

FIVE-STAR STOCKS

Recommended by S&P Capital IQ analysts for superior total return potential over the next 12 months.

Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 mos., with shares rising in price on an absolute basis.

SYM	COMPANY NAME	5 STARS SINCE	PRICE WHEN RECOMMENDED	CURRENT PRICE	COMMENT
AAPL	Apple Inc.	11/14/12	536.8	449.73	Valuation, expctd strong holiday season
ABC	AmerisourceBerge	04/17/13	55.06	54.07	New strategic initiatives
AET	Aetna Inc.	05/08/13	59.35	60.38	Coventry acq improves growth prospects
AFL	AFLAC Inc.	04/25/12	45.26	55.68	Valuation, strong business trends
AOS	AO Smith Corp.	09/20/10	19.15	39.20	Rising volumes, sales & wider margins
APA	Apache Corp.	06/16/09	80.41	82.12	Solid production growth outlook
AXP	American Express	08/09/11	46.10	75.71	Valuation
BIDU	Baidu, Inc.	04/25/12	134.8	96.64	Valuation
BRCM	Broadcom Corp.	05/21/12	32.28	35.91	Valuation
BXP	Boston Propertie	01/18/13	107.8	106.58	Valuation
CAG	ConAgra Foods, I	02/20/13	33.65	33.68	Raised EPS estimate, target
CBL	CBL & Associates	08/27/09	8.73	22.99	Improving outlook & valuation
CBOE	CBOE Holdings, I	09/24/12	30.24	40.13	Valuation
CBS	CBS Corporation	01/31/12	28.48	49.49	Valuation
CCI	Crown Castle Int	07/15/08	35.32	71.25	Valuation
CELG	Celgene Corporat	10/23/08	58.05	123.65	Continued robust sales growth
CEO	CNOOC Ltd.	04/22/13	177.9	173.84	Valuation
CERN	Cerner Corporati	10/28/11	65.10	98.16	Valuation
CHU	China Unicom (Ho	04/26/13	14.15	13.54	Valuation
CMI	Cummins Inc.	04/27/10	72.40	119.62	Strong International growth
COH	Coach, Inc.	10/23/07	36.60	58.25	Valuation
COV	Covidien plc	03/10/11	52.52	63.59	Valuation
CVS	CVS Caremark Cor	06/18/10	32.43	57.57	Valuation
CVX	Chevron Corporat	06/06/08	99.50	122.75	Valuation
DFS	Discover Financi	03/13/13	43.06	47.41	Multiple expansion from EPS quality
DIS	The Walt Disney	05/11/11	43.91	63.07	Improving fundamentals & valuation
ELNK	EarthLink Inc.	07/28/11	7.97	5.92	Valuation
EMC	EMC Corporation	05/09/13	22.90	24.76	Valuation
EPD	Enterprise Produ	01/19/11	42.99	59.38	Valuation
ERIC	Ericsson	03/13/13	13.03	11.66	Stronger growth outlook
FAST	Fastenal Company	07/12/07	23.21	52.17	Valuation, change in business model
FDX	FedEx Corporatio	02/23/10	81.49	96.34	Improving airfreight volumes & economy
FLS	Flowserve Corp.	10/28/11	97.02	168.12	Valuation
GILD	Gilead Sciences	05/02/13	52.18	54.48	Valuation

