North Star Resource Group

North Star Consultants, Inc.
Insurance Products and Services

CRI Securities, LLC
Securities and Investments
Investment Advisory Services

Securian Financial Services, Inc.
Variable Products and Securities
Investment Advisory Services

January 7, 2010

4th Quarter Market Update - 2009

At this time last year the financial markets were experiencing extremely high levels of downward price volatility due to the uncertainty created by the subprime mortgage crisis and the frozen credit markets which followed. Since reaching their lows in early March most major U.S. stock indexes have climbed between 60% and 80% from their low points. Despite headwinds that remain such as high unemployment and low consumer sentiment the 4th quarter provided strong returns for equity investors.

For the quarter, large company stocks (S&P 500) and small company stocks (Russell 2000) increased in value 6.04% and 3.87% respectively. Growth stocks outperformed value stocks across all market capitalizations. Large company growth stock returns were enhanced by the 10.45% increase within the information technology sector while large company value stock returns were dampened by the financial sectors decline of 3.68% over the quarter.

The dollar continued to decline in value against most major foreign currencies early in the 4th quarter before rebounding sharply in December. A decrease in value of the U.S. dollar enhances returns when investing in foreign securities while an increase in the dollar's value reduces returns for U.S. investors holding foreign securities. For the quarter the MSCI EAFE Index (in U.S. dollars) increased 2.18% while the MSCI EAFE Index (in local currency) climbed 3.33%.

The yield on U.S. Treasury securities rose considerably in December. The yield curve, which is a closely watched bond-market measure, is steep by historical measures. This signals that investors are optimistic and expect a strong and lasting economic recovery and with it the possibility of higher inflation. For the quarter the Lehman Aggregate Bond Index gained 0.20%.

On December 16 the Federal Reserve's Open Market Committee held the federal funds rate at a target of 0 - 0.25%, where it has been since last December. In an official statement the Fed stated that the Committee continues to anticipate that economic conditions along with "subdued" and "stable inflation expectations are likely to warrant exceptionally low levels of the federal funds rate for an extended period of time."

Some economists are critical of the Fed for holding interest rates too low for too long such as when former Chairman Alan Greenspan lowered rates to 1% in June of 2003 before raising them in 0.25% increments from 2004 to 2006, attributing some of the blame for the housing bubble to loose monetary policy by the Fed.

Long term, we continue to believe that well diversified global stock and bond portfolios, and disciplined investment strategies can continue to provide opportunities for those investors looking for growth.

I welcome your input and as always, should you have any questions or concerns, or if there is a change in your investment time horizon or financial circumstances that I should be aware of, please contact me at your convenience.

—Written by North Star Resource Group and provided courtesy of your Financial Advisor

Index and Composite Returns for Periods Ending 12/31/2009

Index	4th Q	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
S&P 500	6.04%	26.46%	26.46%	-5.63%	0.42%	-0.95%
Russell 2000	3.87%	27.17%	27.17%	-6.07%	0.51%	3.51%
MSCI EAFE (U.S. dollars)	2.18%	31.78%	31.78%	-6.04%	3.54%	1.17%
Barclays US Aggregate Bond	0.20%	5.93%	5.93%	6.04%	4.97%	6.33%
Benchmark Composites	4th Q	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Aggressive Growth	4.34%	28.23%	28.23%	-5.86%	1.38%	0.80%
Growth	3.47%	23.83%	23.83%	-3.49%	2.13%	1.93%
Conservative Growth	2.72%	19.38%	19.38%	-1.09%	2.87%	2.83%
Income and Growth	1.85%	14.98%	14.98%	1.29%	3.62%	3.96%
Income	1.18%	10.30%	10.30%	3.69%	4.22%	4.98%

Sources: Bloomberg, First Trust, Federal Reserve Board, JPMorgan, T.Rowe Price and The Wall Street Journal