The Top Mutual Funds Over Five Years: Health Care's Dominance Is Weakening

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Article Highlights

- Health care remains as the top fund category, but more funds from other categories rank among the 10 best performers.
- PRIMECAP Odyssey Aggressive Growth is the only non-sector fund to rank among the 10 highest returners. It is closed to new investors, however.
- Six of the 10 best funds are holdovers from last year's rankings; four different categories are represented by the newcomers.

While health care mutual funds had a rough 2016 compared to other category averages, they still remain the top-performing category over the last five years.

Health care funds retained four of the 10 top positions in the updated Top Funds Over Five Years list, but lost some ground compared to last year's list when the seven of the 10 top were health care funds.

Consumer discretionary funds remain the second-best category over the last five years, while the financial and industrials sectors pushed their way up to third and fourth, up from seventh and tenth place, respectively.

Financial and industrials funds began picking up steam in the third quarter of 2016. They ended the year as the two best-performing sector categories for the fourth quarter, with financial funds gaining 16.1% and industrials funds gaining 9.4% on average. The financial sector has benefited from increasing interest rates (and the expectation of more increases on the horizon), and both sectors have benefited from the election of Donald Trump as president due to his campaign promises of decreased regulation and increased infrastructure spending.

Although precious metals and energy were the two top-performing fund categories during 2016, it wasn't enough to remove them from among the worst-performing categories over the last five years. Many precious metals and energy sector funds significantly underperformed during 2014 and 2015.

Equity funds have outperformed bond funds over the last five years, on average, which is generally the case during a bull market. This is a significant change compared to 2012, when the five-year period included a market crash and the top eight best-performing categories were bond fund categories. When the 2012 Top Funds Over Five Years article was written, the five-year annualized return covered the years 2007, 2008, 2009, 2010 and 2011.

The only category that had a double-digit five-year annualized return in 2012 was long-term government bonds, with an 11.3% gain. The runner-up was long-term general bonds, with an average gain of 7.6%. Over the last five years (2012–2016), these categories have returned 1.8% and 4.7%, respectively.

The switch in top-performing categories from bond to stock over the last five years is a reminder that different categories perform well depending on the state of the economy, market expectations, inflation, etc. Maintaining a diversified portfolio, as opposed to chasing return, is in your best interest.

Returning Top Funds

Last year PRIMECAP Odyssey Aggressive Growth (POAGX) was the only non-sector fund to make it onto the top 10 overall list, and it held its ground this year. PRIMECAP Odyssey Aggressive Growth invests in primarily small and mid-cap stocks and uses a bottom-up approach to find companies with prospects for rapid earnings growth. The fund is closed to new investors.

Among large-cap funds, USAA NASDAQ-100 Index

Table 1. Five-Year Returns for Category Averages

	5-Yr Annual Avg Return (%)	Total Risk Index (X)	Bull Market* Return (%)	Bear Market* Return (%)
Health Sector	18.9	1.67	311.9	(35.6)
Consumer Discretionary Sector	16.6	1.35	425.8	(54.4)
Financial Sector	16.1	1.42	241.2	(61.0)
Industrials Sector	16.0	1.36	351.1	(57.5)
Technology Sector	15.8	1.45	346.0	(54.2)
Large-Cap Stock	13.4	1.09	251.0	(50.6)
Small-Cap Stock	13.2	1.43	287.6	(52.2)
Mid-Cap Stock	12.9	1.22	260.3	(51.2)
Communications Sector	12.1	1.30	235.5	(55.7)
Consumer Staples Sector	11.7	0.94	227.8	(38.7)
Real Estate Sector	11.4	1.35	359.4	(64.3)
Utilities Sector	10.3	1.20	183.7	(42.5)
Target Date: 2050-2059	10.2	0.90	184.7	(50.1)
Target Date: 2040-2049	10.0	0.88	178.8	(48.4)
Global Stock	9.8	1.07	179.8	(52.1)
Target Date: 2030-2039	9.3	0.79	165.5	(46.8)
Real Estate Global Sector	8.5	1.13	203.8	(68.6)
Convertible Bond	8.3	0.78	168.5	(43.6)
Target Date: 2020-2029	7.9	0.64	140.3	(41.5)
Balanced: Domestic	7.6	0.65	124.6	(31.4)
Target Date: 2010-2019	7.1	0.54	123.6	(37.0)
Foreign Stock	7.0	1.14	136.2	(57.7)
Corporate High-Yield Bond	6.2	0.50	118.2	(20.6)
Regional/Country Stock	6.2	1.54	145.2	(60.3)
Balanced: Global	5.7	0.72	112.4	(37.0)
Target Date: In Retirement	5.5	0.43	93.4	(29.1)
Muni National: High-Yield Bond	4.8	0.39	72.0	(15.4)
General Bond: Long-Term	4.7	0.51	86.6	(7.2)
International Bond: Emerging	4.2	0.64	91.1	(17.5)
Muni National: Long-Term Bond	3.5	0.33	46.8	(0.3)
General Bond: Intermediate-Term	2.7	0.28	49.6	(0.2)
Muni National: Intermediate-Term Bond	2.4	0.28	35.1	3.4
Natural Resources/Commodities Sector	2.4	1.72	156.8	(56.3)
International Bond: General	2.1	0.44	42.7	(4.9)
Government: Long-Term Bond	1.8	1.08	49.4	23.9
Mortgage-Backed Bond	1.7	0.17	31.7	5.8
Emerging Stock	1.6	1.50	112.7	(66.7)
General Bond: Short-Term	1.5	0.09	29.5	(2.7)
Government: Intermediate-Term Bond	1.0	0.28	22.8	11.9
Muni National: Short-Term Bond	0.8	0.11	14.6	5.3
Inflation-Protected Bond	0.4	0.35	36.3	0.1
Government: Short-Term Bond	0.3	0.10	8.4	7.7
Energy Sector	(0.5)	2.37	72.6	(58.1)
International Bond: Currency	(1.8)	0.83	(7.2)	(5.5)
Precious Metals Sector	(14.5)	4.07	(17.4)	(43.6)
All Funds Average	**8.3**	**1.00**	**172.9**	**(36.5)**

**Bull market is defined as 3/1/2009 through 12/31/2016.*
Bear market is defined as 11/1/2007 through 2/28/2009.
Source: "The Individual Investor's Guide to the Top Mutual Funds 2017," February 2017 AAII Journal.
Data from Morningstar Inc. is through 12/31/2016.

(USNQX) is the only holdover from last year's top-performing list. Parnassus Endeavor Investor (PARWX), which took over the best-performing large-cap fund title, is new to the list. Parnassus Endeavor has outperformed its category from 2014 to 2016 and has a category risk index of 1.0 (meaning that the volatility of its returns is in line with the category average). The fund is unique in that it normally invests at least 80% of its net assets (plus borrowings for investment purposes) in companies believed by the fund's investment adviser to provide good workplaces for their employees. Thirty-six percent of the portfolio is invested in the technology sector, while 30% is invested in the health care sector. [See "The Next Generation of Socially Responsible Investing" on page 23 for more on environmental, social and governance (ESG) funds.]

Two of the top-performing mid-cap funds this year also appeared on the top five-year list last year: the aforementioned PRIMECAP Odyssey Aggressive Growth (POAGX) and Vanguard Strategic Equity Investor (VSEQX).

New to the mid-cap list this year is Ariel Fund Investor (ARGFX). Lead manager John Rogers and his team focus on value-oriented stocks with strong balance sheets. The fund is slightly concentrated with only 39 holdings, but the portfolio's turnover is 20%, significantly lower than the mid-cap stock category average of 75%. This low level of turnover may explain why the fund is also one of the most tax-efficient in this year's ranking.

New to the Top 10 List

Six of the top 10 performing funds over the last five years are holdovers from last year's list: Fidelity Select Biotechnology (FBIOX), Fidelity Select Retailing (FSRPX), Janus Global Life Sciences T (JAGLX), PRIMECAP Odyssey Aggressive Growth (POAGX), T. Rowe Price Global Technology (PRGTX) and T. Rowe Price Health Sciences (PRHSX).

The four newcomers to the top 10

list are Fidelity Select Air Transportation (FSAIX), Fidelity Select Semiconductors (FSELX), Hodges Retail (HDPMX) and Rydex Biotechnology (RYOIX).

Fidelity Select Semiconductors (formerly called Fidelity Select Electronics) invests primarily in domestic large-cap stocks; however, 14.0% of the portfolio is in foreign stocks, while 21% of the portfolio is allocated to mid-cap stocks. During its most recent fiscal year, the fund's turnover rate was 179%, above the technology category average of 145%. The fund's percentage of its portfolio in the top 10 holdings is 67%, indicating that its performance is heavily dependent on its largest holdings.

Fidelity Select Air Transportation (FASIX) outperformed its category average during 2013, 2014 and 2016, but lagged in 2015. Its holdings are primarily large and mid-cap stocks. While the fund has performed well on an annualized basis over the last five years, its portfolio is a concentrated segment of the industrials sector (companies engaged in the regional, national and international movement of passengers, mail, and freight via aircraft). Fund manager Matt Moulis, who started managing the fund in 2012, centers his focus on value—particularly metrics like expected profit growth, return on capital, and conversion of free cash flow—as well as company-specific risk.

Rydex Biotechnology (RYOIX) targets biotechnology stocks. Though classified as having a mid-cap growth style, its five largest holdings, which represent 27% of the total portfolio, are Amgen Inc. (AMGN), AbbVie Inc. (ABBV), Celgene Corp. (CELG), Gilead Sciences Inc. (GILD) and Biogen Inc. (BIIB). The fund's total risk index of 2.54 is much higher than the health care sector average of 1.67, but the fund outperformed its category average during the last bear market, losing 26.4% compared to the health care category average loss of 35.6%.

Hodges Retail (HDPMX) invests primarily in micro- and small-cap domestic stocks, but also has the ability to invest in large-cap stocks if its managers choose to. The fund targets companies whose shares are out of favor, but appear to have prospects for above-average growth and recovery over an extended period of time. Hodges Retail is most heavily weighted in the consumer cyclical and basic materials sectors. Over the last five years, Hodges Retail outperformed its category average (small-cap stock) in 2013, 2014 and 2016.

My Fund Underperformed, Now What?

Just because your mutual fund holdings didn't make the top 10 list doesn't mean that you should turn around and sell them.

Diversification is an important concept to mutual fund investing and investing in general. If you held all the funds that made the top of the list this year you would overweight health care, which isn't prudent.

Bond funds offer diversification benefits even though they are unlikely to have the blockbuster returns in any given year. This is commonly known as the risk/return trade-off. For example, the long-term general bond category average total risk is 0.51, significantly lower than the health care sector category average total risk of 1.67. Risk can magnify returns to the upside or downside.

In this situation, compare the top funds in a particular 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.

Additionally, aside from five-year performance, other fund statistics and figures should play a role in the selection process for your portfolio, as I explain later.

Don't chase performance: Choose funds that fit into your desired asset allocation and investment strategy, and remove funds that continually underperform their category.

Fund Listings

Table 2 on pages 10 through 17 shows the overall top 10 funds for the five-year period, as well as the top five-year funds for each category.

In addition to five-year performance, returns are displayed for each of the past 10 years and for the most recent bull and bear markets. Returns that are in the top 25% of all funds within the investment category are shown in boldface.

Other pertinent information presented includes tax-cost ratio, yield, risk, portfolio composition and expenses. Risk and expense numbers that are in the lowest 25% of all funds within the investment category are shown in boldface.

Leveraged Funds Excluded

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.

