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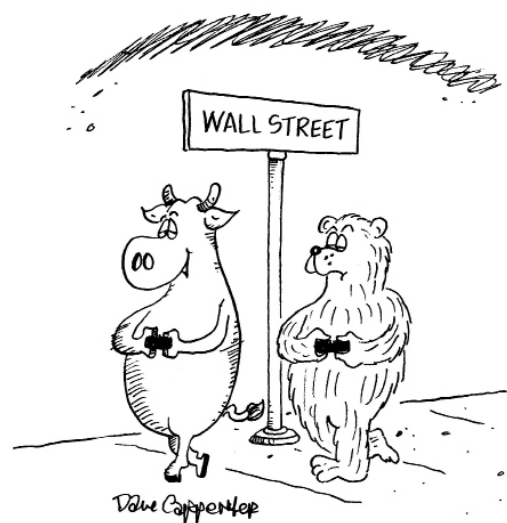
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2011: Whole Lotta Shakin' Going On! | Chris Lissner

Although Jerry Lee Lewis probably wasn't referring to volatility or world events when he popularized the song 'Whole Lotta Shakin' Goin On' in 1957, it certainly seems appropriate when describing 2011.

While the price of the S&P 500 index was virtually unchanged from the beginning to the end of the year, this year was full of ups and downs. Right now, it's easiest to remember the 20 percent drop between April and October since declines are frightening, but given that we ended the year at a breakeven, we know the rallies were just as strong, at least for the S&P 500.

Looking back at the past year (see page 6), it's somewhat remarkable that we broke even given the huge rally over the previous two years and the seemingly intractable European debt crisis. And that's without



"YAH, WELL I HAVE A LARGE TWITTER FOLLOWING AS WELL."

considering the U.S. unemployment rate that ended the year over eight percent; Standard
(continued on page 2)

Jon Corzine, Meet Bernie Madoff | David Ott

Three years ago, Bernie Madoff became a household name when he confessed to a multi-billion dollar Ponzi scheme. The S&P 500 fell 37 percent that year and seriously hurt investor confidence. Madoff added insult to injury by creating uncertainty about something that most investors never think about: the custody and safekeeping of client assets.

Now the actions of MF Global have created the same uncertainty – not with a Ponzi scheme, but with what the press describes as reckless trading and sloppy recordkeeping. President and CEO Jon Corzine (the once-celebrated former Goldman Sachs Co-Chairman, New Jersey Senator and Governor)

may never go to jail like Madoff, but I believe MF Global has already undermined investor confidence in the financial system.

Corzine appears not to have been content with being a fading Master of the Universe, and perhaps felt compelled to reinvigorate his Wall Street career in his newly-installed role at MF Global, a relatively sleepy and unprofitable futures broker. Speculating that Europe would solve its debt problems, MF Global's actions included taking the firm's capital, leveraging it up, and buying distressed European bonds.

Perhaps because he was busy 'serving' the people of New Jersey, MF Global may have
(continued on page 3)



2011: Whole Lotta Shakin' Going On! *(continued from page 1)*

& Poor's downgrade of the creditworthiness of the United States; the Arab Spring toppling of several Middle Eastern governments; and an earthquake/tsunami in Japan that caused a nuclear meltdown. Given all this, the small gain for the S&P 500 looks downright amazing.

Despite these major 'macro' events, the S&P 500 held its ground principally because U. S. based corporations generated strong profits. Consider these data points:

- Earnings for the S&P 500 grew 16 percent.
- Dividends for the S&P 500 rose 12.5 percent.
- Even though the dividend yield is still low at two percent, if you add buy-backs for a truer picture of corporate cash flow to shareholders, the rate climbs to 5.9 percent.

Despite all the headlines, stock prices still predominately respond to the profits that companies are expected to earn. After all, the value of a company reflects the present value of all future cash flows. The good news is that because earnings grew meaningfully and stock prices stayed the same, the market's valuation is now more attractive than it was a year ago.

Although the S&P 500 was flat, nearly every other equity asset class underperformed. Domestically, mid and small cap stocks fell by 1.73 and 4.17 percent respectively, as measured by the S&P 400 and the Russell 2000.

Overseas, markets fared much worse; the MSCI EAFE that tracks developed markets fell by 11.67 percent and the MSCI EM index that tracks emerging markets dropped by 18.37 percent.

The European debt concerns took a meaningful toll on stock markets in the developed world like Germany, France

and Great Britain, and investors seemed to understand this connection. Interestingly, though, emerging markets dropped even more, but it wasn't necessarily related to European debt. The decline in emerging markets was due to high valuations going into 2011, which goes to show that the price you pay for an investment in relation to its fundamental value plays an important role in the success of any investment regardless of world events.

