



Fourth Quarter, 2012 Insights

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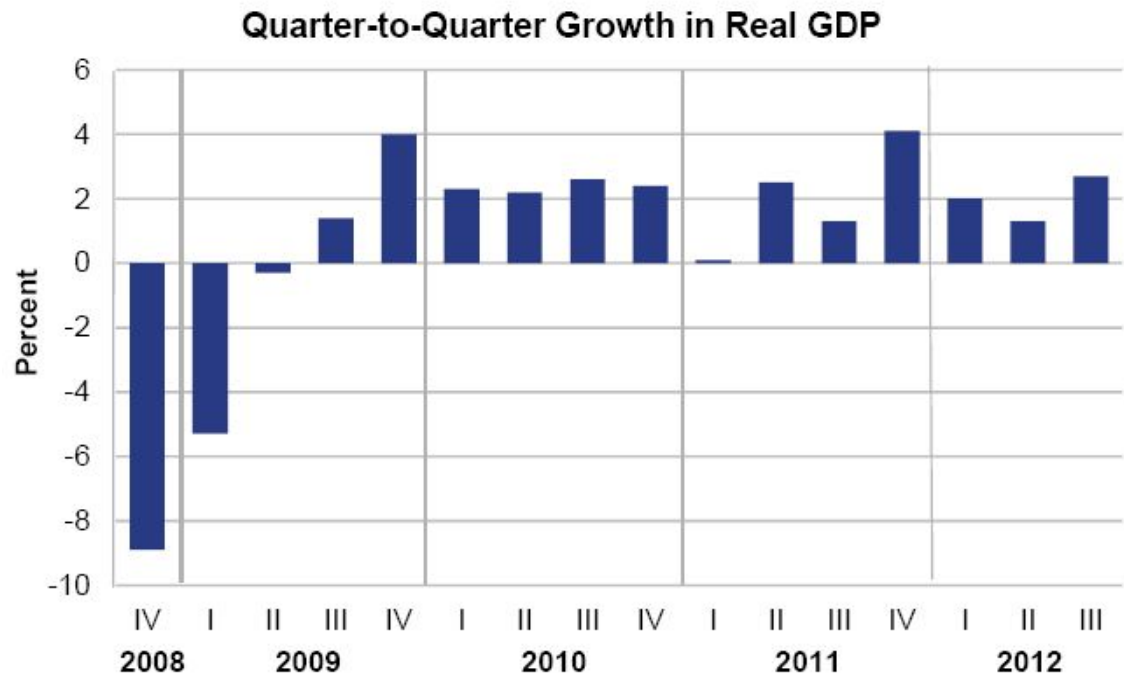
Fourth Quarter, 2012 Insights

- Economic Update – Gross Domestic Product
- Housing Uptick
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Gross Domestic Product

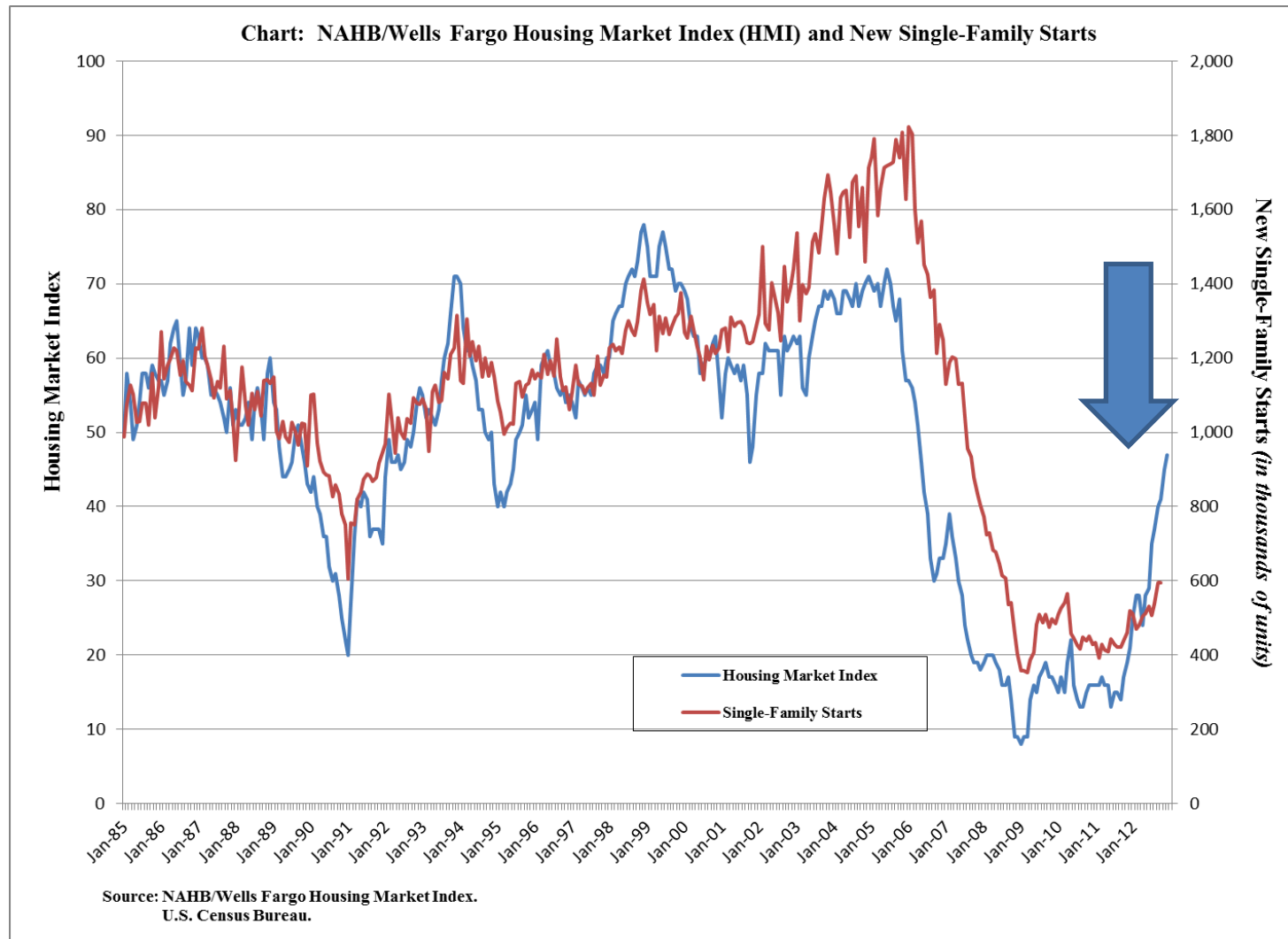
The strength of the U.S. economy is measured by capturing overall business output.

