

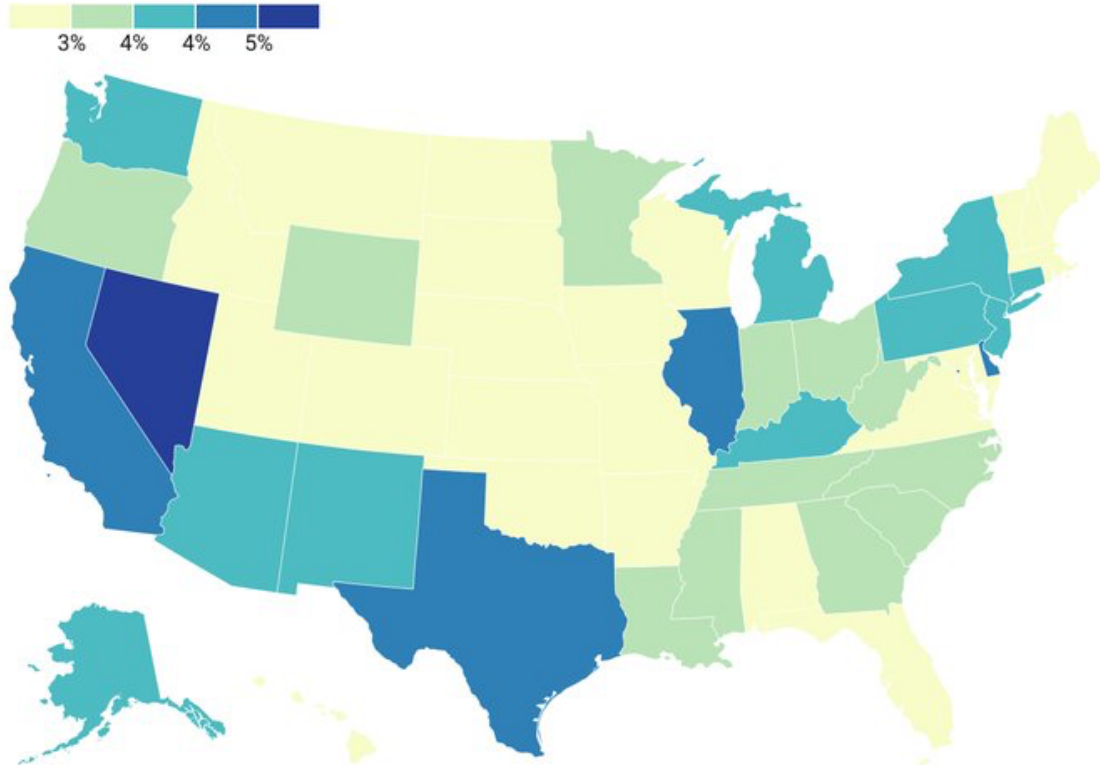


Wealth Care LLC September 2023 Commentary

Investment Thoughts

Just 2-3 months ago, we were getting regular calls about changing portfolios in anticipation of the certain to come recession. We commented then that a recession seemed unlikely with record low unemployment. Now we see reports that the Federal Reserve is mostly done with raising interest rates, making a recession even more unlikely. It almost always pays to ignore the financial media.

