

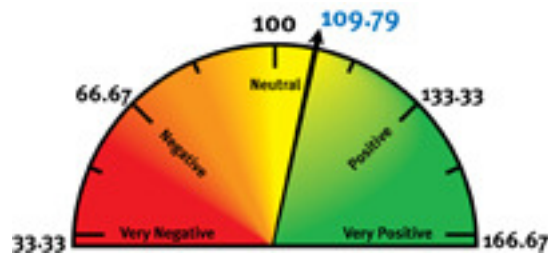


Advisor Confidence Dropped in August Due to Subprime Worries
Economic outlook gloomy, stock market outlook less pessimistic

August 27, 2007...Rockville, MD...Advisor confidence dropped in August, according to Rydex AdvisorBenchmarking, Inc., an affiliate of Rydex Investments. The Advisor Confidence Index (ACI) is a benchmark that gauges advisors' views on the U.S. economy and stock market.

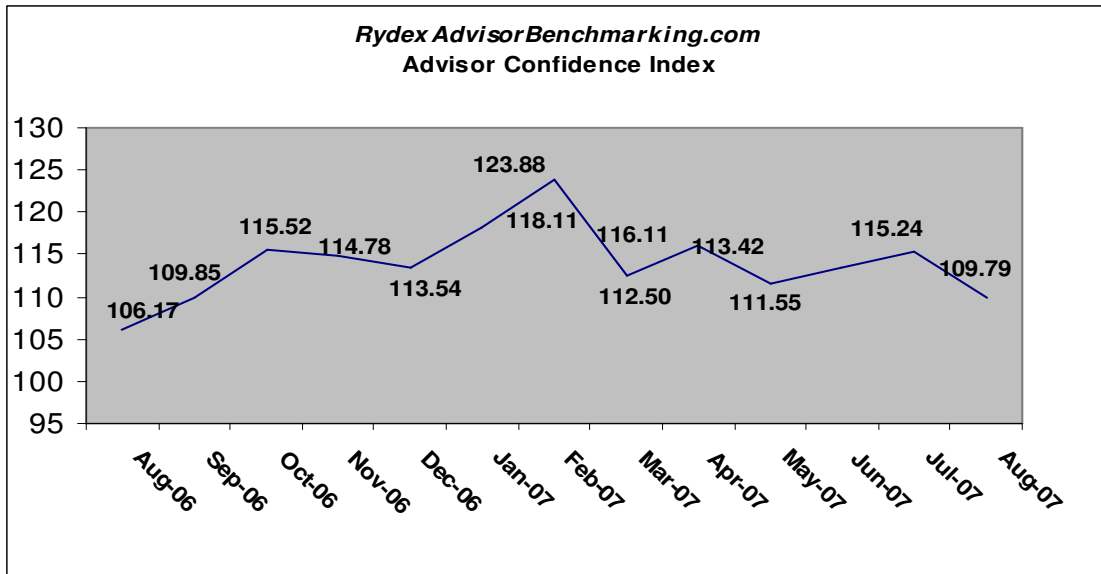
Short-term economic outlook is not rosy

The ACI decreased 4.73% in August to 109.79, down from 115.24 in July. The index fell due to global credit and liquidity worries. "After years of reckless monetary and regulatory policy, the U.S. financial system may finally be paying the price," commented one survey participant. At the same time some advisors are still optimistic and "feel the current concerns over the subprime mortgage problems are overstated, and the real effect of this problem won't spill over into the general economy."



