Market Update

Asset Consulting Group, Inc.

INSIDE THIS ISSUE:

Market commentary
- U.S. Economy
- Global Equities
  - U.S. Equities
  - International Equities
- Global Fixed Income
  - U.S. Fixed Income
  - International Fixed Income

Monthly Indices Report (March 31, 2008)

231 South Bemiston Avenue, 14th Floor St. Louis, MO 63105 t. 314-862-4848 f. 314-862-5967 www.acgnet.com

Monthly Report March 2008

U.S. ECONOMY

March economic data show that U.S. corporations are clearly bracing for an economic slowdown, becoming more defensive, as reflected by efforts to reduce capital spending, pare back production, and slash payrolls in the wake of weakening demand. Stricter lending standards resulting from the credit crunch together with slackening consumer demand have taken its toll on companies, forcing businesses to cancel expansion plans and rely on existing capacity to meet production needs, and to cut back payrolls. The reduction in payrolls was extended to its third consecutive month in March sending the unemployment rate to 5.1%, its highest level since September 2005. This period of economic softness has led the Federal Reserve (the Fed) to acknowledge for the first time that economic growth may stall in the first half of 2008 and could even fall into a mild recession.

Economy at a Glance

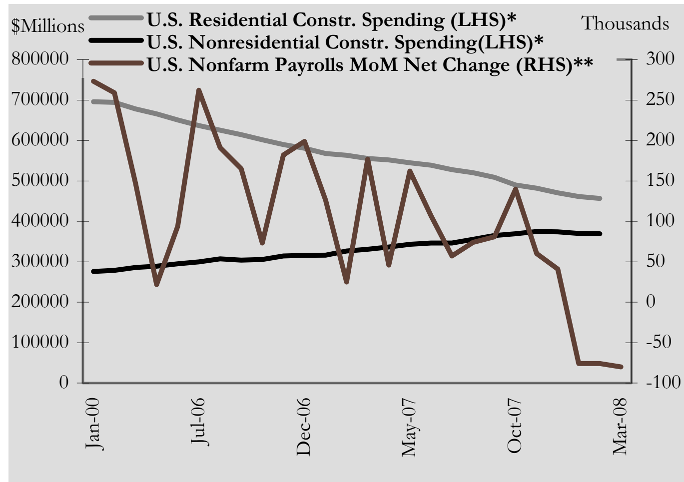
Recent growth indicators	Dec-07	Jan-08	Feb-08	Mar-08
ISM manufacturing*	48.4	50.7	48.3	48.6
ISM non-manufacturing Composite*	53.2	44.6	49.3	49.6
Confernce Board Consumer Confidence**	90.6	87.3	76.4	64.5
Change in Payrolls (m-o-m, 000)**	41	-76	-76	-80
Personal Income (%m-o-m)***	0.4	0.3	0.5	
Personal Spending (%m-o-m)***	0.2	0.4	0.1	

*Source: *ISM, **Bureau of Labor Statistics, ***Dept. of Commerce*

Businesses cut back, fearful of recessionary times ahead…

Outlays for U.S. construction dropped for the fifth consecutive month in February as home builders scaled back projects in light of a continued decline in home sales. Residential construction, which has declined every month for the past two years, fell 34% over that period to an annual rate of $457 billion in February. In contrast, commercial construction, a pocket of economic strength, gained 36% since February 2006, peaking in November 2007 at $374 billion. However, tighter credit has made it more difficult to finance commercial projects, resulting in three consecutive monthly declines, with spending declining to an annual rate of $369.7 billion in February.

In addition, companies in other sectors of the U.S. economy have reduced production, slowed orders, and trimmed payrolls in anticipation of a deterioration in future economic activity. Orders for durable goods, such as machinery and equipment, fell 1.7% in February, following a 4.7% decline in January. Orders for non-defense goods, a proxy for future business investment, decreased 2.6% in February, after a 1.4% drop in January. Shipments of those items, which are used by the Commerce Department in calculating gross domestic product, dropped 2.1%, the most since January 2007.



*Source: *Dept. of Commerce, **Bureau of Labor Statistics*

Job losses continue to mount weighing on consumer confidence…

As companies have pulled back capital spending, they are also increasingly turning to downsizing payrolls. The U.S. economy lost jobs for the third consecutive month in March. Payrolls fell by 80,000 last month, after a decline of 76,000 in February. The labor market has now lost 232,000 jobs in the first three months of 2008. Hardest hit has been construction, where payrolls dropped 51,000 after a decline of 37,000 in February. Furthermore, the nation's factories saw their worst monthly decline of 48,000 since July 2003.

