

How to Read Your Fund Performance

If you were building a house, you would need to know how to read and understand a blueprint. When managing your retirement account, the “blueprint” you need to know how to read is your Fund Performance (or the return your investments generated) for a specific period of time.

Reviewing Performance

The ABA Retirement Funds Program (“the Program”) posts Fund performance monthly on the Program’s website (www.abaretirement.com under the **Fund Performance** option) and delivers Fund performance to you quarterly with your account statement.

The report’s heading will always identify the time period for the reporting that is under consideration. Below is a snapshot of part of the Fund performance report for the period ending June 30, 2016. Let’s focus on the Bond Core Plus Fund and the Stable Asset Return Fund as seen on page 4 of the report.

To the right of the Fund name is listed the date the Fund started or was restructured and the performance of the Fund for various time periods. **1** These performance returns are reported after deducting all expenses (such as costs to trade the underlying securities and all other Program costs).

For performance periods longer than one year, the returns have been annualized or converted to reflect the return an investor would have received per year had the investment been in place for the time period in question. For example, for the Bond Core Plus Fund, the annualized three year return is 3.19%. **2** So that \$100 investment would have grown to \$109.88 if the investment was held for this three year period.

The total return number or the performance for a period is an important number to look at in order to determine how your investment is performing.

For example, for the period July 1, 2015 to June 30, 2016, the one year total performance or return for the Stable Asset Return Fund is 1.01% and for the Bond Core Plus Fund it is 5.42%. Therefore, if you had invested \$100 in your account in each of these two Funds, or \$200 in aggregate, on July 1, 2015, your holdings in those Funds would have grown to \$206.43 (\$101.01 in the Stable Asset Return Fund and \$105.42 in the Bond Core Plus Fund) by June 30, 2016.

Focusing on short-term performance (e.g., 1 or 3 months) can be misleading, since a Fund may have experienced abnormally low or high returns over that shorter time period.

The second piece of information to look at is how the Fund performed relative to the benchmark or benchmarks listed. The benchmarks used are selected or calculated by Mercer Trust Company, the Program’s trustee, and are based on the nature of the underlying investments in the Fund. **3** The benchmark used is either a publicly available index that is calculated by a third-party provider or is a combination of a number of these indices. For example, a common benchmark for a broadly invested U.S. bond fund is the Barclays Capital U.S. Aggregate Bond Index.

A benchmark measures the strength or weakness of the market segment and provides a standard against which a fund’s performance can be measured. While the performance numbers are reported after all expenses have been deducted, benchmarks are reported without taking any expenses into account. The benchmarks are described in detail in each monthly report.

Fund Name	Funds in Morningstar Category	2 Annualized						Inception to Date or 10 Year Annualized ¹
		1 Month	3 Months	Year to Date	1 Year	3 Year	5 Year	
Bond Core Plus Fund (inception 9/5/95)		1.76%	2.46%	5.58%	5.42%	3.19%	3.43%	5.02%
Broad Market Benchmark ⁶		1.80%	2.22%	5.32%	6.04%	4.07%	3.77%	5.14%
Morningstar Category Average ⁸	1,089	1.60%	2.34%	4.92%	4.63%	3.61%	3.66%	4.83%
Stable Asset Return Fund (inception 9/5/95, redesigned 12/8/10) 1		0.09%	0.26%	0.49%	1.01%	0.88%	1.03%	1.92%
Hybrid Benchmark ⁷ 3		0.12%	0.32%	0.65%	1.21%	0.97%	0.74%	2.08%



For example, for the one year period reflected in the example above, the Stable Asset Return Fund's performance return of 1.01% underperformed its benchmark's performance, which is reported to be 1.21%. The Bond Core Plus Fund's performance return of 5.42% for the same period also underperformed its benchmark's return of 6.04%.

The third piece of information to consider is how the Fund you are invested in performs relative to other funds that have the same or similar investment objectives. Where available, the Program compares the performance of each Fund to the average performance of a peer group of funds that Morningstar tracks. **4** These funds all report their performance to Morningstar after deducting all expenses. The number of funds in the Morningstar peer group is listed in the second column of the table. The Morningstar peer group category used for each Fund is described in detail in each monthly report.

For example, the Morningstar Intermediate Term Bond Category, which has 956 funds, is used as a comparable peer group for the Bond Core Plus Fund. For the same one year period as in the example above, the Bond Core Plus Fund's return of 5.42% outperformed the average return of 4.63% of the 956 funds for the same time period.

The Stable Asset Return Fund does not have a Morningstar peer group.

Using peer group data is another way to evaluate your investments, because it allows you to compare your investments to other similarly managed funds.

While there is not one perfect way to evaluate investment performance, the information provided by the Program in the monthly Performance Reporting and in the quarterly Morningstar Fund Profiles can provide insights into the behavior of the Funds in different market environments.

Fund Name	Funds in Morningstar Category	Annualized						Inception to Date or 10 Year Annualized ¹
		1 Month	3 Months	Year to Date	1 Year	3 Year	5 Year	
<i>Comparative Benchmarks</i>								
Bond Core Plus Fund (inception 9/5/95)	4	1.76%	2.46%	5.58%	5.42%	3.19%	3.43%	5.02%
Broad Market Benchmark ⁶		1.80%	2.22%	5.32%	6.04%	4.07%	3.77%	5.14%
Morningstar Category Average ⁸	1,089	1.60%	2.34%	4.92%	4.63%	3.61%	3.66%	4.83%
Stable Asset Return Fund (inception 9/5/95, redesigned 12/8/10)		0.09%	0.26%	0.49%	1.01%	0.88%	1.03%	1.92%
Hybrid Benchmark ⁷		0.12%	0.32%	0.65%	1.21%	0.97%	0.74%	2.08%

So, when reviewing your Fund's performance, look at among other information:

- longer time periods, since a Fund may have had an abnormally low or high return over just a three month period,
- the Fund's total return,
- the Fund's return relative to a benchmark, and
- the Fund's return relative to other similarly managed funds.

You should review the suitability of your investment selections regularly relative to your retirement goals, but not less than annually, to ensure your investments are performing as you planned.

If you have any questions, please feel free to call a Customer Service Associate at **800.348.2272** or send an e-mail to **contactus@abaretirement.com**.

Please read the Program Annual Disclosure Document (April 2016) carefully before investing. This Disclosure Document contains important information about the Program and investment options. For email inquiries, contact us at: contactus@abaretirement.com.

Securities offered through Voya Financial Partners, LLC (Member SIPC).

Voya Financial Partners, Voya Retirement Advisors and Voya Financial Advisors are members of the Voya family of companies ("Voya"). Voya, the ABA Retirement Funds, Mercer Trust Company, and TD Ameritrade are separate, unaffiliated entities, and are not responsible for one another's products and services.



ABA Retirement Funds Program
 P.O. Box 5142 • Boston, MA 02206-5142 • 800.348.2272
contactus@abaretirement.com • www.abaretirement.com

© 2016 ABA Retirement Funds Program