

summaries



the official newsletter of sigma investment counselors

December 2019

THINKING OUT LOUD

There was a time, which seems not so long ago, that I penned every single Sigma Summaries. My predecessor and mentor, Chuck Ricker CFA, used to say, we have to commit to doing these monthly if for no other reason than it reminds readers that we are still in business!

Well, a lot has changed since the 1980's when he and I collaborated to steward Sigma. It is no longer necessary to compose these newsletters just to announce our continued existence! But, it is still a challenge to say something meaningful, particularly when readers are so pressed for time and three sentences are all that authors are typically allotted before the delete button may be pressed. So please – don't delete yet.

As I look back, many of my early newsletters touched on family developments – human interest; several reflected on things going on at Sigma; most of them dealt with stocks and bonds. All three will be incorporated herein, in the order indicated above (feel free to skip what's not interesting).

FAMILY

My wife Shari (also Sigma's President and Chief Compliance Officer; also the family chief compliance officer!) and I are approaching our 37th wedding anniversary. I could not ask for a better partner. We

each awaken every weekday at 4:45 a.m., answer emails and then work out – Pilates, Yoga, cardio, weights - for an hour. Neither of us are contemplating retirement any time soon as we both love the intellectual stimulation of our careers, are healthy due to our exercise routine, and are hopeful that we might be around long enough to welcome a third generation to Sigma!

Amanda, Ashley and Megan are all in their 30's now, married or soon to be to men we are very fond of (Jeff, Connor and Mike), educated with advanced training, and firmly ensconced in careers – wealth management, nursing and fashion. We welcomed our third granddaughter in June, Madisyn Joy, and with her cousins Ava and Natalie, we are surrounded by these little treasures! We are blessed beyond reason and never fail to count our blessings.

SIGMA

Our Sigma family continues to grow too. Diana Welshans and Paul Warholak came to us in January, 2019. They join what I believe to be one of the finest professional teams assembled in our industry and, while I may be biased, the evidence is the constant referrals we get from existing clients. Our assets under management now total \$1.2 billion. We do not take for granted the confidence that our clients have

local independent personal accessible
interactive creative local independent personal
knowledgeable thoughtful ethical experienced

bestowed in us and we work diligently to earn that confidence.

We have significantly expanded our capabilities from pure asset management thirty years ago to comprehensive wealth planning and now sport four CFA's, two CFP's and three with both designations. Above all, these are good, smart, hardworking people whose company I adore.

I was recently at a client gathering in Cleveland where our Chief Investment Officer, Denise Farkas CFA, lined the Detroiters up for introductions. Afterwards, a client approached me and complimented me on the assembled professionals, noting that they were all females except for myself. I assured her that each was hired only on the basis of character and competency. The result though, with varied backgrounds, has been a valuable diversity of thinking that is reflective of the quality of service we provide clients.

STOCKS AND BONDS

There has been no shortage of expressed skepticism on the strength of the stock market in 2019. Just this past weekend the Wall Street Journal carried an article titled, "Investors Flee Funds Despite Stock Rally (December 7, 2019). Having navigated countless market cycles over the past thirty some years, the one

thing I have learned (hopefully I have learned much, but am only commenting on this here today!) is that market uptrends persist for as long as caution reigns. When the cadre of disbelieving investors finally turns aggressive, and correct their mistake of being underinvested, the cycle is about to turn. This is unpredictable and undergirds the reason that we make no attempt to time market cycles.

Lost in the rhetoric of politics and geo-politics, is an inference that global economics are healthier than believed, and that technological developments are rapidly advancing and finding their way into everyday lives, improving the quality of life and worker productivity. This appears not to abate any time soon.

Bond yields remain at generational lows, as does inflation. This seems unlikely to persist.

In closing, and on behalf of my colleagues here at Sigma, I want to extend our wishes to all for a happy, healthy holiday season and a New Year filled with blessings. We also wish to express our heartfelt appreciation for the privilege of serving as your Investment Advisors.

Robert M. Bilkie, Jr., CFA
CEO