



Economic Outlook & Stock Market Strategy

Symphonic
FINANCIAL ADVISORS

by Rochdale Investment Management
for Symphonic Financial Advisors & their clients

May 2010

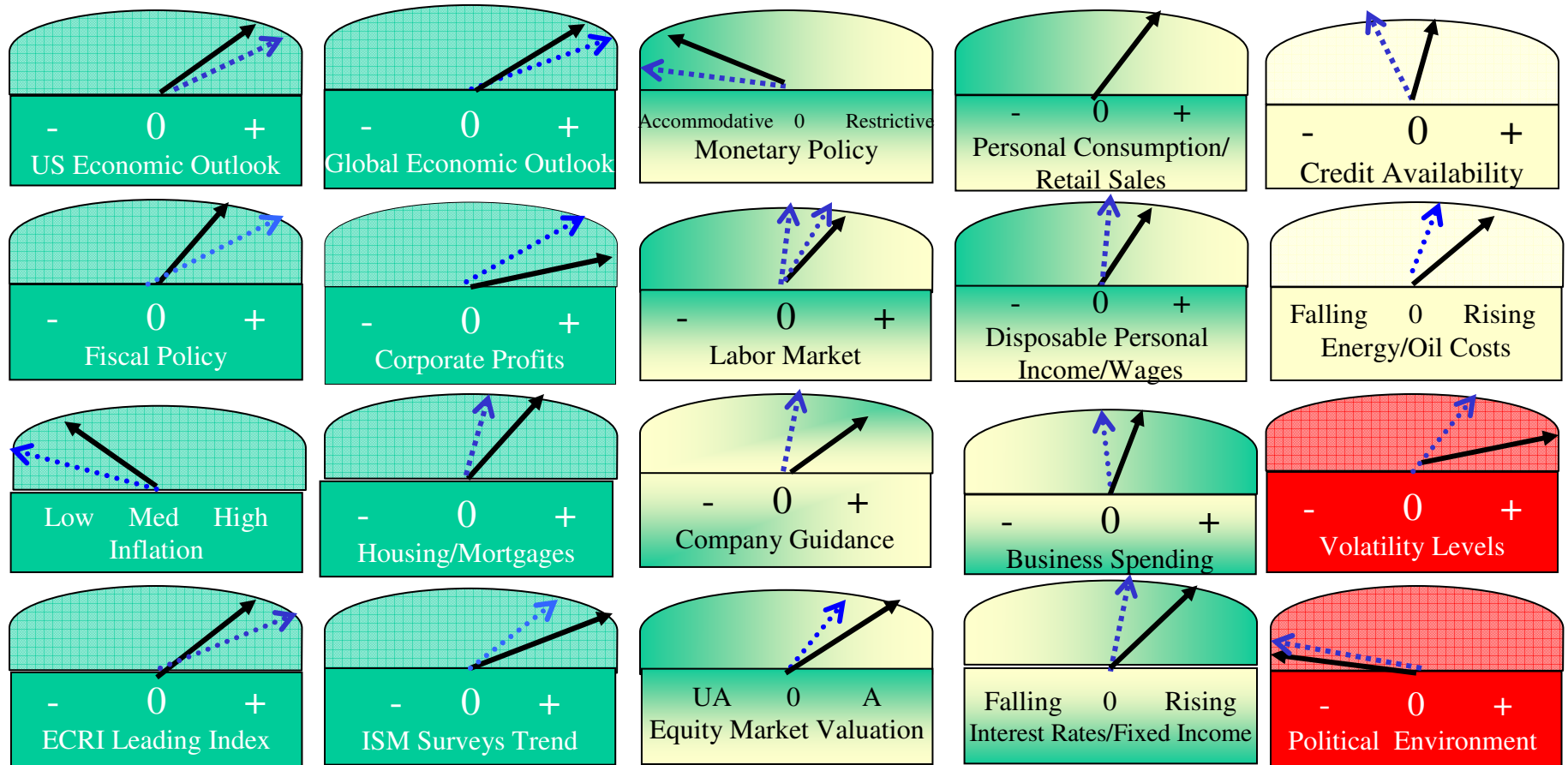
The investment ideas developed herein are intellectual property of Rochdale Investment Management. Any use of the investment ideas, portfolio allocations or other ideas contained herein requires written authorization from Rochdale. ©2010 Rochdale Investment Management

