



Overcoming fear and greed

David VanDusen, Senior Vice President – Investment Officer



There are two primary emotional forces that have driven stock prices through time – fear and greed. It goes without saying that the stock market selling off 30 percent in the last 30 days is being partially fueled by the fear component. We are all nervous about the COVID-19 virus...could we come down with this serious condition...could our family or our friends be subjected to it?

How is the de-socialization that is being required going to impact us? How long will we be homebound? These fears are causing some of the aggressive selling in order to raise cash.

There is the larger impact on our economy and those around the globe. The stock market had reached a very extended level, actually, after the longest bull market on record (2009-2020). Invariably something usually causes markets to readjust after they are over-extended. I am sure no one expected this to be a worldwide virus pandemic. Not only are investor's fears resulting in the relentless selling, pushing stock prices down dramatically, but also, the reevaluation of what the new price to earnings (P/E) ratios for stock valuations should be is likely playing a role.

This 30 percent decline in stock prices told us that the yardstick used to measure the valuation of stocks in early February is no longer going to be appropriate for the new economy. Investors

around the globe are trying to calculate what the impact of this virus will be on business conditions going forward. The deteriorating economy will have serious ramifications on corporate earnings and dividends and ultimately, impact future stock prices.

Many times, severe selling like we have seen in the last 30 days exceeds the future reality, and when there is a realization that conditions are not as bad as expected, markets retrace some of their previous sell off. Regardless of how the next few months play out for the stock market, I know that these conditions are most likely to improve as we go forward. In my career in the investment business, I witnessed major declines in 1974-76, 1987, 2000, and 2007-08. Each of these periods were scary and damaging to investors, both financially and psychologically. The bottom line is that stock prices recovered from these down periods. Putting this decline in some perspective, we can think about 2019, which was actually one of the best years ever for investors with the market advancing about 29 percent.

We are all reminded that we need to constantly review our risk tolerance and make sure that we have the proper mix of stocks, bonds, and cash so that we can weather these storms when they do appear. If you have questions, please call us and we will review your situation in detail with you. As the future unfolds, hopefully we can all stay positive and focus on the health of ourselves, our families, and friends, knowing that this ugly period will indeed pass.

A final thought – perhaps in some way this event may actually contain some positives such as bringing us all together and refocusing what we feel is important in our lives.



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Assisting our communities during the coronavirus event

The Wells Fargo Foundation has announced accelerated national and local giving of \$175 million to help address food, shelter, small business and housing stability issues and to support domestic and global public health response to the COVID-19 virus.

The philanthropic funding includes organizations such as Feeding America to support their more than 200 food banks; the CDC Foundation to meet emerging needs, including additional support for state and local health departments; and funding for the International Medical Corps for their work in 30-plus countries.

A majority of the funding will be allocated for local market response, including support for local public health authorities and addressing community-specific needs in the coming months.



Wells Fargo Investment Institute informs during crisis

Clients interested in staying informed on how the financial markets are being impacted by factors such as the coronavirus (COVID-19) may follow the Wells Fargo Investment Institute (WFII), where Wells Fargo strategists are providing insights on the events moving the markets and how investors may want to respond.

“The WFII has been posting regularly on this specific topic, keeping us apprised and interpreting conditions on Wall Street as they evolve,” said Managing Director – Investment Officer James Mayer. “Whether it’s the rapidly-changing conditions in capital markets around the globe, negative interest

rates or oil price declines, our team and our clients are relying on the WFII’s knowledge to navigate volatility in a time of crisis.”

See the latest insights from the Wells Fargo Investment Institute by visiting the website at www.wellsfargo.com/investment-institute.

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Upcoming Events

Retirement Planning Seminars

Five Questions You Should Ask Before You Retire

April 21, 6 – 9 p.m. at Steele Mansion Inn

April 22, 6 – 9 p.m. at The Lake House Inn

Understanding Social Security Benefits

May 19, 6 – 9 p.m. at Steele Mansion Inn

May 20, 6 – 9 p.m. at The Lake House Inn

Shred it Day client event

May 16, 2020

Our complimentary document shredding for clients will take place at our State Road offices.

Please contact Crystal Harrington at crystal.harrington@wfadvisors.com or 440-992-1515 for additional information.

