



# The Verdi View

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## Newsletter – October 2019

Welcome to our quarterly newsletter. Below you will find our top Fast Facts, timely reminders, and life updates from the team. Feel free to pass along The Verdi View to your friends and family!

- **QUARTER 3:** At the end of the third quarter the S&P 500 Index was up 20.55% year to date while the DJIA was up 17.51% (source: Morningstar)
- **NCAA GAME CHANGER:** on 9/30/19 California governor signed a bill into law that allows college athletes to sign the same kinds of endorsement and sponsorship deals as pro athletes as well as hire agents. The Golden State is the first in the US to pass a law like this. the law is to take effect in 2023 (source: USAtoday)
- **OUT OF BUSINESS:** Lehman Brothers, a 158-year old company, was forced to file for bankruptcy protection on 9/15/08 (11 years ago) when no “white knight” emerged to rescue the company from its substantial investment in subprime mortgages. It was (and still is) the largest US bankruptcy ever (source: Business Insider).
- **TARIFFS IN PLACE:** 59% of all imports coming into the US in 2019 (as measured by dollar) are subject to a trade tariff imposed by the United States. 75% of all imports coming into China in 2019 (as measured by dollar) are subject to a trade tariff imposed by China (source: Global Trade Alert).
- **UP THE COST:** China has increased the tariff that it applies to imports coming into its country from the USA by an average of 12.4 percentage points since May 2018 (source: Peterson Institute).
- **NOT A PENNY:** 44% of US individual tax filers did not pay any federal income tax in tax year 2018, i.e., 4 out of every 9 tax units in the united states (source: Tax Policy Center)
- **BACK-TO-BACK WINNER:** The best performing stock within the S&P 500 YTD through 7/31/19 gained +84.3%. That same stock gained +49.4% in 2018, the 5th best S&P 500 stock performer (source: BTN Research).
- **TIME IN THE STOCK MARKET:** If you selected any single month at random to invest in the S&P 500 during the 25-years ending 6/30/19, you achieved a positive total return 67% of the time. If you extend your investment time horizon to just 1 year, you achieved a positive total return 80% of the time. If your time horizon was 2 years, you also achieved a positive total return 80% of the time. (source: BTN Research).
- **First Down:** The world’s most valuable sports franchise is the NFL’s Dallas Cowboys, worth an estimated \$5 billion. The cowboys generate \$365 million of operating income per year, or \$1 million a day (source: Forbes)



ASK ABOUT OUR  
**Four I Process**



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## “Don’t you just pick stocks, bonds, and mutual funds?”

Is a common question we get as financial advisors. The financial services industry has drastically changed over the past 2 decades. Wealth managers do much more than just buy stocks, bonds, and mutual funds. As advisors we help individuals like you with investing, tax planning, legacy planning, social security planning, charitable giving, goal setting, and most importantly developing a plan to reach those goals.

Let us ask you a question: can you clearly and succinctly articulate your financial goals? What we have found is that many can't. If you fall into this category please call us at 563-445-6275

**Joe Verdi**  
Senior Vice President



## Is It Time For a Review?

One of the most beneficial services we provide is reviews. Insurance Reviews, Liability Reviews, retirement plan reviews, and Estate Reviews. The following information will help you identify if one of these options is necessary for you and your household. If so, please contact us to get started!

### Insurance Review

Do any of the below prompts apply to you? With your most recent policy statement and a signature on an inforce insurance illustration request form we can begin the process with our expert insurance planner who will conduct your review and analysis.

1. How long has it been since you last had your life insurance policies reviewed? We typically recommend a review every 1-3 years to make sure your policies are aligned with your wealth management plan.
2. Do you feel confident you have the appropriate amount and/or type of life insurance? We find many clients who feel either over or under insured are unsure as to the most appropriate policy type for their needs
3. How much are you currently paying in life insurance premiums? We can run an analysis of your policies to ensure you are maximizing your coverage while minimizing your costs

Nest Steps: if you would like a review of your insurance policies please provide us with a recent statement to begin the no cost service or call us at 563-445-6275

### Liability Review

Questions to Consider

1. How long do you plan on living in existing home?
2. What do you think your credit score is?
3. Do you have any other debts (credit cards, personal loans, home equity, anything with higher rates)- if so, estimated balance, interest rate, and payment.
4. Do you need monthly payment savings?
5. Are you interested in paying off your house sooner?
6. Do you have any \$\$ needs in the next 12 months? (Home improvements etc.)

Next Steps: Give us a call to get a deeper understanding of your complete financial situation including your mortgage expense.

## Team Update

Joe is officially a CERTIFIED FINANCIAL PLANNER. He is excited to utilize this skill set with our clients!