

GLOBAL INSIGHTS

International Assets Advisory, LLC ("IAA")

Panic in the Streets

"Oil is a hundred, Gold is a thousand, Panic is a billion."
Recent quote from JW an old Wall Street Sage

In the last month we have seen an incredible rollercoaster in the global financial markets. At this moment, the Dow Jones Industrial Average (DJII) is down almost 5.7% year to date and 12% since its high last fall. The US Equity markets are not unique in this fall. Most other global equity markets are down 10% or more this year alone. In fact if you discount really esoteric markets that are not open to the average US investor, only Mexico, Chile, Peru and Taiwan are showing positive performance this year. Finally, the unthinkable happened and a major Wall Street firm, Bear Stearns, nearly collapsed. Yet over the last week the US and other equity markets are starting to show a pulse again.

People keep asking what is going on and why? The long answer would take up more space that this forum allows. The short answer is that there was too much leverage in the financial markets coupled with investment bubbles especially in US home prices. The bursting of the US housing bubble combined with changes in US accounting standards (read about FASB 155, 156 & 157 on the internet) helped to create a global liquidity crisis that was exacerbated by emotional sentiment.

We truly live in the instant information age. While this has many benefits it is also a bane. Ever growing competition for viewers/readers means that sensationalism is at an all time high. Even the smallest bit of news, good or bad, can quickly spin out of control.

Ultimately, this leads to irrational exuberance on the way up and irrational panic on the way down. This would appear to present an opportunity to "time" the market. History has shown us the folly of that exercise. Just being a little wrong with your timing can cause disastrous results.

We believe that sticking by the old adage of "It's not your timing of the market but your time in the market" and implementing a well diversified asset allocation strategy is the soundest way to invest in any market.

March 2008

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges and expenses. You can request a prospectus by calling 800-432-0000. Please read the prospectus carefully before investing.



Currency Roundup

Currency Value	03/21/08	02/22/08
EUR 1 Euro equals 1.4825	US\$ 1.5433	
CAD 1 CAD equals	US\$.9770	.9872
JPY US\$ equals Yen	99.57	107.17

Early in the month the USD was like Tom Petty. It was free falling against most major currencies. After the Fed's bailout of Bear Stearns and the cutting of the Fed Funds rate another 75 basis points, the \$ appeared to stabilize and even made back some ground against the major currencies.

We still expect the \$ to gain ground over the next 12 – 24 months against the Euro, GBP and other major European currencies. We remain bullish over this same time period on JPY and other major Asian currencies but some of that bullishness has been dampened since the JPY is already up 14% since we made that call in the fall of 2007.

Getting Ready to Retire

Markets like we are currently experiencing demonstrate the need for a sound retirement plan. With tax day around the corner, now's the time to get your IRA in order as there is still time to fund it for 2007 and to plan for the rest of this year too.



Hot Commodities

Commodity	03/01/08	02/22/08
NYMX WTI Crude Oil	101.84	98.81
COMEX GOLD	919.50	947.80
NYMX Nat. Gas	9.065	9.146

Commodities have been rife with turmoil too. Gold broke through \$1000 and oil was above \$110. Since the Fed rate cut and Bear Stearns bailout, both have lost ground and many pundits feel that we may have turned the corner in the US financial markets. We will leave such predictions to others. We don't believe anyone can regularly predict the top or the bottom of a market but we are cautiously optimistic that they are right. In the meantime, you must ask yourself if oil is the next bubble to burst.

Call you IAA Financial Consultant see what we think about Oil and if it is another bubble.

INTERESTING Thoughts

Benchmark	03/21/08	02/22/08
Fed Funds	2.08%	2.973%
3 Mon. T-bill	0.88%	2.24%
5 yr. T-note	2.57%	2.92%
10 yr. T-note	3.48%	3.88%
30 yr. T-bond	4.28%	4.64%

We applaud the Fed's actions of this month. While we hate corporate welfare the Fed's bailout was necessary to maintain order and trust in the world's financial markets. While the shareholders of JP Morgan will be the most immediate and direct beneficiaries of the Fed's ingenuity, all investors around the world will benefit.

With this latest 75 basis point cut, the Fed signaled that it will do what it thinks is necessary to keep the US economy flowing, however by not cutting 100 basis points it demonstrated that it won't be bullied by Wall Street Traders into acting irresponsibly. Chairman Bernanke send a strong message that the Fed will not abandon its primary role of guarding against inflation.

After many months of questions the Chairman's leadership we offer up kudos to him this month.