

“In the end, how your investments behave is much less important than how you behave.”



Stanton & Castleton, Inc.

An independent firm

Let's Review: Our Monthly Newsletter.....07/01/2010

This Month:

We want to call your attention to some of the economic indicators we keep an eye on. Below is the Baltic Dry Index:

“The BDI is one of the purest leading indicators of economic activity. It measures the demand to move raw materials and precursors to production, as well as the supply of ships available to move this cargo. Consumer spending and other economic indicators are backward looking, meaning they examine what has already occurred. The BDI offers a real time glimpse at global raw material and infrastructure demand. Unlike stock and commodities markets, the Baltic Dry Index is totally devoid of speculative players. The trading is limited only to the member companies, and the only relevant parties securing contracts are those who have actual cargo to move and those who have the ships to move it.” . ([http://www.wikinvest.com/index/Baltic_Dry_Index_-_BDI_\(BALDRY\)](http://www.wikinvest.com/index/Baltic_Dry_Index_-_BDI_(BALDRY)))

INDEX: BALDRY 2,127.00 ↓ **89.00 (4.01%)** as of Jul 06, 12:00 PM EDT



Stanton & Castleton, Inc. / an independent firm

1151 Dove St., Suite #115, Newport Beach, CA 92660 / 949.975.0955 / 877.975.0955 / www.stantoncastleton.com
Securities offered through Raymond James Financial Services, Inc. Member FINRA/SIPC

“In the end, how your investments behave is much less important than how you behave.”

We can all look at past economic periods to try and understand how our current economy may behave and then survey business to make some estimate of future economic activity. Every economist and investment manager is actively researching to gain some reasonable insight to future market behavior. We do the same, however, along the way we like to try and ground our view in “what is actually happening now” in business decisions.

The Baltic Dry Index gives us a glimpse into actual current flow of materials that most all “products” are made of or use in production. Like many indexes we can often see dramatic swings in activity so predicting any trend will continue is difficult. We still like the “real time” nature of this index and feel it provides some valuable insight into near term economic decisions business are making. The recent decline in this index seems to confirm our contention that the economy would cool off a bit. With that in mind our belief is the current slowing in the economy we had been anticipating is underway. Our plan to rebalance in mid-year 2010 to take advantage of any market contraction is still in place. We continue to emphasize our roll as portfolio designers and risk managers so we will be contacting you all to implement a rebalance soon.

Bob:

If you are now or have in the past raised kids you understand....We are in that very difficult period of “summer vacation” when everyone is getting just a little sick of looking at kids laying about, kids are bored having too much free time and think you are ridiculous....discipline seems to have gone out the window along with our patience and stamina! If we can just get through July maybe (no guarantee) our boys will see their next birthday. Open to suggestions..... (just kidding about b-day thing....I think)

Ron:

Sunny & I snuck away Fourth of July weekend to the garden city of Laughlin, Nevada where the temperature was 96F at 9 pm!!!! We went with a group of friends from the neighborhood, spending the days on nearby Lake Mohave. I must say that I now have a new appreciation for the boating crowd and their uncanny ability to have so much fun doing absolutely nothing! Sunning, swimming & eating (not necessarily in that order!) It was a very relaxing and enjoyable time and I hope to do it again. While you will

“In the end, how your investments behave is much less important than how you behave.”

not see a boat in my driveway anytime soon, those Sea Doo’s sure look fun!!!

Amy:

Summer is here...whether the sun is out or not! I am glad the 4th is over; it’s always a bit too crazy for me on the peninsula. Next year I will be video taping the chaos! This morning I dropped a diamond earring down the drain. Bob gave me some tips on how to get it out, so today when I go home I will be elbow deep in something that I’m sure is not too fun. Wish me luck! Hope everyone is having a great start to their summer!

This month “Financial Topic”: One more cartoon!



“In the end, how your investments behave is much less important than how you behave.”

**Benjamin Graham
The Intelligent Investor**

“In the end, how your investments behave is much less important than how you behave.”

The Numbers:

Closing Values / 06-30-2010

DOLLAR	stronger	NASDAQ	2,109.24	-147.80
10-YR YIELD	2.95%	S&P 500	1,030.71	-58.70
VOLUME NYSE	1,431,633,070	DJIA	9,774.02	-362.61

Provided by Standard & Poor's

Raymond James Financial Services, Inc. Member FINRA/SIPC
This newsletter is published for residents of the United States only. Raymond James' financial advisors may only conduct business with residents of the states and/or jurisdictions for which they are properly registered. Therefore, a response to a request for information may be delayed. Please note that not all of the investments and services mentioned are available in every state. Investors outside of the United States are subject to securities and tax regulations within their applicable jurisdictions that are not addressed on this site. Contact your local Raymond James office for information and availability. Inclusion of these indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results will vary. Past performance does not guarantee future results. The S&P 500 is an unmanaged index of 500 widely held stocks that's generally considered representative of the U.S. stock market. The information contained in this report does not purport to be a complete description of the securities, markets, or developments referred to in this material. Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation. Any opinions are those of Robert Stanton, Ronald Castleton and not necessarily those of RJFS or Raymond James. Expressions of opinion are as of this date and are subject to change without notice. This information is not intended as a solicitation or an offer to buy or sell any security referred to herein. Investments mentioned may not be suitable for all investors. You should discuss any tax or legal matters with the appropriate professional. Diversification and asset allocation does not assure a profit or protect against loss. The Dow Jones Industrial Average is an unmanaged index of 30 actively traded blue-chip stocks. The NASDAQ is an unmanaged index of stocks listed on the NASDAQ National Stock Market. Rebalancing a non-retirement account could be a taxable event.

(Referral Hotline: 877-975-0955)

M³

Manage.....Monitor.....Maintain

If you would like to read past issues of our newsletter just click this link:

www.stantoncastleton.com