

2010 Second Quarter/Mid-year Investment Commentary

July 22-30, 2010

“A chain is only as strong as its weakest link.”

-Thomas Reid, Essays on the Intellectual Powers of Man, 1786

“That what you do for the least of my brothers, that you do unto me.”

-Jesus of Nazareth

“But it is not unusual for condition to seem bleakest when a recession ends. It’s a moment that, by definition, marks the low point of the business cycle.”

-Polina Vlasenko & Kerry A. Lynch of American Institute of Economic Research

“The private banks failed, the supervisory system failed, the politics failed, the administration failed... and the ideology of an unregulated free market utterly failed.”

-Iceland Prime Minister Johanna Sigurdardottir

“The most basic test of democracy is not what people do when they win; it is what people do when they lose. Citizens bring their deepest passions to the public debate-convictions they regard as morally self-evident. Yet a war goes on. Abortion remains legal. A feared health-reform law passes. While no democratic judgment is final, respecting the temporary outcome of a democratic process is the definition of political maturity. The opposite- questioning the legitimacy of a democratic outcome: abusing, demeaning, and attempting to silence one’s opponents-is a sign of democratic decline. From the late Roman republic to Weimer Germany, these attitudes have been the prelude of thuggery.”

-Michael Gerson in the Washington Post

“What we do not support-and we make no apologies for-is borrowing tens of billions of dollars to pass this bill at a time when the national debt is spinning completely out of control.”

-Mitch McConnell, Republican Senate Minority Leader

“Policymakers have dropped the ball completely in terms of dealing with the devastating long-term trend of ever-increasing economic insecurity for American families. Long-term solutions that have to do with extensive job creation and a strengthening of the safety net are required. But this doesn’t seem to be on anyone’s agenda.”

-Robert Herbert, NY Times summarizing a Rockefeller Foundation study on the American Economy.

Where to Begin?

Events and news seem to change so rapidly that I hardly have a thought inked on paper before I have to change it. Economic news is positive one day, then negative the next. New home sales and “better than expected” earnings drive the markets up triple digits for three consecutive days, only to have poor consumer confidence numbers take the wind out of the sails on the fourth. Markets run up, then down along with the swings of traders and the prevailing mood of the players. Flash Trades drop the markets down one thousand points in a blink of an eye and up again in the next. The Greek contagion, historic healthcare and financial legislation, the BP Oil spill in the Gulf, tax uncertainty and joblessness add to the confusion. Investors still have little confidence in stocks and investing. Traders, with no allegiance to anything, other than the next quick buck, still dominate the investment industry. Politicians and interest groups twist and pull events to extremes and obfuscate truth. How do we make sense of it all?

On a recent trip through the Panama Canal and Central America, I took in a hypnotist show. In a mat-

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ter of thirty minutes, this fellow had eighteen people running around on a stage doing things none of us would have believed possible at the beginning of the show. One running around stealing whatever shoes she could tuck under her shirt. Another running across the stage and waving to the crowd thinking he was Miss America. Another, with an English Bobbie hat strapped onto his head, standing up and calling for order and quiet. Another running onto the stage from the audience waving her arms and screaming with enthusiasm, over the new car she thought she had won. Another sniffing his “foul-smelling” neighbor and turning his head in disgust. Another calling the hypnotist a fraud and phony while he scratched his buttock across the stage floor. Another running through the audience looking for her lost dog named “I peed in my pants”. A lecture followed on how to hypnotize someone and I learned how easy it is for humans, through suggestion and repetition by a master, to fall to his mercy. Apply this to our daily lives and one may come to understand better the state of trance in which most of us exist. Successful advertisers, politicians and preachers have mastered this art. Snap out of the trance and the world suddenly changes. The question is how do we do this and how do we then determine what is real in our world?

I know that I move into territory that is beyond the scope of an investment outlook letter with this train of thought, but it does have relevance to how we address our financial planning, our investments, and our lives. We must step away from the noise of our daily lives. This is especially true when the purpose of this noise is to motivate us to act or think in a manner we would not otherwise. We must question all that our leaders, media, politicians, religious leaders, dream-makers and others in positions of authority pour into our minds, ears and eyes.

