



STAY UP TO DATE WITH OUR LATEST PODCASTS

Earlier this year we did a podcast on surviving a rescission. If you missed it, you can listen to it here: <https://dynamicgrowth.libsyn.com/surviving-a-recession>
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the SUMMIT

FOR FRIENDS AND CLIENTS OF THE
CROSBY ADVISORY GROUP, INC.
AUGUST 2020

COVID19 Reminds Us WHY WE DIVERSIFY

In 2017 it was often difficult for investors to remember why advisors suggest we keep 6 to 12 months of accessible income in stable investments.

In 2017, the S&P 500 grew higher with each passing month. Keeping money in bonds and cash meant that you were passing up on growth. Remember a championship team doesn't just have an offense, it typically has a solid defense as well.

Rather than trying to time market growth spurts and pull-backs, we recommend that you maintain your long-term allocation and use periods of growth to rebalance.

You and I cannot control what the market does tomorrow, but we can control the risk we assume.

NASDAQ 100 Shines After COVID-19 Downturn.

The NASDAQ is an index or collection of stocks of which approximately 47% are derived from the technology sector. Top holdings include household names like Microsoft, Apple, Amazon and Facebook. While the index suffered a significant downturn in March, it came roaring back to positive territory. Much of the growth can be credited to the consumer reliance on technology while in quarantine. The S&P 500 has long been used as the benchmark for US stock performance and thus has been a core holding of most investment models.

Crosby Advisory Group believes the NASDAQ 100 has cemented a role in modern portfolios as the NASDAQ 100's performance has out-paced the S&P 500 Index by a significant margin over the past two decades. Since 2007 the S&P 500 has returned just over 8%, which is a fantastic rate of return. However, during that same period the NASDAQ 100 has returned just over 14% before expenses. The NASDAQ 100 can be owned in both ETF and Mutual Fund form, each with its own operating expense ratio. For long-term investors Crosby Advisory Group, Inc believes the NASDAQ has a place within most investment portfolios.

*Before purchasing a NASDAQ index individually, you should understand if such an investment is appropriate for your specific goals. The volatility within the NASDAQ index does not make it suitable for all investors.



Need to Get Creative with Funding a Purchase?

DON'T OVERLOOK YOUR WHOLE LIFE POLICY.

Many whole life policies, like those issued by Ohio National, offer unique wrinkles that may be beneficial within some financial plans. Ohio National offers a non-direct recognition dividend paying life insurance policy. This type of policy builds cash value each year and policy holders can share in company profits through an annual dividend. The dividends can be received in cash, purchase more life insurance (most common), pay down the premium, or accumulate in cash. A unique feature about these policies is the loan provision. You can loan yourself money and the loan doesn't disrupt the dividend payments; thus it is the only investment where cash value can be accessed without disrupting the growth of the account. Ohio National does charge interest to the loan, however the current dividend schedule is higher than the interest charged. As a result, these policies can be used to fund purchases like vehicles or real estate down payments, in a financially advantaged manner. Loans to yourself are received tax-free. You then have the ability to pay yourself back on your terms. In this sense, you are your own bank.



CAG Welcomes Derek Ballinger

Derek is a senior at The Ohio State University where he majors in Economics and is working towards a minor in Philosophy. Derek started his internship at Crosby Advisory Group in May, where he has assisted in backtesting, construction of investment models, analyzing expenses, and uncovering duplication within investment portfolios. Derek is highly skilled at using technology to increase efficiencies and he has been an asset to our team. He started as an unpaid intern, however, through his work ethic and knowledge he quickly earned a paid position within the company. We are excited to have Derek as part of the team!

PERSONAL PROPERTY COVERAGE AWAY FROM YOUR RESIDENCE

Have you ever rented a storage unit? What would happen if the storage unit were burglarized, or destroyed in a fire? Most home insurance policies extend 10% of the contents limit to locations outside the home premises. A typical home insured for \$300,000 would automatically come with roughly \$210,000 in contents coverage (70% of the home value). 10% of the \$210,000 (\$21,000) would extend to locations outside the home premises. If the 10% extension in contents coverage would not cover your specific situation, you do have the ability to purchase increased limits of coverage.

Crosby Advisory is a Registered Investment Advisor in the state of Ohio. At any time, you may request our forms ADV 2A and 2B which explain the business practices and qualifications of Crosby Advisory Group and its advisors. Investing involves risk and you should carefully consider all risks and expenses before making an investment. Your investments should also be suitable for your age and goals. Crosby Advisory is also a licensed insurance Advisor. Insurance products are sold and serviced through Crosby Advisory Group, Inc.



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