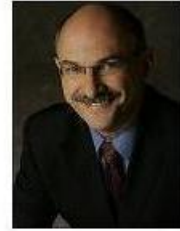


Steven L. Pomeranz

FINANCIAL MANAGEMENT



In The Immortal Words Of Ray Charles...

“Here we go again
She’ll break my heart again
I’ll play the part again
One more time...”

Investors have taken on an attitude of sell now and ask questions later. As I write this, the U.S. stock market has only just entered into “correction” territory with the S&P 500 down about 12% from its April 23rd high. It is the ferociousness of this correction which has been notable (-4% in one day), leading me to believe that fear, not fundamentals are driving this market and that this type of negativity has become overblown and overdone. There is no doubt that the turmoil in foreign markets will affect large multi-national companies with hefty European exposure, but the U.S. economy is in its own nascent stages of recovery and many small and mid-size companies doing business in the U.S. will continue to fare well.

“When there is blood running in the streets, it is the time to buy”, so said Baron Rothschild. “Buy when others are fearful and sell when they are greedy”, so said Warren Buffet. And today, with fear as the dominant emotion, we must get ready to act accordingly.

Be ready to take advantage of the opportunity brewing in the markets.

So with apologies to Brother Ray, please, allow me to re-interpret his song.

“Here we go again...”

Yes, some say the stock market is a fickle mistress and I am inclined to agree. I can only guess at the rollercoaster of joy and misery in that type of relationship, but over the past two years as a serious investor, I have earned the right to say I understand the feeling. And yet I must continue knowing....

“She’ll break my heart again...”

We suffered so much despair (2008) followed by hope (2009), now followed by fear again it is enough to wear down even the most calloused among us.

“The phone will ring again...”

But here I stay by the phone, tied to the notion that the only real growth in wealth comes from the productive use of intelligence, skill and materials that is uniquely created by successful business in an open-trade society.

“I’ll be her fool again...”

Yes, I will. I will continue to try again and again knowing that from time to time, I will feel like her fool but in fact, I will be the master of my own fate.

“One more time...”

However many times it takes. I must continue to try because the reward (no matter how difficult to attain) is financial security.

So, with apologies to Emily Dickenson who almost said; “the accumulation of wealth is a fickle food upon a shifting plate”, I once again urge you to take a deep breath, tighten your belt one more notch, ignore the noise of the current crisis of the day and refocus your attention toward the future.