

# Safe Money News and Facts You Should Know!

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## Hank's Thoughts – Safe Alternative Investments Throw Wall Street A Curve Ball!

Wow, where has the time gone! Easter is over and Christmas is coming fast with an election sandwiched in between. It's been about 4 months since I've written a Safe Money newsletter. I have continued to keep in touch, and tried to help you think about your money with brief updates via email.

Because of stock market volatility, I have been busy helping more people get peace of mind they will not lose a truck load of money like many did in 2008 and previous downturns. Additionally, several relatively unknown strategies give you the potential to make more money over the long haul than stocks and mutual funds in the current environment, without all the hand wringing worry and concern.

In the midst of all this activity, Kay and I did take some time off. We took a belated Caribbean cruise in January to finally celebrate our 50th wedding anniversary. A few weeks ago we went to Branson, Missouri for a church conferences.

We spent the first few days in Branson enjoying the mountainous terrain. Most of the roads are either going up or going down, as you go from mountain to mountain. This is much like the Wall Street roller coaster ... you end up at about the same elevation with a lot of wear and tear on your vehicle. Can't imagine the ride during a snow and ice winter storm.

We took a scenic train ride through the mountains and had lunch at a beautiful lodge called Top of the Rock with uninterrupted views of the Ozark Mountains, a huge lake and a PGA

*(Continued on page 2)*

## Is Guaranteed Income for Life Necessary?

A long time ago in a galaxy far, far away, people like my Dad relied on a three-legged stool to help them navigate the financial universe in retirement: A pension, Social Security and their own savings/investments.

But in our galaxy, traditional pensions are disappearing, longevity is rising and investments have been inadequate for many. Assuming Social Security will be around, a new leg has been added to support the stool. It's called "Work" ...working past traditional retirement age.

While this can provide some time to catch up on retirement savings, most won't be able to work for the rest of their life due to employment environment, antiquated skills or health issues.

My Dad was one of the 55% in 1975 who had a pension. I don't ever remember him saying his pension would decrease because the stock market had a bad year, nor was he fearful or concerned that it would, because his lifetime income was guaranteed.

This cushioning effect of guaranteed lifetime income allowed retirees to feel more secure and happier in retirement.

When companies and governments quit the pension business, they threw the responsibility for retirement planning back to us. Instead of planning for a retirement which would provide lifetime income for at least our essential expenses, we focused on "growing our nest eggs," as if it's a one-time event where it hatches.

That's not what most of us need. **We need income!**

We don't want to fill out employment applications in Wal-Mart in our 70s, or have to ask our kids for help.

*(Continued on page 3)*

# More Interesting Facts *you* Should Know!

## Hank's Thoughts (Continued from page 1)



golf course. After lunch we took a nature trail ride in a golf cart ... up and down the mountain through caves enjoying some of the most breathtaking scenery in Missouri.

All this is fun in the spring, but can be dangerous in the winter. The financial markets have seasons also. The sky rocketing market of the 80's and 90's exploded with the dot-com storm in 2000.

This market was fueled by Baby Boomers throwing money into stocks and mutual funds. After the 2008 crash many have been pulling money out of the market to live on. This has created a "New Normal" economy. The risk/reward ratio has changed drastically.

The trending market of the roaring 90's has been replaced by a choppy trading market fueled by large financial institution computer trading and Government intervention.

To see what that means to you, let's take a look at **actual** data of the three major indexes which are the primary components of most retirement portfolios. The following chart

Index	Jan 1, 2000	Jan 1, 2015	Total Gain	Avg Per Yr
DOW	\$11,497	\$17,823	55%	3.7%
S&P	\$1,982	\$2,037	2.8%	0.18%
Nasdaq	\$4,131	\$4,760	15.2%	1.01%
Average			24.33%	1.63%

shows the factual average annual gain over this 15 year period starting in 2000. Using an equal weighting, this stock market engine had an average annual gain of 1.63%. If you made no additional contributions or withdrawals, a \$100,000 account would have grown to only \$124,330 in 15 years.

