

## A STRONG START TO 2006

*"If anyone serves, he should do it with the strength God provides". 1 Peter 4:11b (NIV)*

As 2006 began, our best guess was that equities would perform well. We believed investors would react favorably to continued good earnings while inflation and interest rates remained contained. This would allow for expansion in price-earnings multiples thereby allowing stocks to be the asset class of choice in 2006. **And the world's equity markets have indeed gotten off to a strong start - the best since 1997** (see Table 1). While P/E ratios have yet to expand, this factor may boost returns later in the year if inflation and interest rate concerns recede, profits are maintained at high levels and investors once again flock to equities.

Chart 1 indicates that profits have recovered strongly from the lows seen in the aftermath of the bubble and continue to move higher. **Nearly ideal economic conditions have promoted this strong corporate profit performance.** Global economic growth has been above average due to the rapidly advancing emerging markets. This growth may accelerate due to economic recoveries in both Japan and Europe. Despite rising commodity prices, inflation remains under control, aided by a global glut of labor. A similar excess of global savings is also helping keep long term interest rates at surprisingly low levels. **In view of these nearly perfect conditions for equities, it is little wonder that global stock markets rose in the first quarter.**



Table 1

### 1Q06 Total Returns

US Indices	1Q06
S&P 500	4.21%
Russell 1000 Growth	3.09%
Russell 1000 Value	5.93%
NASDAQ	6.25%
S&P 400 (Mid Cap)	7.63%
S&P 600 (Small Cap)	12.84%
Treasury Bonds	-4.07%
High Grade Corp. Bonds	-3.07%
Gold	13.45%
<b>Global &amp; International Indices</b>	
MSCI World	6.72%
MSCI EAFE	9.47%
MSCI Euro	12.43%
MSCI Far East	6.96%
MSCI Japan	6.82%
<b>US Economic Sectors (Price Change Only)</b>	
Energy	8.6%
Utilities	-2.0%
Materials	6.8%
Consumer Staples	1.0%
Health Care	0.9%
Industrials	6.5%
Consumer Discretionary	2.7%
Financials	2.6%
Technology	4.0%
Telecom	13.4%

Source: ISI, Merrill Lynch, MSCI

**The investing environment for Stewardship Partners' Leaders oriented investment style, however, was not as hospitable as growth trailed value, large cap under performed small cap and high quality lagged low quality.** In addition, the hottest sector in the US during the quarter was telecom, where Stewardship Partners had little exposure (since many companies in this sector have ties to porn). **Still, thanks to good stock selection, we were once again able to outperform in all of our investment styles: US, Global, International, Balanced and Concentrated.** Moreover, the end of the first quarter also marked Stewardship Partners' fifth anniversary of serving its clients using a Biblically Responsible Investing (BRI) approach. **We are very thankful indeed that the Lord has strengthened us to serve our clients well over the last five years and we look forward to what lies ahead.**

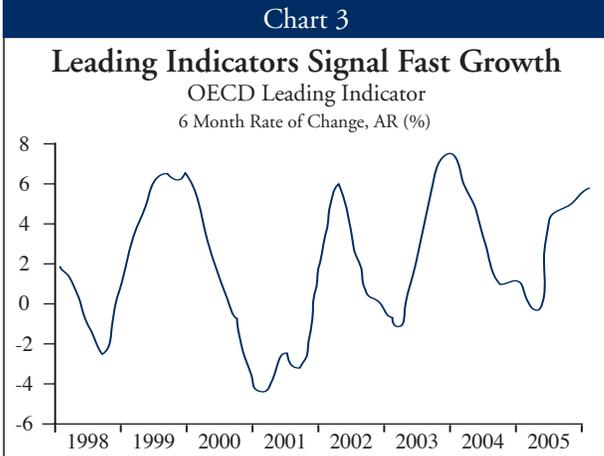
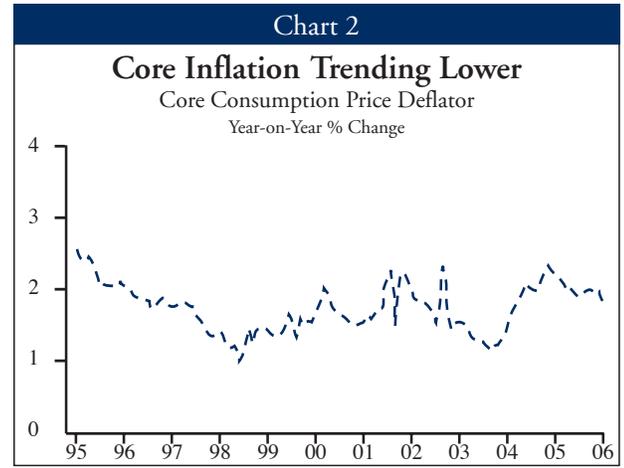
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**THE BEST OF TIMES FOR CREATING WEALTH - CAN IT LAST?**

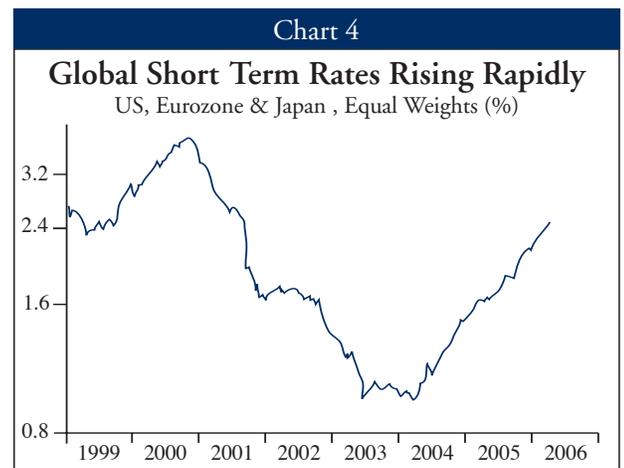
*“Remember the Lord... it is He who gives you the ability to produce wealth”. Deut 8:18(NIV)*

