



Lewis & Associates
Capital Advisors, LLC

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It's bewitching hour, do you know where your financial advisor is?

The financial markets are funny things. Confusing too. Very little events can cause the markets to literally go crazy. Going back to 2000 and 2001, it was the technology sector that threw the markets in a two year slide which resulted in a an un-systemic recession. In 2008, the financial markets virtually collapsed and were considered a systemic recession as it encompassed the entire globe. In 2018, the market's correction was due to four rate increases by the Federal Reserve. Now, it's a virus. A virus that can go global at any time. Currently, the industries that are feeling 'the pinch' are supply chains, commercial transportation, large public gathering locations such as cruise lines, vacation resorts, restaurants, movie theatres etc. I cannot wait for this quarter's earnings announcements.

This leads me to my first question. Where is your financial advisor? What is he/she recommending you do and/or think at this time? Did your advisor recommend you increase your cash position by selling out of the more aggressive equity positions or mutual funds? If not, why not?

The enclosed article I recently authored for Forbes, clearly identifies two different types of financial advisors. On the one hand, there is the advisor that takes an approach of maintaining an integrative active asset management model, while the other chooses to trust an old theory of 'buy and hold'. In other words, do very little and get paid. This may sound disrespectful making these statements towards my peers, but I cannot stand by and witness this type of neglect. Frequently, folks come into our offices with investment accounts that have not seen much action in the manner of trades. In some cases, their accounts haven't been attended to for over three years. The phrases "Just wait it out, your account will correct itself." or "That's just what the markets are doing right now." are red flags that neglect is taking place. It is unfortunate, but this manner of negligence is a lawful practice. If you would feel violated having \$100 stolen out of your sock drawer, you should feel ten times worse when your financial advisor stands idle, with/or without excuses, when your account takes a major dive.

Asset management is not easy and is labor intensive for my staff, BUT this is our job and it should be your financial advisor's job as well. We feel it is an approach that investors are seeking, if they only knew it existed. It does. The **enclosed sector chart** clearly supports our approach. Notice that there is zero consistency within the 11 sectors. So why 'buy and hold'?

If you have questions, go to our website at www.lacapitaladvisors.com and glean through several of our tabs to learn more of our approach. We would be happy to answer any questions you have. We have an office right on Main Street here in Holly Springs.

We also oversee and manage business and personal 401(k) plans while providing cash sweep programs to protect downsides to these retirement vehicles.

Sincerely,

Steven K. Lewis, MSFS
DAJ/skl