

T H E A D V I S O R



Bill



Mark



Joe

THE ADVISORS GROUP

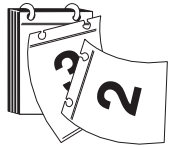
HELPING YOU PLAN FOR WHAT YOU VALUE MOST

A Registered Investment Advisor
Securities offered through LPL Financial
Member FINRA/SIPC

January 2010

Issue 25

YTD Performance 12/31/2009



Dow Jones Inds. +22.68
NASDAQ +43.89
S&P 500 +26.46
Russell 2000 +27.17



Fixed Income Indices

Barclays Aggregate +5.93

Barclays Govt Long -12.19

Int'l Stock Indices

MSCI EAFE +32.46

MSCI Emerg. Mkts. +79.02

Economic Outlook for 2010

Future historians and economists will view 2009 as the year against which all forthcoming bull and bear markets will be compared. For investors, recovery was the word for 2009. In fact, the volume for Google searches and news references for the word "recovery" soared over the course of 2009, especially relative to the word of 2008: "recession". 2009 began in the midst of a bear market plunge that was the worst since 1932 and the free-fall suddenly rebounded into a "V"-shaped rally of 65% from March 9 through mid-December, the most powerful nine month rally in the S&P 500 since 1933.

For 2010, 'sustainability' may be the word-not merely because climate change will be on Washington's agenda, but primarily as it pertains to continuing the economic and market recovery witnessed in 2009. In brief we believe,

- The recovery is likely to be sustained with economic growth in the 3-4% range in 2010.
- Stocks are likely to post gains early on that are later trimmed to end the year in single-digits, and
- The bond market will likely post flat-to-mid single-digit gains as higher rates and wider spread, pressure returns.

However, following a solid start to 2010, we expect a challenging second half. We anticipate the extraordinary

global policy efforts that created a tailwind for markets in 2009 will fade or even transition to headwinds that contribute to a renewed slowdown in the economy and a potentially challenging latter half of 2010 for investors. Also, much like 2009, throughout 2010 there will be crosswinds that may make this transition uneven and introduce other risks to our forecasts.

During 2009 our overall market outlook turned increasingly positive, but in 2010 the landscape will likely shift from rewarding risk to benefiting a more conservative stance. Again in 2010, a tactical approach to investing will be important to maintaining the path to long-term financial independence.

We can assure you that while the market may have recovered a portion of 2008's losses in 2009, we are not going to be complacent. Sometimes our job as an advisor is to tell our clients to "stay the course," but we do not believe that 2010 is the time for such advice. We are actively researching and strategizing ways to prepare our clients for the wide range of possible market outcomes and are very confident that our portfolios are positioned well for the current market environment. As always, we thank you for your confidence and trust.

This research material has been prepared by LPL Financial. The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and cannot be invested into directly.

RES1922 1209

Name Change to Wealth Advisors Group

After several months of research and marketing collaboration with LPL Financial, we have officially made the decision to change our d/b/a name from The Advisors Group to Wealth Advisors Group. Our hope is to

formally make this change by the end of the first quarter 2010. In addition to our name change we will be rolling out a new brochure, website, and logo. We will continue to keep you informed as we get closer to this date. We are very excited about this rebranding and look forward to your feedback.

Roth IRA Conversion Webinar

Converting to a Roth IRA brings new opportunity for all taxpayers in 2010. Anyone, regardless of income level, will be eligible to convert all or a portion of their Traditional IRA or employer-sponsored plan to a Roth IRA in 2010. Some advantages may include tax-free accumulation and distributions (limitations and restrictions apply to IRAs and other retirement plans) and no required minimum distribution upon turning age 70 1/2. Experts are saying this legislative change may become the single most powerful estate building and wealth transfer investment vehicle in recent history. Everyone's situation is different and you should consult a tax and financial advisor to determine if a conversion is right for your situation.

Please join us for a webinar on the rules and regulations surrounding Roth IRA conversions in 2010 and how you can leverage the opportunity. Contact us for more information about this webinar.

