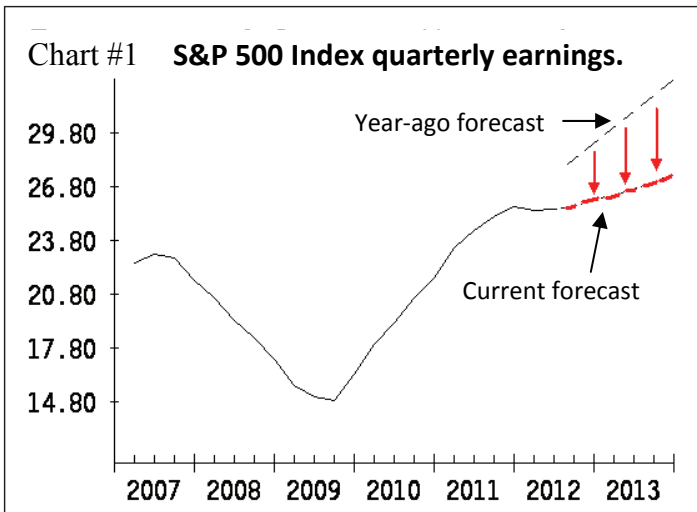
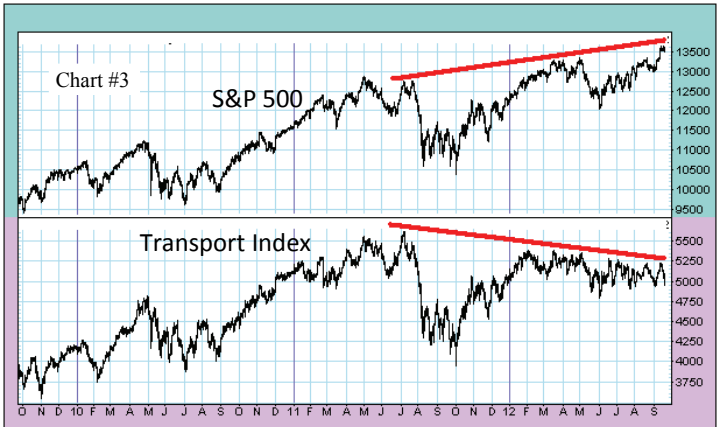


FLAG FORMING BUT FUNDAMENTALS WEAKENING. WE CONTINUE TO PRUNE POSITIONS.

The Investment Climate:

Whether its Norfolk & Southern, Federal Express or Bed Bath & Beyond sighting weakening trends, or the Phili Fed and jobs data showing a loss of momentum, or both Europe and China rolling over, the evidence suggests the best of the earnings recovery from 2008 is well behind us.

characterized by investor concern, especially short term. The chart shows the S&P 500 has broken out above its April 2nd high and made new highs since its March 2009 lows. It has spent the past week consolidating in a “flag” formation that is typical of a continuation pattern that tends to be bullish. That said, this in-



This is becoming most evident in the trend of the forecast for the S&P 500 Index’s earnings. Chart 1 shows the downward revision to these earnings over the past year and the slowing in the rate of growth for these earnings out of the 2009 recession.

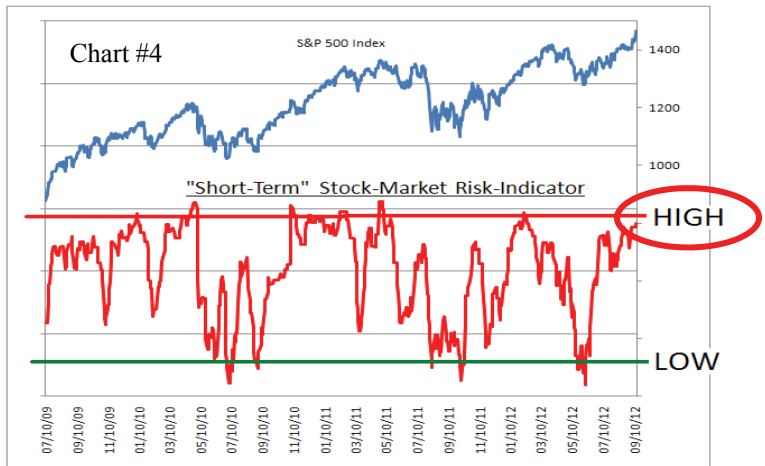
dex is diverging from the transportation index (chart #3) that continues to fail to make a new high since last year. This is providing further support for the decelerating earnings forecast.

Chart #2, on the other hand, the stock market is no longer

Now the Stock-Market Risk Indicator (Chart #4) is approaching a sell trigger and, given that each correction over

the past year has not been extreme, this top could be significant.

We do not believe investors are focused on this risk to earnings and its impact on corporate spending and stock valuations. As a result, we are looking to eliminate our positions in McKesson, Yahoo and Intel.



