

 Portfolio Monitor



Monthly Report for **John Smith**

March 31, 2011

Retirement Accounts Portfolio



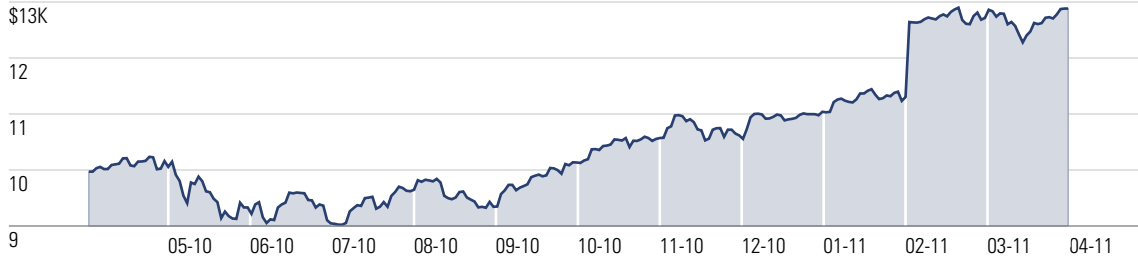
### Retirement Accounts Portfolio

Your Morningstar Rating	Personal Return This Period	% of Mutual Fund Outperformed	Reporting Period
★★★★★	1.50%	36.00%	Apr 2011

Previous Balance \$	12,406.83
New Net Investment \$	0.00
Gain/Loss \$	186.40
Dividend \$	
Total	0.00
Capital Gain/Loss \$	
Total	0.00
Re-Invested Dividends \$	0.00
Re-Invested Interest \$	0.00
<b>Current Balance \$</b>	<b>12,593.23</b>

### Portfolio Performance

● Market Value



	1-Wk	1-Mo	3-Mo	YTD	1-Yr	3-Yr*	5-Yr*	10-Yr*	Sin. Purch*
Total Return %	1.16	1.50	4.06	4.06	12.19	0.01	—	—	0.47
Personal Return %	1.16	1.50	3.98	3.98	9.80	1.50	—	—	2.08
US Market Index Return %	1.85	2.64	6.72	6.72	15.20	0.47	—	—	0.26

\*Annualized

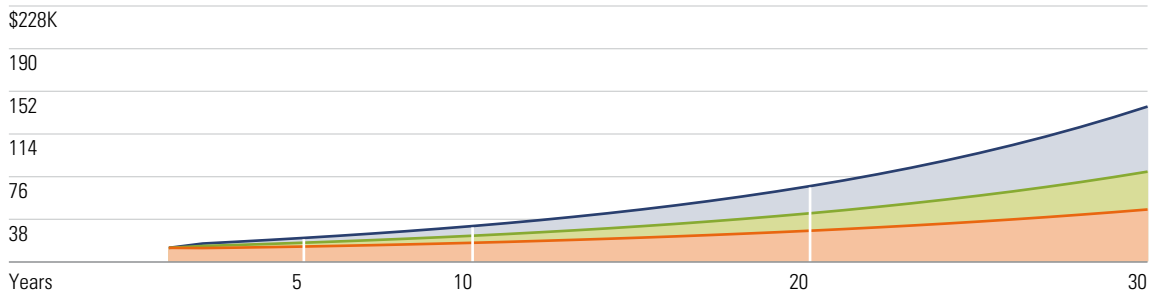
### Top 5 Gainers

Name	Morningstar Rating	Price \$	Market Value \$	1-Mo Return %
Wasatch Small Cap Growth	★★★★★	42.08	487.48	6.29
Oppenheimer Developing Markets ...	★★★★★	35.83	348.04	5.32
PRIMECAP Odyssey Aggressive Gr ...	★★★★★	17.85	461.21	4.57
Allianz NFJ Small Cap Value In ...	★★★★★	32.43	497.97	3.54
Vanguard Selected Value Inv	★★★★★	20.04	491.96	2.77

### Top 5 Losers

Name	Morningstar Rating	Price \$	Market Value \$	1-Mo Return %
PIMCO Commodity Real Ret Strat ...	★★★	9.69	486.69	-0.41
T. Rowe Price High-Yield	★★★★★	6.92	592.51	-0.29
Oakmark Select I	★★★★★	29.24	737.06	-0.27

