



Financial

E-newsletter
April 2018

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Open House – Save the Date

We can hardly wait to show you our new office! A formal invitation will be coming, but for now please mark May 22 on your calendar for our Open House celebration! We look forward to seeing you!

JW Financial

OPEN HOUSE



Tuesday, May 22, 2018
5:00 – 8:00 pm

Downtown Blacksburg
301 South Main St., Suite 203
Blacksburg, Virginia 24060

Formal invitation to follow. Refreshments will be served.



Welcome, Christine

Christine Damico is a CERTIFIED FINANCIAL PLANNER™ professional and the newest member of our financial planning team. Christine's path has taken her from Virginia to Minnesota, around the world and back to Virginia. After graduating from Virginia Tech's financial planning program, she was a Financial Planning Resident at a prestigious firm in Minneapolis, MN, the first of its kind in the country. During her four years there, Christine participated in over 1,200 client meetings and assisted the advisors in preparing for client meetings, prepared tax projections and financial analyses, and collaborated on tax, retirement, estate planning and education planning strategies.

After the residency program, she fulfilled a long-time goal of traveling around the world, making stops in southern Africa, central Europe, and Vietnam over a four-month period of time. While in Africa, Christine, who has been fascinated by safari animals since she was a child, spent two months on Zululand reserves volunteering for Wildlife Act. She tracked wild dogs and participated in a leopard survey to help the government educate their citizens about the declining leopard population and the need to restrict hunting permits.

Once she returned, she worked for a wealth management firm in Vienna, Virginia as a Client Advisor. While there, she managed 70 client relationships for high-net worth families. She also created and implemented the firm's 10-week summer internship and 4-week winter externship programs.

In August of last year, Christine relocated to Blacksburg to teach "Financial Planning for Professionals" at her alma mater. Wanting to expand our financial planning services, we recently hired her to serve as a financial planner and to help us shape our client experience process.

Aside from her expansive financial planning experience, she also has great organizational skills and an upbeat, get-it-done attitude! We look forward to you making a connection with Christine and feel free to reach out to her for some trip planning pointers!

Ops Center: Tax Deadline, IRA Contributions and Tax Returns

- **Tax Filing Deadline:** The tax deadline is Tuesday, April 17. If you need documents from our office to complete your return, please contact us as soon as possible so we can obtain it for you.
- **2017 IRA/Roth Contribution Deadline:** Please have your contributions to our office by **Thursday, April 12** so we can ensure the deposit is made before the tax deadline.
- **2017 Tax Returns:** To help us serve you better, please provide us with a copy of your 2017 tax return once it is complete.



— Andrew Cialek

Four Quick Trip Planning Tips

With summer vacations quickly approaching, don't forget about these quick tips to keep your trip relaxing and your financial life secure:

1. Don't post information on social media while away

It's become second nature for those using social media accounts to post pictures of the sun setting in Maui or of a steaming bowl of mussels while dining on the Mediterranean while on vacation. However, cyber security experts now recommend you delay posting pictures or information about when you leave or return until after your vacation. Some criminals have begun tracking social media accounts to find out when a family will be away to make an uninterrupted robbery or fraudulent wire attempts. Keep the pictures coming, just delay posting them!



2. Set up auto payments for bills

If you plan to be away while bills are due, pay them ahead of time or consider setting up automatic payments. Most companies allow you to choose which date and the amount you want to pay. This can take the worry out of your trip if you run into a hotel whose wi-fi is down or if there's a spotty connection.

3. Contact your credit card company(ies)

It's always a good idea to let your credit card company know where you'll be travelling and for how long. This can help prevent fraudulent charges as they'll know if your card is used in a location they're not expecting. Also, I always recommend taking a picture of the front and back of your credit card, laminating it, and then sticking it under the sole of your most worn travel shoe. In the unfortunate event your purse or money belt is stolen, you'll still have all your important information quickly accessible.

