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There are times when life begins to feel claustrophobic. When the anxiety generated by a seemingly never-ending string of bad news turns into an existential trap, a prison of negative thought. Many people I have spoken with recently have had these feelings in one form or another. The war in Ukraine and speculation on those hostilities escalating, the threats of nuclear conflict, the sudden and extreme inflation in gas and food prices, among other things, the stock market sell off. All these headlines, just as we were beginning to see some light at the end of this two-year long COVID tunnel.

Many are mentally, emotionally, and physically exhausted from all the new bits of information, about all of these terrible things, bombarding us on a daily basis. And normally, in times when market stress is at a peak, I tend to draft a long essay on market valuations, earnings, economic growth, and historical perspective. But at the moment I think there is one bit of advice that I can offer to help mitigate the competing stressors that dominate our headlines and our small talk.

Take a walk.

I know, not the most earth-shattering insight I have ever extolled to you but one I had today while on a long drive today with plenty of time to think.

Take a walk.

There are many smart individuals, career-oriented, non-political individuals in the State Department, the Pentagon and Government as a whole, working on the war in Ukraine. Diplomats, strategists, analysts, the Intelligence Community, all doing their best to solve the puzzle of one Vladimir Putin.

Where will it end? I don’t know.

But what I do know is that there is a united front of countries working to halt the advance of Russia and help keep Ukraine free and independent. That there is immense amount of communication and coordination between the US, the EU, NATO, and other countries around the globe to provide aid to Ukraine. And we know that the people of Ukraine fiercely value their sovereignty and are intent on defending it, while being led by an individual who has rightly become a symbol of bravery and loyalty to that sovereignty.

And we, disconnected geographically from the reality of Ukraine itself, must find faith in these efforts being made. Aside from providing financial aid as individuals we must let those who are most qualified to deal with this crisis do just that.

Take a walk.

Things cost more. COVID interrupted manufacturing while many, stuck at home, ordered goods. Inventories were whittled down before manufacturing ramped up. Supply chains, the physical process of getting goods from where they are made to our households, were greatly interrupted by labor issues, public health policy restrictions and the inevitable back up of ships, trucks, and goods. Had the Ukraine war not erupted, most analysts expected inflation to calm in the second half of 2022 as those manufacturing and shipping bottlenecks finally eased.

The war will lengthen and exacerbate some of these issues. The US, EU and other nations have applied sanctions to Russia that are historical in their breadth, to force a cease fire and hopefully prompt negotiations that can avert a larger war. Russia has retaliated by halting commodity shipments and the US has answered by cutting off the purchase of Russian oil and natural gas. As such, we can expect gas prices to increase further in the near term. But as with all shortages, the complex system of energy production and delivery will figure itself out in time through a combination of domestic production, a change in resource policy (including lifting some sanctions on other producers) or the Saudis filling the gap.

Take a walk.

All of these pressures add worry to equity investors who now are coming to grips with a market that had been overpriced relative to earnings. This is not a "crash." This is not a systemic domino toppling of financial institutions like the financial crisis. This could be a Depression in Russia, recession in Europe and somewhat impactful to US GDP. But we have been through many rounds of upheaval and generally slower growth before. The market has repriced and moved forward, ultimately rebounding. And for bond investors, we know the Fed needs to raise interest rates to cool growth and tamp down on inflation. That means new bonds will have higher yields so older bonds must reprice to get in the same general area of yield. This too will smooth itself out as the Fed raises, and we should experience a year where yields offset price declines.

Take a walk.

There is so much that is happening, and so much of it will impact us on some level in our day to day lives. But we must have some faith in the structures, people, and processes in place to deal with these issues and focus on managing what we can for our own. As your financial advisors, that management started more than two years ago when we decided to ease off on stock exposure due to general valuation concerns. We revisited your risk tolerances to prepare for the emotional toll that these kinds of market conditions can take, and at the same time reviewed long-term cash flow needs and the impacts on your capital to ensure that your plan was resilient to volatility. We made trading decisions that were both opportunistic and defensive, to capitalize on the outsized expansion of certain sectors and prepare for their eventual contraction.

The whole point is, we can only control what we can control, and do what is in our power to do – then, we take a walk.

Talk a walk and a moment to feel the sunshine on your face, breathing in this early Spring air, calling someone you love, sharing a bottle of wine with friends, going out for lunch, saying a prayer for those who are struggling, and giving thanks for what you have. It will make you feel better, I promise.

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