

THE DOW THEN AND NOW

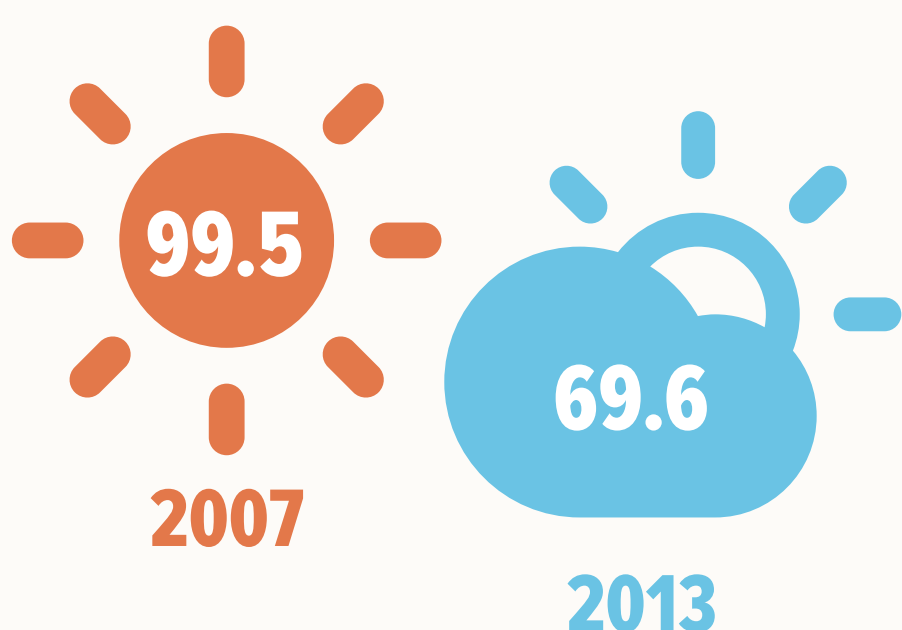
After falling to a low near 6,500 in March 2009, the Dow Jones Industrial Average doubled to hit an all-time high in March 2013. This is the first time since October 2007, but investors have called it quits. A look at **THEN** and **NOW** suggests what may be driving this behavior.



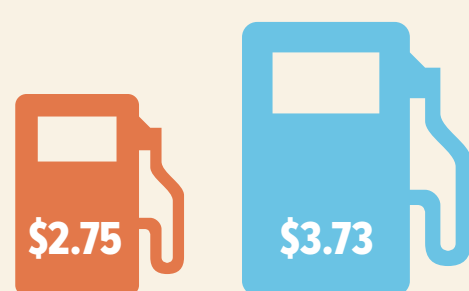
“The stock market’s volatility has scared retail investors for several years. A total of **\$556 billion has been taken out of mutual funds** focused on American stocks since October 2007, according to the Investment Company Institute. **That is an enormous pot of money that largely missed out on the market’s recovery.**”

—The New York Times, March 5, 2013

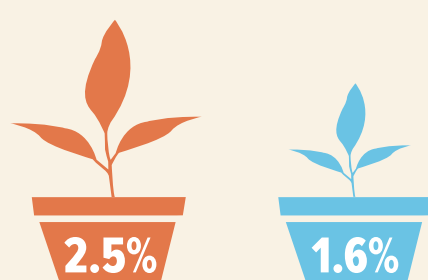
CONSUMERS ARE LESS CONFIDENT.



Americans pay more for a gallon of gas.



The U.S. economy isn’t growing as fast.

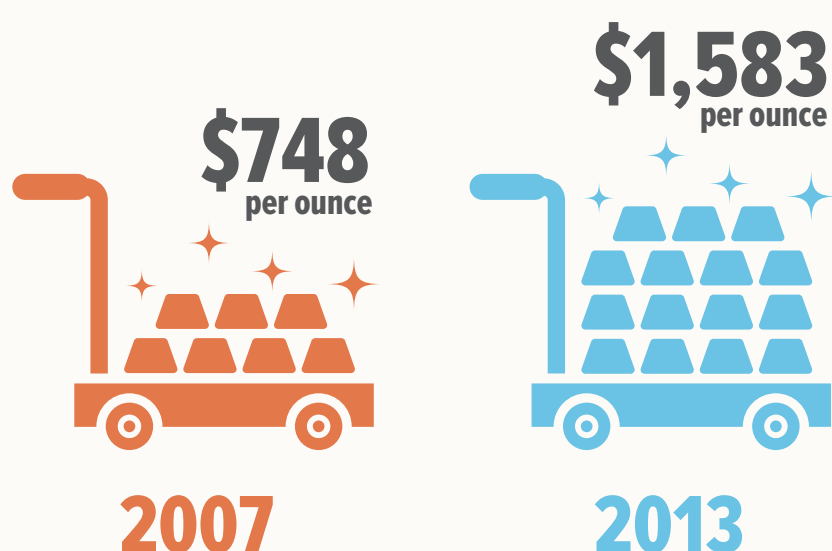


And more Americans are unemployed and using food stamps, but the good news is that there’s less household debt.



