

## THOUGHTS FOR THE WEEK

### HITTING CURVEBALLS

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As a Little Leaguer I had a good fastball (wild enough to scare opposing hitters), but I was an average batter and never mastered hitting curveballs. Curveballs throw hitters off balance, mess up their timing, and make them swing ineffectively, in the same way that life's curveballs can throw us off balance.

Life is full of curveballs - moments when the bottom drops out, a family member gets an unexpected diagnosis, an accident happens, an investment or relationship goes bust, your child fails a test, the funding round doesn't close, the merger falls through, the IPO window closes...

Curveballs are unavoidable, and we rarely know when one is coming, but here are a few ideas that might help get you "on base" when life, or the markets, are throwing you a steady diet of hard-to-hit pitches.

#### **Recognize that Hope is Not a Strategy**

As planners, we know that clients have to deal with the "pitches they get", not the "pitches they want". We're optimists at heart, but we like to temper optimism by also looking at worst case scenarios. What if things don't go as planned? Bear markets, delayed exits, lower valuations, getting hit by the proverbial bus. Thinking through what might go wrong - before it actually does go wrong - can be a game changer.

#### **Mind Your Mental Game**

A batter who becomes anxious or frustrated is more likely to swing and miss. To hit curveballs, they must remain focused, stay patient, and trust their training. As investors, we see better outcomes when we stay disciplined, avoid impulsive decisions, and keep our long-term strategy and goals in mind.

#### **Stay Connected**

Life is full of beautiful moments and devastating moments. When times are tough it can be tempting to withdraw and isolate. Whether the curveball is financial, work, or relationship related, it's not easy to tell people how you're really feeling. It can be even harder if you pretend that things are okay when they are not. Connecting with a professional advisor, a friend, or even a complete stranger in a safe context, can help you clear your mind and gain perspective.

#### **Find an Anchor**

When life is serving a steady diet of curveballs, our minds have a tendency to get stuck in the future, worrying, planning, obsessing over things we may or may not be able to control. Finding an "anchor" can help you connect with yourself, slow down your thoughts, create a sense of calm, help modulate your

emotions and improve your decision making. That “anchor” might be a short morning meditation, going for a run, a moment for coffee or tea with a friend, listening to music, or journaling at the end of the day.

### Slow Down

Abe Lincoln would write scathing letters to Cabinet Members when angry or at odds with them...then put the letters in his desk and reread them the next day before deciding whether to mail them. Most of the letters ended up in the fireplace. When faced with a consequential decision, slow down and create space and time to reexamine your thoughts in the light of a new day.

### Stay in the Game

Batters get three strikes per at bat, and three to five at bats in a game. But in life, and with investing, the game is long and there are no “called strikes”. Resilience and perseverance go a long way and developing strategies to patiently increase your batting average over time pays off. When times are tough, look for ways to extend whatever game you are playing to increase the runway available to find new solutions, ride out rough patches, and wait for the tide to turn.

### Play Small Ball

Swinging for the fences occasionally yields a home run, but batters who take reckless swings strike out frequently. When it comes to investing, we focus on incrementally advancing the runner – as opposed to hitting the ball out of the park – by keeping taxes and fees low; avoiding excessive use of leverage; and owning a diversified basket of cash flowing assets that has the potential to compound and grow at attractive rates over long periods of time.

In the grand game of life, dealing with curveballs is a skill and a mindset. We hope that you’ll turn to us if we can help you or your family prepare for life’s inevitable, yet oft unexpected, challenges.

Enjoy your reading and your weekend,

Mike, Cate, Scott, Willis, Suzy, Oscar and Wes

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Sources:

[Curveball - Wikipedia](#)

[How to catch a curveball - coping with whatever life throws at you | University of London](#)

[7 ways to deal when life throws you a curve ball - Happier](#)

**Mike Burbank's Awards:**

2017-2022 **Barron's Top 1,200 Financial Advisors: State-by-State** (formerly referred to as Barron's Top 1,000 Financial Advisors: State-by-State)  
Source: Barrons.com (Awarded 2017-2022). Data compiled by Barron's based on 12-month period concluding in Sept of the year prior to the issuance of the award.

2013-2020 **Financial Times 400 Top Financial Advisors**

Source: ft.com. Data compiled by the Financial Times based the following time periods:

Awarded 2013-2020; data 12/31/12 - 6/30/19

2019-2020 & 2022 **Forbes Best-In- State Wealth Advisors**

Source: Forbes.com (Awarded 2019-2020 & 2022). Data compiled by SHOOK Research LLC based 12-month time period concluding in June of year prior to the issuance of the award.

[Awards Disclosures](#)

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S&P 500 Index is an unmanaged, market value-weighted index of 500 stocks generally representative of the broad stock market. An investment cannot be made directly in a market index.

Bonds rated below investment grade may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk and price volatility in the secondary market. Investors should be careful to consider these risks alongside their individual circumstances, objectives, and risk tolerance before investing in high-yield bonds. High yield bonds should comprise only a limited portion of a balanced portfolio.

Bonds are subject to interest rate risk. When interest rates rise, bond prices fall; generally, the longer a bond's maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the debt at its option, fully or partially, before the

scheduled maturity date. The market value of debt instruments may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions or changes in the credit quality of the issuer.

Bonds are subject to the credit risk of the issuer. This is the risk that the issuer might be unable to make interest and/or principal payments on a timely basis. Bonds are also subject to reinvestment risk, which is the risk that principal and/or interest payments from a given investment may be reinvested at a lower interest rate.

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