KEEN ON
RETIREMENT

Welcome to Keen on Retirement
With Bill Keen and Steve Sanduski

Separating the News From the Noise

Steve Sanduski: Hello everybody and welcome back to another episode of Keen on Retirement. I'm your host, Steve Sanduski. This show is designed to help you thrive both before and during your retirement years. Our expert to help us with all that is wealth advisor Bill Keen. Hey Bill, great to talk to you again.

Bill Keen: Hey, good afternoon, Steve. Great to talk to you again, sir.

Steve Sanduski: Bill, we have another guest with us today who's in the office with you. If you would want to introduce who our other guest that's here today.

Bill Keen: We have with us today, Matt Wilson. Matt is a managing director of Keen Wealth Advisors. We have worked together for nearly fifteen years now, Steve. He's a wealth advisor here at the firm. He's also a certified financial planner. He's a real student of the economy and the markets. I've asked Matt to join us today because he has a real gift at bringing perspective and making sense out of the things that are going on in the economy and relating those things to what people should be looking for if they indeed want to look at numbers and follow what they're seeing coming at them in the news today. I believe we're going to have a really nice episode today, Steve.

Steve Sanduski: Great. Here we are, Januarys were putting us together and the market started off a bit rough here really in the month. What we want to talk about is separating the news from the noise. Even though we know that the markets have some volatility, they go up and down over time and sometimes we see headlines that might sound like they're screaming at us and get us all excited, but the reality is, like I say, we got to keep the same perspective. Matt, I know you spent a lot of time thinking about this and working with your clients on this. Why don't you start off and just tell us a little bit about what you will be thinking about when we see volatility in the market and we see headlines. How do we make sense of all of this?

Matt Wilson: Thanks, Steve. I'm glad to be here today. This is a topic that I enjoy speaking to clients about because we're in this 24/7 media world with our computers and our cellphones and our tablets. It just constantly beeping and dinging at us about what's happening and especially in the financial markets. It picks up when the markets are volatile and we're having corrections and down days. It's easy to get lost for people and even myself in what are the headlines, what's driving. It can be scary at times. I like to take this topic and bring it back to just defining what is an economy, how do we measure it, and what happens when these things are happening in the economy, what's driving the volatility in the markets. An economy, Steve, is really just a series of transactions between businesses and people and consumers. It's just a series of transactions.

Bill Keen: We hope that everybody benefits from those, right, Matt?

Matt Wilson: That's correct.

Bill Keen: That's the idea. Our standard of living continuous to get better and better over time as we all specialize in that.

Matt Wilson: That's right. We experience growth over time. Economies, not only in the US but globally, grow over time but it doesn't come in a straight line. We can measure that growth by GDP which is the gross domestic product. Steve, do you know what the GDP of the US is?

Steve Sanduski: Well, I'm going to guess it's somewhere which in the trillions so I guess, say, I don't know, maybe somewhere between fifteen to twenty trillion.

Matt Wilson: That's right. You're right there.

Steve Sanduski: That's a broad range throughout this. I want to be right.

Bill Keen: That's good. We're darn near eighteen trillion, seventeen, eighteen trillion in that figure.

Matt Wilson: Here's another question. Do you know what's the second biggest economy is?

Steve Sanduski: Well, I'm going to guess China.

Matt Wilson: That's right, China. Their GDP, the output of all their goods and services, everything they produce is half of the United States. It's eight trillion.

Steve Sanduski: What's also interesting is they have, what? Double or triple our population too.

Matt Wilson: Yes. They have a lot of people over there, a lot of workers.

Bill Keen: Matt, can you, real quick, just define GDP for our listeners? I don't want to get too in the weeds on it but just define it if you can quickly what GDP stands for, what it means.

Matt Wilson: GDP stands for gross domestic product. It’s the output of all the goods and services that we produce in the United States or worldwide, whatever country’s GDP we’re measuring. It’s the output of all the goods and services for them.

Steve Sanduski: One of the things, Matt, that I wonder about and I would imagine a lot or other people wonder about is, what's the connection between the economy and the stock market? On the surface, we might think, “Well, if the economy is doing well, then the stock market should do well.” I think the reality is that’s not always the case. What are your thoughts on that?

