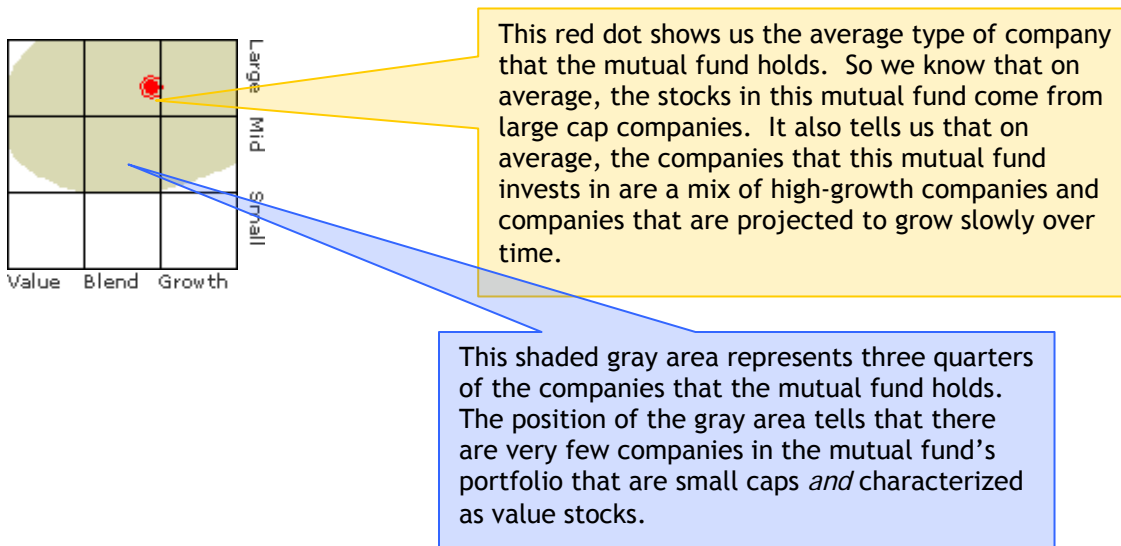


COMMUNICATING QUANTITATIVE INFORMATION

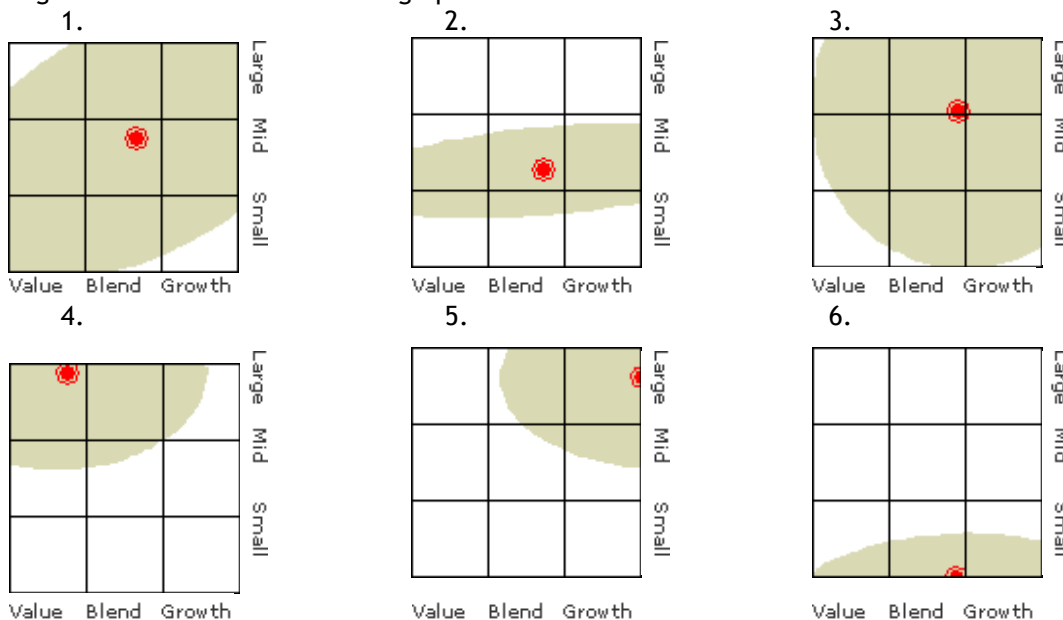
Interpreting Ownership Zone Graphs

Mutual funds can be thought of as someone else’s stock portfolio. If you buy shares of a mutual fund, it’s like buying shares of a very large portfolio that has many different stocks in it. Investors often like to know in what kinds of stocks mutual funds are invested, and they can use “Ownership Zone” graphs to find that information. Because mutual fund managers won’t reveal their exact combination of stocks, they instead publish these graphs that show the types of stock the mutual fund owns.

Below is an ownership zone graph of Janus Contrarian (JSVAX) mutual fund from February 20, 2007. (Source: <http://quicktake.morningstar.com/fundnet/Portfolio.aspx?Country=USA&Symbol=JSVAX#anchor1>)



Below are ownership graphs for different mutual funds. Interpret the information provided by writing a few sentences about each graph.



Which of the above funds is the most diversified in terms of risk and cap size? Which is the least diversified by the same criteria? How do you know?