

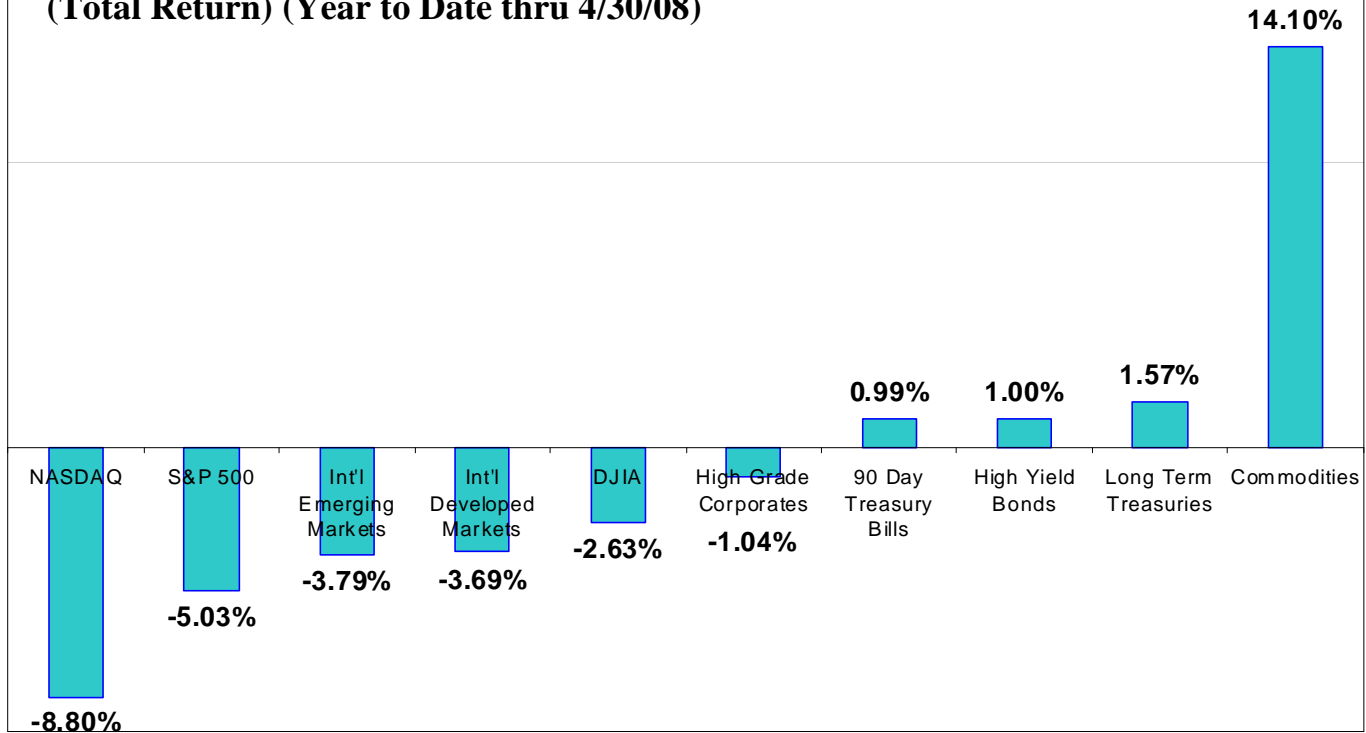
Market Update

Conference Call

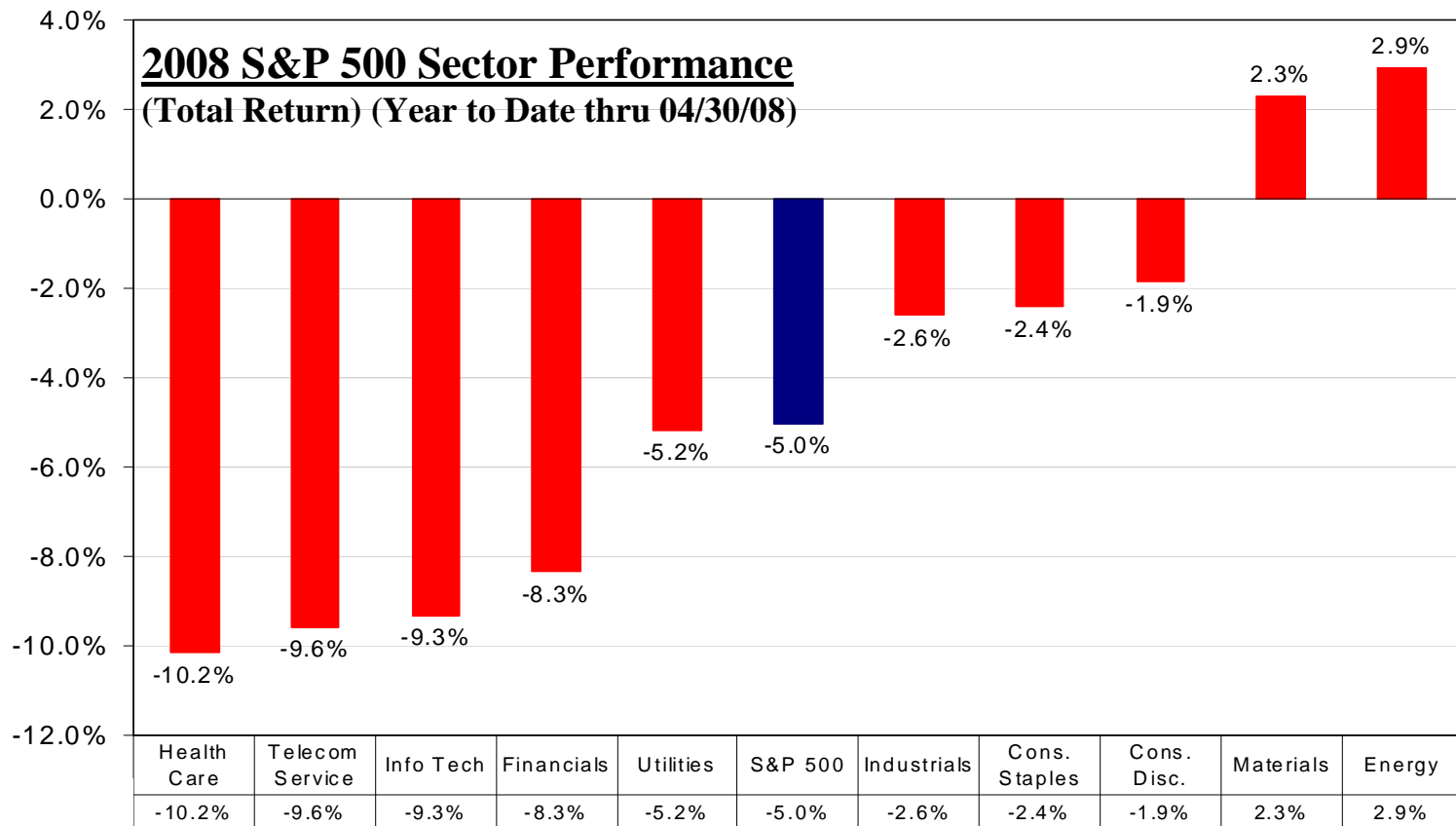
May 20, 2008

2008 Asset Class Performance

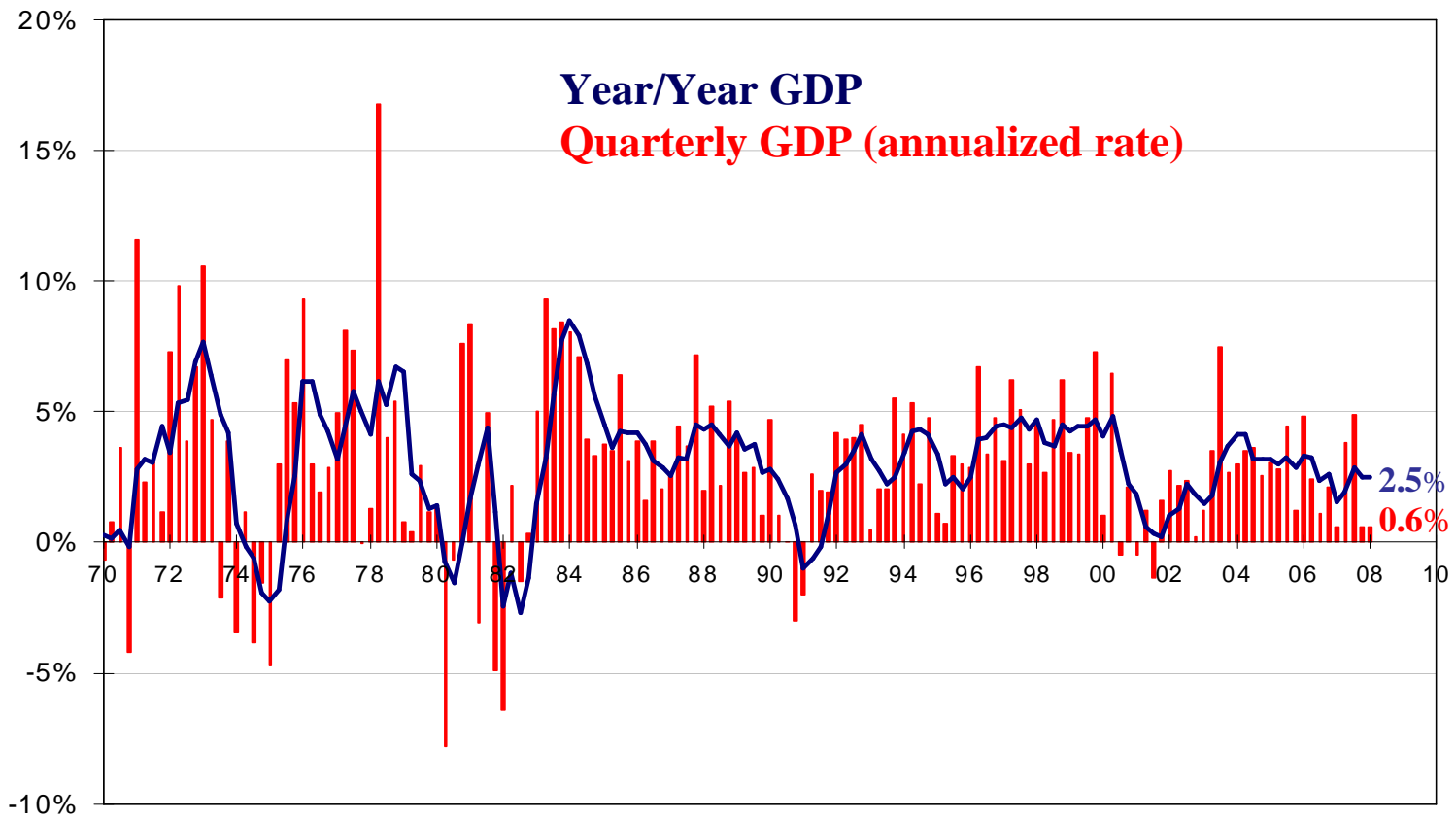
(Total Return) (Year to Date thru 4/30/08)



