

News and Events

- Winter weather—it looks like we are going to have another difficult winter. Occasionally we may not be able to open the office until 10am or may close early. We will change the office answering service to indicate the office status. If you need immediate assistance on any of these days, you can also contact the Raymond James Client Services Department at 1-800-647-7378.
- Phones— It is our intention to answer your phone calls immediately. Occasionally you may get the recorded message. If you would like to leave a message, press the extension of the person you want to reach:
 - Carrie - 200
 - Donna - 202
 - Karen -203
 - Laura – 201

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Exciting Office News

We are very excited about the upcoming birth of Carrie Martin's son in March. Carrie will be out for approximately 6 weeks. I tease many of you that Carrie is really the wizard behind the curtain so for us to prepare for her absence and to help us stay responsive to your needs, we have hired Donna Leonard. Donna started working the first week in January so she will have plenty of time to cross-train and to help out when Carrie is on maternity leave.

2010 Review and 2011 Outlook

So far the global economic recovery seems to be uneven and incomplete.

Despite strong headwinds facing investors and consumers today, the outlook for 2011 could be interpreted as more mildly positive than negative. There are definite signs of improvement in some sectors, but not all. Not yet. With sluggish housing, continued high unemployment, most economists do not think this will be a typical economic recovery.

It will take time for the confidence of families and businesses to be restored. State and local budget constraints also hamper strong growth. While the bank rescue and fiscal stimulus were not terribly popular by the general public, many believe they were required to dampen further damage. Economic activity as measured by real gross domestic product (GDP), the U.S. economy should expand, though at a still-subdued rate of about 2.5%, far slower than past recoveries.

If slow growth persists, only marginal improvement in the unemployment rate over the course of the new year will occur. New hiring will likely increase but because any up-tick in hiring will bring discouraged workers back into the search for unemployment, the record unemployment rate will likely pick up before it starts to fall in earnest.

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Conference & Meetings attended

In an on-going effort to remain educated and knowledgeable about current markets, pertinent trends and products in our industry, we have participated in a variety of meetings, conference calls and presentations provided by the companies below:

- Advanced Planner Study Group in December. Top financial planners from all over the country attended and high quality portfolio managers presented from Riverfront, The Hartford, Lord Abbett & Co., Allianz Global Investors, Eaton Vance, First Trust Portfolios and Invesco.

2010 IRA Contribution Deadlines

- Traditional IRA and Roth IRA - April 15th
 - SEP IRA - contributions must be made prior to employers tax filing date including extensions
- #### Limits
- Traditional and Roth IRA—\$5,000
 - Traditional and Roth IRA over 50 years catch-up—\$1,000

2010 Review and 2011 Outlook continued...

Inflation should remain contained in 2011 with the exception of food and energy costs which are expected to rise. US Investors should welcome, not fear, climbing commodity prices because these increases are largely a reflection of the fact that the pace of economic growth has picked up. Core consumer prices, excluding food and energy, will likely rise in the range of 1.5% to 2.0%. Long term inflation could become a problem, though markets will react to such fears sooner if Washington fails to manage fiscal and monetary policy well.

An area we are paying close attention to is the bond market and concerns over a rising interest rate environment. Reducing exposure, shifting to other sectors including global bonds and managing the maturity and duration are strategies to hedge interest rate risk.

There is some good news and there are opportunities and indications of continued fuel for this business cycle: cheaper goods and services; pent-up demand; and reemphasis on corporate productivity and profitability as corporations repaired their balance sheets and built up cash. Also- population and consumption increases lead to investment opportunities outside the U.S.

From one season to the next, long-term investing isn't about short-term market trends. It's about meeting the real-life goals of our clients. We make our recommendations with a focus on what is important to you, the level of risk you are willing to assume, and your time horizon. We hope you are meeting your goals and look forward to seeing you in 2011.

Second Opinion Service

With all the disruption in the financial markets, research indicates that over 80% of investors are actively considering switching their financial advisors. Investors are unsure what to do now. Are they well-positioned today with their current financial advisors? Should they switch advisors and if so how do they find the right one? To help those people you care most about we are now offering our **Second Opinion Service** so that they can make informed decisions. Please let us know if there is someone who would value this second opinion service and we would be happy to meet with them. Alternatively, feel free to share our contact information with them.

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. 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.

Any opinions are those of Laura Webb 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.