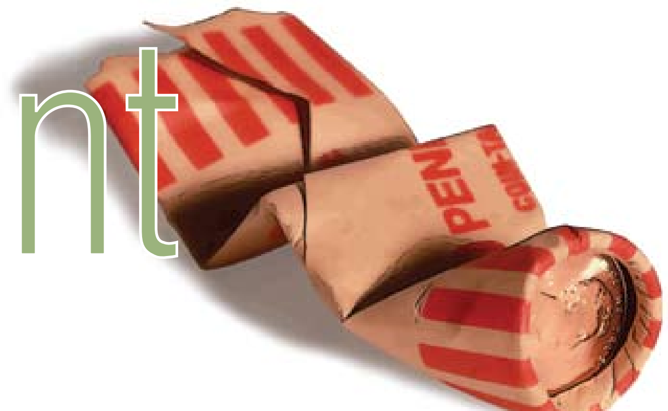
TOTAL investment PLANNING

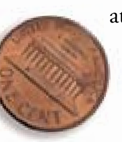


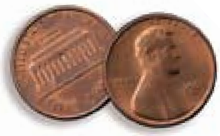
SAVING STRATEGIES

Pinching Pennies in Tight Times

These days, many individuals and families are refocusing their priorities on saving and reducing debt. These are smart strategies for most people regardless of the economy, but they take on more urgency during uncertain times. Here are a few relatively painless ways you can reduce your debt and maximize your savings:

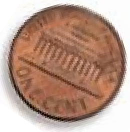
Consolidate your debt. If you have outstanding debt on several different credit cards, try to transfer it into one single loan at the lowest interest rate you can find. Always strive to pay off the highest-interest rate debt first.





Brown-bag it to work. Many people are shocked when they realize how much money they spend simply eating out for lunch. If you currently eat lunch out five days a week and it costs you $8 a day, bringing a sack lunch into work three days a week could save you *more than $1,200* in one year.

Raise homeowner's and car insurance deductibles. The concept is simple: The more you're willing to pay out of pocket in the event of a claim, the less your insurance premiums. For example, if your car insurance deductible is the standard $250, raising it to $1,000 could lower your premium by hundreds of dollars a year.



Try carpooling. While gasoline may have come down from its historic highs last year, it's still not cheap by historical standards. If you drive at least 20 or 30 minutes to work and live near a coworker, try to sync your schedules so you can carpool at least two or three days a week.

Buy in bulk/buy generics. Warehouse stores offer big savings on many items if you're willing to buy large quantities. But make sure you actually need that much pasta sauce or macaroni and cheese; otherwise, you'll be wasting money. Similarly, many grocery store-brand items are made by the same manufacturer as the brand names, at a fraction of the cost. Same goes for generic drugs—always ask your pharmacist if a generic equivalent is available.

QUICK QUESTION

Should You Borrow From Your 401(k)?

If you're facing a personal cash flow crunch during these tight economic times, one potential source of cash might be a loan from your 401(k) plan. Most plans allow participants to borrow up to half of their vested account balance or $50,000, whichever is less, usually at a low interest rate.

But if you're a long-term investor, borrowing from your 401(k) probably isn't wise, experts say. The main drawback is *lost potential earnings* on the outstanding amount, which will not grow as long as it is not in the account. Over the long term, this could result in thousands of dollars in lost earnings.

Also, if you lose or leave your job, you will probably have to repay the loan in full within 30 to 90 days—if you can't, you'll owe income taxes on the outstanding amount, as well as an early withdrawal penalty if you're under age 59 ½.

GETTING A REFUND? CHOICES, CHOICES

While preparing their tax returns this spring, some Americans will discover that they overpaid their federal income taxes and are eligible for a tax refund. Most people think of their tax refund as the ultimate financial windfall—but what if you saved and invested the money instead of spending it?

Doing so would net you much more in the long run than your initial refund amount. For example, if an individual receiving the average refund of $2,345 invested this money in his or her retirement plan and earned an 8 percent average annual return, the money would grow more than tenfold to $23,597 in 30 years.

