

Wealth Strategies Monitor

Third Quarter 2011

Highlights

- Stocks fell sharply as fundamentals were overwhelmed by risk aversion amid doubts about the global economy and Europe's fiscal challenges
- The Wealth Strategies Portfolios trailed their benchmarks as the market punished our high-conviction growth and value stocks*
- Our bond holdings in the Balanced Wealth and Conservative Wealth Strategies were effective diversifiers, helping to offset some of the equity downfall

*Excluding sales charges—please see inside for Wealth Strategies' recent performance.

There is no guarantee that any forecasts or opinions in this material will be realized. Information should not be construed as investment advice.

Investment Products Offered

• Are Not FDIC Insured • May Lose Value • Are Not Bank Guaranteed

3Q

Wealth Strategies Fund Performance

As of September 30, 2011

Class A Shares Returns (annualized for periods longer than one year)

	Inception Date	Returns (%) (excluding sales charges)					Returns (%) (including 4.25% max sales charges)					Expense Ratios as of December 31, 2010	
		3Q	1 Yr.	5 Yrs.	10 Yrs.	Since Inception	3Q	1 Yr.	5 Yrs.	10 Yrs.	Since Inception	Gross	Net of Waiver and/or Expense Reimbursement*
Wealth Appreciation Strategy	9/2/03	-19.20	-7.55	-4.02	—	2.37	-22.61	-11.49	-4.86	—	1.82	1.12%	1.12%
Balanced Wealth Strategy	9/2/03	-12.21	-3.39	0.03	—	4.01	-15.95	-7.49	-0.85	—	3.46	1.02	1.02
Conservative Wealth Strategy	9/2/03	-5.71	-0.42	1.88	—	3.96	-9.75	-4.67	1.00	—	3.41	1.03	1.03
Tax-Managed Wealth Appreciation Strategy	9/2/03	-18.30	-6.94	-4.79	—	1.48	-21.78	-10.86	-5.61	—	0.94	1.05	1.05
Tax-Managed Balanced Wealth Strategy	5/4/92	-7.72	-1.32	0.52	2.80	5.56	-11.66	-5.51	-0.34	2.36	5.33	1.11	1.11
Tax-Managed Conservative Wealth Strategy	5/4/92	-5.04	-0.61	1.22	2.88	4.79	-9.11	-4.82	0.35	2.43	4.55	1.27	1.20
S&P 500 Index	9/2/03 [†]	-13.87	1.14	1.23	-1.18	3.31	—	—	—	—	—	—	—
Barclays Capital US Aggregate Bond Index	9/2/03 [†]	3.82	5.26	7.97	6.53	5.68	—	—	—	—	—	—	—

Class A Shares After-Tax Returns Including Sales Charges (annualized for periods longer than one year)

	Return After Taxes on Distributions (%)					Return After Taxes on Distributions and Sale of Fund Shares (%)				
	3Q	1 Yr.	5 Yrs.	10 Yrs.	Since Inception	3Q	1 Yr.	5 Yrs.	10 Yrs.	Since Inception
Tax-Managed Wealth Appreciation Strategy	-21.78	-10.99	-5.83	—	0.77	-14.16	-6.83	-4.63	—	0.84
Tax-Managed Balanced Wealth Strategy	-11.79	-6.13	-0.56	2.18	4.07	-7.58	-3.47	-0.22	2.07	4.09
Tax-Managed Conservative Wealth Strategy	-9.22	-5.33	0.03	2.08	3.25	-5.92	-3.02	0.41	2.07	3.26

The performance information shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting www.alliancebernstein.com. The investment return and principal value of an investment in the funds will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. NAV returns do not reflect sales charges; if sales charges were reflected, the funds' quoted performance would be lower. Returns for other share classes will vary due to different charges and expenses. Performance assumes reinvestment of distributions.

*If applicable, reflects the Advisor's contractual waiver of a portion of its advisory fee and/or reimbursement of a portion of the Fund's operating expenses. This waiver extends through the Fund's current fiscal year and may be extended by the Advisor for additional one-year terms. Absent reimbursements or waivers, performance would have been lower.

[†]Used inception date of the non-tax-managed strategies for since inception returns.

The net and gross expenses shown include the total operating expenses of the funds and the indirect expenses of the funds' underlying portfolios based upon the allocation of each Strategy's assets among the underlying portfolios and may be higher or lower than those shown.

