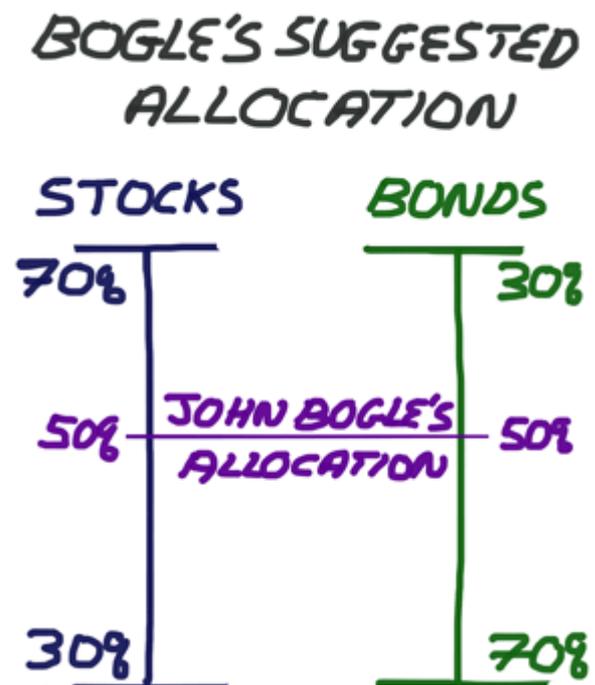


Bogle's Allocation and Other Morningstar Conference Notes

❌ *Special Note: We're announcing today that Fidelity Investments' senior investment strategist Bruce Johnstone will be a keynote speaker at this year's upcoming AAI Investor Conference. Johnstone was previously ranked as the #1 equity-income fund manager during his tenure as portfolio manager of Fidelity's Equity-Income Fund. To see Johnstone and the other great speakers we have scheduled, be sure to [register before the conference sells out](#).*

How does the founder of the largest mutual fund company allocate his portfolio? John Bogle was asked this very question following a webcast presentation he gave at last week's Morningstar Investment Conference. Bogle said that he continues to use 50% stock/50% bond allocation. He jokingly described himself as spending half of his time worrying about not having enough exposure to stocks and the other half worrying about having too much exposure to stocks.



He went onto to suggest that a good allocation range for most investors lies somewhere between 70% stocks/30% bonds and 30% stocks/70% bonds. Bogle advised finding an acceptable mix along this range and staying the course with it. His rationale for capping the stock allocation at 70% was that he doesn't think most investors will be able to withstand the volatility associated with a higher allocation to stocks. [Continue Reading »](#)

- [Common Investor Mistakes and Other Investing Insights](#) – John Bogle discussed what he thinks are the biggest mistakes investors make.
 - [Determining Your Allocation at Retirement](#) – Guidance on choosing between a “through” and “to” allocation approach as retirement nears.
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Highlights from this month's *AAll Journal*

- [When You Haven't Saved Enough for Retirement](#) – Strategies for funding retirement for those who are behind on building their nest eggs.
 - [Model Fund Portfolio: Don't Fear Real Estate or the Stock Market](#) – Periods of lousy returns will occur; the rewards come for those who invest through them.
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AAll Sentiment Survey

Pessimism fell to a three-month low as neutral sentiment rebounded back above its historical average. [More about this week's results.](#)

This week's results:

- Bullish: 38.1%, no change
- Neutral: 32%, up 1.7 points
- Bearish: 29.9%, down 1.8 points

Historical averages:

- Bullish: 38.5%
- Neutral: 31.0%
- Bearish: 30.5%

Take the [Sentiment Survey](#).

AAll Asset Allocation Survey

Fixed-income allocations rose to their highest level since last summer, but equity allocations remain above average. [More about the latest results.](#)

April AAll Asset Allocation Survey results:

- Stocks and stock funds: 65.3%, down 2.3 percentage points
- Bonds and bond funds: 18.0%, up 1.0 percentage points
- Cash: 16.8%, up 1.3 percentage points

April AAll Asset Allocation Details:

- Stocks: 34.3%, up 6.2 percentage points
- Stock Funds: 31.0%, down 8.5 percentage points
- Bonds: 5.6%, up 0.8 percentage points
- Bond Funds: 12.4%, up 0.2 percentage points

Take the [Asset Allocation Survey](#).

What's Trending on AAll

- [Model Fund Portfolio: Don't Fear Real Estate or the Stock Market](#)
 - [Tracking the S&P 500 With Mutual Funds and ETFs](#)
 - [When You Haven't Saved Enough for Retirement](#)
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The Week Ahead

First-quarter earnings season will revolve to companies with smaller market capitalizations. Even so, there are 41 members of the S&P 500 scheduled to report. They include Dow Jones industrial component Walt Disney (**DIS**), which will announce its earnings on Tuesday.

The week's first economic reports will be the Labor Department's March job openings and labor turnover survey (JOLTS), which will be released on Tuesday. Wednesday will feature April import and export prices. The April Producer Price Index (PPI) will be released on Thursday. Friday will

feature the April Consumer Price Index (CPI), April retail sales, March business inventories and the University of Michigan's preliminary May consumer sentiment survey.

Seven Federal Reserve officials will make public appearances: St. Louis president James Bullard and Cleveland president Loretta Mester on Monday; Dallas president Robert Kaplan on Tuesday; Boston president Eric Rosengren on Tuesday and Wednesday; New York president William Dudley on Thursday; and Chicago president Charles Evans and Philadelphia president Patrick Harker on Friday.

The Treasury Department will auction \$24 billion of three-year notes on Tuesday, \$23 billion of 10-year notes on Wednesday and \$15 billion of 30-year bonds on Thursday.

Local Chapter Meetings

AAII Local Chapter Meetings offer you a variety of presentations from expert speakers who will give you their view on the world of investing. A bonus of attending a Chapter Meeting near you is the opportunity to meet other AII members who share your interest and enthusiasm for investing. You can even share the Chapter experience with your family and friends by inviting them to attend Chapter Meetings with you! [Upcoming Meetings »](#)

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Forbes Magazine says, “The *AAII Journal* is a thoughtful mix of investment professionals’ views” and that “the \$29 a year it costs to belong to AAI is a bargain.”

Free Guide—New Members are rushed a comprehensive guide that covers our popular library of Stock Screens in great detail.

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