

Interim Market Update 8/25/99

Two Wrongs Make a Right For Us

The Federal Reserve made its 2nd mistake August 24th when it once again raised short-term interest rates in order to halt an invisible inflationary monster that does not exist.

The media talking heads, which quite frankly don't have a clue, fill the airwaves with dire interest rate projections at the very time the long bond is having its best rally of the year.

An inverted yield curve, a recession and a 3% long-term Government bond yield are in our future. The Fed has shed light in a corner, which has no darkness, and we will be the winners.

Don S. Peters
Central Plains Advisors, Inc