Turning to the bond market, we had another surprisingly good year. The Barclays Aggregate Bond index gained 7.84 percent, the second best annual return in the past decade (the best was in 2009, when it gained 11.63 percent).

The real action, though, was at the long end of the yield curve as the bellwether 10 Year Treasury Note yield dropped from 3.29 percent to 1.88 percent. Another drop like that would leave the 10 Year Treasury Note at 0.47 percent – an unlikely event.

With sluggish economic growth, low inflation and unemployment high, most investors expect the Federal Reserve to keep short-term interest rates low for several years. Given today's low yields, investors should not expect the bond market to deliver high total returns in the next decade.

Of course, it's impossible to know what the New Year will bring. Given the attractive stock valuations relative to bonds, we believe the strongest course is to accept the relative volatility of the markets and maintain current allocations – depending on client circumstances, of course.

Whatever the markets bring, we will continue to search for opportunities for you while managing risks.

*Obstacles are those
frightful things you see
when you take your
eyes off your goal.*

- Henry Ford

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Jon Corzine, Meet Bernie Madoff *(continued from page 1)*

missed one of the most important lessons of the 2008 financial crisis: excessive leverage kills. The New York Times reported that under the direction of Corzine, MF Global had taken a \$6.3 billion position in European bonds at a leverage ratio of 40:1.

Let's do some quick math to explain just how much leverage that really is. A 40:1 leverage ratio suggests that the MF Global had roughly \$157.5 million in capital that served as collateral against the \$6.3 billion European bond position. If the bonds lose just 2.5 percent, all of the capital is wiped out.

As markets moved against MF Global, the lenders who had supplied it with \$14 billion required more collateral against their loans, a sensible and perhaps inevitable course of action under these circumstances. Here's where it all falls apart. In the final, chaotic days of MF Global, it appears that the line between the firm's capital and client money was blurred and more than \$1 billion may have gone missing and are thus far, unaccounted for.

Despite my ire for Corzine, I actually don't think that he or anyone else stole the money, but he was the CEO. Based on press reports, I also believe that MF Global may have failed to keep adequate records. In rushing to meet margin calls, MF Global may have incorrectly taken money from client accounts to meet creditor demands.

The SEC Customer Protection Rule requires that all broker-dealers segregate customer securities from securities owned by the broker-dealer. Under this rule, if a custodian becomes insolvent, segregated client assets are not available to general creditors and are protected against creditors' claims.

Furthermore, unlike the futures contracts at MF Global, most investment assets, like stocks and bonds, are protected by the

Securities Investor Protection Corporation (SIPC) which was created in 1970 by federal statute, the Securities Investor Protection Act.

Since SIPC is limited to \$500,000 per customer and only \$100,000 in cash, the custodian firms we use, Charles Schwab and TD Ameritrade, also buy what is known as "excess-SIPC" insurance. For example, Schwab has purchased excess SIPC protection of securities and cash up to an aggregate of \$600 million, limited to \$150 million to any one customer, including cash of up to \$1 million.

Obviously, SIPC insurance doesn't cover investment losses from stock or bond market declines.

When Acropolis selects a custodian, we seek those that we believe have the best combination of safety, service and price for our clients' needs. Notice that safety comes first – to us, without safety, service and price don't matter at all.

We have a decade of experience with Schwab and Ameritrade and we are confident enough in their soundness, practices and procedures that we are willing to put our clients' and our own money in their safekeeping.

Whether it's Bernie Madoff and his massive Ponzi scheme or MF Global's trading activities, it's frustrating to see anyone undermine the confidence of one of the basic functions of the financial services industry.

Still, these matters highlight the importance of the choice of a custodian.

Rest assured this is not a task that we take lightly. If you have any further questions about the custodians we use or why we choose them, give any one of us a call.

Leverage is the only way a smart guy can go broke.

- Warren Buffet

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Inside the Economy | Brent Vondera

The economy got off to a weak start in 2011 averaging sub-one percent growth in the first half. Growth did accelerate in the second half but not to a degree sufficient to ease the unemployment rate to even the high end of the *normal* range (about 7.5%). Hence real after-tax incomes were flat for the year.

