



Wealth Care LLC June 2019 Commentary

Investment Thoughts

The Stock Market is Volatile

After the best four months for stock market gains in decades, we get this day (May 13) and week attributed to China trade fears:

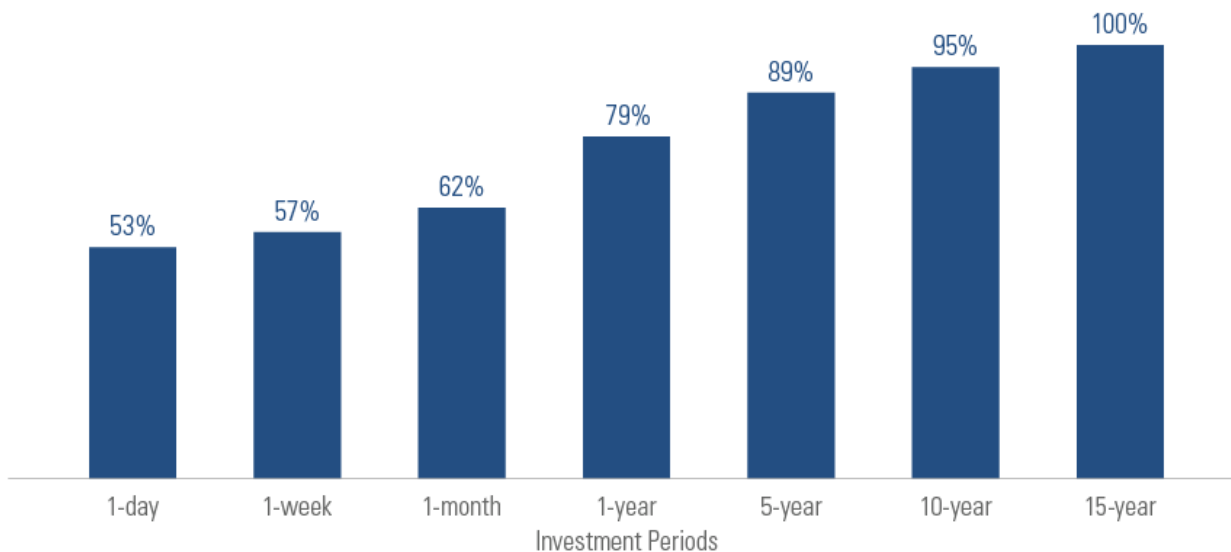
| S&P 500 Corrections >5% since March 2009 Low | | | | |
|--|----------|---------|-----------|---|
| Correction Period | S&P High | S&P Low | % Decline | "Stocks Fall On..." |
| 2019: May 1 - May 13 | 2954 | 2801 | -5.2% | Trade War/Tariffs |
| 2018: Sep 21 - Dec 26 | 2941 | 2347 | -20.2% | Rising Rates, China Slowdown, Trade War/Tariffs, Housing Slowdown |
| 2018: Jan 26 - Feb 9 | 2873 | 2533 | -11.8% | Inflation Fears, Rising Rates |
| 2016: Aug 15 - Nov 4 | 2194 | 2084 | -5.0% | Election Fears/Concerns/Jitters |
| 2016: Jun 8 - Jun 27 | 2121 | 1992 | -6.1% | Brexit Concerns, Pound Crashing, European Banks |
| 2015/16: Nov 3 - Feb 11 | 2116 | 1810 | -14.5% | China, EM Currencies, Falling Oil, Middle East, North Korea Nukes |
| 2015: May 20 - Aug 24 | 2135 | 1867 | -12.5% | Greece Default Concerns, China Stock Crash, EM Currency Turmoil |
| 2014/15: Dec 29 - Feb 2 | 2094 | 1981 | -5.4% | Falling Oil, Strong Dollar, Weak Earnings |
| 2014: Dec 5 - Dec 16 | 2079 | 1973 | -5.1% | Falling Oil, Strong Dollar |
| 2014: Sep 19 - Oct 15 | 2019 | 1821 | -9.8% | Ebola, Global Growth Fears, Falling Oil |
| 2014: Jan 15 - Feb 5 | 1851 | 1738 | -6.1% | Fed Taper, European Deflation Fears, EM Currency Turmoil |
| 2013: May 22 - Jun 24 | 1687 | 1560 | -7.5% | Fed Taper Fears |
| 2012: Sep 14 - Nov 16 | 1475 | 1343 | -8.9% | Fiscal Cliff Concerns, Obama's Re-Election |
| 2012: Apr 2 - Jun 4 | 1422 | 1267 | -10.9% | Europe's Debt Crisis |
| 2011: Oct 27 - Nov 25 | 1293 | 1159 | -10.4% | Europe's Debt Crisis |
| 2011: May 2 - Oct 4 | 1371 | 1075 | -21.6% | Europe's Debt Crisis, Double-Dip Recession Fears, US Debt Downgrade |
| 2011: Feb 18 - Mar 16 | 1344 | 1249 | -7.1% | Libyan Civil War, Japan Earthquake/Nuclear Disaster |
| 2010: Aug 9 - 27 | 1129 | 1040 | -7.9% | Global Growth Concerns |
| 2010: Apr 26 - Jul 1 | 1220 | 1011 | -17.1% | Europe's Debt Crisis, Flash Crash, Growth Concerns |
| 2010: Jan 19 - Feb 5 | 1150 | 1045 | -9.2% | China's Lending Curbs, Obama Bank Regulation Plan |
| 2009: Oct 21 - Nov 2 | 1101 | 1029 | -6.5% | Worries About The Recovery |
| 2009: Sep 23 - Oct 2 | 1080 | 1020 | -5.6% | Worries About The Recovery |
| 2009: Jun 11 - Jul 7 | 956 | 869 | -9.1% | World Bank Neg Growth Forecast, Fears Market Is Ahead Of Recovery |
| 2009: May 8 - 15 | 930 | 879 | -5.5% | Worries That Market Has Gotten Ahead Of Itself |
| Average | | | -9.7% | |



