

October 2, 2000

Dear clients,

Greetings! Where did the summer go? For those of us in NY and CT, a better question is "what summer?". As our weather has been pretty lousy recently so have investment returns. So far YTD, most portfolios are down a little. Maybe the last quarter of 2000 will provide a big rally and bolster returns. Maybe it won't. Either way, the key is that you will have the peace of mind of knowing you are smartly invested.

Last quarter I talked a little bit about the risk/reward tradeoff. 2000 just might give us an example of the risk our portfolios are subject to whereas 1995-1999 illustrated the reward. What does this historical data mean for 2001? Not too much. Again, no matter what the numbers say, or how the math works out, you should remain prudently invested to stay the course for the long run.

Speaking of the long run, I watched the Olympic marathon yesterday and was so impressed by the physical stamina of the runners.

I can't even fathom running continuously that far for that long. Thankfully investing in a portfolio does not take such a physical toll but if not adequately "trained" for the down periods investors can pay a mental price. I will remain your investment "coach" during both up and down periods so if you need any encouragement, reassurance, or Gatorade along the way please call or come in. I'm still working on a web site so hopefully exciting news soon. Be well, be patient, and I'll report again after the holidays.