With the US unemployment rate and the US 10 year bond yield both near 5%, measures of core US inflation under 2% and falling (see Chart 2), and GNP growth expectations in the 3-4% range, current economic conditions can accurately be described as near the best of times. **This is an environment that generally favors the creation of wealth through equities since corporate earnings can grow at an attractive rate and valuations are prone to expand.** While the above statistics are very favorable and in line with our expectations, the truth is that any nation's economy is at all times subject to many forces that can disrupt current trends. Wise investors are not only thankful to the Lord for allowing past wealth creation opportunities but are also always more interested in scrutinizing possible future trends. **Presently, the chief risk to global stock markets is that continued rapid global economic growth will lead to inflation.** To be sure, inflation readings from



around the world are now mostly in a declining trajectory but the rapid growth in China and other emerging markets, the continued above average pace of expansion in the US and rebounding economies in Japan and Europe worry both the markets and central bankers alike. Rarely have all regions of the world been in a synchronized economic upturn. Disconcertingly, the economic leading indicator of the world's largest economies may currently be signaling an acceleration of growth (Chart 3). Inflation, and therefore, interest rate risks are higher than normal. Investors can be expected to remain worried about the trend in interest rates, even in the absence of evidence or rekindled inflation, until economic growth moderates. **We believe the global economy can grow at above average, non-inflationary rates but if growth becomes too rapid, inflation may become a problem.**

Indeed, central bank policy around the world has been seeking to moderate economic growth for some time. As shown in Chart 4, global short-term interest rates have been steadily rising. Even in Japan, where the past fifteen years have been spent fighting deflation with a zero interest rate strategy, the central bank has signaled a shift to a less accommodative monetary policy is in the offing. **While the Fed has hinted that interest rate increases are close to ending, accelerating growth may require a more vigilant Fed.** Still, the US economy has exhibited remarkable resilience and flexibility in recent years. We believe that the combined impact of the past and future interest rate increases as well as higher energy prices will act to restrain economic growth at least slightly in the latter half of the year and help keep economic progress on a relatively balanced, non-inflationary trajectory. **Should growth taper off and inflation remain subdued, we would expect interest rate pressures to ease and stock prices could be substantial beneficiaries of such a trend.**



Also aiding the fight against inflation is the excess savings being generated by the global economy. While the US savings rate is technically negative, the savings rate in the developing nations is very, very high. These savings help finance growth in industrial capacity, which is exceeding the growth in demand for finished goods,

Chart 5

**Capacity Utilization Not Yet an Inflation Threat**  
US Manufacturing Operating Rate (%)



Source: ISI

thereby helping keep price increases in check. As seen in Chart 5, capacity utilization in the US has risen significantly off its low in recent years but remains below previous highs. If US economic growth moderates later this year, we expect that pressure on US capacity utilization may diminish. Furthermore, **strong investment in new capacity is also boosting productivity, another important factor in containing inflation and creating wealth in the long run.**

While we are grateful for the opportunity to create wealth for our clients over the last three years, we are closely monitoring the risk that global economic growth accelerates to a level that would stimulate inflation thus requiring a more strident response from the world's central banks. There is little evidence of a slowdown as yet thus **investors are increasingly concerned that interest rate increases could continue for some time.** If the US, the world's largest economy, does begin to decelerate, however, many commodity prices could retreat from current overheated levels. This may promote declining inflationary expectations, an eventual drop in short-term interest rates and a restoration of a positively sloped yield curve. Such a trend would undoubtedly have a positive impact on equity prices but it remains unclear when this will become visible. We suspect sooner rather than later.

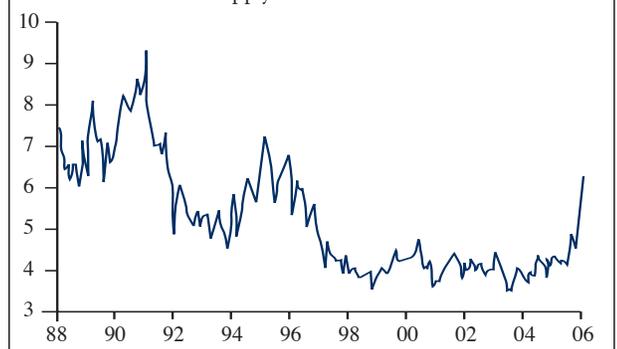
## COAXING THE ECONOMY INTO A SUSTAINABLE GROWTH MODE

*"Be self-controlled and alert. Your enemy the devil prowls around like a lion". 1 Peter 5:8 (NIV)*

**I**n retrospect, some may argue that the Fed's gradual pace of interest rate increases was too slow and led to excessive economic stimulation, ultimately raising the risk of inflationary consequences. While this is a risk, there are also other factors at work, which might help promote slower, non-inflationary growth. **One sector of the economy that has already begun to turn sluggish is housing. During 2005, the housing market was clearly overheating.** Higher interest rates, overbuilding and more restrictive lending regulations, however, have led to a noticeable cooling in house sales and prices, particularly in areas where speculation was most rampant. These trends are reflected in the rapid burst in the number of new homes for sale (see Chart 6) since builders have been caught with excess inventory as

