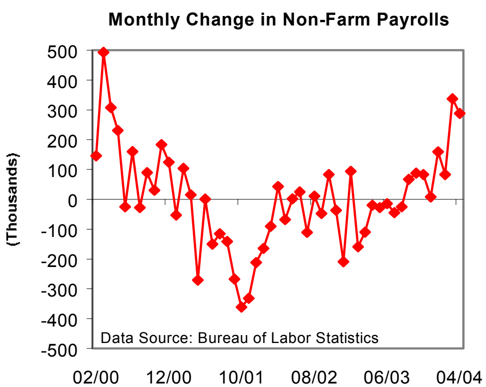
MARKET UPDATE
Asset Consulting Group, Inc.

April 2004

The Economy- U.S. economic data in April once again confirmed an environment of strong real growth, moderately higher pricing pressures, and a rebounding labor market. The Commerce Department reported that economic growth remained brisk in the first quarter as real GDP expanded at a 4.2% annualized rate, exceeding 4% for the third consecutive quarter for the first time in twenty years. Continuing a trend from the second half of last year, business spending surged an annualized 7.2% in the first quarter, contributing more than 0.7% to overall economic growth. Despite relatively stagnant consumer confidence, personal spending rose a solid 3.8% in the first quarter as consumers began receiving annual tax refunds that reflected tax cuts implemented last year. Overall, the economy grew 4.9% versus the same quarter a year ago, the fastest four-quarter pace since 1984. Improved demand has finally allowed U.S. companies to begin passing along rising input costs to consumers for the first time since the economic recovery began more than two years ago. In comments to the Senate Banking Committee in April, Federal Reserve Chairman Alan Greenspan noted that the threat of deflation was no longer an issue for the Fed, as "pricing power is gradually being restored." Consistent with the Fed's view, measures of both current and expected inflation have been on the rise. The GDP price deflator, a component of nominal GDP growth, jumped an annualized 2.5%, the highest level in nearly three years. Core CPI (the Consumer Price Index less food and energy prices) expanded at a 2.9% annualized pace in the first quarter, compared with a 1.1% rise for all of 2003. While the expansion in pricing pressures has been relatively moderate and inflation is still running at levels below historical averages, the prospect of a Federal Reserve rate hike during the summer months has grown with a corresponding increase in inflation expectations. The ten-year forward level of expected inflation implied by the current yield of the inflation-protected ten-year Treasury note relative to the non-inflation-protected ten-year Treasury yield is at 2.54%, up from 2.31% at the beginning of the year. The U.S. labor market continued to rebound in April as the economy added 288,000 new jobs, following an upwardly revised gain of 337,000 jobs in March, marking eight straight monthly gains for the first time in four years (*see chart*). The unemployment rate ticked a notch lower to 5.6%, matching a two-year low.



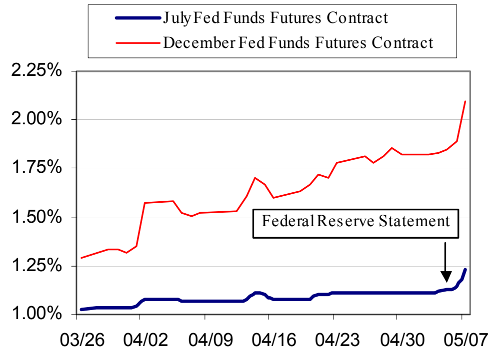
Equities- Despite continued solid growth in corporate earnings, fears over higher interest rates pushed U.S. equities lower in April. The S&P 500 tumbled 1.57%, declining for the second month in a row for the first time in more than a year. Reversing recent trends, the S&P 500 Barra Value index lost 2.47%, trailing its growth counterpart by 1.85%, while the Russell 2000 index of small-cap stocks underperformed the S&P 500 by 3.53%. The Wilshire Micro-Cap index, among the best performing equity indices over the last year, plummeted 3.95% in April. Weaker equity performance continued into early May when stocks sold off following the release of better-than expected April jobs growth numbers, as expectations of a Federal Reserve interest-rate increase edged higher. While interest rates and equity valuations have historically been negatively correlated, rising interest rates due to strong economic growth, as opposed to inflation alone, are not necessarily a negative for equities, because lower price-to-earnings multiples (P/E) can be offset by above-average earnings growth. With 81% of the companies in the S&P 500 having reported first-quarter earnings, Standard & Poor's is forecasting that operating earnings for companies in the S&P 500 grew 25.6% versus the same quarter a year ago. The factor that clouds the outlook is the historically high level of current equity valuations. While earnings growth has been strong, interest rates are rising at a time when equity valuations are still well above historical averages. The S&P 500's price over reported earnings finished the first quarter at 22.0, nearly 40% above its average year-end level of 15.8 since 1926. These contrasting factors may continue in the months ahead.