GOVERNMENT POLICIES ARE OFTEN **PRECURSORS TO CHANGE**, WHICH IS WHY IT’S IMPORTANT TO **FOLLOW MONETARY AND FISCAL ACTIONS.**

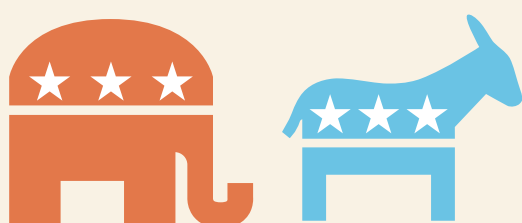
THE PRICE OF GOLD HAS DOUBLED.



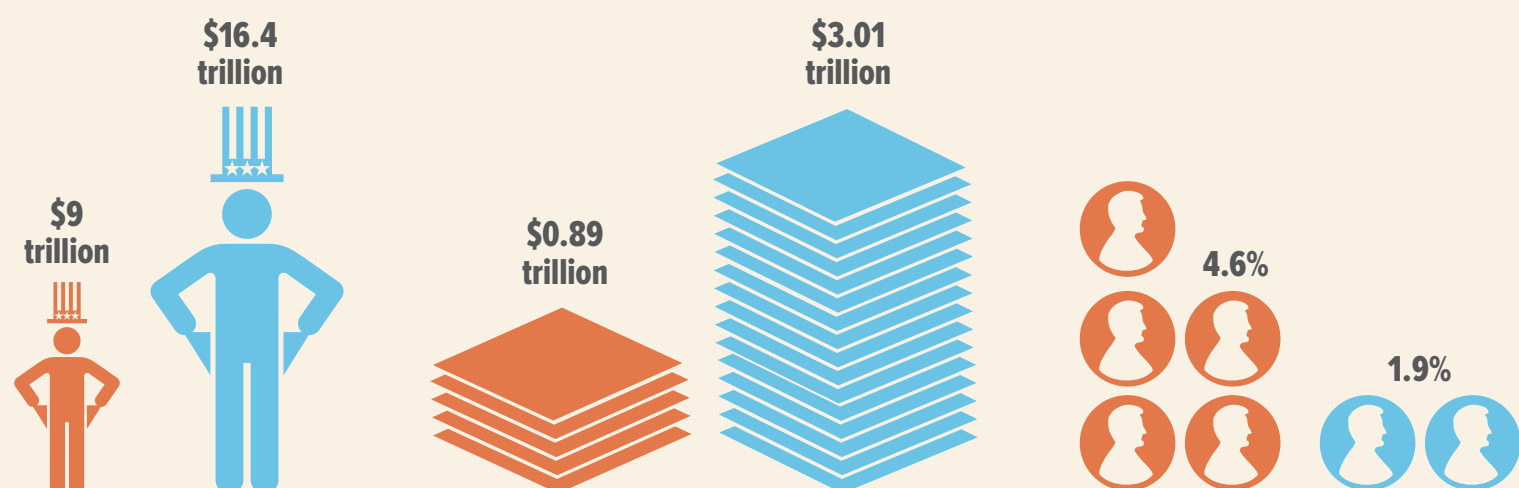
S&P downgraded U.S. debt.

AAA **AA+**

President Bush was in the White House in 2007. In 2013, it’s President Obama.



U.S. debt and the fed’s balance sheet have ballooned, while the 10-year Treasury yield is low.



HINDSIGHT IS ALWAYS 20/20, BUT OVER THE LONG-TERM, **MARKET DIRECTION HAS HISTORICALLY BEEN UP.**

“The individual investor should act consistently as an **INVESTOR** and not as a **SPECULATOR.**”

— Benjamin Graham



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Source: All data is as of 03/05/2013 from ZeroHedge.com and Bloomberg. Select icons from The Noun Project (www.thenounproject.com): Sun and Day Drizzle designed by Adam Whitcroft; Plant designed by Luke Anthony Firth; Sitting Man and Poor designed by Luis Prado; Paper designed by Alexandra Coscovelnitia; Shopping Cart designed by John Caserta.