

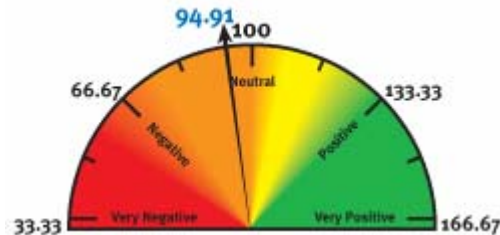


## **Advisor Confidence Improves Slightly in February** *Amidst concern with economy, advisors are optimistic about stock market*

**February 25, 2008...Rockville, MD...** Advisors' confidence in the economy and stock market improved slightly in February, according to Rydex AdvisorBenchmarking. The Advisor Confidence Index (ACI)—a benchmark that gauges advisors' views on the U.S. economy and stock market—was up nearly 3% compared to January.

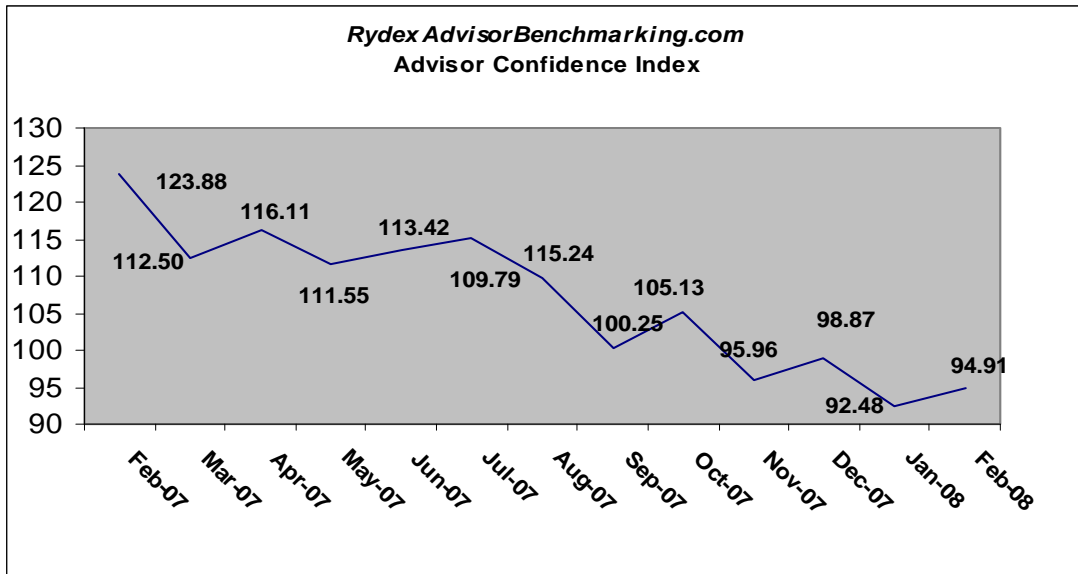
### **Economic and stock market outlook is slightly more optimistic**

The ACI improved 2.6% in February to 94.91, from 92.48, indicating that some advisors—while concerned about overall U.S. economic health—feel more optimistic and see the stock market moving towards a bottom inflection point.



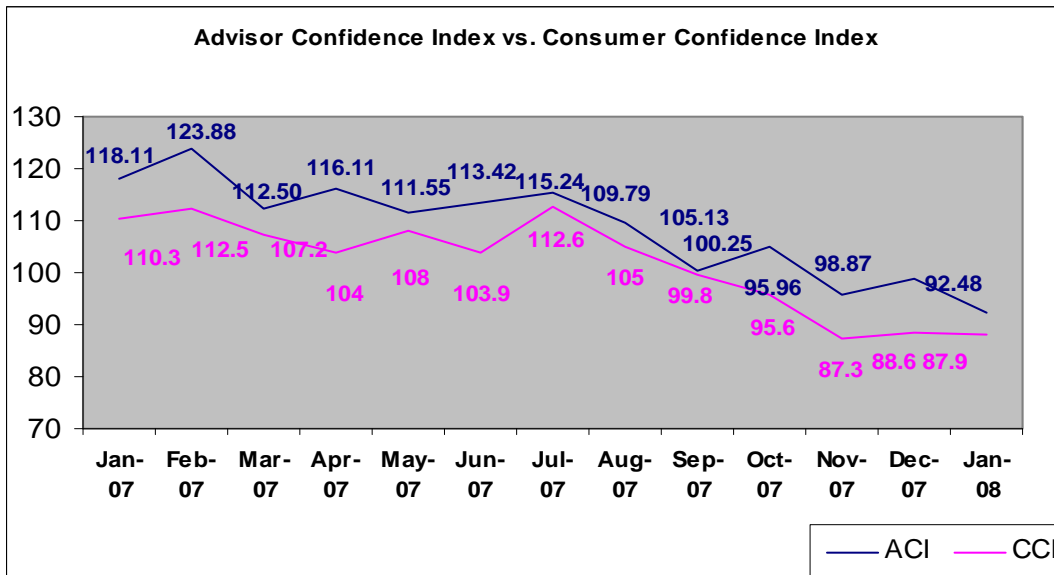
Two of the four economic elements used to calculate the ACI decreased in February. While both current (-5.38%) and longer-term (-0.44%) economic outlooks were pessimistic, advisors are optimistic about the intermediate (+4.49%) economic outlook, and very positive about the stock market (+12.24%). A closer look at the components reveals the following:

