

Lowes Wealth Management December 2006 - Performance Update

Happy New Year! I hope that all is well and that you and your family enjoyed the Christmas and New Year season. It's a later update this month due to the holidays.

During December all major markets showed strong growth. The Japanese Nikkei (N225), the German DAX and the French CAC all returned over 4% with returns of 5.85%, 4.56% and 4.02% respectively. The LWM portfolio returned 3.99% in December.

The best performing major markets for the whole of 2006 were the DAX with 21.98% and the Morgan Stanley Global Index (MSCIW) with 17.95%. The Lowes Wealth Management (LWM) portfolio returned 39.39%*.

Our top performing stocks for December included Honda (12.04%) and Toyota (11.88%) in Asia and Rodamco (10.59%) and Michelin (10.52%) in Europe. Our worst performers included Fremont General (-4.7%), CSX Inc (-3.99%) and Alcoa (-3.72%) all in the US.

How will markets fare in 2007? Whilst there are plenty predicting the bull run to continue, the majority of commentators expect the global economy to slow throughout 2007. The bears point to the many potential catalysts that could lead to recession.

At Lowes Wealth we don't worry too much about the performance of the markets as a whole. We continue to focus on identifying individual stocks that are undervalued. History shows that buying such stocks leads to superior returns and reduces risk.

If you would like more information, please contact me.

Kind regards,
Managing Director
Lowes Wealth Management
www.loweswealth.com

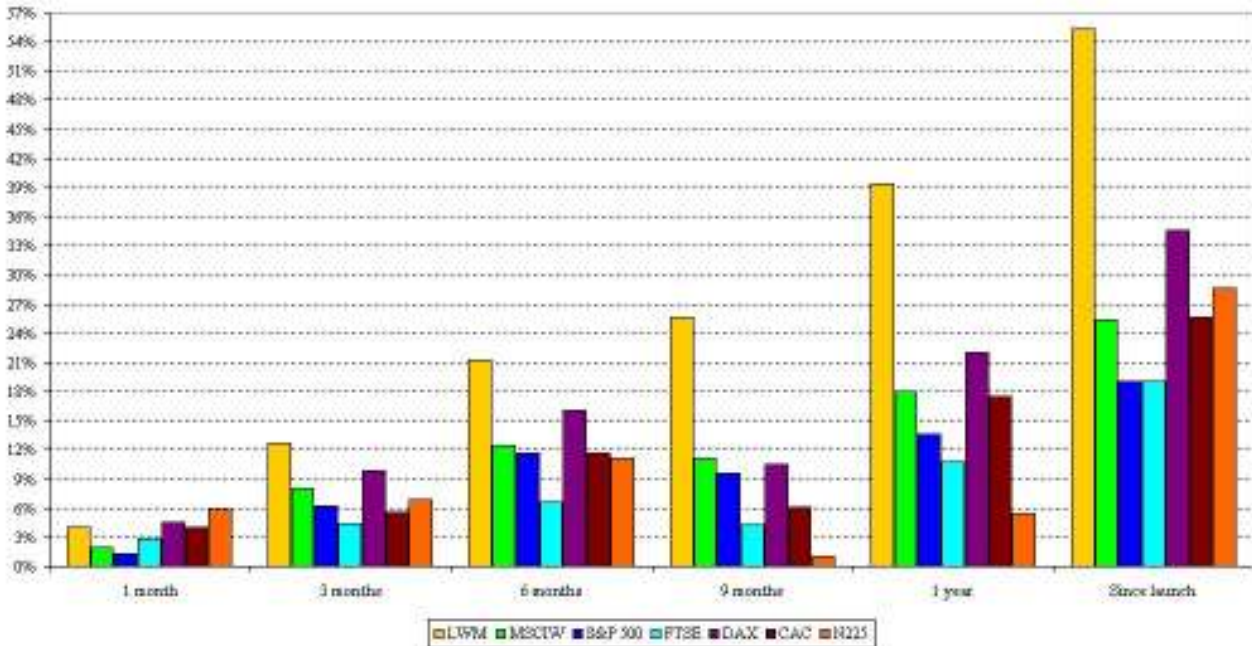


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*See below for a detailed description of how we calculate our performance figures.

Lowes Wealth Management – December Performance Graph

Performance as of Dec 31, 2006



	LWM	MSCIW	S&P 500	FTSE	DAX	CAC	N225
1 month	3.99%	1.95%	1.26%	2.84%	4.56%	4.02%	5.85%
3 months	12.65%	8.02%	6.17%	4.36%	9.87%	5.56%	6.81%
6 months	21.31%	12.39%	11.66%	6.64%	16.08%	11.60%	11.10%
9 months	25.60%	11.12%	9.54%	4.29%	10.50%	6.15%	0.98%
1 year	39.39%	17.95%	13.62%	10.71%	21.98%	17.53%	5.40%
Since launch	55.33%	25.41%	19.05%	18.99%	34.61%	25.59%	28.60%

Key

- LWM – Lowes Wealth Management
- MSCIW – Morgan Stanley Global Index
- S&P 500 – US Standard and Poor's Index
- FTSE – UK Index
- DAX – German Index

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CAC – French Index

N225 – Japanese Nikkei Index

*** An explanation of how we derive our performance figures.**

The performance figure that we quote is the total return on our entire equity portfolio. Thus, it measures the performance of all stocks that we actually own on behalf of our clients. This is a gross return (no charges are calculated) and is expressed in US Dollars. (Which is the currency most commonly invested by our clients.). We measure only the performance of the equity that we hold – we do not factor in any cash that is held. (Which will tend to dilute performance when our stocks rise in value, but dilute losses when our stocks fall.).

Whilst this is, therefore, an accurate indication of the performance of the stocks that we hold on behalf of all our clients, each individual clients' returns will be different due to charges, the cash that we hold on their behalf, depending upon when they invested and in which currency.

Please note: As always, I've tried to ensure that this will go out only to those who will be interested in this information. If you don't want to receive this in future please let me know and I'll take you off the list immediately

Disclaimer

Stated performance reflects equity gains, exclusive of any fees.

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