The Markets

Politicians may struggle to work together, but at least the world's central bankers can.

At 8:00 a.m. EST on November 30, the Federal Reserve released a statement that sent worldwide financial markets skyrocketing. Here's the first paragraph of the statement:

> The Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, the Federal Reserve, and the Swiss National Bank are today announcing coordinated actions to enhance their capacity to provide liquidity support to the global financial system. The purpose of these actions is to ease strains in financial markets and thereby mitigate the effects of such strains on the supply of credit to households and businesses and so help foster economic activity.

The U.S. Federal Reserve went on to say that should liquidity conditions continue to deteriorate, it has "a range of tools available" and "is prepared to use these tools as needed." For many investors, this move meant world central banks "get it" and are ready to pull out "the big guns" to keep the worldwide economy from grinding to a halt.

Investors rejoiced and, by the end of the day, stocks had soared as the Dow Jones Industrial Average rose 4.2 percent, according to *The Wall Street Journal.*

While the central banks' moves were welcome, they don't solve the economy's underlying problem. Certain European countries (and the U.S., too) suffer from too much debt and too little growth. The banks' moves were akin to taking ibuprofen -- they mask the pain, but don't provide a cure.

The cure likely won't happen until European politicians agree on a credible and enforceable, "long-term regime of fiscal discipline," according to *The Wall Street Journal*. While European leaders meet frequently to discuss policy solutions, they unfortunately suffer from the old truism, "When it's all said and done, a lot more gets said than gets done."

Data as of 12/2/11	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	7.4%	-1.1%	1.6%	13.6%	-2.5%	1.0%
DJ Global ex US (Foreign Stocks)	8.7	-14.4	-10.9	13.6	-4.2	4.9
10-year Treasury Note (Yield Only)	2.0	N/A	3.0	2.7	4.4	4.7
Gold (per ounce)	3.5	23.9	25.8	30.8	22.0	20.3
DJ-UBS Commodity Index	3.2	-9.9	-3.6	7.9	-3.1	4.9
DJ Equity All REIT TR Index	6.1	1.8	4.0	28.6	-3.0	9.9

Notes: S&P 500, DJ Global ex US, Gold, DJ-UBS Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; the DJ Equity All REIT TR Index does include reinvested dividends and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods.
Sources: Yahoo! Finance, Barron's, djindexes.com, London Bullion Market Association.
Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

WHO WANTS TO BE A BILLIONAIRE? Ever wonder how billionaires got to that level? Here are 10 success tips shared by four billionaires on a recent episode of the news show "20/20:"

1. Figure out what you're so passionate about that you'd be happy doing it for 10 years, even if you never made any money from it. That's what you should be doing.
2. Always be true to yourself.
3. Figure out what your values are and live by them, in business and in life.
4. Rather than focus on work-life separation, focus on work-life integration.
5. Don't network. Focus on building real relationships and friendships where the relationship itself is its own reward, instead of trying to get something out of the relationship to benefit your business or yourself.
6. Remember to maximize for happiness, not money or status.
7. Get ready for rejection.
8. Success unshared is failure. Give back -- share your wealth.
9. The truth is cold and hard, but it's the first point on the path to hope and salvation.
10. Successful people do all the things unsuccessful people don't want to do.

Even if you're not focused on becoming a billionaire, these are some pretty good tips to live by. Which ones resonate with you?

Weekly Focus – Fun with Math

It's been said that compound interest is the eighth wonder of the world. Compound interest simply means that you get "interest on your interest" instead of just interest on your original principal. Here are a couple math questions that display the power of compounding.

> A typical piece of copy paper is 0.004 inches thick. If you were able to fold this piece of paper in half everyday for 10 days (i.e., double the thickness each day), how thick would your paper be after 10 days?
>
> Taking this a step further, how many times would you have to fold your paper in half in order for your piece of paper to be as thick as the average distance between the earth and the moon? Here's a hint: the average distance between the earth and moon is 238,857 miles.
>
> Are you ready for the answers? After 10 days, your paper would be 4.1 inches thick. And, to reach the moon, you'd have to fold your paper in half each day for just 42 days. Surprised?
>
> The power of compounding also makes a good case for reinvesting your dividends so you can get a "return on your return."

Best regards,
From your Petra Benefits Team

P.S. Please feel free to forward this commentary 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 ask for their permission to be added.

14015 PARK DRIVE, SUITE 107 TOMBALL, TX 77377 ● OFFICE (281) 357-8788 ● FAX (281) 357-8744 ● WWW.PETRABENEFITS.COM

* This newsletter was prepared by PEAK.
* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general.
* The DJ Global ex US is an unmanaged group of non-U.S. securities designed to reflect the performance of the global equity securities that have readily available prices.
* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.
* Gold represents the London afternoon gold price fix as reported by the London Bullion Market Association.
* The DJ Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.
* The DJ Equity All REIT TR Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.
* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.
* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.
* Past performance does not guarantee future results.
* You cannot invest directly in an index.
* Consult your financial professional before making any investment decision.