



October 2021

# FINANCIAL FOCUS:

A Pegasus Newsletter ©

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Dear friends, the third quarter of 2021 proved once again that nothing moves in a straight line. Covid 19, which seemed to be on its heels only 3 months ago, found new life in the Delta variant, though vaccinations and common-sense precautions continued to prove a substantial defense. We all hope this most recent wave proves to be the last. The markets also took a much overdue detour, giving new life to “volatility” whose definition for the equity markets is more going down than going up and down. As the leaves change color and we speed toward the holiday season, our team at Pegasus wishes you and yours a very happy and healthy finish to 2021. By Rodd D. Berro

## COURSE CORRECTION

The third quarter gave back some of the gains for the year in all the major indexes. However, 2021 remains a very good year as we enter the last quarter. The Dow Jones Industrial Average ended September 30<sup>th</sup> up 9.6% for the year, while the S&P 500 rose 14.7%, the Russell 2000 small cap index was up 11.6% and the Nasdaq Composite climbed 12.1%. The bond market reversed course again as the 10-year Treasury yield rose back up to 1.53% from 1.44% last quarter but still shy of the 1.75% reached on March 31<sup>st</sup>. The 30-year treasury ended at 2.09% also well short of its 2.63% finish at the end of the first quarter. Gold slipped further for the year ending at \$1742.80 per ounce down 7.7% for the year while oil continued its yearlong rise to \$75.03 per barrel, up 55% since December 31<sup>st</sup>. Most consequentially, and little reported, just as the thermometer begins to fall, natural gas prices are up a staggering 131.1%. Let's hope for a warm winter.

## SUPPLY CHAIN PAIN

From hospitals to liquor stores and from appliances to furniture, supply chain constraints are affecting every walk of life, some serious and

some less consequential. Here is my own, real-life experience, highly illustrative of the issues.

I decided in May to order my new car even though my lease was not over until September 26<sup>th</sup>. On June 5<sup>th</sup>, I signed the paperwork, and the expected arrival date was early August. All seemed well until early July when I was told the color paint, I had ordered, would not be available due to lack of certain raw materials from Covid restraints. I came back in to change the color of the paint and interior and was informed that a shortage of microchips would push the due date back to late August. In the first week of August, I called the dealership to check on the status of the car. The car was painted and almost ready to go, but they were waiting on a vessel to ship it to the United States, which were in short supply again due to Covid restraints. The car finally shipped in the first week of September, but I was advised to extend my lease for at least a month, as unloading at the docks could take weeks due to a shortage of workers, again because of Covid. Now, in early October, the ship is in and unloaded, but now we are waiting on ground transportation to the dealer, which, you guessed it, is on a waiting list due to pent up demand from Covid. As I write this letter, the car is expected at the dealer on the 18th and with 5 days of prepping and paperwork, I should be able to pick it up on the 23<sup>rd</sup>. Due to all the supply chain disruptions, I started the process four months in advance of the end of my car lease and ended up extending my current lease by a month. The shortages touched upon in my story are occurring throughout the world effecting not only cars, but thousands of products and services.

These supply chain issues will be resolved eventually, but it appears they will last into next year. This puts the holiday season at risk. Retailers may find it difficult to fill their shelves with toys and electronics, leaving a lot of disappointed children this holiday season.

(over, please)



## Numbers Talk

Volatility of Bitcoin over the past year versus the US Dollar.....555%

Volatility of the Euro over the past year versus the US Dollar.....6.4%

Record amount of M&A volume in the United States so far in 2021.....1.8 T

Percentage of women college students at the end of the 2021 school year.....59.5%

Record average size of a US home mortgage in July 2021.....402 K

## Pegasus Client Portal

*Securely upload & download documents in the portal*

### To Access the Client Portal:

<https://pegasusassetmgt.portal.tamaracinc.com>

### To Download Documents from the Client Portal:

- Click on the Documents tab at top of screen
- Click "All Documents" in blue on the left side of the screen
- Click a check mark next the documents you want to download
- Towards the top in the blue box, click on the down arrow next to the word "Action"**
- Click "Download" & follow your computer's prompts for a downloaded document

### To Post Documents to the Client Portal:

- Click on the Documents tab at top of screen
- Click "All Documents" in blue on the left side of the screen
- Click on the down arrow next to the word "Action" in the blue box**
- Click on "Post Documents"
- Select the file to upload
- Click "Post" on the bottom right



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<http://www.schwaballiance.com/>

Schwab Mobile App

1-800-515-2157

Secure, online access to your accounts is easy, visit the Schwab Alliance website or Schwab Mobile App to view account balances & transactions, access tax documents, open new accounts, and more.

<https://content.schwab.com/learningcenter/index.html>

## Tips For Preventing Fraud

- Do not click on links or attachments included in unknown or suspicious emails, and be on heightened alert for emails with Office, zip, and other common attachments
- Look for clues within the text of emails that may indicate they were sent by bad actors. These include errors in grammar, capitalization, or spelling
- Hover over links to reveal the website's URL to see where the link really leads. Do not click on the link if the destination is not what you would expect to see
- View this QR code from the camera app on your phone for examples of fraudulent Schwab emails



- Check the sender's domain in the email address (for example, the "abc.com" in the address john.doe@abc.com) to see if it matches what you would expect to see

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