

Client Communications

February 24th, 2022

E-mail to clients

Dear Valued Client,

Given the volatility to start the year and the events in Eastern Europe, we thought it was appropriate to provide our current thoughts. Any time markets have significant decreases, it can be an unsettling and stressful time, especially so with the pandemic still on our minds. We cannot forecast the length and severity of the current market turmoil. Nobody can. However, our experience and market history show that in time, this too shall pass.

As we discuss with all new clients, equities can be volatile, and often so when least expected. Our security selection process is very methodical. We own businesses based on the strength of their operations, not based on their stock market volatility. While the stock prices of our chosen businesses has decreased, their operations remain robust, and they will continue to excel in their specific industries. Businesses are the best wealth creators, but the road is not a straight path.

A short two years ago, we sent a similar e-mail at the onset of the pandemic. Nearly all clients maintained their equity ownership through the worst of the pandemic. All of you are significantly better off for it.

Much like the owner of a private business is unconcerned about what a buyer is willing to pay him for his business every moment of the day, it is best to think beyond today's headlines and ensure we are properly invested for the years to come.

For those clients that have joined our firm in the last several months, we wish we could have begun our relationship with better timing. However, as we have witnessed multiple times in the past, in due time, our businesses growing earnings and dividend payments will represent your return, and the importance of the day of your deposits will lessen.

As always, we will continue to search for opportunities to enhance our portfolio. If you would like to speak with anyone on the team here at GFI, we are always available.