Mark K. Oliver
President – Senior Investment Advisor

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Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

TO: U.S. Private Clients of Oliver Capital Management, Inc.

FROM: Mark K. Oliver, President – Senior Investment Advisor

DATE: April 17, 2007

RE: **First Quarter 2007 Performance and Review, including the Strategically Engineered Portfolio Program (SEPP) Performance Report and related materials.**

Dear Oliver Capital Management Private Client:

There are three sections to the enclosed First Quarter 2007 Report:

1. The Strategically Engineered Portfolio Program (SEPP) Performance and Statistical Information
2. The Economy, the Markets and Business in general
3. Oliver Capital Management and You - The benefits of rebalancing (article enclosed)

THE STRATEGICALLY ENGINEERED PORTFOLIO PROGRAM (SEPP)

The Strategically Engineered Portfolio Program (SEPP) got off to a nice start for the year, outperforming all four major market indexes during the first quarter, as shown on the enclosed SEPP Performance spreadsheets. **Our model SEPP gained +2.81% during the First Quarter of 2007 (Q1 – 2007)**, as compared the return of the S&P 500 +0.61%, the Dow Jones Industrial Average –0.40%, the NASDAQ Composite +0.19%, and the Russell 3000 +1.21%. The average gross total return for all four major market indexes was +0.40%. **In summary, our model SEPP Gross Total Return during the First Quarter was +2.81% vs. the average return of all four major market indexes of only +0.40%**.

In addition to the Q1 - 2007 performance information, we have enclosed the SEPP's yearly total returns from 2000 through the First Quarter of 2007, as well as the average annual trailing three-year and five-year performance histories. You will see that the highly systematic and disciplined SEPP strategy has significantly outperformed the average gross total return of all four major market indexes in each of the one-, three-, and five-year periods. In particular, as of 03/31/2007, the closely watched trailing five-year gross total return for the model SEPP is +11.01% per year compared to the average total return of all four major market indexes of 5.42% per year as shown on the enclosed SEPP Performance Summary Report. Furthermore, we find much security and comfort in knowing that the aforementioned material out-performance has been achieved with significantly less risk than the major market indexes, as measured by standard deviation.

During the First Quarter of 2007, the best performing Strategically Engineered Portfolio Program portfolio / asset class, out of seven total, was the Mid-Cap Portfolio, returning approximately 5.75% for the subject three-month period!

In summary, the out-performance achieved by our model SEPP Portfolio clearly supports our belief that a somewhat contrarian approach to investing (i.e., buying more of the underperforming sectors and asset classes and selling some of those sectors and asset classes that have recently outperformed the rest of the market) is not only prudent from a risk perspective, but also profitable from a performance perspective, as well.

Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

THE ECONOMY, THE MARKETS AND BUSINESS IN GENERAL

What happened? Things were running along so smoothly. After many months of ultra-low volatility, the S&P 500 suddenly declined 6% in a single week in late February. More specifically, the market experienced a correction on February 27th with the primary contributing factor being fueled by China's intentions to implement more restrictive lending standards to contain strong economic growth. Following this setback, Fed Chairman Ben Bernanke sought to ease investor anxiety by reiterating his expectation of moderate growth this year, bolstered by low interest rates and continued corporate spending. Moreover, if the First Quarter is any indication, 2007 will likely be a record year for Merger & Acquisition activity and Private Equity activity.

By the end of the First Quarter (March 31st, 2007), the markets had nearly recovered all of the ground they lost during the aforementioned late February correction.

The Fed (and Ben Bernanke): Throughout the First Quarter of 2007, The Federal Reserve held rates steady at 5.25%. However, it somewhat unexpectedly dropped its tightening bias during its March 21st meeting. Fed Chairman Ben Bernanke pointed to mixed economic indicators and the continuing adjustment in the housing industry following recent sub-prime lending woes as factors in the FOMC's revised outlook.

