



# *the* Plan

Spring 2015

## Welcome Gabriel Twining!

by James B. Twining, CFP®

In February, my youngest son Gabriel graduated from Saybrook University in Seattle with a Master's Degree in Industrial Psychology with a focus on Organizational Systems. In March, he and his wife Jaimee (who has trouble spelling her name correctly) moved to Bellingham to escape the big city and be closer to family. Gabe's extensive and impressive work over the past few years has deepened his understanding of human psychology and how it applies to all aspects of our lives, even investing. This, combined with the fact that he is an excellent listener who genuinely cares about people made him an excellent new hire for Financial Plan, Inc. We also favored having a master of psychology on staff, since we're all a little crazy around here.

As a management trainee, Gabriel will be involved in many aspects of the practice including scheduling appointments, computer software support, data downloads and account reconciliation, opening and transferring accounts, and fielding basic service requests.

Beginning next year, Gabe will become an associate advisor under the supervision of one or more lead advisors. He will enter into the CFP® program; a rigorous two year course. Under CFP® supervision he will be involved in basic research, dispensing basic advice, running service meetings, and executing lead advisor recommendations. After a minimum of five years, Gabe's career path is to become a lead advisor; advising clients and writing comprehensive financial plans.

We feel confident that Gabe will be particularly well-suited to helping our clients with the behavioral aspect of investing. He is extremely sharp, and wise beyond his years. Many of you will remember Gabe's accident seven years ago and how that changed his life. Gabe remembers your kindness and concern throughout that difficult time, and now I am happy that he will be able to help many of you to succeed financially.

On top of all that, Gabe is a pleasure to be with in the office. Please make a point to introduce yourself when you come in. Welcome, Gabe!



Gabe & Jaimee at the Louvre

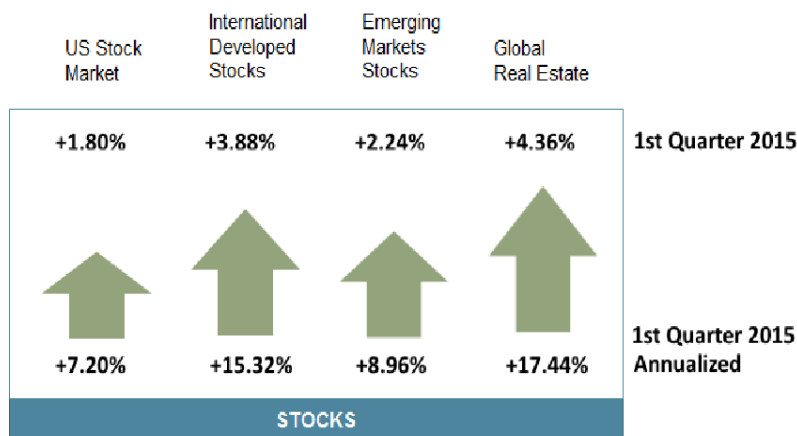
## International Markets - A Follow Up

During 2014, the US market was the best performing of all developed countries. The large cap US market as measured by the S&P 500 outpaced all international markets, and this drove many investors to question the wisdom of international diversification. Some American investors are unwilling to invest in any foreign markets. (Predictably, many British investors confine themselves to the English market, some Japanese investors will only invest in Japan, etc.) As Nathan Twining illustrated in our last newsletter, this is not a wise strategy. By diversifying into international securities, we can lower risk without lowering expected return over long time periods.

As if to re-iterate our point, international and emerging markets followed that newsletter with stellar returns, nearly doubling those of US Markets. Domestic, International, and Emerging markets do not always move together.

The direction and relative returns often change quickly. Attempting to predict the timing of their fluctuations is futile, and almost always damaging to long-term success.

The timing of last quarter's newsletter regarding our advice on foreign markets and the good returns of those markets was a lucky coincidence. Neither we nor anyone else has predictive power over the markets; in fact, our clients capturing these returns and benefits is due to our acknowledgment of that fact. Maintaining discipline is the only way to consistently capture the benefits of pragmatic investing.





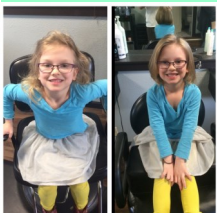


# on a Personal note

## Devin and Stephanie

After a whirlwind of a Spring, life is finally slowing down a bit in the Wolf household. Over the past few months, we moved and settled into a new house, sold the little house we re-modeled (the moment it went on the market), and wrapped up some volunteer activities for the season (coaching, teaching, etc.) After tax season, Steph and I were even able to take a long weekend in Leavenworth without the kids! Thank goodness for grandparents!

Other news includes Stella's new hairstyle (see below) which brought her age from 5 1/2 to 18, Graedon constantly making us laugh (and according to his teachers, our "shy" boy is actually the class clown), and Elodie talking up a storm. The next investment property is in full swing and we have been doing our best to get outside to enjoy this beautiful Bellingham weather. Lots of family walks, hikes and hopefully even backpacking trips are in our future!



## Nate and Lisa

This past quarter I was able to take a long-overdue vacation to Arizona. Lisa's family has a small rental there, and we were able to find some cheap flights for a week of sun and relaxation (as much as you can with 2 young children at least).

In addition to lounging poolside, we took the kids to the Zoo, where Finley spent most of her time chasing the ducks. She largely ignored the monkeys, tigers, rhinos and zebras in favor of the puddle jumpers, so I figured she is well suited to life in Western Washington.



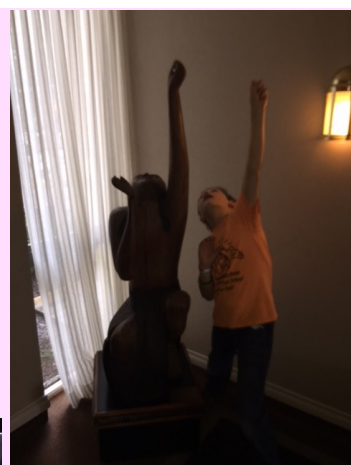
While many of you may think golf is some laid-back hobby, the reality is that it's demanding, technical and downright dangerous.

Here I am in Arizona, risking everything to sink a long birdie putt. As you can see, golfing can be a frightening endeavor and is not for the faint-of-heart. We golfers are an honorable sort, and rigorously defend the rules of the game. Play the ball as it lies, no matter the cost!



## Dave and Bonnie

During this year's crazy tax season we were in need, as a family, of a quick get away just to recharge our batteries. Since the Canadian dollar has taken a dip, we decided to head north and go to Harrison Hot Springs. James, our youngest, decided to model some of the native art and also enjoyed his favorite Canadian past-time...Tim Hortons!!



Our middle man Dennan is having a great time in baseball this Spring and so far chalking up almost a .700 batting average and just the other night, hit a game-ending homerun!!



## Jamie and Jeanne

Our seven grandchildren on Easter Sunday; from left to right:

Matt and Courtney's boy **Samuel**, age 4  
Devin and Stephanie's girl **Stella**, age 5  
Devin and Stephanie's boy **Graedon**, age 3  
Devin and Stephanie's girl **Elodie**, age 1  
Matt and Courtney's boy **Oliver**, age 2  
Nate and Lisa's girl **Annalise**, age 1  
Nate and Lisa's girl **Finley**, age 3

This mob of ankle-biters can wreck shop, believe me! If you ever need a demolition crew, I hire them out on the cheap. They work for food; preferably chocolate.

Watch out; one of these days some of these kids may be giving you financial advice!

