



**Advisor confidence sank to its lowest level since inception,
Current economic outlook suffered the most.**

January 28, 2007...Rockville, MD... advisor confidence in the economy and stock market fell to its lowest level ever in January, according to Rydex AdvisorBenchmarking. The Advisor Confidence Index (ACI)—a benchmark that gauges advisors’ views on the U.S. economy and stock market—was down nearly 6% compared to December and about 24% since the indicator’s inception in March 2004.

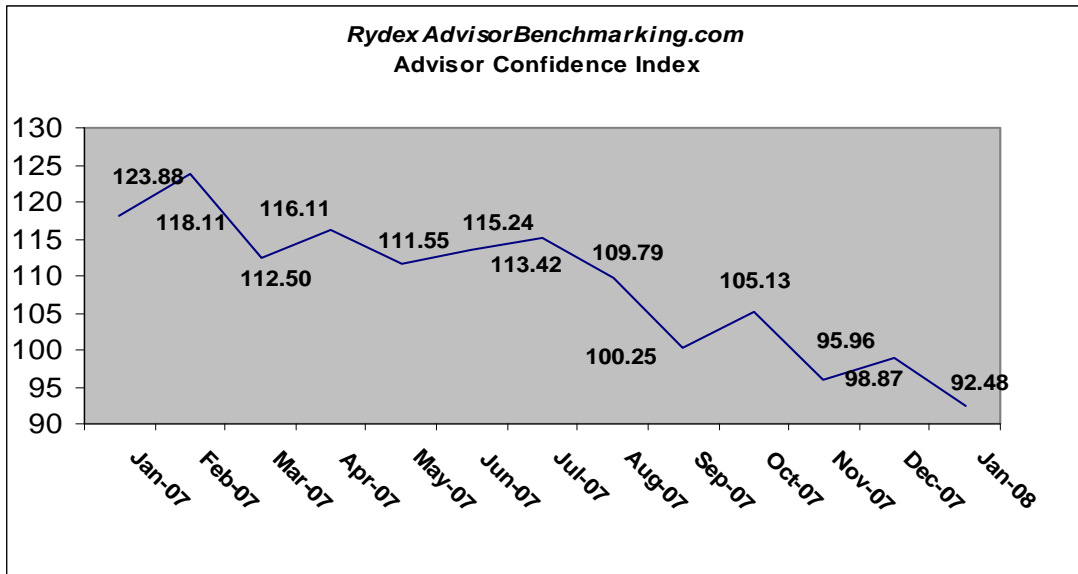
Economic and stock market outlook is pessimistic

The ACI dipped 6% in January to 92.48, from 98.87. Advisors feel more pessimistic and “expect a weak economy and stock market for the first half of the year.” “The convergence of advisors’ concerns over the subprime collapse, credit crises, the real estate fall, consumer overspending, worldwide financial issues and uncertain political and tax law” outcomes negatively contributed to the index.



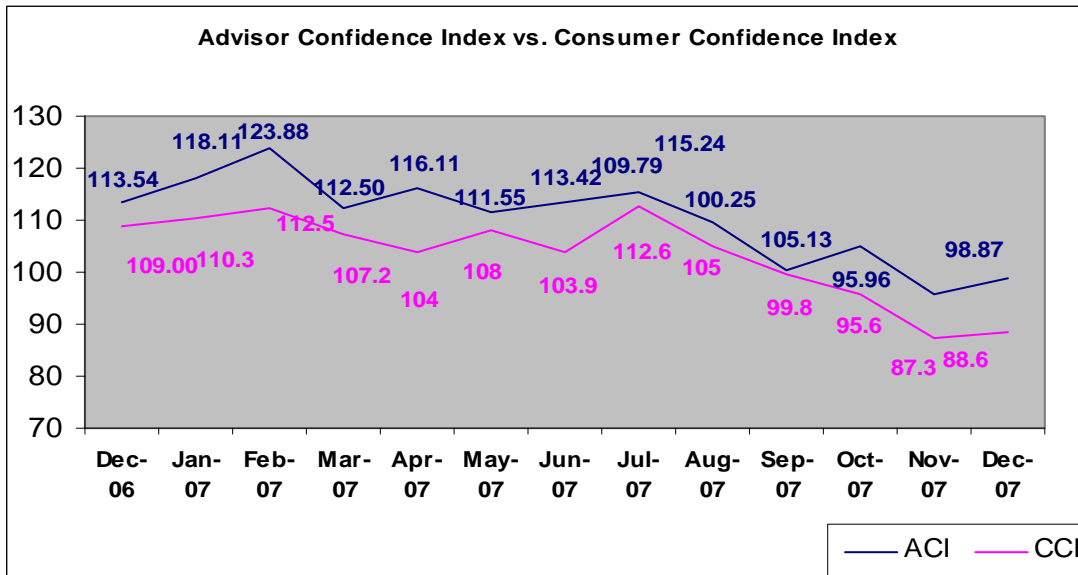
Three of the four economic elements used to calculate the ACI decreased in January. Advisors were most pessimistic about the six-month economic outlook, which was down 11.52%. Interesting to note, the 12-month economic outlook is positive and was up 5.25%. A closer look at the components reveals the following:

