

## Helping Clients Avoid the Pitfalls of Emotional Investment Decisions

By Cindy Alvarez

When investing your hard-earned money, it's natural to have a certain level of anxiety about your decisions. Add to that the proliferation of financial pundits, the constant stream of dramatic digital media headlines known as "clickbait," and the scare tactics used by the media to grab ratings, and it's no wonder that investors can easily lose sight of the bigger picture. In a time when we can order nearly anything to arrive at our door within two days or we can 'Google' the answer to any question within seconds, our expectations for quick results have grown, making it more challenging to be patient as market dynamics unfold.

Having a wealth management team that will help you remain patient and focused on the objectives in your defined financial plan can save you considerable time and consternation. Equally as important, an experienced advisor can provide facts to aid you in making better informed, less emotionally reactive decisions.

In his book "The Emotional Investor," Jay Mooreland CFP® cites 10 key behavioral influences that lead many people to consistently poor investment decision-making:

1. "We are physiologically hardwired to make hasty decisions without much thought.
2. Market volatility can cause us to become emotional and lose our sense of where we are and where we want to go.
3. We like instant feedback (gratification), which influences us to act based on short-term outcomes.
4. The aversion to uncertainty makes us seek some certainty, even if it is just an illusion—such as with market predictions.
5. We tend to micromanage our investments because it makes us feel in control.
6. The media often causes us to focus on short-term events and makes it difficult to differentiate important news from noise.
7. We believe we are better at investing than we really are.
8. Our decisions are often influenced by reference points such as our profit/loss on an investment and past performance.
9. We detest loss and may make unwise decisions in an attempt to avoid loss.
10. Our perception can be faulty."

Many investors spend an inordinate amount of their time focusing on issues out of their control – market fluctuations, interest rates and government policy changes. That's why Wambolt & Associates Owner and Senior Wealth Management Advisor Cindy Alvarez reminds clients of the value of history. "We don't have a crystal ball to tell us what's going to happen, but we do have the history of bear market corrections and bull market rallies and we can extract wisdom from these patterns," said Alvarez. "When a client says, 'but this time it's different,' I reply, 'it's always different.' When some perceive the markets as chaotic, we can view history and see that they're actually quite predictable."

Alvarez says most savvy investors avoid trying to micromanage their portfolios. "Successful investors don't look at their portfolios but once or twice a year. They treat their brokerage investments much like their 401 (k) plans... and that's a wise strategy for finding balance."

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## Fly of the Month · January 2024

### Mastering the Davy Knot: A Game-Changer in Fishing Knots

By: Peter Stitche



There are certain anglers who, upon entering the fly shop, share hard-earned fishing wisdom amassed over decades on the water. It truly pays to stop and listen! Earlier this month, I experienced one such moment of reflection when a client, also a fly tyer extraordinaire, began extolling the merits and multiple applications of the Davy Knot. While each of us has our go-to fishing knots that our fingers tie almost instinctively, observing the meticulous construction of his Atlantic Salmon flies and contemplating his extensive career as an engineer, where strength and performance held paramount importance, I couldn't help but perk up and lean in. He proceeded to break down this small, stronger, and versatile knot that serves well for attaching flies to the line and for line-to-line dropper rigs.

The Davy Knot is a simple yet effective knot, offering several advantages over the more commonly used Clinch and Orvis Knots. In this guide, we'll delve into why the Davy Knot stands out in the world of fishing knots and how to tie it.



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## Fly of the Month Pattern: The Mole Fly

**Size:** 16-18



Upon reaching the surface of the water, the emerging midge or chironomid pupa tears from the pack of its pupal skin and lifts its wings straight up out of the water. These emerging midges are far from home free, and feeding trout are ready to ruin their day and eat them before they have a chance to fly away. The Mole Fly has been tied to take advantage of these final seconds of the midge hatch and is an excellent fly pattern for targeting trout that are rolling and feeding on midges at the surface.

