

We are pleased to announce that we have completed our strategy review for your account within our managed program. After extensive research and analysis, the Investment Committee feels strongly in the strategy’s current positions and there will be limited changes this quarter. Below are the strategy specific notes for your portfolio. As always, through our due diligence process, we are committed to identifying potential opportunities, reviewing risk/return, cost, and yield in all recommendations made. Please contact us if you have any questions, we are always happy to discuss in further detail. Thank you for the opportunity to work with you!

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**2nd Quarter 2021 Strategy Update**

1. Focus on managing investment costs in the following areas:

• Internal investment expenses/fees

• Sales charges and/or commissions

• Investment advisory fees

2. Focus on maintaining investment risk commensurate with client risk profile.

* + Utilize a clear and decisive risk analysis tool
  + Advisors personally review client’s accounts for suitability
  + Our process includes a review of the investments being used in portfolio construction by one or more external systems (or software) to help provide validation for portfolio recommendations

3. Finally, we are deeply concerned about retirement income and inflation risk as we build client portfolios; while we can’t control market performance or inflation, our focus remains steadfast as we attempt to improve income and overall return potential while managing risk and cost.

Our Investment Process

**INCOME with MODERATE GROWTH STRATEGY**

The primary focus of the Income with Moderate Growth Strategy is long-term capital preservation and income generation. The theme for the second quarter was on everyone’s lips, dreaded inflation. The data we are monitoring shows that a majority of the current calculated inflation is from the increasing cost of new and used vehicles. We continue to agree with Fed Chair Powell that although we are seeing a spike, it will not be sustained and inflation will moderate. This phenomenon is especially evident when looking at the steep drop in the price of lumber off of record highs. The strategy maintains an overweight to equites to take advantage of the quickly recovering economy. No changes were made this quarter.

**Notes from the BMG Investment Committee:**

**GROWTH with INCOME STRATEGY**

The primary focus for the Growth with Income Strategy remains to seek returns while being mindful of risk. The theme for the second quarter was on everyone’s lips, dreaded inflation. The data we are monitoring shows that a majority of the current calculated inflation is from the increasing cost of new and used vehicles. We continue to agree with Fed Chair Powell that although we are seeing a spike, it will not be sustained and inflation will moderate. This phenomenon is especially evident when looking at the steep drop in the price of lumber off of record highs. Our overall philosophy has favored Growth for many years however, Value tends to outperform in the early stages of a recovering economy, so Value was added to the strategy at the beginning of this quarter. The strategy also maintains an overweight to equites to take advantage of the quickly recovering economy. No further changes were made this quarter.

**Notes from the BMG Investment Committee:**

The primary focus of the Growth Strategy is long-term growth. This quarter, saw limited changes to this strategy. Early in the quarter, seeking higher returns, a more aggressive Value fund was added to the strategy. Our overall philosophy has favored Growth for many years however, Value tends to outperform in the early stages of a recovering economy and has been a part of the strategy since late last year. No further changes were made this quarter.

**Notes from the BMG Investment Committee**

**GROWTH STRATEGY**

The Aggressive Growth strategy seeks the possibility of increased return through increased risk and is not suitable for every investor. This quarter, saw limited changes to this strategy. Early in the quarter, seeking higher returns, a more aggressive Value fund was added to the strategy. Our overall philosophy has favored Growth for many years however, Value tends to outperform in the early stages of a recovering economy and has been a part of the strategy since late last year. No further changes were made this quarter.

**Notes from the BMG Investment Committee**

**AGGRESSIVE GROWTH STRATEGY**

**DISCLOSURES**

*Securities and Advisory Services offered through LPL Financial, a Registered Investment Advisor. Member FINRA/SIPC.*

*The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.*

*The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies promoted will be successful.*

*Stock and mutual fund investing involves risk including loss of principal.*

*Value investments can perform differently from the market as a whole.  They can remain undervalued by the market for long periods of time.*

*The prices of small and mid-cap stocks are generally more volatile than large cap stocks.*

*Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.*

*The market value of corporate bonds will fluctuate, and if the bond is sold prior to maturity, the investor’s yield may differ from the advertised yield.*

*Bond yields are subject to change. Certain call or special redemption features may exist which could impact yield.*

*Government bonds and Treasury bills are guaranteed by the US government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value.*

*International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.*

*Because of their narrow focus, sector investing will be subject to greater volatility than investing more broadly across many sectors and companies.*

*There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.*