

Litman Gregory

ASSET MANAGEMENT

# Market Update Webinar

with Chief Investment Officer Jeremy DeGroot

# Today's Speakers

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Gretchen Hollstein, CFP®  
Senior Advisor, Principal



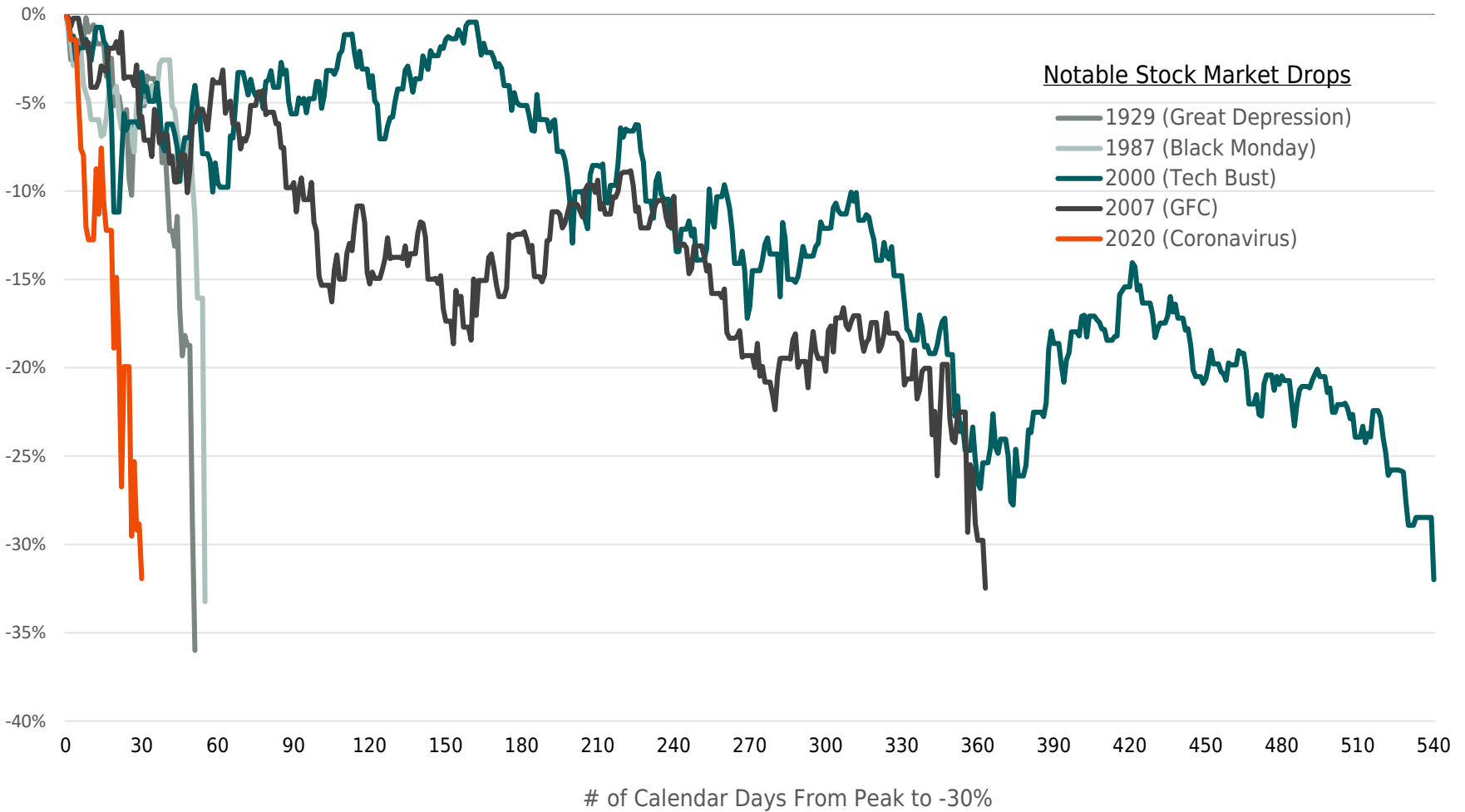
Jeremy DeGroot, CFA®  
Chief Investment Officer, Principal

