FOXHALL CAPITAL MANAGEMENT, INC.

THE FOXHALL GLOBAL OUTLOOK

PORTFOLIO COMMENTARY AND ALLOCATIONS

THE FOXHALL WAY: CHANGING MARKETS REVEAL THE 'FOXHALL DIFFERENCE'

Last edition we discussed how daily portfolio volatility dramatically dropped by more than half in a representative account from The Foxhall Global ETF Series: Growth Strategy after we moved from 'offense' to 'defense' on January 10, 2008, while at the same time the daily volatility of the S&P 500 Total Return Index increased almost 25%!*

Now that our May 31, 2008 performance has been posted to the website (be sure to visit www.foxhallcapital.com regularly to get our latest updates), this is a good opportunity to discuss how the Foxhall investment 'Process' creates the performance our clients experience in their accounts.

	2008	Bench-mark	2007	Bench-mark	2006	Bench-mark	2005	Bench-mark	2004	Bench-mark
Global Hard Assets	8.80	-3.80	21.98	5.49	6.66	9.45	N/A	N/A	N/A	N/A
PacRim & Emerging Mkts	1.11	-3.80	20.78	5.49	24.47	15.80	7.62	0.03	N/A	N/A
Strategic 50/50	4.85	-3.80	6.03	5.49	N/A	N/A	N/A	N/A	N/A	N/A
Growth	-2.85	-3.80	8.89	5.49	9.83	15.80	4.71	4.91	2.40	10.88
Growth & Income	-1.18	-2.41	5.56	6.08	17.28	12.79	10.74	4.14	-2.92	6.91
Balanced	0.25	-1.08	7.66	6.59	8.48	9.83	6.35	3.32	5.10	6.40
Conservative	1.57	0.20	6.06	7.02	7.21	6.93	3.17	2.47	-0.35	2.88

For some perspective, let's look at the trailing one-year supplemental performance information of our Global ETF Series Strategies vs. their respective benchmarks in order of The Foxhall Difference:

	05/31/07-05/31/08	Benchmark	The Foxhall Difference
Global Hard Assets	23.74%	-6.70%	30.44%
PacRim & Emerging Mkts	18.40%	-6.70%	25.10%
Strategic 50/50 (from 09/30/07)	11.22%	-7.01%	18.23%
Growth	3.87%	-6.70%	10.57%
Growth & Income	2.03%	-3.19%	5.22%
Balanced	3.45%	0.33%	3.12%
Conservative	2.35%	3.86%	-1.51%

Clearly, this was an outstanding period for our clients to experience the benefits of *The Foxhall Way!*

Using the ETF Growth Strategy again as an example, let's examine how the Foxhall investment process created this 10.57% out-performance over the 12 months by breaking them into three distinct periods:

- Bull Market Phase – 05/31/07 to 12/31/07 - Foxhall using 'offensive' strategy to seek growth of capital, invests in highly ranked segments of the global developed, emerging, and hard asset markets.
    - 10.82% Out-Performance (The Foxhall Difference): Strategy performance of 6.91% vs. (3.91%) S&P 500 Total Return Index Benchmark.
    - Daily volatility 25% greater than S&P 500 Total Return Index Benchmark.**

- Major Trend Change Phase – 12/31/07 to 01/31/08 – Market deteriorates, Foxhall reduces market exposure and then issues 'Long Term Trend Following Sell Signal' on 1/10/08 for global developed markets – portfolios moved to 'defensive' strategy.
    - 0.53% Out-Performance (The Foxhall Difference): Strategy performance of (5.47) vs. (6.00%) S&P 500 Total Return Index Benchmark.
- Bear Market Phase – 01/31/08 to 05/31/08 – Foxhall using 'defensive' strategy, seeking capital preservation while using a full arsenal of bonds and foreign currency ETFs to create income and potential for gain with lower risk. Pacific Rim & Emerging Markets allocation rises and falls with changing markets, while Global Hard Asset allocation remains heavily invested in highly ranked segments of the booming commodity/energy markets.
    - 0.45% Out-Performance (The Foxhall Difference): Strategy performance of 2.78% vs. 2.33% S&P 500 Total Return Index Benchmark.
    - Daily volatility dropped to 63% less than S&P 500 Total Return Index Benchmark. (Note how during the Bear Market Phase, the S&P 500 Benchmark Index became 168% more volatile than the Foxhall Strategy after having been 20% less volatile during the Bull Market phase! Higher volatility came at just the wrong time for buy and hold index following investors.)**
    - Foxhall's dramatically lower volatility, 'defensive', strategy still outperformed the benchmark Index during this Bear Market Phase.

