

Yes, Stocks Do Correct

by Walter S. Frank, Chief Investment Officer

As Hotline listeners surely noticed, we made no changes to our allocations in the Hotline of February 28th, two days after the current market episode began. We took the position then, and have not changed our mind, that world markets are undergoing a correction, a la the correction of last May. We are not saying that this correction, if that is what it is, is working off the same script. Not at all. We are a year away, and in most markets double-digit percentage points higher than last year. But in its most general form, an Asian event (last year, fear of higher Japanese interest rates) sent the markets reeling after they had racked up substantial gains.

And, once again, the warnings have poured forth. To wit, rates are shooting up, recession is dead ahead, the appetite for risk is vanishing, etc., etc. As is frequently the case, there is a kernel of reality wrapped in the warnings. It is just that the arguments are carried too far. It is also the case that maybe none of the warnings have anything to do with the market's performance.

Corrections are somewhat mysterious events. Take the present episode. What does a plunge in the Shanghai market have to do with the value of stocks in Europe? The only connection we can see is psychology, elevated to an even greater importance than before with the growth of hedge funds and their intensive use of borrowed funds to beef up their returns.

Once Shanghai went, profits started to be taken elsewhere in Asia, the plum area for speculation, and hedge funds around the world had losses and, undoubtedly, acted to protect their profits.

Meanwhile, fundamentally nothing had happened. Are rates going to up in Japan, squeezing out borrowers? Yes, but slowly, very, very slowly. This was true before the correction and is true now. Is U.S. profit growth slowing? Yes. Who did not know that before the correction?

We are sure that a bear market is in our future. But in our opinion the conditions for a bear market do not exist now. First, inflation is generally safe-contained around the world. The Asian anti-inflation machine will run for some years yet. Second, the Federal Reserve has been avid in its anti-inflation stance. Consequently, it has so far managed to keep inflation low despite our low unemployment rate. Consequently, the outlook is for relatively stable U.S. rates. Until that changes, think correction and not bear market whenever the market stumbles.

Fund changes

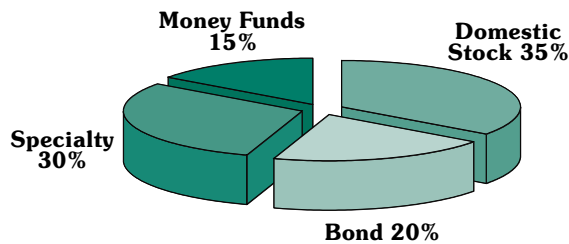
The Hotline of Wednesday, February 7th recommended the sale of Fidelity Dividend Growth in all three Fidelity family model portfolios. The replacements were Value Strategies in the Fidelity Venturesome and Moderate

portfolios and Fidelity Value in the Fidelity Conservative Portfolio. Here are the details as of Thursday, February 8th: **Venturesome**—Sold 411 shares of Dividend Growth @ \$32.25 per share. Purchased 393 shares of Value Strategies @ \$33.76 per share. **Moderate**—Sold 772 shares of Dividend Growth, purchased 8,738 shares of Value Strategies. **Conservative**—Sold 556 shares of Dividend Growth, purchased 211 shares of Fidelity Value @ \$84.78 per share. The same Hotline recommended the sale of Vanguard Value ETF in all three Vanguard family model portfolios, to be replaced by Capital Value in the Vanguard Venturesome and Vanguard Moderate portfolios and by Windsor in the Vanguard Conservative Portfolio. Here are the details as of February 8th: **Venturesome**—Sold 394 shares of Value ETF @ \$69.44 per share. Purchased 2,036 shares of Capital Value @ \$13.45 per share. **Moderate**—Sold 372 shares of Value ETF, purchased 1,919 shares of Capital Value. **Conservative**—Sold 331 shares of Value ETF, purchased 1,200 shares of Windsor @ \$19.15 per share. The same Hotline also recommended the sale of Vanguard Value in the Vanguard Venturesome and Moderate portfolios to be replaced by Windsor in both portfolios. Here are the details. **Venturesome**—Sold 410 shares of Value @ \$27.09 per share, purchased 583 shares of Windsor. **Moderate**—Sold 466 shares of Value, purchased 659 shares of Windsor.

The Hotline of Wednesday, February 14th recommended the sale of Powershares Dynamic Large Cap Value ETF in all three MONEYLETTER portfolios. The recommended replacement was Legg Mason Opportunity Trust in the Venturesome and Moderate portfolios and Weitz Hickory in the Conservative Portfolio. Here are the details as of February 15th: **Venturesome**—Sold 1,141 shares of Powershares Large Cap Value @ \$20.36 per share. Purchased 1,132 shares of Legg Mason Opportunity Trust @ \$20.52 per share. **Moderate**—Sold 1,225 shares of Powershares Large Cap Value, purchased 1,216 shares of Opportunity Trust. **Conservative**—Sold 1,039 shares of Powershares Large Cap Value. Purchased 516 shares of Weitz Hickory @ \$40.99 per share. The same Hotline recommended the sale of Fidelity Equity-Income in all three Fidelity family portfolios and the purchase of Fidelity Small Cap Independence. Here are the details (February 15th): **Fidelity Venturesome**—Sold 431 shares of Fidelity Equity-Income @ \$60.38 per share. Purchased 1,174 shares of Fidelity Small Cap Independence @ \$22.18 per share. **Moderate**—Sold 257 shares of Equity-Income, purchased 699 shares of Small Cap Independence. **Conservative**—Sold 239 shares of Equity-Income, purchased 650 shares of Small Cap Independence. \$

CONSERVATIVE

Seeks steady long-term growth of capital with limited short-term volatility

**MONEYLETTER Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Schwab MMF	Yield YTD	0.8%	22,251	\$1.00	\$22,251
Fidelity Intl Real Estate	12/18/06	5.1	935	16.85	15,757
Loomis Sayles Bond Retail	03/17/04	28.6	2,043	14.55	29,722
Gateway Fund	11/27/02	36.5	631	27.37	17,262
Wells Fargo Adv C&B MC Value	10/05/06	9.9	1,026	22.55	23,126
FBR Small Cap	01/25/07	0.9	257	55.93	14,358
Weitz Hickory	02/15/07	-2.7	516	39.87	20,572
T. Rowe Price New Era	10/19/06	6.4	336	46.23	15,527
TOTAL VALUE					\$158,575

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
0.5%	5.8%	6.7%	27.5%	1.1%

Fidelity Conservative

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	0.8%	16,558	\$1.00	\$16,558
Fidelity Intl Real Estate	12/18/06	5.1	784	16.85	13,207
Fidelity Strategic Income	03/17/04	22.0	1,980	10.67	21,129
Fidelity Balanced	11/27/02	74.4	908	19.85	18,029
Fidelity Large Cap Value	08/03/06	9.3	1,124	15.02	16,886
Fidelity Small Cap Independence	02/15/07	-1.6	650	21.82	14,191
Fidelity Value	02/08/07	-1.0	211	83.91	17,743
Fidelity Natural Resources	01/11/06	13.5	457	28.75	13,148
TOTAL VALUE					\$130,891

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
0.4%	7.1%	8.3%	29.7%	1.4%

Vanguard Conservative

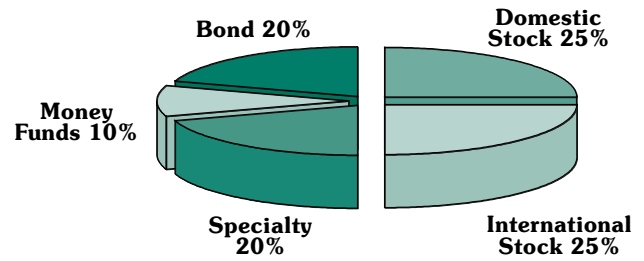
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime MMF/Investor	Yield YTD	0.8%	18,105	\$1.00	\$18,105
Vanguard European ETF	12/18/06	1.0	214	68.37	14,603
Vanguard GNMA	03/17/04	11.8	1,890	10.24	19,357
Vanguard Balanced Index	11/27/02	49.3	615	21.52	13,233
Vanguard Windsor	02/08/07	-2.7	1,200	18.63	22,348
Vanguard Capital Value	01/25/07	1.9	1,343	13.16	17,668
Vanguard Dividend Growth	08/03/06	11.0	643	14.45	9,289
Vanguard Energy ETF	10/19/06	3.5	145	82.91	11,984
TOTAL VALUE					\$126,587

