



AUGUST 2016

OLYMPISM

Written by David Ferrucci

From August 5-21, the thirty-first Summer Olympic Games will take place in Rio de Janeiro, Brazil. While media outlets may focus on pollution levels and athletes' potential exposure to the mosquito borne Zika virus, one would be remiss to let the Games pass without taking time to enjoy the various contests and relish the human spirit at its best.

The Olympic motto, "Citius, Altius, Fortius" (Faster, Higher, Stronger) is oft repeated throughout the Games as the words and their imagery appeal to athletes, coaches, and fans alike. Certainly, one must strive to be faster, higher, and stronger than the competition if they desire success at the Olympics. Beyond the aim of victory, however, a higher ideal endures. Tucked within the early pages of The International Olympic Committee's Charter are the following words:

*"Olympism is a philosophy of life,
exalting and combining in a balanced whole
the qualities of body, will, and mind."*

At first glance, I thought, "A philosophy of life? How audacious!" Yet, the word *balance* caught my attention – naturally! – and I became willing to consider the International Olympic Committee's proposition. As with aspects of personal finance, balance means little without an understanding of the elements under consideration. With regard to Olympism, they are *body*, *will*, and *mind*. The IOC further contends that a balanced whole is not merely a combination of these parts, it is also their exaltation!

Late last month, I drove to Pennsylvania with Michele and our kids to watch the U.S. Women's Olympic field hockey team play a friendly match against Canada's national team; the U.S. squad's final competitive event before Rio. As you might expect, the women

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IOC Charter

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appeared to be in peak physical condition; they positively looked like Olympians! And, all the way to the final second, they proved to be just that, displaying a level of physical fitness I had never before witnessed. In the spirit of Olympism, however, their wills and minds are also worthy of exaltation. Countless times, fans were treated to remarkable moments that produced responses such as, *How did she do that?* Partly, the answer rests with the first element, the body. However, astonishing athletic feats are rarely realized without the combination of body, will, *and* mind. One element without the other accomplishes less than the balanced whole.

Over the course of the Olympic Games, we will have myriad opportunities to witness the power and profoundness of this notion of a balanced whole. Whether watching Track and Field, Gymnastics, Synchronized Diving, or Field Hockey, you may find yourself asking, *How did they do that?* In this respect, as the Games of the XXXI Olympiad are contested, we can draw inspiration, whether from gold medal winning moments or watching a beleaguered runner stumble across the finish line. Olympism – a philosophy of life – is for everyone. Each of us can combine in a balanced whole our best qualities of body, will, and mind; exalting all three of these elements in the pursuit of our respective callings in life.

MARKETLIGHT

Written by Paul Ferrucci

Periodically, investors are presented with opportunities for growth; sometimes remarkable, others slight. In the financial markets, however, opportunities often reveal themselves after the fact. Such appears to be the case regarding July, as the S&P 500 rose nearly 4% and the Nasdaq index was up almost 7% for the month. During the same period, the foreign equity markets also fared well with the MSCI EAFE index up 3.15% and the MSCI Emerging Markets index up 5.35%.

Turning back the clock to late June, the headlines screamed, "Brexit!" For the two days immediately following Great Britain's historic vote to divorce itself from the European Union, the markets "tumbled" (the media's word, not mine!). Market moments such as that are all too common: first, the headlines shout "Doom!"; some investors then panic and sell certain holdings in their portfolios; shortly thereafter, the equity markets surge upward leaving many investors wishing they had not reacted to the headlines.

Naturally, the lesson is discipline. Discipline is, in a single word, our second rule of investing. In many respects, investing requires adherence to the Olympism philosophy about which David wrote above: "exalting and combining in a balanced whole" the rules of Diversification, Discipline, and Efficiency; rules one, two, and three, respectively. And, as with Olympism, one element without the other accomplishes less than the balanced whole.

The Ferrucci Company is a wealth management boutique where families turn for financial guidance and leadership, freeing them to pursue their most important goals and values.

David Ferrucci: Over twenty-five years ago, David began helping individuals, couples, and families make balanced – and smart! – financial decisions. Earning Bachelor's and Master's degrees from Trinity College, he focused his studies within the field of behavioral finance; an academic discipline that factors human elements into traditional economic assumptions. David also earned a Master's degree from Columbia University, where he examined the complex relationship between personal finance and family dynamics. Currently, he is pursuing a Master of Philosophy degree through Wesleyan University, deepening his understanding of personal, family, community, and global matters as they relate to finances. Today, David's expertise lies in the macro-economic realm of coordinating, synchronizing, and advancing individual and family goals.

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balance is a monthly feature written by Paul and David Ferrucci,
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