


# Navellier Global Macro Allocation Portfolio

A Managed ETF Portfolio for both Advancing and Declining Markets



For more information, please call 800 365-8471

Please see important disclosures at end of presentation.



The Navellier Global Macro Allocation Portfolio (GMAP) was developed for defensive minded investors seeking an investment strategy that has the ability to outperform in advancing markets and declining markets as well.

Utilizing a diverse list of Exchange Traded Funds (ETFs) and a corresponding list of Inverse ETFs\*, the portfolio is designed to dampen volatility while attempting to provide above average long-term results in all types of markets.

\* An inverse exchange-traded fund (ETF) is generally constructed by using various derivatives for the purpose of profiting from a decline in the value of an underlying index benchmark or sector. Investing in these ETFs is similar to holding various short positions, or using a combination of advanced investment strategies to profit from falling prices.

# *Why a Global Allocation Portfolio?*

# Rising and Falling Markets Offer Opportunity

- Investors have long realized that it is possible to make investment returns in both rising markets and, through shorting, falling markets.
- However, a practical shorting strategy can be difficult to implement. Why?
  - The asset class to short must first be borrowed and may not be available.
  - The asset class may be subject to adverse liquidity events such as a “short squeeze.”
  - Shorting can theoretically result in infinite losses.

## What's changed?

The creation of inverse ETFs allows for capturing positive returns in a declining market environment.

- Avoids execution problems of borrowing and shorting shares.
- Does not use options or futures.
- Declining markets result in positive returns for inverse ETF products and thus can be identified for portfolio inclusion using traditional selection methods.
- Potential losses are limited to capital invested in ETFs.

## What else has changed?

Namely, the creation of both long and inverse ETFs on individual asset classes. (See list of ETFs on next page)

### Key Points:

- Asset classes used in the **Global Macro Allocation Portfolio** are broad and have a low or negative correlation to one another thus improving diversification.
- The ability of the process to shift between long and inverse positions avoids the problems of trying to time market participation and helps to avoid losses.

# Global Macro Allocation Portfolio ETF Universe

## Domestic ETF Equity - Long

DIA	SPDR Dow Jones Industrial Average ETF Trust
EMM	SPDR DJ Wilshire Mid Cap ETF
QQQQ	PowerShares QQQ Trust
IWM	iShares Russell 2000 Index Fund
IJR	iShares S&P Small Cap 600 Index Fund

## Foreign ETF Equity - Long

EFA	iShares MSCI EAFE Index Fund
EEM	iShares MSCI Emerging Markets Index Fund
FXI	iShares FTSE/Xinhua China 25 Index Fund

## 20+ Yr Treasury ETF - Long

TLT	iShares Barclays 20+ Year Treasury Bond Fund
-----	--

## Commodity ETF - Long

OIL	Barclays iPath GS Crude Oil TR ETN
DBC	PowerShares DB Commodity Index Tracking Fund
GLD	SPDR Gold Trust
AGF	PowerShares DB Agriculture Long ETN
IYR	iShares DJ US Real Estate Index Fund
UUP	PowerShares DB US Dollar Index Bullish Fund ETF

BIL	SPDR Barclays Capital 1-3 Month T-Bill ETF
-----	--

## Domestic ETF Equity - Inverse

DOG	ProShares Trust Short Dow30 ProShares
MYY	ProShares Trust Short Mid Cap400 ProShares
PSQ	ProShares Trust Short QQQ ProShares
RWM	ProShares Short Russell2000
SBB	Short SmallCap600 ProShares Fund

## Foreign ETF Equity - Inverse

EFZ	ProShares Short MSCI EAFE
EUM	ProShares Short MSCI Emerging Markets
YXI	ProShares Short FTSE/Xinhua China 25

## 20+ Yr Treasury ETF - Inverse

TBF	ProShares Short 20+ Year Treasury
-----	-----------------------------------

## Commodity ETF - Inverse

SZO	PowerShares DB Crude Oil Short ETN
DDP	PowerShares DB Commodity Short ETN
DGZ	PowerShares DB Gold Short ETN
ADZ	PowerShares DB Agriculture Short ETN
REK	ProShares Short Real Estate
UDN	PowerShares DB US Dollar Index Bearish Fund ETF

# ETF Selection Methodology

The ETF universe is divided into three parts (GMAP) and five parts (GMAP Concentrated) for analysis.

## **The GMAP Model: Avg. 10-12 Holdings**

- Applies a proprietary investment process to the universe of ETFs.
- Breaks the ETF universe into three baskets of ETFs sorted from most attractive to least attractive.
- The most attractive ETFs are bought in the long portfolio while the least attractive ETFs are used in the inverse allocations.

## **The GMAP Concentrated Model: Avg. 5-6 Holdings**

- Same methodology as above, however, the ETF universe is broken into five baskets.

# Which GMAP Portfolio?

GMAP is intended for those investors seeking consistent long-term returns, using a variety of asset classes, that can produce positive performance in both up *and* down markets.

## **The GMAP Model:**

- More diversified – average holdings of 10-12 ETFs.
- Historical backtesting has shown that the GMAP model has lower risk compared to the GMAP Concentrated model. However, it also has lower returns.