Chart 6

**Unsold New Homes Piling UP**  
Months Supply of New Homes for Sale



Source: ISI

sales slowed. An indication that meaningful price weakness in

future home prices is likely can be seen in Chart 7, which highlights the massive increase in the dollar value of both new and used homes currently for sale. Sellers lowering their asking prices usually correct such imbalances and this is almost a foregone conclusion for the housing market. **As the hyper activity in the housing market retreats, economic growth will be held back to a degree.** Employment will be impacted as builders sharply curtail the pace of building until the market comes back into balance. Demand for lumber, copper and other commodities will also be impacted. While housing does not represent a large percentage of the US economy, the impact of its correction will be felt and it will likely take a considerable period of time for all of the excesses in this market to be worked

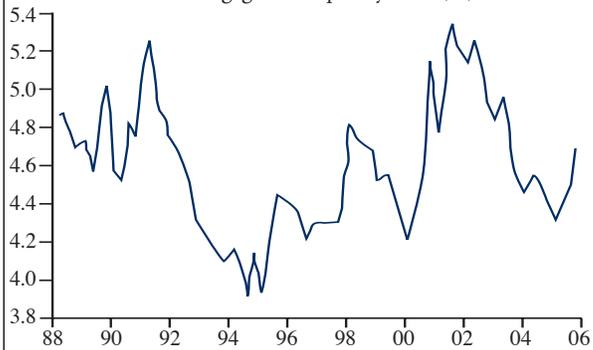
Chart 7

**Dollar Value of New & Existing Homes Skyrockets**  
\$ in Billions



Source: ISI

Chart 8

**Consumers More Stressed**  
US Mortgage Delinquency Rate (%)

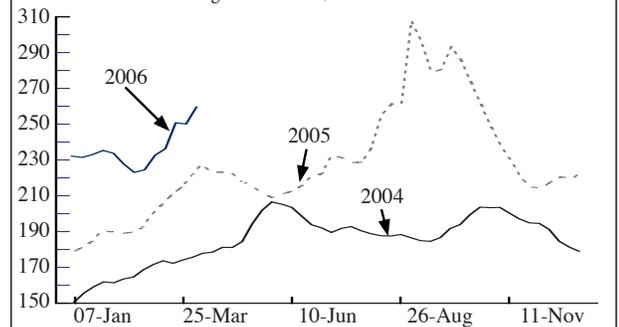
Source: ISI

through. As a result, this sector of the economy will likely go from an important stimulant to growth in 2005 to a drag on the economy very quickly. Most now believe that the adjustment in the housing sector will be only moderate. If so, the adjustment period will likely be longer but it appears to us that conditions exist that could lead to a deeper, faster correction in housing.

While employment continues to grow at an attractive rate and is supportive of increased activity in the all important consumer sector of the economy, other factors are weighing on the consumer's ability to spend aggressively. Extracting value from one's house via home equity loans has been a big support for consumer spending in recent years. With house prices no longer rising and, in some areas, falling, the willingness to borrow on the value of one's house will decline. **Strains in the consumer's ranks can already be seen in an increasing rate of past due mortgage payments** (see Chart 8). This, in turn, could result in the savings rate recovering to positive territory and may limit consumer spending and economic growth. Given the strength of the overall economy, such adjustments may not have a severe impact on economic growth, but it could help keep the economy's expansion to a sustainable, non-inflationary level.

**Energy prices are also influencing consumers to spend more conservatively.** Even though inventories of oil are presently above average, oil prices have remained stubbornly high. There are a number of reasons for this odd behavior. One is the market's concern that there is too little excess production capacity within the oil exporting nations. Any significant supply problem that might arise could suddenly throw the oil market into a panic. And there are plenty of opportunities for difficulties to present themselves in view of the current leadership of major exporters like Iran, Venezuela and Nigeria. Even if no troublesome issues arise, US gasoline prices are almost certain to rise during the summer due to a formulation shift that is tightening supplies (Chart 9). Consumer spending will be pinched and consumer confidence may falter helping to moderate the economic expansion.

Chart 9

**Gasoline Prices Head Higher**  
Average US Retail Gasoline Price  
Regular Unleaded, Cents/Gallon

Source: ISI

**One issue certain to keep the oil markets and equity investors on edge is Iran.** Iran's pursuit of nuclear weapons will not be tolerated by the US or Israel. It is not clear, however, exactly how close Iran may be to actually having a nuclear capability. It appears that it may be as long as two years before its scientists will have all the uranium isotopes needed to create a nuclear bomb. This argues for the West relying on diplomatic pressure for now that will slowly ratchet up to economic sanctions and then, finally, to military action. The Iranian government's own outrageous rhetoric, however, may speed the process towards at least limited military action. We also must be cognizant that we cannot be certain of the factual accuracy of many statements made during the course of this growing crisis. Is the Iranian president truly an irrational person as Karl Rove recently suggested, indicating that military action is likely to be required? Or is his rhetoric simply designed to build Iranian nationalism that would support his internal political goals and stature? Recent reports of war plans by the Bush administration that include tactical nuclear devices are certain to keep the market on edge and it is hard to see how Israel might take effective action against Iran without resorting to its own nuclear weapons. At present, **the probability that military action of some sort against Iran will ultimately occur seems to us to be rising.** While diplomacy appears to be the optimal strategy at the moment, investors should be prepared for a sudden turn of events. Meanwhile, just the continued attention on Iran as the diplomatic process plays out will keep investors nervous. Such talk will tend to keep oil prices elevated and may also cause some business activity to be delayed, both of which will tend to moderate economic growth. **Given the dual risks of too rapid, inflationary growth and serious geopolitical concerns, we remain "self-controlled and alert" in our efforts to best position our client's portfolios for what might lie ahead.**

