

THE COMMUNIQUE

JANUARY 2017

MAJOR INDICES	CLOSE	MTD	QTD	YTD
S&P 500	2257.83	0.85%	0.85%	0.85%
Dow Jones Industrials	19881.76	0.60%	0.60%	0.60%
NASDAQ Composite	5429.08	0.85%	0.85%	0.85%

U.S. TREASURIES	YIELD
5-yr Treasury Note	1.97%
10-yr Treasury Bond	2.47 %
30-yr Treasury Bond	3.05 %

Information as of January 3, 2017

Source: Thomson Reuter's Thomson One

MARKET COMMENT

Advent 2017

Over the last month leading up to Christmas, many people across the world celebrated the season of Advent. In the Christian-community, Advent is typically used as a time of preparation for the coming of Jesus and is celebrated by beautiful advent candles, church adornments, melodic songs, and jubilation. But the word "advent" also has a secular meaning. According to the Merriam-Webster dictionary, it signifies "the arrival of a notable person, thing, or event." With the upcoming inauguration of a new President, who is undoubtedly a notable figure, the U.S. equity markets have likewise started their own advent preparations. Please don't think that I am comparing Donald Trump to Jesus, but the "advent" (little "a") taking place January 20th, 2017 will certainly go down in history as notable event. And if the stock market is a barometer of future economic activity, it suggest that he is bringing "good tidings to all" market participants. But rather than candles, choirs, and ribbons, the market is preparing for its own advent with increased corporate earnings, stronger consumer sentiment, and an unrelenting hope for tax reform and infrastructure spending.

Despite the recent market jubilation, the big test to the market's advent preparations will likely start around mid-January when 4th quarter corporate earnings are reported. If they continue to grow, perhaps we are entering a new pro-longed period of growth and prosperity, and the recent market rally will endure into the future. If earnings unexpectedly contract, then the party will likely come to a screeching halt. But, at the moment, most of our indicators are pointing towards a glass half-full approach.

Even with an improving U.S. economy and strong corporate earnings, there is always a chance to get a "fly in my soup." This proverbial "fly" might include several interest rate increases into 2017 by the Federal Reserve, a lull in the Chinese economy, or a failure by Washington DC to

bring stated policy changes to fruition. As such, these “flies” are worth watching closely. If they start to swarm, we will move elsewhere.

In light of the upcoming inauguration, I thought it might be fun to look back at some past Presidential campaign slogans and see how things actually turned out:

- **Abe Lincoln** - advised “*Don't swap horses in midstream.*”
- **Ulysses Grant** - recommended to “*Vote as you shot.*”
- **William McKinley** - said, “*Let well enough alone,*” (my personal favorite)
- **Theodore Roosevelt** - offered a “*Square Deal.*”
- **Herbert Hoover** - knew best when he said, “*A chicken in every pot and a car in every garage.*” He also offered in his 1928 campaign, “*Who but Hoover,*” a year later he would find out who indeed with the start of the “Great Depression.”
“New Dealer” Franklin Roosevelt inspired with, “*Happy day are here again*” in 1930 and it would take over 10 years for America to pull out of the Great Depression.
- **LB Johnson** - initiated the “*Great Society.*”
- **Ronald Reagan** - rang in a new era with “*It's morning again in America again.*”
- **Bill Clinton** - informed us that “*It's the economy, stupid.*”
- **President Obama** - promised us “*Change we can believe in.*”
- **President-elect Trump** - dusted off a Ronald Reagan slogan with, “*Make American great again.*”

I hope you enjoyed the walk through history, although it might be a good idea not to take what politicians say too seriously and focus more on what the angels were harking many years ago.

I wish you all a very Happy and Healthy New Year!

PLANNING STRATEGY

Raymond James “Point of View” article. M16-059058

Is Your Estate Plan Ready for the New Year?

These simple questions can help make sure your estate plan is ready to ring in 2017.

With the new year in sight, it's a good time to make sure your estate plan reflects any life changes and legal decisions you made throughout the last twelve months. These few simple questions are a great place to get started in making sure your estate plan is up to date.

Have you had any recent life changes?

Events like marriages, divorces, births, adoptions, relocations, deaths, and acquisitions of sudden wealth may have affected your overall goals and who you'd like as named beneficiaries. Make sure that your plan represents your wishes in light of these changes.

Are your assets still going where you intend?

Is your personal representative and/or trustee going to be an individual or a corporate institution? Who do you want to ultimately receive your trust/will assets?

Who should handle your important affairs?

In the event of your incapacitation, who should attend to your financial and business matters? Review the financial power of attorney designations laid out in your plan. Is financial power of attorney *presently* exercisable, or *becoming* exercisable only if you're unable to handle your own affairs? Does this decision still align with your wishes?

Have you reviewed your healthcare power of attorney and living will?

This could be one or two documents, depending on what state you live in. Updating a beneficiary does not automatically carry over to insurance and retirement plans, so check that these documents reflect any of the other updates you've made.

As you're checking off items on your New Year's to-do list, be sure that updating your estate plan is one of them.

LIFE & LEISURE

Raymond James "Point of View" article. M16-058035

The Many Faces of Philanthropy

The goals are similar, but different generations give back in different ways.

Largely thanks to the internet and social media, new trends in philanthropy have emerged as we share information faster and as part of a more widespread audience than ever before. There has never been a shortage of ways to give back, from volunteering to provide monetary support, but it's interesting to see how these giving habits have evolved with each generation. Whatever generation you belong to, your financial advisor can offer guidance on giving strategies that are tax-conscious and make the most of your hard-earned dollars, while allowing you to exercise your generosity on behalf of causes that are meaningful to you.

The Silent Generation: Born 1925-1945

Born around the Great Depression, this generation prospered in the years of economic growth that followed WWII and are some of today's most generous donors – Warren Buffett included. If you're among this group, you likely prefer to mail a check once you've found an organization to support. Those active on social media (this generation makes up 10% of Facebook users) may donate online, as well.

Baby Boomers: Born 1946-1964

In 2013, baby boomers were the largest source of donations, and while about half mailed checks when giving, they also increasingly use online fundraising. If you're in this group, your strong values have rubbed off on your children, and you tend to support causes like education and basic needs for the less fortunate. You're also in great company, with notable peers like Bill Gates making truly impactful contributions.

Boomers are a major force in online fundraising.

Generation X: Born 1964-1979

In 2015, the top 50 donors contributed an additional 33% over 2014, spurred, in part, by tech entrepreneurs, some of whom donated more than \$500 million each. Tech-savvy Generation Xers grew up alongside the internet, so donating to and promoting causes online is par for the course for this crowd, who also support for-profit businesses, like Toms Shoes or Warby Parker, that donate for each item sold.

Generation Y/Millennials: Born 1980-2000

Millennials search online and use social media to learn about and share causes they feel invested in, are big on crowdfunding and have been known to spur viral social media movements, like the ALS Ice Bucket Challenge. They're passionate about a variety of causes, including animal welfare, the environment and civil rights. If you're a millennial, you likely find donating your time even more rewarding.

Donors of the Future

Thanks to an evolving culture and technology, a focus on social awareness has influenced higher education, with several universities, including Stanford and Yale, offering programs with philanthropy-related degrees and coursework. Instead of simply teaching students how to make money for themselves, companies and schools are putting new emphasis on giving back and how to do it well.

Quote of the Month: "A nickel ain't worth a dime anymore." - Yogi Berra

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Planning - <http://www.raymondjames.com/pointofview/is-your-estate-plan-ready-for-the-new-year>

Life & Leisure - <http://www.raymondjames.com/pointofview/the-many-faces-of-philanthropy>

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