

CCM INVESTMENT ADVISERS

Leaders in the
Active Management of
Balanced, Equity
& Fixed Income
Portfolios

CCM INVESTMENT ADVISERS

KEY FACTS

- Conservative Private Investment Managers
- Founded 1986
- Located in Columbia, SC
- Seasoned investment professional team
- Equity, Fixed Income and Balanced portfolios
- Straight forward and transparent strategies

Conservative Management is Consistency

INVESTMENT PHILOSOPHY

“A disciplined, dynamic portfolio management system that identifies relative value among asset classes, in addition to individual securities, will achieve consistently superior investment performance.”

Conservative Management is Consistency

INVESTMENT PROCESS

The four SCSFA investment options will be invested in individual stocks and bonds. Asset allocation, that is the proportion of stocks and bonds, is the primary determinant of return and risk in any portfolio. More aggressive accounts will carry higher proportions of stocks.

Conservative Management is Consistency

ASSET ALLOCATION: DETERMINING THE MIX



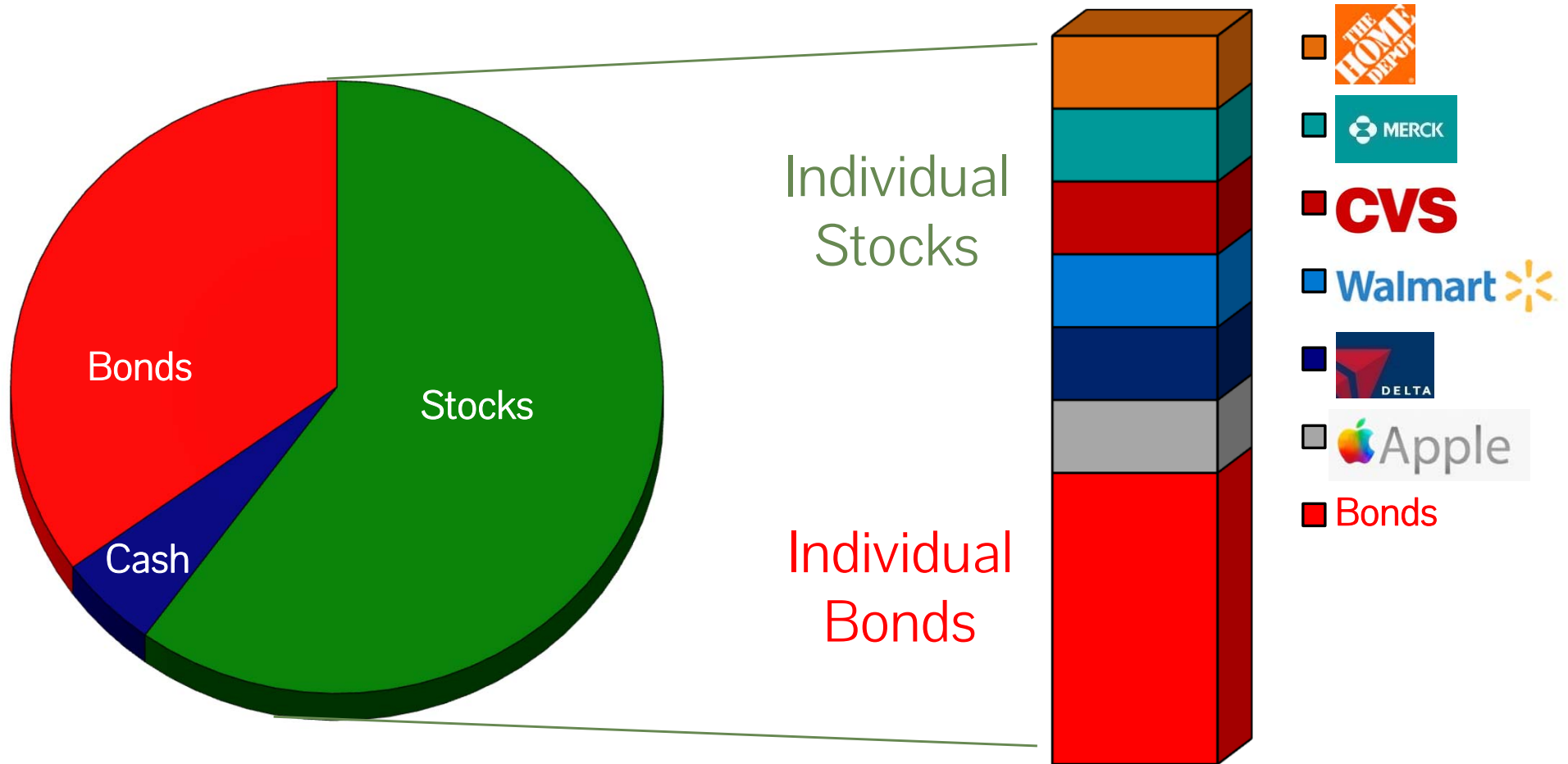
ASSET ALLOCATION:

