THE GLENVIEW STATE BANK SINCE 1921

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The End of an Era

The end of a basketball career is over. No, I'm not talking about Zion Williamson's brief but spectacular stay at Duke. I am referring to my own. Let me explain.

You see a couple weeks ago I celebrated the 37th anniversary marking the start of my working career. Soon after I joined my previous bank, I was approached by a couple co-workers who asked if I would like to play some pick-up basketball after work on Monday nights. They had sized me up and I met their stringent criteria, namely I was available, willing to pay $4 a night and sign their liability waiver form. I was in and we started to play. And we played and we played. We have played so long one of my sons has become part of our group for the past ten years. The frightening part is I first started playing ten years before he was even born. Try to rationalize that.

We were never really any good, maybe legends in our own minds, but we loved it. And there were many times during that 37 year span when it didn't look like we were going to be able to continue. It wasn't for lack of desire but let's face it, people change jobs, get married, have kids and get older. Life happens. But we somehow managed to keep going until now. We always end on the Monday the NCAA championship game is played. We go out afterwards to celebrate our season and watch people who are actually skilled play. All good things must come to an end, eventually, and this season will be it. Time to move on.

The stock market also marked an important anniversary last month. It's been ten years since its gut wrenching low was reached, a time when it felt like the world was going to end. Since that market low on March 9, 2009 unemployment has fallen from 8% to below 4%, corporate profits have risen to at an all-time high and the U.S. has become the world's largest oil producer. During this time of prosperity we have debated and worried about the direction of interest rates and ripple effects from events revolving around China to Greece to North Korea to our own politics. And what has the stock market done over these past ten years while we have worried? It's risen over 300%.

I was reminiscing and thinking about all of this the other night when I got home from basketball and began to ice my knees. In essence, I was asking myself, "Self, what have you learned in 37 years about stock market investing?"

Number one, entrepreneurship matters a lot. Over the past ten years we have seen amazing products and services emerge from companies like Apple to technologies that make self-driving cars and fracking realities all of which has led to job creation and growing prosperity. It doesn't happen overnight which is why we oftentimes lose sight but make no mistake about it, entrepreneurship is the foundation for economic growth. I don't know what "they" may come up with over the next ten years but my guess is it'll be pretty amazing. And the companies involved (and their shareholders) will make a lot of money along the way too.

Number two, timing the market doesn't work. One quote I read early on in my career has stuck with me over the years. It was from Peter Lynch who said, "Far more money has been lost preparing for corrections, or trying to anticipate corrections, than has been lost in corrections themselves." The fourth quarter's swoon promptly followed by the first quarter's rebound performance, strongest in nearly ten years, serves as a recent reminder that we will all be better off staying the course with our equity money.

Yes, the current long-term bull market has lasted far longer than most would have imagined and will end at some point as sure as my basketball career did. That's inevitable. What also strikes me as inevitable is another bull market will emerge at some point as long as the foundations of capitalism remain in place which is why we continue to say remain invested, and look for opportunities to buy more.

Scott D. Limper

MARKET SNAPSHOT

as of 3/31/19

GSB Blue Chip Growth and Dividend Stock List

		Returns	
Stock/Symbol	**YTD**	**5 Yr. Avg.**	**10 Yr. Avg.**
Celgene (CELG)	47.2%	-5.4%	8.8%
Stryker (SYK)	26.3%	17.4%	16.2%
Cisco Systems (CSCO)	25.6%	17.8%	12.7%
Mastercard (MA)	25.0%	18.5%	30.0%
Schlumberger (SLB)	22.1%	-14.5%	0.4%
Honeywell Intl (HON)	20.9%	11.0%	18.3%
Exxon-Mobil (XOM)	19.8%	-4.3%	1.4%
Cummins Inc (CMI)	19.0%	1.7%	20.1%
Microsoft (MSFT)	16.6%	25.1%	20.9%
Starbuck's (SBUX)	16.0%	12.3%	31.7%
Procter & Gamble (PG)	16.0%	5.8%	7.4%
Apple (AAPL)	16.0%	16.6%	30.8%
Lockheed Martin (LMT)	15.5%	15.2%	15.9%
Emerson Electric (EMR)	15.4%	0.0%	8.3%
Intel (INTC)	15.2%	15.9%	16.0%
Chevron-Texaco (CVX)	14.4%	1.2%	7.9%
S&P 500 Index	**13.7%**	**8.5%**	**13.1%**
Texas Instuments (TXN)	13.1%	19.6%	22.7%
Federal Express (FDX)	12.9%	3.1%	10.4%
Google (GOOGL)	12.6%	13.2%	21.1%
Nextera Energy (NEE)	12.0%	18.6%	17.0%
Pepsi (PEP)	11.8%	9.0%	10.5%
AT&T (T)	11.7%	1.1%	5.7%
Becton Dickinson (BDX)	11.2%	17.2%	14.8%
Abbott Labs (ABT)	11.0%	16.0%	13.9%
Johnson & Johnson (JNJ)	9.0%	10.1%	11.3%
McDonald's (MCD)	7.6%	16.2%	14.5%
Caterpillar (CAT)	7.3%	10.3%	14.3%
Sysco (SYY)	7.2%	14.6%	14.0%
Walgreen's (WBA)	-6.8%	5.6%	13.0%
CME Group (CME)	-12.1%	24.4%	21.0%
Biogen (BIIB)	-21.5%	3.2%	21.2%

Representative Yield Indications

Bond Maturity (Yrs.)	"A" Corporate	"A" Municipal
1	2.45%	1.55%
2	2.45%	1.65%
3	2.55%	1.65%
5	2.75%	1.75%
7	2.90%	1.90%

Mutual Fund Strategies

	Returns	
Strategy	**YTD**	**5 Yr. Avg.***
Low Risk	0.5%	0.9%
Limited Risk	5.7%	4.6%
Cautious Growth	10.9%	7.9%
Blue Chip Growth	15.8%	10.1%
Aggressive Growth	14.3%	11.6%

(1) All figures are total returns for the calendar year and average annual compounded total returns for periods ending December 31, 2018.
Glenview State Bank has attempted to provide reliable and timely information, but cannot guarantee it is error-free.
None of this information constitutes investment advice. Investment decisions should only be made in the context of a particular individual's circumstances. Past performance is never a guarantee or forecast of future results.