



ALTIUS
FINANCIAL

EMPOWERED FUTURE REPORT

SHORT-TERM THOUGHTS ABOUT LONG-TERM MATTERS

January 3rd, 2024

ALTIUS Turns a Quarter Century in 2024!



We are thrilled to announce a significant milestone in the journey of ALTIUS Financial – later this year marks our 25th Anniversary! The journey that began in 1999 with a vision of creating a focused team of experts who take a personalized approach to each client. I wanted a family-like atmosphere where we develop and nurture strong, lasting relationships and learn about what matters most to our clients. I wanted to have our clients know who answers the phone, who completes their transactions, who is accountable for the advice and for the investment decisions. As you know, I also named the company ALTIUS (Greek for altitude or higher) to remind us to always aspire toward higher levels of professionalism, integrity, service, and performance for you.

It has gone by quickly and it's rewarding to say we've got a firm that was created in the last century! It's even more rewarding to see the results we've achieved toward that vision. With our combined 55-plus years in the business, ALTIUS is very experienced, and has a solid record of which we are proud. Your trust and support have been the driving forces behind our achievements, and we are profoundly grateful for your continued belief in us.

As we reflect on these past accomplishments, we also look forward to the future with renewed enthusiasm. Our commitment to excellence remains unwavering, and we are excited about the new opportunities and challenges that lie ahead. To celebrate this momentous occasion, we have some exciting events and initiatives planned throughout the year, which we will be sharing with you over the coming months. These celebrations are not so much about our past achievements but more about you, who have been the integral part of our journey, and your future. We are also continuing to work on our growth, continuity and succession plans and may have more announcements later in the year.

Thank you for being with us every step of the way. Here's to celebrating the past, embracing the present, and eagerly anticipating the future! We would love to see you celebrate with us at ALTIUS' 25th Anniversary Party this September. More details to come!

Quote of the Day:

**"Whatever you can do, or
dream you can, begin it.
Boldness has genius,
power, and magic in it.
Begin it now."**

– Johann Wolfgang von
Goethe

2024 ALTIUS EVENTS

Quarter 1 —

March 20th – Q1 In Person
Workshop at ALTIUS

Quarter 2

June 5th – Q2 Virtual
Workshop on Zoom

Quarter 3

August 14th – Q3 Virtual
Workshop on Zoom

September 10th – 25th
Anniversary & Client
Appreciation Event

Quarter 4

December 4th – Annual
Holiday Client Event

TAKE A LOOK INSIDE

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HAPPY NEW YEAR!

A Necessary Pivot?

One of Wall Street's maxims is "don't fight the fed," meaning that if the Federal Reserve is accommodative, or keeping interest rates low, or having "easy" or "loose" policy, then you should be aggressive. Conversely, if the Fed is restricting the money supply with higher rates, "tightening" so to speak, then you should be conservative. Jerome Powell, head of the Fed, seems to have pivoted in late October and many investors are expecting rate cuts next year. After previously insisting that the central bankers were not contemplating rate cuts, Powell, within a couple of weeks, flip-flopped. Hence the extraordinarily strong stock market since then.

The US economy has exceeded virtually everyone's (including my own) expectations for this year. Economic growth looks to come in positive in the high 2%/low 3% range rather than experiencing a contraction/recession. Unemployment has stayed amazingly low, and the stock market indices have rallied, though much of that performance is still concentrated in some extremely large tech companies. The biggest reason the Fed has changed its tone recently is that inflation numbers continue to retreat, now hovering in the 3.2% range, still above their target and still indicating price increases, but much lower than a year ago. The U.S. consumer continues to spend more than ever. The National Retail Federation estimates holiday sales will set a record, totaling between \$957.3 and \$966.6 billion, and Black Friday online sales hit a record as well.

With a move toward easier money, the bond market should do better especially since it has had a rough go the last three years with higher rates and inflation concerns:



The chart from yCharts shows the US Aggregate Bond Index from iShares performance over the preceding 3 years and you can see the optimism since the Fed's pivot with a spike up here lately. The housing market would welcome lower interest rates as well.