Look Beyond Performance

Five-year performance figures are very 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

(continued on page 18)

Table 2. Top Funds Over Five Years

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Bull Market* Return (%) Fund	Cat +/-
		Overall Five-Year Top Performers														
		Fidelity Sel Semiconduct (FSELX)	21.9	6.1	32.3	2.2	38.3	39.1	3.5	(8.5)	16.8	84.9	(49.9)	4.6	472.5	126.5
		T. Rowe Price Health Sci (PRHSX)	21.7	2.8	(10.4)	12.9	31.9	51.4	31.9	11.0	16.3	32.1	(28.8)	18.7	401.7	89.8
		T. Rowe Price Glb Tech (PRGTX)	21.7	5.9	6.6	21.0	23.9	39.9	19.2	(1.7)	22.6	80.2	(44.1)	13.4	524.8	178.8
		Fidelity Sel Biotech (FBIOX)	21.5	2.6	(23.8)	13.6	35.0	65.6	36.5	18.1	11.4	10.7	(11.4)	2.6	318.2	6.3
	C	PRIMECAP Odys Agg Gr (POAGX)	20.6	7.7	11.7	4.5	16.5	54.8	21.2	(0.5)	21.5	50.4	(34.6)	(0.2)	436.3	176.0
		Fidelity Sel Air Transport (FSAIX)	20.3	4.3	20.0	(8.7)	28.0	50.6	19.1	(6.1)	33.3	22.2	(32.6)	(2.0)	480.0	128.9
		Fidelity Sel Retailing (FSRPX)	20.0	3.4	4.4	18.4	12.0	43.9	24.8	3.3	28.0	57.8	(29.6)	(8.0)	461.7	35.9
		Janus Global Life Sci T (JAGLX)	19.9	1.0	(12.4)	8.2	34.8	55.7	24.6	7.1	8.1	26.2	(28.8)	22.5	303.3	(8.6)
		Rydex Biotechnology Inv (RYOIX)	19.8	0.9	(19.6)	8.8	33.4	54.6	36.5	11.3	10.5	19.4	(10.6)	5.6	308.0	(3.9)
		Hodges Retail (HDPMX)	19.3	6.1	39.7	(11.5)	7.3	57.2	16.0	(13.5)	21.0	36.2	(49.5)	8.4	356.1	68.5
		Large-Cap Stock Category Average	13.4	0.0	10.1	(0.3)	11.3	33.5	15.5	(0.2)	15.6	32.3	(38.3)	8.0	251.0	0.0
		Parnassus Endeavor Inv (PARWX)	18.9	5.5	21.4	3.2	18.5	31.1	22.0	(1.7)	12.9	62.1	(30.0)	5.6	393.5	142.5
	C	Vanguard Cap Opprt Inv (VHCOX)	17.8	4.4	10.5	2.5	18.8	42.6	18.3	(6.2)	11.0	48.9	(39.1)	10.5	293.2	42.2
I		USAA NASDAQ-100 Idx (USNQX)	17.1	3.7	6.6	9.0	18.7	36.0	17.4	2.9	19.1	53.4	(42.1)	18.3	350.2	99.2
		Parnassus (PARNX)	17.1	3.7	13.4	0.2	14.6	34.2	26.0	(5.1)	16.7	47.9	(34.2)	5.4	314.8	63.8
		Pin Oak Equity (POGSX)	17.0	3.6	19.2	4.5	9.0	36.4	18.1	0.4	15.1	79.3	(44.5)	15.0	409.8	158.8
		Dodge & Cox Stock (DODGX)	17.0	3.6	21.2	(4.5)	10.3	40.5	22.0	(4.1)	13.4	31.2	(43.4)	0.1	300.6	49.6
		Mid-Cap Stock Category Average	12.9	0.0	12.0	(2.8)	8.4	35.1	15.5	(3.1)	23.6	36.9	(39.4)	9.6	260.3	0.0
	C	PRIMECAP Odys Agg Gr (POAGX)	20.6	7.7	11.7	4.5	16.5	54.8	21.2	(0.5)	21.5	50.4	(34.6)	(0.2)	436.3	176.0
		Vanguard Strategic Eq Inv (VSEQX)	17.3	4.4	17.9	(1.5)	13.6	41.5	18.8	1.1	21.3	32.0	(41.6)	(1.9)	346.3	86.0
		Ariel Fund Inv (ARGFX)	16.4	3.5	15.5	(4.1)	10.9	44.6	20.3	(11.4)	25.9	63.4	(48.3)	(1.8)	426.8	166.5
	C	AmCent Mid Cap Value Inv (ACMVX)	16.3	3.4	22.8	(1.6)	16.3	29.9	16.4	(0.8)	19.5	30.2	(24.5)	(2.2)	300.9	40.6
I		Rydex S&P 500 Pure Val H (RYZAX)	15.8	2.9	17.3	(9.6)	10.8	45.3	22.1	(3.5)	19.7	49.1	(49.3)	(5.6)	450.2	189.9
	C	T. Rowe Price Mid Val (TRMCX)	15.8	2.9	24.3	(3.5)	10.6	31.5	19.6	(4.9)	16.4	46.6	(34.6)	0.6	301.7	41.4
		Small-Cap Stock Category Average	13.2	0.0	19.5	(5.0)	2.1	39.3	16.1	(3.5)	26.9	37.3	(37.6)	3.0	287.6	0.0
		Hodges Retail (HDPMX)	19.3	6.1	39.7	(11.5)	7.3	57.2	16.0	(13.5)	21.0	36.2	(49.5)	8.4	356.1	68.5
		CornerCap SmCp Val Inv (CSCVX)	17.0	3.8	27.9	(2.1)	5.5	45.6	13.8	(7.7)	28.1	50.1	(37.9)	(4.9)	383.7	96.1
		Schwab Small-Cap Equity (SWSCX)	17.0	3.8	23.6	(3.7)	6.9	43.3	20.5	0.5	24.6	27.9	(38.3)	(8.5)	341.1	53.5
		Oberweis Micro-Cap (OBMCX)	16.9	3.7	24.6	6.3	(7.8)	64.8	8.5	(8.1)	17.1	49.6	(53.0)	10.1	319.2	31.6
		Hennessy Crnrst Gr Inv (HFCGX)	16.6	3.4	8.3	(1.1)	13.8	35.8	30.3	(10.8)	11.5	10.2	(43.7)	(2.2)	183.7	(103.9)
		Communications Sector Cat Average	12.1	0.0	16.0	0.0	4.1	26.9	16.6	(4.5)	20.2	48.9	(47.3)	15.7	235.5	0.0
		T. Rowe Price Med & Tele (PRMTX)	16.7	4.6	7.4	12.0	4.1	40.7	22.6	(0.1)	26.7	68.5	(46.5)	21.8	404.4	168.9
		Fidelity Sel Telecommun (FSTCX)	13.4	1.3	22.8	2.3	3.6	21.5	18.6	(4.3)	18.3	51.5	(47.7)	8.1	221.3	(14.2)
		Consumer Discretionary Sector Cat Avg	16.6	0.0	4.4	4.9	10.3	42.8	26.0	0.4	30.9	51.7	(38.9)	(7.6)	425.8	0.0
		Fidelity Sel Retailing (FSRPX)	20.0	3.4	4.4	18.4	12.0	43.9	24.8	3.3	28.0	57.8	(29.6)	(8.0)	461.7	35.9
		Fidelity Sel Multimedia (FBMPX)	17.7	1.1	9.5	(2.2)	8.2	45.6	34.2	1.8	25.7	54.4	(39.3)	(9.3)	444.7	18.9
		Consumer Staples Sector Cat Average	11.7	0.0	4.8	4.7	14.2	23.9	11.9	10.5	16.1	24.1	(27.3)	13.3	227.8	0.0
		Rydex Consumer Prod Inv (RYCIX)	12.4	0.7	5.7	6.5	12.8	28.9	9.7	14.0	17.5	19.3	(23.1)	11.3	233.2	5.4
		Fidelity Sel Consum Stpls (FDFAX)	11.1	(0.6)	3.0	1.8	14.9	21.6	15.3	8.8	15.1	20.9	(22.3)	21.4	196.6	(31.2)
		Energy Sector Category Average	(0.5)	0.0	29.1	(27.7)	(18.0)	28.5	1.0	(10.6)	17.3	48.0	(53.8)	43.6	72.6	0.0
		Fidelity Sel Energy (FSENX)	3.8	4.3	33.8	(20.6)	(12.7)	24.2	4.6	(4.9)	18.9	47.0	(54.0)	45.5	120.5	47.9
		Fidelity Sel Natural Res (FNARX)	1.6	2.1	30.2	(21.7)	(12.3)	17.4	3.3	(9.3)	23.0	51.7	(52.4)	50.0	101.2	28.6
		Vanguard Energy Inv (VGENX)	1.6	2.1	33.0	(21.5)	(14.3)	18.1	2.6	(1.8)	13.4	38.3	(42.9)	37.0	88.4	15.8
		Financial Sector Category Average	16.1	0.0	18.9	(1.9)	5.4	38.8	24.4	(13.0)	12.7	23.2	(44.4)	(9.0)	241.2	0.0
		FBR Small Cap Fin'l Inv (HSFNX)	19.0	2.9	33.4	11.7	(3.5)	36.5	21.4	(15.7)	17.5	20.1	(8.8)	(22.2)	228.3	(12.9)
		Fidelity Sel Banking (FSRBX)	18.5	2.4	26.8	0.6	7.5	39.3	22.4	(13.4)	21.4	5.0	(37.5)	(21.2)	323.1	81.9
		Health Sector Category Average	18.9	0.0	(9.0)	7.8	29.6	52.7	24.4	9.8	10.1	25.3	(24.2)	10.0	311.9	0.0
		T. Rowe Price Health Sci (PRHSX)	21.7	2.8	(10.4)	12.9	31.9	51.4	31.9	11.0	16.3	32.1	(28.8)	18.7	401.7	89.8
		Fidelity Sel Biotech (FBIOX)	21.5	2.6	(23.8)	13.6	35.0	65.6	36.5	18.1	11.4	10.7	(11.4)	2.6	318.2	6.3

