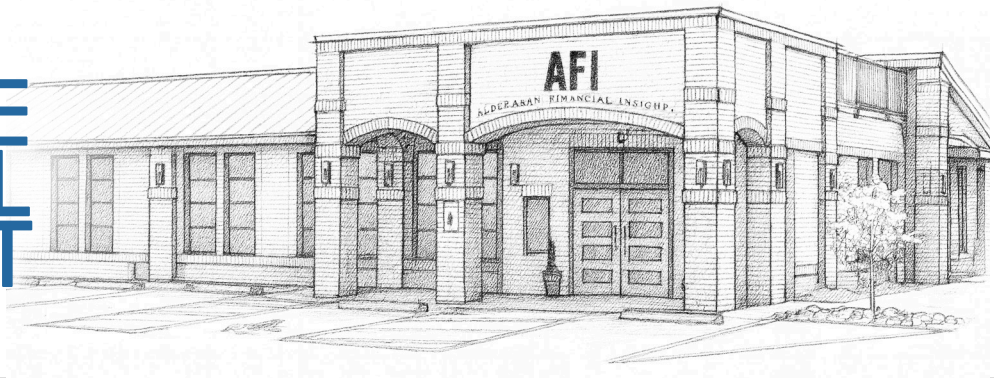
TIME WELL SPENT



AFI
May 2026

Why DIVERSIFY WHEN I CAN *Just Own Nvidia?*

Technology has been one of the primary drivers of human progress throughout history. The tools have changed, but the pattern has remained the same. Early innovations such as the bow and arrow improved survival and productivity. Today the frontier is computing power, advanced software, and the development of artificial intelligence.

Because of that, many people who speak with me about investing know that I am constructive on the long-term role of the technology sector. It is difficult to imagine a future where technology is not deeply integrated into the global economy. Advances in computing, automation, and AI will likely continue shaping productivity and economic growth for many years.

That belief often leads to a reasonable question: if technology is so important, why not invest everything in technology companies, or even concentrate heavily in a single company like Nvidia?

THE ANSWER COMES DOWN TO UNCERTAINTY AND THE ROLE DIVERSIFICATION PLAYS IN MANAGING IT.

Individual stocks can be powerful wealth-building tools. Many of the companies that have driven long-term market returns have been individual businesses that successfully built durable advantages and captured significant growth. Owning high-quality companies can be an important part of a well-constructed portfolio.

However, even strong companies face competition, changing technology, and shifts in leadership over time. History shows that companies that once appeared dominant can lose that position.

When I first began investing, BlackBerry was one of the most valuable technology companies in the world, with a market value of roughly $83 billion. Its devices were widely used in corporate and government environments and were considered essential tools for communication. Today the company's value is only a small fraction of that level.

What changed was not the importance of technology. Smartphones and mobile computing became even more central to daily life. What changed was which companies ultimately captured that growth.

This highlights an important distinction for investors. Being correct about the long-term importance of a sector does not guarantee that any individual company within that sector will remain the long-term winner.



Diversification does not eliminate risk or guarantee positive results, but it remains one of the most effective ways investors can manage uncertainty while participating in long-term economic growth.

BRIAN BRUMMETT, CFP®
PORTFOLIO MANAGER
AFI Advisors

KINGSPORT CHAMBER. THE KOSBE's AWARD WINNER

This material is for informational purposes only and does not constitute specific tax advice. Clients should consult their tax advisor regarding their individual circumstances.

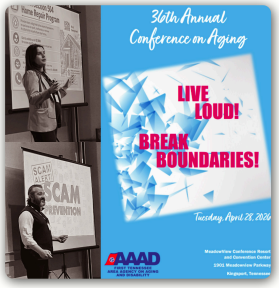
THE AFI IMPACT

COMMUNITY - CONNECTION - COMMITMENT



Supporting Education in Our Region

Peter Raber recently returned as a speaker for Northeast State Community College's spring commencement ceremony. As a Northeast State Foundation Board Member, Peter continues to support the college's mission of investing in students and strengthening opportunities throughout our region. We're proud to see our team encouraging growth, education, and leadership within the communities we serve.



Sharing Financial Insights with Our Community

Josh Shores and Kaylee Feathers recently presented at the 36th Annual Conference on Aging, speaking with attendees about important financial topics impacting retirees and families. The event brought together community leaders and organizations focused on education, support, and healthy aging initiatives. We're always grateful for opportunities to share knowledge and connect with our community through meaningful conversations.



A Great Day on the Course

Josh recently volunteered at the Kingsport Chamber's Annual Golf Tournament at Ridgefields Country Club, serving as both a hole watcher and unofficial motivational coach at the $20,000 Hole-In-One challenge sponsored by our friends at ETW Insurance. The event brought together local businesses and community leaders for a day of networking, fun, and friendly competition. We always enjoy supporting events that help strengthen connections throughout our region.

Client Question of the Month

Should My Kids Have a Roth IRA?

One of the biggest financial advantages young investors have is time. Starting early allows investments more opportunity to grow through long-term compounding.

If a child has legitimate earned income from a job or self-employment work, they may qualify to contribute to a Roth IRA. While retirement may seem far away, early contributions can help build strong financial habits and create flexibility for the future.

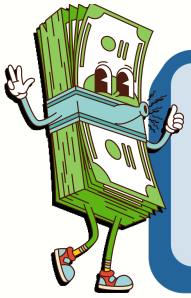
For many families, a Roth IRA can become a valuable tool for introducing long-term investing and financial responsibility at an early age.

Question For the Newsletter?

Email Now >>>>

Did You Know?

Teenagers with earned income may qualify to contribute to a Roth IRA. Starting early gives investments more time for long-term, tax-free growth. Even small contributions today can potentially make a meaningful impact over time.



Money, In Plain English: Roth Conversion

What it is: *Moving retirement funds from a traditional IRA into a Roth IRA.*
Why it matters: *Potential for tax-free retirement income and greater long-term tax flexibility.*
When it usually comes up: *During retirement planning, lower-income years, or strategic tax discussions.*



Continuing the Conversation

We recently shared a recap video from our latest Lunch & Learn, highlighting key takeaways from "5 Decisions That Matter in Every Market." The session focused on practical areas like risk, cash flow, and long-term planning strategies that impact everyday financial decisions. If you weren't able to attend—or would like a quick refresher—the full recap is available now on our YouTube channel.



Life After Work: Barrow Turner's Story

As part of our "Life After Work" series, Barrow Turner shared his personal retirement journey and some of the unexpected adventures he's discovered along the way. Retirement looks different for everyone, and stories like Barrow's help bring real-life perspective, encouragement, and insight to others navigating their own next chapter. We're grateful to those willing to share their experiences and help build meaningful conversations around life after work.