

## Decision 2012

The second Tuesday in November has been the designated voting day since 1845 when it was instituted by the Congress. The Tuesday, after the first Monday of November, was deemed the most convenient day for the Agriculture based population and also gave voters a full day to travel to the polls and not interfere with the Biblical Sabbath day on Sunday. Tomorrow Americans will vote and choose who will become the 45th President of the United States. So what will that mean for the Stock Market?

Well if you believe in the predictable capabilities of sporting events then you have a few options to consider. First of all the Redskin's rule states that if the Redskin's win their final game before the election then the incumbent party will win the election.

However the Redskins lost to the Panthers which points to a victory for the challenging Republican party. Or you could look to baseball as MLB apparently stated that 67% of the time the National League wins the World Series it results in a Democratic victory.

If you are looking to these events for stock market guidance you may want to consider research according to Bespoke that states that, during November, the markets have fallen on average .7% after a Democratic victory and have risen an average of 2.5% after a Republican victory. Or you could try more rational approach to investing...

There is no better time than now to remind our clients that we need to stick to a disciplined process for investment selection. One that focuses on fundamental real results and not speculation. The approach I use revolves around three requirements;

- Revenue and Earnings growth
- Balance Sheet strength
- Reasonable price

We continue to search for companies that are continuing to expand, have the financial strength to fund their growth and trade at a reasonable value. Regardless of the outcome of tomorrow's election, or last weekend's Redskins game, we will continue to be able to identify companies that satisfy those requirements and that is where we will position client's portfolios.