



3/13/2020

Dear Clients,

We wanted to let you know we are closely following the financial markets across the globe and the continued volatility that is impacting investor confidence. Global markets have been bracing for uncertainty as the spread of COVID-19 leads to reduced economic activity. In addition, an oil price war between Russia and Saudi Arabia has exacerbated concerns of a global recession, prompting large selloffs across riskier asset classes.

The Federal Reserve is actively providing assistance to the institutional Treasury repo market and today they increased that credit facility. We expect more action from both the Fed and Congress if the virus continues to spread.

At this moment, it is impossible to forecast whether a recession will occur as a result of COVID-19 and oil oversupply concerns, and their impact on the global economy. Outbreaks are eventually contained, and recessions are part of market cycles.

Time may be the best medicine since the Fed can only provide liquidity. This is why we manage your accounts for both your tolerance for price movements as well as your need for income. You should expect more volatility both up and down as the daily news provides more information. The markets tend to perform poorly when the future looks cloudy. The 24-hour news cycle can magnify the volatility when things are uncertain.

The most important thing to keep in mind is not to overreact to the headline news, which can often create unnecessary panic. Markets have proven resilient over time and it is important to maintain discipline and focus on your long-term goals.

We are looking for the opportunity to put some more money to work but first need to see signs of a stock market bottom.

We are here to support you and navigate these times of uncertainty together. Knowledge is power, and we are committed to equipping you with the tools and information you need to weather this storm. We will continue to watch market developments and are here to assist you with evaluating and understanding these economic changes. As always, if you have any questions do not hesitate to call.

As a reminder, you can schedule your review as a web session or phone call if you prefer not to visit us at the office.

Kind Regards,

*John Bever, CFP® and Jim Uren, CFP®*

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