



John G. Jelinek, CPA, PFS  
Ronald E. Evans, CFP®  
Darian J. Klein, CPA, PFS  
Denise K. Stoner, CPA  
Susan M. Babcock

## Hopkins Financial Advisors, LLC

*A Registered Investment Advisor Helping You Reach Your Financial Goals*

October 28, 2010

### Portfolio Performance Reports Quarter ended September 30, 2010

**Market Conditions:** The markets are experiencing a mixed reaction during 2010. Some months are producing an upward trend and then they are followed by a downward cycle. July and August were down months followed by the best market advance for a September in years. October is holding the gains. Our long term forecast is for continued growth into 2011. The economy is recovering from the recession of 2008, although slower than expected, nevertheless company profits are continuing. It may take three years to come back to the market levels prior to the decline of 2008. Beginning in March of 2009, the first year showed extremely positive trends with the second year experiencing slower movement. This has been the trend in 2010.

**QA Equity Flex<sup>SM</sup>:** Although we have been explaining Equity Flex in these Quarterly Letters, we have learned that many people do not fully understand what it means to them. It needs a verbal explanation with face to face interaction to be fully understood. Once this risk level reduction is understood, we think you will appreciate this new approach.

On June 28, 2010, the first phase occurred with a 25% reduction in equities in the following strategies: Global, US, Style and International equity strategies, as well as the Global Balanced 80/20, 60/40 and 40/60 strategies. When the markets proved their upward trend in September, the equity reduction was reversed back to 100% of the stated equities for each applicable strategy. The goal of Equity Flex protection is to provide you with the opportunity to help manage the downside exposure in major market declines.

QA Equity Flex will not prevent a decrease in value associated with a normal market correction. It is also not intended to completely avoid losses in severe market declines. It is designed to reduce the catastrophic losses that occur in a sustained or severe market decline. This is accomplished by reducing the equity portion of a portfolio in two 25% intervals, to a maximum of 50% in a down market, yet keeping it positioned for the upturn that follows.

**HFA is Growing:** SAVE THE DATE! December 10th, from 3:00 to 7:00 PM, for an OPEN HOUSE at HFA. We acquired additional office space, doubling our size. We want to share this event with you and thank you for your continued trust and confidence. Please mark your calendars'.

**HFA Strategy Review:** Our plan is to review with you your investment strategies. This will further explain our thought process and help both of us determine your investment goals. If you have any changes to your financial situation or investment objectives, please call us. We are here to serve you.

Thank you,

John

Ron

Darian

Sue

Denise



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