

**Wishing will not
get it done
but action will!**



Fred Dunbar

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GIVING IT UP

Bill Withers released Lean on Me in April 1972. These are the opening lyrics “Sometimes in our lives, We all have pain, We all have sorrow, But if we are wise, We know that there's always tomorrow”.

Earlier this week I met with a retired widow (Betty) and she seemed more concerned than normal when she came in for her semiannual review. As I write this article on July 9th, Greece is back in the news again not wanting to own up to their debt, the Chinese stock market is down over 20 percent, the Federal Reserve raising rates is a foregone conclusion: United Airlines went down grounding its fleet for over three hours and the New York Stock Exchange had a glitch and was closed for over four hours. All these things cause worry and then generally panic sets in with the stock market going down.

I asked Betty if she was troubled with all the world news and the market volatility. She said not particularly. She went on to explain that her best friend has an adult child who’s been mired in addiction for years. Her friend said “to expect life to be tailored to my expectation only invites frustration.” She explained about six months ago her friend mentally got rid of this problem by giving it to God. Betty said her friend’s daughter is doing better and they are hopeful.

Betty also mentioned what was troubling her is that a number of people that she knows have made comments along the lines of, “they just don’t have enough money to live”. This got her wondering did she have enough money to live. We have been working with Betty for years and had completed a retirement plan and help manage her investment portfolio. After our review of her plan and portfolio, she felt substantially better. Betty is a conservative person now and doesn’t handle market volatility well. I reviewed the strategies that are in place to help her. To ease her mind I reviewed how her portfolio held up in 2008 and 2009. In her retirement plan we used an inflationary rate of 5%. I know this is certainly higher than our present rate but we remember the hyperinflation from the Carter / Reagan era. In March 1980 the annualized inflation rate was 14.76%.

After Betty left our office it got me thinking. How many people who do their own investing struggle with the stock market volatility and news they see nightly? In addition to building your own portfolio, you are a hands on individual in all most everything you do. You certainly should be congratulated.

Within the last two weeks I spoke with two people who have been doing their own investing. One is semi-retired and the other one in their mid-50s. These two individuals have lived through various market corrections over their lifetime. The great recession of 2008 is still heavy in their thoughts. Both individuals came into our office looking for help with the management of their assets. They are not giving up control but they’re looking for guidance. They have both said they cannot afford to misstep at this point.

Year to date through June 25, 2015, there have been numerous 100 points swings in the Dow Jones Market, which has caused anxiety for most. The Dow Jones daily 100 point

plus swings according to Bloomberg have been as follows: 28 days of 100+ points increases; 27 days of 100+ decreases; 12 days of 200+ points increases; 8 days of 200+ point decreases; two days each of 300 points swings both up and down. Out of the first of 176 days of 2015, there been 79 days of 100+ point swings both up and down. That's frightening.

So if you're one of those people who have been doing a great job of accumulating assets towards your retirement maybe you are experiencing a little agita. Perhaps now is the time to give it up to ...an advisor. Find an advisor that you trust, who can help you build a portfolio tailored to your risk level. Stay away from the product peddlers or from people who tell you there is no cost.

If you haven't done so, now is the time to create your retirement plan. You certainly don't want to be like the people Betty mentioned, who feel they don't have enough money to live. You want to be one of those who are enjoying life comfortably at age 65 or perhaps earlier.

Napoleon Hill, one of the first US authors in the area of personal-success said "whatever the mind can conceive, and believe the mind can achieve".

It is important to put your plan in writing so you can visualize it. Your plan should include your goals. Write each of them down. It is important that your investments match your risk tolerance. Many people do not learn from their past mistakes. Since the stock market recovery from 2008, many have taken extremely more risk than they are probably comfortable with. This recent market volatility is your wake-up call.

Now that your plan is in writing you have to implement it. I know that life gets in the way but there is never an excuse for not moving forward. Action is what will help you complete your goals. No matter what happens you can always put a small amount away. Make adjustments in your life now so you can enjoy life later. You want to be one of those who experiences life not just exists.

Retirement will be here sooner than you think. You'll blink and all of a sudden you will be receiving your last earned paycheck. The comment we hear from clients is I wish I had started sooner.

Summer may be ending but the rest of your life is just starting. If you do not have a plan in place move that to the head of your "to do" list. You'll be happy you did. Remember wishing will not get it done but action will.

Now that you are thinking about putting your plan in place, head to the beach with your favorite beverage, book and chair.

Fred Dunbar, CLU, ChFC, RFC, AIF, is President of Planning Directions, Inc., a registered investment adviser, and Common Cents Planning, Inc. He is also a registered representative of and offers securities through Commonwealth Financial Network, member FINRA/SIPC. Advisory services offered through Planning Directions, and fixed insurance products and services offered by Common Cents Planning, are separate and unrelated to Commonwealth. Fred may be contacted at 800-647-0762, by e-mail at fdunbar@commoncentsplanning.com or by mail at 239 Baltimore Pike, Glen Mills, PA, 19342. He's always happy to meet with you 'down the shore' at 6606 Central Avenue N. Sea Isle City, NJ. 08243.