

Stock Market Predictions from Beacon Asset Management

Written by Australian Business



(PRLEAP.COM) January 24, 2014 - (Tampa, FL) Michael L. LaVoy, CFP®, ChFC (LaVoy) and Chief Investment Officer of Beacon Asset Management, Inc. (Beacon) published a financial "State of the Union" document to clients and the Carrollwood Area Business Association (CABA) regarding stocks and the stock market in 2014.

LaVoy began by acknowledging that stocks had huge gains toward the end of 2013. Standard and Poor's (S&P 500) posted its largest annual jump in 16 years when it closed on December 31, 2013 with a 31.88% increase at 1837.88.

"With Americans' short term memories, the crash of 2008 – 09 has all but faded into oblivion. Individual investors have been jumping into stocks hoping not to miss any more of the market uptick. Fast-twitch reflexes work to affect stock prices in both up and down markets, but "reactive" investing is not the best way to increase your savings," said LaVoy.

According to the 30+ year veteran of the US investment industry, LaVoy explained that the Federal Reserve (Fed) continues to pursue the current process of buying bonds at a rate which will continue to support the increases we are seeing in the stock market. He added, "The concept of the Fed "tapering" their insatiable bond appetite continues to be bantered about, though it is unlikely to happen anytime soon."

Of the market indicators about which LaVoy is most optimistic is the recovery in the US housing market-especially as housing prices are beginning to increase in Florida where housing inventory is beginning to move more quickly, and housing starts are increasing as well.

When asked about his predictions for the future in 2014, LaVoy explained, "I am sure the first part of the year, maybe throughout the first quarter, will be fine. Investors will continue to buy into the market driving up prices well beyond reasonable, and the Fed is going to continue keeping interest rates artificially low. At some point in time, the Fed will slow down. They have to. The investing public is both waiting and fearing the eventual event."

Beacon Asset Management, Inc. is a fee-only Registered Investment Advisor (RIA) managed by

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Certified Financial Planner™, Michael LaVoy. Beacon and its independent advisers have no incentive to push any product. Instead, they have a fiduciary responsibility to act only in its clients' best interest!

For more information about Beacon Asset Management, Inc. or to schedule Michael LaVoy for an interview or speaking engagement, call the Beacon offices at (813) 269-0732 or go online to schedule an appointment or subscribe to the Weekly Beacon or the Beacon Blog at www.beaconria.com