Economic and Financial Indicators

May 2010

Positive

Neutral/Negative



This Month
 Last Month

Indicators Reflect Forecasts of a 3-6 Month Time Horizon



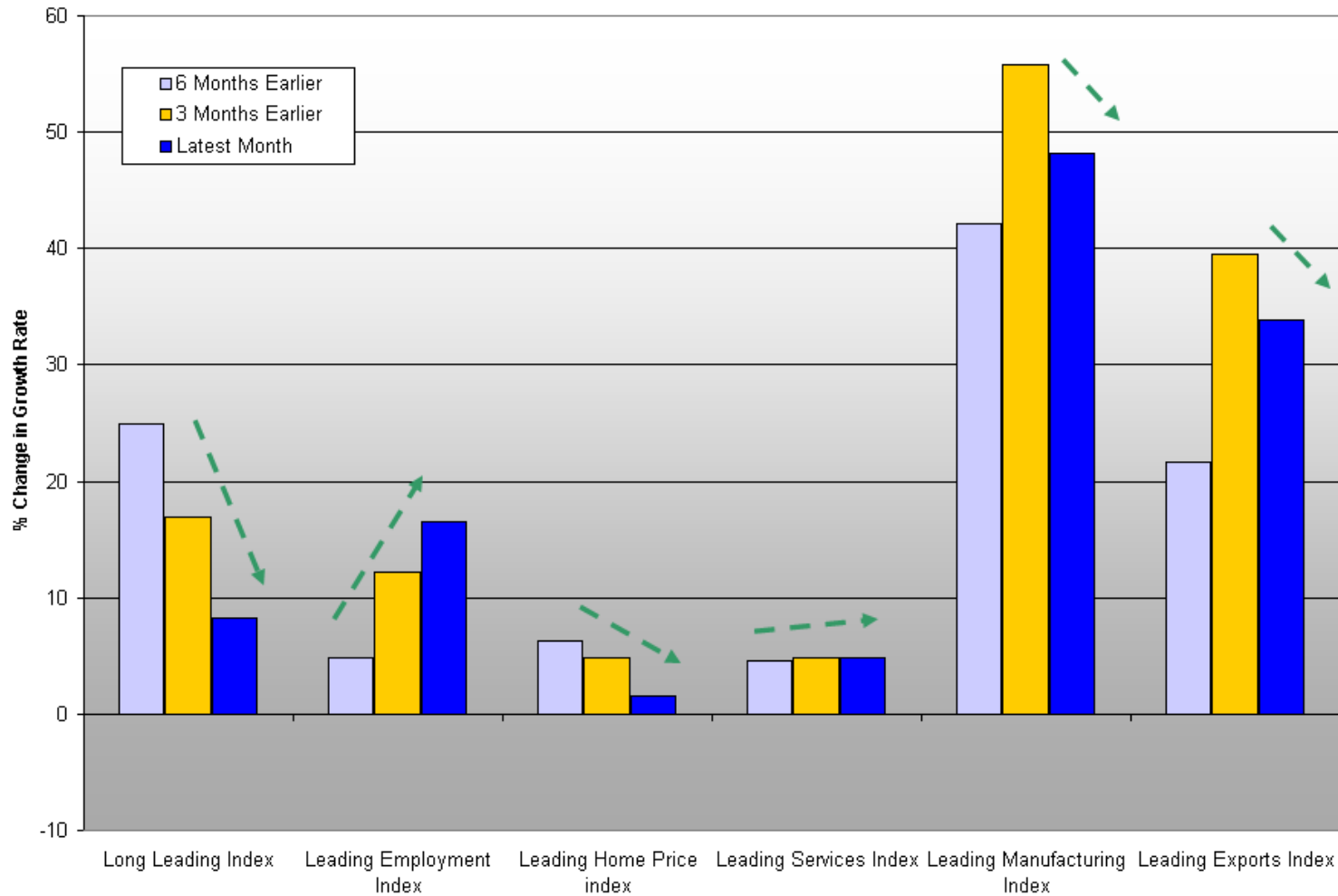
Sources: Wall Street Journal, Conference Board, Federal Reserve, Rochdale Investment Management 4/13/10