Matt Wilson: That’s right, Steve. The economy and the markets, they're definitely linked, there's no doubt about it, but they don’t move in lockstep. We have periods where there's a disconnect between what's happening in the markets and what's happening in the economy in either direction. We can have markets that are way too good for the overall economy and markets that are not doing as well as the overall economy. There's stages to that too. We can measure those stages. There's four stages to the economy or the business cycle. That’s what we’re measuring here.

The first stage in the business cycle is what we would call the peak stage. I want to define that cycle because that helps us put in into perspective the cyclical nature of the economy but also of the stock market, why we have these ebbs and flows. We have a peak stage. The peak stage of the economy is operating at, you know, they have a pretty high capacity. Unemployment is extremely low. It’s probably around 4% if we’re in a peak stage. Interest rates are high and have been rising. We can measure that by what the Fed is doing with interest rates but then also by longer term treasuries as well. Then, inflation is also been is higher and has been rising over the last period of time.

Bill Keen: You’re talking about in a peak.

Matt Wilson: That’s right. That’s right, at the peak stage. The next stage after …

Steve Sanduski: Hey, and Matt, let me ask you this. When would you say is the last time we had a peak stage in the business cycle?

Matt Wilson: The last peak that we had was back in at the end of 2007.

Steve Sanduski: Gosh, so here we are 2016. That’s a long time ago. Is that normal to have that long of a gap between peaks in the business cycle or how long do these cycles typically run?

Matt Wilson: They run anywhere from a three to five-year period typically, but every cycle is different.

Steve Sanduski: We got the peak and then what follows the peak?

Matt Wilson: Once the economy peaks and maybe begins to roll over, is we enter in the contraction phase of the business cycle. That's when things are starting to slow down. People are losing their jobs, they're getting laid off. We're seeing interest rates either held steady or possibly even cut by the Federal Reserve, and inflation at that point is trending down.

Steve Sanduski: Is this what we would commonly call the recession?

Matt Wilson: It would be. It would be. We would correlate the recession with the contraction in the economy or the business cycle. That's correct.

Steve Sanduski: We have peak, we have contraction, then what's the next …

Bill Keen: Steve, can I just jump in real quick? If we want to really define recession, are we talking two negative growth quarters in a row? Matt, would you say that's correct?

Matt Wilson: That's the technical definition of a recession. There's a joke that we hear around our industry that it's a recession if your neighbor lost his job. It's a depression if you lost your job.

Steve Sanduski: There's also another saying that as we're talking about a potential disconnect between the stock market and the economy, I have heard someone phrase it that, as you said, Matt, sometimes, the stock market and the economy go on the same direction, sometimes they don't, but they are tied together. The way that they framed it was they said that it's just like a two staggering drunks connected by a long rope.

Matt Wilson: That's right. That's an interesting thing.

Steve Sanduski: We've got the peak, we've got the contraction, and what's the next stage?

Matt Wilson: What happens after the economy goes through and the contraction phase, it enters what we call a trough. That's where unemployment has reached its peak. The level of businesses that are laying off employees has stopped but it's very high levels. This is at the time when the media is telling us that the economy is changed for the worse and we may never be able to dig ourselves out of this. To bring it back, the trough in the most recent business cycle ended in the end of 2009, beginning of 2010.

Steve Sanduski: What's the connection here with the stock market? We say there is a connection, it's loose, sometimes they go in different directions but if we're in a recession, I've also heard people say that the stock market tends to move maybe six to nine months prior to when the economy might turn. If we're in a contraction or heading toward the trough, has it been your experience that the stock market might turn up prior to the economy hitting the trough?

Matt Wilson: Yes, that's a great observation. The market itself will begin to go up prior to reaching that point in the trough where the economy begins to turn back up.

Steve Sanduski: Would it also follow from that that the market might tend to start declining before the economy declines in anticipation of a recession?

Matt Wilson: It can. It can and there's a saying out there too as well that the market has done a great job of predicting nine of the last five recessions. At times, there's a very large disconnect about what we expect to happen in what the market is doing and in the anticipation of a recession and what really is happening.

Bill Keen: I think it's why it's so important to understand this business cycle, step back and look at it from a thirty thousand foot view and really try to get a sense for where we stand at the cycle. That's why we're doing this episode today, is to bring some light to that subject exactly.

Steve Sanduski: We go to the trough and then what would be the fourth stage of the business cycle?

Matt Wilson: At that point, unemployment is at its lowest, where inflation is at its lowest, where interest rates have bottomed down and this most recent trough that we had, interest rates went to zero, they couldn't go any lower, we begin to enter into the expansion phase. In the expansion phase, we will have unemployment start to go down. We'll see jobs picking up. We'll see inflation start to increase. We'll see interest rates either, if they haven't started to rise, be on the table for discussion for raising interest rates in the expansion phase.