OLIVER CAPITAL MANAGEMENT AND YOU - The Benefits of Annual Portfolio Rebalancing

Our **Strategically Engineered Portfolio Program** (SEPP) has built-in, time-tested, systematic strategies that take advantage of volatility in both up and down markets. **One of the SEPP's value-added features is the annual rebalancing** that occurs in all client portfolios employing our proprietary SEPP strategy. The portions of the SEPP asset classes that are above their original benchmark weighting are **systematically sold**, and more of the asset classes that are below their original target benchmark weightings are **systematically bought** every January. Stated another way, the SEPP has a "built-in" strategy that **systematically** forces us to **"Buy Low and Sell High."**

In a recent article, Chet Currier, who covers the mutual fund markets for Bloomberg News, had this to say about rebalancing:

"What does rebalancing accomplish? Well, it keeps the risk and reward of my investment plan where I intended it to be. It adds an element of discipline to help keep the effects of my emotions in check.

And since rebalancing always steers money away from whatever asset class has lately performed best, it's an antidote to performance-chasing. "The No. 1 thing that has hurt investors is the tendency to chase performance," says George Roche, who retired in December as chairman of mutual-fund manager T. Rowe Price Group Inc."

The full article is enclosed if you wish to read it in its entirety.

Sincerely yours,

Mark K. Oliver
President – Senior Investment Advisor

Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

STRATEGICALLY ENGINEERED PORTFOLIO PROGRAM (SEPP)
FIRST QUARTER PERFORMANCE REPORT AS OF MARCH 31, 2007

Model SEPP Portfolio Component	Weight	First Quarter 2007 Total Return as of 3/31/2007	One Year Average Annual Return as of 3/31/2007	Three Year Average Annual Return as of 3/31/2007	Five Year Average Annual Return as of 3/31/2007
Large Cap Portfolio	10.00%	0.61%	11.75%	9.97%	6.17%
Mid-Cap Portfolio	20.00%	5.75%	8.19%	13.21%	10.53%
Small-Cap Portfolio	20.00%	3.11%	5.07%	13.69%	11.51%
International Portfolio	10.00%	4.06%	19.97%	19.54%	15.53%
Aggregate Bond Portfolio	10.00%	1.38%	6.29%	3.00%	5.35%
Select Dividend Portfolio	20.00%	1.69%	18.01%	12.49%	11.00%
Strategically Selected Portfolio (Healthcare)*	10.00%	0.93%	18.36%	16.67%	16.96%
Oliver Capital Management Model SEPP Portfolio		**2.81%**	**11.89%**	**12.80%**	**11.01%**
Index / Benchmark	**Weight**				
S&P 500	100.00%	0.61%	11.75%	9.97%	6.17%
Dow Jones Industrial Average	100.00%	-0.40%	13.56%	8.21%	5.59%
NASDAQ	100.00%	0.19%	3.23%	6.42%	5.32%
Russell 3000	100.00%	1.21%	11.01%	10.57%	6.96%
Average of all Four (4) Major Market Indexes		**0.40%**	**9.89%**	**8.79%**	**6.01%**

* In 2002 through 2006, the Strategically Selected Sector Portfolios were technology, technology, telecommunications, technology and telecommunications respectively. In 2007, the Strategically Selected Sector Portfolio is the healthcare sector index.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. The results and conclusions made herein are not intended to recommend any specific investment or type of investment, and should not be construed as such. The performance numbers contained herein are that of the Model SEPP as of the printing of this report and do not necessarily reflect that of any OCM client portfolio. All performance data above, for both the Model SEPP and Indexes are based on Gross Total Return which includes capital appreciation and assumes all dividends and interest are reinvested, and have been reduced for ETF expense ratios. One cannot invest directly in an index. Market returns are based upon the midpoint of the bid/ask spread at 4:00 PM Eastern time (when NAV is normally determined for most iShares), and do not represent the returns one would receive if shares were traded at other times.