Note: this is the 24th correction >5% since the March 2009 low. They all seemed like the end of the world at the time.

We've discussed before that we are "paid" to tolerate volatility when we invest in stocks. As per the chart below-taking a long term perspective works quite well. And, it is the best place to be for our liquid investments-The S&P 500 has historically earned nearly 2.5 times more than bonds, a stunning difference that has resulted in an enormous wealth differential for those willing to ride out the volatility of the stock market-Peter Mallouk.

Frequency of S&P 500 Rolling Periods with Positive Returns (1969–2018)



Here's more on the same subject-we should expect drops in prices as normal.



Market Downturns Happen Frequently and They Don't Last Forever

Dow Jones Industrial Average 1900-2017

| | -5% or more | -10% or more | -15% or more | -20% or more |
|--------------------------------|----------------------|-------------------|--------------------------|-----------------------------|
| Average Frequency ¹ | About 3 times a year | About once a year | About once every 2 years | About once every 3.75 years |
| Average Length ² | 46 days | 115 days | 216 days | 338 days |

¹ Assumes 50% recovery of lost value

² Measures market high to market low

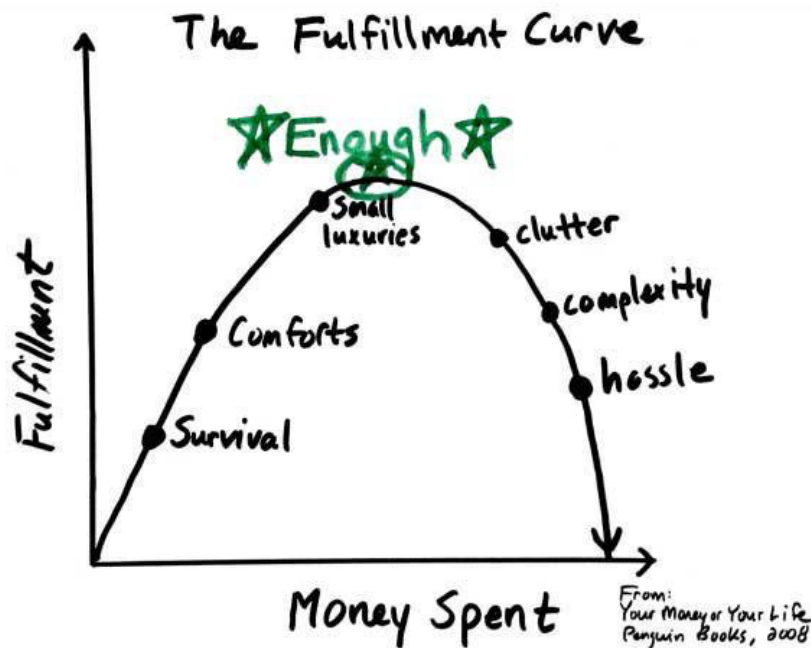
The Dow Jones Industrial Average is an unmanaged, price-weighted average of 30 actively traded industrial and service-oriented blue chip stocks.

🔗 [**Buffett is struggling to beat the market.**](#) "There are 40 (overlapping) ten-year performance windows in our 50-year history," wrote Craig Lazzara, the managing director and global head of index investment strategy at Standard & Poor's. "In the first 20 of them, Berkshire beat the S&P 500 by more than 10% per year. In the second 20, Berkshire's margin of outperformance hit double digits only 3 times; the last such period ended in 2002."

The point is that no investor or fund manager or money manager can exceed US stock performance for very long, and you will never know which ones can even briefly in advance. Even the great Warren Buffett has not invested better than someone just owning US index funds since 2002.

