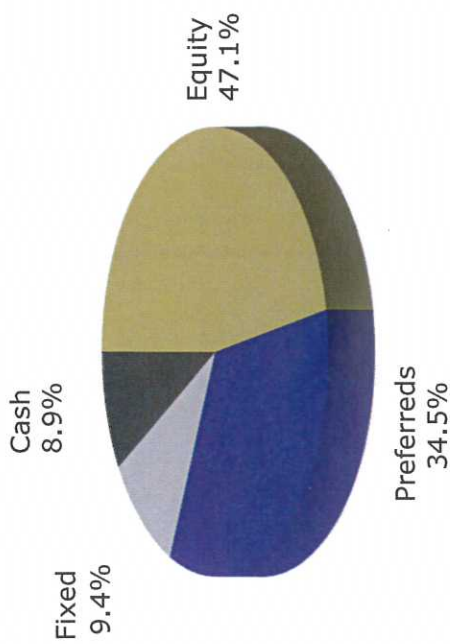


**Asset Allocation**



**Sector Allocation**

Cons Discretionary	2.06%
Cons Staples	7.51%
Energy	20.35%
Financials	20.76%
Health Care	7.03%
Industrials	3.10%
Info Technology	18.62%
Materials	6.48%
Telecom Services	6.16%
Utilities	6.30%
Preferred Stocks	34.5%

**Best / Worst Performers Fiscal YTD**

Freddie Mac Pref.	29.65%	Treasury Short	-21.97%
Fannie Mae Pref.	26.13%	Transocean Inc.	-12.90%
Qwest Corp. Pref.	20.05%	Citigroup Inc.	-10.07%
BB&T Pref.	16.97%	Marathon Oil Corp.	-6.41%
Prudential Pref.	15.89%	Seadrill Ltd.	-6.17%