



NEWSLETTER 2nd Quarter 2020



Amanda Zorza, Registered Client Associate

Joe Jeeves, CFP®, Financial Advisor

**Mark Aho, MBA, CFP®, CIMA®, President, MAFG,
Financial Advisor**

Nicole Burony-Noble, Registered Executive Assistant

Eric Froberg, AAMS, Financial Advisor

Dear Friends,

We have had such an interesting first half of 2020. This has been the worst global public health crisis in a century—since the 1918 influenza pandemic. The response has been dramatic with the world locked down. Our (US) locked down economy was put into a virtual medically induced coma.

As you know, in this country the effects were immediate. First, a savage and nearly instant economic recession which was accompanied by record unemployment. Second, we had the fastest, deepest collapse in stock prices in living memory.

I normally write an annual review and publish such each January concerning the past year, and will do again this coming January. However, because we had such high drama this first six months of 2020, I wanted to also

report to you now.

This letter follows the same format as my annual review. It is divided into two parts. First, a statement of general principles, especially those principles which are most relevant to the current situation. I also want to restate how we practice stewardship of your invested wealth. Second, is a review of what little is known about the crisis issue at hand, and how I propose we continue to deal with such uncertainties.

General Principles

- I believe with all my heart and mind all successful investing is essentially goal-focused and planning driven. All failed investing is market and event driven.
- Let's state this in another way: Just about every successful investor I have ever known was acting continuously on a well thought out longer (life) plan. Just about all failed investors I have known continually react to sudden and scary market drops.
- Therefore, I have found successful life or longer term investing is only incidentally a function of the shorter term movements of the economy and markets. However, it is a direct function of how the investor reacts or more properly how he/she refused to react.
- You and I are longer-term (life), goal focused equity investors who are acting on our carefully crafted life plan with patience and discipline (*see our six principles of being a successful investor. This is on our website under the resources tab*). Believe it or not, the design of your plan is the smaller part of what we do. The much larger part is keeping you on the beautifully crafted plan put in place for you. It is our goal to help you not react in stressful times like this.
- I continue to believe the equity market cannot be consistently forecast. Therefore, forget timing the market. The only way to capture equities quality long-term returns is to sit through their occasionally steep but historically temporary declines.

Review and Outlook

- At this point in time (June 30, 2020) the first great wave of the pandemic appears to have run its course, and the economy is slowly reopening. As we move toward this reopening there will most likely be flare-ups of new infections. Therefore, it will be near impossible to forecast in the short to intermediate term what toll this will have on the economy and markets. The timing of a worthy vaccine will also be hard to predict.
- As for the U.S. equity market as measured by the S&P 500: The market peaked on February 19 and then crashed rapidly to a bear market low (so far) on March 23, down 34% in only 33 days. There really is no historical precedent for this steep a decline in so little time. From this low however, it then posted its best 50 days in history. The S&P 500 closed out the first half of 2020 at 3,100, 8.4% off its all-time high.
- I pay close attention to the S&P 500 earnings and dividends and find it hard to discern what the near term forecast will be (for like the overall economy which they reflect) are still largely hostage to the pandemic. With this said, I invite you to take a look at the yield of the 10 year treasury (as of June 30) which was about 7/10ths of one percent.
- As we look at the current state of interest rates and also the uncertainty of forecasting short to intermediate term equity earnings, dividends and prices, it can be stated as fact that few of my clients can reach their longer term life goals in bonds with today's low yields. This is just

another reason why we generally have as much equity exposure as possible. I believe the longer term total return in equities will help better provide to meet your life goals.

- It should also be noted that even if the pandemic continues to subside and the economy recovers, investors will still have to deal with the widespread civil unrest in our country and also a bitterly partisan divided presidential election. Both issues are emotionally charged and may cause unpredictable short-term market swings.
- The points I am making are deliberately focused on the unknowability of short to intermediate term economic and market outlooks. I am not thinking about the next quarter so much as the next 3-30 years. This point is so important, so I say again...You and I are long-term, goal focused, planning-driven, patient, disciplined investors. Our focus is on history not headlines and our thinking is based on something Winston Churchill said many years ago: "The farther back you can look, the farther forward you are likely to see."
- Let's look back to January 1 of this year. Have any of your lifetime goals changed since then? If not, there is likely no compelling reason to change your crafted life financial plan-and basically no reason to change your portfolio.
- Lastly, as much as possible be as cheerful as you can be, stay positive. This too shall pass. Optimism is... as always... the only realism.