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-0.4%	5.5%	7.7%	24.2%	0.2%

MODERATE

Seeks greater long-term growth than the Conservative Portfolio by taking prudent risks

**MONEYLETTER Moderate**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Schwab MMF	Yield YTD	0.8%	19,735	\$1.00	\$19,735
Fidelity Intl Real Estate	12/18/06	5.1	1,205	16.85	20,302
Loomis Sayles Bond Retail	03/17/04	28.6	1,835	14.55	26,705
T. Rowe Price New Asia	02/01/07	-2.4	2,256	13.97	31,511
ICON Europe	08/10/06	16.6	857	21.13	18,114
Janus Contrarian	01/25/07	0.5	1,100	17.62	19,380
Legg Mason Opportunity Trust	02/15/07	-3.0	1,216	19.91	24,205
T. Rowe Price New Era	10/19/06	6.4	353	46.23	16,329
TOTAL VALUE					\$176,281

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
0.1%	8.9%	9.5%	41.6%	0.3%

Fidelity Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	0.8%	15,707	\$1.00	\$15,707
Fidelity Intl Real Estate	12/18/06	5.1	958	16.85	16,134
Fidelity Strategic Income	03/17/04	22.0	2,900	10.67	30,948
Fidelity SE Asia	10/05/06	17.2	765	27.66	21,164
Fidelity Europe Capital App	06/07/06	18.8	837	27.60	23,090
Fidelity Value Strategies	02/08/07	-1.1	738	33.40	24,634
Fidelity Small Cap Independence	02/15/07	-1.6	699	21.82	15,247
Fidelity Natural Resources	01/11/06	13.5	569	28.75	16,366
TOTAL VALUE					\$163,290

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
0.7%	8.8%	7.5%	41.0%	1.2%

Vanguard Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime MMF/Investor	Yield YTD	0.8%	15,002	\$1.00	\$15,002
Vanguard REIT ETF	12/18/06	6.6	191	81.40	15,524
Vanguard FI Hi-Yld Corp	01/17/01	46.4	4,069	6.28	25,552
Vanguard European ETF	09/28/06	11.1	336	68.37	22,958
Vanguard Emerging Mkts Stk	12/28/06	-1.9	676	23.82	16,096
Vanguard Windsor	02/08/07	-2.7	659	18.63	12,269
Vanguard Capital Value	02/08/07	-2.2	1,919	13.16	25,250
Vanguard Energy ETF	10/19/06	3.5	162	82.91	13,409
TOTAL VALUE					\$146,060

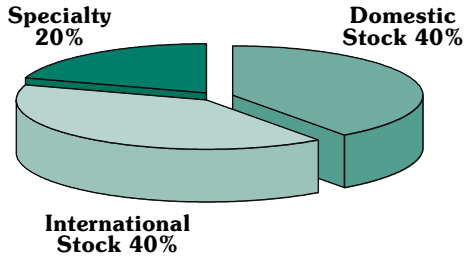
TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-0.8%	7.8%	7.8%	31.6%	0.5%

Note: Asset Allocation Portfolios were indexed to \$100,000 on January 1, 2000. Pie charts show allocations at press time.

VENTURESOME

Seeks maximum long-term growth by accepting greater short-term volatility



MONEYLETTER Venturesome

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Intl Real Estate	12/18/06	5.1%	966	\$16.85	\$16,269
Janus Overseas	05/24/06	30.2	668	46.53	31,095
Metzler/Payden Europe Emg Mkts	08/17/06	13.5	536	31.77	17,025
ICON Europe	06/07/06	19.3	1,226	21.13	25,912
Janus Contrarian	01/25/07	0.5	1,575	17.62	27,758
Wells Fargo Adv C&B MC Value	10/05/06	9.9	749	22.55	16,897
Legg Mason Opportunity Trust	02/15/07	-3.0	1,132	19.91	22,531
T. Rowe Price New Era	10/19/06	6.4	344	46.23	15,889
TOTAL VALUE					\$173,376

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-0.5%	11.8%	9.6%	46.8%	0.3%

Fidelity Venturesome

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Intl Real Estate	12/18/06	5.1%	991	\$16.85	\$16,694
Fidelity SE Asia	10/05/06	17.3	1,260	27.66	34,849
Fidelity Latin America	08/17/06	16.4	399	43.75	17,466
Fidelity Europe Capital App	06/07/06	18.8	858	27.60	23,683
Fidelity OTC Portfolio	11/22/06	-2.6	671	41.46	27,817
Fidelity Small Cap Independence	02/15/07	-1.6	1,174	21.82	25,614
Fidelity Value Strategies	02/08/07	-1.1	393	33.40	13,120
Fidelity Natural Resources	01/11/06	13.5	603	28.75	17,342
TOTAL VALUE					\$176,585

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-0.1%	11.1%	9.5%	44.6%	0.8%

Vanguard Venturesome

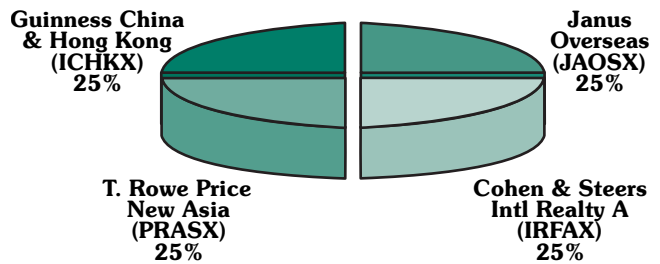
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard REIT ETF	12/18/06	6.6	176	81.40	14,360
Vanguard Emerging Mkts Stk	12/28/06	-1.9	982	23.82	23,393
Vanguard European ETF	08/17/06	13.4	369	68.37	25,205
Vanguard International Growth	09/28/06	10.6	569	23.95	13,632
Vanguard Capital Value	02/08/07	-2.2	2,036	13.16	26,796
Vanguard Dividend Growth	08/10/06	11.3	1,478	14.45	21,357
Vanguard Windsor	02/08/07	-2.7	583	18.63	10,870
Vanguard Energy ETF	10/19/06	3.5	168	82.91	13,912
TOTAL VALUE					\$149,525

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-1.5%	9.2%	8.0%	35.6%	-0.2%

SELECT

Seeks maximum long-term growth by assertively upgrading fund positions



MONEYLETTER Select

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Janus Overseas	12/04/06	2.7%	1,129	\$46.53	\$52,535
Cohen & Steers Intl Realty	02/01/07	0.2	2,994	19.21	57,509
T. Rowe Price New Asia	01/11/07	1.3	3,654	13.97	51,051
Guinness Atkinson China & HK	07/27/06	24.0	1,890	26.61	50,296
TOTAL VALUE					\$211,391

Inception: 9/30/02

TOTAL RETURNS (as of 2/28/07)

1-mo	6-mo	1-yr	3-yr	YTD
-0.4%	12.5%	4.2%	60.0%	1.5%

MONEYLETTER Select Commentary

In the commentary which accompanied the last portfolio accounting (February 9, 2007) we incorrectly reported the share price for the sale of Cohen & Steers Realty Majors ETF (ICF). The closing price for the trade executed on January 11, 2007 should have been reported as \$103.38 per share, not \$19.95.

