Guiding Clients Through Life Events Since 1975

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FOR IMMEDIATE RELEASE

Gary Gardner is now a Certified Financial Transitionist™. We are proud to announce that Gary Gardner is now a Certified Financial Transitionist™.

"As a **Certified Financial Transitionist™**, I understand human transitions on their deepest levels. I know what influences the way we think and act when our world has suddenly and irrevocably changed. I'm able to identify when a transition is going well and I have tools to further enhance the experience. And if a client is struggling with their transition, I know how to keep them safe and help them work through their difficulties."

What is a Certified Financial Transitionist (CeFT™)?

Every person will experience at least one of the following major life transitions, and the likelihood that more than one at a time will be experienced increases with age.

- Inheritance
- Loss of parent
- Loss of a spouse
- Divorce
- Major career change
- Retirement
- The sale of a business
- Insurance settlement
- Pro sports or entertainer contract

Whether they begin with an inheritance, the sale of a business, or both simultaneously, transitions thrust individuals and families into a position where what was once considered stable is suddenly in flux. Traditional financial planning definitely covers the bases when it comes to important topics such as taxes, investments, cash flow, and estate planning. But that's only half of the experience of financial change. The other half is the human experience.

The Sudden Money® Institute (SMI) has spent 16 years studying the psychology, sociology, and neuroscience of change. They've even delved into what thought leaders in the business world say about change and adaptation. As important, they know that perceptions and expectations about change are powerful and can profoundly affect thinking and decision-making.

The Sudden Money® Institute created the Certified Financial Transitionist™ (CeFT™) designation to give financial planners and their clients science-based, field-tested tools and protocols designed specifically to

merge the personal side and the technical side of financial change. This new designation comes only after candidates demonstrate fluency in the stages of transition, the use of SMI's proprietary materials, and the unique skill set of the CeFT™. That yearlong-plus process includes mandatory coaching, over 30 hours of coursework, and a 1.5-day Certification Exam that tests content, communication, and listening.
The result? *Professionals who can create solutions that are customized for each client's unique values, relationships, and vision of the future.*

SUDDEN MONEY INSTITUTE

About Sudden Money Institute
Read more at http://www.suddenmoney.com/about-us

Sources for more information

- Read more at https://www.linkedin.com/in/gary-gardner-863939107
- http://www.lwadvice.com/
- Sudden Money Institute: SuddenMoney.com

An Open Letter to the President
by John Mauldin

“When America closes its doors, so does everybody else.” - Jon Huntsman, Jr.

As the entire world is painfully aware, it is election year in the United States. I have listened to most of the debates. Candidates on both sides of the aisle have made statements that under their presidency such and such a thing would happen. With all the political shooting from the hip that’s going on, I think it might be instructive for us to look at what the leaders, not just of the United States but of the whole world, are facing as they attempt to make decisions today.

I will structure this exercise as an open letter to the presidential candidates, telling them what I think the winner can expect to face in the way of global economic realities on his or her first day in office. These will be highlights, not an in-depth discussion, but I’ve written on these topics extensively over the past year. Let’s jump right in.

Dear Presidential Candidates:

In ten months and four days one of you will wake up as Mr. or Mrs. President. After the fabulous fun of post-inaugural balls (I wonder if I’ll get an invitation after this letter), you will walk into the Oval Office on Saturday, January 22, and launch into your first 90 days in office, during which you will want to deliver on as many of your promises as possible. But instead of shadowboxing with hypothetical futures on a debate stage, you’re going to be up against cold, hard reality.

My suspicion is that six months into your presidency you will begin to wonder why you ever wanted this job, as the gulf deepens and widens between what you wanted to do and what you can do without unintended consequences. To make your job just a little more manageable, what I would like to do is take you around the world and review some of the economic realities faced by our global partners. For many of them, those realities are not pretty. They may be far more limited in what they can do to respond to your proposed agenda than either they or you would like.

We are going to fly, metaphorically speaking, from San Francisco and head west, first to Japan and China, and then on around the world.

