



November 24, 2013

Feast or Famine?

A month ago, investors freaked out over the government shutdown. Now as they prepare for the national celebration of gluttony, they wonder whether they've been too greedy. For investors, this has been a wonderful year. The broad stock market gauge, the S&P 500, is up 26 percent, a mark reached infrequently. In October, people asked what they should do about the crisis. Should they sell their stocks? Were their money market funds safe? Now, as those memories fade, and the next budget crisis is at least a month away, the question is how much higher can the stock market go? People preparing for retirement need to invest for decades, not months. It's impossible to predict the future but we know that there will be many more ups and downs. We also hope that there will be good periods ahead. Thirty years ago the Dow Jones Industrial Average broke 1,000. Now it is hitting records of 16,000. Keeping faith has paid off dramatically. Trying to guess the direction of the market has not. Give thanks this Thursday for whatever good fortune we have. And act in the belief that hope for the future is often rewarded.

Larry Luxenberg

Partner

luxenberg@lexingtonave.com

About Larry Luxenberg

Larry is a Chartered Financial Analyst with 28 years experience as an institutional investor and financial consultant. Larry specializes in retirement planning for Baby Boomers and strategies for maximizing benefits for Social Security. He has been widely quoted in newspapers and magazines and has appeared on CNBC and other television and radio programs.