



14. Friday Footnotes

How Many Interesting Times Can We Live In?

This was a text I received from a friend this morning, and it reminded me of the adage, "The more things change, the more they stay the same." Five years ago, if you can believe it, we were grappling to understand a rapidly spreading illness that was taking lives at a rate most of us had never experienced. That was peak uncertainty as the world shut down around us. Markets recovered in six months and hit all-time highs in December 2021, 18 months from the bottom.

Now, instead of a health crisis, we're facing an economic crisis and hitting peak uncertainty yet again. And just like five years ago, we all wanted to "do" something to make the pain go away, a very natural reaction. I'm here to gently remind you that doing "nothing" is doing something, and as markets have proven over and over, many times, this is the best course of action. Discipline and diversification win over knee-jerk reactions.

What are we doing at Bookends?

We're being "Actively Patient."

You can stop reading here if you wish, knowing that we are doing our jobs to keep financial plans and portfolios on track with goals and that we are here for you if you need to talk. Or read on below to learn more about what's happening. -Sarah

"Refinancing Debt"

Five years ago, the US Treasury was issuing short term debt in favor of long term debt. Now a big chunk of that debt is maturing later this year and needs to be refinanced. How does the Treasury "refinance" debt? By issuing new debt.

Except interest rates are higher today than they were five years ago, making this refinance more expensive for the U.S. But if the 10-year Treasury yield falls, like it has in the past week by a nearly unprecedented 1/2 percent, then the U.S. will have a lower interest rate to pay out on the new debt.

Takeaway? The government isn't worried about stock market valuations long term. A flight to safety will drive rates down and may even force the Federal Reserve to cut interest rates in advance of the debt repaper.

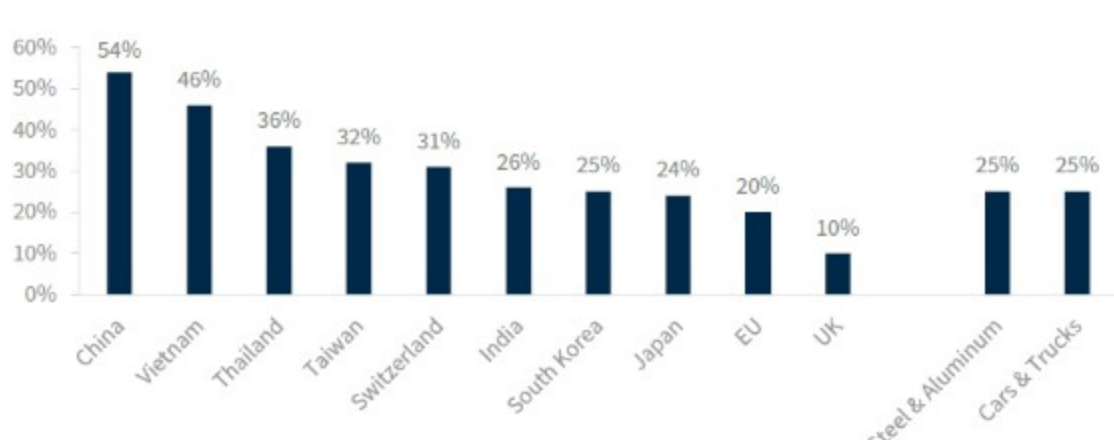
See the strategy?

**This is an over-simplified explanation, but we want to highlight that there is more under the hood than just a market sell-off.*

"Doing well with money has little to do with how smart you are and a lot to do with how you behave."

- Morgan Housel, The Psychology of Money

Tariffs: Worse than Worst Case expected



US Tariff Rates, Taking Effect On Or Before April 9

Source: White House

Everyone was thrown for a loop with the Liberation Day tariff announcements. Yes, it was more than expected. The convoluted calculation of "tariff rates" has yet to make sense to many in the industry.

The plan as it stands could create global economic uncertainty. The U.S. can "out-recession" everyone else, but at what cost? This administration is willing to tolerate short-term pain for asset holders.

The expectation is that negotiations will begin quickly, not only between governments but also corporate executives. Patience is key here as we expect global leaders to cooperate and avoid a global financial crisis.

Raymond James Investment Policy Team shared a great piece on tariff drama. Click [here](#) for the full article.

BOOKENDS

FINANCIAL PLANNING

for every chapter of your life



The Bookends Financial Planning Team

- **Sarah Boston**, Financial Planner, Investment Consultant, CEO: Sarah.Boston@bookendsfp.com
- **Heidi Hargis**, Chief Compliance Officer: Heidi.Hargis@bookendsfp.com
- **Mike Wetzel**, Financial Adviser: Mike.Wetzel@bookendsfp.com
- **Erin Guilfoil**, Financial Planner: Erin.Guilfoil@bookendsfp.com
- **Mindy Christian**, SVP Operations: Mindy.Christian@bookendsfp.com
- **Tanner Boston**, Portfolio Management Associate: Tanner.Boston@bookendsfp.com
- **Jack Boston**, Financial Planning Intern: Jack.Boston@bookendsfp.com
- **Katie White**, Sr. Relationship Manager: Katie.White@bookendsfp.com
- **Krista Agee**, Relationship Manager: Krista.Agee@bookendsfp.com

7320 US 31 S - Indianapolis, IN 46227 - 317-859-2502

www.bookendsfinancialplanning.com

If you do not wish to receive emails from us, primarily intended to advertise or promote products or services, please reply to the sender of this email stating that you do not want to receive such emails. If you opt-out of this type of email, we will continue to send to you emails that are not primarily advertisements/promotions, including emails addressing information related to servicing your accounts.

Investment advisory services offered through Bookends Financial Planning. Securities offered through Raymond James & Associates, Inc. and Charles Schwab & Co, Inc., Members New York Stock Exchange/SIPC. Bookends Financial Planning is not a registered broker/dealer. Links to third-party websites are being provided for informational purposes only. Bookends Financial Planning is not affiliated with and does not endorse, authorize, or sponsor any of the listed websites or their respective sponsors. Bookends Financial Planning is not responsible for the content of any third-party website or the collection or use of information regarding any websites users and/or members.

Expressions of opinion are provided as of the date above and subject to change. Any information should not be deemed a recommendation to buy, hold or sell any security. Certain information has been obtained from third-party sources we consider reliable, but we do not guarantee that such information is accurate or complete. This report is not a complete description of the securities, markets, or developments referred to in this material and does not include all available data necessary for making an investment decision. Prior to making an investment decision, please consult with your financial advisor about your individual situation. Investing involves risk and you may incur a profit or loss regardless of strategy selected. There is no guarantee that the statements, opinions or forecasts provided herein will prove to be correct.

Whenever you invest, you are at risk of loss of principal as the market does fluctuate. Past performance is not indicative of future results. Purchases are subject to suitability. This requires a review of an investor's objective, risk tolerance, and time horizons. Investing always involves risk and possible loss of capital.

Any information provided in this e-mail has been prepared from sources believed to be reliable but is not guaranteed by Bookends Financial Planning and is not a complete summary or statement of all available data necessary for making an investment decision. Any information provided is for informational purposes only and does not constitute a recommendation.

Bookends Financial Planning and its employees may own options, rights or warrants to purchase any of the securities mentioned in e-mail. This e-mail is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this message in error, please contact the sender immediately and delete the material from your computer.

Bookends Financial Planning does not accept orders and/or instructions regarding your account by e-mail, voice mail, fax or any alternate method. Transactional details do not supersede normal trade confirmations or statements. E-mail sent through the Internet is not secure or confidential. Bookends Financial Planning reserves the right to monitor all e-mail.