HANLON
INVESTMENT MANAGEMENT, INC.

Market Commentary

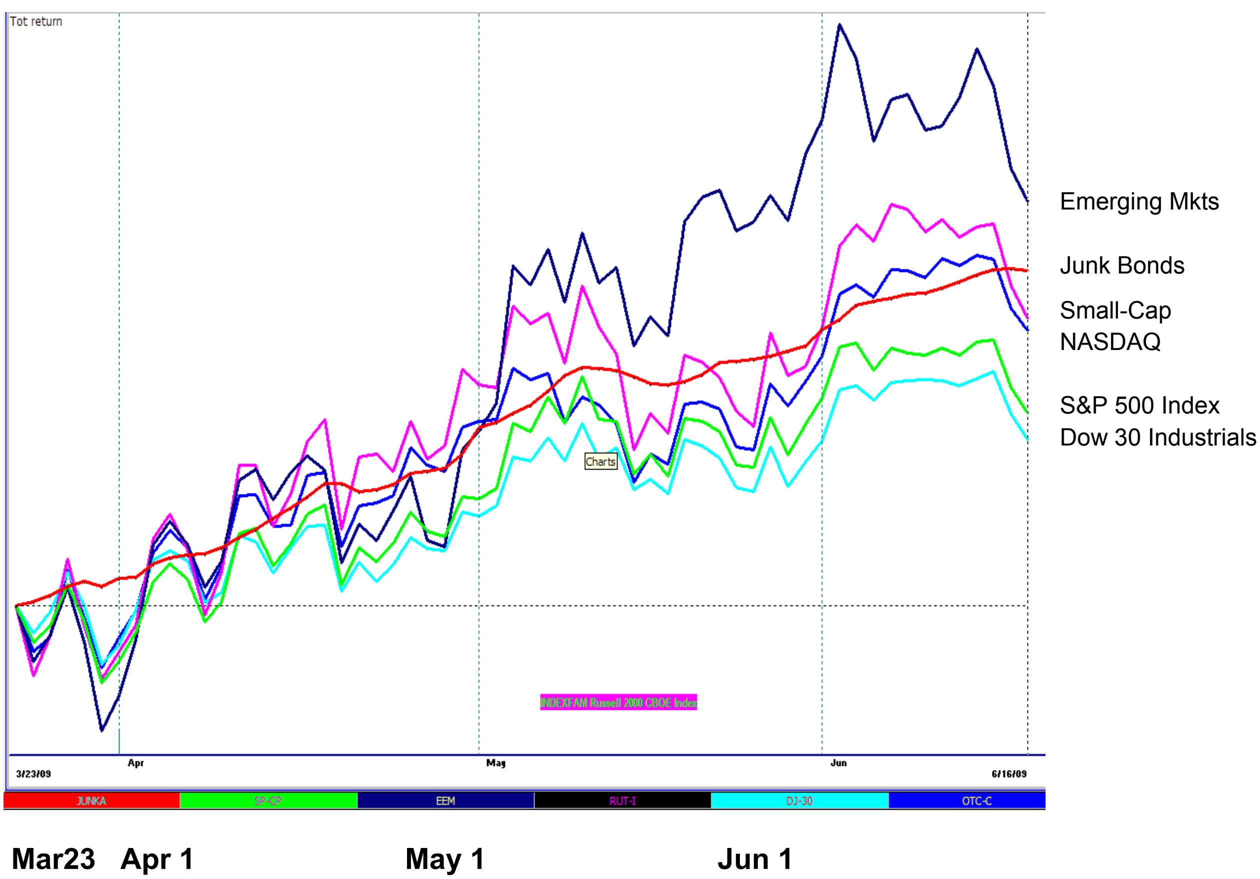
Why Hanlon Investment Management Continues to Like High Yield Corporate Bonds in This Economic Environment

Sean Hanlon, CFP®
Chairman, CEO and
Chief Investment Officer

06/17/09

A picture speaks a thousand words. Which one of the below investments would you prefer? That was the question we asked back in early May 2009 in the prior Market Commentary. In that edition we only showed the red line (high yield corporate bond fund average) and the green line (S&P 500 Index). Below is another view, but this time we have included more indices.

March 23 – June 16, listed in total return order down the right hand side of the chart.



Clearly high yield corporate bonds have had a superior risk adjusted return since March 23, when we bought high yield corporate bond funds, as compared to equities.

Yes, equities have been on a tear. But our research has identified high yield corporate bonds to have a far greater risk reward potential and we have invested our client accounts accordingly. A picture speaks a thousand words.

Thank you,

Sean Hanlon, CFP®
Chairman, CEO and Chief Investment Officer