TIMONIER

Wealth Beyond Financial™

From the Engine Room

3rd Quarter 2018

Quarterly Market Review

Third Quarter 2018

This report features Timonier's quarterly client letter, world capital market performance and a timeline of events for the last quarter. It begins with a global overview, then features the returns of stock and bond asset classes in the US and international markets.

The report also illustrates the impact of globally diversified portfolios and features a quarterly topic.

"The best way to predict the future.... is to create it!"

Overview:

Globalization…an Emerging Story

“Right is right even if no one is doing it. Wrong is wrong even if everyone is doing it.”
Saint Augustine of Hippo

Warren Buffett’s first rule of investing is to never lose money. His second rule? Never forget the first rule. The Oracle of Omaha understands both the financial and behavioral ruin that come from taking oversized investment positions, and more importantly, the power of winning by not losing. In order to win the game, there must be a *Game Plan*. Timonier builds goals-based investment portfolios that match the unique growth and income needs in fulfilling the aspirational adventures of its clients. While the portfolios vary in their exposures to stocks, bonds, real estate, and cash they are all imprinted with the commonality of global diversification. Accessing global markets broadens the tools available to improve results and dampen the volatility inherent with investing.

Our processes are built on the faith and current operating systems of Capitalism. It is a resilient system that brings the world community together for the exchange of goods and services. It embraces creativity, integrity, and entrepreneurialism. It brings a disparate background of people together to provide goods and services for the needs of each other. It’s human interaction at its best…connecting people together from different religions, countries, and cultures that may not even like each other. Its foundational element is ***freedom***. By accessing publicly traded companies on world stock exchanges, we are able to invest our surplus capital (savings) in expanding economies and an improving human experience. As long as there is an improvement in the well-being of the human condition, there will be expansion of the global economy. Societies prosper when a middle class is developed and then expands. Additionally, according to ***Factfulness*** by Hans Rosling, short of a mass destruction of humanity from an unknown asteroid or an unseen catastrophic war, our planet will gracefully receive 2.6 billion new inhabitants by the year 2050. It’s a trajectory of population growth already built into the cycle of life. Fuel for the Capitalistic fire is in a-bun-dance!

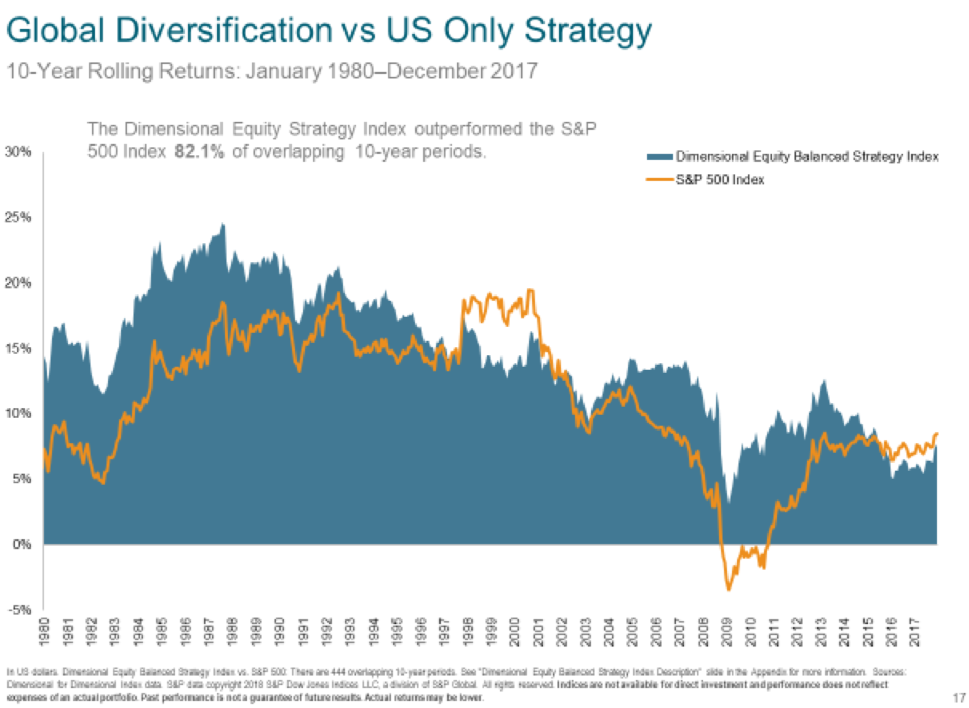
I’ve said many times, when describing the ebb and flow of investment markets, that we live in a world of temporary declines within a permanent uptrend. The key choice to successful investing is in the understanding of which of these two trends to focus on. In a world that often misbehaves and miscalculates, there will always be temporary imbalances in the economic pipeline. But, while man will always be humbled to unintended consequences, the human species is well adept at solving problems.

Our global investment portfolios are structured to produce the results needed for our goal minded clients. Understanding how they work encourages proper behavior enhancing the portfolio’s value and at the very least, properly frames expectations. I feel that good communications, transparency, and verifiable audits of portfolio performance are the foundations in supporting client emotions during the inevitable periods of temporary declines and the uncertainty that these periods bring.

It was most convenient, that as I was pouring through the quarterly economic data and conference calls and before I assembled this report, that we had a mini market tantrum (as I write on October 12th). I don’t know whether our clients have reached that state of emotional balance or if their power was down along with ours from Hurricane Michael, but I don’t believe we had any calls for explanation of the three-day hiccup of global markets (Perhaps there has been more by the time you read this). With the Dow Jones Industrial Index down about 3% on Wednesday, a CNN reporter via video stated that the market had its

3rd worst day in market history. She neglected to accurately report that she was referring to a price decline, not a percentage decline. The worst single day percentage decline was Monday October 19, 1987 when the S&P 500 Index dropped 23% in value! Wednesday was NOT a history making moment. But that's what the press does. They are in a transactional money-making business. And they have no way of making revenue unless you are frequently tuning them in. When I was much younger and there was real news and real reporters…**Breaking News** actually meant something worthy of your attention. Not to be outdone, Fortune Magazine reported that, "Warren Buffet Shed Billions in Berkshire Hathaway's Worst Day in Seven Years." I guess they didn't realize that Warren looks at these periods of decline as opportunities! One of his many quotes is, "Be fearful when others are greedy, and greedy when others are fearful."

Sorry, I got sidetracked. I would like to present to you in its simplest format, in the chart below, our foundational strategy for global diversification. The information covers a period of 1970 to December 2017. It illustrates the 10-year rolling return of the S&P 500 Stock Index as noted by the gold line graph and a global stock strategy representing the major asset classes from the US, Europe, Japan, and the Emerging Markets which is depicted by the solid blue chart. By opening up the World as an opportunity set to invest in, we have more than 33,000 companies and 40 countries choose from. In doing so, we see that not only has the global returns outperformed an S&P 500 Index-only strategy



more frequently (82.1% of the time) but, has done so with less volatility**. Of course, there ARE exceptions to the rule.** You will notice that there are two clear periods of rolling timeframes that the S&P 500 Index-only strategy outperformed a global strategy. This was in the late 1990's and early 2000's and again in the recent periods since 2015. The most impactful period of the results illustrated above ended in March 2009, where the global markets achieved a positive return of just under 5.0% per year for the ending 10-year period and the S&P 500 Index experienced a negative 3.35% average annual return. *That represents a more than 40% cumulative decline!*

While a global portfolio will dampen the effects of its worst performers, it will also mute the results of its performance leaders. Without an awareness of the foundational structure and process of a global investment portfolio, frustration can be felt when an uninformed investor sees his home markets leading the way. As you can see again in the chart above, the S&P 500 Index has outperformed its Global partners in recent time periods. It is also in the daily news. Indeed, 2018 has seen US stock markets rise, and outperform its International counterparts, off the backs of consumer and corporate tax cuts, low interest rates, historically low unemployment, while partnering with an improving global economy. Corporate earnings in the US are estimated to rise more than 26% year over year according to JP Morgan's economists. After this past weeks' stock market declines, stocks as represented by the S&P 500 Index are now trading at 15.7 times forward earnings, which is below the fundamental trading levels of the past 25 years. Times are good, and prices are fair.