## **The GMAP Concentrated Model:**

- Average holdings of 5-6 ETFs.
- Compared to the GMAP model, in backtesting, the GMAP Concentrated model has shown to have higher returns, but also higher risk.

# Navellier Global Macro Allocation Model Current Holdings: (as of 6/30/2010)

## GMAP

## GMAP Concentrated

### Inverse

EFZ Proshares Short MSCI EAFE  
 SH Proshares Short S&P 500  
 PSQ Proshares Short QQQ  
 SZO Deutsche Bank AG London Branch  
 DDP Deutsche Bank AG London Branch

SH Proshares Short S&P 500  
 PSQ Proshares Short QQQ  
 SZO Deutsche Bank Ag London Branch

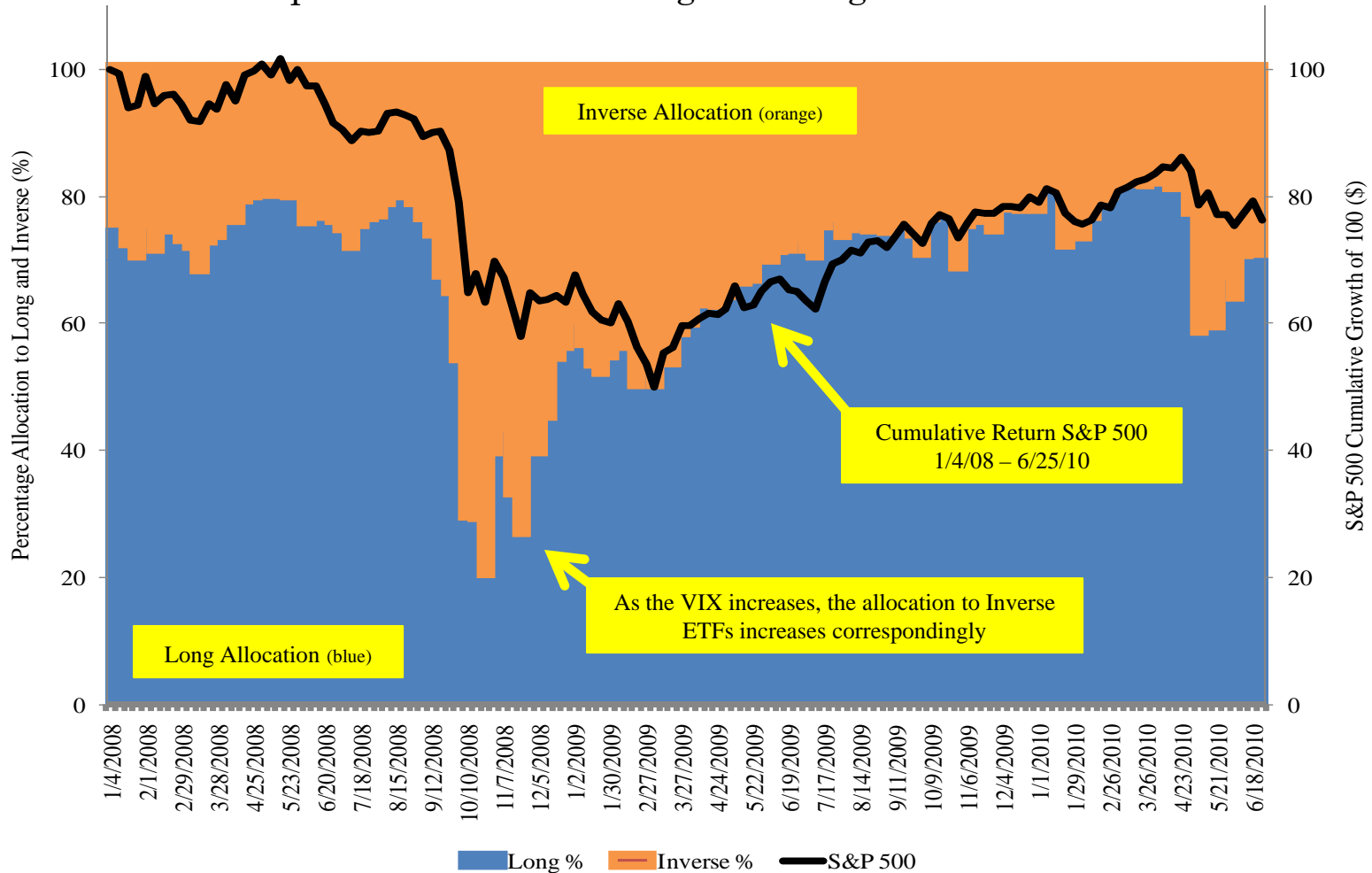
### Long

IYR iShares Tr DJ US Real Estate  
 EEM iShares MSCI Emerging Mkt Fd  
 FXI iShares Tr FTSE Xinhua Index  
 GLD SPDR Gold Trust  
 TLT iShares Barclays 20+ Year Treasury

FXI iShares Tr FTSE Xinhua Index  
 GLD SPDR Gold Trust  
 TLT iShares Barclays 20+ Year Treasury

