



Alpha Seasonal Strategies

Mid-Cap Power Index

The Mid-Cap Power Index is constructed by holding the S&P MidCap 400 Index from November 1 through May 31; then holding the Barclays Capital Intermediate Treasury Index.



**Seasonal Patterns
S&P MidCap 400 Index
1981 - 2009**

| YEAR | DEAD ZONE | | POWER ZONE | |
|-------------------------------|---|-----------------------|--|-----------------------|
| | S&P MIDCAP 400 % CHANGE JUNE 1 - OCT 31 | INVESTING \$ 1,000 | S&P MIDCAP 400 % CHANGE NOV 1 - MAY 31 | INVESTING \$ 1,000 |
| 1981 | -3.8% | \$ 962 | -2.3% | \$ 977 |
| 1982 | 18.3% | \$ 1,138 | 35.5% | \$ 1,324 |
| 1983 | -0.9% | \$ 1,128 | -9.3% | \$ 1,201 |
| 1984 | 10.5% | \$ 1,246 | 20.5% | \$ 1,447 |
| 1985 | 4.1% | \$ 1,297 | 33.6% | \$ 1,933 |
| 1986 | -1.2% | \$ 1,281 | 13.6% | \$ 2,196 |
| 1987 | -17.3% | \$ 1,059 | 13.9% | \$ 2,501 |
| 1988 | 6.5% | \$ 1,128 | 23.5% | \$ 3,089 |
| 1989 | 5.8% | \$ 1,193 | 8.2% | \$ 3,342 |
| 1990 | -20.0% | \$ 954 | 49.1% | \$ 4,983 |
| 1991 | 8.0% | \$ 1,030 | 7.2% | \$ 5,342 |
| 1992 | 3.4% | \$ 1,065 | 14.8% | \$ 6,133 |
| 1993 | 5.9% | \$ 1,128 | -1.8% | \$ 6,023 |
| 1994 | 4.2% | \$ 1,175 | 8.9% | \$ 6,559 |
| 1995 | 11.3% | \$ 1,308 | 15.4% | \$ 7,569 |
| 1996 | 1.7% | \$ 1,330 | 16.2% | \$ 8,795 |
| 1997 | 14.2% | \$ 1,519 | 13.8% | \$ 10,009 |
| 1998 | -6.2% | \$ 1,425 | 19.4% | \$ 11,951 |
| 1999 | 1.4% | \$ 1,445 | 19.8% | \$ 14,317 |
| 2000 | 9.9% | \$ 1,588 | 0.9% | \$ 14,446 |
| 2001 | -13.2% | \$ 1,378 | 18.0% | \$ 17,046 |
| 2002 | -19.3% | \$ 1,112 | 12.6% | \$ 19,194 |
| 2003 | 16.1% | \$ 1,291 | 9.1% | \$ 20,941 |
| 2004 | 1.7% | \$ 1,313 | 12.0% | \$ 23,454 |
| 2005 | 5.0% | \$ 1,379 | 10.1% | \$ 25,823 |
| 2006 | 3.1% | \$ 1,422 | 17.6% | \$ 30,368 |
| 2007 | -0.5% | \$ 1,415 | -2.0% | \$ 29,761 |
| 2008 | -35.2% | \$ 917 | 2.6% | \$ 30,535 |
| 2009 | 15.3% | \$ 1,057 | TBA | TBA |
| Losing Periods | 10 | | 4 | |
| Winning Periods | 19 | | 24 | |
| 29 Yr Gain / (Loss) | | \$ 57.00 | | \$ 29,535.00 |
| Compound Annual Return | | 0.1% | | 13.2% |

Note: Dividends included. Data Source: Callan Associates Database.



