

*August 2020 Ponderings and Musings – **Finding Your Balance***

“So divinely is the world organized that every one of us, in our place and time, is in balance with everything else.”

- Johann Wolfgang von Goethe

“It is worth remembering that the time of greatest gain, in terms of wisdom and inner strength, is often that of the greatest difficulty.”

- Dalai Lama

“When we are no longer able to change the situation, we are challenged to change ourselves.”

- Viktor E. Frankl

“Life is not about waiting for the storms to pass. It’s about learning how to dance in the rain.”

- Vivian Greene

**Distancing with Loved Ones**

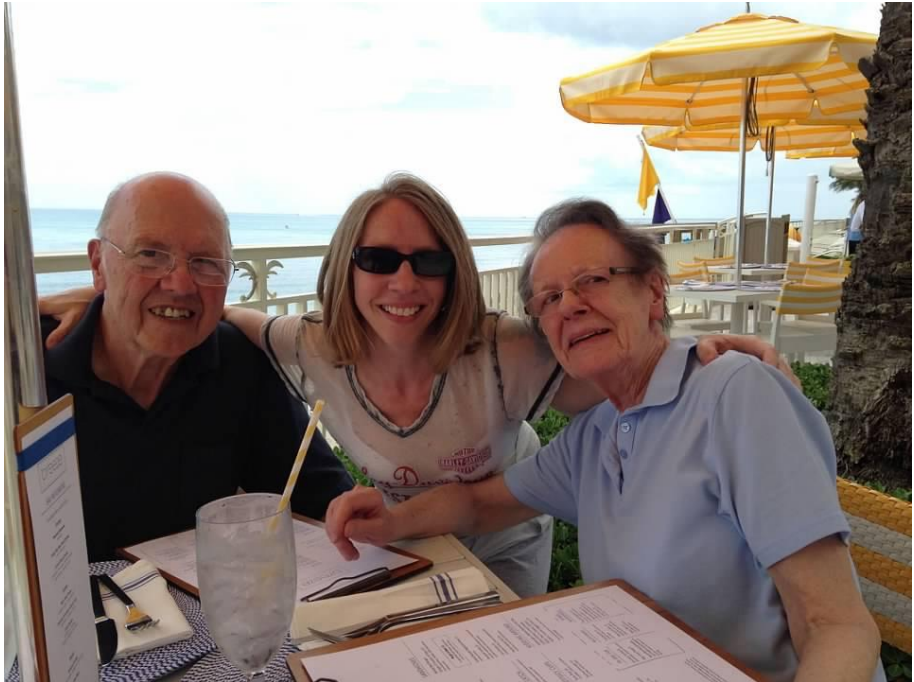
The COVID-19 pandemic, and its resultant social distancing, has brought many life changes to all of us. At the forefront for many are the changes in our family interactions. Families have unexpectedly (and sometime uncomfortably) become fully immersed with each other, if they are living together. Or they have become physically separated. Both dualities present their own set of issues.

One of the larger challenges is for those of us with senior-age parents. At greater risk, our desire to protect and insulate them as best as possible is affecting our ability to be physically together with them. This has great potential to further isolate them from one of their greatest joys in this phase of life.

Suzanne Berringer, VWG’s Director of Operations, has an extremely close relationship with her parents Ernie and Shirley. She graciously has offered to share her personal experience. She says, “before the pandemic I used to

talk to my mom and dad on the phone every other day. And I would drive to see them 130 miles each way every other weekend. We wouldn't do anything out of the ordinary, just spend time together, walk the dogs, watch television, and chat and laugh about nothing and everything."

"When the COVID-19 crisis hit, my visits had to stop. We began having FaceTime video calls every day. I did my best to help and support them virtually, but it was physically and emotionally trying. Thank goodness for Amazon and



Chewy, which I used to keep them (and me) stocked up with essentials. Now that restrictions have loosened (fingers crossed), I've gone back to visiting them every other weekend. We have to keep our distance and wear face coverings while inside, but these times spent together are now even more precious. I take nothing for granted."

### **Creating Shelter from the Storm**

Everyone has had their lives turned upside down by the pandemic. We have been distanced from friends and family. Many have been forced to shift to working from home, if they're so fortunate. We are worried about how our school and college-age children will successfully complete their education, and what the future holds for them. Others have far worse situations. So many life changes, fears and worries are affecting our physical and mental health - especially as we enter the seventh month of the crisis with no apparent quick fix in sight. What can we all do to stay centered and calm amidst this COVID-19 storm?

The VWG team has been gathering some tips on maintaining balance and happiness during periods of strife. We have participated in a wellness 'teach-in' and a 'boosting your immune system' webcast. We're sure that many of you have already heard or read some of these. However, repetition is a key to building healthy habits.

**1. Develop and maintain a routine.** This is especially helpful for working parents, but everyone can benefit. Studies have shown that maintaining a regular schedule is one of the first steps necessary in helping people suffering from stress and depression. Wake up and go to bed at the same time each day, exercise and eat meals at the same time, and maintain regular work hours - despite being "plugged in" to the office 24/7. If you live with others, sit down together to organize a schedule. Get the kids involved and they will be more likely to stick to the plan. Post the schedule in your home for everyone to see. Please see the attached Verywell Mind article for more detail ([link](#)).

**2. Boost your immune system.** Our immune system needs to be in its peak working order now more than ever. Here, it is critical to take care of yourself before trying to take care of others. Maintain a healthy diet, exercise regularly, and get 7-9 hours of sleep each night. Eat lots of green, leafy vegetables, fish and seafood. Consider taking a daily probiotic supplement to improve and maintain “gut” health. Getting proper amounts of Vitamins C & D is essential. Some experts recommend taking a daily multi-mineral supplement. Here’s a related piece from the University of Maryland Medical System [\(link\)](#).