While global markets have been in turmoil the past week as selling pressure continues unabated, the declines have impacted virtually all market segments. Gains that were achieved for the month of February and in many instances YTD have been relinquished. Statistically, all of the positions in the Model remain in the "same boat" without changes in their relative rankings. No fund exchanges are recommended. \$

Please note: The recommendations presented for the Select Portfolio are based strictly upon "technical" data rather than fundamental analysis. As such, these exchanges should NOT be considered for investors following our Asset Allocation Portfolios (i.e. Conservative, Moderate or Venturesome).

Total Returns—February 28, 2007

	1-mo	6-mo	1-yr	3-yr	YTD
S&P 500	-2.1%	8.8%	11.8%	29.7%	-0.6%
Asset Allocation	-0.3	7.4	9.7	26.2	0.8
Funds (Avg) 542 Funds					

Domestic Stock Funds

RANK	03/02 2007	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE	RISK		NTF/ w/f
										1 mo.	6 mo.	12 mo.	PER SHARE	Std. Dev.	Beta	
1	1	33	FBRVX	FBR Small Cap (1%r<90d)	MCGro	B	B	B	-3.0%	21.5%	21.9%	\$55.15	12.4	1.11	FSA	
2	24	167	AVALX	Aegis Value Fund (\$10k)	SCVal	B	B	B	1.1	19.9	18.2	15.39	11.6	1.01	fa	
3	—	—	KSCOX	Kinetics Small Cap Opportunities (2%r<30d)	MC	*	H	H	-2.2	19.3	18.4	27.75	11.1	1.29	Fsa	
4	11	1	LLSCX	Longleaf Partners Smallcap (closed)	SCVal	B	B	B	0.6	16.3	21.3	31.12	9.4	1.01	fa	
5	2	18	JSVAX	Janus Contrarian	LC	*	B	B	-3.0	18.3	19.9	17.41	13.6	1.29	SA	
6	3	266	LMOPX	Legg Mason Opportunity Trust (1%r)	MCGro	*	B	B	-3.8	21.6	10.6	19.44	20.6	1.90	—	
7	8	181	CHTTX	Aston/Optimum MidCap N	MC	*	B	B	-1.3	17.7	15.9	27.61	15.4	1.54	FSA	
8	5	235	JAVTX	Janus Venture (closed)	SCGro	*	B	B	-2.1	19.7	10.6	63.48	16.7	1.55	FSA	
9	7	60	VCVLX	Vanguard Capital Value	LCVal	B	B	B	-2.6	15.9	16.5	12.91	10.1	1.19	fsa	
10	25	113	BPMCX	Robeco Boston Partners Mid Cap Value	MCVal	B	B	B	-1.3	14.9	15.6	10.64	11.7	1.20	FSA	
11	10	2	CBMDX	Wells Fargo Adv C&B Mid Cap Value	MC	*	B	B	-2.5	13.2	18.0	22.25	11.9	1.32	FSA	
12	52	271	LMASX	Legg Mason Special Investment Trust	MC	*	(B)	(B)	-0.4	15.9	7.5	40.09	16.3	1.54	a	
13	21	136	FSLSX	Fidelity Value Strategies	MC	*	B	B	-1.5	14.1	13.2	32.77	18.5	1.80	F	
14	6	11	WEHIX	Weitz Hickory	MC	(H)	(H)	(H)	-4.0	13.3	18.3	39.61	8.9	0.95	fSA	
15	41	17	TRMCX	T. Rowe Price Mid Cap Value (closed)	MCVal	H	H	H	-1.4	12.4	16.5	25.75	9.8	1.22	fsa	
16	4	29	BPTRX	Baron Partners	MCGro	(B)	(B)	(B)	-5.5	15.0	15.7	22.67	13.3	1.15	FSA	
17	47	109	ARTQX	Artisan Mid Cap Value (closed)	MCVal	(B)	(B)	(B)	-1.4	13.2	13.9	20.78	11.0	1.00	FSA	
18	13	5	VASVX	Vanguard Selected Value (\$25k, 1%r<1yr)	MCVal	B	B	B	-2.9	11.7	18.1	21.27	8.6	0.97	fsa	
19	18	139	WWNPX	Kinetics Paradigm (2%r<30d)	MC	B	B	B	-3.5	12.9	15.5	25.71	10.8	1.05	Fsa	
20	12	7	WWALX	Weitz Value Fund	LCVal	(H)	(H)	(H)	-3.7	11.6	19.0	39.83	7.2	0.69	FSA	
21	60	104	PWP	PowerShares Dynamic MC Value	MCVal	H	H	H	-1.6	12.4	13.4	19.03	—	—	—	
22	49	71	NOIEX	Northern Income Equity	Convrt	H	H	H	-2.0	11.5	16.3	13.00	6.4	0.81	FSA	
23	35	46	IWS	Russell MidCap Value (iS)	MCVal	H	H	H	-2.2	11.7	15.5	149.50	10.0	1.18	—	
24	38	30	LLPFX	Longleaf Partners (closed)	LC	B	B	B	-2.5	11.7	16.1	34.96	9.9	0.95	fa	
25	39	53	JKI	Morningstar Mid Value (iS)	MCVal	H	H	H	-2.3	11.7	15.4	87.48	—	—	—	
26	69	128	CRMMX	CRM Mid Cap Value Inv (closed)	MC	H	H	H	-1.3	11.4	13.0	30.04	10.0	1.04	FSA	
27	9	61	ATASX	Aston/TAMRO SmallCap N	SC	*	B	B	-3.6	12.7	12.4	19.52	15.8	1.52	FSA	
28	32	299	TWHIX	American Century Heritage	MCGro	*	(B)	(B)	-3.6	13.7	9.9	16.11	13.4	1.31	FSA	
29	29	55	GABAX	Gabelli Asset (2%r<7d)	MC	H	H	H	-3.3	10.8	16.3	47.62	10.2	1.09	FSA	
30	22	137	MNSCX	WellsFargo Adv Small Cap Growth (closed)	SCGro	*	B	B	-3.0	12.9	10.5	13.19	17.1	1.53	fs	
31	42	81	HRTVX	Heartland Value (2%r<10d)	SCVal	*	(B)	(B)	-2.5	11.6	12.7	50.58	16.9	1.57	FSA	
32	72	292	FDSGX	Fidelity Small Cap Ind. (1.5%r<90d)	SCGro	H	H	H	-2.0	13.0	7.9	21.36	12.6	1.08	Fsa	
33	48	186	OBSWX	Old Mutual Small Cap (2%r<10d)	SC	H	H	H	-2.5	11.9	10.8	26.96	14.0	1.39	FSA	
34	57	100	FDVLX	Fidelity Value	MCVal	H	H	H	-1.8	11.2	11.2	82.49	11.1	1.16	Fsa	
35	58	212	WMCVX	Wasatch Small Cap Value (closed, 2%r<60d)	SC	*	H	H	-3.0	12.7	8.9	5.14	14.0	1.47	FSA	
36	119	264	ARGFX	Ariel Fund	MC	H	H	H	-1.3	12.2	7.3	53.46	9.8	0.95	FSA	
37	16	282	BSCFX	Baron Small Cap (closed)	SCGro	B	B	B	-4.0	14.5	5.6	23.06	13.2	1.06	FSA	
38	34	152	JKG	Morningstar Mid Core (iS)	MC	H	H	H	-2.9	11.9	10.0	83.68	—	—	—	
39	50	62	MERDX	Meridian Fund (2%r<60d)	MCGro	*	H	H	-2.0	10.9	10.7	40.41	13.8	1.36	fa	
40	98	107	JMVCX	Janus Mid Cap Value	MCVal	H	H	H	-2.1	10.1	12.6	24.17	10.2	1.06	FSA	
41	108	163	BPSCX	Robeco Boston Ptnrs SCV (closed, 1%r<1yr)	SCVal	H	H	H	-2.0	11.4	9.0	21.26	13.9	1.38	FSA	
42	37	86	VWNDX	Vanguard Windsor	LCVal	(H)	(H)	(H)	-3.7	10.9	12.9	18.36	8.8	1.09	fSA	
43	19	98	BARAX	Baron Asset	MCGro	H	H	H	-3.8	11.1	12.2	60.72	10.9	1.00	FSA	
44	15	225	BGRFX	Baron Growth (closed)	SCGro	H	H	H	-4.5	13.1	8.1	49.91	11.3	0.97	FSA	
45	51	140	IWR	Russell MidCap (iS)	MC	*	H	H	-2.7	10.9	10.2	101.60	10.8	1.27	—	
46	40	188	BUFSX	Buffalo Small Cap (2%r<180d)	SCGro	*	H	H	-2.8	12.4	6.3	27.25	16.0	1.48	FSA	
47	134	342	UBRRX	Undiscovered Mgr Behavioral Grwth (\$10k)	MCGro	*	H	H	-2.2	14.6	0.0	23.84	18.8	1.82	fa	
48	30	173	JAMRX	Janus Research	LCGro	*	H	H	-2.7	11.6	8.1	25.61	10.4	1.09	FSA	
49	135	217	IJJ	S&P 400 MidCap Value (iS)	MCVal	*	H	H	-1.8	10.6	9.3	81.37	11.7	1.37	—	
50	187	166	FLVCX	Fidelity Leveraged Co (\$10k, 1.5%r<90d)	MC	*	H	H	-1.2	9.1	12.0	29.75	18.1	1.75	Fa	
51	45	177	CAAPX	Ariel Appreciation	MC	H	H	H	-3.4	11.7	8.9	48.55	10.0	1.06	FSA	
52	23	183	JAENX	Janus Enterprise	MCGro	H	H	H	-3.7	12.6	6.9	48.25	11.6	1.14	FSA	
53	28	41	OAKMX	Oakmark Fund (2%r<90d)	LCVal	H	H	H	-4.4	10.0	13.9	45.28	8.2	0.84	FSA	
54	122	160	WPSRX	Westport Select Cap R (closed)	MC	H	H	H	-2.3	10.4	9.6	24.90	10.1	1.08	FSA	
55	110	154	HDPNX	Hodges Fund (2%r<90d)	MC	*	S	S	-3.3	11.6	7.8	26.04	19.0	1.85	FSA	
56	131	251	RYVFX	Royce Value (1%r<180d)	SC	H	H	H	-2.5	10.9	8.3	11.09	13.1	1.18	FSA	
57	27	153	JORNX	Janus Orion	MCGro	*	H	H	-4.5	11.6	9.1	9.88	13.3	1.37	FSA	
58	20	202	NMANX	Neuberger Berman Manhattan	MCGro	*	H	H	-4.4	12.2	7.5	9.23	13.8	1.28	fSA	
59	63	159	VIMSX	Vanguard Mid-Cap Index	MC	H	H	H	-3.0	10.5	9.4	20.12	11.2	1.31	fsa	
60	113	131	CIPX	Champlain Small Company	SCGr	H	H	H	-2.2	10.4	8.3	12.43	—	—	FSA	
61	66	158	VO	Vanguard MidCap ETF	MC	H	H	H	-3.1	10.4	9.3	73.71	—	—	—	
62	56	76	USCGX	USAA Capital Growth	SCGro	*	H	H	-3.5	9.1	13.3	8.49	15.0	1.52	fSA	
63	222	205	FCVXS	Fidelity Convertible Securities	Convrt	H	H	H	-1.8	9.2	10.2	25.83	8.9	1.14	Fsa	
64	190	28	DVY	DJ Select Dividend Index (iS)	MCVal	H	H	H	-2.6	7.7	15.0	70.17	—	—	—	
65	112	151	FLPSX	Fidelity L.P Stock (closed, 1.5%r<90d)	MC	H	H	H	-3.2	10.1	9.6	43.26	11.9	1.20	Fsa	
66	102	51	PRFDX	T. Rowe Price Equity-Income	LCVal	H	H	H	-3.2	8.7	13.2	29.28	8.9	0.98	fsa	
67	43	6	LSVRX	Loomis Sayles Value Retail	LCVal	H	H	H	-4.3	8.5	15.0	21.34	7.4	0.90	FA	
68	101	149	RYPNX	Royce Opportunity (1%r<180d)	SCVal	*	H	H	-2.2	10.3	7.5	13.21	18.4	1.74	fsa	