Searching for Confidence

As markets battle pessimism and risk aversion, it's causing stock returns to travel in herds—in the third quarter, that direction was down. While our research reveals positive return potential across many parts of the capital markets, investors should expect near-term volatility.

A Painful Quarter for Equity Markets

Stocks endured a major downturn in the third quarter as markets fretted about a host of prominent risks. These included doubts that the euro area will craft a strong solution to stem further contagion from Greece's fiscal problems. Markets also contemplated slower global economic growth and considered the possibility of another recession in the US.

Our view isn't as pessimistic. Our forecast has the world economy growing through 2012, although more slowly than we previously expected. US economic fundamentals present a mixed bag in our view, and we're monitoring key risks that include a dispirited consumer sector.

Based on long-term fundamentals, we think stocks offer sizable return potential; in addition, corporate fundamentals are sound. However, the road ahead is unlikely to be smooth, and risk aversion remains high. Investors should be prepared for more turmoil ahead, with more "risk-on, risk-off" swings in the market likely.

How the Portfolios Fared

The Wealth Strategies Portfolios declined in the third quarter, based on performance before sales charges. The equity sell-off impacted stocks across sectors and within many of the Wealth Strategies' equity portfolios.

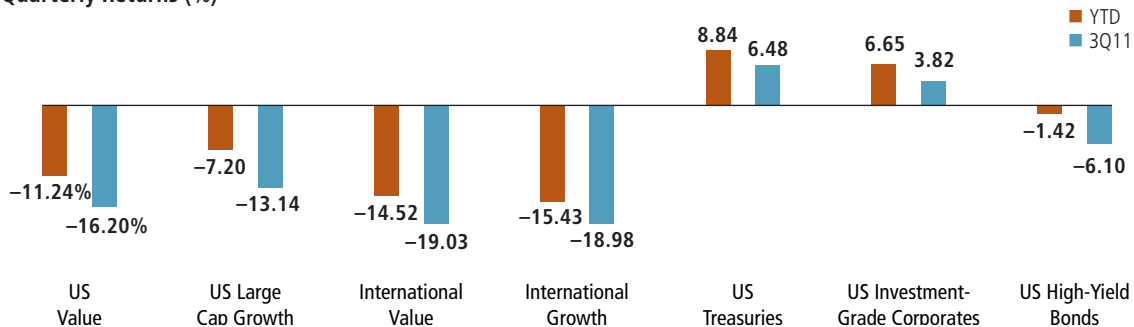
In the broad-based rout, every global sector fell: cyclical sectors were hit the hardest, while defensive sectors held up better. Equities in Europe suffered more than in other regions.

In a fear-driven market, correlations among stock prices rose to record highs, creating an environment that did not favor active managers, including research-based stock pickers like AllianceBernstein.

Portfolios with more stock exposure suffered deeper losses. The Wealth Appreciation Strategy, which is tailored to a higher-risk appetite, fell further than the Balanced Wealth Strategy. That portfolio has a healthy allocation to bonds, which fared much better. The Conservative Wealth Strategy, which has the

Stocks fell sharply in the third quarter, while higher-quality bonds gained.

Quarterly Returns (%)



Past performance does not guarantee future results.

As of September 30, 2011

Diversification does not eliminate the risk of loss. An investor cannot invest directly in an index. US Value is represented by the Russell 1000 Value Index; US Large Cap Growth is represented by the Russell 1000 Growth Index; Int'l Value is represented by MSCI EAFE Value Index; Int'l Growth is represented by MSCI EAFE Growth Index; US Treasuries are represented by the Barclays Capital US Treasury Index; US Investment-Grade Corporates are represented by the Barclays Capital Aggregate Bond Index; US High-Yield Bonds are represented by the Barclays Capital US High Yield Index. See back panel for index definitions.

Source: Barclays Capital, MSCI, Russell Investment Group and AllianceBernstein

most fixed-income exposure in keeping with its lower risk profile, fared the best among the Wealth Strategies Portfolios.

Real assets declined with a decisive sell-off in commodities, real estate and natural resources stocks. Active capital allocation and risk management within our Real Asset Strategy helped it weather the downdraft much better.