We have had over three years of slow, steady growth, which is often more sustainable than frenetic growth.



Real GDP growth is measured at seasonally adjusted annual rates.

Housing – Sharp Uptick!



The quality of our research relies on the accuracy of data and information provided by companies and third parties. PIA does not guarantee completeness or accuracy. Future results cannot be guaranteed.

The Fiscal Cliff

- Politics and taxes versus economics
- Avoid letting political posturing and high emotions affect your investment decisions
- We have enjoyed historically low tax rates over the past several years
- The bottom line – CEO's of high quality corporations will continue to make money for shareholders by successfully navigating whatever environment they face

Global Markets – Total Return Figures

■ DJ Industrial Average	10.33%
■ S&P 500	15.45%
■ Russell 2000 US Small Cap	14.84%
■ Paris CAC	19.21%
■ German DAX	29.46%
■ London FTSE	11.02%
■ Hong Kong Hang Seng	21.75%
■ Tokyo Nikkei	22.09%
■ MSCI Global EAFE Index	17.52%

These figures are through 12/26/2012 year to date total return figures...you cannot invest directly in an index, and they do not have expenses or taxes deducted so please be aware of this when comparing figures to actual returns.

Performance Update

	2011 Total Return	Year-to-Date 2012 Total Return As of 11/30/2012
Pawleys Dividend Portfolio	+6.74%	+10.78%
Pawleys Growth Portfolio	+8.72%	+23.24%
S&P 500 Benchmark	+2.11%	+14.94%

Source: YAHOO! Finance, Bigcharts, Morningstar as of 9/14/2012.

Price and total return calculations are for informational purposes only and are not intended to take the place of your monthly statements. Not adjustments have been made for fees or taxes. Please consult Pawley's Investment Advisors to see if these investment ideas fit within your existing portfolio. Past performance does not guarantee future results.

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Happy
New Year
and best
wishes
for a
GREAT
2013!



Pawleys Investment Advisors, LLC



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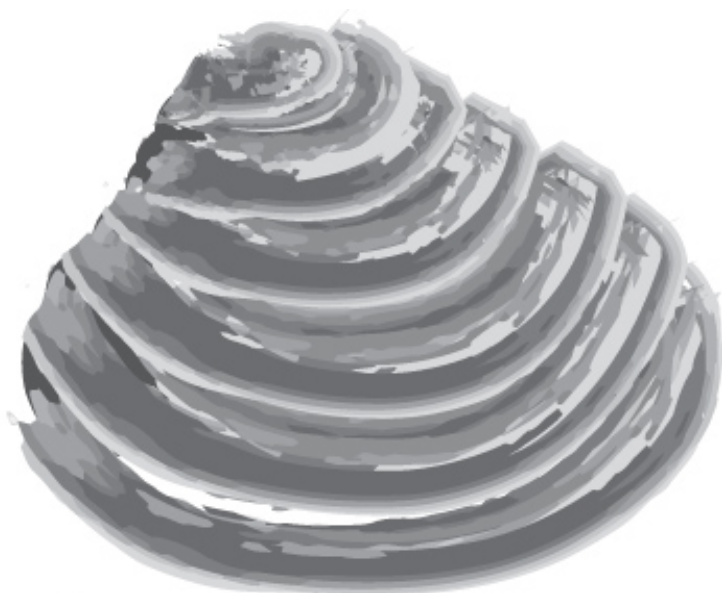
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