WESTBOURNE
INVESTMENT ADVISORS

INVESTMENT PERSPECTIVE — FIRST QUARTER 2026

The Grinch Who Stole Your Financial Future

Greetings, Whoville! As *Registered Investment Advisors*, we have seen countless financial pitfalls erode wealth over time. Like the Grinch sneaking off with holiday cheer, these common mistakes can quietly steal your chance of a secure financial future. *In this tongue-in-cheek report*, the proverbial Grinch himself offers awful advice designed to destroy your finances - so by spotting these "Grinches," you can reject his terrible guidance, do the opposite, and take proactive steps to safeguard your assets and build lasting prosperity.

1. Allocate ALL Assets into "safe" Fixed Income. Ignore Equities – they're "too risky"

The sneakiest Grinch is poor asset allocation, and, sadly, it has cost investors millions of dollars in missed opportunities. Retirees often overweight Fixed Income to preserve capital and miss the long-term equity growth required to outpace inflation. Young investors often either chase high-risk equities or adopt a bunker mentality and underweight stocks altogether, leaving portfolios misaligned with their time horizon and goals.

2. Ignore Inflation

Inflation silently erodes purchasing power, like the Grinch fading into the night. A 4% annual rate halves your money's value every 18 years, yet many fail to adjust investments or budgets. Fixed annuities or low-yield savings accounts fall short, while equities and inflation-protected securities preserve purchasing power —and in retirement, underestimating inflation depletes funds prematurely, forcing tough choices.

3. Buy that Fancy Car – You Deserve it

Impulse buying major items - like a luxury car or home renovation - without saving or planning can destroy wealth. Early in life, it piles on unnecessary debt and opportunity costs, as money spent today can't compound in investments. Budget instead, defer those purchases until you're on firmer financial ground, and let compound interest transform thousands into tens of thousands over decades.

4. Pay living expenses with High-interest Credit Cards – Hey, You Only Live Once!

Credit card debt interest relentlessly steals wealth, compounding at rates often exceeding 20% annually. Many young people treat cards like free money for lifestyle expenses, trapping themselves in a cycle of minimum payments that barely dent the principal—and, most critically, destroy their ability to compound retirement savings. The fix? Pay off balances monthly, using cards for cash flow, and rewards, on essentials.

5. Squander Your Inheritance

Receiving a windfall or inheritance feels like a holiday gift but spending it frivolously unleashes a Grinch in disguise. Many squander these funds on vacations or gadgets instead of investing or paying down debt, missing the chance to accelerate retirement savings and build generational wealth. Treat inheritances as seed capital: allocate them to investments to ensure they enhance, rather than evaporate, your financial future.

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6. You can Time the Market, even if Wall Street Professionals Can't

Market timing tempts many with promises of buying low and selling high but is notoriously unreliable. Individual investors who try to outsmart the market pit themselves against professional 24/7 traders and firms that have poured billions into advanced platforms and algorithms. Those who pull out during dips or chase hot trends miss the rebounds and underperform steady, long-term strategies.

7. Don't Save in your 401(k) – Live Life Now – that's what Social Security is for!

Starting late on retirement contributions unleashes a slow-burning Grinch. In your 20s or 30s, skipping 401(k) matches or IRA contributions, and you forfeit free employer money plus decades of compounding- $5,000 invested annually at 7% from age 25 grows to over $1 million by 65, versus just $250,000 starting at 45. Small, early, consistent savings outpace frantic catch-up efforts later and prevent retirement shortfalls.

Many retirees assume Social Security covers most needs, but it typically replaces only about 40% of pre-retirement income for average earners. Relying solely on Social Security forces lifestyle cuts or a return to work. With potential benefit reductions looming from funding issues, diversify now with personal savings, pensions, or brokerage accounts with professional guidance to secure your standard of living.

8. Ignore Professional help, you've got this!

The overconfident Grinch whispers, "You don't need help investing." This delusion leads many to ignore professional advice, chase hunches, and tinker endlessly with portfolios, racking up fees, taxes, and poor investments. Advisors spot blind spots, enforce discipline, and optimize strategies. Ditch the ego, partner with professionals, and compound wealth.

Financial Grinches accumulate over a lifetime. As your advisors, we perform regular portfolio reviews, debt audits, and personalized planning to reclaim your financial cheer, guiding you to a merry retirement.

May your hearts, and portfolios, grow multiple sizes,

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