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 (%)
(57.1)	(2.9)	1.4	0.7	1.10	1.60	2,618	93.8	0.0	0.0	6.2	14.0	179	47	67.0	**0.77**	0.75R	—
(35.6)	0.0	1.9	0.0	0.94	1.57	10,647	98.5	0.0	0.8	0.7	3.3	31	141	32.1	0.76	—	0.00
(52.9)	1.3	4.0	0.0	1.02	1.48	3,249	91.7	0.0	0.5	7.8	29.6	219	65	48.4	0.91	—	0.00
(25.4)	**10.2**	1.1	0.0	1.70	2.84	8,645	86.8	0.0	0.0	13.1	5.4	35	240	33.0	**0.73**	—	—
(49.3)	1.9	1.0	0.0	1.21	1.48	7,129	94.9	0.0	0.1	5.0	13.3	15	149	29.2	**0.62**	—	—
(61.2)	(3.7)	0.7	0.3	0.98	1.33	355	93.3	0.0	0.0	6.7	7.5	97	43	59.7	0.83	0.75R	—
(40.2)	**14.2**	0.7	0.1	0.90	1.22	1,946	95.7	0.0	0.0	4.3	2.8	11	37	75.5	0.81	—	—
(35.9)	(0.3)	1.6	0.2	1.01	1.69	3,400	96.7	0.0	2.2	1.1	17.9	41	93	27.7	0.95	—	—
(26.4)	**9.2**	0.4	0.0	1.51	2.54	281	99.6	0.0	0.5	0.0	0.0	83	70	43.5	1.32	—	—
(64.3)	(12.1)	0.0	0.0	1.28	1.84	406	99.5	0.0	0.0	0.5	2.9	79	60	39.2	1.32	1.00R	0.25
(50.6)	**0.0**	**1.3**	**1.0**	**1.00**	**1.09**	**9,723**	**94.5**	**1.0**	**0.5**	**3.9**	**5.1**	**60**	**216**	**34.4**	**0.89**	**—**	**—**
(43.1)	**7.5**	1.5	1.0	1.00	1.09	2,790	80.6	0.0	0.0	19.4	0.0	63	24	46.3	0.95	—	—
(49.2)	1.4	1.0	0.7	1.14	1.24	13,984	96.1	0.0	0.0	3.9	12.4	6	136	34.8	**0.45**	—	—
(50.2)	0.4	0.2	0.5	1.17	1.28	1,078	96.6	0.2	0.0	3.2	4.7	10	108	48.0	**0.57**	—	—
(47.9)	2.7	2.3	0.8	1.15	1.26	852	96.4	0.0	0.0	3.7	5.6	69	38	38.3	0.84	—	—
(54.6)	(4.0)	0.5	0.6	1.15	1.26	147	100.0	0.0	0.0	0.0	4.5	15	35	46.3	1.10	—	—
(57.9)	(7.3)	1.0	1.6	1.11	1.21	61,150	99.5	0.0	0.0	0.5	9.1	15	65	32.5	**0.52**	—	—
(51.2)	**0.0**	**1.5**	**0.4**	**1.00**	**1.22**	**4,705**	**94.4**	**0.2**	**0.3**	**5.1**	**3.6**	**75**	**237**	**26.0**	**1.00**	**—**	**—**
(49.3)	1.9	1.0	0.0	1.21	1.48	7,129	94.9	0.0	0.1	5.0	13.3	15	149	29.2	**0.62**	—	—
(56.1)	(4.9)	1.1	1.6	0.99	1.21	6,621	98.7	0.0	0.0	1.3	1.7	74	402	9.3	**0.21**	—	—
(64.3)	(13.1)	1.7	0.3	1.25	1.53	2,212	98.8	0.0	0.0	1.2	0.0	20	39	37.8	1.02	—	0.25
(41.6)	**9.6**	2.2	1.3	**0.80**	0.97	8,812	97.4	0.0	0.0	2.6	5.8	66	116	20.6	0.98	—	—
(69.3)	(18.1)	0.9	0.9	1.04	1.27	68	99.9	0.0	0.1	0.0	1.6	365	116	20.0	1.50	—	0.25
(47.4)	**3.8**	2.1	0.9	**0.86**	1.06	13,237	93.3	0.0	0.0	6.7	8.3	46	99	22.1	0.80	—	0.00
(52.2)	**0.0**	**1.6**	**0.3**	**1.00**	**1.43**	**2,659**	**93.7**	**0.5**	**1.0**	**4.8**	**4.0**	**79**	**294**	**21.6**	**1.16**	**—**	**—**
(64.3)	(12.1)	0.0	0.0	1.28	1.84	406	99.5	0.0	0.0	0.5	2.9	79	60	39.2	1.32	1.00R	0.25
(54.2)	(2.0)	2.6	0.2	1.01	1.44	112	100.0	0.0	0.0	0.0	0.0	144	220	5.9	1.30	1.00R	—
(54.6)	(2.4)	2.3	0.4	1.02	1.46	628	97.6	0.0	0.8	1.6	2.9	95	262	12.1	1.09	2.00R	—
(64.6)	(12.4)	0.5	0.0	0.99	1.43	67	97.2	0.0	2.8	0.0	0.0	133	84	22.0	1.72	1.00R	0.25
(56.8)	(4.6)	0.0	0.0	**0.83**	1.19	223	98.0	0.0	0.0	2.0	4.7	102	51	25.8	1.31	—	0.15
(55.7)	**0.0**	**1.0**	**0.8**	**1.00**	**1.30**	**843**	**92.0**	**0.0**	**0.5**	**7.5**	**22.8**	**85**	**69**	**58.6**	**1.08**	**—**	**—**
(53.9)	1.8	1.5	0.0	0.97	1.26	3,789	95.4	0.0	1.9	2.7	22.4	14	76	53.1	**0.79**	—	0.00
(52.5)	**3.2**	0.9	1.8	**0.79**	1.03	748	88.6	0.0	1.1	10.3	5.7	51	53	55.8	0.82	—	—
(54.4)	**0.0**	**1.3**	**0.5**	**1.00**	**1.35**	**531**	**89.9**	**0.0**	**0.0**	**10.0**	**5.2**	**66**	**57**	**58.6**	**0.98**	**—**	**—**
(40.2)	**14.2**	0.7	0.1	0.90	1.22	1,946	95.7	0.0	0.0	4.3	2.8	11	37	75.5	0.81	—	—
(54.1)	0.3	1.3	0.4	1.02	1.38	573	96.8	0.0	0.0	3.2	3.3	42	37	72.2	0.81	0.75R	—
(38.7)	**0.0**	**2.1**	**0.9**	**1.00**	**0.94**	**1,038**	**95.4**	**0.0**	**0.1**	**4.6**	**9.3**	**97**	**50**	**49.8**	**1.20**	**—**	**—**
(33.4)	5.3	0.6	0.9	1.00	0.94	327	99.8	0.0	0.2	0.0	5.8	104	77	36.2	1.34	—	—
(32.4)	**6.3**	1.4	1.7	1.14	1.07	2,758	88.1	0.0	0.0	12.0	17.1	63	46	56.7	0.77	—	—
(58.1)	**0.0**	**0.5**	**0.6**	**1.00**	**2.37**	**1,318**	**92.8**	**0.0**	**0.2**	**7.0**	**19.1**	**210**	**64**	**45.7**	**1.22**	**—**	**—**
(56.3)	1.8	1.2	0.5	0.88	2.08	2,562	96.8	0.0	0.0	3.2	5.1	79	92	41.7	**0.80**	—	—
(55.2)	2.9	0.5	0.4	0.87	2.07	969	95.6	0.0	0.0	4.4	10.3	78	96	38.8	0.86	0.75R	—
(48.4)	**9.7**	1.1	1.8	**0.80**	1.90	10,817	93.9	0.0	1.6	4.5	27.5	23	144	38.2	**0.37**	—	—
(61.0)	**0.0**	**1.0**	**0.8**	**1.00**	**1.42**	**462**	**91.6**	**0.0**	**0.5**	**7.9**	**5.2**	**44**	**54**	**46.0**	**1.07**	**—**	**—**
(23.1)	**37.9**	1.9	0.2	1.10	1.57	235	91.3	0.0	0.0	8.7	2.8	49	37	38.7	1.50	—	0.15
(66.5)	(5.5)	0.7	0.8	1.21	1.72	1,069	94.1	0.0	0.0	5.9	2.4	63	44	51.7	0.79	0.75R	—
(35.6)	**0.0**	**1.8**	**0.4**	**1.00**	**1.67**	**5,178**	**94.2**	**0.0**	**0.3**	**5.5**	**8.9**	**62**	**93**	**45.0**	**0.98**	**—**	**—**
(35.6)	0.0	1.9	0.0	0.94	1.57	10,647	98.5	0.0	0.8	0.7	3.3	31	141	32.1	0.76	—	0.00
(25.4)	**10.2**	1.1	0.0	1.70	2.84	8,645	86.8	0.0	0.0	13.1	5.4	35	240	33.0	**0.73**	—	—

