



INVESTORS QUARTERLY

Issue Q4, 2019

AMERICAN PORTFOLIOS DENVER WELCOMES NEWEST ADVISOR TO DENVER OFFICES

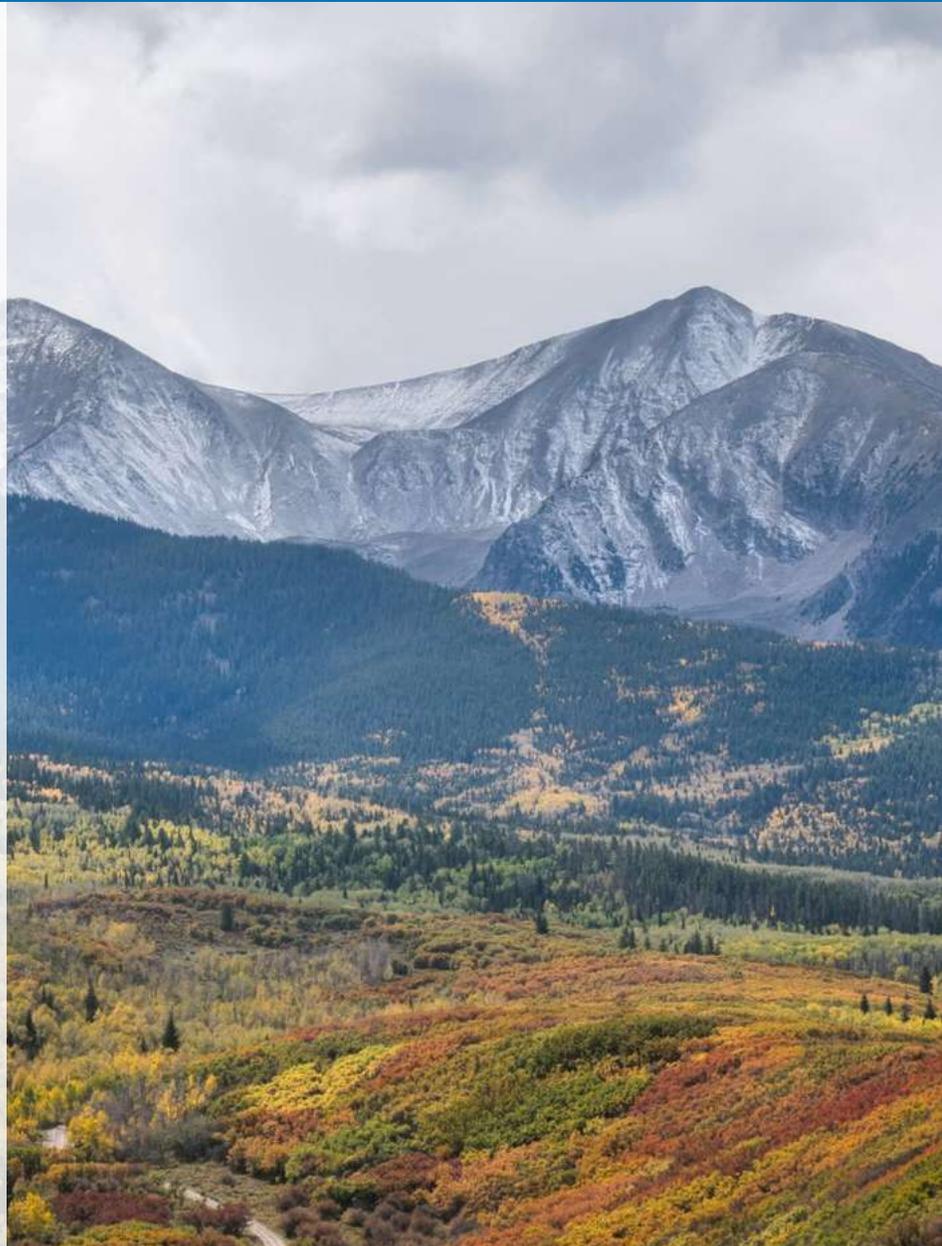
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What's New With Our Team at American Portfolios Denver

Casey Rossiter Joins American Portfolios Denver As New Affiliate Advisor

American Portfolios Denver is proud to introduce Casey Rossiter as the newest addition to our Grand Island, Nebraska affiliate location. Mr. Rossiter joins our team with 13 years of financial planning experience. His addition highlights our growing presence across the great state of Nebraska as we start serving more clients beyond the Rocky Mountain region.

American Portfolios Denver Hosts American Portfolios Advisors Regional

American Portfolios recently launched the 2019 Connections Tour with two advisory-focused meetings. American Portfolios Denver was honored to host one of the meetings at the Hyatt Regency in the Denver Tech Center. This two-day educational experience created a tremendous opportunity for our regional affiliate advisors and Denver-based team to connect and accelerate our expertise heading into the rest of 2019 and beyond.