Collaborative bargaining, or Win-Win negotiations, begins with an agreement to find the optimal result for all interested parties. A graph charts progress towards the optimal result. On the horizontal axis runs the line representing the wants of one party. On the vertical axis runs the wants of the other. An arch develops on the graph where optimal achievement of both parties intersects. The broader this arch, the better the results for all parties, so we strive for a broad arch. In the effort to achieve the optimal result, both parties unite in the collaboration. In the ideal, this striving for optimum for both surpasses the selfish wants that each party brought to the table. Participants learn a new respect and understanding for each other. They can break loose of their old ways of looking and thinking, throw out the old wine caskets, so to speak, and achieve miracles. We must adopt a higher order of thinking and engage in honest collaborative bargaining to resolve disputes and differences. One party cannot enter into good faith conflict resolution if their stated purpose is to eradicate their counterpart. Our common goal must become the best outcome for all stakeholders, including the most and the least of our brothers.

Uncertainty is thick and heavy in our air today, in part due to our failure to collaborate and set a common goal among stakeholders. We undergo a global paradigm shift as emerging markets come to the table of prosperity. The dominance of the United States shifts. China, Brazil, India lead the headlines as dominant emerging economies, but many others, smaller in population, participate. Singapore, for example, leading Asia’s recovery, grew at a 19.3% rate in the second quarter. Africa will soon emerge too. The economic principles of the past may not apply to the new dynamics. We do not know which or how these principles should change to ensure better outcomes for all.

The **job market** for U.S. citizens seems to be undergoing a major paradigm shift too. We move from a more consumer driven economy to a more balanced one. We have shifted manufacturing and service jobs across the oceans for decades and struggle to bring them back and develop new ones. Manufacturing in the U.S. computer industry stands at about 166,000 today, while Asia employs 1,500,000 in this field. Apple and Dell employ ten workers in Asia for each one employee in the U.S. Employers say that they cannot find qualified American workers. “Jobs Go Begging as Gap is exposed in Worker Skill,” reads a July second

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NY Times article. Our workers wonder how they may fit into the new world. A positive dynamic in America is a shift from financial engineering to real engineering; you know electrical, mechanical and industrial. We have moved from a period where we could refinance our liabilities repeatedly to create profitability. We will see earnings increases in companies that pursue productivity rather than profitability per se. We will witness real improved efficiencies, not enhancing revenue through accounting gymnastics. In the meanwhile, our job creation needs much work. According to the Brookings Institution, we need to create 11.3 million new jobs just to get us back to a labor force of pre-recession levels. IF our economy creates 321,000 jobs per month, it will take 57 months or almost 5 years, to get back to pre-recession levels. In July, the workforce grew by 81,000. We have much work to do.

For some the extent of government's involvement versus private sector participation is still up for debate here in the U.S. Should we still have any question here? Unfettered free markets and weak regulation almost brought us to total financial and economic ruin again. In China, on the other hand, the governments' involvement in their economy is clear. China has been a miracle story over the past twenty-years. Never before in the history of the world have so many people been lifted out of dire poverty in such a short period-of-time. Moreover, the story continues as China marches along its path towards economic dominance. Will some in the U.S. continue to argue the obstructionist and populist line of "unfettered free-markets," and weak government, while the rest of the world flourishes? Or, will we come to our senses? There has never been a totally free-market in the United States. Start with our defense contractors and move along to Union Pacific (when the railroad was in construction), to Bechtel, Blackwater, Goldman Sachs right through to all the pay-to-play beneficiaries. Why do these revisionists still have our ears? I am not talking about abandoning private property ownership. Please do not misunderstand. However, we must look at government as a partner to the private sector and not its adversary.

The \$1.8 trillion dollars sitting in corporate cash and the \$8 trillion sitting in U.S. household cash, earning virtually nothing and the huge amount of money pouring into U.S. Treasuries, despite historically low yields and record U. S. budget deficits, reflect the uncertainty that has gripped us. The ten-year Treasury yields 2.88% today and the thirty-year Treasury offers 3.89%. Uncertainty, however, brings opportunity. Stocks are cheaper while uncertainty prevails. This discount will disappear once clarity returns. Then, these funds will move out of cash and treasuries and back into stocks and real estate. We invest and hold now in order to position ourselves ahead of the crowd. Other reasons follow:

