

## RESULTS FOR THE SECOND QUARTER OF 2015

**We are midway through 2015 (already!) This year has seen a decidedly different market environment than the last two years. Volatility has edged higher and U.S. stocks have substantially underperformed the rest of the world's stock markets combined.**

We also appear to be entering the next phase in U.S. central bank policy. The Fed has been telegraphing a 2015 bump in short term rates, the first such rise since prior to the Great Credit Crisis of 2008 - 2009.

PIMCo—the giant Newport Beach, CA bond shop—has examined prior attempts to exit from zero interest rate policies. With few exceptions, such exits have been bumpy. The Japanese have tried numerous times to raise short-term rates over the last 25 years, only to have each attempt met with recession and then a move back to a zero interest rate.

**U.S. GDP growth has been solid**, but nowhere near the trend of the post-World War II era. It is quite possible the Fed will raise rates over several quarters, only to have to backtrack as the result of an incipient recession. I have no doubt the central bankers have considered this possibility, but their messaging indicates they plan to enter a new policy phase by moving away from zero interest rates.

Perhaps this new phase in Fed policy accounts for the increased volatility in the U.S. stock market. Whatever the cause, it freshly reminds us why we should remain diversified.

### **The need for diversification even extends**

**to core bonds**, the area most likely to suffer from a rising interest rate environment. Bonds help provide stability and income to a portfolio, but they are most essential in softening the effects of a falling stock market.

In our portfolios, we have taken steps to reduce sensitivity to rising and falling interest rates, but we have not entirely eliminated that exposure. If and when the market turns bearish, funds will flow from riskier assets, such as stocks, to safer assets, such as bonds.

The past several years, investors have rued their ownership of foreign stocks, as that category has drastically underperformed U.S. stocks. This year, investors celebrate their foreign stock holdings. Rising interest rates may cause investors to wonder why, oh why, they ever bought bonds. A falling stock market will remind them why.

Remember, your TCI relationship manager is here to help you navigate this worrisome investing environment. Let her (or him) help you select an asset allocation that works for you and your goals. The most important aspect of investing is creating plan and sticking to it.

# The Heart of the Trust Company

*From HR to operations,  
Debbie Gregorash is at the center of it all.*



When she puts on her human resources hat, she is enthusiastic about helping the company grow. "It's rewarding when you hire people who have the same vision you have and are passionate about working with clients," she says. To help

employees find satisfaction and fulfillment in their work, her best advice is to continue learning and seek opportunities to tackle new and challenging tasks.

It's advice she doesn't merely preach, but she also practices. When she was designated as CFO, she recognized gaps in her training. Though at the time she was the quintessential soccer mom, carting her two boys to endless after school activities, she headed back to school to earn her CPA certification. She says of her ongoing drive to learn and try new things, "I try to set a good example."

**The example was not lost on her two sons, Ty and Andrew.** Her eldest son, Ty, recently earned his degree in business, and her youngest son, Andrew, is following suit. But perhaps her sons' first lessons in business were in the HVAC business, which Debbie's husband, Bob, owns. According to Debbie, everyone in the family "plays a role." Debbie maintains the financial records, and both boys reap the financial rewards of scrapping used equipment.

Both sons now live in North Carolina (Ty works for an accounting firm and Andrew is pursuing a business degree at High Point University), giving Debbie and Bob a new travel destination. Travel, in fact, is something the entire family enjoys. Whether it's a trans-Atlantic trip to South Africa, a tropical getaway to Cancun or the Caribbean, or the annual trip over the border to Green Lake, Wisconsin, traveling brings the family together. "It's precious bonding time when we are all together," says Debbie.

When not at work, Debbie fills her leisure time bike riding the Prairie Path, reading historical fiction, and participating with Bob in a monthly cooking group. She admits she isn't as fond of cooking as he is, but she enjoys the social gathering and the adventure of trying new food.

Debbie rarely regrets an adventurous decision. When it comes to the Trust Company, she says that the adventure of following her co-workers has paid off. "I love the people. We are all in it for the same reason. There is good energy around why we are here and why we're in business."

Some of the best things in life are accidental. The unplanned can turn out better than the best you could have planned.

Debbie Gregorash, co-founder of the Trust Company, affirms this. After graduating from the University of Illinois with a BS in business administration, she served at Gary-Wheaton Bank. When First Chicago Bank bought Gary-Wheaton, the environment changed. The change caused coworkers Greg Osko and Doug Eyles to take a leap and found Trust Company of Illinois. When asked if she would lead operations, Debbie says the choice was easy. "I really enjoyed working with them, so I joined the adventure!" Looking back, Debbie says with the humility she's known for, "I became a founder by accident."

**Today at the Trust Company, Debbie fills the role of Chief Financial Officer,** in which she manages the budget and closes out the monthly books for the corporation. Her love for numbers was cultivated early. As a teenager, she worked at a small, family-owned pharmacy where she paid bills and made deposits. But Debbie's bailiwick extends beyond books and budgets.

Her CFO duties include oversight of compliance, information technology, human resources, and operations. This diversity of roles takes her from depositing checks and posting income to managing people. Debbie is serious about making sure the Trust Company is operating at its full potential. But she is also big-hearted. "Everyone comes to the workplace with a history," she says. "I try to always keep an open mind and be sympathetic towards people when they are experiencing tough times." She is a natural at fostering an environment in which people are heard and understood.

## NEWS BRIEFS

### event sponsors

Northwest Suburban Estate  
Planning Council - June, 2015

Marianjoy Foundation  
Golf Invitational & Benefit Dinner  
July 13th, 2015

### attending

John Vires  
- Morningstar Investment  
Conference 2015 in Chicago

Bill Giffin, Debbie Gregorash  
and Greg Osko  
- Association of Trust Organizations  
Annual Meeting in Nashville  
September 27-29th

### congrats

Nancy Bell  
- Elected to Marianjoy  
Rehabilitation Hospital  
Board of Directors

Shaniqua Jefferson and  
Wendy Wong have joined the  
TCI Client Service Team

## UPCOMING EVENTS

**Annual Golf Classic**  
Spectrios Institute for Low Vision  
Monday, August 24th, 2015  
Glen Oak Country Club, Glen Ellyn

TO REGISTER, PLEASE VISIT:  
[www.trustcoil.com/news-events](http://www.trustcoil.com/news-events)

TCI SEMINAR:  
**Understanding Medicare Coverage**  
September 30th | 5:30 - 7:00PM  
Northern Illinois University  
Conference Center, Naperville

**Trust  
Company**  
OF ILLINOIS