



***When You Come To A Fork  
In The Road...***

***In A Changing Environment,  
Your Needs Don't Change***



***Even the wisdom of the  
ages shifts on occasion***

# Recent Changes in Our Lives



*Change comes slow,  
or fast,  
can be obvious  
or glacial,  
and it happens  
everywhere.  
When we are  
watching for it  
and  
when we are not.*



# This Became



# This



# Who's The Boss?



# Remember Way Back When...?



# Then A Shift Began...

**BELLSOUTH** Customer Support

- Can't Send/Receive Email
- Username / Password not Correct
- Can't Create New Password
- Can't Recover Old Password
- Can't Locate Problem
- BellSouth Email Account Hacked

**mail2web**  
WEB E-MAIL

WebMail Login  
Login to E-mail Here

Your Email Address  
PASSWORD  
LOGIN

Advanced Login | Standard Login

Mobile email from mail2web.com

Simple setup. Always on Service. 24/7. In  
English, Spanish, French, German, Italian, Japanese, Korean, Portuguese, Russian, Thai, Vietnamese, and Chinese.

Your emails, contacts and tasks are fully synchronized with mobile devices such as Apple iPhone, BlackBerry, Palm, Treo™ or Exchange Server using our Exchange™ email sync or the Exchange server or your data sync.

**mail2web Mobile Email features**

you've got mail!

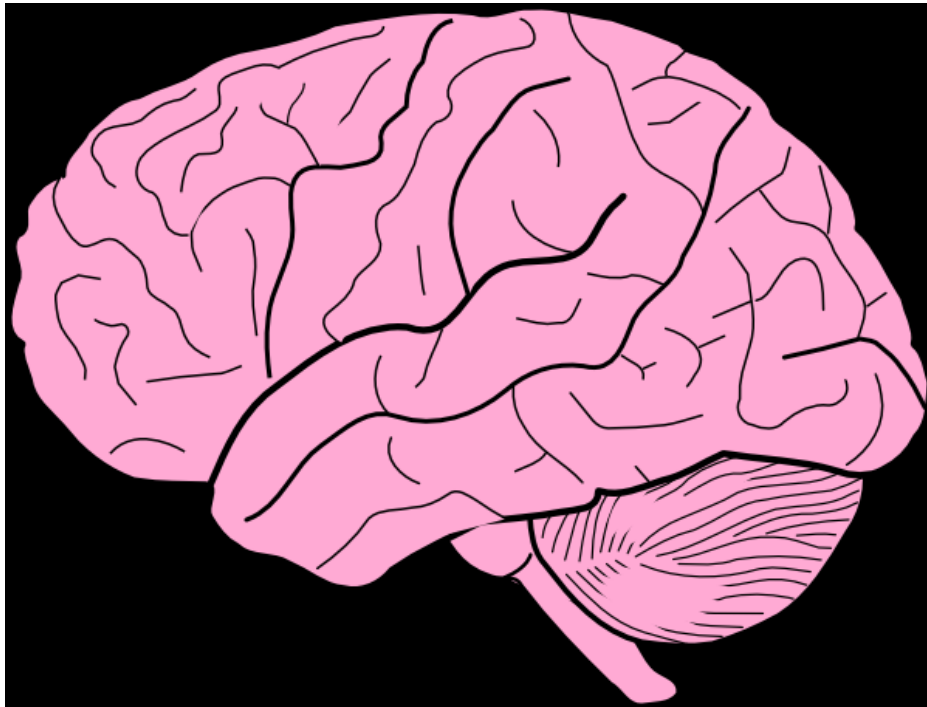




# Hmmm...maybe more change than we planned



# Maybe This Is How You Feel Now?



# Technology Improves Efficiency



“It’s very important that you try very, very hard to remember where you electronically transferred Mommy and Daddy’s assets.”