FOR ILLUSTRATIVE PURPOSES ONLY

CA052609

US Recovery Remains on Track

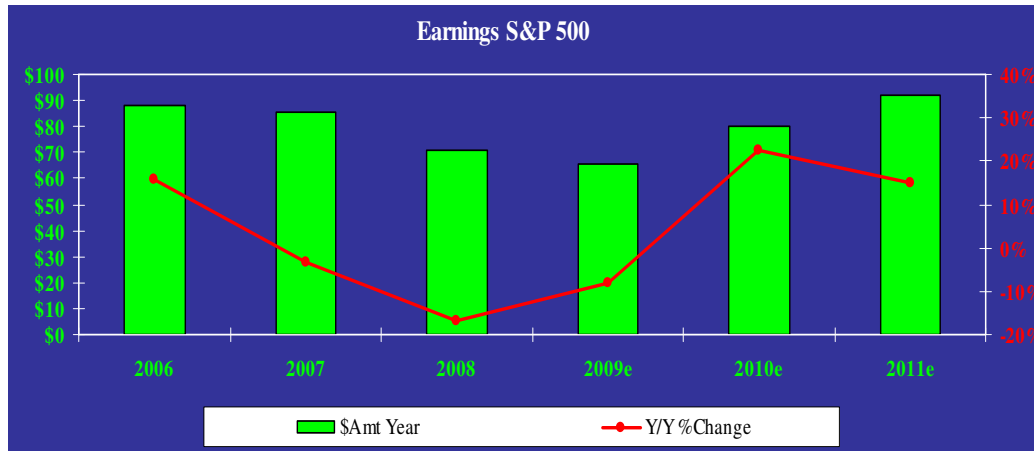
But Economic Strength to Moderate by Mid-Year



While the US expansion will continue, a growth rate cycle downturn is in clear sight.

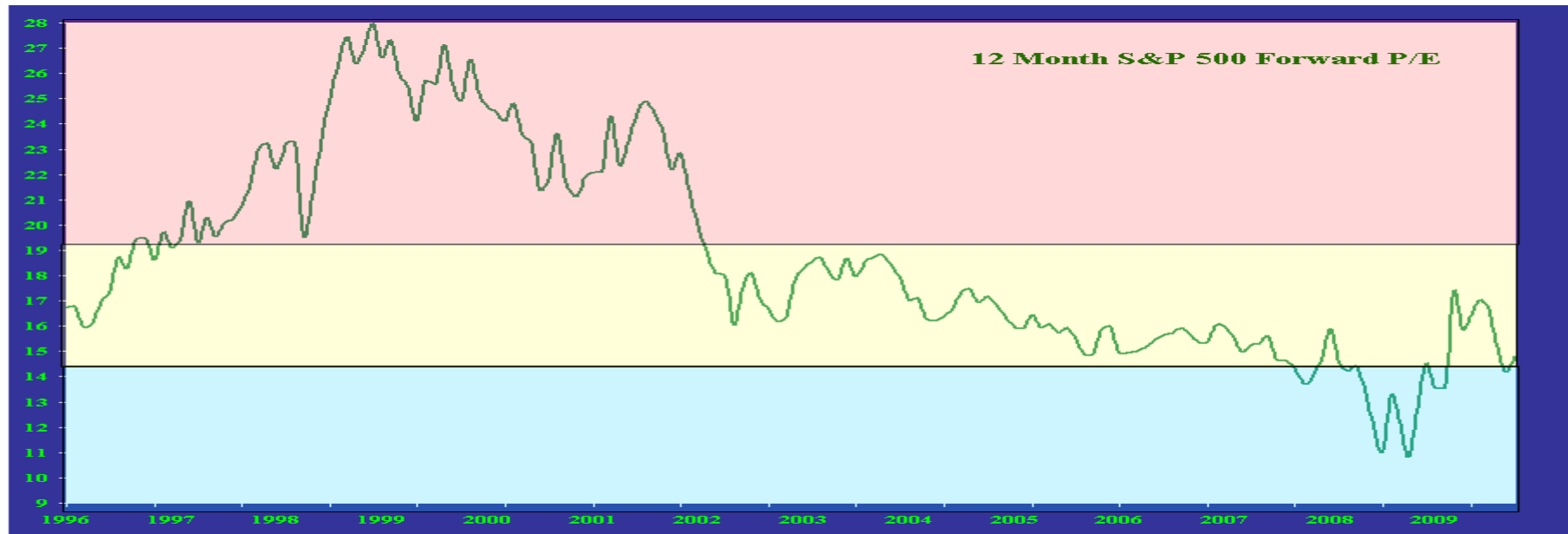
Corporate Earnings & Market Valuation

“V-Shape Recovery in Earnings Forecasted”



