M Financial Wealth Management™

M WEALTH PERSPECTIVE

July 2009

M Wealth provides Member Firms with exceptional fee-based wealth management solutions for their clients.

To help Member Firms grow their wealth management businesses, M Wealth offers everything from component solutions and value-added wealth services to turnkey asset management and investment consulting.

June 2009 Capital Markets Review

INDEX			PERIOD ENDING JUNE 30, 2009			
BROAD MARKET EQUITY	QTR	YTD	1 YR RETURN	3 YR RETURN	5 YR RETURN	10 YR RETURN
S&P 500 Index	15.93%	3.16%	(26.21%)	(8.22%)	(2.24%)	(2.22%)
Russell 1000 Index	16.50%	4.32%	(26.69%)	(8.20%)	(1.85%)	(1.75%)
Russell 2000 Index	20.69%	2.64%	(25.01%)	(9.89%)	(1.71%)	2.38%
Russell 2000 Growth Index	23.38%	11.36%	(24.85%)	(7.84%)	(1.32%)	(0.89%)
Russell 2000 Value Index	18.00%	(5.17%)	(25.24%)	(12.07%)	(2.27%)	5.00%
NON-US DEVELOPED MARKETS EQUITY	QTR	YTD	12 MONTHS	3 YR RETURN	5 YR RETURN	10 YR RETURN
MSCI World Ex US	25.86%	9.32%	(31.62%)	(7.46%)	2.87%	1.62%
EMERGING MARKETS EQUITY	QTR	YTD	12 MONTHS	3 YR RETURN	5 YR RETURN	10 YR RETURN
MSCI Emerging Markets Index	33.57%	34.26%	(29.97%)	0.61%	11.99%	6.29%
FIXED INCOME	QTR	YTD	12 MONTHS	3 YR RETURN	5 YR RETURN	10 YR RETURN
90 Day US Treasury Bills	0.05%	0.10%	0.62%	2.99%	3.13%	3.13%
REAL ASSETS / COMMODITIES	QTR	YTD	12 MONTHS	3 YR RETURN	5 YR RETURN	10 YR RETURN
Wilshire REIT Index	31.46%	(13.13%)	(45.35%)	(19.73%)	(3.28%)	5.53%
S&P North American Natural Resources	18.24	9.96	(44.94%)	(4.50%)	9.33%	6.89%

Commentary

- Financial markets soared in the second quarter of 2009 as the risks of a systemic global financial meltdown appear to have abated. Nearly all asset classes other than Treasuries benefited from increased investor risk appetite as Armageddon scenarios were taken off the table. In the U.S., the economy has shown signs of bottoming (or at least worsening at a decreasing rate), yet still remains fragile in the face of rising unemployment, falling home prices and ongoing deleveraging.

- In the equity markets, emerging market economies surged on expectations that they may lead the global economic recovery. In the U.S., financial, energy and technology stocks were among the best performers, with lower quality companies that have weaker balance sheets leading the way in a "dash to trash." In developed international markets, Europe is lagging a bit (in local terms) on the thought that it will take longer to recover economically.

- Credit markets continued to improve, and the degree of anxiety seen last fall has fallen dramatically. As investors have become more comfortable, they have shifted out of U.S. Treasuries (government bonds posted one of their worst quarters on record). The high yield corporate debt market was one of the main beneficiaries and posted record quarterly gains as credit spreads narrowed

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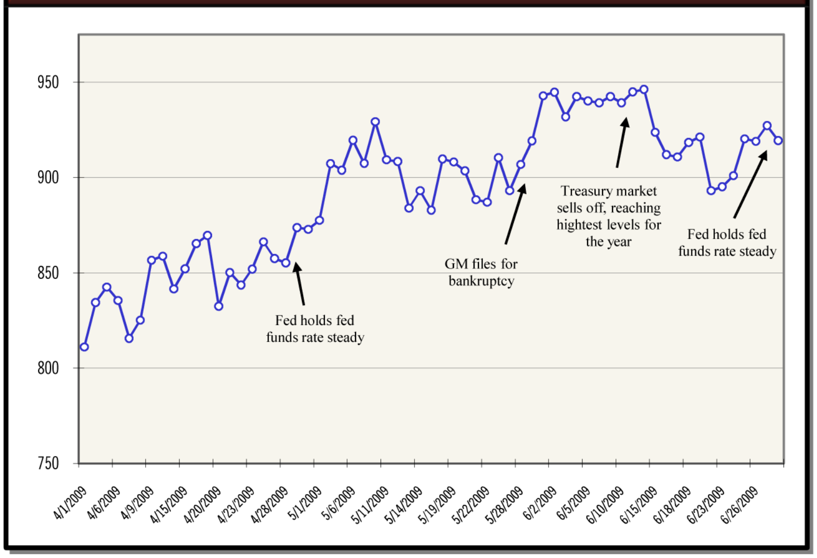
significantly, especially for lower quality credits. Still, spreads remain wide in a historical context as defaults are reaching high levels.

- Commodity prices (particularly energy) rallied in the second quarter on signs of global economic recovery and renewed inflation concerns. Real estate surged, though in the U.S. concerns about commercial property distress are being raised.

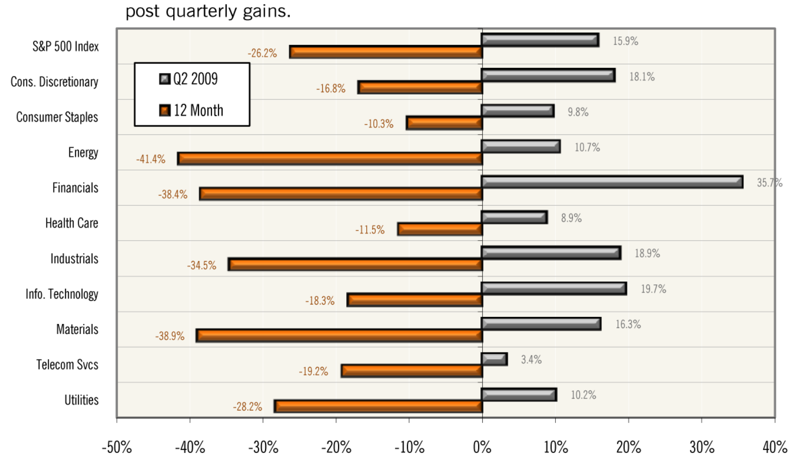
- Hedge funds as a group underperformed the broad markets in the quarter, thanks to low net exposures, though on a longer-term basis have continued to preserve value better than the equity markets.

Q2 2009 PERFORMANCE: S&P 500 INDEX



Q2 2009 S&P 500 INDEX: PERFORMANCE BY SECTOR

Financials and Information Technology were among the best performing sectors of the S&P 500 in Q2 2009 as all areas of the market were able to post quarterly gains.



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