Bold funds are currently held in MONEYLETTER model portfolios.
Advice: B=Buy, H=Hold, S=Sell, (B), (H), (S) = advice new this issue,
 * = not for this portfolio.

Std. Dev.: Standard Deviation based on trailing 3-yr. returns.

Beta: fund's correlation to the market (S&P 500 = 1.0). A fund with a beta greater than 1.0 is more volatile than the S&P 500.
NTF/wtf: NO TRANSACTION FEE/with transaction fee (F/f) for Fidelity, (S/s) for Schwab and (A/a) for TD Ameritrade.

Domestic Stock Funds (continued)

RANK	03/2007	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/wif
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
69	178	87	LSCRX	Loomis Sayles Small Cap Value Ret	SC	H	H	H	-2.1	9.8	8.6	26.52	12.1	1.18	FSA	
70	76	16	TWVLX	American Century Value (closed)	LCVal	H	H	H	-3.1	8.2	14.0	7.48	7.3	0.88	FSA	
71	44	165	FIDYX	AIM Dynamics Inv (closed)	MCGro	*	H	H	-3.9	11.1	7.8	21.41	13.1	1.26	Fsa	
72	85	157	PWJ	PowerShares Dynamic MidCap Grow	MCGro	H	H	H	-2.3	10.3	7.2	19.57	—	—	—	
73	67	190	VXF	Vanguard Extended Mkt ETF	MC	*	H	H	-3.2	10.5	8.0	103.20	12.1	1.38	—	
74	26	78	MAVFX	Matrix Advisors Value (1%r<60d)	LC	*	H	H	-5.1	11.0	9.5	55.63	13.2	1.43	FSA	
75	31	133	IZZYX	Ironwood Isabelle Small Company Stock	SCVal	*	(H)	(H)	-2.6	10.2	7.3	13.33	17.1	1.60	FSA	
76	65	195	VEXMX	Vanguard Extended Market Index	MC	*	H	H	-3.4	10.4	7.8	39.09	12.1	1.38	fsc	
77	83	129	DSV	DJ WI US SmallCap Value (stfr)	SCVal	*	H	H	-3.3	9.1	10.6	70.78	13.5	1.53	—	
78	62	215	VSEQX	Vanguard Strategic Equity	MCGro	H	H	H	-3.7	10.3	8.2	23.99	12.4	1.39	fsc	
79	214	19	SMCDX	Wells Fargo Advantage MC Disciplined	MCVal	S	S	S	-1.7	7.0	13.5	22.71	7.7	0.80	FSA	
80	195	143	RVPX	Royce Value Plus (1%r<180d)	SCGro	*	H	H	-1.8	9.4	7.6	14.19	16.9	1.54	FSA	
81	158	135	FMCSX	Fidelity Mid-Cap Stock (closed,.75%r<30d)	MCGro	*	H	H	-1.9	9.7	6.9	29.99	13.8	1.29	Fsa	
82	36	8	PVLDX	Allianz OCC Value D (2%r<7d)	LCVal	(S)	(S)	(S)	-5.0	8.6	14.2	16.99	9.8	1.17	FSA	
83	46	321	POGSX	Pin Oak Aggressive Stock	LCGro	*	H	H	-1.4	12.3	-0.5	21.93	20.6	1.87	FSA	
84	91	196	DNLDX	Dreyfus New Leaders	MCGro	S	S	S	-3.4	10.4	7.3	48.11	11.4	1.16	fsc	
85	78	114	RNSP	Rydex S&P Equal Weight	LC	*	S	S	-3.2	9.2	9.8	47.42	10.6	1.31	—	
107	14	89	MXXIX	Marsico 21st Century (2%r<30d)	LC	*	(S)	(S)	-6.2	10.7	9.0	15.07	14.2	1.36	FSA	
117	17	201	KAUFX	Federated Kaufmann Fund (0.2%r)	MCGro	*	(H)	(H)	-4.9	11.2	5.0	5.62	13.6	1.35	FSA	
156	205	118	FSLVX	Fidelity Large Cap Value	LCVal	H	S	S	-3.5	7.0	10.3	14.54	—	1.00	Fa	
169	33	224	FOCPX	Fidelity OTC Portfolio	LCGro	*	H	H	-4.2	10.2	2.8	40.55	14.3	1.37	Fsa	
179	137	39	VDIGX	Vanguard Dividend Growth	LCVal	H	H	H	-4.1	6.0	11.9	14.23	7.1	0.87	fsc	

