



I am scheduled (pending studio availability) to be on CNBC's Closing Bell today, Friday, at 4:00pm discussing the lack of any taper from the Fed, what they see that the masses don't and where the markets are ahead.

Earlier this week in [Street\\$marts](#) (click on link to see) and on my blog, [Investfortomorrowblog.com](#) I spelled out the three scenarios that could result from the Fed meeting. While I did not believe any taper was warranted, the market was expecting a token \$10-\$15 billion. When Bernanke & Company did nothing, risk assets soared, almost as if the heroine addict was given a reprieve from going to rehab.

In my view, the Fed clearly sees something that the masses do not and I have long argued that the markets and economy cannot stand on their own two feet without support. With Janet Yellen (thankfully) seemingly a shoe in to succeed Bernanke, it will be interesting to see if the Fed even tapers at all before she takes office in January.

The Fed's lack of stimulus reduction does little to change my intermediate-term outlook. It does not make me any more bullish than I already am. I continue to believe that after the next pullback which I expect over the coming 4-8 weeks, stocks should rocket to fresh all time highs well north of 16,000 during the first quarter of 2014.

Regarding bonds as I have written about before, I was waiting for the taper to signal an all clear to buy bonds because negative sentiment had risen to record levels. Anyone even thinking about selling would have done so. It would have been the classic case of the selling the rumor and buying the news. While I am still positive on bonds over the intermediate-term, my conviction is not as high as it would have been had the Fed cut back its purchases.

Bonds are in a bottoming process that should lead to a significant rally sooner than later.

The dollar finally breached its June low which I have been patiently waiting for. I remain (as I have since March 2008) very positive, long-term on the greenback. While it may not be rosy in the U.S.,

it's still the best house in a bad neighborhood. I fully expect the dollar to bottom by Thanksgiving and embark on the next leg of a secular (long-term) bull market.

At the same time, that should mean a tailwind for energy prices this fall followed by a significant decline over winter.

Have a great weekend! In CT, it's fall country fair time, apple picking, softball and tee ball for my kids and a celebratory dinner for my closest friend on Saturday. With rain in the forecast for Sunday, I hope to get some TV time with the NFL and season ending golf tournament from East Lake in Atlanta.

To Your Financial Success,



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