

Message

From: Casriel, Lyle [REDACTED]
Sent: 6/27/2016 2:10:14 PM
To: G Maxwell [REDACTED]
CC: Stackman, Scott [REDACTED]; Gutierrez, Matthew [REDACTED]
Subject: After the U.K. referendum: What's next?
Attachments: brexit-democratic-failu.pdf; 062616_Brexit_-_What_s_Next.pdf

Ghislaine,

Friday's market reaction to the Brexit vote was clearly not expected by markets. With the vote as close as it was the margin of error in the polling data caught market participants off-guard.

When events like this happen, we believe it's important to pause and assess as opposed to making a quick or emotional decisions. It is impossible to discount what happens next in Europe or in financial markets. Along with the shock of Thursday's results, there is also now some sentiment that the voting process and results could be contested in a second referendum down the line.

There will clearly be effects from the UK's departure but this process won't happen to overnight. It will take years to understand and work out. There will be winners and losers and markets will need time to digest that information. Additionally there will be policy responses and political posturing that surely will move markets, the challenge is knowing who might say what at any given time and how the market may respond.

Below is a note and links to timely research from our Chief Investment Officer, Mike Ryan. In addition we have attached an interesting article from Ken Rogoff of Harvard along with a helpful chart of the process for the UK from here. If you'd like to set up time to discuss these events, and how they impact your portfolio please let us know.

Best,

Lyle & Scott

U.K. voters delivered an historic decision in choosing to leave the European Union. It's a move that has reverberated around the globe, further increasing market uncertainty and investor anxiety. However, We want to help you make sense of what it all means within the context of the larger economy, global financial markets and your own portfolio.

We are committed to staying on top of this rapidly developing event and its implications. Our analysts and strategists at CIO Wealth Management Research will continue to publish ongoing updates as events unfold. Their latest insights are included below:

- [CIO Note: Brexit—navigating the aftermath](#)
- [Market alert: U.K. referendum implications](#)
- **Listen to the replay from our special June 24 call:**
Replay dial-in: [REDACTED] or [REDACTED]
Replay code: [REDACTED] (note: please listen to the entire message)

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