# Topics We'll Address Today

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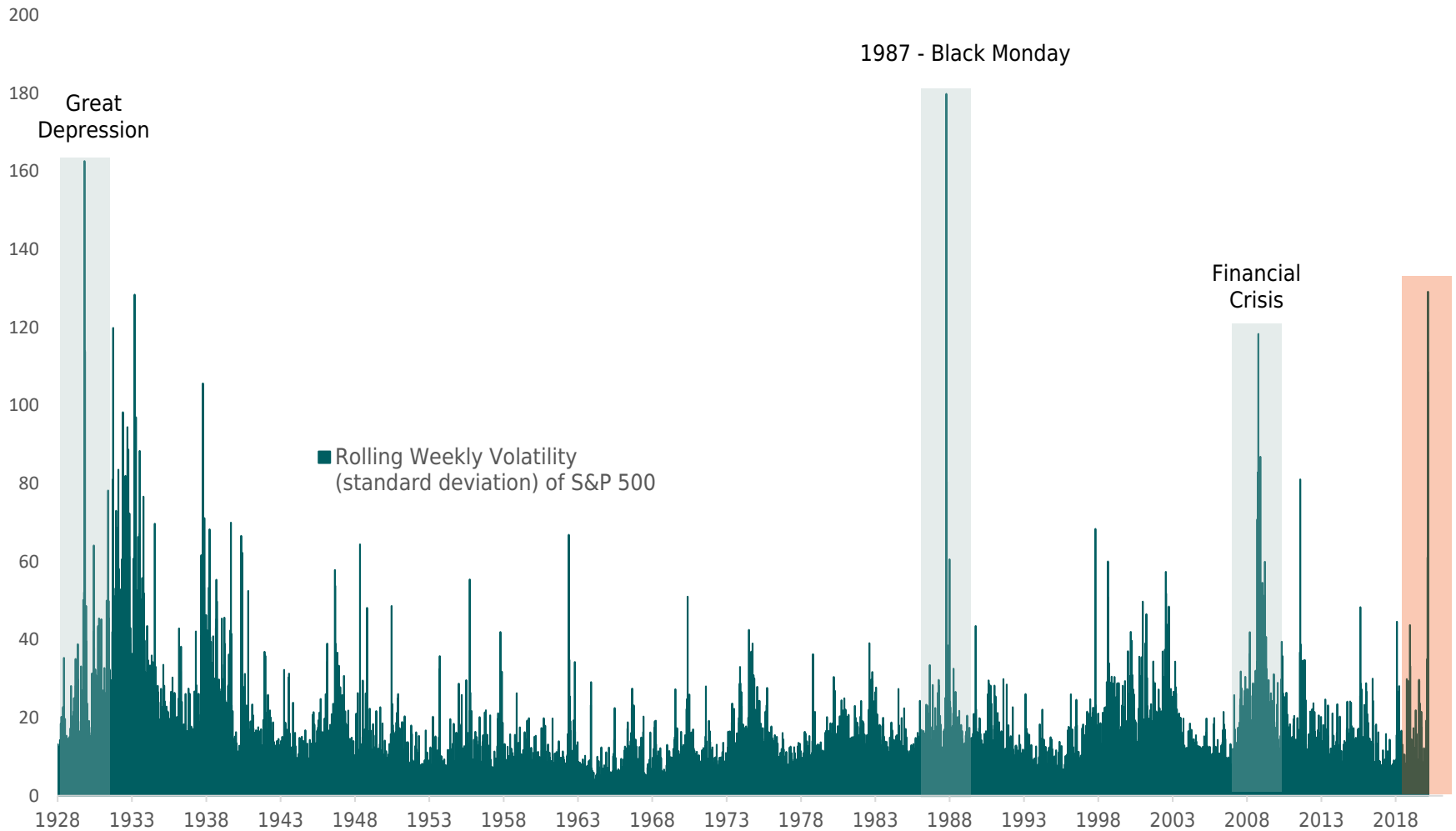
- The market impact of the virus
- Economic outlook and policy response
- Investment outlook: risks and opportunities in a volatile market
  - U.S. stocks
  - International stocks
  - Bonds/fixed income
  - Alternative strategies (and managed futures)
- Closing thoughts

# It Was as Bad as It Felt! We Just Lived Through the Fastest 30% Fall on Record



Source: Morningstar Direct. Data as of 3/23/2020.