So we don't yet have the official tally of GDP for the quarter just ended, but assuming it prints 2.5% the 2011 economy will have grown at a 1.5% real rate. Thus, I dub the 12 months just passed, the Year of the Unicorn. Seemingly every mainstream economist predicted 3.5%-4.0% growth for the year

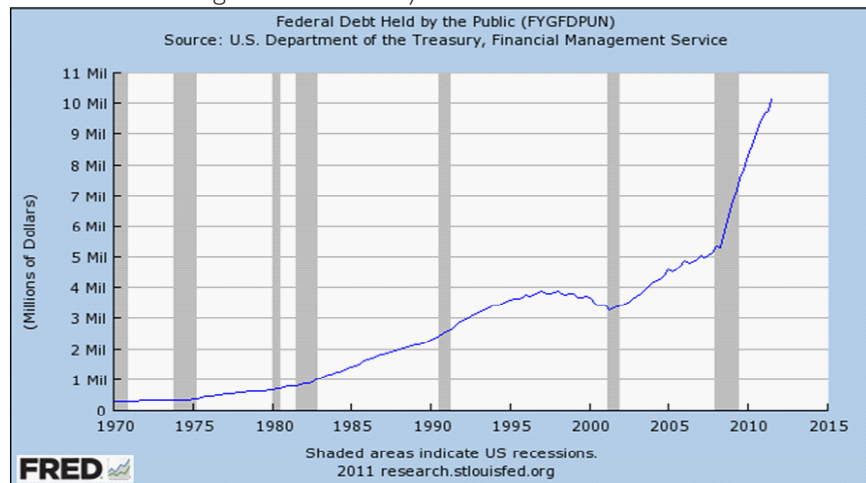
stimulus did lessen what would have been a sharper decline, it has also extended the period of morass.

The bright spot during 2011 was business spending (specifically on equipment and software) which rose at a nice clip, roughly 10% for the year. Unfortunately, business accounts for 8.6% of GDP while consumer spending accounts for 70%. So even though business spending certainly offset some of the weakness, it can only do so much.

The bigger question is, will there be a payback period in 2012? A higher depreciation allowance for 2011 incentivized firms to

The instability of the economy is equaled only by the instability of economists.

- John Henry Williams



(and a housing recovery to boot), with the Fed's forecast being one of the farthest from reality; the kicker is any portrayal of the results being good is a myth.

There are a number of reasons why the U.S. is growing below trend (the long-term average is 3.3%). The preponderant element though is that we've got a debt problem on our hands. As a result, consumer spending, the largest component of GDP, has grown at less than half the rate usually seen during a recovery phase. Making things worse is that government debt has exploded as politicians have attempted to ease the damage. The plain fact is taking on more debt just crimps the ability to grow. While the government

pull activity forward and that tax advantage expired on December 31. In addition, this will be the first year in three for which the consumer will not have the homebuyers' tax credit, which padded some returns by as much as \$8K. Both these factors could lead to GDP weakening further in the first half.

And on that note, the housing market has begun to falter after a brief bounce inspired by those incentives to buy homes. Some measures show the market has sunk to new post-bubble lows. Others illustrate that while the path to those new lows is underway, we have not yet hit the bottom. Home prices will fall further, it's simply the reality of too much supply via distressed, foreclosed

properties. Because of this, you can count on more quantitative easing (QE). This time my guess is the Fed's bond purchases will be acutely focused on pushing mortgage rates even lower.

One can't talk about the economic environment these days without touching on Europe. What is occurring on the European continent is much the same as it is here: too much debt. But for them it's a worse situation, particularly within the sovereign debt arena where debt levels in certain countries are either beyond reasonable repair or darn close to it due to

with fear, it pushed the zone's banking system into deep trouble because banks own this debt as a key source of capital. As a result, the interbank lending markets locked up as counterparty risk elevated and the European Central Bank (ECB) has had to engage in unprecedented actions to keep the banks afloat.

This problem is not going away anytime soon, so it will be a weight on global growth for 2012. We can get this all behind us, but it's not going to be easy – which is exactly why policymakers continue to push the problem down the road.

*The Washington reflex:
you discover a problem,
throw money at it and
hope somehow that it
will go away.
- Kenneth Keating*