4. Get travel insurance

Travel insurance can be a life saver – literally. Most people think of travel insurance as a way to be reimbursed for trip cancellations, lost luggage, or trip interruption either internationally or domestically. However, if your vacation takes you rafting down the Grand Canyon or on a safari in the Serengeti, consider purchasing travel insurance that includes coverage for evacuation and rescue from the point of injury or illness to your hospital of choice. I personally use Ripcord Travel Insurance for myself and my family as this give me 24/7 access to paramedics, nurses, and military veterans in the event of unexpected natural disasters, terrorism, an injury or illness. It's not cheap but if you or a loved one has to use it, you'll be glad you bought it.

— Christine Damico

Your Life is Dynamic. Your Insurance Should Be Too.

Our conversations are often centered around investing or retirement. In most situations, we purchase a house and get homeowners insurance. We buy a car and obtain auto insurance. How about when that baby is born? You got it – it's time to get life insurance. You receive a premium increase notice in the

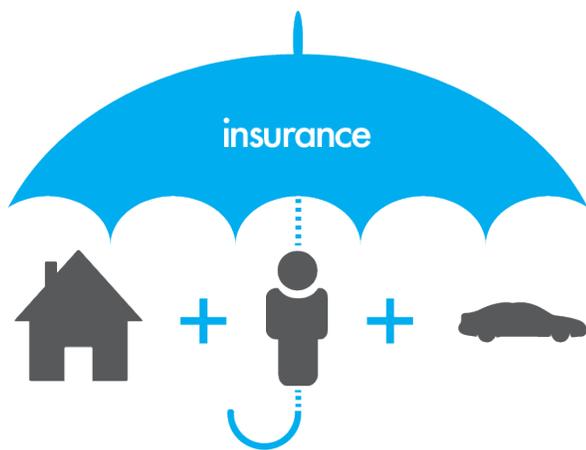
mail from your Long-Term Care insurance provider. “*Mercy – that’s a lot, let me call to see what’s going on!*” While these are just a few examples, you can see insurance is typically a recurring decision.

The reality is your life changes and your insurance should too. At a minimum, it should be reviewed on a regular basis to make sure the appropriate coverages are in place. I can’t emphasize it enough – having the right amount of coverage plays a very, very important role in your financial life. In many cases, it can be your single most important asset and since I too often assume financial jargon is understood by my audience, let me clarify what an asset is.

Asset
[as-et]

- a. a useful and desirable thing or quality;
- b. a single item of ownership having exchange value.

Can we all agree it’s difficult to fully appreciate insurance until something happens? Perhaps we feel invincible or don’t want to deal with the sales pitch that often comes along with insurance. Managing financial risks with insurance can protect you, your family, and your belongings if the unexpected all of a sudden becomes a reality. Below are a few examples of essential types coverages:



Umbrella insurance

For you

*Health insurance
Disability insurance
Life insurance
Long-term care insurance*

For your things

*Auto insurance
Homeowners insurance
Personal property insurance
Renter’s insurance*

Our goal is not to sell you an insurance policy, but instead make sure you have the coverage you need. No more – no less. From there we can connect you with the right insurance agent(s) so you can avoid having to deal with those nauseating sales tactics. And who knows, you may even save some money or at least have the right amount of coverage. It’s a win-win, right?

— **Andrew Miller**



Joel's Corner: Don't Be Spooked by Paper Tigers

Written March 7, 2018 | Dow Jones = 24,638

As can be expected, the media and many large financial institutions would like you to think the threat of trade wars is the predecessor to Armageddon in the stock market. Thus, you need them to save you...and you pay for that kind of service!

Suggestion: Pay for good quality service based on sound financial behavior; not paper tigers.