A Quick Summary of the Major Problems You Will Be Facing

1. **Japan**

Japan has run up a debt of almost 250% of GDP, and that monumental debt is growing every year. The country’s nominal rate of GDP growth has remained almost flat for 25 years. Now, if the Bank of Japan is not in the market, there is literally no trading. If the Bank of Japan were not buying bonds, interest rates would rise precipitously; and the government of Japan would be bankrupt in short order.

In order to avoid a deflationary depression, Japan is monetizing not only its deficit but a great deal of its outstanding debt. The problem is that Japan has no choice but to continue down that path. The yen is likely to become markedly weaker on your watch; and, frankly, there is very little you can do about it without sending Japan even further into recession/depression.

2. **China**

Like Japan, China has a massive debt problem. But unlike the people of Japan, the majority of China's citizens still live in abject poverty. There are significant outflows of Chinese currency as wealthier citizens look to get out of a currency they are worried about. In short, Chinese leaders have much less room to maneuver than everyone might wish.

3. **Australia**

As China changes course from a manufacturing powerhouse to a consumer-oriented nation, Australia is seeing its commodities industries suffer. Plus, Australia's housing market is priced very high by global standards, and people have a large amount of debt attached to their homes.

4. **The Middle East**

The Middle East is always a nightmare for US presidents, but you are going to inherit some especially nasty problems. The low price of oil is putting immense pressure on national budgets. Some experts expect Saudi Arabia to literally run out of money by the end of your term.

5. **Russia**

Any further downturns in the price of oil will put enormous pressure on President Putin. Russia's developing financial crisis will continue to make that nation even less predictable.

6. **Europe**

Europe is going to demand your greatest focus. During your first term it is likely that Europe will descend into a crisis that will force the EU either to break up or to mutualize and then monetize its debts - which would then trigger enormous volatility in the currency markets. The topic of massive nonperforming loans at Italian banks (~20% of loans) will move to the forefront at the very beginning of your term if not before. This will be a debt crisis much worse than we saw in Greece. Europe's economic problems are only going to make the fallout from its immigration crisis worse and severely limit the ability of our allies to join us in a coalition to resolve crises elsewhere in the world.

7. **The Americas**

It is distinctly possible that Canada could roll over into recession during your first term, and low-priced oil is certainly not helping Mexico, either. The peso is down 50% since the middle of 2013. Brazil is a mess. Its currency is also down 50% in less than four years, and there is no reason it couldn't fall further.

8. **The United States**

The US economy is growing by less than 2% annually, and there are reasons to think the economy is slowing further, into the 1% range. Given the worries I have already mentioned concerning the rest of the world and its impact on us, it is likely that you will have to deal with a recession. As part of your transition process you might want to think about what a stimulus package would look like during a recession.

By the end of your first term, it is very possible that tax revenues will cover only entitlement spending, the defense budget, and net interest, meaning that any other parts of the budget will have to be borrowed. To avoid that crisis, you will have to implement significant entitlement reforms or a major tax increase. Either option will be painful, needless to say. The possibility of growing our way out of the budgetary problem, which is the usual political answer, is not going to be realistic without significant tax, entitlement, and regulatory reforms, all of which are controversial.

And you want this job why?

Sources:

- Mauldin Economics

2016 First Quarter Investment Report

The first quarter of the 2016 has brought us small positive returns in many of the U.S. market indices, which means that investors survived-for now, at least-the worst start to a calendar year ever for the U.S. stock market. The chart below provides a synopsis of how the various indexes faired.

Indexes	First Quarter Returns
Wilshire 5000 Total Market Index	1.17%
Russell 3000 Index	.97%
Wilshire U.S. Large Cap Index	1.25%
Russell 1000 Large Cap Index	1.17%
S&P 500 Index	.77%
Wilshire U.S. Mid-Cap Index	2.24%
Russell 1000 Mid-Cap Index	2.24%
Wilshire U.S. Small-Cap Index	.85%
Russell 2000 Small-Cap Index	**-1.52%**
Nasdaq Index	**-2.75**
EAFE Index	**-3.74%**
EAFE Emerging Market Index	5.37%
Wilshire U.S. REIT Index	5.20%
S&P GSCI (Commodities)	3.78%
Wilshire TUCS Fixed Income Index	3.97%
Bloomberg U.S. Corporate Bond Index	2.87%
Bloomberg U.S. Treasury Bond Index	.15%