# Inverse ETF Allocation Using VIX

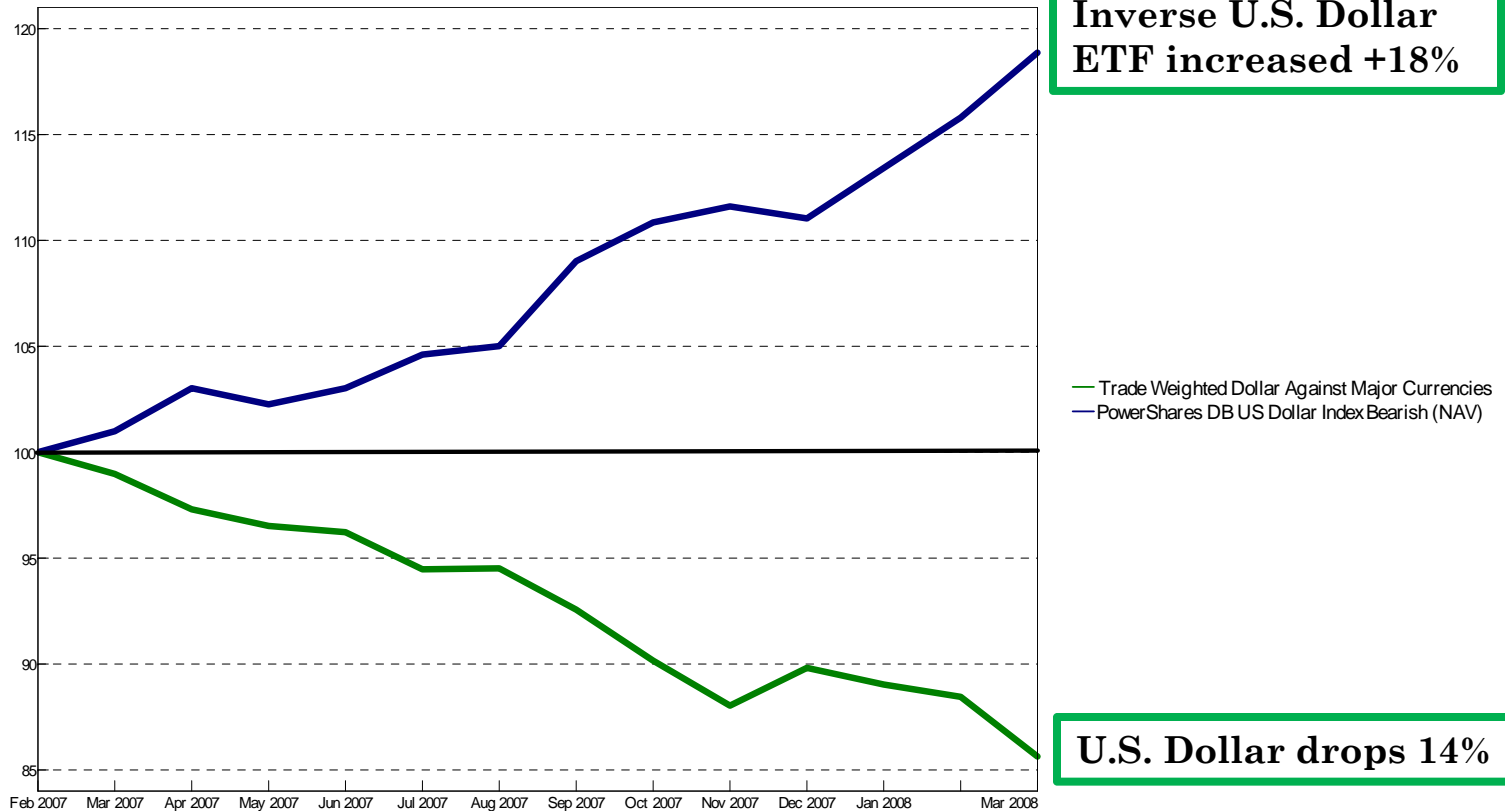
## Example of Allocation Changes During Difficult Markets



Please read important disclosures at the end of presentation. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested.

## Example of Inverse Performance in a Declining Market

March 1, 2007 - March 31, 2008



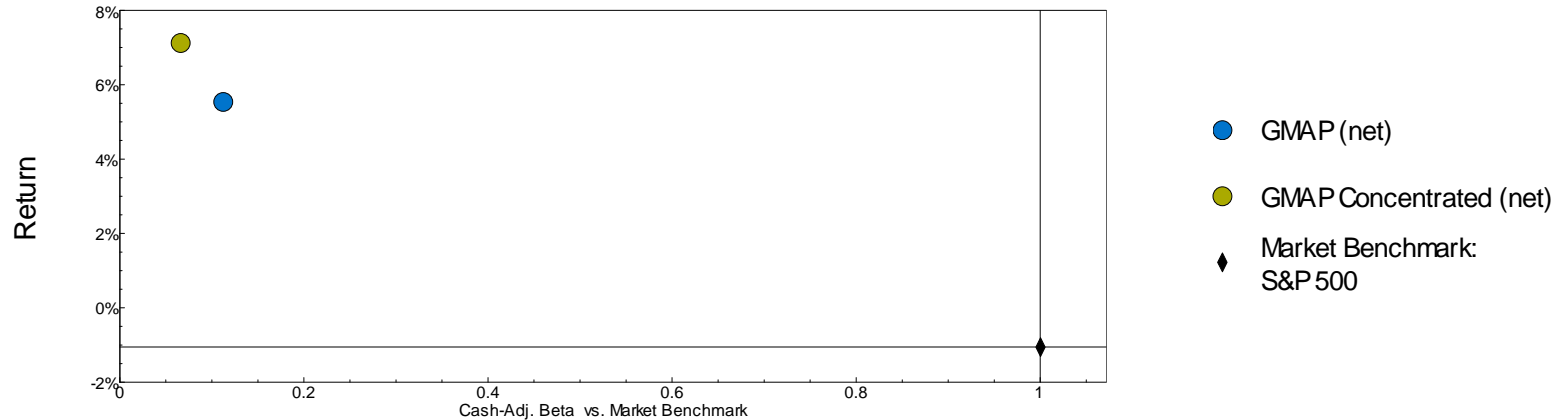
Source: Zephyr StyleADVISOR .

