

Nov. 30, 2011

Whiplash

If you've been following the markets closely lately, you may want to have your neck checked, as it seems we all may have a case of whiplash.

The market has been pessimistic with the problems in the Eurozone, and the struggles within the U.S. government haven't helped. But as soon as we start looking down, solid third quarter earnings for U.S. companies, a coordinated plan to support the global financial system, record Black Friday consumer spending and a positive U.S. jobs outlook has the market surging again. All the recent activity just confirms how difficult it is to make "bets" on short-term moves in the market.

We remain positive about the intermediate prospects for the U.S. but less so for Europe. Sadly, it is dependent on the elected officials of both to make mature, courageous decisions in the coming months to deal with the debt/deficit issues facing both. Given their records so far, this is much more of a hope than a forecast.

As always, we'll continue to monitor events. In the meantime, enjoy your holiday season.