By all means, if you have any questions or concerns please give me or my team a call. In the meantime, thank you – for trusting our team with your life planning and investment management. It is a privilege to serve you.

God Bless you always,
Mark

10 THINGS TO GIVE UP

1. Excuses
2. Self Doubt
3. Fear Of Failure
4. Procrastination
5. People Pleasing
6. Fear Of Success
7. Negative Thinking
8. Negative Self Talkers
9. Judgement Of Others
10. Negative People In Your Circle

The Numbers

For a full analysis of the Quarter, please go to our web site at www.markahofinancialgroup.com. Then click on Resources> Education> Investment Strategy Quarterly. Below is a brief snapshot from the report:

Capital Markets Snapshot

Index	7/1/2020	2019	Last 10 years
Dow Jones Industrial Average	-9.55%	22.34%	10.20%
S&P 500 Index	-4.04%	28.88%	11.64%
NASDAQ Composite Index	12.11%	35.23%	16.91%
Russell 1000G Large Cap Growth	9.81%	36.39%	17.23%
Russell 1000V Large Cap Value	-16.26%	26.54%	10.41%
Russell 2000G Small Cap Growth	-3.06%	28.48%	12.92%
Russell 2000V Small Cap Value	-23.50%	22.39%	7.82%
MSCI EAFE Developing International	-11.07%	22.66%	6.22%
MSCI EM Emerging Markets	-9.67%	18.90%	3.63%
DJ US Select REIT U.S. Real Estate	-22.01%	23.10%	8.27%
Barclays US Intermediate Govt/Credit	5.38%	6.82%	3.13%
Citigroup World Government Bond Index	4.08%	5.90%	2.37%

Russell 1000 Growth Index – Measures the performance of the 1,000 largest companies in the Russell 3000 Index, with higher price-to-book ratios and higher forecasted growth values. Russell 1000 Value Index – Measures the performance of the 1,000 largest companies in the Russell 3000. Index with lower price-to-book ratios and lower forecasted growth values. Russell 2000 Growth Index – Measures the performance of the 2,000 smallest companies in the Russell 3000. Index with higher price-to-book ratios and higher forecasted growth values. Russell 2000 Value Index – Measures the performance of the 2,000 smallest companies in the Russell 3000. Index with lower price-to-book ratios and lower forecasted growth values. MSCI Emerging Markets Index – A market capitalization weighted index composed of companies representative of the market structure of 26 emerging market countries in Europe, Latin America, and the Pacific Basin. The Dow Jones U.S. Select REIT Index intends to measure the performance of publicly traded REITs and REIT-like securities. Barclays Capital U.S. Intermediate Credit Bond Index measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year and less than ten years. The Citigroup WGBI G7 x U.S. (USD) is an unmanaged market value weighted index comprised of debt issued by countries in the group of 7 (Canada, France, Germany, Italy, Japan, United Kingdom, United States) excluding the United States. The MSCI EAFE is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 21 developed nations. The S&P 500 is an unmanaged index of 500 widely held stocks that is generally considered representative of the U.S. stock market. The Dow Jones Industrial Average (DJIA), commonly known as “The Dow”, is an index representing 30 stock of companies maintained and reviewed by the editors of the Wall Street Journal. The NASDAQ composite is an unmanaged index of securities traded on the NASDAQ system. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor’s results will vary. Past performance does not guarantee future results.

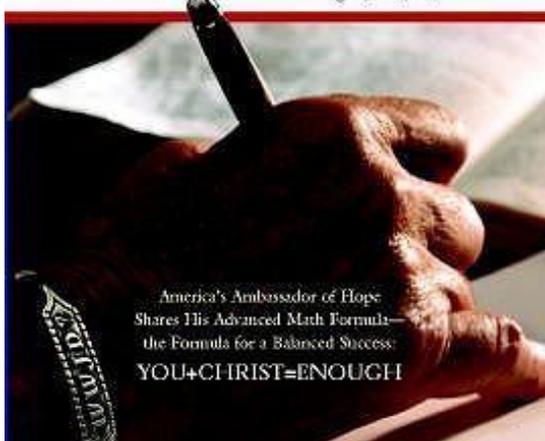
COVID CLEANING? SHRED!