The challenge is that, outside of tech, the US economy is still largely driven by consumption rather than productivity gains and there are other concerns: with low unemployment and such strong spending, inflation could rebound; bankruptcies are climbing, and personal savings rates are falling. When we get a combination

A Necessary Pivot (cont.)

of hints at lower rates and investor sentiment being as bullish as it has, we will often see a correction of some kind, so beware of that potential. And, of course, there are the ever-present risks associated with the wars and geopolitics.

Wars, despite what you hear, are never good for economics – killing people and destroying things is not a productive activity, though sometimes it's unavoidable and necessary for long term peace and prosperity. Another consequence of the war in the Middle East right now is having the Houthi rebels in Yemen attacking ships in the Red Sea which is forcing them to re-route around South Africa instead of taking their normal route through the Suez Canal. This is another example of a “supply disruption” and it adds costs, causes delays, burns additional fuel, and generally is a lag on the global economy. It's ironic that the Houthis are against Israel but it's the Muslims in Egypt that are being hurt the most so far since they are the toll keeper of the Suez and are losing revenue for every ship that gets redirected.

The Math of Money: Who Will Earn More?

The beginning of a new year is a great time to start or revise your savings and investment plans and there is tremendous power in getting going early. We've shared this concept a number of times but it bears repeating and if you know someone young, it **might be one of the most valuable things** you could share with them:



Many people are surprised at the power of compound interest and the significant advantage of starting to invest early. Procrastination and the inability to delay gratification have enormous penalties if you are wanting to achieve financial security. Compare two investors: one who starts saving at 25 and stops at 35, and another who begins at 35 and saves until 65, both setting aside \$5,000 annually. Despite investing for only 10 years, the earlier starter accrues a larger amount by age 65, due to the longer period of compounding interest. Now, the illustration assumes a constant 8% return for both of them and this is no easy feat and not without risks but the principle underscores the importance of early investment as a strategy for maximizing financial growth over time.

Congratulations to the Expecting Mom!

Some of you might be having a tough time keeping up with Taylor – she's a goal setter and goal achiever and has had lots of changes over the last couple of years: in September of 2021 she married the love of her life and went from Taylor McGowen to Taylor Dennis. She has moved a couple times since getting married and settled into a new home with Dave in Dallas about a year ago. Now for those of you keeping up with our podcast, you know that the Dennis' household includes chickens and ducks too. So now their “flock” is growing again...they are expecting a new baby boy in June of 2024! Taylor is still working remotely and coming back to Denver regularly. She'll take some time off this summer but is available until then and of course, will be part of our 25-year celebration at ALTIUS all year long.

Taylor's Take: The Crazy (and not so crazy) things we do in January

It's not all of us, but I think a large portion of society can say we fall into various January trends. Maybe it's the "new year, new me" mentality, the refresh of a new calendar year, or the reminder for many that our glutinous holidays are behind us and it's time for a recalibration. So, what do I think? Should you jump on the bandwagon? Or take the independent route and start the year your own way? I would suggest doing some type of combination of the two. Please do not follow a trend because you feel outside pressure to, but rather because maybe now is a reminder that you have a whole year ahead to reach that goal you have been wanting to achieve.

If you're wondering what January/ New Year's trends I'll be hopping aboard, I'll share a few: dry January (non-optional with the baby on the way), I will revisit my goals list from 2023 and work to make sure the 2024 version aligns with my current and ideal mindset, & I'll do a budget review. If you thought I'd get through a whole newsletter blurb without mentioning finance or financial planning—sorry to disappoint. This is a great time of year to take account of where you're at (financially, emotionally, spiritually, with goals, with health..) and to correct any behaviors and work for a better year ahead. I hope your January builds the foundation for an accomplished year, and the deserved self-satisfaction, ahead. Cheers!

My 2024 Goals

HEALTH:			
1.	☐	2.	☐
3.	☐	4.	☐

FAMILY/RELATIONSHIPS:			
1.	☐	2.	☐
3.	☐	4.	☐

MONEY:			
1.	☐	2.	☐
3.	☐	4.	☐

PURPOSE/CAREER:			
1.	☐	2.	☐
3.	☐	4.	☐

RECREATION/TRAVEL:			
1.	☐	2.	☐
3.	☐	4.	☐

PERSONAL GROWTH & INTERESTS:			
1.	☐	2.	☐
3.	☐	4.	☐

Courtesy of ALTIUS Financial, Inc. www.altiusfinancial.com 303-584-9271

Jenn's Jangle: Schwab Reminders

As a reminder with the Schwab Transition, you were reminded that Schwab does require you to be an Alliance User to have an electronic communication preference. If Schwab has switched you from receiving electronic documents and you no longer wish to receive the following in paper, you must set up Alliance with a valid email address.

