



For the Week of July 27, 2020

## THE MARKETS

Stocks fell Friday, ending a volatile week of trading and marking the first weekly decline in four weeks. Negative factors included rising concerns of another tech bubble, escalated China-U.S. tensions, worse-than-expected jobless claims and a new coronavirus milestone. Known coronavirus cases surpassed 4 million in the U.S. For the week, the Dow fell 0.74 percent to close at 26,469.89. The S&P lost 0.27 percent to finish at 3,215.63, and the NASDAQ dropped 1.33 percent to end at 10,363.18.

Returns Through 7/24/20	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-0.74	-6.00	-0.53	9.71	11.24
NASDAQ Composite (TR)	-1.33	16.10	25.82	18.61	16.58
S&P 500 (TR)	-0.27	0.62	8.62	11.37	11.36
Barclays US Agg Bond (TR)	0.41	7.40	9.91	5.55	4.47
MSCI EAFE (TR)	0.41	-7.31	-1.00	1.65	2.75

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.

**End of This Week** — The extra \$600 per week of federally funded unemployment benefits that was provided in the March 27 CARES Act ran out as of Saturday, July 25, or Sunday, July 26, depending upon the state of residence of the out-of-work individual. State-funded jobless benefits continue for at least 30 weeks in 46 of the 50 U.S. states (source: CARES Act, BTN Research).

**Blame It on COVID-19** — Crude oil production in the United States has fallen from 13.1 million barrels a day as of March 13 (the day President Trump declared a pandemic-driven national emergency) to 11 million barrels a day as of July 10 (source: Department of Energy, BTN Research).

**Last Month, Last Year** — The U.S. government suffered an \$864 billion budget deficit during June, i.e., \$241 billion of tax receipts vs. \$1.1 trillion of outlays. The U.S. government had a \$984 billion budget deficit for the entire 2019 fiscal year (source: Treasury Department, BTN Research).



## WEEKLY FOCUS – Making Things Easier for a Surviving Spouse

While it's difficult to imagine, even the most devoted couple will eventually be separated by a death. That's why it's important to take steps to reduce your spouse's burdens in case you die first. Here are some to consider.

If your Social Security benefits will be larger than your spouse's, delay drawing them until you're 70 in order to leave your spouse with a greater monthly survivor benefit. A widowed spouse can draw their deceased spouse's benefits once they turn 60, but the benefits will be decreased by up to 28.5 percent if they don't wait until their full retirement age. Survivor benefits do not increase by waiting beyond the survivor's full retirement age.

Plan for a potential long-term care event by setting aside sufficient funds to pay for extended care without depleting your portfolio, or consider a special insurance policy or annuity with a long-term care rider.

Maintain your own credit cards to build strong individual credit scores. As an added benefit, most states don't hold a widow or widower responsible for a balance on a card that only has their deceased spouse's name on it.

Ensure your spouse will have immediate access to adequate cash – through their own bank account or a joint account. If you maintain a separate account, putting it in a trust or adding a beneficiary will make it easier for your surviving spouse to acquire it.

Keep records of financial accounts in one easy-to-access place, ideally, a safe or fire-proof metal box. Add estate documents or contact information for the law firm where they are filed, along with passwords and access codes to digital accounts. If you are the primary bill payer, include a list of what you pay and when and how. Make sure your spouse has the key or combination.

Invite your spouse to meetings with your attorney, financial professional and accountant, so they're up-to-date on your finances and involved in planning for the future. If they prefer not to participate, place a list of your advisors and their contact information in your safe.

This year's events have demonstrated the importance of planning for the unexpected. Give us a call if you'd like to review your emergency, retirement or estate plan. While we can't provide legal or tax advice, we are happy to work with your attorney and accountant.



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