**	**0.0**	**0.0**	**4.4**	**5.0**	**70**	**67**	**60.6**	**0.98**	**—**	**—**
(40.2)	**14.2**	0.8	0.2	0.83	1.11	2,020	98.7	0.0	0.0	1.3	4.0	17	38	76.5	**0.78**	—	—
(44.1)	**10.3**	1.4	0.8	**0.83**	1.10	535	99.8	0.0	0.0	0.3	0.8	23	53	72.2	0.80	—	—
(49.6)	**4.8**	1.3	0.3	0.86	1.14	740	99.5	0.0	0.0	0.5	2.4	39	123	53.0	**0.76**	—	—
(38.7)	**0.0**	**2.6**	**0.8**	**1.00**	**0.87**	**907**	**97.4**	**0.0**	**(1.0)**	**3.6**	**8.0**	**83**	**58**	**50.4**	**1.20**	**—**	**—**
(33.4)	5.3	1.0	0.6	1.01	0.88	249	100.0	0.0	(3.1)	3.1	7.1	75	83	34.9	1.36	—	—
(32.4)	**6.3**	1.8	1.9	1.14	0.99	2,463	97.3	0.0	0.0	2.7	12.3	56	67	54.2	0.76	—	—
(58.1)	**0.0**	**0.6**	**1.7**	**1.00**	**2.47**	**1,099**	**95.1**	**0.0**	**(1.0)**	**5.9**	**21.7**	**284**	**60**	**47.8**	**1.22**	**—**	**—**
(56.3)	1.8	1.2	1.5	0.89	2.19	2,013	99.2	0.0	0.0	0.8	7.7	93	74	45.8	**0.79**	—	—
(48.4)	**9.7**	1.2	3.0	**0.77**	1.89	9,528	93.5	0.1	2.2	4.3	30.0	29	139	41.1	**0.41**	—	—
(55.2)	2.9	0.6	1.3	0.86	2.12	1,013	99.6	0.0	0.0	0.4	12.7	84	81	40.5	**0.84**	—	—
(66.6)	**0.0**	**0.8**	**0.5**	**1.00**	**1.75**	**359**	**91.5**	**0.0**	**1.0**	**7.5**	**5.6**	**155**	**76**	**47.9**	**1.19**	**—**	**—**
(62.6)	**4.0**	0.0	0.6	**0.77**	1.35	77	59.8	0.0	11.2	28.9	14.0	5	38	59.5	1.64	2.00R	—
(66.5)	0.1	0.8	0.9	1.09	1.91	836	99.6	0.0	0.0	0.4	2.7	34	59	48.1	**0.79**	—	—

Table 2. Top Funds Over Five Years (Continued)

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Bull Market* Return (%) Fund	Cat +/-
		T. Rowe Price Fincl Svcs (PRISX)	15.9	(0.5)	19.0	16.9	(0.7)	9.2	38.9	27.4	(15.3)	12.8	28.4	(40.1)	336.6	(13.0)
		Health Sector Category Average	18.8	0.0	23.3	(9.0)	7.8	29.6	52.7	24.4	9.8	10.1	25.3	(24.2)	411.5	0.0
		Fidelity Sel Med Tech & Dev (FSMEX)	21.4	2.6	26.5	8.6	7.1	26.7	41.2	15.6	(3.5)	12.7	32.6	(23.4)	369.5	(42.0)
		T. Rowe Price Health Sci (PRHSX)	20.9	2.1	27.9	(10.4)	12.9	31.9	51.4	31.9	11.0	16.3	32.1	(28.8)	541.9	130.4
		Fidelity Sel Biotech (FBIOX)	19.9	1.1	27.8	(23.8)	13.6	35.0	65.6	36.5	18.1	11.4	10.7	(11.4)	434.8	23.3
		Industrials Sector Category Average	17.5	0.0	24.3	19.4	(6.3)	12.4	44.7	16.7	(5.9)	29.0	25.0	(38.0)	464.3	0.0
		Fidelity Sel Air Transport (FSAIX)	21.3	3.8	24.3	20.0	(8.7)	28.0	50.6	19.1	(6.1)	33.3	22.2	(32.6)	621.0	156.7
		Fidelity Sel Def & Aerosp (FSDAX)	20.1	2.6	34.2	17.8	3.5	2.9	48.1	13.5	7.3	21.8	24.8	(40.2)	485.6	21.3
		Fidelity Sel Transportation (FSRFX)	20.0	2.5	22.2	25.8	(18.6)	34.0	48.3	11.1	(5.3)	41.2	23.2	(27.1)	516.4	52.1
		Natural Res/Commodities Sector Cat Avg	4.0	0.0	19.5	22.1	(19.1)	(7.2)	12.3	10.7	(13.2)	27.3	59.1	(50.6)	217.4	0.0
		Fidelity Sel Chemicals (FSCHX)	14.9	10.9	31.7	17.9	(5.1)	4.5	29.8	30.0	0.2	30.7	65.3	(43.4)	510.2	292.8
		ICON Nat Resources S (ICBMX)	9.7	5.7	16.9	23.4	(16.7)	0.8	30.8	9.5	(9.8)	26.5	39.0	(47.9)	237.9	20.5
		Fidelity Sel Materials (FSDPX)	9.4	5.4	26.2	11.9	(8.7)	(0.1)	21.8	20.1	(8.2)	28.0	78.6	(47.6)	337.2	119.8
		Precious Metals Sector Cat Avg	(11.1)	0.0	7.5	56.3	(24.3)	(13.7)	(48.5)	(11.4)	(22.9)	41.9	60.5	(37.8)	(9.7)	0.0
		Vanguard Prec Mtls Mng Inv (VGPMX)	(7.1)	4.0	13.7	50.6	(29.5)	(11.5)	(35.2)	(13.0)	(21.8)	37.4	76.4	(56.1)	31.9	41.6
		US Glb Inv Gold&Prec Mtls (USERX)	(7.3)	3.8	13.0	45.3	(4.8)	(14.0)	(49.1)	(6.5)	(24.0)	36.8	43.1	(27.1)	(3.1)	6.6
		Fidelity Sel Gold (FSAGX)	(10.2)	0.9	8.6	47.2	(17.9)	(8.6)	(51.5)	(12.5)	(16.4)	35.2	38.0	(20.5)	(17.7)	(8.0)
		Real Estate Sector Cat Avg	9.5	0.0	9.9	6.4	2.2	27.7	3.8	19.4	6.2	27.5	31.9	(40.4)	397.6	0.0
		Baron Real Estate Ret (BREFX)	12.6	3.1	31.0	(2.1)	(4.7)	16.6	27.1	42.5	0.6	26.6	—	—	—	—
		CGM Realty (CGMRX)	12.2	2.7	32.8	2.6	(2.4)	21.7	9.9	10.5	1.0	29.5	34.3	(46.9)	386.2	(11.4)
		Manning & Napier Real Est S (MNREX)	9.9	0.4	8.6	7.9	4.1	28.1	2.6	21.9	5.2	24.3	—	—	—	—
		Real Estate Global Sector Cat Avg	6.0	0.0	17.6	1.1	(0.3)	9.4	3.1	32.2	(13.4)	18.3	46.5	(50.2)	254.0	0.0
		Fidelity Intl Rel Est (FIREX)	8.2	2.2	26.6	(1.6)	1.7	4.2	12.5	44.1	(22.3)	14.5	35.8	(50.6)	242.9	(11.1)
		Schwab Gbl Real Estate (SWASX)	7.1	1.1	15.3	3.6	3.0	13.5	0.8	25.5	(8.5)	19.4	40.5	(45.5)	268.2	14.2
I		Northern Global RE Idx (NGREX)	6.3	0.3	14.3	4.3	(1.2)	13.4	1.7	29.4	(9.0)	19.3	36.9	(48.1)	263.9	9.9
		Technology Sector Cat Average	20.8	0.0	40.3	10.7	6.0	13.2	39.9	14.6	(6.1)	20.3	70.3	(46.7)	541.0	0.0
		Fidelity Sel Semiconduct (FSELX)	28.6	7.8	35.0	32.3	2.2	38.3	39.1	3.5	(8.5)	16.8	84.9	(49.9)	673.2	132.2
	C	T. Rowe Price Glb Tech (PRGTX)	26.9	6.1	47.0	6.6	21.0	23.9	39.9	19.2	(1.7)	22.6	80.2	(44.1)	818.8	277.8
		Fidelity Sel Software & IT (FSCSX)	22.5	1.7	38.5	10.3	10.4	8.2	51.1	18.0	2.1	18.9	61.5	(42.2)	577.5	36.5
		Utilities Sector Category Average	11.5	0.0	10.2	19.2	(8.9)	21.5	19.1	4.5	15.9	11.0	14.4	(32.0)	213.1	0.0
		Fidelity Set Util Port (FSUTX)	11.9	0.4	17.9	14.0	(10.9)	21.6	20.6	7.0	13.0	10.9	14.3	(36.0)	211.2	(1.9)
		Fidelity Telecom & Util (FIUIX)	11.0	(0.5)	11.9	17.0	(5.6)	13.3	20.5	10.0	11.8	17.3	11.0	(34.6)	211.2	(1.9)
I		Hennessy Gas Utility Inv (GASFX)	10.5	(1.0)	7.0	20.7	(16.1)	21.2	25.4	7.4	25.1	12.3	23.9	(28.3)	257.3	44.2
		Global Stock Category Average	11.1	0.0	23.7	6.1	(1.0)	3.3	27.1	16.4	(7.0)	15.3	37.5	(40.5)	247.4	0.0
		Guinness Atkinson Glb Inntrs Inv (IWIRX)	18.5	7.4	34.7	9.5	(3.1)	12.5	45.2	19.9	(6.6)	17.0	45.2	(45.5)	425.7	178.3
		T. Rowe Price Glb Stk (PRGSX)	16.3	5.2	33.0	6.0	7.0	6.4	32.5	16.3	(11.6)	12.4	44.7	(53.7)	309.9	62.5
		Polaris Global Value (PGVFX)	14.1	3.0	20.6	11.6	1.5	3.6	36.9	21.0	(8.2)	20.6	35.4	(46.2)	347.7	100.3
		Artisan Global Opprt Inv (ARTRX)	13.5	2.4	31.1	4.7	7.7	2.3	24.2	29.7	(6.6)	28.2	47.8	—	378.3	130.9
		Dodge & Cox Global Stk (DODWX)	13.2	2.1	21.5	17.1	(8.1)	6.9	33.1	21.1	(11.4)	13.5	49.1	—	339.9	92.5
		Wasatch World Innovators (WAGTX)	13.2	2.1	32.9	2.3	6.1	(3.7)	33.7	18.0	4.5	24.4	67.4	(52.8)	407.3	159.9
		Foreign Stock Category Average	8.5	0.0	28.4	0.6	0.2	(4.8)	22.4	20.3	(13.6)	13.9	38.4	(45.3)	205.7	0.0
	C	Oberweis Intl Opp (OBIOX)	17.8	9.3	40.7	(5.3)	15.1	(4.6)	55.0	32.9	(14.5)	30.3	61.0	(60.5)	516.0	310.3
		GuideMark Emerg Mkts Svc (GMLVX)	15.0	6.5	38.2	9.5	(10.2)	7.8	37.1	14.6	(2.1)	11.4	24.1	(44.5)	309.5	103.8
		Fidelity Intl Sm Cp (FISMX)	14.3	5.8	32.9	8.1	6.3	(5.5)	35.1	18.8	(15.6)	25.3	45.5	(46.6)	313.7	108.0
		T. Rowe Price Intl Disc (PRIDX)	13.8	5.3	39.0	0.9	9.8	(0.5)	24.3	26.0	(14.1)	20.4	55.6	(50.0)	354.3	148.6
		Vanguard Intl Explorer Inv (VINEX)	13.3	4.8	38.7	(1.8)	8.6	(2.9)	30.2	17.9	(19.8)	22.5	47.1	(46.7)	278.9	73.2
		Regional/Country Stock Cat Avg	8.5	0.0	36.1	6.0	(4.3)	(1.9)	16.8	18.8	(18.1)	16.9	60.8	(49.5)	230.2	0.0
		Fidelity Japan Smaller Co (FJSCX)	18.9	10.4	35.7	8.8	14.0	(6.8)	51.8	8.7	(5.8)	12.2	18.0	(34.5)	352.4	122.2
		Hennessy Japan Investor (HJPNX)	17.5	9.0	32.0	11.2	12.9	6.9	26.1	11.6	0.2	20.6	9.8	(27.5)	309.1	78.9
	C	Matthews Japan Inv (MJFOX)	16.0	7.5	33.1	0.4	20.8	(2.6)	34.0	8.3	(7.8)	19.5	10.0	(28.4)	249.8	19.6

