CLADIS
INVESTMENT ADVISORY, LLC

180 S 32nd Street West, Suite 1
Billings, MT 59102
406-259-4939

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Groundhog Day, Market Shadows, and a Good Time to Clean Up Your Portfolio

Punxsutawney Phil makes his annual appearance, offering a prediction about whether winter has more time left on the calendar.

Whether he sees his shadow or not, investors are starting the day in a familiar environment: markets opening amid uncertainty, shifting expectations, and a steady stream of headlines competing for attention. History suggests that folklore and forecasts rarely offer much help. Phil himself has been accurate less than half the time, and markets have often moved in the opposite direction of whatever seasonal signal investors thought they were getting.

Still, Groundhog Day provides a useful metaphor. Investors frequently wait for clarity — a clear sign that conditions have improved or risks have passed — before taking action. The problem is that certainty usually arrives after opportunities are gone or risks have already compounded.

Rather than focusing on predictions, today is a reminder to focus on preparation.

A Practical Case for Investment "Spring Cleaning"

Regardless of how winter plays out, investors can take steps now to make sure their portfolios are built for resilience rather than hope. That starts with simplifying structure and improving visibility — what might best be described as investment spring cleaning.

One of the most common issues advisors see is unnecessary complexity. Over time, accounts accumulate across employers, institutions, and strategies. While each decision may have made sense in isolation, the end result is often a fragmented financial picture that's difficult to manage effectively.

Consolidating accounts doesn't mean reducing opportunity — it means gaining clarity. When assets are spread across multiple retirement plans, brokerage platforms, banks, annuities, and insurance providers, it becomes harder to understand true asset allocation, manage taxes efficiently, or rebalance when markets move. Bringing those pieces together allows investors and advisors to make decisions with a full view of the landscape rather than operating with blind spots.

The same principle applies inside the portfolio itself. Many investors hold far more investments than they realize, particularly when mutual funds are involved. Different fund names can mask significant overlap in underlying holdings, creating concentration rather than diversification. Over time, this can quietly increase risk without improving return potential.

Without a clear understanding of what's owned and how it fits together, portfolios tend to drift. A balanced allocation can become equity-heavy after a strong market run, or risk exposure can grow just as volatility picks up. Rebalancing becomes more difficult when holdings are scattered or redundant.

A well-constructed portfolio generally includes exposure to a range of asset classes — bonds across maturities, U.S. equities of varying sizes, international developed markets, and emerging economies — with weightings aligned to an investor's goals, income needs, and tolerance for risk. That mix should be intentional, not accidental.

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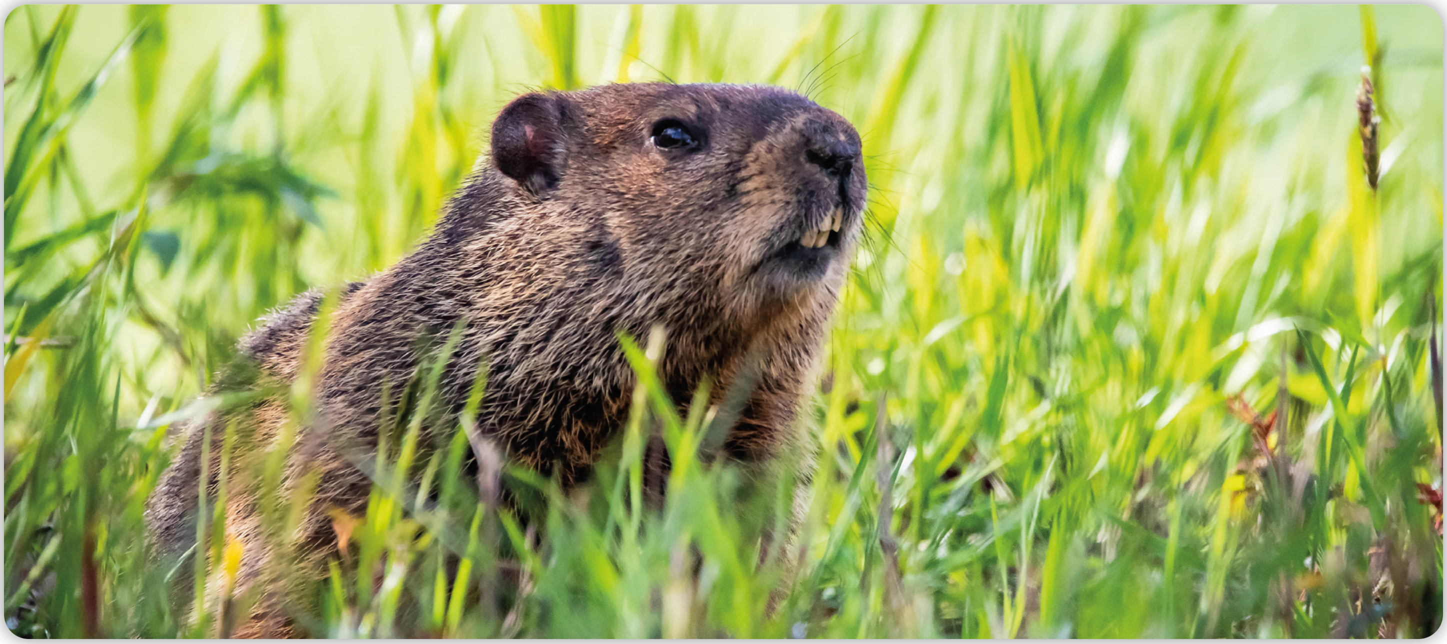

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"Know what you own and know why you own it."

\- PETER LYNCH

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(continued)

Because overlap and imbalance aren't always obvious from labels alone, working with a financial advisor can be critical. Understanding what you own — and why — is one of the most effective ways to reduce unnecessary risk and improve long-term outcomes.

LOOKING BEYOND THE SHADOWS

Groundhog Day may focus on shadows, but investing is about structure and discipline.

Markets will deliver uncertainty no matter what happens in Punxsutawney each February 2nd. Investors don't need a seasonal signal to take smart action. They need clarity, organization, and a plan designed to weather multiple market environments.

Spring cleaning doesn't require waiting for the forecast to change. In investing, the best time to simplify and refocus is often before conditions feel comfortable again.

OUR OFFICE WILL BE CLOSED ON MONDAY, FEBRUARY 16TH IN OBSERVANCE OF PRESIDENT'S DAY.