

Alight Solutions - Fund Glossary

[A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [L](#) [M](#) [N](#) [O](#) [P](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [Y](#)

A

Active Management	A style of managing a fund where the fund manager uses his or her own judgment in making investment decisions on what securities to buy and sell. They may use tools, such as statistics, company research, economic forecasts, etc. to help make their decisions. It is considered the opposite of passive or index investing.
Administrative Expenses Ratio	The expenses to operate the plan that are allocated to this fund, including plan administration, trust services, or other services provided to the plan.
Alpha	Alpha estimates a manager's contribution to performance, on a risk-adjusted basis, relative to an index. A positive alpha means the manager added value, based on the level of risk taken (or beta).
American Depository Receipts (ADRs)	Shares of a non-US company that trades in the US financial markets enabling investors to buy the securities of a foreign company without the accompanying risks or inconveniences of an international transaction.
Asset Allocation	Asset Allocation consists of dividing a fund's assets into five categories based on the fund's full holdings. Each security is assigned to a category: stock, fixed income, convertible, cash, and other.
Asset Type	The broad asset group that fund belongs to: equity, fixed income, mixed equity, or money market.
Average Coupon	The interest paid on a bond expressed as a percentage of the face value. If a bond carries a fixed coupon the interest is usually paid on an annual or semi-annual basis.
Average Duration	Duration is the time, measured in years, in which a bond investor will receive the present value of future interest and principal payments. It is calculated by multiplying the present value of the principal and each coupon by the time that will elapse before payment is made. It is also a measure of the sensitivity of a bond's price to changes in interest rates.
Average Market Capitalization	The total value of a company's shares as quoted on a stock exchange. It is calculated by multiplying the total number of shares in issue by the market price. It can also refer to the total value of all the securities listed on a stock exchange, or the total value of one sector of a market's listed securities.
Average Nominal Maturity	The length of time between the issue of a bond, note, or other fixed income security and the date on which it becomes payable in full. Most bonds are issued with a fixed maturity date. The nominal maturity is the stated maturity on the bond.

B

Basic Materials Sector	Securities representing companies primarily engaged in manufacturing chemicals; construction materials; glass, paper, forest products, and packaging products; and mining and metal extraction and production.
Basis Point	Unit that is equal to .01% (1/100th of 1%) and used to describe the change in value or rate of a financial instrument.
Bear Market	A term referred to in the stock market if security prices are falling or are expected to fall; its opposite is a bull market.
Benchmark	A standard against which the performance of a security, fund or investment manager can be measured. Generally, broad market and market-segment stock and bond indexes are used to evaluate the performance of an investment.
Benefit Riders / Features	A description of any optional add-ons to a retirement income or variable annuity product that provide extra benefits, typically for an additional cost. For example, the product may offer a rider which provides a guaranteed minimum payout even if the market declines. Some products may offer no additional riders or features and some may offer many.
Best 3-Months Over the Last 3-Years	A fund's best consecutive 3-month performance during the past 3 years. This simple demonstration of gain more clearly conveys a fund's upside potential and volatility than standard measures such as beta and standard deviation.
Beta	Beta is a measure of the volatility (price changes) of a security or a fund relative to an index. A beta of 1 indicates that fluctuations in the fund's value were about the same as the index's. Values less than one indicate the fund experienced less price volatility than the index and a value of 1.5 means it experienced 150% of the volatility of the index. Most fund betas range from 0.75 to 1.25.
Better Fit Index	The Better-Fit Index is a Lipper-assigned benchmark. It is a way to associate a fund with the market index that best correlates to the general performance of the fund's classification. It is the most appropriate, passively managed securities index against which to measure the performance of a given fund relative to its peers in the same classification. For example, all funds in the Large Cap Value classification have a Better-Fit index of the Russell 1000 Value Index.
Blended Yield	The blended yield to maturity is the internal rate of return on a bond.
Blue Chip	A stock of a well-established, high quality, stable company. It may provide more steady growth (less volatility) plus dividends compared to other stocks. For example, Coca-Cola is a blue chip stock.

