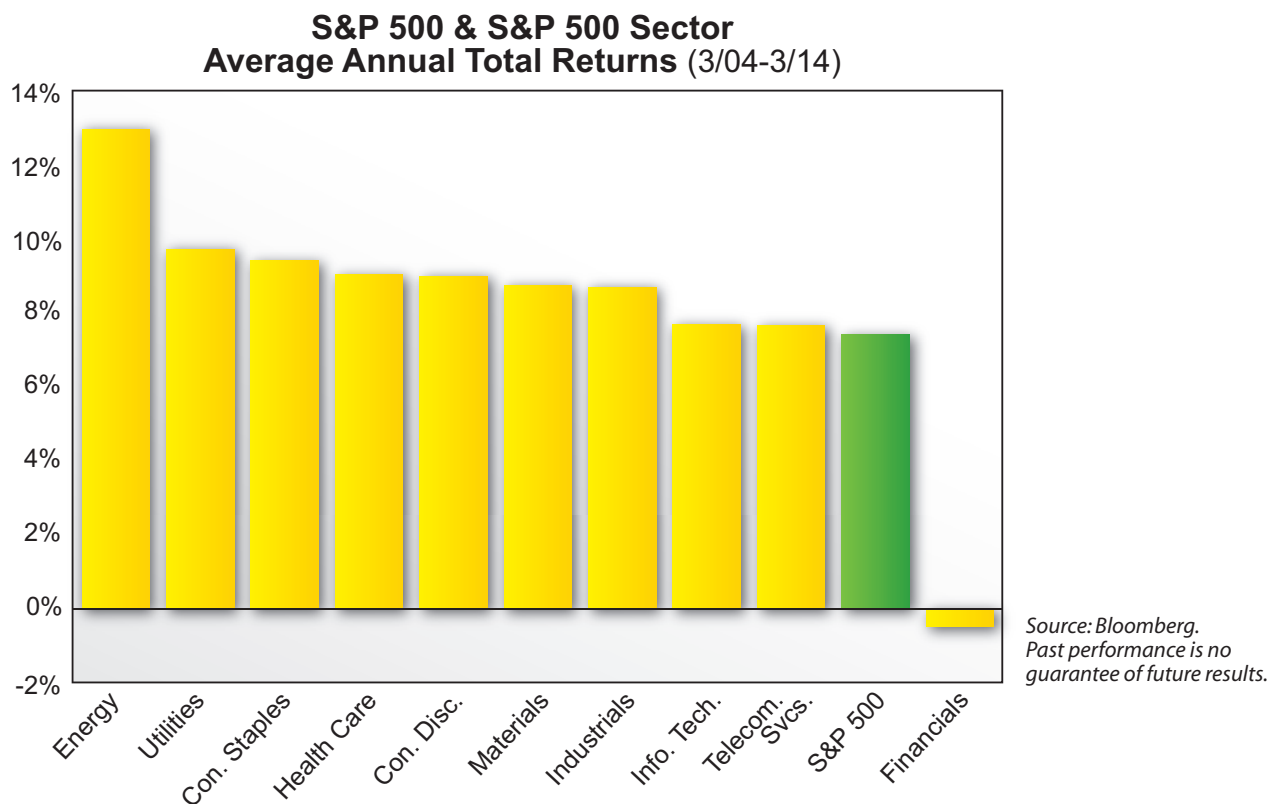


The Best Performing Sector Over The Last 10 Years Was Energy (On Two Fronts)



View from the Observation Deck

1. The energy sector posted the highest average annual total return (+12.95%) of the 10 major S&P 500 sectors for the 10-year period ended March 2014, as measured by the S&P 500 Energy Index.
2. It was the only S&P 500 sector to average more than 10.00%. The second-best performer, also energy-related, was the utilities sector at 9.72%, as measured by the S&P 500 Utilities Index.
3. On 8/13/13, we did a blog post that offered four 50/50 split-ticket ideas combining sectors/subsectors that shared a common theme.
4. One of those ideas involved combining traditional energy stocks, which primarily represent the production side of the business, with Master Limited Partnerships (MLPs), which represent the distribution side of the business.
5. We continue to favor this 50/50 split moving forward. We believe that it syncs up well with the growing desire for the U.S. to become more energy independent in the years ahead.
6. Total U.S. crude oil production jumped by 15% in 2013. By 2015, the U.S. could surpass Saudi Arabia and Russia as the world's top oil producer, according to U.S. Energy Information Administration.
7. In order for the U.S. to accomplish the task of energy independence it will need to expand its system of pipelines and infrastructure over time, in our opinion.
8. MLPs, while not one of the major sectors in the S&P 500, actually outperformed all 10 of them over the period featured in the chart.
9. The Alerian MLP Index posted an average annual total return of 14.81% for the 10-year period ended March 2014.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance, while the 10 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector. The Alerian MLP Index is the leading gauge of large- and mid-cap energy Master Limited Partnerships.