# We Have Experienced Historic Volatility



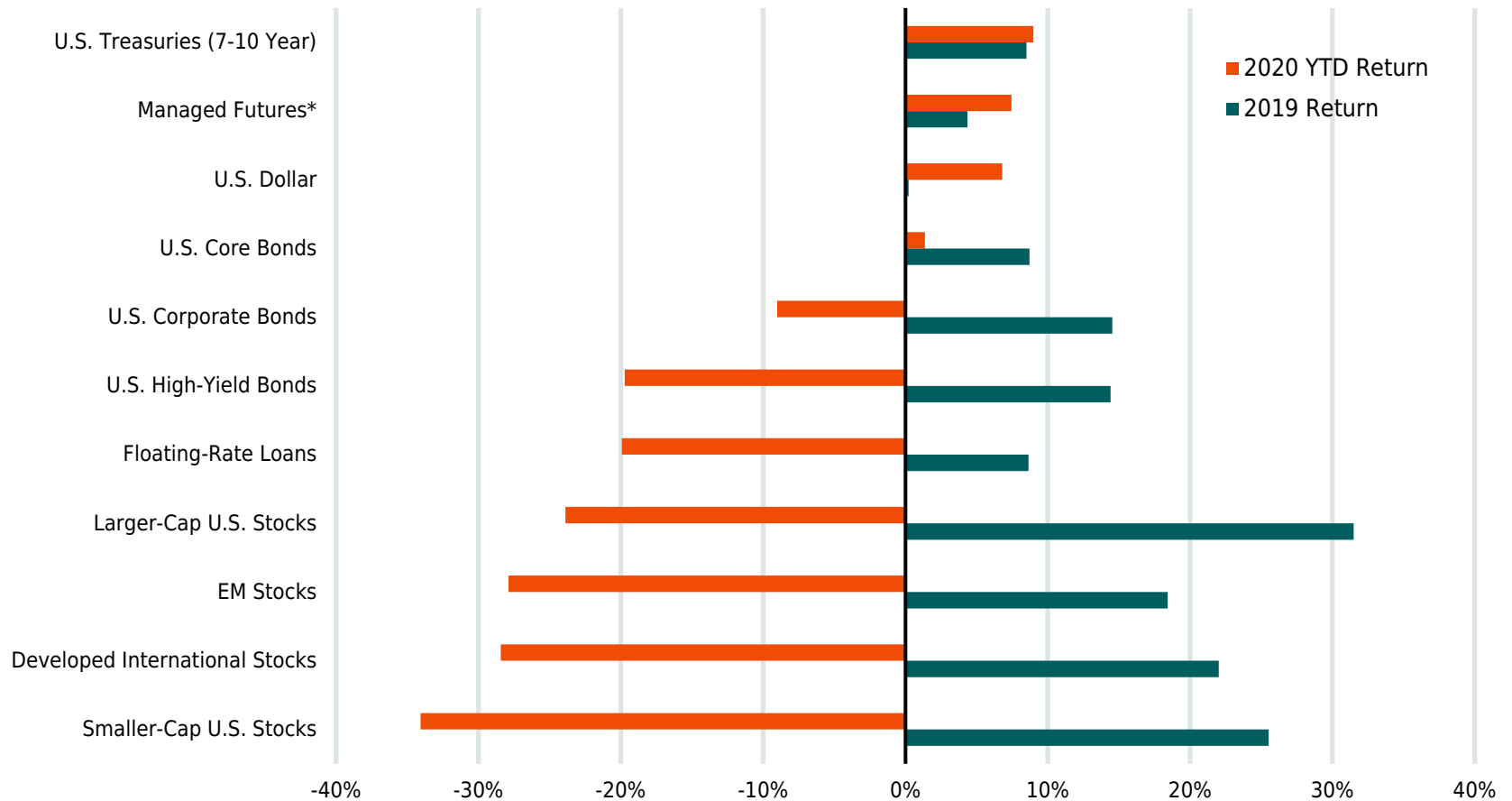
Source: Morningstar Direct. Data as of 3/21/2020.

# Treasury Bond Yields Fall to All-Time Low



Source: Board of Governors of the Federal Reserve System. Data as of 3/24/2020.

