VORPAHL WING SECURITIES
Investment Advice For Every Generation

INVESTMENT PERSPECTIVE

VORPAHL WING SECURITIES Volume 2 Issue 1, January 2004

Upcoming Events:

Kiwanis Everyday Hero Award

Sponsored in part by

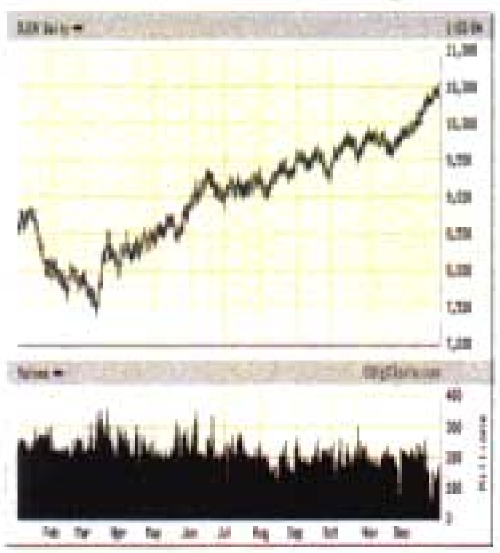
Vorpahl Wing Securities

Date: March 24, 2004

Place: Ridpath Hotel

Time: 5:30pm - 10:00pm

Dow Jones Indus. Average



Inside this issue:

Market Commentary A Year Of Returns	1
Educational Spotlight Do Mutual Fund Expenses Matter?	1
Upcoming Events	1
Dow Jones Industrial Average	1
Stocks Can Help You Avoid Running Out Of Money During Retirement	2
Big Charts: Dow Jones, NASDQ	3

Market Commentary
A Year Of Returns

As the year came to close, the Dow Jones was over 10,300 as of December 24, 2003. The Nasdaq was over 1970 and the S&P was at 1094. With relative gains for the year of 23.97%, 47.87% and 24.57%. The Russell 2000 which is an index measuring the small cap companies was also up 44.88% as of 12/24/04.

These lofty gains are a welcome sight after a 3-year Bear market. Your present portfolios, your 401k's, IRA's and individual stocks have probably increased significantly since the lows of the market back in October 2002. I find my clients are now opening their statements again and taking better interest in their portfolios.

The significant gain in the stock market and the lack of gain in the bond market are another reminder of the importance of asset allocation. The bond market measured by Lehman Brothers U.S. Aggregate had an increase of 3.81% year to date as of 12/23/03 while international investments had an increase of 31.74% as measured by the MSCI EAFE Index.

This may be the time to tweak your asset allocation models. The large cap growth stocks measured by Dow Jones Indexes were up 22.73%, mid cap sector increased over 36%, the small cap was up over 43.87% and the large cap value sector increased 23.18%, all returns are as of 12/23/03.

(Continued on Page 2)

Educational Spotlight
Do Mutual Fund Expenses Matter?

Recently, the issue of mutual fund expenses has been the subject of much discussion in Congress and the media. As a result, we thought we'd address some common concerns shareholders have had about fund expenses.

First, although every mutual fund has expenses, it is important to note that investment results are always reported after expenses. How much your fund charges in expenses can be found in its prospectus or annual report. These expenses are expressed as an expense ratio, which is calculated as a percentage of the investor's overall investment. Included in the expense ratio are the management fee, which is used to pay for the fund's managers, traders and research analysts; administrative costs, which include producing and mailing account statements and annual reports; and, for some funds, a 12b-1 fee, which covers distribution and marketing expenses.

Second, how much you pay in mutual fund expenses does matter to your bottom line, especially over the long

(Continued on Page 3)

Market Commentary continued from page1

These gains and future expectations of continued growth in the stock market should lead you to re-evaluate your current holdings, examine your asset allocation model, stay focused on your goals and objectives for investing and continue to be proactive.

This year, don't expect to see the same type of gain in the same sectors. As discussed before, each sector rotates in and out of favor each year. Therefore, it is important to be balanced amongst all the major sectors and adjust your portfolio accordingly.