Stock markets are cyclical and countries within global stock markets most often move out of sync with one another. Year to date, the US markets have led world stock market gains with strong earnings. A global portfolio has underperformed a US only portfolio. And as a global investor holding US stocks, we feel good about that. It matters not who leads the way in any one-time frame. ***We own global portfolios for their mission to accomplish aspirational goals. We don't care which piston is leading the way…along the journey!***

Since I brought attention to this year's performance leader, I feel I should mention this year's performance laggard...the Emerging Markets. With a significant rise in the US dollar against foreign currencies and the constant talks of world tariffs by the Trump administration, Emerging Market stocks have been a performance drag on our global portfolios. At the time of this writing, Emerging Market positions have declined roughly 13% year-to-date in US dollar terms. What is counter intuitive is that they are on pace to have an increase in 2018 earnings of over 16% while experiencing this price decline. Additionally, their forecasted earnings of 10% growth year over year for 2019 match that of the US market forecasts. They have become underweighted in our client accounts this year and we will be rebalancing into these positions from over-weighted US positions when warranted.

While the short-term results of owning Emerging Markets has been a drag on overall portfolio results, it is an important component to the growth prospects of a global investor. I have yet to hear 5 to 15-year forecasts from any investment house or any economist that doesn't indicate that the emerging markets will lead the world markets in growth. It is easy to understand why. Countries in the Emerging Markets represent two thirds of the world population. And while the economic plight of its citizens has been on the rise, it is just in the early stages. In 1994, there was no economic middle class as a percentage of the populations of India and China. Today, 12% of India's population and 20% of China's population are middle class. And, in the next 20 years these numbers will rise impressively to over 70% and 79% respectively in each country. China is transforming its economy from a global exporter to an internal consumer-based economy. Everyone is enjoying a slice of Capitalism and the pie is expanding!

There has been vast maturation of the Emerging Markets' citizens since the mid 1970's that makes it an important and credible asset class to incorporate into the investment portfolio process. Despite the media portrayal, the global economic landscape, as indicated by almost all measures, has steadily and

"Until you make the unconscious conscious, it will direct your life and you will call it fate."
Carl Jung

cumulatively progressed over the decades. The global poverty rate has declined from over 30% to 10% since the 1980's. Over 88% of the worlds' children have been vaccinated for some disease by the age of 1, lifespans are lengthening, and families are moving up the economic ladder. Runaway inflation has trended downward to the low single digits. Internal banking, currency, and sovereign debt volatility has also declined through the decades.

Emerging Market countries have become much wealthier. Since 2000, China's real GDP per capita in purchasing power parity terms has grown by 60%, India's by 41%, Korea's by 24%, and Taiwan's by 22%. Using this same economic metric, the United States has grown 8%. The Emerging Markets now represents FORTY PERCENT of the Global GDP (Gross Domestic Product) as compared to 22% in 1997. Not only are the internal economics impressive, but the countries that makeup the Emerging Markets in our portfolios are far better in managing the government balance sheet. As a group of countries, the Emerging Markets' percentage of debt to GDP is 49% as compared to the Developed Markets 104%.

The Emerging Market portfolio managers at Dimensional Funds do an outstanding job of developing a strict screening process which filters those countries to include, specific percentages of inclusion, and desired characteristics of companies they seek to own. As an investor, you don't have to worry about any immature companies or non-regulated trading processes within these Emerging Market portfolios. Currently, Brazil, China, India, Korea, South Africa, and Taiwan represent over 75% of the country weightings in our Emerging Market portfolios. In total, the companies that are owned in these portfolios are trading well below their 25-year fundamental average. *They are trading at HALF the price of a US company on a price to book value criteria.* They are also trading cheap on a price to earnings ratio, a price to sales ratio, as well as other fundamental metrics. Suffice it to say, there is much fear priced into this segment of the world economy. And while it would seem to be a contrarian's fundamental evaluation as a reason to buy this segment of global companies, it's not our criteria. **We lean into these positions because of our discipline to keep our overall portfolio weights in balance.** We respond, we don't react. We adapt, we don't forecast. We work within a long-term macro world of evolution. It's based on Evidence and facilitated by the Capital markets. And as a citizen who lives below your means and smartly takes advantage of a Capital System with your surplus savings…*YOU are the hero on this Wealth Journey.*

I AM in gratitude each day of you allowing Timonier to be a part of your journey. Know that we are accountable as your fiduciaries. We sell no products. And our collaborative team of advisors look forward to assisting you in making conscious choices for this one great life you deserve to live. Contact us any time, if we haven't contacted you first.

Namaste'

Tim L. Baker, CIMA, GFS

Market Summary

Index Returns

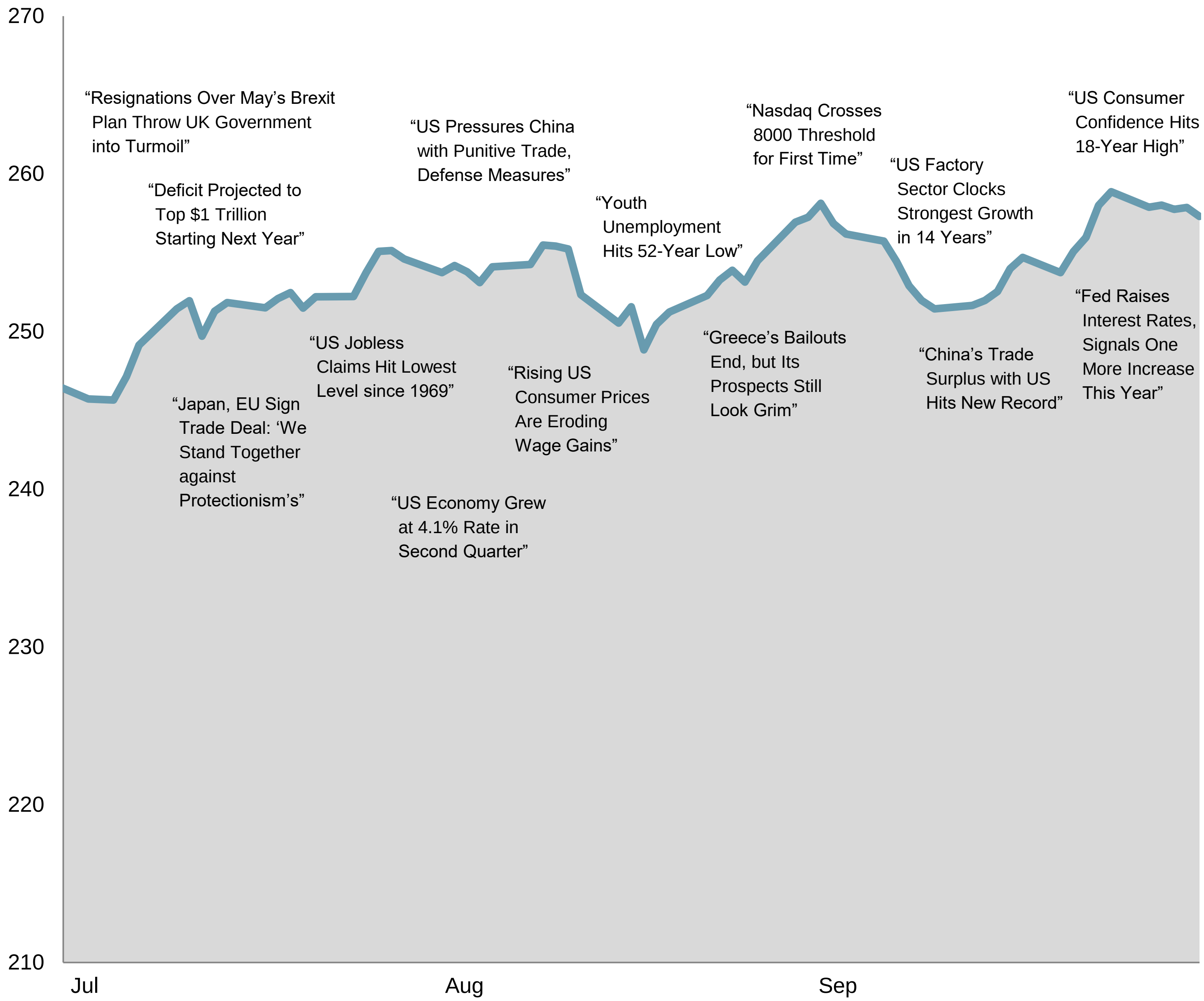
Q3 2018	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
	STOCKS				BONDS	
	7.12%	1.31%	-1.09%	-0.03%	0.02%	-0.17%