Dow Jones
NASDAQ
S&P 500

-4.3% **5.7%** **9.9%**
-4.4 **8.0** **2.5**
-4.2 **5.8** **7.6**

indexes do not
include dividends

International Stock Funds

1	13	81	ICHKX	Guinness Atkinson China & HK (2%r<90d)	Pacific	*	B	B	-0.7%	22.2%	24.6%	\$26.61	16.9	—	FSA
2	1	78	PGJ	PowerShares Golden Dragon USX	Pacific	*	H	H	-7.1	23.1	22.3	19.52	—	—	—
3	6	—	TWMIX	American Century Emerging Mkts	EmerMkt	*	B	B	-3.3	18.9	24.1	8.91	18.3	—	FSA
4	2	43	PRASX	T. Rowe Price New Asia (2%r<90d)	Pacific	*	B	B	-6.2	21.5	21.4	13.60	15.5	—	fs
5	12	6	OAKEX	Oakmark Intl Small Cap (closed,2%r<90d)	Int'l	*	B	B	-1.9	17.2	24.5	23.09	10.8	—	FSA
6	3	2	JAOSX	Janus Overseas (2%r<90d)	Int'l	*	B	B	-4.0	17.3	26.8	45.38	15.1	—	FSA
7	11	4	FSEAX	Fidelity SE Asia (1.5%r<90d)	Pacific	*	B	B	-3.5	17.2	23.5	26.76	16.9	—	Fsa
8	37	54	QFVOX	Quant Foreign Value	Int'l	*	(B)	(B)	-0.9	15.7	20.9	22.18	12.2	—	FSA
9	18	37	EPP	MSCI Pacific Ex-Japan (iS)	Pacific	*	B	B	-2.9	15.1	24.3	124.50	11.8	—	—
10	17	97	AIOIX	Amer.Cent.Intl Opp. (closed,2%r<180d)	Int'l	*	B	B	-4.1	18.6	15.6	9.30	14.9	—	—
11	20	29	FFINX	Forward International Equity (2%r<180d)	Int'l	*	B	B	-3.4	15.1	22.0	18.27	12.2	—	FSA
12	8	39	ARTJX	Artisan Intl Small Cap (closed,2%r<90d)	Int'l	*	B	B	-4.3	16.6	19.3	21.82	12.6	—	SA
13	22	53	FSCOX	Fidelity Intl Small Cap Opp	Int'l	*	B	B	-3.5	16.2	18.5	15.99	—	—	Fsa
14	29	13	FECAIX	Fidelity Europe Capital App (1%r<30d)	Europe	*	H	H	-1.9	12.5	22.6	27.39	13.7	—	Fsa
15	24	36	PIRX	Forward Intl Small Companies (2%r<180d)	Int'l	*	H	H	-3.1	14.4	19.2	18.98	13.6	—	FSA
16	51	79	WAIGX	Wasatch Intl Growth (closed,2%r<60d)	Int'l	*	H	H	-1.7	14.1	17.3	21.04	11.5	—	FSA
17	4	5	PRLAX	T. Rowe Price Latin America (2%r<90d)	LatinA	*	B	B	-7.1	16.3	19.2	36.34	20.5	—	fsc
18	40	28	PRIDX	T. Rowe Price Intl Disc. (2%r<90d)	Int'l	*	H	H	-2.5	13.3	19.1	47.50	12.9	—	fsc
19	15	3	DREGX	Driehaus Emerg Mkts Gr (closed,2%r<60d)	Int'l	*	B	B	-4.8	14.6	19.0	37.62	17.9	—	FSA
20	23	46	PREFX	T. Rowe Price European (2%r<90d)	Europe	*	H	H	-3.7	12.9	19.9	20.00	10.7	—	fsc
21	10	7	SCOPX	DWS Pacific Opp Eq. S (closed,2%r<30d)	Pacific	*	(H)	(H)	-6.0	14.1	19.2	20.61	14.8	—	Sa
22	48	9	ARTKX	Artisan Intl Value (2%r<90d)	Int'l	*	H	H	-3.3	11.9	19.7	27.38	10.6	—	FSA
23	42	25	BJBIX	Julius Baer Intl Eq A (closed,2%r<90d)	Int'l	*	H	H	-3.3	12.1	18.5	41.98	11.9	—	FS
24	55	24	DODFX	Dodge & Cox Intl Stock	Int'l	*	H	H	-2.4	10.6	20.6	43.70	11.2	—	fsc
25	30	87	SGSCX	DWS Gbl Opportunities S (closed,2%r<30d)	Int'l	*	H	H	-2.8	13.5	13.9	42.87	12.2	—	FSA
26	25	62	PRGSX	T. Rowe Price Global Stock (2%r<90d)	Global	*	H	H	-4.4	13.8	14.7	22.61	9.8	—	fsc
27	27	14	EZU	MSCI EMU (iS)	Europe	*	H	H	-3.8	10.5	22.1	101.10	12.1	—	—
28	28	80	JAWWX	Janus Worldwide (2%r<90d)	Int'l	*	H	H	-2.9	12.7	14.7	50.48	9.2	—	FSA
29	53	18	EFV	MSCI EAFE Value (iS)	Int'l	*	H	H	-3.1	9.8	20.2	71.04	—	—	—
30	52	40	OAKGX	Oakmark Global (2%r<90d)	Global	*	H	H	-2.8	10.5	18.0	25.16	9.8	—	FSA
31	34	15	VEURX	Vanguard European Stock Index (2%r<60d)	Europe	*	H	H	-4.1	9.5	22.4	35.41	10.6	—	fsc
32	14	30	TREMX	T. Rowe Price Emg Europe & Med (2%r<90d)	Europe	*	H	H	-5.1	14.7	10.9	31.44	19.4	—	fa
33	26	1	MPYMX	Metzler/Payden Europe Emg Mkts (2%r<30d)	Europe	*	H	H	-5.5	11.3	19.4	31.32	21.4	—	FSA
34	16	65	ADRE	Emerging Mkts 50 ADR (BLDRS)	EmerMkt	*	(H)	(H)	-7.0	13.7	15.0	36.84	17.9	—	—
35	38	17	VGK	Vanguard European ETF	Europe	B	H	H	-4.1	9.3	21.6	66.75	—	—	—
36	32	10	ICSEX	ICON Europe	Europe	*	H	H	-3.9	9.9	19.9	20.69	13.9	—	FSA
37	—	—	GEMFX	US Global Emerging Markets	Int'l	*	H	H	-5.4	13.9	11.7	14.09	—	—	FSA
38	19	71	PRMSX	T. Rowe Price Emerging Mkts Stock	Int'l	*	H	H	-6.3	14.4	11.4	30.74	16.5	—	fsc
39	9	60	SLAFX	DWS Latin Amer Equity S (closed,2%r<30d)	LatinA	*	(H)	(H)	-7.3	14.6	11.5	55.09	21.1	—	Sa
40	59	11	OAKIX	Oakmark International (2%r<90d)	Int'l	*	S	S	-2.8	8.7	19.4	25.02	9.0	—	FSA
44	21	20	MAPTX	Matthews Pacific Tiger (closed,2%r<90d)	Pacific	*	(S)	(S)	-6.2	12.0	14.9	22.76	15.1	—	FSA
45	5	75	ILF	S&P 40 Latin America (iS)	LatinA	*	(H)	(H)	-8.5	14.5	12.1	161.40	19.2	—	—
56	7	12	FLATX	Fidelity Latin America (1.5%r<90d)	LatinA	*	(H)	(H)	-7.9	12.6	12.7	42.48	22.1	—	Fsa
58	43	70	VEIEIX	Vanguard Emerging Mkts Stk Index (.5%r)	Int'l	*	H	H	-5.5	11.8	10.7	23.21	16.7	—	fsc
74	62	44	VWIGX	Vanguard International Growth (2%r<60d)	Int'l	*	H	H	-4.1	7.4	15.4	23.41	10.7	—	fsc