	52 WEEK		YTD
DOW JONES INDEXES	HIGH	LOW	% CHG
US Growth	100.72	72.286	29.96%
US Value	1330.96	969.45	23.18%
US Small Cap	355.66	222.01	53.87%
US Mid Cap	309.05	208.17	36.42%
US Large Cap	237.92	176.51	22.73%
MSCI EAFE (International Index)	n/a	n/a	31.45%
LEHMAN BROTHERS			
US Aggregate Bond Index	1070.86	1003.0	3.81%

Stocks Can Help You Avoid Running Out Of Money During Retirement

JACK AND KELLY FACE THE DILEMMA OF DISTRIBUTION PLANNING

Jack and Kelly, both at 60, are approaching retirement and are concerned about an all-stock portfolio because it is exposed to too much risk. On the flip side, they realize the less stock a portfolio contains, the less likely the their portfolio will last 30 years. Therein lies the dilemma of distribution planning. They need to find a strategy that creates the balance between stock exposure, acceptable levels of risk and a withdrawal rate that doesn't deplete assets too quickly.

Conventional wisdom tells most investors that it's prudent to invest conservatively during retirement to make your money last. But actually, the reverse is true. Once you have retired, you may need to include stocks in your portfolio to protect against outliving your assets. To plan correctly, you'll need to decide how much income you can safely withdraw from your retirement portfolio without running the risk of depleting your assets prematurely. Financial consultants utilize a statistical method called Monte Carlo simulation to help their clients manage this decision. With Monte Carlo simulation, thousands of random outcomes are generated as a way of determining probability. Eventually, a pattern emerges showing the most likely scenarios to occur.

The accompanying table, built from a Monte Carlo simulation, gives you an idea of how different withdrawal rates will increase the likelihood you will run out of money. For example, the table suggests there is a 90% chance that a mix of 40% stocks and 60% bonds will not sustain a 6% withdrawal rate for a portfolio and a withdrawal rate of no more than 4% to 5%.

STOCK/BOND ALLOCATION

	100/0	80/20	60/40	40/60	15/85	5 95
4%	15%	12%	14%	15%	29%	63%
5%	32%	34%	42%	58%	91%	100%
6%	53%	59%	72%	90%	100%	100%
7%	76%	82%	93%	99%	100%	100%

Source: T. Rowe Price Associates, 2003

Educational spot light - Do Mutual Fund Expenses Matter? - continued from Page 1

term. For example, say you are investing $10,000 and are considering two funds. Fund A has an expense ratio of 0.8%, while Fund B has an expense ratio of 1.5%. Let's presume that, before expenses, the funds will each deliver a 6% average annual return. After 10 years, Fund A would be worth $16,602 after expenses, compared with just $15,530 for Fund B – a 6.9% difference. After 20 years, Fund A will have surpassed Fund B by 14.3%.

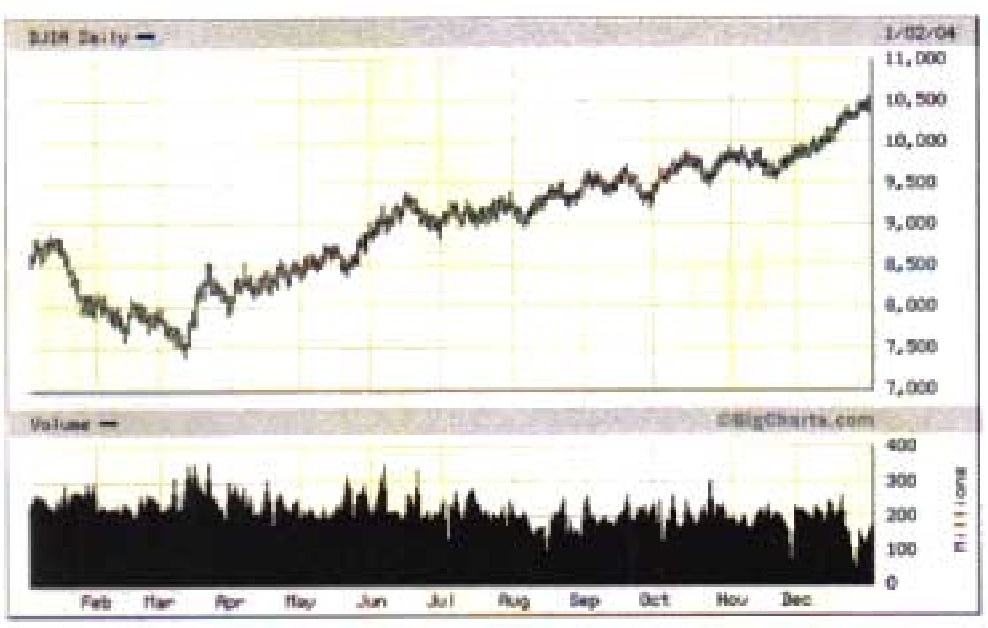
When evaluating expense ratios, however, be careful to compare funds with similar objectives in order to get a proper apples-to-apples comparison. An international or emerging markets equity fund, for example, will have a higher expense ratio than a domestic equity fund because the trading and research costs are higher. To compare expenses among funds or fund families, the fund snapshots on Morningstar.com are a good resource.