- There will be **100,000,000 new citizens** in the United States by 2050. The entire world will host more people too. Our worlds are expanding and so will the demand for product and services.
- Thirty-eight stocks in the S&P 100 raised their dividends last year, 2009.
- U.S. non-financial corporations are holding \$1.8 trillion in cash on their balance sheets. This, as a percentage of total company assets, is at **its highest level in half a century**. The ratio of corporate cash flow to GDP is the highest ever! Expect dividend increases, capital spending (especially on technology upgrades), stock buybacks, hires, mergers or takeovers to follow. Thus far, this year, 344 companies have announced stock buy-backs. In 2009, only 299 buy-backs took place.
- Microsoft booked \$16 BILLION in revenue for the quarter ending June 30, while its quarterly profit increased by 48% to \$4.52 BILLION. The company has free cash flow of \$22 BILLION or \$2.15 per share. This dominant company posts revenue of \$7.10 and net earnings of \$2.10 per share. These numbers double and triple what they were ten years ago and yet the stock trades where it did in 2000.

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- Intel just closed its best quarter ever, including during the doc.com boom. Intel holds \$18 million in cash, almost 60% more than it held a year ago. This leading technology company reported revenue of \$10.8 billion, has free cash flow of \$1.80 and earnings of \$2.05 per share for 2010. The stock trades at \$20, half of its stock price ten years ago when its free cash flow was only 7 cents and its annual earnings was only 53 cents. Intel provides productivity enhancements that companies need to compete, i.e. to work smarter and more efficiently. This company will continue to thrive.
- Over the next ten-years, would you rather own shares in Microsoft and Intel with yields of 1.8% and 3.2% respectively and the potential to have their stock prices double, or 10-year U.S. treasuries yielding 2.86%?
- Double-dip recessions **rarely** have occurred in our economy. Only two episodes have been recorded—the recessions of 1937 and 1981. In both cases the economy did not slip back into recession, policymakers gave it a shove. In 1937, Roosevelt attempted to reduce the budget deficit by premature fiscal tightening (i.e. tax increases). In addition, the Federal Reserve tightened monetary policy by doubling the reserve requirements for banks and sterilized gold inflows. In 1981, Volker hiked the fed funds rate from 10% to 20% in his efforts to kill inflation. The two recessions that followed killed inflation, but hurt. Unemployment rose to almost 11%.
- Credit card delinquencies, reflecting payments that are at least 30 days late, fell to their lowest level in eight years at 3.88% of all accounts. In the fourth quarter of 2009, they stood at 4.39%.
- A July 23 NY Times article proclaims, “Economists say Slump has ended in the City.” Additionally, Manhattan’s office vacancy rate dropped for the first time in three years in the second quarter. The rate fell from 11.6% at the end of March to 10.8% at the end of June. Also, Wall Street firms are increasing their hiring for the first time in two years. New York City had 429,000 financial jobs as of May 31, up from 422,000 in February.
- Retail sales growth reached its fastest rate in four years, the biggest gain since 2006, for the period ending June 30. Nordstrom and Kohl’s reported sales increases in all stores opened at least one year.
- Mortgage rates, in the 4.5% range, are at historic lows. **If you have not looked into refinancing your mortgage yet, consider doing so. If you need help in this, call us.** Refinancing will improve one’s cash flow.
- U.S. Households hold \$8 trillion in cash, which they eventually will put to work elsewhere. Some of this cash will return to equities. Wall Street has shattered our trust. This contributes to national reluctance to own stocks again. However, this will change over time. I hope that the recently passed Financial Reform Bill, considered watered down by some and adequate by others, will assist in this restoration of confidence. Much has been made of the “lost decade” for those who invested in equities. Today comparisons are plentiful between whole life insurance cash value and treasuries against stocks over the past ten years, with the former two besting the latter. When was the last time you saw a life insurance company tout the growth of whole life cash value as a better investment than equities? These comparisons measure stock prices from their all time high valuations in 1999 to their most recent lows in 2009. Ultimately, equities will restore their historical dominance in performance. The time to own them is when they have catching up to do. Another study and perhaps a more accurate one is that provided by Value Line. Value Lines’ Group 1 (most timely industries) portfolio has provided annual returns of 13.5% dating all the way back to 1965 and 12.6% dating back to 1989. The DJIA and the S&P 500 have provided annual returns of 5.4% and 5.6% since 1965 and 7.3% and 6.3% going back to 1989.