Specialty Funds (next issue on page 6: Bond Funds)

RANK	03/02 2007	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative Moderate Venturesome			TOTAL RETURN			PRICE PER SHARE	RISK		NTF/ wif
							B	B	B	1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
1	5	—	—	EGLRX	Alpine Intl Real Estate (1%r<60d)	RealEs	B	B	B	-1.7%	26.4%	27.2%	\$42.07	11.60	1.16	FSA
2	9	—	—	IRFAX	Cohen & Steers Intl Realty A (1%r<180d)	RealEs	B	B	B	-3.9	19.0	30.7	18.72	—	—	S
3	12	—	—	FIREX	Fidelity Intl Real Estate (1.5%r<90d)	RealEs	B	B	B	-3.4	18.7	29.4	16.44	—	—	Fsa
4	22	80	—	RYBIX	Rydex Basic Materials (\$25k)	Cycls	*	*	*	0.0	19.4	19.9	40.53	16.10	1.66	Fsa
5	72	19	—	FSUTX	Fidelity Utilities Growth (.75%r<30d)	Utility	*	*	*	2.8	14.6	24.4	57.62	9.78	0.81	Fsa
6	4	7	—	FRESX	Fidelity Real Estate (.75%r<90d)	RealEs	*	*	*	-5.3	17.2	26.6	37.68	15.20	0.89	Fsa
7	24	89	—	VAV	Vanguard Materials ETF	NatfRes	*	*	*	-0.6	17.5	18.6	74.45	—	—	—
8	1	4	—	ICF	Cohen & Steers Realty Majors (iS)	RealEs	*	*	*	-6.4	16.5	29.5	104.00	16.60	0.92	—
9	15	29	—	IXP	S&P Global Telecommunication (iS)	Tech	*	*	*	-4.0	15.9	27.0	62.47	10.20	0.94	—
10	11	15	—	PRMTX	T. Rowe Price Media & Telecommunications	Utility	*	*	*	-4.7	17.7	21.8	43.41	12.50	1.46	fsa
11	10	3	—	TRREX	T. Rowe Price Real Estate (1%r<180d)	RealEs	*	*	*	-5.1	14.7	28.5	26.13	15.30	0.85	fsa
12	16	5	—	VOX	Vanguard Telecom Service ETF	Utility	*	*	*	-3.1	14.7	24.6	74.52	—	—	—
13	2	2	—	CSRSX	Cohen & Steers Realty (\$10k, 1%r<180d)	RealEs	*	*	*	-6.8	15.4	28.3	91.73	15.60	0.91	FSA
14	6	6	—	VNQ	Vanguard REIT ETF	RealEs	*	*	*	-5.8	15.3	26.8	79.40	—	—	—
15	7	10	—	RWR	DJ Wilshire REIT (sIFr)	RealEs	*	*	*	-5.8	15.2	27.1	90.80	16.10	0.92	—
16	3	9	—	IYR	DJ US Real Estate (iS)	RealEs	*	*	*	-6.8	15.9	26.8	85.77	16.00	0.98	—
17	17	51	—	FSAIX	Fidelity Air Transport (.75%r<30d)	Cycls	*	*	*	-4.5	18.6	16.5	49.89	13.60	1.14	Fsa
18	8	8	—	VGSIX	Vanguard REIT Index (1%r<1yr)	RealEs	*	*	*	-5.9	15.1	26.6	26.33	15.70	0.91	fsa
19	36	91	—	XLB	Materials (SPDR)	Cycls	*	*	*	-0.5	15.1	18.2	36.45	15.40	1.47	—
20	40	93	—	FSPFX	Fidelity Paper & Forest (.75%r<30d)	Cycls	*	*	*	0.4	15.1	15.6	34.06	16.60	1.51	Fsa
21	97	65	—	XLU	Utilities (SPDR)	Utility	*	*	*	2.6	11.2	21.2	38.05	11.20	0.46	—
22	21	119	—	FSAVX	Fidelity Automotive (.75%r<30d)	Cycls	*	*	*	-2.9	16.6	16.0	39.75	14.20	1.36	Fsa
23	33	78	—	FSCHX	Fidelity Chemicals (.75%r<30d)	Cycls	*	*	*	-1.2	15.8	14.9	69.20	15.40	1.28	Fsa
24	94	42	—	VPU	Vanguard Utilities ETF	Utility	*	*	*	2.0	11.0	21.4	79.39	—	—	—
25	31	14	—	NYZ	DJ US Telecom (iS)	Tech	*	*	*	-2.3	12.9	21.7	30.12	11.00	0.88	—
26	60	82	—	FSDPX	Fidelity Indust Matrils (.75%r<30d)	Cycls	*	*	*	-0.4	14.1	15.2	49.77	17.10	1.58	Fsa
27	99	49	—	IDU	DJ US Utilities	Utility	*	*	*	2.1	10.4	20.6	92.66	10.60	0.52	—
28	20	71	—	RYLIX	Rydex Leisure (\$25k)	Consmr	*	*	*	-4.7	16.7	12.8	35.20	11.90	1.22	Fsa
29	30	33	—	FSRPX	Fidelity Retailing (.75%r<30d)	Consmr	*	*	*	-2.3	14.9	13.6	54.08	13.30	1.18	Fsa
30	51	108	—	IYM	DJ US Basic Materials (iS)	Cycls	*	*	*	-1.4	13.6	15.5	61.60	15.90	1.50	—
31	47	70	—	ICTUX	ICON Telecommunications & Utilities	Utility	*	*	*	-1.9	13.5	16.1	7.85	11.00	0.94	FSA
32	100	57	—	RYUIX	Rydex Utilities (\$25k)	Utility	*	*	*	1.4	10.0	19.4	30.29	10.10	0.60	Fsa
33	18	24	—	FSTCX	Fidelity Telecomm (.75%r<30d)	Utility	*	*	*	-3.6	14.1	16.6	49.72	14.10	1.45	Fsa
34	23	72	—	VCR	Vanguard Consumer Discr ETF	Consmr	*	*	*	-4.3	15.3	12.9	60.38	—	—	—
35	39	26	—	PEJ	PowerShares Dyn Leisure & Ent	Consmr	*	*	*	-2.2	13.9	13.0	17.83	—	—	—
36	48	96	—	FSDAX	Fidelity Defense & Aero (.75%r<30d)	Cycls	*	*	*	-2.7	14.3	11.5	82.99	12.00	1.15	Fsa
37	71	111	—	ICBMX	ICON Materials	Cycls	*	*	*	-1.3	12.9	12.2	12.10	18.40	1.73	FSA
38	28	58	—	XLY	Consumer Discretionary (SPDR)	Consmr	*	*	*	-4.9	14.5	13.7	37.78	11.80	1.31	—
39	14	12	—	CSEIX	Cohen & Steers Realty Income (1%r<180d)	RealEs	*	*	*	-5.8	11.1	20.9	17.01	14.30	0.88	fsa
40	29	62	—	FDSLX	Fidelity Leisure (.75%r<30d)	Consmr	*	*	*	-4.5	13.6	11.8	78.56	11.20	1.17	Fsa
41	27	11	—	FSCSX	Fidelity Software (.75%r<30d)	Tech	*	*	*	-4.1	10.7	18.1	64.58	15.50	1.35	Fsa
42	37	114	—	PBS	PowerShares Dyn Media	Utility	*	*	*	-4.6	13.3	10.3	15.91	—	—	—
43	38	64	—	IYC	DJ US Consumer Cyclical (iS)	Cycls	*	*	*	-4.0	12.5	10.7	67.29	11.00	1.15	—
44	26	144	—	FSHOX	Fidelity Const & Housing (.75%r<30d)	Cycls	*	*	*	-5.1	16.0	3.5	45.35	16.40	1.60	Fsa
45	19	136	—	PXQ	PowerShares Dyn Networking	Tech	*	*	*	-3.0	15.6	1.3	17.59	—	—	—
46	25	16	—	STMDX	Stratton Mithly Div REIT (1.5%r<120d)	RealEs	*	*	*	-5.1	8.3	19.0	38.83	15.10	0.88	fsa
47	53	90	—	RYPIX	Rydex Transportation (\$25k)	Cycls	*	*	*	-4.3	13.1	5.1	28.99	14.20	1.21	Fsa
48	43	79	—	FBMPX	Fidelity Multimedia (.75%r<30d)	Consmr	*	*	*	-5.4	11.4	10.1	46.63	14.10	1.40	Fsa
49	88	44	—	PRISX	T. Rowe Price Financial Services	FinServ	*	*	*	-2.4	9.4	10.5	21.35	10.30	1.10	fsa
50	46	53	—	IYT	DJ Transportation Average (iS)	Cycls	*	*	*	-4.1	11.5	7.7	86.10	—	—	—
51	42	135	—	RYTVX	Royce Technology Value (2%r<180d)	Tech	*	*	*	-2.7	12.7	1.7	6.59	22.20	2.04	FSA
52	62	81	—	VIS	Vanguard Industrials (VIPER)	Cycls	*	*	*	-3.5	10.1	9.2	65.50	—	—	—
53	55	120	—	FSRFX	Fidelity Transportation (.75%r<30d)	Cycls	*	*	*	-4.2	12.5	4.0	51.90	13.80	1.28	Fsa
54	75	17	—	FDFAV	Fidelity Food & Agr (.75%r<30d)	Consmr	*	*	*	-2.6	6.2	17.3	57.57	7.83	0.69	Fsa
55	50	63	—	RYRIX	Rydex Retailing (\$25k)	Consmr	*	*	*	-4.2	11.4	6.4	14.00	15.10	1.28	Fsa
56	13	13	—	CGMRX	CGM Realty	RealEs	*	*	*	-9.4	9.8	17.9	27.06	21.40	1.58	sa
57	54	54	—	FSCPX	Fidelity Consumer Ind (.75%r<30d)	Consmr	*	*	*	-4.0	9.4	9.2	26.44	9.78	1.06	Fsa
58	41	112	—	PRSCX	T. Rowe Price Science & Tech	Tech	*	*	*	-2.4	11.1	2.6	21.02	15.40	1.66	fsa
59	52	106	—	ICCCX	ICON Consumer Discretionary	Consmr	*	*	*	-5.0	10.9	6.9	12.88	16.20	1.54	FSA
70	106	69	—	FBALX	Fidelity Balanced	Hybrid	B	*	*	-1.3	6.8	8.4	19.62	7.99	1.18	Fsa
80	107	73	—	VBINX	Vanguard Balanced Index	Hybrid	B	*	*	-1.7	6.1	8.1	21.34	5.24	0.78	fsa
84	131	142	—	FNARX	Fidelity Natrl Resources (.75%r<30d)	NatfRes	B	B	B	-1.6	5.6	7.1	28.18	20.00	1.23	fa
88	120	50	—	GATEX	Gateway Fund	Altern	B	*	*	-0.9	4.1	8.6	27.24	2.80	0.30	Fsa
103	132	127	—	PRNEX	T. Rowe Price New Era	NatfRes	B	B	B	-2.5	3.5	7.2	45.27	16.90	1.29	fsa
124	137	133	—	VDE	Vanguard Energy ETF	NatfRes	B	B	B	-4.4	0.5	6.6	81.42	—	—	—
131	142	134	—	IGE	GS Natural Resources (iS)	NatfRes	B	B	B	-3.6	-0.4	5.1	98.18	19.40	1.26	—
134	144	147	—	RSNFX	RS Global Natural Res (\$5k, 4.75% load)	NatfRes	S	S	S	-2.2	-0.3	1.5	31.10	19.70	1.29	fsa
136	143	140	—	VGEXX	Vanguard Energy (\$25k, 1%r<1yr)	NatfRes	B	B	B	-4.0	-0.7	4.0	61.58	18.70	1.07	fsa
144	147	1	—	USERX	U.S. Global Gold Shares (.25%r<30d)	NatfRes	*	*	*	-2.8	-6.3	13.2	15.22	35.30	2.08	fsa
155	152	154	—	PBW	PowerShares WilderH Clean Energ	NatfRes	B	B	B	0.5	-1.6	-14.7	17.79	—	—	—

