

Question:

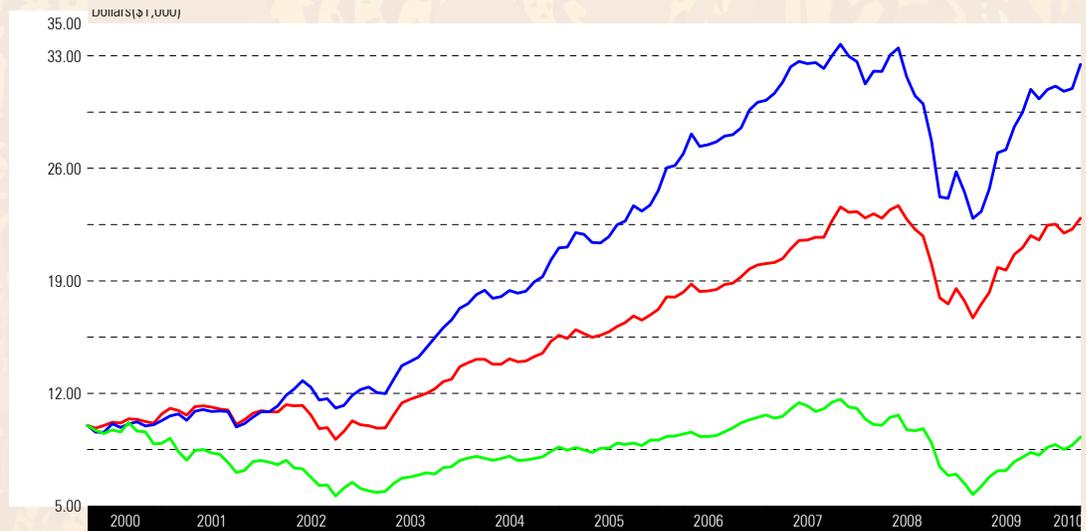
When is a 3-year average return of -0.10% something to cheer?

Answer:

When the S&P 500 3-year average is sitting at -9.81%.

We measure the appeal of your investments and alternatives on both an absolute basis and a relative basis. Quite frankly, there's not a lot to be enthused about over the recent past when making evaluations on an absolute basis. However, on a relative basis, there are several funds that have shown their mettle.

The two funds we have used most frequently for our clients fall into this category. Virtually across the board---from the past month, quarter and YTD to the past 3, 5, 10, and 15 yr time periods, **SGOVX** and **MDLOX** have outperformed the **S&P 500**, and have done it with less volatility, more efficiency, and more predictability than the index. This relatively appealing performance as of 6/30/10 is reflected on the graph and chart below.



	4 wk	3 mon	YTD	1 yr	3 yr	5 yr	10 yr	15 yr
SGOVX	0.83	-4.04	0.15	14.69	-1.41	7.46	12.43	11.98
MDLOX	-1.33	-6.16	-4.64	9.28	-0.10	6.32	8.09	9.80
S&P 500	-5.23	-11.43	-6.65	14.43	-9.81	-0.79	-0.90	6.71

While no fund is appropriate for every investor or situation, the charts illustrate the opportunities that exist, even when dealing with a negative 10-year S&P 500 average annual return.