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Quarterly Investment Newsletter



WEALTH MANAGEMENT
M I D W E S T I N C

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As I See It

“The real key to making money in stocks is not to get scared out of them.”
Peter Lynch

They say April showers bring May flowers. Well, after a lot of showers and storms over the past year, flowers are starting to bloom and things are looking a lot better.

Last month marked the one-year anniversary of the bottom of the vicious pandemic-induced bear market for the S&P 500 Index. Despite the turmoil of the past year, investors who did not get scared out of stocks have had a lot to smile about. The S&P 500 completed its greatest one-year rally from a bear market low in history, gaining nearly 75% as the arrival of vaccines facilitated the reopening of the economy.

While the first year of a new bull market can provide a relatively easy investing environment, year two of that bull market has a knack for challenging investors. That second year has still historically provided solid returns for stock investors, yet often comes with greater volatility. In fact, stocks have never been lower during the second year of a new bull market. But gains over the next year may not come as easily considering the average pullback in that second year following a 30% bear market has been more than 10%.

However, there continues to be plenty of reasons to remain positive on the investment landscape going forward. It may be early to declare victory against COVID-19, but significant progress in that battle has been made this year, even in the face of new variants. According to the Centers for Disease Control and Prevention (CDC), half of the U.S. population above the age of 65 has been fully vaccinated, while a third of the total population has received at least one dose of the vaccine. We expect this trend to accelerate in the coming weeks, as many millions more Americans become eligible.

The progress against the virus combined with historic stimulus measures have certainly helped the U.S. economy emerge from the shadow of the pandemic. Roughly \$1.9 trillion in pandemic relief was signed into law on March 11, including additional direct payments to households to help provide a bridge to the end of the pandemic. A \$3 trillion infrastructure bill could be coming later this year, which would represent yet another shot in the arm to the economy.

Sir John Templeton once said, “People who think they know all the answers probably don’t even know the questions.” We don’t have all the answers, but

As I See It Continued on Page 2

As I See It-Continued From Page 1

we do know that the battle with COVID-19 is likely winding down, the U.S. economy could see its best year of growth since 1951, and we should continue to see benefits from record monetary and fiscal stimulus. These developments are likely to provide the ingredients for solid stock market gains through the remainder of the year.

Let's stay healthy and positive, please contact me if you have any questions.

Sincerely,

DEP

David Purdy

Important Information: This material is for general information only and is not intended to provide specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors or will yield positive outcomes. Investing involves risks including possible loss of principal. Any economic forecasts set forth may not develop as predicted and are subject to change. References to markets, asset classes, and sectors are generally regarding the corresponding market index. Indexes are unmanaged statistical composites and cannot be invested into directly. Index performance is not indicative of the performance of any investment and do not reflect fees, expenses, or sales charges. All performance referenced is historical and is no guarantee of future results. All data is provided as of April 1, 2021. Any company names noted herein are for educational purposes only and not an indication of trading intent or a solicitation of their products or services. LPL Financial doesn't provide research on individual equities. All index data from FactSet. This Research material was prepared by LPL Financial, LLC. All information is believed to be from reliable sources; however, LPL Financial makes no representation as to its completeness or accuracy.



Quote Of The Quarter

“Make deposits in other people’s buckets and the universe has your back”

Ron Carson



The new AccountView mobile App and desktop portal offers enhanced security with 2- factor authentication. We are making it easier to view what is most important on the go with the mobile app. The New AccountView 2.0 has an enhanced dashboard making it easier to get the information you are looking for and stay up to date with your short-term and long-term goals, along with many other great features.



If you are interested in this new platform, please contact Kayla at kayla.hauble@lpl.com, Danielle at danielle.urman@lpl.com or call 651-464-2664, and we can help enroll you.



New for 2021!!
Stop by the office to try one of our gourmet Fortune Cookies. They are at the front desk and they are fabulous!

Food for Thought From the Desk of Chad Olson, President/Operations Manager



Do You Know The Difference Between Being Rich And Being Wealthy?

