



A Change in the Seasons?

For the first time in the past six quarters, we have experienced a loss of value in our accounts. In the three months ended April, 2018 the average equity funds lost **(4.4%)** and the average fixed income funds lost **(1.0%)**. The quarter began with a 4% plunge in February and has largely hovered since then. Among individual securities, the changes were quite a bit more dramatic, with many companies losing over 10% and a few (including our local super star Amazon) actually gaining in value.

From October, 2016 to January, 2018 the equity markets rose 30%. Many observers said we were overdue for a market correction and, here it is. Hopefully for those who have been investing for a while, your previous gains are such that you are still ahead from your original investment. However, a market decline is always a cause for investor concern, which I do share.

What do you do facing this economy, at this time? Most Financial Advisors whose reading I follow, say to remain largely invested. Perhaps selling a few of the more aggressive positions and perhaps holding cash for future purchases. One of the difficulties of going to cash at this point, as tempting as it is, is the difficulty of getting back into the markets. It is hard to know when and how to redeploy back into the markets in a beneficial manner. So, the ultimate decision rests with YOU. If you are having difficulty letting your account remain invested, moving some or all to cash could be your answer. Others may view the depressed market as a buying opportunity-- as Warren Buffet says "The time to buy is when others are selling." These are easy words to say but are difficult to put into action. In the end, how to invest your hard-earned savings is your decision. I will help to provide you with as much consultation and perspective as possible. And I will surely abide by your decision; whether to buy into the market, hold your present positions, reduce equity exposure, or move to cash.

We have been here before on several occasions. If the past is a predictor of the future, we will recover and see brighter days ahead. If any of this arouses thoughts, or discussion, please call or email me at any time at the numbers below.

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