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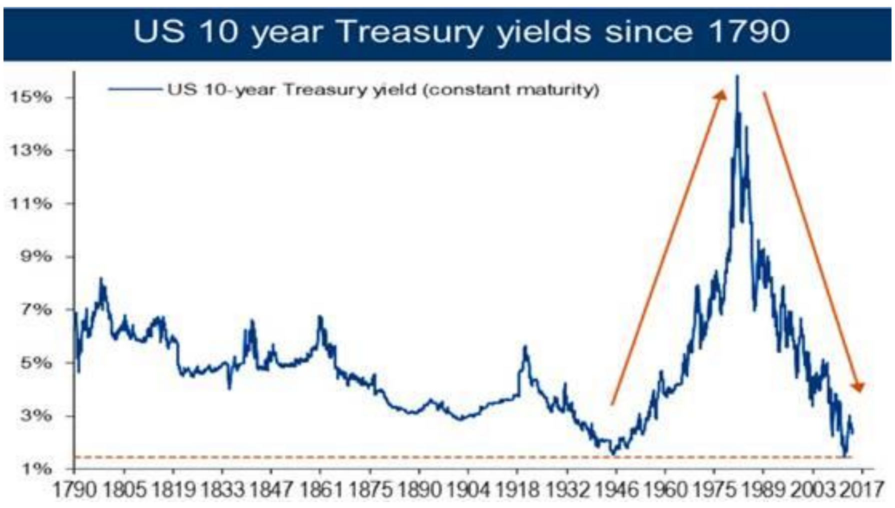
skv three things

1 That the market is “too high” and due for a correction imminently is a common cry these days—*and almost all the time*. With all due respect, who cares?! (it’s not flippant because I said “with all due respect”☺) What is going to happen short-term is **unknowable**, and more importantly –***irrelevant***-- if your goals are long-term. There have been nearly 30 corrections—*a market decline of +10%*--since WWII, and they have lasted on average about 4 months. (source: BTN) Less steep declines happen routinely. *Corrections are as routine as Joe Burrow getting sacked*, or *my morning “power ring”. (chocolate glazed donut).* Is the correction-boogieman really worth all the angst beforehand? “***I’ve had a lot of worries in my life, most of which never happened***,” Mark Twain. Investing is about **later**—we all pay too much attention to “**now**”. (And CNBC thanks you)



(source: Bank of America/Merrill Lynch)

2 The US10Yr treasury note poked it’s head over 2% last week for the first time in over 600 days. Consider the US10Yr was never below 2% from 1946 to 2011! The reasons for the rise in rates are many—Ukraine, inflation, variants…oh my! The 10 year was first issued by the Government in 1790 to pay off Revolutionary War debt. The all-time high was nearly 16% in 1981, and dropped all the way to .50% in

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2020. Remember, talk of it going "negative", below zero? If you did a yield average for all those 230 years, it would be over 4%. (source: US Treasury Dept) So, I find the excitement that the note has broken thru 2% somewhat….laughable. Still 50% below average—and if you are saving for a 20 to 30 year retirement—I still find investing in these notes…unthinkable. Sometime us humans get our emotional wants and financial needs twisted. Many desperately ***want*** an investment that pays a certain interest, and protects principle. Fixed income feels "safe". But for many , they ***need*** more than 2% to accomplish their goals, and to live a life of independence and dignity. It is almost always true with investing---***certainty and returns are inversely correlated***.

3 Low rates are decidedly not ideal for savers, but it seems to be part of what is fueling record home sales. *"Existing home sales rose 8.5% in 2021, a 15-year high,"* according to the National Association of Realtors. *"Homes also sold faster than ever. Many went under contract within a week of going on the market."* DOM replaced with MOM? (minutes on the market ☺) I know what you are thinking, because I was too—does all this rhyme with the housing bubble of the 2000's.?! I'd rather develop a nacho allergy than go through that again! I found some relief to learn that last year there was about 25,000 foreclosures nationwide, versus over 1 million in 2010. (source: ATTOM Data Solutions) It seems that demand for housing is more a bi-product of supply issues, than rampant speculation.

Bonus Seven in 10 Americans agree with the sentiment that "*it's time we accept that Covid is here to stay and we just need to get on with our lives*," according to a Monmouth University poll released this week.

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.***

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