



Majerko Investment Management

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2011 1st Quarter Market Commentary **For the Clients of Majerko Investment Management**

The 1st quarter ended up with solid numbers for the stock market. The S-P 500 gained approximately 5.9% on a total return basis (includes reinvested dividends). March was certainly a volatile month with multiple worries. Those included the Japanese earthquake and tsunami and subsequent radiation leaks from their nuclear power plants, not to mention the uprisings in Libya and other countries in the Middle East and North Africa. Oh, and a sharp increase in oil and gas prices. Despite all these concerns the market continues to climb upwards.

As I have said in the the past, the market climbs a wall of worry, and this market has been remarkably resilient. I think Japan will recover faster than people expect and the long-term rebuilding can become a stimulus for growth, lifting earnings for corporations. After all, when all is said and done, I believe corporate earnings are what drives the stock market over the long haul.

Remember, at any time, for any reason a correction in the market is possible and likely, which can be a health restoring event to shave off excesses so the market can move higher. I would expect the volatility to continue, but I believe long-term investors will be rewarded with solid returns in the future.

As always, we will be contacting our clients on an individual basis should changes need to be made. Once again, thank you for your loyalty and trust.

Your referrals are appreciated!

Stock investing involves risk including loss of principal

*The opinions voiced in this material are for general information only and are not intended to provide specific advice for any individual.

*S&P 500 is an unmanaged index which cannot be invested into directly. Past performance is not a guarantee of future results. Market Data Source: Factset