

**A GREAT FEELING!**

Congratulations Pring Turner Clients! Not only did you sidestep much of the 2007-2009 financial panic and the worst stock market downturn in a generation but you also just experienced one of your best quarters ever! The typical Pring Turner portfolio, adjusting for contributions and/or withdrawals, climbed to a new ***all-time high valuation!*** Your patience and confidence coupled with Pring Turner Capital’s careful risk management and proactive asset allocation changes combined to achieve these new highs.

**THE PRING TURNER MISSION ... TO PROTECT AND GROW YOUR VALUABLE ASSETS**  
**Pring Turner** (after all costs) vs. **S&P 500** (including dividends)

**TOTAL RETURN COMPARISON** (As of 09/30/2010)

|              | 1 Yr    | 3 Yr    | 5 Yr    | 10 Yr   | Since 01/01/00* |
|--------------|---------|---------|---------|---------|-----------------|
| Pring Turner | +16.23% | +5.59%  | +29.06% | +79.60% | +94.84%         |
| S&P 500      | +10.16% | -19.98% | +3.22%  | - 4.23% | -5.50%          |

Note: See Performance Disclosure

\*Beginning of Secular Bear Market

**IT IS OFFICIAL**

One noteworthy announcement this past quarter came September 20<sup>th</sup> when the National Bureau of Economic Research, the arbiter in business cycle turning points, finally announced the “Great Recession” officially ended June 2009. This announcement was not news to you or us. In our April 2009 client newsletter, in the depths of the financial meltdown, we declared the stock market had already bottomed and had begun a durable bull market. We illustrated the typical business cycle sequence and stated the recession would end in Summer 2009. In addition, we correctly forecast the official announcement of the recession end would not come until Summer 2010. Last month’s NBER announcement came right on schedule, but way too late to help investors who waited for this all clear announcement. Understanding the logical sequence of business cycles and their relation to financial markets is one of our strengths. **Our bold, timely, and correct portfolio actions in the face of uncertainty, confusion, and high emotions were key factors that once again elevated your portfolio to new all-time highs.**