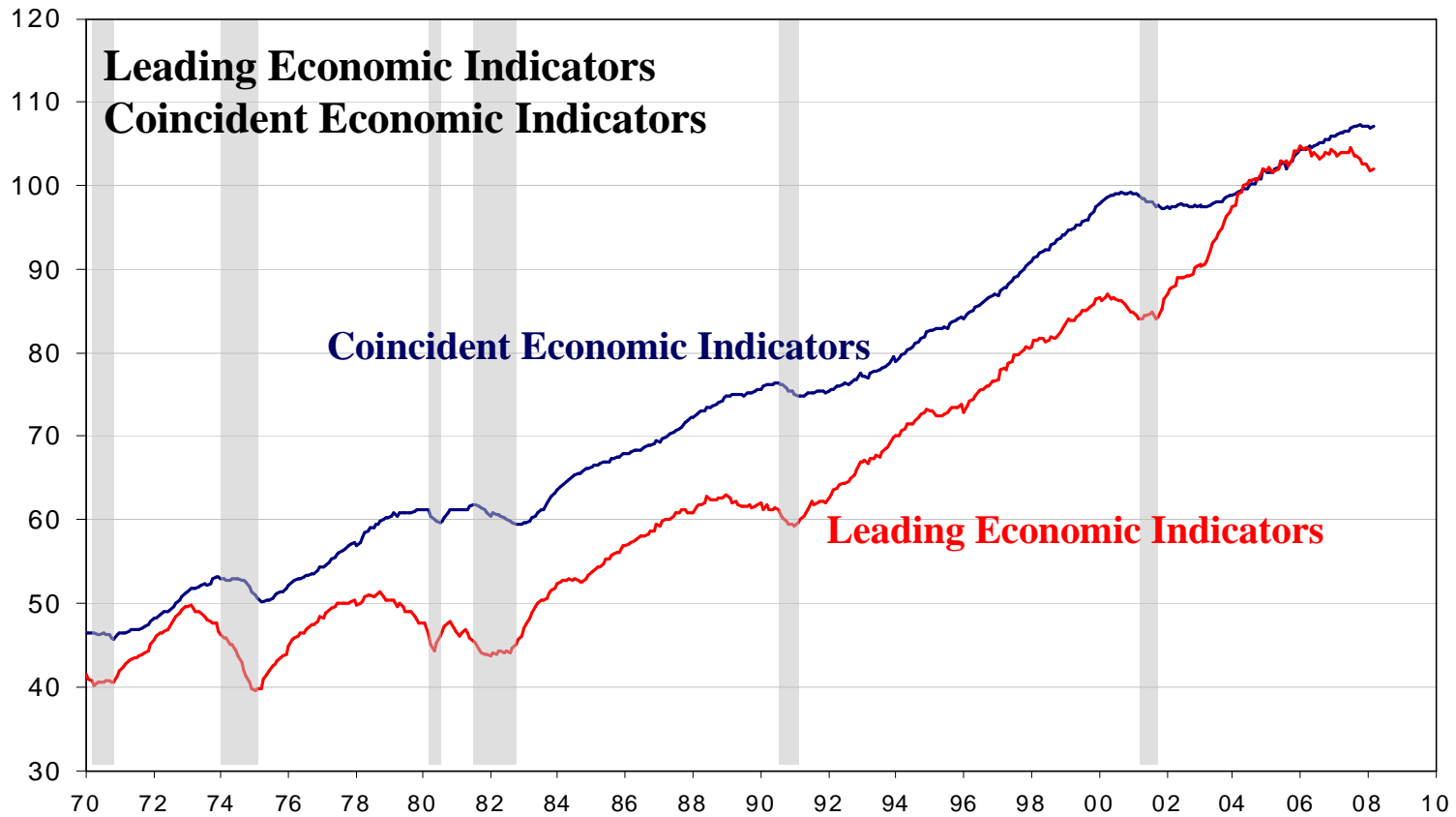
Source: Bloomberg & Merrill Lynch



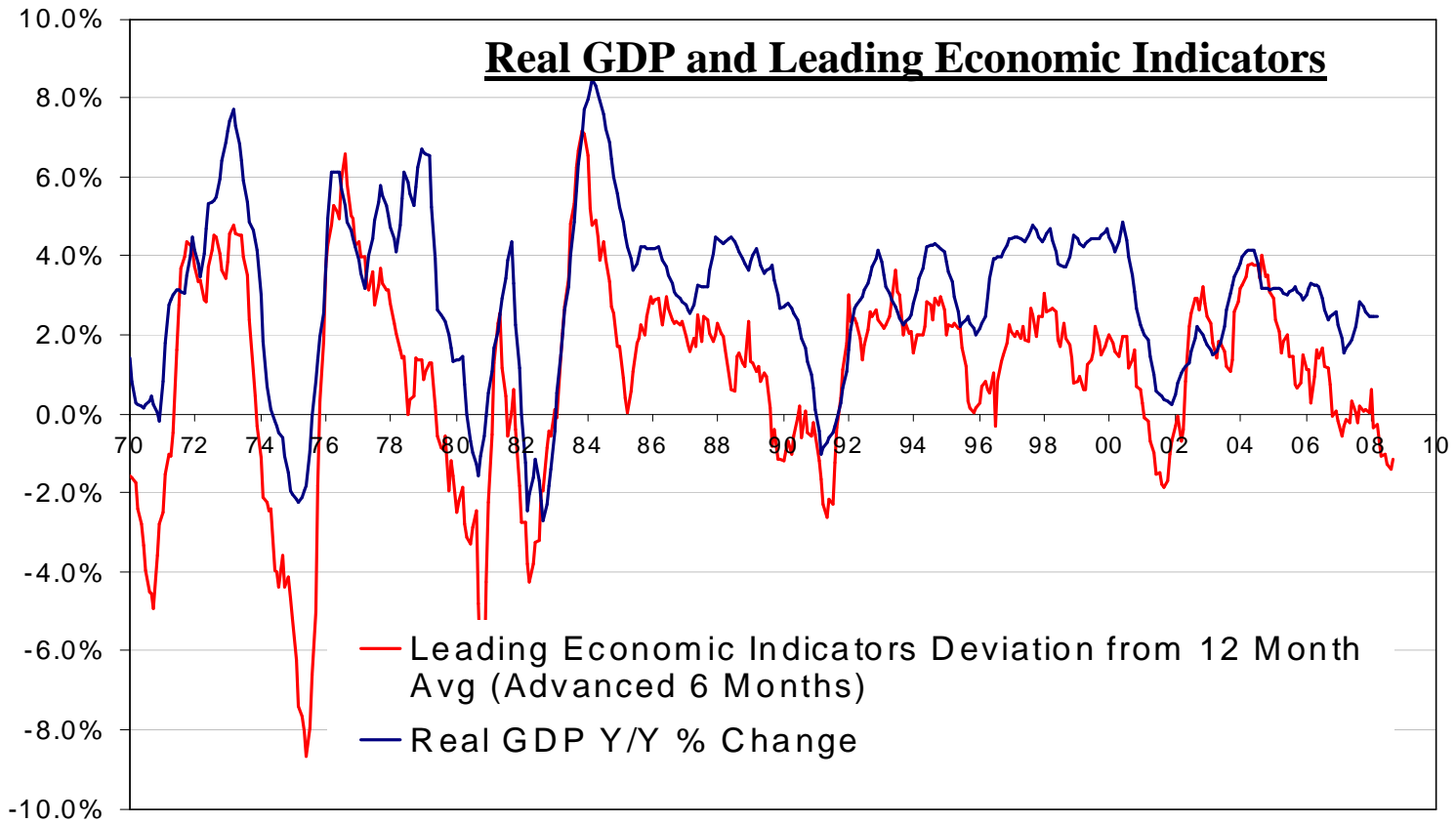
Source: Bloomberg



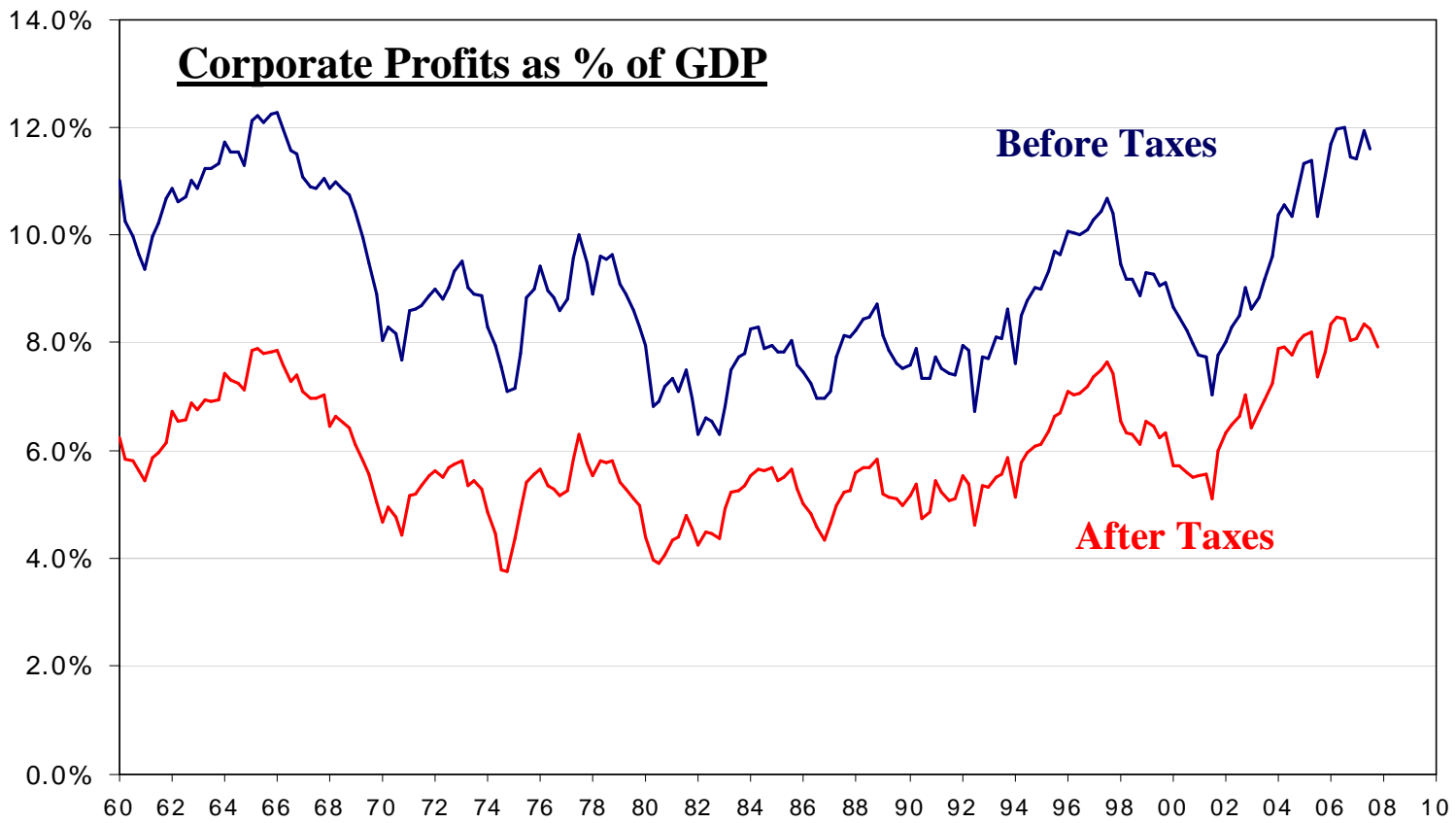
Source: U.S. Department of Commerce: Bureau of Economic Analysis



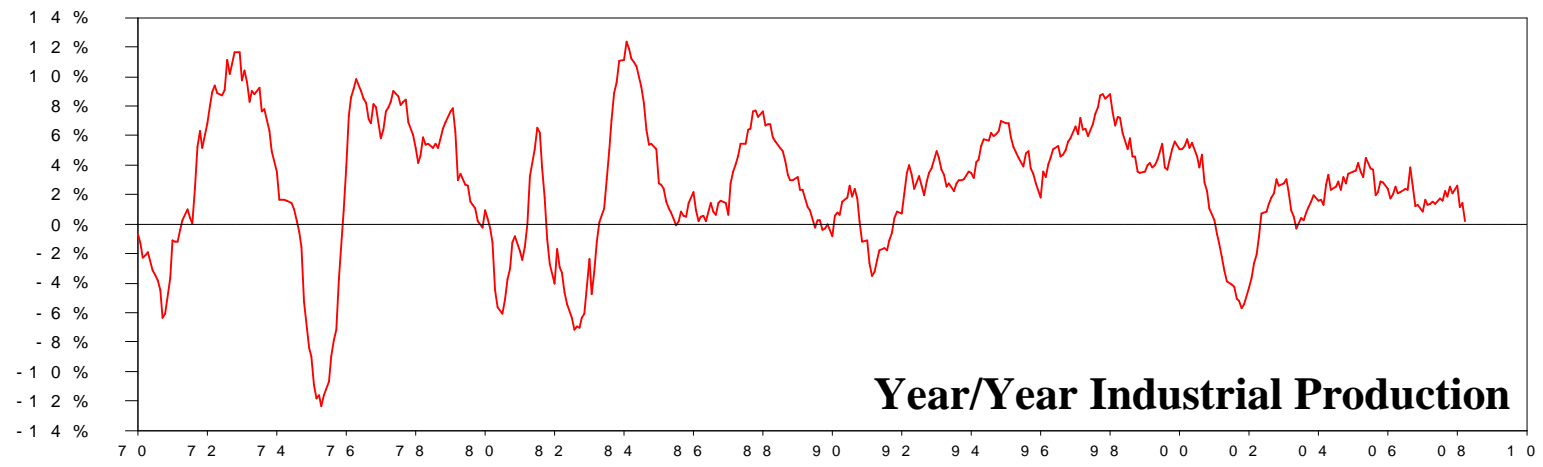
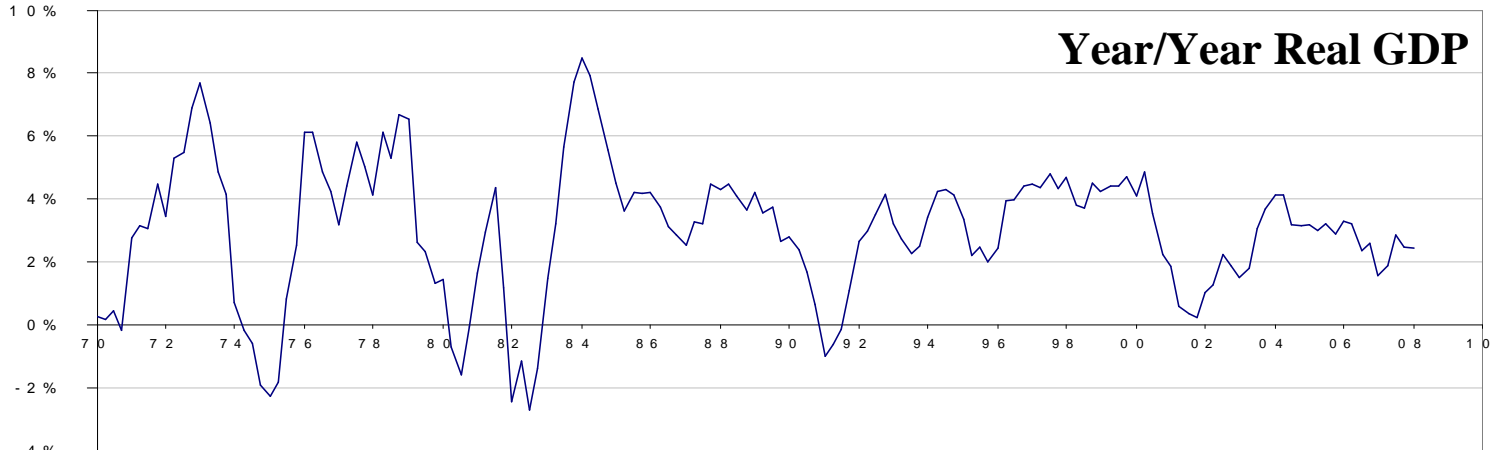
Source: The Conference Board

