



April 8, 2016

Hi All!

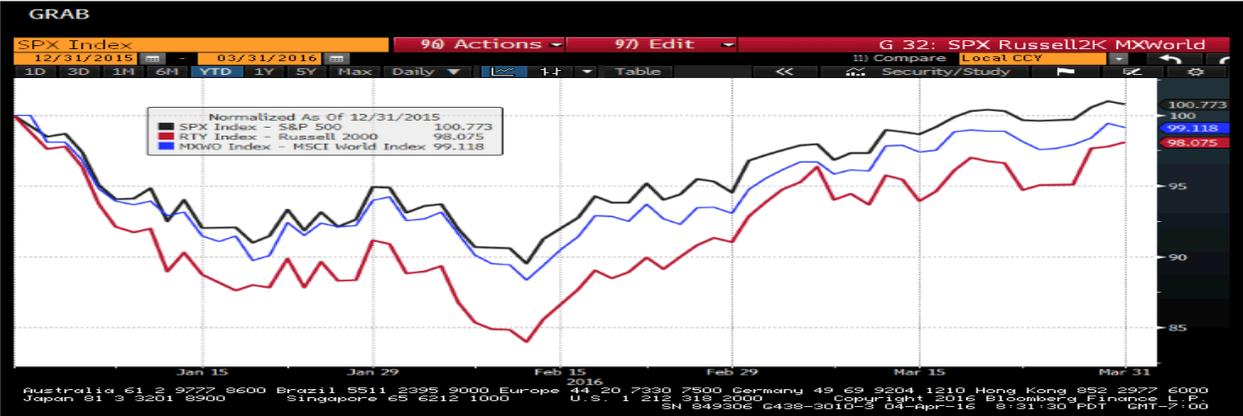
I've have a friend who is about to do a 100 mile run. Note 100 miles! He posted it on Facebook over the weekend. It's in July. I can't imagine doing this yet I'm excited for him and wish him all the success possible. He has to complete the run in 36 hours. The goal is to finish, not win, just finish. I'm already exhausted.

In my January commentary I wrote why I thought this might be a challenging year. I'm sure my friend would say the same about his upcoming run. My theme has been, **"If you're running a marathon (or more in his case), don't look at your feet!"** Look ahead. Don't try to go too fast, rather pace yourself. During the run there will be moments you will want to jump for joy and others where you may step on pebbles, rocks or twist your ankle a bit. And just when you want to quit, see the sign to the right... yet you don't. You preserver! WOW!



Well, in our marathon of life, we have successfully navigated through another quarter. If you ignored the market from the end of December through the end of March, you would think nothing happened. But if you were following it every day, it was not easy with lots of pebbles, rocks and maybe a few boulders under our feet! Yet we survived the quarter relatively well.

The actual quarter was quite volatile. Take a look at the chart below of the first quarter.



To put this into numbers, \$100 invested on 12/31...

S&P 500	low point:	89.488	-11.5%	End of quarter:	100.77
Russell 2000		83.962	-17.0%		99.12
MSCI World Index		88.339	-11.6%		98.08

(Low point was 2/11/16. Source: Bloomberg.)

We were fortunate at the Goldenberg Group because we never heard *Chicken Little* or clients calling out "the sky is falling". We did have people say; wow this looks like an opportunity.



So, am I optimistic? Those of you who know me well would say I am generally positive. I think this is true. Therefore, my bias will always be glass half full; and we try to make good decisions along the way. It has already been and will continue to be an interesting year! Big issues in 2016 domestically will obviously include the election. But other issues I think about include the U.S. economy and its growth, the price of oil, and the actions of the Federal Reserve. Internationally I am concerned about the terror attacks, and the horrible impact they have on those directly and indirectly involved. I'm still concerned about Europe and China from an economic point of view for different reasons. I really have no idea where they will end up. On a positive note, the summer Olympics will be in Rio, I truly hope it is safe

and a great time for all. I'm excited to watch several of the events, and have a few friends who are trying to make some of the teams.

Where should we be positioned now? Our affiliate at Oppenheimer Asset Management, Inc., Chief Market Strategist John Stoltzfus, who plays a mean guitar, said a couple things, first he said, *"So Far so Good but we'll keep the party hats in the box even as we've enjoyed the market's ride higher."* But regarding investing, he states, "We continue to favor an alpha (active investment approach to investment) over a beta (passive index investment) approach." What does that gibberish mean? Hire good managers who pick stocks. I agree. We think that performance from portfolios this year will require people to decide what to own. It's not everything, and certainly not like the late '90's when Monkeys were throwing darts and making huge returns. There needs to be thought and care in the decision of what to own. Our philosophy still remains to hire managers who generally have a large amount of their personal net worth invested in the strategy. We want them to be invested alongside of us. John writes weekly, and you can find his report and several others on our website at <https://fa.opco.com/thegoldenberggroup>.

Don't forget; invest in what we hope to be great companies or managers who do that for us. We're all human, and therefore not every decision will be right. It often takes longer than expected to produce returns. Be diligent and patient! Invest risk adjusted. If you're concerned about downside, have a more conservative portfolio, but understand this may limit the upside. Also max out your savings by using your 401(k)'s or other retirement plans.

As always, we're here to help. If you have questions, concerns, are excited or scared, call us. We are confident we can provide you excellent advice.

Enjoy the spring and summer

Steve Goldenberg
Executive Director – Investments
steve.goldenberg@opco.com
<http://fa.opco.com/thegoldenberggroup>
415-438-3008

Charts source: Bloomberg

This newsletter is written by The Goldenberg Group of Oppenheimer & Co. Inc., a Financial Advisor team with Oppenheimer & Co. Inc. Their opinions do not necessarily reflect those of the Firm and are subject to change without notice. This newsletter is not and is under no circumstances to be construed as an offer to sell or buy any securities, it was derived from sources believed to be reliable, and does not purport to be a complete analysis of the security, company, or industry involved. The information provided herein is general in nature for informational purposes only and does not represent legal or tax advice. Oppenheimer & Co. Inc., including any of its affiliates, officers or employees, does not provide legal or tax advice. Investing in securities is speculative and entails risk, including potential loss of principal. Oppenheimer Asset Management (OAM) and Oppenheimer & Co. Inc (Oppenheimer) a registered broker/dealer and investment advisor are both indirectly wholly owned subsidiaries of Oppenheimer Holdings Inc. Securities are offered through Oppenheimer.

The performance of an index is not indicative of the performance of any particular investment; however, they are considered representative of their respective market segments. Please note that indexes are unmanaged and their returns do not take into account any of the costs associated with buying and selling individual securities. Individuals cannot invest directly in an index.

The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value. The Index is one of the most widely used benchmarks of US Equity Large Cap performance.

Oppenheimer & Co. Inc. Transacts Business on all Principal Exchanges and Member SIPC
Approved: G70041116RM1
Sg\4-2016.commentary.doc

Oppenheimer & Co. Inc.
580 California Street; Suite 2300
San Francisco, CA 94104