

The logo for "skv three things" features the letters "skv" in blue, followed by a circular icon containing a compass rose with a flame at the bottom, and the words "three things" in a grey, lowercase, sans-serif font.

1

A lot of chatter and hand-wringing about a rise in interest rates recently. Namely, the 10 year Treasury rose to about 1.5% from a recent low closer to 1%. A big percentage move, but hardly a change that inspires changing ones asset allocation. This week is the 40th anniversary of the highest fixed rates in U.S. history. In the Fall of 1981 the US10Yr peaked at 15.82%. Some of you remember—even romanticize those days-- *“I used to get 15% on CDs!”* What some forget, 30 year mortgage rates were over 18% back then! Ouch! Today, those rates are closer to 3% (source: Freddie Mac)

2

Speaking of high inflation, and interest rates....Happy Birthday Jimmy Carter, our nation’s 39th president turned 97 last week. He is the longest-lived US president. The last three to die were all nonagenarians: Bush at 94, and Reagan and Ford at 93. He has famously frugal tendencies. He lives in a *“two bedroom ranch house assessed at \$167,000...spends weekends with neighbors dining on paper plates and with bargain-brand wine...has been known to buy clothes at his local Dollar General store....and often flies commercial....”* Sarah Bergar, CNBC (8/22/18) *“It just never had been my ambition to be rich,”* said Carter. He does receive a \$210K annual pension, as do all former presidents. The Dow was around 120 when Carter was born in 1924, and was less than 1000 when he left office in 1981

3

A client came into some new money and asked me, *“Is this a good time to invest?”* Happens all the time. Yes! I am of the mindset...***IF the money is for long-term growth***---the best time to invest money is when you got some. Timing works about as well as that pedestrian crosswalk button. The market goes up roughly three-fourths of the time, down one-fourth. And average gains are typically much larger than the occasional, temporary declines. September lived up to its reputation as the worst of months, with U.S. index down around 5%--breaking a 7 month win streak. While October has some memorial crashes—historically it is the start of the final stretch of the year that is usually pretty good. The market is up 80% of the time in Q4 in the last 30 years. (source BTN) Of course, the good juju is true...until it isn’t.



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