## WHAT MIGHT WE ACCOMPLISH WITH THE WIND AT OUR BACKS?

*“Bless all his skills, O Lord, and be pleased with the works of his hands”. Deut 33:11 (NIV)*

Stewardship Partners has truly been blessed and we trust that our Lord has been pleased with our efforts to profitably utilize a Biblically Responsible Investing (BRI) approach to help build what we refer to as “Kingdom wealth” for our clients. Over the past two years our US Equity and Global Concentrated Equity portfolios outperformed their respective indices in seven out of eight quarters and our Global Equity has outperformed in six of eight quarters. Our Global balanced accounts have outperformed in each of the last six quarters. Since our inception five years ago, our US BRI Equity Composite has outperformed in five out of



Source: Merrill Lynch, S&P

that the Lord at least temporarily blessed us with more wisdom than we deserve! While the good news is we outperformed during this period, the better news is we believe the wind may soon switch direction and be at our backs for a change. Of course, there can be no guarantee that our past performance is an indication of future success.

High quality stocks have risen by 80.0% over the last three years while low quality stocks advanced by stunning a 123.9%! The economic recovery from a near miss with deflation three years ago had low quality stocks particularly depressed. With the recovery now well underway, these stocks quickly bounced

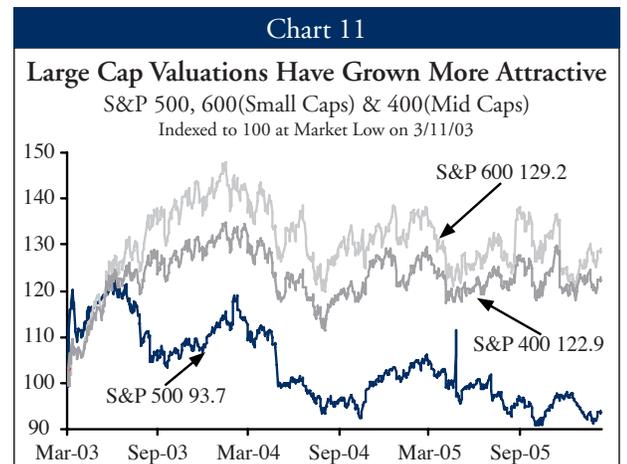


Source: Merrill Lynch, MSCI, IBES

six years or partial years (the last nine months of 2001 and the first three months of 2006) and our returns are over 30% ahead of the S&P 500 during that period. We are very grateful to our Lord that we have been able to utilize the skills He gave us to deliver these returns to our clients.

We are particularly humbled because this has been achieved during a period that was generally hostile to our style of investing. Our emphasis on “Leaders” biases our portfolios toward high quality, large cap stocks that are growing faster than their peers. Such stocks have typically lagged low quality, small and mid cap, value stocks over the past five years. Thus, we have often been investing with the wind blowing hard in our face. That we have been able to surpass the

indices indicates



Source: ISI

off their lows and

continued to outperform, despite high valuations (Chart 10). We believe this trend may reverse in future years, making our job a little easier.

Large cap stocks have also suffered. Our Leaders approach does not exclude small and mid cap stocks but large caps make up a significant majority of our portfolios. As shown in Chart 11, the valuation of large cap stocks has fallen significantly versus smaller stocks, positioning larger stocks for potentially better relative performance in the future. Chart 12 also indicates that the valuation of growth stocks versus value stocks is near historic lows, suggesting that a turnaround may be possible in this case as well.

**CAPITALISM'S RELENTLESS PROMOTION OF PROGRESS, INNOVATION AND GROWTH**

*"Whatever happens, conduct yourselves in a manner worthy of the gospel of Christ". Plp 1:27(NIV)*

Key to our expectation of strong equity returns in 2006 is roughly 10% earnings growth and rising P/E ratios. The risk to our expectations for earnings may be we are too conservative.



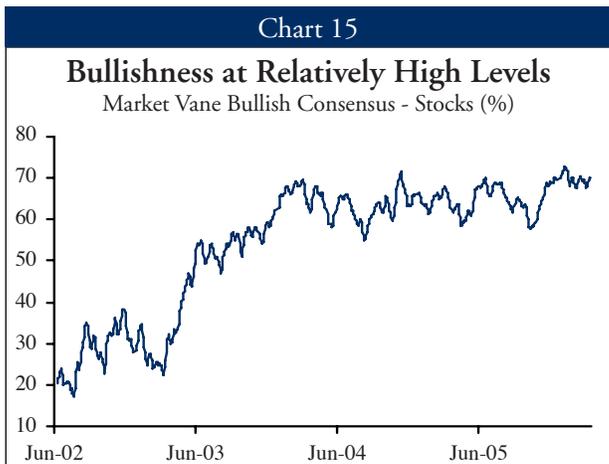
Source: Merrill Lynch, MSCI, IBES

As capitalism has spread, it has unleashed its relentless promotion of progress, innovation and growth far and wide. As a result, economic growth has been persistently above expectations. Chart 13 indicates that earnings revisions, boosted by this strong growth, are trending higher. **Our prediction for P/E ratio expansion, however, is as yet unfulfilled. This will occur only if economic growth moderates or if inflation falls despite strong global growth.** Recently, US government bond yields have moved to the 5% level and gold prices have reached the \$600 mark. Some investors see this as signaling inflationary pressures. As a result, price-earnings ratios may remain near current levels or even decline until this growth/inflation dilemma is resolved.