**But has NOT eliminated Unintended Consequences**

# The World Is Simply a Different Place



# Our Nation and Planet

## 1980

*Population of Earth: 4.4 Billion*

*Top Oil Producer: Saudi Arabia, 10.3 million barrels/day*

*US Exports (Goods/Services): \$392 Billion*

*Nations With Legal Trade Agreements in Place: 50*

## 2019

*Population of Earth: 7.7 billion (Thanks, Asia!)*

*Top Oil Producer: USA, 11.9 million barrels/day*

*US Exports (Goods/Services): \$2.2+ Trillion*

*Nations With Legal Trade Agreements in Place: 250+*

# Stock Exchanges Have Certainly Changed



# Let's stop and consider what HASN'T changed?



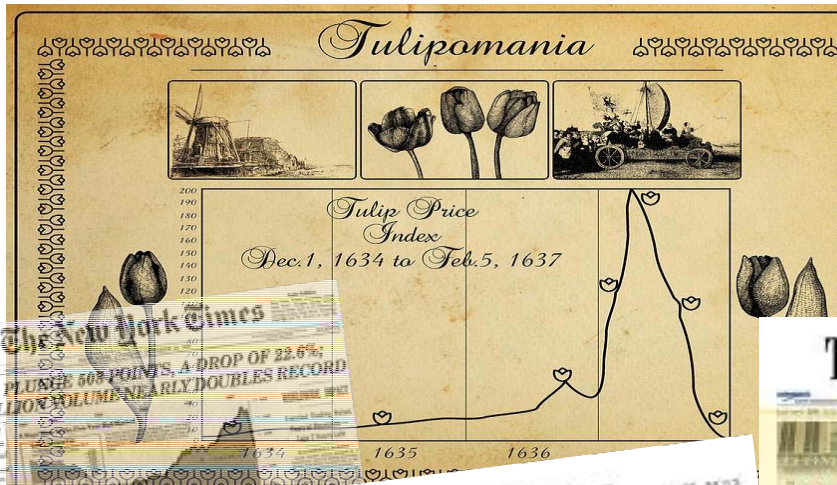
*Still have 24 hours in a day. And 7 days in a week.  
Cannot buy an extra day of the week to help with our  
busy lives!*



*People are people. **Human nature** has not changed  
much in 1,000 years. Humans regularly demonstrate  
unexpected behaviors, personal, political, or economic.  
They are **unpredictable**.*

*Speaking of economic...and unpredictable....*

# Volatility is Here To Stay



**STOCKS PLUNGE 508 POINTS, A DROP OF 23.6%; 604 MILLION VOLUME NEARLY DOUBLES RECORD**

**WALL ST. IN PANIC AS STOCKS CRASH**  
*Attempt Made to Kill Italy's Crown Prince*

**Hollywood Fire Destroys Films Worth Millions**

**High Duty Group Gave \$700,000 to Coolidge Drive**

**CRISIS ON WALL STREET AS LEHMAN TOTTERS, MERRILL SEEKS BUYER, AIG HUNTS FOR CASH**

**Ultimatum By Paulson Sparked**

## THE WALL STREET JOURNAL

TUESDAY, SEPTEMBER 30, 2008 - VOL. CCLII NO. 77

BAI 1206.45 ▼ 777.68 -7.25 NASDAQ 2943.71 ▼ 9.25 NYSE 11743.42 ▼ 1.25 DJ STOCK 50 2588.72 ▼ 4.01 10-YR TREAS 4.12 1/2% 04/19/32 148.00 06/19/37 150.12 GOLD 1088.20 ▲ 55.10 EURO 1.4442 YEN 104.29

