

## After The Election

**U**ncertainty and Long-Term Implications. Uncertain Investment Outlook Comes with President-Elect. The Morning After: What Now For Markets? These headlines from several money management companies are not surprising, given the results of the recent election. However, the headlines are taken from commentaries after the 2008 presidential election, not from 2016, and most likely are similar to the headlines following the 2000 election.

Many unknowns come with new Washington administrations, especially when there is a change of political party in the White House. Prior to this year's election, it was "common knowledge" that a Clinton victory would be good for the markets, while a Trump win would result in a major sell-off. In the wee hours of the day after the election, futures for the S&P 500 were down as much as 8%, but the markets ended the day with a gain of about 1.5%, a turnaround of historic proportions. Since then the index has tacked on an additional gain of 2% through November 25.

It is important to remember that 12 market days is a very short time period. A lot can and will happen over the next few weeks and months. Crediting or blaming the occupant of the White House for market gains or losses is presumptive at best. As we have discussed previously, there are many aspects of the economy and world politics over which the President has no control. Assuming the incoming administration will cause inflation to jump, interest rates to soar, and

markets to swoon are hunches at best. The Federal Reserve chair, not the President, is called "the most powerful economic person in the world" for a good reason.

The numerous unknowns that have been present much of the year are still there. The economic picture is not much clearer than it was six months ago: a still-expanding but historically weak economy, relatively low inflation, low official unemployment numbers, and the prospect for slowly-higher interest rates. The global eco-political climate has certainly not calmed, either: fears over more Brexit-type votes in Europe, a plethora of problems resulting from numerous terrorist groups and the fear these could multiply, world currencies in flux, and enough broadcast media headlines to scare us all.

Be sure your investment mix reflects your risk profile and time horizon. If your fear of losing money in the markets is your biggest concern, we would recommend having more dollars in cash or CDs...just in case. If your outlook is generally positive, your allocation should reflect this, too. Interest rates will probably be rising in the coming months. We would continue to avoid long-maturity bonds since their prices will suffer the most as rates increase. But we caution getting out of bonds. Remember that a bad day for bonds is a far sight better than a bad day for stocks. That is one thing we can likely count on in the coming days.

### Upcoming Holiday Calendar

Please note the following holiday schedule.

**Thursday, December 8** – Office closes at 3 PM for staff holiday party

**Monday, December 26** – Office closed in observance of Christmas holiday

**Monday, January 2** – Office closed for New Year's Day holiday

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## Year-End Charitable Gift Giving

If you plan to make charitable donations prior to the end of the year, be sure you meet the strict requirements for proving the donations were made. For all gifts of \$250 or more, you must obtain a written acknowledgement from the charity. If your gift will be shares of appreciated securities, a good idea since you will get a deduction for the gift and the charity does not have to worry about capital gains taxes, be sure you do not wait until the last minute to get the process started. Most brokerage firms will not process charitable requests of securities at the last minute. Another option is to make cash gifts online. Most organizations offer this to their donors. Here you can get points on your credit card and get a deduction on your 2016 taxes, even if you don't pay the credit card charge until 2017!

## What's Happening At PDS?

**Dean and Abby Schuler** and their two sons spent a week in Lexington, Kentucky for the wedding of Abby's sister. After the wedding, they spent a day at the Keeneland horse races. Dean says they realized negative returns betting on the races.

**Laurie Licata** joined her mother and her sister on a Mediterranean cruise in August. She has been bitten by the travel bug, much harder to get rid of than the flu.



Laurie and her sister at the Parthenon in Athens, Greece.

**Kurt and Megan Brown** are expecting their first child in February. Congratulations!

**Bob Cochran** has been elected to serve another three-year term on the board of trustees for the Columbus Symphony Orchestra. Susan Cochran will serve another year as ex-officio member, as president of the CSO League.

**Ciera and Greg Frazier** will be welcoming their third child in June. Best wishes to the Fraziers!

**Jamie Menges and Dean Schuler** attended Schwab Institutional's annual conference for Registered Investment Advisors, held this October in San Diego.

## PDS Welcomes Jill Olding



We are pleased to announce that Jill Olding has joined the PDS Planning team. Jill will be the new face and voice to greet you when you visit or call our office. She comes to us with a background in customer service, and most recently worked as a Financial Research Analyst for the IHL Group.

Jill lives in Dublin with her husband, Jim, their three sons, Don, Blake and Mason, and their English Setter, Sophia. They enjoy spending free time with family and friends when they are not attending Mason's baseball games.