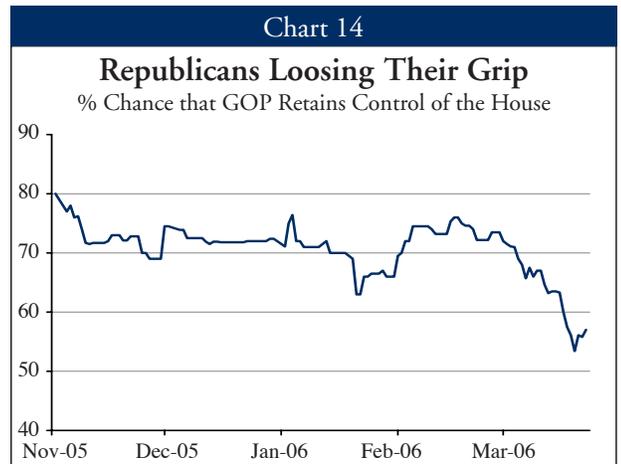
Another risk to P/E ratios comes from the political realm. With President Bush's popularity extremely low and the reputation of the Republican controlled Congress even lower, Democrats could gain control of one or both houses of Congress in November's election. While analysis of individual districts show a Democratic victory may still be difficult to pull off, investors will be closely watching the polls as the election approaches (see Chart 14). **The primary reason for concern is the Democratic desire to roll back Bush's tax cuts on income, dividends and capital gains.** Some of the current attractive tax rates are due to "sunset" in 2008 and it is doubtful that they will be extended if the Republicans do not control both houses of Congress.

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Higher taxes on income, dividends and capital gains would surely dampen investor sentiment, which is currently more bullish than bearish. Since overly bullish sentiment can often lead to low or even negative short-term returns, this is a factor we watch closely. Optimism is not yet pervasive enough to raise great concern but the strong global equity returns seen so far this year are pushing most sentiment readings closer to dangerous levels (Chart 15). While we expect 2006 to yield attractive returns, the market may struggle to advance in the seasonally weaker middle part of the year as investors seek to determine whether



Source: ISI, Market Vane



Source: ISI, Intrade

the economy can maintain a proper balance between growth and inflation. **Over the long term, however, capitalism's relentless nature will undoubtedly find a way to achieve balanced, non-inflationary growth that will be supportive of rising stock prices.** Whatever happens to the markets, however, we will seek to "conduct ourselves in a manner worthy of the gospel of Christ".

We at Stewardship Partners continue to be grateful for the opportunity to serve your investment needs. Please do not hesitate to contact us if you have any questions or if we can be of any assistance.

### BIBLICALLY RESPONSIBLE INVESTING (BRI)- INVESTING AS JESUS WOULD

*“Blessed are they that maintain justice, who constantly do what is right” Psalm 106:3 (NIV)*



Stewardship Partners, founded in 2000, is a leader in the field of investing with a Christian perspective, a form of Socially Responsible Investing (SRI) known as Biblically Responsible Investing (BRI). Rusty Leonard, CFA, Stewardship Partners’ founder and CEO, practiced this investment philosophy while managing over \$3 billion of assets as a portfolio manager from 1989 to 2000 with the Templeton organization. He also had the privilege of working directly with the world-renowned global mutual fund manager, John Templeton. By employing a BRI approach to investing, Stewardship Partners seeks to achieve long-term capital gains through ownership in securities of companies that are a blessing to mankind. Conversely, we seek to avoid profiting from owning companies engaged in sinful activities that bring physical and spiritual loss to our fellow man. Our heart’s desire is to do no harm to our fellow man in the process of being the best possible guardians of the wealth the Lord has given us stewardship over. Simply put, a “what would Jesus do” approach to portfolio management is what we seek for our clients.

Below are just some of the issues of concern to Stewardship Partners and the specific sinful activities that fall into each category:

1. We desire *justice and mercy for the defenseless* so we screen out companies involved in:
  - Abortion
  - Persecution of Christians and other oppressed peoples
  - Life destroying scientific research
2. We desire *justice and mercy for the poor* so we screen out companies involved in:
  - Political oppression
  - Any abuses of the poor, children and the elderly
3. We have *compassion for those addicted and/or engaged in sinful lifestyles* so we screen out companies involved in:
  - Alcohol, Gambling and Tobacco
  - Pornography
  - Homosexuality
4. We want *protect marriage and the family* so we screen out companies involved in:
  - Entertainment that seeks to destroy biblically-based attitudes
  - Efforts to promote alternative lifestyles

Additionally, there are a number of areas of interest to us where we favor companies that clearly embrace:

- Honesty, Compassion, Diligence, Prudence and Creativity
- Support for quality products at fair prices and constructive stakeholder relations
- Support for a sustainable and healthy environment
- Support for charitable giving
- Support for the Jewish people and the state of Israel

Armed with this information, we are then prepared to make as strong an effort as possible to build investment portfolios that reflect our client's Christian worldview. We obtain the information on the objectionable practices of corporations from our affiliate The Institute for Christian Worldview Research (ICWR) and the information on the positive attributes of corporations from both ICWR (<http://www.icwr.com>) and our friends at American Values Investments (<http://www.americanvalues.com/>). We believe these sources of information give Stewardship Partners the best database of BRI information that currently exists.

