

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

March 2009

"Successful investing is anticipating the anticipations of others." ~ John Maynard Keynes

I. Performance Overview

During the month of March, the Global Financial Advisors Equity Fund (GFAEF) rose with the market, closely following its related benchmark. The Fund increased 7.7% compared to an 8.8% increase in the weighted benchmark of 80% S&P 500 and 20% Russell 2000 Indices. Year-to-date we continue to outperform the benchmark by 3.3% for the total portfolio and 19.7% in our actively managed portion of the Fund.

We were very active this month in purchasing shares of great companies. We purchased shares of Covidian, First Solar, and Alliance Resources Partners, all three of which returned very solid positive gains this month. We are now actively managing 44.1% of the fund, an all-time high for the class.

In the seven months since September 2008 when this Team began managing the portfolio, the GFA Equity Fund has outperformed its weighted benchmark by 3.4%, and the actively managed portion has outperformed by 20.4%. We have almost made up for our purchases of Ambac and AIG last year.

Table 1: Portfolio Returns as of 3/31/2009

	March	QTD	12M	Return Since Inception
GFA Equity Fund	7.7%	-8.4%	-35.2%	-34.5%
Actively Managed	8.2%	7.7%	-28.4%	-26.0%
% Actively Managed	44.1%			
Benchmark *	8.8%	-11.8%	-37.9%	-34.4%
Relative: Total Portfolio	-1.1%	3.3%	3.3%	-1.0%
Relative: Actively Managed	-0.6%	19.7%	12.4%	10.3%
S & P 500	8.8%	-11.0%	-38.1%	-33.3%
Russell 2000	8.9%	-14.9%	-37.5%	-39.0%

* 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 underperformed its benchmark by 0.6%, gaining 8.2%. The increase in the fund was due to an overall rise in the

markets. Every position we hold increased in value in March, with the exception of Proctor & Gamble (PG).

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 3.3% year-to-date and 1.1% since inception. The actively managed residual risk rose to a quarterly high of 19.8% year-to-date versus 5.4% for the last 12 months and 5.2% since inception. While that risk is high, it has been high on the positive side. While returns are volatile, particularly the active portion, Fund risk has been maintained within established limits.

The Fund Sharpe ratio has indicated the Fund outperformed the benchmark on a risk-adjusted basis quarter-to-date basis (-0.5% for the total fund and 0.4% for the actively managed portion versus the benchmark of -0.7%), and is roughly the same over the last twelve months (-0.6% versus the benchmark of -0.6%).

Following are portfolio statistics for the actively managed portion of the Global Financial Equity Fund I (see Table 2):

Table 2: Active Portfolio Statistics

Prospective Price Earnings	11.2x
Price to Book value	4.8x
EPS Growth (2009)	21.7%
Dividend Yield	2.6%
Weighted Market Cap.	\$81.2 billion
Cash Percentage	1.2%
Active Portfolio Beta	.89

During March, turnover was 15.5%. Quarter to date, the Fund has had turnover of 20.8%, with 55.5% for the last 12 months.

II. Economic and Political Analysis

In March the economy continued on its rocky trajectory, although for the first time in weeks the markets began to improve. The Dow rose for four straight weeks, capping the strongest bull run since 1933 and returning the Dow Jones Industrial Average over 8,000. Although savings rates are still high, remaining near last month's 14-year high, US consumers increased their spending by 0.2 percent. As stated in the March 27 edition of the Financial Times, "The February rise followed a revised 1 per cent increase in January, which broke a record streak of six consecutive declines."

Though there were signs of a rebound in the equity markets, there was still no shortage of rough news for the economy. The unemployment rate in March rose

to 8.5 percent, in line with analyst expectations. Nonfarm payrolls fell by 663,000. President Obama continued to market and encourage his spending plan to be passed by Congress.

One interesting benefit of decreased M&A activity is explained by Geoffrey Rogow of Dow Jones Newswires:

If the history of M&A activity is to be believed, the bear market is dead.