Since Jan. 2001	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
Avg. Quarterly Return	2.0%	1.5%	2.9%	2.6%	1.1%	1.1%
Best Quarter	16.8% **2009 Q2**	25.9% **2009 Q2**	34.7% **2009 Q2**	32.3% **2009 Q3**	4.6% **2001 Q3**	4.6% **2008 Q4**
Worst Quarter	-22.8% **2008 Q4**	-21.2% **2008 Q4**	-27.6% **2008 Q4**	-36.1% **2008 Q4**	-3.0% **2016 Q4**	-2.7% **2015 Q2**

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), International Developed Stocks (MSCI World ex USA Index [net div.]), Emerging Markets (MSCI Emerging Markets Index [net div.]), Global Real Estate (S&P Global REIT Index [net div.]), US Bond Market (Bloomberg Barclays US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Barclays Global Aggregate ex-USD Bond Index [hedged to USD]).

World Stock Market Performance

MSCI All Country World Index with selected headlines from Q3 2018

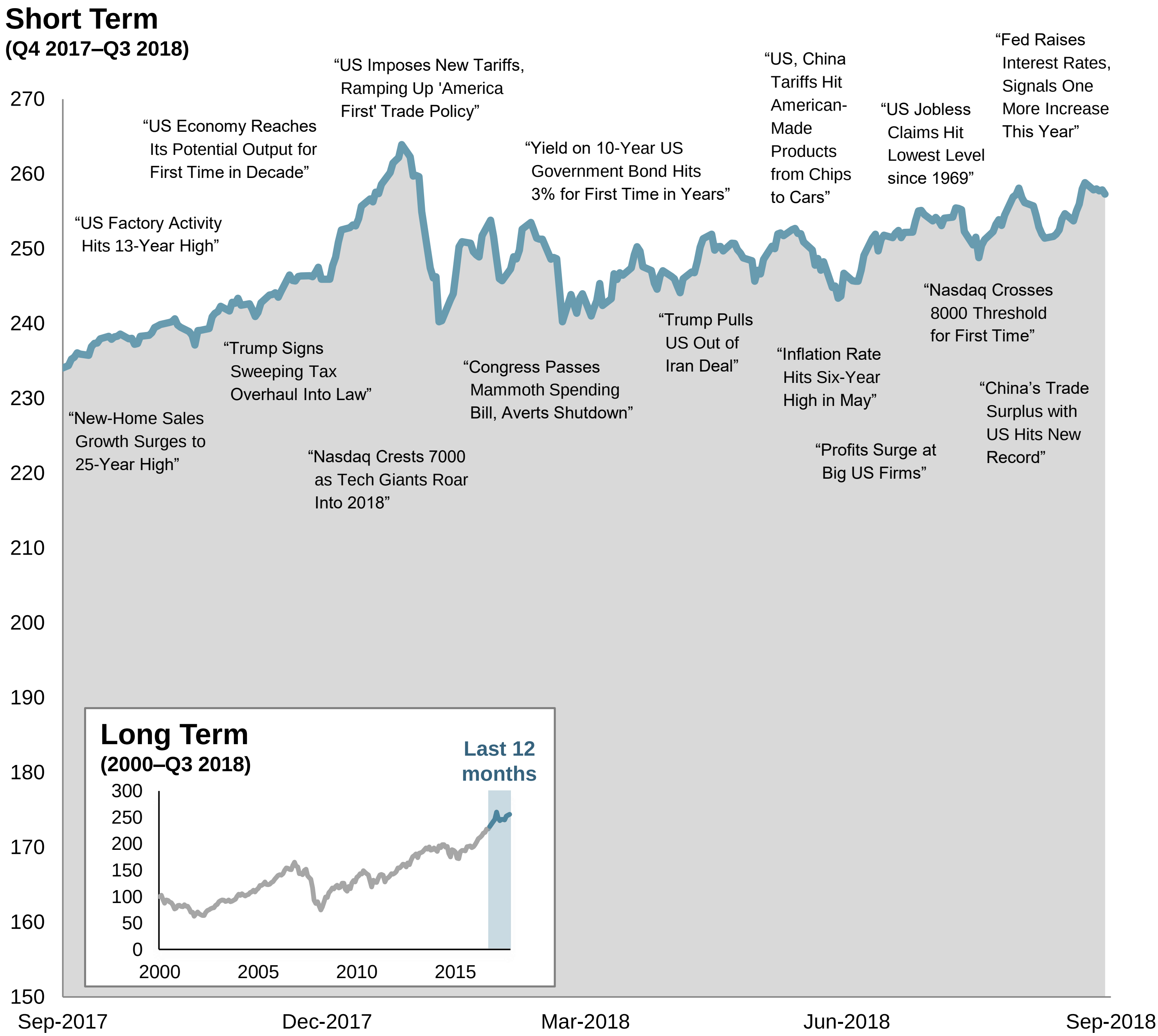


These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. **Past performance is not a guarantee of future results.**

World Stock Market Performance

MSCI All Country World Index with selected headlines from past 12 months



These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index [net div.]. MSCI data © MSCI 2018, all rights reserved.

