www.vereglobal.com | info@vereglobal.com | +1.832.390.2375

VERE GLOBAL

PRIVATE ASSET MANAGEMENT

Your Future Is Not What It Used To Be

Our Vere investment program is a cutting-edge proprietary mutual fund allocation strategies specifically designed to reveal and incorporate the top talented fund managers into the academic research of modern portfolio theory.

BLOOMBERG 2013 BEST PERFORMING MUTUAL FUNDS

U.S. DIVERSIFIED EQUITIES

From the 10 best performing mutual funds for 2013 elected by Bloomberg, Vere Global is proud to announce that we invested with 3 of those managers in different Vere Global strategies. All 3 of these managers were held for the entire year of 2013. We did close out of the Sun America position in early 2014 due to the portfolio managers leaving and we are eagerly awaiting to add their new fund to our strategies line up. Always, remember we follow the talent of the managers. Returns are just the direct consequence of the talent you hold in your portfolio.

The following funds were held in the respective Vere strategies:

- **Prime Cap Odyssey Growth** (Now closed to new investors) - Moderate and All Equity
- **Hodges Small Cap** - Moderate and All Equity
- **Sun America Focused Dividend Fund** - Moderate

The following funds were closed prior to 2013 and therefore, unable to invest in them:

- Buffalo Emerging Opportunities - closed
- Lord Abbett Developing Growth - closed
- Touchstone Sands Growth - closed
- Franklin Small Cap Growth - closed

The Vere Lifestyle: OBJECTIVITY | SIMPLICITY | EDUCATION | ACTION

For Single Print Only

APRIL 2014
Bloomberg Markets

THE BEST-PERFORMING MUTUAL FUNDS

BY CHARLES STEIN

DIVERSIFIED U.S. EQUITIES

	Fund, MANAGEMENT COMPANY, Manager(s)	SCORE*	TOTAL RETURN, AS OF DEC. 31 1-YR.	3-YR.	5-YR.
1	**Buffalo Emerging Opportunities** KORNITZER CAPITAL MANAGEMENT John Bichelmeyer/Craig Richard	96.3	61.3%	29.4%	32.4%
2	**Matthew 25** MATTHEW 25 MANAGEMENT Mark Mulholland	89.0	38.7	26.3	31.5
3	**T. Rowe Price New Horizons** T. ROWE PRICE ASSOCIATES Henry Ellenbogen	88.6	49.1	22.7	29.0
4	**Primecap Odyssey Aggressive Growth** PRIMECAP MANAGEMENT Theo Kolokotrones/Joel P. Fried/Alfred Mordecai/ M. Mohsin Ansari	87.7	54.9	23.2	27.9
5	**Touchstone Sands Capital Select Growth** TOUCHSTONE ADVISORS Frank Sands Jr.	85.4	40.6	20.7	30.3
6	**Lord Abbett Developing Growth** LORD ABBETT Thomas O'Halloran, Arthur Weise	85.2	57.2	19.5	27.9
7	**Kinetics Small Cap Opportunities** KINETICS ASSET MANAGEMENT Peter Doyle/Matthew Houk	84.4	59.4	20.4	25.7
8	**Hodges Small Cap** HODGES CAPITAL MANAGEMENT Donald Hodges/Craig Hodges/Gary Bradshaw/ Eric Marshall	84.3	45.6	22.4	29.7
9	**SunAmerica Focused Dividend Strategy Portfolio** SUNAMERICA ASSET MANAGEMENT Timothy Pettee/Andrew Sheridan/ Timothy Campion	84.2	39.9	20.9	24.4
10	**Franklin Small Cap Growth** FRANKLIN ADVISERS Michael McCarthy/Brad Carris	75.3	54.5	19.1	27.0

**Takes into consideration one-, three- and five-year total returns as well as three- and five-year Sharpe ratios. Ranking includes open-end retail diversified equity funds domiciled in the U.S. with total assets of more than $250 million as of Dec. 31. Three- and five-year returns are annualized. Source: Bloomberg*

