

FEBRUARY 2020

THE EDUCATED INVESTOR

A GUIDE TO RETIREMENT PLANNING

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Plan Ahead to Ease Travel Headaches

Waiting in a winding airport security checkpoint line is just one of many potential headaches today's travelers experience. Worrying about what to pack, what kind of identification is required, and how much cash to bring are yet others. In order to help ease the stress level before and during your next trip, it might help to review some guidance from the officials who oversee our nation's travel rules and regulations.



What Do the Experts Recommend?

The Transportation Security Administration (TSA) keeps up-to-date information on all rules and regulations concerning travel by air, rail, and sea. At the organization's website, vacationers and business travelers alike can review rules and get tips to help make their trips as hassle-free as possible. For example, they can review the "3-1-1 liquids" rule, which states that passengers boarding an aircraft are allowed to carry bottles containing up to 3.4 ounces (100 milliliters) of liquid or gels in a single, one quart-size clear

plastic zip-top bag. Note that this rule does not apply to prescription or over-the-counters medications, and baby food, baby formula, or breast milk as long as an infant is present. Such liquids, however, are subject to physical inspection.

Other recommendations from the TSA and the U.S. State Department include:

- Don't carry large amounts of cash. Consider using credit cards instead, but leave unnecessary cards at home. Record the information that is on the cards you bring with you and keep it separate in case of an emergency.
- Try not to look like a tourist -- minimize the appearance of affluence. Dress conservatively and avoid wearing expensive-looking jewelry. Travel light so that you can get around with little encumbrance, and don't pack many valuables. Lock what you do bring in the hotel safe.
- Consider carrying cash and valuables in several places on your person rather than in one purse or wallet. A money belt is probably the most secure place for cash and traveler's checks, but a sturdy shoulder bag with the strap worn across your chest is a good option, too.
- Keep your bank's telephone number with you -- in case of a financial emergency, you may be able to have money transferred to a local financial institution or travel agency.
- Be sure to bring any medication you will need, and consider an extra pair of eyeglasses or contact lenses as well.

- Make sure your name, address, and telephone number are on the outside and inside of all your luggage. Note that covered luggage tags will conceal your personal information to the casual observer. If you prefer to lock your checked baggage, be sure to use TSA-approved locks, which can be accessed at <http://www.safeskieslocks.com> or <http://www.travelsentry.org>.
- Don't pack wrapped gifts in checked baggage -- they may be opened by security personnel during the screening process.
- Leave a copy of your itinerary with friends or family members back home.
- Check your credit cards, and homeowners' and health insurance policies to see what's covered while traveling. You may want to consider purchasing travelers' insurance, which covers such things as an unexpected cancellation of your trip, medical emergencies, lost luggage, and other problems. Be sure to read the policy's fine print, however.
- Let your children know about airport screening procedures ahead of time, and allow yourself extra time to get through the checkpoints with youngsters in tow. Note that everything you carry on with your family needs to be put through the X-ray machine. Items that are too large (such as strollers) will be inspected physically by the security personnel. The TSA recommends that children who can walk without assistance pass through the metal detectors separately; however, parents can carry their younger children through if they choose. Folks traveling with multiple children may

want to request a private screening.

- Consider signing up for TSA Pre-Check, which qualifies you for expedited airport security checks.

Tips for International Travel

Americans need passports to travel to and from all foreign countries, including Mexico, Canada, and the Caribbean. This may surprise some vacationers accustomed to showing a picture identification and a birth certificate. Many countries require that your passport will not expire until six months after your trip.

Generally it takes six to eight weeks to receive a passport, but the State Department recommends applying several months in advance. Expedited service is available for additional fees. For more information, visit the State Department's passport page.

The State Department also recommends familiarizing yourself with your destination prior to arriving. At the State Department's main travel page, you'll find links to information to know before and during your trip, such as fact sheets for more than 170 countries. You may also sign up for the Safe Traveler Enrollment Program (STEP) to receive travel alerts and warnings and to register your trip with the appropriate U.S. Embassy.

Finally, be sure to get any required immunizations and vaccinations at least six weeks prior to departure. The Centers for Disease Control's Travelers' Health page provides information for all countries and also offers ideas for maintaining healthy children while traveling.

