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February Market Commentary

The economy ended 2010 on a high note, with positive data from a range of indicators such as retail sales, auto sales, inflation, and manufacturing. Clarity on the extension of the Bush tax cuts and unemployment benefits, sharply improved markets, and new stimulus money (in the form of a 2% cut in the payroll tax) should give consumers even more cash to spend. Inflation also remained well under control--consumer prices increased by about 1% on a year-over-year basis, as they have for the past several months. However, recent jumps in food and energy prices could potentially mean that we have seen the low for year-over-year inflation growth for this cycle. The number of jobs created was disappointing, but the unemployment rate was better than expected.

Consumer confidence: The consumer confidence index posted an unexpected decline last month with 46.8% of consumers sampled saying jobs are hard to come by. This report was the worst reading since February. The survey is compiled to determine consumer attitudes on present economic conditions and future expectations.

Consumer spending: Holiday retail sales as reported by MasterCard and the International Council of Shopping Centers, revealed an increase in consumer spending. MasterCard indicated that holiday sales increased by 5.5% (measured from early November until Christmas Day) led by jewelry and apparel. Luxury goods vendors such as Saks and Nordstrom did exceptionally well while those serving the lower end of the market, like Gap and Target, showed lower rates of growth. The key issue in the months ahead is whether consumers will continue to spend post-holiday season. Consumer spending growth beyond January and February would have to come from growth in employment, hours worked, and hourly wages...[MORE](#)

Roth IRA Versus Defined Contribution Plan

Contemplating whether to contribute to a Roth IRA or a defined contribution plan (such as a 401k)? Words of advice: Follow the money! If your company offers you a match for your DC plan contribution, you should keep investing in the account up to the maximum percentage that it will match. This is free money, and you won't find a better deal any place else.

After you've maxed out the match, it's probably wise to invest any remaining cash in a Roth IRA. You can put in as much as \$5,000 in 2011 (\$6,000 if you are 50 years or older), as long as your income doesn't top certain levels. You won't get any tax deductions with the Roth, but you won't have to pay any taxes on it for the rest of your life, which can turn out to be an advantage over a DC plan. Another

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BCG Securities Announces New National Sales Director to Growing Team

BCG Securities, Inc., (BCGS), a full-service broker-dealer and wealth management firm, today announced the appointment of Jake Reardon as National Sales Director. Reardon will lead the sales and wealth management initiatives for BCG Securities, as well as focus on recruiting and developing new financial advisors. He brings more than 16 years of wealth management and financial services experience. Prior

to joining BCGS, he had a remarkable track record of recruiting and developing advisors for multiple markets with another wealth management firm.

"The expertise of our financial

plus for the Roth is that you can keep your money there forever, as opposed to a plan like a 401(k), from which you have to start taking withdrawals by age 70 1/2.

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Staying in Style

Most financial professionals agree that the asset-allocation decision is one of the most important factors in determining both the risk and the return of an investment portfolio. Asset allocation is the process of combining asset classes such as stocks, bonds, and cash into a portfolio that will meet your goals. Taking this process a step further means selecting mutual funds to represent a certain segment or style for your overall portfolio (large stocks vs. small stocks, growth stocks vs. value stocks, etc.).

This can be a challenging task, and once the process is complete and the portfolio of mutual funds built, you'll need to consider something else: style drift. Style drift occurs when actively-managed mutual funds deviate from a particular investment style over time in an effort to potentially improve performance. While improved performance might not seem like a bad thing, a shift in style can be hazardous because it alters your risk exposure and return profile.

For example, let's say you held a large percentage of your portfolio in a large-cap stock fund. Now, at a certain point in time, this fund's manager got convinced that small stocks would benefit due to certain market conditions. Acting on this belief, he shifted the strategy of what was supposed to be a large-cap stock fund by buying an unusual amount of small stocks. This not only unnecessarily increased the risk of your overall portfolio, but also potentially set you up for large losses if small stocks were not going to behave the way this manager expected....[MORE](#)

BCG Securities Successfully Completes ISO 9001:2008 Triennial Assessment Audit by UL DQS, Inc.

BCG Securities, Inc, a leading broker-dealer and investment firm, has successfully passed their ISO 9001:2008 Triennial Assessment Audit, carried out by Underwriters Laboratories (UL DQS).

ISO Certification ensures that the company's documents and activities conform to the strict international quality standards set forth by the ISO and confirms the stability and strong establishment of the organization. Certificates are issued by UL DQS for a 3-year period, during which internal quality audits are performed on a regular basis. At the end of the three-year cycle, an in-depth Triennial Audit is conducted to confirm the company's continued compliance, and a new 3-year registration cycle begins.

ISO 9001:2008 is an international standard, specifying requirements for a quality management system, where an organization needs to demonstrate its ability to consistently provide products and services that meet customer and applicable regulatory requirements. It also ensures the organization's commitment to enhance customer satisfaction through the effective application of the system, including processes for continual improvement.

"By successfully completing this Triennial audit, it signifies that BCG

advisors is the source of BCG Securities tremendous growth," says Beau Adams, Executive Vice President of Business

Development of BCGS. "The addition of Reardon's leadership and advisor development skills immediately strengthens our wealth management team." "We are thrilled to have someone like Jake who possesses the caliber of knowledge and expertise in all aspects of the financial services and wealth management arena. He brings excellent management skills and a wealth of experience to our rapidly growing organization," adds Adams.

"Jake is a seasoned leader who will be an excellent addition to our sales team," says Adam Paglione, President of BCG Securities. He has a proven track record of developing successful sales teams and a deep understanding of sales operations. We are confident that Jake will continue to build upon our extensive relationships and continue our strategy for growth in 2011 and beyond."

About BCG Securities

Established in 1968, [BCG Securities, Inc.](#) is a full-service broker-dealer and advisory firm specializing in providing innovative investment strategies, financial planning, and retirement plan design to individuals and corporations. With over \$1 billion in client assets under management, BCG Securities is known for its outstanding commitment to delivering quality investment solutions and service.

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Securities, Inc., constantly improves the competitiveness of products and services in the marketplace while reaching a high level of customer satisfaction based on the total involvement of all company members," said Adam Paglione, President of BCG Securities, Inc. "We are honored to have received such high praise for successfully completing this Triennial audit," said Paglione. "This provides something for all employees to be really proud of. At BCG Securities, Inc., quality has always been at the heart of everything we do and helps define how we do business"

BCG Securities' external Triennial Audit was performed by UL DQS and received the highest compliment of (0) observations and (0) findings. The audit is based upon the seven levels of total quality - leadership, planning, customer focus, people focus, process management, supplier focus, and organizational performance. For further information, please visit www.bcgsecurities.com.