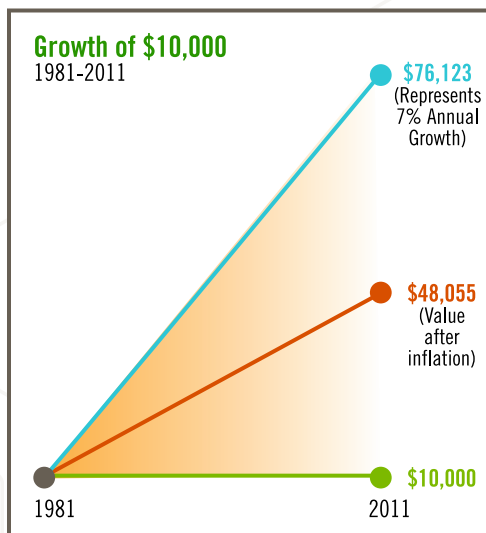


# The Real Returns of CDs

## The Impact of Inflation and Taxes

The graph below shows that, based on the 7% average annual CD yield, a \$10,000 investment would grow to \$76,123 over 30 years. Not bad. But add the negative impact of inflation—a minus 4% average annual rate—and you're left with \$32,434. And that doesn't include the impact of taxes, which can cut your investment value even more. In fact, after inflation and taxes, you may be left with less than the \$10,000 you originally invested!



Past performance is no guarantee of futures results. This chart is for illustrative purposes only and is not representative of performance for any particular investment including Huntington Funds. This chart is hypothetical only and is used to demonstrate the growth of money at a fixed rate of 7%.

$$\text{Yield} \times (1 - \text{Tax Rate}) - \text{Inflation} = \text{Real Return}$$

Year	6-Month CD Yield	Inflation %	Federal Tax % at 75K Taxable Income	Real Outcome %	Federal Tax % at 30K Taxable Income	Real Outcome %
1981	15.79	8.9	53.3	-1.53	36.5	1.13
1982	12.57	3.8	49.0	2.61	33.0	4.62
1983	9.28	3.8	44.0	1.40	30.0	2.70
1984	10.71	3.9	42.0	2.31	28.0	3.81
1985	8.24	3.8	42.0	0.98	25.0	2.38
1986	6.50	1.1	42.0	2.67	25.0	3.78
1987	7.01	4.4	35.0	0.16	28.0	0.65
1988	7.91	4.4	33.0	0.90	28.0	1.30
1989	9.08	4.6	33.0	1.48	15.0	3.12
1990	8.17	6.1	28.0	-0.22	15.0	0.84
1991	5.91	3.1	28.0	1.16	15.0	1.92
1992	3.76	2.9	28.0	-0.19	15.0	0.30
1993	3.28	2.7	28.0	-0.34	15.0	0.09
1994	4.96	2.7	28.0	0.87	15.0	1.52
1995	5.98	2.5	28.0	1.81	15.0	2.58
1996	5.47	3.3	28.0	0.64	15.0	1.35
1997	5.73	1.7	28.0	2.43	15.0	3.17
1998	5.44	1.6	28.0	2.32	15.0	3.02
1999	5.46	2.7	28.0	1.23	15.0	1.94
2000	6.59	3.4	28.0	1.34	15.0	2.20
2001	3.66	1.6	27.0	1.07	15.0	1.51
2002	1.81	2.4	27.0	-1.08	15.0	-0.86
2003	1.17	1.9	25.0	-1.02	15.0	-0.91
2004	1.74	3.3	25.0	-2.00	15.0	-1.82
2005	3.73	3.4	25.0	-0.60	15.0	-0.23
2006	5.24	2.5	25.0	1.43	15.0	1.95
2007	5.23	4.1	25.0	-0.18	15.0	0.35
2008	3.14	0.1	25.0	2.26	15.0	2.57
2009	0.87	2.7	25.0	-2.05	15.0	-1.96
2010	0.44	1.5	25.0	-1.17	15.0	-1.13
2011	0.42	3.0	25.0	-2.69	15.0	-2.64

