

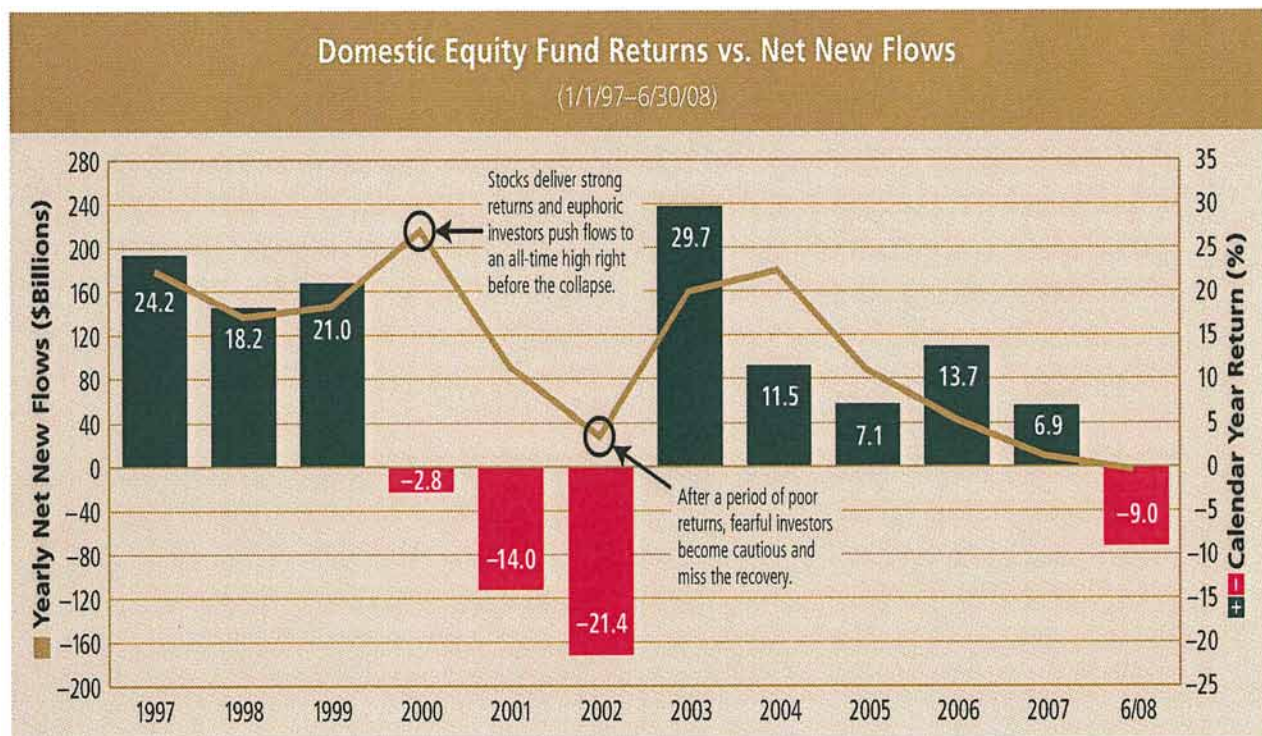


Emotions vs. Intellect

Human behavior indicates that when emotion runs head on into intellect, intelligence usually gets trumped. Warren Buffet said: *“Be fearful when others are greedy, and greedy when others are fearful.”* The graph below indicates the reverse reality.

Over dinner, a colleague once asked us: “Do you know what our job is?” Being in the same business as our friend, we questioned what his point was. He answered his own question by saying: *“Protecting people from themselves.”* Once again, the graph below presents support for the importance of this statement.

Examples abound demonstrating the difficulty investors face in bucking the human nature impulse to sell when feeling the worst about recent decline, and buying into the euphoria of what temporarily seems to be a condition of neverending gain. We at Trent Capital diligently resist these impulses, which if succumbed to will over time cause one to emotionally react rather than to carefully reason with intellect.



Source: Morningstar and Strategic Research Institute as of June 30, 2008. **Past performance is not a guarantee of future results.**