Average Annual Returns (%) (Class A as of 12/31/13)	1 Year	3 Year	5 Year	10 Year	Since Inception
At Net Asset Value	39.91%	20.94%	24.27%	10.13%	7.23%
With Maximum Sales Charge	31.88%	18.58%	22.80%	9.48%	6.83%

Performance data quoted represents past performance and is not a guarantee of future results. The data assumes reinvestment of all distributions at net asset value (NAV). Class A gross operating expenses: 1.13%. Class A maximum sales charge: 5.75%. The Fund's daily NAV is not guaranteed and shares are not insured by the FDIC, the Federal Reserve Board or any other agency. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be higher or lower than the original cost. Current performance may be higher or lower than that shown. Performance as of the most recent month end is available at www.safunds.com.

ACURA

Introducing the Acura RLX.
Luxury, taken to a whole new level.
SHOP RLX ▸ RLX with Technology Package shown

SunAmerica Wins With Once-a-Year Picks: Riskless Return

By Charles Stein - Jun 25, 2013 11:00 PM CT

The past month's rout in equities and bonds didn't trigger any buying or selling at the $4.5 billion SunAmerica Focused Dividend Strategy Portfolio. (FDSAX) The fund chooses its 30 stocks once a year based on a formula and sticks with them no matter what.

So far the system is working. The fund delivered the best risk-adjusted returns among large funds that buy U.S. equities since the stock market rally began in 2009, outpacing star managers such as Donald Yacktman and William Nygren, according to the BLOOMBERG RISKLESS RETURN RANKING. The SunAmerica Fund had a higher total return than all but two of 222 rivals and lower volatility than 84 percent of competing funds.

"The beauty of our model is its simplicity and discipline," Timothy Pettee, chief investment officer for SunAmerica Asset Management Corp., said in a telephone interview. "We are not sitting here saying, 'Gee do we like this stock or do we want to overweight this industry?' "

Brendan Voege, who has managed the fund since 2006, selects 30 high-dividend stocks every November based on a model he developed. In 2013, the fund's top 10 holdings have all beaten the Standard & Poor's 500 Index. It's also the best performer since May 21, the day before Federal Reserve Chairman Ben Bernanke indicated the central bank may scale back its asset purchases, triggering a global selloff.

Dividend-paying stocks have appealed to investors in the past few years because of the income they have generated in a world of low interest rates, said Adam Longenecker, an analyst with EPFR Global, a Cambridge, Massachusetts-based firm that tracks the flow of money into funds worldwide.

'Wildly Popular'

"These bond-equivalent stocks that have been wildly popular while rates have been at rock bottom will be less attractive in the future if their true fixed-income counterparts start yielding 3 to 4 percent again," he wrote in an e-mail.

SunAmerica Focused Dividend Strategy gained 15 percent, adjusted for volatility, from March 9, 2009, to June 24 of this year, the best result for domestic equity funds with at least $3 billion in assets.

Advertisement

© 2013 John Hancock. All rights reserved.

We can provide unique access to top institutional managers.

Learn more at johnhancock.com

John Hancock

Web2PDF
converted by Web2PDFConvert.com

The second- and third-ranked funds are both run by Donald Yacktman, president of Austin, Texas-based Yacktman Asset Management Co. The $9.8 billion Yacktman Focused Fund had a risk-adjusted return of 13.7 percent, just ahead of the 13.6 percent gain for the $11.3 billion Yacktman Fund. Both funds beat more than 90 percent of peers by total return and produced lower than average volatility.

Nygren's $9.4 billion Oakmark Fund (OAKMX) placed eighth with a gain, adjusted for price swings, of 10 percent.

Dividend Stocks

The risk-adjusted return isn't annualized. It's calculated by dividing total return by volatility, or the degree of daily price variation, giving a measure of income per unit of risk. Higher volatility means the price of an asset can swing dramatically in a short period, increasing the potential for unexpected losses.

