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First Quarter 2019 Update and Commentary

Generating safe, robust client returns is our goal at Eliot Finkel Investment Counsel. The following table of annual returns shows the superior results we achieved using patient, value-oriented investing to avoid overheated markets like those of 2000 and 2007. *

	Mar 2000 to date	Sep 2007 to date
EF Invest	7%	7%
S&P 500	3%	6%

Economic times remain good. The U.S. economy grew 3.2% during the first quarter of 2019. The U.S. unemployment rate stands at 3.6% a 50-year low. American employers had 7.5 million unfilled jobs at the end of March—outnumbering jobless Americans looking for work by 1.3 million. Inflation remains tame at 2%. Consumer spending and personal income are at all-time highs. It is difficult to see a recession in the near term given low interest rates, record-low unemployment, low inflation and continuing growth in consumer spending.

We believe investors need to have a long-term horizon. It is the best course to follow as many studies have shown. Patience is the investor's friend; impulse is his enemy. The companies in our portfolios have first-rate histories and excellent long-term prospects. They also pay substantial dividends. As long as the economy continues to grow and the fundamentals underlying the companies in our portfolios remain solid, which they are, we will stay the course.

Forty-five years of experience and internal research help us select companies with commendable histories, substantial dividends and exceptional prospects. Focusing on economics and company fundamentals has generated superior long-term results for our clients. This, plus the personal service we provide, explain why our average client has been with us over 13 years. For more information please call 310-271-2521 or visit our website at efinvest.com. Thank you for your interest.

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