

We have a new President as of yesterday and the reactions are mixed depending on which side of the aisle you are on. Democrats are ecstatic about not only winning the House and Senate, but having a new, younger Democrat President. Republicans feel a sense of fear and trepidation about what changes will occur to the society we know today. No matter what side you are on, President Obama is the President for all of America. We don't know much about him and must give him a chance. Campaigning is over, now the hard work begins.

One of the biggest challenges for President Obama is changing the mindset of "doom and gloom" to optimism about the future. He hopefully will get help from the media in printing and reporting on more positive things in the economy, not the negative. This will help, but we need more than words. Maynard Keynes (FDR's top economist) warned that if government spending is going to work on the economy, people have to believe it will. If not, that spending could have a negative effect on the economy. This is what has happened with the TARP funds. People have lost confidence that Washington knows what it is doing. It will be Obama's job to rebuild that confidence.

Some people have asked us why we developed the THOR Plan (www.thorplan.com) at this time. We did it for two reasons. First, the economy and the stock market are in obvious distress and need a new direction. Second, we feel very strongly that the Plan will work. Our concern with current proposals is the lack of long-term, sustainable pro-growth policies. Throwing money at the problem and growing government are not necessarily the long-term answer. This is similar to what FDR did during the Great Depression – such action only prolonged the problems. If you are interested, there is a great book available that will give you a better sense of why we say this – The Forgotten Man by Amity Shlaes http://www.amazon.com/gp/reader/0060936428/ref=sib_dp_pt#reader-link. At this point, getting our economy back in shape is more important than party politics.

As always, we appreciate your trust and confidence in us. If you have any questions or comments on this update or our Plan, please don't hesitate to contact us or feel free to visit us at <http://www.thorinvestment.com/blog/>

Sincerely,

Jim, Mark and Greg