Jill enjoys cooking, decorating, and growing varieties of flowers during the summer months. Please be sure to meet Jill the next time you visit our office.

## Top Vacation Spots Rated

U.S. News recently ranked *family vacation* destinations. The list includes 1. Grand Canyon National Park, 2. Hawaii, 3. Yellowstone National Park, 4. Walt Disney World/Orlando, 5. Washington D.C., 6. San Diego, 7. Disneyland/Anaheim, 8. Myrtle Beach, 9. Williamsburg, 10. Ocean City, Maryland.

By contrast, GOBankingRates.com surveyed travel experts to find the most popular destinations for *U.S. retirees*. Here is their list: 1. Alaska, 2. European River Cruises, 3. The Caribbean, 4. Hawaii, 5. Williamsburg, 6. Tuscany, 7. Sicily, 8. Bangkok, 9. Georgia and South Carolina coastal islands, and 10. Montreal.

*"There are two kinds of people: those who do the work, and those who take the credit. Try to be in the first group. There is less competition there."*

- Indira Gandhi

## Four Tips To Avoid Identity Theft

**O**f course, use strong passwords. Don't use the same password for all of your financial account logins. While it can be challenging to remember all of your passwords, there are several excellent password manager programs, such as *1Password*, *Dashlane*, and *LastPass*. Each of these programs encrypts all of your logins in one secure vault, then locks the vault with a single master password that you select.

Install and update anti-virus/anti-malware software. Malware, an abbreviation for malicious software, is designed to gain access to your computer without you knowing. Malware and viruses are typically introduced to a computer by email attachments or by visiting some websites. As a general rule, DO NOT click on links in emails unless you are certain you know the person who sent the email. Another way to steal identity is with fake websites that look legitimate, especially when shopping online. Be sure the website address starts with "https" rather than "http" (the s indicating a secure site). You can verify if a site provides full encryption by looking for the padlock

symbol at the bottom of the browser.

Pay attention to your credit report. It is vital that you know what credit card accounts are open in your name. A report will provide this information. Two secure sites are *annualcreditreport.com* and *creditkarma.com*. Credit monitoring services such as *LifeLock* may be worth considering. You can also place a credit freeze on file with the three major credit agencies. This will block anyone from accessing your credit report. But you will need to contact each agency to turn a freeze on and off, and there may be a fee to do this.

Use secure and non-public Wi-Fi when executing any financial transactions or when logging into any account where you have stored personal financial data. And be sure your home Wi-Fi is password protected, otherwise anyone near your home can use your Wi-Fi and possibly access your personal data.



**W**e 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."

### Link To Quarterly Webcast

The following link will take you to our October webcast, where you can listen and view the complete presentation at your leisure. Topics included the November election, the impact of higher interest rates, why we believe dividend-growing stocks might be appropriate for some investors, and our expectations for the remainder of the year. Feel free to share the link with a friend!

<http://pdsplanning.com/webcast/3rd-quarter-investment-webcast-3/>

## It's Not One World

**F**rom the United Nations Human Development Report

Of the 4.4 billion people in developing countries, nearly three-fifths lack access to safe sewers, one-third have no access to clean water, one-fourth do not have adequate housing, and one-fifth have no access to modern health services of any kind.

Europeans spend \$11 billion a year on ice cream, \$2 billion more than the estimated annual total needed to provide clean water and safe sewers for the world's population.

Americans spend \$8 billion a year on cosmetics, \$2 billion for the estimated total needed to provide basic education for everyone in the world.

It is estimated that the additional cost of achieving and maintaining access to basic education all, basic health care for all, adequate food for all, and clean water and safe sewers for all is roughly \$40 billion. This is less than 4% of the combined wealth of the 225 richest people in the world.



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### **Stat Bank - It's All About Aging**

- \$464,000 – Total lifetime healthcare cost of a 55-year old couple planning to retire at age 65.
- 83% - The rate hike the federal government just approved on its long-term care policies.
- \$90,500 – The national average annual cost of a private room in a nursing home; \$42,600 for an assisted-living community; \$21,840 for a home health aide; \$18,200 for adult daycare.
- 42% - Percentage of people who live to age 70 who will spend time in a nursing home.
- 46.2 million – The number of persons in the U.S. age 65 or older in 2014.
- 14.5% - Percentage of total U.S. population age 65 or older.
- 98 million – The estimated number of people age 65 or older by 2060.
- 21.7% - Percentage of total U.S. population age 65 or older by 2060.
- Florida – The state with the highest percentage of persons age 60 or older.
- Alaska – The state with the lowest percentage of persons age 60 or older