



A view from the top (of the 8th inning?)

Dear Client,

October baseball is upon us – a time when every pitch, every hit, and every out matters more than ever. A blessing and a curse in baseball is having no game clock. A tie game in the 8th inning tells us nothing about when the game will actually end. The length of games, and time between pitches, lends itself to sports analysts and broadcasters coming up with a seemingly endless amount of statistics and quirky facts. Right now, the stock market is in October baseball mode (okay, we know this is cliché but it fit so nicely). In terms of a stock market cycle, we are perhaps in the 7th or 8th inning of playoffs. History tells us a market cycle should end after 9 innings; however, averages don't tell the whole story. By default, the average is made up of various points of data or experiences. Rarely is a single experience equal to the average. An average is just one statistic and not a reliable indicator of what may happen in the short term; the next quarter, the next year, or next plate appearance.

This past quarter we continued to see strong advances in the US and foreign stock markets. During the quarter, the US market was up 4.5%, extending its winning streak to eight consecutive quarters and a remarkable 18 out of the last 19 quarters. Foreign stock markets experienced slightly higher returns than US markets during the quarter, returning 5.4% for developed markets and 7.9% for emerging markets. Core bonds returned 0.85% despite interest rate volatility during the quarter. As we look ahead there are a number of reasons to be optimistic:

- Global economic growth although slow, continues to be healthy
- Corporate earnings continue to grow which has been and can continue to support stock price advances
- Financial conditions have eased over the past year, despite the Federal Reserve's three rate hikes; this could bode well for economic growth over the next few quarters
- Tax reform, while largely unknown, is likely to be a tailwind for US companies, at least in the short term. A corporate tax cut could offset a headwind of potential decelerating earnings growth
- Foreign stock markets have been outperforming US stock markets during 2017 yet still appear attractive for long term growth potential

Offsetting some of the attractive shorter-term backdrop are, as always, the known and unknown risk factors. The economic impact of the catastrophic hurricanes in Texas and Florida, the US debt ceiling crisis/government shutdown, and North Korea and other geopolitical events continue to be risks we cannot discount. If the virtually nonexistent market volatility of the past year is any indicator, any headline news is likely to have a short-term market impact.

We are cognizant that stock markets will not go up forever. The segments of your portfolio have been staged for various outcomes. In dividing your portfolio into segments based on time and return expectations, we become very deliberate in how and where we target return in your portfolio.

There will be no shortage of facts and averages spread throughout the media. We are in a growth/bull market and the longer it goes, the more likely new statistics and averages will be analyzed. While we don't know how long the last innings of this bull market will last, we will continue to diligently observe every pitch.

We take great pride in partnering with you on your financial journey. As always, we thank you for your continuing trust and confidence.

Thomas G Fee
Principal, Managing Partner

Jason Ranallo, CFA
Director of Portfolio Management

Daniel Powers
Principal, Senior Portfolio Manager



3rd Quarter 2017 Credit Freeze Information

If you're concerned about identity theft, major data breaches, and someone gaining access to your credit without your permission, consider placing a credit freeze on your report.

A credit freeze, also known as a security freeze, blocks your credit report making it more difficult for new credit card and bank accounts to be opened in your name. For most creditors, if they cannot see the applicant's report or score, they will not open a new account.

Does a credit freeze affect my credit score?

No, it does not affect your credit score.

Does a credit freeze prevent an identity thief from making charges to my existing accounts?

No. In addition to checking your credit report, you still need to monitor your existing bank, credit card and insurance statements closely for unfamiliar charges.

Can I still get a free copy of my credit report?

Yes. Federal law allows you to get a free copy of your credit report every 12 months from each of the three nationwide credit reporting companies through AnnualCreditReport.com or (877) 322-8228.

How do I place a credit freeze on my credit reports?

Contact each of three nationwide credit reporting companies directly to learn about the process and fees according to your state's requirements:

Equifax	Equifax.com/CreditReportAssistance	(800) 349-9960
Experian	Experian.com/Freeze	(888) 397-3742
TransUnion	Freeze.Transunion.com	(888) 909-8872

Each credit reporting company will give you a unique PIN or password. Keep the PIN or password in a safe place. You will need it if you choose to lift the freeze. Fees to freeze and unfreeze your credit reports vary based on state of residence, and commonly range from \$5 to \$10.

How do I remove the credit/security freeze?

If you plan to open a new financial account, rent or buy property, apply for a job, or buy insurance you'll need to remove the freeze. Contact each credit reporting company and provide the PIN or password you were given when you placed the freeze. The freeze can be removed temporarily or permanently.

Source: Consumer.FTC.gov To report and recover from identity theft: IdentityTheft.gov (877) 438-4338

Referrals

We are fortunate to have grown over the years primarily through referrals from you, our clients. Thank you! If you know of other individuals you think could benefit from our services, we would love the opportunity to speak with them.