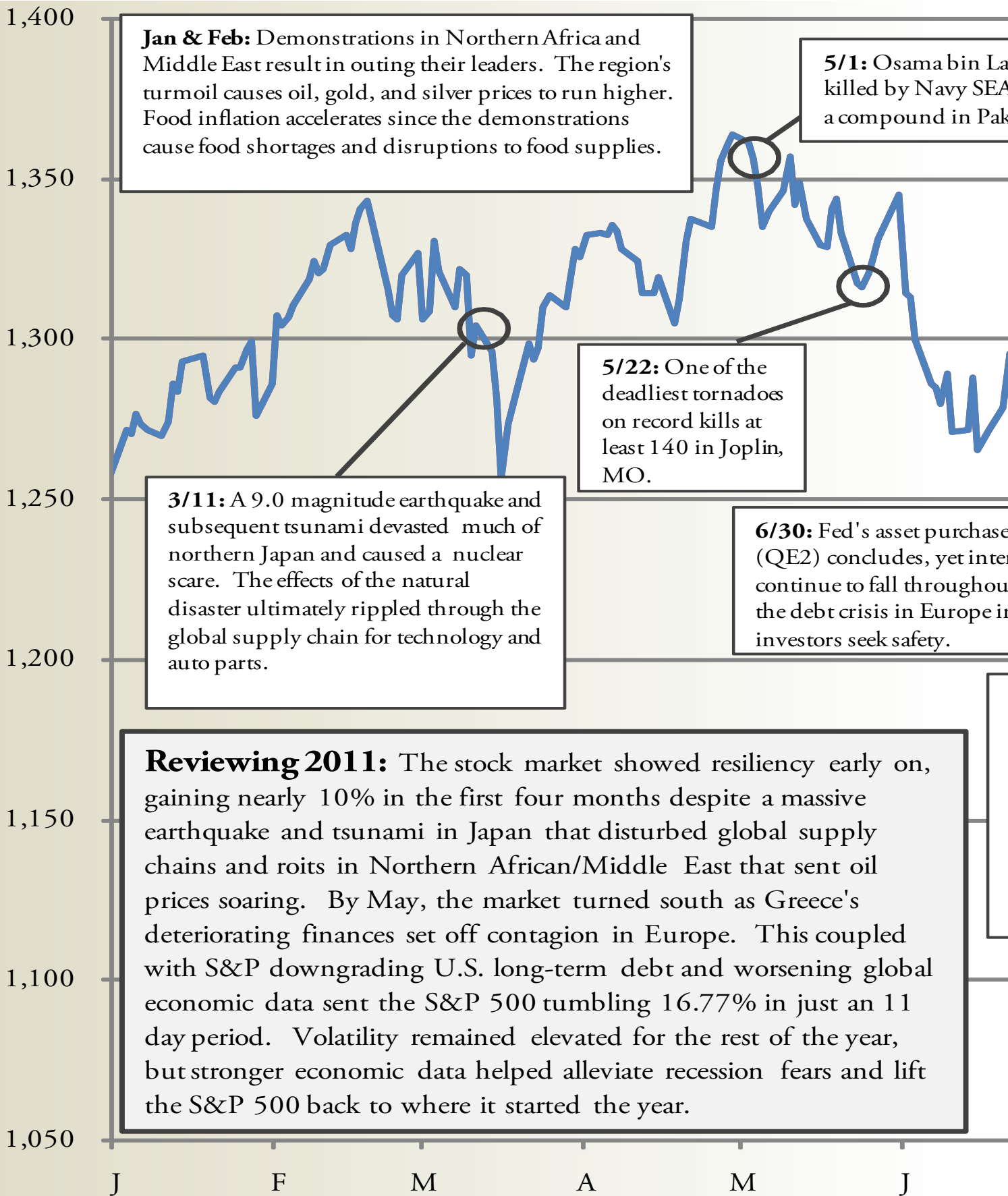
lack of growth potential.

We began the year with Greece and Ireland as the main problems. Ireland is off the radar because they've engaged in tough actions to get their situation right over time. Thus, Greece took center stage as it needed a bailout to escape official default. Now, Greece is a small economy of little significance on the world stage, but the fear is that if Greece exits the eurozone, it could have a cascading effect on the rest of Europe.

