

August 23, 2021

Investment & Financial Strategies – Current Opportunities and Risks

Economic Challenges (Risks):

- Slowing from peak earnings and margins due to supply and labor constraints.
- Interest rates and inflation rising too quickly for longer period and less “transitory” (temporary) than expected.
- Resurgence of the virus and variants causing increased fear and lack of confidence.
- Greater than expected increase in taxes.
- Cybersecurity risks continue.

Economic Opportunities:

- Economy in most areas is doing better with greater demand and profit margins.
- Rising wages and excess savings fueling increased business investment and consumer spending
- Technology and innovation continues to increase productivity and produces goods and services in high demand.
- Globally, many other countries are picking up pace in their economic recovery while lagging our recovery.
- An infrastructure bill could still happen giving another boost to many parts of the economy.

Investment Challenges:

- The values of investable assets including stocks and real estate have risen greatly reflecting high expectations.
- Non-economic factors interrupting the economy and causing financial dislocations or accidents.
- Interest rates are extremely low on most bonds.

Investment Opportunities:

- Many companies are using technology and innovation to grow the business and increase profit margins.
- Many millennials with more money are now looking to buy homes, furnishings, and nicer automobiles.
- Interest cost for companies and individuals is very low and company cash flows and buybacks high.

Our / Your customized strategy:

Our investment strategy of risk-managed total return tailored to your financial time frame “buckets” of when you plan to need your funds should position you and us well in the market volatility we experienced in the last year and may again going forward. Part of our job is to be your coach and remain objectively realistic and opportunistic as we help you manage ongoing challenges and opportunities.

Things to Consider Now When Investing (We are here to help with these.):

1. Follow your plan and balanced strategy, reviewing with us as needed, to fit your unique financial situation.
2. Allocate funds for your time frames of when you will need money (<1, 2-5, 5-10, 10 plus years).
3. Maintain a diversified investment allocation given the areas of opportunities, risks, and challenges
4. Exercise patience and persistence as assets are vulnerable to pullbacks as investors adjust for changes.
5. Utilize dollar cost averaging, diversification, and dividend reinvesting as risk management tools.
6. Consider the possible opportunities of any tax law changes if any get approved and strategies for year-end 2021.
7. Remember, fear and greed emotions are challenges to your long term financial success.

If we have not reviewed in the last 12 months, please call or email us to set up an appointment so we can set aside quality time to review with you by phone or in our office. We enjoy helping you meet your investment and financial goals, and appreciate you and your referrals of others. We wish you and yours a wonderful summer!

Neal Griffin
Financial Advisor

Chris Griffin
Financial Advisor

Experienced Ongoing Investment, Retirement and Financial Advice.

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