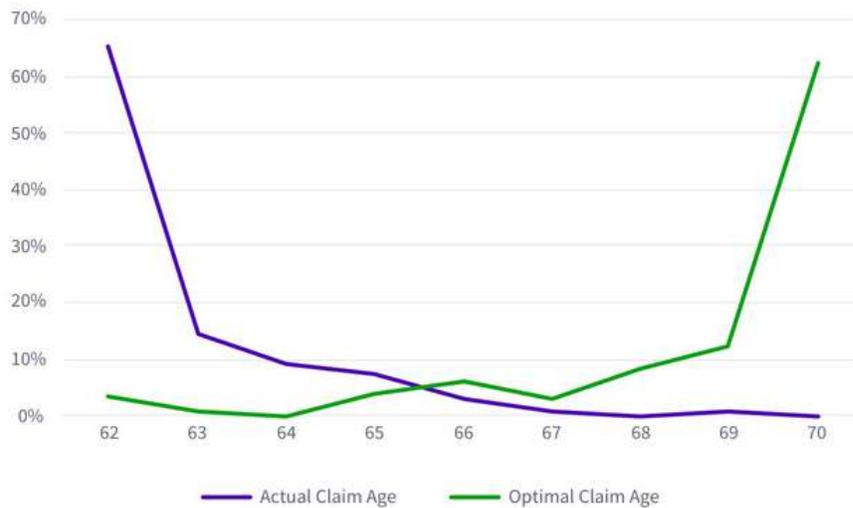
Happy Holidays!

As we enter the fourth quarter of 2019, our team at American Portfolios Denver would like to say thank you for the honor of supporting you in pursuing your financial goals. We understand how personal, stressful, exciting, and yes, even emotional it can be to think about your financial future. That's a responsibility we carry with the highest regard as we aim to better serve you in 2020 and beyond. We wish you a happy, meaningful holiday season!



Americans Lose Trillions Claiming Social Security at the Wrong Time

The graph below says it all. The age at which most people claim Social Security (green line) is opposite to the age at which they should claim Social Security (purple line).



According to [The Retirement Solution Hiding in Plain Sight: How Much Retirees Would Gain by Improving Social Security Decisions](#), “retirees will collectively lose \$3.4 trillion in potential income that they could spend during their retirement because they claimed Social Security at a financially suboptimal time, or an average of \$111,000 per household.”

This comprehensive study observed 2,024 households, considering each household’s outside resources, spending, health, and longevity to determine how much income and wealth they would have if they had taken Social Security at the various ages of eligibility. Only 4% of retirees make the optimal claiming decision. The study found that a claiming age of 62–64 is optimal for only about 8% of adults (primarily those with short life expectancies or low-earning spouses)—yet about 79% of eligible adults in the sample claimed at those ages. A claiming age of 70 is optimal for 71% of primary wage earners—yet only 4% of the adults in the sample claimed at that age.

Americans Lose Trillions Claiming Social Security at the Wrong Time (Cont.)

Among those at the highest wealth levels, 99% make suboptimal claiming decisions. Yes, you read that right. Ninety-nine percent of higher-wealth households make suboptimal claiming decisions. While it's true that wealthy individuals can afford to leave Social Security benefits on the table, what's troubling is that they are not getting good advice from their financial advisors.

For retirees, financially suboptimal decisions add up to a loss of \$2.1 trillion in wealth and a loss of \$3.4 trillion in income. In its conclusion, the report mentions a few ways to deal with this, including:

1. Make early claiming an exception, reserved for those who have a demonstrable need to claim benefits before full retirement age.
2. Change the way we refer to early or delayed claiming, labeling a claiming age of 62 as the “minimum benefit age” and 70 as the “maximum benefit age.”
3. Remove the disincentives wealth management firms have for delivering optimal claiming advice (i.e., the near-term drop in assets) by providing “cover” for executives to make the right financial decision for their clients and the right long-term decision for their shareholders.
4. Provide SSA with more resources, perhaps in partnership with third-party fiduciaries, to help households determine their optimal claiming age. “That limited investment could help recapture some of the \$5.5 trillion lost in wealth and income to retirees and the U.S. economy because of the struggles retirees currently face making the right decision.”

With our help and advice, we aim to guide our American Portfolios Denver clients to have a shot at being one of the 4% who end up making optimal Social Security claiming decisions. Not only could this increase your Social Security income, it may lead to higher income and wealth from other sources as well.



9 Top Elder Frauds and How to Avoid Becoming the Next Victim

Elder financial exploitation quadrupled from 2013 to 2017, according to the Consumer Financial Protection Bureau. Specifically, these activities originated from unknown scammers, family members, caregivers, or someone in a nursing home.

They involved more than \$6 billion, with an average loss of \$34,200. But in 7% of these instances, losses exceeded \$100,000. In 2017, elder financial exploitation reports totaled 63,500. Sadly, these reports probably represent just a small fraction of actual incidents. According to the FBI, more than 2 million seniors were victimized in the past year.

While scams are only limited by the criminal imagination, the U.S. Senate's Committee on Aging highlighted some of the more common scams in a report entitled, [Protecting Older Americans Against Fraud](#). Here are the top nine scams:

1. IRS impersonation scams
2. Robocalls and unsolicited phone calls
3. Sweepstakes scams/Jamaican lottery scam
4. 'Can you hear me?' 'Are you there?' scams
5. Grandparent scams
6. Computer tech support scam
7. Romance scams
8. Identity theft
9. Government grant scams

If you suspect elder financial abuse, report all instances of elder financial abuse to your local police—if fraud is involved, they should investigate. If you have questions about how to better protect your wealth from fraud, connect with our American Portfolios Denver team to discuss what solution may be best for your future. Remember, you are in charge of your wealth, no one else deserves to be unless you let them.

Have Questions About Your Financial Future? Let's start a Conversation.

Our team with American Portfolios Denver serves clients across the Rocky Mountain region and beyond through our main office and affiliated advisors. Reach out to our team to start a conversation today about your financial goals.



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