

2016 Year-to-Date

My Comments and Opinions

During the first three quarters of 2016 our economy has been stumbling along at a tepid pace. Where we would hope for a 3% to 4% annual growth rate in a healthy recovery, we have only a mere 1.5% to report so far. Year-to-date the S&P Index is up about 7%*, despite a decline earlier in the year of 11%. Compare that to our slow economic growth which in the first-quarter was 0.8% and only 1.1% in the second. The entire year is still expected to grow only 2%. For an economy to expand there has to be some degree of inflation. Today inflation is almost flat along with interest rates. One way to look at this is to consider how low interest rates are now. With a total federal debt approaching \$20 Trillion, each one percent increase in interest rates adds another \$200,000,000,000 each year to the national debt because of the effect of compounding interest. So it's easy to see why the Federal Reserve Bank is reluctant to pile on more debt by increasing interest rates. However, at some point we will see higher interest rates and more inflation. At that point our hope is to see our economy grow 3% to 4% per year.

Among the many issues the voters have been considering lately is what the **outcome** of the election will mean to our economy and our markets **long-term**. At this point all we can do is guess. But when it comes to our financial wellbeing, guessing is not very helpful. Regardless of what the future brings, our goal is to help you achieve your financial goals. Over the next several months Sue, Alecia and I will be working to bring attention to the need for solid financial planning. When well-constructed, a written financial plan is inter-generational. We want you to keep together what you've put together. Money isn't everything, but it becomes a necessity when you need it.

The second and third pages of this letter illustrate life's financial journey and the steps we should take to help us achieve our financial goals. The fourth page is our end-of-year reminder checklist. As always, you're invited to call to discuss any item or items on the checklist.

If we do **not** have your email address please call us at 508-240-0320 or email us at: slemieux@nationalsecurities.com or awright@nationalsecurities.com. Also, you can visit us at our new website: www.brimmerfinancial.com.

*through 9/30/16

Financial Planning Matters Name _____ Date _____

Place a check mark next to each item you believe to be in good order.

- _____ Brimmer Financial has your email address
- _____ Personal financial plan
- _____ Up-to-Date Will
- _____ Up-to-Date Trust
- _____ Health Proxy or Living Will
- _____ Current Durable Powers of Attorney
- _____ Adequate Health Insurance: Hospitalization, Major Medical
- _____ Adequate Life Insurance
- _____ Adequate Long-Term Disability Insurance
- _____ Adequate Property/Casualty Insurance: Home, Car, Umbrella Coverage
- _____ Adequate Professional Practice/Business Owner Insurance
- _____ Adequate Long-Term Care Insurance
- _____ Investment Portfolio Review
- _____ Collect Cost Basis Information on Sold Securities
- _____ Tax Planning with Your Tax Advisor before Year-End
- _____ Sell any losses in your portfolio for tax purposes
- _____ Timely Contributions made to Retirement Plans
- _____ Review Beneficiary Designations on your IRAs, Retirement Plans, Annuities,
and Life Insurance Policies
- _____ Any Required Minimum Distribution this year
- _____ Annual Charitable Contributions made before Year-End
- _____ Annual Gifts made to Family Members before Year-End
- _____ You have other investments you'd like to have consolidated with us