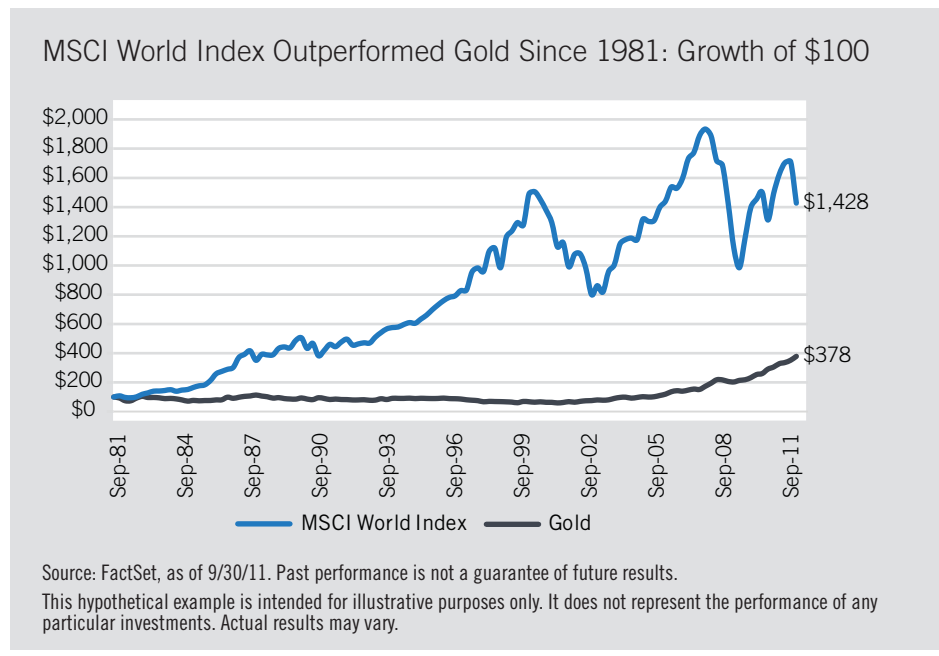




Brandes observes:

Not All that Glitters is Gold: Global Stocks Outshine Gold

A review of returns over the last 30 years shows that global equities, as measured by the MSCI World Index, outperformed gold in two of the last three decades.



Even including gold's recent surge, the commodity has underperformed the MSCI World Index over the long term.

Even including gold's recent surge, the commodity has underperformed the MSCI World Index over the long term. The chart above shows how a hypothetical \$100 investment in gold initiated in 1981 would have been worth \$378 in 2011. The same investment in the MSCI World Index would have appreciated to \$1,428.



Also, there were more time periods when global equities registered returns higher than those for gold. The table below illustrates returns from 1981 through 2011, a timespan that contained 81 rolling 10-year periods of quarterly returns.

MSCI World Index Outperformed Gold (1981 to 2011) 9/30/81 – 9/30/11, Rolling 10-Year Periods

NUMBER OF PERIODS WITH:	GOLD	MSCI WORLD
Annualized returns less than 0%	34	6
Annualized returns between 0% and 5%	27	10
Annualized returns between 5% and 10%	4	30
Annualized returns greater than 10%	16	35
Minimum annualized return	-5.1%	-2.2%
Maximum annualized return	18.8%	17.2%
Average annualized return	2.7%	8.9%

Source: FactSet, as of 9/30/11. Past performance is not a guarantee of future results.

Rolling periods represent a series of overlapping, smaller time periods within a single, longer-term time period. For example, over a 20-year period, there is one 20-year rolling period, eleven 10-year rolling periods, sixteen 5-year rolling periods, and so forth.

As the table above indicates, gold posted annualized returns of less than 5% for most of the 10-year periods under review. In contrast, 10-year returns for the MSCI World Index exceeded an annualized 5% per year in a vast majority of periods.

More recently, the historic relationship between gold and the MSCI World Index seems to have inverted. While the index trounced gold in the 1980s and 1990s, for example, the first decade of the 2000s saw gold outperform the index.

Return Comparison by Decade (1981 – 2011)

10-YEAR ROLLING (ANNUAL) RETURN BY DECADE	GOLD	MSCI WORLD
1980s (9/30/81 - 12/31/90)	-1.9%	16.9%
1990s (9/30/91 - 12/31/00)	-1.9%	7.6%
2000s (9/30/01 - 12/31/10)	18.6%	3.7%

Source: FactSet, as of 9/30/11. Past performance is not a guarantee of future results.

The MSCI World Index with net dividends is an unmanaged, free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. As of May 27, 2010 the MSCI World Index consisted of 24 developed market country indices. This index includes dividends and distributions net of withholding taxes, but does not reflect fees, brokerage commissions, or other expenses of investing.

The value of an investment in stocks will fluctuate with market conditions so that, when sold, shares may be worth more or less than the original amount paid. The value of an investment in gold will also fluctuate. In addition, there are other factors to consider when investing in gold or commodities, such as potentially high transaction cost, physical storage and insurance considerations, and potential difficulties with partial liquidation.

Gold Index: Price and performance based on London Gold Spot, a source of wholesale prices of the over-the-counter gold market compiled by The London Bullion Market Association (LBMA).

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Brandes Investment
Partners, L.P.
11988 El Camino Real,
Suite 500
P.O. Box 919048
San Diego, CA
92191-9048
858.755.0239