**Mid-Cap Power Index
Calendar Year Returns
1981 - 2009**

| YEAR | S&P MIDCAP 400 | INVESTING \$ 1,000 | ALPHA MID-CAP POWER INDEX | INVESTING \$ 1,000 |
|-------------|---------------------------|-------------------------------|--|-------------------------------|
| 1981 | 11.1% | \$ 1,111 | 21.0% | \$ 1,210 |
| 1982 | 22.7% | \$ 1,363 | 17.9% | \$ 1,427 |
| 1983 | 26.1% | \$ 1,719 | 31.0% | \$ 1,869 |
| 1984 | 1.2% | \$ 1,740 | 1.7% | \$ 1,901 |
| 1985 | 35.6% | \$ 2,359 | 36.7% | \$ 2,599 |
| 1986 | 16.2% | \$ 2,741 | 25.1% | \$ 3,251 |
| 1987 | -2.0% | \$ 2,686 | 21.9% | \$ 3,963 |
| 1988 | 20.9% | \$ 3,247 | 18.7% | \$ 4,704 |
| 1989 | 35.6% | \$ 4,403 | 35.7% | \$ 6,383 |
| 1990 | -5.1% | \$ 4,178 | 24.1% | \$ 7,921 |
| 1991 | 50.1% | \$ 6,271 | 47.3% | \$ 11,668 |
| 1992 | 11.9% | \$ 7,017 | 13.4% | \$ 13,232 |
| 1993 | 14.0% | \$ 7,999 | 11.8% | \$ 14,793 |
| 1994 | -3.6% | \$ 7,711 | -6.7% | \$ 13,802 |
| 1995 | 31.0% | \$ 10,101 | 21.6% | \$ 16,783 |
| 1996 | 19.2% | \$ 12,040 | 22.4% | \$ 20,542 |
| 1997 | 32.3% | \$ 15,929 | 21.2% | \$ 24,897 |
| 1998 | 19.1% | \$ 18,971 | 34.4% | \$ 33,462 |
| 1999 | 14.7% | \$ 21,760 | 14.7% | \$ 38,381 |
| 2000 | 17.5% | \$ 25,568 | 11.9% | \$ 42,948 |
| 2001 | -0.6% | \$ 25,415 | 22.3% | \$ 52,525 |
| 2002 | -14.5% | \$ 21,730 | 12.4% | \$ 59,038 |
| 2003 | 35.6% | \$ 29,466 | 15.5% | \$ 68,189 |
| 2004 | 16.5% | \$ 34,328 | 17.9% | \$ 80,395 |
| 2005 | 12.6% | \$ 38,653 | 6.4% | \$ 85,540 |
| 2006 | 10.3% | \$ 42,634 | 10.9% | \$ 94,864 |
| 2007 | 8.0% | \$ 46,045 | 13.2% | \$ 107,386 |
| 2008 | -36.2% | \$ 29,377 | 1.7% | \$ 109,212 |
| 2009 | 37.4% | \$ 40,364 | 21.0% | \$ 132,147 |

