

Let's Be Positive!

October, 2010

Dear friends,

As some of you know, we started to be bullish on stocks in January 2009. The stock market had a great rally between March 2009 and April 2010 (up 80+%).

Some clients have asked us what do we think today. Like Buffet, Ballmer and Immelt, we are positive!

Mid September, Warren Buffet, Microsoft's Steve Ballmer, and GE's Jeff Immelt provided their perspective during a Conference in Montana.

Warren Buffett

- "I'm a huge bull on this country... we won't have a double-dip recession. I see our businesses coming back almost across the board... It's night and day from a year ago."
- "I've seen sentiment turn sour in the last three months or so, generally in the media. I don't see that in our businesses. I see we're employing more people than a month ago, two months ago."
- "The things that worked for the country through a century of two world wars, a depression and more--all while increasing the standard of living--will work again."

Steve Ballmer, Microsoft

- “There soon will be more technological advancement and invention than there was during the Internet era, and that will help drive business growth.”
- “I am very enthusiastic what the future holds for our industry and what our industry will mean for growth in other industries.”
- “We will see new technologies that move beyond the Internet to tie together computers, phones, televisions, and data centers to create amazing new products. And the pace of innovation will increase as technology makes workers more productive.”

Jeff Immelt, GE

- “Angry political rhetoric is not helpful, and headlines are too focused on finding negative indicators.”
- “Business at GE is improving. Signs across the world show growth improving, as evidenced by a rise in GE's orders.”
- “GE is now finding it profitable to build manufacturing and service centers in the United States rather than overseas, because it is more competitive to do so.”