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• While unemployment lingers in the 9.5% range, we must remember that companies still are reluctant to take on new employees. Instead, they increase the hours and wages of current employees. Furthermore, **unemployment is a lagging indicator**. These numbers will improve as the recovery progresses. We lost 8.4 million jobs in this Great Recession. This is more than the combined losses of the last four recessions. It will take some time before we restore these. Most of these jobs will not come back. As mentioned earlier, lack of qualified workers has much to do with our lingering unemployment and underemployment rates. We must develop new careers and subsequent training. We must develop sustainable jobs to put 8.4 million and the 100,000,000 new citizens added during the next forty years to work. This will take time. For a nation used to instant gratification and short-term results, time over the long-term is a concept lost. The shift to a long-term focus for Americans adds to our uncertainty. Immobility, due to the inability of workers to sell homes, as well as uncertainty over the impact of the recently enacted healthcare and financial reform bills, add to the mix. Our government and business leaders must develop and articulate long-term employment objectives, or lay down the framework for the rest of us to do so. I believe that we have taken steps in this direction over the past two years, but we still have many more steps ahead of us.

• In light of the severity of this crisis, I see as a major positive how far we have come in 18 months. Do you remember our state of economy and our collective state of mind in January 2009? The financial sector was on the edge of a cliff, the auto industry was on the verge of collapse, the Administration changed in Washington and the DJIA was sitting at 8,212, to note four factors that come quickly to mind. Since then, we have pulled both sectors back from the precipice and have climbed out of what may prove to have been the worst recession since the 1930's. This was the longest recession, all eighteen months of it, since WWII: the next longest lasted sixteen months. Household net worth fell by 25% or \$7 trillion dollars; the largest drop in net worth since WWII. In light of the severity of our downfall, where we are today is rather gratifying. Our recovery will take time and, I underscore again, that we must begin to view life from a longer-term perspective IF we are to develop a sustainable economy.

• While some fret over the growing size of our federal deficit, I note that the cost of our borrowing is at near record lows. This is a positive as long as we do not squander the money. The cost for borrowing money for thirty years is 3.89%. Wouldn't you borrow money at these rates over the next thirty years if someone would lend it to you? More importantly, this deficit will shrink as we climb out of the recession.

• \$380 billion of the \$700 billion federal stimulus money still awaits distribution. This will help keep our economic boat floating as it dribbles into the economy. Generally, stimulus such as this lags economic impact by 1-2 years. Thus, the full effects should begin to show up in statistics beginning 2011 and beyond.

• In 2005, for the first time ever, emerging economies contributed more to worldwide GDP than did mature economies. In 2008, emerging economies contributed 62.3% of worldwide GDP growth, up from only 16.0% in 1990. While these same emerging economies represented 39.2% of total worldwide GDP, up from 25% in 1990. We are finding that emerging economies are pulling the world out of recession. **This has never happened before**. We must pay as much or more attention to emerging economies developments as we do for domestic for signals on economic growth. Despite the substantial downturn in the U.S., these economies continue to thrive. Growth in China, Brazil, India, and the other emerging market economies will pull us up.

• Technology put these emerging economies in the map. Technology will continue to give these economies empowerment. Intel recently reported that its product mix in a coastal city in China is richer than the product mix in New York City. Keep investments in technology.

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- The National Bureau of Statistics (NBS) second quarter survey, covering nearly 20,000 firms in mining, manufacturing, construction, retail and other services reported that its two headline indexes, the Business Climate Index (BCI), covering current conditions, and the Entrepreneur Confidence Index (ECI), tracking expectations, both continued to read above 100. (Signals above 100 point to improvement in the economy)

- The Conference Boards' Coincident Indicators are up for ten consecutive months through June. Leading Economic Indicators, while weakening, are still positive. These have been rising since April 2009.

- Federal deficits are essential after a severe economic downturn. While, the present one is significant, so is the downturn. Deficit spending is normal and critical until the economy rights itself. This will occur, in time. Do not be alarmed by the griping about the size of the deficit. Most of the noise is political posturing. Look beyond the noise. Our 2011 projected federal deficit of \$1.4 trillion represents 9.2% of our GDP today. However, The White House, although not necessarily an unbiased player, projects this to fall to 3.8% by 2020. Reinhart and Rogoff, authors of *This Time is Different/ Eight Centuries of Financial Folly*, view this as normal pattern. That is not to say we can ignore the growth in our governments' deficits, but that these are normal and necessary occurrences when private credit markets freeze. We must also distinguish between long-term structural debt, such as that used to fund infrastructure, and short-term simulative debt, such as that to fund unemployment. While both balloon our current deficit, only the long-term debt should continue after the recovery blossoms.

