



March 16, 2020

Dear Clients and Friends of CAPTRUST:

We are living through an unprecedented event in recent human history. Around the globe, borders and businesses are closing. Everyday life is grinding to a halt as schools and public events have been cancelled and workers are encouraged to work from home. The coronavirus (COVID-19) is disrupting life as we know it. While we are all certain to be impacted by the social strain, we hope that you and your family will remain safe and healthy.

We are reaching out to you today to share our thoughts about these surreal times. Of course, our concerns extend well beyond financial matters. But, as your financial advisor, we want you to be well-informed about our views on the situation and what we recommend.

The impact to our economy is likely to be significant, at least for the next several months. And we should all brace ourselves for the coming steady drip of negative economic and health-related news that will exacerbate fears. The news will showcase the inevitable daily counts of virus-related deaths, business and personal bankruptcies, corporate layoffs, and stories of entire industries struggling to fend off unparalleled problems.

The troubling combination of economic uncertainty and health-related fears is new, but the ultimate outcome will most likely be the same as in past crises: economic recovery after a period of pain, with stock markets leading the way.

We commit to remain in contact with you as we navigate this predicament together. Today, our goal is to provide some personal perspective to help you weather this crisis successfully:

- 1. We have been here before.** As in every crisis, the markets undergo a dramatic correction. Catalysts vary, but the market reaction is the same. Fear overtakes rational thought and the markets overreact into a cascade of selling. During my career, I have witnessed seven major market selloffs. In each case, a market decline turned into widespread panic and fear. But also, in each case, markets recovered and quickly rose to new heights. As recently as mid-February, the stock market set an all-time high. We are now down 20 percent from the top. While the next few months are likely to be a bumpy ride for investors, markets will recover with time.
- 2. Stay the course.** While every investor's financial situation is unique, we firmly believe that the best strategy is to stay the course. This advice might seem trite—as you have probably heard it many times before—but it remains a timeless principle. When markets decline, our innate psychology urges us to take action despite a litany of evidence proving that timing the market is a fool's errand. In my 34 years as an advisor, I have yet to meet a single asset manager who has done this successfully over time—despite the many who have tried. Discipline is paramount, and those that stick with their plans are eventually rewarded.

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3. **Quality matters.** The strongest investments and strategies will survive and eventually prosper. At CAPTRUST, we do not invest in speculative strategies. Instead, we focus on high-quality investments that we believe can endure market shocks. While we do not think that all public and private enterprises will overcome the current challenges, we do believe that entities with strong balance sheets, low leverage, and proven leaders demonstrating sound ethics will survive and thrive.
4. **Investing is a lifetime pursuit.** While we are in the midst of witnessing the reversal of several years of investment gains in just a few weeks, we are resolute in maintaining a long-term view. Economies and markets by their nature tend to drive to extremes, fueled by the timeless human emotions of fear and greed. As the saying goes, “it’s always darkest before the dawn.” Patient investors will be rewarded for seeing it through.
5. **We are here for you.** Most importantly, we believe in the holistic wellbeing of our clients, friends, and partners. We understand the importance of balancing financial health with emotional and physical health, and we stand ready to discuss your current thinking and feelings. We will work hard to help you navigate through this difficult period and ask that you help us by sharing with us your concerns, hopes, and aspirations.

While current market challenges could last longer than any of us would like, we will endure through this period of uncertainty. If recent events have caused you to rethink your investment plan, please reach out to your advisor to discuss your options.

Mostly, I hope that you will take this time to focus on your family, friends, and communities while we watch over the markets and your financial wellbeing. We are honored to be your advisor during this challenging time.

On behalf of the entire CAPTRUST family,

J. Fielding Miller  
Co- Founder and Chief Executive Officer

*At CAPTRUST, our mission is to enrich the lives of our clients, colleagues, and communities through sound financial advice, integrity, and a commitment to service beyond expectation.*