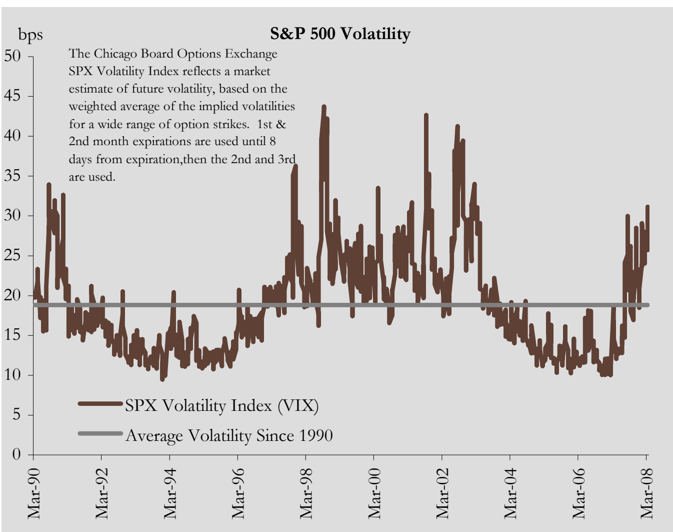
Meanwhile, consumer confidence shrunk to a five-year low in March on concerns over financial turmoil, tight credit markets, rising prices, and worsening job prospects. The Conference Board Consumer Confidence Index fell to 64.5 in March from 76.4 in February, far below the 73.0 expected by analysts. The pessimistic consumers' outlook for business conditions, the job market and their income prospects suggests consumers will likely further tighten their purse strings going forward.

In an effort to cushion the current slowdown and ease tension in the financial markets, the Federal Reserve lowered the Fed funds rate three-quarters of a point to 2.25% on March 18 and has now lowered the benchmark rate by 3% since September 2007. Federal Reserve Chairman, Ben Bernanke, acknowledged in recent testimony before Congress that "it now appears likely that real gross domestic product will not grow much, if at all, over the first half of 2008 and could even contract slightly." Thus, it appears that the impact of the Fed's efforts to improve the flow of credit has yet to take hold within financial markets and more is needed to once again spur an uptick in business investment.

GLOBAL EQUITIES

U.S. Equities

U.S. equities fell in March, the fifth consecutive monthly decline, amid investors' growing concerns that banks and brokerages could face additional credit losses and writedowns from the U.S. subprime meltdown. The S&P 500 dropped 0.43% (-9.45% YTD), leaving the index down 14.65% from the October 9, 2007 all time high. Volatility has roared back into equity markets as the S&P 500 dropped by 1% or more in 18 of 52 trading days this year, after declining by the same amount in only 34 of 250 trading days in all of 2007. After years of low volatility, the VIX index, a measure of volatility for the S&P 500 has broken out over historical norms back to levels not seen since the start of the U.S. stock market recovery in October, 2002. However, volatility continues to remain below extreme high levels experienced over the past two U.S. recessions.



Source: Bloomberg

Five of the ten S&P 500 sectors were negative for the month, led by Health Care, down 4.98% (-11.94 YTD) and the Financials down 3.07% (-14.67% YTD). Despite the sub-trend GDP growth in the 4Q07, the majority of corporate earnings moved to the upside in the last quarter of 2007. Three hundred thirty four or 67% of companies within the S&P 500 reported earnings that grew on average 25.5% over 4Q06, while 128 or 25% of companies reported an average decline of 50.1%, largely caused by the 123.2% drop within the Financials sector. Small caps slightly outpaced large caps, with the Russell 2000 eking a slight gain of 0.42% for the month (-9.90% YTD). Growth stocks were bid higher in March as investors once again shunned the Financials sector given the uncertainties surrounding prospects for future earnings. The Russell 1000 Value index declined 0.75% (-8.72% YTD) and the Russell 1000 Growth index dropped 0.61% (-10.19% YTD).