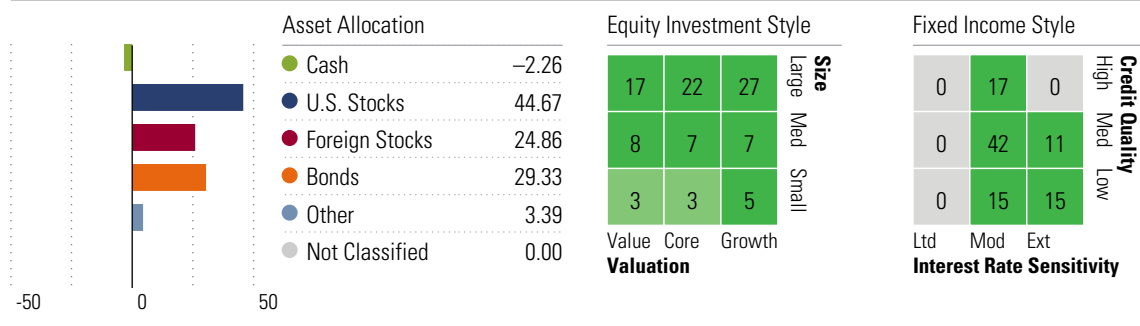
### Potential Value in 5, 10, 20 and 30 Years



Years	5	10	20	30
75% Chance	13,740	17,070	27,802	46,669
50% Chance	17,148	23,352	43,303	80,299
25% Chance	21,401	31,944	67,445	138,163

In this section we provide a hypothetical outlook on your portfolio's future performance highlighting the percent chance of achieving the values we project.

## X-Ray Overview



## Sector Weighting

	% Net Assets		1-Mo Return %		Portfolio 1-Mo Return %				
	Portfolio	S&P 500	Portfolio	S&P 500	-41.58	-20.79	0	20.79	41.58
<b>Cyclical</b>	<b>38.47</b>	<b>29.35</b>	<b>38.47</b>	<b>29.35</b>					
Basic Materials	5.95	3.38	5.95	3.38					
Consumer Cyclical	13.84	9.42	13.84	9.42					
Financial Services	12.51	15.02	12.51	15.02					
Real Estate	6.16	1.53	6.16	1.53					
<b>Sensitive</b>	<b>41.58</b>	<b>45.49</b>	<b>41.58</b>	<b>45.49</b>					
Communication Services	3.96	4.21	3.96	4.21					
Energy	9.32	11.79	9.32	11.79					
Industrials	12.73	12.20	12.73	12.20					
Technology	15.58	17.29	15.58	17.29					
<b>Defensive</b>	<b>19.96</b>	<b>25.16</b>	<b>19.96</b>	<b>25.16</b>					
Consumer Defensive	6.96	11.20	6.96	11.20					
Healthcare	10.63	10.72	10.63	10.72					
Utilities	2.37	3.25	2.37	3.25					
Not Classified	0.00	0.00	0.00	0.00					

## Stock Statistics

	Portfolio	Relative to S&P 500		Portfolio	Relative to S&P 500
Forward P/E Ratio	15.00	1.10	5-Yr Proj EPS Growth %	11.80	1.19
P/B Ratio	2.14	0.96	Dividend Yield %	2.23	1.34
ROA	6.90	0.82	Average Market Cap \$mil	15,529.51	0.32
ROE	17.05	0.82			

## Fees & Expenses

Average Mutual Fund Expense Ratio %	0.66
Expense Ratio of Similarly Weighted Hypothetical Portfolio %	1.33
Estimated Mutual Fund Expense \$	83.03
Total Sales Charge Paid \$	0.00

## Regional Exposure

	% of Stocks
U.S. & Canada	66.55
Europe	17.40
Japan	3.82
Latin America	2.99
Asia & Australia	6.79
Other	2.45
Not Classified	0.00

## Diagnostics

### Asset Allocation

Your portfolio is aggressive. An asset mix such as yours normally generates high long-term returns but can be very volatile. Financial planners typically recommend these types of mixes for investors who have investment horizons longer than 10 years, need high returns, and are comfortable with a high level of risk.

### Equity Investment Style

Your portfolio's stock exposure is spread evenly across the market and includes a good mix of small, medium, and large companies, as well as a fairly even mix of conservatively priced value stocks and high-flying growth stocks. For most investors, maintaining such broad-based market exposure is a prudent way to invest.

### Sector Weighting

- ◆ Over Exposure
- ◇ Under Exposure

### Fees & Expenses

The mutual funds in your portfolio tend to have very low expense ratios. This is good, because expense ratios have been shown to be a major factor in mutual-fund performance over the long term.

