

AFM News and Views

March 2021



Our mission is to serve our clients, in an atmosphere of trust, to help grow and preserve their wealth. We provide personal attention and comprehensive strategies, striving to enable our clients to live and retire with stability. Alltrust Financial Management serves clients seeking comprehensive financial guidance, with a team approach, in a manner that continuously exceeds our clients' expectations. We are a recognized and respected financial management firm delivering trusted, personal attention.

Four Takeaways from Pandemic Living

Source: T. Rowe Price

More time at home. Video chats with friends and family. Days of the week blending together. In some ways, the coronavirus pandemic has offered us a preview of what retirement might look like. Here are four takeaways from pandemic living to consider as you create your retirement vision.

1. Your health is most important. The emphasis on health during the pandemic can be seen in the extensive measures taken—quarantining, wearing masks, social distancing—because your health is most important. The same applies in retirement, when it's important to prioritize one's health by staying on top of wellness visits, following treatment plans closely, and maintaining your care network of family members who are committed to your health and well-being.
2. Your finances are a close second. The pandemic has been a lesson in how unforeseen, outside forces can disrupt our finances. When T. Rowe Price fielded its annual Retirement Savings and Spending Study in 2020, 60% of households who save in 401(k) plans said the pandemic affected their job or income, and almost 50% reported increased financial stress. This has brought into focus the importance of having a financial plan and meeting with your financial professional up to and during retirement so you're best prepared in case of a disruption.
3. Social connections are critical. Pre-pandemic, most of our social connections took place face-to-face. During the pandemic, this evolved to include more virtual interactions like video happy hours and embracing video calls and social media to connect with friends and family. No matter how you interact socially, its importance for your mental health is clear. Retirement could look similar, with more discretionary time and the old social

networks of work replaced by a new routine. Think about how your social networks will look during retirement as you craft your vision.

4. The role of work will change. In addition to the income it brings, the nonfinancial benefits of work crystallized for many of us during the pandemic. Remote work left some feeling incomplete or aimless as their schedule was disrupted, much as it is upon retirement. Preretirees may want to look for ways to fill the potential void that retiring from full-time work can leave. This can be accomplished through part-time work, volunteering, or other activities that offer a sense of purpose and structure to postretirement life.

Scam Alert: Romance Scams

Source: LPL Financial

Romance scams are a popular way for cybercriminals to exploit individuals to commit financial fraud. Due to the pandemic, more people are using online dating apps and social networking sites to meet people and cybercriminals are exploiting them with romance scams. The FTC recently reported that over \$300 million was lost in 2020 due to these scams, which is roughly a 50% increase from 2019. The average loss reported for these scams was \$2,500.

The scams start with the cybercriminal creating a fake online profile for dating apps or for social media. The cybercriminal then contacts their targets and regularly communicates with them to build a rapport and create a level of trust. Once trust is gained, the cybercriminal asks their victim for money to complete the scam.

In the past, these scams were known to affect older individuals, but in 2020, these scams increased for all age groups. The largest increase, nearly 50%, was for individuals who are 20–29 years old.

How to avoid romance scams

- Don't send money to anyone you have not met in person before; be wary of these requests.
 - Gift cards and wire transfers are frequently used to commit these scams; be wary of these requests.
- Ask questions and look for inconsistencies in the responses received.
- Try to do a reverse-image search of the profile picture.
 - If the picture is associated with another name or the details are inconsistent, it's likely a scam.
- Talk to a close friend or family member about your new companion to see if they have any concerns.

If you have been the victim of a romance scam, please contact our office immediately for further assistance.

WEEKLY UPDATES ARE AVAILABLE

LPL Financial's **Weekly Market Commentary** and **Weekly Economic Commentary** can be found on LPL Financial's website (http://www.lplfinancial.com/learning_center/research/).

OTHER UPDATES AVAILABLE FROM LPL RESEARCH DEPARTMENT

- Daily market update: <http://LPLresearch.com>
- YouTube Channel: <http://www.youtube.com/lplresearch> (which can also be found on our website)

CLIENT CONNECT

Are you anticipating an email change? Let us know. We want to make sure you receive all our email communications. Send your new e-mail to melissa.arbisi@lpl.com

If you have any input or comments about our newsletter, let us know. We love to hear from you!!

Your referrals mean a great deal to our business. If you know of a friend or family member who might benefit from our service, please let us know. We will work hard to ensure that your referrals feel it was a wise investment of their time – and their future- to have met with us.

Don't keep us a secret!! Share this with your family and friends.

Till next month,

The Alltrust Team

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