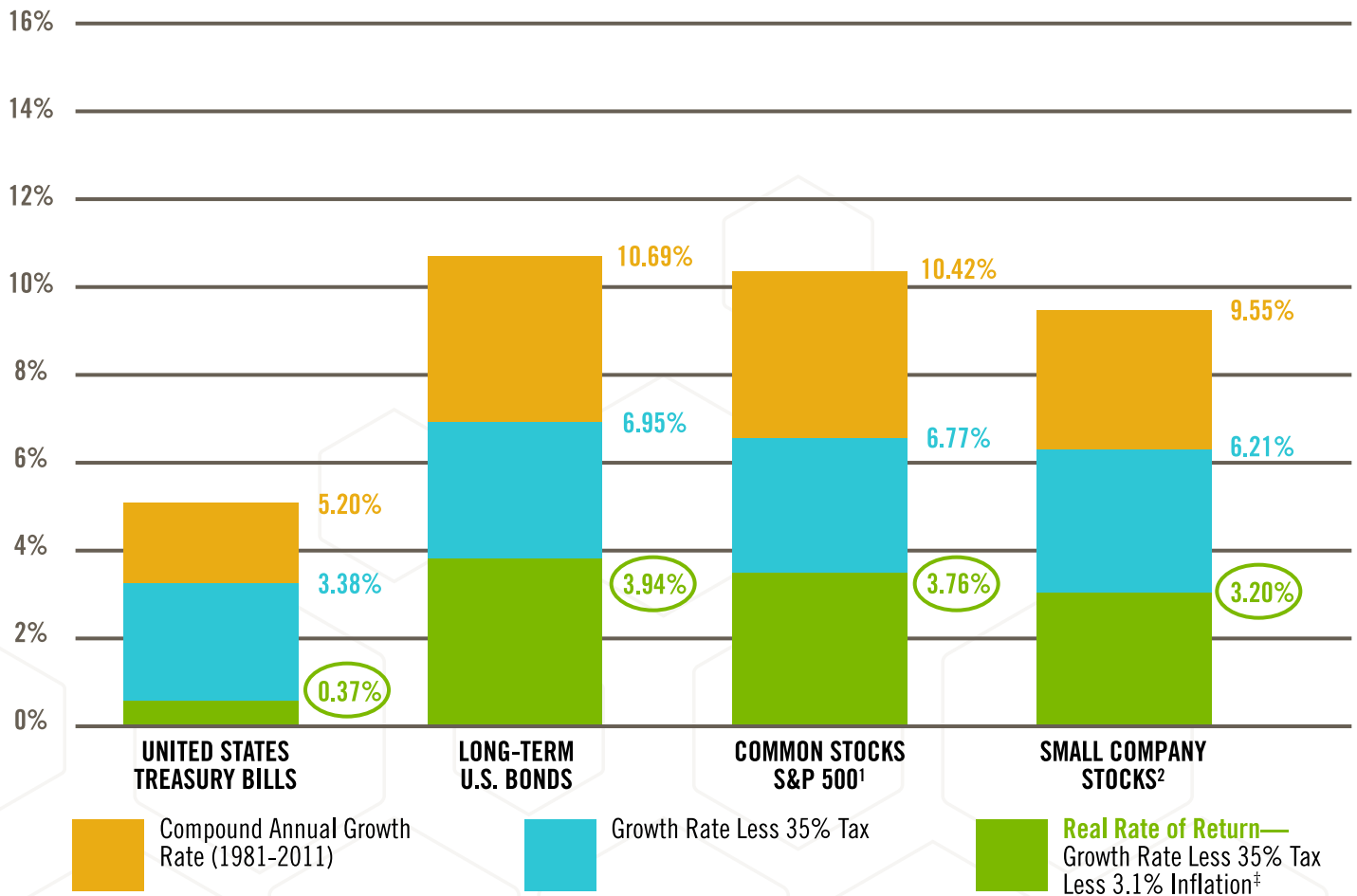
Huntington and its representatives do not offer tax advice, and investors should consult with their personal tax advisors. For more complete information, please consult your tax advisor. Inflation rates are based on the Consumer Price Index, a measure of change in consumer prices. Source: U.S. Bureau of Labor Statistics.

For information on Huntington Funds, please call 1-800-253-0412 or visit [www.huntingtonfunds.com](http://www.huntingtonfunds.com) for prospectuses. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.

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- Not A Deposit
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- Not Bank Guaranteed
- May Lose Value

# Historical Real Rates of Returns of Treasury Bills, Bonds and Stocks from 1981-2011



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- May Lose Value

Past performance is no guarantee of future results.

This chart is for illustrative purposes only and is not representative of performance for any particular investment including Huntington Funds. Investments cannot be made into an index.

The principal value and investment returns of Small Company Common Stock investments are not guaranteed and involve a significant degree of risk. Government Bonds and U.S. Treasury Bills offer a guarantee of principal and a fixed rate of return if held to maturity. The performance of any of the above indices does not indicate the performance of any specific investment.

‡ Compound annual rate of inflation from 1981-2011, Consumer Price Index, United States Department of Labor, Bureau of Labor Statistics.

<sup>1</sup> Represented by the Standard & Poor's 500 Stock Composite Index (S&P 500). S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Investments cannot be made in an index.

<sup>2</sup> Russell 2000® Small Stock Index is an unmanaged index consisting of approximately 2000 small capitalization common stocks. Frank Russell Company ("FRC") is the source of the FRC data contained or reflected in this material and all trademarks and copyrights related hereto. Frank Russell Company is not responsible for the formatting or configuration of this material or for any inaccuracy in presentation thereof.

In return for their higher growth potential, stock prices are more volatile than those of bonds or Treasury bills. U.S. government bonds and Treasury bills, unlike stocks and corporate bonds, are guaranteed as to the payment of principal and interest by the U.S. government if held to maturity. This guarantee does not assure a profit nor protect against loss.

Small-cap stock's prices have tended to be more volatile than large cap stocks and have been more sensitive to changes in economic conditions.

Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices.