

Quote of the week

“Experience enables you to recognize a mistake when you make it again.”
Franklin Jones

Thanksgiving is a week away and we at Sheaff Brock are very grateful for what we've got; excellent people here, great clients, a semi-OK economy, and a business that is alive and thriving. (That last thing is more than you can say about a lot of investment firms)

Certainly we should all be grateful the likelihood of the threat of a financial meltdown and a depression is much lower now than it was earlier this year and late last year.

As we read in today's research from Ed Yardeni it is human nature to be ungrateful and nitpick. He related the following story. A grandmother and her young grandson were walking along the beach. Suddenly a huge wave comes crashing down on them and sweeps the boy away into the ocean. She is beside herself. She screams for help, but there is no one in sight. She is a deeply religious woman, and starts to pray and beg God to return the boy to her. Suddenly, another big wave tosses the young lad back on the sand. He is a bit stunned, but uninjured. The old woman looks up at the sky and says, "Thank you Lord, but he also had a hat."

Yardeni goes on to say, While many investors continue to grumble about the tsunami of anti-business policies that the majority party has been pushing in Washington, the stock market has soared. Perhaps, we should give thanks that the Democrats have been so pushy that the resulting political backlash has been so strong.

Perhaps we should be thankful that taxes are already so high that Washington's free-spenders are getting lots of resistance to raising more taxes. Could it be that many of the incumbents in Congress are already lame ducks? The latest polls show that the voters aren't grateful to them, and are likely to toss them into the sea in next year's Congressional elections.

It is too soon to tell, but Harry & Nancy's great health care adventure may end badly for them. The President seems to be backing off on Cap-and-Trade by lowering expectations for the Copenhagen meeting on the environment during December. Stock investors should be grateful for what isn't happening or likely to happen!

So as you are chewing your turkey next week, and Uncle John starts bellyaching about the economy and politics; you can explain why he should be grateful for what he has...and not be concerned about his lost hat.



We are also grateful for two new additions to the team.

Todd Cooper has joined Sheaff Brock as a Portfolio Consultant. Todd will eventually be traipsing around the mid-west helping us with our contact with the various TD Ameritrade branches. He will also be meeting with potential clients referred to us by TD Ameritrade and keeping the branch representatives up-to-date on Sheaff Brock going on.

Todd moved a lot as a kid, wound up in Holland, Michigan, and graduated from Hope College. He began his career in the restaurant industry managing customer expectations and wayward employees. Great training. Most of us would have a difficult time simultaneously dealing with a hung-over waitress while (with a smile) asking a customer "Are you happy with your rib-tips this evening?"

Todd eventually moved to Indiana with his family and went to work at Raymond James as a financial advisor. Recent market events honed his client relationship skills. Todd, his wife Kristi, and son Alex live in Carmel. He is a welcome addition to the Sheaff Brock team.

Eric McKenzie joins the Auer Growth Fund as our head of operations and will also take on internal sales to institutional clients. As a child Eric was a military brat and eventually landed at Ball State University. After graduation his nomadic childhood led him to want to plant roots in Indiana. Actually it was probably his girlfriend Amy, now his wife Amy, that had more to do with it!

Eric has worn a variety of hats in the financial service industry. At Banc One he was a team leader of multiple branches, at Schwab he was a broker and did training, and most recently he was an Assistant Vice President at Unified Funds (the distributor of the Auer Growth Fund) as well as a Vice President of Huntington Trust.

Broker, banker, mutual fund maker. The guy can do it all. Eric will be helping SBAuer Funds roll out a new fund or two and working to grow the Auer Growth Fund. He lives in Indianapolis with his wife Amy and sons Ethan and Jake.

You can't say we're not doing our part to create jobs. Last month the financial service sector lost 18,000 jobs nationwide. Not us. We say, "Full speed ahead!"

Speaking of jobs...and we don't care what your politics are, but doesn't the first line of the below story from Wednesday strike you as funny? Wonder what the goal is?

