
September 1st, 2023

Embracing Change and Growth

This is always an exciting time of the year: just the slightest chill in the evenings even though the days are still hot. And many of us get pumped about the new football season, though I'm a little partial to watching US Open Tennis and I was looking for good quotes from Federer or McEnroe. It's funny how many times my youngest will invoke "you CANNOT be serious!" from watching old Johnny Mac matches with me and that's how I sometimes feel about the current state of the markets and economy.

But during evolving economic and market conditions, not to mention our imminent switchover from TD Ameritrade to Schwab, I think Serena Williams' words resonate profoundly. Her sentiment encapsulates a crucial principle for navigating today's dynamic financial landscape.

Between Taylor and I, we have almost 45 years of combined experience and we are still learning and working on ourselves as well as bringing diverse market insights to client portfolios and planning strategies. A sampling of interesting facts we're observing right now:

- The recent surge in benchmark interest rates translated into much higher 30-year fixed mortgages, currently hovering above 7.5% for the first time in over two decades. This amounts to a 39% increase in monthly payments on a new 30-year mortgage for the median existing home.
- The Price to Earnings (P/E) multiples for the S&P 500 and Utilities Indices stand above their 20-year averages, while the P/E ratio for the Energy Index sits well below its 20-year average.
- Silver having the largest concentrated short position of any commodity (in real world terms), about 99% of the time over the past 40 years.
- Some of the most restrictive regulations and policies regarding commodity supply production, with record demand for commodities, especially those required to meet new green energy requirements, creating more risk for commodity prices and inflation rising.
- Significant drop-offs in corporate earnings in the US, with much more expensive stock prices, much of this being attributed to the promise of artificial intelligence and expected productivity gains.

Quote of the Day:

"I think in life you should work on yourself until the day you die."

– Serena Williams

2023 ALTIUS EVENTS

Quarter 3

September 27th – Q3 Workshop (In-Person)

Quarter 4

November 8th – Q4 Workshop (Virtual)

December 5th – Holiday Client Appreciation Event

TAKE A LOOK INSIDE

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Embracing Change & Growth (cont.)

As economies grapple with unprecedented challenges, adaptability remains the cornerstone of survival. Just as individuals strive for personal growth, businesses and financial systems must also continuously evolve to thrive. In a world of fluctuating markets, it's imperative to keep learning and improving, seizing opportunities while mitigating risks. While it's likely that stocks will face headwinds in the year ahead, there will undoubtedly be more opportunity. The ongoing technological revolution further emphasizes the importance of perpetual self-improvement.

Embracing innovation isn't merely an option; it's a necessity for industries to stay relevant and competitive. As Serena suggests, the journey of refinement doesn't have an expiration date, and similarly, economic players must consistently refine their approaches.

Keeping Maui in our hearts by Krescent

Like many of ALTIUS' clients, the Williams Family loves Hawaii. We've been lucky to vacation on multiple islands, and I actually lived on Oahu for a short time. Hawaii is magical, and the small town of Lahaina was a vibrant place that warmed your heart. I have fond memories under the 150-year-old banyan tree, eating dinner along the harbor, and getting Grammie and the rest of the family to run the Sun, Surf, and Hoops 5k in Kaanapali. But with the devastation of the wildfires, memories of Lahaina will stay memories and those impacted will be forever changed.



Although beautiful, living in Hawaii is not always easy - the infrastructure and emergency response are slower than the mainland and food & supply shipments typically come only by cargo ship once a week. It's been devastating to see the destruction of the West Maui Wildfires on Lahaina, and even more heart-wrenching to learn of the lives it took. I can't imagine the hardship those on Maui are facing right now - losing family, friends, homes, businesses, and livelihoods. Lahaina will forever be a special place to those who lived there, our family, and others around the world. In the last month, there's been a great response to support those suffering in Lahaina, but I just want to remind everyone that it's long from over and to still keep Maui in your hearts.

Donate to the Maui Strong Fund:

<https://www.hawaiicommunityfoundation.org/maui-strong>

New Custodian, Same ALTIUS

By the time you read this, we'll have converted your accounts from TD Ameritrade to Charles Schwab as the primary custodian we use. There are bound to be a few bumps in the road but rest assured, we're the same dedicated group of professionals you've come to appreciate. Our personability, our family culture, our experience, our solid track record and most of all, our dedication to you our clients has not changed. Like Serena says, we won't stop improving and we're always looking forward to continue to serve you.

We're hiring!

We are looking for a Financial Planning Intern to join our team this fall. The intern would help support our financial advisors in ALTIUS' client's financial plans as well as preparation for meetings, marketing, and the overall ALTIUS experience. For the right person, this is a great opportunity to learn the financial planning and investment business. If you know someone who might be interested, let us know!