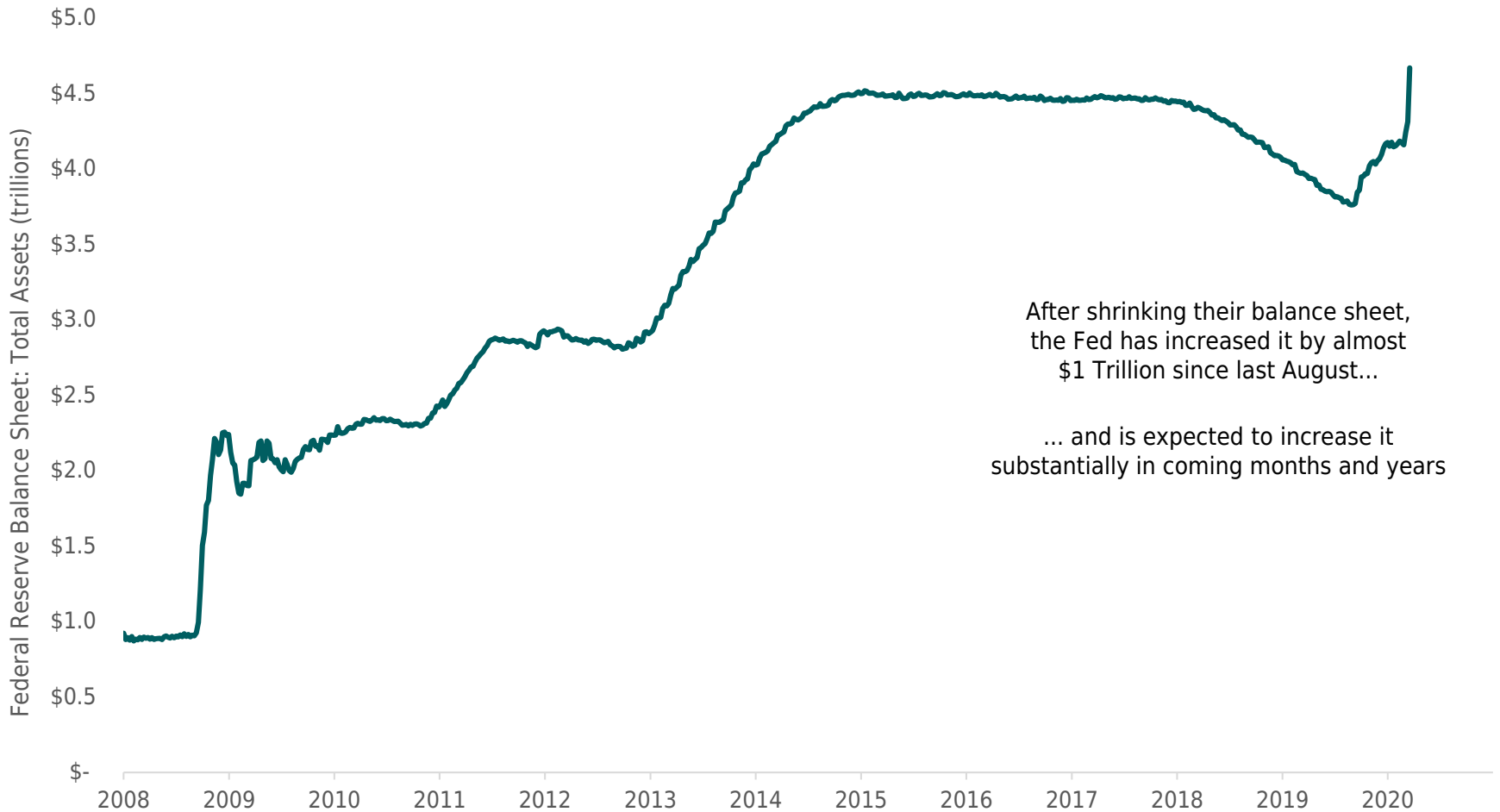
# So far, 2020 has been a painful reversal from 2019



Source: Morningstar Direct. Data as of 3/24/2020.

\*Note: managed futures return