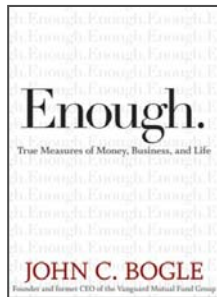


**Quote of the week**

“There is never enough time, unless you’re serving it.”  
*Malcolm Forbes*

I just finished reading the book *Enough* by John Bogle.



Mr. Bogle founded the Vanguard group of mutual funds in 1975 and it is now one of the world’s largest asset managers with nearly a trillion dollars under management. An incredible American success story.

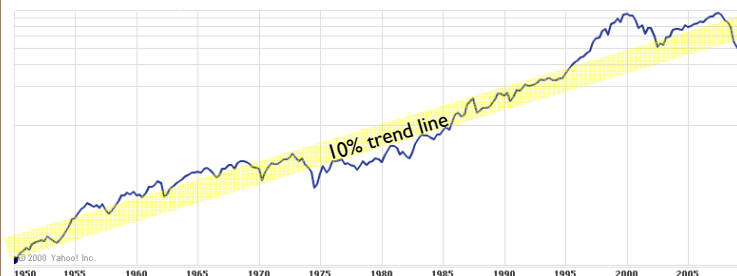
He has been in the investment business for 6 decades, so he has witnessed A LOT. He discusses investing, but also the values we should emulate in our business and personal callings, and on what we should consider as the true treasures in our lives. By explaining what "enough" truly is, he demonstrates how close everyone can be to having it.

Here are a couple of excerpts that I found interesting with comments added:

*Daily swings in market returns have nothing to do with the long-term accretion of investment values. Pg. 60*

This rational thought goes against human nature. We all get caught up from time to time with the events of the day which make markets swing all over the place. In the here and now they are entertaining, maybe pleasing, and every so often terrifying. Really though the only thing that matters is the lifetime accretion.

Below is the 6 decade growth during Bogle’s career. The S&P 500 went from 18 in 1950 to 1000 today. There have been a lot of crazy days, weeks, months, and years...but over 60 years the short-term swings are irrelevant. In 60 years \$10,000 turned into \$5 million if it was left alone.



Bogle discusses the meltdown of the last few months and states the following. *Count me as one that simply doesn’t believe that market timing works. I don’t know anyone that can do it successfully, nor anyone else that has done so in the past.*

*It is difficult enough to make even one timing decision correctly. But you have to be right twice. The act of getting out of the market implies the act of getting in later at a more favorable level. The odds of making one right decision is 50/50, the odds of making two right decisions are 1 out of 4. pgs 66-67.*

What about the guy who claims to have gotten out in 1999, back in stocks in 2002, out in 2007, and back in early this year? What are the odds of 4 correct decisions?

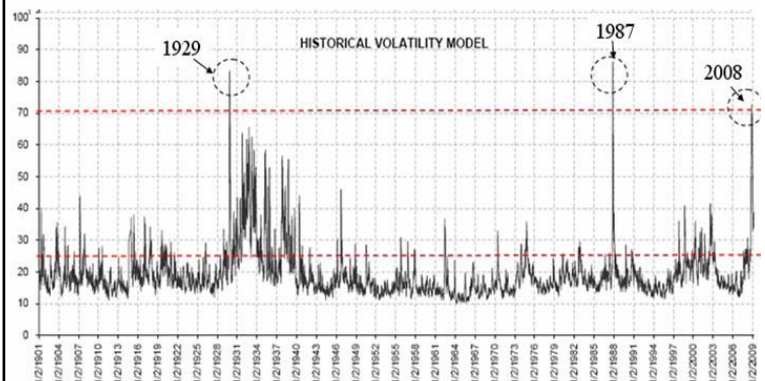
1 out of 16, or a 6% chance

Over a career it wouldn’t be unusual for a timer to make a dozen timing decisions...the odds of success?

1 out of 4096, basically no chance

You really want to bet a \$5 million payoff on those odds?

All of this timing and charting talk that has popped up recently is a result of the incredible volatility we have just been through. If you get this newsletter electronically you can blow up the below chart (if not you better squint) which shows the recent volatility has only been seen 3 times in the last century.



If you want to bet \$5 million on trying to predict when the next disaster is going to be...we will arrange to take the other side of the bet.

Buffett recently took the other side and bet the market would be higher 10 years from now. He pulled in several billion in put premium income, and will likely win the bet.

We talk a lot about the stock market so some of you think that is all we do...individual stocks. But there are a lot of ways we help clients...here are a few:

**You want tax-free bonds?**  
We can do that.

**Or a group of stocks yielding 5%?**  
We've got that.

**A portfolio of the best mutual funds?**  
We can do that too.

**You want a managed portfolio of ETFs?**  
Yeah, we have that.

**Need a 401k plan for your business?**  
We help do that.

**You want an unbiased portfolio analysis from Morningstar?**  
We can do that. It's free too.

**Want to move a trust out of a bank but think you can't?**  
We definitely can help with that.

**Performance year-to-date as of mid-day 8/7/09:**

<b>Sheaff Brock Growth Model</b>	<b>+26.5%</b>
S&P 500	+13.3%
Dow Jones Industrials	+ 7.8%
<b>Sheaff Brock Dividend Growth</b>	<b>+ 8.8%</b>
Dow Jones Dividend Index	- 3.1%
<b>Auer Growth Fund</b>	<b>+30.6%</b>

*You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-888-711-2837 or visiting [www.sbauerfunds.com](http://www.sbauerfunds.com). Past performance is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Sheaff Brock Investment Advisors, LLC (SBIA) does not guarantee the accuracy or completeness of this report, nor does SBIA assume any liability for any loss that may result from reliance by any person upon any such information or opinions. Such information and opinions are subject to change without notice and are for general information only. Index return and yield data is from *The Wall Street Journal and Thomson*. Past performance does not indicate future results. Model account returns are net of fees and commissions and include the payment of dividends which are held in money market funds pending reinvestment in other portfolio securities. Client returns may differ because all securities in the model may not be owned by each client. The securities mentioned in this report can be, and often are, owned by clients and employees SBIA. Clients and prospective clients should understand that there is no assurance that capital gains made in the past will continue. There is always the chance that market conditions or portfolio performance may deteriorate in the future, and clients may experience real capital losses in their managed accounts. The Classic Growth model and Dividend Growth and Income model are compared to the performance of the S&P 500 and sometimes to the Dow Jones Industrial Index (DJIA) although the model positions may not reflect the securities making up these indices. Neither comparable index may be an appropriate comparison index as our model accounts may own small and mid-cap companies not represented in the S&P 500 or the DJIA. There were no other strategies employed to obtain the results portrayed other than those strategies disclosed in the Sheaff Brock Investment Advisors, LLC Form ADV or other disclosure brochure.*