### Bailout Plan Rejected, Markets Plunge, Forcing New Scramble to Solve Crisis





# More Recent Examples

Inflation & Interest Rates Jitters  
Feb 5 & 8, 2018

**Dow off 1,175 & 1,033 points**



Debt Ceiling  
Congressional Vote &  
Downgrade of US Debt  
August 8, 2011

**Dow down 635 in a day**

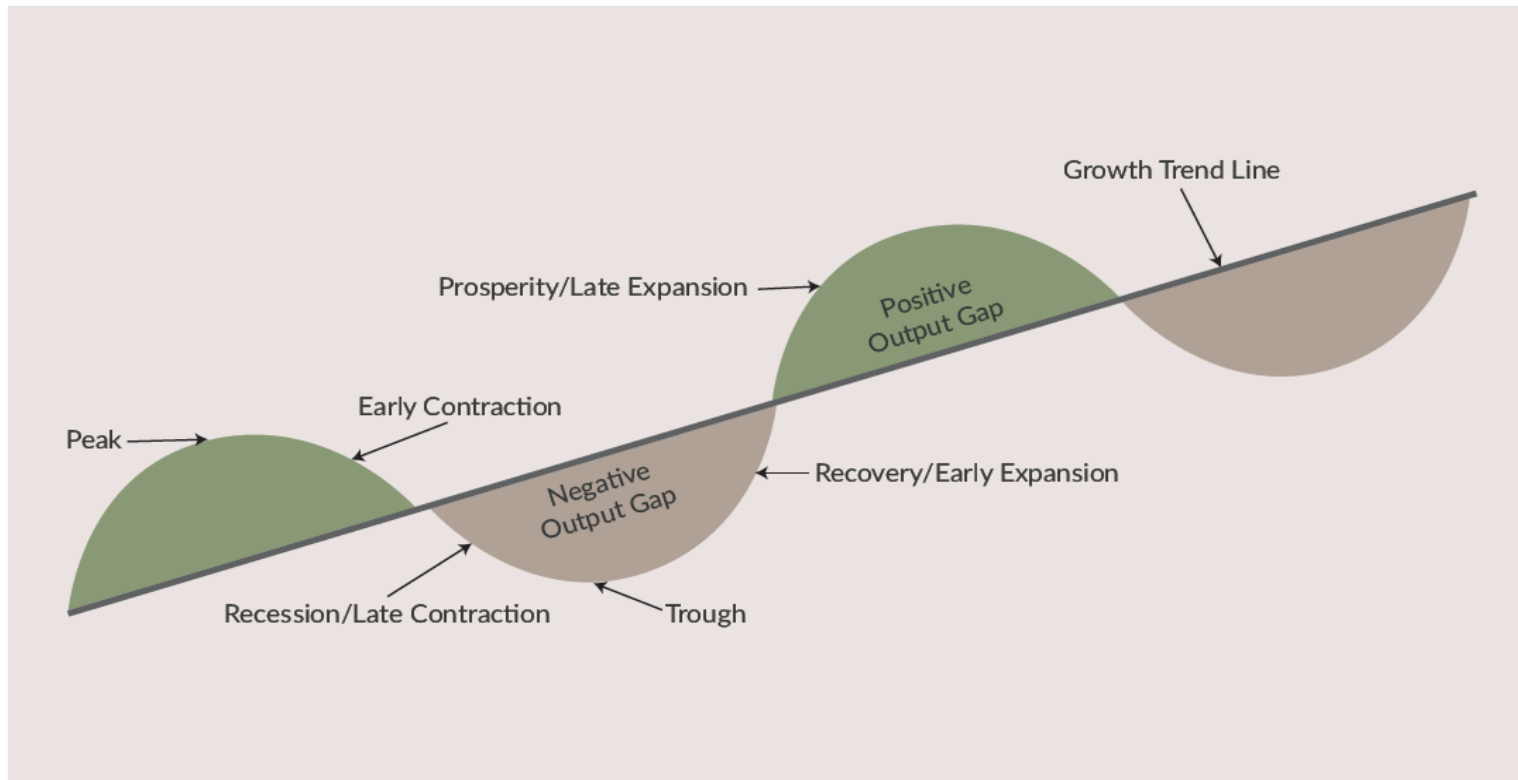
Recent Presidential Election  
November 9, 2016

**Down 800 points before  
opening & ended up 250+  
points**

Brexit Vote - Britain exits EU  
June 25-27, 2016

**Dow off nearly 900 points**

# Why? Because The Typical Economic Cycle Has Not Changed



# That Volatility Means . . . .



"I meant everything I said last night, especially the part about how diversifying your equity portfolio allows you to participate in growth potential."