Rochdale 2011 EPS Forecast: \$92

Forward P/E Multiple	S&P 500 Fair Value	Change (from 5/1/10)
15	1380	15%
16	1472	22%



Attractively Valued
 Fairly Valued
 Overvalued



Source: Rochdale, Thomson Financial, Baseline 4/30/10
FOR ILLUSTRATIVE PURPOSES ONLY

CA052609

Sector/Industry Outlook

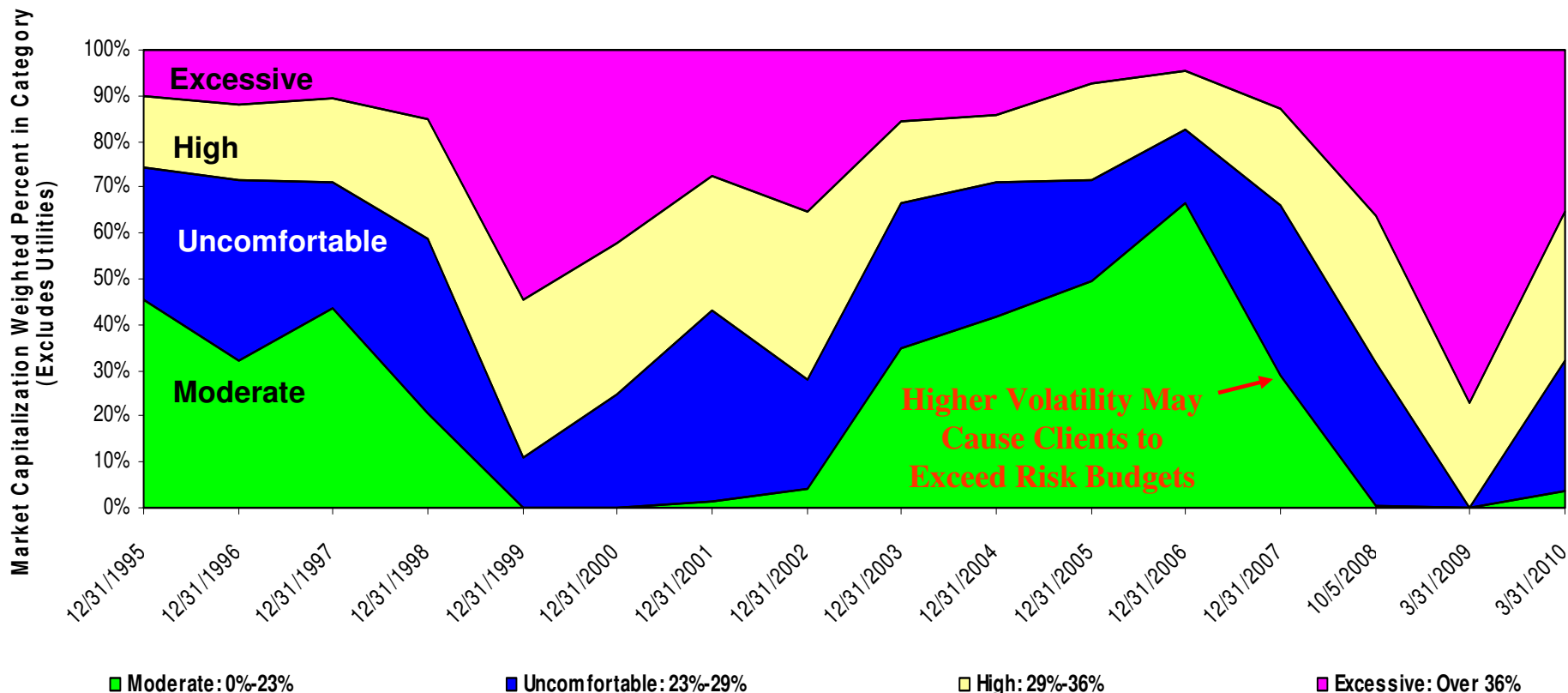
Weighting	Industry Group	Sector
Overweight	Capital Goods Energy Insurance Real Estate Automobiles & Components Diversified Financials & International Banks Materials Semiconductors & Semiconductor Equipment Technology Hardware & Equipment Software & Services	Industrials Energy Financials Financials Consumer Discretionary Financials Materials Information Technology Information Technology Information Technology
Equal Weight	Consumer Durables & Apparel Media Consumer Services Retailing Transportation	Consumer Discretionary Consumer Discretionary Consumer Discretionary Consumer Discretionary Industrials
Underweight	Food & Staples Retailing Food Beverage & Tobacco Household & Personal Products Commercial & Professional Services Domestic Banks Pharmaceuticals Biotechnology & Life Sciences Health Care Equipment & Services Telecommunication Services Utilities	Consumer Staples Consumer Staples Consumer Staples Industrials Financials Health Care Health Care Telecommunication Services Utilities

