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John & Mary Client
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RE: **Newsletter! April, 2011**

Dear John and Mary,

Well, we're two years into the recovery. Things are still slow in some areas, but others are staying pretty busy.

Here are the stats so far:

Major Stock Indexes

Dow Jones Industrial Average	+6.90%
S&P 500 Index	+5.95%
NASDAQ Composite Index	+5.15%
Dow Jones Global Index	+4.50%
Russell 1000® Growth Index	+6.53%
Russell 1000® Value Index	+7.07%
(As of 04/01/2011)	

Major Bond Indexes

Barclays Capital U.S. Aggregate Bond	+0.41%
Barclays Capital U.S. Treasury Intermediate (Total Return)	-0.77%
Barclays Capital U.S. Corp Bond	+0.93%
Barclays Capital U.S. Corp Bond Intermediate	+1.07%
(As of 04/01/2011)	

Lipper Mutual Fund Indexes

Large-Cap Growth	+5.72%
Large-Cap Value	+6.51%
Small-Cap Growth**	+9.77%
Small-Cap Value	+7.33%
International***	+4.07%
(As of 04/01/2011)	

Source: The Wall Street Journal and Barron's

*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.

Investments:

Positive numbers almost all the way around for the first quarter of 2011 is a nice start. As we were entering the year, I felt that oil, commodities, agriculture, and basic materials would be drivers for the market this year. So far we have seen some positive trends in those areas. Retail, technology and restaurants have been doing pretty well too.

As the Dow approaches a new high and especially when it breaks through an old high (depending on who is counting) we start to hear the bears predicting a looming fall in the markets.

I read story a just the other day that "Harry Dent" has made a new apocalyptic stock market prediction. Now, if you didn't know the history of Harry Dent, you might think that you should be listening to him. But I know his history. Back in the late 90's, Harry Dent was predicting Dow 35,000. Well I don't remember hitting that number, nor hitting any of his "predicted" numbers. He did, however, make a very nice living writing books and going on a speaking tour regarding his theories.

So if you hear news that Mr. Dent has made a new prediction, you might want to take it with a grain of salt or something like that.

Our economy has been slowly improving. Many companies and industries are doing well despite the high unemployment numbers. Remember, when you buy stock, one of the most important factors is the health of the company you are buying. How are sales? How is the company managing its assets? Is the company growing? These are questions you always need to ask and get good answers before buying any shares. Be sure the company is doing well and check their earnings and profits before investing.

The biggest fear most people have is the unpredictability of the markets. For most people, unpredictability means "risk." In our opinion, you can reduce most of that risk by maintaining a well diversified portfolio.

This year we have been hearing that interest rates will probably go up and bonds will suffer. Many investors may wonder if they should own bonds. Bond can help add diversification within a portfolio. With stocks so unpredictable, bonds help reduce overall volatility within your portfolio. Bonds (short term) can also provide you with some "dry gun powder" to make some stock purchases when the stock markets are down.

Great news for IMPAC and Passport account holders; Raymond James has negotiated with a number of mutual fund companies to offer shares without a transaction fee. For a list of these funds, please contact our office.

**Diversification does not assure a profit or protect against loss.*

**Dow Jones Industrial Average: Often referred to as the Dow, it is the best known and most widely reported indicator of the stock market's performance. The Dow tracks the price changes of 30 significant industrial stocks traded on the New York Stock Exchange.*

Financial Planning:

Do you dislike taxes as much as I do? Well here's a little good news; capital gains will be kept at 2010 levels for the next two years.

What does that mean to you? Well for investors, very favorable long term capital gains rates will continue for a while. This is important because it will allow you to make current changes or plan for future changes (by 2012) within your portfolio that give you some control over the taxation. Please contact your tax advisor for details regarding your specific situation as we cannot offer tax or legal advice.

2010 was a banner year for insurance company annuity sales. Recently, I read an interesting article written by another financial planner regarding variable annuities and the "Guaranteed Withdrawal" provisions being offered by many of these companies.

Basically the article discussed how an investor could purchase an immediate annuity with the same payout most of these "Guaranteed" policies offered without buying a variable annuity in the first place. The article discussed how the calculations were made and I could easily follow the numbers.

I built a spreadsheet many years ago to determine if an "Index Annuity" made any sense. Through all of the various hypothetical situations that I calculated, I could never find a place where the investor came out ahead. As most of you know, we RARELY recommend annuities to our clients. If you are pitched any of these products and would like a second opinion, please give us a call.