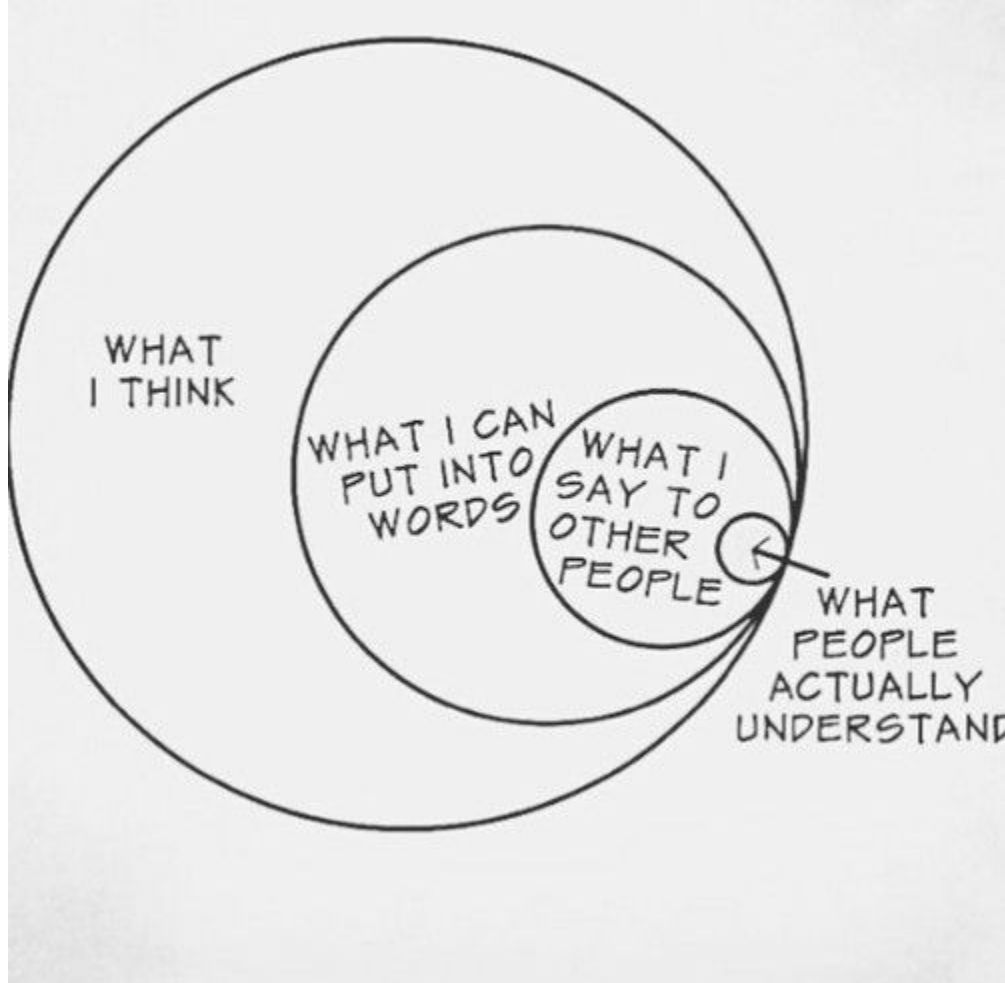


Miscellaneous



How to Stop Google From Tracking You

<https://www.cnbc.com/2019/04/25/how-to-stop-google-from-storing-your-location-history.html>



When I have trouble sleeping listening to the [Autogenic Relaxation by Meditation Oasis](#) usually knocks me out. The audio guides me through relaxing all my limbs starting with my feet. I rarely make it past my neck. Here is a link to [download the meditation](#).-recommendo blog

Random Notes

www.WealthCareLLC.com | F. 815.301.3777

Steven Podnos MD, MBA, CFP® P. 321.543.1099 E. Steven@wealthcarellc.com • Rachel Podnos J.D., CFP® P. 321-505-7592 E.

Rachel@wealthcarellc.com

Lauren Podnos, CFP® P. 321-537-7502 E. Lauren@wealthcarellc.com



Want to feel short? Hang out with people who are tall. Want to feel poor? Hang out with folks who are rich-Jonathan Clements

1954

WHAT THINGS COST

House: \$22,000.00
Average Income: \$3,960.00
Car: \$1548-\$2415
Milk: \$0.92
Gas: \$0.21
Bread \$0.17
Postage Stamp: \$0.03
Swiss Cheese: \$0.69 lb.
American Cheese: \$0.55 lb.
T-Bone steak : \$0.95 lb.
Del Monte Catsup (2) 14.OZ Bottles: \$0.25
Post Grape Nuts Cereal - 10.OZ Pkg: \$0.19
Clorox Bleach - 1/2 Gal.: \$0.19
20 Gallon Gas Water Heater \$75.00
