

Financial Investments Inc.

August 2007

FCI Up 1.08% in July; FILP Down -0.76% on Equity Options

For the month of July, FCI recognized a positive return to investors net of all fees of 1.08%. Year-to-date through July, FCI is up 13.57%. (Past results are not necessarily indicative of future performance.) Gains this month were muted by losses on cotton trades.

Also in July, FILP recognized a negative return of -0.76% net of all fees for its investors. Year-to-date through July, FILP is up 7.44% (Past results are not necessarily indicative of future performance.) A surge in stock market volatility was responsible for the negative performance.

While these monthly returns have not been our best this year, they still compare quite favorably against the most commonly used investment benchmark, the S&P 500 Equity Index. This stock market index was down -3.06% in July, including dividends. Year-to-date, the S&P 500 Equity Index is up 3.60%, including dividends.

Investment	July 2007	Year-To-Date
FCI	1.08%	13.57%
FILP	-0.76%	7.44%
S&P 500*	-3.06%	3.06%

*including dividends

FCI's July return of 1.08% is a weighted average for all FCI clients. Results will vary for each account. Generally:

- 1) Established accounts will have better returns than new accounts which are not yet fully invested. The opposite is true if the returns are negative for the month. An account is fully invested after 4 to 6 weeks.
- 2) Accounts with higher leverage ratios, especially those that are notionally funded, will have better positive results (or worse negative results) than accounts with lower leverage ratios;
- 3) Accounts with treasury bills will exceed the returns of accounts without treasury bills.
- 4) While Treasury bills will improve your returns, some brokerages post the value of treasury bills at a 5% to 10% discount to be conservative when calculating the net liquidation value on your statement. This over-discounting can artificially reduce results calculated from your statement in the month a treasury bill is added and artificially increase results in the month the Treasury bill matures.

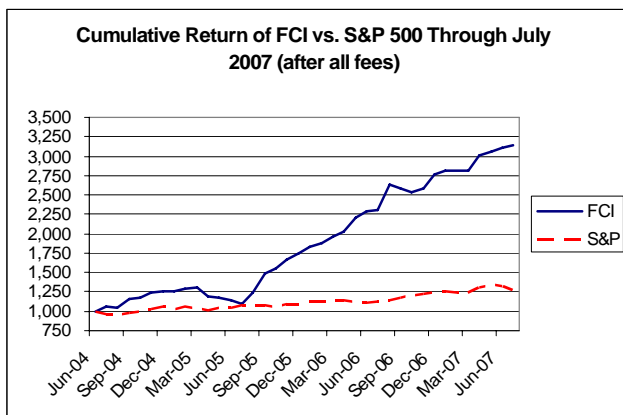
FILP is a single investment pool. All investors earn the same return.

There are substantial risks involved in trading options on futures and equities. The high degree of leverage that is often obtainable in options trading can work against you as well as for you. The volatile nature of the futures and high degree of leverage used in options may result in clients losing more than their original investment. Please consider carefully whether options are appropriate to your financial situation. Only risk capital should be used when trading options on futures and equities. Past results are not necessarily indicative or a guarantee of future results. Security futures/options products are not suitable for all people.

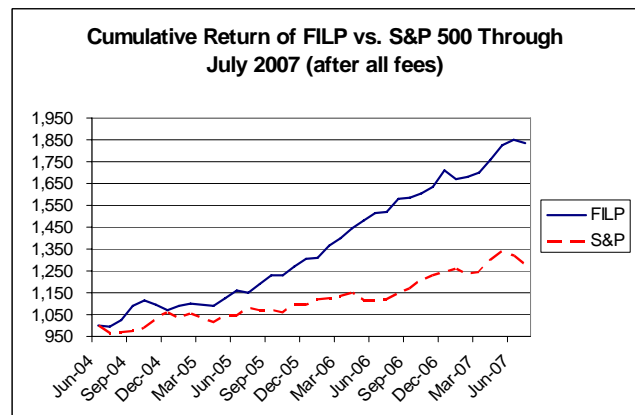
About FCI and FILP

FCI is a commodity trading advisor (CTA) service registered with the National Futures Association (NFA). FCI executes investment strategies on behalf of an investor directly in the investor's own account. FCI trades options in a diversified range of commodities including energies, grains, softs, metals and financial commodities. FCI is open to non-accredited investors with a minimum of \$100,000. Participants in FCI have unlimited risk. You can learn more about FCI at www.financialcii.com.

FILP is a limited partnership hedge fund offered through a private placement memorandum. FILP trades a pool of investor funds in commodity including energies, grains, softs, metals and financial commodities. FILP also trades equity options. FILP is open only to accredited investors with a minimum of \$100,000. Participants in FILP have limited risk; their entire investment can be lost, but no more. You can learn more about FILP at www.financialii.com.



Source: http://www.financialcii.com/performance_record/index.html



Source: <http://www.financialii.com/filp/historicalResults.htm>

Disclaimers

*Performance results discussed are the actual net returns of Financial Investments, LP (FILP) and Financial Commodity Investments (FCI). The Standard & Poor's 500 index is an unmanaged standard benchmark for measuring U.S. equity investment performance. There is no correlation between such index and the Partnership. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Commodity trading involves a potential substantial risk of loss. Individuals should consult their financial advisor to determine if such alternative investments are appropriate for your personal financial planning and portfolio model. Documented results are available upon request. Note: Only Advisors that submitted their performance data were rated. Note: A buyer of options does limit his risk to the amount of his investment in the option. The writer, or seller of options, takes on unlimited risk. There is no limit on how large the loss can be. Losses can and will be the amount that the position is "in-the-money" at the time of expiration, should the option actually expire in the money.

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