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 (%) 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Bull Market* Return (%) Fund	Bull Market* Return (%) Cat +/-
		Industrials Sector Category Average	16.0	0.0	19.4	(6.3)	12.4	44.7	16.7	(5.9)	29.0	25.0	(38.0)	10.5	351.1	0.0
		Fidelity Sel Air Transport (FSAIX)	20.3	4.3	20.0	(8.7)	28.0	50.6	19.1	(6.1)	33.3	22.2	(32.6)	(2.0)	480.0	128.9
		Fidelity Sel Transportation (FSRFX)	17.7	1.7	25.8	(18.6)	34.0	48.3	11.1	(5.3)	41.2	23.2	(27.1)	(0.6)	404.4	53.3
		Natural Res/Commodities Sector Cat Avg	2.4	0.0	22.1	(19.1)	(7.2)	12.3	10.7	(13.2)	27.3	59.1	(50.6)	34.5	156.8	0.0
		Fidelity Sel Chemicals (FSCHX)	14.6	12.2	17.9	(5.1)	4.5	29.8	30.0	0.2	30.7	65.3	(43.4)	28.4	363.2	206.4
		Fidelity Sel Materials (FSDPX)	8.4	6.0	11.9	(8.7)	(0.1)	21.8	20.1	(8.2)	28.0	78.6	(47.6)	29.2	246.4	89.6
		Precious Metals Sector Cat Avg	(14.5)	0.0	55.9	(24.5)	(13.8)	(48.6)	(11.1)	(22.9)	41.5	59.0	(37.4)	23.7	(17.4)	0.0
		Gabelli Gold AAA (GOLDX)	(10.3)	4.2	53.4	(17.8)	(1.4)	(51.3)	(4.3)	(17.3)	35.7	52.1	(28.8)	24.7	(1.2)	16.2
		US Glb Inv Gold&Prec Mtls (USERX)	(10.8)	3.7	45.3	(4.8)	(14.0)	(49.1)	(6.5)	(24.0)	36.8	43.1	(27.1)	16.9	(14.3)	3.1
		Real Estate Sector Category Avg	11.4	0.0	6.4	2.2	27.7	3.8	19.4	6.2	27.5	31.9	(40.4)	(14.3)	359.4	0.0
		Baron Real Estate Ret (BREFX)	14.5	3.1	(2.1)	(4.7)	16.6	27.1	42.5	0.6	26.6	—	—	—	—	—
		Manning & Napier Real Est S (MNREX)	12.5	1.1	7.9	4.1	28.1	2.6	21.9	5.2	24.3	—	—	—	—	—
		Real Estate Global Sector Cat Avg	8.5	0.0	1.1	(0.3)	9.4	3.1	32.2	(13.4)	18.3	46.5	(50.2)	(7.5)	203.8	0.0
		Fidelity Intl Rel Est (FIREX)	11.1	2.6	(1.6)	1.7	4.2	12.5	44.1	(22.3)	14.5	35.8	(50.6)	(8.3)	170.7	(33.1)
		AmCent Glbl Real Est Inv (ARYVX)	9.2	0.7	0.1	(0.1)	13.0	4.3	32.0	—	—	—	—	—	—	—
		Technology Sector Cat Average	15.8	0.0	10.3	5.8	13.3	39.2	14.6	(6.0)	20.5	69.2	(46.5)	15.1	346.0	0.0
		Fidelity Sel Semiconduct (FSELX)	21.9	6.1	32.3	2.2	38.3	39.1	3.5	(8.5)	16.8	84.9	(49.9)	4.6	472.5	126.5
		T. Rowe Price Glb Tech (PRGTX)	21.7	5.9	6.6	21.0	23.9	39.9	19.2	(1.7)	22.6	80.2	(44.1)	13.4	524.8	178.8
		Utilities Sector Category Average	10.3	0.0	19.2	(8.9)	21.5	19.1	4.5	15.9	11.0	14.4	(32.0)	15.7	183.7	0.0
		AmCent Utilities Inv (BULIX)	11.3	1.0	23.6	(6.6)	20.1	18.2	4.2	11.1	11.1	14.4	(31.2)	17.8	176.3	(7.4)
		Fidelity Telecom & Util (FIUIX)	10.6	0.3	17.0	(5.6)	13.3	20.5	10.0	11.8	17.3	11.0	(34.6)	10.8	177.9	(5.8)
I		Hennessy Gas Utility Inv (GASFX)	10.6	0.3	20.7	(16.1)	21.2	25.4	7.4	25.1	12.3	23.9	(28.3)	14.0	233.8	50.1
		Global Stock Category Average	9.8	0.0	5.7	(0.8)	3.1	27.1	16.4	(7.0)	15.3	37.5	(40.5)	11.4	179.8	0.0
		Guinness Atkinson Glb Inntrs Inv (IWIRX)	15.8	6.0	9.5	(3.1)	12.5	45.2	19.9	(6.6)	17.0	45.2	(45.5)	21.1	290.1	110.3
		Polaris Global Value (PGVFX)	14.2	4.4	11.6	1.5	3.6	36.9	21.0	(8.2)	20.6	35.4	(46.2)	(4.0)	271.2	91.4
		Oakmark Global Select Inv (OAKWX)	13.7	3.9	9.9	1.8	2.5	33.7	23.9	(5.9)	11.0	53.5	(32.5)	(1.2)	264.3	84.5
		Artisan Global Opprt Inv (ARTRX)	13.2	3.4	4.7	7.7	2.3	24.2	29.7	(6.6)	28.2	47.8	—	—	264.6	84.8
		T. Rowe Price Glb Stk (PRGSX)	13.2	3.4	6.0	7.0	6.4	32.5	16.3	(11.6)	12.4	44.7	(53.7)	20.3	208.0	28.2
		Foreign Stock Category Average	7.0	0.0	0.5	0.2	(4.6)	22.3	20.0	(13.5)	14.1	37.8	(44.7)	12.2	136.2	0.0
		Oberweis Intl Opp (OBIOX)	16.4	9.4	(5.3)	15.1	(4.6)	55.0	32.9	(14.5)	30.3	61.0	(60.5)	—	337.6	201.4
	C	Wasatch Intl Opprt Inv (WAIOX)	13.0	6.0	4.2	9.4	3.0	19.3	31.7	(16.1)	26.1	75.0	(54.8)	15.1	297.4	161.2
		Fidelity Intl Sm Cp (FISMX)	11.8	4.8	8.1	6.3	(5.5)	35.1	18.8	(15.6)	25.3	45.5	(46.6)	13.2	211.3	75.1
		FMI International (FMIJX)	11.8	4.8	10.0	3.2	4.6	24.6	18.1	(1.8)	—	—	—	—	—	—
		T. Rowe Price Intl Disc (PRIDX)	11.6	4.6	0.9	9.8	(0.5)	24.3	26.0	(14.1)	20.4	55.6	(50.0)	16.5	226.8	90.6
		Regional/Country Stock Cat Avg	6.2	0.0	4.5	(2.9)	(1.0)	17.9	19.1	(17.7)	17.0	56.5	(48.5)	26.2	145.2	0.0
		Matthews India Inv (MINDX)	15.0	8.8	(1.3)	0.8	63.7	(6.0)	31.5	(36.5)	32.5	97.2	(62.4)	64.1	309.1	163.9
		Fidelity Japan Smaller Co (FJSCX)	13.8	7.6	8.8	14.0	(6.8)	51.8	8.7	(5.8)	12.2	18.0	(34.5)	(12.4)	233.4	88.2
		Hennessy Japan Investor (HJPNX)	13.6	7.4	11.2	12.9	6.9	26.1	11.6	0.2	20.6	9.8	(27.5)	(14.3)	209.8	64.6
		Fidelity Nordic (FNORX)	13.4	7.2	(2.5)	11.4	(4.9)	49.0	21.6	(20.4)	26.4	47.4	(56.0)	23.2	246.1	100.9
	C	Matthews Japan Inv (MJFOX)	11.4	5.2	0.4	20.8	(2.6)	34.0	8.3	(7.8)	19.5	10.0	(28.4)	(11.0)	162.7	17.5
		Emerging Stock Category Average	1.6	0.0	9.9	(14.4)	(3.0)	(0.5)	20.6	(21.0)	20.5	78.6	(58.3)	39.7	112.7	0.0
		Fidelity Emerg Mkts Discv (FEDDX)	5.4	3.8	10.1	(9.0)	(4.2)	0.3	35.3	—	—	—	—	—	—	—
		Driehaus Emerg Mkts SC Gr (DRESX)	4.3	2.7	(10.0)	(10.3)	5.7	12.1	28.8	(14.3)	26.0	60.9	—	—	128.9	16.2
		Fidelity Total Emerg Mkts (FTEMX)	4.2	2.6	12.2	(7.0)	(2.8)	0.9	20.2	—	—	—	—	—	—	—
	C	Harding Loevner Emg Mkt Adv (HLEMX)	4.2	2.6	13.1	(13.6)	(1.7)	4.1	22.7	(17.6)	20.9	63.4	(52.4)	35.9	134.4	21.7
		AmCent Emg Mkt Inv (TWMIX)	3.9	2.3	7.6	(8.3)	(1.6)	0.2	24.8	(21.7)	17.8	69.3	(59.8)	43.7	125.0	12.3
		Balanced: Domestic Cat Average	7.6	0.0	7.1	(1.7)	6.1	16.0	11.2	1.3	11.9	22.2	(22.9)	7.4	124.6	0.0
		Dodge & Cox Bal (DODBX)	13.3	5.7	16.5	(2.9)	8.8	28.3	18.3	(1.7)	12.2	28.3	(33.6)	1.7	214.2	89.6
	C	T. Rowe Price Cap Apprec (PRWCX)	12.4	4.8	8.2	5.4	12.2	22.4	14.6	3.1	14.0	33.0	(27.2)	4.5	213.5	88.9
		T. Rowe Price Persl Str Grth (TRSGX)	10.8	3.2	7.0	0.3	5.8	24.8	17.6	(1.9)	15.3	37.4	(37.6)	7.8	198.9	74.3

Bear Market* Return (%)		Tax-Cost Ratio (%)	Yield (%)	Risk Index (X)		Total Assets ($ Mil)	Portfolio (%)				% of Port in Foreign Issues	Portfolio Turnover Ratio (%)	Number of Holdings	% of Port in Top 10 Holdings	Expense Ratio (%)	Max Load (%)	12b-1 Fee (%)
Fund	Cat +/-			Cat	Total		Stock	Bond	Other	Cash							
(57.5)	0.0	0.8	0.4	1.00	1.36	423	90.5	0.0	0.1	9.4	3.4	108	67	47.3	1.06	–	–
(61.2)	(3.7)	0.7	0.3	0.98	1.33	355	93.3	0.0	0.0	6.7	7.5	97	43	59.7	0.83	0.75R	–
(51.9)	5.6	1.0	0.4	1.07	1.45	621	94.0	0.0	0.0	6.0	0.3	80	47	66.4	0.81	0.75R	–
(56.3)	0.0	0.7	1.1	1.00	1.72	1,383	82.1	6.1	4.1	7.6	21.4	162	123	46.6	1.15	–	–
(48.6)	7.7	1.3	1.1	0.90	1.55	1,451	95.6	0.0	0.0	4.4	0.9	79	32	62.3	0.80	–	–
(53.7)	2.6	0.8	1.1	0.89	1.53	1,411	96.9	0.0	0.0	3.1	7.6	64	39	59.3	0.81	–	–
(43.6)	0.0	0.4	2.8	1.00	4.07	512	91.3	0.2	6.1	2.4	80.4	106	62	50.1	1.51	–	–
(35.5)	8.1	0.2	2.2	0.99	4.04	280	99.6	0.0	0.4	0.0	92.0	18	72	47.4	1.62	2.00R	0.25
(33.2)	10.4	0.1	0.9	0.92	3.77	92	80.5	1.0	21.1	(2.6)	74.6	106	50	54.0	2.12	0.05R	0.25
(64.3)	0.0	1.5	2.6	1.00	1.35	5,318	92.4	2.3	1.9	3.4	2.1	117	97	39.0	0.99	–	–
–	–	0.2	0.0	1.03	1.39	956	94.4	0.0	1.1	4.5	12.5	51	36	46.6	1.31	–	0.25
–	–	2.4	1.8	0.94	1.27	304	99.6	0.0	0.0	0.4	5.3	57	71	25.9	1.09	–	–
(68.6)	0.0	1.8	3.7	1.00	1.13	936	95.9	0.0	1.9	2.1	59.5	102	211	26.5	0.98	–	–
(67.5)	1.1	1.5	1.5	0.87	0.98	381	95.0	0.0	0.5	4.5	95.0	71	77	36.8	1.13	1.50R	–
–	–	1.7	4.5	0.98	1.10	95	95.8	0.0	2.9	1.3	46.4	250	82	28.9	1.13	–	–
(54.2)	0.0	1.2	0.1	1.00	1.45	995	92.5	0.0	0.7	6.7	15.0	145	79	44.1	1.17	–	–
(57.1)	(2.9)	1.4	0.7	1.10	1.60	2,618	93.8	0.0	0.0	6.2	14.0	179	47	67.0	0.77	0.75R	–
(52.9)	1.3	4.0	0.0	1.02	1.48	3,249	91.7	0.0	0.5	7.8	29.6	219	65	48.4	0.91	–	0.00
(42.5)	0.0	1.3	2.1	1.00	1.20	736	94.8	0.4	0.5	4.3	5.7	137	73	48.5	1.14	–	–
(41.1)	1.4	2.2	2.8	0.88	1.06	581	98.9	0.0	1.1	0.0	0.0	36	40	54.8	0.68	–	–
(44.5)	(2.0)	0.7	2.7	0.78	0.94	980	98.5	0.0	0.0	1.5	0.0	65	34	65.2	0.76	–	–
(38.5)	4.0	1.5	2.1	0.92	1.10	1,429	100.0	0.0	0.0	0.0	17.0	37	57	48.2	1.02	–	0.15
(52.1)	0.0	1.1	1.2	1.00	1.07	1,855	93.6	1.2	1.3	3.9	44.0	50	363	33.7	1.17	–	–
(56.1)	(4.0)	0.4	0.9	1.15	1.22	159	98.9	0.0	1.1	0.0	23.7	38	32	39.2	1.24	–	–
(61.9)	(9.8)	0.4	1.3	0.97	1.04	378	99.6	0.0	0.0	0.4	59.5	5	89	17.1	0.99	1.00R	–
(47.9)	4.2	0.9	1.0	1.20	1.28	2,177	95.8	0.0	0.0	4.2	45.8	17	23	56.3	1.15	–	–
–	–	0.1	0.0	1.11	1.19	1,804	93.5	0.0	0.3	6.2	45.2	35	55	42.1	1.19	–	–
(60.9)	(8.8)	0.2	0.6	1.13	1.20	555	94.9	0.0	0.8	4.4	38.8	135	83	24.5	0.89	2.00R	0.00
(57.7)	0.0	0.8	1.6	1.00	1.14	7,760	95.0	0.5	1.3	3.2	90.1	73	398	25.8	1.09	–	–
(69.6)	(11.9)	0.1	0.1	0.96	1.09	709	90.9	0.0	8.6	0.6	88.2	214	95	18.8	1.60	2.00R	0.25
(65.4)	(7.7)	0.9	0.0	0.85	0.96	612	92.4	0.0	3.8	3.8	92.4	41	126	19.2	2.23	2.00R	–
(58.4)	(0.7)	1.4	1.4	0.87	0.99	1,046	93.1	0.4	1.3	5.2	90.1	29	206	9.4	1.34	2.00R	–
–	–	0.9	3.0	0.60	0.69	5,909	83.0	0.0	1.8	15.2	68.7	16	52	34.6	0.98	–	–
(60.6)	(2.9)	1.1	0.6	0.86	0.98	4,669	90.3	0.0	0.5	9.2	89.2	28	217	9.4	1.20	2.00R	0.00
(60.3)	0.0	0.9	1.2	1.00	1.54	1,319	92.9	0.2	2.9	4.0	89.7	125	148	35.9	1.33	–	–
(66.2)	(5.9)	0.3	0.0	1.07	1.65	1,505	100.0	0.0	0.0	0.0	90.7	10	50	44.7	1.11	–	0.00
(58.2)	2.1	0.7	1.1	0.65	1.00	561	98.2	0.0	0.0	1.8	98.2	30	82	20.0	0.96	1.50R	–
(47.2)	13.1	0.0	0.0	0.73	1.13	128	94.7	0.0	0.0	5.3	94.7	21	23	62.9	1.49	–	0.15
(66.9)	(6.6)	0.7	1.4	0.77	1.19	374	94.8	0.1	3.7	1.4	94.4	63	40	46.9	0.99	1.50R	–
(47.6)	12.7	0.2	0.9	0.78	1.19	2,987	100.0	0.0	0.0	0.0	100.0	24	65	25.5	0.99	–	0.00
(66.7)	0.0	0.5	0.8	1.00	1.50	3,255	89.8	0.8	2.0	7.4	90.0	81	383	26.3	1.33	–	–
–	–	0.3	0.8	0.85	1.29	91	86.1	0.0	0.5	13.5	85.3	60	196	15.6	1.45	2.00R	–
–	–	0.1	0.2	0.65	0.98	262	97.7	0.0	2.0	0.3	96.7	306	116	19.7	1.69	2.00R	–
–	–	0.7	1.3	0.73	1.10	177	63.1	24.6	0.6	11.7	87.5	57	391	20.4	1.40	1.50R	–
(61.2)	5.5	0.7	0.6	0.91	1.38	2,934	95.8	0.0	2.5	1.7	94.6	30	80	29.9	1.45	2.00R	–
(68.1)	(1.4)	0.0	0.1	0.92	1.39	596	98.8	0.0	0.6	0.6	98.8	58	98	31.4	1.44	2.00R	–
(31.4)	0.0	1.2	1.5	1.00	0.65	6,411	55.0	35.7	2.4	6.8	14.1	52	871	41.8	0.84	–	–
(45.7)	(14.3)	1.2	2.2	1.29	0.83	15,333	68.1	30.7	0.6	0.7	10.3	20	376	22.3	0.53	–	–
(36.4)	(5.0)	2.0	1.5	1.00	0.65	26,371	62.5	25.1	3.8	8.7	6.8	67	280	25.1	0.70	–	0.00
(48.2)	(16.8)	1.3	1.4	1.31	0.85	1,698	80.3	17.6	0.4	1.7	33.7	64	1,600	20.5	0.79	–	0.00

