

October 10, 2018

Hey Folks,

As I write this, on October 10, 2018, the Dow Jones Industrial Average is down 720 points, and the market has not closed for this session.

The reason I'm writing this missive is to let you all know that we are monitoring the market moves, and want to let you know our thoughts.

When we look at this market movement, please understand that one day or week or month of market swings do not make our decisions for us.

The economic and business fundamentals are all still very strong on a historical basis. The types of short term fluctuations like we are seeing today, do not change our long term plans for the money we are managing on your behalf. If longer term fundamentals change drastically, we may change our views. That being said, we don't want to push in all of our chips to purchase this market on a big swing day like this.

Watching a large market drop is similar to seeing a knife flying through the air and trying to catch it. We want it to hit the floor before we pick it up.

All of our investment decisions are based on long term thinking and strategy. Therefore, we do not react dramatically to short term moves.

To put this market in perspective, remember that we have hit more than 100 new record highs since President Trump took office. A few difficult days will not offset all of these gains overnight. Company earnings are the most important factor when looking at stock prices. Earnings remain strong in the US, and we expect to see that continue for the foreseeable future.

We are investors, not traders. Trading is a short term phenomenon. So, we will not allow our longer term views to be significantly altered by these short term events. Investors take a longer view and will take advantage of opportunities as we see them develop.

If you have additional questions, we are here to answer them and help you navigate these types of markets, just as we are here for you when it is headed in an upward direction.

Please feel free to call us at 540-371-8585 with any questions you may have.

Sincerely,

Darryl G. Barnes, President  
Deacon Wealth Management, LLC.

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