LPL Financial

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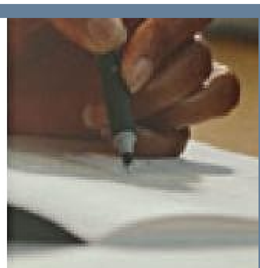
CERTIFIED FINANCIAL PLANNER™



AZTEC Financial Group Newsletter

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The scents of winter are magical! The smell of spruce, nutmeg and gingerbread. Snuggling on the couch under a soft blanket eating a big bowl of soup, hitting the slopes, snow shoeing or just breathing the clean crisp air. This is a great time to schedule a time to come in for a quick review of where you stand with your financial goals and to strategize how best to finish 2017 strong. It is our pleasure to serve your financial needs.

Did you know that we do a monthly drawing for a gift card to a local business? All you have to do is find the answer in this month's newsletter to the question below and click the link below to email your answer! We draw a random winner from all the correct answers and award the gift card!

This month's drawing is for a $25 gift certificate to Blue Latitudes. Located in the historic Cocheco Falls Millworks, Blue Latitudes is Dover's place for casual socializing, great American cuisine. For more information, click HERE.

And the question is...

The biggest percentage of charitable contributions are given to what organization?

Click here to submit your answer. Good luck!

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Did You Know?

Did you know dirty snow melts quicker than clean snow

Local Events!

DOVER- 8th Annual Festival of Tree
Date: December 1
Time: 4:00 PM - 8:00 PM
The Rivermill at Dover Landing
2 Washington Street, Dover, NH
Website: ***www.8th-annual-festival-of-trees-2088.com***

DOVER- Wentworth Home 2017 Christmas Open House
Date: December 2
Time: 1:00 PM - 3:00 PM
Website: http://www.WentworthHome.org

ROCHESTER-"A Hometown Christmas" Holiday Parade
Date: December 3
Time: 3:00 PM - 5:00 PM
Downtown Rochester
Website: www.rochesternh.org

Earnings for All Seasons

While nature offers four seasons, Wall Street offers only one-four times a year. It's called "earnings season," and it can move the markets. So what is earnings season and why is it important?
Earnings season is the month of the year that follows each calendar quarter-end month (January, April, July, and October). It is the time during which many public companies release quarterly earnings reports. Some public companies report earnings at other times during the year, but many are on the calendar year that ends December 31.
Reported Earnings
To understand the importance of earnings, we need to remember that the value of a company can be tied to the amount of money it earns. Some companies don't have earnings, and they are valued based on their potential, rather than their current earnings.[1]

Wall Street analysts maintain a close pulse on a company's quarterly report to help estimate future earnings. For example, these estimates may guide investors in determining an appropriate price for a company's stock.[2] Remember, a company is not permitted to discuss interim earnings with select individuals; earnings reports must be disseminated publicly to level the playing field for all investors.

An Inside Look

When an earnings report is released, it tells the market two things.

First, it offers an insight into how the company is performing and what its prospects may look like over the near term.[2]

And second, the report can serve as a bellwether for similar companies that still have not reported. For instance, if the earnings of a leading retailer are strong, it may offer an insight into the earnings of other retailers, as well as other companies that similarly benefit from higher consumer spending.

What Time?

Earnings reports are generally released when the market is closed in order to provide market participants adequate time to digest the results. Earnings reports may move markets. If earnings diverge from the expectations of professional investors and traders, then price swings-up or down-may be significant. Such a divergence is referred to as an "earnings surprise."

If you are a "buy-and-hold" investor and feel confident in a company's long-term prospects, earnings season may mean little to you, since short-term results may not impact your long-term outlook. However, earnings reports can be meaningful if an earnings shortfall reflects a structural problem with a business or represents the continuation of a downward trend in earnings.

1. Past performance does not guarantee future results. Keep in mind that the return and principal value of stock prices will fluctuate as market conditions change. And shares, when sold, may be worth more or less than their original cost.
2. This is a hypothetical example used for illustrative purposes only. It is not representative of any specific investment or combination of investments.

