



For the Week of December 21, 2020

THE MARKETS

The Dow Jones, S&P 500, and NASDAQ fell Friday, after all three indices briefly reached records earlier in the day. Investors balanced prospects of a stimulus package, Tesla's entrance into the S&P, an unexpected rise in jobless claims, and vaccine rollouts. For the week, the Dow rose 0.46 percent to close at 30,179.05. The S&P gained 1.29 percent to finish at 3,709.41, and the NASDAQ climbed 3.07 percent to end the week at 12,755.64.

Returns Through 12/18/20	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.46	8.19	9.34	9.28	14.72
NASDAQ Composite (TR)	3.07	43.41	45.81	23.42	22.29
S&P 500 (TR)	1.29	16.88	18.39	13.47	15.37
Barclays US Agg Bond (TR)	-0.08	7.12	7.37	5.24	4.31
MSCI EAFE (TR)	2.01	6.98	7.83	4.25	7.66

Source: Morningstar.com. *Past performance is no guarantee of future results. Indexes are unmanaged and cannot be invested into directly. Three- and five-year returns are annualized. The Dow Jones Industrials, MSCI EAFE, Barclays US Agg Bond, NASDAQ and S&P, excluding "1 Week" returns, are based on total return, which is a reflection of return to an investor by reinvesting dividends after the deduction of withholding tax. (TR) indicates total return. MSCI EAFE returns stated in U.S. dollars.

Start Saving Now — A child born in 2020 who begins kindergarten in the fall of 2025 would attend college between the years of 2038 and 2042. If that child attended an average public in-state four-year college and if the annual price increases for public colleges that have occurred over the last 30 years (5 percent per year) continued into the future, the aggregate four-year cost of the child's college education (including tuition, fees, room, and board) would be \$231,779 or \$57,945 per year (source: College Board, BTN Research).

Taxes — The top 3 percent of U.S. taxpayers in tax year 2018 reported at least \$286,106 of adjusted gross income (AGI) but paid 53 percent of all federal income tax. The 97 percent of taxpayers who reported less than \$286,106 of AGI paid the remaining 47 percent of federal income tax that was collected in tax year 2018 (source: IRS, BTN Research).

One Percenters — To rank in the top 1 percent of U.S. taxpayers for the 2018 tax year required adjusted gross income (AGI) of at least \$540,009. That highly paid group received 21 percent of all AGI reported nationwide, but they also paid 40 percent of the federal income tax that was collected (source: Internal Revenue Service, BTN Research).



WEEKLY FOCUS – Protecting an Aging Parent From Fraud

As a youngster, your parent warned you not to trust strangers. When your parent grows older, it's time to return the favor. Seniors are frequent targets for financial scams. Many have considerable assets and excellent credit. Growing up, they were taught to be polite and trusting. Loneliness and too much free time can cause them to listen to pitches, read direct mail pieces, and check out unsolicited emails. Due to impaired hearing, they may believe a stranger on the phone posing as a grandchild who needs help with an unexpected expense. They are also less likely to report a crime.

Some of the most common cons involve fake cemetery plots or funeral arrangements, counterfeit medications, worthless anti-aging products, phony charity appeals, home repair fraud, lottery scams, investment schemes, and a thief posing as a Medicare representative to obtain personal information.

Years ago, your parent did their best to keep you safe. Now, there are things you can do to protect them. Visit your parent regularly. Get involved with their finances and review statements. Use a credit monitoring service. Add them to the Do Not Call registry and ask them to be extremely skeptical of telemarketers who still call.

Urge your parent not to give personal information to strangers or to make quick financial decisions, especially when pressured. Ask them to share requests and solicitations, so you can look into them. If they express enthusiasm about a risky investment, ask if they think you should participate; this may cause them to view it more objectively. After your parent receives a questionable call or letter, discuss potential red flags.

Know who they see and talk to. Carefully screen home caregivers. And to be extra safe, lock your parent's driver's license, valuables, and credit cards in a safe. This also provides a safeguard from persons hired to make necessary home repairs. Ask questions if they become withdrawn. If they've been victimized, encourage them to alert authorities to protect others.

Approaching an aging parent about their ability to keep making wise financial decisions can be difficult. We can help by creating opportunities to educate your parent about potential dangers and encouraging them to take steps to prevent future problems. Call our office to schedule an appointment to discuss multi-generational topics and best practices.



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* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Morgan Stanley Capital International Europe, Australia and Far East Index (MSCI EAFE Index) is a widely recognized benchmark of non-U.S. stock markets. It is an unmanaged index composed of a sample of companies representative of the market structure of 20 European and Pacific Basin countries and includes reinvestment of all dividends. Barclays Capital Aggregate Bond Index is an unmanaged index comprised of U.S. investment-grade, fixed-rate bond market securities, including government, government agency, corporate and mortgage-backed securities between one and 10 years. Written by Securities America, Copyright December 2020. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#3378257.1