

There's a time-tested maxim for investing success. It's simple. It's straight-forward. It's undeniable. Yet it's pretty much useless in practice. You've probably heard it: "Buy low. Sell high." It's also usually delivered with a wink and a grin. That's because as you have probably also heard, seasoned investors know that it's pretty much impossible to execute successfully with any consistency.

But long-term savers/investors in 401(k) plans have multiple advantages over short-term traders when it comes to actually making this "Buy low. Sell high." adage work. To name but a few of these advantages:

- **Flexibility:** We get to update our saving and investing plan throughout our adult life.
- **Rationality:** We have a means by which to effectively eliminate irrational investment decisions.
- **Probability:** We have a timeline extending over scores of years and many more economic cycles.
- **Positive Trend:** We have an arguably high probability that our entire investing period will exist within an era of long-term economic trends favoring unprecedented growth of global markets.

The first three of these advantages focus on execution of the "Buy low. Sell high." process in the context of long-term investing. The last advantage is admittedly our proprietary projection of modern global trends unfolding on a stage set for impressive global market expansions spurred by productivity gains and global demographics. [And we are certainly not a singular voice for this constructive view.] In short, for long-term savers/investors, the means to making "Buy low. Sell high." work for you is this: *Control the controllable and trust in the trend.* To put some bigger feet under this notion...

**Flexibility:** *Establish and continually adapt your saving and investing plan:* We've written of this repeatedly in past *Quarterly Commentaries*. You need to save a minimum of 10% of gross pay from the time you start working through the end of your paycheck days. The later you start, the higher the rate. Whatever the rate, it must be maintained through thick and thin. The investing part is equally straight-forward: Invest the vast majority (80% to 90%) of your Plan account in a widely-diversified set of stocks (the rest in bonds and money markets) until about 15 years before retirement. Then move to a progressive migration to ultimately arrive at a mix of 55% stocks and 45% bonds and "cash" through, and well into, retirement.

**Rationality:** *Use your saving and investing plan to allay your emotions:* A long term investing plan that evolves from an aggressive risk profile into a moderate one over many years (as described above) takes advantage of the dominant normal pattern of modern market performance over the long term. It thereby prevents you from being thrown off course by confusing daily events that present themselves with potentially overblown emotional force in the short term. Remember, the best investing decisions are made from a rational, not an emotional, perspective.

**Probability:** *You'll have lots of chances to get it right:* Time is the best protection against market risks and disruptions. Factors that are the focus of everyone's attention today will be replaced by new – currently unknown – factors tomorrow, just as they have for the past 100 years. No doubt, the past decade (and the past 100 years for that matter) has been interlaced with moments of "terror." But time and appropriate diversification within rationally allocated portfolios has generated stability and growth through those unnerving moments, so you didn't have to!

**The Trend:** *Have faith that long term economic trends are your 401(k)'s friend:* There's no doubt that phases we face today make this one a tough sell. But remember that humans are amazing adaptation mechanisms. And though the negative sides of our human nature can always lead civilization astray, human nature's clearly dominant traits – innovation, resilience, freedom and civility – have always won out. Transformation always brings opportunity. As with any evolution, this is apparently just yet another phase we need to get through before returning to global humanity's clearly upward trajectory.

In short, long-term savers in 401(k) plans are playing with a deck stacked in their favor with literally thousands of opportunities over scores of years to get the lesson of the maxim right. "Buy low. Sell high." The saying is cliché. But its fruits aren't so unattainable after all.

**How are Markets happy when our World is not?**

You may notice with receipt of this quarter's Plan account statement that your balance has likely reached and surpassed its previous all-time high last seen two years back, on your December 31, 2021 statement. "Boring" you say? If you follow these trends at all, you know that the interim 24 months have been anything but boring! In fact, a short nine months after reaching its December 2021 all-time high, the U.S. stock market as measured by the S&P500 and the NASDAQ Composite had shed, respectively, 25% and 38% of its previous market high values. And the slide was anything but smooth containing several of its own +/- 10% to 15% swings.

"How do we know when **irrational exuberance** has unduly escalated asset values, which then become subject to unexpected and prolonged contractions?"  
Fed Chair Alan Greenspan – Dec1996

In retrospect, it's become pretty clear that much of the lubrication for that 2022 market sell-off was provided by quickly climbing inflation and interest rates combined with a healthy dose of pessimism over the impacts on global growth of the Russian aggression against Ukraine. But then there's always that nagging recollection of Alan Greenspan's seemingly sage coining of the phrase "irrational exuberance" – the perfectly human tendency to let our emotions drive our assessment of our investments' values. We've seen that movie SO many times. But its moral never seems to quite take hold. How much did irrational exuberance spike the punch bowl of the 2021 all-time high? Or, for that matter, this recent 2023 replay?

These two recent stock market highs have been hard won indeed. The 2021 version developed in little over a year. From October, 2020, stricken with uncertainty over the 2020 Presidential election and global COVID measures, perceived successful outcomes from those concerns propelled the S&P500 to gain 46%. That new high was to be short lived as we've already noted in our opening paragraph. Then, for reasons with far less clarity, the 2023 climb amid the multifaceted worry that's gripped our world over the past 14 months, it's difficult for anyone to get rationally comfortable with what forces could have propelled us back to stock market highs. Nevertheless – here we are, again.

