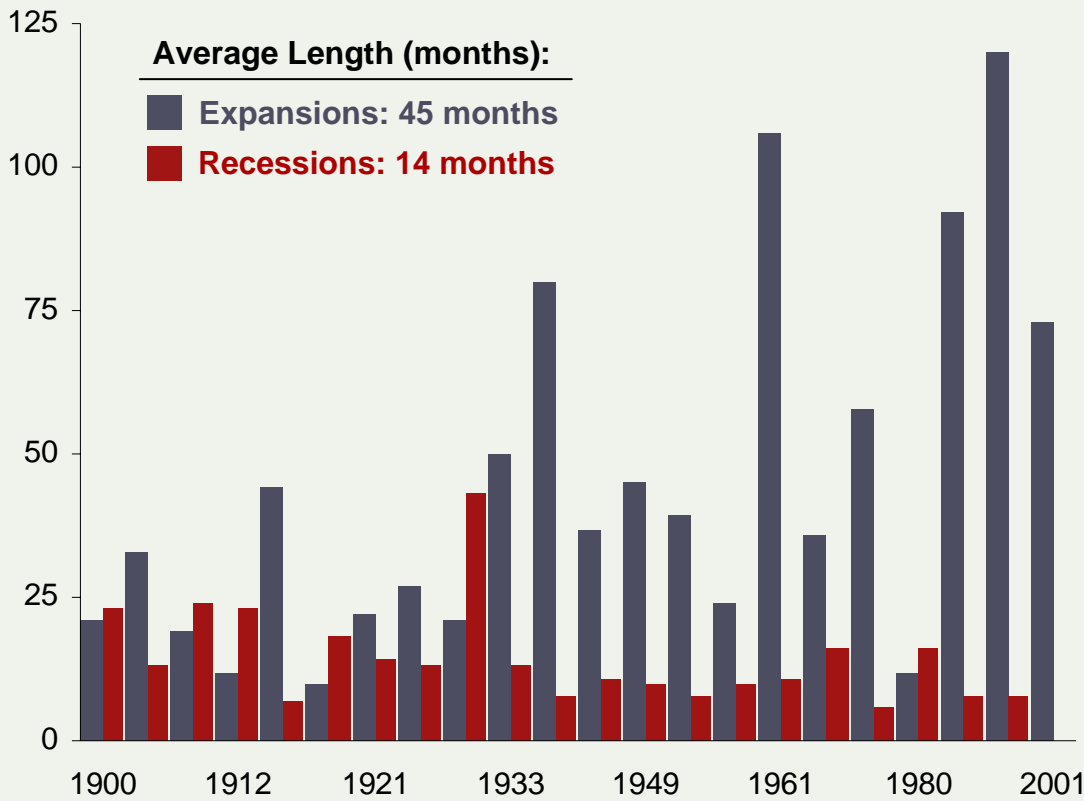


Length of Economic Expansions and Recessions Since 1900



Recessions and Market Returns

Year	Length (months)	Return	
		During Recession	6-mo's After
1948	11	3.9%	12.2%
1953	10	18.3%	16.4%
1957	8	-7.6%	20.4%
1960	10	11.6%	9.0%
1969	11	-7.5%	20.6%
1973	16	-17.9%	1.1%
1980	6	8.1%	8.2%
1981	16	7.0%	18.8%
1990	8	3.4%	4.0%
2001	8	-4.7%	-4.5%
AVG	10	1.4%	10.6%

Source: NBER, Standard & Poor's, JPMorgan Asset Management.

