



# JGC Wealth Management, LLC

Fee-Only Financial Planning and Asset Management

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## First Quarter Update March 31, 2022

### **IMPORTANT UPDATES**

Since the announcement that our custodian, TD Ameritrade, would be purchased by Charles Schwab back in 2019, most of the efforts at bringing the firms together have been largely transparent to our clients. Between now and the start of next year, there will be noticeable changes in your experience as the consolidation draws to a close.

The first step is to keep your mailbox free of unwanted monthly statements. If you have signed up for electronic delivery when we opened your accounts, but have never logged in to the AdvisorClient platform, you may need to do so to continue receipt of electronic statements. If you don't log in, TD Ameritrade will switch you to paper statement delivery starting in August. If you decide you'd like to re-enroll in electronic statement delivery, it is as simple as logging in to the AdvisorClient platform at any point and saying so. We recommend using our website as the jumping-off point so that you're directed to the correct place – [www.jgcwealth.com](http://www.jgcwealth.com) – click on the “TD Ameritrade” button on the upper right-hand side, and select “first time here? Set up my profile” from there.

### **THE QUARTER IN REVIEW**

It will not be surprising to anyone that the first three months of the year have posted negative returns (and markets have continued to decline through the time of this printing – May 19). There is a bull market in “bear market hype”, and no shortage of reliable sources that are telling us the “5 things you must do TODAY to protect your retirement”.

There has been a considerable amount of negative news to deal with: the war in Ukraine, rising interest rates, and higher than usual inflation. We have become accustomed to positive returns since the market low on March 9th, 2009. It has been an impressive run for an extended period of time. Even though this quarter shows some negativity in the returns, they are far from extreme.







This has led to many questions from clients that are versions of “What kind of market timing are you doing with our accounts?” Our position is that for disciplined investors like us, it's unnecessary to get swept up by erratic signals, or tricked into assuming a false sense of urgency. We will continue to deploy the same core principles we use across time and through various market conditions. So our response is always the same. “Have your goals changed significantly since we last talked? A change in your goals or individual life situation may cause us to make adjustments in your plan, but the headlines will not”

If your investment portfolio is already well-structured for your needs, you should be positioned as effectively as possible in the face of future unknowns. More pointedly to current events, your portfolio should be appropriately allocated among the push-and-pull concerns related to potential inflation, rising interest rates, recessions, and similar risk/reward tradeoffs. Again, even a best laid plan doesn't guarantee success. But it serves as the logical course toward your end goals.

Please remember as you review your account statements and process each days' news of market performance, we are here to serve as a sounding board for your concerns and fears. We are invested along side of you, and we feel the same emotions that you do. Don't hesitate to reach out or stop by to talk to us. We enjoy hearing from you all and hope your summer is off to a great start.

## Quarterly Market Summary

### Index Returns



















	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
<b>Q1 2022</b>	<b>STOCKS</b>				<b>BONDS</b>	
	-5.28%	-4.81%	-6.97%	-3.81%	-5.93%	-4.05%
						
<b>Since Jan. 2001</b>						
Average Quarterly Return	2.4%	1.6%	2.8%	2.6%	1.0%	1.0%
Best Quarter	22.0%	25.9%	34.7%	32.3%	4.6%	4.6%
	<b>2020 Q2</b>	<b>2009 Q2</b>	<b>2009 Q2</b>	<b>2009 Q3</b>	<b>2001 Q3</b>	<b>2008 Q4</b>
Worst Quarter	-22.8%	-23.3%	-27.6%	-36.1%	-5.9%	-4.1%
	<b>2008 Q4</b>	<b>2020 Q1</b>	<b>2008 Q4</b>	<b>2008 Q4</b>	<b>2022 Q1</b>	<b>2022 Q1</b>

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio.

Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net dividends]), Emerging Markets (MSCI Emerging Markets Index [net dividends]), Global Real Estate (S&P Global REIT Index [net dividends]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]). S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2022, all rights reserved. Bloomberg data provided by Bloomberg

# Long-Term Market Summary

Index Returns as of December 31, 2021

	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
<b>1 Year</b>	<b>STOCKS</b>				<b>BONDS</b>	
	11.92%	3.04%	-11.37%	18.97%	-4.15%	-3.56%
						
<b>5 Years</b>						
	15.40%	7.14%	5.98%	7.10%	2.14%	2.25%
						
<b>10 Years</b>						
	14.28%	6.25%	3.36%	7.48%	2.24%	3.20%
						

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## Quarterly Reports

Enclosed are the reports on your portfolio for the quarter ending March 31, 2022. If you want to discuss your portfolio, have had changes in your financial situation, or have any other financial concerns or questions, please call us.

The information presented is provided in good faith without any warranty and is intended for the recipient's background information only. It does not constitute investment advice, recommendation, or an offer of any services or products for sale and is not intended to provide a sufficient basis on which to make an investment decision. Before taking any action, we recommend that you seek professional advice from subject matter experts who can assist you with your specific situation and needs.

# WM PREFERRED MANAGED PORTFOLIOS

More Aggressive

More Conservative

	OBJECTIVE	ALLOCATION	PORTFOLIO EXPENSES <sup>†</sup>	PORTFOLIO PERFORMANCE*																		
Portfolio 100	This portfolio is suitable for someone who wants to take advantage of the long-term potential of the markets and has a risk tolerance to handle the gyrations of the market.	<ul style="list-style-type: none"> <li>U.S. Equity 65%</li> <li>Int'l Equity 30%</li> <li>Real Estate 5%</li> </ul>	0.26%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-1.82%</td> <td>9.51%</td> <td>13.15%</td> <td>9.72%</td> <td>10.59%</td> </tr> <tr> <td>Benchmark</td> <td>-2.58%</td> <td>6.17%</td> <td>11.79%</td> <td>9.29%</td> <td>9.97%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-1.82%	9.51%	13.15%	9.72%	10.59%	Benchmark	-2.58%	6.17%	11.79%	9.29%	9.97%
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.																	
Portfolio	-1.82%	9.51%	13.15%	9.72%	10.59%																	
Benchmark	-2.58%	6.17%	11.79%	9.29%	9.97%																	
Portfolio 80	This portfolio is suitable for investors who want to take advantage of the long-term potential of the markets but want to reduce the volatility of the portfolio by mixing in bonds.	<ul style="list-style-type: none"> <li>U.S. Equity 51%</li> <li>Int'l Equity 24%</li> <li>Bonds 20%</li> <li>Real Estate 5%</li> </ul>	0.23%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-2.57%</td> <td>6.50%</td> <td>10.98%</td> <td>8.26%</td> <td>8.95%</td> </tr> <tr> <td>Benchmark</td> <td>-3.22%</td> <td>3.70%</td> <td>9.78%</td> <td>7.85%</td> <td>8.41%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-2.57%	6.50%	10.98%	8.26%	8.95%	Benchmark	-3.22%	3.70%	9.78%	7.85%	8.41%
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.																	
Portfolio	-2.57%	6.50%	10.98%	8.26%	8.95%																	
Benchmark	-3.22%	3.70%	9.78%	7.85%	8.41%																	
