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THE EDUCATED INVESTOR

A GUIDE TO RETIREMENT PLANNING

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Five Common Investment Mistakes When Planning for Retirement

Only about 17% of American workers say they are "very confident" they will have enough money to live comfortably throughout retirement.[1] To help reduce such uncertainty in your life, consider these five common investment pitfalls -- and how you might avoid them.

Mistake #1: Waiting to Maximize Your Contributions

The sooner you start contributing the maximum amount allowed by your employer-sponsored retirement plan, the better your chances for building a significant savings cushion. By starting early, you allow more time for your contributions -- and potential earnings -- to compound, or build upon themselves, on a tax-deferred basis.

Mistake #2: Ignoring Specific Financial Goals

It is difficult to create an effective investment plan without first targeting a specific dollar amount and recognizing how much time you have to pursue that goal. To enjoy the same quality of life in retirement that you have become accustomed to during your prime earning years, you may need the equivalent of up to 80% of your final working year's salary for each year of retirement.

Mistake #3: Fearing Stock Volatility

It is true that stock investments face a greater risk of short-term price swings than fixed-income investments. However, stocks have historically produced stronger earnings over the long term.[2] In general, the longer your investment time horizon, the more you might consider adding stock funds to your portfolio.

Mistake #4: Timing the Market

Some investors try to base investment decisions on daily price swings. But unless you have a crystal ball, "timing the market" could be very risky. A better idea might be to buy and hold investments for several years.

Mistake #5: Failing to Diversify

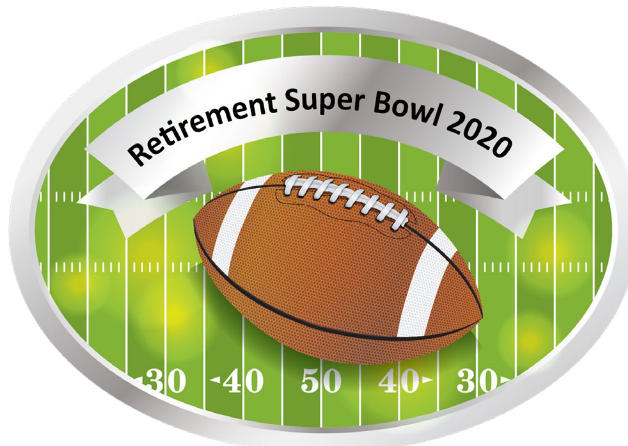
Investing in just one fund or asset class could subject your investment portfolio to unnecessary risk. Spreading your money over a well-chosen mix of investments may help reduce the potential for loss during periods of market volatility. Diversification may offset losses in any one investment or asset category by taking advantage of possible gains elsewhere.3

Now that you are aware of these five common investment errors, consider yourself lucky: You are ready to potentially benefit from other people's experiences -- without making the same mistakes.

Source/Disclamer:
[1]Source: Employee Benefit Research Institute, "The 2018 Retirement Confidence Survey," March 2018.
[2]Source: DST Stsyems, Inc. Stocks are represented by total returns from Standard & Poor's Composite Index of 500 Stocks, an unmanaged index generally considered representative of the U.S. stock market. Fixed-income investments are represented by annual total returns of long-term (10+ years) Treasury bonds. Indexes do not take into account the fees and expenses associated with investing, and individuals cannot invest in any index. Past performance is no guarantee of future results. With any investment, it is possible to lose money.
[3]Diversification does not assure a profit or protect against a loss in any market.

Your Retirement Super Bowl: A Strategic Saving Plan is the Key to Victory

Super Bowl LIV, the 54th Super Bowl, will decide the National Football League champion for this current season. The game is scheduled to be played on February 2, 2020, at Hard Rock Stadium in Miami, Florida. Jennifer Lopez and Shakira will be performing at halftime. In the meantime, you're still trying to figure out how much you should be saving for retirement.



Many news reports and surveys suggest that people are not saving nearly enough for retirement. Financial professionals define "enough" as the ability to replace 75–80% of your preretirement income. It's nice to have a general benchmark like that to start with, but does it apply to you? The reality is that figuring out how much you need to save is your biggest game—your own personal retirement Super Bowl. Understanding the potential variables and how to address them are the key to achieving your retirement goals.

Why you might need a LESS aggressive game plan

Depending on how you envision your life in retirement, your anticipated expenses may be much less than they are today. In addition, you may continue to earn money in retirement to help offset expenses. Here are some reasons you may need to save less than the general benchmark indicates:

- You have a mortgage that you plan on paying off before you retire
- You plan on downsizing to a smaller home, with a much lower mortgage payment
- You plan on relocating to a less expensive city
- You plan on working part-time during retirement
- You anticipate other sources of income, such as investment/rental properties

- You expect Social Security benefits will provide adequate income for your needs
- You will no longer need to financially support children or other family members
- You anticipate good health, with no unexpected medical or long-term care expenses.

Why you might need a MORE aggressive game plan

On the other hand, with retirement potentially lasting 20 years or more, you may want to be more aggressive with your retirement saving goal. Here are some reasons you may need to save more than the general benchmark indicates:

- If you have a mortgage, and you plan on continuing to make payments during retirement
- You want to travel extensively or purchase a second home for an occasional getaway
- You expect higher healthcare expenses
- You anticipate needing long-term care at some point
- You plan on starting your own business and will need to provide funding
- You will need to financially support children or other family members
- You believe that your Social Security benefits will be reduced or inadequate.

