

Central Plains Advisors, Inc.

Interim Market Update August, 2000

A recent study done by Dalbar, Inc. (the expert in this area) indicated that over the last 14 years, the average bond investor earned:

1. 30% of the long term Government Bond Index.
2. 33% of the long term Government Corporate Bond Index.
3. 51% of the intermediate Government Bond Index.

Central Plains Advisors, Inc. (Don Peters) over the same period earned, before fees, 23% **MORE** than the long term Government Bond Index, the index that performed the best. Why the difference? **Patience, discipline and following the correct economic model.** The study indicated the average bond investor held the same fund 3.4 years.

Please note our performance vs. the S&P 500 over the various rolling 5-year periods. Consider this, over the 10 different 5-year rolling periods our median percentage return vs. the S&P 500 has been 88% using Government Bonds. Since 1925, Government Bonds as an asset class have returned 5.4% while the S&P 500 return was 11.3%. This amounts to only 48% vs. our 88% of the S&P 500.

The lesson is clear, find an organization that can produce the results and give them wide discretion. Or if you just can't do that, give them at least 5 years.

The Best,

Don S. Peters
President

P.S. As of 8/18/00 our accounts are up in value 20%+ year to date. We continue to believe that 30% is possible this year.

Past Performance is no Guarantee of Future Results