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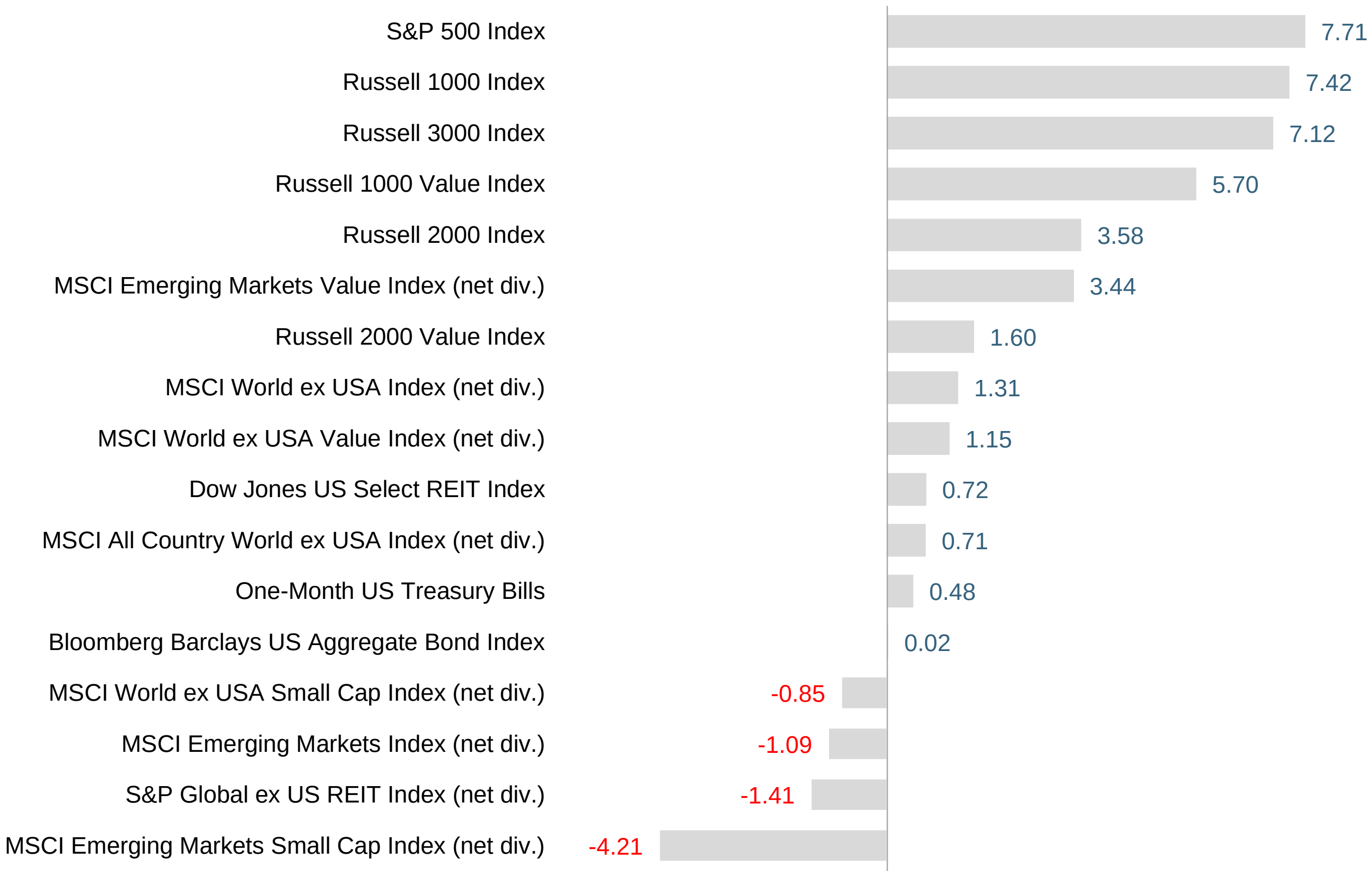
World Asset Classes

Third Quarter 2018 Index Returns (%)

Looking at broad market indices, the US outperformed non-US developed and emerging markets during the quarter.

Small caps underperformed large caps in the US, non-US developed, and emerging markets. The value effect was positive in emerging markets but negative in the US and non-US developed markets.

REIT indices underperformed equity market indices in both the US and non-US developed markets.



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US Stocks

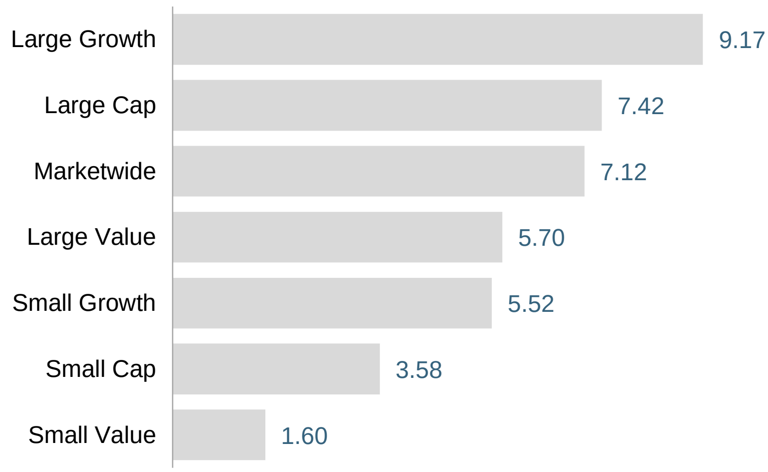
Third Quarter 2018 Index Returns

The US equity market posted a positive return, outperforming both non-US developed and emerging markets.

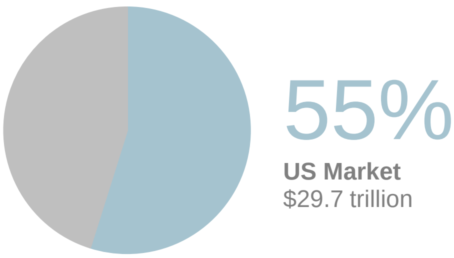
Value underperformed growth in the US across large and small cap stocks.

Small caps underperformed large caps in the US.

Ranked Returns for the Quarter (%)



World Market Capitalization—US



Period Returns (%)

** Annualized*

Asset Class	YTD	1 Year	3 Years*	5 Years*	10 Years*
Large Growth	17.09	26.30	20.55	16.58	14.31
Small Growth	15.76	21.06	17.98	12.14	12.65
Small Cap	11.51	15.24	17.12	11.07	11.11
Marketwide	10.57	17.58	17.07	13.46	12.01
Large Cap	10.49	17.76	17.07	13.67	12.09
Small Value	7.14	9.33	16.12	9.91	9.52
Large Value	3.92	9.45	13.55	10.72	9.79

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: Marketwide (Russell 3000 Index), Large Cap (Russell 1000 Index), Large Cap Value (Russell 1000 Value Index), Large Cap Growth (Russell 1000 Growth Index), Small Cap (Russell 2000 Index), Small Cap Value (Russell 2000 Value Index), and Small Cap Growth (Russell 2000 Growth Index). World Market Cap represented by Russell 3000 Index, MSCI World ex USA IMI Index, and MSCI Emerging Markets IMI Index. Russell 3000 Index is used as the proxy for the US market. Frank Russell Company is source and owner of trademarks, service marks, and copyrights related to Russell Indexes.

International Developed Stocks

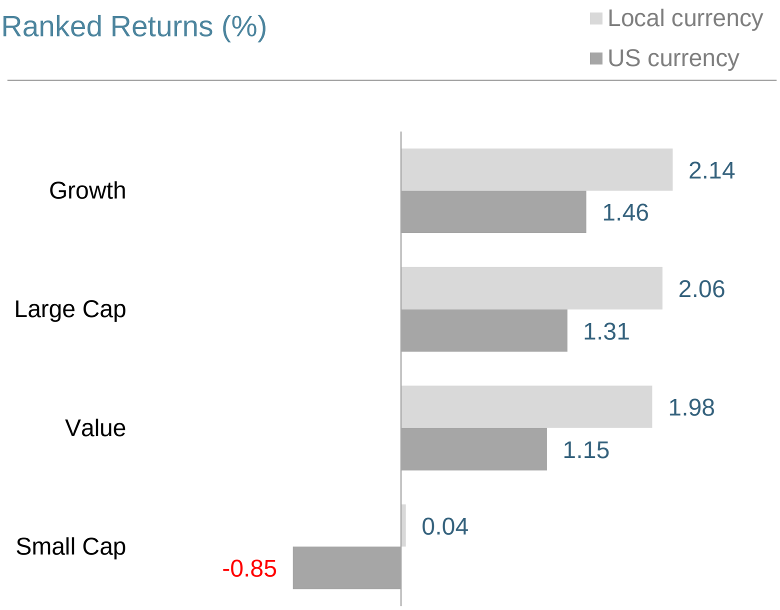
Third Quarter 2018 Index Returns

In US dollar terms, developed markets outside the US underperformed the US but outperformed emerging markets during the quarter.

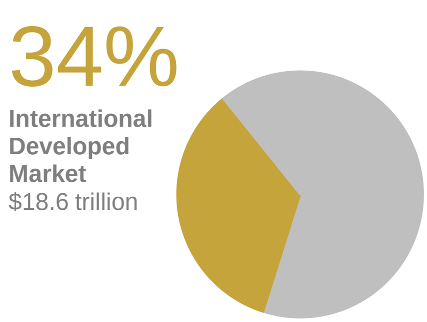
Large cap value stocks underperformed large cap growth stocks in non-US developed markets; however, small cap value outperformed small cap growth.

Small caps underperformed large caps in non-US developed markets.

Ranked Returns (%)



World Market Capitalization—International Developed



Period Returns (%)

** Annualized*

Asset Class	YTD	1 Year	3 Years*	5 Years*	10 Years*
Growth	0.39	5.47	9.91	5.37	5.78
Large Cap	-1.50	2.67	9.32	4.24	5.18
Small Cap	-2.28	3.42	12.23	7.07	9.04
Value	-3.43	-0.13	8.65	3.05	4.51

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Emerging Markets Stocks

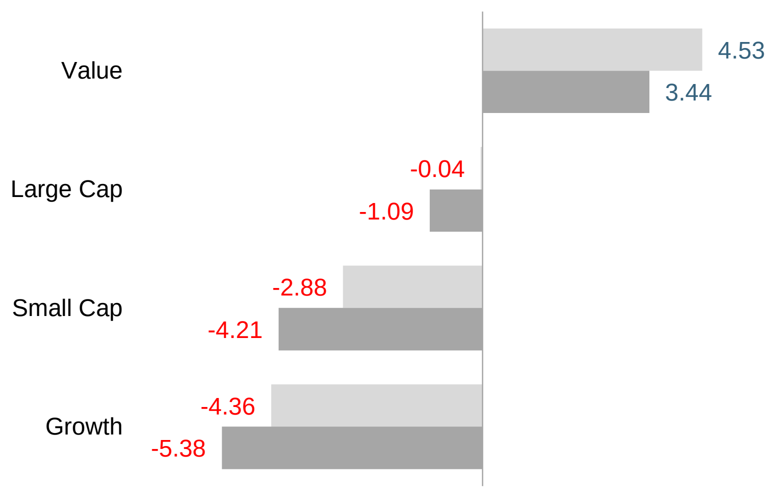
Third Quarter 2018 Index Returns

In US dollar terms, emerging markets posted negative returns for the quarter, underperforming developed markets including the US.

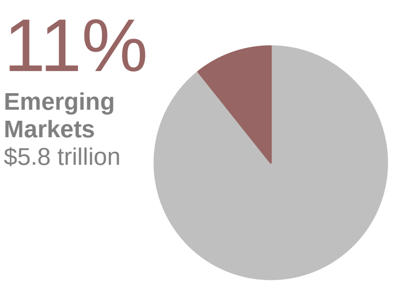
The value effect was positive, particularly in large caps in emerging markets.

Small caps underperformed large caps.

Ranked Returns (%)



World Market Capitalization—Emerging Markets



Period Returns (%)

** Annualized*

Asset Class	YTD	1 Year	3 Years*	5 Years*	10 Years*
Value	-4.28	2.27	11.55	2.04	4.53
Large Cap	-7.68	-0.81	12.36	3.61	5.40
Growth	-10.94	-3.89	13.03	5.08	6.18
Small Cap	-12.30	-4.20	7.43	2.72	7.43

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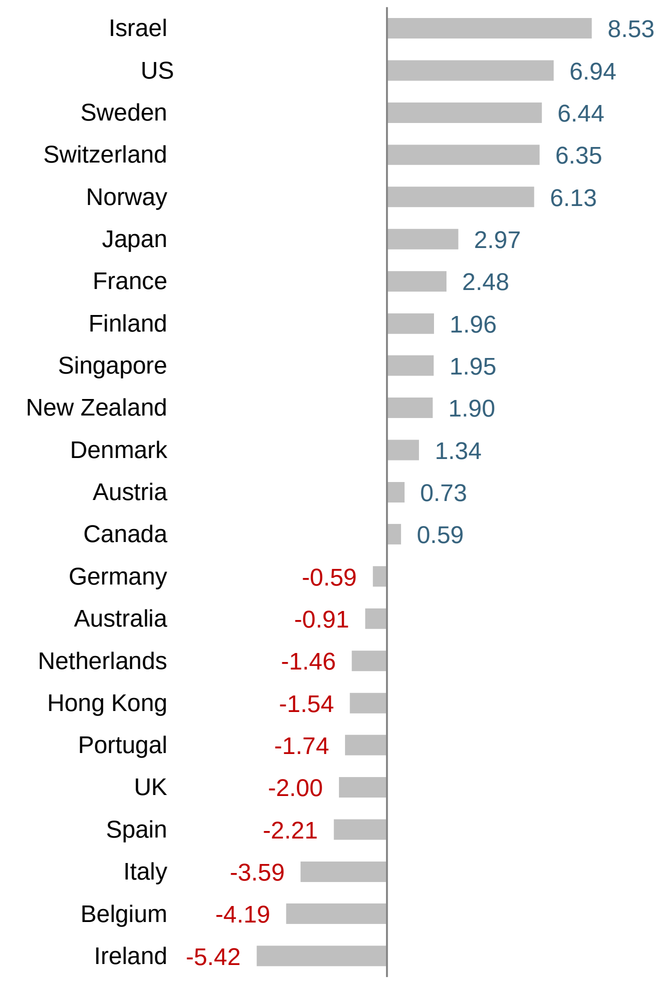
Select Country Performance

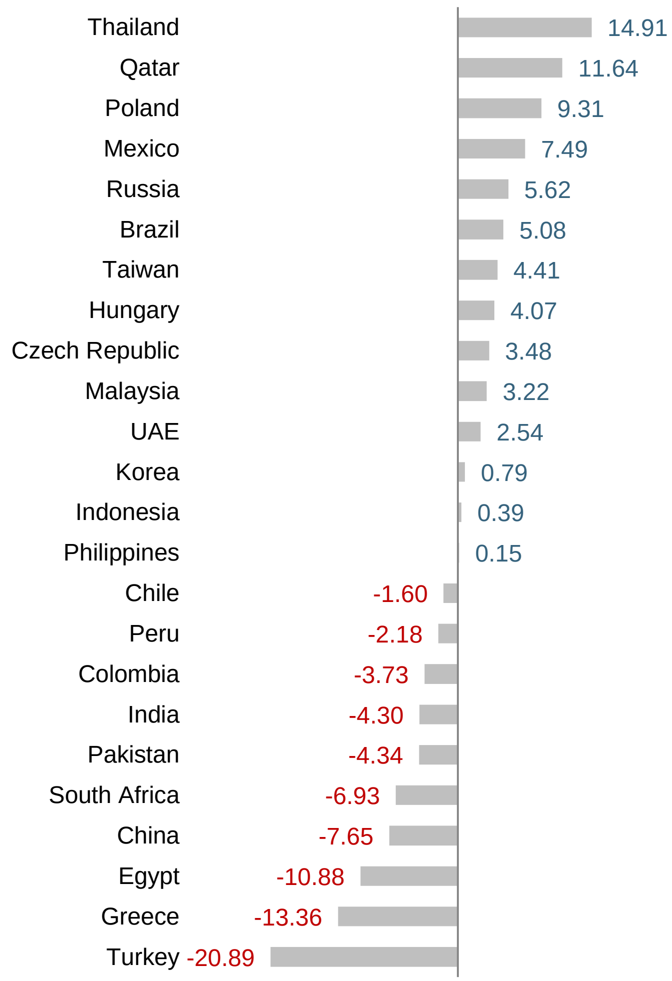
Third Quarter 2018 Index Returns

In US dollar terms, Israel, the US, and Sweden recorded the highest country performance in developed markets, while Ireland and Belgium posted the lowest returns for the quarter. In emerging markets, Thailand and Qatar recorded the highest country performance, while Turkey, Greece, Egypt, and China posted the lowest performance.

