



[FIRST NAME GOES HERE],

This month's client memo will follow our regular format and includes the following four sections:

1. **Year-to-Date Market Returns Through the Month Prior**
2. **Financial & Investment Planning Thoughts**
3. **Resources**
4. **Personal Notes**

As always, I welcome any and all thoughts or questions you may have.

1. Market Returns Through June:

Here are the year-to-date returns for select indexes through the end of June:

Stock Indexes (As of 6/30/2020)*

Dow Jones Industrials [-9.55%]

S&P 500 Index [-4.04%]

Russell 2000 (Small Cap) [-13.61%]

NASDAQ (Tech) [+12.11%]

MSCI EAFE (International) [-12.83%]

Bond Index (As of 6/30/2020)*

Bloomberg Barclays Aggregate Bond Index [+6.14%]

(Source: Raymond James)

Inclusion of these indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor's results will vary. Past performance does not guarantee future results.

2. Financial & Investment Planning Notes:

"A Cacophony of Noise"

The world we live in is a noisy one. There are and will continue to be plenty of predictions for the end of the world as we know it. We have rapidly increasing COVID cases, civil unrest, corporate earnings releases that are destined to result in bankruptcy predictions, debates around China and trade agreements, and what is sure to be a heated and divisive upcoming election. I will hazard a guess that we have more surprises yet to come.

Richard Kayne is credited with the quote,

"Ninety-five percent of all financial history happens within two standard deviations of normal, and everything interesting happens outside of two standard deviations."

This is simple statistics, but I am thinking we are going to live in the 5% for a while longer.

It is my opinion that you don't need to be provided with a litany of guesses as to how this will all play out, but to be actively defended against them. In addition to the planning we do together, it is my life's mission to help you

not to react during stressful times. I have found that long-term investing is only incidentally a function of the economy and the markets. Instead, it is primarily a function of how the investor reacts, or more appropriately how he/she refuses to act.

It is not possible to forecast the near-term course of corporate earnings or dividends, as they - like the economy they reflect - are still largely hostage to the pandemic. At the market level, things seem calm at the moment, but I wouldn't expect that to persist.

Given the inevitable surprises that are yet to unfold, I want to simply remind you of the sheer unknowability of the short (say, the third quarter of 2020) to intermediate (say, through the first quarter of 2021) term economic and market outlook. In the next breath, I remind you that we are not investing for the next one to four calendar quarters as any funds that are needed in that time (and much longer) should not be exposed to short-term equity volatility anyhow.

As I regularly say, we are long-term, goal-focused, planning-driven, patient, disciplined investors. Our focus is history rather than headlines, and our mantra is from Churchill:

"The farther back you can look, the farther forward you are likely to see."

Of course, we will be monitoring what is going on and how that may impact investment decisions - whether to pull weeds or plant flowers so to speak. But more than anything else, we will continue to focus on your most cherished investment goals.

If you find yourself with questions or concerns, please feel encouraged to call me!

3. Resources:

Here are three articles I found interesting this month:

- [Perspective is Everything](#) by Chip Conley: While these are certainly trying times, Chip explores what life would have been like for someone born in 1900 and the trials they would have experienced throughout their life. It left me feeling awfully blessed. (Note: This site loads in a weird way, so give it a second to load properly.)
 - [The Craziest Charts of the Year](#) by Ben Carlson: Forecasts are worth what you pay for them or maybe even less. Ben explores the wild world we have experienced thus far in 2020.
 - [Permanent Assumptions](#) by Morgan Housel: What are the things that are unlikely to change over the coming decades? Morgan notes nine permanent assumptions - #1 is my favorite and is one reason I will always be optimistic about the future, no matter how bleak things may appear to be.
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4. Personal Notes

We are enjoying summer thus far, despite the unusual heat! The most exciting news at the moment is that Beth had a friend reach out to her who just purchased a business and asked if Beth would be her CPA. So this will be her first foray into starting her own accounting practice. Many of you know that I have been encouraging her to start her own accounting practice for years, so needless to say, I am pretty excited. And Beth, who is (much) smarter than I am, is excited about the challenge ahead of her. We will see how far she wants to take it!

Emory's golf swing is really coming along - his set-up and grip are becoming automatic. What I am most impressed with is his willingness to accept "coaching" from me (not a common occurrence). He seems to be soaking it up and enjoying learning!



Turner has officially (and finally) dropped his afternoon naps, so we are free to do what we wish as a family without having to worry about getting back to the house for the afternoon.

Half-marathon update: My longest run to this point has been nine miles. The long runs have been pretty brutal given the heat and I have been figuring out how to deal with drinking water while running. My strategy has been to complete my long runs down by the Allegheny River and park my car around a midpoint so I pass it a couple of times to grab some water. It's not an ideal set up, but I am making it work.

I am five weeks out from the "Ashby Daniels' Half Marathon," which is what I have started to call it since there aren't any formal races to run.

Unfortunately, I haven't made any further progress on Book #2. I am hoping to dedicate some time to it this month.

I did re-read a book this month that has spurred a lot of introspection. The book is called, [*Essentialism: The Disciplined Pursuit of Less*](#), by Greg McKeown. As the title implies, it is about focusing on things that are essential to your life and letting go of the rest.

It is truly my pleasure to serve you and thank you for all the wonderful responses I get to this writing.

Stay the Course,
Ashby

P.S. I would love to hear from you! What is the most creative way you have found to keep busy so far this summer?

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