Trends in Charitable Giving

According to Giving USA 2016, Americans gave an estimated $373.25 billion to charity in 2015. That's the highest total in more than 60 years since the report was first published.1

Americans give to charity for two main reasons: To support a cause or organization they care about, or to leave a legacy through their support.

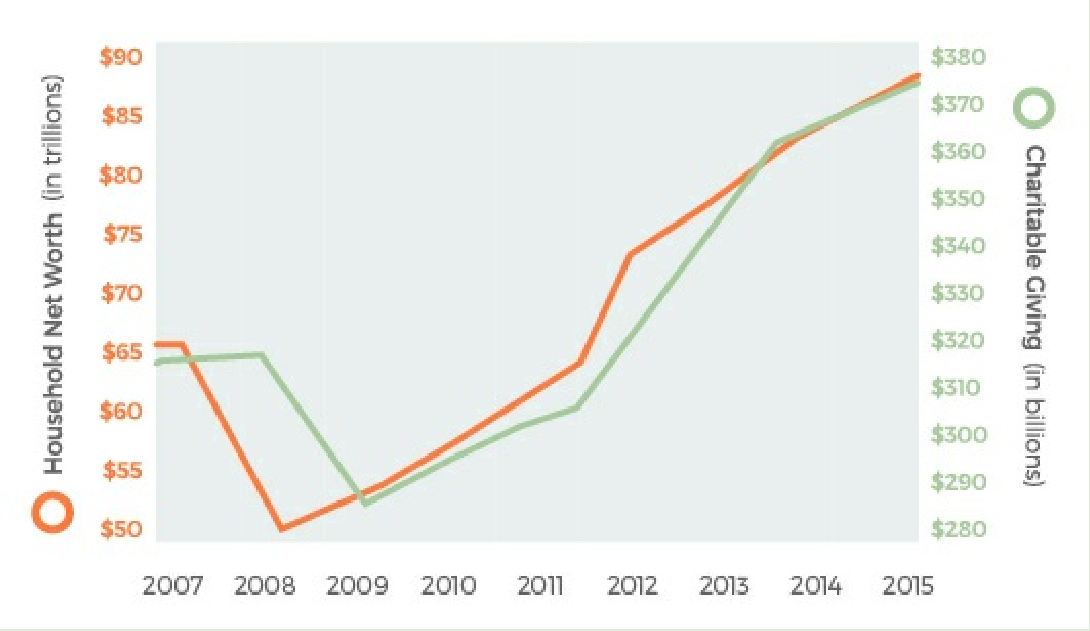
When giving to charitable organizations, some people elect to support through cash donations. Others, however, understand that supporting an organization may generate tax benefits. They may opt to follow techniques that can maximize both the gift and the

potential tax benefit. Here's a quick review of a few charitable choices:
Direct gifts are just that: contributions made directly to charitable organizations. Direct gifts may be deductible from income taxes depending on your individual situation.
Charitable gift annuities are not related to annuities offered by insurance companies. Under this arrangement, the donor gives money, securities, or real estate, and in return, the charitable organization agrees to pay the donor a fixed income. Upon the death of the donor, the assets pass to the charitable organization. Charitable gift annuities enable donors to receive consistent income and potentially manage taxes.
Pooled-income funds pool contributions from various donors into a fund, which is invested by the charitable organization. Income from the fund is distributed to the donors according to their share of the fund. Pooled-income funds enable donors to receive income, potentially manage taxes, and make a future gift to charity.

Remember, the information in this article is not intended as tax or legal advice. And it may not be used for the purpose of avoiding any federal tax penalties. Please consult legal or tax professionals for specific information regarding your individual situation.

Giving and Net Worth

Charitable giving appears to trail household net worth by about one year. When household net worth dipped in 2008, charitable giving dipped in 2009.



