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- *Tactical Total Core Strategy*
- *Equity Risk Management Strategy*

EquityCompass Strategies

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Highlights:

- 2009 closed out an extraordinary year and decade of performance that was outside the normal range of equity investing. We expect restrained but improving economic growth to engender improving investor confidence and provide a constructive environment for stocks in 2010. (see page 3)
- Growth at a Discount (GAD) is an investment theme oriented to value, which we believe will likely benefit as the stock market transitions to a more established and more selective phase of recovery in the coming year. (see page 7)
- The EquityCompass stock selection lists provided ideas that benefited from market performance in 2009. In particular, the Stock Buyback List which was up 57.6% is expected to benefit from a combination of improving confidence and high corporate cash levels leading to increased buyback activity in 2010. (see page 18)
- The 2010 strategic stock/bond allocation for the Tactical Total Core Strategy remains overweight to equities because trailing 5-year returns remain depressed. However, given the strong performance of stocks in 2009, we are adjusting the stock/bond allocation to 65/35 from the current 70/30. (see page 6)

Table 1

Market Cycles & Favored Investment Themes (page 7)

Market Cycle	Investment Theme
Oversold	Early bull favors low price, low quality
Established Recovery	Favors attractive value (Growth at a Discount)
Mature Bull	Favors momentum (Growth at a Reasonable Price)
Bear Market	Risk aversion – favors safety

EquityCompass Strategies is a research and investment advisory unit of Choice Financial Partners, Inc., a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp.

All relevant disclosures appear on page 35 of this report.

EquityCompass Strategies is the research and investment advisory unit of Choice Financial Partners, a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. (NYSE:SF). EquityCompass professionals have been providing investment research, analysis, and advice for more than 10 years. The firm adheres to a disciplined and rules-based investment process, offering a broad range of benchmark-relative, absolute-return, and risk-management portfolio strategies to individuals, financial intermediaries, and institutional clients. Additionally, EquityCompass has partnered with institutional clients in the U.S. and Europe to develop investment solutions tailored to specific objectives.

Resources of a Large Firm — Focus of a Specialist

As a Stifel Financial company, EquityCompass is able to leverage the resources and infrastructure of its affiliate, Stifel Nicolaus, one of the leading full-service financial services firms in the U.S., for risk management oversight and a global infrastructure for trading, record keeping, reporting, and risk control, while maintaining the autonomy and service of a pure investment firm.



EquityCompass Strategies: (pictured left to right) Timothy M. McCann, V.P. – Portfolio Management, Richard E. Cripps, CFA – CIO, Sr. Portfolio Mgr., Kenya Overstreet – Business Administrator, and Michael S. Scherer, V.P. – Portfolio Management.

Extensive Experience

- For more than 10 years, EquityCompass professionals have been providing stock recommendations and investment research, analysis, and advice to the financial advisors of Legg Mason/Smith Barney and Stifel Nicolaus.
- Senior EquityCompass investment professionals have been working together for more than seven years.
- The Investment team is led by Richard Cripps, Chief Investment Officer and Senior Portfolio Manager
 - Former Managing Director of Portfolio Strategy at Stifel Nicolaus.
 - Former Chief Market Strategist and Co-Chairman of the investment committee at Legg Mason Wood Walker.
 - More than 25 years of experience in developing and monitoring investment opinions, as well as providing market commentary, strategy, and portfolio advice.

Investment Philosophy

EquityCompass believes that a key component to achieving consistent superior performance that is both explainable and repeatable is the disciplined application of an investment process that has the following characteristics:

- Quantitative and Impartial
 - A rules-based approach that minimizes subjective biases during decision-making.
 - Uses a series of proprietary quantitative models, developed and refined in-house, to systematically filter the market universe of over 3,000 U.S. and 5,000 international stocks.
- Based on sound investment principles and refined over time by rigorous testing and by incorporating investor feedback and capital market insights.
- Transparent and Risk-Managed
 - All EquityCompass quantitative models are fully transparent – i.e., not a “black box” – and incorporate extensive quality control measures to ensure data integrity.
 - Features rigorous risk management to address portfolio and systemic risks.
 - Extensive quality control measures incorporated to ensure data integrity.

Comprehensive Range of Investment Strategies

Traditional Equity Strategies

- Seven value/growth investment strategies covering all market capitalization ranges.
- Customized all-equity and asset allocation portfolios offered exclusively through Stifel Nicolaus.

Alternative Strategies

- Equity Risk Management Strategy: Tactical asset allocation that seeks to provide portfolios with protection from equity market downside risks while retaining the ability to participate in enduring market advances.

Value-Added Client Resources

- Provides investment advice, financial market commentary, stock selection lists, and portfolio updates.
- Provides comprehensive tools for stock selection and portfolio management.
- Conducts monthly market review conference calls by the CIO, Richard Cripps.

2010 Investment Theme: Growth At a Discount

- Restrained but improving economic growth will engender improving investor confidence and provide a constructive environment for stocks in 2010.
- We expect investment decisions to be based more on fundamentals and attractive valuations rather than driven by fear/greed as witnessed in the past two years.
- Investors can benefit by taking a balanced approach to risk and reward in making investment decisions instead of remaining paralyzed by the ravages of the past bear market.

After a rally of robust proportions in 2009, investors are seeking the guide posts for an equity market driven less by deeply oversold stocks and more by company and economic fundamentals. It is widely assumed that even though the economy will continue to improve in the coming year, it will remain fragile as investors stay cautious and stocks discount a litany of concerns surrounding a weak dollar, soaring fiscal deficits, higher taxes, and increased regulation. It is not unusual for the stock market to emerge from a recession with a host of doubts, nor is it uncommon for the memory of a preceding bear market to linger and keep investors skeptical of a sustainable recovery. While the extraordinary events of 2008 and the challenges ahead should not be minimized, they also should not be the exclusive basis for extrapolating future expectations. There is ample precedent for bear markets to be followed by a multi-year period of market gains.

The performance of the stock market is in part a reflection of the economy that expands and contracts based on a business cycle. Periods of economic growth are prone to over-extend with excesses leading to a recession that rebalances forces of supply and demand. The stock market tends to anticipate or precede changes in the economy. For example, stocks began turning higher in March of last year about six months before what is likely to be the technical end of the recession. This six month lag between stock market recovery and recession end is consistent with the average of the 10 recessions since WWII. While past experience suggests the uniqueness of the recent financial turmoil will restrain the magnitude of the rebound, the

important point is that we are likely at the beginning of economic expansion and this phase has historically been favorable for stocks.

Similar to the different phases of a business cycle, the equity market also has periods when stocks with certain characteristics perform better than the overall market (Table 1). In December 2008, we introduced the Bear Recovery Index (BRI) from a view that the vicious sell-off in stocks during the decline in 2008 would create an outsized opportunity for stocks with certain types of attributes¹ when the markets finally start to rebound. The attributes that were chosen were essentially the same characteristics that were being punished the most during the decline — low price, high beta, low quality, negative price momentum, and extreme valuation. True to our estimates, once the markets finally bottomed in March, speculative stocks did amazingly well in the ensuing market rally with the BRI index up over 282.7% in the last ten months of 2009.

When introducing BRI, we had also noted that the performance window for these types of stock characteristics was limited to the initial phase of recovery for the stock market. As the recovery strengthens, investors will shift their focus from stocks that became oversold in the bear market to a more selective environment centered on undervalued stocks poised to benefit from a growing economy. In the last three months, the BRI index has begun to underperform, which we believe is indicative that such a transition to a more established, fundamentally-oriented phase of market recovery is underway.

During this phase of the market recovery, investors focus on fundamentals as they become more confident in the economy and lengthen their time horizons. The trauma of 2008 had devastated investor confidence and dramatically shortened time horizons. As a result, despite strong market performance, individual investors withdrew an estimated \$10 billion from domestic equity mutual funds while piling \$400 billion into bonds. However, as confidence levels are nursed higher, investors will start to engage in better performing assets than the low yields on cash and short-term instruments. Goldman Sachs is estimating that a constructive investment environment will generate \$600 billion in net liquidity flows to U.S. stocks in 2010.

Table 1 (from the cover)

Market Cycles & Favored Investment Themes

Market Cycle	Investment Theme
Oversold	Early bull favors low price, low quality
Established Recovery	Favors attractive value (Growth at a Discount)
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¹ *EquityCompass Update & Review, December 2008, Portfolio Manager Insights – “Bear Recovery Ranking,” pp. 9–10.*

We believe the investment environment in 2010 will be marked by a reduction in volatility and grinding market action that recasts stock picking as the key to overall investment performance. This month, we are introducing "Growth At a Discount" (GAD) as the investment theme we feel is most suited to outperform in the current phase of the market recovery. This investment approach seeks to identify fundamentally undervalued stocks as measured by a below average market valuation with expectations for above average growth. The GAD approach can help immensely in the current environment as it narrows performance to opportunities benefiting from restrained but

improving economic growth, increasing investor confidence to equities, and an evolving focus on fundamental value from the emotionally-charged fear/greed bookends of a market cycle. In the Portfolio Manager Insight section (*pages 7 and 8*) we highlight specific stocks that are consistent with the GAD investment theme.

Richard E. Cripps, CFA
Chief Investment Officer
EquityCompass Strategies

What A Year — And Decade!

- 2009 closed out an extraordinary year and decade of performance that were outside the normal range of equity investing.
- S&P 500 earnings estimates for the next 12 months increased for the eighth consecutive month. The S&P 500 currently trades at 14.3x consensus 2010 EPS estimates.
- The 2010 strategic stock/bond allocation for the Tactical Total Core Strategy remains overweight to equities from the long-term mix of 60/40 because trailing five-year returns remain depressed. However, given the strong performance of stocks in 2009, we are adjusting the stock/bond allocation to 65/35 from the current 70/30.

In 2009, we witnessed one of the strongest recoveries in the history of equity markets. From a loss of 55.3% from its October 9, 2007 peak through a 12-year low on March 9, 2009, the S&P Total Return Index jumped 67.8% through year-end to finish 2009 with a gain of 26.5%. The Dow Jones Industrial Average saw similar numbers, dropping 53.8% from the market peak before bouncing 59.3% off the March lows to close the year up 18.8%. The rally since the end of February has been marked by strong market breadth and speculative forces driving investments. The average stock, represented by our EquityCompass Universe and the S&P Equal Weight Index, had significant performance advantages over the market cap-weighted S&P 500 and the price-weighted Dow Jones Industrial Average, which have performance driven by larger stocks (Table 2). Small-cap and mid-cap indices also had sizable outperformance versus the S&P 100 large-cap index. As mentioned in the investment commentary, the EC Bear Recovery Index (BRI), which focuses on speculative issues most likely to achieve outsized gains in a market recovery, rose an astounding 283% in the last 10 months of 2009.

Table 2

Performance Summary - Major Equity Indices

Index Name	10/31/07 -	12/31/08 -	2/27/09 -		2009
	2/27/09	2/27/09	12/31/09	4Q09	
EC Universe	-56.23%	-20.25%	98.37%	3.23%	58.21%
S&P 500 Equal Weight	-55.08%	-18.60%	75.99%	5.94%	43.26%
S&P MidCap 400	-50.49%	-16.50%	61.68%	5.16%	35.00%
S&P SmallCap 600	-52.21%	-23.35%	61.49%	4.79%	23.78%
S&P 500 Total Return	-50.95%	-18.18%	54.56%	6.04%	26.46%
Dow Jones Total Return	-47.16%	-18.92%	51.30%	8.10%	22.68%
S&P 100	-51.93%	-19.31%	47.64%	5.27%	19.13%

Source: EquityCompass Strategies

All ten S&P sector indices gained ground in 2009, with the biggest gainers those that had declined the most in the market slide (Table 3). Financials rose 92% in the last 10 months of 2009; however, that gain followed a 77% peak-to-trough decline, leaving Financials 57% off 10/31/07 levels, and up only 14.8% for the year. Interestingly, despite widespread market gains, only three of the 10 sector indices outperformed the S&P 500 for the year. Technology led gains, rising 59.9%, with Materials gaining 45.2% and Consumer Discretionary up 38.8%. Telecom and Utilities lagged, managing meager gains of 2.6% and 6.8%, respectively.

Table 3

Performance Summary - S&P Sector Indices

Sector	10/31/07 -	12/31/08 -	2/27/09 -		2009
	2/27/09	2/27/09	12/31/09	4Q09	
Financials	-77.64%	-40.07%	91.58%	-3.68%	14.81%
Industrials	-60.01%	-28.34%	63.64%	4.77%	17.27%
Materials	-57.14%	-15.44%	71.75%	6.90%	45.22%
Consumer Discretionary	-52.33%	-18.41%	70.07%	8.59%	38.76%
Information Technology	-51.28%	-7.25%	72.42%	10.45%	59.92%
Telecom Services	-45.15%	-13.58%	18.76%	5.86%	2.63%
Energy	-44.05%	-15.22%	31.27%	5.04%	11.29%
Utilities	-40.82%	-13.67%	23.71%	6.08%	6.80%
Health Care	-36.50%	-13.97%	36.08%	8.53%	17.07%
Consumer Staples	-28.36%	-14.35%	29.83%	4.22%	11.21%

Source: EquityCompass Strategies

While the last nine months of 2009 saw historic gains for the equity markets, it closes out a decade most investors would rather forget. The decade witnessed events that had a devastating impact on the markets and investor confidence — the bursting of the tech bubble, two recessions, the September 11 terrorist attacks, the banking crisis, the bankruptcy and nationalization of industry giants, and malfeasance by both corporations such as Enron and money managers, most notably Bernard Madoff. The S&P 500 declined just under 50% peak-to-trough in the bear market that opened the decade, and dropped 55% during the current bear market. The wealth destruction of these two bear markets led the S&P 500 to its worst decade on record, and gave the Dow its worst decade since the era of The Great Depression (Table 5). Following this historic period, the key question for investors is what to expect as we enter the next decade.

Table 4

Performance Summary - Annual

Year	S&P 500	DJIA
2000	-9.1%	-4.7%
2001	-11.9%	-5.5%
2002	-22.1%	-15.1%
2003	28.5%	28.1%
2004	10.8%	5.3%
2005	4.8%	1.8%
2006	15.7%	18.9%
2007	5.4%	8.7%
2008	-37.0%	-31.9%
2009	27.0%	23.0%

Source: Ned Davis Research

Table 5

Performance Summary - Decadal

Decade Ended	DJIA	S&P 500
1939	0.31%	0.31%
1949	8.30%	8.93%
1959	18.86%	19.22%
1969	5.19%	7.72%
1979	5.07%	5.71%
1989	17.94%	17.37%
1999	18.32%	18.14%
2009	1.31%	-0.95%

Source: Ned Davis Research

What's Next?

Despite the market run over the past nine months, valuations still are not stretched. The S&P 500 ended the year at 1115.0, which puts it at 14.3x consensus 2010 EPS estimates of \$77.71, below its long-term average and the 18.9x at the beginning of 2004, after the 2003 market recovery. While the 2010 consensus EPS estimate is up 25% from the May lows, it is still well short of the all-time high of \$104.56 in October 2007. The good news from depressed earnings expectations is that their return to normalcy provides an improving path that stocks are likely to follow.

As the impact of the government stimulus on the market and economic recovery starts to wane, we expect the focus to shift from speculative forces back to company fundamentals and relative valuation opportunities. We have already seen some early evidence of this shift. The EC Bear Recovery Index declined 7.0% in the fourth quarter while the S&P 500 gained 6%. The EquityCompass index of dividend paying stocks, which rose only 59% in the past nine months (versus a 93% gain for non-dividend paying stocks), is up 4.8% in the past three months versus only a 2% gain for non-dividend payers. We have also seen improvement in the market cap-weighted S&P 500 and the Dow Jones Industrials relative to equal-weighted indices over the past three months, indicating the positive momentum may be shifting from smaller, more speculative stocks to larger stocks.

The performance of our stock selection lists (*see pages 10–14 for this month's current members*) also supports the aforementioned view of a shift regarding the market drivers. While all of our lists underperformed the average stock in our universe from February through year-end, the fourth quarter saw a solid performance advantage for all of them, particularly those with a focus on quality, dividends, and a larger market-cap profile. We would expect this performance advantage to continue in the next phase of the market

cycle, as investors shift from seeking stocks with the heftiest losses that may provide the biggest bounce, to a focus on the best relative values and enduring quality.

Tactical Total Core Strategy

The end of 2009 brings with it an evaluation of the strategic stock/bond allocation of our Tactical Total Core Strategy (*see page 33*). Our stock/bond allocation begins with a base allocation of 60% stocks and 40% bonds, and is adjusted annually after examining the performance of stocks and bonds over the past five years compared to historical 5-year returns. Following the idea that market returns tend to revert to long-term averages, we will increase our allocation to stocks after a particularly negative period for equity markets, and reduce our allocation to stocks after a particularly strong period of performance for equities.

Entering 2009, stocks had declined 2.2% per year over the previous five years, well below the historic average. With bonds in their normal range over that period, the allocation in 2009 was adjusted to 70% stocks and 30% bonds. Over the five years ending in 2009, the S&P 500 has achieved an annualized return of 0.43% versus the long-term average of 11.56%, while bonds have gained 4.87% annually compared to an average of 5.44%. The performance of equities is not as negative as it was entering 2009, but the 5-year return remains well below its historic average, with bonds again performing in their normal range. The stock/bond allocation as we move into 2010 is therefore adjusted to 65% stocks and 35% bonds, still overweighting stocks relative to our base allocation, but less significantly so compared to 2009. The recommended strategic allocation for the Tactical Total Core Strategy, as well as the monthly adjustments to the Equity Risk Manager, are published monthly in the Update & Review (*see pages 33–34*).

Table 6

Performance Summary - EquityCompass Stock Selection Lists

Selection List Name	10/31/07 -	12/31/08 -	2/27/09 -	4Q09	2009
	2/27/09	2/27/09	12/31/09		
Quality/Momentum Stocks	-45.04%	-14.19%	44.99%	8.02%	24.42%
High Dividend Stocks	-60.04%	-26.82%	80.97%	8.66%	32.43%
Oversold/Quality Stocks	-52.68%	-11.56%	51.20%	5.95%	33.72%
Stifel Research Focus	-57.35%	-7.25%	64.06%	5.67%	52.16%
Mispriced/Large-Cap Stocks	-58.45%	-9.97%	66.91%	7.55%	50.26%
EC Universe	-56.23%	-20.25%	98.37%	3.23%	58.21%
S&P 500 Total Return	-50.95%	-18.18%	54.56%	6.04%	26.46%

Source: EquityCompass Strategies

Growth at a Discount

- Growth at a Discount (GAD) is an investment theme oriented to value, which we believe will likely benefit as the stock market transitions to a more established phase of recovery.
- EquityCompass utilizes attributes of relative value and investor over-/underreaction for stock selection and these characteristics are compatible with a GAD investment approach.
- We provide a screen of Stifel research recommendations and stocks in the S&P 500 that are consistent with a GAD selection focus.

With our expectations of a market transition from an initial rally to a more established phase of recovery, we utilize EquityCompass insights to identify targeted stock selection consistent with the fundamentally oriented "Growth at a Discount" investment theme (*see Investment Commentary*). Like the economy and business cycle, the stock market has characteristics or attributes that are prominent in defining performance at different phases of a market cycle. An example is the well known attribute of Value typically performing better in the first half of a market cycle, while its counterpart of Growth does better in the second half. EquityCompass (EC) utilizes four key attributes for stock selection: relative value, over-/underreaction, price momentum, and quality.

- 1) **Relative Value** – Insight designed to answer the question, "How is this stock being valued on a range of fundamentals compared to others?" The lower the relative value, the better.
- 2) **Over-/Underreaction** – Insight designed to identify mispriced stocks from a misalignment between change in stock price and change in fundamental expectations. Wide misalignments are viewed as exploitable opportunities.
- 3) **Momentum** – Long-term relative price trend as a proxy for opportunity seeking capital. Positive trend is better.
- 4) **Quality** – Using non-share price parameters to identify stocks creating shareholder value. High quality is safer.

Each of the attributes has distinct performance tendencies at different parts of a market cycle (Diagram 1 on the next page).

- **Early Bull** – This is an initial rally phase broadly favoring stocks that are oversold, particularly those with characteristics of low price, low quality, and uncertain fundamentals
- **Established Bull** – Market performance narrows and favors stocks with attractive value and whose fundamentals will benefit from improving economic conditions
- **Mature Bull** – Greater confidence in economic conditions extend investment horizons and create momentum forces for stocks with expected long duration growth
- **Early Bear** – Sharp and divergent momentum forces emerge with higher quality stocks beginning to have better relative performance
- **Established Bear** – High quality stocks outperforming

The two ends of the market cycle (Early Bull, Established Bear) are the most inefficient as investors are responding to emotional influences in making investment decisions. The two bull phases in which fundamentals can be more rationally discerned are in the Established and Mature Bull phases, which in turn point to the investment style of Growth at a Discount and Growth at a Reasonable Price. The primary difference between the styles is the influence of price momentum, which is dominant in the GARP phase but less so with GAD.

GAD Stock Selection

To focus stock selection for the established bull phase, we constructed a GAD index to rank the 3,000+ U.S. EquityCompass coverage universe. The composition of the index is 50% weighted to the relative value (low is better) and investor over-/underreaction (favorable is better) and 50% to fundamental growth expectations in sales, earnings, and profitability. The highest GAD scores are then ranked for a Stifel Nicolaus Buy rating or in the top half of consensus analyst opinion and a member of the S&P 500. The list is shown in Table 7 on the next page.