Bond Type	Bonds are grouped into different types based on who issued the bond (such as corporation or government) and certain characteristics of the bond (such as asset-backed or tax-exempt). The types of bonds are: Asset-Backed Securities (ABS), Corporate Notes/Bonds, Convertible Bonds, Government Agency Notes/Bonds, Mortgage-Backed Securities (MBS), Municipal Bonds, and Fixed Income Other.
Broad Based Index	The Broad Based Index is a Lipper-assigned benchmark. It is an index that broadly represents the performance of a fund's asset category: U.S. equity, world equity, sector equity, mixed asset, taxable fixed income, municipal bond, and money market funds. For example, the Broad Based index for all U.S equity funds is the S&P 500 Index.
Broad Market Benchmark	Also known as the Broad-Based Index. The Broad-Based Index is a Lipper-assigned benchmark. It is an index that broadly represents the performance of a fund's asset category: U.S. equity, world equity, sector equity, mixed asset, taxable fixed income, municipal bond, and money market funds. For example, the Broad Based index for all U.S equity funds is the S&P 500 Index.
Bull Market	A term referred to in the stock market if security prices are rising or are expected to rise; its opposite is a bear market.
Buy-and-Hold Strategy	An investment management strategy that suggests buying securities and holding them, even during time of volatility, may produce the best rate of return when taking reduction of trading and brokerage costs into consideration

C

Capital Gains/Losses	The increase or decrease in value of a security from the time a security was purchased to when it is sold. For example, if the fund bought 10000 shares of ABC Stock for \$50/share and later sold those 10000 shares for \$65/shares, the capital gain would be \$150,000.
Composition	The make up of a portfolio's investment allocation that is designed according to the investor's risk tolerance, time frame and investment objective. Common measurements for allocations are asset type, country and industry sector.
Concentrated Portfolio	Concentrated funds invest in a small number of stocks and are generally limited to just a few sectors.
Consumer Discretionary Sector	Securities representing companies primarily engaged in providing consumer services and discretionary goods, including hotels, restaurants, retail, media, plus durable items such as automobiles, appliances, and furniture.
Consumer Staples Sector	Securities representing companies primarily engaged in manufacturing and distributing consumer goods, including food, beverages, tobacco, household and personal products.
Credit Quality	Credit ratings measure a borrower's creditworthiness and provide an international framework for comparing the credit quality of issuers and bonds. A top rating means there is thought to be almost no risk of the borrower failing to pay interest and principal. The top credit rating issued by the main agencies, Standard & Poor's, Moody's and Fitch, is AAA or Aaa. AAA to AA is consider high credit quality, A to BBB is medium, and anything below BBB is low. AAA through BB are often referred to as investment-grade bonds and all others are considered high-yield or junk bonds. Some bonds are not rated. Not Rated (NR) indicates the Credit Rating Agency examined the obligation and based on information available or lack of, decided not to rate it.
Currency Risk	A form of risk that is introduced when buying or selling securities priced in a different currency. For example, if you are a US investor and you buy Canadian Stocks, the difference in the fx rate, from USD to CAN currency, impacts the return realized.
Current-coupon Bond	A bond with a coupon rate within .5% of current and most prevailing rates or benchmark issues.
CUSIP	A 9-digit unique identifier issued for financial instruments in the United States and Canada.

D

Debt	The obligation or liability to pay or render something owed. Debt can be represented by a loan note, bond, mortgage or other form that states repayment terms, including intent to pay principal and if any interest.
Derivative	Financial instruments whose values are derived from another security (such as stock or bond).
Discount-coupon Bond	A coupon bond that is issued at less then its face (par) value.
Diversification	A strategy for spreading the risk by investing in a variety of companies, financial instruments and or industries.
Dividend	A distribution of the determined portion of a company's earnings to shareholders, usually stated as a per share value.
Dollar Hedging	An investment strategy to offset risk with fluctuating currency exchanges.
Duration	Duration is the time, measured in years, in which a bond investor will receive the present value of future interest and principal payments. It measures interest rate risk and its sensitivity to change. If a bond fund has a duration of 10 years, it means that if interest rates rise by 1 percent, then the value of the bond fund should drop by 10 percent and conversely, if rates fall 1 percent, the fund should rise 10 percent.