July Unemployment Rate



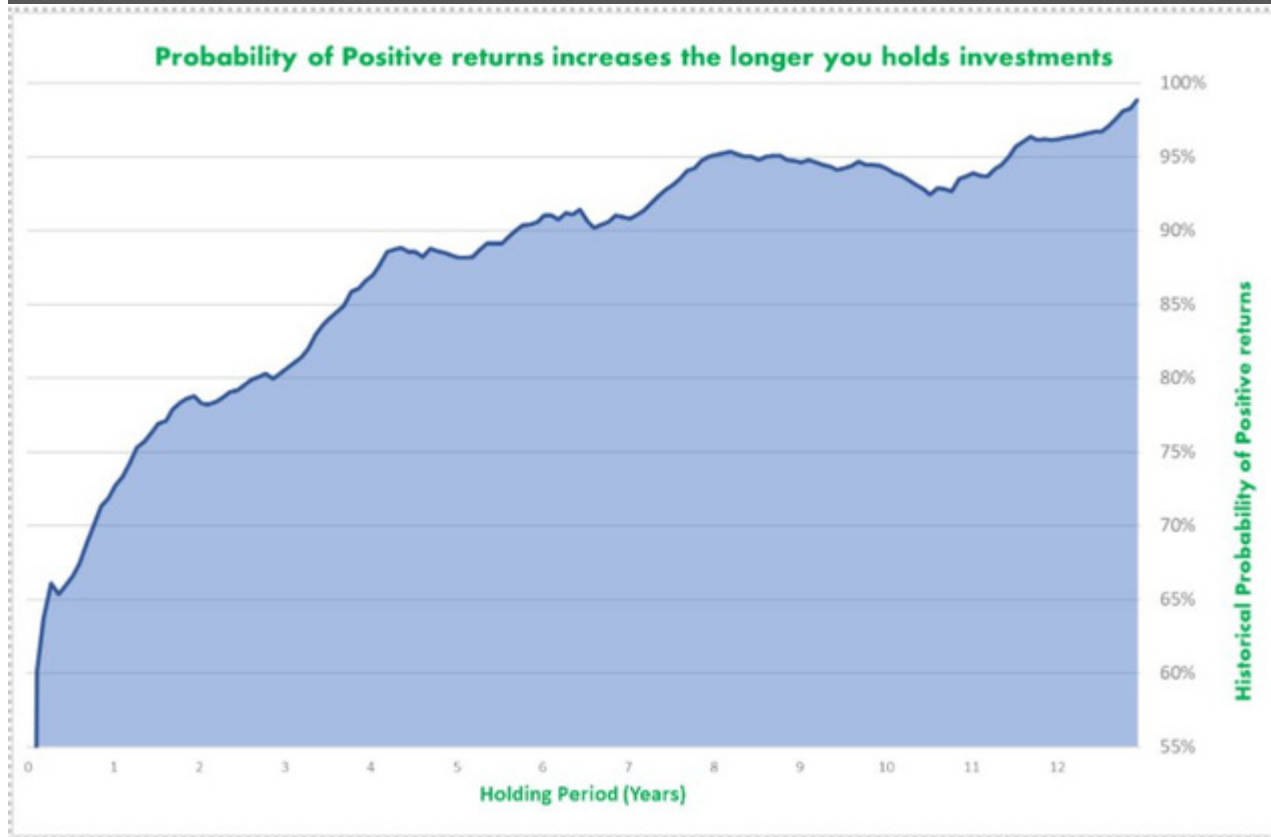
Source: BLS • Created with Datawrapper



The chart below is great! It's a beautiful illustration of how time has essentially eliminated investment risk for many decades now. Holding on to (especially stocks) for a long time has produced great gains with no losses in any 20-year period in the last century. Even a five year period gives almost a 90% chance of gain rather than a loss.



Here is another way of looking at the same information:



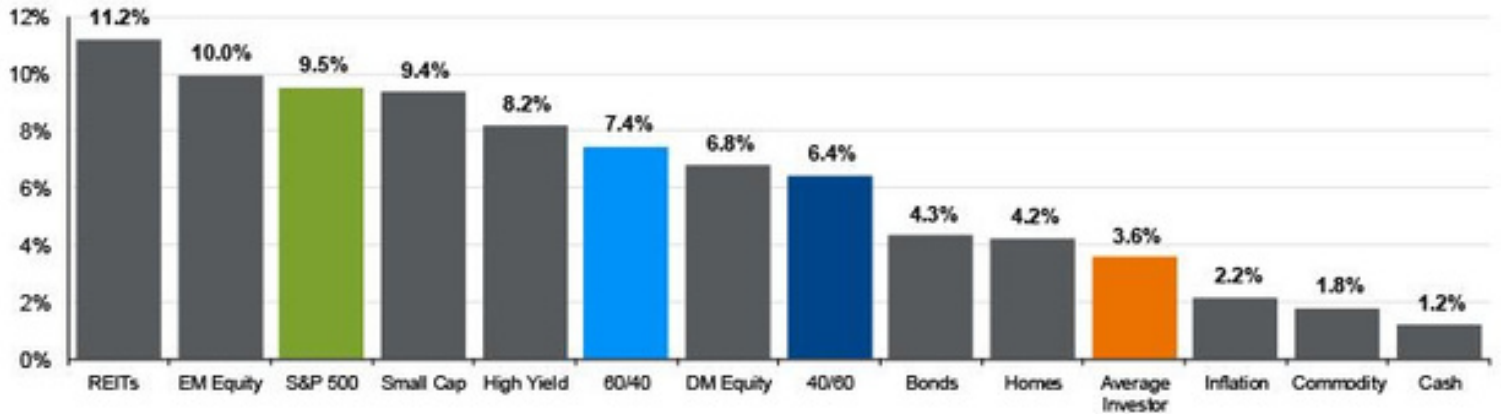
Here's an interesting way to look back at the wealth created by long term market investments:

