

March 17, 2020

Re: Important message from LoNano Financial Advisors

Financial Guidance for Riding out the COVID-19 Pandemic

In a matter of weeks, the world has been thrust into dealing with a serious pandemic. It is natural that you are feeling apprehensive about the uncertain outcome of us fighting this virus and the health and financial consequences it may bring. Our intention is not to minimize your feelings about this issue, rather these challenges are the reason you have us in your corner. In an effort to address your potential concerns, we want to share some helpful perspective.

The good news is, we are all in this together. This virus is the enemy of us all. Because of this, we are witnessing an unprecedented global effort in combatting its spread. Before we move on, we'll assume you are doing everything within your control to protect your health and that of those around you. Please visit the website for the Centers of Disease Control and Prevention (www.cdc.gov) regularly, for the latest information.

The real question at this point is, what if anything, should you do now with your investments? In times such as these, it's important to remind ourselves the value of Financial Planning. Financial success is built largely on your behavior and preparation; LoNano Financial is here to help make the best decision for you and your family. We can discuss any changes you have had in your life since we last met and review your current financial situation to help you determine if your investments are still appropriate for your needs. Your portfolio has been created to provide necessary diversification while allowing for your tolerance for risk. If you are in one or more of our risk managed LFA portfolios, rest assured, we continually monitor and adjust these allocations as needed, considering the portfolio's objectives and your aligned risk tolerance. Other non-discretionary accounts you may have are managed according to those funds' objectives and were aligned with your goals the last time we reviewed them with you.

Our studies in Behavioral Finance tell us that we have a hard-wired Fear Response. This behavior can protect us from physical harm but does not serve us well when it comes to our money. Emotions often lead us to do the wrong thing at the wrong time with our finances. It's human nature to feel that what has recently occurred will continue to occur. If something has lost money, we think it will continue to lose money and likewise, if something is making money, we believe it will continue to do so. History shows that markets do not move in a linear or straight-line fashion. Rather, they are cyclical. Like the tide ebbs and flows, so does the economy and the financial markets.

We can help you review your asset allocation as it relates to your goals and values and determine if you have the emergency reserves necessary to weather this "storm". Having adequate reserves for your situation helps you avoid hasty decisions with your long-term investments.

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As uncertain as things may currently seem, we need to remind ourselves of some truisms:

- This too shall pass
- Through time, the stock market has historically increased in value
- Your behavior will determine your outcome more so than what the markets will do

History has shown us that in times of high uncertainty, stocks often trade at significant discounts to their fair value; so, opportunities do exist. Doctors with the CDC tell us that this virus will pass, and we are likely to develop a vaccine for it in the future. Additionally, we are seeing historic healthcare measures and fiscal and monetary stimulus from our government to assist individuals and businesses in need. With this pandemic having a limited shelf-life, it is our view that markets stand to recover quicker than is often assumed. If you are a long-term investor and have been holding onto more cash than necessary, this may be an excellent opportunity to take advantage of today's uncertainty and add to your investments.

We have attached two pieces illustrating "The Benefits of a Life Well Planned" and the "50 Things LoNano Financial Advisors Does for You." While the nature of uncertainty can cause fear, we believe fear can be overcome with a well thought out plan, built around your values. Your plan should anticipate uncertainty and not only prepare you for it but position you to take advantage of opportunities that may arise.

Like you, we are doing our best to stay healthy and following healthcare professional directives. Our office has full functionality from multiple locations, so we can continue to serve you. We are here and available to further discuss any issues or concerns. If you need reassurance or you want to explore opportunities, please contact our team. We are in your corner and we appreciate the trust and confidence you have in us.

Sincerely Yours,

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