HIGHTOWER
White Pine Wealth Management

Dear Clients and Friends,

As the world digests the news of stoppages in travel, and postponements of events, equity markets are correcting sharply and have fallen into bear market territory. It can be alarming and frustrating to watch the balance of your hard-earned savings fluctuate wildly. While we completely empathize, know that market volatility is a normal and necessary part of participating in financial markets. Historically speaking, market corrections don't tend to last as long as bull market rallies do. They can end very suddenly—as soon as the news cycle turns and people become more optimistic. Very often the very best days in the equity markets tend to follow the worst, which is why we strongly advise clients to stay invested and not be tempted to try to time the markets.

The investing process is driven by two emotions: fear and greed. When those two emotions fall out of balance, investment advice can be the most valuable. While we certainly can't control or perfectly predict the stock market, interest rates or energy prices, we are able to control our behavior.

When you invest, you own assets. The price of those assets truly only matters at two moments: when you buy and when you sell. When markets correct sharply, it can create tremendous opportunities for those who are saving towards an important goal such as retirement, education, or building your nest egg. **If you are in the position to add to your accounts, we strongly encourage you to consider doing so at this time.** By contrast, if you rely on withdrawals from your investments to supplement your cash flow, we would advise you to be cautious and thoughtful with how you proceed until calm returns to the financial markets.

After the tremendous rally that we've experienced in the past decade and over the past year, normal profit taking and an increase in volatility is to be expected. Certainly, no one could have known that this strain of the coronavirus would have spread like it has, nor could they have known how the fear of its arrival would impact financial conditions in the short term. Anytime there are changes in consumer behavior, there is a resulting impact on the economy. We have no way of knowing how long it will be before the virus peaks and subsides. Based on what we've seen from other countries, we expect the impact to our personal lives to be fairly short-lived and the impact to the economy to only last a quarter or two. We expect the Federal reserve to continue to provide excess liquidity and expect the Federal government to announce additional measures to support individuals and businesses.

Know that recent reads on the economy have been fairly strong. We expect that as the impact of the virus passes, we will find that the economy remains sound. We can't promise you how long it will take before markets fully recover to recent record highs experienced just a few weeks ago. We can assure you, however, that classic investing principles still hold true and will get us all through these challenging times. Stay disciplined, stay calm, add to your positions if you are able to, and never (under any circumstances) allow emotions to drive your investment decisions.

As always, we deeply value the trust that you have given us and never take it for granted. We will remain vigilant in our efforts to help you navigate through good times and bad. We wish you a happy spring and good health to you and your family!

Sincerely,

White Pine Wealth Management