

Fiscal Quarterly: 4Q 2010

Brian Parker, Staff Writer

The fourth quarter saw significant gains in the stock market, up 10.76%. Bonds suffered a mild set back, down 1.41%, but both equities and bonds finished the year strong: 15.07% and 5.67% respectively. The international markets squeaked along throughout the year 2010, but finished the quarter (+6.61%) and year (+7.75%) with positive growth.

Much of the growth is tied to the exuberance of the mid-term elections and the political acquiescing of the President to renew the 15% tax on capital gains and interest. Also, the huge money supply surpluses continue to grow, which is making economists and money managers jubilant at the 2011 prospect. It's time to shed the worries of rampant inflation. Equities are poised for a big jump this year, but I'm cautiously selecting large caps over mid and small for new money.

We can take a brief breath this first quarter. We would like to see some mild inflation and fewer government spending initiatives for troubled assets. Letting the US dollar heal is our biggest challenge in the next 18 months.

Aside, I would like to congratulate our para-planner, Iris for successfully completing her certification as a credit counselor. Unlike the radio and TV ads you hear referring to credit counselors, Iris' certification is from the National Association of Credit Counselors and involved text books the size of my CFP manuals. This was a big undertaking for her and she passed her proctored test with an "A". She'd be a great person to introduce to up-and-comers.

As always, I enjoy and look forward to speaking with many of you and invite you to continue to call with suggestions, ideas, and questions.