



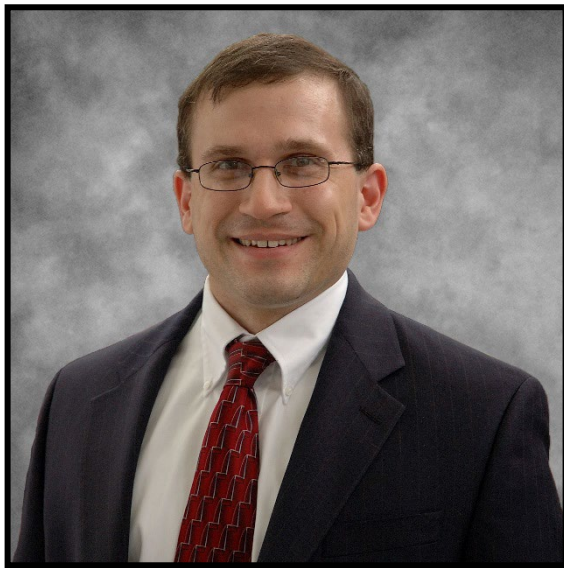
# UKRAINE AND THE STATE OF THE FINANCIAL MARKETS

## Q&A

**WITH JIM HOLTZMAN, CFP®**

Presented By  
James J. Holtzman, CFP®  
CEO, President and Wealth Advisor  
Legend Financial Advisors, Inc.®

## **JAMES J. HOLTZMAN, CFP®**



**James J. Holtzman, CFP®, is the CEO, President and Wealth Advisor with Legend Financial Advisors, Inc.® and EmergingWealth Investment Management, Inc.®**

**Jim has been selected nine consecutive times by *Medical Economics* as one of “The 150 Best Financial Advisors for Doctors in America.”**

**Mr. Holtzman has been selected five times by *Dental Products Report* as one of “The Best Financial Advisors for Dentists in America”.**

**Jim has also been previously selected three times by *Pittsburgh Magazine* as one of the Pittsburgh area’s FIVE STAR Wealth Managers, a list that represents the most elite financial advisors in Pittsburgh.**

**With over 20 years of experience, Jim assists all types of clients with their financial planning and investment needs. Jim’s extensive skill set includes providing financial advice to retirement-focused clients, medical and dental practices, and businesses.**

**Jim serves as the firm’s Income Tax and Education Funding and Planning Specialist.**

**Jim’s previous professional experience includes employment with various CPA and Financial Advisory organizations where he provided tax, accounting, auditing and financial consulting services to individuals and businesses. Jim has also provided financial advice to various Fortune 500 and public company executives.**

**Jim’s areas of concentration include income tax planning, estate planning, stock option exercise planning, insurance, retirement planning and Section 529 Plans.**

**Mr. Holtzman was selected by *Pittsburgh Business Times* as one of the 2013 Fast Tracker's, which honors leaders in the Pittsburgh area's business community who've had a significant impact on the growth of their organization.**

# GEOPOLITICAL EVENTS

## Geopolitical Events And Stock Market Reactions

Market Shock Events	Event Date	S&P 500 Index		Calendar Days To	
		One-Day	Total Drawdown	Bottom	Recovery
Iranian General Killed In Airstrike	1/3/2020	-0.7%	?	?	?
Saudi Aramco Drone Strike	9/14/2019	-0.3%	-4.0%	19	41
North Korea Missile Crisis	7/28/2017	-0.1%	-1.5%	14	36
Bombing of Syria	4/7/2017	-0.1%	-1.2%	7	18
Boston Marathon Bombing	4/15/2013	-2.3%	-3.0%	4	15
London Subway Bombing	7/5/2005	0.9%	0.0%	1	4
Madrid Bombing	3/11/2004	-1.5%	-2.9%	14	20
U.S. Terrorist Attacks	9/11/2001	-4.9%	-11.6%	11	31
Iraq's Invasion of Kuwait	8/2/1990	-1.1%	-16.9%	71	189
Reagan Shooting	3/30/1981	-0.3%	-0.3%	1	2
Yom Kippur War	10/6/1973	0.3%	-0.6%	5	6
Munich Olympics	9/5/1972	-0.3%	-4.3%	42	57
Tet Offensive	1/30/1968	-0.5%	-6.0%	36	65
Six-Day War	6/5/1967	-1.5%	-1.5%	1	2
Gulf of Tonkin Incident	8/2/1964	-0.2%	-2.2%	25	41
Kennedy Assassination	11/22/1963	-2.8%	-2.8%	1	1
Cuban Missile Crisis	10/16/1962	-0.3%	-6.6%	8	18
Suez Crisis	10/29/1956	0.3%	-1.5%	3	4
Hungarian Uprising	10/23/1956	-0.2%	-0.8%	3	4
N. Korean Invades S. Korea	6/25/1950	-5.4%	-12.9%	23	82
Pearl Harbor Attack	12/7/1941	-3.8%	-19.8%	143	307
<b>Average</b>		<b>-1.2%</b>	<b>-5.0%</b>	<b>22</b>	<b>47</b>

