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Press Release

Source: Winans International

Active Investment Managers Have Performed Well Over The Last Decade. Expect it to Continue!

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NOVATO, Calif., Feb. 17 /PRNewswire/ -- One of the key premises to modern investing is that index funds always outperform mutual funds managed by investment pros trying to outperform the market through stock picking and market timing.

There is one problem with this view: It's not true!

Winans International completed a study of actively managed stock mutual funds from 1925 - 2008 using the Winans International Active Management Index (WIAMI). A composite, which represents 300 actively managed stock funds that have consistently been in business since 1987.

The results are contrary to views widely held in the investment community:

-- As the table below shows the WIAMI and the S&P 500 index have been in a statistical tie since 1955.

Active Managed Stock Mutual Funds vs. the Stock Market 1925-2008:

Annualized Returns to 2008 -

Beg. Year & Timeframe	Winans Intl. Active Management Index	S&P 500 Index*	Difference
1925 84	10.2%	11.6%	(1.4%)
1930 79	9.5%	10.9%	(1.4%)
1935 74	10.6%	12.0%	(1.3%)
1940 69	10.8%	11.7%	(1.0%)
1945 64	10.8%	12.0%	(1.2%)
1950 59	11.1%	12.0%	(0.9%)
1955 54	10.5%	10.9%	(0.4%)
1960 49	10.2%	10.4%	(0.2%)
1965 44	10.4%	10.3%	0.1%
1970 39	10.7%	10.9%	(0.2%)
1975 34	13.0%	12.5%	0.5%
1980 29	11.6%	11.9%	(0.2%)
1985 24	10.7%	11.2%	(0.5%)
1990 19	8.9%	8.9%	0.0%
1995 14	8.2%	8.9%	(0.7%)
2000 9	0.0%	(1.7%)	1.7%
2005 4	(2.8%)	(3.0%)	0.2%

* S&P 500 Index and its predecessor

-- There have been 5 times in the last 84 years where the WIAMI outperformed the overall market over long periods of time averaging 6

years (such as 1976-1983 and 1999 to present). During this time, at least 58% of the individual components of the WIAMI had consistently outperformed the S&P 500 Index annually.

- During the 4 periods in which the stock market suffered multi-year bear markets, actively managed funds typically perform better by minimizing losses (-13% vs. -16%)

"What this study clearly proves is that no strategy, passive or active, works all the time. History shows that U.S. equity markets have posted negative returns 28% of the time, so proper diversification within an investor's portfolio should include the use of active investment managers," says Ken Winans, author of Investment Atlas and President of Winans International.

Winans International is an award winning investment management & research firm located in Novato, CA. For additional information go to <http://www.winansintl.com> & <http://www.investmentatlas.com>

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