Diagram 1

EquityCompass Market Attribute Cycle

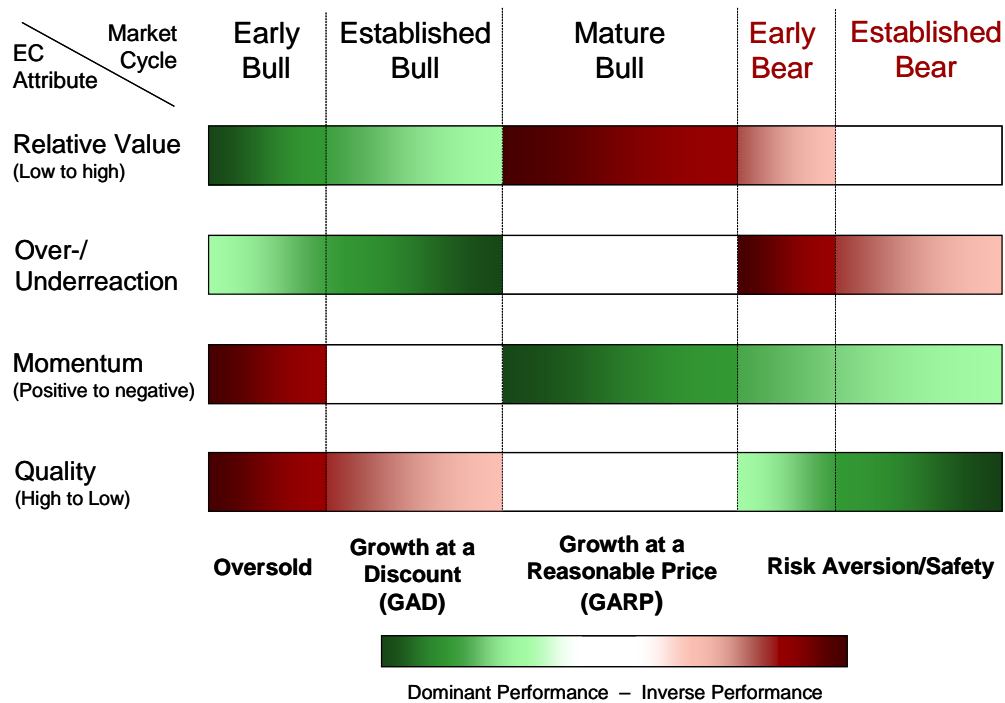


Table 7

EC Growth At a Discount (GAD)

Symbol	Company Name	Price 12/31/09	GAD Rank	3-Yr. Sales Growth	Est. LT	3-Yr.			P/E (NTM)	Valuation Percentile	12M Avg. Valuation Percentile	RL	Sector	Mkt.-Cap (Mil)	Stifel Rating
					EPS Growth (%)	Implied EPS Growth (CFY - NFY)	Growth in Oper. Mgn. (%)	Return on Equity (MRA %)							
AAP	Advance Auto Parts Inc.	\$40.48	92.6%	18.3%	12.3	6.7%	-0.7	22.7	12.4	13.17%	34.98%	L	Cons. Disc.	\$3,832	Buy
ARO	Aerostale Inc.	\$34.05	98.8%	57.9%	13.9	6.8%	5.3	54.1	9.9	3.37%	19.14%	--	Cons. Disc.	\$2,250	Buy
ARG	Airgas Inc.	\$47.60	93.8%	29.5%	12.0	15.6%	1.7	17.5	14.9	32.47%	46.04%	--	Materials	\$3,901	--
APOL	Apollo Group Inc. (CI A)	\$60.58	98.6%	57.9%	17.7	16.4%	1.7	60.1	9.9	18.32%	42.48%	--	Cons. Disc.	\$9,374	Buy
BLL	Ball Corp.	\$51.70	86.5%	8.9%	8.4	11.8%	1.1	26.3	11.8	17.30%	28.08%	--	Materials	\$4,862	--
BDX	Becton Dickinson & Co.	\$78.86	92.0%	22.5%	11.4	9.3%	3.1	24.1	14.2	28.63%	37.36%	--	Health Care	\$18,696	--
BIG	Big Lots Inc.	\$28.98	90.8%	0.8%	13.0	10.3%	3.7	21.9	12.1	5.97%	13.78%	--	Cons. Disc.	\$2,368	--
CACI	CACI Int'l. Inc. (CI A)	\$48.85	96.2%	51.6%	17.4	9.8%	-1.4	10.0	13.1	8.04%	17.50%	L	Info. Tech.	\$1,469	Buy
CVS	CVS Caremark Corp.	\$32.21	88.5%	121.5%	12.6	5.7%	1.5	10.1	11.6	10.95%	16.29%	--	Cons. Staples	\$45,698	--
DRI	Darden Restaurants Inc.	\$35.07	90.9%	35.5%	11.1	10.3%	-2.3	24.7	11.6	9.80%	21.69%	--	Cons. Disc.	\$4,896	Buy
DV	DeVry Inc.	\$56.73	97.7%	78.8%	21.8	22.0%	8.5	19.7	14.4	38.74%	54.93%	L	Cons. Disc.	\$4,032	Buy
DTV	DIRECTV	\$33.35	89.5%	41.6%	12.0	59.3%	-1.4	27.2	15.1	34.11%	37.05%	--	Cons. Disc.	\$31,953	--
FCN	FTI Consulting Inc.	\$47.16	97.2%	94.9%	18.8	23.2%	0.3	12.0	14.1	33.23%	49.89%	L	Industrials	\$2,444	Buy
GME	GameStop Corp. (CI A)	\$21.94	97.9%	93.2%	15.7	14.6%	1.5	19.1	7.5	1.84%	7.14%	--	Cons. Disc.	\$3,615	--
INTC	Intel Corp.	\$20.40	88.8%	-7.3%	11.6	111.5%	8.2	12.9	13.7	51.37%	67.71%	--	Info. Tech.	\$112,608	--
ESI	ITT Educational Svcs. Inc.	\$95.96	99.0%	61.6%	16.4	21.5%	8.4	157.1	10.1	22.66%	43.96%	--	Cons. Disc.	\$3,545	Buy
LH	Laboratory Cp. of Amer.	\$74.84	92.5%	29.7%	12.3	11.1%	0.0	27.2	13.8	27.57%	35.28%	--	Health Care	\$7,970	--
NFLX	Netflix Inc.	\$55.09	94.6%	59.1%	17.3	19.1%	2.6	21.3	24.6	43.34%	57.04%	--	Cons. Disc.	\$3,010	Buy
PPL	PPL Corp.	\$32.31	98.1%	36.1%	10.5	87.0%	-0.5	16.7	9.8	17.05%	36.92%	L	Utilities	\$12,169	--
RTN	Raytheon Co.	\$51.52	90.3%	19.8%	11.6	3.0%	1.9	15.5	10.3	5.26%	11.52%	--	Industrials	\$19,732	Buy
SAI	SAIC Inc.	\$18.94	97.2%	34.7%	12.3	10.6%	1.9	22.6	13.5	7.81%	18.00%	--	Info. Tech.	\$4,072	Buy
SHAW	Shaw Group Inc.	\$28.75	90.5%	48.1%	20.0	22.9%	0.9	1.0	11.0	10.87%	12.07%	--	Industrials	\$2,404	Buy
SRX	SRA Int'l. Inc. (CI A)	\$19.10	89.4%	28.5%	14.6	10.8%	-1.3	8.1	14.2	18.18%	29.98%	L	Info. Tech.	\$1,082	Buy
STT	State Street Corp.	\$43.54	92.4%	6.7%	11.8	4.6%	13.8	15.0	10.1	4.42%	22.64%	--	Financials	\$21,518	--
TGT	Target Corp.	\$48.37	86.8%	14.1%	13.1	12.1%	-1.8	15.3	13.6	16.63%	28.54%	--	Cons. Disc.	\$36,384	--
TJX	TJX Cos.	\$36.55	97.3%	15.9%	12.9	11.9%	1.4	42.9	12.4	10.11%	24.29%	--	Cons. Disc.	\$15,340	Buy
VMI	Valmont Industries Inc.	\$78.45	91.8%	46.8%	14.8	-15.4%	3.4	23.3	16.3	32.16%	41.85%	--	Industrials	\$2,061	Buy
GWW	W.W. Grainger Inc.	\$96.83	89.4%	5.1%	10.9	13.5%	1.7	23.0	16.5	34.15%	50.85%	L	Industrials	\$7,196	--
WAG	Walgreen Co.	\$36.72	95.0%	31.6%	13.3	17.2%	-0.2	14.6	13.4	12.42%	22.51%	--	Cons. Staples	\$36,300	--
XLNX	Xilinx Inc.	\$25.06	89.3%	-12.1%	14.8	44.9%	3.5	22.0	15.7	59.57%	80.64%	L	Info. Tech.	\$6,937	--

Source: EquityCompass Strategies

EquityCompass Stock Selection and Model Portfolios

EquityCompass provides stock selection lists and model portfolios to convey and demonstrate the investment value of current and past stock opinions. The stock selection lists are the result of screening the EquityCompass' 3,000 plus coverage universe for U.S. stocks meeting specified criteria at the end of each month. The stock selections are "fresh" in that there are no legacy considerations to being a current list member.

The model portfolios represent ongoing simulations anchored on the EquityCompass Buy/Neutral/Sell opinions and that incorporate constraints of moderate turnover, diversification, and style purity. There are specific rules in portfolio construction and subsequent stock addition/deletions. For more information, please refer to the February 2009 report, "Introducing EquityCompass Model Portfolios" available at www.equitycompass.com.

The Aggregate List (pp. 29–32) is a compilation of all stocks that are on the selection lists as well as the model portfolios.

Stock Selection Lists

Stifel Research Focus

Timely stocks with a favorable Stifel analyst rating

Mispriced/Large-Cap Stocks

Timely stocks in the S&P 500

Oversold/Quality Stocks

Out-of-favor high-quality value stocks

High Dividend Stocks

High-yielding stocks that exhibit favorable quality and valuation attributes

Quality/Momentum Stocks

Highest quality stocks with positive price momentum

The Candidates List

Companies with the highest likelihood of inclusion in the S&P 500 over the next 12 months

Stock Buyback List

Companies that have announced an intention to repurchase their company's shares

Sector Focus

Near-term opinions for 10 S&P economic sectors

EC Model Portfolios

U.S. Large-Cap Growth

U.S. Large-Cap Value

U.S. Mid-Cap Growth

U.S. Mid-Cap Value

U.S. Small-Cap Growth

U.S. Small-Cap Value

U.S. All-Cap Blend

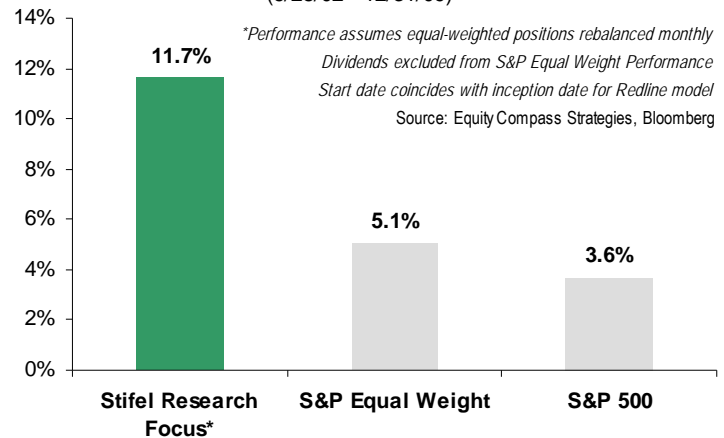
Stifel Research Focus

Selection Criteria:

The objective of the Stifel Research Focus is to combine a favorable opinion derived from fundamental research with the near-term opportunism identified by the EquityCompass Redline model. The Stifel Nicolaus Equity Research Department has 60 senior analysts covering more than 900 individual companies. They perform rigorous and thorough analyses of industries and companies to produce investment recommendations. Each month, we screen the "Buy" recommendations from analysts for stocks that also have an extreme, and therefore potentially opportunistic, over-/underreaction (i.e., Redline Low). This list brings together two complementary, but independent, approaches to stock selection. The performance of this approach to stock selection is shown on the right.

Annualized Returns

(6/28/02 - 12/31/09)



January Highlights:

- The Stifel Research Focus List was up 52.2% in 2009 and 6.3% in December.
- Advance Auto Parts Inc. (AAP) is the second largest automotive retailer in the U.S and Stifel analyst David Schick has a \$52.00 target price on the stock. Current concerns are continued higher expenses hampering otherwise solid revenue results.
- The number one item in Stifel analyst Chris King's recent research note, "10 Bold Telecom Predictions for 2010," is that AT&T (T) and Verizon (VZ) are likely to outperform the market in the near-term based on better results in the fourth quarter of 2009 and solid guidance for 2010.
- In December, General Mills (GIS) reported its third consecutive quarter of margin expansion and earnings growth. According to Stifel analyst Chris Growe, recent performance is indicating business momentum that can continue for the coming year. His target price on the shares is \$76.00.

Current Selections:

Symbol	Company Name	Price 12/31/09	Analyst	Dvd Yld (%)	PPS	SVI	Valuation Percentile	12M Avg Valuation Percentile	Mean Valuation Deviation	Sub Industry
APEI	American Public Education*	\$34.36	Herman	--	7	A	24.4%	69.8%	-45.4%	Education Services
ASEI	American Science & Eng.*	\$75.84	Levenson	1.05	5	A	35.5%	61.3%	-25.7%	Aerospace & Defense
CPLA	Capella Education Co.*	\$75.30	Herman	--	2	B	32.9%	57.0%	-24.1%	Education Services
AAP	Advance Auto Parts Inc.	\$40.48	Schick	0.59	6	A	13.2%	35.0%	-21.8%	Automotive Retail
GIS	General Mills Inc.*	\$70.81	Growe	2.77	7	B	37.1%	57.4%	-20.3%	Packaged Foods & Meats
APSG	Applied Signal Tech. Inc.	\$19.28	Levenson	2.59	5	B	24.1%	42.2%	-18.1%	Aerospace & Defense
FCN	FTI Consulting Inc.	\$47.16	Janesky	--	7	A	33.2%	49.9%	-16.7%	Research & Consulting Svcs.
DV	DeVry Inc.	\$56.73	Herman	0.35	7	A	38.7%	54.9%	-16.2%	Education Services
SXE	Stanley Inc.	\$27.41	Loomis	--	7	A	36.9%	52.5%	-15.6%	Aerospace & Defense
ERIE	Erie Indemnity Co. (CI A)*	\$39.02	Phillips	4.92	7	B	44.9%	59.6%	-14.8%	Property & Casualty Ins.
T	AT&T Inc.	\$28.03	King	5.99	7	B	17.7%	29.9%	-12.2%	Integrated Telecom. Svcs.
SRX	SRA Int'l. Inc. (CI A)	\$19.10	Loomis	--	7	D	18.2%	30.0%	-11.8%	IT Consulting & Other Svcs.
FEIC	FEI Co.*	\$23.36	Ho	--	3	C	63.9%	75.5%	-11.6%	Semiconductor Equipment
CACI	CACI Int'l. Inc. (CI A)	\$48.85	Loomis	--	5	C	8.0%	17.5%	-9.5%	IT Consulting & Other Svcs.

*Denotes new additions

Source: EquityCompass Strategies, FactSet Research Systems Inc.

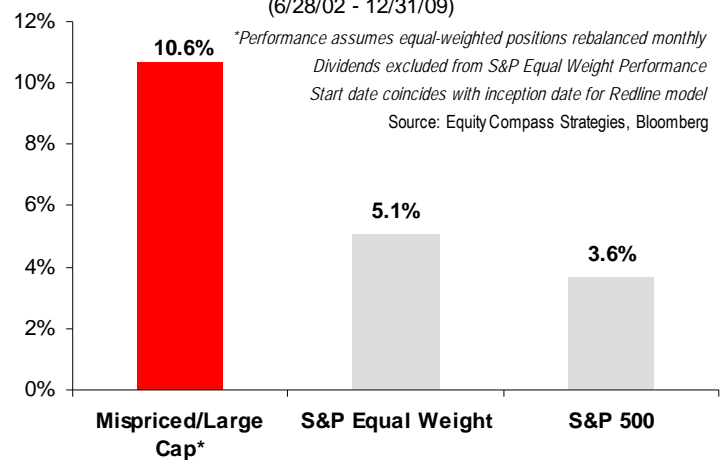
Mispriced/Large-Cap Stocks

Selection Criteria:

The objective of the Mispriced/Large-Cap list is to highlight stocks experiencing the most extreme over-/underreaction from within the S&P 500 index. Over-/underreaction occurs when changes in stock prices are disproportionate when compared to changes in underlying expectations (i.e., sales, earnings, cash flow and EBITDA estimates). We believe that this condition produces a short-term performance opportunity as the imbalance corrects. The EquityCompass Redline model utilizes a dynamic relative value ranking incorporating various measures of expectations (i.e., price-to: expected earnings, expected cash flow). The deviation in a stock's current relative value ranking compared to its 12-month average is the basis for Redline. Each month, we screen stocks in the S&P 500 over \$10/share. The 15 stocks with the greatest Redline Low condition are selected and shown below. To the right is a performance analysis of this selection method.

Annualized Returns

(6/28/02 - 12/31/09)



January Highlights:

- The Mispriced/Large-Cap List had an outstanding year, up 7.6% in December to cap a gain of 50.3% for 2009.
- Kraft Foods (KFT) continues in its hostile attempt to buy Cadbury Plc in a transaction valued at \$16 billion. Warren Buffett's Berkshire Hathaway owns approximately 10% of Kraft shares and has voiced his opposition to a transaction that would dilute equity holders for share issuance to increase the purchase offer to Cadbury.
- AutoZone Inc. (AZO) approved an additional \$500 million in share buybacks as part of an ongoing repurchase program. This represents approximately 6.5% of the company's market capitalization.

Current Selections:

Symbol	Company Name	Price 12/31/09	52W High	52W Low	Dvd Yld (%)	PPS	SVI Grade	Valuation Percentile	12M Avg Valuation Percentile	Mean Valuation Deviation	Sub Industry
DFS	Discover Financial Svcs.*	\$14.71	\$17.36	\$4.73	0.54	1	B	10.4%	56.9%	-46.5%	Consumer Finance
AZO	AutoZone Inc.	\$158.07	\$169.99	\$125.80	--	7	B	17.2%	46.7%	-29.5%	Automotive Retail
TXN	Texas Instruments Inc.	\$26.06	\$27.00	\$13.70	1.84	2	A	44.6%	73.1%	-28.5%	Semiconductors
KFT	Kraft Foods Inc.*	\$27.18	\$29.84	\$20.81	4.27	7	A	31.8%	55.1%	-23.3%	Packaged Foods & Meats
HCBK	Hudson City Bancorp Inc.	\$13.73	\$16.00	\$7.46	4.37	6	A	15.6%	38.2%	-22.6%	Thrifts & Mortgage Finance
CPB	Campbell Soup Co.*	\$33.80	\$35.80	\$24.63	3.25	7	A	33.3%	55.3%	-22.0%	Packaged Foods & Meats
FDO	Family Dollar Stores Inc.	\$27.83	\$35.00	\$24.02	1.94	6	A	1.4%	23.0%	-21.6%	General Merchandise Stores
XLNX	Xilinx Inc.*	\$25.06	\$25.45	\$15.00	2.55	5	B	59.6%	80.6%	-21.1%	Semiconductors
GIS	General Mills Inc.*	\$70.81	\$72.09	\$46.37	2.77	7	B	37.1%	57.4%	-20.3%	Packaged Foods & Meats
ROST	Ross Stores Inc.*	\$42.71	\$50.50	\$28.08	1.03	5	A	4.1%	24.2%	-20.0%	Apparel Retail
PPL	PPL Corp.	\$32.31	\$34.42	\$24.25	4.27	7	B	17.1%	36.9%	-19.9%	Electric Utilities
HRL	Hormel Foods Corp.*	\$38.45	\$40.46	\$29.16	2.18	6	B	12.9%	30.5%	-17.6%	Packaged Foods & Meats
GWW	W.W. Grainger Inc.*	\$96.83	\$102.54	\$59.95	1.90	5	A	34.2%	50.8%	-16.7%	Trading Cos. & Distributors
SHW	Sherwin-Williams Co.*	\$61.65	\$64.13	\$42.19	2.30	7	B	27.4%	41.3%	-13.8%	Home Improvement Retail
CLX	Clorox Co.*	\$61.00	\$63.10	\$45.67	3.28	7	A	47.8%	61.2%	-13.4%	Household Products

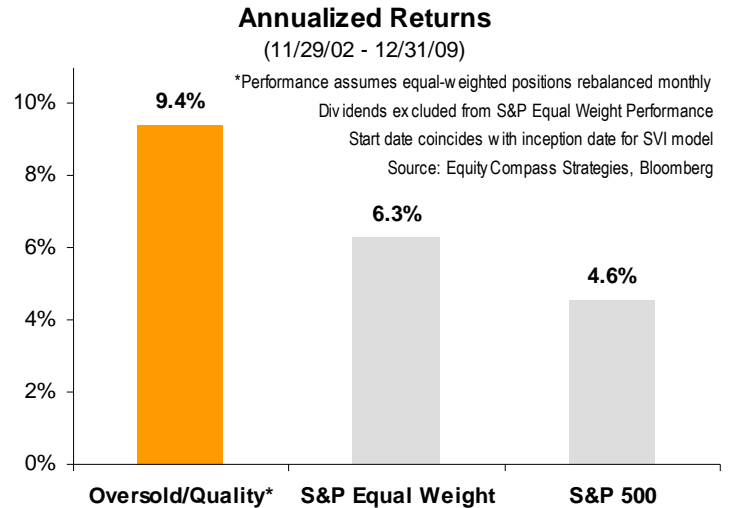
*Denotes new additions

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Oversold/Quality Stocks

Selection Criteria:

The objective of the Oversold/Quality list is to identify high-quality value stocks that are currently out of favor, but we believe are "oversold" in the market. The EquityCompass measures for valuation by comparing stock prices to expectations (i.e., sales, earnings, cash flow and EBITDA estimates) to produce a relative ranking divided at the median between growth and value. The PPS model combines this relative valuation ranking with a positive or negative determination of long-term relative price strength. The SVI measures for quality in value creation (sales and operating margins) and shareholder rewards (dividend growth, share buybacks, and long-term debt levels). The Redline Low model identifies stocks experiencing an extreme over-/underreaction. Each month, we screen the S&P 500 for stocks over \$10 that have high quality, low valuation, are out of favor, and have a Redline Low condition. Shown at the right is a performance analysis of the selection criteria since inception of all three models.



January Highlights:

- The Oversold/Quality List rose 6.0% in December and was up 33.7% in 2009.
- DeVry Inc. (DV) reported fall enrollment metrics that were above the expectations of Stifel analyst Jerry Herman. Herman maintained his Buy rating and \$68 target price based on attractive program positioning, academic quality, improving volume metrics and margin expansion opportunity.
- Consumer Staples, which lagged the market in 2009, make up five of the 11 stocks on the list this month. In addition to being attractively valued KFT, CPB, CLX and KMB each carry a dividend yield greater than 3%.

Current Selections:

Symbol	Company Name	Price 12/31/09	52W High	52W Low	Dvd Yld (%)	PPS	SVI	Valuation Percentile	12M Avg Valuation Percentile	Mean Valuation Deviation	Sub Industry
KFT	Kraft Foods Inc.	\$27.18	\$29.84	\$20.81	4.27	7	A	31.8%	55.1%	-23.3%	Packaged Foods & Meats
HCBK	Hudson City Bancorp Inc.	\$13.73	\$16.00	\$7.46	4.37	6	A	15.6%	38.2%	-22.6%	Thrifts & Mortgage Finance
CPB	Campbell Soup Co.	\$33.80	\$35.80	\$24.63	3.25	7	A	33.3%	55.3%	-22.0%	Packaged Foods & Meats
FDO	Family Dollar Stores Inc.	\$27.83	\$35.00	\$24.02	1.94	6	A	1.4%	23.0%	-21.6%	General Merchandise Stores
KMB	Kimberly-Clark Corp.	\$63.71	\$67.03	\$43.05	3.77	7	A	23.8%	40.8%	-17.0%	Household Products
DV	DeVry Inc.	\$56.73	\$64.69	\$38.19	0.35	7	A	38.7%	54.9%	-16.2%	Education Services
AMGN	Amgen Inc.	\$56.57	\$64.76	\$44.96	0.00	7	A	25.9%	41.2%	-15.3%	Biotechnology
CLX	Clorox Co.	\$61.00	\$63.10	\$45.67	3.28	7	A	47.8%	61.2%	-13.4%	Household Products
FPL	FPL Group Inc	\$52.82	\$60.61	\$41.48	3.58	7	A	28.8%	42.2%	-13.4%	Electric Utilities
BCR	C.R. Bard Inc.	\$77.90	\$88.43	\$68.94	0.87	7	A	34.0%	47.1%	-13.1%	Health Care Equipment
WMT	Wal-Mart Stores Inc.	\$53.45	\$57.51	\$46.25	2.04	6	A	10.7%	20.3%	-9.6%	Hypermarkets & Super Ctrs.

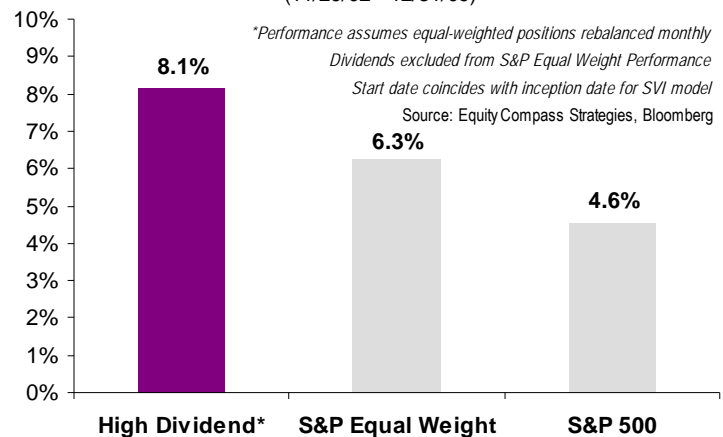
Source: EquityCompass Strategies, FactSet Research Systems Inc.

High Dividend Stocks

Selection Criteria:

The objective of the High Dividend list is to identify high-yielding stocks that exhibit favorable quality and valuation attributes. The High Dividend list utilizes the EquityCompass relative valuation ranking and Shareholder Value Index (SVI) to select high-yielding, above-average quality stocks (SVI A–B) that are trading below their average 12-month relative valuation. Specifically, the High Dividend list selects the 20 highest-yielding stocks meeting the above criteria. Sector and industry exposure are limited to 10 stocks per sector and five per industry. The current list of 20 stocks meeting the selection criteria is shown below. The performance of the selection criteria is shown to the right.

Annualized Returns (11/29/02 - 12/31/09)



January Highlights:

- After declining 27% in the first two months of 2009, the High Dividend Stock List rose 81% over the last 10 months to finish the year up 32.4%.
- An analyst at a major Wall Street firm recently initiated coverage of Teekay Corp. (TK) with an Outperform rating and a \$30 target price.
- Realty Income Corp. (O) recently increased its monthly cash dividend, marking the 49th consecutive quarterly increase of the company's dividend. The company has increased its dividend 56 times since going public in 1994.