Current economic outlook	-9.97%
Six-month economic outlook	-11.52%
12-month economic outlook	5.25%
Stock market outlook	-10.09%



Advisor vs. consumer confidence

The Conference Board Consumer Confidence Index, which has declined since the summer, posted a slight increase in December. The Consumer Confidence Index stood at 88.6, up 1.49%, compared to a 3.03% increase for the advisor index.



Notable comments from participating advisors

Most of the advisors who participate in the survey elect to have their names made available to reporters who would like to interview them about their economic sentiments. AdvisorBenchmarking can facilitate such interviews for reporters.

“Let the healing begin. Dollar LIBOR is finally going down with other dollar rates, so lower mortgage rates should be coming. This will help to stabilize the housing market, though there is still more pain to come as the lower rates will not rescue those who cannot afford their payments and those underwater on their mortgages. We may still need an injection of Federal dollars in an RTC fashion, though we probably need some

crooks to blame and mortgage reform legislation before it's politically feasible. Hopefully we'll at least be able to see the turn by mid 2008."

-- Bill Ramsay, Financial Symmetry, Inc.

"I have been neutral to negative on the economy and the market for the past several months and I don't see any reason to change my position. The government is threatening to bail out the subprime mortgagees from the extremely high debt that they should have never been approved for and I think that the situation is so grim a bailout won't help. I don't think the Fed has a grip on reality and I wonder if it is the job of the Fed to worry about the housing and stock markets. So for the next –six to nine months I would be cautiously leaning toward a lighter than usual equity allocation."

-- David Cramer, Cramer Financial Services

"The broader awareness of the credit problems extending well beyond subprime mortgages likely ushers in the second stage of a recessionary bear market. Denial had been the first stage and we are now in the migration phase. Eventually, we will reach the panic phase, though it is still too early to try and assess when that will arrive. Return of capital remains far more important than return on capital."

-- James Dailey, TEAM Financial Managers

"Expect a weak economy and stock market for the first half of the year. Then as the financial industry woes subside and interest rate cuts begin to take effect we should see a gradual improvement."

-- Jim Elder, ElderAdo Financial

"While the first part of 2008 will be volatile and rocky, analysts are reflecting a 30.9% rise (as of 1/9/2008 from First Call) in earnings year-over-year for the S&P 500. Wow, that's a big number. The only problem is that the street is crippled with fear and doesn't know what to believe from the analysts since their earnings crystal ball was quite bad as we closed out 2007. The silver lining / glimmer of hope is that when we get to 2009, year-over-year growth will look pretty good since the bar is being taken very low, especially on financials and consumer discretionary."

-- Kenny Landgraf, Kenjol Capital Management, LLC

"The Federal Reserve is significantly behind the curve. On average, one year after the Fed initially cuts rates the Dow Jones Average is up 19%. So far since their first cut the Dow is down about 7%, whereas it should be up about 5%. The Fed is behind the curve causing the stock market to be behind the curve."

-- Michael Sadoff, Sadoff Investment Management, LLC

"The convergence of the subprime collapse, credit crises, real estate fall, consumer overspending, worldwide financial issues, and totally uncertain political and thus tax law outcomes are combining to create a "perfect storm" of financial woes."

-- Peter Wheeler

"To protect client portfolios from volatility in worldwide equity markets, our win-by-not-losing investment approach has guided a tactical overweight to short term U.S. Treasury by 15%."

-- Rob Siegmann, Financial Management Group

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