International Equities

The U.S. dollar continued its descent against major currencies in March as interest rate differentials widened further between the U.S. and major developed nations. The Federal Reserve cut the Fed funds rate by the most since 1984 in an effort to stabilize the financial system, while the European Central Bank held borrowing costs at a six-year high to contain inflation. The dollar plunged 4.01% for the month against the euro, closing at $1.5779, and dropped 8.21% over the first three months of the year, the largest quarterly loss since December 2004. The Japanese yen gained 3.90% against the dollar in March, closing at ¥99.69, and was up 10.76% YTD.

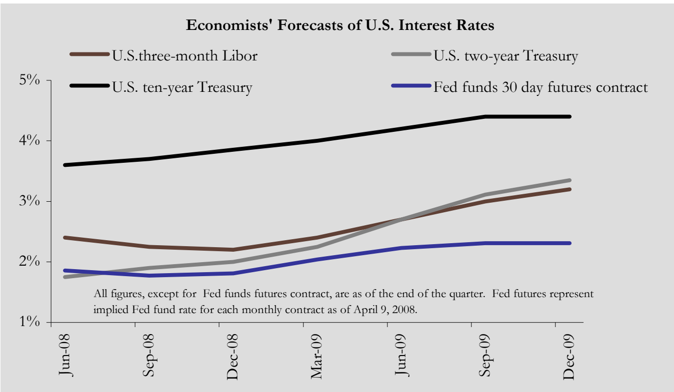
European stocks fell in March, capping the worst start to a year for the Dow Jones Stoxx 600 Index since 1987, after analysts slashed earnings growth prospects for European companies for 2008. According to analysts' estimates compiled by Bloomberg, earnings growth estimates for the Stoxx 600 companies in 2008 have dropped to 1.9% from 11% at the start of the year. In euros, the Stoxx 600 index slid 3.63% and 15.45% for the month and YTD, but it had a slight gain of 0.39% for the month on a USD basis (-8.34 YTD). Japanese stocks fell on investors' growing pessimism that a slowdown in U.S. consumer spending coupled with the strengthening yen would cut export growth and take a bite out of corporate profits. On a yen basis, the Nikkei 225 index had its worst three month period in 18 years, losing 7.25% in March and 17.55% YTD. On a USD basis, the Nikkei 225 dropped 3.21% and 6.87% for the month and YTD, respectively. The MSCI EAFE registered declines of 3.78% in March and 14.88% YTD in local currency. In USD, the MSCI EAFE index declined 1.00% and 8.83%, for the month and YTD, respectively.

Emerging market equities slid across the board in March, led by the Asian region. The MSCI Emerging Markets index lost 4.21% in March and 10.94% YTD in local currency, and fared worse on a USD basis with declines of 5.28% and 10.92% for the month and YTD, respectively.

GLOBAL FIXED INCOME

U.S. Fixed-Income

The U.S. Treasury yield curve has steepened significantly since August 2007 as a result of the aggressive Fed easing and as investors sought the relative safety of government debt on mounting credit-market losses, which climbed to about $208 billion through the end of March. Two-year Treasury yields declined 3 basis points (bps) to 1.59% in March and 10-year yields were 10 bps lower at 3.41%, leaving the spread between two- and 10-year yields at 182 bps (the steepest since June 2004 at 189 bps). The Lehman U.S. Investment Grade index spreads over Treasuries bottomed in February 2007 at 85 bps and subsequently rose 204 bps to 289 bps by the end of March.[1] This is 44% higher than the last recession peak of 201 bps reached in October 2001 and 184 bps above the 1989-2007 mean of 105 bps.[1] The increase in interest rate volatility is likely to continue throughout 2008 until greater clarity is found in the direction of the U.S. economy. The flight to the safe haven of U.S. government debt led to the best annual start for Treasuries since 1995. The Merrill Lynch U.S. Treasury Master index, representing Treasuries of all maturities, returned 0.73% in March and 4.40% YTD. Treasuries outperformed U.S. corporate bonds as the Lehman U.S. Corporate Investment Grade index lost 1.27% in March and was down 0.15% YTD.[1] Risk premiums on high yield bonds continued to soar. The spread between the Lehman Corporate High-Yield index yield and 10-year Treasury yield, which bottomed in May 2007 at 214 bps, rose 517 bps to 731 bps.[1] Yields on the high yield index jumped 3.33% over the same period to 10.81%, helping send the index to a loss of 0.34% and 3.02% for March and YTD.[1] The broad Lehman U.S. Aggregate index rose 0.34% and 2.17% in March and YTD.[1]



