



1st Quarter ~ 2011

I don't know about you, but keeping up with current events has become a gut wrenching exercise for many of us. Unspeakable natural disaster in Japan morphs into nuclear catastrophe. A people's protest in Egypt sparks unprecedented turmoil throughout the Middle East and North Africa with no calming breeze on the horizon. It is almost impossible to comprehend the scope of human heart ache that has been unleashed around the world. We trust that your loved ones are safe and we pray that peace comes to all who suffer.

It's not like the European debt crisis has been corrected or the U.S. economy has jumped into job creation mode. Not pretty. Seen gas prices lately? Downright ugly. Hard to believe so much uncertainty could be spawned in a mere three months. At least we don't have to explain the market's volatility this time around.

Surprisingly, the markets have held up reasonably well in spite of the calamities seen round the world. The quarter started off strong, got weak and then showed some strength again. It's as if we're watching a prize fighter take a punch, stagger, shake it off and get back to pounding. Still not sure how the bout will end but the resilience is admirable. Of course, resilience isn't everything. We're still not back to pre-2008-meltdown levels: the S&P is off 15% from its 2007 high and the NASDAQ is off 45 % from its high in 2000. And there's some evidence that investors are growing weary. Consumer confidence fell nearly 15% from February to March.

You may have noticed that Kaitlin Schaeffer Yardley is no longer listed as affiliated with the firm. Although she was able to work for us on a part-time basis after her husband's job took them from Kazakhstan to Cape Town and finally to San Francisco, she has been offered and accepted a full time financial planning position with an excellent firm in California. We are of course sad that she can't continue to be part of our day-to-day team but are very happy for her and her wonderful opportunity.

Hopefully you haven't noticed that our new phone system came complete with new phone system glitches. Please accept our apologies if you experience a dropped call. We've been assured the system will be flawless and we're diligently prodding those who can make it so. We're also taking this opportunity to remind you that you can always reach us by email. Planners like to have emergency plans!

On another note, coming soon to your mailbox is our new Disclosure Brochure. Recent regulatory reforms have prompted changes in disclosure requirements for firms regulated by the SEC and the updated version is required to be mailed. Please take the time to review it and relay any questions or comments it may inspire.

Wishing you a wonderful spring and the time to embrace this season of hope and renewal.