



## Tucker Financial Services

Financial Planning to Get the Job Done

5835 SW 29<sup>th</sup> Street  
Suite 201  
Topeka, KS 66614

Phone: (785) 272-5000

Toll-Free: (800) 211-1496

Fax: (785) 272-6725

Web: [www.tuckerfinancial.com](http://www.tuckerfinancial.com)



Joseph G. Prokop, CFP®, CRPC®

Kevin N. Tucker, CFP®

August 24, 2015

Dear Clients;

We want to take some time and share some thoughts for you to consider. We are all seeing and hearing the increased volatility in the financial markets and it is natural to wonder how this may impact your wealth and financial goals. We have taken the right steps by utilizing a strong financial plan to make sure that this is just another bump in the road. We have implemented sound investment strategies that work to minimize the impact of these short-term bumps. Kevin and I remain vigilant and continue to monitor market developments, we do not see a need for portfolio adjustments at this time. In that regard, we wanted to highlight a few important aspects:

### **1. There is no free lunch**

The reason we expect higher long-term returns on stocks than on cash and bonds is because they have greater opportunity. With that opportunity also comes greater volatility. There is no free lunch in the financial markets, and we have to accept volatility in times like this in order to earn the expected higher long-term returns. Kevin and I believe in taking a strategic, long-term view on asset allocation\* and your portfolio is invested in a model based on your unique financial and personal circumstances.

### **2. Market timing does not work**

Market timing is the holy grail of investing. If one could do it consistently, the rewards would be great, but investors typically end up with sub-par performance due to the extreme difficulty of getting the timing right. Despite much attention in the media to being tactical (i.e. market timing), we are not aware of investors who have consistently timed the markets with success. Although this holy grail does not exist, the good news is that one does not need a crystal ball to invest with success. The benefits of a long-term, strategic view are compelling, but the higher returns associated with investing in stocks is dependent on being disciplined through both good and bad times.

### **3. The importance of diversification**

One of the important lessons from the financial crisis is that diversification works. While this may not be the case on a day-to-day basis, a mix of different types of assets (large, medium, small, international stocks as well as bonds) provide a smoother and more stable ride for your portfolio. As an example, while stocks have performed poorly in the past few weeks, most of the bond and alternative funds have provided a cushion or shock absorber for stocks poor performance. Right now the time frame is extremely short, and no one knows how the funds will perform in the next few weeks or months, but it is another testament to the benefits of diversification. Over a longer time horizon Kevin and I have no doubt things will work out in your favor.

Investment advisory services offered through Cambridge Investment Research Advisors, a Registered Investment Advisor. Securities offered through Cambridge Investment Research, Inc., member FINRA/SIPC. Cambridge and Tucker Financial Services are not affiliated.

As your financial fiduciaries, we care deeply about your financial well-being, and it is in times like these that it is important to stay calm and refrain from making decisions that may be detrimental to your wealth. In the meantime, Kevin and I will monitor for rebalancing opportunities that may add value to your portfolio. As always, please do not hesitate to contact us if you have any questions or concerns.

Sincerely,

Joseph G. Prokop, CFP®, CRPC®

Kevin N. Tucker, CFP®

*\*Diversification and asset allocation strategies do not assure profit or protect against loss.*

*The statements above are the opinion of Joseph G. Prokop, CFP®, CRPC® and Kevin N. Tucker, CFP® as of August 24, 2015 and are subject to change at any time without notice. The above statements are not a recommendation of any investment product nor a solicitation to buy or sell any security. Past performance is not an indication of future results.*