

## Market Recap Q3 Jerry Chafkin – AssetMark CIO

The US stock market's rebound continues to be driven by six stocks of five large-cap growth companies, popularly known as FANAMA (Facebook, Apple, Netflix, Amazon, Microsoft and Alphabet-Google). The stocks of these five-large cap growth companies enjoyed a YTD return of 43.3% while the stocks of the 495 other companies in the S&P 500 returned a mere 0.8% for the same period.

Index	Q3 2020	YTD 2020	5 Year	10 Year
S&P 500	+ 8.93%	+ 5.57%	+ 14.15%	+13.74%
MSCI ACWI	+ 7.93%	+ 1.70%	+10.48%	+ 9.37%
Bloomberg Barclays Global Bond Aggregate	+ 2.66%	+ 5.72%	+ 3.92%	+ 2.36%
Bloomberg Commodity	+ 9.07%	(- 12.08%)	(- 3.09%)	(- 6.03%)

\*Clark Capital Review 9/30/2020

The handful of large-cap US growth stocks that drove the return of the S&P 500 mean that any diversification outside the US, whether growth, or large-cap, has hurt investor performance year-to-date. In contrast to the 5.6% return YTD the overall S&P 500 returned, international stocks returned (MSCI ACWI -5.1%).

## KSH Advisors News/Updates

### Congratulations Pumpkin Growing Charity Winners

- Jerry and Chris 58 inch circumference
- Val and Mike 56 ½ inch circumference
- Sandy 48 inch circumference

### Switch from Pershing to AssetMark Trust Is complete

Thank you to those affected and who assisted with this transfer over the last 4 months. All clients are now custodied at AssetMark Trust which I expect will provide increased efficiencies in servicing your accounts.

### KMS merger is anticipated to occur November 6<sup>th</sup>, 2020

As we have discussed, KMS is anticipated to merge into Securities America effective 11/6/2020. Your investments will not be affected. We will continue to utilize the AssetMark platform for investment solutions and strategists. I will continue to be your financial advisor. Occasionally you will receive communication from Securities America. Please let me know if you have questions.

Disclaimer: This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events. Index returns are for illustrative purposes only. Indexes are unmanaged and cannot invest directly in an index. Past performance does not guarantee future results. Diversification does not ensure a profit or guarantee against loss. Companies mentioned are illustrative purposes only and is not a recommendation or an offer or solicitation to buy or sell any securities.

## It's Cybersecurity Awareness Month

The pandemic has made many of us especially grateful for the internet. We can work and shop from home and stay connected with family and friends. Unfortunately, cyber criminals are upping their game. Here are a few ways we can protect ourselves from hacks, scams, and malware.

**Look twice before you click.** Pause to consider before opening any unexpected email attachment. NEVER click on a link in an email asking you to enter your password or change your password. Always go directly to the site you use to enter your password or call the company directly.

**Use strong passwords.** Strong passwords are fairly long and use a combination of uppercase/lowercase letters, numbers, and special characters.

**Add a second step.** For sensitive sites, such as financial accounts, add two-factor authentication.

**Stay current.** Google your name and delete old, unused accounts that come up. Clear your browser history periodically. Delete apps you no longer use. Use the latest security software, web browser, and operating systems. Regularly check for updates, or sign up for automatic updates when it's offered. Back up your data to your preferred cloud storage solution.

**Stay independent.** When signing up for a new service or app, pass up the offer to sign in using your Facebook or Google account, which exposes the data in your accounts.

## 16 Big Estate Planning Mistakes Clients Make

- Not updating beneficiaries after life events.
- Putting off creating your will or being in a rush since it is unpleasant to consider your mortality.
- No health care powers of attorney.
- Leave details to the courts because you didn't create a will/trust.
- Treating heirs differently. Discuss it with them first so they understand your reasoning. This will help family continue to talk after you're gone.
- Previous marriage trip-ups. If you have children from previous marriages and you've re-titled accounts to joint tenancy, you've just disinherited your children.
- Misplacing documents. Make sure family knows where your will and important documents and passwords are located so they can effectively resolve your affairs.
- Not looking beyond the documents. Prepare emotionally to say goodbye. Pictures, audio, videos and letters are all tools that help you leave a tangible legacy.

**Client Corner**

Thank you to all who participated in the 2<sup>nd</sup> Annual Charity Pumpkin Growing Challenge. We had some first time participants this year which was fun to see (and two of those participants finished in the top 3). Others were able to grow an abundance of vines and pumpkin blossoms but alas, no real pumpkins. That is frustrating and I am sorry. I appreciate you and am glad you dug in the dirt for charity. I am honored to make \$400 of charitable donations to the charities of choice for the top 3 finishers.

Grand Prize Winner – Jerry and Chris  
 Circumference: 58 inches  
 Charity: Arlington Food Bank \$250

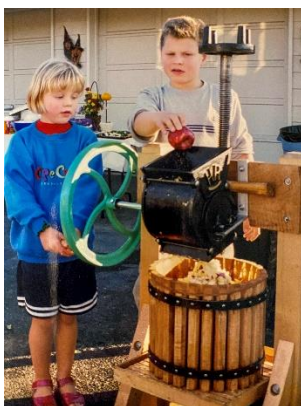
2<sup>nd</sup> Place Finisher – Val & Mike  
 Circumference: 56 ½ inches  
 Charity: Camp Korey \$100

3<sup>rd</sup> Place Finisher – Sandy  
 Circumference: 48 inches  
 Charity: Camp Korey \$50



**Kathy’s Corner – Times of Old...**

Jay and I have lived in our current home for over 22 years. The neighborhood, in its past life, was an apple orchard. When we first arrived, the old farm house was still standing with the farmer’s descendants still in residence. Hap, the first owner in the “new development” in 1964, was here in 1998 and still is, at 93. But, initially I greatly missed our old neighbors. I figured since there were hordes of kids in our new neighborhood, we could host a fall cider press and pumpkin carving party in our front yard in an effort to make our new house, our home and make new friends. It worked and became an annual event for several years! An apple farmer would drop a bin of apples on his way home from the farmer’s market and we rented a cider press. Families went home, happy, with carved pumpkins, a jug of apple cider, a belly full of hot dogs and chili and some great memories. Some of the pics from those early days... bittersweet!



Andrew (9) & Kate (5)