In his recent new book "The Psychology Of Money", Morgan Housel tells the story of a technology multimillionaire who handed a hotel valet thousands of dollars in cash to go buy fistfuls of gold coins, who then flung the \$1,000 coins like skipping stones into the Pacific Ocean one at a time "just for fun". By contrast, another man spent his career pumping gas and working as a janitor... and after he died at the age of 92, left more than \$6M to local charities because he had scrimped and put every spare penny into stocks that he held for decades. Which helps to highlight how creating and accumulating wealth is less a test of intelligence than a test of character; the janitor was far better at deferring gratification, and "didn't need to spend big so other people wouldn't think he was small", which led him to a superior financial outcome (as the tech millionaire did in fact ultimately go broke). Similarly, it's notable that even as many view Warren Buffett as a brilliant investor, the reality is that a significant portion of his wealth is simply a function of compounding over very long periods of time... as Buffet turned 90 last August, but in practice accrued more than 95% of his wealth from the compounding on his portfolio *after* he turned age 65, and if had earned his world-beating returns for "only" 30 years, he would be worth 99.9% less than he currently is! Which means that, in the end, the secret to being rich (like the multimillionaire) may be about having a high income, but the secret to being *wealthy* is about having the freedom, and the ability, to choose *not* to spend money (as did the janitor, and Warren Buffett). Thus, why many rich people aren't wealthy, and why many can accumulate wealth even without ever being rich.

Source: www.wsj.com 2021

5 Simple & Effective Ways to Declutter Your Financial Life this Spring

1.) Organize Your Documents & Accounts

Do you have piles of statements or documents piling up? Go through them and decide: Can I set up paperless statements or billing to reduce the clutter? Do I actually need to keep this? If so, back it up digitally and file it away. Shred everything else. Next, review your accounts. Do you have bank, credit, or other accounts you haven't used in months? If you're paying fees for those, consider closing them.

2.) Review Your Beneficiaries and Estate Plan

We recommend reviewing your beneficiaries and estate documents regularly so that you can make sure the people, trusts, and institutions you have listed still represent your wishes.

3.) Update Your Subscriptions

Digital clutter can be just as stressful as physical clutter. And our inboxes are usually ground zero for the digital clutter we have to face daily. If your inbox is overflowing, identify any subscription, or promotional messages you haven't opened in a couple of months and unsubscribe from them. As you do this, organize and/or archive any emails you need to save. Also, take a look at your other subscriptions. Review the ones you have for software, magazines, memberships, or other items. Cancel the ones you don't need or use.

4.) Go Over Your Insurance Policies

When's the last time you reviewed your insurance policies? Life, health, and disability policies often get regular attention, but your auto, homeowner's, and other policies need a review as well. Meet with your agent for a complete review.

5.) Check in on Your Financial Goals

Financial spring cleaning isn't just about removing clutter and setting up systems. It's also about restoring clarity and reconnecting with the purpose of your financial life. Take some time to revisit and reflect your financial goals and how they connect to your values. Are you still working toward the same desires? Do you need to update them or add new ones?

Source: Financialinsights.net



You can now ZOOM with us for your annual strategy meeting!

We are doing meetings in the office with social distancing. For those of you who would prefer not to meet in person, we are happy to do telephone meetings at your convenience and for those of you who would prefer a ZOOM meeting, we are now doing that! Your personal health is our number one concern. Please don't hesitate to reach out to us with any ques-

tions or concerns. We are always here to help you!

Use **Zoom** because it's easy and free **Zoom** is the leader in modern video communications. All you need is a cell phone, tablet or computer with a video camera. I am happy to walk you through the set up for a ZOOM meeting. Please reach out to me if you would like more information or schedule a ZOOM meeting. I am happy to teach you how to ZOOM with your family and friends too. This is so much fun! Please contact me at 651-464-2664 or at danielle.urman@lpl.com to get started.



**Partnership Anniversary
20 years with LPL**



We were surprised and grateful for receiving this framed photograph of Eddie Van Halen from the LPL Team congratulating us on our recent 20th WMM anniversary of our LPL Financial partnership. It was a fantastic decision 20 years ago to become a fiduciary, eliminate all client conflict of interest, and offer truly objective investment advice via the LPL platform.

**The six main value propositions that
Wealth Management Midwest provides:**

Organization. We will help bring order to your financial life, by assisting you in getting your financial house in order (at both the "macro" level of investments, insurance, estate, taxes, etc., and also the "micro" level of household cash flow).

Accountability. We will help you follow through on financial commitments, by working with you to prioritize your goals, show you the steps you need to take, and regularly review your progress towards achieving them.

Objectivity. We bring insight from the outside to help you avoid emotionally driven decisions in important money matters, by being available to consult with you at key moments of decision-making, doing the research necessary to ensure you have all the information, and managing and disclosing any of our own potential conflicts of interest.

