



## The Scorecard

*Your Personal CFO*

Date: March 31, 2021

### Tips From the Pro

If you owe the bank \$1,000 it's your problem. If you owe the bank billions of dollars due to off-market swap agreements that moved against you and triggered a massive margin call, it's the bank's problem.

### Hazards

Shrinking and expanding your definition of "Long-Term" as volatility spikes and wanes  
Mistaking luck for skill and vice versa  
Constructing a financial plan that requires luck or skill

### Front Nine: Market Update

	Annualized				
	1-Month	1-Year	3-Year	5-Year	10-Year
Barclays US Aggregate	-1.25%	0.71%	4.65%	3.10%	3.44%
Barclays US Municipal	0.62%	5.51%	4.91%	3.49%	4.54%
Barclays US TIPS	-0.19%	7.54%	5.68%	3.86%	3.44%
S&P 500	4.38%	56.35%	16.78%	16.29%	13.91%
S&P 1000	4.24%	86.95%	13.50%	14.75%	12.25%
MSCI EAFE	2.30%	44.57%	6.02%	8.85%	5.52%
MSCI Emerging Markets	-1.51%	58.39%	6.48%	12.07%	3.65%
DJ US Real Estate	5.67%	34.90%	10.28%	7.23%	8.78%
Bloomberg Commodities	-2.15%	35.04%	-0.20%	2.31%	-6.28%

### Back Nine: Data From Your CFO

	Most Recent	Previous Month	Start of Year	YTD Change
S&P500 P/E Ratio(Fwd)	24.3	24.6	25.1	-0.8
S&P500 P/E Ratio(TTM)	33.7	42.0	38.2	-4.5
6 Month CD	0.10%	0.10%	0.11%	-0.01%
10-Year Treasury	1.75%	1.46%	0.91%	0.84%
S&P 500 Yield	1.45%	1.51%	1.55%	-0.10%
Fed Funds Rate	0.00-0.25%	0.00-0.25%	0.00-0.25%	0.00%
WTI Oil	\$59.16	\$61.50	\$48.52	21.93%
Unemployment	6.00%	6.30%	6.70%	-0.70%
CPI	1.70%	1.40%	1.20%	0.50%

### At the Turn

Do you have financial goals or are you trying to beat the market? If you beat the S&P 500 by 5% each year from 1960-1980, you would have made less money than if you underperformed by 5% each year from 1980-2000.

### 19th Hole: Cocktail Party Trivia

A Tiger-cub (protégé of a famous hedge-funder) recently re-introduced banks to counterparty risk. He had entered into swap agreements with several banks, but collected massive margin calls after certain stocks moved lower. A little due diligence may have gone a long way as he had previously been involved in fraud and barred from trading in Hong Kong.

Please see important disclosures on the next page.

## The Scorecard

Your Personal CFO

### Front Nine: Market Update:

Bond Returns: All returns represent total return. Bond Index: Barclays US Aggregate provided by Barclays Capital; Barclays US Municipal provided by Barclays Capital; Barclays US TIPS provided by Barclays Capital.

Equity Price Levels and Returns: All returns represent total return for state period. Equity Index: S&P 500 provided by Standard & Poor's; S&P 1000 provided by Standard & Poor's; MSCI EAFE provided by MSCI – gross official pricing; MSCI Emerging Markets provided by MSCI – gross official pricing; Wilshire Real Estate Securities Index provided by Wilshire Associates Inc; Commodity Index: Bloomberg Commodity provided by Bloomberg Professional® Service. No index mentioned on the Front Nine Report includes any trading expenses, management fees or other costs.

### Back Nine: Data from your CFO:

S&P 500 P/E Ratio (Forward 12 Month) provided by S&P 500 Earnings and Estimate Report; S&P 500 P/E Ratio (Trailing Twelve Month) provided by S&P 500 Earnings and Estimate Report; 6 Month CD Rate provided by FDIC.gov; 10-Year Treasury Rate provided by Bloomberg; S&P 500 Yield provided by S&P 500 Earnings and Estimate Report; Federal Funds Rate provided by Federal Reserve Bank of New York; Price of WTI provided by Bloomberg; Unemployment Rate provided by Bureau of Labor Statistics; Consumer Price Index provided by Bureau of Labor Statistics; Certain information on the Back Nine Report are economic trends and do not necessarily reflect account or market performance.

### At the Turn

Source: <https://ofdollarsanddata.com/the-right-place-the-right-time/>

### 19th Hole: Cocktail Party Trivia:

Source: <https://www.wsj.com/articles/what-is-archegos-and-how-did-it-rattle-the-stock-market-11617044982>

All Indexes, where applicable, include the reinvestment of dividends and other earnings but do not include any trading expenses, management fees or other costs. Unless otherwise stated, all data is as of March 31, 2021 or as of most recently available. *Past performance does not guarantee future results. Diversification does not guarantee investment returns and does not eliminate the risk of loss.*

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described may not be suitable for all investors. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, accounting, legal or tax advice. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. International investing involves a greater degree of risk and increased volatility. There is no guarantee that companies that can issue dividends will declare, continue to pay, or increase dividends. Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage.

Please remember to contact Fairway Wealth Management LLC, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services. Fairway Wealth Management LLC is neither a law firm nor a certified public accounting firm and no portion of the newsletter content should be construed as legal or accounting advice. A copy of Fairway Wealth Management LLC's current written disclosure statement discussing our advisory services and fees continues to remain available upon request.