Growth Stocks

In the US, growth stocks generally declined less than value stocks because of a broad perception that they're more stable. Outside the US, there was little style differentiation. Within the growth arena, stocks with more aggressive future growth expectations were punished more severely than those viewed as defensive in nature.

This created a challenging atmosphere for our growth approach, with our US large-cap growth stock holdings underperforming their style benchmark significantly. Our growth stocks outside the US fared somewhat better in relative terms because of a focus on companies with resilient earnings driven by

long-term secular growth, which blunted the impact of the market's risk-averse behavior. Our US small/mid-cap growth stocks, meanwhile, managed to outperform their style benchmarks.

Our growth portfolios are positioned to capitalize on companies with strong earnings growth potential. When markets don't recognize and reward that potential, our approach faces headwinds. But we've passed the peak of the corporate earnings cycle, and, as the earnings environment becomes more challenging, we think investors will once again seek out companies that can continue to deliver earnings growth—as we believe many of our holdings will.

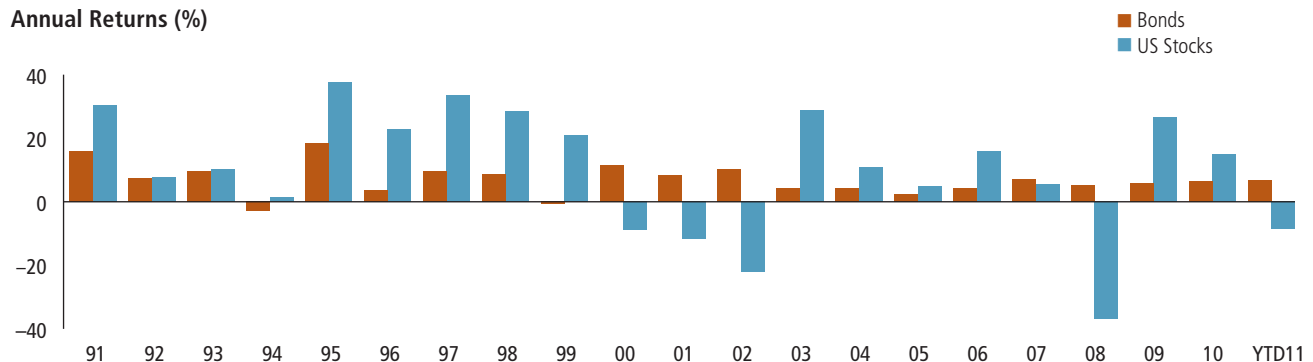
Value Stocks

The fear that infected global equity markets during the third quarter created extremely challenging conditions for active value managers, and the Portfolios' value holdings underperformed their style benchmarks.

The biggest reason for our underperformance has been exposure to deep-value stocks in a highly risk-averse environment. This year is shaping up to be one of the

US stocks and bonds often trade performance leadership.

Annual Returns (%)



Past performance does not guarantee future results.

As of September 30, 2011

Diversification does not eliminate the risk of loss. An investor cannot invest directly in an index. US bonds are represented by the Barclays Capital US Aggregate; US stocks are represented by the S&P 500 Index. See back panel for index definitions.

Source: MSCI, Standard & Poor's and AllianceBernstein

worst for deep-value stocks in decades. However, we believe that, over time, our value approach is very rewarding, and we're confident that our portfolios will be able to capture the rebound when it comes.

In the meantime, the current turmoil is creating big opportunities. The ratio of price/book valuations between the cheapest and most expensive stocks in the market suggests that the value opportunity today is as high as it was in late 2008 and early 2009—the peak of the financial crisis. And we've positioned our portfolios to take advantage.

Fixed Income

The fixed-income holdings in the Balanced Wealth and Conservative Wealth Strategies provided effective diversification during the third quarter. Intermediate-term bonds, for example, delivered positive absolute returns before sales charges, which helped reduce the impact of poor equity performance.

Our portfolios trailed their benchmarks modestly, largely because of exposure to non-government bonds—particularly corporates, which underperformed in an anxiety-filled market. We see substantial long-term value in corporate bonds, which offer significant yield advantages compared with government bonds. But we're also mindful of the volatility we expect to see in the near term.

Real Assets

As risk assets were generally punished in the third quarter, real estate stocks declined in line with the stock market, and natural resources stocks suffered an even bigger hit. Commodities held up better for most of the quarter until tumbling in September. Treasury Inflation-Protected Securities (TIPS) posted positive absolute returns.