Proactivity. We work with you to anticipate your life transitions and to be financially prepared for them, by regularly assessing any potential life transitions that might be coming, and creating the action plan necessary to address and manage them ahead of time.

Education. We will explore what specific knowledge will be needed to succeed in your situation, by first thoroughly understanding your situation, then providing the necessary resources to facilitate your decisions, and explaining the options and risks associated with each choice.

Partnership. We attempt to help you achieve the best life possible but will work in concert with you, not just for you, to make this possible, by taking the time to clearly understand your background, philosophy, needs and objectives, work collaboratively with you and on your behalf (with your permission), and offer transparency around our own costs and compensation.

Where is Your Best Place to Retire?

The best place to retire in the United States is in dispute. There's no formal debate, but a review of reliable publications showed surveys have named different states and cities as the "best" place to retire. For instance:

- ◆ **Iowa** was #1 in a best places to retire survey cited by *Yahoo! Money*.
- ◆ **Fort Myers, Florida** was #1 in the ranking from *U.S. News & World Report*.
- ◆ **Athens, Georgia** was the first name on a list of 25 places that are all the best, according to *Forbes*.
- ◆ **Catalina Foothills, Arizona** topped *Money.com's* list of eight equally best places to retire.

In 2019, *Kiplinger* offered a list of the 50 best places to retire. There was one in each state.

It begs the question, doesn't it? How can there be so many 'best' places to retire? The answer is it all depends on the criteria used to make the determination. If you plan to move and start life in a new place during retirement, there are a variety of factors to consider. Some are general, like cost of living, state tax rates, and healthcare services. Others are personal, like livability or proximity to children and grandchildren.

Here are a few of the issues to consider when deciding where you'll spend retirement:

Cost of living. Affordability is an important consideration. The cost of living – the amount needed to pay for basic expenses like housing, transportation, groceries, and healthcare, varies significantly from state to state and city to city.

Taxes. There is a lot to think about when it comes to taxes.

Livability. It's a catch-all category that speaks to quality of life. For instance, how does the crime rate compare to other places? Can you get around without a car? Is it easy to walk or bike around town? Are there opportunities to take advantage of continuing education? What types of cultural events and entertainment are available?

Availability of healthcare. If your list of possible retirement locales is comprised primarily of cities, healthcare services may be readily available to you. If your preference is for more remote locations, it will be important to investigate the availability of healthcare services.

Weather. If you hate the cold, North Dakota will never be the best place for you to retire. Similarly, if you hate heat, Arizona may not be the most desirable choice.

The bottom line is the best place for you to retire is the place that meets your criteria. The first step in finding your 'best' place to retire is to know yourself and your spouse and what will be important to you in retirement. If you would like to discuss the financial aspects of retirement, give me a call. I'd be happy to talk with you.

Source: yahoo.com

How to Make Giving Back Routine

Albert Einstein once said, "It is every man's obligation to put back into the world at least the equivalent of what he takes out of it." While I agree with him, I also understand how easy it is to become overwhelmed (or at least a little confused) when deciding what shape philanthropy or contribution might take for you.

The benefits of giving back are well-supported by research. The Science of Generosity initiative, a comprehensive review of more than 500 studies on giving, found that givers experience countless benefits as a positive side effect of philanthropy.

We all know we should give back, but making it routine can be hard when we're unsure what to support, where to give or how much is appropriate. Here's how to get started.

Identify your cause.

Ask yourself these questions to figure out what cause speaks to you most.

- *What social, political, environmental, or logistical problem do I want to solve?*

- *We all have a cause or concern that is dear to us. The trick is figuring out how you can leverage yours to connect your heart and your hands.*

Once you're ready to begin giving, keep in mind that your contributions don't need to be astronomical. Micro-philanthropy is the practice of leveraging charitable donations made in smaller increments. This could mean anything from 25 cents to \$10 or \$200.

Micro-giving can take many forms, from \$1 Red Cross pledges at the grocery store checkout to event sponsorships like dollar-per-mile 5K races.

To figure out the right type of micro-philanthropy for you, ask yourself these questions:

- *What is the best use of my time, talent, network or resources?*

- *What community project could I contribute to?*

- *Does my organization have a company-sponsored event or donation-matching program?*

- *Is there someone I could mentor?*

Thinking about giving back in this way makes philanthropy more affordable, relatable and attainable.

