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28 great positive notes about the financial market

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It is Friday, October 10th as we head into Columbus Day weekend as I watch the Dow hit 8,451 and down -128. That is good news (it is less of a drop compared to the last few days). It is also time for me to draft my next CRE article and I realize that you will not be reading this article until the second week in November. But now is the time to reflect on the issues at hand as we live the biggest tsunami in stock market history.

The stock market over the last 2-3 weeks has been hit hard and every minute brings negative news from the media. I now ask, "Is there anything positive about our tsunami? Can I see some good?" Not all things can be negative. I deliberately sit down to develop positive 28 points for the purpose of this article. When you read this article, compare my notes to the current economic scenario (in mid-November) to see how close I might be in my thoughts.

So, in no particular order:

1. Oil prices were over \$140 per barrel in June and experts then predicted \$200. Oil today (Oct. 10) has decreased to \$77.10 per barrel. Great news.
2. Gasoline has decreased from \$4.50 per gallon for regular unleaded in June and today (Oct. 10) I saw \$2.95 per gallon and it's still dropping.
3. Oct. 10, MSNBC reported that the U.S. export-import trade deficit has decreased for the first time in a long time - great news.
4. This week consumer credit card debt balance is reported to decrease. We are learning not to charge for expenses. We actually pay in cash now.
5. The U.S. savings rate is actually increasing.
6. Town and state governments are going to have a shortage of cash and, gee, they are actually trying to figure out how to stop spending and slash expenses - novel idea.
7. Businesses are learning to be leaner. I read today that one company has its employees cut their office property's lawn themselves instead of using a landscaper, thus saving \$7,000.
8. Interest rates actually decreased on the same day by the G7 countries. That was a first in history.
9. Global governments are actually talking to each other and communicating. They are learning to get along - mmm?
10. The U.S. dollar has finally gained in value on the Euro.
11. Great company stocks are really, really cheap and affordable. If you wanted to buy low, this is your time in history.
12. I see that people are spending more time with their families at home around the kitchen table rather than eating out.
13. Attendance has increased at churches and temples (okay, I made this up but I bet it's true).
14. Greedy Wall St. executives will be going to jail eventually and many have been wiped out financially.

15. Americans are actually talking to each other and commiserating over this financial tsunami.
16. Housing prices are decreasing and becoming more affordable. August housing sales actually increased.
17. Bank deposits are a bit more safe as FDIC increased deposit guarantees to \$250,000.
18. Finally, no more alternative minimum tax - okay, so it's temporary.
19. Silver and platinum is more affordable. Prices have decreased 34-49% respectively.
20. Mutual funds are at bargain prices and more affordable.
21. Manufacturing is down allowing the market to run off the backlog of inventory and setting up a future backlog of demand. When this tsunami over, don't you think manufacturing will have pent up demand for its products?
22. China's economy is actually slowing down and not bulling ahead and running over the U.S.
23. There is a ton of liquidity; over \$3.4 trillion sitting in money market accounts alone ready for investing.
24. Lottery sales are up (well, I have no proof but just wait on this news). That is good for local towns that share in the revenues.
25. My friend, Paul, has a great condo in Killington and now is forced to rent it out all year during the winter. Finally I have a choice.
26. Long-time friends that I have not heard from in months are calling me to say "hi" and asking me for my opinion on the current financial situation.
27. Christmas this year will be more about family and less about how many gifts everyone received.
28. And, finally, the best news is that many people are going to become "filthy, nasty" wealthy if they invest in this down-market. It is probably the final greatest opportunity in my lifetime to "buy low and sell high."

Be upbeat, in a few weeks, months, perhaps many months, this crisis will be history as we start a new chapter. Are you prepared?

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