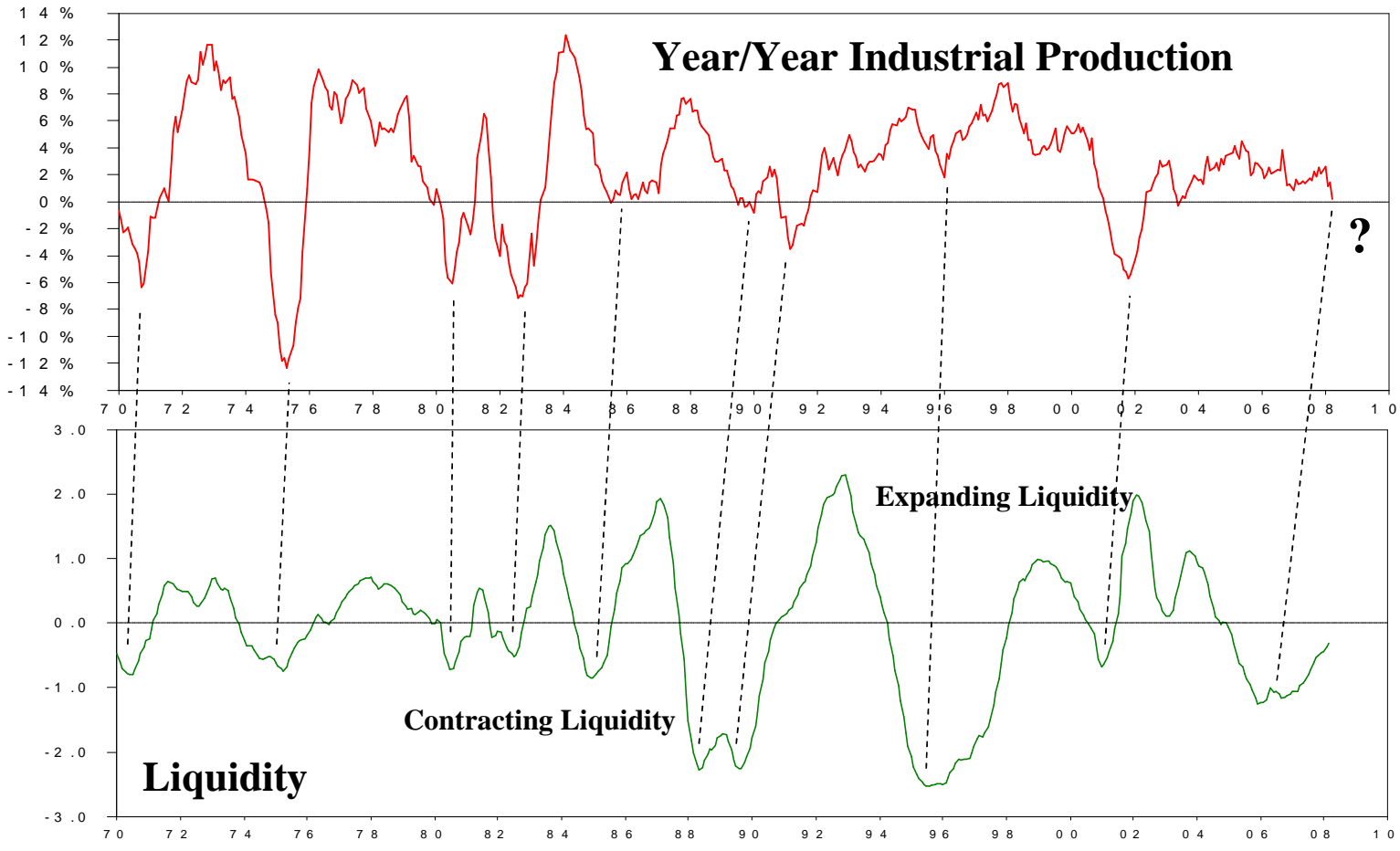


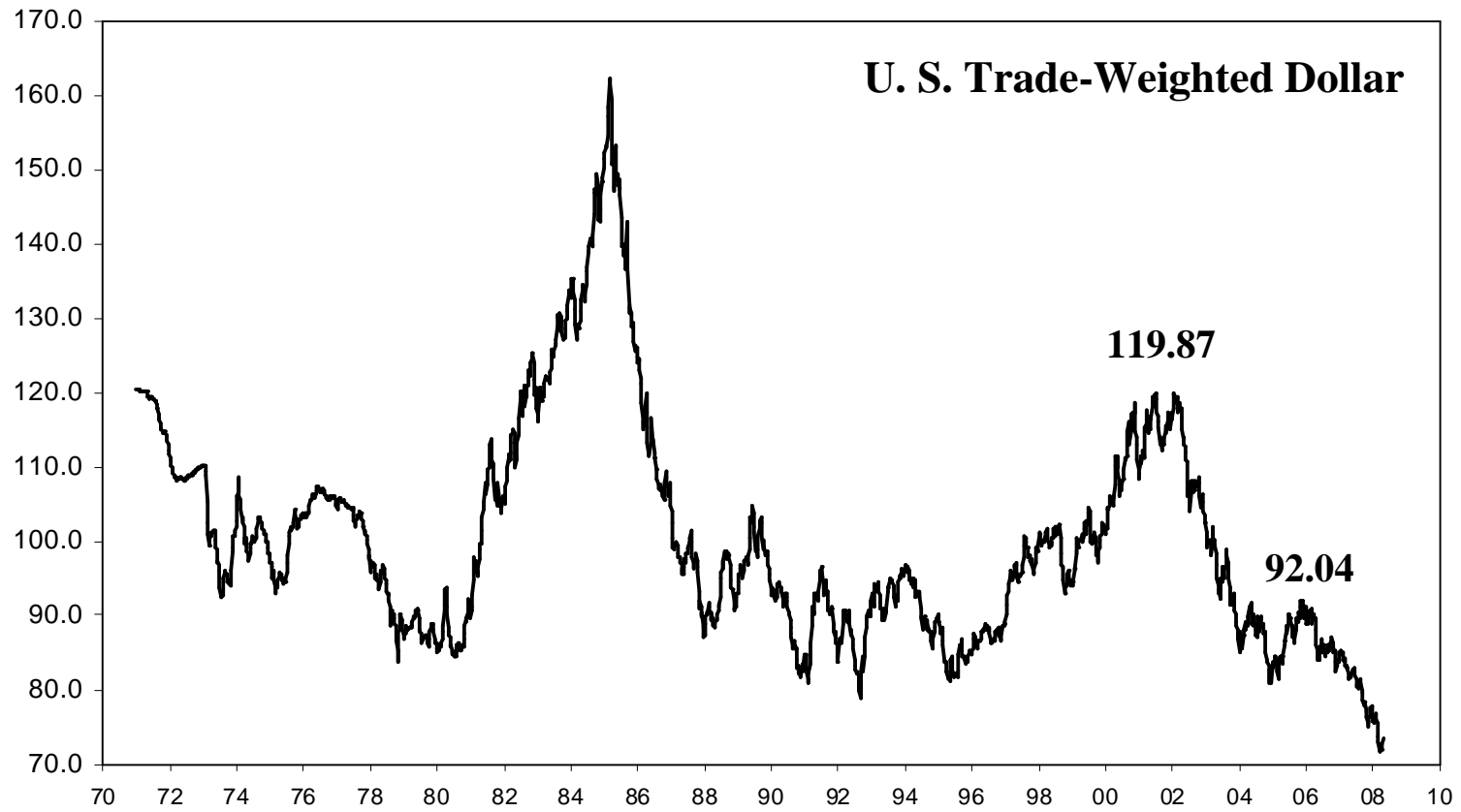
Source: St. Louis Federal Reserve & U.S. Department of Commerce