Current Selections:

Symbol	Company Name	Price 12/31/09	52W High	52W Low	Dvd. Yld (%)	PPS	SVI	Valuation Percentile	12M Avg Valuation Percentile	Mean Valuation Deviation	Sub Industry
WWE	World Wrestling Ent. (Cl A)	\$15.33	\$16.59	\$8.98	9.39	3	A	56.9%	65.9%	-8.9%	Movies & Entertainment
NNN	Nat'l. Retail Pptys. Inc.*	\$21.22	\$22.80	\$12.26	7.07	2	A	43.9%	58.3%	-14.4%	Retail REITs
O	Realty Income Corp.*	\$25.91	\$28.23	\$14.25	6.62	5	A	46.6%	65.0%	-18.4%	Retail REITs
SNH	Senior Housing Pptys. Tr.*	\$21.87	\$22.80	\$10.68	6.58	3	A	75.7%	78.6%	-2.9%	Specialized REITs
PCH	Pottlatch Corp.	\$31.88	\$33.72	\$18.00	6.40	5	B	85.8%	90.2%	-4.4%	Specialized REITs
PBI	Pitney Bowes Inc.	\$22.76	\$27.46	\$17.62	6.33	7	A	21.7%	32.4%	-10.6%	Office Services & Supplies
NTLS	NTELOS Holdings Corp.	\$17.81	\$24.94	\$13.66	6.29	7	A	34.1%	37.9%	-3.8%	Wireless Telecom. Svcs.
PGN	Progress Energy Inc.	\$41.01	\$42.20	\$31.35	6.05	7	A	48.8%	51.5%	-2.7%	Electric Utilities
CINF	Cincinnati Financial Corp.	\$26.24	\$29.66	\$17.84	6.02	6	B	3.2%	13.6%	-10.4%	Property & Casualty Ins.
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	7	B	17.7%	29.9%	-12.2%	Integrated Telecom. Svcs.
VZ	Verizon Commun. Inc.	\$33.13	\$34.76	\$26.10	5.73	7	A	32.0%	34.5%	-2.5%	Integrated Telecom. Svcs.
AJG	Arthur J. Gallagher & Co.	\$22.51	\$26.02	\$14.82	5.69	7	B	47.8%	58.2%	-10.4%	Insurance Brokers
VVC	Vectren Corp.	\$24.68	\$26.90	\$18.08	5.51	7	B	25.1%	27.9%	-2.8%	Multi-Utilities
TK	Teekay Corp.*	\$23.21	\$26.50	\$11.35	5.45	2	B	38.5%	39.0%	-0.5%	Oil & Gas Storage & Trans.
TGH	Textainer Grp. Hldgs. Ltd.*	\$16.90	\$17.74	\$4.23	5.44	2	A	17.1%	21.8%	-4.8%	Trading Cos. & Distributors
BKS	Barnes & Noble Inc.*	\$19.07	\$28.78	\$13.77	5.24	6	A	6.5%	13.7%	-7.2%	Specialty Stores
ED	Consolidated Edison Inc.*	\$45.43	\$46.35	\$32.56	5.19	7	B	41.9%	45.2%	-3.3%	Multi-Utilities
LEG	Leggett & Platt Inc.	\$20.40	\$21.44	\$10.03	5.10	2	B	28.0%	35.4%	-7.4%	Home Furnishings
DD	E.I. DuPont de Nemours*	\$33.67	\$35.62	\$16.05	4.87	7	B	41.5%	57.7%	-16.2%	Diversified Chemicals
MCHP	Microchip Technology Inc.*	\$29.05	\$29.56	\$16.23	4.68	5	B	86.1%	90.1%	-4.1%	Semiconductors
Averages		\$26.01			5.98			39.9%	47.3%	-7.4%	

*Denotes new additions

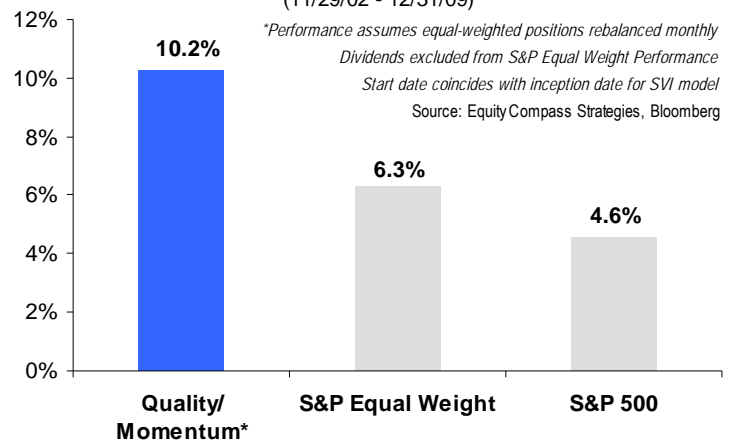
Source: EquityCompass Strategies, FactSet Research Systems Inc.

Quality/Momentum Stocks

Selection Criteria:

The objective of the Quality/Momentum list is to identify stocks with superior risk-adjusted performance attributes. Stocks with high quality and positive long-term relative price strength exhibit lower volatility and tend to outperform passive market benchmarks. The Quality/Momentum utilizes the quality measure of the Shareholder Value Index (SVI) and the indication of positive long-term relative price strength embedded in favorable Performance Probability Scores (PPS 1-4). Specifically, Quality/Momentum selects the five highest-quality stocks above \$10 in each of the 10 S&P sectors from within the EquityCompass universe with a favorable PPS rating. The current list of 50 stocks meeting the selection criteria is shown below. The performance of the selection criteria is shown to the right.

Annualized Returns (11/29/02 - 12/31/09)



Current Selections:

Symbol	Company Name	Price 12/31/09	Div. Yld (%)	PPS	SVI Score	SVI Grade	Symbol	Company Name	Price 12/31/09	Div. Yld (%)	PPS	SVI Score	SVI Grade
Consumer Discretionary							Industrials						
GES	Guess? Inc.	\$42.30	1.18	2	99.1%	A	TGH	Textainer Grp.*	\$16.90	5.44	2	99.8%	A
CTRP	Ctrip.com Int'l. (ADS)	\$71.86	--	4	98.8%	A	CPA	Copa Hldgs. (CI A)	\$54.47	0.68	2	99.0%	A
CRMT	America's Car-Mart	\$26.33	--	2	98.6%	A	FLS	Flowserve Corp.	\$94.53	1.14	2	98.6%	A
CVC	Cablevision Sys. Cp.*	\$25.82	1.55	3	98.3%	A	CNI	Canadian Nat'l. Rail.	\$54.36	1.77	3	98.3%	A
MNRO	Monro Muffler Brake*	\$33.44	0.84	2	97.2%	A	ASR	Grupo Aero. Sureste	\$51.81	12.79	2	97.1%	A
Consumer Staples							Information Technology						
ABV	Comp. de Bebidas	\$101.09	1.79	3	100.0%	A	MA	MasterCard (CI A)	\$255.98	0.23	4	99.8%	A
UL	Unilever PLC (ADS)*	\$31.90	3.15	3	98.3%	A	SLH	Solera Holdings Inc.	\$36.01	0.69	4	99.1%	A
KOF	Coca-Cola Femsa	\$65.72	1.57	3	96.7%	A	POWI	Power Integrations*	\$36.36	0.28	3	98.8%	A
NUS	Nu Skin Ent. (CI A)*	\$26.87	1.71	2	95.0%	A	MELI	MercadoLibre Cp.*	\$51.87	--	3	98.1%	A
LANC	Lancaster Colony*	\$49.68	2.42	2	92.6%	A	RHT	Red Hat Inc.	\$30.90	--	4	97.9%	A
Energy							Materials						
TLM	Talisman Energy Inc.	\$18.64	1.13	3	99.5%	A	NEU	NewMarket Corp.*	\$114.77	1.31	2	98.5%	A
DO	Diamond Offshore	\$98.42	0.51	2	98.9%	A	GOLD	Randgold Res. (ADS)	\$79.14	0.15	4	95.5%	A
NE	Noble Corp.	\$40.70	--	1	97.8%	A	LIHR	Lihir Gold Ltd. (ADS)*	\$29.21	0.41	3	94.8%	A
CNX	Consol. Energy Inc.*	\$49.80	0.80	3	97.3%	A	LZ	Lubrizol Corp.	\$72.95	1.70	1	91.0%	A
OXY	Occidental Petroleum*	\$81.35	1.62	2	96.8%	A	RGLD	Royal Gold Inc.*	\$47.09	0.76	3	87.3%	A
Financials							Telecommunication Services						
CISG	Cninsure Inc.*	\$20.08	--	3	98.8%	A	VIV	Vivo Part. (ADS)	\$31.00	1.29	2	96.9%	A
DFT	Dupont Fabros Tech.*	\$17.99	1.78	2	97.7%	A	TEF	Telefonica (ADS)	\$83.52	4.13	2	92.3%	A
WDR	Waddell & Reed Fin'l.	\$30.54	2.49	3	96.6%	A	MICC	Millicom Int'l. Cell.*	\$73.77	1.68	3	89.2%	A
DLR	Digital Rlty. Tr.	\$50.28	3.58	3	96.4%	A	AMX	America Movil (ADS)*	\$46.98	0.97	2	81.5%	A
FCFS	First Cash Fin'l.*	\$22.19	--	2	96.3%	A	TEO	Telecom Argentina	\$16.82	--	1	78.5%	A
Health Care							Utilities						
PRGO	Perrigo Co.	\$39.83	0.63	3	100.0%	A	CMS	CMS Energy Corp.	\$15.66	3.19	2	99.0%	A
MRX	Medicis Pharm. Cp.*	\$27.05	0.59	2	99.3%	A	NFG	National Fuel Gas	\$50.00	2.68	3	90.8%	A
WCRX	Warner Chilcott Plc*	\$28.47	--	2	98.7%	A	OKE	ONEOK Inc.*	\$44.57	3.77	3	89.8%	A
MRK	Merck & Co Inc*	\$36.54	4.16	2	97.6%	A	EGN	Ergen Corp.*	\$46.80	1.07	2	85.7%	A
ATHN	athenahealth Inc.*	\$45.24	--	3	96.6%	A	CIG	Comp. Ener.-CEMIG*	\$18.06	4.42	1	81.6%	A

*Denotes new additions

Source: EquityCompass Strategies, FactSet Research Systems Inc.

The Candidates List

Selection Criteria:

The index committee at Standard & Poor's has the responsibility to select replacements for stocks in the S&P 500. Their criteria is to identify fundamentally sound, successful companies appropriate for a leading index of market activity. The performance of stocks prior to and shortly after the announced addition to the S&P 500 is often well-above average. The Candidates List compiles stocks that we believe meet the parameters for being added to the S&P 500.

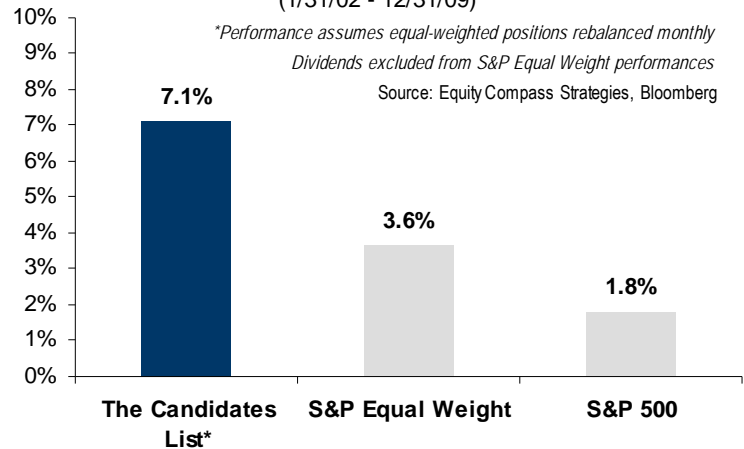
Annualized Returns

(1/31/02 - 12/31/09)

*Performance assumes equal-weighted positions rebalanced monthly

Dividends excluded from S&P Equal Weight performances

Source: Equity Compass Strategies, Bloomberg



January Highlights:

- **Rule-set updated:** The rule-set for identifying The Candidates List members has been updated to reflect Standard & Poor's recent decision to raise the market-cap guideline for the constituents of the S&P 500 index to \$3.5 billion or greater.
- **High batting average:** In 2009, Standard and Poor's made 31 new additions into the S&P 500 index. The Candidates List's methodology correctly identified 22 out of the 28 non-spinoff additions to the index prior to the announcement date — a batting average of 79%. The remaining three additions were brand new stocks created as a result of spinoffs from existing members.
- **Strong performance:** The Candidates List delivered strong performance in December, outperforming the S&P 500 Total Return Index by 450 bps (6.4% versus 1.9%). In 2009, the List was up 28.8% compared to 26.5% for the S&P 500 Total Return Index.

Current Candidates:

Symbol	Company Name	Price 12/31/09	Compass Rating	Industry Group	Mkt.-Cap (Mil)	Symbol	Company Name	Price 12/31/09	Compass Rating	Industry Group	Mkt.-Cap (Mil)
ALXN	Alexion Pharmaceuticals	\$48.82	Neutral	Pharm. Biotech. & Life Sci.	\$4,318	JBHT	J.B. Hunt Transport Svcs.	\$32.27	Sell	Transportation	\$4,103
DOX	Amdocs Ltd.*	\$28.53	Buy	Software & Services	\$5,851	JOYG	Joy Global Inc.	\$51.57	Buy	Capital Goods	\$5,313
BLK	Blackrock Inc.	\$232.20	Buy	Diversified Financials	\$11,627	MDR	McDermott Int'l. Inc.	\$24.01	Sell	Capital Goods	\$5,532
KMX	CarMax Inc.*	\$24.25	Buy	Retailing	\$5,356	MOS	Mosaic Co.	\$59.73	Sell	Materials	\$26,575
CERN	Cerner Corp.	\$82.44	Buy	Health Care Equip. & Svcs.	\$6,722	NHP	Nationwide Health Ppty.	\$35.18	Buy	Real Estate	\$3,883
CHD	Church & Dwight Co.	\$60.45	Buy	Household & Personal Prod.	\$4,251	NYB	N.Y. Commun. Bancorp	\$14.51	Sell	Banks	\$5,163
DLB	Dolby Labs. Inc. (Cl A)	\$47.73	Buy	Tech. Hardware & Equip.	\$5,434	NIHD	NII Holdings Inc.	\$33.58	Buy	Telecommunication Svcs.	\$5,580
DWA	DreamWorks Anim. (Cl A)	\$39.95	Buy	Media	\$3,466	NRG	NRG Energy Inc.	\$23.61	Neutral	Utilities	\$6,054
EW	Edwards Lifesciences	\$86.85	Buy	Health Care Equip. & Svcs.	\$4,890	OKE	ONEOK Inc.	\$44.57	Buy	Utilities	\$4,701
ENR	Energizer Holdings Inc.	\$61.28	Neutral	Household & Personal Prod.	\$4,260	PRE	PartnerRe Ltd.*	\$74.66	Buy	Insurance	\$4,351
FFIV	F5 Networks Inc.	\$52.97	Buy	Tech. Hardware & Equip.	\$4,149	PDE	Pride International Inc.	\$31.91	Buy	Energy	\$5,552
FRT	Federal Rlty. Inv. Tr.	\$67.72	Sell	Real Estate	\$4,143	AMTD	TD Ameritrade Hldg. Cp.	\$19.38	Neutral	Diversified Financials	\$11,378
GRMN	Garmin Ltd.*	\$30.70	Buy	Cons. Durables & Apparel	\$6,158	URBN	Urban Outfitters Inc.	\$34.99	Buy	Retailing	\$5,892
HP	Helmerich & Payne Inc.	\$39.88	Sell	Energy	\$4,207	VMW	VMware Inc.	\$42.38	Buy	Software & Services	\$16,943
ILMN	illumina Inc.*	\$30.68	Sell	Pharm. Biotech. & Life Sci.	\$3,838	WLT	Walter Energy, Inc.	\$75.31	Buy	Materials	\$3,986
ESI	ITT Educational Svcs.	\$95.96	Neutral	Consumer Services	\$3,545						

*Denotes new additions

Source: EquityCompass Strategies, FactSet Research Systems Inc.

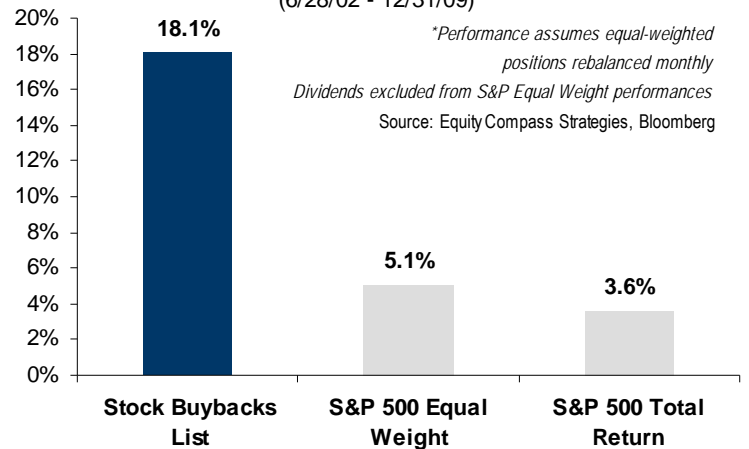
Stock Buyback List

Selection Criteria:

The EquityCompass Stock Buyback list is a compilation of 10 companies that have announced, within the preceding 30 days, an intention to repurchase their company's shares in the open market. Specifically, this list highlights the 10 most significant announcements as a percent of outstanding shares. For a comprehensive overview of share repurchase announcements and subsequent performances, please refer to the September 2009 issue of the EquityCompass Update & Review.

Annualized Returns

(6/28/02 - 12/31/09)



January Highlights:

- The Stock Buyback List had an outstanding year, rising 57.6%. Share buybacks dwindled in the bear market but have recently surged with the market recovery. Increasing confidence and high corporate cash levels are likely to maintain the increased level of buyback activity.
- AXIS Capital Holdings (AXS) provides specialty insurance and reinsurance through subsidiaries operating globally. The stock is rated a Buy by Stifel analyst Mike Paisan on the basis of attractive valuation noting that AXS trades below its recent book value (\$31.58) and just 6.7x estimated earnings for 2010. His target price for the shares is \$38.00.
- Stifel analyst Richard Jaffe has named Aeropostale Inc. (ARO) as his best idea for 2010 on the basis of the company's ability to achieve above market returns from fresh, fashion-right assortments, nimble operating model, and prudent expense control.

Top 10 Stock Buybacks:

Symbol	Company Name	Price 12/31/09	Div. Yld. (%)	Compass Rating	SVI PPS	SVI Grade	RL	Sub Industry	Mkt.-Cap. (Mil)	Shrs. Out (Mil)	Ann. Date	Amount	% Out.
SPN	Superior Energy	\$24.29	--	Sell	5	D	--	Oil & Gas Equip. & Svcs.	\$1,900	78	12/16/2009	350.000 Mln \$\$	18.42%
ACET	Aceto Corp.	\$5.15	3.88	Sell	6	--	--	Trading Cos. & Distrib.	\$128	25	12/11/2009	4.050 Mln Shrs.	16.34%
AXS	AXIS Capital Hldgs.	\$28.41	2.96	Buy	6	A	--	Property & Casualty Ins.	\$3,916	138	12/10/2009	500.000 Mln \$\$	12.77%
PFCB	P.F. Chang's	\$37.91	-	Buy	2	A	--	Restaurants	\$877	23	12/17/2009	100.000 Mln \$\$	11.40%
ARO	Aeropostale Inc.	\$34.05	-	Buy	5	A	--	Apparel Retail	\$2,250	66	12/8/2009	250.000 Mln \$\$	11.11%
TBL	Timberland (Cl A)	\$17.93	-	Buy	2	C	--	Footwear	\$992	55	12/3/2009	6.000 Mln Shrs.	10.84%
CECO	Career Education	\$23.31	-	Buy	5	A	--	Education Services	\$2,017	87	12/16/2009	215.500 Mln \$\$	10.69%
ENZN	Enzon Pharm.	\$10.53	-	Buy	4	C	--	Biotechnology	\$478	45	12/3/2009	50.000 Mln \$\$	10.46%
PPD	Pre-Paid Legal	\$41.08	-	Sell	6	--	--	Specialized Cons. Svcs.	\$450	11	12/2/2009	1.000 Mln Shrs.	9.13%
JEF	Jefferies Grp.	\$23.73	-	Buy	3	D	--	Inv. Bnkg. & Brokerage	\$4,018	169	12/14/2009	15.000 Mln Shrs.	8.86%

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Sector Focus

Selection Criteria:

The objective of the Sector Focus is to provide near-term opinions for the 10 S&P economic sectors. Opinions reflect the amount of over-/underreaction in the value-weighted sector indices. Specifically, Overweight opinions are given to the three sectors with the greatest aggregate deviation of current relative valuation below their 12-month average. The three Underweight opinions are given to the stocks in the sectors with the greatest current relative valuation above the 12-month average. The remaining four sectors are assigned Equal Weight opinions. Sector opinions are measured with their corresponding performance and are shown at the right.

Annualized Returns

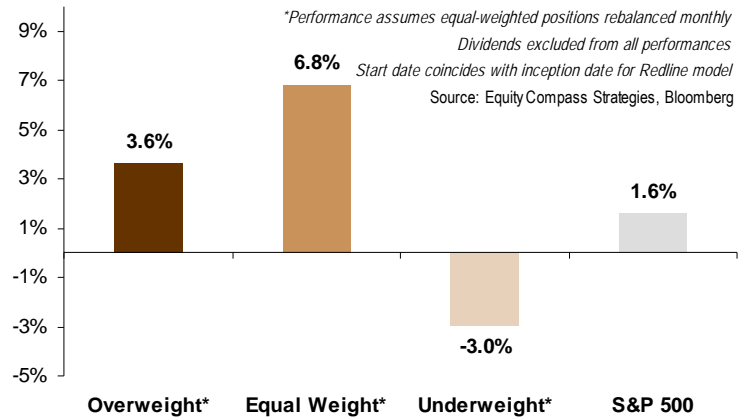
(6/28/02 - 12/31/09)

*Performance assumes equal-weighted positions rebalanced monthly

Dividends excluded from all performances

Start date coincides with inception date for Redline model

Source: Equity Compass Strategies, Bloomberg



Jan. 2010 - Short-Term Sector Opinion

S&P GICS Sector	*Average MVD	Opinion
Consumer Staples	-6.8%	Overweight
Telecom Services	-6.4%	Overweight
Energy**	-2.9%	Overweight
Information Technology	-0.7%	Equal Weight
Utilities**	-0.7%	Equal Weight
Consumer Discretionary**	-0.6%	Equal Weight
Health Care	-0.3%	Equal Weight
Materials	0.1%	Underweight
Financials**	0.4%	Underweight
Industrials	3.4%	Underweight

*Market cap weighted

**Change since prior month

Source: EquityCompass Strategies

Historical Short-Term Sector Opinions

Month	Cons.		Energy		Health		Info		Telecom	
	Disc.	Staples	Energy	Fin'l	Care	Indus.	Tech	Mat.	Services	Utills.
2006										
January-06	U	U	O	U	E	E	E	E	O	O
February-06	U	E	E	U	O	E	E	U	O	O
March-06	U	E	E	U	E	E	O	U	O	O
April-06	U	E	O	U	O	E	E	U	E	O
May-06	U	E	E	U	O	E	O	U	E	O
June-06	U	E	E	U	O	E	O	U	E	O
July-06	E	U	E	U	E	E	O	O	U	O
August-06	E	U	E	U	E	O	O	O	E	U
September-06	E	U	O	E	U	O	E	O	E	U
October-06	E	U	O	E	E	O	E	O	U	U
November-06	U	E	O	E	O	O	E	E	U	U
December-06	E	E	O	E	O	O	U	E	U	U
2007										
January-07	E	E	O	E	E	O	U	O	U	U
February-07	U	O	E	O	O	E	U	U	E	E
March-07	E	O	E	O	O	E	E	U	U	U
April-07	E	E	E	O	O	O	E	U	U	U
May-07	E	O	E	O	O	E	E	U	U	U
June-07	E	O	E	O	O	E	E	U	U	U
July-07	E	O	U	O	O	E	E	U	U	E
August-07	O	E	E	O	O	U	E	U	U	E
September-07	O	E	E	O	O	E	E	U	U	U
October-07	O	E	U	O	O	E	E	U	U	E
November-07	O	E	U	O	O	E	E	E	U	U
December-07	O	U	E	E	E	E	O	U	O	U
2008										
January-08	O	U	U	E	O	E	O	E	E	U
February-08	O	U	E	U	E	E	O	E	O	U
March-08	O	U	U	E	E	E	O	U	O	E
April-08	E	U	E	U	O	E	O	E	O	U
May-08	E	U	E	U	O	E	O	E	O	U
June-08	E	U	E	U	O	E	O	E	O	U
July-08	O	E	U	E	E	E	O	U	O	U
August-08	E	U	O	U	E	E	O	E	O	U
September-08	E	U	O	U	E	E	O	E	O	U
October-08	U	U	O	U	E	E	O	E	E	O
November-08	E	U	O	U	E	O	O	E	U	E
December-08	E	E	U	E	O	O	O	E	U	U
2009										
January-09	E	O	U	E	E	O	O	U	U	E
February-09	E	O	U	O	E	O	E	U	U	E
March-09	E	O	U	E	O	O	E	U	U	E
April-09	E	O	U	E	E	O	E	U	U	O
May-09	U	O	U	E	O	E	E	U	E	O
June-09	E	O	U	U	O	E	E	U	E	O
July-09	E	E	U	O	E	E	U	U	O	O
August-09	E	O	U	E	E	E	U	U	O	O
September-09	E	O	E	E	E	U	U	U	O	O
October-09	E	O	E	U	E	U	E	U	O	O
November-09	E	E	U	E	O	U	E	U	O	O
December-09	U	O	E	E	E	U	E	U	O	O

O = Overweight; E = Equal Weight; U = Underweight

Source: EquityCompass Strategies

U.S. Large-Cap Growth Portfolio

Description: The U.S. Large-Cap Growth is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Large-Cap Growth Total Return Index.