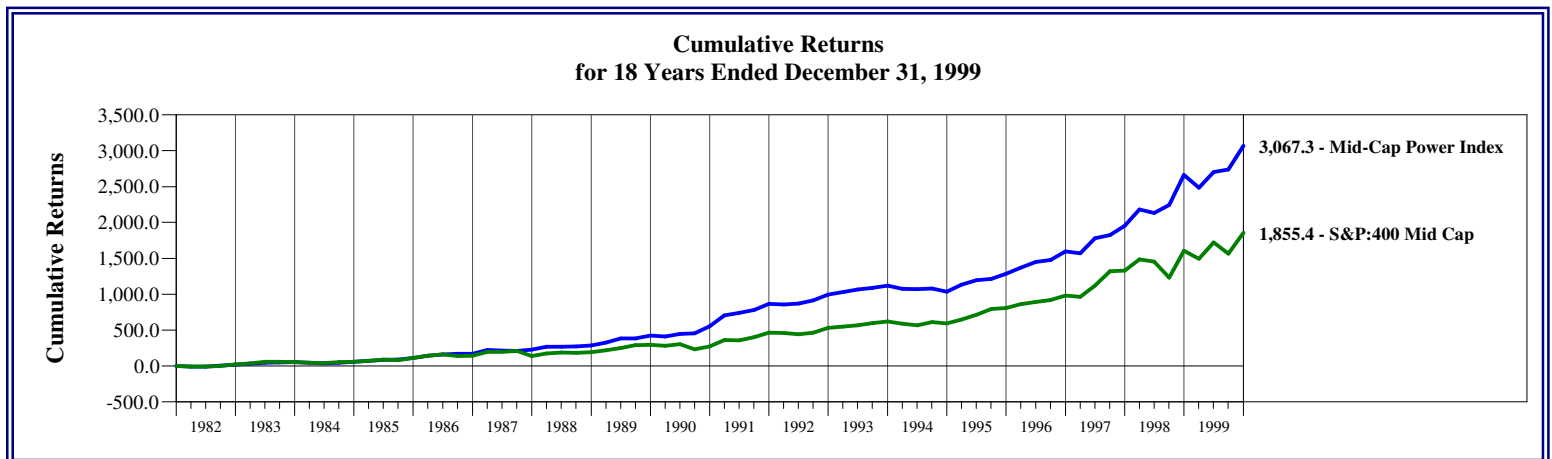
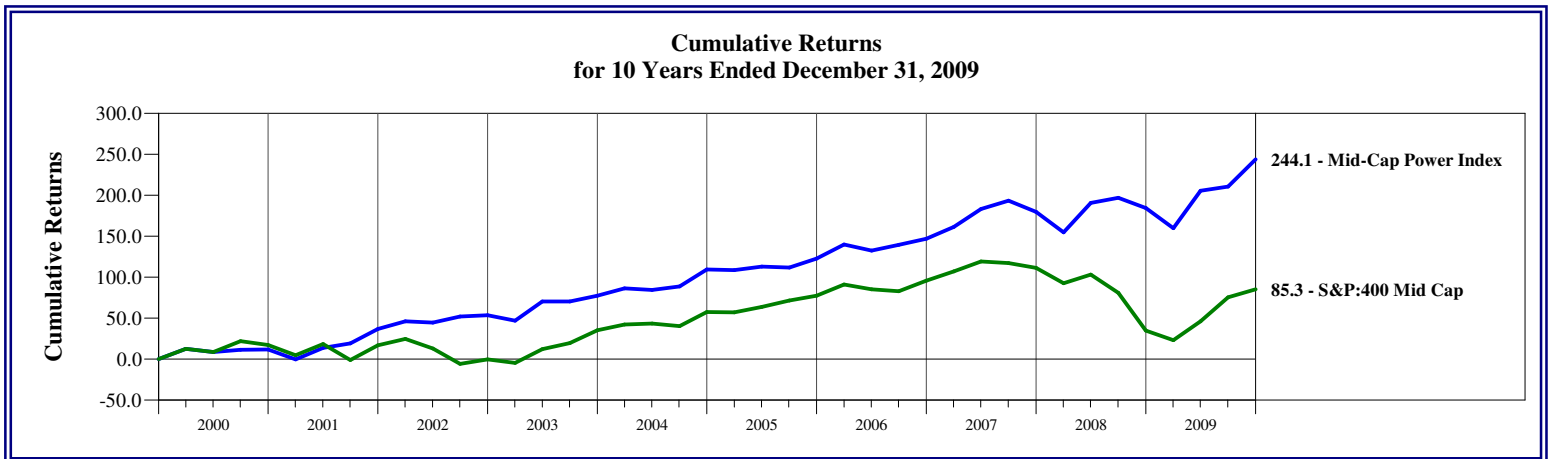
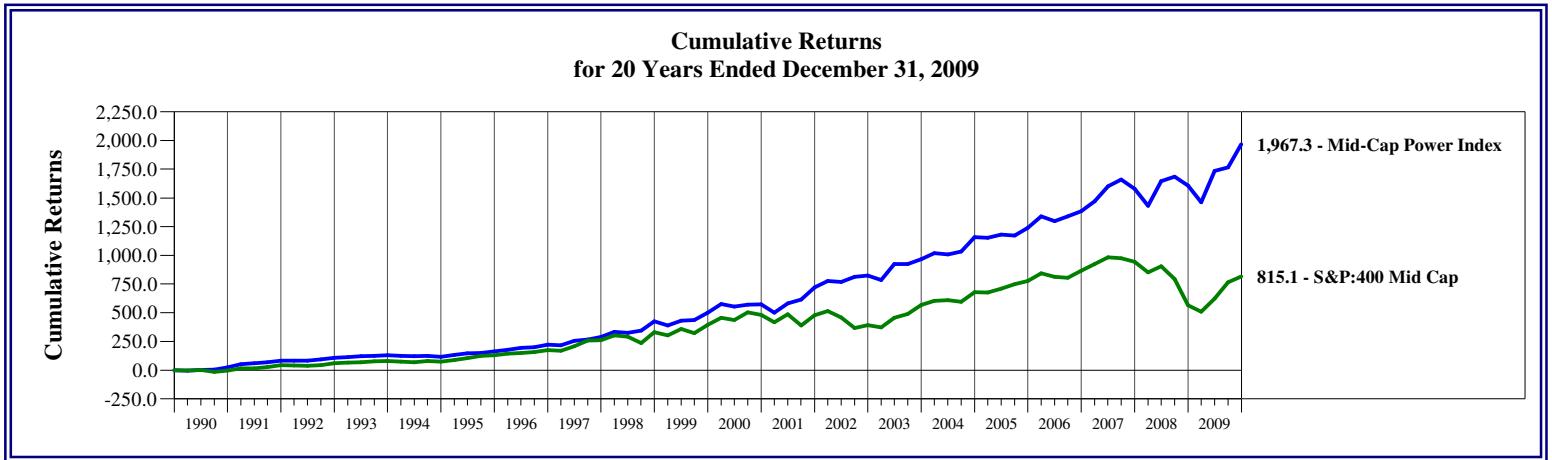
Compound Annual Return

