

MONEYWATCH

ADVISORS

S p e c i a l E d i t i o n

Experience is not what happens to a man. It is what a man does with what happens to him.

-Aldous Huxley
English writer and author.



Fund Highlights

Rydex SGI All-Asset Strategy Aggressive Fund

Symbol: RYGGX

Objective: Aggressive Growth

Fund Type: Asset Allocation

What You Own & Why

Over the next several months we will include this 'special edition' along with our usual monthly newsletter. Our goal is to help you be a more informed investor; detailing the assets you own, their investment objectives and why we have chosen them for your portfolio. We invite you to offer feedback and ask us any additional questions you may have.

R y d e x S G I A l l A s s e t S t r a t e g y A g g r e s s i v e F u n d

Rydex SGI All Asset Strategy Aggressive Fund (RYGGX) is an open-end mutual fund which offers investors exposure to traditional stock and bond investment strategies as well as alternative strategies. A primary feature is the transparency of the fund of funds structure which allows access to multiple investment disciplines. Traditional asset classes are used to diversify the portfolio while a broad range of alternative assets attempt to improve risk-adjusted returns and lower portfolio volatility.

A key feature to RYGGX is that it is rebalanced on a monthly basis to adjust to changing market conditions. This entails examining not only the valuation but also the momentum of different assets classes, monitoring risk appetite and incorporating insight which is outside most quantitative models.

As of October of 2010 approximately 40% of the portfolio was divided into four segments: US Intermediate Bond, Select Equity Security, Large Cap Value and Global Fund. The largest position comprised almost 19% of the portfolio and was in an alternative asset class referred to as US Long/Short Momentum Fund. The remaining portfolio consisted of over 15 different asset classes; examples are Commodities Strategy Fund, Real Estate Fund, Mid Cap Growth and US Government Money Market Fund.

We have chosen to include this fund in your portfolio because we believe alternative assets classes can provide increased diversification. This fund manages those alternatives by incorporating traditional asset classes into their strategy. Moneywatch determines the percentage of your assets which should be invested in this fund and then monitors that number and makes adjustments as necessary.