

Monthly Valuation Report

February 25, 2009
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Summary

Since our last report, the market has traded down to levels that make a report focused on valuation even more compelling. Finding a rudder that one can rely on to guide the portfolio selection process through the current seas of financial volatility and turbulence is well received. *Since our last report, 2 of our 4 sector recommendations, Information Technology and Healthcare, were the best performing GIC sectors overall.* Our January recommendations are in purple font above.

Sector	Russell 1000Weight	PriceReturn
Information Technology	16.22	-3.05
Health Care	15.43	-3.16
Consumer Staples	12.12	-6.56
Telecommunication Serv	3.7	-6.96
Consumer Discretionary	8.86	-7.98
Utilities	4.75	-10.09
Energy	13.62	-10.38
Materials	3.51	-11.15
Financials	11.07	-11.42
Industrials	10.72	-14.92

Latest Sector Ranking

This month's sector rankings retain 3 of the Sectors from last month's report, namely the Information Technology, Health care and Utilities sectors. The Industrial sector no longer makes the cut.

Sector Rankings		Sector Rankings	
by Average Reward / Risk Ratio		by Average CF Valuation Level	
Average of Reward / Risk Ratio	Total	Average of Rank Assignment for Color	Total
SectorName		SectorName	
Health Care	5.95	Utilities	6.60
Information Technology	3.48	Health Care	6.08
Consumer Staples	2.44	Consumer Staples	5.98
Consumer Discretionary	1.98	Industrials	5.81
Industrials	1.83	Energy	5.54
Materials	1.38	Consumer Discretionary	5.47
Telecommunication Serv	1.28	Telecommunication Serv	5.33
Utilities	1.27	Materials	5.30
Energy	1.22	Financials	5.22
Financials	1.06	Information Technology	5.21
Average Ranking	2.24	Average Valuation	5.57

Source: BRV Research

NOTE: Blue Bold=Current Top 2 sectors. Purple Bold=Prev. Month Top 2 (if not in current top 2)

Sub-Industry Average of Color Indicator for Valuation between: 0.0 To 1.39	
Sub-Industry Average of Color Indicator for Valuation between: 1.4 To 2.79	
Sub-Industry Average of Color Indicator for Valuation between: 2.8 To 4.19	
Sub-Industry Average of Color Indicator for Valuation between: 4.2 To 5.59	
Sub-Industry Average of Color Indicator for Valuation between: 5.6 To 7.00	

Healthcare is now the one GIC Sector showing up as attractive using BOTH valuation algorithms: the Reward/Risk and the CF Valuation metrics. Since it is showing up in both analyses, this month, there are only 3 sectors (as opposed to

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