"I'm not going to kid you, it's a volatile market."



"My broker says don't panic, I'm still young enough to recoup my losses."

The stock market is still less volatile than most of my romantic relationships.

A black and white cartoon illustration of a woman in a dress slapping a man in a suit across the face. The man has a pained expression. The background is a solid light blue color.



***So the World Keeps Changing...  
How Do Investors Keep Up?  
Same as Ever.  
Use a Tool Kit. Have a Plan.***

# The Environment Shapes Your Plan

*In 1980...*

*S&P 500 Market Cap: \$925 Billion*

*Highest Capitalization: IBM - \$39 Bil.*



*...And In 2019*

*S&P 500 Market Cap: ~\$25 Trillion*

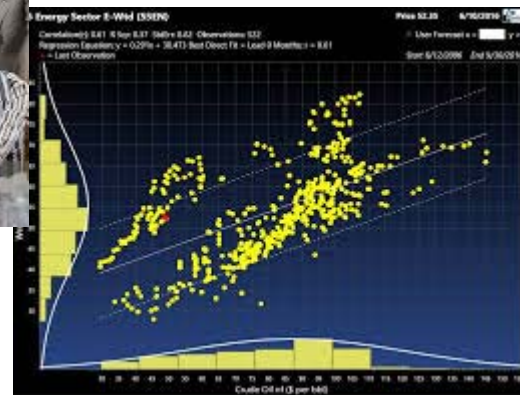
*Highest Capitalization: Microsoft - \$897 Bil.*



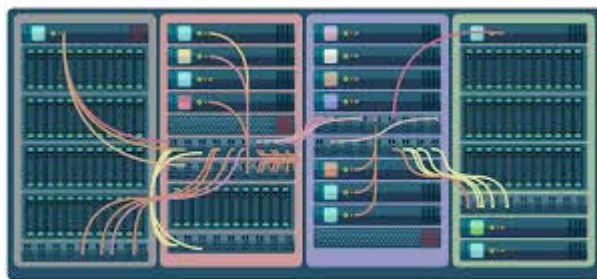
# And the Tools Available



# ...Today's Tools Are "All Digital All the Time"



Company	Value	Change
Apple Inc.	150.00	+2.50
Microsoft Corp.	120.00	+1.00
Amazon.com Inc.	80.00	+1.50
Google Inc.	100.00	+3.00
Facebook Inc.	60.00	+0.50
Twitter Inc.	40.00	+0.20
LinkedIn Corp.	30.00	+0.10
Dropbox Inc.	20.00	+0.50
Slack Inc.	15.00	+0.30
Zoom Video Communications Inc.	10.00	+0.20



# Other Important Changes

## 1980

*2-3 TV Shows, lasting 30-60 minutes*

*Written media consisted of a few newspapers and magazines*

*Gathering Data and Computing Research costs Time & Money*

*Manipulating Data Takes Time & Expertise*

*5,000 Publicly Traded Companies*

*100 Mutual Funds*

*Exchange Traded Funds do yet not exist*

*Trading is Mostly American, with Slight Foreign Presence*

*Hedge Funds are Uncommon and Usually Called Partnerships*

*Main Market Strategy: Long Term Focus / Buy & Hold*



# And Today?

## 2019

*Many Business/Investor TV Stations, 24/7 programming*

*All written media is anchored by a website*

*Real Time Updates to Research*

*Manipulating Data is a Given, Handled by Software*

*3,600 Publicly Traded Companies*

*5,000 Mutual Funds*

*1,800 Exchange Traded Funds*

*Trading Includes a Global Customer Base*

*10-15,000 Hedge Funds*

*Main Market Strategy: 70% of Trading now Algorithmic (in USA)*

# Why Did This Happen?

- 1) ***Global Markets Opened***
- 2) ***Scale Is The New Strategy***
- 3) ***Technology Now Drives Decisions  
and Products***