Before making any investment, all aspects associated with it, including, but not limited to, applicable fees, charges, expenses and tax implications, should be considered. The information and results contained herein are based upon data obtained from sources we believe to be reliable (including, but not limited to, Ibbotson Associates, Barclays Global Investors, SEI); however, Oliver Capital Management, Inc., and/or its affiliates, do not guarantee the completeness or accuracy thereof. **All SEPP and Index performance returns above do not reflect all management fees, transaction costs and/or expenses.**

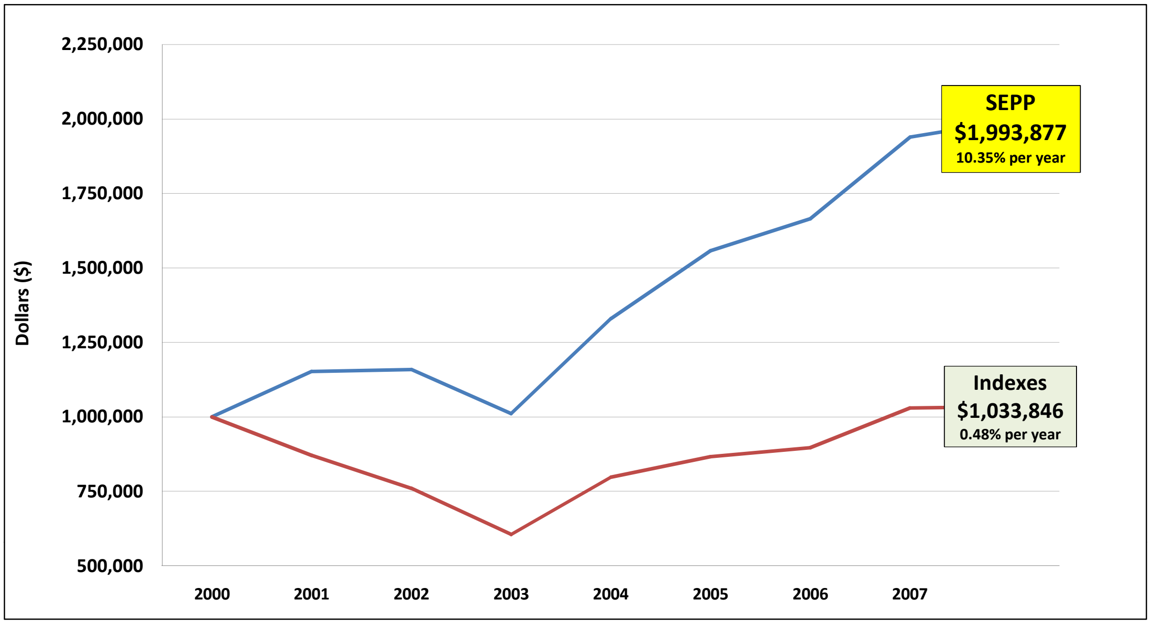
Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

STRATEGICALLY ENGINEERED PORTFOLIO PROGRAM (SEPP)

Performance Detail Showing Growth of $1,000,000 Invested in the Model SEPP

Compared to the Average of the S&P 500, Dow Jones Industrial Average, NASDAQ, and the Russell 3000

From January 1, 2000 through March 31, 2007



	Model SEPP Portfolio		Indexes	
	SEPP Return (%)	$1,000,000 Invested in the SEPP on January 1, 2000	Index Return (%)	$1,000,000 invested in Indexes on January 1, 2000
Year 2000	15.28%	$ 1,152,780	-12.97%	$ 870,263
Year 2001	0.01%	$ 1,158,722	-12.67%	$ 759,989
Year 2002	-13.23%	$ 1,010,410	-22.76%	$ 604,747
Year 2003	33.15%	$ 1,330,107	34.28%	$ 797,095
Year 2004	16.87%	$ 1,556,986	8.95%	$ 866,529
Year 2005	7.23%	$ 1,664,645	3.32%	$ 896,480
Year 2006	16.72%	$ 1,939,143	14.28%	$ 1,029,786
Year 2007*	2.81%	$ 1,993,877	0.40%	$ 1,033,846

* Through 3/31/2007

Compound Annual Growth Rate

Model SEPP Portfolio	10.35% per year
Indexes	0.48% per year

From January 1, 2000 through March 31, 2007

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Before making any investment, all aspects associated with it, including, but not limited to, applicable fees, charges, expenses and tax implications, should be considered. The information and results contained herein are based upon data obtained from sources we believe to be reliable (including, but not limited to, Ibbotson Associates, Barclays Global Investors, SEI); however, Oliver Capital Management, Inc., and/or its affiliates, do not guarantee the completeness or accuracy thereof. All SEPP and Index performance returns above do not reflect all management fees, transaction costs and/or expenses.

Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

2007 Strategically Engineered Portfolio Program (SEPP)
Top Twenty Holdings Report

LARGE CAP PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker	Market
1	Exxon Mobil Corp.	XOM	NYSE
2	General Electric Co.	GE	NYSE
3	Citigroup, Inc.	C	NYSE
4	AT&T, Inc.	T	NYSE
5	Microsoft Corp.	MSFT	NASDAQ
6	Bank of America Corp.	BAC	NYSE
7	Procter & Gamble Co.	PG	NYSE
8	Altria Group, Inc.	MO	NYSE
9	Pfizer, Inc.	PFE	NYSE
10	American International Group	AIG	NYSE
11	Johnson & Johnson	JNJ	NYSE
12	JPMorgan Chase & Co.	JPM	NYSE
13	Chevron Corp.	CVX	NYSE
14	Cisco Systems, Inc.	CSCO	NASDAQ
15	Int'l Business Machines	IBM	NYSE
16	Wells Fargo & Co.	WFC	NYSE
17	Wal-Mart Stores, Inc.	WMT	NYSE
18	ConocoPhillips	COP	NYSE
19	Verizon Communications, Inc.	VZ	NYSE
20	Intel Corp.	INTC	NASDAQ

MID CAP PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker	Market
1	Precision Castparts Corp.	PCP	NYSE
2	MEMC Electronic Materials, Inc.	WFR	NYSE
3	Noble Energy, Inc.	NBL	NYSE
4	Expeditors International	EXPD	NASDAQ
5	Microchip Technology, Inc.	MCHP	NASDAQ
6	Cameron International Corp.	CAM	NYSE
7	Southwestern Energy Co.	SWN	NYSE
8	Harris Corp.	HRS	NYSE
9	Lam Research Corp.	LRCX	NASDAQ
10	Abercrombie & Fitch Co.	ANF	NYSE
11	Macerich Co. (The) REIT	MAC	NYSE
12	Lyondell Chemical Co.	LYO	NYSE
13	Grant Prideco, Inc.	GRP	NYSE
14	Manpower, Inc.	MAN	NYSE
15	Telephone & Data Systems, Inc.	TDS	NYSE
16	Everest Re Group, Ltd.	RE	NYSE
17	Martin Marietta Materials, Inc.	MLM	NYSE
18	Health Net, Inc.	HNT	NYSE
19	American Eagle Outfitters	AEO	NYSE
20	Cadence Design Systems, Inc.	CDNS	NASDAQ

S&P SMALL CAP PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker	Market
1	Manitowoc Co.	MTW	NYSE
2	Energen Corp.	EGN	NYSE
3	Helix Energy Solutions	HLX	NYSE
4	Southern Union Co.	SUG	NYSE
5	Cabot Oil & Gas Corp.	COG	NYSE
6	NVR, Inc.	NVR	NYSE
7	Trimble Navigation, Ltd.	TRMB	NASDAQ
8	Essex Property Trust, Inc.	ESS	NYSE
9	Carpenter Technology Corp.	CRS	NYSE
10	Respironics, Inc.	RESP	NASDAQ
11	Hologic, Inc.	HOLX	NASDAQ
12	Hyperion Solutions Corp.	HYSL	NASDAQ
13	NBTY, Inc.	NTY	NYSE
14	Varian Semiconductor	VSEA	NASDAQ
15	UGI Corp.	UGI	NYSE
16	Atmos Energy Corp.	ATO	NYSE
17	Pediatrix Medical Group	PDX	NYSE
18	IDEX Corp.	IEX	NYSE
19	Kansas City Southern	KSU	NYSE
20	Idexx Laboratories, Inc.	IDXX	NASDAQ