Taylor's Take: A Letter of Instructions – Wanting What You Want, Even When You're Gone



I like the quote from the movie (or book) *The Notebook* where Noah pleads to Allie "What do you want? What do you want?" and Allie's reply: "it's not that simple." Considering what you really want for your end-of-life wishes is never a simple conversation, but if you aren't willing to consider and communicate it, then those cards are placed in someone else's hands. We often have conversations with clients on both sides of this discussion, sometimes in family meetings and preparing notes regarding one's final wishes and instructions. Other times, we discuss what your family member may have wanted you to do

with inherited assets. We have found time and time again that "all progress starts with the truth" and that drafting a letter of instructions is the best route to ensure everyone is well informed, far before any final wishes need to be considered.

So, what is a letter of instructions? It's a handy checklist document that outlines your final wishes. Please note that this should not be a replacement for your estate planning preparations, but rather an addition to your Wills, Trust (if applicable), & Power of Attorney documents, etc. Our ALTIUS Letter of Instructions Checklist allows you to consider what are the first steps (who to contact, etc.), Funeral Arrangements, Financial Issues, Home and Real Estate impacts, Special Wishes, and additional Miscellaneous items. Reviewing and preparing this check list tailored to your specific needs will not only ensure that your final wishes are considered, but also help to take some of the stress off those grieving a recent loss. Best of all, it takes it off your mind so you can go on living and flourishing today.

I know that end of life planning is a hard thing to consider, but please don't hesitate to reach out if you would like us to share, and/or discuss, preparing a letter of instructions checklist. For those of you who already have this and other estate planning documents in place, please make sure you are sharing with your loved ones and, if you're comfortable, with our team and it's a great addition to your overall plan.

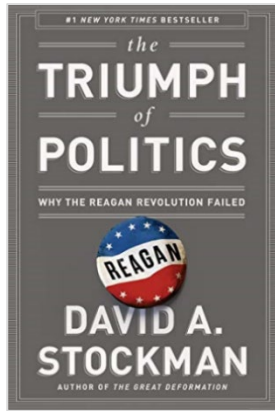
Jenn's Jangle: Money Requests

As mentioned on the previous page, the transition from TD Ameritrade to Schwab has happened! You may have noticed a change in ALTIUS' daily business that may or may not have already affected you. Money requests are the topic. Even though Schwab's digital tools adhere to the highest security standards, fraud attempts often involve fake emails and other communications that appear to be from you. Financial fraud is all around us.

ALTIUS is protecting you from such serious fraud risks by now verifying each of your requests verbally. If you do not call us, we will revert to using the phone number on record with ALTIUS. ALTIUS will go over each detail to be clear on your request. This can go so far as identifying the nature of the transaction to monitor abnormal activity. ALTIUS is vigilantly in your corner against any unauthorized disbursements and will escalate unusual or unauthorized transactions to Schwab.

Please email or call us if you have any questions about money requests or the Schwab Transition.

Book Recommendation: The Triumph of Politics



Yes, I'm referring to that book written several decades ago by Reagan's Director of Office of Management & Budget (OMB), David Stockman. I read it when it came out and became very critical of Reagan as I had previously been a fan of his and the promise of his administration to truly return our government to its proper, much reduced role. I do still believe that Reagan was one of the best presidents in my lifetime and I know many conservatives who might wonder "what's the point?". It boils down to the fact that we are losing our objectivity and we're on an unsustainable path.

Stockman showed in the 1980s how problematic the large debts and deficits would become and, while many believe that he was crying wolf, the US has continued to see mostly anemic growth rates, all while continuing to amass a debt that seemingly can never be repaid. Politics triumphed, but over what? Well, he's saying politics triumphed over the "Reagan Revolution" and this idea of denigrating the role of politics has been adopted by everyone, especially today's most cynical of politicians. It may come as a surprise that I think this is mistaken. Politics is a legitimate field – it's actually a branch of the more fundamental study of ethics. It answers the question: what's right or what's moral behavior in the context of social relationships. Politics is necessary and the best practitioners are referred to as great statesmen.

But a statesman is a persuader, a leader; not a promiser of things that cannot be done or of pitting one group against another. Stockman was saying that we truly need such honest statesmen who can show us how to be grown up about our financial situation. We need the right kind of politics to triumph over the cynicism of our day but for them to emerge, we need the American people to want such truth-tellers. While it's been around awhile, I'd recommend this book for anyone who does seek the truth about our tax system and national debt.

Thank You Again, ALTIUS Golfers!

Do you know anyone with Multiple sclerosis (MS)? Did you know that Colorado is in the top 5 states of incidence for this chronic autoimmune disorder? Over the years, ALTIUS has sponsored many charity fundraisers by Rocky Mountain MS Center. It's a wonderful opportunity to invest in the research and care provided by this wonderful organization, as well as for us to spend quality time with some of our clients. We've long supported their annual golf tournament and once again, proved how much fun you can have losing golf balls.



Thank you so much to Mark & Lisa Ellis, Pat & Jerry Saunders, Paul Jacobson (who with his raffle ticket won a bountiful wine basket), along with (not pictured) Dan Mackin and Mark Williams. Thank you also for the tireless work of the tournament director, Mark Kreger, who does such an excellent job, again this year hosting us at Ridgle at Castle Pines course. If you're a golfer and want to play in the future, let us know.

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