Recent Changes: Removed — Praxair (PX), JPMorgan Chase (JPM), Ecolab (ECL), C.H. Robinson Worldwide (CHRW)
 (as of 12/31/09) Added — Goldcorp (GG), Southern Copper (PCU), INVESCO (IVZ), Illinois Tool Works (ITW)

U.S. Large-Cap Growth Model Portfolio (12/31/09)

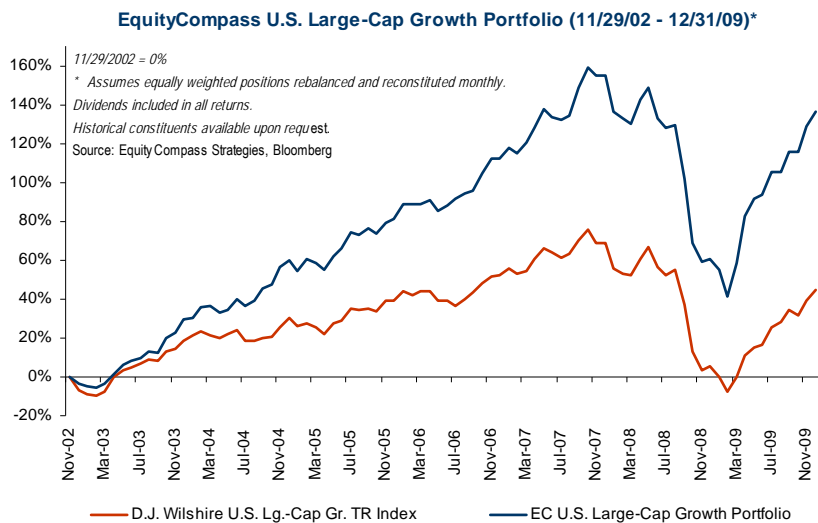
Symbol	Company Name	Price 12/31/09	52-Wk High	52-Wk Low	Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
AMZN	Amazon.com Inc.	\$134.52	\$145.91	\$47.63	--	Buy	Cons. Disc.	Internet Retail	\$58,247	6/30/2008
COH	Coach Inc.	\$36.53	\$37.36	\$11.41	0.82	Buy	Cons. Disc.	Apparel Access. & Luxury	\$11,640	11/30/2009
SBUX	Starbucks Corp.	\$23.06	\$23.95	\$8.12	--	Buy	Cons. Disc.	Restaurants	\$17,131	11/30/2009
AVP	Avon Products Inc.	\$31.50	\$36.39	\$14.40	2.67	Neutral	Cons. Staples	Personal Products	\$13,452	10/30/2009
KO	Coca-Cola Co.	\$57.00	\$59.45	\$37.44	2.88	Neutral	Cons. Staples	Soft Drinks	\$131,898	7/31/2007
LO	Lorillard Inc.	\$80.23	\$81.76	\$52.50	4.99	Buy	Cons. Staples	Tobacco	\$12,917	10/30/2009
OXY	Occidental Petroleum Co.	\$81.35	\$85.20	\$47.50	1.62	Buy	Energy	Integrated Oil & Gas	\$66,029	7/31/2009
SWN	Southwestern Energy Co.	\$48.20	\$51.33	\$25.26	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$16,632	12/31/2008
TLM	Talisman Energy Inc.	\$18.64	\$19.51	\$7.97	1.13	Buy	Energy	Oil & Gas Explor. & Prod.	\$18,916	7/31/2009
NLY	Annaly Capital Mgmt. Inc.	\$17.35	\$19.74	\$12.07	17.29	Buy	Financials	Mortgage REITs	\$9,591	9/30/2009
BLK	Blackrock Inc.	\$232.20	\$241.67	\$88.91	1.34	Buy	Financials	Asset Mgmt. & Cust. Banks	\$11,627	10/31/2007
IVZ	INVESCO Ltd.	\$23.49	\$24.07	\$9.33	1.75	Buy	Financials	Asset Mgmt. & Cust. Banks	\$10,072	12/31/2009
ACL	Alcon Inc.	\$164.35	\$166.71	\$76.03	2.22	Buy	Health Care	Health Care Supplies	\$49,138	8/31/2009
AGN	Allergan Inc.	\$63.01	\$64.08	\$35.41	0.32	Buy	Health Care	Pharmaceuticals	\$19,164	8/31/2009
ESRX	Express Scripts Inc.	\$86.42	\$89.88	\$42.75	--	Buy	Health Care	Health Care Services	\$23,741	9/30/2009
MMM	3M Co.	\$82.67	\$84.32	\$40.87	2.47	Buy	Industrials	Industrial Conglomerates	\$58,527	8/31/2009
ITW	Illinois Tool Works Inc.	\$47.99	\$51.16	\$25.60	2.58	Buy	Industrials	Industrial Machinery	\$24,039	12/31/2009
PCP	Precision Castparts Corp.	\$110.35	\$115.60	\$47.71	0.11	Buy	Industrials	Aerospace & Defense	\$15,529	9/30/2009
CTSH	Cognizant Tech. Sol. Cp.	\$45.33	\$46.61	\$17.26	--	Buy	Info. Tech.	IT Consult. & Other Svcs.	\$13,356	10/30/2009
GOOG	Google Inc. (Cl A)	\$619.98	\$625.99	\$282.75	--	Buy	Info. Tech.	Internet Software & Svcs.	\$196,493	10/31/2006
MSFT	Microsoft Corp.	\$30.48	\$31.50	\$14.87	1.71	Buy	Info. Tech.	Systems Software	\$271,272	5/31/2007
APD	Air Products & Chemicals	\$81.06	\$85.44	\$43.44	2.22	Buy	Materials	Industrial Gases	\$17,125	12/29/2006
GG	Goldcorp Inc.	\$39.34	\$46.24	\$23.02	0.46	Buy	Materials	Gold	\$28,824	12/31/2009
PCU	Southern Copper Corp.	\$32.91	\$36.50	\$12.60	2.19	Buy	Materials	Divers. Metals & Mining	\$27,974	12/31/2009
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	3/31/2006
CCI	Crown Castle Int'l. Corp.	\$39.04	\$40.00	\$15.40	--	Buy	Telecom.	Wireless Telecom. Svcs.	\$11,368	10/30/2009
VZ	Verizon Communications	\$33.13	\$34.76	\$26.10	5.73	Buy	Telecom.	Integrated Telecom. Svcs.	\$94,111	7/31/2009
AES	AES Corp.	\$13.31	\$15.44	\$4.80	--	Buy	Utilities	Ind. Pwr. Prod. & Ener. Trad.	\$8,884	8/31/2009
FPL	FPL Group Inc	\$52.82	\$60.61	\$41.48	3.58	Buy	Utilities	Electric Utilities	\$21,833	11/30/2009
PPL	PPL Corp.	\$32.31	\$34.42	\$24.25	4.27	Buy	Utilities	Electric Utilities	\$12,169	7/31/2007

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Lg.-Cap Gr. TR Index	EC U.S. Large- Cap Growth Portfolio
Months	85	85
Total Return	45.0%	136.4%
Annualized Return	5.4%	12.9%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	14.9%	15.1%
Sharpe Ratio	0.18	0.68
Best Monthly Return	11.0%	15.1%
Worst Monthly Return	-17.9%	-16.2%
Best 12-Month Return	37.4%	47.3%
Worst 12-Month Return	-39.9%	-39.3%
YTD	37.4%	47.3%
1-Month	4.0%	3.3%
3-Month	7.8%	9.6%
6-Month	24.7%	22.0%
1-Year	37.4%	47.3%
2-Year	-7.3%	-3.7%
3-Year	-1.6%	3.7%
5-Year	2.2%	8.1%
2003	27.5%	34.5%
2004	9.5%	23.3%
2005	7.1%	13.1%
2006	9.1%	17.2%
2007	11.0%	20.2%
2008	-37.5%	-37.0%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld. (%)	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRO)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Large-Cap Growth Portfolio	1.9	74%	2.28	\$19,040	0.91	9.13	19.02	16.71	3.32	4.38	12.33	1.54
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. Large-Cap Value Portfolio

Description: The U.S. Large-Cap Value is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Large-Cap Value Total Return Index.

Recent Changes: (as of 12/31/09) Removed — Kroger Co. (KR), Transocean Inc. (RIG), Staples Inc. (SPLS), Bristol-Myers Squibb Co. (BMY), Nike Inc. (NKE), Rogers Communications (RCI), Agnico-Eagle Mines Ltd. (AEM)

Added — Wal-Mart Stores (WMT), Noble Corp. (NE), Kohl's Corp. (KSS), DIRECTV (DTV), Amgen Inc. (AMGN), E.I. DuPont de Nemours & Co. (DD), American Tower Corp. (AMT)

U.S. Large-Cap Value Model Portfolio (12/31/09)

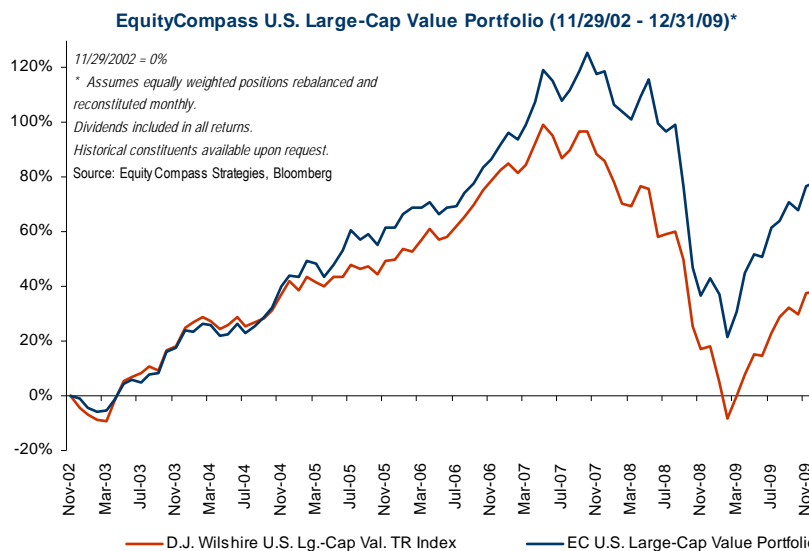
Symbol	Company Name	Price 12/31/09	52-Wk High	52-Wk Low	Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
BBY	Best Buy Co. Inc.	\$39.46	\$45.55	\$23.97	1.42	Buy	Cons. Disc.	Computer & Elec. Retail	\$16,437	6/30/2005
DTV	DIRECTV	\$33.35	\$34.25	\$18.81	--	Buy	Cons. Disc.	Cable & Satellite	\$31,953	12/31/2009
KSS	Kohl's Corp.	\$53.93	\$60.89	\$32.50	--	Buy	Cons. Disc.	Department Stores	\$16,557	12/31/2009
CVS	CVS Caremark Corp.	\$32.21	\$38.27	\$23.74	0.95	Buy	Cons. Staples	Drug Retail	\$45,698	10/31/2007
LO	Lorillard Inc.	\$80.23	\$81.76	\$52.50	4.99	Buy	Cons. Staples	Tobacco	\$12,917	9/30/2008
WMT	Wal-Mart Stores Inc.	\$53.45	\$57.51	\$46.25	2.04	Buy	Cons. Staples	Hypermkts. & Super Ctrs.	\$203,654	12/31/2009
DO	Diamond Offshore Drilling	\$98.42	\$108.78	\$53.30	0.51	Buy	Energy	Oil & Gas Drilling	\$13,681	4/30/2009
XOM	Exxon Mobil Corp.	\$68.19	\$82.73	\$61.86	2.46	Neutral	Energy	Integrated Oil & Gas	\$323,717	8/29/2003
NE	Noble Corp.	\$40.70	\$45.18	\$20.03	--	Buy	Energy	Oil & Gas Drilling	\$10,656	12/31/2009
ACE	ACE Ltd.	\$50.40	\$55.64	\$30.92	2.46	Neutral	Financials	Property & Casualty Ins.	\$16,949	11/28/2008
ALL	Allstate Corp.	\$30.04	\$33.50	\$13.77	2.66	Neutral	Financials	Property & Casualty Ins.	\$16,101	11/28/2003
MET	MetLife Inc.	\$35.35	\$41.45	\$11.37	2.09	Buy	Financials	Life & Health Insurance	\$28,943	11/28/2008
AMGN	Amgen Inc.	\$56.57	\$64.76	\$44.96	--	Buy	Health Care	Biotechnology	\$57,475	12/31/2009
MCK	McKesson Corp.	\$62.50	\$64.98	\$33.13	0.77	Buy	Health Care	Health Care Distributors	\$16,749	6/30/2008
MHS	Medco Health Solutions	\$63.91	\$66.00	\$36.46	--	Buy	Health Care	Health Care Services	\$30,445	3/31/2009
GD	General Dynamics Corp.	\$68.17	\$70.84	\$35.28	2.23	Buy	Industrials	Aerospace & Defense	\$26,300	11/29/2002
LMT	Lockheed Martin Corp.	\$75.35	\$87.06	\$57.41	3.34	Buy	Industrials	Aerospace & Defense	\$28,692	3/31/2009
UTX	United Technologies Cp.	\$69.41	\$70.89	\$37.40	2.22	Buy	Industrials	Aerospace & Defense	\$65,075	1/31/2008
ACN	Accenture Plc	\$41.50	\$43.33	\$26.33	1.81	Neutral	Info. Tech.	IT Consult. & Other Svcs.	\$26,217	8/31/2006
HPQ	Hewlett-Packard Co.	\$51.51	\$52.95	\$25.39	0.62	Buy	Info. Tech.	Computer Hardware	\$121,811	8/31/2005
IBM	Int'l. Business Mach. Cp.	\$130.90	\$132.85	\$81.76	1.68	Buy	Info. Tech.	Computer Hardware	\$171,951	4/30/2007
DD	E.I. DuPont de Nemours	\$33.67	\$35.62	\$16.05	4.87	Buy	Materials	Diversified Chemicals	\$30,429	12/31/2009
IP	International Paper Co.	\$26.78	\$27.79	\$3.93	0.37	Buy	Materials	Paper Products	\$11,596	9/30/2009
PPG	PPG Industries Inc.	\$58.54	\$62.31	\$28.16	3.69	Buy	Materials	Diversified Chemicals	\$9,775	11/30/2009
AMT	American Tower Corp.	\$43.21	\$43.84	\$25.45	--	Buy	Telecom.	Wireless Telecom. Svcs.	\$17,330	12/31/2009
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	6/29/2007
VZ	Verizon Communications	\$33.13	\$34.76	\$26.10	5.73	Buy	Telecom.	Integrated Telecom. Svcs.	\$94,111	11/30/2005
AES	AES Corp.	\$13.31	\$15.44	\$4.80	--	Buy	Utilities	Ind. Pwr. Prod. & Ener. Trad.	\$8,884	10/30/2009
FPL	FPL Group Inc	\$52.82	\$60.61	\$41.48	3.58	Buy	Utilities	Electric Utilities	\$21,833	9/30/2008
PPL	PPL Corp.	\$32.31	\$34.42	\$24.25	4.27	Buy	Utilities	Electric Utilities	\$12,169	7/31/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Lg.-Cap Val. TR Index	EC U.S. Large-Cap Value Portfolio
Months	85	85
Total Return	38.3%	78.3%
Annualized Return	4.7%	8.5%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	14.9%	14.5%
Sharpe Ratio	0.13	0.40
Best Monthly Return	8.9%	10.6%
Worst Monthly Return	-16.1%	-16.7%
Best 12-Month Return	41.7%	34.5%
Worst 12-Month Return	-46.1%	-40.5%
YTD	17.2%	24.5%
1-Month	0.6%	1.0%
3-Month	4.5%	4.3%
6-Month	20.5%	18.2%
1-Year	17.2%	24.5%
2-Year	-13.8%	-9.7%
3-Year	-8.9%	-2.4%
5-Year	-0.5%	4.3%
2003	30.6%	25.4%
2004	13.5%	16.3%
2005	5.7%	12.1%
2006	21.9%	18.7%
2007	1.8%	14.1%
2008	-36.6%	-34.6%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld. (%)	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRO)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Large-Cap Value Portfolio	1.6	63%	2.03	\$26,259	0.86	6.04	11.86	8.33	0.82	3.04	10.10	1.17
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. Mid-Cap Growth Portfolio

Description: The U.S. Mid-Cap Growth is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Mid-Cap Growth Total Return Index.

Recent Changes: Removed — CenturyTel Inc. (CTL), ITT Educational Services Inc. (ESI), Sigma-Aldrich Corp. (SIAL)
 (as of 12/31/09) Added — SBA Communications Cp. (SBAC), Service Corp. International (SCI), Cliffs Natural Resources Inc. (CLF)

U.S. Mid-Cap Growth Model Portfolio (12/31/09)

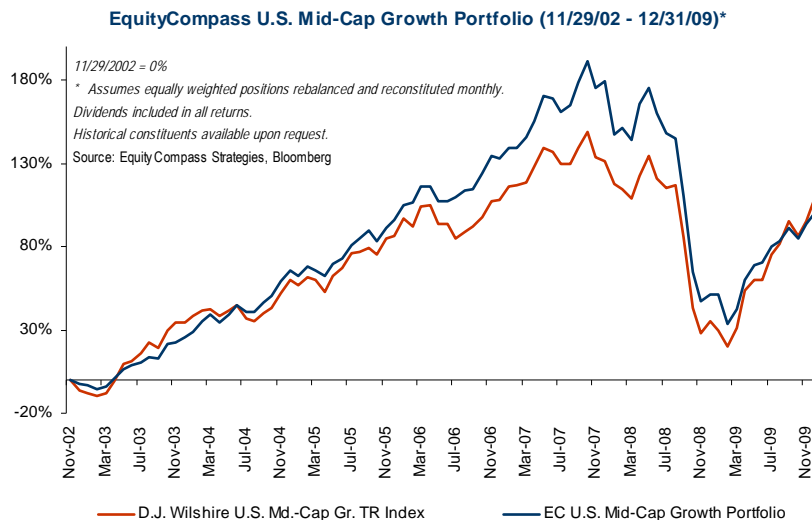
Symbol	Company Name	Price			Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
		12/31/09	52-Wk High	52-Wk Low						
BKC	Burger King Holdings Inc.	\$18.82	\$24.48	\$15.61	1.33	Buy	Cons. Disc.	Restaurants	\$2,488	7/31/2008
SCI	Service Cp. Intl.	\$8.19	\$8.30	\$2.66	1.95	Buy	Cons. Disc.	Spec. Consumer Svcs.	\$2,074	12/31/2009
WMS	WMS Industries Inc.	\$40.00	\$50.11	\$15.48	--	Buy	Cons. Disc.	Casinos & Gaming	\$2,268	9/30/2009
CHD	Church & Dwight Co.	\$60.45	\$62.42	\$45.41	0.93	Buy	Cons. Staples	Household Products	\$4,251	8/31/2009
FLO	Flowers Foods Inc.	\$23.76	\$26.40	\$20.40	2.95	Buy	Cons. Staples	Packaged Foods & Meats	\$2,186	9/30/2008
RAH	Ralcorp Holdings Inc.	\$59.71	\$64.90	\$52.01	--	Buy	Cons. Staples	Packaged Foods & Meats	\$3,382	7/31/2009
CXO	Concho Resources Inc.	\$44.90	\$47.00	\$17.29	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$3,843	6/30/2009
NE	Noble Corp.	\$40.70	\$45.18	\$20.03	--	Buy	Energy	Oil & Gas Drilling	\$10,656	3/30/2007
RRC	Range Resources Corp.	\$49.85	\$60.13	\$30.90	0.32	Neutral	Energy	Oil & Gas Explor. & Prod.	\$7,844	11/28/2008
NLY	Annaly Capital Mgmt. Inc.	\$17.35	\$19.74	\$12.07	17.29	Buy	Financials	Mortgage REITs	\$9,591	11/28/2008
DLR	Digital Realty Trust Inc.	\$50.28	\$50.81	\$24.96	3.58	Buy	Financials	Office REITs	\$3,847	2/29/2008
LAZ	Lazard Ltd.	\$37.97	\$44.62	\$20.55	1.32	Neutral	Financials	Inv. Banking & Brokerage	\$3,107	12/31/2008
DNDN	Dendreon Corp.	\$26.28	\$30.42	\$2.55	--	Neutral	Health Care	Biotechnology	\$2,984	10/30/2009
IMA	Inverness Medical Innov.	\$41.51	\$44.01	\$18.59	--	Buy	Health Care	Health Care Supplies	\$3,432	8/31/2009
PRGO	Perrigo Co.	\$39.83	\$40.94	\$18.54	0.63	Buy	Health Care	Pharmaceuticals	\$3,656	11/30/2009
FCN	FTI Consulting Inc.	\$47.16	\$56.41	\$36.14	--	Buy	Industrials	Research & Cons. Svcs.	\$2,444	5/29/2009
TDG	TransDigm Group Inc.	\$47.49	\$50.94	\$29.70	--	Buy	Industrials	Aerospace & Defense	\$2,325	9/30/2009
GWW	W.W. Grainger Inc.	\$96.83	\$102.54	\$59.95	1.90	Buy	Industrials	Trading Cos. & Distributors	\$7,196	8/31/2009
ANSS	Ansys Inc.	\$43.46	\$43.94	\$18.00	--	Buy	Info. Tech.	Application Software	\$3,850	5/31/2007
ROVI	Rovi Corp	\$31.87	\$34.77	\$12.11	--	Buy	Info. Tech.	Systems Software	\$3,284	8/31/2009
SLH	Solera Holdings Inc.	\$36.01	\$37.76	\$19.50	0.69	Buy	Info. Tech.	Application Software	\$2,508	9/30/2009
ALB	Albemarle Corp.	\$36.37	\$37.62	\$15.54	1.37	Buy	Materials	Specialty Chemicals	\$3,335	11/30/2009
CLF	Cliffs Natural Resources	\$46.09	\$48.41	\$11.80	0.76	Buy	Materials	Steel	\$6,037	12/31/2009
NLC	Nalco Holding Co.	\$25.51	\$26.05	\$9.38	0.55	Buy	Materials	Specialty Chemicals	\$3,525	9/30/2009
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	9/30/2009
SBAC	SBA Communications Cp.	\$34.16	\$35.88	\$15.23	--	Buy	Telecom.	Wireless Telecom. Svcs.	\$3,989	12/31/2009
VZ	Verizon Communications	\$33.13	\$34.76	\$26.10	5.73	Buy	Telecom.	Integrated Telecom. Svcs.	\$94,111	8/31/2009
CMS	CMS Energy Corp.	\$15.66	\$16.13	\$9.67	3.19	Buy	Utilities	Multi-Utilities	\$3,564	9/30/2009
DPL	DPL Inc.	\$27.60	\$28.86	\$19.18	4.13	Buy	Utilities	Electric Utilities	\$3,205	10/30/2009
OGE	OGE Energy Corp.	\$36.89	\$37.79	\$19.70	3.93	Buy	Utilities	Multi-Utilities	\$3,571	9/30/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Mid-Cap Gr. TR Index	EC U.S. Mid-Cap Growth Portfolio
Months	85	85
Total Return	110.1%	100.9%
Annualized Return	11.1%	10.4%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	19.2%	17.2%
Sharpe Ratio	0.44	0.44
Best Monthly Return	16.9%	12.3%
Worst Monthly Return	-22.7%	-21.7%
Best 12-Month Return	57.2%	45.1%
Worst 12-Month Return	-45.2%	-46.8%
YTD	55.5%	33.2%
1-Month	7.8%	3.6%
3-Month	7.5%	5.2%
6-Month	31.4%	17.7%
1-Year	55.5%	33.2%
2-Year	-4.7%	-15.1%
3-Year	0.3%	-4.8%
5-Year	5.6%	4.0%
2003	43.4%	28.3%
2004	18.9%	31.5%
2005	16.7%	18.6%
2006	11.6%	18.6%
2007	11.2%	19.9%
2008	-41.6%	-45.9%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld. (%)	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRO)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Mid-Cap Growth Portfolio	2.3	92%	1.95	\$3,545	0.84	6.46	15.75	11.17	1.63	2.68	13.20	1.19
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. Mid-Cap Value Portfolio

Description: The U.S. Mid-Cap Value is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Mid-Cap Value Total Return Index.

