

OLD MISSION Investment Co. LLC

November, 2008

We recognize that during the past few months the markets have added to the anxiety and stress for clients and investors across the world. We understand that people are genuinely concerned about their investments, and want to reflect on our thoughts about the current market.

As we look forward, it is important to recognize that markets have reacted in this manner in the past. The markets of the 1930s, 40s, 70s and 80s were all filled with turmoil. What was the best course of action during those times? Aside from investing at low levels, sitting tight was the next best thing an investor could do. Frequently, we ask ourselves the same question: When will this end? No one can predict market bottoms with certainty. From our experience, *all* markets are different. The resolution, however, to erratic market behavior has always been the same – markets will recover.

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Today, people are saying the same things - We have too many problems, too much uncertainty, and not enough clarity for the markets to move higher. These are common comments heard at the *bottom* of all bear markets. Strangely enough, markets improve and establish meaningful bottoms when pessimism is at its greatest and markets improve before good economic news hits the headlines. Emotions of the moment often distract us from doing the right thing and it's difficult to remain calm when volatility is at an all time high.

Our market system has stood the test of wars, depressions, recessions, and attacks on our nation. In the middle of any crisis it is impossible to see a resolution or recovery. History has clearly demonstrated that holding, and not selling, is the prudent course of action in times like these. Some people want to wait for a clearer picture to emerge. To that end, we'll cite a comment from Warren Buffett: 'By the time the robins have come, spring is over'. Meaning, by the time things have cleared, the markets have already made a move toward recovery. Selling at the wrong time is problematic. Buying in, when things have already improved, can compound the problem even more. As with all historic market declines, the circumstances may be different, but the resolution will be the same.

We monitor all the investments held by our clients closely and take the decision to *hold* as importantly as the decision to buy or sell. While the values on your statements are down, this is viewed as temporary. Our fund managers were selected for their long-term track records and their ability to remain steadfast to an investment philosophy that stands the test of time. This volatility will soon pass and we will most certainly see a better day.

As always, our doors are always open for any questions you may have. We have enclosed an informational piece detailing past market behavior that we think you will find useful in your review.

Our very best,

Old Mission Investment Company, LLC

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