Bear Market* Return (%) Fund	Bear Market* Return (%) Cat +/-	Tax-Cost Ratio (%)	Yield (%)	Risk Index (X) Cat	Risk Index (X) Total	Total Assets ($ Mil)	Portfolio (%) Stock	Portfolio (%) Bond	Portfolio (%) Other	Portfolio (%) Cash	% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
(59.2)	**7.4**	0.7	0.8	0.87	1.53	790	98.4	0.0	1.6	0.0	9.5	42	94	35.3	0.93	—	0.00
(35.6)	**0.0**	**2.0**	**0.2**	**1.00**	**1.71**	**5,682**	**93.9**	**0.0**	**0.3**	**5.8**	**9.5**	**112**	**92**	**45.6**	**1.00**	**—**	**—**
(27.9)	**7.7**	2.7	0.2	0.82	1.40	3,864	98.6	0.0	0.5	0.9	5.2	55	50	63.6	0.76	—	—
(35.6)	0.0	2.1	0.0	0.92	1.58	11,913	99.2	0.0	0.8	0.0	5.1	25	118	32.2	0.77	—	—
(25.4)	**10.2**	1.0	0.0	1.67	2.86	8,732	97.4	0.0	2.1	0.6	3.2	28	245	36.9	**0.75**	—	—
(57.5)	**0.0**	**1.0**	**0.3**	**1.00**	**1.39**	**538**	**95.2**	**0.0**	**(0.4)**	**5.2**	**5.3**	**177**	**68**	**49.7**	**1.06**	**—**	**—**
(61.2)	(3.7)	1.1	0.4	0.96	1.34	407	96.5	0.0	0.0	3.5	2.4	106	39	63.8	0.85	—	—
(55.2)	2.3	1.3	0.4	0.92	1.28	2,503	99.2	0.0	0.0	0.8	6.1	24	43	66.2	**0.79**	—	—
(51.9)	**5.6**	1.0	0.6	1.13	1.57	561	97.2	0.0	0.0	2.8	0.0	104	40	68.8	0.83	—	—
(56.3)	**0.0**	**0.9**	**1.7**	**1.00**	**1.73**	**1,493**	**83.6**	**8.8**	**4.0**	**3.6**	**22.1**	**134**	**137**	**46.9**	**1.20**	**—**	**—**
(48.6)	**7.7**	1.7	0.8	0.94	1.63	1,886	97.6	0.0	0.0	2.4	8.0	85	38	71.8	**0.80**	—	—
(58.9)	(2.6)	0.6	0.0	0.98	1.70	86	97.1	0.0	0.0	2.9	27.1	68	46	35.3	1.53	—	0.00
(53.7)	2.6	1.0	0.8	0.91	1.58	1,915	96.7	0.0	0.0	3.3	9.2	49	58	56.2	0.81	—	—
(43.9)	**0.0**	**0.6**	**3.0**	**1.00**	**4.01**	**586**	**91.5**	**0.1**	**3.8**	**4.6**	**76.3**	**108**	**66**	**50.7**	**1.47**	**—**	**—**
(64.0)	(20.1)	0.1	0.0	**0.85**	3.42	2,594	93.3	0.0	0.5	6.3	80.7	29	77	39.3	**0.43**	—	—
(33.2)	**10.7**	0.1	0.0	**0.90**	3.60	101	96.5	0.1	2.0	1.4	70.9	181	55	65.9	1.86	—	0.25
(29.4)	**14.5**	0.3	0.0	0.93	3.72	1,405	93.2	0.0	6.4	0.5	79.1	28	85	54.2	**0.84**	—	—
(64.3)	**0.0**	**1.7**	**1.7**	**1.00**	**1.30**	**5,439**	**93.0**	**2.3**	**1.9**	**2.9**	**2.1**	**130**	**97**	**39.1**	**0.98**	**—**	**—**
—	—	0.3	0.0	1.07	1.39	1,087	96.3	0.0	0.0	3.7	10.4	56	51	42.0	1.33	—	0.25
(64.0)	0.3	3.0	0.6	1.21	1.57	849	98.7	0.0	0.0	1.3	16.6	241	22	64.5	0.99	—	—
—	—	2.4	1.6	**0.92**	1.19	318	100.4	0.0	0.0	(0.4)	4.0	46	74	28.6	1.10	—	—
(68.6)	**0.0**	**1.8**	**3.1**	**1.00**	**1.10**	**1,175**	**95.9**	**0.0**	**1.9**	**2.2**	**60.1**	**99**	**206**	**25.0**	**0.97**	**—**	**—**
(67.5)	1.1	1.4	2.1	**0.94**	1.03	519	95.3	0.0	0.4	4.3	94.6	55	86	32.7	1.12	—	—
(65.3)	**3.3**	1.7	4.2	0.95	1.05	289	93.9	0.0	3.8	2.4	48.0	105	138	21.8	1.05	—	—
(67.5)	1.1	1.2	2.6	0.99	1.09	1,884	98.4	0.0	1.5	0.1	51.5	6	491	17.4	**0.50**	2.00R	—
(54.5)	**0.0**	**1.6**	**0.1**	**1.00**	**1.55**	**1,578**	**93.4**	**0.0**	**0.9**	**5.7**	**18.2**	**122**	**73**	**48.2**	**1.16**	**—**	**—**
(57.1)	(2.6)	2.3	0.9	1.12	1.74	3,547	95.3	0.0	0.1	4.5	17.4	110	68	64.6	**0.77**	—	—
(52.9)	1.6	4.8	0.0	1.02	1.58	6,279	99.9	0.0	0.1	0.0	28.7	171	36	55.4	0.90	—	0.00
(47.6)	**6.9**	1.7	0.0	0.94	1.45	5,029	96.9	0.0	0.0	3.1	0.9	44	60	65.1	**0.76**	—	—
(42.5)	**0.0**	**1.3**	**1.9**	**1.00**	**1.19**	**736**	**95.0**	**0.1**	**0.1**	**4.7**	**5.3**	**120**	**70**	**50.0**	**1.11**	**—**	**—**
(45.0)	(2.5)	1.1	1.6	0.97	1.15	778	94.4	0.0	0.0	5.6	0.5	70	26	68.9	0.79	—	—
(44.5)	(2.0)	0.9	2.0	**0.82**	0.98	979	98.9	0.0	0.0	1.1	0.0	41	32	69.6	**0.57**	—	—
(38.5)	**4.0**	1.4	2.4	0.89	1.06	1,315	99.0	0.0	0.0	1.0	16.4	38	54	47.7	1.01	—	0.15
(52.1)	**0.0**	**1.2**	**0.9**	**1.00**	**1.08**	**2,286**	**92.4**	**1.5**	**1.6**	**4.5**	**46.9**	**46**	**418**	**33.4**	**1.14**	**—**	**—**
(56.1)	(4.0)	0.6	0.1	1.20	1.30	230	98.2	0.0	0.0	1.8	36.7	31	31	35.5	1.24	—	—
(60.9)	(8.8)	0.1	0.3	1.15	1.24	907	98.4	0.0	1.6	0.0	40.6	96	71	25.0	**0.89**	2.00R	—
(61.9)	(9.8)	0.5	1.5	0.94	1.02	539	96.0	0.0	0.0	4.1	60.9	33	91	14.8	0.99	1.00R	—
—	—	0.3	0.0	1.08	1.17	2,806	93.7	0.0	0.0	6.3	43.4	34	52	37.4	1.18	—	—
—	—	1.0	0.9	1.19	1.29	9,241	98.3	0.0	0.0	1.7	49.4	25	120	22.1	**0.63**	—	—
(59.1)	(7.0)	2.2	0.0	1.02	1.10	210	83.6	0.0	0.8	15.6	53.6	91	137	22.1	1.78	2.00R	—
(58.0)	**0.0**	**0.9**	**1.4**	**1.00**	**1.16**	**10,959**	**94.6**	**0.4**	**1.7**	**3.3**	**90.5**	**67**	**412**	**24.3**	**1.06**	**—**	**—**
(69.6)	(11.6)	0.6	0.3	0.95	1.10	907	93.7	0.0	6.3	0.0	93.7	139	85	19.1	1.60	2.00R	0.25
(60.8)	(2.8)	0.3	0.7	1.14	1.32	113	99.1	0.0	0.5	0.4	99.1	60	297	32.0	1.70	—	0.25
(58.4)	(0.4)	1.4	1.0	**0.86**	1.00	1,891	94.3	0.0	1.3	4.4	93.8	22	204	8.9	1.25	—	—
(60.6)	(2.6)	1.2	0.3	**0.91**	1.06	7,842	94.3	0.0	5.5	0.2	93.4	22	227	15.8	1.20	2.00R	—
(59.5)	(1.5)	1.5	2.0	1.00	1.16	4,220	91.9	0.0	0.5	7.5	90.2	43	357	9.3	**0.41**	—	—
(61.1)	**0.0**	**0.9**	**1.1**	**1.00**	**1.68**	**1,872**	**95.2**	**0.0**	**1.4**	**3.4**	**92.2**	**158**	**144**	**37.5**	**1.34**	**—**	**—**
(58.2)	2.9	0.8	0.8	**0.55**	0.93	792	95.3	0.0	0.0	4.7	95.3	20	86	18.9	**0.95**	—	—
(47.2)	**13.9**	0.0	0.0	0.73	1.23	340	96.2	0.0	0.0	3.8	96.2	5	25	50.3	1.49	—	0.15
(47.6)	**13.5**	0.4	0.8	0.74	1.24	4,112	96.9	0.0	0.0	3.1	96.9	55	62	25.8	**0.98**	—	0.00

