

Interim Market Update



Central Plains Advisors, Inc. • 100 N. Broadway Ste. 130 Wichita , KS 67202 • Economic Consulting & Investment Management

February 14, 2008

ANOTHER WARNING IF YOU PLEASE

My friends, there is something more than just an ordinary, run of the mill economic downturn going on here. Let there be no mistake, the Wall Street financial community is only in the early stages of a credit market meltdown. Debt charge-offs in the amount of some \$130B to \$150B are only in the first inning. There may be up to four times that amount before it is all over. The slick pinstriped suits are all over Europe, the Middle East, and Asia looking for additional capital funds. We have been moaning about the loss of manufacturing and having to go to a service economy for some time now. But that is only the first step. The second step is the possible loss of the largest part of the service sector: commercial and investment banking. For all practical purposes, they are collectively broke. This is not a happy circumstance.

Again, let us repeat. Much of the profits obtained over the last several years have come from trading profits secured by speculation and leverage. *That game is over.* Hedge funds will probably be the next to suffer heavy losses, when those on the same side of the trade look for a window to pay down debt, as the banks will no longer lend. We don't know where this is all going to end, but it probably won't be pretty. We urge you to get debt-free and own only top quality assets.

For those of you who are clients, we appreciate your patience in changing custodians. If any of you need additional help in completing this change, *please call our office* locally at 316-682-5148, or toll free at 888-735-2724 (CPAI).

One never knows when an investment change may need to be made, as the markets are very volatile. Having your assets properly located is very important.



Central Plains Advisors, Inc.

Information contained in this commentary is based upon information obtained from sources both external and internal which we consider to be reliable, but the accuracy of the information and the recommendations contained herein cannot be guaranteed, nor do they constitute a solicitation for the purchase or sale of any securities mentioned herein. Information contained in this commentary may not be reproduced in any form without written permission from Central Plains Advisors, Inc.
