

# the SGROI FINANCIAL

NEWSLETTER

## Well, That was Interesting

**2022** will go down as a year to remember. There is an old saying “May you live in interesting times” which was thought to be an ancient Chinese curse. In reality it was not ancient or Chinese but regardless of its origin it certainly applied last year. We started the year with another COVID spike, then came the Russia-Ukraine war and oh, by the way, the stock and bond markets plummeted with major bouts of volatility.

So as we reflect back on last year we ask ourselves what we learned? We have been through a number of bear markets and this one is the 8th since 1980. When it comes to stocks these are to be expected and are necessary for markets to function properly. Typically, bonds will provide diversification and will soften the blow during these times. As we all know that isn't

what happened this time as we also saw the first bear market in bonds since 1982 which was brought on by the Fed's aggressive interest rate hikes. So again, what did we learn? We learned what we already knew. It is best to stay invested during all of these ups and downs. It is about time in the market not timing the market. If you were to know when to get out, which is nearly impossible to time correctly, nobody is going to waive the all clear flag on when to get back in. The bulk of the returns when the market rebounds come early on in the recovery process. Although we remain cautious we are hopeful the worst is behind us as we are starting to see some green shoots here and there.

As we close this letter we wanted to share two important bits of news. First we want to recognize and congratulate

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