

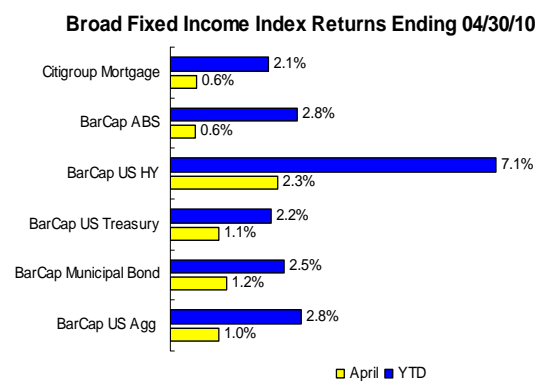
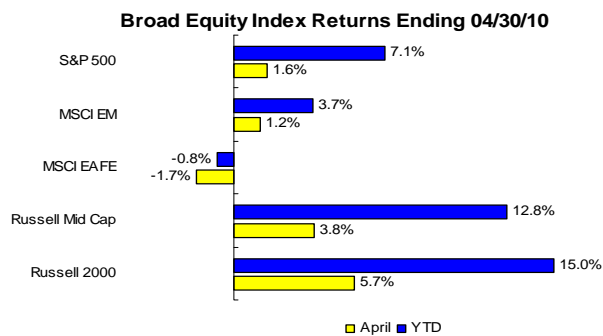
April 2010 Market Commentary

The U.S. and overseas equity markets posted varied results in April as investors waited for the final details of the Greek financial rescue package. As Greece's debt problems worsened, the country was forced to turn to other Eurozone members and the IMF for an emergency bailout.

For the month, the S&P 500 Index and the Russell 2000 Index of smaller companies advanced 2% and 6%, respectively. Energy, industrials and consumer discretionary were among the top performing sectors, while healthcare, telecommunications services and consumer staples underperformed. Across all market capitalizations, value stocks outperformed their growth counterparts. Meanwhile, small- and mid-cap companies outperformed larger companies.

U.S. fixed income markets posted positive returns. Investment grade corporate securities posted strong results. Lower quality, higher yielding corporate securities also posted solid gains with lower quality issues outperforming. Treasuries generated good returns across all maturities. Other sectors, including municipal bonds, mortgage-backed securities (MBS) and asset-backed securities (ABS), also advanced during the month.

International markets posted mixed results, with the MSCI EAFE declining 2%. Among the largest European markets, France and Germany declined 5% and 2%, respectively. Within the Pacific region, Singapore and New Zealand gained 6% and 4%, respectively. Meanwhile, Australia declined 1%, while Japan ended unchanged. In the emerging markets, the MSCI EM rose 1% on strength from select Emerging Asian, Latin American and EMEA (Eastern Europe, Middle East and Africa) countries.



World Market Recap

Economy

- First quarter GDP advanced 3.2% according to preliminary estimates. The advance primarily reflected positive contributions from personal consumption expenditures (PCE), private inventory investment, exports, and nonresidential fixed investment that were partly offset by decreases in state and local government spending and in residential fixed investment.
- At the most recent FOMC meeting in April, the Federal Reserve held rates at the 0% to 0.25% range. In a statement the Fed said that the U.S. economy continues to strengthen, but the slack left over from the recession is still so large that it expects interest rates to stay near zero for an extended period. The next FOMC meeting is scheduled for June 22nd-23rd.

- On the political front, Congress continues to move forward with proposed financial reform legislation which would impose restrictions on the size and scope of banks and other financial institutions to rein in excessive risk taking and to protect taxpayers.

