

Thank God It's Friday!

Friday, the 13th of April



Yes, we know the tax man cometh this weekend and yes, it is Friday the 13th but neither of these gloomy events can dampen our spirits today because we are celebrating our 32nd year in business.

In 1975, Bedell Investment Counselling opened its doors to guide investors towards financial independence. Suffice to say there have been many changes in 32 years! Richard Nixon is no longer President of the United States ...Margaret Thatcher no longer leads the Brits...and American military forces are no longer fighting in Vietnam . Fran Tarkenton was the man in football, Jack Nicklaus won his fifth Masters, our Golden State Warriors won the NBA Championship and Cincinnati edged Boston to win the World Series.

On the business front, 1975 was the year that introduced us to **personal computers**, Tylenol, and Wrigley Non-Stick Chewing Gum. Personal computers are now an integral part of our business and personal lives. Amazingly, we started our business with only an HP calculator and an IBM typewriter to produce your portfolio reports. The monthly phone bill ran \$75. Today we use e-mail, fax modems, satellite dishes, "smart" wireless phones and wireless laptops while we access our accounts and research stats online through internet networks.

Going into business in 1975 was a distant second to my greatest achievement-to-date: giving birth to my son John Kenneth on April 18th 1975: ten pounds, eleven ounces! Happy birthday, JK!

When we opened for business in 1975, the Dow Jones Industrial Average was 750. Compare that to today's Dow standing at 12,600 and you'll conclude **blue chip stocks** increased about 18-fold over the past 32 years. Today there are a lot more investment vehicles to choose from such as **Exchange Traded Funds** to cite just one example, not to mention the 8600 mutual funds; 2800 stocks listed on the NYSE; 3100 stocks listed on the NASDAQ. Whew!

Bonds also pleased portfolio performance (say that 3-times fast) as 7% coupons were locked-in in 1975 leading to higher values later on caused by interest rates returning to more **NORMAL levels around 5%**. Yes, in the 1980's, interest rates soared even higher but have returned to sane levels today causing us to re-iterate our viewpoint that bonds are the **OTHER** way to grow your money: via the compounding of interest as well as capturing a capital gain when interest rates decline.

Managing money is not simple any more. There's a lot more information out there due to the World Wide Web than there was 32 years ago. Our job is to filter that proliferation of data into meaningful investment strategies....just like we've been doing for the past 32 years...only better!

By: Judith Bedell

	April 13, 2007	December 29, 2006	Percentage of Change
DOW JONES	12,612	12,463	+1.19%
S&P 500	1,453	1,418	+2.47%
NASDAQ	2,492	2,415	+3.19%
10-year Bond YIELD	4.76%	4.71%	+1.06%* *When yield goes up, prices go down