Giving you a confidence boost in today's environment

The coronavirus pandemic has exacted a staggering toll in terms of economic impact and the loss of life. It has also produced many heroes, including frontline health care workers and retail employees who enable people to stay well provisioned in isolation. Your Financial advisor can serve a critical role as well by helping clients maintain their emotional well-being and increase their chances of emerging from the crisis with their financial dreams intact and your investments preserved.

I believe, to remain, positive and "Proactive," during normal and abnormal events, since we all know, worrying does not accomplish one thing. Remaining "Proactive," with you, about your advisory management, is committed to help you and the advisory understand your emotions as to your financial concerns.

We are working diligently, at the advisory, and to help you understand, we are applying, our vast years of experience, research, application of the fundamentals, and investment technologies, paying attention to these current events, and as we go into the 2nd quarter of earning reporting, it is likely to be abnormal, and the normal earning reporting, will come, but with patience, as this new economy adjusts to this harmful event, and the policies of the government, central banking, the releases by the Fed, and the affects it may bring, short-term, while remaining with a long-term view.

The advisory primary concern is be continually in communication with you, to assure with "Confidence," that we apply stringent buy and sell disciplines in our active advisory management. Remaining as an active advisory management allows us to avoid undue, unnecessary, market volatility, as being experienced during the past few months.

Our management is based on active management, we also employ, "Risk Management," since performance reporting is only one aspect of "Professional Management, and this also takes into account, "The Fiduciary Standard and fiduciary responsibility that we are bound to, and reflects in our financial services agreement with you.

These unusual events are addressed by our advisory disciplines not nor to make in-the-moment reactionary, or emotional decisions, to us, we also employ, "Risk Management," for times in today's markets, and going forward, it will remain adhered to when it appears, fundamentally, and technically, that these abnormal risk characteristics are minimal, and measurable by our financial experiences, such as how the VIX, Beta, and Sharp Ratios are currently reflecting, and I know, it is likely that this may be to technical for you to understand, but in this I can assure that we will go forward in utilizing applied financial and investment resources, and to assure you with "Confidence, as reflected in our past decision to allocate your managed account to cash, rather than the passive approach to wait for the markets to come back, which generally is what causes individuals undue stress, and worry about their financial welfare.

With Confidence, you are not exposed to the current market volatility!

Therefore, from the very beginning, we adhere, to our Financial Services Agreement, on your behalf, it states;

"Total Portfolio deviation apparent deviation of 5.00% below a cost basis or previous high can be reallocated to cash, as an advisory discipline in attempt to preserve advisory/client asset."

So, lets assess your situation that may demand a behavioral solution. Let's address it by developing an appropriate course of action. Let's audit you're results and discuss with you the difference of our active management versus passive management and you will understand our value in the process.

How do you focus on long-term risk during crises such as the coronavirus pandemic?

First, it's important to provide perspective on what a crisis happening in the moment is. So, our team examined the questions: What do bear markets look and feel like in the moment and how does that compare with perceptions after the fact, with the benefits of hindsight?

Or the choice, alternative is to utilize Active Management with this advisory.

For example, we looked at the bear market from 2008 through 2009. We examined news headlines from that period and noted the overall sentiment of gloom they conveyed.

The advisory went to cash.

We tracked the Standard & Poor's 500 index from its market bottom in March 2009 to its recovery breakeven point less than two years later. By the time the headlines expressed positive sentiment, the market had already completely recovered.

But, some retirees or investors do not have a two year horizon to wait for their investments to break-even, this is passive management, buy and hold and go for the ride.

This is what Active Management addresses, it is management that does not look in the mirror, nor expose managed assets to take 2 years to break even. In other words, you went to cash and for the next two years,

We're not saying that scenario will play out again in the same way. And today's crisis has the added dimension that it's threatening people's physical health. At the same time, it doesn't mean this situation is never going to get better. We, as people offering our financial expertise, just need to provide
Some concrete, constructive guidance. That's the first part.

Active Management or Passive Management?

As your advisory, we just provided and applied the "Risk Management," of your managed account, and "went-to-cash, that's the benefit of Active Management.

Active Management also employs performance but must also include "Risk Management."

In other words, is the current market risk more than return/performance, and right now, it is likely you would agree, that the risk is apparently greater than return.

In Active Investment Management, we understand that a past performance is not a guarantee of a future result, so why would or should a past performance of a mutual fund or any securities be decided solely on past performance. Past performance is a good indicator of a securities, but there are many other factors that must be applied to even begin, building a client's institutional portfolio.

So, past performance is not nor should be utilized as a sole reason to invest in a particular security.
In Active Management, it is viewed as, "This is a New Day, every day is a new day and, in every ending,, is a new beginning....