Where the Money Goes

The biggest percentage of charitable contributions - 32% - went to churches and religious organizations. A variety of different types of groups were on the receiving end of charitable gifts.

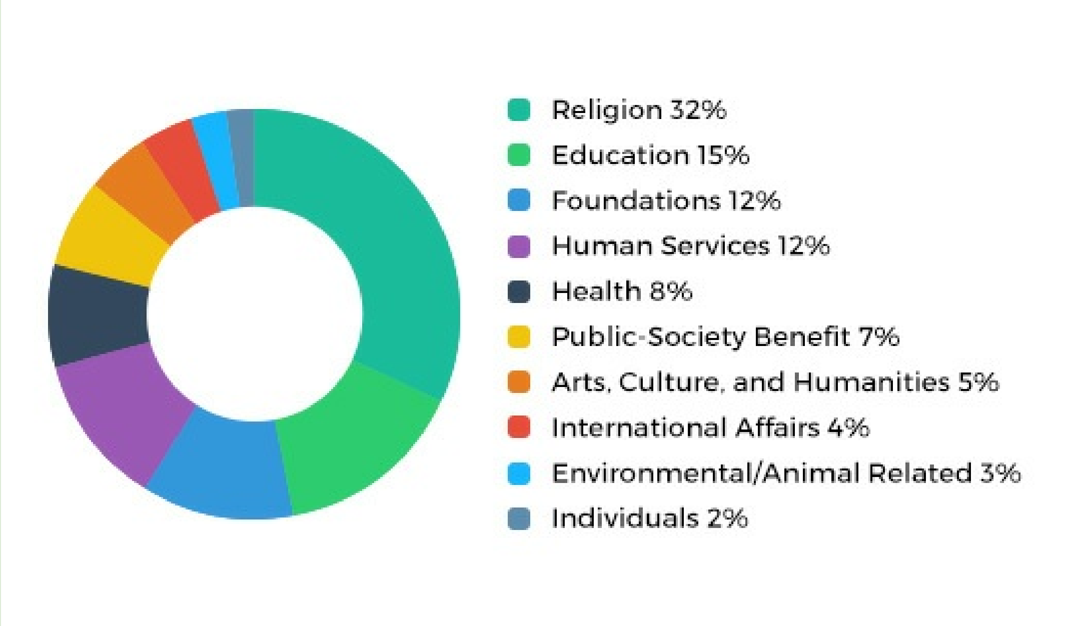


Chart Source: Giving USA Foundation, 2016

1. Giving USA Foundation, 2016

Catch-Up Contributions

A recent survey found that 18% of people were very confident about having enough money to live comfortably through their retirement years. At the same time, 39% were not confident.[1]

Congress in 2001 passed a law that can help older workers make up for lost time. But few may understand how this generous offer can add up over time.[2]

The "catch-up" provision allows workers who are over age 50 to make contributions to their qualified retirement plans in excess of the limits imposed on younger workers.

