

# Googins & Anton

## Investment Advisors/Financial Planners

Yo Yo Markets

Newsletter

September 15, 2010

In August of 1979 the magazine *Business Week* used its cover to highlight a story called “The Death of Equities.” As we know now, their timing was bad; equities turned around and gave us great returns in the eighties and the nineties. The DJIA started 1980 at 820 points and by 1990 was nearly 3000 points, reaching 11,000 points early in 2000. In hindsight, we can see that contrary to the headline, equities were a great place to be invested.

The media is making much “hay” about this past decade as the “lost decade” or the decade of no returns. Is this statement true for your portfolio? Not likely. Your portfolio probably owns International Stocks as we have always been big believers in investing globally. *Hence, if you look at the Dow Jones Global excluding the US index, you will see the last ten years average annual return is about 17% per year.* In addition, most of our portfolios avoided the overpriced technology sector. This exposure to International Stocks, combined with the avoidance of the tech bubble has had a significant positive impact on your portfolio and it is likely that your accounts have gained in value in the last ten years. In fact, many portfolios are showing gains of 4 to 6% average annual return per year for the last ten years.

Thus far, 2010 is not the great year for the stock market that many expected. The indexes have bounced back and forth in a range and your accounts are worth a little more or a little less than they were in the beginning of 2010. *But please remember how quickly that can change!*

Of course we could go through a litany of items to worry about – the possibility of bad events to come. But that has never been our mode of operation; rather we believe that problems will “right” themselves and solutions we never dreamed of will emerge. We include columns by Nick Murray called “Time After Time” and “How Do You Feel About Money?” Yes, time after time events do not conclude as expected, but the story of the equity markets has been one of higher returns and protection from inflation – for those who use them wisely and learn to handle the up and down nature of all rising markets.

Thank you for your referrals! We appreciate your trust.

Sincerely yours,

*Louise Googins Tracey Anton*