Do you have documents or personal information that should be shredded versus placed in the garbage? Protecting personal information and your identity are very important in today's world. We offer a free shredding bin available for your use. It is locked, and our shredding service comes once a month to shred the contents of the bin on-site. You may stop at our office at any time during business hours to place paperwork in our shredder. We welcome you to take advantage of this free and valuable service.

CONFESSIONS Of a Happy CHRISTIAN

by Zig Ziglar



Book Review – Looking for something to read?

I recently read Zig Ziglar's book "Confessions of a Happy Christian." This was originally written in 1978 and has been reprinted seven times. The last reprinting was April of 2004. The book focuses on his re-awakening of his Christian faith. As you may know, Mr. Ziglar was one of the top motivators in the world of sales. He is best known for his fiery presentations and was a sought after main speaker for corporate America. If you have an interest in his story of how Christianity became his main mission in his life, you will enjoy this story of his life after his re-conversion. I enjoyed the book and think you would also.

~Mark

DON'T WANT TO DRIVE FOR YOUR APPOINTMENT???

We are now happy to offer **Zoom Meeting** as an option for your appointments with us.

With an easy to use, screen sharing, web based meeting, you can talk with us and just follow along on your computer without having to leave your home.

We will provide you with easy to follow instructions, and you can enjoy your meeting in the comfort of your home. Consider this option for your next meeting with us!

RAYMOND JAMES

Zoom: Getting started

Zoom is a virtual meeting solution that offers a reliable cloud platform for video and audio conferencing. Use Zoom to virtually meet with your financial advisor.

ATTENDING A ZOOM MEETING

You can attend a Zoom meeting from the meeting invite your financial advisor sent via email.

Note: A Zoom account is not required to attend a Zoom meeting.

To attend a Zoom meeting from a meeting invite:

1. Open the email from your financial advisor and click the **Join Raymond James Zoom Meeting** hyperlink.

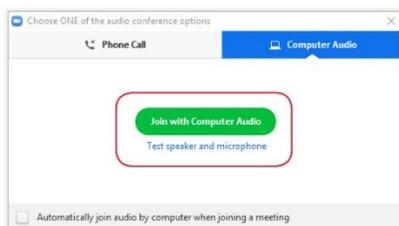


2. On the screen that appears, you will be prompted to join the meeting through either phone call or computer audio.

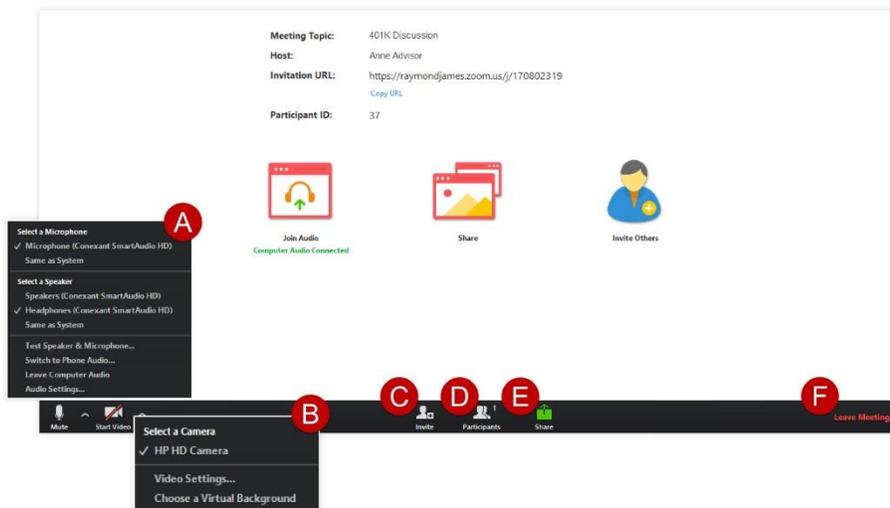
- **To join by phone**, dial one of the numbers provided, and then follow the prompts to enter the Meeting ID and Participant ID.



