



A Message From Mary Sterk

As we welcome in the beautiful fall season, here are a few 3rd quarter economic observations:

- The DOW ended the quarter at record highs! *
- We finally saw the needle move on inflation, with a .5% reduction in September. While your savings account and CD rates are unfortunately going down, the positive side is that mortgage and lending rates are also dropping. Do not go refinancing your mortgage just yet though, as further rate cuts are anticipated by many economists.
- As inflation and interest rates go down, longer term bond values begin to rise. The bond market has been quite rocky and volatile in the last few years, and this tide is starting to turn and stabilize. Conservative investors are certainly happy to see this adjustment.

Election ads, hype, and volatility are in full swing. I recently did a spot on KTIV news briefly discussing the markets around the election. You can find it [here on Instagram](#) or [here on Facebook](#). page (and follow us if you do not already!). While we see increased volatility and market bumpiness along the way, over 80 years of S&P 500 results show a 10.7% average return for the full election year** Of course, past performance does not guarantee future results, yet it does give us a long-term historical perspective.

Another thing investors often wonder about are the recurring patterns they see during specific times of the year, known as seasonality. You may have heard of "sell in May and go away" referring to a summer decline, or "October being the worst month of the year" referring to a rebound sometimes seen in November thru December. These seasonal patterns, and investors emotional responses to them, are often magnified in election years. Market swings combined with media news-hype about impending doom and gloom can elicit fear and promote improperly informed investment decisions. Evidence has shown that investors who stay invested and do not try to time the market is the best way to achieve long term financial goals. Even trying to time the seasonal patterns can have a detrimental effect as a pattern is not guaranteed to always happen. For instance, if you missed just the ten best days in the S&P during the last 20 years (that's 7300 days!) your long-term average rate of return would be 43%* less than if you had stayed invested.

My message here is to focus on the long-term strategy and do not let fear (about the election, the geopolitical landscape, etc.) drive your investment decisions.

Don't forget that last quarter I shared the news that the expansion of our advisor talent over the years has allowed us to have multiple advisors intimately familiar with your accounts. This helps you know that in the event something unexpected happens to your primary advisor, that you and your investments are always well taken care of. Over the next year or so we will be introducing all clients to your additional advisors when appropriate. We hope this team concept builds your peace of mind that Sterk Financial is there to help you Plan, Protect and Grow!

As always, please reach out at any time with questions.

Thank you,
Mary Sterk, CFP®, CEO & Founder

*Sources - *Osaic MarketView **Hartford No investment strategy can guarantee positive results. Past performance is not a guarantee of future results. Forbes Best in State Wealth Advisors list includes ten recipients per state. The award is based on qualitative and quantitative data, rating thousands of wealth advisors with a minimum of seven years of experience and weighing factors like revenue trends, assets under management, compliance records, industry experience and best practices. The award is not based on portfolio performance or client reviews. There is no fee in exchange for rankings. Third-party rankings and recognitions are no guarantee of future investment success and do not ensure that a client or prospective client will experience a higher level of performance or results. These ratings should not be construed as an endorsement of the advisor by any client nor are they representative of any one client's evaluation.*