



# U.S. Market Neutral Cash

Results as of December 31, 2009

## Key Facts

Benchmark	Citigroup Treasury Bill-3 Month
Inception	03/31/1998
Total Product Assets*	\$515 Million

## Available Investment Vehicles

Separate Account	\$25 mm Minimum
Commingled Fund	\$5 mm Minimum

## Risk/Return Target Relative to Benchmark

Excess Return	4.0%
Tracking Error	5.0%
Information Ratio	0.8

## Portfolio Specifications

Number of Stocks	200-250 long and short
Net Beta	~0
Maximum/Minimum Position	+/- 2.0%
Maximum/Minimum Sector/Industry	+/- 1.0%
Annual Turnover	~250%

## Distinguishing Attributes

- Experienced investment team
- Managing Market Neutral strategies since 1992
- Total of \$851 million U.S. Market Neutral assets under management
- Also available as part of a portable alpha or multi-strategy capability
- Additional Market Neutral strategy available with a higher return/risk target

\*Total Product Assets shown above may include accounts that are not reflected in the GIPS composite performance.

These portfolio characteristics are subject to change, and current holdings may differ.

Sources: Invesco & Barra Aegis. Attribution commentary is based on analysis obtained using Barra Aegis Performance Analyst. Performance is Gross of Fees. Please refer to the next page for net of fee performance and additional information.

## For U.S. Institutional Investor Use Only

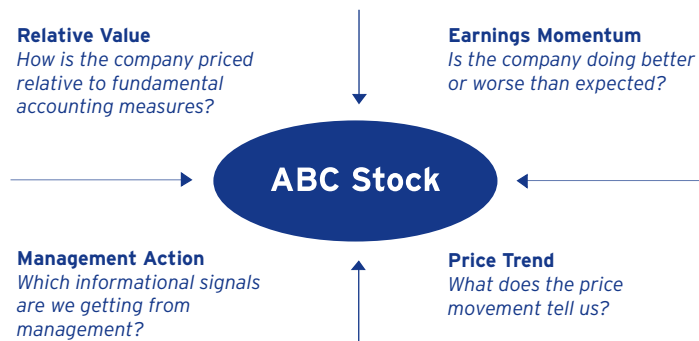
## Investment Objective

To achieve a positive long-term return, that is competitive and predictable, with low volatility (tracking error). The process focuses on maximizing return by integrating critical components of investment performance: return, risk, and transaction costs.

## Investment Strategy

U.S. Market Neutral Cash is a long/short absolute return strategy designed to capture alpha through our proprietary multi-factor stock selection Model. The Model weighs four key investment concepts - Earnings Momentum, Price Trend, Management Action, and Relative Value - according to our assessment of their ability to forecast the expected return for each stock. The portfolio is structured to capitalize on stock selection while minimizing exposure to other residual risks, such as sector/industry exposures and style (growth, value, and size). Disciplined portfolio construction and cost effective trading are integral to our investment process, helping us maintain the value added from stock selection and reduce the probability of significant underperformance.

## Stock Selection Model



## 4Q09 Commentary

Our U.S. Market Neutral Cash strategy underperformed 90 day T-bills by 0.3% (gross) in the fourth quarter and 11.8% for the year. Since inception, this strategy has delivered an annualized excess return of 2.3% (gross) with a 5.4% tracking error. For the quarter, stock selection in Technology (hardware) and Financials (property/casualty insurers) helped performance, while selection in Basic Materials (mining & metals) and Transport (airlines) sectors hurt returns.

The predictive ability of our Stock Selection Model improved in the fourth quarter, after meaningful weakness in both the second and third quarters. We saw the low quality rally abate from its March-September levels, however the highest ranked stocks in our universe did not outperform. As such, we modestly underperformed during the low-quality rally, the magnitude of the underperformance was greater than anticipated. The dramatic shift in market leadership was impossible for us to capture due to its rapid onset, extreme magnitude, and reward of characteristics at odds with our long-term stock selection philosophy.

Clearly 2009 was one of the worst years in the 26 year history of our Model. Given the low-quality rally we were not surprised to have underperformed, but what was surprising is that the magnitude of our underperformance was greater than expected. However, we are encouraged by the Model's future prospects because stocks with strong and improving fundamentals trading at reasonable valuation should outperform. Over time, balance and diversification have benefited the large-cap Model as it has only generated five negative years in its history. While each of these negative years had its own unique challenges, every single one represented turning or inflection points that resulted in Model disappointment. History has shown that our strategies rebound after these inflection points have run their course.

