

## The Cans, the Can'ts, the Could's

Several weeks ago, I was attending an analyst call hosted by Doctor David Kelly, Chief Global Strategist with JP Morgan. He introduced me to the concept of **The Cans**, **The Can'ts** and **The Could's** in a recovery. I thought it was a great analogy and an effective way to describe today's stock market.

Dr. Kelly said "There are already some tentative signs of a recovery. It is useful to separate businesses and activities into three categories: those that *can* return to normal, those that *can't*, and those that *could*, with a little ingenuity and some help from Washington."

They also stressed in the call that if you're buying stocks for the next 6 to 9 months, it will be volatile until we have a working vaccination. However, if you're investing for 3 or more years, you should be buying high quality stock and mutual funds with experienced active managers today.

The Dow 30, also known as the Dow Jones Industrial Average (DJIA), consists of 30 large, publicly-traded U.S. companies. It ended 2019 at 28,462 and was up 23.7% for the year. On 3/31/2020, it ended the first quarter at 21,227 down 25.4%. Now it's the end of the second quarter and the Dow 30 ended at 25,596 up 20.6%. Yes it's been volatile but everyone knows the story as the world has shut down and is now starting to reopen.



Michael Bischoff, CFP®

### Cans\*

<b>Mircosoft +29.0%</b>	<b>United Health Care +0.3%</b>	<b>McDonald's -6.6%</b>
<b>Apple +24.2%</b>	<b>Intel +0.1%</b>	<b>IBM -9.9%</b>
<b>Home Depot +14.7%</b>	<b>Cisco -2.8%</b>	<b>Verizon -10.2</b>
<b>Visa +2.8%</b>	<b>Johnson &amp; Johnson -3.6%</b>	<b>3M -11.6%</b>
<b>Walmart +0.8%</b>	<b>Nike -3.2%</b>	

### Can'ts\*

<b>Chevron -26.0%</b>	<b>Exxon Mobile -36%</b>
<b>Raytheon Technologies -30.2%</b>	<b>Boeing -43.7%</b>

### Could's\*

<b>Caterpillar -14.3%</b>	<b>Travelers -16.7%</b>	<b>Dow Chemical -25.5%</b>
<b>Goldman Sachs -14.1%</b>	<b>Coca-Cola -19.3%</b>	<b>Walgreens -28.1%</b>
<b>Merck -15.0%</b>	<b>Disney -22.9%</b>	<b>JP Morgan -32.5%</b>
<b>Pfizer -16.5%</b>	<b>American Express -23.2%</b>	

\*returns are for 2020 year-to-date to June 30th

In general, our clients hold a high percentage of all these stocks in the following mutual funds and exchange trades funds including: Lord Abbett Growth Leaders, Arke Focus Retail, Fidelity Healthcare, Ishares Dividend Growth & the T Rowe Price Dividend Growth. All of these holdings have done fairly well during these difficult times. I wouldn't bet against any of the Dow 30 companies over the next 3 years as all Americans use products and services from these companies every day, even while in "lock down".

Best wishes to everyone and please stay safe!!!

Here's the link to the full article if you're interested in more details.

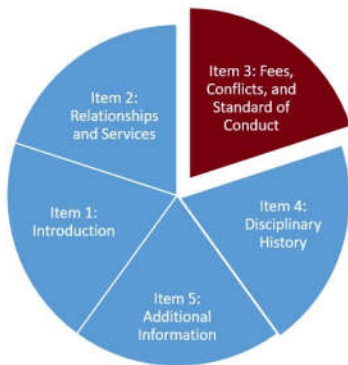
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## CRS Form

**Form CRS** is a client or customer relationship summary. Advisors and brokers are required to deliver a relationship summary to you beginning in summer 2020. The relationship summary contains important information about the advisor or broker.

**Form CRS** is designed to help retail investors better understand the nature of the relationship and what services they can expect from a financial firm and its individual professionals, primarily in terms of a fee-based account with an investment advisor, or a transaction-based account with a broker-dealer.

Investment Advisors must send **Form CRS** to clients before or at the time they enter an investment advisory contract with the retail investor.



**Webb Financial Group** provides comprehensive wealth management solutions to individuals and businesses. For over thirty-nine years, we have helped our clients achieve financial security.

Michael Bischoff, CFP® & COO  
Gary Webb, RFC®, CKA® & CEO  
Dave Verbeke, Financial Advisor  
Tim Greife, Financial Advisor  
Leslie Webb, Investment Advisor  
Michelle Brennan, FPQP™  
Financial Paraplanner  
Kristi Mattiuz, Controller

## Unintended Consequences

COVID-19 has turned all of our lives upside down. Now it is as important as ever to use your network to help you navigate the new reality of the world. Your advisor at WFG should be one of your first calls when you're looking for help due to a job change or help with a financial decision. Our years of experience and network of business professionals can help you chart a path during these uncertain times.

Unfortunately, many businesses have had to lay off employees during the shutdown, and some of these layoffs could become permanent. If you find yourself in that situation, there are many decisions that need to be made. Health care coverage, unemployment, retirement plan balances and the new job search are just a few of the immediate issues that come up. Our expertise can help our clients during transitional times. Between our internal resources and our network of alliance partners, WFG can help you with those difficult decisions. Our business partner, Fidelity, has excellent tools to help with this at fidelity.com. Look for the Planning & Advice dropdown and then select Life Events.

If you've been fortunate enough to avoid a job disruption during this time, chances are you have a family member or close friend who has been affected. We hope that you've benefitted from your relationship with WFG and that you would encourage your friends or family member to contact us. We're happy to meet with your referral and see if they can also benefit from our help. There's no charge for the first meeting and we hope they can become a happy, satisfied client, like yourself.



Dave Verbeke  
Financial Advisor

## Announcing Our New Office Hours & Procedures

Monday–Thursday 8:30-4:30

Fridays 8:30-3:30 (May-September)

952-837-3200



Webb Financial Group is looking forward to opening with normal office hours starting the week of July 6<sup>th</sup>. We understand there are still concerns surrounding COVID-19 so want to make sure we keep our clients and ourselves safe during these challenging times. Please call ahead of time before stopping by. Below is a small list of procedures that WFG is using to ensure everyone's safety while in our office:

1. Until CDC Guidelines change, please use a mask. We do have masks available at the office in case you need one.
2. On entrance, please use the hand sanitizer located on the counter.
3. Please wait for the advisor to acknowledge that the meeting room has been sanitized and is ready for you to enter. We also have access to a larger conference room in our building, to provide additional space for social distancing.
4. We are seating every other chair (unless you are with another person from your household) in an attempt to maintain social distancing.
5. After the meeting please use the hand sanitizer before you exit.

We sincerely thank you for helping to keep our work space safe for yourself and others. We greatly appreciate your time and trust in us.



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