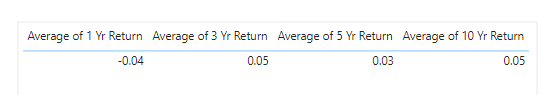
**Average Return**

The average return for an investment is a crucial metric that investors use to assess the performance of their portfolios. In this case, we have four different average return values for various time horizons: 1 year, 3 years, 5 years, and 10 years.

Starting with the 1-year average return, we observe that the value is negative, indicating a loss on the investment. Specifically, the average return for the 1-year period is -0.04. In contrast, the average return for the 3-year period is 0.05, which indicates a positive return. The 5-year average return is also positive, with a value of 0.03. Finally, the average return for the 10-year period is 0.05, similar to the 3-year period's average return.

It is important to note that the average return for each time horizon is just one metric to consider when evaluating investment performance. Other factors such as volatility, risk, and correlation with other assets should also be taken into account when making investment decisions.

In summary, the average return values presented here provide useful information about the investment's performance over different time horizons, with the longer-term periods showing positive returns, while the 1-year period shows a loss.

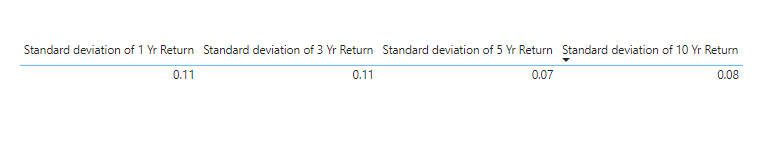


**Standard Deviation**

The standard deviation is a statistical measure that reflects the degree of variation or dispersion of a set of values from its average or mean value. In finance, the standard deviation of returns is a commonly used metric to assess the level of risk associated with an investment. The higher the standard deviation of returns, the higher the risk of the investment.

In the case presented, we have the standard deviation of returns for different time horizons, namely one year, three years, five years, and ten years. As per the data, the standard deviation for each return is 0.11 for one year and three years, 0.07 for five years, and 0.08 for ten years.

The fact that the standard deviation is constant for one year and three years suggests that the market is experiencing consistent volatility over this period. This may indicate a degree of stability in the market, albeit at a higher risk level. On the other hand, the lower standard deviation for the five and ten-year period may suggest that the market is experiencing less volatility over a longer time horizon.

It is important to note that the standard deviation is only one of many measures of risk, and other factors such as market conditions, economic factors, and geopolitical events can also impact the potential returns of investments in different fund categories. Therefore, investors should always conduct thorough research and analysis before making investment decisions.

**Discuss the direction the market will head over the next year given the market volatility we have seen post COVID-19**

The COVID-19 pandemic has caused significant market volatility in the past year, with many industries experiencing a downturn due to lockdowns and reduced consumer spending. However, some sectors such as technology, e-commerce, and healthcare have performed well during the pandemic.

Moving forward, market direction will depend on a variety of factors such as the effectiveness of vaccines in controlling the spread of the virus, government policies, geopolitical tensions, and the state of the global economy. Some analysts predict a strong economic recovery in the coming year as vaccination rates increase and restrictions are lifted, which could lead to increased consumer spending and business investment.

However, there are also concerns about inflation and rising interest rates, which could impact stock prices and corporate earnings. Additionally, unforeseen events such as new variants of the virus or geopolitical tensions could also impact market direction.

Overall, while it is difficult to predict the direction of the market with certainty, it is important for investors to maintain a diversified portfolio and stay informed about current market conditions and trends.

**Present five key fund categories that you believe have high potential**

1. Large Growth
2. Large Value
3. Large Blend
4. Equity Energy
5. Small Value

**Recommend two Mutual Funds / ETFs within each of the five fund categories that Tom and Jane could invest in. You are allowed to recommend two mutual funds or two ETFs or one of each for each of the five fund categories.**

1. Large Growth
   1. SCHG
   2. QQQ
2. Large Value
   1. EQWL
   2. RWL
3. Large Blend
   1. SPY
   2. SPHB
4. Equity Energy
   1. XLE
   2. IEO
5. Small Value
   1. SLYV
   2. RWJ