Out with the Teens; In with the Twenties.

It has been a noteworthy decade for the financial markets.

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TECHNICALLY, WHAT HAS BEEN LABELED THE DECADE OF DISCONTENT DOESN'T END UNTIL DECEMBER 31, 2020. But you didn't celebrate the millennium New Year's Eve on December 31, 2000, did you? So for practical purposes let's agree the twenty-teens are coming to a close.

We've seen momentous changes to the way we live during this decade. Smartphones: don't leave home without one. Amazon Prime: it's how we go shopping. Netflix: it's how we watch our favorite TV shows and movies. My wife and I started the decade with no kids and end it with three happy and healthy daughters — twin 8-year-olds and a 6-year-old: talk about life changing! Looking back, I'm grateful for the changes that have added to our lives.

It has been a noteworthy decade for the financial markets as well. The S&P 500, which measures the stock performance of 500 large U.S. companies, started the decade at a measure of 1,115. It ended the year at 3230.78. The increase of 197.83 percent represents a compounded 10-year annual return of more than 11.53 percent. Given that the decade before, 2000 to 2009, saw two major market meltdowns in the dotcom bust and the so-called Great Recession, the twenty-teens by any measure provided a welcome reversal of fortunes for most investors.

U.S. equities, particularly large cap U.S. growth stocks, were a front-runner among asset classes. So going forward, should investors overweight their portfolios with the same? Consider the ubiquitous warning, "Past performance is no indication of future results." U.S. equities have benefited from huge inflows of investors' cash, but that is no guarantee the trend will continue for another 10 years — or even through 2020.

The Asset Management Group at HBKS® Wealth Advisors recommends a globally diversified portfolio as the best way to grow your wealth and manage risk — balancing investments in U.S. equities with non-U.S. equities and other asset classes, like real assets and fixed income. History tells us clearly that chasing past performance is inadvisable.

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What piece of technology will be the next smartphone or Netflix? What asset class will be the top performer in the 2020s? When it comes to allocating investment assets, return rates and risk ratios are only part of long-term financial planning. I am optimistic about the coming decade and look forward to my role as a financial advisor developing long-term financial plans for clients driven by how they help them reach their goals.

We're here to help. For more information or to schedule a meeting to talk about your retirement savings program, call us at 724-934-8200, or email me at mcostigan@hbkswealth.com.

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