Voege buys the 10 highest-yielding stocks in the Dow Jones Industrial Average. The next 20 stocks are drawn from the Russell 1000 Value Index, based on a formula the ranks companies by dividends, profitability and valuation. If a chosen stock has a dividend yield below the median yield of the dividend-paying securities in the Standard & Poor's 500 Index, it is tossed out and replaced.

That process has turned up winners such as Hewlett-Packard Co. (HPQ), up 69 percent this year including dividends, and E.I. du Pont de Nemours & Co., which has more than tripled since stocks hit a 12-year low in March 2009.

Avoiding Financials

The SunAmerica fund typically doesn't hold many financial stocks or utilities, sectors that historically pay high dividends, because otherwise the fund would be dominated by those industries, Pettee said. The fund has a dividend yield of 3.72 percent, according to data compiled by Bloomberg. The S&P 500 has a dividend yield of 2.15 percent.

SunAmerica is owned by New York-based insurer American International Group Inc. (AIG)

Francis Kinniry, a principal at Vanguard Group Inc. in Valley Forge, Pennsylvania, said the SunAmerica fund should be thought of as a form of rules-based investing. Rules-based funds will go through periods when they "shine" and others when they will lag behind market benchmarks, he said.

"Traditional active management, which is dynamic, has had a hard time beating the indexes," Kinniry, whose firm competes with SunAmerica and is known for its low-cost, passive funds, said in a telephone interview. "It is a little naïve to think you can just write down some rules and do better over time."

'More Luck'

This year the fund has benefited by owning two distressed technology firms, Hewlett-Packard and Dell Inc. (DELL), which both reached multiyear lows in November 2012 as customers shifted away from personal computers toward tablets and smartphones.

Hewlett-Packard, based in Palo Alto, California, rebounded after Chief Executive Officer Meg Whitman cut costs and moved to halt seven straight quarters of declining sales and profit. Round Rock, Texas-based Dell, up 33 percent this year with dividends, gained as a result of founder Michael Dell's offer to take the firm private.

Hewlett-Packard was the fund's largest holding as of March 31; Dell was the third-largest position.

Apple Falls Below $400 Amid IPhone Slump, Worker Exits

Pimco's Gross Shifts Family Holdings in Bond Market Rout

Citigroup Seeing FX Signals of Early End to Stimulus: Currencies

News From Around the Web by Taboola

Billionaires Dump Stocks, Prepare for Collapse (Shocking) (Newsmax)

Truth About Annuities* (Senior Annuity Alert)

Tough news for struggling Jim Carrey (Yahoo!)

Sponsored Links

Best Dividend Stocks
dividends.wyattresearch.com
5 Stocks That are Cash Machines for Retirement. New Free Stock Report.

Don't Sell Your Timeshare
TimeshareOut.com/9-Mistakes-Report
Until you read our special report. Get it today.

Dividend Stocks for 2013
WealthyRetirement.com/Income
Six solid dividend stocks to give your portfolio an income boost.

Job Search — Post a Job »

Licensed Life Insurance Sales Agents
GPM Life Insurance - Houston, TX

Sales: P&C Insurance Agency
Dorea Insurance - Houston, TX

Looking for Insurance Agents
Arbor Creek Financial LLC - Houston, TX

Licensed Insurance Agent
LiveOps - Texas

Independent Sales Agent
Valued Merchant Services - Houston, TX

Search All Jobs — jobs by indeed
job title or company | location | Go

Advertisement

SEE
THE MOST CIVIC-MINDED COMPANIES
THE WORLD'S GREENEST BANKS
STATES WITH HIGHEST RETIREE INCOME
ART THAT COMMANDED THE HIGHEST PRICES
EXPLORE
BLOOMBERG
BEST (AND WORST)
ON Bloomberg.COM

Advertisements

FOREX.com TD Ameritrade

Web2PDF
converted by Web2PDFConvert.com