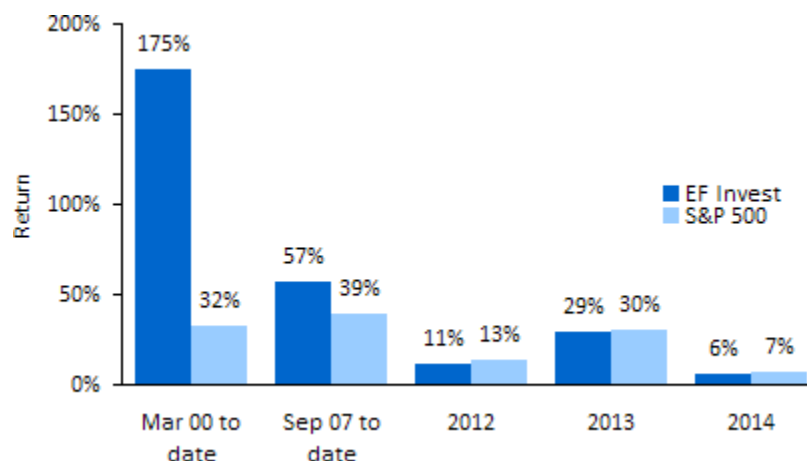


ELIOT FINKEL INVESTMENT COUNSEL

A Limited Liability Company

Third Quarter 2014 Update and Commentary

Thank you for your interest in Eliot Finkel Investment Counsel. Our emphasis on safety and income continues to produce exceptional results.* By focusing on proven companies paying substantial dividends, we have provided our clients with significant outperformance despite the 2000 “dotcom bust” and the 2007 recession.



The chart above illustrates a key difference between us and other financial services firms – outperformance in difficult economic times. Moreover, we actually show our clients their performance history as part of each quarterly report. This combination of superior performance and comprehensive reporting explains why, on average, our clients have been with us for over 11 years.

Though the U.S. economy is performing well, recent declines in commodity prices point to a continuing slowdown in the rest of the world. So does the rising value of the dollar against other currencies. We may be in for a period of slow growth and low inflation. Unfortunately this is not where we would like to be six years after the worst recession in our lifetime.

Stock valuations remain high by historical standards, supported by healthy corporate earnings, low interest rates and a lack of safe alternatives. Bonds, one alternative, are vulnerable to price drops if interest rates rise. Foreign investments (China, Brazil and Europe), another, are impacted by local economic conditions and currency fluctuations.

Our patience and focus on the long-term have served our clients extremely well. We build portfolios using our 40 years of experience and internal research. Eliot Finkel Investment Counsel is a family firm founded in 1974. For more information please call us at 310-271-2521 or visit our website at www.efinvest.com.

* Past performance is no guarantee of future results and does not preclude the possibility of loss.