

Recent Comments from Our Sub-Advisors

October – December 2008

James Rothenberg – Chairman, American Funds

- ~ “If I could deliver a single message to every one of our shareholders, it would be this: We have been here before and we have always recovered and eventually enjoyed new periods of prosperity. The U.S. and world economies are resilient, and that has not changed. A market slump like this creates opportunities. I urge our shareholders to continue to work closely with their financial advisers, to keep a long-term view and to maintain a well-diversified portfolio. These three simple ingredients are key to long-term success in meeting one’s financial goals.”

Managers of the Longleaf Partners Fund

- ~ “Over 33 years we have operated successfully through six bear markets and are now in our seventh. This one is the most severe, the most painful. Conversely, it is the one that has created the most compelling opportunity and should produce the highest returns when the fear subsides.”

Dan Fuss – Manager, Loomis Sayles Bond Fund

- ~ “I’ve never seen an opportunity – relative or absolute – as good as this to buy in the investment grade bond market. Investors’ appetite for U.S. Treasuries is very understandable for liquidity, but does not make sense on current valuations.”

Rob Arnott – Founder, Research Affiliates

- ~ “Half-off sales at the mall are greeted with glee by cost conscious shoppers. The truly magnificent sales – those offering high quality merchandise at bargain basement prices – often produce lines stretching around the block. But in the capital markets, clearance prices are greeted by many with disdain. There may be lines around the capital-market block, but they are to sell, not to buy. The savvy investor, however, takes a long-term view and gathers bargains.”

David Dreman – Founder, Dreman Value Management

- ~ “Panics invariably provoke investors to make the wrong moves. So resist the panicky call from many of your friends (and some experts) to move to cash while you still have some savings left. And if you have uninvested cash? There is almost an endless choice of quality businesses trading at or near liquidation prices. Take that money out of your mattress. If you don’t you’ll miss one of the great buying opportunities of your life.”

John Calamos – Founder, Calamos Investments

- ~ “As always, we hold the view that investing is a long-term proposition. Short-term investors view the current environment through a lens of fear. From our long-term perspective, we see bargains cropping up all over the financial markets.”

Managers of the Tweedy, Browne Global Value Fund

- ~ “Each bear market seems, when we are in the midst of it, as if it is the end of the world. Unfortunately, most individuals tend to extrapolate current conditions endlessly into the future. Things will change and, in our estimation, for the better. As one philosopher said, the world will only end once and then it does not matter what you own. We are reminded of the time back in 1962 when Russian missiles were on their way to Cuba to confront the U.S. blockade. Joe Reilly, a former partner of Tweedy, Browne, was in our trading room feverishly buying stocks in one of the biggest market meltdowns in stock market history. When asked how he could be so confident in the face of such impending doom, Joe remarked, ‘Either this is going to turn out OK and the markets will turn around, or the world is going to come to an end. In either event, I’ll be fine as long as God doesn’t require cash.’”