



Newsletter



Market Strategies: Navigating New Trends

Erik Laymon | November 17, 2023

Thanksgiving is a time for reflection and gratitude, and as we prepare to be with our friends and family to give thanks for life's blessings, we also think back to the wild and challenging investment landscape of the past year. Our Fourth Quarter Newsletter aims to combine investment insights with a nod to the season.

What's going on: As we've seen changes in the economy since the pandemic, expect things like inflation and interest rates to be a bit higher than they've been since 2008. But don't worry, this isn't unusual historically. We view the economy and markets as settling more comfortably into long-term historical norms. While some analysts are predicting a mild recession on the horizon, we are looking further out for great valuations on stocks and great yields from fixed income— a situation we eagerly embrace. What are we up to now? Broadly speaking...

- **In Stocks:** We're focusing on strong, large companies that can handle these changes well. This strategy means stability in your investments, even though it might mean missing out on some high-flying stocks.
- **In Bonds:** After the government raises interest rates, certain bonds and strong stocks usually do well. We're adjusting our fixed income strategies to make the most of this.

Looking ahead to 2024: You can think of our investment strategy like a gigantic Thanksgiving dinner, with a variety of investments to handle different situations that the market brings. We might make some tweaks to your portfolio early next year to keep things balanced and poised for growth, and if you are curious about our thoughts on investment strategy this season, read on!



Investment Strategy: Talking Turkey

Embracing the festive spirit of the season, we would like to help our clients understand portfolio features against the backdrop of Thanksgiving. Investment portfolios consist of multiple asset classes, much like a Thanksgiving feast offers multiple dishes!

Quality Equities: The Turkey - Just as the turkey is often the centerpiece of the Thanksgiving meal, quality equities are a central component of our investment lineup. These stocks are the robust, well-established companies that offer stability and potential for growth, much like how the turkey anchors the Thanksgiving feast and offers potential for growth at the waistline!

Fixed-Income Securities: Mashed Potatoes - Mashed potatoes are a staple side dish, known for their ability to compliment the turkey (sharing its gravy) and maintaining a comforting, reliable presence. Similarly, fixed-income securities provide a stable foundation for a

portfolio with bonds. Bonds offer predictable returns and can be a safe haven during times of crisis, particularly when the turkey is gone but there is gravy still left on the table.

Growth Stocks: Cranberry Sauce - Cranberry sauce adds zest and vibrancy to the Thanksgiving plate. Growth stocks, much like cranberry sauce, can add a burst of sweet and sour excitement to a portfolio. They may be riskier, but they offer the possibility of higher returns. You may not eat cranberries alone, but they pair with almost everything, bringing out dynamic flavors to your investment mix.

International Investments: Green Bean Casserole – The Green Bean Casserole appeals to those who might usually avoid green beans or other plain vegetable dishes. International investments are similar, because they attract similar interest beyond what many investors would find in domestic markets alone. They provide diversified dividends and returns from other economic markets, much like adding diverse flavors and a touch of nutrients that would otherwise be overlooked.

Alternative Investments: Pumpkin Pie - Pumpkin pie is saved for last, symbolizing alternative investments like private lending, private equity, and commodities. Alternatives can round out what might be missing from an investment portfolio, just as pecan pie rounds out the end of a Thanksgiving meal.

Cash and Money Markets: Dinner Rolls - Dinner rolls are a safe and essential part of the meal, providing a snack during the meal while the other dishes are being passed around, and standing ready to clean up the plate when dinner is done. Cash and money markets serve a similar purpose. They provide liquidity and flexibility for trading and cash flow needs as a portfolio builds and distributes.

Closing Thoughts: Gratitude and Partnership

This Thanksgiving, we extend our heartfelt thanks to you, our valued clients. Your trust and partnership have been instrumental in navigating this year's investment journey. Together, we look forward to continued growth and success in the coming year.

Wishing you a Thanksgiving filled with gratitude, joy, and good health.



Helpful Articles & Links

- Even though the season didn't end how we had hoped, in this recent blog post Janel Cross shares some great insights from the Phillies 2023 Season that we can apply to our own lives.

[Retirement Planning at Every Age: A Decade-by-Decade Guide](#) - Our close friends over at MoneyNav are regularly posting helpful articles on a variety of topics. This article provides a basic guide to what your game plan should be based on what decade of life you're in.

[Personal Finance for Kids](#) - We've featured this link before, but it keeps getting better. This YouTube playlist of currently 25 videos is designed to teach personal finance to kids in a fun and engaging way. These videos cover topics like : What is a Budget?, Reading Your Paystub, Debt, and Investing.



[In Laymon's Terms](#) - There's no spelling error there. This is a new blog series we've launched with monthly market notes from our very own Erik Laymon. These are always informative and fun. Like this:

[FUN FACTS and a Look at Plums](#)

Our Thanksgiving fruit salad features plums, so let's consider the market for plums. The world market for plums is projected to grow at a Compound Annual Growth Rate (CAGR) of 11.2% during 2020-2025, which is indicative for both the potential in niche markets and the rising costs of goods due to supply chain constraints and inflation. Make plums a part of your dishes this Fall before they rapidly appreciate!

THANK YOU FOR THE GREAT PRIVILEGE OF SHARING THE FINANCIAL JOURNEY WITH YOU!

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