Asset Consulting Group, Inc.
7700 Bonhomme Avenue, Suite 650
St. Louis, Missouri 63105
Telephone: 314-862-4848
Fax: 314-862-5967

April 2004

Equities- *(cont'd)-* Analysts expect earnings growth to remain at above-average levels through the end of 2005, while economists expect interest rates to continue to drift higher, which may pressure already high equity valuations, providing U.S. equities with a solid base, but an uncertain outlook.

Fixed Income- Strong job growth numbers and higher than expected CPI growth pushed interest rates to their highest levels of the year in April as investors continued to brace themselves for the increasing prospect of a Federal Reserve interest rate hike. The ten-year Treasury yield surged 0.67% higher to 4.53% in April, completely erasing the Lehman Aggregate's year-to-date gain as the index plunged 2.6% lower, its worst monthly performance since last July and the tenth-worst showing in the index's history. The credit sector was the only component within the Aggregate index to generate excess returns over benchmark Treasury securities as investment-grade corporate bond yield spreads over U.S. Treasuries narrowed by 0.04% to 0.86%, despite a weaker equity market. The Lehman Mortgage-Backed Security index trailed benchmark Treasury securities by 0.52% in April as higher interest rates drove expectations that fewer homeowners will refinance or prepay their mortgages in the future, lengthening the average time that mortgage-backed security holders will have to wait to receive their principal back. This lengthening increased the Lehman Mortgage-Backed Security index's duration from 2.37 years at the beginning of the month to 3.59 years by the end of April, heightening the index's price sensitivity to interest rates at the same time that interest rates were rising. This phenomenon is known as "negative convexity." The Lehman U.S. Corporate High Yield index fell just 0.68% in April, as its yield spread over similar U.S. Treasury securities declined 0.47% to 3.67%. The Federal Reserve elected to keep its short-term benchmark rate unchanged in early May but laid the groundwork for an increase in the near future through key changes in the wording of its policy statement. According to Fed officials, hiring by businesses has no longer "lagged," but now "appears to have picked up." Inflation has "moved somewhat higher," as core consumer prices are no longer "muted." Most importantly, the Fed changed its statement that "it can be patient in removing its policy accommodation", now stating that "policy accommodation can be removed at a pace that is likely to be measured." Investor's interpreted the Fed's statement as a confirmation that an interest-rate hike is imminent. Following the Fed's statement and the release of the stronger than-expected April employment report, the July fed funds futures contract on the Chicago Board of Trade jumped to 1.23%, implying a 92% chance of a 0.25% rate hike in June from the current level of 1% (*see chart*). The December fed funds contract has risen steadily from 1.25% in March to more than 2% following the Fed's most recent statement, suggesting market expectations of a year-end fed funds rate of 2%.



Data Sources: Chicago Board of Trade, Bloomberg

International- Strong economic growth and the prospect for higher short-term interest rates in the U.S. boosted the dollar versus the euro and the yen in April, weighing on the US-dollar returns of international investments. The MSCI EAFE index outperformed U.S. stocks on a local-currency basis, rising 1.43%, but fell 2.18% after accounting for a stronger U.S. dollar. The MSCI Emerging Markets index, one of the top performing equity indexes in the first quarter, plummeted 5.78% on a local currency basis in April, led by a 12.97% plunge in the MSCI China index. The Chinese government, fearing that high single-digit percentage real economic growth may spark runaway inflation, initiated an economic crackdown, forbidding any new lending activity to a number of specific industries. Factoring in the dollar's appreciation, the MSCI Emerging Markets index tumbled 8.18%. Hit by both higher interest rates and a stronger dollar, the Lehman Global Government Ex-U.S. fixed income index lost 4.3% in April.

Asset Consulting Group, Inc.
7700 Bonhomme Avenue,
Suite 650
St. Louis, Missouri
63105
Telephone:
314-862-4848
Fax:
314-862-5967

INDICES REPORT

Asset Consulting Group, Inc.