This period has been an excellent example in action of how Foxhall employs distinct strategies and processes for each type of market, and illustrates how we reduce risk exposure during Bear Markets compared to Bull Markets.

This sound investment process, developed over decades of experience by our Co-Chief Investment Officers, Paul Dietrich and David Morton, combined with disciplined execution by our trading team, make up *The Foxhall Way* and deliver The Foxhall Difference to our valued clients and their representatives.

Dave Morton
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*Measured by comparing the standard deviation of daily closing price changes for the period from August 31, 2007 to January 10, 2008 vs. from January 11, 2008 to June 6, 2008.**Measured by comparing the standard deviation of daily closing price changes for the period from May 31, 2007 to December 31, 2007 vs. from January 31, 2008 to May 31, 2008.

Disclosure: The opinions and portfolio information provided in the Foxhall Global Outlook are subject to change at any time, and are not to be construed as advice for any individual nor as an offer or solicitation of an offer for purchase or sale of any security. Client accounts may differ from model allocations due to many reasons. All investment strategies offer the potential for loss as well as gain. Individuals should consult with their financial professional to determine an investment strategy appropriate for their objectives, risk level, and time horizon prior to investing. Past performance is not a guarantee of similar future performance.

Foxhall Capital Management, Inc. is a registered investment advisor with the US Securities and Exchange Commission (SEC) under the Investment Advisor's Act of 1940. The "firm" is defined as the Foxhall Capital Global ETF Series division which manages a variety of ETF strategies in bundled fee and non-bundled fee accounts for primarily US clients. The Foxhall Capital Global ETF Series is a separate line of business that uses a separate and distinct investment process. The "entity" is defined as the Foxhall Capital Global ETF Series, the Global Stock Series and the Variable Insurance Series.

The minimum portfolio size for the ETF Strategies is $30,000. Effective 10/31/07, ETF strategy accounts that are $20,000 or less are removed from the composite. The dispersion measure is the assetweighted standard deviation of accounts in the composite for the entire year. Indices are unmanaged and investors cannot invest in an index directly.

The GLOBAL CONSERVATIVE STRATEGY (inception date 2/12/2004) has a target equity allocation of 25%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession. Prior to May 1, 2006 each of the sub-advised managed accounts are counted as individual accounts and as of May 1, 2006 and later they are treated as one aggregate account.

The GLOBAL BALANCED STRATEGY (inception date 5/5/2004) has a target equity allocation of 50%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession. Prior to May 1, 2006 each of the sub-advised managed accounts are counted as individual accounts and as of May 1, 2006 and later they are treated as one aggregate account.

The GROWTH & INCOME STRATEGY (inception date 3/22/2004) has a target equity allocation of 75%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession. Prior to May 1, 2006 each of the sub-advised managed accounts are counted as individual accounts and as of May 1, 2006 and later they are treated as one aggregate account.

The GROWTH STRATEGY (inception date 12/31/1999) has a target equity allocation of 100%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession. Prior to May 1, 2006 each of the sub-advised managed accounts are counted as individual accounts and as of May 1, 2006 and later they are treated as one aggregate account.

The GLOBAL HARD ASSET STRATEGY (inception date 08/17/2006) uses a ranking system to select a GLOBAL portfolio CONCENTRATED in high relative strength funds that tend to profit from either RISING OR FALLING GLOBAL HARD ASSETS OR CURRENCIES, or both. This strategy has a target equity allocation of 100%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession.

