

This day started in the World Trade Center September 11, 2001

I have just reached my desk. At 8:30 this morning I was seated with others in the WTC Marriott ballroom listening to a speaker. We heard the sound. We felt the shock of the first impact. The lights flickered. People moved quickly and orderly.

250 of my friends and NABE colleagues and many of their family members were in that hotel and in that breakfast meeting. I fear for them; they are in my hopes and prayers.

I also fear for the many on the street who I saw and helped and who helped me. I am lucky to be alive and am also lucky to have been able to get out of New York. That is a separate story. I am now at my desk in Vineland.

This human disaster is powerful and horrible, all the more so when you actually stand on the street, see and smell the smoke and aid an injured or frightened person or watch someone jump from 80 stories. Whatever you see on TV is 1000 times more intense in the first person.

The human spirit is also quite strong. I saw many strangers helping each other. I did it and others did for me. People calming others. People saying walk, don't run. People holding up others so they do not fall.

There are and were large numbers of heroes. Police and fire and emergency folks and so many others, like the doorman who showed folks a way out. Or the hotel staffer who stood her post and got others to exit and move far from the building before she left.

A few have already asked about financial markets. It is a question that naturally comes but we must readily admit that it really evokes a portion of pain. The human tragedy is immense. So many innocents are dead or injured. Money is dwarfed by this suffering.

Many more asked about my safety. I want to personally thank them. I'm a little shaken but okay. On the other hand, I, no, we, have suffered much and painful loss.

But the first questioner still asked. And there is still the professional side. So I guess we end up a little schizophrenic; we have to wear both hats.

Here is a brief response to questions we got in email or by voice message. We're asked so we offer an answer.

As to Port Authority debt, that is now subject to excruciating credit risk analysis. Price references are history and have little value now. Facts will unfold and guide us.

Muni insurers are at risk, as are many secondary entities which means that many more than just the

Port are at risk. A casualty this big has a multiplier in secondary effects which can dwarf all primary references. The magnitude of this disaster cannot and should not be underestimated.

As to liquidity, the Fed will provide unlimited credit to the system. The Fed cannot do more. Markets are already moving worldwide in anticipation of these actions.

The human tragedy is terrible; it involves so many victims.

I find myself saying prayers for friends and strangers.

The heart is very heavy.

David R. Kotok