

# Flourish Wealth Management

## Quarterly Newsletter

### News from Flourish

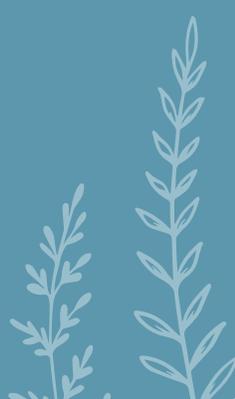
Autumn is in full swing and the change of seasons and chilling of the air brings about cinnamon smells, football, and cozy nights by the fire--for that we are grateful.

In the last three months we have had some wonderful things to celebrate! Kathy Longo was named one of [Investopedia's Top Financial Advisors of 2019](#). She also contributed her thought leadership to a marketing roundtable discussion with the Financial Planning Association and we celebrated the one year anniversary of [Flourish Financially](#)'s publication!

In this quarterly newsletter, we are sharing an article which offers advice on charitable giving. Whether it is monetary or the gift of your time, helping those less fortunate is altruistic and generous, but there are some things to look out for to make it effective for you and the organizations you support.

Director of Investments, Jay Pluimer, will also provide his quarterly market commentary and the quarterly market review. We hope you enjoy this quarter's newsletter and that it finds you and yours happy, healthy, and well-prepared for the cooler seasons!

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Q3 2019 QUARTERLY ARTICLE

## Four Tips for Increasing Your Generosity in Retirement

How to Give Back Without Jeopardizing Your Finances



**By: Kathy Longo, CFP<sup>®</sup>, CAP<sup>®</sup>, CDFAs<sup>®</sup>**  
**President & Founder**

Retirement should be a time of great fulfillment: an opportunity to live the most gratifying life possible, enjoying all that you worked so hard to achieve. For many retirees, charitable giving offers an especially meaningful way to utilize your assets and support organizations and causes you care about.

Of course, it's important to be smart about your generosity in retirement. The four tips below will help ensure that you can align your assets and your good intentions without jeopardizing your financial health.

### Study Up

Unfortunately, fraudulent non-profit activity happens, and even well-known charitable organizations are sometimes guilty of misappropriating donor funds. Before making a charitable gift to any organization, consider using Google and online watchdog databases to ensure the charity is well-run and can account for where their donor dollars go (examples that we recommend to clients include [charitynavigator.org](http://charitynavigator.org) and [guidestar.org](http://guidestar.org)).

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You should also consider how you'd like your dollars to be used. Larger non-profit organizations often need donor support to pay bills and fund employee salaries. If you feel good about helping an organization keep its doors open in this way, giving to a large charity may be right for you. However, if you prefer your dollars to be used in a more impactful way, you should consider giving to smaller non-profit organizations in your community.

A word of caution: online crowd-funding campaigns aren't subject to the same laws as registered non-profits, so it's best to steer clear of them unless you personally know the campaign organizers.

## Become a Volunteer

Many non-profit organizations, especially local ones, need extra pairs of hands even more than they need charitable dollars. If you've been looking for part-time work to fill your days and you aren't concerned about earning a paycheck, volunteering at a non-profit may be a great fit for you.

In addition to providing a needed service to a charity you believe in, you'll add structure to your days and make new social connections. This can increase your sense of purpose in retirement, and even positively affect your health. Plus, depending on your background and opportunities available, your volunteer work could be more valuable than a cash contribution.

## Share Your Knowledge

Over the course of your professional career you likely honed important skills that others in your community could benefit from. While a formal teaching position at a high school or community college isn't for everyone, you may be able to tutor on a smaller scale. If you're a whiz with numbers, for instance, you could be of great help to middle school students struggling with math. If marketing is where you excel, you could offer your assistance to a newly opened business in your community.

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Regardless of your area of expertise, there's bound to be a place for you to share it. Doing so can be a fantastic charitable outlet in your retirement years.

## Follow a Plan

Charitable giving makes us feel good – it's just human nature. However, it's important that you don't get caught up in allowing your generosity to force you into a dangerous place financially. Remember, the dollars you give away are coming from the same pool of assets that will pay your bills and keep you feeling secure for the rest of your life. Make sure you know your limits and don't be afraid to say 'no' when you need to.

If you're interested in making charitable contributions in retirement, please don't hesitate to reach out to your team at Flourish with questions. It's important to have a plan for sustaining your lifestyle while giving back, so let's work together on a financial plan that promotes both your generosity and your financial health in retirement.

## Market Commentary

### Third Quarter 2019



**By: Jay E. Pluimer, AIF<sup>®</sup>, CIMA<sup>®</sup>**  
Director of Investments

A variety of economic and political themes led to mixed stock market returns in the third quarter while bonds fared well. The most significant global issue continues to be the Trade War between the US and China which is estimated to detract over \$700 Billion from the global economy in 2019. A direct result of the Trade War, combined with a still evolving Brexit, has led to significantly slower growth in Europe including a large volume of negative

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interest rate bonds (meaning the investor is actually paying extra for the opportunity to buy a bond instead of receiving interest payments).

Slowing global growth has also led to increased concerns about a recession in the US which has been exacerbated by political disruption with a potential Presidential impeachment process, ongoing turmoil in the Middle East, and lack of progress on a variety of political initiatives. Despite all these issues US Large Caps had a positive quarter while US Small Caps had slightly negative returns along with International and Emerging Markets. All markets are in positive territory for the first nine months of 2019 and have successfully erased the losses from late 2018.

There are a few key investment themes that we will be monitoring over the next few months. The Trade War between US and China continues to be the most notable headline to watch because if the current tariffs stay in place (or increase) over the next few months that will create a difficult environment for growth. A wide variety of industries have been affected by the trade issues and the next set of tariffs would impact additional companies and consumers. Consumer spending continues to be one of the most important metrics to track as it drives over two-thirds of the US economy, so a more cautious or reluctant consumer has a significant effect.

The Federal Reserve has been proactively reducing interest rates in an effort to support consumer spending and maintain positive growth in the US, with at least one more rate cut expected before year-end with guidance for more in 2020. At this point valuations look appealing for Value and Small Cap stocks, both of which have significant upside opportunities as the market continues to move forward. We also see appealing investment opportunities in International stocks with the caveat that a strong US Dollar continues to be a headwind for those markets.

The next few months should be very interesting as all of these economic and political themes continue to build momentum, which could lead to more market volatility and additional reasons to keep a fully diversified investment portfolio with a patient approach to incorporate long-term investment strategies. Best wishes for a smooth transition into Fall with hopes for a positive global environment!

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For more information on investments and the markets this quarter you can look at our [Quarterly Market Review](#).

## CONCLUSION

As always, we are here to listen to our clients and share our perspective. We hope that our newsletter and articles provide you with inspiration and useful information. We encourage you to share our resources with family and friends who you think would benefit from them. Happy Fall!



**Sincerely,**

Kathy Longo & the Flourish Team

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