



This Publication Brought To You Courtesy Of:

STEVEN F. CARTER
CERTIFIED FINANCIAL PLANNER™, Practitioner

4225 Executive Square, Suite 1030
La Jolla, California 92037-1486
Phone: (858) 678-0579 · Fax (858) 546-0792
E-mail: steve.carter@lpl.com
www.stevencarterfinancial.com



CLIENT BULLETIN

November 2016

➤ *Pessimism Takes a Hit*

The Census Bureau released their 2015 report on median household income. The statistics from the report are encouraging:

- After adjusting for inflation, median household income rose 5.2% in 2015 – the largest gain on record since the annual survey started in 1967
- The largest increases in 2015 income were for the bottom fifth of income earners
- Women enjoyed meaningfully larger earnings gains than men, narrowing the gender pay gap to its lowest level on record
- The official poverty rate dropped from 14.8% to 13.5%

Our economy is still growing below its potential and median income is still just shy of where it was in 2007, but the announcement is unalloyed good news for a huge swath of Americans, which guarantees that the media will not report it.

➤ *Such Vitriol!*

Wouldn't it be nice if we could return to a time of greater civility in our political discourse when politicians worked together for the common good? In reality, those days never existed. A lack of civility in our political discourse is as American as apple pie. Consider the election of 1796 with two Founding Fathers pitted against each other in a race to succeed George Washington as President. John Adams said, "If you elect Thomas Jefferson, murder, robbery, rape, incest, and adultery will be practiced throughout the land. Jefferson shot back, "John Adams is a hideous hermaphroditical character with neither the force nor firmness of a man, nor the gentleness and sensibility of a woman." And don't forget that on July 11, 1804 the sitting vice president, Aaron Burr, shot and killed a former secretary of the Treasury, Alexander Hamilton. Today's political attack ads and debates are pretty intense, but so far there have not been any duels on the White House lawn.

➤ *Round Trip*

The average price of a single-family home in the United States peaked in March of 2007. Prices then bottomed out in May of 2011 and rose from there. As of today, the average price of a home sits just 4% higher than its level in 2007 (Source: Office of Federal Housing Enterprise Oversight).

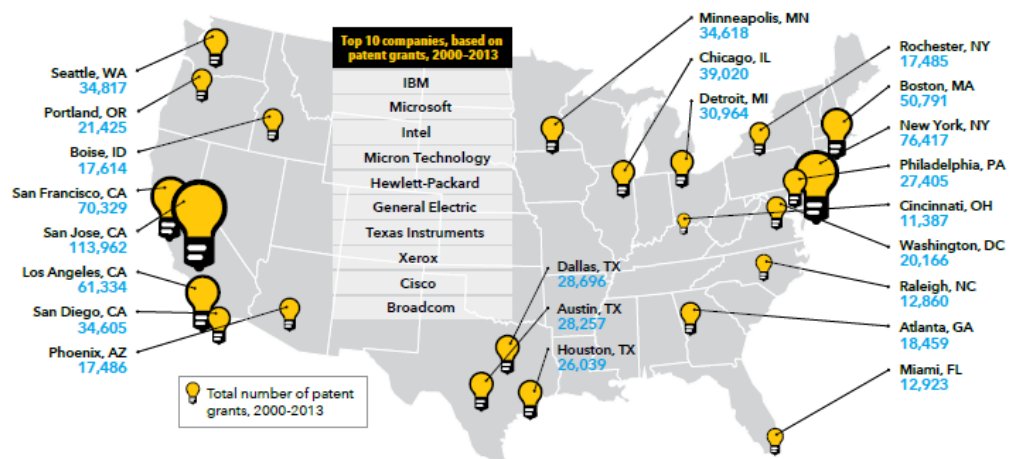
Steven F. Carter, CFP® is a Registered Principal with and securities offered through LPL Financial, Member FINRA/SIPC.

➤ *Continuing to Innovate*

The most recent statistics from the United States patent office show that everything that is going to be invented has not been invented yet. The number of patents granted in the United States from 2000 – 2013 is heavily weighted toward cities along the East and West coast that are hotbeds of innovation. The top 10 companies receiving patents are listed in the middle of the graphic.

The Innovation Nation

From Coast to Coast, U.S. Cities Are on the Cutting Edge of Change



➤ *Still Broke*

Even though the situation in Greece has faded from the headlines, it doesn't mean the country's financial hardships have gone away. Back in May, Greece and its creditors reached a bailout agreement that called for €10.3 billion to be given to Athens to prevent a financial collapse. €7.5 billion were released in June and another €2.8 billion is scheduled to be released soon. Greece, however, has achieved only 2 of the 15 financial requirements necessary for the release of the remaining bailout money. (Source: International Monetary Fund)

➤ *Less Help Needed*

24% of the petroleum consumed by the United States in 2015 (including crude oil, gasoline and diesel fuel) was imported from foreign countries. The 24% figure was the lowest import percentage since 1970 (Source: Energy Information Administration).

➤ *Social Security – No Raise for Most*

Social security recently announced that the cost-of-living adjustment to be applied to benefits for 2017 would be .3%. Unfortunately that's not 3%, it's .3%. The meager raise in benefits will be more than offset by increases in the Medicare Part B premium for most people age 65 and over. Even if the Medicare Part B premium increase is more than the dollar increase from the cost-of-living adjustment, most retirees won't see their net benefits go down. That's because the 2/3rds of social security beneficiaries who have the Medicare Part B premium deducted directly from their social security benefits are protected by a "hold harmless" agreement that protects them from a net decline in Social Security benefits. People who aren't protected by the hold harmless agreement will feel the brunt of the Medicare Part B premium increases. These include those with adjusted gross incomes above certain limits (\$85,000 for single; \$170,000 for married); people who enroll in Medicare for the first time in 2017; and people who are enrolled in Medicare but not yet collecting Social Security benefits. (Source: Social Security Administration)

** The information contained in this newsletter is of a general nature and is not intended to be a substitute for specific individualized financial or tax advice. It should not be acted upon in your specific situation without further details and/or professional assistance. Investing involves risk including the potential loss of principal. No strategy or product can assure success or protect against loss. The economic forecasts may not develop as predicted and there can be no guarantee that strategies promoted will be successful.*