E

Earnings Per Share	The percent change in annual EPS as compared to the same period one year ago. It is calculated as the EPS for the most recent fiscal year minus the EPS for the same period one year ago divided by the annual EPS one year ago, multiplied by 100.
Effective Duration	Effective Duration takes into account that expected cash flows will fluctuate as interest rates change.
Energy Sector	Securities representing companies primarily engaged in the extraction, production, transportation, and marketing of oil, gas and other fuels, such as coal.
Equity Funds	Funds that primarily invest in equity securities (stocks), including, U.S. and foreign equities, other equity funds, and American Depository Receipts (ADRs).
Expense Date	The effective date of fund expense ratios.
Expense Ratio	See Gross Expense Ratio and Net Expense Ratio.
Expense Reimbursement	The amount of fund's expenses that the fund manager (or other service provider) intends to waive or reimburse. When waivers and/or expense reimbursements are applied, the fund's expenses will be lowered and performance will be higher for the expense waiver period.
Expense Waiver	The amount of fund's expenses that the fund manager (or other service provider) intends to waive or reimburse. When waivers and/or expense reimbursements are applied, the fund's expenses will be lowered and performance will be higher for the expense waiver period.
Expense Waiver Time Limit	For most contractual and voluntary waivers, the fund manager identifies a specific time period when the waiver will be in place, usually 1-2 years. This time period may be extended or changed.
Expense Waiver Type	A waiver and/or expense reimbursement can be voluntary or mandated by contract and can expire at a specific date; or the waiver can be at will or indefinite, meaning it is a voluntary expense waiver that the advisor can discontinue at any time.
Expenses Per \$1000 Investment	The annual total expense for a hypothetical investment of \$1,000.

F

Financials Sector	Securities representing companies primarily engaged in financial services, including banks, finance companies, insurance companies, investment/brokerage firms, and real estate companies.
Fixed Income Funds	Funds that primarily invest in bonds, including government securities, corporate bonds, municipal bonds, foreign bonds, nonconvertible bonds, other fixed income funds.
Fund Classification Benchmark	Also known as Lipper Classification Average. It is the average performance of all the funds in the classification.
Fund Full Legal Name	The full name of the fund, as listed in documents or regulatory filings (if applicable) or provided by the fund manager. The name can consist of up to three parts: the trust name, the fund name, and the share class designation.
Fund Investment Strategy	A detailed description related to how a fund intends to achieve its objective, as described in the fund's prospectus or provided by the fund management company. It may include the types of securities the fund may invest in, the fund's investment style, types of analysis used, and any other pertinent information related to the fund's investment philosophy.
Fund Management Company	The advisory firm or investment management company responsible for the day-to-day asset management of the fund's portfolio of investments.
Fund Manager(s)	The name of the person(s) responsible for the day-to-day investment management of the fund. For fund-of-funds, Fund of Fund Multi-Manager is listed because the investments are managed by each of the underlying fund managers.
Fund Manager(s) Tenure	The year in which the fund manager began managing the fund's portfolio.
Fund Numeric Rank within Classification	The performance of the funds in a classification are sorted from highest to lowest, then each is assigned a number (rank) based on the total number of funds in the classification. Number 1 is designated the best performing and the highest number is the worst performing.
Fund Objective	The primary aim of a fund, such as capital appreciation or asset preservation, as summarized in one or two sentences, as described in the fund's prospectus or provided by the fund management company.
Fund Percentile within Classification	The performance of the funds in a classification are sorted from highest to lowest, then a percentage value between 1% and 100% is assigned to each fund in the group. The top percentile (1) is designated the best performing and the bottom percentile (100) is the worst performing.
Fund Risk	The various risk factors associated with investing in the fund as described in the fund's prospectus or provided by the fund management company. The types of risks will vary per fund. For example, an international equity fund may have currency risk, but a U.S. government bond fund will not.

Futures Contract

A contractual agreement to buy or sell a particular commodity or financial instrument at a pre-determined price in the future.

G**Geographic Breakdown (aka Country Allocation)**

An allocation of holdings by country or region, based on the country of headquarters for each security in the fund's portfolio.

Glide Path

The glide path is the asset allocation mix of a target date fund over time, generally shown as a chart or graph. Target date funds use a mix of equity and fixed income investments which start out with a more aggressive allocation (all or mostly equity) which becomes more conservative (more fixed income) as the fund approaches its target date. Some funds continue to adjust the allocation after the target date.

