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Perhaps, like me, you've enjoyed the World Cup soccer tournament played here in North America. For soccer fans, it's like the Super Bowl, World Series, and Olympic Games all rolled into one. It's an elimination tournament somewhat akin to the NCAA basketball tournament: Cinderellas sometimes overcome supposedly better teams, but eventually the cream rises to the top. At the end, two of the world's best national teams meet in the finals. This year it was Spain vs. Argentina, and the match didn't disappoint. Spain painted a masterpiece in the final for a 1-0 win.

As good as the soccer was, the most fun aspect of the tournament was listening to the reactions of foreign visitors to their first exposures to the USA. All social media platforms were filled with videos of mostly Europeans amazed at how beautiful the country was, how nice Americans were, and how wonderful they found our stores, restaurants, pubs, and other gathering places. Most apparently expected to find some sort of dystopia, but they found the opposite: a friendly place of abundance.

Some blamed the media for their previous misconceptions. That shouldn't have been a surprise; one of the first things one learns about the news media is that "if it bleeds, it leads." But most misconceptions, of this and other things, can be blamed on a lack of perspective. If you're peering through a keyhole, you're likely to get only a narrow view. One must actually work hard to gain a complete perspective; you need to walk around a statue to better understand the artist's vision.

But this lack of perspective runs both ways. I think we Americans were also surprised by our visitors' reactions. When you live someplace nice, or visit regularly a store or restaurant you like, you might take it for granted — beautiful vistas, abundant merchandise, free refills, or ranch dressing might not seem so remarkable. And the friendly greeting on the street with someone you don't know might go unappreciated. But when someone else, a first-time visitor, notices these things, you see them in a new light, too. It's all rather extraordinary.

Is there an investment point here? Yes. Perspective is everything. To truly understand a stock, a bond, a company, an industry, a market, a government policy, or a geopolitical situation, one must gather as complete of a perspective as possible. That complete perspective leads to better decision-making. Working hard at it is critical, of course, but I'm particularly impressed by the perspectives that other people supply.

At Confluence, we emphasize *collaboration*. Multiple perspectives are critical to good decisions, in our view. All of our investment teams are truly *teams*, where everyone's voice is heard and each member has a part in the decision. Whether the subject is one of our Value Equity, Asset Allocation, International Equity, or Alternative Investment strategies, each of these teams consists of multiple members contributing their perspectives.

This methodology doesn't guarantee that every decision will be the best it can be, but it does go a long way toward rooting out biases that can affect one-person decision-making. We all have biases, whether we like to admit it or not, and these biases often obscure our vision. This is where collaboration with colleagues who are free to share their perspectives becomes so valuable.

Again, the goal is not to make perfect decisions (that's an illusion), but better decisions. And that's what we at Confluence always strive for: continuous improvement. Free refills are nice, too.

We appreciate your confidence in us.

Gratefully,

Mark A. Keller, CFA
*CEO and Chief Investment Officer*

*This letter was prepared by Mark Keller of Confluence Investment Management LLC and reflects the current opinion of the author. It is based upon sources and data believed to be accurate and reliable. Opinions and forward-looking statements expressed are subject to change. This information does not constitute a solicitation or an offer to buy or sell any security.*