

DO LOSS PROJECTIONS WORK?

Aside from Fidelity Magellan and Global Balanced (which had some poorly timed active bets this year), the year-to-date returns through September 2008 were not substantially worse than the projected first-percentile returns.

Projected Downside Risk for 2008 vs. Actual Losses for Q1-Q3 2008

Fund/Portfolio Name	Fund or Stock Ticker	Projected 270 Day 3rd Percentile Return	Projected 270 Day 1st Percentile Return	Return for Q1-Q3 2008
Fidelity Magellan	FMAGX	-19.1%	-24.4%	-30.6%
Vanguard S&P 500	VFINX	-17.9%	-22.8%	-19.3
T. Rowe Price Personal Strategy	TRPBX	-12.4%	-15.9%	-15.3%
Fidelity Global Balance	FGBLX	-11.1%	-14.2%	-14.8%
Fidelity Growth and Income	FGRIX	-17.0%	-21.8%	-14.7%
7Twelve	—	-14.7%	-19.1%	-14.2%
Vanguard Balanced Index	VBINX	-10.6%	-13.6%	-11.0%

Source: Author research