Steve Sanduski: Where would you say we are today within the business cycle? Where's our economy at today?

Matt Wilson: Today, I would say we are still right in the middle of the expansion phase. We are not seeing signs of a peak economy at this point. There's many indicators that we can follow economic data that we can follow to determine where are we in the business cycle.

Steve Sanduski: You think we're still heading toward a peak and not crusting and perhaps heading to contraction.

Matt Wilson: That's right, Steve. There's so many good signs, so many good things happening in the economy today. We're seeing unemployment continue to tick down. We're having very strong jobs number. That's one of the key indicators, is what's happening in the employment market because so much of our economy, especially in the United States, is driven by the consumer.

Steve Sanduski: Bill, anything you want to add there on the business cycle before we start talking about a stock market cycle?

Bill Keen: You know, Steve, we mentioned in our very first episode that we would talk about this and it's the characteristics of each of these stages. I know Matt hit on them briefly but it's always taking a look at interest rates, inflation, employment, and the consumer, having a disciplined way of thinking and analyzing those numbers and factors and just really understanding the trends. Again, it's probably a follow onto what Matt had just mentioned but those really go with understanding each stage of the business cycle. If our listeners can take something away from this, it's if you are looking at the news and you want to find some data, it's those things will be looked at systematically and just not being distracted by whatever the fear headline is of the day. It's looking deeper through those numbers.

Matt Wilson: I don't want to get too technical here but the Federal Reserve has done some things that are rather unprecedented in terms of what they call quantitative easing. They've added a lot of money to the financial system. Do either of you think that some of the actions of the Federal Reserve in recent years, are they potentially distorting the traditional business cycle and maybe causing the business cycle to be a little bit different than it might have been historically because of some of the actions that the Fed has done like putting interest rates, short-term interest rates down to zero and adding roughly three trillion dollars of monetary stimulus to the economy? What would your thoughts on that?

Bill Keen: You know, Steve, Matt and I, we had the privilege of hearing Dr. Ben Bernanke speak at a conference not long ago. Also, former president George W. Bush as well, which was quite a treat to be present at that meeting, but we got to hear Ben talk about his policy and what he went through when our economy was in essence, or financial markets had frozen in '08 and '09. You've been around the business, Steve. I could tell you, it was a scary time. Dr. Bernanke's point was what would have happened had they not been accommodated, had they not stepped up because before the Fed was in play, it was basically J.P. Morgan himself that did this around the turn of the century for our country.

There's arguments on both sides of should the Fed have come in and bailed out Wall Street, so to speak, that I think that the argument goes a little more deeper and wider within just that statement what would have happen to our economic system if it would have indeed literally collapsed. A lot of that had to do with the removal of market to market accounting as well in March of '09. Other many other factors that … Gosh, we don't have time to talk about it today, but, Matt, when you think about Steve's question, do you think that the business cycle was changed by the Fed's actions? I know he's going to talk about velocity of money here in a moment and it's going to put a perspective even more, I think.

Matt Wilson: Yes. What happened, especially in '08, '09, was, just as Bill mentioned, here, we had a frozen financial market. That lack of liquidity or that freezing up of the financial market caused a lot of problems. What the government did, what the Federal Reserve essentially did was they came in and they became the lender of last resort, so to speak. They unfroze those financial markets. There's a strong argument that that one can make about the business cycle and the stages that we go through and just let the free market handle it. In the long run, that can take a long time to straighten itself out. What the government did was step in and help smooth out that business cycle with the quantitative easing.

Operation twist, that was one of the headlines back a few years ago with interest rates at zero and really helped loosen up capital to get us out of that trough and head us back into that expansionary phase. What I think they did though didn't cause damage to the financial system. I think the way that it will play out was that they ended up pumping a lot of printing money, so to speak, and pumping liquidity into the financial system, but most of that just stuck there. We can measure that. We can look at the money supply. The money supply is measured by … There's three different money supply measures essentially. M1, M2, and M3. We can see how much money is turning over in the system. They call that the velocity of money. Right now, the velocity of money, if we're going to see a higher inflation, we're going to see the velocity of money higher.

