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**tvamp.com**

Our mission is to help build, manage, and preserve the wealth of our clients, and enhance their quality of life.  
***We strive to help you Live Invested®.***



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Timely advice, inspiring stories,  
and resources you can put to use  
in your everyday life, curated by  
your financial team.

***Maintain a Clear Vision of  
Your Goals*** 2020 spring newsletter

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## Feature Article

*Focusing on your strategy during turbulent times.*

## Should You Care?

**Should you care what the financial markets do each day?** Investors are people, and people are often impatient. No one likes to wait in line or wait longer than they have to for something, especially today when so much is just a click or two away.

**This impatience also manifests itself in the financial markets.** When stocks slip, for example, some investors grow uneasy. Their impulse is to sell, get out, and get back in later. If they give in to that impulse, they may effectively pay a price.

Across the 30 years ended December 31, 2018, the Standard & Poor's 500 posted averaged annual return of 10.0%. During the same period, the average mutual fund stock investor realized a yearly return of just 4.1%. Why the difference? It could partly stem from impatience.<sup>1</sup>

It's important to remember that past performance does not guarantee future results. The return and principal value of stock prices will fluctuate over time as market conditions change. And shares, when sold, may be worth more or less than their original cost.

**Investors can worry too much.** In the long run, an investor who glances at a portfolio once per quarter may end up making more progress toward his or her goals than one who anxiously pores over financial websites each day.

**Too many investors make quick, emotional moves when the market dips.** Logic may go out the window when this happens, in addition to perspective.



**Some long-term investors keep focus.** Warren Buffett does. He has famously said that an investor should "buy into a company because you want to own it, not because you want the stock to go up."<sup>2</sup>

Buffett often tries to invest in companies whose shares may perform well in both up and down markets. He also has famously stated, "If you aren't willing to own a stock for ten years, don't even think about owning it for ten minutes."<sup>2</sup>

In contrast with Buffett's patient long-term approach, investors who care too much about day-to-day market behavior may practice market timing, which is as much hope as strategy.

**To make market timing work, an investor has to be right twice.** The goal is to sell high, take profits, and buy back in just as the market begins to rally off a bottom. But there is volatility in financial markets, and the sale at any point could result in a gain or loss.

Even Wall Street professionals have a hard time predicting market tops and bottoms. Retail investors are notorious for buying high and selling low.

Investors who alter their strategy in response to the headlines may end up changing it again after further headlines. While they may expect to be on top of things by doing this, their returns may suffer from their emotional and impatient responses.

Nobel Laureate economist Gene Fama once commented: "**Your money is like soap. The more you handle it, the less you'll have.**" Wisdom that may benefit your strategy, especially during periods of market volatility.<sup>3</sup>

*Mutual funds are sold only by prospectus. Please consider the charges, risks, expenses and investment objectives carefully before investing. A prospectus containing this and other information about the investment company can be obtained from your financial professional. Read it carefully before you invest or send money. Citations:*

1 - [nytimes.com/2019/07/26/your-money/stock-bond-investing.html](https://www.nytimes.com/2019/07/26/your-money/stock-bond-investing.html) [7/26/19]

2 - [fool.com/investing/best-warren-buffett-quotes.aspx](https://www.fool.com/investing/best-warren-buffett-quotes.aspx) [8/30/19]

3 - [suredividend.com/best-investment-quotes](https://www.suredividend.com/best-investment-quotes) [12/5/18]

## Our Corner of the World *Spring letter from TVAMP*

Sir John Templeton, legendary investor and mutual fund manager, once said, "The four most dangerous words in investing are This Time It's Different". As we in Tennessee might say, he was a right smart feller. He supported himself through the depression and graduated near the top of his class at Yale in 1934.

The point Sir Templeton was making is that looking back at the S&P 500 from 1926 to the point where our current downturn began from an all-time high, the market is batting 1000, it has a perfect record of not only coming back but advancing. Trying to "time the market" is an exercise in futility. Investors tend to believe it is "different" because they are experiencing it then and there, but the markets have a long history of pullbacks and comebacks.

Are you thinking this time it's different? Having an advisor who knows your financial plan and talking with him/her during times like these could help you to make sound financial decisions. We're here to help.

## Team Spotlight

### Meet Brenda Shepherd Executive Office Administrator

Brenda has been in the financial services field for 24 years. She loves getting to know each of our clients and taking care of their needs. Brenda enjoys being on the "front lines" to answer your phone calls. She processes documents, updates client records, and so much more...

Brenda spends warm evenings and weekends outdoors with her husband and their grandkids. She plans to travel more in the near future. She's been to a few different countries while on cruises. Her youngest daughter has been working as a missionary in Guatemala the past three years, and she visited her in 2019. Brenda says, "I love experiencing the world." Read more on [tvamp.com](http://tvamp.com)



## Small Business Owners' Pocket-Guide to the CARES Act

### • To maintain your employees during this emergency:

The Paycheck Protection Program (PPP) Loans are 100% federally guaranteed loans to employers who maintain their payroll during this emergency. These loans are forgivable which would help workers remain employed, as well as help affected small businesses and our economy snap-back quicker after the crisis. PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no Small Business Association (SBA) fees, and at least six months of deferral with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15 - June 30, 2020.



