

Brothers and Sisters, here are the allocations I would recommend for the first half of 2012. The 80/20 Equity mix is the best of funds producing the opportunity to take advantage of market growth. The 70/30 mix has a more moderate risk. The 60/40 mix even less risk. If you are near retirement or want a more custom allocation to fit your risk tolerance please call Matt Mayo @ 516-6668 for that. Remember, with any funds invested in the market there is some risk. However I have researched these funds and it is really a decision that you should make concerning your risk tolerance.

I will include three options. This will also include its beta number (the lower the number the less risk involved 1% or below is considered low risk), which measures risk and the fees for the fund. Although you really never see the fund fees on your statement they are a cost to you and should be considered.

80/20 Mix	% to allocate	Beta*	Cost
Pimco Total Return Fund	10%	.89	.46 %
American Funds High-Income	10%	.64	.75%
Nuveen Real Estate Securities	20%	n/a	1.04%
Allianz NFJ Dividend Value	20%	1.03	.71%
ING Small Company	10%	.93	1.48%
Vanguard Institutional Index	20%	1.00	.04%
Wells Fargo Advantage Dow Jones Target	10%	.81	.80

This allocation gives you a mix of Bonds, Large Cap Blend/Value, Small Blend, Specialty Real Estate. Due to the fact that most International funds are down I recommend that you not use the in the mix.

Should you a more moderate return be more appealing I would use the following:

70/30 Mix	% to allocate	Beta*	Cost
Pimco Total Return Fund	15%	.89	.46 %
American Funds High-Income	15%	.64	.75%
Nuveen Real Estate Securities	20%	n/a	1.04%
Allianz NFJ Dividend Value	15%	1.03	.71%
ING Small Company	10%	.93	1.48%
Vanguard Institutional Index	15%	1.00	.04%

Wells Fargo Advantage Dow Jones Target	10%	.81	.80
60/40 Mix	% to allocate	Beta*	Cost
Pimco Total Return Fund	20%	.89	.46 %
American Funds High-Income	20%	.64	.75%
Nuveen Real Estate Securities	20%	n/a	1.04%
Allianz NFJ Dividend Value	10%	1.03	.71%
ING Small Company	10%	.93	1.48%
Vanguard Institutional Index	15%	1.00	.04%
Wells Fargo Advantage Dow Jones Target	5%	.81	.80

*Call Matt, John or Lee for advice*

*Office # 615 345-0235, Matt's Cell 516-6668*

*Email: [mattmayo@iaff140.org](mailto:mattmayo@iaff140.org)*

*This information designed to provide you with general information only and does not attempt to give you advice on any particular investment or to recommend any particular investment to you. If you have any doubt as to whether a particular investment is suitable for you, you should contact Personal Retirement Solution*