2010 acres purchased for \$130,000 in 1940s outside of Telluride, CO. Listed for \$67.75M in 2023. Seems like a great return, right? The same amount invested in the S&P500 in 1945 would be worth \$542M today.

What happens when we try to time the market or lose our investment patience?



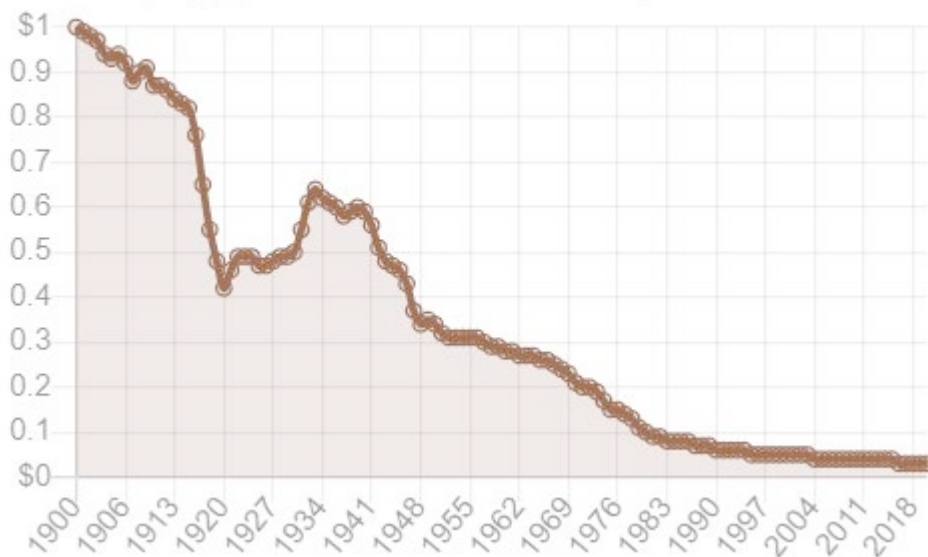
20-year annualized returns by asset class (2002 – 2021)



(REIT=real estate investment trusts, EM=emerging markets, DM=developed foreign markets)

A reminder of why we need to grow our money is this scary illustration of how inflation erodes the purchasing power of our savings.

Buying power of \$1 over time, 1900-2020





Miscellaneous

Mortgage Interest Rates are not crazy high-some perspective:

Average rate on a 30-year fixed mortgage



Source: Freddie Mac

Philip Morris gets higher ESG rating than Tesla: Before anyone gets too excited about America making a sensible turn on climate change, let's check in on our eco-investing program. Environmental, Social, and Governance (ESG) scores are meant to be guides for ethical investing, and a company's score is extremely influential for where big investors put their money. It's also



fully corrupt, and data firms award high scores only to companies that give money to the most bizarre causes. So for example: Tesla now has an overall score of 37 out of 100, compared to Philip Morris International, which has a score of 84. Never mind that cigarettes accelerate the deaths of 8 million a year. (*Read Rupa Subramanya's Free Press [article](#) about ESG.*)

