

THE Armstrong REPORT

Winter 2022

**Dedicated to growing
and protecting your wealth.**



2022 OUTLOOK

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President

Happy New Year! It doesn't seem possible that it is 2022. This marks my 25th year of being a financial professional, the 20th year of our affiliation with LPL Financial, and the 10th year in our current location. Mark May 19th on your calendar as we plan on having an open house and Chamber of Commerce Business After Hours to celebrate.

ECONOMY

The economy appears to have grown robustly in 2021 with strong corporate earnings. Inflation, however, is the big story as it has proven to be stickier and higher than the "experts" expected. With the Federal Reserve poised to hike rates this year, we will see if once again the Fed is a day late and a dollar short, as the saying goes.

MARKETS

2021 was a year of strong S&P 500, Nasdaq, and real estate performance. Other investments such as midcaps,

smallcaps, and international had on average far milder returns. Bonds, as of this writing, were broadly negative except for inflation-linked treasuries. Fewer and fewer stocks are participating in this rally; since March the Nasdaq has gone from almost 90% of stocks above their 200-day moving average to fewer than 35% in December. Something is going on and with an expensive market, investors should be prudent. This is likely not the time to abandon a good strategy.

TAX POLICY

While nothing has passed as of mid-December, this is ever-changing. We will be sure to send emails as we learn what is changing.

Thanks for your continued trust.

The opinions in this material are for general information only and are not intended to provide specific advice or recommendation for any individual. All performance referenced is historical and is no guarantee of future results.

2022 CONTRIBUTION LIMITS



401(K)/403(B): \$20,500
+ \$6,500 catch-up for
those age 50 and older

IRA/ROTH IRA: \$6,000
+ \$1,000 catch-up for
those age 50 and older

SIMPLE IRA: \$14,000
+ \$3,000 catch-up for
those age 50 and older

HSA: \$3,650 for single
and \$7,300 for family
plans

MARKETS UPDATE: 12/31/2021, YTD

Traditional Equities					Alternative Strategies
US Large Cap 26.46%	US Mid Cap 22.58%	US Small Cap 14.82%	Foreign Developed 11.78%	Emerging Markets -2.22%	Diversified Alternatives 9.82%
↑	↑	↑	↑	↓	↑
Real Assets			Bonds		
Global REITs 32.50%	Global Natural Resources 25.20%	Commodities 26.83%	US Bonds -1.54%	US 10 Yr Treasury Yield 0.93% 12/31/20	US 90 Day Treasury Yield 0.09% 12/31/20
↑	↑	↑	↓	1.52% 12/31/21	0.05% 12/31/21

Market segment indexes: US Large Company (Russell 1000), US Mid Company (Russell Midcap), US Small Company (Russell 2000), Foreign Developed (MSCI EAFE), Emerging Markets (MSCI Emerging Markets), Diversified Alternatives (Morningstar Diversified Alternatives Index), Global REITs (S&P Global REITs), Global Natural Resources (S&P Global Natural Resources), Commodities (S&P GSCI Commodities), US Bonds (Barclays US Aggregate Bond). All performance referenced is historical and is no guarantee of future results. Indices are unmanaged and cannot be invested into directly.

ALTERNATIVE INVESTMENT OPTIONS FOR CASH

Are you tired of earning next to nothing on the cash in your bank account?

FDIC insured cash or Certificates of Deposit (CD) are what you normally like to have for your "safe" money. Unfortunately, with interest on these accounts at all-time lows, you are likely frustrated. You want to earn more, but you don't want the risk of stocks. Are there any other options?

The good news is, depending on your preferences, there are a few choices. They may not be FDIC insured, but they are on the conservative to the very conservative side of the risk scale.

Here are a few options you may want to consider:

■ Ultrashort Term Bond Fund:

A type of liquid investment that is considered "one step" out of cash on the risk scale but has a non-guaranteed yield currently around 1%.

■ **Fixed Annuity:** A type of investment backed by an insurance company that ties up some of your money for a few years but gives a guaranteed interest rate.

■ **Separately Managed Laddered Municipal Bond Portfolio:** A basket of professionally managed tax-free bonds that has a reasonable dividend yield with a modest amount of volatility.

■ **Variable or Equity Indexed Annuity with a Guaranteed Minimum Income Benefit:** A type of investment that ties up your money for a few years for a guaranteed level of income either now or in the future.

If you're interested in one or more of these alternatives to cash, call your wealth manager to discuss them in full detail. (Note: \$50,000 minimum investment.)

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Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise.

Annuities are suitable for long-term investing, such as retirement investing. Guarantees are based on the claims paying ability of the issuing company. Variable annuities are subject to market risk and may lose value. While some riders are part of an existing contract, many others may carry additional fees, charges, and restrictions.

No strategy assures success or protects against loss.

COMMUNITY INVOLVEMENT

Florence County First Responders Memorial	\$5,000
The Manna House	\$2,000
Trent Hill Center for Children and Families	\$1,500
Christian Community Ministries of Kershaw County	\$1,500
Knights of Columbus HOPE Campaign	\$1,000
Carolina Classic: Boys and Girls Club of the Pee Dee	\$500
Foster Care Clothing Closet	\$500
Miracle League of Florence County	\$500
Knights of Columbus	\$250

ON A SAD NOTE

Glenda Gilbert, Ron Holland, Carole Meier, Dr. John McKee, Chuck Pardue, and Anne Quigley have passed away.

Please keep their families in your prayers.

SAVE THE DATE

JANUARY 27TH

When to Take Social Security

FEBRUARY 24TH

Financial Basics for Those Getting Started

MARCH 24TH

How Bonds Work and How They Fit In a Portfolio

Always on a Thursday at 4:30 PM Eastern



Armstrong Wealth
MANAGEMENT GROUP



2021

CLIENT APPRECIATION PICNIC



2021

HEARTWALK





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