Table 2. Top Funds Over Five Years (Continued)

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Bull Market* Return (%) Fund	Cat +/-
		Matthews India Inv (MINDX)	15.8	7.3	35.7	(1.3)	0.8	63.7	(6.0)	31.5	(36.5)	32.5	97.2	(62.4)	455.5	225.3
		T. Rowe Price Japan (PRJPX)	15.0	6.5	32.6	11.1	14.8	(8.6)	29.9	10.6	(8.4)	14.2	0.8	(31.5)	206.8	(23.4)
		Emerging Stock Category Average	4.2	0.0	37.4	9.8	(14.4)	(3.0)	(0.5)	20.6	(21.2)	20.3	79.3	(58.3)	193.4	0.0
		Fidelity Emerging Market (FEMKX)	7.6	3.4	47.6	3.2	(10.1)	1.6	3.8	14.6	(21.1)	18.2	76.0	(60.9)	215.4	22.0
		AmCent Emg Mkt Inv (TWMIX)	7.2	3.0	45.8	7.6	(8.3)	(1.6)	0.2	24.8	(21.7)	17.8	69.3	(59.8)	228.3	34.9
		Driehaus Emerg Mkts Grth Inv (DREGX)	6.7	2.5	42.5	5.8	(10.5)	(6.0)	8.9	19.5	(15.1)	23.5	70.0	(54.5)	238.4	45.0
		T. Rowe Price Emg Mkt St (PRMSX)	6.4	2.2	42.8	11.9	(11.5)	1.4	(4.7)	20.0	(18.9)	18.7	85.0	(60.6)	243.5	50.1
	C	Harding Loevner Emg Mkt Adv (HLEMX)	6.2	2.0	35.2	13.1	(13.6)	(1.7)	4.1	22.7	(17.6)	20.9	63.4	(52.4)	217.0	23.6
		Balanced: Domestic Cat Average	7.8	0.0	12.7	7.1	(1.7)	6.1	16.0	11.2	1.3	11.9	22.3	(22.9)	155.3	0.0
	C	T. Rowe Price Cap Apprec (PRWCX)	12.5	4.7	15.3	8.2	5.4	12.2	22.4	14.6	3.1	14.0	33.0	(27.2)	261.7	106.4
		Dodge & Cox Bal (DODBX)	12.2	4.4	12.5	16.5	(2.9)	8.8	28.3	18.3	(1.7)	12.2	28.3	(33.6)	253.8	98.5
		AdvisorOne CLS Shelter N (CLSHX)	12.0	4.2	20.8	9.8	(2.5)	7.6	26.4	(1.8)	(9.9)	9.2	—	—	—	—
		T. Rowe Price Persl Str Grth (TRSGX)	11.6	3.8	21.9	7.0	0.3	5.8	24.8	17.6	(1.9)	15.3	37.4	(37.6)	264.4	109.1
I		Fidelity Four-in-One Idx (FFNOX)	11.4	3.6	19.2	8.3	0.1	6.6	24.5	15.1	(1.4)	13.6	25.0	(32.7)	230.2	74.9
		Balanced: Global Category Average	6.1	0.0	14.8	6.2	(3.9)	3.3	11.6	12.4	(1.6)	12.2	27.4	(27.1)	145.0	0.0
		Fidelity Asset Mgr 85% (FAMRX)	11.5	5.4	22.2	7.3	(0.6)	5.9	25.1	15.9	(6.1)	16.5	38.6	(38.6)	249.2	104.2
		Manning & Napier PB Max S (EXHAX)	10.3	4.2	24.1	4.5	(5.2)	5.7	25.7	16.2	(7.2)	14.0	36.1	(35.5)	218.5	73.5
		AmCent One Choice: Agg Inv (AOGIX)	10.2	4.1	19.1	6.8	(1.3)	7.3	20.6	15.4	(1.7)	15.5	26.6	(33.9)	208.2	63.2
		AmCent One Choice: Mod Inv (AOMIX)	8.4	2.3	15.4	6.4	(1.6)	6.9	16.0	13.2	0.8	12.7	21.7	(26.0)	164.7	19.7
	C	Fidelity Global Strat (FDYSX)	7.1	1.0	19.3	5.8	(0.5)	2.8	8.9	12.4	(5.4)	14.9	28.7	(28.4)	147.9	2.9
		Target Date: In Retirement Cat Avg	5.6	0.0	9.9	5.5	(0.7)	4.8	8.6	9.3	1.9	10.3	19.9	(21.1)	112.2	0.0
		Vanguard Mngd Payout Inv (VPGDX)	8.2	2.6	13.2	7.5	(0.8)	5.8	15.9	11.0	0.6	13.6	23.5	—	166.0	53.8
		Fidelity Freedom 2010 (FFFCX)	6.8	1.2	12.4	6.4	(0.3)	4.8	11.0	10.4	(0.3)	11.6	24.8	(25.4)	135.3	23.1
		T. Rowe Price Rtmt 2010 (TRRAX)	6.8	1.2	11.6	7.1	(0.8)	4.9	11.9	12.4	0.5	12.6	27.9	(26.8)	152.1	39.9
		Target Date: 2010-2019 Cat Average	7.2	0.0	12.4	6.1	(0.3)	5.5	13.0	11.7	0.7	12.4	24.4	(27.2)	151.6	0.0
		T. Rowe Price Rtmt 2015 (TRRGX)	7.9	0.7	13.3	7.3	(0.6)	5.3	15.1	13.8	(0.4)	13.7	31.3	(30.3)	179.1	27.5
		Fidelity Freedom 2015 (FFVFX)	7.4	0.2	14.2	7.0	(0.4)	5.1	11.8	10.6	(0.4)	11.7	25.6	(27.2)	146.2	(5.4)
		Vanguard Tgt Rtmt 2015 Inv (VTXVX)	7.2	0.0	11.5	6.1	(0.5)	6.5	13.0	11.3	1.7	12.4	21.2	(24.1)	149.2	(2.4)
		Target Date: 2020-2029 Cat Average	8.2	0.0	14.5	6.7	(0.7)	5.9	15.7	13.0	(0.1)	13.4	26.7	(30.5)	175.7	0.0
		T. Rowe Price Rtmt 2025 (TRRHX)	10.0	1.8	17.6	7.5	(0.2)	5.8	20.7	16.0	(2.1)	15.3	36.2	(36.0)	230.5	54.8
		Vanguard Tgt Rtmt 2025 Inv (VTTVX)	9.3	1.1	15.9	7.4	(0.9)	7.1	18.1	13.2	(0.4)	13.8	24.8	(30.1)	193.6	17.9
		Fidelity Freedom 2025 (FFTWX)	9.0	0.8	16.8	7.4	(0.2)	5.6	16.5	13.1	(2.7)	13.8	30.0	(33.7)	187.4	11.7
		Schwab Target 2025 (SWHRX)	9.0	0.8	15.5	5.3	0.1	6.1	19.1	13.8	0.2	13.5	25.4	—	185.5	9.8
		T. Rowe Price Rtmt 2020 (TRRBX)	9.0	0.8	15.7	7.4	(0.4)	5.6	18.0	15.0	(1.3)	14.7	34.1	(33.5)	206.5	30.8
		Target Date: 2030-2039 Cat Average	10.0	0.0	18.1	7.4	(0.8)	6.2	20.3	14.6	(1.8)	14.7	29.7	(34.9)	214.1	0.0
		T. Rowe Price Rtmt 2035 (TRRJX)	11.5	1.5	20.8	7.6	0.1	6.0	24.8	17.3	(3.3)	16.3	39.0	(38.9)	267.8	53.7
		Fidelity Freedom 2035 (FFTHX)	11.0	1.0	22.0	8.6	(0.3)	5.7	20.6	14.4	(4.6)	14.4	31.2	(37.8)	224.1	10.0
		T. Rowe Price Rtmt 2030 (TRRCX)	10.9	0.9	19.4	7.6	(0.1)	6.0	23.0	16.8	(2.8)	16.0	37.9	(37.8)	252.5	38.4
		Vanguard Tgt Rtmt 2035 Inv (VTTHX)	10.9	0.9	19.1	8.2	(1.3)	7.2	22.8	15.1	(2.3)	15.1	28.1	(34.7)	234.3	20.2
		Target Date: 2040-2049 Cat Average	10.9	0.0	20.3	7.9	(0.9)	6.4	22.7	15.5	(2.9)	15.4	31.2	(36.2)	235.8	0.0
		T. Rowe Price Rtmt 2045 (TRRKX)	12.0	1.1	22.4	7.6	0.1	6.1	25.9	17.6	(3.5)	16.4	39.0	(38.9)	276.6	40.8
		T. Rowe Price Rtmt 2040 (TRRDX)	11.9	1.0	22.0	7.6	0.1	6.1	25.9	17.5	(3.5)	16.5	39.0	(38.9)	275.1	39.3
		Vanguard Tgt Rtmt 2045 Inv (VTIVX)	11.6	0.7	21.4	8.8	(1.6)	7.1	24.3	15.5	(2.6)	15.1	28.1	(34.6)	245.9	10.1
		Target Date: 2050-2059 Cat Average	11.1	0.0	21.0	8.2	(1.1)	6.5	23.0	15.8	(3.4)	15.8	32.8	(38.3)	244.9	0.0
		T. Rowe Price Rtmt 2050 (TRRMX)	12.0	0.9	22.3	7.7	0.1	6.1	25.8	17.5	(3.4)	16.4	38.9	(38.8)	276.6	31.7
		T. Rowe Price Rtmt 2055 (TRRNX)	12.0	0.9	22.3	7.7	0.1	6.1	25.8	17.6	(3.4)	16.4	38.9	(38.9)	276.6	31.7
		Vanguard Tgt Rtmt 2050 Inv (VFIFX)	11.6	0.5	21.3	8.8	(1.6)	7.1	24.3	15.5	(2.6)	15.1	28.3	(34.7)	245.7	0.8
		Corporate High-Yield Bond Cat Avg	4.7	0.0	6.1	12.3	(3.4)	1.7	7.7	13.5	3.0	13.4	41.1	(20.9)	132.7	0.0
	C	Fairholme Focus'd Inc (FOCIX)	10.2	5.5	(0.6)	32.3	(1.5)	(3.4)	29.9	5.1	(0.8)	11.1	—	—	—	—
		Fidelity Capital & Inc (FAGIX)	7.3	2.6	11.6	10.7	(1.0)	6.1	9.7	16.3	(1.9)	17.1	72.1	(31.9)	227.2	94.5
		Amer Beacon SiM Hi Yd Op Inv (SHYPX)	5.8	1.1	7.0	15.9	(4.1)	3.9	7.4	20.1	—	—	—	—	—	—
	C	T. Rowe Price Hi-Yld (PRHYX)	5.7	1.0	7.3	14.4	(3.3)	2.0	9.0	15.2	3.2	14.3	49.1	(24.5)	159.7	27.0