Barron's Teams Summit helps enhance our service model

Managing Director – Investment Officer James Mayer returned from the *Barron's* Teams Summit, held at the Bellagio in Las Vegas, with valuable information to help our team better support clients and our practice. James had access to more than 30 different topics to learn from.

Speakers included three best-selling authors with tips on setting strategic vision, communicating with clients and personal leadership. There was best-practice sharing with other financial advisors. One of the highlights was a session with top model, mogul and media maven Tyra Banks.

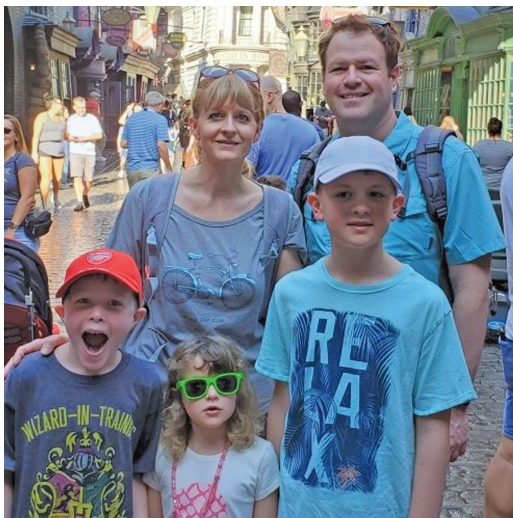
“The *Barron's* Teams Summit is a unique continuing education opportunity to make sure every role on our team is informed so that we continue to serve

our clients with current approaches to investment planning,” said James. “This year’s summit was well worth the time to attend.”



Mardi Gras event celebrates community leadership

LEADERship Ashtabula celebrated 31 years of civic engagement at their annual Mardi Gras Masquerade held at the Lodge at Geneva-on-the-Lake on Saturday, February 22. This annual fundraising event enables LEADERship Ashtabula County to provide scholarships to Youth LEADERship and Signature Program students and to collaborate with the community to empower leaders. Pictured at this year’s fundraiser are Devaron Chesnes and Ryan Richards, Financial Consultant.



Anderson family enjoys holiday travel

Financial Consultant Phil Anderson and his family traveled to Orlando, Florida in February. While there, they visited Walt Disney World, Universal Orlando Resort’s “Wizarding World of Harry Potter” and spent a lot of time swimming. A dream come true for their children but Phil admits a great time was had by all.

Engagements abound

Alexis Hassett, the daughter of Senior Client Associate Donna Hassett, recently announced her engagement to Gavin Heath. Alexis recently graduated from Kent State University. Gavin is a graduate of The Ohio State University.



First Vice President – Investment Officer Susan Paolo’s son, Nic, is engaged to fiancé Meghan. Nic proposed in front of the Bellagio Fountain, where he just happened to have a photographer standing by. Luckily, she said “Yes!”



Jacob Gilliland, son of Margie Gilliland, Senior Registered Client Associate, recently got engaged to Shelby Commander. Jacob is PFC in the U.S. Army stationed at Fort Campbell, Kentucky and his fiancé is studying for her degree to be a Dental Hygienist. They are planning a fall wedding.



Bridges of Ashtabula County

Our bridges are beloved but do you know very much about them? Here are a few fun trivia questions to test your familiarity with our iconic landmarks.

1. What is the most recent covered bridge built in Ashtabula County?
2. When were the very first bridges built?
3. Which is the longest bridge?

1. RiverView Pedestrian Bridge, which was built in 2016.
2. In 1867, the Mechanicsville and Windsor Mills bridges were built followed closely by the Root Road, Middle Road and Harpersfield bridges built in 1868.
3. The Smolen-Gulf bridge, which is the longest covered bridge in the United States, is 613 feet long and stands 93 feet above the Ashtabula River. Built in 2008, it has a clear width of 30 feet and height of 14 feet 6 inches, supports full legal load traffic and has a life expectancy of 100 years.

Wells Fargo Advisors, a proud supporter of Country Neighbor Recreation Center and associated food pantries, invites you to

Shred it and Forget it Saturday!

Help feed a family while you clear out your papers and help protect your identity with complimentary shredding, coffee and pastries. You'll also have the chance to make a voluntary check donation payable to Country Neighbor Recreation Center. A representative from Country Neighbor Recreation Center will be present to collect donations. All donations to Country Neighbor collected at our office will benefit food pantry services located in Ashtabula County.

