



This Publication Brought To You Courtesy Of:

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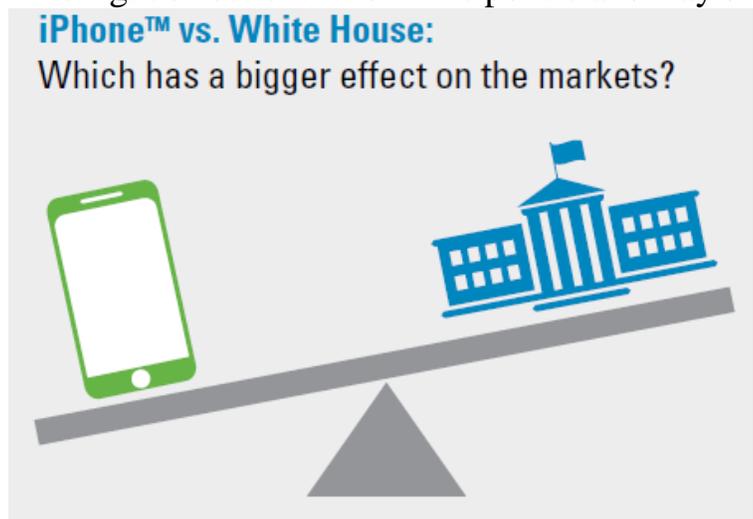


CLIENT BULLETIN

October 2016

➤ *Economic Commander in Chief?*

No matter what your political affiliation is, you probably feel that your party has the right reforms and solutions to point the economy in the right direction. And while politicians may sway the nation's budget and finances, they don't exert the same kind of influence on the economy and markets. Consider the simple example of Apple and its popular smartphone, the iPhone™. Apple supports nearly 2 million jobs, with a majority of them – an estimated 1.4 million – attributable to the iPhone and its mobile iOS ecosystem. Developed by a U.S. company and made overseas, there is a global workforce supported by one device. No government policy can do that. The real drivers of economies and market performance are innovators and companies, not legislators. Don't allow anxiety around an election to derail you from staying focused on your long-term goals.



➤ *New Regulations, Old Concept*

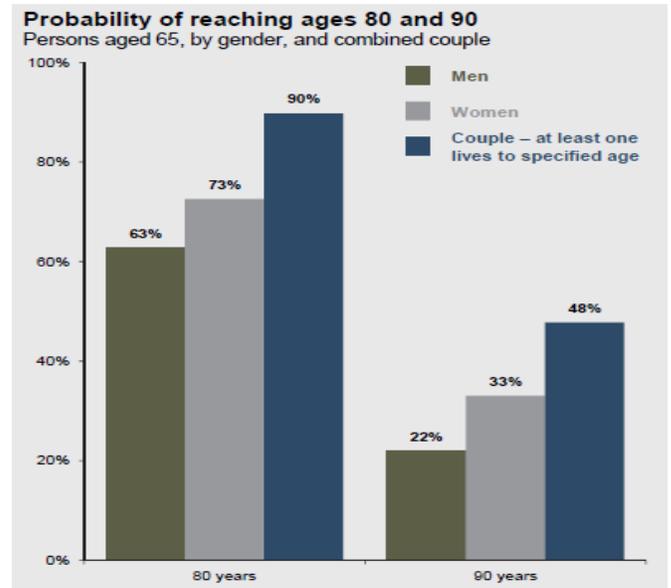
The U.S. Department of Labor has issued new regulations that take effect this coming April. The regulations establish a federal standard of fiduciary duty that requires financial advisors to give retirement account advice that places the interest of their clients above their own interests. As a firm Carter Financial has operated in this fiduciary manner for over 3 decades so this seems like a no-brainer, but there are quite a few commission-based brokers out there who may be significantly affected. The DOL rule is complex and detailed so complying will require the usual raft of paperwork, but we believe the benefits to the investing public will be well worth it.

➤ *Online Social Security*

In order to save time and money, the Social Security Administration has been making efforts to push people to manage their benefits online. Even if you don't expect to be a regular user of a mySocialSecurity account, there is a benefit to establishing one anyway. Creating an account even if you don't plan on using it can prevent someone else from fraudulently creating one with stolen information because the system allows creation of just one account per social security number. If you or anyone you know would like help establishing an online account with Social Security please give our office a call.

➤ *Long Life*

Most clients get a chuckle when we use age 100 as the end point at which we want to make sure they don't run out of money. The chart to the right shows it isn't a laughing matter. The chance of one of a 65-year-old couple living to age 90 is basically 50% and the chance of one living to age 95 is one in five. Two considerations make age 100 even more likely as a conservative planning endpoint – the figures in the chart are averages - if you have access to medical care, take reasonably good care of yourself and are fortunate enough to start out with good genes, your life expectancy is much greater than average.



Secondly, these figures do not take into account medical advances that will occur in the future. If these statistics don't convince you, consider "Pascal's Wager" which says that the *consequences* of an event occurring are much more important than the *probabilities* of the event occurring.

➤ *More Productive*

Over the past 40 years the average American worker has increased his/her productivity by 99%. Said another way, the average worker can complete in **1 hour** the same amount of work that it took him/her **2 hours** to finish in 1976 (Source: Department of Labor).

➤ *Help Wanted*

The National Association of Homebuilders estimates that there are approximately 200,000 unfilled construction jobs in the United States. That number is up 81% from two years ago. The ratio of construction job openings to hiring is at the highest level since 2007, according to the Department of Labor. After the housing boom ended, an estimated 30% of construction workers moved into other fields.

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