**It is our hope that over time, we and other firms like ours may be able to gather enough assets under management to be able to influence corporate behavior with biblical principles.** As things presently stand, the Christian message is not being heard as effectively as it could in the financial marketplace since the amount of money dedicated to BRI, while growing rapidly, still falls far short of that in liberal SRI funds.

For a more in depth study of the topic of Biblically Responsible Investing, please see our paper entitled "[\*The Biblical Basis for Biblically Responsible Investing\*](#)" which can be found at Stewardship Partners' website under Biblically Responsible Investing.

## BRI IN ACTION - EXAMINING CORPORATE BEHAVIOR

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*"Love must be sincere. Hate what is evil; cling to what is good". Romans 12:9 (NIV)*

Below you will find an example of both a company that exhibits exemplary character, , and one we avoid, , in our desire not to be co-owners of enterprises engaged in or supportive of activities which are harmful to our fellow man and our Lord's creation. **We believe, in the long run, both countries and companies that most align their activities with biblical principles will achieve the greatest success.**

## THE GOOD - EXPRESS SCRIPTS - BLESSING ITS COMMUNITY

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*"Instruct them to do good, to be rich in good works, to be generous". 1 Timothy 6:18a (NIV)*

**Express Scripts is one of the US's largest pharmacy benefits managers.** It processes over 400 million prescriptions pre year through 57,000 retail pharmacies and another 50 million annually via the mail. Patients have access to a 24 hour per day Patient Care Contact Center where they can get helpful information about the medicines they are taking and the company undoubtedly saved many lives and avoided other health problems through the 30 million safety alerts it issued to its clients. **One of the primary goals of Express Scripts is to provide patients the most appropriate medicines at the lowest possible cost.** It is the company's hope that by helping contain the cost of employer health care plans, that they will assist in keeping the best possible health plans available to employees.

In conjunction with major pharmaceutical companies, **Express Scripts offers economically disadvantaged or uninsured people low cost access to over 100 different commonly used medicines through its Rx Outreach program.** For example, a family of 4 with income below \$50,000 can receive any one of the medicines on the Rx Outreach list in whatever quantity is needed for \$30 or less for a three-month supply. This exceedingly easy to use program has been a critical blessing to many who might otherwise not had access to the medicines they need.

In addition to helping millions of patients, many of them elderly, obtain the medicines they need in a safe, easy and economical manner, **Express Scripts also has been active in supporting the communities it operates in.** In 2003, the company won the "Child Advocate of the Year" award from the St. Louis Area Council on Child Abuse and Neglect. It also won the "Good Scout Award" from the Boy Scouts in 2003. In 2004, the company also won an award for its assistance to the St. Louis Community Improvement District. (Express Scripts is headquartered in St. Louis.)

**Express Scripts further shares its blessings with those in need through the Express Scripts Foundation,** which was founded in 2002. The foundation's goals are to make a positive difference in the communities where Express Scripts has a significant presence, with a special emphasis

on innovative approaches to providing medical and health related services, education and support for children and families. The Foundation looks specifically to fund organizations that are able to offer volunteer opportunities to Express Scripts staff, that provide support to at-risk children in completing their education, that assist children and families that are coping with medical conditions and which are known as thought leaders in their field of expertise. **Some of the beneficiaries of Express Scripts Foundation in 2004 were Covenant House, Big Brother Big Sisters, Logos School, Parents as Teachers, Nurses for Newborns and the Small World Adoption Agency.** Mentor St. Louis is another program the foundation has funded and over the years 167 Express Scripts employees have participated in this effort to provide mentoring to students in the St. Louis area. Seven Express Scripts employees currently volunteer as Court Appointed Special Advocates in a program funded by the foundation that assists children in the Family Court System find safe, permanent homes. Several healthcare related and educational institutions were also provided funding. Moreover, the company offers an employee matching gift program that the foundation oversees.

Express Scripts offers its employees a wide range of benefits, some at no cost. Included among these, not surprisingly, is a prescription drug benefits but the company also provide tuition assistance, access to an employee stock purchase plan, and an employee assistance program. **The company has also won many awards, including being named to Fortune magazines “Most Admired Companies” List and Forbes “Best Managed Companies in America” List, both in 2004.**

Express Script’s good works are no guarantee of long-term investment success but, as Biblically Responsible Investors, we know we are at least engaging in good biblical stewardship as we seek favorable investment returns through ownership of this company. **It is a company that we can be proud to own!**

## THE BAD - FORTUNE BRANDS - ALCOHOL, HOMOSEXUALITY AND PORN

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*“Things that cause people to sin are bound to come, but woe to that person through who they come”. Luke 17:1 (NIV)*

**F**ortune Brands is a world leader in the production and distribution of alcohol, primarily whiskey and wine. The company is the fourth-largest spirits company in the world and controls 9 of the top 100 global premium spirit brands. Its bourbon brand is the world’s leader and its tequila and Canadian whiskey brands are ranked second in worldwide sales. It also has the second largest wholesale spirits distribution network in the US, Australia and Canada. It had \$1.64 billion in worldwide spirit sales in 2005 and its products were sold in more than 150 countries worldwide. Some of its better known spirits brands are Jim Beam, Canadian Club, Absolut Vodka and Starbucks Coffee Liqueur. Liquor sales account for about 40% of the company’s profits. Other non-liquor brands controlled by Fortune Brands include Moen, Master Lock, Titleist golf balls and Cobra golf clubs. **Since alcohol and alcoholism is tied to so many destroyed lives and families, at Stewardship Partners we have made it our practice to avoid investments in companies like Fortune Brands that profit from such products.** The company, of course, does not coerce people into becoming alcoholics and those who drink alcohol in moderation do not typically suffer the ill effects of those who overindulge. Nevertheless, with so many investment choices available to us, we would rather avoid companies providing the means for those who are addicted to alcohol to destroy their lives and the lives of those they love.

