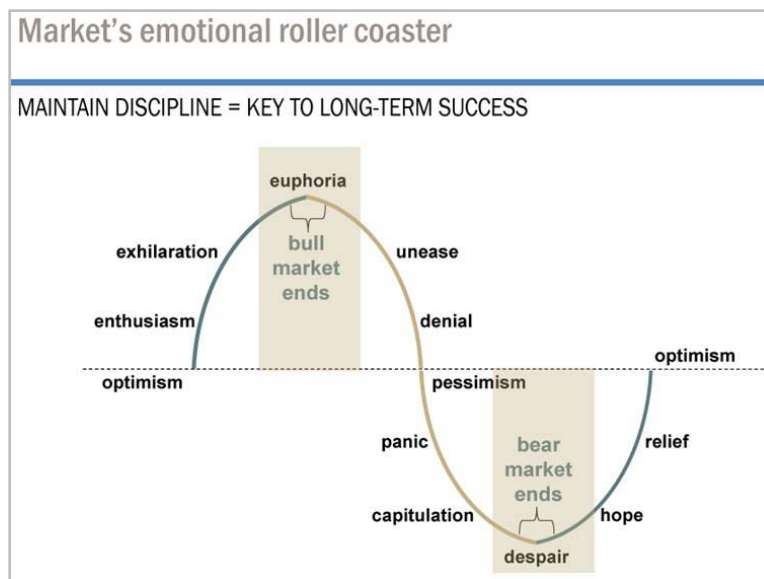


July 23, 2009

As we have reached the mid point of 2009, we wanted to reflect on the roller coaster path the stock and fixed income markets have taken from the dramatic selloff that started in September 2008 through the more recent rebound that began in early March.

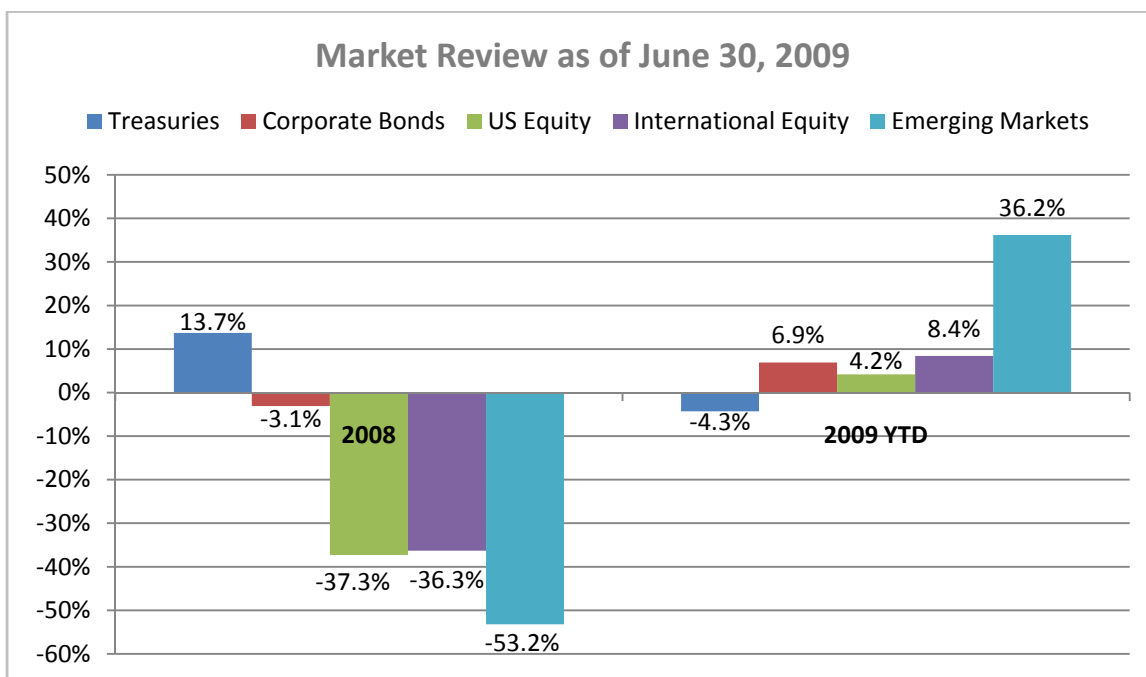
It is common for our emotions to follow a similar roller coaster path in response to the market volatility. At the time when there is maximum investment opportunity, our emotions are often in a state of despair. It is extremely difficult to invest during such times, however history teaches us that disciplined unemotional investing is eventually rewarded. Although stock prices plummeted in January and February, we remained confident that too much risk was being priced into stocks and bonds and that eventually sentiment would swing the other direction. Fortunately, investor sentiment began improving in March and continued to improve through the second quarter.



Source 1 Charles Schwab

Since March 9<sup>th</sup>, the S&P 500 Index has increased an impressive 42% through July 22<sup>nd</sup>. Until March 9<sup>th</sup> the S&P 500 Index was down 25% for the year. The early selloff followed on the heels of a 37% decline in the S&P 500 Index in 2008; the worst calendar-year return since the 1930s. The market's fall, however painful, ultimately created opportunities as several asset classes suffered record declines and offered solid return potential barring a complete meltdown in the financial system.

The asset classes that were winners in 2008, namely Treasuries and cash, have been the losers year-to-date. Meanwhile, last year's losers have returned to favor emphasizing that asset class leadership can change quickly and dramatically.



Our investment philosophy of diversified asset allocation cannot guarantee against losses in a market downturn; however we are confident that long-term it provides the best opportunity to achieve your financial goals.

Our experience tells us that we have entered the hope stage where economic data has not yet solidified a recovery. Employment, housing, and consumer spending remain weak and are not expected to pick up for some time. Despite this, the market anticipates an eventual economic recovery based in part by government stimulus, improving credit markets, and improving manufacturing and services activity. Although the global economy is still fragile, we believe the severe financial crisis that deepened following the collapse of Lehman Brothers in September of last year is largely behind us. Financial institutions have weathered a severe storm and the fact that several large institutions recently paid back TARP funds and that borrowing costs for banks have fallen substantially are both very positive developments. We expect a modest global recovery with pockets of strength in certain countries and industry sectors.

We sincerely thank you for your patience and confidence during what was the most difficult market in our lifetimes. Please read the 2009 Q2 Market Commentary posted to the website Resources for additional commentary and market outlook.

Sincerely,

AKT Wealth Advisors Investment Committee

Note: Index returns represent past performance and are not a guarantee of future performance. Treasuries (Barclays Capital Treasury Index), Corporate Bonds (Barclays Capital Credit Index), US Equity (Russell 3000 Index), International Equity (MSCI EAFE Index), Emerging Markets (MSCI Emerging Market Index).