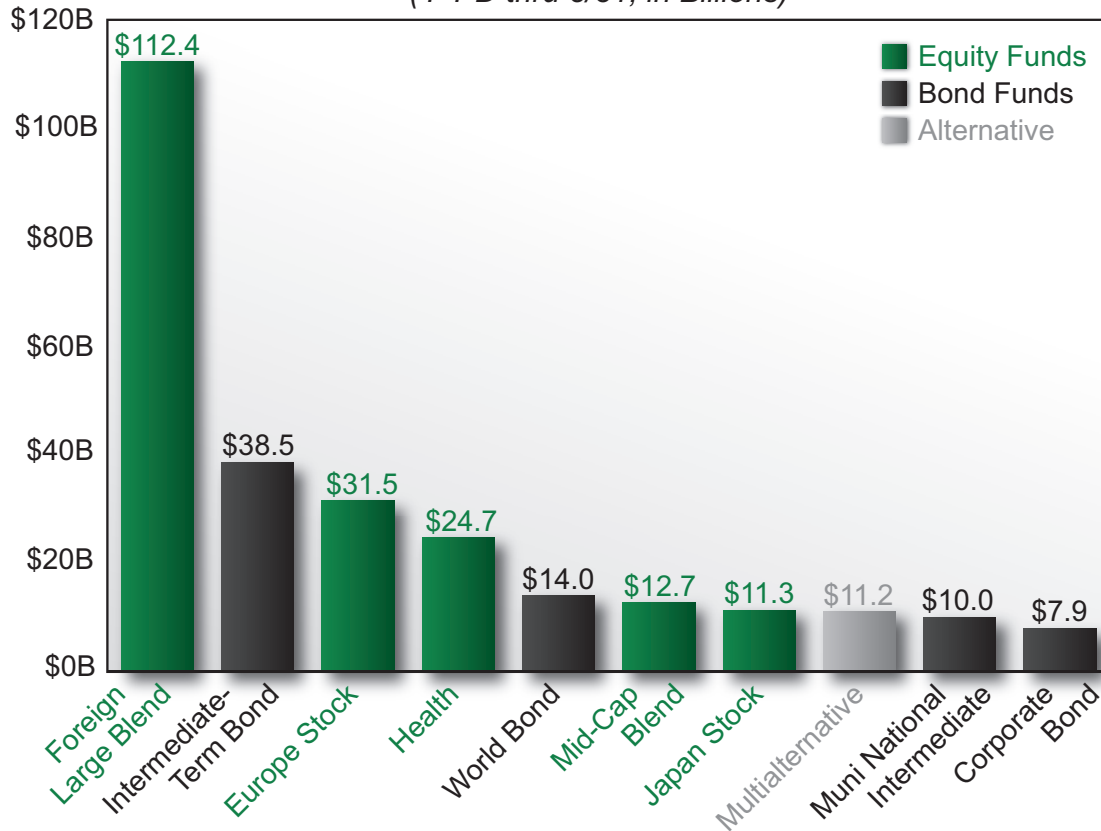


Investors Have Had A Big Appetite For Foreign Equities So Far In 2015

10 Largest Open-End Mutual Fund/ETF Net Flows By Category
(Y-T-D thru 8/31, in Billions)



Source: Morningstar

View from the Observation Deck

1. Despite all of the turmoil abroad and the strength of the U.S. dollar relative to many major foreign currencies, investors funneled a net \$112.4 billion into open-end mutual funds/exchange-traded funds (ETFs) comprised of large-capitalization (cap) stocks based outside of the U.S. in the first eight months of 2015.
2. When you include Morningstar's Europe Stock and Japan Stock fund categories, net inflows to foreign equity open-end funds/ETFs totaled \$155.2 billion (see chart), or 56.60% of the \$274.2 billion of net inflows to the top 10 categories.
3. As of 9/23/15, foreign equities accounted for 62.61% of the world's total equity market cap, with the U.S. representing the other 37.39%, according to Bloomberg.
4. Health Care has been a strong theme in the U.S. It is the only sector that has outperformed the S&P 500 Index in each of the past five calendar years (including this one), according to S&P Dow Jones Indices.
5. Four of the top 10 Morningstar categories involved fixed-income funds.

This chart is for illustrative purposes only and not indicative of any actual investment. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance.