



Berkshire

DIVIDEND STRATEGY

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"Casual Friday" Commentary

Casual Friday: Dividend Increase + "You Can't Invest My Money" – November 19th 2021

Dividend Increase: M&T Bank (MTB) 9%

M&T Bank Corporation ("M&T") (NYSE: MTB) announced that it has declared a quarterly cash dividend of \$1.20 per share on its common stock. This represents an increase of \$.10 per share, or 9 percent, from the previous \$1.10 per share dividend paid in the third quarter of 2021. *Berkshire companies have had no other changes to dividend policy over the past week.

"You Can't Invest My Money"

Younger, wealthy investors are steering clear of financial advisors and opting for DIY: [Rich Millennials to Financial Advisers: Thanks for the Golf Invite, but You Can't Invest My Money](#)

Should or could financial advisors persuade these folks to hire an them or should advisors just "wait it out" until these younger investors experience a life event that prompts them to seek help? Either path requires understanding the mindset of these investors to earn the business when the time comes. Young wealthy investors may have experienced a paradigm shift in thinking over the past decade:

- Technology has given broad access to markets – 0 fees, Robo advisors, Crypto, alternative assets, index funds
- They may have experienced outsized gains – Meme stocks, EV, Crypto -- risk reward may be distorted
- The markets have been in bull mode for over a decade -- everyone likely made money

So how do advisors synthesize these aspects and respond or not?

- Contrarian approach to common wisdom, TAKE SMALL ACCOUNTS -- invest in their future -- it's a business decision: Does the couple/individual have the income to grow in to a multi-million \$ relationship?
- Get a planning "Niche" -- having a great investment lineup is a minimum standard -- understand their business / industry better than they do -- is there a target group of prospects that have executive comp plans / RSO you could become an expert in?
- Educate, Educate, Educate, they've been trained to distrust the system -- They don't know everything, probe for planning opportunities and educate on the benefits -- life insurance, tax planning, call strategies to protect highly appreciated positions.

- Seminar topics that may be of interest: Applications of Blockchain technology, the future energy grid, ESG investing, psychological planning for early retirement.
- They demand access – Technology, Transparency, a variety of financial products, real time changes to their financial plan, your cell phone # for texting you late at night when they have an idea...
- Risk on portfolios -- they're likely willing to take on risk for potential of bigger gains -- Equities, Real Estates, Alts

On the flip side, the Wall Street Journal article above prompted some interesting discussion in the advisory community. One advisor rebutted to the debate by saying -- "We do not waste our time trying to convert DIY investors, especially those under 50." Plenty of interesting perspectives in the article: [How Advisors Land Young, Wealthy Clients: Advisors' Advice](#)

Send us some feedback with good or bad experiences on the topic!

36 million crypto theft? So much for the promise of digital security...
[Canadian Teen Arrested in Crypto Theft Worth \\$36.5 Million](#)

Look for Casual Friday EARLY next week (Tuesday) and our favorite guide of the year "Actively Managing Your Thanksgiving"

Have a great weekend!

Regards,
Gerry

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with stable, high, and growing dividends. The benchmark is the S&P 500 Index. The index returns are provided to represent the investment environment existing during the time periods shown. For comparison purposes, the index is fully invested, does not include any trading costs, management fees, or other costs, and the reinvestment of dividends and other distributions is assumed. An investor cannot invest directly in an index. Gross returns are presented before management and other fees but after all trading expenses. Net returns are calculated by deducting actual management fees from gross returns. Returns reflect the reinvestment of dividends and other earnings. Valuations are computed and performance is reported in U.S. dollars. To receive a complete list of composite descriptions and/or a compliant presentation, contact Jason Reilly, CFP® Tel: 570-825-2600 or info@berkshiream.com. Past performance does not guarantee future results.

Definitions: The S & P 500 Index is a market capitalization weighted index of the largest 500 U.S. stocks. It is a market-value weighted index (stock price times # of shares outstanding), with each stock's weight in the index proportionate to its market value. The index is designed to measure changes in the economy and is representative of most major industries. Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. You cannot invest directly in an index. BEst (Bloomberg Estimates) Earnings Per Share (EPS Adjusted) estimate returns Earnings Per Share from Continuing Operations, which may exclude the effects of one-time and extraordinary gains/losses. Beta is a measure of volatility vs. an index. Upside/Downside capture ratios refer to a portfolio's performance as a percentage of either positive returns (upside) or negative returns (downside) vs. an index. Standard Deviation is a measure of total risk. Alpha, Beta and capture ratios are represented as calculated by Morningstar.

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