

Set Your Sails

Easily one of the most pleasurable aspects of a financial planner's job, at least at our firm, is to spend time with clients. At Statherós Financial, we purposely do not implement minimum account sizes, but we do implement a minimum "fit" standard. This simply means that we all must see the value in the relationship – our clients see the value in the services we provide, and we are able to thrive on the value of helping, learning, and experiencing life through them as part of their professional team. The friendships that develop along the way are an added bonus.

I was on such a trip this past week and had the pleasure of meeting with a client that was new to me... a long-time client of the firm, but following the retirement of one of our founders, I had the immense pleasure of spending time with him. This gentleman, a very successful individual during his working years, now spends a good portion of his retirement time studying and continuing to learn. At our visit, he was teaching us about aphorisms. He stated that, "we are drawn to brief observations that often focus on truth and wisdom" - these observations are aphorisms. They stand the test of time. An example would be from Nietzsche who stated, "He who has a 'why' to live can bear almost any 'how.'"

The ability to stand the test of time and remain disciplined to sound decisions we make along the way is key. As we look at the recent corrections in the markets – I am reminded of how important it is for us to remember that what we know about market ups and downs is, in fact, time tested. In my relatively short investment experience as compared to investing's entire lifespan, I've seen the boom and bust of the turn of the century, the real estate crisis of '08, and the COVID recession of '20. We have many clients whose parents were raised during the depression, many that remember the oil embargo of 1973-74 – this only amplifies the truth that markets can and will outlast crises. Corrections are expected and normal, we need to make sure that our investment behavior remains steadfast.

... Later, as we departed our client's home, he gave us a list of aphorisms to take with us. One that strikes me strongly today is, "It is the setting of your sails, not the direction of the wind that determines your course." How true this is in my line of work,

and frankly, my life. You see, if we can attribute poor investment behavior as one of the root causes for poor investment returns, then we need to ensure a way to curb such negative behaviors such as selling in a panic or buying in a boom. A financial plan is the most effective and purest way to curb such behavior by providing a roadmap for every dollar, every investment, every aspect of your financial life. You must have an objective and defined goals, and it is paramount that you have a financial plan to attain them. It is even more important to stick with your plan – these are your sails. Set your sails to achieve your goals because, as we are seeing, the winds of the market will blow in every direction. It is the setting of your sails that gets you to your destination.

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