

MARKET ANALYSIS & COMMENTARY

THIRD QUARTER 2016

VOLUME 24: ISSUE 3

In reviewing the past three and twelve months, I am pleased to report a nice recovery. After the miseries of 2015, we really needed this. As reflected on the report pages that follow, nearly all of you will see nice double digit investment returns over the past three and twelve months.

In just the past two years, we have survived the knee-jerk reaction to Brexit, the significant decline in oil prices, the crumbling of the Chinese economic growth rate, the looming fear of interest rate increases, and now the concern over who will be our next president. Up to this point in time, the economy and stock markets have weathered the many storms thrown at them. I fully expect they will weather future storms as well.

The financial impact of the upcoming presidential election is something that concerns all investors. It will surely result in market volatility, regardless of which candidate prevails.

The same will occur when the Federal Reserve decides to do what they should have done long ago; raise interest rates. Volatility in the stock markets is not something new. Volatility is the price we must pay to achieve the superior returns provided to patient long-term investors.

Yes, the markets may stagger for a short while, but when looking at it from the perspective of history, we should see a return to growth in the value of your portfolios. It may take a bit of time, but staying the course will be a good decision.

Both Margo and I thank you for entrusting your investment portfolios and financial well-being to us. It is a privilege to be of service to you. We count you not just as advisory clients, but rather, part of our larger family. We appreciate you and the trust you place in us.

When you need us, our door is always open to you. Any time you have questions or concerns, please contact us.

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THE “FIDUCIARY” STANDARD

There has been much news and focus on making sure your financial advisor is a “fiduciary”. Just what is a fiduciary?

Essentially, a fiduciary is a person or organization that owes to another the duties of good faith and trust. The highest legal duty of one party to another, it also involves being bound ethically to act in the other's best interests.

--Definition from Investopedia

In the early 1980s, as I was studying to earn my CFP® credentials, being a fiduciary was an ethical standard I swore to uphold. The focus of my financial services business has always been to do what is best for my clients, putting your interests first. I have always believed if I did this correctly, everything else would work out fine. And it has! My practice has grown nicely over the years.

In 1992, I took advantage of a new opportunity to move my financial services practice to a “fee for service” business model. I consider it one of the most important decisions of my professional life. This one step eliminated the potential for nearly all conflicts of interest from my practice, aligning my interests with yours.

I am most grateful as nearly all our new clients have come to us through unsolicited referrals from my existing clients. This allows me to focus on taking good care of you. There has been no need for me to be marketing for new clients, as you keep sending your friends, family and associates to me. Thank you for that.

In early 2012, we joined with other like-minded advisors, and affiliated our practice with Investors Fiduciary Advisor Network (Investor FAN), a Registered Investment Advisor firm. Why? Investor FAN is dedicated to upholding fiduciary standards in all facets of its business activities. Advisors who join Investor FAN must relinquish their commission based securities sales licenses and run their practices as fee based advisors and agree to act in the best interests of their clients. That is, acting as fiduciaries.

Yes, Margo and I are fiduciaries. Everything we do on your behalf, is done because we believe it will enhance the value of your accounts, keeping in mind your investment objectives and goals.

Let us know anytime you have questions or concerns. We are here to serve you.