Recent Changes: Removed — Snap-On Inc. (SNA), CenturyTel Inc. (CTL)
(as of 12/31/09) Added — GameStop Corp. CI A (GME), NII Holdings Inc. (NIHD)

U.S. Mid-Cap Value Model Portfolio (12/31/09)

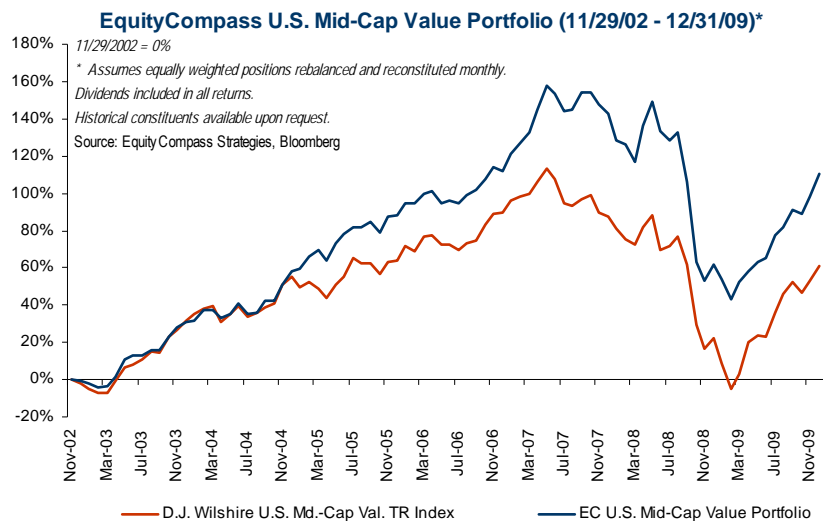
Symbol	Company Name	Price 12/31/09	52-Wk High	52-Wk Low	Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
GME	GameStop Corp. (CI A)	\$21.94	\$32.82	\$20.02	--	Buy	Cons. Disc.	Comp. & Elec. Retail	\$3,615	12/31/2009
LEG	Leggett & Platt Inc.	\$20.40	\$21.44	\$10.03	5.10	Buy	Cons. Disc.	Home Furnishings	\$3,107	8/29/2008
TUP	Tupperware Brands Cp.	\$46.57	\$50.20	\$10.91	2.15	Buy	Cons. Disc.	Housewares & Specialties	\$2,947	2/29/2008
HLF	Herbalife Ltd.	\$40.57	\$44.43	\$12.12	1.97	Buy	Cons. Staples	Personal Products	\$2,467	7/31/2009
HRL	Hormel Foods Corp.	\$38.45	\$40.46	\$29.16	2.18	Buy	Cons. Staples	Packaged Foods & Meats	\$5,137	7/29/2005
SJM	J.M. Smucker Co.	\$61.75	\$62.70	\$34.09	2.27	Buy	Cons. Staples	Packaged Foods & Meats	\$7,347	5/29/2009
XCO	EXCO Resources Inc.	\$21.23	\$22.52	\$7.68	0.47	Buy	Energy	Oil & Gas Explor. & Prod.	\$4,490	11/30/2009
NFX	Newfield Exploration Co.	\$48.23	\$51.27	\$17.09	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$6,407	10/30/2009
SUG	Southern Union Co.	\$22.70	\$23.17	\$11.59	2.64	Buy	Energy	Oil & Gas Storage & Trans.	\$2,816	10/30/2009
ACGL	Arch Capital Group Ltd.	\$71.55	\$72.25	\$44.68	--	Neutral	Financials	Reinsurance	\$4,259	8/29/2008
HCC	HCC Insurance Hldgs. Inc.	\$27.97	\$29.01	\$20.07	1.93	Buy	Financials	Multi-line Insurance	\$3,148	7/31/2006
THG	The Hanover Ins. Group	\$44.43	\$45.45	\$28.01	1.69	Neutral	Financials	Property & Casualty Ins.	\$2,226	2/29/2008
LH	Laboratory Cp. of America	\$74.84	\$76.74	\$53.25	--	Neutral	Health Care	Health Care Services	\$7,970	8/29/2008
OCR	Omnicare Inc.	\$24.18	\$29.74	\$20.55	0.37	Neutral	Health Care	Health Care Services	\$2,886	2/27/2009
UHS	Universal Hlth. Svcs. (CI B)	\$30.50	\$33.32	\$15.22	0.66	Buy	Health Care	Health Care Facilities	\$3,001	11/29/2002
ACM	AECOM Technology Cp.	\$27.50	\$33.20	\$20.01	--	Neutral	Industrials	Construction & Eng.	\$3,049	10/30/2009
FWLT	Foster Wheeler AG	\$29.44	\$35.82	\$12.73	--	Neutral	Industrials	Construction & Eng.	\$3,738	8/29/2008
FCN	FTI Consulting Inc.	\$47.16	\$56.41	\$36.14	--	Buy	Industrials	Research & Cons. Svcs.	\$2,444	9/30/2009
DOX	Amdocs Ltd.	\$28.53	\$29.04	\$14.61	--	Buy	Info. Tech.	IT Consult. & Other Svcs.	\$5,851	4/30/2008
FISV	Fiserv Inc.	\$48.48	\$50.91	\$29.46	--	Neutral	Info. Tech.	Data Proc. & Outs. Svcs.	\$7,461	6/30/2008
HRS	Harris Corp.	\$47.55	\$48.25	\$25.72	1.85	Buy	Info. Tech.	Communications Equip.	\$6,193	3/31/2008
BLL	Ball Corp.	\$51.70	\$52.46	\$36.50	0.77	Neutral	Materials	Metal & Glass Containers	\$4,862	1/30/2009
FMC	FMC Corp.	\$55.76	\$58.13	\$34.90	0.90	Neutral	Materials	Diversified Chemicals	\$4,031	9/30/2008
GEF	Greif Inc. (CI A)	\$53.98	\$59.32	\$25.65	2.82	Buy	Materials	Metal & Glass Containers	\$2,534	12/31/2007
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	2/28/2006
NIHD	NII Holdings Inc.	\$33.58	\$35.08	\$10.23	--	Buy	Telecom.	Wireless Telecom. Svcs.	\$5,580	12/31/2009
TDS	Telephone & Data Sys.	\$33.92	\$35.98	\$22.01	1.27	Neutral	Telecom.	Wireless Telecom. Svcs.	\$3,612	7/31/2009
CMS	CMS Energy Corp.	\$15.66	\$16.13	\$9.67	3.19	Buy	Utilities	Multi-Utilities	\$3,564	2/27/2009
DPL	DPL Inc.	\$27.60	\$28.86	\$19.18	4.13	Buy	Utilities	Electric Utilities	\$3,205	9/30/2009
OGE	OGE Energy Corp.	\$36.89	\$37.79	\$19.70	3.93	Buy	Utilities	Multi-Utilities	\$3,571	9/30/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Mid-Cap Val. TR Index	EC U.S. Mid-Cap Value Portfolio
Months	85	85
Total Return	61.3%	110.4%
Annualized Return	7.0%	11.1%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	17.9%	15.4%
Sharpe Ratio	0.24	0.54
Best Monthly Return	16.7%	9.1%
Worst Monthly Return	-19.9%	-21.0%
Best 12-Month Return	49.4%	42.9%
Worst 12-Month Return	-45.7%	-38.3%
YTD	32.0%	30.1%
1-Month	5.2%	5.9%
3-Month	5.9%	10.2%
6-Month	30.8%	27.6%
1-Year	32.0%	30.1%
2-Year	-7.2%	-6.9%
3-Year	-5.3%	-0.2%
5-Year	0.7%	5.9%
2003	34.9%	31.5%
2004	17.9%	20.8%
2005	5.5%	19.1%
2006	15.7%	12.5%
2007	-1.3%	14.5%
2008	-34.8%	-33.3%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld. (%)	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRQ)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Mid-Cap Value Portfolio	1.7	70%	1.54	\$3,613	0.84	6.52	11.73	7.66	1.04	2.08	13.07	0.90
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. Small-Cap Growth Portfolio

Description: The U.S. Small-Cap Growth is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Small-Cap Growth Total Return Index.

Recent Changes: (as of 12/31/09) Removed — Willbros Grp. (WG), S1 Corp. (SONE), Syniverse Holdings (SVR), South Jersey Indus. (SJI), Nordic American Tanker Shipping (NAT), Emergent Biosolutions (EBS), Texas Capital Bancshares (TCBI)

Added — Rex Energy (REXX), Arena Resources (ARD), Pegasystems Inc. (PEGA), Cogent Communications (CCOI), NorthWestern Corp. (NEW), DexCom Inc. (DXCM), Equity Lifestyle Properties Inc. (ELS)

U.S. Small-Cap Growth Model Portfolio (12/31/09)

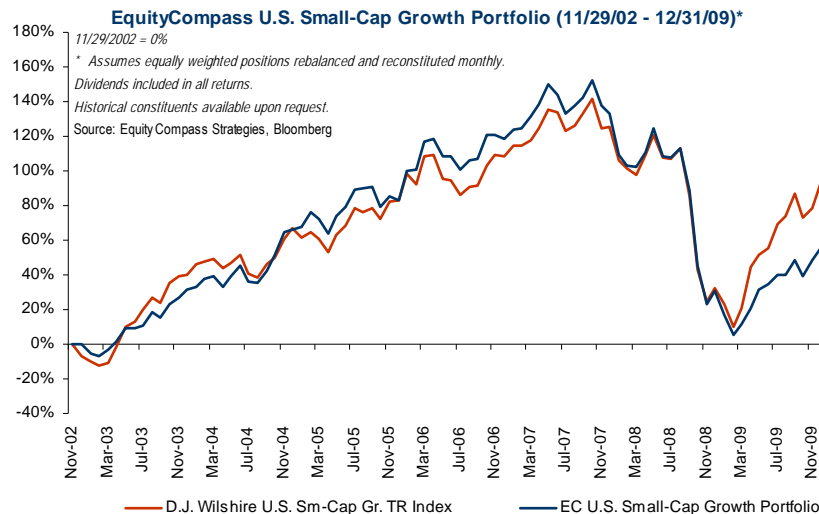
Symbol	Company Name	Price 12/31/09	52-Wk High	52-Wk Low	Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
FSYS	Fuel Systems Solutions	\$41.24	\$52.53	\$9.83	--	Buy	Cons. Disc.	Auto Parts & Equipment	\$725	10/30/2009
FUQI	Fuji International Inc.	\$17.95	\$32.68	\$3.31	--	Buy	Cons. Disc.	Apparel Access. & Luxury	\$496	6/30/2009
WMS	WMS Industries Inc.	\$40.00	\$50.11	\$15.48	--	Buy	Cons. Disc.	Casinos & Gaming	\$2,268	11/28/2008
DMND	Diamond Foods Inc.	\$35.54	\$36.39	\$18.39	0.51	Buy	Cons. Staples	Packaged Foods & Meats	\$591	11/30/2009
GMCR	Green Mountain Coffee	\$81.47	\$82.96	\$21.35	--	Buy	Cons. Staples	Packaged Foods & Meats	\$3,552	4/30/2008
LNCE	Lance Inc.	\$26.30	\$28.26	\$18.36	2.43	Buy	Cons. Staples	Packaged Foods & Meats	\$843	8/31/2009
ARD	Arena Resources Inc.	\$43.12	\$45.72	\$18.59	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$1,657	12/31/2009
DRQ	Dril-Quip Inc.	\$56.48	\$59.00	\$18.13	--	Buy	Energy	Oil & Gas Equip. & Svcs.	\$2,228	6/30/2009
REXX	Rex Energy Corp.	\$12.00	\$13.48	\$0.99	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$442	12/31/2009
CMO	Capstead Mortgage Cp.	\$13.65	\$15.75	\$9.08	15.82	Buy	Financials	Mortgage REITs	\$943	2/27/2009
ELS	Equity Lifestyle Properties	\$50.47	\$51.18	\$28.34	2.38	Buy	Financials	Residential REITs	\$1,532	12/31/2009
WRE	Washington REIT	\$27.55	\$30.24	\$14.63	6.28	Neutral	Financials	Diversified REITs	\$1,645	4/30/2008
DXCM	DexCom Inc.	\$8.07	\$8.96	\$2.35	--	Buy	Health Care	Health Care Equipment	\$371	12/31/2009
ESC	Emeritus Corp.	\$18.75	\$24.83	\$4.88	--	Buy	Health Care	Health Care Facilities	\$736	11/30/2009
QDEL	Quidel Corp.	\$13.78	\$18.81	\$7.05	--	Buy	Health Care	Health Care Supplies	\$415	2/27/2009
GEQY	GeoEye Inc.	\$27.88	\$33.00	\$16.03	--	Buy	Industrials	Aerospace & Defense	\$532	10/30/2009
HCSG	Healthcare Svcs. Grp.	\$21.46	\$22.00	\$13.81	3.73	Buy	Industrials	Diversified Support Svcs.	\$933	8/31/2009
ORN	Orion Marine Group Inc.	\$21.06	\$24.98	\$7.93	--	Buy	Industrials	Construction & Eng.	\$564	8/31/2009
ASIA	AsiaInfo Holdings Inc.	\$30.45	\$32.40	\$8.61	--	Buy	Info. Tech.	Application Software	\$1,417	1/30/2009
BBBB	Blackboard Inc.	\$45.39	\$46.50	\$22.50	--	Buy	Info. Tech.	Application Software	\$1,462	12/31/2008
PEGA	Pegasystems Inc.	\$34.00	\$36.09	\$11.74	0.35	Buy	Info. Tech.	Application Software	\$1,247	12/31/2009
RGLD	Royal Gold Inc.	\$47.09	\$55.96	\$34.16	0.76	Buy	Materials	Gold	\$1,908	8/31/2009
SXT	Sensient Technologies Cp.	\$26.30	\$29.07	\$18.42	2.89	Buy	Materials	Specialty Chemicals	\$1,287	7/31/2008
TIN	Temple-Inland Inc.	\$21.11	\$22.68	\$2.37	1.89	Buy	Materials	Paper Packaging	\$2,257	8/31/2009
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	2/28/2006
CCOI	Cogent Commun. Grp. Inc.	\$9.86	\$12.78	\$5.38	--	Buy	Telecom.	Alternative Carriers	\$439	12/31/2009
NTLS	NTELOS Holdings Cp.	\$17.81	\$24.94	\$13.66	6.29	Buy	Telecom.	Wireless Telecom. Svcs.	\$753	2/29/2008
CWT	California Water Svc. Grp.	\$36.82	\$48.28	\$33.49	3.20	Neutral	Utilities	Water Utilities	\$763	5/29/2009
CNL	Cleco Corp.	\$27.33	\$28.14	\$18.69	3.29	Neutral	Utilities	Electric Utilities	\$1,647	10/30/2009
NWE	NorthWestern Corp.	\$26.02	\$26.85	\$18.48	5.15	Buy	Utilities	Multi-Utilities	\$936	12/31/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Sm-Cap Gr. TR Index	EC U.S. Small- Cap Growth Portfolio
Months	85	85
Total Return	94.8%	56.2%
Annualized Return	9.9%	6.5%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	21.2%	19.6%
Sharpe Ratio	0.34	0.19
Best Monthly Return	19.8%	9.2%
Worst Monthly Return	-22.8%	-23.1%
Best 12-Month Return	68.3%	48.9%
Worst 12-Month Return	-45.2%	-48.2%
YTD	47.4%	19.5%
1-Month	9.2%	5.2%
3-Month	4.4%	5.1%
6-Month	25.4%	16.1%
1-Year	47.4%	19.5%
2-Year	-7.0%	-18.1%
3-Year	-2.2%	-10.6%
5-Year	3.1%	-1.3%
2003	51.0%	32.1%
2004	19.0%	26.3%
2005	9.7%	10.1%
2006	13.8%	19.2%
2007	8.1%	6.6%
2008	-41.3%	-43.8%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld.	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRQ)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Small-Cap Growth Portfolio	3.8	153%	2.03	\$940	1.01	6.23	20.19	14.14	1.62	3.09	17.33	1.16
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. Small-Cap Value Portfolio

Description: The U.S. Small-Cap Value is a model portfolio of 30 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the Dow Jones Wilshire U.S. Small-Cap Value Total Return Index.

Recent Changes: (as of 12/31/09) Removed — Ruddick Corp. (RDK), True Religion Apparel (TRLG), Silgan Holdings (SLGN), Black Hills Corp. (BKH), Cleco Corp. (CNL), Rosetta Resources (ROSE)

Added — Chiquita Brands Int'l. (CQB), Genesco Inc. (GCO), Rock-Tenn Co. CI A (RKT), NorthWestern Cp. (NWE), Avista Corp. (AVA), T-3 Energy Services (TTES)

U.S. Small-Cap Value Model Portfolio (12/31/09)

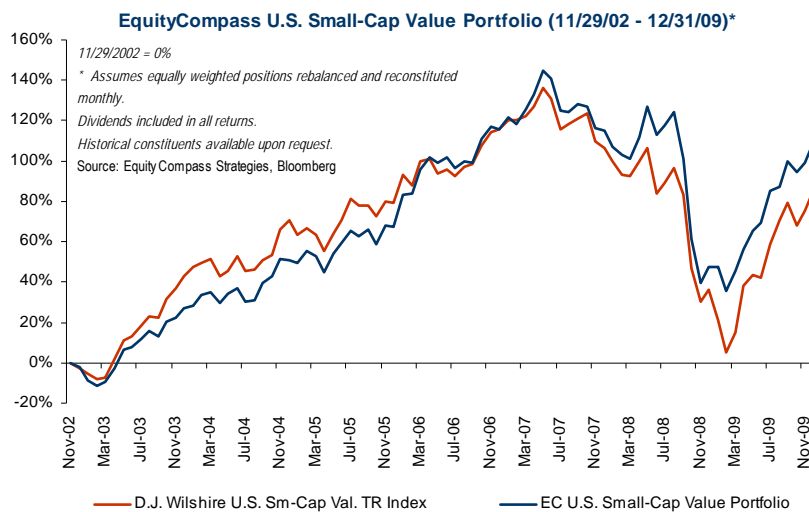
Symbol	Company Name	Price 12/31/09	52-Wk High	52-Wk Low	Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
GCO	Genesco Inc.	\$27.46	\$29.69	\$11.31	--	Buy	Cons. Disc.	Apparel Retail	\$623	12/31/2009
MW	Men's Wearhouse Inc.	\$21.06	\$27.67	\$9.38	1.33	Buy	Cons. Disc.	Apparel Retail	\$1,101	5/31/2006
TUP	Tupperware Brands	\$46.57	\$50.20	\$10.91	2.15	Buy	Cons. Disc.	Housewares & Specialties	\$2,947	7/31/2007
CASY	Casey's General Stores	\$31.91	\$33.06	\$18.32	1.07	Buy	Cons. Staples	Food Retail	\$1,625	3/31/2008
CQB	Chiquita Brands Int'l. Inc.	\$18.04	\$19.59	\$4.32	--	Buy	Cons. Staples	Packaged Foods & Meats	\$807	12/31/2009
NUS	Nu Skin Ent. (CI A)	\$26.87	\$28.78	\$7.90	1.71	Buy	Cons. Staples	Personal Products	\$1,685	4/30/2008
TTES	T-3 Energy Services Inc.	\$25.50	\$27.31	\$8.74	--	Buy	Energy	Oil & Gas Equip. & Svcs.	\$330	12/31/2009
WG	Wilbros Group Inc.	\$16.87	\$18.11	\$5.85	--	Neutral	Energy	Oil & Gas Equip. & Svcs.	\$668	11/28/2008
INT	World Fuel Services Cp.	\$26.79	\$28.56	\$12.62	0.56	Buy	Energy	Oil & Gas Ref. & Mktg.	\$1,592	3/31/2009
CMO	Capstead Mortgage Cp.	\$13.65	\$15.75	\$9.08	15.82	Buy	Financials	Mortgage REITs	\$943	10/31/2008
NITE	Knight Capital Grp. (CI A)	\$15.40	\$23.11	\$13.39	--	Buy	Financials	Inv. Banking & Brokerage	\$1,445	11/30/2006
PRA	ProAssurance Corp.	\$53.71	\$55.16	\$40.31	--	Buy	Financials	Property & Casualty Ins.	\$1,754	4/30/2008
EMS	Emergency Med. (CI A)	\$54.15	\$55.50	\$26.64	--	Buy	Health Care	Health Care Services	\$2,322	9/30/2009
IVC	Invacare Corp.	\$24.94	\$26.27	\$14.23	0.20	Buy	Health Care	Health Care Equipment	\$806	9/30/2009
OMI	Owens & Minor Inc.	\$42.93	\$48.37	\$30.19	2.14	Neutral	Health Care	Health Care Distributors	\$1,798	8/31/2007
AIT	Applied Industrial Tech.	\$22.07	\$23.95	\$14.63	2.72	Buy	Industrials	Trading Cos. & Distributors	\$934	11/30/2007
HA	Hawaiian Holdings Inc.	\$7.00	\$9.18	\$2.17	--	Buy	Industrials	Airlines	\$360	9/30/2009
SYKE	Sykes Enterprises Inc.	\$25.47	\$26.91	\$13.16	--	Buy	Industrials	Office Services & Supplies	\$1,052	11/30/2009
DAKT	Daktronics Inc.	\$9.21	\$10.65	\$5.89	1.03	Neutral	Info. Tech.	Electronic Equip. & Instr.	\$376	1/30/2009
JDAS	JDA Software Group Inc.	\$25.47	\$26.25	\$9.04	--	Buy	Info. Tech.	Application Software	\$879	6/30/2009
TSRA	Tessera Technologies Inc.	\$23.27	\$32.17	\$10.13	--	Buy	Info. Tech.	Semiconductor Equipment	\$1,157	10/30/2009
GEF	Greif Inc. (CI A)	\$53.98	\$59.32	\$25.65	2.82	Buy	Materials	Metal & Glass Containers	\$2,534	11/28/2008
KOP	Koppers Holdings Inc.	\$30.44	\$34.00	\$9.29	2.89	Buy	Materials	Commodity Chemicals	\$623	9/30/2008
RKT	Rock-Tenn Co. (CI A)	\$50.41	\$53.20	\$22.84	1.19	Buy	Materials	Paper Packaging	\$1,951	12/31/2009
T	AT&T Inc.	\$28.03	\$29.46	\$21.44	5.99	Buy	Telecom.	Integrated Telecom. Svcs.	\$165,377	2/28/2006
NTLS	NTELOS Holdings Corp.	\$17.81	\$24.94	\$13.66	6.29	Buy	Telecom.	Wireless Telecom. Svcs.	\$753	12/31/2008
SVR	Syniverse Holdings Inc.	\$17.48	\$19.56	\$10.70	--	Neutral	Telecom.	Wireless Telecom. Svcs.	\$1,211	10/31/2008
AVA	Avista Corp.	\$21.59	\$22.44	\$12.67	3.89	Buy	Utilities	Multi-Utilities	\$1,182	12/31/2009
NWE	NorthWestern Corp.	\$26.02	\$26.85	\$18.48	5.15	Buy	Utilities	Multi-Utilities	\$936	12/31/2009
SJI	South Jersey Industries	\$38.18	\$40.78	\$31.98	3.46	Neutral	Utilities	Gas Utilities	\$1,138	9/30/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	D.J. Wilshire U.S. Sm-Cap Val. TR Index	EC U.S. Small- Cap Value Portfolio
Months	85	85
Total Return	86.9%	110.1%
Annualized Return	9.2%	11.0%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	19.8%	17.1%
Sharpe Ratio	0.33	0.49
Best Monthly Return	19.9%	10.0%
Worst Monthly Return	-20.0%	-19.8%
Best 12-Month Return	63.4%	51.2%
Worst 12-Month Return	-45.5%	-35.4%
YTD	36.8%	42.3%
1-Month	6.7%	5.6%
3-Month	4.4%	5.3%
6-Month	31.3%	23.9%
1-Year	36.8%	42.3%
2-Year	-4.9%	-1.1%
3-Year	-4.7%	-0.9%
5-Year	1.8%	6.9%
2003	46.9%	29.4%
2004	19.6%	18.5%
2005	5.3%	11.4%
2006	20.0%	28.8%
2007	-4.1%	-0.5%
2008	-33.9%	-31.2%

All performances are annualized for periods greater than one year.



