METAPOINT

Invest Strategically ©

Dear {First Name},

Initial Investment	Today's Value**	
	"The Market"*	Apple
$ 10,000	$ 69,040	$ 2,230,000
Growth 1993-Present	690%	22300%
	Difference	***$ 2,160,960***

* = "The Market" is calculated by using the SPDR S&P 500 Trust ETF which was the first ETF launched on 1/22/1993.
** = Today's Value Calculated per ycharts.com on 10/18/2020.

In an era in which COVID-19 has destabilized the global economy and political unrest threatens both developed and developing global economies, investors are ready to rethink the old rules of investing.

That means questioning everything, even the conventional wisdom that investors should prefer whole-market ETFs and funds over individual stocks.

I can hear you already: *but even Warren Buffett says to avoid individual stocks!* What if I told you that smart investors - the ones whose portfolios are thriving during these volatile times - *never* followed Buffett's oft-quoted wisdom? Even Buffett doesn't follow this advice - he has become a billionaire by selectively choosing companies to invest in.

Let me tell you a story. I recently met a friend for drinks at a trendy Palo Alto bar. I commented that it was incredible my friend, a brilliant Stanford professor, could still afford to live in Silicon Valley on an academic salary given the tech hub's notorious reputation as the most expensive city in America.

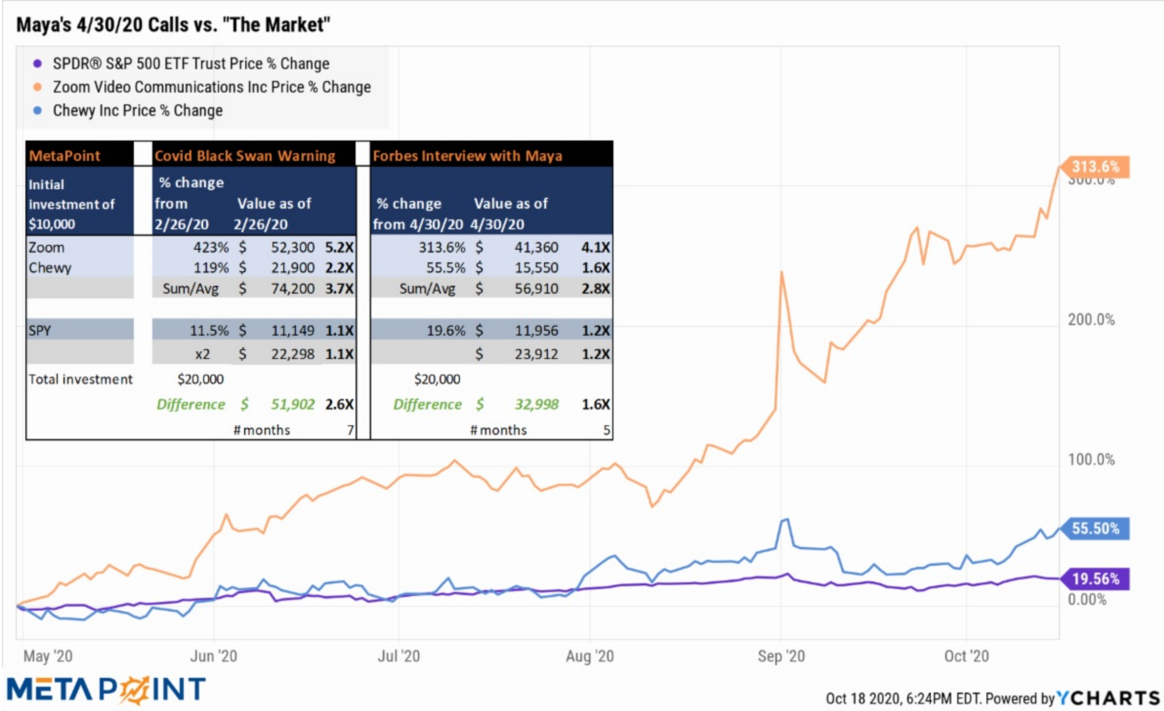
His answer was jarring and deceptively simple: "I invested in Apple in the 90s."

The back-of-the-napkin math tells the story. **Had you invested $10,000 in Apple in the early 1990s, your shares would be worth a remarkable $2 million today.** Now let's say you followed the conventional advice and invested in a whole-market index fund instead of Apple. That same $10,000 would only be worth about $70,000 today. Feel like you're missing out?

Choosing individual stocks doesn't need to be a gamble. I disagree with pundits like Burton Malkiel who believe that picking stocks is just like a *Random Walk Down Wall Street*. Does anyone really believe that Apple's success is "random" and not because Apple is a standout company with leading edge technology? Instead, I adhere to the famed stock picker Peter Lynch who believed you could have *One Up On Wall Street.* I've worked as an equity analyst on Wall Street and advised top fund managers at Goldman Sachs, JP Morgan, and top hedge funds in New York and London. While Wall Street analysts are smart, their bureaucracies, groupthink, and cross-eyed incentives often mean that they are slow to catch up to the obvious.

Take the Covid crisis, for instance. In February, I was the first market analyst I know of to accurately call the Covid crisis a Black Swan event. I advised that the Covid crisis demanded a drastic re-positioning of portfolios, which I had already enacted the weeks before my note and later when the Federal Reserve acted to boost the market.

