



Dear Clients,

We have several exciting updates we would like to share with you, and some commentary on the current market.

Statements and Software Update

Starting in 2022, we have signed a 5-year contract with Orion Advisor Software company. Orion is the leading investment reporting and data management software for independent advisors. This software will allow each client to have their own secure on-line portal where they can see their portfolio positions / performance, IGM's monthly reports, and their TD Ameritrade statements all in one place. You will be receiving statements from this software as early as July (from your June quarter end statements). We are in the process of customizing data with Orion. In the meantime, we will be sending you a quarterly IGM report for the period ending March 31. You will receive this report via your current method. Delivery of this report will be by the latter part of April. We encourage you to view your custodial statements from TD Ameritrade available at advisorclient.com during this period. If you need assistance in setting up your advisorclient.com account please contact Andrew at andrew@investmentgrowthmanagement.com.

If you would still like to receive a monthly IGM report (for February, April, and May) from us, please let us know and we will be able to accommodate your requests.

In the following months we will provide instructions on how to set up and access your online portals. If you receive your statements by mail, we can continue to mail them to you as you have received in the past.

Investment Growth Management, (IGM) now INC.

As of 1/1/2022, we have switched our business structure from a proprietorship to an S-Corporation. This was in response to our growth over the years and fulfilling one of many long-term goals Andrew and I have set years prior. Andrew and I will be 50/50 owners.

It does not change the way we do business, or our relationship with our clients and our custodian, TD Ameritrade/Schwab, however all business dealings will be done under Investment Growth Management, Inc.

CFP Update:

In April of 2021 Andrew achieved the CERTIFIED FINANCIAL PLANNER™ designation.

CFP® is a graduate level designation, and for more than 30 years, CERTIFIED FINANCIAL PLANNER™ certification has been the national standard of excellence in financial planning.



To attain the CFP®, a candidate must complete the entire education requirement which covers 72 Principal Knowledge Topics under the categories below, as well as a comprehensive financial planning capstone course.

Principal Knowledge Topics

Investment planning, tax planning, retirement planning, estate planning, insurance planning, financial management, and education planning.

After completing the courses over a 2-year period Andrew passed the 6-hour CFP® Certification Examination on the first attempt. The overall pass rate exam stays around 60% historically.

This designation will continue to add value to our clients overall financial planning needs as it also requires 30 hours of Continuing Education each year.

AUM and Business Growth:

Over the past 2 years IGM has seen continued business and assets under management (AUM) growth.

From 2019 our total assets under management increased from \$16.7 million to approximately \$29 million today. Our number of accounts has grown to 115 and households to 47.

Financial Planning Software

We also signed an agreement with RightCapital. They are a secure, third-party financial planning software company. This software is in addition to our in-house proprietary software we have been using. With RightCapital, we can create and/or supplement a total financial plan and make holistic analysis & decisions in light of your total financial picture.

In our new financial planning portal, you can:

- 1) Link outside accounts for a consolidated view of all financial accounts and balances.
- 2) Analyze corporate stock options' effects on total portfolio allocation, taxes, and risk/reward.
- 3) Plan for multiple financial goals.
- 4) Project cash flows in retirement.
- 5) Plan for long-term care expenses.
- 6) Have detailed retirement tax estimations.

Check out the video overviews of the software's retirement planning benefits here:

<https://www.investmentgrowthmanagement.com/financial-planning-videos>

This comprehensive planning software is included at no additional cost for clients who have assets over \$100,000 managed with us. Please refer to our updated ADV on our website for a breakdown of our financial planning service and prices. Let us know if you would like to start and we will get your profile up and running for you.



Market Update

The stock market, as measured by the S&P, has had exceptional returns over the past three years, with 2021 up 30%. The annualized (compounded) market return from 2019 to 2021 was 24%. Please note that due to risk management most clients are not 100% invested in stocks and have an allocation between stocks and fixed income investments.

Year to date the market is going through another correction phase caused by a new covid variant, inflation, and the Ukraine / Russian War. We view that it is important to remember that market pull backs are not uncommon. From 2010 to 2021 the market has had 8 corrections of at least 10% or more (data from Yardeni Research, Inc), however the market produced a compounded annual return of 14.9% (including dividend reinvestment) during that same time-period! As of this writing the market is currently recovering from the correction set in late February and early March.

During a correction, one of the most important components to remember is that dividends and interest are still coming into your portfolios. We see all dividend and interest payments coming in on time, in full during this period, and many companies continue to increase their dividends annually.

Bond prices have also been in a decline in 2022, as bond prices will decrease when interest rates rise. This is a common factor in bond investing, however our focus for individual bonds is not the movement in price but the yield to maturity the bond will produce over its duration. Investing in an individual bond provides a time-certain return when held to maturity, provided the company or government agency can meet its financial obligations. We believe a portfolio of individual bonds is superior to investing in bond funds because individual bonds offer consistent, predictable interest payments with a time-certain return. Whereas bond funds have uneven, non-predicable interest payments and do not have a time-certain return. Our goal in purchasing individual bonds is to hold to maturity. Regardless of price fluctuations during the duration of the bond, an investor will receive at maturity par value of \$100 plus all the interest payments that have been paid out every 6 months. Yield to Maturity calculates all these factors.

As always, please feel free to reach out to discuss any of these items and let us know if there are any family and friends who could use our comprehensive investment management and financial planning services.

Sincerely,

Mike Redlick, Co-President
&
Andrew Redlick CFP®, Co-President