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Performance results presented herein do not necessarily indicate future performance; Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.

# Back Test Results

## Manager Risk/Return

January 1, 2000 - May 31, 2010



## Risk-Return Table

	Return (%)	Std Dev (%)	Downside Risk (%)	Cash-Adj. Beta vs. Market	Cash-Adj. Alpha vs. Market (%)	Cash-Adj. R-Squared vs. Market (%)	Sharpe Ratio	Tracking Error vs. Market (%)	Observ.
GMAP (net)	5.54	11.48	8.09	0.1133	3.70	2.56	0.2456	18.3233	125
GMAP Concentrated (net)	7.09	14.23	10.16	0.0648	5.47	0.55	0.3070	20.7740	125
Market Benchmark: S&P 500	-1.05	16.18	12.27	1.0000	0.00	100.00	-0.2335	0.0000	125

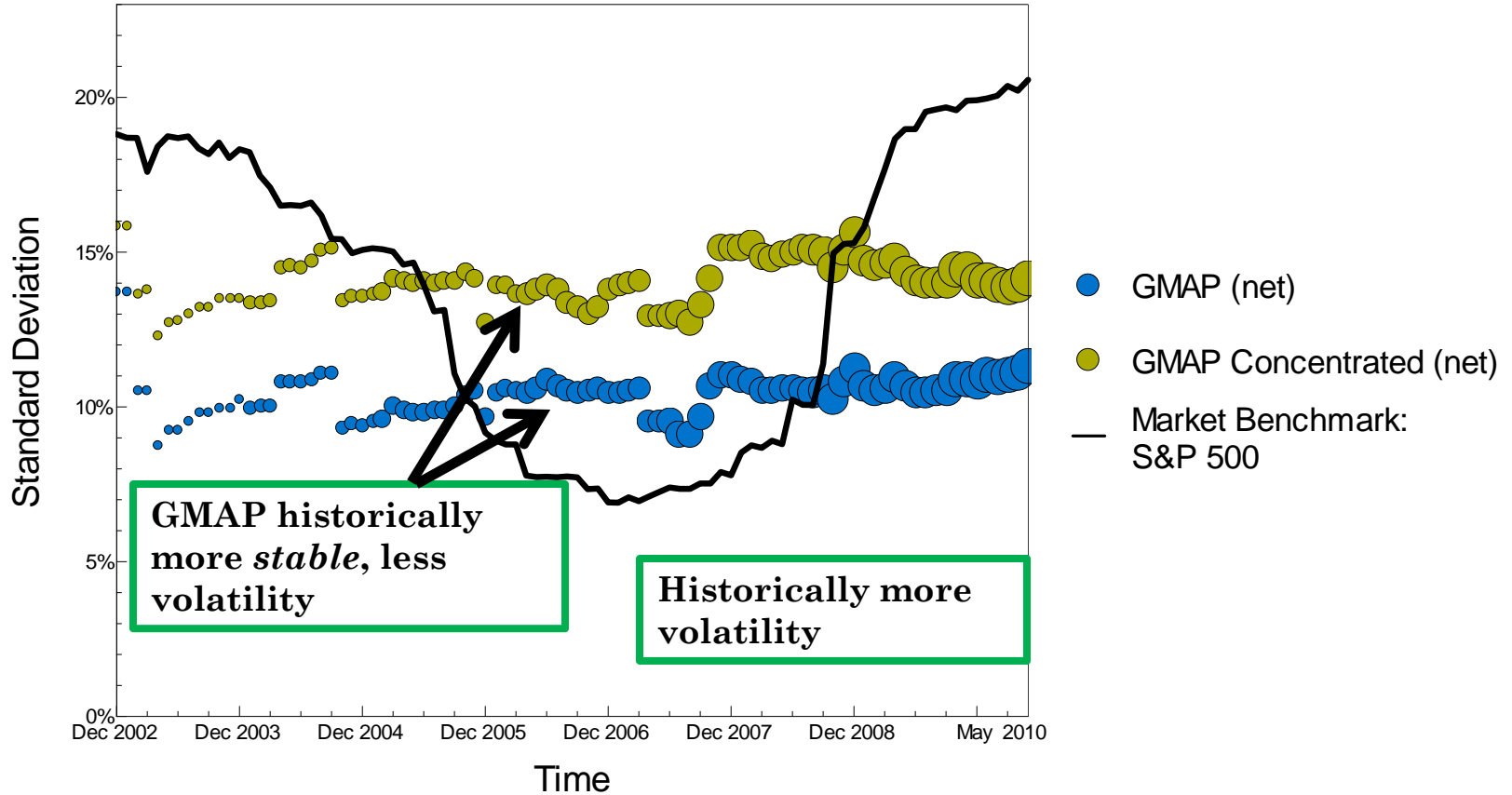
Source: Zephyr StyleADVISOR.

