

INVESTMENT UPDATE

PLEASE JOIN US FOR...

NAVIGATING TURBULENT FINANCIAL MARKETS

An Unplugged Conversation Featuring Apollo Lupescu, PhD

Join us in *Pensacola* or *Tampa* for an unplugged conversation offering a look into the current investment climate with Apollo Lupescu, PhD, Vice President at [Dimensional Fund Advisors](#). Learn about the top-of-mind investor issues and hear from our senior investment professionals as they offer their perspectives on navigating them. Apollo D. Lupescu, PhD is a highly regarded speaker from Dimensional Fund Advisors, a premier global investment firm managing over \$550 billion in assets for institutional investors and clients of select financial advisors. Apollo has the unique ability to convey the technical aspects of investing in a manner that is understandable and relatable to investors with various levels of financial acumen. **Breakfast/check-in begin at 9:00 am; presentation at 9:30 am.**

PENSACOLA

Tuesday, September 26th
9:00 AM - 10:30 AM (CST)

Pensacola Country Club
1500 Bayshore Dr., Pensacola, FL 32507

Hosted by Mark Hemby, CFA®

TAMPA

Wednesday, September 27th
9:00 AM - 10:30 AM (EST)

University Club of Tampa
201 N. Franklin St., 38th Floor, Tampa, FL 33602

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ABOUT THE GUEST SPEAKER:

APOLLO LUPESCU, PHD

Vice President, Dimensional Fund Advisors

Apollo Lupescu is a Vice President at Dimensional Fund Advisors, where he started in 2004 after finishing his PhD in economics and finance at the University of California, Santa Barbara. During his tenure at the firm, Apollo has gained experience in a wide variety of practical subject matters. He was part of the Dimensional Investment Strategies group, worked directly with financial advisors in the Northeast area to assist in the development of their business, managed the internal Client Services team that provides broad analytical support, and then oversaw the firm's national advisor retirement business. He is currently Dimensional's "secretary of explaining stuff." In this role, he frequently presents around the country and the world at financial advisor professional conferences and individual investor events. Prior to joining Dimensional, Apollo had his own consulting firm, which provided services to the US Department of State and the White House on a variety of projects.



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PRACTICING HEALTHY HABITS, PURSUING WEALTHY OUTCOMES

BY DAVID BOOTH, FOUNDER & CHAIRMAN, DIMENSIONAL FUND ADVISORS | AUG. 11, 2023

Investing and health can be two of the most important things in life, but sometimes they also can be the most confusing. There's so much data and advice, so many articles—and unfortunately, they often don't agree.

So, I wasn't surprised to see that one of the bestselling books of the year is physician Peter Attia's *Outlive: The Science & Art of Longevity*, which looks at recent scientific research on aging to explore strategies for not only living longer but also living healthier. I was struck by the parallels between how he talks about health and how we at Dimensional think about investing.

Here are some of his main observations about health:

- There's no one-size-fits-all solution.
- There are no quick fixes.
- It's better to prevent problems than find yourself in the position of having to fix them.

I've been making similar points about investing for decades. Specifically:

- There's no one-size-fits-all investment solution because different investors have different goals and risk tolerances. I believe that the best investment plan is the one a person can stick with.
- There are no quick fixes in investing. This is for two reasons: First, although the US market has returned, on average, about 10% a year, it rarely does that in any given year.¹ (Usually, it's much higher or much lower.) Second, to take advantage of the miracle of compounding, an investor needs time. Good investing, like good health, requires long-term discipline and commitment.
- Investors can be proactive about how they approach investing by making peace with uncertainty, building smart portfolios, and developing a plan that accounts for a wide range of outcomes.

I'm also struck by the way Attia describes his role as a physician, which feels similar to the way good [financial advisors](#) approach their work. He sees himself as a “translator” who wants to help people understand what medical advances mean to them as individuals. That process is rooted in science, but there's an art to applying it differently for each individual patient. There's an art to implementing financial science, as well.

HAVING A HEALTHY “WEALTH SPAN” IS ABOUT MORE THAN ACCUMULATING MONEY.

For decades, Dimensional has worked closely with financial professionals to help translate financial science. Investors benefit from understanding their investment decisions and what they should expect over their [L.I.F.E.](#) (Lifetime Integrated Financial Experience).

We should want to make the best-informed decisions about our health while recognizing that outcomes are uncertain. It's the same with investing. Attia sees the goal of medicine as prolonging not only our life span but also our “health span” so that we're in the best shape to enjoy doing what matters most to us. At Dimensional, we want investors to have a good investment experience so they can use their savings to lead the lives they want to live while feeling safe along the way. Having a healthy “wealth span” is about more than accumulating money—it's about maximizing L.I.F.E.

Attia calls his approach “Medicine 3.0.” Medicine 3.0 emphasizes prevention over treatment, treats each patient as a unique individual, and focuses not just on surviving but thriving. Medicine 3.0 represents an evolution over Medicine 1.0, which centers on crisis management, and Medicine 2.0, which incorporates scientific advances but not enough emphasis on holistic, personalized care.

Borrowing that framework, you can think of Dimensional as Investing 3.0. Investing 1.0 is active management. Investing 2.0 is indexing. And Investing 3.0 draws on both and improves on each: using flexible implementation to lower costs, tilting portfolios to emphasize historical drivers of higher expected returns, and offering clients tailored solutions to help them pursue their financial goals. At Dimensional, we've been applying rigorously tested financial science—grounded in academic research and proven in the real world—for over 40 years.