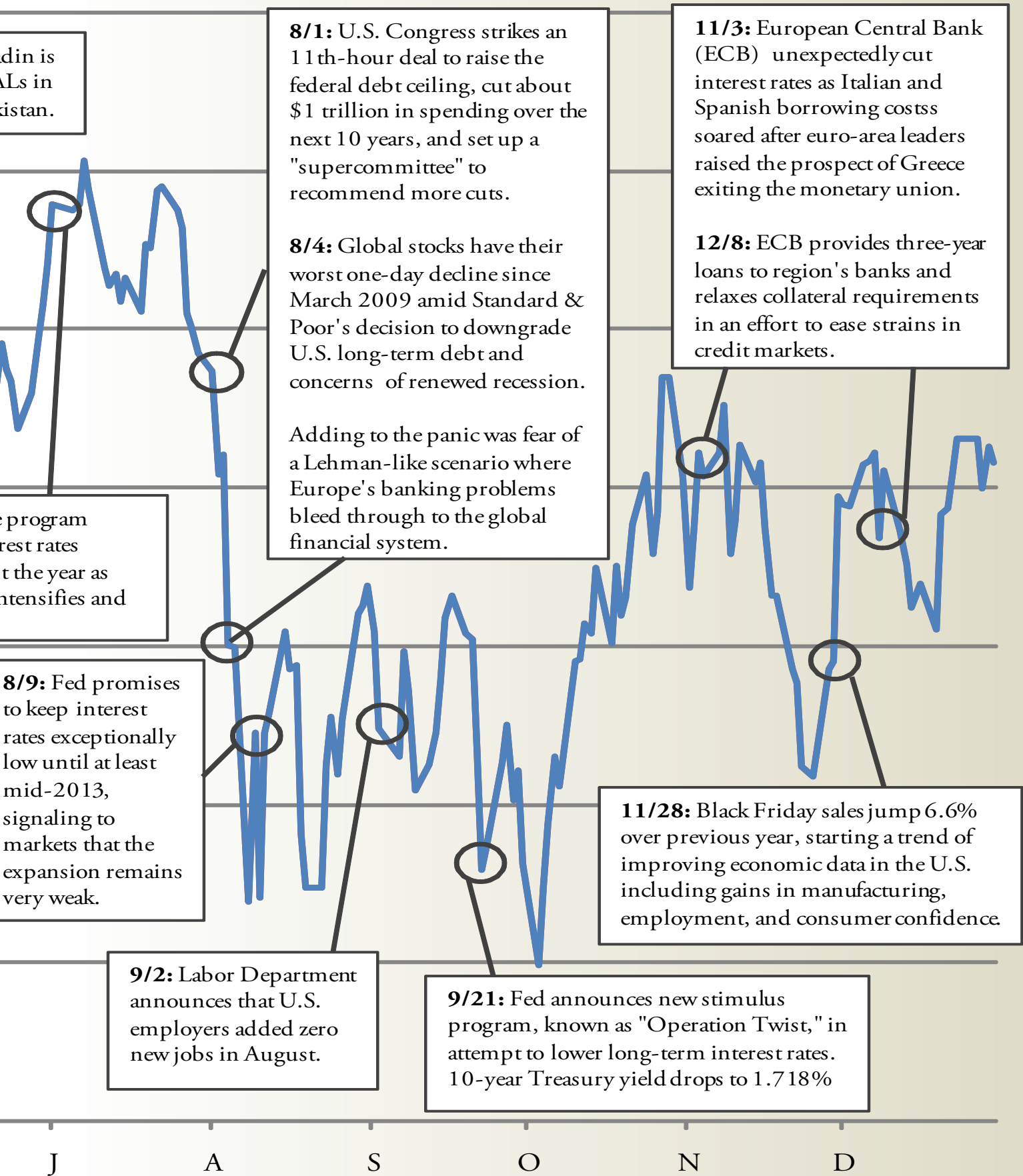
Next Portugal needed a bailout and fear infected the much larger and much more meaningful countries of Spain and Italy. As those sovereign bonds became infected

I have given up the hope that our current leaders in Washington will take the necessary actions to return us to the road of prosperity. We need leadership that puts in place a common sense budget, implements a true growth policy, reforms our entitlement programs, removes unnecessary regulatory burden on manufacturing, and implements an energy strategy. This combination will pave the way for millions of high-paying jobs.

As for Europe, I'm not sure they'll get things right. Even if they do, their situation will get much uglier before it gets better as they must completely revamp the overall eurozone economy. bv@acrin.com



Reviewing 2011: The stock market showed resiliency early on, gaining nearly 10% in the first four months despite a massive earthquake and tsunami in Japan that disturbed global supply chains and riots in Northern African/Middle East that sent oil prices soaring. By May, the market turned south as Greece's deteriorating finances set off contagion in Europe. This coupled with S&P downgrading U.S. long-term debt and worsening global economic data sent the S&P 500 tumbling 16.77% in just an 11 day period. Volatility remained elevated for the rest of the year, but stronger economic data helped alleviate recession fears and lift the S&P 500 back to where it started the year.



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...intensifies and

8/9: Fed promises to keep interest rates exceptionally low until at least mid-2013, signaling to markets that the expansion remains very weak.

9/2: Labor Department announces that U.S. employers added zero new jobs in August.

9/21: Fed announces new stimulus program, known as "Operation Twist," in attempt to lower long-term interest rates. 10-year Treasury yield drops to 1.718%

8/1: U.S. Congress strikes an 11th-hour deal to raise the federal debt ceiling, cut about \$1 trillion in spending over the next 10 years, and set up a "supercommittee" to recommend more cuts.

8/4: Global stocks have their worst one-day decline since March 2009 amid Standard & Poor's decision to downgrade U.S. long-term debt and concerns of renewed recession.

Adding to the panic was fear of a Lehman-like scenario where Europe's banking problems bleed through to the global financial system.

11/3: European Central Bank (ECB) unexpectedly cut interest rates as Italian and Spanish borrowing costs soared after euro-area leaders raised the prospect of Greece exiting the monetary union.

12/8: ECB provides three-year loans to region's banks and relaxes collateral requirements in an effort to ease strains in credit markets.

11/28: Black Friday sales jump 6.6% over previous year, starting a trend of improving economic data in the U.S. including gains in manufacturing, employment, and consumer confidence.

