

U.S. LARGE CAP CORE EQUITY

March 31, 2006

Investment Philosophy

The cornerstone of WestEnd's investment philosophy is that sector and industry performance is highly correlated with particular stages of the business cycle.

WestEnd overweights sectors we believe are experiencing economic "tailwinds" while avoiding sectors we perceive to be untimely. Within favored sectors, we target high-quality companies market-leading companies.

The result is a core investment style capable of shifting portfolio sector and style emphasis to remain properly oriented and timely over a full economic and market cycle.

Product Inception: January 1, 1996

Benchmark: S&P 500

WestEnd Advisors

Two Morrocroft Centre
4064 Colony Road, Suite 130
Charlotte, NC 28211

Phone: (704) 556-9300

Toll Free: (888) 500-9025

Website: www.westendadvisors.com

Email: info@westendadvisors.com

Performance vs. Benchmark

	WestEnd Composite		S&P	Russell
	Gross	Net	500	1000
March	2.48%	2.47%	1.24%	1.42%
Year-to-Date	5.99%	5.86%	4.21%	4.49%
1 Year	15.37%	14.77%	11.75%	13.20%
3 Year	26.33%	25.72%	17.23%	18.30%
5 Year	11.18%	10.64%	3.97%	4.74%
7 Year	8.96%	8.41%	1.66%	2.39%
10 Year	16.68%	16.09%	8.95%	9.18%

*Returns greater than one year are annualized

Sector Weightings

	WestEnd	S&P 500
Consumer Discretionary	25.0%	10.2%
Consumer Staples	0.0%	9.3%
Energy	0.0%	9.6%
Financials	0.0%	21.0%
Healthcare	0.0%	12.9%
Industrials	30.0%	11.5%
Information Technology	30.0%	16.0%
Materials	10.0%	3.1%
Telecommunications Services	0.0%	3.3%
Utilities	0.0%	3.2%
Cash	5.0%	0.0%

Source: standardandpoors.com

Portfolio Characteristics

	WestEnd	S&P 500
Number of Stock Holdings*	19	500
Average Market Cap (\$ billions)*	\$57.9	\$23.3
Price to Earnings: Trailing Reported**	21.6	18.4
5-Year Projected Earnings Growth***	14.1%	9.6%
Price to Book	4.5	3.8
Dividend Yield	1.1%	1.8%

*Source: standardandpoors.com month end data

**Source: Barrons

***Source: for S&P 500 use Yahoo analyst estimates (next 5 years)

Economic and Market Review

A positive month of March capped off a strong first quarter in which stock prices worldwide thrived in an environment of synchronous global economic growth combined with plentiful liquidity. U.S. stocks have been remarkably resilient in the face of \$70 crude oil, elevated geopolitical tensions, and a 10-year Treasury yield above 5% for the first time in four years. While the stock market is now digesting the recent spikes in commodity prices and bond yields, we think investors' focus will return to the underlying health of the global economy. Several factors will support continued strong U.S. growth, including rising job and income gains, pent-

up demand for capital spending, improved overseas demand, favorable financial conditions, and unmet state and local government infrastructure needs. These forces, in our view, will more than offset the drags from fading residential construction activity, cooling home prices and rising interest rates.

The principal risks for market participants will continue to be from either a supply-shock induced spike in energy prices that would hobble growth and profit margins, or substantially higher inflation that might trigger even more aggressive Fed tightening. Strong business conditions coupled with a growing risk of higher inflation (stemming in

large part from further tightening of U.S. labor markets) will likely cause the Fed to continue raising short-term rates, even beyond the 5.0% level. With unemployment rates at their recent low levels (4.7% as of March), a very real possibility exists that labor costs will begin to rise faster than productivity, which in turn could add substantially to inflationary pressures. Consumer price inflation has been largely resistant to soaring commodity prices, but labor costs are far and away the largest factor in the expense structure of U.S. businesses, so emerging wage inflation poses a key risk to the Fed's objective of price stability.

Portfolio Review and Performance Attribution

Year-to-date, the top performing U.S. stock market sectors are either (i) reflective of a strong economy and especially capital spending growth (e.g. Industrials, Telecommunications and Technology) or (ii) tied to soaring commodity prices (e.g. Energy and Basic Materials). Rising bond yields have made Utilities the worst performing sector in 2006, while Healthcare is also in the loss column, reflecting investors' preference for cyclical investments over rate-sensitive and defensive areas of the market.

With consumers receiving less of a tailwind from housing appreciation, and facing higher borrowing costs and energy prices, the pieces are in place for a moderation of consumer spending. However, a major consumer retrenchment, which many are forecasting, is unlikely given that employment and incomes are rising. The health of the labor market is the key determinant of spending and that largely explains the recent pick-up in consumer confidence and retail sales.

Meanwhile, we expect that business spending, which has accelerated in recent

months, will kick into a higher gear as U.S. companies begin the process of replacing aging structures and equipment, as well as stockpiling inventories. Our portfolio benefited in March from overweight positions in the Industrial and Information Technology sectors. We expect these sectors to continue to benefit from the higher levels of capital spending we expect.

SECTOR

What Benefited

Information Technology Sector Overweight
 Industrials Sector Overweight
 Utilities & Healthcare No Exposure

What Detracted

Energy No Exposure
 Telecommunications No Exposure

Returns for WestEnd's **Large Cap Core Equity Composite** include returns generated under its predecessor firm Providence Capital Management, Inc. Providence Capital Management was a registered investment advisor founded October 1, 1995 by Robert L. Pharr. Mr. Pharr served as President and Chief Investment Officer, and made all investment decisions since inception of this composite on January 1, 1996. WestEnd Advisors' **Large Cap Core Equity Composite** invested solely in U.S. equity securities and/or high-grade money market instruments. Returns were achieved without the use of options, derivatives, or leverage of any kind. Results for the full historical period are time weighted, account size weighted, use trade-date valuations, and include cash as well as the reinvestment of dividends, interest income, and other earnings, if applicable. Portfolio returns were weighted using ending of prior month values plus weighted cash flows. Portfolios and composites were valued daily, were denominated in U.S. dollars only, and included all discretionary tax-exempt accounts with a minimum of \$1,000,000.

The Benchmark: the Standard and Poor's 500 Index is a market capitalization weighted index of 500 major U.S. corporations. There are 400 industrial firms, 20 transportation firms, 40 utilities, and 40 financial firms. The index provides a broad snapshot of the overall U.S. equity markets.

Past performance is not indicative of future results. Sector weightings, portfolio characteristics and representative holdings are as of the date of this report and are subject to change.