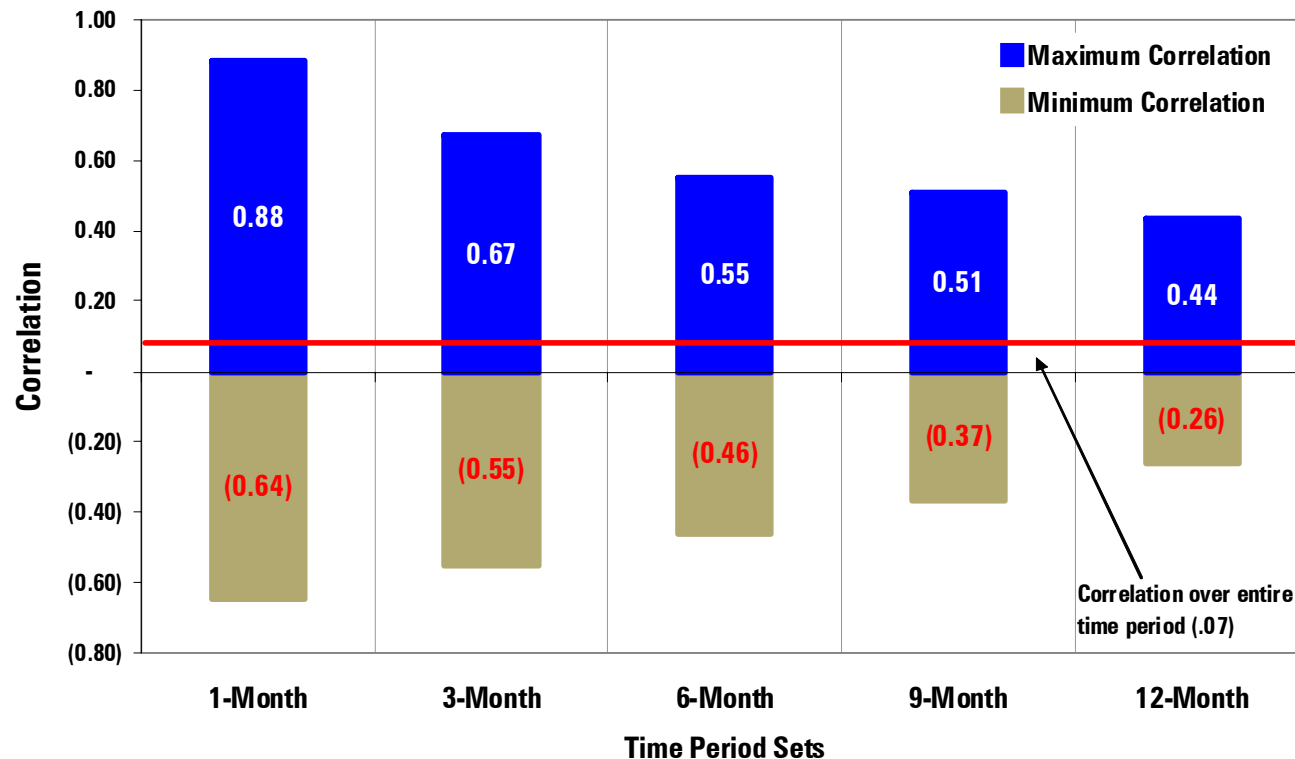


Gold: Speculation Vs. Diversification

When Does Gold Become a Portfolio Diversifier?

SPDR Gold Trust (NYSEArca: GLD) & S&P 500 Index 2005-2010
Minimum and Maximum Correlation Over Different Lengths of Time



- 1) Buying gold to outperform the market in the short-term can backfire as short-term relationships between the two investments are volatile.
- 2) As time periods are extended, the range between minimum and maximum correlations narrows toward the long-term, lower correlation that will benefit investors focused on capital preservation.

- Correlation of 1 means returns move in the same direction 100% of the time, and a correlation of -1 means returns move in opposite directions 100% of the time.
 - Low correlation between assets in a portfolio lowers the risk that losses in one investment or category of investments will affect the whole portfolio.

Data from Interactive Data Real-Time Services, and NYSEArca