Third, keep in mind that expense ratios, while important, are certainly not the primary factor to consider when choosing a fund. Investors should first evaluate factors such as a fund" long-term investment results, service levels and the investment approach of the adviser.

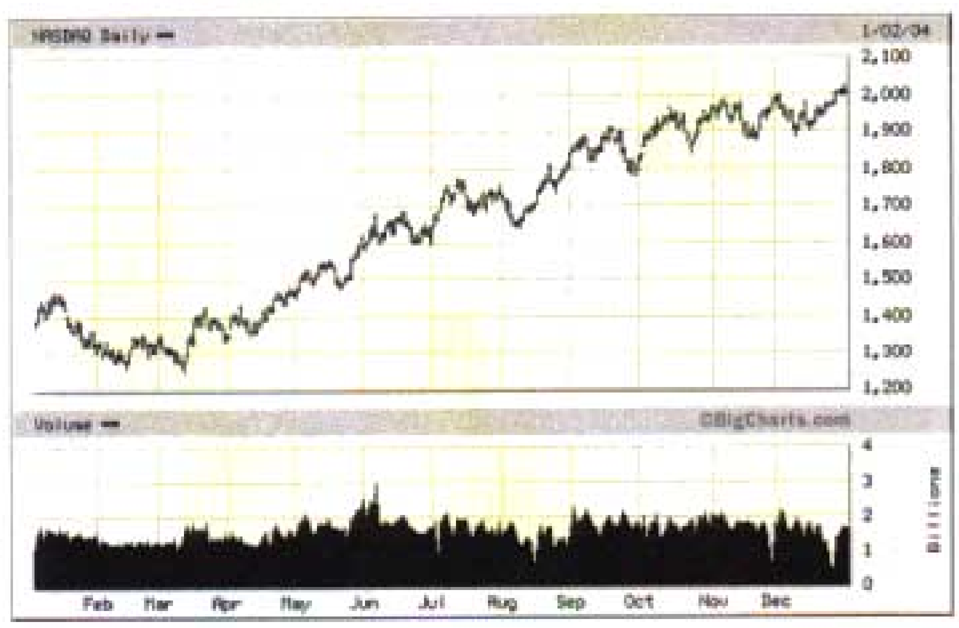
For funds that are sold through brokers, the 12b-1 fee, also part of the overall expense ratio, is used to compensate brokers who provide ongoing financial advice to shareholders – a service not offered by funds that are directly marketed.

Source: NASD Investor's Alert

Dow Jones Indus. Average



Nasdaq Average



Source: Big Charts

Need Insurance? VWS Can Help

Are you aware that we also handle insurance products? We approach insurance with total objectivity and the same commitment to quality that we bring you with your investments. We handle all types of life insurance including term, universal life, whole life, and variable life. If you haven't recently reviewed your life insurance, we would like to offer you an opportunity to do so. Please call us to discuss your personal situation.