In each of the last two bear markets, both in 1998 and 2002, U.S. merger-and-acquisition activity foreshadowed the end of a sliding stock market. The value of deals reached a trough in September 1998 and October 2002, one month before the markets did in each instance. The total number of deals, also known as deal-flow, hit the low points four months later in both instances, just as the stock market was starting to repair itself.

Now flash ahead to the present. M&A activity reached a value trough in November and in March deal flow reached its lowest point in almost six years, according to data provided by Dealogic. It is a trend stock traders are leaning on as a sign that it may be time to ratchet up some of their exposure to equities.

For the month, the S&P had remarkable gains and rose 8.8% and the Russell 2000 rose 8.9%. The Treasury set off a positive run in the markets with an announcement to allow firms to offload troubled assets at better-than-fire sale prices. Although participation is yet to be seen, private institutions, particularly hedge funds and private equity firms, have expressed interest in buying assets with leverage provided by the government and taxpayers.

A mixed bag of economic news is better than all bad news, but it is clear that we are not out of the economic storm yet. U.S. corporate profits fell by \$250 billion in the last months of 2008. As reported in the March 26th edition of the Wall Street Journal:

Profits at corporations in the fourth quarter fell 16.5% from the previous quarter, the Commerce Department said Thursday. In the financial sector, profits fell by \$178 billion -- and that figure doesn't reflect the industry's massive write-downs as the value of assets soured. The drop in pretax corporate profits was the steepest in 55 years. Compared with the same quarter in the previous year, the decline was more than 20%.

We live in perilous times, but there is hope on the horizon that we are finally beginning to work our way out of the economic mess caused by problems in the financial sector and the housing markets.

III. Industry Analysis

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March proved to be a strong month for virtually all industries. It was a much-needed turnaround from previous months. Every sector showed gains, with financials being the best off with a rise of 17.7% and utilities being the least-improved sector, with a gain of 2.1%. On the year Financials are down 29.5%, and continue to be wildly volatile with continued government intervention and an almost constant stream of new developments (see Table 3).

Because of the analysis we performed over the past few months, we were ready to buy some great companies this month when we found them at attractive prices. Although we are aware that a rising tide raises all ships (the joke with some traders these days is to redefine a bull market as “a random market movement causing an investor to mistake himself for a financial genius”), we are confident in the companies in which we have invested, and thus far are pleased with the results.

Table 3: Sector Returns without Dividends

Sector	Returns			2009
	MTD	QTD	YTD	PE
Consumer Discretionary	12.0%	-8.6%	-8.6%	34.2
Consumer Staples	3.6%	-11.3%	-11.3%	12.2
Energy	3.7%	-12.1%	-12.1%	10.9
Financials	17.7%	-29.5%	-29.5%	11.9
Health Care	6.3%	-8.5%	-8.5%	10.6
Industrials	9.2%	-21.8%	-21.8%	10.4
Information Technology	12.1%	4.0%	4.0%	16.8
Materials	14.9%	-2.8%	-2.8%	20.3
Telecommunications Services	5.9%	-8.5%	-8.5%	12.3
Utilities	2.1%	-11.9%	-11.9%	10.5
S&P 500 Total Returns	8.5%	-11.7%	-11.7%	12.9

IV. Company Analysis

We continue with our goal to screen three to five companies a week, and we have been pleased with the depth of analysis and scrutiny happening as we discuss various investment ideas.

We continue to believe that there are companies in the market trading at steep discounts to true intrinsic value. Our focus now is making sure that we are buying companies at the right price. We have identified many great companies, but are not all are trading at truly great prices yet. With every company that is screened, we decide upon a price at which we would potentially buy. Our watch list is filling with great companies, and we are waiting until the companies trade below our required price. The following is an update of the companies in which we are currently invested:

First Solar was our best performing company during the month, rising 17.9% since our purchase on March 17th versus a 9.2% increase in the Industrials ETF.