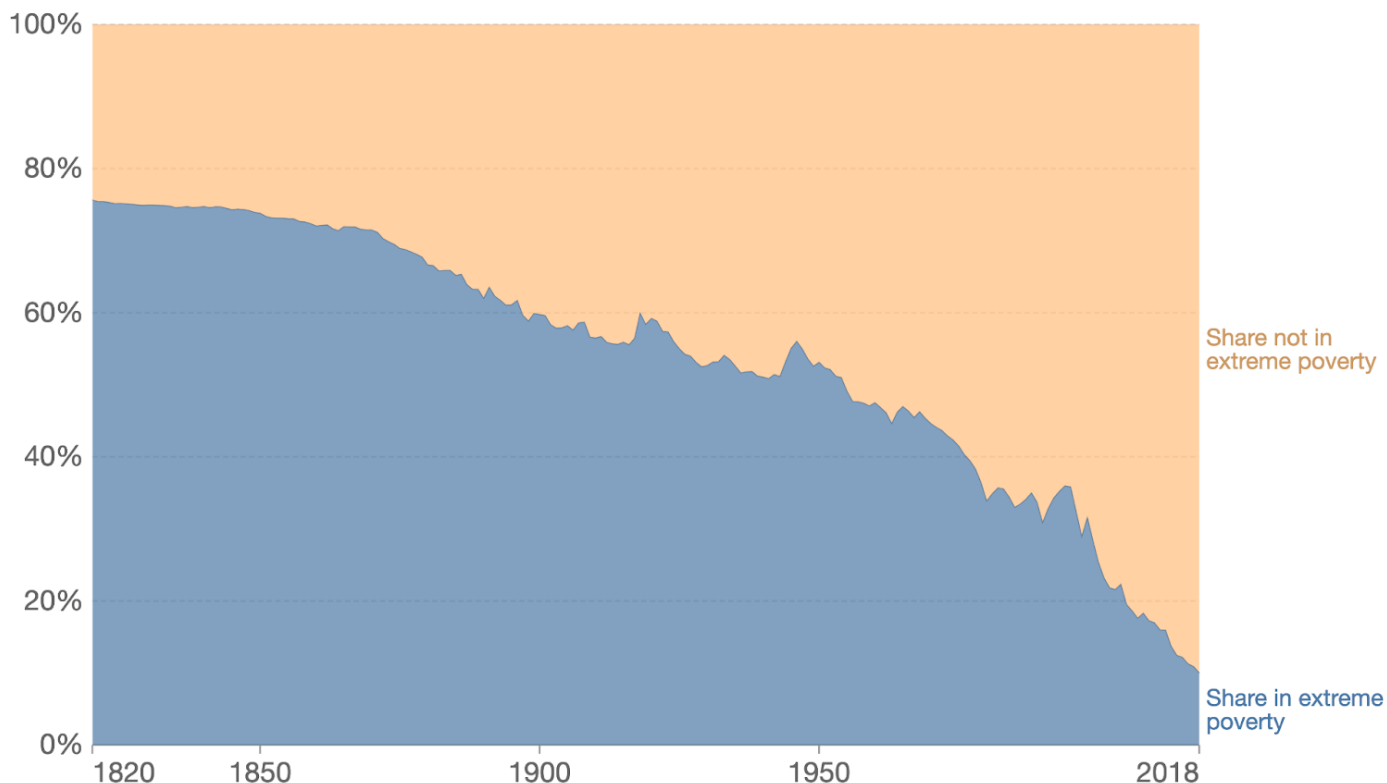
Dr. Alfonso Sabater pulled up two photos of Antonio Vento Carvajal's eyes. One showed cloudy scars covering both eyeballs. The other, taken after months of [gene therapy](#) given through eyedrops, revealed no scarring on either eye. [Antonio, who's been legally blind for much of his 14 years, can see again.](#) The teen was born with dystrophic epidermolysis bullosa, a rare genetic condition that causes blisters all over his body and in his eyes. But his skin improved when he joined a clinical trial to test the world's first topical gene therapy. That gave Sabater an idea: What if it could be adapted for Antonio's eyes? This insight not only helped Antonio, it also opened the door to similar therapies that could potentially treat millions of people with other eye diseases, including common ones. Antonio's mom, Yunielkys "Yuni" Carvajal, teared up thinking about what Sabater did for her son. "He's been there through everything," she said in Spanish during a visit to the University of Miami Health System's Bascom Palmer Eye Institute. "He's not only a good doctor but such a good human being and provided us with hope. He never gave up." (*Source: [apnews.com](#)*)



Share of population living in extreme poverty, World, 1820 to 2018

Our World
in Data

This is calculated based on a 'cost of basic needs'-approach. It represents the share of the population that was unable to meet basic needs (including minimal nutrition and adequately heated shelter) according to prices of locally-available goods and services at the time.