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Performance results presented herein do not necessarily indicate future performance; Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.



# Standard Deviation/Time

36-Month Moving Windows, Computed Monthly  
January 1, 2000 - May 31, 2010



Source: Zephyr StyleADVISOR.

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested.

Correlation Matrix: Returns vs. Market Benchmark:  
S&P 500

January 1, 2000 - May 31, 2010

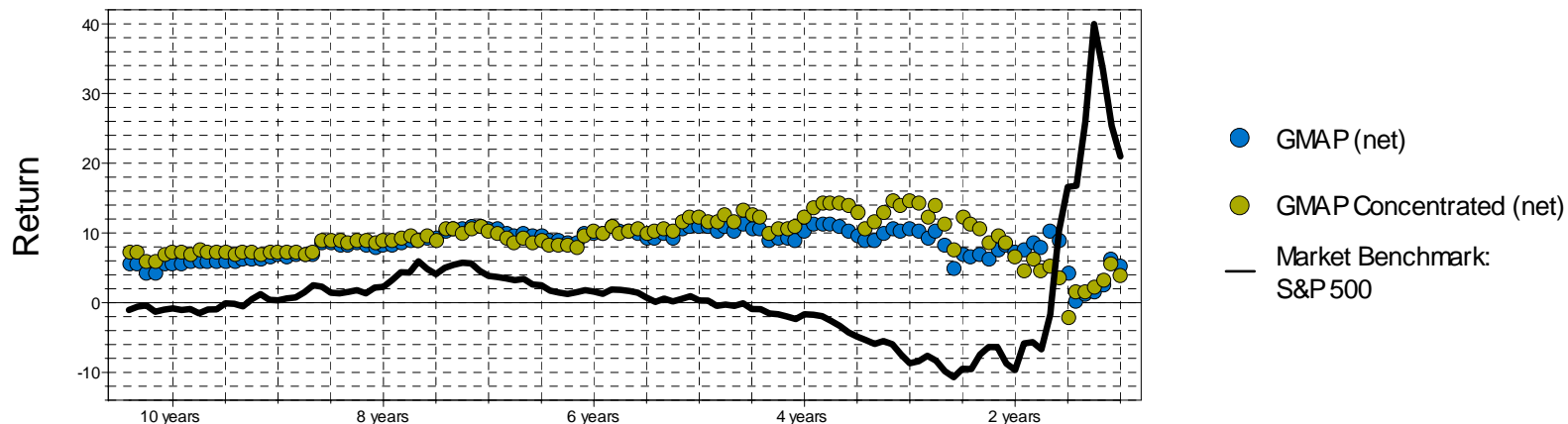
	(1)	(2)	(3)
1) GMAP (net)	1.00		<div style="border: 2px solid green; padding: 5px;">                     Low correlation to domestic equities may improve the diversification of an existing domestic equity portfolio.                 </div>
2) GMAP Concentrated (net)	0.85	1.00	
3) Market Benchmark: S&P 500	0.16	0.07	1.00

Source: Zephyr StyleADVISOR.

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested.

## Manager vs Benchmark: Return through May 31, 2010

January 1, 2000 - May 31, 2010



## Manager vs Benchmark: through May 31, 2010

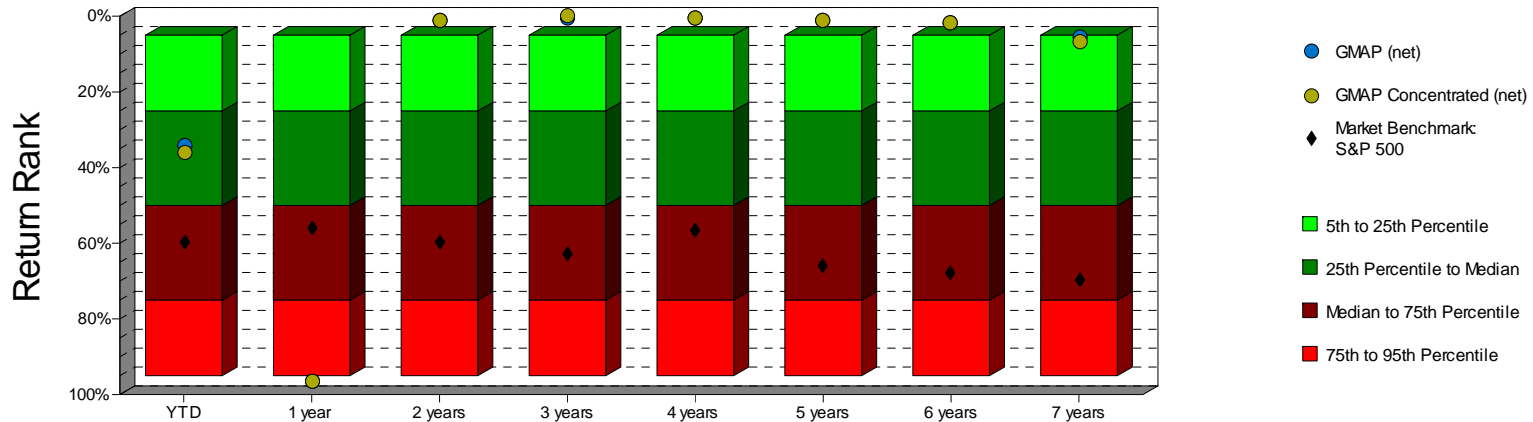
	YTD	1 year	2 years	3 years	4 years	5 years	10 years	Since Inception
GMAP (net)	2.09%	5.14%	7.20%	10.55%	10.17%	10.80%	5.60%	5.54%
GMAP Concentrated (net)	1.76%	3.91%	6.58%	14.71%	12.42%	12.13%	7.21%	7.09%
Market Benchmark: S&P 500	-1.50%	20.99%	-9.68%	-8.69%	-1.67%	0.31%	-0.82%	-1.05%