- We must consider reasonable **tax increases** to pay down this deficit. We are a nation at war and for the first time in our history we enacted a tax reduction while we accelerated our deficit to fund two wars; two wars which happen to be the longest in our history. And, we have citizens griping about raising their taxes to pay for these wars? Please. Total tax revenue in Sweden accounts of an estimated 47.1% of GDP. In Denmark, it is 48.3%. Both are countries that have no problem with sovereign debt, by the way. In Greece, it is 31.3%. In the United States, it is 26.9%. Our defense budget has ballooned from \$380 billion in 2000 to about \$700 billion now. We must step up and exercise some true patriotism here, pitch in to pay this debt down. The president's bipartisan National Commission on Fiscal Responsibility and Reform can play a key role here. Let us expect the members to act in the best interests of the entire nation, not their own myopic views. Here are a few ideas: 1) tax hedge fund traders at ordinary income rates and include employment taxes. After all, they spend their entire day working by trading. What is the difference between their work and that of ball players, or a doctor's, or an attorney's or a financial advisor? Presently, they pay no taxes on gains deferred and only at a 15% rate on withdrawals from their portfolios. They would not have anything to trade if people did not work in the companies or produce the commodities they trade for gain; 2) Allow public companies to deduct the dividends they pay shareholders. This would stimulate ownership of stocks and the distribution of the huge piles of cash our corporations have collected over the past several years; 3) close the loophole of Transfer Pricing that some of our corporations use to avoid paying their fair share of tax revenue for the right to sell product to Americans; 4) End our War on Drugs. This will free up billions of dollars that keep the underworld thriving. This colossal failure has been lost clearly to the cartels and underworld. Like we learned with liquor during prohibition, we would serve our nation better by managing people's yearning for altered states of being and depression than by insisting that they should not exist. Bring the revenue up from the underground. Free our jails and law enforcement sector for more constructive work. Treat, instead of criminalizing, those caught in the nightmare of addiction; 5) Modify President Bush's tax cuts and raise the rates back to reasonable rates for those most able to afford them. Come on folks, what better use of our money than the future of our nation? Our founders pledged their family, their fortunes and their sacred honor to fund the founding of the United States. Most died penniless due to their pledge. We would not have what we have without their sacrifice. Step up now for future Americans. It is our turn; 6) have a holiday for or a reduction in payroll taxes.

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• **Disparity of Wealth** lay at the underpinnings of our Great Depression of the 1930's and of our most recent debacle. Marriner Eccles, Federal Reserve Chairman from 1933 to 1948, identified and wrote several books about this over his lifetime. A nation cannot survive when 1% of its people control over 32% of its wealth. This should be clear as crystal to anyone who has really studied the matter. Americans "are more economically insecure now than they have been in a quarter of a century," according to a recent analysis by the Rockefeller Foundation. "Rampant joblessness and skyrocketing medical costs are among the biggest factors tearing at the very fabric of American economic life so painstakingly put together in the early post-World War II decades," it continues. "Between 1985 and 1995, the typical drop among those experiencing a 25% or greater income loss was about 38.2%; between 1997 and 2007, it was 41.1%." We cannot survive as a nation without a thriving middle class into which all may aspire to join or move above. In the 1920's the top 1% of Americans controlled 50% of our nations' wealth. We know what followed. This discrepancy fell to 20% by 1976 after the GI bill and other measures boosted the middle class. It has increased since to the present day 32%. We know what we just lived through. One of the underlying causes of our most recent financial debacle was the disparity of wealth. Incomes for a substantial number of Americans have not kept up with parity over the past thirty years. However, the price of houses ballooned. In order to keep the housing market flourishing, those with money lowered lending standards. Ultimately, this could not last and the house of cards tumbled. Imagine if incomes had increased commensurate with the costs of housing, we may not have had the financial crisis precipitated by mortgage defaults. Unless we want another Great Depression, we must address this crisis. This has become a subject of public discussion recently; identification of an issue is the first step towards addressing it.