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 (%) 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Bull Market* Return (%) Fund	Bull Market* Return (%) Cat +/-
I		Fidelity Four-in-One Idx (FFNOX)	10.6	3.0	8.3	0.1	6.6	24.5	15.1	(1.4)	13.6	25.0	(32.7)	6.1	176.9	52.3
	C	Vanguard Wellington Inv (VWELX)	10.4	2.8	11.0	0.0	9.8	19.6	12.5	3.8	10.9	22.2	(22.3)	8.3	161.5	36.9
		Balanced: Global Category Average	5.7	0.0	6.3	(3.8)	3.3	11.9	12.3	(1.7)	12.3	27.8	(27.7)	7.7	112.4	0.0
		Fidelity Asset Mgr 85% (FAMRX)	10.4	4.7	7.3	(0.6)	5.9	25.1	15.9	(6.1)	16.5	38.6	(38.6)	7.9	185.6	73.2
		AmCent One Choice: Agg Inv (AOGIX)	9.5	3.8	6.8	(1.3)	7.3	20.6	15.4	(1.7)	15.5	26.6	(33.9)	13.6	158.7	46.3
		FBP Apprec & Inc Opprt (FBPBX)	9.4	3.7	15.3	(8.1)	5.2	28.8	9.2	(5.3)	8.9	28.7	(30.2)	(2.8)	136.5	24.1
		Osterweis Strategic Invest (OSTVX)	9.3	3.6	9.8	(5.8)	4.3	25.2	15.6	1.6	—	—	—	—	—	—
		Manning & Napier PB Max S (EXHAX)	8.9	3.2	4.5	(5.2)	5.7	25.7	16.2	(7.2)	14.0	36.1	(35.5)	6.0	156.4	44.0
		Target Date: In Retirement Cat Avg	5.5	0.0	5.5	(0.6)	4.9	8.6	9.3	2.0	10.4	19.9	(21.1)	6.3	93.4	0.0
		Vanguard Mngd Payout Inv (VPGDX)	7.7	2.2	7.5	(0.8)	5.8	15.9	11.0	0.6	13.6	23.5	—	—	134.8	41.4
		T. Rowe Price Rtmt 2010 (TRRAX)	7.0	1.5	7.1	(0.8)	4.9	11.9	12.4	0.5	12.6	27.9	(26.8)	6.6	125.7	32.3
		Target Date: 2010-2019 Cat Average	7.1	0.0	6.1	(0.3)	5.5	13.0	11.7	0.7	12.4	24.4	(27.2)	7.3	123.6	0.0
		T. Rowe Price Rtmt 2015 (TRRGX)	8.0	0.9	7.3	(0.6)	5.3	15.1	13.8	(0.4)	13.7	31.3	(30.3)	6.7	146.2	22.6
		Vanguard Tgt Rtmt 2015 Inv (VTXVX)	7.2	0.1	6.1	(0.5)	6.5	13.0	11.3	1.7	12.4	21.2	(24.1)	7.5	123.5	(0.1)
		Target Date: 2020-2029 Cat Average	7.9	0.0	6.7	(0.7)	5.9	15.7	13.0	(0.1)	13.4	26.7	(30.5)	7.3	140.3	0.0
		T. Rowe Price Rtmt 2025 (TRRHX)	9.7	1.8	7.5	(0.2)	5.8	20.7	16.0	(2.1)	15.3	36.2	(36.0)	6.8	180.8	40.5
		T. Rowe Price Rtmt 2020 (TRRBX)	8.9	1.0	7.4	(0.4)	5.6	18.0	15.0	(1.3)	14.7	34.1	(33.5)	6.7	164.8	24.5
		Target Date: 2030-2039 Cat Average	9.3	0.0	7.4	(0.8)	6.2	20.3	14.6	(1.8)	14.7	29.7	(34.9)	7.6	165.5	0.0
		T. Rowe Price Rtmt 2035 (TRRJX)	10.8	1.5	7.6	0.1	6.0	24.8	17.3	(3.3)	16.3	39.0	(38.9)	6.8	204.3	38.8
		T. Rowe Price Rtmt 2030 (TRRCX)	10.4	1.1	7.6	(0.1)	6.0	23.0	16.8	(2.8)	16.0	37.9	(37.8)	6.8	195.1	29.6
		Target Date: 2040-2049 Cat Average	10.0	0.0	7.9	(0.9)	6.4	22.7	15.5	(2.9)	15.4	31.2	(36.2)	7.7	178.8	0.0
		T. Rowe Price Rtmt 2040 (TRRDX)	11.1	1.1	7.6	0.1	6.1	25.9	17.5	(3.5)	16.5	39.0	(38.9)	6.7	207.4	28.6
		T. Rowe Price Rtmt 2045 (TRRKX)	11.1	1.1	7.6	0.1	6.1	25.9	17.6	(3.5)	16.4	39.0	(38.9)	6.8	207.6	28.8
		Target Date: 2050-2059 Cat Average	10.2	0.0	8.2	(1.1)	6.5	23.0	15.8	(3.4)	15.8	32.8	(38.3)	7.7	184.7	0.0
		T. Rowe Price Rtmt 2050 (TRRMX)	11.1	0.9	7.7	0.1	6.1	25.8	17.5	(3.4)	16.4	38.9	(38.8)	6.8	207.7	23.0
		T. Rowe Price Rtmt 2055 (TRRNX)	11.1	0.9	7.7	0.1	6.1	25.8	17.6	(3.4)	16.4	38.9	(38.9)	6.8	207.8	23.1
		Corporate High-Yield Bond Cat Avg	6.2	0.0	12.3	(3.4)	1.7	7.7	13.5	3.0	13.4	41.1	(20.9)	2.5	118.2	0.0
	C	Fairholme Focus'd Inc (FOCIX)	11.4	5.2	32.3	(1.5)	(3.4)	29.9	5.1	(0.8)	11.1	—	—	—	—	—
		Amer Beacon SiM Hi Yd Op Inv (SHYPX)	8.3	2.1	15.9	(4.1)	3.9	7.4	20.1	—	—	—	—	—	—	—
		Fidelity Capital & Inc (FAGIX)	8.2	2.0	10.7	(1.0)	6.1	9.7	16.3	(1.9)	17.1	72.1	(31.9)	3.7	193.1	74.9
		Convertible Bond Category Average	8.3	0.0	6.2	(5.4)	5.8	21.6	15.6	(7.1)	20.0	52.4	(38.8)	13.4	168.5	0.0
		Fidelity Convertible Sec (FCVSX)	8.7	0.4	5.9	(9.4)	9.2	24.0	16.8	(7.4)	20.8	64.1	(47.8)	16.2	204.7	36.2
	C	Vanguard Convert Sec Inv (VCVSX)	7.9	(0.4)	6.6	(1.5)	2.3	19.1	14.4	(6.8)	19.2	40.8	(29.8)	10.6	132.3	(36.2)
		Mortgage-Backed Bond Cat Average	1.7	0.0	1.3	1.0	4.7	(1.7)	3.2	5.6	6.4	8.1	3.1	6.0	31.7	0.0
		TCW Total Return Bond N (TGMNX)	4.2	2.5	1.2	0.7	5.4	1.4	13.0	3.8	10.3	19.5	0.8	6.1	66.8	35.1
		Fidelity Mtg Secs (FMSFX)	2.3	0.6	1.8	1.4	6.3	(1.8)	4.2	6.5	7.2	9.5	1.2	(0.5)	40.1	8.4
		Gov't: Short-Term Bond Cat Average	0.3	0.0	0.6	0.3	0.9	(0.8)	0.8	2.2	2.6	1.0	6.1	6.2	8.4	0.0
		Vanguard ShtTm Fed Inv (VSGBX)	0.8	0.5	1.1	0.7	1.1	(0.4)	1.4	2.7	3.2	2.7	7.0	7.4	13.4	5.0
I		Fidelity S-T Tr Bd Ix Inv (FSBIX)	0.5	0.2	0.7	0.6	1.0	(0.4)	0.6	3.2	3.5	(0.2)	8.7	7.8	10.7	2.3
		Homestead Short-Term Gov (HOSGX)	0.5	0.2	0.4	0.4	1.1	(0.8)	1.5	2.0	2.5	2.8	5.1	5.5	10.4	2.0
		PIA Short Term Sec Adv (PIASX)	0.5	0.2	1.4	0.2	0.3	0.2	0.4	0.5	1.0	1.6	4.1	5.4	5.8	(2.6)
		Vanguard Sht-Tm Trs Inv (VFISX)	0.5	0.2	1.0	0.4	0.7	(0.2)	0.6	2.2	2.6	1.4	6.6	7.8	9.6	1.2
		Gov't: Intermed-Term Bond Cat Avg	1.0	0.0	0.9	0.8	4.6	(3.4)	2.5	8.2	5.4	0.2	10.8	8.1	22.8	0.0
		Dupree Interm Govt Bond (DPIGX)	2.0	1.0	1.7	1.7	8.5	(5.8)	4.4	10.1	3.0	2.1	6.9	8.1	31.2	8.4
		Fidelity Government Inc (FGOVX)	1.3	0.3	1.0	0.5	5.4	(2.6)	2.6	7.8	5.1	1.2	11.0	7.8	24.7	1.9
I		Fidelity Intm Bd Ix Inv (FIBIX)	1.3	0.3	0.8	1.5	6.3	(4.8)	3.3	12.9	8.4	(5.1)	16.3	10.0	29.8	7.0
		Gov't: Long-Term Bond Cat Average	1.8	0.0	0.5	(1.8)	24.2	(13.6)	3.8	32.5	10.5	(18.5)	31.7	13.8	49.4	0.0
		AmCent Zero Cpn 2025 Inv (BTTRX)	2.3	0.5	1.3	0.7	16.4	(10.9)	5.7	30.3	15.0	(21.0)	26.5	20.2	57.5	8.1
I		Fidelity L-T Tr Bd Ix Inv (FLBIX)	2.3	0.5	1.1	(1.8)	25.3	(12.9)	3.2	29.4	9.1	(13.5)	24.1	9.5	52.2	2.8
		Vanguard LgTm US Try Inv (VUSTX)	2.3	0.5	1.1	(1.6)	25.2	(13.1)	3.4	29.2	8.9	(12.1)	22.5	9.2	53.4	4.0