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld.	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRQ)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
Small-Cap Value Portfolio	3.0	118%	2.01	\$1,119	0.96	5.87	13.12	8.03	0.62	2.10	12.68	1.03
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

U.S. All-Cap Blend Portfolio

Description: The U.S. All-Cap Blend is a model portfolio of 50 stocks that are equally balanced in each of 10 S&P sectors. The benchmark for investment style conformity and performance analysis is the S&P 500 Total Return Index.

Recent Changes: Removed — Praxair (PX), Rogers Commun. (RCI), Snap-On (SNA), New Jersey Res. (NJR), Emergent Biosol. (EBS)
 (as of 12/31/09) Added — Cliffs Natural (CLF), Neutral Tandem (TNDM), Service Cp. (SCI), NorthWestern (NWE) RehabCare (RHB)

U.S. All-Cap Blend Model Portfolio (12/31/09)

Symbol	Company Name	Price			Div. Yield (%)	EC Rating	Sector	Sub Industry	Mkt.-Cap (Mil)	Date Added
		12/31/09	52-Wk High	52-Wk Low						
LEG	Leggett & Platt Inc.	\$20.40	\$21.44	\$10.03	5.10	Buy	Cons. Disc.	Home Furnishings	\$3,107	1/30/2009
MW	Men's Wearhouse Inc.	\$21.06	\$27.67	\$9.38	1.33	Buy	Cons. Disc.	Apparel Retail	\$1,101	3/30/2007
MNRO	Monro Muffler Brake Inc.	\$33.44	\$34.85	\$21.54	0.84	Buy	Cons. Disc.	Automotive Retail	\$658	8/31/2009
SCI	Service Corp. Int'l.	\$8.19	\$8.30	\$2.66	1.95	Buy	Cons. Disc.	Specialized Cons. Svcs.	\$2,074	12/31/2009
SHOO	Steven Madden Ltd.	\$41.24	\$45.48	\$13.42	--	Buy	Cons. Disc.	Footwear	\$747	9/30/2008
CVS	CVS Caremark Corp.	\$32.21	\$38.27	\$23.74	0.95	Buy	Cons. Staples	Drug Retail	\$45,698	8/31/2007
FLO	Flowers Foods Inc.	\$23.76	\$26.40	\$20.40	2.95	Buy	Cons. Staples	Packaged Foods & Meats	\$2,186	6/29/2007
GMCR	Green Mountain Coffee	\$81.47	\$82.96	\$21.35	--	Buy	Cons. Staples	Packaged Foods & Meats	\$3,552	12/31/2008
HLF	Herbalife Ltd.	\$40.57	\$44.43	\$12.12	1.97	Buy	Cons. Staples	Personal Products	\$2,467	10/30/2009
WAG	Walgreen Co.	\$36.72	\$40.69	\$21.39	1.50	Buy	Cons. Staples	Drug Retail	\$36,300	11/30/2005
CHK	Chesapeake Energy Cp.	\$25.88	\$30.00	\$13.27	1.16	Neutral	Energy	Oil & Gas Explor. & Prod.	\$16,680	8/31/2009
CXO	Concho Resources Inc.	\$44.90	\$47.00	\$17.29	--	Buy	Energy	Oil & Gas Explor. & Prod.	\$3,843	8/31/2009
NE	Noble Corp.	\$40.70	\$45.18	\$20.03	--	Buy	Energy	Oil & Gas Drilling	\$10,656	9/29/2006
RRC	Range Resources Corp.	\$49.85	\$60.13	\$30.90	0.32	Neutral	Energy	Oil & Gas Explor. & Prod.	\$7,844	12/31/2008
ROSE	Rosetta Resources Inc.	\$19.92	\$20.62	\$3.52	--	Neutral	Energy	Oil & Gas Explor. & Prod.	\$1,016	11/30/2009
ACE	ACE Ltd.	\$50.40	\$55.64	\$30.92	2.46	Neutral	Financials	Property & Casualty Ins.	\$16,949	4/30/2008
ACGL	Arch Capital Group Ltd.	\$71.55	\$72.25	\$44.68	--	Neutral	Financials	Reinsurance	\$4,259	9/30/2008
HCC	HCC Insurance Holdings	\$27.97	\$29.01	\$20.07	1.93	Buy	Financials	Multi-line Insurance	\$3,148	5/31/2007
PRA	ProAssurance Corp.	\$53.71	\$55.16	\$40.31	--	Buy	Financials	Property & Casualty Ins.	\$1,754	1/31/2008
PSEC	Prospect Capital Corp.	\$11.81	\$12.95	\$6.18	13.84	Buy	Financials	Asset Mgmt. & Cust. Banks	\$646	1/30/2009
HLS	HealthSouth Corp.	\$18.77	\$20.00	\$6.71	--	Neutral	Health Care	Health Care Facilities	\$1,751	11/30/2009
IVC	Invacare Corp.	\$24.94	\$26.27	\$14.23	0.20	Buy	Health Care	Health Care Equipment	\$806	4/30/2009
IMA	Inverness Medical Innov.	\$41.51	\$44.01	\$18.59	--	Buy	Health Care	Health Care Supplies	\$3,432	10/30/2009
RHB	RehabCare Group Inc.	\$30.43	\$31.75	\$12.44	--	Buy	Health Care	Health Care Services	\$541	12/31/2009
UHS	Universal Hlth. Svcs. (Cl B)	\$30.50	\$33.32	\$15.22	0.66	Buy	Health Care	Health Care Facilities	\$3,001	11/29/2002
FWLT	Foster Wheeler AG	\$29.44	\$35.82	\$12.73	--	Neutral	Industrials	Construction & Eng.	\$3,738	8/29/2008
FCN	FTI Consulting Inc.	\$47.16	\$56.41	\$36.14	--	Buy	Industrials	Research & Consult. Svcs.	\$2,444	5/29/2009
GEOY	GeoEye Inc.	\$27.88	\$33.00	\$16.03	--	Buy	Industrials	Aerospace & Defense	\$532	7/31/2009
HSC	Harsco Corp.	\$32.23	\$37.65	\$16.90	2.54	Buy	Industrials	Industrial Machinery	\$2,589	12/29/2006
HA	Hawaiian Holdings Inc.	\$7.00	\$9.18	\$2.17	--	Buy	Industrials	Airlines	\$360	9/30/2009
ANSS	Ansys Inc.	\$43.46	\$43.94	\$18.00	--	Buy	Info. Tech.	Application Software	\$3,850	11/30/2007
BBBB	Blackboard Inc.	\$45.39	\$46.50	\$22.50	--	Buy	Info. Tech.	Application Software	\$1,462	9/30/2008
GOOG	Google Inc. (Cl A)	\$619.98	\$625.99	\$282.75	--	Buy	Info. Tech.	Internet Software & Svcs.	\$196,493	10/31/2006
HRS	Harris Corp.	\$47.55	\$48.25	\$25.72	1.85	Buy	Info. Tech.	Commun. Equipment	\$6,193	2/27/2009
JDAS	JDA Software Group Inc.	\$25.47	\$26.25	\$9.04	--	Buy	Info. Tech.	Application Software	\$879	8/31/2009
CLF	Cliffs Natural Resources	\$46.09	\$48.41	\$11.80	0.76	Buy	Materials	Steel	\$6,037	12/31/2009
CCK	Crown Holdings Inc.	\$25.58	\$29.35	\$17.35	--	Buy	Materials	Metal & Glass Containers	\$4,108	3/30/2007
FMC	FMC Corp.	\$55.76	\$58.13	\$34.90	0.90	Neutral	Materials	Diversified Chemicals	\$4,031	3/31/2008
GEF	Greif Inc. (Cl A)	\$53.98	\$59.32	\$25.65	2.82	Buy	Materials	Metal & Glass Containers	\$2,534	11/30/2007
IPHS	Innophos Holdings Inc.	\$22.98	\$26.46	\$7.59	2.96	Buy	Materials	Specialty Chemicals	\$490	8/31/2009
CTL	CenturyTel Inc.	\$36.21	\$37.16	\$23.41	7.73	Neutral	Telecom.	Integrated Telecom. Svcs.	\$10,771	12/31/2008
TNDM	Neutral Tandem Inc.	\$22.75	\$34.56	\$14.58	--	Buy	Telecom.	Alternative Carriers	\$763	12/31/2009
NTLS	NTELOS Holdings Corp.	\$17.81	\$24.94	\$13.66	6.29	Buy	Telecom.	Wireless Telecom. Svcs.	\$753	3/31/2008
SVR	Syniverse Holdings Inc.	\$17.48	\$19.56	\$10.70	--	Neutral	Telecom.	Wireless Telecom. Svcs.	\$1,211	11/30/2009
VZ	Verizon Communications	\$33.13	\$34.76	\$26.10	5.73	Buy	Telecom.	Integrated Telecom. Svcs.	\$94,111	12/30/2005
CWT	California Water Svc. Grp.	\$36.82	\$48.28	\$33.49	3.20	Neutral	Utilities	Water Utilities	\$763	6/30/2009
EGN	Energen Corp.	\$46.80	\$48.89	\$23.18	1.07	Buy	Utilities	Gas Utilities	\$3,350	11/30/2005
NFG	National Fuel Gas Co.	\$50.00	\$52.00	\$26.67	2.68	Buy	Utilities	Gas Utilities	\$4,025	11/30/2005
NWE	NorthWestern Corp.	\$26.02	\$26.85	\$18.48	5.15	Buy	Utilities	Multi-Utilities	\$936	12/31/2009
OGE	OGE Energy Corp.	\$36.89	\$37.79	\$19.70	3.93	Buy	Utilities	Multi-Utilities	\$3,571	9/30/2009

Source: EquityCompass Strategies, FactSet Research Systems Inc.

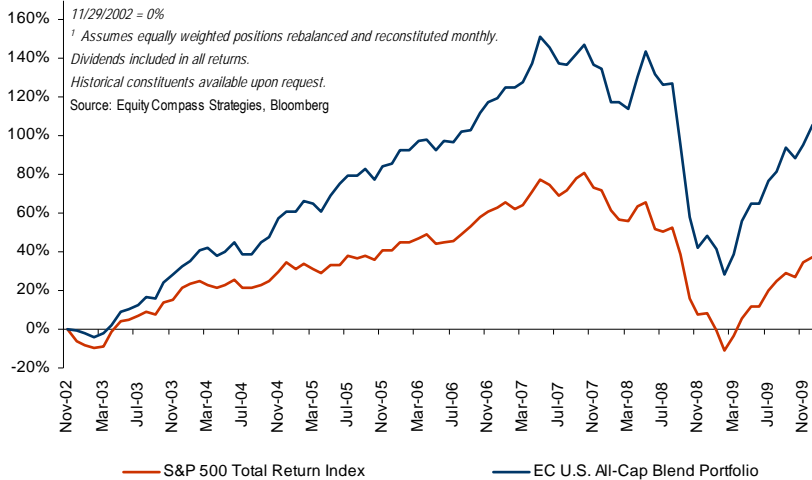
U.S. All-Cap Blend Portfolio (continued)

Performance Simulation and Risk Analysis

11/29/02 - 12/31/09	S&P 500 Total Return Index	EC U.S. All-Cap Blend Portfolio
Months	85	85
Total Return	37.1%	105.5%
Annualized Return	4.6%	10.7%
Rf Rate (5-Yr. Tsy.)	2.69%	2.69%
Standard Deviation	14.6%	16.1%
Sharpe Ratio	0.13	0.50
Best Monthly Return	9.6%	12.6%
Worst Monthly Return	-16.8%	-19.1%
Best 12-Month Return	38.5%	46.4%
Worst 12-Month Return	-43.3%	-41.0%
YTD	26.5%	38.6%
1-Month	1.9%	5.3%
3-Month	6.0%	5.9%
6-Month	22.6%	24.7%
1-Year	26.5%	38.6%
2-Year	-10.7%	-6.4%
3-Year	-5.6%	-2.2%
5-Year	0.4%	5.0%
2003	28.7%	33.2%
2004	10.9%	21.5%
2005	4.9%	15.4%
2006	15.8%	18.3%
2007	5.5%	6.9%
2008	-37.0%	-36.9%

All performances are annualized for periods greater than one year.

EquityCompass U.S. All-Cap Blend Portfolio (11/29/02 - 12/31/09)*



Portfolio Profile

	Avg. # Monthly Changes	Est. Annual Turnover	Avg. Ind. Dvd. Yld. (%)	Median Mkt.-Cap (\$Mil)	Avg. Beta	Ent. Val. / EBITDA (NTM Est.)	Price / Earnings (NTM Est.)	Price / Cash Flow (NTM Est.)	Price / Sales (NTM Est.)	Price / Book Val. (MRO)	Earnings Growth (5-Yr Est.)	PEG Ratio (NTM Est.)
All-Cap Blend Portfolio	2.5	60%	1.70	\$2,795	0.92	8.52	14.72	10.83	1.75	2.66	12.51	1.18
Russell 1000 Index	--	--	1.51	\$4,168	1.15	10.53	15.73	10.64	1.14	2.19	11.47	1.37

EquityCompass Performance Monitor - January 2010

(Through 12/31/09)

Benchmark Indices	YTD	1M	3M	6M	9M	1Y	2Y	3Y	4Y	5Y	2001*	2002	2003	2004	2005	2006	2007	2008
S&P 500	23.5%	1.8%	5.5%	21.3%	39.8%	23.5%	-12.9%	-7.7%	-2.8%	-1.7%	1.3%	-23.4%	26.4%	9.0%	3.0%	13.6%	3.5%	-38.5%
S&P 500 Total Return	26.5	1.9	6.0	22.6	42.1	26.5	-10.7	-5.6	-0.7	0.4	1.7	-22.1	28.7	10.9	4.9	15.8	5.5	-37.0
S&P 500 Equal Weight	43.3	4.4	5.9	28.2	59.6	43.3	-8.1	-5.5	-0.9	0.5	1.6	-19.4	38.7	15.2	6.4	14.0	0.0	-41.0
Dow Jones Ind. Average	18.8	0.8	7.4	23.5	37.1	18.8	-11.3	-5.8	-0.7	-0.7	0.7	-16.8	25.3	3.1	-0.6	16.3	6.4	-33.8
S&P 500 Citigroup Growth	29.3	2.0	7.3	21.4	38.4	29.3	-9.0	-3.7	-0.6	0.0	5.1	-24.5	23.9	4.7	2.5	9.4	7.7	-35.9
S&P 500 Citigroup Value	17.4	1.6	3.5	21.3	41.4	17.4	-16.9	-11.8	-5.1	-3.4	-2.8	-22.5	29.0	13.3	3.5	18.0	-0.4	-41.2
S&P 100	19.1	0.7	5.3	19.7	36.2	19.1	-13.4	-8.0	-2.5	-2.2	1.2	-23.9	23.8	4.5	-0.9	15.9	3.8	-37.1
NASDAQ 100	53.5	5.3	8.2	25.9	50.4	53.5	-5.5	1.9	3.1	2.8	7.3	-37.6	49.1	10.4	1.5	6.8	18.7	-41.9
S&P SmallCap 600	23.8	8.5	4.8	24.0	49.5	23.8	-8.3	-6.0	-1.3	0.2	4.1	-15.3	37.5	21.6	6.7	14.1	-1.2	-32.0
S&P MidCap 400	35.0	6.1	5.2	25.7	48.6	35.0	-8.0	-3.3	-0.4	1.8	2.9	-15.4	34.0	15.2	11.3	9.0	6.7	-37.3
Russell 1000	25.5	2.3	5.5	21.8	41.1	25.5	-12.5	-7.4	-2.6	-1.2	1.2	-22.9	27.5	9.5	4.4	13.3	3.9	-39.0
S&P 500 Financials	14.8	-1.6	-3.7	20.5	62.8	14.8	-29.7	-26.9	-17.9	-14.0	0.5	-16.4	27.9	8.2	3.7	16.2	-20.8	-57.0
S&P 500 Info. Tech.	59.9	5.6	10.4	28.9	53.8	59.9	-5.1	1.3	2.9	2.4	8.2	-37.6	46.6	2.1	0.4	7.7	15.5	-43.7
S&P 500 Health Care	17.1	1.9	8.5	18.2	28.0	17.1	-6.0	-2.3	-0.4	0.7	2.2	-20.0	13.3	0.2	4.9	5.8	5.4	-24.5
S&P 500 Industrials	17.3	1.1	4.8	27.0	49.9	17.3	-17.2	-9.0	-4.4	-3.4	1.9	-27.6	29.7	15.9	0.4	11.0	9.8	-41.5
S&P 500 Energy	11.3	-1.0	5.0	15.0	26.6	11.3	-15.6	-1.9	3.6	8.3	-3.0	-13.3	22.4	28.8	29.1	22.2	32.4	-35.9
S&P 500 Cons. Disc.	38.8	4.3	8.6	29.1	51.8	38.8	-4.8	-8.1	-2.3	-3.4	3.8	-24.4	36.1	12.1	-7.4	17.2	-14.3	-37.4
S&P 500 Cons. Staples	11.2	-0.7	4.2	15.2	25.4	11.2	-4.3	0.7	3.4	3.0	-0.1	-6.3	9.2	6.0	1.3	11.8	11.6	-17.7
S&P 500 Telecom. Svcs.	2.6	4.6	5.9	10.0	12.1	2.6	-17.5	-9.6	-0.6	-2.3	-5.4	-35.9	3.3	16.0	-9.0	32.1	8.4	-33.6
S&P 500 Utilities	6.8	5.2	6.1	11.3	21.2	6.8	-14.5	-5.4	-0.3	2.2	-15.4	-33.0	21.1	19.6	12.8	16.9	15.8	-31.5
S&P 500 Materials	45.2	1.4	6.9	29.3	49.4	45.2	-12.3	-2.6	1.7	1.8	-1.2	-7.7	34.8	10.8	2.2	15.7	20.0	-47.0
D.J. Wilshire U.S. Sm Cap Val. TR	36.8	6.7	4.4	31.3	62.4	36.8	-4.9	-4.7	1.0	1.8	4.6	-8.7	46.9	19.6	5.3	20.0	-4.1	-33.9
D.J. Wilshire U.S. Sm Cap Gr. TR	47.4	9.2	4.4	25.4	61.7	47.4	-7.0	-2.2	1.6	3.1	7.8	-28.5	51.0	19.0	9.7	13.8	8.1	-41.3
D.J. Wilshire U.S. Md. Cap Val. TR	32.0	5.2	5.9	30.8	56.9	32.0	-7.2	-5.3	-0.4	0.7	1.9	-9.5	34.9	17.9	5.5	15.7	-1.3	-34.8
D.J. Wilshire U.S. Md. Cap Gr. TR	55.5	7.8	7.5	31.4	60.3	55.5	-4.7	0.3	3.0	5.6	6.4	-24.5	43.4	18.9	16.7	11.6	11.2	-41.6
D.J. Wilshire U.S. Lg. Cap Val. TR	17.2	0.6	4.5	20.5	38.4	17.2	-13.8	-8.9	-2.0	-0.5	-0.3	-14.7	30.6	13.5	5.7	21.9	1.8	-36.6
D.J. Wilshire U.S. Lg. Cap Gr. TR	37.4	4.0	7.8	24.7	45.2	37.4	-7.3	-1.6	1.0	2.2	3.9	-26.7	27.5	9.5	7.1	9.1	11.0	-37.5
EquityCompass Indices¹	YTD	1M	3M	6M	9M	1Y	2Y	3Y	4Y	5Y	2001	2002	2003	2004	2005	2006	2007	2008
EC Mega Beta Index	198.2%	8.5%	0.5%	63.7%	260.5%	198.2%	5.2%	2.8%	8.6%	5.5%	--	--	138.2%	1.7%	-6.3%	28.1%	-1.9%	-62.9%
EC Micro Beta Index	21.4	3.8	0.3	10.2	38.1	21.4	-13.4	-6.8	-0.7	2.4	--	--	46.3	12.3	16.1	19.7	8.2	-38.3
EC Mega Cap Index	18.8	1.2	6.2	19.1	35.4	18.8	-12.5	-2.9	2.4	2.6	--	--	25.8	6.5	3.2	20.2	19.5	-35.5
EC Micro Cap Index	268.8	6.4	-16.7	70.3	216.1	268.8	27.7	10.8	11.7	7.5	--	--	95.5	14.4	-7.8	14.4	-16.5	-55.8
EC Mega Growth Index	71.5	9.1	4.8	29.5	87.8	71.5	-14.2	-4.8	-1.0	2.0	--	--	68.0	16.7	15.2	11.1	17.3	-57.1
EC Micro Growth Index	84.0	7.8	7.2	34.2	123.1	84.0	1.5	2.4	9.0	8.8	--	--	34.7	16.3	7.7	31.4	4.3	-44.0
EC Mega Quality Index	18.9	2.1	4.7	17.9	35.6	18.9	-10.7	-5.7	-1.3	0.0	--	--	21.7	10.4	5.4	12.9	5.2	-32.9
EC Micro Quality Index	235.8	12.7	0.5	87.4	254.6	235.8	3.3	0.7	7.3	4.7	--	--	148.5	25.1	-5.1	29.8	-4.2	-68.2
EC Mega Value Index	59.0	7.8	-3.0	22.8	71.8	59.0	-7.2	-3.7	-1.5	0.0	--	--	100.0	8.7	6.3	5.4	3.7	-45.9
EC Micro Value Index	116.1	4.5	3.0	41.2	159.3	116.1	26.9	15.4	15.7	15.0	--	--	70.2	34.4	12.5	16.4	-4.5	-25.5
EC Div. Index	35.1	5.0	4.8	25.8	59.2	35.1	-6.9	-3.8	1.4	3.0	--	--	32.3	21.1	9.5	18.9	2.7	-35.9
EC Non Div. Index	81.2	8.3	2.0	32.7	92.8	81.2	-1.1	0.3	4.3	5.1	--	--	67.0	14.7	8.5	17.0	3.2	-46.0
EC Mega Short Interest Index	53.8	7.4	-1.4	21.0	78.1	53.8	-12.5	-12.2	-5.2	-5.0	--	--	57.0	16.1	-4.0	19.3	-11.6	-50.2
EC Micro Short Interest Index	113.7	4.4	-1.3	50.1	113.8	113.7	10.5	13.1	15.0	13.5	--	--	77.7	10.7	7.5	20.9	18.5	-42.9
EC Mega Analysts' Rat. Index	36.0	6.8	4.9	21.9	57.7	36.0	-10.3	-2.6	2.7	5.4	--	--	51.1	9.8	16.8	20.3	14.9	-40.8
EC Micro Analysts' Rat. Index	33.7	8.0	-1.2	33.5	69.2	33.7	-17.4	-16.3	-8.1	-7.3	--	--	80.9	19.8	-4.0	21.6	-14.1	-48.9
EC Mega Price Index	27.9	4.7	8.2	23.9	39.4	27.9	-16.1	-4.9	0.5	3.5	--	--	28.2	17.1	16.2	18.7	22.4	-45.0
EC Micro Price Index	346.6	9.2	-18.1	95.1	295.4	346.6	16.2	5.5	10.3	5.2	--	--	180.9	17.9	-13.2	26.3	-13.1	-69.8
EC Mega Price Momentum Index	3.2	3.2	2.1	9.4	16.2	3.2	-17.8	-7.9	-2.7	-0.4	--	--	20.6	1.9	9.6	11.9	10.2	-34.5
EC Micro Price Momentum Index	261.8	13.3	-9.3	75.2	293.0	261.8	38.4	16.3	17.7	12.3	--	--	102.9	26.3	-7.4	17.1	-12.2	-47.0
EC All Covered ADRs	70.5	3.0	5.6	30.8	83.8	70.5	-5.3	3.2	10.3	11.4	0.4	-15.7	50.8	19.0	15.9	34.2	22.8	-47.4
EC Alpha Basket Index	38.4	3.7	8.3	25.2	49.9	38.4	-5.9	-2.3	4.0	5.2	--	--	48.0	14.5	10.3	25.4	5.4	-36.1
EC Bear Mkt. Rec. Index	201.6	7.7	-7.4	54.7	213.5	201.6	20.4	7.7	9.6	6.3	--	--	116.0	10.5	-6.0	15.4	-13.9	-51.9
EquityCompass Ratings¹	YTD	1M	3M	6M	9M	1Y	2Y	3Y	4Y	5Y	2001	2002	2003	2004	2005	2006	2007	2008
All PPS 1 Rated Stocks	32.7%	7.8%	5.6%	26.0%	49.4%	32.7%	-13.8%	-5.4%	1.2%	4.4%	-8.6%	-8.3%	46.9%	29.0%	18.0%	23.8%	13.9%	-44.0%
All PPS 2 Rated Stocks	24.3	7.3	5.7	21.2	41.4	24.3	-11.3	-4.1	1.1	3.9	0.6	-3.7	36.6	23.0	15.9	18.7	12.1	-36.7
All PPS 3 Rated Stocks	16.3	7.5	6.3	20.1	34.5	16.3	-12.6	-4.8	0.0	2.0	5.0	-13.7	38.5	15.6	10.8	15.7	12.9	-34.3
All PPS 4 Rated Stocks	19.4	6.6	0.5	16.1	34.7	19.4	-13.8	-6.3	-2.0	-0.2	0.8	-31.4	66.1	8.9	7.0	12.4	10.6	-37.8
All PPS 5 Rated Stocks	45.4	6.4	5.5	25.1	62.8	45.4	-3.0	-1.3	3.0	3.7	9.9	-22.6	46.9	14.4	6.9	16.8	2.4	-35.3
All PPS 6 Rated Stocks	152.7	6.0	2.9	49.0	175.2	152.7	23.6	11.0	13.6	12.2	-2.9	-28.3	57.0	29.2	6.8	21.8	-10.6	-39.5
All PPS 7 Rated Stocks	104.6	6.9	3.9	45.7	133.8	104.6	4.5	0.5	5.7	5.0	2.7	-9.1	42.7	22.4	2.4	22.9	-7.1	-46.6
All PPS 8 Rated Stocks	82.9	6.6	-1.2	34.3	101.5	82.9	-4.0	-5.0	0.5	1.0	14.3	-35.4	51.6	21.3	3.3	19.0	-7.0	-49.6
All PPS 9 Rated Stocks	109.0	6.2	-3.7	35.1	105.5	109.0	-3.0	-2.7	0.0	-0.5	16.3	-48.0	88.6	-2.5	-2.8	8.8	-2.1	-55.0
All SVI A Rated Stocks	37.7	5.1	5.1	22.6	50.8	37.7	-6.1	-2.1	2.1	3.5	--	--	32.1	18.6	9.2	15.6	6.4	-35.9
All SVI B Rated Stocks	46.6	6.7	5.6	26.9	63.8	46.6	-4.8	-2.2</										

