

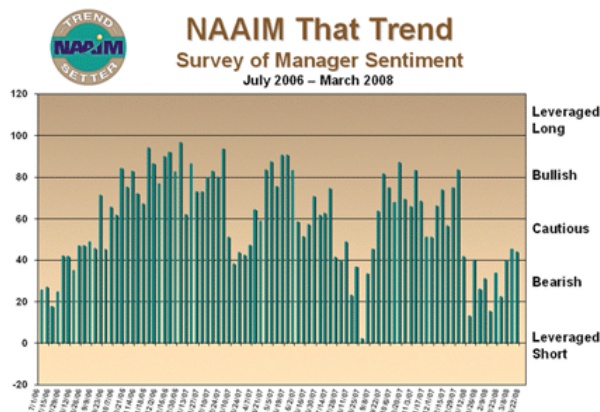


National Association of Active Investment Managers Weekly Adviser Sentiment

For Immediate Release - November 16, 2007

New weekly index tracks equity exposure of members of the National Association of Active Investment Managers (NAAIM)

The National Association of Active Investment Managers (NAAIM) has begun publication of a new sentiment indicator designed to measure the current market exposure of association members who based their investment strategies on active management. NAAIM has been gathering data and plotting the index since July of 2006.



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"Sentiment indicators are widely used to monitor investor confidence in financial markets," explained William Hepburn, originator of the index and president of Hepburn Capital Management in Prescott, Ariz. "But there hasn't been an indicator that tracked investment managers who actively manage assets by staying in sync with market trends. The NAAIM indicator is designed provide the active manager's view of market direction and risk."

NAAIM member firms - active investment managers - are asked each week to provide a number which represents their overall equity exposure at the market close on Wednesday. Responses are tallied and averaged to provide the average long (or short) position of the managers as a group. Results are posted to the association's website each Thursday and can range from 200% leveraged long to -200% leveraged short. The association also provides a table of the standard deviation, most bearish and most bullish responses as well as where the advisers fall within each quartile.

"Investment styles vary widely among the managers participating

in the survey," explains Hepburn. "Some managers use strategies that trade very frequently and can switch long and short positions daily alongside strategies that are less active. Other managers stay fully invested at all times, but change allocations among market segments or sectors. Still others trade around core positions and only a portion of their portfolios change, although that change can be very quick."

	Oct. 3, 2007	Oct. 10, 2007	Oct. 17, 2007	Oct. 24, 2007	Nov. 1, 2007	Nov. 7, 2007	Nov. 14, 2007
Mean/Average	74.75	67.52	86.93	69.14	65.69	83.21	68.35
Most Bearish Response	-125	-125	-50	-200	-200	-20	0
Most Bullish Response	200	130	200	200	200	200	200
Standard Deviation	60.61	55.63	48.42	65.85	75.07	51.98	40.68
Quartile 1: (25%)	54	55	75	50	39	50	44
Quartile 2: (Median)	90	90	95	90	90	80	65
Quartile 3: (25% above)	100	100	100	100	100	100	98

[Download Excel file with data since inception.](#)

"What's most interesting is when we see convergence among these diverse strategies," he said. On Nov. 14, the average equity exposure of the NAAIM Trend Setters was 68.35, down from the prior week. There is also a noted drop in bearish responses.

About the National Association of Active Investment Managers

The National Association of Active Investment Managers (NAAIM) was formed in 1989 as a non-profit association of registered investment advisers who provide active money management services to investors. The goal of the NAAIM members is to produce favorable risk-adjusted returns for their clients as an alternative to more passive allocation strategies. NAAIM includes more than 200 member firms nationwide, managing an estimated \$15 billion. Members range from small regional firms to large national firms with over \$1 billion in assets under management, including hedge fund managers, mutual fund companies and a variety of other firms that provide professional services to RIAs.

Data collection issues that may affect the statistical significance of this data include:

Use of a single, composite number for each adviser may not accurately represent the market view of a manager who has short term and long term strategies that are providing conflicting signals or a manager who uses both contra-trend and trend following strategies for different portfolios. Although

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If you are not interested in receiving NAAIM That Trend updates, please let us know who within your organization would be an appropriate recipient by replying to this message.

the number of participating managers, known as NAAIM Trend Setters, is steadily growing the sample size is not large and therefore may be less reflective of actual market conditions.

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