MONEYLETTER'S Top 10 Funds for 2006—Part II

Below is the second group of five of *MONEYLETTER'S* Top 10 Funds for 2006, chosen by Chief Economist and Chief Investment Officer Walter Frank. These funds were chosen based on a combination of 2006 performance and contribution to our model portfolios.

Funds one through five are detailed in the 2/9/07 issue.

#6 Fidelity Europe Capital Appreciation (FECAX)

Fund Type: European

Manager: Darren Maupin (since 1/06)

2006 Return: +35.5%

ML Rank as of 12/31/06: #31 out of 102 International Funds

Best Quarter (since inception 1/00): +23.5% (2Q 2003)

Worst Quarter (since 1/00): -22.8% (3Q 2002)

What \$10,000 Grew To in Five Years: \$21,327

Minimum Investment: \$2,500

Phone: (800) 544-9797

#7 FBR Small Cap (FBRVX)

Fund Type: Mid Cap Growth

Manager: Charles T. Akre, Jr (since 12/96)

2006 Return: +28.5%

ML Rank 12/31/06: #2 of 322 Domestic Stock Funds

Best Quarter (since inception 1/00): +30.9% (2Q 2001)

Worst Quarter (since 1/00): -13.4% (3Q 2001)

What \$10,000 Grew To in Five Years: \$25,702

Minimum Investment: \$2,000

Phone: (888) 888-0025

#8 Kinetics Paradigm (WWNPX)

Fund Type: Mid Cap

Manager: Team (since 2001)

2006 Return: +27.8%

ML Rank 12/31/06: #12 of 322 Domestic Stock Funds

Best Quarter (since 1/00): +20.6% (2Q 2003)

Worst Quarter (since 1/00): -12.6% (2Q 2000)

What \$10,000 Grew To in Five Years: \$25,294

Minimum Investment: \$2,500

Phone: (800) 930-3828

#9 iShares Morningstar Large Value ETF (JFKF)

Fund Type: Large Cap Value

Manager: n/a

2006 Return: +25.2%

ML Rank 12/31/06: #7 of 322 Domestic Stock Funds

Best Quarter (since inception 6/04): +8.7% (4Q 2004)

Worst Quarter (since 6/04): +0.4% (1Q 2005)

What \$10,000 Grew To in Five Years: n/a

Minimum Investment: n/a

Purchased On: NYSE

#10 Powershares Dynamic Large Cap Value ETF (PWV)

Fund Type: Large Cap Value

Manager: n/a

2006 Return: +24.4%

ML Rank 12/31/06: #3 of 322 Domestic Stock Funds

Best Quarter (since 3/05): +8.2% (4Q 2006)

Worst Quarter (since 3/05): +0.7 (4Q 2005)

