

Investment NewsTM

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SEPARATE ACCOUNTS

SMA ranked by fourth-quarter returns

Domestic Equity

Product name, Location	Quarterly return	1-year return	3-year return	5-year return	5-year std dev	5-year Sharpe ratio	Product assets (\$M)	Manager
CAN SLIM Private Clients NorthCoast Asset Management, Greenwich, CT	-1.26	-11.08	4.42	11.95	17.22	0.51	\$340	Team
Delaware Investments Large Cap Value, Philadelphia	-13.11	-32.33	-6.23	-0.26	12.36	-0.28	\$535	Team
Federated Investors Inc. Strategic Value, Pittsburgh	-13.46	-27.33	-3.14	2.69	12.69	-0.04	\$2,177	Team
Anchor Capital Mid Cap Value Equity Boston	-15.14	-26.42	-0.32	5.40	12.58	0.17	\$3,412	Mark V. Rickabaugh
Vontobel Asset Management Inc. Value Equity, New York	-15.14	-27.88	-7.18	-2.90	10.66	-0.58	\$336	Edwin Walczak
Equity Investment Corp. All Cap Value Atlanta	-15.30	-23.37	-2.65	1.56	10.92	-0.16	\$337	Team
Neuberger Berman LLC Select Equities Portfolio, New York	-15.36	-31.04	-2.88	6.12	14.24	0.20	\$225	Team
First Fiduciary Investment Counsel Value Cleveland	-15.52	-27.76	-3.56	1.20	10.71	-0.19	\$205	Team
Atlanta Capital Management High Quality Small Cap Core, Atlanta	-16.24	-19.20	0.10	4.88	11.70	0.14	\$1,004	Team
Cortland Associates Small/Mid Cap Value, St. Louis	-16.45	-24.36	-3.35	2.73	13.05	-0.04	\$305	Team
S&P 500 stock index	-21.94	-37.00	-8.36	-2.19	13.89	-0.39		

Data provided by Prima Capital. The separately managed account products listed in these tables generated the highest performance for the quarter ended Dec 31. Rankings are based on those managers reporting performance to Prima by Jan. 27. Past performance is no guarantee of future results, and advisers should rely on additional factors when determining whether to include SMAs in their client portfolios. Prima's SMA universe isn't intended to be all-inclusive but rather represents a broadly diversified group of products that are available to and suitable for the affluent retail investor.

4Q commentary by Nathan Behan

DOMESTIC EQUITY

The domestic indexes were down 20% to 27% with very little difference between value and growth indexes, though both small- and mid-cap stocks underperformed the large-cap index by seven percentage points. Not one sector in either the Russell 1000 Index or the Russell 2000 Index had a positive return for either the fourth quarter or for the full year. Health care and consumer staples outperformed on a relative basis among large-cap stocks, but it was small comfort because of double-digit losses in these "defensive" sectors. As part of the broader flight to quality, equity securities ranked "C" by New York's Standard & Poor's, the bottom category, suffered much higher losses than those ranked "A", regardless of market cap.

Nathan Behan is director of research at Prima Capital Holding Inc. of Denver.