



**CEDAR HILL**  
WEALTH MANAGEMENT

## ***Gravity with a Bounce***

November 4, 2008

Although October is just 31 days long, this year the month seemed considerably longer – the markets vacillating between worries over the pending doom of the financial system and optimism that the concerted efforts by governments across the globe would in fact be successful in averting further disasters. Despite closing the month with the best weekly performance in over twenty years (up over 10% for the S&P 500 Index), equity markets around the world still finished the month of October down 15-25%.

Although we believe the markets will remain volatile (both up and down) for the next few months, we are encouraged by recent developments in the credit markets suggesting the credit crisis is in the process of passing. We fully anticipate some very ugly economic data (i.e., employment, retail sales, GDP) indicating the depth of the recession we are already experiencing, but we believe the markets have largely reflected the current (and near term future) state of the economy. We are looking ahead to signs of eventual stabilization and improvement.

Joel H. Jastromb  
Chairman

Alan Cole  
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