INTERNATIONAL PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker
1	BP PLC	BP
2	HSBC Holdings PLC	HSBA
3	Toyota Motor Corp.	TM
4	GlaxoSmithKline PLC	GSK
5	Nestle SA	NESN
6	Total SA	FP
7	Vodafone Group PLC	VOD
8	Novartis AG	NOVN
9	Royal Dutch Shell PLC	RDSA
10	Royal Bank of Scotland Group	RBS
11	Roche Holding AG	ROG
12	UBS AG	UBSN
13	Banco Santander Chile SA, ADR	SAN
14	Telefonica SA	TEF
15	Mitsubishi UFJ Financial Group	MTSBF
16	Nokia OYJ	NOK
17	Barclays PLC	BARC
18	Royal Dutch Shell PLC	RDSB
19	Siemens AG	SIE
20	Allianz SE	ALV

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Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

2007 Strategically Engineered Portfolio Program (SEPP)
Top Twenty Holdings Report

AGGREGATE BOND PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Credit Rating (S&P)
1	FNMA, TBA, 5.50%, April	AAA
2	U.S. Treasury Note 6.00% 8/15/2009	TSY
3	FNMA, TBA, 6.00%, April	AAA
4	FHLMC , TBA, 5.50%, April	TSY
5	U.S. Treasury Bond 7.63% 2/15/2025	TSY
6	FHLMC 2.75% 3/15/2008	AAA
7	FNMA, TBA, 6.50%, April	AAA
8	U.S. Treasury Note 5.13% 6/30/2008	TSY
9	U.S. Treasury Bond 8.13% 8/15/2019	TSY
10	FHLMC , TBA, 6.00%, April	AAA
11	FHLMC , TBA, 5.00%, April	AAA
12	FNMA 5.00% 9/15/2008	TSY
13	U.S. Treasury Note 3.50% 2/15/2010	TSY
14	FHLMC 4.50% 1/15/2013	TSY
15	U.S. Treasury Note 4.75% 5/15/2014	TSY
16	U.S. Treasury Note 4.75% 11/15/2008	TSY
17	FHLMC , TBA, 5.50%, April	AAA
18	FNMA 7.25% 1/15/2010	TSY
19	FNMA, TBA, 5.00%, April	AAA
20	FHLMC , TBA, 5.00%, April	AAA

SELECT DIVIDEND PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker	Market
1	Altria Group, Inc.	MO	NYSE
2	FPL Group, Inc.	FPL	NYSE
3	Bank of America Corp.	BAC	NYSE
4	FirstEnergy Corp.	FE	NYSE
5	PNC Financial Services	PNC	NYSE
6	DTE Energy Co.	DTE	NYSE
7	Pinnacle West Capital	PNW	NYSE
8	AT&T, Inc.	T	NYSE
9	Merck & Co., Inc.	MRK	NYSE
10	Regions Financial Corp.	RF	NYSE
11	Kinder Morgan, Inc.	KMI	NYSE
12	Comerica, Inc.	CMA	NYSE
13	Lincoln National Corp.	LNC	NYSE
14	Unitrin, Inc.	UTR	NYSE
15	Keycorp	KEY	NYSE
16	Bristol-Myers Squibb Co.	BMY	NYSE
17	National City Corp.	NCC	NYSE
18	Nicor, Inc.	GAS	NYSE
19	Chevron Corp.	CVX	NYSE
20	Eastman Chemical Co.	EMN	NYSE