**Dry/Wet:** Dry or Wet    **Fly Category:** Generalist Pattern  
**Family:** Midges & Chironomids    **Species:** NA    **Life Stage:** Pupa, Emerger

## The Benefits of the Davy Knot over Clinch and Orvis Knots:

### Strength and Reliability

The Davy Knot exhibits exceptional strength, holding up well under the pressure of fighting fish. Its compact design ensures a reliable connection, reducing the risk of knot slippage or failure.

### Quick and Easy to Tie

The Davy Knot might just be the easiest and fastest to tie knot in the fly fisher's tool box! Gone are the multiple twists looping back and forth, and miniscule holes to thread of the Orvis and Clinch knots. The Davy Knot's uncomplicated structure allows for quick tying, making it an ideal choice for on-the-fly adjustments.

### Minimal Material Waste

Unlike the Clinch Knot and Orvis Knot, the Davy Knot requires less line length for tying. This can be advantageous when using expensive fluorocarbon and minimizes waste.

### Low Profile and Reduced Snagging

The Davy Knot is a TINY knot and its low-profile is ideal for both large flies and those all the way down to size 28! Its small stature allows it to blend into the eye of the hook and rarely if ever catches on vegetation or algae when drifting.

### Perfect for Tying In-Line Droppers

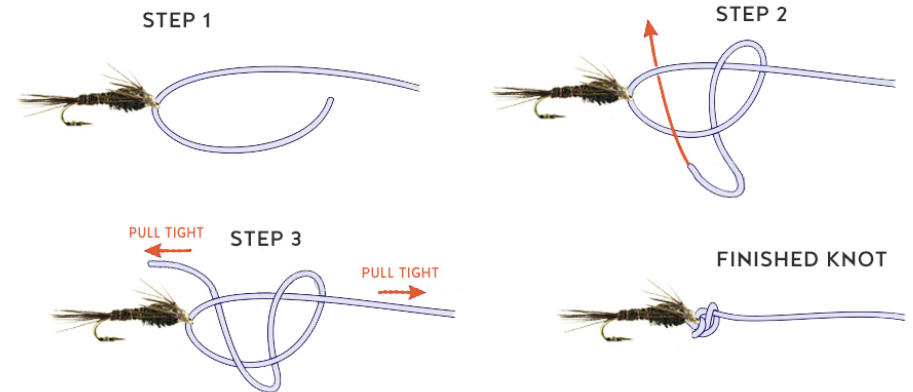
With your lead fly tied to the end of your leader, a second dropper fly tied to the end of a separate piece of tippet can be added to the leader **above your lead fly using a**

**Davy Knot.** The benefit of using a Davy Knot in this position is that it is strong, it is small, and it can slide! If you need to switch out your lead fly, simply slide the Davy Knot holding your dropper up the leader, switch it your lead fly, and then slide your dropper back down the leader to the eye of the hook of your lead fly.

## How to Tie the Davy Knot:

# DAVY KNOT

Used to attach line to a fly & to add Droppers to the line



Tying the Davy Knot is a straightforward process that anglers of all levels can quickly master. Follow these simple steps to secure your line with this reliable knot:

**Step 1:** Thread 3 to 4 inches of leader or tippet through the eye of the hook, then create a loop by bringing the tag end up to the standing line.

**Step 2:** Create a loose Overhand Knot.

**Step 3:** Bring the tag end back through the loop and above the standing line, making sure to pass between the overhand knot and the eye of the hook.

**Step 4:** Finishing the Knot. Moisten the knot with saliva before drawing it tight to prevent friction burns to the line. To tighten the knot, first pull on the tag end to draw up the knot, then on the standing line to set the knot. Trim off the excess line from the tag end.

If you are tired of counting twists and missing loops on Clinch and Orvis knots, the small but mighty Davy Knot is the knot you need! Its ease of tying, strength, and versatility make it a standout option for the fly fisher. As you embark on your next fishing adventure, consider incorporating the Davy Knot into your repertoire and experience the difference it can make in securing your flies and your catch.