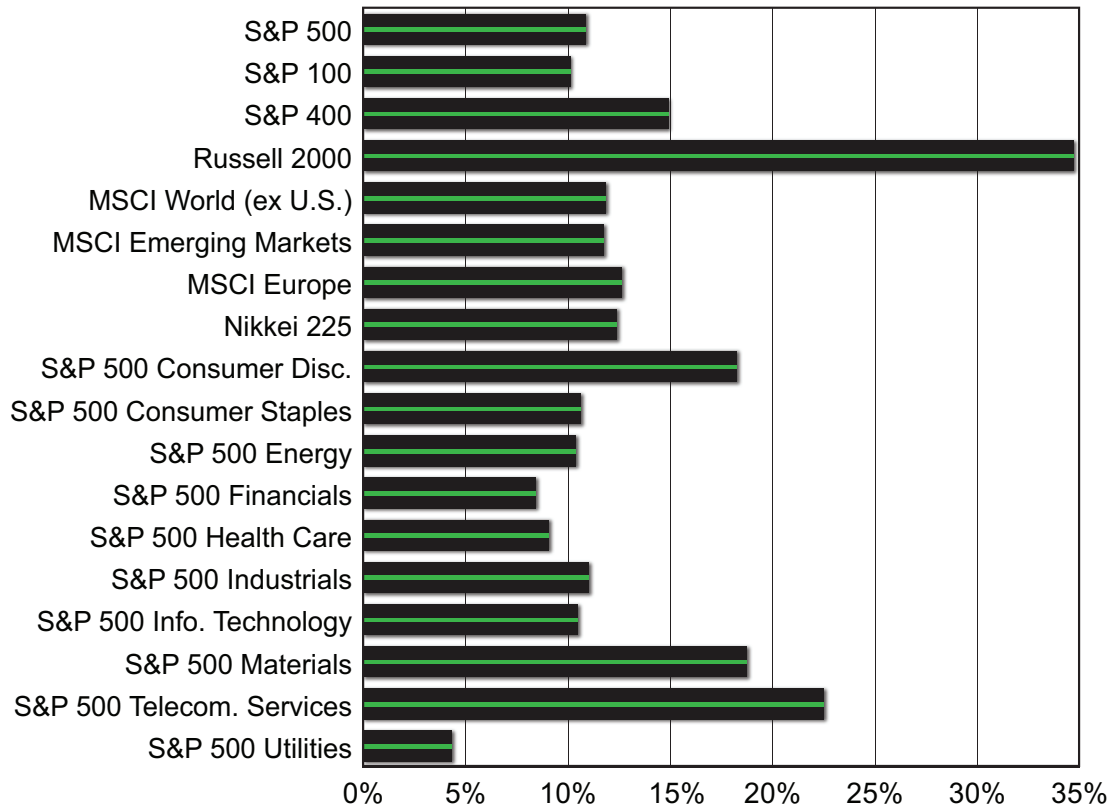


2014 Estimated EPS Growth Rates For Major Equity Indices



Source: Bloomberg.
Past performance is no guarantee of future results.

View from the Observation Deck

1. As we close in on the start of Q4, we thought it might be a good time to focus on next year's earnings expectations for many of the top equity indices, both domestic and foreign.
2. It is understandable that some investors might be apprehensive about committing their capital to equities with the S&P 500 trading just below its all-time high of 1695.53 (7/22/13), but they shouldn't refrain, in our opinion.
3. We believe that corporate earnings are the primary determinant of stock valuations over time, and the estimates featured in the chart reflect an upward bias across the board.
4. At the present time, only three of the 18 indices in the chart have 2014 earnings growth estimates below 10.00%. Two of them, Health Care and Financials, are expected to grow earnings by 9.06% and 8.41%, respectively.
5. Why is 10.00% so relevant? From 1926-2012, the average annual total return on the S&P 500 was 9.84%, according to Ibbotson Associates/Morningstar.

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 S&P 400 Index is a capitalization-weighted index which tracks the mid-range sector of the U.S. stock market. The Russell 2000 Index is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization. The MSCI World (ex-U.S.) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Europe Index is a free-float weighted index designed to measure the performance of the developed equity markets in Europe. The Nikkei 225 Index is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange.