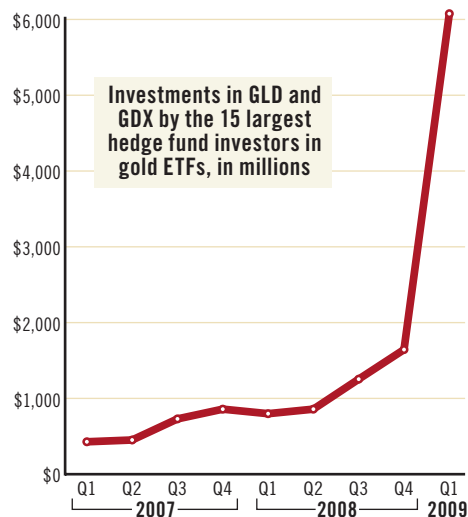


24k or fool's gold?

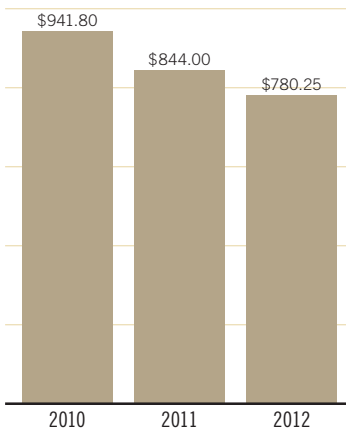
Gold has performed well over the past decade, but investors differ over its prospects.



Someone's wrong Hedge funds and Wall Street seem to be in disagreement over gold: Hedge funds have sharply increased their gold purchases, investing more than \$6 billion in gold ETFs in the first quarter; Wall Street analysts, however, see gold prices dropping below \$800 an ounce by 2012.



Average price per ounce forecast by Wall Street banks



Gold standard Gold has been the top-performing asset class over the past 10 years, but over 30 years it has barely outpaced inflation. It does not correlate highly with other asset classes.

RETURNS

Class	1 year return	5 year return	10 year return	15 year return	30 year return
Gold (spot)	0.13%	18.63%	13.43%	6.00%	4.10%
Stocks	-26.54%	-1.79%	-1.44%	6.96%	10.61%
Bonds	6.05%	5.01%	5.97%	6.58%	8.48%
Commodities	-59.69%	-3.45%	6.31%	4.07%	6.83%
Hedge Funds	-13.71%	4.96%	7.02%	9.74%	

AVERAGE MONTHLY CORRELATIONS JUNE 1999-JUNE 2009

	Gold	Stocks	Bonds	Commodities	Hedge funds
Gold	1				
Stocks	-0.03	1			
Bonds	0.12	0.04	1		
Commodities	0.19	0.05	0.05	1	
Hedge funds*	0.14	0.53	0.08	0.21	1

*Hedge fund correlation data December 2003-June 2009. Indexes: Russell 3000; Barclays Aggregate; S&P GSCI Total Return; and Credit Suisse/Tremont Hedge Fund.

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