



UNITED ASSET STRATEGIES, INC.

"planning for a lifetime"

October 2008

To our valued clients and friends,

During the last three decades we have helped clients invest and plan through four recessions, several Presidents, wars, booms and busts. One thing is certain, we will get through this.

Experience shows that the herd mentality may work for a short period of time but never does it provide above-average financial results over the long term. Statistics show that *following the winners* (up or down) or *being a contrarian* (going in the opposite direction) do not produce better results than a buy and hold strategy. Do not get us wrong, at United we do not buy and hold, hold, hold. We constantly adjust portfolios for anticipated trends and we will continue to do so.

Our research determines which industry sectors offer the most stability during prolonged recessionary times. And based upon our findings, our analytic team selects an entry price. Then, we wait for our price; we don't chase! Utilities, with their existing regulations and high dividend payouts are an illustration of a logical sector in which to invest.

Our research includes historical analysis to anticipate which industry sectors offer extraordinary opportunities. For example, real estate investment trusts have produced returns far better than the S&P 500 after every recession. Since 1970 the REIT market has not had negative returns longer than two years in a row. Since REITS were down in 2007 and again in 2008, and we expect official confirmation of US recession, we anticipate increasing exposure to this sector in the near term.

Year-end planning tips include considering a ROTH IRA conversion if your Adjusted Gross Income is under \$100,000. Now is a great time to consider converting, as ordinary income tax rates are likely to rise next year and portfolio valuations provide a lower tax base. Gifting assets to family members via grantor retained interest trusts provide an excellent opportunity for appreciation in the recipient's estate while providing a steady stream of income for you. During the next several weeks, if you have a taxable account, you will hear from us regarding your year-to-date realized gains and losses. Plan to take advantage of the low capital gains rate due to anticipated tax increases under the next Presidential administration.

We have made and answered dozens and dozens of client phone calls regarding account performance and our strategies going forward. We have adjusted portfolios based on your changing financial needs and unique risk tolerances. We are grateful to hear from you. Your choice of investing with United Asset Strategies, a *financial planning* registered investment advisory firm, assures you that our goals are aligned with yours.

Our corporate tag line: ***planning for a lifetime***[™] is indeed a *double entendre* as we dutifully plan for *your future* and have been doing so most of our own professional lives.

Professional Staff of United Asset Strategies, Inc