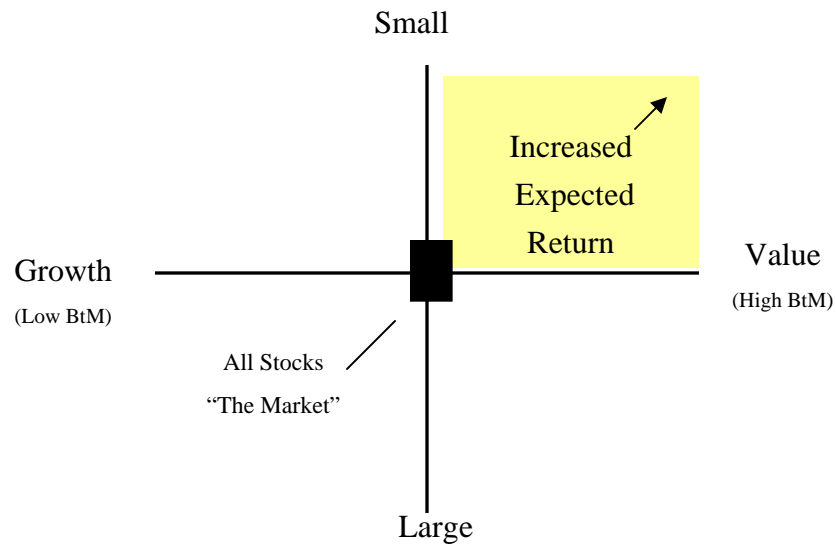


The Dimension of Stock Returns



Three Dimensions Around the World

Equity Market

(complete value-weighted universe of stocks)

Company Size

(measured by market capitalization)

Small company stocks have higher expected returns than large company stocks

Company Price

(measured by ratio of company book value to market equity)

Lower priced "value" stocks have higher expected returns than higher priced "growth" stocks

Expected return is determined by these three factors, not by stock picking, market timing, or random factors in returns.