Periods Ending April 30, 2004

Index Name	Style	Month	Qtr	YTD	2 Qtrs	1 Year	3 Years	5 Years	10 Years
		Returns							
Domestic Equity Indices									
S&P 500	Large Cap Stocks	(1.57)%	(1.71)%	0.10%	6.27%	22.88%	(2.35)%	(2.25)%	11.36 %
S&P Equal Weighted	Large Cap Stocks	2.49%	4.02%	6.53%	14.58%	42.88%	6.76%	5.71%	13.67 %
DJIA	Large Cap Stocks	(1.14)%	(2.02)%	(1.57)%	5.43%	23.16%	0.44%	0.81%	13.02 %
Russell 1000	Large Cap Stocks	(1.81)%	(1.81)%	0.06%	6.11%	23.91%	(1.91)%	(1.73)%	11.32 %
Russell 1000 Growth	Large Cap Growth	(1.16)%	(2.38)%	(0.39)%	4.14%	21.65%	(5.93)%	(6.38)%	9.61 %
Russell 1000 Value	Large Cap Value	(2.44)%	(1.23)%	0.51%	8.15%	26.27%	1.81%	1.54%	12.12 %
Russell Mid Cap	Mid Cap Stocks	(3.67)%	(1.58)%	1.28%	7.25%	35.45%	4.92 %	6.09%	12.58 %
S&P Mid Cap 400	Mid Cap Stocks	(3.28)%	(0.54)%	1.62%	6.93%	34.46%	5.73 %	9.34%	14.47 %
Russell 2000	Small Cap Stocks	(5.10)%	(3.36)%	0.84%	6.54%	42.01%	6.28%	6.67 %	9.79 %
Russell 2000 Growth	Small Cap Growth	(5.02)%	(4.72)%	0.28%	4.01%	41.58%	(0.31)%	(0.45)%	5.88 %
Russell 2000 Value	Small Cap Value	(5.17)%	(2.00)%	1.39%	9.09%	42.44%	12.28 %	12.91 %	12.90 %
NASDAQ Composite	All Cap Stocks	(3.71)%	(7.07)%	(4.16)%	(0.63)%	31.13%	(3.20)%	(5.47)%	10.09 %
Wilshire 5000	Broad Equities	(2.13)%	(1.76)%	0.43%	6.41%	26.08%	(0.60)%	(1.16)%	10.96 %
International Indices									
MSCI World	Global Stocks	(1.99)%	(0.94)%	0.67%	8.67%	30.05%	(1.30)%	(1.78)%	7.22%
MSCI World Ex US	International Stocks	(2.62)%	0.12%	1.51%	11.78%	39.65%	0.78%	(0.19)%	4.41%
EAFE	International Stocks	(2.18)%	0.70%	2.13%	12.58%	40.75%	0.74%	(0.41)%	4.19%
EAFE Growth	International Stocks	(2.41)%	(0.44)%	1.51%	11.05%	34.23%	(1.35)%	(3.36)%	1.90%
EAFE Value	International Stocks	(1.95)%	1.83%	2.74%	14.11%	47.38%	2.75%	2.35%	6.39%
MSCI Emerging Markets Free Cap	Emerging Markets	(8.46)%	(3.48)%	(0.33)%	7.87%	49.51%	10.39%	3.22%	(0.83)%
IFCI Composite	Emerging Markets	(7.56)%	(1.32)%	2.05%	10.90%	55.53%	15.84%	7.13%	1.87%
MSCI Japan	Regional Stocks	(5.42)%	6.96%	8.90%	12.85%	61.88%	(1.29)%	(1.33)%	(2.80)%
Domestic Fixed Income Indices									
Treasury Bills	Short Bonds	0.08%	0.24%	0.32%	0.50%	1.07%	1.89%	3.43%	4.34%
Lehman Intermediate G/C	Intermediate Bonds	(2.37)%	(0.60)%	0.05%	1.06%	2.03%	6.59%	6.63%	6.92%
Lehman Intermediate Aggregate	Int. Core Bonds	(2.15)%	(0.58)%	0.07%	1.20%	1.95%	6.27%	6.53%	7.05%
Lehman Aggregate	Core Bonds	(2.60)%	(0.81)%	(0.02)%	1.24%	1.82%	6.65%	6.66%	7.34%
Citi Broad Investment Grade	Core Bonds	(2.60)%	(0.80)%	0.02%	1.32%	1.88%	6.66%	6.65%	7.35%
Lehman Govt/Credit	Core Bonds	(3.07)%	(0.98)%	(0.08)%	1.17%	1.80%	7.14%	6.84%	7.40%
Lehman Long Govt/Credit	Long Bonds	(5.36)%	(2.24)%	(0.55)%	1.49%	1.08%	8.81%	7.54%	8.73%
Lehman Government	Government Bonds	(3.01)%	(0.98)%	(0.16)%	0.84%	0.64%	6.38%	6.48%	7.11%
Lehman Mtg Backed Securities	Mortgage Bonds	(1.78)%	(0.52)%	0.11%	1.39%	1.81%	5.68%	6.27%	7.23%
Lehman Muni 10 Yr	10 yr Municipal Bond	(2.76)%	(1.61)%	(1.20)%	0.92%	2.39%	5.99%	5.47%	6.46%
Lehman U.S. Credit Index	Corporate Bonds	(3.15)%	(0.98)%	0.02%	1.60%	3.29%	8.15%	7.20%	7.92%
Merrill Lynch High Yield	High Yield Bonds	(0.72)%	(0.06)%	1.50%	5.27%	14.37%	8.87%	5.23%	7.69%
ML High Yield Conv	Convertible Bonds	(1.71)%	(0.61)%	0.12%	3.56%	7.99%	1.97%	3.75%	N/A

Asset Consulting Group, Inc.
7700 Bonhomme Avenue, Suite 650
St. Louis, Missouri 63105
Telephone: 314-862-4848
Fax: 314-862-5967