

The Tonge Telegraph **September 2002**

Fall Begins

Labor Day weekend, our wonderful watershed time marking the transition from summer to fall. Summer toys make way for book bags, soccer cleats and various start-up school activities. It is a time of reassessment and new beginnings, similar to January and the start of a new year, or the first crocuses of spring.

This September, we have considerably more on our minds than usual. It has been a long challenging year bringing us back to 9/11. Labor Day was not the same as last year or any year previous. The world has become radically more complicated, and we are so much more sensitive to its complexity.

We enter this autumn cautiously. This dark anniversary we fervently hope to get behind us without any trouble. Addressing the myriad problems on our planetscape, we surely don't need another eruption of terrorist actions.

Our economy is still sputtering; there is more talk of a Double Dip Recession. Federal Reserve Chairman Greenspan is still in charge, but as his efforts through the nineties come under review, the critique sharpens. Some believe he didn't prick the Bubble when he might have. In time, if the situation doesn't improve, they will call for his resignation. The Chairman has pretty thick skin. Don't bet that he'll give up because of some chatter in the coat room. If he gets to the point where he doesn't think he can help, we could see a change at the top, but until then he remains the best man for the job.

After running down from June until early August, stocks started to move forward. This move seemed not only statistically significant but the harbinger of an impressive advance. Now we see it as one more fragile, late-summer rose. The recent report on manufacturing output indicates a faltering recovery, a significant report, especially as it equates with a downturn in new housing starts. And what might war bring?

The stock market took a 355-point beating as I compiled this report. I trust this will be just another of the pendulum swings to which we've become accustomed. I will certainly take money out of the markets again if prospects dim. For now, I plan to hold the equity positions I have taken in recent weeks. We have purchased some good long-term holdings at very reasonable prices. We'll be alert to what this new season brings us.