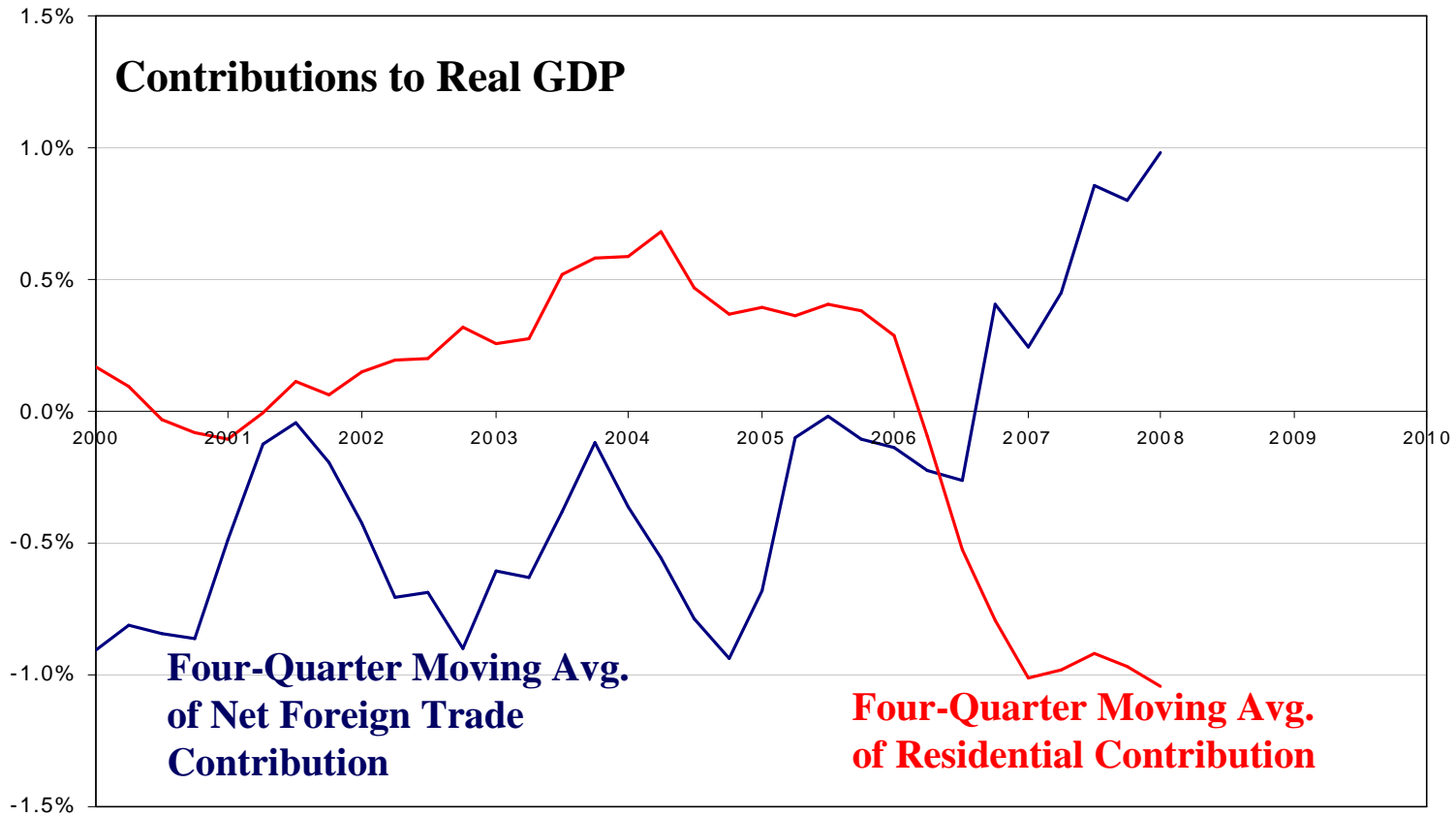
Source: Bureau of Economic Analysis



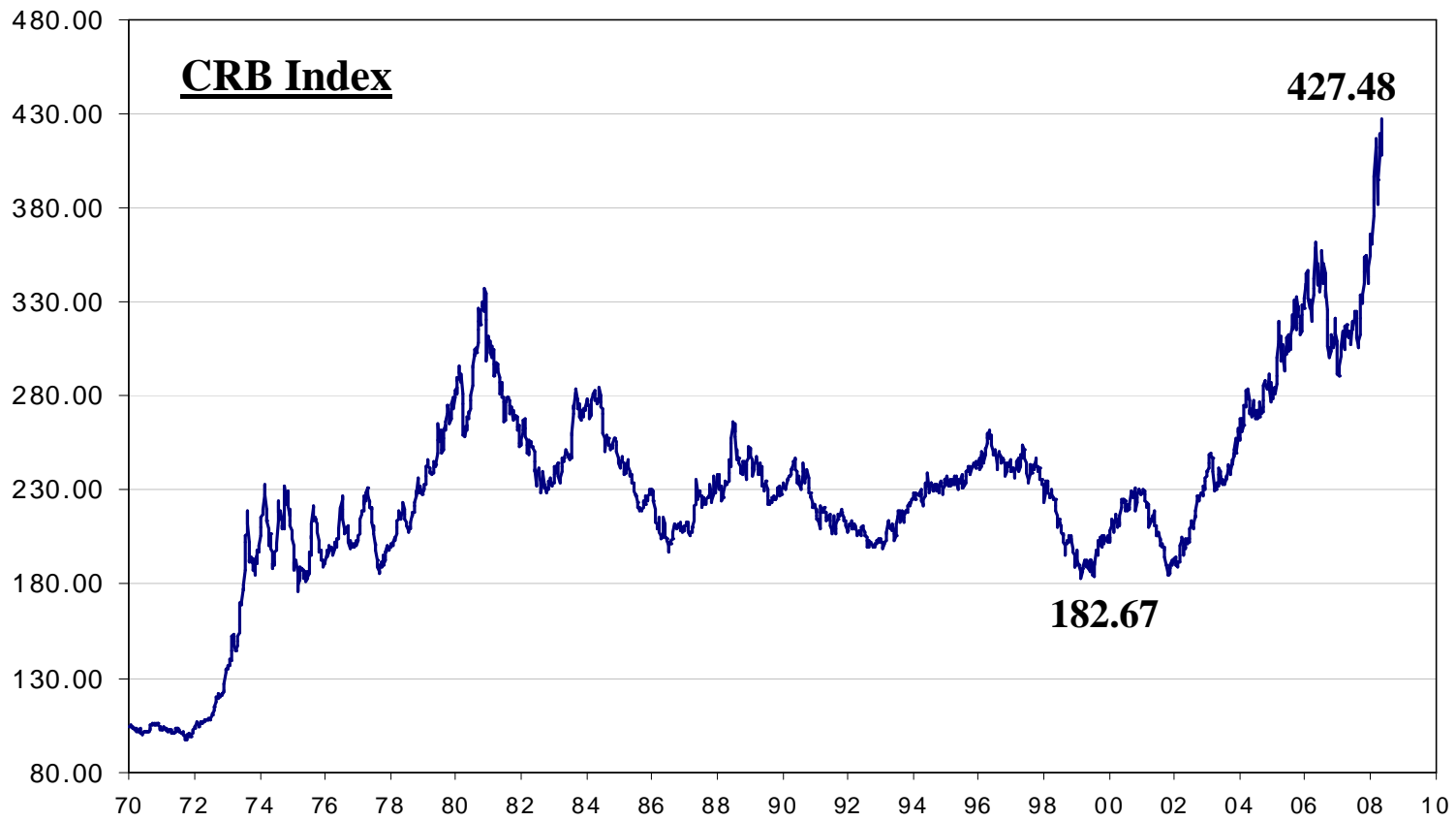




Source: Federal Reserve Board



Source: Bureau of Economic Analysis



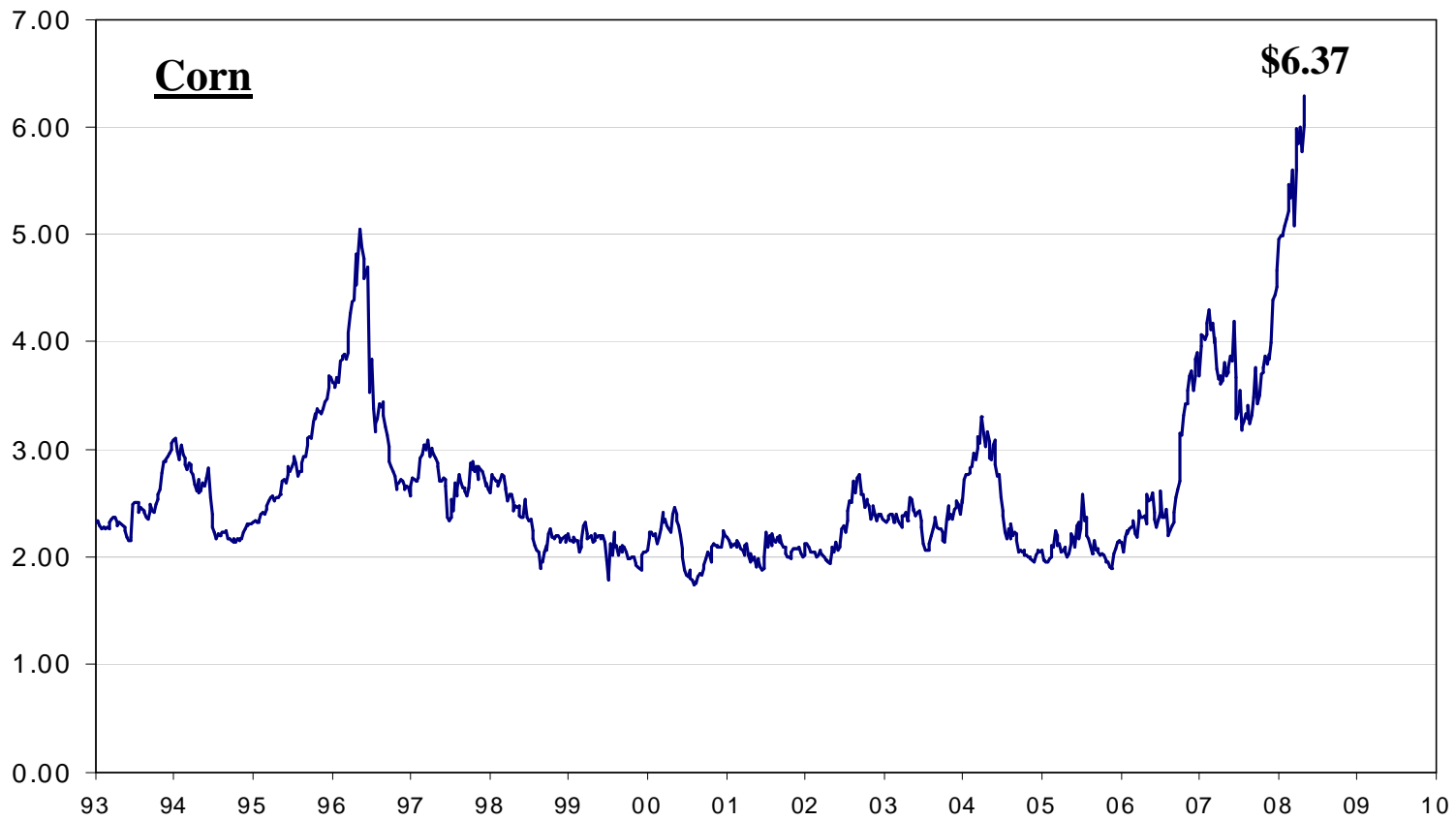
Source: Bloomberg



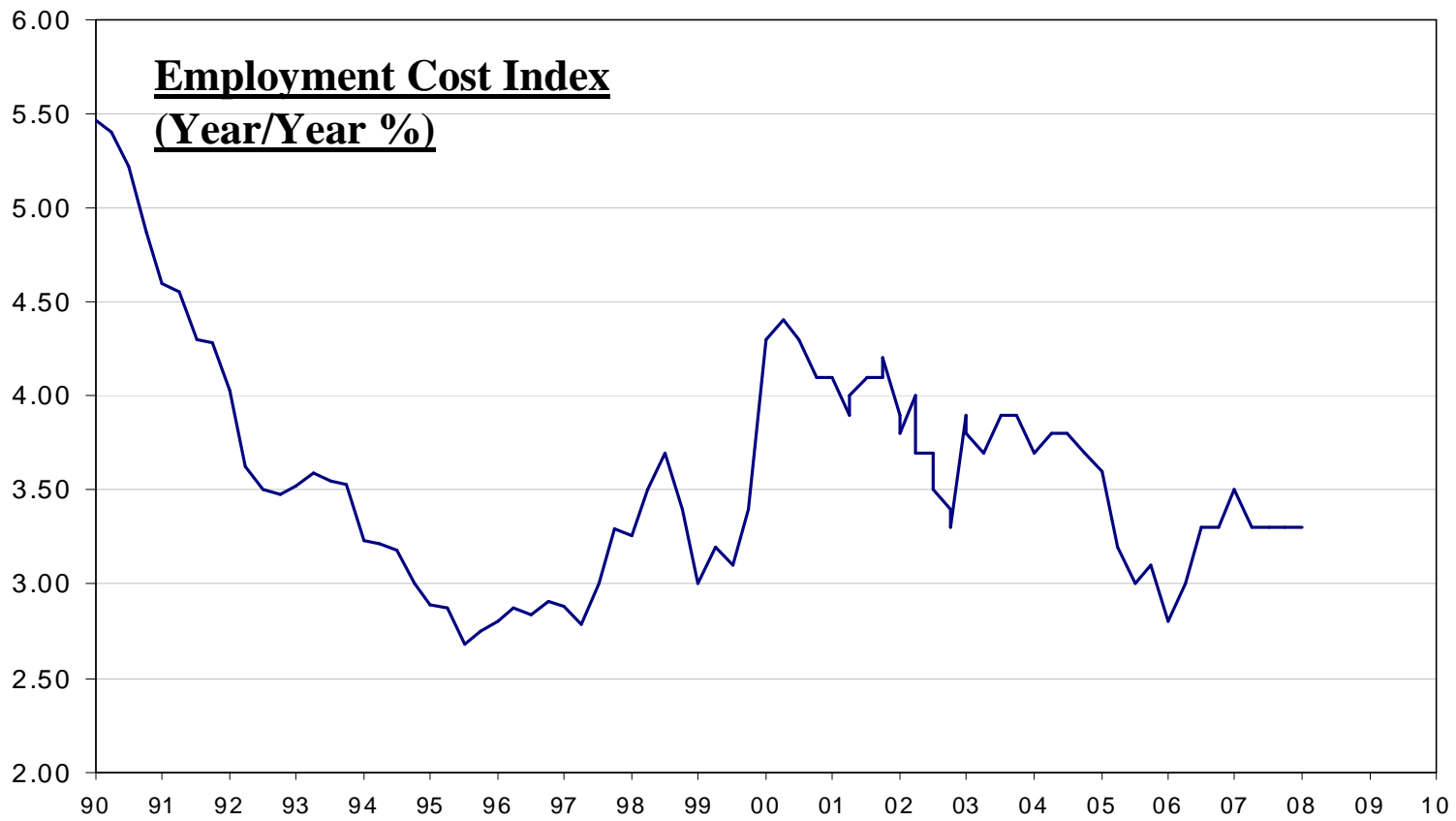
Source: Bloomberg



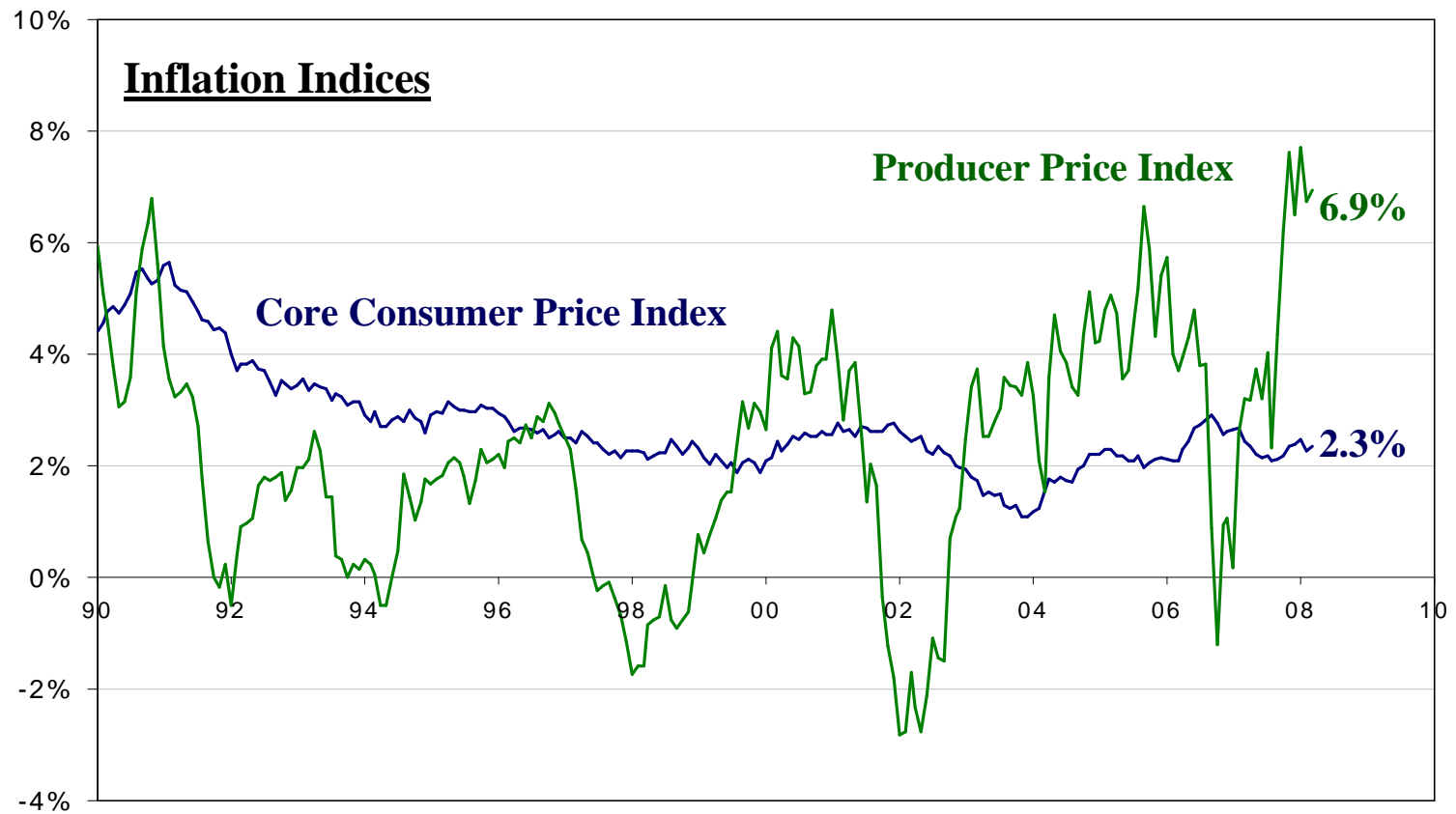
Source: eSignal



