

THE COMMUNIQUE

November 2017

MAJOR INDICES	CLOSE	MTD	QTD	YTD
S&P 500	2591.13	0.62%	2.85%	15.74%
Dow Jones Industrials	23548.42	0.73%	5.10%	19.16%
NASDAQ Composite	6786.44	0.87%	4.47%	26.07

U.S. TREASURIES	YIELD
5-yr Treasury Note	1.99%
10-yr Treasury Bond	2.32%
30-yr Treasury Bond	2.80%

Information as of November 6, 2017

Source: Thomson Reuter's Thomson One

MARKET COMMENT

Out of Touch

The other day it dawned on me that I might be developing into a fossil. At age 63, I do feel a bit stiff and less nimble, but my fossilizing process is less physical and more feeling out of touch with the current times. I know my daily dress of a business suit makes younger generations uncomfortable – they probably view me as an Agatha Christie character (perhaps Hercule Poirot) decked out in a bow tie and winged collar shirt, spats, and a Hamburg hat – but what I'm really thinking of is being out of touch with the stock market and its corrections.

Since the fall of 2016, the S&P 500 has climbed approximately 20%. A rising stock market is not unusual, but what is odd is the fact that it has happened without a single 5% or more pull-back. In fact, the last 5% correction on the books was June 2016. According to Dorsey Wright & Associates, one of our research sources, "so far 2017 has been one of the highest percentage of low volatility days in 45 years!"¹ This means that the vast majority of days in 2017 witnessed the market trading neither above nor below 1%. So does this mean that we are ripe for a correction? ... Maybe even a substantial one?

¹ Dorsey Wright & Associates, Daily Equity Report, October 4, 2017.

Not necessarily. Even though this year is historic, it seems market participants remain optimistic and could continue to lead the smooth ride up.

However, at some point in the process a correction will occur and even this bull market will eventually lead to another “bear market.” That simple reminder stresses the importance to “stay in touch” with what the market is telling us. And while our view remains optimistic, we always want to be prepared for a reversal. Although my dress may be a bit “out of touch” for the current times, my 33 years in the investment business reminds me corrections and bear market never go out of style.

PLANNING STRATEGY

Raymond James “Point of View” article. M17-454003

Starting the Wealth Transfer Conversation

Successfully passing on wealth is complex, both emotionally and practically, but the effort is worthwhile for your own sense of satisfaction and the security of those you leave behind.

It’s not a strictly monetary process; instead, it’s a chance to engage your spouse and heirs with deep, meaningful conversations about health, wealth and the future. It’s an opportunity to share your values with the ones you love, showing them how your wealth can support those values over decades, even centuries.

Raising Vital Questions

From a place of reflection, dig deep and unearth the questions you want your legacy planning to answer, using the ones listed below as a starting point. Like many, you may discover you don’t have all the answers. That’s okay – our team of professionals can help you find what you’re looking for.

What legacy would you like to leave and to whom? You should take into account non-financial topics such as your values, expectations, the roles your family members will play and more.

- Is your family prepared to competently manage their **inherited assets**?
- If something happened to you tomorrow, is your family comfortable enough with your financial details to **assemble a snapshot** of your assets?
- Do you have all the **necessary documents** in place and do your family members know where to find them?
- Have you **introduced** your spouse and children to your advisors, including your estate planning attorney and accountant?
- Have you created a comprehensive **business succession plan**?
- What are your **philanthropic intentions**?

Wealth’s privileges and complexities deserve – even demand – thoughtful preparation and honest, ongoing family discussions. We are happy to work with you, and alongside other planning

professionals, to find fair answers to important questions, establish trust and open dialogue, and provide the gift of opportunity to those who matter most.

LIFE & LEISURE

Raymond James "Point of View" article. M17-054664

Social Security Increases Benefits by 2.0% for 2018

The Social Security Administration has announced a cost of living adjustment (COLA) to recipients' monthly Social Security and Supplemental Security Income (SSI) benefits. More than 66 million Americans will see the 2.0% increase in their payments beginning in January of 2018. The increase – the largest seen since 2012 – is tied to the Consumer Price Index for Urban Wage Earners and Clerical Workers and was put in place to ensure the purchasing power of these benefits isn't eroded by inflation.

This figure is an increase from last year's 0.3% adjustment. According to the Social Security Administration, on average, retired workers currently collect \$1,377 a month in Social Security payments, or roughly \$16,524 a year. The 2.0% COLA will add about \$27 a month to those payments, or \$324 for the year. Keep in mind, all federal benefits must be direct deposited. So if you haven't already started receiving benefits, you need to establish electronic transfers to your bank or financial institution.

Quote of the Month: "Age is a case of mind over matter. If you don't mind, it doesn't matter."
– Mark Twain

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Planning - <http://www.raymondjames.com/pointofview/starting-the-wealth-transfer-conversation>

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Keep in mind that indexes are unmanaged and individuals cannot invest directly in any index. Index performance does not include transaction costs or other fees, which will affect the actual investment performance. Individual investor results will vary. Gross Domestic Product (GDP) is the annual market value of all goods and services produced domestically by the US.

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