Source: LPL Research, S&P Dow Jones Indices, CFRA, 01/06/20

All indexes are unmanaged and cannot be invested into directly.

Past performance is no guarantee of future results.

The modern design of the S&P 500 Index was first launched in 1957. Performance before then incorporates the performance of its predecessor index, the S&P 90.

# Stocks Tend To Do Well After Corrections

S&P 500 Index Corrections and Bear Markets (1980 - Current)

					S&P 500 Index Returns	
High Date	S&P 500 High Price	Low Date	S&P 500 Low Price	Correction Return	1-Year Return After Lows	2-Year Return After Lows
2/13/1980	118.44	3/27/1980	98.22	-17.1%	33.0%	10.6%
11/28/1980	140.52	9/25/1981	112.77	-19.8%	9.4%	50.5%
11/30/1981	126.35	3/8/1982	107.34	-15.1%	43.2%	48.4%
5/7/1982	119.47	8/12/1982	102.42	-14.3%	57.7%	57.9%
10/10/1983	172.65	7/24/1984	147.82	-14.4%	30.3%	61.5%
8/25/1987	336.77	10/19/1987	224.84	-33.2%	22.9%	52.5%
10/21/1987	258.38	10/26/1987	227.67	-11.9%	24.0%	51.5%
11/2/1987	255.75	12/4/1987	223.92	-12.5%	21.4%	56.6%
10/9/1989	359.80	1/30/1990	322.98	-10.2%	3.7%	28.5%
7/16/1990	368.95	10/11/1990	295.46	-19.9%	28.8%	38.2%
10/7/1997	983.12	10/27/1997	876.99	-10.8%	21.5%	47.9%
7/17/1998	1186.75	8/31/1998	957.28	-19.3%	37.9%	57.7%
9/23/1998	1066.09	10/8/1998	959.44	-10.0%	39.2%	46.9%
7/16/1999	1418.78	10/15/1999	1247.41	-12.1%	10.2%	-13.9%
3/24/2000	1527.46	4/14/2000	1356.56	-11.2%	-12.1%	-18.8%
9/1/2000	1520.77	4/4/2001	1103.25	-27.5%	0.0%	-21.0%
5/21/2001	1312.83	9/21/2001	965.8	-26.4%	-13.7%	6.5%
1/4/2002	1172.51	7/23/2002	797.7	-32.0%	23.9%	36.2%
8/22/2002	962.70	10/9/2002	776.76	-19.3%	33.7%	44.8%
11/27/2002	938.87	3/11/2003	800.73	-14.7%	40.4%	51.0%
10/9/2007	1565.15	3/10/2008	1273.37	-18.6%	-43.5%	-10.0%
5/19/2008	1426.63	10/10/2008	899.22	-37.0%	19.7%	30.1%
10/13/2008	1003.35	10/27/2008	848.92	-15.4%	25.3%	39.3%
11/4/2008	1005.75	11/20/2008	752.44	-25.2%	45.0%	59.2%
1/6/2009	934.70	3/9/2009	676.53	-27.6%	68.6%	95.4%
4/23/2010	1217.28	7/2/2010	1022.58	-16.0%	31.0%	33.5%
4/29/2011	1363.61	10/3/2011	1099.23	-19.4%	31.5%	53.8%
5/21/2015	2130.82	8/25/2015	1867.61	-12.4%	16.5%	30.6%
11/3/2015	2109.79	2/11/2016	1829.08	-13.3%	26.6%	45.2%
1/26/2018	2872.87	2/8/2018	2581	-10.2%	5.0%	30.1%
9/20/2018	2930.75	12/24/2018	2351.1	-19.8%	37.1%	57.8%
2/19/2020	3386.15	3/23/2020	2237.4	-33.9%	74.8%	?
1/3/2022	4796.56	2/22/2022*	4304.76	-10.3%	?	?
Average				-18.8%	24.8%	37.4%
Median				-16.5%	25.9%	45.2%
% Higher					90.3%	86.7%

Source: LPL Research, Ned Davis Research, FactSet 02/22/2022 \* The current correction might not be over yet.