U.S. Equity

- The consumer discretionary sector was the top performing sector for the month. Shoppers shrugged off worries about the economy and filled the nation's malls. Both discount and luxury retailers reported strong demand for apparel, home furnishings and appliances.
- The industrials sector also posted solid gains during the month of April amid signs of improving demand as manufacturing expanded to the highest level since 2004. New orders for durable goods rose sharply during the month.
- Uncertainty over the potential ramifications of reform legislation limited returns within the healthcare sector, particularly among select pharmaceutical stocks. Several companies were forced to lower earnings guidance due to provisions in the new healthcare law.
- Results were mixed within the financial services sector as reform legislation loomed and Goldman Sachs was charged with fraud by the SEC over its marketing of subprime mortgage products. The case also involves hedge fund investor John Paulson whose firm made billions of dollars by betting the nation's housing market would crash.

Fixed Income

- U.S. Treasuries generated good returns across all maturities. Treasury yields declined with signs of a modest recovery and Eurozone problems.
- Lower quality, higher yielding corporate securities posted solid gains, with lower quality issues outperforming.
- Investment grade corporate securities also posted gains. Corporate bonds continued to outperform as they have consistently done for over a year now.
- The MBS sector finished the month with just slight gains as the Fed's program of purchasing MBS ended in the prior month.
- Municipal bonds posted solid results as yields in the municipal bond market continued to decline modestly over the course of April, despite ongoing light flows into the sector.
- Other fixed income sectors, including ABS and emerging markets debt, ended higher for the month.

International Developed Markets

- Canada advanced 2%. The Bank of Canada left interest rates at a record low of 0.25% and reiterated its conditional commitment to hold the current policy rate until the end of the second quarter of 2010. However, in the central bank's monthly announcement officials stated that signs of economic strength warranted a reduction in monetary stimulus.
- The United Kingdom declined 1% as the Bank of England left rates unchanged at a historic low of 0.5%. On the political front, the nation prepared for national elections. Early opinion polls suggested very close results increasing speculation the election won't produce a clear majority, also known as a hung parliament.



DIMEO
SCHNEIDER
& ASSOCIATES, L.L.C.

- The European Central Bank left rates unchanged at a record low of 1% as the central bank remains in a holding pattern given uneven growth and low inflation. Meanwhile, questions surrounding a Eurozone recovery loom, with the state of Greece's public finances a particular concern. While Greece has been in focus as of late, Spain, Portugal, Italy and Ireland face similar issues.
- Within the Pacific region, Singapore and New Zealand gained 6% and 4%, respectively. Meanwhile, Australia declined 1%, while Japan ended unchanged. The Reserve Bank of Australia raised interest rates by 25 basis points to 4.25% and signaled further increases were likely as the central bank shifts from an accommodative stance to a more normalized monetary policy following the financial crisis.

International Emerging Markets

- In Asia, China ended unchanged as weakness among banks and real estate development companies held back gains. Meanwhile, strength in information technology shares sent South Korea and Taiwan up 6% and 3%, respectively.
- Within Latin America, Brazil declined 1% on weakness from commodity-related stocks. Mexico ended unchanged as drug-related violence continues to intensify along the U.S.-Mexican border. Meanwhile, the small markets of Colombia and Peru each gained 2%, while Chile advanced 4%.
- Among EMEA countries, South Africa advanced 1%. In the Middle East, Turkey rose 8%, while Egypt rallied 9%. Within Eastern Europe, Russia and Poland each declined 1%, while the Czech Republic rose 1%.

*All indices are unmanaged and investors can not actually invest directly into an index. Past performance is not indicative of future results.

The S&P 500 Index is based on the average performance of the 500 industrial stocks monitored by Standard & Poor's.

Russell 2000 Index measures the performance of the small-cap stocks.

MSCI EAFE is a market-cap weighted index representing 20 of the developed markets outside North America. These 20 countries include 14 European countries and 6 Pacific countries.

MSCI Emerging Markets is a market-cap weighted index representing 26 of the emerging countries in the world.

Note: The information contained in this correspondence was taken from sources which we deem reliable. We do not represent that it is accurate nor complete and it should not be relied upon as such. Any opinions expressed herein reflect our judgment at this date and are subject to change.