Those of you in our regular audience know that we normally avoid discussions of short term market gyrations. We ascribe these events with terms as "entertainment" and "static". But with optimism in seemingly short supply of late, they have risen to what we feel are unavoidable subjects for a piece entitled "Action Points". So how do we wrap our heads around events and circumstances with such downside risk?

- Stay as objectively informed, rational and wary of crowd influences as possible. The problems humanity faces are complicated, interwoven, potentially scary, and clearly troubling. Do your best to avoid focusing upon the fear "du jour". The downsides of AI, implosion of crypto, political imbalances, etc. Their risks are real. But no more dire than we've faced – and overcome - before.
- Global markets, economies and industries have evolved, specialized and diversified to a level whose very future clearly favors peace. The future of every human and every government holds an existential stake in the success of these institutions. When a portion of that mechanism fails to produce, it's absorbed by another. Markets are the sources of your 401(k) account's growth. If your investments are diversified and your path remains unshaken, long term growth will prevail.
- After 9/11 we closed with poet Leonard Cohen: "By and by there comes a crack in everything. That's how the light shines through." A sense of security often masks underlying risks whether the fragility of life's blessings or an unrealistic perception of investing. If we respond wisely, the cracks will make our future more secure. And after the COVID shutdown: "It's been said that worry is the interest we pay on debts that seldom come due." During difficult and uncertain times, the best dividends will come from concentrating on the aspects of your life that YOU can control.

# Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

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(All for periods ended December 31, 2023)

(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

**Remember: Past performance is absolutely NOT a guarantee of future performance!**

(1) A fund with a 7<sup>th</sup> Ranking outperformed 93% of its peers.

NAME OF VANGUARD SELECT VENUE FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile (1) Ranking Past		OER (2)	Total Return Performance for		Average Annualized Total Return for:			
		1 Year	5 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
TREASURY MONEY MARKET - VUSXX	Money Market	7th	3rd	0.09%	1.3%	5.1%	2.2%	1.8%	1.2%	0.8%
<i>Money Market Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.40%	1.3%	4.7%	2.0%	1.6%	1.0%	0.7%
TOTAL BOND MARKET INDEX ADMIRAL - VBTXX	Bonds	44th	44th	0.05%	6.7%	5.7%	-3.4%	1.1%	1.8%	2.7%
<i>Intermediate-Term Core Bond Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.60%	6.5%	5.6%	-3.3%	1.1%	1.7%	3.0%
INFLATION PROTECTED SECURITIES ADM - VAIPX	Bonds	52nd	54th	0.10%	4.6%	3.8%	-1.1%	3.0%	2.3%	3.4%
<i>Inflation-Protected Bond Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.67%	3.4%	2.8%	-0.8%	2.9%	2.0%	3.0%
WELLINGTON ADMIRAL - VWENX	Bonds & Stocks	41st	18th	0.17%	9.7%	14.4%	5.3%	9.7%	8.0%	9.9%
<i>Moderate Allocation Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.05%	8.6%	13.8%	3.4%	8.2%	6.1%	8.4%
WINDSOR II ADMIRAL - VWNAX	Stocks	7th	7th	0.26%	11.7%	21.1%	10.7%	15.0%	10.1%	12.4%
<i>Large-Cap U.S. Value Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.97%	9.7%	11.6%	9.7%	11.4%	8.4%	11.2%
500 INDEX ADMIRAL - VFIAX	Stocks	27th	21st	0.04%	11.7%	26.2%	10.0%	15.7%	12.0%	13.9%
<i>Large-Cap U.S. Blend Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.86%	11.3%	22.3%	8.8%	14.3%	10.6%	12.9%
SELECTED VALUE - VASVX	Stocks	6th	9th	0.38%	15.4%	25.3%	14.0%	15.2%	8.8%	13.0%
<i>Mid-Cap U.S. Value Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.04%	11.4%	13.9%	10.4%	11.8%	7.7%	11.8%
U.S GROWTH ADMIRAL - VWUAX	Stocks	21st	51st	0.20%	15.4%	45.3%	-0.4%	15.9%	13.0%	15.1%
<i>Large-Cap U.S. Growth Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.00%	13.8%	36.7%	4.7%	15.7%	12.0%	14.5%
MID-CAP GROWTH INVESTOR - VMGRX	Stocks	29th	78th	0.35%	12.1%	24.1%	-1.6%	10.9%	8.3%	12.6%
<i>Mid-Cap U.S. Growth Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.12%	12.4%	21.4%	-0.9%	12.5%	9.23%	13.2%
EXPLORER ADMIRAL - VEXRX	Stocks	27th	23rd	0.34%	13.4%	19.9%	2.4%	13.1%	9.6%	14.0%
<i>Small-Cap U.S. Growth Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.19%	11.5%	16.7%	-2.3%	11.0%	8.1%	12.6%
INTERNATIONAL GROWTH ADMIRAL - VWILX	Foreign Stocks	69th	18th	0.31%	11.4%	14.8%	-7.6%	10.6%	7.1%	10.0%
<i>Foreign Large Growth Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.05%	12.1%	16.2%	-2.1%	8.4%	5.0%	7.9%
EMERGING MARKETS INDEX ADMIRAL - VEMAX	Foreign Stocks	69th	21st	0.14%	6.6%	9.2%	-3.3%	4.7%	3.0%	6.5%
<i>Diversified Emerging Markets Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.22%	7.9%	12.3%	-3.7%	4.7%	2.6%	6.6%
ENERGY ADMIRAL - VGELX	Energy Stocks	8th	78th	0.38%	3.0%	8.9%	19.9%	6.2%	0.4%	4.5%
<i>Energy Sector Stock Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.31%	-3.7%	1.6%	29.3%	9.8%	-2.5%	3.5%

# Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

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(All for periods ended December 31, 2023)

(1) A fund with a 41<sup>st</sup> Ranking outperformed 59% of its peers.

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(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

VANGUARD INDEXED AUTO-BALANCED FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile <sup>(1)</sup> Ranking Past		OER <sup>(2)</sup>	Total Return Performance for		Average Annualized Total Return for:			
		1 Year	10 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
TARGET RETIREMENT INCOME - VTINX	Target Date Retire Income	41st	26th	0.08%	7.3%	10.7%	0.6%	4.8%	4.1%	5.6%
<i>Retirement Income Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.66%	7.3%	10.0%	0.4%	4.6%	3.6%	5.5%
TARGET RETIREMENT 2020 - VTWNX	Target Date 2020	38th	19th	0.08%	8.0%	12.5%	1.5%	6.6%	5.5%	7.9%
<i>Target Date 2020 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.60%	8.1%	11.9%	1.4%	6.3%	5.1%	7.8%
TARGET RETIREMENT 2025 - VTTVX	Target Date 2025	11th	10th	0.08%	8.9%	14.6%	2.0%	7.6%	6.1%	8.6%
<i>Target Date 2025 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.66%	8.6%	12.8%	1.6%	6.9%	5.4%	8.1%
TARGET RETIREMENT 2030 - VTHRX	Target Date 2030	12th	16th	0.08%	9.5%	16.0%	2.7%	8.4%	6.6%	9.2%
<i>Target Date 2030 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.67%	9.2%	14.4%	2.4%	8.0%	6.1%	8.9%
TARGET RETIREMENT 2035 - VTTHX	Target Date 2035	35th	30th	0.08%	9.9%	17.1%	3.3%	9.2%	7.1%	9.8%
<i>Target Date 2035 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.68%	9.9%	16.2%	3.3%	9.1%	6.7%	9.4%
TARGET RETIREMENT 2040 - VFORX	Target Date 2040	47th	33rd	0.08%	10.2%	18.3%	4.0%	10.0%	7.5%	10.2%
<i>Target Date 2040 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.69%	10.3%	17.7%	4.0%	9.9%	7.1%	9.9%
TARGET RETIREMENT 2045 - VTIVX	Target Date 2045	46th	26th	0.08%	10.6%	19.5%	4.7%	10.8%	7.9%	10.4%
<i>Target Date 2045 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.70%	10.7%	19.0%	4.6%	10.5%	7.4%	10.1%
TARGET RETIREMENT 2050 - VFIFX	Target Date 2050	45th	23rd	0.08%	10.8%	20.2%	4.9%	10.9%	8.0%	10.5%
<i>Target Date 2050 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.70%	10.9%	19.5%	4.8%	10.6%	7.5%	10.1%
TARGET RETIREMENT 2055 - VFFVX	Target Date 2055	49th	25th	0.08%	10.8%	20.2%	4.9%	10.9%	8.0%	N/A
<i>Target Date 2055 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.70%	10.9%	19.7%	4.9%	10.7%	7.6%	N/A
TARGET RETIREMENT 2060 - VTTSX	Target Date 2060	54th	1st	0.08%	10.8%	20.2%	4.9%	10.9%	8.0%	N/A
<i>Target Date 2060 Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.71%	11.0%	20.0%	4.9%	10.9%	7.2%	N/A
TARGET RETIREMENT 2065 - VLXVX	Target Date 2065+	63rd	n/a	0.08%	10.8%	20.2%	5.0%	10.9%	N/A	N/A
<i>Target Date 2065+ Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.70%	11.0%	20.2%	5.0%	11.3%	N/A	N/A
LIFE STRATEGY CONSERVATIVE - VSCGX	Conservative Allocation	11th	21st	0.12%	8.4%	12.5%	0.5%	5.5%	4.8%	6.3%
<i>Moderately Conservative Allocation Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		0.85%	8.1%	10.1%	1.3%	5.4%	4.3%	6.4%
LIFE STRATEGY GROWTH - VASGX	Aggressive Allocation	22nd	24th	0.14%	10.4%	18.6%	4.0%	9.8%	7.4%	9.6%
<i>Moderately Aggressive Allocation Funds &gt;&gt;</i>		<i>Category Median &gt;&gt;</i>		1.01%	9.4%	15.4%	4.4%	9.2%	6.6%	9.3%