

To Invest or Not To Invest?

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by Gabe Burczyk

I'm not a Shakespeare buff, but even I know that *Hamlet* is about a prince who can't make up his mind and that things do not end well for him. Prince Hamlet would not have liked our current market. January's volatility was enough to make even the most decisive people feel very timid. Hamlet would have hidden behind a tapestry the whole month.

As I am writing this, the S&P 500 seems to have successfully tested the bottom it established in late January by falling approximately 19% from its 52 week high. Will there be further downside tests? Probably. Is this correction over? Possibly, but it is too soon for anyone to know for sure.

And there's the rub – by the time you know a correction is over, the market has usually regained a good bit of the ground it lost. By the time you are *sure* there is an opportunity, the opportunity has diminished significantly. One reason we do not try to time the market is that it is almost impossible to be consistently correct. We feel that *time in the market* – choosing the right managers for you and sticking with them over the long term - will bring a better result for our clients than *timing the market*.

That said, we still feel optimistic about 2008. We feel that the underlying economy is still strong. We feel that since there is so little evidence of inflation, the Fed will focus its efforts on keeping the markets liquid to prevent a recession or mitigate its effects if one emerges. While we can't predict if the market will advance or when, we still feel that 2008 has the potential to be a good to great year for the market. We feel the clients who have remained invested through this nerve-racking time will be rewarded.

In our quarterly reviews we are working with some clients who feel that this is a good time to expand their portfolios to find managers that will be well positioned for the market recovery. If you are wondering if this is a good time to build your equity holdings, we can help you find a manager. For those who are still concerned about further downside risk, we suggest you call us and take a look at Roosevelt All Cap Core. This strategy has proven flexible enough to return in the top quartile against its peers in both up and down markets.

Either way, if you decide to act, you are not alone. We are here to help you.

Thank you,

Gabriel F. Burczyk
Chief Executive Officer

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