Source: Bloomberg

International Fixed-Income

Mounting losses in the credit markets have sent investors to the safe haven of government assets worldwide as both European and Japanese government debt had their best quarterly performance in years. Euro notes rallied in the past three months as two-year yields, which move inversely to prices, fell 53 bps to 3.43%, while yields on 10-year euro notes fell 43 bps to 3.90%. The spread between the two- and 10-year euro bond yields widened to 47 bps on March 31 from 37 bps at the start of the year. The Merrill Lynch EMU Direct Government index gained 3.70% in March and 10.82% YTD, the best quarterly performance since 1Q95, partly driven by the depreciation of the dollar. Japanese sovereign debt also registered its best quarterly performance since the first quarter of 1995, partly as a result of the yen strengthening against the dollar, reaching its highest level since September 1999. The Merrill Lynch Japanese Government bond index rose 5% and 13.79% in March and YTD, respectively. Similar to the rest of developed economies, Japanese government bond yields fell in 1Q08. Ten-year yields fell about 23 bps in the past three months to 1.28%, while two-year yields dropped 14 bps to 0.58%, sending the two-to-ten-year spread down to 70 bps from 80 bps at the beginning of 2008. The Merrill Lynch Global Government index rose 3.06% and 9.41% for the month and YTD.

All data from Bloomberg unless otherwise noted.

[1] - Lehman Brothers

Indices Report

Asset Consulting Group, Inc.
Monthly Indices Report
Periods Ending March 31, 2008

		Returns							
Index Name	**Style**	***Month***	***Qtr***	***YTD***	***2 Qtrs***	***1 Year***	***3 Years***	***5 Years***	***10 Years***
Domestic Equity Indices									
S&P 500	Large Cap Core	(0.43)%	(9.45)%	(9.45)%	(12.46)%	(5.07)%	5.85%	11.33%	3.51 %
S&P Equal Weighted	Large Cap Core	(1.05)%	(8.60)%	(8.60)%	(13.10)%	(9.78)%	5.88%	15.04%	7.26 %
Russell 1000	Large Cap Core	(0.68)%	(9.50)%	(9.50)%	(12.42)%	(5.42)%	6.19%	11.86%	3.83 %
Russell 1000 Growth	Large Cap Growth	(0.61)%	(10.19)%	(10.19)%	(10.87)%	(0.75)%	6.34%	9.96%	1.28 %
Russell 1000 Value	Large Cap Value	(0.75)%	(8.72)%	(8.72)%	(14.02)%	(10.00)%	6.00%	13.67%	5.53 %
Russell Mid Cap	Mid Cap Core	(1.45)%	(9.99)%	(9.99)%	(13.19)%	(8.94)%	7.36 %	16.31%	7.65 %
Russell 2000	Small Cap Core	0.42%	(9.90)%	(9.90)%	(14.02)%	(12.99)%	5.06%	14.90 %	4.96 %
Russell 2000 Growth	Small Cap Growth	(0.58)%	(12.82)%	(12.82)%	(14.66)%	(8.93)%	5.74%	14.24%	1.74 %
Russell 2000 Value	Small Cap Value	1.51%	(6.52)%	(6.52)%	(13.32)%	(16.87)%	4.33 %	15.45 %	7.46 %
Wilshire 5000	Broad Equities	(0.69)%	(9.52)%	(9.52)%	(12.43)%	(5.76)%	6.38%	12.46%	3.96 %
HFRI Equity Hedge	Long Short Equity	(2.99)%	(5.82)%	(5.82)%	(5.24)%	1.18%	8.56%	10.97%	10.37 %
International Equity Indices									
MSCI World	Broad Global	(0.91)%	(8.95)%	(8.95)%	(11.06)%	(2.76)%	10.19%	16.52%	5.00%
MSCI EAFE	Developed Markets Intl	(1.00)%	(8.83)%	(8.83)%	(10.39)%	(2.28)%	13.79%	21.90%	6.55%
MSCI EAFE Growth	Developed Markets Intl Growth	(1.48)%	(8.07)%	(8.07)%	(8.31)%	2.27%	14.72%	20.20%	4.57%
MSCI EAFE Value	Developed Markets Intl Value	(0.51)%	(9.58)%	(9.58)%	(12.51)%	(6.79)%	12.79%	23.48%	8.33%
MSCI Emerging Markets Free	Emerging Market	(5.28)%	(10.92)%	(10.92)%	(7.66)%	21.67%	29.64%	35.95%	12.53%
Domestic Fixed Income Indices									
Merrill Lynch Treasury Bills	Cash	0.23%	0.88%	0.88%	1.95%	4.62%	4.41%	3.18%	3.73%
Merrill Lynch 1-3 Yr Treasuries	Treasuries	0.29%	3.70%	3.70%	6.74%	10.51%	5.91%	3.93%	5.30%
Lehman Muni 5 Yr	5 Yr Municipal Bonds	1.96%	1.93%	1.93%	3.87%	6.17%	4.19%	3.41%	4.65%
Merrill Lynch High Yield	High Yield Bonds	(0.51)%	(2.98)%	(2.98)%	(4.09)%	(3.47)%	4.90%	8.45%	5.19%
Lehman Aggregate	Core Bonds	0.34%	2.17%	2.17%	5.24%	7.67%	5.47%	4.58%	6.03%
Lehman Government	Government Bonds	0.66%	4.04%	4.04%	7.92%	11.45%	6.44%	4.70%	6.18%
Lehman U.S. Credit Index	Corporate Bonds	(0.96)%	0.44%	0.44%	2.63%	3.99%	4.28%	4.43%	5.94%
Lehman Muni 10 Yr	10 Yr Municipal Bonds	2.57%	0.31%	0.31%	2.06%	3.85%	4.25%	4.12%	5.14%
HFRI FOF Conservative	Low Volatility	(1.95)%	(2.85)%	(2.85)%	(1.37)%	1.41%	5.96%	6.29%	N/A
Real Estate Indices									
NCREIF Property*	Real Estate	N/A	3.21%	15.84%	6.88%	15.84%	17.48%	15.13%	12.86%
NAREIT Equity	Real Estate	6.23%	1.39%	1.39%	(11.46)%	(17.38)%	11.68%	18.34%	10.68%

