For the Week of March 18, 2019

THE MARKETS

Stocks rose Friday and posted strong weekly gains. The S&P achieved its best weekly advance since Nov. 30. The three major indexes have all risen more than 10 percent each in 2019. For the week, the Dow rose 1.64 percent to close at 25,848.87. The S&P gained 2.95 percent to finish at 2,822.48, and the NASDAQ climbed 3.78 percent to end the week at 7,688.53.

Returns Through 3/15/19	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.64	11.47	6.35	17.22	12.68
NASDAQ Composite (PR)	3.78	15.87	2.76	17.59	12.61
S&P 500 (TR)	2.95	13.11	4.80	14.17	11.19
Barclays US Agg Bond (TR)	0.23	1.72	3.72	2.02	2.46
MSCI EAFE (TR)	2.80	10.46	-5.00	7.85	3.00

Source: Morningstar.com. *Past performance is no guarantee of future results. Indexes are unmanaged and cannot be invested into directly. Three- and five-year returns are annualized. The Dow Jones Industrials, MSCI EAFE, Barclays US Agg Bond and S&P, excluding "1 Week" returns, are based on total return, which is a reflection of return to an investor by reinvesting dividends after the deduction of withholding tax. The NASDAQ is based on price return, which is the capital appreciation of the portfolio, excluding income generated by the assets in the portfolio in the form of interest and dividends. (TR) indicates total return. (PR) indicates price return. MSCI EAFE returns stated in U.S. dollars.

No Doctor Needed — Roughly 25 percent of Americans neither had claims for any health care service (i.e., they did not see a doctor or visit a clinic) nor filled a drug prescription in 2017 (source: Health Care Cost Institute, BTN Research).

Coming Soon? — Ten percent of 281 economists surveyed in February 2019 believe the United States will be in a recession by Dec. 31, 2019. Forty-two percent believe a recession will have started by Dec. 31, 2020 (source: National Association for Business Economics, BTN Research).

Bull Market Year-By-Year — The bull market for the S&P 500 reached 10 years in length as of the close of trading on Friday, March 8, having gained 400.1 percent over the period. Out of the 10 years, the two best years were the first (up 72.3 percent and the fifth (up 23.7 percent). The two worst years were the seventh (down 2.2 percent) and the 10th (up 0.4 percent). Each of the annual returns are total return results, which include the impact of reinvested dividends (source: BTN Research).

WEEKLY FOCUS – Ease Inflation’s Impact On Your Savings

Even if your portfolio’s value has steadily grown during this bull market, it’s important to consider the impact inflation will have on your investments between now and the day you withdraw those funds.

Inflation is a decrease in your money’s purchasing power due to rising prices. You might remember when gas was just 50 cents a gallon. Back then, a dollar went farther than today. So, it’s safe to assume your savings will have less spending power in the future. To ease the impact of inflation, consider taking steps, such as:

Invest in Stocks: Because stocks can pay dividends and their value can continue to grow, they can provide protection from inflation. A diversified portfolio that includes stocks may be subject to more volatility but can have more purchasing power down the road.

Consider Bonds and Real Estate: The fixed income provided by bonds can add stability to your portfolio. To limit exposure to inflation, focus on short-term bonds that can be sold and reinvested in just a few years. You may also consider Treasury Inflation Protected Securities and some high-yield bonds. While high-yield bonds carry more risk, they can generate income that can help offset inflation. With a few exceptions, property values have historically kept pace with inflation, making rental properties, publicly traded real estate securities and real estate investment trusts viable safeguards to your portfolio’s future value.

Evaluate Your Big-Ticket Expenses: Whether you rent or have a mortgage, you may want to consider how much you pay each month for your home and consider moving into a more affordable option. If it’s just you and your spouse living in your big family home, it may be time to downsize. If you’re making large car payments or in the market for a new car, consider buying a reliable used car. The money you save could be reinvested and used to help offset inflation in the years ahead.

The effects of inflation can hit you particularly hard in retirement. As the cost of day-to-day necessities goes up, your disposable income declines, leaving just two options: curb spending or borrow money. You’ve worked hard to build a portfolio to make your retirement years enjoyable. While you can’t slow inflation, you can ease its impact to help you get the most from your money. To learn more ways to protect your retirement savings from inflation, call us today.