

# NEWSLETTER



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## Asset Planning News! by Sandy



Asset Planning continues to grow and now our managed assets are just under 310 million dollars. We deeply appreciate our clients referring new friends and family members to us. To keep up with our growth, we added two new team members.

Joey: Meet Joey Gonzales, our operations manager. Joey has over 10 years' experience in the financial services industry working for both boutique and large RIA firms. As an Operations Manager, he enjoys building processes that help

drive efficiency making the most of technology for the firm. He will also be working as a wealth manager research analyst.

When Joey is not streamlining workflows, he enjoys traveling to Japan and perfecting his 10k run. Joey earned his bachelor degree from Azusa Pacific University and is currently pursuing his CFP® certification.

Akanksha: Our newest team member is Akanksha Arora and she is in her senior year at California State University, Fullerton as a Financial Planning student. She is focused on the financial planning process and helping clients reach their financial goals. She will be learning planning and observing in client meetings with all of us. Her ultimate goal is to take the CFP® exam next summer. While at CSUF she became president of the Finance Association and the Indian Student Association. In her free time, she loves to dance, cook new vegetarian recipes, and spend time with loved ones and her puppy by the beach.

## Medicare 2020 by Erin

Medicare's annual open enrollment period is October 15<sup>th</sup> through December 7<sup>th</sup>. Changes to Medicare this time around include new rules governing drug coverage, shifting out-of-pocket costs, Medigap limitations for new enrollees, and expanded benefits for Medicare Advantage plans.

Beginning in 2020:

1. Part D plans are allowed to limit coverage of a drug to specific indications.
2. Part D total out-of-pocket cost required to get catastrophic coverage will be \$6,350, increasing \$1,250 from 2019.
3. The donut hole for generic drugs will close. Going forward, members will pay 25% of the cost for any prescribed medication from the time they meet the deductible until reaching the out-of-pocket spending limit of \$6,350 for catastrophic coverage to kick in.

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## Market Outlook by Carol

Once again, the S&P 500 successfully weathered an increase in volatility this past quarter, as positive current economic fundamentals, interest rate cuts, better-than-expected corporate earnings and renewed hope for resolution on US-China trade helped the S&P 500 maintain year-to-date gains. The following are the market benchmarks for YTD and 1-year rolling (September 2018-September 2019). Note: each client's portfolio is individually constructed and the benchmarks are only presented as a comparison tool.

Benchmarks:	YTD
	Sept. 2019
60% Equity/40% Fixed	12.13%
50% Equity/50% Fixed	11.06%
Barclays US Agg Bond	6.27%
S&P	18.74%
DOW	15.39%
iShares (EFA)Foreign	10.94%

Benchmarks:	Sept. 2018-
	Sept. 2019
60% Equity/40% Fixed	3.46%
50% Equity/50% Fixed	3.99%
Barclays US Agg Bond	7.25%
S&P	2.15%
DOW	1.73%
iShares (EFA)Foreign	-4.09%

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### **Medicare continued...**

4. Two of the ten Medigap policies, part C and F which cover the part B deductible, will no longer be available to people turning 65 after 1/1/20.
5. Medicare Advantage plans can now offer meal delivery, transportation, indoor air-quality equipment, and activities to address social needs. Some plans already offer adult day care, in-home assistance, and support for family caregivers.

I recommend you evaluate plans and make sure you are getting the best benefits and cost for your needs. Medicare offers a free tool to shop the various plans <https://www.medicare.gov/plan-compare/> or if you need more personalized help, please call us for a recommendation to a Medicare insurance specialist.

### **Thank You! Thank You! Thank You!** by Melani

Wow, is all we can say! We were blown away that over 70 clients were able to attend our Ice Cream Social this year. This is truly one of our favorite events of the year because we get to see our clients in a fun atmosphere, all while eating delicious ice cream. If you weren't able to make it this year, we hope to see you next July, which is National Ice Cream month!



### **Market Outlook by Carol continued...**

Currently, US economic growth is solid, but the outlook remains uncertain. We are starting to see slowdowns in manufacturing which is the result of the US-China tariffs and can be tempered if there is a resolution. Other dramas that can affect the market in the short-term include the impeachment inquiry of President Trump and the increased tension with Iran. We will continue to monitor the risks closely.

### **Breaking news**

Schwab and TD Ameritrade announced that they will no longer charge trading fees on equity (stock & ETFs) trades! Overall this is good news but we remain wary of how Schwab and TD will adjust to not having this revenue stream. As your fiduciary we will be monitoring this closely.

### **Office updates**

To accommodate our growth, we will be reconfiguring the office cubicles. At the same time, we will be changing our internet provider and phone service. This is all scheduled to happen mid-October. We are promised that there will not be any problems 😊 but if you try to call and the phone is not being answered then the best way to reach us is via email.

*"I don't believe people are looking for the meaning of life as much as they are looking for the experience of being alive."*

*-Joseph Campbell*