



## Intellect, Emotions & Plans

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### Did You Know? Locksmith

Not all Locksmiths have a license: Only 15 states require licensing in this industry and Michigan is not one of them.

The first locks date to the ancient Egyptian culture, some 4,000 years ago, and the oldest locks featuring keys were made in 704 BC.

Those living in Colonial America did not have locks on their doors. Locks were expensive and hard to make. However, they did have locks designed to protect valuables in chests or lock boxes.

James Sargent created the first combination lock. The locks, which he developed in 1857, contained a mechanism which is still used in bank vaults today.

Famed magician, Harry Houdini worked as a locksmith for years. He studied the trade and learned to perfect lockpicking. He even provided his skills as a locksmith for free to those who needed help.

Walter Schlage created the first cylindrical style pin-tumbler type of lock in the 1920s. It was considered one of the most advanced options and the company remains one of the most innovative today.

Source: 1-800-unlocks.com



After a surprisingly positive month of September, October ended, unsurprisingly in the red. Traders had more on their minds than just costumes and candy. It's well known that investment markets abhor uncertainty, and our post Halloween days/weeks are rife with continuing tricks and treats – election results, Federal reserve decisions, and inflation expectations.

Major stock indices ended October down. The S&P 500 fell just under 1%, and the Dow Jones lost a bit more than 1%. International developed and emerging markets were off 4.3% and 3.5%, respectively. And despite the Fed's September rate cut, rates actually rose in October, pushing bond returns lower. Such returns can be expected in uncertain markets.

Though we expect continued volatility, the near term will offer much needed certainty as new employment numbers will feed new data into the next Fed meeting, and the next Fed meeting will give guidance to the market, and a settled election will suggest a some possible policy outlines to help businesses plan their paths forward.

Already waxing eloquent on phrases like “the market hates uncertainty”, we'll add “the stock market is not the economy.” October stock market news was a bit sour, economic news was a bit sweeter: GDP (gross domestic product) is still growing, consumers are still spending, inflation is slowly improving, and paycheck increases are outpacing prices.

Despite a political ‘Three Bears’ view of the economy – Democrat Bear touts its very warm, and Republican Bear pouts it's too cold – the economy is really all right. Three of the past four new Presidents found a White House wrapped in recessionary worries, but our soon to be elected leader will find a 4-year term delivered with pre-election GDP having grown 2.7%, unemployment hovering near historic lows of 4.1%, and inflation nearly its 2% target. CEO's at Boeing and Starbucks would love that backdrop for their new jobs. We don't want to sound to Pollyannish and ignore the elephant lurking in the oval office, wearing a giant deficit box, wrapped in nonpartisan inflationary policy promises.

Uncertainty does remain for both potential gains or possible falls, nearterm. Those moves will be driven by emotions and headline risks, over economics and fundamentals. The AI boom, that created outsized returns for seven stocks, is making its way more quietly into the innovation and productivity of the other 493 S&P 500 companies. We maintain our positive outlook for stocks, with a tilt toward fundamentals and dividends over elevated PE's and high growth. Yes, PE (price-to-earnings) ratios are high, but we believe corporate earnings will grow into those stock prices, as PE ratios drift to more normal levels.

As the rest of the world envies the US levels of increasing growth and decreasing inflation, we see opportunities for companies and sectors supportive of global infrastructure's future growth. Be it higher productivity led by AI, or water, road and electric infrastructure builds to support basic needs, we see growth — though it may come in fits and starts. Fixed income rates may no longer offer 5% CD's or excessively juicy bond rates, but current interest rate still exceed those of recent decades, AND if rates continue lower, bond values will drift higher (prices rise as rates fall).

Political polls suggests 50% of our readers will be disappointed by election results, but we think 100% should be encouraged by what lies ahead. Remember: the stock market is NOT the economy, and regardless of a Red win or a Blue win, the Red, White & Blue horizon offers the best view from anywhere else in the world.

### Trivia:

- 1) What is the name of the fermented cabbage dish that's a staple in Korean cuisine?
- 2) What alcoholic beverage is made from juniper berries?
- 3) According to Greek mythology, who was the first woman on earth?
- 4) In what year did the Titanic sink?

As Ouija boards, chicken bones, and confirmation bias dominate the American-psyche for political predictions, a decision was made to pen this November update before the election results. For regardless the outcome, 24-hour news cycles will be filled with “What’s Next?” near term guess work and conjecture. We felt we could best focus your post-election reading with a bit of timely pre-election writing.

Having shared that, we do plan to knock softly on your email InBox with some mid-month perspective. So keep an eye to your computer, and maybe an extra click to your SPAM folder . . . in case your internet security filter doesn’t like what we have to say. We’ll also post it to our newly updated website.

### Reminder: What’s your true North?

We still need to hear from a few favorite clients, after our recent Profile mailing update. Our planning and investing expertise are here to guide the journey, but we need periodic updates on where you’re headed, and how you’d like to get there. Let us know if you need a new Profile to fill out.



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I was recently checking out at Lowes home improvement store when a younger man walked in. He was greeted by the self-checkout attendant who asked him, “Is there something I can help you find?”

Without any hesitation, the jovial young man replied, “Yes, I need a big board.”

Baffled by the response, the attendant paused as she tried to figure out how to better understand his needs, so she asked, “Is there a particular size?”

The young man responded, “Yes, just a big one.”

It was such an honest and innocent response that I couldn’t help but chuckle. I started thinking to myself, what could he possibly be looking for.

Is a big board, a sheet of plywood, a 2x4, or maybe a 4x4 post. Did he perceive a “big board” as a long board, or a wide board, and what about the tools and other resources he would need to do something with it? Did he have a hammer & nails or a drill & screws?

As I was leaving the store, the attendant directed him to the lumber aisles. I can only imagine what he thought when he got there and saw every conceivable option available. It’s a funny story that can happen to people as they work their way towards retirement. They have this very vague, “big board” image in their head about life after work, but have little to no idea as to what they are really in for.

Like the different dimensions of wood, retirement can mean different things to different people. For those who walk into it with a “big board” mentality they can quickly realize it’s not necessarily easy to replace your work identity, fill your time with meaningful tasks, keep mentally and physically active as well as relevant and connected.

If you’ve ever done any DIY projects for your home, you have likely heard the saying “measure twice, cut once... or as some say it, measure once, cuss twice.” Like the young man who came into the store with no measurement, it’s important for new and soon to be retirees to measure more than their finances in the transition.

Key additional measurements include determining what you may lose in making the retirement transition rather than just focusing on what you will gain and assessing how your personality will be impacted by retirement. For example, if you’re a Type A personality who prefers routine and structure in your day, assuming that you will suddenly be able to change to a “go with the flow” type person now that you are retired doesn’t usually work out. It may last for a week or two, but ultimately retirement doesn’t change who you are, which means that the better you understand yourself and your personality the better transition you can make.

The reality is, whatever “boards” you frame your retirement with, it’s important to realize you can’t caulk around the gaps or use wood putty to fix it. It’s essential to have a specific plan that not only meets your needs and matches your personality, but is also built on a strong foundation with the right tool and resources.

### Trivia Answers

- 1) Kimchi
- 2) Gin
- 3) Pandora
- 4) 1912