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July 2009

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Green Shoots Rising

Good news at last! To the right you will see something that has been missing for too long—positive numbers! Though the media continues to highlight much of the negative economic news, they have begun reporting on, as Fed chairman Bernanke termed them, “green shoots” that are popping up throughout the economy—signs that the recession has slowed and a recovery may be starting.

The Commerce Department reported that personal spending, incomes, and savings all rose in May. April and May also saw increases in orders of durable goods, a measure of spending on long-term purchases often viewed as a gauge of the manufacturing industries future. The latest consumer sentiment numbers for June show continued growth as well.

The stock market has seen a nice recovery since the low-point reached in March. Two of the three major indexes are now positive for the year and market volatility has dropped substantially. The CBOE Volatility Index, a popular measure of market volatility, has now fallen to less than half of what it was in October of 2008—a sign that much of the fear and uncertainty is now behind us.

The financial turmoil of the past year has primarily focused on regulatory errors and missteps from Wall Street, but it has also highlighted the need for increased financial education at the personal level. As a result, we are considering a series of workshops on various financial planning and investment related topics. These would not be sales seminars, but rather a series of small-group educational workshops. Attendance will be limited to 15-20 people at each workshop. The goal is to create an experience that allows people to learn more about financial planning related topics that are of interest to them, in a relaxed, interactive setting.

As we begin this process, we need feedback from you, our clients. Would you be interested in attending something like this? What topics would you like to learn more about? If you have an opportunity, please call, email, or write and let us know your thoughts. As we begin to develop the content and presentations, we want to ensure that we address the topics you would find most beneficial and interesting.

We hope you have an enjoyable 4th of July weekend! Please contact us with any questions or comments.

Regards,

The PKA Team

Market Update

A quick glimpse at the market for the second quarter and year to date:

	Q2	YTD
DOW:	+11.01%	-3.75%
NASDAQ:	+20.05%	+16.36%
S & P 500:	+15.22%	+1.78%

Increased Savings?

If you have increased your personal savings rate, we encourage you to consider utilizing a Roth IRA (if you are eligible). It provides tax-free growth of your retirement dollars and, in an emergency, your contributions can be withdrawn without tax penalties.

PKA News

The move of our Twin Cities office from Roseville to Mendota Heights is planned for mid-July. Once our move is complete, we hope those of you in the Metro area (and anyone else passing through) will stop by for a visit!