On April 30,2020, I said both Zoom and Chewy were strong Covid-era picks, and that Kraft offered a great dividend yield for investors looking for income. So here's how they performed:



MetaPoint	Covid Black Swan Warning			Forbes Interview with Maya		
Initial investment of $10,000	% change from 2/26/20	Value as of 2/26/20		% change from 4/30/20	Value as of 4/30/20	
Zoom	423%	$ 52,300	5.2X	313.6%	$ 41,360	4.1X
Chewy	119%	$ 21,900	2.2X	55.5%	$ 15,550	1.6X
	Sum/Avg	$ 74,200	3.7X	Sum/Avg	$ 56,910	2.8X
SPY	11.5%	$ 11,149	1.1X	19.6%	$ 11,956	1.2X
	x2	$ 22,298	1.1X		$ 23,912	1.2X
Total investment	$20,000			$20,000		
	Difference	*$ 51,902*	2.6X	*Difference*	*$ 32,998*	1.6X
		#months	7		#months	5

If you had invested in Zoom when I suggested it on the Contrarian Investor Podcast on April 30, you would have *quadrupled* your investment by October. That's a fantastic return, but if you had been my client when I took a position in Zoom back in February, you would have ***quintupled* (5x!)** your return. Compare that to just a 1.1 return if you had stayed invested in "the market" as conventional wisdom suggested. Ouch!

Income Play Returns since 4/30/20 Call			
	% change	dividend yield	Total
Kraft stock	6.0%	5.0%	**11.0%**
AGG Bond fund	0.7%	2.3%	**3.0%**
		Difference	*8.05%*
Source: Data as of 10/18/2020.			

As for income plays, if you had invested in Kraft, you would have received a 5% dividend yield and a total return of 11% since April 30 vs. just 3% if you had invested in the largest bond fund AGG.

My stock calls were not "random" or "lucky" but based on an understanding of macroeconomic and thematic trends combined with financial analysis and quickly pivoting to the new reality. While Jeff Bezos and Mark Zuckerberg make billions betting on one stock, I believe it makes sense for investors to bet on a more diversified set of stocks - selectively curated by a skilled stock picker. This way, investors have a better probability of outperforming the market while taking comparable risk.

This has been a volatile year, but my clients have enjoyed the benefits of a skilled, knowledgeable, and nimble investment advisor. **That's why my clients who have invested over $1 million with me in 2020 have seen a 36% equity return on average. This compares to an average equity return of 4%.** Nothing compares to working with the right expert.

Returns Comparisons	15-Oct-20	1st half 2020	Bear Market 1Q 2020	Bull Market 2019
Equities				
Maya Joelson Client Average	**36%**	**12%**	**-6%**	**31%**
Major equity benchmarks				
S&P 500	8%	-5%	-20%	29%
ISHARES ESG MSCI USA ETF**	11%	-3%	-19%	30%
Russell 2000	-2%	-16%	-31%	24%
MSCI World	4%	-8%	-21%	25%
MSCI Emerging Markets	1%	-15%	-24%	15%
Average equity index return	***4%***	***-9%***	***-23%***	***25%***
Maya's Outperformance	**31%**	**22%**	**17%**	**6%**
Maya's average account return across all assets *	**19%**	**8%**	**-4%**	**18%**

* This is calculated as the equal-weighted average of clients who invested over $1M with Maya Joelson.
** Ishares ESG MSCI chosen to represent ESG index as it is the largest ESG fund with over $8.3 billion assets under management.
Source: ycharts.com, Orion.

Do you want to invest your money more strategically? Or do you want your portfolio to continue muddling along - paying your advisor to place you in underperforming or hum drum funds? Many advisors prefer to sell you on an over-diversified set of funds which essentially invest in everything. For them, this is a win-win situation. They get paid to put you in a group of funds which they can "set and forget." You will continue to pay them yearly and they can move on to finding new clients to dump into their "model portfolios". The client can't sue because they are "diversified" and the advisor always has an excuse as to why their investments may have underperformed.

The client, in contrast, gets a lose lose situation. They are paying an annual fee to get put into a generalized model portfolio which rarely changes -- even if reality changes. Clients get told that not to worry as "the market" goes up over time. ***This is naive diversification, not strategic diversification.***

Is Zoom the next Apple - can it continue to grow at an exponential rate? There is a case for both sides. In either case, my clients who had invested just $10k in Zoom of their entire portfolio now have made over 4x their money, have been able to take their gains out, and can potentially profit from a meteoric rise with no more skin in the game.

If you have a savvy advisor who selectively buys you stocks to create a diversified portfolio of ~30 to 50 stocks, you can far outperform the market while taking not much more risk. It is hard work and not easy. Many wealth managers who pick stocks for their clients fail. They don't have the financial training or choose stocks based on ego or outdated worldviews. They often invest in energy stocks and old blue chips. **Many money managers don't even invest you in today's Apple, much less tomorrow's Apple.**

It's your money - or your loss.

Please contact me if you want to talk more crafting a strategic - but still diversified - portfolio with a goal and track-record of beating "the market".

Best regards,
Maya

maya@metapointadvisors.com
(415) 691-1062

Marisa (Maya) Joelson
Founder of Meta Point Advisors

maya@metapointadvisors
415-691-1062

Maya is a Harvard-trained economist who leverages her two

decades of top-level experience across Wall Street, the City of London, emerging markets, and advanced technology to devise investment strategies for her clients. She founded Meta Point Advisors after several years as a Financial Advisor at Merrill Lynch. Maya's clients benefit from her ability to provide savvy active management without the cumbersome costs and structure of mutual funds. She has been quoted in ***The Wall Street Journal, The World Economic Forum,*** and ***Barron's***.

Maya Marisa Joelson holds a MPA from Harvard Kennedy School, a MBA from Kellogg at Northwestern University, and a BA from Wesleyan University.