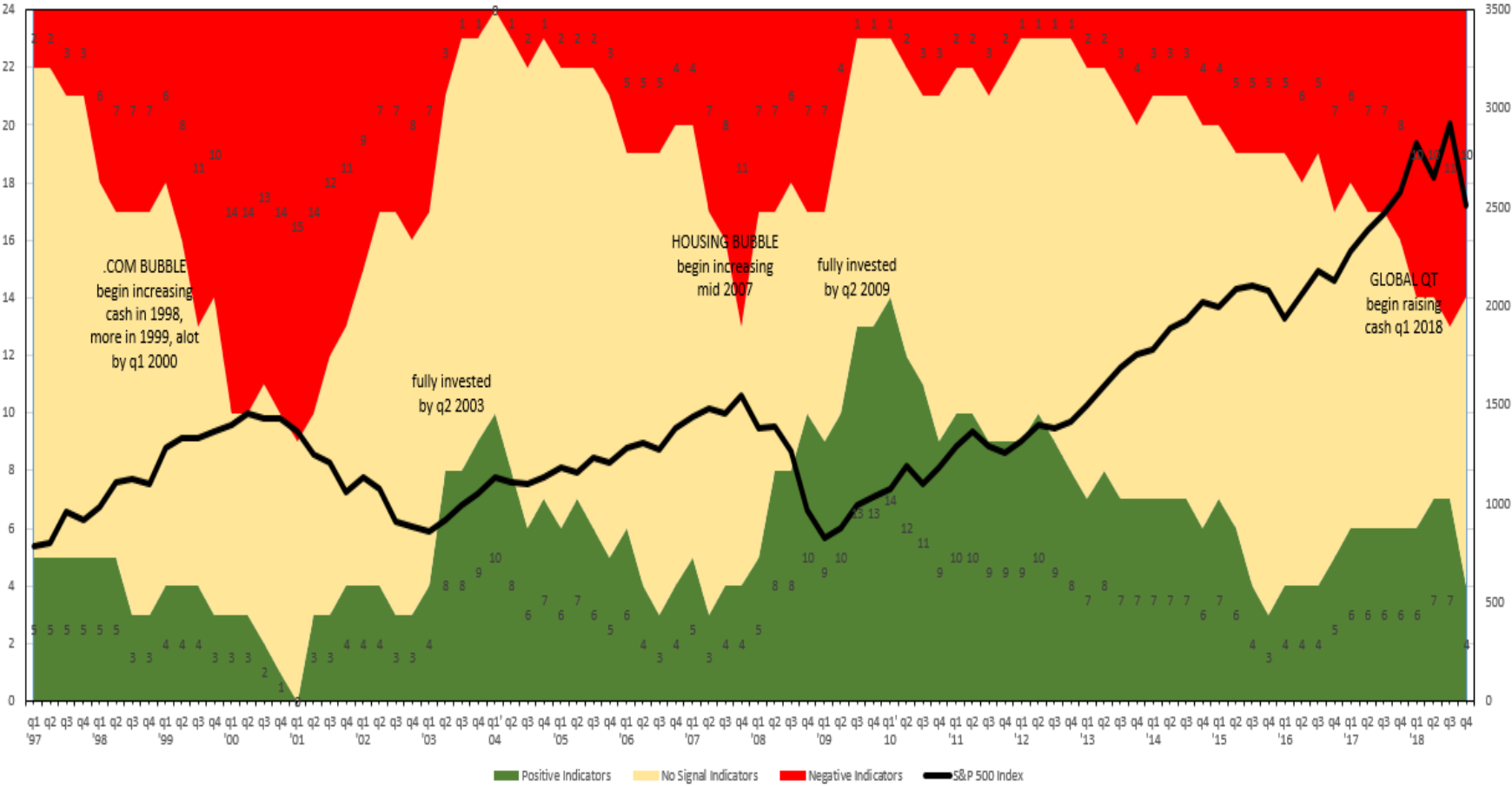
**TECHNOLOGY** is the biggest driver of change, and affects how we look at investing. The ability to “slice and dice” information in infinite ways means an investor can look at ANY specific **metric or condition** that was not always measurable or even available.