Ranked Developed Markets Returns (%)



Ranked Emerging Markets Returns (%)



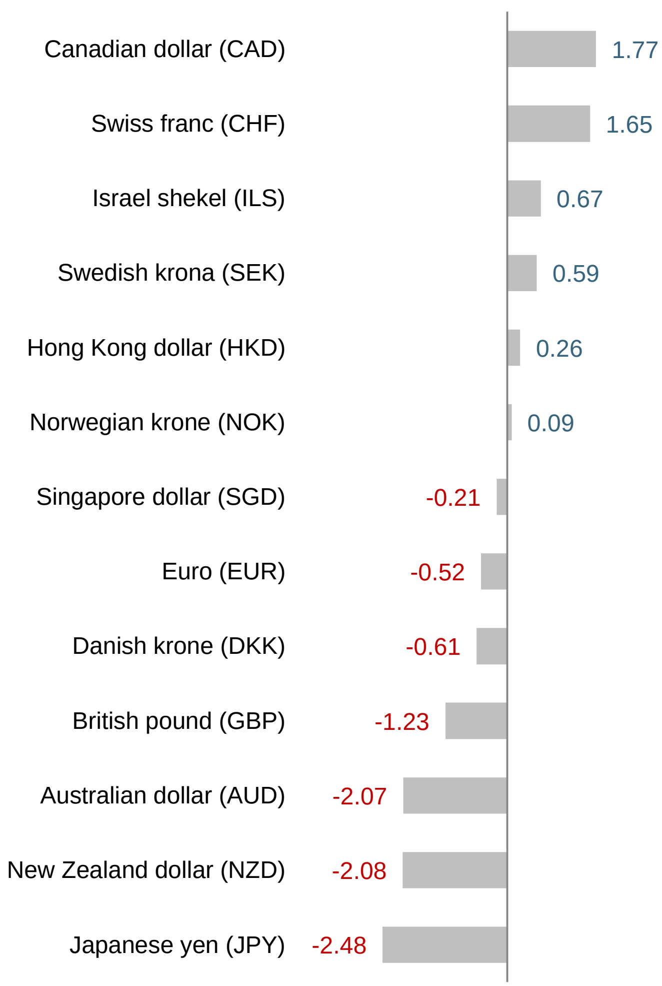
Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Country performance based on respective indices in the MSCI World ex US IMI Index (for developed markets), MSCI USA IMI Index (for US), and MSCI Emerging Markets IMI Index. All returns in USD and net of withholding tax on dividends. MSCI data © MSCI 2018, all rights reserved. UAE and Qatar have been reclassified as emerging markets by MSCI, effective May 2014.

Select Currency Performance vs. US Dollar

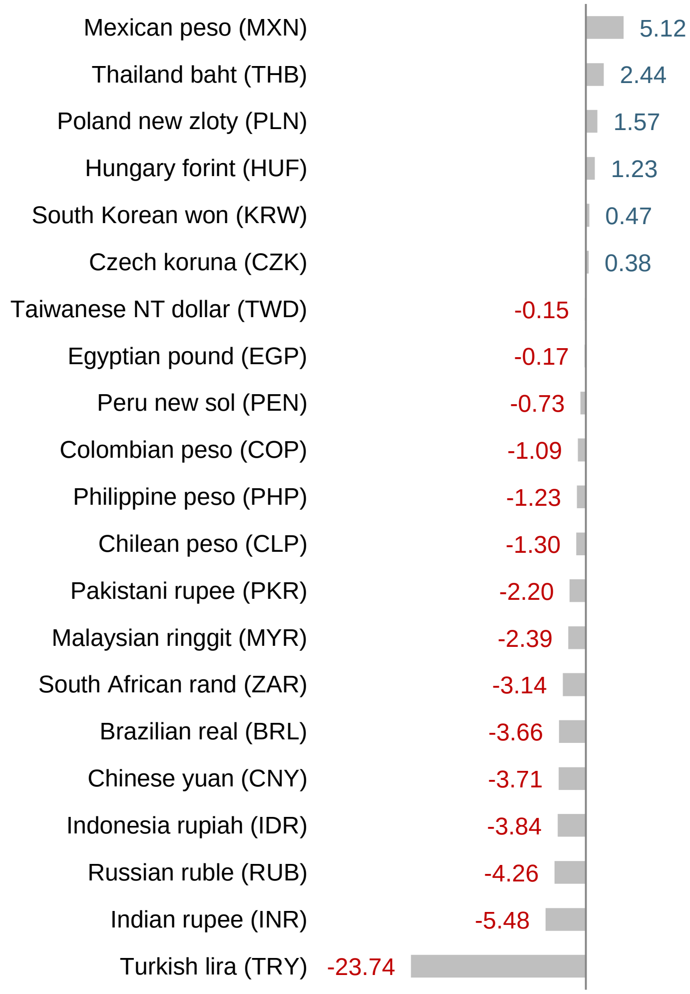
Third Quarter 2018

In developed markets, currencies recorded mixed results vs. the US dollar. The Canadian dollar and the Swiss franc appreciated over 1.5% vs. the US dollar, but the Japanese yen and Australian and New Zealand dollars all each depreciated more than 2%. In emerging markets, most currencies depreciated against the US dollar. The Turkish lira fell over 20%, but the Mexican peso appreciated more than 5%.

Ranked Developed Markets Returns (%)



Ranked Emerging Markets Returns (%)



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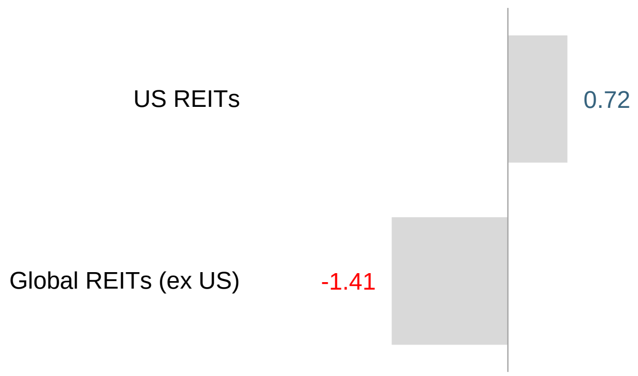
Real Estate Investment Trusts (REITs)

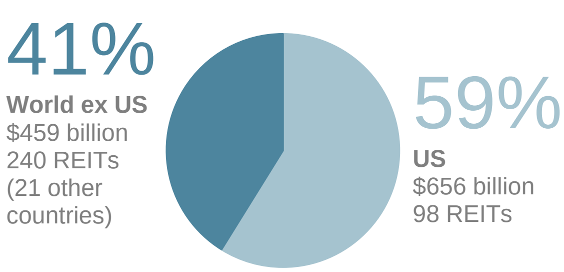
Third Quarter 2018 Index Returns

US real estate investment trusts outperformed non-US REITs in US dollar terms.

