LET'S TALK MONEY®

November/December 2017

What have your investments been up to lately? Maybe some of them have performed really well. And maybe some took a swan dive. Either way, your asset allocation may now be out of whack.

Your Asset Mix — Bring It Back in Line

What can you do about it? Rebalancing helps you restore your asset mix to the percentages of stock, bond and cash alternative investments you originally chose when you set up your account. And if your feelings about risk have changed, rebalancing can help bring your asset allocation in line with your current risk tolerance.

Why rebalance?

You may have selected your investment mix based on an overall financial plan or strategy that you and your financial professional created to fit your investment time frame and risk tolerance. But your asset mix can become unbalanced when one type of investment rises or falls significantly in value. Investments that have made substantial gains may make up a larger portion of your portfolio — and expose you to more risk — than you intended. Or, if some of your assets have dropped in value, your portfolio may not be earning returns that will allow you to pursue your investment goals. Reviewing your investments' performance can help you determine what steps, if any, you need to take to get your portfolio back on track.

Rebalancing options

One way to rebalance your portfolio is to direct a larger percentage of your new contributions to the asset class that's currently underperforming.

Another strategy is to sell investments in the asset class that's doing well and buy investments in the classes that are struggling. While you might be hesitant to sell investments whose values are rising, remembering that you chose your asset allocation to reflect your goals, time horizon and risk tolerance can put rebalancing in perspective.

Consider reviewing investment performance annually, semiannually or even quarterly. That way, you'll be able to make any changes needed to help ensure that your portfolio continues to reflect your investment objectives.

Rebalancing may have tax consequences if done outside of a tax-favored retirement account.

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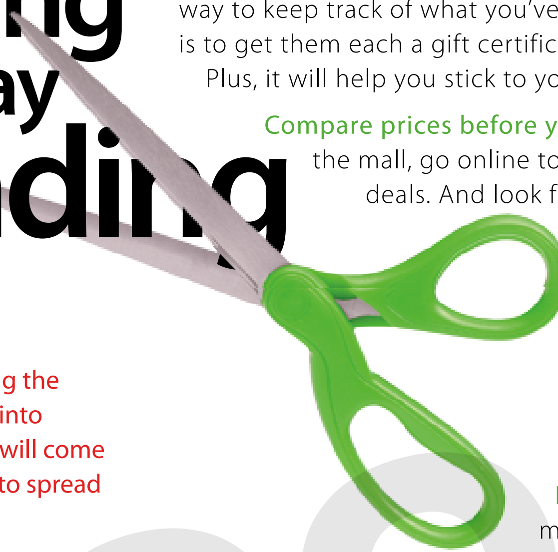
I am committed to helping my clients achieve their financial goals for themselves, their families and their businesses by providing them with strategies for asset accumulation, preservation and transfer.

Standard Version

LTM Client Marketing
Partners in your marketing success

Trimming Your Holiday Spending



While you may be tempted to "deck the halls" during the holiday season, don't let your festive spirit put you into major debt. Think about the whirlwind of bills that will come due in January if you overspend now. It is possible to spread some cheer without breaking the bank.

Decide how much you want to spend before you start shopping. Either set a price limit for each person on your list or for the total amount you plan to spend. And, don't just budget for gifts. Consider everything you spend during the holidays on food, entertaining, decorating and traveling.

Use cash or checks instead of credit cards. If you suffer from a lack of control when using credit cards, leave them at home when you go shopping. Spending only the cash you have on hand will help you maintain control. Shopping with a list can also help you avoid impulse purchasing and keep track of what you've already bought for each person.

