

# WINFIELD ASSOCIATES

November 7, 2007

This month Winfield Associates celebrates its tenth anniversary. In October 1997, we established our firm to deliver independent investment advice. Today, we remain true to our original goal. Winfield continues to have no parent holding company, no broker-dealer affiliation and no investment banking interests. We provide unbiased, fee-only customized investment management and private wealth advisory services to over one hundred families and institutions nationwide.

Winfield enters its second decade with \$100 million in assets under management, a 372% increase since October 1997, and a 31% increase from this time last year. We have developed close relationships with over ten major brokerage firms nationwide and continue to explore new avenues in seeking superior research. Winfield's greatest asset is our team of associates, which has grown from three in 1997 to eight this year. We appreciate your confidence in our investment team.

I am pleased to enclose our October *Winfield Quarterly*. Once again, our commentary discusses a segment of the credit markets, specifically the commercial paper market. The dramatic drop in the size of the commercial paper market in August underscored the pervasive nature of the liquidity crisis. While our outlook for fixed income remains mildly bearish, we look to the credit markets to gauge investor sentiment across all financial assets. We believe the slowing decline in the size of the commercial paper market at the end of September demonstrated renewed confidence across all financial assets, bolstering our thesis that the worst of the subprime collapse is behind us.

I have also enclosed our Growth and Income Composite results through the third quarter of 2007. The composite is up 17.85% year-to-date and 25.43% for the past twelve months, outperforming both our blended benchmark and the S&P 500.

The growth of our business has come exclusively from client referrals and market gains. As we reflect on our first ten years of managing wealth, we thank you for your continued interest in our firm. We look forward to serving our clients for decades to come.

Sincerely,

William W. Baker, CFA  
President