Gross Expense Ratio

The Gross Expense Ratio is the annual cost associated with managing and operating a fund, which includes Operating Expenses. It may also include Administrative Expenses. It does not factor in expense waivers and/or expense reimbursements that the Fund Manager may apply.

Growth of \$10,000 Investment

A chart graphing the value of an investment over time if \$10,000 was initially invested into the fund plus all distributions were reinvested back into the fund. The standard time period is 10 years or since inception for investments that do not have a 10-year history.

H**Health Care Sector**

Securities representing companies primarily engaged in health care, medicine, pharmaceuticals, and biotechnology.

Hedging

An investment strategy or position intended to offset potential losses and balance risk by assuming a position in a contrary or opposing market or investment.

High-yield Bond

A high paying bond that has a credit rating lower than investment-grade bond.

Holdings

The underlying securities of a collective investment.

Inception Date

The date of the commencement of operations of a fund. The inception date is also known as the First Public Offering (FPO) date or Initial Public Offering (IPO) date.

Income

Monetary amount determined by revenues minus expenses during given period of time.

Index

An unmanaged group of securities that are grouped together for tracking or comparison purposes. See Standard & Poor's 500 Index as an example.

Industrials Sector

Securities representing companies primarily engaged in manufacturing and distributing capital goods including aerospace & defense, construction, engineering, and building products; electrical equipment, industrial machinery, commercial services, and supplies including printing, employment, environmental, and office services, transportation services including airlines and couriers; and marine, road, and rail, and transportation infrastructure.

Inflation Risk

Risk that inflation will undermine the performance of the investment.

Initial Public Offering (IPO)

First offering of the investment to the public.

Insurance Company

The insurance company that offers or underwrites the annuity or retirement income product. A retirement income product is made up of two components: an underlying fund or investment, and an insurance/annuity component. The fund manager is responsible for managing the underlying investment while the insurance company is responsible for the income payments and additional benefits and riders and managing the overall risk of the product.

Interest-rate Risk

The risk that interest rates will rise and reduce the market value of an investment.

Investment Grade Bonds

Bonds that are rated by credit rating agencies above BBB with a relatively low risk of default.

Investment Management Fee

The fee paid to the advisory firm or investment management company for the day-to-day investment management of the securities in the fund's portfolio.

J**Junk Bonds**

Bonds that have a low credit quality and are rated by credit rating agencies below BB.

L**Large Cap**

Market capitalization (total shares outstanding times current stock price per share) value greater than

