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Required Reading: An Adviser Adds Perspective

Here are five stories that caught our eye this morning and over the holiday weekend, with additional perspective on each from guest commentator Jane King, president of Fairfield Financial Advisors in Wellesley, Mass.

[Papandreou Changes Greek Cabinet Amid Growth Slump](#) (Bloomberg)

We're not quite out of the woods just yet — at least when it comes to the Greek debt crisis. The country is trying to figure out the path to good governance. King focuses on a comment by PIMCO fund manager Andrew Bosomworth that Greece still faces a “substantial” default risk. That should remind U.S. investors that “we are all Greeks,” says King, meaning that our portfolios will continue to be affected by such overseas developments. King isn't suggesting that advisers pull out of Europe, but she does say the situation bears close monitoring.

[Many Line Up to Go Public, but Market Mood Is Iffy](#) (The New York Times)

Coming soon to a market near you — an honest-to-goodness IPO, that investor favorite of a decade ago. This story makes note of many public offerings — 161 to be exact — in the pipeline. And while it strikes a note of concern given that the “appetite for equity remains weak,” King sees reason to cheer — if companies are turning to Wall Street to raise capital, “it's a healthy indicator for the market.” Since smaller advisory firms rarely get an IPO allocation, King suggests keeping an eye on these stocks in general and remembering that, after the initial pop, there's often a drop. “If you don't get in (on the IPO allocation), don't weep. You may have plenty of buying opportunities down the road,” she says.

[Thinking Outside the Stocks](#) (The Wall Street Journal)

Anyone interested in buying an abandoned railroad bed? As this story points out, “There is always a bull market somewhere.” Opportunity can pop up in all sorts of unlikely places, including student housing and cellphone-tower leases. While these may make private-equity opportunities look tempting, King believes there's usually a corresponding mutual fund or ETF that allows you to buy that railroad bed — or student dorm — in a more limited-risk fashion.

[Ultra-Rich in Finance Are Meaner Than the Rest of Us](#) (Bloomberg)

High net-worth individuals can test their advisers at every turn, demanding “help with getting children into the right school, securing credit to buy property, or obtaining last-minute concert tickets, for example.” (Oh, and while we're at it, how about double-digit returns during the midst of a bear market?) For King, this just means that advisers must “manage expectations.” Don't shun demanding clients, but make sure they know what services you will — and won't — provide when you take them on as an account.

[How Much Money Do We Need to Be Happy? Just \\$75,000?](#) (Time)

All the riches in the world may not lead to nirvana, but a yearly income of \$75,000 does seem to count for something. Anything more doesn't actually contribute significantly to one's happiness, while anything less makes “people feel more ground down by the problems they already had.” King believes the lesson here is to remind clients that they “only have two eyes and one stomach” — and that added wealth may not mean as much if they can only enjoy it to a limited degree. Setting a realistic annual earnings target for clients is another clear takeaway. If \$75,000 is “an amount where people don't have to think about money, don't have to think about each time they buy a coffee at Starbucks or a ticket

to a play,” King says, then advisers should ensure such a goal is achievable. Or they should help clients trim expenses — say, housing costs — to meet the target.