**3. Turn off all-day news media feeds and channels.** The constant “breaking news” alerts and other similar stressors can cause an increase in your body’s stress hormone, cortisol. Higher cortisol levels have the potential to reduce immune system responsiveness, increase blood pressure, affect your metabolism, produce mood swings, and negatively affect the quality of your sleep. Take a break from the relentless media noise surrounding the pandemic, and the U.S. presidential election season. Practice tuning out as much as possible. Reclaim your calm and balance by making your body, your heart, mind and spirit the top priority. Lifehack’s piece on excessive news consumption is very helpful [\(link\)](#).

**4. Spend time in your personal “happy place.”** “Travel” to a personal haven – whether it be a walk in the woods, working in your garden, talking with friends and family, reading a good book in your favorite chair, or pursuing a new hobby. Whatever it is, schedule this “happy place time” into your day - each and every day. For those so inclined, consider yoga or one of the many forms of meditation as an attempt to find stillness and calm. Encourage your loved ones to do the same!

**5. Do something for someone else every day.** Send a quick note, call or email a friend or family member, volunteer for an organization or cause you care about, pick up some supplies or groceries for a neighbor, or simply offer a (masked) smile or hello to a passerby. These are all ways of getting outside of ourselves, by focusing on others. There are benefits to the giver as well. Some studies have shown that people with a regular practice of volunteering have increased levels of happiness, and improved health. We are all in this together, and the more we share and support each other, the stronger we will be.

### **Your Behavioral Bias is NOT Your Best Investment Friend**

The COVID-19 pandemic, and how it has abruptly changed our lives, has pushed all of our buttons and biases. How could it not? We’ve never witnessed anything like this. And it has the potential to alter our futures, and to accelerate trends that were already in place.

Unfortunately, activated behavioral biases are rarely our best investment friend. These biases - such as engaging in herd behavior, extrapolating the present endlessly into the future, and overtly shortening our time horizons in the face of fear or greed – all can lead to disastrous results. They can trick us into seriously deviating from our long-term plans. They can get us to buy at the highs, and sell out at the lows.

In 2014, Fidelity performed an audit of their best performing client accounts between 2003 and 2013. They found that the best performance came from inactive accounts, whose owners had ‘forgotten’ they owned these,

and had completely left them alone. It is even further illuminating to note that the 2008-2009 meltdown of the great financial crisis occurred right in the middle of the period studied!

The moral of the story: doing less is often better than doing more. This argument may even be stronger during periods of turmoil and uncertainty – when our psychological and physiological defenses are weakened. To achieve long-term growth, hire disciplined managers, place solid, quality investments, and then avoid urges to micro-manage or trade them. Maintain your long-term financial plan and goals as your top priority. As T. Rowe Price Defined Contribution Strategist Michael Doshier crystallized to us in a recent conference, *“don’t trade tomorrow for today.”*

### **VWG Concludes “Frequently Asked in Quarantine” video series**

Over the summer, as our region slowly pulled back lock-down restrictions, VWG concluded our Frequently Asked in Quarantine video series with four additional episodes. We hope these videos have answered some of your more pressing questions, prompted you to reach out to your advisor for more personal guidance or introduced you to some additional members of our team. Our last four episodes addressed the following questions:

FAQ #7: Lynette Jones answers “Given the pandemic and market downturn, am I still on track for retirement?”

FAQ #8: Ryan Torguson answers “Did I miss the bottom of the market?”

FAQ #9: Rashmi Chahil answers “How do the changes in the CARES Act impact my charitable giving?”

FAQ #10 Patricia Pick answers “With such low interest rates, how do I generate enough income to meet my living expenses in retirement?”

All of VWG FAQ videos can be found on the our website’s [Media Room](#).

### **August 31 is the Cut-Off for Returning 2020 IRA RMDs**

As we discussed this spring, the CARES (Coronavirus Aid, Relief, and Economic Security) Act suspends required minimum distributions RMDs from IRAs for 2020. This could potentially benefit those who can replace suspended IRA income from other sources, by reducing their tax liability and possibly lowering their marginal tax bracket. It could also provide flexibility to convert some IRA funds to a Roth IRA.

Even if you have already taken some IRA distributions this year, you may return them without penalty, as long as you do so by August 31. Please contact your VWG advisor to discuss how this applies to your personal finances and long-term plan.

### **Identity Theft & Fraud Protection Reminder**

With more people ‘staying in place’ and working from home, fraudulent phone calls are increasing. And they are being directed to our mobile phones, not just our home ‘land-line’ numbers.

VWG reminds you to never divulge personal information over the phone. It is extremely rare for any legitimate business or service to make such a request. Always verify who you are speaking with. If the person cannot quick and clearly do so, just hang up.

Beware of scams offering to help you get refunds. Do not ever pay someone or divulge your personal information to someone offering to recover money, merchandise, or prizes you never received. Such schemes are against the law, under the Telemarketing Sales Rule.

Best wishes to all as we collectively and internally work to battle the pandemic and the many novel issues it is presenting to us, our families, friends and co-workers. If there is anything we can do to help, listen or provide additional support, please give us a call. Together we can find balance and calm, even in the midst of these volatile and unusual times.

Take care and be safe!

Regards,

VWG Wealth Management  
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Suzanne, Ashley, Lynette, Michelle, Rashmi, Kay, Ona, Justin, Ryan, Ryan, Patricia, Elana, Susan, Marnie, John, Rick and Jeff

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