Lipper Classification	Lipper U.S. fund classifications identify over 150 different types of funds based on investment strategies and primary investments.
Lipper Classification Average	The average performance of all the funds in the classification.
Lipper Leaders	The Lipper Leader Rating System is a toolkit that uses investor-centered criteria to deliver a simple, clear description of a fund's success in meeting certain goals, such as preserving capital, lowering expenses or building wealth. Lipper Ratings provide an instant measure of a fund's success against a specific set of key metrics. These metrics can be used alone or in combination to aid the portfolio selection process to tailor to an investor's particular goals.
Lipper Leaders Consistent Return	The Lipper Rating for Consistent Return identifies a fund that has provided relatively superior consistency and risk-adjusted returns when compared to a group of similar funds. Funds which achieve high ratings for Consistent Return may be the best fit for investors who value a fund's year-to-year consistency relative to other funds in a particular peer group. Investors are cautioned that some peer groups are inherently more volatile than others, and even Lipper Leaders for Consistent Return in the most volatile groups may not be well suited to shorter-term goals or less risk-tolerant investors.
Lipper Leaders Expense	The Lipper Rating for Expense identifies a fund that has successfully managed to keep its expenses low relative to its peers and within its load structure. The Lipper Rating for Expense may be the best fit for investors who want to minimize their total costs. It can be used in conjunction with Total Return or Consistent Return to identify funds with above-average performance and lower-than-average cost.
Lipper Leaders Fund Count	The number of funds used in the Lipper Leader calculation. Funds are grouped with its peers in the same classification. Only funds with the minimum required performance or expense history will be included in the count.
Lipper Leaders Preservation	The Lipper Rating for Preservation is a fund that has demonstrates a superior ability to preserve capital in a variety of markets when compared with other funds in its asset class. Choosing a Lipper Rating for Preservation may help to minimize downside risk relative to other fund choices in the same asset class. Investors are cautioned that equity funds have historically been more volatile than mixed-equity or fixed-income funds, and that even the Lipper Rating for Preservation in more volatile asset classes may not be well suited to shorter-term goals or less risk-tolerant investors.
Lipper Leaders Rating	For each type of rating, funds are measured on a scale of 1 to 5, with 5 being the highest. Funds with a 5 are considered a Lipper Leader.
Lipper Leaders Total Return	The Lipper Rating for Total Return denotes a fund that has provided superior total returns (income from dividends and interest as well as capital appreciation) when compared to a group of similar funds. The Lipper Rating for Total Return may be the best fit for investors who want the best historical return, without looking at risk. This measure alone may not be suitable for investors who want to avoid downside risk. For more risk-averse investors, the Total Return ratings can be used with Preservation and/or Consistent Return ratings to make an appropriate selection that balances the risk and return.
Liquidity	Measure of an assets ability to be bought or sold in the market without impacting the investments value.
M	
Manager	A portfolio manager is responsible for making investment decisions for the collective investment.
Market Capitalization	Derived value of all a company's shares outstanding times current stock price per share.
Market Risk	Potential risk of losses from fluctuations in security prices.
Market Timing	Strategy of attempting to predict future market prices and making decisions to buy or sell investments.
Market-to-Book Value Ratio	A ratio used to find the value of a company by comparing the market value (stock market price) to its book value (historical cost) of the company. This ratio helps an investor determine if a security is undervalued or overvalued.
Maturity Breakdown	The length of time between the issue of a bond, note or other fixed income security and the date on which it becomes payable in full. Most bonds are issued with a fixed maturity date. The shorter the maturity the more predictable and less risky the investment. Therefore, interest rates are generally higher as the longer the time to maturity. Durations are broken down into the following ranges:Less than 1 year - ultra short term, including money market investments 1 to 3 years - short term3 to 5 years - short/intermediate term5 to 10 years - intermediate term10 to 20 years - long term20 to 30 years - long termGreater than 30 years - long termOther - bonds that do not have a specified maturity
MENA	Middle East North Africa
Mid-cap (or Medium cap)	Market capitalization (total shares outstanding times current stock price per share) value between 2 and 10 billion dollars.
Mixed Asset Funds	Funds that invest in a mix of equity and fixed income securities.
Modern Portfolio Theory Statistics (MPT)	A theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets.
Money Market Funds	Funds that invest in short-term (less than 1 year) fixed income investments. Money market funds usually have a set share price of \$1.00.

Mortgage Backed Securities

Investment grade securities backed and secured by a pool of mortgages.

N

Net Asset Value (NAV)	Derived value of Total Net Assets divided by all Shares Outstanding. Typically stated as NAV per share
Net Expense Ratio	The Net Expense Ratio is the annual cost associated with managing and operating a fund, which includes Operating Expenses. It may also include Administrative Expenses. It is reduced by any expense waivers and expense reimbursements that the Fund Manager may apply.
Net Investment Income	The interest and dividends a fund earns on the securities it holds in its portfolio minus any fund expenses.
Non Classified Equity Sector	Securities for which a sector has not been provided.
NR	Abbreviation for Net Return. Benchmarks that are labeled NR factor in reinvested dividends after the deduction of withholding taxes when calculating their return.
Number of Holdings	The total number of securities held by the fund as of the date specified.

O

Operating Expenses	The cost associated with operating the fund, including investment advisory and management fees and additional expenses such as custodian, legal, audit fees, and other operational expenses (excluding wrap fees) incurred by the investment manager.
Overweighting	A fund that holds an a larger percentage in a security or group of securities when compared to the fund's benchmark or investment policy. For example, if a fund manager believes small cap stocks will be strong performers in the future, he may overweight the fund's holdings with 20% small cap stocks, when he typically invests only 10% in such stocks.