calculated as weighted average return of ASFYX, PQTIX, and QHMIX.

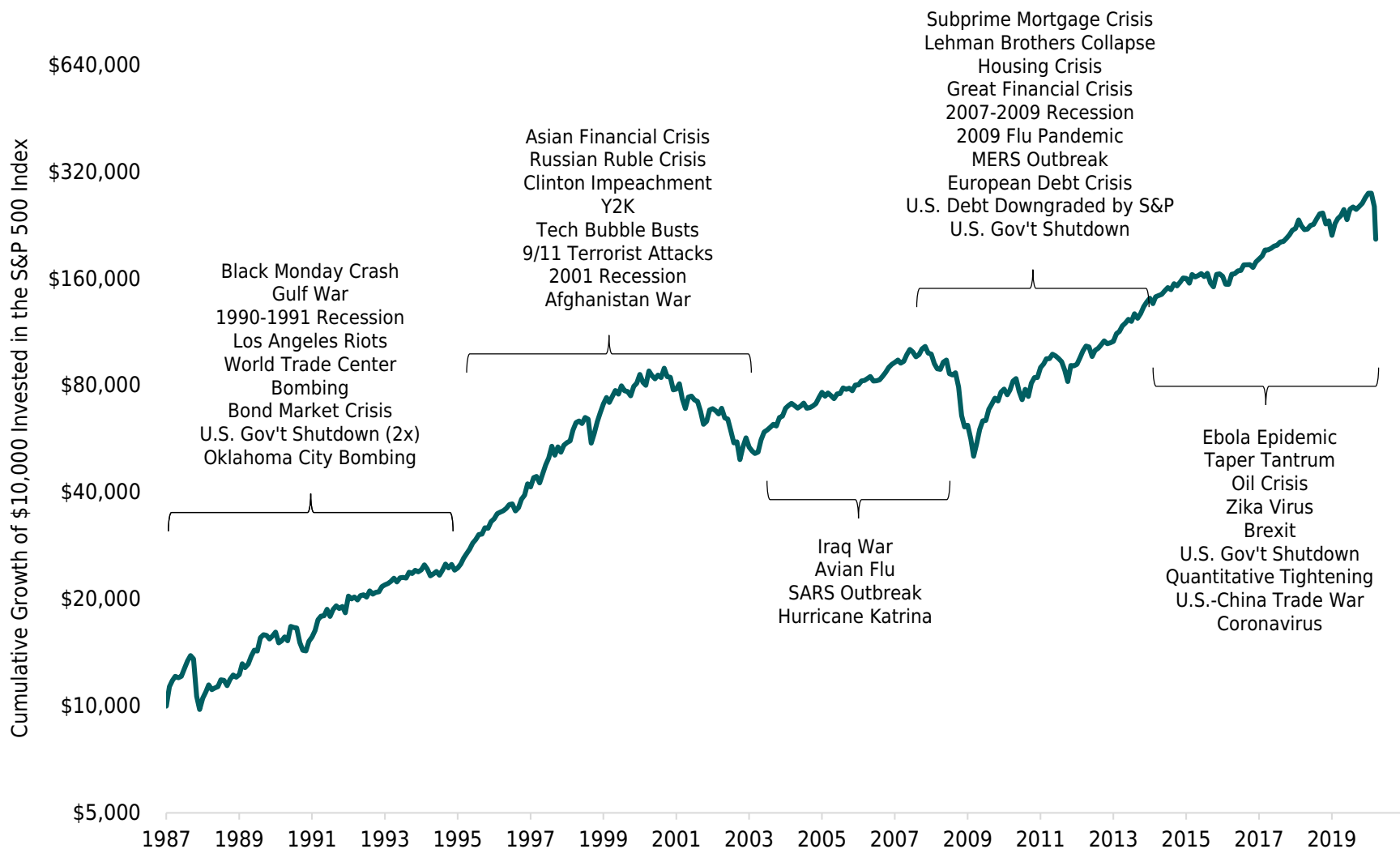
# Fed to the Rescue! The Federal Reserve is Expanding Its Balance Sheet Again