The tennis legend Arthur Ashe put it best when he said, "Start where you are. Use what you have. Do what you can."

Source: Success.com



Dave Purdy



Happy spring everyone! This is the first winter I can remember that we didn't do any traveling to a warmer climate. On March 11, we celebrated my mother's birthday at the Minikahda Club in Minneapolis. We had a wonderful visit and great dinner. The atmosphere there is fantastic and the history of the club dates back to 1898. Absolutely the perfect place for such a celebration. I feel blessed that my mother is happy, healthy, and living independently. We have several dog shows scheduled that have already started and in June I am looking forward to a motorcycle trip with my younger brother Eric where we will travel around the Midwest and ride the backroads. I think that's why I am extra excited for springtime. I look forward to being in touch!

This spring has been a fun time for me and my family. My sister, Kerstin and I had a girl's trip to Colorado recently. We had a great time, and I was happy to spend some quality time with her and take in the sites of beautiful Breckenridge. Currently, Ben and I have been planning our wedding and we are getting extremely excited to be Husband and Wife. This has been a truly fun time in my life, and I cannot wait to see what's next! Wishing you all the best and happy spring. To new beginnings!



Kayla Hauble

Danielle Urman



Happy spring! I hope everyone is doing well. I sure miss seeing all your faces. I was lucky to be able to go to Mexico in February for a week and a half. It was my first time going to Cancun and I absolutely loved it. We couldn't have had better weather. Soaking up the sun every day at the beach, jet skiing, going to an island and renting a golf cart for the day, it was quite an adventure. I can't wait to go back someday!

The weather is warming up, and it seems like life is beginning to return to some type of normal. Our family took a trip down to Disney World over the winter and we all had a blast! Aria, our youngest (5) was fearless on all of the rides we thought she may be a little too young to ride, including the "Tower of Terror" which simulates an elevator free-falling down an elevator shaft. The timing of our trip worked out perfectly as we left for Florida when that really frigid week hit Minnesota in February, and by the time we were back, it was just starting to warm back up. We are really looking forward to summer coming and getting some yard projects taken care of. I hope you all are well.



Chad Olson



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 Founder, CEO
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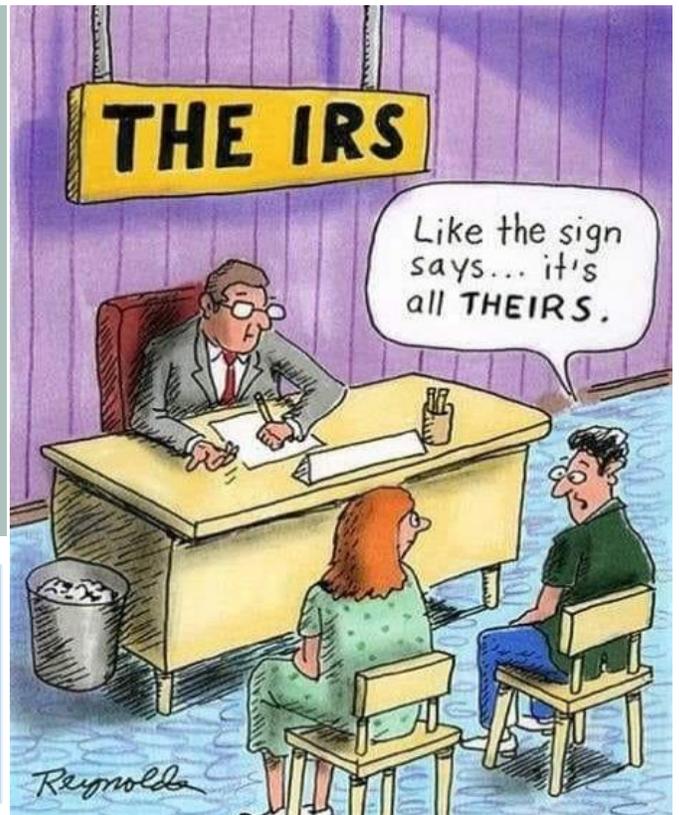
Wealth Management Midwest: Mission & Vision

Mission

To inspire our clients to make sound financial choices, avoid costly mistakes, and live their best financial life.

Vision

Our industry needs leadership to move forward and be reshaped into a valued and supportive role in our clients' lives. We will help lead this change by committing to always do what we believe is in our clients' best interest. Our clients must have faith that our advice is drawn from our knowledge and desire to help them work towards their unique goals.



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