Source: Zephyr StyleADVISOR.

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Performance results presented herein do not necessarily indicate future performance; Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.

## Manager vs Benchmark: Return Rank through May 31, 2010

January 1, 2000 - May 31, 2010



	Median Rank	Volatility of Rank	YTD 2877 mng	1 year 2814 mng	2 years 2707 mng	3 years 2567 mng	4 years 2443 mng	5 years 2241 mng	6 years 2126 mng	7 years 1992 mng	8 years 1890 mng	9 years 1770 mng	10 years 1578 mng
GMAP (net)	4.66%	4.02	34.39%	96.40%	1.24%	0.64%	0.56%	1.25%	1.80%	5.61%	6.66%	11.60%	23.14%
GMAP Concentrated (net)	5.58%	5.13	35.78%	96.74%	1.40%	0.16%	0.32%	1.06%	1.79%	6.68%	4.95%	9.54%	15.29%
Market Benchmark: S&P 500	65.84%	3.38	59.78%	56.23%	59.57%	63.09%	56.32%	66.06%	67.68%	69.64%	67.94%	68.01%	71.15%

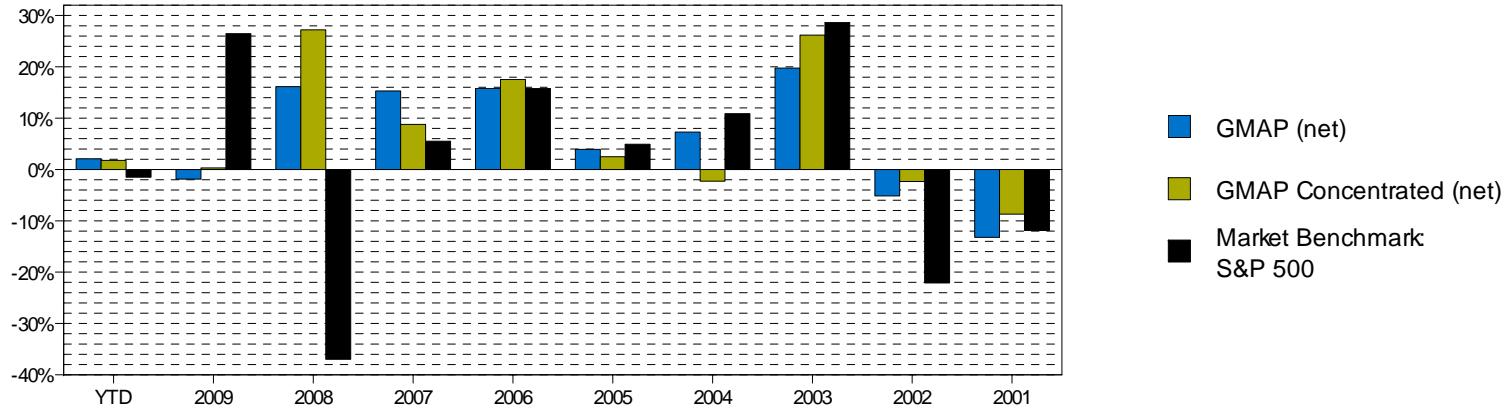
Morningstar All Domestic Equity Managers

Source: Zephyr StyleADVISOR .

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Performance results presented herein do not necessarily indicate future performance; Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.

## Calendar Year Return

January 1, 2000 - May 31, 2010



## Calendar Year Return

	YTD	2009	2008	2007	2006	2005	2004	2003	2002	2001
GMAP (net)	2.09%	-1.87%	16.13%	15.30%	15.80%	3.93%	7.28%	19.77%	-5.15%	-13.22%
GMAP Concentrated (net)	1.76%	0.31%	27.22%	8.80%	17.55%	2.48%	-2.27%	26.18%	-2.36%	-8.70%
Market Benchmark: S&P 500	-1.50%	26.46%	-37.00%	5.49%	15.79%	4.91%	10.88%	28.68%	-22.10%	-11.88%

Source: Zephyr StyleADVISOR .