Bear Market* Return (%) Fund	Cat +/-	Tax-Cost Ratio (%)	Yield (%)	Risk Index (X) Cat	Total	Total Assets ($ Mil)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
(66.2)	(5.1)	0.3	0.0	0.85	1.43	2,272	97.7	0.0	0.0	2.4	90.3	16	51	44.6	1.12	—	0.00
(50.7)	**10.4**	0.5	0.5	**0.61**	1.02	750	98.2	0.0	1.8	0.0	98.2	13	85	25.6	1.02	2.00R	—
(66.7)	**0.0**	**0.5**	**0.8**	**1.00**	**1.53**	**4,742**	**93.6**	**0.8**	**1.7**	**3.9**	**91.2**	**65**	**381**	**30.2**	**1.29**	**—**	**—**
(68.1)	(1.4)	0.1	0.5	0.88	1.35	5,289	99.0	0.0	0.0	1.0	93.4	81	141	29.5	**0.97**	—	—
(68.1)	(1.4)	0.0	0.2	0.93	1.42	1,721	92.8	0.0	2.3	4.9	92.8	59	105	29.2	1.29	—	—
(62.3)	**4.4**	0.3	0.6	**0.81**	1.24	1,780	91.3	0.0	0.4	8.3	90.5	232	97	30.1	1.47	2.00R	—
(68.1)	(1.4)	0.2	0.4	0.97	1.49	11,106	88.8	0.0	11.2	0.0	88.4	31	89	41.7	1.26	2.00R	—
(61.2)	**5.5**	0.6	0.7	0.90	1.38	4,208	98.3	0.0	0.1	1.6	97.3	26	86	27.9	1.42	2.00R	—
(31.3)	**0.0**	**1.3**	**1.5**	**1.00**	**0.65**	**7,300**	**55.2**	**36.0**	**3.5**	**5.2**	**14.9**	**52**	**879**	**44.3**	**0.81**	**—**	**—**
(36.4)	(5.1)	2.1	1.2	0.98	0.64	29,649	61.4	20.2	17.8	0.6	6.4	62	276	34.8	0.70	—	—
(45.7)	(14.4)	1.5	2.0	1.34	0.87	16,335	65.0	27.0	6.2	1.7	11.0	24	427	20.7	**0.53**	—	—
—	—	0.9	1.1	1.38	0.90	178	98.3	0.0	0.1	1.7	32.9	147	9	98.6	1.35	—	—
(48.2)	(16.9)	1.5	1.1	1.32	0.86	2,227	77.3	15.6	7.0	0.0	32.8	58	1,616	22.3	0.78	—	—
(45.8)	(14.5)	0.7	1.9	1.31	0.85	5,769	84.8	14.2	0.1	1.0	26.0	10	4	100.0	**0.11**	—	—
(36.3)	**0.0**	**1.3**	**1.6**	**1.00**	**0.70**	**1,462**	**57.9**	**34.2**	**5.6**	**2.4**	**36.0**	**73**	**324**	**55.4**	**1.14**	**—**	**—**
(49.2)	(12.9)	1.2	1.0	1.29	0.90	2,266	84.2	8.5	3.7	3.6	31.7	23	1,918	16.2	**0.75**	—	—
(46.7)	(10.4)	1.7	0.3	1.47	1.03	478	87.2	11.5	0.0	1.3	20.3	85	382	21.9	1.09	—	—
(43.7)	(7.4)	1.4	1.9	1.17	0.82	1,310	77.4	18.5	2.1	2.0	27.0	18	20	77.6	0.99	—	—
(35.6)	0.7	1.1	1.9	0.96	0.67	1,941	63.4	29.6	1.8	5.2	23.3	15	21	75.3	**0.90**	—	—
(37.5)	(1.2)	1.9	1.1	0.91	0.64	175	68.0	27.8	0.7	3.5	47.0	38	18	76.0	1.10	—	—
(29.0)	**0.0**	**1.2**	**2.0**	**1.00**	**0.42**	**3,063**	**35.4**	**53.5**	**2.0**	**9.0**	**20.9**	**16**	**17**	**86.4**	**0.52**	**—**	**—**
—	—	2.1	3.8	1.29	0.54	2,089	66.9	17.5	6.6	9.0	35.3	19	11	100.0	**0.34**	—	—
(34.0)	(5.0)	1.2	1.4	1.24	0.52	6,778	42.3	39.6	0.6	17.5	22.5	24	29	66.3	0.53	—	—
(35.7)	(6.7)	1.4	2.0	1.19	0.50	5,233	40.6	54.7	2.4	2.2	25.9	12	17	91.4	0.57	—	—
(37.0)	**0.0**	**1.4**	**1.8**	**1.00**	**0.52**	**9,232**	**45.3**	**47.1**	**1.1**	**6.5**	**24.7**	**14**	**18**	**84.3**	**0.41**	**—**	**—**
(39.9)	(2.9)	1.4	1.9	1.12	0.58	8,885	48.5	47.5	2.5	1.6	27.5	13	19	85.5	0.59	—	—
(36.2)	0.8	1.4	1.4	1.15	0.60	10,539	51.1	34.3	0.6	14.0	25.2	22	29	67.6	0.58	—	—
(34.9)	**2.1**	1.3	2.0	0.92	0.48	17,405	42.5	54.4	0.7	2.3	31.8	7	6	100.0	**0.14**	—	—
(41.5)	**0.0**	**1.2**	**1.8**	**1.00**	**0.62**	**16,721**	**55.9**	**37.0**	**1.5**	**5.7**	**26.1**	**14**	**20**	**81.9**	**0.54**	**—**	**—**
(46.5)	(5.0)	1.1	1.6	1.21	0.75	21,665	65.7	29.8	2.5	1.9	30.9	16	19	81.3	0.67	—	—
(42.4)	(0.9)	1.0	2.0	1.06	0.66	39,232	62.9	34.5	0.7	2.0	36.4	10	5	100.0	**0.14**	—	—
(44.2)	(2.7)	1.4	1.2	1.16	0.72	27,242	63.3	26.2	0.7	9.8	28.8	22	29	70.7	0.66	—	—
—	—	1.3	2.3	1.06	0.66	530	60.4	32.8	1.0	5.8	20.5	5	24	78.8	0.50	—	—
(43.6)	(2.1)	1.2	1.8	1.08	0.67	25,234	58.1	37.8	2.5	1.5	29.5	14	19	83.1	0.63	—	—
(46.8)	**0.0**	**1.2**	**1.7**	**1.00**	**0.78**	**15,525**	**71.8**	**22.7**	**1.5**	**4.0**	**29.5**	**13**	**20**	**82.5**	**0.61**	**—**	**—**
(49.9)	(3.1)	1.1	1.4	1.12	0.87	16,789	79.0	16.7	2.5	1.8	32.8	16	19	85.3	0.72	—	—
(49.3)	(2.5)	1.4	1.1	1.21	0.94	21,667	86.8	7.3	0.8	5.1	35.3	20	29	72.4	0.75	—	—
(48.6)	(1.8)	1.2	1.5	1.04	0.81	27,637	73.2	22.6	2.5	1.7	32.0	16	19	83.4	0.69	—	—
(48.0)	(1.2)	0.9	2.0	1.04	0.81	31,702	77.5	20.3	0.5	1.7	37.2	9	5	100.0	**0.15**	—	—
(48.4)	**0.0**	**1.2**	**1.6**	**1.00**	**0.87**	**11,832**	**82.3**	**13.0**	**1.5**	**3.1**	**31.7**	**13**	**19**	**84.6**	**0.65**	**—**	**—**
(49.8)	(1.4)	1.1	1.2	1.06	0.92	10,669	85.9	10.2	2.5	1.4	33.4	14	19	86.9	0.74	—	—
(49.8)	(1.4)	1.2	1.3	1.06	0.92	19,593	83.7	12.1	2.5	1.7	33.2	18	19	86.3	0.74	—	—
(47.9)	0.5	0.8	1.9	1.03	0.90	22,007	88.5	9.6	0.4	1.5	37.8	8	5	100.0	**0.16**	—	—
(50.1)	**0.0**	**1.1**	**1.5**	**1.00**	**0.89**	**5,710**	**85.4**	**10.6**	**1.5**	**2.4**	**33.0**	**13**	**18**	**85.8**	**0.66**	**—**	**—**
(49.9)	**0.2**	1.1	1.3	1.03	0.92	8,650	86.0	10.2	2.3	1.5	33.5	16	19	86.9	0.74	—	—
(49.9)	0.2	1.0	1.3	1.03	0.92	3,791	85.9	10.2	2.3	1.6	33.5	14	19	86.8	0.74	—	—
(47.9)	**2.2**	0.7	1.9	1.01	0.90	14,635	88.5	9.6	0.4	1.5	37.9	6	5	100.0	**0.16**	—	—
(20.6)	**0.0**	**2.3**	**4.9**	**1.00**	**0.50**	**2,635**	**1.9**	**86.5**	**5.3**	**6.3**	**12.9**	**131**	**303**	**22.3**	**0.95**	**—**	**—**
—	—	2.3	4.9	2.72	1.36	255	11.8	39.4	22.7	26.1	11.0	29	38	59.3	0.81	—	—
(33.2)	(12.6)	2.1	4.0	1.12	0.56	12,055	22.3	62.9	6.0	8.8	12.7	39	662	10.3	**0.73**	—	—
—	—	2.7	5.5	1.02	0.51	1,243	1.3	97.6	5.3	(4.2)	22.0	50	100	18.3	1.14	—	0.00
(23.1)	(2.5)	2.6	5.5	0.98	0.49	8,744	1.1	89.8	9.1	0.0	16.4	74	463	12.6	**0.74**	2.00R	—