What \$10,000 Grew To in Five Years: n/a

Minimum Investment: n/a

Purchased On: AMEX

100% U.S. TREASURY FUNDS

	7-Day	30-Day	1-Year
Gabelli US Treasury MMF	5.08%	5.06%	4.86%
Vanguard Treasury MMF	4.95	4.93	4.64
Fidelity US Treasury MMF	4.82	4.76	4.51
Amer Century Capital Presv Fund/Inv	4.76	4.74	4.45
T. Rowe Price US Treasury MF	4.67	4.59	4.35
JPMorgan 100% US Treas MMF/Morgan	4.64	4.59	4.32
HSBC Investor US Treas MM/CI D	4.61	4.61	4.23
Merrill Lynch US Treasury MF	4.57	4.48	4.23
RMK Select Treas MMF/CI A	4.56	4.53	4.30
Schwab US Treasury Money Fund	4.54	4.53	4.27

GENERAL PURPOSE TAXABLE FUNDS

	7-Day	30-Day	1-Year
McMorgan Principal Preservation	5.31%	5.28%	4.96%
TIAA-CREF Money Market Fund	5.23	5.22	4.96
Transamerica Premier Cash Res/Inv	5.23	5.21	5.00
Vanguard Prime MMF/Investor	5.23	5.23	4.98
PayPal Money Market Fund	5.17	5.17	4.94
UMB Scout MMF Prime	5.17	5.07	4.61
TCW Money Market Fund	5.14	5.12	4.86
DWS Money Market Prime Ser/DWS MMF	5.11	5.11	4.80
MFS Money Market Fund	5.11	5.10	4.91
Fidelity Money Market Fund	5.09	5.09	4.88
GE Money Market Fund	5.09	5.08	4.82
Marshall Prime MMF/Investor Class	5.09	5.08	4.83
SSgA MMF/CI A	5.09	5.09	4.84

TAX-FREE GENERAL PURPOSE FUNDS

	7-Day	30-Day	1-Year
Alpine Municipal MMF/Investor	3.65%	3.60%	3.48%
Vanguard Tax-Exempt MMF	3.64	3.59	3.43
Pioneer Tax-Free MMF/CI A	3.47	3.37	2.77
Fidelity AMT Tax-Free Money Fund	3.43	3.37	3.25
DWS Tax-Exempt Money Fund	3.41	3.35	3.16
Marshall Tax Free MMF/Class Y	3.36	3.30	3.16
Putnam Tax-Exempt MMF	3.35	3.26	2.97
Fidelity Tax Free Money Market	3.32	3.26	3.13
Dreyfus BASIC Muni MMF	3.31	3.28	3.14
Fidelity Municipal MMF	3.31	3.26	3.17
T-E Portfolio/Managed Shares	3.31	3.26	3.11

TAX-FREE STATE-SPECIFIC FUNDS

	7-Day	30-Day	1-Year
Vanguard PA Tax-Exempt MMF	3.64%	3.58%	3.42%
Vanguard OH Tax-Exempt MMF	3.62	3.57	3.41
Vanguard NY Tax-Exempt MMF	3.59	3.55	3.39
Vanguard NJ Tax-Exempt MMF	3.57	3.53	3.36
Vanguard CA Tax-Exempt MMF	3.54	3.49	3.34
Fidelity NJ AMT Tax-Free MMF	3.36	3.31	3.20
Dreyfus BASIC NJ Muni MMF	3.34	3.30	3.12
Fidelity CA AMT Tax-Free MMF	3.34	3.28	3.20
Fidelity NY AMT Tax-Free MMF	3.33	3.27	3.15
Fidelity MA AMT Tax-Free MMF	3.32	3.26	3.15

(Top 10 continued)

Recap Top 5: #1 Metzler/Payden European Emerging Markets, #2 Fidelity International Real Estate, #3 ICON Europe, #4 Driehaus Emerging Markets Growth, #5 T. Rowe Price New Asia \$

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Kinetics Small Cap Opportunities: Focusing on Special Situations

Managers at the Kinetics Mutual Funds group employ a standard strategy in investing their respective portfolios. The Kinetics mission is to find stocks with unique return characteristics and favorable risk/reward profiles. The strategy is value-oriented and has a long time horizon. The Kinetics team looks for a number of important investment criteria: “exploitation of very large potential markets; defensible barriers to entry; strong business model and balance sheet; high potential returns on investment capital; and strong and innovative management team.”

But the strategy drills down further for the Small Cap Opportunities fund. Kinetics says the fund is distinctive because it seeks to capitalize on special situations. “It is all to do with researching and picking out anomalies that present themselves in the stock market,” explains Christopher Bell, senior vice president and director of sales and marketing at Kinetics. Current themes include special situations—firms that are fundamentally sound but have experienced temporary revenue or earnings shortfalls, “out-of-favor stocks that no one is covering,” says Bell.

The team also looks for undiscovered stocks. These include “spin-offs no one is paying attention to,” Bell adds. The team also seeks out companies set to benefit by entering previously untapped markets. Firms must have a catalyst that will propel their growth. According to Bell, “We target companies that have long product lifecycles. We want high returns on equity. And we buy at distressed prices. Any new stock we buy must have a less than \$3 billion market capitalization at cost. We will allow our winners to run. A lot of our small-cap winners are now mid-caps.”

Bell emphasizes, “We are very much absolute return investors, not relative return investors. Absolute investing had been out of vogue, but is now catching up. We never stopped investing for absolute return. Our time horizon is forever,” he adds, “so we don’t want to own cyclical companies.”

A look at the portfolio

You will notice we did not include our customary top five sector breakdown in the chart. That’s because the portfolio is heavily concentrated. Nearly 62% of assets were invested in financial services stocks as of 2006 year end. “We view financial services as the gatekeepers or facilitators of investment. The stock exchanges—ICE, International Securities Exchange, the NYSE (which we own from our investment in the Archipelago Group), NASDAQ—are significantly misunderstood on Wall Street,” asserts Bell. “We

think they will be highly profitable in three to five years. The publicly traded exchanges are demutualizing and then will consolidate.”

Top Ten Holdings (% Total Net Assets)

American Real Estate	6.5	Alexanders Inc.	2.7
Intercontinental Exchange	5.1	Jefferies Group	2.6
International Securities	4.4	R. H. Donnelley	2.4
NASDAQ Stock Market	3.9	Triarc Companies	2.3
Reliant Securities	3.7	Nuveen Investments	2.3

As of January 31, 2007

While the NASDAQ and NYSE are well-known, readers may be less familiar with the other exchanges mentioned. ICE, or the Intercontinental Exchange “operates the leading global electronic marketplace for trading both futures and OTC energy contracts. ICE offers a range of contracts based on crude oil and refined products, natural gas, power and emissions,” according to its website. Meanwhile, according to its website, “the International Securities Exchange, the world’s largest equity options exchange, was founded on the principle that technology fosters and infuses new efficiencies and operational innovations into securities trading. After developing an innovative market structure that integrated auction market principles into an advanced screen-based trading system, ISE launched the first fully electronic US options exchange in May 2000...ISE redefined the US options industry by introducing electronic trading, competition, and lower fees and efficient, equitable pricing, enabling instantaneous executions in tight, liquid markets.”

In fact, the fund’s investment in publicly traded exchanges worked well for the fund recently. Bell also mentions, “In 2002, we invested in formerly distressed utility companies. Some of these doubled in 2006. In addition, Carl Icahn’s American Real Estate Partners was a great performer.” The stock jumped 124% last year, and is still on a roll, with a 37% year-to-date gain through March 2.

Bell says the team continues to find formerly distressed utilities attractive. In addition, they like Canadian oil sands companies. “They got hit by proposed tax changes and dropped 20% to 30%. We think they are the best way to play oil companies. These firms can increase their production and lower their cost of goods sold per share. That creates attractive earnings,” Bell contends. \$

*Kinetics Small Cap Opportunities (KSCOX)
Kinetics Mutual Funds*

16 New Broadway, Sleepy Hollow, NY 10591
(800) 930-3828 • Minimum Investment: \$2,500; IRA \$100

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