

QUARTERLY UPDATE

October 2006

EDUCATIONAL SEMINAR SERIES!

We extend to you this invitation!

Estate Planning Seminar



How can I ensure my wishes
are executed?

Wills & Trusts, HealthCare Directive,
and Power of Attorney



Presented by:

Webb Financial Group &
Sabrina Dolan, Attorney at Law

Tuesday, October 24th at 12:00 p.m.

Seminar will be held at:
Timber Lodge Steakhouse
Southtown Center, Bloomington, MN
Lunch will be served

What We Know For Sure



What have we learned over
the past market cycles?

Ten Truisms About Investing



Presented by:

Webb Financial Group &
Dan Shore, American Funds

Wednesday, November 15th at 6:00 p.m.

Seminar will be held at:
Minnesota Valley Country Club
6300 Auto Club Road, Bloomington, MN
Dinner will be served



Jerry Webb's Market Commentary

"Don't Worry...Be Happy" Optimism is on a Roll!!

Despite negative media reports that we are entering a recession because of plunging home sales and high oil prices, most people are now more optimistic about the economy. Optimism suffered over the past two years, as the war in Iraq dominated the news; oil prices nearly doubled, and the Federal Reserve jacked up interest rates 17 times in a row. No matter what the facts were, the media put a negative slant on the economy. Growth has averaged 3% on an annual basis - faster than the 2.92% average since 1990. This all occurred after a record stock collapse and the worst attack ever on American soil. Through March, the economy created 810,000 more jobs than first thought, bringing the figure to 6.6 million new jobs created over the past 3 years. With the drop in gas prices, and the jobless rate falling to 4.6%, meaning that 95.4% of the population are employed, people are feeling better about the economy than they have in months. The latest jobs report should put to rest any fears that the economy is burning out.

On September 20th the Fed left the benchmark fed's fund rate unchanged at 5.25% for a second straight meeting and hinted no moves for quite awhile. The resilience of the economy and the flexibility of the Fed will surprise us once again, letting some good come out of recent disasters. Incontrovertible evidence of the economy's phenomenal depth, flexibility and resilience should put a welcome end, for all time, to the myth of a fragile economy. Yes, there will always be sudden shocks, natural and man-made. As ex-chairman Greenspan pointed out: a twelve and a half-trillion dollar economy - entrepreneurial, information-based and, above all, flexible - will absorb and overcome these disasters. It's still the greatest story ever told.

"I have always felt that the war is really in Washington D. C."

I have always felt that the war is really in Washington, D.C. - Republicans and Democrats trashing each other on a daily basis on radio and TV. They are letting the whole world know how messed up we are, telling the terrorists and the leaders of Iran and North Korea everything we are thinking, doing, and going to do. That's free speech for you. Nothing is perfect, but imagine how great America could really be if we all worked together as a team to combat terror, improve our economy and really do the right thing for all the hard-working men and women of the U.S. Greed and power mongering must be erased. If this miracle could occur, imagine where the economy and the stock market could be. It would be astounding!

I believe that the 1999 technology bubble was "not real." By that, I mean stock price valuations were so unrealistically high, the only way an investor could lock in those gains was by selling everything and no one did that. The market was on a roll; greed set in, and no one wanted to miss the roaring bull market. Investors weren't satisfied with 12-15% returns any more. They wanted 25-30% returns. Talk about unrealistic expectations! That's the way it was, and you know what happened next.

RSVP to: (952) 837-3200

IN THE NEWS

Bloomberg Radio



"On the Money"

September 1, 2006

Michael Bischoff, CFP® at Webb Financial Group, gives his insights on portfolio development. To listen to Mike on Bloomberg Radio, visit: www.webbfinancial.com/bloombergradio.wma

Congratulations Crystal!

Crystal L. Holmen, CSA with Webb Financial Group, recently completed a comprehensive course through the Society of Certified Senior Advisors and earned the designation of Certified Senior Advisor to help seniors age successfully.



Reminder

Medicare part D open enrollment begins Nov 15th. Call Crystal for any assistance you may need.



Is Your Money Working?

By: Ryan Shannon

Are you stashing away hard earned money into your 401k? Is it worth it? Yes, if your money is working in investments that are efficient and effective. Too often retirement dollars are left in the cash account because investments have not been allocated. Do you have a fund like "Target Retirement 2030" in your portfolio? Is it being utilized properly? Call us for a free 401K analysis and make sure your money is working as hard as you.

Portfolio Managers

Jerry Webb, CFP® & Chairman
Michael Bischoff, CFP® & COO
Gary Webb, RFC® & CEO
Ryan Shannon, Investment Advisor

Insurance Division

Crystal Holmen, CSA, Insurance Consultant

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Quarterly Update

(Jerry continued from page 1)

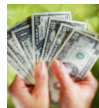
The Dow reached a new all-time high on 10/03/06. Remember this: the Dow represents just 30 of the largest, most widely held stocks. The Nasdaq is still down 56% from its all-time high. With an improvement in optimism and a reduction of fear and pessimism, the Nasdaq could once again boom. It's got a long way to go and it will take time. The only thing we need to do is relax, be patient, keep on investing, and just let it happen. The blessings Americans have enjoyed over the past 30 years have not come to an end.

"The only thing we need to do is relax, be patient, keep on investing, and just let it happen."

I am very happy to report that Webb Financial Group's 25th Anniversary Celebration at International Market Square was a smashing success. More than 200 clients and friends attended, dressed in Royal Regalia, and were pleasantly entertained. The word is that everyone enjoyed the socializing, the food, the wine, the music, and the comedians. Who could ask for more?! Our first 25 years have been very dynamic, and our commitment to our investors remains strong. We will work hard to continue building our client relationships through the next 25 years and we look forward to the future with great anticipation and optimism.

Sincerely,

Jerry Webb, CFP® & Chairman



MoneyTalk

Senior Care

By: Gary Webb, RFC®



The demographics of our society are changing. Baby Boomers are beginning to retire and by the year 2030 it is expected that over 20% of Americans will be age 65 and older. This new phenomenon is caused by healthcare improvements, pharmaceutical innovations, and better lifestyle choices. Statistics show that nearly 25% of U.S. households are providing care for a senior. There are many things to consider when caring for an elderly loved one.

If you find yourself in the position of caring for an aging parent, spouse, or other loved one, you're not alone. There are many things to consider when caring for seniors including choosing an appropriate physician, setting up assisted home care, or making the decision to move a loved one into residential care.

The number of people who need daily living assistance is increasing, as are the responsibilities of those who are providing the care. According to the U.S. Department of Health and Human Services Administration on Aging, the senior population, (those age 65 and older), numbered more than 35 million in recent reports. These numbers are exponentially increasing and are not expected to plateau any time soon.

One of the biggest problems facing many seniors today is their inability to afford medication. Most people over 65 take multiple medications on a regular basis, but some healthcare plans cover little or no medication costs. Companies are addressing this problem by offering prescription plans and insurance targeted to the elderly.

Attending to the needs of a senior can be confusing and emotionally draining. Seeking the advice and guidance of a professional can help you sort through various financial issues as they arise. Webb Financial Group works with a network of attorneys, accountants and others who are skilled in senior care, tax planning, estate planning and inheritance issues that will arise as you go through the planning process.

A good resource, in addition to your Financial Advisor, to help you deal with preparing and or caring for an aging person is a recently published book called "Elder Care Made Easy" by Marion Somers, Ph.D.