

Coach's Corner

Our latest commentary to help you elevate the success of your practice

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Seize Opportunities Presented by Volatility with a Thesis

By: David Richman | April 22, 2024

Recent volatility creates conversation opportunities with existing and prospective clients. Success is anchored to this fundamental tenet: **"We get paid to have an opinion."**

Consider these four conversations where lacking clarity on—or conviction in—your opinion could lead to missed opportunities:

- **Making first encounters count.** When your answer to "what are you telling your clients right now" sounds like a committee of six economists: "on the one hand this, on the other hand that."
- **Inspiring prospective clients to move forward.** Meetings end with prospective clients saying, "we would like to wait for things to settle down."
- **Calming current client concerns.** Clients hang up the phone feeling more confused than prior to your call.
- **Capturing referable moments.** Clients find themselves in conversations with friends about the market, yet these referable moments are squandered due a lack of clarity and conviction in your latest client update call.

Capitalize on these opportunities by following our four best practices of great thesis articulation. Be timely, be pithy, use sound bites that are easy to remember and connect the dots between your financial beliefs and the advice you deliver to clients.

For some inspiration, consider Andrew Slimmon's, Head of Applied Equity Advisors Team, current thesis: **"We are still in the early stages of a bull market."** Here are five reasons Andrew believes the equity rally isn't over.

1. Retail fund flows turned positive only in November, a year off the market low. This is consistent with past turns in fund flows. We think this capitulation is in early stages and is likely fuel for further gains.
2. The market has always gone up the year incumbent Presidents run for re-election since 1944.
3. The period when the Fed has stopped hiking, but not yet started cutting, is historically good for equities. We want the Fed to remain on hold.
4. Corporate buybacks should continue to support equities, since they are targeted to increase 13% this year and 16% in 2025 (\$1.1 trillion).¹
5. Such a strong Q1 historically bodes well for the rest of the year.

Bottom Line: Seize the opportunities presented by volatility spikes to crystallize and communicate your views with a well-crafted thesis.

1. Goldman Sachs, April 1, 2024.

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David Richman
Managing Director
Advisor Institute

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