Dear client,

After a rough start to 2022, the last few days in the equity markets could have scared and confused even the most seasoned of investors and advisors. An example of this is when equity markets pulled back sharply on Thursday, May 5th, completely erasing a rally from the prior session on May 4th. This stunning reversal delivered investors one of the worst days since 2020.

Statistically, on May 5th, The Dow Jones Industrial Average (Dow) experienced its worst single-day drop since 2020. That move came after the major rally for stocks the day prior when the Dow saw its biggest gain since 2020.

Volatility is a part of the investment experience and equity market downturns, although they are uncomfortable are not uncommon.

Factors affecting equity markets today include: the supply chain disruption caused by Covid lockdowns that still exist in China, the continuing conflict between Russia and Ukraine, the recent uptick in inflation and the Federal Reserve’s raising interest rates by 50 basis points.

The old saying “patience is a virtue”, could be helpful for investors. Although it is easy to act emotionally, historically, having a strong plan, then staying the course and remaining invested can prove to be a wise decision in the long run.

Our strategy is to put together a plan that over long periods of time helps our clients pursue their goals. Our primary responsibility is to focus on our clients goals with the understanding that when it comes to equity markets, it is nearly impossible to determine which singular day will produce the next high or low for that period.

We fully understand that the next few days or months could very easily bring more volatility. We are also confident that we have used our best efforts in creating portfolios for our clients. Please be comfortable knowing that we are aware that these are challenging times and we believe an educated client is the best client. As always, we are available to revisit your financial holdings with you.

As a reminder we will continue to “proceed with caution” and communicate with you. Thank you for the confidence you’ve shown in our firm.

*This content was prepared for [insert advisor’s name] use.*

*Past performance is not a guarantee of future results.  Investing involves risk and investors may incur a profit or a loss.  The Dow Jones Industrial Average (DJIA), commonly known as “The Dow” is an index representing 30 stocks of companies maintained and reviewed by the editors of the Wall Street Journal.*