There's a lot of transaction, a lot of money chasing a bunch of goods and raising asset prices. Right now, the velocity of money is at historic lows. Money is just being parked in the financial system. The other way we can measure that too is by the excess reserves. There's 2.4 trillion dollars of cash sitting on the sidelines right now.

Steve Sanduski: Just imagine, if they got a fuel in the financial markets.

Matt Wilson: That's right.

Steve Sanduski: Or the economy.

Bill Keen: Exactly.

Matt Wilson: That's right. That's right. One of our arguments about why we still belaboring in the expansion phase is that cash sitting on the sidelines today.

Steve Sanduski: Let's talk about the stock market cycle. Just like the economy has, this business cycle and these four stages, what do you see in terms of a stock market or are there stages or cycles within the stock market?

Matt Wilson: The stock market cycle essentially looks just like the business cycle. The stock market cycle though is driven by emotions. We can use emotions to describe the phases of the stock market cycle. We're at a peak in the stock market. Our emotions at that point are euphoric. If you look back to previous highs in the market, you could probably define, maybe it's not specific individual investors but the market as a whole, was very euphoric. Look back at the previous market high that we had in 2007.

Bill Keen: Or even 1999, can you imagine? After the twenty-year bull market.

Matt Wilson: That's right, 1999 is a great example of that where there was a lot of access in the economy.

Steve Sanduski: With the whole .com boom back in the late 1990s and into early 2000 and then, of course, that bubble burst and then we had another peak there in '07 as you mentioned. We haven't really reached those giddy times, I don't think. If you think about 2000 and 2007, I don't think we've reached that at this point here.

Matt Wilson: I agree, Steve. I think just the investors' sentiment today is just it's not at euphoric levels. Even in '07, maybe investors' sentiment within the stock market wasn't at peaks but it was around housing, that's for sure.

Steve Sanduski: I imagining the next is we're going to have some drops. What do we call that in the stock market cycle?

Matt Wilson: Yes, Steve. That coincides a lot with the contraction or recessionary phase in the business cycle. At that stage, we're going to be in denial about what's happening. We're just going to say, "Oh, everything is fine. This time, it's different. The internet changed everything. Housing, it just pulled back a little bit but no need to worry." We're going to be in denial about what's happening. Eventually, that's going to lead to fear. What ultimately that leads to is the trough which is a panic in the market or depression or even, another word that we use, is capitulation. You just see everybody throwing the towel in the stock market and just say, "This thing is just a big casino and we've lost all our money. Just sell everything and we're done with it." That's the emotions that many people are feeling at a trough in the stock market.

Steve Sanduski: Then, what follows that?

Matt Wilson: Then, eventually, we begin to turn right back up again and we begin to feel hope and feel relief that the market is now coming together. The financial system is making everyone feel better. We're seeing jobs pick up in the economy. We're seeing houses being purchased again. We're seeing auto sales pick back up. All those major purchases the consumers put off during the recessionary phase and even in the trough are starting to pick back up again and people are feeling much better at that stage.

Steve Sanduski: What has history taught us? We all know that the past performance is no guarantee of future results but if you look back at past peaks in the stock market in the cycle here where you're talking about hitting that peak, is there a rough estimate of the length of time from a peak to this panic in the market? I guess I'm thinking back to maybe 2007, we reached a high in the market in, say, the fall of '07, and then we reached the low in March of '09. Would that be a typical length between the peak and the panic, so to speak?

Matt Wilson: That one was a little bit longer than the average. We studied these, all of these corrections and major pullbacks in the market going all the way back to the great depression. The average, Steve, is eleven months from a peak to a bottom.

Steve Sanduski: What about from a bottom back to a peak?

Matt Wilson: From the bottom back to the previous high, the average, and this is including the great depression which is a major outlier in this data, is twenty-one months.

Steve Sanduski: Eleven months down, twenty-one months back up.

Matt Wilson: Yes. Essentially, you can look at the whole cycle from a peak back to a previous peak within about a three-year period.

Steve Sanduski: What's the key here? Bill, let me ask you this. What do you think is the key for investors when it comes to managing their emotions during this type of cycle, this peak to panic and back to peak again in the market? How can investors do a better job managing their emotions during that so that they don't make panicky, emotionally-based decisions at the wrong time?

