Stirling Bridge
Wealth Partners, LLC

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'Cause the sun's calling your name
And the stars would love to see you dance again
Oh-oh
And there's so much life to live
And plenty of words and songs still left to give
Oh-oh ~ Red Clay Strays

It turns out the rabbit warrens run deep. Or perhaps, the tugged thread of a sweater is unbelievably long and winding. During our glacially paced back recovery, we've read economic, maritime, investing, and history books that led us to other books on a wide range of topics. We've also stumbled across inspiring new music. And whether our dear readers believe it or not, the above lyrics are germane to investing.

But one thing at a time.

The Red Clay Strays is a band formed in Mobile, Alabama about ten years ago by a bunch of scrawny teenagers. Each member grew up playing his own type of music. Blues. Rock. Gospel. Jazz. Country. This likely explains why one of their songs sounds like it came from a Lynyrd Skynyrd album while the next could fit in with something by Ray Charles or Elvis Presley. Whatever you may consider them, they have certainly found inspiration in the past and have used it to blaze a trail forward. It's safe to say we are obsessed with them at this moment in time. Fear not, we're giving ourselves until 2027 before we begin sounding any alarms on idolatry.

If you like love songs, try *Wondering Why* or *If I Didn't Know You*. If you like rockabilly try *People Hatin'* or *Down South*. If you'd like to try southern gospel complete with raunchy guitars give a listen to *Revival* or *Grateful*. A sad dirge more your style? Then put on their Western live version of *Sunshine* or perhaps *Do Today* (the lyrics above). The point here is that there is something for everyone.

Now that we've tried to convert you into a Red Clay Strays fan, we'll move into investing. Much ink continues to be spilt on the topic of finding and buying winning companies. It's the perennial treasure hunt. Easy money is to be made. Ten-baggers. Maybe 100-baggers can be found if you find a company growing revenues at a double-digit clip for decades that also has the right mix of competitive advantage and an ownership mentality. Finding one of those investments is often deemed the pearl of great price. Its rareness is precisely what makes searching for it so enticing.

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Yet, our experience tells us that few folks really ask the right questions. Sure, AI is expected to grow rapidly and companies involved in that industry might rightly be expensive today. However, if the market currently prices them to grow 25% per year for fifteen years and they only grow 20% per year for ten, the person who bought at today's lofty prices loses. But if an unthrilling company currently priced to grow revenues at 2% manages to grow 4% annually, that will be a winner!

The question is like the title of the song from which the earlier lyrics come, *Do Today* (*song YouTube link*). Notice that the cited lyrics point to future events – dancing and songs to sing. But the question that repeats itself over and again is in the present tense. What are you gonna do today? The past matters a little bit in that it demonstrates what might happen in the future. It shows how management has acted under various scenarios. But what matters is the price today and the expectations for the future. Ascertain those, with ample conservatism, and you already know what you are going to do today. Will you hold? Will you buy? Will you sell?

If the company has gotten cheaper but its business remains strong. You likely hold, regardless of what the market price says. Who decides to sell his house because the market says it is cheaper? No one. He sells because the scenario has changed. He has a bigger family. A smaller one. A new job in a new city. Etc. Similarly, a company should be sold for only three reasons. Its competitive position is irreparably broken. It is remarkably overpriced. Or there is a tremendously better alternative available today. That's it.

So, in light of this information, while AI-related companies soar and boring, yet growing and profitable, companies sell for boring prices, what are you gonna do today?

Stirling Bridge Wealth Partners, LLC is fortunate to count many of you as clients. In the good times and bad, we remain committed to providing customized investment solutions and robust financial planning wrapped in a package of exceptional service. We thank each of you for your dedication to us and for your trust.

Sincerely
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President