

As we reflect on the year 2019, we are humbled and blessed to be on this journey with you and your family. 2019 certainly had its dark clouds; with both Federal Reserve and China tariff uncertainties, and even a smattering of recession fears. And yet as I sit here today, the first day of 2020, sunshine is streaming in the window.

Looking back the clouds don't seem quite so dark, and the skies seem fair ahead. A client recently asked if the will market fall again. The answer to the question is, yes, corrections happen. We don't know when, and there will most certainly be periodic market pullbacks during the year as investors, for one reason or another, withdraw from markets. There have always been reasons to not invest; some being global crises including political, economic, and natural disasters. Fears of an economic slowdown in the United States; and our own political uncertainty are also issues. However, markets have always recovered and risen to new highs. We expect this to continue now, and into the future.

We are fundamental investors who believe that the tortoise wins the race. We know wealth accumulation takes time and patience. We do not believe in chasing fads or striving to outperform this benchmark or that index. Rather, we build and manage a well thought out portfolio tailored specifically for you, based on your goals and objectives, risk tolerance and time horizon. We are constantly researching and monitoring your investments to make sure they are the most suitable for your investment needs.

Another question frequently asked is, "How will the presidential election later this year affect the market?". Given the last presidential election, we may not know the answer to who will be the president until the day after the election. We will continue to monitor the 2020 presidential election and adjust if needed.

[Merger with Charles Schwab](#)

A definitive agreement was reached for Charles Schwab to acquire TD Ameritrade in late November 2019. The merger will have no immediate impact. Until the transaction is complete, sometime in

the second half of 2020, both companies will remain separate. We will keep you informed as we receive information.

[Secure Act](#)

The Setting Every Community Up for Retirement Enhancement Act, better known as the SECURE Act, was signed on Friday, December 20, 2019. We are all working to update the changes the law made for 2020.

Per TD Ameritrade:

“Starting January 1, 2020, clients will need to start withdrawing money from their traditional IRA at age 72, a change from the current withdrawal requirement of age 70½.

If your clients turn 70½ in 2019, they will still need to take their RMD for 2019 no later than April 1, 2020. If clients are currently receiving RMDs (or should be) because they are over age 70½, they must continue taking these RMDs. Only those who will turn 70½ in 2020 or later may wait until age 72 to begin taking required distributions.”

Another important change is for non-spouses who inherit an IRA account from a person who passes away in 2020. Those non-spousal inherited accounts now must be distributed within 10 years.

[2019 Capital Gains in Taxable Accounts](#)

For those of you with taxable accounts (non-retirement accounts), you will likely be reporting significant capital gains on your 2019 tax return. We have had a very good year, as you will see on your report. If the taxable gains cause your tax bill to be excessive, please do not worry or stress. You may request a distribution from the account that caused the problem, to solve the problem.

Be patient, stay invested, be rewarded.

We are here for you. Any time you have questions, please do not hesitate to call.