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 (%)
(45.8)	(14.4)	0.6	2.1	1.31	0.85	4,552	81.4	14.0	0.1	4.6	24.9	9	4	100.0	**0.11**	—	—
(32.5)	(1.1)	1.6	2.5	1.01	0.66	95,036	64.6	32.6	2.0	0.8	16.6	39	1,298	17.2	**0.26**	—	—
(37.0)	**0.0**	**1.2**	**1.6**	**1.00**	**0.72**	**1,338**	**55.7**	**35.6**	**4.7**	**4.0**	**32.0**	**75**	**301**	**57.3**	**1.14**	**—**	**—**
(49.2)	(12.2)	1.1	1.1	1.26	0.90	1,676	81.3	10.0	4.8	3.9	26.9	22	2,046	13.3	**0.76**	—	—
(43.7)	(6.7)	1.3	1.4	1.18	0.84	1,094	79.9	17.8	0.7	1.6	27.4	12	20	77.7	1.01	—	—
(42.2)	(5.2)	1.3	1.6	1.36	0.97	34	75.1	13.1	0.1	11.7	4.9	23	62	25.6	1.08	—	—
—	—	1.4	3.6	1.06	0.76	203	58.1	37.5	3.4	1.1	12.4	44	125	22.8	1.14	—	—
(46.7)	(9.7)	1.4	0.1	1.40	1.00	709	89.6	8.9	0.0	1.4	19.7	49	356	22.9	1.09	—	—
(29.1)	**0.0**	**1.1**	**2.1**	**1.00**	**0.43**	**2,483**	**35.7**	**54.4**	**1.1**	**8.7**	**21.5**	**28**	**16**	**87.8**	**0.53**	**—**	**—**
—	—	1.9	6.1	1.35	0.57	1,698	61.8	17.6	6.8	13.9	32.1	29	11	100.0	**0.38**	—	—
(35.7)	(6.6)	1.2	2.0	1.22	0.52	5,575	42.5	51.6	0.6	5.3	25.0	14	16	92.4	0.59	—	0.00
(37.0)	**0.0**	**1.2**	**1.8**	**1.00**	**0.54**	**7,904**	**47.5**	**45.1**	**0.5**	**6.9**	**24.6**	**19**	**18**	**84.2**	**0.47**	**—**	**—**
(39.9)	(2.9)	1.1	1.9	1.12	0.60	9,315	51.1	43.8	0.4	4.8	26.9	16	18	86.3	0.62	—	0.00
(34.9)	**2.1**	1.1	2.0	0.93	0.50	16,972	45.5	51.8	0.3	2.4	33.2	9	6	100.0	**0.14**	—	—
(41.5)	**0.0**	**1.1**	**1.8**	**1.00**	**0.64**	**12,032**	**57.8**	**35.8**	**0.8**	**5.6**	**26.0**	**18**	**19**	**81.8**	**0.60**	**—**	**—**
(46.5)	(5.0)	1.0	1.7	1.19	0.76	19,902	67.6	26.9	0.6	4.9	30.5	15	18	82.9	0.69	—	0.00
(43.6)	(2.1)	1.1	1.8	1.07	0.69	25,162	60.2	34.7	0.4	4.6	29.1	16	18	83.3	0.66	—	0.00
(46.8)	**0.0**	**1.1**	**1.7**	**1.00**	**0.79**	**10,461**	**73.7**	**21.2**	**0.8**	**4.2**	**28.9**	**16**	**19**	**83.4**	**0.66**	**—**	**—**
(49.9)	(3.1)	1.0	1.4	1.11	0.87	14,943	80.5	14.9	0.6	4.1	32.7	15	17	86.6	0.74	—	0.00
(48.6)	(1.8)	1.1	1.6	1.04	0.81	25,639	74.4	20.1	0.7	4.8	31.3	16	18	84.4	0.72	—	0.00
(48.4)	**0.0**	**1.1**	**1.7**	**1.00**	**0.88**	**7,654**	**83.4**	**12.4**	**0.7**	**3.5**	**30.8**	**15**	**18**	**85.5**	**0.68**	**—**	**—**
(49.8)	(1.4)	1.0	1.3	1.04	0.92	17,799	84.7	10.2	0.7	4.5	32.6	15	17	87.6	0.76	—	0.00
(49.8)	(1.4)	1.0	1.3	1.04	0.92	9,066	86.3	9.1	0.7	4.0	33.4	14	17	87.7	0.76	—	0.00
(50.1)	**0.0**	**1.0**	**1.6**	**1.00**	**0.90**	**3,264**	**86.0**	**10.3**	**0.7**	**3.0**	**31.8**	**15**	**17**	**86.3**	**0.69**	**—**	**—**
(49.9)	**0.2**	1.0	1.3	1.02	0.92	7,147	86.4	9.1	0.7	3.9	33.4	13	17	87.7	0.76	—	0.00
(49.9)	0.2	0.9	1.3	1.03	0.93	2,870	85.9	9.1	0.7	4.4	32.8	11	17	87.7	0.76	—	0.00
(20.6)	**0.0**	**2.3**	**4.8**	**1.00**	**0.50**	**2,601**	**1.8**	**84.8**	**4.3**	**9.1**	**18.8**	**150**	**295**	**20.5**	**0.96**	**—**	**—**
—	—	2.3	4.8	2.48	1.24	243	8.2	58.7	18.8	14.3	26.0	67	33	72.3	1.01	—	—
—	—	2.9	5.9	1.00	0.50	1,165	1.5	101.9	2.0	(5.4)	24.7	57	98	20.7	1.19	—	0.00
(33.2)	(12.6)	2.1	4.1	1.13	0.56	10,531	20.6	75.4	1.4	2.7	17.9	35	600	10.5	0.75	1.00R	—
(43.6)	**0.0**	**1.8**	**2.3**	**1.00**	**0.78**	**1,539**	**4.7**	**11.9**	**82.2**	**1.2**	**2.8**	**57**	**136**	**21.9**	**0.46**	**—**	**—**
(54.1)	(10.5)	1.7	3.3	1.15	0.90	1,610	9.3	19.6	69.9	1.2	3.2	19	101	27.6	0.56	—	—
(33.0)	**10.6**	1.9	1.3	0.85	0.66	1,470	0.1	4.3	94.5	1.2	2.3	95	171	16.2	0.38	—	—
5.8	**0.0**	**1.1**	**2.4**	**1.00**	**0.17**	**2,512**	**0.2**	**102.0**	**0.1**	**(2.3)**	**0.5**	**354**	**1,342**	**46.4**	**0.69**	**—**	**—**
3.2	(2.6)	1.4	2.2	1.39	0.23	9,652	0.0	86.3	0.5	13.3	0.4	318	554	29.0	0.79	—	0.25
2.0	(3.8)	0.9	2.3	1.22	0.20	1,103	0.0	98.0	0.0	2.0	0.0	404	468	62.4	**0.45**	—	—
7.7	**0.0**	**0.3**	**0.9**	**1.00**	**0.10**	**1,430**	**0.0**	**89.0**	**0.0**	**11.0**	**2.5**	**165**	**148**	**45.5**	**0.46**	**—**	**—**
9.5	**1.8**	0.4	1.1	0.91	0.09	5,739	0.0	94.7	0.0	5.3	1.2	314	713	26.7	0.20	—	—
10.2	**2.5**	0.4	0.9	1.36	0.14	1,355	0.0	99.7	0.0	0.3	0.0	41	156	11.4	**0.19**	—	—
6.7	(1.0)	0.4	0.8	1.00	0.10	73	0.0	86.3	0.0	13.7	21.2	32	168	36.2	0.77	—	—
5.6	(2.1)	0.3	1.1	**0.36**	0.04	168	0.0	91.9	0.0	8.1	4.6	60	147	30.5	0.39	—	—
9.1	1.4	0.3	0.9	0.91	0.09	7,712	0.0	98.5	0.0	1.5	0.5	211	123	29.5	**0.20**	—	—
11.9	**0.0**	**0.8**	**1.6**	**1.00**	**0.28**	**1,289**	**0.0**	**98.8**	**0.0**	**1.2**	**0.9**	**147**	**194**	**39.6**	**0.45**	**—**	**—**
7.0	(4.9)	1.1	2.5	1.26	0.36	16	0.0	100.0	0.0	0.0	0.0	0	9	100.0	0.53	—	0.00
12.5	0.6	0.9	1.6	0.97	0.28	4,572	0.0	98.9	0.0	1.1	2.2	93	530	26.3	0.45	—	—
15.8	**3.9**	1.0	1.8	1.52	0.44	1,432	0.0	99.6	0.0	0.4	0.0	48	55	35.4	**0.19**	—	—
23.9	**0.0**	**1.2**	**2.0**	**1.00**	**1.08**	**579**	**0.0**	**77.9**	**0.2**	**21.9**	**0.0**	**402**	**28**	**61.7**	**0.70**	**—**	**—**
22.9	(1.0)	1.7	3.5	**0.63**	0.68	165	0.0	99.5	0.0	0.5	0.0	55	21	96.7	0.55	—	—
16.3	(7.6)	1.1	2.8	1.03	1.10	1,061	0.0	99.2	0.0	0.8	0.0	71	47	40.1	**0.19**	—	—
15.5	(8.4)	1.6	2.8	1.02	1.09	3,495	0.0	99.8	0.0	0.2	0.0	117	61	39.9	**0.20**	—	—

Table 2. Top Funds Over Five Years (Continued)