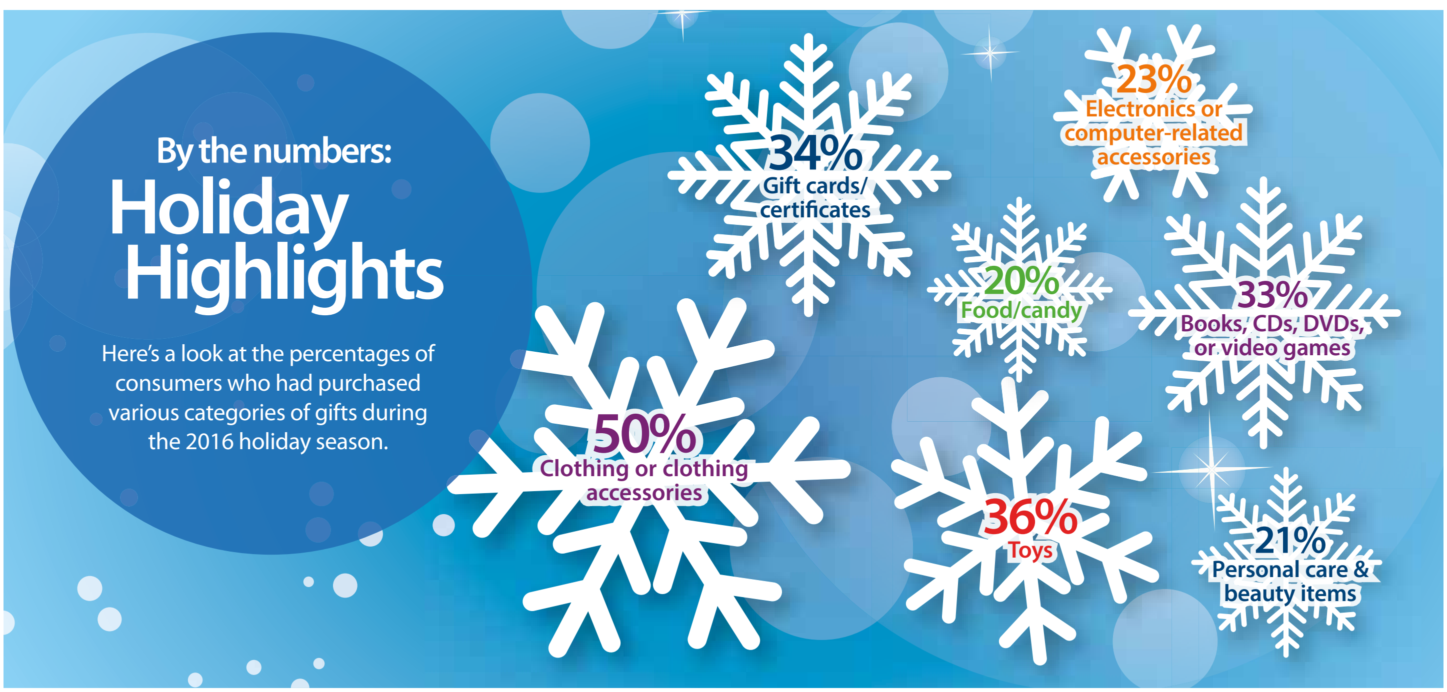
Buy gift cards or certificates instead of presents. Another way to keep track of what you've spent on your loved ones is to get them each a gift certificate to their favorite store. Plus, it will help you stick to your budget.

Compare prices before you buy. Before you head to the mall, go online to comparison shop and find deals. And look for online retailers that offer free shipping.

Shop outside the mall. Off-the-beaten-track retailers, thrift shops and rummage sales may offer deals you can't find in the mall.

Be creative. Some of the most cherished gifts involve more time and effort than money. Handmade and home-baked gifts are always appreciated. Or, put together a basket full of inexpensive but thoughtful items for a special person on your list.

Ship your gifts early. The longer you wait to send your packages, the more money it will cost to get them there on time.



Source: National Retail Federation and Prosper Insights & Analytics December Holiday Survey, December 16, 2016

Finding the Right Fit

Is your high school student looking for a college that's not too big and not too small, but just right? It may seem daunting to find the college that fits all of your student's criteria. But finding a school that closely matches your child's academic and extracurricular interests will pay off in the long run.

Here are some issues to consider in your search:

Reputation. If your child has already identified a field to pursue, take into account the experience and reputation of the school and its faculty in that area.

Cost. You don't want to immediately eliminate a school you deem too expensive because financial aid can make a big difference. However, consider your family's expected contribution to the cost of college and make sure you understand what is and isn't included in financial aid packages.