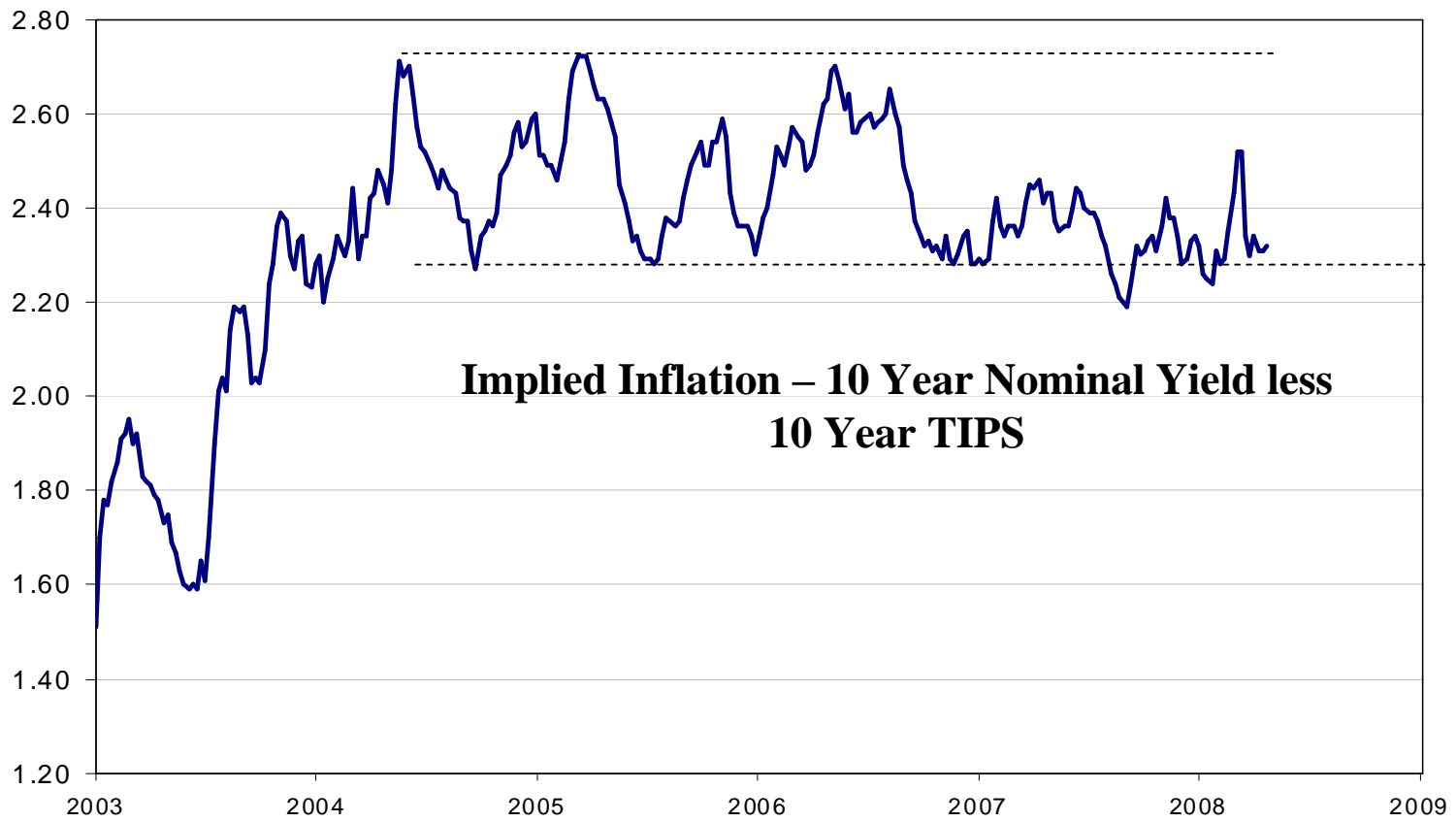
Source: eSignal



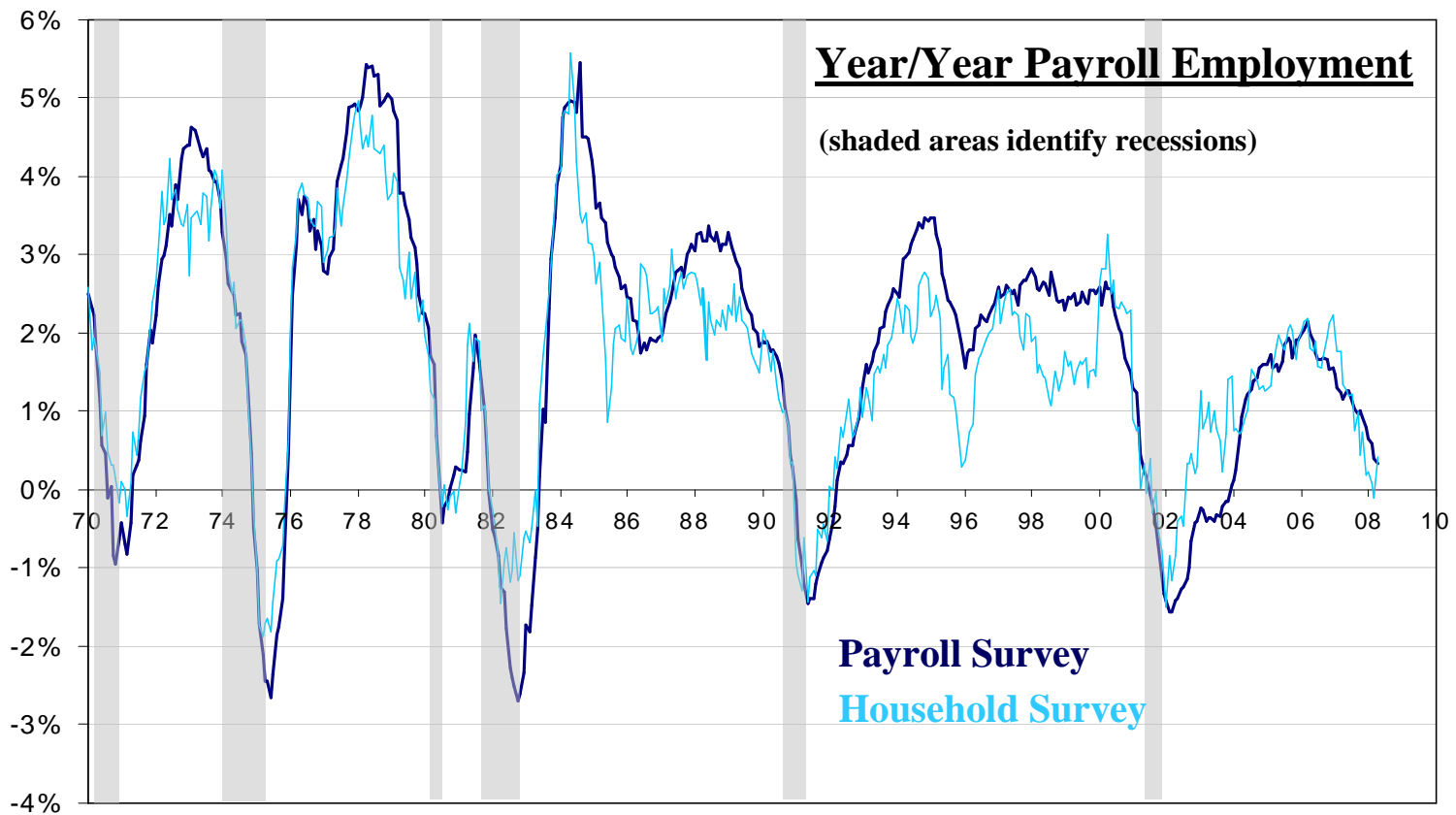
Source: Bloomberg



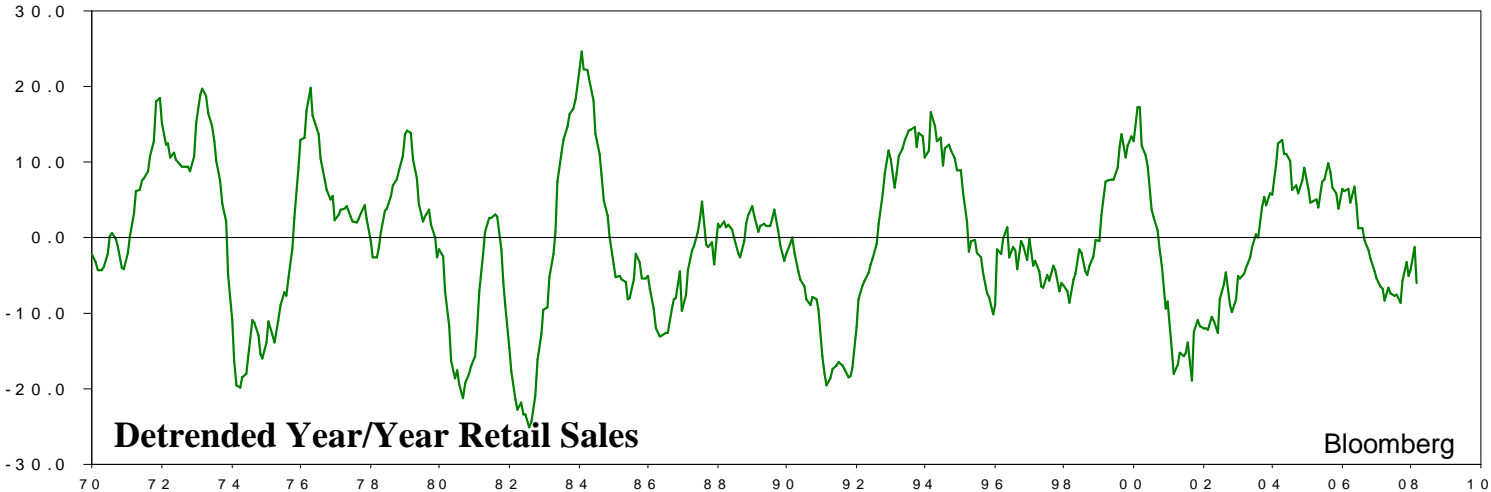
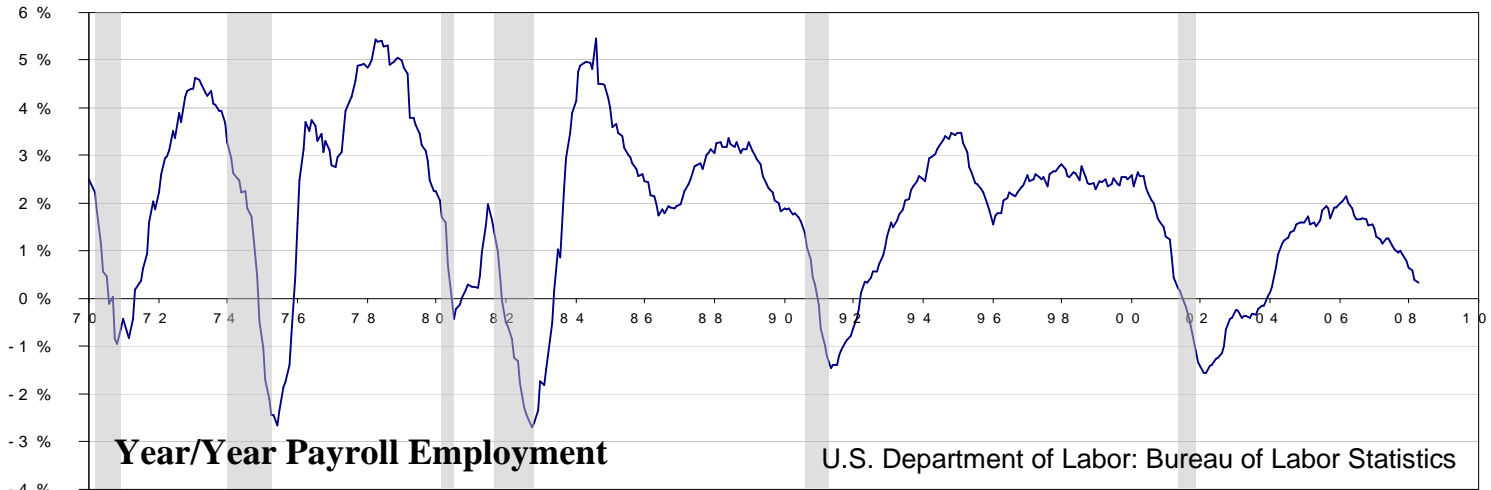
U.S. Department of Labor: Bureau of Labor Statistics

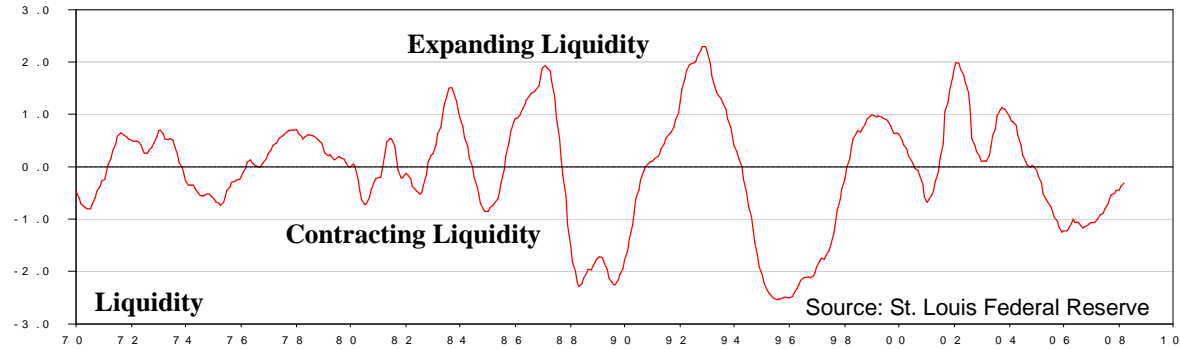
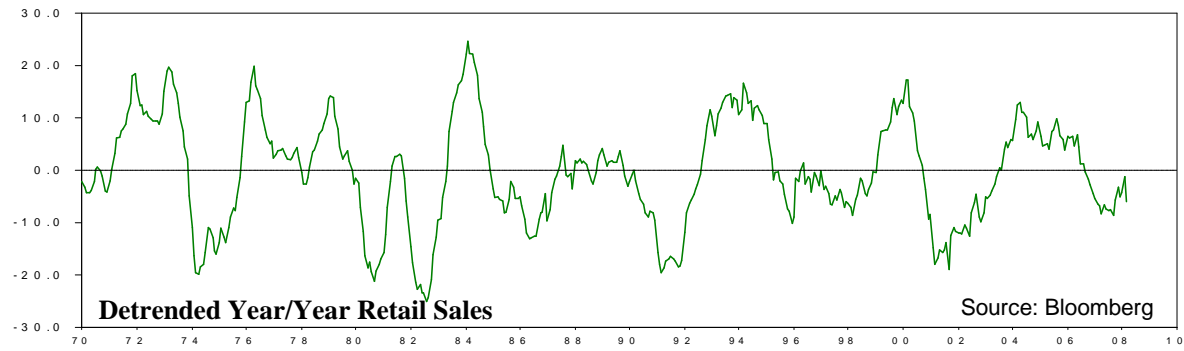
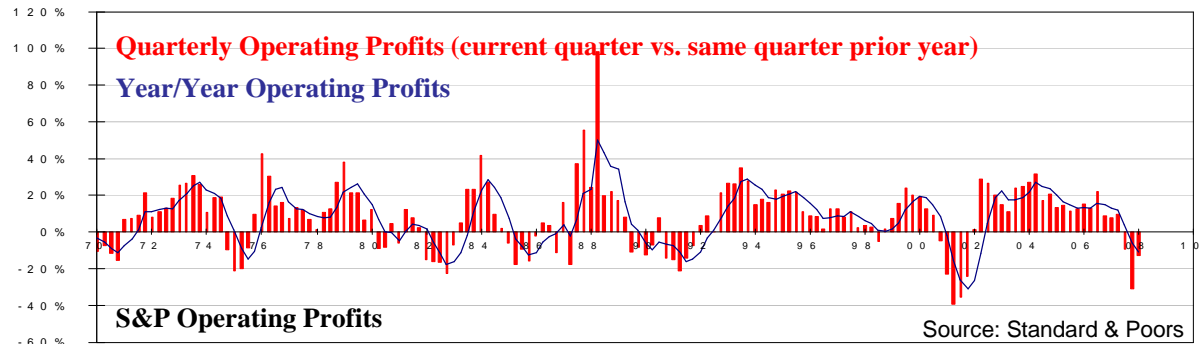