Table 2. Top Funds Over Five Years (Continued)

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Bull Market* Return (%) Fund	Cat +/-
		Manning & Napier Hi Yd Bd S (MNHYX)	5.4	0.7	8.4	13.3	(3.3)	2.0	7.1	14.4	4.8	13.5	—	—	—	—
		Convertible Bond Category Average	7.1	0.0	9.2	6.2	(5.4)	5.8	21.6	15.6	(7.1)	20.0	52.4	(38.8)	193.5	0.0
		Fidelity Convertible Sec (FCVSX)	7.3	0.2	9.6	5.9	(9.4)	9.2	24.0	16.8	(7.4)	20.8	64.1	(47.8)	234.2	40.7
		Mortgage-Backed Bond Cat Avg	1.3	0.0	1.5	1.2	1.0	4.7	(1.6)	3.2	5.7	6.3	7.8	3.3	33.3	0.0
		TCW Total Return Bond N (TGMNX)	2.3	1.0	3.0	1.2	0.7	5.4	1.4	13.0	3.8	10.3	19.5	0.8	71.9	38.6
		Fidelity Mtg Secs (FMSFX)	2.0	0.7	2.3	1.8	1.4	6.3	(1.8)	4.2	6.5	7.2	9.5	1.2	43.4	10.1
		AMG Mgrs Interm Dur Gov N (MGIDX)	1.9	0.6	1.6	1.4	1.0	6.6	(1.2)	3.0	5.8	7.3	12.3	0.8	42.1	8.8
		Gov't: Short-Term Bond Cat Avg	0.3	0.0	0.6	0.5	0.3	0.8	(0.8)	0.8	2.2	2.6	1.0	6.1	9.0	0.0
		PIA Short Term Sec Adv (PIASX)	0.6	0.3	0.9	1.4	0.2	0.3	0.2	0.4	0.5	1.0	1.6	4.1	6.8	(2.2)
		Vanguard ShtTm Fed Inv (VSGBX)	0.6	0.3	0.6	1.1	0.7	1.1	(0.4)	1.4	2.7	3.2	2.7	7.0	14.1	5.1
I		Fidelity S-T Tr Bd Ix Inv (FSBIX)	0.5	0.2	0.5	0.7	0.6	1.0	(0.4)	0.6	3.2	3.5	(0.2)	8.7	11.3	2.3
		Homestead Short-Term Gov (HOSGX)	0.4	0.1	0.8	0.4	0.4	1.1	(0.8)	1.5	2.0	2.5	2.8	5.1	11.4	2.4
		Vanguard Sht-Tm Trs Inv (VFISX)	0.4	0.1	0.3	0.9	0.4	0.7	(0.2)	0.6	2.2	2.6	1.4	6.6	9.9	0.9
		Gov't: Intermed-Term Bond Cat Avg	0.9	0.0	1.6	0.9	0.9	4.7	(3.4)	2.6	8.5	5.4	(0.4)	11.3	25.2	0.0
		Fidelity Government Inc (FGOVX)	1.2	0.3	2.2	1.0	0.5	5.4	(2.6)	2.6	7.8	5.1	1.2	11.0	27.4	2.2
		AmCent Govt Bd Inv (CPTNX)	1.0	0.1	2.1	0.8	0.5	4.6	(2.9)	2.1	7.5	5.3	3.0	9.5	25.7	0.5
I		Northern US Treasury Index (BTIAX)	1.0	0.1	2.1	0.8	0.6	4.8	(3.0)	1.7	9.6	5.5	(3.6)	13.7	24.0	(1.2)
		Vanguard IntTm Treas Inv (VFITX)	1.0	0.1	1.5	1.1	1.5	4.3	(3.1)	2.6	9.7	7.3	(1.7)	13.3	29.2	4.0
		Gov't: Long-Term Bond Cat Avg	2.5	0.0	7.1	0.5	(1.7)	24.3	(13.7)	3.9	32.8	10.7	(19.1)	32.9	60.4	0.0
		Wasatch-Hoisington US Tr (WHOSX)	3.5	1.0	10.4	0.4	(2.9)	32.5	(16.8)	2.7	41.2	10.1	(22.6)	37.7	72.1	11.7
		Vanguard LgTm US Try Inv (VUSTX)	3.3	0.8	8.5	1.1	(1.6)	25.2	(13.1)	3.4	29.2	8.9	(12.1)	22.5	66.6	6.2
		T. Rowe Price US Treas LgTm (PRULX)	2.7	0.2	8.2	0.7	(1.9)	23.6	(13.3)	3.1	28.3	8.9	(10.9)	23.2	61.6	1.2
		Inflation-Protected Bond Cat Average	(0.3)	0.0	2.2	3.9	(1.7)	2.2	(7.8)	6.3	12.2	5.9	11.1	(2.4)	39.5	0.0
I		Vanguard ST Infl-Prot Sec Idx Inv (VTIPX)	0.0	0.3	0.7	2.5	(0.3)	(1.3)	(1.7)	—	—	—	—	—	—	—
		Vanguard Infl-Prot Secs Inv (VIPSX)	(0.1)	0.2	2.8	4.5	(1.9)	3.8	(9.0)	6.7	13.2	6.1	10.8	(2.9)	42.8	3.3
		General Bond: Short-Term Cat Avg	1.1	0.0	1.6	1.9	0.3	1.1	0.6	3.9	1.9	5.1	11.1	(3.9)	32.3	0.0
		Thompson Bond (THOPX)	3.1	2.0	4.7	10.4	(2.9)	0.9	2.8	9.3	3.0	7.3	24.8	(2.1)	73.4	41.1
		Vanguard ShtTm Inv-Grd Inv (VFSTX)	1.7	0.6	2.0	2.7	1.0	1.7	0.9	4.5	1.9	5.2	14.0	(4.8)	36.9	4.6
		New Covenant Inc (NCICX)	1.5	0.4	2.4	2.3	0.8	3.6	(1.7)	4.0	5.3	6.3	12.8	(14.7)	42.2	9.9
		USAA Short-Term Bond (USSBX)	1.5	0.4	2.2	3.0	0.0	1.6	1.0	4.0	2.4	4.7	14.0	(2.6)	35.8	3.5
		General Bond: Interm-Term Cat Avg	2.2	0.0	4.0	3.8	(0.3)	5.0	(1.3)	6.9	6.1	7.7	13.2	(0.7)	56.4	0.0
		T. Rowe Price Spect Inc (RPSIX)	3.9	1.7	7.0	8.1	(2.1)	3.8	3.0	10.1	4.1	9.6	20.2	(9.5)	91.8	35.4
		Fidelity Strategic Inc (FSICX)	3.7	1.5	8.0	8.7	(1.7)	3.7	0.3	10.8	4.6	9.9	31.7	(11.4)	103.6	47.2
		Fidelity Corporate Bd (FCBFX)	3.5	1.3	6.8	6.5	(1.5)	8.0	(1.7)	10.0	11.0	—	—	—	—	—
		Loomis Sayles Bond Retl (LSBRX)	3.5	1.3	7.1	8.3	(7.1)	4.4	5.5	14.7	3.4	13.2	36.8	(22.2)	123.2	66.8
		General Bond: Long-Term Cat Avg	4.1	0.0	8.2	7.3	(2.2)	10.9	(2.6)	11.1	10.7	9.9	18.5	(4.7)	102.1	0.0
		Vanguard LongTm InvGrd Inv (VWESX)	5.5	1.4	11.9	7.8	(2.3)	18.1	(5.9)	11.6	17.1	10.7	8.7	2.2	125.0	22.9
		Payden Corporate Bond (PYACX)	4.9	0.8	8.5	6.8	1.1	9.1	(0.4)	12.3	5.4	8.8	—	—	—	—
I		Vanguard LgTm Bd Idx Inv (VBLTX)	4.3	0.2	10.7	6.4	(3.5)	19.7	(9.2)	8.4	22.0	10.2	1.7	8.6	99.6	(2.5)
		Muni Nat'l: Short-Term Bond Cat Avg	0.8	0.0	1.7	(0.2)	0.9	1.7	0.1	1.7	3.8	1.6	5.6	2.6	16.6	0.0
		AB Divers Muni (SNDPX)	1.5	0.7	3.0	(0.4)	2.0	4.1	(1.3)	3.0	7.0	2.6	7.0	2.4	28.0	11.4
		Glenmede Muni Interm (GTCMX)	1.5	0.7	3.2	(0.1)	1.6	3.7	(1.0)	2.8	6.0	1.7	6.7	2.7	24.2	7.6
		Fidelity Ltd Term Muni Inc (FSTFX)	1.0	0.2	2.3	(0.5)	1.1	2.1	0.1	2.2	4.3	2.0	5.6	3.5	19.3	2.7
		Vanguard LtdTm T/E (VMLTX)	1.0	0.2	2.0	(0.2)	1.3	1.7	0.4	1.7	3.7	1.9	5.5	2.9	18.1	1.5
		Muni Nat'l: Interm-Term Bond Cat Avg	2.1	0.0	4.3	(0.2)	2.5	6.6	(2.2)	5.4	9.4	2.1	11.0	(1.0)	41.0	0.0
		Dreyfus Muni Bond (DRTAX)	3.0	0.9	5.6	(0.3)	3.5	10.5	(3.6)	7.3	10.3	1.0	16.6	(8.5)	54.7	13.7
		USAA Tax Ex Interm-Term (USATX)	2.7	0.6	5.7	(0.6)	2.6	7.3	(1.1)	7.1	10.1	2.8	18.2	(7.4)	55.8	14.8
		BMO Interm T/F Y (MITFX)	2.6	0.5	4.7	0.1	2.6	7.3	(1.7)	6.6	9.1	3.0	12.8	0.7	48.2	7.2
		Muni Nat'l: Long-Term Bond Cat Avg	3.0	0.0	5.3	0.2	3.2	10.2	(3.4)	8.1	10.6	1.5	14.4	(5.3)	54.8	0.0
		Vanguard LongTm T/E (VWLTX)	3.7	0.7	6.4	0.6	3.9	11.0	(3.0)	8.0	10.6	1.5	14.0	(4.9)	59.2	4.4