Going Abroad? Review These Guidelines.

- Check with your bank to see if the country you're visiting has ATMs that will accept your card.
- Keep all medications in their original, labeled containers. For unusual or narcotic medication, carry a note from your doctor attesting to its necessity. This may help you avoid unpleasant delays at customs.
- Keep a photocopy of your passport information page and a few extra passport photos separate and ready to access in case your passport is lost or stolen.
- If you purchase a calling card, make sure that it is usable from wherever you plan to travel.
- Check your health insurance coverage and investigate temporary coverage if necessary. Note that Medicare and Medicaid do not cover medical services outside of the U.S. Seniors should contact the AARP about supplemental Medicare for traveling abroad.
- If you use credit cards, keep a close eye on your spending limits. According to the State Department, in some countries exceeding your credit limit is an arrestable offense!

Traveling -- especially for vacation -- shouldn't create more stress in an already hectic life. Knowing what to expect before you pack your bags will help ease your troubles while you travel.

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Investing Long Term? Don't Overlook the Inflation Factor!

A penny saved is a penny earned, right? Not necessarily. Thanks to inflation, over time that penny could be worth less than when it was first dropped into the piggy bank. That's why if you're investing -- especially for major goals years away, such as retirement -- you can't afford to ignore the corrosive effect rising prices can have on the value of your assets.



Inflation Under the Microscope

Just what is inflation, this ravenous beast that eats away at the value of every dollar you earn? It is essentially the increase in the price of any good or service. The most commonly referenced measure of that increase is the Consumer Price Index (CPI), which is based on a monthly survey by the U.S. Bureau of Labor Statistics. The CPI compares current and past prices of a sample "market basket" of goods from a variety of categories including housing, food, transportation, and apparel. The CPI does have shortcomings, according to economists -- it does not take taxes into account or consider that as the price of one product rises, consumers may react by purchasing a

cheaper substitute (name brand vs. generic, for example). Nonetheless, it is widely considered a useful way to measure prices over time.

Inflation has been a very consistent fact of life in the U.S. economy. Dating back to 1945, the purchasing power of the dollar has declined in value every year but two -- 1949 and 1954. Still, inflation rates were generally considered moderate until the 1970s. The average annual rate from 1926 to 1970 was approximately 1.9%. From 1970 to 1990, however, the average rate increased to around 6%, hitting a high of 13.3% in 1979.¹ Recently, rates have been closer to the 1% to 3% range; the inflation rate was 2.11% in 2017.

What It Means to Your Wallet

In today's economy, it's easy to overlook inflation when preparing for your financial future. An inflation rate of 4% might not seem to be worth a second thought -- until you consider the impact it can have on the purchasing power of your money over the long term. For example, in just 20 years, 4% inflation annually would drive the value of a dollar down to \$0.44.

The Cost of the Future		
Item	Price in 2018	Price in 2038
Refrigerator	\$1,000	\$2,191
Automobile	\$23,000	\$50,396

Based on the average annual inflation rate of 4%.

Or look at it another way: If the price of a \$1,000 refrigerator rises by 4% over 20 years, it will more than

double to almost \$2,200. A larger ticket item, such as a \$23,000 automobile, would soar to more than \$50,000 given the same inflation rate and time period.

Inflation also works against your investments. When you calculate the return on an investment, you'll need to consider not just the interest rate you receive but also the real rate of return, which is determined by figuring in the effects of inflation. Your financial advisor can help you calculate your real rate of return.

Clearly, if you plan to achieve long-term financial goals, from college savings for your children to your own retirement, you'll need to create a portfolio of investments that will provide sufficient returns after factoring in the rate of inflation.