### Regional Exposure

- ◆ Over Exposure
- ◇ Under Exposure

Name	Ticker	Morningstar Rating	Change in Rating	% of Assets	Holding Value \$	Personal Return %				
						1-Mo	3-Mo	1-Yr*	3-Yr*	5-Yr*
PIMCO Total Return Instl	PTTRX	★★★★★	—	10.16	1,280.10	0.00	0.28	-1.36	—	—
Harbor Capital Appreciation In ...	HACAX	★★★	—	9.53	1,200.45	1.91	4.63	12.77	3.94	—
American Funds Washington Mutu ...	RWMFX	★★★★★	—	8.70	1,095.05	1.95	5.70	12.09	—	—
Dodge & Cox International Stoc ...	DODFX	★★★	—	7.51	945.52	0.11	2.52	9.38	—	—
Oakmark Select I	OAKLX	★★★★★	—	5.85	737.06	-0.27	6.52	12.07	—	—
Selected American Shares D	SLADX	★★★	—	5.74	722.81	2.22	4.66	10.25	—	—
Vanguard International Growth ...	VWILX	★★★★★	—	5.68	715.62	2.07	3.27	12.56	-4.90	—
Loomis Sayles Bond Instl	LSBDX	★★★★★	—	5.66	713.06	0.28	2.10	5.35	1.17	—
Vanguard International Explore ...	VINEX	★★★	—	5.14	647.80	1.01	1.88	-0.45	—	—
T. Rowe Price High-Yield	PRHYX	★★★★★	—	4.70	592.51	-0.29	—	—	—	—
Allianz NFJ Small Cap Value In ...	PSVIX	★★★★★	—	3.95	497.97	3.54	8.57	21.51	2.10	—
Vanguard Selected Value Inv	VASVX	★★★★★	—	3.91	491.96	2.77	6.82	15.44	—	—
Morgan Stanley Inst US Real Es ...	MSUSX	★★★★★	—	3.88	488.27	1.27	6.00	22.90	—	—
Wasatch Small Cap Growth	WAAEX	★★★★★	—	3.87	487.48	6.29	6.53	29.72	—	—
PIMCO Commodity Real Ret Strat ...	PCRIX	★★★	—	3.86	486.69	-0.41	4.30	1.89	—	—
PRIMECAP Odyssey Aggressive Gr ...	POAGX	★★★★★	—	3.66	461.21	4.57	8.29	7.34	—	—
PIMCO Real Return Instl	PRRIX	★★★★★	—	2.80	352.00	0.26	—	—	—	—
Oppenheimer Developing Markets ...	ODVYX	★★★★★	—	2.76	348.04	5.32	-0.67	3.35	—	—
T. Rowe Price Retirement 2050	TRRMX	★★★★★	—	2.62	329.64	1.58	5.11	—	—	—

\*Annualized

# American Funds Washington Mutual

R5 RWMFX | ★★★★★

\$28.75 ↑ \$0.55 | 1.95%

09-14-2010 | by John Coumariansos

## Morningstar Take

Hunting for dividends has its challenges but should continue to serve American Funds Washington Mutual well.

This Analyst Pick seeks dividend-paying stocks. Indeed, the fund has significantly more utilities, telecommunications, and industrial exposure than most of its peers in the large-value category. The fund's seven managers have also taken a liking to some dividend-paying pharmaceutical stocks such as Merck MRK, Abbott Labs ABT, and Johnson & Johnson JNJ. Drug companies have been battered by thin pipelines and political pressures, but many argue that their balance sheets remain strong and the prices of their stocks are unfairly low.

Dividend investing also poses other risks when it leads to large banks and financial institutions with opaque balance sheets, and this fund had its share of financials in the 2008 meltdown. The fund entered 2008 with General Electric GE, Bank of America BAC, Wells Fargo WFC, J.P. Morgan Chase JPM, Fannie Mae FNM, and Citigroup C all among its top 20 holdings. Although its painful 33% loss that year placed it in the top quartile of the large-value category, one might have hoped the quest for yield would have been more balanced among its managers with skepticism regarding these firms' financial health. Now, the fund's financial exposure is 9% compared with 21% for the large-value category average, so it the counselors have toned down the fund's investments in banks.

Finally, dividend investing often leads to mature businesses without significant growth prospects or businesses that have mediocre returns on invested capital. Verizon VZ and AT&T T, two of the fund's top holdings, face these challenges.

Still, mediocre businesses often get temporarily priced below what they're worth, and dividend investing winds up being a tough strategy to beat over the longer haul. The fund's 2.8% annualized return for the 10-year period ended Sept. 13 lands it in the top half of its category, bearing this thesis out.

## Stewardship Grade

This fund is supported by a shareholder-focused corporate culture and a fund board led by an independent chairman. Its fees also are reasonable. Overall, it's a strong steward of capital.

## Role in Portfolio

Core

## Strategy

This value fund invests by following this prudent investor rule: Buy the stocks of firms that have paid dividends in nine of the past 10 years. By mandate, the fund also can't own the stocks of tobacco and alcohol companies. The process has been tweaked over the years, but the overall spirit of its disciplined nature has been the same since 1952. The fund tends to be well diversified by stock and sector, although it's typically light in tech, where dividends are more the exception than the rule.

## Management

This fund's team members all have long tenures. James Dunton, the longest-serving member, has been on board for 30 years and boasts more than 40 years of investment experience. In addition, the team is supported by a very deep bench of experienced investment analysts. We find it laudable that short-term performance isn't rewarded here, as investment professionals are evaluated over four-year periods.