Please read important disclosures at the end of presentation. Graphs are for discussion purposes only. Performance results presented herein do not necessarily indicate future performance; Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.

# Disclosures

As a matter of normal and important disclosures to you, as a potential investor, please consider the following: The performance figures presented in the accompanying charts and graphs are hypothetical and not based on any actually traded portfolio or client accounts and should be considered mere "paper" or pro-forma performance results. The model portfolios, charts and other information presented do not represent actual funded trades and are not actual funded portfolios. The reported performances of model portfolios presented in the accompanying charts and graphs may not reflect the performance results of Navellier Global Macro Allocation Model actually funded and traded portfolios.

Navellier Global Macro Allocation Model is a new strategy. There is no guarantee that the advisor will be successful in achieving returns similar to the returns presented in these materials. As a matter of important disclosure regarding the model results presented in the accompanying charts and graphs, the following factors must be considered when evaluating the performance figures presented:

- I. Historical or illustrated results presented herein do not necessarily indicate future performance; Investment in securities involves significant risk and has the potential for partial or complete loss of funds invested.
- II. The results presented were generated during a four year period of generally improving economic conditions in the U S and positive market performance U.S. performance, bracketed by two significant downward stock market periods. There can be no assurance that the returns experienced in these favorable and unfavorable market conditions will occur again in the future. Navellier has no data regarding actual performance in different economic or market cycles or conditions.
- III. The results portrayed reflect the reinvestment of dividends and other income.
- IV. The results portrayed include investment advisory fees paid to the adviser equal to 1.25% plus an estimated custodian/brokerage fee to account for transaction/brokerage costs equal to 1.75%, for total fees equal to 3.00%. The Advisor believes these fees represent the highest fees a client may incur when opening an account directly with a non-full service brokerage firm or other financial intermediary. The fees may be greater if the client involves an additional advisor or financial intermediary or full-service brokerage firm, and the fees reflected in the net performance figures in this presentation may not include administrative fees, or transaction expenses, or other expenses that a client would have paid or actually paid. The fees may also vary depending on the account size and estimated trading costs will be greater for smaller accounts. The ETFs invested in the model portfolios have their own expenses that are included in the net returns presented.
- V. All returns are expressed in U.S. dollars.
- VI. LIMITATIONS INHERENT IN MODEL RESULTS: The performance results presented are from a model portfolio, not an actually funded portfolio, and may not reflect the impact that material economic and market factors might have had on the adviser's decision making if the adviser were actually managing clients' money, and thus present returns which are greater than what a potential investor would have experienced for the time period. The results are presented for informational purposes only. No real money has been invested in this model portfolio. The model performance results should be considered mere 'paper' or pro forma performance results. The model results do not represent actual funded trades and may not reflect actual prices paid or received for actual funded trades.
- VII. The model results may or may not relate, or only partially relate, to the type of advisory services currently offered by Navellier & Associates, Inc.

# Disclosures *continued*

POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR FINANCIAL ADVISOR BEFORE INVESTING IN ANY NAVELLIER INVESTMENT PRODUCT. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested.

Navellier does not calculate the statistical information included in the attached report. The calculation and the information are provided by Zephyr Associates, a company not related to Navellier. Although information contained in the report has been obtained from Zephyr Associates and is based on sources Navellier believes to be reliable, Navellier does not guarantee its accuracy, and it may be incomplete or condensed. The report and the related Zephyr sourced information are provided on an "as is" basis. The user assumes the entire risk of any use made of this information. Investors should consider the report as only a single factor in making their investment decision. The report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Zephyr sourced information is the exclusive property of Zephyr Associates. Without prior written permission of Zephyr Associates, this information may not be reproduced, disseminated or used to create any financial products.

Although information in this presentation has been obtained from and is based upon sources that Navellier believes to be reliable, Navellier does not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute Navellier's judgment as of the date the presentation was created and are subject to change without notice. Any decision to purchase securities mentioned in this research must take into account existing public information on such security or any registered prospectus.

Presentation of Index data does not reflect a belief by the Advisor that any stock index constitutes an investment alternative to any Navellier equity strategy, or is necessarily comparable to such strategies. Among the most important differences between the Indices and Navellier strategies are that the Navellier equity strategies may (1) incur material management fees, (2) concentrate its investments in relatively few stocks, industries, or sectors, (3) have significantly greater trading activity and related costs, and (4) be significantly more or less volatile than the Indices. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Past performance is no guarantee of future results.

Performance results presents herein do not necessarily indicate future performance; investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested.

The S&P 500 Index measures the performance of 500 stocks that are considered to be widely held by Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and comprises approximately three-quarters of the total capitalization of companies publicly traded in the United States. The S&P 500 index is weighted by market value and its performance is thought to be representative of the stock market as a whole. It is reported that over 70% of all U.S. equity funds are tracked by the S&P 500. The index selects its companies based upon their market size, liquidity, and sector. Most of the companies in the index are mid cap or large corporations. This index is composed of 400 industrial, 20 transportation, 40 utility, and 40 financial companies. Many experts consider the S&P 500 one of the most important benchmarks available to judge overall U.S. market performance. Presentation of Index data does not reflect a belief by the Advisor that any stock index constitutes an investment alternative to any Navellier equity strategy, or is necessarily comparable to such strategies. Among the most important differences between the Indices and Navellier strategies are that the Navellier equity strategies may (1) incur material management fees, (2) concentrate its investments in relatively few stocks, industries, or sectors, (3) have significantly greater trading activity and related costs, and (4) be significantly more or less volatile than the Indices.

