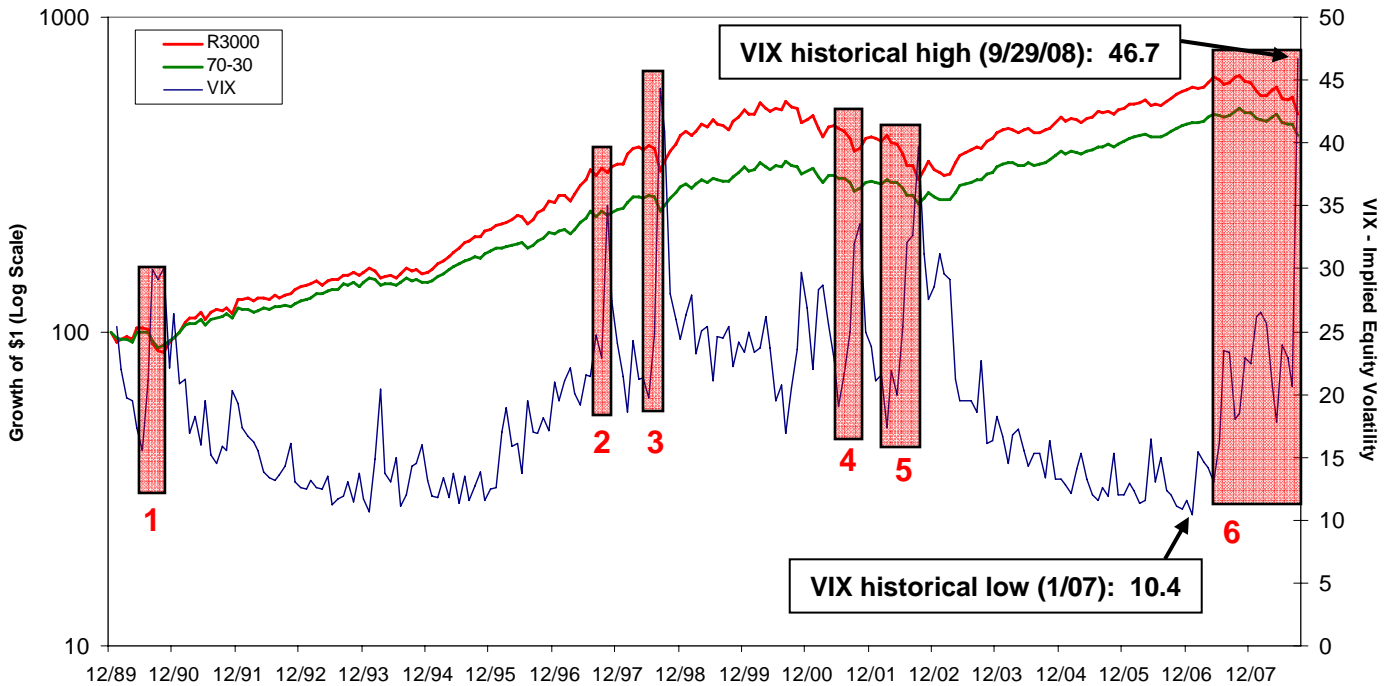


# A Brief History of Recent Market Crises



## Recap of Market Behavior During and After a Crisis

Item	Description	VIX Trough	VIX Peak	% Chg in VIX	Duration (months)	Cumulative Returns		Post-Event Cumulative Returns			
						Russell 3000	70-30 Bench	Russell 3000	70-30 Benchmark	12-months	36-months
1	Drexel/S&L Crisis (6/90 - 10/90)	15.5	30.0	94%	4	-15.8%	-8.9%	37.7%	78.3%	24.8%	57.5%
2	Emerging Markets Currency Crisis (9/97 - 10/97)	22.9	35.1	53%	1	-3.4%	-3.0%	16.5%	59.4%	12.6%	41.2%
3	Long Term Capital Crisis (6/98 - 8/98)	19.7	44.3	125%	2	-16.9%	-10.5%	16.5%	59.4%	12.6%	41.2%
4	Bear Market/9-11 (6/01 - 10/01)	19.1	33.6	76%	4	-13.7%	-7.3%	-14.4%	16.0%	-7.0%	22.6%
5	Worldcom/Enron/Mutual Fds (3/02 - 9/02)	17.4	39.7	128%	6	-28.1%	-16.4%	25.9%	64.8%	20.3%	54.7%
6	Sub-Prime Crisis (5/07 - 9/08)	13.1	46.7	256%	16	-23.5%	-14.8%				
Averages		18.0	38.2	113%	6	-16.9%	-10.2%	16.4%	55.6%	12.7%	43.4%

- On average, during a market crisis:

- volatility has doubled
- the average duration is 6 months
- there was a strong recovery after the crisis

- In this market crisis:

- volatility has more than tripled (hitting its highest level on record, equivalent to the LTCM market disruption)
- has lasted triple the time of the average crisis
- is the second-worst ranking crisis in terms of market performance (see Crisis 5)

