

HOW EMOTIONS ARE HURTING YOUNGER AMERICANS' POTENTIAL STOCK MARKET GAINS



You've probably heard stories of how living through the Great Depression deeply affected some people. Though they were young at the time, for the rest of their lives they saved food packaging, like pickle jars and plastic bread bag clips, just in case another era of privation was around the corner.

While being thrifty and keeping emergency supplies on hand are prudent ideas, having behavior that's driven by anxiety is not. For example, an acquaintance once related a story about depression-era folks they knew that could not use their back porch. That's where they stored the stacks of styrofoam trays they'd been saving over the years from their supermarket meat department purchases.

They told their grandchildren that they had once gone without and they were not going to let it happen again.

One of the most powerful of all human motivations is the aversion to loss. And research is showing that another financially painful event—this time the Great Recession of 2008—is continuing to have an effect on the way some Americans invest. Sadly, it's caused younger people, especially, to sit out a decade of growth for their retirement savings.

Vanguard Group analyzed the behavior of 4 million retail investor households, publishing the results in a white paper titled "Risk-Taking Across Generations." One of its most surprising findings was that young adults who started investing with Vanguard *after* the financial crisis were more than twice as likely to hold no stock as those who began investing *before* the crisis struck.

According to their analysis, almost a fifth of millennial investors (those approximately 23-38 years old) had no money in stocks, and thus have missed the potential stock market returns available from the latest multi-year bull market run.¹

There are several things for an informed and engaged investor to take away from these findings.

First, be wary of financial advice from friends and family. They are most likely wonderful people who care deeply about your future. But chances are they don't have an accurate understanding of global markets.

Second, don't let emotions like fear and loss aversion prevent you from acting in your own self-interest. Those who've stayed out of the market for years because they've been overly concerned about another crash have forfeited their opportunity to pursue substantial gains.

It makes the best sense to take advantage of the inflation-beating returns of the market while at the same time keeping a truly diversified allocation that takes into account future volatility.

We can not only help you create a plan that's tailored to your specific situation, but also help you stay on track when human emotions go against you.

Have a great weekend!

Source: Efficient Advisors

Golf Tip of the Week



Get a Grip

Getting back to basics can often be the best way to decrease your score.

Most golfers know that the “Vs” created by the index finger and the thumb of the left and right hands should be in alignment with the right shoulder. You would be surprised at how many golfers have trouble maintaining what was once considered a traditional hand position. For those who struggle with slices, the first adjustment to make is strengthening your grip – especially when your left hand is too far under the shaft. Once you've addressed your grip,

always check if your left hand is turned to the right. Once you take up your stance, three knuckles on your left hand should be visible.

Conversely, a golfer who hooks should check that the left hand is not in a “strong” position where it is turned too much to the right.

Tip courtesy of Brian Jame | Golf Tips Magazineⁱ

Recipe of the Week

Roasted Beets



Serves 4

Ingredients:

3 medium beets
1 Tbsp. olive oil (another vegetable oil or avocado oil will work)
Salt
Freshly ground black pepper

Directions:

1. Put the rack in the middle of the oven and preheat to 375°F.
2. Trim off any leafy tops (these are great for pets, like birds, rabbits, and turtles) and wash the beets.
3. Drizzle beets with olive oil, season with salt and pepper, and wrap completely in aluminum foil.
4. Roast for up to 1½ hours – until fork tender. Remove from the oven and let cool.
5. Peel the beets (the skins come off easily), and then, drizzle with more olive oil, season with salt and pepper (to taste), and serve.

Recipe adapted from Chowhoundⁱⁱ

Health Tip of the Week



Simple Meditation for Clarity and Peace

Today's culture can seem overwhelming, and we can feel bombarded with information and stress. One way to find some inner peace is through meditation. It's a lot easier than you may think. If you practice, it's about the progress – not the perfection. In fact, the best barometer of success is just checking in to see how you feel after you meditate. Here are a few tips to get started:

Prepare: Sit or lie down where you're comfortable. You can sit cross-legged with a straight spine (try sitting on a pillow or folded blanket to straighten your spine) or lie down in a place with few distractions. Set a timer: ten minutes is a good starting point.

Focus: Close your eyes, focus on your breathing, and bring your attention to your “third-eye” area, at the middle brow. If your mind wanders, try to gently bring your attention back to your breathing.

Finish: Notice how you feel when you're finished. Your primary objective is to simply clear your mind and experience what that clarity feels like.

Tip adapted from <https://www.jackcanfield.com>ⁱⁱⁱ

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1. <http://go.efficientadvisors.com/e/91522/ting-out-the-bull-stock-market/5tYlq3/638816488?h=aJeFnoihXOvww-uarKwUNIRpnr8qjRQZ93ZfqAv4-9Y>

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ⁱ <https://www.golftipsmag.com/instruction/general/get-the-correct-golf-grip/>

ⁱⁱ <https://www.chowhound.com/recipes/basic-roasted-beets-11100>

ⁱⁱⁱ <https://www.jackcanfield.com/blog/how-to-meditate/>