

As we head into the Memorial Day weekend, the economy continues to pickup as restrictions ease. Morningstar notes the S&P 500 up 12.4% through May 26. Speaking of indexes, the Dow Jones Industrial Average (DJIA) just celebrated a birthday. The index is the 2nd oldest among US indices behind the Dow Jones Transportation Index¹. It was created on May 26, 1896 making it 125 years old. The index containing 30 stocks today was created with 12 industrial companies, none of which remain in the index today (GE was the last remaining original member until 2018) and closed at 40.94 on its first day² (34,323.05 at market close 125 years later³).

If you are looking for some statistics that we are coming out of the shutdowns, you only need to look at First Trust Portfolios weekly recovery tracker⁴. They note on the most current report Initial Jobless Claims, TSA Checkpoint Data, and Supply of Gasoline has hit a pandemic best. Yes, looking at the charts, many numbers still seem too high or too low but focus on the MOM and WOW numbers (Month over Month / Week over Week) and you will see, in most cases, improvement. Let's pray things continue to improve.

Memorial Weekend, the first major 3-day weekend of the Spring/Summer season. I have been seeing reports may vacation spots are still suffering due to short staffing. As we look forward to vacations, especially up-north getaways here in Michigan, having the employees to provide an enjoyable time to travelers is essential. Hopefully, this will resolve itself before the peak vacation season hits. Enjoy the weekend and stay safe, particularly if you are traveling.

----Chuck

¹ https://en.wikipedia.org/wiki/Dow_Jones_Industrial_Average

² <https://www.wsj.com/articles/dow-jones-industrial-average-celebrates-125-years-as-wall-streets-bellwether-11622001661#:~:text=The%20index%20of%2012%20smokestack,Oil%20and%20Distilling%20%26%20Cattle%20Feeding.>

³ Yahoo Finance

⁴ <https://www.ftportfolios.com/common/contentfileloader.aspx?contentguid=33c50226-759f-412e-83a3-875058faf34c>

RETIREMENT IN SIGHT



MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES
PRESENTED BY CHARLES D. VERCELLONE, ChFC - MAY 2021

QUOTE OF THE MONTH

"Embrace the glorious mess that you are."

ELIZABETH GILBERT

PANDEMIC ECONOMY OR NOT, SOME ARE ASPIRING TO RETIRE EARLY

A new study from Hearts and Wallets, a research firm founded in 2010 to study American retirement saving and investing trends, hints that the dream of retiring in late middle age is alive and well, although perhaps in need of a reality check.

The survey results, culled from responses to questions posed to almost 6,000 U.S. households, suggest that baby boomers and members of Generation X are eager to move on from the office. Thirty-nine percent of all respondents aspired to retire before they reached age 65, and 18% said they wanted to retire before age 59. In addition, 38% of people polled who were younger than age 54 indicated that they would prefer to stop working full-time by age 55. The question is whether these pre-retirees can maintain financial stability across the rest of their lives if they retire so early. People are being encouraged to work well into their 60s for practical reasons: the chance to retire closer to age 70 to obtain greater monthly Social Security benefits, the opportunity to contribute longer to tax-advantaged retirement accounts, and the potential benefit of additional compounding of invested retirement assets.

As if to further illustrate the contrast between pre-retiree wants and pre-retiree needs, 34% of the respondents wanted to walk away from their careers at a particular age by choice, yet 53% indicated that they wanted to continue with their full-time job "as long as health permits."¹



TRAVEL TIP

Airports and resort hotels have become good places to get COVID-19 tests

This summer, you may need a negative COVID-19 test to board a flight, and another one before flying home. Many domestic airports (and some in Europe, the Caribbean, and Latin America) offer testing sites, and so do some large resorts catering to international visitors. Keep in mind, though, that some states and countries will only accept a negative PCR test result. At some airports and hotel properties, that type of COVID-19 test is not available.

Source: The Points Guy, April 18, 2021²

LIFELONG LEARNING, OR LONG LIFE LEARNING?

Many adults in their 40s, 50s, and 60s have migrated from their initial career to a second or even a third, learning new skill sets or even going back to college for another degree. You learn all your life, the thinking goes. A pair of higher education professionals are proposing a variation on that idea: keep schooling yourself for decades, not only to get new job skills but to understand how to age well and deepen the meaning of life's journey.

Rovy Branon, a vice provost at the University of Washington, and Ingo Rauth, a professor at Spain's tech-focused IE University, have co-written a white paper calling for a "60-year curriculum" in which colleges would not simply cater to young adults, but to all generations. (According to Next Avenue, just 0.2% of U.S. college students are age 55 or older.) In this model, the university would be a place of respite, where workers phased out of fading or slumping industries could take a break of a year, two years or longer to explore other career or life paths. The model calls for an explicit emphasis on easily accessible online learning, which is commonly less expensive than the traditional college experience. The pandemic may have opened the door to this new style of curriculum, to the degree that it could become familiar for older adults in the decades ahead.³



DID YOU KNOW?

There was once a 1,200' long painting of the entire Mississippi River

John Banvard, a self-taught painter, became internationally known for his spooled panorama presenting riverbank images of the whole waterway from the upper Midwest to the Gulf of Mexico. (The canvas was also 12' tall.) Pairing his minor artistic gifts with a major talent for promotion and audience rapport, Banvard toured his panorama throughout the 1840s and became the richest artist of his day.⁴

ON THE *BRIGHT SIDE*

Annual surveys conducted by the Harris Poll and the Nationwide Institute show that more women are choosing to turn to financial professionals for retirement strategies. In 2016, the annual Advisor Authority survey found that 44% of women who were saving for retirement had made such a choice; in the 2020 edition, that rose to 67%.⁵



BRAIN TEASER

A machine has four cogs in constant mesh. The largest cog has 72 teeth and the others have 36, 25, and 15 respectively. How many revolutions must the largest cog make before each of the cogs is back in its starting position.

STUMPED? CALL ME FOR THE ANSWER!

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CITATIONS.

- 1 - ThinkAdvisor, March 16, 2021
- 2 - The Points Guy, April 18, 2021
- 3 - Next Avenue, December 3, 2020
- 4 - Pierre Capital Journal, May 1, 2020
- 5 - Kiplinger, April 21, 2021

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