



THE DANA VIEWPOINT

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Risk and Opportunity

The election is in the rear view mirror and the market is at new highs — what should investors do? We have always been big proponents of staying within your risk range regardless of market levels or geopolitical conditions. All three finalists running for President this year (Biden, Harris, and Trump) were judged by a large minority of the voting populace to be unqualified. We were destined to end up with one of the three. The world did not end, and now we can move forward knowing the result of the election.

In times of stress and uncertainty, we think of the example of 9/11/2001 and are reminded of the resilience of the American spirit. More Americans died on that day than at Pearl Harbor or D-Day. This supreme tragedy took place five blocks from the New York Stock Exchange, what many think is the heart of American capitalism. Nevertheless, it only took one month for the S&P 500 Index to recover to its September 10, 2001 closing level.

We believe that one of the keys to long-term investment success is to limit short-term emotional reactions. This is always difficult to do in the heat of the moment. We have found that the best way to resist the short-term urge to overreact is to think about your risk range, or tolerance level, before your emotions are tested. What range of stock allocations am I comfortable with? Will I have regret if my allocation is lower? Will I be able to sleep if my allocation is higher? Sometimes getting to the right risk range is a product of trial and error. It also changes throughout our lives, based not just on our age but also on our investment and life experiences.

There may be some who are feeling despair because of election results while others are elated. Some may feel elation because of their technology investments. Others may feel despair or regret because of their investments outside of the tech sector. All of our Strategies focus on finding investments that can be successful in various market cycles and such investments are always out there. Some market periods are harder than others, but with skill, diligence and patience, the odds of success increase over time. We are optimistic as we look for companies and investments that can execute their plans in most markets.

Because of the current events in the Ukraine and the Middle East, we are reminded that the world is a dangerous place and we have to be a force for good in the world. A large part of what is called the

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American spirit is evidenced in the success of American businesses and capital markets. We have a chance to benefit from these markets, both as investors and customers.

As we draw near to the end of 2024, we wish all a safe and joyous holiday season.

Random Thought: “There's nothing you can do in the interest of being above average that does not expose you to the risk of being below average.” - Howard Marks

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