Bear Market* Return (%) Fund	Cat +/-	Tax-Cost Ratio (%)	Yield (%)	Risk Index (X) Cat	Risk Index (X) Total	Total Assets ($ Mil)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
—	—	2.6	5.2	0.98	0.49	121	0.0	96.0	1.7	2.3	24.4	77	77	23.4	0.91	—	—
(43.6)	**0.0**	**1.8**	**2.1**	**1.00**	**0.78**	**1,381**	**7.8**	**2.0**	**87.0**	**3.1**	**1.1**	**108**	**160**	**18.3**	**0.39**	**—**	**—**
(54.1)	(10.5)	1.9	2.6	1.18	0.92	1,508	14.5	3.2	82.3	0.1	1.6	112	133	22.4	0.45	—	—
6.0	**0.0**	**1.1**	**2.6**	**1.00**	**0.15**	**2,420**	**0.1**	**101.1**	**0.3**	**(1.4)**	**0.5**	**337**	**1,265**	**57.3**	**0.68**	**—**	**—**
3.2	(2.8)	1.3	2.6	1.60	0.24	8,812	0.0	90.5	0.0	9.5	0.1	288	519	30.0	0.79	—	0.25
2.0	(4.0)	1.0	2.6	1.20	0.18	1,024	0.0	97.8	0.0	2.2	0.0	357	344	60.0	**0.45**	—	—
4.4	(1.6)	1.0	2.0	1.07	0.16	108	0.0	123.7	0.0	(23.7)	0.0	17	306	56.0	0.89	—	—
7.7	**0.0**	**0.4**	**1.0**	**1.00**	**0.10**	**1,264**	**0.0**	**89.9**	**0.1**	**10.0**	**2.2**	**162**	**134**	**51.4**	**0.50**	**—**	**—**
5.6	(2.1)	0.3	1.2	**0.40**	0.04	171	0.0	84.9	0.0	15.1	3.8	37	144	33.5	0.39	—	—
9.5	**1.8**	0.4	1.3	1.00	0.10	5,006	0.0	97.6	0.0	2.4	3.3	304	679	30.7	**0.20**	—	—
10.2	**2.5**	0.4	1.2	1.40	0.14	1,527	0.0	99.8	0.0	0.3	0.0	51	158	10.8	**0.16**	—	—
6.7	(1.0)	0.4	1.0	1.00	0.10	75	0.0	86.4	0.0	13.6	17.5	26	175	32.8	0.75	—	—
9.1	1.4	0.3	1.2	1.00	0.10	7,805	0.0	95.4	0.0	4.6	1.2	249	106	35.2	**0.20**	—	—
12.2	**0.0**	**0.8**	**1.7**	**1.00**	**0.31**	**1,361**	**0.0**	**98.8**	**0.2**	**0.9**	**1.1**	**145**	**164**	**38.5**	**0.41**	**—**	**—**
12.5	0.3	0.8	1.8	0.94	0.29	4,167	0.0	99.7	0.0	0.3	4.4	157	566	21.8	0.45	—	—
12.3	0.1	0.8	1.9	0.84	0.26	838	0.0	95.0	0.5	4.5	0.3	206	225	26.1	0.47	—	—
13.2	1.0	0.7	1.8	1.10	0.34	91	0.0	100.0	0.0	0.0	0.0	39	230	9.0	**0.16**	—	—
14.0	**1.8**	0.8	1.8	1.10	0.34	6,211	0.0	99.7	0.3	0.0	3.1	152	100	23.4	0.20	—	—
24.9	**0.0**	**1.1**	**1.9**	**1.00**	**1.09**	**880**	**0.0**	**77.8**	**8.4**	**13.7**	**0.0**	**344**	**29**	**67.8**	**0.69**	**—**	**—**
24.2	(0.7)	1.5	2.0	1.19	1.30	351	0.0	98.7	0.0	1.3	0.0	20	10	98.7	0.69	2.00R	—
15.5	(9.4)	1.5	2.6	1.01	1.10	3,602	0.0	99.5	0.0	0.5	0.0	94	62	40.4	**0.20**	—	—
17.2	(7.7)	1.4	2.5	0.98	1.07	2,088	0.0	99.3	0.7	0.0	0.0	33	79	61.6	0.37	—	—
0.1	**0.0**	**0.5**	**1.3**	**1.00**	**0.31**	**6,917**	**0.0**	**98.8**	**0.0**	**1.1**	**(3.2)**	**55**	**138**	**59.6**	**0.43**	**—**	**—**
—	—	0.2	1.5	**0.42**	0.13	23,666	0.0	96.8	0.0	3.2	0.0	27	16	83.2	**0.16**	—	—
0.1	0.0	0.7	2.3	1.16	0.36	27,564	0.0	99.8	0.0	0.2	0.0	27	40	40.2	0.20	—	—
(2.6)	**0.0**	**0.6**	**1.6**	**1.00**	**0.09**	**6,490**	**0.0**	**93.7**	**1.7**	**4.5**	**14.7**	**85**	**561**	**32.3**	**0.56**	**—**	**—**
0.5	3.1	1.6	3.1	4.22	0.38	2,606	0.0	83.0	7.5	9.6	12.9	20	365	19.7	0.72	—	—
(2.1)	0.5	0.8	2.0	1.33	0.12	63,971	0.0	90.8	0.3	8.9	20.4	68	2,032	11.6	**0.20**	—	—
(13.7)	(11.1)	0.7	1.9	2.11	0.19	318	0.0	107.4	0.0	(7.4)	10.1	140	655	23.0	0.95	—	—
0.3	2.9	0.7	1.9	1.11	0.10	3,275	0.0	89.6	5.6	4.8	12.5	31	524	8.3	0.59	—	—
0.1	**0.0**	**1.2**	**2.5**	**1.00**	**0.28**	**16,140**	**0.8**	**91.8**	**2.2**	**5.2**	**8.2**	**118**	**1,555**	**26.6**	**0.58**	**—**	**—**
(13.1)	(13.2)	1.6	3.3	1.25	0.35	6,755	10.6	84.1	3.9	1.5	28.6	18	15	92.3	0.69	—	—
(11.8)	(11.9)	1.7	3.3	1.36	0.38	8,697	0.1	87.2	7.6	5.2	43.4	79	579	56.4	0.70	—	—
—	—	1.3	3.2	1.43	0.40	1,151	0.0	95.6	0.8	3.7	20.0	42	355	9.7	0.45	—	—
(24.3)	(24.4)	1.9	3.4	1.96	0.55	13,049	4.1	64.7	8.4	22.9	19.7	9	436	20.7	0.91	—	0.25
(7.2)	**0.0**	**1.7**	**3.3**	**1.00**	**0.51**	**4,504**	**0.0**	**94.5**	**2.1**	**3.3**	**16.8**	**44**	**566**	**15.2**	**0.48**	**—**	**—**
(4.9)	**2.3**	2.2	3.9	1.49	0.76	16,557	0.0	95.3	1.4	3.3	8.5	24	813	10.0	0.22	—	—
—	—	1.9	3.3	0.69	0.35	216	0.0	98.0	6.1	(4.1)	23.8	93	214	27.7	0.65	—	—
2.2	**9.4**	1.7	3.6	1.65	0.84	11,306	0.0	99.0	0.1	0.9	10.0	45	2,055	14.3	**0.15**	—	—