It had risen as high as \$156 before retreating to the current \$132 levels. We believe this drop to be based off of an upcoming squeeze on First Solar's margins due to an oversupply in the industry, coupled with a drop in solar spot to under \$2 per watt. Furthermore, silicon prices have continued to drop which has decreased First Solar's competitive advantage over the rest of its silicon-using competitors. As analysts have begun significantly dropping price predictions (some as low as \$94 a share) we believe it is time to reassess First Solar in light of its recent developments and ensure we have a sell strategy in place.

Johnson and Johnson (JNJ) increased 11.4% in March versus a 6.3% increase in the Health Care sector. During the month, we purchased 300 additional shares at \$49.76 to bring our total JNJ allocation to 620 shares. In other news, at the end of March the FDA approved new JNJ's Therakos™ Cellex™ Photopheresis System to treat the skin manifestations of cutaneous T-cell lymphoma. We will continue watching Johnson and Johnson to see the company will be able to sustain past levels of profitability, despite the expirations of patents coming later on this year.

Coca-Cola's (KO) rose 7.6% during March, versus a 3.6% increase in Consumer Staples. We were disappointed to learn that its proposal to acquire Chinese juice leader Huiyuan for \$2.4 Billion was rejected by Chinese authorities due to monopolistic issues. KO may now possibly use that money to continue to buy back shares of stock in 2009.

IBM has been very active over the last month, although it has underperformed. The stock has increased 5.8% versus a 12.1% increase in the Technology ETF. IBM has announced that they will cut an additional 5,000 jobs, although they are continuing to perform better than expected. IBM's deal to acquire Sun Microsystems for \$10 per share fell through, which has hurt sentiment. IBM has performed well over the last quarter, and we expect it to continue to improve.

ARLP was up 5.8% for the month, versus a 3.7% increase in the Energy ETF. This is a high dividend yield stock so its current price fluctuations shouldn't affect our investment as much. As long as we hold it long enough for it to start paying dividends, we should realize some gains. There haven't been any other changes in the company or any other filings through the SEC. ARLP Directors have been buying stock lately due to the fact that it is at a 52 week average low.

Covidien (COV) increased 4.1% in March versus a 6.3% increase in the NYSE Health Care Sector Index. News in March included the launch of Puritan Bennett 540 Portable Ventilator, FDA Clearance For The Nellcor OxiMax N-600x Pulse Oximeter With OxiMax SPD Alert, a quarterly dividend of \$0.16 (in line with historical dividends), the acquisition of Westside Healthcare 21 Ltd. to increase vertical integration, and an FDA warning concerning the use of morphine in one of its drugs. As of April 1, the price per share has increased 3.8% to \$33.14. We will continue watching Covidien to assess the impact of patents, as well as the delisting of the stock on the S&P 500 due to moving its headquarters to Ireland.

Checkpoint Software (CHKP) was up only 1.1% during the month versus the small cap index rise of 8.9%. CHKP hasn't seen many fundamental changes over the past month, beside more accolades to add to the brand. CHKP has recently won the "UTM for Enterprise Network Security" award in PC Market magazine's "Best of IT" category and that their ZoneAlarm(R) Extreme Security has received the prestigious Editors' Choice Award from PC Magazine. We are still awaiting news or signals about the M&A future of CHKP, which will largely influence our decision to buy more or sell out of our position.

Proctor and Gamble (PG) ended March down 2.2% versus a 3.6% rise in the Consumer Staples sector. We have seen very little movement lately. P&G is expected to raise their dividends by 10 cents in April, which gave a little jump to P&G's stock price on the day this news was released. We have been disappointed with PGs performance thus far.

V. Outlook

We have been very pleased with the past month's work, and are committed to finishing the semester strong. 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 continue to perform well on a relative basis and are confident that our recent additions will only add to that performance.

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	Rob Jenson
Christian Kikumoto	Trevor Bodliy	Aleksandra Salo	Kurt Barton
Jon Beckstead	Dustin Barros	Curtis Lefrandt	Judson Felt
David McCleve	Nathan Leishman	Stephanie Gaufin	Colton Burr

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