

Fall Quarterly News



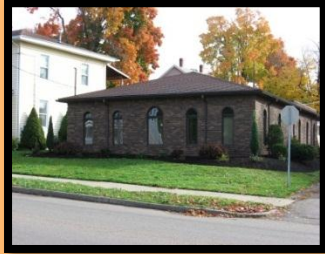
Seidel Financial, Inc.



Issue 12

Rich's Thoughts

September, 2011



Financial Facts

- Ronald Reagan was the first president to visit the NYSE.
- Arnold Schwarzenegger was a finance major.
- Isaac Newton "discovered" calculus in 1666. He was 23 years old.
- Thomas Jefferson died penniless. Always cash poor, building Monticello had been much more expensive than he had planned and he owed many people money. This debt has been cited as a reason he failed to release the vast majority of his slaves.
www.financeprofessor.com
- President Richard M. Nixon was offered a position as a player's representative to the Major League Baseball Players Association in 1965. He declined, stating that he was needed in politics.
www.whitehouse.gov



Over the course of the past year, I have seen an increase in individuals' concerns relating more to their cash holdings. With interest rates at record lows, and expected to remain at these levels through 2012, I thought it appropriate to address a few options/recommendations that may satisfy the desire to better utilize cash holdings. Now before you get too excited, the context of this column does not provide you with a three year 4% Certificate of Deposit special. Nonetheless, I believe the following strategies may provoke thought about how to better manage cash holdings. For those with outstanding debt, (credit card, auto loan, mortgage) consideration should be given to pay off one or more loans with current cash holdings. Think about it. Would you invest in a 3-year Certificate of Deposit paying 5.9%? Then why not pay off your auto loan charging you 5.9% with three years left on it? Your monthly payments will now be directed back into your savings account to replenish your cash position. With most savings/checking accounts earning around .2%, the decision to reallocate cash holdings against high interest

rate loans or credit cards should be given consideration. I often recommend having a home equity line of credit available in combination with the above strategy. Do your children or grandchildren have outstanding student loans? Why not help them reduce their overall costs while at the same time increase the income you're receiving from your cash holdings. The same principal applies to any outstanding loan as highlighted above. Increase your monthly income by helping out family members.

Do your children or grandchildren have a mortgage rate at 6% or more? Consider paying off the bank and assuming the loan at a lower interest rate. Yes, lending money to family members oftentimes turns out to be an unintended gift and therefore should be carefully discussed before any agreement or exchange occurs. More conventional ways to earn higher yields can also potentially be found in corporate bond ladders, high yield bonds, real estate investment trusts (REITS) and dividend paying stocks. Careful consideration should be given to how, or if you need to re-

allocate cash holdings. Having too much cash is not a bad problem!

Although the above strategies address the desire for increased income, I find the best advice remains –

SPEND IT!

Rich

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Services Offered

- * Life Insurance
- * Long Term Care Insurance
- * 401 k Plans & Simple IRAs
- * Retirement Planning
- * Fee Based Accounts
- * Estate Planning
- * Trust Accounts
- * Notary Service*

*Offered exclusively by Seidel Financial, Inc.

American football can be traced to early versions of rugby football and association football. Both games have their origin in varieties of football played in Britain in the mid-19th century, in which a football is kicked at a goal and/or run over a line. American football resulted from several major divergences from rugby, most notably the rule changes instituted by Walter Camp considered the "Father of American Football".

<http://en.wikipedia.org>




Keeping Things In Perspective

Nearly all men can stand adversity, but if you want to test a man's character, give him power.



Abraham Lincoln

NOTES to CLIENTS:

1. If you missed a copy of our newsletter, you can still view up to one year's worth on our website on the Newsletters page.
2. During inclement weather, please park near door, rather than in back parking lot. 

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Mission Statement

We believe in earning people's trust and confidence upon which long-term relationships are built.

We believe people do business with people—not company names.

We believe the purpose of listening to customers is to better understand them—not to give them a quick reply.

We believe most customers are given away due to lack of service, rather than taken away because of price.

We believe a person's word and handshake are more binding than any legal contract.

We believe in confidentiality.

We believe success is dependent upon hard work, integrity, competency and the ability to never compromise the principles that guide ones way of life.

These beliefs serve as the foundation of our mission:

To work hard in building personal relationships, understand our customer's needs and provide a level of service that enhances the life and legacy



Today's Stock Market Tip

"Never invest in anything that eats or needs repainting."

Billy Rose



NEWS FOR YOU – Tina Barnard, Office Manager

Identity Theft – The origin of the term "Identity theft" is uncertain, but usage seems to have first occurred sometime between 1960 and 1990. Of course the origin of the phrase is much less important than the occurrence of it happening to you. There are almost as many ways to protect yourself from fraud as there are types of fraud, and while no one can guarantee that you are completely immune to identity theft, you can make yourself a little less susceptible to it. To begin, you might want to contact the following agencies, to not only simplify you life, but also to make you less visible to the criminal element eager to steal information about your personal identity.

- To stop telephone calls from national telemarketers, list your telephone number with the Federal Trade Commission's National Do Not Call Registry by calling (888) 382-1222 or registering online at www.donotcall.gov
- To remove your name from most national mailing and e-mailing lists, as well as most telemarketing lists, write the Direct Marketing Association at 1120 Avenue of the Americas, New York, NY 10036-6700, or register online at www.dmchoice.org
- To remove your name from marketing lists prepared by the three national consumer reporting agencies, call (888) 567-8688 or register online at www.optoutprescreen.com

If you received this newsletter by mail and would rather have future correspondence from this office through e-mail, please e-mail me your address. Thank you. tina.barnard@raymondjames.com

Just for Fun

Pun of the Month



Two boll weevils grew up in South Carolina. One went to Hollywood and became a famous actor. The other stayed behind in the cotton fields and never amounted to much. ARE YOU READY.... Wait, Wait.....Here it is....

The second one, naturally, became known as the lesser of two weevils.

www.finner.org

