

# THE Armstrong REPORT

FALL 2017

Dedicated to growing  
and protecting your wealth.



## QUARTERLY UPDATE

Reginald A.T. Armstrong, CPWA®  
President

### THE ECONOMY

The economy was stronger in the first half of the year than originally thought with the first quarter coming in at 2% GDP growth and the second quarter at 3%. The third quarter initially seemed to be coming in at a 4% rate according to the Atlanta Federal Reserve Bank, but that had been substantially lowered to 2.2% by September 19th. The full impacts of hurricanes Harvey, Irma, and Maria are not yet reflected in these numbers. Thus, it appears we continue to have an economy stuck in second gear.

### THE MARKET

This has been quite a Teflon market. Nothing so far has seemed to bother it. Many seem to think this bull market is strong. Let's take an honest look at the bull market. As my friends at Hays Advisory\*\* point out, a bull market, like a good table, has four legs—the *trend*, *valuation*, *psychology*, and *monetary conditions*. How solid are the legs? The first, the *trend*, is in fine shape as far as the major averages go, although most of the gains are in the large cap asset class. This leg is strong. The second, *valuation*, as I have mentioned numerous times, is at extremes not seen since 2000. In fact, most measures of valuation imply that it will take a significant drop to bring the market close to fair value! So, this leg is gone. Now, valuation does not tell you when a bull market will end. Valuation tells you how much capacity there is to the downside once a bear market begins. The third leg is *psychology*. Rarely have I seen such a complacent market. The S&P 500 hasn't even had a 5% drop in almost 18 months—the longest period since the early 1990s. Add to that a host of other measures, including record-high margin debt, and it is difficult to escape the conclusion that psychology is bearish at this point. This leg also appears to be gone. The final leg is *monetary conditions*. This refers to the level and direction of interest rates and overall liquidity. Most bull markets end when monetary conditions sour. This leg is still intact, but is wobbly.

Therefore, we have a table with one strong leg, one wobbly, and two that are missing. A two-legged table can still stand,

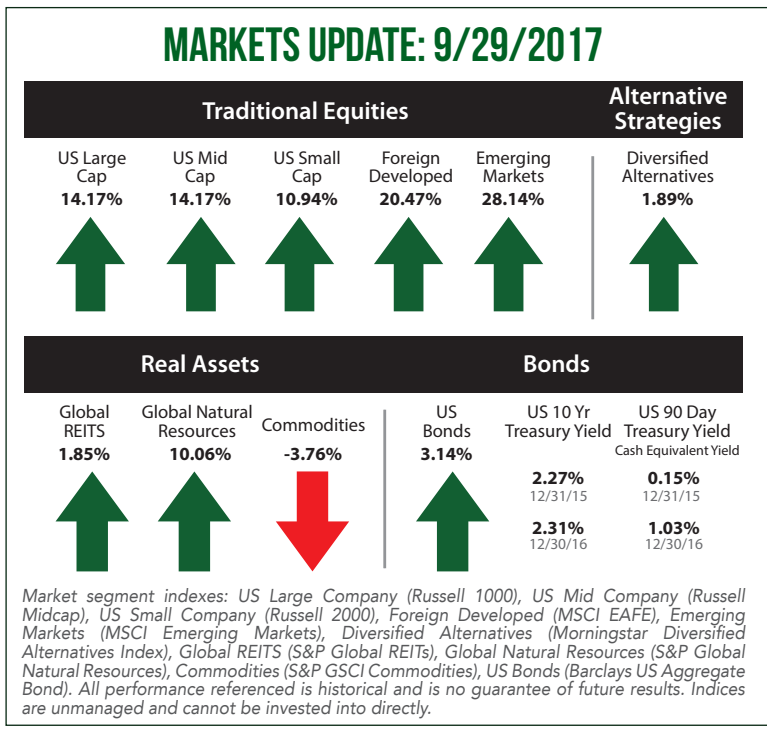
but it is shaky and it won't take much to topple it over. This is a good time to check your asset allocation and to make sure the amount you have exposed to stocks is inside your comfort zone. Give us a call if we can help.

### THE FIRM

Lee, Leslie, and Matt attended LPL's national conference in Boston for continuing education and exposure to new ideas. Leslie, by the way, celebrated 15 years with our firm this September! We launched our new website in September; it is filled with even more useful information that is easy to view on any device. One of our clients, Ruth Rogers, became our first client to reach the age of 100! She is a magnificent lady and you can read more about her in this newsletter. Finally, Leslie's husband Tony was promoted to Lieutenant with the Florence County Sheriff's Office. We are very proud of him as he has only been with them six and half years.

\*The opinions in this material are for general information only and are not intended to provide specific advice or recommendation for any individual. All performance referenced is historical and is no guarantee of future results.

\*\*Hays Advisory (www.haysadvisory.com) is not affiliated with LPL Financial or Armstrong Wealth Management Group.







Lee, Matt and Leslie at FENWAY PARK FOR A BASEBALL GAME, while attending LPL Financial's national conference, in Boston, MA. [7/31- 8/2]

## ON A SAD NOTE

Ralph Richardson passed away. Please keep his family in your prayers.

## CONGRATULATIONS!

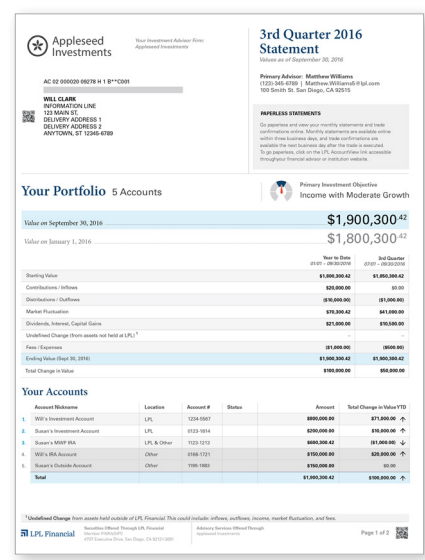
Tony Moore, Practice Manager Leslie Moore's husband, was recently promoted to the rank of Lieutenant, after being with the Florence County Sheriff's Office (FCSO) for six and a half years.

During his time with the FCSO, Lt. Moore has served as a Deputy on patrol, Corporal with the CEU (Criminal Enforcement Unit) team, Sergeant with the U.S. Marshals Fugitive Task Force and a K9 Supervisor.

He will serve as the Lieutenant over the Training Division and continue his positions with the US Marshall's office and the K9 team.

## LPL FINANCIAL STATEMENT ENHANCEMENTS

Designed to align more closely with consumer expectations, we now have a redesigned investor statement, featuring improvements based on direct feedback. Statements now offer enriched design and greater readability to improve and clarify communication.



## PEE DEE HEARTWALK

Saturday, October 21<sup>ST</sup>  
Downtown Florence

For the fifth year, **Armstrong Wealth Management Group** is taking on the challenge to make a small difference in the world and SAVE LIVES.

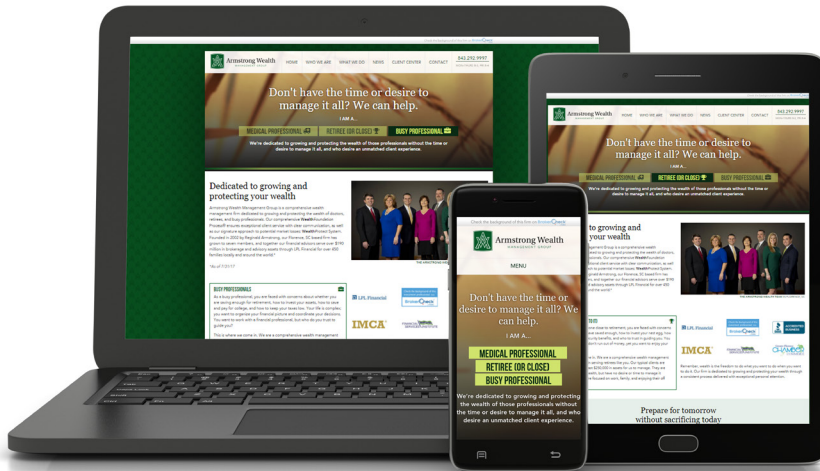
American Heart Association

Registration starts 8:30AM  
Walk starts at 10AM  
Downtown Florence  
at the FMU Performing Arts Center

