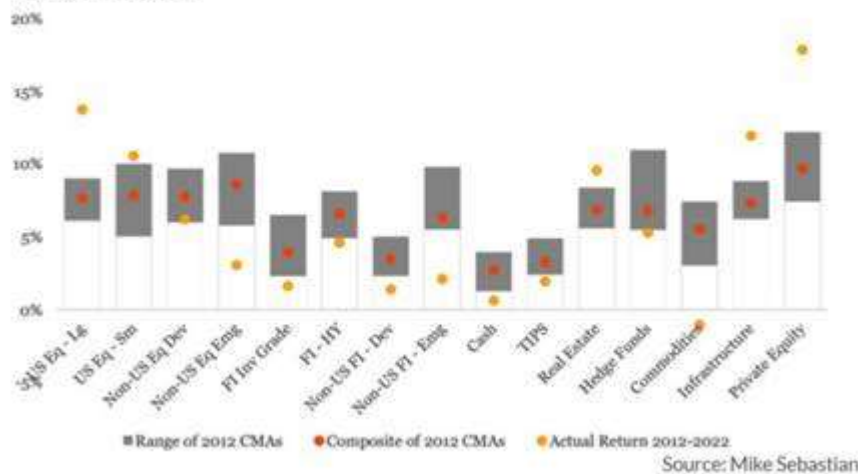





A client recently asked why I speak so often in “3 Things” about market declines, “I thought you were an optimist?” To be clear, I view this commentary as preparing you for “What if”. As in hope for the best, but prepare for the worst. Market declines are inevitable—I don’t want our clients and readers to be caught by surprise when they occur. **Surprise is the mother of panic.** The person who has rehearsed in their mind what might go wrong will not be caught by surprise. The person ready for disappointment, often won’t be. They are more likely to have the strength, fortitude to bear it.

### Not even close

2012 return projections of 17 Wall Street firms, versus actual subsequent 10-Year returns





Time for another installment of “nobody knows nothin’”....including Wall Street “experts”. Lots of predictions now about the stock market only making modest returns in the coming decade. Take all these predictions with 0.03 cm of salt. Mike Sebastian, a consultant with AON, compiled the projected asset class returns of 17 firms from 2012. Turns out the “experts” collectively missed—but a lot, in 14 of the 15 classes forecasted. Either the asset classes meaningfully exceeded even the most optimistic projections, or were worse than the most pessimistic calls. As has been said tongue in cheek—predictions, especially about the future, can be difficult.



While re-reading one of my favorite books over the summer, Splendid and the Vile, I was amused by a story author Erik Larson shares about Winston Churchill asking a newsboy to “*Stop that whistling!*”...”*Why should I?* the boy said. “*Because I don’t like it...*” The boy responds, to Churchill’s amusement, “*Well, you can shut your ears can’t you?*” So much news noise out there – much of it pessimistic--you can chose to tune out. Focus on what you can control, and “shut your ears” to the rest.



This is historically the worst week of the year for stocks according to S&P 500 data... so buckle up.....and remember growing money in the stock market can be simple, but it ain’t easy. Tough times like now can challenge ones resolve. “***Takin’ on a challenge is a lot like riding a horse. If you’re comfortable while your doin it, you’re probably not doin’ it right,***” Ted Lasso.

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



faith . discipline . patience

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. Asset allocation and diversification are investment methods used to help manage risk. They do not guarantee investment returns or eliminate risk of loss including in a declining market.

**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. 0922-01831