5.3	**0.0**	**0.0**	**1.3**	**1.00**	**0.13**	**4,716**	**0.0**	**95.6**	**0.3**	**4.1**	**0.1**	**44**	**843**	**16.2**	**0.43**	**—**	**—**
5.7	0.4	0.0	2.1	1.92	0.25	7,083	0.0	99.3	0.0	0.7	0.2	25	780	15.7	0.46	—	—
7.0	**1.7**	0.0	1.7	1.85	0.24	301	0.0	99.8	0.0	0.3	0.0	34	100	21.2	**0.25**	—	—
6.2	**0.9**	0.0	1.5	1.31	0.17	3,358	0.0	97.4	0.0	2.6	0.0	31	912	13.0	0.48	—	—
5.6	0.3	0.0	1.6	1.23	0.16	24,520	0.0	96.4	1.1	2.5	0.1	19	4,480	5.7	**0.19**	—	—
3.4	**0.0**	**0.0**	**2.4**	**1.00**	**0.29**	**4,328**	**0.0**	**98.5**	**0.1**	**1.4**	**0.4**	**34**	**838**	**12.0**	**0.56**	**—**	**—**
(3.7)	(7.1)	0.0	3.0	1.24	0.36	1,333	0.0	98.8	0.6	0.6	0.4	14	228	14.0	0.73	—	—
(1.9)	(5.3)	0.0	3.2	1.10	0.32	4,636	0.0	99.1	0.0	0.9	0.5	16	939	7.3	0.52	—	—
5.9	**2.5**	0.0	2.6	**0.90**	0.26	1,614	0.0	99.5	0.4	0.2	0.2	44	1,240	5.4	0.56	—	—
(0.3)	**0.0**	**0.0**	**3.1**	**1.00**	**0.33**	**3,297**	**0.0**	**99.4**	**0.2**	**0.5**	**0.1**	**27**	**653**	**11.2**	**0.49**	**—**	**—**
0.1	0.4	0.0	3.4	1.12	0.37	11,174	0.0	99.9	0.1	0.0	0.0	19	1,645	3.8	**0.19**	—	—

Table 2. Top Funds Over Five Years (Continued)

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	5-Year Annual Return (%) Cat +/-	Annual Total Return (%) 2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Bull Market* Return (%) Fund	Bull Market* Return (%) Cat +/-
		Fidelity Municipal Inc (FHIGX)	**3.4**	**0.4**	**6.6**	(0.1)	3.3	10.5	**(3.0)**	7.9	10.6	**2.5**	13.1	(4.7)	57.2	2.4
		Fidelity Tax-Free Bond (FTABX)	**3.4**	**0.4**	**6.4**	0.3	3.2	10.7	**(2.9)**	8.1	**10.9**	**2.1**	13.2	**(3.4)**	58.0	3.2
		T. Rowe Price Sum Muni Inc (PRINX)	3.4	0.4	5.9	**0.4**	**3.4**	**11.5**	(3.8)	**9.8**	10.6	**2.3**	**18.6**	(8.1)	**65.4**	**10.6**
		USAA Tax Ex Long-Term (USTEX)	3.4	0.4	5.8	**0.6**	3.3	10.5	**(2.8)**	**9.8**	**12.4**	1.3	**22.0**	(12.6)	**70.2**	**15.4**
		Muni Nat'l: High-Yield Bond Cat Avg	**4.1**	**0.0**	**8.1**	**0.7**	**4.4**	**13.0**	**(4.7)**	**12.0**	**10.6**	**3.3**	**26.8**	**(19.9)**	**86.1**	**0.0**
		T. Rowe Price T/F Hi-Yld (PRFHX)	**4.4**	**0.3**	7.3	**1.3**	3.8	**14.9**	(4.6)	**13.6**	10.9	**3.9**	**31.4**	(21.5)	**99.8**	**13.7**
		AmCent High-Yield Mn Inv (ABHYX)	4.2	0.1	**9.2**	0.4	**5.0**	12.4	(5.2)	**12.7**	**11.3**	**4.2**	24.1	(22.3)	89.0	2.9
		Sit Tax-Free Inc (SNTIX)	4.2	0.1	7.6	0.6	3.9	**14.6**	(4.5)	9.9	10.7	2.4	22.4	**(15.8)**	77.7	(8.4)
		International Bond: General Cat Avg	**2.2**	**0.0**	**8.1**	**4.3**	**(2.0)**	**1.9**	**(0.1)**	**9.4**	**1.5**	**7.7**	**15.6**	**(5.2)**	**65.0**	**0.0**
		Matthews Asia Strat Inc Inv (MAINX)	**3.8**	**1.6**	9.3	**8.8**	(0.6)	2.5	(0.5)	**13.6**	–	–	–	–	–	–
		T. Rowe Price Gbl Multi-Sec Bd (PRSNX)	**3.5**	**1.3**	6.4	**6.8**	(0.1)	**4.3**	**0.3**	**10.8**	1.9	**10.3**	19.8	–	**79.3**	**14.3**
		Payden Global Fixed Inc (PYGFX)	3.0	0.8	4.1	3.6	**1.4**	**7.2**	(1.2)	10.2	1.6	6.0	6.5	**2.6**	47.5	(17.5)
		International Bond: Emerging Cat Avg	**3.1**	**0.0**	**9.5**	**12.4**	**(1.5)**	**2.3**	**(6.6)**	**18.7**	**3.9**	**12.3**	**34.3**	**(17.0)**	**119.8**	**0.0**
		Fidelity New Markets Inc (FNMIX)	**4.3**	**1.2**	10.1	**14.7**	0.2	**4.3**	**(6.5)**	**20.0**	**7.9**	10.9	**44.5**	(18.3)	**156.5**	**36.7**
		T. Rowe Price Emg Mkt Bd (PREMX)	3.7	0.6	8.9	**14.6**	**0.6**	3.2	(7.2)	**19.6**	3.4	**13.2**	**34.9**	(17.8)	**129.5**	**9.7**
		International Bond: Currency Cat Avg	**(1.4)**	**0.0**	**3.5**	**0.9**	**(5.2)**	**(2.2)**	**(1.4)**	**0.2**	**(3.7)**	**0.7**	**3.6**	**(4.4)**	**(4.2)**	**0.0**
		Merk Absolute Ret Curr Inv (MABFX)	**2.0**	**3.4**	4.6	**8.2**	(9.3)	1.5	**5.7**	(1.4)	(8.5)	**4.6**	–	–	–	–
		All Funds Average	**8.9**	**–**	**16.2**	**8.4**	**(1.9)**	**5.4**	**20.1**	**13.0**	**(1.7)**	**14.8**	**30.2**	**(28.9)**	**227.8**	**–**

Bold numbers: Returns that are in the top 25% of all funds within the investment category are shown in boldface. Risk and expense numbers that are in the lowest 25% of all funds within the investment category are shown in boldface.