US HEALTHCARE SECTOR PORTFOLIO
TOP 20 HOLDINGS AS OF 3/31/2007

	Name	Ticker	Market
1	Pfizer, Inc.	PFE	NYSE
2	Johnson & Johnson	JNJ	NYSE
3	Merck & Co., Inc.	MRK	NYSE
4	Abbott Laboratories	ABT	NYSE
5	UnitedHealth Group, Inc.	UNH	NYSE
6	Wyeth	WYE	NYSE
7	Amgen, Inc.	AMGN	NASDAQ
8	Medtronic, Inc.	MDT	NYSE
9	Bristol-Myers Squibb Co.	BMY	NYSE
10	Eli Lilly & Co.	LLY	NYSE
11	WellPoint, Inc.	WLP	NYSE
12	Genentech, Inc.	DNA	NYSE
13	Schering-Plough Corp.	SGP	NYSE
14	Gilead Sciences, Inc.	GILD	NASDAQ
15	Baxter International, Inc.	BAX	NYSE
16	Aetna, Inc.	AET	NYSE
17	Medco Health Solutions, Inc.	MHS	NYSE
18	Zimmer Holdings, Inc.	ZMH	NYSE
19	Boston Scientific Corp.	BSX	NYSE
20	Celgene Corp.	CELG	NASDAQ

Oliver Capital Management, Inc.
COMPREHENSIVE WEALTH MANAGEMENT

seattlepi.com

SEATTLE POST-INTELLIGENCER
Saturday, February 17, 2007

To buy low and sell high, just rebalance

[Edited Abstract]

By CHET CURRIER
BLOOMBERG NEWS – Highlighting by Oliver Capital Management, Inc.

Standard everyday financial advice would be a lot easier to follow if it didn't contradict itself so often.

One basic precept tells us, "Buy low and sell high." Then another admonishes, "Never try to time the markets." That may help explain why people act so confused as they go about the business of money management.

Now, I'm as puzzled by life's paradoxes as the next guy. But I can suggest a way to wriggle out of this particular dilemma.

To buy low and sell high without market timing, one need resort to nothing more than a simple old mechanical exercise known as portfolio rebalancing.

There is nothing bold or macho about rebalancing. On a swashbuckling scale of 1 to 10, it ranks about a 0.5. **It gets much higher marks, however, for such other virtues as discipline, prudence and consistency.**

Every once in a while, say at the beginning of each new year, an investor adds up the current market value of the various asset classes among his holdings -- stocks, bonds, money markets and so forth. Some savings plans encompass just those three basic asset classes; others may include real estate, commodities, hedge funds and so forth.

Once the totals are summed, the investor matches them against the intended percentages in his asset allocation plan.

"You should review your portfolio at least annually and rebalance it if your allocation of stocks and bonds has drifted from your target…" says the Vanguard Group, which manages $1.1 trillion in mutual funds, in a current client newsletter.

If securities markets could be timed with any reliable expectation of success, there would be no need for rebalancing -- or asset allocation for that matter.

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Timing, alas, is very hard and fraught with risks. So instead, most careful investors adopt a diversified plan of allocating their assets. It might call for 50 percent in stocks -- say, for example, the Barclays S&P 500 Stock Fund -- and 50 percent in bonds -- say, the Barclays Bond Index Fund.

Suppose you put $100,000 into each of those funds at the start of 2006. A year later, your bond fund stake had grown to $104,750 (the bond fund had a 2006 return of 4.75 percent, according to my Bloomberg), and your stock fund holding to $115,600 (the stock fund gained 15.6 percent).

Not too bad. Notice, though, that your asset allocation is no longer 50-50. It's 52.5 percent stocks, 47.5 percent bonds. With a couple of more years of this, the difference could get much bigger.

Rebalancing now can be accomplished by shifting $5,425 from the stock fund to the bond fund. Problem: In any account subject to income taxes, that will involve capital gains taxes.

To avoid that snag, you can leave the existing amounts in the funds as they are and do your rebalancing by rejiggering the additional investments you plan to make this year into each fund. Current taxes aren't a problem in tax-deferred vehicles such as 401(k) retirement plans.

What does rebalancing accomplish? Well, it keeps the risk and reward of my investment plan where I intended it to be. It adds an element of discipline to help keep the effects of my emotions in check.

And since rebalancing always steers money away from whatever asset class has lately performed best, it's an antidote to performance-chasing. "The No. 1 thing that has hurt investors is the tendency to chase performance," says George Roche, who retired in December as chairman of mutual-fund manager T. Rowe Price Group Inc.

Chet Currier covers the mutual fund markets for Bloomberg News. He can be reached at 212-318-2605.