Bill Keen: It's about getting out in front of these things and contemplating them, just like we are today, ahead of time and having a financial plan in place, an income plan, a thought through retirement plan, and having money budgeted and set aside that's outside the actual stock market to live on so that we're never caught short or have to sell things in opportune time. That, I'll tell you, understanding what we're involved in, understanding the business cycle, understanding why, we've talked about that in prior episodes, understanding why we're allocated the way that we are, and then knowing that we have enough money set outside the actual market to get us through the down turns and to never be forced to sell because we needed the money back or because we had an emotional response to what's happening in the markets, that is the key.

A lot of people will ask us when we're talking about these things, "Well, what do we do about it? What do we do about these information? Are we reactive? Is an investor supposed to change things around based on we are the business cycle?" in most cases, the answer is no. You're not supposed to be reacting to these things. You're supposed to have things set up appropriately before and upfront so that your allocation can get you through anything that comes at us. In some cases, we do make adjustments to portfolios and in most cases, it's based on someone's income needs changing or someone really getting clarity and realizing that their risk tolerance has changed one way or the other.

I just want to be clear, we're not suggesting that we're market timing based on these issues going all the way in or all the way out of the market. I think that's a fool's game. I think it's impossible and I don't believe anyone can do that, but we do believe that being prudent and understanding how these things work are fundamental in being able to sleep well at night and knowing that things are setup appropriately when the news, again, is telling us that the world is coming to an end about every other day.

Steve Sanduski: What I hear you saying is it's all about anticipating that, "Hey, we know these things are going to happen. We know there's going to be volatility. We know there's going to be ups and downs in the market. We know the economy is going to go up and down." As you as a financial advisor, as you're putting your plans together and you're meeting with your clients, you already know that. The plans that you put together take that into consideration. It's not a shock to you when you see volatility in the markets because you anticipate it, you plan for it, the plans that you put together reflect that. In most cases, it sounds like the clients are better off assuming that on the front end, the homework has been done that they're better off just monitoring the situation but understanding that you've already planned for that. Would that be fair to say?

Bill Keen: It's totally fair to say. In a world where we have to decide where our assets are invested, in every day, every one can get up and decide that their assets are in the right spot. There's a lot of money around the world, a lot of capital. Everyone has to decide where that money should go. If you walk through all the scenarios that are available, you think them through all the way to the Armageddon scenario where you're taking money out and you put it under the mattress or in your backyard or gosh, buy gold bullion, or whatever the fear-based thought would be in some Armageddon scenario. You walk back through it and you'll look and you say, "Well, we can have one percent at the banks or less, maybe a little more if you get a longer term, or we could own some individual bonds and some equities and there's other opportunities as well."

You walk back through that exercise. We don't recommend people do that every day but we do it about every day. When you walk back to that exercise, you'll realize, "Wow, we're invested just exactly where we want to be for whatever it might come down the road." For us, it's about making sure the clients understand the choices that they've made. We're right up front. Look at all the corrections. This is a big part of educating our client base at least. I'd like that to be part of our education of our listeners here is you're really looking closely at all the corrections that have happened over the last X, seventy or eighty years. Getting conscious of it and not denying the corrections coming but understanding that it will come and if you're setup right, you can actually lean into it and rebalance things and take advantage of it to some extent. Certainly, not be surprised by it. That's the key to it.

Steve Sanduski: Sounds great. Guys, as we get close to wrapping up here, is there anything that either of you want to share here that we haven't talked about yet?

Bill Keen: I thought it would be good if I just had Matt mention a couple of things about China.

Matt Wilson: It’s one of the things that’s dominating the financial headlines today. Many investors are asking us, what do we do about it as China slow down can make a huge impact here at the US? If you were to watch the financial media read the headlines, you would definitely assume so well. China, over or the last thirty somewhat years, has been growing significantly. It’s had a strong growth fueled by infrastructure spending by the government and by a cheap labor force that was dominant in the manufacturing sector. That’s fueled a lot of that growth.

Now, their economy is beginning to change. They're going from a more, government spending-driven economy to more of a consumption-lead economy. It’s exactly how the US is based. Right here, the US, 70% of our GDP or of our output is based on the consumer, its consumption. China is trying to get their workforce or their population to be more consumer-driven. What's that causing is, is just to slow down because the government is not spending as much and because they're not manufacturing as much as they used to because they're not the cheapest labor force out there. The impact that this slowdown is going to have in the US is, actually, I think, it’s pretty minimal. Do you know how much the US sells to China each year, Steve?

Steve Sanduski: Well, let’s say, if our GDP is about seventeen trillion, I'm going to say, one trillion.