Equity Markets Activity | Peter Lazaroff

Despite Europe's debt struggles and political posturing in the U.S., global markets made solid gains in the fourth quarter as improving economic data in the U.S. squashed fears that the world's biggest economy would fall into recession.

Among U.S. stocks, value dramatically outperformed growth and smaller companies delivered higher returns than large companies in the fourth quarter, which indicates investors' preference for riskier assets. Sector performance reflected this increased risk appetite as well, with cyclical sectors such as Energy (+18.19%), Industrials (+16.52%), and Materials (+15.39%) leading the way.

Europe's woes continue to plague developed international markets, as measured by the MSCI EAFE, which trailed U.S. and emerging markets in the fourth quarter despite increased action from the European Central Bank (ECB). We have a neutral view on European stocks and believe that maintaining a position in Europe as part of a diversified strategy that includes an allocation to the developed Asian-Pacific economies is prudent.

Although emerging markets outperformed developed international markets in the fourth quarter, it was the worst performing asset class in 2011 by a wide margin. China played a significant role in the underperformance as their economy, which is the second-largest in the world, slowed amid sluggish exports and a reduction in construction spending. Monetary easing and lower valuations in emerging markets could set the stage for a comeback in 2012. Themes for 2012 from the financial media and market forecasters will undoubtedly include the eurozone's debt crisis and U.S. elections, but it is the unexpected surprises that will have the biggest impact. Who could have predicted the massive earthquake and

tsunami in Japan that led to a nuclear crisis and upset the world's global supply chain? Or how about the riots in the Middle East and Northern Africa that sent oil prices soaring?

The point is that we are well aware of the many current issues going into 2012, but we also are focused on positioning our portfolios for the unexpected events. We do this by constantly evaluating the risk and return characteristics among and within each asset class, which allows us to create an asset allocation that meets the goals laid out in the Investment Policy Statement.

A year ago in this column I suggested that the market was vulnerable to downside weakness, and that a pause or pullback seemed likely in 2011, but I never would have guess such dramatic swings would occur.

This year, there are lots of potential negatives on the horizon, but I'm seeing the glass as half full. We spent most of 2011 trying to wrap our heads around the crisis in Europe, but the risks are well known and reflected in prices. Unless there is a Lehman moment in Europe, I think the U.S. economy will not be significantly affected by Europe's problems.

Furthermore, the wall-of-worry also works in the stock market's favor – investors have been shunning stocks since the beginning of 2009, plowing over \$700 billion into fixed income funds and pulling nearly \$130 billion from stock funds, according to the Investment Company Institute.

In addition, the market's rally during that time has been earnings-driven, not multiple-driven, with the S&P 500's forward P/E near 12, well below the historical average of 17. With corporate profits continuing to grow, even at a slower pace, it's hard to argue at today's prices that the market is wildly overvalued.

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To expect the unexpected shows a thoroughly modern intellect.

- Oscar Wilde

Fixed Income Strategy | Ryan Craft, CFA

The bond market experienced a high level of interest rate volatility throughout the fourth quarter, despite the fact that rates ended the quarter right where they began. The driving force behind all this volatility was Europe.

The credit problems facing the European Union (EU) have a large effect on the U.S. Treasury market. U.S. Treasury Bonds are still viewed by the world markets as the safest place to invest. Therefore, when news broke of more problems in Europe, Treasury bonds would rally in price as yields dropped due to increased demand from investors taking risk out of their portfolios. When the European Central Bank (ECB) or EU would subsequently announce another program to save the continent, money would flow out of U.S. Treasuries and back into riskier assets, causing interest rates to rise. This flight-to-quality cycle occurred numerous times throughout the quarter and we expect it to continue into the New Year.

On the domestic front, interest rates remain low and are expected to remain low for a long time. The Federal Reserve has continued its Operation Twist program, where it sells short dated bonds and purchases longer maturity bonds. This is supposed to flatten the yield curve (bring long-term rates down and closer to short-term rates) but has had little effect so far.

The Federal Open Market Committee (FOMC) has also stuck with its forecast for low rates and reiterated its stance that Fed Funds will be at or near zero until at least mid-2013. With inflation gauges moderating over the past few months, there is very little pressure over the coming year for an increase in interest rates.

So we find ourselves in a world where expected returns on bonds are extremely low while at the same time volatility and risk on bonds is very high. What is an investor to do?

Two words: Diversification and Patience.

Diversification is extremely important in a volatile environment. Diversification between stocks, bonds, and cash may seem obvious. However, it is also important to diversify amongst the various sectors of stocks and bonds as well. Corporates, Muni's, Treasuries, mortgage-backed securities (MBS), etc. do not all perform the same.