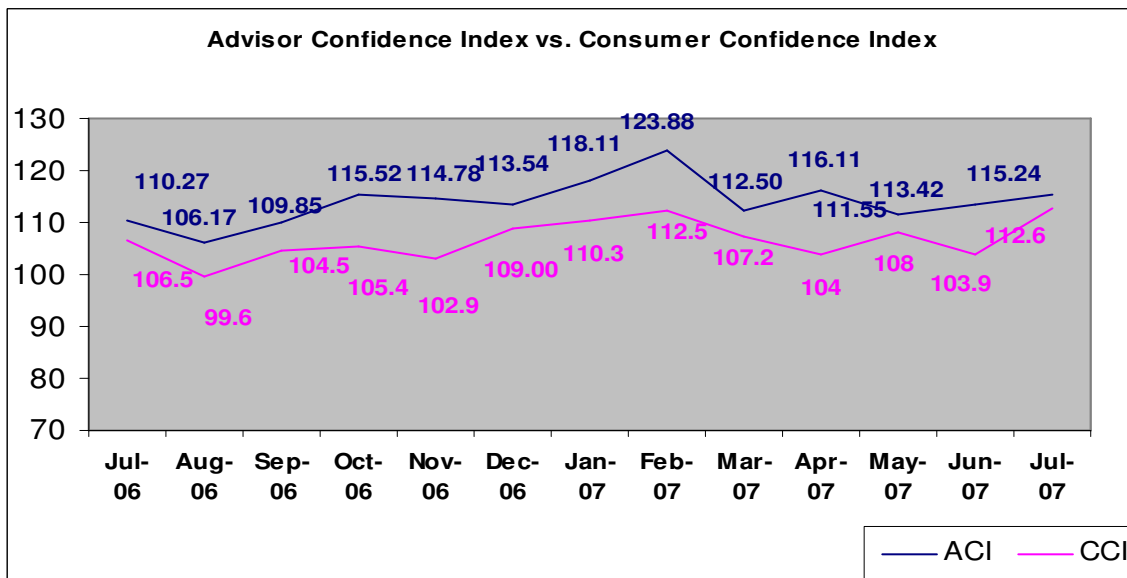
All four elements used to calculate the ACI decreased in August. Advisors were most negative about the six-month economic outlook, which was down 7.61%. A closer look at the components reveals the following:

Current economic outlook	-5.81%
Six-month economic outlook	-7.61%
12-month economic outlook	-4.87%
Stock market outlook	-0.47%



Advisor vs. consumer confidence

The Conference Board Consumer Confidence Index, which had dipped in June, rebounded in July. The Consumer Confidence Index stood at 112.6, up 8.37% compared to a 1.60% increase for the advisor index.



Notable comments from participating advisors

Most of the advisors who participated in the survey have elected to have their names made available to reporters who would like to interview them about their economic sentiments. AdvisorBenchmarking can facilitate such interviews for reporters.

“My negative feelings about the economy for the next six months stem from the current mortgage problems which I believe will spread from subprime to the A and B categories as well. For the past six to seven years, mortgage lenders and brokers have acted like drug pushers to the refinancing addicts and the uninformed and uneducated home buyers who were enticed by realtors trying to make a commission to buy more expensive houses than they could afford. We will survive this situation like we have others in the past but this one might take longer to work out.”

-- David Cramer, Cramer Financial Services

“The game may be over. After years of reckless monetary and regulatory policy, the U.S. financial system may finally be paying the price. The Fed has effectively lost control of monetary policy due to the explosion in leverage and derivatives both by bank and non-bank entities. The Fed has already started conducting unprecedented market intervention and other policy makers, including the president, are jawboning to try and prevent panic. That is something to be very worried about.”

-- James Dailey, TEAM Financial Managers

“The housing problems are just beginning to affect the world financial system. The tentacles of this beast are reaching out to everything and anything that has to do with housing. It will likely take strong intervention from the Federal Reserve to prevent this from becoming a full-blown massive financial crisis.”

--Michael Sadoff, Sadoff Investment Management LLC

“We feel the current concerns over the subprime mortgage problems are overstated, and the real effect of this problem won't spill over into the general economy. We still feel the fundamentals are in place, at least through year-end, for the stock markets to finish 2007 on a strong note.”

-- Rick Jurrens, FIG

“Subprime is and will continue to "submarine" the markets; however I remain realistically optimistic because U.S. economic growth was up 3.6% in Q2 after 0.6% in Q1; interest rates are still low in absolute terms by historical standards; there is a large amount of liquidity in emerging markets; foreign economies are doing well in many parts of the world and finally, the S&P's trailing PE of 16x is lower than its 10-year average of 22x.”

-- Paul C. Bennett, CFP, c5 Wealth Management

About Rydex AdvisorBenchmarking, Inc., an affiliate of Rydex Investments

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