By Associated Press
10:04 p.m. CST, November 18, 2009

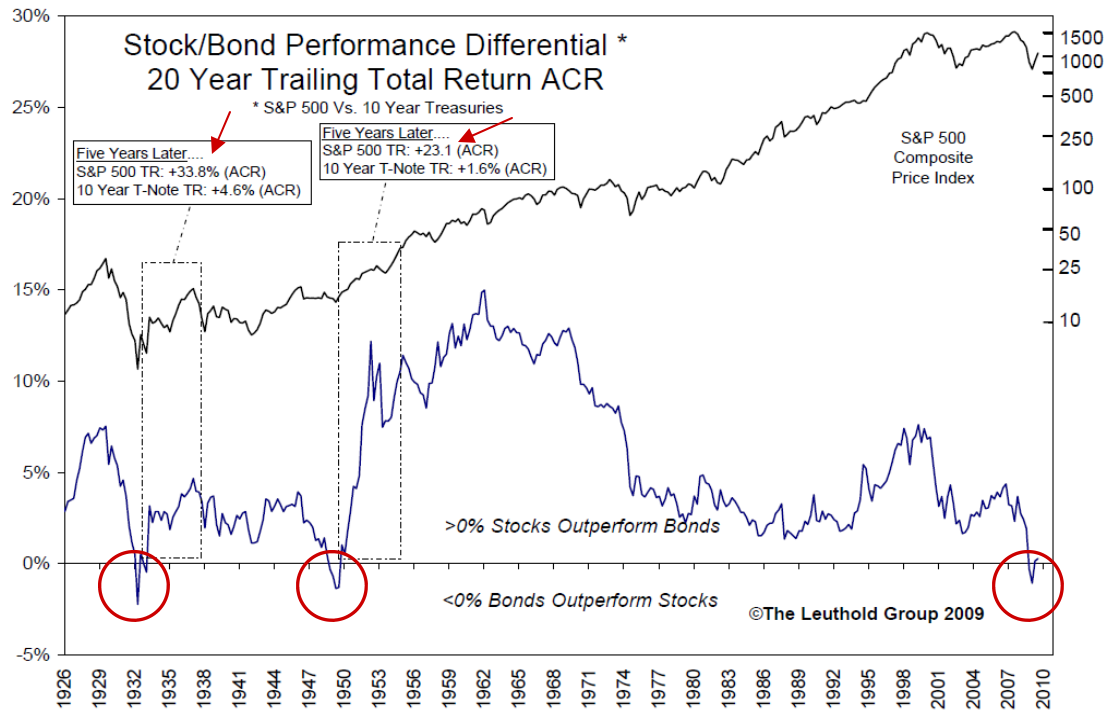
BEIJING (AP) — President Barack Obama says creating jobs isn't the goal of a coming White House forum on jobs and economic growth.

One thing that has happened for about 4 years now is money has been POURING in to bond funds. Stock funds on the other hand have been in net redemption for the last 2 years. People are seeking the relative peace and quite of bonds, even though yields are at lifetime lows. The reason is because bonds have delivered a higher return than stocks for the last 20 years. For 20 years the stock market has not rewarded folks for taking risk! Buying 10 year risk free Treasury bonds has been a better choice.

The Leuthold Group in Minneapolis looked at this phenomena and found it had happened only 2 times before. Then they calculated what stocks did vs. bonds for the following 5 years. We circled in red the previous 2 times, 1949 and 1932. The boxed in area is the next 5 years.

You can see in one of the "next 5 year periods" stocks returned over 33% per year, and the other they returned 23% per year.

Think the same could happen between now and 2014? Why not...Still thinking about your missing hat?



Performance year-to-date as of 11/18/09

Sheaff Brock Growth Model	+30%	Sheaff Brock Dividend Growth	+21%
S&P 500	+24%	Dow Jones Dividend Index	+ 8%
Dow Jones Industrials	+22%		
Auer Growth Fund	+32%		

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. 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.