



April 8, 2020

Hello, HWP family! We hope you are having a wonderful week so far and happily finding ways to enjoy yourselves from the comfort and safety of your own homes. Whether it may be learning to sew face masks (kudos to my mom and mother-in-law!), visiting with family (through a window or via facetime, of course), or discovering a new passion for homemade bread baking (luckily, I am referring to my husband), we hope it has brought you peace and joy during these unsettling times.

This week, instead of a conference call, we thought we would switch it up and bring you a couple of updates via our blog! Plus, it gives me the humblest of opportunities to add “blogger” to my resume...right above “HWP news correspondent.” With that being said...Allie, here, reporting to you from my dining table with one eye on my computer screen and the other on Charlie as hovers around our white couch, blue crayon in-hand.

How about some positive news to start us off! This morning, markets opened in the green following a volatile session on Tuesday as investors continued to gauge virus developments. At the session highs on Tuesday, the S&P 500 rallied a total of more than 22% above its March 23 closing low, or 3.5% on the day, before ending the session slightly in the red. Losses we saw last week were quickly erased on Monday due to some early encouraging signs that the COVID-19 outbreak might be stabilizing, and that social distancing is working. Since then, there has been more evidence to show that the virus spread may be slowing with China reporting no new deaths for the first time since the crisis began and that it has lifted its lockdown on the city of Wuhan, several countries in Europe seeing the number of cases dropping, Germany reporting more daily recoveries than new cases, and speculation that New York’s trend in cases may be reaching its peak. Uncertainty remains on how long quarantine measures will need to stay in place, however, good news is always welcomed after continued downward revisions to economic growth and earnings expectations.

On Friday of last week, the employment report for March was released and after a string of 113 consecutive months with positive jobs growth, 701,000 jobs were lost last month. But given the surge of 10 million initial jobless claims over the past two weeks, a large number did not come by surprise. The reality is the monthly jobs numbers will likely continue to get worse as more people file for unemployment and the data catches up with what has happened in the previous few weeks.

Going forward, some market influencers we will be on the lookout for:

- Potential peak in COVID-19 cases in the US and global flattening of the curve.
- New unemployment claim numbers to come out this week.
- Oil price war resolution.
- Prospect of phase 4th of the stimulus package.
- Possible signals pointing to another potential move lower in the coming weeks...

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If there is anything that you take away from today's message (in fact, from any of our communications with you), it is this: **remain calm and stay the course!** Experiencing these pullbacks is never a comfortable feeling, we know that. We are invested, too! But in times like these, we believe it can be helpful to put aside the daily headlines, lean on your trusted advisors, and keep perspective of how markets have historically performed over the long-term. And because we DO believe in a comeback, we continue to encourage our longer-term investors to strongly consider looking for opportunities to invest in eventual market recovery. However, if you just cannot stomach the volatility and uncertainty, please do reach out and allow us to address your concerns directly. These times also present opportunities for our clients to assess their current portfolios in the context of their long-term plans.

Whatever your feelings may be, always know that your HWP team is available and happy to help guide the way to ensure you and your family's goals and needs will always be met.

Stay safe and wishing you and your families a very Happy Easter!

Allie Chiklakis