

Ponderings

October 24, 2008

In the course of our days at FFA, we ponder many different topics. Following are some of our more frequent ponderings:

We ponder why, if the world media, politicians, and public can spend such effort and emotion on the fluctuation of money, can't we then spend similar effort and emotion on solving world hunger, illiteracy, poverty, global warming, senior abuse, etc?

We ponder why so many Americans have forgotten about our men and women fighting in Iraq and Afghanistan but yet are intimately familiar with the level of the Dow Jones on a daily basis?

We ponder why, during this historic time, Congress continues on break and why we as citizens tolerate the blatant absurdity of this?

We ponder why so much energy is spent on monitoring markets that are acting exactly as they should: when economies go sour, earnings in companies go sour, and their stock prices follow suit?

We ponder why seeing portfolios of stocks drop 40% during recessionary times makes people panic when the history of stocks shows this pattern time and time again?

We ponder why knowledgeable investors are totally disregarding the largest, coordinated global financial rescue in history?

We ponder why our presidential candidates are not rising to the occasion and calling on all to focus on the long term, for isn't that what stock investing is intended for?

We ponder why so few are willing to add money to their long term investments when their prices have dropped to bargain-basement prices? When tuna is on sale at the store, why do we load up on it because it is such a "value" but when true wealth-building instruments such as stocks do the same, we do the opposite and sell or not buy?

We ponder why more financial advisors are not pounding on the desk for their younger clients to be adding money to quality stock and real estate investments?

We ponder why trillions of dollars are lost on a daily basis because “perhaps” we are in a recession?

We ponder how close we are to a revolution of the citizens?

We will conclude this commentary by again stating our belief that the world is not ending. We don't argue the historic nature of the actions taken by governments around the world; we do however wonder why so few can seem to see through the media's relentless barrage of never-ending bad news?

In our humble opinion, it is time for all of us to make a choice: do we allow the media coverage of falling markets to consume our lives (emotional response) or do we focus on this as the price of stock investing (rational response) and that this too shall pass?

It is imperative that we all fight the emotions stirred by these times and focus on the rational side of our brains. Economic times are difficult for most of us...but isn't that the nature of business cycles? Years of financial gains followed by financial strains – this is the way of the financial world, always has been and always will be.

As always, we are here for you during these seemingly never-ending tumultuous days. We remain grateful and thankful for your trust and confidence.

Best Regards,

Berthann & Craig