Location. Some kids thrive in rural settings, others in cities with access to the arts and entertainment. Also consider how far from home the school is located.

Atmosphere. Your student should visit schools, take campus tours and arrange for an overnight stay to get a better feel for what it will be like to attend a college.

Fight Refund Fraud

Do you think you'll get a tax refund next year? Did you know that identity thieves can steal your refund before you even file your return? Here are some things to be aware of before you file so you can protect your tax refund from identity thieves.

Keep your computer secure. Use security software that updates automatically and includes:

- Firewall
- Virus/malware protection
- File encryption for sensitive data

Recognize and avoid phishing attempts. Do not open or answer phishing emails, texts or calls that you receive that appear to be from the IRS. The IRS does not initiate contact with taxpayers by email, text message or social media to request personal or financial information. And don't open email attachments if you don't know the sender.

Protect your personal information. You shouldn't routinely carry your Social Security card or any documents that list your Social Security number. Keep old tax returns and tax records in a secure location and shred any tax documents before disposing of them. Regularly check your credit report, bank and credit card statements. And don't share too much personal information on social media that can be used to impersonate you.

If you are a victim of tax-related identity theft, respond immediately to any IRS notice and submit Form 14039. You also should file a complaint with the Federal Trade Commission at identitytheft.gov, contact one of the three major credit bureaus to have a "fraud alert" placed on your credit records and contact your financial institutions.

Make It Automatic!

If you're already saving for retirement through automatic payroll deductions, you know what an easy and convenient way it is to save for your future. Did you know that you can save that way for other goals as well? Arranging to have funds from your paycheck deposited directly into a savings account can help you accumulate money for many different expenses, such as:

- Building an emergency fund
- Saving for the holidays
- Setting aside money for a large purchase
- Planning a vacation

If you want to save for multiple goals, automatic transfers to separate accounts can help you stay organized and on track toward pursuing your financial goals.

LET'S TALK INVESTING

Q. **I've heard that holding a mix of investments from both cyclical and defensive industries may help my portfolio's performance. Please explain.**

A. You probably know that the economy's ups and downs can affect stock market performance. But economic events don't affect all stock investments in the same way. Companies in certain areas of the economy — called market sectors — typically are more vulnerable to economic highs and lows.

Cyclical stocks come from industries that tend to be sensitive to how the economy behaves. Demand for products and services in industries such as housing, transportation, financial and technology declines when the economy slows, so stock prices may stagnate or fall. However, cyclical stocks have the potential for significant gains when the economy is thriving.

On the other side are defensive stocks. They're from industries where consumer demand tends to remain stable, even in a slow economy. They include utilities, food, oil and other staples. Since demand for these products stays relatively constant, defensive stock prices typically don't rise dramatically when the economy is strong. Including a mix of cyclical and defensive stocks from a variety of market sectors can help diversify your portfolio.

Diversification does not ensure a profit or protect against loss in a declining market.

Q. **What does my friend mean when she says she wants to invest in socially responsible companies?**

A. Socially responsible investing (SRI), also known as sustainable, socially conscious, "green" or ethical investing, is a strategy that considers both financial return and social good. In addition to financial performance, investors may look at how companies incorporate environmental stewardship, corporate governance and social issues into their business strategies. ESG (Environmental, Social and Governance) criteria are typically used to screen investments.

We Value Your Input...

Your feedback is very important to us. If you have any questions about any of the subjects covered here, or suggestions for future issues, please don't hesitate to call. You'll find our number on the front of this newsletter. It's always a pleasure to hear from you.

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Financial Industry Regulatory Authority

July 28, 2017

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REVIEW LETTER

1. Let's Talk Money 2017 November/December Standard newsletter and option cover letter
   Rule: FIN 2210
   5 pages

The material submitted appears consistent with applicable standards.

Reviewed by,

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NOTE: *This review is limited to the communication that was filed. We assume that the communication does not omit material facts, contain statements that are not factual, or offer opinions that do not have a reasonable basis. This communication may be described as "Reviewed by FINRA" or "FINRA Reviewed"; however, there must be no statement or implication that this communication has been approved by FINRA.*

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