

YOU HAVE QUESTIONS, WE HAVE ANSWERS.

“I thought lower oil prices (and gas prices) would be good for our economy. So why is the market down?”

We all would have thought that lower oil prices would boost the economy and the market. So far there has been a very high correlation between oil prices and the stock market. When oil falls, so do stocks and vice versa. This is due in part to the belief that dropping oil prices are a sign of slowing global demand.

Also, people are simply hanging on to the money they are saving at the pump, perhaps until they know that the lower prices are going to last. The longer oil and gas prices remain low, the greater the likelihood that people will start to spend on other goods and we will see a boost to the economy.

“What do you guys focus on most at this time of year?”

The fourth and first quarters are really busy at Fierston Financial Group. In December, we placed trades to help minimize the taxes associated with taxable portfolios.

In January our focus shifts to rebalancing. We re-evaluate asset allocations, adjust portfolios to their targets between stocks and bonds, and fine tune fund selection. Time is also spent with clients who accumulated excess cash and determining how to take advantage of lower stock prices and other opportunities.

“What’s going on in China? Will it affect me?”

China is transitioning from a strictly manufacturing-based economy to one that is becoming more reliant on services and the consumer. While this is slowing traditional growth measures and creating some volatility, China’s economy is still expanding around 6% per year—a comparatively high rate—and remains a major contributor to overall global growth.

Because of its size, however, China is seen by many investors as a bellwether for the world economy. Markets have reacted negatively to its declining growth rate and stock market sell-off, especially since the Chinese government has traditionally been able to maintain control over such things.

Here in the U.S. exports to China only account for 7.7% of total exports, or just 13% of total GDP. So, the impact on our economy should be limited. However, China’s slowing manufacturing sector could negatively impact emerging market countries that supply basic commodities and natural resources.



Call Seth or Brian anytime if you would like to know more about these or other questions you have.

 860 - 521 - 2100

WHAT’S NEW AT FFG? →

WHAT'S NEW AT FIERSTON FINANCIAL GROUP?

Customer Service & Operations Teams

In order to give Seth and Brian more time to speak with clients about wealth management issues like retirement planning, college education funding, insurance needs and budgeting, we decided to further develop our customer service and operations teams.

Recently we welcomed Michelle Budwitz and Heather Gallant. Michelle will work with Bill on customer service and Heather with Heidi on operations. Both have been great additions to our team and we look forward to introducing them to you the next time you come in.

To learn more about Michelle and Heather visit the About Us page at www.fierston.com

Heather



Michelle



Going Digital

We have gotten requests from some folks for email communications rather than print. While we aren't ready to abandon the mail entirely, in the coming months we will begin using a mix of printed and electronic communication, depending on the information we are sharing.