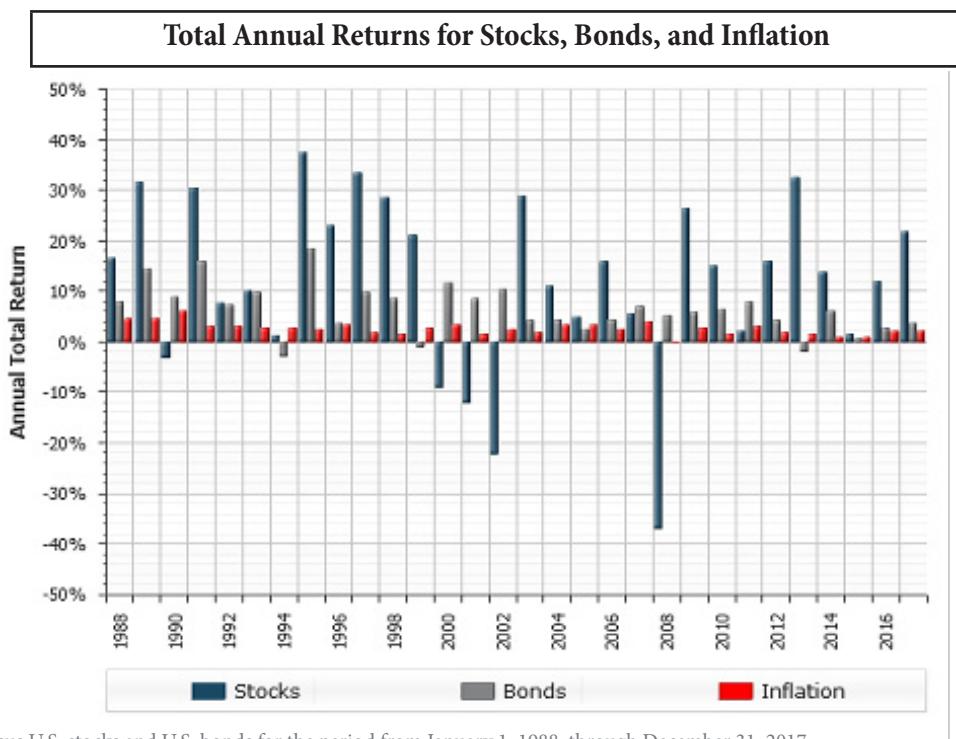
Investing to Beat Inflation

Bulletproofing your portfolio against the threat of inflation might begin with a review of the investments

most likely to provide returns that outpace inflation. Over the long run -- 10, 20, or 30 years or more -- stocks may provide the best potential for returns that exceed inflation. While past performance is no guarantee of future results, stocks have historically provided higher returns than other asset classes.

Consider these findings from a study of Standard & Poor's data: An analysis of holding periods between 1926 and December 31, 2017, found that the annualized return for a portfolio composed exclusively of stocks in the S&P 500 index was 10.22% -- well above the average inflation rate of 2.89% for the same period. The annualized return for long-term government bonds, on the other hand, was only 5.63%.²

There are many ways to include stocks in your long-term plan in whatever proportion you decide is appropriate. You and your professional financial planner could create a diversified portfolio of shares from companies you select.³ Another option is a stock



This chart tracks inflation versus U.S. stocks and U.S. bonds for the period from January 1, 1988, through December 31, 2017.

Source: ChartSource®, DST Systems, Inc. For the period from January 1, 1988, through December 31, 2017. Stocks are represented by the S&P 500 index. Bonds are represented by the Bloomberg Barclays U.S. Aggregate Bond index. Inflation is represented by the change in the Consumer Price Index. It is not possible to invest directly in an index. Index performance does not reflect the effects of investing costs and taxes. Actual results would vary from benchmarks and would likely have been lower. Past performance is not a guarantee of future results. © 2018, DST Systems, Inc. Reproduction in whole or in part prohibited, except by permission. All rights reserved. Not responsible for any errors or omissions. (CS000169)

mutual fund, which offers the benefit of professional management. Stock mutual funds have demonstrated the same long-term growth potential as individual stocks.

A Balancing Act

Keep in mind that stocks do involve greater risk of short-term fluctuations than other asset classes. Unlike a bond, which guarantees a fixed return if you hold it until maturity, a stock can rise or fall in value based on daily events in the stock market, trends in the economy, or problems at the issuing company. But if you have a long investment time frame and are willing to hold your ground during short-term ups and downs, you may find that stocks offer the best chance to beat inflation.

The key is to consider your time frame, your anticipated income needs, and how much volatility you are willing to accept, and then construct a portfolio with the mix of stocks and other investments with which you are comfortable. But even if you are approaching retirement, you may still need to maintain

some growth-oriented investments as a hedge against inflation. After all, your retirement assets may need to last for 30 years or more, and inflation will continue to work against you throughout.