### • A quick cash infusion to cover you right now:

Emergency Economic Injury Grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL). You must first apply for an EIDL and then request the advance. The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

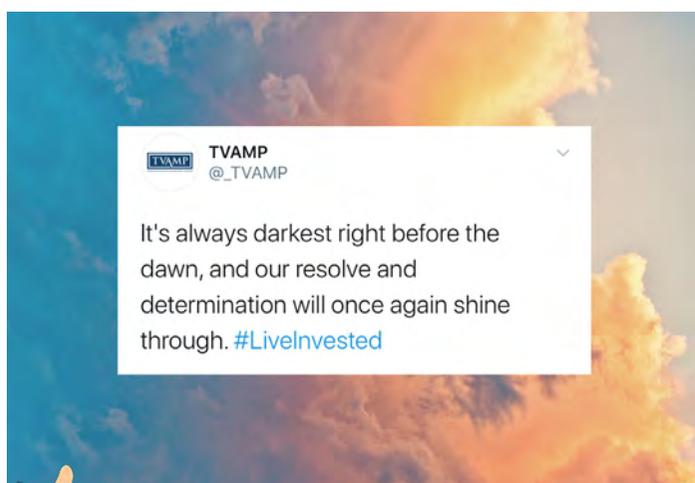
### • If you're worried about making payments on your current SBA loan:

Under the Small Business Debt Relief Program, the SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief is available to new borrowers who take out loans within six months of the President signing the bill into law.

### • Need some quality, free counseling to help you navigate these uncertain times?

You can turn to your local Small Business Development Center (SBDC), Women's Business Center (WBC), SCORE mentorship chapter, or Minority Business Development Agency's Business Centers (MBDCs). They are working everyday to support small business owners with counseling and up-to-date information regarding COVID-19.

• **There are also some tax provisions (credits and deferrals) you might look into.** We suggest consulting with your CPA or accountant.



## A Dose of Inspiration

In addition to our normal financial news, we're serving up some weekly motivation. Follow us on social media to stay in the know!



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linkedin.com/company/tvamp

We are more than happy to be your starting point if you are interested in implementing any of these resources or have general questions about your business.

## Mark Your Calendar

### Holidays & Office Closures

4/10: Good Friday (offices closed)  
 4/12: Easter Sunday  
 5/10: Mother's Day  
 5/25: Memorial Day (offices closed)  
 6/21: Father's Day

### Important Financial Dates

6/30: FAFSA application due for 2020-21 school year  
 7/15: New 2019 tax deadline

### TVAMP Events

We've postponed our in-person events for now. Check our website for updates. [tvamp.com](http://tvamp.com)

We're monitoring the COVID-19 situation, taking necessary precautions, and as always, exploring opportunities for clients. Call us if you have any specific questions related to the CARES Act (IRA and 401(k) special distribution rules and stimulus checks).

*Do you ever get racing thoughts? For many of us, staying focused on the present moment is almost impossible... Dogs can help! For the most part, focusing on the present is all they do. Taking a walk with your dog is a great opportunity for mindfulness and the practice of walking meditation.*



## Measuring the Value of a Financial Advisor

**What is a relationship with a financial advisor worth to an investor?** A 2019 study by Vanguard, one of the world's largest money managers, concludes that when an investor worked with an advisor to receive professional investment advice, **they saw a net portfolio return about 3% higher over time.**<sup>1</sup>

**How?** When comparing self-directed investor accounts to an advisor model, Vanguard found that the potential return relative to the average investor experience was higher for individuals who had financial advisors. Vanguard analyzed three key services: Portfolio construction (1.2%), wealth management (1%), and behavioral coaching...

The biggest opportunity to add value was in behavioral coaching, which was estimated to be worth about **1.5% in additional return.** Financial advisors can use their insight to guide clients away from poor decisions, such as panic selling or accepting excessive risk in a portfolio. Indeed, the greatest value of a financial advisor may be in helping individuals adhere to an agreed-upon financial and investment strategy.

Of course, financial advisors can account for additional value not in this study, such as helping clients implement wealth protection strategies, which protect against the financial consequences of loss of income, and coordinating with other financial professionals on tax management and estate planning.

You could argue that our independence adds qualitative value. **Not all financial advisors are independent.** Some are basically employees of brokerages, and they may be encouraged to promote and recommend certain investments of those brokerages to their clients.<sup>2</sup> After years of working with a financial advisor, the value of a relationship may be measured in both tangible and intangible ways. Many such investors are grateful they are not "going it alone."

Securities offered through LPL Financial, Member FINRA/SIPC. Investment Advice offered through TVAMP, a registered investment advisor, and separate entity from LPL Financial.

Measuring the Value of a Financial Advisor Citations: 1. [advisors.vanguard.com/we/pdf/ISGQVAA.pdf](https://advisors.vanguard.com/we/pdf/ISGQVAA.pdf) [2/19] 2. [cnn.com/2019/10/23/guide-to-choosing-the-right-financial-professional-for-you.html](https://www.cnn.com/2019/10/23/guide-to-choosing-the-right-financial-professional-for-you.html) [10/23/19]

This study provided feedback and estimates based on customer experience. The value of advice is not a guarantee of performance. Actual returns will fluctuate. The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.

DALBAR'S year Quantitative Analysis of Investor Behavior (QAIB) study examines real investor returns from equity, fixed income and money market mutual funds from January 1984 through December 2018. The study was originally conducted by DALBAR, Inc. in 1994 and was the first to investigate how mutual fund investors' behavior affects the returns they actually earn.

Past performance is no guarantee of future results. Indexes cannot be invested into directly.