Portfolio 60	This portfolio is suitable for someone who is nearing retirement or someone who has a moderate risk tolerance.	<ul style="list-style-type: none"> <li>Bonds 40%</li> <li>U.S. Equity 39%</li> <li>Int'l Equity 18%</li> <li>Real Estate 3%</li> </ul>	0.22%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-3.21%</td> <td>3.67%</td> <td>8.59%</td> <td>6.75%</td> <td>7.31%</td> </tr> <tr> <td>Benchmark</td> <td>-3.16%</td> <td>2.38%</td> <td>8.05%</td> <td>6.61%</td> <td>6.94%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-3.21%	3.67%	8.59%	6.75%	7.31%	Benchmark	-3.16%	2.38%	8.05%	6.61%	6.94%
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.																	
Portfolio	-3.21%	3.67%	8.59%	6.75%	7.31%																	
Benchmark	-3.16%	2.38%	8.05%	6.61%	6.94%																	
Portfolio 40	This portfolio is suitable for someone who is nearing retirement or someone who has a low risk tolerance.	<ul style="list-style-type: none"> <li>Bonds 60%</li> <li>U.S. Equity 26%</li> <li>Int'l Equity 12%</li> <li>Real Estate 2%</li> </ul>	0.19%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-3.94%</td> <td>0.68%</td> <td>6.03%</td> <td>5.06%</td> <td>5.50%</td> </tr> <tr> <td>Benchmark</td> <td>-3.56%</td> <td>0.20%</td> <td>5.89%</td> <td>5.09%</td> <td>5.27%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-3.94%	0.68%	6.03%	5.06%	5.50%	Benchmark	-3.56%	0.20%	5.89%	5.09%	5.27%
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.																	
Portfolio	-3.94%	0.68%	6.03%	5.06%	5.50%																	
Benchmark	-3.56%	0.20%	5.89%	5.09%	5.27%																	
Portfolio 20	This portfolio is suitable for someone who is nearing retirement or someone who has a low risk tolerance.	<ul style="list-style-type: none"> <li>Bonds 80%</li> <li>U.S. Equity 11%</li> <li>Int'l Equity 8%</li> <li>Real Estate 1%</li> </ul>	0.16%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-4.22%</td> <td>-0.68%</td> <td>4.22%</td> <td>3.73%</td> <td>3.80%</td> </tr> <tr> <td>Benchmark</td> <td>-3.74%</td> <td>-0.51%</td> <td>4.38%</td> <td>3.86%</td> <td>3.71%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-4.22%	-0.68%	4.22%	3.73%	3.80%	Benchmark	-3.74%	-0.51%	4.38%	3.86%	3.71%
	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.																	
Portfolio	-4.22%	-0.68%	4.22%	3.73%	3.80%																	
Benchmark	-3.74%	-0.51%	4.38%	3.86%	3.71%																	
Portfolio Income	This portfolio is suitable for someone who is in retirement or someone who has a very low risk tolerance.	<ul style="list-style-type: none"> <li>Bonds 100%</li> </ul>	0.11%	<table border="1"> <thead> <tr> <th></th> <th>3 Mo.</th> <th>1 Yr.</th> <th>3 Yr.</th> <th>5 Yr.</th> <th>10 Yr.</th> </tr> </thead> <tbody> <tr> <td>Portfolio</td> <td>-4.91%</td> <td>-2.47%</td> <td>2.21%</td> <td>2.31%</td> <td>2.09%</td> </tr> <tr> <td>Benchmark</td> <td>-4.32%</td> <td>-1.75%</td> <td>2.61%</td> <td>2.52%</td> <td>2.14%</td> </tr> </tbody> </table>		3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Portfolio	-4.91%	-2.47%	2.21%	2.31%	2.09%	Benchmark	-4.32%	-1.75%	2.61%	2.52%	2.14%
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Portfolio	-4.91%	-2.47%	2.21%	2.31%	2.09%																	
Benchmark	-4.32%	-1.75%	2.61%	2.52%	2.14%																	

\*Source: Morningstar & fi360 through March 31, 2022

<sup>†</sup> Portfolio Expenses (Net Expense Ratio) as Weighted Average Total

Note: Portfolio returns are reported net of all internal expense ratio fees. Returns are not net of any management or fiduciary fees. Historical performance is based on an assumption that an investor has owned the exact portfolio in the exact allocation reflected in the snapshot for the previous three months, one-, three-, five- and ten-year periods. Past performance is no guarantee of future results.