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# Stocks Tend To Do Well After Corrections

S&P 500 Index Corrections Between 10% - 15% (1980 - Current)

					S&P 500 Index Returns	
High Date	S&P 500 High Price	Low Date	S&P 500 Low Price	Correction Return	1-Year Return After Lows	2-Year Return After Lows
5/7/1982	119.47	8/12/1982	102.42	-14.3%	57.7%	57.9%
10/10/1983	172.65	7/24/1984	147.82	-14.4%	30.3%	61.5%
10/21/1987	258.38	10/26/1987	227.67	-11.9%	24.0%	51.5%
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7/16/1999	1418.78	10/15/1999	1247.41	-12.1%	10.2%	-13.9%
3/24/2000	1527.46	4/14/2000	1356.56	-11.2%	-12.1%	-18.8%
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1/26/2018	2872.87	2/8/2018	2581	-10.2%	5.0%	30.1%
1/3/2022	4796.56	2/22/2022*	4304.76	-10.3%	?	?
Average				-12.1%	21.9%	36.5%
Median				-12.1%	21.5%	46.9%
% Higher					92.3%	84.6%

Source: LPL Research, Ned Davis Research, FactSet 02/22/2022 \* The current correction may not be over yet.

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**U.S. STOCK MARKET FLUCTUATIONS  
What Past Market Declines Can Teach Us**

**A History Of Declines (January 1, 1900 – December 31, 2021)**

<u>Type of Decline</u>	<u>Percentage Decline</u>	<u>Number of Declines</u>	<u>Average Frequency</u>	<u>Average Length</u>
Dip	-5.0% to -10.0%	391	About 3 times a year	46 days
Correction	-10.0% to -15.0%	127	About once a year	115 days
Severe Correction	-15.0% to -20.0%	Included in corrections total	About once every 2 years	216 days
Bear Market*	-20.0% to -30.0%	17	About once every 6.25 years	11 months
Severe Bear Market*	-30.0% or more	16	About once every 8.25 years	22.8 months

\* Either a Bear Market or a Severe Bear Market occurs approximately every 3.7 years.

Source: American Funds Distributors, Inc., Bloomberg, Dow Jones, Ned Davis Research, Edward Jones, The Leuthold Group, LLC