Source: Board of Governors of the Federal Reserve System. Data as of 3/18/2020.

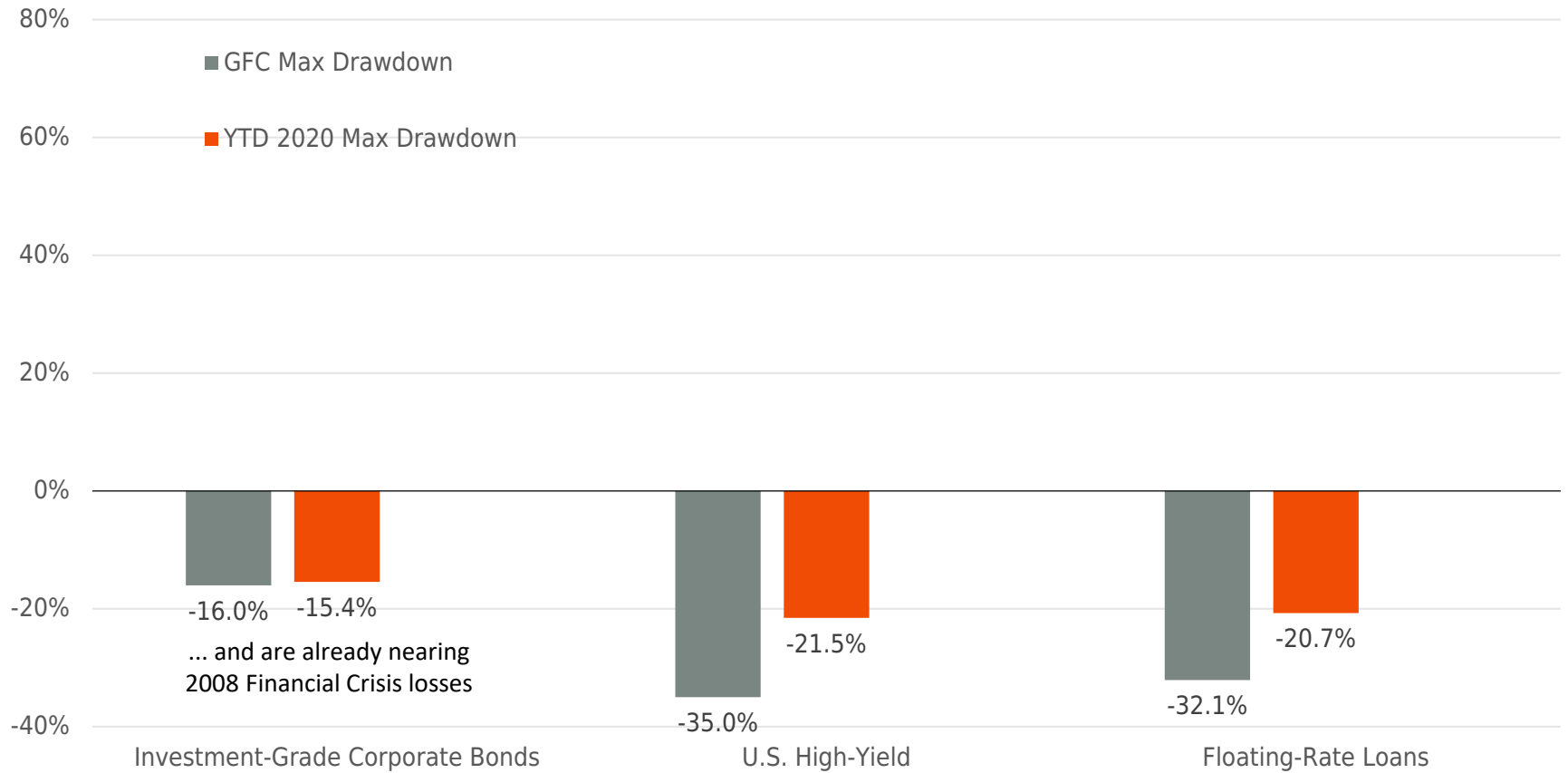


# Throughout History, Markets Have Been Resilient Despite a Myriad of Things to Worry About

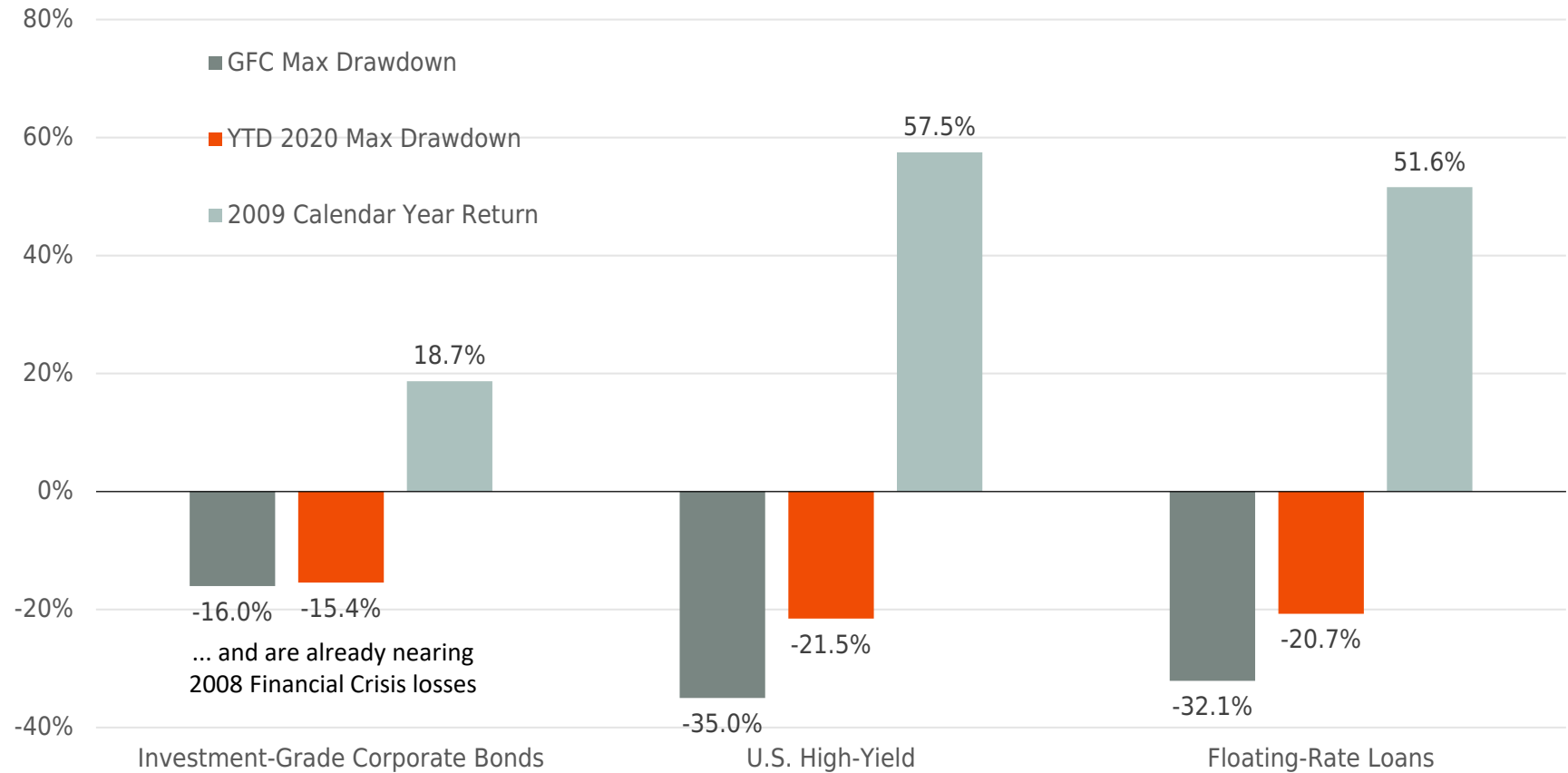


Source: Morningstar Direct. Data as of 3/24/2020.