Source: St. Louis Federal Reserve

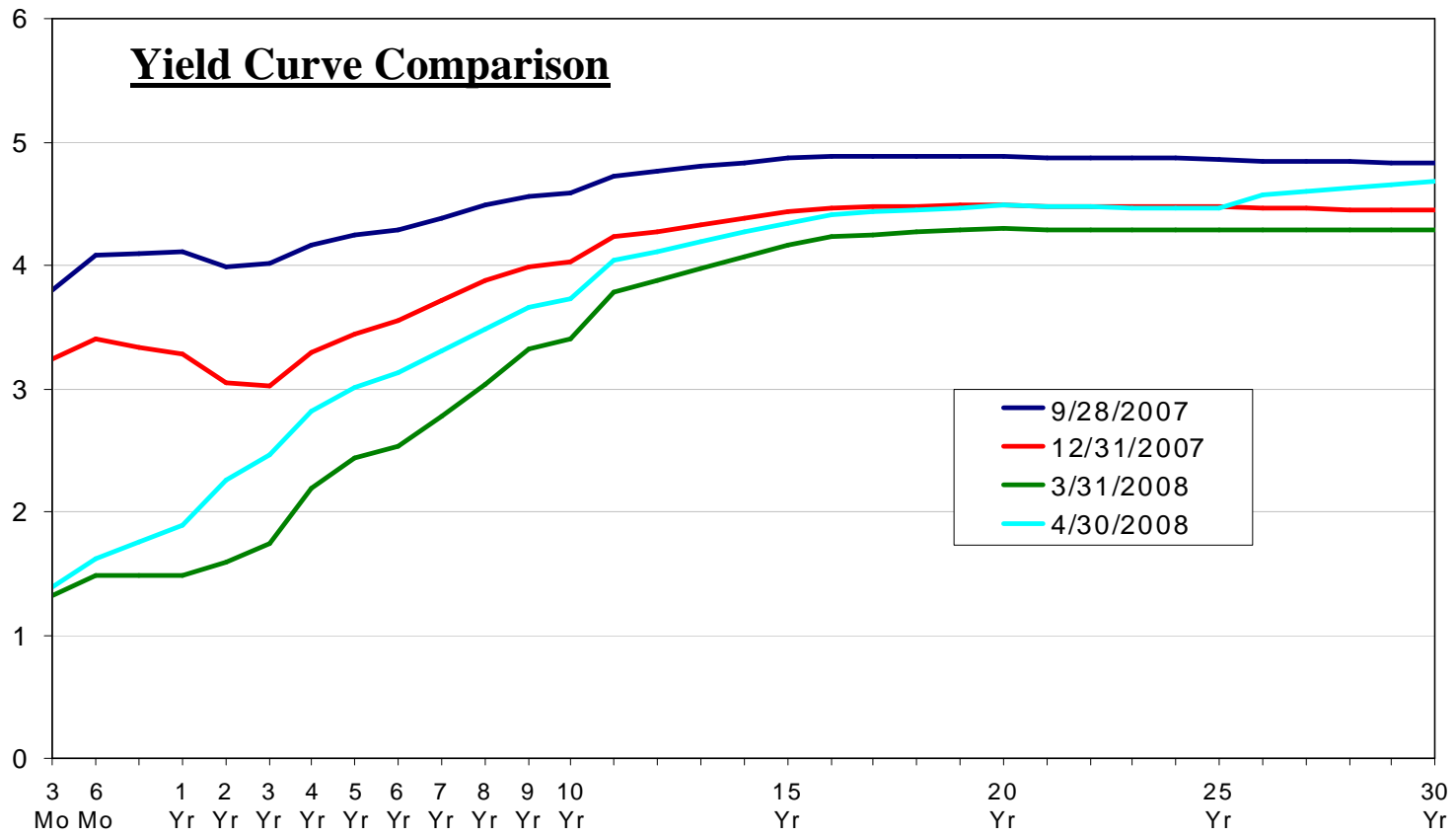


Source: U.S. Department of Labor: Bureau of Labor Statistics

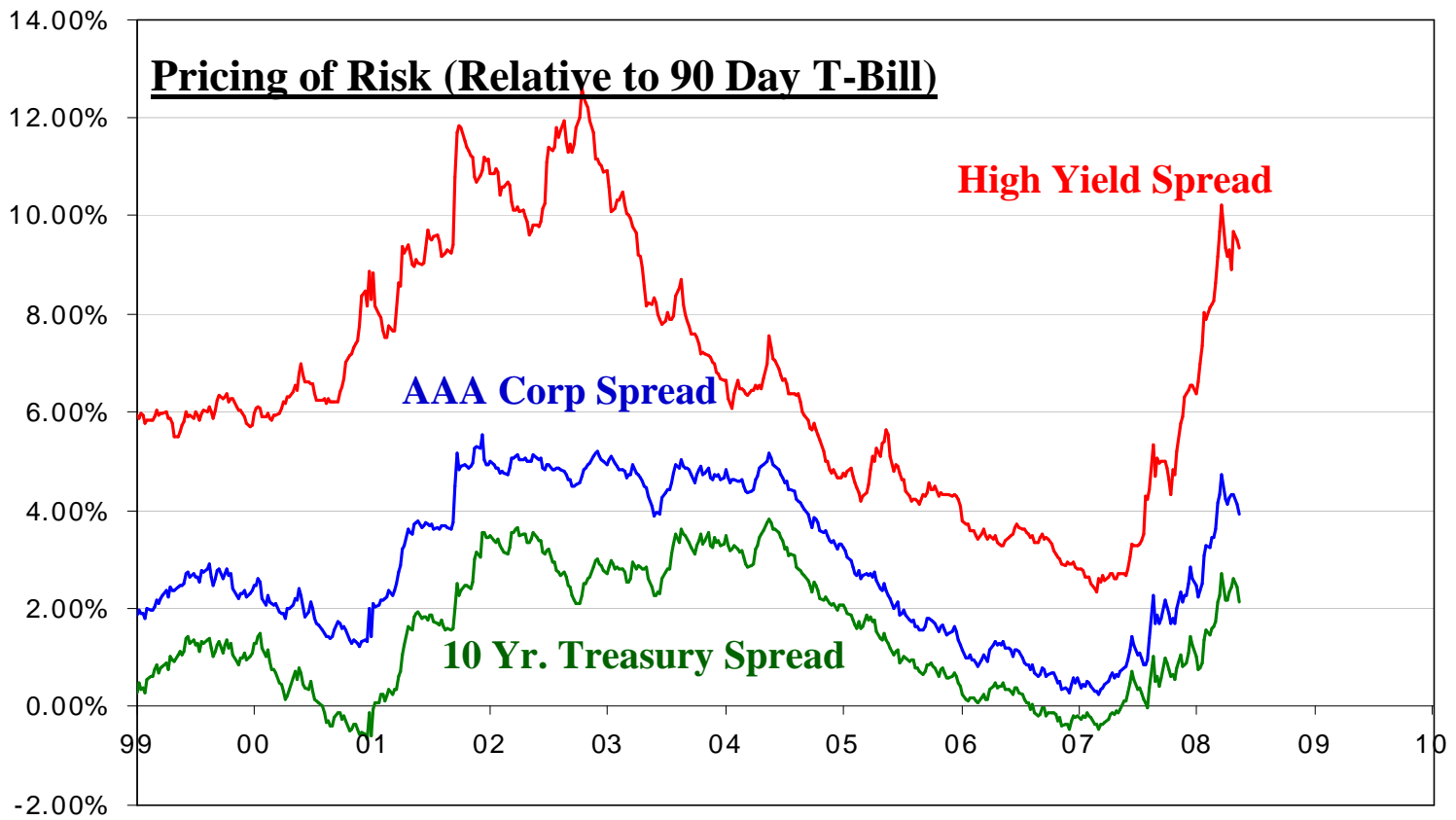








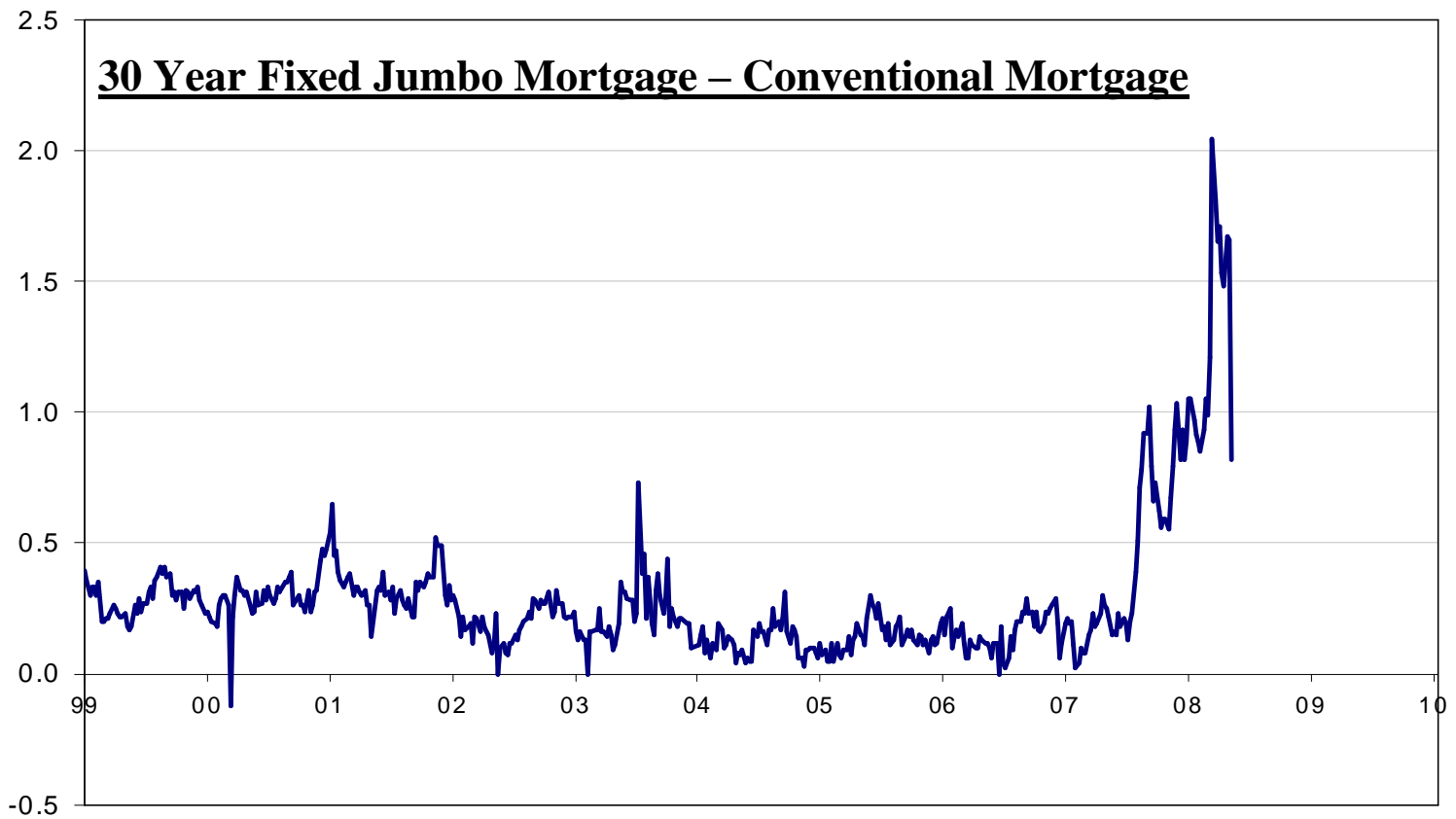
Source: Bloomberg



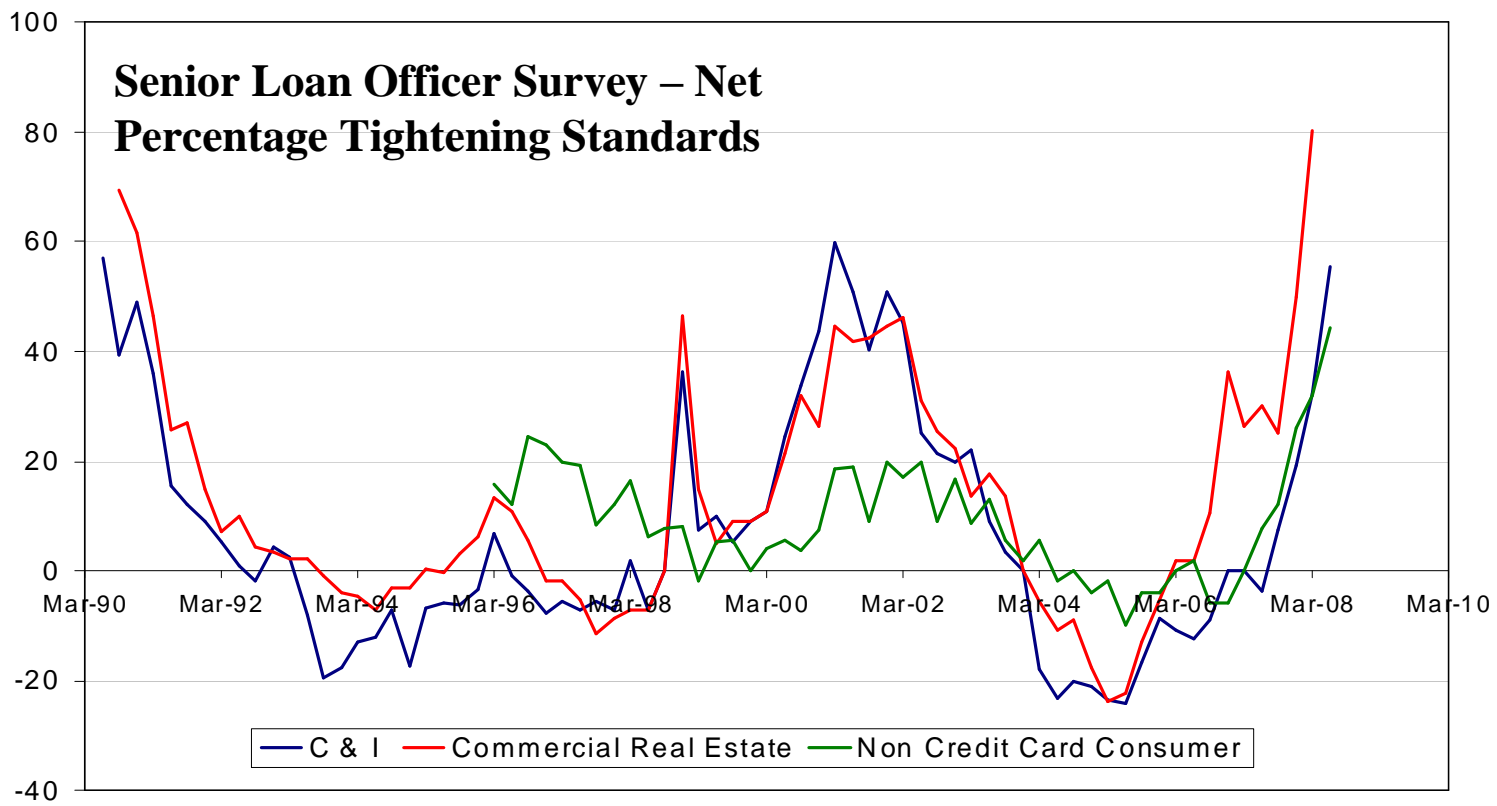
Source: Reuter's StockVal



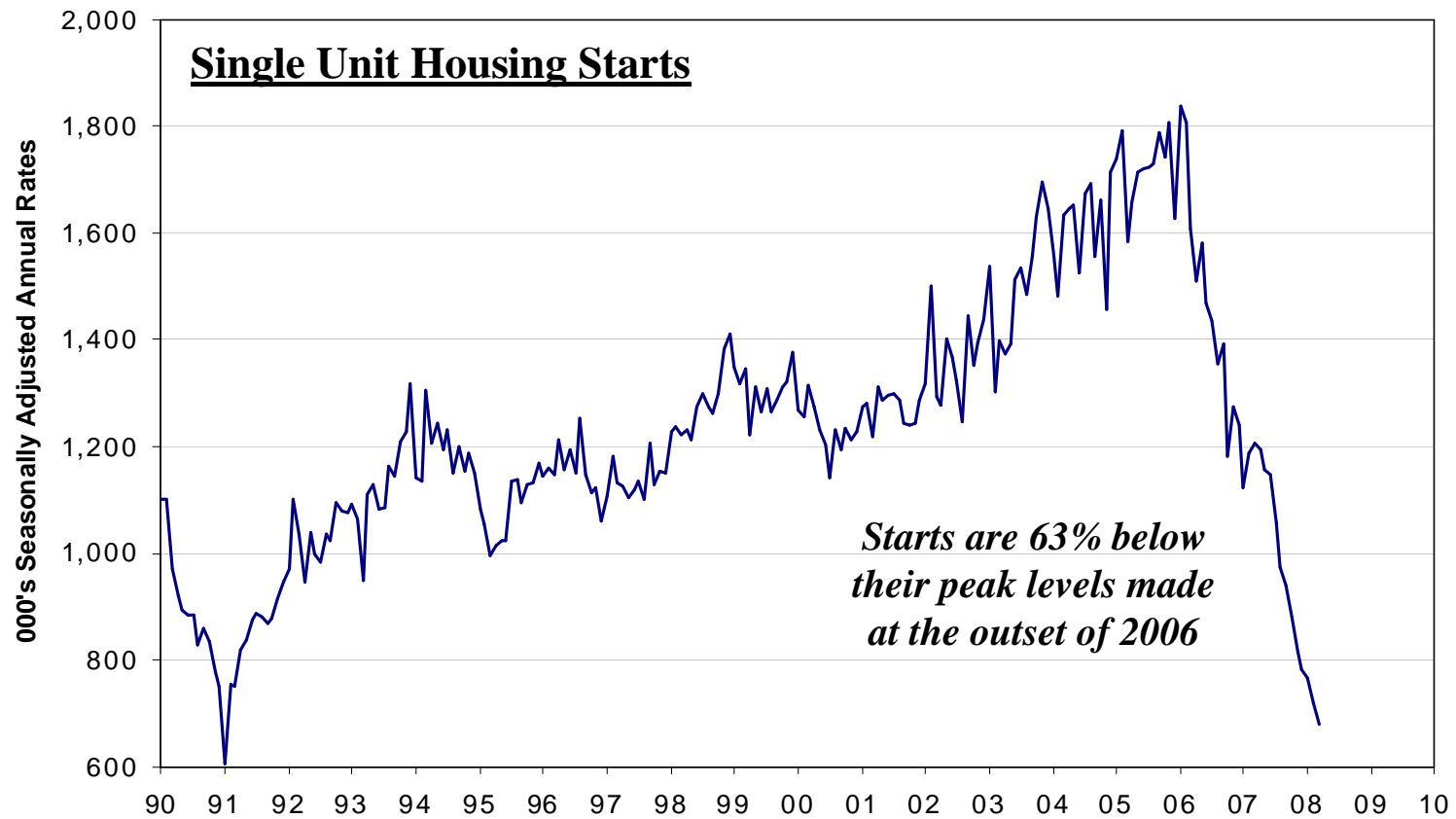