Take Steps To Tame Inflation

Whatever your investor profile -- from first-time investor to experienced retiree -- you need to keep inflation in your sights. Stocks may be your best weapon, and there are many ways to include them. Consult your financial planner to discuss your specific needs and options.

Source/Disclaimer:

¹Source: U.S. Bureau of Labor Statistics.

²Source: DST Systems, Inc. Stocks are represented by the S&P 500 index. Bonds are represented by a composite of returns derived from yields on long-term government bonds, published by the Federal Reserve, and the Bloomberg Barclays U.S. Government Long index. Inflation is represented by the change in the Consumer Price Index.

³Diversification does not ensure against loss.

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February Special Days & Holidays (Black History Month)

2nd- Groundhog Day/Superbowl

4th- World Cancer Day

5th- World Nuetella Day

11th- Make a Friend Day

14th- Valentine's Day

14-16th- NBA All-Star Weekend

17th- President's Day

18th- Drink Wine Day

20th- Love Your Pet Day

25th- Mardi Gras

26th- Ash Wednesday



Asian Chicken Noodle Soup



INGREDIENTS:

- 1 tbsp. coconut oil
- 1 yellow onion, chopped
- 2 red bell peppers, chopped
- 1 large carrot, cut into thin 2"-long pieces
- 2 cloves garlic, minced
- 1 tbsp. curry powder
- 1/2 tsp. cayenne pepper
- Kosher salt
- 2 (13.5-oz.) cans coconut milk (shaken well)
- 3 c. Swanson Chicken Broth
- 2 c. shredded rotisserie chicken
- 1/3 c. chopped fresh cilantro, plus more for garnish
- 1 package ramen noodles, seasoning packet discarded
- Lime wedges, for serving

INSTRUCTIONS:

1. In a large pot over medium heat, heat coconut oil. Add onion, bell pepper, and carrots and cook until tender, 6 to 8 minutes. Add garlic and stir until fragrant, 1 minute. Add curry powder and cayenne and season with salt. Stir until combined.
2. Pour over coconut milk and chicken broth and bring to a simmer. Add shredded chicken, cilantro, and ramen noodles and cook until noodles are al dente.
3. Garnish with cilantro and serve with lime.

What's in Season for February?



Avocado



Cauliflower



Lemons/Limes

Asparagus

Apples

Bananas

Beets

Bok Choy

Broccoli

Brussels Sprouts

Cabbage

Carrots

Celery

Citrus

Greens

Kiwi

Leeks

Mango

Mushrooms

Parsnips

Pears

Pomegranates

Potatoes

Rutabagas

Strawberries (FL)

Sweet Onions

Turnips

Winter Squashes

SERVINGS: 4

TIME: 40 Minutes

Sources: <https://www.delish.com/cocking/g26113854/february-dinners-recipes/>; Produceforkids.com



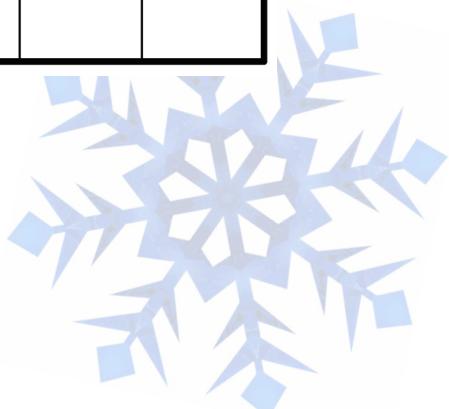
The Sudoku Section



4							3	1
				2		7		6
			5					
			3	1		5		8
				8	2		6	7
	6		4					
5		2			3		8	
7	3				1	4	2	

6	1	4	2	5	8	9	7	3
7	3	8	6	9	1	4	2	5
5	9	2	7	4	3	6	8	1
8	6	1	4	7	5	2	3	9
3	4	5	9	8	2	1	6	7
2	7	9	3	1	6	5	4	8
1	2	6	5	3	7	8	9	4
9	8	3	1	2	4	7	5	6
4	5	7	8	6	9	3	1	2

The answers



Source: www.printmysudoku.com