**Bull market is defined as 3/1/2009 through 12/31/2017. Bear market is defined as 11/1/2007 through 2/28/2009.*

Source: "The Individual Investor's Guide to the Top Mutual Funds 2018," February 2018 AAII Journal*. Data from Morningstar Inc. is through 12/31/2017.*

(continued from page 21)
is 16.0% and its tax-cost ratio is 0.0%, whereas mid-cap stock funds have an average turnover ratio of 61.0% and an average tax-cost ratio of 1.7%.

The tax-cost ratio for the five-year period simply tells you what you got to keep out of these returns—assuming maximum federal income and capital gains taxes. For example, the average tax cost ratio for corporate high-yield bond funds is 2.3%. A 2.3% tax-cost ratio means that each year investors lost an average of 2.3 percentage points of their return to taxes.

The municipal bond funds are the kings of tax efficiency—although among stock funds, index funds usually rule. Municipal bonds have interest income that is sheltered from federal taxation (and possible state and local taxes as well). Municipal bonds can be a good addition to an investor's portfolio, but it's important to know how to compare their yield to bonds that receive different tax treatment. Be sure to analyze a mutual fund's "tax equivalent yield," which you can read more about in "Munis vs. Taxables: How to Determine the Taxable Equivalent Yield" on AAII.com (www.aaii.com/investing/article/evergreen-Munis-vs-Taxables-How-to-Determine-the-Taxable-Equivalent-Yield).

Costs Matter

Keep in mind that just because a fund is "tax efficient" doesn't mean it is "inexpensive." Baron Partners Retail Shares, for example, has a comparatively attractive tax-cost ratio and turnover ratio, but the fund's expense ratio is 1.35% (compared to the mid-cap average of 0.98%). Included in the expense ratio calculation is a 0.25% 12b-1 fee, a charge levied on investors to pay for the fund's marketing costs.

Think of the expense ratio—fund costs as a percentage of assets—as a hurdle that fund managers must jump. The higher the ratio compared to other funds in the category, the better a fund manager must perform to beat the competition.

Although expense ratios are reflected in returns, extremely high expense ratios are a negative, and very low expense ratios are a long-term positive.

Again, the category makes a difference. Some assets and strategies are more expensive to invest in. Plus, the lower relative long-term returns for some asset classes give managers less flexibility to overcome higher fees. This is partially why it's no coincidence that Vanguard bond funds, with rock-bottom expense ratios, are often among the top bond funds.

Further Evaluation

Just because your mutual fund holdings didn't make the top list doesn't mean that you should consider selling them.

Compare the top funds in a par-

Bear Market* Return (%) Fund	Cat +/-	Tax-Cost Ratio (%)	Yield (%)	Risk Index (X) Cat	Total	Total Assets ($ Mil)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
0.3	0.6	0.1	3.0	1.12	0.37	5,608	0.0	99.3	0.0	0.7	0.0	25	1,195	7.3	0.46	—	—
1.5	**1.8**	0.0	3.1	1.09	0.36	3,657	0.0	98.1	1.7	0.2	0.0	23	1,125	7.4	**0.25**	—	—
(2.8)	(2.5)	0.0	3.2	1.00	0.33	1,341	0.0	99.1	0.0	0.9	0.0	10	492	9.1	0.50	—	—
(7.5)	(7.2)	0.0	3.9	**0.88**	0.29	2,407	0.0	100.0	0.0	0.0	0.1	15	512	11.0	0.48	—	—
(15.4)	**0.0**	**0.0**	**3.7**	**1.00**	**0.38**	**2,723**	**0.1**	**99.3**	**0.1**	**0.6**	**0.8**	**35**	**592**	**10.1**	**0.65**	**—**	**—**
(17.1)	(1.7)	0.0	3.6	**0.95**	0.36	5,077	0.5	99.5	0.0	0.0	1.3	9	929	8.2	0.69	2.00R	—
(19.7)	(4.3)	0.0	3.3	1.05	0.40	577	0.0	100.0	0.0	0.0	0.2	80	342	10.7	0.60	—	—
(11.4)	**4.0**	0.0	4.0	0.95	0.36	193	0.0	96.1	0.1	3.9	(0.1)	25	413	6.7	0.90	—	—
(8.9)	**0.0**	**1.0**	**1.7**	**1.00**	**0.46**	**7,058**	**5.6**	**94.2**	**5.8**	**(5.6)**	**64.5**	**113**	**645**	**69.5**	**0.79**	**—**	**—**
—	—	1.5	3.8	0.98	0.45	94	0.0	75.4	19.6	5.1	72.3	72	46	41.9	1.15	—	0.00
—	—	1.7	3.4	0.67	0.31	549	0.0	86.7	13.0	0.3	51.6	112	370	37.7	0.71	—	—
2.9	**11.8**	0.9	1.9	**0.52**	0.24	125	0.0	98.2	1.1	0.7	35.3	58	281	132.8	0.71	—	—
(18.6)	**0.0**	**2.3**	**4.7**	**1.00**	**0.57**	**2,838**	**0.2**	**95.5**	**1.2**	**3.1**	**92.0**	**76**	**286**	**21.7**	**0.92**	**—**	**—**
(18.7)	(0.1)	2.5	5.3	1.16	0.66	6,431	1.1	89.9	0.1	8.9	89.2	82	321	13.7	0.86	—	—
(18.9)	(0.3)	2.6	6.2	1.07	0.61	6,753	0.1	97.0	2.6	0.4	94.9	60	410	19.8	0.92	2.00R	—
(5.5)	**0.0**	**0.2**	**1.0**	**1.00**	**0.92**	**604**	**0.1**	**21.4**	**5.3**	**73.2**	**22.7**	**435**	**86**	**32.4**	**1.53**	**—**	**—**
—	—	0.7	4.7	**0.64**	0.59	25	0.0	41.7	0.0	58.3	41.7	71	38	41.7	1.31	—	0.25
(36.8)	**—**	**1.3**	**1.4**	**—**	**1.01**	**6,677**	**—**	**—**	**—**	**6.1**	**20.9**	**—**	**371**	**35.5**	**0.94**	**—**	**—**

Data through year-end 2017 on all mutual funds tracked by AAII is available in a downloadable Excel file at AAII.com. The online guide contains nearly 1,600 funds and reports additional data, portfolio manager and tenure, fund minimums and additional fund portfolio characteristics. Go to www.aaii.com/guides/mfguide to access the expanded version of AAII's "Guide to the Top Funds 2018."

ticular category to a specific fund you are monitoring. If your mutual fund holding is constantly underperforming other funds in the same category over a period of years, a change may be warranted.

Before investing in any fund, read the prospectus. Have a clear understanding of the fund's objective, strategy, risks and cost structure.

Next, obtain the latest fund report and review the holdings. What securities are currently being held in the fund? How much of the portfolio is concentrated in each of the key holdings? If the fund manager provides commentary, read it to get additional insight.

Finally, remember that even though funds are intended to be long-term investments, you should never buy and then forget about them. Mutual funds should be periodically monitored to make sure the objective has not changed and the fund is performing as expected, given prevailing market conditions and historical performance.

Which Funds Were Included?

Table 2 on pages 22 through 31 shows the overall top 10 funds for the past five-year period, as well as the top five-year funds for each category.

Returns that are in the top 25% of all funds within the investment category are shown in boldface. Risk and expense numbers that are in the lowest 25% of all funds within the investment category are shown in boldface.

The starting point for including funds in Table 2 was that they must have been included in the "Guide to Top Mutual Funds" published in the February 2018 *AAII Journal.*

Ultra, contra and similar leveraged funds are excluded from the top fund listings here. Though funds such as Rydex Dynamic NASDAQ-100 2X Strategy (RYVYX) and ProFunds Ultra NASDAQ-100 (UOPIX) have impressive five-year annualized returns (both up 30.0%), they also plunged by 80% during the last bear market.

While such funds can be good trading vehicles when you correctly guess the future direction of the market, they also significantly penalize you for being wrong. Furthermore, their inclusion would have knocked out several funds that don't use leverage, have greater widespread appeal and are more suitable for many investors. A list of the best-performing funds over the last five years that includes the leveraged funds is available at the online version of this article.

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