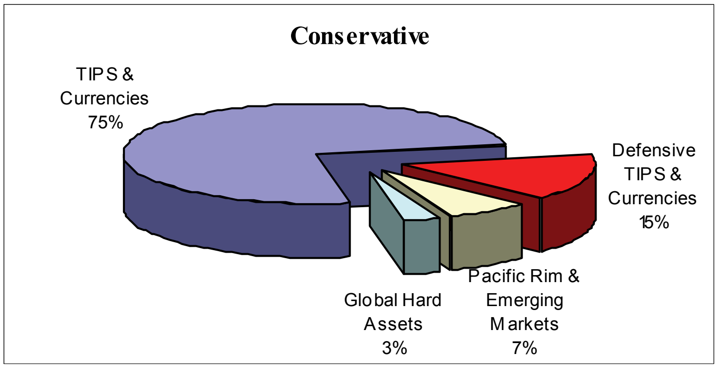
The STRATEGIC 50/50 STRATEGY (inception date 09/30/07) has a target allocation concentrated in 50% Asian and emerging market equity funds and 50% in global hard asset funds. This strategy uses a ranking system to select a CONCENTRATED portfolio of highly ranked Asian and Emerging Market funds, in terms of relative strength and funds that tend to profit from either rising or falling global hard assets or currencies, or both.

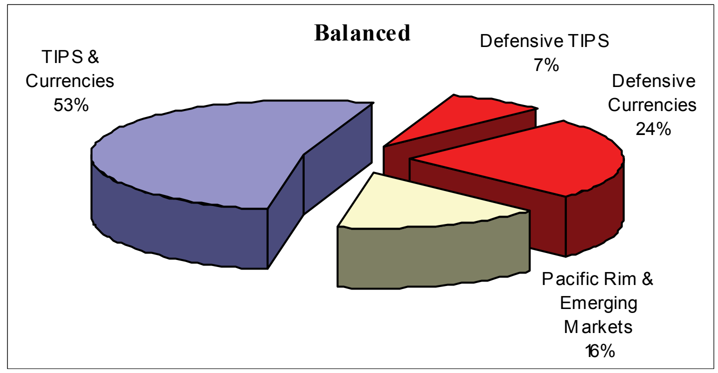
The PACIFIC RIM AND GLOBAL EMERGING MARKETS STRATEGY (inception date 11/11/2005) uses a ranking system to select a CONCENTRATED portfolio of highly ranked Asian and Emerging Markets funds, in terms of relative strength. This strategy has a target equity allocation of 100%, however, the portfolio may move entirely to non-equity funds as a defensive position during major market declines or economic recession.

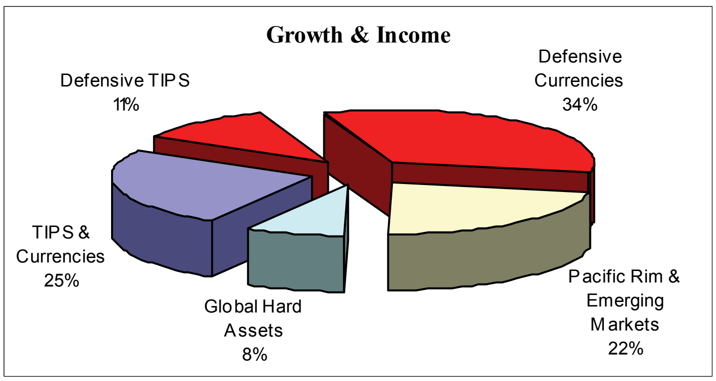
Valuations and returns are computed and stated in U.S. dollars, and individual portfolios are revalued monthly. Net of fees returns are calculated net of management fees and transaction costs and gross of custodian fees. As with any investment strategy, there is potential for profit as well as the possibility of loss.

