



January 21, 2009

Dear Valued Client,

We have all just lived through a full year of worldwide recession. Sinking real estate values, high energy and food prices (for much of the year), and a “frozen” credit market led to the severe stock and bond market declines that gave us palpitations for almost three months. The fourth quarter seemed to last forever. So, where is the bright side?

Recently, I overheard someone say (and I paraphrase): When we clean out our closet, the best way to start is to first take everything out. It looks empty and perhaps worse than before. Then we put back only what we want to keep – and, hopefully in better order. If I may analogize this to our current economic situation, we have tossed the ‘worn out’, the ‘no longer used’ and most importantly that which ‘no longer fits’ from our portfolios. We are better organized to see what we hold and what we are missing which leaves us with a clean starting point from which to rebuild our financial wardrobe. This should help us to look and feel our best again.

This is what we at Westport Resources have been trying to accomplish for our clients. We certainly didn’t get everything right this year. Although we were able to protect many of you from some portion of the market declines, portfolio values are lower now than at the beginning of 2008. Your portfolio now is differently positioned than it was at the end of September. Our focus this past quarter was to position your portfolios to best meet your future financial needs. As each of us has different financial needs, there are many different looks to the portfolios now. They will perform differently. Some will be more resistant to future potential market decline. Some are more aggressively positioned to take advantage of any market recoveries. Some are positioned to attempt to do both.

Please review the composition of your portfolio. A holdings report and asset allocation chart is included in this package of material. If you would like to better understand how we have positioned your portfolio to meet your objectives, please call so we may discuss this.

You may want to view our website, www.westportresources.com, in order to read our asset managers' market commentaries. In addition, we post current information on the protections afforded your assets through National Financial Services LLC, the Fidelity Investments Company that maintains custody of your assets. For those of you who have retirement accounts either with us or at other firms, please be advised that the minimum distribution requirement has been suspended for 2009 on many types of retirement accounts. Our client services team will proactively contact those of you who have planned distributions scheduled. Finally, you will be receiving realized gain-loss reports for your taxable accounts. 1099s will be sent under separate cover. K-1 reports will also be mailed separately or can be found on www.k1support.com.

I enter 2009 with confidence. Although we may anticipate some unpleasant headlines to come, I expect that the financial markets will begin recovering long before the headlines announce that the economy is improving and that the recession is officially over. Remember that just last month, economists officially declared what long ago became obvious to many Americans – our economy has now been in a recession for more than one year.

With care, patience and common sense, we should come out of this stronger and we should look and feel better.

Sincerely,

John Adams Vaccaro, CFP®, CLU
Chief Executive Officer

The information herein has been obtained from sources believed to be reliable, but we cannot guarantee its accuracy or completeness. Past performance is no guarantee of future results. Neither the information nor any opinion expressed constitutes a solicitation for the purchase or sale of any security.

315 Post Road West • P.O. Box 3089 • Westport, CT 06880 • (203) 226-0222 • Fax: (203) 454-4706
WESTPORT RESOURCES MANAGEMENT, Inc an Investment Advisor, registered with the SEC and The State of Connecticut