

# *Buena Vista Investment Management, LLC*

*Creative Investment Solutions*

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Buena Vista Investment Management LLC  
Strategic Market Update

Good afternoon all

The purpose of this e-mail is to bring you up-to-date on the status of our Strategic Investment Tools. On Friday of last week, the **Leuthold Major Trend Index** moved from “bullish” status to “neutral”. This is the first change in status to any of our market indicators since 2009. The change from “bullish” to “neutral” does not mean that we are making any changes to our portfolios. It is our intention to remain invested until Leuthold or our other strategic investment tools issues a “sell” signal. The Leuthold Major Trend Index is a leading indicator and is normally the first of our indicators to issue a change in status. The movement to “neutral” is more of an early warning alert rather than a call to action. As of this date, our other two Strategic Investment Tools are both positive.

Last week we experienced an almost 300 point drop in the Dow Jones Industrial Average. This was the largest single day loss in the last nine months but is also important to remember that we experienced 13 larger one day losses during the first 17 months of this bull market. We have also experienced seven previous 5%+ corrections since this bull market started.

As of today, the S&P 500 has now experienced another 6%+ correction. This correction almost equals the decline we saw in February & March of this year when the market was down over 7%. Although these corrections can prove mentally challenging, they are part of an ongoing bull market process.

Our current bull market is now almost 2 1/2 years old and is dealing with a lot of a lot of different issues; from geopolitical issues in Europe to a stagnant job market here at home. There is no question that these uncertainties are creating additional market volatility but for now, we remain invested until our indicators turned negative. We will keep you abreast of any changes to investment strategy and asset allocation as they arise.

If any of you would have additional questions relating to investment strategy, please do not hesitate to contact myself, Joel or Pete.

John Moffat, Partner