

Changes to Form 1099 Mailing Schedule:

Beginning with tax-year 2011, Raymond James will mail Form 1099's in accordance with the IRS mailing deadline of February 15th.

Previously, Raymond James mailed using a self-imposed deadline of January 31st. The additional time is needed to support the reporting requirements resulting from the Economic Stabilization Act of 2008.

Original 1099's:

Raymond James will continue to extend the mailing date of original 1099's by 30 days for clients who hold particular types of investments such as real estate investment trusts (REITs) and pass-through vehicles.

Delayed & Amended 1099's:

Due to the Economic Stabilization Act of 2008 and the heightened focus on cost basis reporting, any 1099's with anticipated cost basis adjustments will also be delayed until March 15th. Affected clients will receive a letter in mid-February explaining that their 1099 has been delayed, why Raymond James has delays and the possibility of amended 1099's.

2012 Resolutions

Instead of hauling out those familiar resolutions about eating less and exercising more, how about focusing on some financial, long term goals. From our Raymond James Winter "Worthwhile" publication we've borrowed some of their best New Year's resolutions to share with you. Here are our top picks for financial resolutions for the New Year:

- 1. Review your budget and spending habits.** Did you come in where you expected last year? What went off track? Some budget items are fixed, other can be reduced and produce significant savings.
- 2. Designate and update your beneficiaries.** If you don't correctly document and update your beneficiary designations, who gets what may be determined not according to your wishes, but by federal or state law. If something has changed in your life, divorce, remarriage, births, deaths – it may necessitate changing your beneficiaries.
- 3. Evaluate your cash holdings.** Everyone should have a certain amount of their assets – six or more months of living expenses, set aside in cash accounts that can be quickly and easily accessed. Keep in mind that only banks that are members of the FDIC can over coverage up to a maximum of \$250,000 per accountholder.
- 4. Evaluate your sources of retirement income.** Most retirees have several sources of income such as Social Security, pensions, retirement portfolios, rental properties, etc. Every individual picture is different. Think about how secure each source is. Know which income sources are reliable and which are less certain, and how much of your total income is known. If too much of your retirement income is from sources you consider less than solid, it may be time to reposition your assets.
- 5. Check to see if you retirement plan is on track.** The past few years have delayed the retirement plans of many investors. In evaluating the current state of your plan, don't fixate solely on the numbers, you need to drill down into what types of assets you have, what your cash flow situation is and is going to be and what rate of return you are assuming, as well as a rate of inflation. The truth is that retirement has a lot of moving parts that must be monitored and managed on an on-going basis. We are here to help!

New Policy for Clients Receiving Documents Electronically

For clients' protection, Raymond James requires that they review their account information to ensure they are aware of their account holdings and activity. Therefore, effective January 1, 2012, **clients who have chosen to receive their statements electronically must log in at least twice per year to review account activity**. You will begin receiving paper quarterly statements and trade confirmations after two consecutive quarters without logging in. Please let us know if you have any questions.



Our Wealth

Management Process:

While all investment advisors spend their time managing clients investments, few advisors go to the trouble of taking on the tasks of Advanced Planning.

Webb Investment Services focuses on your needs with Advanced Planning which may include Retirement Planning, Income & Expense Review, Wealth Enhancement, Wealth Transfer, Wealth Preservation Strategies and Charitable Gifting.

We are also happy to be on your "Professional Team", by working with your CPA and Attorney on any important issues.

2012 Stock Market Holidays:

Monday - January 16
Monday - February 20
Friday - April 6
Monday - May 28
Wednesday - July 4
Monday - September 3
Thursday - November 22
Tuesday - December 25

In addition, the markets will close trading early (at 1:00 pm ET) on:

Tuesday - July 3
Friday - November 23
Monday - December 24

Market Commentary

More Of The Same But With Less Pain

2011 was tumultuous. There were a series of events, some man-made, some natural that created events that were historic, catastrophic and tragic. The earthquake in Fukushima, tornado in Joplin and the Arab Spring with changes in Libya, Egypt and Tunisia, the death of Bin Laden, the list goes on.

Inflation will likely remain low. Interest rates as well, with only slight upticks at longer durations. Volatility, on the other hand, will continue to present noisy and notable spikes.

There are some good predictors for the long-term. Jobless claims fell in December, the lowest since April 2008. Housing starts were up 9.3% in November. Housing starts are a long way from normalcy, they currently contribute 2.4% to GDP, when the 50-year average has been 4.5% of GDP. In December consumer confidence sentiment was at 69.9, it was a 54 in August so it has been moving in the right direction.

Europe remains a key risk for the global economy. While much of the focus has been on Greece, Italy has the potential to be a larger problem, and recent weakness appears to reflect inherent problems in the construction of the Eurozone. Without a stronger response from Eurozone officials and the European Central Bank, countries are subject to speculative attacks. Eventually, Europe's leaders are likely to do whatever it takes to keep the Eurozone intact, but there is a risk of a more substantial banking crisis, which would have some impact on the U.S. financial system. Worries about Europe are unlikely to go away anytime soon.

While Europe's situation has not improved, US GDP grew each quarter in 2011 - 0.4% in the first quarter, 1.3% in the second, 1.8% in the third and will likely come in at 3% for the fourth quarter.

The S&P 500 ended the year about where it started, but corporate earnings were generally up in 2011 which suggests that corporations are growing and investors should continue having some exposure to equities.

To conclude, 2012 will continue to see volatility, it will be hard to make major gains in bond interest rates and equity growth, but the year will likely be better than 2011 and modest progress will continue trending forward.

Any opinions are those of Laura Webb and Karen Clerici and not necessarily those of Raymond James. Past performance doesn't guarantee future results. Diversification and asset allocation do not assure a profit or protect against loss in declining markets.

The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete. 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.