I realize Wall Street, the media and perhaps your financial advisor have led you to believe a rosier picture.

***Is this acceptable growth for a long term retirement plan that you will need to live***

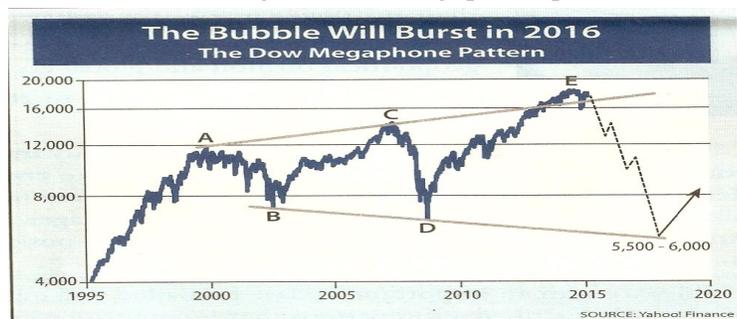
*on for an uncertain number of years?*

So...what's next? The following chart, using the same

Index	Jan 1, 2015	Jan 1, 2016	Total Gain	1st Qtr 2016
DOW	\$17,823	\$17,425	-2.2%	1.5%
S&P	\$2,059	\$2,043	-0.78%	0.78%
Nasdaq	\$4,791	\$5,007	4.5%	-2.74%
Average			0.5%	-0.46%

scenario, shows 2015 finished the year with a composite growth of 0.5%. The first quarter of 2016 washed out this gain with a 0.46% loss.

Some experts say the stock market will crash in 2016. Harry Dent, who has predicted several booms and busts, has been monitoring the Dow Megaphone pattern for



years. Dent calls this an obvious pattern hardly anyone is talking about, which has peaked. A similar pattern for the S&P 500 with tops in 1965/68/72 ended with the nasty 1973/74 crash ... the worst since the 89% decline during 1929-1932. Dent is predicting a 70% drop this time.

Alan Greenspan, who was Chairman of the Federal Reserve over a span of 20 years, says a financial disaster is imminent. The mainstream media is ignoring him because the powers to be want us to believe the economy is fine. Unemployment may be down, but so is productivity growth and GDP. The bottom line is that there is too much debt and not enough growth.

Many investors **hope** the market will increase significantly. Many professionals think we will see a sideways market for many years to come. Do you see reasons why the market will have significant growth?

***None of us have a crystal ball, but does it make sense to risk losing 30%...40%...50% of the money you're counting on for "Essential Expenses", like food and shelter, when there are safe solutions which have the potential of 100%...300%...500% more growth than the last 16 years in the stock market?***

**If anything here resonates with you, call me at (888) 820-SAVE and let's talk.**

# This news is all about you...

## Monthly Quiz

1. In which year did Foinavon win the Grand National?
2. Which children's classic book was written by Anna Sewell?
3. On TV, who did the character Lurch work for?

*(Answers found on page 4)*

## Thoughts for the Month

"The greatest accomplishment is in never falling, but in rising again after you fall."- **Vince Lombardi**

"We all have possibilities we don't know about. We can do things we don't even dream we can do." -**Dale Carnegie**

Winning means being unafraid to lose." -**Fran Tarkenton**

## Did You Know?

- Armadillos have 4 babies at a time and are all the same sex
- Reindeer like bananas
- The longest recorded flight of a chicken was 13 seconds
- Birds need gravity to swallow
- The most commonly used letter in the alphabet is E

## Guaranteed Income for Life (Continued from page 1)

We could build our wealth to some pre-determined point, and then start drawing down the value over time. But how much should we have, and what rate do we spend it?

And long before we answer these questions we have to actually build the wealth without losing it to market fluctuations.