When: Saturday, May 16, 2020 • 9 a.m. to noon

Where: Wells Fargo Advisors
3705 State Road • Ashtabula, OH 44004
440-992-1515

Huffman-Mayer-Paolo Wealth Management Group of Wells Fargo Advisors



Four Ways to Invest More Confidently in a Volatile Market



Tracie McMillion

When financial markets fluctuate, even the calmest investors can start to question their financial strategies. But volatile markets can present opportunities, says Tracie McMillion, head of global asset allocation strategy for Wells Fargo Investment Institute (WFII).

“Financial markets are frequently volatile—that’s their nature,” she says. “Over longer periods of time, that volatility can add up to attractive portfolio growth.”

McMillion shares an analogy that compares this worry to seasickness: “If you stare at the waves directly ahead of you (the current financial market), the water may look bumpy and turbulent, and you might feel ill at ease. However, if you look outward at the horizon (your long-term investment goals), the ocean as a whole appears to be on a fairly even keel.”

In addition to focusing on your financial horizon, here are some strategies you can use to help weather economically turbulent times.

1. Match your investments to your time horizon.

The simplest way to feel more comfortable about your investments is to align them with your financial calendar, no matter what happens in the financial world this month or year. For example, do you need some of your money fairly soon, or want it close at hand in case of an emergency? If so, McMillion says consider investments such as cash holdings and short-term bonds that shouldn’t lose much value over the short term.

On the other hand, if you won’t need some of your investment money until you retire multiple years in the future, equities or longer-term bonds are worth a closer look. Those investments carry more risks but also offer potentially better returns.

2. Know what to expect from your assets.

Some investors lose confidence because they don’t fully understand how their investments work. In that case, McMillion says, some knowledge of typical asset behavior is a good thing.

Consider reading up on different types of investments and asking questions of your financial advisor. Once you know how your investments are more likely to perform in certain financial markets, you can help ensure that your investment strategy is in line with your tolerance for risk.

3. Tune out the noise.

By “noise” McMillion means the constant barrage of financial reports from the 24/7 news media. “It’s common for the financial markets to temporarily get a little bit messy as they sort through the current news cycle,” she says.

However, investors usually don’t need to react to the everyday financial news, no matter how topsy-turvy things may seem. “Remember: The U.S. news tends to report on a very small slice of available investments, particularly U.S. large company stocks,” she says. “Your portfolio, if it’s diversified as it should be, probably isn’t going up and down to the same degree as these stocks. Your portfolio changes are probably much more moderate.”

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4. Regularly revisit your plan. There's no such thing as a completely set-it-and-forget-it investment strategy, McMillion says. It's always smart to check in regularly with your investment advisor. "Your life circumstances may change, or your financial goals could shift," she says. "You'll feel much more confident that your investments are doing their job if you review them regularly with your advisor."

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To our valued clients:

We wish each of you and your families' strength and safety during these uncharted times. While we are all doing our part to get through this event, we recognize that we will eventually emerge on the other side, even stronger than before.

At times like this, communication is more important than ever, particularly regarding how the financial markets are being impacted by COVID-19. We continue to have a presence in our office on State Street. If you have any questions or concerns regarding your retirement investment plans, please know that we are standing by to respond.

I believe that Wells Fargo Advisors is the right place for you and our team due to its strength and depth of resources. The firm's response to this crisis has only reinforced my confidence. In the meantime, I've never been more grateful for the relationships we share with each of you. I hope you and your family stay well.

Sincerely,

James Mayer
Managing Director – Investment Officer;
Branch Manager

3705 State Road, Suite 100
Ashtabula, OH 44004



L-R: Managing Director - Investment Officer Dan Huffman, Senior Vice President - Investment Officer Dave VanDusen, Client Associate Crystal Harrington, Senior Registered Client Associate Margaret Gilliland, Assistant Vice President - Investment Officer Ryan Richards, First Vice President - Investment Officer Susan Paolo, Managing Director - Investment Officer James Mayer, Senior Client Associate Patricia Simpson-Whitney, Assistant Vice President - Investment Officer Phillip Anderson and Senior Client Associate Donna Hassett

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