All time period returns are rolling returns except for YTD

* For comparison purposes, prior quarter returns are used

Source: State Street

Online Availability

The Asset Consulting Group archive for Monthly Market Update reports can be accessed through our Web site, www.acgnet.com.

DESCRIPTION OF INDICES

Domestic Equity Indices

S&P 500

Standard and Poor's 500 Index is a capitalization-weighted index of 500 large U.S. stocks. The index is designed to measure performance of the broad domestic stock market through changes in the aggregate market value of 500 stocks representing all major industries. The index was developed with a base level of 10 for the 1941-1943 base period.

S&P 500 Equal Weighted Index

Introduced in 2003, S&P Equal Weight Index (S&P EWI) is the equal-weight version of the widely regarded S&P 500. The index has the same constituents as the capitalization weighted S&P 500, but each company in the S&P EWI is allocated a fixed weight. Index constituents exhibit the following characteristics: Underlying Indices – S&P 500; Weighting – Attribute weighted: Equal weight of 0.20%; Rebalancing – Quarterly; Coincide with S&P 500 share adjustments S&P EWI is designed to meet the need for benchmarking, investing and trading strategies that require a size-neutral index compatible with the S&P 500. S&P EWI provides an even spread of individual stocks and offers different sector exposures than the S&P 500.

Russell 1000® Index

The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market. The Russell 1000 Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. The Index was developed with a base value of 130.00 as of December 31, 1986.

Russell 1000® Growth Index

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth rates. The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics. The index was developed with a base value of 200 as of August 31, 1992 .

Russell 1000® Value Index

The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth rates. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The index was developed with a base value of 200 as of August 31, 1992.

Russell Midcap® Index

The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities in the Russell 1000 Index based on a combination of their market cap and current index membership. The Russell Midcap Index represents approximately 31% of the total market capitalization of the Russell 1000 companies. The Russell Midcap Index is constructed to provide a comprehensive and unbiased barometer for the mid-cap segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap opportunity set .

Russell 2000® Index

The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

Russell 2000® Growth Index

The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth rates. The Russell 2000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics.

Russell 2000® Value Index

The Russell 2000 Value Index measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics.

Wilshire 5000

The Wilshire 5000 index consists of approximately 5000 cap weighted common equity securities, covering all stocks in the U.S. for which daily pricing is available.

HFRI Equity Hedge Index

The HFRI Monthly Indices (HFRI) are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. Equity Hedge (EH): Investment Managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. EH managers would typically maintain at least 50%, and may in some cases be substantially entirely invested in equities, both long and short..

