

Global Financial Advisors Equity Fund I, LP
Performance Report and Analysis

January 2009

"Our favorite holding period is forever." ~ Warren Buffett

I. Performance Overview

During January, the Global Financial Advisors Equity Fund (GFAEF) continued to decline with the market, yet still out performed its weighted benchmark by 3.3%. The Fund declined 5.7% compared to the 9.0% decline of the weighted benchmark of 80% S&P 500 and 20% Russell 2000. We did not buy or sell any of our holdings in January, and our actively managed portion of the Fund ended at 31.4%.

Table 1: Portfolio Returns as of 1/31/2009

	January	QTD	12M	Return Since Inception
GFA Equity Fund	-5.7%	-5.7%	37.2%	-32.6%
Actively Managed	4.6%	4.6%	35.7%	-28.2%
% Actively Managed	31.3%			
Benchmark *	-9.0%	-9.0%	38.2%	-32.3%
Relative: Total Portfolio	3.3%	3.3%	1.0%	-1.0%
Relative: Actively Managed	13.6%	13.6%	2.0%	4.6%
S & P 500	-8.4%	-8.4%	38.6%	-31.4%
Russell 2000	-11.1%	11.1%	36.9%	-36.2%

* The benchmark is weighted 80% S&P 500 and 20% Russell 2000

Note: The Portfolio was not fully invested in ETFs until May 23, 2006. For the purpose of this Fund, portfolio performance was changed to begin at the close of trading on May 31, 2006. The first actual stock purchase was April 6, 2006. Performance data quoted represents past performance and may not necessarily be indicative of future results.

The actively managed portion of the Fund did well this month relative to the benchmark, outperforming the benchmark by 13.6%. The actively managed portion of the Fund's increase of 4.6% was due mainly to Checkpoint (up 19.4%) and IBM (up 8.9%). This is a great start for our active portion of the portfolio for the year, and we believe that we will continue to see positive gains going forward. The active portion of the Fund remains ahead of the benchmark since inception (4.6%) which is very positive, particularly considering the impact of our earlier positions last year in AIG and Ambac. We are looking to increase our active holdings.

The Fund was designed to minimize risk, while giving our analysts an opportunity to develop stock selection, portfolio management, and client reporting skills. Overall, the Fund is maintaining a residual standard deviation (the standard deviation of the excess returns over the weighted benchmark) of 1.4% on a rolling twelve-month basis and less than 1.2% since inception. The actively managed residual risk was 5.1% for the last twelve months and 5.3% since inception. While returns are volatile, Fund risk has been maintained within established limits. Not only has the actively managed portion outperformed the benchmark since inception, it has done so on a risk-adjusted basis.

Following are portfolio statistics for the actively managed portion of the Fund:

Prospective Price Earnings	12.3x
Price to Book value	4.4x
Dividend Yield	1.6%
Weighted Market Cap.	\$96.4 billion
Cash Percentage	0.8%

II. Economic and Political Analysis

Conditions in the economy continued to worsen through January, with the S&P 500 losing 8.4% and the Russell 2000 declining 11.1%. We officially entered a recession and the Federal Reserve cut interest rates again in mid-December to an all-time low of 0.0%. In spite of the record-low lending rates, the credit markets are still relatively frozen and lending is barely trickling along.

Unemployment in January rose to 7.6%, the highest in 16 years. Unemployment was at 4.4% before the credit crisis hit, and companies continue to lay off workers. Over 2.6 million jobs were lost in 2008, making it the worst year for job creation since 1945 in the United States. Analysts are predicting that unemployment will continue to rise through at least the first half of 2009. In one day (January 26), 76,000 job cuts were announced in the US and Europe, making it one of the worst days ever for workers.

The government continues to spend money to bail out companies. In mid-January, the US government extended a \$138 billion bailout to Bank of America (BoFA). The bailout includes \$20 billion in a capital injection and a guarantee on \$118 billion of potential losses on remaining toxic assets. Fannie Mae and Freddie Mac, who were already taken into conservatorship by the government, announced that they will need an additional \$51 billion from the government in order to survive. Congress agreed to release the remaining \$350 billion of TARP to the Treasury for disbursement.

Conditions worldwide continued to worsen throughout January. The Bank of England cut interest rates to 1.5%, the lowest in the past 315 years! Greece and Spain both had their credit ratings cut from AAA by Standard & Poor's. China

experienced its slowest growth in seven years, and South Korea reported its first decline in quarterly economic growth since the Asian financial crisis.

We have not seen times like these for decades in the US, and the end is not yet in sight. Often such serious conditions make for excellent buying opportunities, and we are searching the markets for bargains.

III. Industry Analysis

January continued the downward trend in the market. Every sector posted losses, with the utilities sector closest to a flat return (-0.8%) and the Financials continuing to be the worst hit sector (-26.6%). Volatility was high, with the difference between the best and worst performing sectors being 2580 basis points (see Table 2).