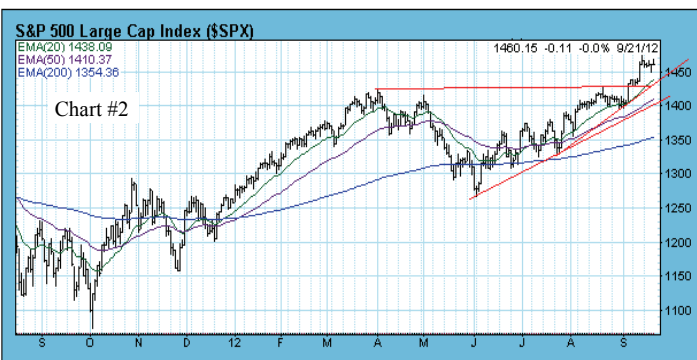
It will prove difficult for the market to continue to pay for

While we recognize that both cash and longer-term fixed income offers virtually no return, we believe our first and foremost responsibility, with our risk-indicator at this level, is one of capital preservation.

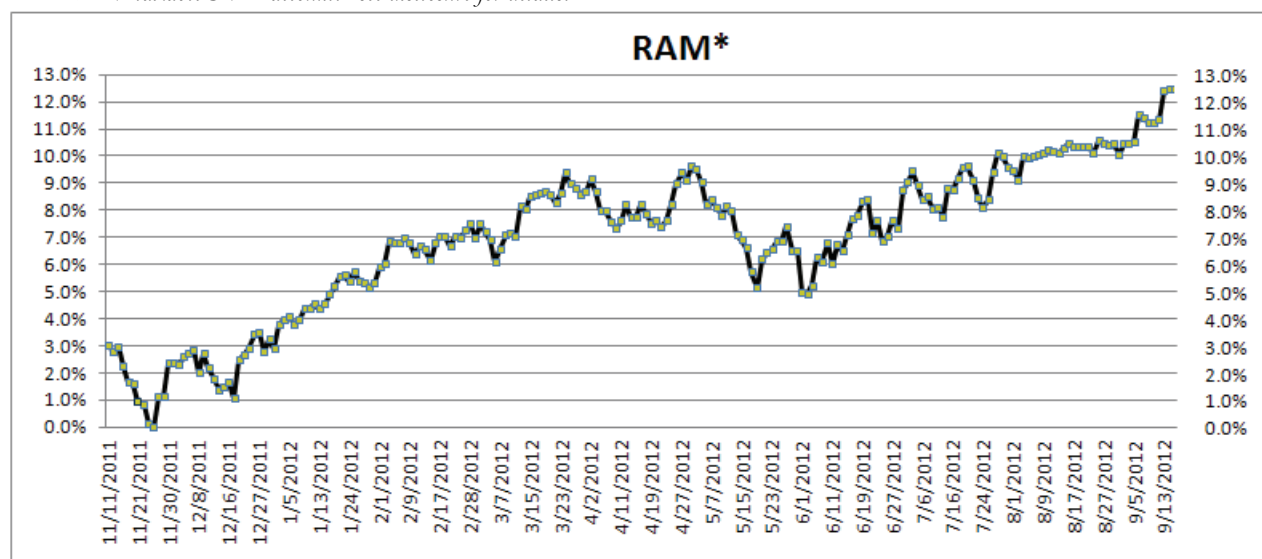
The Portfolio Strategy:

Given the above outlook and last week’s success of our gold stocks, we will use the ROI Stock-Selection Model to identify candidates for sale in our

If the indicator continues to rise we will expand the list of sales, and add shorts to accounts where permitted.



RAM taxable SMA account. *see disclosure for details.



* DISCLOSURE

Past performance is not indicative of future results.

The performance shown for RAM in any chart is for a single-managed account (SMA) managed on a fully-discretionary basis by RAM Capital Management LLC (RCM) and that adheres fully to RCM's investment process and portfolio execution. In some cases, due to the modest size of the account or client restrictions placed on the account, an SMA account's performance may vary.

Investors should carefully consider the investment objectives, risks, charges and expenses of an SMA account offered by RAM Capital Management LLC. Any performance data quoted here represents past performance. Current and future performance may be lower or higher than that experienced in the past. Investment return and principal value will fluctuate, so that SMA accounts, when closed, may be worth more or less than their original cost. Past performance is no guarantee of future results.

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A Single Managed Account (SMA) is an actively managed portfolio. There is no guarantee that any investment will achieve its objectives, generate positive returns, or avoid losses. The SMA may purchase ETFs. The risks and volatility of these investments may be magnified as they may include leverage, which magnifies the changes in the value of the ETF or Underlying Fund. The SMA will incur a loss as a result of a short position if the price of the short position instrument increases in value between the date of the short position sale and the date on which the SMA purchases an offsetting position. The SMA's losses are potentially unlimited in a short position transaction. A higher portfolio turnover will result in higher transactional and brokerage costs.

The past performance for January 1, 1996 to September 30, 2010 is for the RAM Capital L.P fund. The prior performance is net of management fees (1% per annum), and net of other expenses. Also prior performance does not include the effect of the LP's performance fee, which does not apply to SMA's. On October 1, 2010 the partnership was converted to, and it's performance ported to, a mutual fund adhering to the Investment Companies Act of 1940 and regulated by the SEC. Past performance since the conversion are net of management fees (1%) and expenses (0.25%). The latter does not apply to SMA's although all commission and other charges, fees and expenses are the responsibility of the SMA owner. The LP and the mutual fund were managed in the same style and by the same portfolio manager and advisor, RAM Capital Management LLC, since the fund's inception on January 1, 1996. **The past performance is not necessarily an indication of how an SMA will perform in the future.**

The S&P 500 Index is an unmanaged composite of 500 large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks. You cannot invest directly in an index.

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