

THE EAST END FINANCIAL GROUP

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Dear EEFG Advisory Client,

We have enclosed your quarterly reports for the period ending March 31, 2012. Please continue to file these reports in your East End Financial Group portfolio binder.

Review of the First Quarter of 2012

The ride back in the equity markets from the bottom more than three years ago now has been volatile and nerve-wrecking and looked at times ready to completely stall out. There is still plenty of uncertainty about the path of the recovery and plenty of potential pitfalls in the road ahead, but you wouldn't know by looking at returns in the first quarter. Positive economic data and stabilization in Europe sent stocks almost nowhere but up and the S&P 500 Index finished the quarter up 12.6%

International-stock funds also had a strong quarter; as a group, they were up nearly 13%. Fixed-income funds had posted less eye-popping performance numbers. Taxable bond funds rose 3% in the quarter, while municipal-bond funds were up 2.5%. Emerging-markets bond funds had the best quarter, rising by more than 7%, while long-term government funds (down 3%) were the only fixed-income category to record a loss. *(Note that unless noted all figures represent total rates of return, measuring both price changes and reinvested dividends, and were supplied by Morningstar)*

Investment Outlook

All in all, investors in almost every corner of the market should be happy when they open their quarterly statements. But is this kind of growth sustainable? Given current valuation levels, it seems unlikely that there will be too many more quarters where the broad equity market is up more than 10%. And the uncertainty that made 2011 such a wild year very much remains in the marketplace. The developed world is still figuring out how to handle its debt hangover, growth concerns keep popping up in China and elsewhere, and elections across the globe could have a big impact on investors. This year has certainly started with a bang, but investors looking for peace and quiet in the market are unlikely to find it in 2012.

Taxes, Taxes, Taxes

Many of you may have already provided us with a copy of your 2011 income tax return. For those that have not, we would request that you provide us with a copy. You can request your accountant email it to us, drop off your return at our office for copying or we can gather it when we next meet with you.

The tax return is a diagnostic tool we use to provide possible recommendations to you on tax planning. It is important that we receive a copy of your return each year.

Financial Planning ♦ Investment Advisory Services ♦ Retirement Programs
Advisory Services/Financial Planning Offered Through: The East End Financial Group
Securities Offered Through: American Portfolios Financial Services, Inc. MEMBER: FINRA, SIPC & MSRB
Kosinski Associates, Inc. and East End Financial Group, Inc. are unaffiliated entities of
American Portfolios Financial Services, Inc.

Summary

Over the next few weeks a member of our advisory team will be contacting you to either review your account over the phone or to set up a face to face meeting with you. The most important strategy, for good markets and bad, is to be deliberate when reviewing your portfolio. To instill discipline in the process, we schedule regular checkups--quarterly, semiannually, or even just once a year--using parameters laid out in your investment policy statement to help determine whether it's time to make changes or stay the current course.

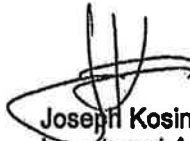
As always, our long-term goal is a simple one; to provide the personal service you deserve and to furnish the programs and guidance that will allow you to reach your financial goals and objectives.

As we start our 33rd year, we continue to consider it a privilege to work with you, many of you for the full duration of that period.

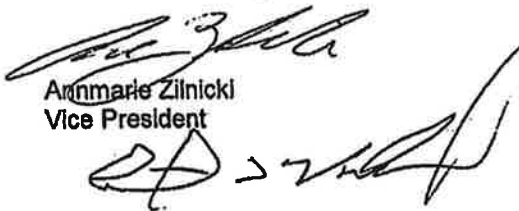
Best regards,



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President



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