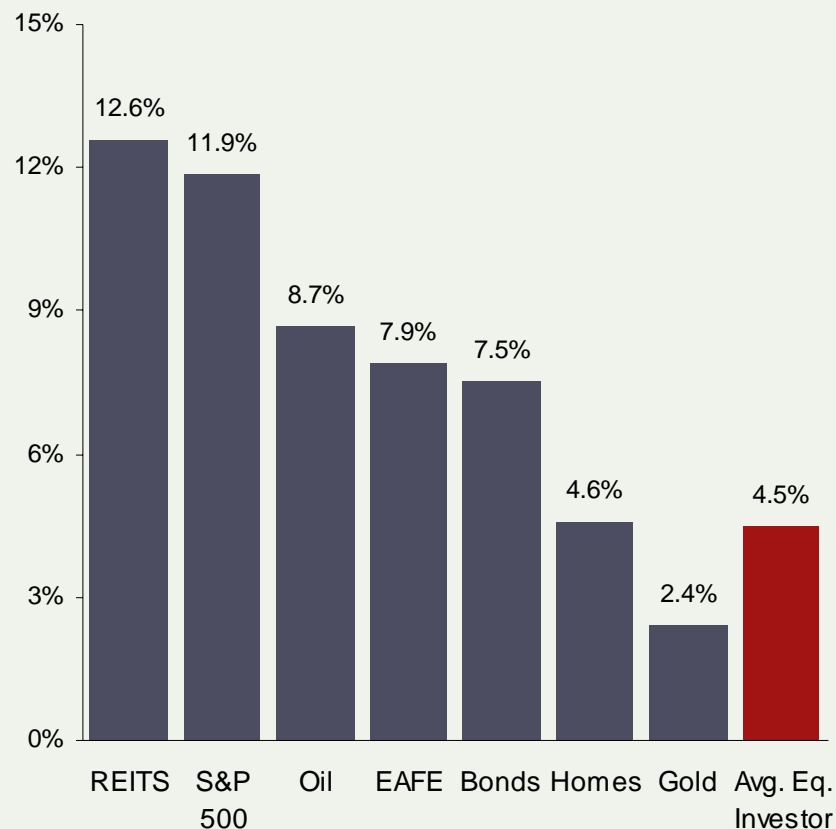
(Left chart) Data for length of economic expansions and recessions obtained from the National Bureau of Economic Research (NBER). This data can be found at www.nber.org/cycles/ and reflects data through December 2007.

(Right chart) Data computed using the S&P 500 Index price return (does not include dividends). Dates used are based on NBER dates for the beginning and end of recession periods. Dates shown reflect the year in which each respective recession began. Returns are calculated based on the average monthly S&P 500 Index value as recessions do not begin or end on a specified day.

Long-term Returns and Bear Market Cycles

Market Insight Series

20-Year Annualized Returns



Market Peak	Market Low	Bear Return	Length of Decline	Bull Run	Length of Bull Run
5/29/46	5/19/47	-28.6%	12	257.6%	122
7/15/57	10/22/57	-20.7%	3	86.4%	50
12/12/61	6/26/62	-28.0%	6	79.8%	44
2/9/66	10/7/66	-22.2%	8	48.0%	26
11/29/68	5/26/70	-36.1%	18	74.2%	31
1/5/73	10/3/74	-48.4%	21	125.6%	74
11/28/80	8/12/82	-27.1%	20	228.8%	60
8/25/87	12/4/87	-33.5%	3	582.1%	148
3/24/00	10/9/02	-49.1%	31	101.5%	60*
Average:		-32.6%	14 mo's	176.0%	68 mo's

Source: Standard & Poor's, FTSE, MSCI Inc., Nymex, Lehman Brothers, NAR, EcoWin, JPMorgan Asset Management. Data are now made available by Barclays Capital Inc. The above charts are shown for illustrative purposes only. Past returns are no guarantee of future results.

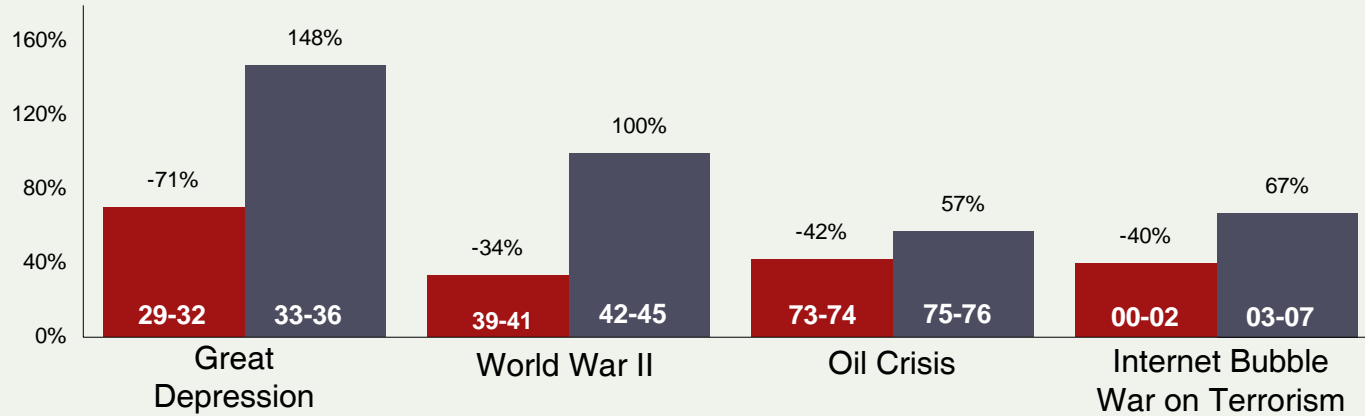
The indexes used are as follows (left chart): S&P 500 Index: Standard & Poor's 500 Index, REITS: NAREIT Equity Reits Index, EAFE: MSCI EAFE, Oil: West Texas Intermediate Index, Bonds: Lehman Brothers U.S. Aggregate Index, Homes: Median Sales Price of Existing Single-family homes, Gold: USD/troy oz. All returns are annualized (and total return where applicable), and represent the 20-year period ending 12/31/07. Average equity investor return is based on an analysis by Dalbar, Inc. which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior.