P

Par	The face value of a bond, such as \$1,000.
Passive Management	A style of managing a fund where the fund manager invests in the same securities as a market index, such as the S&P 500 Index, and does not make independent investment decisions. It is sometimes called Indexing and is the opposite of active management.
Portfolio Turnover	A measurement of the frequency of the purchase and sales of securities in a fund's portfolio during a fiscal period as reported in the financial statements, expressed as a percentage. For example, if a fund reports turnover of 300%, the entire value of the securities owned by the fund was sold three times during the fiscal period.
Premium Bond	A coupon bond that is issued at greater than its face (par) value.
Price to Book Ratio	Price to book ratio is a comparison between a company's market value and its book value. It can be calculated either dividing market capitalization by total book value or by dividing the share price by the book value per share. The ratio should be higher than one. If not it means that a company's assets are valued by the market at less than their replacement value. This could mean that the shares are undervalued or that the company is facing very considerable problems.
Price to Earnings Ratio	Price to earnings ratio (P/E) is a company's share price divided by a company's earnings (profit) per share. Normally, stocks with high earnings growth have higher P/E ratios. It indicates how much investors are willing to pay per dollar of earnings. The historical average for U.S. stocks is a P/E of 14. A very high P/E ratio may indicate that a stock is overvalued.
Price to Sales Ratio	Price to sales ratio (PSR) is a company's market capitalization (share price) divided by the company's revenue (revenue per share) for the most recent year. Generally, a smaller ratio (less than 1) is considered to be a better investment because the investor is paying less for each unit of sales. Because the calculation only uses revenue and does not factor in items like expenses or debt, it does not give a complete view of the company.
Pricing Factors	A description of any factors that determine charges and/or the payout amount to the investor, including, but not limited to age, estimated life span, income/investment amount, and inclusion/exclusion of spouse in the benefits. Pricing factors may also describe any upfront or deferred sales charges, if applicable.
Primary Benchmark	The market index that best correlates to the general performance of the fund. This benchmark can be selected by the fund manager or plan sponsor. If not selected, the Better-Fit Index will be used as the primary benchmark.
Principal	The original investment amount or amount borrowed which remains unpaid.

R

Real Estate Investment Trust (REITs)	Funds that invest in properties, such as apartment buildings, shopping centers and stocks of companies that invest in real estate.
---	--

Relative Risk	A measurement of the overall risk level of a fund during the past three years ranging from most conservative to most aggressive. In general, the most conservative funds have the least volatility and risk of loss, but lower returns, while most aggressive funds have the highest volatility and risk of loss with the potential for the highest returns. However, investing in more aggressive higher return funds does not guarantee higher returns, nor does investing in conservative funds with lower stated returns protect your investment from loss.
R-Squared	R-squared represents the percentage of a fund or security's movements that can be explained by movements in an index. R-squared values range from 0 to 1, where zero means the fund or security's performance is distinctly different from the index and 1 means that performance closely mimics the index. Other statistics (alpha, beta) are less meaningful as R-squared moves away from 1.

S

Sector Allocation	A breakdown of equity holdings by sector, based on Global Industry Classification Standard (GICS) groupings. GICS has four levels, consisting of 10 sectors, 24 industry groups, 68 industries, and 154 sub-industries. The breakout is based on the ten sectors: Energy, Materials, Industrials, Consumer Discretionary, Consumer Staples, Health Care, Financials, Information Technology, Telecommunications, and Utilities. Non Classified Equity is used for any holdings that are not categorized.
Sector Weightings	Measurement of investments, expressed as percentage, in specific industries, e.g. Technology, Health, etc., calculated by dividing investment's Market Value into Total Net Assets of the collective fund.
Security	A general term for any type of asset. It can be a stock (ownership in a company), a bond (debt in a company), or a derivative (an investment that is based on one or more underlying investments.)
Sharpe Ratio	Sharpe ratio is a measure that uses standard deviation and excess return to determine reward per unit of risk. It measures the return of an investment compared with investments in government bonds, which are regarded as virtually risk free. The ratio is calculated by subtracting the rate of return on government securities from the rate of return on a portfolio and then dividing the difference by the standard deviation of the portfolio's returns. The greater a fund's Sharpe ratio, the better its risk-adjusted performance has been.
Small Cap	Market capitalization (total shares outstanding times current stock price per share) value between 300 million and 2 billion dollars.
Spread	Difference in price between related securities.
Standard & Poor's 500 Index (S&P 500)	A free-float capitalization-weighted index of the prices of ~500 large-cap common stocks actively traded in the US.
Standard Deviation	Standard deviation is a measure of risk. In this case, risk is represented by the fund's price movements up or down over time. As a rule, the higher the standard deviation, the greater the up-and-down price movements have been over time; thus the risk is higher and returns are less predictable. Likewise, a lower standard deviation represents smaller up-and down price movements over time; thus risk is lower and returns are more predictable. When compared with the benchmark's standard deviation, if the fund's standard deviation is lower, the fund would be considered less risky than the benchmark.
Steady State	For target date funds, the end of the glide path when a fund has reached its final asset allocation percentages and will make no further adjustments to its asset mix.

