

# BURNS INSIGHTS

STIFEL | Burns Investment Group

[burnsinvestmentgroup.com](http://burnsinvestmentgroup.com)

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- ▶ **Turn! Turn! Turn!**
- ▶ **A CFP Off the Old Block**
- ▶ **Noah's Corner**
- ▶ **Referrals Appreciated**

## Turn! Turn! Turn!

The Birds

*To everything there is a season  
And a time to every purpose, under heaven*

*A time to be born, a time to die  
A time to plant, a time to reap  
A time to kill, a time to heal  
A time to laugh, a time to weep*

*A time to build up, a time to break down  
A time to dance, a time to mourn  
A time to cast away stones,  
A time to gather stones together*

These lyrics are resonating with me lately. Within my personal sphere, there have been several people who unexpectedly and tragically died way before their time. In addition, my step-dad recently passed away from a battle with cancer. It has left me in a more reflective mood about life in general.

At the same time, I see the other people in my parents' generation dealing with aging issues. Even I, in my upper-fifties, have to acknowledge that this "old grey stud, he ain't what he used to be." My knees, hips, and lower back let me know on a daily basis that I have gotten older. A few weeks ago, I took three nephews (ages 9, 12, and 13) to a trampoline park. If you know me, you will know that I am not a spectator — I am a participant, albeit a participant with two strong knee braces. We spent an hour jumping, bouncing, and chasing, and I nearly broke my neck attempting to show them a back flip. Yes, I really thought I could still do one. You see, in my minds-eye, I am still in my twenties. But, two days after the excursion, my whole lower body reminded me about the truth. Next time, I will be sitting in the spectator's area — or maybe I'll just take them for ice cream.

Early in my career, one of my mentors gave me some great advice about the need to maintain balance in one's life. One night, while staying late in the office to cold-call (unfortunately, that's what we did in the eighties to get new clients), my mentor came by my cubicle and told me that I should go home to be with my pregnant wife and toddler son. He said, "Twenty years from now, it won't matter if you stay late tonight. Go home and be with your family." I wisely heeded his advice, and his simple advice was right. He also told me, "I have never had anyone on their deathbed ask me about the market." Right again.

In our practice, we often state, "Life is about relationships and experiences." At the end of the day, investing in your relationships and creating memorable experiences with your friends and family is what will live in their memories long after we're gone.

But, as the song's lyrics state, there is a season for everything — in other words, life is a balancing act. That's where my team and I come in. We are there for our clients to plant and to reap. In our jargon, we help you save (the accumulation phase of financial planning) and then receive income from your savings (the distribution phase). We also help you protect that which you build through proper insurance planning. If we plan properly, there should be a lot of opportunities to laugh and dance.

# STIFEL

*Continued on back ...*

## Turn! Turn! Turn! *(continued)*

In my thirty years in the financial services industry, I have been afforded the opportunity to see how different families have gone through life's journey. Not only have I helped my clients' parents, but now we are helping their kids to plan for a secure future. I am proud to say that we have played a critical role in helping our clients navigate the difficult periods. We look forward to being able to continue to do so for not only years to come, but for generations to come.

Where do you and your family stand with meeting your planning needs, such as retirement accumulation, estate planning, minimizing income taxes, protecting against unforeseen events? Even though we don't specialize in everything, Stifel provides a wide set of tools to help analyze your current situation. We are then able to provide strategies that are specifically tailored to your situation. In areas outside of our scope, we will work closely as a team with your other advisors (CPAs and attorneys, for example) to ensure you are fully informed of the best possible options. If you are concerned about any of these issues, please let us help! Call us to schedule an appointment.

## A CFP® Off the Old Block

Please indulge the dad in me to do some bragging. I am happy to announce that Noah recently passed his exam and is officially a CERTIFIED FINANCIAL PLANNER™ (CFP®) professional. Not everyone in our industry is willing to invest the time and energy it takes to earn this respected certification. But he set a goal for himself, and he hunkered down for several months and sacrificed his weekends to get it done. Congrats, Noah. Your dad and business partner couldn't be prouder.

## Referrals Appreciated

We have capacity to grow our practice, and our goal is to attract twenty new relationships in 2017. If you know friends, family, or business associates that are experiencing a sudden net worth event (retirement, inheritance, sale of a business, real estate, etc.), we would like to be introduced to them. An easy way to make the referral is to have us send them our team brochure. It explains our philosophy and experience. To request a brochure, call Jason Marks at (949) 234-2340. It is also available online at [burnsinvestmentgroup.com](http://burnsinvestmentgroup.com).

### **Burns Investment Group** [www.burnsinvestmentgroup.com](http://www.burnsinvestmentgroup.com)

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## Noah's Corner



### *Love Is a Battlefield*

If you're a client of the Burns Investment Group then you have heard us talk about "logic over emotion" many times. It is the first tenet of the Successful Investor Mindset, and it's often our first topic of conversation when discussing our philosophy. Usually, we say "greed sucks investors in at the high, and fear spits them out at the bottom." There is no doubt that fear and greed prey on the retail investor psyche, but there is another emotion that can be detrimental to your portfolio: love.

As financial advisors, we often see love in the form of over-attachment to a certain investment. Typically, it's to a stock that has gone up in value, making the client money, or it's to a company that produces a popular product that the client can't live without. When a love for a specific investment exists, logic and emotion will wage war over whether to sell or buy.

A big part of the problem here is that this can lead to large concentrated positions in just one stock, which unnecessarily increases portfolio risk. In portfolio management, we look at establishing rules limiting single stock exposure in order to control and lower the overall risk of the portfolio.

Another issue is that the client impression of the stock is deeply rooted in what has happened in the past. What we have to do is remind the investor about what logic tells us to do moving forward. Is the stock over-valued, under-valued, or fairly-valued? Is the company well run and profitable? How much of the cash flow is being used to service debt? These are just a small sample of questions that equity analysts answer when determining whether a stock will be a good investment in the future.

In the 2017 Thomson Reuters Analyst Awards, Stifel and its affiliate (KBW) combined to rank as the number one research firm out of 161 qualifying firms by winning a total of 23 awards. Want to know what our researchers think about a stock you love? Call us to find out more about our research and strategies for mitigating the risk of a concentrated stock position in your portfolio.

*For more information about the Thomson Reuters Analyst Awards, see [www.stifel.com/research](http://www.stifel.com/research).*