**Adjusted for stock split*

Please see the Required Disclosures on the last page of the report

SYM	COMPANY NAME	5 STARS SINCE	PRICE WHEN RECOMMENDED	CURRENT PRICE	COMMENT
GME	GameStop Corp.	05/08/13	37.14	33.16	Valuation
HIG	The Hartford Fin	12/19/12	22.52	30.62	Valuation
ICLR	ICON Public Limi	05/11/12	22.40	34.34	Robust growth, margin expansion
INT	World Fuel Servi	03/11/10	28.23	40.73	Well positiond to expand its mrkt share
ITC	ITC Holdings Cor	06/28/12	69.15	86.57	Expected 30% total return; div. growth
KELYA	Kelly Services,	11/01/10	14.84	17.71	Solid business recovery
KMP	Kinder Morgan En	08/23/07	50.83	83.40	Valuation
KO	The Coca-Cola Co	12/17/07	31.24	39.98	High Intl exposure & acceleration
LAZ	Lazard Ltd.	02/21/13	35.34	33.88	Improved outlook for M&A benefits co
MCK	McKesson Corpora	09/04/09	55.49	113.86	Improving prospects
MTW	The Manitowoc Co	10/14/09	10.80	21.01	Valuation
NOV	National Oilwell	01/25/13	74.00	70.30	Valuation
NPSP	NPS Pharmaceutic	01/30/12	7.57	15.74	Near-term regulatory catalyst seen
PM	Philip Morris In	05/19/11	70.68	90.91	Valuation
PRXL	PAREXEL Internat	05/01/13	43.05	45.68	Valuation, strong bookings
PSA	Public Storage	05/31/13	152.5	151.80	Valuation
PXD	Pioneer Natural	04/02/12	112.1	138.68	Oil Volume growth, margins
QCOM	QUALCOMM Incorpo	04/26/12	63.91	63.48	Valuation
RIO	Rio Tinto plc	03/26/10	231.1	42.71	Valuation
SJM	The J. M. Smucke	06/21/12	75.84	100.96	Defensive appeal; domestic emphasis
SNI	Scripps Networks	02/07/13	59.97	67.36	Valuation, improving fundamentals
SSP	The E. W. Scripp	04/04/13	12.14	13.64	Strong propsects for local TV segment
TESO	Tesco Corporatio	03/27/12	14.51	12.75	Improving Gulf of Mexico, valuation
TGI	Triumph Group, I	11/01/12	66.96	77.65	Valuation
TGT	Target Corp.	02/19/13	61.87	69.50	Valuation
TRN	Trinity Industri	05/07/12	27.73	40.92	Strong shipments, higher earnings
TROW	T. Rowe Price Gr	03/06/12	60.18	75.91	Fund flows seen positive for equities
TXT	Textron Inc.	06/19/12	25.49	26.96	Improved business jet market demand
URI	United Rentals,	11/04/10	19.94	56.84	Imprvmnts in utilization, rental revs
USG	USG Corporation	04/30/12	18.05	27.33	More confident of business recovery
VLO	Valero Energy Co	04/24/12	23.93	40.62	Higher North American oil production
WFR	MEMC Electronic	03/01/13	4.81	8.06	Valuation, better growth prospects
WIN	Windstream Corpo	08/05/11	11.60	8.02	Valuation
XLNX	Xilinx Inc.	05/20/13	38.95	40.64	Valuation
XOM	Exxon Mobil Corp	07/31/08	80.43	90.47	Valuation

**Adjusted for stock split*

Please see the Required Disclosures on the last page of the report

CHANGES LAST 5 DAYS

<i>DATE CHANGED</i>	<i>SYM</i>	<i>STOCK</i>	<i>NEW RANKING</i>	<i>OLD RANKING</i>	<i>REASON WHY</i>
5/31	PSA		☆☆☆☆	☆☆☆☆	Valuation

SAMPLE

Required Disclosures

In contrast to the qualitative STARS recommendations covered in this report, which are determined and assigned by S&P equity analysts, S&P's quantitative evaluations are derived from S&P's proprietary Fair Value quantitative model. In particular, the Fair Value Ranking methodology is a relative ranking methodology, whereas the STARS methodology is not. Because the Fair Value model and the STARS methodology reflect different criteria, assumptions and analytical methods, quantitative evaluations may at times differ from (or even contradict) an equity analyst's STARS recommendations. As a quantitative model, Fair Value relies on history and consensus estimates and does not introduce an element of subjectivity as can be the case with equity analysts in assigning STARS recommendations.

S&P Global STARS Distribution

In North America: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services North America recommended 35.0% of issuers with buy recommendations, 56.0% with hold recommendations and 9.0% with sell recommendations.

In Europe: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services Europe recommended 27.7% of issuers with buy recommendations, 48.6% with hold recommendations and 23.7% with sell recommendations.

In Asia: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services Asia recommended 38.7% of issuers with buy recommendations, 50.3% with hold recommendations and 11.0% with sell recommendations.

Globally: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services globally recommended 34.3% of issuers with buy recommendations, 54.2% with hold recommendations and 11.5% with sell recommendations.

★★★★★ **5-STARS (Strong Buy):** Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

★★★★☆ **4-STARS (Buy):** Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

★★★☆☆ **3-STARS (Hold):** Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

★★☆☆☆ **2-STARS (Sell):** Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

★☆☆☆☆ **1-STARS (Strong Sell):** Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

For All Regions: All of the views expressed in this research report accurately reflect the research analyst's personal views regarding any and all of the subject securities or issuers. No part of analyst compensation was, is, or will be directly or indirectly, related to the specific recommendations or views expressed in this research report.