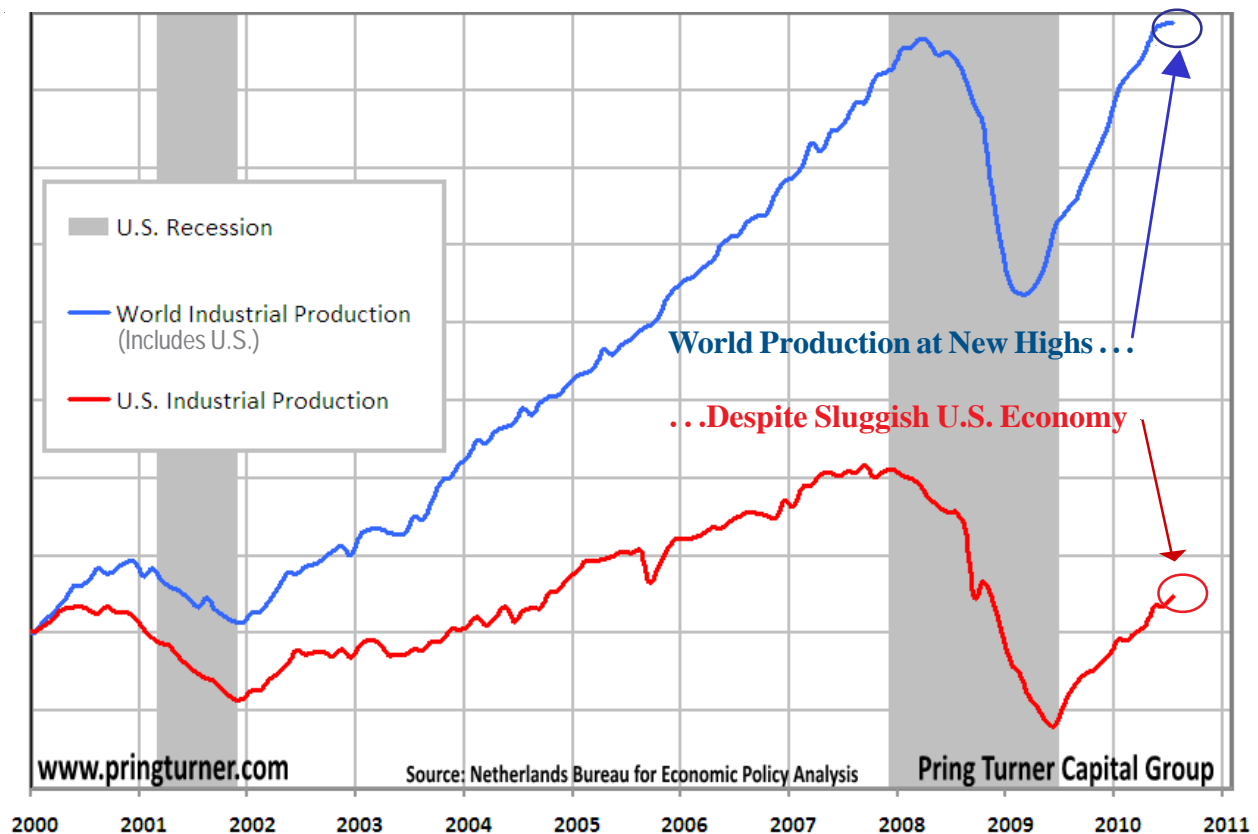
**WHAT IS NEXT?**

This United States economy is alive, but it is not doing particularly well. In our last newsletter we suggested no “double-dip” recession this year. We still hold this opinion though the economy will likely throttle back growth even further. There is an ongoing tug of war between the economic positives and negatives. One of numerous problems still facing the U.S. economy is lack of job creation. Another constraint on the economy is the shell-shocked American consumer who is still very focused on paying down debt and saving more. This combination explains the slow

domestic growth scenario we foresee over the next few years. Fortunately, there are opportunities to build wealth in spite of U.S. economic negatives.

On the positive side is the robust economic growth happening in other dynamic parts of the world. Today Asia, Latin America, the Middle East, and other emerging countries are the economic locomotive pulling the rest of the world including the U.S. In fact global output, with little American and European assistance, reached an all-time high last quarter. The world economy has made a complete recovery from the 2008-2009 slowdown and is enjoying a strong expansion, even as the U.S. struggles to regain lost jobs and production. We fully expect to see these long-term trends continue for years to come and have positioned your portfolios to benefit.

## The Rest of the World is Growing Faster ...



## ... Creating Global Investment Opportunities

### IDENTIFYING OPPORTUNITIES

How is Pring Turner taking advantage of this durable trend of international growth outperforming a sluggish U.S. economy? First is through ownership of quality foreign companies, like Canadian energy firms, Exchange Traded Funds (ETF's) and other low risk investments with international exposure. Second, many of your core holdings of blue chip, dividend-paying stocks are leadership companies with significant sales and earnings from overseas business. These U.S. based global industry leaders will continue to benefit from worldwide growth. Lastly, emerging economies are busy building out new infrastructure that requires ever-increasing demands for the raw materials, industrial tools and engineering talent provided by many U.S. companies. For all its problems, the U.S. still leads the world in innovation and the development

of cutting edge technologies. Your investments in these global and domestic themes combine the best values, income, and growth opportunities that will further build upon your portfolio gains.

### CONCLUSION

We look back at the past decade with a sense of pride and accomplishment. It has been a challenge and hard work to navigate the extreme ups and downs of the financial markets. Indeed, this time period included the bursting of the technology bubble, a real estate meltdown, and two severe multi-year stock market declines — all in all, one of the most brutal investment environments in history. Yet through it all, Pring Turner stayed true to its conservative investment philosophy and mission to protect and grow your wealth no matter the environment. We are pleased to report your successful investment results. **Today Pring Turner clients can not only say they are at new all-time high levels, but have also achieved new highs in nine of the last eleven years!** There is a very small universe of individual and even professional investors that can make the same claim. Congratulations!

We are deeply appreciative of your trust and confidence. Thank you.

### PRING TURNER ACTIVITY UPDATE

- *Pring Turner's investment research and strong track record drew more international attention to the firm. We are pleased to report during the last quarter our research was featured on MarketWatch in America, leading financial websites in Britain, and CNBC India.*
- *In September, Martin traveled to Singapore and Hong Kong to present Pring Turner research to institutional investors. Martin also met with representatives from the Monetary Authority of Singapore, the central bank and agent to the Singapore government. In early October, Martin was on the go again sharing research at an investor conference in Cairo, Egypt.*
- *The months ahead are shaping up to be another busy time period. Tom was invited to present our market outlook to the Silicon Valley chapter of the American Association of Individual Investors on Saturday November 13<sup>th</sup>. The AAI is a leading non-profit organization dedicated to investment education for more than 150,000 members nationwide.*
- *Please mark your calendars for late afternoon Thursday January 13<sup>th</sup> 2011, the date we are planning our annual client event. Please join us for refreshments as we detail our 2011 outlook. More details to follow; we look forward to seeing you there.*

*\*Pursuant to the provisions of Rule 206(4)-1 of the Investment Advisers Act of 1940, we advise all readers that they should not assume that all recommendations made in the future will equal that referred to in this material. Investing in securities involves risks, including the possibility of loss. Performance numbers include all retirement accounts. Performance includes total return (capital growth and dividends, after all costs.)*

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