# Corporate Bonds Have Also Been Hammered....

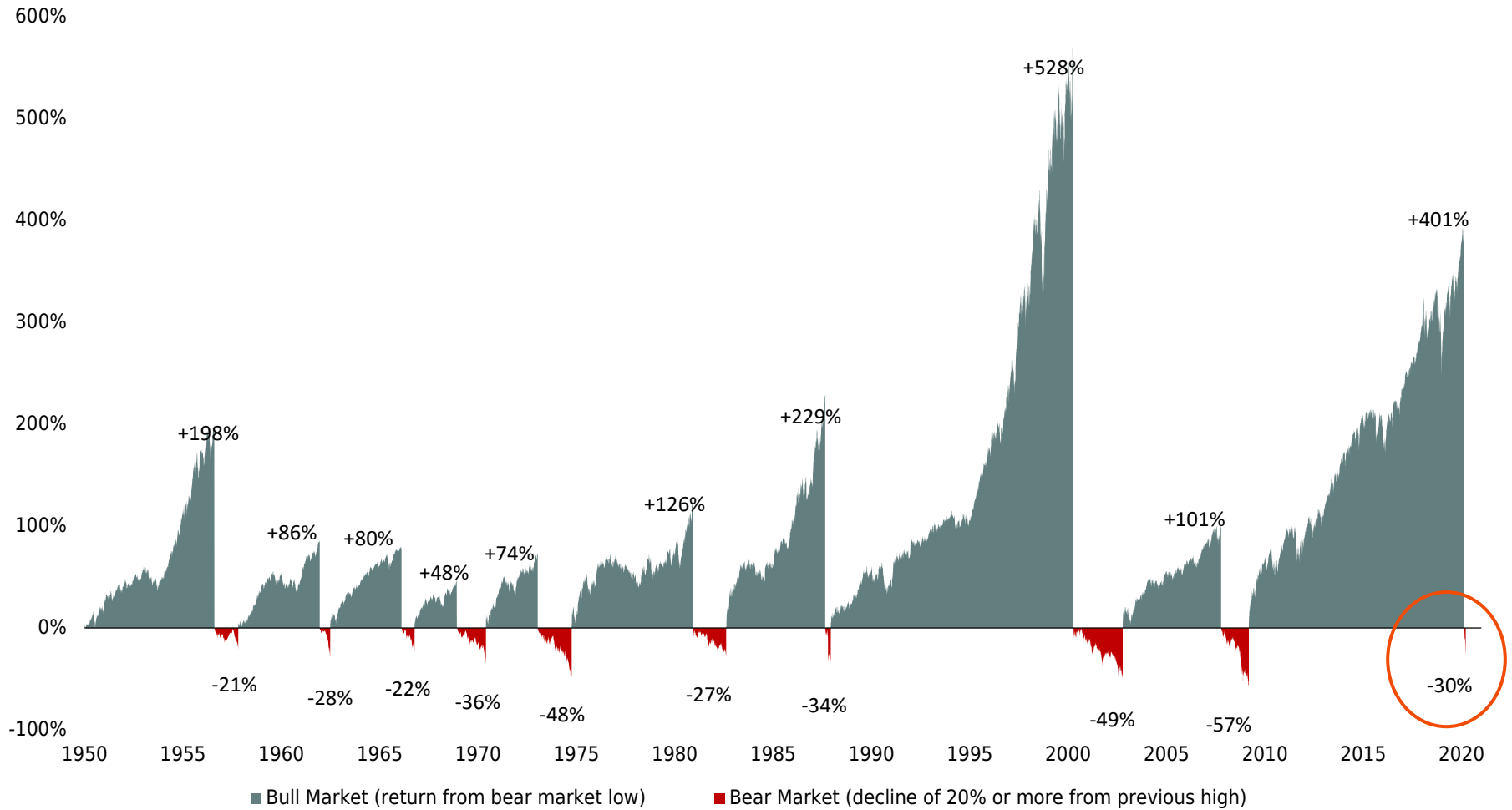


# But We Expect a Strong Rebound from Current Levels



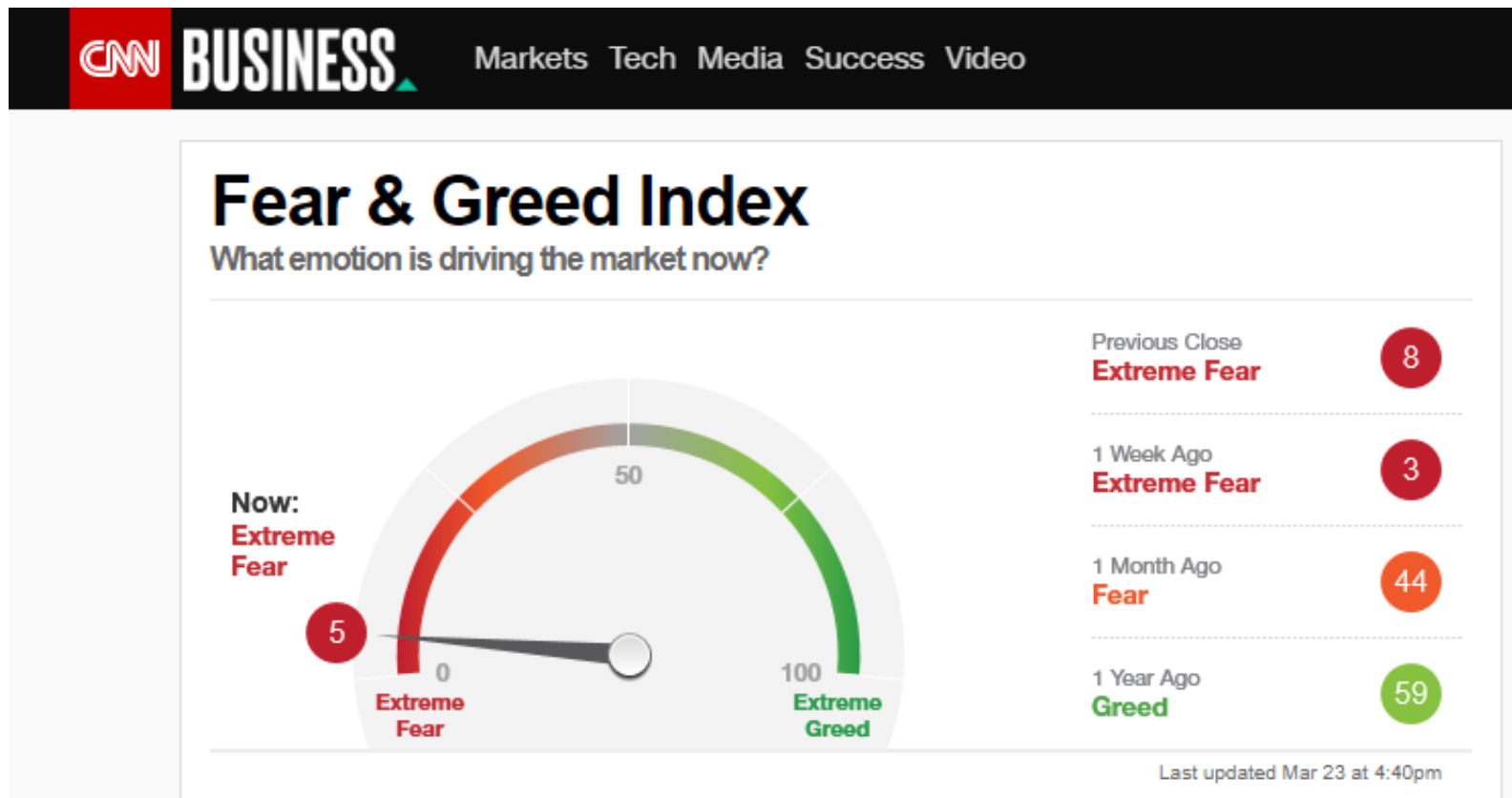
Source: Morningstar Direct. Data as of 3/23/2020.

# Bear Markets Are Not Atypical! And Have Generally Been Followed By Strong Bull Markets.



Source: Morningstar Direct. Data as of 3/23/2020.

# CNN's Fear and Greed Index: Back to Extreme Fear



# Closing Thoughts


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- During these historical times, it is paramount to stay disciplined and recognize when emotion rears its head in investment decision making.
- Maintain a focus on long-term financial goals and objectives, with an eye to near-term risks.
- Avoid the temptation to time the market, it is a fool's errand.
- We will get through this crisis period. Things will improve and recover.
- We understand that each individual client has unique circumstances. Please contact your advisor directly to discuss any of today's comments in the context of your portfolio.
- Most importantly, we sincerely hope you and yours are able to remain healthy and manage well through this extraordinary period.



**Thank you for joining us today!**

*For further questions, please contact your advisor directly, or the  
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# Disclosure

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