International Equity Indices

MSCI World Index

The MSCI World Index is an unmanaged free float-adjusted market capitalization index that is designed to measure global developed market equity performance. As of June 2006 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States.

MSCI EAFE® Index
The MSCI EAFE Index (Europe, Australasia, Far East) is an unmanaged free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of June 2006 the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. There are 1,100 members designed to represent the performance of developed stock markets outside of the United States and Canada. It assumes reinvestment of dividends and interest, and does not reflect deductions of fees or expenses.

MSCI EAFE® Growth Index
The MSCI EAFE (Europe, Australasia, Far East) Growth Index is an unmanaged free float-adjusted market capitalization index that is considered representative of growth stocks of Europe, Australasia, and Far East. It assumes reinvestment of dividends and interest, and does not reflect deductions of fees or expenses.

MSCI EAFE® Value Index
The MSCI EAFE (Europe, Australasia, Far East) Value Index is an unmanaged free float-adjusted market capitalization index that is considered representative of value stocks of Europe, Australasia, and Far East. It assumes reinvestment of dividends and interest, and does not reflect deductions of fees or expenses.

MSCI Emerging Markets (Free) Index
The MSCI Emerging Markets Index is an unmanaged free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of June 2006 the MSCI Emerging Markets Index consisted of the following 25 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

<u>Domestic Fixed Income Indices</u>
Merrill Lynch U.S. Treasury Bills Index
The Merrill Lynch U.S. Treasury Bill index tracks the performance of all outstanding 0-3 month outstanding Treasury Bills issued by the U.S. government. The index is re-balanced daily to take account of issues that are maturing and new auctions. New auctions are purchased into the index basket on their settlement date. Treasury bills are backed by the full faith and credit of the US Government and are issued at a discount. They pay no interest, but receive full face value if held until maturity. Exempt from state and local taxes, T-bills are issued in minimum denominations of $10,000, and in multiples of $1,000 thereafter. With the shortest maturities -- three and six months, and one year at issue -- T-bills are considered the least volatile of all Treasuries.

Merrill Lynch U.S. 1-3 Yr Treasuries Index
The U.S. 1-3 Treasury index tracks the performance of all outstanding U.S. Treasury Notes having a 1-3 year remaining term to maturity and a minimum amount outstanding of USD 1 billion. The index is re-balanced daily to take account of issues that are maturing and new auctions. New auctions are purchased into the index basket on their settlement date. Treasury notes are backed by the full faith and credit of the US Government and are coupon-bearing securities with initial maturities ranging between one and ten years. They pay accrued interest twice a year and repay principal at maturity. T-notes are exempt from state and local taxes; they're available with two- and three-year maturities for a minimum of $5,000 and in multiples of $1,000 thereafter.

Lehman Muni 5-Year
This index is the **5 Year (4-6)** component of the Lehman Municipal Bond index. To be included in the index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. They must have an outstanding par value of at least $7 million and be issued as part of a transaction of at least $75 million. The bonds must be fixed rate, have a dated-date after December 31, 1990, and must be at least one year from their maturity date. Remarketed issues, taxable municipal bonds, bonds with floating rates, and derivatives, are excluded from the benchmark. The index has four main sectors: general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prerefunded bonds. Most of the index has historical data to January 1980. In addition, subindices have been create based on maturity, state, sector, quality, and revenue source, with inception dates later than January 1980.

Merrill Lynch High Yield Index
The U.S. High Yield index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Qualifying bonds must have at least one year remaining term to maturity, a fixed coupon schedule and a minimum amount outstanding of USD 100 million. Bonds must be rated below investment grade based on a composite of Moody's and Standard & Poors. The index is rebalanced on the last calendar day of the month.

Lehman Bros. Aggregate
The Lehman Aggregate index covers the U.S. investment grade fixed rate bond market, including government and corporate securities, agency mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Lehman Bros. Government
The Lehman Government index includes the Treasury and Agency indices. The Treasury index accounts for 87.2% of the Government index, and includes public obligations of the U.S. Treasury that have remaining maturities of more than one year. Treasury bills are excluded by the maturity constraint.

Lehman U.S. Credit Index
The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The non-corporate sectors are Sovereign, Supranational, Foreign Agency, and Foreign Local Government. Publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered. Must have at least one year to final maturity regardless of call features. Must have at least $250 million par amount outstanding. Must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. Must be fixed rate, although it can carry a coupon that steps up or changes according to a predetermined schedule. Must be dollar-denominated and non-convertible. Must be publicly issued. The U.S. Credit Index is the same as the former U.S. Corporate Investment Grade Index, which has been renamed as the U.S. Credit Index. The name change is effective as of 6/1/00 (for statistics) and as of 7/1/00 (for returns).