Current economic outlook	-5.38%
Six-month economic outlook	+4.49%
12-month economic outlook	-0.44%
Stock market outlook	+12.24%



**Advisor vs. consumer confidence**

The Conference Board Consumer Confidence Index, which had improved moderately in December, gave back the gain in January. The Index stood at 87.9 (1985=100), down from 88.6.



**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.

“The Fed hit the panic button, and it may have prevented this bear market from being average or worse. So far, from top to bottom the U.S. stock market has declined by about 20%, whereas the average bear is more like 26%. With the exception of the 2000-2002 recession, the other eight recessions since 1950 saw the stock market's low point reached roughly in the middle of the recession. If it began in October/November, we could certainly be very close to the middle of this likely recession. Of course we also still think

it likely we'll need direct federal money similar to the RTC to keep the housing/mortgage bust from festering like 1990's Japan.”

-- Bill Ramsey, Financial Symmetry Inc

“The talking heads on television always refer to a 3-4% inflation rate, but they ignore the inflation of health care costs for seniors which are far in excess of the "average" rate. With health care costs soaring, gasoline skyrocketing and utilities increasing substantially, seniors are afraid that they will not have enough income to meet even their modest standard of living. If they withdraw 5-6% of their retirement savings annually and we run into a bear market, their savings will erode rapidly—a reason for being defensive with retiree's portfolios.”

-- David Cramer, Cramer Financial Services

“The clock is slowly ticking on the United States economy and the federal government's so called stimulus plan is nothing more than offering a “junkie” one more hit before the drugs run out. When consumer spending accounts for two-thirds of our economy and the consumer has stagnate or declining wages, higher fuel, utility, health care costs—not to mention debt payments—to contend with, it shouldn't be a surprise that the economy is going to slow down. The only thing that has a chance to mitigate this problem is the ever expanding international markets, but don't look for them to go straight up either. No matter how low the Federal Reserve take rates, the banking industry is not rushing to follow suit. Don't be surprised if you don't hear that dreaded “Stagflation” term sounded more often!”

-- George Cheatham, American Financial Consultants Inc

“The market appears close to forming a temporary low and a bear market rally seems likely. However, we believe that the problems in the U.S. economy are structural and are likely to result in an extended period of disappointing economic growth. Rather than a V-shape recovery, we expect an L-shape one to emerge. We do not believe that the stock market is anywhere close to pricing in this potential reality. Finally, the stock market is undervalued. We see great opportunities to buy into the market now before the big run up later this year.”

-- James Dailey, TEAM Financial Managers

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-- Jim Elder, ElderAdo Financial

“There's a lot of talk lately about a potential recession. But all my clients' businesses seem to be doing just fine, and they are proceeding with spending as originally planned. Let's not talk ourselves into a recession.”

-- Keith Newcomb, Full Life Financial LLC

“The stock market decline halted once the Federal Reserve aggressively cut rates (first by 75, then 50 bps). The 10% stock market rally off the lows has rolled over and a re-test of January lows seems likely. For five years the stock market enjoyed higher highs and higher lows. It appears that the market is poised for a pattern of lower highs and lower lows.”

-- Michael Sadoff, Sadoff Investment Management LLC

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