Trade Weighted Dollar Index: A weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners.

## NAVELLIER GLOBAL MACRO ALLOCATION INSTITUTIONAL COMPOSITE

Reporting Currency U.S. Dollar | June 30, 2010

Year	Total Firm Assets (\$ Millions)	Total Composite Assets (\$ Millions)	Percentage of Firm Assets	Accounts at Year-End	Pure Gross Annual Return (%)	Net Annual Return (%)	S&P 500 Index Annual Return (%)	Annual Composite Dispersion (%)
------	---------------------------------	--------------------------------------	---------------------------	----------------------	------------------------------	-----------------------	---------------------------------	---------------------------------

**1. Compliance Statement** - Navellier & Associates, Inc. has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Navellier & Associates, Inc., has been verified for the periods January 1, 1995 through June 30, 2009 by Ashland Partners & Company LLP. A copy of the verification report is available upon request.

**2. Definition of Firm** - Navellier & Associates, Inc. is a registered investment adviser established in 1987. Navellier & Associates, Inc. manages a variety of equity assets for primarily U.S. and Canadian institutional and retail clients.

**3. Composite Description** – The Navellier Global Macro Allocation Institutional Composite includes all discretionary Global Macro Allocation equity accounts managed with similar objectives for a full month, including those accounts no longer with the firm. For all periods, there is one non-management-fee-paying account included in the composite. The composite does not include any accounts or assets that are traded by third parties utilizing the Navellier Global Macro Allocation Model. There is no minimum account size for inclusion in the composite. Performance is calculated on a “time-weighted” and “asset-weighted” basis. Performance figures that are net of fees take into account advisory fees and any brokerage fees or commissions that have been deducted from the account. “Pure” gross-of-fees returns do not reflect the deduction of any trading costs, fees, or expenses, and are presented only as supplemental information. Therefore, actual returns will be reduced by advisory and other expenses incurred. Performance results are total returns and include the reinvestment of all income, including dividends. There have been no significant firm events that would affect the performance of the composite. The composite was created July 1, 2010. Valuations and returns are computed and stated in U.S. Dollars. Portfolio valuation sources are IDC, Factset, and Thompson. Performance is calculated using the “Modified Dietz Method.” At any given time, the composite may hold up to 15% in American Depositary Receipts (ADRs). Additional information regarding policies for calculating and reporting returns is available upon request.

**4. Management Fees** – The management fee schedule for accounts is generally 25 to 100 basis points; however, some incentive fee, fixed fee, and fulcrum fee accounts may be included. Fees are negotiable, and not all accounts included in the composite are charged the same rate. Bundled fee accounts are included in the composite. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. The bundled fees include custody, trading expenses, and other expenses associated with the management of the account. The client is referred to the firm’s Form ADV Part II for a full disclosure of the fee schedule.

**5. Composite Dispersion** - If applicable, the dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year.

**6. Benchmark** - The primary benchmark for the composite is the S&P 500 Index. The S&P 500 consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index with each stock’s weight in the index proportionate to its market value. The reported returns reflect a total return for each quarter inclusive of dividends. The asset mix of the composite may not be precisely comparable to the presented indices. Presentation of index data does not reflect a belief by the Firm that the S&P 500 Index, or any other index, constitutes an investment alternative to any investment strategy presented in these materials or is necessarily comparable to such strategies.

**7. General Disclosure** - Actual results may differ from composite results depending upon the size of the account, custodian related costs, the inception date of the account and other factors. **Performance results presented herein do not necessarily indicate future performance. Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Results presented include reinvestment of all dividends and other earnings.** The securities identified and described do not represent all of the securities purchased, sold, or recommended for client accounts. The results presented were generated during a period of improving and deteriorating economic conditions in the U.S. and both positive and negative market performance. There can be no assurance that these favorable market conditions will occur again in the future. Navellier has no data regarding actual performance in different economic or market cycles or conditions. It should not be assumed that any securities recommendations made by Navellier in the future will be profitable or equal the performance of securities made in this request. For a list of recommendations made by Navellier & Associates, Inc. for the preceding twelve months or to receive a complete list and description of Navellier & Associates, Inc.’s investment composites, contact Tim Hope at (800) 365-8471, extension 416, or write to Navellier & Associates, Inc., One East Liberty, 3rd Floor, Reno, NV 89501, or e-mail timh@navellier.com.

All Information contained herein is stated as of the date referenced at the top of this page unless indicated otherwise. Past performance is no guarantee of future results.

# Navellier Global Macro Allocation Portfolio

A Managed ETF Portfolio for both Advancing and Declining Markets



For more information, please call 800 365-8471

Please see important disclosures at end of presentation.

81910

  
**NAVELLIER**  
*Calculated Investing*