

# The BVB Group Newsletter

3rd Quarter 2020

BAIRD

## The Second Half

As we start the second half of the year, I'd like to reference the last newsletter where we talked about focusing on what you can control.

The first half of the year was wild to say the least. The S&P 500 was down 20% through the 1Q, to briefly climbing back to where we started 2020. All of this comes on the back of high unemployment, an election year, social unrest and a persistent COVID virus. In many cases, our clients are telling us that the year has felt like five years, and we can't disagree with them. There is so much out of our control as it pertains to our environment, politics, market fluctuations, it is important to focus on the aspects of your life where you can make an impact. We encourage our clients to do so.

Amidst all of the turmoil I would encourage you to check out some of our recent video content that we have been sharing with clients on our website [www.bvbgroupbaird.com](http://www.bvbgroupbaird.com) that covers topics such as

- Filtering the "News vs. Noise" in the markets
- Perspectives on Market Volatility
- The Importance of Rebalancing your Portfolio to manage Risk



Rachel Lazewski, Rick Verthein, CFP®, CPWA®, Jennifer Ewert, Curt Brewer, JD, CFP®, Ashley Brown, CFP®, CDEA®, Briana Berndt

## MARKET PULSE (As of 6.30.2020)

Index	YTD	1 year	3 year	5 year
Dow Jones Ind Avg	(8.4%)	(0.5%)	9.1%	10.6%
S&P 500	(3.1%)	7.5%	10.7%	10.7%
MSCI EAFE	(11.1%)	(4.7%)	1.3%	2.5%
Barclays Agg Bond	6.1%	8.7%	5.3%	4.3%
Barclays Muni Bond	2.1%	4.4%	4.2%	3.9%
Barclays High Yield	(3.8%)	0.0%	3.3%	4.8%
BBgBar 3-Mo T-Bill	0.6%	1.7%	1.8%	1.2%

Source: Baird's 2Q20 Market Chartbook

## Forbes Best-In-State Wealth Advisor

We wanted to start the newsletter on a bit of good news. Please help congratulate our very own Curt Brewer, CFP®, JD with being recognized as one of the Best-In-State Wealth Advisors by Forbes Magazine. This year he is ranked #33 on the list and we are proud that he has made the list for multiple years. While we have always taken the team approach to serving our clients and celebrating our successes as a group, the ranking is well deserved. Congratulations!

Feel free to view the rankings at : <https://www.forbes.com/best-in-state-wealth-advisors/#797ee432291d>

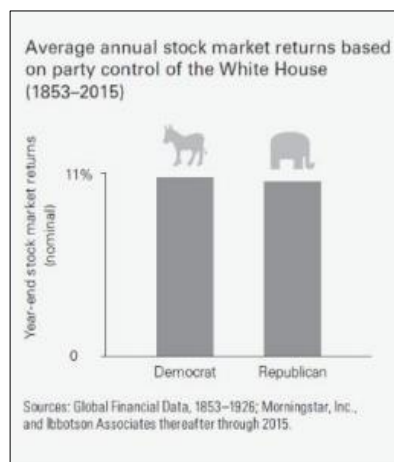
## On Ignoring the Political Noise and Staying Invested for the Long-Term

*By Ross Mayfield, CFA – Investment Strategist*

Though COVID-19 has rightfully demanded much of our attention the past few months, we are now somehow less than 150 days from the 2020 Presidential election – as if this year weren't volatile enough. A lot rests on this race; our nation is embroiled in a devastating pandemic, heightened geopolitical tensions, and country-wide social unrest. The next four years are critical to America's future. But there is one major thing that shouldn't rely on an election outcome – your portfolio.

True or not, the partisan divide in our country feels as wide as ever. The debate is noisier, the rhetoric is harsher, and social media has a way of amplifying the loudest and most controversial voices. Politics is an emotional game. Unfortunately, some of our worst biases and behavioral mistakes show up when we let emotions drive our decision-making.

This is particularly true in investing. I've heard too many stories about Republicans going to cash in 2008, or Democrats selling out in 2016. The stock market has no party. The chart to the below says it all – equities have historically trended higher regardless of which party held the Presidency, and regardless of the timeframe used to measure. Presidents get far too much credit for the good and far too much blame for the bad when it comes to the economy and stock market.



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That is not to say policies don't matter. Tax rates, tariffs, geopolitical uncertainty – all affect the bottom line of US companies to varying extents. A Democratic sweep presents the possibility of higher corporate tax rates, while a Trump reelection may mean more tariffs and trade skirmishes. Both sides offer obvious negatives and positives to markets.

Put simply, the historical results speak for themselves. The long-term stock market trend is higher regardless of the party in power, and nearly anyone who sold out due to a presidential election going against their favorite candidate has been far worse for the wear. Politics are impassioned and intense whereas investing should be rational and fact-based. They do not, and should not, mix.

Still, if you are worried about your portfolio heading into November, reach out to your Baird Financial Advisor today. Volatility is higher during election years, and political intrigue can gyrate the stock market at times. We just lived through the fastest bear market in 100 years, and now we face a heated presidential election season – this is not an easy time to invest. Your advisor is here to help navigate this challenging environment and keep you on the path to your long-term financial goals.

## **Our Culture: Giving Back and Making a Difference**

Mr. Fred Rogers said; “When I was a boy and I would see scary things in the news, my mother would say to me, "Look for the helpers. You will always find people who are helping.”

We are blessed to work at a company that has created a culture of giving, in addition to working with clients that make charitable giving a major part of their legacy planning and financial planning. In 2019 the Baird Foundation donated more than \$3.4M to qualified non-profits and provides our associates with a generous match of our dollars.

The members of the BVB Group have and currently serve on a variety of boards such as the Waukesha County Community Foundation, Waukesha Rotary Club, Adaptive Community Approach Program, Elevate, Cystic Fibrosis Foundation, local sports teams, PTO and others. Links to these great organizations can be found our webpage located here:

<http://www.bairdfinancialadvisor.com/thebvgroup/OurInvolvement.htm>

In times of need, it is important for those who can make a difference, to make a difference. That can entail giving your time volunteering, sharing your talents or donating funds to the causes you support and care about.

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If you'd like to discuss various giving plans and strategies or would like help vetting charities to which you would be interested in donating, please reach out and we'd be happy to guide you through the giving process.

## **Upcoming Live Webinar**

### **A Look Ahead**

*Featured Speaker William Delwiche, CMT, CFA, Investment Strategist, Baird*

Thursday, July 16<sup>th</sup>, 2020

11:00 – 1:00 p.m. (CT)

Check your inbox for your invitation to this event and feel free to register at:

<https://baird.cventevents.com/0716Waukesha>.

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