
Turn on the television or pick up a newspaper today, and it's easy to get lost in the trees. As though it were not bad enough that the stock market is 46% lower than where it started this year (and nearly 50% from its peak), you also have to endure a steady stream of doomsday scenarios from the media.

These certainly are not times for fainthearted investors.

However, there are a couple of facts to keep in mind that should offer encouragement. The first is that investing has always been an activity that should use the mind, primarily. Lately, however, it has been easy for emotions to take over - specifically fear. So before you or anyone you know makes fear-based decisions with their investments, let's take a short step back and look at the prospects for the immediate and long-term future. And let's look first at history.

The lowest average annual return since 1945, over any 5 year period for the S&P 500 has been -2.4%. A rather small loss.

The lowest average annual return since 1945, over any 10 year period, for the S&P 500, has been 1.2%. A gain, actually.

Seeing the Forest AND the Trees

For any individual, adding investments in alternative and fixed-income asset classes would cause these numbers to be even better. In other words, while it is difficult at times to hold on in this roller coaster of a stock market, try to keep a long-term view. By looking out five to thirty years, or more, the picture of the stock market changes dramatically.

In fact, today's stock market is like a fire sale of investment options, from which you can cherry pick. While there are many bad stocks still hanging around, the good have suffered along with the rest.

A second fact to remember is that there is a difference between the economy and the stock market. While these are related, it is not an exact correlation. There are many reasons that the economy is going to have significant troubles going forward; however the stock market is always trying to "price in" the effect that these prospects for the economy will have on stock values. Because of this, as soon as people can see light at the end of the tunnel, the "bear market" will be over. Right now many are being driven by fear and uncertainty, and the smart investor can make significant increases off of the emotional decisions of others. If you have a portfolio that allows you to be patient, the opportunities to reap great rewards from a stock market have not been so prevalent in quite some time.

At DeMoss Capital, we take a smart approach to investment and advisory services, and treat each client as unique, so our clients have been doing exceptionally well throughout the chaos. The same care and diligence that guides our advice also guides our commitment to serve those in need, and our community. One way that we do this is by giving 100% of our fees for two months out of every year, to nonprofit initiatives.

This month is National Adoption Month, so on the back of this letter you will find some information about one of our nonprofit partners, Bethany Christian Services.

For more information on our investment philosophy, or for a no-cost review of your portfolio and insight into how to achieve your investing goals, contact me at any time.

With best wishes for you and yours during the holiday season,

John C. DeMoss, CFA
President

DeMoss Capital : Non-Profit Profile



Bethany Christian Services

- adoption programs
- pregnancy counseling
- sponsorship / mission trips
- post-adoption support
- infertility ministry
- 1.800.BETHANY / Live Web Chat

Bethany Christian Services

Bethany Christian Services serves God's children all over the world through adoption and many other programs. We facilitate adoptions in the U.S. and abroad, but we also care for orphans living on five continents. We are called to care for children of all ages and in all stages of life. We serve children at conception by counseling women with unplanned pregnancies and by providing frozen embryos a chance for life through our embryo adoption program. Our commitment extends to children and teens who are living in foster care or in orphanages—children who need a “forever family.”

Bethany offers comprehensive support for children and families through adoption, foster care, and counseling as we know children thrive best in a safe, loving and strong family. We are committed to finding the best family for every child in need anywhere around the world.

Bethany Christian Services. Called to care. Committed to children.

bethany.org

DeMoss Capital donates 100% of its fees from two months out of every year to non-profit organizations working for humanitarian and economic good.

We do this because we believe that people joining together to make our shared world a better place is a rare asset. We also believe that we can leave the world in better shape than when we found it, and in that spirit, we invite our clients to help us select which of these nonprofit partners will receive our fees, as an act of faith that by starting somewhere together, we can get somewhere even better.