



February 28, 2007

We mentioned in our Fourth Quarter 2006 Market Review that we were anticipating an increase in stock market volatility due to concerns about the strength of the US economy as well as the full impacts from the slowing of the housing markets. Year-to-date, the capital markets have been more volatile, with yesterday dealing investors quite a blow.

A brief insight into what has happened this week: The equity markets in China were sharply lower two days ago, and a terrorist attack occurred at a military installation in Afghanistan where Vice President Dick Cheney was visiting. Former Federal Reserve Chairman Alan Greenspan mentioned on Monday afternoon that he is seeing an increase in the probabilities for a recession in the US economy during late 2007 or early 2008. Additionally, the equity markets have been performing extremely well during the past two to three months, and taking into consideration some short-term negative news on a global scale, investors took some profits yesterday.

We want to share with you some information to put yesterday's market slide into perspective. The table below shows performance for some of the major market indices for yesterday's performance as well as the performance for 2007 year-to-date, through yesterday's close. Even with the downturn in the markets yesterday, overall, most major market indices remain in positive territory for the year.

Index	Yesterday (2/27/07)	Year-to-Date (through 2/27/07)
S&P 500	-3.5%	-1.5%
S&P 400 Mid Cap Index	-3.1%	+4.1%
S&P 600 Small Cap Index	-3.5%	+1.3%
MSCI EAFE International Index	-1.5%	+3.5%
Lehman Brothers Aggregate Bond Index	+0.5%	+1.7%

Market downturns, especially the abrupt type we experienced yesterday, can lead to questions regarding asset allocation and investment planning. We do not know the duration of the market downturn; it may or may not be a one-day event. However, we remain committed to your

investment plan and will continue to monitor the market situation and will notify you if we believe changes to your asset allocation or investments need to be made.

Please feel free to contact us if you have any questions regarding your investment portfolio or the current market situation.

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