Helping people change how they approach their health is important work, but to me the work we do at Dimensional is just as important. In a sense, we're pursuing a common goal: empowering individuals to make informed choices so that they can lead healthier, wealthier lives. By recognizing the importance of prevention and individually tailored strategies, we can help lay the foundation for a future where individuals not only survive but thrive—in all aspects of life.

1. In US dollars. Based on S&P 500 index annual returns, 1926–2022. S&P data © 2023 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio.



NAVIGATING A TURBULENT STOCK MARKET A LOOK AT 2009 - 2019 VERSUS TODAY

BY CHRIS STENNETT, CFP®, SENIOR FINANCIAL ADVISOR, SALTMARSH FINANCIAL ADVISORS | SEPT. 13, 2023

Investing offers individuals the opportunity to achieve their goals, whether they seek short-term gains or long-term wealth accumulation. Over the past decade, the landscape of investing has witnessed significant shifts, presenting unique challenges to investors. Comparing the challenges faced by investors today to those of the period between 2009 and 2019 reveals a dynamic and evolving environment.

MARKET UNCERTAINTY AND GLOBAL EVENTS

2009 came on the heels of the Great Financial Crisis. Though investors felt ripples from the crisis well into the 2010s, the last decade has been characterized by its exceptional stock market returns (577.95%, or 14.11% per year. The returns for the last 3.5 years look like this: 18.4%, 28.7%, -18.2% and 2023 is up 15.95% YTD as of the date of this writing. Both periods have witnessed their fair share of economic and geopolitical uncertainties. However, recent global events like the COVID-19 pandemic have demonstrated how quickly markets can react to unexpected shocks. The interconnectedness of economies in today's globalized world means that events in one region can have cascading effects, making it difficult for investors to predict market movements.

INFORMATION OVERLOAD

The era from 2009 to 2019 was marked by an explosion of online financial information sources. However, the present day takes information overload to a new level. Social media platforms and online sources disseminate news, opinions, and rumors at an unprecedented speed. This constant stream of information can lead to knee-jerk reactions. It can be a challenge to separate valuable insights from noise. Added to that, many professional investment managers use AI-driven algorithms to scour social platforms and news outlets, analyzing sentiments to predict market movements. This flood of data can lead to market turbulence, as swift AI-driven decisions amplify market volatility.

INTEREST RATE SWINGS

The period from 2009 to 2019 was also characterized by historically low interest rates, prompting investors to seek higher returns in the stock market. Bond investors have not benefited from holding low-interest-paying investments. However, in 2022, interest rates shot up. Traditional fixed-income investments have a lot of catching up to do to recover from the 2022 downturn and the previous decade of low yields. Going forward, investors might see more interest income from their portfolio, but also see higher interest rates on all new financing purchases.

TECHNOLOGICAL ADVANCEMENTS

In the past decade, technological advancements have transformed the way investors access and interact with the stock market. The rise of mobile trading apps, algorithmic trading, and high-frequency trading has democratized investing

but also introduced complexities. The incorporation of Artificial Intelligence and machine learning into stock trading has reshaped the investment landscape. Today's investors grapple with AI-powered trading algorithms that execute trades within microseconds. This phenomenon has introduced a layer of complexity, as traditional investors navigate the fine balance between human intuition and machine-driven decisions. Investors now contend with increased market volatility due to algorithmic trading's lightning-fast actions, requiring them to adapt to rapidly changing conditions.

The investing landscape has evolved considerably in just the past 15 years. Technological advancements, information overload, market uncertainty, low interest rates, and changing investor priorities have combined to create a dynamic and multifaceted investment environment. To succeed in today's market, investors must adapt, stay informed, and develop strategies that encompass these contemporary challenges. For individuals who prefer to handle their own investment management and financial planning, it starts with education. For individuals who prefer to let a professional handle the planning, we recommend meeting with a Financial Advisor.

We are excited to invite you to our upcoming event featuring Dr. Apollo Lupescu of Dimensional Fund Advisors at the end of September! Dr. Lupescu has compelling insights about navigating the modern investment world. View event details below and on the front page!

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NEW IRS GUIDANCE ON SECURE 2.0 PROVISION

On August 25, 2023, the IRS announced a two-year delay in the implementation of a SECURE Act 2.0 provision which requires individuals age 50 and up with over \$145,000 in prior year income to designate catch-up contributions to their employer-sponsored retirement plan as Roth contributions. This provision will now take effect on January 1, 2026. It also confirmed that catch-up contributions are available for tax years after December 31, 2023.

SALTMARSH HONORED AMONG 2023 BEST FIRMS TO WORK FOR & TOP 200 U.S. ACCOUNTING FIRMS

We are pleased to share recent firm accolades, which include being named one of *Accounting Today's* 2023 Best Firms to Work For and a Top 200 U.S. Accounting Firm by *INSIDE Public Accounting!* *Accounting Today's* 18th annual recognition surveys employees from their perspective and examines an accounting firm's practices, programs and benefits. It showcases firms that stand out from the norm and provide outstanding quality workplaces for their employees. This recognition comes alongside the firm's ranking as one of the Top 200 U.S. Accounting Firms by *INSIDE Public Accounting.* This annual analysis of performance metrics comes from a pool of 600 accounting firms ranging in size from multi-billion-dollar to firms with roughly \$5 million in revenue.

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2023 Best Firms
to Work For

INSIDE
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TOP 200
FIRMS
2023

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