



To our valued clients and friends,

October, 2013

Three quarters of 2013 have passed and nothing but bad news seems to be dominating the headlines. You wouldn't know the S&P 500 index, was up 17.9% through quarter end or that the crushing volume of bond selling has come to a halt; with the ten year US bond price improving 12% from the September bottom. The government shutdown is still ongoing as this letter is written and the markets, loathing uncertainty have held up. So long as the budget debate and shutdown drag on, the focus on good things; such as falling energy prices, which helps consumers and businesses alike, the impressive US manufacturing numbers, and the "green shoots" in Europe will not be discussed, resulting in continued pressure on our bull market in equities.

During the past several months we have been increasing our exposure to international equities. We have done this by investing in large cap corporations which pay dividends as well as exchange traded funds with an emerging markets focus. We have continued to shorten duration in our fixed income portfolios seizing the opportunities presented during the bond sell off, to enhance returns. In the last days of September we increased our hedge, against a falling stock market for those clients we invest in individual equities rather than funds and maintain our overweight fixed income hedge as well. These hedges not only provide a shining star during a falling market but serve to increase tax efficiency, by avoiding capital gains and keep trading costs down. We focus on tax loss harvesting throughout the entire year, but use the last quarter to tie in with your specific tax planning needs. We encourage you to call us with an update as to your willingness to take profits or to aggressively take losses in order for us to better assist you in optimizing your tax planning for 2013.

October 1, 2013 kicked off the "Exchanges" associated with the Affordable Care Act; aka Obamacare. There are two major exchanges: Small Business, known as SHOP and the exchanges for individuals. Licensed health insurance agents are required to be certified to offer insurance on the exchanges and are required to complete training and pass an exam. Three associates at United's sister company, United Financial Group, Ltd. have been certified and are available to answer your questions.

Our strategies remain flexible to embrace changing trading patterns, shifts in momentum and to take advantage of the opportunities created by changing equity valuations and pricing inefficiencies in the bond markets. The Wall Street Journal's Murray Coleman interviewed Lee DeLorenzo on the topic of using technical analysis and a portion of the interview can be found online via our blog which is linked to our web site: Unitedasset.com

United is pleased to add Erin Gibbons to our professional staff as a senior wealth advisor. We look forward to our existing clients benefiting from his experience and knowledge in all phases of the financial planning process. Feel free to checkout Erin's biography on our website.

The Professional Staff at United