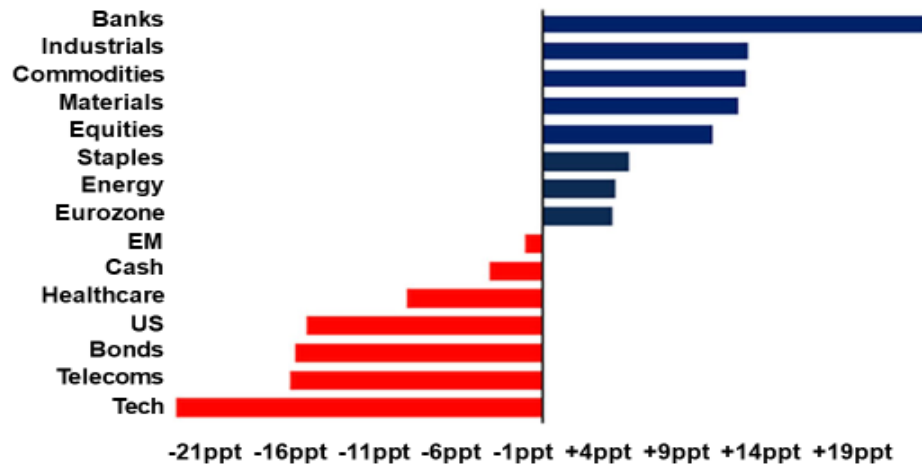
70

# WHAT ARE THE EFFECTS OF INFLATION

1. Erodes Purchasing Power
2. Raises The Cost of Borrowing

# INVESTMENT ALLOCATION IDEAS

PORTFOLIO MANAGERS ARE TAKING THE RESEARCH AND SLIDING THEIR WEIGHTINGS TOWARD THE INFLATION WINNERS



As of January 2022

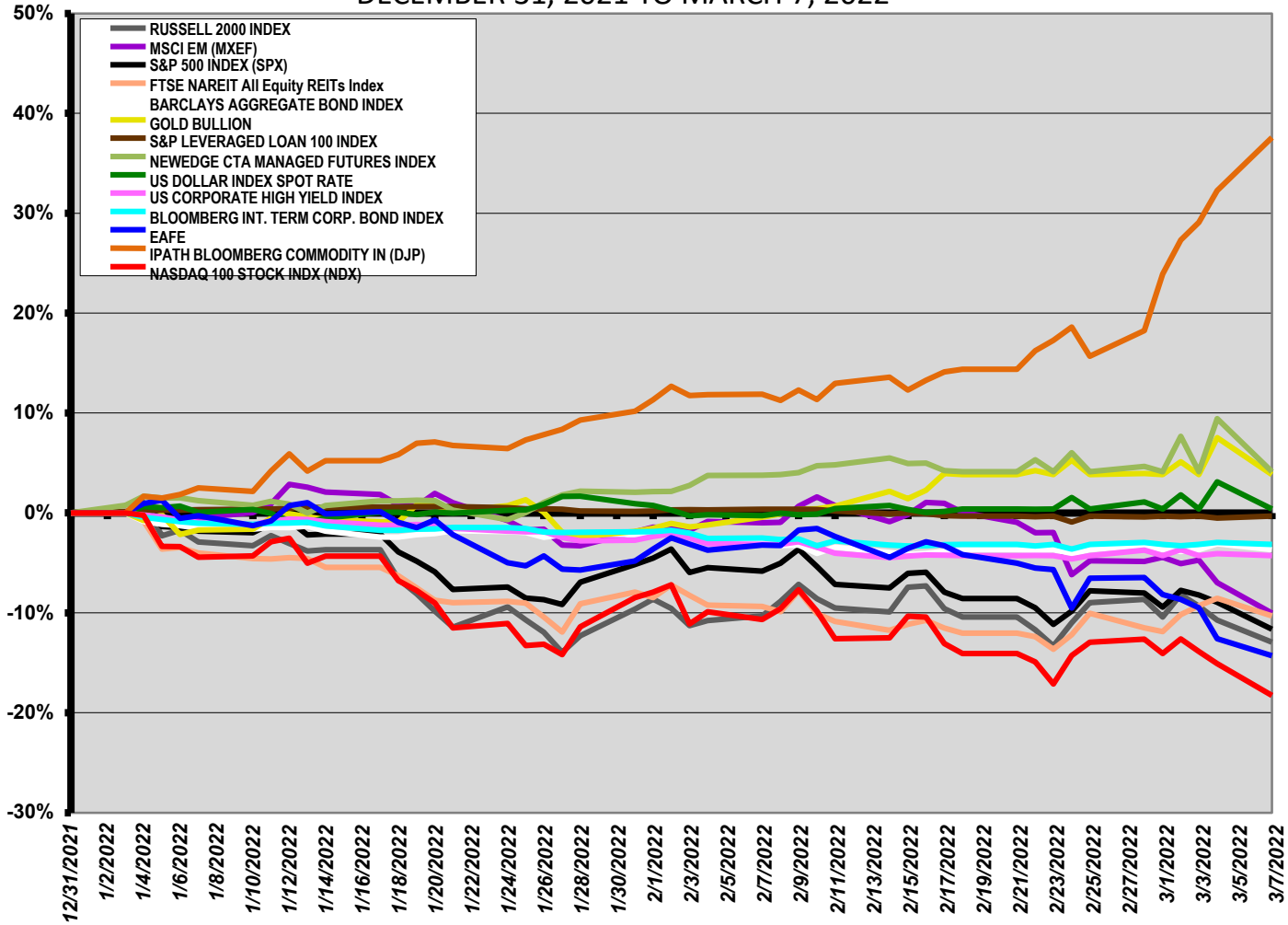
Source: Bofa Global Fund Manager Survey

42





## INDEXES DECEMBER 31, 2021 TO MARCH 7, 2022



# QUESTIONS AND ANSWERS



# CONTACT INFORMATION



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