In the table to the right, a bear market is defined as a peak-to-trough decline in the S&P 500 Index (price only) of 20% or more. The bull run data reflect the market expansion from the bear market low to the subsequent market peak. All returns are S&P 500 Index returns, and do not include dividends.

*Most recent bull run is through market peak of 10/9/07.

Asset Class

Market Returns After Consecutive Down Years (S&P 500 Index)



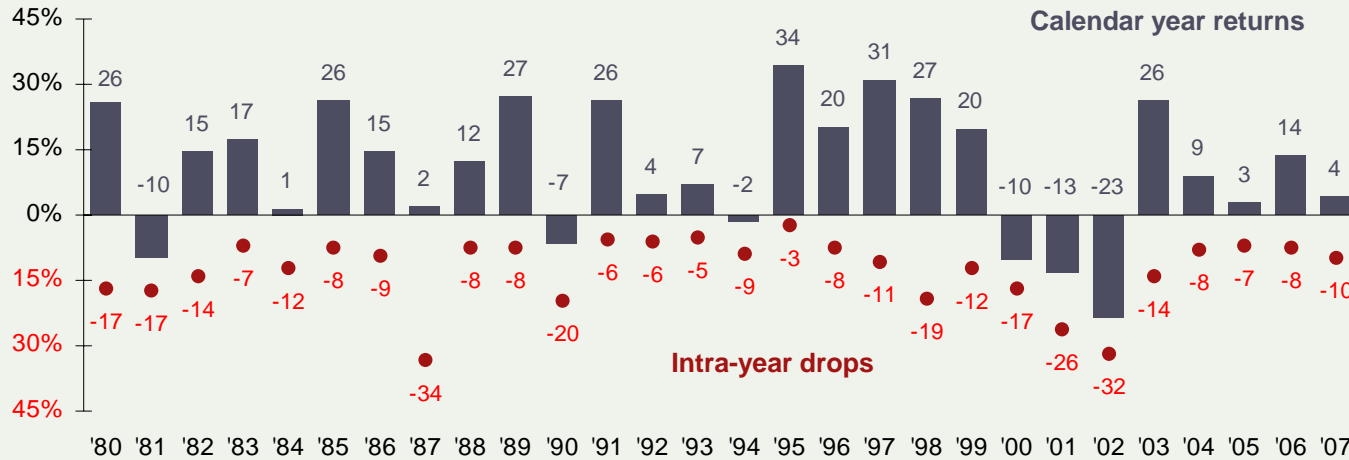
Source: JPMorgan Asset Management, Standard & Poor's. Market returns represented by S&P 500 Index return (price only). Returns reflect calendar year returns and not peak to trough.

Past performance is not indicative of future returns.

Data are as of 12/31/07.

Market Corrections & Calendar Year Price Return (S&P 500 Index)

Despite an average intra-year drop of 12.6%, the market's return was positive in 22 of 28 years.



Source: JPMorgan Asset Management, Standard & Poor's. Market returns represented by S&P 500 Index return and do not include dividends.

Past performance is not indicative of future returns.

Intra-year drops refers to the largest market drops over periods of 6 months or less. Calendar year refers to the price return for the S&P 500 Index for each calendar year.

Both charts are for illustrative purposes only.

Data are as of 12/31/07.