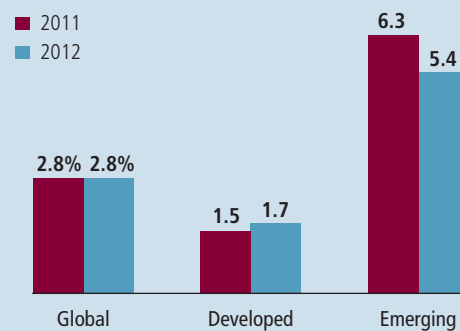
Our Real Asset Strategy also declined for the quarter, but outperformed its benchmark by a wide margin, primarily attributable to effective asset allocation and risk management. We had been reducing risk for some time this year, and this positioning helped limit the damage.

Outlook

- The global economy has downshifted over the past several months, but we still forecast that it will continue to expand into next year
- The market has ignored fundamentals recently in painting many stocks and bonds with the same brush; we think this bodes well for long-term opportunities
- We do expect volatility to persist in the near term, so we're keeping the Portfolios highly diversified in keeping with their individual risk profiles

Our forecast calls for economic growth to continue.

AllianceBernstein Real GDP Growth Forecasts
Average Annual Rate (%)



Forecasts may not be attained.
As of October 28, 2011
Source: AllianceBernstein

A Word About Risk

Market Risk: The market values of a portfolio's holdings rise and fall from day to day, so investments may lose value.

Interest Rate Risk: As interest rates rise, bond prices fall and vice versa—long-term securities tend to rise and fall more than short-term securities.

Credit Risk: A bond's credit rating reflects the issuer's ability to make timely payments of interest or principal—the lower the rating, the higher the risk of default. If the issuer's financial strength deteriorates, the issuer's rating may be lowered and the bond's value may decline.

Foreign (Non-US) Risk: Non-US securities may be more volatile because of political, regulatory, market and economic uncertainties associated with such securities. Fluctuations in currency exchange risk may negatively affect the value of the investment or reduce returns. These risks are magnified in emerging or developing markets.

Capitalization Size Risk (Small/Mid): Small- and mid-cap stocks are often more volatile than large-cap stocks—smaller companies generally face higher risks due to their limited product lines, markets and financial resources.

Municipal Market Risk: Debt securities issued by state or local governments may be subject to special political, legal, economic and market factors that can have a significant effect on the portfolio's yield or value.

Index Definitions

An investor cannot invest directly in an index, and they do not include sales charges or operating expenses associated with an investment in a mutual fund, which would reduce total returns.

The GDP (gross domestic product) is a basic measure of a country's overall economic output.

The Barclays Capital US Aggregate Index represents the performance of securities within the US investment-grade, fixed-rate bond market, with index components for government and corporate securities, mortgage pass-through securities, asset-backed securities, and commercial mortgage-backed securities.

The Barclays Capital US High Yield Index represents the performance of fixed-income securities having a maximum quality rating of Ba1, a minimum amount outstanding of \$150 and at least 1 year to maturity.

The Barclays Capital US Treasury Index represents public obligations of the US Treasury with a remaining maturity of 1 year or more.

The MSCI All Country World Commodity Producers Index is a free float-adjusted market capitalization index designed to track the performance of global listed commodity producers, including emerging markets.

The MSCI Global Growth and Value Indices cover the full range of developed, emerging and All Country MSCI Equity Indices. The objective of the index design is to divide constituents of an underlying MSCI standard country Index into a value index and a growth index, each targeting 50% of the free float-adjusted market capitalization of the underlying country index.

The Russell 1000 Growth and Value Indices represent the performance of 1,000 large-cap growth and value companies within the US.

The S&P 500 Index is an unmanaged index of 500 US companies and is a common measure of the performance of the overall US stock market.

AllianceBernstein Investments, Inc. (ABI) is the distributor of the AllianceBernstein family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

AllianceBernstein® and the AB logo are registered trademarks and service marks used by permission of the owner, AllianceBernstein L.P.

© 2011 AllianceBernstein L.P.

Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at www.alliancebernstein.com or contact your AllianceBernstein Investments representative. Please read the prospectus and/or summary prospectus carefully before investing.



1345 Avenue of the Americas
New York, NY 10105
1.800.227.4618

www.alliancebernstein.com