Key Addition to The Advisors Group

We are pleased to announce that we have recently added a new key member to The Advisors Group team, Drew Baker. Drew came to The Advisors Group January 1st with six years experience in investment research, security selection, and portfolio management. Drew devoted much of his time to equity and fixed income research and values the experience that he gained by beginning his career as an analyst. We believe his experience will be a great benefit as he assists the advisors with current and future clients at The Advisors Group.

Drew grew up in Kendallville, Indiana. He learned early on that education was going to be a very important aspect of his life and applied himself to his studies. Drew was awarded a coveted Lilly Endowment Community Scholarship and went on to complete a bachelor's degree from Taylor University in Upland Indiana in 2004. Drew enjoyed the liberal arts education giving him a broad range of studies, and graduated with a double major in

Economics and Business Management and a minor in Mathematics.

Drew recently was awarded the Chartered Financial Analysts designation. The Economist magazine calls the CFA designation the global gold standard of professional credentials within the investment community and roughly equates the designation to a specialized master's degree. The CFA Charter is awarded to a very select group of individuals who have mastered a rigorous curriculum over a course of at least three years.

Outside of work, Drew enjoys spending most of his time with his family. Drew's wife, Ashley, is an accountant by trade but put her career on hold to work as a stay-at-home mother for their son, Evan, who is now 2 years old.

Delayed 1099 Mailing

The Emergency Economic Stabilization Act of 2008 (the Bailout Bill) allows broker/dealers (LPL Financial) extra time to issue 1099 forms to clients from February 1 to February 15. This two week delay applies to forms 1099-B, 1099-DIV, 1099-INT, 1099-OID, and 1099-MISC.

For our clients whose taxes we will be preparing, we will be sending out organizers during the month of January. At your earliest convenience, please assemble all necessary tax documents and call us for an appointment.

Annual Survey

As we kick off 2010, we want to ensure that we are providing our clients with the highest level of service available in the industry. In the coming weeks you will receive further notification on how and where to go to complete our survey. This survey can be completed anonymously; however, we would prefer that you provide your name so we may directly address your comments or concerns. In addition, respondents who provide their names will be entered into a drawing for a case of Omaha Steaks.

Thank you in advance for your feedback!

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and may not be invested into directly.

The *Dow Jones Industrial Average* is comprised of 30 stocks that are major factors in their industries, and widely held by individuals and institutional investors.

The *NASDAQ Composite Index* measures all domestic and non-U.S. based common stocks listed on The NASDAQ Stock Market. The market value, the last sale price multiplied by total shares outstanding, is calculated throughout the trading day, and is related to the total value of the Index.

The *Standard & Poor's 500 Stock Index* (S&P 500) is an unmanaged capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The *Russell 2000 Small Stock Index* is an unmanaged index generally representative of the 2000 smallest companies in the Russell 3000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. The Russell 2000 Index measures the performance of the Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The *Barclays Capital U.S. Aggregate Bond Index* provides a measure of performance of the U.S. investment grade bonds market, which includes investment grade U.S. Government bonds, investment grade corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the Index must have at least 1 year remaining to maturity. In addition, the securities must be denominated in US Dollars and must be fixed rate, nonconvertible, and taxable.

The *Barclays Capital Long U.S. Government Index* includes all publicly issued, U.S. Treasury and U.S. Agency securities that have a remaining maturity of 10 or more years, are rated investment grade, and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The *Morgan Stanley Capital International ('MSCI') Europe, Australia, Far East Index ('EAFE')* is an unmanaged index of over 900 companies, and is a generally accepted benchmark for major overseas markets. Index weightings represent the relative capitalizations of the major overseas markets included in the index on a U.S. dollar adjusted basis. The index is calculated separately: without dividends, with gross dividends reinvested and estimated tax withheld, and with gross dividends reinvested, in both U.S. dollars and local currency.

The *Morgan Stanley Capital International ('MSCI') Emerging Markets Index* adjusts the market capitalization of index constituents for free float and targets for index inclusion 85% of free float-adjusted market capitalization in each industry group, in global emerging markets countries. As of June 2007, the MSCI Emerging Markets Index consisted of the following 25 emerging market country indexes: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors.