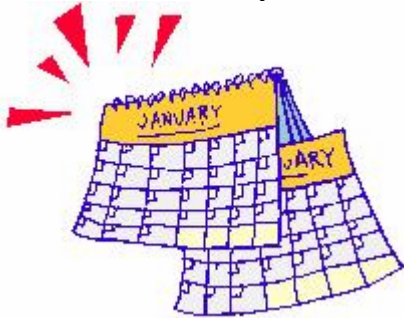


Thank God It's Friday!

December 8, 2006



January comes earlier every year! At least in the stock market this appears to be the trend, as investors buy up positions earlier to take advantage of the infamous **January effect**.

What's the January effect? It is a true market anomaly which has yet to be definitively explained. Small company stocks, especially out-of-favor picks, have a long history (and I mean over 200 years!) of performing unusually well during the month of January.

Why? Some have theorized that investors with wads of cash after their year-end tax loss selling are looking for somewhere to park it, driving up share prices. Sounds logical, but this reasoning doesn't hold up to careful scrutiny: The January effect is just as pronounced in countries with different tax laws, and after the tax changes of 1986. Similarly, the weather, the holiday season, and the phase of the moon have been debunked as causes of the January effect.

The only justification appears to be investor psychology: Investors *believe* that returns will be good after New Year's so they buy up shares. This buying binge naturally causes prices to rise like bubbly when the cork's popped. Well, actually not that much—the January effect at its best has added only a short-lived percentage point or two to overall returns.

So although it's real, it has history and the best analysts on its side, the January effect is by no means guaranteed and it's only a tiny drop in the bucket of a well-planned, disciplined and focused investment strategy.

So if time seems to be speeding up, it's not just your imagination, at least in the investment arena. Many investors are trying to get a jump on January. We at BIC won't be jumping on the bandwagon, but we'll be working hard to stay abreast of the times, ahead of the pack, above short-term herd mania, and on top of your investments.

BY: **Melanie Hoopes, CFA**

	December 8, 2006	December 30, 2005	Percentage of Change
DOW JONES	12,307	10,717	+14.83%
S&P 500	1,407	1,248	+12.74%
NASDAQ	2,437	2,205	+10.52%
10-year Bond YIELD	4.55%	4.39%	+3.65%*

*When yield goes up, prices go down