



Investors Are Waiting to Exhale

Finances can be stress inducing, but you shouldn't have to call a doctor for blood pressure medication every time you receive a statement.

VZD Capital Management offers several time-tested strategies to help minimize panic attacks and navigate the most challenging market environments with a “no-matter-what” mindset. Many investors are thirsty for clarity and in search of a black or white investment plan with investment advice that yields solid returns. The second quarter has held a “waiting-to-exhale” feeling with investors breathing lightly and waiting for positive economic news to ease their fears. Regrettably, even the most respected financial professionals can't use a crystal ball to forecast the direction of the market. VZD believes in creating a customized asset allocation design for each client that offers peace of mind and sustains particular standards of living while continuing to fuel retirement dreams.

While past performance is no guarantee of future results or positive returns, the stock market has been moving incrementally higher since bottoming out in March of 2009. The S&P 500 is the broad base index that measures the health of the U.S. economy and accounts for approximately 80 percent of the available market capitalization. The S&P 500 climbed 8.1 percent in 2012 and 30 percent in 2013. It's up 12 percent year-to-date and has climbed more than 210 percent since early 2009. The majority of financial analysts expect earnings growth for 2015 to be anywhere from 8 percent to 10 percent on average for companies in the S&P 500 index.

When the Federal Reserve announced it would keep interest rates low it fueled a market rally to an all-time high in February 2015. However, stock prices pulled back sharply due to falling oil prices and concerns about reduced exploration and production, simultaneously raising concerns about the profitability of related companies and industries. When Federal Reserve Chairwoman Janet Yellen provided assurances that

policymakers were not in a hurry to raise interest rates it motivated consumers to increase discretionary spending.

Dropping crude prices have made the energy sector an attractive shopping outlet for purchasing quality companies at a bargain prices with a long-term time horizon outlook. VZD uses a propriety screening process that identifies undervalued companies that exceed our Growth-at-a-Reasonable Price (GARP) methodology. We look for a combination of strong earnings and good value. We also consider the degree of institutional ownership versus insider participation with a company's outstanding shares. Institutional ownership refers to the ownership stake in a company that is held by large financial organizations, corporate pension funds, college endowments, commercial banks, hedge funds, mutual funds and registered investment advisory firms. Institutions that generally purchase large blocks of a company's outstanding shares can exert considerable influence on its management. Given the significant funds that institutions invest, it is not surprising that they tend to be more knowledgeable than the average investor when it comes to the companies and industries where they have invested.

Our number one responsibility is to our clients who believe in our independent, customized approach to investment management that takes ongoing vigilance and the discipline to stay the course. We value each client's unique circumstances, therefore we create an asset allocation in alignment with their goals, objectives and emotional risk tolerance. We view the volatility in the market as an opportunity to purchase undervalued companies at a discount price. After all, the goal is to buy low and sell high.

VZD is honored to serve as your registered investment advisory firm. It would be our privilege to receive referrals to your friends and family who might benefit from our services. Thank you for the trust and confidence you have placed in us.

With Gratitude,

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As always, VZD is actively seeking new clients, so please feel free to refer our name to anyone who might benefit from our services. A copy of the ADV I and II is available at the website - www.vzdcap.com. These documents will provide detailed information regarding the firm and ownership.