S&P Global Quantitative Recommendations Distribution

In Europe: As of March 31, 2013, Standard & Poor's Quantitative Services Europe recommended 42.1% of issuers with buy recommendations, 21.8% with hold recommendations and 36.1% with sell recommendations.

In Asia: As of March 31, 2013, Standard & Poor's Quantitative Services Asia recommended 38.7% of issuers with buy recommendations, 18.5% with hold recommendations and 28.0% with sell recommendations.

Globally: As of March 31, 2013, Standard & Poor's Quantitative Services globally recommended 46.4% of issuers with buy recommendations, 19.8% with hold recommendations and 33.8% with sell recommendations.

Additional information is available upon request.

Other Disclosures

This report has been prepared and issued by Standard & Poor's and/or one of its affiliates. In the United States, research reports are prepared by Standard & Poor's Investment Advisory Services LLC ("SPIAS"). In the United States, research reports are issued by Standard & Poor's ("S&P"); in the United Kingdom by McGraw-Hill Financial Research Europe Limited, which is authorized and regulated by the Financial Services Authority and trades as Standard & Poor's; in Hong Kong by Standard & Poor's Investment Advisory Services (HK) Limited, which is regulated by the Hong Kong Securities Futures Commission; in Singapore by McGraw-Hill Financial Singapore Pte. Limited (MHFSPL), which is regulated by the Monetary Authority of Singapore; in Malaysia by Standard & Poor's Malaysia Sdn Bhd ("S&PM"), which is regulated by the Securities Commission; in Australia by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS"), which is regulated by the Australian Securities & Investments Commission; and in Korea by SPIAS, which is also registered in Korea as a cross-border investment advisory company.

The research and analytical services performed by SPIAS, McGraw-Hill Financial Research Europe Limited, MHFSPL, S&PM, and SPIS are each conducted separately from any other analytical activity of Standard & Poor's.

Standard & Poor's or an affiliate may license certain intellectual property or provide pricing or other services to, or otherwise have a financial interest in, certain issuers of securities, including exchange-traded investments whose investment objective is to substantially replicate the returns of a proprietary Standard & Poor's index, such as the S&P 500. In cases where Standard & Poor's or an affiliate is paid fees that are tied to the amount of assets that are invested in the fund or the volume of trading activity in the fund, investment in the fund will generally result in Standard & Poor's or an affiliate earning compensation in addition to the subscription fees or other compensation for services rendered by Standard & Poor's. A reference to a particular investment or security by Standard & Poor's and one of its affiliates is not a recommendation to buy, sell, or hold such investment or security, nor is it considered to be investment advice.

Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index.

Standard & Poor's and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

Disclaimers

With respect to reports issued to clients in Japan and in the case of inconsistencies between the English and Japanese version of a report, the English version prevails. With respect to reports issued to clients in German and in the case of inconsistencies between the English and German version of a report, the English version prevails. Neither S&P nor its affiliates guarantee the accuracy of the translation. Assumptions, opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not necessarily indicative of future results.

Standard & Poor's, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness or adequacy of this material, and S&P Parties shall have no liability for any errors, omissions, or interruptions therein, regardless of the

cause, or for the results obtained from the use of the information provided by the S&P Parties. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the information contained in this document even if advised of the possibility of such damages. Capital IQ is a business of Standard & Poor's.

Ratings from Standard & Poor's Ratings Services are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. Standard & Poor's assumes no obligation to update its opinions following publication in any form or format. Standard & Poor's ratings should not be relied on and are not substitutes for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. Standard & Poor's rating opinions do not address the suitability of any security. Standard & Poor's does not act as a fiduciary. While Standard & Poor's has obtained information from sources it believes to be reliable, Standard & Poor's does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

Standard & Poor's keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of Standard & Poor's may have information that is not available to other Standard & Poor's business units. Standard & Poor's has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

Standard & Poor's Ratings Services did not participate in the development of this report. Standard & Poor's may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. Standard & Poor's reserves the right to disseminate its opinions and analyses. Standard & Poor's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via Standard & Poor's publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors. Any opinions expressed herein are given in good faith, are subject to change without notice, and are only current as of the stated date of their issue. Prices, values, or income from any securities or investments mentioned in this report may fall against the interests of the investor and the investor may get back less than the amount invested. Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. This material is not intended for any specific investor and does not take into account your particular investment objectives, financial situations or needs and is not intended as a recommendation of particular securities, financial instruments or strategies to you. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

This document does not constitute an offer of services in jurisdictions where Standard & Poor's or its affiliates do not have the necessary licenses.

