ECONOMIC & INVESTMENT OUTLOOK – 1st Quarter 2007

The following is a year-to-date comparison of results for major indexes representing various domestic and international asset classes.

Index	**Dec-06**	**QTD**	**YTD**	**Description**
S&P 500 Index*	2.93%	7.92%	13.62%	Large-cap stocks
DJIA*	1.97%	6.71%	16.29%	Large-cap stocks
Nasdaq Comp.*	-0.68%	6.94%	9.52%	Large-cap tech stocks
Russell 1000 Growth	0.34%	5.93%	9.07%	Large-cap growth stocks
Russell 1000 Value	2.24%	7.99%	22.25%	Large-cap value stocks
Russell 2000 Growth	-0.24%	8.76%	13.35%	Small-cap growth stocks
Russell 2000 Value	0.87%	9.03%	23.48%	Small-cap value stocks
EAFE	3.15%	10.41%	26.86%	Europe, Australasia & Far East Index
Lehman Aggregate	-0.58%	1.24%	4.33%	U.S. Government Bonds
Lehman High Yield	1.10%	4.19%	11.85%	High Yield Corporate Bonds
All returns are estimates as of December 31, 2006. *Return numbers do not include dividends.				

As your investment advisor, we have a fiduciary responsibility to *prudently* manage your investment assets. From our professional experience, this is best accomplished by the Nobel Prize winning diversified investment approach we use, and which abides by our “win by not losing” investment philosophy.

Quiet Millionaire™ Wisdom
Reducing the volatility in a portfolio minimizes the frequency and severity of losses which maximizes the power of compounding growth during periods of positive returns

When an investor experiences negative returns in a highly volatile portfolio, subsequent positive returns must first play “catch up” from prior losses before the portfolio can regain beneficial growth. If you lose 50% in value, then you must accomplish a 100% return in order to just break even. As counter intuitive as it may seem, some of the best opportunities for achieving long-term growth in your portfolio occur by reducing or eliminating downside risk during periods of negative returns. Therefore, when we, as your investment advisor, preserve wealth during difficult investment environments we are actually increasing your wealth accumulation, and taking speculative risks to catch up are not required.

How valuable is lower portfolio volatility to you? A $100,000 investment in the S&P 500 Index from 1950 through 2005 would have averaged 9.05%, and have grown to $6,116,100. However, the same amount invested in a globally diversified portfolio that averaged the same 9.05% with half the volatility of the S&P 500 would have grown to $9,971,000! That’s over 60% more added value, and shows why you “win by not losing” as well as why you should not be fooled by percentage gain numbers when evaluating investment performance and wealth accumulation results.

Our global economic assessments cause us to be cautious about expected performance for equity investments in 2007. Here is how we see the world economic fundamentals playing out:

- The full market cycle for U.S. stocks is in the late stages of advancement (i.e. near the top) as evidenced by risky investor speculation without awareness and concern for underlying deteriorating economic fundamentals. This is being fueled by investors who have forgotten the painful experience of negative returns as well as by media hype about the current record breaking performance levels for the Dow. The financial health of the U.S. economy will face serious challenges due primarily to the high domestic Federal debt level and international trade deficit, neither of which we think is being politically addressed. We foresee a more volatile investment environment occurring in 2007 and a recession as probable within the next twelve to eighteen months. Accordingly, we anticipate that downward market adjustments are likely to occur in 2007, and your portfolio has been positioned to avoid a steep decline.

- The value of the US dollar will probably continue to weaken and may create concerns for foreign investors (particularly China, Japan, and other Southeast Asian countries) that invest their trade surplus dollars in U.S. Treasury debt. When the U.S. economy begins to falter, foreign investors may become less inclined to finance U.S. deficits, forcing interest rates to rise and lead to a recession.

- Consumer spending and housing market activity will decline further as the U.S. economy slows down. Borrowers have topped out their home equity and credit card debt limits, and will have to allocate more of their income to pay required monthly payments. Moreover, despite the new bankruptcy laws that make it tougher to file, personal bankruptcies are now pushing on to record highs. Also symptomatic of a weakening consumer sector is that the U.S. household savings rate is negative (compare this to Chinese households that save over thirty percent of their income).

- Corporate spending levels will follow the decrease in consumer spending as the economic business cycle matures, and the slowdown in the U.S. economy develops. Major domestic manufacturing companies with intensive capital/labor requirements (such as Ford and General Motors) will struggle to reposition their operations for profitability, and negatively influence investor sentiment. Moreover, the rebalanced Congressional environment will be less pro-business.

- Oil and other natural resource prices will remain costly as emerging economies (particularly China and India) compete with the U.S. for their consumption requirements. In addition, the U.S. economy is vulnerable to increasingly hostile energy supply sources such as Iran and Venezuela.

Our economic-driven assessments determine when and how we strategically adjust your globally dispersed asset class weightings, which is the ***most important investment decision***. Accordingly, your portfolio has been strategically positioned as follows:

- The value style of domestic equity investing is overweighted relative to the growth style in order to accomplish a more defensive positioning against downside risk. Even though the value and growth styles of investing have a comparable average annual rate of return in the long run, the actual dollar gains in value are higher because the value style of investing tends to hold up better during the tough times.

- We have strategically allocated your portfolio for growth from international investments in order to capitalize on foreign economies growing faster than the U.S. economy.

- Specialized sector rotation is being added to your portfolio in order to seek additional opportunities for growth. The introduction of this active sector rotation strategy is being accomplished by using the Icon Core Equity fund, which actively seeks investment exposure to undervalued industry sectors in the economy. Some examples of industry sectors include healthcare, real estate, energy, basic materials, technology, and financial services, for which the opportunities to achieve relatively strong investment performance can vary.

We encourage you to discuss with us any aspects of the structure and performance of your investments for an understanding of how you benefit from our investment approach. Enclosed for your approval are trading worksheets with our current recommendations for rebalancing your holdings. Please review the recommendations for your approval on a timely basis.

Warmest regards,

Brett Wilder, CFP®	David Wilder, CFP®, CTFA, MST	Rob Siegmann	J. Brock Dexter
President & CEO	Executive Vice President	Executive Vice President	Executive Vice President

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In accordance with regulatory requirements, our Form ADV registration with the U.S. Securities & Exchange Commission (SEC) is available on the website under "For Clients" and "Forms" or by telephone at 513-984-6696.

If you know of others…family members, friends, work associates, etc. who might be interested in our help, please direct them to the FMG website www.fmgonline.com for an introduction to our staff and our services. Assure them that we would welcome their contacting us. We encourage and appreciate your referrals, and you can be certain that we will do our very best to help the people you refer achieve their financial management and investment objectives.

Lastly, after five years of writing and re-writing, Brett has completed a 406 page hardcover book titled *The Quiet Millionaire*, which is now in production with an official publication date scheduled for April 2007. Also, a book website www.quietmillionaire.com is being developed. More information about the book and the website will be forthcoming soon.

Thank you for you trust and loyalty. "We are here to help, *and we can!*"™