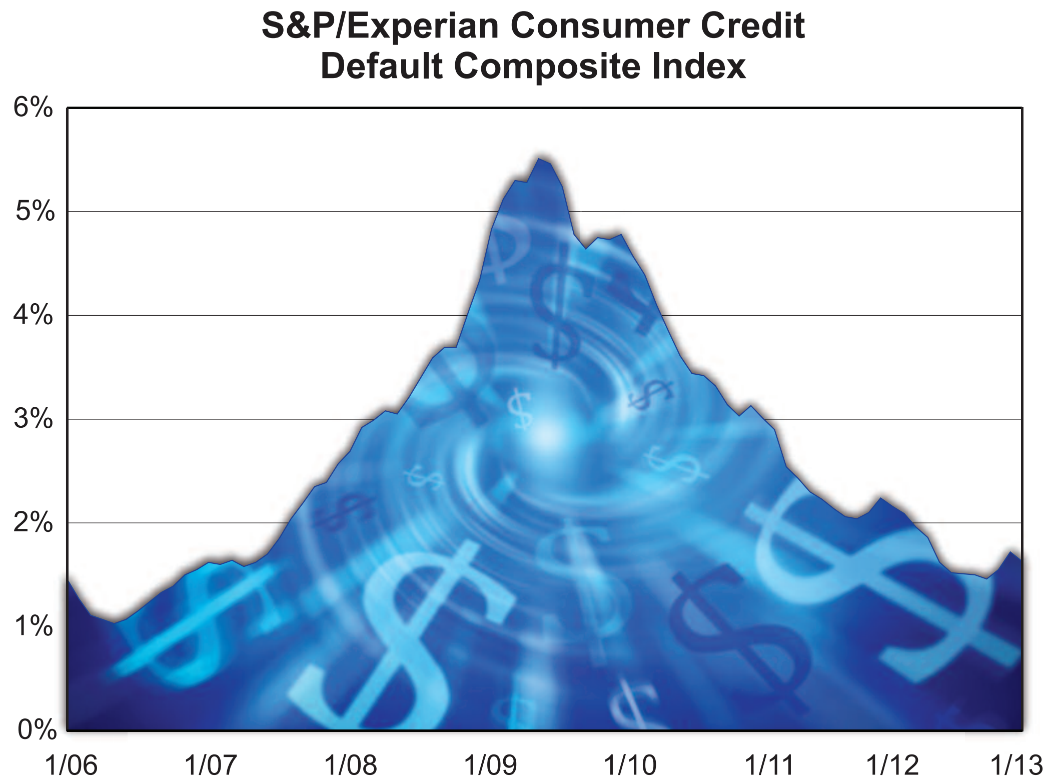
Let's Wind The Clock Back To 2007



Source: Standard & Poor's

View from the Observation Deck

1. The U.S. economy and financial markets were seemingly in good standing at the end of June 2007, just prior to the subprime mortgage meltdown.
2. In June 2007, the price value of the S&P 500 reached 1539.18, almost exactly where it stood a few days ago (1539.79 on 3/5/13).
3. Since the financial crisis of 2008, consumers have been very effective in getting their respective fiscal houses in order.
4. The S&P/Experian Consumer Credit Default Composite Index stood at 1.63% in January 2013, just below the 1.70% posted in June 2007.
5. More importantly, the 1.63% default rate was well below the all-time high of 5.51% in May 2009 (see chart).
6. As a composite index, it measures consumer credit defaults for first and second mortgages, bank cards and auto loans.
7. Since the inception of the index in April 2004, the lowest the default rate ever achieved was 1.03% in May 2006.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance. Past performance is no guarantee of future results.