Fortune Brands, through its heavy advertising in homosexual magazines and substantial support for homosexual events also has been labeled as one of the country’s most active supporters of the sin of homosexuality by ICWR. Moreover, ICWR has discovered that Fortune Brands is also a very active advertiser in pornographic magazines, thereby helping support the publishing of images that are not only destructive to healthy sexual attitudes but also often devastating to marriages.

There are a multitude of attractive investment opportunities available to Christian investors, many of which will likely perform better than Fortune Brands stock over the long term. Of course, even if we had perfect foreknowledge that this stock was going to be the best performing stock on the New York Stock Exchange over the next year, we would still not invest in it. Our compassion for our fellow men and women caught in the sins Fortune Brands is involved in causes us to look elsewhere to achieve investment returns. We would not want the assets we are stewards over being utilized to bring harm to those our Lord loves.

## OUR ULTIMATE GOAL - FUNDING THE LORD'S WORK

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*"Therefore go and make disciples of all nations". Matthew 28:19a (NIV)*

It is our hope that Stewardship Partners' ability to produce wealth for you will help you to share with God's people who are in need and assist in fulfilling the great commission. Our non-profit ministry affiliate, Wall Watchers, provides a free service to help you educate yourself about the many wonderful Christian giving opportunities available to wise donors. We invite you to join the over 90,000 other monthly visitors to our ministry's website at [www.MinistryWatch.com](http://www.MinistryWatch.com), the internet's top site for donors to Christian ministries. Should you desire to have someone show you how to best use the [www.MinistryWatch.com](http://www.MinistryWatch.com) site, please contact Rod Pitzer at 704-841-7828 or [rpitzer@wallwatchers.org](mailto:rpitzer@wallwatchers.org). We would be pleased to be able to help you bless God's people who are in need. Rod would also be happy to sign you up for our monthly e-mailed newsletter, MinistryDirect that keeps you informed about important matters in the world of Christian ministries. You can also sign up yourself on our website. Additionally, Wall Watchers offers a bi-weekly e-mail newsletter with updates from our stewardship education site [www.theGoodSteward.com](http://www.theGoodSteward.com) which is visited nearly 25,000 times each month by Christians seeking wise, Biblically-based counsel.

## MINISTRYWATCH.COM SHINING LIGHT MINISTRY - FOOD FOR THE HUNGRY

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*"Whatever you did for one of the least of these... you did for me". Matt 25:40 (NIV)*



Food for the Hungry is an international relief and development ministry that meets the physical and spiritual needs of the poor in 47 countries by providing emergency relief, implementing sustainable development projects, teaching people about physical and spiritual hunger and sending long term missionaries to share the love of Christ. Distinguishing features of Food for the Hungry is its goal to call church and local leaders together to identify and help resolve the problems the community faces and an exit strategy. Food for the Hungry believes it has failed if it cannot act as a temporary change agent to get the local community energized and mobilized to help solve its own problems. Over time, it expects the community to take total control of its development projects and the ministry moves on to serve the Lord elsewhere.

Beyond the obvious good works our MinistryWatch.com researcher found during a visit to Food for the Hungry's office, the ministry is also committed to treating donors respectfully. The ministry receives an "A" Transparency Grade from MinistryWatch.com and a 5 Star Financial Efficiency Rating. This ministry's work is based on sound biblical principles and is worthy of any wise donor's attention.

## THE CHRISTIAN MINISTRY MARKETPLACE - HELPING DONORS GIVE WISELY

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*"A generous man will prosper, he who refreshes others will himself be refreshed". Proverbs 11:25 (NIV)*

Much like the stock market provides for a sensible and efficient allocation of capital in our economy, the rise of a Christian Ministry Marketplace is providing donors with a myriad of helpful resources to maximize the impact and joy of giving to the work of the Lord. As donors begin to take their giving as seriously as their investing, they will find the assistance offered by the groups listed below to be invaluable. By utilizing these resources, donors are not only likely to make better personal giving decisions, but are also contributing to the growth in the marketplace itself. By so doing, they are helping to lay a foundation for wiser giving for all who follow in their footsteps. Accordingly, we

encourage donors to investigate how these groups might help you to give more wisely, achieve a greater impact and create increased joy for both yourself and receivers of your gifts.