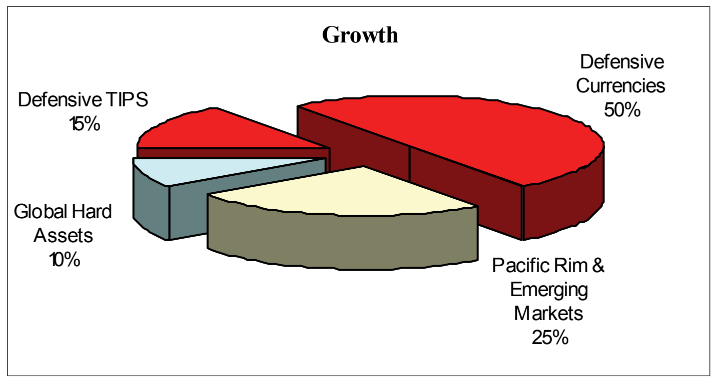
PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

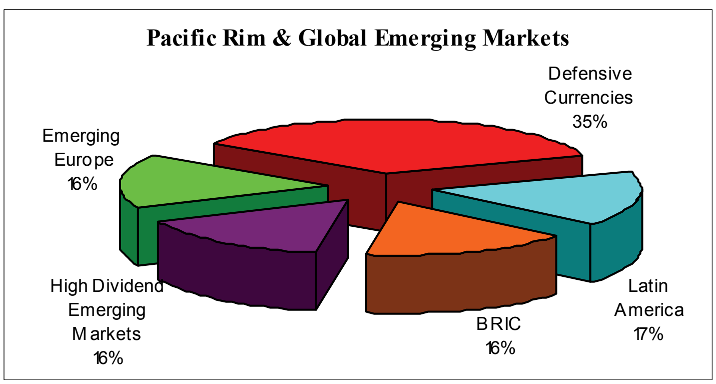
THE FOXHALL GLOBAL OUTLOOK
GLOBAL MARKET ROTATION PORTFOLIOS

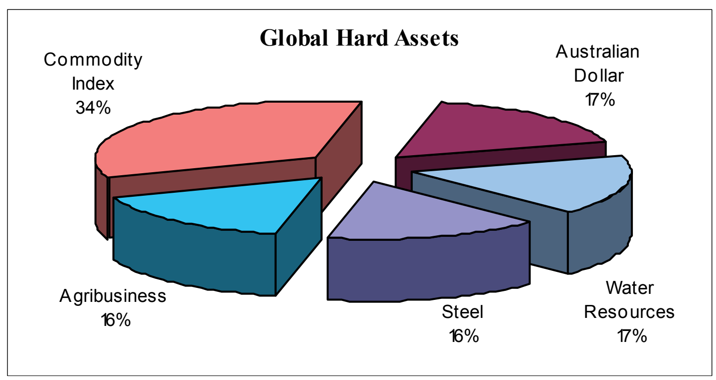


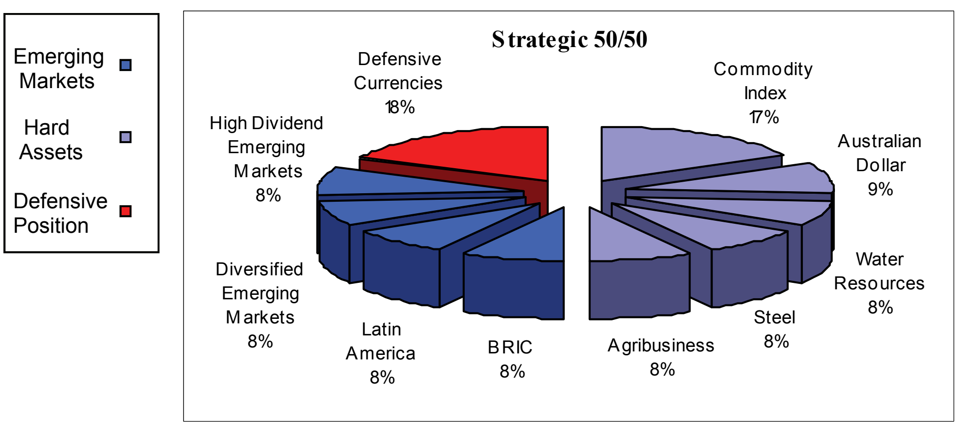












The allocations illustrated are model allocations, actual client accounts could vary due to many factors. Variable annuity/ variable life accounts will vary significantly due to the availability of investment options in each contract. All allocations may change without notice.