

August 24, 2010

Dear Clients and Prospective Clients:

Please look at our current Review & Outlook and a few past quarters. You will see that what we have been worried about is happening. David Rosenberg and Van Hoisington have been right on. Staying conservative in bonds is paying off right now. As the economy slows bonds are a good place to be.

In today's "Breakfast with Dave," Rosenberg points out that the Japanese Nikkei index was off 1.3% to 8,995, which is the lowest close since May 1, 2009. This is down 21% from April 2010 peak. He said watch the U.S. indices play catch-up. He says that investors are finally exiting the denial stage and heading towards acceptance that the U.S. economy is not in good shape and will not turn around anytime soon. He points out that even David Wyss, who is Chief Economist at S&P, and a long-time bull, said in a speech in Tokyo recently, "I think there is still a realistic possibility in the U.S. that it's slipping into this pattern like Japan has – 10, 20 years of stagnation."

On another note, Gary Moorhead has joined Monroe Vos as Director of Business Development. Gary has an impressive resume with experience in the securities business and the real estate REIT arena. We are very excited about Gary joining our team.

Jamison Monroe, CIMA®  
Chairman & CEO  
Director of Corporate Values