Ranked Returns (%)



Total Value of REIT Stocks



Period Returns (%)

** Annualized*

Asset Class	YTD	1 Year	3 Years*	5 Years*	10 Years*
US REITs	2.56	4.59	6.88	9.14	7.21
Global REITs (ex US)	-2.88	3.39	5.66	4.18	5.40

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Number of REIT stocks and total value based on the two indices. All index returns are net of withholding tax on dividends. Total value of REIT stocks represented by Dow Jones US Select REIT Index and the S&P Global ex US REIT Index. Dow Jones US Select REIT Index used as proxy for the US market, and S&P Global ex US REIT Index used as proxy for the World ex US market.

Commodities

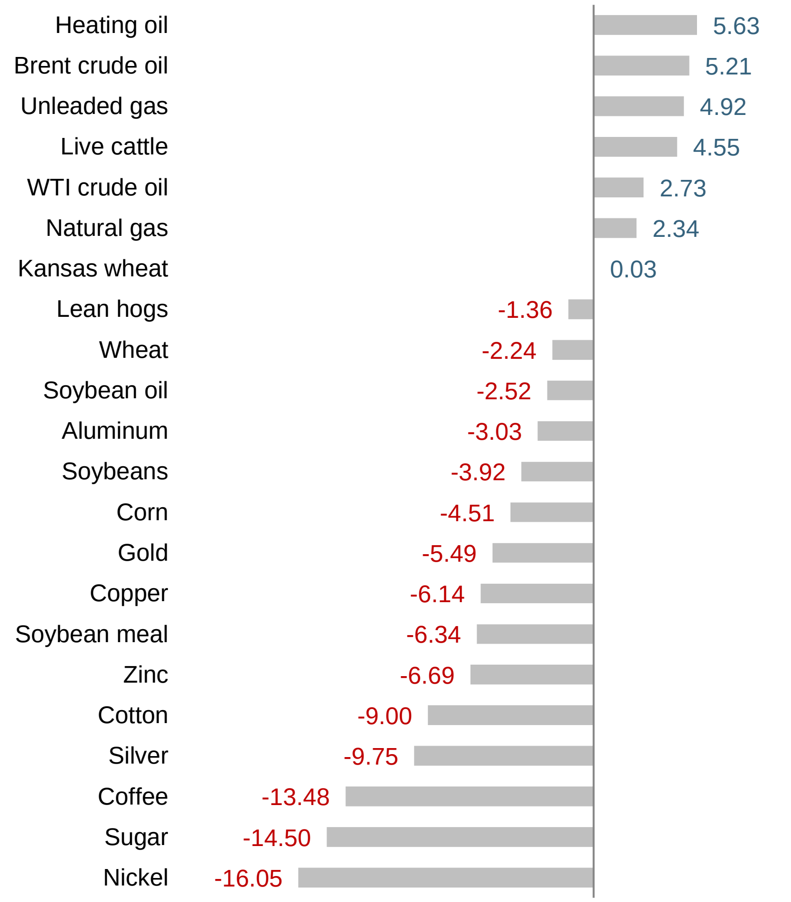
Third Quarter 2018 Index Returns

The Bloomberg Commodity Index Total Return declined 2.02% in the third quarter.

The energy complex led performance. Heating oil gained 5.63%, and Brent oil returned 5.21%.

Nickel, the worst-performing commodity, declined 16.05%. Sugar lost 14.50%, and coffee fell 13.48%.

Ranked Returns for Individual Commodities (%)



Period Returns (%)

** Annualized*

Asset Class	QTR	YTD	1 Year	3 Years*	5 Years*	10 Years*
Commodities	-2.02	-2.03	2.59	-0.11	-7.18	-6.24

Past performance is not a guarantee of future results. Index is not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Commodities returns represent the return of the Bloomberg Commodity Total Return Index. Individual commodities are sub-index values of the Bloomberg Commodity Total Return Index. Data provided by Bloomberg.

Fixed Income

Third Quarter 2018 Index Returns

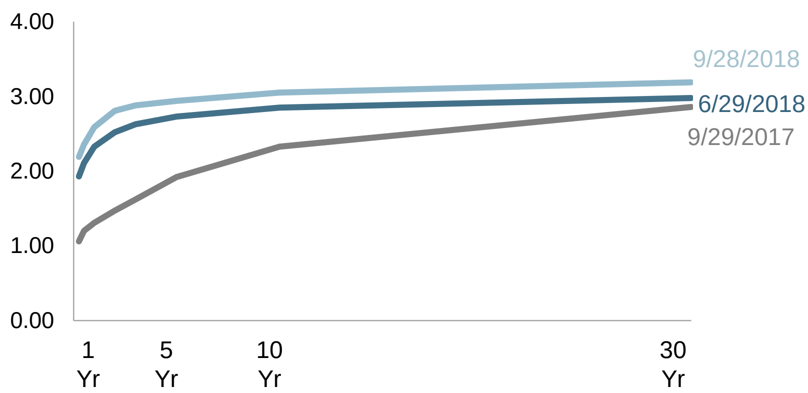
Interest rates increased in the US during the third quarter. The yield on the 5-year Treasury note rose 21 basis points (bps), ending at 2.94%. The yield on the 10-year Treasury note increased 20 bps to 3.05%. The 30-year Treasury bond yield rose 21 bps to 3.19%.

On the short end of the yield curve, the 1-month Treasury bill yield increased 35 bps to 2.12%, while the 1-year Treasury bill yield rose 26 bps to 2.59%. The 2-year Treasury note yield finished at 2.81% after an increase of 29 bps.

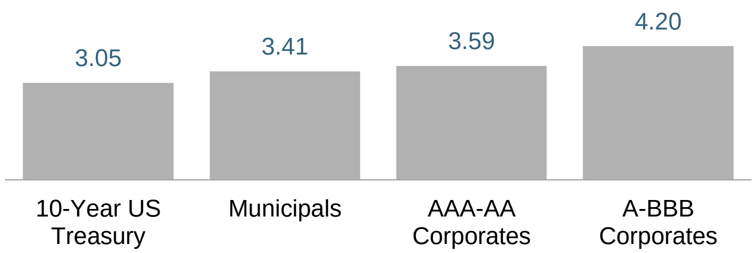
In terms of total return, short-term corporate bonds gained 0.71%, while intermediate-term corporates returned 0.80%.

Short-term municipal bonds declined 0.11%, while intermediate-term munis dipped 0.06%. Revenue bonds (–0.16%) performed in line with general obligation bonds (–0.14%).

US Treasury Yield Curve (%)



Bond Yields across Issuers (%)



Period Returns (%)

* Annualized

Asset Class	QTR	YTD	1 Year	3 Years*	5 Years*	10 Years*
ICE BofAML US 3-Month Treasury Bill Index	0.49	1.30	1.59	0.84	0.52	0.34
ICE BofAML 1-Year US Treasury Note Index	0.41	1.07	1.08	0.74	0.55	0.71
FTSE World Government Bond Index 1-5 Years (hedged to USD)	0.17	0.58	0.64	1.04	1.26	1.90
Bloomberg Barclays US Aggregate Bond Index	0.02	-1.60	-1.22	1.31	2.16	3.77
Bloomberg Barclays Municipal Bond Index	-0.15	-0.40	0.35	2.24	3.54	4.75
FTSE World Government Bond Index 1-5 Years	-0.63	-1.68	-1.39	0.84	-1.16	0.88
Bloomberg Barclays US TIPS Index	-0.82	-0.84	0.41	2.04	1.37	3.32
Bloomberg Barclays US Government Bond Index Long	-2.82	-5.71	-3.50	0.78	4.41	5.45