## Composite Notes

1. Invesco Worldwide ("The Firm") manages a broad array of investment strategies around the world. The Firm comprises all Invesco firms outside of North America, combined with two major Invesco firms within the United States, Invesco Institutional (N.A.), Inc. ("IINA"), and Invesco Global Asset Management (N.A.), Inc. ("IGNA"). The Firm was inceptioned on 1st January 2003. For periods prior to 1st January 2006, the Firm excluded the managed account businesses within IINA and IGNA. From that date forward, these portfolios are included within the Firm definition. During 2006, the Firm completed a project to bring its stable value portfolios into compliance retroactively effective from 1st January 2001. During 2007, the Firm incorporated the fixed income business of Invesco Aim, an affiliate of IINA and IGNA, into its operating structure and currently includes this business, with the exception of the fixed income portion of balanced accounts managed by Invesco Aim, which are excluded from firm assets, within its Firm definition. Historic assets under management prior to 2006 and 2007, respectively, have not been restated to reflect these extensions of the Firm definition. IINA and IGNA were verified from 1st January 2001 and 1st January 1995, respectively. The ex-North America Invesco firms (previously defined separately for performance reporting purposes as "Invesco Global") were verified from 1st January 1997. All verifications have been completed through 31 December 2007. Composite history and Firm assets prior to 1st January 2003 are those of its respective components. All entities within the Firm are directly or indirectly owned by Invesco Ltd. GIPS compliant firms whose assets are managed by subsidiaries of Invesco Ltd. are Invesco Worldwide, Invesco Aim Private Asset Management, Inc., Invesco Trimark Ltd., Invesco Aim U.S., and Atlantic Trust. Invesco Senior Secured Management, Inc. and Invesco Private Capital, Inc. are affiliates of the Firm. Each is an SEC registered investment adviser and is marketed as a separate entity. Their assets are excluded from total Firm assets.

2. The U.S. Market Neutral Cash is a large capitalization, market neutral strategy which utilizes a fundamentally based stock selection process. This process is combined with rigorous risk control to create an attractive return/risk product. The portfolio's value added is a function of the return spread between the long and short portfolios and our ability to minimize transaction costs through state-of-the-art trading techniques. The goal of product is to outperform 90-day Treasury bills by 4% before fees, while maintaining a tracking error of less than 5%. The success of this process has been achieved through a disciplined approach to security selection combined with rigorous risk and cost control. The composite name was changed from Market Neutral Cash to U.S. Market Neutral Cash in October 2008.

3. The Composite returns are benchmarked to the Citigroup Treasury Bill 3 Month Index. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. Investments made by the Firm for the portfolios it manages according to respective strategies may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark. Accordingly, investment results and volatility will differ from those of the benchmark.

4. Valuations and portfolio total returns are computed and stated in U.S. Dollars. The firm consistently values all portfolios each day on a trade date basis. Portfolio level returns are calculated as time-weighted total returns on daily basis. Accrual accounting is used for all interest and dividend income. Past performance is not an indication of future results.

5. Composite dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year.

6. Gross-of-fee performance results are presented before management and custodial fees but after all trading commissions and withholding taxes on dividends, interest and capital gains, when applicable. Net-of-fee performance results are calculated by subtracting the management fee of 100 basis points per annum on all assets. Alternative fee structures, including performance incentive fees, are available.

7. The minimum portfolio size for the Composite is \$2,000,000.

8. The composite creation date is March 31, 1998.

9. A complete list and description of Firm composites and performance results is available upon request.

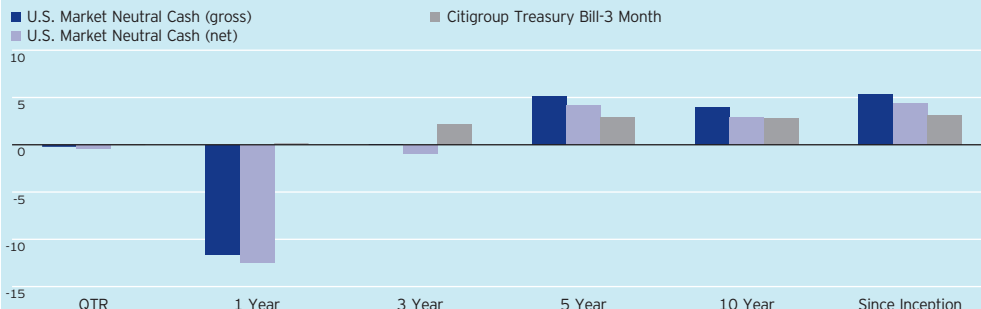
Additional information regarding policies for calculating and reporting returns is available upon request.

## U.S. Market Neutral Cash

Results as of December 31, 2009

Composite Inception Since 03/31/1998

### Periodic Total Returns



### Performance (%)

	QTR	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
U.S. Market Neutral Cash (gross)	-0.22	-11.59	0.05	5.18	3.98	5.39
U.S. Market Neutral Cash (net)	-0.47	-12.46	-0.94	4.14	2.95	4.34
Citigroup Treasury Bill-3 Month	0.03	0.16	2.22	2.88	2.84	3.13

### Schedule of Investment Performance as of December 31, 2009

	Gross Rate of Return (%)	Net Rate of Return (%)	Benchmark Return (%)
2009	-11.59	-12.46	0.16
2008	7.85	6.78	1.80
2007	5.03	3.99	4.74
2006	18.85	17.68	4.76
2005	8.16	7.09	3.00

### Annualized Compound Rates of Return Ending December 31, 2009

	Gross Rate of Return (%)	Net Rate of Return (%)	Benchmark Return (%)
1 Year	-11.59	-12.46	0.16
3 Year	0.05	-0.94	2.22
5 Year	5.18	4.14	2.88
10 Year	3.98	2.95	2.84
Since Inception	5.39	4.34	3.13

### Invesco Worldwide claims compliance with the Global Investment Performance Standards (GIPS®).

All materials presented are compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. Past performance is not an assurance of future results. This is not to be construed as an offer to buy or sell any financial instruments. As with all investments there are associated inherent risks. Please obtain and review all financial material carefully before investing.

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