Source: St. Louis Federal Reserve



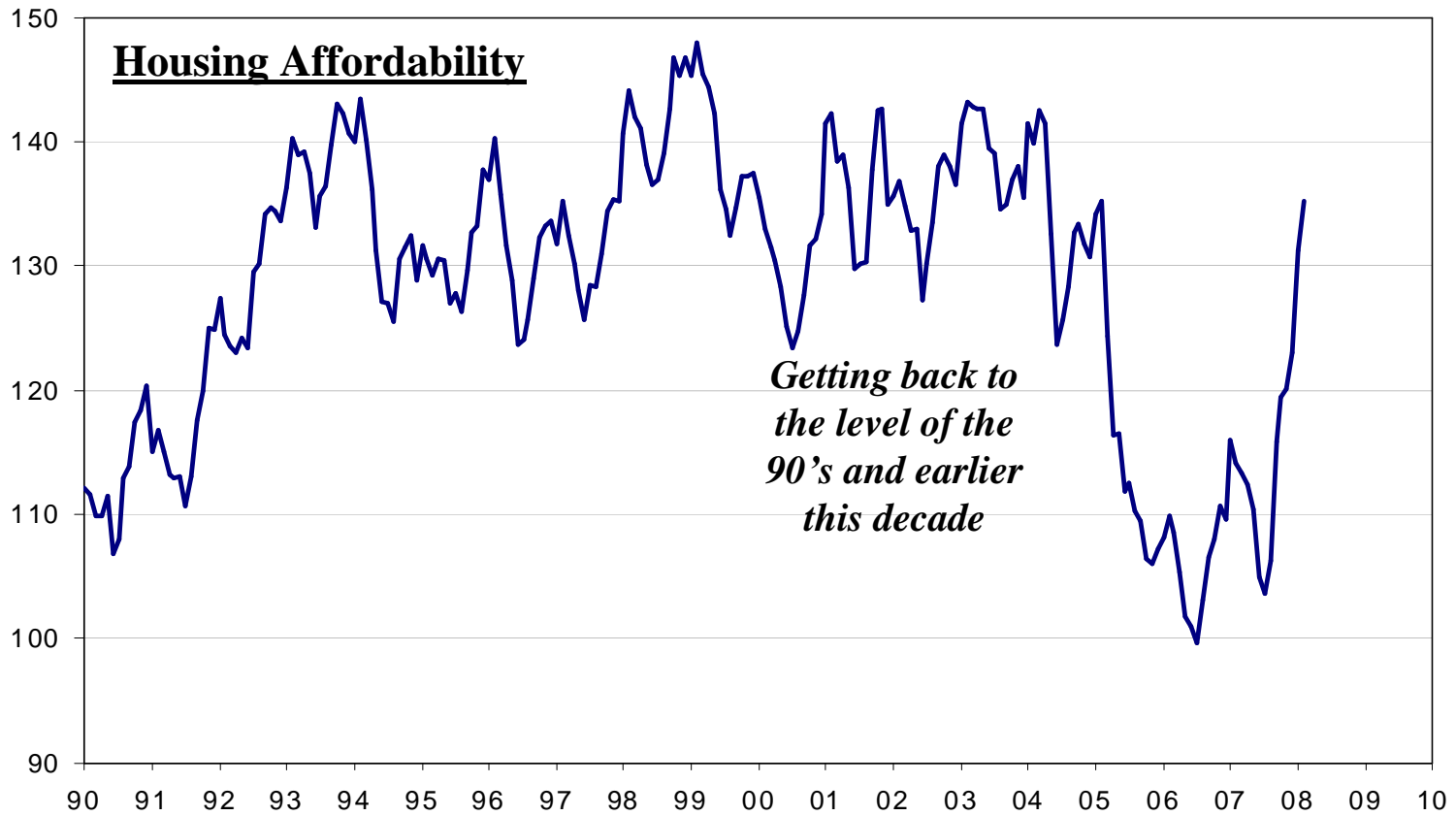
Source: BanxQuote



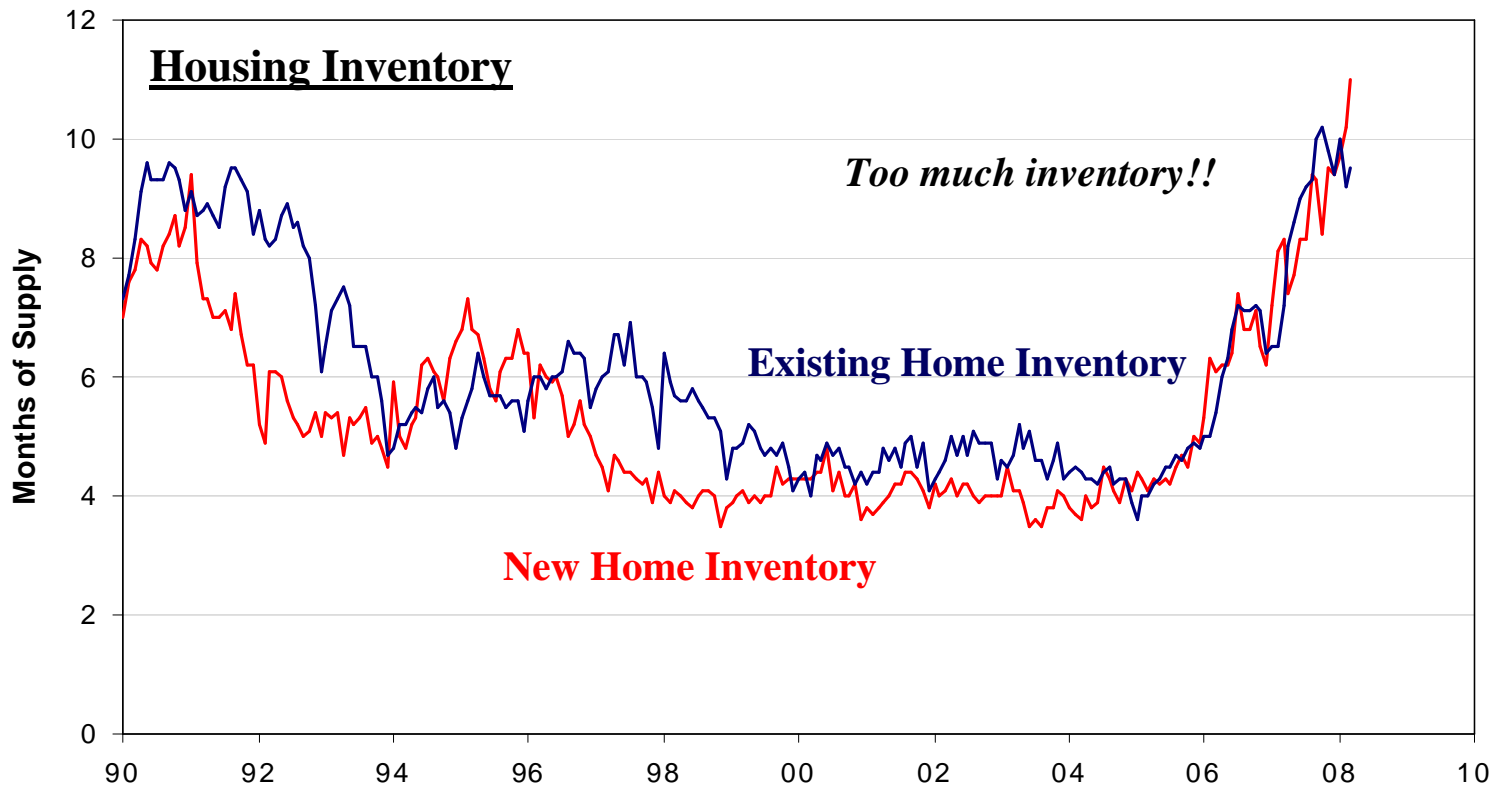
Source: Federal Reserve Board



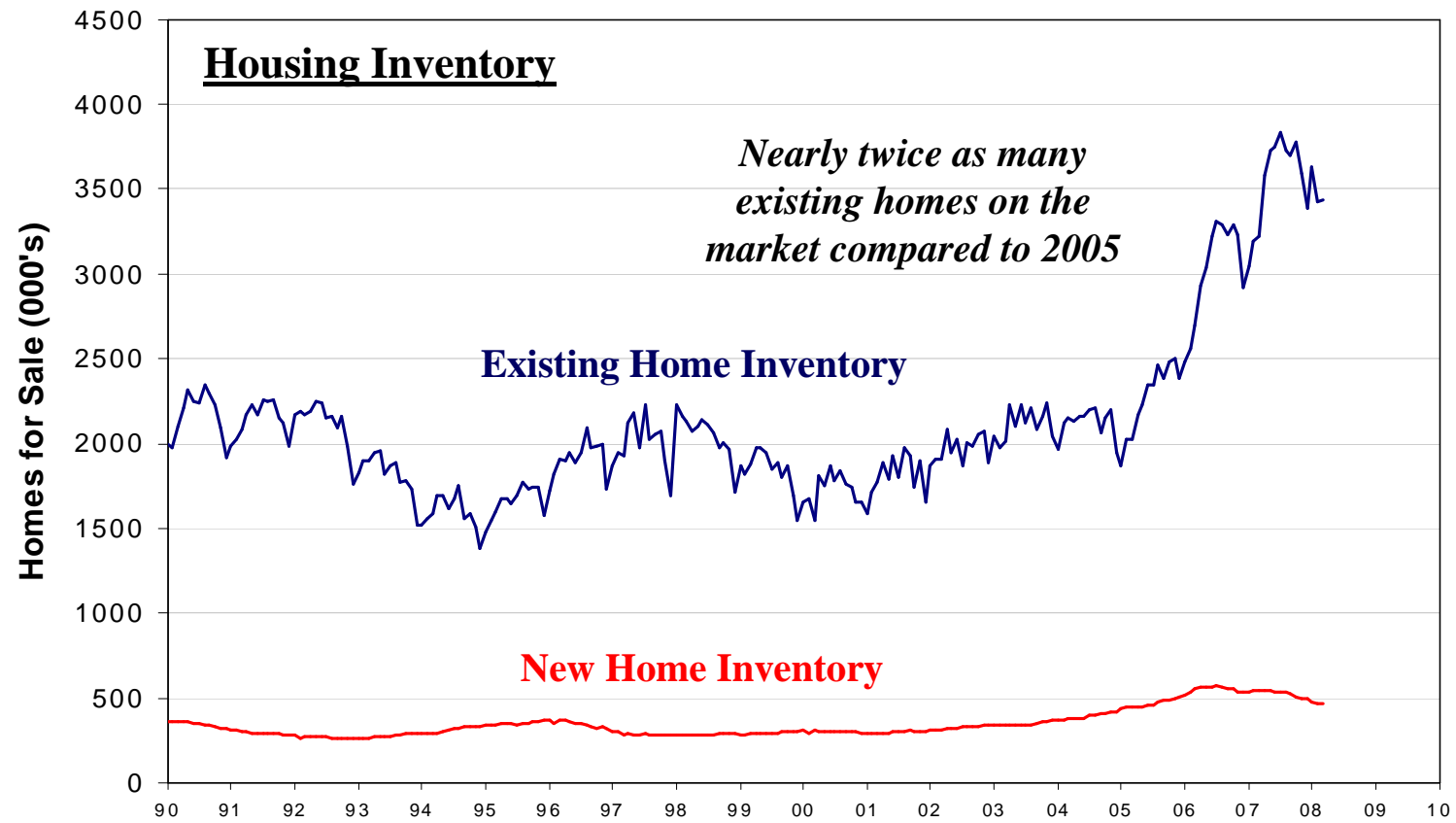
Source: National Association of Home Builders



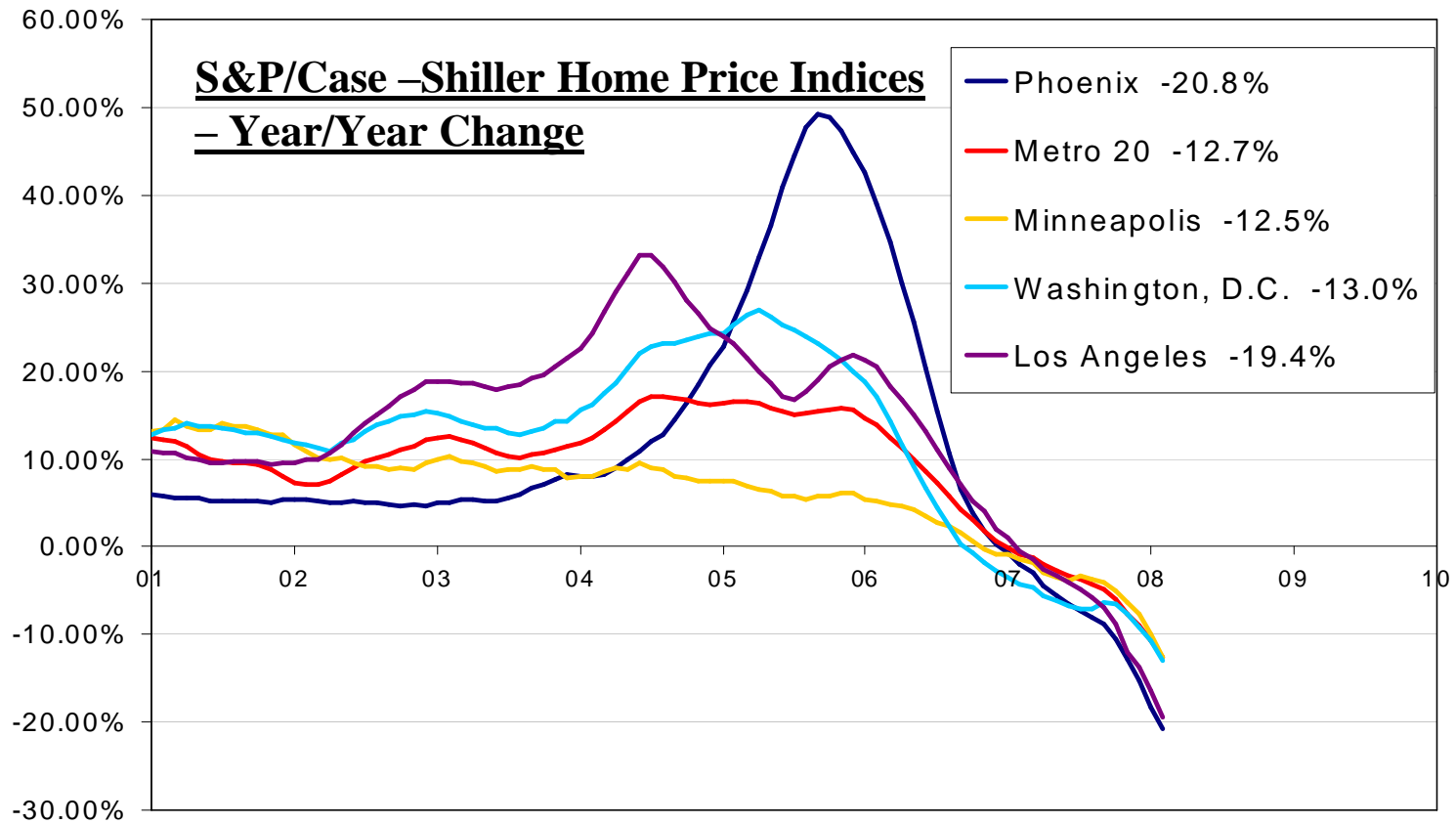
Source: National Association of Realtors



