

For Your Safety, WE Will Confirm

As money has moved online, criminals have followed the money. Statistics tell us that 47% of American adults have had their personal information stolen by hackers. The amount of money and the scope of criminal activity continue to grow. There are several things PDS Planning does to protect our clients.

First, we print a daily report that shows all cash that has gone into and out of client Schwab accounts. This report is shared with all PDS staff so that we can confirm all activity is legitimate. If a withdrawal occurs for which we were not notified, we will contact the client for confirmation.

Second, we confirm all email requests for account withdrawals. Many of our clients have regular, withdrawals set up. In most cases, these are

automatically linked to existing bank accounts. Occasionally, however, we receive an email requesting a specific distribution. We do not act on written or email requests from clients. We will call to confirm the request is legitimate. If for some reason we do not recognize the voice, we may ask one or more questions to confirm client identity. We have had several instances of attempted fraud via email, and in each case our phone calls to clients have stopped the attempt.

Finally, we urge clients to establish a MoneyLink between their Schwab account and their bank account for quick and efficient transfer of cash, usually within one day. This is much safer than sending a check in the mail. There is no way we can guarantee that fraud will never occur, but the above steps certainly help to minimize the potential



We established PDS CARES in 2015 as a charitable fund with the Columbus Foundation. This includes a matching program for our employees, designed to match the personal philanthropy of our employees, to forge a partnership of giving, and to invest in the well-being of the communities where our employees live. The match is for individual donations as well as hours spent working with non-profit organizations. As the banner in our office says, "Sometimes the best thing to do with your money is give it away."

Special Office Hours

Please note the following changes to our usual business hours.

Thursday and Friday, June 2 & 3 – Office Closed for company meeting.

Monday, July 4 – Office Closed for Independence Day

Seven Retirement Planning Principles

A recent JPMorgan webcast listed the following areas as key components of planning a financially successful retirement:

1. It takes a plan to achieve the retirement you want.
2. Plan for a long life.
3. Use time to your advantage.
4. Make an informed decision about Social Security.
5. Know what to expect in health care costs.
6. Don't spend too much or invest too conservatively.
7. Minimize your taxes to maximize your retirement.

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Who Owns America's Debt?

There has been a lot of attention in recent years over China becoming one of the largest holders of U.S. government bonds. China's share of our debt is sizable, about 7%, but it's hardly the largest holder of our bonds. The top holders by far are U.S. citizens and entities such as state and local governments, pension funds, mutual funds, and the Federal Reserve. Together they own the vast majority of the nation's debt, about 68%. Any debt negotiation is really a deal with U.S. citizens.

- \$5.3 trillion owned by government trust funds such as Social Security
- \$5.1 trillion owned by individuals, pensions, state and local governments
- \$2.5 trillion owned by the Federal Reserve
- \$1.3 trillion owned by China
- \$1.1 trillion owned by Japan
- \$3.8 trillion owned by other countries

Recently, foreign governments have been selling U.S. bonds to raise cash to stimulate their own economies. Despite these sales, demand for U.S. Treasuries remains high. In fact, the U.S. can borrow money (issue bonds) at a lower interest rate now than at the beginning of the year. The 10-year Treasury yield is at 1.74%, down from almost 3% two years ago. Demand is driven by the relative strength of the economy. Keep in mind that Germany, Japan, and some other nations are issuing bonds with negative interest rates to stimulate their sluggish economies. This turmoil in global financial markets has boosted appetite for safe-haven assets like U.S. bonds.

Oil Prices At Highest Level In 7 Months



Oil prices are staging a strong recovery and inching towards \$50 per barrel due to unexpected supply disruptions in places like Canada, Venezuela, and Nigeria. This is a major rebound from mid-February when crude was trading just above \$26 a barrel, the lowest price since 2003.

Until recently, the perception was there was too much supply. A new report from Goldman Sachs notes stronger demand from India, China, and Russia has helped support prices. The report says oversupply has come to an end due to "sustained strong demand as well as sharply declining production."

WEBCAST

The following link will take you to our April webcast, where you can listen and view the complete presentation at your leisure. Feel free to share the link with a friend.

<http://pdsplanning.com/webcast/first-quarter-investment-webcast/>

The Cost Of Living in 1950

New House	\$8,450
Average Salary	\$3,216
New Car	\$1,510
College Tuition	\$600
1 Carat Diamond	\$399
Birth in Hospital	\$86 (5 days)
Monthly rent	\$75 (incl utilities)
B&W TV	\$180
Coffee	37 cents/pound
Glass of OJ	20 cents
Gasoline	18 cents/gallon
Postage stamp	3 cents

Follow our blog at www.pdsplanning.com/blog



Registered Investment Adviser
2200 West 5th Ave., Suite 200
Columbus, Ohio 43215
(614) 481-8449 or 888-942-1400
e-mail: info@pdsplanning.com

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Stat Bank: College - Plan and Spend Wisely

- \$48,054 – in-state tuition cost for Oberlin College in 2015-2016.
- \$8,052 – in-state tuition cost for University of Toledo in 2015-2016.
- \$19,584 - average value of all 529 college savings plan accounts.
- 39% - national average 4-year college graduation rate.
- \$31,000 – average student debt level for recent college students.
- 51% - 2014 college graduates in jobs that do not require a degree.
- 36% - graduates who say they should have chosen a different major.
- \$45,478 – average salary of college graduates in all degree programs.