Investment Analysis and Planning
June 2020

By
Jim Hiles, MSFS, ChFC
Managing Partner
First Capital Advisors Group
Principles For Successful Long-term Investing

● The key to successful investing isn’t predicting the future, it’s learning from the past. And understanding the present.

● These seven time-tested strategies for guiding investors and their portfolios through today’s challenging markets and toward tomorrow’s goals.

  • Plan For Long Term

  • Cash Isn’t Always King

  • Harness The Power Of Dividends And Compounding

  • Avoid Emotional Biases By Sticking To A Plan

  • Volatility Is Normal; Don’t Let It Derail You

  • Diversification Works

  • Staying Invested Matters
Historical analysis and current forecasts do not guarantee future results.

AAA: American Automobile Association; MBA: Mortgage Bankers Association

*Consumer Free Cash Flow = PCE% Core Index (what consumers have after paying taxes, food and energy) – Federal Reserve US Financial Obligations Ratio (consumer debt service as a percent of income).

Left display through March 31, 2020; middle display: 30-year fixed average prime offer rate through March 30, 2020, and MBA US refinancing index as of March 27, 2020; right display through December 31, 2019

Source: Bloomberg, Cornerstone Macro and AB
Important disclaimers

This document is intended for internal use only, and in certain exceptions for the exclusive use of clients or prospective clients of First Capital Advisors Group (FCAG). Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Past performance does not indicate future performance. The enclosed materials are not an offer to sell nor a solicitation of an offer to purchase interests of any current or future related fund, nor do they constitute a financial promotion, investment advice or an inducement or incitement to participate in any product, offering or investment. The enclosed materials may not be reproduced or redistributed in whole or in part. FCAG disclaims any obligation to update this document to reflect subsequent developments. Each person accepting the enclosed materials thereby agrees to return them promptly upon request.

No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in the enclosed materials by FCAG or respective affiliates or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. Strategies discussed herein may involve investments in less liquid securities as well as leverage. Due to the potential volatility of net asset values, these products are intended for sophisticated investors. You and your advisor(s) should consider any legal, tax and accounting matters relevant to any investments discussed herein or arising there from. If you are subject to ERISA, this presentation is being furnished to you on the condition that it will not form a primary basis for any investment decision. There can be no guarantee that investment objectives will be obtained. In making an investment decision, you must rely on your own examination of the investments and the terms of the offering. You should not construe the contents of the enclosed materials as legal, tax, investment or other advice.

Back-tested performance results have inherent limitations, some of which are described herein. Back-tested returns do not represent the performance results of actual trading and are calculated through the retroactive application of the adviser’s model portfolio configuration, designed with the benefit of hindsight. Since back-tested performance results do not represent actual trading, they may not reflect the impact that material economic and market factors might have had on the decision-making of the adviser, if the adviser was actually managing client assets during the back-test period. No representation is being made that the adviser’s strategy will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently significant material differences between back-tested performance results and performance results subsequently achieved by following a particular strategy.

In addition, back-tested performance does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of back-tested performance results and all of which can adversely affect actual trading results.