Now is the time to get a "Personal Pension." True pension plans with guarantees are provided by large financial companies ... not Wall Street, which provides **no** guarantees. They work like corporate pension plans of old. Instead of you doing the work to build your account value, your money works for you to grow your account value ... in some cases at a guaranteed 5-6% annual rate.

For example, Tom at age 55 realizes he can't afford to retire at 65. He plans to work until age 75 and try to catch up. The good news is he caught up from the 2008 market crash and has \$200,000 in an IRA. He believes the market is very risky and current returns are near break even. He doesn't want to risk repeating this cycle.

So, Tom puts the \$200,000 into a personal pension with a guaranteed compounded growth of 5.5% and knows up front he will have a \$37,183 annual income for life, no matter what the stock market does. This is in addition to Social Security and whatever he saved during the remainder of his work years.

Tom now has three legs under his retirement stool. When he saw his stool was going to fall over because he didn't have a pension, Tom propped it up with the new "Work" leg and created his lifetime pension income leg.

While not many of us will make it past 100 years old, you just might. Centenarians are an expanding group. A man reaching age 65 today can expect to live, on average, until age 84.3 ... women to age 86.6.

If a personal pension sounds like a good fit for some of your money, you need to act fast.

Because life expectancies are increasing and projected market returns are decreasing, financial institutions are decreasing guaranteed growth and lifetime payout percentages based on age. In fact, Tom's lifetime pension would have been about \$43,000, if he had set up a personal pension contract a year ago.

*It's important to note that this a contract, which means Tom's projected lifetime pension income will not change, even if the markets averages negative returns over the next 15 years.*

***Please call me at (888) 820-SAVE for more information***

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Helping You Think About Your Money ... And Make Smart Choices To Protect Your Hard Earned Assets.



"I MET SOMEONE WONDERFUL IN A CHAT ROOM...  
AND THEN I FOUND OUT SHE'S A CAT!"

## Find the proper balance for your work and your life

The balance between work and life can be difficult to achieve, but it's worth the effort for you and your family—and ultimately for your career. When you're healthy and relaxed, you'll do better at work and feel better at home. Here are some tactics for finding the right balance:

- **Define balance in your own terms.** Don't try forcing yourself to split your time in precisely equal amounts between your family and your work. Decide what your priorities really are so you can arrange your life in a way that works for you.
- **Just say no.** Once you've evaluated your priorities, give yourself permission to say no to "opportunities" that will disrupt your balance. This may mean learning some negotiation skills so you can bargain with others at work for flexibility: Perhaps you can compromise on an assignment's scope, or share chores with your partner.
- **Make personal appointments.** Don't fill your time with work commitments alone. Make dates with yourself or your family to do things that promote the kind of balance you want to achieve—going out to dinner, seeing a child's play, or just getting away for a weekend.
- Find a job you love. If you hate your job, your life will suffer no matter how hard you try to achieve balance. Think about what you like in your current job, and what you'd like to do more of.

### Answers to Quiz

1. 1967
2. Black Beauty
3. Addams Family

## Thank You for Your Referrals

There's no question I have the BEST customers on the entire planet.

I want to thank those who have enough confidence in me to recommend my services to help their family and friends.

Although we focus on protecting and optimizing your retirement plan, I want to give a special THANK YOU to those who have recommended me to help your family and friends with their Medicare options.

There are 10,000 Baby Boomers turning 65 every day who are more confused about Medicare than their retirement plan. Because of its importance in your overall retirement picture, we want to help them cut through the smoke and make the right choices to protect the nest egg they have already earned!

*I'm happy to assist you or anyone in your circle of family and friends with education and getting enrolled in the financial or Medicare plan that's optimum for them. Just have them call me.*

**Thank you soooo much!**

**Disclosure** - Information provided in this article does not constitute legal, taxation, or investment advice. Please check with a qualified tax advisor when making financial decisions.

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