



**FINANCIAL
CONCEPTS**

A Planning Firm

*1121 Second Ave. N
Columbus, MS 39701
(662) 327-1480 phone
(662) 327-9607 fax*

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Successful investing requires a long-term perspective. But maintaining that long term perspective can be hard when all we hear around us is noise and negativity. Maintaining perspective is easier when history is our guide. For perspective and comfort, we wanted to take a moment to look back and share with you some of the milestone events over just the past four decades.

A Tale of Four Decades

1975

Global Population ¹ :	4.1 billion
U.S. Population ² :	216 million
U.S. Real GDP ³ :	\$5.49 trillion
S&P year-end close ⁴ :	90.19

Saigon falls; President Ford escapes two assassination attempts within seventeen days. Margaret Thatcher becomes the first woman leader of Britain's Conservative Party. Andrei Sakharov, the great hero of the Soviet resistance, wins the Nobel Peace Prize. *Saturday Night Live* debuts on October 11. An American and a Soviet spacecraft link up in space; the event is memorialized on a beautiful ten-cent U.S. postage stamp⁵.

1985

Global Population ¹ :	4.85 billion
U.S. Population ² :	238 million
U.S. Real GDP ³ :	\$7.71 trillion
S&P year-end close ⁴ :	211.28

Gorbachev comes to power in the Soviet Union, and meets with President Reagan. The Internet domain name system is created. Windows 1.0 is published, and the first successful human heart transplant takes place. The song of the year is "We Are the World." In the greatest marketing catastrophe since the Edsel, the Coca-Cola Company introduces New Coke. A first class U.S. post-age stamp costs twenty-two cents⁵.

1995

Global Population ¹ :	5.7 billion
U.S. Population ² :	266 million
U.S. Real GDP ³ :	\$10.28 trillion
S&P year-end close ⁴ :	615.93

The Oklahoma City bombing is the greatest domestic terrorist atrocity in American history. O.J. Simpson's murder trial begins, and ends ten months later in his acquittal. Israeli Prime Minister Yitzhak Rabin is assassinated. The Rock and Roll Hall of Fame and Museum opens in Cleveland. Jerry Garcia dies. A postage stamp costs thirty-two cents⁵.

2005

Global Population ¹ :	6.5 billion
U.S. Population ² :	296 million
U.S. Real GDP ³ :	14.37 trillion
S&P year-end close ⁴ :	1,248.29

Hurricane Katrina devastates an American land mass larger than Great Britain. Saddam Hussein goes on trial for his life. July 7 becomes London's 9/11, as coordinated attacks on the bus and subway system claim 52 lives. Pope John Paul II dies; he will be canonized only nine years later. A postage stamp costs thirty-seven cents⁵.

2015

Global Population ¹ :	7.29 billion
U.S. Population ² :	322 million
U.S. Real GDP ³ :	16.42 trillion as of 9/30/2015
S&P year-end close ⁴ :	2,043.94

A radical Islamic faction, ISIS, casts the Middle East into chaos, and carries out terrorist atrocities in Paris and elsewhere. Refugees pour into Europe. The world's leading nations reach an accord with Iran on its nuclear development program. Yogi Berra dies. 14 people are killed and 22 seriously injured in a terrorist attack in San Bernardino, California. A postage stamp costs forty-nine cents⁵.

In summary, over the past forty years, we have seen the global population increase by nearly 80%. During this time extreme poverty has been reduced from one out of every two, to now one out of every ten. Here at home, the U.S. population saw an increase of 50%, and is gaining a new addition every 14 seconds⁶. And better yet, we as American's have room to grow. Our population density per square mile is 85, compared to France where it is 300, 680 in the UK, or a whopping 870 in Japan. Over just the past five years alone we have experienced an energy renaissance, cultivated by new technologies and advancements in harvesting and exploring for natural resources.

Through all forty years the markets continually fluctuated. Some years provided market growth, while others provided market declines. We saw 7 declines in the market of 20% or more. But

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through all of the ups and the downs of the market, the S&P 500 increased by a multiple of twenty from its ending value in 1975.

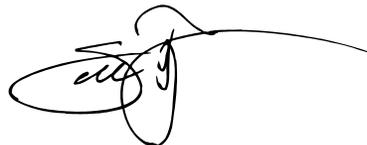
If there's a lesson to be drawn from this—and we believe there is—it's that maintaining perspective is one of the biggest keys to being a successful investor. We have used this quote from Nick Murray in previous letters, but we still believe it rings true, "If you are working, saving and investing over years and decades toward the great goals of life—children's education, a retirement characterized by dignity and independence, meaningful legacies—it has always been a great mistake to react to market volatility."

If you would like to talk more, please do not hesitate to give us a call at 662-327-1480.

Sincerely,



Rhonda S. Ferguson CFP®, CFS



Scott T. Ferguson

Sources:

1. World Population: <http://www.multpl.com/world-population/table/by-year>
2. United States Population: <http://www.multpl.com/united-states-population/table>
3. Real GDP: <http://www.multpl.com/us-gdp-inflation-adjusted/table>
4. S&P Year End Value: http://www.1stock1.com/1stock1_141.htm
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6. United States Birth Rate: <https://www.census.gov/popclock/>
7. 1975: <http://www.infoplease.com/year/1975.html>
8. 1985: <http://www.infoplease.com/year/1985.html>
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10. 2005: <http://www.infoplease.com/year/2005.html>
11. 2015: <http://www.infoplease.com/news/2015/current-events/>

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