ALVERY BARTLETT GROUP

MARKET COMMENTARY

BY ALVERY A. BARTLETT JR.

January 11, 2008

Dear Client,

The market has again declined approximately 12% from the highs and has been generally orderly in its decline. If the overall market were to have a capitulation-like decline (similar to what has occurred in the financial sector) to correct the 2002-2007 bull market, it could be sudden and dramatic. Based on the possibility of such a break, I would like to suggest buying the market on what could be a very swift downdraft. For those of you who would like to follow our guidance, we will require several things:

Prices as of January 11, 2008 Close	
30 Year Treasury Bonds (CBT)	118-12/32 4.40% Yield
Dow Jones Industrial Average	12,606
S&P 500 Index	1401
Feb. Crude Oil Futures	$92.72
Feb. Natural Gas Futures	$8.16
Feb. Gold Futures	$897.00

1. You must have a preexisting account with Berthel Fisher with the required paperwork completed.

    - If you are a client of ours, but do not have a Berthel Fisher brokerage account, please fill out the enclosed forms. A check or bank wire will have to be sent as instructed.

2. If you do have a Berthel Fisher brokerage account, you will need to send money or earmark funds for when we have our strategy conversation regarding how much will be invested.

3. We must thoroughly discuss your strategy and understand the risks as well as the objectives.

    - I am not willing to take discretionary trading authority for client equity accounts. We will therefore have to prearrange our strategy. We should first have a specific discussion regarding what to buy, as well as the price, time, and quantity of shares to be purchased.
    - Your funds must be in the account awaiting what we hope will be the appropriate time.

As previously noted in our market commentary letter of March 28th, 2007, we expected a market peak of 1550 in the S&P 500. The market peaked on July 16th at 1555. In our August 2nd letter, we cautioned that the market could have a 20% drop from its peak in the near or very near future, and it promptly dropped 12% to an intraday low of 1370 on August 16th before Federal Reserve intervention. In our September 5th market summary, we speculated that since the market expended buying power following the Fed's intervention, the possibility was now open for a 30% drop from the top rather than our previous view of 20%.

There should be no assumption on your part that we will be able to catch the drop at the right price, or that there will even be a drop. This is purely a “what if, perhaps maybe” effort. That being said, if we did not believe a drop of this magnitude was possible, we would not be sending this letter.

If you are interested, I suggest you accelerate your consideration and once you have made your decision, move quickly to make sure all conditions listed above have been met. Shawn, Larry, Adam, and I will only be able to deal with a limited number of issues and people if in fact a market crash occurs. Time will be very tight and all non-essential communication will have to be had ahead of time. Once again, this cautionary note is not a prediction; rather, it is a hope to convert what could be a negative situation into a buying opportunity.

Sincerely,

Alvery A. Bartlett, Jr.

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