

MANAGING PARTNER PERSPECTIVE



Welcome to the spring edition of our newsletter! The baseball regular season is underway. The weather is starting to turn and our Midwest outdoor lives are about to begin again.

At the risk of revisiting some real trauma, I was reminded just the other day that four years ago it was our *indoor* lives that were just about to begin. In Illinois it was March 21, 2020 that the stay-at-home mandates began. Interestingly, it was that same date that marked the bottom of the market that year, but never would we have believed that at the time.

As a reminder (sorry), here are a few of the headlines from mid-March, 2020...

MARKETS

Dow drops nearly 3,000 points, as coronavirus collapse continues; worst day since '87

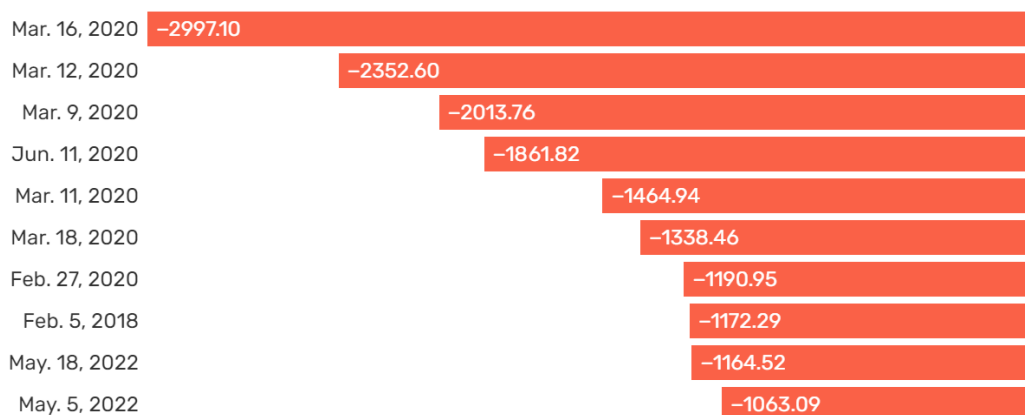
PUBLISHED SUN, MAR 15 2020-6:01 PM EDT | UPDATED MON, MAR 16 2020-4:52 PM EDT

5:03 p.m. ET, March 16, 2020

Market volatility spikes to record high, taking out 2008 crisis peak

From CNN Business' Matt Egan

10 Biggest One-Day Point Losses in Dow Jones History



Source: [S&P Dow Jones Indices](#)

Chart: The Balance • [Get the data](#) • [Add this chart to your site](#)



No one would blame you for skipping the rest of this article, but if you have stuck it out this far, there is some good news coming. Likewise, no one would have blamed you, in March of 2020, for being afraid to look at your investment account statements. In truth, I hope you had the fortitude *not* to look.

So, why am I drudging up all of this old pain? Here's the payoff...



Since the bottom of the market on March 20, 2020 the Vanguard S&P 500 index ETF is up 125% (with dividends reinvested). A balanced, moderate, broad-based portfolio is up 65%. That same moderate portfolio has averaged nearly 10% per year for the last 5 years.

Since that time, the market has closed higher than the month before 17 times. Including, most recently, the end of January and February, 2024. Just for fun, I will zoom-out a bit and include the following piece of long-term data from Invesco's Brian Levitt:

"The S&P 500 Index has hit 1,176 new highs since its 1957 inception. That's the equivalent of a new high every fortnight, or 14.3 days. History suggests that investors should expect the market to ascend to many new highs over their lifetimes, ***even if the path isn't always a straight one.***" (Please excuse my emphasis on the last line. I can't help myself.)

This is, once again, my long-winded way of being your eternal optimist. No matter how bad things may seem in the moment, even at the very worst of times, at the absolute panic of a global pandemic, the sun will rise tomorrow. The grass will grow green in the spring. The leaves will return to the trees. And, as a whole, the great companies in the U.S. and around the world will continue to adapt, adjust and innovate their way to ever growing profits. The only thing required is to stay the course. Stick with your plan. Don't allow your pain (or euphoria for that matter) to dictate your action, and when tempted to do so, give us a call. It's why we are here.

Now open a window, or go outside, and enjoy a breath of fresh air. Maybe take in a baseball game.

Truly,

Peter Wilmot, CFP®

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