- To join by computer audio, click the **Join with Computer Audio** button.



The meeting will begin when your financial advisor joins.



- A** By clicking the microphone icon, you can mute or unmute your audio.
The microphone icon dropdown provides several audio options for your virtual meeting, including the ability to switch between computer and phone audio.
- B** By clicking the video icon, you can stop or start your video camera.
The video icon dropdown provides access to video settings.
- C** Click the **Invite** icon to invite additional participants to your virtual meeting.
- D** Click the **Participants** icon to view participants in the virtual meeting.
- E** By clicking the **Share** icon, you can share a screen, document or application with your financial advisor.
Note: Only one participant can share their screen at any given time.
- F** Click **Leave Meeting** to leave the virtual meeting.

Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. Raymond James Financial Services, Inc., member FINRA/SIPC.

Online Access – to log on to your online access, please go to our website above. You will client on CLIENT ACCESS, and then ENROLL IN CLIENT ACCESS.

You will need to set up a login and password, and then enter one of your new account numbers. You can find that on your statement, or give us a call at 906-226-0880, and we will gladly give you that information.



NEW FACES AS THE TEAM GROWS!

You will notice a few new faces and a few new voices on the phone as our group continues to grow. We'd like to introduce all of you to our newest staff members. First... do you see the resemblance???

We are happy to welcome Ross Aho, Client Associate.

Prior to joining the Mark Aho Financial Group, Ross worked as a Financial Analyst in the engineering industry, servicing both commercial and government contracts. He will be assisting many of you with questions on your accounts, and assisting with any transactions you may need.

Ross graduated from Marquette Senior High School and his educational background includes a Bachelor's degree in Accounting from Finlandia University.

Ross lives in Negaunee with his wife. In his spare time he enjoys tinkering with vehicles, fishing, and working on home improvement projects.



Also, we are happy to have hired Katie Moyle, Client Associate. Katie assists our clients over the phone and in person by answering their questions and completing their requests in a professional and friendly manner. She works closely with the entire team to provide remarkable service to all of you.

Katie is a Marquette Senior High School graduate and has a Bachelor's degree in Speech Communication that she obtained from Northern Michigan University.

Katie and her husband live in Marquette with their three kids and four dogs. In her spare time she enjoys baking, running, and going on adventures with her family.

Our hope had been to include Katie and Ross in a new team picture for the newsletter, but due to COVID, getting a proper haircut has been a challenge. Look forward to our new group photo soon!



Your Vision, Our Mission

Let us help you help those you care about. Contact us today.

205 N. Lakeshore Blvd, Ste. B., Marquette, MI 49855

906-226-0880 * Toll-Free 855-999-0014

Fax 906-226-1767

markahofinancial.com

Mark Aho Financial Group is not a registered broker/dealer and is independent of Raymond James Financial Services. Investment advisory services offered through Raymond James Financial Services Advisors, Inc. Securities offered through Raymond James Financial Services, Inc., Member FINRA/SIPC.

Investments and strategies mentioned may not be suitable for all investors. Past performance may not be indicative of future results. Raymond James does not provide advice on tax, legal or mortgage issues. These matters should be discussed with an appropriate professional. Any opinions are those of the Mark Aho and not necessarily those of RJFS or Raymond James. Expressions of opinion are as of this date and are subject to change without notice. The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete. Diversification and asset allocation do not ensure a profit or protect against a loss. Investing involves risk and you may incur a profit or loss regardless of strategy selected. Rebalancing a non-retirement account could be a taxable event that may increase your tax liability. The information contained in this report does not purport to be a complete description of the securities, markets, or developments referred to in this material. There is no guarantee that these statements, opinions or forecasts provided herein will prove to be correct. Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation. Holding stocks for the long-term does not ensure a profitable outcome. Investing in stocks always involves risk, including the possibility of losing one's entire investment.

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™, CFP® (with plaque design) and CFP® (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements. Investment Management Consultants Association (IMCA®) is the owner of the certification marks "CIMA®," and "Certified Investment Management Analyst®." Use of CIMA® or Certified Investment Management Analyst® signifies that the user has successfully completed The Investments & Wealth Institute's initial and ongoing credentialing requirements for investment management consultants.