• The extension of unemployment benefits, enacted by Congress last week, will serve us well while we await a fuller recovery. Unemployment benefits are one of the most stimulative expenditure our government can make. This money goes directly back into the economy. Such expenditures are essential to keep the economy from falling off a cliff and are a net positive overall, as the money goes into local businesses and keeps people in their homes. A reduction, or holiday, in payroll taxes, as mentioned above, could prove beneficial too.

• The American Institute of Economic Research's (AIER) "primary leading indicators expanding" holds at 100 through June; their "cyclical score of leaders" increased to 91 from 88; their "coincident indicators expanding" remains at 100; and their "primary lagging indicators expanding", **for the first time since November 2009**, rose above zero. These support the Conference Board's readings and point to an expanding, not a declining, economy. We may be slowing, but we are still on a positive track. Among the positive readings worth mentioning are:

- o The average workweek expanded to 41.5 hours in May, the highest reading since May 2006.
- o The index of industrial production rose to its highest level since November 2008.
- o Manufacturing and trade sales rose 1.6% to a 17-month high.
- o The ratio of manufacturing and trade sales to inventories continued to rise, indicating that sales are growing faster than inventories.

• James Grant, a proverbial bear, and editor of Grants Interest Rate Observer, believes that a rebound "will be job rich and strong." Briefly, he anticipates a recovery commensurate with the size of the downturn. His is only one more opinion amongst many. However, I like the fact that someone who has been most frequently more bearish than bullish has seen reasons to be optimistic.

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• Thus far, the recovery has been sub-par which may reflect the “coiled springs” awaiting release perspective of Liz Ann Sonders, Chief Investment Strategist at Charles Schwab. This recovery has catching up to do when compared to other downturns.

• The Value Line readings on dividend yields, price-earning ratios and appreciation potential over the next three-five years, still point to further equity advances. As of July 30, the readings of each are 2.1%, 15.4 and 75% respectively. The market high readings of the past were respectively: 1.6% on 7/13/07, 19.7 on 7/13/07 and 35% on 7/13/07. While anything could change, these readings do not point to an overvalued equity market and further appreciation in equity values lie ahead.

• Apple sold \$1,700,000 worth of iPhone 4's in the first three days of its availability in July. This technology also reported record revenues and earnings and is on track for its best year ever. Recession, what recession?

Am I going on too long? Ok, so here is the bottom line. The **recent pullback** in stock prices was a **positive corrective adjustment** in light of the huge run up in prices since March 6, 2009. We may find further weakness before the year is out, running up to the November political theater, but we expect further advances in equity prices as this recovery moves forward. We will use periods of weakness to add to our positions.

Porro & Co. Portfolio Performance

Our average YTD return for all accounts through July 30 is a positive 10.1%.

The DJIA, on the other hand, is up .4% for the year, the S&P 500 is down -1.2% and the NASDAQ is down -.6%.

Other benchmarks for the period ending July 30 from the Vanguard group of funds follow:

Value Index	- 0.10%
S&P 500 Index	- 0.18%
Prime Cap	- 3.62%
US Growth	- 5.16%
Windsor	- 1.05%
Mid-Cap Value	+ 5.41%
Wellington	+ 1.96%
Wellesley	+ 5.25%
Life Strategy Growth	+ 1.64%
Short-term Treasury	+ 2.61%
GNMA	+ 6.47%
Total Bond Index	+ 6.31%
Long-term Treasury	+ 12.91%
High Yield Corp	+ 7.27%
Porro & Co. Average	+ 10.1%

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For the six-month period ending June 30, **our average performance was a positive 1.4%**. The DJIA was down -6.3%, The NASDAQ was down -7%, the S&P 500 was down -7.6% and the Value Line average was down -2.1%.

For the first quarter of 2010, **our average return for all accounts was 10.2%**. The DJIA was up 4.78%, the NASDAQ was up 5.86% and the S&P 500 was up 5.65%.

Call to discuss anything pertaining to your portfolio and financial plans.

Please call to arrange a meeting to update your 25-Year Asset and Personal Cash Flow Projections.

This analysis will illustrate weaknesses in your financial program and point us to steps we must take now to address them. We invite you to visit us to update our twenty-five year projection of growth of your assets, income and expenses if you have not had this completed within the last year. This projection helps us plan for your financial future and serves as a focal point for further discussion of timely financial matters.

As always, thank you for your continued confidence and business. We look forward to hearing from you.

Sincerely,

Michael J. Porro, CFP, EA