Matt Wilson: That’s actually a good guess. I asked many people that. Our GDP on a percentage basis is 0.7%. It’s what we export or what we sell to China. That’s a hundred billion dollars.

Steve Sanduski: I was off by a factor of ten.

Matt Wilson: The way you see some of these stuff, you would think it would be ten times what it is because it’s getting so much attention.

Steve Sanduski: We probably import a whole lot more than that.

Matt Wilson: We do. Another thing that China is doing to get down a tangent here is they're devaluing their currency which is making their exports, the products that we purchase, more competitive. Meaning, it’s cheaper for us to buy their goods. That’s one of the things they're doing to try and boost their economy.

Steve Sanduski: It sounds like China is going through its own business cycle.

Matt Wilson: It is. That’s right. That’s a great way to put it.

Steve Sanduski: It might be slightly off-schedule with ours here. We seem to be more in this expansion. Perhaps, they're going into a bit of a contraction because they’re having this shift from being a capital investing infrastructure-lead economy to trying to move more to a consumer-based economy. Maybe we’re just off-kilter a little bit.

Matt Wilson: We are. There's some growing pains that are they're going to be in that shift and that economic structure. It's working in China too. Actually, Starbucks just said came they're opening five hundred new stores. I bet you can't guess where they're opening. China.

Bill Keen: That's right.

Matt Wilson: Retail sales in China are just phenomenal.

Steve Sanduski: Great. I visited China back in 2011 and visited a few cities there. Hong Kong, Beijing, Shanghai, and Xian. I'm going to tell you, that is an incredible country. If anyone listening here gets an opportunity to take a trip to China, it's very, very fascinating.

Matt Wilson: I bet I'm trying to get Bill to send me and the rest of our investment team over there.

Steve Sanduski: Bill, I think you should put that in the budget.

Bill Keen: Well, we're certainly looking into it, Steve. We'll run some numbers on that.

Steve Sanduski: Bill, let me give you the last word here. What final thought would you like to leave here with us?

Bill Keen: I had a mentor early on in my career that told me, he said when the things are coming at you a thousand miles an hour on the TV and the markets are in decline, he said, "Turn off the TV and go rent a copy of Apollo 13." I thought, "What are you talking about? Rent a copy of Apollo 13? I mean, the markets are crashing. I need to be paying attention to these details." He said, "You know what? That's fine. There'll be time for that but I want you to go and watch a movie about a time that in 1970, not that long ago, we put a man on the moon with slide rules." He said, "I want you to think about that for a minute and contemplate where we are today." This was a number of years ago. If I did that exercise today, it's even more overwhelming where we are today based on the power of what even have, in our pockets, with our mobile phones.

I look at that example as perspective of where we've come, the things that we've overcome and where we are headed. It does put these temporary declines that we go through in perspective for us. I would just want to close with I believe that everything we talked about today is important to understand, it's important to talk about, it's important to get your arms around, but I do not want people to get obsessed or overwhelmed by the countdown clocks. They are on CNBC or the other news channels. There's always a countdown clock counting down to something big that's going to happen, that's going to be some negative event.

If there's a countdown clock on every other day, breaking news, if you recall Greece was going to get a deal, going to get a deal, going to get a deal, it was big news that was going to take the whole country or the whole world down and then Greece cut their deal one day and it was never mentioned the day they got their deal. It's really because it was mostly irrelevant the whole time. I just want to make sure the people have all these in perspective. That's how I'd like to close it out today. Also, to tell you, Steve, I look forward to our next episode. I do appreciate you and your insights. It's really making these a blast for us here.

Steve Sanduski: Great. I appreciate this. This is a lot of fun to do. I know we're just adding great value in what we're doing here. You have a great message, Matt. You have a great message as well here. We're sharing some great information. At the end of the day, I think the reality is that people turn to financial professionals like you two guys because you guys are the experts and you guys are paid to do the worrying.

That's one of the things that I think you do and the value that you provide is it's your job to do this worrying so that your clients don't have to. When you do your job right which you do, you understand you have things in perspective and you plan, you anticipate for volatility in the markets and the proposals and the recommendations that you make account for that. Nothing really is a surprise that happens in the markets. Good planners prepare for that and their clients benefit from that. Guys, it's been great. I appreciate it and look forward to our next call.

Bill Keen: Very good, Steve. Thank you. Matt, thank you for joining us today. It's been a real pleasure.

Matt Wilson: Thanks for having me.