



4th QUARTER 2021

January 3, 2022

Dear Friends and Financial Advisor Clients:

Well, we have made it through an extraordinarily trying year. And, as investors, we generally fared better than we might have expected – which is a good thing. Of course, we now need to look ahead. But, instead of performing a technical review of where we stand and what may be yet to come, let's do something different that may be more important to your success as investors.

Let's face it, if we analyze price/earnings ratios, interest rates, trade deficits and industry trends, everybody gets to have an opinion on the data ranging from highly optimistic to dark and gloomy. Such varied outlooks will certainly be the case right now. And admittedly, in reality, data does matter, as does an understanding of how different factors could impact us moving forward. But in order to make sure we don't get "lost" in all the analysis, let's just ask a simple question: Why is it that over time financial markets have somehow managed to keep finding their way to new heights?

Think for a moment about your own personal situation, particularly over the past couple of years. Did your lifestyle, activities, spending choices or plans go as expected? Or did they change, because of a pandemic? And did the pandemic affect your health, how you socialized, your employment, basically how you lived every single day? Of course, it did. You acted as was necessary to get through this chapter which is not over. And neither is your work dealing with it.

Well, guess what. Even though we sometimes think of corporations as these non-human entities that just function for their own benefit, the truth is, they are made up by, operated by and intended to serve people. Each one of them has a purpose to provide a good or a service that some of us in fact need for our lives. When we work as employees, we perform a service to get paid and provide for our families. In turn, corporations strive to create value, hopefully take care of their workers and they adapt, just like you, to changing times and circumstances to face any challenges of the day. They prepare for what's coming next and carry on, just like you.

When you look across a dinner table at family members or loved ones and sort out what you may have to do to navigate what's ahead, have no doubt, management teams at businesses are doing the very same thing. And unlike a single family with a whole host of responsibilities on their plates, large businesses have specialists and teams dedicated literally to just one single department or area of what needs to be done. And that's why well managed businesses succeed, adapt and tend to flourish over time. When you understand that free markets, with the environment they support for creative decision-making, adaptability to changing times and the benefit of teams of professionals working together on a common goal, you get a sense of recognition that our system, flaws and all, is extraordinary.

If you see the system for what it is, you will more likely find comfort that whatever comes next, just like in your own personal lives, decisions will be made, adjustments will occur and a thoughtful navigation of whatever the heck comes next will continuously be underway.

We are so honored to be part of your navigation. We are here. And just like you and so many businesses, we are facing each day with determination to make the most of it.

Happy New Year and Best Wishes to you all,



Jeffrey C. Vahanian, CFP®
President

*Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Vahanian & Associates Financial Planning Inc. (“Vahanian”), or any non-investment related content, made reference to directly or indirectly in this newsletter will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this newsletter serves as the receipt of, or as a substitute for, personalized investment advice from Vahanian. Please remember to contact Vahanian, **in writing**, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services. Vahanian is neither a law firm nor a certified public accounting firm and no portion of the newsletter content should be construed as legal or accounting advice. A copy of the Vahanian’s current written disclosure Brochure discussing our advisory services and fees continues to remain available upon request.*

An Index is a portfolio of specific securities (common examples are the S&P, DJIA, NASDAQ), the performance of which is often used as a benchmark in judging the relative performance of certain asset classes. Indexes are unmanaged portfolios and investors cannot invest directly in an index. Past performance is not indicative of future results.

The views expressed are not necessarily the opinion of Royal Alliance Associates, Inc.