

Press Release



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Second Quarter Shows Strong Gains for Plans in U.S. Master Trust Universe, According to BNY Mellon Asset Servicing

Rebounding equity markets lead return to positive territory; U.S. and non-U.S. markets up more than 10% and 25%, respectively

BOSTON, August 10, 2009 – The median plan in the BNY Mellon U.S. Master Trust Universe posted a 10.8% return for the second quarter of 2009, representing the first positive returns since the fall of 2007.

With a market value of \$897.5 billion and an average plan size of \$1.47 billion, the BNY Mellon U.S. Master Trust Universe is a fund-level tracking service that can be used to make peer comparisons of both performance and asset allocation results. The Universe consists of 611 corporate, foundation, endowment, public, Taft-Hartley and health care plans.

“All segments of the U.S. Master Trust Universe posted a positive return for the quarter, with corporate plans leading the charge with a result of 11.69%,” said Greg Stewart, managing director and regional product manager of BNY Mellon Asset Servicing. “Strong performance in the second quarter has more than offset the weak start to 2009 with all segments posting year-to-date returns in the three to five percent range.”

Highlights

- Of the plans in the universe, 99% posted positive results for the three month period ending June 30, 2009.
- 41% of the plans outperformed the custom policy return of 11.49% in the second quarter. This is a significant reduction compared to the percentage of outperforming plans reported last quarter.
- Corporate pensions were the top performing plan type for the second quarter with an 11.69% median return, followed by foundations, public, Taft-Hartley, endowments, and health care plans.
- Non-U.S. equities led all asset classes for the quarter with a median return of 25.26%, outperforming the MSCI All Country World ex US Index return of 19.00%. U.S. equities returned 16.90%, compared to the Russell 3000 Index return of 16.82%. Non-U.S. fixed income posted a median return of 9.36%, ahead of the Citigroup Non-US Dollar World Government Bond Index return of 5.44%. U.S. fixed income posted a result of 4.65%, versus the Barclays Capital U.S. Aggregate Bond Index return of 1.78%.

“The rebound within the U.S. and non-U.S. equity markets was a catalyst for the positive returns that asset owners experienced this quarter. Signs of a resurgent equities market were first seen in March and have continued over the past three months with the median asset class return for non-U.S. equity up more than 25% and U.S. equity up nearly 17%. Fixed income markets also posted positive returns for the quarter. Buoyant markets helped many asset owners, especially those with larger equity allocations, such as corporate and public funds,” said Stewart.

The average asset allocation in the BNY Mellon U.S. Master Trust Universe for the second quarter was: U.S. equity 33%, U.S. fixed income 30%, non-U.S. equity 15%, non-U.S. fixed income 1%, alternative investments 9%, real estate 2%, cash 2%, and other (oil, gas, etc.) 8%.

BNY Mellon Asset Servicing offers clients worldwide a broad spectrum of specialized asset servicing capabilities, including custody and fund services, securities lending, performance and analytics, and execution services. BNY Mellon Asset Servicing provides services through The Bank of New York Mellon and other related companies.

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BNY Mellon U.S. Master Trust Universe Median Plan Returns

Period Ending June 30, 2009

Universe	Number of Participants	2Q 2009	One-Year	Five-Years	Ten-Years
Master Trust Total Fund	611	10.80	-17.49	2.35	3.30
Corporate Plans	241	11.69	-17.34	2.31	3.13
Foundations	87	11.32	-19.14	2.36	3.58
Endowments	83	9.63	-19.34	3.08	3.37
Public Plans	90	10.85	-17.83	2.38	3.41
Taft-Hartley Plans	56	10.54	-16.61	1.10	2.84
Health Care Plans	18	8.08	-10.69	2.95	3.41
Universe Custom Composite Benchmark		11.49	-18.02	0.49	0.65

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