Although the market has been spooked into some volatility by recent events, the environment for continuing growth in the stock market is positive on three important fronts:

- Continued low interest rates relative to history
- Favorable tax legislation
- Improving global economic outlook

These are facts. Let's stop worrying about paper tigers and focus on real problems like why real wages have not increased in over 40 years. Or why a third of young adults live with their parents. Where is the financial advice on how to live in retirement when those chickens come home to roost? (Topic for another newsletter.) Or let's examine why 78% of the US population lives paycheck-to-paycheck, with zero savings; 45 million Americans live in poverty (Source: US Census). Now those are symptoms of a REAL problem! Where are the news articles?

Instead, the media is on Trump's case. Who did we put in the White House? A collaborator or a negotiator? Needless to say, Trump is not into "Kumbaya" meetings and making sure everyone gets along. As a negotiator attempting to improve trade deals for the US, does one think the best approach is to say, "Let's all be friends and you don't have to worry about the US exercising tariffs?"

Where is the incentive to give the US a better deal if there are no consequences to our trading partners? It is no wonder why past presidents have not been able to improve trading deals or why middle-income jobs have left the US over the past 40 years. We have to quit making excuses and stop believing what Wall Street and big corporations tell us about having tariffs. This is exactly the same reason the US declared war on Great Britain in 1812. Congress was as deeply divided then as we are today. The Brits were kidnapping our merchant marines and taking our goods in protected waters. They were not honoring the agreements between the two countries since the Revolutionary War. Much of that trade that was being taken came out of the mid-Atlantic and Southern states. The New England political party, called the Federalists back then, didn't want to go to war because it would hurt their foreign trade business. Sound familiar?

Back to my point: Trump needs to go into any negotiations on trade with the possibility of tariffs and a trade war absolutely on the table, in my opinion. Now hear me out: I am not saying I support a trade war; I am saying I support a trade war IF our trade agreements do not change.

I do not expect to get into a trade war, but I do expect some tariffs to go into effect to make our trading partners realize the US is serious about a level playing field on trade. Trust me, we will have better trade deals when this is over. True, we may have to go through a little scary period and fire a shot or two across the bow of China with a tariff on steel for a short period. Rattling a few teeth is never bad

when negotiating. And this is exactly what Trump is doing. Read the *Art of the Deal*, to calm your nerves as to what is going on.

I might even go as far as to suggest that Cohen's recent resignation on March 6 was part of the strategy. Why? Cohen is a globalist, meaning he is anti-tariffs and wants unlimited global trade. Of course, he is a Wall Street guy that makes his money from a global economy. Trump being a US protectionist cannot convince China that he is willing to put a tariff on steel with Cohen as his top economic advisor. China would see right through that! And treat Trump like Iran did with Obama's line in the sand.

Also, do you think Trump is stupid? He may be a lot of things, but stupid is not one. Over 6 million US jobs are tied to companies that produce goods made of imported steel. This compares to 125,000 jobs related to companies that make US steel. China knows that also, and wonders if Trump would really enact a steel tariff.

So Cohen had to go, whether it was part of strategy between Cohen and Trump or not. Notice how complimentary each was to each other as they separated. Does that look like a resignation of someone with a White House in chaos? Not until the history books are written will we know for sure. But my take on all this is that Cohen had to go for Trump to threaten a trade war and slap those trading partners in line. It is all part of negotiating a better deal. The market, the political swamp and the talking heads of the media are all being given a lesson in negotiating.

CONCLUSIONS:

- Sit tight on your investments. Maintain your financial plan strategy.
- Be more concerned about all the central banks tightening their monetary policy at the same time. That is the risk over the next 6-9 months, not a trade war. (Topic for another time.)
- Don't be getting nervous about your bond allocation. Do understand the purpose of a bond allocation in times such as these.
- Remind yourself you are an investor, not a trader.
- Sit back and enjoy Trump's crash course on negotiating over the next 6-9 months. It's better than *The Young and the Restless*!

Until next time,
Joel

P.S. Click [here](#) to watch a two-minute video from one of our fund managers to help put the current market situation in perspective. This is not our first rodeo, friends!

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