EquityCompass Valuation Profile - January 2010

(As of 12/31/09)

Benchmark Indices ¹	Qty	Div (%)	Beta	Mkt. Cap	Short Int. Rat.	PPS	MVD	EV/E (NTM)	P/E (NTM)	P/CF (NTM)	P/S (NTM)	P/BV (MRQ)	PEG Ratio
S&P 1500	1481	1.83	0.85	\$72,599	1.4	5.4	-1.2%	8.1	14.4	10.4	1.2	2.7	1.4
S&P 500	498	1.91	0.83	\$81,900	1.4	5.5	-1.3%	8.0	14.3	10.3	1.2	2.8	1.4
S&P 100	100	2.09	0.78	\$120,799	1.2	5.5	-2.5%	7.9	13.9	10.3	1.4	3.1	1.4
S&P Mid Cap	397	1.38	1.01	\$2,948	3.8	4.9	-0.6%	9.1	16.5	10.8	0.9	2.2	1.3
Dow Jones Ind Avg.	30	2.53	0.75	\$162,083	1.1	5.5	-3.7%	7.2	12.9	9.7	1.4	3.0	1.6
Nasdaq 100	99	0.96	0.80	\$100,769	1.1	4.9	-0.7%	12.1	16.1	14.0	2.4	3.5	1.1
S&P Citi Growth	305	1.76	0.82	\$87,582	1.4	5.1	-0.8%	8.8	15.0	11.9	1.8	3.8	1.4
S&P Citi Value	345	2.38	0.82	\$79,589	1.5	6.0	-2.8%	7.1	13.1	8.8	0.9	2.3	1.6
Russell 1000	949	1.82	0.86	\$72,578	1.4	5.4	-0.9%	8.1	14.5	10.4	1.2	2.8	1.4
Russell 2000	1738	1.19	1.14	\$1,010	4.3	4.5	0.6%	11.7	17.6	12.7	0.8	2.0	1.3
Russell 3000	2687	1.77	0.87	\$66,712	1.4	5.3	-0.9%	8.2	14.6	10.4	1.2	2.7	1.4
Russell Mid Cap	760	1.54	1.04	\$6,233	2.7	5.1	1.0%	8.9	15.7	10.5	1.0	2.5	1.3
S&P 500 Energy Index	39	2.03	1.08	\$133,919	1.1	5.8	-3.0%	4.0	12.9	8.6	1.1	2.1	1.9
S&P 500 Materials Index	31	1.75	1.29	\$21,854	1.4	5.7	0.1%	9.6	17.0	12.9	1.3	3.0	1.6
S&P 500 Industrials Index	60	2.24	1.19	\$49,037	1.0	5.7	3.4%	8.9	15.9	10.6	1.1	2.8	1.5
S&P 500 Consumer Disc. Index	79	1.38	1.00	\$28,983	2.1	4.6	-0.9%	9.3	15.9	9.6	0.9	2.5	1.3
S&P 500 Consumer Staples Index	41	2.91	0.38	\$97,185	2.0	6.2	-5.5%	9.0	13.8	10.8	0.8	3.4	1.4
S&P 500 Health Care Index	51	2.00	0.57	\$70,316	1.6	6.1	-0.3%	8.7	11.8	10.6	1.2	3.1	1.3
S&P 500 Financials Index	78	1.20	1.18	\$62,885	2.5	5.8	-0.2%	11.5	14.8	14.4	1.9	1.7	1.3
S&P 500 Info. Tech. Index	76	0.85	0.82	\$122,479	1.0	4.1	-0.7%	12.4	15.7	15.3	2.7	4.3	1.2
S&P 500 Telecom. Services Index	9	5.53	0.51	\$116,788	2.0	6.7	-6.4%	5.5	14.8	4.7	1.1	1.8	2.6
S&P 500 Utilities Index	34	4.25	0.61	\$16,045	2.8	6.8	-0.7%	7.8	12.3	6.3	1.2	1.6	2.7
Russell 1000 Val.	667	2.13	0.97	\$67,396	1.4	5.5	-0.7%	7.1	13.6	8.8	1.0	2.2	1.6
Russell 1000 Gr.	610	1.58	0.80	\$78,603	1.4	5.2	-1.3%	9.3	14.9	12.2	1.4	3.5	1.2
Russell Mid Val.	544	1.90	1.14	\$5,956	2.7	5.0	1.2%	8.1	15.2	9.1	0.8	2.0	1.5
Russell Mid Gr.	479	1.14	0.99	\$6,391	2.7	5.0	0.9%	10.0	15.9	12.0	1.2	3.1	1.2
EquityCompass Indices ²	Qty	Div (%)	Beta	Mkt. Cap	Short Int. Rat.	PPS	MVD	EV/E (NTM)	P/E (NTM)	P/CF (NTM)	P/S (NTM)	P/BV (MRQ)	PEG Ratio
EC Mega Beta Index	50	0.16	3.68	\$892	3.3	4.7	11.3%	9.1	54.2	6.7	0.3	1.4	6.5
EC Micro Beta Index	50	1.30	0.06	\$16,862	3.1	5.9	-11.1%	8.2	12.8	10.5	1.1	3.4	1.0
EC Mega Cap Index	50	2.21	0.68	\$105,661	1.6	5.5	-1.8%	7.3	16.1	13.6	2.2	4.4	1.7
EC Micro Cap Index	50	2.16	1.40	\$177	7.3	7.4	-1.3%	--	--	--	--	--	--
EC Mega Growth Index	50	0.40	1.44	\$3,015	1.8	4.4	-2.9%	10.2	16.3	10.8	0.6	2.1	0.3
EC Micro Growth Index	50	2.90	1.24	\$20,696	1.7	4.7	0.0%	4.2	11.6	6.5	0.7	1.7	11.6
EC Mega Quality Index	50	1.80	0.72	\$40,720	2.4	5.4	-2.6%	7.6	18.6	16.9	2.7	5.7	1.5
EC Micro Quality Index	50	0.00	2.03	\$946	3.1	4.9	-1.2%	13.2	61.4	8.7	0.3	-4.6	4.8
EC Mega Value Index	50	0.28	1.26	\$7,091	3.5	5.9	5.6%	26.7	74.9	45.1	5.0	7.0	4.6
EC Micro Value Index	50	1.75	1.01	\$5,733	3.3	4.8	-6.8%	5.2	9.3	5.3	0.2	1.3	0.6
EC Div. Index	1515	3.00	1.02	\$14,811	2.2	5.1	-0.7%	7.3	15.3	10.3	1.1	2.4	1.4
EC Non Div. Index	1937	0.00	1.22	\$4,677	2.9	5.0	1.1%	11.5	17.5	13.3	1.1	2.6	1.2
EC Mega Short Interest Index	50	1.42	0.92	\$416	20.4	5.5	6.9%	9.3	64.7	10.9	1.0	2.4	3.3
EC Micro Short Interest Index	50	0.89	1.07	\$25,678	0.8	5.4	-6.1%	11.9	15.2	13.3	1.1	3.2	1.3
EC Mega AR Index	50	0.29	0.95	\$1,116	5.3	3.9	0.6%	9.4	13.9	10.9	1.1	2.0	1.0
EC Micro AR Index	50	1.77	1.07	\$4,177	5.9	5.5	-1.8%	9.6	17.9	10.1	0.7	2.2	1.5
EC Mega Price Index	50	0.64	0.86	\$28,807	1.9	4.5	1.4%	12.4	18.4	16.8	2.6	4.6	1.1
EC Micro Price Index	50	2.83	1.60	\$167	4.1	7.5	-24.2%	8.1	12.1	2.8	0.3	-11.0	0.8
EC Mega Mom. Index	50	1.01	0.93	\$21,092	1.8	3.3	5.5%	16.8	20.4	19.3	3.2	5.2	1.3
EC Micro Mom. Index	50	2.72	0.77	\$5,333	2.1	7.6	-3.5%	5.8	10.6	4.2	0.1	1.3	0.8
All ADRs	280	1.92	1.15	\$51,841	2.8	4.2	-4.5%	6.2	13.3	10.1	1.3	2.2	0.8
EquityCompass Ratings ²	Qty	Div (%)	Beta	Mkt. Cap	Short Int. Rat.	PPS	MVD	EV/E (NTM)	P/E (NTM)	P/CF (NTM)	P/S (NTM)	P/BV (MRQ)	PEG Ratio
All PPS 1 Rated Stocks	200	1.60	1.31	\$7,634	2.6	1	-5.1%	5.5	11.2	7.6	0.4	1.8	0.8
All PPS 2 Rated Stocks	473	1.29	1.26	\$6,791	3.0	2	0.6%	8.0	14.0	9.3	0.9	2.4	1.1
All PPS 3 Rated Stocks	511	0.97	1.22	\$9,364	2.3	3	7.9%	10.5	19.1	16.0	1.7	3.3	1.5
All PPS 4 Rated Stocks	284	0.37	1.28	\$9,922	2.5	4	5.0%	22.0	28.9	28.8	3.5	4.9	1.7
All PPS 5 Rated Stocks	519	1.57	1.10	\$10,228	2.3	5	0.5%	7.8	15.8	10.6	1.0	2.1	1.4
All PPS 6 Rated Stocks	272	1.87	0.91	\$10,869	2.4	6	-8.9%	4.8	11.1	6.6	0.4	1.7	0.9
All PPS 7 Rated Stocks	502	1.86	0.85	\$13,541	2.1	7	-6.0%	6.6	13.6	8.7	1.0	2.2	1.3
All PPS 8 Rated Stocks	466	1.37	1.10	\$10,411	2.8	8	1.3%	10.3	18.2	14.2	1.7	2.8	1.5
All PPS 9 Rated Stocks	225	0.56	1.32	\$6,814	2.8	9	5.8%	24.3	34.2	37.8	1.9	3.1	2.3
All SVI A Rated Stocks	690	1.70	0.83	\$18,269	2.1	4.9	-0.7%	7.9	15.2	11.3	1.6	3.1	1.2
All SVI B Rated Stocks	681	1.41	1.00	\$8,552	2.4	4.8	-0.8%	7.1	16.4	11.2	1.2	2.6	1.2
All SVI C Rated Stocks	685	1.31	1.21	\$6,366	2.8	4.8	0.2%	8.6	16.1	10.8	0.9	2.1	1.3
All SVI D Rated Stocks	681	0.78	1.60	\$3,621	2.8	5.3	2.6%	9.5	20.0	14.1	0.5	1.8	1.7
All Redline Low Stocks	290	2.12	0.66	\$9,809	2.8	5.4	-17.8%	7.4	13.4	9.6	0.9	2.7	1.0
All Redline High Stocks	291	1.05	1.32	\$6,721	2.7	4.6	20.8%	10.1	16.4	12.4	1.2	2.6	1.6
All EC "Buy" Rated Stocks	1344	1.34	1.11	\$9,933	2.5	3.0	-0.7%	8.2	15.8	11.6	1.1	2.8	1.2
All EC "Neutral" Rated Stocks	761	1.35	1.00	\$13,138	2.1	4.9	-0.7%	6.8	15.3	10.2	1.1	2.3	1.3
All EC "Sell" Rated Stocks	1347	1.28	1.20	\$7,728	2.8	7.1	1.8%	9.3	17.7	12.1	0.9	2.1	1.4
EquityCompass Focus Lists ²	Qty	Div (%)	Beta	Mkt. Cap	Short Int. Rat.	PPS	MVD	EV/E (NTM)	P/E (NTM)	P/CF (NTM)	P/S (NTM)	P/BV (MRQ)	PEG Ratio
Quality Momentum	50	1.64	1.05	\$16,635	2.2	2.5	4.2%	7.6	13.6	10.3	1.9	4.3	1.0
High Dividend	20	5.98	0.86	\$22,481	2.8	5.2	-6.5%	5.8	15.3	6.7	1.0	2.0	1.9
Oversold Quality	11	2.52	0.31	\$38,503	2.1	6.7	-16.5%	8.5	12.7	10.0	1.3	3.8	1.1
Research Focus List	14	1.31	0.44	\$22,522	2.1	5.9	-15.4%	5.8	14.0	10.6	1.0	2.3	1.0
Mispriced Large-Cap	15	2.43	0.43	\$13,200	2.3	5.7	-20.6%	8.6	12.7	10.6	1.1	5.5	1.1
EC Coverage Universe ²	3452	1.32	1.12	\$9,953	2.5	5.0	0.1%	8.0	16.1	11.4	1.1	2.5	1.3
EC Coverage Universe (Ex ADRs) ²	3172	1.26	1.12	\$9,126	2.5	5.1	0.2%	8.2	16.2	11.4	1.1	2.5	1.3

¹ Market capitalization weighted averages of the underlying constituents of which are covered in the EquityCompass Coverage Universe (excluding stocks with missing valuation metrics)

² Equal weighted averages (excluding stocks with missing valuation metrics)

Source: EquityCompass Strategies

Pending Acquisitions

Symbol	Company Name	Price		Sub Industry	Acquirer	Ann. Date
		12/31/09				
COMS	3Com Corp.	\$7.50		Communications Equipment	Hewlett-Packard Co.	11/11/2009
ACS	Affiliated Computer Svcs. (CI A)	\$59.69		Data Proc. & Outsourced Svcs.	Xerox Corp.	9/28/2009
AIRV	Airvana Inc.	\$7.60		Communications Equipment	Multiple Acquirers	12/18/2009
ALD	Allied Capital Corp.	\$3.61		Asset Mgmt. & Custody Banks	Ares Capital Corp.	10/26/2009
BJS	BJ Services Co.	\$18.60		Oil & Gas Equipment & Svcs.	Baker Hughes Inc.	8/31/2009
BDK	Black & Decker Corp.	\$64.83		Household Appliances	Stanley Works	11/2/2009
BPFH	Boston Private Fin'l. Hldgs.	\$5.77		Regional Banks	Westfield Capital Mgmt.	10/6/2009
BNI	Burlington Northern Santa Fe	\$98.62		Railroads	Berkshire Hathaway	11/3/2009
CFW	Cano Petroleum Inc.	\$0.98		Oil & Gas Explor. & Prod.	Resaca Exploration Inc.	9/30/2009
CF	CF Industries Holdings Inc.	\$90.78		Fertilizers & Agricultural Chem.	Agrium Inc.	2/25/2009
CHTT	Chattem Inc.	\$93.30		Personal Products	Sanofi-Aventis SA	12/21/2009
EAC	Encore Acquisition Co.	\$48.02		Oil & Gas Explor. & Prod.	Denbury Resources Inc.	11/1/2009
FGXI	FGX International Holdings Ltd.	\$19.59		Apparel Access. & Luxury Gds.	Cei Generale d'Optique	12/16/2009
FIF	Financial Federal Corp.	\$27.50		Specialized Finance	People's Financial Inc.	11/23/2009
GLS	Genesis Lease Ltd. (ADS)	\$8.93		Trading Cos. & Distributors	AerCap Holdings NV	9/18/2009
HNBC	Harleysville National Corp.	\$6.43		Regional Banks	First Niagara Fin'l. Grp.	7/27/2009
ITWO	i2 Technologies Inc.	\$19.12		Application Software	JDA Software Group Inc.	11/5/2009
ICOC	ICO Inc.	\$7.31		Specialty Chemicals	A Schulman Inc.	12/3/2009
ICTG	ICT Group Inc.	\$16.33		Office Services & Supplies	Sykes Entertainment	3/2/2009
RX	IMS Health Inc.	\$21.06		Health Care Technology	Medical Information Sys.	11/5/2009
IWA	Iowa Telecomm. Svcs. Inc.	\$16.76		Integrated Telecom. Svcs.	Windstream Corp.	11/24/2009
JAV	Javelin Pharmaceuticals Inc.	\$1.30		Pharmaceuticals	Myriad Pharma	12/18/2009
LNK	Landry's Restaurants Inc.	\$21.29		Restaurants	Management Group	11/3/2009
MVL	Marvel Entertainment Inc	\$54.08		Movies & Entertainment	Walt Disney Co.	8/31/2009
MPS	MPS Group Inc.	\$13.74		Human Res. & Emplmt. Svcs.	Adecco SA	10/20/2009
OPTV	OpenTV Corp. (CI A)	\$1.36		Application Software	Kudelski SA	10/5/2009
PBG	Pepsi Bottling Group Inc.	\$37.50		Soft Drinks	PepsiCo Inc./NC	4/20/2009
PAS	PepsiAmericas Inc.	\$29.26		Soft Drinks	PepsiCo Inc./NC	4/20/2009
SBP	Santander Bancorp	\$12.28		Regional Banks	Banco Santander SA	12/14/2009
SHS	Sauer-Danfoss Inc.	\$12.01		Const. & Farm Mach. & Hvy. Trks.	Danfoss A/S	12/22/2009
SSTI	Silicon Storage Technology Inc.	\$2.56		Semiconductors	Prophet Equity LP	11/13/2009
JAVA	Sun Microsystems Inc.	\$9.37		Computer Hardware	Oracle Corp.	4/20/2009
SDXC	Switch & Data Facilities Co. Inc.	\$20.21		Internet Software & Services	Equinix Inc.	10/21/2009
TRA	Terra Industries Inc.	\$32.19		Fertilizers & Agricultural Chem.	CF Industries Holdings Inc.	1/15/2009
TRMS	Trimeris Inc.	\$2.62		Biotechnology	Arigene Co Ltd.	10/2/2009
VARI	Varian Inc.	\$51.54		Life Sciences Tools & Services	Agilent Technologies Inc.	7/27/2009
WSII	Waste Services Inc.	\$9.11		Environmental & Facilities Svcs.	IESI-BFC Ltd.	11/11/2009
XTO	XTO Energy Inc.	\$46.53		Oil & Gas Explor. & Prod.	Exxon Mobile Corp.	12/14/2009

Source: EquityCompass Strategies, Bloomberg

(continued)