Second Fact;

In Active Management, continual, daily, monthly, quarterly monitoring of the recommendations in a managed account to be continually monitored, in the event, "Deviations/Risk," exceed you're or the advisory risk appetite, including performance.

This is important for us to understand your personal risk adversity now and going forward. Example, you invest, $100,000.00 or other and your active management asks you how would you feel if your investment dropped 5.00%, 10.00%, 20.00% or more what would you do?

Buy____, Sell____, Hold,______Don't Know______

That's why we go to cash.... we go to cash based on your risk averse attitude.

Third Fact:

Portfolio Reentry, Buy Disciplines.

Again, we need to access your current risk/averse attitude.

Your personal Investment Horizon?

Are you investing for the future security or a specific result; Retirement, college, to attain a specific goal, to make a future purchase, house, start a business, or other?

Are you investing for current income?

On a scale of 1 to 10, what would you say your attitude about risk is, to expose your initial investment to risk and for performance?

1, One, being low, through 10 Ten being the highest. We can access your risk with our "Riskalyze Technology, it on our website or risk assessment.

The advisory research is intensive and global, we utilize a myriad of sources, Schwab, Moody's, Credit Suisse, Ned Davis, Argus, CFRD, Morningstar, Zacks, just to name a few, so our discipline is to identify equities via our screening process, that consists of; Low Beta, Low debt, Earnings Reports, Capitalization, Sector identification, asset classification, Leveraged/Non-Leveraged, Yield-Dividends, Historic Growth, Price to Earnings (P/E) and vast use of technical algorithm, buy-sell alerts, Change of Ratings, Status, AAA, BBB,BB, and or other.

At this current time, most equities are trading lower from the highs of January 2020.

Is it time for reentry?

Fundamentally, and technically, NO. But, some equities based on the fundamentals are currently in position to weather this storm and some data, reflects opportunity for reentry, so we will be going forward , within the financial services agreement to buy no more than 3.00 percent of anyone securities, based on your personal managed account.

Currently, the advisory is just nibbling on some specific positions, but not allocating aggressively.

March 22, 2020 | Expert Perspective

A sharp contraction, then an upswing

Chief Financial Advisor

In only a few months, COVID-19 has spread around the world. The extreme measures being taken to protect us, to combat the disease's spread, should be positive for public health. But such a step necessarily involves a trade-off. In appropriately prioritizing human health, we in essence must shut down large swaths of the economy, closing schools and businesses and limiting human interaction. Having to do so makes it unfortunately clear that a global recession is at hand.

A deep (and we hope short) U.S. recession

Given increased efforts to contain the spread of the coronavirus, we anticipate a sharp (but we hope short) contraction in the U.S. economy, which likely has already entered recession this month. The coming months are likely to witness a profound fall-off in the real economy.

A bear market in stocks, and a ray of light....

Financial markets have sold off significantly over the last several weeks, with eye-watering volatility. While we noted in our annual economic and market outlook that there was an elevated risk of a correction in the stock market, the speed of this bear market has certainly taken many by surprise.

A positive side, however, is that the long-term picture has brightened for equities. As current equity and bond prices are significantly lower, I believe our active management allows us to capture the past recent gains, experienced by going to cash swiftly during the month of February. Currently this allows your advisory managed account to be positioned exactly where we believe is best, in cash. By being in cash, the advisory will purchase equities and bonds at lower pricing, thus, allowing your managed account to experience prudent realized gains and income.

The recent sharp downturn has brought returns, Price to Earning, more in line with the previous outlooks provided by our Capital Markets Model. We do expect lower revenues in the coming corporate earnings season in the following quarter. The current lower equities pricing reflects what we believe appears significant buy opportunities, since we believe current equities are trading below value that existed prior to this down-turn.

At this current time the advisory will be reallocating the cash in your account towards core equities and bonds while repurchasing your previous positions at lower pricing, which we believe will provide exception results.

We remain cautious going forward, and the advisory can always apply its sell side disciplines as we exercised during the month of February. We also consider the supply side and manufacturing data to reflect a short-to-mid-term slowing until the overall economic engine is fully engaged, so patience and prudent sector/equity selection process is being applied daily during our extensive research.

We will continually monitor all accounts as we allocate some of the cash to lower priced equities and fixed income securities.

In the interim, you can always review your account on-line with your custodian and feel free to contact the advisory for any other assistance or consultation.

Going forward the advisory is rolling out our Exclusive Teleconferencing for us, to be connected and to stay connected.

Your exclusive invitation will be hosted on "Join Me," Click here to download "Join Me," on cell phone app store or download "Join Me," on your mobile phone, IPad or P.C. and if you need any technical help, were here to help you, to keep us connected and to stay connected.

In the meantime, please provide your Email Address and Name, In the subject line, please write add or remove here; mgreen@tgacapitalmanagement.com

We Look forward to scheduling client consultations and to provide all invitees in joining us.

My very best

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