



To all clients of Porter Investments:

It is not every day that a world-wide pandemic spreads across the globe like a wildfire, causing us to quickly assess what are the risks to our health, our family, and our assets. We realize there have been hardships forced on many people. It is hard to picture how things will turn out. The range of possible outcomes is quite large, only limited by our imaginations and fears. And when it is wide, it will always include many, unfavorable outcomes. The greater the range of possible outcomes, the greater the uncertainty. Furthermore, we know from history and experience that, the greater the uncertainty, the greater the chance that one's initial response will be wrong or least need to be modified. The range of possible outcomes that fueled our speculation only contracts when the evidence slowly steers us towards the more likely and probable scenarios. There is an old saying "the stock market can handle bad news better than it can handle uncertainty."

Notice how the volatility the stock market experienced in March has calmed down somewhat as we have been able to analyze additional health data and the government response. As of late April, this volatility is still elevated from historical levels because there is still much uncertainty going forward.

Our daily process has not changed at Porter Investments. We shall continue to use our tried-and-true quantitative models that analyze the most accurate data *each day*. From various combinations of these models, we assess every day if we are positioning you for the best probable scenario for your desired risk and reward. And when the data changes in a meaningful way, we will make the appropriate changes. This is the approach our officials are doing now as they try assessing the "flattening of the curve." This is the approach that has served us so well for some years now.

We wish everyone the best as we all try to get back to our routines in professional and private life. We would guess there will be some new routines to learn. Please phone or email if you like. We would be happy to visit with you about any matter. Your specific situation matters to us.

Sincerely,

Robert W. Porter

President