

**Morningstar Analysis** Peter Di Teresa, Consultant 1-15-2010

## Portfolio Manager

Zachary Shafran, since January 2001. BSBA and MBA, University of Missouri at Kansas City. Shafran became an investment analyst in June 1990. He became a portfolio manager in 1996.

## Basic Characteristics

This specialty-tech fund typically holds between 45 and 65 stocks in its portfolio. Shafran invests in three broad areas: science (including pharmaceuticals and biotech), technology (semiconductors, hardware, and software) and applied science and technology, which encompass companies that use technology as an agent of change. Shafran starts with a universe of several hundred companies and then uses both quantitative screens and fundamental analysis to pick out stocks that are likely to be included in the portfolio. Those stocks that pass the scrutiny tend to have at least 20% top- and bottom-line growth rates, predictable earnings streams, lower relative and/or absolute valuations, stable and capable management teams, and the potential to expand market share.

## Strengths

This fund has an excellent long-term record, placing near the top of the category for most trailing periods. The fund's Morningstar risk is low. Shafran has been at the helm since the beginning of 2001 and the fund has earned superior returns during his tenure.

## Issues

Investors seeking a pure-play technology fund should note relatively high concentrations in non-traditional tech sectors such as the fund's past stakes in energy and industrial goods. That positioning hurt the fund's performance relative to purer tech funds in 2009.

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**A fund's Morningstar category assignment is based on averaging its portfolios for the preceding three years.**

**As with any fund, the value of the Fund's shares will change, and you could lose money on your investment.**

**An investment in the Fund is not insured or guaranteed by the FDIC or any other government agency. Investing in companies involved in one specified sector may be more risky and volatile than an investment with greater diversification. These and other risks are more fully described in the fund's prospectus.**

Portfolio information is subject to change and is not intended to represent any past or future investment recommendations.

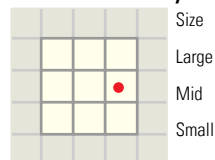
Investment style reflects most-recent portfolio and may differ from historical style. A fund's Morningstar category assignment is based on averaging its portfolios for the preceding three years.

## Morningstar Category Benchmark Index

Specialty-Technology

## Portfolio Profile as of 12-31-2009

### Current Investment Style



Value Blend Growth Style

### Portfolio Statistics

		Rel
	12-31	Cat
Price/Earnings Ratio	21.6	0.9
Price/Book Ratio	2.5	0.8
Price/Cash Ratio	9.9	0.9
Geo Avg Mk Cap \$mil	6,208	0.3

Total Stocks	55
Total Bonds	0
Turnover Ratio %	46.0

### Market Cap %

	12-31	Rel
		Cat
Giant	18.5	0.4
Large	17.0	1.1
Medium	34.5	1.3
Small	27.9	2.4
Micro	2.1	2.3

## Performance as of 12-31-2009

	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Incept
A (NAV)	7.06	39.55	39.55	7.62	9.34	2.83
A (Load-adj)	0.91	31.53	31.53	5.52	8.05	2.19
E (NAV)	7.07	39.71	39.71	--	--	6.10
E (Load-adj)	0.91	31.67	31.67	--	--	3.84
Category	8.31	61.99	61.99	0.87	3.14	-0.74*
Index	10.61	63.19	63.19	2.64	3.75	1.10*

\* Since E shares inception.

### Risk Measures

	12-31	Index	Cat
Std Deviation 3 Yr	--	24.38	25.69
Std Deviation 5 Yr	--	21.10	22.34

Standard deviation is a measure of how volatile a fund's returns are.

**Fund Expense Ratio 1.76**

## Fund Inception Date

A: 07-03-2000 C: 07-31-1997 Y: 06-09-1998  
E: 04-02-2007

### Composition



### Morningstar Sectors

	12-31	Rel
		Cat
Information	57.9	0.7
Software	16.5	0.6
Hardware	33.4	0.8
Media	0.0	0.0
Telecommunication	8.0	0.5
Service	29.1	2.6
Healthcare	14.6	4.2
Consumer Services	0.8	0.3
Business Services	8.1	1.9
Financial Services	5.5	6.8
Manufacturing	13.0	3.9
Consumer Goods	8.7	4.3
Industrial Goods	4.4	3.5
Energy	0.0	0.0
Utilities	0.0	--

**Data quoted is past performance and current performance may be higher or lower. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit [www.invested529.com](http://www.invested529.com) for the most recent month-end performance. Performance at net asset value does not include the effect of sales charges. Class A and Class E share performance, including sales charges, reflects the maximum applicable sales charge of 5.75%.**

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