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AMERICA FIRST
Investment Advisors, LLC

VIEWPOINT

Do You Watch C-Span?

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Curious about a financial topic?

Send your query to
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we may include it in
a future issue of
VIEWPOINT.

My wife and I recently returned from visiting my 88 year old grandmother. The best way to describe her is to say that she is a one-woman whirlwind of activity. She serves in her church, volunteers at the local hospital, checks on her friends and gives rides to people who can't drive. Her friends kept telling us how special she is and I couldn't agree more. She has one funny quirk, however. She likes to watch CNBC to keep up to the minute with what the Dow is doing.

You know, I'm thankful she doesn't like soap operas, but I think that watching the ticker may lead to unnecessary worry. Over the past few weeks, it has bounced around so much that I have heard it described as being a "chiropractor's market"—people's necks are hurting from watching it go up and down. Particularly frustrating to many is that the Dow Jones Industrial Average has seemed to be stuck in the down direction. They have fixated on the high of 14,000 reached in mid-July and are worried now that the index is several hundred points lower.

Fanning the flames of anxiety even more, it appears that some are obsessed with checking their brokerage accounts daily on the internet and calculating how much their accounts have dropped from this year's record highs. I think it would be more beneficial to take a step back and look at the big picture.

At the time that I am writing this, the Dow has retreated to levels last seen...two months ago. Which means that yes, the market was higher, but it also was lower, too. The fact is that these indexes typically change every minute of every day. For me, watching them do this is like watching C-Span. Only rarely does something interesting pop up.

What should interest us, as investors, are the circumstances of the businesses that we own. We think that for the most part, these continue to do well. We don't worry whether the market agrees with us on a daily basis, but are content to take a longer-term view.

That should enable us to make better decisions and, at the same time, should keep us from unnecessary worry.



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