Learn more about our team's participation at:  
[www2.heart.org/goto/armstrongwealth](http://www2.heart.org/goto/armstrongwealth)



# CHECK OUT OUR NEW WEBSITE



We are excited to introduce our new Armstrong Wealth Management Group website with a more modern and improved mobile responsive design! The site is set up so that it provides a clear focus for our clients, increases the ease of use and improves the ability to navigate the site more efficiently. By providing a more dynamic and interactive platform you will be able to continue to gain value from all of the information available on our site, and we can continue to provide useful tools and information - now available "on the go"!

While our web address remains at [armstrongwealth.com](http://armstrongwealth.com), it is a good idea to check your bookmarks and favorites to ensure that everything still links correctly.

## RUTH C. ROGERS TURNED 100 IN AUGUST

### CLIENT HAPPENINGS



Ruth was born in Minneapolis to Norwegian immigrants. She was raised there and worked her first few years out of school at a local business. Ruth's sister was working at Pearl Harbor, Hawaii when it was bombed by the Japanese during WWII. Shortly after her sister returned to the states and within a year the two of them returned to Hawaii and worked as civilians at the Barbara Point Naval Air Station.

It was at Barbara Point Naval Air station where Ruth met her husband, Jake Rogers. They were married after the war ended. They moved to the Dillon area in South Carolina in 1947 and this is where they raised their four children. Ruth and Jake were married for 50 years until his death in 1998.

She is a member of Main Street United Methodist Church in Dillon and sang in the Charles Wesley Choir until just recently.

## IMPORTANT NOTICES

### RMDs

Don't forget to withdraw this year's required minimum distribution. Contact your Wealth Manager with any questions.

### 'Tis the season for giving!

December is a time that many Americans celebrate holidays that have a special focus on giving. There are a few dates to remember as the year comes to an end when considering financial gifts of any kind.

- If your year-end gift or transaction needs to be handled through our office please have your requests to us by **December 1<sup>ST</sup>** to allow enough time to guarantee processing.

- If you will be making a donation for which you plan to claim a deduction, remember that your gift must be made by **December 31<sup>ST</sup>**. Remember, too, that only contributions to IRS-qualified charities are deductible.

## COMMUNITY INVOLVEMENT

American Heart Association  
Pee Dee Heart Walk **\$500**

Columbus HOPE  
Foundation **\$500**

Lighthouse  
Ministries **\$16,045**

Pee Dee Big Brothers  
Golf Tournament **\$150**





# Armstrong Wealth

MANAGEMENT GROUP

1807 West Evans Street  
Suite A  
Florence, SC 29501



## THE Armstrong REPORT

FALL 2017

843.292.9997

[armstrongwealth.com](http://armstrongwealth.com)

Fax 843.292.9969 | Toll Free 866.292.9969 | [armstrongwealth@lpl.com](mailto:armstrongwealth@lpl.com)

Securities and advisory services offered through LPL Financial, a Registered Investment Advisor, Member FINRA/SIPC.



**REGI ARMSTRONG, CPWA<sup>®</sup>**  
President



**LEE CARTER, AWMA<sup>®</sup>, CLTC**  
Client Wealth  
Manager



**MATT RIDENHOUR, CFP<sup>®</sup>, MBA, CRPS<sup>®</sup>**  
Client Wealth  
Manager



**LESLIE MOORE**  
Practice Manager



**EMILY RIDENHOUR, RP<sup>®</sup>**  
Client Service  
Manager



**JASON CHRISTMAS, CFP<sup>®</sup>**  
Portfolio Strategy  
Assistant



**RHONDA HAYNES**  
Client Experience  
Specialist