Call the plays

There are many variables involved in determining how much you should be saving for retirement. Here are some important things to think about:

- How much you have saved so far
- Desired lifestyle in retirement
- Projected rate of return on your savings
- Rate of inflation in the future
- Uncertainty about the future of Social Security benefits and Medicare
- How long you expect to live
- Future cost of healthcare and medications.

Consider a professional retirement quarterback

If you haven't already, you may want to consider a professional financial advisor to help you with your retirement saving game plan. They can help you keep all your financial goals in perspective, while helping you determine the best investing strategy for achieving them, based on your unique personal situation.

How will your mortgage play into retirement?

Traditionally, homeowners looked forward to paying off their mortgage before retirement and removing the heavy burden of a monthly house payment. But that is becoming less common, according to a recent survey.

The 2018 survey, "Retirement and Mortgages," by national mortgage banker American Financing, found

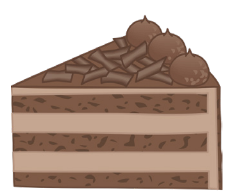
44% of Americans between the ages of 60 and 70 have a mortgage when they retire, and as many as 17% of those surveyed say they may never pay it off. The survey also found that 32% predict they will be paying their mortgage for at least eight more years.

January Special Days & Holidays

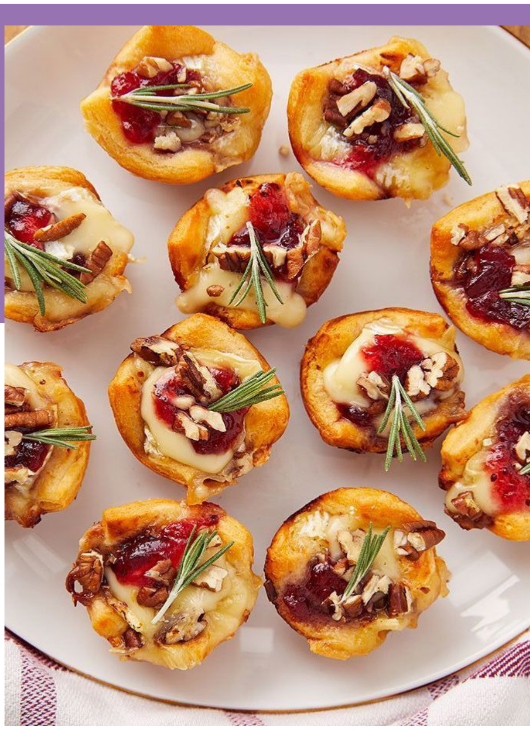
(Financial Wellness Month)

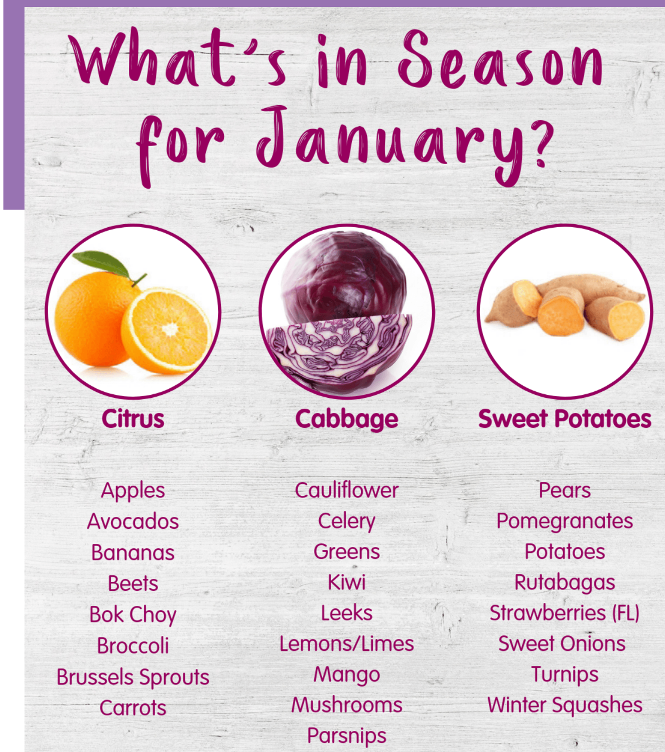
1st- New Year's Day
4th- Spaghetti Day
6th- Technology Day
11th- Human Trafficking Awareness Day
20th- Martin Luther King Jr. Day
25th- Chinese New Year
26th- Spouses Day
27th- Chocolate Cake Day
27-3st- Tax Identity Theft Awareness
28th- National Data Privacy Day
29th- Puzzle Day
31st- Have Fun at Work Day

HAPPY MARTIN LUTHER KING JR. DAY!



Cranberry Brie Bites





INGREDIENTS:

- 1 (8-oz.) tube crescent dough
- Cooking spray, for pan
- Flour, for surface
- 1 (8-oz.) wheel of brie
- 1/2 c. whole berry cranberry sauce
- 1/4 c. chopped pecans
- 6 sprigs of rosemary, cut into 1” pieces

SERVINGS: 24

TIME: 35 Minutes

INSTRUCTIONS:

1. Preheat oven to 375° and grease a mini muffin tin with cooking spray. On a lightly floured surface, roll out crescent dough, and pinch together seams. Cut into 24 squares. Place squares into muffin tin slots.
2. Cut brie into small pieces and place inside the crescent dough. Top with a spoonful of cranberry sauce, some chopped pecans, and one little sprig of rosemary.
3. Bake until the crescent pastry is golden, about 15 minutes.

Sources: https://www.delish.com/cooking/recipe-ideas/recipes/a56610/cranberry-brie-bites-recipe/; Produceforkids.com

The Sudoku Section

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

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

The answers

Source: www.printmysudoku.com