| | | |
|---------------|--------------|--------------|
| 29 Yrs | 13.6% | 18.3% |
| 20 Yrs | 11.7% | 16.4% |
| 10 Yrs | 6.4% | 13.2% |
| 5 Yrs | 3.3% | 10.4% |

Note: S&P MidCap 400 Index with dividends. Interest June through October calculated monthly using the Barclays Capital Intermediate Treasury Index. Data Source: Callan Associates Database.



Mid-Cap Power Index



Disclosure: The Mid-Cap Power Index is constructed by holding the S&P MidCap 400 Index from November 1 to May 31; then holding the Barclays Capital Intermediate Treasury Index from June 1 to October 31.

Disclosure to Power Index Data and Illustrations

Alpha Power Indexes are not investable. Indexes are mathematical formulations, not investment vehicles. Index funds, EFTs and other investment instruments may attempt to replicate their benchmark indexes but will always deviate from the exact returns of the index by the effects of fees, trading expenses, rebalancing errors, and other factors.

Alpha Power Indexes were created in 2009 using an explicit and objective policy to combine an equity index with a fixed-income index over pre-determined and rigorously applied time periods. No representation is made that accounts managed by Alpha, which seek to replicate the indexes, will provide identical performance.

In as much as the Alpha Power Indexes were created in 2009, all previous data must be considered hypothetical when assessing the indexes as models for managed accounts. Backtested or hypothetical data must be approached with caution because it is constructed with hindsight and may not reflect material conditions that could affect a manager's decision process, thus altering the application of the discipline.

Past performance does not guarantee future performance. While Alpha believes that the factors which have historically "skewed" market returns into the "power zone" (consisting of the time period from late October to late May) will continue to affect the market statistically over time, there can be no guarantee that this effect will persist or that it will have the same intensity as past time periods.

Alpha provides a "net-of-fees and expenses" illustration of the simulated managed accounts for each Power Index under the documentation "Alpha Power Index Portfolios." These illustrations are "model" performance illustrations and do not reflect actual client accounts.

The data used to construct the Power Indexes were obtained from a database provided by Callan Associates, one of the oldest and largest institutional investment consultants in the U.S. While Alpha believes that the data is accurate, we cannot guarantee it to be so.

The Power Indexes for the Russell 2000 and the S&P MidCap 400 begin at the inception of those indexes.

