



Quarterly Newsletter

April 1, 2021



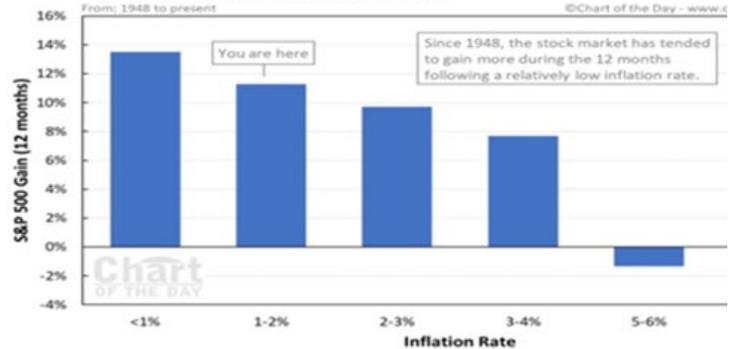
Market Perspective

The first quarter of 2021 saw the major U.S. indices continue their positive performance as another fiscal stimulus bill was passed and vaccine distributions increased, allowing more regions to soften Covid restrictions. Despite the market gains, the quarter provided plenty of market volatility as concerns about long-term inflation caused interest rates to rise rapidly wreaking havoc on the bond market and high P/E valuation growth and technology-oriented stocks.

What does a significant increase in both inflation and interest rates mean for the markets? Some analysts contend they could derail the stock market's rally going into the spring and summer. As the new fiscal stimulus, high individual savings rate, and pent-up consumer demand meet with supply chain shortages, the risk of inflation may pickup as economies fully reopen. So, while economic activity rises, costs may as well.

However, there is no consensus as to whether inflation will rise to the level that it becomes problematic. The Federal Reserve, which is willing to temporarily let inflation run above its 2% target, believes that any rise in inflation will be "transitory" or not permanent as the forces of automation and aging demographics, which kept inflation in check prior to the pandemic, are still present. Currently, inflation is at levels that have been very beneficial for stocks. (see chart)

S&P 500 Gain vs Inflation Rate



Similarly, we think longer-term U.S. interest rates will continue to rise in the near-term albeit at a slower pace than the first quarter. If rates continue to rise, they become even more attractive to foreign investors which should help keep any interest rate rise orderly. Also, the Federal Reserve does have the ability to start buying longer-dated bonds if they believe they need to slow the rise of interest rates.

WPC Survey Recap

Thank you for the responses... we are listening...and our 2021 Communication Commitments are:

- Quarterly Newsletters
- Market Commentary in Every Review
- Market Updates, Team News and Event Emails
- Secure Portal Access
- Monthly Website Blogs, Articles and News



WPC EVENTS & DATES

Know Before You Go™ - College Pre-Approval

April 14, 2021 at 6:00 pm

Virtual Workshop – REGISTER at: [Paying for College – Know Before You Go™! | Wealth Planning Corporation](#)

Tax Reminder

2020 Returns Due May 17th!

Check out our tax checklist for some key information and reminders during this busy TAX SEASON!

<https://www.wealthp.com/tax-reminder-ready-set-file-by-may-17th/>

IMPORTANT NOTE: First Quarter 2021 Estimated Payments are still due on April 15th!

Avoid last minute emergencies! Get in touch with us or your tax professional with any questions– **NOW!**



Investment Committee Notes

The vaccine rollout and thoughts of summer barbecues led to the market's rotation of the "reopening" theme stocks outperforming the "at-home" theme stocks over the quarter. With expectations for increased economic growth, value and smaller cap stocks outperformed the technology stocks that had benefited from the work-at-home environment. As the equity market has seen swift changes in leadership between growth and value stocks over the last quarter, we continue to believe that it is not about choosing either growth or value. Therefore, we maintain our investment focus on a diversified barbell approach between cyclical value and long-term structural growth stocks. We anticipate this leadership will alternate more frequently as the prospect of an uneven expansion of the economy occurs over the next 12 months. Due to the changing spread between growth (↓) and value (↑) since our rebalance in January, we will be rebalancing to target again in April.

WPC Portal Update...

As an added measure of security, WPC is now utilizing dual-factor authentication for the client portal. You can elect to set up three challenge questions or have a code sent to your mobile phone. In addition, we have added a new **"Your WPC Team"** tab where you can find photos, emails, and telephone numbers for each of the WPC Team members. Please reach out if you need any assistance setting up the dual-factor authentication. **Thank you!**

Annual Compliance Information – Brochure/ADV/CRS and Privacy Policy

The Securities and Exchange Commission (SEC) requires WPC to annually update its "Brochure" - ADV Part II. This public disclosure document is updated annually and provides information regarding our fees, policies, and other services. You should recall physically receiving a Brochure/ADV when you initially onboarded with WPC. An updated version for 2021, along with the current CRS (Client Relationship Summary), will be made available to all prospective clients and any existing client who requests one.

The 2021 update reflects limited changes, while re-emphasizing our separate supplemental financial planning services and investment management fee structures. Please call 513-733-1750 if interested in receiving a copy of our ADV Brochure or CRS.

Wealth Planning Corporation Privacy Policy Statement

Wealth Planning Corporation, an independent financial planning and investment advisory firm, is committed to safeguarding the confidential information of its clients. We hold all personal information provided to our firm in the strictest confidence. These records include all personal information that we collect from you in connection with any of the services we provide. We have never disclosed information to non-affiliated third parties, except as permitted by law or otherwise authorized by you, and do not anticipate doing so in the future. If we were to anticipate such a change in firm policy, we would be prohibited under law from doing so without advising you first. As you know, we use financial, and on occasion, legal or health information that you provide to us to help you meet your personal financial goals while guarding against any real or perceived infringements of your rights to privacy. We endeavor to work with outside vendors and third parties that adhere to these same policies, but clients are strongly encouraged to review the Privacy Policy of any firms that are recommended.

Our policy with respect to personal information about you is listed below:

We limit employee access to information to only those who have a business or professional reason for knowing, and only to non-affiliated parties as permitted by law or authorized by you. For example, federal regulations permit us to share a limited amount of information about you with Schwab or other custodians in order to execute securities transactions on your behalf, or so that our firm can discuss your financial situation with your accountant or attorney.

We maintain a secure office and computer environment to ensure that your information is not placed at unreasonable risk.

The categories of non-public personal information that we collect from a client depend on the scope of the client engagement. It may include information about your personal finances, information about your health to the extent needed in the planning process, legal documents related to your beneficiary or estate goals, and transaction information between you and third parties. We do not provide your personally identifiable information to mailing list vendors or solicitors for any purpose.

Personally identifiable information about you will be maintained during the time you are a client, and for the required time thereafter that such records are required to be maintained by federal and state securities laws, and consistent with the CFP Board Code of Ethics and Professional Responsibility. After this required period of record retention, all such information will be destroyed. Please feel free to call us if you have any questions regarding our privacy policies.

Dated: 04.01.2021