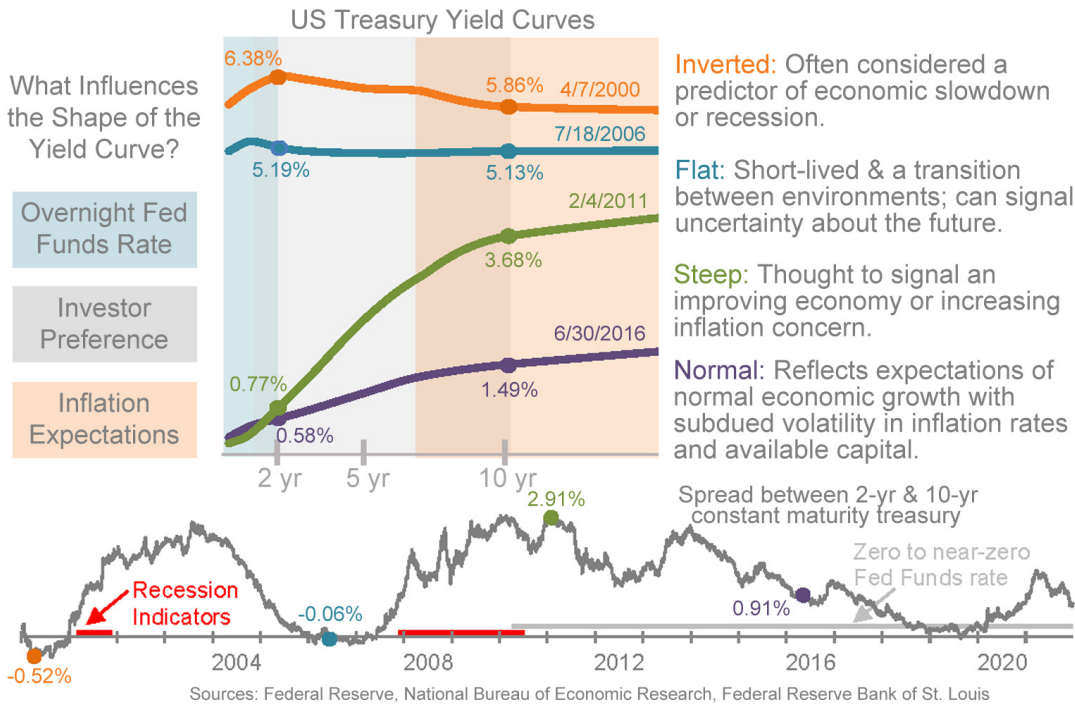


Yield Curve-ology

The shape of the yield curve reflects investor views and preferences.

For Your Information...



Bellwether Consulting LLC
PO Box 31
Millburn, NJ 07041-0031

The yield curve reflects the bond market's consensus opinion of future economic activity, levels of inflation, and interest rates. Movements in short-term interest rates (controlled by the Fed) will affect bonds differently depending on their term structure and the market's inflation expectations. Investor preferences (i.e., supply and demand) have a greater influence in the intermediate and long-term space.

Economic activity and inflation directly affect the price of everything from equity and real estate investments to household items. As a fiduciary, understanding the implications of the investment environment is the foundation of performance monitoring as well as an important component of strategy selection.

Bellwether Consulting is an independent investment advisor serving the needs of retirement plan sponsors and other institutional investors.

For more information, please have a look at our website at www.bellwetherconsulting.net, or call us at (646) 205-9346.