T

Technology Sector	Securities representing companies primarily engaged in technology manufacturing and services, including hardware, software, semiconductors, electronics, internet, data processing and IT consulting services.
Telecommunication Sector	Securities representing companies primarily engaged in the development, manufacture, or sale of telecommunications services or equipment.
Ticker (aka NASDAQ Symbol)	Letters that identify a fund traded on NASDAQ. Also known as NASDAQ symbol. A short and convenient way of identifying a fund. Only registered mutual funds have a ticker.
Top Holdings	The top holdings based on the value of the securities as of the date specified. Most funds have significantly more than 10-20 holdings. The top holdings simply gives a snapshot of the fund's largest investments.
Top Industries	Also known as Sector Allocation. It is a breakdown of equity holdings by sector, based on Global Industry Classification Standard (GICS) groupings. GICS has four levels, consisting of 10 sectors, 24 industry groups, 68 industries, and 154 sub-industries. The breakout is based on the ten sectors: Energy, Materials, Industrials, Consumer Discretionary, Consumer Staples, Health Care, Financials, Information Technology, Telecommunications, and Utilities. Non Classified Equity is used for any holdings that are not categorized.
Total Count within Classification	The total number of funds in the classification.
Total Net Assets	The total amount of assets in a fund on the specified date after deductions of all operating costs.
Total Return (Annualized)	The rate of return (performance) based on both net investment income and capital gains/losses earned by a fund for a specified time period. If the period is over one year, the return represents the yearly performance of the fund.

Total Return (Cumulative)	The rate of return (performance) based on both net investment income and capital gains/losses earned by a fund for a specified time period. If the period is over one year, the return represents the total performance for the time period.
Total Shares Outstanding	The total number of common shares of the stock currently held by investors. It includes all of the company's outstanding common shares, not only those held through the plan.
TR	Abbreviation for Total Return. Also known as Gross Dividend Return. Benchmarks that are labeled TR, reinvest majority of a company's dividends when calculating their return.
Turnover Ratio	See Portfolio Turnover

U

USDH	Abbreviation for US Dollars - Hedged
Utilities Sector	Securities representing companies primarily providing utilities, including electric, gas, and water.

V

Volatility	A statistical measure of the returns for a given security or market index. Typically the higher the volatility, the riskier the security.
-------------------	---

W

Waiver	See Expense Waiver
Worst 3-Months Over the Last 3-Years	A fund's worst consecutive 3-month performance during the past 3 years. This simple demonstration of loss more clearly conveys a fund's downside potential and volatility than standard measures such as beta and standard deviation.
Wrap Fee	The fee paid for the insurance contract or guaranteed investment contract (GIC) that provides the security against interest rate volatility for a Stable Value fund.

Y

Yankee Bonds	A bond publicly issued in the U.S. by a foreign bank or corporation. It is registered with the Securities and Exchange Commission (SEC) and is valued in U.S. dollars.
Yield 12-Month	The rate of return based on the net investment income distributions in the past 12 months. Net investment income distributions generally consist of interest and dividends the fund receives on the securities in its portfolio. It does not factor in capital gains or losses.
Yield 7-Day	The rate of return based on the net investment income earned by the fund over 7 days as of a specified date. Only available on money market funds.
Yield to Maturity	The expected rate of return if a bond is held until its maturity date. It is different than the coupon rate (stated interest rate on the bond). It factors in a bond's current market price, par value, the coupon rate, and the time remaining to maturity.