

**Quote of the week**

“The reward for work well done is the opportunity to do more.”  
*Jonas Salk*

Last week we were named a “Five Star Wealth Manager” in Indianapolis Monthly Magazine. For the last two years the magazine has conducted a survey of 40,000 high-net-worth individuals and 3100 industry professionals to find the best advisors. Only 7% of all wealth managers make the cut, and we have made it both years. Thanks for voting for us.

**FIVE STAR WEALTH MANAGERS****BEST IN CLIENT SATISFACTION**

## SHEAFF BROCK INVESTMENT ADVISORS

Three of us look worse for the wear after the stress of the last 2 years. (Hint, all 3 have ties on)



Left to right: 2009 Winner Jim McMahon, Angie Reece  
Back row: Deb McCulley, 2009 Winners Teri Kane and Ron Brock, Two-Year Winner Dave Gilreath

Two-Year Winner

### Our Success is Tied Directly to Yours

- Fee-only with a fiduciary responsibility to clients
- Recognized as a top wealth manager in the nation for six consecutive years
- More than 100 years of combined investment experience

*Areas of Focus: Discretionary Investment Management, Retirement Income, Long-Term Capital Growth*

*Designations: Certified Financial Planner (CFP)*

King Solomon, one of the smartest men to ever live said, “whatever your hand finds to do, do it with all your heart.” Sheaff Brock specializes in one thing, portfolio management for individuals. Firms that claim to be experts in many different areas are often kidding themselves; so we stick to one focus and put our whole heart into it. Three decades of navigating through remarkable and sometimes terrifying markets has taught us that

emotions are an investor’s greatest enemy. Mitigating the emotional burden is our job, which may explain the gray hair! Sheaff Brock specializes in providing active customized portfolio management using equities, fixed income, mutual funds and covered calls. We provide a consistent disciplined strategy, simple accountability and understandable account reporting. Our success is tied directly to yours, as it should be.



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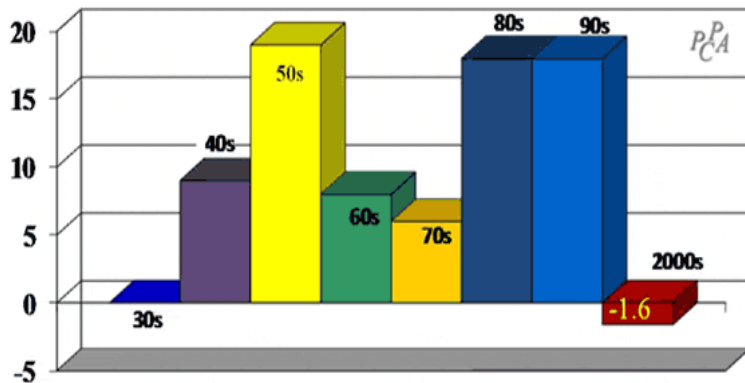
The final quarter of the first decade of the 2000's just started. Y2K seems like just yesterday doesn't it? It has been a lousy decade for the stock market.

In order for this decade to NOT be the worst ever, the market would have to end the year up 43%; which means the 4th quarter would have to be up 17%. The market has had +40% or better years 5 times in the past, 1928, 1933, 1935, 1954, and 1958. So it could happen.

The last monster year was over 50 years ago so a statistics geek could no doubt prove the probability is really high for us to have a monster up year. So far so good.

Below is the chart showing the average annual return for stocks in each of the last 8 decades.

### Annualized S&P500 Returns by Calendar Decade



Besides this decade the previous worse were the 30's and the 70's. Whoo-hoo!!! We're number one! We're number one!!

HOWEVER the best decades were the ones immediately after the 30's and the 70's. After the 30's the next 20 years delivered an average of 14% per year. After the 70's the next 20 years returned 17% per year.

If we got just 9% for the next 20 years the Dow would go from 9800 today to 18,000 in 10 years and to 34,000 in 20 years. Up three-and-a-half fold? Sounds crazy.

In the 40's and 50's the three-and-a-half fold gain took 18 years. In the 80's is only took about 10 years and then it happened again in the next 10 years.

*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.*

Bottom line, Dow 18,000 in the next decade and 34,000 in the decade after that could should happen.

Today though all of the "excitement" is centered on gold. Many are convinced inflation will be a huge problem down the road, even though there is zero evidence of it today. Since when has the exciting investment been the right thing to invest in? But, since gold has doubled in the last 5 years and about tripled in 10 years it is now the beauty queen. Under the golden make-up though it could be the same as loading up on tech stocks in 2000.

Below is a chart of gold back to 1973. There have really only been a couple of profitable times to have speculated (which is what it is) in gold. Do you really think it is a good *value* here?



Stocks are a good *value*...gold, not so much.

### Year End Tax and Planning Reminders

- ⇒ Remember, if you are over 70 1/2, you **DO NOT** have to take out a required minimum distribution from your IRA this year.
- ⇒ If you contribute to a new Indiana 529 or rollover money from another 529 account into an Indiana 529 plan you can get up to \$1000 in Indiana tax credits. (If you have a question about it Jim McMahan can give you the scoop.)
- ⇒ You might want to consider changing a regular IRA into a Roth IRA **NEXT** year. If you do it in 2010 there is no income limit for eligibility AND the IRS will let you spread out the tax on the conversion over 2 years.