

11.91	23.74	4.74	4.70
10.84	21.79	4.25	-4.66
9.77	19.84	3.74	-13.93
8.71	17.88	3.47	-18.53

Cedarwinds Quarterly

Performance Updates and Market Commentary for Long-Term Investors

Vol. 3 Q4-08

Asset Class % Returns*

	2008	2007	Annualized Returns**	
			3 Years	5 Years
Bonds				
Short-Term	4.02	5.19	4.66	3.42
Two-Year	4.08	5.27	4.60	3.28
Five-Year	8.36	4.95	5.93	4.24
Intermediate	4.02	5.22	4.38	3.54
Domestic Stocks				
Large Market	-36.78	5.44	-8.29	-2.19
Large Value	-40.80	-2.76	-11.56	-2.05
Small Cap	-36.01	-3.06	-10.23	-1.99
Small Value	-36.79	-10.75	-11.81	-1.51
Micro Cap	-36.72	-5.22	-11.35	-2.71
US Real Estate	-37.36	-18.67	-11.68	0.59
International Stocks				
Intl Large Value	-46.33	10.24	-7.41	3.34
Intl Small	-43.87	5.66	-9.52	3.41
Intl Small Value	-41.68	2.95	-8.31	5.07
Intl Real Estate***	-51.92	-14.17	N/A	N/A
Emg Mkts	-49.20	36.02	-3.72	8.53
Emg Mkts Value	-53.94	45.64	-2.56	11.05
Emg Mkts Small	-54.53	38.02	-4.84	6.91
Continental Small	-47.96	9.45	-6.00	5.77
Japanese Small	-12.12	-8.53	-10.92	4.97
Asia Pacific Small	-57.04	40.05	-5.72	2.35
UK Small	-53.02	-8.43	-14.44	-2.13

***2007--inception date of 4/07

Description of DFA Index Funds

Description of DFA Index Funds	TICKER
Short-Term Bonds 1-Year Fixed Fund	DFIH
Two-Year Bonds 2-Year Global Fixed Fund	DFGF
Five-Year Bonds 5-Year Government Fund	DFFG
Intermediate Bonds 5-Year Global Fixed Fund	DFGB
Large Market Large Company Fund	DFLC
Large Value US Large Value Fund	DFLV
Small Cap Small Cap Fund	DFST
Small Value US Small Value Fund	DFSV
Micro Cap US Micro Cap Fund	DFSC
US Real Estate US Real Estate Fund	DFRE
Intl Large Value International Value Fund	DFIV
Intl Small International Small Fund	DFIS
Intl Small Value International Small Value Fund	DISV
Intl Real Estate International Real Estate Fund	DFIT
Emg Mkts Emerging Markets Fund	DFEM
Emg Mkts Value Emerging Markets Value Fund	DFEV
Emg Mkts Small Emerging Markets Small Fund	DEMS
Continental Small Continental Small Company Fund	DFCS
Japanese Small Japanese Small Company Fund	DFJS
Asia Pacific Small Asia Pacific Small Company Fund	DFRS
UK Small United Kingdom Small Company Fund	DFUK

*Source: Dimensional Fund Advisors (www.dfa.com)

The information contained herein is obtained from sources we believe are reliable, but we cannot guarantee its accuracy.

** Calculated based on calendar year results.

Past performance does not guarantee future returns.

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THIS IS THE FIRM OUR CLIENTS BUILT

Editor's Note: Inspired by the nursery rhyme "This Is the House That Jack Built," the story of our firm identifies the key elements and processes that represent the essence of our investment management business model.

This is the firm our clients built.

This is the investment strategy

That helped create the firm our clients built.

This is the Efficient Markets Theory

That supports the investment strategy

That helped create the firm our clients built.

This is the financial engineering

That is based upon Efficient Markets Theory

That supports the investment strategy

That helped create the firm our clients built.

These are our model portfolios

That rely on the financial engineering

That is based upon Efficient Markets Theory

That supports the investment strategy

That helped create the firm our clients built.

These are the DFA funds

That we use to construct our model portfolios

That rely on the financial engineering

That is based upon Efficient Markets Theory

That supports the investment strategy

That helped create the firm our clients built.

This is the Five-Factor Model

That is represented by the DFA funds

That we use to construct our model portfolios

That rely on the financial engineering

That is based upon Efficient Markets Theory

That supports the investment strategy

That helped create the firm our clients built.

Continued on back

This is the asset allocation

That is derived from the Five-Factor Model
That is represented by the DFA funds
That we use to construct our model portfolios
That rely on the financial engineering
That is based upon Efficient Markets Theory
That supports the investment strategy
That helped create the firm our clients built.

This is the risk-return predictability

That is achieved with the asset allocation
That is derived from the Five-Factor Model
That is represented by the DFA funds
That we use to construct our model portfolios
That rely on the financial engineering
That is based upon Efficient Markets Theory
That supports the investment strategy
That helped create the firm our clients built.

This is the reduced volatility

That helps generate the risk-return predictability
That is achieved with the asset allocation
That is derived from the Five-Factor Model
That is represented by the DFA funds
That we use to construct our model portfolios
That rely on the financial engineering
That is based upon Efficient Markets Theory
That supports the investment strategy
That helped create the firm our clients built.

This is the global diversification

That reduces the volatility
That helps generate the risk-return predictability
That is achieved with the asset allocation
That is derived from the Five-Factor Model
That is represented by the DFA funds
That we use to construct our model portfolios
That rely on the financial engineering
That is based upon Efficient Markets Theory
That supports the investment strategy
That helped create the firm our clients built.

These are the investment returns

That reflect the global diversification
That reduces the volatility
That helps generate the risk-return predictability
That is achieved with the asset allocation
That is derived from the Five-Factor Model
That is represented by the DFA funds
That we use to construct our model portfolios
That rely on the financial engineering
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That supports the investment strategy
That helped create the firm our clients built.

**AND WE OFFER OUR SINCERE THANKS
TO ALL WHO HAVE MADE THIS POSSIBLE!**