How It Works

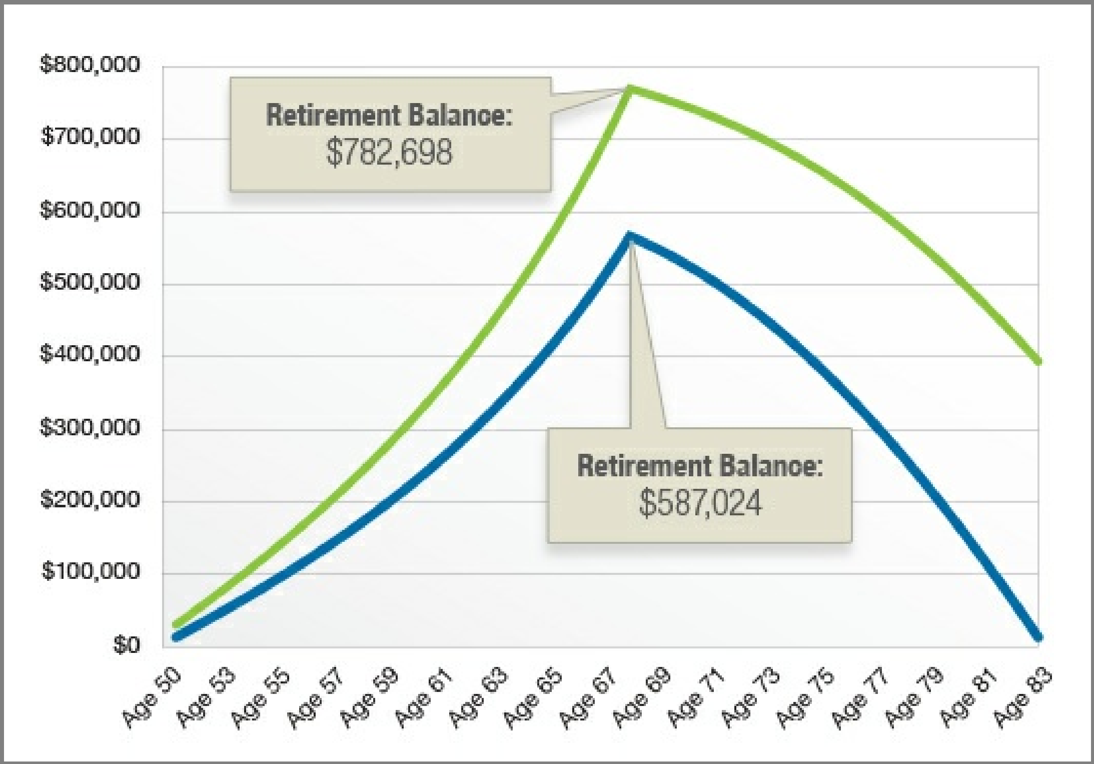
Contributions to a traditional 401(k) plan are limited to $18,000 in 2017. Those who are over age 50-or who reach age 50 before the end of the year-may be eligible to set aside up to $24,000 in 2017.[3]

Setting aside an extra $6,000 each year into a tax-deferred retirement account has the potential to make a big difference in the eventual balance of the account. And, by extension, in the eventual income the account may generate. (See accompanying illustration.)

Catch-Up Contributions and the Bottom Line

This chart traces the hypothetical balances of two 401(k) plans. The blue line traces a 401(k) account into which the maximum regular annual contributions are made each year, but no catch-up contributions. The green line traces a 401(k) account into which the maximum regular and full catch-up contributions are made each year. Upon reaching retirement at age 67, both accounts begin making payments of $4,000 a month.

The hypothetical account without catch-up contributions will be exhausted by the time its beneficiary reaches age 83.



This hypothetical example is used for comparison purposes and is not intended to represent the past or future performance of any investment. Fees and other expenses were not considered in the illustration. Actual returns will fluctuate.

Both accounts assume an annual rate of return of 5%. The rate of return on investments will vary over time, particularly for longer-term investments.Contributions to and withdrawals from both accounts have been increased 2% each year to account for potential 2% inflation.

Distributions from 401(k) plans and most other employer-sponsored retirement plans are taxed as ordinary income and, if taken before age 59½, may be subject to a 10% federal income tax penalty. Generally, once you reach age 70½, you must begin taking required minimum distributions.

1. EBRI, 2016 Retirement Confidence Survey
2. Economic Growth and Tax Relief Act of 2001
3. IRS, 2017. Catch-up contributions also are allowed for 403(b) and 457 plans. Distributions from 401(k) plans and most other employer-sponsored retirement plans are taxed as ordinary income and, if taken before age 59½, may be subject to a 10% federal income tax penalty. Generally, once you reach age 70½, you must begin taking required minimum distributions.

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The information in the newsletter was not intended to be a substitute for specific individualized tax or legal advice. We suggest that you discuss your specific situation with a qualified tax or legal advisor.