We continue to look at companies in the consumer staples, consumer discretionary, and even some technology firms that have been beaten down. We have already done an in-depth analysis of our existing holdings, and we believe they will continue to add value.

Table 2: Sector Returns without Dividends

Sector	Returns		
	MTD	QTD	YTD
Consumer Discretionary	-10.6%	-10.6%	-10.6%
Consumer Staples	-7.7%	-7.7%	-7.7%
Energy	-3.2%	-3.2%	-3.2%
Financials	-26.6%	-26.6%	-26.6%
Health Care	-1.3%	-1.3%	-1.3%
Industrials	-12.7%	-12.7%	-12.7%
Information Technology	-3.1%	-3.1%	-3.1%
Materials	-7.2%	-7.2%	-7.2%
Telecommunications Services	-11.1%	-11.1%	-11.1%
Utilities	-0.8%	-0.8%	-0.8%
S&P 500 Total Returns	-8.6%	-8.6%	-8.6%

IV. Company Analysis

Our current goal is to search for companies in other industry sectors where we currently have no active allocation, while closely monitoring our current holdings.

We believe that there are companies in the market trading at steep discounts to true intrinsic value, and we continue to screen many companies each week looking for the right time to buy. Based upon our screens, companies from many sectors are looking more and more attractive as the market punishes good companies for a bad economy. We have added 20 companies to the watch list in the first two months alone.

Checkpoint (CHKP) was our best performer during the month, turning around from a 7% decline in December to a 19.4% increase in January due in part to improvements in Gaza. The Russell 2000, in contrast, was down 11.1% in January, meaning Checkpoint outperformed by nearly 3000 basis points. Investors have rallied behind this winner of the 2008 Tech Innovator Award for security, and we are currently assessing CHKP to determine the best price to begin to exit our position relative to our intrinsic value calculations.

IBM posted better than expected earnings in Q4, toppling analyst expectations, and its second consecutive month with positive gains, returning 8.9% in January versus a 3.1% decline in the ETF. Their strong business model and diversified cash flows are an advantage in this struggling economy, as more and more sales are coming from overseas. Our outlook for the company is positive and we expect IBM to continue its industry dominance in the months and years to come.

Johnson and Johnson (JNJ) declined 3.6% in January versus a 1.3% decline in the Health Care sector. At the end-January Johnson completed its acquisition of Mentor Corporation. Despite the relative small decline, Johnson and Johnson posted a 14% increase in Q4 profit. We will continue watching Johnson and Johnson, to see the company will be able to sustain revenues, despite the expirations of patents coming later on this year.

Coca Cola (KO) was our second-worst performer, dropping 5.6% in January versus a 7.7% decline in the Consumer Staples sector. In spite of this decline, we are still bullish on Coca Cola because of their diversified product mix and global business lines. Their VitaminWater brand showed strong growth and will likely continue throughout 2009. In the fourth quarter of 2008 Coca Cola took a large loss on foreign currency translation, which could still be a potential problem going forward because of the weakening dollar.

Proctor and Gamble (PG) was our worst performer, losing 11.2% in January versus a 7.7% decline in the sector. In mid-January they settled a patent infringement lawsuit with Kraft Foods. Management of Proctor and Gamble has expressed strong interest in divesting their pharmaceutical business in order to focus more heavily on high-growth businesses. We will be watching to see if Proctor and Gamble will be able to follow this strategy going forward.

V. Outlook

With the extreme volatility that has been exhibited throughout the month, the team has continued to be bearish on the markets. We have continued to avoid the financial and energy sectors, and we foresee that trend to continue into the next several months. We are looking at traditional stalwarts in various industries who are in the best position to weather this economic storm. We are also monitoring the new administration to see what policies will be enacted in the coming weeks, specifically in the health care sector.

We continue to have speakers come to teach us more about the investment process, sell strategies, and principles of value investing. Our investing discipline is sharpening as we focus more and more on intrinsic value and finding companies with economic moats which are deeply undervalued. We also are refining our sell strategy in order to best capture gains and to limit losses.

Each team continues to monitor the individual stocks in their respective sectors. This gives us more oversight and will help in securing any gains that any one stock may have had in any given holding period. We are in the process of reviewing our current holdings and feel confident that they are industry leaders and will continue to outperform their respective benchmarks.

Thank you for your interest in the Global Financial Advisors Equity Fund I. We appreciate your help and support, and all that you do for the analysts, the Marriott School, and Brigham Young University.

Sincerely,

Trent Call	Scott Smith	Brandon Muirhead
Christian Kikumoto	Trevor Bodliy	Colton Burr
Jon Beckstead	Dustin Barros	Kurt Barton
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Bryan Sudweeks, Faculty Advisor

VI. General Support Documents

The following support documents should be read in conjunction with this report.

- Exhibit 1. GFA Equity Holdings by Industry Segment and Security
- Exhibit 2. GFA Total Portfolio and Active Portfolio Returns