94% of Total Return and Risk

SECURITY SELECTION:

6% of Total Return and Risk

ASSET ALLOCATION AND SECURITY SELECTION



The four SCSFA investment options will contain individual stocks and bonds

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SC STATE FIREFIGHTERS BASIC INVESTMENT OPTIONS

- Aggressive
 - more aggressive, growth oriented investors
- Moderate Risk
 - slight more conservative investor seeking growth
- Conservative
 - conservative investors desiring capital preservation
- Stable
 - very conservative investors who want no stock risk

CCM STOCK SELECTION PROCESS

Economic and Sector Analysis

- Weekly Investment Strategy Meeting
- Sector Relative Valuation Studies
- CCM Economic Strength Index (ESI)

*Top
Down*



CCM EQUITY PORTFOLIO

40-60 Undervalued Stocks diversified
across 10 Industry Groups

CCM Securities Valuation Model (SVM)

- Rank 1500 Individual Stocks
- Fundamental Analysis of Top 40%

*Bottom
Up*



CCM BOND SELECTION PROCESS

Economic and Sector Analysis

- Corporate vs. Treasury allocation
- Yield Curve Analysis
- Interestrate expectations/duration target

*Top
Down*



CCM BOND PORTFOLIO

10-20 undervalued investment grade
bonds in a laddered portfolio

Security Selection Process

- Relative credit spread analysis
- Screen for possible rating change
- Compare pricing

*Bottom
Up*



DISCLOSURES

CCM Investment Advisers, LLC is a Registered Investment Adviser registered with the U.S. Securities and Exchange Commission (CRD# 105743). Any type of investing involves risk of loss and there are no guarantees that the strategies described on this website or any of the associated literature may be successful. The opinions and information contained in this report are for informational purposes only and are not meant to be predictors of future results. Such opinions and information do not constitute an offer or solicitation to provide investment advisory services. Such an offer can only be made in states where CCM Investment Advisers is registered.

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Security, index and economic information are obtained from resources which CCM believes to be accurate but no warrant is made to the accuracy or completeness of the information. Various indices described and discussed herein are unmanaged; investments cannot be made directly into an index.

The S&P 500 Index[®] is a readily available, capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The NASDAQ Composite Index is a readily available, capitalization-weighted index of over 2,500 domestic and international companies listed on the NASDAQ Stock Market.

The Barclay's Government/Credit Index is the non-securitized component of the U.S. Aggregate Index. The index includes US Treasuries, government-related issues and corporate bonds

The ICE BofAML 0-3 Month US Treasury Bill Index is a subset of ICE BofAML US Treasury Bill Index including all securities with a remaining term to final maturity less than 3 months.

All blended benchmarks are static blends.

Technical Terms (definitions sourced from Investopedia):

The term federal funds rate refers to the target interest rate set by the Federal Open Market Committee (FOMC). This target is the rate at which commercial banks borrow and lend their excess reserves to each other overnight.

The Consumer Price Index (CPI) is a measure of the monthly change in prices paid by consumers. The CPI consists of a bundle of commonly purchased goods and services. The Bureau of Labor Statistics (BLS) calculates the CPI as a weighted average of prices for a basket of goods and services representative of aggregate U.S. consumer spending.

The Producer Price Index (PPI) measures the average change over time in the prices domestic producers receive for their output. It is a measure of inflation at the wholesale level that is compiled from thousands of indexes measuring producer prices by industry and product category. The index is published monthly by the U.S. Bureau of Labor Statistics (BLS)