- Statements
- Shareholder documents
- Trade Confirmations
- Tax Reports

Setting up Alliance allows Schwab to send the link for you to sign in to view the above communications. There is no other way Schwab allows you to set up an electronic preference. I can send you an activation link to set up your Alliance User. Please be aware you will need the following information to do so:

- Birthday
- Phone Number
- Social Security Number
- At least one of your full 8-digit account number

Spouses will have their own Alliance User ID & Password. Spouses need to grant view only access should you want to view each other's accounts.

If you have any questions, please don't hesitate to reach out to ALTIUS and if you need further assistance than our firm can provide, you will need to call the Schwab Alliance Service Team at 800-515-2157. The Alliance Team can help with login issues, technical issues, and website issues.

Let me know if you would like me to add an email to your account or send an activation link to one that is already set up.

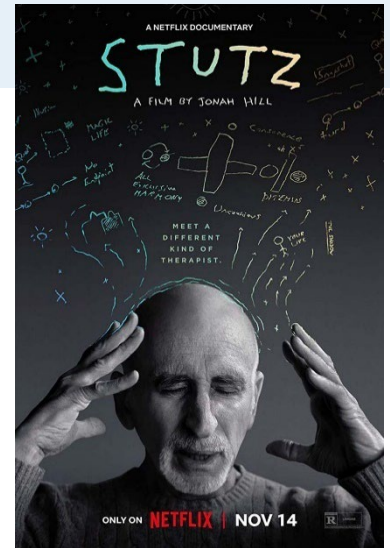
Movie Recommendation: *Stutz*

Do you have experience with counseling or therapy? Wow, that's kind of a personal question, isn't it? "I thought Mike was going to give us a movie recommendation, you know, entertainment...something to take our minds off our problems." Well, I have had some experiences – some good, some not so good – and I think it's good for everyone to realize how important mental/emotional health is and that, just like physical health, it's always a work in process. Let's admit it: there's still a bit of a stigma about mental health in our society, but there shouldn't be. I am not a therapist (though we often get tagged as such in a mostly positive way) but I'm also not a movie critic and you're still reading, so let me recommend a movie my daughter and I recently watched together: *Stutz*.

Ok, it's not necessarily a cozy-up-with-a-hot-chocolate Rom-Com or a timeless holiday classic but I found it highly entertaining...and therapeutic (as much as a movie can be), too. We have some very competent clients in the mental health field, and I wonder what their reaction to the movie is.

Are you a fan of Jonah Hill? Though my girls enjoyed his stuff, I really didn't pay much attention to his earlier movies, though I thought he was funny and adept at delivering memorable lines. I am enjoying him more and more and I think this performance, both as an actor and director, is worth it. This movie is a documentary about his psychotherapist, Phil Stutz. It stars the two of them and has some interesting twists.

What makes the film particularly relevant is its nuanced exploration of therapy itself. Stutz's techniques seem very useful and mostly grounded to me. I think one of the reasons people don't talk more about mental health and therapy is that their experiences can be so varied and often not very productive. But what you get in this movie is a glimpse of two people facing life's hurdles head-on and finding strength in adversity. For me, the beauty of "Stutz" lies in its straightforwardness. Hill captures the essence of Stutz's ideas without over-dramatizing. It's a bit of a personal tribute and it shows how Stutz has helped Jonah grow, but it also focuses on the universal application of Stutz's methods. Highly recommended for an insightful and thought-provoking experience.



Happy New Year!

As another New Year dawns, we are grateful for the trust you've place in us all. Just so you're aware, Krescent and I will be visiting Aminta in Australia and New Zealand the second half of January, but Taylor and Jenn will be available to take care of any needs you have.

Here's to a 2024 filled with opportunities and shared success. We like new beginnings, and this year is another chance for us to work on the process and get it even more right. Wishing you a prosperous, healthy and Happy New Year!

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