Source: National Association of Realtors

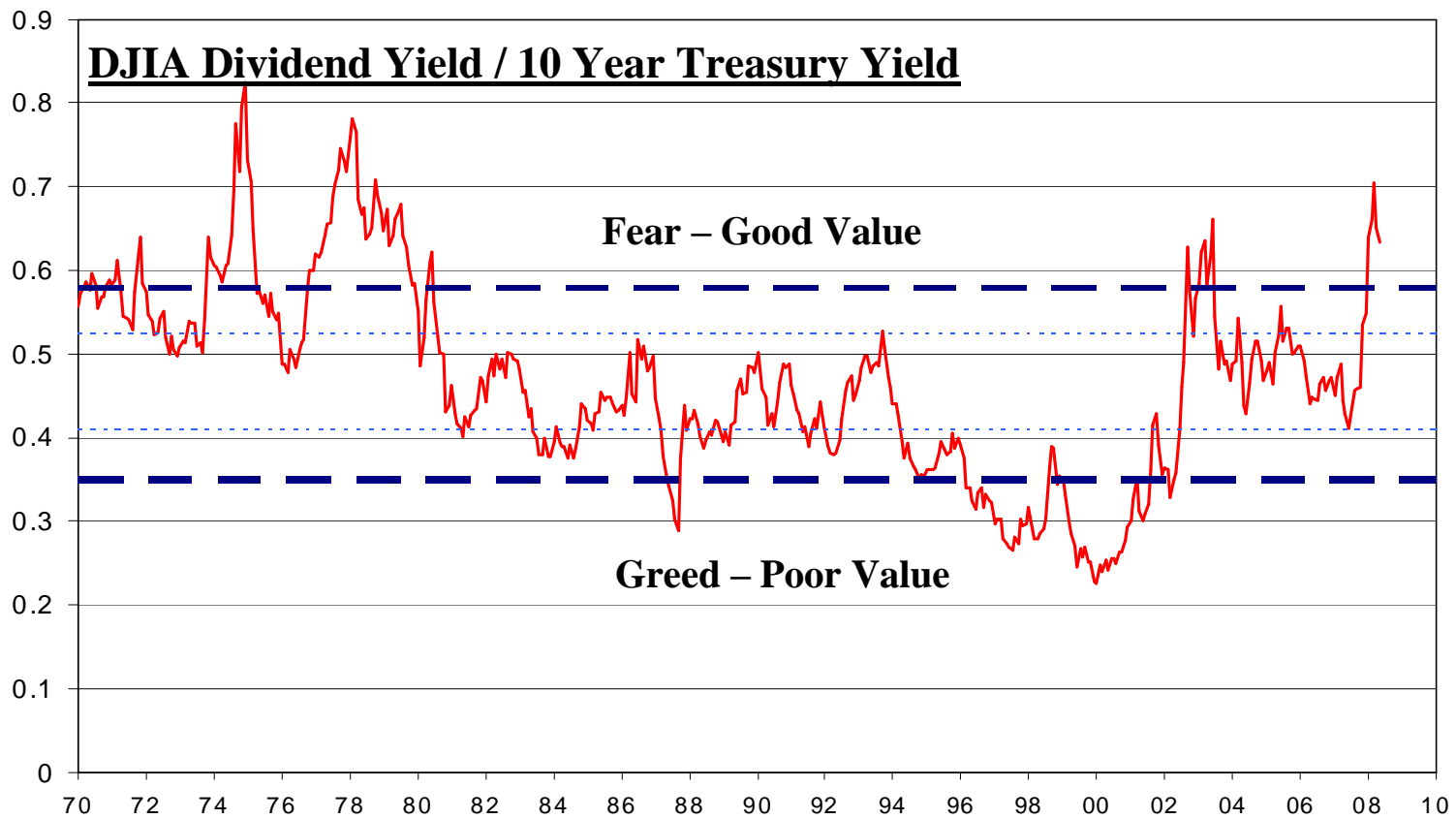


Source: National Association of Realtors

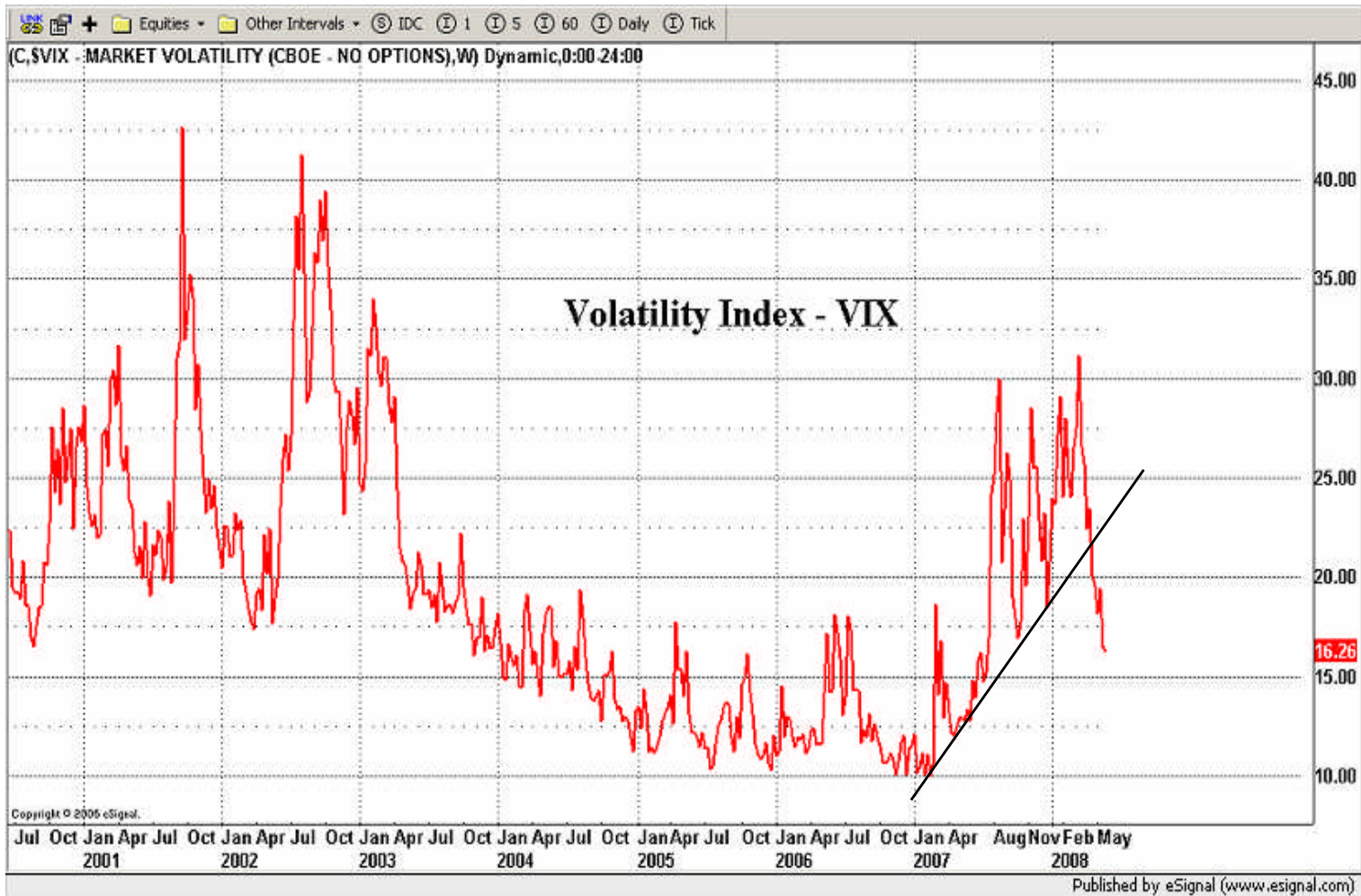


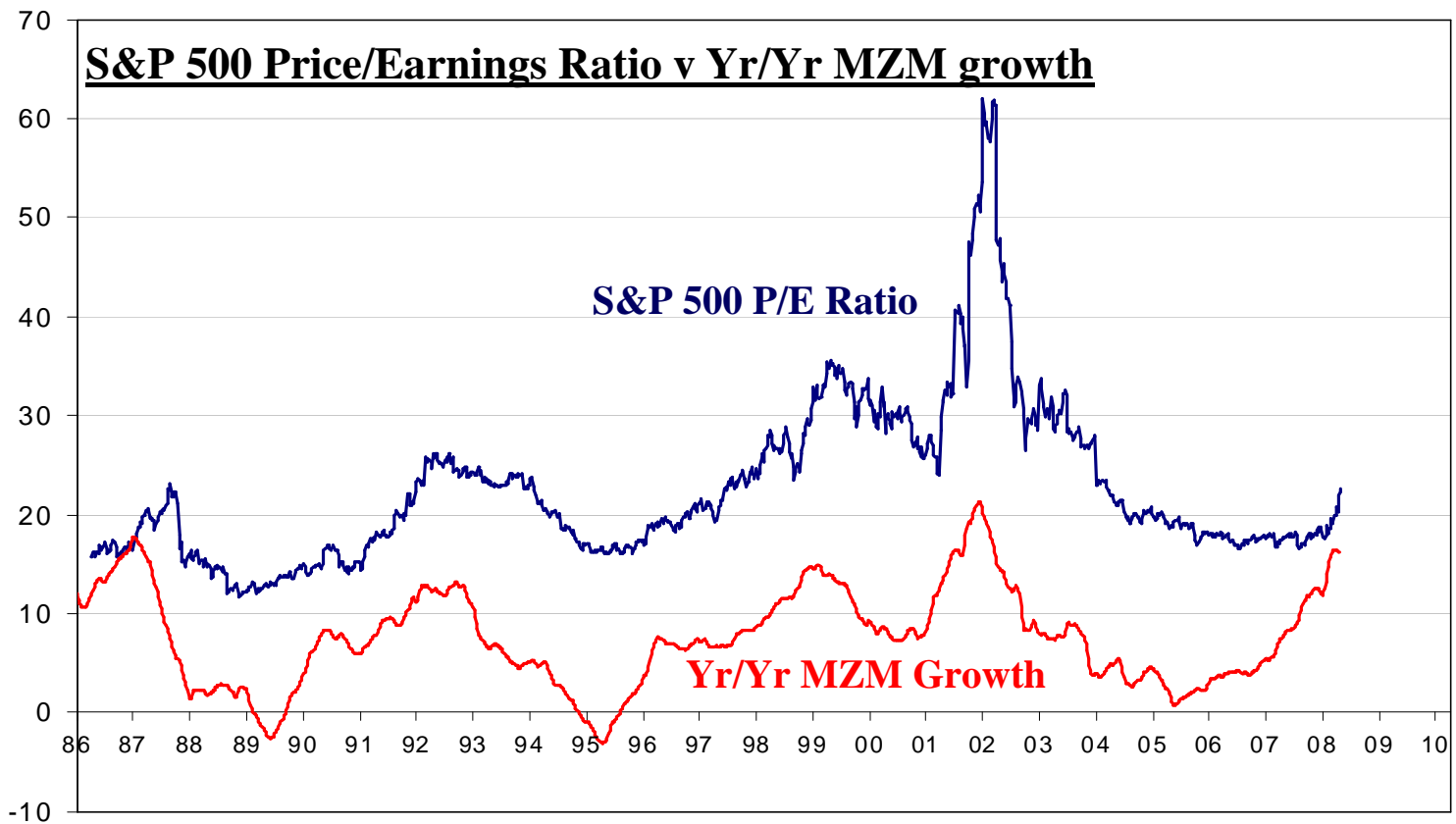
Source: Case Shiller



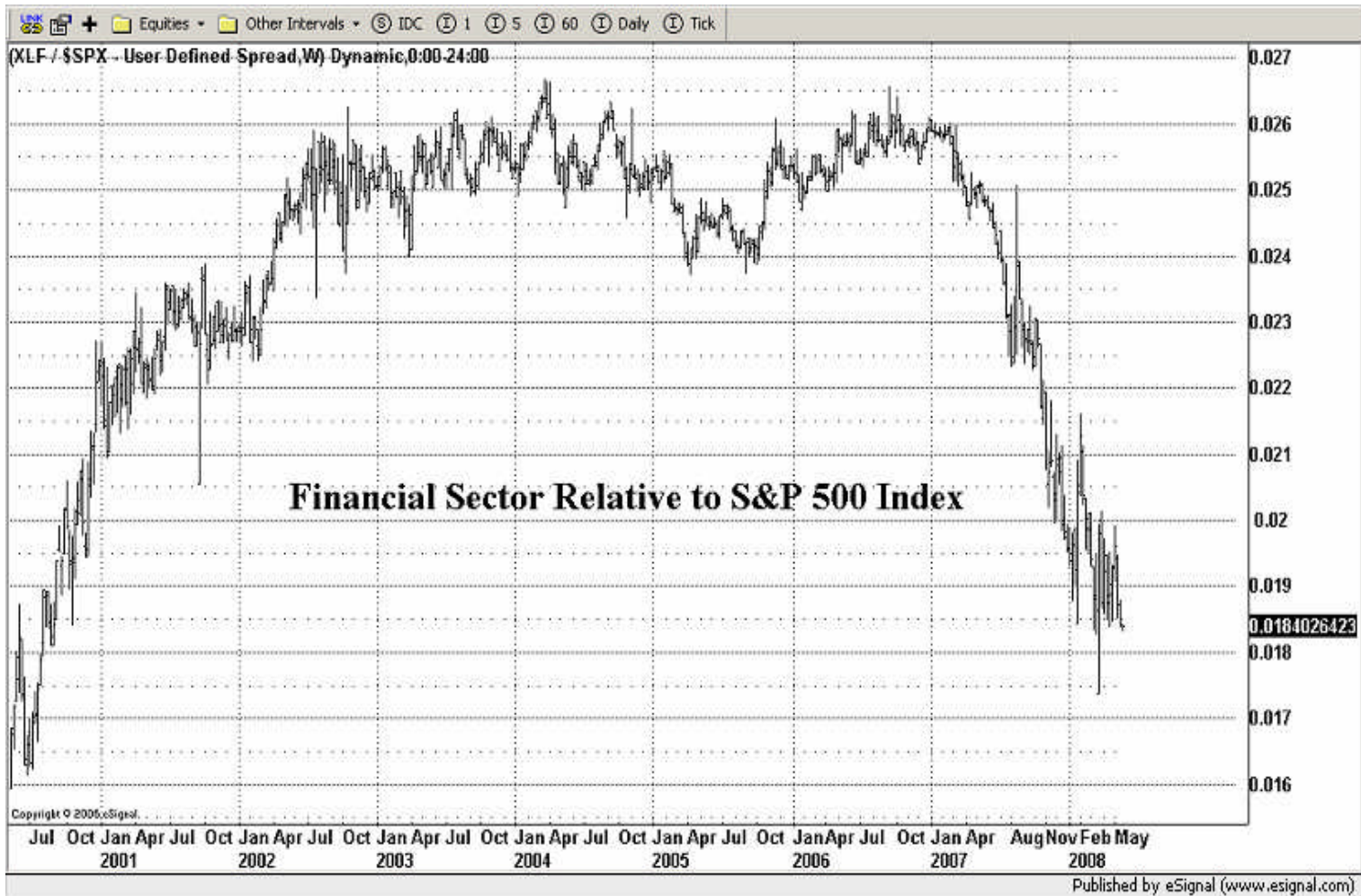


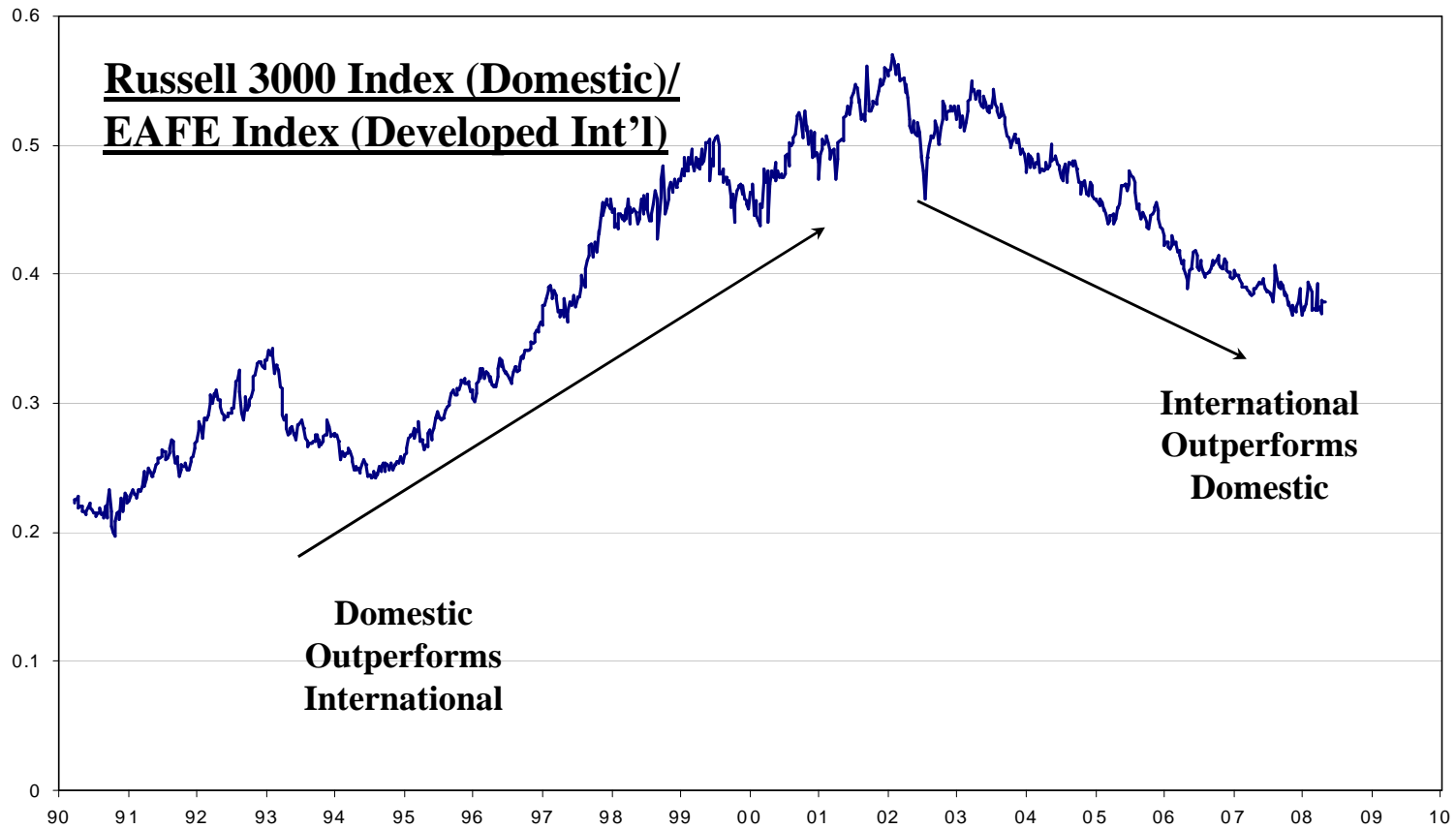
Source: Bloomberg & St. Louis Federal Reserve





Source: Bloomberg & St. Louis Federal Reserve





Source: Bloomberg

Parting Thoughts

- Economic growth is slowing and despite aggressive moves by the Fed, the double headwinds of the deflating housing bubble and tightening credit conditions are increasing the chances that the rest of the economy will be drawn into a period of substandard growth. The biggest risk today is that persistent losses and write-downs by financial companies result in a contraction in loan portfolios, a further reduction in appetite for lending, and, consequently, an even more serious credit crunch than what we have already seen.
- The aggressive moves by the Fed since the beginning of the year have yet to stabilize the credit markets. Although markets do not expect further interest rate cuts in the foreseeable future, it is much too soon to be talking about interest rate increases by the Fed. The Fed will want to see bona fide evidence of a stabilizing economy and functioning credit markets before increasing rates. On the other hand, the Fed may be forced to lower rates further, as the continued deterioration in the housing sector results in further write-downs for financial companies and causes further freezing in credit markets.
- Although volatility has subsided over the past month, do not expect volatility to return to the historically low levels recorded in 2005 – 2006. Until commodity prices subside, the risk of a renewed spike in volatility remains.
- Core inflationary pressures remain subdued with a slowing economy. Expect inflation concerns to escalate once the economy stabilizes and begins to strengthen, especially if commodity prices remain strong.
- Commercial real estate construction has acted as a counterbalance to the weakness in residential construction. Signs are developing, however, that this is changing. Credit in the commercial real estate market is tightening as reported in the Fed's Senior Loan Officer Survey, and real estate credit default swaps have nearly tripled in the past 3 – 4 months, indicating increasing unease by investors in this sector. The securitization market in commercial mortgages is slowing, making sources of capital harder to come by for new projects.
- The U.S. economy is working through a de-leveraging process that will extend through the year and make the subsequent economic recovery slow to evolve. (The aggressive moves by the Federal Reserve to add liquidity should cushion the severity of the economic slowdown.) The first sign that the path for recovery is developing will be an improvement in the credit markets. The sooner that the financial sector recognizes losses associated with the various forms of securitized loans, the sooner the credit markets will begin to function more normally. Unfortunately, it will be difficult to accurately assess losses until the housing market stabilizes.

Disclaimer

These statements are the opinion of Marquette Asset Management, Inc. and are subject to change without notice. This information is not intended to be used as the primary basis for investment decisions and should not be construed as advice designed to meet the particular investment needs of any investor, as individual investment plans will vary based on investment objectives and a number of additional factors. Please remember that past performance is no indication of future results and this publication makes no representation concerning actual future performance of the markets or economy. Please consult with your tax preparer and/or legal counsel as appropriate.



Marquette Asset Management, Inc.

Investment Management & Trust Services

Trust Services provided by Marquette Trust