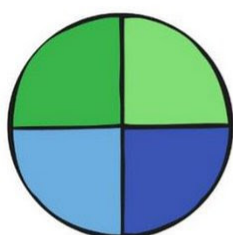
Source: Moatsos (2021)





OurWorldInData.org/extreme-poverty-in-brief • CC BY

Random Notes

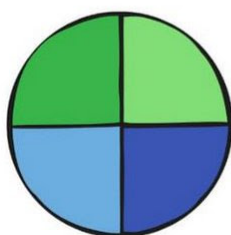






Nobody will remember:



-  Your salary
-  How "busy" you were
-  How many hours you worked
-  How many Gucci bags you owned

People will remember:



-  How you made them feel
-  The time you spent with them
-  If you kept your word
-  If they could count on you

Walmart is the largest private employer in 22 states





HOW MUCH YOU LEARN

FROM
MISTAKES



FROM
PRACTICE



FROM
THEORY





Morgan Housel ✓
@morganhousel



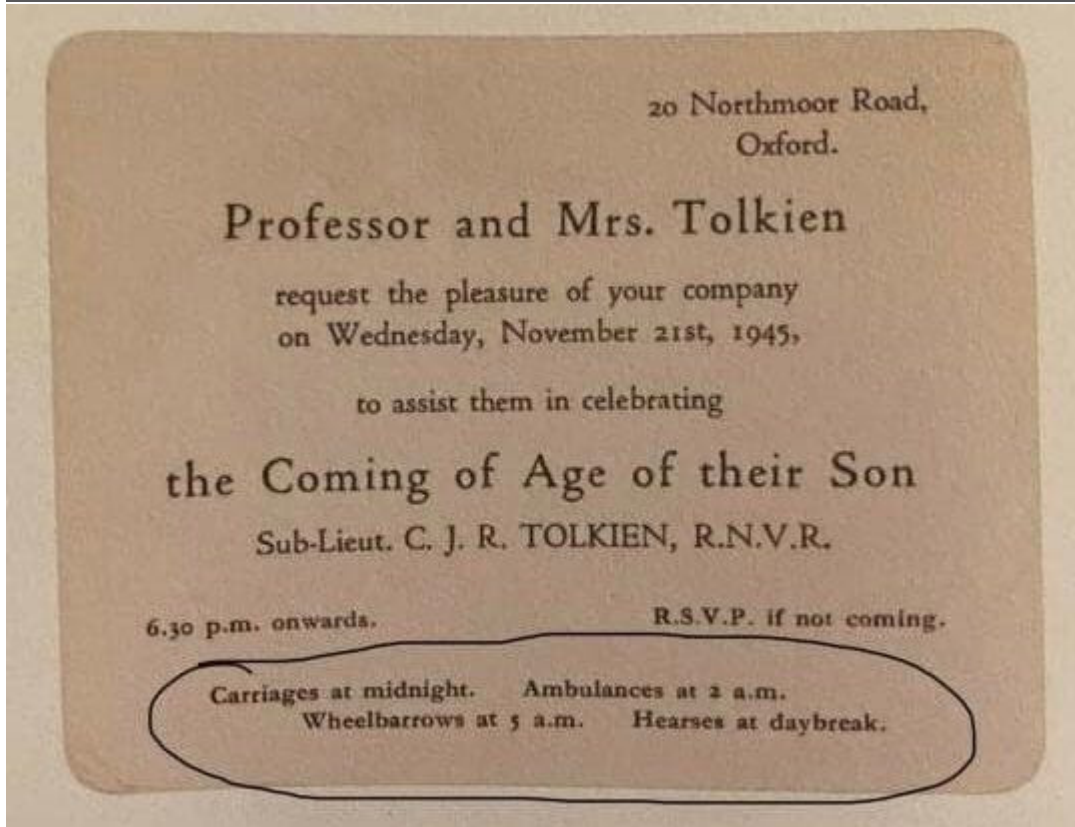
A book called Shut Up and Wait.

Each page is just this chart.



6:21 AM · Jul 24, 2017 · Twitter for iPhone

The Tolkiens knew how to throw a party!



The Wealth Care LLC Team September 1, 2023