Industry Group weightings are driven by a combination of proprietary model ranking and fundamental analysis. Weightings pertain to Rochdale’s target portfolio and do not necessarily reflect the current allocation of any actual portfolio.



S&P 500 Volatility Zones - 1995 to 2010

Risk Environment Remains Elevated



Persistent, heightened volatility requires investors to revisit portfolio allocations and rethink approach to equity investing. An adjustment to the portfolio's equity allocation may be necessary to meet risk tolerance.

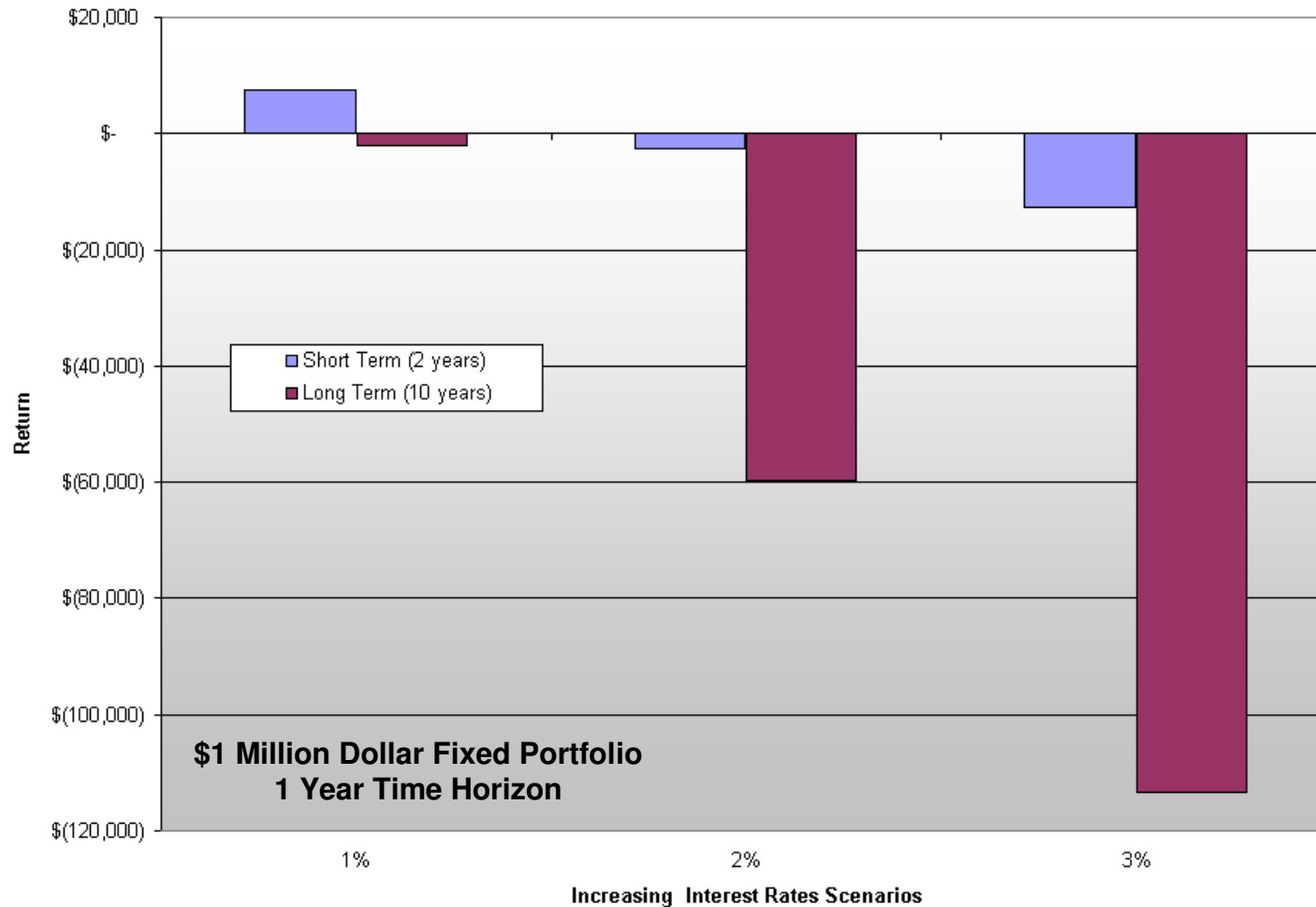


As of March 31, 2010. Rochdale Investment Management uses Barra Inc.'s Aegis System™ 'Total Risk' data as a measure of volatility. Barra Inc.'s Aegis System™ is a third party equity risk management software package used to help assess risk/return trade offs.

FOR ILLUSTRATIVE PURPOSES ONLY

CA052609

Higher Interest Outlook is Negative for Fixed Income



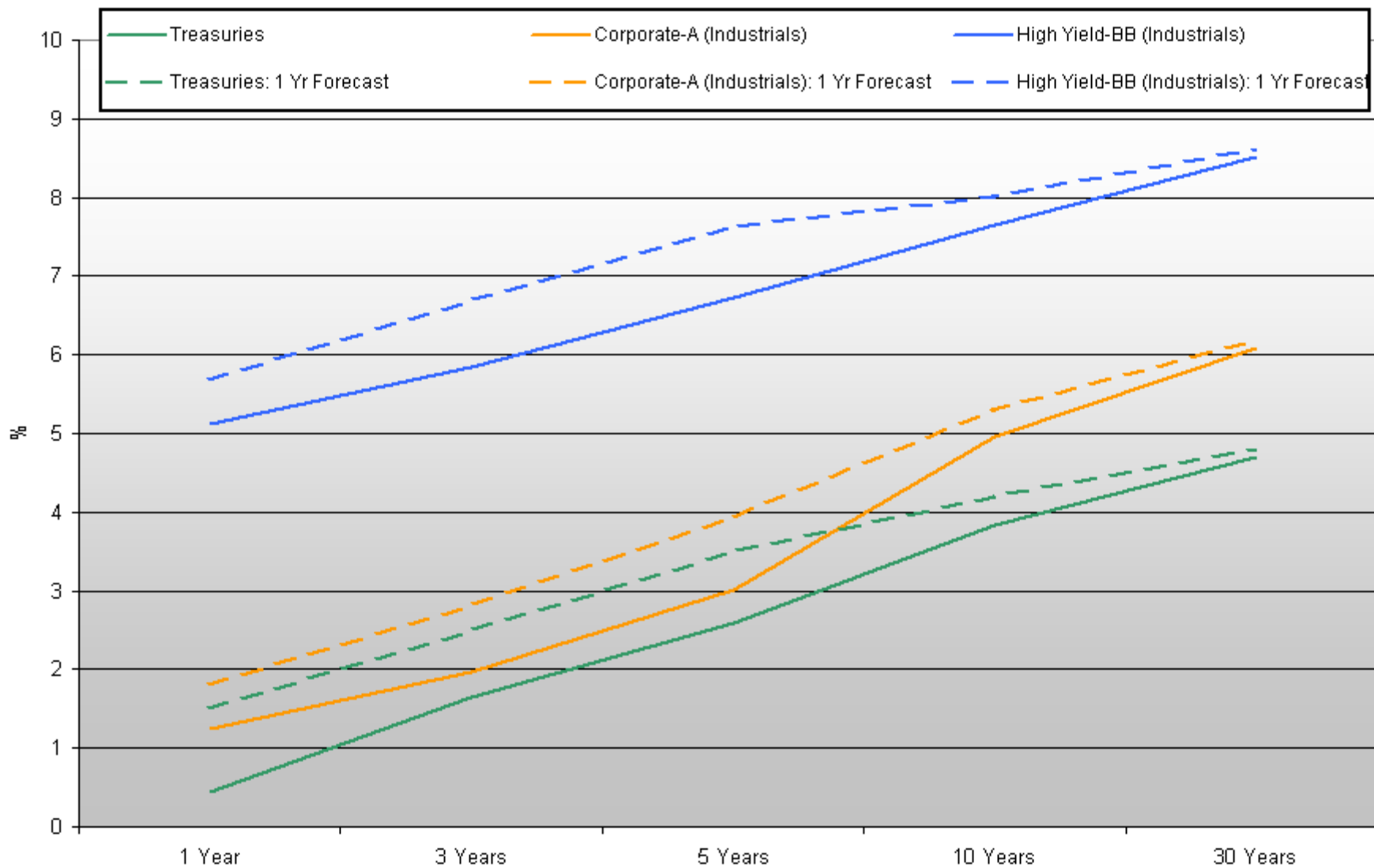
Higher interest rates will have a negative impact on fixed income holdings, particularly longer term maturities.