For residents of the U.K. - This report is only directed at and should only be relied on by persons outside of the United Kingdom or persons who are inside the United Kingdom and who have professional experience in matters relating to investments or who are high net worth persons, as defined in Article 19(5) or Article 49(2) (a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, respectively.

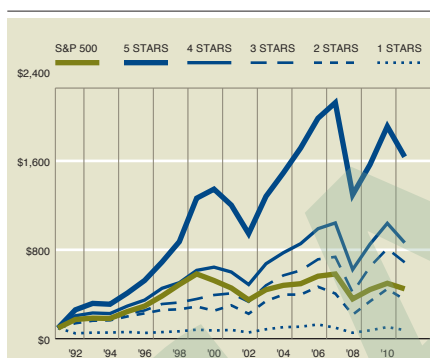
For residents of Singapore - Anything herein that may be construed as a recommendation is intended for general circulation and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. Advice should be sought from a financial adviser regarding the suitability of an investment, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

For residents of Malaysia - All queries in relation to this report should be referred to Ching Wah Tam.

For residents of Indonesia - This research report does not constitute an offering document and it should not be construed as an offer of securities in Indonesia, and that any such securities will only be offered or sold through a financial institution.

For residents of the Philippines - The securities being offered or sold have not been registered with the Securities and Exchange Commission under the Securities Regulation Code of the Philippines. Any future offer or sale thereof is subject to registration requirements under the Code unless such offer or sale qualifies as an exempt transaction.

S&P U.S. STARS Performance



The performance above represents only the results of Standard & Poor's model portfolios. Model performance has inherent limitations. Standard & Poor's maintains the models and calculates the model performance shown, but does not manage actual assets. The U.S. STARS model performance chart is only an illustration of Standard & Poor's (S&P) research; it shows how U.S. common stocks, ADRs (American Depositary Receipts) and ADSs (American Depositary Shares), collectively "equities", that received particular STARS rankings performed. STARS categories are models only; they are not collective investment funds. The STARS performance does not show how any actual portfolio has performed. STARS model performance does not represent the results of actual trading of investor assets. Thus, the model performance shown does not reflect the impact that material economic and market factors might have had on decision-making if actual investor money had been managed. Performance is calculated using a time-weighted rate of return. While model performance for some or all STARS categories performed better than the S&P 500 for the period shown, the performance during any shorter period may not have, and there is no assurance that they will perform better than the S&P 500 in the future. STARS does not take into account any particular investment objective, financial situation or need and is not intended as an investment recommendation or strategy. Investments based on the STARS methodology may lose money. High returns are not necessarily the norm and there is no assurance that they can be sustained. Past model performance of STARS is no guarantee of future performance.

For model performance calculation purposes, the equities within each STARS category at December 31, 1986 were equally weighted. Thereafter, additions to the composition of the equities in each STARS category are made at the average value of the STARS category at the preceding month end with no rebalancing. Deletions are made at the closing price of the day that the deletion is made. Performance was calculated from inception through March 31, 2003 on a monthly basis. Thereafter, performance is calculated daily. Equities in each STARS category will change over time, and some or all of the equities that received STARS rankings during the time period shown may not have maintained their STARS ranking during the entire period.

The model performance does not consider taxes and brokerage commissions, nor does it reflect the deduction of any advisory or other fees charged by advisors or other parties that investors will incur when their accounts are managed in accordance with the models. The imposition of these fees and charges would cause actual performance to be lower than the performance shown. For example, if a model returned 10 percent on a \$100,000 investment for a 12-month period (or \$10,000) and an annual asset-based fee of 1.5 percent were imposed at the end of the period (or \$1,650), the net return would be 8.35 percent (or \$8,350) for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.1%, a total fee of \$5,375 and a cumulative net return of 27.2% (or \$27,200). Fees deducted on a frequency other than annual would result in a different cumulative net return in the preceding example.

The Standard & Poor's 500 index is the benchmark for U.S. STARS. The S&P 500 index is calculated in U.S. dollars and does not take into account the reinvestment of dividends. Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index. The S&P 500 index includes a different number of constituents and has different risk characteristics than the STARS equities. Some of the STARS equities may have been included in the S&P 500 index for some (but not necessarily all) of the period covered in the chart, and some such equities may not have been included at all. The S&P 500 excludes ADRs and ADSs. The methodology for calculating the return of the S&P 500 index differs from the methodology of calculating the return for STARS. Past performance of the S&P 500 index is no guarantee of future performance.

An investment based upon the models should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor's shares may be worth more or less than their original cost.

An investment based upon the model should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor's shares may be worth more or less than their original cost.