Lehman Muni 10-Year
This index is the **10 Year (8-12)** component of the Lehman Municipal Bond index. The index has four main sectors: general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prerefunded bonds. Most of the index has historical data to January 1980. In addition, subindices have been create based on maturity, state, sector, quality, and revenue source, with inception dates later than January 1980. To be included in the Lehman Brothers Non-Investment Grade Municipal Bond Index, bonds must be non-rated or be rated Ba1 or below. They must have an outstanding par value of at least $3 million and be issued as part of a transaction of at least $20 million.

HFRI Fund of Funds (FOF) Conservative Index

The HFRI Monthly Indices (HFRI) are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. FOFs classified as "Conservative" exhibit one or more of the following characteristics: seeks consistent returns by primarily investing in funds that generally engage in more "conservative" strategies such as Equity Market Neutral, Fixed Income Arbitrage, and Convertible Arbitrage; exhibits a lower historical annual standard deviation than the HFRI Fund of Funds Composite Index. A fund in the HFRI FOF Conservative Index shows generally consistent performance regardless of market conditions.

Real Estate Indices

NCREIF Property Index (NPI)

The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. All properties in the NPI have been acquired, at least in part, on behalf of tax-exempt institutional investors - the great majority being pension funds. As such, all properties are held in a fiduciary environment. Properties exit the NPI when assets are sold or otherwise leave the database. All historical data remains in the database and in the Index. The Index represents investment returns from a single class of investor. As such, the NPI may not be representative of the market as a whole.

NAREIT Equity

All of the data is based upon the last closing price of the month for all tax-qualified REITs listed on the New York Stock Exchange, American Stock Exchange, and the NASDAQ National Market System. The data is market weighted. Newly issued shares by existing REITs are added to the total shares outstanding figure in the month that the shares are issued. Only common shares issued by the REIT are included in the index. The total return calculation is based upon the weighting at the beginning of the period. Only those REITs listed for the entire period are used in the total return calculation. Dividends are included in the month based upon their payment date. There is no smoothing of income. Liquidating dividends, whether full or partial, are treated as income.

GENERAL NOTES AND DISCLAIMERS

The views contained in this report are those of Asset Consulting Group, Inc. (ACG). The information contained herein is given as of the date hereof and this does not purport to give information as of any other date. Neither the delivery of this memorandum nor any information sales contained herein shall, under any circumstances, create an implication that there has been no change in the matters discussed herein since the date hereof.

The information presented herein is for informational purposes only and is not intended as an offer to sell or the solicitation of an offer to purchase any securities or any product or service.

Past performance is not indicative of future results. Given the inherent volatility of the securities markets, it should not be assumed that investors will experience returns comparable to those shown here. Market and economic conditions may change in the future producing materially different results than those shown here.

Although the information presented herein has been obtained from and is based upon sources ACG believes to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of that information. Accordingly, ACG does not itself endorse or guarantee, and assumes no liability whatsoever for, the accuracy or reliability of any third party data or the financial information contained herein.

All information presented herein is subject to a disclaimer included in all research. Any material excerpted or summarized from a full research report is subject to the terms of the disclaimer. The information in this report, including research, is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Comparisons of the performance of any securities or portfolio to the market indicators, benchmarks and indices presented herein may not be meaningful since the constitution and risks associated with each market indicator, benchmark or index may be significantly different. Accordingly, no representation or warranty is made to the sufficiency, relevance, importance, appropriateness, completeness, or comprehensiveness of the market data, information or summaries contained herein for any specific or purpose.

The information and views described herein is general in nature and is not intended as investment advice or recommendations. This material is distributed with the understanding that it is not rendering accounting, legal or tax advice. Please consult your legal or tax advisor concerning such matters.

No part of this publication may be copied, or duplicated in any form without the written consent ACG. Although the information presented herein has been obtained from and is based upon sources ACG believes to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of that information. Such information is not necessarily all-inclusive and is not guaranteed as to its accuracy. ACG is not responsible for typographical or clerical errors in this report or in the dissemination of its contents. Reliance upon information in the report is at the sole discretion of the reader.