Implication: Underweight fixed income



For illustrative purposes, comparison is between Verizon Communications 6.857, 6/15/2012 bond and Verizon Communications 6.350, 4/1/2019 bond.

Yield Curve



Sources: Blue Chip Financial, Thomson Baseline, Morgan Keegan,
Rochdale Investment Management
April 2010

Capital Market Assumptions

Average Normalized Expectations

Asset Class	Near Term Trend	Intermediate Term Expectations*	Historical Longer Term Average	Annualized Risk (%) (1)	Downside Exposure (%) (2)
Large Cap	Positive	9 - 10	9 - 10	15 - 17	25 - 35
Small/Mid Cap	Positive	10 - 12	11 - 12	21	35 - 45
International	Positive	11 - 15	10 - 13	23	30 - 45
Dividend and Income	Positive	8 - 10	8	15	20 - 30
Fixed Income (Investment Grade)	Neutral	5 - 6	5	5 - 7	5 - 10
High Yield Fixed Income	Positive	8 - 9	8 - 9	12 - 15	25
International Trade Finance	Positive	3 - 5	5	2 - 5	5
Low Volatility Alternative Strategy	Positive	7 - 9	7 - 8	5 - 10	10 - 15
Cash	Neutral	1	2.5 - 3	0	0

(1) Expect 1 out of every 4-5 years (2) Expect 1 out of every 10-15 years

*Subject to oil, interest rates and housing staying within forecasted ranges

Annualized Return is the average expected annual change of an asset class value estimated over a long-term period.

Annualized Risk is defined as an annual standard deviation of return or a degree of uncertainty of annual return estimated over a long-term period.

Downside Exposure represents the longest continuous decline in an asset class extending one or more years.

Past performance is not indicative of future results. There can be no guarantee of future performance.



