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**For Immediate Release**

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## Brokerage Firms Tops in Statement Quality However, Client Reporting Still Falls Short Across All Industries In Helping Investors Make Informed Decisions

### DALBAR releases reports on Investor Statements

**(Boston, MA. February 21, 2012)** DALBAR, Inc. announced today the release of its 14<sup>th</sup> annual *Trends and Best Practices in Investor Statements* reports for Brokerage, Mutual Funds, Annuities and Retirement Plans. These reports evaluate the statement's ability to address the needs of both the investor and the financial professional.

The investor statements produced by the Brokerage industry emerged as the most understandable and effective, with the best incorporating the following:

- ◆ Presenting basic data elements in a **clearer and more intuitive** manner.
- ◆ Providing **secondary information** that supports the client's relations with both the firm and the advisor.
- ◆ Leveraging page real estate by using a **creative yet concise** layout.
- ◆ Providing **statement flexibility**, allowing content and degree of detail to meet the clients' specific needs and preferences.

Across brokerage, mutual funds, annuities and retirement plans, Investor Statements do a good job of reporting transactions and holdings on the account but fall short of providing information, such as a predefined goal or the progress made to reach that goal. In addition, the statement provides summaries on the percentage of the account being allocated to different funds but fails to identify whether this is the appropriate allocation for the investor. In order for the allocations to have meaning, they must be put in context and correlate to the specific investor's goals.

"Investor statements have come a long way in terms of communicating in a way that clients' can understand the status of their investments," said Kathleen Whalen, Managing Director at DALBAR. "However, more can be done to put things into context so investors know what actions they must take to ensure they are on target to reach their goals."

DALBAR takes a systematic approach to evaluating statements using a method that has been developed and refined over the past two decades. Statements earned credit for including features that strongly impact an investor's ability to act prudently and make financial decisions. Features include the ability to understand the significance of the information, answer pertinent questions and utilize design elements that enhanced their overall effectiveness.

The table below includes the firms that rated "excellent" in each industry sector:

### **Firms Awarded DALBAR's 'Excellent' statement designation in 2011**

<b>BROKERAGE</b>	<b>MUTUAL FUND</b>	<b>DEFINED CONTRIBUTION</b>	<b>DEFINED BENEFIT</b>
Morgan Stanley Smith Barney	BlackRock	Merrill Lynch	Prudential Financial
Pershing	Lord Abbett	Principal Financial Group	
Merrill Lynch	Federated Funds	T. Rowe Price	
Raymond James		MassMutual	
Baird		Diversified	
UBS Financial Services		BNY Mellon	
Edward Jones		Prudential Financial	
Wells Fargo		The Hartford	
National Financial			

For more information on the 14<sup>th</sup> Annual Trends & Best Practices in Investor Statements reports or on DALBAR's Statement Evaluation services, please visit the web site at [www.dalbar.com](http://www.dalbar.com) or contact Brooke Halloran at 617-624-7273 or [bhalloran@dalbar.com](mailto:bhalloran@dalbar.com)

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