## The Christian Ministry Marketplace Resources for Christian Donors

### WHY give to Christian ministries?

#### Teaching on Stewardship:

- Crown ([crown.org](http://crown.org))
- Eternal Perspectives ([epm.org](http://epm.org))
- Generous Giving ([generousgiving.org](http://generousgiving.org))
- Royal Treasure ([royaltreasure.org](http://royaltreasure.org))
- Sound Mind Investing ([soundmindinvesting.com](http://soundmindinvesting.com))
- The Gathering ([thegathering.org](http://thegathering.org))
- TheGoodSteward.com ([thegoodsteward.com](http://thegoodsteward.com))
- MaximumGenerosity.org ([maximumgenerosity.org](http://maximumgenerosity.org))

### HOW to give with a discerning mind?

#### Professional Advisors:

- CFPN ([cfpn.org](http://cfpn.org))
- Christian Community Foundation ([thefoundations.org](http://thefoundations.org))
- National Association of Christian Financial Consultants ([nacfc.org](http://nacfc.org))
- National Christian Foundation ([nationalchristian.com](http://nationalchristian.com))
- Stewardship Alliance

#### Donor Advisors:

- Legacy ([philanthropyatwork.com](http://philanthropyatwork.com))
- Excellence in Giving ([excellenceingiving.com](http://excellenceingiving.com))
- Calvin Edwards & Co. ([CalvinEdwardsCompany.com](http://CalvinEdwardsCompany.com))
- Strategic Resource Group ([www.srginc.org](http://www.srginc.org))

### WHERE to invest in kingdom ministries?

#### Ministry Research:

- ECFA ([ecfa.org](http://ecfa.org))
- Generous Giving ([generousgiving.org](http://generousgiving.org))
- Geneva Global ([genevaglobal.com](http://genevaglobal.com))
- MinistryWatch.com ([ministrywatch.com](http://ministrywatch.com))
- Samaritan's Guide ([www.acton.org/cec/guide/](http://www.acton.org/cec/guide/))

#### Ministry Mutual Funds:

- Nat'l Christian Fdn ([nationalchristian.com](http://nationalchristian.com))

#### Online Donation Services:

- Network For Good ([networkforgood.com](http://networkforgood.com))
- Kintera ([kintera.org](http://kintera.org))

## FEATURED CHRISTIAN MINISTRY MARKETPLACE MEMBER - MAXIMUM GENEROSITY

*"It is more blessed to give than to receive". Acts 20:35b (NIV)*



**B**rian Kluth is a nationally recognized teacher and speaker on the subject of biblical generosity and what the bible has to say about finances. Brian's "day job" is as senior pastor of the First Evangelical Free church of Colorado Springs but he is also actively involved in many other facets of teaching others about the wonderful benefits of living a generous life. Brian's written materials have been distributed to more than 350,000 Christian leaders in more than 100 countries. His website, [www.MaximumGenerosity.org](http://www.MaximumGenerosity.org) contains hundreds of helpful giving and fund raising resources for pastors, church finance committee members and just about everybody else. Sermons, PowerPoint presentations, books, audio files, statistics and even generosity humor can be on this site. Our favorite humorous line found on Brian's site was a purported bumper sticker that says "Tithe if you love Jesus; any fool can honk"

Brian is available for seminars to churches and pastors and examples of some of his past seminars can be found on his website. He also is a guest commentator on Crown Financial Ministries "Money Matters" program and in the past served a five year term as President of the Christian Stewardship Association. He currently serves on the board of the National Association of Evangelicals. His monthly Maximum Generosity newsletter reaches nearly 15,000 church leaders and stewardship professionals and we would recommend that you consider visiting his site and signing up as well.

## *Knowing Jesus Christ as Your Lord and Savior*

While most of those reading this will have already established a personal relationship with Jesus as their Lord and Savior, it is very likely that many have not. If you are someone who has not yet turned your life over to your Creator, we would have failed you miserably if we presented only information relating to your investments yet did not share with you the most important information of all: truths which have eternal significance for your soul and that will have an overwhelmingly positive impact on your life on this earth.

The gospel message is a simple one, far less complicated than the global impact of rising oil prices or the effect of a revaluation of the Chinese currency. For most people, the first part of it is easy to relate to - you are a sinner. If you are anything like the rest of us (and you are) more often than you probably would like to admit, you either do, say or think something that is clearly wrong and which you are ashamed of. "But what's the big deal", you might say. "If everyone has this problem with sin, can't we all just accept the fact and try our best to get along?"

Well, on this earth, that is exactly what we try to do. We forgive one another's faults and press on with life. From an eternal perspective, however, there remains a problem. Our Creator, who loves us with a love that can only be described as extravagant, has prepared an eternal home for us that He very much desires to share with us. Unfortunately, in our sinful state, we are unable to enter into heaven, which is by its very nature perfect. Desperate not to be separated from us for an eternity, our God devised the only possible solution - a divine exchange. He sent His very own son, who was perfect and thus without sin, as a sacrifice to pay the penalty for our sins. In this exchange, Jesus bore, through His death, all of our sins, so that we in turn could receive all the glory that was due to Him. He was made sinful while we were made perfect and, in our now perfect state, we are able to enter into the eternal home our Lord has prepared for us.

What then gives each of us access to participate in this divine exchange? By responding to this incredible demonstration of extravagant love by our God through an amazing act of your own. As you let the realization of just what your Lord has done for you filter through your heart, mind and soul, you will unavoidably desire to humbly come before Him, acknowledging that it was your sin that led to His sacrifice and recognize His Lordship in your life. And with this step of faith, the divine exchange is completed in your life, and along with it, the assurance of eternal life with a Lord whose love for you knows no bounds. If you have not done so already, we encourage you to take this time to contemplate the issue of your eternal destination and to take that step of faith that will make all the difference in your life, both now and eternally. Based on my experience and the experience of literally millions of others throughout history, it is the most satisfying, enriching and worthwhile choice you will ever make. Years of wonderfully inspiring spiritual growth await you and, if the Bible ever seemed confusing to you in the past, you will now find its wisdom leaping off the pages and into your heart.

If we at Stewardship Partners can be of any assistance to you in this all important matter of your eternal destiny, please do not hesitate to contact us. Like Jesus, we also greatly desire to share an eternal heavenly home with you!

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