

Participant Corner

Tips to Weather a Turbulent Market

The Month in Brief

Wall Street maintained its optimism in September. While trade worries were top of mind for economists and investors overseas, bulls largely shrugged at the prospect of tariffs and the probability of another interest rate hike. The S&P 500 rose 0.43% for the month. On the whole, U.S. economic indicators were quite good, and some offered pleasant surprises.¹

| % CHANGE | Y-T-D | 1-YR CHG | 5-YR AVG | 10-YR AVG |
|------------|-----------|----------|-----------|------------|
| DJIA | 7.04 | 18.22 | 14.68 | 15.53 |
| NASDAQ | 16.56 | 24.68 | 22.56 | 30.56 |
| S&P 500 | 8.99 | 16.09 | 14.45 | 16.34 |
| REAL YIELD | 8/31 RATE | 1 YR AGO | 5 YRS AGO | 10 YRS AGO |
| 10 YR TIPS | 0.91% | 0.44% | 0.46% | 2.03% |

Sources: barchart.com, bigcharts.com, treasury.gov – 9/31/18^{1,18,19,20}
Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends. 10-year TIPS real yield = projected return at maturity given expected inflation.

MONTHLY QUOTE

“The end result of kindness is that it draws people back to you”

- Anita Roddick

MONTHLY TIP

Life insurance proceeds normally pass to beneficiaries without being taxed. There is one notable exception: if a policy is transferred between business owners to fund a buy-sell agreement, its tax-exempt status may be lost.

MONTHLY RIDDLE

A thief steals \$100 from a cash register at a store. An hour later, he returns with the same \$100 and buys \$70 worth of goods, receiving \$30 back in change. How much does the store ultimately lose to the thief?

Last month's riddle:

Two parents have four girls, and each girl has one brother. Given this, how many people are in this family?

Last month's answer:

Seven people: two parents, four sisters, and one brother.



Tips to Weather a Turbulent Market

With the recent market volatility, it's understandable that you may be concerned about your investments. Volatile markets can make you wonder if you're on track to meet your retirement goals. Don't be discouraged and most of all, don't panic. Instead, be proactive! Consider the following steps you should be taking in both up and down markets:

1. **Review Your Portfolio.** Know your investment mix and be sure you are invested in the appropriate asset classes (based on your risk tolerance and time horizon to retirement). Times like these reinforce the need to diversify (while diversification does not guarantee against loss of principal, it can help spread your risk among different asset classes and market segments).
2. **Check Your Contribution Rate.** How much you contribute each month can directly impact how much you will have at retirement. Have you done a retirement needs calculation? Do you know how much you should be contributing each month to reach your goal? Are you increasing that amount each year or more often based on your income and age?
3. **Rebalance.** This will readjust your portfolio back to your original investment strategy attempting to "sell high and buy low." Essentially, when you rebalance, you tend to sell some appreciated assets and purchase others with lower valuations. Regular rebalancing (as a rule of thumb, at least once a year) may increase the overall return of your portfolio over time.
4. **Consult with a Professional.** Don't go it alone. Financial planning resources are available through our retirement plan advisor.

Remember, staying invested in times of market turbulence will help you participate fully in potential market gains. While there is never any certainty in the market, it is worth noting that some of the sharpest market declines were followed by steep rebounds. History has taught us that volatility is to be expected. The implications surrounding the current turmoil should call on plan participants to focus on what they should otherwise be doing on a regular basis.

Disclosures:

In addition to the options listed here, there may be other options available. You should also consider your other options before rolling over retirement savings. Consider the differences in investment options, services, fees and expenses, withdrawal options, required minimum distributions, other plan features, and tax treatment. This material is not intended to replace the advice of a qualified attorney, tax advisor, investment professional or insurance agent. This is a hypothetical illustration and does not represent an actual investment. There is no guarantee similar results can be achieved. If fees had been reflected, the return would have been less.

This material is not intended to replace the advice of a qualified attorney, tax advisor, investment professional or insurance agent. Securities offered through Kestra Investment Services, LLC (Kestra IS), member FINRA/SIPC. Investment Advisory Services offered through Kestra Advisory Services, LLC, (Kestra AS) an affiliate of Kestra IS. Kestra IS and Kestra AS are not affiliated with Capstone Retirement Group, LLC. This material was prepared by MarketingLibrary.Net Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. All information is believed to be from reliable sources; however we make no representation as to its completeness or accuracy. Please note - investing involves risk, and past performance is no guarantee of future results. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such. All indices are unmanaged and are not illustrative of any particular investment.

Citations Economic Section:

1 - markets.wsj.com/us [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=9%2F28%2F17&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=9%2F28%2F17&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=9%2F28%2F17&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=9%2F27%2F13&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=9%2F27%2F13&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=9%2F27%2F13&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=9%2F29%2F08&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=9%2F29%2F08&x=0&y=0 [9/28/18]

18 - bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=9%2F29%2F08&x=0&y=0 [9/28/18]

19 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield [9/28/18]

20 - treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll [9/28/18]

About Capstone Retirement Group

Capstone Retirement Group is a professional retirement plan consulting firm. We partner with plan fiduciaries to identify and implement the optimal retirement plan for their organization.

7777 Leesburg Pike, Suite 301N
Falls Church, VA 22043
Tel: 703.291.8200
Fax: 202.747.5267
Email: twall@capstoneRG.com

Securities offered through Kestra Investment Services, LLC (Kestra IS), member FINRA/SIPC. Investment Advisory Services offered through Kestra Advisory Services, LLC, (Kestra AS) and affiliate of Kestra IS. Kestra IS and Kestra AS are not affiliated with Capstone Retirement Group, LLC.. This e-mail message and all attachments transmitted with it may contain legally privileged and/or confidential information intended solely for the use of the addressee(s). If the reader of this message is not the intended recipient, you are hereby notified that any reading, dissemination, distribution, copying, forwarding or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately and delete this message and all copies.