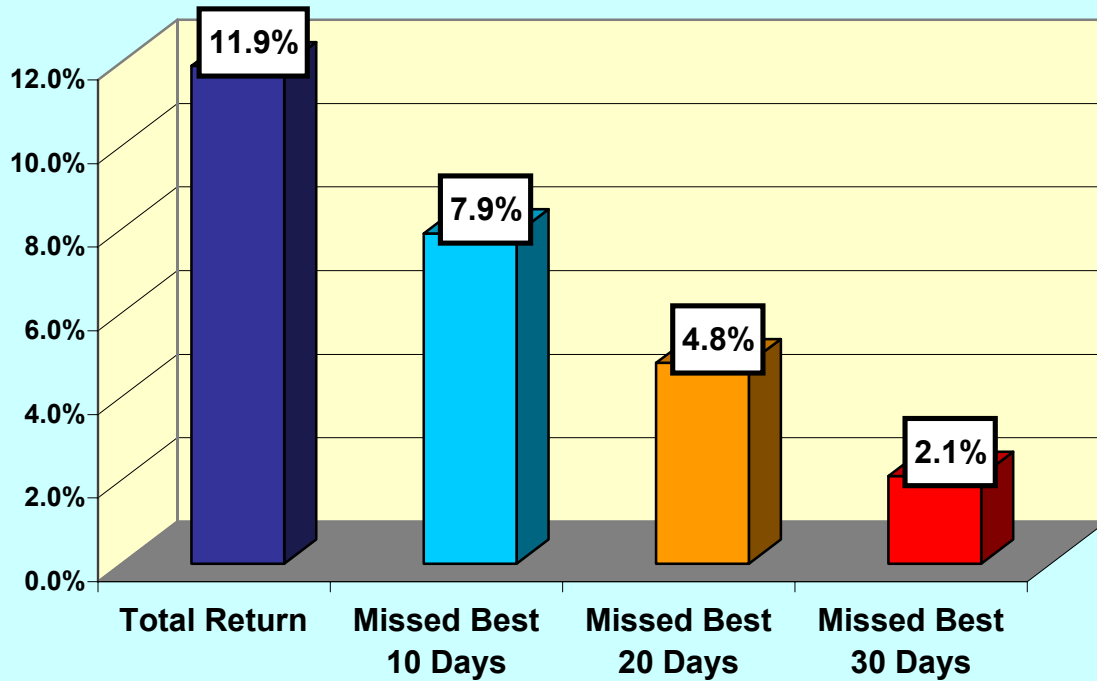


Staying in the Game!

Exiting the market for even short periods of time can have serious consequences.

S&P 500 Annualized Return 1991 - 2003



Source: Dimensional Fund Advisors

Staying in the Game!

Does what the evening news commentator says about what happened in the market that day give you thoughts of making adjustments in your 401(k) plan's investment options? You are not alone; everyday supposed "experts" attempt to market time events in the future based upon very sophisticated, analytical information. Needless to say, the majority of their prognostications are exactly opposite to the action they should have taken!

So what if you make a guess and get it wrong for only one or two "good" days in the market? Surely it would not have a big impact on your total rate of return over time? "Staying in the Game!" provides graphic evidence of the cost to investors of "getting it wrong" for just a few days. This illustration reflects all of the market days since 1991 through 2003, and the returns of the Standard & Poor's 500 Index (the 500 largest companies traded in the United States). If an investor had maintained his position in the S&P 500 over that period, his annualized rate of return would have been 11.9%. However, what if he had used his crystal ball to tell him when to come out of his investment and go to an all cash position on various occasions? The next three bar graphs illustrate the results of his decision had he missed the best ten, twenty and thirty "best" one day performances of the S&P 500! There have been over 3,000 days the stock markets have traded in the period 1991 to 2003; ten out of 3,000 is only an approximate 0.003% occurrence.

RCM is confident that is a risk that bears no compensation. We would offer that a plan participant should select a long-term, well thought out asset mix and stick to it; regardless, of their day-to-day perceptions of the market's direction. Market timing is a fool's game; don't be a player!