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DouglasBradley

Personal Financial Advisors

DouglasBradley's MONEYWISE

Financial News and Insight from an Independent Advisor

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Personal Notes

Doug - Like most on the East Coast, we spent most of January trapped indoors from the cold and snow. We did get an opportunity to venture down to the Smithsonian's Air and Space Museum Annex at Dulles Airport a couple of weekends ago. It's an aircraft hangar filled to bursting with planes, helicopters, missiles and such. But the stars of the show are the Blackbird spy plane (which is so fast it crossed the United States in something like 90 minutes) and the Space Shuttle Enterprise. Those two exhibits and the various fighter jets are what really caught the kids' attention. The Concorde is there as well. You wouldn't believe how small the windows are and I imagine it wasn't for travelers who were claustrophobic. All around a nice visit and big enough and open enough that the kids can explore at their own pace.

Brad -

The outdoor projects continue to stack up as we aren't getting a reprieve from the cold for even a few days. I did finally breakdown and do some routine car maintenance in the sub-freezing

Egypt's (Non)Impact on Financial Markets

Why haven't the protest rallies in Egypt been more disruptive to the world's financial markets?

For a country that is central to the stability of the Middle East, the unrest over the past few weeks has done little to elicit concerns in the global financial markets. In fact, the troubles have caused barely a ripple.

Many may have believed that the events there would disrupt oil supplies and, therefore, oil prices. But the truth is that Egypt has a limited role in world oil markets and produces just 1% of the world's output. That said, Egypt does control the 120-mile Suez Canal and the 200-mile Suez-Mediterranean pipeline. Together, these two pathways carry 2.5 - 4.5% of the global oil demand. It does appear that those of us in the West are probably more concerned with our own struggling economies, persistently high unemployment rates, and unsustainable debt levels.

The protests have impacted two important economic sectors closer to home for the Egyptians. First, Arab stock exchanges (13 in total) lost nearly \$50 billion in the last week of January. This is equivalent to approximately 5% in value. Looking forward, Egypt and its neighbors should also expect to see their debt ratings downgraded by the rating agencies. This will increase their borrowing costs right at a time when they will need to borrow heavily to make-up for the lost productivity and revenues caused by the turmoil. Second, the tourism industry in Egypt is crucial to their economy and has all but shut down. Last year, 14.7 million tourists visited Egypt and generated \$11 billion in revenue. That equates to approximately 11% of Egypt's Gross Domestic Product (GDP) - a huge number.

How Has Inflation Impacted You Personally?

We found the following link fun and informative. Click the link and enter your birth year to compare how the average US salary, price of a home, price of a gallon of gas, price of a pound of coffee, etc. has changed during your lifetime as a result of inflation. We think you'll be very surprised.

[Inflation Since Year of your Birth](#)

weather. The expected issues that always arise, although minor, inevitably seem larger when you can't feel your fingers.

The closest I am getting to warmer weather is the many airport drop-offs/pick-ups for people visiting nicer climates.

Mahesh -

My wife and I just returned from celebrating our 20th wedding anniversary in Las Vegas. My wife had never been so it was a good excuse for her to check it off her "Been There" list. Since our trip coincided with the Super Bowl, we each wagered \$20 on various aspects of the game. Needless to say, that \$40 stayed in Vegas. We certainly aren't high rollers, but nevertheless felt compelled to experience the casino atmosphere.

Waiting on 1099s From Your Broker?

We are finding that many of our clients are starting their 2010 taxes even earlier than usual this year. We have already fulfilled several requests for our highly regarded "Gains and Losses Report" which we prepare as a service to our clients annually. Since our Report must be used in conjunction with IRS Form 1099, we want to update our readers on the deadline established by the IRS for mailing this form. For the 2010 tax year, the IRS is requiring that financial institutions mail 1099s to their customers no later than February 15th. Therefore, if you are an early filer yourself, don't panic if you haven't yet received your 1099 for tax year 2010.

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While it may feel as though the economic slide has been halted and the "green shoots" of a recovery are upon us, a critical element is lagging. Wall Street and the stock market are rebounding, corporate profits are up, bonuses are starting to reappear, but ... jobs have been left at the station.

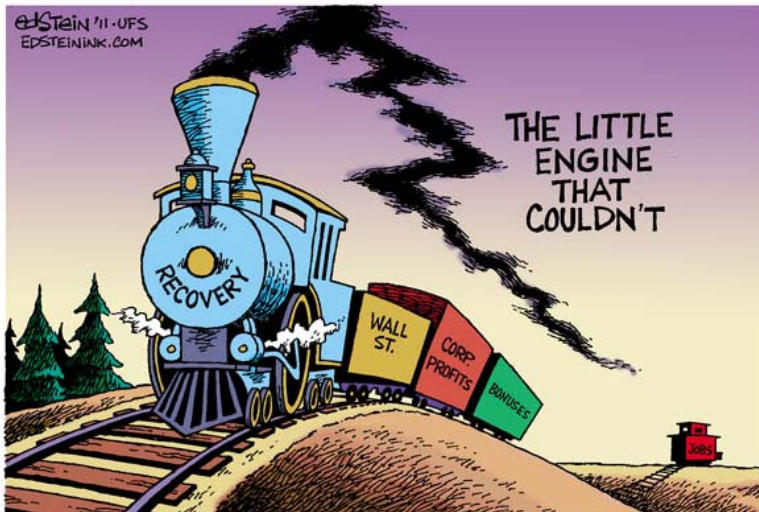
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