



STAFFORD WELLS

personal wealth management newsletter

August 8, 2011

Dear Clients & Friends,

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As you know, S&P announced Friday evening that it was downgrading the US sovereign credit rating from AAA to AA+, and it assigned a negative outlook to this new rating. This has all investors wondering what to do, what is next and how safe are my investments.

This event has triggered the concerns of all politicians, both international and domestic. The markets opened today down 2% and should continue for the next couple of weeks to be choppy as analysts and nations try to digest the impact of this downgrade and the issues impacting our debt and that of Europe. Consensus in the industry is that growth is slowing and the expected 3% GDP for the second half of the year will be adjusted downward.

It is difficult to be predict how the markets will behave in the near term as we are in uncharted waters. However, looking forward, I anticipate markets to be both volatile and, at instances, lacking normal liquidity. Our markets here in the US will also be impacted by what is taking place in Europe.

This is a time, in my opinion, where you do not want to sell out of good holdings and positions. Perhaps it is a time to react to exceptional, high quality opportunities when and if they arise.

Please be aware, that the S&P action does not involve a major change in your investment portfolio positioning.

This is a time to diligently watch both fundamentals of our economy, the fundamentals of the global economy and the holdings in client portfolios.

In closing, while the ratings change is a disappointment to all Americans, perhaps great things will come from this ratings change, such as diligent action by our policy makers to a better solution than what we saw in the recent budget legislation. A recent quote from Michael Hartnett caught my attention, "Markets stop panicking once policy makers start panicking."

I am hopeful that you understand that at Stafford Wells that I will do my utmost to continue to deliver you investment management quality that is commensurate with my standards and 20+ years of industry experience.

Thank you.
Susan Templeton

You may be interested in my recent blogs on

[Why Taxes Matter In an Investment Portfolio](#)

[Four High Yield Investments](#)

[The U.S. Dollar Currency Has Been in a Decline: How to Invest](#)

[Can You Protect Your Investment Portfolio From Risk?](#)

Susan Templeton was recently interviewed by Mary Frances Bragiel for Today's Chicago Woman on [How Much Money is Enough](#).

Interested in learning more about how much you need to save? Susan Templeton will be a panelist on the topic; ***How Much is Enough? on Thursday September 22nd from 7:30-9:30 AM***. This event is being hosted by the Metropolitan Club of Chicago and sponsored by Today's Chicago Woman. More information will be available after July 28th at; [StaffordWellsAdvisors.com](#)

Best regards,

Susan Templeton

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