

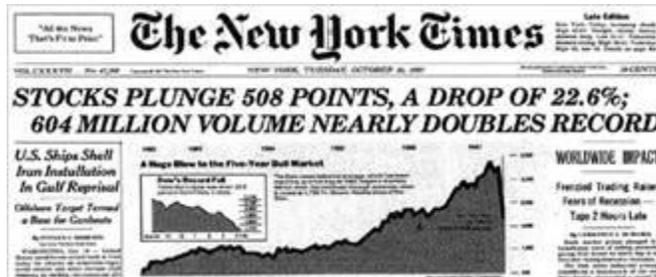


faith . discipline . patience

# skv three things



One of my favorite career moments occurred 13 years ago this week---October 16<sup>th</sup>, 2008. Warren Buffett penned an editorial in the NYT on that day entitled: Buy American. I am. *“Over the long-term, the stock market news will be good. In the 20<sup>th</sup> century, the United States endured two world wars and other traumatic and expensive military conflicts; the Depression, a dozen or so recessions and financial panics; oil shocks; a flu epidemic; and the resignation of a disgraced president. Yet the Dow rose from 66 to 11,497....I can’t predict the short-term movements of the stock market...what is likely, however, is that the market will move higher well before either sentiment or the economy turns up.”* Timeless. I remember how reassuring Buffett’s thoughts were to us all. The Dow was just under 9000 when he wrote the editorial...34000-ish today.



Today is the 34th anniversary of “Black Monday” in 1987. The **500+ points** drop on that day remains the largest single day drop in Dow history, **over 22%!** For perspective— the Dow would need to fall over 6000 points at today’s level to equal that percentage decline. Think that might pucker you up a bit? I suspect I might get a few calls....A 500 point drop today would be garden variety, almost ho-hum 1%-2% decline these days. What many people forget, is the Dow finished up around 2% for the year in 1987, +12% in 1988 and nearly 27% in 1989. The takeaway then much like the lesson we learned from the Covid-induced free fall and rapid recovery from last year —if you are a long-term investor, with a properly diversified portfolio, it might be better to ride it out the temporary declines. Successful timing requires a very difficult two-step, getting out AND getting back in.

1405 Rolkin Ct., Suite 202  
Charlottesville, VA 22911  
tel 434.328.8030 fax 434.234.3789  
toll free 844.391.3610  
www.skvgrp.net  
jorgen.vik@skvgrp.net



faith . discipline . patience



Black Monday was the largest single day percentage decline in the S&P 500. The second largest was on Oct 15<sup>th</sup>, 2008 when the index fell 9%. ( I suspect this may have inspired Mr. Buffett to pen the piece referenced above the next day?) In fact, October 2008 was one of the worst months ever—down about 17% in all. Remember how we caution that you have to stay in the market thru its temporary declines, stay patient because some of the best days are often in close proximity to the worst---well the S&P 500 had its best single day performance ever—up 11.58% on October 13<sup>th</sup>, 2008. Right in the middle of all those bad days! Need more anecdotes about the folly of market timing—I can go all day ☺!

As always, I'm honored and humbled you have given me the opportunity to serve as your financial advisor. I am lucky to be in the foxhole with the greatest clients in all the land. We hope you view us as your ***friendly, knowledgeable, and reassuring source of financial guidance.***

FAITH

DISCIPLINE

PATIENCE

The opinions expressed in this report are those of the author(s) and are not necessarily those of Wells Fargo Advisors Financial Network or its affiliates. The material has been prepared or is distributed solely for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. S&P 500 Index: The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted index with each stock's weight in the Index proportionate to its market value. Past performance is no guarantee of future results. Wells Fargo Advisors Financial Network is not a legal or tax advisor. Be sure to consult your own tax advisor and investment professional before taking any action that may involve tax consequences. Index returns are not fund returns. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results.

**Michael H. Kaminski, CFP®**

*President*

SKV Group, LLC

1405 Rolkin Court, Suite 202  
Charlottesville, Va 22911

FAITH. DISCIPLINE. PATIENCE

Ph 434.328.8040  
[www.skvgrp.net](http://www.skvgrp.net)

1405 Rolkin Ct., Suite 202  
Charlottesville, VA 22911  
tel 434.328.8030 fax 434.234.3789  
toll free 844.391.3610  
[www.skvgrp.net](http://www.skvgrp.net)  
[jorgen.vik@skvgrp.net](mailto:jorgen.vik@skvgrp.net)

Investment products and services are offered through Wells Fargo Advisors Financial Network, LLC (WFAFN). SKV Group is a separate entity from WFAFN. 1020-01468



faith . discipline . patience

1405 Rolkin Ct., Suite 202  
Charlottesville, VA 22911  
tel 434.328.8030 fax 434.234.3789  
toll free 844.391.3610  
[www.skvgrp.net](http://www.skvgrp.net)  
[jorgen.vik@skvgrp.net](mailto:jorgen.vik@skvgrp.net)

Investment products and services are offered through Wells Fargo Advisors Financial Network, LLC (WFAFN). SKV Group is a separate entity from WFAFN. 1020-01468