

# RETIREMENT *IN* SIGHT

Presented by John C. Ferguson

MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

## MARCH 2015

*“Discovery consists of seeing what everybody has seen and thinking what nobody has thought.”*

- Albert Szent-Gyorgyi

## HEALTH TIP

### Swap out bad snacks for good

Sometimes we grab unhealthy snacks out of convenience or impulse. We can fight this habit by putting clean, washed, ready-to-eat fruits and vegetables front and center in our refrigerators. In a few minutes, we can get out our cutting boards, cut fruits and veggies into small pieces, and store them in our fridges in clear, airtight containers so we can grab them at a glance.

## BRAIN TEASER

### Word Puzzle.

ASPARAGUS is to SUGAR as TRAGIC is to what word?\*

## DID YOU KNOW?

### Catch Up with Mustard.

Mustard is not yellow because of the mustard seed (which is usually a dull brown), but because of turmeric root powder which is mixed into it.<sup>4</sup>

## ARE TODAY'S RETIREES TOO FOCUSED ON INCOME?

Baby boomers want their retirement incomes to keep pace with inflation. Can this objective become a detriment?

Inflation isn't the only financial risk that retirees face. Longevity risk (outliving your money), sequence risk (your nest egg losing value while you withdraw from it) and market risk (volatility) are also significant. If portfolio assets are allocated too heavily into income-producing investments, that portfolio can become less diverse and less balanced. Diversification and a balanced investment mix should be viewed as a plus for the long run, and not through a short-term lens as a minus potentially restricting yield.

Interest rates are low now, but they will eventually rise and may normalize by the end of the decade – a good reason to shape a portfolio in a way that will serve long-range goals and not merely present cash flow needs. Alternately, if your portfolio isn't yielding enough to provide sufficient yearly income, you could consider selling certain components of it to generate some cash. The important thing is to recognize that having money for tomorrow is just as important as having income today.<sup>1</sup>

## MOVE TO LIVE LONGER & BETTER

We all want to live well right up until the end. Exercise might be a key to doing that. As an article in *Current Gerontology and Geriatrics Research* concluded, consistent exercise (cardiovascular, weight-bearing) may postpone mortality by as much as nine years and morbidity by as much as 16 years. Ongoing exercise may also give us the gift of “compressed morbidity” – staying physically and mentally active until the very end of our lives.

If you haven't been very active, consider that just stepping up your exercise in middle age could potentially change your physiology for the better and ward off some effects of aging. A *Journal of Physiology* study examined collected data on 125 cyclists aged 55-79, analyzing their various physical capabilities. In looking solely at these characteristics, researchers could not tell how old the cyclists were; the ones in their seventies appeared as healthy as those in their fifties.<sup>2</sup>

## ON THE BRIGHT SIDE

In a first-quarter Gallup poll, 47% of Americans surveyed said they were better off financially now than they were a year ago (much improved from just 23% back in 2009).<sup>3</sup>

John C. Ferguson may be reached at  
703-264-3323 or [John@FergusonPWM.com](mailto:John@FergusonPWM.com)

Securities offered through and Registered Representatives of Cambridge Investment Research, Inc., a Broker/Dealer, Member FINRA/SIPC. Advisory services offered through Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor. Ferguson Private Wealth Management and Cambridge are not affiliated.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. This information has been derived from sources believed to be accurate. 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.

**\* TRIVIA ANSWER: Stumped? Contact me for the answer! «representativephone»**

CITATIONS.

1 - [usatoday.com/story/money/columnist/powell/2015/03/07/retirement-interest-rates-fed-powell/24508627/](http://usatoday.com/story/money/columnist/powell/2015/03/07/retirement-interest-rates-fed-powell/24508627/) [3/7/15]

2 - [chicagotribune.com/lifestyles/health/sc-hlth-0311-delay-aging-with-exercise-20150305-story.html](http://chicagotribune.com/lifestyles/health/sc-hlth-0311-delay-aging-with-exercise-20150305-story.html) [3/5/15]

3 - [mainstreet.com/article/are-you-financially-better-off-than-a-year-ago-more-americans-say-yes](http://mainstreet.com/article/are-you-financially-better-off-than-a-year-ago-more-americans-say-yes) [1/16/15]

4 - [todayifoundout.com/index.php/2013/03/why-mustard-is-yellow/](http://todayifoundout.com/index.php/2013/03/why-mustard-is-yellow/) [3/13]