Index Fund	Closed	Fund Name (Ticker)	5-Year Annual Return (%) Fund	Cat +/-	Annual Total Return (%) 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Bull Market* Return (%) Fund	Cat +/-
		Inflation-Protected Bond Cat Average	**0.4**	**0.0**	**3.9**	**(1.7)**	**2.2**	**(7.8)**	**6.3**	**12.2**	**5.9**	**11.1**	**(2.4)**	**10.8**	**36.3**	**0.0**
		Vanguard Infl-Prot Secs Inv (VIPSX)	**0.7**	**0.3**	4.5	(1.9)	**3.8**	(9.0)	**6.7**	**13.2**	**6.1**	**10.8**	(2.9)	**11.5**	**38.9**	**2.6**
		AmCent Inf-Adj Bond Inv (ACITX)	0.4	0.0	**4.7**	(2.2)	2.6	(9.2)	**6.6**	**13.0**	5.4	10.5	**(1.1)**	10.9	35.2	(1.1)
		AmCent ShDur Inf-Prot Bd Inv (APOIX)	0.4	0.0	3.2	**(0.5)**	(1.8)	**(2.3)**	3.4	8.8	5.4	**11.4**	**(1.3)**	10.9	31.2	(5.1)
		T. Rowe Price Infl Prot Bd (PRIPX)	0.4	0.0	3.5	(1.6)	3.4	(8.8)	6.3	12.0	**6.2**	10.4	(1.9)	**11.1**	36.1	(0.2)
		General Bond: Short-Term Cat Avg	**1.5**	**0.0**	**1.9**	**0.3**	**1.1**	**0.5**	**3.8**	**1.9**	**5.1**	**10.8**	**(4.0)**	**4.7**	**29.5**	**0.0**
		Metropolitan West Str Inc M (MWSTX)	**4.2**	**2.7**	**2.6**	0.1	**2.5**	**3.7**	**12.4**	1.5	**18.1**	**31.6**	(28.1)	(3.4)	**101.8**	**72.3**
		Thompson Bond (THOPX)	**4.0**	**2.5**	**10.4**	(2.9)	0.9	**2.8**	**9.3**	**3.0**	**7.3**	**24.8**	(2.1)	5.6	**65.5**	**36.0**
		Metro West Low Dur M (MWLDX)	**2.4**	**0.9**	1.2	0.2	1.3	**1.9**	**7.5**	1.1	**10.3**	**15.1**	(14.7)	2.5	**46.9**	**17.4**
		General Bond: Interm-Term Cat Avg	**2.7**	**0.0**	**3.7**	**(0.3)**	**5.0**	**(1.3)**	**6.9**	**6.1**	**7.7**	**13.0**	**(0.9)**	**5.7**	**49.6**	**0.0**
		Loomis Sayles Bond Retl (LSBRX)	**4.9**	**2.2**	**8.3**	(7.1)	4.4	**5.5**	**14.7**	3.4	**13.2**	**36.8**	(22.2)	**8.2**	**108.3**	**58.7**
		T. Rowe Price Spect Inc (RPSIX)	**4.5**	**1.8**	**8.1**	(2.1)	3.8	**3.0**	**10.1**	4.1	**9.6**	**20.2**	(9.5)	6.1	**79.2**	**29.6**
		USAA Interm-Tm Bond (USIBX)	**4.4**	**1.7**	**6.6**	(2.3)	5.7	**1.2**	**11.2**	6.3	**13.4**	**30.8**	(15.5)	3.8	**96.6**	**47.0**
		General Bond: Long-Term Cat Avg	**4.7**	**0.0**	**7.3**	**(2.2)**	**10.9**	**(2.6)**	**11.1**	**10.7**	**9.9**	**18.5**	**(4.7)**	**5.2**	**86.6**	**0.0**
		Payden Corporate Bond (PYACX)	**5.7**	**1.0**	6.8	**1.1**	9.1	(0.4)	**12.3**	5.4	8.8	—	—	—	—	—
		Vanguard LongTm InvGrd Inv (VWESX)	**5.5**	**0.8**	**7.8**	(2.3)	**18.1**	(5.9)	11.6	**17.1**	**10.7**	8.7	**2.2**	3.7	**101.0**	**14.4**
		BMO TCH Corp Inc Y (MCIYX)	5.2	0.5	**12.6**	(4.5)	6.9	**0.1**	**12.1**	7.4	9.8	23.5	—	—	87.2	0.6
		Muni Nat'l: Short-Term Bond Cat Avg	**0.8**	**0.0**	**(0.1)**	**0.9**	**1.6**	**0.1**	**1.7**	**3.6**	**1.6**	**5.6**	**2.6**	**3.9**	**14.6**	**0.0**
		AB Divers Muni (SNDPX)	**1.5**	**0.7**	(0.4)	**2.0**	**4.1**	(1.3)	**3.0**	**7.0**	**2.6**	**7.0**	2.4	4.0	**24.2**	**9.6**
		Glenmede Muni Interm (GTCMX)	**1.4**	**0.6**	(0.1)	**1.6**	**3.7**	(1.0)	**2.8**	**6.0**	1.7	6.7	2.7	**4.3**	**20.3**	**5.7**
		Fidelity Ltd Term Muni Inc (FSTFX)	1.0	0.2	(0.5)	**1.1**	**2.1**	0.1	**2.2**	4.3	**2.0**	5.6	**3.5**	**4.4**	16.6	2.0
		T. Rowe Price T/F Sh-Int (PRFSX)	**1.0**	**0.2**	(0.4)	1.0	**1.8**	**0.5**	2.1	**4.5**	**2.0**	**7.2**	3.0	3.8	**18.2**	**3.6**
		USAA Tax Ex Short-Term (USSTX)	**1.0**	**0.2**	**0.0**	0.5	1.5	**0.6**	**2.5**	**4.4**	**2.9**	**6.8**	1.3	3.3	**18.5**	**3.9**
		Vanguard LtdTm T/E (VMLTX)	1.0	0.2	(0.2)	**1.3**	1.7	0.4	1.7	3.7	1.9	5.5	2.9	**4.3**	15.8	1.2
		Muni Nat'l: Intermed-Term Bond Cat Avg	**2.4**	**0.0**	**(0.2)**	**2.5**	**6.6**	**(2.2)**	**5.4**	**9.4**	**2.1**	**11.0**	**(1.0)**	**3.1**	**35.1**	**0.0**
		Dreyfus Muni Bond (DRTAX)	**3.4**	**1.0**	(0.3)	**3.5**	**10.5**	(3.6)	**7.3**	**10.3**	1.0	**16.6**	(8.5)	1.1	**46.4**	**11.3**
		USAA Tax Ex Interm-Term (USATX)	**3.0**	**0.6**	(0.6)	2.6	**7.3**	**(1.1)**	**7.1**	**10.1**	**2.8**	**18.2**	(7.4)	1.9	**47.3**	**12.2**
		Muni Nat'l: Long-Term Bond Cat Avg	**3.5**	**0.0**	**0.2**	**3.2**	**10.2**	**(3.4)**	**8.1**	**10.6**	**1.5**	**14.4**	**(5.3)**	**2.3**	**46.8**	**0.0**
		T. Rowe Price Sum Muni Inc (PRINX)	**4.1**	**0.6**	0.4	**3.4**	**11.5**	(3.8)	**9.8**	10.6	**2.3**	**18.6**	(8.1)	1.6	**56.1**	**9.3**
		USAA Tax Ex Long-Term (USTEX)	**4.1**	**0.6**	**0.6**	3.3	10.5	**(2.8)**	**9.8**	**12.4**	1.3	**22.0**	(12.6)	0.6	**60.9**	**14.1**
		Vanguard LongTm T/E (VWLTX)	**4.0**	**0.5**	**0.6**	**3.9**	**11.0**	(3.0)	8.0	10.6	1.5	14.0	(4.9)	2.5	49.5	2.7
		Muni Nat'l: High-Yield Bond Cat Avg	**4.8**	**0.0**	**0.7**	**4.4**	**13.0**	**(4.7)**	**12.0**	**10.6**	**3.3**	**26.8**	**(19.9)**	**(0.8)**	**72.0**	**0.0**
		T. Rowe Price T/F Hi-Yld (PRFHX)	**5.6**	**0.8**	**1.3**	3.8	**14.9**	(4.6)	**13.6**	10.9	**3.9**	**31.4**	(21.5)	(1.2)	**86.2**	**14.2**
		AmCent High-Yield Mn Inv (ABHYX)	**4.8**	**0.0**	0.4	**5.0**	12.4	(5.2)	**12.7**	**11.3**	**4.2**	24.1	(22.3)	(2.6)	**73.0**	**1.0**
		International Bond: General Cat Avg	**2.1**	**0.0**	**4.3**	**(2.9)**	**2.2**	**(2.0)**	**9.3**	**3.1**	**6.6**	**14.3**	**(1.7)**	**7.1**	**42.7**	**0.0**
		Matthews Asia Strat Inc Inv (MAINX)	**4.6**	**2.5**	**8.8**	(0.6)	2.5	(0.5)	**13.6**	—	—	—	—	—	—	—
		T. Rowe Price Gbl Multi-Sec Bd (PRSNX)	**4.3**	**2.2**	**6.8**	(0.1)	**4.3**	**0.3**	**10.8**	1.9	**10.3**	19.8	—	—	**68.4**	**25.7**
		International Bond: Emerging Cat Avg	**4.2**	**0.0**	**11.5**	**(2.8)**	**1.8**	**(5.4)**	**18.0**	**2.8**	**11.3**	**31.6**	**(15.0)**	**4.7**	**91.1**	**0.0**
		Fidelity New Markets Inc (FNMIX)	**6.1**	**1.9**	**14.7**	**0.2**	**4.3**	(6.5)	**20.0**	**7.9**	10.9	**44.5**	(18.3)	**5.6**	**132.9**	**41.8**
		T. Rowe Price Emg Mkt Bd (PREMX)	**5.7**	**1.5**	**14.6**	**0.6**	3.2	(7.2)	**19.6**	3.4	**13.2**	**34.9**	(17.8)	**5.8**	**110.6**	**19.5**
		International Bond: Currency Cat Avg	**(1.8)**	**0.0**	**0.9**	**(5.2)**	**(2.2)**	**(1.4)**	**0.2**	**(3.7)**	**0.7**	**3.6**	**(4.4)**	**7.0**	**(7.2)**	**—**
I		ProFunds Risg Dollar Inv (RDPIX)	**2.7**	**4.5**	2.5	**6.7**	**10.0**	**(1.9)**	(3.0)	**(1.8)**	(1.6)	(7.9)	**4.2**	(4.4)	(4.6)	2.6
		Merk Absolute Ret Curr Inv (MABFX)	0.8	2.6	**8.2**	(9.3)	1.5	**5.7**	(1.4)	(8.5)	**4.6**	—	—	—	—	—
		All Funds Average	**8.3**	**0.0**	**8.3**	**(1.8)**	**5.4**	**19.9**	**12.9**	**(1.6)**	**14.8**	**29.9**	**(28.7)**	**8.3**	**172.9**	**0.0**

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 12/31/2016. Bear market is defined as 11/1/2007 through 2/28/2009.*

Source: "The Individual Investor's Guide to the Top Mutual Funds 2017," February 2017 AAII Journal*. Data from Morningstar Inc. is through 12/31/2016.*

