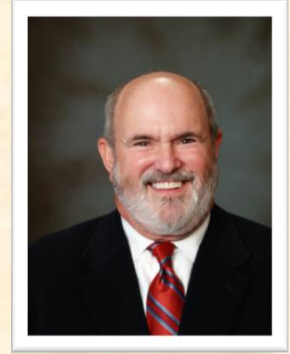




KRASNEY FINANCIAL PRESENTS:

WEEKLY FINANCIAL ARTICLE FOR THE WEEK OF JULY 2, 2007



THE RESTLESS INVESTOR

WHEN IT COMES TO YOUR INVESTMENTS, DO YOU HAVE THE PATIENCE TO REAP LONG-TERM REWARDS?

"But it looks so good!" When you hear about a new stock becoming available, are you enticed by its promise? Do you suddenly feel compelled to run right out and buy shares? Let's say you DON'T buy shares, and then the stock doubles after the initial public offering. Do you run out and buy it THEN? Do you sell shares of a loser in favor of this new stock that's hot?

Grab the reins! A recent study found that in most cases, investors who sell one stock for another that seems more promising typically find the new stock trailing the old stock throughout the next year. Meaning, if they'd held out for twelve months, they'd be better off. Just like playing roulette, quick and frequent stock trading *might* hold big rewards ... but it doesn't happen often. If you're investing small amounts, just for fun and to see what happens, well that's your call. But if you're trying to reach a long-term goal (like retirement), a more committed investment strategy could be a better choice.

What is long-term investing? Is three months a long-term investment? What about six months? What about a year? Actually, a long-term investment is typically five years or more. If you're currently buying and selling stock every few months, you may want to reconsider your strategy. You certainly would not be the only investor with a "love 'em and leave 'em" stock trading mentality, but that kind of investing is haphazard and can be very risky.

A good strategy. The way I see it, a good investor is steadfast and employs a solid long-term, goal-oriented approach. He or she is patient, invests consistently, saves regularly, reinvests dividends, and evaluates portfolio returns over the years (not months or weeks.) Good advice is to evaluate returns over a full market cycle i.e. during expansions and contractions in the economy. Krasney Financial believes that with proper diversification and an eye on the long-term, portfolios will experience great long-term returns and will be less volatile.

Please feel free to forward this article to family, friends, or colleagues. If you would like us to add them to the list, please reply to this e-mail with their e-mail address and we will contact them and ask for their permission to be added.

Quote Of The Week
"Let your hook be always cast. In the pool where you least expect, there will be fish." – Ovid

Riddle Of The Week
What is black when you buy it, red when you use it, and gray when you dispose of it? (Wait for next week's article for the answer)

Notable Numbers
Things being equal, it's usually better to own your home than to rent. You build equity and get to write off your mortgage interest.

Answer to last week's riddle: Your breath.

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