For example, Treasury Inflation Protected Securities (TIPS) provided investors a total return of 13.28% in 2011. Meanwhile, a portfolio of short term corporate bonds only returned 1.84% for the same year. That is a pretty stark contrast between two different bond categories. Now, I don't know which one of those two categories will perform better in 2012, but if you invest in both, your overall portfolio will enjoy the average return of each with less volatility than holding just one of them.

The other way to help your portfolio in this time is patience. Investing is a risk/return tradeoff. Currently, investors are not being compensated enough in return for the risk they are assuming in many investments. This is causing them to stretch the limits of their risk tolerance in search of yield.

Many are led to buy higher yield investments that have a significant chance of losing principal value – things like long maturity bonds, junk rated credits and perpetual preferred stock. Some are substituting high dividend yield stocks in lieu of bonds. These may all promise higher income, but they still have historically low expected returns while putting principal at significant risk.

As Will Rogers famously said, "I'm not as concerned about the return on my money as I am the return of my money." Fixed Income is the steady, safe portion of a balanced portfolio. Save the risk of principal value to your stock portfolio where the potential for return is much greater.

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I'm not as concerned about the return on my money as I am the return of my money.

- Will Rogers

Volatility vs. Permanent Impairment | Chris Lissner

The volatile market in 2011 caused many investors to question whether or not they should stay in the stock market. It's a good question and volatile markets are a good way to gauge just how much risk you feel comfortable with.

At the same time though, it's important to differentiate between market volatility and what Warren Buffet refers to as a "permanent impairment of capital."

Volatility is the swing in prices. The equity market has large price swings, while short-term Treasury bonds have relatively small price swings. Price volatility of the overall stock market has not lead to a permanent impairment of capital over the past 100+ years. Even the peak-to-trough loss of 85 percent during the Great Depression didn't permanently impair capital, though it did take 15 years to fully recover.

A permanent impairment of capital is just what it sounds like: a loss so great that the underlying investment is so crippled that you can't earn your money back. There are countless examples of this over time including most recently American Airlines, General Motors, and Lehman Brothers which lost 100 percent of their value. Investors in these companies will never recover their capital.

When a diversified group of stocks such as the S&P 500 is under pressure, it is different than the risk realized when the price of an individual company goes down. The value lost in an individual company, may in fact never come back, while the broad market has a long track record of not just recovering, but offering true inflation adjusted growth over time.

Though market volatility hasn't led to a permanent impairment of capital, it can be tough to live with despite its routine occurrence. Although it seems new and different every time, on average over the

past 50 years, stocks have fallen by 15 percent within each calendar year. And, every five years, the market has had at least one 20 percent or more drop.

One way that market volatility can turn into a permanent impairment of capital is if an investor has an over allocation to stocks. Take a retired couple who need to draw on their portfolio to meet living expenses. If they are 100 percent invested in stocks, they may be forced to lock in losses if the market is down, thus market volatility impairs their portfolio beyond repair. The market almost certainly will recover, but they might not.

There are three keys to managing the risks of volatility and the permanent impairment of capital. The first is to make sure that you are taking the right amount of risk in your portfolio by having an appropriate balance of stock and bond exposure. This is the most important decision an investor makes because this balance will determine the overall volatility the portfolio will experience. No one can time market corrections, so the best approach is to set the proper stock/bond allocation given your unique circumstances and rebalance to that allocation as the market fluctuates.

The second key is to diversify, diversify, and diversify. If you don't have all of your money in a single company like General Motors, Lehman Brothers or American Airlines, you are not exposed to the chance of substantial losses. Spread your stock exposure across many asset classes and sectors of the world economy.

The third key is to keep your emotions in check. This is hard to do, but it's important. Remember that the financial media is trying to get eyeballs so that they can sell advertisements, not provide good long-term advice and perspective that will help you maintain your strategic plan.

*When you sell in
desperation, you always
sell cheap.
- Peter Lynch*

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Q *Dear Acropolis,*

Does my portfolio have the highest yielding investments possible?

A A common mistake is fixating on the yield rather than thinking about total return. As a stock investor, you risk your capital by taking ownership in a business and receive a return in the form of dividend payments, capital appreciation, or both.

Cash dividends aren't the only way companies return earnings to investors. One of the most overlooked payments by dividend junkies are share repurchases. From a management perspective, share repurchases are an increasingly popular method of returning capital to shareholders due to the flexibility it provides with future payout policy. Because cash dividends are considered a long-term commitment, there are dire consequences for a company that reduces or eliminates that payment. Alternatively, share repurchases are temporary and allow companies to respond to changes in the economic environment.