Kenmore Washer: \$154.95

TOP SONGS

1. Little Things Mean a Lot - Kitty Kallen
2. Wanted - Perry Como
3. Hey There - Rosemary Clooney
4. Sh Boom - Crew Cuts
5. Make Love to Me - Jo Stafford
6. Oh! My Pa-Pa (O mein papa) - Eddie Fisher
7. I Get So Lonely - The Four Knights
8. Three Coins in the Fountain - The Four Aces
9. Secret Love - Doris Day
10. Hernando's Hideaway - Archie Bleyer

TOP TV SHOWS

1. I Love Lucy
2. Jackie Gleason Show
3. Dragnet
4. You Bet Your Life
5. The Toast of the Town
6. Disneyland
7. Jack Benny Show
8. George Gobel Show
9. Ford Theatre
10. December Bride
11. The Buick-Berle Show
12. This Is Your Life
13. I've Got a Secret
14. Two for the Money
15. Your Hit Parade
16. The Millionaire
17. General Electric Theater
18. Arthur Godfrey's Talent Scouts
19. Private Secretary
20. Fireside Theatre
21. The Life of Riley
22. Arthur Godfrey & His Friends
23. The Adventures of Rin Tin Tin
24. Topper
25. Pabst Blue Ribbon Bouts
26. George Burns & Gracie Allen Show
27. The Colgate Comedy Hour
28. Loretta Young Show
29. My Little Margie
30. Roy Rogers Show

**GOOD
OL'
DAYS**

If you're talking to someone you don't know well, you may be talking to someone who knows way more about whatever you're talking about than you do.-David Cain