# What Is Considered in Investment Research?

- *Market Performance*
- *Corporate Cash Flows*
- *Corporate Debt Coverage*
- *Consumer Spending*
- *Fixed Income Ownership*
- *Capacity Utilization*
- *Bubbles/Excess*
- *Banks willingness to lend*
- *Credit Delinquencies*
- *Labor Participation Rate*
- *Capital Expenditures*
- *Consumer Leverage*
- *Future Earnings Expectations*
- *Earnings Estimates*
- *Product Costs*
- *Wage Inflation*
- *Corporate Profit margins*
- *Interest Rates*
- *Global banks tightening*
- *Money Supply*
- *PMI's/ISM's*
- *Tax Cuts*
- *Housing*
- *Fed moves (raise, lower, hold)*
- *Inventories*
- *Corporate Leverage*
- *CEO Confidence Surveys*
- *Emerging Markets (China)*
- *Eurozone*
- *Stock Prices*
- *The U.S. Dollar*
- *Earnings*
- *Unemployment*
- *Globalization*
- *Inflation*
- *Oil*
- *Auto Sales*
- *Savings Rates*

**AND MUCH MORE**

# Bringing It All Together...



# How Does All This Relate To You?



*“It is best to ride  
the horse you are  
on in the direction  
it is going.”*

*-Tony Montag*



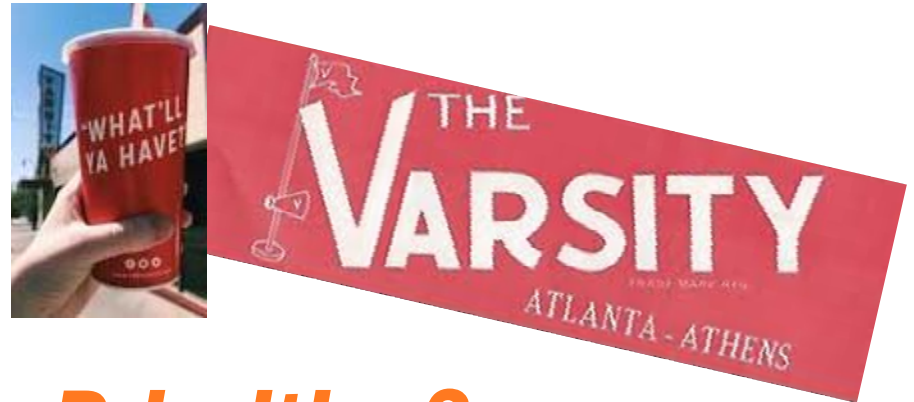
**“When You Come to the Fork in the Road, Take It!”**

**-Yogi Berra**

**The World and Toolkit Have Changed, But One Important Thing Has Not Changed...**

***Your  
Needs.***

**So “What’ll Ya Have?”**



## **What Are Your Priorities?**

***Competitive Return***

***Downside Protection***

***Diversification***

***Tax Sensitivity***

***Income Needs***

***Risk Management***

***Foreign Exposure***

***Existing Obligations***

***Liquidity/Flexibility***

***Emotional Connection***

***Inflation Protection***

***Education***

***Younger Generation***

***Philanthropy***

***Personalization***

***Independence***

***Time Mgmt/Efficiency***

***Privacy/Security***

***Family/Individual Focus***

***Coordinate with others***

***Simplicity***



***QUESTIONS?***





**MONTAG**

