Thank **G**od **I**t's **Friday**! **September 4, 2009**

Just in time for the long lazy Labor Day weekend, the Labor Department gave us a reason to party hearty: JOBS!

Today's jobs-report reflected unemployment receding from the highs reached in June. Halleluiah! This might very well mean that the RECESSION ENDED sometime between July and September. Why? Because that's when most economic data turned positive. The bond market confirmed this positive shift as Baa-rated corporate bonds rose another 10% in value in the last 5 weeks. So, when you hear yields are rising, first consider the recent 5 week rally which needs some correction to stay real. Yield on the 10-Year Treasury bond now sits at 3.43%.

At first glance the raw numbers of the Labor Department report were sobering showing an increase in the unemployment rate to 9.7% - the highest rate since June 1983. However, digging deeper, we see a slower pace of job losses last month which is cause for celebration.

Historically, at end of recession, rallies last for the subsequent 4 to 5 months. Despite the large rally beforehand as we have enjoyed since the lows hit in March, it is logical to conclude the current rally could last another 4 to 5 months which brings us through year-end. And welcome, Santa darling!

Pollyannas seldom survive Wall Street greed, so let's be realistic. No rally rises straight up. But the UP part compensates for the sideways part. We'll take it.

the beach bums return to work on Tuesday, we expect lots of bobbing and weaving to prepare for the dread of September, allegedly the weakest market month of the year. But we remain bullish for both stocks and bonds and will continue to ignore the calendar and focus on the myriad investment opportunities out there which will grow portfolios, gather income and maximize returns. Get some sun and enjoy what's left of Summer!

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