

### 2012 could shape up to be a great investing year



**W**hat a year 2011 was! Most investors were glad to see 2011 fade away into the record books. Characterized by wild swings in the market, it was nothing for the Dow to go up a few hundred points one day only to lose it the

next. We can only hope 2012 will be a more "investor friendly" year.

Who knows what 2012 will bring? We're

heading into an interesting presidential election cycle, Europe's debt crisis is still rocking the markets and causing much uncertainty among investors of all stripes. And to top it all off, the Mayan calendar says December 2012 will be the end of the world....so that's nice.

However, I am an optimist and I don't subscribe to doomsday scenarios. Here's a few reasons why I think 2012 will be an OK year in the market if not above average.

1) Election years are generally good years in the stock market. I know it's hard to believe. One would think that the uncertainty of who the president will be and all the wild promises that come with presidential elections, that investors would take a vacation from investing and busi-

nesses would keep their cash parked in short term investments. But history shows that in the last 21 election cycles, only three of those cycles have led to negative returns in the S&P 500 index.

2) Corporations are flush with cash! Bad news tends to drown out good news when it comes to investing. But no one should ignore the fact that many corporations in the S&P 500 had record profits in 2011. Dividends kept flowing and plenty of corporations raised their dividend payouts. Many companies are hoarding mountains of cash, just waiting to spend it on new equipment, new technologies and what everyone is waiting for, new jobs. I'm convinced that this will lead to outstanding economic development and prosperity for American families.

3) The European financial situation has yet to be worked out. One day it looks like they have a resolution and the next day....not so much. We will certainly see continued gyrations in the market in 2012 until the issue is solved. A few things to keep in mind on this topic. a: It's not the first time Europe has had financial upheavals and it won't be the last. b: Corporations will continue to do well in their respective markets. People don't stop buying toothpaste, toilet paper, gasoline, etc. So profits will be made, dividends will be paid, the world will go on whether Europe solves their issues today or a year from now.

So, what's an investor to do in the meantime? Investors should be reviewing their portfolios to assure proper diversification. Diversification alone won't prevent drops in portfolio values but diversification can help to lessen the blow that market downturns have on investments. This is because not every asset class is affected in the same way when the market takes a hit. So stock portfolios should be spread out amongst different sectors within large company stocks, midsize companies, real estate and so on. It would also be wise to ladder bond portfolios according to maturity, ranging from short term to long term bonds as required by the portfolio time horizon and objective.

Also, investors should be sure to take advantage of high quality, dividend paying stocks. Research shows that the "best of the best" in this category tend to have less market volatility in the long run and higher returns. Another plus of owning these high quality dividend payers is that many are currently yielding more than bonds. Couple that fact with the likelihood of dividend raises in the future and you have a portfolio that anyone would be proud of.

*Ryan Talbot is an independent financial advisor with Talbot & Company Wealth Management. For your free consultation with Ryan, call 225-276-9788 or email questions to rialbot@brokersxpress. Securities offered through brokersXpress, LLC, Member FINRA, SIPC, NFA and a Registered Investment Adviser, a subsidiary of optionsXpress Holdings, Inc., a subsidiary of The Charles Schwab Corporation.*



# NOW OFFERS

## Graston Technique

**GRASTON TECHNIQUE IS AN INNOVATIVE, PATENTED FORM OF INSTRUMENT-ASSISTED SOFT TISSUE MOBILIZATION.**

- Conditions that may be treated, but not limited to: neck pain, back pain, hip pain, knee pain, ankle pain, plantar fasciitis, tennis elbow, IT band syndrome, quadriceps pain and hamstring pain.
- Our therapists are specifically trained and certified in **GRASTON TECHNIQUE**. Robin Giles, PT, DPT and Joseph Disandro, PTA now performing Graston at our **CENTRAL** and **ZACHARY** locations.
- [www.moreaupt.com](http://www.moreaupt.com)

**1326 CHURCH STREET  
ZACHARY, LA 70791  
225.654.3800**

**11424 SULLIVAN ROAD  
BUILDING C, SUITE B  
BATON ROUGE, LA 70818  
225.261.8405**





## SPECTRUM FITNESS

**GET A JUMPSTART ON YOUR NEW YEAR'S RESOLUTION**

\$59 enrollment  
and get your 1st month free