**Annuities involve market risk and should be considered as long term investments. Withdrawals are subject to income taxes and may be subject to a penalty if withdrawn before age 59 ½. Guarantees are based upon the claims paying ability of the insurer.*

***Past performance does not guarantee future results.*

****"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 opinions are those of Laurence E Menna 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."*

Personal:

Wow, lots of things have happened since my last newsletter, so I will limit it to the top three:

First, Tori turned 18 in January. Yes, my baby is now grown up. (Sort of.) We held a surprise birthday party for her at our home and asked everyone to wear a "cape." The reason is that when she was about 3 years old, she regularly wore a

cape. We have pictures; Tori wearing a cape at Halloween, Tori in a cape at home, Tori in a cape riding her bike, Tori in a cape playing on a Slip-n-Slide. (Get the picture?) For two years she asked that we address her as “Robin.” Probably not the Robin you were thinking of, but Batman’s side-kick, Robin. So we had a “Cape Party” for Tori’s 18th. She was very surprised and everyone had a real good time.

Second, Judy ran her first full Marathon in March. Yes, she ran the L. A. Marathon. It was a very long and cold run, in torrential rain for almost six hours. (How do I know, well I ran it with her—I keep telling everyone, “I am not a runner!”) I figured that since I trained with her over the last five months, I might as well run it. We started at Dodger Stadium, ran through Hollywood, then Downtown L.A., Beverly Hills and then worked our way down to Santa Monica and finished on Ocean Boulevard. The 26.2 miles was tough, but the walk to our hotel was even tougher! For one grueling mile, you could feel every step with pouring rain, high winds, and palm fronds flying through the air. I was so glad to get to the hotel...

Third and last; In February I received notification that I passed the CERTIFIED FINANCIAL PLANNER™ exam I took in November. Only 53% of the people who took the exam last year passed. I spent a lot of time preparing and I’m glad it is finally over. I also learned a few new things on the way and will integrate them into my practice. We constantly try to improve our services to benefit our clients.

To those of you who have referred your family, friends and business associates to our services, we personally and professionally thank you, for your referrals are the best way for our business to grow.

My family and I thank you for your confidence in us. Please call me if you have any questions or concerns.

Warmest regards,

A handwritten signature in black ink, appearing to read 'Laurence E Menna', with a long horizontal flourish extending to the right.

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**Please note that all indices are unmanaged and are not available for direct investment. An investor who purchases an investment product which attempts to mimic the performance of an index will incur expenses that would reduce returns.*

Dow Jones Industrial Average - Often referred to as the Dow, it is the best known and most widely reported indicator of the stock market's performance. The Dow tracks the price changes of 30 significant industrial stocks traded on the New York Stock Exchange.

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 **NASDAQ** - composite is an unmanaged index of securities traded on the NASDAQ system.

The **Dow Jones Global Index**SM - is a broad yet investable measure of the global stock market. It targets 95% coverage of markets open to foreign investment. The index currently tracks 51 countries, including 25 developed markets and 26 emerging markets.

Russell 1000® Growth Index - The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

Russell 1000® Value Index - The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

Barclays Capital US Aggregate - Covers the US investment grade fixed rate bond market and consists of components for government and corporate, mortgage pass through, and asset-backed securities. Must be rated investment grade or higher by at least two of the following: Moody's, S&P, or Fitch, have at least 1 year left to maturity and an outstanding par value of at least \$250 million. Security representation would be those that are SEC-registered, taxable, dollar denominated, non-convertible, and fixed rate.

Barclays Capital US Treasury – Intermediate (Total Return) - The index is market value weighted and measures the performance of public obligations of the U.S. Treasury that have a remaining maturity of greater than or equal to 1 year and less than 10 years and \$250 million or more of outstanding face value. The index has an average maturity of approximately 4 years and is reconstructed monthly. This index reinvests dividends into the index value.

Barclays Capital US Corp Bond – The index covers all publicly issued, fixed rate, nonconvertible, investment grade corporate debt. Issues are rated at least Baa by Moody's Investor Service or BBB by Standard & Poors.

Barclays Capital US Corp Bond Intermediate – The index covers all publicly issued, fixed rate, nonconvertible, investment grade corporate debt. Issues are rated at least Baa by Moody's Investor Service or BBB by Standard & Poors with securities in the maturity range (from 1 up to (but not including) 10 years).

Large-Cap Growth Funds – Funds that, by portfolio practice, invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) above Lipper's UDSE large-cap floor. Large-cap growth funds typically have an above-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P 500 Index.

Large-Cap Value Funds – Funds that, by portfolio practice, invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) above Lipper's UDSE large-cap floor. Large-cap value funds typically have a below-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P 500 Index.

Small-Cap Growth Funds – Funds that, by portfolio practice, invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) below Lipper's UDSE small-cap ceiling. Small-cap growth funds typically have an above-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P SmallCap 600 Index.

Small-Cap Value Funds – Funds that, by portfolio practice, invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) below Lipper's UDSE small-cap ceiling. Small-cap value funds typically have a below-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P SmallCap 600 Index.

International Funds – Funds that invest their assets in securities with primary trading markets outside of the United States.