Aggregate Stock Selection List									Lists					Model Ports (New Add.)						Spec. Sit.			
Symbol	Company Name	Price 12/31/09	52W High	52W Low	Div. Yield (%)	Sector	Market Cap (Mil)	Compass Rating	Quality Momentum	High Dividend	Oversold Quality	Research Focus	Mispriced Large-Cap	Large-Cap Growth	Large-Cap Value	Mid-Cap Growth	Mid-Cap Value	Small-Cap Growth	Small-Cap Value	All-Cap Blend	Candidates List	Share Repurchase	Pending Acquisition
MVL	Marvel Entertainment Inc	\$54.08	\$54.39	\$22.82	--	Cons. Disc.	\$4,219	Neutral															
MA	MasterCard Inc. (CI A)	\$255.98	\$259.00	\$117.06	0.23	Info. Tech.	\$33,202	Buy	●														
MDR	McDermott International Inc.	\$24.01	\$27.89	\$9.10	--	Industrials	\$5,532	Sell														●	
MRX	Medicis Pharmaceutical Corp.	\$27.05	\$27.82	\$7.85	0.59	Health Care	\$1,556	Buy	●														
MELI	MercadoLibre Corp.	\$51.87	\$55.75	\$11.70	--	Info. Tech.	\$2,288	Buy	●														
MRK	Merck & Co Inc	\$36.54	\$38.42	\$20.05	4.16	Health Care	\$77,069	Buy	●														
MCHP	Microchip Technology Inc.	\$29.05	\$29.56	\$16.23	4.68	Info. Tech.	\$5,333	Buy		●													
MICC	Millicom Int'l. Cellular S.A.	\$73.77	\$79.19	\$31.50	1.68	Telecom.	\$8,007	Buy	●														
MLNK	ModusLink Global Solutions	\$9.41	\$9.68	\$1.62	--	Info. Tech.	\$423	Buy															●
MNRO	Monro Muffler Brake Inc.	\$33.44	\$34.85	\$21.54	0.84	Cons. Disc.	\$658	Buy	●														
MOS	Mosaic Co.	\$59.73	\$62.46	\$31.17	0.33	Materials	\$26,575	Sell														●	
MPS	MPS Group Inc.	\$13.74	\$13.96	\$4.16	--	Industrials	\$1,280	Neutral															●
NFG	National Fuel Gas Co.	\$50.00	\$52.00	\$26.67	2.68	Utilities	\$4,025	Buy	●														
NNN	National Retail Properties Inc.	\$21.22	\$22.80	\$12.26	7.07	Financials	\$1,740	Buy		●													
NHP	Nationwide Health Properties	\$35.18	\$35.92	\$18.16	5.00	Financials	\$3,883	Buy														●	
TNDM	Neutral Tandem Inc.	\$22.75	\$34.56	\$14.58	--	Telecom.	\$763	Buy														●	
NYB	New York Community Bancorp	\$14.51	\$14.81	\$7.68	6.89	Financials	\$5,163	Sell														●	
NEU	NewMarket Corp.	\$114.77	\$121.13	\$27.82	1.31	Materials	\$1,745	Buy	●														
NIHD	NII Holdings Inc.	\$33.58	\$35.08	\$10.23	--	Telecom.	\$5,580	Buy									●					●	
NE	Noble Corp.	\$40.70	\$45.18	\$20.03	--	Energy	\$10,656	Buy	●					●									
NWE	NorthWestern Corp.	\$26.02	\$26.85	\$18.48	5.15	Utilities	\$936	Buy									●	●	●			●	
NRG	NRG Energy Inc.	\$23.61	\$29.26	\$15.19	--	Utilities	\$6,054	Neutral														●	
NTLS	NTELOS Holdings Corp.	\$17.81	\$24.94	\$13.66	6.29	Telecom.	\$753	Buy		●													
NUS	Nu Skin Enterprises Inc. (CI A)	\$26.87	\$28.78	\$7.90	1.71	Cons. Staples	\$1,685	Buy	●														
OXY	Occidental Petroleum Corp.	\$81.35	\$85.20	\$47.50	1.62	Energy	\$66,029	Buy	●														
OKE	ONEOK Inc.	\$44.57	\$44.97	\$18.10	3.77	Utilities	\$4,701	Buy	●													●	
OPTV	OpenTV Corp. (CI A)	\$1.36	\$1.83	\$0.95	--	Info. Tech.	\$188	Neutral															●
PFGB	P.F. Chang's China Bistro Inc.	\$37.91	\$39.57	\$16.51	--	Cons. Disc.	\$877	Buy														●	
PRE	PartnerRe Ltd.	\$74.66	\$81.71	\$53.92	2.52	Financials	\$4,351	Buy														●	
PEGA	Pegasystems Inc.	\$34.00	\$36.09	\$11.74	0.35	Info. Tech.	\$1,247	Buy										●					
PBG	Pepsi Bottling Group Inc.	\$37.50	\$38.74	\$16.82	1.92	Cons. Staples	\$8,138	Neutral															●
PAS	PepsiAmericas Inc.	\$29.26	\$30.30	\$14.98	1.91	Cons. Staples	\$3,549	Neutral															●
PRGO	Perrigo Co.	\$39.83	\$40.94	\$18.54	0.63	Health Care	\$3,656	Buy	●														
PBI	Pitney Bowes Inc.	\$22.76	\$27.46	\$17.62	6.33	Industrials	\$4,715	Buy		●													
PCH	Potlatch Corp.	\$31.88	\$33.72	\$18.00	6.40	Financials	\$1,268	Buy		●													
POWI	Power Integrations Inc.	\$36.36	\$37.15	\$16.75	0.28	Info. Tech.	\$980	Buy	●														
PPG	PPG Industries Inc.	\$58.54	\$62.31	\$28.16	3.69	Materials	\$9,775	Buy															●
PPL	PPL Corp.	\$32.31	\$34.42	\$24.25	4.27	Utilities	\$12,169	Buy				●											
PPD	Pre-Paid Legal Services Inc.	\$41.08	\$53.05	\$26.45	--	Cons. Disc.	\$450	Sell															●
PDE	Pride International Inc.	\$31.91	\$34.67	\$13.44	--	Energy	\$5,552	Buy														●	
PGN	Progress Energy Inc.	\$41.01	\$42.20	\$31.35	6.05	Utilities	\$11,442	Buy		●													
PBNY	Provident New York Bancorp	\$8.44	\$12.60	\$7.30	2.84	Financials	\$334	Buy															●
QDEL	Quidel Corp.	\$13.78	\$18.81	\$7.05	--	Health Care	\$415	Buy															●
GOLD	Randgold Res. Ltd. (ADS)	\$79.14	\$90.30	\$36.24	0.15	Materials	\$6,563	Buy	●														
O	Realty Income Corp.	\$25.91	\$28.23	\$14.25	6.62	Financials	\$2,702	Buy		●													
RHT	Red Hat Inc.	\$30.90	\$31.76	\$12.98	--	Info. Tech.	\$5,770	Buy	●														
RHB	RehabCare Group Inc.	\$30.43	\$31.75	\$12.44	--	Health Care	\$541	Buy														●	
RMD	ResMed Inc.	\$52.27	\$53.38	\$31.49	--	Health Care	\$3,918	Buy															●
REXX	Rex Energy Corp.	\$12.00	\$13.48	\$0.99	--	Energy	\$442	Buy										●					
RKT	Rock-Tenn Co. (CI A)	\$50.41	\$53.20	\$22.84	1.19	Materials	\$1,951	Buy															
ROST	Ross Stores Inc.	\$42.71	\$50.50	\$28.08	1.03	Cons. Disc.	\$5,291	Buy					●										
RGLD	Royal Gold Inc.	\$47.09	\$55.96	\$34.16	0.76	Materials	\$1,908	Buy	●														
R	Ryder System Inc.	\$41.17	\$46.58	\$19.00	2.43	Industrials	\$2,308	Buy															●
SWY	Safeway Inc.	\$21.29	\$24.25	\$17.19	1.88	Cons. Staples	\$8,652	Neutral															●
SBP	Santander Bancorp	\$12.28	\$13.49	\$5.18	--	Financials	\$573	Neutral															●
SHS	Sauer-Danfoss Inc.	\$12.01	\$12.68	\$2.37	--	Industrials	\$581	Neutral															●
SBAC	SBA Communications Corp.	\$34.16	\$35.88	\$15.23	--	Telecom.	\$3,989	Buy									●						
SCHL	Scholastic Corp.	\$29.83	\$30.87	\$9.29	1.01	Cons. Disc.	\$1,087	Buy															●
SHLD	Sears Holdings Corp.	\$83.45	\$86.53	\$34.27	--	Cons. Disc.	\$9,647	Sell															●
SEIC	SEI Investments Co.	\$17.52	\$20.41	\$9.19	1.03	Financials	\$3,338	Sell															●
SNH	Senior Housing Properties Tr.	\$21.87	\$22.80	\$10.68	6.58	Financials	\$2,786	Buy		●													
SCI	Service Corp. International	\$8.19	\$8.30	\$2.66	1.95	Cons. Disc.	\$2,074	Buy									●					●	
SHW	Sherwin-Williams Co.	\$61.65	\$64.13	\$42.19	2.30	Cons. Disc.	\$6,987	Buy					●										
SSTI	Silicon Storage Technology	\$2.56	\$2.75	\$1.30	--	Info. Tech.	\$245	Neutral															●

(continued)

Aggregate Stock Selection List									Lists					Model Ports (New Add.)						Spec. Sit.				
Symbol	Company Name	Price 12/31/09	52W High	52W Low	Div. Yield (%)	Sector	Market Cap (Mil)	Compass Rating	Quality Momentum	High Dividend	Oversold Quality	Research Focus	Mispriced Large-Cap	Large-Cap Growth	Large-Cap Value	Mid-Cap Growth	Mid-Cap Value	Small-Cap Growth	Small-Cap Value	All-Cap Blend	Candidates List	Share Repurchase	Pending Acquisition	
SMBL	Smart Balance Inc.	\$6.00	\$8.73	\$4.83	--	Cons. Staples	\$376	Sell																●
SLH	Solera Holdings Inc.	\$36.01	\$37.76	\$19.50	0.69	Info. Tech.	\$2,508	Buy	●															
PCU	Southern Copper Corp.	\$32.91	\$36.50	\$12.60	2.19	Materials	\$27,974	Buy						●										
TRK	Speedway Motorsports Inc.	\$17.62	\$20.43	\$8.14	2.04	Cons. Disc.	\$748	Neutral																●
SRX	SRA International Inc. (CI A)	\$19.10	\$23.12	\$11.22	--	Info. Tech.	\$1,082	Buy				●												
SXE	Stanley Inc.	\$27.41	\$36.37	\$23.79	--	Industrials	\$659	Buy				●												
SYK	Stryker Corp.	\$50.37	\$52.66	\$30.82	1.19	Health Care	\$20,032	Sell																●
JAVA	Sun Microsystems Inc.	\$9.37	\$9.38	\$3.45	--	Info. Tech.	\$7,065	Neutral																●
SPN	Superior Energy Services Inc.	\$24.29	\$25.91	\$11.20	--	Energy	\$1,900	Sell																●
SDXC	Switch & Data Facilities Co.	\$20.21	\$20.66	\$5.15	--	Info. Tech.	\$699	Neutral																●
TTES	T-3 Energy Services Inc.	\$25.50	\$27.31	\$8.74	--	Energy	\$330	Buy																●
TLM	Talisman Energy Inc.	\$18.64	\$19.51	\$7.97	1.13	Energy	\$18,916	Buy	●															
AMTD	TD Ameritrade Holding Corp.	\$19.38	\$21.30	\$10.09	--	Financials	\$11,378	Neutral																●
TECD	Tech Data Corp.	\$46.66	\$47.84	\$16.20	--	Info. Tech.	\$2,374	Buy																●
TK	Teekay Corp.	\$23.21	\$26.50	\$11.35	5.45	Energy	\$1,695	Buy		●														
TEO	Telecom Argentina S.A. (ADS)	\$16.82	\$18.97	\$6.53	--	Telecom.	\$3,311	Buy	●															
TEF	Telefonica S.A. (ADS)	\$83.52	\$89.62	\$51.00	4.13	Telecom.	\$130,987	Buy	●															
TRA	Terra Industries Inc.	\$32.19	\$43.13	\$14.45	1.24	Materials	\$3,213	Neutral																●
TXN	Texas Instruments Inc.	\$26.06	\$27.00	\$13.70	1.84	Info. Tech.	\$32,650	Buy					●											
TGH	Textainer Group Holdings Ltd.	\$16.90	\$17.74	\$4.23	5.44	Industrials	\$807	Buy	●	●														
TBL	Timberland Co. (CI A)	\$17.93	\$18.60	\$8.75	--	Cons. Disc.	\$992	Buy																●
TRBR	Trailer Bridge Inc.	\$4.80	\$6.17	\$1.73	--	Industrials	\$57	Sell																●
TRH	TransAtlantic Holdings Inc.	\$52.11	\$56.42	\$26.16	1.54	Financials	\$3,459	Buy																●
TRMS	Trimeris Inc.	\$2.62	\$3.68	\$0.84	--	Health Care	\$59	Neutral																●
UL	Unilever PLC (ADS)	\$31.90	\$32.34	\$16.95	3.15	Cons. Staples	\$39,925	Buy	●															
URBN	Urban Outfitters Inc.	\$34.99	\$35.84	\$13.63	--	Cons. Disc.	\$5,892	Buy																●
VARI	Varian Inc.	\$51.54	\$52.00	\$19.83	--	Health Care	\$1,493	Neutral																●
VVC	Vectren Corp.	\$24.68	\$26.90	\$18.08	5.51	Utilities	\$2,003	Buy		●														
VZ	Verizon Communications Inc.	\$33.13	\$34.76	\$26.10	5.73	Telecom.	\$94,111	Buy		●														
VIV	Vivo Participacoes S/A (ADS)	\$31.00	\$33.31	\$11.65	1.29	Telecom.	\$8,132	Buy	●															
VMW	VMware Inc.	\$42.38	\$45.57	\$19.15	--	Info. Tech.	\$16,943	Buy																●
GWW	W.W. Grainger Inc.	\$96.83	\$102.54	\$59.95	1.90	Industrials	\$7,196	Buy					●											
WDR	Waddell & Reed Fin'l. (CI A)	\$30.54	\$31.50	\$11.40	2.49	Financials	\$2,606	Buy	●															
WMT	Wal-Mart Stores Inc.	\$53.45	\$57.51	\$46.25	2.04	Cons. Staples	\$203,654	Buy			●				●									
WLT	Walter Energy, Inc.	\$75.31	\$80.08	\$13.85	0.53	Materials	\$3,986	Buy																●
WCRX	Warner Chilcott Plc	\$28.47	\$28.56	\$9.24	--	Health Care	\$7,157	Buy	●															
WSII	Waste Services Inc.	\$9.11	\$9.31	\$3.87	--	Industrials	\$421	Neutral																●
WDFC	WD-40 Co.	\$32.36	\$34.55	\$21.81	3.09	Cons. Staples	\$535	Sell																●
WU	Western Union Co.	\$18.85	\$20.64	\$10.05	0.32	Info. Tech.	\$13,099	Sell																●
WWE	World Wrestling Ent. (CI A)	\$15.33	\$16.59	\$8.98	9.39	Cons. Disc.	\$1,124	Buy		●														
XLNX	Xilinx Inc.	\$25.06	\$25.45	\$15.00	2.55	Info. Tech.	\$6,937	Buy					●											
XTO	XTO Energy Inc.	\$46.53	\$49.10	\$28.64	1.07	Energy	\$27,002	Neutral					●											●

Source: EquityCompass Strategies

Tactical Total Core Strategy

Investment Objective:

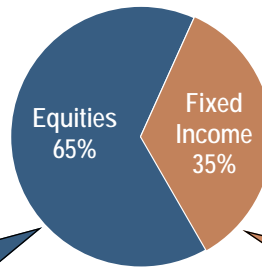
Tactical Total Core is an asset allocation strategy that seeks to effectively capture market returns while minimizing volatility and meant to be the solid foundation of an investor's entire investment portfolio.

Current Recommended Strategic Allocation:

Equities 65% | Fixed Income 35%

The base allocation for the Tactical Total Core Strategy is 60% stocks and 40% fixed income. This allocation has historically produced the best risk/reward trade-off for investors with a five year investment horizon. However, because of the abnormally low return in stocks in the past five years, EquityCompass recommends that investors overweight stocks and underweight fixed income.

2010

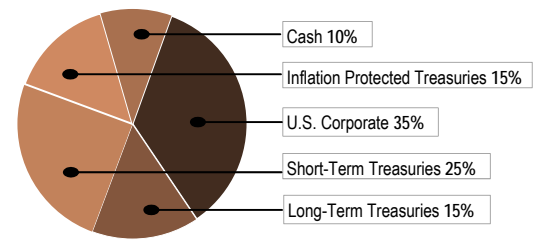
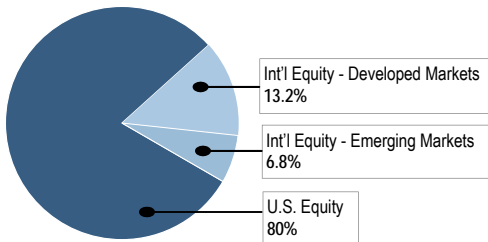


Equity Allocation

- Emphasizes diversification, volatility control, and excess return potential
- U.S. Equity is represented by the EquityCompass All-Cap Blend Model Portfolio (see page 24)
- Allocation is 67% to fully invested equity strategies and 33% to Equity Risk Manager (see page 34)
- 20% of the fully invested equity strategies are allocated to international stocks (2/3 developed and 1/3 emerging)

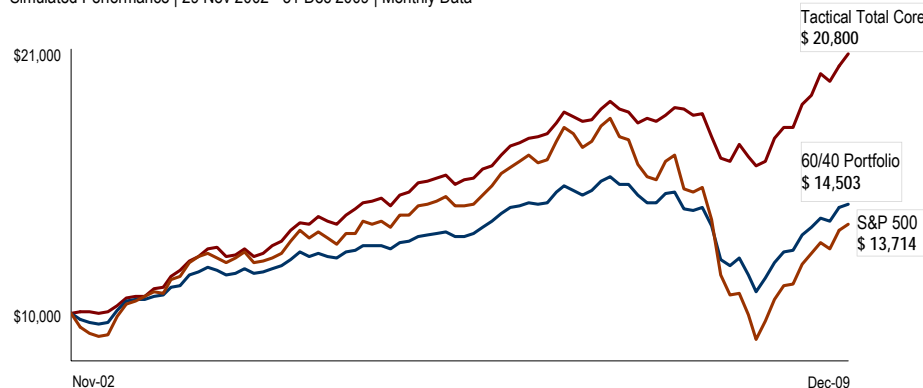
Fixed Income Allocation

- Emphasizes credit quality and capital stability while employing tactics to manage interest rate and inflation risk
- All investment grade or better credit quality; no high yield or foreign bonds
- Average duration of 5.7 years and a weighted average maturity of 10 years
- 53% of the portfolio has maturities of five years or less



Growth of \$10,000

Simulated Performance | 29 Nov 2002 - 31 Dec 2009 | Monthly Data

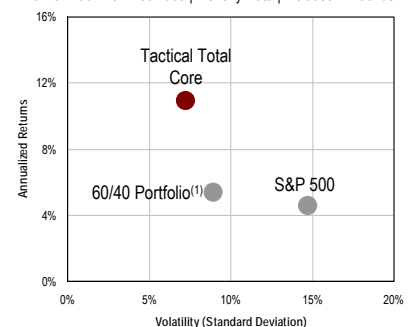


Model Portfolio Metrics

	Tactical Total Core	Benchmark ⁽¹⁾
# of Holdings	56	-
Cash Position	4.5%	-
Std Deviation	7.2%	8.9%
Sharpe Ratio	1.2	0.3
Beta	0.7	-
Alpha	7.1%	-
Tracking Error	4.5%	-
Information Ratio	1.2	-
Up-Market Capture ⁽²⁾	71.4%	63.2%
Down-Market Capture ⁽²⁾	37.8%	59.1%

Historical Risk-Return Simulation

29 Nov 2002 - 31 Dec 2009 | Monthly Data | Includes Dividends



(1) 60% S&P 500 Total Return Index and 40% Barclays Capital Aggregate Bond Index
(2) Using S&P 500 Total Return Index as the benchmark

Performance Summary

Simulated Performance | 29 Nov 2002 - 31 Dec 2009 | Monthly Data

Total Returns

	1-Month	3-Month	6-Month	YTD 2009	Inception
Tactical Total Core	2.4%	4.0%	17.2%	22.1%	108.0%
60/40 Portfolio ⁽¹⁾	0.7%	3.9%	15.2%	18.3%	45.0%
S&P 500 Total Return	1.9%	6.0%	22.6%	26.5%	37.1%

Average Annual Total Returns

	1-Year	2-Year	3-Year	5-Year	Inception
Tactical Total Core	22.1%	6.3%	6.8%	8.6%	10.9%
60/40 Portfolio ⁽¹⁾	18.3%	-2.8%	0.1%	3.0%	5.4%
S&P 500 Total Return	26.5%	-10.7%	-5.6%	0.4%	4.6%

Investment Portfolio & Product Strategies

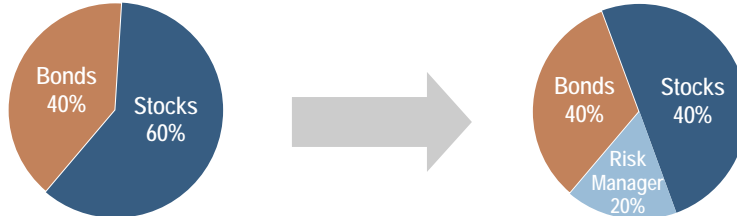
Equity Risk Manager

Equity Risk Manager is an innovative tactical strategy from EquityCompass that will adjust stock exposure from near-term factors coinciding with unfavorable equity market performance and restore exposure when the factors are favorable

How It Works

Step 1 –

This example assumes a 60% stock / 40% bond allocation with 33% of the equity allocation invested in the Equity Risk Manager (ERM).



Step 2 –

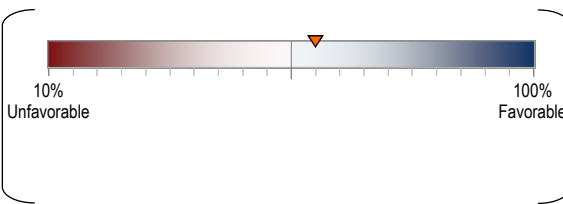
ERM will analyze fundamental and technical indicators and determine whether to be fully invested in the S&P 500 or, when conditions are unfavorable, reduce equity exposure by shifting an amount to cash or inverse (short).

Monthly Indicators

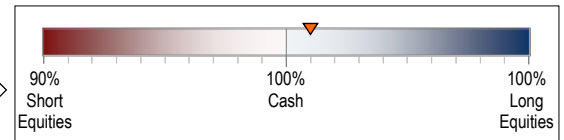
Fundamental
Forward change in S&P 500 over next 12 months

Technical
Dow Jones Industrial Average (DJIA) current levels relative to market peak & subsequent lows

Equity Exposure Index (Adjusted Monthly)



Equity Risk Manager Component Allocation (Adjusted Monthly)



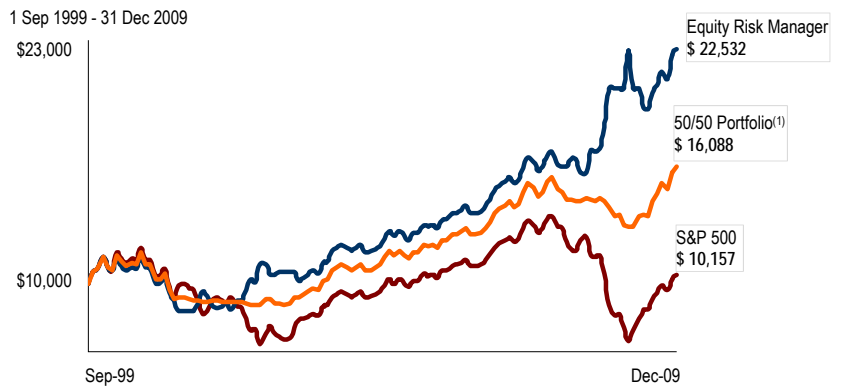
EC Equity Risk Manager Component Allocation

Equity Exposure Index	Cash	Long S&P 500	Short S&P 500 (Inverse)
100%	0%	100%	0%
95%	5%	95%	0%
90%	10%	90%	0%
85%	15%	85%	0%
80%	20%	80%	0%
75%	25%	75%	0%
70%	30%	70%	0%
65%	35%	65%	0%
60%	40%	60%	0%
55%	45%	55%	0%
50%	100%	0%	0%
45%	45%	0%	55%
40%	40%	0%	60%
35%	35%	0%	65%
30%	30%	0%	70%
25%	25%	0%	75%
20%	20%	0%	80%
15%	15%	0%	85%
10%	10%	0%	90%

Source: EquityCompass Strategies

EC Equity Exposure Index
January 2010
95%
(Unchanged)

Growth of \$10,000



	S&P 500	Equity Risk Manager	50/50 Portfolio(1)
Cumulative Return	384.3%	735.0%	578.4%
Annualized Return	8.2%	11.2%	10.0%
Std. Deviation	15.1%	12.4%	11.3%
Sharpe Ratio	0.38	0.70	0.67

(1) Portfolio of 50% S&P 500 & 50% Equity Risk Manager

For additional details please refer to the EquityCompass white paper "The Blueprint for Core Investing" available from your Stifel Nicolaus Financial Advisor.

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Performance information presented herein is based on simulated data over various periods of time. Simulated performance data is hypothetical and provided for informational purposes only. It does not reflect actual performance of client portfolios. Performance simulations typically include the reinvestment of dividends but do not include adjustments for brokerage, custodian, or advisory fees. There is no guarantee that the figures or opinions forecasted in this report will be realized or achieved. Past performance should not and cannot be viewed as an indicator of future performance.

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The opinions expressed in this list are based on a hybrid combination of quantitative/technical (EquityCompass) and fundamental (Stifel Nicolaus Equity Research) analyses. EquityCompass quantitative/technical ratings and opinions can and do differ from Stifel Nicolaus fundamental research opinions. Access to Stifel Nicolaus' fundamental research is available through Stifel, Nicolaus & Company, Incorporated. Performance prior to December 2005 reflects data from Legg Mason EquityCompass published by Legg Mason Wood Walker, Incorporated, the prior owner of part of the Stifel Nicolaus Capital Markets business, during the period of time that the research analysts covering those stocks were employed by Legg Mason Wood Walker, Incorporated. Performance prior to July 2008 reflects data from the Stifel Nicolaus EquityCompass published by the Portfolio Strategy Group, part of the Stifel Nicolaus Capital Markets business, during the period of time that the research analysts covering those stocks were employed by Stifel, Nicolaus & Company, Incorporated. Stifel, Nicolaus & Company, Incorporated's research analysts receive compensation that is based upon (among other factors) Stifel Nicolaus' overall investment banking revenues. Stifel Nicolaus' investment rating system is three tiered, defined as follows:

BUY – Stifel Nicolaus expects this stock to outperform the S&P 500 by more than 10% over the next 12 months. For higher-yielding equities such as REITs and Utilities, Stifel Nicolaus expects a total return in excess of 12% over the next 12 months.

HOLD – Stifel Nicolaus expects this stock to perform within 10% (plus or minus) of the S&P 500 over the next 12 months. A Hold rating is also used for those higher-yielding securities where Stifel Nicolaus is comfortable with the safety of the dividend, but believes that upside in the share price is limited.

SELL – Stifel Nicolaus expects this stock to underperform the S&P 500 by more than 10% over the next 12 months and believes the stock could decline in value.

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