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 (%)
0.1	**0.0**	**0.6**	**1.0**	**1.00**	**0.35**	**5,922**	**0.0**	**98.4**	**0.1**	**1.5**	**0.6**	**45**	**121**	**62.2**	**0.44**	**—**	**—**
0.1	0.0	0.9	3.4	1.14	0.39	25,338	0.0	99.8	0.0	0.2	0.0	43	38	43.5	0.20	—	—
2.0	**1.9**	0.8	2.0	1.14	0.39	3,087	0.0	98.7	0.0	1.3	2.3	14	162	41.1	0.47	—	—
1.8	**1.7**	0.2	0.4	**0.54**	0.19	1,444	0.0	99.2	0.0	0.9	0.7	36	148	79.6	0.57	—	—
0.6	**0.5**	0.7	0.0	1.14	0.39	475	0.0	99.2	0.0	0.8	0.3	102	98	81.8	0.50	—	0.00
(2.7)	**0.0**	**0.6**	**1.5**	**1.00**	**0.09**	**5,570**	**0.1**	**95.7**	**1.5**	**2.7**	**13.9**	**117**	**547**	**27.3**	**0.55**	**—**	**—**
(32.5)	(29.8)	1.3	3.3	1.00	0.09	130	0.5	79.6	0.5	19.4	2.2	20	265	14.8	1.87	—	0.25
0.5	3.2	1.6	4.2	4.00	0.37	2,107	0.0	84.5	7.9	7.6	14.3	29	297	23.4	0.71	—	—
(16.0)	(13.3)	0.7	1.1	**0.50**	0.05	3,026	0.0	99.2	0.2	0.7	2.7	119	456	39.7	0.62	—	0.19
(0.2)	**0.0**	**1.2**	**2.4**	**1.00**	**0.28**	**14,013**	**1.0**	**94.2**	**2.0**	**2.8**	**12.6**	**127**	**1,559**	**26.8**	**0.58**	**—**	**—**
(24.3)	(24.1)	1.9	1.9	1.93	0.54	13,678	9.5	76.1	13.7	0.8	25.5	13	509	26.1	0.89	—	0.25
(13.1)	(12.9)	1.6	3.4	1.27	0.35	6,259	12.1	80.7	1.2	6.0	30.0	18	14	95.1	0.69	—	0.00
(15.4)	(15.2)	1.7	3.9	1.03	0.29	3,735	0.3	93.5	5.8	0.5	16.8	18	616	9.4	0.62	—	—
(7.2)	**0.0**	**1.7**	**3.6**	**1.00**	**0.51**	**3,863**	**0.0**	**96.1**	**1.0**	**2.9**	**18.5**	**52**	**572**	**15.8**	**0.48**	**—**	**—**
—	—	1.9	3.2	0.71	0.36	128	0.0	94.7	2.1	3.3	29.6	145	190	20.3	0.65	—	—
(4.9)	**2.3**	2.1	4.3	1.49	0.76	14,378	0.0	94.9	0.0	5.1	9.1	35	781	11.1	0.21	—	—
—	—	1.6	3.4	0.91	0.46	206	0.0	95.3	0.9	3.8	19.9	62	136	13.3	0.60	—	—
5.3	**0.0**	**0.0**	**1.1**	**1.00**	**0.11**	**4,151**	**0.0**	**91.3**	**0.1**	**8.5**	**0.0**	**36**	**737**	**15.5**	**0.45**	**—**	**—**
5.7	0.4	0.0	2.0	2.00	0.22	6,710	0.0	95.6	0.3	4.1	0.0	11	721	12.9	0.55	—	—
7.0	**1.7**	0.0	1.6	2.00	0.22	297	0.0	95.6	0.0	4.4	0.0	34	103	21.1	**0.23**	—	—
6.2	**0.9**	0.0	1.5	1.33	0.15	3,469	0.0	90.5	0.0	9.5	0.0	30	883	10.2	0.48	—	—
6.1	**0.8**	0.0	1.3	1.42	0.16	2,061	0.0	96.8	0.0	3.2	0.0	15	574	8.9	0.49	—	0.00
4.2	(1.1)	0.0	1.6	0.67	0.07	1,711	0.0	82.6	0.0	17.4	0.0	25	295	12.9	0.55	—	—
5.6	0.3	0.0	1.5	1.25	0.14	21,892	0.0	94.9	0.1	5.1	0.0	13	3,750	5.3	**0.20**	—	—
3.4	**0.0**	**0.0**	**2.4**	**1.00**	**0.28**	**3,862**	**0.0**	**97.1**	**0.1**	**2.8**	**0.0**	**37**	**780**	**11.1**	**0.57**	**—**	**—**
(3.7)	(7.1)	0.0	3.2	1.30	0.36	1,359	0.0	100.0	0.0	0.0	0.0	16	217	13.6	0.73	—	—
(1.9)	(5.3)	0.0	3.2	1.10	0.31	4,326	0.0	99.5	0.0	0.5	0.0	10	905	7.6	0.54	—	—
(0.3)	**0.0**	**0.0**	**3.3**	**1.00**	**0.33**	**3,079**	**0.0**	**98.7**	**0.2**	**1.1**	**0.0**	**21**	**610**	**10.7**	**0.50**	**—**	**—**
(2.8)	(2.5)	0.0	3.3	1.06	0.34	1,239	0.0	99.9	0.0	0.2	0.0	6	480	9.8	0.50	—	0.00
(7.5)	(7.2)	0.0	4.1	**0.94**	0.31	2,348	0.0	99.7	0.0	0.3	0.0	6	492	11.3	0.51	—	—
0.1	0.4	0.0	3.6	1.11	0.36	9,749	0.0	99.8	0.0	0.2	0.0	13	1,495	4.1	**0.20**	—	—
(15.4)	**0.0**	**0.0**	**4.0**	**1.00**	**0.39**	**2,333**	**0.1**	**98.2**	**0.0**	**1.7**	**0.0**	**20**	**523**	**10.1**	**0.67**	**—**	**—**
(17.1)	(1.7)	0.0	3.9	0.98	0.38	4,333	0.5	99.3	0.0	0.2	0.0	13	815	8.2	0.69	2.00R	0.00
(19.7)	(4.3)	0.0	3.6	1.02	0.40	497	0.0	99.1	0.0	0.9	0.0	41	355	10.3	**0.60**	—	—
(4.9)	**0.0**	**1.2**	**1.7**	**1.00**	**0.44**	**5,476**	**0.1**	**96.4**	**4.3**	**(0.8)**	**70.8**	**127**	**664**	**43.0**	**0.79**	**—**	**—**
—	—	1.4	3.9	1.04	0.46	69	0.0	76.9	21.9	1.2	71.3	50	36	46.0	1.12	—	0.00
—	—	1.8	3.4	0.73	0.32	343	0.0	83.5	0.0	16.5	45.8	164	372	28.9	0.77	—	0.00
(17.5)	**0.0**	**2.3**	**5.8**	**1.00**	**0.64**	**2,318**	**0.2**	**90.9**	**0.9**	**8.0**	**90.8**	**72**	**265**	**24.7**	**1.03**	**—**	**—**
(18.7)	(1.2)	2.4	5.6	1.10	0.71	4,818	1.1	94.2	0.0	4.7	92.4	110	283	17.9	0.86	1.00R	—
(18.9)	(1.4)	2.5	6.5	1.01	0.66	6,065	0.0	97.6	1.1	1.3	96.2	62	445	18.0	0.93	2.00R	0.00
(5.5)	**—**	**0.2**	**0.3**	**1.00**	**0.83**	**544**	**0.0**	**27.0**	**4.8**	**68.2**	**26.8**	**554**	**68**	**33.2**	**1.53**	**—**	**—**
12.3	**17.8**	0.0	0.0	0.78	0.65	79	0.0	0.0	0.0	100.0	0.0	1297	5	0.0	1.65	—	0.00
—	—	0.3	0.0	**0.63**	0.53	39	0.0	60.5	3.9	35.7	60.5	59	39	46.3	1.30	—	0.25
(36.5)	**0.0**	**1.1**	**1.4**	**1.00**	**1.00**	**5,295**	**66.4**	**25.9**	**1.0**	**6.7**	**20.4**	**96.1**	**363**	**34.0**	**0.95**	**—**	**—**

Data through year-end 2016 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 2017."

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period strikes a balance of offsetting the impact of a single year's performance without being so long that comparisons between funds become harder because of changes in managers and objectives.

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 heavily skewed toward domestic sector funds, particularly health care. Sector funds are dependent on the trends of the industries they track and tend to overweight the largest 10% of their holdings. Small-cap funds tend to incur more return volatility, as evidenced by the total risk index score of 1.84 for Hodges Retail.

Consistency of performance matters. Parnassus Endeavor Investor has ranked among the top 25% large-cap funds in 2012, 2014, 2015 and 2016. In contrast, while Parnassus (PARNX) also made it to the five-year top-performing list, it was not a top 25% fund in its category in 2013, 2015 and 2016.

Be sure to take the extra step of looking at how long the current manager has been running the fund. For example, Ziad Bakri took over as manager of T. Rowe Price Health Sciences last April. Though the fund itself has fared well, on average, over the last five years, there is no track record to reveal how Bakri will perform as a manager. (The online version of this article, available at AAII.com, shows when the current manager for each fund started.) Several Fidelity funds listed in this article have managers with short tenures.

As previously stated, you should also consider how much risk a fund's strategy incurs. Fidelity Intermediate Bond Index Investor's (FIBIX) category risk index score of 1.52 is almost double that of the government intermediate-term bond category peer Fidelity Government Income (FGOVX), which has a risk score of 0.97. This big difference in risk exists even though the two funds' five-year returns are equal at 1.3%.

Risk is also relative to the category in which a fund operates. Fairholme Focused Income's (FOCIX) total risk index score of 1.24 may not seem very high, but the fund's category risk index of 2.48 shows that it incurs over double the risk of the average corporate high-yield bond fund.

Costs Matter

Lower expenses are always preferable, though—as is the case with performance—costs are relative. A domestic fund is cheaper to operate than a fund that targets foreign investments. For example, the 0.45% expense ratio for the large-cap fund Vanguard Cap Opportunity Investor (VHCOX) is not comparable to the 1.60% expense ratio for foreign stock fund Oberweis International Opportunity (OBIOX).

In addition to the expense ratio, a maximum load may be listed in Table 2. A load is a fee charged for buying (front-end load) or selling (back-end load or redemption fee) a fund. These fees are often reduced or waived if the fund is held for a certain period of time or if a certain dollar amount is invested. For example, Fidelity charges a 0.75% redemption fee on shares held less than 30 days for several of its sector funds, including its top-performing semiconductor and air transportation funds. Terms can vary by fund, so read the mutual fund's prospectus for specific fee information.

If a mutual fund is held in a taxable account, the tax-cost ratio should be considered. Since mutual funds are composed of pooled investment dollars, net capital gains are passed on to shareholders of record at the time the fund sells the security. Shareholders must pay taxes on these capital gains, regardless of whether or not they sold any shares of the mutual fund itself and regardless of how long they have owned the mutual fund.

Portfolio turnover plays a role in both expenses and tax costs, with higher levels indicative of more active trading by the fund manager. Investors seeking lower costs and/or less tax exposure may want to opt for funds with lower portfolio turnover ratios.

If costs or tax efficiency are among the key mutual fund characteristics you examine, consider an index fund. Since they 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, PRIMECAP Odyssey Aggressive Growth fund's turnover ratio is 15.0% and its tax-cost ratio is 1.0%, whereas mid-cap stock funds have an average turnover ratio of 75.0% and an average tax-cost ratio of 1.5%.

Further Evaluation

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.

Pay attention not only to current performance, but also to current performance relative to historical performance and the fund's category average. A mutual fund that lags in market conditions that it historically has done well in should receive more scrutiny than a mutual fund that is following its historical volatility trends and is producing returns similar to those of its peers. ➤

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