

The Tonge Telegraph

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Business News

I want to share with you some exciting company news. First, we have a Web site! Point your browser to www.ricktonge.com. So far, we're keeping it fairly simple. You'll find a picture, a copy of the company brochure, and the most recent issue of this newsletter, The Tonge Telegraph. You can e-mail me directly from the site, and I'll add new features as opportunities arise. Please e-mail me with any suggestions.

Second, I have opened an office in Portsmouth, New Hampshire. I will be doing business as Bickford Financial and Investment Services, Inc. This new office, at 500 Market Street, will be a convenient location for my new clientele in southern Maine and New Hampshire and in northern Massachusetts. It will be a distinct pleasure to work with Kathryn Bickford and her clients. Kathryn has been in business for more than 20 years. A Certified Financial Planner, she was selected as one of America's best money managers in 1996, 1997 and 1998. Although Kathryn will take a step back from some of the operations aspects of the business, she will be very involved in financial planning and portfolio management. Wendy Blanchard will be my assistant in Portsmouth, overseeing operations on Market Street.

Along with the new office comes a new registration status. Tonge Investment Services will now move from a state-registered to an SEC-Registered Investment Adviser. With two locations and more assets under management, I will now come under the scrutiny of the federal government instead of the state. The rules are basically the same; only the enforcer has changed.

Now, let's look at the markets. Last month I wrote that while the recession was over, there was still something holding back the markets. The situation in the Middle East clearly got much worse in the course of the month, with heightened intensity on both the military and diplomatic sides. Some progress may have been made, but who can tell what really counts as progress in that terribly troubled region?

Still, one might think that situation by itself should not unduly affect our recovery. The economy is in a good place and the timing is good, with summer coming, to continue this recovery. So again, what is holding the markets back? This should be a wonderful time to be investing. The stock market customarily a leading indicator not a lagging one, should be moving up in anticipation of economic recovery. Historically, the markets move six months in advance of the economy.

Although I feel very good about our economy, wars and rumors of wars both demonstrate and generate a sense of instability. Uncertainty about the next move the U>S> may make in the Middle East resonates in the price of gold, the value of the dollar, and commodity prices in general. What we observe these days is how tentatively the delicate psychology of financial markets responds to conditions of uncertainty and instability.