



# EYE ON GEMINI

## WELCOME NEW CLIENTS

We would like to welcome **Smart Portfolios, Invest-Sure Goals, Alpha Hedge Fund, and Kismet Capital** to our family!

## CLIENT SPOTLIGHT OPPORTUNITIES

We'd love to highlight your company in our newsletter. E-mail us at [GeminiMarketing@geminifund.com](mailto:GeminiMarketing@geminifund.com) if you're interested.

## WHAT TOPICS INTEREST YOU?

Gemini is interested in helping advisors grow their business in any way we can - even if we do that by sharing information with you that is not related directly to our services. *What topics are of interest to you?*

- Compliance
- Raising Assets
- Insurance Products
- Credit Derivatives
- Futures
- ETFs

These are just a few of the topics we compiled but we'd love to hear from you with other ideas. *Please e-mail [GeminiMarketing@geminifund.com](mailto:GeminiMarketing@geminifund.com) with your responses.*

## TRIVIA QUESTION

The answer to the last trivia question 'Who was the first head of the SEC in 1934' was: **Joseph Patrick Kennedy**.

How many millionaires were there in the United States in 1840? *Stay tuned for the answer in our next edition!*

## GEMINI SIGHTINGS

- Financial Advisor Symposium, Chicago, Oct. 8-10
  - Exhibiting at Booth 214
  - Andrew Rogers, Panel Speaker, Oct. 9 at 2:15
- MARHedge, Bermuda, Oct. 28-30
  - Exhibiting
- Schwab Impact, Las Vegas, Oct. 28-31
  - Attending

If you're attending any of the above conferences, we'd love to see you there!

## THE HOUSING BUST

Contagion. Spillover. Volatility. Call it what you want. The financial fallout from the housing bust is spreading beyond the battered shares of home builders, mortgage lenders and investment banks.

The entire stock market is now being infected by the turmoil in the credit markets caused by home loans gone bad, imploding hedge funds, fast-sinking values of mortgage-related debt and a sharp rise in borrowing costs. The fear level seems to be rising with each nugget of bad news related to the fallout from the housing woes. Investors looking for reassurance were instead jolted by comments made by Bear Stearns Chief Financial Officer Sam Molinaro on August 3rd. He said conditions in the credit market are the worst he has seen in his 22 years on Wall Street and that the firm, which has had two hedge funds implode because of bad bets tied to risky mortgages, was preserving capital to "weather the storm."

The severity of the decline has some Wall Street pros looking for a possible bailout from the Federal Reserve. While a cut is a long shot, soothing words from Fed Chairman Ben Bernanke are a must to allay fears.

Investors must keep the turmoil in perspective (the Dow's still up 5.8% this year), says David Sowerby, portfolio manager at Loomis Sayles. "Over the last 75 years, the market has averaged a 10% correction once a year. Why should 2007 be any different?"

Here's hoping!



**Gemini**  
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