Portfolio Strategy

Portfolio Strategy		
Asset Class	Short Term	Long Term
US Stocks	BUY (Neutral Weight) Monetary & Fiscal Policy Actions Support Economic Recovery V-shaped Earnings Recovery Volatility Likely to Remain Elevated	BUY Reasonable Valuations Slower Economic Growth Than in Prior Recoveries (Square Root Recovery)
HDI Stocks	BUY (Overweight) Attractive Valuations Yields Attractive in Current Low Inflation Environment Profitable in Slow Growth Environment	BUY Attractive Cash Flow Yields Higher Current Cash Flow than Common Stocks and Fixed Income Growing Dividend Income Mitigates Effects of Inflation & Rising Interest Rates Potential for Moderate Capital Appreciation
International Stocks	BUY (Overweight) Long Leading Indexes Predicting Positive Growth for Non-Japan Asia Eurozone & Japan Expected to Lag US & Asia Focus on Select Emerging Markets	BUY Asia in Better Fiscal Condition & Better Secular Growth vs. US Productive Stimulus Impact Stronger Demographics vs. US Reasonable Valuations
Bonds	BUY (Under Weight) Treasuries: Overvalued (Possible Short Sale) Investment Grade: Interest Rates Reasonable, Stay Short/Intermediate Term. Return of the "risk premium".	HOLD Inflation & Interest Rate Risk Stay Short to Intermediate
High Yield (Bonds & Loans)	BUY (Overweight) Attractive Valuations and Yields when Compared to Traditional Fixed Income Opportunity For Capital Appreciation Senior Bank Loan Market Opportunities Price Discounts In Place to Compensate for Expected Defaults Can Be Profitable in Slow Growth Recovery	BUY Higher in Capital Structure Than Common and Preferred Capital appreciation potential due to liquidity premium Some Floating Rate Offers Inflation Risk Mitigation
Private Trade Financed Fixed Income (Senior Secured Loans)	BUY Attractive Yield Spreads Floating Yields Spreads Offer Inflation Mitigation Hard Asset Collateralized Loans Principal and Interest Cash Flow Generation Short Term Maturities	BUY (Intermediate Term) Well Collateralized, Low Default Risk Floating Rate Offers Inflation Risk Mitigation Dislocation in Market Creates Attractive Opportunities Rigorous Underwriting of Pricing & Structure
Structured Legal Claims Settlements	BUY Safety of Principal Known Principal & Interest Payments High Yield-Attractive Returns when Compared to Traditional Fixed Income & Annuities Strong Reinvestable Cash Flow Opportunity to Capture Distressed Pricing	BUY Can Bring Stability and Diversification to Overall Client Portfolios. Greater Cash Flows Allow Reinvestment in Higher Return Generating Asset Classes. Self-liquidating Pool Subjects Portfolio to Lower Capital Fluctuations (Interest Rate Risk)
Alternative Low Volatility Strategies	BUY (Overweight) Good Quality/Lower Volatility/ Diversifier for Equities Brings Low Correlation Portfolio Benefits Diversification Benefits/ Return Enhancer For Fixed Income	BUY Hedged Strategies Generate Favorable Upside vs. Downside Over Equities Low Correlation with Equities Takes Advantage of Volatility Across Markets
AI: High Volatility, High Leverage	AVOID Risky & Illiquid Forced Deleveraging	HOLD Lower Returns Due to Lingering Credit Tightness Liquidity Issues



Sources: Rochdale Investment Management,
Blue Chip Economic Indicators,
Wall Street Journal, Conference Board, Federal Reserve
April 2010 111909

CA060309

Important Disclosures

The Standard & Poor's (S&P) 500 Index represents 500 large U.S. Companies.

The ECRI's U.S. Long Leading Index (USLLI) is a composite index designed to lead cyclical swings of the U.S. economy. It is a comprehensive summary measure of U.S. economic conditions made up of leading indicators of the U.S. economy including measures of production, employment, income, and sales.

U.S. Leading Employment Index (USLEI) is designed to lead cycles in U.S. employment activity. It is a summary measure of the best leading indicators of U.S. employment activity.

U.S. Leading Home Price Index (USLHPI) is designed to lead cyclical swings in real median home prices. It is a summary measure of the best leading indicators of U.S. home prices.

U.S. Leading Services Index (USLSI) is designed to lead the service sector activity. It is a summary measure of the best leading indicators of U.S. service sector activity.

U.S. Leading Manufacturing Index (USLMI) is designed to lead the manufacturing sector activity. It is a summary measure of the best leading indicators of U.S. manufacturing sector activity.

U.S. Leading Exports Index (USLEI) is designed to lead cycles in exports. It is a summary measure of the best leading indicators of U.S. export activity.

This presentation is for informational purposes only and is not intended to be a solicitation, offering, or recommendation by Rochdale Investment Management or its affiliates or subsidiaries of any product, security, transaction, or service, including securities transactions, investment management or advisory services. The views expressed herein represent the opinions of Rochdale Investment Management and are subject to change without notice at anytime. This information should not in any way be construed to be investment, financial, tax, or legal advice or other professional advice or service, and should not be relied on in making any investment or other decisions.



For more information,
please contact

Rochdale Investment Management

570 Lexington Avenue

New York, NY 10022

1-800-245-9888

455 Market Street, Suite 970

San Francisco, CA 94105

1-800-585-9798

info@rochdale.com

www.rochdale.com