From an investor perspective, there is a lot of theory that we'll skip to prevent boring you, but know that a rational investor should be indifferent to whether a company spends \$1 on a cash dividend or a share repurchase – both methods reduce cash on the balance sheet and both transfer value directly to shareholders. Unlike a cash dividend, share repurchases only provide current income to the investors that sell their shares back to the company. However, investors that keep their shares following a buyback end up with a larger claim on the company's future earnings, and theoretically the higher earnings per share should translate into a higher stock price (capital appreciation).

There is also a tax component to the dividends versus share repurchases discussion. Historically dividends have been taxed at an investor's ordinary income tax rate, while long-term capital gains were taxed at a lower rate. This would normally make share repurchases more tax efficient, but currently dividends are long-term capital gains are taxed equally – that may change if there is tax reform in 2013. Investors may still prefer capital gains over dividends in today's tax environment because of the control over the timing of your tax liability (you are only taxed when you sell your shares).

Dividends are a good indicator of a company's health, but they may also be a sign that management can't find attractive investment opportunities for growth, thus cash is paid in lieu of expansion. Consequently, this has an impact on a company's potential for capital appreciation.

There are other ways management can enhance shareholder returns. For example, shareholders may be better off without dividends or share repurchases if management can use earnings to fund projects at a lower cost and/or earn a higher rate of return than they could using external funding like issuing bonds or new stock. Another indirect reward to shareholders is using earnings to pay off outstanding debt, especially if it lowers the cost of funding future expansion. These actions enhance the value of the company, which leads to the capital appreciation component of total return that so many dividend junkies ignore.

Data Center 2011

Dow Jones	8.38%
S&P 500	2.11%
S&P Midcap	-1.73%
Russell 2000	-4.17%
MSCI EAFE (Intl)	-11.67%
MSCI Emerging Mkt	-18.37%

S&P Sectors 2011

Consumer Disc.	6.23%
Consumer Stpl.	13.99%
Energy	4.71%
Financials	-17.02%
Healthcare	12.73%
Industrials	-0.59%
Technology	2.43%
Basic Materials	-9.65%
Telecom	6.31%
Utilities	19.96%

Interest Rates 2011

Fed Funds	0.25%
Prime Rate	3.25%
3-mo. Treasuries	0.01%
2-yr. Treasuries	0.24%
5-yr. Treasuries	0.83%
10-yr. Treasuries	1.88%

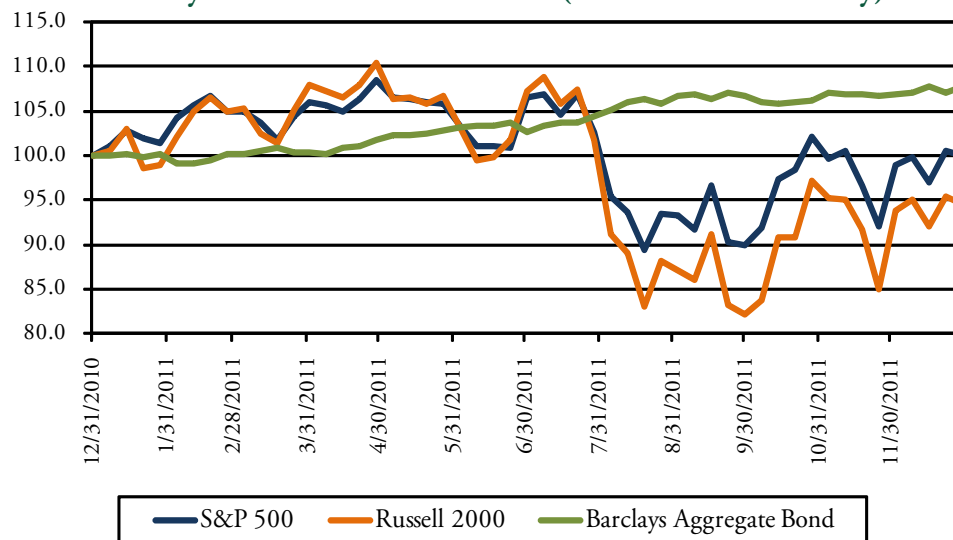
Currencies 2011

Euro	1.2961
Japanese Yen	76.91
British Pound	1.5543

All Data as of 12/31/2011

The Big Picture

Weekly Market Performance 2011 (Normalized-Price Only)



Protect Yourself from Identity Theft

Identity theft is on the rise and we are continually working to protect you and your financial assets. Despite the work already being done, one of the most important things that you can do to protect yourself is use what is called a 'complex' password.

Here are a few tips when creating a password:

Longer is better, and it should be at least eight characters long.

Never use personal information like your

birthday, phone number or zip code.

Include characters, letters and numbers.

Avoid simple sequences like 1234, ABC or ASDF.

You can check the strength of your password on Microsoft's website. The easiest way to find the right page is to do a Google Search for the term "test your password." Although many sites offer this, we recommend Microsoft since they are a trusted source.

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