

# Life Insurance Design Considerations

## HISTORICAL PERFORMANCE VARIATIONS



### HOW TO READ THE CHARTS BELOW

This following study shows how often a particular portfolio has achieved a particular return over a specified time span. In other words, this answers the question, "Between the years 1926 and 2008, what percentage of the time did this asset allocation achieve at least this rate of return?"

**Example:** Refer to the conservative portfolio. A return of at least 4% was achieved in 67.57% of all of the 10-year periods (rolling) between 1926 and 2008. A rate of 6% was achieved in 41.89% of the periods.

**These rates do not predict the results you will actually obtain. Past performance does not guarantee future results.**

### CONSERVATIVE PORTFOLIO (HISTORICAL ACHIEVEMENT RATES)

% OF TIME PERIODS RATE OF RETURN WAS ACHIEVED	RATES OF RETURN	0%	4%	6%	7%	8%	9%	10%	12%
	5 YEAR		98.73%	73.42%	39.24%	32.91%	24.05%	20.25%	18.99%
10 YEAR		100.00%	67.57%	41.89%	32.43%	28.38%	24.32%	18.92%	6.76%
20 YEAR		100.00%	67.19%	37.50%	35.94%	34.38%	26.56%	18.75%	0.00%
30 YEAR		100.00%	74.07%	42.59%	37.04%	25.93%	22.22%	1.85%	0.00%

### MODERATELY CONSERVATIVE PORTFOLIO (HISTORICAL ACHIEVEMENT RATES)

% OF TIME PERIODS RATE OF RETURN WAS ACHIEVED	RATES OF RETURN	0%	4%	6%	7%	8%	9%	10%	12%
	5 YEAR		96.20%	87.34%	69.62%	56.96%	41.77%	34.18%	29.11%
10 YEAR		100.00%	97.30%	81.08%	56.76%	39.19%	29.73%	27.03%	20.27%
20 YEAR		100.00%	100.00%	85.94%	62.50%	40.62%	34.38%	28.12%	10.94%
30 YEAR		100.00%	100.00%	96.30%	61.11%	44.44%	29.63%	24.07%	0.00%

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## HISTORICAL PERFORMANCE VARIATIONS



### MODERATE PORTFOLIO (HISTORICAL ACHIEVEMENT RATES)

% OF TIME PERIODS RATE OF RETURN WAS ACHIEVED	RATES OF RETURN	0%	4%	6%	7%	8%	9%	10%	12%
	5 YEAR		93.67%	86.08%	79.75%	74.68%	69.62%	60.76%	48.10%
10 YEAR		00.00%	94.59%	87.84%	85.14%	75.68%	62.16%	54.05%	31.08%
20 YEAR		100.00%	100.00%	98.44%	95.31%	82.81%	67.19%	48.44%	23.44%
30 YEAR		100.00%	100.00%	100.00%	100.00%	92.59%	70.37%	44.44%	12.96%

### MODERATELY AGGRESSIVE PORTFOLIO (HISTORICAL ACHIEVEMENT RATES)

% OF TIME PERIODS RATE OF RETURN WAS ACHIEVED	RATES OF RETURN	0%	4%	6%	7%	8%	9%	10%	12%
	5 YEAR		91.14%	84.81%	81.01%	81.01%	77.22%	70.89%	68.35%
10 YEAR		100.00%	95.95%	87.84%	86.49%	85.14%	82.43%	78.38%	55.41%
20 YEAR		100.00%	100.00%	100.00%	96.88%	95.31%	93.75%	82.81%	62.50%
30 YEAR		100.00%	100.00%	100.00%	100.00%	100.00%	94.44%	90.74%	59.26%

### AGGRESSIVE PORTFOLIO (HISTORICAL ACHIEVEMENT RATES)

% OF TIME PERIODS RATE OF RETURN WAS ACHIEVED	RATES OF RETURN	0%	4%	6%	7%	8%	9%	10%	12%
	5 YEAR		87.34%	82.28%	82.28%	79.75%	78.48%	74.68%	73.42%
10 YEAR		97.30%	93.24%	86.49%	85.14%	83.78%	83.78%	82.43%	70.27%
20 YEAR		100.00%	100.00%	98.44%	98.44%	96.88%	93.75%	89.06%	78.12%
30 YEAR		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	96.30%	88.89%