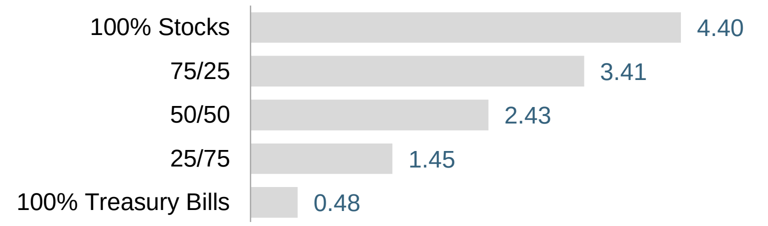
One basis point equals 0.01%. **Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio.** Yield curve data from Federal Reserve. State and local bonds are from the S&P National AMT-Free Municipal Bond Index. AAA-AA Corporates represent the Bank of America Merrill Lynch US Corporates, AA-AAA rated. A-BBB Corporates represent the Bank of America Merrill Lynch US Corporates, BBB-A rated. Bloomberg Barclays data provided by Bloomberg. US long-term bonds, bills, inflation, and fixed income factor data © Stocks, Bonds, Bills, and Inflation (SBBI) Yearbook™, Ibbotson Associates, Chicago (annually updated work by Roger G. Ibbotson and Rex A. Sinquefield). FTSE fixed income indices © 2018 FTSE Fixed Income LLC, all rights reserved. ICE BofAML index data © 2018 ICE Data Indices, LLC.

Impact of Diversification

Third Quarter 2018 Index Returns

These portfolios illustrate the performance of different global stock/bond mixes and highlight the benefits of diversification. Mixes with larger allocations to stocks are considered riskier but have higher expected returns over time.

Ranked Returns (%)

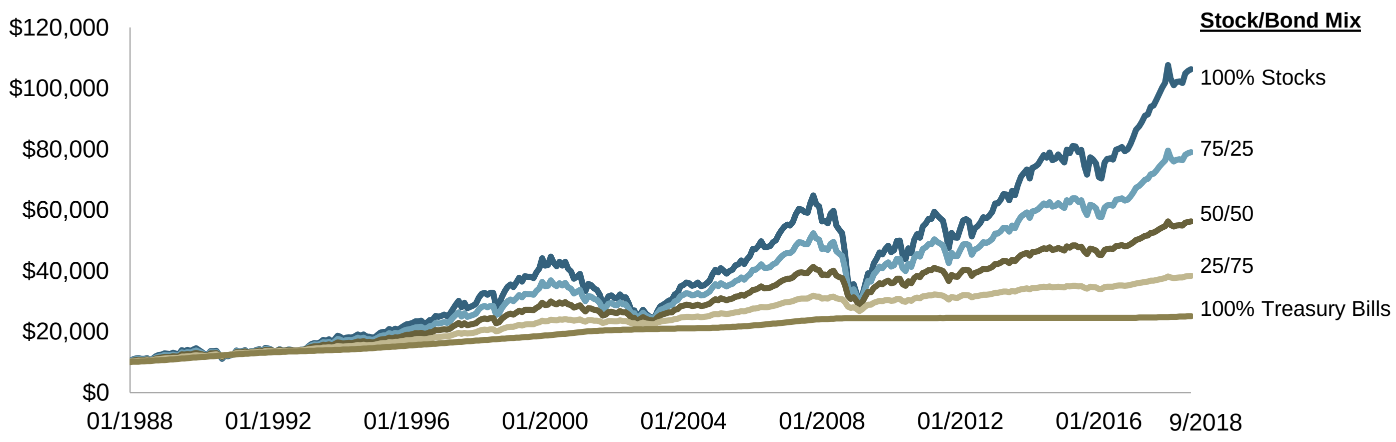


Period Returns (%)

** Annualized*

Asset Class	YTD	1 Year	3 Years*	5 Years*	10 Years*	10-Year STDEV[1]
100% Stocks	4.26	10.35	14.02	9.25	8.77	15.83
75/25	3.56	8.14	10.64	7.08	6.85	11.87
50/50	2.82	5.93	7.31	4.89	4.78	7.91
25/75	2.05	3.71	4.01	2.68	2.58	3.95
100% Treasury Bills	1.24	1.50	0.75	0.45	0.27	0.14

Growth of Wealth: The Relationship between Risk and Return



1. STDEV (standard deviation) is a measure of the variation or dispersion of a set of data points. Standard deviations are often used to quantify the historical return volatility of a security or portfolio.

Diversification does not eliminate the risk of market loss. **Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect expenses associated with the management of an actual portfolio.** Asset allocations and the hypothetical index portfolio returns are for illustrative purposes only and do not represent actual performance. Global Stocks represented by MSCI All Country World Index (gross div.) and Treasury Bills represented by US One-Month Treasury Bills. Globally diversified allocations rebalanced monthly, no withdrawals. Data © MSCI 2018, all rights reserved. Treasury bills © Stocks, Bonds, Bills, and Inflation Yearbook™, Ibbotson Associates, Chicago (annually updated work by Roger G. Ibbotson and Rex A. Sinquefield).

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Sailing with the Tides

Embarking on a financial plan is like sailing around the world. The voyage won't always go to plan, and there'll be rough seas. But the odds of reaching your destination increase greatly if you are prepared, flexible, patient, and well-advised.

A mistake many inexperienced sailors make is not having a plan at all. They embark without a clear sense of their destination. And once they do decide, they often find themselves lost at sea in the wrong boat with inadequate provisions.

Likewise, in planning an investment journey, you need to decide on your goal. A first step might be to consider whether the goal is realistic and achievable. For instance, while you may long to retire in the south of France, you may not be prepared to sacrifice your needs today to satisfy that distant desire.

Once you are set on a realistic destination, you need to ensure you have the right portfolio to get you there. Have you planned for multiple contingencies? What degree of "bad weather" can your plan withstand along the way?

Key to a successful voyage is a good navigator. A trusted advisor is like that, regularly taking coordinates and making adjustments, if necessary. If your circumstances change, the advisor may suggest you replot your course.

As with the weather at sea, markets can be unpredictable. A sudden squall can whip up waves of volatility, tides can shift, and strong currents can threaten to blow you off course. Like a seasoned sailor, an experienced advisor will work with the conditions.

Once the storm passes, you can pick up speed again. Just as a sturdy vessel will help you withstand most conditions at sea, a well-diversified portfolio can act as a bulwark against the sometimes tempestuous conditions in markets.

Circumnavigating the globe is not exciting every day. Patience is required with local customs and paperwork as you pull into different ports. Likewise, a lack of attention to costs and taxes is the enemy of many a long-term financial plan.

Distractions can also send investors, like sailors, off course. In the face of "hot" investment trends, it takes discipline not to veer from your chosen plan. Like the sirens of Greek mythology, media pundits can also be diverting, tempting you to change tack and act on news that is already priced in to markets.

A lack of flexibility is another impediment to a successful investment journey. If it doesn't look as though you'll make your destination in time, you may have to extend your voyage, take a different route to get there, or even moderate your goal.

The important point is that you become comfortable with the idea that uncertainty is inherent to the investment journey, just as it is with any sea voyage. That is why preparation and planning are so critical. While you can't control every outcome, you can be prepared for the range of possibilities and understand that you have clear choices if things don't go according to plan.

If you can't live with the volatility, you can change your plan. If the goal looks unachievable, you can lower your sights. If it doesn't look as if you'll arrive on time, you can extend your journey.

Of course, not everyone's journey is the same. Neither is everyone's destination. We take different routes to different places, and we meet a range of challenges and opportunities along the way.

But for all of us, it's critical that we are prepared for our journeys in the right vessel, keep our destinations in mind, stick with the plans, and have a trusted navigator to chart our courses and keep us on target.