While receiving a tax refund may seem like a bonus, it's usually not the best financial strategy for most people. If you typically receive a large refund, consider adjusting your federal withholding so you take home more money each pay period.

This is a hypothetical illustration and should not be considered indicative of any Allegiant Fund investment.

To check the status of your refund check, go to irs.gov, click the "Where's my refund?" link and follow the simple directions.

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THE DISCIPLINE OF INVESTING, A COMMITMENT TO RESULTS

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Dealing With Volatility

KEEP A LONG-TERM PERSPECTIVE

Historic levels of stock market volatility in recent months have tested the mettle of many investors. Throw in the seemingly nonstop drumbeat of bad economic news, and it becomes hard for many investors to sleep at night.

But when it comes to saving and investing for retirement, there's one crucial point to keep in mind: By its very nature, investing for retirement is a long-term financial goal for most people that requires a similar long-term perspective. Here are three guidelines to help you keep this perspective and stick with your long-term investment strategy—even in the midst of market turbulence.

KEEP YOUR EMOTIONS IN CHECK.

It can be tempting to respond emotionally to wild swings in the stock market. Overcoming this temptation is one of the biggest challenges long-term investors face.

Simply put, making investment decisions based on emotions instead of logic—for example, selling stocks on the heels of a steep market drop—can result in lower returns in the long run. Consider that even with the steep losses experienced last fall, stocks produced an average annual return of 7.9 percent[1] during the past 15 years (for the period ending Nov. 30, 2008).

MAKE SURE YOU'RE WELL-DIVERSIFIED.

The assets in a long-term investment portfolio should be spread not only among the three primary asset classes of stocks, bonds and cash instruments, but also among the different categories of stocks and stock mutual funds (large-, mid- and small-cap stocks and growth and value stocks, for example).

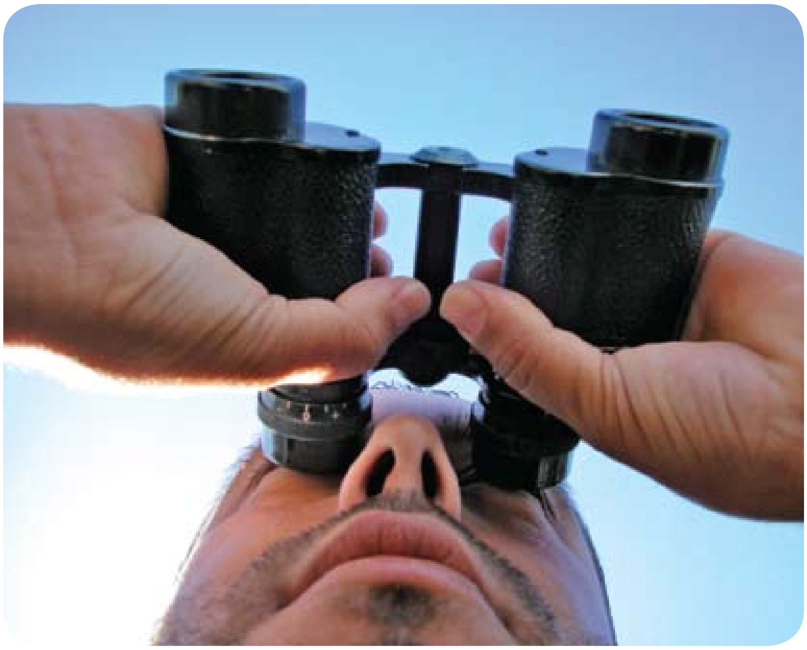
How can diversifying your portfolio in this way help manage short-term market volatility? Different types of assets often don't move in the same direction at the same time; therefore, if one type isn't performing well (like stocks), another type (perhaps bonds) could perform better and help smooth out fluctuations in your portfolio.

CONTINUE INVESTING.

If you are making regular, systematic contributions to your retirement plan, keep doing so. Short-term dips in the market are often one of the best times to make contributions, since you may pay less for securities than you would when the market is higher.[2]

[1] *Based on the performance of the S&P 500® Index from 11/30/93 through 11/30/08.*

[2] *Keep in mind that like other investment strategies, systematic investing cannot guarantee a profit or protect against loss in a declining market.*



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