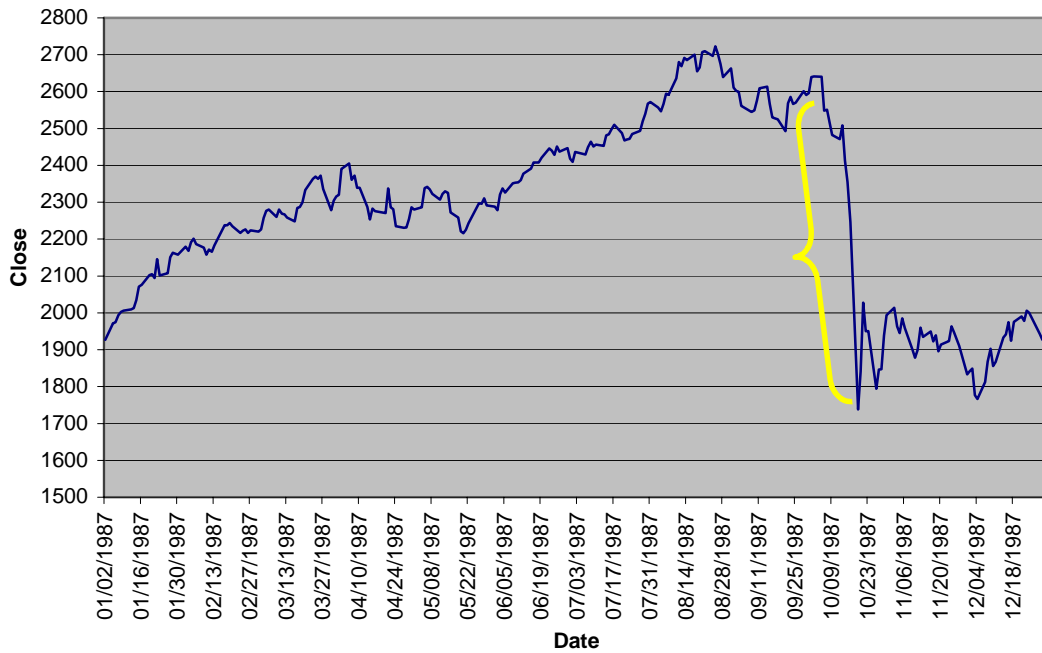


# 1987 Revisited

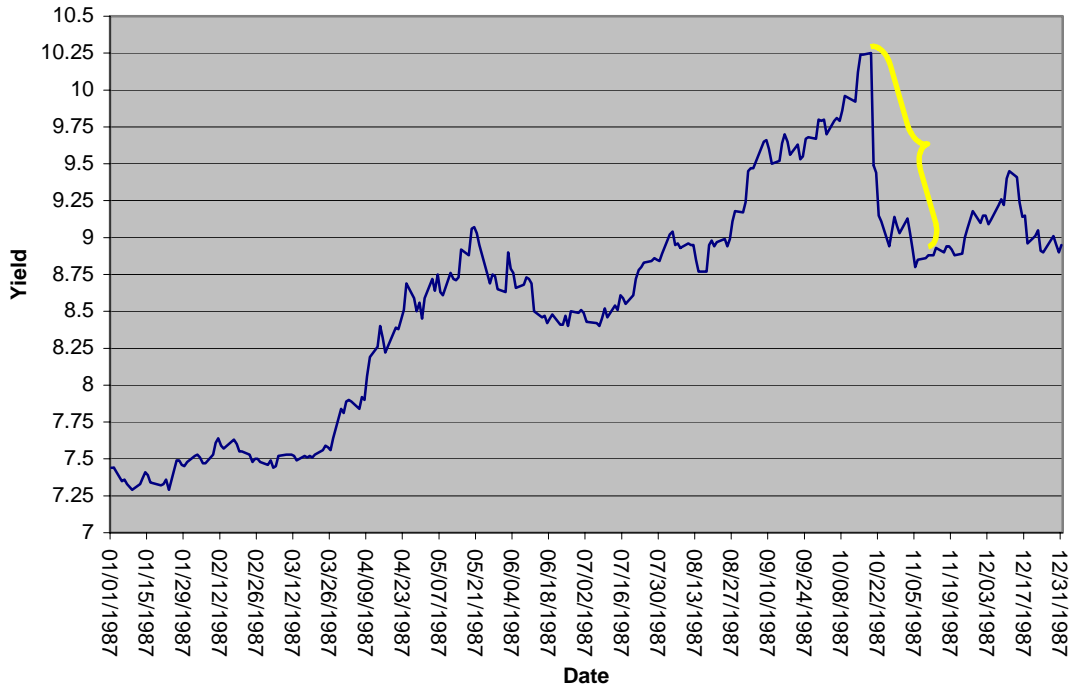
April 26, 2004

In last week's Web Buzz, we mentioned that 1987 markets may be repeated again. Why do we say that? Note the charts below, just to refresh your memory. Remember that, in the case of Treasuries, a decline in yields equals an increase in price. We say revisited because the paranoid fear of inflation continues to abound in Wall Street thinking. Just as it did back then this fear crashed the stock market and initiated an extreme flight to the safety of government bonds. There are many ways this bubble economy can come to a screeching halt (more about that next week) and 1987 is one of them. Look out below!

### 1987 Dow Jones Industrial Average



### 1987 30-year Treasury Yield



Source: Yahoo! Finance