2010 FIRST QUARTER MARKET REVIEW

WIPFLi HEWINS Investment Advisors LLC

2009's stock rally continued through the first quarter of 2010, despite a stumble early in the quarter and concern about the prospects for the end of government stimulus and monetary easing. Euro sovereign debt problems hit markets hard in the first half of the quarter, but equities moved higher in March as corporate earnings showed surprising strength. On the heels of last year's 26.5% gain, the S&P 500 rose another 5.4%. Bonds also advanced. While the yield on the 10-Year Treasury Note was almost unchanged (3.84% on December 31 and 3.83% at March 31), investors continued to seek out the higher yields offered by riskier credit. The Barclays Capital Aggregate Bond Index rose 1.8%.

	Q1 2010 Return	2009 Return
DJIA	4.8%	22.7%
S&P 500	5.4%	26.5%
Russell 2000 (Small Cap)	8.9%	27.2%
MSCI EAFE (US$)	0.9%	31.8%
MSCI Emerging Markets	2.5%	79.0%
Barclays Capital Aggregate	1.8%	5.9%

Small cap stocks leapt ahead in the quarter, and value outpaced growth in a reversal of 2009's growth-led rally. The best performers for the quarter were the Industrial, Financial and Consumer Discretionary sectors.

SMALL VALUE DOMINATES IN FIRST QUARTER

FIRST QUARTER 2010 RETURNS (Jan 1-Mar 31, 2010)

	VALUE	GROWTH
Large Cap	6.8%	4.7%
Small Cap	10.0%	7.6%

2009 RETURNS (Jan 1-Dec 31, 2009)

	VALUE	GROWTH
Large Cap	19.7%	37.2%
Small Cap	20.6%	34.5%

Russell 1000 Value and Growth indices used for Large Cap returns.
Russell 2000 Value and Growth indices used for Small Cap returns.

Euro zone woes and the debt crisis in Greece weighed on international equities during the quarter. The MSCI EAFE Index of developed countries rose 0.9% (US$), although the gain was greater (4.3%) in local currencies--the dollar's strength against the euro held back returns to U.S. investors. Emerging Markets also had more moderate returns, especially compared to 2009's big run. The MSCI Emerging Markets Index notched a 2.5% gain (US$). China and Brazil, strong performers in 2009, had negative returns amid expectations of monetary tightening.

In non-core fixed income, high yield bonds set a record for new issuance in the quarter, $67 billion, and logged a 4.2% gain on top of last year's 46% (as measured by the Merrill Lynch High Yield BB/B Constrained index). Unhedged international fixed income was a victim of the strong dollar; the Barclays Capital Global Aggregate Index ex US (UH) retreated 1.7% for the quarter. Emerging markets local debt, as measured by the JP Morgan GBI-Emerging Markets Diversified Index (Unhedged) posted a 5.5% gain.

The massive recovery in the markets that began in March of last year has been gratifying for long-term investors with broadly diversified portfolios that include "riskier" assets like small cap and emerging markets equity and high yield bonds. Maintaining a strategic allocation and rebalancing to it during volatile markets has been key to moving along the path to achieving long-term objectives. Their discipline, which allowed them to resist the temptation to move to a "safer" portfolio, has paid off.

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